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FIRST SESSION

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Thursday, February 6, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward D. Latch, D.D., offered the following prayer:

There is treasure to be desired and oil in the dwelling of the wise; but a foolish man spendeth it up.—Proverbs 21: 20.

Eternal God, at the beginning of a new day we pause a moment to lift our hearts unto Thee. Thou art the sustainer of our lives, the light of all that is true, the strength of all that is good, and the glory of all that is beautiful.

May Thy presence be with us and Thy spirit support us as we seek to walk in the ways of Thy Word and to keep Thy wholesome commandments.

In all our efforts for the good of our Nation may we spread the oil of truth and justice, good will, and brotherhood throughout our world.

Grant unto our President, our Speaker, and Members of Congress moral and spiritual power as they respond to the task of leading our Nation into the brightness of a better day and our world into the glory of a greater era.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 58. An act relating to the compensation and other emoluments attached to the Office of the Attorney General; and

S.J. Res. 27. Joint resolution to amend the Defense Production Act of 1950.

The message also announced that the Vice President, pursuant to title 46, section 1126(c) of the United States Code, appointed Mr. FORD as a member, on the part of the Senate, of the Board of Visitors to the U.S. Merchant Marine Academy; and the chairman of the Committee on Commerce, pursuant to law, appointed Mr. LONG and Mr. BEALL as members, on the part of the Senate, of the same Board of Visitors.

The message also announced that the Presiding Officer announced the appointment by the minority leader of the Senate, pursuant to Public Law 93–379, of Marion Edwyn Harrison to the District of Columbia Law Revision Commission.

The message also announced that the Vice President, pursuant to Public Law 81–774, appointed Mr. BROOKE as a member, on the part of the Senate, of the Joint Committee on Defense Production.

The message also announced that the Vice President, pursuant to Public Law 77–250 and on the recommendation of the chairman of the Committee on Finance, appointed Mr. CURTIS as a member, on the part of the Senate, to the Joint Committee on Reduction of Federal Expenditures.

The message also announced that the Vice President, pursuant to Public Law 83–591, appointed Mr. FANNIN as a member, on the part of the Senate, of the Joint Committee on Internal Revenue Taxation.

The message also announced that the Vice President, pursuant to Public Law 91–452, appointed Mr. BEALL as a member, on the part of the Senate, of the Commission on the Review of the National Policy Toward Gambling.

INCENTIVES MUST BE PROVIDED IF NATION IS TO MEET OIL AND GAS NEEDS

(Mr. MAHON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAHON. Mr. Speaker, the Independent Petroleum Association of America has been holding its annual meeting in Washington this week. These independent operators from across the Nation are seeking better identity among Members of Congress and the people generally. They are not the big multinational companies; they are independent operators who spend their time and money seeking to discover and produce more oil and gas.

I am advised that 88 percent of the exploratory oil and gas wells drilled last year were drilled by independent operators. Traditionally, the independents drill about 75 percent of the exploratory wells.

There can be no successful effort to make this country less dependent upon the importation of foreign oil without massive participation of the independent oil operators of the United States. To have massive participation there must be adequate incentives available to the independent oil operators who explore for oil and gas. They are absolutely essential if we are to extricate ourselves from the intolerable energy situation which confronts the Nation at this time.

This morning at a meeting of a representative group of independent operators I listened, along with many of my colleagues, to a discussion of the problem by C. John Miller, of Michigan, president of the Independent Petroleum Association of America—the IPAA.

Mr. Speaker, we must not enact legislation which would make it impossible for the independent oil operators to lead the way toward finding the domestic sources of oil and gas which this Nation must have if we are to assure the economic health and the security of the Nation.

PUBLICATION OF RULES OF COMMITTEE ON APPROPRIATIONS

Mr. MAHON. Mr. Speaker, pursuant to and in accordance with rule XI, clause 2(a)(3) of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD a copy of the rules of the Committee on Appropriations as approved by the Committee on January 28, 1975:

COMMITTEE ON APPROPRIATIONS—COMMITTEE RULES

(Adopted for the 94th Congress on January 28, 1975)

Resolved, That the rules and practices of the Committee on Appropriations, House of Representatives, in the Ninety-third Congress, except as otherwise provided hereinafter, shall be, and are hereby adopted as the rules and practices of the Committee on Appropriations in the Ninety-fourth Congress:

The foregoing resolution adopts the following rules:

Sec. 1: Power to Sit and Act

For the purpose of carrying out any of its functions and duties under Rules X and XI of the Rules of the House of Representatives,

the Committee or any of its subcommittees is authorized:

(a) To sit and act at such times and places within the United States whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(b) To require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, reports, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman or any Member designated by the Chairman, may administer oaths to any witness. A subpoena may be issued by the Committee or its subcommittees under this subparagraph in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman or by any Member designated by the Committee.

(c) Compliance with any subpoena issued by the Committee or its subcommittees may be enforced only as authorized or directed by the House.

Sec. 2: Subcommittees

(a) The Majority Caucus of the Committee shall establish the number of subcommittees and shall determine the jurisdiction of each subcommittee.

(b) Each subcommittee is authorized to meet, hold hearings, receive evidence and report to the Committee all matters referred to it.

(c) All legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within two weeks unless, by majority vote of the Majority Members of the full Committee, consideration is to be by the full Committee.

(d) The Majority Caucus of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee. The Chairman is authorized to negotiate that ratio with the Minority. Provided, however, that party representation in each subcommittee, including ex-officio members, shall be no less favorable to the Majority than the ratio for the full Committee.

(e) The Chairman is authorized to sit as a member of any subcommittee and to participate in its work.

Sec. 3: Committee Staff

(a) The Chairman is authorized to appoint the staff of the Committee, and make adjustments in the job titles and compensation thereof subject to the maximum rate established in Clause 6(c) of Rule XI of the Rules of the House of Representatives. In addition he is authorized, in his discretion, to arrange for their specialized training. The Chairman is also authorized to employ additional personnel as necessary.

(b) The chairman of each subcommittee may select and designate a staff member who shall serve at the pleasure of the subcommittee chairman. Such selection shall be subject to the approval of a majority of the Majority Members of the full Committee. Such staff member shall be compensated at a rate, determined by the subcommittee chairman not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives; Provided, That no Member shall appoint more than one person pursuant to these provisions.

(c) The ranking minority member of each subcommittee may select and designate a staff member who shall serve at the pleasure of the ranking minority member. Such staff member shall be compensated at a rate, determined by the subcommittee chairman not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives or the rate paid the staff member appointed pursuant to subparagraph (b) of this section; Provided, That no Member shall appoint more than one person pursuant to these provisions.

(d) The Chairman, and the Ranking Minority Member with the approval of the Chairman, may each select and designate a staff member at an annual gross salary of not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives, and may each select and designate one additional staff member.

Sec. 4: Committee Meetings

(a) Regular Meeting Day—The regular meeting day of the Committee shall be the first Wednesday of each month while the House is in session, unless the Committee has met within the past 30 days or the Chairman considers a specific meeting unnecessary in the light of the requirements of the Committee business schedule.

(b) Additional and Special Meetings:

(1) The Chairman may call and convene, as he considers necessary additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The committee shall meet for such purpose pursuant to that call of the Chairman.

(2) If at least three Committee Members desire that a special meeting of the Committee be called by the Chairman, those Members may file in the Committee Offices a written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Upon the filing of the request, the Committee Clerk shall notify the Chairman.

(3) If within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the Committee Members may file in the Committee Offices their written notice that a special meeting will be held, specifying the date and hour of, and the measure or matter to be considered. The Committee shall meet on that date and hour.

(4) Immediately upon the filing of the notice, the Committee Clerk shall notify all Committee Members that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered. Only the measure or matter specified in that notice may be considered at the special meeting.

(c) Ranking Majority Member to Preside in Absence of Chairman—If the Chairman is not present at any meeting of the Committee, the Ranking Majority Member on the Committee who is present shall preside.

(d) Business Meetings:

(1) Each meeting for the transaction of business, including the markup of legislation, of the Committee and its subcommittees shall be open to the public except when the Committee or its subcommittees, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed.

(2) No person other than Committee Members and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed.

(3) The provisions of this subparagraph do not apply to open hearings of the Committee or its subcommittees which are provided for in Section 5(b)(1) of these Rules or to any meeting of the Committee relating solely to internal budget or personnel matters.

(e) Committee Records:

(1) The Committee shall keep a complete record of all Committee action including a record of the votes on any question on which a rollcall is demanded. The result of each rollcall vote shall be available for inspection by the public during regular business hours in the Committee Offices. The information made available for public inspection shall include a description of the amendment, motion, or other proposition and the name of each Member voting for and each Member voting against, and the names of those Members present but not voting.

(2) All hearings, records, data, charts, and files of the Committee shall be kept separate and distinct from the congressional office records of the Chairman of the Committee. Such records shall be the property of the House and all Members of the House shall have access thereto.

Sec. 5: Committee and Subcommittee Hearings.

(a) Overall Budget Hearings—Overall budget hearings by the Committee, including the hearings required by Sec. 242(c) of the Legislative Reorganization Act of 1970 and Clause 4(a)(1) of Rule X of the Rules of the House of Representatives shall be conducted in open session except when the Committee in open session and with a quorum present, determines by rollcall vote that the testimony to be taken at that hearing on that day may be related to a matter of national security; except that the Committee may by the same procedure close one subsequent day of hearing. A transcript of all such hearings shall be printed and a copy furnished to each Member, Delegate and the Resident Commissioner from Puerto Rico.

(b) Other Hearings:

(1) All other hearings conducted by the Committee or its subcommittees shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; except that the Committee or its subcommittees may by the same procedure vote to close one subsequent day of hearing.

(2) Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings.

(3) Each witness who is to appear before the Committee or any of its subcommittees as the case may be, insofar as is practicable, shall file in advance of his appearance a written statement of the proposed testimony and shall limit the oral presentation at such appearance to a brief summary; except that this provision shall not apply to any witness appearing before the Committee in the overall budget hearings.

(c) Quorum for Taking Testimony—The number of Members of the Committee which shall constitute a quorum for taking testimony and receiving evidence in any hearing of the Committee shall be two.

(d) Calling and Interrogation of Witnesses:

(1) The Minority Members of the Committee or its subcommittees shall be entitled, upon request to the Chairman or subcommittee chairman, by a majority of them before completion of any hearing, to call witnesses selected by the Minority to testify with respect to the matter under consideration during at least one day of hearings thereon.

(2) The Committee and its subcommittees shall observe the five minute rule during the interrogation of witnesses until such time as each Member of the Committee or subcommittee who so desires has had an opportunity to question the witness.

(e) Broadcasting and Photographing of Committee Meetings and Hearings:

(1) The Chairman is authorized to determine the extent and nature of broadcasting and photographic coverage for the overall budget hearing and full Committee meetings and hearings, subject to the guidelines for such coverage set forth in Sec. 116(b) of the Legislative Reorganization Act of 1970 and Clause 3(f) of Rule XI of the Rules of the House of Representatives.

(2) Unless approved by the Chairman and concurred in by a majority of the subcommittee, no subcommittee hearings or meetings shall be broadcast by radio or television.

(3) Unless approved by the subcommittee chairman and concurred in by a majority of the subcommittee, no subcommittee hearing or meeting or subcommittee room shall be photographed.

(4) Broadcasting and photographic coverage of subcommittee hearings and meetings authorized under the provisions of (2) and (3) above shall be subject to the guidelines for such coverage set forth in Clause 3(f) of Rule XI of the Rules of the House of Representatives.

(f) Subcommittee Meetings—No subcommittee shall sit while the House is reading an appropriation measure for amendment under the five-minute rule or while the Committee is in session.

(g) Public Notice of Committee Hearings—The Chairman is authorized and directed to make public announcements of the date, place and subject matter of Committee and subcommittee hearings at least one week before the commencement of such hearings. If the Committee or any of its subcommittees as the case may be, determines that there is good cause to begin a hearing sooner, the Chairman is authorized and directed to make the announcement at the earliest possible date.

Sec. 6: Procedures for Reporting Bills and Resolutions

(a) Prompt Reporting Requirement:

(1) It shall be the duty of the Chairman, except as provided in subparagraph (3) herein, to report or cause to be reported promptly to the House any bill or resolution approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, a report on a bill or resolution which the Committee has approved shall be filed within seven calendar days (exclusive of days in which the House is not in session) after the day on which there has been filed with the Committee Clerk a written request, signed by a majority of Committee Members, for the reporting of such bill or resolution. Upon the filing of any such request, the Committee Clerk shall notify the Chairman immediately of the filing of the request. This subparagraph does not apply to the reporting of a regular appropriation bill prior to compliance with subparagraph (3) herein or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(3) Before reporting the first regular appropriation bill for each fiscal year, the Committee shall, to the extent practicable and in accordance with Sec. 307 of the Congressional Budget Act of 1974, complete subcommittee markup and full Committee action on all regular appropriation bills for that year and submit to the House a report comparing the Committee's recommendations with the appropriate levels of budget outlays and new budget authority as set forth in the most recently agreed to concurrent resolution on the budget for that year; Provided, That this provision shall be applicable to fiscal year 1977 and succeeding fiscal years unless the House and Senate Budget Committees both agree that Sec. 307 of the Congressional Budget Act of 1974 shall apply to fiscal year 1976.

(b) Presence of Committee Majority—No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(c) Rollcall Votes—With respect to each rollcall vote on a motion to report any bill or resolution, the total number of votes cast for, and the total number of votes cast against, the reporting of such a bill or resolution shall be included in the Committee report.

(d) Compliance with Congressional Budget Act—A Committee report on a bill or resolution which has been approved by the Committee shall include the statement required by Sec. 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the bill or resolution provides new budgetary authority; Provided, That this provision shall be applicable to fiscal year 1977 and succeeding fiscal years unless the House and Senate Budget Committees both agree that Sec. 308(a) of the Congressional Budget Act of 1974 shall apply to fiscal year 1976.

(e) Inflationary Impact Statement—Each Committee report on a bill or resolution reported by the Committee shall contain a detailed analytical statement as to whether the enactment of such bill or resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(f) Changes in Existing Law—Each Committee report on a general appropriation bill shall contain a concise statement describing fully the effect of any provision of the bill which directly or indirectly changes the application of existing law.

(g) Rescissions and Transfers—Each bill or resolution reported by the Committee shall include separate headings for rescissions and transfers of unexpended balances with all proposed rescissions and transfers listed therein. The report of the Committee accompanying such a bill or resolution shall include a separate section with respect to such rescissions or transfers.

(h) Supplemental or Minority Views:

(1) If, at the time the Committee approves any measure or matter, any Committee Member gives notice of his intention to file supplemental, minority or additional views, he shall be entitled to not less than three calendar days (excluding Saturdays, Sundays and legal holidays) in which to file such views in writing and signed by him, with the Clerk of the Committee. All such views so filed shall be included in and shall be a part of the report filed by the Committee with respect to that measure or matter.

(2) The Committee report on that measure shall be printed in a single volume which—

(i) shall include all supplemental, minority or additional views which have been submitted by the time of the filing of the report, and

(ii) shall have on its cover a recital that any such supplemental, minority or additional views are included as part of the report.

(3) Subparagraph (h)(1) of this section, above, does not preclude—

(i) the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority or additional views has been made as provided by such subparagraph; or

(ii) the filing by the Committee of a supplemental report on a measure or matter which may be required for correction of any technical error in a previous report made by the Committee on that measure or matter.

(4) If, at the time a subcommittee approves any measure or matter for recommendation to the full Committee, any Member of that subcommittee gives notice of his intention to offer supplemental, minority or additional views, he shall be entitled, insofar as is practicable and in accordance with the printing requirements as determined by the subcommittee, to include such views in the Committee Print with respect to that measure or matter.

(i) *Availability of Reports*—A copy of the bill and report on each general appropriation bill shall be made available to each Member of the Committee at least 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in advance of the date on which the Committee is to consider each such bill and report.

Sec. 7: Voting

(a) No vote by any Member of the Committee or any of its subcommittees with respect to any measure or matter may be cast by proxy.

(b) The vote on any question before the Committee shall be taken by the yeas and nays on the demand of one fifth of the members present.

Sec. 8: Studies and Examinations

The following procedure shall be applicable with respect to the conduct of studies and examinations of the organization and operation of Executive Agencies under authority contained in Sec. 202(b) of the Legislative Reorganization Act of 1946 and in Clause 2(b)(3) of Rule X, of the Rules of the House of Representatives.

(a) The Chairman is authorized to appoint such staff and, in his discretion, arrange for the procurement of temporary services of consultants, as from time to time may be required.

(b) Studies and examinations will be initiated upon the written request of a subcommittee which shall be reasonably specific and definite in character, and shall be initiated only by a majority vote of the subcommittee, with the chairman of the subcommittee and the ranking minority member thereof participating as part of such majority vote. When so initiated such request shall be filed with the Clerk of the Committee for submission to the Chairman and the Ranking Minority Member and their approval shall be required to make the same effective. Notwithstanding any action taken on such request by the chairman and ranking minority member of the subcommittee, request may be approved by a majority of the Committee.

(c) Any request approved as provided under paragraph (b) shall be immediately turned over to the staff appointed for action.

(d) Any information obtained by such staff shall be reported to the chairman of the subcommittee requesting such study and examination and to the Chairman and Ranking Minority Member, shall be made available to the members of the subcommittee concerned, and shall not be released for publication until the subcommittee so determines.

(e) Any hearings or investigations which may be desired, aside from the regular hearings on appropriation items, when approved by the Committee, shall be conducted by the subcommittee having jurisdiction over the matter.

Sec. 9: Official Travel

(a) The chairman of a subcommittee shall approve requests for travel by subcommittee members and staff for official business within the jurisdiction of that subcommittee. The ranking minority member of a subcommittee shall concur in such travel requests by minority members of that subcommittee and the Ranking Minority Member shall concur in such travel requests for Minority Members of the Committee. Requests in writing covering the purpose, itinerary, and dates of proposed travel shall be submitted for final approval to the Chairman. Specific approval shall be required for each and every trip.

(b) The Chairman is authorized during the recess of the Congress to approve travel authorizations for Committee Members and staff, including travel outside the United States.

(c) As soon as practicable the Chairman shall direct the head of each government agency concerned not to honor requests of subcommittee, individual Members, or staff for travel, the direct or indirect expenses of which are to be defrayed from an executive appropriation, except upon request from the Chairman.

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(d) In accordance with Clause 2(m) of Rule XI of the Rules of the House of Representatives, local currencies owned by the United States shall be available to Committee Members and staff engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of Committee Members or staff in any country where local currencies are available for this purpose. No Committee Member or staff member shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

(e) Travel Reports:

(1) Members of staff shall make a report to the Chairman on their travel covering the purpose, results, itinerary, expenses, and other pertinent comments.

(2) With respect to foreign travel the report shall also include the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. Such section of the report concerning foreign travel shall be filed by the Chairman with the Committee on House Administration.

(3) Each Member or employee performing such travel shall be solely responsible for supporting the amounts reported by him.

(4) No report or statement as to any trip shall be publicized making any recommendations in behalf of the Committee without the authorization of a majority of the Committee.

(f) Members and staff of the Committee performing authorized travel on official business pertaining to the jurisdiction of the Committee shall be governed by applicable laws or regulations of the House and of the Committee on House Administration pertaining to such travel, as promulgated from time to time by the Chairman.

HOW TO SAVE TAXPAYERS ABOUT $200 MILLION A YEAR

(Mr. MOTTL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOTTL. Mr. Speaker, I am a freshman Representative making my first speech from the floor of this House.

I hope this will be a profitable minute for the American people.

If President Ford and his administration would adopt my suggestion, they would immediately save our taxpayers about $200 million a year.

The public loses this sum every year, because Uncle Sam foolishly keeps an average of $4 billion on deposit in commercial banks throughout the Nation—on deposit in noninterest bearing accounts.

Any businessman who did that would be denounced by his stockholders and associate and immediately replaced. Almost anyone—except Uncle Sam—would put such a sum to work earning interest.

Think of all the things that $200 million could buy—the expenses of Government which it could pay for—the sweat and labor it takes to pay that much in taxes.

I appeal to President Ford and Secretary of the Treasury Simon to immediately issue an Executive order directing that Uncle Sam deposit that $4 billion in idle cash only in banks which will pay the same interest on it that would be received by any ordinary businessman.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. MOTTL. I am happy to yield to the gentleman from West Virginia

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Ohio (Mr. MOTTL), and commend the gentleman for his suggestion. I hope that such an Executive order will be issued, or that appropriate legislation is passed to accomplish the objective he seeks.

Mr. MOTTL. I thank the gentleman from West Virginia.

PUBLICATION OF RULES OF COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. FLYNT. Mr. Speaker, pursuant to rule XI, clause 2(a)(3) of the Rules of the House, I submit for publication in the RECORD the rules adopted today by the Committee on Standards of Official Conduct for the 94th Congress:

RULES—COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT, U.S. HOUSE OF REPRESENTATIVES, 94TH CONGRESS, ADOPTED FEBRUARY 6, 1975

Resolved, That the Committee on Standards of Official Conduct adopt, in addition to the applicable Rules of the House of Representatives, the following rules of procedure:

Rule 1. *Meetings.* (a) The regular meeting day of the Committee shall be the second Wednesday of each month, except when the House is not meeting on that day. A regularly scheduled meeting need not be held when the Chairman determines there is no business to be considered.

(b) Insofar as practicable, notice will be provided seven days in advance of meetings. However, the Chairman is authorized to waive such time period at his discretion, for good cause.

Rule 2. *Quorums.* Two members of the Committee shall constitute a quorum for taking testimony and receiving evidence.

Rule 3. *Subcommittees.* (a) The Chairman may establish subcommittees and may assign to them such functions as he may deem advisable. The membership of each subcommittee shall provide equal representation for the majority and minority parties. The Chairman may refer any bill, resolution, or other matter before the Committee to an appropriate subcommittee for consideration or investigation and may recall any such bill, resolution, or other matter from the subcommittee to which it was referred.

(b) The Chairman and the ranking minority member of the Committee shall be ex officio members of each subcommittee and may vote on any subcommittee action.

(c) Any member of the Committee may sit with any subcommittee, but only regular members of the subcommittee, the Chairman and the ranking minority member of the Committee may vote on any matter before the subcommittee.

(d) So far as applicable, the Rules of the House of Representatives and the Rules of the Committee on Standards of Official Conduct shall be the rules of each subcommittee, but each subcommittee may prescribe additional rules not inconsistent therewith.

Rule 4. *Witnesses.* (a) A subpena to a witness shall be served sufficiently in advance of his scheduled appearance to allow him a reasonable period of time, as determined by the Committee, to prepare for the hearing and to employ counsel should he so desire.

(b) Except as otherwise specifically authorized by the Chairman, no member of the Committee or staff shall make public the name of any witness subpenaed by the Committee before the date of his scheduled appearance.

(c) Each witness subpenaed by the Committee may sign appropriate vouchers for travel allowances and attendance fees, which may be obtained from the Committee staff.

(d) The Chairman may permit any individual whose official conduct is under investigation by the Committee to examine or cross-examine, with the assistance of his counsel, other witnesses appearing before the Committee in the course of such investigation.

(e) Except as provided in clause (d) of this Rule, interrogation of witnesses before the Committee may be conducted on behalf of the Committee only by members of the Committee and authorized Committee staff members.

(f) The Chairman shall rule upon any question of admissibility of testimony or evidence presented before the Committee. His ruling shall be final unless reversed by a vote of not less than seven members of the Committee.

Rule 5. *Changing the Rules.* The Rules of the Committee on Standards of Official Conduct may be modified, amended, or repealed, by a majority vote of the Committee, provided that prior written notice of the proposed change has been provided each member of the Committee.

Rule 6. *Distribution of Rules.* Each witness appearing before the Committee shall be furnished a printed copy of the Rules of the Committee and the pertinent provisions of the Rules of the House applicable to the rights of witnesses.

PUBLICATION OF RULES OF THE COMMITTEE ON ARMED SERVICES

Mr. PRICE. Mr. Speaker, in accordance with clause 2(a)(3) of rule XI of the Rules of the House of Representatives, I submit herewith for publication in the RECORD the rules of the Committee on Armed Services which were adopted by the committee in open session on Tuesday, February 4, 1975:

RULES FOR THE COMMITTEE ON ARMED SERVICES FOR THE 94TH CONGRESS

1. The Committee on Armed Services will meet every Tuesday at 10:00 a.m., and at such other times as may be fixed by the Chairman or by the written request of a majority of the members of the committee, in accordance with House Rule XI, Clause (c).

A Tuesday meeting of the committee may dispensed with by the Chairman, but such action may be reversed by a written request of a majority of the members.

2. No general proxies may be used for any purpose. A member may vote by special proxy, which must be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. A proxy may be used in subcommittee or full committee. All proxies must be filed with the committee counsel and be available for inspection at any time.

3. No measure or recommendation shall be reported or tabled by the committee unless a majority of the committee is actually present.

4. A rollcall of the members may be had upon the request of five or more members present or, in the case of subcommittees, on the request of one-fifth of a quorum.

5. (a) The Committee on Armed Services of the House of Representatives shall be organized to consist of the following six standing legislative subcommittees:

"The Research and Development Subcommittee" which shall have legislative jurisdiction over the following subject matter: annual authorization for research and development; airlift; and related legislative oversight.

"The Seapower and Strategic and Critical Materials Subcommittee" which shall have legislative jurisdiction over the following subject matter: procurement and construction of naval vessels; sealift; antisubmarine warfare; disposal of naval vessels; strategic and critical materials necessary for the national defense; and related legislative oversight.

"The Military Compensation Subcommittee" which shall have legislative jurisdiction over the following subject matter: pay and allowances; recruiting; promotion; retirement; and related legislative oversight.

"The Military Installations and Facilities Subcommittee" which shall have legislative jurisdiction over the following subject matter: military construction; real estate acquisitions and disposals; housing and support facilities; base closures; real estate generally; and related legislative oversight.

"The Military Personnel Subcommittee" over the following subject matter: active which shall have legislative jurisdiction duty and reserve training; authorized strengths; Reserve Officers' Training Corps; human relations; academies; medical care; and related legislative oversight.

"The Investigations Subcommittee" which shall have legislative jurisdiction over naval petroleum reserves and legislative matters not specifically reserved or assigned to other subcommittees or the full committee and all related legislative oversight.

(b) The Chairman shall refer legislation and other matters to the subcommittee of appropriate jurisdiction within two weeks unless, by a majority vote of the members of the full committee, consideration is to be by the full committee.

(c) The Chairman of the full committee, at such time and for such purposes as he may deem advisable in the interest of committee business, is authorized to appoint additional special subcommittees for the purpose of investigating specific matters within committee jurisdiction. The establishment of such special subcommittees, including the mission of the subcommittee and its membership, shall require approval of the full committee.

(d) The Chairman of the full committee, with approval of the full committee, a quorum being present, shall have authority to discharge a subcommittee from consideration of any bill, resolution, or other matter referred thereto and have such measure or matter considered by the full committee.

(e) A majority vote of a quorum of a subcommittee shall be required to report a bill, resolution, or other matter to the full committee or to table any such measure or matter in the subcommittee.

(f) The full committee, and all subcommittees, may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any such subpoena may be issued by the committee, or subcommittee, in the conduct of an investigation or activity or a series of investigations or activities, only when authorized by a majority of the members of the full committee, and authorized subpoenas shall be signed by the Chairman of the committee or by any member designated by the committee.

(g) Chairmen of standing subcommittees who sit on a second subcommittee shall rank behind other members serving on that subcommittee as their primary subcommittee assignment.

6. Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of three calendar days from the time the report is approved by the subcommittee and printed hearings thereon are available to the members, except that this rule may be waived by a two-thirds vote of a quorum of the committee.

7. Bills shall be taken up for hearing only when called by the Chairman of the full committee or subcommittee, or by a majority vote of a quorum of the full committee or a subcommittee. A majority of the full committee or subcommittee shall constitute a quorum for purposes of taking final action on legislation or other matters. However, a quorum for the purpose of taking testimony and receiving evidence by either the full committee or any subcommittee shall be not less than two.

8. Any prepared statement to be presented by a witness to the committee or a subcommittee shall be submitted to the committee at least 48 hours in advance of presentation and shall be distributed to all members of the committee or subcommittee at least 24 hours in advance of delivery. If a prepared statement contains security information bearing a classification of secret or higher, the statement shall be made available in the committee room to all members of the committee at least 24 hours in advance of delivery; however, no such statement shall be removed from the offices. The requirements of this rule may be waived upon a majority vote of the full committee or any subcommittee, a quorum being present.

All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee of the Committee on Armed Services shall be deemed to have been received by the committee in executive session and shall be given appropriate safekeeping.

The Chairman of the full committee shall, with the approval of the full committee, establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received by the committee classified as secret or higher. Such procedures shall, however, ensure access to this information by any member of the committee or any other member of the House of Representatives who has requested the opportunity to review such material.

9. When a witness is before the committee, members of the committee may put questions to the witness only when they have been recognized by the Chairman for that purpose.

10. Members of the committee who so desire shall have not to exceed five minutes to interrogate each witness until such time as each member has had an opportunity to interrogate such witness; thereafter, additional time for questioning witnesses by members is discretionary with the Chairman.

11. Questions put to witnesses before the committee shall be pertinent to the bill or other subject matter that may be before the committee for consideration.

12. The time any one member under consideration by the committee shall not exceed five minutes, and then only when he has been recognized by the Chairman, except that this time limit may be exceeded by unanimous consent. Any member, upon request, shall be recognized for not to exceed five minutes to address the committee on behalf of an amendment which he has offered to any pending bill or resolution.

13. No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence to justify a new hearing has been presented to the Congress.

14. (a) Each committee or subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the committee or subcommittee, in open session and with a quorum being present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however*, that no person other than members of the committee and/subcommittee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public.

(b) Each hearing conducted by the full committee or the subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however*, that the full committee or the subcommittee may by the same procedure vote to close one subsequent day of hearing.

(c) The full committee and each subcommittee shall make public announcement of the date, place and subject matter of the full committee or subcommittee hearing at least one week before the commencement of the hearing. However, if the Chairman of the full committee or subcommittee determines that there is good cause to begin the hearing sooner, he or she shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest.

(d) The full committee and each subcommittee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

(e) No point of order shall lie with respect to any measure reported by the full committee or any subcommittee on the ground that hearings on such measure were not conducted in accordance with the provisions of Committee Rule 15; except that a point of order on that ground may be made by any member of the full committee or subcommittee which reported the measure if, in the full committee or subcommittee, such point of order was (A) timely made and (B) improperly overruled or not properly considered.

15. If, at any time of approval of any measure or matter by the committee, any member of the committee gives timely notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with

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the chief counsel of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter.

16. The result of each rollcall in any meeting of the committee shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. With respect to each record vote by the committee on each motion to report any bill or resolution of public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

17. The attendance records of members at committee meetings (including subcommittee meetings) shall be available for public inspection in the offices of the committee.

18. The staffing of the full committee and the standing subcommittees shall be subject to the appropriate rules of the House of Representatives, including, among other things, the provisions of Rule XI, Clause 5(d).

PERSONAL EXPLANATION

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, on rollcall 11, the vote on H.R. 1589 to prohibit food stamp increases, I was detained and unable to be present for the vote. Had I been present, I would have voted "aye." I ask that my statement be placed in the RECORD.

PUBLICATION OF RULES OF THE COMMITTEE ON THE JUDICIARY

Mr. EILBERG. Mr. Speaker, on behalf of the gentleman from New Jersey, (Mr. RODINO) and pursuant to clause 2 of rule XI of the rules of the House, I am pleased to place in the RECORD the Judiciary Committee's Rules of Procedure for the 94th Congress.

These rules were adopted in an open meeting of the committee on January 29, 1975.

On January 27, 1975, the full Democratic membership of the Judiciary Committee met pursuant to rule M III A of the manual of the Democratic Caucus. Subcommittee chairmen were elected pursuant to the rules outlined in M V A of the caucus manual and subcommittee assignments were filled according to steps 1, 2, and 3 of manual rule M V B.

Jurisdiction and number of subcommittees, powers and duties of subcommittees, reference of legislation and other matters, party ratios on each subcommittee and subcommittee budget and staffing were all determined and are being implemented precisely according to the terms of caucus manual rule M III A (1) through (5).

The rules follow:

COMMITTEE ON THE JUDICIARY—RULES OF PROCEDURES, 94TH CONGRESS

Rule I. The Rules of the House of Representatives are the rules of the Committee on the Judiciary and its subcommittees with the following specific additions thereto.

Rule II. Committee meetings:

(a) The regular meeting day of the Committee on the Judiciary for the conduct of its business shall be on Tuesday of each week while the Congress is in session.

(b) Additional meetings may be called by the Chairman and a regular meeting of the Committee may be dispensed with when, in the judgment of the Chairman, there is no need therefor.

(c) At least 24 hours (excluding Saturdays, Sundays, and legal holidays) before each scheduled Committee meeting, each Member of the Committee shall be furnished a list of the bill(s) and subject(s) to be considered and/or acted upon at the meeting. Bills or subjects not listed shall be subject to a point of order unless their consideration is agreed to by a two-thirds vote of the Committee.

(d) Committee and subcommittee meetings for the transaction of business, i.e., meetings other than those held for the purpose of taking testimony, shall be open to the public except when the Committee or subcommittees, by majority vote, determine otherwise.

(e) Every motion made to the Committee and entertained by the Chairman shall be reduced to writing upon the demand of any Member, and a copy made available to each Member present.

(f) In all subcommittee proceedings where a vote on a motion to report a bill to the full Committee results in a tie, such bill shall be reported to the full Committee without recommendation.

Rule III. Hearings:

(a) The Committee or any subcommittee shall make public announcement of the date, place and subject matter of any hearing to be conducted by it on any measure or matter at least 1 week before the commencement of that hearing, unless the Committee or the subcommittee before which such hearing is scheduled, determines that there is good cause to begin such hearing at an earlier date, in which event it shall make public announcement at the earliest possible date.

(b) Committee and subcommittee hearings shall be open to the public except when the Committee or subcommittee, by majority vote, determines otherwise.

(c) For purposes of taking testimony and receiving evidence before any subcommittee, a quorum shall be constituted by the presence of 2 Members. For purposes of taking testimony and receiving evidence before the full Committee, a quorum shall be constituted by the presence of 10 Members.

(d) In the course of any hearing each Member shall be allowed 5 minutes for the interrogation of a witness until such time as each Member who so desires has had an opportunity to question the witness.

Rule IV. Proxy voting. A vote by any Member of the Committee with respect to any measure or matter being considered in the Committee or in subcommittee may be cast by proxy if the proxy authorization is in writing, asserts that the Member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time that the proxy is signed. Proxies may not be counted for a quorum.

Rule V. Broadcasting:

(a) Whenever any hearing or meeting conducted by the Committee or any subcommittee is open to the public, the Committee or subcommittee, as the case may be, may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the Committee or subcommittee, as the case may be, shall be required against his will to be photographed at any hearing or meeting or to give evidence or testimony while the broadcasting of that hearing or meeting, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or subcommittee, as the case may be, or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the Committee or subcommittee, as the case may be, is in session.

(7) Floodlights, spotlights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five media for coverage of the hearing by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee or subcommittee, as the case may be.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

(b) Subcommittees may authorize the broadcasting or photographing of any of their public hearings or meetings without the specific permission of the Committee.

Rule VI. Standing subcommittees. There shall be the following seven standing subcommittees of the Committee on the Judiciary as follows:

(a) *Subcommittee on Immigration, Citizenship & International Law:* Immigration and Naturalization, Treaties and International Agreementa, Passports, Admiralty and appropriate oversight.

(b) *Subcommittee on Administrative Law and Governmental Relations:* Administrative Law, Claims against the United States, Public Contract Law, Relations between States and appropriate oversight.

(c) *Subcommittee on Courts, Civil Liberties, and the Administration of Justice:* U.S. Attorneys and U.S. Marshals, Courts, Judicial Ethics, Prisons, Paroles, Patents, Trademarks, Copyrights and appropriate oversight.

(d) *Subcommittee on Civil and Constitutional Rights: Civil Rights and Liberties,* Bankruptcy and appropriate oversight.

(e) *Subcommittee on Monopolies and Commercial Law:* Antitrust, Judgeships, Economic Regulation generally and appropriate oversight.

(f) *Subcommittee on Crime:* Prevention of Crime, Problems of Criminal Offenders and appropriate oversight.

(g) *Subcommittee on Criminal Justice:* Federal Criminal Code, Rules of Criminal Procedure, Rules of Civil Procedure and appropriate oversight.

Rule VII. Powers and duties of subcommittees. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.

PUBLICATION OF RULES OF PROCEDURE FOR COMMITTEE ON RULES

Mr. HARRIS. Mr. Speaker, on behalf of the gentleman from Indiana (Mr. MADDEN), the chairman of the Committee on Rules, pursuant to clause 3 of rule XI of the Rules of the House of Representatives, I submit for the RECORD a copy of the rules of procedure for the Committee on Rules adopted on Monday, February 3, 1975.

94TH CONGRESS: RULES OF PROCEDURE FOR THE COMMITTEE ON RULES, ADOPTED MONDAY, FEBRUARY 3, 1975

RULE 1—MEETINGS

(a) The Committee on Rules shall meet at 10:30 a.m. on Tuesday of each week when the House is in session. Meetings and hearings shall be called to order and presided over by the Chairman or, in the absence of the Chairman, by the Ranking Majority Member of the Committee present as Acting Chairman.

(b) A minimum 48 hours' notice of regular meetings and hearings of the Committee shall be given to all members except that the Chairman, acting on behalf of the Committee, may schedule a meeting or hearing for the consideration of emergency and/or procedural measures or matters at any time. As much notice as possible will be given to all members when emergency meetings or hearings are called; provided, however, that an effort has been made to consult the Ranking Minority Member. In the event of his absence, an effort shall be made to consult the Member next in rank, and so on down the line until an effort has been made with respect to all Members of the Minority. Copies of bills and reports to be considered for a rule by the Committee are to be sent to Members of the Committee at least one day in advance of consideration by the Committee, except in cases of emergencies.

(c) Meetings, hearings, and executive sessions of the Committee shall be open to the public in accordance with clause 26 and clause 27 of rule XI of the Rules of the House of Representatives.

(d) For the purpose of hearing testimony on requests for rules, seven Members of the Committee shall constitute a quorum.

(e) For the purpose of hearing and taking testimony on matters or measures of original jurisdiction before the Committee, three Members of the Committee shall constitute a quorum.

(f) For the purpose of executive meetings, a majority of the Committee shall constitute a quorum.

(g) All measures or matters which have been scheduled for consideration by the Committee on which any Member of the House wishes to testify, and so requests, will be the subject of hearings, at which time all interested Members who are proponents or opponents will be provided a reasonable opportunity to testify.

(h) There shall be a transcript of regularly scheduled hearings and meetings of the Committee which may be printed if the Chairman decides it is appropriate, or if a majority of the members request it.

(i) A Tuesday meeting of the Committee may be dispensed with where, in the judgment of the Chairman, there is no need therefor, and additional meetings may be called by the Chairman, or by written request of a majority of the Committee duly filed with the Counsel of the Committee.

(j) The Committee may permit, by a majority vote on each separate occasion, the coverage of any open meeting or hearing, in whole or in part, by television broadcast, radio broadcast, and still photography under such requirements and limitations as set forth in the Rules of the House of Representatives.

(k) The five-minute rule in the interrogation of witnesses, until such time as each Member of the Committee who so desires has had an opportunity to question the witness, shall be followed.

(l) When a recommendation is made as to the kind of rule which should be granted, a copy of the language recommended shall be furnished to each member of the Committee at the beginning of the meeting where such language is to be considered or as soon thereafter as such recommendation becomes available.

RULE 2—VOTING

(a) No measure or recommendation shall be reported, deferred, or tabled by the Committee unless a majority of the Committee is actually present.

(b) A rollcall vote of the Members of the Committee may be had upon the request of any member.

(c) The result of each rollcall vote, including the names of Committee Members and how they voted on specific issues, shall be available for public inspection at the office of the Committee.

RULE 3—REPORTING

(a) Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee, the Chairman or Acting Chairman shall report the same or designate some member of the Committee to report the same to the House, such report to include the totals of any record vote thereon.

RULE 4—COMMITTEE STAFFING

(a) The professional and clerical staffs of the Committee shall serve under the general supervision and direction of the Chairman, who shall establish and assign the duties and responsibilities of the members of the staffs and delegate such authority as the Chairman deems appropriate, with the exception of the Minority staff, who shall serve under the general supervision and direction of the Ranking Minority Member of the Committee

RULE 5—MISCELLANEOUS

(a) The Committee shall have prepared, maintained, printed and published a calendar listing all matters formally before it. Information on this calendar shall include the number of the bill or resolution, a brief description of the measure's contents, including the legislative committee reporting it, and the name of the principal sponsoring Member.

(b) The staff shall prepare, maintain, and furnish to the Members of the Committee a list of all pending bills or resolutions from other committeea concerning which a hearing request has been properly filed with the Committee. This list shall be distributed to the Members of the Committee on a regular weekly basis when the House is in session and shall include the number of the bill or resolution, the name of the legislative committee reporting it, the principal sponsoring Member, and the date upon which the request for a rule was filed, along with a brief analysis of the contents of the scheduled measures and a description of the rule requested by the reporting legislative committee, if so requested.

(c) For purpose of this rule, matters formally before the Committee include: bills or resolutions over which the Committee has original jurisdiction, and bills or resolutions from other committees concerning which the chairman or designated member of such committee has requested a hearing in writing and forwarded to the Committee on Rules a copy of such bill or resolution as reported, together with the final printed committee report.

(d) Executive meeting minutes shall be available to the Committee members but may not be released to any other person without the consent of the Committee, in compliance with Rule XI, clause 27(o).

(e) Upon adoption of the rules and procedures of the Committee at the opening of each Congress, the Chairman may have these rules and procedures printed in an early issue of the Congressional Record.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to clauses 6 (e) and (h), of rule X, the Chair appoints as members of the Select Committee on Aging the following Members of the House: Mr. RANDALL, of Missouri, chairman; Mr. PEPPER, of Florida; Mr. ROYBAL, of California; Mr. ROONEY, of Pennsylvania; Mr. BIAGGI, of New York; Mr. FLOWERS, of Alabama; Mr. ANDREWS of North Carolina; Mr. JOHN BURTON, of California; Mr. BEARD of Rhode Island; Mr. BLOUIN, of Iowa; Mr. BONKER, of Washington; Mr. DOWNEY, of New York; Mr. FLORIO, of New Jersey; Mr. FORD of Tennessee; Mr. HUGHES, of New Jersey; Mrs. LLOYD, of Tennessee; Mr. SANTINI, of Nevada; Mr. BOB WILSON, of California; Mr. WAMPLER, of Virginia; Mr. HAMMERSCHMIDT, of Arkansas; Mr. HEINZ, of Pennsylvania; Mr. COHEN, of Maine; Mr. SARASIN, of Connecticut; Mr. WALSH, of New York; and Mr. GRASSLEY, of Iowa.

RESIGNATION FROM COMMITTEE ON SMALL BUSINESS

The SPEAKER laid before the House the following resignation from a committee:

WASHINGTON, D.C., *February 5, 1975.*

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Please accept this as my resignation immediately for the Committee on Small Business. I do this as a result of my election to the Committee on the Budget.

With kindest regards, I am,

Respectfully,

BUTLER DERRICK,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

JANUARY 17, 1975.

Hon. CARL ALBERT,
The Speaker,
U.S. House of Representatives.

DEAR MR. SPEAKER: On January 16, 1975, I was served with the attached subpoena by a United States Attorney that was issued by the U.S. District Court for the District of Columbia. This subpoena is in connection with the case of United States of America v. David E. Gumaer, Criminal Case No. 74-688. The subpoena commands me or my authorized representative to appear on the 10th day of February 1975 in said U.S. District Court to testify on behalf of the United States.

This same matter was previously considered by the House during the 93rd Congress when in its wisdom it responded to a subpoena duces tecum concerning a Grand Jury Investigation and enacted thereon House Resolution 1366 of September 16, 1974.

The subpoena in question is respectfully attached for such action as the House may in its wisdom see fit to take.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS.
Clerk, U.S. House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

SUBPOENA

[In the U.S. District Court for the District of Columbia, Criminal Case No. 74-688]

United States of America v. David E. Gumaer.

The President of the United States to: The Honorable W. Pat Jennings, Clerk of the House of Representatives, Washington, D.C., or his authorized representative.

You are hereby commanded to attend the said Court on Monday, February 10, 1975, at 9 a.m. to testify on behalf of the United States and not depart the Court without leave of the Court or the United States Attorney.

Witness, the Honorable George L. Hart, Jr., Chief Judge of said Court, this 19th day of December, 1974.

GEORGE L. HART, JR.,
Chief Judge.

AUTHORIZING CLERK, HOUSE OF REPRESENTATIVES, OR AUTHORIZED REPRESENTATIVE TO APPEAR AS WITNESS IN UNITED STATES v. DAVID E. GUMAER (74-688) IN U.S. DISTRICT COURT FOR DISTRICT OF COLUMBIA

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 155) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 155

Whereas in the case of the United States of America against David E. Gumaer (criminal action numbered 74-688), pending in the United States District Court for the District of Columbia, a subpoena was issued by the said Court and addressed to W. Pat Jennings, Clerk of the House of Representatives, directing him or his authorized representative to appear as a witness before the said court at 9:00 antemeridian on the 10th day of February 1975: Therefore, be it

Resolved, That W. Pat Jennings, the Clerk of the House of Representatives, or his authorized representative is authorized to appear in response to said subpoena as a witness in the case of the United States of America against David E. Gumaer; and be it further

Resolved, That a copy of this resolution be transmitted to the said court as a respectful answer to the subpoena before mentioned.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *February 3, 1975.*

Hon. CARL ALBERT,
Speaker,
House of Representatives.

DEAR MR. SPEAKER: On this date, I was served with the attached subpoena by a United States Attorney that was issued by the U.S. District Court for the District of Columbia. This subpoena is signed by Chief Judge George L. Hart, Jr., in connection with In Re: Possible Violation of 2 U.S.C. 244, Misc. No. 75-16. The subpoena commands me or my authorized representative to appear on February 13, 1975, in said U.S. District Court to testify and produce certain documents enumerated within the subpoena itself.

The subpoena in question is respectfully attached for such action as the House may in its wisdom see fit to take.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS, *Clerk,*
U.S. House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

[In the U.S. District Court for the District of Columbia, Misc. No. 75-16]

POSSIBLE VIOLATION OF 2 U.S.C. § 244
SUBPOENA DUCES TECUM

To: Honorable W. Pat Jennings, Clerk of the House of Representatives of the United States, Washington, D.C., or his authorized representative.

Bring with you: All original and official statements filed by the treasurer of the Democratic National Committee with the Clerk of the House of Representatives of the United States pursuant to the Federal Practices Act of 1925, as amended, in or pertaining to the period beginning January 1, 1970 and ending December 31, 1971, together with any records pertaining to the filing and receipt of said statements.

You are hereby commanded to attend before the Grand Jury of said Court on Thursday, the 13th day of February, 1975, at 9:30 a.m. to testify and produce the aforesaid documents on behalf of the United States, and not depart the Court without leave of the Court or Special Prosecutor.

Witness: This 30th day of January, 1975.

GEORGE L. HART, JR.,
Chief Judge.

Attorney for the United States:

JOHN B. GALUS,
Assistant Special Prosecutor,
Watergate Special Prosecution Force.

DIRECTING CLERK OF THE HOUSE TO APPEAR AS WITNESS AND MAKE AVAILABLE CERTAIN PAPERS AND DOCUMENTS CALLED FOR BY U.S. DISTRICT COURT FOR DISTRICT OF COLUMBIA

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 156), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 156

Whereas in a Grand Jury Investigation of possible violations of 2 U.S.C. § 244 pending in the United States District Court for the District of Columbia, a subpena duces tecum was issued by the said court and addressed to W. Pat Jennings, Clerk of the House of Representatives, directing him or his authorized representative to appear as a witness before the grand jury of the said court at 9:30 o'clock antemeridian on the 13th day of February, 1975, and to bring with him certain papers and documents in the possession and under the control of the House of Representatives; therefore be it

Resolved, That by the privileges of the House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but of its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That when the said court determines upon the materiality and the relevancy of the papers and documents called for in the subpena duces tecum, then the said court, through any of its officers or agents, be authorized to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House, and take copies of those requested papers and documents which are in possession or control of the said Clerk; and the Clerk is authorized to supply certified copies of such documents or papers in his possession or control that the court has found to be material and relevant and which the court or other proper officer shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under the said Clerk; and be it further

Resolved, That as a respectful answer to the subpena duces tecum a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

PUBLICATION OF RULES OF THE COMMITTEE ON VETERANS' AFFAIRS

Pursuant to clause 2(a)(3) of rule XI of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD the rules of the Committee on Veterans' Affairs, which we adopted on February 6, 1975:

RULES OF THE HOUSE COMMITTEE ON VETERANS' AFFAIRS

RULE NO. I—GENERAL PROVISIONS

The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

RULE NO. II—MEETINGS

(a) The regular meeting day for the full committee shall be at 10 A.M. on the second Tuesday of each month, and at such other times and in such places as the chairman may designate; however, a regular Tuesday meeting of the committee may be dispensed with by the chairman.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to the call of the chairman.

(c)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* that no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(3) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided,* however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE NO. III—RECORDS AND ROLLCALLS

There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and the names of those Members present but not voting. A record vote may be demanded by one-fifth of the Members present or, in the apparent absence of a quorum, by any one Member. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

RULE NO. IV—QUORUMS

A majority of the Members of the committee shall constitute a quorum of the committee for business and a majority of the Members of any subcommittee shall constitute a quorum thereof for business: *Provided,* that any two Members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. V—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at the earlier date. In the latter event, the chairman of the subcommittee chairman, whichever the case may be, shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) All other Members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such Member who is not a Member of the subcommittee shall vote on any matter before such subcommittee.

(e) Committee Members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a five-minute period until all Members present have had an opportunity to question a witness. The five-minute period for questioning a witness by any one Member can be extended only with the unanimous consent of all Members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party Member and all other Members alternating between the majority and minority. In recognizing Members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority Members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the Members of the majority.

RULE NO. VI—OVERSIGHT

(a) In order to assist the House in:

(1) Its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, the various subcommittees, consistent with their jurisdiction as set forth in Rule VIII, shall have oversight responsibilities as provided in paragraph (b).

(b) Each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that subcommittee, and the organization and operation of the Federal agencies having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated.

In addition, each such subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(c) Each subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdictions.

RULE NO. VII—BROADCASTING OF COMMITTEE HEARINGS

Broadcasting, either by radio or TV of all open committee hearings and meetings shall be permitted when, in the judgment of the chairman, in consultation with the ranking minority Member, such action is warranted. Photographs shall be permitted during hearings of the full committee and subcommittees as the chairman decides.

All coverage shall be subject to the following provisions:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage of the hearing or meeting is to be presented to the public as live coverage that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of tele-

vision cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the committee or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be those currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

RULE NO. VIII—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be five standing subcommittees as follows: Compensation, Pensions and Insurance; Education and Training; Hospitals; Housing; Cemeteries and Burial Benefits. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively:

Compensation, Pension and Insurance: Compensation, pensions of all the wars of the United States, general and special, and life insurance issued by the Government on account of service in the Armed Forces.

Education and Training: Education of veterans, vocational rehabilitation, and readjustment of servicemen to civil life.

Hospitals: Veterans' hospitals, medical care, and treatment of veterans.

Housing: Veterans' housing programs.

Cemeteries and Burial Benefits: Cemeteries of the United States in which veterans of any war or conflict are or may be buried whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior.

(b) The chairman and the ranking minority member shall serve as ex-officio members of all subcommittees and shall have the right to vote on all matters before the subcommittee.

RULE NO. IX—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any Member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) In any event, the report of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the Members of the subcommittee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.

NO TIME FOR ADJOURNMENT

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, it is no time for this Congress to adjourn for a holiday. Our country is in distress. Since January 14, no legislation which would help our country to lift itself from recession has been passed.

It is time for us to implement the extraction of gas and gasoline from coal and oil shale. It is time for us to see that the unemployed not only receive their benefits, but also that they are insured against sicknesses and accidents.

I ask you, Mr. Speaker, what have we done toward combating recession? We are, indeed, a fortunate country—we are still the largest producer of oil of any nation in the world, we have one-half the world's supply of coal, and we are also the greatest agricultural country in the world. We should not adjourn. Our people want help and they want us to stay here in Washington to provide through legislation the assistance they so badly need.

We can and we must turn back the tide of recession.

NATIONAL HISTORIC PRESERVATION WEEK

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, today I am introducing a joint resolution which deserves my colleagues' special attention. With Congressman ROY TAYLOR, I am submitting a measure to authorize and request the President to issue a proclamation designating the week beginning May 12, 1975 as "National Historic Preservation Week."

I believe that the Congress should be among the first to recognize and support the importance of timely action to save our precious national heritage. The significance of this effort is particularly heightened by our fast-approaching Bicentennial.

The first "National Historic Preservation Week" occurred in May 1973, and was tremendously successful in focusing public attention on the need for preservation of our historic properties. This observance, as well as the celebration in 1974, stimulated hundreds of local organizations all over the country to sponsor a variety of events aimed at fostering public and private preservation interest and action.

Preservation of our historic past is a deepening concern of Americans as evidenced by increased involvement of citizens in community preservation activities and specific preservation legislation enacted at the Federal and State levels. The National Trust for Historic Preservation, based in Washington, has recently opened field offices in Boston and San Francisco and boasts over 72,000 members, a 35,000-member increase over last year.

Coming from a district steeped in historical significance, I believe that the designation of the week of May 12, 1975 as "National Historic Preservation Week" would serve as an impetus for local preservation initiatives in addition to focusing national attention on the need for a continuing commitment to historic preservation. Congress has not sanctioned a National Historic Preservation Week since 1973, and it is, therefore, even more imperative that we reiterate our support this year for the preservation of our rich heritage.

SECOND ANNUAL REPORT ON ADMINISTRATION OF NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I am pleased to send to the Congress the Second Annual Report on the Administration of the National Sickle Cell Anemia Control Act (P.L. 92-294) in accordance with the requirements of Section 1106 of the Public Health Service Act. The Annual Report highlights the progress made in the implementation of the National Sickle Cell Disease Program and related activities as provided for in the Act.

Research efforts to investigate the mechanisms and subsequent complications of the abnormal sickling phenomenon in sickle cell anemia have continued to receive significant attention over the past year under the National Institutes of Health. Clinical trials and preliminary studies utilizing various antisickling agents are underway to alter the sickling process and thus aid individuals who suffer from sickle cell anemia. Demonstration service activities designed to improve public awareness, education, detection, and counseling in regard to sickle cell have significantly increased over the past year under the combined efforts of the Health Services Administration and the National Institutes of Health.

The activity toward Sickle Cell Anemia continues to be of high priority for our Government and I am pleased to commend this report to the attention of the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *February 6, 1975.*

COMPENSATION AND OTHER EMOLUMENTS ATTACHED TO THE OFFICE OF THE ATTORNEY GENERAL

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 58), compensation and other emoluments attached to the Office of the Attorney General.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object; the reason I reserve the right to object is to inquire of my colleague, the chairman of the Committee on Post Office and Civil Service, if my recollection is correct the Congress specifically changed the law last year to accommodate the former Attorney General. At that time many of us raised the question as to whether this was in fact very good procedure to be doing this kind of thing, since this resolution before us today puts the salary back to where it was originally.

Can we be assured by the chairman of the committee that we are not going to go through this type of Mickey Mouse procedure in the future?

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield.

Mr. HENDERSON. Mr. Speaker, this legislation is based on an official recommendation from the Acting Attorney General. The bill passed the Senate yesterday on a voice vote.

The sole purpose of this bill is to repeal the limitations on the compensation and other emoluments attached to the Office of Attorney General which were established under the first section of Public Law 93-178.

As you may recall, during the 93d Congress it was necessary to enact the provisions contained in the first section of Public Law 93-178 in order to remove the constitutional impediment to the appointment of Senator William B. Saxbe to be Attorney General of the United States.

When Senator Saxbe began his term of office in the Senate on January 3, 1969, the statutory salary for the Office of Attorney General was $35,000.

During his term of office—January 3, 1969, to January 3, 1975—the compensation for the Office of Attorney General was increased to $60,000 effective in February 1969.

The Constitution provides that no Senator or Representative shall, during the time for which he was elected, be appointed to any civil office which was created, or the emoluments of which were increased, during such time.

In order to overcome this constitutional provision, it was necessary to reduce the salary for the office of Attorney General to $35,000, the amount which was in effect on January 1, 1969.

Since Senator Saxbe has resigned the Office of Attorney General, it is only logical that we should now repeal the compensation provisions of Public Law 93-178, and restore the salary of that office to $60,000, the amount authorized in February 1969.

Mr. Speaker, I am attaching to my statement a copy of the report of the Department of Justice on the bill S. 58.

DEPARTMENT OF JUSTICE,
Washington, D.C., February 4, 1975.

Hon. GALE MCGEE,
Chairman, Committee on Post Office and Civil Service, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice on S. 58, a bill relating to the compensation and other emoluments attached to the Office of the Attorney General.

When Senator William B. Saxbe of Ohio began his term of service in the United States Senate on January 3, 1969, the salary for the Office of Attorney General was established by P.L. 89-544 (80 Stat. 460, September 6, 1966) at $35,000. On January 15, 1969, the President transmitted to the Congress pursuant to P.L. 90-206 (81 Stat. 642, December 16, 1967) a recommendation increasing the annual salary for the Office of Attorney General to $60,000.

Article I, Section 6, Clause 2 of the Constitution provides: "No Senator or Representative shall, during the Time for which he was elected, be appointed to any civil Office under the Authority of the United States, which shall have been created, or the Emoluments whereof shall have been increased during such time; and no Person holding any Office under the United States, shall be a Member of either House during his Continuance in Office."

Public Law 93-178 (87 Stat. 697, December 10, 1973) was enacted to remove the question concerning the impact of Article I, Section 6, Clause 2 on the President's nomination of Senator William B. Saxbe to be Attorney General of the United States. It provided that the compensation and other emoluments attached to the Office of Attorney General shall be those which were in effect on January 1, 1969, notwithstanding the provisions of the salary recommendations for 1969 increases transmitted to the Congress on January 15, 1969, and notwithstanding any other provision of law, or provision which has the force and effect of law, which is enacted or becomes effective during the period from noon, January 3, 1969, through noon January 2 [sic], 1975.

Inasmuch as the term for which William B. Saxbe was elected ended at noon on January 3, 1975, the Acting Attorney General has forwarded to the President of the Senate a legislative proposal which would repeal Public Law 93-178 effective January 3, 1975. Since S. 58 would also repeal the salary and emoluments limitations of Public Law 93-178, the Department supports its enactment. Either the Department's proposal or S. 58 would restore the compensation and emoluments attached to the Office of the Attorney General on and after January 3, 1975 to those that attach to offices and positions at Level I of the Executive Schedule (5 U.S.C. 5312).

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

A. MITCHELL MCCONNELL, JR.,
Acting Assistant Attorney General.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I appreciate the gentleman's comment, and it is a very complete response. Additionally, I think it is a proper response. But since resignations occur very rapidly these days, and because some of us are concerned that those who are now in the Senate or in the House may feel impelled to move to other positions similar to the Saxbe position, I hope the chairman of the committee can assure us that unless it is a highly unusual situation or something requiring this type of unusual procedure, that this will not become a standard practice, coming in here to circumvent the Constitution.

Is that correct?

Mr. HENDERSON. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I will be glad to yield to the gentleman.

Mr. HENDERSON. I would respond by saying I am sure my good friend, the gentleman from California (Mr. ROUSSELOT) is well aware that we are talking about the Office of the Attorney General and that it is quite well understood and established that the President should have the right to nominate whomever he feels is qualified to serve as his Attorney General.

There are other offices where that argument would not add, and the Congress and the President would be under different constraints in these situations.

Mr. ROUSSELOT. I appreciate my colleague from North Carolina's comments, and I will not object, Mr. Speaker, but I do appreciate my chairman's stand that he will use extreme care before he comes to the House and asks for this kind of special treatment on salary in order to circumvent the Constitution.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I will be glad to yield.

Mr. HENDERSON. I thank the gentleman for his observations and his comments here, and also I would like to commend him for his cooperation in getting this matter before the House very promptly here, inasmuch as the Attorney General appointee was confirmed in the other body yesterday, and this measure passed by voice vote at that time. It seems to me it would be very responsive to the situation. The gentleman has been very cooperative in the handling of this matter today, and I commend him.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, some

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of us were not too excited about the appointment of Mr. Levi, and maybe the House could have prolonged the final approval by objecting today. However it probably is not the basic responsibility of the House to pass judgment on appointees. The advise-and-consent responsibility belongs to the Senate. But I again wish to thank my colleague for his assurance that we are not going to engage in this kind of salary scheduling as regular practice in order to circumvent the Constitution. We certainly did in the case of the Saxbe appointment.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 58

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act to insure that the compensation and other emoluments attached to the Office of the Attorney General are those which were in effect on January 1, 1969" (Public Law 93–178; 87 Stat. 697), is repealed effective as of January 3, 1975, and the compensation and other emoluments attached to the Office of the Attorney General shall, on and after that date, be those that now or hereafter attach to offices and positions at level I of the Executive Schedule (5 U.S.C. 5312).

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER. Is there objection to the gentleman from North Carolina?

There was no objection.

AMENDING THE DEFENSE PRODUCTION ACT OF 1950

Mr. REES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 27) to amend the Defense Production Act of 1950.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WYLIE. Mr. Speaker, reserving the right to object, I wish to take this time so that the gentleman can explain the urgency of bringing this bill up today under this procedure, if there be such an urgency.

Mr. REES. Mr. Speaker, there is an urgency. Let me explain the resolution. It is an amendment to the National Commission on Supplies and Shortages which was created by unanimous consent by this body last fall. The duty of this Commission is to look at U.S. dependence on vital raw materials and to make sure we have more foresight in attacking the problem than we had in dealing with the OPEC cartel. The urgency is that we do have substantial stockpiles in the U.S. Government, some of which is being sold. The situation is very urgent. It is felt that the United States, because of the trends of cartelization of the national resources, should have some type of policy.

So what this resolution does is amend the National Commission on Supplies and Shortages to take care of several problems that existed between the legislative branch and the executive branch in terms of who could be appointed public members of the Commission. It also extends the Commission from June 30 of this year to December 31 to make up for the delay.

Frankly, without the extension there would not be enough time for the Commission to come up with the report that is deemed necessary. If we are talking about the timeliness, there will be OPEC meetings held this week; the less developed countries are conducting active meetings, and they are discussing cartelization and setting production quotas and fixing prices on other natural resources.

So, Mr. Speaker, this resolution is absolutely necessary so that the executive branch can appoint the public members and obtain their security clearances in order that this Commission may start its work.

Mr. WYLIE. Mr. Speaker, further reserving the right to object, I wish to say that I understand the gentleman's explanation.

Why the delay in appointing the public members of the Commission? Does the gentleman know?

Mr. REES. Mr. Speaker, if the gentleman will yield, under the Commission the four members from the legislative branch have been appointed: The gentleman from Ohio (Mr. J. WILLIAM STANTON), and the gentleman from California (Mr. REES) from the House; and Senator BROCK and Senator TUNNEY from the Senate. Those from the executive branch have already been appointed, but those from the public at large have not been appointed because it was felt that there might be a potential problem with our conflict-of-interest laws.

However, it was felt very strongly by the legislative branch that if we had a commission looking at natural resources, we would want to have on that commission someone who has been in the field of developing natural resources.

So what this resolution does is to waive certain sections where there might be a potential conflict of interest.

I do want to point out, though, that this Commission is one which is merely to make specific recommendations. It is in no way an administrative panel which could act contrary to the conflict-of-interest statutes.

Mr. WYLIE. Mr. Speaker, further reserving the right to object, then these amendments make no substantive changes in the law?

Mr. REES. No; if the gentleman will yield further, Mr. Speaker, there are no substantive changes made in the law except for those sections waived on the private sector members.

The resolution also expands the date for the first report from March 30 to June 30, and expands the length of the Commission from June 30 to December 31. It in no way makes any change for the authorization. The authorization remains the same as it was when the original bill was passed last year.

Mr. WYLIE. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I think this is a valuable commission, and I believe its work should begin as promptly as possible. I am grateful to the leadership, to the gentleman from California (Mr. REES), and to the gentleman from Ohio (Mr. J. WILLIAM STANTON), for their efforts.

However, this resolution waives four important conflict-of-interest statutes with respect to appointees from outside the legislative branch on this Commission. This resolution comes to us without consideration in any committee or subcommittee of the House, and it comes to us under a unanimous-consent request procedure.

Mr. Speaker, it gives the appearance that, without due consideration by the House, we are willing to waive important conflict-of-interest statutes because they apply to some of our friends or they apply in some specific instances.

Mr. Speaker, I think this is a terrible mistake. As I understand it, there are specific individuals involved, and there is no objection to their being appointed, but I object to the procedure and I intend to object to the consideration of the resolution unless the gentleman from California can assure me that the national interest will be subverted in some serious way if we do not pass this joint resolution today.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. REES. Mr. Speaker, I thank the gentleman for yielding.

I have studied the conflict-of-interest statutes that the resolution would waive. I requested from the executive branch a specific legal opinion on how there might possibly be a conflict of interest relative to people being appointed to a 1-year Commission from the private sector. No legal opinion was forthcoming.

I think I can read the law as well as some of the more nitpicking attorneys who might be ensconced in Washington. Section 203 says it is a Federal crime for Members of Congress and other Federal officials, and so forth.

This does not affect the 5 public members. It says, "and other Federal officials." So it is referring to those appointed by the President, such as Mr. Greenspan and Mr. Seidman, and it would include the four Members of Congress. Frankly, it is——

Mr. FRENZEL. Let me interrupt. I understand the purpose of it, but can we not take up this resolution in the future? Why do we have to have it today? What is the emergency?

Mr. REES. Because the administration has delayed for the last 4 months the appointing of the members of this Commission. It is felt by many Members that the work of this Commission has to get going right now. We need 2 or 3 weeks just for security purposes.

Mr. FRENZEL. I thank the gentleman for the explanation. It is my understanding, however, that the problem arises because of some one member who has been recommended by a Member of the majority in the Senate and who does come into conflict with these particular sections or some of them.

I understand that there is not any objection particularly if this is passed, to the appointment and confirmation of that person. Nevertheless, we are setting an important precedent.

Mr. Speaker, I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Speaker, I thank the gentleman for yielding, and I think his reservation of objection is well taken.

The gentleman from Minnesota properly asks what, indeed, is the emergency? Why should we suspend the rules and get at this today when everyone apparently is rushing out of town for one reason or another?

The Committee on Interstate and Foreign Commerce, under very pressing conditions, just reported out emergency legislation, a bill to assist the Penn Central Railroad, providing some $250 million on an emergency basis to prevent the Penn Central and the Erie Lackawanna and others from going under, shutting down, and having an embargo on freight. That will occur before this month expires, actually, by the 20th of February, unless this Congress acts expeditiously, but here we are going off on a 10-day recess. We will not be able to even consider that, and it is a situation which is much more critical and much more of an emergency than the one the gentleman is speaking of.

As I say, I think we are mixed up on our priorities as far as emergencies are concerned, and I, for one, feel we should stay here and handle the public's business.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for his contribution.

I believe this is an important precedent, and any time we waive conflict-of-interest statutes we ought to have a committee report and thoroughly consider the matter.

Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL MIDNIGHT, MONDAY, FEBRUARY 10, 1975, TO FILE REPORT ON H.R. 2051

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foerign Commerce may have until midnight, Monday, February 10, 1975, to file a report on the bill H.R. 2051.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PROGRAM FOR WEEK OF FEBRUARY 10, 1975, AND WEEK OF FEBRUARY 17, 1975

(My WYDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDLER. Mr. Speaker, I should like to proceed for 1 minute for the purpose of discussing the legislative program for the next 2 weeks.

Mr. O'NEILL. If the acting minority leader will be kind enough to yield, I will be happy to explain our program.

Mr. WYDLER. I gladly yield to the majority leader.

Mr. O'NEILL. As we know, there is no business scheduled for next week.

I intend to ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday, February 10, 1975, and that when the House adjourns on that day, it adjourn to meet on Thursday, February 13; and when the House adjourns on that day, it adjourn to meet on Monday, February 17.

Consequently, the business for the following week would be announced on Thursday of next week.

What we can anticipate on the following week is this: The chairman of the Committee on Interstate and Foreign Commerce just asked consent to have the report on the Penn Central authorization bill filed by Monday night of next week. As we all know the report must be available for 3 days before the bill can be considered.

We anticipate that the legislation for the following week, the week after next, will be as follows: Monday will be Washington's Birthday. On that day Washington's Farewell Address is customarily read, and that would be the business of the day.

On Tuesday we anticipate several suspensions that will be announced on next Thursday.

For the balance of the week, we anticipate that the Penn Central authorization bill, the bill that the gentleman from West Virginia (Mr. STAGGERS) just made reference to, will be acted on by the House.

The Committee on Appropriations is also currently holding committee hearings on the same bill, and the appropriations would immediately follow the authorization.

At this moment the Committee on Ways and Means is meeting on a tax bill. The chairman has said that he will stay with this bill until the tax bill is written, and it will then be reported to the House.

We could possibly have the tax rebate bill scheduled for the week after next. We also anticipate that the resolution concerning the CIA Select Committee will be coming up. So it can be seen that from Tuesday on, following the Monday holiday and the reading of Washington's Farewell Address, which is customary, that the Members can anticipate a full and busy week.

Mr. WYDLER. Mr. Speaker, I wonder if the gentleman from Massachusetts could possibly clarify what he means, when he refers to the tax bill? Is the gentleman referring to the tax rebate bill, or the tax reduction bill?

Mr. O'NEILL. It is the tax bill that the committee is working on at the present time.

Mr. WYDLER. I thank the gentleman from Massachusetts.

Mr. O'NEILL. If the gentleman will yield still further, I am sure the gentleman from New York is well aware also, through talking with the leadership on his side of the aisle, that the schedule to be announced next Thursday for the following week indicates that we do have a strong schedule between the date that we return and the first of March.

Mr. WYDLER. The gentleman from Massachusetts knows of no intention at the moment of bringing up any business on next Monday or the following Thursday; is that correct?

Mr. O'NEILL. There will be no business.

ADJOURNMENT TO MONDAY, FEBRUARY 10, THEN ADJOURNMENT TO THURSDAY, FEBRUARY 13, AND THEN ADJOURNMENT TO MONDAY, FEBRUARY 17, 1975

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next, February 10, and that when the House adjourns on February 10, that it adjourn to meet on Thursday, February 13, and that when the House adjourns on Thursday, February 13, it adourn to meet on Monday, February 17.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I would like to ask the distinguished majority leader, coming as the gentleman does from the State of Massachusetts, and thus having great political acumen, does not the gentleman think, just talking for a moment, regarding next week's recess in honor of President Lincoln, that if President Lincoln were a Member of this honorable body today as he once served as a Whig from Illinois, that he would want us to remain in session in order to solve the Nation's pressing problems?

Mr. O'NEILL. That is an extremely interesting question. I believe that if Lincoln were alive today that he would be a Democrat.

Mr. BAUMAN. With that statement, I must already question the gentleman's political judgment.

Mr. O'NEILL. But, to answer the gentleman's question, let me say that I am sure the gentleman is aware of the fact that for some months there have been discussions around the gentleman's district, and others, and discussions in caucuses on both sides of the aisle, and discussions among the Members in the lobbies and in the Chamber here, as to

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what kind of recess procedure we would use during the year.

Personally, I was opposed to an automatic weeks off each month at the time of the discussions on the Democratic side, but all types of polls were sent out to the constituencies, and the newspapers of America also were polled on the question: Should the Congressmen of the United States report home to the individual constituencies every fourth or fifth week and have within their districts sessions with their people at home, so that they would be made aware of the problems of their people directly? And also: Should a Congressman be allowed to schedule time in his office in his district so as to be able to meet people, or to visit at factory gates, so as to determine what the concerns of the people are?

The strange and amazing thing about it is that the newspaper editorials throughout the country were in favor of the so-called Hanley plan that was discussed, or which began to be discussed last August.

Consequently, with that in mind, because it seemed to me to be the consensus of the majority of the Members of the House on both sides of the aisle, and because it seemed to be the consensus in the editorials in newspapers and magazines of America, that it was agreed upon by both sides that we would try to figure out a program so that one week a month or so the Members would report to their constituencies and find out out what the current consensus back home were, and that the Members would then return to the Congress of the United States with that information and act on it.

Now we find that when the schedule is being put into effect that there is increasing criticism.

I might say to the gentleman from Maryland that actually, as I look at the program, there would be no work for us to do next week on the floor.

Now, we have received several messages from the President and the Speaker of the House has broken them down, after consultation with the Parliamentarian and sent them to the proper committees. For example, the energy bills, which has 13 parts, has been sent to five different committees, and the staffs have been told to report to the Congress of the United States with some definite action to be recommended when we come back.

I think that we are actually doing everything that we possibly can do. I only wish the Republican Party at this date had a man as worthy and as great as Lincoln.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, I am almost overcome by the eloquence of the response of the majority leader, even though I may not agree with him. But in those polls that were taken there was no mention about whether or not the constituents or the newspaper editors wished Members to go to the Virgin Islands or to Hawaii on junkets, was there? Or to Paris, London, or Rome? Was that one of the questions that was asked about getting back and meeting the constituents?

Mr. O'NEILL. If the gentleman will yield, the interesting thing about that is that each Member has to speak for himself, and he is responsible to his own district.

To be truthful, I have already sent a notice throughout my district that I will be in my office Wednesday, Thursday, and Friday. I have two speaking engagements that I had accepted previously before my meetings with my constituency.

Mr. BAUMAN. Is the gentleman speaking at Lincoln Day affairs? The gentleman from Massachusetts is speaking at Lincoln Day affairs?

Mr. O'NEILL. I do not think I will be that charitable. As a matter of fact, I took one of my speeches and really hacked it apart. I thought it was too democratic.

Mr. BAUMAN. Mr. Speaker, I can only say that I have never known the gentleman to be anything but Democratic, with both a small and a large "D."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PUBLICATION OF RULES OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY

Mr. HECHLER of West Virginia. Mr. Speaker, on behalf of the chairman of the Committee on Science and Technology, Mr. TEAGUE, pursuant to clause 3 of rule XI of the Rules of the House of Representatives, I am submitting the Rules so adopted for publication in the CONGRESSIONAL RECORD:

RULES GOVERNING PROCEDURE: COMMITTEE ON SCIENCE AND TECHNOLOGY, 94TH CONGRESS

A. GENERAL

1. The Rules of the House of Representatives, insofar as they are applicable, shall govern the committee and its subcommittees. The rules of the committee, insofar as they are applicable, shall be the rules of any subcommittee of the committee.

B. COMMITTEE MEETINGS AND PROCEDURES

1. The meetings of the committee shall be held every Tuesday, at 10:00 a.m. and at such other times and in such place as the chairman may designate, however, a regular Tuesday meeting of the committee may be dispensed with by the chairman.

2. The chairman of the committee may call and convene as considered necessary additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

3. If at least three members of the committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within three calendar days after the filing of the request, the chairman does not call the requested meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour of, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

4. If the chairman of the committee is not present at any meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

5. A majority of Members of the committee shall constitute a quorum. A majority of a subcommittee shall constitute a quorum of such subcommittee.

6. No general proxies may be used for any purpose; however, a Member may vote by special proxy. The special proxy authorization shall be in writing, shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

7. A rollcall of the Members may be had at the request of three or more Members.

8. No measure or recommendation shall be reported or tabled by the committee unless a majority of the committee is actually present.

9. All legislation and other matters referred to the committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the Majority Members of the full committee, consideration is to be by the full committee.

10. The order of business and procedure of the committee and the subjects of inquiries or investigations will be decided by the chairman, subject always to an appeal to the committee.

11. Bills will be taken up for hearing only when called by the chairman of the committee or subcommittee or by a majority vote of a quorum of the committee or subcommittee, except those matters which are the subject of special-call meeting outlined in rule B 3.

12. The time any one Member may address the committee on any bill, motion, or other matter under consideration by the committee or the time allowed for the questioning of a witness at hearings before the committee will be limited to 5 minutes, and then only when he has been recognized by the chairman, except that this time limit may be waived by the chairman or acting chairman. The rule of germaneness will be enforced by the chairman.

13. No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the committee.

14. The majority of the Majority Members of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee and shall authorize the Chairman to negotiate that ratio with the Minority Party; *Provided, however*, that party representation on each subcommittee (including any ex-officio members) shall be no less favorable to the Majority than the ratio for the full committee. *Provided, further*, that Majority Party representation on conference committees also shall be no less favorable to the Majority Party than the ratio for the full committee.

15. The Chairman and ranking minority member shall serve as ex-officio members of all subcommittees and shall have the right to vote and be counted as part of the quorum on all matters before the subcommittees when the exercise of that right to vote shall not violate the ratio provisions of these rules.

16. Whenever any hearing is conducted by the committee on any measure or matter, the Minority Members of the committee shall be entitled, upon request to the chairman by a majority of them, before the completion of the hearing, to call witnesses selected by the Minority to testify with respect to the measure or matter at least 1 day during the hearing.

17. No committee or subcommittee hearing may be held unless one Member of the Majority and one Member of the Minority are present.

18. The number of Members to constitute a qucrum for taking testimony and receiving evidence shall not be less than two.

19. No point of order shall lie with respect to any measure reported by the committee on the ground that hearings on such measure were not conducted in accordance with the provisions of this clause: except that a point of order on that ground may be made by any member of the committee if, in the committee, such point of order was (A) timely made and (B) improperly overruled or not properly considered.

20. Each meeting for the transaction of business, including the markup of legislation, of the committee or any of its subcommittees shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however*, that no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(3) of Rule X of the Rules of the House of Representatives or by Rule B–21 contained herein, or to any meeting that relates solely to internal budget or personnel matters.

21. Each hearing conducted by the committee or any of its subcommittees shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however*, that the committee or subcommittee may be the same procedure vote to close one subsequent day of hearing.

22. The committee shall make public announcement of the date, place, and subject matter of any of its hearings at least one week before the commencement of the hearing. If the committee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest.

23. The committee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

24. The committee may not sit without special leave while the House is reading a measure for amendment under the 5-minute rule.

25. Clause 2(K) of Rule XI of the Rules of the House of Representatives is hereby incorporated by reference.

C. SUBCOMMITTEE STRUCTURE, JURISDICTION AND PROCEDURES

1. All proposed legislation and other matters related to the subjects listed under standing subcommittees named below shall be referred to such subcommittees, respectively:

(*a*) *Subcommittee on Energy Research, Development and Demonstration (Fossil Fuels).*—Legislation and other matters relating to: coal mining technology, coal gasification, coal liquefaction, coal combustion, coal refining and on site processing, coal slurry and transmission, coal waste disposal, fossil fuel exploration research and development, fossil fuel conversion technology (MHD using coal), drilling, secondary and tertiary recovery of oil and natural gas, oil shale mining technology, oil shale retorting, oil shale refining and on site processing, special oversight (all research and development related to fossil energy development) and the annual authorization of the Energy Research and Development Administration (ERDA) associated with fossil fuels.

(*b*) *Subcommittee on Space Science and Application.*—Legislation and other matters relating to astronautical research and development (including general and special oversight); Space exploration, control, and programs (including resources, personnel, equipment and facilities); international space cooperation; spaceflight applications; and the annual authorization for the National Aeronautics and Space Administration (NASA) (except aeronautical research and development).

(*c*) *Subcommittee on Science, Research and Technology.*—Authorizing legislation and other matters relating to the National Science Foundation (NSF), to the National Bureau of Standards (NBS), and all scientific research and development and applications; science programs, policy; science centers; scientific resources (including manpower); science scholarships; technology transfer; technology assessment; technological innovation; and standards (weights, measures, etc.).

(*d*) *Subcommittee on Domestic and International Scientific Planning and Analysis.*—Legislation, oversight, and other matters relating to: survey, inquiries and special oversight into all non-military research and development (excludes DOD and that falling under other Subcommittees); analysis and advanced planning studies in all non-military research and development; international technology transfer (includes economic effects); international cooperation in science and technology; special Federal-Regional-State-Local relations in science and technology (includes oversight of Federal-State research and development programs other than those of the Department of Defense or other Subcommittees).

(*e*) *Subcommittee on Energy Research, Development and Demonstration.*—Legislation and other matters relating to: geothermal energy; solar energy (including wind and other indirect forms); physical research; advanced energy systems; energy transmission; energy conservation; energy utilization; tidal energy; energy conversion technology; special oversight of nuclear energy research and development; and the annual authorization of the Energy Research and Development Administration (ERDA) except fossil fuel and nuclear research and development.

(*f*) *Subcommittee on the Environment and the Atmosphere.*—Legislation and other matters relating to environmental research and development including, but not limited to, EPA's research and development programs in Air and Water Quality and Solid Waste Disposal); the National Weather Service; the National Environmental Satellite Service; and the Research and Development activities of the National Oceanic and Atmospheric Administration (jointly with the Merchant Marine and Fisheries Committee).

(*g*) *Subcommittee on Aviation and Transportation R. & D.*—Legislation and other matters relating to civil aviation research and development (includes NASA and Federal Aviation Administration aviation research and development programs), surface transportation research and development oversight (includes the Department of Transportation, Coast Guard, Federal Highway Administration, National Highway Traffic Safety Administration, Federal Railroad Administration, Urban Mass Transportation Administration research and development programs), and that part of the annual authorization for the National Aeronautics and Space Administration relating to aeronautical research and development.

2. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the chairman and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

3. All Members of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings or deliberations, but no such Member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

4. A majority vote of any subcommittee will be required to report any bill, resolution, or other matter to the full committee, or to table any bill, resolution, or other matter before it.

D. REPORTS

1. The report of the committee on a measure which has been approved by the committee (A) shall include the oversight findings and recommendations required pursuant to the last sentence of clause 2(b)(1) of Rule X of the Rules of the House of Representatives separately set out and clearly identified; (B) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures; (C) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and (4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) of Rule X of the Rules of the House of Representatives separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

2. Each report of the committee on each bill or joint resolution of a public character reported shall contain a detailed analytical statement as to whether the enactment of such bill or join resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

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3. If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (C) and (D) of Rule D1) are included as part of the report.

4. However, this Rule does not preclude the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or the filing by the committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

5. It shall be the duty of the chairman to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

6. In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

7. The committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and the names of those Members present but not voting.

8. With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

9. Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of 3 calendar days, excluding Saturday, Sunday and holidays, from the time the report is submitted and printed hearings thereon shall be made available, if reasonably possible, to the Members, except that this rule may be waived in the discretion of the chairman.

AUTHORIZING THE CLERK TO RECEIVE MESSAGES FROM THE SENATE AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS, NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AIRCRAFT NOISE GETS NOISIER

(Mr. ADDABBO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADDABBO. Mr. Speaker, today I am introducing a bill to transfer jet noise control from the Federal Aviation Administration to the Environmental Protection Agency. I have been a critic of the FAA for many years, particularly with regard to that agency's failure to get tought with the aircraft industry on the question of jet noise.

The FAA has the authority to issue strict regulations limiting aircraft noise, yet that agency seems more concerned about the airlines and airport operators than about the interruption of the daily lives of millions of Americans living near airport flight paths.

A startling example of FAA inaction and priorities is revealed by the following excerpts from two documents. First, let me quote from an August 1973 Report on Aircraft-Airport Noise to the Senate Committee on Public Works from the Environmental Protection Agency:

In order to obtain an environment consistent with public health and welfare needs with respect to noise, the Environmental Protection Agency will propose to the Federal Aviation Administration:

Regulations concerning flight and operational noise controls. The regulations will include options for takeoff procedures, approach and landing procedures, and minimum flight altitudes.

Amendments to FAR Part 36 to specify lower noise levels for future aircraft.

Regulations to control and reduce the noise emissions from existing aircraft. The FAA's proposed Fleet Noise Level (FNL) methodology will be considered as a flexible means of promoting any of the source technology options (nacelle treatment, refan, or aircraft replacement.)

Cooperative actions to develop an airport noise certification regulation that will assure control over cumulative noise near airports.

With this background, here is the FAA speaking through its Noise Abatement Newsletter, February 1975, 16 months later:

PROPOSED RULE WILL KEEP COMMERCIAL JETS HIGHER PRIOR TO LANDING

Environmental Protection Agency has submitted a proposal to FAA to reduce noise levels by requiring turbojet aircraft to remain at higher altitudes prior to starting descent into an airport. Under the proposed rule, turbojets would be required to enter a terminal area at 10,000 feet, remain there until descent is required for a safe landing than descend to 5,000 feet. The aircraft would remain at 5,000 feet until entering the descent area established by air traffic control for the direction of the landing runway, and then descent to 3,000 feet. Final descent would begin from 3,000 feet when the aircraft intercepted the appropriate glideslope.

The use of the new, higher approach altitude would reduce noise levels "by at least 25% for those areas exposed to 90 EPNdB (effective perceived noise decibels) or greater, or up to nine EPNdB, EPA said. FAA evaluation of impact from vectoring the large turbojet aircraft to intercept the glideslope at 3,000 feet showed an estimated 0.8% reduction in an airport's practical annual capacity and an increase of $8.95 in operating cost for each flight.

The FAA's concern over an $8.95 increase in flight costs is typical of that agency's total domination by the industry it is charged with regulating. This is why I propose an immediate transfer of noise control authority from the Federal Aviation Administration to the Environmental Protection Agency.

TO REQUIRE POSTMASTER GENERAL AND DEPUTY POSTMASTER GENERAL BE APPOINTED WITH ADVICE AND CONSENT OF THE SENATE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I am today introducing a bill to require that the Postmaster General and the Deputy Postmaster General of the Postal Service be appointed with the advice and consent of the Senate.

As you know, prior to the enactment of the Postal Reorganization Act of 1970, such appointments were subject to Senate confirmation.

When Congress enacted the Postal Reorganization Act, the best of intentions were expresses that the new Postal Service would henceforth be without the counterproductive influence of politics which had previously reached to the lowest levels of the Post Office Department. In no manner do I dispute these intentions. In fact, on an overall basis, I believe we have removed many political considerations from the Service.

The rank and file postal worker is now hired and paid on his merits alone. However, in the higher levels of the Postal Service, a new and different sort of influence—emanating from the administration and compounded by old business ties—has grown up. The Postmaster General and the Deputy Postmaster General who succeeds to the office are, for sure, insulated from congressional political influences and in addition, they and the new influences upon them are insulated from any sort of congressional accountability.

Congress, notwithstanding the fact it is called on to appropriate millions of dollars to make up Postal Service deficits, is without a statement prior to entry of a new Postmaster General as to what policies will be followed after the office is assumed. The recourse of Congress now is to hold after the fact oversight hearings and cut mail service by cutting appropriations. Neither activity is beneficial for the public which uses the mails.

Mr. Speaker, the situation we face in the problems of the Postal Service makes it mandatory that before a new Postmaster General or Deputy Postmaster General is appointed, a review of his background, qualifications, and policy orientation must be made in hearings before the Senate. As a member of the House Post Office and Civil Service Committee, I have learned first hand how important it is that we know beforehand the routes which the high officals of the Postal Service will follow. At present, we learn the background and policies of the Postmaster General and Deputy Postmaster General when their sometimes disastrous policy courses have already begun to gouge the taxpayer's pocketbook.

The Postal Service and its officials are charged with the delivery of 90 billion pieces of mail per year and directing 700,000 employees. These duties, and the policymaking which they entail, must be examined before the fact through the eyes and ears of the Congress charged with representing those who foot the bill for Postal Service excesses. Mr. Speaker, I urge that this change which I propose be made.

MANAGEMENT OF NATURAL GAS SUPPLY SHORTAGES

(Mr. DOMINICK V. DANIELS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing a bill to coordinate Federal policy in the management of natural gas shortages.

The recent report of the Federal Power Commission's Bureau of Natural Gas has underscored the rapidly deteriorating outlook for natural gas supplies in the United States. New Jersey and several other States have been particularly hard hit by a rapid succession of increasing curtailments. New Jersey is dependent upon a single source of interstate natural gas—the Transcontinental Gas Pipeline Corp. Transco's curtailment level has risen sharply, and these curtailments have had a very serious effect on unemployment in the southern portion of the State, which has a heavy concentration of industries that use natural gas for vital processes and feedstock purposes. A minimum of 15,000 to 20,000 jobs are directly at stake in this area; the indirect unemployment effects could be much greater. New Jersey already has a crushing unemployment rate of 9.5 percent. Unemployment resulting from natural gas curtailments can only add to this already seriqus problem.

Actual net curtailments for the heating season November 1973 through March 1974 were 444 billion cubic feet. The projected percentage increase in curtailments for the 1974–75 heating season is 107 percent, which is an increase in actual curtailments of 475 billion cubic feet, to bring the total forecasted curtailment to 919 billion cubic feet. Using a conversion factor of 1,000 cubic feet of gas to 6.9 gallons of residual fuel oil, the 475 billion cubic feet of projected increased gas curtailments for the 1974–75 heating season would be equivalent to 68 million barrels of residual fuel oil, or 455,000 barrels per day, for the 5 months involved.

Mr. Speaker, there is every prospect for a worsening of the natural gas supply situation in the months and years ahead. Despite increased drilling activity, production continues to decline. In light of this compelling reality, it is essential to develop an equitable distribution system of available supplies.

Under my bill, the Federal Power Commission would be required to order curtailment plans in accordance with established criteria as cited in my bill and in the Emergency Petroleum Allocation Act of 1973. In addition to providing for protection of sufficient supplies of natural gas for residential and commercial customers, which has been the policy of the Federal Power Commission in ordering curtailment plans, such plans will also provide for maintenance of public services, agricultural operations, and protections against loss of jobs and closings of factories and businesses which may result from inability to acquire sufficient supplies of natural gas or alternative fuels.

My bill requires the Federal Power Commission to order interchange between natural gas pipeline companies if necessary to obtain allocation objectives. The legislation also requires the Federal Power Commission and the Federal Energy Administration to cooperate in this effort to minimize unemployment to the largest extent possible. The Federal Energy Administration is empowered to direct the Federal Power Commission to make modifications in its curtailment plan to comply with the criteria set forth in the bill and in the Emergency Petroleum Allocation Act. However, the Federal Power Commission would continue to have jurisdiction and administration over distribution of natural gas.

Mr. Speaker, this bill is not designed to be an answer to the natural gas shortage. The solution to that problem lies in increasing production through appropriate economic incentives and in the longer-range development of sources for synthetic natural gas. However, until such time as the supply situation improves or alternate fuel sources substituted, we must take steps to fairly distribute available natural gas supplies. It seems illogical to have one area of the country suffering the adverse economic effects of natural gas curtailments when other areas of the country have abundant supplies. At a time when the Nation is suffering from such a high rate of unemployment, it also seems illogical to add to the growing number of unemployed by failing to develop an equitable natural gas distribution system.

Mr. Speaker, I am hopeful that my colleagues will agree that economic discrimination should not be exercised against those States which happen to be geographically situated at the wrong end of the natural gas pipeline system. Early consideration of this proposal would greatly assist those States where inequitable natural gas curtailments have struck such a hard and unfair blow.

LEGISLATION TO PREVENT REDUCTION OF BENEFITS IN CASES WHERE SOCIAL SECURITY IS INCREASED

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, I am introducing a bill today to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs will not have the amount of aid or assistance they receive reduced because of increases in monthly social security benefits. The bill also provides that recipients of veterans' pension and compensation benefits, as well as receipients of any other Federal benefits, will not have their benefits reduced because of social security increases.

I have received many letters from constituents who have had their expectations raised by learning of increases in social security benefits. But these hopes were in many cases dashed when other benefit checks, taking into account the individual's increased income from social security, were reduced accordingly. In fact, in some instances, people are actually worse off financially because of the increase.

Congress did not intend for the law to benefit State governments by allowing them to decrease their State payments. Congress did not intend for the law to enure to the benefit of the Veterans' Administration or any other Federal agency.

Rather, Congress intended that increases would reach the people in full force, not be watered down through reductions in benefits from other sources.

Mr. Speaker, people who receive social security benefits feel the pinch of rising rent, food costs and health care costs as much, if not more, than anyone else. This fact compounds the unfairness of shuffling social security increases from one agency to another, rather than making certain that a bonafide increase in income is realized. My bill will see to it that the intent of Congress is carried out, and more importantly, it will make certain that social security beneficiaries receive the income they deserve.

I urge every Member of Congress to support this bill and to work for its early passage.

THE RECYCLING OF PAPER PRODUCTS

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. BURKE of Massachusetts. Mr. Speaker, our commitment, as a Congress and as a nation, to a better environment is unmistakable. In fact, some questions

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have been raised as to whether this commitment should be softened during a critical shortage of capital funds and desperate energy problems.

Yet, there is a sound contribution we can make to the environment at the same time that we act to conserve energy, abate pollution, save natural resources and reduce the enormous expenditure for waste disposal. What we can do is enact at an early date tax incentives for recycling waste paper and, perhaps, other items of waste.

Paper forms the largest segment of solid waste. Paper is relatively easy to retrieve. It can be converted early into useful new products by a simple process which is virtually pollution free. If we did not have paper recycling, we would have to invent it. Fortunately, we do not need to do so.

Paper recycling is something we have been doing in this country for many years. But, as in so many things, we Americans waste a great deal. Thus, waste paper provided a larger percentage of our paperboard needs 30 years ago than it does today. And the situation seems to be getting worse.

On the one hand, cities, towns, and counties all over the country are frantic to find waste collections and disposal and are desperately trying to fund and finance dumps, incinerators, and landfills. In many places today it costs as much as $35 a ton to pick up and dispose of solid waste—trash.

On the other hand, it is less and less attractive to the business community to build new recycling facilities. There are 33 new paperboard-making machines to be activated in the 1975–77 period in this country, according to plans already announced. Only three of those machines will use wastepaper as raw material and 30 will use virgin woodpulp.

That is proof enough that the basic economics of recycling of paper today do not encourage anyone to get into it or to expand in it.

Yet, recent public opinion surveys show that the American people want to see more recycling and are willing to help finance it through taxes. The Environmental Protection Agency tells us that we should do more recycling and that the way to get more of it done is to give tax incentives to industries that convert waste into useful new products.

I, for one, agree. In the 93d Congress, I proposed a tax credit of $10 a ton for all the wastepaper that a company uses to convert into useful new products. Only two strings were put on the proposal: First, the money would be paid only for "post-consumer waste"—that which had gone through its regular use and had been discarded, and second, no company could write off more than half its tax liability from its recycling operations.

On the first day of the 94th Congress, I introduced the same legislation as H.R. 282. Last year many colleagues joined me in sponsoring this kind of tax credit. We agreed that, by placing a flat $10 a ton bounty on the use of wastepaper that would otherwise go to the dump, we would encourage taking more and more of the cheap grades of paper such as old boxes, old newspapers, and office waste. That is what gluts the dumps now. That is what we need to make more use of in recycling.

I hope that many more colleagues who are concerned with the energy problems, solid waste disposal, pollution, and conservation will strike a blow with me for tax incentives for recycling of paper. Your commitments to this program will give us strength in the Ways and Means Committee as we seek adoption of this tax program so clearly in the national interest.

ENOUGH IS TOO MUCH

(Mr. SYMINGTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. SYMINGTON. Mr. Speaker, in yesterday's RECORD, I placed some remarks concerning the Cyprus question which I would urge my colleagues to read if they have a moment. I think that the Congress is an unwieldy institution to conduct negotiations of that sensitivity on a day-to-day basis. Today I should like to place further remarks in the RECORD, with the permission of the Speaker and the House, concerning the President's request for $300 million extra dollars for Indochina. In that case I think the congressional response, seasoned over a number of years, could well be a negative one.

Dr. Kissinger cannot understand why we are debating on Viet Nam again. We cannot understand why we are warring there again. We resume the debate because the Government has resumed the war. He says North Vietnam has broken its word. When did we begin taking Hanoi at its word? Were we that simple? Or was the 1972 "Christmas accord" a quiet conspiracy to calm the nerves of American voters—a facade of "understanding" concealing the real intent of both sides to continue the struggle?

The question then for the American people was not and is not whether Asians would stop fighting, but whether we would. We answered it once. We will answer it again. We have answered it at the polls and in this Chamber. But the President tells us the credibility of our mutual defense pledges is at stake. How can this drain on our military resources do anything but reduce not only our credibility but our capability to meet other obligations? The President knows as well or better than any of us the limits to our military capacity, our budget, our fiscal strength. It is the administration not the Congress which endangers both the substance and the appearance of credibility by chasing that will-of-the-wisp—victory, peace, stability, cease-fire, or whatever other condition it thinks it can impose or wish upon that part of the world.

What is it we could not achieve there with half a million GI's that we can now achieve without them? Answer that. Did President Nixon really believe he could have withdrawal and "victory" too? Did Dr. Kissinger believe that? Does President Ford believe it? I never believed it. In the days when it was less popular to bring up unpleasant consequences I reminded birds of every feather, hawks and doves, that we could not by withdrawal "stop the war" as was supposed, but only our participation in the war. That was the modest objective, the realistic objective, the attainable objective of those of us who sought to bring America's men and money home. Of what giant self-deception did the formulators of our policy 3 years ago, think America capable?

The problem with our Presidents is they get trapped in the momentum of bad history, entangled in cliches. One by one the four Presidents who assumed office over the past 15 years were fitted, as it were, with moth wings and pointed at the flame of Vietnam. Beguiled by maps, pointers, and bluff military confidence each could see light at the end of the tunnel. If they cannot disenthrall themselves Congress must help. Review the record. Was Eisenhower right not to get in a ground war in Asia? Yes. Was Kennedy right to enter that arena? No. Was Johnson right to pledge never to send American boys to fight where Asian boys should fight? Yes. Was he right to send half a million American boys to fight in that Asian war? No. Was Nixon right to state that 4 years of such involvement were enough? Yes. Was he right to continue it for another 4 years, 20,000 American lives, and $100 billion? No. Was Congress right to pass legislation denying funds to finance the involvement of U.S. forces in, over, or offshore North and South Vietnam, Laos, and Cambodia? Yes. Would we be correct in reversing that directive? No, and again, No.

We did not prepare such a law or offer it on the assumption that North Vietnamese forces or insurgent rebellions would not be unleashed anew. We prepared it and offered it and passed it because we were determined not to unleash our own forces anew in that area.

It was our judgment that whatever national interest may have been served by earlier interventions was no longer served, but subverted, distorted, and badly injured by continuation or resumption of any such intervention. We spoke then as the people's representatives. We are still their representatives. We have seen them lined up for food stamps, gasoline, jobs, unmployment compensation. What is there in those lines, those faces, those eyes that tells us we should appropriate $300 millions to support the Thieu Government which has just closed down 19 more newspapers? And what of those who still work and pay the taxes to support the legitimate goals of good government, who see the plight of their less fortunate countrymen, who wonder how close they are to the brink of such dejection? Who among them has urged us to continue financing that war? They prefer such millions to be invested in the hopes around them here at home, in housing, useful public works, the education of our children, job training and placement, communication and transportation systems commensurate with today's needs.

It is said that vigilance is the price of liberty. It is the price of sanity. And a vigilant Congress must try to hold executive initiatives to the sane, historic course laid out by our forefathers and from which we have veered only when

rumors of our infallibility or immortality overtook us.

When President Ford assumed the high office he holds, he did so with the respect, the very real affection, and the dearest hopes of the American people and their elected Congress. The slate of history was cleaned at last for that precious period when he first outlined the challenges we face. We began to see in the clearing ahead some of the very real mountains we have to cross, inflation, unemployment, an untangling of urban transportation, obstacles to good health and environment, drug addiction, and heartless crime. Now, just as we are stocking our backpacks with provisions for the long, arduous, uncertain climb over those snowcapped peaks, we are told by the team leader that due to an unexpected requirement of overriding proportions we must unpack and remove a substantial share of the scarce provisions we were readying for that other journey. What is our response to be? Let us press on, Mr. President, with the problems in hand, not those in the bush.

A word about the bloodbath theory of justification for an open-ended U.S. commitment. The theory once had the ring of respectability. It was in 1966—10 years of blood ago. In 1968 it was strongly questioned. The American people clearly wanted to remove our power from the equation of fratricide conditioned primarily upon the return of our prisoners. But the habit was too hard to kick overnight. So we departed—convulsively over another 4 years of bloodshed which took the lives of another 20,000 Americans and 805,000 Vietnamese. Since the moment when Dr. Kissinger announced peace was at hand 156,000 more Vietnamese have died, many from our weapons steadily supplied since the ceasefire. What a curious presumption it is to suggest more will die if the flow is stopped than if it is continued. Vice President Rockefeller says we have a moral obligation to vote this $300 million for South Vietnam and that should we fail to do so, and the North take over, it will be Congress which bears the responsibility for the "one million" slaughtered.

But taking this logic a step further, suppose we vote the sum and the Thieu Government even after jailing all opposition press falls anyway. Whose fault is that? The President for not asking for more? The Congress for not insisting on a larger sum? Or the working American from whose taxes the aid must be taken and who is not working hard enough to generate more taxable income? The question is important because, taking the Vice President's assertion that our obligation is a moral one, it is not $300 million we have the moral obligation to provide, but "enough." And how much is that?

What power have we in any event to prevent the Vietnamese people from killing one another short of doing it for them? If they are to be dissuaded from this insanity it will be by their own recognition of one another as brothers, as a single people, with a single cultural heritage—not by our continued willingness to send arms and ammunition into the area. A people can, after all, engage in a civil war. We did. And we brooked no intervention in it either, although great powers circled hungrily throughout its duration. In this case a government may fall. It is well called the "Thieu government." What allegiance do we owe it that could be nearly so effective as the allegiance of the people it governs were they fond of it? Should it fall, what then emerges? A puppet of the Chinese, of the Russians, of both; or a war weary, exhausted country, a bent people desperate for friendship with any potential source of aid, and power, or with any decent consortium of powers? "Only $300 million," say administration spokesmen almost wistfully, as if it were a pittance. Were it food stamp aid for hungry Americans it would be half of what the administration would cut from that program by requiring larger payments by the beleaguered recipients. Already in fiscal 1975 we allocated $400 million in Public Law 480 foodstuffs to Cambodia and Vietnam. I once led the House effort to restrict what I deemed to be food for war, not peace. I would relent if only we would stop sending arms and armament. If South Vietnam and Cambodia are "most needy" now they will certainly be if and when adjustment to a collapsed government becomes necessary. Food I would release; arms I would retain.

On the other hand, should the South Vietnamese people be animated by a new, revived sense of sacred mission to defend their borders, and even use their superior numbers to go North and settle their old feud in the streets of Hanoi, why then no arms, and no denial of arms will affect the outcome. They will do it because a destiny wills it that is beyond our power or purpose. Our policies are not and should not be the principal components of their destiny. Nor should theirs be of ours. Let us in this Bicentennial time declare our independence from the errors, the deceptions, and the cajolery, of discredited regimes and the armchair rooters. Let us declare here and now our dependence on reason, conscience, the dictates of our better angels, and the God-given commonsense of the American people.

PUBLICATION OF RULES OF COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mrs. SULLIVAN. Mr. Speaker, pursuant to clause 2(a)(3) of rule XI of the Rules of the House of Representatives, I submit for publication in the RECORD the rules of the Committee on Merchant Marine and Fisheries which were adopted at the organizational meeting of the committee on February 4, 1975:

RULES OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES, (94TH CONGRESS)

(Adopted at Organizational Meeting, February 4, 1975.)

RULE I. APPLICABILITY OF OTHER RULES

The Rules of the House insofar as they are applicable shall be the Rules of the Committee and its Subcommittees. The procedure in the Committee and its Subcommittees shall follow the procedure of the House. Written Rules adopted by the Committee, not inconsistent with the Rules of the House, shall be binding on each Subcommittee of the Committee. Each Subcommittee of the Committee is a part thereof and subject to the authority and direction of the Committee and to its Rules. (Rule XI, clause 1(a)(1) & (2))

RULE II. MEETINGS

A.—The Committee shall meet at 10:00 a.m., on the first Wednesday of each month in the Committee Hearing Room, Longworth House Office Building, while Congress is in session. However, the regularly scheduled monthly meeting of the Committee may be dispensed with at the discretion of the Chairman, in consultation with the Ranking Minority Member, in the absence of any business to come before the Committee at such meeting. If the Chairman of the Committee is not present at any meeting of the Committee, the Ranking Member of the Majority Party on the Committee who is present shall preside at that meeting. (Rule XI, clause 1(b))

B.—(1) Each meeting for the transaction of business, including the mark-up of legislation, of the Committee or a Subcommittee, shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than Members of the Committee and such Congressional staff and such departmental representatives as they may authorize shall be present at any business or mark-up session which has been closed to the public. This paragraph does not apply to open Committee hearings which are provided for by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters. (Rule XI, clause 2(g)(1))

(2) Each hearing conducted by the Committee or a Subcommittee shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* That the Committee or Subcommittee may by the same procedure, vote to close one subsequent day of hearing. (Rule XI, Clause 2(g)(2))

C.—(1) The Chairman of the Committee may call and convene, as he or she considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The Committee shall meet for such purpose pursuant to that call of the Chairman. (Rule XI, Clause 2(c)(2))

(2) If at least three Members of the Committee desire that a special meeting of the Committee be called by the Chairman, those Members may file in the offices of the Committee Clerk their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the Clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the Members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The Committee shall meet on that date and hour. Immediately

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upon the filing of the notice, the Clerk of the Committee shall notify all Members of the Committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting. (Rule XI, Clause 2(c)(2))

D.—The date, time, place and subject matter of meetings of the Committee shall be announced to all Members of the Committee and the public at least one week before the meeting, unless the Chairman in consultation with the Ranking Minority Member determines that there is good cause to begin the meeting at an earlier date. If such determination is made by the Chairman, the Committee shall make public announcement and provide oral and/or written notice to Committee Members at the earliest possible date. Any announcement under this paragraph shall be promptly published in the Daily Digest. (Rule XI, Clause 2(g)(3))

E.—When a duly called Party Caucus or Conference of either Party is scheduled on a date and at a time which directly conflicts with a scheduled Committee meeting, the meeting of the Committee shall be cancelled and oral and/or written notice to that effect shall be given to all Committee Members and staff by the Clerk of the Committee.

F.—No Committee of the House (except Appropriations, Budget and Rules) may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule. (Rule XI, Clause 2(i))

RULE III. COMMITTEE PROCEDURE

A.—Unless authorized by the Chairman of the Committee, or a Subcommittee, a witness shall not be permitted to testify or present evidence, and such statement or testimony will not be included in the Committee hearing record, unless fifty copies thereof have been delivered to the Clerk of the Committee at least twenty-four hours prior to such meeting. To the extent feasible, statements and testimony of witnesses from Federal and Administrative agencies shall be accompanied, if not previously received, by fifty copies of the Federal agency report requested by the Committee on matters pending before it. The presentation of testimony by any one witness shall not exceed twenty (20) minutes. This will be a synopsis of the prepared testimony which will be presented for the record. (Rule XI, Clause 2(g)(4))

B.—Committee Members may question witnesses only when they have been recognized by the Chairman for that purpose. All questioning shall be pertinent to the subject matter of the hearing. In accordance with Rule XI, clause 27(f)(4), Rules of the House, each Committee Member may request up to five minutes in the first round of questioning to question a witness until each Member who so desires has had such opportunity. Until all such requests have been satisfied, the Chairman shall, insofar as is practicable, recognize alternately on the basis of seniority those Majority and Minority Members present at the time the hearing was called to order, and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended to a Committee Member at the discretion of the Chairman. Written responses to questions propounded by Members and Committee staff counsel, and other data submitted for the record, shall be submitted in triplicate to the Committee Clerk. One copy of such material shall be retained by the Clerk for printing and the remaining copies furnished to the Chief Counsel for transmittal to the appropriate Subcommittee Counsel and to the Minority Counsel. In recognizing Members to question witnesses in this fashion, the Chairman shall take into consideration the ratio of the Majority to Minority Members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the Members of the Majority. The Chairman may accomplish this by recognizing two Majority Members for each Minority Member recognized. (Rule XI Clause 2(j)(1) & (2) plus old rules)

C.—A majority of the Committee shall constitute a quorum for the purpose of transacting Committee business, but testimony may be taken and evidence received in any meeting at which there are present not fewer than two Members of the Committee, one of whom should be, whenever possible, a Minority Member. (Rule XI, Clause 2(h))

D.—No point of order shall lie with respect to any measure reported by any Committee on the ground that hearings on such measure were not conducted in accordance with the provisions of Rule XI, clause I, clause 2(g); except that a point of order on that ground may be made by any Member of the Committee which reported the measure if, in the Committee, such point of order was (A) timely made and (B) improperly overruled or not properly considered. (Rule XI, Clause 2(g)(5))

E.—A rollcall vote may be ordered by one-fifth of the Members present. The results of each rollcall vote in any meeting of the Committee shall be made available in the Committee office for inspection by the public, as provided in Rule XI, clause 27(B), Rules of the House. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition and whether by proxy or in person and the names of those Members present but not voting. Any rollcall vote on a motion to report a measure from the Committee shall be printed in the report, showing the total votes cast for and against such motion. (Rule XI, Clause 2(e)(1))

F.—Whenever any hearing is conducted by the Committee or a Subcommittee on any measure or matter, all Members shall be entitled to recommend in writing to the Chairman the name of witnesses to appear. The Minority Members of the Committee shall be entitled, prior to completion of the hearings and upon request to the Chairman by the Ranking Minority Member or by a majority of the Minority Members, to call witnesses selected by the Minority to testify with respect to the measure or matter pending, at least one day during the hearing. (Old rules, Rule XI, Clause 2(j)(1))

G.—The Committee, by majority vote, may permit any of its public hearings or meetings to be televised, broadcast by radio, of photographed subject to the following requirements: (Rule X, Clause 3(e))

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of Rule XI of the Rules of the House, relating to the protection of the rights of witnesses. (Rule XI, Clause 3(f)(1)(13))

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage. (Rule XI, Clause 3(f)(1)(13))

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

H.—A Member may vote by special proxy only on a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. In order to be considered a valid and duly executed proxy, the proxy authorization shall be in writing, shall assert that the Member is absent on official business, or is otherwise unable to be present at the meeting of the Committee and shall designate the person who is to execute the proxy authorization. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. All executed proxies shall be turned over to the Clerk for inclusion in the official records of the meeting after they have been voted. Points of order as to the validity of proxies must be made at the time the proxies are voted. (Rule XI, Clause 2(f) as amended by House on January 14, 1975)

RULE IV. SUBCOMMITTEES

A.—There shall be five standing Subcommittees as follows: The Subcommittee on Merchant Marine; the Subcommittee on Fisheries and Wildlife Conservation and the Environment; the Subcommittee on Coast Guard and Navigation; the Subcommittee on Oceanography; the Subcommittee on the Panama Canal, together with such other special, select or ad hoc committees as the Chairman or a majority of the Committee may establish or determine to be appropriate for the conduct of Committee business. (To be set by committee caucus, M III. A. (1), Caucus Rules)

B.—All legislation and other matters referred to the Committee shall be referred by the Chairman to the Subcommittee of appropriate jurisdiction within two weeks, unless by majority vote of the Majority Party Members of the Full Committee, consideration is to be by the Full Committee. (Caucus rule M III. A. (3))

C.—The Chairman and Ranking Majority Member shall serve as ex officio Members of all Subcommittees and shall have the right to vote on all matters before such Subcommittees. Any Member of the Full Committee has the privilege of sitting with any Subcommittee during its hearings or deliberations and participating therein, but shall not have the authority to vote on any matter, nor be counted present for the purpose of a quorum, nor, except as the Subcommittee Chairman or a majority of the Subcommittee may permit, participate in questioning under the five-minute rule, nor raise points of order, unless he is a Member of such Subcommittee. (Old rules)

D.—Subcommittees are authorized to hold hearings, receive evidence, hear witnesses, and report to the Committee for final action, together with such recommendations as may be agreed upon by the Subcommittee, on such matters as the Chairman may refer to a Subcommittee. Available dates for Subcommittee meetings shall be assigned as a result of consultation between the Chairman and Subcommittee Chairmen and as nearly as practicable in relation to and in accordance with workloads: Provided, however, That Subcommittees shall not meet at the same time as the Full Committee without express permission of the Chairman of the Committee. The ratio of Majority Party Members to Minority Party Members on Subcommittees and Conference Committees, including ex officio Members, shall be no less favorable to the Majority Party than the ratio of membership on the Full Committee. (Caucus rules M. III A. (2) and based on old Committee Rule)

RULE V. COMMITTEE REPORTS/PUBLICATIONS

A.—Records and transcripts of open hearings before the Committee shall not be available to the public for quotation of any Member until after such Member has had an opportunity to examine and approve such hearing records. Closed session transcripts and records shall be available to Members of the House and Committee staff for inspection in the office of the Committee, but may not be released or divulged to any other person without the consent of the Chairman or a majority of the Committee. In no event shall executive session or mark-up transcripts and records be taken from the Committee offices by anyone. (Old rule)

B.—All Committee or Subcommittee prints and other material prepared for public distribution shall be approved by the Chairman of the Full Committee prior to such distribution. (Old rule)

C.—The permanent records of the Committee shall be available to all Members of the House for examination. (Rule XI, Clause 2(e)(2))

D.—(1) It shall be the duty of the Chairman to report or cause to be reported promptly to the House any measure approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote. (Rule XI, Clause 2(e)(1)(A))

(2) In any event, the report of the Committee on a measure which has been approved by the Committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the Clerk of the Committee a written request, signed by a majority of the Members of the Committee, for the reporting of that measure. Upon the filing of any such request, the Clerk of the Committee shall transmit immediately to the Chairman of the Committee notice of the filing of that request. (Rule XI, Clause 2(l)(1)(B))

E.—(1) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present. (Rule XI, Clause 2(l)(2)(A))

(2) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the Committee Report. (Rule XI, Clause 2(l)(2)(B))

F.—The report of the Committee on an approved measure shall include (1) the oversight findings and recommendations required pursuant to the last sentence of clause 2(b)(1) of Rule X of the House Rules separately set out and clearly identified; (2) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures; (3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the Committee; and (4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) of Rule X of the House Rules separately set out and clearly identified whenever such findings and recommendations have been submitted to the Committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the Committee's deliberations on the measure. (Rule XI, Clause 2(l)(3))

G.—Each report of the Committee on each bill or joint resolution of a public character reported by the Committee shall, insofar as possible, contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy. (Rule XI, Clause 2(l)(4))

H.—If, at the time of approval of any measure or matter by any Committee, other than the Committee on Rules, any Member of the Committee gives notice of intention to file supplemental, Minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays and legal holidays) in which to file such views, in writing and signed by that Member, with the Clerk of the Committee. All such views so filed by one or more Members of the Committee shall be included within and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure of matter shall be printed in a single volume which—(Rule XI, Clause 2(l)(5))

(1) shall include all supplemental, Minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, Minority, or additional views (and any material submitted under subdivisions (3) and (4) of section F) are included as part of the report.

This subparagraph does not preclude—

(1) the immediate filing or printing of a Committee Report unless timely request for the opportunity to file supplemental, Minority, or additional views has been made as provided by this section, or

(ii) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

I.—A measure or matter reported by the Committee shall not be considered in the House until the third calendar day, excluding Saturdays, Sundays, and legal holidays following the day on which the report of that Committee upon that measure or matter has been available to Members of the House (even though a previous motion to the same effect has been disagreed to), on which the report of the Committee upon that measure or matter has been available to the Members of the House. If hearings have been held on any such measure or matter so reported, the Committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—(Rule XI, Clause 2(l)(6)).

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or othrewise invalidated by one or both Houses of Congress.

J.—If, within seven calendar days after a measure has, by resolution, been made in order for consideration by the House, no motion has been offered that the House consider that measure, any Member of the Committee which reported that measure may be recognized in the discretion of the Speaker to offer a motion that the House shall consider that measure, if the Committee has duly authorized that Member to offer that motion.

RULE VI. USE OF COMMITTEE FUNDS FOR TRAVEL

A.—(1) Funds authorized for the Committee under Clause 5 of Rule XI of the House Rules are for expenses incurred in the Committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of Members of the Committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies: (Rule XI, Clause 2(m))

(a) No Member or employee of the Committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law. (Rule XI, Clause 2(n)(1))

(b) Each Member or employee of the Committee shall make to the Chairman of the Committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. All such individual reports shall be filed by the Chairman with the Committee on House Administration and shall be open to public inspection. (Rule XI, Clause 2(n)(2))

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(2) A substantive report shall be filed with the Chairman within one month of any Committee trip or any trip related to matters of Committee jurisdiction which has been approved by the Chairman. (Old rule)

B.—(1) All voting Members of a Subcommittee shall have adequate notice prior to the date or dates fixed for Subcommittee investigations or hearings at locations other than Washington, D.C.

(2) All travel of Members and staff of the Committee or of a Subcommittee, to hearings, meetings, conferences, investigations, foreign conferences and meetings, and all foreign travel, must be authorized by the Chairman prior to any public notice thereof or the actual travel.

RULE VII. COMMITTEE AND SUBCOMMITTEE STAFF

A.—The Committee shall appoint, by majority vote of the Committee, from a list submitted to the Committee by the Chairman, appropriate professional and clerical staff personnel, in accordance with the provisions of Clause 6 of Rule XI of the House Rules. (Rule XI, Clause 6 (a) and (b))

B.—Each employee on the permanent staff is entitled to pay at a single per annum gross rate to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of Level V of the Executive Schedule in Section 5316 of Title 5 United States Code. (Rule XI, Clause 6(c))

C.—Subject to the provisions of paragraph G, each Committee staff member, other than a member appointed pursuant to the request of Minority Party Members, is assigned to the Chairman for the purposes of general supervision and control and shall perform such duties as the Chairman may assign. In the case of staff members appointed pursuant to the request of Minority Party Members, the Ranking Minority Member shall exercise general supervision and control, subject to the assignments designated by Minority Party Members in accordance with Clause 6 of Rule XI. (Rule XI, Clause 6(a)(1))

D.—The Committee, by majority vote, may terminate the services of any staff member appointed by the Committee and may, from time to time, take appropriate action to fill any staff vacancies. (Rule XI, Clause 6 (a)(4) and (b)(3))

E.—When any staff member is assigned directly to Subcommittee staff duties, the staff member shall remain under the general supervision and control of the Chairman of the Committee or Ranking Minority Member of the Committee as appropriate, but under the direct control of the Subcommittee Chairman or Ranking Minority Member, as appropriate, for duty assignment purposes.

F.—From the funds provided for the appointment of Committee staff pursuant to primary and additional expense resolutions—(Rule XI, Clause 5(d))

(1) The Chairman of each standing Subcommittee is authorized to appoint one staff member who shall serve at the pleasure of the Subcommittee Chairman.

(2) The Ranking Minority Party Member of each standing Subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the Ranking Minority Party Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the Subcommittee Chairman not to exceed (a) 75 per centum of the maximum established in paragraph (c) of Clause 6 of Rule XI, or (b) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph.

G.—The Subcommittee staff members appointed pursuant to paragraph F are subject to the supervision and control of, and shall be responsible to, the Subcommittee Chairman or Ranking Minority Member of the Subcommittee as appropriate.

RULE VIII. COMMITTEE BUDGET

A—At the beginning of each session, after consultation with each Subcommittee Chairman, the Chairman shall propose and present to the Committee for its approval a budget of the estimated total amount of funds to be requested under a primary expense resolution submitted in accordance with Clause 5 of Rule XI, for use by the Committee, for such session of the Congress for all anticipated activities and programs of the Committee and of its Subcommittees. (Rule XI, Clause 5(a))

B.—In presenting the budget, the Chairman shall insure that it contains sufficient funds to enable the Committee and each Subcommittee to discharge its responsibilities for legislation and oversight. (Caucus rule M. III.A.(5)).

C.—Authorization for the payment of additional or unforeseen Committee and Subcommittee expenses may be procured by one or more additional expense resolutions processed in the same manner as set out above. (Rule XI, Clause 5(b))

D.—Once monthly, the Chairman shall require the appropriate staff personnel to prepare a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the Full Committee. Each report shall show the amount and purpose of each expenditure and the budget to which such expenditure is attributed. This report shall be available upon request to the Committee offices for any Membr of the House of Representatives.

RULE IX. POWER TO SIT AND ACT; SUBPOENA POWER; CONTEMPT OF CONGRESS

A.—For the purpose of carrying out any of its functions and duties under this Rule and Rule X of the House of Representatives (including any matters referred to it under Clause 5 of Rule X of the House Rules), the Committee, or any Subcommittee of the Committee, is authorized (subject to subparagraph B(1) of this paragraph)—(Rule XI, Clause 2(m)(1))

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman of the Committee, or any Member designated by such Chairman, may administer oaths to any witness.

B.—(1) A subpoena may be issued by the Committee or a Subcommittee under subparagraph A(2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman of the Committee or by any Member designated by the Committee. (Rule XI, Clause 2(m)(2))

(2) Compliance with any subpoena issued by a Committee or a Subcommittee under subparagraph A(2) may be enforced only as authorized or directed by the House.

RULE X. AMENDMENT OF THE RULES OF THE COMMITTEE

The Rules of the Committee may be modified, amended, or repealed, by a majority vote of the Committee, provided that two legislative days written notice of the proposed change has been provided each Member of the Committee prior to the meeting date on which such changes are to be discussed and voted upon. (Old rule)

EMERGENCY PUBLIC WORKS ACCELERATION ACT OF 1975

(Mr. WRIGHT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WRIGHT. Today, Mr. Speaker, in company with a large bipartisan group of my colleagues on the Public Works Committee, I am introducing a bill entitled the Emergency Public Works Acceleration Act of 1975 to help reverse our rapidly deteriorating national economic situation.

This is one of the major initiatives recommended by the special task force appointed by Speaker ALBERT, and of the program announced by the Speaker on January 14.

As the economy spirals downward, it is mandatory that the Congress use every means at its disposal to put people back to work—quickly and, ideally, at tasks that are truly productive.

Accelerating authorized public works projects falls in this category. The programs are necessary in normal times and even more so now. The Nation urgently needs improved highways and streets, better urban transit, waste water treatment facilities, water resource projects, public buildings, and stimulative economic development in especially hard-hit areas.

The Congress has recognized all of these needs in earlier legislation. In meeting these needs there is a massive job-creating potential, not only at the first level, but through a multiplier effect that extends well beyond the original construction or procurement of capital goods.

This is not make-work. It is not leaf-raking. It does not involve any new spending program. It involves the rapid acceleration of needed programs already authorized by Congress.

Unfortunately, much of our already approved and fully funded public works construction is just not going forward. The ground is plowed and ready, but the seeds that can help us recover from our national economic malaise are not being planted. The construction industry has been reeling in its own private recession for several months and there is massive unemployment in the building trades.

Congress must demand the expeditious handling of public works projects, and the sooner the better.

WATER POLLUTION

Probably the most dramatic example of a public works program that has been stymied is water pollution abatement. Congress in 1972 authorized $18 billion to construct waste treatment plants over the 3-year period, 1973–75.

Incredible though it may seem, as of December 31, 1974, less than $4 billion of this amount had been obligated, construction was underway on only a little more than half of that actually obligated, and the 26-month cash flow to municipalities and thence on to contractors amounted to less than $500 million. This is less than 5 percent of the amount authorized by Congress for the vitally urgent national commitment to clean up our streams.

Simultaneously, construction firms that do the earth moving and below ground excavations for such construction have more than 10,000 idle workers and are desperate for work.

At last count, construction had not started on 460 fully approved projects, and the Administrator of the Environmental Protection Agency himself said the situation was "approaching a crisis." I say that it is a crisis.

HIGHWAYS

There also have been almost unbelievable chronic delays, postponements, and stretchouts in the Federal-aid highway program. The President did not help things when he deferred the release of $10.7 billion in obligating authority last September.

But, setting aside that questionable action, there was still $2.5 billion in obligating authority that was available to the States as calendar 1975 began. But in some States, and in urban areas in particular, highway construction is virtually at a standstill.

Ironically, it is a well-established rule of thumb that a billion dollars in highway spending creates 35,000 direct jobs and another 35,000 indirect jobs.

PUBLIC MASS TRANSIT

In late 1974 Congress enacted transportation legislation in still another area, authorizing $11.8 billion to be spent over the next 6 years to revitalize urban transit systems.

While everyone knows it takes time to gear up to administer a new law, there has been a program of Federal aid for transit in effect since 1964.

In the current fiscal year there is more than $1 billion available for transit facilities and equipment. About one-third of that sum has been committed for current projects. All of this money should be translated into jobs and factory orders—and energy-efficient transit improvements—just as soon as it is humanly possible to do so.

CUT REDTAPE

Action is needed to cut redtape, eliminate delays, and bring public works projects to construction and completion. It is mind-boggling to realize that the many complicated steps required in moving a typical water resource project from the initial study phase through final construction now consumes more than 17 years.

This is absurd. The need for pervasive reform has been apparent for some time, and there are some fundamental problems that the Congress eventually will have to face. But the task at hand is to effect some immediate improvements so that public works programs can quickly generate jobs and help pull the economy out of its tailspin.

The bill that we are introducing will direct the heads of all Federal departments and agencies responsible for administering public works programs to reduce or eliminate any procedural requirements that tend to slow things down. Administrators will have to use their discretion, but they are required to examine and modify regulations that relate to reporting and publication requirements, the holding of hearings, and the scheduling of "waiting periods."

SPEED UP THE PROCESS

The intent is to speed up the approval of projects, get construction and related activities started, and keep them moving.

Of course, there are many substantive requirements built into public works laws themselves, and other requirements that flow from some of the social legislation enacted in recent years. Safety and environmental laws, equal opportunity and minimum wage requirements all have tended to make it difficult for projects to proceed according to an orderly timetable. This legislation does not alter any of those requirements.

Neither can it deal with the delays and uncertainty that are attributable to the malfunctioning economy itself—substantial cost overruns due to inflation and the inability of some hard-pressed local communities to come up with needed matching funds.

But it does require the Federal bureaucracy to use its professional judgment to expedite projects, to eliminate peripheral requirements, to process grant applications aggressively, and to emphasize actions that will make projects go forward rather than stand still.

Hundreds of thousands of jobs can become quickly available for Americans as a result. And those Americans will be employed on programs which the Nation needs.

THE PUBLIC DISCLOSURE OF LOBBYING ACT

The SPEAKER pro tempore (Mr. DOMINICK V. DANIELS). Under a previous order of the House, the gentleman from Maine (Mr. COHEN) is recognized for 15 minutes.

Mr. COHEN. Mr. Speaker, I am very pleased to join with my colleagues, the gentleman from Illinois (Mr. RAILSBACK) and the gentleman from Wisconsin (Mr. KASTENMEIER) in sponsoring the Public Disclosure of Lobbying Act. In my opinion this legislation is vitally needed in order to provide Congress and the American people with an accurate reflection of the lobbying activities which occur daily at the national level and of the role they play in the development of public policy.

Lobbying, as defined by Websters Dictionary, is the "conducting of activities aimed at influencing public officials and especially members of a legislative body on legislation and other policy decisions." Obviously, this definition can include a great many activities. They range from the unfortunately common perception of political maneuvering in smoke-filled back rooms by a few powerful interest groups to the many individual letters we receive each day from our constituents. They also include the many letters and visits we receive from those in our own district or from national associations who represent varied groups concerned about legislation being considered by Congress. As I am sure my colleagues will agree, such contacts are vital to properly fulfilling our responsibilities, and they have a real impact on our consideration of legislation. The information these individuals and groups provide about problems which need legislative remedy and about the implications of measures which have been introduced are essential if we are to act on legislation in an independent, informed, and intelligent manner and if we are to be truly representatives of the people. It was the recognition of the legitimate importance of lobbying which led to the inclusion in the first amendment of the Constitution of not only the right to free speech, press, and assembly but also the right to petition the Government for redress of grievances.

The difficulty with lobbying comes only when a powerful individual or group seeks to gain unfair advantage by tactics which may distort the public reaction to or the actual effect of the policies being considered. On the surface it might seem easy to prohibit such activities, but as legislators before us have realized, the remedy must delicately balance the need to protect the public interest against undesirable pressures with the public's right to petition their Government and their elected representatives need to listen and learn.

An attempt was made to achieve this balance with the passage of the Federal Regulation of Lobbying Act in 1946. Sadly, however, because of original bad drafting and ambiguity in the law and subsequent court decisions attempting to correct these problems, the law has ended in excluding more lobbying activities from its control than it includes. As a result, rather than providing the "antiseptic light of public exposure" on lobbying activities it has greatly muddied the waters and confused the public's perception of lobbying on the national level.

The 1946 act, which is still in effect today, requires that persons who are paid to lobby for someone else must register with the House and Senate and file quarterly reports on how much pay they receive and from whom. Organizations lobbying for their own interests need not register but must file the financial reports. However, a number of organizations who frequently contact Members of Congress have avoided registering on the basis that lobbying is not the main purpose for which they expend their funds. Other groups and individuals have not registered because they spend their own funds or because they claim their contacts with Congress are meant simply to inform rather than influence. Also not qualifying for disclosure under the act are lobbying efforts which solicit others to contact Congress. Thus, it is often impossible for us to determine whether the sudden barrage of letters we sometimes receive on an issue are individually inspired or really stem from the same source. Finally, the act leaves it up to the lobbyists to decide what percentage of their budget is used for lobbying. The ability of Congress to investigate these reports or require registrations is so limited as to be almost nonexistent.

The Public Disclosure of Lobbying Act has been designed to correct the inade-

quacies of the present law and provide the public and Congress with full and accurate information on the many lobbyist groups now in existence and the activities in which they are engaged. First, the measure establishes an independent Federal Lobbying Disclosure Commission, which is responsible for receiving, compiling, and publicly reporting lobbying activities. The act of lobbying receives specific and extensive definition in the bill and includes efforts to influence policymaking in the executive as well as the legislative branches, efforts to solicit others to contact such officials—grassroots lobbying—and basically any efforts by individuals or groups which cost more than $250, exclusive of travel expenses. Each time an action defined as lobbying is undertaken, a notice must be filed with the Commission. The notice includes the identity of the lobbyist, who was contacted, why and for whom. The notices are to be published in the Federal Register on an ongoing basis.

Those engaged in lobbying activities must also file quarterly reports. Besides summarizing the information in the notices for the quarter, the reports must also include the amount of income received in that period to engage in lobbying—whether or not it was used solely for that purpose—and an itemized list of those who provided the money, how much each gave, and how it was expended. The lobbyists must also keep records of his lobbying activities which cover the information required in the reports and must retain those records for 6 years.

The Commission, besides receiving and reporting on this information, is also empowered to investigate the records of those engaging in lobbying, compel testimony of witnesses, and otherwise ascertain that the reporting requirements are being complied with. Failure to comply can lead to civil penalties and in the cases of willful failure or falsification of records, criminal penalties are provided as well.

Some organizations, of course, may claim that such reporting and recordkeeping requirements place an undue burden on their legitimate rights to contact Government officials on matters of policy. It should be recognized, however, that the basic requirements are not dissimilar to those contained in the present law; they simply apply to more groups involved in lobbying and thus distribute the reporting responsibility more equitably. Also, it would seem to me that the required information is no more than would or should be required by those on whose behalf the individual or group has acted. The members of an association, for example, should know about the activities for which their dues have been used. Some, of course, may wish to claim that this is the private business of the organization, but we must remember that their intention is to influence public policy. The information required is that needed to provide the public with accurate knowledge about the many forces which today shape national policy. I submit that in such matters, the public's right to know must predominate.

In conclusion, I would like to commend the efforts made by Mr. RAILSBACK and Mr. KASTENMEIER in introducing this measure. I would also like to note the work done by Common Cause in developing recommendations on lobbying reform and bringing this issue to the attention of the American people. Common Cause is a public interest lobbying group headquartered in Washington representing a broad spectrum of public opinion on many diversified issues. As experienced lobbyists they know full well the limitations of the present lobbying law and the need for lobbying reform. Also, as a group who has fully reported their expenditures for lobbying they have a direct interest in seeing that other groups comply as well with the original intent of Congress for full disclosure. I believe the experience and efforts of Common Cause in this area deserve careful attention by this Congress. I hope that the Judiciary Committee and the full House will be able to give full and prompt consideration to the Public Disclosure of Lobbying Act of 1975 so that the 94th Congress can truly become a Congress of reform.

HEARINGS ON ANTITRUST ENFORCEMENT BY STATE ATTORNEYS GENERAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary will hold 1 day of public hearings on February 20, 1975, on H.R. 38 and similar bills, that seek to permit the attorneys general of the several States to secure redress to the citizens and political subdivisions of their States for damages and injuries sustained by unlawful restraints and monopolies .The hearing will be held in room 2237, Rayburn House Office Building, and will begin at 10 a.m.

FREEZING MEDICARE DEDUCTIBLES AND COPAYMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I am introducing today a bill that will freeze at their 1974 levels the deductibles and copayments patients have to pay under part A of the medicare program.

A similar bill was introduced in the Senate by Senator ABRAHAM RIBICOFF in the past Congress and has been reintroduced this year with 37 cosponsors.

Under current law, out-of-pocket deductible and copayment expenditures by medicare beneficiaries go up annually as the average daily cost of hospital care increases. For example, as of January 1, 1975, the basic hospital deductible went from the 1974 amount of $84 to $92. The copayment for the 61st through the 90th day of hospitalization increased from the 1974 level of $21 per day to $23 per day as of January 1975. The posthospital stay of over 20 days in an extended care facility went up from the 1974 amount of $10 a day to $11.50. And, for hospital stays of more than 90 days, the copayment for the "lifetime" reserve of 60 days increased from the 1974 level of $42 per day to $46.

The bill I am introducing today would freeze all part A deductibles and copayments at the 1974 amounts through 1976. It would also freeze the part A hospital insurance premium for voluntary enrollment by uninsured elderly and disabled persons at the current level of $36. This premium will be increased to $40 a month as of July 1975 unless this legislation is enacted.

We cannot continue to increase out-of-pocket medical costs borne by the elderly and disabled beneficiaries of medicare, many of whom live on fixed social security or other retirement incomes. In recent years, medical costs have increased at a higher rate than other consumer products, and the medicare deductibles, copayments and premiums have increased even faster than the medical care items of the Consumer Price Index. The basic hospital deductible under part A has increased 130 percent since December 1968 when it was $40. The average out-of-pocket health care costs for Americans aged 65 and over has grown from $234 in 1966 to $311 in 1973.

I am hopeful that within the not-too-distant future we will enact a national health insurance program that will expand health benefits available to the elderly and disabled under medicare, provide comprehensive health care coverage for all Americans, and establish a system that will maintain increases in medical prices within reasonable limits.

In the meantime, it is imperative that we amend the present medicare program so as to protect its beneficiaries from further increase in out-of-pocket costs due to rising hospital deductibles and copayments, as I have proposed in this bill.

TOWARD POLITICAL FREEDOM FOR FEDERAL CIVILIAN AND POSTAL EMPLOYEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. CLAY) is recognized for 5 minutes.

Mr. CLAY. Mr. Speaker, today I have introduced the Federal Employees' Political Activities Act of 1975, a bill which, if enacted, would amend the Hatch Act by restoring to Federal civilian and Postal Service employees their right to participate, as private citizens, in the political life of our Nation. It would continue to protect these Federal civilian and Postal Service employees from improper political influence and coercion.

Passage of the Hatch Act in 1939 represented Congress response to widespread abuse of Federal employees by governmental officials for political purposes. Enactment of this legislation, given the conditions of the time, assured a competitive, classified, merit system which inspired public confidence. Further, it protected these public servants from undue political influence by overzealous superior officials.

Thirty-five years have passed since the passage of the Hatch Act. Yet little has been done to bring the provisions of the law in line with the problems, opportunities, and realities of the seventies. For example, the vagueness of the language in the act, leads many Federal employees to "play it safe" by not becoming involved in even approved political activity. In a practical sense, the act tends to infringe on the right to freedom of speech by public employees. The act tends to infringe upon State and local authority and their right to establish standards governing the conduct of State and local employees. The sad reality is that, in this day of heightened consciousness about the need for political involvement, the act systematically denies meaningful political participation to a select group of people—Federal civilian and postal employees.

The legislation which I have introduced recognizes the changes in the sociopolitical climate today and the effective administration of our merit system, in contrast to the 1930's. It aims to reflect the needs and realities of public service and the inalienable right of all Americans to participate in the election process.

Specifically, my bill would enable Federal civilian and postal employees to participate in the workings of our democratic way of life. First, it permits employees to contribute voluntarily to candidates for public office. Second, it permits employees to express their views and to participate in political management of campaigns, as private citizens, without the involvement of their official authority or influence. Third, it specifically defines the meaning of political management and campaigns, to include:

Candidacy for service in political conventions;

Participation in political meetings, caucuses, and primaries;

Preparing for, organizing or conducting a political meeting or rally;

Membership in political clubs;

Distributing campaign literature and distributing or wearing campaign badges and buttons;

Having a publishing, editorial, or managerial connection with political publications;

Participating in a political parade;

Circulating nominating petitions; and

Candidacy for any public office.

This legislation does not presume to be the complete answer to this problem. It is extremely complex and of long-standing duration. It does, however, represent my view of one approach to the issue of making full participation in the political process a reality for all Americans. I welcome and solicit the views of others in seeking to constructively address this too-long neglected problem. In order to facilitate this process, the Subcommittee on Employees Political Activities which I am privileged to chair will initiate public hearings within the next few weeks.

RESOLUTION RE VLADIVOSTOK AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 15 minutes.

Mr. BINGHAM. Mr. Speaker, on behalf of myself, and the distinguished gentleman from Wisconsin (Mr. ZABLOCKI), chairman of the National Security Subcommittee, I am today introducing a House resolution supporting the basic principles of the Vladivostok Agreement and outlining priority areas for further strategic arms control agreements. We are happy to be joined by the following cosponsors: Mr. FINLEY, Mr. FRASER, Mr. NIX, Mr. FASCELL, Ms. SCHROEDER, Mr. HARRINGTON, Mr. LEGGETT, Mr. HAMILTON, Mr. YATRON, Mr. RYAN, Mr. CHARLES WILSON of Texas, Mr. SOLARZ, Mr. RIEGLE, and Mr. BONKER.

This resolution is substantially similar to that offered by Senators KENNEDY, MATHIAS, and MONDALE in the Senate on January 17, 1975. It differs from the Senate resolution primarily in its more forceful insistence that the Vladivostok agreement not be construed—either by the United States or the Soviet Union—as justifying or requiring of forces to the ceilings set in the agreement.

This resolution is based on the premise that the House has a responsibility for helping determine national security policies relating to the U.S. strategic force posture and strategic arms control. Given the annihilating power of strategic nuclear forces and the horrifying economic and political consequencies for mankind of escalating strategic arms races, this is a grave responsibility, demanding our closest attention.

The resolution which I am offering today applauds the progress that the President achieved at his meeting with Soviet Party leader Brezhnez in Vladivostok. It supports his efforts to translate the agreement in principle achieved there into a concrete accord limiting the numbers of strategic nuclear delivery vehicles and multiple independently targetable reentry vehicles—MIRV's—that the United States and U.S.S.R. can maintain. It places no strings on his negotiating authority; it neither requires him to renegotiate the numbers agreed on at that meeting nor to seek agreement on new kinds of reductions in the final accord. Indeed, it strengthens his negotiating authority by providing congressional backing for his efforts to achieve a final accord on the basis of the Vladivostok agreement.

At the same time, this resolution recognizes that the Vladivostok agreement is only a beginning in placing constraints upon the strategic arms race. Further quantitative and qualitative limitations will be necessary to provide meaningful arms control in the future. Therefore, this resolution calls upon the President to make every possible effort to bring potentially destabilizing elements of our strategic relationship under mutual controls in the future.

I would like to call your attention to certain provisions in the resolution. The first, which is found in paragraph 3, states clearly that it is the sense of the House that the Vladivostok agreement does not require either the United States or the U.S.S.R. to build up to or maintain strategic forces at the limits established by the agreement—2,400 delivery vehicles and 1,320 MIRV'ed missiles. Furthermore, it declares that strategic force deployments—at any level—should be based solely upon actual security needs, not upon expectations that the deployments may provide military bargaining chips or political leverage.

This language is significant. In stating that the agreement does not require either side to build up to or maintain forces at the limits set by the Vladivostok agreement, it expresses my belief, and that of many of my colleagues, that current American and Soviet strategic forces are more than adequate to meet each nation's security requirements for the foreseeable future, barring any dramatic unforeseen changes in the forces structure of either side. On another level, it provides constructive guidance to the President on the criterion he should follow in planning the future shape of American strategic forces.

I would also call your attention to the numbered paragraphs of section 2. These paragraphs outline priority areas for further action if the strategic arms race is to be contained in any meaningful fashion and eventually reversed. They call upon the President to seek Soviet agreement to reduce the numbers of strategic delivery systems and MIRV'ed missiles below the limits of the Vladivostok agreement, to limit the pace and character of strategic development and deployments and to limit forces and arms not currently controlled by bilateral or multilateral agreements.

Until now, this Nation's efforts to control the strategic arms-race have focused on establishing relatively equal numerical limits on the most threatening elements of strategic forces. Now that we have agreed in principle to the idea of parity in numbers of strategic delivery vehicles and MIRV'ed missiles, the most strenuous effort should be directed to drastically reducing by mutual agreement Soviet and United States strategic arsenals to levels which are sufficiently low to erase any thought that either side would be tempted to use its strategic forces in a first strike.

In addition, we must now focus as much, if not more, attention on the qualitative aspects of the arms race. Modernization of existing sytsems and research and development of new systems are the major source of strategic instability today, and could, if not controlled, foster an even more menacing and expensive arms race in the future. The history of the United States and Soviet strategic arms developments confirms that fact that when one side develops a new

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capability, the other side is not far behind it in developing the same or a counter capability. During this "catch up" period, arms control measures are impossible to obtain. Therefore, if we are serious about arms control, we must do everything in our power to seek Soviet agreement to mutual restraints on the pace and character of strategic research and development and of deployment of new weapons. Such restraints might include a quota on strategic missile tests, a prohibition on the deployment of new kinds of missile forces such as land mobile ICBM's or nuclear cruise missiles, a limitation on measures to improve accuracy, and/or limitations on the rate at which strategic systems might be deployed or replaced.

Mr. Speaker, no one can be certain that it will be possible to achieve agreement with the Soviets in all the areas which we have outlined in the resolution. Our first priority, of course, must be to conclude a final accord on the basis of the Vladivostok agreement in principle. Nothing, including the steps we have outlined for future action in this resolution, must deter us from that goal. But, our next priority must be to bring under meaningful control those aspects of the strategic arms competition which, because they are either not addressed or not sufficiently limited by the Vladivostok agreement continue to threaten international peace.

Mr. Speaker, this resolution is offered by its sponsors as a constructive step which the House may take to place itself on record in favor of meaningful arms control measures and to fulfill its constructional responsibilities in helping formulate the outlines of American strategic policy.

At this point, I insert the resolution in the RECORD:

H. Res. 160

Whereas, at Vladivostok on November 24, 1974, the President of the United States and the General Secretary of the Central Committee of the Communist Party of the Union of Soviet Socialist Republics reached an agreement in principle on the limitation of strategic offensive nuclear arms; and

Whereas this agreement in principle places a limitation of 2,400 for each country on the number of strategic nuclear delivery vehicles, and a sub-limit of 1,320 for each country on the number of strategic missile launchers equipped with multiple independently targetable reentry vehicles (MIRVs); and

Whereas, this agreement is an important beginning in placing constraints upon strategic nuclear weapons programs and delivery systems currently planned for development by the United States, and upon the deployment by the Soviet Union of a so-called "next generation" of nuclear weapons; and

Whereas, the Vladivostok Agreement contributes to efforts between the United States and the Soviet Union to achieve agreements on mutual limitations and reductions of nuclear armaments, based upon the principle of substantial overall equality between Soviet and American nuclear forces, taking into account both qualitative and quantitative factors; and

Whereas, mutual restraint by the United States and the Union of Soviet Socialist Republics in future deployments of nuclear arms would help to prevent the further spread of weapons to countries not now possessing them: Therefore, be it

Resolved, That the House of Representatives of the United States of America

(1) Commends the agreement in principle reached at Vladivostok on November 24, 1974, and expresses its support for the broad purposes of that agreement as a major and substantial step forward in furthering mutual arms control, beneficial to United States interests, and in improving the relations between the United States and the Soviet Union;

(2) Expresses its firm belief that this agreement in principle must lead to further mutual arms limitations and reductions and that both the United States and the Soviet Union should make every effort to halt the continuing competition in strategic arms by exercising mutual restraint in the deployment of nuclear weapons systems beyond currently-deployed levels and types of weapons systems.

(3) Expresses its understanding that the Vladivostok Agreement establishes limits within which the United States and the Soviet Union may deploy strategic forces, but that the Agreement does not require the signatories to build up to or maintain strategic forces at these limits and that their deployments of strategic nuclear weapons be based solely upon their actual security needs.

SEC. 2. It is the advice of the House that the President should make every possible effort (a) to complete the negotiations resulting from the Vladivostok Agreement in principle; (b) in addition, to reach further agreements including, but not limited, to the following:

(1) Mutual restraints on the pace and character of development and deployments by the United States and the Soviet Union of strategic weapons systems within mutually agreed limitations of the Vladivostok Agreement and of the final accords to be negotiated on the basis of the Vladivostok Agreement.

(2) A commitment to negotiate mutual reductions to lower levels than those contained in the Vladivostok Agreement, both in the total numbers of strategic delivery vehicles and in the numbers of missiles capable of carrying multiple, independently-targetable reentry vehicles.

(3) A mutual commitment to continue negotiations on a timely and sustained basis to achieve further mutual limitations with regard to military forces and armaments not presently limited as part of the 1972 United States-Soviet Union strategic arms control agreements and the Vladivostok Agreement.

Negotiations to achieve the objectives contained in subsections (1), (2) and (3) should begin as soon as possible.

SEC. 3. The Speaker of the House is directed to transmit copies of this resolution to the President and to the Secretary of State.

THE VISIT OF PRIME MINISTER BHUTTO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 10 minutes.

Mr. SIKES. Mr. Speaker, a warm and cordial welcome is due to Prime Minister Bhutto of Pakistan. This distinguished visitor to our Nation's Capital has been waging a valiant effort to strengthen his nation's economy and he is due high credit for the success his efforts are enjoying. His work is the more impressive because Pakistan has, in recent years, been beset with economic, military, and natural disasters.

America has much interest in Pakistan and a warm friendship for the people of that country. Year in and year out, Pakistan has been one of the nations that has stood with America despite pressures from other countries and despite vacillations on our own part when Pakistan needed our friendship and our help.

For many reasons, the Prime Minister's visit is an important one. It comes at an opportune time to further good relations between our countries. Pakistan's stabilizing influence in an area of much unrest among nations places additional importance on close relationships between the United States and Pakistan.

One item of discussion, understandably, is the lifting of the embargo against the purchase of weapons by Pakistan from the United States.

For years, Pakistan depended in large measure upon the United States for modern weapons. Then, as a gesture to India, we stopped the sale of weapons and spare parts to Pakistan. This was a crippling blow at a very serious time in Pakistan's history. They were forced to look elsewhere for the help they wanted and expected from the United States. There is no justification for the continuation of the embargo. Pakistan threatens no other country. Their survival as a democratic nation is at stake. They must be able to protect themselves, should external dangers arise.

Our country should also concern itself with helping Pakistan to overcome the internal difficulties which are still a factor in the progress and stability of the nation. The cordial tone of the talks between the heads of the two governments lends encouragement to the hope that the United States will take a more realistic view of our relations with Pakistan and the need for further cementing our friendship. All of this will be to the best interests of the United States and it can help to improve conditions in one of the more volatile areas of the world.

Surely, the peace-seeking nations of the world recognize the value of the prime minister's visit and wish him well in his talks with America's leaders.

MR. ROY STAUFFER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, on Sunday of this week, northeastern Pennsylvania lost one of its outstanding citizens.

Mr. Roy Stauffer, industrial developer and leader, a model citizen, a dynamic prime mover in the development of the economy of his region, died at Hazleton, Pa., ending a life of commitment to his fellowman, in a fashion that touched in one way or another the lives of hundreds of thousands of individuals who benefited in some way by living in the communities for which he did so much in his lifetime.

It is difficult in a few words to express the meaningful role Roy Stauffer played in making northeastern Pennsylvania a better place in which to live. In short, we in the region I represent were blessed with his presence, and the lives of generations to come will benefit from his endeavors.

A man of vision and determination, Roy Stauffer at an early age set out on a business venture that I am certain at that time would have drawn skepticism from his peers. He established, 50 years ago, one of the first Chevrolet automotive dealerships in the Nation, building it into one of the largest of the General Motors line.

He was not content to rest on the laurels of business success and enjoy the profits of his endeavors. He shared his wealth, something he possessed in all varieties, especially in his concern for his fellow man, and shared it well. Roy Stauffer served at various times as president of both the Scranton and Pittston Chambers of Commerce. He was the leader in all economic and industrial development programs, including PAID, a committee of a few Pittston area community and business leaders who set out in the 1950's to bring rebirth to a region which was beset with the tragedy of the demise of the hard coal industry in Northeastern Pennsylvania. It was his imaginative ability, his keeness of mind, and often his own generosity which gave the extra push to a project which would mean thousands of jobs and economic independence in an area which needed it so badly.

In the more than a quarter century in which I have served in this House, it has been my pleasure to assist community organizations and chambers of commerce in taking steps to sustain and expand the economy of my district. I could not recount the occasions on which a telephone call from Roy Stauffer set things in motion, as we all joined together to bring a new industry to northeastern Pennsylvania, or to raise money for the construction of a new plant. Greater Pittston and indeed all of northeastern Pennsylvania will feel the loss of Roy Stauffer, and I will feel the absence of a dynamic individual and good friend.

Mr. Speaker, with your permission, I present for publication in the RECORD, Mr. Stauffer's obituary as it appeared in the February 3 edition of the Times-Leader, Evening News, Wilkes-Barre Record:

ROY STAUFFER DIES; INDUSTRIAL DEVELOPER

Roy A. Stauffer, recognized as the "father of area industrial development," died Sunday at 8:25 a.m. in the Lutheran Home, Hazelton. He was 78.

He had resided at 25 Grandview Dr., Stauffer Heights, Hughestown.

A native of Nuremberg, Mr. Stauffer was born June 7, 1896 and started his career in the Pittston area with the Lehigh Valley Railroad. Entering the automobile age as a mechanic, he organized one of General Motors leading agencies, through the birth of his company at Wyoming in 1925, followed by expansions at Pittston in 1932, Scranton in 1936 and West Pittston in 1940.

He incorporated the firm in 1947 with himself and his three sons as major stockholders.

A three-time president of the Scranton Chamber of Commerce, Stauffer served as president of the Lackawanna Industrial Fund Enterprises (LIFE) for the first decade of its existence and also was president of the Pittston C of C. He played an important role in the construction of more than 40 community-backed plants in the Luzerne-Lackawanna area.

In 1964 Stauffer was honored by the Northeast Pennsylvania Industrial Development Commission with recognition as "the father of area industrial development."

In 1971, Mr. Stauffer was chosen as the quality automobile dealer of the year by Time Magazine. He retired from active business April 24, 1971.

Mr. Stauffer was a member of St. Peter's Lutheran Church, Hughestown, and Masonic bodies, having been raised to 33rd Degree Mason at Boston in 1958. He was a past president of the Wyoming Rotary Club, past district governor of Rotary International, and a member of the board of the AAA Motor Club of Northeastern Pennsylvania and past president of Pittston Area Industrial Development (PAID).

Surviving are his widow, the former Hilda Schmaltz; sons, Glenn and Carlton, West Pittston; Gail, Virgin Islands; five grandchildren and three great-grandchildren; brothers, Millard, Hollywood, Fla., and Walter, Nuremberg.

Funeral will be Tuesday at 11 from St. Peter's Lutheran Church, Hughestown, with Rev. Robert F. Sauers officiating. Private entombment will be in Glennwood mausoleum at a later time.

RURAL HEALTH NEEDS: A CASE IN POINT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, this morning the ABC network told the Nation a heartwarming story about a countryside doctor in the small town of McCrory, Ark. The story of Dr. John Morris is one of dedication to serving the health care needs of the people of his area and of a celebration they are holding today on the occasion of his 100th birthday.

It is also a story which underscores one of the critical health care problems in countryside areas that were examined in hearings I conducted last October as chairman of the House Subcommittee on Rural Development.

Upon graduation from medical school, Dr. John Morris set up practice near McCrory. His practice continues today in that area, a service of some 75 years attending to the medical needs of the 1,800 residents of McCrory and surrounding communities.

Dr. Morris, still active and alert at 100, drives his car to the office each morning where he maintains morning office hours, reserving the afternoons for fishing. It will be business as usual for the doctor this morning.

Residents of McCrory will assemble in Dr. Morris' home this afternoon, as they did 10 years ago for his 90th birthday, to honor their doctor.

Though McCrory has two other doctors in addition to Dr. Morris to administer to the health needs of this countryside community, many of our Nation's small towns are not so fortunate in having adequate doctors to meet their needs.

During its study of countryside health needs and problems, the Rural Development Subcommittee found that at the end of December 1972 there were 140 counties in the Nation without doctors, an increase of 43 percent since 1963. From 1968 to 1972, the number of general practitioners decreased in 43 States.

The doctors in countryside areas are growing older, and I am sure there are very few with the stamina of Dr. John Morris, and their communities must begin to face the possibility of a future without a doctor because far too many of them are not as fortunate as McCrory, Ark., which has become the home of two younger doctors, as well as Dr. Morris.

Younger doctors are simply not coming into rural areas in sufficient numbers even to replace those dedicated men and women who already serve but whose service will eventually end.

Small hospitals are closing in the countryside because they are unable to obtain the health care personnel or the modern technology they need.

Health problems are greater for the poor and the elderly than for most other groups, and the towns in the countryside contain proportionately more poor and elderly people than metropolitan areas.

A recent study of 80 Arkansas, Kentucky, Mississippi, Missouri, and Tennessee counties which make up the Memphis regional medical program area found that in counties where the people are poorer, older, and less educated, there will be fewer doctors, dentists, and registered nurses than the national average, the average for the regional medical program area, and even for the surrounding counties where the residents are more affluent, better educated, and younger. Only four of the counties in this region are part of a metropolitan area.

In the countryside, infant mortality and maternal mortality is higher than in the cities.

An indication of the state of health of a population is the rate of rejection for health reasons for military service. Twice as many rural residents have been rejected for health reasons than have metropolitan residents.

It is said that the countryside resident who is neither poor nor elderly enjoys about as good health as his metropolitan counterparts. The military service rejection rate casts some doubt on this. Can it be that persons in these age groups simply "tough it out" until they recover from an ailment which, had health care services been readily available, would have sent them to a doctor?

While the injury rates in countryside and metropolitan areas are approximately the same, four times more people in rural areas die from accidental injuries than in the cities. Are we letting these people die because they have not helped their communities provide access to health care facilities and personnel?

Health care costs are increasing all over while the availability of care is clearly decreasing in the countryside.

In spite of the billions of dollars which the Federal Government has put into medical schools and loans to 170,000 medical students and in spite of the obvious need for health manpower in countryside areas, few new physicians have

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sought forgiveness of their loans through service in rural areas.

The subcommittee identified a number of other problems for which solutions must also be found. In too many States the laws governing health practice are not written so that the most effective and efficient use can be made of certified nurse practitioners and other paramedical personnel.

Discrimination is practiced in establishing the payment levels under Federal health programs for such services to such groups as the poor and the elderly when those services are provided by paramedical personnel. Similar discrimination is also apparently practiced by private insurance companies.

Witnesses told the subcommittee that too often there exists an "urban bias" in Federal health programs which makes it difficult for countryside areas to use them to the fullest or at all.

We as a Congress and as a nation must work logically and rationally toward a solution to the health problems of the countryside. Programs designed for metropolitan areas and reduced in scale for the countryside are not the answer. Rural areas have special kinds of problems which call for bold creative action and innovation.

HANDGUN CONTROL—A MUST PRIORITY FOR THE 94TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, in 1971, 10,000 Americans were killed by gunfire. Today this number is increasing. The latest statistics from 1973 reveal a total of 10,340 murders committed just with handguns in the United States. In the District of Columbia last year there were 158 homicides using handguns. Such murders have become a regular feature of our daily news broadcasts.

Mr. Speaker, the shocking familiarity of firearms deaths is not necessary and should not be tolerated. It is simply the result of our continuing reluctance to take a strong and fundamental position to save human lives.

Today I am taking such a position by introducing, along with my colleague, Congressman ABNER MIKVA, legislation which will hopefully avert future tragedies by halting the spread of firearms in this country. This bill bans the manufacture, sale, and trafficking of handguns. It has provisions to exempt licensed pistol clubs and curio or collector items. Moreover, this legislation calls for a bounty to be given to individuals who voluntarily turn in their handguns, thus further enhancing the effect of drying up the supply of handguns.

Our legislation is an attempt to create a much needed national firearms policy which would restrict the availability of handguns for non-law-enforcement purposes.

In recent years, many distinguished groups of Americans have spoken out against the handgun epidemic. Three Presidential commissions—the National Advisory Commission on Civil Disorders in 1968, the National Commission on the Causes and Prevention of Violence in 1969, and the Brown Commission on the Reform of Criminal Laws in 1970—together with the U.S. Conference of Mayors, have urged stringent Federal firearm controls. Yet we still have not passed the legislation which could have prevented much tragic gun violence.

The proliferation of handguns is making armed camps out of our urban areas. It is estimated that there are 40 million handguns in the United States. That is one handgun for every five people. There were 279,169 crimes committed with guns in 1973—mostly handguns and largely in our urban areas. This can be reduced to a crime every 2 minutes. It is small wonder that our citizens continue their exodus from their urban neighborhoods to the suburbs.

As I mentioned earlier, 10,340 individuals are not alive today because they were victims of handgun murders in 1973. These handgun murders amounted to 53 percent of the 19,510 murders which were committed in 1973. The FBI reports that 95 of the 132 local, State, and Federal officers slain on duty in 1974 were killed by handguns. From 1964 to 1973, 71 percent of the 858 State and local officers murdered were killed by handguns.

Add to these statistics the estimated 2,700 deaths and 200,000 injuries from gun accidents—many of them handgun accidents—and, it is clear that guns spell personal tragedy to thousands of American families.

It is quite clear that the primary function of guns is to kill people. Guns enable people to kill people easily, thoughtlessly, comfortably, and on the spur of the moment, and increased guns mean increased violence. Still the gun lobbyists claim that gun control is an abridgement of their rights. What they do not mention is that the victims of gun-crime are deprived of their most basic right—their right to live.

Gun control legislation does not curtail individual liberty, but protects liberty, and indeed life, by restricting possession of the weapon most frequently used for crime and killing. It is a kind of national insanity that allows the frenzy of the gun lobby in this country to put the convenience and amusement of gun enthusiasts ahead of the welfare and safety of the American people. The United States is no longer a frontier society. Pistols as playtoys are not tolerable in urban communities.

I do not believe that we should deny any citizen the opportunity to sporthunt or collect antique guns. But these activities must be controlled and should not preclude any possible measure to insure the safety of our citizens.

Our bill does not hamper the genuine recreational pursuits of sportsmen. It does not restrict the rifles and shotguns which are the primary tools of the sportsman. And it allows target shooters to continue using their pistols in licensed pistol clubs. These clubs would be required to maintain possession and control of the handguns and store them in a safe place.

It is estimated that as many as 2.5 million handguns are manufactured for the U.S. market each year and in 1973, 772,000 of these were made almost completely from imported parts in circumvention of the 1968 ban on imported handguns.

As the number of guns increases, the menace to the safety and security of American citizens also increases. It is madness to permit anyone who wants a gun, particularly a handgun, to get one.

Unless strong measures are taken to prevent firearms from becoming so easily acquired, police officers will continue to be unable to cope with this problem and the chief tool of murder will remain far too easily accessible.

The legislation we are proposing does not prohibit the possession of guns but by banning the manufacture, sale, and distribution of handguns in conjunction with the bounty plan it will greatly reduce the number of guns. This cannot induce every criminal to surrender his crime tools but it would begin the process of curbing the spread of pistols and make it more difficult for potential criminals to obtain their weapons.

CHATTAHOOCHEE RIVER NATIONAL RECREATION AREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Georgia. Mr. Speaker, today I am introducing a bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia.

Cosponsors in the House are the following Representatives from Georgia: Mr. PHIL M. LANDRUM, Mr. ROBERT G. STEPHENS, JR., Mr. JACK BRINKLEY, Mr. W. S. (BILL) STUCKEY, JR., Mr. DAWSON MATHIS, Mr. BO GINN, and Mr. ELLIOTT H. LEVITAS.

In the Senate, Senator SAM NUNN of Georgia is introducing an identical bill, with Senator HERMAN E. TALMADGE of Georgia as cosponsor.

This measure was drawn up in consultation with conservationist groups and interested private citizens in Georgia, along with regional, State, and Federal agencies.

The Chattahoochee River corridor is an invaluable natural treasure which extends into the city of Atlanta. This legislation would conserve the wildlife, the beauty, the water, the recreational potential, and the historical sites along a 48-mile stretch of the stream, from Buford Dam at Lake Lanier to Peachtree Creek in Atlanta.

This is an opportunity to establish a national recreation area in a major urban complex. It would be easily accessible to the people of Georgia and the entire Southeast as well.

The legislation provides for the acquisition of about 5,000 acres of parkland and open space, including a 50-foot easement on either side of the river.

There are many qualities worth preserving in this area. The water of the Chattahoochee is cold enough to support trout. There are rapids for white water rafting, and calm waters for canoeing. The wildlife is rich in abundance and variety.

The historic value of the area is great. Archeological scholarship has discovered evidence of man's continuous habitation there since about 10,000 B.C. Indian artifacts, river crossings, trails, a restored ante-bellum town, and ruins of 19th century flour, paper, and cotton mills are threatened by urban growth.

Perhaps the most unique quality of the area is its simple, natural beauty and serenity. Commercial development would change its character irrevocably.

The Chattahoochee River National Recreation Area would protect an American treasure—before it is too late.

In the previous Congress, nearly identical legislation was introduced and cosponsored by the Georgia delegation and other Members. Senator HENRY M. JACKSON, chairman of the Senate Interior and Insular Affairs Committee, made an onsite inspection of the area, and the Senate Subcommittee on Parks and Recreation held a field hearing in Atlanta. It is my hope that the House and Senate in the 94th Congress will proceed with the additional deliberations necessary for enactment of this legislation.

CONTINUED MILITARY AID TO TURKEY IN VIOLATION OF U.S. LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, several newspapers reported today the views of congressional action to cutoff U.S. military assistance and sales to Turkey.

I was disturbed to note that these accounts failed to recognize the basis of this congressional action—that continued military assitance to Turkey is in violation of U.S. laws which prohibit any country from using U.S. supplied arms and other military assistance for other than defensive purposes.

Mr. Speaker, during a press conference at the Department of State on February 5, 1975, several questions were raised regarding the State Department's position with respect to the legality of continued military assistance to Turkey. However, the Press Officer, Robert Anderson, refused to comment on this fundamental question of the enforcement of the law.

Mr. Speaker, because this matter is of vital importance, I would like to include in the RECORD the text of these questions and the nonresponses of the Department of State's spokesman, Mr. Robert Anderson. I have added headnotes to make it easier to follow the text.

The text follows:

TRANSCRIPT OF PRESS, RADIO AND TELEVISION NEWS BRIEFING WEDNESDAY, FEBRUARY 5, 1975, 12:35 P.M.

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Q. Bob, may I come back to Turkey—which I'm sure won't be very popular—but I'm wondering what it is the Administration really wants. During the Johnson, the Nixon, and the current interim regime, every time the Executive is thwarted by an act of Congress or otherwise they say that this act is likely to have horrible consequences all over the world. It's a litany. Do they want the Congress to change the conditions of mutual aid agreements so that countries will not be prohibited from using American material for invasion or may be able to transfer it to third countries without U.S. approval? What do they want? Or do they just want Congress to vote that the President doesn't have to comply with the law? I'm puzzled by this.

A. I think with regard to the Turkish aid cutoff question I cannot tell you what specific plans the Administration may have. The Secretary, as we know, is in very close consultation with those members of Congress who are interested particularly in the Cyprus problem. And, as the White House statement today said, the Administration will urge the Congress to reconsider its action and authorize the resumption of our assistance relationship to Turkey.

Now, in the parliamentary sense I do not know what this may involve. The Secretary obviously will be discussing this whole question with the President, and I just can't speculate on it.

Q. Bob, has the Secretary given word to the Turks in any form whatsoever that there is hope for resumption of aid?

A. Well, let me put it this way, the White House statement here has been made available, or is being made available right now, to the Turkish Government. I think that the Turkish Government also is aware of the statement of last Saturday that was issued following the meeting that the Secretary had with certain Congressmen, plus Senator Eagleton.

Q. What do you mean "made available"? In the sense that they read the papers like we all do, or was it—?

A. We send it out to our Embassy.

Q. I assume you send it to Luxembourg and to Afghanistan, too. Were there any special measures taken to encourage the Turkish Government also is aware of the Secretary and the Administration will be able to accomplish some sort of reversal on the Hill?

A. I am unaware of any such special measures, Barry.

IS TURKEY IN COMPLIANCE WITH U.S. LAW?

Q. If I could follow up for a moment on Stu's question, because it seems to me that this really comes to the crux of the issue.

The question, as I understand it, is not whether Congress is denying military aid to Turkey for its own self-defense.

The question is that Turkey went contrary to the conditions that are put on the granting of that aid using some of that military equipment in Cyprus.

Now, could you tell us, and through us, tell the U.S. Congress and the U.S. people, what it is that has been done to register any complaint with the Turkish Government on this regard. It seems to me it is not Congress that is going contrary to the law.

A. I frankly, on this whole question that we have been discussing off and on since last summer, I just am not going to have any further comment on it at this time.

Q. Will you accept Ted's—is Turkey in compliance with the law in its use of American arms today?

A. I refer you back to the statement that I gave last Saturday after the meeting.

Q. There has been some time since then.

A. Yes.

Q. And your statement Saturday was very clear, but the situation today isn't.

A. I have nothing to add to the statement I made last Saturday.

Q. It is as it was Saturday, then?

A. Yes.

Q. The situation is as it was Saturday?

A. Yes.

HAS NATO MEETING BEEN SCHEDULED TO DISCUSS CONSEQUENCES OF CUTOFF?

Q. Bob, since the consequences are supposed to be so dire for NATO, does the Secretary have any plans, either at the beginning or at the end of his trip, to meet with the NATO Council in Brussels and discuss the consequences of this aid cut-off?

A. I know of no such plans.

Q. But if it were so serious, would this not be an occasion for discussing it?

A. I know of no such plans now. I don't want to speculate on whether this might or might not happen. But as of now, I know of no plans for a meeting with the NATO Council.

Q. Bob, if I could follow up Stewart's question, which I think is broader than just Turkey or Cyprus. Is any attempt being made to modify—is legislation being written now that would modify or supersede the standard clause that forbids the transfer or restricts the end use of U.S.-supplied weapons?

A. My answer to that is no, as far as I am aware. If I am incorrect, I will get back to you. I know of no such movement.

Q. This question is interesting all the more because other countries—I don't see why I should name France—just dropped this transfer clause. We are sending to Egypt now modern armaments without this clause. So wouldn't it be high time for the United States to at least think about it, whether it shouldn't be reconsidered? The French are saying that this is obsolete. It can't be reinforced anyway.

A. I am aware of the French Government's thinking, and action, on this.

IS ADMINISTRATION DISPLEASED THAT LAW IS BEING ENFORCED?

Q. Bob, in the Administration's statements on this, I have seen nowhere any reference to adherence to the original law. Is the Administration—it talked about the extension, the cut-off in aid, but I am talking about the reason the aid was cut off was because Turkey did not adhere to the law. I don't see anything in the Administration's statements about adherence to the law. Is the Administration displeased because the law is being enforced?

A. I refer to the statement I made last Saturday.

Q. I'm talking about the original law.

A. The question was that the President was not in a position to certify two points—one,—

Q. I'm not talking about the aid cut-off, I'm talking about the reason the aid was cut off was because Turkey was in violation of a law, and I have seen no where any statement from the Administration about adherence to the basic law, not the aid cut-off which goes into effect today.

A. Yes. On that question, that is the same question that was asked the Secretary when he came down here in July, and I will be glad to dig out what the Secretary said on that occasion on that very point.

WHAT ARE RESULTS OF STATE DEPARTMENT LEGAL STUDY?

Q. Bob, the record will show that this question has been asked since July of the State Department, but has never been answered by the State Department. The State Department has yet to respond to the question of what it determined from its legal study as to whether Turkey had violated the legislation in the use of its equipment in Cyprus, the use of American arms in Cyprus.

Q. Murrey, my recollection is that the Secretary at that time said that he was under legal study and he was not able to comment on the legality.

A. Right. Then he has made many subsequent statements on the reason that he felt that the military assistance to Turkey should

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be continued, and I frankly have nothing more to add to it and I am not going to get into it.

Q. Bob, I would like to follow up Ted's question from before. Could you please take the question as to whether U.S. displeasure has been expressed to Turkey directly, either through our Ambassador there, through the Secretary here in the numerous meetings he has had with Turkish officials as to their acting in a way that certainly appeared to be in violation of a law enough for Congress to punish them for it?

I mean, have we ever directly said to Turkey, "Look, you did something that you are not supposed to do with our equipment that is for the defense of the West and will cause dire consequences for the West." Can you get an answer to that question?

A. I will see what I can do with that question.

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HAS LEGAL STUDY BEEN DONE?

Q. Bob, could you have someone in your staff sometime dig out what you consider or can find is the closest approximation to an answer to last July's question on the legal status? I am seriously asking. I mean, this is a question of the Administration—at least, it appears to me the Administration is giving the impression that poor Turkey which, incidentally, has received sixteen Phantom jets since August, is being mistreated by the United States because of some whim of Congress. And it seems to me it is being dealt with by the United States in a manner called for by the laws of the United States. I don't see that the State Department has ever—can ever answer that charge unless they can come up with something I haven't seen. I don't want to orate on the thing, but this is the problem we have.

Q. Bob, can you ask whether the study has been completed or shelved?

A. No, I cannot.

Q. You know, there are some of us who doubt that there has been an exhaustive legal study of the question. And we have never been told that it has been completed. So, if you can give us any idea of how many legal-beagles were put on this subject, and how many man-hours they put into it, it would help.

AFRO-AMERICAN HISTORY WEEK ACTIVITIES AT THE DEFENSE MAPPING AGENCY TOPOGRAPHIC CENTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, next week, February 9 through February 16, is Afro-American History Week. During the week, numerous organizations and agencies throughout the country will be conducting activities in which black contributions to American life and the quality of life in the black community are discussed and graphically depicted.

One agency which is conducting a series of activities for Afro-American History Week is the Defense Mapping Agency Topographic Center. From February 10 through February 14, the black employees at the Center are presenting an impressive array of speakers who will speak on a number of topics centered around the theme of Afro-American History Week, "Fulfilling America's Promise." In further keeping with the theme, the Center has designated Wednesday, February 12, as Equal Employment Opportunity Day. On that day, the Center will present a number of special activities, focusing on other minorities and their contributions and on employment opportunities for women, Spanish-speaking, and other minorities. The Center will also present a number of special exhibits throughout the week. The most prominent of these will be the 40-panel "Frederick Douglass Years" exhibit, which was loaned to the Center by the Smithsonian Institution's Anacostia Museum.

All of the activities are being held at the Center, which is located at 6500 Brooks Lane, Washington, D.C. The sessions will begin at 12 noon on all days except Wednesday, February 12, when it will start at 2 p.m. Some of the proceedings will be taped and broadcast in the District of Columbia by television station WETA, and radio stations WOOK and WHUR. A special broadcast is being prepared by the U.S. Information Service and will be beamed to countries on the African continent.

The activities planned by the Center will be worthwhile and highly informative. Here I enclose a schedule of the speakers who will be presented by the Center:

MONDAY, FEBRUARY 10, 1975

Brig. Gen. Fred C. Sheffey, Deputy Director of Supply and Maintenance, Department of the Army.

Mr. William McLaughlin, Vice President Marketing, Parametrics Corporation, Philadelphia, Pa.

TUESDAY, FEBRUARY 11, 1975

Rt. Rev. John T. Walker, Suffragan Bishop of Washington.

Dr. Frances Cress Welsing, Department of Pediatrics, Freedmen's Hospital, Washington, D.C.

WEDNESDAY, FEBRUARY 12, 1975

Dr. Letitia W. Brown, Department of History, George Washington University, Washington, D.C.

Mr. William J. Perez, Director for Policy and Program Development, (Director for Equal Employment Opportunity (Civilian)), Office of Assistant Secretary of Defense.

Mrs. Betty Ward, President "National Adult Education Association of the U.S." (HEW).

THURSDAY, FEBRUARY 13, 1975

Mr. William H. Brown III, Former Chairman "Equal Employment Opportunity Commission."

Mr. Alexander Allen, Deputy Executive Director, "National Urban League."

FRIDAY, FEBRUARY 14, 1975

Rev. David Eaton, Television Personality, Pastor, All Souls Unitarian Church, Washington, D.C.

Mr. Clifford L. Alexander, Jr., Former Chairman Equal Employment Opportunity Commission.

AID TO SOUTH VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 10 minutes.

Mr. MOAKLEY. Mr. Speaker, 2 years ago, the Paris peace agreement was signed ending nearly 8 years of illegal U.S. military involvement and the equally illegal outlay of billions of U.S. tax dollars in Southeast Asia. From Paris, Secretary Kissinger assured Congress that U.S. military aid to South Vietnam would be drastically reduced. Now, due to its own incompetence and lack of popular support, South Vietnam is experiencing military and strategic difficulties and President Ford has asked Congress to up the ante once again. We are asked to appropriate $300 million additional to South Vietnam and $222 million to its unfortunate neighbor, Cambodia, which is in similar straits for similar reasons.

Mr. Speaker, it should be obvious—after 8 years of putting money down the Southeast Asian rathole—that we could continue to finance military aid to South Vietnam, to the tune of $1 billion a year, merely to sustain the defensive position of a corrupt regime.

Further, there is evidence that the money now allocated is being used imprudently and without regard for the directives of Congress and the terms of the Paris peace agreement. The Department of State has already spent $260 million of the $275 million appropriated for fiscal year 1975. The Department of Defense has cut substantially into its third quarter funds for Vietnam.

Principal Deputy Assistant Secretary of Defense Von Marbod revealed in testimony before the Appropriations Defense Subcommittee that $41 million worth of equipment was transfered from Laos to South Vietnam during fiscal year 1975. The Defense Department has justified this on the basis that this equipment was included in the fiscal year 1974 budget. It is, however, a possible violation of the Paris peace agreement which prohibits the importation of U.S. war materials and equipment into South Vietnam except on a 1-to-1 replacement basis. There is an additional $36 million worth of equipment in Laos that may also be transferred.

Other alleged violations of the peace agreement and congressional legislation abound. Von Marbod admitted in testimony that U.S. military personnel in Singapore are doing maintenance work on Vietnamese aircraft. In another instance, William Bird, president of Bird Air, said that he is furnishing crews to airlift military supplies into Cambodia on U.S. military planes maintained by U.S. military personnel. In an interview with the International Bulletin, he admitted that the purpose of this was to circumnavigate limitations on the number of U.S. military personnel in Cambodia.

Other administration programs have similarly bypassed and violated enacted legislation and congressional intent. It is public knowledge that the administration of Public Law 480, the food-for-peace program, has been "titled" toward Southeast Asia. Although Vietnam and Cambodia are not areas of extreme hunger problems, 45 percent of the total 1974 food-for-peace program went to these nations. Most, if not all, of this food was sold for weapons and soldiers' pay. Last year, Congress enacted legislation to prohibit more than 30 percent of the title I moneys, for concessional sales of food, from going to nations not on the United Nations' "Most Severely affected" list. The title II moneys for free food for humanitarian purposes were not so limited because it was assumed by all Members of Congress to go to only those nations on the U.N.'s MSA list. Secretary Kissinger now wants to send $101 million to South Vietman under the auspices of the title II program, humanitarian purposes, rather than under title I which is largely for political purposes. No assurance is required on the part of the recipient government that this food actually gets to the people who need. Further, Vietnam had a rice crop of 7 million tons in 1974, an increase of 300,000 tons over 1973.

Mr. Speaker, these are only a few of many examples of illegal and questionable U.S. activities in Vietnam. I have joined with Congressman DRINAN in a legal suit to halt these and other illegal activities in Southeast Asia, and I am also a cosponsor of Congresswoman ABZUG's resolution of inquiry into these matters. Giving additional moneys to Southeast Asian nations like these, only serves to regenerate the war and increase illegal and immoral activities by the South Vietnamese Government.

A CITY BETRAYED—V

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I have been discussing these last few days how the city of San Antonio entered into a gas supply contract with a pack of scoundrels. Today I want to continue that discussion, since it means much to my community to know just how the city wound up in its terrible energy bind.

The city of San Antonio contracted with a group that became known as the Alamo Gas Supply Co., to provide gas to the city for a period of 20 years—from April 1, 1962, to April 1, 1982.

Alamo Gas was founded through the efforts of several people, but its principal promoter was probably Glen Martin, a San Antonio businessman. I am certain that most of the people involved in Alamo were honest and well meaning. These individuals soon found that they had serious reservations about Martin, and they asked questions about its activities. It is interesting to note that Martin, alone, remained involved in the affairs of Alamo after it was absorbed by Coastal States Gas.

This suggests to me that Martin abused the confidence of most or all of his partners in Alamo Gas. He not only deceived them, but the city of San Antonio as well. In this deception, he had the active assistance of Coastal States Gas, which acted as his hidden partner.

Now I know that Mr. Martin is already saying that statements like this are libelous, and that I would not make them anywhere except on the House floor. All I can say is that I have good reason to believe that what I am saying is true and correct, and that Mr. Martin has the same access to public channels of communication that I do. If he can disprove what I say, let him do it.

The supposedly independent Alamo Gas Supply Co. was under the effective control of Coastal even before it started delivering gas to San Antonio. This control was so complete that Coastal's general counsel and corporate secretary, Norman Davis, was in the habit of making notes referring to "we"—meaning, that, in his mind at least, there was no difference between Coastal and Alamo. United Gas, which was the incumbent supplier, suspected that this was so, but could never prove it. Coastal's president worried about United's efforts though. He was afraid that the San Antonio contract would never go through. He did not talk about Alamo as a "them" but as an "us." Oscar Wyatt certainly knew who had the biggest stake in the San Antonio contract—it was his own company.

Wyatt's control of Alamo was so complete that on February 26, 1962, when the question of whether to have a shindig to celebrate Alamo's completion of facilities to serve San Antonio came up, Coastal's corporate secretary was told to instruct Glen Martin:

Don't make detailed plans for radio-TV barbecue, etc., on April 1—until we see whether injunction to be in effect at that time.

This was not an instruction from Alamo's directors to its employee, Glen Martin. It was an instruction from Coastal to their employee.

That same day, Coastal's corporate secretary reminded himself—

Prepare letter from GAM (meaning Glen A. Martin) to Alamo Board of Directors re freedom to make other deals not involving use of SADF facilities, without offering to Alamo—and Alamo not obligated unless specifically authorized by Board of Directors before deal made.

In other words, Coastal's attorney was told in a company meeting to help Glen Martin set up a program whereby he could make side deals of his own. What possible interest could this have been to Coastal? The answer is, this was part of Coastal's way of controlling Martin.

Martin almost certainly needed to make some quick money. That was a way that he could do it. He could, if Alamo's directors let him, sell gas on his own account and make the money he needed. His partner, Schoolfield, understood Martin's need, according to notes that Davis took later on. Davis quoted Schoolfield:

Don't object to him (Martin) going into the gas business—has no money—way in debt.

Coastal was certainly solicitous of Martin's need. After all, he controlled 26 percent of Alamo's stock. Coastal had 25 percent, and this all was in a voting trust arrangement. As long as Martin played ball with Coastal, and vice versa, Coastal had complete control of Alamo.

Martin sprung his special side deal arrangements on the Alamo directors at their April 1962 meeting. A resolution authorizing him to make side deals was approved, but Schoolfield did not like it. He complained to Davis that he did not think that the resolution had been approved by the stockholders. And Schoolfield felt that he had been left out of all the discussion of this deal. Indeed he had. Davis and Martin had made the arrangements in February, but Schoolfield complained in April—

(This) was sprung on me cold. They were so careful to get me to bring the proxies and I'm not going to do it again.

Schoolfield understood Martin's financial needs, but he also knew that Martin's special situation was contrary to the interest of Alamo. He complained that—

Martin can't take gas that's offered to Alamo and go to Houston and sell it personally and make a profit. The only reason he is getting gas is because it's being offered to Alamo.

And Schoolfield suspected that Martin was controlled by Coastal. He worried, Davis reported—

That United can blow us up if they can show that Glen is taking a deal that comes in to Alamo, and takes it to Coastal and he makes the profit personally.

Again, on April 11, Schoolfield warned Davis—

. . . It would be dangerous to our United case for Glen—personally—to go into a partnership with Coastal and be subject to Coastal's control. . . .

Besides that, Schoolfield believed that Martin was using his position at Alamo to solicit business for himself—business that should have been coming to Alamo in the first place. But on April 26, the lawyers worked out a deal that would allow Martin to work out his own gas deals, if in so doing he did not injure Alamo.

Alamo had little choice. Martin and Davis, through the voting trust, controlled Alamo. They could do anything that they wanted to, the wishes of Schoolfield and the others notwithstanding.

So we have it.

Before the Alamo Gas Co. started delivering gas to San Antonio, the majority of its stock was put into a voting trust. This trust was controlled by three men: Davis, who was Coastal's general counsel, Martin, and Schoolfield. Martin played ball with Coastal, and thereafter things went his way. Coastal controlled Alamo, and Martin soon began making side deals for himself, Alamo's own interests notwithstanding.

By 1963, there was no longer any need to pretend that Alamo was an independent gas company. Coastal bought the rest of the stock in November of that year. Schoolfield and the others faded away. Only Martin remained with Alamo.

A few months after Coastal bought up Alamo's stock, Oscar Wyatt—among other favors—put Glen Martin on Coastal's payroll at $1,500 a month. It included, Wyatt instructed, salary, office expenses and last, but not least, that Texas equivalent to the executive washroom key—a deer lease.

There was no job for Martin to do, really. It was, Coastal's accounting department was told, "the results of informal arrangements between Mr. Martin and Mr. Wyatt."

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EARNINGS LIMITATIONS FOR RECIPIENTS OF DISABILITY INSURANCE BENEFITS

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I introduced legislation today, H.R. 3032, to amend the Social Security Act to correct certain inequities in the treatment of earned income of recipients of disability insurance benefits as compared to recipients of social security retirement benefits.

The act currently provides a statutory limitation on the amount of income a recipient of social security retirement benefits may earn without loss of benefits. This limit is $2,520 per annum. Retirees covered under the act lose part of their benefits under a schedule provide by law if this limit is exceeded. Those who receive disability insurance benefits by regulation are limited to income of $140 per month, or $1,680 per annum. There is an important difference in the determination of this latter limit, and that is that this limit is set by the Social Security Administration in rules and regulations promulgated to implement provisions of the act. In other words, the limitation on earned income for disability insurance recipients is not a statutory limit as a part of the act, but is simply an amount established by the administration.

I am sure that it does not take a background in economics to realize that a $140 monthly supplement to disability insurance benefits can only provide the most meager of incentives to initiative among the disabled recipients of these benefits, especially to work and earn in a sheltered workshop, such as Lanikila Crafts in Honolulu, Hawaii. The intent of my bill is to raise the limit on earned income for these disabled recipients to the same level as that which is allowed recipients of retirement benefits to enable them to participate more fully in such programs like sheltered workshops without the hazard of loss of benefits, because they were paid "pin-money" for the products they produce.

My bill follows the easiest course to establishing such equity. Rather than setting the limits on earned income at $2,520 per annum and making that limitation a part of the act, as the retirement income limitation is, my bill would assure that to the extent that an individual's earnings are used as one of the criteria for determining his or her ability to engage in substantial gainful activity, the amount of such earnings shall be the same as the exempt amount which is in effect for recipients of retirement benefits at the time. The effect of the bill, thus, is to raise this exempted amount for income earned by recipients of disability insurance benefits to the current $2,520 limit, and provides automatic adjustment of the limit if the retirement income limit is changed.

My bill is not intended in any regard to alter or modify the need to find total, permanent disability before being found eligible to receive disability benefits under social security. In this finding of total disability there must, of course, be a showing of lack of ability to earn any substantial gainful income.

What my bill provides is that once finding such eligibility in that an individual cannot engage in substantial gainful employment, that subsequently when that individual takes on homework, attends workshops, and training programs for which payment is made, that only earnings in excess of $2,520 will be used as one factor in determining whether or not the person can maintain himself or herself in substantial gainful employment.

The inequities in the present situation are obvious. I hope they will be remedied by this Congress. I urge my colleagues to support my legislation, and to assist in obtaining early enactment.

DR. WILLIAM D. COOLIDGE, INVENTOR OF THE X-RAY TUBE, AND WORLD RENOWNED GENERAL ELECTRIC CO. SCIENTIST, PASSES AWAY AT 101

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, I rise to note the passing last Monday night at his home in Schenectady, N.Y., of Dr. William D. Coolidge, longtime director of research for the General Electric Co. and inventor of the modern X-ray tube and the tungsten filament in the modern electric light bulb.

Although Dr. Coolidge retired from GE in 1944 he continued to play an active role in the company's research work for many years. In addition he was an active and highly respected participant in the scientific, educational, and cultural life of Schenectady. I am proud to have known him during the years I served as Schenectady's city councilman and mayor. Dr. Coolidge has lived an abundantly full and creative life. We are all indebted to him, and we will all miss him.

Under leave to extend my remarks I enclose articles on the passing of Dr. Coolidge from the Schenectady Gazette of February 4, from the New York Times of February 5, and from the Washington Post of today:

[From the Schenectady (N.Y.) Gazette, Feb. 4, 1975]

DR. COOLIDGE DIES AT 101; GE INVENTOR

Dr. William D. Coolidge of 1480 Lenox Road, former director of the General Electric Research Laboratory, died last night after a short illness. The world recognized scientist celegrated his 101st birthday last Oct. 24.

Dr. Coolidge, a graduate of Massachusetts Institute of Technology, joined the staff of GE's Research Laboratory in 1905. He became director of the laboratory, now the GE Research and Development Center, in 1932. He held that position until 1945, when he retired from G.E.

With the invention of the modern X-ray tube Dr. Coolidge gave medicine a formidable weapon against injury and disease.

The holder of 83 patents, Dr. Coolidge was the recipient of many awards and honorary degrees. Among them was an honorary M.D. degree awarded by the University of Zurich in 1937 in recognition of his contributions in the field of applied physics in medical sciences, particularly X-rays.

[From the New York Times, Feb. 5, 1975]

WILLIAM D. COOLIDGE, INVENTOR, 101, DIES

(By Jill Gerston)

Dr. William D. Coolidge, the developer of the modern X-ray tube and of the ductile tungsten filament used in electric lightbulbs, died Monday night at his home in Schenectady, N.Y. He was 101 years old.

Dr. Coolidge was a former vice president and director of research of the General Electric Company. His invention in 1908 of a method of working tungsten, one of the most brittle of metals, while it was hot made possible the drawing of tungsten into wires much thinner than human hair.

The durable, thin filaments that could be made of this hot-worked tungsten led not only to a more durable light bulb that could be used in moving cars and trains, but also to more powerful and more portable X-ray equipment.

REVOLUTIONIZED PROCESS

Dr. Coolidge's name is inseparably linked with the X-ray tube—popularly called the "Coolidge tube"—which he invented in 1913. The tube revolutionized the generation of X-rays and remains to this day the model upon which medical X-ray tubes are patterned.

A shy, modest man who generally shunned publicity, Dr. Coolidge was described by colleagues as a "delightful companion" and dedicated mentor who helped and encouraged his young assistants in their scientific research.

In honor of Dr. Coolidge's 100th birthday on Oct. 23, 1973, employes of the General Electric Center in Schnectady presented him with a huge birthday caked lit with 100 ductile-tungsten lamps and topped with a part of an X-ray tube.

During the celebration, which was held at Dr. Coolidge's home, Mr. Arthur M. Bueche, vice president for research and development at General Electric, said: "Dr. Coolidge has made some of the most important and long-lasting contributions to science and technology in this century. His X-ray equipment has saved uncounted lives and the low-cost artificial lighting he helped produce has improved our comfort and safety."

BIOGRAPHY FOR HIS 101ST

Last October, another birthday celebration was observed, at which time the inventor was presented with a 100-page biography, "William David Coolidge—A Centenarian and His Work" by Dr. Herman A. Liebhafsky (John Wiley & Sons, New York).

Born on a small farm in Hudson, Mass., William David Coolidge was the son of Albert Edward and Martha Alice Shattuck Coolidge and was one of the many descendants of John Coolidge, who came to America from England in 1630.

Dr. Coolidge showed an early aptitude for electrical work and spent much of his spare time in the town machine shop, where he learned skills that later helped him in his experiments. After graduating from Hudson High School in 1891, young Coolidge entered the Massachusetts Institute of Technology, where he specialized in physical chemistry and electrical engineering. He had to borrow money to complete his course work and was $4,000 in debt when he graduated in 1896.

Obtaining a scholarship, he studied at the University of Leipzig and received his Ph.D. degree in 1899. Dr. Coolidge then taught at M.I.T. until 1905, when he left to become a researcher at General Electric.

IMPACT ON INDUSTRY

Dr. Coolidge's breakthrough in 1908 had a tremendous impact on the lamp industry as light bulbs made with ductile tungsten were less expensive to manufacture than their predecessors, which were brittle and short-lived.

In 1913, Dr. Coolidge developed an X-ray tube using a hot tungsten filament to replace a cold aluminum cathode. The "hot cathode" or "Coolidge tube" was patented in 1916 and became the prototype for modern X-ray tubes used in the medical field.

In all, Dr. Coolidge held 83 patents and was the recipient of numerous awards and honorary degrees.

Among these is an honorary M.D. degree, awarded by the University of Zurich in 1937 in recognition of his contributions in the field of applied physics in medical sciences. Only a few laymen in this country have ever been so honored. Dr. Coolidge is also the holder of the Rumford Medal of the American Academy of Arts and Sciences (1914) for his invention of the ductile tungsten filament and the Howard N. Potts Medal of the Franklin Institute (1926) for the X-ray tube.

Dr. Coolidge will be honored by the National Inventors Hall Trademark Office in Arlington, Va., on Sunday, again for his filament and his X-ray tube.

He would have been the only living member of a group of six to be inducted. The others, and their achievements are: Wilbur and Orville Wright, the airplane; Guglielmo Marconi, radio telegraphy; Nikola Tesla, induction motors, and Samuel F. B. Morse, the telegraph.

ASSOCIATED WITH A-BOMB

Dr. Coolidge was appointed the director of the General Electric Research Laboratory in 1932. Under his direction, many new discoveries were made, including the development of the sodium vappor lamp, high-quality magnetic steel, improved ventilating fans and the electric blanket.

During World War II, Dr. Coolidge was associated with the development of the atomic bomb and served on a six-member committee appointed by President Franklin D. Roosevelt to evaluate the military importance of uranium.

In 1944, Dr. Coolidge retired from General Electric, but continued to serve as director emeritus and consultant. He remained active and mentally alert despite his advanced years. In 1971 he paid a visit to his birthplace, where he said he recognized the house, driveway and barn that were all a part of his childhood.

Dr. Coolidge married Ethel Westcott Woodard of Granville, N.Y., in 1908. She died in 1915, leaving him two children, Lawrence D., professor of business administration at the University of Colorado, and Elizabeth, now Mrs. Frank Herschel Smith of Corvallis, Ore. In 1916, Dr. Coolidge married Dorothy Elizabeth MacHaffie of Moncton, New Brunswick. She died in 1969.

In addition to his son and daughter, Dr. Coolidge is survived by five grandchildren and four great-children.

A funeral service will be held at 2 P.M. tomorrow at the First Reformed Church in Schenectady.

[From the Washington Post, Feb. 6, 1975]

INVENTOR W. D. COOLIDGE, DEVELOPED LAMP BULB

Dr. William David Coolidge, world-famous scientist whose many inventions led to the development of the incandescent lamp bulb and x-ray tubes, died Monday in Schenectady, N.Y. He was 101.

Dr. Coolidge held more than 80 patents and indirectly accounted for hundreds of others.

A former vice president and director of research for General Electric Co., Dr. Coolidge was noted chiefly for his discovery in 1908 of a means of making a tough metal, ductile tungsten, into a pliable one. This discovery made practical the use of tungsten as filaments in lamp bulbs, and was chiefly responsible for their long life and high efficiency.

He also was the inventor of the form of x-ray tube that became widely used in medicine and other types of work. His tubes ranged from small ones that could be carried about or used in cramped quarters to giant ones, used in cancer therapy, and other experimental work.

During World War I, Dr. Coolidge developed a portable x-ray generating outfit for use in field hospitals near the front. He also contributed toward tubes used for detecting submarines.

Many of his ideas, developed in the G-E Research Laboratory in Schenectady, led to a high-powered x-ray outfit that was used in helping manufacturers examine steel castings and welds for defects.

As early as 1941, Dr. Coolidge was associated with the atomic bomb project and was appointed to a committee of six to evaluate the military importance of uranium. He was on hand as a special observer for the Manhattan District when the atomic bomb was tested at Bikini in 1946.

His scientific honors were numerous and included the Rumford Medal of the American Academy of Arts and Sciences, the Howard N. Potts Medal of the Franklin Institute, the Gold Medal of the American College of Radiology, the Hughes Medal of the Royal Society, London, the Edison Medal of the American Institute of Electrical Engineers, and others.

Born in Hudson, Mass., Dr. Coolidge was a graduate of Massachusetts Institute of Technology and received a doctorate from the University of Leipzig, Germany. He then returned to MIT, where he did research work.

He joined General Electric in 1905. A modest, unassuming man who was little known to the public, he spent much of his life in the laboratories.

Dr. Coolidge was director of the G-E Research Laboratory from 1932 until retiring in 1945. However, he continued with the company for a number of years as an x-ray consultant.

In 1937, the University of Zurich awarded him an honorary M.D. degree. At that time, only two other laymen in America had been so honored. He held honorary degrees from numerous American universities.

The author of many publications, Dr. Coolidge was a member of the visting committee of the National Bureau of Standards, the National Inventors Council, the National Academy of Sciences, the Washington Academy of Sciences, the American Association for the Advancement of Science, the American Chemical Society, the American Electrochemical Society, the American Institute of Electrical Engineers, the American Physical Society and the American Philosophical Society.

INTRODUCTION OF FIVE HEALTH BILLS

(Mr. ROGERS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ROGERS. Mr. Speaker, today, I and most of the members of the Subcommittee on Public Health and Environment have introduced the following five health related measures:

First. The Health Revenue Sharing and Health Services Act of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, and Mr. HEINZ.

Second. The Nurse Training Act of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ.

Third. The Health Manpower Act of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ.

Fourth. The Developmental Disabilities Amendments of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ.

Fifth. Legislation to revise and extend the National Health Service Corps program cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. BROYHILL, Mr. HASTINGS, and Mr. HEINZ.

All five of these measures passed the House during the 93d Congress but failed to be enacted prior to adjournment. Each proposal would revise and extend authorities for ongoing health related programs whose authorizations expired June 30, 1974 and are presently being supported by the continuing resolution which expires February 28, 1975.

Two of the bills, The Nurse Training Act of 1975, and The Health Revenue Sharing and Health Services Act of 1975, are identical to H.R. 17085 and H.R. 14214, respectively, which were vetoed following the adjournment of the 93d Congress. The Nurse Training Act would revise and extend authorities for assistance to schools and students of nursing for 3 fiscal years. The "health services" bill would revise and extend for two fiscal years the authorities for: First, § 314(d) of the Public Health Service Act which provides formula grants to the States for health services, second, community mental health centers, third, family planning and population control, fourth, migrant health, fifth, community health centers, and sixth, rodent control programs. Additionally, it would authorize demonstration grants for home health services, establish a Committee on Mental Health and Illness of the Elderly, a Commission for Control of Epilepsy, a Commission for Control of Huntington's Disease, and provide grants for hemophilia treatment centers and blood separation centers.

The Health Manpower Act of 1975 would revise and extend authorities to schools and students of the health professions for 3 fiscal years. This bill is identical to the bill, H.R. 17084, which passed the House last December and died in conference. The Developmental Disabilities Amendments of 1975 would revise and extend the programs authorized by the Developmental Disabilities Services and Facilities Construction Act for 2 fiscal years. This measure is identical to H.R. 14215 which passed the House last July and died pending a House-Senate conference.

The fifth measure would revise and extend authorities for the National Health Service Corps program, which provides scholarships to students of the

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health professions in exchange for commitments to practice their profession in designated medically underserved areas, and provides technical and financial assistance to such communities and health professionals. This measure was an integral part of the Health Manpower Act of 1974 and is also a provision of the Health Manpower Act of 1975 which is being introduced today. The subcommittee has been advised that unless authorities are extended for this program in the very near future, the program faces a real risk of collapse.

Commitments have to be made to the young men and women who are already practicing in underserved areas as well as to those who intend to upon graduation this spring. Unless the Congress demonstrates a commitment to this program equal to the commitment these young people are willing to make, the advancements that the National Health Service Corps has made in placing health professionals in underserved areas will be negated. This is emergency legislation which deserves the subcommittee's highest priority, and I am hopeful that this legislation will be enacted without delay.

The Subcommittee will consider these five measures very carefully in the coming weeks, keeping in mind the current economic straits this Nation faces as well as the need for the programs continued or initiated by these bills. None of us is irrevocably committed to the provisions or the funding levels proposed by these measures, and we intend to consider very carefully the recommendations of both the administration and the public in our deliberations on all of these measures during subcommittee executive sessions.

Each of these bills was the subject of exhaustive hearings and lengthy executive sessions in the 93d Congress. For this reason and because of the necessity to move this legislation with all possible speed, I am announcing the following hearing schedule:

February 19: Hearings on the Health Revenue Sharing and Health Services Act of 1975 and the Developmental Disabilities Amendments of 1975. At that time we will hear testimony from the Department of Health, Education, and Welfare only. We will also receive written statements from interested public witnesses. Any such statements should be filed with the Clerk of the Interstate and Foreign Commerce Committee, room 2125, Rayburn House Office Building, by the close of business on Friday, February 21, 1975.

February 20 and 21: Hearings on the Health Manpower Act of 1975, the Nurse Training Act of 1975, and the National Health Service Corps program. The Department of Health, Education, and Welfare will be asked to testify on February 20, and because of the time constraints we have imposed, all other witnesses will be by invitation only. Witnesses not invited to testify, may submit written statements for the record by the close of business on Friday, February 21, 1975.

VOCATIONAL EDUCATION

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I am introducing today, with the cosponsorship of various members of the House Committee on Education and Labor, two bills affecting vocational education. The first bill was prepared by the American Vocational Association, and the second was prepared by the American Association of Community and Junior Colleges.

A list of the cosponsors of the AVA bill follows:

COSPONSORS

Mr. Quie, Mr. Dent, Mr. Bell, Mr. Brademas, Mr. Esch, Mr. O'Hara, Mr. Sarasin, Mr. Ford of Michigan, Mr. Buchanan, Mrs. Mink, Mr. Jeffords, Mr. Meeds, Mr. Pressler, Mr. Phillip Burton, Mr. Clay, Mr. Blouin, Mr. Cornell, Mr. Simon and Mr. Hall.

A list of the cosponsors of the AACJC bill follows:

COSPONSORS

Mr. Quie, Mr. Dent, Mr. Bell, Mr. Brademas, Mr. Esch, Mr. O'Hara, Mr. Sarasin, Mr. Ford of Michigan, Mr. Buchanan, Mrs. Mink, Mr. Jeffords, Mr. Meeds, Mr. Pressler, Mr. Phillip Burton, Mr. Clay, Mr. Blouin, Mr. Cornell, Mr. Simon and Mr. Hall.

Next week I will be distributing to the Members of the entire House a letter asking for additional cosponsors for these two bills. Within the next several weeks I will also be introducing a bill on career education being prepared by the American Personnel and Guidance Association. In addition to these bills, I may introduce within the next few weeks several other bills affecting vocational education being prepared by various other education organizations.

The reason for introducing these bills today and for introducing other bills later is to spread a large number of proposals before the Congress, and the public in general, on changes to the Federal Vocational Education Act of 1963 and in the overall area of vocational, occupational, and career education.

After hearing testimony on these various proposals, the committee will draft its own bill amending the Vocational Education Act, but we on the committee believe that it is essential that Members of Congress and the public in general be given an opportunity first to be aware of, and to comment upon, the ideas being proposed by these various organizations. After such a public airing of opinion, the committee will be much better prepared to write its own legislation.

The Subcommittee on Elementary, Secondary and Vocational Education will begin hearings on these various proposals on February 18. If any Members of Congress, any education organization, or any private citizen cares to testify before the subcommittee on vocational, occupational, or career education, I hope that you will promptly contact the subcommittee staff.

Mr. Speaker, if there is no objection, I will insert in the RECORD at this point a summary of the AVA bill and a summary of the AACJC bill:

EXPLANATION OF THE VOCATIONAL EDUCATION AMENDMENTS OF 1975

Generally speaking, this bill proposes that the Vocational Education Act of 1963 be amended and reorganized on the basis of five major parts. Each part will consist of several sections and it is proposed that federal funds authorized in each part be allocated to the sections according to a comprehensive state plan.

States wishing to participate in this act would have the responsibility for developing a comprehensive operating plan taking into consideration the needs of all people, all types of programs and all institutions capable of providing the services needed to impact on people identified in the plan.

Part I provides for the federal and state administration of vocational education, the National Advisory Council, state advisory councils and a new part concerning comprehensive statewide planning for vocational education.

Part II places emphasis upon vocational guidance and exploration. Attention to this priority area is essential in order to assure quality vocational education programs in the future. Providing youth and adults an opportunity to make realistic vocational choices is urgent in a rapidly changing social and economic scene.

Part III provides for vocational education program support. All programs—secondary, postsecondary and adult as well as vocational student organizations, are included and funds are also available for vocational education facilities of private, non-profit and proprietary institutions.

Part IV brings out prominently for the first time in vocational education all of the service functions that support and add strength to the vocational education program of the Nation. Provision is made for an expanded teacher education program, continuation of leadership development, in the form of graduate leadership development awards, and an emphasis upon placement and follow-up. In addition, Part IV provides for student support programs in the form of work-study funds and stipends in order to make possible a new "outreach" program in vocational education. This "outreach" is for those persons who have fallen through the cracks in the educational and social structure and who are unemployed or underemployed, needing training or retraining.

Part V accounts for applied research, curriculum development, exemplary demonstration and implementation programs and for leadership development workshops, symposia and projects.

In addition, this bill provides that policy and authority for the administration of vocational education in the state rest with the State Board for Vocational Education and that this sole state agency be responsible to cooperate with the federal government in matters relating to vocational education. A comprehensive statewide planning document representing forward planning will be required to take into account all of the provisions of the act and provide a coordination of all vocational education at all levels in the state. The legislation is based on the premise that it is appropriate for the Congress to authorize funding for each of the parts in this act and assume responsibility for the establishment of national priorities in programs for training and upgrading the Nation's labor force.

SUMMARY OF THE POSTSECONDARY VOCATIONAL EDUCATION OF 1975

The major feature of the bill is to separate the administration of vocational education programs at the postsecondary level from the administration of such programs at the secondary level. This separation is achieved in the bill by denominating the programs carried on at the postsecondary level as occupational education programs. The programs carried on at the secondary level would continue to be called vocational education programs.

The bill makes no change in the manner in which the program for vocational education is carried on, except, of course, it would now be limited to vocational education at the secondary level.

The bill keeps a single authorization of appropriations for both vocational educational and occupational education, and the formula for allotting funds to the States remains unchanged. After the funds for a year are allotted to a State, they will be divided into a vocational education allotment to be used only for postsecondary occupational education. Each of these allotments will be 40 per cent of the total State allotment with the remainder of the full State allotment being divided between the two allotments as recommended by the nine member board appointed by the Governor for this purpose.

As indicated above, no change of substance is made in the method in which the vocational education allotment will be administered, except for participation of local coordinating committees as explained hereafter.

The occupational education allotment will be administered under new provisions which generally parallel those applicable to vocational education. Under these provisions, the State postsecondary education commission will develop the State plan for occupational education to be administered by a State agency designated in the plan (a new or existing agency, which could be the agency administering the vocational education plan for the State). At the Federal level the program will be administered through the Community College Unit in the Office of Education, since a minimum of 30 per cent of the State's occupational education allotment is earmarked for use by community colleges.

At the Federal level the vocational education and occupational education programs will be coordinated through the National Advisory Council. The membership of that Council would be revised to more adequately represent postsecondary education institutions, and its area of advice would be broadened to include the new occupational education program.

At the State level, coordination would be obtained through the State advisory councils whose area of advice would include both vocational and occupational education. Again the membership would be revised to reflect the increased importance of postsecondary institutions.

At the local level, coordination would be attained through newly required local coordinating committees. These committees which are appointed by the Governor would be charged with developing and proposing a strategy which will present a coherent, integrated, and comprehensive set of vocational education, occupational education, and manpower training programs. Interlocking membership is required between local coordinating committees and planning councils established under the new Comprehensive Employment and Training Act of 1973.

The bill limits expenditures for administrative and support services under both the vocational education and the occupational education programs to 20 per cent of the funds available.

The bill consolidates the programs now carried on under part C (research and training), part D (exemplary programs), and part I (curriculum development). The consolidation includes a single authorization of appropriations. Half of the appropriations will be allotted to the States (basically on the basis of State populations aged 15 to 19, inclusive), and the other half will be available to the Commissioner for projects and programs he selects.

One-half the funds available to the Commissioner will be administered through the Bureau of Occupational and Adult Education, and the other half through the Community College Unit in the Office of Education.

The funds allotted to the States will be divided between the State Board for vocational education and the agency administering the State's occupational education program in the same ratio as the State's allotment under part B is divided.

Funds may be used for basically the same purposes as under present law, except that the purposes in present part D (exemplary programs) would be broadened to encourage programs for unemployed and under-employed adults. Twenty per cent of the appropriations will be earmarked for each of the present types of programs.

LEGISLATION TO EXEMPT STATE-OWNED OIL FROM EMERGENCY PETROLEUM ALLOCATION ACT

(Mr. PICKLE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PICKLE. Mr. Speaker, I am today introducing a bill that would exempt State-owned oil from the Emergency Petroleum Allocation Act (P.L. 93-159).

Congresswoman CORINNE BOGGS, and Congressmen GLENN ANDERSON, GILLIS LONG, JOE WAGGONNER, DAVID C. TREEN, LIONEL VAN DEERLIN, HENRY A. WAXMAN, and ROBERT KRUEGER are cosponsoring it with me.

Right now the States that own land that have oil on it are under FEA price controls. Several Members of Congress have urged FEA to change its regulations in this matter of publicly owned oil, but FEA has been totally unresponsive. The FEA has taken this position despite the fact that Congressman MACDONALD of Massachusetts, floor manager for the mandatory allocation legislation, states in floor debates that the FEA should do something about its position on publicly owned oil. (CONGRESSIONAL RECORD, vol. 12, pt. 27, p. 36351.)

The amount of State land under lease is a very small amount, approximately 2.4 percent of all oil. If publicly owned oil were decontrolled, the effect on consumer costs would be very small, if any, since so little oil is involved. However, the lost revenue to the States involved is important to those States. In Texas, it means that the Texas schoolchildren are receiving less than the market price for this precious resource, since they are the beneficiaries under the Texas constitution.

No other route is open to our States now except legislation mandating an exemption for publicly owned oil. In light of the current energy crisis, we need to encourage States to lease its oil producing land. Therefore, I urge its prompt passage.

AMERICAN FOLKLIFE CENTER

(Mr. PICKLE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PICKLE. Mr. Speaker, I am today introducing a bill providing for the establishment of an American Folklife Center in the Library of Congress. This bill is cosponsored by Congressmen ECKHARDT, WRIGHT, GONZALES, CHARLES WILSON of Texas, KRUEGER, and HIGHTOWER. The aim of the bill is simply to provide a central place where the ethnic heritage of our country can be preserved and accessible to everyone. Our Nation grew strong out of its roots in the cultures that our ancestors brought with them from other countries of the world, and I want to see those roots nurtured.

This year when the United States celebrates its Bicentennial seems to me to be an appropriate time to establish such a center. Therefore I urge the prompt passage of this timely legislation.

THIRD WORLD NATIONS MOVING TOWARD RAW MATERIALS CARTEL

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, it was most interesting to note an article in the February 5, 1975, edition of the Washington Post which reported on the meeting of delegates from 110 third world nations regarding the possible use of their natural resources for establishing a new trade strategy in direct opposition to the major trading powers of the world.

The news dispatch reported that Algeria is seeking to organize a broad cartel of raw materials exporters in an effort to break the traditional patterns of world trade.

The fact that these emerging 110 third world nations are planning to utilize their strategic raw materials supplies to possibly make a severe impact upon the trading policies of the United States underscores to an ever-greater degree the need for this Nation to make better use of the foreign aid dollars it ships abroad annually. The United States is facing a serious energy shortage which will get worse before it gets better. Many of the recipients of Uncle Sam's generosity have strategic raw materials and minerals which are in short supply domestically. At a time when some other nations are planning to get some mileage out of their domestic assets, it is time Uncle Sam learned a lesson and began demanding something meaningful in exchange for the billions of dollars flowing through foreign aid pipelines to questionable friends abroad.

Few things are more important to this Nation now than adequate supplies of energy. My barter concept to exchange foreign aid for energy supplies is now public law. The time to put the concept into effect is now. Foreign nations should either pay us now, or we will be paying for our one-sided generosity later.

The article follows:

ONE HUNDRED TEN NATIONS OF THIRD WORLD SEEK COMMON TRADE POLICY

DAKAR.—President Leopold Senghor of Senegal told delegates from 110 Third World nations yesterday that they must use their natural resources "to break the traditional patterns of world trade."

Opening the five day conference on trade strategy, host Senghor said its task is to "define the objectives of the new economic order and adopt methods of realizing these objectives."

"For too long the advanced nations have been favored," he said. Only three—Austria, Finland and Sweden—were invited as observers.

Several Asian countries moved that oil-exporting Third World nations establish a $6 billion fund to back stabilization of primary commodity prices. They said that fund should be matched by developed nations.

A group headed by Algeria is seeking to organize a broad cartel of raw material exporters along the lines of the Organization of Petroleum Exporting Countries.

INTRODUCTION OF LEGISLATION REPEALING PROFESSIONAL STANDARDS REVIEW ORGANIZATION PROVISION IN SOCIAL SECURITY LAW

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, I am today introducing a bill to repeal title XI of the Social Security Act. This title requires the Secretary of HEW to establish professional standards review organizations—PSRO's—throughout the United States to supervise the administration and delivery of health services in their assigned areas of jurisdiction.

Along with many other Members, I introduced this legislation in the 93d Congress, and I am even more convinced now that this provision which permits Federal interference in the confidential relationship between doctors and patients must be repealed.

As the law now stands, the Secretary is directed to endow any local organization which he selects, and which is not subsequently rejected in a referendum of local doctors, with the power to second-guess the necessity of hospital stays and particular courses of treatment which have been prescribed by doctors for their patients. PSRO's determine whether the doctor's actions are complying with "professionally developed norms of care" and HEW regulations. This allows for every American's medical care to be regulated and controlled by these local organizations, and the Federal bureaucrats who administer the law.

I believe that the repeal of this legislation is absolutely essential in order to maintain quality health care for the citizens of our Nation.

The bill follows:

H.R. 3057

A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part B of title XI of the Social Security Act (as added by section 249F of the Social Security Amendments of 1972) is repealed.

SEC. 2. Title XI of the Social Security Act is further amended—

(1) by striking out "AND PROFESSIONAL STANDARDS REVIEW" in the heading; and

(2) by striking out "PART A—GENERAL PROVISIONS" immediately before section 1101.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GOODLING) to revise and extend their remarks and include extraneous matter:)

Mr. STEIGER of Wisconsin, for 10 minutes, today.

(The following Members (at the request of Mr. MOTTL), to revise and extend their remarks, and to include extraneous matter:)

Mr. RODINO, for 5 minutes, today.
Mr. CORMAN, for 5 minutes, today.
Mr. CLAY, for 5 minutes, today.
Mr. BINGHAM, for 15 minutes, today.
Mr. SIKES, for 10 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. ALEXANDER, for 30 minutes, today.
Mr. ROSTENKOWSKI, for 10 minutes, today.
Ms. ABZUG, for 15 minutes, today.
Mr. YOUNG of Georgia, for 5 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. METCALFE, for 10 minutes, today.
Ms. HOLTZMAN, for 15 minutes, today.
Mr. MOAKLEY, for 10 minutes, today.
Mr. GONZALEZ, for 15 minutes, today.
Mr. FLOOD, for 60 minutes, on March 13.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GOODLING) and to include extraneous matter:)

Mr. SARASIN in two instances.
Mrs. FENWICK.
Mr. MARTIN.
Mr. DU PONT.
Mr. RHODES.
Mr. SHUSTER.
Mr. WALSH.
Mr. JEFFORDS.
Mr. MICHEL in four instances.
Mr. HILLIS.
Mr. GILMAN.
Mr. MYERS of Indiana in two instances.
Mr. ANDREWS of North Dakota.
Mr. CARTER in two instances.

(The following Members (at the request of Mr. MOTTL) and to include extraneous material):

Mr. STARK in 10 instances.
Mr. DANIELSON.
Mr. ROE in three instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. FISHER.
Mr. HAMILTON.
Mr. NATCHER.
Mr. MATSUNAGA.
Mr. YOUNG of Georgia in two instances.
Mr. CHAPPELL.
Mr. RIEGLE.
Mr. ZABLOCKI in two instances.
Mr. MILFORD.
Mr. BROWN of California in two instances.
Mr. MORGAN.
Mr. STEPHENS.
Mr. KRUEGER.
Mr. DODD.
Mr. MCDONALD of Georgia.
Mr. DOMINICK V. DANIELS in two instances.
Mr. DRINAN.
Mr. VAN DEERLIN.
Mr. MURPHY of New York.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 27. Joint resolution to amend the Defense Production Act of 1950; to the Committee on Banking, Currency and Housing.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions.

ADJOURNMENT

Mr. MOTTL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 57 minutes p.m.), under its previous order, the House adjourned until Monday, February 10, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

271. A letter from the President of the United States, transmitting a draft of proposed legislation to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes (H. Doc. No. 94–44); to the Committee on Interior and Insular Affairs and ordered to be printed.

272. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Commodity Futures trading Commission Act of 1974; to the Committee on Agriculture.

273. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; to the Committee on Armed Services.

274. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the act entitled, to increase deposit insurance from $20,000 to $40,000, to provide full insurance for public unit deposits of $100,000 per account, to establish a National Commission on Electronic Fund Transfers, and for other purposes; to the Committee on Banking, Currency and Housing.

275. A letter from the Chairman, District of Columbia Armory Board, transmitting the 27th annual report and financial statement on the operation of the District of Columbia National Guard Armory and the 17th annual report and financial statement on the operation of the Robert F. Kennedy Memorial Stadium, pursuant to section 10 of Public Law 80–605 and section 10 of Public Law 85–300; to the Committee on the District of Columbia.

276. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make certain technical and perfecting amendments to the Education Amendments of 1974 (Public Law 93–380); to the Committee on Education and Labor.

277. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting a copy of proposed regulations governing loans to private nonprofit schools for strengthening instruction in academic subjects, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

278. A letter from the Director of ACTION, transmitting the annual report on the operations of the Peace Corps for fiscal year 1974, pursuant to section 11 of Public Law 87–293 [22 U.S.C. 2510]; to the Committee on Foreign Affairs.

279. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with National Mine Service Co., Indiana, Pa., for a research project entitled "Design, Manufacture and Field Development of an Automated Extraction System (Mini Miner)" pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

280. A letter from the Chairman, Indian Claims Commission, transmitting a draft of proposed legislation to authorize appropriations for the Indian Claims Commission for fiscal year 1976; to the Committee on Interior and Insular Affairs.

281. A letter from the Chairman, Federal Trade Commission, transmitting a report on the Commission's administration of the Fair Packaging and Labeling Act during fiscal year 1974, pursuant to section 8 of Public Law 89–755; to the Committee on Interstate and Foreign Commerce.

282. A letter from the Vice President for Government and Public Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of October 1974, pursuant to section 306(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

283. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182(a)(28)(I)(ii)(b)] to the Committee on the Judiciary.

284. A letter from the Secretary of Transportation, transmitting a report on the activities of the Coast Guard in regulating vessels carrying certain cargoes in bulk, pursuant to section 203 of the Ports and Waterways Safety Act of 1972 (Public Law 92–340); to the Committee on Merchant Marine and Fisheries.

285. A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation to authorize appropriations for the National Science Foundation for fiscal years 1976 and 1977; to the Committee on Science and Technology.

286. A letter from the Administrator, Energy Research and Development Administration, transmitting a draft of proposed legislation to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; jointly, to the Joint Committee on Atomic Energy, and the Committee on Science and Technology.

RECEIVED FROM THE COMPTROLLER GENERAL

287. A letter from the Comptroller General of the United States, transmitting a report on the status of selected major weapon systems being acquired by the Department of Defense; jointly, to the Committees on Government Operations, and Armed Services.

288. A letter from the Comptroller General of the United States, transmitting a report on the need for better controls on foreign students; jointly, to the Committees on Government Operations, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. H.R. 2302. A bill to revise certain provisions relating to per diem and mileage expenses of Government employees and disabled veterans, and for other purposes; with amendment (Rept. No. 94–5). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, and Mr. HEINZ):

H.R. 2954. A bill to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health services, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ):

H.R. 2955. A bill to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act; to the Committee on Interstate and Foreign Commerce.

H.R. 2956. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 2957. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. BROYHILL, Mr. HASTINGS, and Mr. HEINZ):

H.R. 2958. A bill to amend the Public Health Service Act to revise and extend the National Health Service Corps program; to the Committee on Interstate and Foreign Commerce.

By Mr. ADDABBO:

H.R. 2959. A bill to transfer responsibility for establishing standards and regulations pertaining to the control and abatement of aircraft noise from the Federal Aviation Administration to the Environmental Protection Agency; to the Committee on Public Works and Transportation.

H.R. 2960. A bill to amend title V of the Federal Aviation Act of 1958 to require certain identifying markings on aircraft; to the Committee on Public Works and Transportation.

H.R. 2961. A bill to provide financial assistance to persons whose small businesses are displaced by Federal and federally assisted programs so they may lease, rent, or buy replacement quarters; to the Committee on Small Business.

By Mr. ANDERSON of California (for himself, Mr. EILBERG and Mr. MURPHY of New York):

H.R. 2962. A bill to amend the Public Health Service Act to provide for the screening and counseling of Americans with respect to Tay-Sachs disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN:

H.R. 2963. A bill to provide safeguards to producers in the storing and selling of grain; and to establish the Federal Grain Insurance Corporation; to the Committee on Agriculture.

By Mr. BENNETT (for himself, Mr. BOB WILSON, Mr. STEIGER of Wisconsin, Mr. MATSUNAGA, Mrs. BURKE of California, Mr. BENITEZ, Mrs. BOGGS, Mr. CORNELL, Mr. DELLUMS, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. MAZZOLI, Mr. MITCHELL of Maryland, Mr. MOSHER, Mr. NEDZI, Mr. PATTISON of New York, Mr. REES, Mr. RICHMOND, Mr. YOUNG of Georgia, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.R. 2964. A bill to amend title 10, United States Code, to regulate the issuance of discharge certificates to members of the armed forces, and for other purposes; to the Committee on Armed Services.

By Mr. BENNETT (for himself, Mr. ARMSTRONG, Mr. CARTER, Mr. DAVIS, Mr. FISH, Mr. HARRINGTON, Mr. HEFNER, Mr. LAGOMARSINO, Mr. MATHIS, Mr. MONTGOMERY, Mr. PATTISON of New York, and Mr. WHITEHURST):

H.R. 2965. A bill to amend title 18, United States Code, to provide that any parent who kidnaps his minor child shall be fined not more than $1,000, or imprisoned for not more

than 1 year, or both; to the Committee on the Judiciary.

By Mr. BRADEMAS (for himself, Mr. MINK, Mr. BELL, Ms. HECKLER of Massachusetts, Mr. PERKINS, Mr. MEEDS, Mr. PEYSER, Mr. LEHMAN, Mr. ESCH, Mr. BENITEZ, Mr. PRESSLER, Mr. CLAY, Mr. MILLER of California, Mr. HAWKINS, Mr. THOMPSON, Mr. DENT, Mr. DOMINICK V. DANIELS, and Mr. BEARD of Rhode Island):

H.R. 2966. A bill to provide services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. MINK, Mr. BELL, Ms. HECKLER of Massachusetts, Ms. ABZUG, Mr. ABDNOR, Mr. ANDERSON of California, Mr. AUCOIN, Mr. BADILLO, Mr. BINGHAM, Ms. BOGGS, Mr. BOLAND, Mr. BONKER, Mr. BROWN of California, Ms. BURKE of California, Mr. CARNEY, Mr. CARR, Ms. COLLINS of Illinois, Mr. CONYERS, Mr. CORMAN, Mr. DELLUMS, Mr. DRINAN, Mr. EDWARDS of California, Mr. EILBERG, and Mr. FASCELL):

H.R. 2967. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Ms. MINK, Mr. BELL, Ms. HECKLER of Massachusetts, Mr. FLOOD, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FRASER, Mr. GIBBONS, Mr. GILMAN, Mr. GONZALEZ, Mr. GREEN, Mr. HARRINGTON, Mr. HAYES of Indiana, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mr. HORTON, Ms. JORDAN, Mr. KASTENMEIER, Ms. KEYS, Mr. KOCH, Mr. MATSUNAGA, Mr. METCALFE, Mr. MIKVA, and Mr. MINETA):

H.R. 2968. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Ms. MINK, Mr. BELL, Ms. HECKLER of Massachusetts, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOORHEAD of Pennsylvania, Mr. NIX, Mr. OBERSTAR, Mr. OTTINGER, Mr. PEPPER, Mr. RANGEL, Mr. REES, Mr. RICHMOND, Mr. RIEGLE, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SARBANES, Ms. SCHROEDER, Mr. SCHEUER, Mr. SEIBERLING, Mr. SOLARZ, and Ms. SPELLMAN):

H.R. 2969. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Ms. MINK, Mr. BELL, Ms. HECKLER of Massachusetts, Mr. STOKES, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, Mr. WON PAT, and Mr. YOUNG of Georgia):

H.R. 2970. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BREAUX (for himself and Mr. CASEY):

H.R. 2971. A bill to amend section 4 of the Fish and Wildlife Act of 1965, to provide short-term relief to those portions of the fishing industry which have suffered economic dislocation; to the Committee on Merchant Marine and Fisheries.

By Mr. BURKE of Massachusetts:

H.R. 2972. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

H.R. 2973. A bill to amend the Internal Revenue Code of 1954 to provide individuals a tax credit for the purchase of home garden tools; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself and Mr. CONTE):

H.R. 2974. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling wastepaper; to the Committee on Ways and Means.

By Mr. BURLISON of Missouri:

H.R. 2975. A bill to designate certain lands in the Mingo National Wildlife Refuge, Wayne and Stoddard Counties, Mo., as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. CASEY:

H.R. 2976. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses paid by him for the education of any of his dependents at an institution of higher learning; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 2977. A bill to authorize the Secretary of the Interior to sell certain rights in the State of Florida; to the Committee on Interior and Insular Affairs.

By Mr. CHAPPELL (for himself, Mr. ANDERSON of Illinois, Mrs. BOGGS, Mr. BREAUX, Mr. BROWN of California, Mr. CLEVELAND, Mr. FLOOD, Mr. FLORIO, Mr. FRENZEL, Mr. FUQUA, Mr. GILMAN, Mr. GOODLING, Mr. HASTINGS, Mr. ICHORD, Mr. KINDNESS, Mr. MELCHER, Mr. MOORHEAD of California, Mr. MURPHY of New York, Mr. MURTHA, Mr. PEPPER, Mr. PRESSLER, Mr. RUPPE, Mr. SARASIN, Mr. WON PAT, and Mr. YATRON):

H.R. 2978. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units; to the Committee on Ways and Means.

By Mr. COHEN:

H.R. 2979. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on every new passenger automobile with respect to its weight; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. MARTIN, Ms. ABZUG, Mr. TREEN, Mr. STEELMAN, Mr. CHARLES WILSON of Texas, Mr. ANDERSON of Illinois, Mr. RYAN, Mr. PRITCHARD, Mr. MURTHA, Mrs. HECKLER of Massachusetts, Mr. SEIBERLING, Mr. PRESSLER, Mr. LOTT, Mr. FLOOD, Mr. SARBANES, Ms. CHISHOLM, Mr. HARRINGTON, Mr. COLLINS of Texas, Mr. MITCHELL of New York, and Mrs. SPELLMAN):

H.R. 2980. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment; to the Committee on Banking, Currency and Housing.

By Mr. COHEN (for himself, Mr. MOORHEAD of California, Mr. MARTIN, Mr. MAZZOLI, Ms. ABZUG, Mr. STEELMAN, Mr. CHARLES WILSON of Texas, Mr. ANDERSON of Illinois, Mr. RYAN, Mr. PRITCHARD, Mr. MURTHA, Mrs. HECKLER of Massachusetts, Mr. SEIBERLING, Mr. PRESSLER, Mr. LOTT, Mr. FLOOD, Mr. HARRINGTON, Mr. COLLINS of Texas, Mr. MITCHELL of New York, Mrs. SPELLMAN, and Mr. LENT):

H.R. 2981. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in home heating and cooling by allowing individuals a credit for 25 percent of amounts paid or incurred for the installation of more effective insulation and heating equipment in existing residential structures; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. BURKE of Massachusetts, Mr. ABDNOR, Mr. BROADHEAD, Mr. CARR, Mr. EDGAR, Mr. GAYDOS, Mr. DOWNEY, Mr. LEGGETT, Mr. LONG of Louisiana, Mrs. MINK, Mr. MITCHELL of Maryland, Mr. MITCHELL of New York, Mr. MOSHER, Mr. O'BRIEN, Mr. MATSUNAGA, Mr. PRESSLER, Mr. RANGEL, Mr. RONCALIO, Mr. ROYBAL, and Mr. STOKES):

H.R. 2982. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportation barriers to the elderly and handicapped; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. PATTISON of New York, Mr. MOAKLEY, Mr. JEFFORDS, Mr. KINDNESS, and Mr. DOWNEY):

H.R. 2983. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 2984. A bill to amend section 4941(d)(2)(G) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. CONYERS:

H.R. 2985. A bill to amend title 18 of the United States Code by repealing chapter 102 (the antiriot provision) thereof; to the Committee on the Judiciary.

By Mr. CONYERS (for himself, Mr. BROWN of California, Mr. ECKHARDT, Mr. REES, Mr. MITCHELL of Maryland, Ms. BURKE of California, Mr. HARRINGTON, Ms. ABZUG, Mr. STARK, Mr. ROSENTHAL, Mr. EDWARDS of California, Mr. CARR, Mr. BADILLO, Mr. HELSTOSKI, Mr. RANGEL, Mr. DELLUMS, Mr. DRINAN, Ms. SCHROEDER, Mr. PATTERSON of California, Mr. FORD of Tennessee, and Mr. CORMAN):

H.R. 2986. A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order better to protect the constitutional rights and liberties of such witnesses under the fourth, fifth, and sixth amendments to the Constitution; to provide for independent inquiries by grand juries, and for other purposes; to the Committee on the Judiciary.

By Mr. CORMAN:

H.R. 2987. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; to the Committee on Ways and Means.

H.R. 2988. A bill to amend part A of title XVIII of the Social Security Act to freeze the inpatient hospital deductible under the medicare program at its 1974 level for 2 additional years, and for other purposes; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 2989. A bill to amend the Internal Revenue Code of 1954 to provide that an individual shall be entitled to a tax credit equal to the amount by which the purchasing power of his adjusted gross income for the taxable year is reduced by inflation, and to increase to $1,200 the personal income tax exemptions; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS:

H.R. 2990. A bill to give greater assurance that national and regional needs are satisfied in times of shortage of natural gas and petroleum and its products; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. WIRTH, Mr. BROADHEAD, Mr. ECKHARDT, Mr. OTTINGER, and Mr. MOFFETT):

H.R. 2991. A bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for a temporary freeze on the national average price of domestic crude oil, residual fuel oil, and refined petroleum products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN of Tennessee:

H.R. 2992. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 2993. A bill to amend title 38 of the United States Code in order to entitle veterans to 45 months of educational assistance for undergraduate or any other authorized programs of education; to the Committee on Veterans' Affairs.

H.R. 2994. A bill to amend the Internal Revenue Code to encourage an increase in production of coal; to the Committee on Ways and Means.

H.R. 2995. A bill to amend title II of the Social Security Act to establish more effective procedures for the conduct of hearings, and the appointment of hearing examiners, with respect to claims under such title XVIII of such act; to the Committee on Ways and Means.

By Mr. DUNCAN of Tennessee (for himself and Mr. FULTON):

H.R. 2996. A bill to exempt from Federal income taxation certain nonprofit corporations all of whose members are tax-exempt credit unions; to the Committee on Ways and Means.

By Mr. DU PONT:

H.R. 2997. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 2998. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

H.R. 2999. A bill to amend the Internal Revenue Code of 1954 to provide that gain from the sale or exchange of an individual's principal residence shall be excluded from gross income; to the Committee on Ways and Means.

By Mr. CLAY:

H.R. 3000. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H.R. 3001. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. FORD of Tennessee:

H.R. 3002. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FRASER (for himself, Mr. BIESTER, Mr. BUCHANAN, Mr. DIGGS, Mr. ANDERSON of Illinois, Mr. SCHEUER, and Mr. SYMINGTON):

H.R. 3003. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Affairs.

By Mr. GOLDWATER:

H.R. 3004. A bill to provide for the conservation of energy by amending the Internal Revenue Code of 1954 to allow a refundable tax credit for certain building insulation and heating improvements; to the Committee on Ways and Means.

By Mrs. HECKLER of Massachusetts:

H.R. 3005. A bill to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record, to eliminate the special dependency requirement for entitlement to husband's or widower's benefits, to provide for the payment of benefits to widowed fathers with minor children, and to make the retirement test inapplicable to individuals with minor children who are entitled to mother's or father's benefits; to the Committee on Ways and Means.

H.R. 3006. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. CHARLES H. WILSON of California, Mr. JOHNSON of Pennsylvania, Mr. FISH, Mr. EVANS of Indiana, Mr. KINDNESS, Mr. WALSH, Mr. BAFALIS, Mr. MITCHELL of New York, Mr. HYDE, Mr. LONG of Maryland, Mr. LAGOMARSINO, Mr. BOB WILSON, Mr. DU PONT, Mr. WHITEHURST, and Mr. CLEVELAND):

H.R. 3007. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. JEFFORDS (for himself, Mr. CARTER, Mr. CLEVELAND, Mr. COCHRAN, Mr. DAVIS, Mr. FLOOD, Mr. JONES of Tennessee, Mr. KINDNESS, Mr. LITTON, Mr. MCEWEN, Mr. MURTHA, Mr. OBEY, Mr. PRESSLER, Mr. RIEGLE, Mr. STEIGER of Wisconsin, Mr. VIGORITO, and Mr. WAMPLER):

H.R. 3008. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Ms. JORDAN (for herself and Mr. BURKE of Massachusetts):

H.R. 3009. A bill to amend title II of the Social Security Act to provide benefits for homemakers; to the Committee on Ways and Means.

By Ms. JORDAN:

H.R. 3010. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for low-income employed and self-employed individuals; to the Committee on Ways and Means.

By Mr. KARTH:

H.R. 3011. A bill to provide for the development of a uniform system of quality grades for consumer food products; to the Committee on Agriculture.

H.R. 3012. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 3013. A bill to amend the Employment Act of 1946 with respect to price stability; to the Committee on Government Operations.

H.R. 3014. A bill to amend the Fair Packaging and Labeling Act to require certain labeling to assist the consumer in purchases of packaged perishable or semiperishable foods; to the Committee on Interstate and Foreign Commerce.

H.R. 3015. A bill to require that certain processed or packaged consumer products be labeled with certain information, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3016. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on certain package goods to contain the name and place of business of the manufacturer, packer, and distributor; to the Committee on Interstate and Foreign Commerce.

H.R. 3017. A bill to amend the Fair Packaging and Labeling Act to require the disclosure by retail distributors of unit retail prices of packaged consumer commodities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3018. A bill to require that durable consumer products be labeled as to durability and perfomance life; to the Committee on Interstate and Foreign Commerce.

H.R. 3019. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients and to disclose changes in such ingredients; to the Committee on Interstate and Foreign Commerce.

H.R. 3020. A bill to require that certain durable products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3021. A bill to prohibit the sale of "Saturday Night Special" handguns in the United States; to the Committee on the Judiciary.

H.R. 3022. A bill to amend title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3023. A bill to establish an independent commission to administer the internal revenue laws; to the Committee on Ways and Means.

H.R. 3024. A bill to amend the Internal Revenue Code of 1954 to provide that condominium owners' or homeowners' associations will not be taxed on receipt of membership income; to the Committee on Ways and Means.

H.R. 3025. A bill to amend the Internal Revenue Code of 1954 to provide that the gross income of an employee shall not include amounts directly or indirectly received as payment or reimbursement for legal services under group legal service plans, the value of legal services rendered under such plans, or contributions by employers to such plans; to the Committee on Ways and Means.

H.R. 3026. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. KARTH (for himself, Mr. NOLAN, Mr. WIRTH, Mr. BERGLAND, and Mr. ST GERMAIN):

H.R. 3027. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. KARTH:

H.R. 3028. A bill to amend the Fish and Wildlife Coordination Act to require certain permits for exploring or mining oil and gas underlying the navigable waters of the United States; jointly to the Committees on Merchant Marine and Fisheries, and Interior and Insular Affairs.

By Mr. LENT:

H.R. 3029. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

By Mr. LLOYD of California (for himself, Mr. PETTIS, and Mr. BROWN of California):

H.R. 3030. A bill to designate certain lands in the Angeles and San Bernardino National Forests as the "Sheep Mountain Wilderness"; to the Committee on Interior and Insular Affairs.

By Mr. MAHON:

H.R. 3031. A bill to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc.

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93-398) as modified by the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93-391), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mrs. MINK:

H.R. 3032. A bill to amend title II of the Social Security Act to provide that the earnings standard used in determining whether a recipient of disability insurance benefits is able to engage in substantial gainful activity shall be the same as the exempt amount in effect under the regular earnings test for recipients of retirement and survivor benefits; to the Committee on Ways and Means.

By Mr. MORGAN (by request):

H.R. 3033. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that act; to the Committee on Foreign Affairs.

By Mr. O'HARA:

H.R. 3034. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. PATMAN (for himself and Mr. REUSS):

H.R. 3035. A bill to require the payment of interest on certain funds of the United States held on deposit in commercial banks, to provide for reimbursement of commercial banks for services performed for the United States, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. DENT, Mr. BELL, Mr. BRADEMAS, Mr. ESCH, Mr. O'HARA, Mr. SARASIN, Mr. FORD of Michigan, Mr. BUCHANAN, Mrs. MINK, Mr. JEFFORDS, Mr. MEEDS, Mr. PRESSLER, Mr. PHILLIP BURTON, Mr. CLAY, Mr. BLOUIN, Mr. CORNELL, Mr. SIMON, and Mr. HALL):

H.R. 3036. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

H.R. 3037. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes; to the Committee on Education and Labor.

By Mr. PETTIS (for himself, Mr. FLOOD, Mr. CONTE, Mrs. SPELLMAN, Mr. VANDER JAGT, Mr. ADAMS, Mr. MINETA, and Mr. BOB WILSON):

H.R. 3038. A bill to provide for the establishment of the National Conservation Area of the California Desert and to provide for the immediate and future protection, development, and administration of such public lands; to the Committee on Interior and Insular Affairs.

By Mr. PICKLE (for himself, Mr. ECKHARDT, Mr. KRUEGER, Mr. GONZALEZ, Mr. HIGHTOWER, Mr. WRIGHT, and Mr. CHARLES WILSON of Texas):

H.R. 3039. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. PICKLE (for himself, Mr. ROBERTS, Mr. TEAGUE, Mr. CHARLES WILSON of Texas, Mr. COLLINS of Texas, Mr. BURLESON of Texas, Mr. MAHON, and Mr. MILFORD):

H.R. 3040. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. PICKLE (for himself, Mrs. BOGGS, Mr. ANDERSON of California, Mr. VAN DEERLIN, Mr. WAXMAN, Mr. KRUEGER, Mr. LONG of Louisiana, Mr. WAGGONNER, and Mr. TREEN):

H.R. 3041. A bill to amend the Emergency Petroleum Allocation Act of 1973 (Public Law 93-159) to exempt State-owned oil; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE:

H.R. 3042. A bill to amend title 10, United States Code, to provide more efficient dental care for the personnel of the Army and Air Force, and for other purposes; to the Committee on Armed Services.

By Mr. QUIE:

H.R. 3043. A bill to establish a Department of Education and Manpower; to the Committee on Government Operations.

By Mr. RAILSBACK:

H.R. 3044. A bill relating to the employment and training of criminal offenders, and for other purposes; to the Committee on the Judiciary.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, Ms. ABZUG, Mr. ANDERSON of California, Mr. AUCOIN, Mr. BADILLO, Mr. BAUCUS, Mr. BEDELL, Mr. BRODHEAD, Mr. BROWN of California, Mrs. BURKE of California, Mrs. CHISHOLM, Mr. COHEN, Mr. CONABLE, Mr. CONYERS, Mr. CORMAN, Mr. COUGHLIN, Mr. DOMINICK V. DANIELS, Mr. DELLUMS, Mr. DODD, Mr. EDGAR, Mr. EDWARDS of California, Mr. EMERY, Mr. FASCELL, and Mrs. FENWICK):

H.R. 3045. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, Mr. FLORIO, Mr. FORD of Tennessee, Mr. GIAIMO, Mr. GUDE, Mr. HANNAFORD, Mr. HARKIN, Mr. HARRINGTON, Mr. HASTINGS, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. HEINZ, Mr. HELSTOSKI, Mr. HINSHAW, Ms. HOLT, Ms. HOLTZMAN, Mr. HORTON, Mr. HUGHES, Mr. ICHORD, Mr. JEFFORDS, Mrs. KEYS, Mr. LAGOMARSINO, Mr. MCCLOSKEY, and Mr. MCCORMACK):

H.R. 3046. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, Mr. MATSUNAGA, Mr. MAZZOLI, Mr. MILLER of California, Mrs. MINK, Mr. MITCHELL of New York, Mr. MOSHER, Mr. NEAL, Mr. NIX, Mr. PATTEN, Mr. PATTISON of New York, Mr. PEPPER, Mr. PRESSLER, Mr. PRITCHARD, Mr. QUIE, Mr. REES, Mr. RIEGLE, Mr. ROE, Mr. ROSENTHAL, Ms. SCHROEDER, Mr. SIMON, Mr. SOLARZ, Mr. STUDDS, and Mr. THONE):

H.R. 3047. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, Mr. DU PONT, Mr. HAMILTON, Mr. TSONGAS, Mr. VANDER JAGT, Mr. VIGORITO, Mr. CHARLES WILSON of Texas, Mr. WIRTH, Mr. WON PAT, Mr. YATES, Mr. DANIELSON, Mr. DAVIS, Mr. ESHLEMAN, Mr. FISHER, Mr. KREBS, Mr. RANGEL, Mr. RODINO, Mr. RUPPE, Mr. WINN, and Mr. YOUNG of Florida):

H.R. 3048. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RHODES (for himself, Mr. BROYHILL, Mr. ROBINSON of Virginia, Mr. ANDERSON of Illinois, Mr. YOUNG of Florida, and Mr. ANDREWS of North Dakota):

H.R. 3049. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROSENTHAL (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BALDUS, Mr. BRODHEAD, Mr. BROWN of California, Mrs. CHISHOLM, Mr. DELLUMS, Mr. DOWNEY, Mr. EDWARDS of California, Mr. EILBERG, Mr. FORD of Tennessee, Mr. HARRINGTON, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. KOCH, Mr. MITCHELL of Maryland, Mr. MILLER of California, Mr. NEAL, Mr. PATMAN, Mr. ROYBAL, Mr. SANTINI, Mrs. SCHROEDER, Mr. SOLARZ, and Mrs. SPELLMAN):

H.R. 3050. A bill to restrict the activities of certain Federal employees and officers, to provide private remedies to implement these restrictions, and to facilitate the enforcement of existing conflict of interest statutes; to the Committee on Post Office and Civil Service.

By Mr. ROSENTHAL (for himself, Mr. STARK, Mr. CHARLES WILSON of Texas, and Mr. CHARLES H. WILSON of California):

H.R. 3051. A bill to restrict the activities of certain Federal employees and officers, to provide private remedies to implement these restrictions, and to facilitate the enforcement of existing conflict of interest statutes; to the Committee on Post Office and Civil Service.

By Mr. ROSTENKOWSKI:

H.R. 3052. A bill to amend section 512(b)(5) of the Internal Revenue Code of 1954 with respect to the tax treatment of the gain on the lapse of options to buy or sell securities; to the Committee on Ways and Means.

H.R. 3053. A bill exempting State lotteries from certain Federal prohibitions, and for other purposes; to the Committee on Ways and Means.

H.R. 3054. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself, Mr. LANDRUM, Mr. WAGGONNER, and Mr. CLANCY):

H.R. 3055. A bill to amend certain provisions of the Internal Revenue Code of 1954 relating to distilled spirits, and for other purposes; to the Committee on Ways and Means.

By Mr. ROUSSELOT:

H.R. 3056. A bill to amend the Federal Reserve Act, and for other purposes; to the Committee on Banking, Currency and Housing.

H.R. 3057. A bill to amend title XI of the Social Security Act to repeal the provisions for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Ms. SCHROEDER:

H.R. 3058. A bill to amend title 39, United States Code, to provide that the appointment of the Postmaster General and the Deputy Postmaster General of the United States shall be subject to confirmation by the Senate; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.R. 3059. A bill to amend the United States Housing Act of 1937 to require that future increases in social security benefits be excluded in determining the eligibility of an individual or family for admission to or occupancy of low-income housing and the amount of the rent payable for accommodations in such housing, and to require a similar exclusion under other federally assisted housing porgrams; to the Committee on Banking, Currency and Housing.

H.R. 3060. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. SYMINGTON:

H.R. 3061. A bill to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China; to the Committee on Foreign Affairs.

By Mr. VANIK (for himself, Ms. ABZUG, Mr. AUCOIN, Mr. BADILLO, Mr. BROWN of California, Mr. CORMAN, Mr. DOWNEY, Mr. DRINAN, Mr. DUNCAN of Oregon, Mr. DU PONT, Mr. EDGAR, Mr. FASCELL, Mr. FLOOD, Mr. GUDE, Mr. HARRINGTON, Mr. HECHLER, of West Virginia, Ms. HOLTZMAN, Mr. LAFALCE, Mr. LEGGETT, Mr. LONG of Maryland, Mr. MATSUNAGA, Mr. METCALFE, Mrs. MEYNER, Mr. MITCHELL of Maryland, and Mr. MOORHEAD of Pennsylvania):

H.R. 3062. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new passenger automobile based on its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every such automobile, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mr. NIX, Mr. OBEY, Mr. PATTISON of New York, Mr. REES, Mr. RICHMOND, Mr. RODINO, Mr. ROSE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. RYAN, Ms. SCHROEDER, Mrs. SPELLMAN, Mr. STARK, Mr. STEELMAN, Mr. STOKES, Mr. WAXMAN, Mr. CHARLES WILSON of Texas, and Mr. WON PAT):

H.R. 3063. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new passenger automobile based on its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every such automobile, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mrs. LLOYD of Tennessee, Mr. NEAL, Mr. CHARLES WILSON of Texas, and Mr. PATTISON of New York):

H.R. 3064. A bill to amend the Internal Revenue Code of 1954 to allow an income tax credit or an income tax deduction for certain expenditures of a taxpayer relating to the thermal design of the residence of such taxpayer; to the Committee on Ways and Means.

By Mr. WINN (for himself, Mr. BROWN of California, Mr. NEDZI, Mr. CHARLES H. WILSON of California, Mr. DAVIS, Mr. SOLARZ, Mr. J. WILLIAM STANTON, Mr. TREEN, Ms. ABZUG, Mr. CARTER, Mr. MURPHY of New York, Mr. CHARLES WILSON of Texas, Mr. MATHIS, Mr. DUNCAN of Oregon, Mr. ROE, Mr. MITCHELL of Maryland, Mr. HYDE, Mr. PRESSLER, Mr. HARRINGTON, Mr. SARBANES, Ms. CHISHOLM, Mr. MURPHY of Illinois, Mr. YOUNG of Georgia, Mr. DODD, and Mr. VIGORITO):

H.R. 3065. A bill to amend the Internal Revenue Code of 1954 to treat the amounts paid for custodial care by institutions of certain dependents as amounts paid for medical care; to the Committee on Ways and Means.

By Mr. WRIGHT:

H.R. 3066. A bill to provide that certain interests of the United States retained in certain lands heretofore conveyed to the State of Texas shall be conveyed to such State; to the Committee on Government Operations.

By Mr. WRIGHT (for himself, Mr. HARSHA, Mr. ABDNOR, Ms. ABZUG, Mr. COCHRAN, Mr. GINN, Mr. HOLLAND, Mr. HOWARD, Mr. JOHNSON of California, Mr. LEVITAS, Mrs. LLOYD of Tennessee, Mr. MILFORD, Mr. OBERSTAR, Mr. ROE, Mr. RONCALIO, and Mr. WALSH):

H.R. 3067. A bill to expedite construction starts on approved public works projects, and to eliminate certain procedural requirements in order to reduce delays and accelerate certain public works programs and projects; to the Committee on Public Works and Transportation.

By Mr. WOLFF:

H.R. 3068. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 3069. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

H.R. 3070. A bill to amend the Internal Revenue Code of 1954 to allow an individual an income tax deduction for the expenses of traveling to and from work by means of mass transportation facilities; to the Committee on Ways and Means.

H.R. 3071. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for taxicab fares paid by disabled individuals; to the Committee on Ways and Means.

H.R. 3072. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 3073. A bill to amend the Internal Revenue Code of 1954 to allow a deduction in computing gross income for theft losses sustained by individuals, for certain amounts paid to protect against theft, for medical expenses caused by criminal conduct, and for funeral expenses of victims of crime; to the Committee on Ways and Means.

H.R. 3074. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 3075. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

H.R. 3076. A bill to provide payments to States for public elementary and secondary education and to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; jointly to the Committees on Education and Labor, and Ways and Means.

By Mr. YATRON:

H.R. 3077. A bill to amend title 38 of the United States Code to provide that World War II and Korean conflict veterans entitled to educational benefits under any law administered by the Veterans' Administration who did not utilize their entitlement may transfer their entitlement to their children; to the Committee on Veterans' Affairs.

By Mr. YOUNG of Georgia (for himself, Mr. LANDRUM, Mr. STEPHENS, Mr. BRINKLEY, Mr. STUCKEY, Mr. MATHIS, Mr. GINN, and Mr. LEVITAS):

H.R. 3078. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BELL:

H.R. 3079. A bill to amend the Outer Continental Shelf Lands Act to provide a procedure for congressional disapproval of offshore oil and gas leases; jointly to the Committees on Interior and Insular Affairs, and Rules.

By Mr. CASEY (for himself, Mr. BROOKS, Mr. DEL CLAWSON, Mr. COCHRAN, Mr. CRANE, Mr. DAN DANIEL, Mr. DICKINSON, Mrs. HOLT, Mr. HUNGATE, Mr. HYDE, Mr. MANN, Mr. MCCOLLISTER, Mr. MOLLOHAN, Mr. MOORE, Mr. MYERS of Indiana, Mr. POAGE, Mr. ROBERTS, Mr. SATTERFIELD, Mr. SYMMS, Mr. TEAGUE, Mr. WHITE, and Mr. BOB WILSON):

H.R. 3080. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. REUSS, and Mr. MOORHEAD of Pennsylvania):

H.R. 3081. A bill to require that the director of the National Park Service be appointed by the President by and with the advice and consent of the Senate; to the Committee on Interior and Insular Affairs.

By Mr. DU PONT:

H.R. 3082. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a Formulary Committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

Mr. EDWARDS of Alabama:

H.R. 3083. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. CONABLE, Mr. KEYS, Mrs. MINK, Mr. PRITCHARD, Mr. SCHEUER, Mr. SCHULZE, Mr. STOKES, and Mr. SYMINGTON):

H.R. 3084. A bill to prevent famine and establish freedom from hunger by increasing world food production through the development of land-grant-type universities in agriculturally developing nations; to the Committee on Foreign Affairs.

By Mr. HELSTOSKI:

H.R. 3085. A bill to prohibit foreign oil producing countries, and the citizens, residents, or agents of such countries, from acquiring controlling interests in any domestic petroleum-related or energy-producing industry; to the Committee on Interstate and Foreign Commerce.

By Mr. MIKVA (for himself, Mr. ROSTENKOWSKI, Mr. BOLLING, Ms. CHISHOLM, Mr. EDWARDS of California, Mr. FRASER, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KOCH, Mr. MATSUNAGA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MURPHY of Illinois, Mr. O'NEILL, Mr. RANGEL, Mr. REES, Mr. ROYBAL, Mr. RYAN, Mr. SOLARZ, Mr. THOMPSON, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, Mr. WON PAT, and Mr. ZEFERETTI):

H.R. 3086. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs to the Committee on the Judiciary.

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By Mr. YATRON:

H.R. 3087. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. ADDABBO (for himself, Mr. AUCOIN, Mr. BADILLO, Mr. BROWN of California, Mr. CORMAN, Mr. DOWNEY, Mr. DUNCAN of Oregon, Mr. EDGAR, Mr. EVANS of Indiana, Mr. GIAIMO, Mr. HELSTOSKI, Mrs. KEYS, Mr. LEGGETT, Mr. NIX, Mr. RANGEL, Mr. RICHMOND, Mr. ROSENTHAL, Mr. ROYBAL, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SOLARZ, Mr. STOKES, Mr. SYMINGTON, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.J. Res. 201. Joint resolution creating a Joint Committee on Classified Information; to the Committee on Rules.

By Mr. BELL (for himself, Mr. BROOMFIELD, Mr. PETTIS, and Mr. HANNAFORD):

H.J. Res. 202. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COUGHLIN (for himself and Mr. TAYLOR of North Carolina):

H.J. Res. 203. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning May 12, 1975, as National Historic Preservation Week; to the Committee on Post Office and Civil Service.

By Mr. KARTH:

H.J. Res. 204. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. MARTIN (for himself, Mr. JONES of North Carolina, Mr. FOUNTAIN, Mr. HENDERSON, Mr. ANDREWS of North Carolina, Mr. NEAL, Mr. PREYER, Mr. ROSE, Mr. HEFNER, Mr. BROYHILL, and Mr. TAYLOR of North Carolina):

H.J. Res. 205. Joint resolution authorizing the President of the United States to proclaim May 20, 1975, as Mecklenburg Declaration of Independence Day; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON of California (for himself, Ms. ABZUG, Mr. LAFALCE, Mr. STOKES, Mr. PATTISON of New York, Mr. MURPHY of New York, and Mr. PATTERSON of California):

H. Con. Res. 107. Concurrent resolution that an imposition of a ceiling on social security cost-of-living benefit increases not be enacted; to the Committee on Ways and Means.

By Mr. BRADEMAS (for himself, Mr. O'NEILL, Mr. BURKE of Massachusetts, Mr. HANNAFORD, Mr. COTTER, Mr. EVANS of Indiana, Mr. HAMILTON, Mr. SOLARZ, Mr. METCALFE, Mr. CHARLES H. WILSON of California, Mr. BRODHEAD, Mr. TSONGAS, Mr. GREEN, Mr. OBEY, Ms. SPELLMAN, Mr. DODD, Mr. RYAN, Mr. WAXMAN, Mr. MINETA, Mr. RANGEL, Mr. NEAL, Mr. BERGLAND, Mr. VANIK, Mr. HARRIN, and Mr. ROYBAL):

H. Con. Res. 108. Concurrent resolution expressing the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefit increases be enacted; to the Committee on Ways and Means.

By Mr. BRADEMAS (for himself, Mr. O'NEILL, Mr. BURKE of Massachusetts, Ms. SCHROEDER, Mr. PATMAN, Mr. PRESSLER, Mr. DUNCAN of Oregon, Ms. HECKLER of Massachusetts, Mr. ST GERMAIN, Mr. CORMAN, and Mr. MURPHY of Illinois):

H. Con. Res. 109. Concurrent resolution expressing the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefits increases be enacted; to the Committee on Ways and Means.

By Mr. DAVIS:

H. Con. Res. 110. Concurrent resolution to provide for the designation of May 1–8, 1975, as "National Trauma Week"; to the Committee on Post Office and Civil Service.

By Mrs. FENWICK:

H. Con. Res. 111. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. ASHBROOK, (for himself, Mr. NICHOLS, Mr. BAUMAN, Mr. KEMP, Mr. CRANE, Mr. SIKES, Mr. WHITEHURST, Mr. TREEN, Mr. MONTGOMERY, Mr. SPENCE, Mr. ROUSSELOT, Mr. CLEVELAND, Mr. KINDNESS, Mr. BOWEN, Mr. WALSH, Mr. MOORHEAD of California, Mrs. HOLT, Mr. MCDONALD of Georgia, Mr. JOHNSON of Pennsylvania, Mr. WINN, Mr. KRUEGER, Mr. COLLINS of Texas, Mr. MARTIN, Mr. HARSHA, and Mr. MATHIS):

H. Res. 157. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. BINGHAM (for himself, Mr. ALBERT, Mr. O'NEILL, and Mr. MCFALL):

H. Res. 158. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. BIESTER, Mr. HEINZ, Mr. HILLIS, Mr. REGULA, Mr. WYDLER, Ms. ABZUG, Mr. BADILLO, Mrs. BOGGS, Mr. BUCHANAN, Mr. CORMAN, Mr. DOMINICK V. DANIELS, Mr. DANIELSON, Mr. DE LUGO, Mr. DENT, Mr. DIGGS, Mr. DU PONT, Mr. EDGAR, Mr. EILBERG, Mr. FLOOD, Mr. FORSYTHE, Mr. FRASER, Mr. FRENZEL, and Mr. FULTON):

H. Res. 159. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. ZABLOCKI, Mr. FINDLEY, Mr. FRASER, Mr. NIX, Mr. FASCELL, Ms. SCHROEDER, Mr. HARRINGTON, Mr. LEGGETT, Mr. HAMILTON, Mr. YATRON, Mr. RYAN, Mr. CHARLES H. WILSON of Texas, Mr. SOLARZ, Mr. RIEGLE, and Mr. BONKER):

H. Res. 160. Resolution expressing support for the Vladivostok Agreement on strategic arms and providing the advice of the House on follow-on strategic arms control measures; to the Committee on Foreign Affairs.

By Mr. BINGHAM (for himself, Mr. BIESTER, Mr. HEINZ, Mr. HILLIS, Mr. REGULA, Mr. WYDLER, Mr. PEPPER, Mr. PERKINS, Mr. PEYSER, Mr. PICKLE, Mr. PRITCHARD, Mr. RANGEL, Mr. RIEGLE, Mr. RICHMOND, Mr. RODINO, Mr. SARBANES, Ms. SCHROEDER, Mr. SEIBERLING, Mrs. SPELLMAN, Mr. STEELMAN, Mr. WAXMAN, Mr. WHITEHURST, Mr. WIRTH, Mr. WOLFF, and Mr. WON PAT):

H. Res. 161. Resolution to establish a John W. McCormick senior intern program; to the Committee on House Administration.

By Mr. FLYNT:

H. Res. 162. Resolution providing funds for the expenses of the Committee on Standards of Official Conduct; to the Committee on House Administration.

By Mr. FRASER (for himself, Mr. MORGAN, Mr. BROOMFIELD, Mr. ZABLOCKI, Mr. FINDLEY, Mr. BUCHANAN, Mr. FASCELL, Mr. BURKE of Florida, Mr. DIGGS, Mr. NIX, Mr. ROSENTHAL, Mr. HAMILTON, Mr. WOLFF, Mr. GUYER, Mr. BINGHAM, Mr. YATRON, Mr. LAGOMARSINO, Mr. CHARLES H. WILSON of Texas, Mr. RIEGLE, Mr. SOLARZ, Mrs. MEYNER and Mr. WINN):

H. Res. 163. Resolution to amend the Rules of the House of Representatives to change the name of the Committee on Foreign Affairs to the Committee on International Relations; to the Committee on Rules.

By Mr. ROBERTS:

H. Res. 164. Resolution to provide funds for the expenses of the investigation and study authorized by House Rule XI; to the Committee on House Administration.

By Mr. STARK (for himself, Mr. SCHEUER, Mr. FISH, Mr. PATTISON of New York, Mr. ADDABBO, and Mr. KOCH):

H. Res. 165. Resolution disapproving the deferral of budget authority relating to comprehensive planning grants (deferral No. D75–107) which is proposed by the President in his special message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MICHEL:

H.R. 3088. A bill for the relief of Cecilia L. P. Thieman; to the Committee on the Judiciary.

By Mr. VANDER VEEN:

H.R. 3089. A bill for the relief of Concepcion Orozco DeRivas and Gloria Garcia; to the Committee on the Judiciary.

By Mr. MICHEL:

H. Res. 166. Resolution to refer H.R. 3088 to the Chief Commissioner of the U.S. Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

21. By the SPEAKER: Petition of the House of Representatives of the Republic of Cyprus, Nicosia, relative to Greek Cypriots missing since the Turkish invasion; to the Committee on Foreign Affairs.

22. Also, petition of the Tribal Council, Red Lake Band of Chippewa Indians, Red Lake, Minn., relative to the crediting of certain service in Civilian Conservation Corps Indian Department camps toward civil service retirement; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

WOMEN OF ACHIEVEMENT

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. WALSH. Mr. Speaker, the Syracuse, N.Y., Post-Standard has, over the years, established a fine tradition of honoring women who have made outstanding contributions to their communities. Every year, the Post-Standard names an all-time woman of achievement and 10 annual women of achievement.

As the newspaper article honoring these women states:

> There is only one criterion for determining Women of Achievement. It is excellence . . . Competence is not enough. Extraordinary performance, unusual dedication, innovative approaches are standards used by the jurors. . . .

It becomes very obvious when listing their achievements that these 11 women have more than met those standards.

The all-time woman of achievement, Mrs. Ruth Sherwood, has been instrumental in promoting professional standards among volunteer agencies in central New York and all across the State.

Ruth Sherwood first came to Syracuse in the early 1940's as a volunteer at the old Victory Center. In 1947 she became executive director of that organization which changed its name to the Volunteer Center.

It was Ruth Sherwood who first became aware of the substantial changes in the age, role, and aims of the volunteer. In the 1940's and 1950's, the typical volunteer was the middle-aged housewife who had time to contribute, because her children were in school. At that time it was a new thought, and Ruth Sherwood's thought, that volunteers must be recruited from the young and the retired, because the middle-aged housewife was about to go back to work.

In the area of communications, the Post-Standard has honored the young and attractive Mrs. Ann G. Higbee. Mrs. Higbee is presently an account executive and vice president of T. A. Best, a public relations agency in Skaneateles, N.Y. She broke into the public relations field some years ago when there were almost no women in substantive positions in that field. Her career has blossomed from that date.

As if being a public relations agency vice president was not enough, Mrs. Higbee is raising a 3-year-old son and acting as president of the Junior League. And when she has some spare time, she divides that between the Literacy Volunteers, United Way, American Red Cross, Priority One, and the Syracuse Downtown Promotion Committee.

Miss Eleanor Ludwig has been named the Post-Standard Woman of Achievement in Citizenship, because of her people-related activities. Miss Ludwig is presently director of alumni programs at Syracuse and is doing an innovative job.

As director, she is in charge of all the programs that relate to the 140,000 alumni of the university. She runs about a dozen tours a year and handles continuing education for alumni.

Her pet project is the creation of an undergraduate alumni office which would attempt to work with students in terms of their preparation as alumni. According to Miss Ludwig, the undergraduates would also be the "eyes and ears" of the alumni.

Her work with people extends far beyond the boundaries of the university to almost a dozen civic and community agencies whose concerns range from literacy to health to the aged.

"I'd like to teach the world to sing" is the theme of Mrs. Herman Beyle who has been chosen as the woman of achievement in music. Mrs. Beyle began directing the "Music Men of Syracuse," a group started by her young sons. Today, although all the original members of that troupe have gone, Mrs. Beyle remains and continues to donate her living room for the group's practice on Sunday morning.

Madelon Beyle has been director of music at Danforth United Church and the Plymouth Congregational Church and twice president of Civic Morning Musicals.

For the past 10 years, Mrs. Beyle has been involved in a representative of children's musical theater organizations and has been responsible for bringing live theater to all corners of America.

In the area of career, Mrs. Edna Anderson has been honored as a woman of achievement, because of her ability to pursue a career and still devote time to a growing family.

Edna Barrie Anderson graduated from law school as her daughter was graduating from medical college. She is a pilot, an attorney with a court position, a volunteer with substantial responsibilities with the League of Women Voters, her church, the bar association, and many other groups.

If you ask Mrs. Anderson how she crams so much activity into a 24-hour day, she cites her mother's motto:

> You can do anything you want to, if you try hard enough.

The woman of achievement in the area of religion is Mrs. Llois W. Affolter whose interest has been centered in the Church Women United of Syracuse and vicinity. As a member of that organization she has focused her efforts to break down barriers, develop a warm sympathetic understanding of the women involved, not only to be aware of the racial differences, but to appreciate differences and recognize the value of each. She did this at a critical time when churches were being criticized for being decidedly segregated.

Out of this effort has come the plan to ride with the police on calls involving juvenile misdemeanors, an attempt to show that the power of love was greater than hate.

Dr. Mary Marshall has been contributing to cultural development for most of her life and it is for this contribution that she is being honored as a 1974 Post-Standard Woman of Achievement.

Dr. Marshall is a graduate of Vassar College, Phi Betta Kappa, with a Ph. D. from Yale University. She is a Guggenheim Fellow for research in medieval drama and has earned honorary degrees at numerous colleges and universities. She was a professor of English literature at Syracuse University from 1948 until her retirement in 1970.

According to her students, Dr. Marshall does more than just teach. She opens minds, stimulates thinking, and stirs the imagination.

Mrs. Davice Chimene has been named a woman of achievement for her endeavors in the area of community leadership. Mrs. Chimene's favorite activity is working with the Girl Scouts and work she does, spending at least 2 to 3 hours two nights a week on scouting.

She is a member of the Board of Directors of the Central New York Scout Council, was a member of the day camp staff 6 years, a director for 5 years, and is a council trainer.

She is heavily involved in the American Field Service, local politics, and still manages to find time to take good care of a husband and three sons.

The choice for the Woman of Achievement in volunteer service, Mrs. Nannae Daniel, says volunteering is a two-way street, you get even more than you give. According to Mrs. Daniel:

> Inside I'm a millionaire; I have peace of mind.

If Mrs. Daniel is a millionaire then so are hundreds of other people, because of her work with volunteer activities. Perhaps her most outstanding work is as coordinator of the Telephone Life Line which provides elderly persons with daily security calls.

She is also a former president of the Syracuse section of the National Council of Negro Women where she helped form Women in Community Service which helped young girls "break the poverty cycle" by finding them meaningful employment.

The Social Service Woman of Achievement Award goes to Mrs. Jean A. Young who, according to the Post-Standard article, "has truly given a lifetime of service to Syracuse."

She began her professional career as a caseworker in the Onondaga County Department of Public Welfare and since then her "causes" have included the Syracuse Peace Council, the Jewish Community Center, the Heart Association, Head Start, and the Consortium for Children's Services.

In the fall of 1973, Mrs. Young became ill with terminal cancer. Rather than curtailing her activities, she has now centered her efforts on Alethea, the Center on Death and Dying. She was the first patient to become active in the development of the center and her 30 years

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of contacts in Syracuse has aided in the development of the organization.

Dr. Jane L. Byrnes, principal at Syracuse's Salem Hyde School, has been chosen as the Woman of Achievement in education. Dr. Byrnes thinks urban education offers a special challenge and she has more than met that challenge. Programs she has established at Salem Hyde have twice earned her recognition from the Freedoms Foundation in Valley Forge.

Believing that "education is never confined to hours per day in a building, rather that education is an all-pervading, life-enriching experience," she is active in the Syracuse Chamber of Commerce and the Business and Professional Women's Club of Syracuse.

Dr. Byrnes has served as president of the New York State Association of Elementary School Principals and president of the Syracuse Association of Administrators. In addition, she sits on the Board of Directors of Maria Regina and Onondaga Community Colleges.

These 11 women certainly deserve the congratulations and thanks of their community for their outstanding contributions. Also to be congratulated are the Syracuse Post-Standard and its excellent family living editor, Lois Vosburgh, for their effort to afford these women the public recognition they so richly deserve.

THE LINCOLN DAY RECESS

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. FENWICK. Mr. Speaker, until this week both the House and the Senate planned a 10-day recess, from February 7 to February 17. The purpose of the recess was, of course, most laudable: commemoration of the birth of one of our greatest Presidents, Abraham Lincoln. Ordinarily, Members of Congress return to their districts to talk with constituents and to speak of the accomplishments and contributions of the 16th President. It is usually a valuable time for interchange between the folks at home and their representatives in far-away Washington. We all know that recesses are important so that we can take the time to refresh our ideas at the grassroots level.

But, Mr. Speaker, these are not ordinary times. The 94th Congress has been in session for less than a month. We have recently returned to Washington after a November election in which the people clearly expressed their preference for changes from Washington. We know what the voters want. They want action from Congress and the President on energy, unemployment, taxes, and inflation. They do not want a perpetuation of the old attitude of "business as usual" and it has been my hope in the past weeks that this would indeed not be an ordinary Congress.

The President has asked that we act on his complex tax and energy proposals. He has said that if Congress does not like his plan to come up with one of its own. Whether we support the President's plan or one of a number of other economic recovery plans, it is our responsibility to stay here and begin to work out a solution to our troubles. Although Congress will not take a formal recess, the Democratic leadership has announced that there will be two 3-day adjournments, with only pro forma sessions on those days. This ruse will not fool our constituents into believing we are here working hard.

Mr. Speaker, this situation reminds me—appropriately—of an anecdote which is often told of President Lincoln. At one time General George B. McClellan, then Commander of the Union forces, was conducting a waiting campaign. He was so careful to avoid mistakes that little headway was evident. President Lincoln wrote him a letter which said:

My Dear McClellan . . . if you do not want to use the army, I should like to borrow it for awhile . . . Yours Respectfully, A. Lincoln.

Let us not also conduct a waiting campaign. Let us get down to the job before us. That in itself will be an appropriate tribute to Mr. Lincoln.

THE LATE JUDGE EUGENE WORLEY

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1975

Mr. ROBERTS. Mr. Speaker, the passing of Judge Eugene Worley is a great loss to me personally and to the Nation. He and his devoted wife, Ann Spivey, were warm and steadfast friends from the beginning in our days at the University of Texas.

He was genuine and sincere and ever willing to give one of the benefits of his solid judgment when asked. During his stay here in Washington, he gave valuable counsel to many in all walks of life, especially friends from his native Texas, which he loved.

Whatever he undertook to do, Gene Worley did it well. He knew only success. His illustrious career started in 1935, as a member of the Texas Legislature. After 5 years of service in that body, Eugene Worley was elected to the U.S. House of Representatives from Texas' 18th Congressional District.

After leaving Congress to serve as a lieutenant commander in the Naval Reserve during World War II, he was again elected to Congress. During nearly a decade in the House, Congressman Worley served with distinction and with dedication to the public interest. He was a hard-working and effective legislator whose honor and integrity were without question.

Through much of his House tenure, he was an influential member of the Agriculture Committee, although during his first two terms he served on the Committees on Coinage, Weights and Measures; Irrigation and Reclamation; Labor; War Claims; Insular Affairs; Post-War Economic Policy and Planning; and was chairman of the Committee on Election of the President, Vice President, and Representatives in Congress.

The Federal judiciary became the beneficiary of Eugene Worley's skill and wisdom when President Truman appointed him to the U.S. Court of Customs and Appeals. President Eisenhower selected him as chief judge of the court in 1959. Despite this high office which he held, Judge Worley was the same warm friendly individual he had always been.

Judge Worley enhanced the reputation of that court with his able, scholarly, and constructive leadership. He continued to serve after becoming a senior judge in 1972, despite illness which would have sidelined a lesser man.

Until his death, Judge Worley remained both cheerful and accessible to his many friends. I am proud to have been one of them.

Mrs. Roberts joins me in extending deepest sympathies to Judge Worley's lovely family.

LAWSUIT TO ENJOIN FURTHER U.S. MILITARY PARTICIPATION IN CAMBODIA

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DRINAN. Mr. Speaker, in yesterday's CONGRESSIONAL RECORD I informed my colleagues that 20 Members of Congress and myself have filed in the U.S. District Court for the District of Massachusetts a lawsuit which would seek a preliminary injunction to halt further U.S. military operations in Cambodia. The first half of the complaint in the suit was printed in yesterday's RECORD for February 4, 1975, on page 2262 through 2264. Today, I would like to bring to my colleagues' attention the second half of the complaint which was filed last Friday in Boston.

VERIFIED COMPLAINT

Robert F. Drinan, Michael J. Harrington, John Joseph Moakley, Bella S. Abzug, Herman Badillo, George E. Brown, Jr., Yvonne B. Burke, Bob Carr, Ronald V. Dellums, Don Edwards, Donald M. Fraser, Ken Hechler, Henry Helstoski, George Miller, Richard L. Ottinger, Frederick W. Richmond, Benjamin S. Rosenthal, Edward R. Roybal, John F. Seiberling, Fortney H. Stark, Henry A. Waxman, and David E. Lowry, on his own behalf and on behalf of all others similarly situated, Plaintiffs, v. Gerald R. Ford, individually and in his capacity as President of the United States; James R. Schlesinger, individually and in his capacity as Secretary of Defense; John L. McLucas, individually and in his capacity as Secretary of the Air Force; Henry A. Kissinger, individually and in his capacity as Secretary of State, and John Gunther Dean, individually and in his capacity as United States Ambassador to Cambodia; William L. Colby, individually and in his capacity as Director of the Central Intelligence Agency, Defendants.

* * * * *

VI. CAUSES OF ACTION

First cause of action

26. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–25.

27. Defendants' actions in financing and carrying on military and paramilitary activities in, over, from off the shores of and respecting Cambodia, and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime, have not been authorized by Congress.

28. Defendants' aforesaid activities are all being conducted in violation of specific Congressional prohibitions, and are in violation of Article I, Section 8, Clause 11 of the Constitution, which confers exclusive power to authorize war upon the Congress.

29. Wherefore the aforesaid activities of defendants are illegal and unconstitutional.

Second cause of action

30. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–29.

31. Defendants' actions in financing, directly or indirectly, military and paramilitary activities in, over, from off the shores of and respecting Cambodia, and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime, have been specifically prohibited by Congress.

32. Defendants' aforesaid activities are all being financed and conducted in violation of specific Congressional prohibitions and are in violation of Article I, Section 9, Clause 7; and Article I, Section 7, Clause 1, which confer upon the Congress exclusive power to appropriate monies for use by the Executive generally and with respect to the Armed Forces of the United States.

33. Wherefore, the aforesaid activities of defendants are illegal and unconstitutional.

Third cause of action

34. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–33.

35. The aforesaid acts of defendants complained of constitute both the introduction of United States ground combat troops into Cambodia and the provision of United States advisors to or for military, paramilitary, police, or the security or intelligence forces.

36. The Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411n provides:

Section 7 of Pub. L. 91–652, as amended by Pub. L. 92–226, Pt. IV § 408, Feb. 7, 1972, 86 Stat. 35 provided that:

"(a) In line with the expressed intention of the President of the United States, none of the funds authorized or appropriated pursuant to this or any other Act may be used to finance the introduction of United States ground combat troops into Cambodia, or to provide United States advisers to or for military, paramilitary, police, or other security or intelligence forces in Cambodia.

"(b) Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Cambodia for its defense."

37. Wherefore, the aforesaid acts of defendants complained of constitute a violation of the Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411n.

Fourth cause of action

38. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–37.

39. The aforesaid acts of defendants complained of involve the use of funds to finance military or paramilitary operations by the United States.

40. Section 30 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151n, provides:

"No funds authorized or appropriated under this or any other law may be expended to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia."

41. Wherefore, the aforesaid acts of defendants complained of constitute a violation of Section 30 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151n.

Fifth cause of action

42. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–41.

43. The acts of defendants complained of involve the expenditure of funds to finance, directly or indirectly, combat activities by United States military forces in, over, from off the shores of and respecting Cambodia.

44. Section 108 of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 134 provides:

"Notwithstanding any other provision of law, on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shore of North Vietnam, South Vietnam, or Cambodia."

45. Wherefore, the acts of defendants complained of constitute a violation of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 130.

Sixth cause of action

46. Plaintiffs repeat and reallege each and every allegation set forth in paragraph 1–45.

47. Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99, provides as follows:

"None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated, under any other act may be expended for such purposes."

48. Wherefore, the acts of defendants complained of constitute a violation of Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99.

Seventh cause of action

49. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–48.

50. Section 806 of the Department of Defense Appropriations Authorization Act of 1974, P.L. 93–155, 87 Stat. 605, provides:

"Sec. 806. Notwithstanding any other provision of law, upon enactment of this Act, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia, unless specifically authorized hereafter by the Congress."

51. Congress has not, since the enactment of the aforesaid Appropriations Act of 1974 specifically authorized the commitment or expenditure of any funds to finance the involvement of United States military forces in hostilities in or over or from off the shores of Cambodia.

52. Wherefore, the acts of defendants complained of are in violation of Section 806 of the Department of Defense Appropriations Act of 1974, P.L. 93–155, 87 Stat. 605.

Eighth cause of action

53. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–53.

54. Section 13 of the Department of State Appropriation Act of 1973, P.L. 93–126, provides in pertinent part:

"Notwithstanding any other provision of law, on or after August 15, 1973, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia, unless specifically authorized hereafter by the Congress."

55. Congress has not since the enactment of the aforesaid Department of State Appropriations Act of 1973 specifically authorized the commitment or expenditure of any funds to finance the involvement of United States military forces in hostilities in or over or from off the shores of Cambodia.

56. Wherefore, the acts of defendants complained of are in violation of Section 13 of the Department of State Appropriation Act of 1973, P.L. 93–126.

Ninth cause of action

57. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–56.

58 The Foreign Assistance Act of 1971, 22 U.S.C. § 2146 provides in pertinent part:

"The total number of civilian officers and employees of executive agencies of the United States Government who are citizens of the United States and members of the Armed Forces of the United States (excluding such members while actually engaged in air operations in or over Cambodia which originate outside Cambodia) present in Cambodia at any one time shall not exceed two hundred. . . . For purposes of this section, "executive agency of the United States Government" means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government."

59. As alleged in paragraph 23(a), the total number of United States civilian and military personnel present in Cambodia at one time has, since the passage of § 2416, exceeded 200.

60. Wherefore, the acts of defendants complained of violate the Foreign Assistance Act of 1971, 22 U.S.C. § 2416.

Tenth cause of action

61. Plaintiffs repeat and reallege each and every allegation set forth in paragraph 1–60.

62. The Foreign Assistance Act of 1971, 22 U.S.C. § 2416, provides in pertinent part:

"The United States shall not, at any time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eighty-five individuals in Cambodia who are citizens of countries other than Cambodia or the United States."

63. As alleged in paragraph 23(b), defendants are employing and compensating directly or indirectly, individuals and citizens of countries other than the United States and Cambodia, as mercenaries, to carry on supply missions and other military and paramilitary activities and the number of such individuals and citizens exceeds 85.

64. Wherefore, such acts of defendants complained of violate the Foreign Assistance Act of 1971, 22 U.S.C. § 2416.

Eleventh cause of action

65. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–64.

66. The Foreign Assistance Act of 1974, P.L. 93–559, Sec. 29, provides in pertinent part:

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ACCESS TO CERTAIN MILITARY BASES ABROAD

SEC. 29. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 659. None of the funds authorized to be appropriated for foreign assistance (including foreign military sales, credit sales, and guarantees) under this Act may be used to provide any kind of assistance to any foreign country in which a military base is located if—

"(1) such base was constructed or is being maintained or operated with funds furnished by the United States; and

"(2) personnel of the United States carry out military operations from such base, unless and until the President has determined that the government of such country has, consisted with security, authorized access, on a regular basis, to bona fide news media correspondents of the United States to such military base."

67. Cambodia and Thailand receive foreign assistance, as described in Sec. 29(a), and have located within their boundaries military bases which were constructed or are being maintained or operated with funds furnished by the United States and from which personnel of the United States carry out military operations. As heretofore alleged in paragraph 25, *bona fide* news media correspondents of the United States have been and are being denied, by defendants and/or representatives of foreign powers, access to such bases on a regular basis.

68. Wherefore, the acts of defendants complained of violate Section 29(a) of the Foreign Assistance Act of 1974, P.L. 93–559.

Twelfth cause of action

69. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–68.

70. Neither a Congressional declaration of war, a specific statutory authorization nor a national emergency as defined in 50 U.S.C. § 1541 exists with respect to Cambodia.

71. Wherefore, the use and threatened increased use by defendants of United States Armed Forces, both unarmed and equipped for combat, in hostilities or in situations where imminent involvement in hostilities is clearly indicated by the circumstances in, over, from off the shores of and respecting Cambodia are in violation of the 1973 War Powers Resolution, 50 U.S.C. §§ 1541–1548.

Thirteenth cause of action

72. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–71.

73. On information and belief, defendant Ford as President did not consult with Congress before or since taking the aforesaid actions with respect to Cambodia.

74. Wherefore, the aforesaid activities of defendants are in violation of the 1973 War Powers Resolution, 50 U.S.C. §§ 1541–1548.

Fourteenth cause of action

75. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–74.

76. On information and belief, defendant Ford as President of the United States, like his predecessor Richard M. Nixon, has not submitted any report in writing, as required by 50 U.S.C. § 1544, to the Speaker of the House of Representatives and to the President pro tempore of the Senate within 48 hours after taking the actions complained of, which involve introducing United States Armed Forces, both unarmed and equipped for combat, into situations where imminent involvement in hostilities is clearly indicated by the circumstances.

77. Wherefore, defendant Ford's aforesaid failure to report is a violation of the 1973 War Powers Resolution, 50 U.S.C. §§ 1541–1548 and specifically § 1543.

Fifteenth cause of action

78. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–77.

79. Article 20(b) of the Agreement On Ending the War and Restoring Peace in Vietnam obliges the United States to cease military activities in Cambodia.

80. Wherefore, the actions of defendants complained of violate the aforementioned treaty provision.

81. Plaintiffs have no adequate remedy at law. Unless and until this Court issues a preliminary and permanent injunction restraining defendants from the complained of activities, plaintiffs will suffer irreparable injury.

VII. RELIEF

Wherefore, plaintiffs respectfully request that the following relief be granted:

1. That the Court issue a declaratory judgment that the defendants' contingency plan to finance and/or employ the United States Air Force or any branch of the United States Armed Forces, its agents, employees or servants, and equipment and materiel to airlift or otherwise transport supplies to Phnom Penh, Neak Luong or any other embattled area in Cambodia, without prior Congressional authorization is in violation of:

a) Article I, Section 8, Clause 11 of the United States Constitution;

b) Article I, Section 9, Clause 7 and Article I, Section 7, Clause 1 of the United States Constitution;

c) Section 7(a) of the Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411 n;

d) Section 307 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151 n;

e) Section 108 of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 134;

f) Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99;

g) Section 806 of the Department of Defense Appropriation Authorization Act of 1974, P.L. 93–155, 87 Stat. 605;

h) Section 13 of the Department of State Appropriation Authorization Act of 1973, P.L. 93–126;

i) the Foreign Assistance Act of 1971, 22 U.S.C. § 2416;

j) the Foreign Assistance Act of 1974, P.L. 93–559, Sec. 29(a);

k) the 1973 War Powers Resolution, 50 U.S.C. §§ 1541, *et seq.*; and

l) the Agreement On Ending The War And Restoring Peace In Vietnam.

2. That this Court issue a declaratory judgment that defendants' actions in carrying on military and paramilitary activities, in, over, off the shores of and respecting Cambodia and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime and that the commitment and expenditure of funds in connection with the foregoing are in violation of:

a) Article I, Section 8, Clause 11 of the United States Constitution;

b) Article I, Section 9, Clause 7 and Article I, Section 7, Clause 1 of the United States Constitution;

c) Section 7(a) of the Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411n;

d) Section 307 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151n;

e) Section 108 of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 134;

f) Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99;

g) Section 806 of the Department of Defense Appropriation Authorization Act of 1974, P.L. 93–155, 87 Stat. 605;

h) Section 13 of the Department of State Appropriation Authorization Act of 1973, P.L. 93–126;

i) the Foreign Assistance Act of 1971, 22 U.S.C. § 2416;

j) the Foreign Assistance Act of 1974, P.L. 93–559, Sec. 29(a);

k) the 1973 War Powers Resolution, 50 U.S.C. §§ 1541, *et seq.*; and

l) the Agreement On Ending The War And Restoring Peace In Vietnam.

3. That this Court preliminarily and permanently enjoin the defendants from employing the United States Air Force or any other branch of the United States Armed Forces, its agents, employees, servants and equipment and materiel to airlift or otherwise transport supplies to Phnom Penh, Neak Luong or any other embattled area in Cambodia without prior Congressional authorization.

4. That this Court preliminarily and permanently enjoin the defendants from carrying on military and paramilitary activities in, over, off the shores of and respecting Cambodia and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime.

5. That this Court preliminarily and permanently enjoin the defendants from committing or expending, without prior specific authorization by Congress funds to carry on military and paramilitary activities in, over, off the shores of and respecting Cambodia and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime.

6. That this Court preliminarily and permanently enjoin the defendants from violating, overtly or covertly, directly or indirectly, the ceiling of 200 United States personnel authorized to be in Cambodia at any one time.

7. That this Court preliminarily and permanently enjoin the defendants from compensating, in whole or in part, directly or indirectly, more than 85 individuals in Cambodia who are citizens of countries other than Cambodia or the United States.

8. That this Court preliminary and permanently enjoin the defendants to cease and desist from impeding and to assure regular access by *bona fide* news media correspondents of the United States to all military bases in Southeast Asia which were constructed or are being maintained or operated with funds furnished by the United States and from which United States personnel carry out military operations or in the alternative to enjoin the defendants from expending any funds appropriated for foreign assistance (including foreign military sales, credit sales, and guarantees) under the Foreign Assistance Act of 1974, to assist any country of Southeast Asia, wherein access to military bases as heretofore described is not guaranteed.

9. Grant such other and further relief as to this Court may appear proper and just, including reasonable costs and attorney's fees.

Respectfully submitted,
PETER WEISS,
RHONDA COPELON,
DORIS PETERSON,
Center for Constitutional Rights,
NANCY GERTNER,
Boston, Mass.
Attorneys for Plaintiffs.

Dated: New York, New York, January 31, 1975.

[United States District Court for the District of Massachusetts]

VERIFICATION

Robert F. Drinan, et al., Plaintiffs, v. Gerald R. Ford, et al., Defendants.

State of New York, County of New York, ss:

Rhonda Copelon, being duly sworn, deposes and says:

1. I am one of counsel in the above-captioned matter.

2. I have read the foregoing complaint and know the contents thereof and that the same are true of my own knowledge, except as to the matters therein stated to be alleged on information and belief, and as to those matters, I believe them to be true.

3. I make this verification in lieu of plaintiffs in this action because no plaintiff is presently accessible to counsel or available in the present District to make this verification at this time.

RHONDA COPELON.

Sworn to before me this 31st day of January, 1975.

ELIZABETH BOCHNAK,
Notary Public.

END THE TAX ON MARRIAGE

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. FENWICK. Mr. Speaker, in 1969 Congress enacted a comprehensive tax reform measure in an effort to minimize or eliminate many of the inequities which had developed. The tax on single taxpayers was one of these inequities which was supposedly eliminated by the Tax Reform Act. Critics contended that the tax differential between single and married people was too great because a married couple could utilize income splitting to reduce their tax and because it was assumed that, on a per capita basis, single people had higher living expenses than married couples.

This adjustment was fair if the single person living alone were compared with the traditional family situation involving a working, income-splitting husband and a housewife with no outside income. This solution overlooked the problem of the tax payments when the wife did work and contribute to the family income. In this situation, the income-splitting advantages of marriage decline as the man and woman's incomes become increasingly the same. When the two family incomes are at the same level, there are no advantages to income splitting. Couples in this situation will have to pay a higher tax than if they had stayed single.

The accompanying table, prepared by Prof. Oscar S. Gray of the University of Maryland School of Law, shows the very steep penalty imposed on married couples. For example, with a gross income of $30,000—$15,000 derived from each spouse—a married couple will pay $1,155 more in taxes than if they were single. This is clearly a subsidy for single individuals.

This unjust tax has other manifestations, however. As can be seen from the table, the penalty falls hardest on lower income couples. For instance, if two people each earn $2,000—for a total of $4,000—they pay a $170 marriage tax penalty at 1972 rates, 100 percent of their joint tax return. If together they make a total of $8,000, they pay a $245 marriage tax penalty—or nearly 29 percent of their total tax—if their incomes are substantially equal.

This same couple would pay a $168 marriage tax if their incomes are in the ratio 75 percent to 25 percent. The tax also encourages the employment of married women at income levels below that of their husbands. The penalty remains small as long as one spouse earns a small fraction of family income. Since wives earn less than their husbands in most cases, the incentive for her to increase her income is stymied by this "tax on marriage."

We are all acquainted with the hidden tax which inflation imposes on Americans. Although a family's overall income may increase in a year, that income will be subject to two taxes. First, the family will have to pay a higher share of their income in State and Federal taxes. Second, the 12-percent rate of inflation will eliminate many of the economic benefits which have traditionally been associated with a higher salary. The additional "tax on marriage" provides a real disincentive for a wife to help the family financially at a time when real earnings are declining.

Mr. Speaker, I am today introducing a bill which amends the Internal Revenue Code to eliminate this tax on marriage and equalize tax burdens. As the Ways and Means Committee undertakes its review of the tax code this year, I urge my colleagues on that committee to give full consideration to this proposal.

The table follows:

DIFFERENCES BETWEEN THE TAX OF A MARRIED COUPLE FILING A JOINT RETURN AND THE COMBINED TAX OF 2 SINGLE PERSONS WITH THE SAME COMBINED INCOME AS THE MARRIED COUPLE, PRESENT LAW (1972)

[Assumes deductible expenses never exceed the standard deduction]

		Excess of the joint return tax over the tax of 2 single individuals with the same combined income											
		Income split 100 to 0 percent		Income split 75 to 25 percent		Income split 67 to 33 percent		Income split 60 to 40 percent		Income split 55 to 45 percent		Income split 50 to 50 percent	
Adjusted gross income (wages)	Joint return tax	Amount	Amount as a percent of the joint return tax	Amount	Amount as a percent of the joint return tax	Amount	Amount as a percent of the joint return tax	Amount	Amount as a percent of the joint return tax	Amount	Amount as a percent of the joint return tax	Amount	Amount as a percent of the joint return tax
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
$3,000	$28	−$109	−389.29	0	0	$28	100.00	$28	100.00	$28	100.00	$28	100.00
$4,000	170	−131	−77.06	$33	19.41	82	48.24	121	71.18	149	87.65	170	100.00
$5,000	322	−168	−52.17	63	19.57	132	40.99	184	57.14	194	60.25	196	60.87
$6,000	484	−196	−40.50	89	18.39	182	37.60	201	41.53	206	43.56	209	43.18
$7,000	653	−231	−35.11	120	18.24	191	29.03	212	32.22	221	33.59	224	34.04
$8,000	848	−251	−29.60	168	19.81	207	24.41	226	26.65	238	28.07	245	28.89
$9,000	1,029	−297	−28.86	164	15.94	211	20.51	229	22.25	238	23.13	238	23.13
$10,000	1,190	−340	−28.57	133	11.18	180	15.13	208	17.48	209	17.56	209	17.56
$12,000	1,534	−419	−27.31	70	4.56	133	8.67	150	9.78	162	10.56	173	11.28
$14,000	1,930	−497	−25.75	79	4.09	109	5.65	131	6.79	151	7.82	151	7.82
$16,000	2,385	−607	−25.45	131	5.49	162	6.79	173	7.25	168	7.04	186	7.80
$18,000	2,885	−712	−24.68	197	6.83	252	8.73	256	8.87	253	8.77	233	8.08
$20,000	3,400	−855	−25.15	207	6.09	333	9.79	348	10.24	334	9.82	340	10.00
$25,000	4,860	−1,230	−25.31	298	6.13	496	10.21	627	12.90	707	14.55	742	15.27
$30,000	6,560	−1,592	−24.27	426	6.49	775	11.81	1,010	15.40	1,130	17.23	1,155	17.61
$35,000	8,465	−1,950	−23.04	600	7.09	1,132	13.37	1,437	16.98	1,545	18.25	1,580	18.67
$40,000	10,565	−2,350	−22.24	883	8.36	1,561	14.78	1,867	17.67	2,007	19.00	2,055	19.45
$50,000	15,310	−2,605	−17.02	1,586	10.36	2,472	16.15	2,902	18.95	3,080	20.12	3,130	20.44
$75,000	27,810	−2,605	−9.37	2,940	10.57	3,805	13.68	4,242	15.25	4,430	15.93	4,480	16.11
$100,000	40,310	−2,605	−6.46	3,805	9.44	4,409	10.94	4,480	11.11	4,480	11.11	4,480	11.11

Note: In this table the "marriage tax" penalty is shown by positive numbers.

BOY SCOUTS HEROISM

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. PEYSER. Mr. Speaker, today, I have the pleasure to relate to Congress an account of the exemplary actions of three young men who deserve, I am certain all will agree, our praise and admiration. So that my colleagues can fully comprehend exactly what these three young Eagle Scouts accomplished, I would like to insert a brief summary of their action into the RECORD. We can all benefit from their example.

Last fall, on October 12, the Scouts of Troop 1, Eastchester, N.Y., were camped in the Copake Falls area of the Taconic State Park. The troop led by Scoutmaster Tom McIntyre and Senior Patrol Leader Mark Dobriner set out on a hike to the ridge of Cedar Mountain which overlooked the Bashbish Falls. Upon arrival the troop was startled by a female voice requesting aid for a man who had fallen off the cliff.

Eagle Scouts Bill Richter, Mark Dobriner, and Mitchell Rubin began a descent of the almost perpendicular cliff

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despite the risk to their own lives to provide assistance to the injured man.

Two other hikers already on the scene were making preparations to move the victim. The Scouts, realizing the severity of the victim's injuries which included multiple skull lacerations and possible hip breakage, prevented the hikers from moving the victim. Instead, they treated him for shock and bandaged his head wounds to constrict bleeding. They thus prevented "inestimable further injury, if not death" to the victim.

These young men coolly ascertained the extent of the victim's other injuries and attempted to keep him calm by their constant assurances. Since they had to wait nearly an hour for rescue parties, the psychological comfort afforded to the victim by these young men cannot be under-emphasized.

Once the rescue parties arrived, these three Scouts were crucial in the effort to remove the victim by stretcher. The stretcher had to be carried across the waist-deep icy stream to the other more accessible bank.

For their heroic actions, the Boy Scout National Court of Honor is conferring upon the three Scouts the "Honor Medal," the highest award in Scouting "awarded to Scouts who have saved life or attempted to save life at the risk of their own. They must have shown heroism, resourcefulness, and skill." Mark Dobriner, Bill Richter, and Mitchell Rubin unquestionably deserve this honor, as they deserve the respect and admiration of the Congress.

DAVID RAGUSA

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. SCHEUER. Mr. Speaker, I would like to tell you the story of one of my district neighbors, David Ragusa, who was shot to death last Saturday night.

David was an electrician for the New York City Fire Department. He had worked hard to buy a home in a good neighborhood. He wanted to raise his three children in a safe and peaceful environment. He and his wife returned home at 1 a.m. after an evening with friends, parked their car in the driveway of their ranch style house and started to walk to their front door. Two men accosted them and demanded money. Ragusa offered no resistance. He gave them his wallet. Thereupon one of the two men took a few steps back, lowered his rifle and shot David Ragusa. As his killers fled, David died.

It is the story of a murder and a tragic illustration of the quality of life—and death—in urban America. The vicious and mindless act which took the life of a fine and good member of society, David Ragusa of Rosedale, N.Y., is not a unique one: Americans can no longer walk the streets of our large cities in safety. And if we cannot be assured of a reasonable degree of physical safety in and around our homes, is this not the moment to reflect upon the diminishing quality of our personal freedom.

Mr. Speaker, notwithstanding the major national and international economic crisis facing us in this Congress, we must address ourselves to our steadily deteriorating law enforcement and criminal justice systems.

To the families of urban America, our criminal justice system does not seem to work. The law-abiding citizen finds himself neglected: Law enforcement appears casual and urban-safety planning seems haphazard.

In memory of David Ragusa, I urge my colleagues to make crime control and personal safety a major item on the agenda of the 94th Congress of the United States.

WE MUST SAY "NO MORE"

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. THOMPSON. Mr. Speaker, I am pleased to bring to the attention of our colleagues an editorial from the February 2d edition of the Home News of New Brunswick, N.J. The thrust of the editorial is that no more taxpayer's money should be sent to South Vietnam and Cambodia in the form of military assistance.

I think it is particularly appropriate that this sentiment—which coincides with my own feelings—has been expressed by a distinguished New Jersey newspaper, for it was in our State that the Vice President quite recently saw fit to declare that the Congress will be culpable if additional military aid is not sent immediately to Southeast Asia. I reject the Vice President's statement and I think it is even more eloquently rejected in the Home News editorial. It reads as follows:

WE MUST SAY "NO MORE"

Almost unbelievably, the old arguments and rationales are being rolled out and repeated. If only we will do just a little more, spend just a little more, South Vietnam and Cambodia will be able to "hold their own." If we give them more military aid now they can continue fighting the war that drags on in spite of our declaration of "peace with honor" two years ago.

But the old arguments have lost their power to convince and the old rationales have crumbled under the weight of history and experience.

A little more now will inevitably mean a lot more later. And for what purpose? To win the war? With all our military might, with billions from our treasury and with a toll of young lives still so achingly tragic, we could not "win" the war. Can we seriously expect to buy a victory now?

In fact, we're not promised that. We're promised rather directly that the additional $300 million requested for South Vietnam is just the beginning. It "does not meet all the needs of the South Vietnamese Army," it will not allow for "replacement of equipment lost in combat," and "our intelligence indicates, moreover, that (North Vietnam's) campaign will intensify further in coming months."

And so the spiral will begin anew. And where will it end?

It is not that we are more selfish now, although we have a right and a responsibility to insure our own fiscal well-being in these perilous economic times. The fact is that we are wiser now. We cannot buy a victory and we cannot purchase the peace. This time we have to say no and no more

WE COULD ALL HELP TO SAVE OURSELVES

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. WALSH. Mr. Speaker, for the past several weeks, our economic woes have been increasing at an uncomfortable rate and with them the everdarkening mood of pessimism that threatens to engulf the Nation.

I won't deny that our economic problems are serious. What I will deny is that they are insurmountable. We have faced and conquered more serious crises and we will do it again.

What we need is a slightly more optimistic, less emotional approach to these problems. Such an approach was, I think, very aptly depicted by a well-known businessman in my home city of Syracuse, N.Y.

Ted Pierson of the Onondaga Supply Co., Inc., recently wrote a letter to the editor of the Syracuse Post-Standard entitled "We Could All Help To Save Ourselves." I would like to share that letter with my colleagues:

To the EDITOR:

Wouldn't the fact that 95.7 per cent of the work force in the Syracuse area was employed in October be far more significant than the fact that 4.3 per cent were unemployed? Wouldn't the fact that no estimate I have seen of future prospects shows employment falling below 93 per cent be significant? Isn't it true that even today at least half of the employment represents a normal situation of unemployables and job changing in a free economy? That's why I am disturbed by news reports that are slanted to paint the darkest picture at a time when we need a more even-handed presentation of our economic facts of life.

Last week a local businessman was interviewed by the newsman from a TV station, and when he said that his business was not as good as last year but better than average, and the reporter tried to convince him he must be wrong or overly optimistic and left. On the news that night this businessman saw a relatively new competitor with little experience in the business on that station's TV news reporting on how bad their business was.

This ties in with the report of an automobile dealer whose business admittedly is not good pointing out that the TV news reporters deliberately film automobile showrooms when they are empty of customers.

Having just heard these reports I was disturbed to see page 21 of the Post-Standard of Dec. 12th completely dominated by a feature story on how bad unemployment is and how much worse it is going to be. I do not minimize the hardship of unemployment, but I think it is more important to overcome the problem rather than to bemoan the fact and frighten the public into reactions that can only increase unemployment. Some of the facts that should be stressed are that much of the unemployment is seasonal in nature although perhaps of slightly longer duration because of economic conditions. Many of the unemployed receive substantial insurance benefits running as high as 95 per cent of their normal pay. Social Security and other retirement benefits that did not exist in the 30's are a substantial prop to a lagging economy. There is no question that employed and unemployed alike are hurt more by the inflation than the unemployment, that some of the advice we have been given by government and media has been counterproductive.

For instance, when the economy was rising at a healthy rate, people were encouraged to spend rather than save. Despite this, substantial savings accumulated which can help us today if they are used wisely. The President's recent advice to avoid purchasing certainly oversimplifies the problem and can only accelerate unemployment. In my opinion the American public has the desire and sacrifice from the government, industry, labor, and the media, and in my opinion the media can provide real leadership.

First, the public should be encouraged to spend wisely, cut back on things that are not needed and that seem to be priced unrealistically high, and take advantage of the many good buys on things that are needed.

Industry can do its part by channeling its purchases to suppliers who are making an effort to hold the line on prices, by resisting cost increases, passing along windfall profits and other savings to their customers.

Labor has won some striking gains at a time of falling production and productivity. Much of what labor has achieved has been more than earned, but some gains have been made by literally holding the country hostage, and these gains should be re-evaluated by labor itself. For instance the construction industry is sick, and a voluntary move to reduce slightly the cost of labor could have tremendous impact. Wouldn't it be better to work at 90% of a high labor rate than to sit idle at the high rate?

National TV carried the story of the meeting of the auto industry and labor with President Ford last week. The manufacturer claims he needs still higher prices to cover his high labor costs and government-mandated emission requirements. Labor is seeking more government subsidies which certainly seem the wrong thing for today's conditions. Government is listening as it has for over a year with a minimum of action.

Just think how much labor could gain if they rolled back a part of their last wage increase in return for fuller employment.

Just think how car sales would improve if this saving went into automobile price rollbacks.

Just think what the government could do if emission standards were even slightly modified as part of a program in which manufacturers were forced to recognize the 55-mile national speed limit and build cars that would not go much faster and would, in turn, save on gasoline consumption, cut emission, reduce costs and even save lives.

America has the greatest industrial development and a way of life for its people that is the envy of the world. It has been built on individual initiative and a free economy based on profits for all. In recent years we have drifted into a situation where we expect the government to solve our problems, but it is obvious that the public, industry, labor and the government must all cooperate to get this job done. If you think there is a better system than the American system, just rent a car and take an unconducted tour behind the Iron Curtain there is no private enterprise and the government makes all the decisions. I have done it, and I saw people who would give all they have for the freedom that even the unemployed have in the United States. As we drove out of East Germany, I said I would be glad to kiss the ground when I got home.

In a situation more serious than we face today, President Franklin D. Roosevelt said, "The only thing we have to fear is fear itself." So, let's forget fear and forget despair and ask our President to tell us what we can do today for our country as well as for ourselves.

ONANDAGA SUPPLY CO., INC.,
THEODORE PIERSON.

SYRACUSE.

A NATION OF (TOO MANY) LAWS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BAUMAN. Mr. Speaker, Prof. Amitai Etzioni, a distinguished professor of sociology at Columbia University, is a gentleman with whom I have had occasion to disagree in the past. When he writes an article with which I am in substantial agreement, as he did in the January 12 edition of the Washington Post's Outlook section, I can only say, "Right on," and express the hope that he will extend his analysis a little further.

In the article, "A Nation of (Too Many) Laws," Professor Etzioni notes that "It may spoil the fun of some new members hoping to stamp their names on 'landmark legislation,' but new laws frequently create rather than solve problems, chiefly because so many are so poorly enforced." He cites antitrust laws, wage-price controls, equal opportunity legislation, and various safety inspection agencies as examples of legislation whose implementation has been disappointing when compared to the rhetoric and fanfare which accompanied their passage.

I commend Professor Etzioni and others in the academy and public policy establishment for this partial realization of the fact that it is not so easy to bring about the millennium of social justice and individual fulfillment through legislation in practice as it is in rhetoric.

I would hope that the good professor and others might consider extending their analysis a little further. Perhaps it is not simply because laws are poorly enforced that the mere passage of laws does not guarantee the results which are often promised. Perhaps it is also true that many of the laws which Congress passes each year are poorly conceived and inappropriate.

As society grows increasingly complex, it is increasingly difficult to direct and monitor it from a centralized source of power and authority. Such an effort also brings on a tendency to gather all authority to the central government which has disturbing overtones for anyone who cares about a free society.

With the hope that Mr. Etzioni will begin to take a few more steps along the path which he has begun, I here insert his thought-provoking article for the study of my colleagues:

[From the Washington Post, Jan. 12, 1975]

A NATION OF (TOO MANY) LAWS

(By Amitai Etzioni)

The Congress officially returns again next week, bringing back some tired old faces, many eager new ones, most of our continuing battles and one of our favorite American illusions: that passing laws solves problems. It may spoil the fun of some new members hoping to stamp their names on "landmark legislation," but new laws frequently create rather than solve problems, chiefly because so many are so poorly enforced.

One doesn't need to be a legal scholar to know that hundreds of laws and thousands of regulations are weakly applied, if they are applied at all. Instances abound in all areas of our lives.

Consider, for example, antitrust. In 1950, 200 of the largest corporations controlled 47 percent of all U.S. manufacturing; by 1967, their share had risen to 67 percent. Indeed, in the antitrust area one need only recall the breakup of the oil trust in bygone days and then look at the concentration of power in the oil industry today and the clamor in some quarters—again—to break it up. Clearly, despite the pending cases against IBM and AT&T—the type of selective, long and "big" cases with the secondary aim of scaring other corporations that know they never will be taken to court—the government has not been very successful at enforcing antitrust law.

Or take wage-price controls. A Council of Economic Advisers study has shown that from the time controls were begun in August, 1971, until Phase II ended in December, 1972, average hourly wages in manufacturing rose 10 percent—though pay was supposed to be frozen at first and then allowed to rise only 5.5 percent annually in Phase II. By the time controls were lifted entirely, the wage increase was 17.2 percent and the price rise 13.4 percent.

Or consider the Equal Opportunity Employment Commission. As of last October the agency, entrusted with enforcing statutes against racial, sex and other forms of job discrimination, had a backlog of 100,000 complaints that hadn't yet been examined. Or the Federal Railroad Administration: Although it sends inspectors to check tracks and trains, collisions were 23 per cent higher in 1973 than in 1972 and derailments were up 34 per cent in the same period. The agency claims the law is vague as to whether the unit is merely supposed to monitor or to enforce rail safety, but its budget speaks more clearly. The budget allows for only 136 inspectors to cover 320,000 miles of tracks, 27,000 locomotives, 1.7 million freight cars and untold thousands of grade crossings.

Wherever one turns, the story is similar. A recent check of interstate highways in 12 states found that when traffic permits, at least 70 per cent of the cars zoom by at speeds exceeding the legal limit. The case of marijuana laws has been widely noted: After years of outlawing possession of the drug, the number of American users is steadily growing, reaching, by the users' own account, 20 million people—and that is almost certainly a conservative estimate. (The impossibility of applying marijuana possession laws even prompted the U.S. attorney for the District of Columbia, Earl J. Silbert, to declare late last year that he would no longer enforce them, but he was forced to back down by the local police.)

The situation with illegal aliens is also familiar. According to one reliable estimate, 1.5 million illegal aliens are in District 3 of the immigration service (which encompasses New York City) alone. Over the last five years, 5,300 were deported and 55,000 were allowed to leave voluntarily, but the annual increase seems to keep exceeding the number deported or forced out under other circumstances.

And the same theme runs through practically all the post-mortems on the myriad New Frontier and Great Society programs—the difficulty trying to make their strictures stick. So we revise old programs and launch

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new ones and talk about making existing laws work. But still there is no significant level of success.

TEARING THE FABRIC

Despite recurrent publicity, for example, nearly 1 out of every 4 recipients under the Aid to Families with Dependent Children program is still being paid more than they are entitled to, while 1 out of every 10 is ineligible. At the same time, many who are eligible are not getting anything or not what they are entitled to. A recent study by the General Accounting Office shows that a large proportion of children of welfare mothers have fathers who could afford to support the children, but even many of the fathers who voluntarily agreed to pay do not do so. Only one-quarter were found to pay 90 per cent or more of what they agreed to pay.

The problem in all this is not just that particular offenders go uncaught or unpunished. Something much more fundamental to our society is at stake. One of the most accepted sociological facts is that infrequent, arbitrary or half-hearted sanctions against rule-breakers produce a weakening of commitment among all members of the community. Laws are essentially expressions of intentions, of beliefs about what is right and wrong. But the social contract is never sealed, the collective agreement never affirmed, until offenders are punished. Any regulation poorly enforced is an object lesson for all in civic immorality, and those who pass laws which they know cannot or will not be adequately applied are doing far more to tear the social fabric than to mend it.

This is precisely what many who make and influence the law have been doing. The reasons they do so are numerous. One major cause lies in the theater of politics, the unreal world of token gestures and threats which mask very different faces and forces. Legislatures are said to be in the business of reconciling the interests of various groups to yield agreed-upon national policy. A common way to please opposing camps is to give the law to one side (say, a tough anti-pollution bill to the ecology movement) and a vague set of regulations with weak enforcement mechanisms to their opponents (the polluters).

One result is sanctions that are trivial in magnitude compared with the offense involved. Thus corporations caught with major violations of the campaign contributions law may be deterred by the adverse publicity, but the $5,000 fine (charged to business expenses) would not likely give pause even to modest businesses, let alone to multi-billion dollar corporations. Similarly, in 1973–'74 the Atomic Energy Commission found more than 1,000 safety violations at nuclear facilities, 98 of which were defined by the AEC as "severe," or as posing serious health threats. But only eight were ever penalized, and the penalties assessed against six of these eight were miniscule.

Another result is regulations that are so intricate, vague and inconsistent that they are difficult to comply with even if one wishes to do so. Discussions with officials of a State Health Department quickly reveal that their own experts differ as to the meaning of the various federal and state clauses hospitals and nursing homes must heed. The Occupation Safety and Health Administration's standards run to more than 300 tightly printed pages; a small business seeking to adhere to all of them (by no means a universal urge) may well require both a lawyer and a technical aide to interpret their meaning.

THE LIBERALS' WAY

This is not meant to suggest that weak laws are always designed as a sop for "special interests"; they work for liberals, too. For example, few of those who violate laws against gambling, homosexuals, or prostitution—and that means many millions of Americans—are ever arrested. Here, the liberals go along with the laws to please the "moralist" members of the community, but they are happy to see them unenforced so that those whose preferences run in such directions can engage in these "crimes without victims."

Indeed, well-intentioned reformers are a major source of weak laws. For them, passing a law has a number of rewarding attributes, particularly the satisfying sense of drama involved in working for its passage: the marshalling of support, the clear target, the excitement of making progress, the sense of elation when a measure is finally enacted. In the process, details concerning enforcement are often sacrificed and the movement, either in exhaustion or delight, turns to campaign for the next bill.

While some public affairs-minded groups monitor the enforcement of some bills (Nader's groups are particularly aware of this aspect), most civic groups find the mundane, complicated, frustrating details of implementation unappealing. They do give them sporadic attention, but more often they would rather fight for the next bill than figure out how to get the existing ones to work.

Two other factors also contribute to the poor enforcement of laws. One is that many so-called average citizens still seem to harbor an odd ambivalence about law enforcement, a mixture of the heritage of lawlessness from the celebrated day of the Wild West and a libertarianism which assumes that strong government is *ipso facto* bad government.

Travel the country asking about police use of radar to catch traffic violators and you will be told it's not "sporting." When a building inspector in the San Francisco area used a helicopter to try to enforce building codes more effectively, the outcry was so vehement that he quickly dropped the practice. People say these devices smack of Big Brother, of snooping, of tyranny. Actually, the radar snuffs out nothing more sacred than excessive speed, while a helicopter is scarcely more of an invasion of privacy than a passing car.

The final and perhaps most frequently cited factor is expense. Thus the Justice Department's antitrust division would need far more than the mere $16.7 million it now gets if it were to strenuously apply antitrust statutes across the board. On a lesser level, those currently interested in controlling stray pets might think twice about this worthwhile idea if they considered the cost. The price tag, according to one source, for "capturing and killing these [uncontrolled] dogs, animal shelter services, and other related public and private activities, comes to about $450 million annually." Is it worth half a billion dollars a year? In short, if even most of the country's laws were enforced, we would require at least 210 million police officers, inspectors and court clerks, and then we would still need a small nation of enforcers to see that the first layer of enforcement did not violate scores of laws while seeking to apply the others. We are a nation not only of laws, but of too many laws.

WHAT TO DO?

What is to be done? It has been suggested that every law should be reviewed once every 10 years and, if it has not been adequately enforced, be stricken from the books. Admittedly, that is a far-fetched notion. But it would not be so far-fetched to begin with a major examination of the country's unenforced or poorly enforced laws, similar to the study Congress did in its last session on outdated emergency power still available to the President. That, at least, would give us a truer picture of who we are and what we really believe, as well as providing a basic blueprint for those concerned about such matters.

Then one might hope that as various civic groups become aware of the frequent futility of adding laws to laws, they will become more concerned with what makes a law "work." They should direct more of their efforts away from promoting new bills and toward greater enforcement of relevant existing ones (as well as toward repeal of deadwood laws and regulations, to prevent arbitrary enforcement). These goals can be accomplished in numerous ways, none unknown but all insufficiently used. The very knowledge that a civic group is regularly monitoring enforcement and will publicize its finding will help.

Unnecessary surgery is a case in point. It is dismayingly prevalent in the United States and wastes not only billions of dollars but sometimes lives and limbs, in addition to violating federal regulations whenever public funds are so misused. However, when a labor union began submitting proposals for non-emergency surgery for its members to "second opinions," much of the unnecessary surgery and eliminated. In one hospital studied, the very fact that an external audit was being conducted reduced unnecessary surgery by half during the first 13 weeks of the post-audit period.

Lawsuits have already been used, and could be used more frequently, to force the enforcers to be more forceful. Strict enforcement is also contingent, however, on the way the law is written and how legal traditions evolve. Basically, American legal tradition does not leave much room for collective action; each injured party has to act on its own behalf. Thus, after a court decided in favor of parents in one town by ruling that prayer in the public schools was in principle unconstitutional, a follow-up study found that praying nevertheless continued in numerous schools across the nation. While the precedent would help other parents who could bring suit to stop the practice, each school would have to be taken to court.

Counter-measures include class-action suits, which recognize that the citizen *per se* is an injured party and reward him if he forces action. The first idea is that one person could bring suit for all similarly injured parties, especially in consumer action. Recently, however, the courts have been less rather than more supportive of this approach. The other avenue, used in pollution cases, allows a citizen who cannot prove that he was specifically damaged to bring suit against a polluter of a common well, lake, or air and collect part of the fine. But so far most laws do not allow for such citizen involvement.

Probably the most consequential avenue is for concerned civic groups to put more pressure on congressional committees to write fewer laws but to be sure that those written are more effective, more easily enforceable, and backed up with a larger enforcement budget and more personnel. Ultimately, only when it becomes less rewarding politically to pass anemic laws, while simultaneously more so to enact fewer but more vigorous ones (which cannot happen until the public and those who mobilize on the side of social improvement are more aware of the state of the law in this country), will the nation have the more enforceable and more effective legal system a just society desires.

IDENTIFICATION OF ARTICLE PREVIOUSLY SUBMITTED

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. RYAN. Mr. Speaker, on January 27 of this year under extension of remarks I referred to an article recently published in Newsweek magazine regarding the imminent trial of Dr. Kenneth C. Edelin for violation of abortion laws in Boston. Unfortunately, no specific identification of the article was made. This is simply to call to your attention the fact that the article appeared in the January 27 issue of Newsweek magazine. I regret any confusion that may have occurred regarding the origin and authorship of the article.

RECALLING THE GREAT DEPRESSION

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I wish to insert in the RECORD an article from the San Francisco Examiner entitled "The Great Depression." It was published on January 19, 1975, and was written by Samuel G. Blackman. I feel that it should be called to the attention of the House, as it describes in vivid detail, the conditions that existed at that time in our history.

I am aware that many of us can personally recall the effects of this tragedy. But, in this period of increasing economic disruption, it is imperative that we are reminded again of the hardships the Depression created for this Nation, and the world. I feel that it is important that we do everything in our power to prevent any recurrence of that national horror. The article follows:

[From the San Francisco Examiner, Jan. 19, 1975]

THE GREAT DEPRESSION

(By Samuel G. Blackman)

For years Americans have been told that it could never happen again—a repeat of the Great Depression.

The reasons: the many protective laws enacted since the tragic days of the 1930's, and the memory of those years.

"A good knowledge of what happened in 1929 remains our best safeguard against the recurrence of the more unhappy events of those days," John Kenneth Galbraith, the Harvard economist, wrote in his book, "The Great Crash 1929." The 1929 experience, he added, burned itself "deeply into the national consciousness."

The Great Depression followed "Black Thursday" of Oct. 24, 1929, and an even blacker Tuesday, Oct. 29, when stocks went down, down, down after having tripled in value during the wild speculation of the late 1910's. By the end of 1931, stock losses were an estimated $50 billion.

Only 30 percent of the U.S. population today—those over 45—lived through the Depression that followed the market crash and know what it was like.

It was like this:

In March 1933, the month that Franklin D. Roosevelt was inaugurated President, unemployment reached its peak, 14,706,000. These were industry figures; labor's were slightly higher. This meant that one of every four of the work force was out of a job.

By comparison, in December 1974, there were 6,500,000 unemployed—one of every 14 of the work force.

Bank suspensions closed temporarily or permanently totalled 4,004 in 1933, up from 659 in 1929; 1,352 in 1930; 2,294 in 1931; and 1,456 in 1932. In 1934 the number of suspensions had dropped to 57.

And in the years since 1941, when there were nine suspensions, the number of American bank failures each year had been two or three. In 1974, four failed.

Runs on many banks were the result of rumor and panic. Seeing a line in front of one bank, people would run to another to withdraw their funds, out of fear and often without reason.

The failure of the bank of the United States in December 1930 contributed to the panic. Although it was a commercial bank, many people wrongly associated it with the federal government.

In the summer of 1932, an army of jobless World War I veterans, calling themselves the Bonus Expeditionary Force, marched on Washington to demand that Congress make available immediately the balance of a bonus not due to them until 1945. The cost was approximately $2 billion.

They built a crude city on the Anacostia Flats. When living conditions became intolerable and the bonus bill was defeated in the Senate, President Herbert Hoover ordered the area cleared. Army troops under the direction of Gen. Douglas MacArthur did so.

The veterans departed the city, singing:

"My bonus lies over the ocean; My bonus lies over the sea.

"They gave all the dough to others;

"But they won't give my bonus to me."

Farmers revolted over low prices. Corn, for example, brought 10 cents a bushel. Today, it brings around $3.50.

At farm foreclosure sales, farmers often threatened auctioneers and conspired to thwart them. A few would bid low often $1 or $2 for a farm or furniture and then give it all back to the farmer about to be dispossessed.

Thousands of families, unable to meet mortgage payments or monthly rents, were evicted.

Breadlines and soup kitchens to feed the hungry were set up by churches, Communities and relief agencies. On street corners, and even in the shadow of the Capitol at Washington, men stood with signs: "Unemployed. Buy apples, 5 cents." Apples sold for 75 cents a bushel.

Municipalities set up welfare organizations—and urged anybody in distress on account of hard times to seek relief "in confidence and without embarrassment."

Millions wandered aimlessly in the nation, looking for food or work. Men who once held good jobs became door-to-door salesmen for whatever seemed saleable. In railroad towns, hoboes who rode the rails begged for food and some marked an "X" with chalk on curbs in front of houses where they had received a handout—a sign to the next man looking for a piece of bread.

Many of the young stayed in school, despite the fact that school facilities were reduced by lack of funds and many teachers went payless.

Prof. David Shannon says in his book, "Twentieth Century America," that when a job opened up during the Depression, young people found that it went to a person with a high school education.

A Yale graduate, Class of '32, now a college professor of English in Connecticut says, "All of my age group knew hard times. All of us had to take jobs and do things for a living that we had not intended to do.

"I suppose some were damaged by discouragement, but I knew a great many others who learned to fall on their feet and discovered abilities, talents even, that they never would have found had they been allowed to pursue the lines of activity they intended."

His first job was as an unsalaried radio writer for a community program, "Adventures in the Use of Spare Time." The program gave the unemployed suggestions on how to make the most of their opportunities.

A retired college executive, once an agricultural specialist: "I still recall a most depressing experience. I was in South Jersey, where vegetable prices had dropped to such a low level that the growers could not recoup the price of containers to ship them to Philadelphia and New York—let alone pay for transportation and sales commissions. So those crops, good quality and good food, were being plowed under.

"The same day I drove to New York City, 140 miles away. There in Times Square, the Hearst Newspapers' truck was dispensing food to a long line of men who apparently had no other prospects for a meal. That was one hell of a contrast in one day."

A retired California news editor: "What I remember most about the Depression is that we were forced to accept a different set of values. The simple things, the inexpensive pleasures, penny ante card games, picnics seemed to be more worthwhile, of greater value."

Some prices from 1932 newspaper advertisements: butter 19 cents; spring lamb chops 24 cents; two dozen eggs 25 cents; potatoes, 100 pounds, 1.35; 24½ pounds of flour and one package of cake flour 99 cents; pork and beans, 20 large cans, $1; coffee 27 cents; cigarettes, 2 packages, 25 cents, carton $1.17.

Restaurant meals were cheap. Deviled crabs were offered for 15 cents each and chicken dinners for $1. A special Friday dinner for $1 included steamed clams, oysters or clams on the half-shell, choice of fish, vegetables, potatoes and cole slaw, dessert of pie or ice cream, and beverage.

That's the way it was on March 4, 1933 when Roosevelt was inaugurated President and tried to calm the nation with his statement that "the only thing we have to fear is fear itself."

Banks had been closed in many states because of depositors' withdrawals of hundreds of millions of dollars. One of FDR's first acts was to declare a four-day national bank holiday.

People were caught without money but they stumbled through. They lived by barter, by selling jewelry, by using scrip issued by many municipalities, and by the goodness of shopkeepers who gave them credit.

Roosevelt called Congress into extraordinary session on March 9 and asked for powers to cope with the nation's plight.

The famous "First 100 days" of his New Deal produced 30 emergency agencies, including a banking relief act: the Federal Deposit Insurance Corporation; the Commodity Credit Corporation; the Civilian Conservation Corps, which hired 2.5 million boys and men between the ages of 17 and 23 to work in national parks, and the Public Works Administration, which provided 225,000 jobs a year in the repair and construction of public buildings and other large public works projects.

In 1935 Congress passed the Social Security Act and the National Labor Relations Act and set up the controversial Works Progress Administration (WPA) to take people off welfare and put them to work building roads, parks, schools, hospitals and playgrounds, among other projects.

Included were funds to employ writers, artists and musicians to write local histories, paint murals and give public concerts. Republicans charged the Roosevelt Administration with a policy of "tax, tax, spend, spend, and elect, elect."

AMERICAN BUSINESS DAY

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ROBINSON. Mr. Speaker, I introduced today a joint resolution calling

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on the President to proclaim May 13 of each year as American Business Day, to reflect on the spirit of free enterprise that has made this country great.

The day would allow an opportunity to broaden public knowledge of how the free enterprise system operates, how it might be improved, and how large the stake of each citizen is in the system, whether involved in management, labor, or the combination represented by the single-person or family enterprise.

The date is significant for all Americans as the date in 1607 of the first landing of settlers at Jamestown, Va. Although of British origin, this settlement, under the stewardship of Capt. John Smith, was a free enterprise undertaking.

The resolution attracted substantial support in the past Congress, and among business-related organizations in many States, but failed to receive action prior to adjournment.

I have also introduced, as an alternative, a bill which would establish permanently the last Monday in April as a legal holiday to honor American free enterprise. The difference in dates as proposed in these two pieces of legislation was considered advisable, because a legal holiday already has been established in May—Memorial Day—but none has been established in April. The April date was chosen, because the first party of settlers that landed at Jamestown entered Chesapeake Bay on April 26, 1607.

The idea of recognizing American free enterprise in this way is not mine. It originated in the Harrisonburg-Rockingham County Chamber of Commerce in the Seventh Congressional District of Virginia, which I have the honor to represent. Other chambers of commerce, and similar organizations, in many States, have joined in support of the proposal, and I want to express my appreciation at this time to the colleagues who joined in the introductions of the resolution and bill today.

MILITARY ASSISTANCE FOR VIETNAM AND CAMBODIA

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. MAZZOLI. Mr. Speaker, the President has announced his intention to request $522 million in supplemental appropriations for military assistance to Vietnam and Cambodia.

I grieve for the Vietnamese people, who have been treated cruelly by friend and foe alike. But, as I first stated on January 10 and have reiterated since then, I cannot support this request for military aid.

Mr. Speaker, in the late 1960's, the continuance of the Vietnam war was justified in large measure on the grounds that American assistance contributed to a "Vietnamization" of the war effort. Vietnamization entailed a gradual increase of the responsibility of the Vietnamese in the conduct of the war.

This policy led many Americans to an ardent embrace of the "light-at-the-end-of-the-tunnel" theory. This theory was that we were on the verge of completely ending the U.S. involvement in this exhausting, wasteful, and debilitating war. Soon, we were led to believe, the Vietnamese people would be able to fight their own fight.

It goes without saying that this policy has proven militarily and economically bankrupt. This tree will never bear fruit.

Yet, notwithstanding our terrible sacrifices in the jungles and paddies of Vietnam, President Ford has asked that we peer through that tunnel again, to the tune of $522 million hard-earned tax dollars.

We did not see the light before, and I am convinced that this $522 million appropriation would meet with the same result.

A TRIBUTE TO MRS. NANNIE MITCHELL

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. CLAY. Mr. Speaker, it is with deep sadness that those of us who knew Nannie Mitchell mourn her passing.

Born in 1887, she lived a long and very full life. She devoted her years of service to the St. Louis Argus, the newspaper which she founded. As a result of her unfailing efforts the Argus stands today as the "oldest Black owned business in all of Missouri" and the "oldest continuously published weekly newspaper in all of America." She gave so much of herself to the St. Louis community that she will always be remembered as one of its greatest respected and outstanding leading women. No finer tribute can be paid her than these words that appeared in the Argus:

She was flesh and blood. A very real person with so many dimensions of personality and life that people could tell many stories and versions and they would all have truth. But all will grant that she was kind and generous. That she rarely said no. That she had great energy, good humor and an iron will—with a constitution to match.

She was always there to give a helping hand to those in need.

She was indeed a great lady and those of us whose lives she touched will never forget her. I can say that I will sorely miss her.

I want to share with all my colleagues "The Chronicle of a Noble Life"—the life of Mrs. Nannie Mitchell as presented by the St. Louis Argus. The article follows:

END OF AN ERA: MRS. NANNIE MITCHELL PASSES

CHRONICLE OF A NOBLE LIFE

The passing of Mrs. Nannie Mitchell has caused an entire city to pause and reflect on a noble life. Saint Louis loved her. Rich and poor, young and old, black and white, the mighty and the many have poured in hundreds of telegrams and thousands of messages to tell how she will be missed.

For her funeral there has come to this city she loved a 'gathering in.' Senators, congressmen, her peers in the world of The Black Press, friends, relatives, those who were touched by her vision, her kindness, her generosity have all come together for a happening the likes of which Saint Louis has never seen, may never see again.

With all of the sorrow there has been a joyous spirit that here was a Great Lady who received her roses during her long lifetime.

What was this quality that could bring forth such an outpouring of genuine affection? Here is a chronicle of the journey of a lifetime that brought to pass the phenomenon we know as Mrs. Nannie Mitchell.

1887—Nannie Flowers Ross was born to the union of William and Nancy Ross in Alexander City, Alabama, a small town near Birmingham. Her parents had been born in slavery.

1901—The young girl, now graduated from grade school, becomes Sunday School Teacher at the little church in her community.

1903—With the help of her friends and neighbors she prepares to leave for college at Tuskegee Institute. A local youth, William E. Mitchell, already a college graduate with a degree in literature, proposes marriage after their very first 'walk and talk.'

1904—William's brother James (known as J. E.) arranges a job for William in Saint Louis. It is the time of the World's Fair and the young couple decide to venture and join the throngs who react to the song, "Meet Me in Saint Louie." They travel by mule-drawn wagon. She was often to remark, "It must have taken longer but it seems that we only traveled for 10 or 12 days."

1905—The young Nannie Mitchell works as a laundress for the family where J. E. is the 'houseman' and William the gardener. Her only son, Frank W. Mitchell is born.

1907—With the help of black educators and professional men the young trio—J. E., William and Nan—form the 'We Shall Rise Insurance Company'. To promote sales they soon launch a monthly 'newsletter of social happenings' which they distribute free at local churches.

1911—J. E. astutely realizes that the 'newsletter' is more popular and has more potential than the insurance company. With Nan and William tutoring him they teach him to read and write. It was his support that had originally put William through college. Now they form The Saint Louis Argus Newspaper with J. E. as managing editor, William as production man, and Nan as bookkeeper and office workers. They chose the name 'Argus' from Greek mythology for 'Argus' was 'the watchdog of the gods, with a hundred eyes, who never slept.'

1914—World War I—'Coloured' troops at the front brings a push for 'equal rights' and community pride burgeons within the black community all over America. The young Frank has graduated from 'delivery boy' to learning 'the family trade,' newspapering.

1931—Nannie Mitchell, her savings depleted by the depression, gets a second mortgage on her home to keep the paper going. Slowly, during the early Roosevelt years, there is a resurgence of black demands for equality. With such leaders as Roy Wilkins and Philips Randolph's programs contrasted with the revolutionary thought of Paul Robeson and W. E. B. DuBois progress is steady. New jobs, new prestige, and a burgeoning black middle class emerges at the end of the 30's.

1940's—World War II, Joe Louis, Jackie Robinson, Politics. With the Argus and Nannie Mitchell right in the center of the excitement. The paper becomes so popular that they sell popcorn and soda to the crowds that line up each Thursday to devour 'their newspaper.'

Husband William passes away. Mrs. Mitchell assumes a more active role in the Argus.

1952. J. E. Mitchell passes away. Mrs. Mitchell assumes the presidency of The Argus, appoints Frank W. Mitchell as Publisher.

promotes Howard Woods to Executive Editor, and takes a less active role in the paper. Marries Young Turner, retired postal worker, a man of great personality and humor.

1960's—Howard Woods is 'drafted' to a significant and prestigious role in government by United States President Lyndon Baines Johnson. Frank Mitchell's health begins to fail. Mrs. Mitchell reassumes her role as working head of The Argus.

Joe Holland, assistant to the Publisher of the Post-Dispatch, buys her column for the Post for the grand sum of $15.00 per column. But the move opens a new and most satisfying facet to her career. She had long been read by a small coterie of the faithful. Now the pages of the Post introduces her to the widest possible audience. Saint Louis, almost all of Saint Louis, loves Nannie Mitchell. The mail pours in. Already long a star, she now becomes a superstar.

1970's—The years and the wear and tear have taken their toll. Her vacations are spent in DePaul Hospital where "they baby me and I can recharge my batteries."

With "care and prayer" she decides that her business interest in The Argus will belong to Frank's son, Eugene. He had already found his niche as Medical Director of Homer Phillips Hospital, Faculty Member of The Washington University School of Medicine. But it was this independence and accomplishment which she sought to assure the continuity of 'her Argus.'

1975—Like an 'old soldier' Nannie Mitchell was 'fading away.' More and more hospital stays, less and less strength. Finally, on the morning of January 25th, 1975, a tired heart quit battling. A legend had passed away.

It is sure that myth and story will increase her fame. Give her a 'Sainthood' she never sought. She was flesh and blood. A very real person with so many dimensions of personality and life that people could tell many stories and versions and they would all have truth. But all will grant that she was kind and generous. That she rarely said no. That she had great energy, good humor and an iron will—with a constitution to match. And she was a Christian in the fullest and finest sense, who truly and dearly loved her fellow man and her town. Saint Louis, and The Good Lord with all of her might. She gave the best that was in her with a full and open heart.

Mrs. Nannie Mitchell received literally hundreds of awards and honors in her lifetime. She was proudest of having been officially designated, in the early 1940's, as 'First Lady of The Negro Press.' Through her guidance The Argus survived to become the "oldest Black owned business in all of Missouri" and the "oldest continuously published weekly newspaper in all of America." She loved her 'sorority,' Sigma Gamma Rho, and her church, Berea Presbyterian. She was a patron of The NAACP, Ferrier Harris Home for The Aged, Annie Malone Children's Home and The Page Park YMCA. The Chapel at Ferrier Harris was dedicated in her honor. The Mitchell Hall at Lincoln University School of Journalism is dedicated to J. E. Mitchell and Mitchell School in Saint Louis is named in honor of the family's great contributions to Saint Louis. She was an ardent supporter of talented black youth, a booster of black business, and provided seed money and impetus for many local firms.

Her favorite sayings were, "Keep on keeping on," she applied that when times were going great or badly; "tell the truth, if only people would tell the truth", she would admonish; "either decision is right if only you will work at it," was her advice to those faced with a hard decision. She read her Bible several times daily and used it as her guideline for everyday living. Who that knew her cannot still hear her say: "Thank you, thank you, thank you."

When a person had accomplished something particularly noteworthy or done a super job she would say, in gleeful praise and admiration, "Man, he can dig a ditch." She loved and admired hard work and felt, sincerely, that a trash collector deserved just as much credit, was just as necessary to society as a professional man or business leader. Her own life and tastes were simple and she saved what money she did not give away, and she gave away much. Thousands upon thousands each Christmas and all through the year whenever the occasion would arise or a friend was in need.

Mrs. Mitchell is survived by five grandchildren: Dr. Eugene Mitchell of St. Louis, Frank Mitchell Jr. and Kenneth Mitchell, Miss Soroya Mitchell and Cheryl Nan Mitchell; one sister-in-law, Mrs. Edward Wright Mitchell of Philadelphia, and two daughters-in-law, Mrs. Zelma Mitchell Harris and Mrs. Betty Mitchell Wilson.

Her body will lie in state at Beal Undertaking, 4746 West Florissant, and then at Berea Presbyterian Church, from whence burial will take place. Interment will be in the family plot at Washington Cemetery this Thursday, January 30, at 12 noon.

The services at Berea Presbyterian Church will be conducted by Rev. Warner Sanford, Jr.

Mrs. Mitchell's two favorite songs, "My Task" and "Peace in the Valley" are to be sung by the choir and soloists.

Among those scheduled to be honorary pallbearers, are: City Comptroller John Bass, Mayor John H. Poelker, Governor Christopher S. Bond, former Governor Warren E. Hearnes, Congressman Bill Clay, Congressman Jim Symington, License Collector Benjamin L. Goins, Publishers G. Duncan Bauman, Evarts Graham, Jr.; Howard B. Woods and Nathaniel Sweets, Secretary of State James Kirkpatrick and president of the Police Commissioners, Colonel T. D. McNeal, are also expected. Active pallbearers are: Eugene Liss, Lucius Cervantes, Elijah McCoy, David Grant, Carl Thomas and William Clay.

The Nannie Mitchell Chapel at The Ferrier Harris Home for the Aged, 3636 Page Avenue was given by the St. Louis Section of the National Council of Negro Women.

A SPEECH BY SENATOR J. GLENN BEALL

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. HOLT. Mr. Speaker, on February 3, Senator J. GLENN BEALL of Maryland addressed the other body on a subject with which we are all familiar—the issue of busing for racial balance in the school.

His was a well-researched speech for which he should be highly commended, and the thrust of his remarks was that racial quotas implemented by mass, forced busing have achieved nothing in terms of improving the quality of education.

Time after time, the House of Representatives has approved legislation to end the disruptive busing to impose racial quotas, which are opposed by an overwhelming majority of the American people. On every occasion, the Senate has reduced the House legislation to ineffectiveness.

Now, Senator BEALL has written President Ford to ask for appointment of a National Commission on Busing and Quality Education.

It would not only study the busing issue in terms of its impact on education, but it would also examine methods by which we can insure a quality education for every child.

Indeed, if all of the time, energy, and money we have spent on racial balancing had been spent on education, we might very well have already achieved significant improvement in the quality of education.

GEN. THADDEUS KOSCIUSZKO—VALIANT SOLDIER, COURAGEOUS PATRIOT

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ANNUNZIO. Mr. Speaker, February 10 is the 229th anniversary of the birth of Gen. Thaddeus Kosciuszko.

The American struggle for independence beckoned many zealous defenders of liberty to our land. Polish patriots were foremost among their numbers, and one of the most outstanding of the Polish patriots was Thaddeus Kosciuszko. Kosciuszko contributed a much-needed scientific knowledge of military engineering and an unwavering enthusiasm for the cause of freedom. By virtue of his military education and experience, Kosciuszko proved to be an invaluable asset to the struggling young Colonies.

Thaddeus Kosciuszko had a special longing for freedom for all men. During his own childhood and as a youth, he had watched as his beloved Poland slowly sank beneath the heels of encroaching Russians, Prussians, and Austrians. As a youth at the Warsaw Cadet School he had witnessed freedom-loving Polish senators being sent into Russian bondage. By the time he had reached manhood, Kosciuszko's Poland had already suffered the indignity of partition. The young man looked elsewhere to join the battle for freedom.

Fired by the dream of American independence, Kosciuszko, well-educated and eager to serve, arrived in Philadelphia in 1776, at a time when America was still alone in the insurrection, and when she had just given to the world her Declaration of Independence. Kosciuszko was among the ablest and most idealistic volunteers to reach America from Europe. He was a professional soldier rather than a professional adventurer. He linked his career to the American cause as a result of deeply held democratic convictions rather than from the motives of self-advancement or vainglory.

In the spring of 1777, after receiving a commission as a colonel from the Continental Congress, Kosciuszko joined the Northern Army where his ability as an engineer was of invaluable use in the campaign against Burgoyne. His ability to build almost impenetrable fortifications and his able judgment in the choice of battlegrounds contributed much to the final defeat of Burgoyne's forces.

The fortification of the heights of West Point was Kosciuszko's most important undertaking in America. To maintain

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West Point meant to command the Hudson, and in the words of General Washington:

The Hudson River was indispensably essential to preserve the communication between the Eastern, Middle, and Southern States.

In the midst of difficulties similar to those of Valley Forge, Kosciuszko labored for over 2 years, and within that time made West Point impregnable. General Armstrong wrote:

Kosciuszko's merit lies in this: That he gave the fortifications such strength that they frightened the enemy from all temptation of even trying to take the Highlands.

In 1780, Kosciuszko was appointed Chief Engineer of the Army of the South. Remaining there until the end of the war, he was regarded as one of the most useful and best-liked among his comrades in arms.

But as soon as American independence was won, Kosciuszko set sail for Europe. There he spent his remaining years fighting in vain for the freedom of his beloved Poland. The aid which he had extended to the American Colonies was a gift which this country could never really repay. Even the reward, in terms of land grants in Ohio, which a grateful America bestowed upon Kosciuszko, was ordered in his will to be sold so that the freedom of Negro slaves could be bought.

As one of the proud cosponsors of the bill—now Public Law 92-524—to officially designate the Kosciuszko home in Philadelphia as a national memorial, I consider this an occasion to honor this great Polish patriot and also salute our fellow citizens of Polish descent who, following in the footsteps of Kosciuszko, have dedicated their lives, often at great risk, to continue the cause of freedom.

Mr. Speaker, it is an honor for me to join with the American Polonia in this commemoration and I extend my greetings to the Polish-American residents of the 11th Congressional District of Illinois which I am privileged to represent, the city of Chicago and the Nation as they pay tribute to General Kosciuszko and his dedication to the cause of liberty.

THE CASE AGAINST RATIONING

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. COLLINS of Texas. Mr. Speaker, President Ford's energy program is the key issue on Capitol Hill. Although I agree with some of the President's proposals, I strongly oppose the alternative suggestion of gasoline rationing.

Basically, this rationing system would grant every licensed driver an equal monthly allotment of coupons, entitling him to roughly 36 gallons per month. Coupons would be transferable, or could be sold if the user did not need them. Commercial users would receive coupon allotment equal to 90 percent of their consumption in 1973. Special needs would be dealt with on State and local levels, where 3 percent would be set aside for hardship or emergency cases. All coupons would be issued through the Postal Service.

On the surface, the rationing system does not sound like a bad idea. However, I have researched the proposal and have found several serious flaws in the basics of the program.

First. A rationing system would take 4 to 6 months to implement, 15,000 to 25,000 people to operate, $2 billion in Federal funds, 40,000 post offices to distribute coupons, 3,000 State and local boards for special cases, and 4.8 billion coupons for the first quarter.

Second. The bureaucracy would increase both in size and in the extent to which the Government would be involved in controlling our private lives. This would add complexity, confusion and inconvenience. Some Government official would decide which individuals deserved more coupons because of emergencies or hardships, and which businesses, because of expansion, deserved a greater allotment.

Third. Individuals who depend on automobiles for their livelihood, such as traveling salesmen and taxicab drivers, would have to compete at the State and local level for consideration under the 3 percent of the coupons that would be set aside for hardships and emergencies. A majority of these special coupons would have to go to police, firemen, and hospitals, to enable them to combat emergency situations. This would leave little extra to compensate for the extra mileage incurred by those men who make their livings by driving.

Fourth. Curbing automobile gasoline consumption will only solve a portion of our energy shortage. Private vehicles account for only 40 percent of the total petroleum used in this country. Other petroleum uses must be reduced concurrently if such a rationing plan is to be effective—such as fuel oil, jet fuel, and refinery products going into petrochemicals, etc. At the same time, industrial efficiency must be increased, as well as better construction and insulation methods.

Fifth. Rationing would have long-range negative effects. Since demand would be a constant, unchanging factor, there would be little impetus or incentive to develop better production methods, or to increase supply.

Sixth. Tourism would be hurt, due to a less mobile society. People would have to use the few coupons they have to drive to work and carry on their daily routines. Long trips would be out of the question.

Seventh. The automobile industry could expect sales to drop even more than they already have—possibly another 35 percent. This will only add to our massive unemployment.

Eighth. Although an open trading and selling market is to be in effect, counterfeiting and other illegal activities are inevitable.

Ninth. Users would have to first make applications, which would have to be processed and filed, then validated. This must be done in person to avoid problems with transferability. Consider the inconvenience, long lines, and red tape involved just in obtaining the coupons.

Tenth. The Postal Service is to be the distributing agent for coupons, as well as the processing point for applications. Is the Post Office capable of this added responsibility?

Eleventh. Our goal is to save 1 million barrels per day (2 million by 1977.) This would mean limiting licensed drivers to 36 gallons per month, (or 1.2 gallons per day.) The current average is 50 gallons per month.

In addition to the difficulties involved in implementing the program, and the numerous, harmful spin-off effects, there is the almost impossible task of dealing with the inequities of the system. Gasoline usage varies greatly among private drivers, according to their personal situation, jobs, or regional location. Consider the following examples of the unfair problems that could result:

a. A low or middle-income worker, or a migrant worker, who owns a car that gets 9 miles per gallon cannot afford to buy a more efficient automobile, while a more affluent person can trade in a "gas-eating" automobile to buy a car that gets 22 mpg. The difference in allowable mileage on coupons for both persons would be 320 versus 790 per month.

b. A suburban family, where both husband and wife work and must commute more than 15 miles each way, every day, would be penalized, particularly in comparison to a family who runs a business from their home. This second family could afford to use their coupons for vacation trips, while the first family would use more than their share just commuting.

c. What should be done in the case of a community that has a good network of bus commuter lines, as opposed to one with no bus lines? This is particularly true in Dallas. What about the man who has to commute from North Dallas to LTV; or the person who lives in Irving and works at TI? There are no reliable bus routes between these points. Should you give less coupons to communities with bus routes and more to those without? Suppose those persons with access to buses do not work along bus lines? The more you try to make the system fair, the more complicated and unfair it becomes.

d. Construction workers and consultants travel to different jobs every day, and there is never any guarantee that the job will be close to home. Long-distance traveling could conceivably cause these people to use over their allocated coupons.

e. A gasoline rationing system could be imposed that would grant coupons only to families as a whole. This would mean the allotment would have to go to the wage-earner in the family. Suppose a family had several teenage members who usually drove to school because they had part-time jobs. If they were ineligible for coupons, this would mean they would lose their jobs. However, granting a family more coupons because more members are licensed drivers also has its inequities.

f. Ranchers, farmers, and those who live in rural areas normally drive hundreds of miles more than city dwellers. How would we compensate their traveling needs and not deprive others?

g. How would we handle coupons for car rental agencies?

h. What happens to families, who, because of job transfers, must move frequently? They would be using more than their coupon allotment just in moving.

There are just too many exceptions to be taken into consideration. You cannot plan a nation-wide program that will treat all areas of our population equally. An equitable system seems impossible, and judging by present bureaucratic controls, would also be inefficient.

One further point I would like to emphasize is the cost to American taxpayers. At a time when we are trying to cut back on domestic spending, instituting a rationing system will add a large layer of bureaucracy and take another bite out of the already overburdened budget.

Consider the proposed cost estimates for a rationing system:

Pesonnel required

FEA-Washington	625
FEA-Regional Offices	3,250
Post Office	unknown
Enforcement program	2,500
State & Local Boards	3,000
Motor Vehicle	5,100

COSTS

Postal distribution (at $1.60 per transaction)	$845,000,000
Postal shipping	50,000,000
Printing of coupons	195,000,000
Printing of forms (applications)	30,000,000
ADP system (data processing)	200,000,000
Public education materials	10,000,000
Salaries:	
Federal (based on 6,375 at $20,000)	127,500,000
State and local (based on 20,100 at $20,000)	402,000,000
Grand total	1,859,500,000

This figure of almost $2 billion is only an estimate. It will grow larger once we know salary requirements for the Postal Service. And, it will increase every year, due to the nature of Government salaries and bureaucratic costs.

Rationing worked for us once before, but we were in the midst of a world war and patriotic Americans knew sacrifices were necessary.

We are not in a war. Today, we have more people and at least three times as many automobiles that consume greater quantities of gasoline. Our situation is not comparable to what it was three decades ago, and we cannot expect to implement the same policies we did then.

We need to direct our attentions to the heart of the problem—we need more domestic oil supplies and the only way to insure this is to provide incentives to increase production here in the United States. A rationing system would only mean more bureaucracy—it would not produce more gasoline.

I have discussed the idea of gasoline rationing with President Ford. He is determined to stand firmly against imposing such a system and I will support his position. Like the President, I feel that based on past experiences with the Federal Government, rationing would hit the hardest those people who could least afford the additional economic hardships.

UNITED STATES MUST NOT ABANDON SOUTH VIETNAM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. CRANE. Mr. Speaker, For many years the United States and the members of this Congress believed that it was a valid and legitimate national policy to stop Communist aggression in Southeast Asia.

In pursuit of that policy tens of thousands of young men were inducted into the armed services and sent to fight a bitter war in South Vietnam. More than 50,000 died in that struggle.

Today, the South Vietnamese continue to fight aggression. The Paris peace agreement which we encouraged them to sign was not in any sense a final conclusion of that war. That agreement permitted the North Vietnamese to maintain their entire army in South Vietnam, while we withdrew all of our forces. This left our allies, the South Vietnamese, at a decided disadvantage. They were assured, however, by both President Nixon and Secretary of State Kissinger that we would provide them with the necessary means with which to defend themselves.

Now, in the face of a renewed Communist assault upon the South, many in the Congress want the United States to go back on its word. They want the United States to tell the families of the thousands of Americans who had died that they have died in vain, that South Vietnam will, in the end, be turned over to Communist aggression. They are, as many say, "bored" with and "tired" of Vietnam.

It is essential that this new isolationism be defeated. It is equally essential that those whose isolationism is of a double standard, urging aid for Israel, for example, while opposing aid to South Vietnam, be called to task. What is at stake at the present moment is not only South Vietnam, as important as that is, but the credibility of the United States in the world.

In its lead editorial for this week, Human Events, the Washington weekly journal, declares that:

A refusal to endorse the supplemental means, simply, the subjugation of 20 million people by an aggressive Communist regime which has killed hundreds of thousands of its own people in the traditional "style" of Communist rulers around the world. The stakes in Asia . . . are higher than just the fate of the non-Communist people in South Vietnam and Cambodia. America's security and, indeed, the security of the rest of the free world are also involved.

A decision to abandon South Vietnam, Human Events notes—

Could shatter the rest of our alliances around the globe . . . for clearly it would call into serious question the U.S. capacity and determination to resist Communist aggression anywhere. If we are unwilling to supply even bullets and oil to nations facing Communist aggression, it may well be asked, then what sacrifices are we willing to make?

I wish to share the important editorial, "Ford Must Go to Mat on South Vietnam Aid," which appeared in the February 8, 1975, issue of Human Events, and insert it into the RECORD at this time

FORD MUST GO TO MAT ON SOUTH VIETNAM AID

Not too many years ago, the newspapers carried the story about Kitty Genovese, a young woman in New York City who cried out for help as she was being stabbed to death in the streets. Though many heard her screams, no one came to her rescue, or even placed a call to the police. There was a rash of condemnatory editorials at the callousness of those who ignored her pleas, but now the United States is about to exhibit the same sort of callousness toward the 20 million people in South Vietnam and Cambodia. We are about to sit by while both countries are consumed by Communist aggression, offering neither a helping hand.

President Ford had asked $522 million more in military aid so these allies can defend themselves against the current Hanoi offensive. It is not much, considering we used to spend $20 to $30 billion a year there. But congressional lawmakers, many of whom concoct far more expensive and far less deserving ways to spend the taxpayer's dollars, are now wringing their hands over such a "costly" endeavor.

Sen. Henry Jackson (D-Wash.), who has never blinked at a penny that has been given to Israel, which received $2.6 billion in U.S. aid in fiscal 1974, says he can't bring himself to vote a dollar more for Saigon. The same sentiments are shared by a number of conservative Republican lawmakers as well, including Sen. William Scott (R-Va.) and Rep. Jim Collins (R.-Tex.).

So prevalent is the feeling against providing more aid, in fact, that the chances the supplemental will pass are quite unlikely. But the consequences of shutting off aid are unmistakable: If Congress opposes Ford's plan, neither country will have the ammunition necessary to survive.

A refusal to endorse the supplemental means, simply, the subjugation of 20 million people by an aggressive, Communist regime which has killed hundreds of thousands of its own people in the traditional "style" of Communist rulers around the world.

The stakes in Asia, however, are higher than just the fate of the non-Communist people in South Vietnam and Cambodia. America's security and, indeed, the security of the rest of the free world, are also involved. Surely it is difficult to believe that if Hanoi conquers South Vietnam that this aggressive Communist regime will suddenly have slaked its thirst for new conquests.

A deliberate and conscious decision by Congress to let South Vietnam and Cambodia fall, an act which will create a new and powerful Communist regime throughout all of Indochina, will have the effect of endangering the stability of the rest of non-Communist Asia.

Moreover, such a decision could shatter the rest of our alliances around the globe, including NATO, for clearly it would call into serious question the U.S. capacity and determination to resist Communist aggression anywhere. If we are unwilling to supply even bullets and oil to nations facing Communist aggression, it may well be asked, then what sacrifices are we willing to make?

President Ford has only a slim shot at winning the aid plan, but the consequences of failure are so grave that he has to pull out

all stops to turn Congress around. Like President Nixon before him, who was extremely successful in explaining his Vietnam policy to the public, President Ford must take to nationwide television to explain the critical need for his aid plan.

The President, we believe, has a persuasive story to tell. He can underscore the enormous violations of the Paris peace accords by the North Vietnamese. He can talk of the fact that over 170,000 North Vietnamese troops have been infiltrated into South Vietnam and that Hanoi's main force army in the South has increased to 300,000, up 80,000 from the time of the agreement.

The President can disclose how the North has tripled its armor in the South, expanded its armament stockpiles, constructed airfields, shelled population centers and overrun 11 district towns which were unequivocally held by the Republic of Vietnam at the time of the cease-fire. The latest and most serious escalation began in early December 1974 which concluded with the conquest of Phuoc Long Province and its capital, Song Be.

In contrast, the South Vietnamese, for the most part, have lived up to the cease-fire agreement, and they have fully cooperated with the International Commission of Control and Supervision which is supposed to monitor cease-fire violations. They have steadfastly called for implementation of the provisions of the Paris agreement calling for internationally supervised elections, but the Communists refuse to go along because they know they would lose.

The Communists have solid evidence they would lose, in fact, because, virtually without exception, millions of refugees in South Vietnam have fled to government-controlled areas, even when it would have been easier and safer to stay where they were and accept Communist rule.

President Ford can point out that he does not want to send American troops to Vietnam. He does not want to send pilots or renew the bombings. What he does want to do is keep the solemn promises we made to South Vietnam when the Paris accords were signed in January 1973.

South Vietnam entered the agreement with the solemn promise of the United States that we would continue to provide its soldiers with the level of equipment they had at the time of the cease-fire. Everyone knows we haven't done this. As the American Conservative Union's Jim Roberts, a former naval lieutenant who served in Vietnam, pointed out in his excellent report on his recent visit to that country, the government's forces have been restricted by a shortage of fuel and ammunition, the result of slashes in U.S. aid.

As Gen. Laan told Roberts, "We have had greatly to reduce our firepower in engagements with the enemy so that now we are often hit by more shells than we can fire back. It is essential that we maintain a minimum stockpile of ammunition, but in the event of an all-out enemy offensive, I don't think we would have more than a week's reserves on hand."

Laan struck a theme Roberts and others in his party were to hear over and over during their visit: the growing supply shortage is seriously weakening the army's ability to resist the enemy.

"One of the greatest ironies of the situation," said Roberts, "is the status of the air force which possesses 1,800 aircraft bequeathed to Saigon in the Vietnamization program and manned by a highly professional corps of pilots and technicians, most of whom were trained in the United States.

"Because of the shortage of fuel, ordnance and spare parts, most of those aircraft are grounded. Also, as a result of shortages, air reconnaissance is limited to situations in which the enemy is actually engaged. Fighters are limited to close tactical operations and even they are deployed sparingly; helicopters can no longer be used to shift troops and are limited to medevac operations.

"The effects of the aid cutbacks are everywhere evident. For the first year and a quarter following the cease-fire the ARVN troops were able to hold their territory and outposts. In the last two months, as a result of inadequate supplies, they have withdrawn from dozens of outposts. Dozens of other outposts have been overrun. . . ."

The United States, President Ford can continue, lost 50,000 men in Vietnam and spent $150 billion to save it from a military takeover by Hanoi. Does Congress now purposely desire to make that sacrifice in vain by having the U.S. welsh on a solemn promise to a valiant ally?

WORKERS' COMPENSATION LAWS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, on December 29, 1970, the Occupational Safety and Health Act—a far-reaching measure designed to protect the lives of America's approximately 85 million workers—was signed into law.

Several years of extensive hearings and debate on this legislation revealed that another related area affecting the Nation's work force sorely needed the attention of Congress; namely, the States workers' compensation laws.

The Occupational Safety Act of 1970 accordingly established a National Commission on State Workmen's Compensation Laws to study thoroughly and evaluate State workmen's compensation statutes. On July 31, 1972, the Commission issued its report, recommending numerous changes in the States' workers' compensation laws in order to realize fair compensation for work-related accidents, illness, disease, and death.

Some States have made efforts to bring their laws into conformity with the Commission's recommendations. A listing of these measures is compiled by Florence C. Johnson in the January 1975 issue of Monthly Labor Review. I want to call my colleagues' attention to an excerpt from this article and a table illustrating increases in maximum weekly temporary total disability benefits in 1974.

These improvements are steps in the right direction, but the important point is that not a single State fully meets the Commission's recommendations, and in some areas the compensation laws are woefully inadequate.

I intend to introduce appropriate workers' compensation legislation in this session of Congress, and the Subcommittee on Manpower, Compensation, Safety and Health which I chair will hold hearings on bills to modernize the various State workers' compensation systems.

The article follows:

WORKERS' COMPENSATION LAWS—CHANGES IN 1974

(By Florence C. Johnson, a labor standards adviser in the Division of Workers' Compensation Standards, Interdepartmental Workers' Compensation Task Force)

In a continuing effort to update their laws and bring them into conformity with recommendations of the National Commission on State Workmen's Compensation Laws, the legislatures of 46 States enacted over 200 amendments in 1974. The importance of such legislation was evidenced by the fact that several States held special sessions, and a number of States carried over legislation introduced in the prior year that had not reached final approval. As a result, considerable progress has been made in improving the protection provided the injured worker, although no State as yet fully meets all of the "essential recommendations" of the National Commission.

A new development this year was the creation of the Interdepartmental Workers' Compensation Task Force by the President and the issuance of a White Paper stating the Administration's objectives. The task force's functions is to strengthen workers' compensation systems by providing technical assistance to the States in areas of coverage, occupational diseases, medical and rehabilitation services, benefits, cost-of-living adjustments, and a nationally uniform data system. It also will conduct research designed to answer many critical questions in the field of workers' compensation. In conjunction with the technical assistance program, the task force will evaluate each State's progress toward meeting the minimum objectives proposed by Administration. Its report and recommendations for appropriate Federal legislation is expected by early 1976.

Nine States (Delaware, Florida, Indiana, Kansas, Missouri, North Carolina, South Carolina, Virginia, and West Virginia) enacted comprehensive changes in an effort to meet various recommendations of the National Commission. Changes from elective to compulsory laws were made in six States, and exemptions of small firms based on number of employees were eliminated or reduced in five. Four States extended coverage to specified domestic workers, and coverage of agricultural workers was provided in two States and liberalized in two others. Kansas for the first time provided full coverage of occupational diseases.

One State established a second injury fund to provide compensation coverage for any injured employee who has had a previous permanent physical impairment, and a second injury board to administer the fund. A number of States provided for rehabilitation services or benefits for the first time or liberalized their existing provisions. Full medical care was newly provided in one State, and liberalizing amendments were enacted in several others. Six States enacted provisions for annual adjustment of benefits based on the State's average weekly wage, and at least three-fourths of the 46 legislatures in session increased the maximum weekly benefits. Three States reduced their periods of waiting before benefits become payable.

An article by Alfred Skolnik and Daniel Price, "Workmen's Compensation Under Scrutiny," in the October 1974 issue of the *Social Security Bulletin* shows the magnitude of the workers compensation program. The article looks at recent coverage, cost, and earnings-replacement trends in workmen's compensation in light of the recommendations of the National Commission. It states, among other things, that 84 percent of the civilian wage and salary labor force have the protection of the program, and that in 1973, 21 jurisdictions paid the average injured worker the full statutory wage-replacement rate.

MAXIMUM WEEKLY TEMPORARY TOTAL DISABILITY BENEFITS INCREASED IN 1974

Jurisdiction	Former maximum	New maximum
Alabama	$68	$75.
Arkansas [1]	$63	$66.50.
California [1]	$105	$119.
Colorado [1]	$84	66⅔ percent of State's average weekly wage ($109.20).
Delaware	$75	66⅔ percent of State's average weekly wage (effective July 1, 1975).
District of Columbia	150 percent of national average weekly wage ($210.54).	175 percent of national average weekly wage ($261).
Florida	$80	66⅔ percent of State's average weekly wage (effective Jan. 1, 1975).
Georgia	$65	$80.
Hawaii	$112.50	100 percent of State's average weekly wage (effective Jan. 1, 1975).
Idaho [1]	$74.40–$111.60 [3]	$78–$117.[3]
Indiana	60 percent of employee's wage—Statutory amount of $60 to $74.[3]	66⅔ percent of employee's wage—Statutory amount of $90.
Iowa [1 2]	$91	$97. Effective July 1, 1975, 100 percent of State's average weekly wage.)
Kansas	60 percent of employee's wage—Statutory amount of $56.	66⅔ percent of employee's gross wage—66⅔ percent of State's average weekly wage ($95.20).
Kentucky [2]	$81	$84.
Maine [2]	$83	$87.53. (Effective Nov. 30, 1974, 100 percent of State's average weekly wage.) ($131.29.)
Maryland [2]	$96	$102.30. (Effective July 1, 1975, 100 percent of State's average weekly wage.)
Massachusetts [1]	$80, plus $6 for each total dependent; aggregate not to exceed worker's average weekly wage.	$90, plus $6 for each total dependent; aggregate not to exceed worker's average weekly wage. (Effective Nov. 1, 1974, $95 plus dependent's allowance.)
Michigan [3]	$93–$122 [3]	$100–$129.[3]
Mississippi [1]	$56	$63.
Missouri	$70	$95.
Montana [1]	$110	100 percent of State's average weekly wage ($137).
Nebraska	$80	$89.
Nevada [2]	$106.07	$111.96.
New Jersey [2]	$108	$112.
New Mexico	$65	$75.
New York	$95	$125.
North Carolina	$80	100 percent of State's average weekly wage (effective Nov. 1, 1975).
North Dakota [3]	$74, plus $5 for each dependent child but not to exceed employee's take-home pay.	$78, plus $5 for each dependent child but not to exceed employee's take-home pay.
Ohio [2]	$110	$112.
Oregon [2]	$125.20	$133.07.
Pennsylvania [2]	$100	$106.
Rhode Island	60 percent of State's average weekly wage ($81.55), plus $6 for each dependent; aggregate not to exceed worker's average weekly wage.	66-2/3 percent of State's average weekly wage, plus $6 for each dependent; aggregate not to exceed 80 percent of worker's average weekly wage. (Effective Sept. 1, 1975, 100, percent of State's average weekly wage.)
South Carolina	$63	66-2/3 percent of State's average weekly wage ($87.62).
South Dakota	56 percent of State's average weekly wage ($63).	60 percent of State's average weekly wage ($72). (Effective July 1, 1975, 66-2/3 percent.)
Tennessee	$62	$70.[4]
Texas [1]	$63	$70.
Utah [2]	$89.33	$95.33.
Vermont [2]	$81	$86.
Virginia	$80	$91.
Washington [2]	$121.38	$129.23.
West Virginia	60 percent of State's average weekly wage ($91.80).	80 percent of State's average weekly wage ($128). (Effective July 1, 1975, 100 percent.)
Wisconsin [1]	$90	$100. (Effective Jan. 1, 1975, 66-2/3 percent of State's average weekly wage.)

[1] Based on legislation enacted in prior year.
[2] Based on increase in State's average weekly wage.
[3] According to number of dependents.
[4] Texas; Thereafter each additional increase of $10 in average weekly wage for manufacturing production workers, as annually determined by Texas Employment Commission, will increase maximum weekly benefit by $7.

ABOLISH THE AIRLINES' MUTUAL AID PACT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ROSENTHAL. Mr. Speaker, the airlines' mutual aid pact has caused prolonged strikes that have netted the struck carriers millions of dollars in profits for not flying. In addition, this agreement encourages companies with the poorest management-labor relations to stay away from the bargaining table and thus force a strike. That is why I am today introducing legislation to terminate the mutual aid pact.

There are many examples showing how the airlines can make profit without flying. Most recently, the International Association of Machinists struck National Airlines from July to October of 1974. During the 108-day shutdown, National Airlines received more than $43 million in MAP assistance. In November 1973, TWA flight attendants struck and forced a 44-day shutdown. During that period, TWA netted $74.4 million in payments from the other airlines which benefited from the additional passengers. In 1972, Northwest Airlines' pilots were off for 95 days. It received $43.6 million in subsidies from the other carriers, which helped Northwest post a $17.2 million profit for the year. The list goes on and on.

The major argument in favor of MAP is that the airlines should be able to obtain strike benefits just as the striking workers do. There is no comparison. Some unions provide no strike benefits at all, and the unions that do pay only subsistance funds from $2 per day to a maximum of $15 a day. This barely puts food on the table let alone pays the running expenses of the average household. No airline employees have been known to make a profit from strike benefits, a statement their employers cannot make.

Before the aid agreement was instituted in 1958, airline strikes lasted an average of 15 days, compared to a national industrywide strike duration average of 19.7 days that same year. During the first 3 years of the pact, airline strikes increased in length to an average of 23 days. When supplemental payments to carriers were instituted in 1962, the average strike lasted 29 days. Since 1969, airline shutdowns averaged 95 days, compared to a national strike average of only 25.3 days. Clearly, the mutual aid pact has prolonged airlines' strikes, with no letup in sight.

In view of these problems concerning the settlement of airline strikes, termination of the mutual aid pact is necessary. As long as striking airlines can make a profit without flying, collective bargaining is ignored and little incentive exists for airlines to reach a settlement.

WOMEN AND DEVELOPMENT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FRASER. Mr. Speaker, in light of International Women's Year, I would like to call to the attention of my colleagues the most recent issue of UNICEF News entitled "Women and Development." This outstanding issue explores some of the continuous problems faced by women in the developing nations of Asia, Africa, Latin America, and the Middle East. Through a series of vignettes of the lives of typical women, the tragedies of illiteracy, overpopulation, and complete male dominance of societies are illustrated. But attention is also given to what progress is being made and to what hope the future holds.

The issue raises many serious questions about the role played by development planners in improving the status of women. Are stereotypes being reinforced? Are the needs of both urban and rural women being adequately assessed and effectively met? Is enough being done to combat illiteracy?

I would strongly urge that this important issue be read and its implications considered by all Members. It is available from the U.S. Committee for UNICEF, 311 East 38th Street, New York, N.Y., 10016, for $1 a copy or 500 copies for $100. They will be distributed on a first come, first serve basis.

The introductory article, "For UNICEF: Every Year is Woman's Year." follows:

FOR UNICEF EVERY YEAR IS WOMAN'S YEAR

The goals of International Women's Year being celebrated during 1975 and those of World Population Year for 1974, have much in common with the Children's Fund, for the advancement of the woman and the concept of responsible parenthood continue to be a major focus of attention in all UNICEF activity.

A woman who understands the advantages of better child spacing will be healthier herself and bear healthier children. A mother

UMI

who learns some basic rules about better child care and nutrition will know how to keep her children healthier at all ages. A literate mother will see the benefits of sending her children to school and keeping them there for as long as possible. A woman who increases her own skills, inevitably increases her feelings of self-respect and dignity and the knowledge that she can contribute to the development of her own community.

To help achieve these goals, UNICEF has been working with governments in developing countries for well over a quarter of a century to help them build up their health, nutrition, education and social welfare services.

Unfortunately, however, the emphasis is still on *talking* about goals rather than on *achieving* them. Of course, there has been some progress in expanding maternal and child health services and providing family planning services to governments who want them, in increasing educational opportunities, in training more women in many fields, and in improving the lives of disadvantaged peoples in many countries.

But the sad fact remains that despite the efforts of the developing nations themselves and the assistance from more affluent countries and international agencies, including UNICEF, the vast majority of women and their families still live lives of poverty, squalor and ignorance with little or no hope of bettering their situation.

This is why UNICEF applauds the aims of International Women's Year to focus worldwide attention on the plight of women and the need to help them. The initiative taken by UNICEF's Executive Board in declaring a state of emergency for the world's children, especially in light of the present world food crisis, is a significant step. Hopefully, this declaration will help to mobilize greater resources for action to improve the incredibly poor living conditions for millions of mothers and children throughout the developing world.

This issue of UNICEF NEWS is dedicated to the women in developing nations. It provides a picture of the lives of women in a few countries and some of the ways in which they are helping themselves—and being helped—towards the possibility of a better future in which they can become active participants in the development of their own countries.

ST. JUDE'S CHILDREN'S RESEARCH HOSPITAL GETS BIG HELP FROM ALPHA PHI OMEGA FRATERNITY OF UNIVERSITY OF TENNESSEE AT MARTIN

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. JONES of Tennessee. Mr. Speaker, each year during the spring, a group of dedicated young men, students at the University of Tennessee at Martin, use their entire spring vacation to benefit their less fortunate fellow men.

Those young men are all members of Alpha Phi Omega National Service Fraternity at the University of Tennessee at Martin and their annual project is a fundraising drive that benefits the St. Jude's Children's Research Hospital in Memphis, Tenn.

But this is no ordinary fundraising effort. While their contemporaries are off from school enjoying what has become the annual spring vacation, the men of Alpha Phi Omega are walking from their Martin, Tenn., campus to Memphis, a distance of 130 miles, pushing a wheelbarrow in which donations for the hospital are collected.

Their efforts are most rewarding. The annual Push for St. Jude has raised a total of $65,000 during its 4-year existence and the men of Alpha Phi Omega hope to add another $18,000 to that total when they embark on the trip this year during the week of March 22–28.

While the project has gained in momentum each year since its inception in 1971, this year promises to be the biggest and best year to date. Not only are the members of Alpha Phi Omega preparing to make the trek again, they are preparing to coordinate with other charity organizations in order that it will be a regional effort.

While one fraternity brother makes the usual arrangements for food and lodgings during the week long walk, others are gaining the support of other groups to aid in the collection of donations. Still others are making arrangements to make the push well known throughout the entire Seventh Congressional District of Tennessee.

The result then is a mammoth task totally undertaken by a group of youngsters who are interested in helping their fellow man, lending a helping hand where it is needed.

I, too, have become involved in the project, meeting the men along their route, and I am continually amazed at the group's cheerfulness and enthusiasm at the end of a 7-day walk. Their desire to aid their fellow human beings and offer a monetary contribution to research that may someday eliminate many children's diseases is most refreshing.

But I think their purpose and their willing sacrifices can best be summed up by a statement made by one of their members, former chapter president Scott Correll,

The Push is a fantastic example of mankind's unselfishness. It shows that people of West Tennessee have a great love for St. Jude's Children's Research Hospital and the work it does. Our sore feet, blisters and aching legs are all forgotten when we are greeted by the children and staff of St. Jude's. Our pains turn to joy when we begin to think of the children whose lives will be saved by the donations from the Push.

The unselfishness of these young men should be recognized by the entire Nation and their efforts should be commended. Their civic responsibility and humanitarian concern reflects great credit upon the young people of Tennessee and the Nation and it should serve as a model for all who see such unselfish giving of time and energy.

THE RIGHT TO BEAR ARMS VERSUS A LIFE

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FAUNTROY. Mr. Speaker, on Tuesday, January 28, 1975, I introduced a bill to establish a national ban on the importation, sale, manufacture, and possession of handguns to end the senseless slaughter of human beings in this supposedly civilized country.

The accessibility of handguns to the general public is a major cause of domestic violence and death in America. The intentional and ruthless passion killings, as well as inadvertent handgun accidents, account for more deaths than all the calculated robberies and burglaries of several years. The most disconsolate is that most victims are either innocent objects of carelessness or random targets of temporary or permanent dementia.

The argument that private ownership of handguns is necessary to discourage lawlessness is simply untrue. The handgun is a source of violence and death for many innocent people. It is a means to lawlessness.

A contemporary poet asks:

How many deaths will it take till we know,
that too many people have died?

There have already been too many deaths. It is time for the people to make the appropriate laws which will help put an end to the tragedy of violence and death caused by the use of handguns.

It is with these thoughts that I bring to the attention of my colleagues the moving letter which appeared in the Washington Post on Friday, January 31, 1975, written by Claudia Anderson Nevins, a resident of the District of Columbia:

THE "RIGHT TO BEAR ARMS" VERSUS A LIFE

Mary Jo Donovan is dead. She died while she was warming up her car on a cold January day in a Maryland suburb of Washington. She died because someone shot her and left a beautiful little boy motherless and a devoted husband and friends without one of the liveliest, most charming, warmest, best humored people we have ever known.

This is not the first letter I have written on gun control. And it probably will not be the last. But I hope to God that it is the most painful, as I doubt that I personally could endure more pain than those of us who knew Mary Jo have experienced. Mary Jo was one of those rare women who had found liberation and was a mother and wife and a career woman who did all of those things well and without complaint or trauma. And she made a lot of people laugh in a time when there is not a great deal to laugh about in the world.

I am tempted to call the National Rifle Association and ask whether they can honestly say that the "right to bear arms" is a sufficient trade-off for the life of one truly fine human being. A right versus a life. Would they think about that? Since hearing that Mary Jo is dead, I have been wandering around in a daze as have most people I know. And all that I seem capable of saying to myself is "Who cares?" I have not been able to decipher what that means, but I want to know when this country is going to get to the point of valuing human life and dignity? I have heard people say that life is cheap in Asia and Africa, but here we have the most senseless killings and a numb acceptance that is frightening.

It would not surprise me if this letter is not printed because of its incoherence. And I can understand that. But I hope that someone, somewhere does read it and realizes it is intellectually easy to oppose something, but when someone who has been a friend to many and an enemy to no one is sacrificed for nothing, we can only hope that the hopelessness and the bitterness we feel can somehow be interpreted into a positive means of combating the most incredible narrowmindedness that exists in our nation today.

CLAUDIA ANDEASON NEVINS.

Washington.

VALIDITY OF CURRENT "CONVENTIONAL WISDOM"

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. CRANE. Mr. Speaker, with all this talk of rising budget deficits and skyrocketing unemployment, "conventional wisdom" has it that the Federal Government should do more to keep jobs up and prices down. But, if one looks at past performance, one must doubt the validity of current "conventional wisdom."

By doing as much as it has—both in terms of spending money and regulating the economy—the Federal Government has created more problems than it has resolved. Excessive Federal spending, resulting in huge budget deficits, has been the primary cause of inflation and excessive Government regulation of business and the economy has discouraged, rather than stimulated, productivity.

As a consequence, prices have continued to rise, purchasing power has begun to fall, demand for goods has been dropping, companies have reduced production still further, and more layoffs have resulted. And, unless there is more incentive and fewer obstacles to greater productivity—which will drive prices down—this trend will continue.

Unfortunately, one of the bigegst obstacles to productivity these days is the Federal Government itself. Not only has it interfered in the free market to the detriment of the producer, but it has become so preoccupied with regulation that the producer spends much of his time and money filling out forms rather than making goods or expanding his productive capability.

With all of the redtape involved in getting projects approved, its a wonder more businessmen have not gone bankrupt while waiting for some paperwork to clear or some permit to be issued.

Originally, the idea behind the Federal regulation was to prevent monopolistic practices and to make it easier for those who wanted to compete in the free market to do so. But, now the concept has been expanded so that, at times, it appears the original purpose has been forgotten or altogether distorted.

Moreover, other regulations aimed at opening the job market, protecting the environment or aiding the consumer, have snowballed to the point where many of those being "protected" are wondering if the cure is not worse than the disease. One need only look at higher price tags, delayed deliveries or the use of quotas in hiring to know what I mean.

However, for the benefit of those who have not had the dubious pleasure of dealing with an unreasonable Federal bureaucrat or a mound of frustrating Federal paperwork, I commend to my colleagues an article by Mark Frazier in the January issue of Readers Digest. In it, Mr. Frazier discusses the rulemaking of the Interstate Commerce Commission—ICC—and his account is one that Congress and the American people should not ignore.

Mr. Speaker, I insert the text of Mr. Frazier's article to be reprinted in the RECORD at this point:

HIGHWAY ROBBERY—VIA THE ICC

(By Mark Frazier)

A truckful of furniture, en route from Dallas to San Diego, detours 800 miles out of its way—adding 12 hours to the trip and squandering 160 gallons of fuel. Reason: arbitrary federal regulations.

In Atlanta, Ga., a trucking company announces plans to lower rates on truckloads of tire treads bound for Ohio to save its customers $400 a trip. But it is prevented from making the cut. Reason: arbitrary federal regulations.

Along the main interstate routes between Milwaukee, Wis., and Birmingham, Ala., trucks roll along with trailers empty, even though depots at both ends of the line would gladly give them cargo. The truckers are permitted to haul freight one way only, and must make the 1000-mile return trip empty. Reason: arbitrary federal regulations.

Responsible for these and hundreds of other interstate-trucking regulations is the Interstate Commerce Commission. Every day, its regulatory roadblocks prevent the speedy, efficient transport of the goods we buy and sell. Economists totaling the bill say that ICC edicts cost consumers from $5 billion to $10 billion a year in higher prices for everything from tuna fish to television sets—as much as $200 a year for the average U.S. family.

Few would have predicted such a destructive role for the ICC when it was set up in 1887. Its handful of employes were supposed only to protect customers and rail lines from discriminatory pricing and rate wars. But, during the 1930s and '40s, pressured by railroads losing business to other forms of transportation, Congress brought interstate trucking and barge lines under ICC regulation to end "cut-throat competition" throughout the nation's transportation system.

Today, the commission boasts more than 2000 employes, in 78 offices around the country. Operating on a budget of $34 million a year, the agency claims to be doing a better job than ever. A host of critics disagree. Says Sen. William Proxmire (D., Wis.): "The ICC has become a captive of the transportation industry itself. Instead of regulating transportation to avoid monopoly and increased prices, it has established monopolies, reduced competition, and ordered high and uneconomic rates to cover the costs of inefficient producers."

How does an agency that claims to protect the public actually cost it billions of dollars in higher prices? Consider these aspects of the ICC's sweeping authority:

1. The ICC dictates which truckers can go into interstate business. In reports to Congress, the agency claims that, by controlling "entry into transportation," it "fosters a balanced, stable and responsive trucking system." Facts belie the statement. Each year, hundreds of qualified companies seeking to win operating rights are turned down by the ICC. Many more are intimidated and do not ask, out of fear that protests from established firms will tie up their cases in costly litigation—and out of the likelihood that the ICC will rule against them in the end. "The ICC has a disturbing tendency to be protective of the large carriers," says Robert Gallagher, a New York attorney who specializes in transportation matters.

The application of Checker Transfer & Storage is a case in point. Checker has hauled household goods in South Carolina for 27 years, using licenses owned by a number of giant van lines. Each time the company makes an interstate trip, it must pay an average of ten percent of the revenues to the big van companies that hold the permits it needs.

In August 1972, Checker asked the ICC for a modest interstate license of its own. A half-dozen nationwide van lines and one regional competitor who already held such permits filed immediate protests. Checker had to spend $5000 in legal fees to present its case. None of these complainants challenged Checker's service or denied the charge that they shunned the short-haul interstate traffic Checker specialized in. Nevertheless, the commission, after a wait of 20 months, rejected Checker's application—thus forcing the line to continue paying virtual kickbacks for the right to haul goods in interstate commerce.

Why such turndowns? Incredibly, the commission has set as virtual policy that no applicant may cite lower costs, faster service or greater responsiveness to customers as reasons for receiving a permit. Evidence that existing service may be inefficient or overpriced is considered irrelevant and inadmissible. Only if the applicant can prove that established carriers lack the capacity to haul specific traffic will the commission decide that "public convenience and necessity" demand approval of a new certificate. In the words of commission chairman George Stafford, the policy is to guarantee that carriers conforming to ICC requirements "will not have their profits drained by unwarranted or destructive competition." If the profits are not fat enough, he states, existing companies will have no "inducement" to expand.

2. The ICC determines what a commercial trucker can and cannot carry. Certificates granted by the agency, spelling out the specific items that a trucker may haul (only livestock and raw agricultural products are exempt from ICC regulation), are sometimes so irrational as to be ludicrous—if they were not so injurious to the economy. Thus, some truckers are permitted to carry only unexposed film; exposed film must be hauled by someone else. Other truckers may transport plastic pipe but not metal pipe. Officials at Quaker Oats, starting up a new pizza-making plant in Jackson, Tenn., have had to face problems with certificate-hobbled truckers. Trucks hauling tomato paste to the plant from California are not allowed to carry pizzas back. Trucks bringing pizza crusts from Denver must also return empty.

"The situation is absurd," says Mike Parkhurst, a former trucker who now edits the trucking magazine Overdrive. "It's as if American Airlines could only carry people from east to west, while United took passengers from west to east."

The commission defends its practice of regulating cargo rights as "stabilizing" the transportation industry. If truckers could haul whatever cargoes they could find, says the ICC, a dog-eat-dog scramble for shipments might force many firms out of business. Cargo restrictions also protect truckers by creating a need for more trucking activity; in limiting what one carrier may carry back to his point of origin, the ICC gives another driver a job. But consumers, of course, pay for the second truck to carry what could have been taken by the first.

Indeed, regulated truckers today travel empty an estimated 30 percent of their miles—triple the percentage for unregulated carriers, according to a widely respected 1970 report on the ICC co-authored by Robert Fellmeth and members of the Ralph Nader research staff.

3. The ICC decides what areas truckers may serve. The commission has parceled out hundreds of thousands of routes, often detailing to the mile just where an individual trucker may go. Thus, certificates may re-

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strict service to one side of a street or to roundabout roads rather than more direct highways. Agency rules require Cedar Rapids Steel Transportation, for example—hauling 60 truckloads a week to Chicago from St. Paul—to go 80 miles out of the way, through Clinton, Iowa. If a factory changes its gate location, truckers sometimes have to apply for new authority to pick up and deliver.

The ICC claims that its control over routing prevents "harmful and wasteful effects of unrestrained operations." But each day hundreds of truckers are prevented from taking the quickest, most economical route to their destination. While no one knows exactly the amount of fuel that would be saved by eliminating all the circuitous routing, conservation organizations such as the Sierra Club put the sum at tens of millions of gallons a year.

Last April, after strenuous protests from environmentalists concerned with the waste, the commission did eliminate a number of flagrant abuses. But many truckers are still threatened with heavy fines or even jail terms for taking the most direct routes.

4. The ICC permits the trucking industry to fix its own prices. Interstate rates are set by 148 "rate bureaus"—regional associations of truckers—and are put into effect automatically unless an aggrieved party goes to the expense of asking the ICC to intervene. Justice Department lawyers note sardonically that trucking executives would land in jail if their "rate bureau" meetings took place in almost any other business. Says John Snow, of the Department of Transportation: "They are in a situation that almost every industry would like to be in. They can sit down and veto the rates of their competitors."

Truckers who try to lower rates often learn to regret it. Each year, rate-bureau attorneys file hundreds of protests with the ICC, charging that truckers' independent proposals to reduce rates constitute "unfair competition." Thus, when Poole Trucklines of Alabama told customers that it was reducing by 35 percent its rate on hauling paper products, the Southern Motor Carriers Rate Conference protested to the ICC that the action was "unjust and unreasonable." The commission agreed, forcing the firm to cancel its reduction. Since 1970, the ICC has exacted more than $3 million from carriers and their customers, via the courts, for charging less than rate-bureau fees.

The price-fixing system uses the carrot as well as the stick. By forcing rates up to high levels, the rate bureaus have convinced most regulated truckers that there is little reason to engage in price competition with one another. The result is that regulated truckers have an estimated profit of 15 percent—twice that of most industries.

Would free competition really lower prices? Prof. Thomas Gale Moore, of Stanford University, notes that when ICC regulations were removed from frozen vegetables in the 1950s, shipping rates dropped 20 percent and more. He predicts savings of billions of dollars a year if all rates were to be set by the free market.

Clearly, drastic reforms are needed in these four areas. They will, however, be hard-fought.

Former ICC chairman Anthony Arpaia warns that major truckers oppose change, and that they "constitute a powerful lobby with plenty of money on Capitol Hill." The American Trucking Associations, for instance, dominated by large trucking firms with protected route and cargo rights, pay for a persuasive Washington staff of 240. "We think the law is perfectly all right the way it is," says ATA president William Bresnahan. Since the more driving they do, the more they are paid, many truck drivers, too, support present wasteful policies. And the Teamsters Union, ably represented in Washington by 125 full-time staffers, also profits from ICC rules that create empty trucks and circuitous routes.

Reform is even more difficult because of the cozy relations between the regulated and the regulators. Of 14 commissioners who have left the ICC for new employment since 1958, 12 found jobs representing the industry they once controlled. The Nader report argues that job-switching between the ICC and the industry has become so frequent that "deferred bribes" are the norm.

The special-interest obstacles to reform, then, are enormous. But encouraging signs are nonetheless spreading. The head of the House Interstate and Foreign Commerce Committee, Rep. Harley O. Staggers (D., W.Va), now believes that the agency should scrap rules creating roundabout routes and empty trucks. Early this year, President Ford is expected to ask Congress to reform the commission as part of the Administration's effort to curb inflation—by loosening the regulatory system to allow greater competition. "It's bad enough to pay the salaries of bureaucrats when they do nothing," says a spokesman for the National Taxpayers Union. "It is even worse to pay to have them skewer us the way the ICC is doing."

The effort will die, however, unless enough citizen support steps forward. Consumers have already lost billions of dollars to ICC-protected cartels. It is time for us to demand that Congress put a stop to this highway robbery.

STARVING THE POOR WILL NOT STOP UNEMPLOYMENT, INFLATION, OR RECESSION

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. EVANS of Indiana. Mr. Speaker, as one of the first Members of the House to cast his vote on the suspension of the food stamp regulations, I believe the House acted humanely, compassionately, and with dispatch. We did the decent thing in helping to ease the burden of the poor and the elderly, those who can least afford the ravages of inflation, recession, and unemployment.

The administration proposed to increase the price of food stamps to 30 percent of net income. That meant the average household would have to pay about one-third more in order to get the same amount of stamps. The U.S. Department of Agriculture says that over one-half of the people in one- and two-person households enrolled in the food stamp program are elderly poor. Simply put, the administration was trying to turn the war on poverty into a war on the poor.

Testimony before the House Agriculture Committee has shown that persons enrolled in the supplemental security income program—SSI—would be affected with particular severity. That is the Government's basic assistance program for the aged, blind, and disabled poor.

For example, an elderly individual with $146 a month net income, the basic Federal payment level in the SSI program, now pays $30 for $46 in food stamps, for a net benefit of $16. The new regulations would have required such individuals to pay $43 for $46 in stamps, for a net benefit of only $3. And it goes downhill from there.

For many persons on social security, the administration's food stamp program would be cut to a benefit of only $1 a month, or less than bus fare to the food stamp office. Beyond that, I am told by experts that if the President's proposed program went into effect, as many as one-half of all elderly individuals and couples in the program might drop out. That would be a disaster.

Many of the recipients of the food stamp program are already living below the poverty level. And another point is that the proposal to cut the program may be illegal since it appears to contradict the intent of the laws which Congress explicitly enacted to make SSI recipients eligible for food stamps.

In a nutshell, with our vote yesterday we did our part in helping the Nation's poorest people by reducing the awesome burden already placed on them. We can improve the diet of the neediest which is all too often below the recommended nutrition levels. We can give a boost to agriculture by stabilizing the buying power of millions.

There are other pluses also, such as slowing down the recession and saving millions of dollars in administrative costs that would be required in reorganizing and policing a change so vast that it affects more than 17 million Americans.

Mr. Speaker, working with the administration, this Congress has a formidable job in cranking up the economic engine of America once again. I believe we are up to it and that the job will be done.

But I do not believe the best way to begin that job is by making the poor a little poorer, the hungry a little hungrier, or by multiplying the problems of more than 21 million senior citizens whose work and sweat generations ago made this Nation great. Twenty-five percent of them already live in poverty. By our vote yesterday, we voted to ease their burden, not to increase it.

DO THAT WHICH IS RIGHT

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BEARD of Tennessee. Mr. Speaker, in the crush of legislative business and in dealing with the many critical problems facing us in Congress it is too easy to forget the primary purpose why we are all here: To represent the people of the United States.

I recently received a letter from Mr. Charles F. Nicholson of Nashville, Tenn., which is addressed to all of us. In his eloquent letter, Mr. Nicholson cogently deals with the problems which presently confront us.

I feel that he speaks for all hard-working, law-abiding Americans as he asks us to simply "do that which is right." We have a moral, as well as a legal obligation to all Americans to do what he requests. Our failure to do so will have grave consequences for many generations to come.

Mr. Speaker, I wish to share this letter with all my colleagues, and I hope they will read it, think deeply about it, and act accordingly.

The letter follows:

NASHVILLE, TENN., *January 24, 1975.*

THE CONGRESS OF THE UNITED STATES OF AMERICA, *in the care of* The Honorable ROBIN BEARD,

Washington, D.C.

DEAR SIRS: I would like to present an appeal to you. My motives are selfish but inasmuch as I have never written to any of you in my behalf heretofore, perhaps I can gain your ear for the few moments it takes you to read this letter.

Perhaps, before I continue, I should present my credentials. I am that fellow you keep reading about in the press, referred to on television and quoted in magazines but always characterized as the "silent majority" in American society. That is a curious tag, even a misnomer, which they have placed on me, for I find in review that I raise my voice almost daily. In my endeavors to be "heard" I have voted at every opportunity, worked and paid my taxes, served in the armed forces and, now, am writing to you. In all of these endeavors it has been my purpose to do what I believed to be the right thing, to fulfill my obligations to my country, community and my conscience. I have served to preserve this country yet ask for no medals. I have placed you in office but ask for no thanks. I pay your salary yet look to you for leadership. Ironic, isn't it?

So, now I come to the point. My appeal is simply for you to do what I have endeavored to do . . . that which is right. At this juncture in our history I feel we are imperiled if you fail to act courageously. Neither of us can any longer afford the politically expedient solution to our economic problems. You gentlemen know the answers as well as I, for we must wrestle with it daily. Should I fail to balance my budget my family would be imperiled—so, too, will our nation. If I fail in my pledges to my children, I will no longer hold their trust—your oath of office is in my mind. If I fail to act at all in an emergency then I am lost—200 years is a short life for a country so great. So you see gentlemen, the answer in essence, is simple. You *must* do what is right. If there is only one million dollars in revenue then you must do the job with one million dollars. You must decide on the priorities, but one million dollars is it. I do not want any taxes returned. I do not mind paying the bills. I *DO* mind how it is spent and I do not mind how much is spent. If our defense is a worry, then spend it there this year. If transportation is a worry, then spend it there this year. You decide the priority BUT . . . let the income govern the outgo.

Gentlemen, let us quit fooling ourselves with the mathematical gymnastics in our taxation. I am reminded with each weekly pay ticket and more forceably each year's that more than 20% of my earnings are skimmed off the top of my check and countless other taxes are paid through purchases over the year. Let's keep it simple how we pay it for there is no doubt who is paying nor any doubt what the tab amounts to. I know the news is bad but I, for one, prefer to bite the bullet now rather than face my children's accusing faces later.

Therefore, as I mentioned in the beginning, mine is a selfish appeal. I love this country and I want it preserved. I send you a lot of money. I don't expect to be in debt. You demand much of my time, of my labor, of my honest devotion to duty. I am selfishly asking no less of you.

Yours truly,

CHARLES F. NICHOLSON.

PROPOSED CHANGE IN DAYLIGHT SAVING TIME

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. OTTINGER. Mr. Speaker, this year the Emergency Daylight Saving Time Energy Conservation Act of 1973 expires, and unless the Congress acts before its expiration, we will revert to the Uniform Time Act under which we observed daylight saving time from the last Sunday in April to the last Sunday in October of each year.

Last year the Emergency Daylight Saving Time Energy Conservation Act was amended to provide for 8 months of daylight saving—from the last Sunday in February to the last Sunday in October—and 4 months of standard time each year. Part of the rationale behind this change was to provide more daylight for young children traveling to school in the early morning hours. By providing for 8 months of daylight saving time and 4 months of standard time we were able to continue to conserve at least a small portion of energy, although data is not yet available which would show how worthwhile the concept of year-round or 8-month daylight saving time actually is.

I am today introducing an amendment to the Uniform Time Act of 1966 which would provide for daylight saving time on a permanent basis from the last Sunday in February to the first Sunday in November of each year. The decision to set the switch to standard time on the first Sunday in November rather than the last Sunday in October is, as a result of numerous requests I have received from PTA groups in my district, to allow youngsters an additional hour of daylight on Halloween evening.

Last year the Department of Transportation recommended that we keep the 8- and 4-month plan, since it is generally believed that under this plan at least a small amount of energy is conserved. At the same time, we can provide a greater measure of safety for our young children on school mornings and on Halloween evening. I urge, therefore, that the Congress move to enact this legislation as soon as possible. The text of the proposed amendment follows:

H.R. —

A bill to provide for daylight savings time during the period beginning on the last Sunday in February and ending on the first Sunday in November of each year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Uniform Time Act of 1966 (15 U.S.C. 260a(a)) is amended by—

(1) striking out "April" and inserting in lieu thereof "February"; and

(2) striking out "last Sunday of October" and inserting in lieu thereof "first Sunday of November".

SEC. 2. The amendments made by the first section of this Act shall take effect on the date of enactment of this Act, except that—

(1) if such date is within the 37 day period ending on the first Sunday of November of the year in which this Act is enacted, such amendments shall take effect immediately after 2 o'clock ante meridian on such Sunday; and

(2) if such date is within the period beginning 30 days prior to the last Sunday of February of 1976 and ending at 2 o'clock ante meridian on the last Sunday of April of 1976, such amendments shall take effect—

(A) at 2 o'clock ante meridian of the first Sunday which is more than 30 days after the date of enactment of this Act, or

(B) immediately after 2 o'clock ante meridian on the last Sunday in April of 1976,

whichever is earlier.

THE DEAR JOHN LETTER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. SYMMS. Mr. Speaker, I received the following article from our friend and former colleague H. R. Gross. The article was written by Bob Considine, January 1, 1975, in the Los Angeles Times.

I remember well the picture of the U.N. Building in H.R. Gross' office with the inscribed words underneath it which had originated from the witty Mr. Gross—"The U.N.—New York City's Tower of Babel."

I commend the article for my colleagues:

THE "DEAR JOHN LETTER"

(By Bob Considine)

Would anything catastrophic happen to the country if President Ford sent a message to UN Secretary General Kurt Waldheim telling him that we've had it with the "last great hope of mankind?"

To save the President the energy of writing such a note, herewith is a rough first draft: "Dear Kurt: We're fed up with your club. As you know, we got it off the ground in 1945 and we've been its main sugar daddy ever since. We've fought its wars: kept its peace. But there comes a time when enough's enough.

"Would you do us a favor? Just leave, just vacate the land our new Vice President's old man gave you for your permanent headquarters. We'll think of something to do with the buildings. Matter of fact, Bugs Baer had an idea on that many years ago. Bugs sent an open letter to UN which read, 'Do something soon or put back the brewery.'

"Lots of luck when all of your delegates from Afghanistan to Zambia reassemble for your 30th anniversary next year in the Peoples Republic of Yemen or whatever new wonderland you choose. Hope the local cops let your limousines park double and triple in the clogged streets of your next capital and that the residents are as patient with your more boorish members as New Yorkers have been.

"The fact of the matter, Kurt, is that we have more urgent uses for our money. We have a lot of needy people, too, not one of whom ever received a dime from, say, Kuwait.

"But perhaps there is a more urgent reason for resigning, and that is a matter of pride. You've hurt our feelings as a nation, made us feel impotent. Your so-called Third World members have conspired to diminish us in the Assembly voting, either for political reasons or out of petty spite. Uganda has as much power during balloting as we have. So does Cameroon, Chad, Fiji, Guyana, Ivory Coast, Mali, Niger, Oman, Qatar, Rwanda, Togo and Zaire.

"That's not contrary to the letter of the charter, of course, but it stains the spirit of that hopeful declaration when all the little countries of the Third World unite automatically—at the snap of a Russian or an oil monarch's fingers—and knock us in the head.

"We've put up with so much, playing the role of indulgent host to such a bewildering variety of relatives within the human family. We've privately paid the membership dues for dozens of countries who were in arrears—but whose leaders had rich accounts in Swiss banks. We've endured such rude guests as Krishna Menon, Nikita Khrushchev and Fidel Castro. But it was a bit too much when the president of the 29th session, Algeria's Abdelaziz Bouteflika, welcomed pistol-packing Yasir Arafat, the terrorist leader, to the stately halls of U.N.

"It's all been quite an experience for us. In another generation we were damned for not joining the League of Nations. Now we're damned for not only being a member of the league's successor but by far the most substantial contributor to all of its humanitarian efforts. We're not retiring from the world, Kurt. We'll continue to be the champion of the rights of all our allies in NATO and elsewhere; the chief source of information and aid in medicine, agriculture, food preparation, engineering, industrial know-how, the solar system and the deepest depths of the ocean. We'll continue to show concern about where every sparrow falleth. What we're bowing out of is your congregation of little minds. What we're saying good-bye to is your organization's futile and endless rhetoric, your debates on whether or not to debate, your interpretations of what is substantive and what is procedural. In short, we're sick from the purple canapes of your nonstop cocktail parties. Good luck, Jerry."

REDS PREPARE ANTI-CHILE LOBBY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as part of the international campaign to bring down the anti-Marxist government of Chile, the Communist Party, U.S.A., has focused its efforts on pressuring Congress to cut off all forms of aid to Chile. I wish to draw my colleagues' attention to this campaign and its background.

On February 8 and 9, 1975, the Second National Conference in Solidarity with Chile will be held at Concordia Teachers College in the Chicago suburb of River Forest. This solidarity conference was organized by the National Coordinating Center in Solidarity with Chile—NCCSC—a project of the Communist Party, U.S.A.—CPUSA—and its local affiliate, the Chicago Committee to Save Lives in Chile which is run by CPUSA stalwart Sylvia Kushner from the offices of the Chicago Peace Council, yet another CPUSA front group.

The primary purposes of the conference, as indicated in the conference call, are to raise money from "progressive Americans" to "assist the resistance" to discredit the covert activities of the Central Intelligence Agency by "making use of the revelations relating to Chile"; and to "stimulate considerable support in the U.S. Congress for legislation helpful" to the Marxists.

The conference call, printed by Prompt Press, which has served for more than three decades as the "in-house" printer for the Communist Party and its fronts, states:

Now is the time to consolidate and increase these efforts in Congress. During the next year it is our special responsibility, as U.S. citizens, to press for cutting off *all sales and all military and economic aid to the junta, a measure of great strategic and practical* importance to the anti-fascist forces in Chile. (Emphasis in the original).

Let me remind my colleagues that the so-called anti-Fascist resistance in Chile is composed of the Chilean Socialist and Communist Parties together with several other Marxist parties and movements which were the Popular Unity coalition. Chile's Socialist Party was characterized in testimony before the House Internal Security Committee as "more extremist or leftist" than the strongly pro-Soviet Communist Party with which it has worked in close alliance for the past 20 years.

The Popular Unity coalition used their warm relations with Fidel Castro to import weapons to arm private, Communist paramilitary forces, including the terrorist MIR—Movement of the Revolutionary Left—headed by Salvador Allende's nephew, in preparation for a coup.

The non-Marxist government brought charges against many members of the Popular Unity coalition for crimes related to that planned takeover, including the diversion of government supplies and property and embezzlement. Many of the detained Marxists have now been expelled from Chile.

Communist Party literature has made clear the importance placed by the world Communist movement on the international campaign against the anti-Marxist Chileans.

Party Affairs, a confidential internal publication of the CPUSA, in April 1974, published a directive from the CPUSA International Affairs Commission to all members which said:

Join and work with local Chile Solidarity Committees in your area wherever possible and work to ensure support for the Chilean struggle in your work center, your mass organization and your community.

Last July the NCCSC held a National Legislative Conference on Chile and People's Lobby, in the words of Party Affairs—

To inform and involve Congressional leaders, to demand investigations of the U.S. role in the coup, to immediately cut off all forms of aid to the junta, and to urge that the U.S. open its borders to Chilean refugees.

The International Affairs Commission further ordered all Communists to "continually exert" pressure on Congress.

Regrettably, I see the names of three of my colleagues in the House on the list of sponsors of this Communist Party project.

The sponsors of the Second Chile Solidarity Conference have for the most part been drawn from the CPUSA heirarchy, and from such CPUSA fronts as Trade Unionists for Action and Democracy—TUAD—which coordinates the penetration of trade unions and rank-and-file movements; the National Alliance Against Racist and Political Repression—NAARPR—which is active in the civil rights and prison movements; the National Lawyers Guild—NLG—legal bulwark of the Communist Party; the Emma Lazarus Clubs and the Venceremos Brigade, now also a party controlled operation.

Other sponsors have been drawn from CPUSA-controlled or influenced labor unions, often through the TUAD, such as the International Longshoremen's and Warehousemen's Union—ILWU; Local 1199 of the Drug and Hospital Workers; the United Electrical, Radio, and Machine Workers; and the Amalgamated Meatcutters. And an additional group represent various Marxist-Leninist and Marxist organizations allied with the CPUSA in the Chile solidarity campaign. Among these groups are the Puerto Rican Socialist Party, the People's Party, New American Movement, and the Socialist Party.

Among the better known admitted or identified CPUSA members sponsoring the call are John Abt, CPUSA general counsel; Herbert Aptheker, central committee member; Lucille Berrien; Fred Blair; Anne and Carl Braden; Joseph Brandt; Archie Brown, former national committee member; Bert Corona; Angela Davis, central committee member; Ernest DeMaio, international vice president of United Electrical Workers; Abe Feinglass; John Gilman; Charles Hayes; Sylvia Kushner; Charlene Mitchell, central committee member; Amadeo Richardson; Roque Ristorucci; Jack Spiegel; James West; and Helen Winter, secretary of the CPUSA International Affairs Commission.

The complete list of sponsors follows:

John Abt, Esq., New York City.
Harry Amana, journalist, Philadelphia Tribune.
Herbert Aptheker, American Institute for Marxist Studies.
Ramon Arbona, First Sec'y U.S. Section/Puerto Rican Socialist Party.
Max Aragon, Vice President, Local 26, ILWU.
Gilbert Badilla, Sec'y-Treasurer United Farm Workers, Milwaukee, Wisconsin.
Tony Baez, Puerto Rican Community Ind. School, Milwaukee.
Nick Ballas, Field Dir., Dist. 48, AFSCME, AFL–CIO.
James Barret, professor, Marquette University.
Bay Area Trade Unionists Com. for Chile.
Norma Becker, War Resisters League, New York City.
Louise R. Berman, San Francisco.
Lucille Berrien, chairwoman, Milwaukee Alliance Against Racist & Political Repression.
Fred Blair, chairman, Community Party of Wisconsin.
Edmond Bobrowiscz, bus. agent, Local 248, Amal. Meat Cutters & Butcher Work of N.A.
Harding Bond, president, Local 248, Amal. Meat Cutters & Butcher Work. of N.A.
Edward Boorstein, author, New York City.
Anne & Carl Braden, Southern Institute for Prop. and Organizing.
Edward Bragg, Vice president, Local 1199, Drug & Hospital Workers.
Joe Brandt, Korea Focus.
Charles Briody, form. Nat'l Chmn, Peoples Party.
Archie Brown, Executive Board, Local 10, ILWU.
Rev. John P. Brown, Ecumenical Peace Institute Berkeley.

Father Frank Buismato, Center for Peace & Social Justice, San Francisco.
Gene Byrnes, Casa Maria, Milwaukee, Wisc.
CALA, Madison.
Marion Calligaris, Trade Union Action & Democ. Chicago.
Humberto Camacho, Field Organizer, Local 1421, UERMW of America.
Joan Campbell, Assoc. Director, Greater Cleveland Interchurch Council.
Ward H. Cann, Dist. Chairman, Div. of World Peace, United Methodist Church of R.I.
Anthony J. Capizzi, S.J., Director, Campus Ministry, St. Joseph's College.
Prof. Fred J. Carrier, American Korean Friendship & Information Center, New York.
Anthony J. Cascone, Rec. Sec., Local 87, United Steelworkers of America.
Ernesto Chacon, Director, Latin American Unit for Civil Rights, Milwaukee.
Juan Chacon, Local 890, United Steelworkers of America.
Rev. Benjamin Chavis, Commission on Racial Justice, United Church of Christ, Treasurer, National Alliance Against Racist and Political Repression.
Chicago Citizen's Comm. To Save Lives in Chile.
Paul Chown, President, Dist. 10, UERMW of America.
Rev. Peter Christiansen, Firat Unitarian Church, LA.
Mary Clarke, Women's Strike for Peace, San Francisco.
Prof. James D. Cockroft, Rutgers-Livingston, New Brunswick, N.J.
Johnnetta B. Cole, Nat'l. Comm. Venceremos Brigade.
Robert E. Cole, New American Movement, Amherst, Mass.
Walter Collins, Exec. Dir., Southern Conf. Ed. Fund.
Common Front for Latin America, Washington, D.C.
Virgil Connins, Sec'y.-Treas., Local 216, UAW.
Marvel Cook, Nat'l. Legal Defense Fund.
Coordinating Committee for a Free Chile, Denver, Colo.
Bert Corona, organizer, C.A.S.A., Los Angeles.
Eleanor Crain, U.S.-Cuba Health Exchange.
Irving J. Crain, MD., Amer. Acad. of Psychoanalysts.
Sara Cunningham, Actors Equity Association.
Angela Davis, co-chairperson, Nat'l. Alliance Against Racist & Political Repression, Communist Party, USA.
Admiral Dawson, Delegate, Los Angeles Co. Federation of Labor.
Father Mark Day, Los Angeles.
John Deckenback, Assoc. Exec. Dir. Joint Strategy & Action Comm., San Francisco.
Angelo Deitos, President, Local 78, UAW.
Ronald V. Dellums, Member, U.S. Congress.
Ernest De Maio, Chicago Commission of Inquiry in Chile.
Arsh Derbabian, Field Rep., Michigan Federation of Teachers.
Susan Duncan, Coordinator, L.A.P.A.G., Austin, Texas.
Ecumenical Peace Institute, Berkeley, Cal.
Dr. Eugene Eisman, professor, Univ. of Wisconsin.
Norman Eisner, New York City.
Joan Elbert, Clergy & Laity Concerned, Chicago.
Emergency Com. To Save Chilean Health Workers, New York City.
Fair Trials for Chilean.
Political Prisoners, Corvallis, Ore.
Richard Fagen, President, Latin American Studies Assoc., Stanford Univ.
Stanley Faulkner, Nat'l Layers Guild, Committee for Justice in Chile.
Abraham Feinglass, Int'l V.P. Amal. Meat Cutters & Butcher Work. of N.A./Chicago Comm. of Inquiry in Chile.
Joe Figueirido, Bus. Agent, Local 6, ILWU.
Ann Law Finch, Local 2345, AFGE.
Charles Finch, New American Movement, Durham, N.C.
Leon Finney, Woodlawn Organization, Chicago.
Mons. James B. Flynn, Chairman, Comm. on Social Justice, Catholic Archdiocese, San Francisco.
Henry Foner, President, Joint Board, Fur, Leather & Machine Workers.
Moe Foner, Exec. Sec'y, Local 1199, Drug & Hospital Workers.
Clifford Fried, Vice President, Local 2070, AFSCME, AFL–CIO.
Dr. A. Lisa Friedman, psychiatrist, New York City.
William Friedman, New York City.
Victor Fuentes, Spanish Dep't, Univ. of California.
Joel Gajardo, Comm. on U.S.-Latin American Policy Studies, Cornell Univ.
John Gardiner, Archdiocian Council of Catholic Men, San Francisco.
Russell W. Gibbons, Asst. Editor, STEEL LABOR/USWA, Philadelphia, Pa.
John Gilman, Regional Dir. PCPJ, Milwaukee.
Sidney Gluck, U.S.-Cuba Health Exchange, New York City.
Carlton B. Goodlett, Ph. D., M.D., Editor-Publisher, The Sun Reporter, San Francisco.
Larry Gossett, Chmn., Third World Coalition, Seattle.
Rev. David M. Gracie, Urban Missioner, Episcopal Diocese of Pennsylvania.
Rev. G. G. Grant, S.J., Dept. of Philosophy, Loyola Univ. Member, Chicago Comm. of Inquiry.
Terry Greene, Executive Board, Local 6, ILWU.
Dr. Sidney Greenfield, professor, Univ. of Wisconsin.
Sister Anne Greenslade, Sister's Council, San Francisco.
Edward Greer, professor, Hampshire College.
Father James Groppi, St. Joseph Young Christian Workers, Milwaukee.
Rita Gross, Comm. Against Inflation & Unemployment, Milwaukee.
Larry Gurley, Local 771, Am. Fed. of Teachers.
George Guitierrez, Councilor, Chance Program, Northern Ill. Univ., Human Rights Com./Member, Chicago Commission of Inquiry in Chile.
Jerry Hall, Local 535, Social Service Workers.
Mike Hamey, American Indian Movement, St. Paul, Minn.
John L. Hammond, Jr., Columbia University.
Dr. Howard Handelman, professor, University of Wisconsin.
Rhonda Hanson, Co-Chairperson, Milwaukee Comm. to Restore Democracy in Chile.
Leah Nudell, President, Lazarus Club of Los Angeles.
Michael Harrington, Member, U.S. Congress.
Chester Hartman, San Francisco.
Marti Hasegawa, President, U.S. Section, WILPF.
Charles Hayes, Chmn., Coalition of Black Trade Unionists, Aml. Meat Cutters & Butcher Work. of N.A., Chicago.
Robert High, NICH, Berkeley.
Fred Hirsch, San Jose Emergency Comm. to Defend Democracy in Chile.
Father William Hogan, Chicago Clergy & Laity Concerned.
George T. Hrbek, Lutheran Global Justice Taskforce.
Sister Mary Ann Ihm, professor, Marquette Univ.
Ying Lee Kelly, City Councilwoman, Berkeley, Calif.
Dr. David Kimmelman, Co-Chairperson, U.S.-Cuba Health Exchange.
Freida Kreitner, Women Speak Out for Peace & Justice, Cleveland.
Helen Kuzman, WILPF.
Sylvia, Kushner, Exec. Sec'y, Chicago Peace Council.
Saul Landau Institute for Policy Studies, Washington, D.C.
Anna Langford, Alderwoman, City of Chicago/Chicago Comm. of Inquiry in Chile.
Latin American Solidarity Group, Atlanta, Ga.
Father Thomas LeMieux, Pastor, St. Michael's Church, Milwaukee.
Sandra Levinson, Center for Cuban Studies, New York.
Sheldon B. Liss, Univ. of Akron.
Blanche Livingstone, President, Women Speak Out for Peace & Justice, Cleveland, Ohio.
Dr. Richard Lobban, Ass't. Prof., Rhode Island College.
Lee Lockwood, author, Los Angeles Com. to Restore Democracy in Chile.
Walter Lowenfels, poet.
Dr. David Luce, professor, Univ. of Wisconsin.
Jack Lucid, Local 6, ILWU.
Prof. Beatrice Lumpkin, Local 1600, AFT.
Salvador Luria, professor.
Conrad Lynn, Esq., New York City.
Raymond Majerus, Dist. Director, District 48, UAW.
Bob Malone & Linda Medlin, Greenville Chile Support Comm., Greenville, N.C.
Bertha Marshall, Chairperson, CDC Club, Los Angeles.
Betita Martinez, author, Albuquerque, N.M.
Richard Massman, Asst. Dir., District 48, AFSCME-AFL-CIO.
Rabbi Robert J. Marx, Congregation Sauel, Highland Park, Ill.
Goldie Maymudes, President, City Comm., Jewish Cultural Club, Los Angeles.
Dr. Ray McCall, professor, Marquette University.
Frederick A. McGuire, Division for Latin America, U.S. Catholic Conference.
Lawrence McGurty, President, Local 1437, AFT.
David McReynolds, War Resisters League, N.Y.
Philip Meranto, professor, University of Washington.
Jorge Merida, Coordinating Committee for a Free Chile, Denver, Colo.
Sam Meyers, Local 259, UAW.
Michigan Com. for a Free Chile.
Joe Miller, National SANE.
Milwaukee Com. to Restore Democracy in Chile.
Charlene Mitchell, Exec. Sec'y, National Alliance Against Racist and Political Repression.
Julio Mojica, Vice Pres., District 65, DWA.
Father Cucholian Moriarity, San Jose, Ca.
J. P. Moray, attorney, Chmn., Fair Trials for Chilean Political Prisoners, Corvallis, Oregon.
Rev. John C. Moyer, Unitas House, Berkeley, Ca.
Helen Moser, Napa Methodist Church.
Marcos Munoz, United Farm Workers, Unitarian Church, Willmette, Ill.
Helen Murray, Comm. on Social Justice, Archdiosese of California.
Michael Myerson, author, NYC.
Vivian Myerson, President, Los Angeles WILPF.
NACLA, East & West.
National Anti-Imperialist Movement in Solidarity with African Liberation.
New American Movement.
New York Chile Solidarity Com.
NICH, Berkeley.
Robert Nichols, Avanza, New York City.
Grace, Paley, Resist, New York City.
Rev. William Parrish, Pastor, Summerfield Methodist Church, Milwaukee.
Dean Peerman, Man. Editor, Christian Century/Chicago, Commission of Inquiry.
Philadelphia Chile Emergency Com.

UMI

Symour Posner, Assemblyman, New York State.
Joanne Fox Przeworski, University of Chicago/Chicago, Commission of Inquiry in Chile.
Thomas Quigley, Division of Latin America, U.S. Catholic Conference.
John Randolph, Actors Equity Association.
Abba Ramos, Local 6, ILWU.
A. A. Raynor, former Alderman, City of Chicago.
Amadeo Richardson, President, Chelsea Action Coalition, New York City.
Roque Ristorucci, nat'l staff, Young Workers Liberation League.
Mark Rogovin, muralist, Public Art Workshop, Chicago.
Higinio Romo, President, Local 131, United Rubber Wkrs.
Pauline Rosen, Women Strike for Peace, N.Y.
Norman Roth, President, Local 6, UAW.
Carlos Russell, Dean, Brooklyn College School of Contemporary Studies.
Helen I. Safa, Rutgers University.
Augusto Sallas, Hispanic American Labor Council, Chicago.
Ralph Shapiro, Esq. NYC.
William H. Simons, Washington Teachers Union Local 61, American Fed. of Teachers.
Dr. James Silverbery, professor, University of Wisconsin.
Saul Silverman, Pres., Local 140/United Furniture, Workers of America, AFL-CIO.
Ed Smith, Field Organizer, Local 248/Amal. Meat, Cutters & Butcher Work, of N.A.
Rev. Kenneth Smith, Exec. Dir., Milwaukee Christian Center.
Lasker Smith, Chairman, Auto Workers Caucus, UAW, Local 2 Education Committee.
Rick Smith, Local 14, 11 WU, Oakland.
Francois A. Samlyo, Cooks Union Local 209.
Social Service Workers of Chilean Freedom, New York City.
Jack D. Spiegel, Org., Dir., Lake States District & Council/United Shoeworkers of America.
Dorothy Steffens, Exec. Director, WILPF.
Gloria Steinem, MS magazine.
Patricia H. Strandt, Local 71, Newspaper Guild.
Doris E. Streiter, Chairwoman, Chicago Comm. to Save Lives in Chile/Chicago Comm. of Inquiry.
Leon Sverdlove, President, Int'l. Jewelry Workers Union, AFL-CIO.
Ethel Taylor, Nat'l Coordinator, Women Strike for Peace.
Myra Taylor, Local 400, SEIU.
Frank Teruggi, Sr., Local 16, International Typographical Union, Chicago, Comm. of Inquiry.
Edith Tiger, Exec. Sec'y, Emergency Civil Liberties Comm.
Lou Torre, Local 85, IAM.
Andres Torres, Puerto Rican Socialist Party, N.Y.
Urho Toumінen Local 10, ILWU, Trade Unionists Chile Solidarity Com., Chicago.
Lloyd Vandevere, Vice Pres., District 10 UERMW of America, Northern Cal.
Vietnam Vets Against the War; Buffalo, N.Y.
Dr. Gilbert Walter, professor, University of Wisconsin.
Jack Weintraub, Local 85, International Brotherhood of Teamsters.
Jeff Wilkenson, executive board, Local 164, International Molders and Allied Workers.
Women's Studies College, State Univ. of N.Y., Buffalo.
Malcolm Wright, Exec. Vice Pres., Michigan Federation of Teachers.
Jim West, Exec. Sec'y, Ohio Communist Party.
Jim Williams, Coordinator, Labor Today.
Helen Winter, Communist Party, U.S.A.
Charlotte Walker, Chicago Area Committee to Defend all Political Prisoners.
Andrew Young, Member, U.S. Congress.
Frank Zeidler Nat'l Chmn., Socialist Party/former Mayor of Milwaukee.
Joan Zelger, Field Worker, Project Involvement, Milwaukee.

At this time, when the alleged involvement of our country in the affairs of foreign lands is being hysterically denounced by the Communist Party, its allies, and willing dupes, I would ask my colleagues to examine carefully the aims of those same groups as they seek to reimpose a Marxist regime on the people of Chile.

MAKING RAIN THE HARD WAY

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. VAN DEERLIN. Mr. Speaker, in its short but turbulent history, weather modification has oftentimes seemed more art than science. Faith has counted for as much as anything learned in textbooks, and diviners and soothsayers have done about as well as the more disciplined practitioners.

In my home area of San Diego, rainmaking dates back to the turn of the century. The most spectacular and destructive downpour in the recorded history of the area occurred in January 1916, a few days after legendary rainmaker Charles M. Hatfield had done his thing. In places, more than 12 inches of rain fell within 4 days—well over the usual quota for a full year in our semi-arid clime. There were severe floods and considerable loss of life. The city of San Diego never honored its contractual obligation to pay Mr. Hatfield for his contribution.

Rainmaking in San Diego actually began 16 years earlier, but the origins were so low-key they are now largely forgotten. These first experiments involved using sulphuric acid to create hydrogen gas and were not notably successful. They were, however, ambitious; and we are indebted to Joe Stone, a feature and historical writer for the San Diego Union, for bringing these early rainmaking efforts into perspective.

Mr. Stone's article, which ran in the Union on Sunday, February 2, follows. Since Congress retains responsibility for the latter-day rainmaking program, our colleagues should find this well-researched account relevant and of interest—they will note that Congress did finance rainmaking experiments, to the tune of $29,000, back in 1900—and, amazingly, $5,000 of the money was given back.

The article follows:

EARLY RAINMAKING VENTURE FAILED

(by Joe Stone)

In the minds of believers Charles M. Hatfield was, when he performed that historic feat January, 1916, the first and only rainmaker in San Diego history.

Not true. One rainmaking effort was well recorded 16 years before Hatfield. It was 75 years ago this January-February, in 1900.

One man, Fred Binney, was connected with both the 1900 rainmaking effort and with the better-known Hatfield affair. For the benefit of unbelievers, late-comers, and those who did not see "Hatfield the Rainmaker" in a motion picture theater or on television re-runs, this much recapitulation:

In December, 1915, Hatfield entered into a written agreement to fill Morena Reservoir, 35 miles east as the crow flies, at that time the most distant link in the city water system. After mysterious sights and sounds were seen and heard to originate from a tower Hatfield built at Morena, it began to rain Jan. 16.

In four days San Diego County's share of a general rain over the Southwest included 12.73 inches at Morena and 4.66 at Otay. Rivers rose rapidly and flooded the countryside and the coastal plain. Otay Dam went out. More than a dozen persons lost their lives—the total has never been known.

Hatfield's lawsuit against the city, trying to collect on his rainmaking contract, was finally dismissed in 1938. Hatfield died in 1958 in Pearblossom in the desert in eastern Los Angeles County. He took what he claimed was his rainmaking secret to his grave.

The method used by the 1900 rainmakers was no secret. It was published in The San Diego Union which said it was obtained from another newspaper, the Wichita Eagle, in Kansas. A story said a rainmaker hired by the Rock Island Railroad had been going about Kansas making rain, and this was his formula.

The Union recommended a potion of 10 fluid ounces of sulphuric acid, five ounces of zinc and 50 fluid ounces of water.

"Renew every hour and stir every thirty minutes day and night until rain begins to fall," said the newspaper.

Whoever thought up the idea was basing his theory on facts known since 1766 when Henry Cavendish reported on the properties of hydrogen, which could be produced by putting zinc in acid. Hydrogen, a light gas, rose rapidly when loosed in the atmosphere.

Capriciously, one reporter wrote, "The hydrogen gets up in the clouds and causes a commotion."

Another wrote more seriously for The Union that the ascending gas created a shaft through hot air, down which cold air rushed, creating a storm center and gathering moisture for precipitation.

It sounded reasonable in 1900. In addition, the very name hydrogen was derived from a Greek word meaning water-former. Also, in Kansas, "It is claimed that of 200 experiments made, 180 were successful."

The formula was published with the third of a series of stories about rainmaking beginning Jan. 26. It was dated Jan. 29, 1900, and it told of an effort to make rain which had started in Otay five days before.

That and subsequent rainmaking stories were flanked by stories which said there had been less than three inches of rain since October, that fruit trees and farm crops were beginning to show distress, and reservoirs was getting low. Water for agriculture was being rationed, and the ration was not enough.

On Feb. 1 The Union published a letter to the editor signed "F. A. Binney." That is Fred. He was an Englishman who had been here more than a decade. He had been a real estate man in Murrietta, now in Riverside County, in Spring Valley and Chula Vista and would be one in San Diego. He would also be president of the Wide Awake Improvement Club of San Diego.

His letter showed he had done homework on the subject of making rain. In the Kansas rainmaking venture, he said, 20 tons of chemicals were used and success was total, not 180 out of 200.

Congress had given the Weather Bureau $29,000 with which to experiment, he said, and the bureau had returned $5,000.

With the $5,000 was a letter concerning the $24,000 worth of experiments. The letter, wrote Binney "refers only to explosives. There is not a word about gases."

He suggested that four stations using the hydrogen method be placed at Otay, Lemon Grove, Linda Vista and Oceanside. He said money should be raised to pay $15 per day per station for 30 days. Congress and the state of California should be asked for money and he suggested $2,000 be raised locally. Finally, he corrected The Union on the formula it had published. It needed five pounds, not five ounces of zinc, he wrote.

Now rainmaking was taken over by such old bulls as John V. Mumford, former fire chief and man with enough substance to travel occasionally in Europe, and John G. Capron, transportation baron of the stagecoach days and still a force in the community. On Feb. 9. The Union, referring to the two as the rain makers, said they had commenced their experiment.

"They expect to send a volume of hydrogen gas into the upper air which will cause such an agitation that something must drop," said the newspaper.

They had stations in Old Town, Mission Cliff Gardens, Fourth Avenue and Laurel Street, Golden Hill, Logan Heights and overlooking Chollas Valley.

They had 1,600 pounds of acid and 400 pounds of zinc. They also encountered opposition.

Capron was told, "You are tempting God to visit all kinds of evil on San Diego." He responded by asking, "Is it more of a sacrilege to go up after water than to go down?"

His accusers, who had been drawing water from wells all their lives, said it was.

By Feb. 12, 1900, Capron and Mumford were quarreling publicly. There had been no rain. Capron said the formula was wrong. Mumford said instructions were not followed.

Ten days later a group of La Mesa ranchers organized for another try. It did no good. In his measuring device on top of the four-story Keating Building at Fifth Avenue and F St. the weatherman caught 0.69 inch in January and 0.03 inch in February, 1900.

Four years later Charles and Paul, sons of Steven Hatfield of Gopher Canyon near Vista began rainmaking experiments from the top of a windmill tower. Twelve years later, with a scrapbook of clippings he claimed showed his success as a rainmaker, Charles Hatfield appeared in the San Diego office of Fred Binney. They made a deal.

The late Eric Binney, son of Fred, left a manuscript, a copy of which is in Serra Museum and Library. He wrote that his father was to get a 5 per cent commission if he could get Hatfield a contract with the city.

The contract was made. The rain that ensued caused so much damage and loss of life that the San Diego City Council could not admit they believed Hatfield had caused the rain by paying him the $10,000 called for in the contract. It would have opened the gates to a stampede of lawsuits against the taxpayers of San Diego.

Binney never got his commission and, son Eric wrote, he needed the money. He died Dec. 5, 1927, in County Hospital. His grave is in Mt. Hope Cemetery.

BILL INTRODUCED FOR EXCLUSION OF INTEREST INCOME

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. PATTERSON of California. Mr. Speaker, I have introduced today a bill which will allow individual taxpayers an exclusion from their gross income for tax purposes, of up to $500 of interest income earned on savings deposits. I am appending a copy of this bill at the end of these remarks.

This bill will provide a long-needed tax equity to small savers who are already among the hardest hit by inflation. Many of these people are retired, and live on fixed income from a small pension or social security and a modest interest income from a life savings.

As we all know, one of the factors which keeps inflation at a high rate is the fact that people save less of their incomes, following a "buy now—the price will be higher next year" philosophy. If we can encourage people to save more we will not only be helping to bring inflation under control but will also be providing a growing pool of money for mortgage lending. This legislation will, therefore, contribute to the elimination of two of our economy's worst and most persistent problems.

My bill is similar to one introduced in the 93d Congress which was reported favorably by the Committee on Ways and Means. Since this legislation has already passed the initial test of legislative scrutiny, I am hopeful of its early passage in the 94th Congress.

Text of the bill follows:

H.R. 2840

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"SEC. 124. INTEREST ON SAVINGS

"(a) EXCLUSION.—In the case of an individual, gross income does not include amounts received as dividends or interest on deposits or withdrawable accounts in a domestic savings and loan association, bank, credit union, or similar thrift institution.

"(b) LIMITATION.—The exclusion allowed under subsection (a) shall not exceed $500 for any individual for any taxable year."

(b) The table of sections for such part III is amended by striking out the item relating to section 124 and inserting in lieu thereof the following:

"Sec. 124. Interest on savings.
"Sec. 125. Cross references to other Acts.".

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to taxable years ending after December 31, 1975.

ONE APPROACH TO COMBATING UNEMPLOYMENT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. HARRINGTON. Mr. Speaker, during a period of economic recession, such as we are now experiencing, the harbingers of good news with regard to employment are few and for that reason should be noted, when they do appear.

For that reason, I would like to enter into the RECORD an article entitled, "Don't Let Recession Stop Your Career Progress," by Mr. Lowell B. Martin. In this article, Mr. Martin describes employment opportunities that do not appear on the "Help Wanted" pages, and reveals a strategy to assist jobseekers in finding such opportunities in a variety of occupations.

The text follows:

DON'T LET RECESSION STOP YOUR CAREER PROGRESS

(By Lowell B. Martin)

The recession is a poor excuse for staying in a job that is not totally satisfying, much less one you hate. Yet, you have probably decided against making a move to advance your career this year. And, I'm willing to bet your decision was based on the economy. Perhaps you believe the slump put a stranglehold on the executive job market. Or, maybe you think your chances for the promotion you want will be better if you wait. If you are convinced you're worth more than you are earning, or you long for broader responsibilities in your work, or a tense, unhappy job environment is upsetting your home life, then putting off your decision to make a move could be costing you money, position and career fulfillment.

You can make a change now, and here's some encouragement from one of our recent clients.

A former real estate broker came to us when the bottom fell out of his market. He was trying to sustain himself financially by selling pots and pans and working on commission for an employment agency, but it wasn't working out. His confidence was shattered by a series of hard-luck events which he felt had kept him from getting ahead. Because he lacked a college degree, he was positive he would never be able to get the type of professional job he really wanted. However, we discovered he had developed and used his writing skills frequently and effectively throughout his life, and had also demonstrated the ability to come up with creative solutions to various sales and marketing problems. Combined with his work experience in sales, this "find" helped him focus a job hunt in the area of marketing communications—a field which fascinated and excited him. This fall he was appointed special assistant to the Vice President of Marketing for a $40–$50 million a year corporation. His new salary tops his best year in sales by several thousand dollars. He is now directing public relations projects in a job created for him, at a time when the economy was officially labeled a recession.

This client's success is one of over 100,000 career advancements we have guided for men and women throughout the nation. The 27-year development of the Haldane organization has coincided with several slumps in our nation's economy, but a recession never stopped our clients—and it isn't stopping them now.

In New England for instance, every client who completed our program this fall got a better job. Two are settled into new, profitable businesses they started for themselves—a striking achievement considering the sluggish economy. Approximately 70 percent of the group now command higher salaries and two-thirds successfully changed careers. Nearly half of those who changed careers also increased their earnings.

Our clients' ability to get ahead shows there are top-level jobs available for you right now, in spite of the economy. Recession is certainly a fear, but not a valid reason for deciding against going after a better job. Realistically, if anything holds you back, it won't be the lack of jobs, it will be your lack of self-knowledge and job-finding know-how. The less you know about "selling yourself," the more a recession can hurt you.

During a slump in business, few companies

UMI

will recruit for management and administrative talent. That does not mean there is no market for these critical professional skills. It does mean you aren't likely to find exciting advertisements in the Help Wanted section of your newspaper. Nor is an executive search agency going to have unlimited demands for your resume. Our research shows that "advertised" jobs account for only 20 percent of the job market—even during a period when the economy is thriving. That leaves most opportunities there for the asking, if you know who and how to ask.

Since conventional job-finding methods have limited value, particularly in a depressed market, you probably have already concluded that an unconventional approach is called for. It has to be an aggressive, well-planned approach, one you define and direct to achieve your job improvement.

Bernard Haldane, who founded our firm in 1947, had come to the same conclusion when he began his work in career counseling in the 1930's. His techniques have been 98 percent successful in helping people across the nation get better jobs, or advance their careers, whether they started as chronically unemployed, unskilled workers or corporate presidents. A track record like that inspires our belief that there is no good or bad year for making career advancements. There are only wise executives willing to accept the challenge.

CALLING SENATOR JACKSON

HON. RICHARD H. FULTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FULTON. Mr. Speaker, it has been brought to my attention by Mr. Eugene Workman, executive assistant of the National Association of Free Will Baptists of Nashville, Tenn., of another incident in the continuing program of oppression being carried out in the Soviet Union.

This was recently brought to light in a column by Mr. William F. Buckley, Jr., entitled, "Calling Senator Jackson," and I include Mr. Buckley's column in the RECORD at this point commending it to the consideration of my colleagues:

CALLING SENATOR JACKSON

(By William F. Buckley, Jr.)

Do you read the London Times? (Neither do I, but somebody sent me a copy.) Unless it happens that you do, you are probably not aware of a recent communication from Dr. Andrei Sakharov, the famous Russian dissident physicist. Dr. Sakharov's latest act of valor has been to protest, along with three colleagues in the Soviet human rights movement, a recent act of oppression by the Soviet Union.

The appeal tells us that a Mr. Vins will be tried in his home city of Kiev under Article 209–1 of the Ukrainian Criminal Code. This Article penalizes the infringement of citizens' rights on the pretext of conducting religious rites. Apparently Soviet authorities have relied more and more on this particular Article, because it provides for a longer prison sentence—ten years plus exile—than other Articles commonly applied to believers. It appears that, in fact, Mr. Vins is being charged with "living on the means of believers and, in this way, infringing their material rights." But, the appeal points out, "it is obvious and well known that the Church puts no compulsion on believers to contribute money.

"And second," Sakharov continues, "how can the authorities make such charges when, for their devotion to God, believers are fined thousands of rubles, all their religious literature is confiscated and destroyed, prayer houses are razed, parents have their children removed from them, and the road to any education beyond secondary school is barred to young believers?"

Now there are several extraordinary things here. Not the persecution of yet another Christian—that is a staple of Communist oppression in the Soviet Union. It is remarkable that Dr. Sakharov, himself an atheist, should bestir himself—should honor the freedom of religious conscience even of those who disagree with him. Extraordinary and noble.

Another remarkable feature of this story is that Sakharov's appeal was addressed to the World Council of Churches two weeks ago, and at this writing, has not so far as I am aware been acknowledged.

What is unremarkable about it is that the persecution of Georgy Vins, and of his fellow Christians, causes not a ripple in the Christian world. If I were a Christian living in the Soviet Union, I would address my appeals not to Christian authorities outside the Iron Curtain, but to Jewish groups. It is they and only they who have the conscience left to protest. The Palestinian Liberation Organization has probably tortured and murdered a few hundred people in the past 20 years. In protest against their spokesman being invited to the United Nations, organized Jewish groups mounted the most impressive meeting in recent New York history.

Only a few weeks ago, Senator Jackson's protest against Soviet restrictions on Jewish emigration finally cracked the impasse; and for the first time we can remember, we faced down the Soviet Union, which has promised to swell the quota hugely. I really do not think it has occurred to Senator Jackson to introduce complementary legislation denying favorable economic treatment to the Soviet Union unless it grants religious liberty to Georgy Vins.

He, of course, is only a symbol, as Sakharov's protest shows, citing the systematic and continued persecutions. In 1974 there have been (so far) a dozen trials of Russian Baptists. Indeed, a second appeal of Sakharov concerns the imminent trial of six Lithuanian Catholics. It too is addressed by Dr. Sakharov to the World Council of Churches but also to the 1974 Synod of the Roman Catholic Church, which until recently was meeting in Rome. Both bodies were asked "to speak out in defense of the people who have been arrested for their religious beliefs." Maybe one of these bodies has done so, but not in my presence. Or yours, I warrant. The World Council of Churches has been too busy denouncing Rhodesia, to worry about the Soviet Union. The Catholics are trying to put some order back into their house, and if there is great concern among the Bishops for the persecution of Christians in Russia and China, they must have given up that concern for Lent—about ten years ago, which is the last time I heard, from a pulpit, a denunciation of Communist persecution of the Christians.

I do not expect to hear any such denunciations from Senator Jackson's pulpit. So that I say this quite sincerely: This is an appeal to American Jews to put pressure on American Christians to help Russian Christians.

OUTPATIENT PRESCRIPTION DRUG COVERAGE UNDER MEDICARE

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. OBEY. Mr. Speaker, today, I am reintroducing legislation—with 92 cosponsors—to provide outpatient prescription drug coverage under medicare for those who suffer the most common crippling or life-threatening chronic diseases of the elderly.

This is the second successive Congress in which more than 100 Members have joined me in sponsoring legislation to add out-of-hospital maintenance drug coverage for medicare beneficiaries. The Senate approved a companion measure in 1973 as an amendment to H.R. 3153, but that bill died in conference. The Senate also did so in 1972, as an amendment to H.R. 1, but that year the provision was deleted in conference.

Given the strong showing of support for this measure again this year, I believe the House is in a better position than ever to work for its enactment. And I say that as one who has been authoring legislation in this area—calling for either a comprehensive drug program or a maintenance drug program—since March of 1970.

Mr. Speaker, under this bill (H.R. 1344), eligibility for maintenance drug coverage would extend to medicare patients with one or more of the following conditions: Diabetes, high blood pressure, chronic cardiovascular disease, chronic respiratory disease, chronic kidney disease, arthritis, rheumatism, gout, tuberculosis, glaucoma, thyroid disease, cancer, epilepsy, parkinsonism, and myasthenia gravis.

Generally, the drugs to be covered include those prescription drugs—and insulin—necessary over a prolonged period of time for treatment of the conditions listed above. For example, people with chronic heart disease often use digitalis drugs to strengthen their heartbeat, anticoagulant drugs to reduce the danger of blood clots, and drugs to lower their blood pressure. These types of drugs would be covered—but sedatives and tranquilizers would not.

Such coverage would target the medicare dollar toward patients with chronic diseases who need drugs on a continuing basis for a lengthy period of time. On the average, the elderly with chronic illnesses have prescription drug expenditures nearly three times as high as those without chronic illnesses. The office of the social security actuary estimates such coverage would cost the medicare program $1 billion, minus an offsetting savings of up to $100 million in the medicaid program, for a net cost of about $900 million.

The bill has these features:

First. Financing under the part A—payroll tax—portion of medicare, meaning that an individual would pay for his drug insurance during his working years, rather than later when his income is sharply reduced due to retirement.

Second. Selection by a formulary committee of the drugs to be covered.

Third. A copayment by the medicare patient of $1 to have his prescription filled. Medicare patients would not have to pay monthly premiums, keep records, or file claims.

Admittedly, moves to revise the medicare program this year are complicated by two factors: Concern about the short- and long-term fiscal condition of the social security trust funds, and the prospects for enactment of national health insurance.

On the first, I would point out that the Advisory Council on Social Security will shortly be making recommendations for changing the social security benefit and financing structure, and an outpatient maintenance drug benefit deserves consideration at the same time those recommended changes are considered.

On the second, I would suggest that our concern for national health insurance need not prevent us from working to improve the medicare program, especially if it appears that various features of national health insurance would best be phased in over a period of years into the future. Medicare patients cannot afford to wait.

Mr. Speaker, the list of cosponsors follows:

COSPONSORS OF H.R. 1344

Silvio O. Conte of Massachusetts.
Gus Yatron of Pennsylvania.
Leonor K. Sullivan of Missouri.
Charles J. Carney of Ohio.
Ken Hechler of West Virginia.
Bob Carr of Michigan.
William F. Walsh of New York.
John Conyers, Jr., of Michigan.
George E. Brown, Jr., of California.
Ron de Lugo of the Virgin Islands.
Richard Bolling of Missouri.
Glenn M. Anderson of California.
Robert F. Drinan of Massachusetts.
Herman Badillo of New York.
Frank Horton of New York.
Joshua Eilberg of Pennsylvania.
Mendel J. Davis of South Carolina.
Sidney R. Yates of Illinois.
Teno Roncalio of Wyoming.
Joseph P. Vigorito of Pennsylvania.
Paul S. Sarbanes of Maryland.
Parren Mitchell of Maryland.
Benjamin S. Rosenthal of New York.
Yvonne Brathwaite Burke of California.
Joseph P. Addabbo of New York.
Robert H. Mollohan of West Virginia.
William S. Cohen of Maine.
Michael Harrington of Massachusetts.
James L. Oberstar of Minnesota.
John Melcher of Montana.
Stephen J. Solarz of New York.
Ralph H. Metcalfe of Illinois.
John J. LaFalce of New York.
Marilyn Lloyd of Tennessee.
John F. Seiberling of Ohio.
Les Aspin of Wisconsin.
Ronald M. Mottl of Ohio.
Henry A. Waxman of California.
Philip Hayes of Indiana.
Donald Fraser of Minnesota.
Gladys Spellman of Maryland.
William D. Ford of Michigan.
Thomas M. Rees of California.
William S. Moorhead of Pennsylvania.
William M. Brodhead of Michigan.
Leo J. Ryan of California.
Robert W. Edgar of Pennsylvania.
Bella Abzug of New York.
Edward R. Roybal of California.
Robert N. Giaimo of Connecticut.
Louis Stokes of Ohio.
Charles Wilson of Texas.
Spark M. Matsunaga of Hawaii.
Daniel J. Flood of Pennsylvania.
Peter W. Rodino, Jr., of New Jersey.
Fortney H. (Pete) Stark of California.
Alvin Baldus of Wisconsin.
James J. Howard of New Jersey.
Joseph M. McDade of Pennsylvania.
David R. Bowen of Mississippi.
Floyd V. Hicks of Washington.
Claude Pepper of Florida.
Margaret M. Heckler of Massachusetts.
Robert J. Cornell of Wisconsin.
Gilbert Gude of Maryland.
Thomas E. Morgan of Pennsylvania.
Harold T. Johnson of California.
John M. Murphy of New York.
Stewart B. McKinney of Connecticut.
Frank Thompson, Jr., of New Jersey.
Dante Fascell of Florida.
Bob Bergland of Minnesota.
Don Edwards of California.
Robert N. C. Nix of Pennsylvania.
Larry Winn, Jr., of Kansas.
Antonio Borja Won Pat of Guam.
Mike McCormack of Washington.
William Lehman of Florida.
Donald W. Riegel, Jr., of Michigan.
Lawrence Coughlin of Pennsylvania.
Joe L. Evins of Tennessee.
Henry Reuss of Wisconsin.
Gerry E. Studds of Massachusetts.
Henry Helstoski of New Jersey.
Patsy Mink of Hawaii.
Hamilton Fish, Jr., of New York.
Shirley Chisholm of New York.
Richard H. Fulton of Tennessee.
Charles Rangel of New York.
John Brademas of Indiana.
James A. Burke of Massachusetts.
Walter E. Fauntroy of the District of Columbia.

LEWIS RESEARCH CENTER—BRAINPOWER THAT CAN HELP SOLVE THE ENERGY CRISIS

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. MOTTL. Mr. Speaker, I would like to call the attention of this Congress, the administration, and the Nation to an invaluable center of brainpower which, if properly utilized, can help solve the present energy crisis.

I am talking about the Lewis Research Center at Cleveland, Ohio.

The American people have a half-billion dollar investment in this giant research facility of the National Aeronautics and Space Administration.

This investment has already paid us many rich dividends. Originally founded as a major laboratory of the former National Advisory Committee for Aeronautics, the Lewis Research Center scientists contributed vastly to the development of jet propulsion. Their findings increased air safety and aided in the development of improved commercial and military aircraft.

I think it is fair and reasonable to say that the men and women of the Lewis Research Center can claim considerable credit for helping make American aircraft the best in the world.

Later, under the aegis of NASA, the brilliant, dedicated personnel of the Center made enormous contributions to the conquest of space. Our men on the Moon adventures and other space exploits would not have been possible without their patient, painstaking research in many fields.

The time has come to put the expertise and ingenuity of the Lewis Research Center and its pool of priceless brainpower to work solving our down to earth energy problems.

This is the facility—these are the people—magnificently equipped to tackle such problems as the development of economical new energy sources. This is the Center which can blaze the trail to greater engine efficiency and improvements. These are the people who can perfect methods of getting more miles from every gallon of gasoline.

I most strongly urge the administration to place the Lewis Research Center high on its list of assets to be utilized for these and other purposes.

I particularly call the attention of the newly formed Energy Research and Development Administration to the following summary of the Lewis Center's history and capabilities, which was prepared by Bruce T. Lundin, director of the facility, at my request:

THE FACTS ABOUT LEWIS RESEARCH CENTER—PROGRESS IN FLIGHT AND SPACE TECHNOLOGY

(By Bruce T. Lundin, Director)

The Lewis Research Center in Cleveland, Ohio, was created in the difficult days of 1941 as the engine research laboratory of the former NACA.

For the next twenty years, the people of this federally supported research institution worked on and were deeply involved with the many technical advancements that are found in today's jet engines.

It is probably no accident that American aircraft are today the finest in the world and fly nearly all of the airways of the world.

When our nation turned its attention to space in 1958, Lewis applied its skill and energies to the advancement of our nation's space propulsion and power technologies.

Outstanding among their contributions in this period was the development of the hydrogen fuelled rocket—the fuel that sent our astronauts to the moon and which today, in the Centaur rocket under Lewis management, is the world's only operational transportation system for both civil and government purposes that uses liquid hydrogen as a fuel.

The major programs at Lewis today embrace aeronautical propulsion research, the management of the Atlas/Centaur and Titan/Centaur launch vehicles for many users, space propulsion and power technology, and advanced space communications research and applications.

Engaged in this work today at the Cleveland laboratory are 3100 civil service employees in a unique complex of laboratories valued at over 500 million dollars. Half of this staff are scientists and engineers and over half of this group hold advanced degrees.

The total business of the Lewis Center runs to about 350 million dollars a year, about two-thirds of which flows to American industry and universities in some of our most advanced technologies.

With Lewis being long established in the technologies of engines and power generation, it is natural that they now turn a part of their existing staff and facilities to the problems of energy R&D.

Accordingly, some 200 people of Lewis are today supporting our nation's programs in solar energy, central utility power conversion, and advanced automobile engines. It is a good base upon which to build.

In many ways, the unique capabilities of Lewis in the fields of energy conversion and engines neatly augments and can ideally support many of the important programs of the newly formed Energy Research and Development Administration.

Among the many unique strengths that Lewis can bring to ERDA are:

(1) A unique and strong existing capability in energy conversion systems and engines,

(2) Several on-going programs in these areas,

(3) Good relations with the industries and universities with whom they work,

(4) An excellent geographical location for this type of work, and

(5) A long tradition and heritage of service

to others and in using the skills and resources of our government to strengthen industry in high technology.

REPORT FAVORS LEWIS FOR AUTO RESEARCH

That concludes Mr. Lundin's factual statement.

I would now like to present a report by Thomas Brazaitis, a Washington correspondent for the Cleveland Plain Dealer, which was published in that newspaper last February 2:

WASHINGTON.—NASA's Lewis Research Center in Cleveland has been proposed as a national center for research and development of new automobile propulsion systems and fuels.

A report by a government team to Robert C. Seamans, head of the Energy Research and Development Administration, cites the need for a new technical approach to automotive propulsion.

The report says the Lewis Center, which has been used primarily for research in space technology, would be ideal researching alternatives to the gasoline internal combustion engine.

This would cost about $150 million a year for 25 years, the report says. The cost would be shared by the government and the auto industry.

A committee of the Society of Automotive Engineers also selected Lewis as the logical site for the national center. Seamans has indicated he likes the proposal.

"NASA-Lewis has a long history in combustion research, and its facilities and expertise in turbine research are outstanding," the government report says. "They are, in addition, already serving an important role in the automotive turbine area, and their location near Detroit is desirable."

Ohio's congressmen and northeast Ohio industrial leaders have advocated the conversion of Lewis to a ground propulsion laboratory. It has been estimated the new contracts would create 1,000 jobs at the facility next to Cleveland Hopkins International Airport.

Chalmer O. Kirkbride, scientific adviser to Seamans and one of the authors of the report, said the government's share of the total funding of $50 million the first year, rising to $150 million a year, would come from the new agency's $1.7 billion appropriation.

The auto industry, which spends about $50 million a year on this kind of research, would help finance the center.

It would be modeled after the old National Advisory Committee for Aeronautics, which pooled government and private money to speed production of combat airplanes.

With the leveling off of government spending for space exploration, Lewis has the space and professional manpower for conversion to automobile technology. Kirkbride said it would take 20 years to rebuild an organization like Lewis if it were allowed to disintegrate.

The report stresses urgency of new ground propulsion systems before domestic oil becomes scarce, possibly by the late 1980s.

The report suggests refining synthetic fuels from coal and shale for heat-engine vehicles.

Meanwhile, because of the dependence on liquid hydrocarbon fuels, highly efficient propulsion systems must be developed for those fuels.

Another long-range objective would be to perfect a new transportation mode, such as the electric car, the report says.

The immediate demand is for automobile engines that will increase mileage without fouling the air.

The government has stayed out of automotive research and development until now because until the 1973 oil crisis, the automotive industry has been vigorous and prosperous, the report says. The oil crisis raised the issue of the efficiency of automobiles, which use more than 30% of the national petroleum supply.

Automobiles are among the biggest energy wasters, the report says, because over the years "engine efficiency has been a secondary consideration to performance, comfort, convenience, and, more recently, emission control."

Existing technology, plus a shift to smaller cars, could raise average miles per gallon of automobiles from 13.5 to 20, the report says, but "radical new propulsion systems" are required to achieve the desired 40 miles per gallon.

LET'S MAKE GREATER USE OF THIS FACILITY

I think it is apparent from the foregoing statement by Mr. Lundin and the article by Mr. Brazatis that only a small percentage of the potential of the Lewis Research Center for problem solving is now being utilized.

All appropriate authorities should take immediate action to assign new missions and funds to the Lewis Research Center. The probable returns from such action and investments are as fabulous and fantastic as some of this facility's past achievements.

AQUACULTURE

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FORSYTHE. Mr. Speaker, over the past several years, the world food crisis has reached incredible proportions. World population growth has increased to such an extent that the United Nations has estimated a need to boost food production by a minimum of 3.5 percent per year. Unfortunately, the normal land agricultural capacity has diminished proportionately with the population growth increase. Furthermore, most agricultural land in underdeveloped nations has been subjected to generations of unscientific abuse so that what land is available is now often nonfarmable.

Magnifying this serious problem, is the current energy crisis which has put a severe strain on the entire nitrogen production of artificial fertilizers. Obviously, energy consumption and food production must necessarily go hand in hand, each dependent on each other.

It is quite clear that the world's population growth cannot be halted overnight. Such a change would mean basic revisions in a country's entire social structure—a change which could not feasibly be implemented in a short period of time.

With the supply of land, water, and energy in such dire jeopardy, it is obvious that an innovative approach to alternative sources of high protein food must be found immediately. "Aquaculture," the scientific growth of aquatic organisms under a controlled environment, is probably the most realistic and viable approach toward solving a world food shortage of the present magnitude.

Over the past several decades, aquaculture has been most effective in the farming of a wide variety of fish—salmon, shrimp, trout, and even oysters. A distinct advantage of aquaculture is that fish normally thought of as being undesirable—carp and buffalo fish, for example—can be bred for eventual use as processed fish food, such as frozen fish cakes and sticks. Development of innovative machines in Japan allow the maximum percentage of edible portions to be separated and processed into frozen fish blocks—excellent sources of high protein, yet economical at the same time.

Through continual cross-breeding and experimentation, fish can be bred to provide not only a higher growth percentage, but also on excellent quality of flesh and appearance. Ironically, it is not actually necessary for aquaculture development to take place in the normal environs of fresh water ponds or in areas with immediate access to salt water. Aquaculture development has sucessfully taken place in vacant dairy barns and, in fact, failing dairy farms have been converted to fish farms with a minimal amount of energy or capital.

The science of aquaculture is certainly not a new phenomena, but has been in existence for well over 4,000 years in countries such as China, Japan, and Egypt. It is now time for the United States to make a concerted effort toward maximizing the full value of this process—not only the people of our Nation, but for the starving and undeveloped nations of the world.

A bill such as the National Aquaculture Development Act which directs the Secretary of Commerce to develop a national aquaculture program, is an excellent step in the right direction. It will, in my view, provide for a coordinated effort of both public and private sources in best achieving a possible goal of total food independence. With the startling and dramatic decline of our ocean's fish from the continuous exploitation of overfishing, it is imperative that the Federal Government begins a program which would both support and encourage the development of private commercial aquaculture industries in this Nation. The net result of increased high protein food production is much too important and vital and certainly demands our immediate and swift consideration.

HERALD STRINGER

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. HAMMERSCHMIDT. Mr. Speaker, the Nation's veterans have lost one of their most articulate spokesmen with the retirement at the end of last year of Mr. Herald Stringer, director of the American Legion's National Legislative Commission.

Herald, during his tenure in Washington, has proved to be an extremely effective champion of veterans' benefits. He has always been most cooperative and helpful as we pursued our mutual goal of serving the Nation's veterans. As we embark upon this 94th Congress, we will miss Herald Stringer. May his future be bright. The enclosed editorial from the Stars and Stripes reflects the high regard in which Herald Stringer is held:

HERALD STRINGER . . .

The American Legion, Congress and Veterandom have lost one of the finest representatives of veterans' legislation in the country, as Herald Stringer, National Legislative Director, The American Legion, retired at the end of December. Senators Vance Hartke, Clifford P. Hansen, Strom Thurmond, Congressman Wm. Jennings Bryan Dorn and many others have expressed regret at his departure.

Senator Hartke remarked, "Without men like Herald Stringer, and organizations such as The American Legion, the causes of veterans would have great weight but no clear voice.

"It takes a clear voice to be hard, to get things done.

"Without the voice of a Herald Stringer, who speaks for the largest veterans' organization in the country, it would be impossible for those of us responsible for veterans' legislation to know adequately what veterans across the country are thinking and feeling, and we lawmakers cannot fulfill our concern without knowing the needs of our veterans."

Although he has retired, we hope that Herald Stringer will keep a foot in the door, as we need men of his experience and devotion to help all of us improve veterans' programs.

Senator Hartke made several points that are of paramount importance.

1. Regardless of worth, it takes a clear voice to get the message across.

During the past year, The Stars and Stripes urged all of you to write your Congressman and express your desires on veterans' programs. We provided forms for your use. These forms were a "clear voice", as they identified the issue you were writing about and did not allow you to bring up other subjects. As we lose these Herald Stringers from our working team, it is vital that we pick up and continue the projects we all have started together with continuity of purpose.

2. It is impossible for your Congressmen to know the desires of their constituents without hearing from them.

Legislative directors of all the veterans' organizations are part of your voice. You are the other part, and you have the responsibility to make your voice heard and not sit back and let "old George" do it all the time.

American women have always stood beside their men and supported them. It is their responsibility, through their auxiliaries and their own organizations, to really get on the ball and get involved with veterans' legislation. After all, the results of these laws affect them, too.

We have mentioned previously that the Twentieth Century Fund Task Force is recommending that veterans be placed in a general social welfare status. We have 171 Veterans Administration hospitals across the country, all of which are established and operating under the VA, and all veterans with an honorable discharge are eligible for admittance to one of these hospitals when they need medical care. Let's keep it this way. Veterans must retain their autonomy. We must watch this proposal and fight it with all our determination.

We must improve the funding of the Veterans Administration to hire and retain the best medical and paramedical personnel available by increasing their earning capacity within the VA system so that we can continue "second to none" medical care delivery service.

We must get the financial plight of our older veterans and their dependents upgraded so that they will have a liveable income.

We must bring about improvements in the GI Educational Bill so that our young veterans can utilize the maximum entitlement of 45 months as Congress originally intended.

Herald Stringer has left the blueprint for a busy year for everyone.

NEW PERSPECTIVE ON CONGRESSIONAL REFORM

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. COHEN. Mr. Speaker, much has been written in the past few weeks in the Nation's press about the alleged wave of reform that swept the House at the start of this session of Congress. Many of these reports implied that the Republican Party was lagging behind in the area of congressional reform.

In a recent article, which appeared in edited form in the Ripon Forum, J. Brian Smith, press secretary to the minority leader (Mr. RHODES), provides a new perspective to the issue of congressional reform. I commend the article to my colleagues' attention and am inserting it in the RECORD at this point:

WHERE IN HELL DID YOU GO WRONG

(By J. Brian Smith)

Sitting in a television control booth on a recent evening in Washington and watching the House Minority Leader engage program host Martin Agronsky in verbal battle. The producer, a young and gregarious Irishman, turns to me quite suddenly and in a booming voice exclaims: "You seem like a nice enough fellow. Where in hell did you go wrong? How can you be a Republican?" We enjoy a laugh. But in the subsequent peace of the dark December night, the question haunts.

The most recent pounding at the polls has served to exacerbate an inferiority complex which Republicans have endured for many years. Democrats, it is believed, are hipper, more in tune with reality, and are more fun to be with at parties. "Didja ever notice that Republicans always show up at these things with prepared remarks and wonder why?" House Majority Leader Tip O'Neill engagingly asked a reception crowd. "It's 'cause they don't get invited out as often."

The roots of the Republican image problem go deep. I had a college professor who taught me political science. He is the epitome of the academic man, one room in his Baltimore apartment having been set aside to house stacks of newspapers, yellow with age, that will one day be read for political content. He is also a good Democrat—so good that, despite the depth of his political acumen, he did not know that Republicans conduct their Congressional business in a way markedly different from Democrats. He was unaware of the Democratic Caucus' power to bind its membership on certain votes, while Republicans can vote anyway they choose. It was similarly news to him that Republicans select their ranking committee members through automatic secret ballot while, on the Democratic side, it takes four Members to stand in challenge of a nomination (it used to be ten) in order for a secret ballot to take place. The Democratic Speaker still retains the power to appoint Members to the Rules Committee without a ratifying vote by the Caucus.

Finally, my good friend the professor was blissfully ignorant of the fact that the Democratic Caucus gave itself the power to abort the legislative process and send bills to Caucus subcommittees where they are frequently remodeled (and that is the kindest word for it).

That was precisely what happened to the Bolling Committee proposals for House reform. For fourteen months, this committee laboriously studied a legislative system that has grown archaic with age. In the end, the Bolling panel had the audacity to propose genuine reform.

The Bolling recommendations were promptly directed to a Caucus subcommittee headed by Rep. Julia Butler Hansen of Washington State. Few Hill observers were surprised at the diluted changes that took place. For Democratic power barons to support a package that would have substantially reduced their own power would have been somewhat like Red Auerbach, in the glory days of the Boston Celtics, agreeing *not* to play Cousy, Russell and Heinsohn simultaneously as a concession to other basketball teams who lamented the Celtics' depth. Such is the nature of self-interest and the Democrats' sensitivity to Hill reform.

One is led to wonder how the Democrats do it—holding so tenaciously to a pro-reform image despite their understandable susceptibility to vested interest? One wonders why the electorate fails to contrast the Democrats' glorious pronouncements of "a new day coming" at the '72 convention against their recent adoption in Kansas City of precisely the "affirmative action" program advanced by the Republican Party? Why won't the people penalize the *other* party for hypocrisy?

The good news for Republicans is that reality appears prepared to catch up with image. One reason for this is that the members of the national press who cover Capitol Hill are, generally, reporting the reality. When David Broder of the Washington Post writes that "the Republicans appear to be solidly in favor of the (Bolling) reforms," and notes subsequently that the proposals were "whipsawed to death," he provides Republicans reason for hope.

When Broder's Post colleague, Mary Russell, who sits by the hour in her perch high above the Speaker's rostrum, notes that "if there is to be a resurgence of congressional strength, it must come from the Democratic majority, which runs Congress," followed by a reference to the "passive attitude to power" of Democratic leaders, she also gives the Republican cause a dose of adrenalin.

The Republican hope is not wholly dependent on the press. The truth has many advocates such as Common Cause Chairman John Gardner. He recently called a news conference to release a survey showing that, while a majority of House Democrats favor reform, their leadership remains adamantly opposed to change.

This is not meant to suggest that Republicans have yet to come up with the sort of responsive, innovative answers of the type that majority parties are made, or that it is a foregone conclusion that we will. Image is not our only problem. We must fully tap our talent reservoir in order for the rebuilding process to take hold. When we do this, we stand an excellent chance of winning the potential converts who seem vaguely, almost subconsciously aware that the Democrats aren't making too much sense. "With a little bit of nudging," a sharp young Hill reporter recently confessed to me, "I, too, could become a Republican."

In the meantime, there is encouragement in the realization that the Republican Party is not nearly as bad as it looks. We seem to suffer from a Billy Budd syndrome, in which

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our stuttering and stammering precludes effective communication. It is a problem. But it is not nearly as large a problem as if we had no answers at all.

When they ask why you are a Republican, don't cite Lincoln, TR, Goldwater, Scott, Rhodes, or any of our own. Recall, instead, the words of the silver-haired and respected gentleman from Missouri, Mr. Bolling, who is a Democrat. He was asked what happened to his reforms. His answer was that "they" killed them. He wasn't talking about Republicans.

INFLATION: HOW DO WE STOP THEM DOING IT?

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. SYMMS. Mr. Speaker, one of the ablest of the former members of the Conservative Cabinet in Britain, the Rt. Hon. J. Enoch Powell, M.D., has recently published a perceptive article in which he points out that the cause of inflation in his country—where it is now running about 20 percent a year—and ours is not the unions, or businessmen, or the consumer but the government itself.

As he puts it—

Even ex-Ministers themselves are now confessing . . . that inflation occurs when governments create excessive additional money to meet excessive public outlays.

I should like to urge all of our colleagues to read this brief article by a leading British politician so that they may better understand the true causes of inflation and what can be done to cure it.

The article is from the first issue—November 1974—of a new British publication, Yesterday, Today and Tomorrow—170 Sloane St., London—founded by one of the strongest defenders of the free market in Britain, a gentleman whom I had the pleasure of meeting on his recent visit to this country. I commend Mr. Antony Fisher's very educational newsletter to everyone interested in enlarging liberty and building prosperity.

INFLATION: HOW DO WE STOP THEM DOING IT?

(By J. Enoch Powell)

How de we stop them doing it? Even ex-Ministers themselves are now confessing (and gaining a certain kudos by confessing) that inflation occurs when governments create excessive additional money to meet excessive public outlays. Still, the question remains, what members of the public who are convinced of the truth of this can do to make the politicians stop it. Or rather, since inflation has to come to an end some day, the question is how politicians can be induced to stop it sooner—before irreparable harm has been done to the nation.

There is a good deal of humbug about the question. People are not generally reticent about what they want politicians to do, nor stumped for means of getting them to do it. Tell them; and having told them, threaten them that there will be no more votes and no more money until they comply. That's how electors go about getting more subsidies and higher pensions. What's wrong when it comes to inflation?

What's wrong is that so few mean what they say. They do not really want the widespread bankruptcies and unemployment which are the inevitable accompaniment—at all events in a developed economy—not really want the rate of inflation. They do not really want the increase—let alone the absolute level—of public expenditure to be reduced. They do not really feel so strong that they are prepared to use their only effective political weapon, regardless of the threatening consequences in other directions; for the elector who always bows to the threat that "if you withhold your support, the other side will get in, and that would be worse still, wouldn't it?" is a political factor equal to nought.

Few people in this world go looking for trouble or asking for trouble; and as long as inflation appears to be the lesser evil compared with the end of inflation, so long will those with anything to lose who raise their voice and use their political power to have inflation stopped be a very small band indeed. This is due to human nature and the world as it is. It cannot be remedied by attempting to dream up imaginary political devices—new political parties, new centres for political research, new and earnest political groups, not even new periodicals.

Nothing will alter until the balance of fear tilts the other way and the end of inflation comes to appear the lesser evil. When that happens, the lonely few who have dared previously to raise their voices will be trampled underfoot by the innumerable multitude pressing forward to enforce their demands upon politicians, parties and governments. All that can be done meanwhile—and it is little enough—is to try to hasten somewhat the tilting of the balance.

The continuance of inflation will not be feared more than the ending of inflation until inflation is seen to be making the everyday conditions of life intolerable and endangering the basic processes of production, exchange and distribution in a civilised society. The phenomena cannot, of course, in themselves be accelerated by those members of the public who understand the nature and cure of inflation: I am not recommending sabotage! What can be accelerated by them is the correct interpretation of the phenomena as the results of inflation instead of the variety of other causes to which they will at first be attributed. The sooner this happens, the sooner will the weathercock of political will begin to swing around.

The early stages of these phenomena, and not so early either, are already being witnessed: the accumulation of strikes, as recently in Glasgow; the deterioration of services—postal, sanitary, transportation; the mysterious spasmodic shortages and disappearance of goods from the shops—salt, sugar, toilet paper etc. These are not isolated and unconnected occurrences, a trade dispute here or an unforeseen interruption of procurement there. They are collectively the marks of an inflation which is threatening to pass over into hyperinflation. The threshold is crossed when the readjustment of all money payments can no longer take place fast enough to preserve in tolerable working order the mechanism of real prices, i.e. relative prices or (blessed word) relativities.

As long as this relationship of cause and effect is not understood, people will vent their irritation and dismay on irrelevant objects. They will blame the trade unions; they will preach sermons on the decline of patriotism; they will denounce profiteers and speculators. In the end, of course, the true cause cannot be mistaken any longer; but that end may be the wheelbarrow to take home the wages, which is also the destruction of all existing social relationships that rest on contract and the necessity of painfully rebuilding them anew to an unknown pattern. So I answer the question: 'how do we stop the politicians inflating?' as follows. Through teaching the public, by every means and on every opportunity, to identify the hidden cause of what is hurting them as inflation, always inflation. As Cato used to say to the Romans whatever they asked him, *delenda est Carthago* ("it's no good until you've destroyed Carthage.").

SECOND ANNUAL SURVEY OF OCCUPATIONAL INJURIES AND ILLNESSES

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, the Occupational Safety and Health Act of 1970 requires the Secretary of Labor to "develop and maintain an effective program of collection, compilation and analyses of occupational safety and health statistics." The Bureau of Labor Statistics has published the results of the survey of occupational injuries and illnesses for 1973. This survey covers the second full year of recordkeeping under OSHA and a comparison of 1972–73 job related injury and illness experience.

The report follows:

BLS REPORTS OF SURVEY OF OCCUPATIONAL INJURIES AND ILLNESSES FOR 1973

The Bureau of Labor Statistics of the U.S. Department of Labor reported today the results of the 1973 survey of occupational injuries and illness. The results cover the second full-year survey and provide information for all employees covered by the Occupational Safety and Health Act (OSHA).

The following are some key survey results for industries in both 1972 and 1973:

On the average, about 1 out of every 10 workers in private industry experienced a job-related injury of illness during 1973. (Some workers had more than one injury or illness during the year.)

About 5.9 million work-related injuries and illnesses occurred during 1973. About 28 million workdays were lost.

Work-related fatalities declined from 5,500 in 1972 to 5,100 in 1973.

The incidence rate (number of injuries and illnesses per 100 full-time workers) for all industries combined was about the same for both years.

All five industries selected for special emphasis by the Occupational Safety and Health Administration because of high injury rates showed some decline in the incidence rate from 1972 to 1973.

1972–73 COMPARISON

A comparison of the job-related injury and illness experience covering only those industries included in the surveys for the base year 1972 and 1973 follows.

Work-related fatalities declined by more than 7 percent from 1972 to 1973, though more persons were employed in 1973 than in 1972. The largest decrease in the number of deaths occurred in contract construction which fell from 1,500 in 1972 to 1,000 in 1973.

Trenching and excavation activities in construction, which have had relatively high fatality experience, were the targets of special Occupational Safety and Health Administration programs for accident prevention.

The incidence rate (number of injuries and illnesses per 100 full-time workers) was virtually the same—10.9 for 1972 and 11.0 for 1973.

The number of recordable cases increased from 5.65 to 5.92 million, or about 270,000. Recordable cases include all illnesses and those injuries requiring more than first-aid treatment. This increase of nearly 5 percent can be largely attributed to an increase in total hours worked by all employees during 1973. Employment rose nearly 3 million from 1972 to 1973, resulting in an increase of over 4.4 billion hours of work exposure (about 4 percent). In addition, the industry composition of employment in the private nonfarm sector, which could have an impact on the all-industry incidence rate, remained substantially the same for both years.

The most significant change in overall incidence rates for the major industry divisions between the 2 years occurred in contract construction where the rate rose 4.2 percent. (See table 1.) A second comparison may be made for incidence rates for lost workday cases. Industry divisions showed markedly different changes for the 2 years. For example, the incidence rate for lost workday cases increased in manufacturing by 7.1 percent but decreased in wholesale and retail trade by 3.6 percent. A third measure, the incidence rate for nonfatal cases without lost workdays, showed considerable variation among industry divisions.

In almost every industry division, the very large (2,500 employees and over) and the very small (1 to 19 employees) reporting units showed decreases in overall incidence rates between 1972 and 1973.

In both 1972 and 1973, about 3 in every 10 injuries and illnesses resulted in absence from the job or work limitations. The average number of days lost per lost workday case rose from 14 in 1972 to 15 in 1973. The incidence rate of lost workdays (number of lost workdays per 100 full-time workers), another measure of severity, increased from 47.9 in 1972 to 52.0 in 1973.

Five industries were selected by the Occupational Safety and Health Administration as having an unusually high occurrence of injuries over the years. These target industries—roofing and sheet metal; meat products; lumber and wood products; miscellaneous transportation equipment; and water transportation services—all showed a decline ranging from 2.6 to 5.1 percent in overall incidence rates from 1972 to 1973. (See table 2.)

A decline of over 15,000 illnesses or about 7 percent in the total number of recordable illnesses occurred between 1972 and 1973.

1973 INJURIES AND ILLNESSES

The 1973 survey covered agriculture which was not surveyed in 1972. The following figures for 1973, including agriculture but excluding railroads and most of mining, slightly exceed those used in the comparisons with 1972.

Nearly 6 million recordable work-related injuries and illnesses occurred during 1973 in private industries. (See table 3.) Ninety-seven percent of all recordable cases were injuries and the remaining 3 percent were illnesses. There were an estimated 5,200 work-related fatalities during the year. Lost workday cases accounted for only 30 percent of all recordable cases. Nevertheless, about 28.4 million workdays were lost during 1973 or an equivalent loss of nearly 114,000 employee-years of work.

The 1973 incidence rate for all recordable cases was 11.0. Rates for industry divisions ranged from 2.4 in finance, insurance, and real estate to 19.8 in contract construction. Rates for agriculture, forestry, and fisheries; contract construction; and manufacturing exceeded the rate for all industries, whereas transportation and public utilities; wholesale and retail trade; services; and finance, insurance, and real estate fell below the all-industry level. (See table 4.)

For employees working on farms, the estimates indicate that their job-related injury and illness experience parallel that for all employees covered by the survey. Approximately 66,000 injuries and illnesses were estimated for 1973, of which 40 percent resulted in lost worktime.

Contract construction accounted for approximately 626,500 recordable injuries and illnesses during 1973, slightly over 10 percent of the total cases, although representing only 6 percent of the total employment. Approximately 3.1 million workdays were lost, the equivalent of over 12,000 employee-years of work.

Manufacturing, which accounted for nearly one-third of employment, had almost half of the total number of recordable cases. About 13.2 million workdays, constituting over 52,000 employee-years of work, were lost during the year. Among the 21 major industry groups within the division, 10 had incidence rates above the level for all manufacturing (15.3). As can be seen in table 4, the highest rates were experienced in the lumber and wood products (24.1) and fabricated metal products (22.7) industries.

Reporting units with less than 50 or more than 1,000 employees tended to have lower incidence rates than units in the mid-size classifications. The highest incidence rates were generally concentrated in reporting units of 100 to 249 employees.

1973 INJURIES AND ILLNESSES FOR EMPLOYEES IN MINE AND RAILROAD ACTIVITIES

Excluded from coverage under the Act are working conditions over which other Federal agencies have exercised statutory authority affecting occupational safety and health. As of the present time, other Federal agencies have exercised authority over certain working conditions in coal, metal and nonmetal mining and railroad activities. Pending clarification of jurisdictional questions, OSHA did not generally engage in enforcement in those activities during this report period.

Data for mining are preliminary and were furnished by the Mining Enforcement and Safety Administration, U.S. Department of the Interior. Data for railroads were furnished by the Federal Railroad Administration, U.S. Department of Transportation.

Mining, with an incidence rate of 12.5, exceeded the all-industry rate. Coal mining, with a rate of 19.1, was much higher than the other two major industry groups in the mining industry—oil and gas extraction (12.8) and metal and nonmetal mining (7.8). Injuries and illnesses in mining were much more likely to result in lost worktime compared with other industries. Of the nearly 76,000 recordable cases in mining, 35,000 or 46 percent involved lost worktime. There were 300 fatalities reported in coal, and metal and nonmetal mining activities during 1973.

Railroads had an incidence rate of 8.7 during 1973. An estimated 52,000 injuries and illnesses, of which nearly 200 were fatal, were experienced by railroad employees.

More complete data for occupational injuries and illnesses will become available in an analytical bulletin to be published early next year.

BACKGROUND OF SURVEY

This survey is a Federal/State program in which reports are received and processed by State statistical grant agencies participating with the Bureau of Labor Statistics of the U.S. Department of Labor. The survey, response to which is mandatory, involved a national sample of approximately 200,000 private employers. Another 450,000 employers are included in the survey so the States can produce similar estimates. Reported occupational injury and illness data are based on the records employers must maintain under the Act.

The survey relates to employers in private industries. Excluded were self-employed individuals and employees in Federal, State, and local government units. In a separate reporting system, agences of the Federal government are filing reports comparable to those of private industry with the Secretary of Labor.

TABLE 1.—RECORDABLE OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES FOR COMPARABLE INDUSTRIES, PRIVATE NONFARM SECTOR, BY INDUSTRY, UNITED STATES, 1973 AND 1972

Industry	Incidence rates per 100 full-time workers[1]					
	Total recordable cases		Lost workday cases		Nonfatal cases without lost workdays	
	1973	1972	1973	1972	1973	1972
Private nonfarm sector[2]	11.0	10.9	3.4	3.3	7.6	7.6
Contract construction	19.8	19.0	6.1	6.0	13.6	12.9
Manufacturing	15.3	15.6	4.5	4.2	10.8	11.4
Transportation and public utilities[3]	10.5	10.8	4.6	4.5	5.9	6.3
Wholesale and retail trade	8.6	8.4	2.7	2.8	5.9	5.6
Finance, insurance, and real estate	2.4	2.5	.8	.8	1.6	1.7
Services[4]	6.3	6.1	2.0	2.0	4.3	4.1

[1] The incidence rates represent the number of injuries and illnesses per 100 full-time workers, and were calculated as: (N/EH) × 200,000, where—N=number of injuries and illnesses, EH=total hours worked by all employees during calendar year, 200,000=base for 100 full-time equivalent workers (working 40 hr per week, 50 weeks per yr).

[2] Includes oil and gas extraction which is not a component of the industry divisions listed. Other mining activities are not included.

[2] Excludes railroads (SIC 401).

[4] Includes agricultural services, forestry, and fisheries (SIC 07–09).

Source: Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 2.—RECORDABLE OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES FOR TARGET INDUSTRIES, UNITED STATES, 1973 AND 1972

Industry	SIC code[1]	Incidence rates per 100 full-time workers[2] total recordable cases 1973	1972	Percent change
Roofing and sheet metal work	176	27.7	28.9	—4.2
Meat products	201	27.2	28.2	—3.5
Lumber and wood products	24	24.1	25.4	—5.1
Miscellaneous transportation equipment	379	35.5	36.5	—2.7
Water transportation services	446	26.2	26.9	—2.6

[1] Standard Industrial Classification Manual, 1967 edition
[2] The incidence rates represent the number of injuries and illnesses per 100 full-time workers, and were calculated as: (N/EH) X 200,000, where—N = number of injuries and illnesses, EH = total hours worked by all employees during calendar year, 200,000 = base for 100 full-time equivalent workers (working 40 hr per week, 50 weeks per yr)

Source: Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 3.—NUMBER OF RECORDABLE OCCUPATIONAL INJURIES AND ILLNESSES, AND LOST WORKDAYS IN THE PRIVATE SECTOR, EXCLUDING RAILROAD AND MINE ACTIVITIES, BY EXTENT OF CASE AND INDUSTRY DIVISION, UNITED STATES, 1973

[In thousands]

Industry	Total recordable cases	Fatalities	Lost workday cases	Nonfatal cases without lost workdays	Lost workdays
Private sector[1]	5,991.3	5.2	1,872.3	4,113.8	28,392.7
Agriculture, forestry, and fisheries	91.1	.2	§ 35.9	55.0	534.9
Contract construction	626.5	1.0	194.3	431.2	3,103.3
Manufacturing	2,960.2	1.4	859.9	2,098.8	13,165.9
Transportation and public utilities	403.5	1.0	175.8	226.7	3,026.2
Wholesale and retail trade	1,190.1	.9	376.7	812.5	5,182.5
Finance, insurance, and real estate	89.0	.1	28.4	60.5	371.1
Services	596.0	.4	185.5	410.1	2,657.0

[1] Excludes railroads (SIC 401) and mine activities except oil and gas extraction (SIC 13).

Notes: Data may not add due to rounding. Differences between the totals and the sums for the component industries may not reflect the estimates for oil and gas extraction (SIC 13).

Source: Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 4.—RECORDABLE OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES IN THE PRIVATE SECTOR, EXCLUDING RAILROAD AND MINE ACTIVITIES, BY INDUSTRY, UNITED STATES, 1973

Industry[1]	SIC code[2]	1973 annual average employment (in thousands)[3]	Incidence rates per 100 full-time workers[4] Total recordable cases[5]	Lost workday cases	Nonfatal cases without lost workdays	Lost workdays
Private sector[6]		63,290.3	11.0	3.4	7.6	52.1
Agriculture, forestry, and fisheries		1,418.0	11.6	4.6	7.0	68.0
Agricultural production	01	NA	10.9	4.3	6.6	63.6
Agricultural services, forestry and fisheries	07–09	NA	13.7	5.5	8.2	82.5
Oil and gas extraction	13	274.3	12.8	5.8	7.0	129.2
Contract construction		4,028.0	19.8	6.1	13.6	98.1
General building contractors	15	1,271.8	20.7	6.1	14.6	94.1
Heavy construction contractors	16	762.4	19.3	6.1	13.1	107.6
Special trade contractors	17	1,994.2	19.4	6.2	13.2	96.3
Manufacturing		20,054.0	15.3	4.5	10.8	68.2
Durable goods		11,814.0	17.1	4.8	12.3	72.4
Ordnance and accessories	19	183.9	7.6	1.8	5.8	33.8
Lumber and wood products	24	639.7	24.1	9.2	14.8	150.7
Furniture and fixtures	25	539.2	19.6	5.5	14.1	75.2
Stone, clay, and glass products	32	691.1	18.2	5.9	12.3	96.2
Primary metal industries	33	1,320.9	20.8	6.3	14.5	107.1
Fabricated metal products	34	1,493.5	22.7	6.4	16.3	92.0
Machinery, except electrical	35	2,086.5	17.7	4.3	13.4	60.5
Electrical equipment and supplies	36	2,017.2	10.8	2.7	8.1	37.3
Transportation equipment	37	1,891.4	16.7	4.6	12.1	67.3
Instruments and related products	38	499.4	8.6	2.0	6.6	26.6
Miscellaneous manufacturing industries	39	450.6	13.5	3.7	9.8	54.3
Nondurable goods		8,240.0	12.8	3.9	8.8	62.2
Food and kindred products	20	1,721.0	19.2	6.8	12.3	98.6
Tobacco manufactures	21	78.3	8.4	2.5	5.9	33.0
Textile mill products	22	1,030.5	11.7	2.6	9.1	47.2
Apparel and other textile products	23	1,402.4	7.7	1.9	5.8	26.1
Paper and allied products	26	703.0	5.8	4.3	11.5	87.1
Printing and publishing	27	1,104.8	7.4	2.3	5.1	31.9
Chemicals and allied products	28	1,035.5	9.7	3.0	6.7	48.6
Petroleum and coal products	29	193.4	9.7	2.7	7.0	57.1
Rubber and plastics products, n.e.c.	30	678.3	17.8	6.5	11.3	103.1
Leather and leather products	31	293.1	12.4	3.6	8.8	50.9
Transportation and public utilities		4,086.0	10.5	4.6	5.9	78.7
Local and interurban passenger transit	41	273.3	8.1	4.1	3.9	73.5
Trucking and warehousing	42	1,188.2	17.2	7.9	9.2	139.8
Water transportation	44	203.6	16.3	8.0	8.2	205.5
Transportation by air	45	364.6	11.7	6.0	5.7	67.3
Pipeline transportation	46	16.2	5.9	1.7	4.1	30.6
Transportation services	47	123.6	6.6	2.6	4.0	33.3
Communication	48	1,174.4	2.9	1.3	1.6	23.8
Electric, gas, and sanitary services	49	729.8	11.1	3.4	7.7	52.1
Wholesale and retail trade		16,665.0	8.6	2.7	5.9	37.6
Wholesale trade	50	4,118.0	9.8	3.3	6.4	45.5
Building materials and farm equipment	52	617.7	12.3	4.0	8.3	61.4
Retail general merchandise	53	2,558.8	8.6	2.6	6.0	32.3
Food stores	54	1,856.3	12.0	3.9	8.0	51.3
Automotive dealers and service stations	55	1,809.2	9.2	2.6	6.6	36.9
Apparel and accessory stores	56	770.6	2.2	.6	1.6	11.7
Furniture and home furnishing stores	57	527.4	6.4	2.2	4.2	32.6
Eating and drinking places	58	3,035.3	7.2	2.0	5.2	27.5
Miscellaneous retail stores	59	1,371.5	4.2	1.4	2.8	22.9
Finance, insurance, and real estate		4,075.0	2.4	.8	1.6	10.2
Banking	60	1,178.7	1.5	.5	1.0	5.1
Security, commodity brokers, and services	62	193.8	.8	.3	.5	6.4
Insurance carriers	63	1,081.1	1.8	.6	1.2	7.2
Real estate	65	796.5	7.1	2.2	4.9	31.2
Services		12,690.0	6.2	1.9	4.2	27.5
Hotels, and other lodging places	70	904.9	.7	2.8	5.9	42.8
Personal services	72	892.1	4.1	1.5	2.6	26.3
Miscellaneous business services	73	1,880.0	5.6	1.9	3.7	25.6
Auto repair, services and garages	75	434.3	9.8	3.0	6.8	48.2
Miscellaneous repair services	76	212.5	13.1	3.9	9.2	51.1
Motion pictures	78	208.1	3.9	1.1	2.8	21.2
Amusement and recreation services, n.e.c.	79	539.1	8.7	2.8	5.9	53.7
Medical and other health services	80	3,656.9	7.5	2.2	5.3	31.4
Educational services	82	1,178.7	4.8	1.3	3.5	15.0
Nonprofit membership organizations	86	1,685.5	4.5	1.5	3.0	17.8
Miscellaneous services	89	783.4	2.2	.7	1.5	7.4

[1] Industry division totals include data for industries not shown separately.
[2] "Standard Industrial Classification Manual, 1967 Edition."
[3] Annual average employment for nonagricultural industries are based on the establishment survey conducted by the U.S. Department of Labor's Bureau of Labor Statistics, in cooperation with State agencies. Annual average employment for the agriculture, forestry, and fisheries division is a composite of estimates from the BLS survey and estimates provided by the Statistical Reporting Service, U.S. Department of Agriculture.
[4] The incidence rates represent the number of injuries and illnesses per 100 full-time workers, and were calculated as: (N/EH) X 200,000, where N = number of injuries and illnesses. EH = total hours worked by all employees during calendar year. 200,000 = base for 100 full-time equivalent workers (working 40 hours per week, 50 weeks per year).
[5] Includes fatalities. Because of rounding, the difference between the total and the sum of the rates for lost workday cases and nonfatal cases without lost workdays may not reflect the fatality rate.
[6] Excludes railroads (SIC 401) and mine activities except oil and gas extraction (SIC 13).

Notes: NA = employment estimates are not available. n.e.c. = not elsewhere classified.

Source: Bureau of Labor Statistics, U.S. Department of Labor.

LITHUANIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ANNUNZIO. Mr. Speaker, February 16, 1975, marks a special day in man's historic struggle for freedom and self-determination, for it was on that day 57 years ago that the Lithuanian people established their own government and proclaimed their independence.

The Lithuanian Council of Chicago is commemorating this 57th anniversary with a program at Maria High School auditorium on Sunday, February 16. The officers of this outstanding organization include Juozas Beliunas, president; Algis Jasaitis, executive secretary; Rev. Adolfas Stasys, Rimas Sarka, Teodora Kuziene, Mykolas Pranevicius, vice presidents; Vladas Soliunas, treasurer; Antanas Svitra, financial secretary; Stasys Mankus, recording secretary.

Trustees include Kristina Austin, John Evans, Julius Pakalka, Oskaras Kremeris.

The members of the Lithuanian Council of Chicago are as follows: Ignas Andrasiunas, Mikalina Baronas, Elena Bucinskas, Adele Gabalas, Juze Gulbinas, Petras Jokubka, Alvydas Jonikas, Don Kuraitis, Vincas Mankus, Kazys Oksas, Algirdas Puzauskas, Rimas Staniunas, Antanas Vaicaitis, Jonas Valaitis, Jonas Valkiunas.

The Lithuanians took these historic steps in 1918, at the close of World War I and, for 20 years thereafter, Lithuania enjoyed peace and freedom from oppression. During this period the Lithuanian economy stabilized, and there was a great renaissance of national literature and culture.

But in 1939, the Soviet Union began an unwarranted assault on this tiny country and concentrated its armed forces on the Lithuanian frontier. This massive threat was followed on June 15, 1940, by actual occupation of Lithuania by the Red Army. The valiant Lithuanian Government had no alternative but to concede to brutal Soviet demands.

Immediately the Communists began arresting and executing the Lithuanian patriots. Non-Communist political parties were liquidated, and leaders in these parties were imprisoned. The people were forced to vote in national elections in which only the Communist Party was represented. The Lithuanians, despite these hopeless odds, resisted heroically—but to no avail. The Soviets finally succeeded in forcibly annexing Lithuania and subjugating these courageous people.

Despite condemnation by the free world of this unlawful aggression against the sovereign rights of a free people, the Soviet Union still occupies Lithuania and maintains Communist troops within her borders. The national culture is gradually being destroyed, and the Lithuanian people are forced to suffer under the harsh yoke of cruel Soviet oppression.

Mr. Speaker, only a few weeks ago I wrote to the Soviet Ambassador here in Washington urgently requesting that he facilitate the grant of permission to Mrs. Aloyzas Jurgutis and her daughter, Daina, to emigrate from Lithuania as she requested on October 1, 1974. Mr. Jurgutis, now a resident of Chicago after getting out of the U.S.S.R. last year, submitted to the Washington Consulate of the U.S.S.R. his formal renunciation of Soviet citizenship on November 26, 1974. It is my understanding that since requesting permission to emigrate, Mrs. Jurgutis was expelled from her position as a librarian and that she has not been allowed to receive any mail at all from her husband.

I strongly feel that in cases such as this, we as Americans must continue to insist that the Soviets begin to adhere to basic humanitarian principles of human decency and the dignity of the individual.

Mr. Speaker, it was for these reasons that I introduced the following resolution at the beginning of the 94th Congress:

H. CON. RES. 2

Whereas the Government and the people of the United States of America have maintained and enjoyed excellent and friendly relations with the Governments and peoples of the Baltic States Republics of Latvia, Lithuania, and Estonia, during the years of independence of these Republics; and

Whereas the concept of liberty and freedom of choice of government is still alive in this country, as it has been constantly since the Declaration of Independence; and

Whereas the evidence produced at the hearings of the select committee of the House of Representatives to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics overwhelmingly tends to prove that the actions of the Union of Soviet Socialist Republics in relation to these free and independent Baltic Republics were contrary to the principles of international law and the principles of freedom; and

Whereas the people of this Nation have consistently shown great sympathy for the peoples of these three Republics, especially as a result of their enslavement and as a result of the inhuman exile and deportation of great number of law-abiding persons from their native lands to imprisonment in slave labor camps in the Union of the Soviet Socialist Republics: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President of the United States of America should continue the American policy of nonrecognition of the unlawful absorption of the Baltic States Republics of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics, and continue the recognition of the diplomatic and consular officers of these Republics as the lawful representatives of these three nations in the United States of America; and

(2) the President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the question of the forced incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics and request the United Nations to conduct an investigation of conditions in the said Baltic Republics to the intent and purpose that Soviet armed forces, agents, and colonists be withdrawn therefrom, and that the exiled peoples of these Republics be returned thereto in freedom, and that free plebiscites and elections be held therein, under the supervision of the United Nations, to let the people, in freedom, make their own election and choice as to government.

Mr. Speaker, during ongoing negotiations with the Soviet Union, I believe it is most important that our Nation not forget the just aspirations of the Lithuanian people for freedom and self-determination. The United States has never recognized the forcible conquest of Lithuania and because I believe that we should stand behind this policy, I also introduced the following resolution regarding this aggression:

CONCURRENT RESOLUTION

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations, and

Whereas the United States delegation to the European Security Conference should not agree to there cognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

In behalf of the many thousands of Lithuanian-Americans residing within my own 11th Illinois Congressional District, whom I am privileged to serve, and also for Americans of Lithuanian heritage all over this Nation who are commemorating this anniversary, I urge the early enactment of this legislation.

On this occasion, I want to assure the courageous Lithuanians that our Nation continues to support their just aspirations for freedom and independence, and I want to express the fervent hope that the goal of Lithuanian self-determination shall soon be realized.

THE "FREE PRESS" IN SOUTH VIETNAM

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Ms. ABZUG. Mr. Speaker, Philip A. McCombs' article in today's Washington Post, which I would like to insert in the RECORD, needs no introduction. So much for the free press, in this regime we are being asked to support with another $300 million dollars:

SAIGON HOLDS MORE NEWSMEN; PAPERS PROTEST

(By Philip A. McCombs)

SAIGON, February 4.—National police continued arrest of Vietnamese journalists for the second day today in what appears to be a concerted effort to crush elements of President Nguyen Van Thieu's internal political opposition.

Nine journalists were arrested in pre-

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dawn raids on their homes. According to families of those involved, this brings the total of newsmen arrested to 24, four of whom have been released by the police.

At the same time the Vietnam Publishers' Association today decided to shut down opposition and independent dailies in Saigon as a protest against the government's apparently permanent closure of five dailies yesterday.

It was not clear whether the association's action will be more than temporary. It leaves the city with only three Vietnamese-language dailies all pro-government.

The four newsmen who were released made no comments for the record today. Most of Saigon's scores of opposition and independent journalists are living in fear and finding places other than their homes to sleep in tonight.

Those arrested so far include many of Saigon's best known journalists, many of whom were considered independent. The government charged yesterday that those arrested were underground "Communist cadres."

Journalists here have been a leading element in the political opposition to President Thieu that reached a peak with anti-government street demonstrations last October and November.

The current government campaign against them began Sunday when government censors ordered police to confiscate press runs of nine dailies that printed political charges against Thieu made by the Catholic Anticorruption Movement and 21 other anti-government organizations.

The first 15 arrests were mainly made in the pre-dawn hours of Monday. Then the government announced it was withdrawing the publishing licenses from three opposition and two independent papers. The arrests continued after the midnight curfew yesterday, according to the families of those arrested, and were completed by dawn this morning.

A high government official said privately that more arrests can probably be expected.

Squads of riot police with wicker shields were on duty in several areas of downtown Saigon today, though there was no sign that anti-government groups were planning public demonstrations right now.

Arrested today were: Choe, an internationally known political cartoonist whose work appears in several papers here; Mrs. Trung Duong, publisher of Tidal Wave; Uyen Thao, Tidal Wave's editor-in-chief; Ly Dai Nguyen, the paper's editorial director; Chu Tu, former publisher of the defunct newspaper Life; Vu Bang, a writer, and Mac Thu, a poet, both of whose work appears in various papers; Quoc Phuong, a reporter for The Orient; and Duy Thai, the paper's editor-in-chief.

Thao, Tu and Mrs. Duong were released after a few hours of police questioning. Released late yesterday after his arrest early in the day was Hoang Chau, publisher of Independence.

Besides Chau, those arrested yesterday were: Minh Loc, managing editor of Independence: Le Hien, publisher of Steel Pen; Truong Son, the paper's political director; Viet Quang, its managing editor; and Cao Tran, its assistant managing editor.

Also arrested yesterday were: Kieng Giang and Diep Lien Anh, reporters for The Telegraph; Truong Cam Vinh, managing editor of Tidal Wave; Tran Quan, assistant managing editor of The Orient; Doan Hung, assistant managing editor of Ray of Light; Ngo Dinh, a reporter for Ray of Light; Son Tung, assistant managing editor of Great People; Nguyen Van Hong, formerly editor-in-chief of the now defunct paper People's Opinion; and Vu Hanh, a novelist whose work appears in several papers.

Meanwhile, the government announced today that President Thieu has promoted six top police commanders. Nguyen Khac Binh, national police chief, was promoted to the rank of major general. Trang Si Tan, Saigon's police chief, was promoted to brigadier general. Four assistant national police chiefs were promoted to one-star rank.

Fighting continued to be relatively light throughout the country today. Military analysts say they expect the current lull in the Communist dry-season limited offensive to end soon with a sharp increase in fighting.

THIRD WORLD TAX HAVENS CONFERENCE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. VANIK. Mr. Speaker, as Americans begin to fill out their 1040's and as the unemployment lines mount, I am sure that people will be interested in knowing that an invitation to the "Third World Tax Havens Conference" is being mailed out to various tax lawyers and accountants. This "third" conference is being held in Zurich, February 17 through 19. The travel and hotel cost of attending is $850 per person.

What is a "World Tax Havens Conference?" It is a series of seminars on how wealthy individuals can "take full advantage of legal tax avoidance." The seminar titles, however, give a better flavor to this than I can. Among the seminars, for example, are the following.

Current Developments in Lesser-Known European Tax Havens including Andorra, Campione, Gibraltar, Isle of Man. Malta and Monaco.

Where and How to Establish a Private Offshore Bank for your Family or your Company.

Tax Havens and the Entertainment Industry—the use of tax havens by literary and entertainment personalities.

Seminar on Bank Secrecy—Comparing other Countries with Switzerland.

As the last seminar example shows, Mr. Speaker, this conference is a journey to the edge of the law—of interest only to tax dodgers with no sense of patriotism to their home countries.

I might add that this third conference has a new angle that last year's conferences in Amsterdam and Paris missed—a "visit to Liechtenstein by bus" and an opportunity to "develop professional contacts" in this tiny tax shelter country.

And the best is yet to come, the organizers of this tax haven conference are planning a "World Tax Havens Tour, limited to 80 persons," in the Caribbean Islands between April 12 and 26. No doubt this tour of such tax havens as the Caymen Islands, and so forth, will be a tax deductible business expense to the tax lawyers who attend.

Mr. Speaker, I am asking the IRS to study what is involved in this Caribbean tour to insure that it is not turned into a tax-deductible vacation extravaganza.

I would like to make one other observation. The organizers have provided no seminar on the changes being proposed by the Ways and Means Committee to close these types of foreign tax haven loopholes. Last year, the committee spent considerable time developing a tax reform bill—including reforms to prevent foreign trust abuses. I expect that these reforms will be enacted by the full Congress in 1975; I am hopeful that the description which I have given today of the Third Tax Haven Conference will help encourage rapid action on these reforms.

THE SENATE OF PRIESTS, DIOCESE OF PATERSON SEEKS CONGRESSIONAL ALTERNATIVES TO THE PRESIDENT'S ENERGY TAX

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ROE. Mr. Speaker, I would like to call to the attention of you and our colleagues the following resolution unanimously adopted January 20, 1975 by the Senate of Priests, comprised of 500 Catholic priests, of the Diocese of Paterson in my congressional district, which most poignantly and concisely brings into sharp focus the damaging repercussions of the domino effect on our Nation's economy that the President's proposal to increase tariffs on imported oil will have, particularly on the people of our country who are living on limited or fixed incomes:

The Priests' Senate of the Paterson Diocese hereby resolve to call upon our elected and appointed government officials to support a full examination in Congress of the current plans of President Ford for energy control. Limited and fixed income whether from welfare, unemployment checks, low paying jobs, pensions and social security will not stand for the projected increases in housing, food, electrical, and transportation costs due to projected energy tax plans of the President. The whole process of what energy taxes will do should be examined before the nation embarks on a plan that at the present bodes only unprecedented problems and not solutions. We ask you to do all that you can so that the nation may know what it must face. If taxes prove to be necessary, then we all know why. If not, then, we have saved a great percentage of our people from unnecessary hardships.

In transmitting the foregoing resolution to me for consideration by all of our elected officials, the distinguished president of the Senate of Priests, the Rev. Herbert K. Tillyer, stated:

It (the resolution) represents the consensus of our thinking on the issue of energy conservation, a laudable goal in the President's overall program of action. I urge you to consider alternatives to the energy tax. Rationing may well be a more equitable route, since it will not further tax the resources of low and middle income people who cannot afford a price rise for energy products at this time. We believe that this method of reaching the goal of energy conservation must be given the highest consideration. . . .

It was my privilege to join with Congressmen McFALL of California, REUSS of Wisconsin, and other of our distinguished colleagues on January 23, 1975, in sponsoring House Concurrent Resolution 61 urging the President to delay the implementation of his plan to use Presidential powers to raise the fee of all imported crude oil and petroleum products by increasing crude-oil fee levels $1 per barrel on February 1, $2 per barrel on March 1, and $3 per barrel on April 1. The text of our resolution is as follows:

H. CON. RES. 61

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should not impose, pursuant to section 232 of the Trade Expansion Act of 1962, any tariff or other import restriction on petroleum or petroleum products before April 1, 1975, so as to give the Congress a reasonable period of time in which to act legislatively on such matter if it determines such action is necessary.

The President's proposal for increasing oil fees will materially add to the economic squeeze and energy cost strangulation on our Northeastern States who are almost solely dependent on imported oil, force all retail prices higher, and have a devastating impact throughout our economy. Such action will not only add to the cost of gasoline vital to all forms of transportation, farming, and food processing but the cost of each barrel of oil which is converted to industrial fuels, including feed stocks for the plastic industries and other chemical products, will increase the cost of every product and commodity manufactured in our country. Home-heating oils will also be affected, encouraging increased cost in competitive fuels such as gas and coal.

Everyone of our people has already experienced one of the most severe national and international peacetime economic disruptions as a result of the oil embargo and the increased price of imported oil previously imposed by oil-producing nations. Can America really afford to subject our people to higher prices on imported oil, a product which we are all agreed is essential and will continue to be needed for some time to supplement our own domestic oil supplies.

Oil is one of the most important commodities in world trade and our Nation's responsibility in the conservation, development, and management of our oil resources is a national priority of the highest order. I know that all of us here in the Congress share the President's deep concern and anxiety to establish a national fuel conservation program and achieve national self-sufficiency in meeting America's energy needs but it is axiomatic that it will require a partnership effort between the administration and the Congress to provide a national program that will be fair and equitable to all of our people. To that end I am dedicated and stand ready with you and our colleagues to extend my fullest efforts in every respect to achieve these national priority goals.

Thank you, Mr. Speaker.

IN HONOR OF MISS LUCILLE V. ROBERTS

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DE LUGO. Mr. Speaker, Miss Lucille V. Roberts recently retired from her position as principal of the James Madison School in St. Thomas after devoting more than 50 years to the education of young people in the Virgin Islands.

Beginning in 1922, her remarkable career has spanned teaching stints at the Lincoln, Washington, Nisky, Jefferson and Madison Schools. In 1953, Miss Roberts became the principal of Madison, presiding over its growth from 38 students to 436.

The greatest reward of any teacher is in being recognized by one's former pupils. By this standard, Miss Roberts is greatly loved indeed. Recently the Virgin Islands Department of Education and the James Madison School sponsored a testimonial dinner honoring her dedication to teaching and her many achievements.

Prior to her testimonial dinner, Miss Roberts was interviewed by the St. Thomas Daily News, in which she reflected on her long career and her philosophy of education. I think this article is instructive, and I commend it to your attention:

TESTIMONIAL DINNER-DANCE TO HONOR LUCILLE ROBERTS FOR 50 YEARS SERVICE

Miss Lucille V. Roberts, who joined the staff of the Department of Education more than 50 years ago, recently retired and now spends her time "just walking around spreading joy . . . making people happy."

Miss Roberts, a member of an old St. Thomas family, is to be feted this Saturday night at a testimonial dinner-dance in her honor at the Frenchman's Reef Holiday Inn. The Department of Education and the James Madison School, where she worked for 25 years including 20 years as principal, are sponsoring the testimonial. Governor Cyril E. King will be the keynote speaker.

Being able to get out and meet new people and renew old acquaintances are the things Miss Roberts enjoys most about being retired. She also says that she has more time to devote to her hobbies of gardening and, her favorite activity, teaching Virgin Islands cultural dances. She has been teaching Quadrilles, Lancers and Musurkas for years to young and old alike.

She says she inherited her musical appreciation and ability from her father, Lionel Roberts, who was a well known musician, athlete and legislator. The local ball park was named in honor of her father whose athletic prowess was most evident in cricket although, according to his daughter, he also showed skill in football and softball.

Miss Roberts explained that her father fostered her musical interests and he was "among the oldest of the dancers, and he was always a chaperone at the house parties." She explained that in the days of her youth, dances were held in individual homes and the children always went along.

"Orchestras were there and you didn't have to pay them $300 to play," she said. "The musicians were usually treated to the food and drink, and they played for very little. Money was no object."

Interest in music, it turns out, is not the only legacy she received from her father.

"Our parents chose our vocations, and fortunately for me, in my particular case it was one that I liked," she related. "I always wanted to be a teacher."

She explained that family ties were close in those days and families got together often for discussions.

"The parents talked to their kids to find out what their interests were. And after such discussions my father would sit down with me and say something like 'I think you should be a teacher."

She explained that education was always very important to her family and related that "The only beating I ever got in my life was when I was caught trying to play truant." As a young girl she attended Miss Mary Meyers' School which was affiliated with the Moravian Church and located on Back Street upstairs of where the Daily News is now. One day she started off to class, which began at 8:30 a.m., but on the way she got sidetracked.

"I remember it like it was yesterday," she reflected with a sigh. "I went to see a cousin of mine who had to perform some chores for his mother, and by the time I got to school it was 11 o'clock." Her uncle, who was a friend of her teacher, was visiting the class that day and by the time she got home her father was "waiting with a piece of rattan."

After listening to her explanation he told her, "Always remember in life: Education comes first," and he then proceeded to administer "the only sound beating I ever got."

She was quick to point out that she was not normally a "troublesome child—not like children today." While she doesn't think all contemporary children are misbehaved, she thinks that some parents are afraid of their children which is the reason for the children's misbehavior.

Miss Roberts thinks that chilrden are still receiving a good education today, especially in the middle grades, but she would like to see greater emphasis on the 3 R's in the lower grades. She feels that priority also should be placed on rote learning of arithmetic and the alphabet. She remembers, "a little green primer I had in first grade" and thinks that a return to its phonics system in the primary grades would help solve some of the spelling and reading problems experienced by today's students.

Miss Roberts said that when she was growing up there were no public schools that she can remember, and there weren't that many private schools either. When she finished sixth grade that was as far as classes went on St. Thomas at the time, so her parents sent her to Antigua, considered the center of learning in the Caribbean at the time, to attend a teachers college.

After spending two years learning methods of teaching, she returned to St. Thomas to find that junior high school level classes were being established here.

"It was the early days of the American regime, and they were starting to establish patterns and requirements for teaching," she said.

So she went back to study in grades seven through nine—after already having completed two years in teachers colleges—and finally she became a substitute teacher in 1922. She taught at Lincoln, Washington, Nisky, Jefferson and Madison Schools, and the following year she became a full-time classroom teacher. During her teaching career she continued her own education, spending three summers studying at the

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University of Puerto Rico in Rio Piedras and also completing several courses offered locally by Hampton Institute and New York University.

She took a respite from teaching between 1934–38 and helped her father with a taxi service that he owned. She dispatched the taxis and otherwise managed the business but eventually decided to return to her career as a teacher. About a year later she became principal-teacher at what is now the Joseph Sibilly School. She first went to Madison School in 1942 but was then transferred to Nisky Rural School before finally going back to Madison in 1951.

In 1953 she became the full-time principal of the school, and she says things began to change tremendously at that time. "When I first went to Madison in 1942 there were 38 students in grades 1–6," she said. "It was really country then . . . and it was the only school on the East End. But in 1953 the enrollment started to grow because of the influx of people into the country as they started moving out there and buying land and building homes. By the time I retired there were approximately 436 students." And now on that end of the island there is one other public elementary school with another to open in September.

Miss Roberts says that she is continually running into her former students, many of whom are now established in the community and in other parts of the world. She says that her former students have gone into a variety of occupations and some have become policemen, lawyers and doctors.

"They always recognize me but I can't always remember them all," she said. Sometimes she says men will come to her laughing and kiddingly say, "You used to whip me. Do you want to try it now?"

In referring to her use of corporal punishment, she explained, "It was not to be brutal, but sometimes they needed it. Some people have expressed to me later that they couldn't always see the point of whipping them but can now."

JOSEPH ELLIS HONORED

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BYRON. Mr. Speaker, recently ceremonies were held to honor Joseph A. Ellis on attaining 35 years of service with the State Farm Insurance Co.

I would like to add my note of congratulations to Joe Ellis on his many achievements. Joe worked in many areas of State Farm operations. He started out in 1940 as a student at the home office claim school. He then worked in the Pittsburgh claims office followed by a move to Meadville, Pa. Later he undertook the position of claims adjuster for the entire District of Columbia metropolitan area. He was then promoted to resident superintendent in the District. After several executive positions at the Seaboard regional office in Frederick, Joe became division manager of the West Virginia Division on January 1, 1974. This is the position that he holds at the present time.

I feel sure Joe will continue to serve State Farm in the manner all his colleagues have come to expect of him. I know too that he will continue to exert his efforts on behalf of his community and family. The tribute to Joe Ellis is well deserved.

CUTOFF OF MILITARY AID TO TURKEY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BADILLO. Mr. Speaker, the cutoff of military aid to Turkey becomes effective today, February 5, 1975.

While we bask in the warmth of victory in the upholding of law and justice by Congress over executive whim and immorality, our joy is tempered with a definite degree of sadness as we witness the lack of progress in negotiations and the human and political tragedy in Cyprus which is quickly becoming "fait accomplis" with every passing day.

In twice delaying the suspension of military assistance to Turkey in the face of flagrant and illegal use of American weapons in Cyprus, Congress has allowed more than sufficient time for peace talks to achieve even some progress in settling the most pressing problems on this beleaguered island.

During this period of delay, the administration, by flouting both the Foreign Assistance and Foreign Military Sales Acts, not only did not cut off military aid, but proposed an ominous increase to $230 million. And during this time-period when Congress has shown more than just a conciliatory attitude toward peace efforts, not only has there been no substantive progress in the negotiations but the Turkish line has stiffened in recent weeks and the talks are actually moving backwards.

Mr. Speaker, this agonizing situation which began with the July 1974 genocidal invasion of Cyprus with 40,000 Turkish troops, and occupation of 40 percent of the richest and most productive part of Cyprus—aided by American military hardware—has worsened with more appalling crimes occuring daily. Since December 18, 1974, when Congress delayed the suspension of military aid to Turkey for a second time, there has been in addition to the thousands dead and many thousands still missing, the shattered plight of more than 200,000 Greek Cypriots massively usurped from their homes and lands, and still today suffering as exiles in the south—a grave and potentially volatile situation.

Added to this heinous violation of every basic principle of international law is the importation of more than 10,000 Turkish Cypriotes from the south by way of Turkey, along with Turkish citizens for the purpose of permanent residency in the north, thereby destroying the demographic character and historic culture of the island. These transplanted intruders today hold new title deeds to thousands of Greek homes, businesses, and acres of land, all as a prelude to partitioning the island into separate zones and eventual annexation of Cyprus by Turkey. A census tabulating the spoils of its military victory has been conducted to determine the captured resources available to the Turks drifting into the enclave daily.

Widespread atrocities—which outweigh any Greek abuses since United Nations and Red Cross agencies have been barred from entering the Turkish zone—continue unabated. Violence and looting persist with even valuable antiquities being smuggled out of the Turkish sector every day and sold abroad. The names of scores of towns and villages in the occupied north are being changed to Turkish with no relationship between the former Greek and the new Turkish names. The once bustling economy is in ruins with the vital Nicosia airport and the seaport at Famagusta still closed.

The ceasefire which has been broken a number of times with the grabbing of more land by the Turkish army, has had its most serious and most recent incident on February 1, 1975, when residents in northern Nicosia abandoned their homes fearing that the Turkish army might advance to take over other areas of the Greek zone.

Against this infamous list of international crimes, the phantom Turkish Government has stated that the withdrawal of 1,000 Turkish troops out of 40,000 represents a concession to Congress when it asked for "substantial progress" toward peace, and the preservation of the sovereignty and the territorial integrity of Cyprus.

Mr. Speaker, this balance sheet of what has occurred not only shows no progress but demonstrates a deterioration of the present unstable conditions, and verifies the proven fact and congressional contention that continued military assistance to Turkey has made the Turkish Government more intransigent and strengthened their refusal to make any concessions toward peace—especially in alleviating the indescribable suffering of the 200,000 refuge-exiles.

The suspension of all military aid to Turkey by the Congress of the United States is not a unilateral or vindictive action but one dictated under our law by Turkey's actions. We would like to have continued aid to Turkey but legal and moral considerations demand that we devote attention to preventing a war between Greece and Turkey that would finally destroy NATO's already-weakened southern flank and risk confrontation with the Soviet Union in the eastern Mediterranean.

A TRIBUTE TO RAY MEYER AND HIS OUTSTANDING CAREER AS COACH OF DePAUL UNIVERSITY

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. RUSSO. Mr. Speaker, last month Ray Meyer reached a milestone in his coaching career when he achieved his 500th victory as head basketball coach of DePaul University.

In tribute to Coach Ray Meyer, I would like to commend him for the significant contributions he has made to DePaul University and its athletic program, and also to the tremendous string of victories he has compiled.

Ray Meyer is a former Notre Dame graduate who began his coaching career with DePaul University in 1942. During the past 32 seasons Ray Meyer has produced winning teams 27 times, and has also been voted "Coach of the Year" four times by the Chicago Basketball Writers Association.

I can attest to the constant dedication and enthusiasm he has exhibited during my years with the team. While serving as head coach he has known victory and defeat, but his primary objective has always been the future of his players rather than another victory. Ray Meyer not only demanded excellence on the basketball court but also in the classroom. His career has indeed been great, he is the second-winningest active college coach in the country. But even greater will be the memory and friendship his players will cherish of him as they proceed into the ranks of society, distinguishing themselves in their various walks of life.

Mr. Speaker, I know that you and our colleagues, join with me in congratulating Coach Meyer on his singular accomplishment, and wish him continued success in the days ahead.

BLACK HERITAGE WEEK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ANDERSON of California. Mr. Speaker, the heritage of the black person in the United States, too often neglected in the history books, is one of great achievement and accomplishment. The fact is, black men and women have been in the forefront of our progress as a nation. The list of their accomplishments and their contributions toward making the world a better place to live is endless.

This week is Black Heritage Week in Carson, Calif., and has been proclaimed Black History Week for the Nation as a whole. In view of this observance, I would like to take a few moments to pay tribute to these Americans, who have given our society so much, yet have received so little public acknowledgement.

Throughout the history of the United States, the black American has played an important role in molding our Nation's development.

However, because of the attention given sports heroes and celebrities, the spectacular achievements of black athletes and entertainers have often overshadowed the equally impressive accomplishments of black scientists, inventors, political and religious leaders, and businessmen.

At this point, I would like to cite just a few examples of the black person's role in American history. This should serve to show us all how oblivious we can be to this group's rich heritage.

The first American patriot to die for his country was Crispus Attucks, a black man, shot by the British during the Boston Massacre. During the American Revolution itself, some 5,000 Negroes served in the Continental Army and Navy.

Nearly a quarter of a million black soldiers and sailors fought for the Union forces during the Civil War. Twenty of these men were recognized for valor and received the Nation's highest medal for heroism, the Congressional Medal of Honor.

Jean Baptiste Point DuSable, a black pioneer, founded the settlement of Chicago. Another black pioneer, Matthew Henson, was with Adm. Robert E. Perry when he discovered the North Pole in 1907.

There were more than 5,000 black cowboys in the Old West. A black man, Bill Pickett, invented the art of "bulldogging." James P. Beckworth was a black frontiersman who excelled in trapping and hunting.

The idea of the blood bank was formulated by Dr. Charles Drew, a black surgeon who became the world's greatest authority on blood plasma.

The first black physician in America was James Derham, who established a prosperous medical practice in Philadelphia. The first doctor to perform open heart surgery was black—Dr. Daniel Hale Williams.

The scientific achievements of Booker T. Washington and George Washington Carver are well known to students, but how many Americans have read the works of Alexander Dumas, author of "The Count of Monte Cristo," and realized that he was of African descent, as were Samuel Coleridge-Taylor and Alexander Pushkin. Black Americans such as Paul Laurence Dunbar and Charles Waddel Chestnutt have left their mark in the literary annals of America also.

Despite the extra burden of discrimination black Americans have had to bear, black men have prospered in business. C. C. Spaulding developed his insurance company to the point where it was worth $33 million when he died. S. B. Fuller set up a firm in Chicago that manufactures toiletries and cosmetics and distributes them by door-to-door salespersons. The Fuller Products Co. is one of the largest black-owned businesses in America.

Current leaders in the movement for civil rights and equality have such great black men as Frederick Douglass and Martin Luther King, Jr., to inspire them. Such heroes have the ability to unite Americans, regardless of color or sex.

The work produced by black artists and designers symbolizes the integral part these Americans play in all aspects of the Nation's daily life. The residents of Los Angeles know the fine architecture of Paul Williams, who designed the Beverly Wilshire Hotel, a Saks Fifth Avenue store, office buildings, and mansions. He surely is one of the world's foremost architects.

The list of accomplishments by black men and women in the sports and entertainment fields is virtually endless.

Americans of all races have contributed to the improvement of the quality of our lives; Black Heritage Week is an attempt to bring national attention to the important part this group has played. We should all take pride in the heritage which has been left to us and to future generations by the black pioneers.

PROTECTION OF U.S. DAIRY FARMERS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. OBERSTAR. Mr. Speaker, of all the victims of our current inflation and recession, none are harder hit than the dairy farmers of Minnesota, particularly those in the east-central part of the Eighth Congressional District.

The hard-working family farmer not only bears the brunt of today's economic conditions, but also suffers the full force of unfair competition from abroad.

Without help, many of them will go under.

As I traveled through east-central Minnesota after last fall's elections, meeting with various groups, dairy farmers repeatedly told me of the decline in milk prices, and their disastrous effects on the individual family farmer.

At these meetings I learned that one of the principal reasons for this decline was growing competition from foreign dairy products—products imported from countries whose standards of purity and sanitation are not up to the tough standards our Government rightly imposes on U.S. dairymen.

Mr. Speaker, American cleanliness standards require constant care throughout the farm, and equipment that is expensive to buy and maintain. For a family farmer, the prices are almost prohibitive; but once bought, the equipment costs must be added to the price of the dairy product.

Yet foreign dairymen, who compete with the American farmer, are not required to meet equal standards, meaning that their products enter this country more cheaply and undercut our domestic prices to the point where they are driving farmers out of business.

Mr. Speaker, the American dairy farmer is in bitter straits as it is.

The President has just vetoed legislation that would have given farmers milk support prices at 85 percent of parity. Farmers in Minnesota and elsewhere throughout the country are among the hardest hit by today's inflationary cycle and high interest rates, and have no relief in sight.

Beef, which brought 47 cents per pound in 1973, brought 19 cents a pound in 1974. Farmers who sent their calves to market found shipping costs were higher than the market price of the calf—they actually owed money after they sold the calves.

On top of this they are clipped by enforced participation in research and promotional programs.

Family farms have been excluded from many support programs, making young farmers even less able to compete with the more favored giant agribusinesses.

And the FHA, supposedly the farmer's friend and spokesman, stands accused of what amounts to planned indifference to the farmer's needs; of causing 6- to 8-month delays in processing loans; giving them the run-around; and failing miser-

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ably to address itself and its programs to today's farm problems.

Added to these domestic problems comes the unfair competition from abroad, undercutting American dairymen and possibly creating a health hazard to the consumer as well.

The Dairy Import Sanitation Act, which I introduced this week, requires foreign dairy producers to meet health and sanitation standards as rigid as those American farmers have to meet.

Each country exporting dairy products to the United States would have to set up its own system for farm and plant inspections, and these systems in turn would be monitored by U.S. inspectors to insure compliance.

I urge the Committee on Agriculture to act on this legislation as soon as possible because I know, from what dairymen in east central Minnesota have told me, they need this help badly, and they need it now.

I insert the following newsletter:

OBERSTAR LEGISLATION TO REQUIRE HIGH STANDARDS ON DAIRY IMPORTS

WASHINGTON.—Rep. James L. Oberstar, D-Minn., Tuesday introduced a bill requiring imported dairy products to meet the same standards of purity and wholesomeness now met by American dairymen.

"We must protect both the American consumer and the dairy farmer and manufacturer who, under U.S. law, must comply with tough domestic sanitation standards," Oberstar said.

"To do less is not only dangerous, but grossly unfair to the American dairy farmer who must spend a great deal of money meeting U.S. sanitation requirements."

Oberstar pointed out that while thousands of pounds of contaminated dairy products are refused entry each year, such a small percentage of all dairy imports is inspected that many more thousands of pounds could reach the grocery shelves undetected.

The Oberstar legislation, the Dairy Import Sanitation Act of 1975, would require that foreign dairy producers and manufacturers meet health and sanitation standards as rigid as those which farmers and manufacturers in the U.S. must meet.

Each country exporting dairy products to the U.S. would be required to set up its own system for farm and plant inspections, and these systems in turn would be monitored by U.S. inspectors to insure compliance.

"Dairy imports rose 19% last year, while FDA inspections dropped from 13.2% in 1973 to only 5.8% in 1974," Oberstar said.

"Clearly, this legislation is needed, to guarantee healthful dairy products on the shelves, and a healthy dairy industry in areas like East Central Minnesota."

MALPRACTICE INSURANCE—A CRISIS SITUATION

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. GONZALEZ. Mr. Speaker, I am introducing legislation today that will help alleviate the current emergency situation surrounding medical malpractice insurance.

Medical malpractice suits as well as the cost of malpractice insurance have reached crisis proportions in many of our States, and it is time to take immediate action to relieve this situation.

The bill I am proposing is patterned after Federal riot and flood reinsurance programs to protect primary insurance companies against catastrophic claims and would establish a federally administered medical malpractice reinsurance fund.

Companies selling malpractice insurance could pay into the pool on a volunteer basis and these payments would support the pool.

Initially the pool would pay malpractice liability claims above $25,000, and the figure would be adjusted based on actuarial experience. The Secretary of Health, Education, and Welfare would work with the State insurance authorities and other knowledgeable people in the area of premium rates for primary insurance.

This bill would also require the Secretary to engage in a number of studies and reports including a study of the direct and indirect costs of medical malpractice claims in all federally-supported health care programs.

It was never the intent of the Federal Government to become involved with medical malpractice insurance, but a combination of things have led us to this serious situation where suits against physicians are increasing at the rate of 10 percent a year, and one doctor in three can now expect to be sued during his career.

The cost of coverage for malpractice insurance in some areas of our country is incredible. In New York, new physicians are paying $10,000 to $15,000 per year, and I understand that rates of $34,000 for some anesthesiologists are not uncommon. These high insurance rates ultimately are paid by the consumer in higher health premiums and hospital costs.

While the cost of malpractice insurance has skyrocketed—by almost ten-fold since 1969—an even more serious situation has developed in a number of States including my State of Texas. New doctors just out of medical school are unable to obtain insurance, which could lead to a serious shortage of doctors since they could not be expected to practice without some type of coverage.

Another serious result of the increase in malpractice suits and the increase in damage awards made by juries—in California last year 30 awards of more than $300,000 were made—has forced many doctors to practice what they call defensive medicine.

These doctors are reluctant to try a procedure that is risky but could provide a cure, and they are requiring more lab tests to support and verify their decisions. Practicing defensive medicine could lead to a situation where medical science is stifled, and the cost of medicine can only be increased by requiring excessive testing to be done.

While new doctors are unable to obtain insurance, older doctors are finding it increasingly difficult to be reinsured, and as a result older doctors are being forced into early retirement adding to the already serious doctor shortage around the country.

It is extremely difficult to untangle the issues involved in the increase in malpractice insurance and every faction has a legitimate case to present. The doctors feel the insurance companies premiums are excessive; the insurance companies feel justified because of the large awards being made by the juries hearing malpractice cases; and both sides feel that lawyers are to blame since they work on a contingency basis.

We can not waste time debating who is at fault or who is responsible for the dramatic increase in the cost of malpractice insurance. We must take immediate action and I am hopeful that the House will move expeditiously in considering my bill to reverse this serious situation currently jeopardizing our health system.

WHAT'S HOPEFUL FOR 1975?

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ESHLEMAN. Mr. Speaker, in these times of economic questioning, I think it is particularly important to listen to individuals whose wide background in economic policy makes them indispensible national resources.

Walter E. Hoadley is such a man. He is presently executive vice president and chief economist of the Bank of America, NT&SA, San Francisco. Previously, he held similar positions with Armstrong Cork Co. and today serves on the board of directors of that firm.

In a recent address to the Commonwealth Club of California, Mr. Hoadley had some important things to say about our Nation's economic health, the need for confidence in our Nation's economic future and the responsibility of all Americans to participate in assuring our Nation's economic survival. His speech was a challenge to his audience, and I would like to share it with my congressional colleagues as a challenge to all of us.

"WHAT'S HOPEFUL FOR 1975?

(By Walter E. Hoadley)

Now is the time for the seasoned men and women in our country who have experienced periods of great uncertainty, recession, and even depression to rise up and help restore confidence. They are needed to provide steadying and positive leadership to blunt the increasingly panicky feelings of average Americans who, at age 27, never have had to live through such a period as confronts us in 1975.

The message for all America is simple—the basic strengths of the U.S. economy and the spirit and determination of our people never fail to see us through to better times. Unfortunately, this message is not now being—certainly not forcefully—told. The younger people can't be expected to tell it believingly to themselves and too many older people don't think anybody will listen. I can report from personal research that most young people are more anxious to hear the views of their elders now than at any time in the post-war period.

NEEDLESS CONFIDENCE CRISIS LOOMS

The most serious aspect of all this is that across the nation now there are increasing signs of an impending needless confidence crisis. Once full-blown it can greatly undermine all public and private efforts to reestablish an upward course for the economy in 1975. Some of the signs are: (a) almost universal doubt about the future, (b) more and more postponements of major personal and corporate decisions, (c) rising liquidations rather than new investments, (d) increased austerity at home, office, and factory, (e) common references to the "mess" we are now in, and (f) intensified requests for somebody—usually in government—to "do something", but even more doubt that anything can or will actually be done about it.

A confidence crisis is not to be ignored or taken lightly as seems to be the case in most public and private outlook discussions these days. Fear feeds on uncertainty and reinforces a downward spiral in economic activity by making people believe the "safe" thing to do is not to do much of anything.

My psychologist friends also tell me that it's very human in the face of uncertainty to look for a safe haven by reverting back to modes or levels which seemed secure in the past. Pretty clearly this reversion process is now underway with cumulatively negative overtones. But, it is also stoppable in large part by the sheer recognition that mounting fears and emotions can only compound our problems and delay the solutions which we so anxiously want.

The average American is inexperienced and emotionally unprepared to understand or cope with prolonged recession and is largely unaware of what causes inflation. But I find young people everywhere looking for information about what's going on and even more for reassurance that we'll "make it" in 1975—an amazing doubt for many of us who have seen our country weather great storms successfully in the past.

NO ONE CAN WASTE A YEAR

I'm personally disturbed that so many people have literally written off 1975 as total disaster and have chosen to sit on the sidelines and "wait and see." As suggested, this is the best way to aggravate our problems. Moreover, a year is a precious segment of each of our lives—about 2% of the actuarial life expectancy of the average 27 year old—but 4% for the 50 year old—10 of the 65 year old—and as God only knows 100% for some. No one of us and certainly our nation can afford to waste any year and not 1975.

If you're among the many Americans who have already written off 1975, please take another look: (1) the fundamental outlook is far stronger than it may appear in the headlines and (2) unless some more positive thinking occurs soon, the present weakness could be seriously aggravated into a self-fulfilling deeper recession prophecy, which nobody wants. Negative psychology is now far more dangerous than negative economics because the former kills the will to act. We need more positive action now—not more drifting!

Let's never forget that the outlook for 1975 as always is greatly dependent upon the degree of realism of our worldwide expectations and our personal vantage point. Americans are known to be impatient people, persistently seeking quick and simple answers to our problems. We rapidly take the good for granted, assume it will continue indefinitely, and are shocked when it doesn't. We don't take time to note underlying changes until they threaten to overwhelm us. We are traditionally restless with the status quo, yet quickly become apprehensive when change occurs. We abhor uncertainty, but we are the most readily adjustable people in the world.

Fundamentally, we are a confident people, but economic progress has been so persistent that we've almost forgotten to nurture the roots of our system. We've failed to note that our economic progress in recent years has been so great that other dimensions of life, especially qualitative rather than quantitative values, have pushed such old fashioned economic virtues as productivity, investment and savings into the background. We've hardly learned that the U.S. is far more interdependently linked with other nations than seemed possible only a short while ago.

We've failed until very recently (and already largely forgotten because of the recession) to recognize that the pervasive and long standing slack in the developed world-economy is gone. The problems which now confront us clearly are far more complex than just economic. As a people we've hardly learned the fundamentals of supply and demand economics when we've rather suddenly been confronted with a strong new set of environmental, social, political, and related influences. No wonder we seem confused. Any expectations for return to the good old days can only be totally unrealistic.

YEAR AHEAD CULMINATES MANY BASIC CHANGES

The year 1975 for all these reasons was destined long ago to be flat and anything but serene on many fronts, as even some cursory Monday morning quarterbacking of 1974 will attest. These are enormously changing times for very explicit reasons and it is just not realistic to assume them away as we look ahead. Our nation and the world are shedding the vestiges of deep seated war and postwar periods and struggling to find the priorities, policies, programs, and political and social power structure for the rest of this century. This will take several years. It's our job to make the most of it for what it is—no more no less.

Let's also be careful not to accept at face value the "objective" views of those who capitalize on fear to sell gold and other "sure" assets or advisory services which never seem to have anything constructive to offer.

THE 1975 OUTLOOK IS WHAT WE MAKE OF IT

The most commonly accepted forecast for the United States for 1975 is for a decline in real terms of 1 to 2 percent, price increases of 8 to 10 percent, an unemployment rate of 7 to 8 percent, and an after tax profit reduction of 15 to 20%. Against an expectation of perpetual economic advancement this is a pretty weak outlook.

In fact, the outlook is for the second or third best year in U.S. or any other economic history, with about 85 million men and women at work, record or near record consumer financial assets, minimal excess capacity in basic industries, a topping out of inflation, generous use of the government's time-tested enlarged kit of help for the unemployed and underprivileged, more comparative U.S. advantages over most nations in energy, inflation, capital markets, and financial system strength, unrivaled management expertise, the best educated people in the world in a mood wanting to understand our problems and participate in their solutions, and no war.

This is a pretty hefty set of strengths to help all of us find a solid bottom to this recession close to where we are now—if we'll only demonstrate the willingness to weigh the factual evidence of strengths and not insist on stressing only weaknesses. The key point is not *whether* but *when* the outlook will improve.

CONFIDENCE MUST BE RESTORED PROMPTLY

But, the confidence breadown has proceeded far enough now that much more has to be done promptly to make sure it does not accelerate much further. This is not time for mere reassurances or generalizations. This is a time for action and I mean some dramatic action to catch public attention:

Here's my program:

1. The public already knows too much about our problems, so, let's not you or I or the media dwell on them inside or outside of government unless we're prepared to offer practical solutions. "Put up a positive answer or shut up" could be a motto.

2. Have government, business and research professionals determine where confidence is the lowest, seek out "why?" at the grass roots level and design practical answers and programs which have personal local significance, and above all get people—lots of people—involved.

3. Launch a national weekly educational T.V. program on prime time—financed jointly by public and private funds—involving the President and other leaders as a follow up to the Summit Meetings to present further opportunities for the public to understand more about the nature of our problems and the practical options and limits to their solution. Stress the interrelations of simultaneous inflation and recession and the need for priorities.

4. Settle for some time to come by Congressional inquiries the questions of future material and other shortages or surpluses—real or imaginary—and prospects that U.S. living standards may not be able to rise much further unless a massive program of new investment gets underway; follow up with appropriate action.

5. Indicate a joint public and private broadscale residential and commercial "fix-up" campaign to help the hard hit building industry.

6. Have Congress adopt a strategic program of temporary "confidence restoring" tax cuts to reassure the public and management-investors that "bottom" to the recession will be found promptly, emphasizing (a) quick reaction techniques through one shot forgiveness or lower withholding with promises of more doses as needed, (b) easing of tax deterrents to durable goods purchases and capital investments, and (c) packaged determination to invoke tax increases as confidence and growth return to offset the eventual inflationary potential of any excessive stimulation.

7. To encourage almost defunct forward planning and remove as much uncertainty as possible, make more specific public and private commitments for a minimum of two years.

8. Have the President and the Congress challenge the citizens in all communities to make 1975 the year in which a determination is made of what precisely is to be preserved for posterity and what civic improvements can be made by citizen participation as one of the key action programs of the 1976 Bicentennial.

9. Have President Ford convene an international Summit Conference to discuss openly the critical questions affecting the world outlook for 1975–76, toward the end of developing at least the outline of a concerted program of well known supportive action to invoke should the present worldwide tendency toward recession intensify.

10. Have the joint leaders of the U.S. public and private life call upon the people to recheck their current behavior against recent experience and urge them to spend, save, invest, or borrow on a more normal level if they have allowed fear to cause serious retrenchment.

This is by no means an exhaustive test, but perhaps will serve to illustrate how some dramatic action, soon, against a realistic appraisal of the dangers of further ebbing of confidence as well as irresponsible inflationary fiscal action—can offer a constructive basis for starting restoration of confidence. This is not only important to the U.S. but to the rest of the world which now fears our country will "export recession" in 1975.

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THERE IS NO ESCAPE FROM PLANNING NOW—MAKE IT CONSTRUCTIVE

No doubt many will still feel much of what has been said here reflects more hope than certainty. In any event, there is at least one more point to be made. It is to remember that not to plan ahead is really to plan to push forward the status quo—both the best and the worst—in all organizations. At the very least 1975 prospects call for a critical cost-benefit evaluation of our key activities to test the strength and endurance of the human and material resources employed against the markets to be served.

A fiat year such as 1975 bluntly means in all our lines of endeavor that we're going to have to make our accomplishments pretty much on our own without much help from the outside, that means more than ever we must ask ourselves—how good really are we?

Let's also recognize that there are widespread feelings among 27 year olds and others that business and the private sector are not really important contributors to national welfare—that only the so-called public sector can determine what is in the public interest—and that right now the best course of action is to control business more while government and the public sector take over more responsibility:

Those who hold such views should answer these questions: Why does productivity fall as government activities multiply? Who is responsible for the greatest flow of innovative ideas and follows them through to reality? Who ultimately has to pay the bills for government expenditures?

The point of all this is that no one should assume that the private sector is not adversely affected by the negative actions of government. Morcover, neither the private sector nor the public sector alone can hope to solve tomorrow's complex problems. Both must be involved and both must remain strong for all Americans to have the best life in qualitative and quantitative terms. Don't let anyone tell you otherwise.

Where we have weaknesses and problems—let's get to work to correct them. They're not going to correct themselves in this environment. Where our fundamentals are sound, let's move ahead—albeit cautiously. When we do we'll avoid the inevitable rush and jam when all the present drifters regain their confidence, in 1975 or 1976, start to move ahead again—only to kick themselves for not taking action now.

Will you be one of them? Don't sit there. Let's get up and do something positive today!

DEATH BY HANDGUN: THE CASE FOR HANDGUN CONTROL

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. HARRINGTON. Mr. Speaker, the Washington Post of January 30 printed two contrasting letters under the heading: "The 'Right To Bear Arms' Versus a Life." It seems to me that the two viewpoints expressed in these letters, taken together, provide yet another strong argument for strong national handgun legislation.

The tragic story of Mary Jo Donovan, as recounted by Claudia Anderson Nevins, of Washington, speaks for itself as an example of the senseless deaths that are in part attributed to the availability of handguns.

The following letter by William J. Herb, of Greenbelt, cities the fact that there are an estimated 20,000 Federal, State, and local statutes presently on the books. While to Mr. Herb this might constitute "some form of gun control," to me it appears worse than none at all and argues forcefully for some form of effective control of handguns, such as I introduced last year.

The text of the articles follows:

THE "RIGHT TO BEAR ARMS" VERSUS A LIFE

Mary Jo Donovan is dead. She died while she was warming up her car on a cold January day in a Maryland suburb of Washington. She died because someone shot her and left a beautiful little boy motherless and a devoted husband and friends without one of the liveliest, most charming, warmest, best humored people we have ever known.

This is not the first letter I have written on gun control. And it probably will not be the last. But I hope to God that it is the most painful, as I doubt that I personally could endure more pain than those of us who knew Mary Jo have experienced. Mary Jo was one of those rare women who had found liberation and was a mother and wife and a career woman who did all of those things well and without complaint or trauma. And she made a lot of people laugh in a time when there is not a great deal to laugh about in the world.

I am tempted to call the National Rifle Association and ask whether they can honestly say that the "right to bear arms" is a sufficient trade-off for the life of one truly fine human being. A right versus a life. Would they think about that? Since hearing that Mary Jo is dead. I have been wandering around in a daze as have most people I know. And all that I seem capable of saying to myself is "Who cares?" I have not been able to decipher what that means, but I want to know when this country is going to get to the point of valuing human life and dignity? I have heard people say that life is cheap in Asia and Africa, but here we have the most senseless killings and a numb acceptance that is frightening.

It would not surprise me if this letter is not printed because of its incoherence. And I can understand that. But I hope that someone, somewhere does read it and realizes that it is intellectually easy to oppose something, but when someone who has been a friend to many and an enemy to no one is sacrificed for nothing, we can only hope that the hopelessness and the bitterness we feel can somehow be interpreted into a positive means of combating the most incredible narrowmindedness that exists in our nation today.

CLAUDIA ANDERSON NEVINS.

WASHINGTON.

In a recent Post column Jerry Wilson attempts to make much of the fact that a majority of Americans favor "some form of gun control," and to use this as an indication of public sentiment for "extraordinarily stringent "limitations on the availability of handguns. With an estimated 30,000,000 handguns presently in America, this sounds strongly like an advocacy of confiscation. This is a giant, fanciful step from "some form of gun control." With 20,000 federal, state, and local laws currently on the books controlling the possession and use of guns, I submit that we already have "some form of gun control."

Mr. Wilson recognizes that "firearms obviously are needed in some instances . . . for safe defense against criminals . . . and by hunters and trappers." But he emphasizes that this need is mainly in rural areas. Granted, there is little hunting or trapping in highly urbanized areas, but an examination of the number of violent crimes per 100,000 population in rural and urban areas, and a consideration of the inability of the police to prevent violent crimes would lead to the conclusion that the urban dweller is in greater need of a means of self-protection.

Wilson attempts to illustrate his case for strict gun controls by citing statistics that show that 10,000 people per year commit suicide by using handguns. He reasons that the "availability of handguns" killed these people. It would seem obvious that an individual intent on committing suicide certainly would be able to find an efficient alternative.

I feel that Wilson's faulty brand of reasoning will logically lead to a call for the confiscation of all privately owned guns, whether they be rifles, shotguns, or (as proposed in a Post editorial the following day) handguns.

WILLIAM J. HERB.

GREENBELT.

IS THE WITCH HUNT BACK IN STYLE?

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. HOLT. Mr. Speaker, after beholding the activities of the Department of Health, Education, and Welfare in the school systems of my own district and others throughout the country, we must conclude that the witch hunt is back in style.

One does not hear of any really solid investigative work to determine the facts involved in any individual complaints alleging racial or sex discrimination.

Instead, we find the Office for Civil Rights pursuing an obsession with records, files, statistics, reports, and charts showing the racial and sex composition of schools, classes, courses, and even disciplinary caseloads.

Local school officials are endlessly harassed with demands for such data, which can be produced only with large expenses of time and money. Agents of the Office for Civil Rights frequently approach local officials in an accusatory manner, challenging the local jurisdiction to prove itself innocent of race and sex discrimination.

The Federal enforcement officials are actually getting deeply involved in the administration of local schools, mandating racial quotas for each school, class and course, and even insisting on racial balance in discipline.

The civil rights laws as they were intended by Congress are not being enforced. Instead, what we are witnessing is a classic example of a bureaucratic fuddle factory in operation, perpetuating and expanding its empire by creating turmoil in local school systems.

To correct this dreadful condition, I have introduced legislation that would set HEW on the proper course.

This legislation would establish an orderly, legal process for the investigation of civil rights complaints, but it would stop the arbitrary and costly demands for records, files, statistics, and reports that burden local educators.

Stated simply, my legislation would prohibit the Federal Government from requiring such information from local school systems, except when the data is necessary to pursue individual, specific complaints of race and sex discrimination.

Whenever a local school district resists demands for information, the Federal agency could petition for a court order releasing the data.

To obtain the court order, the Federal Agency would need to file formal complaints by students or parents and evidence showing "probable cause" that race or sex discrimination has occurred.

This legislation is consistent with American legal tradition. It is a sound approach to enforcement of the laws of the land, but it protects local school districts from unreasonable harassment and impoundment of appropriated funds.

I would urge my colleagues to support this legislation.

PRESIDENT FORD AT RELIGIOUS BROADCASTERS BREAKFAST

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, I am submitting for inclusion in the CONGRESSIONAL RECORD the address of President Ford to the National Religious Broadcasters congressional breakfast which was held in Washington on January 28.

I believe all Members of the House and Senate should take the time to read the President's remarks.

He takes a very strong position in support of religious liberty—one that reflects a positive and sincere expression of his own personal views. It is good that these views guide the man who holds America's highest office.

The President's comments were well received by those in attendance who favor strict adherence to religious liberty as guaranteed under the first amendment of our Constitution.

The National Religious Broadcasters Association is among those in the forefront of those concerned with protecting our religious freedom and the right to worship in the manner of our own choosing.

I believe this speech is timely and reassuring. The President has set the tone for meeting the awesome challenges this country faces here at home and throughout the world.

THE 32D ANNUAL CONGRESSIONAL BREAKFAST OF NATIONAL RELIGIOUS BROADCASTERS

Remarks by the President

I am grateful for your invitation to this Congressional breakfast, which I attended fairly faithfully when I was a Member of the Congress, and from which I derived not only a good deal of religious inspiration but also that powerful encouragement which is described in the familiar hymn as "the fellowship of kindred minds."

I might say, in a secular way, I am still hoping for some of that spirit with the new Congress.

Last year I had the privilege of being with you as Vice President, and I guess the first thing I ought to assure you this morning is that I am not going to do any more jobhopping.

As President, I have been cautioned to be very careful what I say about religious matters. But the separation of church and state, although a fundamental principle to which I fully subscribe, was never intended in my view to separate public morality from public policy. It says that the power of government shall not be used to support or suppress any one faith, but in the same sentence protects the profession and propagation of all faiths.

I took a minute to re-read the First Amendment to the Constitution before coming over here. This is what it says:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

Now that says an awful lot in one sentence; it sustains some of our most precious rights; it also underscores how inter-related they are. Freedom to exercise one's religion would be meaningless without freedom of speech and assembly; without freedom of the press there could be neither religious books nor religious broadcasters.

As we proudly enter a period of celebrating our Bicentennial of independence as a nation, we must remember that our great traditions of freedom did not suddenly start in 1776. For more than two centuries before the Liberty Bell rang, the processes of conflict and compromise were working on this continent, and the impassioned extremes of religious and political rivalry were tested and found wanting.

In the end, our Founding Fathers sought to establish a new order of society embodying the principles of tolerance and freedom, of unity in diversity, of justice with charity. So the First Amendment was written to ensure the perpetuation of the hard-learned lessons from our colonial history that religious belief can neither be coerced nor suppressed by government; that a free people must retain the right to hear, the right to speak, the right to publish and to read, and the right to come together—all of which had been denied the early American settlers at one time or another.

As for the other freedom, the right to petition the government for a redress of grievances, it is hard for any of us who hold public office to imagine a time when this was not permitted. But it was dangerous in America 200 years ago, and it is in many parts of the world today.

I am told that the total listening audience of the National Religious Broadcasters exceeds 40 million persons and that religious broadcasting in this country and throughout the world is growing at the rate of 20 to 30 percent per year. This can be a tremendous force for good, for freedom, and for peace.

While the Founding Fathers never dreamed of radio or television, the personal freedoms they protected make your work possible. The electronic era of communications which is only beginning, as the age of books was only beginning when Gutenberg printed his Bible, holds unlimited opportunities for those who today tell and re-tell the Good News of God's love for man.

As President, I am no less concerned than George Washington was when he observed in his Farewell Address to his countrymen:

"Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensible supports . . . . The mere politician, equally with the pious man, ought to respect and to cherish them. . . . Reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle."

You will note that the First Amendment is stated entirely in the negative; it forbids Congress—because its authors were much more fearful of the tyranny of Parliament than of the King—to make any laws in certain areas of individual freedom.

But President Washington urged all "mere" politicians to respect and cherish the principles of religion and morality. And it has been my experience in the Congress over the years that most of us "mere politicians" really do.

In my first speech as President to my former colleagues in the Congress, I had dedicated groups such as this one in mind when I said:

"On the higher plane of public morality, there is no need for me to preach. . . . We have thousands of far better preachers and millions of sacred scriptures to guide us on the path of personal right-living and exemplary official conduct. If we can make effective and earlier use of the moral and ethical wisdom of the centuries in today's complex society, we will prevent more crime and more corruption than all the policemen and prosecutors of the government can ever deter. If I might say so, this is a job that might begin at home, not in Washington."

Through your broadcasts, you reach into the homes of America, and bring to young and old the ageless axioms of Divine truth. All of us need the sure guidance of God in whatever we do. Although there are many faiths and denominations represented at this meeting, a common goal brings us here: recognition of the need to keep strong the spiritual and moral ties that bind us together as a nation. I will not join the skeptics who say Americans have lost faith, hope or love. But I know that each new generation must rediscover these redeeming qualities and translate them into its own way of living, or lifestyle as they now say. You are helping in this renewal and nurture of our deep religious roots.

When I was young, I learned a couple of verses from the Book of Proverbs, third chapter, which have stuck with me all my life. When I took the oath of office as President, the Bible was open to this passage:

"Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all the ways acknowledge Him, and He shall direct thy paths."

That is what I have tried to do, and will try to do, as your President. I think it does no violence to the separation of church and state to commend these words to my countrymen. If it does, I am in good company, starting with George Washington.

LETTER CARRIERS DISLIKE KOKOMO PLAN

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. HILLIS. Mr. Speaker, in my congressional district, there is a fine little city called Kokomo. Because of the stubbornness of postal management, it has become the rallying cry of indignant letter carriers all over America and eventually could very well be the cause of a nationwide postal strike.

In Kokomo, postal authorities are conducting an experiment which they hope to implement nationwide. The experiment is really kind of a super time-and-motion study, augmented by computers. It is aimed at standardizing the routes

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of the letter carrier—forcing them to take so many steps a minute, make so many stops in an hour, and so on. The end result of the experiment is to make the heavy task of the mailman even heavier by eliminating some routes by extending the routes still existing. Management feels it can eliminate 15,000 routes throughout the country.

The letter carriers resent this. They feel there are no two routes exactly alike, and no two letter carriers exactly alike, and that it is foolish and vicious to computerize and evaluate them on exactly the same basis.

Mr. Speaker, I agree with the letter carriers. These are fine, dedicated men who, for more than 100 years, have been the Nation's best ambassadors to the people.

Despite all the experimentation going on, the mail service is swiftly deteriorating. Every day it is worse than it was the previous day. Morale is low. The employees are bitter.

I sincerely hope the postal managers will abandon the Kokomo plan, and will concentrate their efforts on moving and delivering the mail as swiftly as possible. A postal strike would be disastrous to the economy in these difficult times. It can be avoided only if management puts away its pride and yields to the commonsense of its employees.

NURSE TRAINING ACT IN 1975 SESSION

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MADDEN. Mr. Speaker. I want to bring to the attention of this Congress the fact that no Nurse Training Act has yet been signed into law. That legislation which the 93d Congress passed was pocket vetoed by President Ford and I am concerned about the effects of not providing assistance to our schools of nursing and to nursing students.

It has been projected that this Nation will require a million nurses by 1930 and this estimate does not include the nurses needed for any NHI program. Certainly we cannot meet the nursing needs of our people without Federal assistance.

I would like to share with you a letter from the chairman, Student/Faculty Affairs, at Indiana University Northwest.

DEAR MR. MADDEN: I am deeply concerned over President Ford's veto of H.R. 17055, the Nurse Training Act. In the past, many students at Indiana University Northwest would not have been able to complete their nursing studies without the help of the Nurse Training Act, and many will be unable to complete their education in the future without this assistance. Forty-five (45) of the one hundred ninety (190) students enrolled in nursing courses for the Fall Semester 1974 were on financial aid—fifty-five percent (55%) of these were minority students. While it is true that some of these students will complete their studies this year under the old act, many will have great difficulty or will find it impossible to complete their studies without aid. In addition, one hundred thirty (130) of the three hundred (300) applicants for admission to the class of 1975 have indicated a need for financial assistance in order to attend school. Since nursing students are not eligible for the National Direct Student Loan, many of these students will be unable to attend school without the Nurse Training Act.

Mr. Speaker, Ms. Malone also stated that area hospitals have gone to the Philippines to recruit nurses. New hospitals have opened in the area during the past 2 years and another is opening this year. These hospitals must have registered nurses if quality care is to be provided. She says that capitation funds, under the NTA, have helped her school to meet the demand for registered nurses and without those funds it will be impossible to meet that demand.

Mr. Speaker, I hope this Congress can move rapidly toward enactment of the Nurse Training Act that was passed in late 1974.

THE EUROPEAN SECURITY CONFERENCE AND THE BALTIC STATES

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Ms. FENWICK. Mr. Speaker, the European Security Conference has been in session in Geneva, Switzerland, and Helsinki, Finland, intermittently since June 1973. The Soviet Union first broached the idea of a security conference in 1969 with the aim of stabilizing Europe's future through agreements on security, economics and cultural exchange. The conference has now reached the point where a summit meeting is being planned for early this year to ratify the conference agreements. By some accounts, the size of this summit will exceed both the Congress of Vienna in 1815 and the Versailles Peace Conference of 1919.

One of the many issues that has been raised at this conference is the status of the Soviet-controlled Baltic States of Estonia, Latvia, and Lithuania. The Soviet Union has urged that the World War II boundaries be accepted by the United States and Europe. A ratification by the West would put a seal of legitimacy on the territorial gains made by the Soviet Union during World War II. An acceptance of the Soviet claim that the people of the Baltic States voluntarily joined the U.S.S.R. would be not only a falsification of history, but also a renunciation of the principles of self-determination and respect for human rights and fundamental freedoms on which this country's foreign policy has long been based.

Mr. Speaker, February 24 marks the 57th anniversary of the Estonian independence. It is appropriate at this time for us to remember the people of Estonia, Latvia, and Lithuania who lost their independence during the Second World War. I am introducing today a resolution which expresses congressional concern over the fate of the Baltic States at the European Security Conference. We cannot forsake these valiant people in the name of détente.

FRANCE VERSUS OIL DEPENDENCE

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MURPHY of New York. Mr. Speaker, it appears that France is combatting its energy crisis with far more vigor and optimism than the United States.

By 1985 the French hope to have all base-load electricity supplied by nuclear power plants. In addition, France is significantly ahead of the United States in building the fast breeder reactor.

The Russians are also ahead in building the fast breeder reactor.

On its editorial page of January 4, 1975, the New York Times challenged the administration to show more drive, estimating that the United States could "even reduce its total oil imports to as little as one million barrels a day by 1985."

As this matter is of maximum urgency to all members, I insert this editorial to be printed in the RECORD in its entirety.

FRANCE'S ENERGY PLAN

France's new ten-year program to reduce the country's dependence on imported oil sets an example for the industrial nations, but also emphasizes again the economic power of the oil cartel.

By 1985, President Valéry Giscard d'Estaing intends to reduce the country's dependence on imported fuel from the present level of 75 per cent of energy consumed to 55 or 60 per cent. Conservation, as well as new sources of energy, is to be relied upon. The expectation has been that French economic growth would require energy equivalent to 284 million tons of oil a year by 1985. But the country's economic plan has now been revised on the assumption that a reduction of 16 per cent will be possible to the equivalent of 240 million tons without seriously constraining production.

Increased energy supplies are to be obtained through halting the decline in coal use by opening new mines and by further coal imports. A massive nuclear-power program, already under way, is to be pressed forward vigorously with a target of providing one-fifth of France's energy supply from nuclear-power plants. Whether this can be achieved as early as 1985, however, remains a matter of debate among economic planners. After ten years, France will still be dependent on imports for over half her energy and virtually all her oil.

Some West European countries will be able to do better than that. Britain expects to be a petroleum exporter by the early 1980's with the help of North Sea oil. Holland has natural gas. West Germany still has vast coal resources. But, overall, the dependence of West Europe and Japan on imported oil will remain substantial for many years.

The United States, in contrast, could achieve independence from Middle East oil before 1985 and even reduce its total oil imports to as little as one million barrels a day by 1985 from the current six to seven million. But a far more vigorous effort is required than that currently contemplated by the Ford Administration.

THE REAL DIFFERENCE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ABDNOR. Mr. Speaker, the financial crisis of the livestock industry has reached such proportions that it is a very real worry as to how many ranchers are going to be able to stay in business and continue producing the quality beef you and I like to have on our tables. The cost-price squeeze continues unabated in rural America, but it is a problem little understood in our cities. Mrs. Robert Pfeil, of Harrold, S. Dak., has sent a letter to the editor of a number of South Dakota newspapers, that tells what our ranchers are up against these days. I want to share that letter with my colleagues so that they, too, can have a better understanding of what is involved in raising the meat they enjoy at the dinnertable:

THE REAL DIFFERENCE

To the Editor:

I am a 365-day-old average calf. My mother is expected to have a 90 per cent chance of raising one live calf per year. Together we are called a unit.

My owner offered to give me to a town citizen the other day to keep and feed until I was ready to butcher. They said they couldn't afford to feed me. My owner asked, "How about me?" The town citizen said my owner had the stuff to take care of me to make the difference.

In this area you are to allow eight acres for my unit per year.

8 acres at $100 per acre at 8 per cent interest	$64
Principal on 8 acres at over 40 years	20
Tax on 8 acres and unit	12
Necessary shots (no illness)	4
Pellets or oats after weaning (6 months)	40
Mineral, salt and vitamins	3

This comes to $143.

How many of these items did you say my owner didn't have to pay for or did you say, Couldn't pay for?

While maintaining me, but not pushing me on this ration, at one year, if I am a heifer, I should weigh 600 pounds. At the current price, if I am good, of 18 cents equals $108. If I am a steer, I should weigh 675 pounds at 23 cents equaling $155.25 or average the two to equal $131.62.

Sorry, I forgot a few things like labor and gas for calving time, checking cattle and feeding, AI expenses or per cent of cost of bull, the expected death loss of 10 per cent or more, vet calls, cow's pregnancy check, insurance, bangs vaccination, mowing hay, bucking, stacking, stack moving, grinding hay, electricity to pump and heat water, repair and upkeep of bunks, fences and sheds, baling and hauling straw, manure hauling, the investment and repair of machinery involved.

Would you tell me again what you really said the difference was?

Mrs. ROBERT PFEIL.

HARROLD.

A NEW APPROACH TO HEALTH: BEYOND NATIONAL HEALTH INSURANCE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MATSUNAGA. Mr. Speaker, I am convinced that one of the most important issues the 94th Congress will have to come to grips with is that of national health insurance. There is a basic human right to adequate health care, and we must move swiftly to guarantee that that right is more than rhetorical affirmation.

The House Ways and Means Committee has already taken an important step in the right direction, with the selection of Congressman DAN ROSTENKOWSKI to head its Health Insurance and Medicare Subcommittee. I look forward to working with Mr. ROSTENKOWSKI to fashion thoughtful and comprehensive legislation in this most vital area.

Many of the concepts which I believe important in mapping our policy direction in this field are set forth in a speech I was privileged to deliver last month at a seminar on public policy for health sponsored by the University of Hawaii's School of Public Health, chaired by its most able and resourceful dean, Dr. Jerrold Michael.

In order to contribute to the dialog on the country's health care system, I am submitting for my colleagues and other readers of the RECORD the text of my speech:

THE VIEW FROM WASHINGTON: CURRENT FEDERAL HEALTH POLICY AND THE OUTLOOK FOR THE 94TH CONGRESS

(By Hon. SPARK M. MATSUNAGA)

The story frequently told in Washington at this time of the year concerns Senator Theodore Greene, who as a new member of Congress used to have the reputation of attending every social function to which he was invited. He kept a black pocket date book and would check off each function as he attended one after another. On one occasion, Senator Hubert Humphrey spotted him at a corner table lamp, thumbing through the familiar black book, and asked, "Well, Senator, you trying to find out where you're going to next?" "Hell, no," Senator Greene replied "I'm trying to find out where I am right now."

And the mythical Indian Thunderbird, it is said, used to fly backwards because it wanted to see where it had been but didn't give a damn where it was going.

By reading newspaper accounts of what your Federal Government is doing in the Nation's Capitol, some of you may be wondering if any one, from the President on down, knows where we are as a Nation, or in which direction we are headed.

Like the Thunderbird, we can at least see where we have been. Although the scene of the past year certainly has not been a pretty one, we can catch glimpses of encouraging signs—signs which may not only indicate where we are, but which may also point in the direction in which we are headed.

So putting to use that gift of Janus, let us see what has happened in the past and what might lie in the future for us in the area of our special interest—health care policy for our Nation's people.

There is a great tendency, especially at the beginning of a new Congress, to characterize a particular subject of Congressional concern by making out two lists: one, a list of bills passed in the previous Congress, and two, a list of bills the new Congress can be expected to pass. Such lists do serve useful purposes, but, I believe, in the case of health policy, we must do more than that. So while I intend to refer to specific pieces of legislation, both past and future, the references, hopefully, will be related to the theme I will be trying to develop: That health, including but not limited to health care, should be—and must be—a matter of National concern and policy.

To place this discussion in the proper context, we must initially recognize what may be the major political transition of the past few years: the shift of power away from the President to the Congress in the National policy process. This represents a long overdue reversal of trend, triggered primarily by Watergate and its related events.

Prior to Watergate, since the days of Franklin D. Roosevelt and the New Deal, at the same time that the Federal Government was assuming a much larger role vis a vis states and localities, power at the national level had been flowing from Congress to the President. Although briefly slowed down during the eight years of the Eisenhower Administration, this trend was sharply accelerated during the Kennedy-Johnson years. The gravitation of power to the Executive prompted bold social experiments inspired by Presidential dreams of greatness and history-making.

The concept of the so-called "Great Society," fostered during the Johnson Administration, happily focused on health as a major national objective.

The passage of Medicare early in the Johnson Administration was the first attempt by the Federal government to assure health services to a large civilian population. It marked the conversion point in Federal involvement in personal health services—from a benign (and fairly unimportant) participant in the promotion of specified health services and limited research, to an instant major purchaser of services. Federal health expenditures of all kinds rose from $5 billion in 1965, to about $32 billion in fiscal year 1975. Hawaii's share in this fiscal year runs up to about $62 million. The entrance of the Federal government into the medical marketplace has altered the market in ways which we are only now beginning to comprehend.

Medicare was followed by Medicaid and by other health programs, including new Federal programs to support the training of health professionals. In almost geometric progression the federal share of the American health dollar has become the largest share. About 26% of personal health care expenditures in America today are federal expenditures, more than double the figure of ten years ago.

In any market, a single purchaser who outbuys all others has the power to shape the behavior of the suppliers. This is an important fact to which it will be necessary to return later in this discussion.

Paradoxically, at the same time that Lyndon Johnson was building the power of the presidency to unprecedented levels, he was also dispersing power to a new constituency, previously excluded from key decision making processes. The Community Action Program, through its emphasis on Partnership for Health, brought consumers into a major policy role in the health planning process and elevated the American democratic idea of participatory democracy to new heights. The unprecedented programs of the Great Society vested individuals in grassroots organizations and groups with the power to make decisions which affected their own lives.

Thus, there was a new equation of power,

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one which involved two major concentrations, the President and the grassroots communities. Had presidents not abused the power, this shifted balance might have remained as a new basic structure for decision making. However, as we are regretfully aware, presidential abuse of power created a need for drastic readjustment.

This readjustment was dramatically accomplished to a large degree by three major achievements of the 93rd Congress. They are the War Powers Act, the Congressional Budget and Impoundment Control Act, and the Congressional pursuit of Watergate misdeeds, all of which have reduced the President's powers vis a vis the Congress.

In the framework of a new balance of power which combines the complementary forces of a life-sized, not larger-than-life, presidency; a strengthened Congress; State and local governments with the authority to pursue important policies; and citizen participation in every local decision, we can look more sharply at what the 93rd Congress did, and the outlook for the 94th.

Undoubtedly the most important health legislation enacted by the 93rd Congress is the Health Policy and Planning Act. This new law will reorganize Comprehensive Health Planning, Regional Medical Programs and Hill-Burton, in a way designed to increase the effectiveness of these established programs in meeting the new needs now being recognized. This reorganization effort reveals a recognition on the part of Congress of the new balance of power which has been struck, and its willingness to relinquish as much Federal control over local health activities as possible without jeopardizing the program itself. Hopefully, decisions will be made by local provider and consumer groups and designated State agencies, and the process of developing local health plans, certifying services and facilities for need, and cooperating with local PSRO's—provider controls—will be better advanced under the new law.

The underlying principle of this new legislation is to limit the Federal role to the making of broad policies for health promotion.

Let me add a personal note at this point. Many of you in this room have been instrumental in assuring passage of this bill—do not lose your momentum in Hawaii. Now is the time to develop your new planning structures for our state. Now is the time to shape rather than await the future.

Looking now to the future, the 94th Congress promises to be an activist Congress, one that will clear from the agenda many items of long standing.

To begin with, the new 94th Congress will wind up some of the unfinished business of the old Congress. In the last days of the 1974 session, Congress passed legislation to extend and revise Family Planning programs, Community Mental Health Centers, Neighborhood Health Centers and other important local health services. Regretably this bill was vetoed by President Ford, who seems bent on going down in history as the most vetoing President. The new Congress convening tomorrow can be expected to pass substitute legislation to correct this presidential error in very short order.

The 94th Congress will also pass health manpower legislation to replace the measures which, though passed by both House and Senate, ended up deadlocked in conference. The most important and controversial feature of the health manpower bills in the last Congress were provisions aimed at assuring adequate supplies of health manpower to every community in America. This feature recognizes the right of every individual to have access to health services. It will undoubtedly be retained in some form in the legislation the 94th Congress will enact.

The most controversial of all of the health issues which will be considered by the new Congress in the next few months will no doubt be National Health Insurance. This is not only a proposal whose time has come, but one which has also withstood the ravages of time, maturing and mellowing along the way. As originally proposed by President Franklin D. Roosevelt, National Health Insurance would have given every American the right to acquire medical services as needed. Every other President since Roosevelt has endorsed the concept of national health insurance and has added embellishments to the basic idea. So many approaches to national health insurance are possible that more than 20 versions were introduced in the 93rd Congress.

National health insurance should be aimed at one single goal. This goal must be to guarantee that every single individual's right to health is not denied by any external factor, such as geographic remoteness or lack of ability to pay.

We are indeed fortunate here in Hawaii to enjoy unparalleled medical coverage of the population. Even here, however, there are gaps in coverage, and individuals are unable to acquire the services they require.

A first objective for any program of national health insurance, therefore, must be to guarantee to all persons the services which are now being provided only to some individuals. This must be done with no diminution of the quality or availability of the services which some now receive. The objective—an objective which we can reach—must be to raise the lowest levels of service so that they are equal to the best.

This is what the National Health Security Act would do. It would provide a basic guarantee to every person in the United States that there will be no denial of medical services on account of lack of ability to pay. A guarantee of medical services will be a milestone toward guaranteeing health as a right of every American. By bringing the services of physicians and other providers of basic care within the economic reach of everyone—essentially by reorganizing the setting in which these services are provided—the National Health Security Act will bring to fruition an American dream that has been ignored for far too long.

As can be expected in any new and extensive program, there will no doubt be shortcomings and pitfalls. We will need to guard against lowering the quality of care being delivered, as the quantity of delivery increases. We will need to guard against overutilization. We will need to cope with the potentially inflationary effects of imposing major new demands on an already strained system. These are problems which will be the subject of intense Congressional scrutiny. But, if I may make a prediction, after all is said and done, the 94th Congress will enact legislation very much like the proposed National Health Security Act and take a giant step toward assuring every American the basic right to health care.

Momentous as this step promises to be, I would like to suggest to you today that, even now, we must look beyond the enactment of national health insurance.

Even now, we know that adding medical services beyond a certain quantity—perhaps a quantity we have already reached—does not raise the level of health in a community. In other words, as some insurance commercials keep reminding us, there is more to health than paying bills for health care, or providing that health care.

It will not be enough simply to provide quality treatment to every victim of injury and disease. Such treatment can be given only after the suffering has begun, and the outcome is never certain. It is too wasteful and foolish to let our scarce health resources be expended in this fashion.

There are many diseases and conditions which we have the knowledge to prevent. Once we have met the challenge of providing medical services adequately and equitably, it will be possible to devote greater energies toward finding policies, programs and methods which will promote and protect normal growth and development, instead of concentrating on repairing the failures of our system to support health.

A new approach to health must prevail. Health must be recognized as a human right, and new organizational, professional and service models must be created to promote it. An integrated network of services which combines the domains of nutritionists, environmentalists, immunologists, family planners, community mental health workers and others must be developed. An array of services must be made available in every neighborhood, every community, and every town which will foster and promote normal growth and development. The goal of conquering disease by prevention rather than cure must become universal. In the year that smallpox will finally be eliminated from the earth, it is timely to express this new health policy.

The new organizations which will be needed must employ newly trained professionals to provide services which do not yet exist. These services will have to be organized and directed on the local level, and the crucial decisions will have to be made by the consumers of these services, working in partnership with providers from the whole health service spectrum. The new programs must emphasize the importance of prevention as a health concept and stress health, rather than medicine.

Services will have to be provided by community people, who have the training and the knowledge to move freely about in their own communities, helping individuals to promote and protect their own health. These new professionals should be capable of providing basic repair services as well as referrals to physicians for illness and injury, but their main efforts would be directed at minimizing the incidents requiring these services.

We know that nutrition, environment, exercise and personal habits are closely related to maintaining a good state of health. We know also that smoking, alcohol, and other kinds of substance abuse cause degeneration of health. There is no reason why we cannot begin to identify the kinds of services which are needed in local communities to protect health, and methods to deliver these services and start training people to bring these services to their own home communities. For example, an important health measure enacted last year was the Safe Drinking Water Act, which sets up the state as the primary enforcement agency of national water quality standards.

I was extremely pleased to learn only a few weeks ago of a five-year "Forward Plan for Health," formulated by HEW and "leaked" to the Washington Post, which places major emphasis on prevention, rather than cure. The plan would shift the vehicle for health delivery more toward the local level, while the Federal Government would help by assuring pure drinking water, promoting innoculations of groups susceptible to diseases for which effective vaccines are available, reducing occupational health hazards, and funding more basic health research.

If this conference is to serve as a meaningful forward thrust in the area of its special interest, we must here and now fully commit ourselves to the concept that good health is a basic human right.

We must then make long range plans consistent with this basic right, and we must include as many as possible within the planning process. This is the challenge that awaits us—be we health professional, legislator or private citizen.

Thank you.

CLEAN AIR WILL REQUIRE BOTH STRINGENT EMISSION STANDARDS AND LAND USE AND TRANSPORTATION CONTROLS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BROWN of California. Mr. Speaker, as we have struggled with the proposals to clean up our presently unhealthy air from the pollutant our modern technology produces, we find ourselves increasingly confronted with hard choices. We wish to increase employment to keep up with the growing work force. We wish to increase energy supplies to avoid energy shortages. And we wish to have a long and healthy, as well as a satisfying, life. Air pollution jeopardizes this last goal very directly by deteriorating our health. Yet increased employment, which is based on even faster climbing energy consumption rates, to produce goods that produce even more pollution, is detrimental to our entire way of life.

We do not have to employ people in jobs that continue this cycle. People could be employed in labor-intensive industries, such as insulating homes, making and retrofitting solar heating panels, and the like, instead of producing automobiles that waste valuable resources, destroy communities, require vast amounts of scarce oil to operate, as well as injure and kill people. If we addressed this issue head on, and dealt with it now, we would avoid the larger problems that are inevitable if we pursue the ways of the past.

I discussed a few weeks ago the President's proposal to freeze auto emission standards, instead of cleaning up the automobile exhaust, as now required by law. Quite simply, we cannot afford to allow the excess pollution the President is urging, to enter the air we must breathe.

But what if we do succeed in cleaning up the automobile to the degree required by law? Will we then have clean air?

Mr. Speaker, unfortunately we will not. Some years ago a number of elected officials, including myself, said that the internal combustion engine must be banned from our urban centers. We introduced legislation to do this, but the Congress, in its wisdom, chose to require maximum emission standards for each vehicle. These emission standards have been met by a variety of engine technologies, mostly the internal combustion engine with modifications, and if all autos in the United States meet the standards currently required by law, we would still have harmful concentrations of air pollution.

This pollution would exist, because of the number of automobiles that exist, even though each one is cleaner, because of the increased miles each auto is traveling, and because of other sources of air pollution. We did not ban the internal combustion engine, but we still have to reduce its use.

This brings me to a subject that I am reluctant to raise, and that is the need for land use and transportation controls. The Environmental Protection Agency has, by court order since they, too, were reluctant, promulgated regulations dealing with land use and transportation controls. The Clean Air Act Amendments, which many Members of this body voted for, required these tools of pollution be used when necessary. They are necessary now.

Many of my colleagues have decided that this legislative authority must be repealed. I must disagree. I will elaborate on my objections in the near future, and at appropriate congressional hearings, but at this time I do wish to advise my friends to tread softly on this issue. It is easy to oppose an arbitrary regulation or a poorly drafted one. But the need for land use and transportation controls as part of the overall efforts to clean up the air is neither.

Mr. Speaker, the February 3 issue of the Los Angeles Times had an article entitled "Air Quality in Basin Deteriorated in '74," and I insert it in the RECORD at this time:

AIR QUALITY IN BASIN DETERIORATED IN 1974—OXIDANT LEVELS UP IN SIX-COUNTY AREA; SETBACK ENDS 2 YEARS OF IMPROVEMENT

(By Larry Pryor)

Data collected by the state Air Resources Board indicates that air quality in the South Coast Air Basin deteriorated during 1974, almost equaling levels not reached since 1971.

In particular, levels of oxidant, the principal constituent of smog, escalated noticeably in the eastern part of the six-county basin, hitting an average hourly peak in Upland of .63 parts per million (ppm), the highest hourly peak since 1970.

However, air quality analysts are unwilling to say yet whether 1974 represents a step backwards in the effort to control smog.

"We can't say things are getting worse," said Jack Paskind, head of air quality monitoring for the ARB. "Compared to 5 years ago, it's better."

The yearly maximum hourly average for oxidant dropped from 11.3 parts per hundred million in 1967 to 8.0 in 1973, then edged up to 8.7 in 1974.

But it is too early, Paskind said, to determine whether the 1974 readings represent adverse weather conditions or a new upward trend in smog readings.

"The only way to get a feel for 1974 will be in 1975 or '76 when we see what the three-year averages look like," he said.

Nevertheless, ARB staff members said that 1974 smog conditions in the basin were definitely worse than the two previous years, which were meteorologically favorable.

In 1973, during the heavy smog months of July, August and September, oxidant readings of .20 ppm were equalled or exceeded on 76 days in the basin. This climbed to 84 days in 1974.

The average oxidant peaks during those three months rose from .47 ppm in 1973 to .51 ppm in 1974. At Upland, the hardest hit area in the basin, the average oxidant level for the three months rose from .28 ppm to .31 ppm.

Within Los Angeles County, the days on which the state standard for total oxidant (a 1-hour average of .16 ppm) was equalled or exceeded rose from 185 in 1973 to 215 in 1974, almost equaling the 1971 total of 218 days.

Nevertheless, this represented an improvement over the peaks of 322 days reached in 1958 and 271 days in 1966.

Last month the Los Angeles Air Pollution Control District interpreted data gathered within the county as confirmation of a "continued downward trend (in smog readings) that began in the late 1960s."

In a formal announcement, the APCD said that this "improving trend in 1974" confirmed earlier district projections that air quality standards will be met in the early 1980s.

"Recent improvements in air quality are the result of better emission control systems on new motor vehicles. Air quality will gradually continue to improve each year as later model and better controlled motor vehicles comprise an increasing percentage of the total vehicle population," said county air pollution control officer Robert G. Lunche.

But Luhche's optimism was not shared by air quality analysts at either the state or federal level. The national standard for oxidant would allow an hourly average of .08 ppm to be exceeded only one day a year.

"By the looks of things, they will get to the carbon monoxide and oxides of nitrogen standards in the 80s, but not get to the (.08) 1 hour per year of oxidant in the South Coast Air Basin," said Paskind of the state ARB.

The persistance of oxidant measurements, despite tighter motor vehicle controls, raises the possibility of whether national air quality standards for oxidants can ever be reached in the basin.

Air specialists at the state level estimate that natural emissions of hydrocarbons from oil and gas fields underlying the basin may be sufficient to cause the federal standard to be exceeded.

The federal Environmental Protection Agency estimated that a 90% decrease in hydrocarbons would be required to achieve the oxidant standard in the basin, since hydrocarbons are a prime ingredient for the creation of oxidant.

However, the ARB estimates that 15% of the hydrocarbons emitted in the basin come from natural sources and are uncontrollable.

Recognition of this "background" problem may eventually lead to the South Coast Air Basin being exempted in some manner from meeting the National Ambient Air Quality Standard for oxidant.

The problem with such an exemption, however, it that the standard is based on health effects, particularly on the effect of oxidant on the young, the aged and the ill.

After an extensive review, the National Academy of Science last year affirmed the medical basis for the standards, even though public officials charged with meeting the standards question whether they are attainable.

This puts public officials, at all levels, of government, in a difficult position, since a relaxation of the oxidant standard might mean that some segment of the population would suffer. "It's a question of who's health are you going to write off," said one attorney familiar with the federal Clean Air Act.

It was suggested, not entirely in jest, at a recent meeting on air pollution control strategy that billboards might be erected in the South Coast Air Basin stating that this area is one place in the country where public health standards cannot be met.

"This is a problem residents of the South Coast Air Basin themselves will have to decide," one participant said.

"When natural background air quality exceeds the standards, one might want to be

cautious about moving to that area," said Leon Billings, an aide to Sen. Edmund Muskie (D-Me.), who will be holding hearings on revisions to the Clean Air Act later this year.

"The Environmental Protection Agency is good, but not that good," Billings said.

At the meeting, sponsored in Oakland by the California League of Cities, Billings suggested that if high oxidant background levels could be proved, which EPA is not yet ready to concede, then the South Coast Air Basin might be placed on some sort of variance, taking natural emissions into account.

Such a variance, he said, could be accomplished administratively, without having to revise the act. "The law is flexible enough to revise an air quality standard to take background into account," Billings said.

If meeting the national standards by 1977 as required by the act proves totally unreasonable for Southern California, as most air quality experts expect, Billings said that counties and industries within the air basin could be placed on compliance schedules.

This would require emissions from mobile and industrial sources to be reduced according to a clearly defined time schedule. Failure to meet the deadlines could result in civil and criminal penalties.

This approach has the advantage of retaining the national standard for oxidant but stretching out ways to reach the standard over a realistic but effective time period, Billings said.

A failure by local governments to act in good faith to reduce emissions during this time period, principally through tighter land use controls, could result in a "cutoff of water pollution control funds and a few other goodies we could throw in," Billings said.

The biggest problem facing local government in attaining better air quality, according to top ARB and EPA officials attending conference, is that any steps taken to relax controls on automobiles means a greater burden on land use controls to reduce vehicle traffic.

Whatever concessions that are made to the auto industry at the federal level, in other words, could put local officials in an increasingly untenable position as they are required to scale down or cut off growth in their communities or face federal penalties.

FEDERAL FIREARMS CONTROL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. CONYERS. Mr. Speaker, today I am pleased to announce that the Subcommittee on Crime of the House Committee on the Judiciary will conduct the first of a series of comprehensive hearings on the subject of Federal firearms control immediately after the coming recess. During this initial phase, Members of Congress will be given an opportunity to express their opinions on this timely and serious problem; in subsequent hearings, representatives of organizations and the general public will be given an opportunity to be heard on this issue.

The hearings will be held on Tuesday, February 18, in 2141 Rayburn House Office Building, and on Thursday, February 20, in 2226 Rayburn House Office Building. Both hearings will begin at 10 a.m. Those Members wishing to testify or to submit a statement for the RECORD should address their requests to the House Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

THE SENIOR AIDES PROGRAM

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. SARASIN. Mr. Speaker, the experience and maturity that senior citizens lend to community service projects constitutes an invaluable resource for our Nation. Each town and city suffers the grievous ill of men and women in need crying out to one another for help and understanding.

Senior citizens, active in the Senior Aides program have found just such a "calling" in the Fifth District of Connecticut. I cannot help but marvel at the contribution Connecticut seniors have made to institutions caring for the mentally retarded, schools serving young boys and girls and adults with learning disabilities and hospitals caring for individuals with physical handicaps. Letters have flooded my office from senior citizens unwilling to give up the emotional and psychological boost the program provides and likewise, from institutions and individuals who have benefited from the serious commitment seniors have pledged to make life better for their neighbors.

The program, funded under title IX of the Older Americans Act authorized $12 million in fiscal year 1975 to operate Senior Aides. Presently, five national organizations or "contractors" administer the program on the local level: First, the National Retired Teachers Association; second, the National Council on Aging; third, the U.S. Department of Agriculture Forest Service; fourth, the National Council of Senior Citizens; and fifth, the National Farmers Association Green Thumb Project. The project is generally part of the Office of National Programs in the Department of Labor.

Contacting the Department of Labor dredges to the fore the long struggle waged during the last year to extend the program and authorize funds. The administration called for the careful annihilation of Senior Aides, claiming that the needs of American seniors were fractured and inestimable by a national organization. Instead, the executive branch proposed that as a way to trim the budget, the programs funded under title IX cease and desist and the local grantees of revenue sharing—any unit with a population exceeding 100,000—assume the responsibility if they so desired.

Congress reacted by proposing a $10 million authorization on the House side and $20 million on the Senate side. The conference committee, settling for the current $12 million, preserved the program and provided a way for the continued useful integration of senior citizens into society. Congress legitimized public service jobs for seniors on a national scale. The jobs that the program funded enhanced the dignity of American seniors and proved that they have a valuable contribution to make to American communities.

In response to the glowing letters of commendation for past performance and anxiety for the coming fiscal year, I have contacted the Department of Labor requesting a continuation of the program. I urge my colleagues to take notice of this serious threat to a vital and talented segment of our population. The wisdom and maturity of experience may temper the impatience and exuberance of youth and lead us to the practical, realistic, and workable solutions to the "people" crises cropping up in our cities and towns each day. How better can we utilize talent than to provide individual help and counseling for those individuals with special problems and to provide a ready work force with all the needed expertise?

Recognizing the impossibility of categorizing an individual over 60 years as useless to society and relegated to either a life of ease and aimlessness or life of hardship and poverty, I have also examined the emergency job programs for senior citizens involvement. Section 701 provides for the inclusion of "part-time work for individuals who are unable because of age, handicap, or other factors to work full time." Further inspection revealed that this new law may provide funds for seniors who are unemployed.

Each area that meets the population requirement of a grantee should seriously consider unemployed seniors for such jobs. We must avoid the waste of human resource that older citizens provide and capitalize on their experience in the next 2 years. We should call on them for a wellspring of ideas, and in turn, I hope we will be able to ease their continued and meaningful integration into society.

TRUTH ABOUT OUR ECONOMY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. RHODES. Mr. Speaker, President Ford's economic message is an open and frank assessment of America's economic difficulties. The President has concluded, quite wisely I believe, that the American people deserve and need to know the truth about our economy, regardless of how depressing the truth may be.

The President believes that it is up to Government to exercise unprecedented fiscal discipline with regard to spending policies. This will require a considerable degree of courage on the part of Members of Congress. For we have become accustomed to having just about anything we want.

Another major aspect of the President's analysis is the importance of the private sector to do what it can to stimulate production and restore consumer confidence. Many private businesses and industries have already responded to the President's call for help. They are initiating special programs involving cash rebates aimed at getting people to purchase surplus goods.

One such program has been instituted by the Apache Corp. of Minneapolis, Minn. Mr. Raymond Plank, the president of Apache, recently wrote to me to explain his program with the expressed hope that others in the private sector will emulate his effort. The Apache program provides cash incentives to the first 10 percent of the employees who purchase new American-built automobiles or major appliances.

Mr. Plank writes:

We recognize that governmental action is urgently needed, but, if the private sector can also be sufficiently innovative, our initiatives could supplement yours in important ways.

I wholeheartedly concur with this analysis and applaud this gentleman's concern and initiative—as well as the many other businessmen like him who are trying to help cure our economic problems.

We can get the economy back on a healthy course—but only if Government, business and the consumer all work together. It is my hope also that the private sector will join the national effort to restore our economy's health.

CHINESE NEW YEAR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ANDERSON of California. Mr. Speaker, February 11 marks the beginning of the Chinese New Year. It is the "Year of the Hare"—4673. I would like to take a few moments to wish my constituents and the 435,000 persons of Chinese ancestry in the United States a most joyous holiday.

This group's relatively small proportion of the population is no indication of the intensity and energy with which they celebrate their New Year and its spectacular Dragon Parade.

Yuan Tan, the Chinese New Year, traditionally falls on the first new Moon after the Sun has left the sign of Capricorn and entered Aquarius. In non-Zodiac terms, this places it between January 21 and February 19, marking a time when the great cold of winter is receding and when the springtime awakening of the Earth is expected. Men close their accounts with the old year to face the new one with fresh spirit.

The 14-day celebration is not simply a time of noise and light, it is dominated by symbols of the Taoist religion, primarily the Yang forces putting to rout the evil spirits which have accumulated through the year. Behind all the boisterous merrymaking is a series of traditional rituals which symbolize the Chinese concept of the multiplicity of man's ties with, and responsibilities to, the seen and unseen world.

Mr. Speaker, Chinese New Year is a very special time. A rich picture passes before our eyes, a vision of traditional China, bound to strict rules and values, but bursting with life within these restraints.

Certainly all Americans owe a debt of gratitude to those of Chinese ancestry for allowing us to join in their celebration and to experience the rich pageantry of this traditional holiday.

RETIRED OFFICER, VETERAN OF VIETNAM, OBSERVES SOUTHEAST ASIA PLIGHT

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. VAN DEERLIN. Mr. Speaker, one of my constituents, a retired naval officer who has served in Vietnam both as an officer and a civilian, has furnished me with a copy of a letter he has written to the President outlining views he has gained as an on-the-spot observer of events in that tragedy-ridden region. He is Capt. John McCormick, U.S. Navy, retired, of Coronado, Calif. Because his views are so pertinent, and so directly concerned with events and proposals that face us today, I feel that they should be called to the attention of the Members of Congress who will be asked to act upon legislation to provide additional funds for Vietnam and Cambodia. The letter follows:

CORONADO, CALIF.,
January 31, 1975.

The PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing this letter to express my views on the Vietnam situation and I hope that whoever on your staff opens this letter thinks it important enough to see that *you* get to read it, albeit a bit lengthy.

To introduce myself so you will know I am no kook and am not usually given to writing such letters—I am a retired U.S. Navy Captain, having served my country for 35 years (1931–1966), a graduate of the U.S. Naval Academy and one of three brothers who, between us, served 94 years in the U.S. Military: my eldest brother James, 34 yrs. U.S. Navy, retiring as a Rear Admiral; my next brother, Schuyler, 25 yrs. U.S. Marines, retiring as a Col. My oldest son, John, Jr., served as an Ensign, USNR, voluntarily with the Marines in Vietnam, where he was killed at Quang Tri in 1967. I write the above, not for sympathy, but to prove that I am a dedicated American and as a patriot am concerned about what has happened and is happening in Vietnam today.

In March, 1974, I was offered and accepted a job as a Civil Servant, GS 14, with the Defense Attache's Office (DAO) in Saigon. Although I did not solicit this job I took it because I thought I might be able to help the South Vietnamese in a small way to attain self efficiency. Upon reporting for duty I was assigned as Chief of the Technical Section, Navy Division, DAO. I was astounded at the magnitude of the DAO complex and the large numbers of useless personnel (my opinion) attached to the DAO. This is not to say that there were not some dedicated workers who were endeavoring to help the South Vietnamese. My group spent most of our time putting out "Fire Drills," generated by the General (USA) or some of his high ranking officers—most of these fire drills were not helping the VN in their war efforts.

I worked out of a small building designated as the Vietnamese Navy Technical Bureau, headed by a very competent and dedicated VN Navy Captain Du (pronounced YOU). Capt. Du was my counterpart and as such I got to know him pretty well. Through various sources I found out that he was on the VN Navy Admiral's "_____ list" and that Adm. Chon was trying to frame him, demote him and ultimately get rid of him. The real reason for Capt. Du being in disfavor was that he was one of the few honest officers who had at one time tried to stop the "kickback" system existent amongst the VN Hierarchy. This can be checked out by a Commander Herb Wood, USN, whom I believe is now serving in the Washington area.

I sincerely believe that the real reason that the So. Vietnamese cannot defeat the VC and No. Vietnamese is due to the corruption of the Thieu government and most of his high ranking officers. The "flower soldier" system which US Ambassador Martin will probably tell you has been eliminated is very much in existence. In case you are not familiar with the term "flower soldier"—this is a person whose name appears on the military roles, but through a private agreement with the ranking officers he is permitted to continue his work as a civilian while his military pay is pocketed by the brass.

During the VC push on DaNang in August I asked my friend, Capt. Du why the South Vietnamese with supposedly a million troops under arms could not lick 20 to 30,000 North Vietnamese. His reply—DaNang was being defended by regional farmers with no desire to fight and flower soldiers who didn't exist. He said he had just spoken to a classmate of his who headed the VN Navy Seals, a tough fighting unit in DaNang. He had sent them out into VC territory around DaNang to fight the VC. The Province Chief had promised them food rations (which they never received). They captured a sampan loaded with supplies for the VC. When they brought it back to DaNang the owner complained to the Province Chief who then reprimanded the Seals. Obviously the Province Chief was in on the take.

There is very little if any motivation to fight amongst most of the South Vietnamese. An enlisted man can buy his way out of a transfer to a dangerous area if he can come up with sufficient money. This money is then put in the pot, collected by the adjutant, and then divided up amongst the higher brass.

If you have never read W. J. Lederer's book, *Our Own Worst Enemy* I recommend you do so. It was written in 1968 and much of its contents is still pertinent. Of course the black market is very prevalent—a blind person could not miss it. I remember my son writing that even he had to buy some of his supplies on the black market.

Getting back to present day Vietnam I'm sure there are multitudes of reports flowing into your hopper from the U.S. Embassy and the U.S. Military. I know the South Vietnamese are hurting from a shortage of ammo. Whether they use the ammo they have wisely or not I am not qualified to say, although I have heard inferences from VN Navy Officers that their Army shoot at a lot of imaginary targets to make people think they are fighting the enemy.

To me this Vietnam War has been the biggest debacle ever foisted off on the American public. I cannot understand a government forcing our armed forces to fight a defensive war with their hands literally "tied behind their backs". I cannot understand a government with supposedly intelligent leaders not studying history and learning lessons from it. Time and time again I have heard the expression, "This is their country—we must do it their way (and condone their corruption)". This makes me want to retch. When we were suckered into this Vietnam War we *did not have* to condone the corruption. Instead we pussyfooted around playing into the hands of the Communists. We lost 50,000 fine young men and an even worse tragedy, was the hundreds of thousands of young men either physically or mentally maimed—

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this due to a pussyfooting government which was either too cowardly to fight an offensive war to win or was very badly misinformed by our representatives in Vietnam.

Without dealing further with our past mistakes, Mr. President, I think it is high time that our government stop playing political football with the American people. Since you are a Republican and the majority of Congress is Democratic I realize you have a problem. I believe you to be an honest and sincere man, which is more than I can say for some of the Congress. Since it is doubtful that you would ever see this letter unless I take an unusual step I am sending copies of this letter to members of Congress in hopes that at least one of them will pass it on to you personally.

I agree with you that South Vietnam is in dire danger of collapsing. However, just giving them more money is not the answer. As long as the Thieu government and the present corrupt military leaders are in control nothing can save this poor country from falling to the Communists. The people know their leaders are corrupt and have no will or motivation to fight. (It might be of interest to note that the high ranking officers are seldom found in the danger zones). I have heard it said many times, "Oh, but it's an Oriental way of life to be corrupt". I have had a fair number of year's experience dealing with Orientals and I find them in general more honest than Caucasians.

This letter has been too long but I had to get it off my chest. I realize that criticism should be constructive. I believe it is necessary to supply ammo to the South Vietnamese ASAP, but I would keep it under American surveillance so that it could not be sold to the VC and that controls be instituted to keep it from being wasted. Then I think the South Vietnamese Government should be told in no uncertain terms to clean house or we pull out completely and immediately. It should not be too difficult to determine which government and military officials are corrupt. Most of them have bought villas and properties with OUR monies and many have "out of the country" bank accounts. You don't do these things on the pay of VN military officers.

I thank God that I am an American free to write such a letter as this, and pray that God will continue to grant us His favors. Good luck, and may God bless you in your efforts to pull this country out of the mire.

Very respectfully,

JOHN W. MCCORMICK,
Captain, U.S. Navy, Retired.

A SALUTE TO RIVERSIDE, ILL.

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. HYDE. Mr. Speaker, the village of Riverside is celebrating this year the 100th anniversary of its founding, only 1 year prior to the 200th birthday of our great Nation. In fitting tribute to the history of Riverside, Mrs. Valerie Kunz, a columnist for the Citizen newspaper, which serves Riverside and a number of other suburban communities west of the city of Chicago, has prepared a column for publication in the Citizen which details the history of Riverside.

Under the leave to extend my remarks in the RECORD, I include her article, entitled "A Salute to Riverside," in the RECORD.

A SALUTE TO RIVERSIDE, ILL.

(By Valerie Kunz)

Lying seven miles to the west of the city of Chicago, in the shadows of the skyscrapers, the village of Riverside, Illinois, nestles on the banks of the Des Plaines River, on the high ridge that runs west from Lake Michigan.

This century old village, conceived by an investment syndicate in the 19th century headed by Emery E. Childs of New York, was executed by the genius and determination of Frederick Law Olmsted and Calvert Vaux into a masterpiece of aesthetic urban planning which, even today, has few rivals. Thus the creation of America's first successful planned suburb, purely residential in character, offered to the affluent of the burgeoning city of Chicago an escape from squalor to the ease and comfort of healthful suburban living.

The area destined to become Riverside was first visited by white men in the year 1634 by Father Jacques Marquette and Louis Jollet who had explored as far south as Saint Louis and were making their way back to Green Bay. Friendly Indians spoke of a portage that would have many miles of travel. The area was high and contained many springs around the river. Marquette and Jollet found the area to be the home of a prosperous Indian camp, without mosquitoes and with good game. It was well protected by nature against enemies.

In 1827 a federal grant was given to the State of Illinois to aid in the Construction of a canal at the portage, to implement travel from Chicago to the Mississippi, and in 1833 the Indians signed an agreement giving up their rights to five million acres of land in Illinois and Michigan. The canal lies about a mile south of the village.

Further impetus to the settlement of the area was the completion in 1863 of the double track from Chicago west to the Des Plaines River by the Chicago, Burlington and Quincy Railroad.

Spurred on by the transportation developments in the area, a Chicago businessman and city treasurer began to buy tracts of land along the Des Plaines River. When his holdings reached more than a thousand acres, he built a private estate complete with racing track, livestock farm, and horse stables. As the owner of the famed Sherman House Hotel, David Gage entertained important Chicago and internationally known figures at his "Riverside Farm", destined to become the "Riverside" of Olmsted and Vaux.

Gage sold his farm to the investment syndicate, and Olmsted and Vaux were retained to design a proper setting for the model community which was calculated to return to the investment company owner around seven million dollars in profits.

Although many problems beset the Riverside improvement Company, Olmsted and Vaux persisted in their plan, designing the village in a curvilinear fashion, using the river as a focus and refusing to disturb the topography of the region.

They created a park with depressed carriageways, which were well drained, drilled wells for an adequate water supply which surprisingly turned out to have natural fluoride, most beneficial to the residents' dental health, installed gas lighting which exists even today, and installed a proper sewage system which still exists, with improvements. Each residence site was to be at least ten feet above the high water mark of the Des Plaines River. The trees and shrubs were placed to add to the aesthetic value of the park-like setting, with at least two trees specified on the parkways for each residence. Trees and shrubbery already growing on the site were saved, if possible.

The "Chicago Tribune" of Sunday, May 9, 1869 reports a group of 500 of Chicago's most prominent citizens and their families traveling by train in ten Pullman dining, drawing and saloon cars furnished by George Pullman himself, with David Gage as host, to Gage's "Riverside Farm" site, and enjoying the hospitality of the farm, track and spa. A sales presentation of the amenities of the proposed village with its elegant villas and the great hotel planned as a center of recreation and social life for the entire Chicago area was made and the sales began.

Sales did not boom as expected in the beginning, however, but the Chicago Fire of 1871, which destroyed all of that vermin filled, pestilence ridden, jerry-built boomtown on the banks of the Chicago River and Lake Michigan proved to be the catalyst to the new suburb's success, and sales soared.

The Village of Riverside came into being in 1875, with the first election held on August 8 at the railroad depot, with 29 votes polled.

Like a proud dowager, the Village of Riverside has known high times and quiet times, but has always handled the period with dignity.

When, in the early 1900's, a number of the original large homes became vacant, the Village Board, then as now an elected, volunteer and unpaid group of citizens, passed ordinances prohibiting the establishment of nursing homes, boarding and rooming houses and private schools.

From time to time attempts have been made to change the original plans of the village as conceived by Olmsted and Vaux. Each has met with defeat, save for one instance when homes were built on a small section of the River. The village remains as planned, with 40% in parks and open lands for the enjoyment of those living in the village, and with a charming variety of homes, each set back from the winding roads, and having no grid-pattern layout as is usual in the case of most developments.

The famous and near famous have made their homes here and, indeed, each generation brings a new offering of those who appreciate living in this sylvan glen.

William LeBaron Jenney, the father of the modern skyscraper, built his home in Riverside and entertained international society lavishly. He designed the village water tower which exists and is functioning today, and which was given national historical landmark status in 1969. In 1969 the State of Illinois designated Riverside as a State Historical Landmark and in 1970 the entire Village was formally certified as a National Landmark—a fitting tribute to two of America's greatest landscape architects, Frederick Law Olmsted and his associate, Calvert Vaux.

Today as the village celebrates its Centennial throughout 1975, a renaissance is taking place. An awakening to the value of the huge old homes, with their vaulted ceilings, dance halls, and excellent structure placed on huge lots that are well landscaped and offer beautiful views, is once again attracting young families, many of them architects, who are restoring and refurbishing these mansions to their former glory and, many times, to a glory they never had before.

The parks and the parkways, still beautifully kept by the village, are an ecological attraction not found elsewhere. Property values are soaring and no house stays on the market for long, should the owners not have a relative to take it over.

Each day that passes is a lasting tribute to Olmsted, Vaux, and those who have steadfastly held their trust over a century.

Visitors to the Chicago area are invited to take a bicycle tour of the grand old town during this Centennial year, or to visit during Centennial Celebration July 27 through August 10, 1975. One caution, however: you may join the many visitors who decided to stay and you, too, might become a Riversider.

(NOTE.—A debt of gratitude is to be paid to Jeffrey R. M. Kunz, who researched and wrote "At the Riverside" as his Honors Thesis submitted for graduation from the University of Wisconsin, 1971. Kunz, now a student at the University of Wisconsin Medical School, studied original records at the Library of Congress prior to writing his thesis.)

AUTO EMISSION CONTROLS

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. EVANS of Indiana. Mr. Speaker, the matter of automobile emission controls is a serious problem, in terms of its impact on the economy caused by lower gasoline mileage, the higher cost of cars with strict emission controls, and employment among auto workers.

The problem must be approached with an awareness of the several considerations involved, and a recognition that none of the choices available will be an easy way out.

The automobile accounts for about 40 percent of the oil consumed in the United States, so it is obvious that maximum fuel economy is desirable. But since the mid-sixties, automobile fuel economy has declined significantly. Four factors affect fuel economy: vehicle weight, power options, driving patterns, and emission controls.

The most significant of the four is vehicle weight. Both safety requirements and luxury options such as air conditioning have been pushing car weights up. Increases in car weights over the past 5 years have cost a fuel penalty of 6 to 7 percent.

Air-conditioning incurs a fuel penalty of between 9 and 20 percent, depending on the temperature and driving habits.

Automatic transmissions account for a 2- to 6-percent fuel penalty.

Emission controls in 1974 models reduce fuel economy by 5 to 15 percent compared to 1970 models, but most of this has been recovered in 1975 models through the use of the catalytic converter. Preliminary test data indicates that the 1975 models have an average fuel economy improvement of about 13 percent over 1974 models at the lower emission levels required by the 1975 interim emission standards. In other words, emission controls have meant at most a fuel economy penalty of 2 percent comparing 1975 with 1970 models.

The statutory emission standards for 1975 have already been pushed back to 1977. Further, a Federal district court ruling on January 28 abolished Environmental Protection Agency regulations on leaded gasoline scheduled to begin this year.

While these actions are not permanent solutions, they do allow time to dig further for workable answers with both investigation and debate of all the alternatives which are available to maximize auto fuel economy. The present delay of 1975 standards until 1977 is already providing us with time for technology and diplomacy to develop acceptable solutions which we all seek.

At this point, I think the wise course for Congress is to consider a further delay beyond 1977 next year, when we will have a more accurate picture of the alternatives available to us in deciding which avenue to pursue. If in 1976 we find that the Nation still cannot afford to implement the 1975 emission standards because of fuel penalties, then I will support the further delay of the 1975 standards beyond 1977.

PUBLIC DISCLOSURE OF LOBBYING ACT OF 1975

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. FISHER. Mr. Speaker, the 93d Congress took certain steps to open up the legislative process: it passed a long-needed campaign reform law and opened the doors of its committee rooms. This year the Democratic Caucus took several much-heralded steps along the same path.

Today I am pleased to join my colleagues, Representative ROBERT W. KASTENMEIER of Wisconsin and Representative TOM RAILSBACK of Illinois, in cosponsoring the Public Disclosure of Lobbying Act of 1975 as another important step forward. It expresses my firm support of the principle that the people have a right to know the facts about those who seek to influence public policy. This principle guided me as a candidate in my campaign last fall. In electing me, the voters gave me a clear mandate to work, as their Congressman, for their right to an open Government.

Lobbyists play an important part in the legislative process. They promptly provide accurate and concise information on the range of issues with which the Congress must deal. However, both the Congress and the public must be able to determine quickly and easily the true source of the information being supplied.

It has been more than 30 years since Congress passed legislation requiring information about lobbying activities. The present law has proved inadequate, ineffective, and incapable of curbing lobbying abuses. The loopholes are wide, and there are no meaningful provisions for enforcement.

The new bill proposed does not in any way restrict lobbying activities. It simply requires lobbyists to identify themselves and their employers clearly, to disclose financial terms under which they are hired, and to disclose each aspect of the policymaking process which the lobbyist expects to seek to influence.

The legislation would apply to both executive and legislative branch lobbying and would be administered by the Federal Election Commission.

I urge strong bipartisan support for this next step toward a more open Government.

ADMINISTRATION REQUEST FOR PUBLIC LAW 480 AMENDMENT

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MORGAN. Mr. Speaker, at the request of the administration, I am today introducing a bill "to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that act."

The text of the Executive communication from the Office of the Secretary, Department of Agriculture, transmitting the request and bill follow:

DEARTMENT OF AGRICULTURE,
Washington, D.C., January 30, 1975.

Hon. CARL B. ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Transmitted herewith for the consideration of the Congress is a draft bill "To amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that Act".

The Department of Agriculture recommends that the draft bill be enacted.

The draft bill would amend the availability criteria for commodities which may be disposed of under the Agricultural Trade Development and Assistance Act of 1954 (familiarly known as "Public Law 480").

At the present time the last sentence of section 401 provides that no commodities shall be available for disposition under this Act if such disposition would reduce the domestic supply of such commodity below that needed to meet domestic requirements, adequate carryover, and anticipated exports for dollars as determined by the Secretary of Agriculture at the time of exportation of such commodity. The bill would add to this provision the clause "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest or humanitarian objectives of this Act".

The proposal is offered in furtherance of the request made in the President's address to the joint session of Congress on October 8, 1974, in which he stated that authority is needed to waive certain of the restrictions on the disposition of commodities under the Act based on national interest or humanitarian grounds. In times of temporary shortages it becomes essential that the food assistance program under Public Law 480 not be discontinued abruptly—particularly in cases where continuation of the program is needed for the foregoing objectives.

Such authority would be used sparingly, and only to meet needs of the highest priority. It would allow the United States to make a significant contribution toward alleviating human suffering and maintaining the economic stability of friendly foreign governments.

At the same time, use of this authority would have little impact on total supplies of any commodity, as quantities exported under Public Law 480 represent very small proportions of supply and total exports for most commodities. For example, under the Act exports of wheat, feed grains, and their products in fiscal year 1974 amounted to 4.9 and 2.5 percent of total exports for those commodities, respectively.

Enactment of the bill would not directly

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result in increased budget outlays. Use of the authority provided by the bill would be made within the context of existing budget constraints.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation, and that enactment of this proposed legislation would be in accord with the President's program.

Sincerely,

J. PHIL CAMPBELL,
Acting Secretary

H.R. 3033

A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking the period and inserting a comma and the following: "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest or humanitarian objectives of this Act."

VERMONT GENERAL ASSEMBLY'S UNANIMOUS ENDORSEMENT OF DAIRY BILL

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. JEFFORDS. Mr. Speaker, I am gratified by the action taken on Tuesday, February 4, by the Vermont General Assembly. It unanimously passed a resolution calling for congressional enactment of a bill I am introducing today. The bill calls for a milk price support set at not less than 85 percent of parity with quarterly adjustments to insure that dairy farmers are not caught again in a vicious short term economic squeeze. The nature of the resolution's passage demonstrates the overwhelming sentiment of Vermonters, as well as the dedication of the general assembly.

I am proud to include this resolution in the RECORD:

JR-H14—JOINT RESOLUTION RELATING TO MILK PRICES

Whereas, the price of fluid milk has dropped precipitously over the course of the nine month period from March to December, 1974, and

Whereas, the costs of items the dairy farmer must use to produce his product have risen dramatically, and

Whereas, the combined effects of these market disfunctions have forced many farms into bankruptcy and threaten countless others, and

Whereas, the Secretary of Agriculture's announced parity support floor of 80 percent is far short of what is desperately needed, and will become continually more inadequate without quarterly adjustments to assure a stable and equitable return for dairy products, Now therefore be it

Resolved by the Senate and House of Representatives: That the General Assembly urges the Congress of the United States to enact legislation introduced by Representative James M. Jeffords calling for a milk price support set at not less than 85 percent of parity with quarterly adjustments, and be it further

Resolved: That the Secretary of State be directed to send copies of this resolution to our Congressional Delegation.

THIRTY YEARS AFTER THE YALTA CONFERENCE

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ZABLOCKI. Mr. Speaker, February 12 marks the 30th anniversary of the Yalta Conference. Last Sunday, February 2, 1975, in Milwaukee at a special meeting of the Polish American Congress, Wisconsin State Division, a statement was unanimously adopted concerning the 30th anniversary of the Yalta Conference.

Present at this special meeting and concurring in the action were representatives of various fraternal, civic and veterans organizations. Officers of the Wisconsin chapter of the PAC include Mr. Edmund Banasikowski, president; Mrs. Leonne D. Wozinski, Dr. Edward Tomasik, Attorney Alexander Sklenarz, William Kowalkowski, Walenty Wozniak, vice presidents; Leopold Sklenarz, secretary general; Jerry Sadowski, treasurer, and Edmund Skonieczny, recording secretary.

In keeping with my policy of making available all views on any given subject I am placing the statement in the RECORD at this point for the reading of my colleagues:

THIRTY YEARS AFTER THE YALTA CONFERENCE

("They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them." The Atlantic Charter, August 14, 1941.)

The above rallying battlecry of the United States and Great Britain against Nazi tyranny which was seeking to subjugate the world—rang clearly around the globe and brought new hope to the oppressed nations and new confidence in the sacred ideals of humanity.

Almost two years before this pronouncement, Poland, attacked by the Hitlerite hordes, was the first nation which dared to make a heroic stand against the crushing force of the German Armed Forces. With all Poland overrun, with its capital in complete ruin after German bombardments, with thousands killed in battles, Poland continued to fight against the invaders on its own territory and abroad. The Polish Underground Army fought hundreds of skirmishes in the field and forests; it boldly attacked the invader in the cities and successfully sabotaged German military efforts. Thousands of Poles perished fighting on their own soil; other thousands filled German concentration camps and died slow deaths until they reached the gas chambers.

At the same time, thousands of Polish soldiers penetrated the frontiers of neighboring countries and after arduous and perilous journeys reached France where the Polish Army was reorganized again in full battle readiness. This indomitable Polish spirit which never accepted defeat astonished the world. President Roosevelt paid the highest tribute to it when he called Poland "the inspiration of the nations."

Under Polish banners which proudly displayed the national motto, "For your freedom and ours," the Polish forces on land, sea, and in the air battled at the side of their American and British allies, firmly believing that all the battlefields marked the road leading to a free and truly independent Poland with her "sovereign rights and self-government restored."

From the cold fjords of Norway through the fields of France and Italy to the hot sands of Northern Africa, Polish blood flowed in profusion for what Poles believed to be a Common Cause. With the same faith in their hearts, Polish airmen fought in the Battle of Britain and in thousands of air operations over Germany. The Polish Navy covered the Allied convoys and suffered heavy losses. When a Polish unit was first to place its standard on the monastery of Monte Cassino, all Poles abroad and at home felt as if this standard were placed in the heart of Warsaw.

If somebody asks the price of freedom and independence, Poles may sadly reply: "Are six million dead a high enough price for our freedom?"

The Second World War was nearing its end in 1945 when the Soviet intentions of enslaving Poland became evident as the Soviet Union once again used the insidious trick of nominating a puppet government.

On January 19, 1945, the Polish Government in Exile in London, the only true representative of the Polish nation, in a memorandum to the governments of the United Kingdom and the United States, proposed an amicable settlement of the Polish-Soviet dispute, declaring a determination to conclude an alliance with the USSR guaranteeing the security of both States. The memorandum stated, however, that "remembering that Poland, as one of the United Nations in the struggle for the freedom of the world, made immense sacrifices in material and spiritual values, and lost nearly one-fifth of her population killed in the battles, massacred in penal camps and ghettos, perished in prisons, in banishment, and in forced-labor camps—the Polish Government cannot be expected to recognize decisions unilaterally arrived at." The memorandum also stated that the recognition of the puppet government in Poland "would be tantamount to the recognition of the abolition of the independence of Poland, in the defense of which the present war was begun."

In the conference held at Yalta between February 7–11, 1945, involving Roosevelt, Churchill, and Stalin, decisions were made concerning Poland which stunned, not only Polish soldiers abroad and the whole Polish nation, but also ten million Americans of Polish descent.

In a note of February 18, 1945, the Polish Government reminded the British government of its perfidious assurance that "His Majesty's Government would not be likely to contemplate entering into an agreement with a third party which would injure the interest of so loyal an Ally . . ."

The recognition of the so-called "Provisional Government in Lublin" composed mainly of agents of Comintern and the approval of annexation of practically one half of the territory of Poland by the Soviet Union constituted a deadly blow to Poland's freedom.

The noble effort of Congressman Barry on February 26, 1945, in the House of Representatives was in vain when he demanded the rejection of the Resolution of the Crimea Conference which established the eastern frontiers of Poland along the Curzon Line.

Poland's fate was sealed. Not only was Poland robbed by the Soviet Union of half of her territory but the other half became what is known as the Polish Peoples Republic under the Kremlin henchmen and thus deprived of any possibility of having a free representative parliament or government with democratic freedoms.

The tragic fourth partition of Poland became "fait accompli" because of the Judas kisses and despite the praise of Poland's heroism by her allies.

The Polish American Congress lodged a protest against the decisions of the Yalta Conference. Poland was "sold down the river," and, if anybody needs a witness, let him read the book, "I Saw Poland Betrayed" by United States Ambassador Bliss Lane.

There were some efforts to exonerate Roosevelt along the line of argument that it was not the Yalta agreement itself that was bad but the manner of its execution by the Soviet Union. In this regard, British RAF Marshal Sir John Slessor stated clearly: "It is usually said that it is easy to be wise after the event, but after all Yalta and Potsdam came after the events of August and September 1944. How after the fall of the Warsaw uprising any responsible statesman could trust a Russian communist further than he could kick him is beyond human understanding."

Roosevelt was aware of the real situation since he was forewarned by the Polish Government in Exile in London. He knew that sixteen Polish delegates, who were lured by the Soviets under the pretext of friendly discussions, were arrested and deported to the Soviet Union and he also knew that the members of the Polish Underground Army were being arrested by the advancing Soviet Army. He could not claim that he was not aware of the true Soviet intentions toward Poland.

The Yalta conference, which threw Poland into the Soviet orbit, was a close copy of the Munich sellout.

In the February 13, 1945, Congressional Record, Congressman O'Konski of Wisconsin spoke thus to the House:

"I predict to you now, Members of the House, that . . . the Black Sea Conference of appeasement is going to have telltale disastrous effects for all the time to come.

"The crime of Crimea has denied freedom to 100,000,000 Europeans. That is just the beginning. The crime of Crimea puts a stamp of approval for slavery in Finland, Latvia, Lithuania, Poland, Bulgaria, Yugoslavia, Rumania and Czechoslovakia. On Black Monday, February 12, 1945, ironically Lincoln's and Kosciuszko's birthday, the Big Three approved slavery for Poland too. The crime of Crimea has handed 100,000,000 human beings into bondage. Black Monday, February 12, 1945, will go down in world history as the most ghastly international crime of the ages for which the world will pay a heavier price than we paid for World War II. What a sorry spectacle that almost a million of our own boys gave their lives for a new kind of bondage, a new order in Europe. . . . Only Moscow has reason to rejoice. All other decent people today have just reason for sorrow."

Thirty years elapsed since the Yalta conference, and now, from the distance of time, it is obvious how prophetic were the words of Congressman O'Konski.

One hundred million people in East and Central Europe, instead of facing the East with American help and manning the ramparts for the Western World—are today armed by the Soviet Union and menacingly facing the West. The Soviet empire now stretches to the heart of Germany. Emboldened by the Soviet success, Communism raises its ugly head in all European countries.

The free world lost half of Europe as a great potential ally in possible future world conflicts.

When we look back to check where the Western World completely erred and thus created the present highly dangerous position, we can easily point to the Yalta Conference. It is there that the Western World took the wrong turn and wandered into the area of danger.

Poland's fate was handed to the executioner, who just about thirty-five years ago committed an act of genocide at Katyn by murdering 15,000 Polish officers who at that time were prisoners of war and entitled to all the rights which that status confers in the civilized world.

The Soviet authorities denied responsibility for the crime and maintained that it was committed by the Nazis. But this lie is denounced by the official report of the "Select Committee to Conduct an Investigation and Study of the Facts, Evidence and Circumstances of the Katyn Forest Massacre: House Report No. 2430, Union Calendar No. 762. This Committee was created in accordance with a resolution of Congress dated July 2, 1952. In the report we read:

"This committee unanimously finds beyond any question of reasonable doubt that the Soviet NKVD (People's Commissariat of Internal Affairs) committed the mass murder of the Polish officers and intellectual leaders in the Katyn Forest near Smolensk, Russia. The evidence, testimony, records and exhibits recorded by this committee through its investigations and hearings during the last nine months, overwhelmingly will show the people of the world that Russia is directly responsible for the Katyn massacre. Throughout our entire proceedings, there has not been a scintilla of proof or even any remote circumstantial evidence presented that could indict any other nation in this international crime. It is an established fact that approximately 15,000 Polish prisoners were interned in three Soviet camps: Kozielsk, Starobielsk and Ostashkov in the winter of 1939–40. With the exception of 400 prisoners, these men have not been heard from, seen or found since the spring of 1940 . . . we are equally certain that the rest of the 15,000 Polish officers—those interned at Starobielsk and Ostashkov—were executed in a brutal manner. Those from Starobielsk were disposed of near Kharkov, and those from Ostashkov met a similar fate . . . the Ostashkov prisoners were placed on barges and drowned in the White Sea. . . . No one could entertain any doubt of Russian guilt for the Katyn massacre."

The Polish Warsaw regime is but a tool in the hands of the Kremlin and blindly follows its dictates in foreign and domestic politics. The same Communist Party in Moscow which ordered the massacre in the Katyn forest is exerting its power over Poland. Soviet Ambassador Pilotowicz, the Russian Viceroy in Warsaw, holds the scepter of real power. The Polish "Bezpieka" is but an extended arm of the Soviet KGB. The Soviet government continues the Tsarist tradition in foreign affairs, as it was summed up by the Russian historian Karamzin in 1826: "Distrust of the friendship of those whose interests are not in accordance with ours and neglect of no opportunity to damage them."

It is not astonishing that while we condemned Nazi murderers at Nuremberg, nobody even suggested a similar tribunal against the Katyn murderers? The same experience which led to the shame of Yalta dictates silence in the murder of those 15,000 Polish officers. This blatant parody of international justice speaks amply about the complete corruption of moral principles applied in world politics.

The Polish American Congress declares that it does not recognize the Yalta decisions as binding the Polish nation and does not recognize the Warsaw communist regime forced upon Poland by the Soviet Union as the legal representative of Poland.

The Polish nation still staunchly defends its tradition, its culture, and its loyalty to the Church in increasingly difficult conditions. No force can break that indomitable spirit.

Poles still believe that the walls of that gigantic, grim, and blood-spattered Soviet prison of nations will collapse one day and millions of captive people will again enjoy the blessings of freedom.

History gave us two painful lessons at Munich and Yalta and taught us that our own security cannot be bought at the expense of others. World freedom is indivisible. Those two errors brought highly dangerous results and there is now not much room left for any more errors. The next one may be final.

A TRIBUTE TO EARL HOLDSWORTH

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. SARASIN. Mr. Speaker, if the measure of a man is that which he gives of himself—to his family, his friends, his community, and his Nation—then Earl T. Holdsworth must surely be considered as one of the great of his hometown of Trumbull and of the State of Connecticut.

For several decades, Earl has devoted himself to making life more interesting and more fruitful for those around him. He has worked with children through the Cub Scouts, becoming the first cubmaster for Cub Pack 97 which he organized in Trumbull in 1946. His community directly benefited from his participation in various improvement associations, as a member of the representative town meeting and the Republican Town Committee.

While most men would consider their lives quite full and their service to their community more than enough with such a record of involvement, not so Earl. His interests extended to the public safety, and as both chairman and secretary to the police commission, he worked to improve the facilities and capabilities of the force.

Both his community and his State reaped the fruits of Earl's knowledge and dedication when he was elected to the Connecticut House of Representatives in 1968. It was a special privilege for me to work with him in the general assembly, to see legislation of interest to all residents be examined, nurtured, and implemented under his watchful eye.

Considering Earl's outstanding record of accomplishments and of public service, it is difficult to find the proper words to express our heartfelt thanks for his involvement in the community around him. I am hopeful that, at least in part, a tribute to Earl Holdsworth on Friday, February 7, 1975, will at least partially convey our appreciation for the genuine human concern evinced by this fine American.

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LEGISLATION TO TERMINATE THE MUTUAL AID PACT

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. STARK. Mr. Speaker, it is no secret these days that many of our airlines are in financial difficulty. Many of their problems result from the current energy shortage. We can only wait for the development of a strong energy program and the exploitation of new energy sources to alleviate the aviation fuel shortage and combat this aspect of the problem.

There are, however, other problems. I am certain many of my colleagues have not forgotten the legislation we passed in the 93d Congress to aid Pan Am and other U.S. international air carriers against the discriminatory practices they receive in foreign lands. The International Fair Competitive Practices Act of 1974 insures that our airlines can compete on an equal footing with those of other countries.

Today I plan to reintroduce a measure that is also in the spirit of free and equal competition and addresses a problem that I suspect is also affecting the present ill health of our airline industry. In 1958 the Civil Aeronautics Board created the Mutual Aid Pact to account for the windfall profits accruing to airlines whose employees were not striking. The result, today, is a system that regards the mismanagement of airlines and undermines the operation of the free enterprise system in the airline industry.

As many of my colleagues know, the Mutual Aid Pact now subsidizes 50 percent of the operating costs of a struck airline for the first 2 weeks. This decreases each successive week after that by 5 percent until it reaches a rate of 25 percent where it remains to the end of the strike. These payments are made out of whatever windfall profits accrue to other carriers who are not struck. I think a comparison between the level of these subsidies and the insignificant strike benefits of most airline employees—in fact, four unions have absolutely none—will convince my colleagues that this policy removes the incentive on the part of the airline management to negotiate.

Prior to the implementation of the Mutual Aid Pact, the average length of a strike in the airline industry was 15 days. It has now ballooned to approximately 100 days, and it is not uncommon for an airline to register a profit during a strike.

Our economic system promotes excellence through free competition. I maintain that the Mutual Aid Pact attacks this system by disrupting the balance of collective bargaining in the airline industry. Employees can no longer bargain on an equal basis with management. The result is long strikes and the deterioration of air service. Companies who are mismanaged, who have been unable to maintain good management-employee relations are rewarded by subsidies while those who have cultivated good employee relations and developed healthy working conditions are penalized. When Pan Am recently withdrew from the Mutual Aid Pact, it announced that it had paid out approximately $50.9 million to other airlines while receiving only $5.3 million in return during its four short strikes. It is obvious that Pam Am would be in better financial shape today were it not for the Mutual Aid Pact.

The Mutual Aid Pact has become a crutch to particular airlines who can use it against its workers. But its use is also a detriment to the general health of the airline industry by pulling down the strong in their support for the weak. Ultimately, of course, it is the public who suffers.

Mr. Speaker, I fail to see the logic of this policy and I hope that my colleagues share my puzzlement as to its continued utility.

ORVAL HANSEN: A DISTINGUISHED RECORD

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BRADEMAS. Mr. Speaker, one of the ablest persons with whom I have had the privilege of serving during my time in the House of Representatives is the Honorable Orval Hansen, our former colleague from the Second District of Idaho.

I had the good fortune of serving with Orval Hansen on two committees, the Committee on Education and Labor and the Committee on House Administration, and on the same subcommittees as well.

Although Orval Hansen is a Republican and I am a Democrat, I know of no more thoughtful or fair minded or hardworking Member of the House than he, and I would add my own to the many good wishes that have been extended to him and his delightful wife, June, by his former colleagues on both sides of the aisle.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD an editorial, "Orval Hansen: a distinguished record," published in the January 9, 1975, issue of the Post-Register, Idaho Falls, Idaho.

The editorial follows:

ORVAL HANSEN: A DISTINGUISHED RECORD

Orval Hansen of Idaho Falls, Idaho's departing Second District Congressman, leaves Congress with an extraordinary legacy of accomplishments. He not only was one of the hardest working members of the House of Representatives in his terms there but one who strained continuously to survey the needs and problems of his constituents. His constant racing back to Idaho to both report and listen kept him in close touch with the people of his district. But it was a wearing standard of operation and severely limited the time he could allot his private or family life.

He also pioneered the opening of four offices in Southern Idaho as reporting and listening posts. With this kind of time burden, it is amazing that he found time to introduce or co-sponsor 200 different measures in Congress while serving in D.C.

Orval Hansen's chief asset was the precious one for all deliberators—a fine sense of good judgment. A scholar who studied abroad as well as a legalist, Hansen never made snap judgments. Such were alien to his mental process. At times, he would seem just a plodder. But he was seeking perspective—that rare divination of what is most-right in a complex array of choices. He could not be snowed by anyone—lobbyist, government agency, legislative specialist, or even a constituent. He was always his own man.

And he had a faculty of being at the right place with the right idea—like his most recent proposal of making surplus potato production (especially processed potatoes) available as emergency food aid overseas without creating supply and price problems for the American consumer. The dehydrated potato is really an ideal way of succoring the world's hungry in the current situation.

Orval Hansen was not always where the corporate executive would like him. Nor was he always in the right place for the environmentalist. He often liked the middle road that too often pleased all too little. But truth, great philosophers have said, is a careful extraction from the poles. And so it was with Hansen. This newspaper did not always agree with him on every issue certainly—but Orval Hansen was a congressman you could call on the phone and disagree with at great length and come away with an appreciation of the studied thought process which put the Idaho congressman at his position.

Former Congressman Hansen knew what exchange of ideas and debate was all about. He prized it as a medium of decision-making. He never got so fixed in a decision that new input from whatever source would not alter or even change his mind if he felt he had missed something in his judgment pilgrimage. Pride never got in the way of the "best decision." His easy openness invited people to challenge his position because you could always have the feeling, after the exchange, that this is what he expected of you—and pleasantly so.

Orval Hansen's chief assets, his deliberative manner and his repugnance for quick judgments, proved his undoing. These assets served him in good stead as master diplomat in helping maneuver a new structure in the AEC wheren the in-grown autocratic "old order" had nearly stalemated the agency's indispensable research spontaneity. He was criticized for not moving hastily but soon the flowering of his patient behind-the-scenes contact work, inside and outside of the Joint Congressional Committee on Atomic Energy, unfolded. He is one of the architects of a new leadership in the AEC which, unfortunately, is being partly dismantled in the new Energy Research and Development agency. Not that the new agency itself is not a necessary blending. It is the unknown qualities of the newly imported leaders yet to be tested.

But these assets were not assets when his reluctance to disengage from President Nixon quickly enough proved his un-doing in the election. It was second nature for Hansen to insist a man, especially a president, was innocent until proven guilty. And President Nixon's final demise occurred on the eve of the Idaho general election. The President's admission of lying was likely such a shock to the Idaho congressman at the time that he had difficulty handling it. His statement on eve of the election reflected this. It hurt him badly.

If one examined his record, Hansen was not an abject Nixon supporter. The President, we must remember, had some good legislative programs as well as bad. But the White House corruption odor had not drifted with sufficient offensiveness to the Idaho congressman's office . . . most likely because he was too busy campaigning to apply his analysis to it. And because polls showed early in his campaign that he was a two to one choice, reversed with events in the White House the last two weeks, he did not campaign as vigorously as usual. And Cong. Hansen was never the charismatic vote-puller. It was not in his genes to be flamboyant.

So. Cong. Hansen is now Citizen Hansen. But Idaho should mark his tenure well . . . because it is an especially distinguished one. The thoughtful deliberation, the mental breadth and poise of the man, is only rarely seen in the House of Representatives.

PENN CENTRAL MAY FOUNDER DURING CONGRESSIONAL VACATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. GILMAN. Mr. Speaker, this afternoon we will be closing up shop and going home for more than a week in observance of the Lincoln and Washington holidays. When we return, there is a good chance that the Penn Central Railroad will be out of business.

Penn Central is fast approaching the climax of a cash crisis that began in December—and has cried out for congressional attention for more than 2 months. On February 14—in the middle of our recess—the Penn Central will begin declining shipping orders and plans to shut down its operations altogether around February 25, unless Congress provides emergency financial assistance to enable this troubled giant to meet its payroll obligations.

All funds available under section 213 of the Regional Rail Reorganization Act are exhausted, and Penn Central, so long wracked by gigantic debts, has no chance of obtaining even interim credit elsewhere. We, Mr. Speaker, are the last hope of one of our Nation's biggest and most vital transportation corporations. And now, during Penn Central's darkest hour, we are packing up to go home.

I have today received a telegram from Governor Carey of New York, calling further attention to this serious problem. I ask that this telegram be reprinted in this portion of the RECORD.

Hon. BENJAMIN A. GILMAN,
House Office Building,
Washington, D.C.:

Legislation is urgently needed to prevent the Penn Central from commencing reduction in its operations on February 14th and total cessation of services toward the end of the month. Otherwise there will be a grievous economic impact upon the State of New York already suffering from the adverse effects of recession.

Penn Central reports that it has run out of cash and has exhausted possibilities of obtaining financial assistance other than from the Federal Government. I urge you to support legislation amending the regional Rail Reorganization Act of 1973 which would provide the railroad with emergency funding to maintain service vital to the State's economy. The legislation should also provide for the inclusion of the Erie-Lackawanna Railroad under the act. S-281 does this.

HUGH L. CAREY.

The success of the Regional Rail Reorganization Act in developing a viable and effective national rail transportation system will be jeopardized if Penn Central is forced to shut down in this manner. Thousands of employees will be cut off from their pay. Thousands of shippers and businessmen will absorb drastic costs and hardships. The outlook is one of unmitigated disaster.

Mr. Speaker, I most emphatically object to our going on a recess without having dealt with this problem. Penn Central's representatives have been here all week trying to spur us on to action. The Senate has approved a bill meeting the crisis and providing the emergency funding. But the House, without addressing itself to this need, now proposes to go home.

What will we tell the legions of new unemployed that will be created when Penn Central closes its doors? That we were too busy to attend to their problems?

What will we do to protect the thousands of small businessmen and shippers all over our Nation who depend on the Penn Central and whose livelihoods are about to be gravely endangered?

Mr. Speaker, let us undertake some remedial action, and let us take it now. When we come back, it may be too late.

"MECKLENBURG DECLARATION OF INDEPENDENCE"—1775

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MARTIN. Mr. Speaker, as America makes preparations to celebrate the 200th birthday of the founding of our Nation, I want to call to the attention of my colleagues another bicentennial celebration. This one is in Mecklenburg County, N.C., a part of the Ninth District, which I am proud to represent.

On May 20, 1775, a spirit of independence was running strong in Charlotte, the principal town in Mecklenburg County, as 26 leaders in the community met and signed the Mecklenburg Declaration of Independence. These "free and independent people" took the lead in separating themselves from British suppression and tyranny. That historic date was placed on the North Carolina State flag in honor of the brave men who signed that document and who took that bold step. Today, North Carolina license tags for 1975 carry the motto "First in Freedom" for the same reason.

With these thoughts in mind, I am today introducing a joint resolution, signed by the entire North Carolina delegation, calling on the President of the United States to proclaim the date May 20, 1975, as "Mecklenburg Declaration of Independence Day," commemorating the bicentennial of the declaration of independence from the British crown of Mecklenburg County, N.C.

IAM LODGE 1998 IN HONOLULU RECEIVES COMMENDATION

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MATSUNAGA. Mr. Speaker, as one who was invited to the installation-of-officers banquet of Local Lodge 1998, International Association of Machinists and Aerospace Workers—IAM—which was held in Honolulu, Hawaii, on January 11, 1975, I was pleased to note that the occasion also marked a special commendation for the lodge's leadership and spirit in dealing with some of the problems confronting American labor today. The commendation came as part of a speech delivered by William Ryan, a representative from IAM's Grand Lodge in Washington, D.C.

Using broad strokes, Mr. Ryan painted a vivid picture of the fundamental problems of working people. He placed at the doorstep of the Nixon White House full responsibility for unemployment, inflation, and the energy crisis, as well as economic policies which have resulted in a redistribution of the wealth of the American people "out of the pockets of the poor and into the pockets of the rich." What is needed today to cope with these problems, according to Mr. Ryan, is the "right kind of leadership—the kind we had when Franklin D. Roosevelt set up the Manhattan project and when John F. Kennedy set up NASA to put an American on the moon."

William Ryan is well qualified to speak in behalf of labor. From 1953 to 1968 he was president of district 44, a Government employees district of IAM in Watertown, Mass. From 1968 to 1973, Mr. Ryan headed the Government employees department of IAM, and since 1973 he has served at IAM's Grand Lodge as one of three hard-working legislative representatives.

Mr. Speaker, the text of Mr. Ryan's speech follows:

REMARKS BY WILLIAM RYAN

Brothers and Sisters: I appreciate this opportunity to be with you tonight. I bring with me the greetings and best wishes of all of the people at Grand Lodge—especially those who have had the pleasure of working with Lodge 1998—and who join me in congratulating the officers you have elected to lead you in the coming year.

From all the signs and indicators it is obvious that the tasks and responsibilities of leadership are going to be more challenging in the coming year than they have been in the past. I know that every day people come to these beautiful islands to get away from the troubles and turmoil of the mainland. And nothing would make me happier than to be able to give you an optimistic picture of the weeks and months that lie ahead. But the labor movement has never tried to solve problems by ignoring them or pretending they don't exist. And today, the fact is, we face some very fundamental problems—problems that will affect our ability to survive and to make progress on behalf of those we serve.

I think that everyone is aware that basic changes are taking place today in the way the world's wealth is being distributed. More

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and more of the dollars that American workers have used for food, shelter, clothing and other necessities are now going to pay for oil prices that have quadrupled in less than two years.

Not only is this draining America of dollars but it is adding further flames to what has become a raging fire of inflation.

Economists, newspaper columnists and government spokesmen are well aware of and alarmed by this vast redistribution of the world's wealth that is now taking place.

They are aware that higher energy costs threaten to strip the industrial countries—like Japan, Western Europe and the United States—of the dollars that are needed to finance economic expansion. Certainly, this will cause serious economic dislocations. But long before the redistribution of wealth from Western economies to the Arab world an equally significant redistribution of wealth was going on right here in the United States.

Most people didn't think of wage and price controls as a device for redistributing the nations' wealth. But that's exactly what it was. It took money away from working people and gave it to people in the upper income brackets.

Wage controls were very easy to police. Therefore wage controls worked. But price controls were never really enforced. And by the time Mr. Nixon finally took them off prices were rising at an annual rate of 9% a year.

This is not the only way the wealth of the American people has been redistributed out of the pockets of the poor and into the pockets of the rich. It's been done over the past few years through tax laws and special exemptions that give corporations all kinds of breaks that individuals do not enjoy.

It's been done over the past few years by corporate profits that have increased while the gross national product has been declining. What this means, quite simply, is that the 200 or 300 monopolistic corporations that control our economy are taking a large slice out of a smaller pie. This means, in effect, that everyone else has to make do with less. Recently Congressman Henry Reuss of Wisconsin pointed out that as a result of the economic policies of the Nixon Administration, $10 billion a year—in each year of the past five years—has been transferred out of the pockets of the lowest four-fifths of the nation's income groups and into the pockets of the top one-fifth.

So the problems of working people really didn't start with the Arab embargo or the quadrupling of the oil prices. And over the long run, I think that this is a problem that can be solved with the right kind of leadership.

By the right kind of leadership, I mean the kind we had when Franklin D. Roosevelt set up the Manhattan Project and when John F. Kennedy set up NASA to put an American on the moon. With that kind of leadership we could, in a few years, tell the shieks and shahs of the Middle East to stick their oil in their ear.

There are many kinds of alternative sources of energy that are waiting to be developed. In Japan they have already shown what can be done with roof-top solar power heaters. 40% of Japan's hot water needs are already being supplied by 2.6 million heaters powered by solar energy. Scientists believe that the sunlight shining on a 150 square mile patch of desert, if used efficiently, could provide the United States with all the energy it needs. There is no end to human ingenuity. One solar scientist, named Pete Glaser, has already drawn up blueprints for a huge solar power cell in space capable of converting the sun's energy into electricity and transmitting it to a receiving antenna on earth.

Unfortunately, all the scientific ingenuity in the world isn't going to do us any good if someone doesn't provide leadership. We need leadership to begin moving against the problems of unemployment that are threatening the most serious economic collapse since the 1930's. It is hard for someone who has been around as long as I have to realize that most of the people in the work force today are too young to remember the great depression. Many of today's workers have not even wanted to hear about the great depression because they said, it could never happen again.

Well, tell that to the workers in Detroit where unemployment has already reached depression levels in the auto industry.

Tell it to the millions of people whose unemployment insurance is beginning to run out and who have no prospects for new jobs in the future.

Tell it to the hundreds of thousands of teenagers who graduated from high school last June and who still haven't found their first permanent job.

These basic problems, ranging from energy to inflation to unemployment, cannot be solved by individual action, no matter how well meaning.

Now, more than ever, the working people of America must combine to seek economic equity both at the bargaining table and in the halls of Congress.

As an old government worker and as a long-time representative of government workers I am well aware of the handicaps that government workers have as compared to their counterparts in private industry. In private industry, if an employer refuses to bargain in good faith on wages and working conditions, you can go on strike. In government you can't.

In private industry, if you've got the support of a significant number of those in the work place and the agreement of the employer you can negotiate a union security clause in your contract. In government, even if 100% of the workers belong to the union, you can't negotiate union security and the next worker hired can take all the services and benefits of unionism without accepting the responsibility of helping to support the union.

In private industry, if you want to get actively involved in politics you can go out and work to elect representatives who support labor's programs. But when you work for Uncle Sam, forget it.

I am suggesting that government employees should have the right to strike in the same way that private employees do. And I do think the time has come to replace weak and inadequate executive orders with legislation guaranteeing federal employees the rights that workers in private industry enjoy under the National Labor Relations Act. And that includes the right to negotiate a union shop agreement—when that is what a significant majority of the employees want. I am suggesting that the Hatch Act should be repealed. No one wants to go back to the days when you could be told by your boss that if you wanted to keep your job or were looking for a promotion you had better kick across with a contribution to this candidate or that.

But I do think government employees have as much stake as anyone in electing candidates who support fair tax laws, full employment programs, national health security and other union legislative goals. I beleve the Hatch Act should be repealed so as to increase the scope and effectiveness of the union's political action program. Too often business representatives serving government lodges feel their hands are tied because they cannot seek funds for the Machinists Non-Partisan Political League or endorse candidates who are favorable to the union cause.

These, then, are just a few of the kinds of issues and problems that these officers you have elected will have to deal with in the coming year.

If there is any lodge in the IAM that has the kind of leadership capable of dealing with these problems, it is Lodge 1998. Over the years the people who work with the government membership have developed great pride in Lodge 1998. You have a spirit here—a spirit of real, honest-to-God unionism that has become much too rare in the labor movement. I predict, however, that as more people are forced to tighten their belt buckles there is going to be more of that spirit throughout the rest of the labor movement.

Though I have probably emphasized the negative here, and have perhaps sounded pessimistic, the fact is I really believe that this labor movement and this great country of ours will meet these challenges with the kind of courage and ingenuity that brought us through tough times in the past.

Once again I want to thank you for allowing me to be with you and to each and everyone I say, as I have said before, and hope to say again in the future—Aloha.

PUBLIC SERVICE EMPLOYMENT FUNDS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, last week I began inserting in the CONGRESSIONAL RECORD the prime sponsors receiving funds for public service employment under title VI of the Comprehensive Employment and Training Act.

I am continuing today with allocations for the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin, Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.

The Subcommittee on Manpower, Compensation, Safety and Health which I chair intends to hold oversight hearings on the Comprehensive Employment and Training Act during this session of Congress. We will begin our oversight with hearings concerning the allocation of funds under CETA on February 20, 9:30 a.m., room 2175, Rayburn Building.

The list of allocations follows:

FINAL ALLOCATIONS

Region V	$153,480,170
Illinois	25,856,251
Chicago	11,165,540
Cook County	3,777,945
Arlington Hts	67,018
Berwyn	76,853
Cicero	126,408
Desplaines	80,291
Evanston	260,982
Oak Lawn	87,316
Oak Park	92,560
Skokie	101,718
Du Page County	597,012
Elmhurst	52,164
Kane County	555,243
Aurora	183,133
Elgin	201,041
Lake County	768,767
Waukegan	228,474
Macon County	178,672
Decatur	138,050
McHenry County	187,956
Rock Island County	231,874
Rock Island City	107,273
Tazewell County	125,605
La Salle County	137,925
Rockford Csrt	533,870
Rockford	236,193

FINAL ALLOCATIONS—Continued

Bal Winnebago Cnty	127,336
Champaigne Csrt	207,226
Champaign Cty	52,114
Champaign Cnty	104,905
Will County Csrt	808,754
Will Cnty	429,369
Joliet	362,649
Sangamon Cnty. Csrt	194,831
Sangamon Cnty	73,968
Springfield Cty	114,214
Madison Cnty. Csr	1,726,874
Madison Cnty	1,695,023
St. Clair Csrt	1,112,526
St. Clair Cnty	1,101,059
Peoria Csrt	$299,290
Peoria Cty	238,595
Peoria County	60,695
East St Louis	795,614
Shawnee Csrt	259,564
Bal of Illinois	2,191,163
Adams Cnty	85,008
Dekalb Cnty	85,861
Henry Cnty	45,389
Jackson Cnty	83,427
Kankakee Cnty	130,171
Knox Cnty	62,276
Mclean Cnty	105,382
Vermilion County	139,882
Whitside Cnty	107,941
Indiana	19,241,816
Gary	735,969
Hammond	180,608
Lake Cnty	315,885
Elkhart Cnty	344,751
South Bend	249,459
St Joseph Cnty	168,084
Tippecanoe Cnty	89,374
Madison Cnty	146,330
Anderson	79,739
Vigo Cnty	159,537
Terre Haute Cty	104,994
Indianapolis	2,633,002
La Porte Cnty	107,966
Ft Wayne Csrt	667,065
Allen Cnty	107,289
Fort Wayne	339,878
Delaware Csrt	309,812
Delaware Cnty	69,627
Muncie Cty	217,854
Evansville Csrt	570,937
Evansville	330,141
Bal Vanderbgh Cnty	18,643
Bal of Indiana	12,563,037
Bartholomew Cnty	43,608
Clark Cnty	714,585
Floyd Cnty	629,904
Grant Cnty	610,815
Hamilton Cnty	131,453
Henricks Cnty	127,882
Henry Cnty	405,832
Howard Cnty	798,054
Johnson Cnty	168,589
Monroe Cnty	695,191
Porter Cnty	231,188
Wayne Cnty	871,181
Michigan	57,169,351
Wayne Cnty	4,418,075
Dearborn Heights C	240,783
Lincoln Park Cty	257,468
Redford Township	322,396
Taylor Cty	471,491
Westland Cty	230,246
Detroit	15,499,517
Dearborn	279,101
Livonia	150,470
Monroe Cnty	368,887
Bay Cnty	557,890
Saginaw Cnty	868,681
Saginaw Cty	527,478
Oakland Cnty	5,978,156
Pontiac Cty	1,523,671
Royal Oak Cty	315,068
Southfield Cty	217,217
Waterford Twp	603,433
St Clair Cnty	1,133,359
Calhoun Cnty	727,994
Kalamazoo Cnty	586,789
Kalamazoo Cty	306,493
Berrien Cnty	861,469
Ottawa Cnty	424,323
Washtenaw Csrt	1,238,594
Washtenaw Cnty	1,078,866
Ann Arbor	159,729
Kent Cnty Csrt	2,482,833
Kent Cnty	749,428
Grand Rapids	682,809
Allegan Cnty	213,129
Wyoming Cty	184,505
Muskegon Csrt	970,327
Muskegon Cnty	850,552
Genesee/Flint Csrt	3,865,450
Genesee Cnty	1,382,375
Flint	1,510,739
Lapeer Cnty	$295,082
Shiawasee Cnty	477,165
Ingham Csrt	1,440,381
Ingham Cnty	613,318
Lansing	619,995
Eaton Cnty	113,269
Jackson Csrt	1,870,453
Jackson Cnty	754,524
Lenawee Cnty	882,878
Macomb Cnty	2,330,027
Roseville Cty	415,097
St Clair Shores Ct	305,757
Sterling Heights C	261,799
Warren City	681,272
Bal of Michigan	10,637,303
Livingston Cnty	305,333
Marquette Cnty	277,953
Midland Cnty	429,074
Van Buren Cnty	287,272
Minnesota	8,900,238
Duluth	462,932
Dakota Cnty	207,301
Urb. Minn. Consrt	3,752,847
Minneapolis	2,191,716
Bal Hennepin Cnty	669,399
Anoka Co	475,819
Bloomington Cty	114,113
Washington Cnty	189,917
St Paul City	1,301,809
Ramsey Cnty	253,493
Region III Csrt	530,057
St Louis Cnty	231,279
Rural Cep	705,656
Bal of Minnesota	1,686,143
Blue Earth County	77,706
Rochester County	53,193
Stearns County	184,092
Bal Olstead County	35,478
Ohio	30,130,137
Cincinnati	2,820,142
Butler County	654,579
Hamilton City	193,071
Clark County	379,704
Springfield City	291,008
Hamilton County	729,741
Licking/Del Csrt	261,295
Licking County	210,335
Lorain	490,900
Elyria	144,252
Lorain City	159,921
Akron Csrt	1,432,004
Akron City	608,770
Summit County	269,752
Portage County	411,424
Medina County	142,058
Canton Csrt	892,360
Canton	300,772
Stark County	477,953
Wayne County	113,611
Cleveland Csrt	7,139,141
Cleveland City	4,854,901
Parma City	131,605
Cuyahoga County	1,269,649
Lake County	384,351
Cleveland Heights	108,787
Euclid	147,265
Lakewood Cty	147,507
Geauga Cnty	95,045
Columbus Csrt	1,549,982
Columbus City	1,230,455
Franklin Cnty	319,507
Dayton Csrt	1,390,147
Dayton Cty	798,406
Montgomery Cnty	364,543
Greene Cnty	133,559
Kettering Cty	56,505
Toledo Csrt	1,621,127
Toledo Cty	1,340,887
Lucas Cnty	143,294
Wood Cnty	136,946
Youngstown Csrt	1,470,533
Youngstown Cty	356,884
Mahoning Cnty	431,676
Trumbull Cnty	278,223
Columbiana Co	140,584
Ashtabula Cnty	134,111
Warren	129,055
Bal of Ohio	9,298,502
Lima	302,369
Bal Allen Cnty	80,316
Athens Cnty	91,294
Belmont Cnty	157,999
Clermont County	362,825
Crawford Cnty	101,829
Erie Cnty	113,411
Fairfield County	129,083
Hancock Cnty	97,829
Jefferson Cnty	278,595
Lawrence Cnty	309,500
Marion County	94,141
Miami Cnty	86,513
Muskingum County	112,081
Mansfield Cty	227,356
Bal Richland County	136,239
Ross County	128,256
Sandusky County	161,130
Scioto County	380,237
Seneca County	130,505
Tuscarawa County	182,034
Warren County	265,088
Washington County	116,411
Wisconsin	12,182,377
Outagamie County	138,602
Appleton City	64,157
Rock County	400,236
Milwaukee Csrt	4,252,390
Milwaukee County	130,021
Milwaukee City	4,027,752
Wauwatosa	26,521
West Allis City	68,097
Madison-Dane Csrt	405,343
Madison City	247,095
Dane County	158,248
WOW Csrt	221,352
Waukesha County	161,334
Ozaukee County	26,245
Washington County	33,772
Winne-Fond Csrt	388,334
Winnebago County	103,675
Oshkosh City	136,041
Fond Du Lac County	148,617
Trico Cetac	577,045
Bal Kenosha County	44,362
Racine County	89,876
Racine City	225,170
Walworth County	92,410
Kenosha City	124,727
Rural Cep	536,308
Bal of Wisconsin	5,262,767
Brown County	155,149
Dodge Cnty	105,607
Green Bay Cty	338,344
Eau Claire Cnty	138,828
Jefferson Cnty	97,955
LaCrosse City	133,474
Bal La Crosse Cnty	40,697
Manitowoc Cnty	118,404
Marathon County	325,268
Sheboygan Cnty	136,620
Wood County	247,459
Region VI	51,330,044
Arkansas	4,498,184
Little Rock Csrt	563,933
Pulaski Cnty	114,766
Little Rock	198,895
North Little Rock	80,140
Texarkana Csrt	287,054
Texarkana City	108,351
Bal Arkansas	3,647,197
Benton Cnty	76,753
Craighead Cnty	176,251
Fort Smith Cty	110,676
Garland Cnty	129,918
Bal Jefferson Cnty	38,183
Mississippi Cnty	99,318
Pine Bluff Cty	71,057
Bal Sebastian Cnty	46,122
Washington Cnty	177,545
Louisiana	15,055,396

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Rapides Parish	411, 999
Baton Rouge	607, 599
Lafayette Parish	166, 854
Lafayette Cty	116, 221
Cal/JDavis/Cam Crt	1, 176, 887
Bal Calcasieu	542, 350
Lake Charles Cty	572, 219
Quachita Parish	445, 072
Monroe City	164, 423
New Orleans Cty	4, 370, 842
Jefferson Parrish	979, 921
Shreveport	$737, 158
Bal of Louisiana	6, 159, 064
Acadia Parish	59, 616
Bossier Parish	162, 272
Iberia Parish	60, 042
Lafourche Parish	95, 460
St Bernard Parish	268, 011
St Landry Parish	223, 396
St Mary Parish	84, 698
St Tammany Parish	419, 894
Tangipahoa Parish	388, 355
Terrebonne Parish	104, 291
Vernon Parish	36, 591
Bal Caddo Parish	260, 843
New Mexico	4, 495, 464
Albuquerque	1, 441, 680
Cty of Albuquerque	1, 100, 871
Bal Bernalillo Cnt	244, 224
Bal of New Mexico	3, 053, 784
Dona Ana Cnty	135, 394
San Juan Cnty	140, 208
Santa Fe Cnty	137, 222
Oklahoma	5, 195, 708
Comanche Cnty	105, 510
Lawton City	90, 800
Oklahoma Cnty	240, 629
Oklahoma Cty Csrt	1, 227, 479
Oklahoma Cty	869, 131
Norman City	176, 612
Bal Cleveland Coun	41, 249
Tulsa Csrt	654, 420
Tulsa Cty	467, 644
Bal Tulsa Cnty	79, 914
Bal of Oklahoma	2, 957, 670
Garfield Cnty	47, 146
Muskogee Cnty	163, 438
Payne County	64, 709
Texas	22, 085, 292
Amarillo Csrt	260, 008
Amarillo Cty	121, 866
Bal Randall Cnty	14, 904
Bal Potter Cnty	11, 838
Austin Csrt	490, 627
Austin Cty	301, 617
Bal Travis Cnty	33, 822
Beaumont Csrt	970, 912
Beaumont Cty	341, 686
Bal Jefferson Cnty	175, 658
Pt Arthur Cty	234, 890
Orange Cnty	151, 764
Cameron County	1, 043, 553
Brownsville Cty	422, 279
Corpus Christi Csr	770, 573
Corpus Christi Ct	484, 471
Bal Nueces Cnty	91, 726
Dallas City	957, 998
Dallas County	539, 353
Garland Cty	111, 855
Grand Prairie Cty	71, 183
Irving City	97, 528
Mesquite City	54, 673
Bal Dallas Cnty	204, 114
El Paso Cty/Cnty	899, 434
El Paso Cty	823, 331
Ft Worth Csrt	782, 961
Ft Worth Cty	559, 928
Arlington City	129, 293
Tarrant County	183, 717
Grand Prairie City	8, 899
Galveston Cnty	199, 472
Galveston City	87, 191
Houston	1, 880, 385
Harris County	921, 084
Pasadena City	185, 394
Bell Cnty Csrt	180, 260
Bell Cnty	115, 794
Hidalgo/Willacy Cs	1, 424, 493
Hidalgo Cnty	1, 384, 108
San Antonio Cst	2, 380, 955
San Antonio Cty	1, 994, 340
Bal Bexar Cnty	210, 008
McLennon Cnty Csrt	384, 938
Waco City	211, 385
Bal McLennan Cnty	71, 634
Wichita Cnty Csrt	192, 046
Wichita Falls Cty	79, 362
Bal Wichita Cnty	30, 310
Webb County	762, 726
Laredo City	732, 265
Texarkana Csrt	438, 263
Texarkana City	$253, 1[illegible]
Bal Bowie Cnty	185, 074
Balance of Texas	6, 423, 534
Abilene City	65, 889
Bal Taylor Cnty	4, 466
Brazos Cnty	79, 086
Gregg Cnty	72, 462
Midland City	57, 734
Bal Midland Cnty	2, 333
Odessa City	90, 126
Bal Ector Cnty	10, 137
San Angelo Cty	63, 781
Bal Tom Green Cnty	2, 208
Tyler City	96, 424
Bal Smith Cnty	70, 500
Victoria Cnty	48, 526
Collin Cnty	83, 001
Denton Cnty	97, 277
Ft Bend Cnty	77, 104
Grayson Cnty	210, 990
Lubbock City	133, 283
Bal Lubbock Cnty	20, 524

LEE HAMILTON'S WASHINGTON REPORT ENTITLED "THE CIA"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following Washington Report entitled "The CIA":

THE CIA

Most Americans have only the foggiest notion about what the Central Intelligence Agency does, but recently they have been disturbed to hear reports of the CIA conducting massive illegal domestic intelligence operations against dissident groups in the United States and covert actions to undermine foreign governments.

President Ford has acknowledged CIA complicity in the overthrow of the Chilean government and the use of subversion as an instrument of American foreign policy, and the Director of the CIA, William Colby, has now acknowledged that agents maintained thousands of files on American citizens and participated in break-ins, wiretaps, and surreptitious inspections of mail inside the United States.

The CIA, which grew out of the failure of American intelligence during World War II, was organized in the cold war days of 1947 and plunged into action against the worldwide enemy, Communism. Until recently it has drawn scant attention from Americans.

The basic function of the CIA as an independent intelligence gathering organization is not at issue. The charge now is that the CIA has violated the law by mounting intelligence operations against dissident groups in the United States and conducting covert political operations in Chile and other countries.

The President, the Secretary of State, and Congressional leaders have all declared themselves in support of covert operations, even though such a position runs counter to the common assumption that public officials should be both accountable and truthful.

CIA Director Colby acknowledges that whether the United States should abandon covert action and concentrate instead on intelligence gathering is a legitimate question. He admits that such abandonment would not have major impact on the security of the United States, but he argues that threats could arise which would require the United States to conduct covert operations.

Others believe the United States should never be engaged in covert, subversive activities in pursuit of American foreign policy objectives. Still others believe that there may be circumstances when the strategic interests of the United States require an alternative other than diplomacy or military action.

Concern about the CIA is also rising because of its size, cost, and the secretive way in which it is financed. The CIA employs about 16,500 people and spends about $750 million a year. Most Members of Congress do not know how much money they are allocating for the CIA or what it will be used for. In fact, they do not even know when they are voting to allocate it. Small subcommittees of senior members, who rarely challenge the figures and the information supplied to them by the Agency, camouflage the CIA budget and spread it through a number of separate appropriation bills.

Not surprisingly, then, calls have arisen in the Congress for investigations, and there is certain to be much activity in the Congress in 1975 over the CIA.

A public discussion of the appropriate role for the CIA is long overdue. The CIA itself has the first responsibility for preventing further misuse of power, but tighter control over the CIA by the Congress is necessary. So far Congressional oversight has protected CIA interests but not the public interest. The Congress must pass a whole new set of directives and guidelines for the CIA. A central question of such an examination must be to what extent the United States should engage in covert operations. The Congress must also break up the concentration of decision-making power in the hands of a small group of anonymous officials with little or no accountability.

Obviously, the issues are difficult: what is the proper role of the CIA, and how do we achieve effective public oversight of secret operations in a democratic society? Inevitably tension will develop when an organization such as the CIA exists within a democracy. Congressional oversight of the CIA is part, but not all, of the answer. Good oversight can assure that operations are undertaken only in the most extreme cases and in the wisest possible way, but so long as the nation approves of secret activities, oversight alone will not resolve all the problems. There is no way for a democracy to manage secret activities, and no oversight, however effective, can ignore that fact.

I have come to the view that the United States should abandon covert operations designed to influence political results in foreign countries, except perhaps when the national security is clearly in jeopardy. I also believe the CIA should abandon illegal domestic intelligence operations against dissident groups. I am not persuaded that dirty tricks conducted by agents of the United States government serve the national interest. Covert intelligence gathering operations are needed in the modern world, but stringent criteria must be established by the Congress and enforced.

"WILL IT MAKE ME FAT?": THE SENSITIVITIES OF TORTURERS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. FRASER. Mr. Speaker, given the large number of authoritatively reported instances of torture occurring in junta-ruled Chile, it no longer makes sense to speak and write of torture being "allegedly" used as an instrument of government there. It is a fact that the Pinochet government sanctions the use of torture.

Anthony Lewis' January 27 New York Times column recounts not only the inhuman treatment accorded Dr. Gustavo Molina and others by their Chilean captors, it makes clear the corrosive nature of torture. The pride one torturer takes in his "profession" illustrates this clearly.

But there is an encouraging aspect to Lewis' column. Dr. Molina is convinced that outside pressures—Americans expressing concern and outrage about torture and arbitrary arrests—do help those within Chile suffering under the arbitrary Pinochet rule. We must continue to protest even though we have ended military aid to Chile.

The article follows:

WILL IT MAKE ME FAT?

(By Anthony Lewis)

Dr. Gustavo Molina of Chile has been a leading figure in public health in Latin America for years; a book of his is a standard text. He was not in politics in Chile. But as an interne he had roomed with Dr. Salvador Allende, and he was a lifelong friend. At Allende's request he came out of retirement in 1970 to administer a region in Chile's long-established national health service.

Dr. Molina is a grandfatherly man whose voice remains gentle, his manner detached as he describes what he experienced after the military coup in Chile. "I'm 64, I'm a survivor," he says. "I don't care about me personally. I said that to the military men."

On Jan. 8, 1974, "three gentlemen from the Air Force," as he puts it, seized him without notice in Santiago. They threw him on the floor of a station wagon with two other doctors, Giorgio Solimano and Reynaldo Martinez. They were taken to a prison camp called Tejas Verde and kept together in a small room.

On Jan. 14 the three doctors were taken to another place, with hoods over their heads, for questioning. An officer told Dr. Molina that he was suspected of "permitting paramilitary instruction in your building." Dr. Molina realized that he was talking about concerts and social and other meetings in the health center's cafeteria. As he tried to explain, he heard another prisoner screaming in pain.

Dr. Molina was not tortured—he attributes that to his age. His two roommates were. They were strapped under gymnastic "horses," beaten and given electric shocks.

"Their lower limbs were paralyzed," Dr. Molina said. He added in a calm professional tone: "It must be a very low current, because the paralysis lasted only four or five days. I nursed them."

Dr. Solimano's torturer, when he finished, drank a glass of mineral water. "Giorgio," he asked the doctor, "will it make me fat?"

The three doctors had tried to prepare themselves to behave "with dignity." So Dr. Solimano, a nutritionist, gave a careful reply on the effects of mineral water.

"If you ever find me outside, Giorgio," the torturer asked, "what will you do to me?" Dr. Solimano said he would do nothing—he was a doctor, he helped people. The torturer responded: "Don't you see? This is a profession, just like yours."

Why have people behaved so savagely in Chile since the coup? The question puzzles Dr. Molina. It used to be such an orderly country, so law-abiding. And the change is not confined to the military.

"The present Director of Health was my student in 1951," Dr. Molina said—"my favorite student for years. He was a member of the Socialist party then. Now he has become a wild beast, asking the Army to execute certain doctors.

"Why? Why in Germany? I think the same type of ferocity developed in France after the Revolution. It's like a cancer. Suppose tomorrow the left came to power in Chile. Would we be able to stop torture?"

Another important question is whether outside pressure helps the victims of torture and arbitrary arrest. Dr. Molina is convinced that it does, especially when it comes from the United States. He says that various expressions of U.S. concern were crucially helpful to him, notably a committee sent to Chile by Senator Edward Kennedy. He believes that Dr. Solimano was saved by the personal intervention of an American nutritionist, Dr. Nevin Scrimshaw of M.I.T.

No formal charges were ever made against Dr. Molina or the others. After months of confinement he and Drs. Solimano and Martinez were released. He found asylum in the Swedish, then the Colombian Embassy and got out to Colombia. He was interviewed during a visit to the United States, where he spent years of professional life and has many friends. He got his Public Health Degree at Johns Hopkins.

The Chilean junta makes a practice of denouncing as a criminal and conspirator anyone who reports the use of torture. It may be well, therefore, to say that I sought an estimate of Dr. Molina from a man who was in the cabinet of Allende's anti-Communist predecessor in Chile, Eduardo Frei. His estimate was: "a professional, a moderate man, a serious man, a respected physician, not involved in politics."

The junta maintains that it has issued orders against the use of torture. Everett G. Martin of The Wall Street Journal, in a thoughtful recent article from Santiago, wrote: "An honest investigation of its own jails by the junta could end torture quickly if its intentions were genuine."

Dr. Molina does not want to get involved in political attacks on the junta. Indeed, he was reluctant to talk about his own experience—except that he thought doing so might help some doctors who are still in prison in Chile. One is Professor Hugo Behm, an internationally-known demographer. Another is Dr. Natacha Carrion, whose husband was tortured and killed and who delivered her own baby in prison. Dr. Molina hopes that Americans who helped him will care about them as well.

THE 94TH CONGRESS SCOUTING SURVEY

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BROWN of Ohio. Mr. Speaker, during each of the current and past four Congresses, I have surveyed the Members of the House and Senate for the Boy Scouts of America to determine the participation of Members of Congress in Scouting, either as Scouts during their youth or as adult leaders.

The survey for the current Congress is now complete, with over 97 percent of the new Members of the House and Senate having responded to the survey form or followup phone inquiry. I thank them for their cooperation.

As I have done in the past, I am placing the results of the survey in the CONGRESSIONAL RECORD so that they will be available to other Members of Congress during the next 2 years for reference. The results are also made available to the press, and through my office and the Boy Scouts of America, to others in Scouting or not associated with Scouting who can utilize the information.

A brief summary of the survey results, in the form of a news release, is also included:

THE 94TH CONGRESS SCOUTING SURVEY

WASHINGTON, D.C.—The percentage of Members of the 94th Congress who have participated in Scouting, either as members of Scouting during their youth or as adult volunteers, dropped by 2.3 percent from the 93rd Congress, to 57.7 percent, according to a biennial survey by 7th Ohio District Congressman Clarence J. Brown.

Brown has surveyed Congress at the beginning of each of the current and past four Congresses for the Boy Scouts of America. He said the current survey shows that 309 of the 535 Members of the House and Senate have participated in Scouting, a drop from 321 during the previous Congress. The totals include 249 Members of the House, down from 262 two years ago, and 60 Members of the Senate, up one from 1973.

Brown also noted that the number of Members of the 94th Congress who attained the rank of Eagle as Scouts declined by three from the 93rd Congress, with the loss of seven former Eagle Scouts in the previous House membership, and the addition of four former Eagle Scouts among the current new Members. The Senate Eagle Scout representation remained the same, at five.

Brown's own Scouting activities began as a member of Troop 5 in Washington, D.C., where he served as a Senior Patrol Leader and earned the rank of Eagle. He was also Assistant Scoutmaster of Troop 47 in his hometown of Blanchester, Ohio, a counselor at Camp Hugh Taylor Birch at Yellow Springs, Ohio, and has served as a member of the Tecumseh Counsel, BSA, in southwestern Ohio.

The results of the Scouting survey were placed in the Congressional Record by Brown to be available for use by other Members of the House and Senate, and turned over to the BSA national headquarters for distribution within the organization and other organizations and individuals active in Scouting.

BREAKDOWN OF 94TH CONGRESS SCOUTING SURVEY

Scout (only):	
Representatives	153
Senators	37
Total	190
Scout and leader:	
Representatives	72
Senators	16
Total	88
Leader (only):	
Representatives	24
Senators	7
Total	31
Total:	
Representatives	249
Senators	60
Total	309

Total who were Leaders: 119.

Percentage of Members who participated in Scouting: 57.7%.

EAGLE SCOUTS

Senators—Frank Moss, Utah (D), Richard Schweiker, Penn. (R), Lloyd Bentsen, Tex. (D), John Culver, Iowa (D), and Sam Nunn, Ga. (D).

Representatives: Bill Alexander, Ark. (D) Burt Talcott, Calif. (R), Charles Bennett,

UMI

Fla. (D), Keith J. Sebelius, Kans. (R), Larry Winn, Jr. Kans. (R), Thad Cochran, Miss. (R), Barber E. Conable, N.Y. (R), Mark Andrews, N.D. (R), Clarence J. Brown, Ohio (R), J. William Stanton, Ohio (R), Tom Steed, Okla. (D), Daniel J. Flood, Penn. (D), Bill Archer, Tex. (R), J. J. (Jake) Pickle, Tex. (D), Henry S. Reuss, Wisc. (D), M. Caldwell Butler, Va. (R), Philip R. Sharp, Ind. (D), John P. Murtha, Penn. (D), Richard T. Schulze, Penn. (R), Robert C. Krueger, Tex. (D).

SILVER BUFFALO

Senator John Glenn, Ohio (D).

SILVER BEAVER

Senator Mark Hatfield, Ore. (R).

Representatives: Del Clawson, Calif. (R), Larry Winn, Jr. Kans. (R), John McCollister, Neb. (R).

SILVER ANTELOPE

Senator Mark Hatfield, Ore. (R).

CUB SCOUT DEN MOTHER

Rep. Marjorie Holt, Md. (R).

RESULTS OF BOY SCOUT SURVEY, 94TH CONGRESS, FIRST SESSION, CONDUCTED BY CONGRESSMAN CLARENCE J. BROWN OF OHIO

Scout denoted by "S"; Leader or Adult Volunteer denoted by "L"; Scout and Leader denoted by "S&L".

ALABAMA

Sen. John Sparkman (D) S&L, John Buchanan, Jr. (R) L, William Dickinson (R) S, Walter W. Flowers (D) S&L.

ALASKA

Sen. Mike Gravel (D) S, Sen. Theodore F. Stevens (R) S&L.

ARIZONA

Sen. Barry Goldwater (R) S, Sen. Paul Fannin (R) S, John J. Rhodes (R) S, Morris K. Udall (D) S&L.

ARKANSAS

Sen. Dale Bumpers (D) S&L, Bill Alexander (D) S, John Hammerschmidt (R) S, Wilbur Mills (D) S&L, Ray Thornton (D) S.

CALIFORNIA

Sen. Alan Cranston (D) S, Sen. John Tunney (D) L, Alphonzo Bell (R) S, Del Clawson (R) S&L, James Corman (D) S, George Danielson (D) S, Ronald Dellums (D) S, Don Edwards (D) S, Barry Goldwater, Jr. (R) S, Harold Johnson (D) L, Robert J. Lagomarsino (R) S, Robert Leggett (D) S&L, James F. Lloyd (D) S, Paul McCloskey (R) L, John McFall (D) L, George Miller (D) S, Norman Y. Mineta (D) S&L, John E. Moss (D) S, Carlos Moorhead (R) L, Jerry M. Patterson (D) S, John Rousselot (R) S, Edward Roybal (D) S, Burt Talcott (R) S&L, Lionel Van Deerlin (D) S, Bob Wilson (R) S.

COLORADO

Frank Evans (D) S&L, James Johnson (R) S, Patricia Schroeder (D) S, Timothy E. Wirth (D) S.

CONNECTICUT

Sen. Lowell Weicker (R) S, Sen. Abraham Ribicoff (D) S, William Cotter (D) S, Robert Giaimo (D) S, Stewart McKinney (R) S, Anthony J. Moffett (D) S.

DELAWARE

Sen. Joseph Biden (D) S, Sen. William Roth, Jr. (R) L.

FLORIDA

Sen. Lawton Chiles (D) S&L, L. A. Bafalis (R) S, Charles Bennett (D) S, J. Herbert Burke (R) S, Dante B. Fascell (D) S, Louis Frey (R) S, Don Fuqua (D) S&L, Sam Gibbons (D) S, James Haley (D) S, Paul Rogers (D) S&L, Claude Pepper (D) S&L, Robert Sikes (D) S, C. W. Young (R) S&L.

GEORGIA

Sen. Sam Nunn (D) S, Jack Brinkley (D) L, John Flynt, Jr. (D) S&L, Bo Ginn (D) S, Phil Landrum (D) S, Elliott Harris Levitas (D) S, Lawrence P. McDonald (D) S, Dawson Mathis (D) S&L, Robert Stephens, Jr. (D) S&L, W. S. (Bill) Stuckey (D) S&L.

HAWAII

Sen. Hiram Fong (R) S&L, Spark Matsunaga (D) S.

IDAHO

Sen. Frank Church (D), S, Sen. James McClure (R) S, George V. Hansen (R) S&L.

ILLINOIS

Sen. Charles Percy (R) S&L, Frank Annunzio (D) L, Philip Crane (R) S, Edward Derwinski (R) S, John Erlenborn (R) S, Tim L. Hall (D) S, Henry J. Hyde (R) S, Robert McClory (D) S, Edward Madigan (R) S, Ralph Metcalf (D) S, Abner J. Mikva (D) S, Corgan Murphy (D) S, Dan Rostenkowski (D) S&L, Paul M. Simon (D) S, Sidney Yates (D) S.

INDIANA

John Brademas (D) S&L, Lee Hamilton (D) S, Elwood Hillis (R) S, Andrew Jacobs, Jr. (D) S, Phillip R. Sharp (D) S.

IOWA

Sen. Dick Clark (D) L, Sen. John C. Culver (D) S, Berkley Bedell (D) S&L, Michael T. Blouin (D) S, Neal Smith (D) L.

KANSAS

Sen. Bob Dole (D) S, Sen. James Pearson (R) S, Martha E. Keyes (D) S&L, Keith Sebelius (R) S, Garner Shriver (R) S&L, Joe Skubitz (R) L, Larry Winn, Jr., (R) S&L.

KENTUCKY

Wendell H. Ford (D) L, Sen. Walter Huddleston (D) S, John Breckinridge (D) S, William Natcher (D) S, Gene Snyder (R) S.

LOUISIANA

Otto E. Passman (D) S, David Treen (R) S, Joe D. Waggonner (D) S.

MAINE

Sen. William Hathaway (D) S, Sen. Edmund Muskie (D) S, William Cohen (R) S.

MARYLAND

Sen. Charles McC. Mathias (R) S, Sen. Glenn Beall (R) S, Goodloe Byron (D) S&L, Marjorie Holt (R) S&L, Gilbert Gude (R) S&L, Clarence Long (D) S, Paul Sarbanes (D) S, Gladys Spellman (D) S&L.

MASSACHUSETTS

Sen. Edward Brooke (R) S, Michael Harrington (D) S, Thomas O'Neill, Jr. (D) L, John Moakley (I) S, Paul E. Tsongas (D) S.

MICHIGAN

Sen. Robert Griffin (R) S&L, William Broomfield (R) S&L, Garry Brown (R) S, Elford Cederberg (R) S, John Dingell (D) S&L, Edward Hutchinson (R) S, Lucien N. Nedzi (D) L, Philip Ruppe (R) S, Richard F. Vander Veen (D) S&L.

MINNESOTA

Sen. Hubert Humphrey (D) S&L, Sen. Walter Mondale (D) S, Bob Bergland (D) S, Donald Fraser (D) S, Bill Frenzel (R) S, Joseph Karth (D) S&L.

MISSISSIPPI

David Bowen (D) S, Thad Cochran (R) S&L, G. V. Montgomery (D) S.

MISSOURI

Bill Burlison (D) S&L, William Clay (D) S, William L. Hungate (D) S, William J. Randall (D) S.

MONTANA

Sen. Lee Metcalf (D) S&L, Max S. Baucus (D) S.

NEBRASKA

John McCollister (R) S&L.

NEVADA

Sen. Howard Cannon (D) S, Sen. Paul Laxalt (R) S, James D. Santini (D) S.

NEW HAMPSHIRE

Sen. Thomas McIntyre (D) L, Norman E. D'Amours (D) S&L.

NEW JERSEY

Sen. Clifford Case (R) S, Sen. Harrison Williams, Jr. (D) L, James J. Florio (D) S, James J. Howard (D) S, William J. Hughes (D) S, Andrew Maguire (D) S, Helen S. Meyner (D) S.

NEW MEXICO

Manuel Lujan (R) S&L, Harold Runnels (D) S&L.

NEW YORK

Herman Badillo (D) S, Barber Conable, Jr. (R) S&L, Thomas J. Downey (D) S, Hamilton Fish (R) L, Benjamin Gilman (R) S, James F. Hastings (R) S, Frank Horton (R) S&L, Jack Kemp (R) S, Robert McEwen (R) S, Matthew F. McHugh (D) S, Donald Mitchell (R) S, Otis Pike (D) S&L, Frederick W. Richmond (D) S, Samuel S. Stratton (D) S&L, John Wydler (R) S.

NORTH CAROLINA

Sen. Jesse Helms (R) S, Ike Andrews (D) L, James Broyhill (R) S, L. H. Fountain (D) S, David Henderson (D) S, Walter Jones (D) S, James Martin (R) S, Stephen Lynbrook Neal (D) S, L. Richardson Preyer (D) S&L, Roy Taylor (D) S&L.

NORTH DAKOTA

Mark Andrews (R) S.

OHIO

Sen. John Glenn (D) L, Sen. Robert Taft, Jr. (R) S&L, John Ashbrook (R) L, Clarence J. Brown (R) S&L, Samuel Devine (R), S, Tennyson Guyer (R) S&L, William Harsha (R) S, Wayne Hays (D) S&L, Thomas N. Kindness (R) S&L, Delbert Latta (R) S, Clarence Miller (R) S, Charles Mosher (R) L, Ronald M. Mottl (D) S, J. William Stanton (R) S, Louis Stokes (D) S&L, Chalmers Wylie (R) S&L.

OKLAHOMA

Sen. Dewey Bartlett (R) S, Carl Albert (D) S&L, John Jarman (D) L, James Jones (D) S, Theodore M. Risenhoover (D) S, Tom Steed (D) S&L.

OREGON

Sen. Mark Hatfield (R) S&L, Sen. Robert Packwood (R) S, Walter Leslie AuCoin (D) S, Robert B. Duncan (D) S&L, Al Ullman (D) L.

PENNSYLVANIA

Sen. Richard Schweiker (R) S&L, Sen. Hugh Scott (R) S, Edward Biester (R) S, Lawrence Coughlin (R) S, Robert W. Edgar (D) S, Joshua Eilberg (D) S&L, Daniel Flood (D) S, William F. Goodling (R) S&L, Albert Johnson (R) L, Joseph McDade (R) S, Thomas Morgan (D) S, John P. Murtha (D) S&L, Gary A. Myers (R) S, Fred Rooney (D) S, Herman Schneebeli (R) S, Richard T. Schulze (R) S&L, E. G. Shuster (R) S, Gus Yatron (D) S.

RHODE ISLAND

Sen. Claiborne Pell (D) S.

SOUTH CAROLINA

Sen. Ernest Hollings (D) S, Sen. Strom Thurmond (R) S&L, Mendel Davis (D) S, Kenneth Lamar Holland (D) S&L, Floyd Spence (R) S&L.

SOUTH DAKOTA

James Abdnor (R) S.

TENNESSEE

Sen. William Brock III (R) S, John Duncan (R) S&L, Harold E. Ford (D) S, Richard Fulton (D) S&L, Ed Jones (D) S, Dan Kuykendall (R) L, Marilyn L. Lloyd (D) S.

TEXAS

Sen. Lloyd Bentsen (D) S&L, Bill Archer (R) S, Omar Burleson (D) S, Bob Casey (D) S&L, James Collins (R) S, Eligio de la Garza (D) S&L, Henry Gonzalez (D) S&L, Jack E. Hightower (D) S&L, Abraham Kazen, Jr. (D) S, Robert C. Krueger (D) S, Dale Milford (D) S, Wright Patman (D) L, J. J. Pickle (D) S, W. R. Poage (D) L, Ray Roberts (D) S&L, Olin Teague (D) S, Richard White (D) S&L, Charles Wilson (D) S, James Wright, Jr. (D) S&L.

UTAH

Sen. Jake Garn (R) S&L, Sen. Frank Moss (D) S, Allen T. Howe (D) S&L, K. Gunn McKay (D) S&L.

VERMONT

Sen. Patrick Leahy (D) S&L, Sen. Robert T. Stafford (R) S, James M. Jeffords (R) S.

VIRGINIA

Sen. William Scott (R) L, M. Caldwell Butler (R) S, W. C. Daniel (D) L, Thomas Downing (D) S&L, Joseph Fisher (D) S, J. Kenneth Robinson (R) S&L, David Satterfield III (D) S, William Wampler (R) S.

WASHINGTON

Sen. Henry Jackson (D) S, Brock Adams (D) S, Don L. Bonker (D) S, Thomas Foley (D) S, Lloyd Meeds (D) S&L.

WEST VIRGINIA

Sen. Robert Byrd (D) S, Sen. Jennings Randolph (D) S, Ken Hechler (D) S, Robert Mollohan (D) S, John M. Slack, Jr. (D) S, Harley O. Staggers (D) L.

WISCONSIN

Sen. William Proxmire (D) S, Robert W. Kastenmeier (D) S, Henry S. Reuss (D) S&L, William A. Steiger (R) S.

WYOMING

Sen. Gale W. McGee (D) S.

DEDICATION OF L. B. J. BUST

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. PICKLE. Mr. Speaker, at the outset of the 64th Texas Legislature in Austin, Tex. recently, there was a ceremony in honor of a new sculpture of the late President Lyndon B. Johnson. The beautiful bust, which is located in the State capitol building, was done by Ms. Jimilu Mason, of Alexandria, Va. Ms. Mason should be commended not only for her fine work of art, but for her ability in getting Mr. Johnson to stand still long enough to sculpt his likeness. Anyone who knew the President knows that keeping him in one place very long was no easy task.

Texas Lt. Gov. William P. Hobby, Jr., gave the dedicatory address on this recent occasion. Mr. Hobby comes from an illustrious political family in Texas. His late father was Governor of the State from 1917 to 1921. His mother, Mrs. Oveta Culp Hobby, served as the first Secretary of Health, Education, and Welfare during the Eisenhower administration.

I believe that Governor Hobby's words are worth sharing with you and I insert his speech in the RECORD:

ADDRESS GIVEN AT THE DEDICATION OF LBJ BUST

(By Lt. Gov. Bill Hobby)

Governor and Mrs. Briscoe, Speaker and Mrs. Clayton, Mrs. Johnson, Mr. and Mrs. Nugent, distinguished state officials, members of the 64th Legislature, ladies and gentlemen.

Today we are gathered here in Joint Session to honor the memory of one of the greatest Texans of all times.

Some day, I believe, historians will say he was one of the greatest Americans of all times.

The Presidency of Lyndon Johnson was marked by the greatest outpouring of creative and innovative legislation this nation has ever seen . . . legislation that touched the lives of every man, woman and child in America . . . legislation for the people.

He understood the people because he was one of them. Though he rose to fame and fortune, he never, never forgot his humble beginnings. He never forgot those he left behind, because in a very real sense he didn't leave them behind. He brought them with him—every step of the way.

He was uniquely a product of his Texas environment.

The populism of the Texas frontier was as much a part of him as the air he breathed.

The plight of the small farmer and rancher, trying to eke out a living from the unyielding caliche soil, gave him a sense of compassion that remained with him to his dying day. He used to like to tell the story of the farmer in the hill country who once remarked that the great depression of the 30's wouldn't have been so bad if it hadn't come right in the middle of hard times.

Even the State Legislature, which honors him today, left its indelible mark on him and his philosophy.

Lyndon Johnson never served in the Texas Legislature, but his father, Sam Ealy Johnson, Jr., did—from 1905 to 1909, and from 1917 to 1923. And it was through his father's service here that Lyndon Johnson learned his first lessons of politics.

"I remember," he once remarked, "what my father said to me about public service when I was a little boy walking around, following him barefooted and standing there in the hot sand of Blanco County . . . He used to say to me 'Son, if you are to speak for people, you must know them, and if you are to represent people, you must love them.'"

Lyndon Johnson learned that lesson well. He did get to know the people and he did grow to love the people—and he represented them faithfully and well.

It was here, in this chamber, listening to such men as Wright Patman—his father's desk mate—that the fire of public service was kindled in him.

It was here, in this chamber, observing his father's unrelenting fight against the Ku Klux Klan, that he developed his first understanding of what the crippling legacy of bigotry could do to his fellow men.

"My father fought (the Klansmen) many long years ago in Texas," President Johnson once said, "and I have fought them all my life because I believe them to threaten the peace of every community where they exist. I shall continue to fight them because I know their loyalty is not to the United States of America but instead to a hooded society of bigots."

Later as a young school teacher in South Texas, he saw first-hand the results of such discrimination. The nation will never forget his remarks to a Joint Session of Congress in 1965:

"My first job after college was as a teacher in Cotulla, Texas, in a small Mexican-American school," he said. "Somehow you never forget what poverty and hatred can do when you see the scars on the hopeful face of a young child . . . I never thought then, in 1928, that I would be standing here in 1965. It never even occurred to me in my fondest dreams that I might have the chance to help the sons and daughters of those students and to help people like them all over this country.

"But now I do have that chance—and I'll let you in on a secret: I mean to use it."

And he *did* use it.

He took office in the middle of the longest sustained period of prosperity this nation has ever known. A lesser man would have been content to preside over the status quo.

But Lyndon Johnson was not a status quo man. He ripped the glittering cellophane wrapper from around the nation and showed us what was really under it.

He showed us poverty, illness and hunger in the midst of affluence.

He showed us illiteracy and disease in city ghettos and rural hollows alike.

He showed us the plight of a full 20 million Americans who were treated as second-class citizens because of the color of their skins.

He showed us in graphic and sickening detail the ravages man had made on his environment: The filth in our air, the wastes in our lakes and rivers and the junk in our countryside.

And he did more than show us. He demanded that we face up to these problems and do something about them.

Because of Lyndon Johnson, black and brown Americans now walk proudly to the polling place, where once they faced intimidation, fear and rejection.

Because of Lyndon Johnson, every young American now has the opportunity for all the education his mind can take, regardless of the income of his parents.

Because of Lyndon Johnson, every American can now face the terrifying prospect of sickness in old age, at least with dignity and serenity, thanks to Medicare.

Because of Lyndon Johnson, the stark fact of American poverty is an inseparable part of our political dialogue. We may not have wiped poverty out, but we will never again be able to ignore it.

Because of Lyndon Johnson, American consumers are better protected than ever before from unwholesome meat and poultry, dangerous tops and products, and unscrupulous lenders.

Because of Lyndon Johnson and Lady Bird Johnson—who honors us with her presence today—America is a cleaner and more beautiful place to live.

Perhaps Lyndon Johnson's Presidency was best summed up by his Secretary of State, Dean Rusk, at the late President's memorial service at the United States Capitol in January of 1973. Here is what he said:

"More than a thousand years ago, in a simpler and more robust age, perhaps we might have known him as Lyndon the Liberator, for he was determined to free our people in body, mind and spirit."

Well, his determination was translated into action . . . and action into programs. His legacy is written large in the laws of the land—and we are a better people because of it.

COSPONSORS OF KING STATUE BILL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BINGHAM. Mr. Speaker, it gives me great pleasure to insert herewith the list of 156 Members who have joined with me in sponsoring legislation to authorize the commissioning of a statue or bust of Dr. Martin Luther King, Jr. for per-

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manent placement in the U.S. Capitol. I sincerely hope that this overwhelmnig support leads to speedy passage of this fitting tribute to a truly great man.

The list of cosponsors follows:

COSPONSORS OF MARTIN LUTHER KING, JR. STATUE BILL

1. Abzug, Bella S. (D-NY).
2. Adams, Brock (D-Wash).
3. Addabbo, Joseph (D-NY).
4. Anderson, Glenn (D-Cal).
5. Anderson, John (R-Ill).
6. Ashley, Thomas (D-Ohio).
7. Aspin, Les (D-Wis).
8. Badillo, Herman (D-NY).
9. Barrett, William A. (D-Pa).
10. Bedell, Berkley (D-Iowa).
11. Bell, Alphonzo (R-Cal).
12. Benitez, Jaime (PR).
13. Bergland, Bob (D-Minn).
14. Biaggi, Mario (D-NY).
15. Biester, Edward G., Jr., (R-Pa).
16. Boggs, Lindy (D-La).
17. Boland, Edward P. (D-Mass).
18. Bolling, Richard (D-Mo).
19. Bonker, Don (D-Wash).
20. Brademas, John (D-Ind).
21. Brown, Clarence (R-Ohio).
22. Brown, Garry (R-Mich).
23. Brown, George E., Jr. (D-Cal).
24. Buchanan, John (R-Ala).
25. Burke, James A. (D-Mass).
26. Burke, Yvonne B. (D-Cal).
27. Burton, John L. (D-Cal).
28. Burton, Phillip (D-Cal).
29. Chisholm, Shirley (D-NY).
30. Clay, William (D-Mo).
31. Collins, Cardiss (D-Ill).
32. Conte, Silvio O. (R-Mass).
33. Conyers, John, Jr. (D-Mich).
34. Corman, James C. (D-Cal).
35. Cotter, William R. (D-Conn).
36. Coughlin, Lawrence (R-Pa).
37. Daniels, Dominick V. (D-NJ).
38. Danielson, George (D-Cal).
39. Dellums, Ronald (D-Cal).
40. de Lugo, Ron (VI).
41. Diggs, Charles C., Jr. (D-Mich).
42. Drinan, Robert F. (D-Mass).
43. Duncan, Robert (D-Oreg).
44. Eckhardt, Bob (D-Tex).
45. Edgar, Robert W. (D-Pa).
46. Edwards, Don (D-Cal).
47. Ellberg, Joshua (D-Pa).
48. Evans, Frank E. (D-Colo).
49. Fascell, Dante B. (D-Fla).
50. Fauntroy, Walter E. (DC).
51. Fenwick, Millicent (R-NJ).
52. Findley, Paul (R-Ill).
53. Fish, Hamilton, Jr. (R-NY).
54. Flood, Daniel (D-Pa).
55. Foley, Thomas S. (D-Wash).
56. Ford, Harold (D-Tenn).
57. Fraser, Donald M. (D-Minn).
58. Frenzel, Bill (R-Minn).
59. Giaimo, Robert N. (D-Conn).
60. Gibbons, Sam (D-Fla).
61. Green, William J. (D-Pa).
62. Harrington, Michael (D-Mass).
63. Hawkins, Augustus F. (D-Cal).
64. Hechler, Ken (D-WVa).
65. Helstoski, Henry (D-NJ).
66. Hicks, Floyd V. (D-Wash).
67. Holtzman, Elizabeth (D-NY).
68. Horton, Frank (R-NY).
69. Howard, James J. (D-NJ).
70. Hughes, William (D-NJ).
71. Hungate, William L. (D-Mo).
72. Johnson, James P. (R-Colo).
73. Jordan, Barbara (D-Tex).
74. Karth, Joseph E. (D-Minn).
75. Kastenmeier, Robert W. (D-Wis).
76. Keys, Martha (D-Kans).
77. Koch, Edward I. (D-NY).
78. Leggett, Robert L. (D-Cal).
79. Litton, Jerry (D-Mo).
80. Long, Clarence D. (D-Md).
81. Long, Gillis, W. (D-La).
82. McCloskey, Paul N., Jr. (R-Cal).
83. McHugh, Matthew F. (D-NY).
84. McKinney, Stewart B. (R-Conn).
85. Madden, Ray J. (D-Ind).
86. Matsunaga, Spark M. (D-Hawaii).
87. Mazzoli, Romano L. (D-Ky).
88. Meeds, Lloyd (D-Wash).
89. Melcher, John (D-Mont).
90. Metcalfe, Ralph H. (D-Ill).
91. Mezvinsky, Edward (D-Iowa).
92. Miller, George (D-Cal).
93. Mink, Patsy T. (D-Hawaii).
94. Mitchell, Donald J. (R-NY).
95. Mitchell, Parren J. (D-Md).
96. Moakley, Joe (D-Mass).
97. Moorhead, William S. (D-Pa).
98. Mosher, Charles A. (R-Ohio).
99. Moss, John E. (D-Cal).
100. Murphy, John M. (D-NY).
101. Murphy, Morgan F. (D-Ill).
102. Nix, Robert N.C. (D-Pa).
103. Nolan, Richard (D-Minn).
104. Nowak, Henry (D-NY).
105. Obey, David R. (D-Wis).
106. O'Brien, George M. (R-Ill).
107. O'Neill, Thomas P. (D-Mass).
108. Ottinger, Richard (D-NY).
109. Patten, Edward J. (D-NJ).
110. Pattison, Edward (D-NY).
111. Pepper, Claude (D-Fla).
112. Price, Melvin (D-Ill).
113. Pritchard, Joe (R-Wash).
114. Rangel, Charles B. (D-NY).
115. Rees, Thomas M. (D-Cal).
116. Reuss, Henry S. (D-Wis).
117. Riegle, Donald W., Jr. (D-Mich).
118. Rodino, Peter W., Jr. (D-NJ).
119. Roe, Robert A. (D-NJ).
120. Rosenthal, Benjamin S. (D-NY).
121. Roush, J. Edward (D-Ind).
122. Roybal, Edward R. (D-Cal).
123. Ryan, Leo J. (D-Cal).
124. Sarbanes, Paul S. (D-Md).
125. Schroeder, Patricia (D-Colo).
126. Seiberling, John F. (D-Ohio).
127. Simon, Paul (D-Ill).
128. Sisk, B. F. (D-Cal).
129. Solarz, Stephen (D-NY).
130. Spellman, Gladys (D-Md).
131. Stanton, J. William (R-Ohio).
132. Stark, Fortney H. (D-Cal).
133. Steelman, Alan (R-Tex).
134. Stokes, Louis (D-Ohio).
135. Stratton, Samuel S. (D-NY).
136. Symington, James W. (D-Mo).
137. Thompson, Frank, Jr. (D-NJ).
138. Traxler, Bob (D-Mich).
139. Tsongas, Paul (D-Mass).
140. Udall, Morris K. (D-Ariz).
141. Van Deerlin, Lionel (D-Cal).
142. Vander Veen, Richard (D-Mich).
143. Vanik, Charles A. (D-Ohio).
144. Vigorito, Joseph P. (D-Pa).
145. Waxman, Henry A. (D-Cal).
146. Weaver, James (D-Oreg).
147. Whalen, Charles W., Jr. (R-Ohio).
148. Wilson, Charles (D-Tex).
149. Wilson, Charles H. (D-Cal).
150. Wolff, Lester L. (D-NY).
151. Won Pat, Antonio (Guam).
152. Wydler, John W. (R-NY).
153. Yates, Sidney R. (D-Ill).
154. Young, Andrew (D-Ga).
155. Zefferetti, Leo C. (D-NY).
156. Jacobs, Andrew (D-Ind).

WHAT GOES ON IN VIETNAM?

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Ms. ABZUG. Mr. Speaker, last night's NBC news carried the startling announcement that several teams of uniformed Americans have been sent to Vietnam to help reorganize a supply system for the South Vietnamese air force. UPI says the presence of these Americans violates the spirit if not the letter of the Paris Peace Agreement. The men are put to work 4 days at a time, then flown to the Philippines for an overnight stay. American officials in Saigon say this is technically not a violation of the agreement and is perfectly legal.

I believe it is a violation of that agreement and I am certain that it is a violation of the congressional prohibition against any new American involvement in Vietnam. This is where we came in—and unless we are vigilant, I fear that we will be right back in, with American troops and bombs and planes and ships and ammunition.

If another Presidential war is building, it is time for Congress to get the details and take immediate action to cut off any secret military intervention. I am glad to report that 30 Members of Congress now share this view. My resolution of inquiry, H. Res. 134, now has 30 cosponsors. I hope that many of my colleagues will join in this important search for information.

The names of the cosponsors and text of the resolution are attached:

NAMES OF COSPONSORS

Representative Herman Badillo, Democrat of New York.

Representative Edward Beard, Democrat of Rhode Island.

Representative Michael T. Blouin, Democrat of Iowa.

Representative George E. Brown, Democrat of California.

Representative Bob Carr, Democrat of Michigan.

Representative John Conyers, Jr., Democrat of Michigan.

Representative Ronald V. Dellums, Democrat of California.

Representative Christopher J. Dodd, Democrat of Connecticut.

Representative Thomas J. Downey, Democrat of New York.

Representative Robert W. Edgar, Democrat of Pennsylvania.

Representative Don Edwards, Democrat of California.

Representative Harold E. Ford, Democrat of Tennessee.

Representative Mark W. Hannaford, Democrat of California.

Representative Michael Harrington, Democrat of Massachusetts.

Representative Elizabeth Holtzman, Democrat of New York.

Representative Martha Keys, Democrat of Kansas.

Representative Andrew Maguire, Democrat of New Jersey.

Representative Helen S. Meyner, Democrat of New Jersey.

Representative George Miller, Democrat of California.

Representative Parren J. Mitchell, Democrat of Maryland.

Representative Anthony Toby Moffett, Democrat of Connecticut.

Representative Richard Nolan, Democrat of Minnesota.

Representative Charles B. Rangel, Democrat of New York.

Representative Frederick W. Richmond, Democrat of New York.

Representative Benjamin S. Rosenthal, Democrat of New York.

Representative Edward R. Roybal, Democrat of California.

Representative Patricia Schroeder, Democrat of Colorado.

Representative Stephen J. Solarz, Democrat of New York.

Representative Fortney H. Stark, Democrat of California.

Representative James Weaver, Democrat of Oregon.

H. RES. 129

Resolved, That the Secretary of Defense be, and he hereby is, required to furnish to the House of Representatives, within ten days after the adoption of this Resolution, full and complete information on the following:

1. Since the Paris Peace Agreement of January 1973, has the United States carried out reconnaissance flights over North Vietnam or over areas of South Vietnam controlled by the Provisional Revolutionary Government? How many were for military reconnaissance and how many were for other purposes? Please specify what other purposes and dates.

2. Since January 27, 1973, has the United States supplied any reconnaissance information to the government of South Vietnam or otherwise assisted that government in its bombing raids over North Vietnam or over areas of South Vietnam controlled by the Provisional Revolutionary Government? If so, please supply the dates on which such information was supplied.

3. State the number and classification of American personnel now employed in the maintenance or repair of military aircraft and other military equipment in South Vietnam. State the number and classification of American personnel now employed in advising or assisting the government of South Vietnam, specifying the number of those serving in an advisory capacity to the military services of South Vietnam.

4. Are any American aircraft carriers now stationed within 12 miles off the shores of Southeast Asia or en route to that destination? If so, how many?

5. Furnish the following data regarding United States involvement in Cambodia:

(a) the text of Cambodia's request for air supply on Saturday, January 11, 1975;

(b) the number of flights made by C–130s or other American aircraft carrying military supplies to Cambodia between January 11 and the present;

(c) the description and quantity of such supplies and where they are flown from;

(d) the number of American military personnel involved;

(e) the number of American civilians involved;

(f) the cost of supplies, flights and personnel involved.

ALBERT WILLIAM HARTMAN, M.D.—A GREAT HUMANITARIAN

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. KRUEGER. Mr. Speaker, the city of San Antonio Tex., has long been known for the richness of its historical and cultural heritage. We are proud of its place in the development of the Southwest and its traditions. However, the people of San Antonio are now developing another tradition which is a growing source of pride. This is the city's emerging role as a major center for medical research and treatment.

I would like to pay tribute today to Dr. Albert William Hartman, a man who has been instrumental in the development of our medical facilities. For over 25 years he has tirelessly given of his time and devotion toward this end. The results of his efforts can now be seen throughout our expanding medical community. Through his individual skills he has helped countless numbers of people in our area and become known as the dean of the San Antonio surgeons. Through his collective work with others toward improvements on a community-wide scale, he has had a far-reaching influence.

To show appreciation for his services, the city of San Antonio recently presented Dr. Hartman with the following citation:

In recognition of a great humanitarian who has labored unceasingly and contributed immeasurably to the expansion of better medical facilities and better health care for this community. His exceptional skill in applying surgery to human ills and his dedication to the serving of mankind assures that his work will be continued through the foundation which proudly bears his name.

Dr. Hartman's major contributions to San Antonio and south Texas resulted from his position as chief of surgery at the Robert B. Green Memorial Hospital from 1946 to 1966. His main preoccupation during these years was in securing improved medical care for those who were lacking adequate financial means. He was instrumental in developing a program for teaching and training hospital personnel, based on methods used in other teaching hospitals. To this end, he helped establish a program for postgraduate education for physicians serving the Robert B. Green Hospital, and greatly improved the ability of the hospital to recruit qualified physicians and supportive personnel.

Following this long and noteworthy service, Dr. Hartman founded the Albert W. Hartman-Edgar F. Frazell Foundation for Medical Research. This has provided for a continuation of Dr. Hartman's work toward improved medical care for our community. In 1968, Dr. Hartman published a paper on breast cancer, and is now involved in expanding this study. His foundation is also supporting a research project at the University of Texas Medical School at San Antonio.

In noting the many accomplishments of Dr. Hartman, it must be mentioned that he serves in various staff capacities in virtually every hospital in San Antonio. Besides the private and community hospitals, he also serves as consultant to surgery at Brooke Army General Hospital, Wilford Hall U.S. Air Force Hospital, and the Audie L. Murphy Memorial Veterans' Administration Hospital.

In addition to serving our community in a medical capacity, Dr. Hartman was appointed by the Governor to serve on the Texas Air Control Board, was president of the Bexar County Hospital District in 1971–72, and served as chairman of the board of governors of Southwest Foundation for Research and Education in 1961–64, and 1967–73. Dr. Hartman has also been active in numerous professional associations.

A humanitarian is a person who, through his actions and philanthropy, shows his concern for human welfare and social reform. Dr. Hartman has certainly achieved such designation through his dedicated service to his fellow man. This concern for human welfare is the great strength of our Nation, and the people of San Antonio would like to share with you their profound appreciation for this man, and for those who will follow and be guided by him.

AQUACULTURE

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. CHAPPELL. Mr. Speaker, the world is confronted today with a food crisis of unprecedented character. The scarcity of food in the world and ever-increasing food prices have clearly highlighted the necessity of expanding our research and development efforts in areas which present viable alternatives for expanded food production.

One of the most attractive alternatives remains the development of aquaculture, the growing of aquatic organisms under controlled conditions. Aquaculture could make a significant contribution to nutrition in many parts of the world by virtue of its high productivity under selected conditions and also by the fact that aquatic crops are primarily protein crops rather than starchy staple foods. Although aquaculture has been developing in the United States for some time, it is still in its early stages and its potential is vast. It offers an excellent opportunity to cope with the problems involved in depletion of the U.S. coastal fish stocks, overfishing generally, and the destruction of natural fish habitats by environmental changes.

Aquaculture currently provides more than half of the Nation's catfish, 40 percent of the oysters, practically all of the trout, and over 10 percent of the salmon. In addition, appreciable amounts of shrimp, lobster, crayfish, clams, scallops, abalone, mussels, pompano, and other aquatic animals are produced annually through aquaculture. With the present state of aquaculture technology, it has been estimated that production by aquaculture could be increased between three and five times from current production levels and that a more concentrated development effort could result in a fifteen to twentyfold increase in production.

I have reintroduced today the National Aquaculture Development Act of 1975. This program will not only increase sources of marine protein for the consumer and the availability and quality level of consumer fishery products, but will also stimulate new business, industry, and employment. The bill authorizes the Secretary of Commerce, working in conjunction with other Federal agencies, to approve the construction of hatcher-

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ies, assist public or private organizations with aquaculture, develop a central source of information on aquaculture development, inventory acreage and production, and initiate aquaculture pilot projects.

The potential areas for aquaculture development are unlimited: stock ponds, springs, creeks, bayous, rivers, lakes, wells, seas, and other pool and pond areas that can readily be adapted to useful aquaculture production. Aquaculture can coexist with agricultural pursuits and, in many cases, will provide complementary resources. For instance, water used in aquaculture is an excellent source of fertilizer, either when applied directly, or used for irrigation on various crops.

Aquaculture promises a dramatic increase in the supply of protein for the consumer in the form of fish and fishery products. Increased Federal involvement and coordination in this area is imperative if we are to meet the challenges of a worsening world food crisis.

Mr. Speaker, I have now introduced this bill with 32 cosponsors:

LIST OF COSPONSORS

Mr. Benitez, Mr. Burke of Massachusetts, Mrs. Boggs, Mr. Carter, Mr. Cleveland, Mrs. Collins, Mr. Davis of South Carolina, Mr. deLugo, Mr. Downing, Mr. Fascell, Mr. Harrington, Mr. Hinshaw, Mr. Holland, Mr. Jenrette, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Mathis, Mr. Murphy of New York, Mr. Patman, Mr. Pattison of New York, Mr. Pepper, Mr. Pritchard, Mr. Rangel, Mr. Rees, Mr. Rodino, Mr. Roe, Mrs. Schroeder, Mr. Schulze, Mr. Selberling, Mr. Solarz, and Mr. Zeferetti.

I urge my colleagues to consider the importance of this legislation in light of the world food crisis and I urge the Merchant Marine and Fisheries Committee to hold early hearings on this legislation.

THE FUTURE FARMERS OF AMERICA—AMERICA'S YOUTH IN AGRICULTURE

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. NATCHER. Mr. Speaker, I like the Future Farmers of America. I know many of them personally and although I must admit that at times I have a little trouble keeping track, I take pride in their many activities. I like the things they do, the ideals they represent, and I am glad that I have this opportunity to salute my young friends, the Future Farmers, during National FFA Week.

This year their annual nationwide celebration will be observed from February 15 through February 22. It is FFA tradition that their national week include the birthday of George Washington who is revered by members of the Future Farmers not only as the first President of these United States but as our country's first farmer.

"FFA—A Chance For Growth," the 1975 theme for the Future Farmers of America, exemplifies to me the FFA program. It expresses so well its purpose for if ever a program offered its members the opportunity to grow—to explore—and to develop, it is the FFA program.

Founded in 1928, the FFA program has from the start stressed leadership, cooperation, and citizenship. It is an organization run by its student members under adult guidance and serves as a splendid example of American youth in action.

FFA members are vocational agriculture students in 8,000 of our Nation's high schools. The members—and there are 450,000 of them—are young, and it is not as easy to be young today as it has been in the past. We expect more of our young people today. They face more challenging circumstances and decisions.

The FFA program recognizes that its primary goal is to prepare our young men and young women for the future. Its activities are specifically designed as a part of the instructional program in vocational agriculture. Members learn through active participation to assume leadership roles in their schools and communities.

For American youth, choosing a career is just about the most important and, more often than not, the most difficult decision they will have. For FFA members this decision is made easier. Every member of the Future Farmers will not of course become a farmer in the future. But every member will be equipped to handle a job related to the broad field of agriculture. This year alone some 110,000 FFA members will graduate from agricultural education courses in our high schools. There will be one-half million jobs waiting to be filled and these graduates will have the specialized training needed to fill these positions.

Our American youth in agriculture are one of our Nation's most valued resources. It is to them we will look for new concepts in farming, new ideas, and new methods of feeding our people. Certainly recent food shortages attest to the need for a continuing strong program of vocational agriculture and the FFA program. It is a big responsibility they face, but one I am sure they will meet and master.

I congratulate the young men and young women of the Future Farmers of America as they make ready their plans for FFA Week—1975, and wish them every success in their every endeavor.

CONGRESS EMPTOR—LET CONGRESS BEWARE

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ANDREWS of North Dakota. Mr. Speaker, I would like to call the attention of my colleagues to an editorial that appeared in the Towner County Record-Herald of North Dakota. Because my State has so many fine weekly newspapers I always pay close attention to what they say.

It concerns the opinions of Blanche Denison who makes some pretty good comments about congressional inaction. Sometimes we in Congress are accused of not seeing the forest for the trees. In the case of Blanche Denison, I think that she can see more clearly, some of the foibles of a Congress that talks much of action in solving the problems of inflation, recession, and unemployment but is not willing to put in some extra hours to help solve some of these problems.

There is a lot of hope that this Congress is going to take some bold steps and get some solid legislation out and signed without a lot of unnecessary delay. Unless Congress does take some positive steps this session, more people like Blanche Denison will react next election and vote out those responsible for the inaction. The editorial follows:

CONGRESS NEEDS SHAKING UP

(By Blanche Denison)

President Ford on Wednesday presented a national and anti-recession program to Congress pleading that it be enacted in "all due haste." Critics say it should have been enacted "yesterday." The Democrats say they have a program just as urgent and much better. Every day of production stoppage, unemployment costs and slowdowns can never be captured again and are estimated to cost 200 million dollars a day in gross national product (to say nothing of tax income). The areas of agreement are large and no time remains for dilly-dallying.

Interviews with Congressional leaders promise they will hurry as fast as they can. Rep. Carl Albert says they even hope to have a bill out of the House Committee ready for floor debate by late March. That is 68 DAYS. What is the matter with burning a little midnight oil, working a few Saturdays, having committee sessions begin early and end late. When they wanted to pass a football telecast bill it went through the House and the Senate and was signed by the President all in three hours.

The entire government took a three-week holiday at Christmas and now have scheduled among their other recesses a vacation from February 6 to February 17 to celebrate Lincoln's birthday. We doubt that Mr. Lincoln would have approved of this, if the country is in the peril some say it is. Not counting Saturdays and Sundays the House has scheduled 63 days of recesses and the Senate 67 days. For Easter observance they need from March 21 to April ; for Memorial Day from May 23 to June 2 and for July 4 observance from June 27 to July 7. The summer recess which we agree they need is from August 1 until September 3 but the House barely gets back until they must take five days from September 12–17 to celebrate Yom Kipper. Then there is the October Vacation from October 10–20 and for Thanksgiving dinner they need from November 21 to December 1. Then comes Christmas again.

People are going to find it hard to take seriously their commitments if elected leaders are not willing to change their schedule for extra effort. In our opinion the one thing that will enrage people now is intra-party squabbling about who gets credit and who gets blame until nothing happens. These are grown men and women acting like children and we deplore it. The one thing that seems to have top priority this first week is committees being named upon committees to investigate and play amateur detective and hearings. Some of this may be necessary, but some of the things being investigated we have lived with for 30 years and they are hardly that urgent. The disgrace of wasted time and money in three months of hearings on Nelson Rockefeller's nomination should be enough to last a long time.

President Ford pointed out in his message

that in 1942 Congress enacted the needed legislation to swing the country into the war effort in less than half the time expected. Shaking up the leadership of some committees might help, and there are freshmen legislators determined to do this. They had better act fast before they catch the disease of believing they are in a class by themselves. Somehow it is comforting to find we have a new woman Representative who smokes a pipe and a man who brought his camper to Washington to live in because he refused to pay the cut-throat prices and plans to ride a bus from the campground to the Capitol each day.

At the same time the dust is shaken from the rafters of committee rooms we would like to see Senator Proxmire's bill passed which would strip government officials of their sleek black official limousines. He sets an example by jogging two miles to work each day. His bill would reduce the number of "prestige cars" from 800 to 25 and save 13 million dollars in chauffeurs' salaries alone. The Postal Service would lose six green Mercurys for their executives that they vow is necessary to "attract top people to $60,000 jobs." Such utter foolishness ... Officials like the House doorkeeper and the Secretary for the Senate are said to need chauffeurs so they have time to think and read enroute to their jobs. Other car losers would be under-secretaries and assistant secretaries of Cabinet members, 20 non-cabinet level White House advisors and heads of regulatory commissions. Cabinet member Simon, former Energy chief, will still be chauffeured one block from his office to the White House. If these government officials are worth their salaries they should be smart enough to get themselves to work and home without gouging the taxpayer.

From elected officials to the lowliest subcommittee workers something seems to happen to the common sense of some of the normally good people when they get to Washington. If it is the aroma of royalty—let's fumigate the halls and remind them there is only one reason they are there, and that is the welfare of the United States. If keeping political fences mended and playing politics with national issues is the prime concern, this nation will soon join the ranks of other nations in history—none of which survived 200 years.

We are close to the 200 year mark. It would be nice to make it. Most of our Midwest officials are farmers. Let's ask them to feel the urgency of "a crop on the ground with hail clouds coming up in the West", and really put in some long hours.

B. IRVIN CHENEY RETIRES

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. STEPHENS. Mr. Speaker, I would like to call the attention of my colleagues to a magnificent record of public service. B. Irvin Cheney, clerk of the County Commissioners of Wilkes County, Ga., has performed for 55 years. His home is Washington, Ga., the first incorporated town in the United States, named in 1780 for Gen. George Washington long before he became the first President of the United States.

The following article by Mildred R. Sisson is recognition of Mr. Cheney's service record appeared on January 16, 1975, in the News-Reporter of Washington, Ga., whose editor is Mr. Smythe Newson:

CHENEY RETIRES

(By Mildred R. Sisson)

He's retired now. Retired? Does that mean "tired" and "tired" again? He's not really tired in that way—a little weary perhaps, and rightfully so. After more than 55 years of service to one's county it's time to be a little bit "tired"—but he's not.

If his eyes were as keen as they once were Irvin Cheney could go on indefinitely. Cataract surgery on one and upcoming surgery on the other eye makes seeing somewhat of a problem these days.

We all know by now that B. I. Cheney, clerk and fiscal officer of the Wilkes County Board of Commissioners for the past 55-plus years, retired Dec. 31, 1974, and was honored, along with C. B. Wright (board member for four terms) by their co-workers with a testimonial dinner last Friday night, Jan. 3.

Irvin Cheney came very near to being born in Wilkes County. His mother could just have easily have been at their place in Wilkes as in Bairdstown, just over the Oglethorpe County line.

His father, Patrick Mell Cheney, an Oglethorpe man, married Lula Belle Walton, a Wilkes County girl. They became parents of nine children. Next to the youngest was Benjamin Irvin, born August 31, 1899, there in Bairdstown. Patrick Mell Cheney was principal of Mercer Institute for a dozen years.

Young Irvin finished high school in Valdosta. After completing Southern Shorthand and Business University in Atlanta he went to the University of Georgia. After receiving his very thorough education in business he went to work in Albany at a bank where his brother was president.

He was there in 1919 when contact with his father's dear friend, Jim Griffin, a merchant who his father thought was a "dismond in the rough," led to his coming to Wilkes County in 1919. He admits that his father's high regard for Mr. Griffin had much to do with his acceptance of the job as clerk of the Wilkes County Board of Commissioners on Sept. 1, 1919.

Members of the board then were Jim Griffin, Ed Barnett, Sam McLendon, T. J. Jackson and J. W. Fanning, with Mr. McLendon as chairman.

From that time on this work has "been his life through thick and thin," according to his wife, the former Mildred Mays Sims—his Millie, daughter of William Mays Sims and Bettie DuBose Sims.

They were married on June 8, 1922, and have five children and 14 grandchildren.

Children first—and they are Lelia Sims, Irvin Jr., Mildred DuBose (Mimi), Marion Pope, and Patricia Stephens (named after their neighbor and friend, the late Dr. R. G. Stephens).

Mrs. Cheney wanted this to be entirely about Mr. Cheney, but she worked many, many years with the county health department, and also did secretarial work for her husband—working late in the night many nights, until Mrs. Ed Markwalter came to fill that position.

And I do have to tell you a little about those dear children.

Lelia married Ben A. Freeman, an attorney in Greenville where they live. She's a talented artist and musician and has taught in both fields. She is currently president of the historical society of Meriweather County. Their children are Nan, Ben, Beth and Patricia.

Irvin Jr. is assistant director of VISTA for the Southeastern States. He lives in Atlanta. His children are Jeanne and the identical twins, June and Joy.

Mimi's husband, Porter B. Cohen, is head of the ASC office in Louisville. She teaches at Burke Academy. Their children are Mildred, Mary, Jim and Katherine.

Patricia married Walter C. Britt, a student at the University of Texas who is working on his doctorate. They live in Austin where she manages a large apartment complex. Brian, Susan and Alice are their children.

And they all add up to a house full which Mother Cheney enjoys very much. She really enjoyed having them all home for Christmas—all except Beth who was in Europe and June and Joy who were in Louisiana.

She starts planning about three weeks ahead of time in order to have time to really enjoy her children. She freezes a lot. That's the way she managed the 4,000 sausage balls she made for the wedding of one of her granddaughters. She really does make delicious ones. She's a good cook anyway, according to her husband.

I'd better get back to telling you about her favorite subject—her husband.

They're members of the First Baptist Church. He became a member there April 26, 1920. He helped organize the first Baptist Training Union which succeeded the old BYPU. He served as clerk of the church for seven years; taught Sunday School for over 20 years; and was an active deacon for several years.

He was a charter member of the 214th Coast Artillery Unit of the Georgia National Guard, which later became an anti-aircraft unit.

He's been a member of the Kiwanis Club.

He considers it an honor to have served on the Mary Willis Library Board with the late Dr. R. A. Simpson and Col. Frank H. Colley.

He's a Mason—member of LaFayette Lodge No. 23 AF&AM.

Mr. Cheney remembers that that ole black bug had wrecked the economy and the county and city governments were having quite a time trying to operate when he went into office, but he did the very best he could, and according to Mr. Cheney and the record, 1934 was the year Wilkes County borrowed its last money and it paid its last interest on borrowed money that same year. Since that time the county has received a good bit of interest on invested reserve funds.

During this period many of the counties in this area were issuing refunding certificates or negotiating loans for operational purposes. According to various board members Mr. Cheney's ideas and suggestions have proven most beneficial to the county. Over the state and in the state offices in Atlanta he has always been held in high esteem and this relationship has proven most beneficial in getting things done. They say he has accomplished much without any publicity of fanfare.

A few years back when Mr. Cheney was thinking of retirement, the chairman of the board, DeLeon H. Reynolds Jr., died and Henry Harris, board member, was appointed as chairman for the unexpired term. Mr. Harris was reelected to that position last year.

Mr. Cheney has always been opposed to deficit spending. Over the years the county government has remainded solvent, and yet has cooperated in every effort made to further the progress of Wilkes County while operating on one of the cheapest tax rates in the state.

He served under six administrations. In addition to his duties as clerk of the commissioners, appointed fiscal officer, he also performed the duties formerly done by the treasurer of Wilkes County before that office was abolished.

Records show that Wilkes County has not had to borrow any funds for operations of county purposes since the year 1934 and not a cent of interest has been paid for such purpose since then.

During the recession of the 1960s—or de-

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pression—when quite a number of counties could not borrow money and had outstanding time-warrants due, but unpaid because of no credit, Wilkes County was drawing interest on a reserve account and taking a cash discount on all purchases.

In speaking of his years in office he lists some things which have been met from the Savings Reserves, such as the following: "Wilkes County organized the second forestry fire control unit in the tenth district; had the second health office in the district; has one of the best rescue units in the state; assists in volunteer fire departments over the county; has instituted solid waste (garbage disposal) program; has nursing home ($18,000); hospital ($30,000); and emergency ambulance service ($18,000 per year)—all within the lower 10 per cent of tax rates."

Two years ago they moved into their new home on Sims Street. During the Christmas holidays their sons fashioned a handsome mantel of old lumber from her grandmother's place. This adds to the charm of their lovely living room.

His many friends wish Mr. Cheney—and his Millie—many years of happy retirement, content in the knowledge of a "job well-done."

USELESS ENVIRONMENTAL IMPACT STUDY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MICHEL. Mr. Speaker, in the rush to write laws to deal with the increasing public awareness of environmental problems a few years ago, the Congress made some silly mistakes.

Certainly one of the worst was the requirement for environmental impact statements on everything under the Sun. It is my general opinion that the vast quantities of paper needed to produce these incredibly complex statements is a greater environmental hazard than the problems they are supposed to clear up.

More importantly, the legal battles over these statements have resulted in a disservice to the citizenry, because they have needlessly delayed a great many worthwhile projects.

One such project, needlessly delayed by environmental regulations, is an Interstate Highway project known as the Peoria bypass. This project is of great importance in my district, and in my hometown of Peoria.

An article in last Sunday's Peoria Journal-Star by Bill Prater did an excellent job of showing just how useless and silly the environmental impact statement problem can get. So that my colleagues can better understand this problem, I am including this article in the RECORD at this point:

[From the Peoria (Ill.) Journal-Star, Feb. 2, 1975]

USELESS IMPACT STUDY MIRES I-474 JOB

(By Bill Prater)

An apparently useless environmental impact statement on the Interstate 474 Peoria bypass has inflated the cost of the project as much as $25 million and delayed its completion a year and a half.

The final contracts could be let this August or September, state Department of Transportation officials say, making it doubtful much work will be done this year.

The next tentative completion date: late 1977 on a project originally scheduled for completion in 1972.

The long-awaited highway was the victim of a 1973 out-of-court settlement between environmentalists and the Federal Highway Administration (FHWA). The order, abruptly handed down in September, 1973, was clear: impact statements are required on all major federal highway projects not already under contract.

And I-474 was being built as a series of interrelated projects. About half were under contract.

Massive projects worth $41.9 million—the five interchanges and all but four overpasses—were under construction or awarded before the sudden cutoff.

They stand now, islands of concrete and steel, some completed months ago, others nearly complete, all awaiting pavement that will join them.

That's what awaits approval of the impact statement: about 13 miles of paving and earthmoving work, along with the difficult and costly relocation of a railroad overpass near the Adam Street interchange in Bartonville.

The estimated cost of the project in September, 1973, was about $75 million.

The latest estimates are between $90 million and $100 million, with the cost of unstarted work rising from about $33 million to between $48 and $58 million.

Inflation alone has added 30 to 35 per cent to the increased costs, said William T. Mills, planner for the local DOT office. Interest rates also have soared.

But much of the added cost attributed to inflation may be misleading, said Ronald Houska, bureau chief of programming for the department.

It can be negated, he said, by the transfer of funds to other federal highway projects. All federal highway money allocated to Illinois in 1973 and '74 was spent, he said.

"We have a responsibility to insure that what we are doing does not adversely affect the environment," Houska said. In the case of projects already underway, "if we do find something adverse we can go back and correct it," he added.

"I don't like paper work either. This is just a matter of going back and showing people that what we've done is proper."

Proper or not, what's been done on I-474 would be extremely difficult to change, according to DOT project engineer A. F. Burnham.

The path of the interstate is dictated by work already completed, he said.

"It's the same route at the same locations at the same heights," he said. "There have been no complaints either, really. Everyone wants it."

Wanted or not, the I-474 is not yet out of the bureaucratic woods.

The environmental impact atatement, a year in the preparation, is still not approved. The 231-page document was sent to 41 federal, state, local and private agencies for comment, and any conflicts between their recommendations and the DOT's plans must be settled by the FHWA. Burnham said approval of the impact statement could be given in May or June, clearing the way for contract letting about six weeks later.

Mills laughingly said Burnham is "always the optimist," and that it would probably be July at the earliest. Work could begin two months later.

The impact statement was drawn up by Charles Landis, environmentalist for the district office. It was the first of several he has prepared on area road projects.

The document contains the same types of information found in the others: possible adverse effects on wildlife habitat, mineral resources, sites of archaelogical or historical interest and other areas.

In at least one way, however, the I-474 study was Landis's most unusual: all the "possible" adversities had already been inflicted.

Future generations may find something dreadful about the bypass, something a more exacting preliminary study would have eliminated.

"But," planner Mills maintained, "if there are going to be any adverse effects on the environment from this road, we've already done it.

"If we've made mistakes—and I don't think we've made too many—we did it before we had to draw up this thing (the impact statement) and we're committed to them."

The bypass as a whole can be compared with one of its individual embankments, Mills said. "We've already scarred up the earth and done the damage, only now we can't cover it back over."

The specific cause of I-474's woes is the National Environmental Policy Act of 1969.

An obscure section of the act, disregarded until it became the basis for precedent-setting lawsuits required every federal agency to publish detailed statements on the environmental impact of every project under its jurisdiction—along with reasonable alternatives.

Of the lawsuits stemming from this section, one halting the controversial Alaskan Pipeline is famous. It forced the federal government into an exhaustive study of the delicate Alaska tundra and resulted in major engineering changes.

The provision also has been used for suits against the U.S. Army Corps of Engineers, U.S. Forestry Service and other agencies.

The FHWA did not change its policies until 1973, after a suit was filed by the National Wildlife Federation.

Landis said, "Until we got that notice, we just followed our normal procedure—public hearings, studies, that sort of thing." When the full implications of the order became known and the I-474 timetable was thrown into shambles, "it was a shock, I'll tell you," Landis said.

The preliminary environmental impact statement makes only passing reference to the unusual events surrounding the Peoria bypass.

"The submittal of this statement is not in the normal, chronological sequences of events," the statement reads. "Currently, environmental considerations are a part of the pre-planning process. This statement is a result of a suit . . . requiring in-depth environmental considerations for major federally funded projects previously determined exempt."

Though prepared by the Peoria district, the impact statement is officially the product of the FHWA and it must give final approval.

The state "Action Plan" for conducting such studies was not published until April, 1974.

In compliance with FHWA requirements, all states must have such a plan, describing how they will:

Identify social, economic and environmental effects;

Use an interdisciplinary approach in planning and decision making.

Involve the public and other state agencies;

Develop alternative solutions to transportation needs.

The I-474 impact statement dutifully lists alternatives: abandoning work already done in favor of either doing nothing about highway improvements, or upgrading existing roads.

Neither is particularly desirable, the study concludes, adding, "It must also be of great concern that a 'no-build' (or non-completion) alternate at this stage would negate a $50 million public investment."

The study did not say what could be done with those $50 million worth of islands of steel and concrete, but DOT workers jokingly pointed out that proposals could be added later—subject, apparently, to further review.

Other environmental impact statements forced by the 1973 agreement have not been as meaningless as I-474's, but have been just as time-consuming.

A study of a proposed freeway between East St. Louis and Carlyle uncovered possible damage to a swamp valued as a breeding ground for ducks. Approval of the impact statement on that highway is being withheld until the controversy is resolved.

Only a minor portion of that $85 million project—about $9 million worth of bridge abutments—has been spent.

Work also is being delayed on two freeway projects in the Chicago area.

"THE TRIAL OF MARTIN LUTHER KING"; CIVIL LIBERTIES AND THE RULE OF LAW

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. YOUNG of Georgia. Mr. Speaker, a new book entitled "The Trial of Martin Luther King," by Alan F. Westin and Barry Mahoney, recounts the court case which arose when Dr. Martin Luther King, Jr., was arrested for leading a civil rights march in Birmingham on Good Friday, April 1963. Dr. King was convicted for violation of a State court injunction against the march, and 4 years later the U.S. Supreme Court upheld the conviction, 5 to 4. Dr. King then returned to Birmingham and went to jail for the last time in his life, in October 1967.

A reexamination of this case is important because, in the words of Dr. Westin:

It is a matter that goes to the heart of civil liberties under the rule of law, and protection of the process of social change from strangulation by the local status quo.

He concludes that:

We should be aware how our legal system failed one of the most devoted believers in the American Constitution at a critical moment for him, for the cause of nonviolence, and for the democratic system.

I submit for the RECORD an article drawn from the new book by Dr. Westin, who is professor of public law and government at Columbia University. His coauthor, Mr. Mahoney, practices law in Denver and teaches and does research in the field of criminal justice. The article was published January 19 by the Los Angeles Times.

The article follows:

RULING IN KING CASE INFRINGES LIBERTIES

(By Alan F. Westin)

Martin Luther King Jr. would have been 46 last week if he had not been assassinated in Memphis in 1968. The King anniversary—coming two weeks after the conviction of the major Watergate conspirators—should cause us to raise some hard questions about how our legal system really works.

At first glance, linking King's civil rights troubles with the lawlessness of Richard Nixon and company may seem a forced comparison. Yet there are direct and revealing connections between King's most famous political trial in 1963 and the unfolding of the Watergate affair in the nation's courts.

It was April 12, 1963, when King led his now-famous Good Friday march against segregation practices in Birmingham, Ala. He did so despite a state court injunction, obtained by city officials two days earlier, forbidding all demonstrations, parades and marches in the city by King or his associates. He was arrested, tried by an Alabama court, and found guilty of contempt. Four years later, when his appeal reached the U.S. Supreme Court, a 5–4 majority upheld the conviction.

According to the Supreme Court's majority, King should have called off his demonstration and sued in the Alabama courts to dissolve the injunction. Lecturing King for his "impatience," Justice Potter Stewart declared: "In the fair administration of justice, no man can be judge in his own case, however exalted his station, however righteous his motives, and irrespective of his race, color, politics, or religion.

"Respect for judicial process," Justice Stewart concluded, "is a small price to pay for the civilizing hand of the law. . ."

The decision was warmly applauded at the time by most commentators as a necessary affirmation of the "rule-of-law" principle.

Then, four years after King's death, the Watergate scandal began to unfold. Richard Nixon asserted that he did not have to obey court orders to disclose relevant presidential documents if he felt that it would violate executive privacy to reveal them. In October of 1973, Nixon announced that he would not comply with a final federal court order to give nine presidential tapes to Special Prosecutor Archibald Cox.

At that critical moment, Justice Stewart's language in the King case seemed exactly apt: "In the fair administration of justice, no man can be judge in his own case, however exalted his station . . ."

The American public shared that view. Faced by a fire storm of public protest over his defiance of the court order, and his firing of Cox, Nixon retreated and said he would furnish the tapes. Later, in 1974, a unanimous Supreme Court ordered Nixon to furnish more tapes, for use in the Watergate conspiracy trial. What was revealed in those conversations ultimately forced the President's resignation.

For many observers, the performance of the court in the King and Nixon cases supplied heartening proof that the "rule of law" is alive and well in this country. There is much to support that judgment in the Nixon case, where executive-privilege claims were being invoked by the President to shield his criminal deceptions.

But the same warm approval should not be given to the King decision. It was a bad wound then, and still has harmful effects on civil liberties today.

To understand why the King decision was wrong, consider the moral, political, legal, and practical realities of King's situation in 1963. Black Americans in the South were still being refused service in public-accommodation facilities, denied voting rights, refused equal job opportunities, kept in segregated schools, and subjected to harsh police mistreatment—almost 10 years after the U.S. Supreme Court desegregation ruling of 1954. The moral case against such official, lawless conduct in Birmingham was undeniable.

Politically, the liberally-oriented Kennedy Administration in 1963 was so cowed by Southern and conservative forces in Congress that it had abandoned efforts to press for federal civil rights bills. Unless King could find a way to dramatize the absence of any real progress toward integration in the South, a corroding tokenism would be all that American Negroes would be getting in the mid-1960s.

Legally, King knew that he had a firm constitutional right to lead peaceful picketing, prayer meetings, and orderly protest demonstrations. The U.S. Supreme Court had indicated that local ordinances which left city officials free to deny parade permits at their whim, without objective and careful standards, were unconstitutional. Twice in April, Police Commissioner Bull Connor had refused to issue a permit for picketing or marches. "No," Connor had replied, "I will picket you over to the city jail."

For practical reasons as well, King could not afford to let the Birmingham direct-action campaign become a slow, courtroom test case. More than a year had been spent in planning, raising bail money, and mobilizing national support. If he abandoned the march, he would be trapped on the flypaper of the Alabama judicial system for years—just where Bull Connor wanted him to be.

Several of King's key civil rights campaigns, especially in Albany, Ga., in 1962, had been defeated by such tactics. "The injunction method has now become the leading instrument of the South" to block civil rights efforts, King noted, "a maliciously effective, pseudo-legal way of breaking the back of legitimate moral protests." The whole future of civil rights progress in the 1960s was at stake.

So King marched, and was convicted for contempt of court.

Ironically, if that conviction had reached the U.S. Supreme Court later in 1963, or even by 1965, the odds are it would have been overturned. The Birmingham demonstrations—with pictures of police dogs and fire hoses being used by the police—had triggered protests around the nation, and the world. The political climate was dramatically altered. President Kennedy sponsored legislation requiring equal service in public accommodation facilities, after Kennedy's assassination, President Johnson won passage of that bill as the Civil Rights Act of 1964. In that context, a Warren Court majority would almost certainly have reversed King's conviction.

But the Alabama Supreme Court, notorious for its delays in handling appeals, did not affirm King's conviction until December of 1965. The Supreme Court did not decide the case until June of 1967. By then, black power advocates had arrived; urban riots had broken out in Watts, Newark, and Detroit; anti-war protests were rising; and King was struggling to keep the nonviolent civil rights movement a meaningful force.

In this troubled setting, the Supreme Court put its thumb down not on the side of free expression but on law-and-order. King was sent to jail briefly with the blessing of the nation's highest court.

This did not have to be the outcome, even if we agree that complying with court orders is a fundamental tenet of our legal system. The court should have held that issuing an injunction without giving King a chance to appear and contest it violated basic due process. More broadly, the court should have said that where there are no speedy appeals procedures and where enjoined demonstrations have a critical time factor (the Good Friday holiday), persons cannot be punished for contempt if a later review of their First Amendment claim and the injunction ruling shows that the ban was unjustified.

Since the Supreme Court was later to rule, in 1969, that Birmingham's permit procedures were unconstitutional, this would have meant that enjoining King from marching without such a permit was also illegal.

This may sound somewhat technical to non-lawyers. But it is a matter that goes to the heart of civil liberties under the rule of law, and protection of the processes of social change from strangulation by the local status quo. The King precedent has been used since 1967 to deny vital free-expression rights to farm workers, students, women's rights groups, teachers, public workers, and many others trying to get claims for social justice

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heard by the American people. The press and TV have also been gaged by local court orders having to withhold vital news stories for months or longer even though the injunctions are later found to violate free-press guarantees.

In marking the anniversary of King's birth, therefore, we should be aware how our legal system failed one of the most devoted believers in the American Constitution at a critical moment for him, for the cause of nonviolence, and for the democratic system.

ADVICE FOR A SOUND ECONOMY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. McDONALD of Georgia. Mr. Speaker, it now appears that the President and Congress are headed toward a stalemate on economic policy. Unfortunately, this stalemate will be over two variations of how the Government should interfere and attempt to "manage" the economy, but not over the fundamental changes that are necessary to permanently solve our economic problems.

Therefore I wish to call the following letter to the attention of my colleagues. The letter, to President Ford from four professors of economics at Grove City College, appeared in the middle October issue of the International Harry Schultz Letter.

The letter follows:

OCTOBER 1, 1974.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: With all the economic advice you received at the Summit Conference you may not mind hearing from the Economics Department of Grove City College which, as you may recall, conferred the degree of Doctor of Laws on you at our commencement of June 8, 1968. We feel especially moved to proffer our advice as the gold school we represent was conspicuously absent at the Summit Conference.

To end inflation and to stabilize the US dollar the following steps need to be taken immediately:

1. The Federal budget must be balanced now, next year, and every year thereafter.

2. Your engine of inflation, the Federal Reserve System, must be inactivated, or better yet, abolished.

3. The Federal Reserve money now in circulation must stay in circulation and be made fully redeemable in gold.

4. With these steps you will have achieved monetary stability. But you will face a recession which past deficit spending and credit expansion have made unavoidable. Without an engine of inflation to accommodate new deficit spending and credit expansion, you will need to cut federal spending even further as federal revenue declines. And to facilitate speedy recovery from the recision business taxes should be cut. We are confident that in a year or two the American economy will resume full speed again, with stable prices and a sound monetary system.

We realize that our advice may not be popular with the economics fraternity, which since the 1930's has preferred the "new economics" of easy money and deficit spending. We are proud to represent the great tradition of classical economics and the gold standard that gave the world natural money rather than depreciating political paper.

Mr. President, the choice is yours. Proceeding on the present road you will preside over an accelerating depreciation of the dollar and all the economic and social evils thereof. Or, you may embark upon the road to gold money which is hard money. There are no alternatives.

Yours respectfully,

William H Burdick, Charles J. Guiler, Paul J. Fair, Hans F. Sennholz,
Professors of Economics, Grove City College.

Mr. Speaker, it is still not too late to take this advice. However radical some of these changes may appear to many of my colleagues, we must keep in mind that the very survival of our free economic and political institutions is at stake.

ENERGY EXPERTISE

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MILFORD. Mr. Speaker, every now and then a letter comes to our attention from a constituent who knows the ins and outs of problems with which we are dealing.

Such a letter has come to me from an energy expert in Dallas, A. G. Galt who is with Pan American Engineering Co.

Because of the information included, and its accuracy, I am placing it in the CONGRESSIONAL RECORD in order that I may share it with my colleagues. I believe with information such as this, we can all make better-informed decisions as we grapple with the energy problems affecting our Nation today.

The letter follows:

PAN-AMERICAN ENGINEERING CO.,
Dallas, Tex., January 30, 1975.

Hon. DALE MILFORD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: From where you sit today in your profession you are aware that our energy problems perhaps transcend almost any other problem our nation now faces. Without energy there is absolutely no way for industry to expand and provide jobs, and certainly without energy we could have a very real problem in connection with national defense. Unless people have jobs and can work and have income they can't pay taxes, and the federal establishment could not be supported in the manner in which it is now accustomed. If the industrial base of the country cannot expand and provide products and services and the jobs necessary to take care of an ever increasing labor force, our problems today will seem minimal to what they will be in the future. Unless there is sufficient ongoing forward movement of the industrial establishment, the national debt is bound to get in worse shape than it is and our balance of payments overseas will become monstrous. Unless the energy problem is really solved, everything else we talk and argue about might as well be thrown into the ash can.

I know you must be involved at this time with a desire to obtain actual facts about this problem and not voluminous rhetoric from people with particular axes to grind and who are in the main extremely ignorant of the problem. Let me say that I have no connection with, nor do I own stock in, any major oil company, but I do have considerable expertise in connection with energy generally and the following basic bit of date may have some interest for you.

In all of the hassle concerning oil pricing from a domestic point of view, little has been said about the cost in finding and producing crude oil and gas in this country during the past thirty years. There are two leases south of Corpus Christi, Texas, one known as the Flinn and the other the Taylor, which have been producing in an old field since approximately 1938. Both leases have been subject to various workover programs from time to time, depending upon geological data and the economic incentive to look for more hydrocarbons. One of the prime tools the oil operator uses to keep oil production on the line is what is known in the trade as a workover rig. This is a machine which does all of the maintenance on an oil well, pulls the tubing and is used to solve certain production problems; it is the most important maintenance tool the oil operator uses after the well is drilled and placed on production. The use of the workover rig is more or less a continuous process from time to time over the life of the well. The cost of this particular piece of equipment is an excellent yardstick as to the cost the oil operator encounters, this because the rig itself is a piece of machinery with a basic cost and the operation of it includes labor, supervision, taxes, fuel, depreciation and maintenance and all other costs involved with a service operation.

I hand you herewith copy of a workover bill dated January 31, 1945 which shows that the workover rig cost at that time was $10.50 per hour. Let me underline that this hourly cost included supervision and fuel and all other costs. On October 30, 1956, almost eleven years later, the cost of a similar service rig had been raised to $16.50 per hour. A copy of that particular invoice is attached. On September 9, 1974, the use of a similar rig on the Flinn Lease had risen to $50 per hour including the use of a supervisor. In these days of high costs, the companies are trying to break their cost down as to rig time, fuel cost and supervisor's time. In any case, what cost an oil operator $10.50 per hour in 1945 cost him in September, 1974 $50 per hour, or practically five times as much, and on January 1, 1975 the cost of a workover rig has now risen to $55 per hour.

All operators domestically have not made a great deal of money over the past thirty years, and for many, many years it was a question of just trying to stay in business. In 1945 the operator was getting $2.52 per barrel on the average for the grade of crude produced in the area I use as an example. In 1956 the same oil was selling for approximately $2.90 per barrel, and in March of 1973 the price was still only $3.28 and the costs of operation were skyrocketing, and the operator's basic cost for the major items increased all the way from three to five times. Used oil well tubing which in 1956 we bought for $0.35 per foot now sells for $2.00 per foot, and I can provide invoices to support this statement. I submit there is no way you can excommunicate the price of domestic crude for a long period of time from the world price, and certainly there is no reason why the country as a whole should make an example of the oil producer and force him to provide a service and product at a very unfair price when the price of shoes, needles or any other product are allowed to find their price level on the open market.

Every action that is taken in the energy field should be based at this time on whether or not such action will result in more energy. Governmental irresponsibility, political demagogury and the like will not result in one additional barrel of oil or cubic foot of gas or ton of coal.

The campaign to gut the major oil companies can only have in the long run disastrous results for all American citizens. The major oil companies with their tremendous expertise have explored for oil and gas around the world with the greatest efficiency that has ever been involved with a major industry. They have been able to handle the local political problems, they have expended billions of dollars in risk money, they have expanded production, they have provided the technical know-how and engineering, and they have made available to citizens of the world vast amounts of energy. However, as they have made these large investments in the various foreign countries and made those particular local industries very profitable, all of the host countries without exception have become greedy. There has been absolutely no protection afforded American oil companies operating overseas against the unilateral abrogation of contracts, even though such contracts had termination dates far into the future. The American government for the past thirty years has fostered the idea that any contract between an American company and a host producing country could be abrogated if that country went through the face saving gesture of saying they were going to provide adequate compensation for what they were stealing. They have never provided adequate compensation wherever expropriation has taken place whether it was oil, copper or any other resource industry. Recently, Venezuela has taken over the iron ore industry which was brought to bear fruit by U.S. Steel and Bethlehem. The countries producing bauxite are now holding a loaded gun to the head of the aluminum companies and are blackmailing them.

If the American government had a long time ago taken the position that a contract is a contract, that it can be revised in equity to suit new conditions but still must remain a viable instrument under which people can operate, oil, copper, iron ore, bauxite and other companies would have had a much easier time and the United States today would not be cut off, nor would they be under the strictures of price which now prevail worldwide for these commodities. As long as you have people like Senator Frank Church in the Senate fighting all efforts to support American interests abroad, all host countries will feel they can spit on the American flag anytime they desire to do so. The time is long past when the American government can do anything to support its representatives around the world. They could have done it but they didn't.

The main thing we need to do is make ourselves as self-sufficient as possible insofar as concerned, and we can do this through coal, oil shale and additional drilling and exploration for oil and gas. You cannot construct refineries unless people will give you a building site for the refinery. Look at what has been happening in the northeastern part of the United States during the past several years. It is still impossible to get a building site for a refinery in that area. Insofar as exploration for oil and gas is concerned, there have been many people in the Congress and around the country who have always said let the domestic oil and gas industry go to hell because we can always go to the Middle East and buy oil at a buck a barrel. You know where you can stick that idea now.

Most people should get down on their knees and thank God that we have been able to keep our domestic oil and gas industry operating because while we do have energy problems, these problems are nothing like they would be if we did not have an active oil and gas producing industry. The depletion allowance has by media propaganda and political demagoguery turned into a dirty word, but these same people would want depreciation on other types of assets continued. As an example, I am sure the Columbia Broadcasting System takes depreciation on all of the equipment they own, electronic and otherwise, which they use to disseminate the news. If they own a building in New York, I'm sure they take depreciation on that. They consider these assets as a wasting asset in need of depreciation. Oil and gas is a wasting asset and should be depreciable or depletable, whichever word you wish to use.

Perhaps one of the most terrible results of the ignorance relative to energy which has permeated the country is the delay in the building of the Alaska pipeline. If the oil companies had been allowed to proceed originally with the building of that pipeline, we would today be moving through that line two-thirds of the oil necessary to meet the short fall from the Middle East if another embargo takes place. The original cost of the pipeline was $900 million. The latest figure is $6.5 billion. There is only one group of people who will pay the additional cost and that is you, me and all other citizens like us. The zealots who went into court and stopped the building of the line are responsible to no one. Not only have they cost the American public billions of dollars in inflated cost of the line but the oil which must be imported to take the place of oil that would have been coming through that line will probably cost the American public another $25 billion before the line is now operable. The fact that the American government and its people would stand for this type of manipulation by small numbers of hard-headed and unreasoning zealots is sickening.

This country has plenty of energy and the expertise necessary to produce it. We need to make it economically profitable to do all of the things necessary to produce coal, oil from shale, oil and gas exploration, and anything else necessary to reduce the dependence of this country on outside energy sources. The time has come for America to stop listening to demagogic candidates for president, or any other person or group whose actions or ideas set up roadblocks toward making this country self-sufficient in energy. Free enterprise is the only way to get the job done properly and the free marketplace with its competition is the place to take care of the pricing.

Our neighbor to the south, Mexico, is self-sufficient in energy and all energy has been government controlled since the Mexican government ran out of the country in the 1930's those concerns who originally found the oil. The Mexican oil industry has stumbled along only because of the expertise provided by American technology and American equipment. But they are self-sufficient and have become an oil exporter. Today the price of gasoline is 80¢ a gallon in Mexico. I can buy gasoline two blocks from my office at 47¢ per gallon for premium gasoline. Mexicans across the border from Laredo, Texas, cross the bridge to the American side to buy American gasoline because of the cheaper price. When you consider the difference in the economies of the two countries, an 80¢ per gallon price for gasoline in Mexico is about the same as charging the American motorist $1.75 per gallon. Enough said.

Yours very truly,

A. G. GALT.

TIME TO CLEAN UP OUR OWN HOUSE

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. WALSH. Mr. Speaker, for years now, especially since the economic crisis has come to a head, the Halls of the House and Senate have rung with oratorical promises to slash Federal spending to the bone.

Probably every department and agency of the Government has been accused of spending beyond their real needs.

However, it seems to me that the finger of guilt has not been pointed very often at the Congress, one of the worst offenders in the area of excessive spending.

I would like to share with my colleagues a recent editorial, entitled "Expensive Congress," which appeared in the January 12, 1975, edition of the Syracuse Herald-American:

Almost daily we endure the words of noble intent from Congress.

It is going to cut the cost of Federal government.

It is going to investigate the excessive spending of the Administration.

It is going to attack Federal bureaucracy.

But never a word about one of the worst offenders of excessive spending in Washington—itself.

Remember the parting words of George Aiken of Vermont after 34 years in the Senate? He called Congress an "unholy expansion of committees, subcommittees and staff personel" that has "mushroomed to an unconscionable extent" over the past 10 years.

In 1954 the House and Senate had a combined staff of 4,500 persons and an annual budget of $42-million.

Today, Congress' budget has grown to $328-million to run a staff of 16,000 employees.

If this growth rate continues, Congress will cost a billion dollars a year to run by 1984, according to reliable estimates.

A Washington newsman, Donald Lambro of UPI, checking on the climbing cost of Congress, discovered that the number of bills enacted in 1974 totalled 285, which, he wrote, was little more than the number passed 10 years ago. And a decade ago, Congress' budget and staff were less than one third their present size.

If Congress isn't doing much more work than it did 10 years ago with a third the cost, then are the enormous budget and staff needed now?

Why must the Senate have 17 major committees and 147 Subcommittees? Why must the House have 21 major committees and 133 subcommittees? Why must joint committees of Congress have 17 subcommittees?

All these committees and subcommittees require staff members. The office space for these staffs fills five major buildings and is overlapping into adjacent Capitol Hill complexes.

A sixth office structure is being planned at a cost of $84-million, and Congress still is looking for more land for future office buildings.

Congress now is spending some $50 million a year solely to operate its committees.

Yet Aiken and other congressional veterans complain that many of these expensive subcommittees haven't met in years, least of all held hearings. Others duplicate and overlap the work of dozens of other panels.

Lambro wondered in his report what the special subcommittee on the freight car shortage, the subcommittee on small business problems in smaller towns and urban areas and the select committee on parking were doing?

Congress pays the 25th largest police force in the nation, employs a staff of photographers, and grants the most generous pension program in the world.

It provides fresh cut flowers and tropical plants, free picture-framing, cut-rate haircuts and meals, a private airline reservation service, banking facilities, fully-equipped

UMI

gymnasiums and medical services for its members.

This is ridiculous.

Money is too precious to most Americans to have to support such lavish behavior. Congress is not the court of the French kings. It is not Versailles. It is Washington, D.C. supposedly the seat of a democratic nation in which royalty is not supported by its tax-paying population.

Congress, heal yourself.

THE DEMISE OF THE HOUSE INTERNAL SECURITY COMMITTEE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. DRINAN. Mr. Speaker, on January 14, 1975, the House of Representatives voted to transfer the jurisdiction of the Internal Security Committee to the Judiciary Committee. This was indeed an historic occasion, ending the tenure of a body which has haunted the Congress and the Nation as a whole for well over 30 years.

For the benefit of my colleagues, Mr. Speaker, I would like to insert into the RECORD at this time a number of newspaper and editorial comments which were printed at the time of HISC's demise:

[From the New York Times, Jan. 17, 1975]

AN UN-AMERICAN BODY

The new winds blowing through the House have finally swept away that ailing relic of an ugly past, the House Internal Security Committee. Established in 1930 as the Select Committee to Investigate Communist Propaganda, it reached its heyday in the forties and fifties as the House Un-American Affairs Committee, serving as a platform for such proponents of an American orthodoxy as Martin Dies, Richard M. Nixon, and J. Parnell Thomas. Between 1945 and 1969 it received more than $6.5 million in funds and managed to produce only one major piece of legislation.

But the committee should not be judged on its legislative accomplishments, for it specialized in conducting investigations and destroying careers. It conducted vindictive investigations of the movie industry, the labor movement and of Federal employes and college staffs.

Last month, the Democratic Caucus refused to assign any members to it, other than the chairman, and this week the House buried it. Its epitaph was written years ago by Harry Truman when he called it "the most un-American thing in America."

[From the Nation, Feb. 1, 1975]

HUAC SHELVED

Almost thirty years to the day after it had been established as a standing committee on motion of Rep. John Rankin, the House Committee on Un-American Activities (HUAC), known of recent years as the House Internal Security Committee (HISC), has been consigned to limbo, if not actually abolished. HISC's jurisdiction has been transferred to the House Judiciary Committee. Of a staff of thirty or forty, a few will be kept on for the time being—those designated by HISC's chairman Rep. Richard Ichord (D., Mo.)—but there is no implied obligation to retain them. The committee's records, including some 750,000 individual files, will be transferred to Judiciary's custody. This action on the part of the new Congress calls for three cheers—almost.

Almost, because the Senate Judiciary Committee has its own Subcommittee on Internal Security, with staff and files and jurisdiction to inquire, and no move is underway to abolish it, since the foxy chairman, James Eastland, voluntarily cut the subcommittee's budget in half last year. The house debate does not indicate any likelihood that HISC will be set up as a subcommittee. Still, the files remain ticking away, and it is uncertain what will happen to them. Rep. Robert Drinan (D., Mass.), who played a key role in putting HISC to rest, suggests that they should be turned over to Archives and sealed for fifty years. As property of the House they would not be subject to court action under the Freedom of Information Act, but members could request access to a file which some constituent might want to examine. That remains a cranny through which organizations might gain access to a file for the purpose of harassing an individual of whose politics they did not approve.

Defanging HISC was an artful political maneuver for which major credit goes to Reps. Philip Burton, Don Edwards and Robert Drinan. Edwards and Drinan had sponsored a resolution calling for the transfer and containing an amendment which would limit inquiries to "sabotage and other overt acts affecting internal security"—essentially harmless language, since the House Judiciary Committee probably has such jurisdiction in any case. But Ichord, reading the signs of doom correctly, offered his own resolution calling for transfer, but limiting inquiries to "Communist and other subversive activities affecting the internal security of the United States." As a face-saving device, it was decided to let the chairman abolish his own committee. So his resolution was adopted by voice vote in the caucus and on the floor of the House. We are left with a practical victory of major proportions, but one that is clouded by some uncertainty.

HISC's dismantling did not just happen, nor can it be attributed solely to the post-Watergate environment or to the new members elected to the 94th Congress. It represents fifteen years of hard work by the National Committee to Abolish HUAC (after 1969, the National Committee Against Repressive Legislation), directed by Frank Wilkinson, with headquarters in Los Angeles. Wilkinson, a tireless and eloquent opponent of HUAC, had been one of its early victims. The committee was set up largely on the initiaitve of Aubrey Williams, Alexander Meiklejohn and James Embree. Harvey O'Connor serves as chairman and the committee has been brilliantly advised on constitutional issues by Thomas J. Emerson of the Yale Law School. Robert Walker Kenny, who has just retired as judge of the Superior Court, Los Angeles County, after years of splendid service, was of great help to the committee as treasurer before his appointment to the bench. Kenny, one of counsel to the Hollywood Ten, had acquired special and invaluable insights about the way HUAC functioned. His former associate, Robert Morris, succeeded him as treasurer. To these individuals, and to other members and supporters of the committee, special thanks are due. HISC's guns have been spiked largely by their efforts.

[From the Chicago Sun-Times, Jan. 18, 1975]

RED-BAITED PANEL DIES AT LAST

A panel snooping on Americans by any other name is still a panel snooping on Americans—and that's why the notorious Committee on Un-American Activities, renamed the House Internal Security Committee, has been scrapped.

The committee never had and never would have justification for being. During the irrational Communist witchhunting days of the 1950s, it became a power body that found a Communist under every rug. It fed on fears and ruined reputations, all in the name of preserving national security.

It aurvived, partly because residual fears of a Communist or left-wing takeover in this country kept it alive, and partly because it's easy to create a bureaucracy, but tough to kill one. Previous congressional efforts to do so have failed.

But now the House has voted for abolishment, with the concurrence of the chairman of the ISC, Rep. Richard Ichord (D-Mo.). Jurisdiction will go to the Judiciary Committee.

When the head of a committee as unneeded as this one wanted it axed, the message was clear: it was time to bury one of the country's major contradictions of the democratic process.

[From the Chicago Daily News, Jan. 17, 1975]

HUAC WENT OUT OF STYLE

The House Internal Security Committee—successor to the Un-American Activities Committee—is going out of business after 45 years. A lot of old ghosts will be exorcised at the same time.

What happened was that the House Democratic Caucus voted to abolish the committee and turn what was left of its staff, files and functions over to the House Judiciary Committee. Time had simply made the old committee obsolete.

The old Un-American Activities Committee served as a utensil and a springboard for many an ambitious congressman eager to crusade his way to fame and power. Martin Dies, J. Parnall Thomas and Richard Nixon were among those who turned it to their service.

Undoubtedly, in the course of a career in which it amassed data on 750,000 Americans suspected of subversive dirty work the committee caught some authentic bad ones. But just as surely, the evil came to outweigh the good as successive chairmen indulged in the indiscriminate hunting of witches and smearing of the innocent.

As recently as last year, House liberals failed by a vote of 246 to 164 to kill off the committee and its $725,000 budget. It remained for this year's new crop of freshmen to turn the tide, which they did in the caucus on Monday.

Father Robert F. Drinan, the congressman and Jesuit priest who led the recent drive to abolish the committee, declared that the execution marked "a moment in history," and so it did. But the kind of job that became the committee's trademark—the reckless harassment of citizens and assassination of character—has been carried on by other agencies, as the Watergate disclosures have witnessed. At least the new Congress is serving notice that it holds the rights and dignity of individual citizens in greater respect than have some of its predecesors, and that's encouraging.

[From the New Yorker, Jan. 27, 1975]

THE TALK OF THE TOWN

NOTES AND COMMENTS

A colleague of ours had a talk the other day with Father Robert Drinan, the Jesuit priest who serves Massachusetts' Fourth Congressional District in the House of Representatives. Father Drinan, a Democrat, was in an uncommonly buoyant mood, because his party's caucus had just voted to put an end to the House Internal Security Committee (H.I.S.C.), the infamous successor to the even more infamous House Un-American Activities Committee (H.U.A.C.). When Father Drinan was first elected in 1970, the leadership judged it fitting to seat him on the Judiciary Committee and on H.I.S.C. He is, after all, a distinguished member of the bar and a former dean of the Boston College Law School. From the day of his election, he dedicated himself to the goal of abolishing the H.I.S.C. He said he had not expected so early or complex a success. The caucus vote was by voice, and if there were any dissenting voices they were not very audible. He had expected the official vote in the House to follow the caucus vote by a few days; actually, it followed by only one day. While Father Drinan was getting ready for the last battle, the battle was won: on the opening day of the Ninety-fourth Congress the House killed H.I.S.C. and transferred its jurisdiction to the Judiciary Committee. The interment, Father Drinan said, half-seriously, came before he had finished writing his eulogy or recovered his vestments from the dry cleaner's. About that, he has no real regrets. He does, however, lament the fact that the abolition of the H.I.S.C. was only one provision in the proposed House rules on which the members were voting, since it means that no one will ever know for a certainty who was for—and, more important, against—the legislative demise. Some representatives, of course, have already said; others unquestionably will say; but in all likelihood many will stand mute. Father Drinan pointed out that the President should honor him for his contribution to Whipping Inflation Now. In the last Congress, the H.I.S.C. budget was seven hundred and seventy-five thousand dollars. It had a full-time staff of about forty, and dossiers on hundreds of thousands of people. The files will be in the custody of the Judiciary Committee. Their future is uncertain. "We could deep-six them or recycle them," Father Drinan said. "But under proper supervision they should prove invaluable to historians. We might break the seal in 1984. And I can always boast that I served on the most useless committee in Congress."

[From the Boston Globe, Jan. 16, 1975]

A LENGTHY WITCHHUNT ENDS

The U.S. House, post-Watergate soul-searching coursing through its veins, Tuesday inaugurated its 1975 session on an appropriate note. It consigned to infamy the House Internal Security Committee, a catapult in the late 1940s and early 1950s for a politically ambitious and conspiratorially minded young congressman named Richard M. Nixon.

A precursor of Watergate, the committee for three decades ran roughshod over civil liberties in the name of national security. Mr. Nixon, as a member, beat a demagogic drum in his anticommunist crusade. Although a conspicuous example, the former President was by no means the only offender.

The committee—known until six years ago as the House Un-American Activities Committee—issued 174 contempt citations, 10 times as many as the other House committees combined, but mostly to no avail. The courts found most of the citations unwarranted, and few of the defendants ever went to jail.

Yet only six of the bills originating in the committee since 1945 ever became law. The committee ac- • • • investigations, invading the privacy of countless individuals for dubious legislative advantage. In a 1971 suit, three persons subpoenaed to testify before the committee challenged its authority, charging with some justification that it merely sought the "exposure of witnesses . . . to public scorn, obloquy and harassment and intimidation . . . without any legislative purpose."

In recent years, the power of the committee has withered, as anticommunist hysteria has subsided. Its $725,000 budget of a few years ago has been shaved by more than $100,000 and its staff of 39 persons diminished by 15. It has tended to avoid the raucus confrontations, a staple of the committee in the past, between members and witnesses. Indeed, the committee had become a shadow of its former self. Many of its members had resigned. No freshmen in the House sought membership this year.

The House thus recognized the inevitable in abolishing the committee. It has assigned its functions to the House Judiciary Committee, steeled from Watergate and equipped to inquire into internal subversion, where necessary. Ironically, it was the Judiciary Committee which had this jurisdiction before the advent of the House Un-American Activities Committee.

The demise of the committee represents a personal victory for Rep. Robert F. Drinan of Massachusetts, who joined it four years ago to challenge it from within. In one of his trenchant critiques of the committee, Drinan said in 1971: "Men and women old enough to recall the use of the U.S. Congress as a vehicle for systematically wrecking the careers and reputations of individuals whose associations did not meet with the approval of their accusers will always look back upon the episode with embarrassment and discomfort." The words stand as a fitting epitaph for the Internal Security Committee.

[From the Washington Star-News, Jan. 19, 1975]

DAGGERS FOR HISC

(By Mary McGrory)

The death of the House Internal Security Committee, formerly the House Un-American Activities Committee, was accomplished in the end by a cloak-and-dagger operation, which was probably the only way it could have been done.

The cloak was the manner of the voting. On Monday, in the blessed anonymity of a voice vote, the Democratic Caucus shouted acceptance of HISC Chairman Richard Ichord's extorted proposal that HISC's functions, files and some of its staff members be turned over to the House Judiciary Committee.

Tuesday, the entire membership, under the cover of voting on a package of rules changes in which the elimination of HISC was included, gave the coup de grace to the panel which has haunted the House for more than 30 years and brought on it much shame and ridicule.

Chairman Ichord spoke with more than formal regret at its passing, as did ranking Republican member John Ashbrook of Ohio.

Many members who had lived for the funeral admitted that had HISC been extricated from the bundle, the vote might have been close. The fear that a vote against HISC can be translated into a "soft-on-communism" charge from one's next campaign opponent dies hard in a chamber where détente is still a cold abstraction.

The two daggers were a pair of determined congressmen, Rep. Robert Drinan, D-Mass., the Jesuit who joined HISC in 1971 to destroy it from within, and Rep. Philip Burton, D-Calif., the fire-breathing new chairman of the Democratic Caucus, who has hated HUAC and HISC with a genuine passion since 1949, when he undertook the defense of several of its targets.

Drinan contended that HISC, with its semblance of legality and respectability, was just as dangerous as HUAC, which, under a succession of wild-man chairmen, never pretended to follow the rules.

He conducted ranking cross-examinations of such "friendly" witnesses as former Asst. Atty. Gen. Robert C. Mardian, who has since been convicted of conspiracy himself. On the other hand, when the committee was offering "sensational" fare, Drinan would announce a boycott and grab the headlines.

But the old terror lurked in congressional hearts. Last October, after three reform committees had recommended HISC's abolition, Ichord won a stay of exectuion by 70 votes. But November brought 75 new members, who, as a group, could be seen at a glance to be more concerned with reform and economy than with Communists under the bed, and Drinan and Burton went back into the trenches.

Drinan wrote letters to the new members recounting the sorry past and dubious future of HISC and hinting that a new member who sought assignment to it would be buying a ticket to oblivion.

Burton began a series of delicate parliamentary maneuvers. His object was to pick off Democratic members of HISC, enticing them from its ranks with promise of plum assignments not available to members of an "exclusive" committee such as HISC. Several slots on the far more desirable Government Operations Committee opened up, and by a skillful evocation of old House practice and new House rules, Burton was able to move them at a rate that left Ichord standing alone.

Many members and citizens are sleeping better of nights knowing that the 745,000 names gathered by HISC are in the hands of Chairman Peter Rodino of the House Judiciary Committee, which is a hotbed of civil libertarians.

The point has been taken by the House as a whole that the most un-American activities in the history of the Republic were conducted by HUAC's most famous alumnus, Richard M. Nixon, and that the internal security was never more threatened than by the men who were running the country.

The Founding Fathers never troubled to define "Americanism," which to them meant being in trouble with the authorities. So of course they never defined what HUAC and HISC breathlessly pursued over the teeth-gnashing years, "Un-Americanism." Now that the official body of definition has been eliminated, perhaps we can all start even again.

CONYERS INTRODUCES GRAND JURY REFORM ACT OF 1975

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. CONYERS. Mr. Speaker, today I am introducing, for myself and 20 colleagues, the Grand Jury Reform Act of 1975, a strengthened version of legislation I introduced in the 93d Congress to restore the grand jury's traditional role as a guardian of American liberties.

Last year, the Congress enacted the Speedy Trial Act of 1974, a long overdue measure to revitalize the eroded constitutional right to a speedy trial. The bill I am introducing today will revitalize another long eroded and neglected constitutional right in our criminal justice system—the right of a citizen to the protective shield of the grand jury.

Historically, grand juries have had two distinct functions:

First. They have evaluated the evidence gathered by a prosecutor to determine whether the State was justified in bringing a person to trial, with the humiliation and expense that entails.

Second. They have conducted independent investigations of offenses allegedly committed or aided by public officeholders. If the State would not investigate itself, a body of citizens would discover and prosecute criminal activity.

As might be expected of an institution 800 years old, the grand jury has had a

mixed history. At times, grand juries have acted as "people's panels," shielding the innocent from unjust prosecution, or investigating government authorities who misused their positions for private gain or public harm. In pre-Revolutionary America, for example, grand juries sometimes refused to indict colonists accused of violating British laws, such as the Stamp Act or seditious libel laws, which the jurors believed to be unjust.

But, in more recent times, the grand jury has often been a compliant instrument of the prosecutor. In the words of former Senator Charles Goodell, writing in the May 1973, issue of Harper's:

> Over the years, the complexion of grand juries has changed, their anti-authoritarian tradition has been diluted, and they have become subservient to the interests of the prosecuting authority over which they are assigned to watch.

By 1791, when the Bill of Rights was adopted, the grand jury was established as a major barrier to unchecked prosecutorial authority. The fifth amendment provides that "no person shall be held to answer for a capital, or otherwise infamous crime" unless a grand jury votes in favor of bringing the charge. This provision has been interpreted by the courts to mean that no person may be prosecuted in the Federal courts on a felony charge without a grand jury indictment. Every Federal prosecution—whether for violation of Selective Service or antitrust laws, or for counterfeiting, smuggling, bank robbery, tax fraud, or a variety of other crimes—begins with a grand jury indictment.

In the Federal system, the grand jury usually functions with little conflict and attracts little attention. At least one grand jury is in operation in every busy Federal district at all times, normally meeting once a week or less for several hours at each meeting. The 23 members of the jury normally are chosen at random from the voter registration lists of the counties within the district. At each session, the grand jury considers the evidence gathered by Government investigative agencies, under the direction of one or more assistant U.S. attorneys. Typically, a U.S. attorney calls witnesses into the grand jury room one at a time—an agent of the FBI, the Customs Service, the Internal Revenue Service, or any one of a number of other Federal or local investigative agencies. Sometimes the victim of a crime may also be called as a witness.

In response to the questions asked by the U.S. attorney, the witness, if an investigative agent, will describe the findings of his agency in the case. In addition, either the U.S. attorney or the witness may introduce documentary evidence. After all witnesses have been questioned, the grand jury, with no one else present, votes on whether to indict anybody for committing the possible crime or crimes involved. The grand jury, which until that point has played no role in questioning the witnesses or in shaping the investigation, almost always votes in favor of indictment.

The American Bar Association's "Standards Relating to the Prosecution Function," approved draft 1971, caution that—

> Where the prosecutor is authorized to act as legal advisor to the grand jury he may appropriately explain the law and express his opinion on the legal significance of the evidence but he should give due deference to its status as an independent legal body; The prosecutor should not make statements or arguments in an effort to influence grand jury action in a manner which would be impermissible at trial before a petit jury. (Approved Draft, 1971, p. 87).

Nevertheless, as Judge William Campbell of the Federal bench in Chicago has written:

> Any experienced prosecutor will admit that he can indict anybody at any time for almost anything before any grand jury.

For several years, beginning in 1970, the Justice Department, and particularly its Internal Security Division, convened a series of special grand juries and used them in a way rarely seen before. Instead of calling Government investigators or victims as witnesses, the Government subpenaed a wide variety of citizens who were neither victims nor Government employees. Many of them were associated with the antiwar movement, although some had only incidental ties with antiwar activists. Scores of witnesses were forced to choose between testifying about their friends, relatives, and political associates, or going to jail for contempt of court if they refused to answer the prosecutor's questions in the grand jury room.

In addition, the questions asked of witnesses were often impossible to answer. For example:

> I want you to tell the grand jury what period of time during the years 1969 and 1970 you resided at 2201 Ocean Front Walk, Venice (Los Angeles), who resided there at the time you lived there, identifying all persons you have seen in or about the premises at that address, and tell the grand jury all of the conversations that were held by you or others in your presence during the time that you were at that address. (Question asked by Guy Goodwin of the Internal Security Division of the Justice Department of a witness subpenaed to appear before a federal grand jury in Tucson, Arizona, Fall, 1970.)

Witnesses were jailed for their refusal to answer this question and others that were equally sweeping. Dozens of people were jailed for refusing to testify. Others, unwilling to be jailed for a principle when they knew nothing to incriminate anybody, were forced to disclose the private lives of their friends and relatives.

Probably because the grand jury has a long history as an institution independent of the prosecutor and other arms of the Government, Federal law says almost nothing about its procedures. In the absence of legal restraints, prosecutors have taken control of making decisions that properly belong to the grand jury itself. The prosecutor decides whom to subpena, what questions to ask, the general nature of the investigation, and the question of grants of immunity. One result is that, particularly in recent years, prosecutors have exploited this freedom of action in ways that constitute serious abuses of the power of the grand jury. For example, as illustrated by the question quoted above, prosecutors have been able to force witnesses to answer questions before a grand jury which they would not have to answer if asked in the prosecutor's office or in a police station.

Moreover, the Department of Justice now seeks to remove whatever constraints still remain. In a September 10, 1974, letter to the Honorable PETER RODINO, chairman of the Judiciary Committee, the Department advocated a constitutional amendment that would give attorneys for the Government the sole power to determine when the grand jury indictment process should be used, and when it should be bypassed in favor of a prosecutorial information—a procedure which eliminates the role of the people in this critical stage of the criminal justice process. This proposal would further erode grand jury safeguards which were already weakened recently by the 1974 Supreme Court Calandra decision which ruled that illegally obtained evidence is admissible in grand jury proceedings.

The legislation I am introducing is based on the belief that it is better to strengthen the grand jury as an institution than to restrict or abandon it. First, the place of the grand jury in the federal system is defined unequivocally by the fifth amendment; eliminating or curtailing its role, therefore, would require a constitutional amendment. Such an amendment is practically unrealistic and potentially dangerous to propose changes in the Bill of Rights. Second, grand and petit juries are the only two institutions in our judicial system in which decisionmaking authority is given to the people independent of the Government. I believe that it would be a mistake to eliminate the grand jury, or to minimize its role, at a time when popular participation in our political and legal institutions needs to be encouraged, not discouraged.

The Grand Jury Reform Act of 1975 is designed to end the pattern of grand jury abuse of recent years. The tool which has been crucial to prosecutors' misuse of the grand jury's subpena power has been the ability of prosecutors to obtain court orders of immunity, giving a witness limited immunity from prosecution, but ordering him to testify without regard to his fifth amendment right against self-incrimination.

The legislation I propose would make two changes in immunity procedures. A witness could be given immunity, and a corresponding order to testify, only if he agrees to this exchange. Further, the prosecutor could not approve this exchange without the approval of a majority of the members of the grand jury itself. A judge might then sign an immunity order, once the grand jury, the prosecutor, and the witness all agree to this procedure.

This bill would also require a favorable vote by a grand jury majority to subpena a witness and to seek a court finding of contempt if a witness refuses to testify. Moreover, the Government's power to bypass a grand jury already considering a matter would be greatly restricted, as would the practice of seeking out a more pliable grand jury once one has voted against an indictment.

Also with regard to immunity, this legislation would eliminate "use immunity" which was created by the Organized Crime Control Act of 1970, and subsequently applied to scores of witnesses with no visible or alleged connection with organized crime—racketeering, gambling, narcotics, and prostitution. Use immunity allows the Government to compel a witness to testify, even in a manner which incriminates himself, and then to prosecute the witness for the crime about which he testifies. The immunity offered provides only that, at any later trial, the Government may not use any of the person's compelled testimony or anything derived from that testimony.

Use immunity has been rightly criticized for the narrowness of the protection which it offers the witness. There is no way for a defendant, who had earlier been a recalcitrant witness, to trace the way in which his grand jury testimony was used by Federal, State, or local investigative agencies. Nor is there any way for a defendant to know whether the prosecutor's tactical decisions concerning presentation of the case were shaped by information derived from the defendant's compelled testimony. In light of such problems, this bill eliminates use immunity, but not transactional immunity which protects the witness from prosecution for any of the vents or actions about which he testifies.

In other sections, this bill would provide a number of procedural safeguards for the rights of witnesses appearing before grand juries, for example: Providing for 10 days' notice prior to a hearing on a contempt charge, and 7 days' notice before a subpena is returnable; requiring the transcribing of all grand jury proceedings—except secret grand jury deliberations and consultations between a witness and counsel—and giving the witness the right to obtain a transcript of his testimony within 48 hours; allowing a witness to be represented by counsel in the grand jury room; barring any evidence obtained in violation of a witness' constitutional rights; requiring prosecutors to inform witnesses of their constitutional rights prior to questioning; and a number of other important procedural protections.

This bill also would allow citizens, with court approval, to approach a grand jury and ask it to engage in independent inquiry, as well as to allow citizens to testify in any ongoing inquiry. Watergate has pointed out the difficulties inherent in attempts by a grand jury to investigate criminal activity in which members of the executive branch of the Government may be implicated. This is one reason why the right of citizens to approach the grand jury is of critical importance. This is also why the bill takes the major step of allowing grand juries to retain their own attorneys when they are investigating crimes in which current or former Government officials may be involved. Such attorneys would be empowered to sign indictments in lieu of attorneys for the Government.

I include a summary of the Grand Jury Reform Act of 1975 at this point in the RECORD:

SUMMARY OF THE GRAND JURY REFORM ACT OF 1975

RECALCITRANT WITNESSES

Twelve or more members of the grand jury must vote to make application to the court for an order directing a recalcitrant witness to show cause in a hearing why he/she should not be held in contempt.

Gives the witness ten days notice of a contempt hearing. In the case of a witness subpoenaed to trial, and upon a showing of special need, shorter notice may be given, but not less than five days.

The witness has the right to appointed counsel in contempt proceedings, if the witness is unable to afford it.

Imprisonment shall be in a Federal institution, unless the witness waives this right.

Reduces the period of imprisonment from a maximum of 18 to 6 months for civil contempt, and prohibits reiterative contempt, by making the 6 months cumulative, applying it against any confinement resulting from prior, subsequent, or related grand jury investigations.

Provides that the confined person shall be admitted to bail, pending appeal, unless the appeal is patently frivolous and taken for delay. Appeals shall be disposed of pursuant to an expedited schedule, eliminating the unique "30 day rule", which requires that appeals be decided within 30 days.

Provides that a refusal to answer questions or provide other information shall not be punished if the question or the request is based on any violation of the witness' Constitutional or statutory rights.

Applies all of the above protections to witnesses subpoenaed to trial as well as grand jury witnesses, with the exception of grand jury voting, where in trial the determination is made by the court.

NOTICE TO THE GRAND JURY OF ITS RIGHTS AND DUTIES

Requires that the district court judge who empanels the grand jury give instructions to the grand jurors at the beginning of their term, including: grand jury powers with respect to independent investigation, its right to call and interrogate witnesses, its right to request documents and evidence, the subject matter of the investigation, the necessity of legally sufficient evidence to indict, and the power of the grand jury to vote before a witness may be subpoenaed, granted immunity, be given a contempt hearing or indicted.

Prescribes that failure to so instruct the grand jury is just cause for a refusal to testify or for dismissal of an indictment by that or by a subsequent grand jury on the same matter.

INDEPENDENT INQUIRY

Allows the grand jury, upon notice to the court, to inquire on its own initiative into offenses committed by government or former government officials. The grand jury shall serve for 12 months with no more than two extensions for a maximum of 24 months.

Provides that the court, upon a vote of the grand jury, shall appoint a special attorney to assist the grand jury in investigation. Such attorney will be paid $100/day and may fix compensation for such assistants as is deemed necessary, with the approval of the court. Such attorney shall have exclusive power to assist the grand jury and shall sign any indictment, in lieu of a government attorney.

RIGHTS OF GRAND JURY WITNESSES

Provides that subpoenas be issued only on an affirmative vote of 12 or more members of the grand jury. Subpoenas are not returnable on less than seven days notice. The subpoena must advise the witness of the right to counsel, the right against self-incrimination, whether his/her conduct is under investigation, the subject matter of the inquiry, and the substantive statutes involved. Any witness not advised of these rights cannot be prosecuted, subjected to penalty, or have the evidence used against him/her in court.

Gives witnesses the right to have counsel in the grand jury room, such counsel to be court appointed where appropriate. Counsel shall not be bound by secrecy.

Prescribes that when an investigation includes violations of substantive criminal statutes as well as conspiracy, the grand jury may not be convened in the district where only the conspiracy is alleged. On the motion of the witness the court shall transfer the investigation to another district in which the proceedings may be properly convened. The court shall take into account the distance of the proceedings from the residence of the witness, other burdens on the witness, and the existence and nature of any related proceedings.

Once a grand jury has considered a matter, the government shall not bring the same matter to another grand jury unless the government shows and the court finds that the government has discovered additional relevant evidence.

Provides that transcripts shall be made of the proceedings and be available to the witness, a copy shall be furnished without cost.

Gives the witness and his/her counsel the right to examine and copy any statement of the witness in the possession of the United States which relates to the matter under investigation.

Provides that no person shall be required to testify or be confined if, upon evidentiary hearing, the court finds: (a) a primary purpose or effect of the subpoena is to secure for trial evidence against a person already under indictment, or formal accusation. (b) Compliance with the subpoena is unreasonable or oppressive and involves unnecessary appearances; or the only testimony that can reasonably be expected is cumulative, unnecessary, or privileged. (c) The primary purpose of the subpoena is punitive.

Gives the court in the district out of which the subpoena was issued, the court in the district in which the subpoena was served, and the court in the district in which a witness resides concurrent jurisdiction over motions to quash and other relief. It allows such motions at any time. If a motion is made prior to or during an appearance, the appearance is stayed, pending ruling. If the motion is made during or subsequent to the appearance, the motion must be made in the district of the empaneled jury.

Any person may testimy on a matter before a grand jury or appear before a grand jury to request that it engage in independent inquiry, unless the court finds that such testimony or such appearance would serve no relevant purpose.

IMMUNITY OF WITNESSES

Abolishes all forced and use immunity before grand juries and courts. Transactional immunity is allowed with the written consent of the witness, and by affirmative vote of twelve or more members of the grand jury; or, in the case of a trial proceeding, with the consent of the witness and by application of the U.S. attorney.

Provides transactional immunity for witnesses before Congressional committees and agency hearings.

REPORTS CONCERNING GRAND JURY INVESTIGATIONS

Requires the Attorney General to file detailed annual grand jury reports, describing: (a) the number and nature of investigations in which grand juries were utilized, (b) the number of reports for orders compelling testimony, and the number granted, (c) the number of immunity grants requested, the number approved, and the nature of the in-

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vestigations, (d) the number of witnesses imprisoned for contempt, and the dates of their confinement, (e) an assessment of the effectiveness of immunity, including the number of arrests, indictments, no-bills, etc., resulting from compelled testimony, and (f) a description of the data banks, etc., by which grand jury data is processed and used by the Justice Department.

EVIDENCE

Requires the government to introduce all evidence in its possession tending to prove the innocence of a potential defendant.

Prohibits the grand jury from returning an indictment on the basis of hearsay evidence alone.

PUBLIC DEBT LIMIT

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. DODD. Mr. Speaker, yesterday I, along with 169 of my colleagues, voted against an increase in the public debt limit. I hope the President takes the time to analyze that vote because I, for one, was sending him a message.

That message is very clear and very simple. The President can not ask me to vote our country into its deepest peacetime debt in history, as he has done with the fiscal 1976 budget.

I was not opposed to allowing our country to meet its obligations when I voted against raising the deficit ceiling. I am opposed to reckless Federal spending on those programs that have little or no effect on the general welfare of the people of this country. A billion dollar a day budget is unacceptable, and the people of this country will not stand for it.

The country needs a two-prong attack to combat the economic distress it is experiencing. It needs to stimulate the economy through a massive input of capital. And it needs to offset the inflationary impact of that imput through a tight, bare necessities budget. It is in the second area that the administration is particularly lacking.

The new budget calls for a $51.9 billion deficit. Yet the budget message states that $91.8 billion is lost as revenue due to tax preferences. That is more than one quarter of the current budget. While there are tax preferences which are beneficial, such as deductions for charitable contributions and medical costs, there are loopholes such as oil and gas preferences which cost the Government $4.4 billion a year or preferential treatment of capital gains which costs the Government $4.9 billion a year. We must end some of these preferences.

Over one-quarter of the $349.4 billion budget is slated for defense. While I would never do anything which might jeopardize this country's capabilities, there must be some expendable money in that program. And the same goes for all departments and agencies in the Government. The President has proposed $17 billion in limitations and reductions in spending. But a large portion of that is supposed to come out of social benefit programs such as social security and food stamps. In rejecting a cutback in food stamp benefits the Congress has already overwhelmingly indicated to the President that in this time when millions of Americans are undergoing fiscal shock, cutting back on benefit programs is extremely ill advised.

The administration can learn a lot from the experience of the town of Willimantic, Conn., in the second district. Faced with a city budget they considered too large, the voters repeatedly refused to authorize their government to spend, tax, or borrow. For 45 days they stood firm, until a budget proposal offering a 9-percent tax cut was accepted.

That is what this country needs to tell the Ford administration and the Congress. Tell them we want a better offer than the one they submitted. The taxpayers of this country are sick to death with irresponsible spending, and they will not stand for almost one-tenth of the 1976 budget being spent on interest on the national debt.

The Congress, I feel, is starting to respond to the taxpayers' needs, but the executive is lagging far behind. My mail has been filled with letters from constituents who do not want their tax dollars poured down the drain.

If the voters of the country could have stood in the well of the House and voted on raising the debt ceiling yesterday, they would have voted "no" just as I did to let the President and the Congress know that it is about time this country opened its eyes to the realities of an ever-growing economic crisis.

THE GOURMET'S ENCYCLOPEDIA OF CHINESE HAWAIIAN COOKING: A WEALTH OF FOOD IDEAS FOR THE CHINESE NEW YEAR

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MATSUNAGA. Mr. Speaker, for thousands of Chinese Americans throughout our country, this weekend will mark the beginning of the Chinese New Year—the Year of the Hare. Like their fellow citizens, the Chinese welcome the New Year with traditional festivities, including the colorful lion dance. Throughout this week they will be partaking of holiday feasts, including roast suckling pig for abundance, gold coin chicken for prosperity, and phoenix liver with quail eggs for joy and warmth.

With the thought that my colleagues may wish to share in this wealth of good food and good fellowship, I would like to bring to their attention "The Gourmet's Encyclopedia of Chinese-Hawaiian Cooking," a new cookbook published by Hawaii's "host and hostess with the mostest," Alyce and Theodore Char. Mr. and Mrs. Char, both active in civic and cultural affairs in Hawaii, are renowned throughout the island State for their fabulous parties—especially for the gourmet food they serve. At last, at the urging of their many friends, they have compiled a definite cookbook of Chinese-Hawaiian foods including not only their most popular recipes and menus, but a wealth of information about the Chinese kitchen and Chinese customs related to cooking and dining. "The Gourmet's Encyclopedia of Chinese Hawaiian Cooking," published by the Exposition Press, would be an invaluable source for anyone who enjoys Chinese and Hawaiian cooking, and that now includes almost everyone.

I am submitting for inclusion in the CONGRESSIONAL RECORD two recipes taken from "The Gourmet's Encyclopedia of Chinese Hawaiian Cooking," both for dishes traditionally served during the Chinese New Year celebration. I urge you to try them and wish you and yours Kung Hee Fat Choy—A Happy New Year.

The recipes follow:

GOLD COIN CHICKEN

(Gum Chin Gai)—serves 8–10.

1 lb. cooked Virginia ham fat
1 lb. cooked Virginia ham
1 lb. filet of chicken
½ cup honey
1 tsp. sesame oil
Dash of pepper
2 tbsp. sherry
¼ cup cornstarch
1 egg white

1. Slice ham fat ¼" thick and cut circles 2" in diameter.
2. Slice ham ⅛" thick and cut circles as above.
3. Mix both ham and ham fat with honey and sesame oil.
4. Slice chicken ¼" thick and cut circles 2" in diameter.
5. Sprinkle pepper and sherry on chicken and mix; then coat with two tablespoons cornstarch.
6. Put remaining cornstarch on saucer. Coat piece of ham fat on one side and set down, coated side up; dip piece of ham in cornstarch and then in egg white and place on ham fat; dip piece of chicken in cornstarch and in egg white and set it on ham; gently press all three together. Place on broiler.
7. Repeat, making these stacks of fat, ham, and chicken. This recipe should make 24 to 30 stacks.
8. Broil on second groove in broiler until chicken is cooked. This should take 5 minutes.

ROAST SUCKLING PIG

(Cantonese Style)—serves 20–30.

1 Suckling Pig, 20–30 lbs. dressed
2 cups rock salt
½ cup thick red soy
2 tbsp. salt
1 tsp. pepper

SAUCE

2 cups bean sauce
½ cup brown sugar
½ cup sherry
¼ cup soy sauce
1 cup honey
3 tbsp. water chestnut flour
2 cups green onions, cut 1" long
2 bunches Chinese parsley, cut short
1 tbsp. fragrant spices

1. Rub suckling pig inside and outside with rock salt, rinse and wipe dry.
2. Smear with red soy and sprinkle salt and pepper, inside and outside.
3. Prepare sauce and rub on inside of pig, using handful of greens (onions and parsley) to work with, for ease of spreading sauce. Use remaining sauce to spread on skin of pig.
4. Roast in oven 450° to start. When skin is browned and shows signs of being pitted (about 20 minutes), turn pig over to brown and "burst." Keep rotating until all sides are brown and crispy.
5. While pig is browning, roasting pan will begin to scorch. Pour boiling water in, 1 cup at a time, as liquid evaporates. This will keep sauce moist and yield flavor for gravy.
6. When skin is well browned, reduce heat to 350° and continue roasting 1 hour; then reduce heat to 325° and finish roasting another hour, or until done. Be sure that there is water in the pan at all times.
7. Occasionally sprinkle with cold water mixed with a little honey, to speed crisping process.
8. Make pan gravy, adding tomato wedges for extra flavor and nourishment. Season to taste.

A large monkey-pod pig board makes an attractive and practical serving platter. Garnish with cherry tomatoes, scallop-edged radishes and onions.

SENATE—*Friday, February 7, 1975*

The Senate met at 11 a.m. and was called to order by Hon. RICHARD STONE, a Senator from the State of Florida.

PRAYER

The Reverend Gabriel Duffy, chairman of the Ecumenical Commission of the Catholic Archdiocese of Washington, College Park, Md., offered the following prayer:

Blessed Heavenly Father:

Praise and thanksgiving be to You for Your goodness and for the love You manifest by creating and sustaining us.

Praise to You for guiding our forefathers to found this Nation.

Praise to You for keeping us in safety and happiness through these two centuries.

Praise to You for the hope and courage we find in our hearts making it possible for us to face all danger, disappointment, and trouble.

We stand so much in need. Never fail to show us Your mercy and gracious understanding.

In every way bless these United States of America. Particularly bless this Senate. Grant to every Member the power to be motivated always by goodness and love as You are, Father, so that each, by his unique talents, will contribute to the healing of all men in their frailty and present pain.

Hear us and heed us, O gracious God, for You are truly merciful and a lover of mankind. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 7, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. RICHARD STONE, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. STONE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 5, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL TUESDAY, FEBRUARY 11, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Tuesday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENTIAL CANDIDATES

Mr. HUGH SCOTT. Mr. President, we are enlightened from time to time by unsurprising announcements of candidacies for the Presidency. Some may be spurred on by the new campaign elections bill. All, I hope, will be spurred on by the precedent set for sunshine legislative activity. I hope that we will at all times have full disclosure of the financing, as required by law, and I expect that we will.

I hope that we will also have full disclosure of the views of candidates. It is not enough to take one's stance sternly and unflinchingly for motherhood, although it is a vast constituency.

As to the numerous candidates for the Presidency, many of whom honor this body by either their presence or their absence, as exigencies determine, I hope their candidacies will not interfere with the business of the Senate. I hope the necessity for effective legislative action will take high priority over the call of the campaign trail, the lure of the distant places.

I recall previous campaigns during which frequently we in the Senate had to wait until somebody had returned from an earthshaking round of Squash Hollow, Podunk, and Center Corners.

I do not think the Senate will be deterred from its unflagging pursuit of excellence by these absences, however necessary they may seem personally to our numerous candidates. I hope that they will adumbrate the dark places; that they will enlighten us on their views with a considerable degree of specificity; that they will put the national interest above all other interests, including the interests of pressure groups and nationalities, and that they will treat the agencies of constituencies with responsibility and statesmanship.

If I seem to be asking too much, it is because the American people have always expected that of their candidates. We have a very good President. The burden of proof will be on those who disagree.

So I hope that the Senate can proceed with its business undeterred by distractions of ambition and that we may be able to give a good account of ourselves to the American people.

Good government is the best politics. While, so far, these announcements have had all the impact of a marshmallow on a feather bed, one still hopes that from dialog may emerge an understanding of issues and a clarification of positions, as a result of which the American people will be able to make an informed choice, comes that day, which now seems so far away, in November of 1976.

In the Bicentennial, we will be proud of many things. I want us to be most proud of our democratic system; and I think that if we all keep that at the front of our minds, the public interest will benefit accordingly.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. HUGH SCOTT. I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Republican leader has called attention to the importance of our being on the job and working to deal with the problems that confront the Nation.

May I say, in defense of all Senators, that the attendance of all Senators—I am not sure as to my figures, but I think I am relatively safe in saying this—over the past year has been very high, on the average. I have the impression that most Senators, practically all Senators, had a voting attendance last year of certainly above 85 percent, and possibly above 90 percent.

Mr. HUGH SCOTT. I think it was approximately 86 percent.

Mr. ROBERT C. BYRD. With respect to those who are Presidential candidates or who may be Presidential candidates, I think that their attendance record, also, had been good.

I believe that only one Senator has announced that he will be a candidate for the nomination, and that was the announcement of Mr. JACKSON. If I am not incorrect, or if my recollection does not disserve me, I believe that his voting record last year was in the area of 98 or 99 percent attendance.

There are others who are being mentioned as possible Presidential candidates. I believe that a close look at their records will show that over their period of service in the Senate, their records are not open for criticism. Senator BENTSEN, for example, is not an announced candidate, but there is considerable speculation as to whether or not he will become one. I imagine that his voting record over the period that he has been

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in the Senate is well over 85 percent. I also would venture the guess that that is a better record than a good many of the Senators whose names have not been floated as possible Presidential aspirants. So I do not think that the work of the Senate is going to be hampered by absenteeism on the part of any Senator or Senators who may be aspiring to the highest office in the land.

If all Senators will take to heart what the distinguished Republican leader has said, on both sides of the aisle, and be present when we are in session, the Senate's work will not be curtailed by absenteeism. I feel confident of that.

Mr. HUGH SCOTT. I wonder if the Senator would care to enumerate the other lightning-prone Senators.

Mr. ROBERT C. BYRD. I do not know who they are.

Mr. HUGH SCOTT. I thank the distinguished Senator. This Senator has a recognized voting record of about 93 percent and one has to recognize one's own vulnerability when one attempts to deliver what might be called a lecture. It is not intended as that, but we are anxious to get on with the business, and we are, to a degree, dependent on the other body to furnish us with some of that business. The sooner we get it, the better.

We still have a proposal for a 90-day delay of the President's program, and although a month has passed since the 90-day delay was requested, it is still 90 days, which, in effect, is 120 days. When it is passed, or if it is passed, it might be longer than that. It amounts to saying, "We do not like the President's program, but give us another 90 days and we will think of something." One sincerely hopes that they will, because one party has the votes in Congress; the other party, the President, has the momentum. When we have a situation like that, compromise, it seems to me, is inevitable somewhere along the line.

I thank the Chair.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Senate Resolution 338, 88th Congress, 2d session, appoints the Senator from North Dakota (Mr. YOUNG) to the Select Committee on Standards and Conduct.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Texas (Mr. BENTSEN) is recognized for not to exceed 15 minutes.

Mr. BENTSEN. I thank the Chair. I shall offer a series of proposals this morning to reduce greatly the waste of petroleum and natural gas.

Mr. McGOVERN. Will the Senator yield to me for about 30 seconds, with the understanding that it will not come out of his time?

Mr. BENTSEN. I am delighted to yield.

MILITARY SPENDING

Mr. McGOVERN. Mr. President, I have released a statement to the press, that I ask unanimous consent to have printed in the RECORD, taking exception to the basic thrust of the testimony given by Defense Secretary Schlesinger before the Armed Services Committee on Wednesday.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. McGOVERN. Mr. President, the Secretary completely misses the direct relationship between the economic crisis this country is in today and the excessive levels of military spending. Instead of calling for a modest reduction in military outlays, he presents a budget that would escalate military appropriations by nearly $16 billion in the coming fiscal year above and beyond what we are now spending.

I submit, Mr. President, that is a way, not to strengthen the Nation, but to cripple further our economy and reduce the security of the Nation.

I thank the Senator from Texas for yielding to me.

EXHIBIT 1

THE ADMINISTRATION'S MILITARY POSTURE

(Statement by Senator GEORGE MCGOVERN)

The Ford administration's military posture, as described by Secretary of Defense Schlesinger before the Senate Armed Services Committee Wednesday, is as frightening as it is absurd.

I would have thought it impossible to miss the connection between the military binge we have been on for 30 years and the economic crisis we face now. Yet the Ford administration has apparently missed it entirely. Far from scaling back to levels we can bear, they are demanding an escalation of $15.7 billion in military appropriations for 1976. The $104.7 billion proposal for next year is only the first installment on a program that will drain more than $635 billion from American productivity over the next 5 years.

Incredibly, that is more than twice as much in peacetime as we spent on global war between 1941 and 1946.

It is justified by claims that we must have defenses "second to none"—almost as if pride, rather than safety, were the object of arms. But the implication that the Pentagon must go one better on every military boondoggle dreamed up anywhere else in the world is the same old nonsense that has prevented arms control and crippled our economy.

No wonder the President's economic report is so grim. Unless we start saying "no" to Pentagon schemes, we can expect that our economy will stay sick forever. And while they are laying plans to pile arms on arms, President Ford tells us he is so horrified by the size of his budget deficit that he wants to retreat on jobs for the unemployed, food for the hungry, and income for the elderly.

Most Americans doubtless believe that we maintain arms to protect and serve our society at home. But the administration's budget reverses that concept. It reflects a belief that our society exists to serve the architects of military globalism—to serve those who feel they can only see the world clearly from atop massive peaks of weapons.

Secretary Schlesinger is right when he says we live in a troubled world. But it is absurd to assume that American arms can quiet those troubles. Does he think more missiles are relevant to the crisis in food? Does he really think we can end the crisis in fuels and other critical materials by squandering our resources on a military machine? Does he think, even after Vietnam, that nationalistic ambitions can be threatened away—or should be?

We need desperately to recognize what President Eisenhower knew—that when the military-industrial complex gets out of control, it bankrupts our economy and weakens our Nation.

Today the notion that the more we spend on arms the safer we are is a far greater danger to America than any foreign power.

MEASURES TO REDUCE THE CONSUMPTION OF PETROLEUM AND NATURAL GAS

Mr. BENTSEN. Mr. President, the question has been raised as to alternative proposals to the administration's energy program. I intend to supply some of those this morning.

The statement has been made that the President has the momentum. I agree to that, but the momentum has been downhill. That is of great concern to me.

I have listened to the speeches of the President and the Vice President as they go around the country talking about their energy proposal. It is like a finely tuned watch and one has to accept the whole proposal or the watch will not run. I do not happen to know an escapement from a ratchet wheel when it comes to watches, but I contend it is a strange watch, indeed, when it cannot tell time, when the hands are moving in opposite directions, when we are talking about giving something to the economy—trying to spur and stimulate the economy by giving a tax cut—and on the other hand, we take away by increasing the cost of petroleum to the people of this country by some $30 to $50 billion.

When they talk about our having to come back with an immediate answer from Congress, let us say this is a very complex proposal that has been made by the President of the United States. It is a proposal that is going to require careful analysis. In some of the estimates we have had, the administration says it has a $30 billion impact; the Library of Congress says it is a $50 billion impact. Suppose it is somewhere in between. Suppose it is a $40 billion impact. Nobody has ever seen that kind of an impact on one particular segment of the economy before, so they cannot tell us what the results are going to be.

I think it is important that we take our time and that we fully consider it.

This is not a crisis situation insofar as oil and the importation of oil. It is a problem and it is a serious problem, but it is one that we can work out. But I think we do have a crisis situation when it comes to the recession, when we have the deepest recession this country has ever seen since the 1930's. We saw unemployment this morning reported at 8.2 percent. We saw the unemployment rolls in the last month go up to over 1 million people. So let us talk about proposals.

I urge that the Democratic policy committee give careful consideration to my program as they work to develop an alternative to the administration's program. These proposals will be introduced as legislation within the next several weeks.

While I propose these measures as an alternative to some of the specific recommendations of President Ford, I do not advocate them in a partisan sense. I view them as proposals which the Republican Party and the administration can join with the Democratic majority in Congress to support as in our Nation's best interests.

The most serious flaw in the President's proposals is the underlying assumption that somehow, we must reduce imports by an immediate 1 million barrels a day in 1975. By a million barrels. That is a nice round figure that Dr. Kissinger chose. It is a part of the 3 million barrels he is talking about to try to impress the Middle East countries.

The Middle East countries have already reduced the amount of oil they are selling by 8 million barrels a day, because of the decrease in oil consumption by Western nations, and they did it rather than lower the price. Some of those people would just as soon keep that oil in the ground for a while. They are looking toward keeping it for the benefit of their own populations, for jobs they want to create in the fertilizer industry and the petrochemical industry. So we are not going to break the cartel by reducing oil consumption in this country by 1 million barrels a day in 1975. We will not bring them to their knees. But what are we going to do to our own economy? Who will get brought to their knees? That is what concerns me.

In a floor speech on Monday, I stated my opposition to this program, and that I believed any program which would force a million-barrel-a-day reduction in imports during 1975—whether by price increases, taxes, rationing, or allocations was a serious mistake.

We ought to be giving top priority to turning this economy around, to getting people back to work. We are in the worst recession since the 1930's, and efforts to restore noninflationary economic growth must receive top priority in any economic program. The immediate reduction in imports the President is seeking increases the rate of inflation, puts more Americans out of work, and delays our recovery from the recession. The American economy is going downhill fast, approximately 1 million Americans have been added to the employment rolls in just 1 month.

The long-range economic plan the President presented in his budget message bears out by criticism that his program takes over where the Arabs left off.

We are going to see almost as much impact on inflation from what he is talking about, increasing the price of oil, as we did from the action of the Arabs.

He indicates a greater increase in consumer prices this year than last and inflation continuing at almost 8 percent on into 1976. This is a very persuasive argument against an energy program that adds 2 to 4 percent to consumer prices.

And, as to the recession, his assumption that unemployment will remain at over 7 percent for the next 3 years is solid testament to why we should not adopt an energy program that has been estimated to put a half million more Americans out of work next year.

Sometimes people do not realize the impact that unemployment has on a budget in this country. We talk about a $32 billion or $37 billion deficit, and then talk about a $52 billion or $57 billion deficit next year. Let us look at where most of that deficit is coming from. For every 1-percent increase in unemployment, we lose $12 billion to $15 billion in tax revenues coming into the Treasury, and we add $2 billion to $3 billion in unemployment compensation. That is where most of that deficit comes from, in addition to the human misery we are seeing today.

I was down in Atlanta a couple of days ago. They told me they had 3,000 people start lining up at 3 o'clock in the morning, waiting for an office to open at 8 o'clock, to apply for 225 jobs. That should be our biggest concern. The President projects unemployment at over 7 percent, for the next 3 years. Unemployment has not been at 7 percent for more than a few months in the entire period since World War II.

The immediate crisis is not oil—it is jobs. Today unemployment has escalated to 8.2 percent.

The energy issue in 1975 is not the size of our reduction in oil imports this year but rather the adoption of policies that reduce our long-term reliance on imports. The energy crisis has been coming for years, and it is going to take years to solve. I was warning against the dangers of our growing dependence on foreign oil 5 years ago, and that we should not let our policies in this country be held hostage by a group of Middle East countries, that we must develop self-reliance, that we ought to work to curb imports. But no one paid much attention. It was like writing words on the wind. Now we are seeing the typical Government reaction—overreaction to the crisis or problem.

Today, everyone is concerned, and with good reason. But as often happens with problems that go "unnoticed" for years, when they are finally discovered, as I say, Government overreacts. And I believe that adding $30 to $50 billion to inflation and throwing another half million Americans out of work is overreaction.

We can work out these problems by working together. We do not work them out by adding $30 to $50 billion to inflation, and throwing that many more Americans out of work.

We face a long-term problem that demands a long-term solution. Those of us in public life often do not feel comfortable with long-term solutions. Because we do not know if we will be in office long enough to see the results. That is particularly true when the long-term solution is unpopular.

In business we do long-term planning to take advantage of the opportunities and to avoid the pitfalls down the road. It is incredible to me that in this, the biggest economy of all, we do not really do sufficient long-term planning. A lot of politicians do not like it because they do not get credit for it, and someone else gets the credit for it down the line. But the stakes are too big; we have to do some careful, considerate, and long-term planning.

Mr. President, some of the proposals I offer today may be popular ones, but some of them are not. At least one is going to be terribly unpopular, particularly in my home State of Texas.

I can read the public opinion polls. I know the people say they want rationing. I know they say they do not want a gasoline tax, and I am going to propose just the opposite of what is the public desire at this time.

I am speaking of a rebatable gasoline tax. A gasoline tax phased in gradually over several years to reduce the economic hardships and give people time to adjust. This phased-in tax should be combined with a system of tax incentives for new automobiles which get good mileage and tax penalties for new automobiles with poor mileage. Again, this would be phased in over several years so that manufacturers have time to adjust their production lines to smaller, more efficient automobiles.

It may be that some of our sons will not be able to lay down a strip as they pull away from that traffic light. Maybe they will have to settle for smaller engines; but that is the way it ought to be if we are going to cut down on the importation of oil.

The combination of a gradual increase in gasoline taxes and a phased incentive for more efficient automobiles will allow consumers and manufacturers to decide what kind of automobiles are in our future. I think there are people today who are delaying the purchase of any new car just because they are not really sure this need for conservation is real. They hate to pass up that bigger, more comfortable car if all this concern about energy is going to pass. Well, it is not going to pass; it is going to be with us a long time.

Enactment of legislation this year setting the price patterns of the future will put them on notice that the more efficient automobile really is necessary, and they had better give some consideration to mass transportation, shorter commuting distances, and other steps to reduce the amount of gasoline they use.

I would propose we start small, with a 5-cent-a-gallon tax in 1976. It would be increased every year until the tax reaches 30 cents in 4 or 5 years.

That is a substantial hike in the price of gasoline, but it is not so substantial when compared to what has been happening in other fuels. In the last year, the price of oil for homes has increased by two-thirds and the price of residual oil for electricity by 180 percent. These increases occur at a time when the price of gasoline increased by 35 percent.

Even when the full 30 cent tax is reflected, it will have increased the price of gasoline by only about 60 percent above today's prices. And that increase will have been spread over several years. Americans will still be paying less than half as much for gasoline as Europeans who pay $1.80 a gallon right now.

As the tax is phased in, we will begin reducing the incredible amounts of gasoline we consume every day. Those who

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have studied gasoline consumption tell us that for every 10 cents in tax that you add to gasoline you will reduce consumption in this country by about 250,000 barrels a day; and that level of conservation is going to increase as the years pass.

A phased-in gasoline tax of 30 cents a gallon would reduce gasoline consumption by almost a million barrels a day by 1980. That savings would increase to 1,300,000 barrels a day by 1985.

That is not the only way we will conserve. There are many other things that we can do in addition to that, and I will get into some of those.

The revenue from such a tax should not remain in the hands of government; it should be returned to individuals in a progressive fashion through the tax code and through direct payments to the unemployed and retired. Since the revenues involved would not be large at first, there would be time to work out any flaws in the rebate system before the size of the rebates became very large.

I know that a gasoline tax has been described as inequitable, and even with a progressive rebate system, there will be no perfect equity. But consider the inequities of rationing.

How do you award the coupon books? To licensed drivers? That discriminates in favor of the family with teenagers who drive and against widows and single persons.

Do you award them on the basis of the number of automobiles owned? Then you are treating the executive with three cars three times as well as the steel worker with one.

Do you award one to a household? That discriminates against the family where more than one has to work to make ends meet.

What about the person who must drive long distances in an emergency—or move across the country? Do we solve all of these problems with local rationing boards?

If we create a so-called white market, in which ration coupons can be bought and sold, we are back to allocating on the basis of price—with no certainty as to how high the price will go.

Mr. President, I ask that an editorial on the inequities of rationing which appeared in the Washington Post be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. BENTSEN. Mr. President, I am convinced that even after a short period of time, a rationing system would come to be loathed by the American people, and without public support, it would crumble of its own weight—and you are talking about a rationing system that will have to last 5, 6, 7, 8 years, because it would not get to the fundamental root of the problem.

Rationing, at best, is a short-term solution, and we are dealing with a long-term problem.

Mr. President, once the decision is reached to approach our oil import problem through a phased reduction, which economists of both political parties prefer to an abrupt reduction, and once the decision is made to concentrate a substantial part of that effort in gasoline consumption—where you do have some elasticity in the long term—a higher tax with a progressive rebate is the better of two bad choices.

Of course, gasoline is not the only area where conservation of petroleum is needed. We must shift more of our industry away from natural gas and oil, to coal. We are the Saudi Arabia of the world when it comes to coal. We have over a third of the world's supply. We have over a 400-year supply at the present rate of extraction today.

The capital costs involved in conversion to coal are enormous, and I believe we should use our tax code to encourage industry to make this effort. We now have a 5-year amortization for the installation of antipollution equipment. I believe that where coal can be burned in such a way as to meet our environmental needs, we should allow that same 5-year amortization for conversion of boiler capacity to coal.

But in many instances, even with tax incentives, the conversion to burning coal directly in some parts of the country, is unfeasible. In many sections of our country, the transportation system for moving that much bulk coal just does not exist.

One of the promising means of shifting our energy consumption from oil and natural gas to coal is to gasify or liquefy the coal and move it through our present natural gas transportation network.

But look at the problem of a private company. They are understandably reluctant to make enormous investments that these projects require because price undercutting by foreign oil producers might make those fuels uncompetitive at some time.

What do we do about it? Mr. President, I believe what we ought to have is an energy development bank to guarantee the major portion of the cost of those unique major projects that will make us more self-sufficient in energy. A commitment of private equity financing would be required. One would say this energy bank would take, say, 75 to 90 percent of the bottom part of that loan and guarantee it, but private enterprise would have to put in the equity amount, and I think that would get these projects underway.

There are a lot of things we can do to bring about conservation of oil and natural gas in this country. Some of these things proposed by the President are good, and we ought to adopt them, such as the tax credit for home insulation. The Democratic Policy Committee is considering others that also should be adopted. We ought to look to the development and the storage of an oil reserve for national security purposes in this country. We ought to explore the possibility of using some of the empty salt domes that we have so that we could buy that oil over a period of time and store it there, and if an embargo comes again we could get it out where we could have it in the mainstream of our economy and for the defense of our country.

But just because the solutions are long term does not mean there is time for further delay. The time has passed for a Democratic plan or a Republican plan or a congressional plan or an executive branch plan. We must have in 1975 a national energy plan. And I believe that through hard work, cooperation, and the willingness to decide some of the tough issues, we can have one. We cannot just adopt those policies that happen to be popular in a Gallup poll at this moment. Thank you, Mr. President.

EXHIBIT 1

HOW TO RATION GASOLINE

Let us suppose, for a moment, that you are the person to whom President Ford assigns the job of designing a system to ration gasoline. The President thinks that rationing is a terrible idea and wants to cut consumption by raising prices and taxes instead. But a great many well-intentioned senators and congressmen think that rationing is much fairer. We are now going to suppose that they win the coming fight, a rationing law is enacted, and you are appointed to set up the operation. The basic program is clear. There remain only a few minor issues of policy that a sensible person like yourself should have no difficulty resolving quickly and—to repeat the key word—fairly.

The first question is to whom to give ration books, and your first inclination is to give them to every licensed driver. That brings you to the family in which both parents and all three teen-aged children have licenses. If they have five ration books, the kids can continue to drive to school. You think that they ought to take the school bus, and you revoke the kids' coupons. But then you learn that they all have part-time jobs—one of them plays the xylophone in a rock band—and they will be unemployed if they can't drive. You get a call from the White House telling you not to contribute to unemployment, which is rising. You give in, and return the kids' ration books. That gives the family five times as much gas as the widow across the street whose three children are all under 16.

Continuing the crusade for fairness, you take up the case of Family A, whose harassed father has to commute 30 miles to work every day, and Family B next door, whose father runs a mail order business out of his basement. Family B goes to the beach every weekend—very inexpensively because, as the congressmen made clear, the point of rationing is to avoid raising prices. Score another point for fairness and turn to the case of two suburban communities, a mile apart, one of which has bus service to and from central city and the other of which does not. Reasonably enough, you give less gas to people in the community with buses—until you discover that none of them works in the central city. They all seem to work in other suburbs, most of which have no public transportation. Your response, obviously, is to make everyone in the United States fill out a form showing where he works. Then you hire a computer firm to identify those who can get to their jobs by public transit in less than 90 minutes with no more than three transfers; they will get fewer coupons. There are certain difficulties in enforcing these rules, as you concede to several congressional committees, but you expect to be able to handle them with the expanded appropriations that you have requested to hire more federal gas investigators.

Now that you are beginning to get the hang of the thing, you will want to proceed to the case of the salesman who flies to an airport and rents a car. If you issue gas to the rent-a-car companies, the salesman might be tempted to use one of their cars to take his family on a vacation. But the salesman's personal coupons won't cover company trips. Now you have to decide how much gasoline to give to companies, and which business trips are essential. You might turn that over to the staff that you set up to decide which delivery services are essential and how to prevent delivery trucks from being used for personal business.

By the way, you have to consider the rural poor—for example, the laborer who lives far out in the country. Some weeks he's employed far from home and commutes hundreds of miles. Some weeks he finds work nearby. Some weeks he's unemployed, particularly when the weather's bad. You post a prize for the formula to cover that one.

You are beginning to discover the great truth that simple rules are never fair, and the fairer the system gets the more complicated it has to become. Even in World War II, when there were only one-third as many cars and the national dependence on them was far less pronounced, it was necessary to set up boards of citizens in every community to rule on a flood of special requests, hardships, grievances and challenges. It is a method that requires, unfortunately, a massive invasion of personal privacy. Americans accepted it then as a temporary wartime expedient. But the present emergency is not temporary.

A year ago, when the Nixon administration was considering rationing, the planners suggested simply giving everyone the same number of coupons and letting people buy and sell them legally on a "white market," as they called it. But in a white market the laborer with the long trip to work would have to bid against the family that wants to drive its station wagon to Yosemite for its vacation. Under President Ford's price scheme, at least the country would know roughly what the increased price of fuel would be. In a white market, no one could say how high the bidding might go, or how widely it might fluctuate from one season to another.

Congress, and specifically the Democratic leadership, is behaving rather badly. Its committees have been exploring the economics and technology of energy with considerable skill for more than two years, and they understand the choices as well as the administration does. The Democratic leadership's cries for further delay now are hardly more than a plea merely to postpone unpleasant but urgent decisions. A year ago, when President Nixon asked for rationing authority, Congress said that rationing was unpopular; the law never passed. Now that President Ford proposes the other alternative, higher prices, congressmen cite polls to show that people would prefer rationing.

In the present state of general indecision, the most widely popular position is probably the one represented by Gov. Meldrim Thomson of New Hampshire. Gov. Thomson opposes both rationing and higher prices. He would prefer, evidently, simply returning to the halcyon days of 1972 before the energy squeeze took hold of us. It is a pleasant idea. But it is not, unfortunately, one of the real choices—not even for New Hampshire.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 45 minutes, with statements therein limited to 5 minutes each.

ALTERNATIVES TO THE OIL IMPORT TAX

Mr. LEAHY. Mr. President, when the President first announced his energy proposals, I expressed serious reservations on his plan to increase taxes on imported crude oil to $3 a barrel. As the enormity of the impact of the proposal on the economy of Vermont and of the Nation became clear, I soon was convinced that the imposition of such a drastic measure should be delayed at least until the Congress has had the opportunity to consider its full import and all available alternatives.

The suggested tax on imported crude would cost motorists in Vermont between $20 million and $25 million a year. It is estimated that increased costs for residual and home heating oils would average $43 a year for every man, woman, and child in New England. These figures do not take into account the hidden costs to consumers in virtually every product they purchase. Nor do they reflect the disastrous effects on a State with no mass transit system, extremely severe winters, and a heavy reliance on tourism. As it now stands, the President's proposal would wreak havoc with the economy of my State.

There are alternatives for reducing oil consumption. The President has asserted that the economic health and well-being of the Nation require an immediate reduction in oil consumption of 1 million barrels a day. Given that assumption—and it is an assumption on which there is a variance of opinion among economists and the distinguished junior Senator from Texas (Mr. BENTSEN) has also questioned that same assumption here today—it appears to me that our goal is to find a middle way to deal with the crisis to avoid the extremes of an import tariff or punitively high gasoline taxes, on the one hand, and coupon rationing with all its accompanying inconvenience, bureaucracy, and inequities, on the other.

Before going to either extreme, I urge the administration to give serious consideration to a mandatory petroleum allocation plan with 1972 as the base year. It is estimated that a minimum allocation of 91 percent of base period consumption would result in a reduction of oil consumption to the level proposed by the President. At the present time, Vermont is consuming approximately 93 percent of 1972 consumption.

The people of Vermont, along with millions of their fellow Americans, have displayed their willingness to cooperate in conserving fuel. If further sacrifices are necessary, Vermonters will do their part, but they must not be singled out for an unfair share of the burden, which the people of New England presently are bearing.

I am fully aware of the delays, confusion, and inconvenience that citizens encountered last winter when May allocations were calculated hastily and incorrectly. However, now that base levels have been established and the administrative machinery is in place, such a program could be implemented with far less chance of disruption.

Mr. President, to work effectively, and to be accepted on a nationwide basis, any plan for reduction of oil consumption must operate evenly across the Nation, so that no one State or region has to bear an excessive share of the burden. To avoid one of the glaring inequities of last winter's experience, each State must receive an equal portion of adjusted base year consumption. At one point last winter, Vermont received 70 percent of the base period, while some States were receiving well over 100 percent.

Furthermore, it would be extremely difficult to design a single national plan that could adapt to the differing priorities between predominantly urban and rural States, between industrial and agricultural demands, and to other widely diverse economic priorities among the States. Therefore, I suggest that under a proposed mandatory allocation plan, each State be given the responsibility and the power to adapt the allocations to its particular circumstances and needs. This would allow each State to set its own priorities in meeting the petroleum requirements of its people and its industries.

It would, hopefully, avoid many of the problems of last winter's experience by giving each State the flexibility to deal quickly with any inequities that may occur among, for example, competing dealers of petroleum products, and assure that dealers are fairly and equitably treated by their distributors. Unfortunately, that did not always happen last winter.

A State-administered mandatory allocation plan would permit each State to adopt, if necessary, the system best suited to it to assure a fair distribution of gasoline from a wide variety of available options. One might opt for the odd-even day sales plan; another for sticker rationing; another for higher gasoline taxes; still another might choose a minimum purchase plan. The important fact is that the decision would be made at a governmental level more responsive to the will of the people rather than by the Federal bureaucracy here in Washington.

Mr. President, no matter what plan for reducing consumption is eventually implemented, we must make a much greater effort to increase automobile mileage per gallon, either through mandatory performance standards or a stiff tax on gas-guzzling new cars. A recent Department of Transportation report concluded that increased efficiencies plus a shift to small cars could save 3 million barrels of oil a day by 1985, without compromising current clean air standards.

The administration and the Congress cannot afford to shove the issue aside much longer. It is high time that the administration face up to the facts and begin developing plans to assist the automotive industry toward achieving these ends rather than attempting to impose a burdensome, offensive tariff on oil imports that will seriously disrupt our already sick economy—a tax that will provide huge profits for a few at the expense of those in our society who can least afford it.

Mr. President, the Federal Energy Administration already has the authority and the administrative machinery to implement a mandatory allocation plan. While no plan to conserve oil can be implemented without some inconvenience and without hurting some more than others, I believe that a mandatory allocation plan administered by the States may be the fairest and least disruptive approach to the problem at this

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time. There is no guarantee that it will work, but I believe that given the existing alternatives, it should be given a fair try before we resort to harsher measures.

COMMENDING BESS TRUMAN ON HER 90TH BIRTHDAY

Mr. RANDOLPH. Mr. President, I send to the desk a resolution and ask that it be stated.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 65) commending Bess Truman on the occasion of her 90th birthday.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. RANDOLPH. Mr. President, Bess Truman continues in good health and in good spirit.

It is not just a gesture, but very appropriate for the Members of the Senate to pause and to express appreciation to this very gallant woman, as she approaches her 90th birthday. The distinguished Senators from Missouri (Mr. SYMINGTON and Mr. EAGLETON) and the able majority whip of the Senate (Mr. ROBERT C. BYRD), join in sponsorship of this resolution.

As Longfellow said so long ago, "Age is opportunity no less than youth itself, though in another dress." Robinson Jeffers wrote, "The heads of strong old age are beautiful beyond all grace of youth." Robert Browning in the same vein wrote, "Grow old along with me, the best is yet to be." As a person truly lives and has reverence for life, each day can be a stimulating experience, a marvelous challenge. Older persons never really grow old in spirit if they have health and happiness and a strength of commitment. Too many men and women at the age of 30 and 40 have turned themselves off. They are the individuals who are really "old."

The life of Bess Truman is testimony to these beliefs. The inspiration and strength that she conveyed to a very, very great man as his life's companion will probably never be fully evaluated and understood. We know, however, that her role was of tremendous importance. Our country is better because of Bess Truman. We stand in her debt.

Mr. President, a dear friend, Jack Smith, vice president of Continental Airlines, who has known Mrs. Truman for many years, reminded me of her birthday. It is a special privilege to have the opportunity to present this resolution of appreciation. I served in the House of Representatives when Harry Truman was a Senator and Vice President. My service in the House continued for a time during his Presidency. Mrs. Randolph and I also are grateful for a valued friendship with Bess Truman.

I am pleased that the Senate of the United States is recognizing a good and great woman—Elizabeth Wallace Truman.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 65) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 65

Resolved by the Senate of the United States of America in Congress assembled,

Whereas Elizabeth Virginia Wallace was born on February 13, 1885 in Independence, Missouri; and

Whereas Elizabeth Wallace Truman was from April 12, 1945 to January 20, 1953 First Lady of the United States of America; and

Whereas Bess Truman is held in high regard and great affection by the people of the United States; and

Whereas Bess Truman in her own right and as wife, companion, and advisor to President Harry S. Truman has through the years made many valuable contributions to the nation; Now, therefore be it

Resolved, That the Senate of the United States extends its warm and heartfelt best wishes to Elizabeth Wallace Truman on the occasion of her ninetieth birthday; and be it further

Resolved, That the Secretary shall cause a suitable copy of this Resolution to be conveyed to Elizabeth Wallace Truman.

LEAVE OF ABSENCE

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senator from Arizona (Mr. GOLDWATER) be excused from the sessions of the Senate next week due to illness in the family.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE MESSAGES RECEIVED AND REFERRED DURING THE ADJOURNMENT OF THE SENATE

Under authority of the order of February 5, 1975, messages from the President of the United States were received on February 6, 1975, submitting the nominations of Elliot L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain, which was referred to the Committee on Foreign Relations; and George J. Long, of Kentucky, to be U.S. attorney for the western district of Kentucky, which was referred to the Committee on the Judiciary.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. STONE) laid before the Senate sundry messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives received during the adjournment of the Senate on February 6, 1975, under authority of the order of February 5, 1975, stated that the House has passed without amendment the bill (S. 58) concerning compensation and other emoluments attached to the Office of the Attorney General.

The message also stated that the House has passed the following bills in which it requests the concurrence of the Senate.

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes; and

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ENROLLED BILL SIGNED

The message further stated that the Speaker has signed the enrolled bill (H.R. 1589) to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions.

The enrolled bill was signed on February 7, 1975, by the Acting President pro tempore (Mr. STONE).

HOUSE BILLS REFERRED

Under authority of the order of February 5, 1975, the following House bills were considered as having been read twice by their titles and referred to the Committee on Finance:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator of the National Aeronautics and Space Administration transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes (with accompanying papers); to the Committee on Aeronautical and Space Sciences.

REPORT OF THE DEPARTMENT OF AGRICULTURE

A letter from the Deputy Assistant Secretary of Agriculture transmitting, pursuant to law, a report concerning additional facilities for research at the State agricultural experiment stations (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT OF THE DEPARTMENT OF THE INTERIOR

A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a report on a soil survey and land classification of the lands in the Spokane Indian Reservation Irrigation Development (with an accompanying report); to the Committee on Appropriations.

FINAL DETERMINATION OF THE INDIAN CLAIMS COMMISSION

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a copy of its final determination in the case of the Three Affiliated Tribes of the Fort Berthold Reservation against the United States (with accompanying papers); to the Committee on Appropriations.

SUPPLEMENTAL APPROPRIATION ESTIMATE FOR THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Deputy Director of the Office of Management and Budget reporting pursuant to law, on the necessity for a supplemental estimate of appropriation for the fiscal year 1975 for the Department of Health, Education, and Welfare for "Limitation on Salaries and Expenses, Social Security Administration" to the Committee on Appropriations.

REPORT OF THE DEPARTMENT OF STATE

A letter from the Assistant Secretary of State reporting, pursuant to law, concerning funds obligated for assistance in, to, for, or on behalf of South Vietnam and Laos; to the Committee on Foreign Relations.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Pilot Cities Program: Phaseout Needed Due to Limited National Benefits" (with an accompanying report); to the Committee on Government Operations.

SPECIALIZED OR TECHNICAL SERVICES PROVIDED TO STATE AND LOCAL GOVERNMENTS BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administration, National Aeronautics and Space Administration, reporting, pursuant to law, with respect to the scope of the specialized or technical services provided to State or local governments by the National Aeronautics and Space Administration during calendar year 1974; to the Committee on Government Operations.

SECOND INTERIM REPORT OF THE GEOTHERMAL ENERGY COORDINATION AND MANAGEMENT PROJECT

A letter from the Administrator, U.S. Energy Research and Development Administration, transmitting, pursuant to law, the second interim report of the geothermal energy coordination and management project (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT OF THE COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

A letter from the Chairman, Committee for Purchase From the Blind and Other Severely Handicapped, transmitting, pursuant to law, the annual report of the activities of the Committee for Purchase From the Blind and Other Severely Handicapped during the fiscal year ending June 30, 1974 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT CONCERNING POSITIONS ESTABLISHED DURING CALENDAR YEAR 1974, NASA

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report of the National Aeronautics and Space Administration with respect to certain civilian positions established pursuant to section 3104(a)(8), United States Code, during calendar year 1974 (with an accompanying report); to the Committee on Post Office and Civil Service.

PROPOSED ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATION OF APPROPRIATIONS, FISCAL YEAR 1976

A letter from the Administrator, U.S. Energy Research and Development Administration, transmitting a draft of proposed legislation to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs, and the Joint Committee on Atomic Energy, by unanimous consent.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. STONE):

A resolution adopted by the Senate of the Commonwealth of Puerto Rico; to the Committee on Finance:

"RESOLUTION

"To request from Congress and the President of the United States of America that the fiscal relations which now exists between Puerto Rico and the United States be honored by the Federal Government and all its departments and agencies

"STATEMENT OF MOTIVES

"The People of Puerto Rico have always, consistently and historically maintained a special relationship with the United States. The United States has recognized this reality since the beginning of its political relations with Puerto Rico.

"On account of this relationship neither Puerto Rico nor its inhabitants have at any time been subject to the uniform fiscal and economic provisions of the Constitution of the United States. The history of the Supreme Court decisions, the resolution of Congress and of the President of the United States recognize this special relation.

"The present relationship between Puerto Rico and the United States conceived and defined in the Federal Relations Act, establishes a series of conditions of a special nature, specific for Puerto Rico, which are not common, nor applicable to the States of the Union. Among these conditions are those related to fiscal matters. Puerto Rico maintains an internal fiscal autonomy as established and consecrated in section 3 of the Federal Relations Act.

"Federal Internal Revenue Laws are not applicable to Puerto Rico, and the taxes collected through the application of the internal revenue laws of the United States on goods produced in Puerto Rico or shipped to the United States or consumed in the Island are reverted into the Treasury of Puerto Rico.

"Customs revenues derived from products imported by Puerto Rico from foreign countries are refunded by the United States to Puerto Rico once the revenue costs related thereto are deducted.

"By virtue of this last provision Puerto Rico is entitled to receive the income for taxes levied or to be levied on all products imported from abroad and, especially, on oil imports.

"The Government of the United States has consistently recognized that Puerto Rico has a legal right, to be refunded for the license payments on oil imported, in accordance with the Federal Relations Act that governs the relations between Puerto Rico and the United States, the same way as are also refunded the fees collected on products imported into the Island. In addition to the tax provision in this sense, there is a particular situation of equity, in which, it is we, Puerto Ricans who pay through our consumption, the amount of that tariff. It is Puerto Ricans who suffer the burden which entails to our environment the refining of this oil. It is with our own effort that we Puerto Ricans, process the oil byproducts for the consumer.

"The Federal Department of Justice, ignoring legal provisions and circumstances of equity, has just issued an opinion whereby Puerto Rico is deprived of the right to receive the funds related with the "import license" fee on oil. This means, for all practical effects that the Federal Government has imposed a tax on Puerto Rico, in contravention of the provisions of our fiscal-political relations. It is, also a hard blow for Puerto Rico and its economic life.

"It is imperative in order to avert serious economical consequences for the People of Puerto Rico, to maintain the clear history on this matter unaltered, as well as to honor the principle of justice represented by taxation without representation. To sustain this interpretation, restrictive and contrary to the most elementary principles of equity and justice, is to attempt against the cordial relations and mutual understanding that should always prevail between Puerto Rico and the United States.

"Be it resolved by the Senate of Puerto Rico:

"1. To express its firm determination that the revenues, which by virtue of the opinion of the Federal Department of Justice, it is intended to deprive Puerto Rico, are revenues which lawfully, legitimately and equitably belong to the People of Puerto Rico.

"2. To request from Congress and the President of the United States to adopt with the utmost urgency, the pertinent measures which may be required to the end that the fiscal relations which now exist between Puerto Rico and the United States be honored by the federal government and all its departments and agencies.

"3. That copies of this Resolution, which reflects the expression and feeling of the People of Puerto Rico, be transmitted to the Honorable President, to the Congress of the United States, and to the Resident Commissioner of Puerto Rico in the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RANDOLPH (for Mr. JACKSON), from the Committee on Interior and Insular Affairs:

S. Res. 66. An original resolution authorizing additional expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations. Referred to the Committee on Rules and Administration.

By Mr. GLENN (for Mr. RIBICOFF), from the Committee on Government Operations:

S. Res. 71. An original resolution to authorize a study of the purposes and current effectiveness of certain Federal agencies. Re-

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ferred to the Committee on Rules and Administration.

By Mr. ROBERT C. BYRD (for Mr. EASTLAND) from the Committee on the Judiciary:

S. Res. 72. An original resolution authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations. Referred to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following executive reports of committees were submitted:

By Mr. ROBERT C. BYRD, from the Committee on the Judiciary:

Philip H. Modlin, of Virginia, to be a member of the Board of Parole.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BEALL:

S. 597. A bill for the relief of Allen T. Blount. Referred to the Committee on the Judiciary.

By Mr. PASTORE (for himself and Mr. JACKSON) (by request):

S. 598. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes. Referred, by unanimous consent, to the Joint Committee on Atomic Energy; and, if and when reported, to the Committee on Interior and Insular Affairs.

By Mr. BEALL:

S. 599. A bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for 2 years, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. BROCK:

S. 600. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for medical expenses, and for other purposes. Referred to the Committee on Finance.

By Mr. BENTSEN:

S. 601. A bill for the relief of Guillermo Teodore Ardid-Borraz. Referred to the Committee on the Judiciary.

S. 602. A bill for the relief of Guadalupe Villegas. Referred to the Committee on the Judiciary.

S 603. A bill for the relief of Manuel Suarez and his wife, Aurora Garcia Suarez. Referred to the Committee on the Judiciary.

By Mr. CURTIS:

S. 604. A bill for the relief of Dr. Carlos E. Nossa-Rodriques. Referred to the Committee on the Judiciary.

By Mr. GRIFFIN:

S. 605. A bill for the relief of Heung Soon Kim. Referred to the Committee on the Judiciary.

S. 606. A bill for the relief of Mr. Joseito S. Arca and Dr. Corazon I. Arca. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT:

S. 607. A bill for the relief of Charles John Moncur. Referred to the Committee on the Judiciary.

By Mr. PASTORE (for himself and Mr. HUDDLESTON):

S. 608. A bill to amend subsection (a) of section 315 of the Communications Act of 1934 in order to exempt legally qualified candidates for the offices of President and Vice President of the United States from the equal-time requirements under such subsection. Referred to the Committee on Commerce.

By Mr. JAVITS (for himself, Mr. WILLIAMS, Mr. NELSON, Mr. BROOKE, Mr. CASE, Mr. HATHAWAY, Mr. HUMPHREY, Mr. MATHIAS, Mr. MONDALE, Mr. PERCY, Mr. PELL, Mr. MOSS, Mr. RANDOLPH, Mr. HUGH SCOTT, and Mr. SCHWEICKER):

S. 609. A bill to extend for 1 year the authorization for the Emergency Job Programs under title VI of the Comprehensive Employment and Training Act of 1973. Referred to the Committee on Labor and Public Welfare.

By Mr. PHILIP A. HART:

S. 610. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States. Referred to the Committee on Finance.

By Mr. RANDOLPH:

S. 611. A bill for the relief of Southwestern University of the District of Columbia. Referred to the Committee on the Judiciary.

By Mr. PEARSON:

S. 612. A bill to regulate commerce by establishing an Economic Adjustment Administration to reduce the adverse economic impact on the public of certain Federal decisions, and for other purposes. Referred to the Committee on Government Operations.

By Mr. HATFIELD (for himself, Mr. JAVITS, Mr. MCGOVERN, Mr. PACKWOOD, and Mr. STAFFORD):

S. 613. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers, and for other purposes. Referred to the Committee on Commerce.

By Mr. STEVENS:

S. 614. A bill to provide for the establishment of a national cemetery at Fort Richardson, Alaska. Referred to the Committee on Veterans Affairs.

By Mr. PROXMIRE:

S. 615. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes. Referred to the Committee on Government Operations.

S. 616. A bill for the relief of Grace Rodriguez Liscano. Referred to the Committee on the Judiciary.

By Mr. RANDOLPH for Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 617. A bill entitled "Winterization Assistance Act of 1975." Referred to the Committee on Banking, Housing and Urban Affairs.

S. 618. A bill entitled "National Strategic Petroleum Reserve 'Civilian' Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 619. A bill entitled "Energy Facilities Planning and Development Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 620. A bill entitled "Standby Energy Authorities Act of 1975." Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. JACKSON) (for himself, Mr. KENNEDY, Mr. STEVENSON, Mr. MAGNUSON, Mr. PASTORE, Mr. BAYH, Mr. NELSON, Mr. RIBICOFF, Mr. MOSS, Mr. PHILIP A. HART, Mr. HASKELL, Mr. HUMPHREY, Mr. HOLLINGS, and Mr. MONDALE):

S. 621. A bill to prohibit for a period of 90 days the lifting of all price controls on domestic oil, and to thereafter require the submission to, and the right of review and disapproval of the Congress of such action within 30 days. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. JACKSON) (for himself, Mr. MAGNUSON, Mr. STEVENSON, Mr. PASTORE, Mr. NELSON, Mr. BAYH, Mr. RIBICOFF, Mr. MOSS, Mr. KENNEDY, Mr. HASKELL, Mr. HUMPHREY, Mr. HOLLINGS, and Mr. MONDALE):

S. 622. A bill to provide standby authority to assure that the essential energy needs of the United States are met to reduce reliance on oil imported from insecure sources at high prices and to implement U.S. obligations under international agreements to deal with shortage conditions. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. JACKSON) (for himself, Mr. MCINTYRE, Mr. MAGNUSON, Mr. STEVENSON, Mr. PASTORE, Mr. NELSON, Mr. BAYH, Mr. RIBICOFF, Mr. MOSS, Mr. STONE, Mr. PHILIP A. HART, Mr. KENNEDY, Mr. HASKELL, Mr. HUMPHREY, Mr. HOLLINGS, and Mr. MONDALE):

S. 623. A bill to extend the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND (for himself, Mr. ALLEN, Mr. CURTIS, Mr. DOLE, Mr. DOMENICI, Mr. FANNIN, Mr. HELMS, and Mr. PASTORE):

S. 624. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973 have been fully complied with, and for other purposes. Referred to the Committee on Armed Services.

By Mr. KENNEDY (for himself, Mr. WILLIAMS, Mr. JAVITS, and Mr. SCHWEIKER):

S. 625. A bill to establish an Emergency Health Benefits Program for the Unemployed. Referred to the Committee on Labor and Public Welfare.

By Mr. MONDALE (for himself, Mr. JAVITS, Mr. ABOUREZK, Mr. CLARK, Mr. BROOKE, Mr. CASE, Mr. CHURCH, Mr. CULVER, Mr. HATFIELD, Mr. HATHAWAY, Mr. PHILIP A. HART, Mr. GARY W. HART, Mr. HOLLINGS, Mr. HUMPHREY, Mr. KENNEDY, Mr. MCGEE, Mr. MCGOVERN, Mr. METCALF, Mr. NELSON, Mr. PELL, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SCHWEIKER, Mr. STAFFORD, Mr. STEVENSON, and Mr. WILLIAMS):

S. 626. A bill to provide for services to children and their families, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MATHIAS:

S. 627. A bill for the relief of Angela Rosas Cruz. Referred to the Committee on the Judiciary.

S. 628. A bill for the relief of Pilar Hilario Tagala. Referred to the Committee on the Judiciary.

S. 629. A bill for the relief of Trevor D'Andrade. Referred to the Committee on the Judiciary.

S. 630. A bill for the relief of Pio G. Valle, Jr. Referred to the Committee on the Judiciary.

S. 631. A bill for the relief of Monica Ribadeneira. Referred to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 632. A bill to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements. Referred to the Committee on the Judiciary.

By Mr. HOLLINGS:

S. 633. A bill to conserve gasoline by directing the Secretary of Transportation to establish and enforce mandatory fuel economy standards for new automobiles, and for other purposes. Referred to the Committee on Commerce.

By Mr. ROTH:

S. 634. A bill to prohibit the use of Federal funds for the transportation of public school children without the written consent of their parents. Referred to the Committee on Labor and Public Welfare.

By Mr. PERCY:

S. 635. A bill to establish an automobile efficiency tax incentive program, and for other purposes. Referred to the Committee on Finance.

S. 636. A bill to terminate the Highway Trust Fund. Referred to the Committee on Finance.

S. 637. A bill to amend the Internal Revenue Code of 1954 to repeal the tax deduction for State and local gasoline taxes. Referred to the Committee on Finance.

S. 638. A bill to amend the Internal Revenue Code of 1954 to increase Federal excise taxes on gasoline, tobacco, and alcohol, and to provide a credit against tax for the increased gasoline tax paid. Referred to the Committee on Finance.

S. 639. A bill to amend the Internal Revenue Code of 1954 to provide income tax relief for small businesses. Referred to the Committee on Finance.

S. 640. A bill to amend the Internal Revenue Code of 1954, to require the dyeing of heating fuel oil. Referred to the Committee on Finance.

By Mr. ROTH:

S.J. Res. 29. A joint resolution proposing an amendment to the Constitution of the United States to guarantee the human rights of pupils attending public schools. Referred to the Committee on the Judiciary.

By Mr. HELMS:

S.J. Res. 30. A joint resolution authorizing the President to proclaim September 8 of each year as "National Cancer Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PASTORE (for himself and Mr. JACKSON) (by request):

S. 598. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Research and Development Act of 1974, and for other purposes. Referred, by unanimous consent, to the Joint Committee on Atomic Energy; and, if and when reported, to the Committee on Interior and Insular Affairs.

Mr. PASTORE. Mr. President, I send to the desk a measure proposed by the Energy Research and Development Administration—ERDA—to authorize appropriations for fiscal year 1976 and for the subsequent transition period to the new fiscal year established by the Congressional Budget Act.

This measure would authorize appropriations for the Federal energy research and development programs to be carried out by ERDA. The authority for these programs stems from three enabling acts:

First. The Energy Reorganization Act of 1974, which created ERDA;

Second. The Atomic Energy Act of 1954, as amended, which sets forth congressional policy for the conduct of the nuclear energy programs of ERDA; and

Third. The Federal Nonnuclear Energy Research and Developemnt Act of 1974, which provides for ERDA's nonnuclear R. & D. programs.

The various provisions of this proposed measure must be considered in the Senate by both the Joint Committee on Atomic Energy and the Committee on Interior and Insular Affairs. The members and staffs of the two committees have been in consultation about the provisions of the measure, and I believe it can be expeditiously handled.

An effective and aggressive energy R. & D. program offers the only long-term resolution of the energy problems which beset us today. It is essential that the new administration's programs begin immediately to carry out a coordinated strategy which will explore all of the energy technologies. The Congress must assert its continuing interest in all energy R. & D. as it has in the past maintained a continuing intimate interest in nuclear energy.

The Joint Committee on Atomic Energy has already initiated hearings on ERDA's authorization. My colleague, the chairman of the Interior Committee (Mr. JACKSON) assures me that his committee intends to act expeditiously also.

Mr. President, I ask unanimous consent that this bill be referred to the Joint Committee on Atomic Energy, and when and if it is reported by that committee to the Senate it then be referred to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it will be received, and appropriately referred.

Mr. PASTORE. Mr. President, I ask unanimous consent that the text of the message transmitting the measure to the Senate be included in the RECORD at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION,
Washington, D.C., February 4, 1975.

Hon. NELSON ROCKEFELLER,
President of the Senate.

DEAR MR. PRESIDENT: In accordance with the provisions of Section 261 of the Atomic Energy Act of 1954, as amended (42 USC 2017), Section 305 of the Energy Reorganization Act of 1974, (42 USC 5875) and Section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, (42 USC 5915), we are submitting proposed legislation which would authorize appropriations for fiscal year 1976, the period July 1, 1976 through September 30, 1976 (Transition Period), and fiscal year 1977 for the Energy Research and Development Administration.

The proposed legislation requests authorization as follows: fiscal year 1976 request is $4,342,454,000 of which $3,418,587,000 is for "Operating Expenses" and $923,867,000 for "Plant and Capital Equipment"; Transition Period request is $1,130,177,000 of which $1,001,301,000 is for "Operating Expenses" and $128,876,000 for "Plant and Capital Equipment", and fiscal year 1977 request is $4,752,570,000 of which $3,702,600,000 is for "Operating Expenses" and $1,049,970,000 for "Plant and Capital Equipment".

For fiscal year 1976, the above request for authorization of appropriation provides for 7,829 person-years of civilian employment, and $157,161,000 to be expended for personal services. During the Transition Period, the above request provides for 2,000 person-years of civilian employment and $41,490,000 to be expended for personal services. Expenditure amounts other than for personal services include for fiscal year 1976 $4,185,293,000 of which $1,480,017,000 would be incurred in fiscal year 1976, $972,039,000 in the Transition Period, $1,350,316,000 in fiscal year 1977, $209,150,000 in fiscal year 1978, $142,169,000 in fiscal year 1979, $27,068,000 in fiscal year 1980, $4,427,000 in fiscal year 1981, and $107,000 in fiscal year 1982.

Also, expenditure amounts other than for personal services for the Transition Period include $1,088,687,000, of which $7,998,000 would be incurred in the Transition Period, $1,004,152,000 in fiscal year 1977, $47,594,000 in fiscal year 1978, $22,576,000 in fiscal year 1979, $5,833,000 in fiscal year 1980, $427,000 in fiscal year 1981, and $107,000 in fiscal year 1982.

The Office of Management and Budget has advised that this legislative proposal is in accord with the program of the President.

Sincerely,

ROBERT C. SEAMANS, Jr.,
Administrator.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

(Proposed bill for authorization of appropriations for fiscal year 1976 and for the period July 1, 1976, through September 30, 1976, and for fiscal year 1977)

A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1976

SEC. 101. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974:

(a) For "Operating expenses", $3,418,587,000.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the showing amounts:

FOSSIL ENERGY DEVELOPMENT

(1) COAL—

Project 76–1–a, clean boiler fuel demonstration plant (A–E and long-lead procurement), $20,000,000.

SOLAR, GEOTHERMAL, AND ADVANCED ENERGY SYSTEMS DEVELOPMENT

(2) PHYSICAL RESEARCH—

Project 76–2–a, accelerator and reactor improvements and modifications, $4,000,000.

NUCLEAR ENERGY DEVELOPMENT

(3) FUSION POWER RESEARCH AND DEVELOPMENT—

Project 76–3–a, tokamak fusion test reactor (A–E and long-lead procurement), Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $7,500,000.

(4) FISSION POWER REACTOR DEVELOPMENT—

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Project 76-4-a, modifications to reactors, $4,000,000.

Project 76-4-b, sodium components test installation steam and feedwater system modification, Liquid Metal Engineering Center, Santa Susana, California, $7,700,000.

(5) FISSION POWER REACTOR DEVELOPMENT—

Project 76-5-a, test reactor area fire main replacement, Idaho National Engineering Laboratory, Idaho, $2,200,000.

(6) NUCLEAR MATERIALS—

Project 76-6-a, additional facilities, high level waste storage, Savannah River, South Carolina, $68,000,000.

Project 76-6-b, additional high level waste storage facilities, Richland, Washington, $35,000,000.

Project 76-6-c, supplemental N reactor irradiated fuel storage, Richland, Washington, $2,500,000.

Project 76-6-d, uprate electrical switchyards for Roane substation, Oak Ridge, Tennessee, $8,100,000.

Project 76-6-e, conversion of existing steam plants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio, $12,200,000.

Project 76-6-f, radioactive liquid waste system improvements, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $5,800,000.

NATIONAL SECURITY

(7) WEAPONS—

Project 76-7-a, MK-12A MINUTEMAN III production facilities, various locations, $3,000,000.

Project 76-7-b, plutonium metallurgy building modifications, Lawrence Livermore Laboratory, California, $1,000,000.

Project 76-7-c, limited life component exchange facility, Charleston, South Carolina, $13,900,000.

(8) WEAPONS—

Project 76-8-a, fire wall construction, Bendix Plant, Kansas City, Missouri, $2,000,000.

Project 76-8-b, fire protection improvements, Los Alamos Scientific Laboratory, New Mexico, $4,450,000.

ENVIRONMENTAL AND SAFETY RESEARCH

(9) BIOMEDICAL AND ENVIRONMENTAL RESEARCH—

Project 76-9-a, modifications and additions to biomedical and environmental research facilities, $3,200,000.

(10) WASTE MANAGEMENT—

Project 76-10-a, retrievable surface storage facility, site undetermined, $55,000,000.

(11) GENERAL PLANT PROJECTS—$64,670,000.

(12) CONSTRUCTION PLANNING AND DESIGN—$6,000,000.

(13) CAPITAL EQUIPMENT—acquisition and fabrication of capital equipment not related to construction, $232,347,000.

SEC. 102. LIMITATIONS.—(a) The Administration is authorized to start any project set forth in subsections 101(b) (1), (2), (3), (4), (6), (7), (9), and (10), only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administration is authorized to start any project set forth in subsections 101(b) (5) and (8) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Administration is authorized to start any project under subsection 101(b) (11) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently etsimated cost of any building included in such project shall be $300,000 provided that the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 101(b) (11) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

SEC. 103. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 91-273, as amended, is further amended by (1) striking from subsection (b) (1), project 71-1-f, process equipment modifications, gaseous diffusion plants, the figure "$295,100,000" and substituting therefor the figure "$478,100,000"; and (2) striking from subsection (b) (9), project 71-9, fire, safety, and adequacy of operating conditions projects, various locations, the figure "$193,000,000" and substituting therefor the figure "$240,000,000".

(b) Section 101 of Public Law 93-60, as amended, is further amended by (1) striking from subsection (b) (1), project 74-1-g, cascade uprating program, gaseous diffusion plants, the figure "$183,100,000" and substituting therefor the figure "$259,600,000"; and (2) striking from subsection (b) (2), project 74-2-c, high energy laser facility, Lawrence Livermore Laboratory, California, the figure "$20,000,000" and substituting therefor the figure "$25,000,000".

(c) Section 101 of Public Law 93-276 is amended by (1) striking from subsection (b) (1), project 75-1-a, additional facilities, high level waste handling and storage, Savannah River, South Carolina, the figure "$30,000,000" and substituting therefor the figure "33,000,000"; and (2) striking from subsection (b) (1), project 75-1-c, new waste calcining facility, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, the figure "$20,000,000" and substituting therefor the figure "$65,000,000"; and (3) striking from subsection (b) (3), project 75-3-e, addition to building 350 for safeguards analytical laboratory, Argonne National Laboratory, Illinois, the figure "$3,500,000" and substituting therefor the figure "$4,300,000"; and (4) striking from subsection (b) (7), project 75-7-c, intermediate-level waste management facilities, Oak Ridge National Laboratory, Tennessee, the figure "$9,500,000" and substituting therefor the figure "$10,500,000".

(d) Section 106 of Public Law 91-273, as amended, is further amended by deleting the present text of subsection (a) thereof and substituting therefor the following: (a) The Administration is hereby authorized to enter into a cooperative arrangement with reactor manufacturers and others for participation in the research and development, design, construction, and operation of a Liquid Metal Fast Breeder Reactor powerplant, in accordance with the criteria, as amended, heretofore submitted to the Joint Committee on Atomic Energy, without regard to the provisions of section 169 of the Atomic Energy Act of 1954, as amended, and the Administration is further authorized to continue to conduct the Project Definition Phase subsequent to the aforementioned cooperative arrangement. Appropriations totaling $100,000,000 are hereby authorized for the aforementioned cooperative arrangement and for the Project Definition Phase authorized by section 106 of Public Law 91-44 and this section, said total amount to include the sum authorized by section 106 of Public Law 91-44. In addition to the sums hereinabove authorized, there is hereby authorized to be appropriated to the Administration $118,900,000 for continuing the design and construction of this demonstration plant during fiscal year 1976, and Transition Period (July 1, 1976–September 30, 1976), all of such sums to be available for use in accordance with the statutory criteria as amended, together with such additional appropriations as may be necessary and sufficient for its operation for a period not to exceed 5 years. The Administration is authorized, in its discretion to use funds available from its fast breeder reactor base program for research and development and engineering as may be required in support of the design, construction, and test operation of this demonstration plant. The Administration is also authorized hereby, without regard to the provisions of section 3679 of the Revised Statutes, as amended, to agree under said cooperative arrangement to provide financial support up to the total amount authorized under this section, less the sums available to the Administration and utilized for the Project Definition Phase: And provided, That said amounts shall not be deemed to include assistance in the form of waiver of use charges during the term of the cooperative arrangement, which the Administration may agree to provide without regard to the provisions of section 53 of the Atomic Energy Act, as amended, in an amount not to exceed $10,000,000.

SEC. 104. RESCISSION.—(a) Public Law 92-314, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73-5-d, modifications to TREAT facility, National Reactor Testing Station, Idaho, $1,500,000.

(b) Public Law 93-60, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 74-3-e, modifications to TREAT facility, National Reactor Testing Station, Idaho, $2,500,000.

(c) Public Law 93-276, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73-13-a, hydrothermal pilot plant, $1,000,000.

TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR THE PERIOD JULY 1, 1976 THROUGH SEPTEMBER 30, 1976

SEC. 201. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974:

(a) For "Operating expenses", $1,001,301,000.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the incremental amounts of the following:

FOSSIL ENERGY DEVELOPMENT

(1) COAL—

Project 76-1-a, clean boiler fuel demonstration plant (A-E and long-lead procurement), $8,000,000.

SOLAR, GEOTHERMAL, AND ADVANCED ENERGY SYSTEMS DEVELOPMENT

(2) PHYSICAL RESEARCH—

Project 76-2-a (accelerator and reactor improvements and modifications, $1,000,000.

NUCLEAR ENERGY DEVELOPMENT

(3) FUSION POWER RESEARCH AND DEVELOPMENT—

Project 76-3-a, tokamak fusion test reactor (A-E and long-lead procurement), Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $3,000,000.

(4) GENERAL PLANT PROJECTS, $15,900,000.

(5) CONSTRUCTION PLANNING AND DESIGN, $1,500,000.

(6) CAPITAL EQUIPMENT, $56,676,000.

SEC. 202. LIMITATIONS.—(a) The Administration is authorized to start any project set forth in subsection 201(b) (1), (2), and (3) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administration is authorized to start any project under subsection 201(b) (4) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently estimated cost of any building included in such project shall be $300,000 provided that the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 201(b) (4) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

SEC. 203. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 91-273, as amended, is further amended by striking from subsection (b) (1), project 71-1-f, process equipment modifications, gaseous diffusion plants, the figure "$478,100,000" and substituting therefor the figure "$510,100,000."

(b) Section 101 of Public Law 93-60, as amended, is further amended by striking from subsection (b) (1), project 74-1-g, cascade uprating program, gaseous diffusion plants, the figure "$259,600,000" and substituting therefor the figure "$270,400,000".

TITLE III.—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1977

SEC. 301. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974:

(a) For "Operating expenses", $3,702,600,000.

(b) For "Plant and capital equipment' including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

SOLAR, GEOTHERMAL, AND ADVANCED SYSTEMS DEVELOPMENT

(1) PHYSICAL RESEARCH—

Project 77-1-a, accelerator and reactor improvements and modifications, $4,000,000.

NUCLEAR ENERGY DEVELOPMENT

(2) FISSION POWER REACTOR DEVELOPMENT—

Project 77-2-a, modifications to reactors, $8,000,000.

(3) NUCLEAR MATERIALS—

Project 77-3-a, safeguards and security upgrading, various locations, $19,000,000.

(4) ADVANCED ISOTOPE SEPARATION TECHNOLOGY—

Project 77-4-a, separation research laboratory, Los Alamos Scientific Laboratory, New Mexico, $10,000,000.

NATIONAL SECURITY

(5) WEAPONS—

Project 77-5-a, new weapons production facilities, various locations, $34,000,000.

(6) WEAPONS—

Project 77-6-a, safeguards and security upgrading, various locations, $25,000,000.

(7) LASER FUSION—

Project 77-7-a, electron beam effects and fusion facility, Sandia Laboratories, Albuquerque, New Mexico, $17,000,000.

ENVIRONMENTAL AND SAFETY RESEARCH

(8) BIOMEDICAL AND ENVIRONMENTAL RESEARCH—

Project 77-8-a, modifications and additions to biomedical and environmental research facilities, $3,200,000.

(9) GENERAL PLANT PROJECTS—$64,670,000.

(10) CONSTRUCTION PLANNING AND DESIGN—$6,000,000.

(11) CAPITAL EQUIPMENT—acquisition and fabrication of capital equipment not related to construction, $232,700,000.

SEC. 302. LIMITATIONS.—(a) The Administration is authorized to start any project set forth in subsections 301(b) (1), (2), (4), (5), (7), and (8) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administration is authorized to start any project set forth in subsection 301 (b) (3) and (6) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Administration is authorized to start any project under subsection 301(b) (9) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently estimated cost of any building included in such project shall be $300,000 provided that the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 301(b) (9) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

SEC. 303. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 91-273, as amended, is further amended by striking from subsection (b) (1), project 71-1-f, process equipment modifications, gaseous diffusion plants, the figure "$510,100,000" and substituting therefor the figure "$705,000,000".

(b) Section 101 of Public Law 93-60, as amended, is further amended by striking from subsection (b) (1), project 74-1-g, cascade uprating program, gaseous diffusion plants, the figure "$270,400,000" and substituting therefor the figure "$320,000,000".

(c) Section 101 of Public Law 93-276, as amended, is further amended by (1) striking from subsection (b) (5), project 75-5-e, high temperature gas reactor fuel reprocessing facility, National Reactor Testing Station, Idaho, the figure "$10,100,000" and substituting therefor the figure "$72,100,000"; and (2) striking from subsection (b) (5), project 75-5-f, high temperature gas reactor fuel refabrication pilot plant, Oak Ridge National Laboratory, Tennessee, the figure "$3,000,000" and substituting therefor the figure "$44,400,000".

(d) Section 106 of Public Law 91-273, as amended, is further amended by (1) striking from subsection (a) the figure "$118,900,000" and substituting therefor the figure "$258,900,000"; and (2) striking the words "1976, and Transition Period (July 1, 1976–September 30, 1976)" and substituting therefor "1977".

(e) Section 101 of the Energy Research and Development Administration's FY 1976 Authorization Act is amended by (1) striking from subsection (b) (1), project 76-1-a, clean boiler fuel demonstration plant (A-E and long-lead procurement), the words "(A-E and long-lead procurement)" and the figure $20,000,000" and substituting therefor the figure "$91,000,000"; and (2) striking from subsection (b) (3), prospect 76-3-a, tokamak fusion test reactor (A-E and long-lead procurement), Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, the words "(A-E and long-lead procurement)" and the figure $7,500,000" and substituting therefor the figure "$215,000,000".

TITLE IV—GENERAL PROVISIONS

SEC. 401. The Administration is authorized to perform consatruction design services for any Administration construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administration and (2) the Administration determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

SEC. 402. Any monies received by the Administration may be retained and used for operating expenses (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)) notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and may remain available until expended.

SEC. 403. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

Mr. PASTORE. I ask unanimous consent, Mr. President, that a statement made by Senator JACKSON be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INTRODUCTION OF A BILL TO AUTHORIZE APPROPRIATIONS TO THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Mr. President: I am pleased to join with my good friend and colleague, Senator Pastore, in introducing this bill to authorize appropriations for the Energy Research and Development Administration for Fiscal Year 1976, and the transition period July 1, 1976, through September 30, 1976.

The Energy Research and Development Administration (ERDA) is the creature of the Energy Reorganization Act of 1974. Very briefly, its mission is to bring a central focus and centralized management and control to the energy research and development activities of the Federal government. The new agency has been vested with broad authority and the principal responsibility for research, development, and demonstration programs in both the nuclear and the nonnuclear areas. Its range of programs and responsibilities include nuclear energy research, fossil fuel energy research, solar, geothermal, and advanced energy systems research, environment and safety research, conservation research and development— and will include, as well, the responsibility for the nation's nuclear weapons program formerly vested in the Atomic Energy Commission.

While the Energy Reorganization Act of 1974 created ERDA and defines its organization and much of its responsibility, the Federal Nonnuclear Energy Research and Development Act of 1974 (P.L. 93-577), the Geothermal Energy Research, Development, and Demonstration Act of 1974 (P.L. 93-410), and the Solar Energy Research, Development, and Demonstration Act of 1974 (P.L. 93-473) also define major segments of the new agency's mission. On the Senate side of the Congress these three important nonnuclear energy bills emanated from and were the product of the extensive work done by the Senate Committee on Interior and Insular Affairs on the nation's overall energy problems. In a word or two, this legislation envisages an all-out research, development, and demonstration effort by ERDA to harness not only nuclear energy to meet our energy crisis, but our fossil fuel resources (coal, shale oil, etc.), and the high promises of solar, geothermal and other advanced energy systems as well.

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Hence, the legislation we are introducing today is of vital interest to both the Joint Committee on Atomic Energy and to the Interior and Insular Affairs Committee. The Joint Committee already commenced its consideration of ERDA's Fiscal Year 1976 authorization with a hearing attended by ERDA's new Administrator, Dr. Seamans, and has scheduled a further hearing later this month.

The Interior Committee's Subcommittee on Energy Research and Water Resources will also be scheduling hearings very shortly. Our special interest will be in the nonnuclear aspects of the proposed ERDA authorizations. We intend to work very closely with the Joint Committee and others in the development of an authorization bill well designed to equip this new agency with the wherewithal to move ahead promptly with its responsibilities. I can think of no other program that is more vital to the nation's future.

Mr. PASTORE. I ask unanimous consent that the message sent up by the White House be referred jointly to both committees.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. BEALL:

S. 599. A bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for 2 years, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. BEALL. Mr. President, I am sending to the desk legislation that would extend the Older Americans Act of 1965, as amended, for 2 additional years. This legislation was drafted by the Department of Health, Education, and Welfare and transmitted to the Congress on January 30, 1975. Mr. President, I ask unanimous consent that the letter of transmittal from Secretary Weinberger be printed in the RECORD at this point of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
January 30, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for the consideration of Congress is a draft bill "To amend the Older Americans Act of 1965 to extend authorizations of appropriations for two years, and for other purposes."

All appropriations authorizations in the Older Americans Act of 1965, with the exception of the authorizations for title VII, expire on June 30, 1975. Our draft bill would provide two-year extensions for most of the expiring authorizations, so that they would expire at the same time as the title VII authorizations. Specifically, it would authorize to be appropriated for each of the fiscal years 1976 and 1977—

$200,000 for the National Information and Resource Clearing House for the Aging;

$91,000,000 for title III area planning, social service, and State planning activities;

$5,000,000 for model projects, and

$7,000,000 for part B, title IV, research and development projects.

The draft bill would allow title V, which provides for grants for the acquisition, alteration, renovation, and initial staffing of multipurpose senior centers, and section 309, which provides for grants for transportation projects, to expire. Since title V and section 309 have never been funded, their funding in fiscal year 1976 would amount to a new program initiative. Allowing title V and section 309 to expire would be in accord with the President's stated goal of holding the line on new government spending.

Moreover, the Department of Housing and Urban Development has extensive experience and technical competency in the acquisition and renovation of buildings. HUD has authority under the recently enacted Housing and Community Development Act of 1974 to make grants to local communities, which they may use to support construction and renovation of multipurpose senior centers. Continuation of the Department of Health, Education, and Welfare authority under part A, title V, would therefore be duplicative.

The Department of Transportation, under the Urban Mass Transit Act of 1964 and the Federal-Aid Highway Act of 1973, makes grants for the purpose of providing transportation to the elderly and the handicapped. The section 309 authority in the Older Americans Act is duplicative.

The draft bill would allow parts A and C of title IV to expire, since the Administration has never requested funding for these parts.

In addition, the draft bill would give statutory preference in title III programs, as is now given in title VII programs, to low-income, minority, and limited English-speaking individuals. This will serve to emphasize the Administration's policy of directing limited funds to those who need them most.

The draft bill also makes changes of a technical nature to the Older Americans Act.

We urge prompt and favorable consideration of this bill by Congress.

We are advised by the Office of Management and Budget that enactment of this draft bill would be in accord with the program of the President.

Sincerely,

/S/ CASPAR W. WEINBERGER,
Secretary.

Mr. BEALL. On January 30, 1975, the Honorable Stanley B. Thomas, Jr., Assistant Secretary for Human Development and the Honorable Arthur S. Flemming, Commissioner on Aging, testified before the Select Education Subcommittee of the House Committee on Education and Labor relative to this legislation. Secretary Thomas and Commissioner Flemming outlined the recent accomplishments of the Administration on Aging in implementing the 1973 amendments to the Older Americans Act and they discussed in greater detail the objectives they hope to achieve by way of this legislation. Mr. President, I ask unanimous consent that the testimony of Secretary Thomas and Commissioner Flemming as well as the text of this legislation be printed in the RECORD at the conclusion of my remarks.

There being no objection, the testimony and bill were ordered to be printed in the RECORD, as follows:

STATEMENT OF STANLEY B. THOMAS, JR.

I am pleased to have the opportunity to appear today before the Select Subcommittee on Education to testify on the extension of the Older Americans Act of 1965. Dr. Arthur Flemming, Commissioner of the Administration on Aging, who has been a prime mover in the implementation of the legislation, is with me today and I will ask him to speak to that aspect of the subject.

As I know Dr. Flemming will agree, being involved in the implementation of the coordinated, comprehensive service system under the authorized new Title III of the 1973 amendments to this Act has been an interesting and rewarding experience. I believe that considerable progress has been made toward establishing, in communities across the Nation, focal points for addressing the needs of older persons and toward raising awareness about older persons and their needs on the part of the general population. We have been able to identify some necessary changes as a result of operating experience to date. I will discuss our proposed changes later, but first Dr. Flemming will summarize action that has been taken to implement the program.

STATEMENT OF ARTHUR S. FLEMMING

I appreciate the opportunity of appearing before this Committee in support of the extension of the Older Americans Act of 1965.

The concept incorporated in both the 1973 and 1974 amendments to the Older Americans Act is a sound one. It provides the basis for the installation and operation of a nation-wide network on aging. During the fiscal year 1974 we placed primary emphasis on the installation of this network. During the present fiscal year we are endeavoring to do everything we can to help the network operate in such a manner as to make a significant contribution to serving the needs of today's older persons.

In this statement it is my purpose to identify some of the steps that we have taken and are taking in order to achieve the objectives set forth in the Act. I am prepared to discuss with the Committee, or to provide for the record, specific information relative to actions taken under each one of the Titles of the Act.

The network to which I have referred the Administration on Aging, the State Offices on Aging, 412 Area Agencies on Aging, and 655 nutrition projects.

As all of us who are a part of this network discharge our responsibilities, I feel that we should keep in mind the following points:

1. We are charged, at all levels of government, with becoming focal points for aging.

2. We are charged, at all levels of government, with serving as advocates for older persons in connection with all issues confronting the lives of older persons.

3. Our major task is to develop a cooperative network to serve older persons through a system of comprehensive coordinated services designed to meet their needs.

In the light of these points, I would like to discuss with the members of the Committee some processes which we are endeavoring to keep uppermost in our minds as we work on the implementation of the provisions of the Act and its amendments.

1. *The process of communication.* We recognize both the importance and complexities of this process. We endeavor to communicate with both the States and the Areas in the following manner:

a. Stating the provisions of the Older Americans Act, As Amended.

b. Promulgating regulations which are designed to implement the provisions of the law in the most effective and expeditious manner. These regulations are binding.

c. The transmission of program instructions designed to clarify questions of policy arising out of provisions of the law or regulations issued under the law. Program instructions are also issued when it is concluded that it would be advantageous to older persons for all of the States, in their roles as focal points for aging and as advocates for older persons, to deal simultaneously with a specific issue. Program instructions are binding.

d. The transmission of guidelines in order to provide technical assistance. They are not binding. States are free to follow or not follow them at their discretion.

e. The transmission of information memoranda in order to provide information which we feel will be helpful to State Agencies on Aging in the discharge of their duties and responsibilities. They do not mandate any action on the part of the States. A good example is the Administration on Aging Information Memorandum 75–5 which relates to the Department of Labor Manpower Programs for Older Americans. The purpose of this communication was to provide the States with the latest information about developments in the employment area and to suggest ways in which the State and Area Agencies might become involved in the interest of meeting the needs of older persons in this area.

2. *The process of locating authority.* The process of identifying what person or what group of persons has authority to act and under what circumstances is one of the most important processes in government. In issuing regulations, guidelines, and program instructions we do everything possible to insure that they are in compliance with both the letter and the spirit of the law.

3. *The process of coordinating the resources made available under the Older Americans Act with other public and private resources for the delivery of services to older persons.* We all recognize that our ability to meet the needs of today's older persons depends on our ability, working together, to make this process work. Here are some of the factors that we believe will help to make this process work:

a. *The Older Americans Act.* Section 301 of the Act calls specifically for State and Area Agencies to enter into new cooperative arrangements with each other and with providers of social services to bring about comprehensive and coordinated service systems on behalf of older persons.

b. *The regulations issued under the Older Americans Act.* These regulations underscore the importance of coordinated programs at both the State and Area levels. They provide that maximum coordination should be achieved between the State Agency and the Area Agency and the social services and medical services Titles under the Social Security Act. They underline the importance of action programs designed to achieve coordination of the delivery of existing services.

c. *A high priority has been given in Fiscal Year 1975 to working out and implementing inter-agency agreements.* The Administration on Aging recognizes that the development of effective interagency working relationships at both the State and Area levels depends to a considerable degree on establishing these relationships at the Washington level.

This is why major emphasis is being given during this Fiscal Year to developing formal working agreements with a number of agencies, both inside and outside the Department of Health, Education, and Welfare. A summary of what has happened up to now follows:

1. *Transportation*—A working agreement with the Department of Transportation is in effect.

2. *Utilization of Volunteers*—A working agreement with ACTION is in effect.

3. *Information and Referral*—A working agreement with the Social Security Administration and the Social and Rehabilitation Service has been developed and is about to be issued. A second working agreement with eleven departments and agencies outside of the Department of Health, Education, and Welfare is also in the final stages of negotiation.

4. *Adult Services Programs*—A working agreement has been developed by the Administration on Aging and the Community Services Administration of the Social and Rehabilitation Service and will be signed shortly.

5. *Medicaid Services*—A working agreement has been developed by the Administration on Aging and the Medical Services Administration.

6. *Rehabilitation Services*—A working agreement between the Administration on Aging and the Rehabilitation Services Administration is in the process of being completed.

7. *Health Services*—A working agreement has been developed between the Administration on Aging and the Public Health Service and is in effect.

8. *Use of School Buses for the Elderly*—Work is moving forward on an agreement which will involve the Department of Transportation and the Office of Education.

9. *Housing*—Work is now underway to identify those parts of the Housing and Community Development Act which will lend themselves to joint agreements between the Administration on Aging and the Department of Housing and Urban Development.

10. *Research on Aging*—An Interdepartmental Task Force on Research on Aging is about to request proposals for a joint contract to inventory Federal Research on Aging. Nine departments and agencies are involved in this project.

11. *Coordination with School Lunch Programs and Facilities*—The Office of Education and the Administration on Aging have reached an agreement in this area.

12. *Energy*—An agreement has been reached which involves the Department of Agriculture, Department of Labor, Department of Housing and Urban Development, Federal Energy Administration, the new Community Services Administration, and ACTION.

We do not expect to develop at the outset what might be regarded as ideal interdepartmental working agreements. As soon as we have reached an agreement at the Washington level we transmit it to the Regions and the States. We invite immediate reactions from them and, through the States, the Areas. As soon as the reactions have been analyzed we will reconvene those who worked on the agreement at the Washington level to determine whether any changes should be made. In the meantime, State executives who feel that they are in a position to implement all or parts of any agreement immediately are urged to do so.

d. *The information memoranda we issue which are designed to keep States abreast of significant developments at the Federal level and which could have an impact on their efforts to pool resources.* Memoranda which have been issued in the areas of transportation, manpower, use of voluntary services, natural disasters and energy are illustrative of what has and can be done.

The objective of all these steps is to facilitate the coordination of the delivery of services for older persons and to bring about a pooling of resources.

4. *The process of involving the States and Areas in the evolution of policy under the Older Americans Act.* In view of the fact that the Federal Government has assigned major management responsibilities to the States and Areas under the Older Americans Act we believe it is important that the experiences, capabilities and insights of their personnel be drawn on as new policies or policy changes are considered. In order to achieve this objective the following steps have been taken:

a. We held in December 1974 a national meeting of State and Area executives on aging.

b. Four meetings have been held with all State executives. Four meetings have been held with the members of the executive board of the National Association of State Units on Aging.

c. Four meetings have been held with the Urban Elderly Coalition.

d. We are arranging to meet with a new national organization of area agencies on aging.

e. If other organizations emerge we will be delighted to meet with them as we see in all of these organizations an opportunity to open up channels of communication and to provide additional opportunities for involvement in the evolution of policy.

f. Provision has been made in the regulations for consultation with the States before national objectives are established for each Fiscal Year. In subsequent years we will also invite, through the States, reactions from the Areas.

5. *The process of providing the State and Area Agencies with the maximum opportunity to respond to the priority needs of older persons within their jurisdictions.* We believe that it is the intent of Congress that we should do everything we can to make this process a reality.

In order to achieve this objective our regulations and program instructions are designed to give both State and Area Agencies on Aging a wide latitude in determining how they should use the Federal dollars made available to them.

For example, as the interdepartmental working agreements become available we recognize that the ability to implement these agreements at the State and Area levels will vary from State to State and from Area to Area.

Although we will encourage each State to use the agreements in at least a few Areas, we will make it clear that in the beginning the decision as to whether to use an agreement, and the extent to which it will be used, will be left to the judgment of the State in consultation with the Areas.

As we gain experience in the implementation of the agreements we may conclude, after consultation with the States and, through the States, the Areas, that some can and should be implemented on a nation-wide basis.

6. *The process of insuring that, when it is possible to do so, high priority needs of older persons, wherever they may live, are dealt with on a national basis.* In the implementation of this process the following steps have been taken:

a. The Title III regulations provide that there must be included in area plans and budgets provisions for an action program designed to coordinate the delivery of existing services for older persons and the pooling of available but untapped resources from both the private and public sectors for services for older persons.

This provision was included because of a conviction that there is an opportunity for implementing the provision in all Areas and that when it is done some older persons will be receiving services they are not receiving today.

b. The goal has been established of assuring that by June 30, 1975, information and referral services that meet minimum standards will be accessible at convenient locations to all older persons.

c. In the submission of State plans for 1975 the States have been required to include an action program designed to bring about a pooling of some of the resources available under Title III of the Older Americans Act with some of the resources available under the Social Services Titles of the Social Security Act. This requirement has been instituted because of a belief that the existence of resources under both titles in all of the Stats calls for positive action designed to pool the resources in the best possible manner.

d. Also, in the submission of State plans for 1975 the States have been required to include an action program designed to deal with some

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of the unique issues that confront older persons as a result of the energy crisis.

We have initiated this effort because of our conviction that the State Agency on Aging should be the focal point for aging concerns and the advocate for those concerns. Published stories, evidence presented to the Congress and to the Pre-Economic Summit Conference on the Elderly all underscore the problems older persons are confronting because of the energy crisis. We have concluded that those of us who are working in the field of aging should tackle this on a national basis. We hope that the interdepartmental working agreement we have developed will be of assistance in dealing with these issues.

7. *The process of providing technical assistance.* This process is reflected in the discussion of some of the other processes. Nevertheless, it should be highlighted. We believe that the Administration on Aging has the obligation to provide technical assistance to the States and to help them provide technical assistance to the Area Agencies and, through the Area Agencies on Aging, to providers of services.

8. *The process of monitoring and assessing by the Administration on Aging of the programs and activities of State Agencies on Aging, by State Agencies of the programs and activities of Area Agencies, and by Area Agencies of organizations which they have funded for delivery of services.* The manner in which this process is handled will determine to a considerable degree whether or not the objectives set forth by the Congress in the Act will be achieved.

9. *The process of advocacy.* This is one of the most important processes for which those of us who are working in the field of aging are responsible. Here are some of the steps that have been taken at the Federal level in order to implement this process:

a. We have made recommendations, to give a few illustrations, relative to (1) regulations issued by the Department of Agriculture in connection with the use of commodities in the nutrition programs for older persons; (2) regulations issued by the Department of Labor in conection with the Older Americans Community Service Employment Act; (3) regulations issued by the Department of Health, Education, and Welfare for skilled nursing and intermediate care facilities; (4) regulations of the Department of Health, Education, and Welfare relative to the Social Service titles of the Social Security Act; (5) regulations issued by the Department of Health, Education, and Welfare relative to the Supplemental Security program; and (6) regulations issued by the Department of Transportation relative to providing funds for capital investments for transportation of older persons in rural areas.

b. We have developed and are developing, as noted earlier, inter-agency agreements designed to strengthen the Federal Government's involvement in the field of aging. These activities often involve the advocacy role in that, in some instances, other departments and agencies do not recognize initially the unique problems confronting older persons and the necessity of developing special programs in order to respond effectively to these problems.

c. Through inter-agency agreements and information memoranda we are endeavoring to provide State and Area Agencies on Aging with tools which they can use as advocates in such areas as (1) helping older persons to deal with the unique problems that confront them when they are the victims of natural disasters or an energy crisis; (2) insuring that older persons receive their fair share of general revenue sharing funds and specialized revenue sharing funds in such areas as manpower and community development and social services; (3) developing relationships which will result in greater use of school lunch facilities with the end in view of broadening the base of the nutrition program for older persons; (4) opening up opportunities for minority contractors in the field of aging; and (5) providing opportunities for minorities and women to occupy key positions in the field of aging at both the State and Area levels.

d. We meet regularly with the leaders of the national organizations of older persons in order (1) to have them identify the issues which they feel we should be pursuing as advocates for older persons, and (2) to explain to them steps that the Administration on Aging or other agencies contemplate taking so that they can, if they so desire, relate their advocacy roles to these developments.

e. We meet regularly with the top staff related to Congressional committees dealing with issues in the field of aging in order (1) to have them identify issues which they feel we should be pursuing in the field of aging, and (2) to explain to them steps that we have taken or contemplate taking under existing law.

I hope that this testimony has helped to provide some understanding of the manner in which we are undertaking to implement the basic concepts incorporated in the Older Americans Act as amended in 1973 and 1974. Our experiences to date lead me to believe that the concepts are sound. I recommend that we continue to work on implementing them over a period of the next two years. At the end of that period we will be in a position to determine whether the evidence, growing out of indepth experiences, points to the desirability of making basic changes.

CONTINUED STATEMENT OF STANLEY B. THOMAS, JR.

Dr. Flemming has presented an overview of the activities of the Administration on Aging under the present legislative authorities which, except for the Title VII Nutrition Program, expire June 30, 1975.

We believe that these activities have laid a substantial foundation for the work which remains to be done in ensuring that the needs of elderly people across the Nation are met effectively and responsively. To continue this important effort, we seek a two-year extension of the expiring legislation with certain changes based on our experience to date. This two-year extension will bring this portion of the Act into phase with Title VII which expires at the end of FY 1977.

In addition, we would like to see language included in Title III similar to that in Title VII which clearly and specifically states our desire to provide services on a priority basis to those elderly persons who are most in need—those with low incomes and those who are members of racial minority groups. Resources for any activity are always limited, and it is critical to ensure that such resources as staff, energy, facilities, and funds are directed first toward serving those persons most in need Adding our proposed language to the Title III program would make the intent of Title III consistent with the intent of Title VII: that the basis for our priorities is need.

We are also proposing that Title V, which provides for grants for the acquisition, alteration, and renovation, in addition to the initial staffing, of multipurpose senior centers, be allowed to expire. Furthermore, we propose that Section 309, providing grants to States to meet the transportation needs of the elderly, also be allowed to expire.

Title V and Section 309 impose upon HEW responsibilities which are more appropriately carried out by other Departments. The Department of Housing and Urban Development has extensive experience and technical competency in the acquisition and renovation of buildings. Indeed, HUD has authority under the recently enacted Housing and Community Development Act to make grants to local communities, which they may use to support construction and renovation of Multi-purpose Senior Centers.

The Department of Transportation has both authority and funding under the Urban Mass Transportation Act of 1964 and the Federal Aid—Highway Act of 1973 to meet the needs of both the urban and rural elderly. As Dr. Flemming pointed out, the AoA has effected a Working Agreement with DOT which will enable us to work with that Department to meet the transportation needs of the urban elderly. We are currently working on another Agreement which will be focused on the transportation needs of the rural elderly. Enough authority exists, we feel, to enable the Department of Transportation, which has more expertise in this area than HEW, to move forward in meeting the transportation needs of the elderly, and that Department, with input from AoA, is doing so.

We sincerely feel that the changes which I have described will greatly enhance the vitality and responsiveness of our activities concerned with meeting the human needs of elderly people throughout the country. We are submitting to the Congress draft legislation which incorporates the changes I have just outlined. I will be glad to answer any questions you may have.

S. 599

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Older Americans Act Amendments of 1975".

EXTENSION OF THE NATIONAL INFORMATION AND RESOURCE CLEARING HOUSE FOR THE AGING AUTHORIZATION

SEC. 2. Subsection 204(c) of the Act is amended by inserting "; and for the fiscal year ending June 30, 1976, and the following fiscal year, $200,000" after "necessary".

EXTENSION OF AREA PLANNING AND SOCIAL SERVICES PROGRAM

SEC. 3. Subsection 303(a) of the Act is amended by (A) striking out "and" following "June 30, 1974,", and (B) inserting "and $91,000,000 for the fiscal year ending June 30, 1976, and the following fiscal year," after "1975,".

PREFERENCE FOR SERVICES FOR LOW-INCOME, RACIAL MINORITY, OR LIMITED ENGLISH-SPEAKING INDIVIDUALS

SEC. 4. Clause 304(c)(2) is amended by inserting ", with preference to be given to social services for, and, to the maximum extent feasible, provided by organizations operated by, individuals who are of low income, who are members of a racial minority (including Native Americans), or who are not reasonably fluent in the English language, so as to assure that the volume of services to those individuals are at least in proportion to their numbers within the area" after "plan".

EXTENSION OF MODEL PROJECTS AUTHORIZATION

SEC. 5. Subsection 308(b) of the Act is amended by inserting "; and $5,000,000 for the fiscal year ending June 30, 1976, and the following fiscal year" after "1975".

EXTENSION OF RESEARCH AUTHORIZATION

SEC. 6. Section 431 of the Act is amended by inserting "; and $7,000,000 for part B of this title for the fiscal year ending June 30, 1976, and the following fiscal year" after "1975".

PREFERENCE FOR NUTRITION SERVICES FOR LOW-INCOME, RACIAL MINORITY, OR LIMITED ENGLISH-SPEAKING INDIVIDUALS

SEC. 7. Clause 705(a)(4) of the Act is amended to read as follows:

"(4) provide that preference shall be given in awarding grants or contracts under this title to projects primarily serving, and, to the maximum extent feasible, operated by, individuals who are of low income, who are members of a racial minority (including Native Americans), or who are not reasonably fluent in the English language, so as to assure that the volume of services to those individuals are at least in proportion to their numbers in the State.".

EXTENSION OF TIME FOR SUBMITTING RECOMMENDATIONS

SEC. 8. Subsections 205(g) and 205(h) are amended by striking out, in each subsection, "eighteen months after enactment of this Act", and inserting instead "January 1, 1976".

TECHNICAL AMENDMENTS

SEC. 9. (a) The second sentence of subsection 201(a) of the Act is amended to read "The Administration shall be the principal agency for carrying out this Act.".

(b) Section 202 of the Act is amended—

(1) by modifying the heading to read: "Functions of Administration on Aging",

(2) in clause (8), by striking out the last "and", and

(3) in clause (14), by inserting "In Employment" after "Discrimination".

(c) Subclause 304(a)(2)(B) of the Act is amended by deleting the first comma.

(d) Subsection 305(e) of the Act is amended by striking out, in the last sentence, "Commissioners'" and inserting instead "Commissioner's".

(e) Subsection 307(a) of the Act is amended by striking out the last sentence.

(f) Subclause 308(a)(1)(B) of the Act is amended by striking out "construction of" and inserting instead "of constructing".

(g) Subsection 432(b) of the Act is amended by striking out "part" and inserting instead "title".

(h) The heading of section 703 of the Act is amended to read: "Allotment of Funds".

(i) Section 705 of the Act is amended—

(1) in clause (a)(2), by striking out "sets", and inserting instead "set", and

(2) in subsection (c), by inserting, in the last sentence, a comma between "failure" and "or".

(j) Section 706 of the Act is amended—

(1) in clause (a)(5), by inserting a comma between "religious requirements" and "or", and

(2) in clause (a)(8), by inserting a comma between "the program" and "and".

By Mr. BROCK:

S. 600. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for medical expenses, and for other purposes. Referred to the Committee on Finance.

MEDICAL EXPENSE TAX CREDIT ACT

Mr. BROCK. Mr. President, one of the major issues of the 94th Congress will be the development of a national health care program. There have been various proposals ranging from catastrophic to comprehensive health insurance. I propose a concept which will bridge the gap between catastrophic and comprehensive health insurance, provide equitable assistance based on each individual's income, and involve a minimum of expense to the taxpayer.

In general, this would cover 85 percent of all medical expenses above 15 percent of a person's net taxable income. Money paid for medical expenses would be returned in the form of a tax credit or tax rebate.

This plan would be implemented by adding four lines to the present Internal Revenue Service form. These four lines are:

Line 1. Eligible medical expenses.—As currently defined by the IRS.

Line 2. The deductible.—I propose we protect against those medical costs which exceed 15 percent or IRS adjusted gross income, minus the personal—$750—exemption.

Line 3. The difference between lines 1 and 2, if any.

Line 4. A copayment multiplier which establishes the tax credit or refund. I would ask we refund 85 percent of all excess medical expenses.

The quick refund mechanism that already is in the IRS system could be used in my proposal. Also, if a family had no tax liability, or if the amount of the medical expenses covered exceed the tax liability, a direct tax rebate would be given.

My concept allows the aged, nonworking poor, and working poor to be eligible for tax credits or refunds immediately. Welfare and disability payments, social security payments, et cetera, are not subject to income tax and would not be included in the IRS adjusted gross income. Since the program takes into account the adjusted gross income, it would be a comprehensive plan for the working poor. It is also a backup catastrophic plan for those in the middle income groups, who can afford some medical expenses.

This is why I call my program a bridge—it combines catastrophic and comprehensive health insurance. It does so in a manner that is simple, equitable, easily administratible and efficient.

THE LESSONS OF MEDICARE AND MEDICAID

Medicare and medicaid have proved to be piecemeal, inadequate, and expensive health care programs. These two programs were developed to assist those who were financially unable to obtain medical care. We have watched these two programs reveal their shortcomings for some time. What is needed is a program which will eliminate the unnecessary bureaucracy and cost from medical care while simultaneously providing the necessary medical assistance.

My program, indeed, provides the needed assistance—whether catastrophic or comprehensive—to individuals. It provides this assistance without creating another huge bureaucracy. Rather than replace or restrict the existing health care professions, my concept enhances and facilitates the operation of free enterprise in the medical profession. It is time to hone our health delivery system and to expedite the actual delivery of services. This can be done by utilizing the already existing tax system to provide catastrophic/comprehensive health care.

THE HEALTH CARE CRISIS

The current problems in the health care field consist of several aspects of equal importance. The cost of medical care has risen beyond the ability of some Americans to pay. Medicare and medicaid have not provided coverage at a cost that lower income groups can afford. Rising costs of labor and supplies continue to force the cost of medical care up. Our medical professionals are not evenly distributed throughout the Nation. However, we have the best medical system in the world. These problems should not obscure this reality.

In order to assure that our health care delivery system operate at maximum efficiency, we need to minimize the role of the Government and let the free enterprise system operate. Government and free enterprise must work cooperatively to distribute our health care systems more equitably throughout the Nation. The Government should provide guidance and goals but the operation of the health care delivery systems should be based on free enterprise. Competition has proven to be the most efficient and least inflationary method of attaining our goals. The Medical Expense Tax Credit Act incorporated private enterprise and governmental guidance into a plan which would allow both to operate to the greatest advantage of the other.

THE CRISIS IN COSTS

Inflation is the core of the health care crisis. The cost of care was initially driven upward by the unexpectedly large number of people who began seeking medical care after the enactment of medicare. This is an excellent example of how Government interference with the price mechanism can result in severe allocation problems.

My bill would help reduce costs by removing hospitalization as the main area of reimbursement and by making all medical care equally reimbursable. By incorporating this program into the IRS tax return, we would be implementing a program to cover only those emergency or chronic situations which can be economically disastrous. This program would not cover minor expenses which can be afforded by the individual family, nor would it cover expenses paid for by private insurance. I would like to reemphasize the fact that different income levels would be required to spend a different amount of money before the plan would be "triggered."

Because medical personnel would be certain that all costs would be covered, there would be no incentive under my plan for the excessive hospitalization that characterizes our current health care. Because there is a coinsurance feature to my bill, persons would have an incentive to utilize only the hospital or medical care actually needed. Medical personnel would be free to more fully, develop and utilize preventive health care. Almost all medical economists have recognized the cost benefits of my proposal.

THE COST OF HEALTH SECURITY

It is not necessary or desirable to enact a cumbersome and elaborate national health insurance program. As we have seen, this type of program ends up costing more in taxes and dollars than its benefits provide. Medicare was intended to eliminate cost, instead it increased it.

The Medical Expense Tax Credit Act would provide the most equitable and logical form of governmental health insurance. By linking the amount paid directly to the amount earned, lower income people receive more assistance. Also, benefits are not wasted on those who do not need them. Thus, some of the built-in costs of other proposals are eliminated, as is the cost of maintaining an elaborate administrative bureaucracy.

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We all want Americans who need medical care to have it. That is not the issue. The issue is how to provide that care in the most responsible and efficient manner. The classic role of price has been to allocate scarce resources. If a plan to provide medical care does not have some method of limiting unneeded and wasteful trips to the doctor or health care facility, the whole medical system in America will collapse. I consider my bill a compromise, a compromise that can effectively provide assistance without overwhelming our medical delivery systems.

COMMUNITIES WITHOUT DOCTORS

At the present time, doctors are not proportionately spread throughout the Nation. Despite projections of a possible doctor surplus in the mid-1980's, many communities have no prospect of obtaining a local physician. One way to improve this situation would be to tie Government medical education aid to the area in which the students intends to practice.

However, manpower and insurance are two separate issues that should remain separated. An insurance program should not involve itself directly in the distribution of doctors.

My proposal would assist in distribution problems by guaranteeing that doctors would be paid—with a minimum of delay and redtape. This would make it more feasible for the doctors to practice in low income or rural areas.

THE CRISIS OF DISORGANIZATION

At the present we have two major health programs, medicare and medicaid. These programs are confusing and overlapping. We can and should have our health insurance programs in one simple and equitable form. The Medical Expense Credit Act would involve filing out only one form, the annual IRS tax form. The person making the claim would know in advance just what amount of his medical expenses would be covered. There would be considerably less time lag in the reimbursement process than is currently the case with medicare.

This plan that I have suggested does not divide our country into two distinct groups—rich and poor. It treats every individual as just that, an individual. My proposal does give different income levels different amounts of financial support, but it does that without creating a "welfare" category.

THE CRISIS IN QUALITY OF CARE

Medical schools now impose the highest standards of quality upon their graduates. The competition for medical school is keen, and only those students with the best potential are selected. We all, I am sure, are thankful for the high level of competence of the American medical profession. The problem is how to insure that those who need this skilled attention the most are able to receive it.

We should therefore avoid occupying the time of our medical professionals with bureaucratic redtape. Programs that encourage abuse should be avoided. Both of these problems are avoided using the tax credit plan. The patient still pays some percentage of the bill, thus giving the plan a critical cost control feature. Doctors have no additional paperwork requirements placed on them.

THE CRISIS OF INADEQUATE HEALTH INSURANCE

A basic problem with most health care proposals is that they involve two or three separate programs. Because of this, some segments of the population inevitably end up with inadequate or excessive benefits. For example, the elderly now pay more medical expenses from their own pockets than they did before the enactment of medicare.

Not everyone needs the universal comprehensive coverage proposed by some plans. My plan will provide comprehensive coverage for those in need or those who have inadequate catastrophic health insurance. Those families with adequate coverage will receive supplemental assistance only as needed. This is a wise use of the taxpayer's dollars; the need is met without providing expensive comprehensive programs not needed by everyone.

THE FEDERAL GOVERNMENT AS AN INSURANCE CARRIER

Health costs went up sharply in the 1960's and 1970's largely because of inefficient Government controls on health care delivery systems. This same type of Federal control is what made medicare and medicaid virtually guarantee inflationary pressures on the economy. The Government shrould guarantee, not provide, insurance. This is a sound principle used in many different Government programs. Two good examples of this principle at work are the VA and FHA home loan programs.

My legislation has built-in assistance tailored to the need of the individual. No services are paid for that are not received, nor does it require an arbitrary fixed dollar limit to be paid before the insurance coverage starts. By requiring the individual to pay the first 15 percent of his income for medical expenses before Federal support is given, the most effective cost-control mechanism in our free enterprise system is used—the judgment of the individual citizen. He or she will be very concerned with getting the best care for each health dollar. Consumer pressure is more effective than any regulation or bureaucracy.

GUARANTEES TO THE NATION'S DOCTORS AND OTHER PROVIDERS

We are painfully aware of the effects that Government price-fixing can have. Should blanket coverage of medical expenses be offered, hospitals would be inundated by many unnecessary visits. Those who really need attention would be compelled to take their turn after waits in long lines. I repeat, medical care must be allocated under any system. By removing the price completely from medical care, the allocation system becomes the line, the long wait, or some black market system.

The Medical Expense Tax Credit Act would leave intact the free market and private enterprise systems already operating in the medical profession. Voluntarism, doctor-patient relationship, individual choice, public-private competition, and private insurance efficiencies as well as many other existing assets would remain intact. Thus the Government would intervene only in cases of financial need. The Government would not place itself in the position of direct supervision of the medical profession.

COMPARISONS WITH OTHER NATIONS

A comprehensive governmental health insurance program would remove the free enterprise system from many areas of our economy. This type of Federal meddling in the economy on a piecemeal basis has contributed in large measure to our present inflation/recession problem. We need only look at the medical systems in England and Italy to find vivid examples of how a governmentally imposed all-encompassing medical program can wreak havoc with the health care delivery system.

In England, employee contributions are not sufficient to support financial demands for increased salaries and hospital construction. Salaries are Government-regulated; English medical personnel are among the lowest paid in Europe. The disequilibrium in the payment scale is causing a drain on the English medical profession as doctors leave England for other countries.

Italian medical insurance funds are now inadequate, which has caused hospitals to go bankrupt. Money is unavailable, and medical suppliers are refusing to deliver goods.

A close look at almost all foreign plans indicates that they are expensive, involve an extensive bureaucracy, and are not really meeting the health care needs of the total population.

THE MEDICAL EXPENSE TAX CREDIT ACT

The Medical Expense Tax Credit Act has many advantages that other proposals do not offer. It operates within the private enterprise system by not setting doctors' fees, hospital rates, or any other cost. This minimizes the automatic inflationary pressures inherent in the medicare program. My bill strikes a balance between payments by the individual and Government assistance. This encourages the individual not to abuse Federal money, yet enables him to obtain the health care he needs. In extreme instances the States could provide money for those unable to meet the coinsurance costs.

There are no divisions between segments of our population as to kinds of assistance they will receive. Each consumer is expected to pay a proportionate amount of his income for medical aid. And each consumer receives a proportionate amount of Government assistance. This is as it should be.

The Medical Expense Tax Credit Act is an uncomplicated, equitable, and realistic health insurance program. Health care assistance is provided when it is needed. The act builds a bridge between the problems of comprehensive and catastrophic health care. The goal of the act is to assure the best possible health care for the entire population at a cost the American taxpayer can afford. I feel strongly that my proposal does this.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Medical Expense Tax Credit Act" or "METCA".

(b) The purpose of this Act is to provide a system of protection against the costs of catastrophic illness which is easy to use and simple to administer by providing for a refundable tax credit for excessive medical expenses incurred by individuals, and to provide for a study as to whether existing Federal programs of medical assistance and health care should be changed in any respect.

SEC. 2. TAX CREDIT FOR MEDICAL EXPENSES.

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"(a) IN GENERAL.—There is allowed to an individual as a credit against the tax imposed by this chapter an amount equal to 85 percent of the amount by which the medical expenses paid or incurred by him during the taxable year exceed 15 percent of his modified adjusted gross income.

"(b) DEFINITION.—For purposes of this section—

"(1) MEDICAL EXPENSES.—The term 'medical expenses' means amounts paid or incurred by the taxpayer for medical care expenses for himself or for a dependent (as defined in section 152).

"(2) MEDICAL CARE EXPENSES.—The term 'medical care expenses' means—

"(A) expenses incurred for—

"(i) the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affection any structure or function of the body; and

"(ii) medicine and drugs; and

"(B) (i) in the case of a taxpayer whose modified adjusted gross income does not exceed $10,000 for the taxable year ($5,000 in the case of a married individual making a separate return of tax), the amounts paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and his dependents, and

"(ii) in the case of any other taxpayer, one-half of such amounts.

"(3) MODIFIED ADJUSTED GROSS INCOME.—The term 'modified adjusted gross income' means adjusted gross income, reduced by the amount of the deductions for personal exemptions provided in section 151, and increased by—

"(A) the deduction allowed by section 2102 (relating to capital gains), and

"(B) the sum of any amounts received during the taxable year which are excluded from gross income under section 103 (relating to interest on certain governmental obligations).

"(4) INSURANCE.—The term 'insurance which constitutes medical care' means insurance (including amounts paid as premiums under part B of title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged) covering medical care described in paragraph (2)(A). In the case of an insurance contract under which amounts are payable for other than medical care referred to in such paragraph—

"(A) no amount shall be treated as paid for insurance unless the charge for such insurance is either separately stated in the contract, or furnished to the policyholder by the insurance company in a separate statement,

"(B) the amount taken into account as the amount paid for such insurance shall not exceed such charge, and

"(C) no amount shall be treated as paid for such insurance if the amount specified in the contract (or furnished to the policyholder by the insurance company in a separate statement) as the charge for such insurance is unreasonably large in relation to the total charge under the contract.

Subject to the limitations of this paragraph, premiums paid during the taxable year by a taxpayer before he attains the age of 65 for insurance covering medical care for the taxpayer, his spouse, or dependents after the taxpayer attains the age of 65 shall be treated as expenses paid during the taxable year for insurance which constitutes medical care if premiums for such insurance are payable (on a level payment basis) under the contract for a period of 10 years or more or until the year in which the taxpayer attains the age of 65 (but in no case for a period of less than 5 years).

"(c) ELECTION TO APPLY CREDIT TO PRECEDING YEAR.—

"(1) IN GENERAL.—Notwithstanding the provisions of subsection (a), at the election of the taxpayer, medical expenses paid or incurred in a taxable year may be claimed as a credit against the tax imposed by this chapter for the preceding taxable year.

"(2) LIMITATION.—The amount of the credit claimed under paragraph (1) for the taxable year preceding the taxable year in which the medical expenses were paid or incurred may not exceed the amount of the credit—

"(A) allowable for the preceding taxable year, or

"(B) allowable for the taxable year in which the medical expenses were paid or incurred.

"(d) INCREASE IN MEDICAL INSURANCE INCOME CRITERION.—

"(1) IN GENERAL.—Not later than the first day of October of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Secretary of the Treasury or his delegate and publish in the Federal Register the percentage point difference between the price index for the 12 months ending on the preceding June 30 and the price index for the base period. Each dollar amount set forth in subsection (b)(2)(B)(i) shall be increased or decreased, as appropriate, by the same percentage by the Secretary or his delegate, and, as so increased or decreased, shall be the amount in effect for taxable years beginning with or within the next calendar year beginning with or within the next calendar year beginning after each such certification.

"(2) PRICE INDEX: BASE PERIOD.—For purposes of this subsection—

"(i) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(ii) the term 'base period' means the period beginning July 1, 1975, and ending June 30, 1976.

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section, but such regulations may not limit an individual's right to choose his own licensed health care provider or place of treatment.".

(b) PAYMENTS TO INDIVIDUALS WHOSE CREDITABLE EXPENSES EXCEED THEIR TAX LIABILITY.—

(1) Section 6401(b) of the Internal Revenue Code of 1954 (relating to excessive credits) is amended by—

(A) inserting after "lubricating oil)" the following: ", 42 (relating to medical expenses)", and

(B) striking out "sections 31, 39, and 42".

(2) Section 7201(a)(4) of such Code (relating to assessment authority) is amended by—

(A) inserting "or 42" after "section 39" in the caption of such section, and

(B) striking out "oil)," and inserting in lieu thereof "oil) or section 42 (relating to medical expenses),".

(c) TAXPAYER MUST FILE RETURN TO CLAIM CREDIT.—Section 6012(a) of such Code (relating to persons required to make returns of income) is amended by—

(1) striking out "and" at the end of paragraph (4),

(2) inserting "and" after the semicolon at the end of paragraph (5) and

(3) inserting after paragraph (5) the following new paragraph:

"(6) Every individual who has attained the age of 18 years and who claims the credit allowed by section 42,"

(d) CLERICAL AMENDMENT.—The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Medical expenses.
"Sec. 43. Overpayment of tax.".

(e) REPEAL OF DEDUCTIONS FOR MEDICAL, DENTAL, ETC., EXPENSES.—Section 213 of such Code (relating to medical, dental, etc., expenses) is repealed.

(f) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 1975.

SEC. 3. STUDY OF CERTAIN FEDERAL MEDICAL ASSISTANCE PROGRAMS.

The President is authorized and requested to study the adequacy of the use of refundable tax credit under section 42 of the Internal Revenue Code of 1954 (as amended by this Act) in meeting the health care needs of the Nation as an alternative to medicaid, medicare, and all other Federal medical assistance and health care programs, and to report to the Congress on his findings and conclusion not later than the first day of July, 1978. The report made by the President under this section shall include any recommendations he may have as to whether such Federal medical assistance and health care programs should be terminated, reduced, or changed in any respect.

By Mr. PASTORE (for himself and Mr. HUDDLESTON):

S. 608. A bill to amend subsection (a) of section 315 of the Communications Act of 1934 in order to exempt legally qualified candidates for the offices of President and Vice President of the United States from the equal-time requirements under such subsection. Referred to the Committee on Commerce.

Mr. PASTORE. Mr. President, section 315(a) of the Communications Act of 1934, as amended, presently requires that a licensee who permits the use of his broadcast station by a legally qualified candidate for any public office must afford equal opportunities to all other such candidates for that office in the use of his station's facilities. The legislation I am introducing today would exempt broadcasters from this "equal opportunities" requirement insofar as it applies to legally qualified candidates for the offices of President and Vice President of the United States.

It bears emphasizing, Mr. President, that unlike elections for other public offices the Presidential campaign invariably attracts a virtual plethora of candidates, all of whom must receive equal treatment from broadcasters under section 315 regardless of the significance of their campaign or the breadth of their support. Thus, broadcasters are neces-

sarily inhibited from offering free time to the major Presidential and Vice-Presidential contenders for fear of being deluged with requests for equal opportunities from fringe or minor candidates.

In this regard, it would be noted that in past election years the television networks were prepared to offer substantial amounts of expensive air time free to the major Presidential and Vice-Presidential candidates if they were to be relieved of the requirement of section 315. There is every indication that the networks will repeat these offers should the requirement be repealed in time for the 1976 campaign.

Whatever the merits of a broader repeal, and I acknowledge that there are many, I believe that we should act in this one area where past experience indicates that limited repeal is acceptable to both Houses of the Congress. With this legislation we have the opportunity both to reduce substantially the cost of the 1976 Presidential campaign and to remove one of the primary impediments to a well-informed electorate capable of wisely deciding the critical issues of national leadership.

I am hopeful, Mr. President, that the Senate will recognize this opportunity and consider this legislation with all deliberate speed.

By Mr. JAVITS (for himself, Mr. WILLIAMS, Mr. NELSON, Mr. BROOKE, Mr. CASE, Mr. HATHAWAY, Mr. HUMPHREY, Mr. MATHIAS, Mr. MONDALE, Mr. MOSS, Mr. PERCY, Mr. PELL, Mr. RANDOLPH, Mr. HUGH SCOTT, and Mr. SCHWEIKER):

S. 609. A bill to extend for 1 year the authorization for the emergency job programs under title VI of the Comprehensive Employment and Training Act of 1973. Referred to the Committee on Labor and Public Welfare.

EMERGENCY PUBLIC SERVICE EMPLOYMENT EXTENSION ACT OF 1975

Mr. JAVITS. Mr. President, I introduce for myself and Senator WILLIAMS, the chairman of the Committee on Labor and Public Welfare and 14 others, the Emergency Public Service Employment Extension Act of 1975, a bill to extend for 1 year the authorization of appropriations for the emergency jobs program under title VI of the Comprehensive Employment and Training Act of 1973.

We are joined in this joint bipartisan initiative by Senator GAYLORD NELSON, the chairman of the Subcommittee on Employment, Poverty and Migratory Labor, and by Senators BROOKE, CASE, HATHAWAY, HUMPHREY, MATHIAS, MONDALE, MOSS, PELL, PERCY, RANDOLPH, HUGH SCOTT, SCHWEIKER, and STEVENS.

This measure will provide standby authority extending the authorization of appropriations for the emergency jobs program under title VI of the Comprehensive Employment and Training Act of 1973—CETA—for 1 year beyond its expiration this June 30, 1975.

This bill would authorize "such sums as may be necessary" for fiscal year 1976 for public service employment programs conducted by State and local governmental prime sponsors, under title VI, which was added to CETA under the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93-567), signed into law by the President on December 31, 1974.

We state as our objective an authorization for appropriations to maintain during fiscal year 1976 an aggregate of 1 million public service jobs, taking into account both title VI—which authorizes a nationwide program—and title II of CETA—which is confined to areas of "substantial unemployment," that is areas with 6.5 percent unemployment or more for 3 consecutive months.

To provide 1 million jobs—at $7,800 per year—during fiscal year 1976 would call for Federal appropriations to State and local sponsors of an aggregate of $7.8 billion, which includes also the administration's plans under title II and VI for fiscal year 1975, which I shall describe.

Mr. President, this week in his economic and budgetary messages, President Ford described the Nation as being in a "severe recession."

The January unemployment figures, released this morning by the Bureau of Labor Statistics of the Department of Labor, show just how severe the situation is already.

The Department announced that the national unemployment rate for January was at 8.2 percent, with 7.5 million persons unemployed, compared with a rate of unemployment—unadjusted—for December of 7.1 percent, with 6.5 million unemployed.

These figures—the highest rate and number recorded since the Bureau of Labor Statistics began monthly reporting in 1948—are shattering in economic terms, truly heartbreaking in individual terms, and seriously threatening in the sense of social stability.

The rate already surpasses the 8.1-percent average unemployment rate for this calendar year which President Ford projected this week in his budget and economic messages.

While the rate of unemployment is below depression levels, the number of persons unemployed in January now exceeds the average number of actual unemployed in the period 1933 to 1939. During those years, according to statistics provided to us by the Library of Congress—and which Senator WILLIAMS inserted at page 2550 of the CONGRESSIONAL RECORD for February 5, 1975—there were an average of 10.1 million Americans per year in the unemployed category; but in terms of persons really unemployed, 6.7 million per year were out of work because then, unlike now, those in work relief programs—averaging 3.4 million persons in those years—were counted among the unemployed.

It can be expected, on the basis of these jumps on the national level in January that the January statistics for New York State, which will not be compiled until later this month, will also show dramatic increases. Already in December, New York State was running ahead of the national rate with a rate of 7.6 percent in the State and 570,100 persons unemployed. New York City had an unemployment rate of 8.5 percent with 269,700 unemployed, and Buffalo had unemployment of 10.3 percent and 56,500 unemployed—very shocking figures.

Chairman WILLIAMS' home State of New Jersey experienced a staggering rate of 10.3 percent overall in December.

Mr. President, President Ford told us in his state of the Union address January 15, that:

> The emphasis of our economic efforts must now shift from inflation to jobs.

However, the administration's budgetary plans for public service employment do not reflect the statement and the projections of unemployment made by the President.

At the present time, States and localities are entitled to receive an aggregate of $1.5 billion in funds specifically for public service jobs, which it is estimated will cover approximately 250,000 public service jobs; the $1.5 billion consists of approximately $704 million in fiscal year 1974 and 1975 allocations under title II of CETA—which, as I indicated, are limited to areas having unemployment rates of 6.5 percent or more for 3 consecutive months—and $878 million in appropriations—out of an administration request of $1 billion under a statutory authorization of $2.5 billion—for fiscal year 1975 under title VI the new nationwide emergency jobs program.

The administration makes no new budgetary requests for title VI for the remainder of fiscal year 1975 and seeks no authorization for appropriations for public service employment under title VI for fiscal year 1976; instead it estimates that an aggregate of $1.3 billion will be available for public service jobs during fiscal year 1976—which begins July 1, 1975—consisting of a new request included in the President's budget of $400 million under title II and the balance from fiscal year 1975 title VI funds and other CETA funds which the administration estimates will be utilized primarily in fiscal year 1976. At a cost of $7,800 per job this administration's provision would fund only 166,000 public service jobs during fiscal year 1976.

We feel very strongly that much more than the administration has proposed will be needed to meet and, if possible, avert the current unemployment situation and that which is expected over the next few years.

The 1 million jobs we propose represents a substantial commitment, but it is only one-seventh of the number of unemployed persons at 8 percent—and still well below the average annual number of persons in work relief programs during the depression period.

Mr. President, as I noted, we contemplate 1 million jobs to be authorized under our proposal or 840,000 more than the 160,000 which can be available with $1.3 billion projected by the administration, using a cost of $7,800 per annum per job in each case.

To date, New York State has received a total of $154.3 million in funds specifically for public service employment in allocations under title II and fiscal years 1974 and 1975 allocations under title II.

These allocations are approximately 10 percent of the $1.5 billion distributed nationally to date.

Assuming a cost of $7,800 per job, the $154.3 million received by prime sponsors within New York State can fund approximately 20,000 annual public service job slots.

Assuming the same data base, in fiscal year 1976, sponsors within New York State could sponsor as many as 100,000 jobs—or 10 percent of the 1 million we seek to provide.

Mr. President, the measure we introduce today is a companion measure to S. 472, the Full Employment and Job Development Act of 1975, which Senator WILLIAMS and I introduced on January 29, with 13 cosponsors. Under S. 472, there would be established a "Federal full employment board" to spearhead efforts to get people back to work now as well as pursue the objective of full employment as a national goal for the future.

To that end, the Board would be responsible for recommending appropriate levels of public service jobs after reviewing and making recommendations with respect to monetary, fiscal, income and other governmental policies which impact upon achieving full employment.

As these two measures are considered by the committee, it is my expectation that a link between any new public service employment funds and this Board will be developed.

Also, I wish to note that in addition to the very serious national unemployment situation, which I have outlined, there is an extremely threatening situation in respect to unemployment among economically disadvantaged youth.

The National League of Cities advised me by letter on January 29, in response to a request I made, that unemployment among poor youth in our cities would approach 50 percent this summer with an estimated 3.1 million youth looking for employment.

A survey which they provided, documents on a city-by-city basis, that the cities can effectively use—against the target group of 3.1 million youth—slots for 1,147,847 youth.

The statistics are set forth at page 2115 of the CONGRESSIONAL RECORD for February 3.

I will be seeking the support of my colleagues in obtaining whatever funds, which together with existing public funds, will provide the aggregate of $649,681,402 necessary to fund the program.

Mr. President, it is through these and other bipartisan initiatives—such as extended provisions for those who have exhausted their unemployment benefits and for those not previously covered—that we hope to stem the unemployment-depression tide and restore the confidence of the people in the ability of the Government to meet needs realistically during these times.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Public Service Employment Extension Act of 1975".

SEC. 2. Section 601 of the Comprehensive Employment and Training Act of 1973 is amended by inserting "(a)" immediately after the section designation, and by adding at the end thereof the following:

"(b) There are authorized to be appropriated such sums as may be necessary for the fiscal year 1976 for carrying out the provisions of this title. Any amount so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1976.".

Mr. WILLIAMS. Mr. President, I am very pleased to join today as a cosponsor of the Emergency Public Service Employment Extension Act of 1975. This legislation will maintain for a year the program of emergency assistance to the Nation's unemployed by continuing our already established policy of an expanded public service jobs program.

This bill will continue that program which this body adopted on December 18, 1974, as the Special Employment Assistance Act of 1974. That bill was subsequently signed by the President to become Public Law 93-567.

Under that law, a new title VI, added to the Comprehensive Employment and Training Act of 1973—CETA—authorizes an appropriation of an additional $2.5 billion for an extensive public service jobs program, establishing approximately 330,000 new jobs when operating at peak levels—jobs which not only return a sense of dignity and pride to the workers themselves, but serve our Nation's communities by providing improved public services. Certainly this is a vital and meaningful alternative to our present devastating unemployment situation.

The authorization for title VI of CETA expires, however, on June 30, 1975, and requires renewal. The bill we are introducing today would extend the authorization for 1 year for "such sums as may be necessary for the fiscal year 1976" for the emergency jobs program of the act.

It is our intention to seek and to maintain a sustained level of 1 million public service jobs throughout fiscal 1976. This is nearly three times the level currently authorized and funded.

The need for an extensive public service jobs program is, of course, very evident. This Nation is currently suffering a serious economic crisis characterized by severe economic dislocation and rampant unemployment. The latest official Labor Department figures on unemployment showed national unemployment at 7.1 percent, the highest in more than 13 years. The human impact of this statistic means that more than 6.5 million Americans are unable to find work. In my own State of New Jersey, unemployment is running at 10.3 percent statewide, with certain areas much harder hit by even higher unemployment.

Leading economists are forecasting that the problems with the economy and unemployment will not get better quickly. Rather, they see that problem getting worse during the next year. Some leading economic experts have characterized the current economy as experiencing a "free fall" since November of last year, with no one really in control of the slide. Data which was released near the end of last month shows that the fourth quarter in 1974 decline in real gross national product is the most precipitous since World War II, and there are expectations that the plunge will not even begin to slow until the second half of this year at the earliest. It is also becoming readily apparent and generally accepted that, even if recovery does start at midyear, it will be quite feeble and not nearly enough to start the unemployment rate moving down.

In recent testimony before the Congress, Alan Greenspan, Chairman of President Ford's Council of Economic Advisors and the administration's chief economic spokesman, stated that the Nation's economic slump could last longer and be deeper than originally anticipated and that unemployment would reach 8 percent during 1975. Mr. Greenspan also acknowledged something—which has been apparent to most of us—that the suddenness and the sharpness of the contraction in production and employment has made original administration predictions inaccurate and that it is now difficult to accurately assess the precise duration of the current economic crisis. One leading economic expert, Otto Eckstein, has predicted that unemployment will hover over 7.5 percent throughout 1976 and into 1977.

These statistics, while gloomy and unpleasant in and of themselves, do not fully present the picture of the problem and their impersonal nature tends to mask over the high price in human misery of this economic mural. What we are really talking about is people and the impact that the current economic crisis has on them. We are talking about over 7 million men and women who have to face the prospect that they will probably be unemployed for the next 2 years—2 years out of their lives when they will be able to only marginally participate in our society. It is my belief that the Congress cannot allow this situation to continue and that we must take all measures at our disposal to correct the current paralyzing slump and to ease the burden of human suffering throughout the country.

When we adopted the Special Employment Assistance Act of 1974, we anticipated a continued high unemployment rate at least for the current year. The intent of authorizing the allocation of $2.5 billion was to allow the establishment nationwide of a public service jobs program which would permit those workers who are unemployed, because of the current economic downturn, and who have not been able to find meaningful employment, to be able to work and provide for themselves and for their families. The dignity of work for our Nation's laborers is as important to their sense of well-

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being as it is to actually provide them with the necessities of life.

The program established by the Special Employment Assistance Act of 1974, however, only has a 1 year's lifespan. When we originally enacted the law, we did not fully anticipate the scope or the possible duration of the current economic crisis. Given the predictions of the Nation's economists, we cannot allow the public service jobs program to expire before the Nation's economy outlook becomes brighter. Accordingly the introduction of our bill today is meant to extend and expand the current public service jobs program and authorize additional appropriations as may be needed to continue this alternate form of employment.

Mr. PELL. Mr. President, today I am cosponsoring the introduction of the Emergency Public Service Employment Extension Act of 1974. This legislation would extend funding for public service jobs under Title VI of the Comprehensive Employment and Training Act, for 1 year, until June 30, 1976.

This legislation is urgently needed. In my State of Rhode Island, unemployment last month was 9.1 percent and this month's figures are sure to be higher. Translated into individuals and families, this means that more than 38,000 persons who want to work are unable to find jobs. More than 38,000 families are without income security, beyond what little income there may be in unemployment compensation.

Just this morning, the newest figures on national unemployment were released; 8.2 percent of our national workforce, more than 7.5 million men and women, are out of work.

Unemployment is always a personal tragedy. When it is as pervasive as it now is in our Nation, it becomes a public tragedy of the first order. And it requires strong and united congressional action.

This legislation will be expensive; but it will not be anywhere near as costly to the fabric of our society as would be 1 million additional unemployed workers.

Under this proposed authority, we could support a total of 1 million public service jobs, nationally. It would mean that we would be spending up to $7.8 billion on public service jobs in the next year.

This legislation would mean a great deal to my own home State. If it were appropriated at its maximum level, this legislation would assure approximately 7,500 jobs, on a continuing basis, through next year. That would be a total payroll of $58,500,000 in Rhode Island.

I urge my colleagues to join with us in taking speedy and affirmative action on this measure. It is important to 1 million families, and in a larger sense, to every family, and to every community in our country.

By Mr. PHILIP A. HART:

S. 610. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States. Referred to the Committee on Finance.

BALANCE OF PAYMENTS AND COMPETITION IMPROVEMENTS ACT OF 1975

Mr. HART. Mr. President, as I pointed out in remarks on January 23, I feel that the administration's program for dealing with the petroleum crisis suffers from a serious defect: It is highly unlikely to have any effect on the cause of the problem which is, of course, the high price of foreign crude oil.

At the time, I said that I was having legislation drafted which would attempt to get at the two basic problems: The excessive amount of money we export for oil imports and how to break up the international oil monopoly.

Mr. President, today I introduce that bill—the Balance of Payments and Competition Improvements Act of 1975.

Mr. President, in the past 2 years, the Organization of Petroleum Exporting Countries—OPEC—has quadrupled the price of crude, creating serious economic problems over the world and the potential for economic chaos. The administration's response has been to treat the matter as a political one, a matter for foreign policy. We are told that if the consuming nations can take a common stand, we will somehow be able to negotiate a "fair" price with OPEC. Without consumer nation solidarity, according to Mr. Kissinger, the United States can do nothing to lower prices short of "massive political warfare."

This approach has some conspicuous limitations—not the least of which is that the OPEC cartel's conduct may have a lot more to do with ordinary economics than it does with foreign relations. There is no obvious reason why "friendly" nations should prefer less money for their oil than less friendly ones. While the Arab-Israeli dispute may originally have been an important impetus for the cartel, its settlement is unlikely to bring forth cheap oil. After all, the enthusiasm of Indonesia or Venezuela for high oil prices can hardly be expected to follow the twists and turns of Middle Eastern politics.

Treating petroleum prices as a wholly political matter has another limitation. It ignores the possibility that the major multinational petroleum companies have made their own contribution to the world petroleum problem. Sometime prior to the present crisis, the noted petroleum economist, Prof. Morris A. Adleman of Massachusetts Institute of Technology, referred to the cartel-like arrangement between the major international petroleum companies as the "cutting edge" of OPEC. The concept here is that between OPEC and the consuming nations, there is a small group of international companies who have achieved a far more sophisticated degree of coordination than OPEC itself is capable of achieving. The ability of these companies to manage the world's supply of oil and avoid competition is essential to the success of OPEC itself.

The key to the restraint these companies can impose on international competition is the intricate system of joint ventures that tie these companies to each other. Of particular significance, are the major joint ventures which dominate Mideastern production. What is important about these arrangements is the knowledge it gives each firm about the capability and intentions of each of its rivals. The essence of market power is, of course, the ability to restrict production in order to increase price. In an oligopoly, the ability to get a higher price by restricting output is dependent upon knowing that your rivals are doing the same thing. In his World Petroleum Market, Professor Adleman examined "the significance of exchange of information and coordination of production plans among the eight large firms." He began with Aramco which is, of course, a joint venture between Exxon, Texaco, SoCal and Mobil:

> Each Aramco offtaker becomes aware of the nominations of the others, and knows in advance what they intend to sell. Since Aramco nominations are one-year firm and three-year tentative, each offtaker has not only a precise idea of his partners' short-run plans but at least a good idea of their long-run plans for permanent expansion. Compounding this effect is the overlapping membership in joint ventures. If the production plans of, say, Gulf are known to its partner BP, they presumably must also be known to BP's partners in IPC. Therefore, the others can at least get a good idea of the net impact of the Gulf plans. Two of BP's partners in IPC are Esso and Mobil; hence the plans of Gulf and of BP must presumably be known also by SoCal and Texaco. All these firms are in the Middle East. As a result, each of the Persian Gulf producing companies takes account of the action of all others. It would be an exaggeration to say that the companies confer on their production plans. At least among the five American companies, antitrust prudence would not permit that. But each can be assured that nothing is contemplated to threaten an excess of supply and a threat to the price. Each can hold back on output in the almost certain knowledge that all others are doing the same."

In testimony before the Subcommittee on Multinational Corporations, the able economist Dr. John Blair charged that the major firms have in fact coordinated the output of the major oil producing countries. Analyzing the production figures from each of the 11 principal OPEC countries he found an annual average growth rate of 9.55 percent. And by a regression analysis he determined that for each year the actual growth rate never deviated from 9.55 percent by more than one-tenth of 1 percent. He then commented that:

> What makes the stable growth of supply so extraordinary is the widely diverse movements of its separate components. If each of the producing countries had been increasing its output at about the same rate the steady rise in supply could be explained as merely the sum total of the behavior of the individual countries. But this explanation obviously fails if the different sources of supply have been expanding at widely varying rates, and even more strikingly, if some have been characterized by actual declines. That such has been the pattern of the international oil industry is apparent. . . . The international supply picture is a composite of long-sustained steady increases (Saudi Arabia and Iran); of much slower rates of increase (Venezuela, Kuwait and Iraq); of precipitous rises (Libya until 1970, Nigeria, Abu Dhabi, Indonesia); and of occasional pronounced declines (Iran in 1951-54; Iraq in 1957, 1967 and 1972; Nigeria in 1968; and Venezuela and Libya since 1970). Somehow

> the major oil companies have been able to "orchestrate" these and other aberrations into a smooth and uninterrupted upward trend in overall supply.

But, it is not just crude production that is done jointly; in virtually every market where they meet they have cooperative arrangements. An elaborate worldwide net of exchange agreements, processing agreements and other joint ventures characterize their "downstream" activity. The conclusion is almost inescapable that the major oil companies have the ability to avoid competitive collisions in every market where they meet.

There is some particularly disturbing evidence that the monopoly power of the international companies has been exercised in a manner directly affecting the American consumer even during the present crisis. This evidence indicates that the international firms have used the OPEC price increases to expand their own profit margins, particularly on foreign crude production. The evidence involves the rather confusing subject of transfer prices. Transfer prices are the prices at which an international oil company sells crude oil to its domestic affiliate or subsidiary. These are not real market prices in the sense of representing arms-length sales between unaffiliated firms; they are wholly matters of internal accounting. For this reason, they are subject to artificial manipulation. If a corporation wishes to increase the profitability of its foreign operations, it can simply raise its transfer prices. Conversely, if it wishes to take additional profits domestically, it lowers them.

Currently, transfer prices have tremendous significance because of the price controls on petroleum products. Under the controls, a refiner can "pass through" all increases in crude costs to its customers in the form of higher prices for its refined products. But the basic issue surrounding transfer prices is not so much a question of compliance or lack of compliance with the Federal Energy Administration's price control regulation. Rather, it is a question of monopoly power. If the major international firms have used the transfer price device to pass through to the American consumers large price increases that go far beyond what can be justified or explained by the increased revenues of the OPEC cartel, then we have been treated to an alarming display of market power. This is true whether or not the pricing conduct of the firms conforms with the FEA regulations or, for that matter, with IRS tax regulations. The ability to successfully raise prices well above costs is what monopoly power is all about.

The evidence as to this manipulation of transfer prices is far from conclusive. Nevertheless, the evidence we do have is deeply disturbing. On October 31, the FEA admitted in the Federal Register that:

> The most recent data for aggregate imported crude oil costs reported to FEA show that in the last few months several of the integrated major oil companies have been importing crude oil at significantly higher landed costs than independent refiners. This phenomenon cannot be fully analyzed until FEA has more detailed information, which FEA will collect as part of this regulation and its audit program. The trend is, however, of concern to FEA because independent refiners purchase most of their crude oil in the open market in arms-length transactions, and the fact that their costs seem to be lower than those of several of the integrated refiners importing significant amounts of equity crude oil suggests that the current landed costs computations of several integrated refiners may exceed the arms-length standards which these regulations are designed to implement.

The clear implication is that there is a distinct possibility the major companies have arbitrarily increased their transfer prices and have used these prices as a basis on which to overcharge consumers. The magnitude of this price manipulation was indicated by an article in Petroleum Intelligence Weekly—October 21, 1974. According to this article, the major firms were transferring foreign crude to their domestic subsidiaries at an average price of $12.99 per barrel. In contrast, independents with over 175,000 barrels per day refining capacity were importing crude at a price of only $11.94. And the refiners with only 75,000 to 175,000 barrels per day capacity, were importing at a price of only $11.44. As the FEA acknowledges, it is this latter price which is most likely to be closer to a genuine market price. This leaves about $1.50 per barrel of the majors' prices which cannot be accounted for. And to put this in perspective, it should be remembered that six international majors, Exxon, Texaco, Gulf, Shell, Standard of California, and Mobil were importing 1.9 million barrels per day of crude in the third quarter of last year.

There are other data which tend to confirm the thesis that there is an unexplained gap between the major firms' transfer prices and the costs we can account for. For example, a published comparison between declared U.S. customs prices—f.o.b.—and estimated average concession oil prices—f.o.b.—for Iranian, Nigerian, and Arabian crude revealed differences of between $1.27 and $1.75 a barrel. Again, the evidence is not in any sense complete, but there is certainly strong reason for raising very serious questions.

We also have evidence indicating that certain major firms dramatically increased their Eastern Hemisphere earnings over their earnings elsewhere. For example, Exxon last year increased its petroleum earnings in the Eastern Hemisphere by 72 percent. Its Canadian and Latin American earnings increased 48 percent and its U.S. earnings increased only 15 percent.

In addition to the overall problem of transfer pricing, there are some specific aspects of the problem which by themselves are very troubling. Transfer prices include the cost of transportation from the producing country to the domestic port. International companies do not, however, include actual costs of transportation in their transfer prices. Rather, they use the average freight rate assessment—AFRA—published by the London Tanker Brokers, which is a weighted average of all charges in force during a given period. Professor Adelman has observed that:

> AFRA is no part of any current arms-length transaction, and is therefore irrelevant to any market price.

But irrelevancy is not the only vice of AFRA rates. At least in recent months they have consistently tended to overstate the shipping costs of the major international firms. FEA, however, permits the use of AFRA rates in computing transfer prices—as does the IRS. This, of course, means that the "costs" which the major firms can pass through to their customers in the form of higher product prices are inflated by an artificial tanker rate.

Again, it must be emphasized that the real issue here is not the possible violation of FEA regulation or even the tax code, rather it is the question of monopoly power. Manipulation of transfer prices by artificially inflating production or transportation costs is only possible in the absence of meaningful competition. If these firms faced serious competition in every market, they would be unable to shift revenue from one level of the industry to another with indifference to real costs.

It is also important to recognize that the question here is something quite distinct from the monopoly power exercised by the OPEC cartel. It involves the monopoly power exercised by the seven international majors, five of which, at least in some sense, purport to be American corporations.

Another disturbing aspect of the transfer price problem is the explanation offered by M. A. Wright, chief executive of Exxon, of the gaps between the transfer prices reported by the majors and those reported by the independents. According to Mr. Wright, the problem is caused by FEA's crude allocation regulations. Under these regulations, refiners such as Exxon with a high percentage of their own crude are required to sell crude oil to refiners with less of their own crude. The selling refiner must price his allocation crude at his average crude cost.

This is intended to equalize the position of domestic refiners. Exxon contends that the oil they sell under the allocation program is high-priced foreign oil. They keep their low-priced domestic oil for themselves. This they claim, then, entitles them to add to the costs of their imported oil, the almost $4 a barrel difference between their average crude costs and their foreign crude costs which they purport to "lose" on the oil they allocate.

What is interesting about this position is that it assumes the FEA statement was referring to the cost of crude oil at the refinery after allocation. In fact, a plain reading of the statement warrants no such assumption. Exxon appears to be rebutting a charge that was not made.

Parenthetically, it is worth noting that Exxon's statement is an interesting commentary on the FEA regulations. Regardless of the letter of the regulations, Exxon's interpretation certainly flies in the face of their purpose. There is no earthly reason why the allocation program should permit Exxon to allocate

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only high-priced foreign crude. The regulations require the allocation of average crude at average prices. For them to insist on allocating only high-priced foreign crude and recovering a $4 "loss" from consumers is a perversion of the whole system.

The point of all this is that there is considerable reason to believe that the international oil companies do not in any sense represent the interests of the consuming nations. Their interests are far more closely allied with the OPEC cartel. At the very least, the enormous increases in world petroleum prices spectacularly increased the value of the companies' holdings of domestic energy resources. And it appears quite likely that they have profited extravagantly from the opportunities presented by the cartel's price increases.

There are, of course, those who would argue that this is all now irrelevant, and that the role played by the international companies will inevitably diminish. As of yet, however, such predictions seem a bit premature. While it is not always easy to follow the convoluted negotiations over nationalization, participation, equity and buy-back oil prices, and service fees, several factors do not seem likely to change. The major oil companies will continue to have preferred access to the OPEC countries' crude. They will continue to get this crude at some price advantage. They will continue to have a stake in the success of the cartel, that is a stake in higher prices.

This should not surprise anyone. It is the strategy that has been frequently discussed with remarkable candor by the brilliant Saudi Oil Minister, Sheik Yamani. He frequently warned that if the OPEC countries really nationalized the international companies and then had to deal directly with the consuming countries, competition would soon destroy OPEC. He repeatedly argued that OPEC needed to keep the major international companies between it and the consuming nations and the companies must be given an interest in high prices rather than low prices. Barring the unlikely possibility that the OPEC countries will become carried away by their own rhetoric on nationalization, the consuming countries will continue to have the major international firms control the bulk of their foreign crude supplies. In fact, for the United States this control appears to be increasing. The share of U.S. crude imports accounted for by the six internationals has increased from 41 percent in October–November 1973 to 48 percent in the third quarter of 1974. Clearly, at least as far as the United States is concerned, the supply of foreign crude oil is even more firmly in the hands of the small group of firms that have always dominated it.

The problem with the administration's solution to the petroleum crisis is, first of all, that it is no solution at all. It simply assumes that we must take the high foreign crude prices as an established fact. It would, of course, require a cut in consumption, but this is just a matter of reducing our vulnerability to another boycott. No one in the administration is contending that the proposed cut would create the kind of surplus which would cause prices to fall.

The solidarity which Mr. Kissinger would promote between the consuming nations would change little either. No price fix ever came apart because its customers did not like it. Consumer solidarity, as such, is largely irrelevant as long as the consuming nations continue to purchase their oil through agents who have no interest in low prices. Mr. Kissinger's acknowledged indifference to economics is already well known. But we are all in serious danger that he may make it legendary. There are indications that the State Department is once again in the business of attempting to get antitrust exemptions for the international oil companies to help carry out the policies of the consuming nations. This is roughly equivalent to putting the defense of Rome in the hands of Attila the Hun. There is ample evidence that the international oil companies do not, and perhaps cannot, in any real sense represent the interests of the consuming nations.

What is needed is a policy that will put between the American consumer and the OPEC cartel an agent that does not have a stake in the cartel and has as its primary purpose lowering the price of foreign crude.

Mr. President, this would be the impact of the bill I introduce today.

It would:

First. Establish an upper limit annually on how many dollars this country will export to pay for imported oil and petroleum products. Thus, we begin by attacking the real problem—our balance-of-payments deficit.

Second. The Government would be the purchasing agent for all imported crude oil and petroleum products. This eliminates the international oil companies as the buffer between us and the OPEC cartel. More important, by limiting the purchase contracts to no more than 2 years and by opening up this market to all comers, we put in competition as the buffer between us and all present or future cartels.

As many students have noted, there is nothing more disconcerting to any cartel or cartel-like arrangement than to have the number of buyers and transactions increase greatly. This makes policing nearly impossible and usually bodes the end of the cartel.

Third. While the guarantee is not carved in granite, the likely outcome of the new competition would be the lowering of world oil prices.

Mr. President. this country has been pushed and pulled in the international petroleum market for several years. We have let those with monopoly and near-monopoly power call the tune without realizing that the other side of the monopoly coin is monopsony—the extraordinary power of large buyers. As purchasers of 6 million barrels a day of petroleum and petroleum products, we certainly have buyer power.

Our economy is being torn apart by runaway inflation and deepening recession. Our solution is not to tighten our belts and suffer more. Our solution is to use our heads—and the power we do have—to straighten out this market.

This plan—I think—is a step in the right direction and I hope for constructive criticism from any who have it to offer.

Mr. President, I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Balance of Payments and Competition Improvements Act of 1975."

FINDINGS AND DECLARATIONS

"SEC. 2. The Congress finds and declares that—

"(1) the immediate and long-term stability of the economy of the United States is threatened by the high cost of foreign petroleum and substantial and increasing balance of payments deficits;

"(2) a major factor in the present and projected balance of payments deficits is the tripling of the outflow of dollars for petroleum;

"(3) a major factor in the high rate of inflation, unemployment, and other economic dislocations is the quadrupling of the cost of foreign petroleum;

"(4) the present and projected harmful effects to the economy, the businessman, and the consumer are caused by a lack of competition among suppliers of petroleum to the United States and among petroleum companies within the United States; and

"(5) the political and economic importance of imported petroleum from foreign nations is of such significance to the United States that it should be purchased by the Government rather than private companies.

PURPOSES

"SEC. 3. It is the purpose of this Act to instill competition in the imported and domestic petroleum market, to reduce the cost of foreign petroleum and to reduce the balance-of-payments deficit of the United States.

"SEC. 4. For purposes of this Act—

"(a) the term "petroleum" means crude oil, all other refinery feed stocks and all refined petroleum products;

"(b) the term "United States" means the several states, the District of Columbia, Puerto Rico, and the territories and possessions of the United States;

"(c) the term "Administrator" means the Administrator of the Federal Energy Administration;

"(d) the term "person" means an individual, a corporation, a partnership, an association, a joint stock company, a business trust, or an unincorporated organization; and

"(e) the term "responsible bidder" means any company, sovereign state or person acting on its own or on behalf of others who, in accordance with such regulations as may be promulgated by the Administrator, is capable of performing in accordance with the terms of its bid.

"SEC. 5. On June 30, 1975, and on June 30 of each year thereafter, the Secretary of the Treasury, based upon a projected balance of payments commensurate with the Nation's economic security, shall determine the dollar amount of petroleum which may be imported into this country during the October 1 through September 30 twelve-month period immediately following each such determination. Such determination shall be transmitted to the Federal Energy Administrator and made a matter of public record.

"SEC. 6. (a) The Administrator of the Federal Energy Administration, shall, after October 1, 1975, be responsible for the importation of petroleum into the United States within the limits established by the Secretary of the Treasury, and no petroleum shall thereafter be imported into the United States except in accordance with this Act.

"(b) After October 1, 1975, no petroleum shall be imported into the United States except pursuant to a bid submitted in accordance with this Act and accepted by the Administrator. Persons qualifying as responsible bidders wishing to sell oil to the United States shall submit sealed bids to the Administrator in accordance with such regulations as the Administrator shall promulgate.

"(c) All such sealed bids submitted to the Administrator shall be in United States dollar amounts and shall show price, specifications, volume, terms of delivery and schedule of delivery. The Administrator shall have the power to accept or reject any bid or to negotiate with the bidder for terms most favorable to the United States except that no contract accepted will be for a duration of over two years.

"(d) Any person who imports petroleum into the United States except in accordance with this Act shall be punished by a fine not exceeding $1,000,000 or by imprisonment not exceeding 1 year, or both.

"SEC. 7. (a) The Administrator shall promulgate regulations for the fair and equitable allocation by sale of all petroleum so imported into the United States, at prices not to vary more than 10 percent above or below the cost of acquisition of the imported petroleum, taking into account—

"(1) the preservation of an economically sound and competitive petroleum industry; including the priority needs to restore and foster competition in the refining, distribution, marketing and petrochemical sectors of such industry, and to preserve the competitive viability of independent refiners, small refiners, nonbranded independent marketers, and branded independent marketers;

"(2) the allocation of suitable types, grades, and quality of crude oil to refiners in the United States to permit such refineries to operate at maximum capacity; and

"(3) equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners, small refiners, nonbranded independent marketers, branded independent marketers, and among all users.

"(b) The Administrator shall make adjustments in the price paid by purchasers from the Administrator of imported petroleum at the end of each quarter beginning December 31, 1975, in order that each such purchaser receives a price based upon the average price paid by all such purchasers of imported petroleum of similar grade and quality during that quarter.

"(c) Funds for the purchase by the United States of imported petroleum shall be appropriated from the general revenues of the United States Treasury. Monies realized from the sale of imported petroleum by the Administrator shall be promptly returned to the general revenues of the United States Treasury.

"(d) The provisions of subsection (1) of Section 7 of the Federal Energy Administration Act of 1974 shall apply to any rule or regulation, or any order having the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, issued pursuant to Section 7 of this Act.

"Sec. 8. The Administrator shall promulgate rules which will provide for the debarment, suspension and placement in ineligibility status of bidders who fail to perform in accord with the terms of their accepted bids. Debarment, suspension and placement in ineligibility status should be used for the purpose of protecting the interest of the United States and not for punishment. To assure the United States the benefits to be derived from the full and free competition of interested bidders, these measures should not be instituted for any time longer than determined necessary to protect the interest of the United States, and should preclude awards only for the probable duration of the period.

"SEC. 9. Any officer or employee of the Federal Energy Administration who shall make unauthorized disclosure of information relating to the identity of the bidders or the terms of the bids shall be punished by a fine not exceeding $100,000 or by imprisonment not exceeding 10 years, or both.

"(a) The Administrator shall ensure that the identity of bidders is known to no more than six persons within the Federal Energy Administration.

By Mr. PEARSON:

S. 612. A bill to regulate commerce by establishing an Economic Adjustment Administration to reduce the adverse economic impact on the public of certain Federal decisions, and for other purposes. Referred to the Committee on Government Operations.

ECONOMIC ADJUSTMENT ACT OF 1975

Mr. PEARSON. Mr. President, I am today introducing the Economic Adjustment Act of 1975. This legislation would establish an Economic Adjustment Administration designed to provide assistance and better service to communities, business concerns and individuals that suffer adversely from Federal laws, regulations and others. It does not create a new level of bureaucracy or expand the size of the Federal Government. Rather it is an attempt to consolidate existing adjustment assistance programs under one roof so that duplications and overlapping functions can be eliminated, thereby reducing waste and inefficiency.

One of the most conspicuous facts of the post-war period has been the staggering growth of the Federal Government. It touches our lives in ways too numerous to enumerate. Reasonable men may differ over whether it is good or bad that the Government has grown this large, but the fact remains that it is the dominant single force shaping our society today.

By virtue of its vast size and powers, the Federal Government makes countless decisions that affect the lives of workers, business concerns, and communities everywhere. Thousands of new regulations and laws are applied every year. Whether it is the promulgation of pollution control regulations, changes in Federal spending patterns, passage of occupational health and safety standards, the closure of military bases or Federal offices, the mandating of food labeling requirements, or any one of a multitude of other Federal actions, our lives are, for better or worse, increasingly the product of Federal decisions.

Although most of the actions undertaken by the Federal Government are justified in the belief that they advance the national interest, it is evident that some of these actions produce negative effects which not only visit economic hardship on many Americans but sometimes produce economic dislocations throughout the society. Moreover, certain Government actions in the area of environmental control, consumer protection, and worker safety, are eroding competition in our society and are contributing to ever greater economic concentration.

This is a result of the fact that large corporations have a much greater ability than small business to finance the increased costs of production associated with the meeting of Federal standards. A small firm in Kansas, for example, which is required to comply with Federal air pollution regulations, or what are called euphemistically "statutory source performance standards," may be unable to raise the necessary capital to underwrite compliance since banks are often reluctant to loan money except where it expands a firm's sales or productive capacity. Compliance with Federal standards will not generate new revenue, it will simply keep a firm from being shut down or severely fined.

For the most part, the adverse consequences of Government actions are left to the marketplace and to individuals to solve. This is as it should be. Nevertheless, sometimes actions in the national interest have an exceptionally harsh impact on some sectors of the society. Although American businessmen and citizens have demonstrated a remarkable flexibility to constantly adapt to changing rules of the game and new circumstances, situations arise where it is simply not fair to require that certain communities, business concerns or individuals "pay" for decisions that benefit the entire Nation.

In this connection, the time has come when we can no longer accept a public policy that brings opportunity to one sector of the society at the expense of another sector. Big Government must be accountable to the public and responsible for the adverse consequences of its decisions where they produce extreme or unwarranted results. Thus, the proposal I am introducing today would force the Federal Government to look at its programs and regulations, and consider the consequences of actions. I believe that it is the first such proposal ever to do so.

In the interest of equity, communities, business concerns, and individuals who have suffered serious injury from Federal actions and have no redress will be eligible for adjustment assistance. Adjustment assistance is not a complex concept. Contrary to the law that prevails in some States—that the State "can do no wrong"—fundamental to my definition of adjustment assistance is the belief that "if the Government is responsible, it should pay." The Federal Government long ago recognized its responsibility to provide adjustment assistance to those adversely affected by its actions; and has already established numerous programs and mechanisms which address this responsibility.

Mr. President, I want to emphasize that my proposal should not be regarded as a panacea for all Government ills and oversights, but instead is limited to providing relief in clearly demonstrated situations of need arising directly from decisions and actions of the Federal Government.

Specifically, my bill establishes an independent agency within the executive branch to be known as the Economic

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Adjustment Administration. It would be the product of the consolidation of adjustment assistance programs and mechanisms from the Department of Commerce, Department of Labor, Small Business Administration, Department of Defense, and the Department of Housing and Urban Development.

At present, a community or firm which has been impacted by Federal action is confronted with a vast miscellany of Federal adjustment assistance programs which are confusing and uncoordinated. By contrast to the current crazy quilt of adjustment mechanisms, this proposal is designed to provide a more coherent framework for adjustment assistance programs and make it easier for communities, business concerns, and individuals to identify appropriate assistance programs and make application to them. This legislation is consistent with the bill I recently submitted to create a new Commission on the Operation of the Executive Branch designed to streamline and improve the functioning of the Federal Government.

The Economic Adjustment Administration will be headed by an Administrator appointed by the President with the advice and consent of the Senate. He will have all of the powers, duties, and functions of those agencies and programs transferred to the EAA. In addition, this bill directs the Administrator to conduct a comprehensive study of all existing Federal adjustment assistance programs and their eligibility requirements to identify gaps and deficiencies. The Administrator is required to submit his conclusions and recommendations to Congress within 12 months after the enactment of this act. He may recommend at that time the transfer of additional Federal programs to the Economic Adjustment Administration or the creation of new adjustment assistance programs.

For too many years the Federal Government has established programs and promulgated rules and regulations with little regard to the economic consequences of such actions. My bill requires that every agency and department of the Federal Government be required to file an Economic Impact Statement with the Administrator of the EAA identifying any Federal action which may have a significant adverse impact on any region, community, business concern, or individual in the United States. If no alternative to the Federal action is available, the Administrator of the EAA is authorized—with the approval of the Director of the Office of Management and Budget—to require that up to 10 percent of the budget of any program deemed to have harmful consequences be set aside to mitigate those consequences. Certain regulatory agencies, in the performance of minor functions, shall be exempted from this requirement at the discretion of the Administrator. This provision recognizes the duty of regulatory agencies, through their own internal mechanisms, to assess the economic impact of various routine actions.

In the final analysis, the drive toward bigness and expanded functions has resulted in a government that has intruded into every facet of American life. In this connection, the right of government to act carries with it a responsibility: a responsibility to devote adequate resources and imagination to mitigate the adverse consequences of its actions. Government must never be permitted to become so large and powerful that it loses sight of this responsibility.

Mr. President, I ask unanimous consent that the full text of this bill and a section-by-section summary be printed in the RECORD at this point.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Adjustment Assistance Act of 1975."

DECLARATION OF POLICY

SEC. 2. (a) The Congress finds and declares that—

(1) Regions, communities, business concerns, and other persons often suffer economic hardships and dislocations as a direct result of certain actions and decisions of the Federal government.

(2) Such hardships and dislocations jeopardize the economic viability and survival of regions, communities, and other persons (especially small business), and adversely affect interstate and foreign commerce by disruption of national, regional, and local economies.

(3) Such hardships and dislocations are caused (A) by the relocation of military and other Federal installations; (B) by the curtailment of Federal activities on such installations; (C) by import, export, and foreign trade policy decisions; (D) by changes in Federal budget expenditure patterns which distort disproportionately certain regional and local economies and severely impact on certain regions, communities, and other persons; and (E) by the changes and expenditures required to comply with guidelines, rules, regulations, and orders of Federal agencies with respect to such matters as environmental and consumer protection and occupational safety and health.

(4) State and local government resources are generally insufficient to alleviate adequately such hardships or dislocations.

(5) Existing Federal programs generally do not provide an adequate approach for the alleviation of such hardships or dislocations.

(6) There is no institutional mechanism for focusing existing Federal assistance programs in a manner which provides immediate and long-range assistance to economic adjustment problems of regions, communities, and other persons.

(7) Centralization of economic adjustment assistance program responsibility within the executive branch of the Federal government is necessary to develop a cohesive national policy to coordinate Federal assistance programs and to reduce the multiplicity of Federal program jurisdictional entities.

(b) It is the purpose of this Act to establish an Economic Adjustment Administration to—

(1) provide a consolidated and improved administration of economic adjustment assistance programs benefiting regions, communities, and other persons who suffer economic hardships and dislocations arising from the adverse impact of certain Federal decisions.

(2) study existing adjustment assistance activities to identify deficiencies, if any, in the assistance provided to those suffering such hardships and dislocations and to recommend to the Congress additional legislation as necessary; and

(3) provide assistance to communities, regions, and other persons to enable them to anticipate and plan for Federally-induced structural changes in their economies.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Administration" means the Economic Adjustment Administration, established under section 4 of this Act.

(2) "Administrator" means the Administrator of the Economic Adjustment Administration:

(3) "Commerce" means trade, traffic, commerce, or transportation (A) between a place in a State and any place outside of such State or (B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(4) "Function" means any duty, obligation, power, authority, responsibility, right, privilege, and activity.

(5) "Perform" or "performance" means the exercise of power, authority, right, and privileges.

(6) "Person" means any community or regional entity, in addition to its meaning set forth in section 1 of title 1, United States Code.

ECONOMIC ADJUSTMENT ADMINISTRATION

SEC. 4. (a) There is established within the executive branch an agency to be known as the Economic Adjustment Administration. The Administration shall be directed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate prescribed for Level III of the Executive Schedule (5 U.S.C. 5314).

(b) There shall be in the Administration a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Administrator shall receive compensation at the rate prescribed for Level IV of the Executive Schedule (5 U.S.C. 5315). The Deputy Administrator shall perform such functions, powers, and duties as the Administrator shall prescribe from time to time, and shall act for and exercise the powers of the Administrator during the absence or disability of the Administrator, or in the event of a vacancy in the office of the Administrator.

POWERS AND DUTIES OF THE ADMINISTRATOR

SEC. 5. (a) (1) In the exercise of functions, powers, and duties transferred under section 9 of this Act, the Administrator shall have the same authority as that vested in the office, department, or agency exercising such functions, powers, and duties immediately preceding their transfer, and his actions in exercising such functions, powers, and duties shall have the same force and effect as when exercised by such department or agency.

(2) So much of the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available in connection with the functions, powers, and duties transferred by Section 9 of this Act shall be transferred to the Administrator as the Director of the Office of Management and Budget shall determine: *Provided, however,* That personnel engaged in functions, powers, and duties transferred by such section shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(3) The transfer of personnel pursuant to paragraph (2) of this subsection shall be without reduction in classification and without reduction in compensation for a period of one year following the date of such transfer.

(b) The Administrator shall in accordance with the Federal Advisory Committee Act (5 U.S.C. App. I) appoint a National Public Advisory Committee on economic adjustment. Such Committee shall consist of twenty-five members and shall be composed of qualified individuals who are representative of labor, management (including representatives of firms meeting the criteria for small business firms established under section 2(3) of the Small Business Act (15 U.S.C. 632)), agriculture, State and local governments, and the public in general. The Administrator shall designate a Chairman of such Committee from the members appointed to such Committee. Such Committee shall, from time to time, make recommendations to the Administrator relative to the carrying out of his duties under this Act. Such Committee shall hold not less than two meetings during each calendar year.

(c) The Administrator may appoint, employ, and fix the compensation of such officers and employees as are necessary to perform the functions vested in him, and he shall prescribe their authority and duties and supervise the exercise and performance thereof.

(d) The Administrator may employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5, United States Code, and he may compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 3332 of title 5, United States Code, for persons in Government service employed intermittently.

(e) The Administrator may promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him.

(f) The Administrator may utilize, with their consent, the services, personnel, equipment, and facilities of Federal, State, regional, and local public agencies and instrumentalities, with or without reimbursement therefor, and may transfer funds made available pursuant to this Act, to Federal, State, regional, and local public agencies and instrumentalities, as reimbursement for utilization of such services, personnel, equipment, and facilities.

(g) The Administrator shall cause a seal of office to be made for the Administration of such design as he shall approve. Judicial notice shall be taken of such seal.

(h) The Administrator may enter into and perform contracts, leases, cooperative agreements, or other similar arrangements or transactions with any Federal, State, regional or local public agency or instrumentality, or any other person.

(i) The Administrator may perform such other activities as may be necessary to carry out the purposes of this Act.

STUDY OF ECONOMIC ADJUSTMENT PROGRAMS

SEC. 6. (a) The Administrator is authorized and directed to undertake a comprehensive study of all Federal economic adjustment programs. The study shall include, but need not be limited to, the presentation of information and an analysis of—

(1) actual or possible duplications of assistance;

(2) deficiencies in such Federal programs;

(3) the adequacy of existing funding levels of each assistance program;

(4) the eligibility requirements for each assistance program and identification of deficiencies, duplications, or inconsistencies in such requirements; and

(5) procedures and mechanisms for implementation of each assistance program, and any duplication or inconsistencies therein.

(b) On or before the expiration of the 12 month period following the date of enactment of this Act, the Administrator shall submit a report to the Congress presenting the results of the study and his conclusions, recommendations, and proposed actions to solve the problems identified in the study, including, but not limited to, recommendations for transfer of Federal programs to the Administration, or proposals for the creation of new assistance programs designed to carry out the purposes of this Act.

(c) In the preparation of this study, each department, agency, and instrumentality of the executive branch of the Federal Government and each regulatory agency of the United States is authorized and shall provide the Administrator, on a reimbursable basis or otherwise, such assistance as the Administrator requests.

ECONOMIC IMPACT STATEMENT

SEC. 7. (a) All Federal departments and agencies, except regulatory agencies in the performance of certain functions as prescribed by the Administrator, shall prepare an economic impact statement prior to implementation of any action which results in, or is likely to result in, a significant adverse impact on the economic viability and well-being of a region, community, or other person. Such a detailed economic impact statement by the responsible Federal official shall include, but not be limited to, a statement and analysis of:

(1) economic impact on the basis of macro-economic and micro-economic analysis, with respect to both short range and long range consequences of the proposed action;

(2) adverse economic effects which cannot be avoided should the proposed action be implemented; and

(3) alternatives to the proposed action.

(b) The responsible Federal official shall file each impact statement with the Administrator. If the Administrator determines that the implementation of the proposed action will result in, or is likely to result in, a significant adverse impact on the economic viability of a region, community, or other person, he is authorized to require (with the approval of the Director of the Office of Management and Budget) that the Federal department or agency responsible for the proposed action set aside and transfer from program funds appropriated and allocated to implement the proposed action an amount up to 10 percent of the total amount so appropriated and allocated for purposes of the objectives of this Act, which he shall do in cooperation with, and pursuant to, regulations issued by the Administrator.

INSPECTION AND RECORDKEEPING

SEC. 8 (a) Each recipient of assistance under this Act shall keep such records as the Administrator shall prescribe, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance and such other records as will facilitate an effective audit.

(b) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any recipient of such assistance of any applicant for such assistance, therefor, received under this Act.

TRANSFER OF FUNCTIONS

SEC. 9. (a) There are transferred to the Administrator—

(1) all functions, powers, and duties of the Secretary of Commerce and other offices and officers of the Department of Commerce under

(A) titles IX and X of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3121, et seq.),

(B) title II (Relief from injury caused by import competition) of the Trade Act of 1974 (Public Law 93-618), and

(C) subsection 2(c) of the Small Business Act Appropriations (Public Law 93-237).

(2) All functions, powers, and duties of the Secretary of Labor and other offices and officers of the Department of Labor under title II (Relief from injury caused by import competition) of the Trade Act of 1974 (Public Law 93-618);

(3) all functions, powers, and duties of the Administrator and other offices and officers of the Small Business Administration under:

(A) title II (Relief from injury caused by import competition) of the Trade Act of 1974 (Public Law 93-618), and

(B) section 7(b) (3), (5), (6), and (7), subsection 7(e) and subsection 7(g) of the Small Business Act 15 U.S.C. 636);

(4) all functions, powers, and duties of the Secretary of Defense and all other officers and offices of the Department of Defense which relate primarily to economic adjustment programs to assist persons other than employees of such department adversely affected by closing of defense installations or changes in defense spending patterns; and

(5) all functions, powers, and duties of the Secretary of Housing and Urban Development and all other officers and offices of the Department of Housing and Urban Development which relates to programs and activities to provide adjustment assistance to persons affected by Federal actions.

TRANSITIONAL SAVING PROVISIONS

SEC. 10. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred pursuant to this Act, and

(2) which are in effect at the time such transfers take effect shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) Any proceeding pending before any department, agency, or component thereof at the time any such transfer takes effect regarding any function so transferred, shall not be affected as a result thereof. Any such proceeding shall be continued by the Administrator to the extent that it relates to functions so transferred. Orders may be issued in such proceedings, appeals may be taken therefrom, and payments shall be made pursuant to such orders, as if such transfer had not taken place. Orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Any such proceeding may be discontinued or modified upon the same terms and conditions in the same manner, and to the same extent that it could have been discontinued or modified if such transfer had not taken place.

(c) Except as provided in subsection (e) of this section—

(1) no such transfer shall affect suits commenced before the date of enactment of this act, and

(2) in any such suit, proceedings may be conducted, appeals taken, and judgments rendered, in the same manner, with the same effects and to the same extent as if such transfer had not been made.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, the functions of which are transferred pursuant to this Act, shall abate by reason of such transfer. No cause of action by or against any such department or agency, or by or against any officer thereof in his official capacity shall abate by reason of such transfer. In any litigation pending at the time any such transfer takes effect,

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the applicable court may, at any time, upon its own motion or upon the motion of any party, enter any order which is necessary or appropriate to give effect to the provision of this section. Any such suit shall be continued as if such transfer had not been made, except that the Administrator shall be substituted as a party to such suit in place of such department, agency, or officer in his official capacity which was a party to such suit at the time such transfer took effect.

(e) Final orders and actions of any department, agency, or component thereof, or of any officer thereof, in the performance of functions transferred pursuant to this Act shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by any department, agency, or component thereof, or by any officer thereof in the performance of such functions immediately prior to such transfer. Any statutory requirement relating to notice, hearing, action upon the record, or administrative review, which is applicable to any function so transferred to the performance of those functions by the Administrator.

(f) Any reference, in any other law, to any department, agency, or office whose functions are transferred pursuant to this Act, shall after the date of such transfer be deemed a reference to the Administrator.

(g) The Director of the Office of Management and Budget is authorized to make such additional incidental dispositions as he deems necessary or appropriate to effectuate the purpose of this Act with respect to personnel, personnel positions, assets, liabilities, contracts, property, records, unexpended balances of appropriations, authorizations, allocations, and any other funds held, used, arising from, available to or to be made available in connection with functions transferred pursuant to this Act.

(h) Nothing in this Act shall be construed as applying to economic hardships arising out of or in connection with the tax laws or tax policies of the United States.

CONGRESSIONAL OVERSIGHT

SEC. 11. Congress, through the duly authorized committees of the Senate and of the House of Representatives, shall exercise continuing oversight over the activities of the Administration. In the exercise of such oversight, such committees may appoint professional examiners to analyze and evaluate the affairs of the Administration. Each agency and officer of the Federal government is directed to assist and cooperate with any such oversight activities.

ANNUAL REPORT

SEC. 12. Not later than March 1 of each year, the Administrator shall make a comprehensive and detailed report to the Congress and to the President of his operations under this Act for the preceding fiscal year. Such report shall include, but need not be limited to—

(1) a statement of all funds expended under the Act;

(2) a summary of the major recipients of financial assistance under this Act;

(3) the amount and type of assistance provided;

(4) a summary, analysis, and evaluation of all economic impact statements filed with the Administration;

(5) a summary of all actions taken to mitigate the problems detailed in such economic impact statements;

(6) such recommendations for additional legislation as are deemed necessary or appropriate; and

(7) a summary of outstanding problems confronting the Administration of this Act.

CONFORMING AMENDMENTS

SEC. 13. (a) Section 5314 of title V, United States Code, is hereby amended by adding at the end thereof the following:

"(60) Administrator, Economic Adjustment Administration."

(b) Section 5315 of title V, United States Code, is hereby amended by adding at the end thereof the following:

"(80) Deputy Administrator, Economic Adjustment Administration."

AUTHORIZATION FOR APPROPRIATIONS

SEC. 14. There are authorized to be appropriated for purposes of carrying out the provisions of this Act such funds as are necessary.

SECTION-BY-SECTION SUMMARY: ECONOMIC ADJUSTMENT ASSISTANCE ACT OF 1975

Sec. 2. Declaration of Policy.

Sec. 3. Definitions.

Sec. 4. Establishes an independent agency within the executive branch to be known as the Economic Adjustment Administration. The Administration is to be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. There shall also be a Deputy Administrator.

Sec. 5. Powers and duties of the Administrator. The Administrator shall assume the powers, duties, and functions of those agencies and programs transferred to the new Economic Adjustment Administration. This section also transfers records and certain unexpended appropriations from those agencies and programs to the Administrator. In addition, it provides for the appointment of the National Public Advisory Committee on Economic Adjustment, consisting of 25 members representing all sectors of the society including but not limited to representatives of small business, agriculture, labor, state and local government, and the public in general. This Committee shall make recommendations to the Administrator to expedite the performance of his duties. Other duties and powers of the Administrator are also provided for in this section.

Caveat: No adjustment assistance shall be provided for in this Act for the relief of personal hardships arising out of or in connection with the tax laws or tax policies of the United States.

Sec. 6. Study. In this section the Administrator is authorized and directed to undertake a comprehensive study of all Federal Economic Adjustment Programs and their eligibility requirements to identify gaps, duplications, and inconsistencies. He shall submit his conclusions and recommendations to Congress within 12 months following the enactment to this Act.

Sec. 7. Economic Impact Statement. This section requires that all Federal departments and agencies, except regulatory agencies in the performance of certain functions as prescribed by the Administrator, shall prepare an Economic Impact Statement detailing any adverse consequences likely to arise from Federal actions. These statements shall be filed with the Administrator, and he is authorized to require (with the approval of the Director of the Office of Management and Budget) that the Federal department or agency responsible for any such adverse consequences set aside up to 10 percent of the funds budgeted for the offending program to be used to mitigate the affects of that program.

Sec. 8. Provides for audit and examination procedures.

Sec. 9. Transfer of functions. Adjustment Assistance programs and mechanisms from the Department of Commerce, Department of Labor, Small Business Administration, Department of Defense, and the Department of Housing and Urban Development are to be transferred to the new Economic Adjustment Administration.

Sec. 10. Enumerates the transitional and saving provision. This section provides for the smooth transfer of functions from the agencies and departments consolidated in Section 9 to the new Economic Adjustment Administration.

Sec. 11. This section provides that Congress shall exercise continuing oversight over the activities of the Economic Adjustment Administration.

Sec. 12. This section provides that the Administrator shall make a comprehensive detailed annual report to the Congress and to the President of his operations under this Act.

Sec. 13. Conforming amendments.

Sec. 14. There are authorized to be appropriated such funds as are necessary to carry out the provisions of this Act.

By Mr. HATFIELD (for himself, Mr. JAVITS, Mr. MCGOVERN, Mr. PACKWOOD, and Mr. STAFFORD):

S. 613. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers, and for other purposes. Referred to the Committee on Commerce.

RETURNABLE BEVERAGE CONTAINER ACT OF 1975

Mr. HATFIELD. Mr. President, today I am introducing the Returnable Beverage Container Act of 1975. The purpose of this legislation is to signal an end to the trend toward a "no deposit-no return" attitude toward our energy and natural resources—an attitude which this country simply cannot afford. This bill would prohibit the use in interstate commerce of a soft drink or beer container which does not have a refundable deposit and would ban all "flip-top" cans.

It should be clearly understood, Mr. President, that I am not advocating anything new. Indeed, until relatively recently nearly all of the beverages this bill would affect were sold in returnable containers. In 1959, for example, 15.4 billion beverage containers were consumed. In the following 13-year period, when per capita consumption of these beverages increased 33 percent, the consumption of these beverages increased 221 percent, to 55.7 billion by 1972.

This transition is clearly what is known as a "counterecological growth pattern" which has serious implications for our total resource picture. While nonreturnables were promoted because of the added convenience to the consumer, I believe that the overall impact on the consumer has been negative.

First, the most obvious fault of the nonreturnable container is that too many of them end up along the Nation's roads and highways. By volume, beverage container litter amounts to between 54 and 70 percent of the litter in Oregon, according to a 1969 study of the problem. During hearings last year on this subject, John Quarles, Deputy Administrator of the Environmental Protection Agency testified that:

We find that approximately 8.2 million tons of beer and soft drink containers were produced and discarded in the U.S. in 1972. This figure represents 21 percent of all packaging wastes and approximately 8 percent of the total product waste generated by business and commercial establishments, households and institutions. Beverage containers are the most rapidly growing segment of all municipal waste with a growth rate of approximately 8 percent per year.

It is estimated that 4½ billion containers will become litter in 1980, if present trends continue. The cost of dealing with such litter and municipal waste is, of course, borne by the taxpaying consumer.

A second cost of nonreturnable beverage containers is the energy they waste. Dr. Bruce Hannon, assistant professor of general engineering and staff member with the Center for Advanced Computation at the University of Illinois at Urbana, has conducted an excellent study dealing with this topic. He concludes that the energy required to deliver a unit of beverage to the consumer is about three times more in a throwaway glass container than in returnable bottles. He estimates that 19,640 British thermal units—Btu's—are necessary to bottle a gallon of beer in 12-ounce returnable bottles while 59,800 Btu's are necessary for nonreturnable bottles and 58,190 Btu's for cans. There are those who argue that these figures are irrelevant because the entire beverage packaging industry does not utilize a significant amount of energy, but I would remind them that this waste is the energy equivalent of about 5 million gallons of gasoline per day.

We have been searching for ways to conserve energy and a resumption of a returnable beverage container system is one excellent method. Sensible Citizens Against Throwaways, a locally based group which supported returnable beverage container legislation in Montgomery County, Md., and Crusade for a Cleaner Environment, a national association whose president is also president of Dr. Pepper-Royal Crown Bottling Co., have jointly prepared an information resource kit and press release specifically related to the energy issue, and I ask unanimous consent that these materials be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENSIBLE CITIZENS AGAINST THROWAWAYS (SCAT) AND CRUSADE FOR A CLEANER ENVIRONMENT PRESS RELEASE

The Throwaway soft drink and beer container, long under attack for its litter, solid waste, resource waste, and high cost characteristics, came under a new attack today—it is a shocking waste of energy.

Proponents of a nationwide mandatory return to reusable leisure drink containers released a study showing that such legislation will save 66% of energy saved by a nationwide 50 mile an hour speed limit or more than the energy savings under one plan of limited air flights or about a third of one published government plan for lower home heating limits.

A Montgomery County Maryland citizens organization, Sensible Citizens Against Throwaways (SCAT) and a national environmental unit, Crusade for a Cleaner Environment, presented data supporting enactment of Senate bill S2062 sponsored among others by Senators Hatfield and Packwood of Oregon where similar legislation has been in effect for over a year.

It would ban all non-returnable beverage containers. The Commerce Committee is expected to hold hearings in late January. Montgomery County has studied similar legislation for the past year and its County Council will meet Friday to start final action on the bill.

The focus on the energy aspects of such legislation is timely in that the data has been collected to portray equivalent energy waste of throwaway beverage containers in comparison to other energy savings measures proposed by the Administration.

John Breier, SCAT president, showed an energy saving equivalent of 131,000 barrels of oil per day with an all returnable container system.

Dr. Robert Turner of SCAT presented data showing that at the time of disposal—each 12 oz. beer can has accumulated the equivalent of 26% of its volume in wasted gasoline. It is the same as putting both the can and 3.18 ozs. of gasoline into the family garbage can.

Turner also compared the national energy waste to the heating of 2.5 million three bedroom brick homes and the heating of an average bath to the energy waste of six average throwaway containers. He also noted that a 100-watt light buld burning for 12 hours consumes the waste equivalent energy of a single beer or soft drink can.

Such energy savings or waste come about because each reusable container is used again and again. The SCAT study used 10 trips of one reusable bottle versus the manufacture bottling, transportation and disposal of 10 cans of one-way bottles. The equivalent waste per throwaway is 4195 BTU's.

The equivalent waste of 60 million throwaway containers used in the USA in 1972 is equal to the energy equivalent provided by 5.5 million gallons of gasoline per day. An area such as Montgomery County with 568,000 residents and 204 million throwaways per year could share the equivalent of 18,770 gallons of gasoline savings per day.

Aluminum is the most energy wasteful container; each can representing 6.9 ozs. of gasoline waste. Over 10 billion aluminum containers were used last year.

The study showed recycling is not a viable alternative. Each 16 oz. glass bottle that is recycled adds 10% to its equivalent energy budget.

The nation's total throwaway container equivalent energy waste is equal to the output of 10 Calvert Cliff size nuclear powerplants.

The study, based on those done by Dr. Bruce Hannon of the University of Illinois and the Midwest Research Institute under contract to EPA, utilizes equivalent energy units of British Thermal Units utilized by the mining, manufacturing, bottling, distribution and disposal of one-way and reusable beer and soft drink containers.

Although the total process uses energy from electricity, oil, and gasoline sources the equivalent BTU's are expressed in gallons of gasoline and barrels of crude oil to surface the equivalent energy waste in terms currently used to describe the nation's energy shortage.

Thus the 131,000 barrels of gasoline per day is the BTU equivalent of throwaway energy waste and would require 279,000 barrels of crude oil to make that much gasoline under existing refinery operations. The conversions of an all returnable system would save the *energy equivalent* of 131,000 barrels of gasoline each day. The savings would actually come in the use of less oil, electricity as well as gasoline.

SCAT also presented the results of two studies that showed a move to an all returnable system would actually mean a job increase . . . that is more net jobs with more people required in the bottling and retail outlets and less in the can and bottle manufacturing companies.

INFORMATION RESOURCE KIT: "THE ENERGY CRISIS AND THE THROWAWAY"

(Prepared by Sensible Citizens Against Throwaways (SCAT) Crusade for a Cleaner Environment)

BASIC FACTORS I—ENERGY OF THROWAWAY BEVERAGE CONTAINERS

1972 Production of Beverage Containers

Soft Drink Containers:	*Billion*
Cans	16.4
Throwaway bottles	13.6
Returnable bottles	17.0
Total	47.0
Beer Containers:	
Cans	21.7
Throwaway bottles	8.2
Returnable bottles	6.8
Total	36.7
Total	83.7
Less Returnables	23.8
Net Throwaways	59.9

Analysis of throwaway beverage containers by type

	Billion
Aluminum Cans	10.4
Steel and Bimetal Cans	27.7
Subtotal Cans	38.1
Bottles	21.8
Total Throwaways	59.9

Throwaway beverage containers accounted for 71.5% of production in 1972. Throwaway cans represented 45.5% of the total, and throwaway bottles contributed 26% of the total.

Facts about beverage container usage

The national average consumption of soft drinks is one drink per person per day. There has been an annual growth rate in recent years of 7% per year in leisure beverage consumption.

Sources: Beverage Industry Annual Manual, 1972–73 U.S. Industrial Outlook, U.S. Department of Commerce, 1973.

BASIC FACTORS II

U.S. Population: 208 Million:

Montgomery County: 568 Thousand.

Energy* (millions Btu 1000 gals. of beverage, 12 oz:

Returnable trips:

5	46.5
10	28.6
19	17.3
Bimetal can	56.7
One way glass	70.5
Aluminum can	95.5

Weighed average throwaway Energy Waste over:

10 Trip Returnable**—4198 Equivalent BTU/container.

10 Trip Returnable—4823 Equivalent BTU/container.

10 Trip—8478 Megawatts/year.

19 Trip—9662 Megawatts/year.

With 10 trips, saving is 4.33 oz. gasoline/container.

With 19 trips, savings is 4.94 oz. gasoline/container.

125,000 BTU's equivalent/gallon of gasoline.

1 kilowatt hour—3413 BTU.

60 billion throwaways/year.

10 trip returnable use equals 131,000 BBL/day crude oil saving.

19 trip returnable use equals 149,000 BBL/day crude oil saving.

Washington Area:

400,000 homes heated w/gas heat.

15,000 oil.

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*Phase 2 Midwest Research Institute study under EPA Contract.

**10 Trip used in all calculations.

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25,000 electricity.
Crude oil BBL—47% gasoline.

U.S. oil use—Throwaway beverage container waste

Daily U.S. Oil Use—17,000,000 BBL's.

Projected savings*

50 mph, 200–250,000 BBL/Day.
Less Air Flights, 120,000.
—3°÷3° Home, 550,000.
—10% Commercial, 400,000.
Car Pools, 780,000.
Auto Tune-up 6 months, 140,000.
Cold Water Detergents, 180,000.

All returnable system savings*

Dept. of Interior—Office of Energy Conservation John Gibbons—November 22, 1973.
131,000 BBL's/Day 10 Trip.
149,000 BBL's/Day 19 Trip.

EFFECTS ON EMPLOYMENT OF AN ALF REUSABLE BEVERAGE CONTAINER SYSTEM

Industry	Employment (thousands) Present	Reusable	Reusable with 4 percent drop
Total	336, 800	351, 500	337, 100
Soft drink	128. 6	146. 6	141. 2
Malt liquor	58. 1	63. 2	61. 3
Beer distribution	59. 6	76. 9	74. 2
Glass container manufacturing	26.4	12. 7	10. 4
Basic metals	15.1		
Retail grocery	19. 6	52. 1	50. 6
Total	336. 8	351. 5	337. 1
Average earnings under each of the proposed systems for all of the industries involved in beverage container packaging and distribution in 1972	$7, 683	$7, 338	$7, 343

Source: "The Beverage Container Problem: Analysis and Recommendations;" EPA-R2-059, September 1972; Bingham, Taylor H. and Mulligan, Paul F.; Research Triangle Institute.

BOTTLES AND ENERGY FACT SHEET

PRELIMINARY

A tremendous amount of energy waste is associated with "one-way" throwaway beer and soft drink beverage containers. Two comprehensive studies have been performed on the relative energy impact resulting from use of throwaway containers compared to returnable bottles, one by Dr. Bruce Hannon of the Engineering Department at the University of Illinois and the other by Midwest Research Institute under contract to the Environmental Protection Agency. In the calculations below data from the MRI analysis are used, although Dr. Hannon's figures would provide essentially the same results. Here some scientific findings are translated into everyday terms; this analysis is not exact but is intended as a "ballpark" estimate, and where assumptions had to be made, they were in every case conservative (leading to lower than actual apparent energy waste), so the energy squander is actually more severe than described below.

"AVERAGE THROWAWAY CONTAINER" (ATC) DEFINED

The U.S. Department of Commerce reports that 93.7 billion containers for beer and soft drinks were manufactured in the U.S. in 1972:

23.8 billion returnable glass bottles.
28.0 billion bimetal and steel (mostly bimetal) throwaway cans.
21.5 billion throwaway glass bottles.

*To get 131,000 BBL's of Gasoline would require 279,000 BBL crude.

10.4 billion aluminum throwaway cans.

All containers are assumed here to be 12 oz.; this assumption will provide a lower energy waste estimate than is the real case. The throwaways will be compared to returnable bottles with 10 trips per bottle life, also conservative since national average is 24.

Container description	10-trip returnable	Bi-metallic can	Glass throwaway	Aluminum can
Energy consumed per use (Btu's)	2,212	5,316	6,610	8,953
Energy wasted compared to 10-trip returnable (per container) (Btu's)	0	3,104	4,398	6,741
Number of uses in 1972 (billions)	23.8	28.0	21.5	10.4
Total energy consumption (trillion Btu's)	52.6	148.8	142.1	93.1

Thus energy consumed by the 59.9 Billion throwaways is 384 Trillion BTU's and from this comes a definition of an "Average Throwaway Container" (ATC). The average energy requirement for throwaways is 6410 BTU/Container, and so the average waste per unit is (6410–2212=6198 BTU/Container. It is reasonable to define the national "Average Throwaway Container" (ATC) as a unit which wastes 4198 BTU of energy for every usage when compared to a 10 trip returnable bottle.

1 Average Throwaway Container (ATC)—4198 Btu.

204 Million ATC's (Montgomery County Annual Consumption)—856.5 billion Btu.

59.9 Billion ATC's (USA Annual Consumption)—251 trillion Btu.

GASOLINE EQUIVALENT WASTE

Gasoline contains a stored heat content of 125,000 BTU/Gallon=976.6 BTU/oz. Today we hear about barrels of oil; 1 barrel=42 gallons. It takes 2.12 barrels of oil to make 1 barrel of gasoline. The energy contents above are computed in terms of heat content of gasoline or barrels of oil required to manufacture barrels of gasoline.

12 oz Average Throwaway Container (ATC)=4.3 oz Gasoline.

This amazing result means that everytime someone consumes a 12 oz "disposable" container, he wastes on the average the energy content stored in 4.3 oz gasoline.

Who would fill a beverage container 36% full of gasoline before discarding it?

Wastes for specific container types are compared to a 10 trip returnable bottle:

12 oz Bimetallic Can=3.2 oz Gasoline=26.5% full can.

12 oz Throwaway Glass Bottle=4.5 oz Gasoline=37.5% full bottle.

12 oz Aluminum Throwaway Can=6.9 oz Gasoline=57.5% full can.

Montgomery County Equivalent Waste=6.85 Million Gallons Gasoline/Year.

Montgomery County Equivalent Waste=18.770 Gallons Gasoline/Day which are made from 950 Barrels Oil/Day.

Montgomery County Equivalent Waste=446 Barrels Gasoline/Day which are made from 905 Barrels Oil/Day.

USA Equivalent Waste=2.0 Billion Gallons Gasoline/Year.

USA Equivalent Waste=5.5 Million Gallons Gasoline/Day.

USA Equivalent Waste=131,000 Bar Gasoline/Day which are made from 279, Barrels Oil/Day.

By reducing highway speed limits everywhere in the USA from 65 MPH to 50 MPH the expected national oil saving is 200,000 Barrels Oil/Day. Since stored energy content of oil is roughly equal to that of gasoline, we see that the energy content of 131,000 Barrels Oil/Day is thrown away in the form of "disposable convenience containers", and it is obvious that this waste has become critical since 60% of energy saved by everyone driving slower is literally thrown away by the use of "disposable convenience containers." It can also be considered that 131,000 Barrels of Gasoline/Day (the stored energy equivalent of all throwaways) are manufactured from 279,000 Barrels Oil/Day.

HOUSE HEATING EQUIVALENT WASTE

Washington Gas Light Co. reports that a three (3) bedroom brick house has an annual heating requirement of 102 Million BTU's.

Montgomery County Annual Throwaway Waste=856.5 Billion BTU=8400 Houses.

USA Annual Throwaway Waste=251 Trillion BTU=2.5 Million Homes.

Thus 8400 houses in Montgomery County could be comfortably heated using the energy represented by throwaways in Montgomery County alone; this is about 5% of the home heating requirement (annual) in the county. Reflect on this as you turn down your thermostat.

HOT WATER HEATING

Suppose you take a hot bath in a tub 4½ feet long, 2 feet wide with water 1 foot deep. The heat required to warm this 67.5 gallons of water from 65°F to 110°F is 25.245 BTU's, which can be represented by the energy waste of 6 Average Throwaway Containers (ATC's).

The heat stored in 60 gallons of water (an average home hot water tank) heated from 50° F to 150° F is 50,000 BTU, represented by 12 ATC's.

ILLUMINATION

A 100 watt light bulb burning for over 12 hours consumes the same energy represented by the energy waste of a single 12 oz. ATC (4198 BTU).

EQUIVALENT ELECTRICAL WASTE

Dr. Priscilla Laws, Professor of Physics at Dickinson College, calculated that the USA annual throwaway energy (beverage containers only) could provide all residential electrical power for an affluent city of 7.5 Million people. Scaled down to Montgomery County annual container waste, this would serve 25,800 people.

Time Magazine (November 25, 1973) reported the following energy consumption costs for an average American home: (Note: 1 kw-hr=3413 BTU=0.813 ATC's)

Item	Annual energy (kilowatt-hours)	Equivalent ATC's
Average U.S. household	8,000	[1] 6,500
Electric toothbrush	0. 5	0. 4
Electric carving knife	8	6. 5
Garbage disposal	30	24
Refriperator (average 14 ft.³)	1, 137	925
Refrigerator (frost-free 17 ft.³)	2, 008	1, 632
Color TV (3.6 hr/day)	440	358
Black and white TV	120	98
Air conditioner	1, 440	1, 170
Automatic clothes washer	103	84
Hot water heater	4, 219	3, 430

- Throwaway containers.

RECYCLING COMPARED TO REUSE

Recycling, defined in the present context as return of a glass bottle for sorting, crushing, melting and remanufacture into another (identical) bottle, tends to save glass but not energy. In the reuse process the bottle is cleaned, not remade, at a considerable energy and financial saving. The following table for 16 oz. bottles illustrates this concept; the data are from the Dr. Hannon study, considered at only eight return trips.

Type use	Energy consumed per use (per bottle) (Btu)	Energy wasted compared to returnable bottle (per bottle) (Btu)
Returnable	2,400	0
Throwaway	7,260	4,860
Recycle	7,825	5,425

Two results emerge from the above table: recycling bottles does not save energy, and every time a 16 oz. throwaway bottle is consumed 4860 BTU's of energy are wasted. The energy penalty against recycle compared to throwaway arises because it actually requires more energy to sort out the glass from mixed trash in many locations than to mine virgin glass from a single location. In the manufacturing process the overwhelming energy expenditure occurs with the melting and forming process, common to every throwaway and recycle usage. With reused bottles this meeting is not repeated prior to every usage, hence the significantly lower energy consumption.

OTHER CONSEQUENCES OF UNNECESSARY CONSUMPTION

Only energy costs relating to throwaway bottles and cans have been considered above. Other factors which would enter into a total impact analysis concurrent with resource squander would include increased atmospheric emission, increased waterborne wastes including thermal pollution, more committed water volume for processing, increased post-consumer solid waste, increased industrial solid waste, dangerous and unsightly litter, more strip mines to provide more virgin raw materials, increased encroachment and stress on wildlife habitats, spoilation and ruination of lands, increased financial costs to the consumer, and of course less available fuel with which to energize higher priority activities.

EQUIVALENT WASTE OF NUCLEAR POWERPLANTS

The USA national energy waste due to the throwaway system is 251 Trillion BTU/year which equals 8500 Mw (Megawatts). Each unit of Calvert Cliffs Nuclear Power Plant in Maryland has a maximum electricity generating capacity of 880 Mw, and so the national energy waste represented by throwaway leisure beverage containers is equivalent to about ten (10) very large nuclear power plants.

STOP SQUANDERING ENERGY ON THROWAWAYS

WASHINGTON, D.C., November 29, 1973.—More than nine million people could be supplied with electricity for a whole year by the energy wasted during 1972 through use of throwaway containers rather than returnable bottles for soft drinks and beer, according to the Crusade for a Cleaner Environment.

CCE also calculates that the energy wasted by the throwaway bottles and cans last year was the equivalent of approximately 1.7 billion gallons of gasoline—enough to operate nearly 1,700,000 automobiles averaging 10 miles per gallon for a typical driving year of 10,000 miles.

Finally, based on the needs of a three-bedroom brick home in the Washigton, D.C. area, CCE's figures show that approximately two million homes in the Middle Atlantic region could be heated with natural gas for an eight-month heating season by the energy wasted on throwaways in 1972.

"Through higher prices paid for beverages in throwaway containers and litter-removal costs, the American consumer has been subsidizing the beer and soft drink industries' concentration in so-called 'convenience' packaging for several years," CCE President N. E. Norton said in releasing the figures. "Now it is clear that this subsidy has included the sacrifice of precious energy supplies as well. The situation will grow even more critical if major beverage companies continue with plans to package their products in throwaway plastic bottles made from scarce petroleum."

Norton, who is also president of Royal Crown-Dr. Pepper Bottling Company of Corpus Christi, Texas, explained that while throwaway containers are wasters of energy, "returnable bottles conserve energy by functioning as their own recycling system. Each returnable travels the natural closed loop from container manufacturer to bottler, to retailer, to consumer, and back again for reuse an average of 15 times.

"With fuel shortages, brownouts and gasoline rationing real possibilities, American industry and consumers must change habits of energy consumption to 'waste not, want not.' I call on my fellow bottlers to set an example for the nation by returning to the returnable system of distribution for soft drinks and malt beverages," Norton concluded.

The Crusade for a Cleaner Environment is a non-profit educational organization working to increase public awareness of the role of throwaway beverage containers in America's litter, solid waste and energy problems.

THROWAWAY BEVERAGE CONTAINERS WASTE ENERGY

The packaging of beer and soft drinks in approximately 60 billion throwaway containers rather than in returnable bottles wasted 211.5 trillion British Thermal Units of energy during 1972.

That energy wastage is the equivalent of:

18.2 billion kilowatt hours of electricity—enough to supply the electrical needs of 9.1 million relatively affluent Americans for a whole year;

1.69 billion gallons of gasoline—enough to operate 1,690,000 automobiles averaging 10 miles per gallon for a typical driving year of 10,000 miles;

Enough energy to heat approximately 2 million three-bedroom brick homes in the Middle Atlantic region with natural gas for an entire eight-month heating season.

While throwaway containers are tremendous energy wasters, returnable bottles conserve energy by functioning as their own recycling system. Each returnable bottle travels the natural closed loop from container manufacturer to bottler, to retailer, to consumer and back again for reuse an average of 15 times.

With fuel shortages, brownouts and gasoline rationing real possibilities, American industry and consumers must change their habits of energy consumption to "waste not, want not." The perfect place to begin is by returning to the returnable bottle system of distribution for soft drinks and malt beverages.

SOURCES

System Energy and Recycling: A Study of the Beverage Industry, by Professor Bruce M. Hannon, Department of General Engineering and Center for Advanced Computation, University of Illinois, December 1971.

An Ecological Approach to Solid Waste Management, by Dr. Priscilla Laws, Professor of Physics, Dickinson College, February 1973.

Beverage Industry 1972–1973 Annual Manual, New York, September 1972.

Washington Gas Light Company, Consumer Education Services, Washington, D.C., November 1973.

Mr. HATFIELD. Mr. President, in view of the legitimate concern currently being expressed about the cost of living and food prices in particular, it is important also to note that when an individual purchases a beverage in a nonreturnable container, that consumer bears the entire cost of manufacturing that container. When refillable containers are used, however, that cost is shared by as many as 20 other individuals who also use the same container. In Oregon, where legislation banning nonreturnables became effective in October of 1972, prices have increased somewhat, but these increases must be viewed in the context of higher production and raw material costs for many beverages and containers. A study on the economic impact of the Oregon law, conducted by two business professors at Oregon State University, concluded that—as beer prices in Oregon are 2.4 percent to 3.7 percent above those in Washington whereas soft drink prices are 4 percent below, the effect of the bottle bill on beverage is not apparent.

Concern about the employment impact of this legislation must also be viewed seriously and, in this regard, more jobs were created in Oregon following adoption of the bottle legislation than lost. This is consistent with the findings of various studies which indicate that more jobs will be created in the area of container handling. In order to minimize any economic dislocation, however, I have provided for a 3-year transition period following enactment of the Returnable Beverage Container Act of 1975, for the necessary conversion. "Flip-top" cans would be banned 1 year after enactment.

It is not necessary to act on this issue without the test of experience. As I have indicated, my State of Oregon adopted legislation to ban nonreturnable containers and "flip-top" cans which has been in effect since October of 1972. The law has worked and the people of Oregon strongly support it. In fact, it was strengthened during the last legislative session. The beverage container share of litter has been reduced by 80 to 90 percent, energy is being saved, and these accomplishments have taken place without the economic dislocations forecast by some.

I realize, Mr. President, that this legislation will be strongly opposed by some segments of the beverage and packaging industries. In fact, an article which appeared last fall in the Washington Star-News indicates that about $20 million per year is being spent to defeat legislation of this nature throughout the Nation. Every Member of Congress can expect to be browbeaten with predictions of widespread unemployment, higher prices, and little impact on litter or energy conservation. I hope my colleagues will consider such statements along with the record of success with the Oregon law and lend their support to the bill.

Throwaway containers should be repugnant reminders of how little society cares about wanton depletion of its energy resources, or a measure of the disdain for helping to curtail the staggering litter and solid waste problems we face. While a laundry list of areas exists where blind obedience to technology has created a host of problems, the beverage container area provides the Congress and the Nation with a clear opportunity to

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reject the throwaway ethic spawned by the reckless idolatry of technology. We can reject this attitude in favor of one which reduces energy consumption and helps to solve our litter and solid waste problems.

Mr. President, the American people and the Congress must reject the flip-top, snap-tab throwaway society, and banning throwaway nonreturnable containers is a needed first step.

I am pleased to note, Mr. President, that the Senate itself is taking note of the need to use returnables. In a memorandum dated February 3, 1975, Mr. J. Lewey Caraway, the Superintendent of the Senate Office Buildings, asks that "it would also be helpful when ordering soft drinks to order them in returnable bottles" to assist in the trash removal problem. I appreciate Mr. Caraway's concern about this problem; my own office has been using returnable bottles exclusively for some time now, with no problem whatsoever.

I ask unanimous consent that an excerpt from a report of the Citizens' Advisory Committee on Environmental Quality be printed in the RECORD along with a copy of the Returnable Beverage Container Act of 1975.

There being no objection, the bill and excerpt were ordered to be printed in the RECORD, as follows:

S. 613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Returnable Beverage Container Act of 1975".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that (1) litter composed of beverage containers is a major source of pollution in all areas of this Nation, (2) the collection and disposal of solid waste composed of such containers impose a great cost burden upon the States and their political subdivisions, (3) nonreturnable beverage containers on which no refundable money deposit is required from the consumer pose a threat to health, safety, and welfare of individuals and environment in the United States, (4) the use of such containers results in a waste of energy, and (5) such containers, representing as they do a high cost in the form of litter, energy and solid waste management, should be banned from circulation within and among the several States.

DEFINITIONS

SEC. 3. For the purpose of this Act the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "returnable beverage container" means a beverage container which—

(A) has a clear indication thereon, either by embossing or by a stamp, label, or other method securely affixed thereto, of the refund value of the container, or is a glass container designed for a beverage and having a brand name permanently marked thereon which on the date upon which this section becomes effective has a refund value of not less than 5 cents;

(B) has a refund value of not less than 5 cents;

(C) is not a metal container so designed and constructed that a part of the container is detachable in opening the container without the aid of a can opener;

(3) "beverage" means beer or any other malt beverage, mineral water, or soda water or a carbonated soft drink of any variety in liquid form and intended for human consumption;

(4) "container" means a bottle, jar, can, or carton of glass, plastic, or metal, or any combination thereof, for use in packaging or marketing any beverage;

(5) "interstate commerce" means (A) commerce between any State or territory and any place outside thereof, and (B) commerce within the District of Columbia or within any other territory not organized with a legislative body;

(6) "territory" means any territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

PROHIBITION

SEC. 4. (a) No person shall manufacture for sale, sell, offer for sale, or introduce or deliver for introduction in interstate commerce any beverage container other than a returnable beverage container.

(b) Whoever violates subsection (a) of this section shall be fined not more than $1,000, or imprisoned for not more than six months, or both.

REGULATIONS

SEC. 5. The Administrator shall establish such regulations as are necessary for the purpose of this Act.

EFFECTIVE DATES

SEC. 6. The provisions of this Act shall be effective with respect to beverage containers, which are metal containers so designed and constructed that a part of the container is detachable in opening the container without the aid of a can opener, after one year following the date of enactment of this Act and with respect to all other beverage containers after three years following such date of enactment, except that, section 5 is effective on such date of enactment.

Federal legislation requiring a refundable deposit on all beverage containers is needed to promote the use and reuse of refillable instead of throw-away beverage containers. As discussed earlier, such action would reduce litter, household rubbish, and consumer expenditures. Moreover, and most importantly, such action would reduce the waste of critically short supplies of energy and nonrenewable resources. On the other hand, enactment of such a measure probably would have adverse impacts on the industries that manufacture and market the "no-deposit, no-return" cans and bottles which are now so prevalent in the marketplace.

With more than 30 states and 25 communities considering different forms of beverage container regulation, why do we need federal legislation that focuses only on beverage containers?

The first and foremost reason is that the energy shortage is a critical national problem, and refillable beverage containers provide an inexpensive, expeditious, and energy-saving alternative to the continued proliferation of energy-wasting disposable beer and soft drink containers. On a nationwide basis, resumption of an all-returnable beverage container system could almost immediately save an energy equivalent of nearly 5 million gallons of gasoline per day. This is equal to the estimated energy yield by 1978 from a crash program to produce oil from shale rock—a project which will involve the expenditure of billions of dollars in capital investment, unprecedented environmental disturbance, and the daily creation of a pile of waste rock six times larger than the Lincoln Memorial.

The second major reason for federal beverage container regulation is that deposit legislation is more feasible and less disruptive when implemented nationally instead of on a state-by-state basis. Federal legislation will solve the problems of interstate bootlegging and littering as well as provide uniform requirements for containers and thus make for less economic disruption in the long run. Checkerboard state-by-state action drawn out over years of legislative debate will result in the unresolved problems becoming regionalized in the areas most reluctant to deal with them, thereby prolonging their final resolution.

The third important reason for federal legislation of this type is timing. Whereas new technologies for solid waste resource recovery will take years to implement on a national basis, required deposits on beverage containers will produce more immediate results. In Oregon, for instance, a year after its bottle bill went into effect, officials were reporting 75 to 85 percent fewer beverage containers in roadside litter, 385 million fewer containers produced, and considerable energy savings. On a nationwide basis, the results would, of course, be far more substantial.

Another important reason for a federal bottle bill is the very real need for federal leadership in establishing a new national conservation ethic that emphasizes prudent consumption of energy and materials resources. Enactment of federal beverage container legislation could be highly significant as a first substantial, nationwide, "waste not, want not" step toward this national conservation ethic. In terms of energy conservation alone, Congress and the Administration could take a giant step forward toward solving the energy problem.

Several beverage container bills have been introduced in the Congress, and the Administration has endorsed the concept of requiring a refundable deposit on all beer and soft drink containers if it is phased in over time. This call for a phased approach is caused by concern about ways and means to reduce the adverse economic impacts resulting from a switch from the manufacture and distribution of disposable bottles and cans to returnable, refillable containers. This is a valid concern, and any federal enactment should include provisions for relieving and/or reducing the adverse effects of job relocation and production changeovers to refillable bottles.

With regard to economic impact, it is important to remember that the suggested legislation would not *ban* throwaway containers; it simply mandates a *refundable deposit* on each container sold. Thus, instead of affecting only container manufacturers, the refund creates economic incentives to influence the consumer as well as the beverage industry to decrease waste. The mandatory deposit, moreover, would make Americans aware of the cost of waste—an extravagance of energy and resources that our society can no longer afford.

Mr. PACKWOOD. Mr. President, I am pleased to join with my Oregon colleague, Senator HATFIELD, to reintroduce legislation to ban all throwaway beverage containers by charging a deposit value of not less than 5 cents for each bottle or can. My home State of Oregon has taken the lead in adopting this important and extremely successful legislation. I am convinced in light of the several studies which have been completed on Oregon's "Bottle Bill," that the Senate should act with foresight by adopting reasonable beverage container legislation. The Environmental Protection Agency endorsed the concept requiring a deposit on all beverage containers during hearings before the Environmental Subcommittee of the Senate Commerce Committee in May, 1974. Even more importantly, the economic, environmental and energy research studies done on the Oregon Bottle Bill affirm the benefits of placing a deposit on throwaways. I believe the materials and energy loss, as well as container litter, should be halted from its present growth rate associated with the 33 percent per capita increase in beer and soft drink consumption from 1959 to 1972.

Based on observations by the Oregon State Highway Department in 1969, discarded beverage containers were estimated to comprise 19.7 percent of highway litter by item. Another study by Prof. Charles Grudgen and Jack Bailes, of Oregon State University, shows reductions in bottle and can waste by nearly 88 percent, which has been widely reported.

The economic trends these professors documented show an increase on total business income as a gain of almost $4 million, with decreased employment in container manufacturing, but increases in other sectors resulting in a net gain of 365 jobs.

The "no deposit, no return" habit of container disposal should be substituted with this energy and materials conservation measure. In 1972, beverage container production used 6 million tons of glass, 1.6 million tons of steel and 570,000 tons of aluminum. Based upon a 90-percent refillable bottle market, with each container making 10 round trips, energy use reductions would approach 194 trillion Btu's of energy—or the equivalent of 92,000 barrels of oil per day.

I respectfully submit my request to the Senate that we begin hearings at the earliest convenient date to hear testimony on this valuable piece of legislation. My hope is that after assembling and those concerned with the proposal, the Senate can concentrate upon the benefits in conserving energy, materials and our landscape's uncluttered appearance.

Mr. President, I ask unanimous consent that my statement be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD.

By Mr. STEVENS:

S. 614. A bill to provide for the establishment of a national cemetery at Fort Richardson, Alaska. Referred to the Committee on Veterans' Affairs.

Mr. STEVENS. Mr. President, today I am introducing a bill to provide for the establishment of a national cemetery at Fort Richardson, Alaska.

With the coming of the Alaska pipeline construction, veterans from all over the United States are coming to my State to live and work. These veterans and the veterans previously living in Alaska have never hestiated to step forward when their country called. However, they are being denied one of the basic privileges that all veterans in this Nation receive. This is the privilege to be buried in a national cemetery in the area near their homes.

There is one national cemetery in Alaska, which according to the National Cemetery Systems study completed by the Veterans' Administration in January 1974, was expected to close out in 1973. This cemetery, located in Sitka, is over 580 air miles from the largest city and population center in the State. It is accessible only by air or by sea. Equate this to veterans living in Washington, D.C., being buried in Atlanta, Ga., and then only reaching the area via air or boat.

The national cemetery at Sitka, which is for all practical purposes closed out, services an area which is 586,400 square miles in size, and which if superimposed on a map of the United States stretches from Seattle to Miami. Having only one closed-out national cemetery in an area as large as Alaska is a very great hardship on our veterans and families. The next nearest national cemetery located in Oregon is over 2,700 miles from Alaska's population center.

This bill is of extreme importance to Alaskan veterans. I am hopeful that when the National Cemetery System study is again considered in this Congress, that the committee will study this bill and act favorably upon it.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Administrator of Veterans' Affairs is authorized and directed to establish a national cemetery at Fort Richardson, Alaska, on lands to be transferred to him by the Secretary of the Army.

(b) The Secretary of the Army shall, within 90 days after the date of enactment of this Act, transfer not less than 200 acres of land adjacent to the post cemetery at Fort Richardson, Alaska, to the Administrator of Veterans' Affairs for use by the Veterans' Administration as a national cemetery.

(c) The national cemetery authorized to be established by this Act shall be a part of the National Cemetery System provided for in chapter 24 of title 38, United States Code.

SEC. 2. There are authorized to be appropriated such funds as may be necessary to carry out the provisions of this Act.

By Mr. PROXMIRE:

S. 615. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes. Referred to the Committee on Government Operations.

LIMOUSINE LIMITATION ACT OF 1975

Mr. PROXMIRE. Mr. President, I send to the desk a bill which I call the "limousine bill" which would limit by law the number of high Government officials who are provided chauffeured limousines.

As chairman of the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, I have long been interested in wasteful practices of which this is one of the worst.

The "limousine bill" would do essentially three things.

First, it would cut back from an estimated 800 to about 27 the number of Government officials in the Washington area who would be provided chauffeur driven cars.

Second, with the exception of the 27, it would stop the practice, now almost universal, of driving high, and not so high, Government officials to and from home. Under the present law, title 31, section 638(a), Government cars can be used only for official purposes and "official purposes" according to the specific language of the law "shall not include the transportation of officers and employees between their domiciles and places of employment." Unfortunately, that law is broken a thousand times a day in Washington, D.C. itself. My bill would put a stop to that.

Third, it would provide that when cars were needed for official purposes, such as coming to Congress to testify on a bill, the official could use an agency pool car. But the car could not be exclusively assigned to the official or to any other official except for the 27 listed.

LIST OF ELIGIBLE OFFICIALS

Those eligible for chauffeur driven cars would be limited to the President, the Vice President, members of the Cabinet, the U.N. delegate, the Chief Justice, and the following congressional leaders: the Speaker of the House, the President pro tempore of the Senate, and the majority and minority leaders and whips.

The bill would save about $13 million a year. While that may not be much when compared with President Ford's proposed $350 billion budget, to this Senator and most American taxpayers, "$13 million ain't hay."

WHY THE BILL IS IMPORTANT

There are a number of reasons why I am proposing this bill. One of the major problems in modern government is that power too often goes to the heads of those who exercise authority. Public officials should not live in a style which is too far removed from the problems of ordinary citizens. By placing them in the back of a chauffeured driven limousine with their little reading lamps while other people plow through traffic, promotes an "elitist" group or class. And for the most part, most of the Washington elite are nameless and faceless bureaucrats who never had it that good in private life.

LIMITLESS LIMOUSINE POLICY IS BAD

The limitless limousines policy now followed also wastes energy at a time of an energy crisis. When officials are driven to and from home, the cars make four trips a day instead of two trips a day. Nothing is more ironic than seeing the head of the Federal Energy Agency or the Environmental Protection Agency, and even some of their subordinates, being chauffeured around in violation of the law while they call upon others to conserve energy.

While Congress itself has many, many faults, with respect to limousines we are relatively pure. But if Congress followed the policy of the executive branch, all 535 Members, their administrative assistants, and the staff director and chief clerks of every congressional committee would be provided a chauffeur-driven car.

There has never been a better time than now to tighten up on this bureaucratic extravagance. With 8 percent unemployment, a $52 billion deficit, and

double-digit inflation, surely the White House staff, budget officials, members of the Home Loan Bank Board, Under Secretaries, Assistant Secretaries, and Assistants to the Under and Assistant Secretaries should give up the use of their exclusive chauffeur-driven cars and limousines.

The United States is a political democracy. There is no reason why 800 high and not so high Government officials should continue to be chauffeured around like potentates.

Mr. President, I ask unanimous consent that the text of the bill be printed in full in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 615

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Limousine Limitation Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(1) "motor vehicle" means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for highway transportation of passengers, except (A) a vehicle primarily designed for military field training, combat or tactical purposes; (B) a vehicle regularly used by a Government agency in the performance of investigative, law enforcement or intelligence duties, if the head of such agency determines that exclusive control of such vehicle is essential to the effective performance of such duties; or (C) a vehicle used for the transportation of Ambassadors stationed or conducting business abroad; and

(2) "Government agency" means any department, agency, instrumentality, or authority of the executive, legislative, or judicial branch of the Federal Government.

LIMITATION ON ACQUISITION AND USE OF MOTOR VEHICLES

SEC. 3. (a) Except as provided in subsection (b), a Government agency may not—

(1) purchase, hire, or lease, operate, or maintain motor vehicles, other than motor vehicles of the type generally available, on the date of the enactment of this Act, in motorpools of the Federal Government;

(2) employ or procure the services of chauffeurs; or

(3) purchase, hire, or lease, operate, or maintain motor vehicles for the transportation of any elected or appointed officer or employee of a Government agency between his dwelling and his place of employment, except in the case of (A) a medical officer on outpatient medical service, or (B) an officer or employee engaged in fieldwork in remote areas, the character of whose duties make such transportation necessary, and in either such case, only when such exception is approved by the head of the Government agency concerned.

(b) The provisions of subsection (a) do not apply to the purchase, hire, lease, operation, or maintenance of motor vehicles for the personal use by the President, and one each for use by the Vice President of the United States, the head of each Executive Department, the Chief Justice of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, the Majority and Minority Leaders of the Senate and of the House of Representatives, the Majority and Minority Whips of the Senate and the House of Representatives, and the United States Representative to the United Nations.

(c) No elected or appointed officer or employee of a Government agency, other than those referred to in subsection (b), may be furnished a motor vehicle for his exclusive use.

By Mr. RANDOLPH (for Mr. JACKSON) (for himself and Mr. FANNIN) (by request):

S. 617. A bill entitled "Winterization Assistance Act of 1975." Referred to the Committee on Banking, Housing and Urban Affairs.

S. 618. A bill entitled "National Strategic Petroleum Reserve 'Civilian' Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 619. A bill entitled "Energy Facilities Planning and Development Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 620. A bill entitled "Standby Energy Authorities Act of 1975." Referred to the Committee on Interior and Insular Affairs.

Mr. RANDOLPH. Mr. President, on behalf of the junior Senator from Washington, Mr. JACKSON, and the senior Senator from Arizona, Mr. FANNIN, I introduce, for appropriate reference, three energy bills at the request of the administration.

Mr. President, I ask unanimous consent that the statement of the junior Senator from Washington appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR JACKSON

Mr. President, On behalf of myself and the senior Senator from Arizona (Mr. FANNIN) I am today introducing 4 energy bills proposed by the Administrator in the "Energy Independence Act of 1975." The specific titles of the Administration's omnibus energy bill which are being introduced as separate bills are as follows:

Title II—National Strategic Petroleum Reserve (Civilian) Act of 1975;

Title VIII—Energy Facilities Planning Development Act of 1975;

Title XI—Winterization Assistance Act of 1975;

Title XIII—Standby Energy Authorities Act of 1975.

Mr. President, hearings have been scheduled by the Committee on Interior and Insular Affairs on Thursday, February 13 to receive Administration testimony on pending standby energy emergency authorities legislation.

Mr. RANDOLPH. Mr. President, the introduction and reference of these bills is, of course, subject to the unanimous consent request concerning reference of and committee jurisdiction over the administration's omnibus energy bill which was entered by the distinguished minority leader, Mr. SCOTT, on February 5 at page 2438 of the CONGRESSIONAL RECORD.

By Mr. RANDOLPH (for Mr. JACKSON) (for himself, Mr. KENNEDY, Mr. STEVENSON, Mr. MAGNUSON, Mr. PASTORE, Mr. BAYH, Mr. NELSON, Mr. RIBICOFF, Mr. MOSS, Mr. PHILIP A. HART, Mr. HASKELL, Mr. HUMPHREY, Mr. HOLLINGS, and Mr. MONDALE):

S. 621. A bill to prohibit for a period of 90 days the lifting of all price controls on domestic oil, and to thereafter require the submission to, and the right of review of disapproval of the Congress of such action within 30 days. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. JACKSON) (for himself, Mr. RANDOLPH, Mr. MAGNUSON, Mr. STEVENSON, Mr. PASTORE, Mr. NELSON, Mr. BAYH, Mr. RIBICOFF, Mr. MOSS, Mr. KENNEDY, Mr. HASKELL, Mr. HUMPHREY, Mr. HOLLINGS, and Mr. MONDALE):

S. 622. A bill to provide standby authority to assure that the essential energy needs of the United States are met to reduce reliance on oil imported from insecure sources at high prices and to implement U.S. obligations under international agreements to deal with shortage conditions. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. JACKSON) (for himself Mr. MCINTYRE, Mr. RANDOLPH, Mr. MAGNUSON, Mr. STEVENSON, Mr. PASTORE, Mr. NELSON, Mr. BAYH, Mr. RIBICOFF, Mr. MOSS, Mr. STONE, Mr. PHILIP A. HART, Mr. KENNEDY, Mr. HASKELL, Mr. HUMPHREY, Mr. HOLLINGS, and Mr. MONDALE):

S. 623. A bill to extend the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

SENATOR RANDOLPH INTRODUCES THREE MAJOR ENERGY BILLS ON BEHALF OF SENATOR HENRY M. JACKSON

Mr. RANDOLPH. Mr. President, at this time I introduce three major energy bills on behalf of Senator HENRY M. JACKSON, chairman of the Senate Interior and Insular Affairs Committee, and fellow Senate cosponsors. Two of these measures, the Standby Energy Authorities Act of 1975 and the Emergency Petroleum Allocation Extension Act of 1975, build on legislation enacted during the 93d Congress.

The third measure, the Petroleum Price Increase Limitation Act of 1975, would restrict for a period of 90 days the President's authority to decontrol domestic oil prices. Subsequently, should the President propose to lift price controls the proposed action would have to be submitted to the Congress and unless disapproved by the Congress within 30 days would take affect. This authority would complement provisions contained in legislation now pending before the House Ways and Means Committee.

During the last 18 months, our country has developed extensive experience under the Emergency Petroleum Allocation Act, which provides authority to control petroleum prices as well as restrict available supplies through allocation at the wholesale or distribution level within our energy supply system. Utilizing this experience, this measure, which I cosponsor with Senator JACKSON, would extend this statute for an additional 5 years through December 31, 1980.

The Standby Energy Authorities Act of 1975, which I cosponsor, provides complementary authority to deal with sudden interruptions of supplies such as those resulting from oil embargoes. In addition, this measure would enable the development of necessary programs to implement the United States' recent commitments under the International Energy Agreement, which was signed last fall.

The legislation also provides authority for the allocation of scarce materials, equipment, and other supplies necessary to the maintenance and expansion of domestic energy supplies. Additional authority for export controls is included for equipment essential to domestic energy activities.

These three measures evolve from the activities of the Senate's national fuels and energy policy study, which Senator JACKSON has ably chaired for the last 4 years.

Mr. President, the junior Senator from Washington (Mr. JACKSON) is necessarily absent from the Senate this morning and on his behalf, I introduce, for appropriate reference, three bills which constitute important elements of a national energy policy.

Mr. President, I ask unanimous consent that the statement by the junior Senator from Washington concerning these bills appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR JACKSON ON INTRODUCTION OF MAJOR ENERGY BILLS ON STANDBY ENERGY EMERGENCY AUTHORITIES, NATIONAL STRATEGIC OIL RESERVES, AND TO PROHIBIT THE DECONTROL OF DOMESTIC OIL PRICES

Mr. President, I am today introducing three major bills which constitute important elements of an overall national energy policy.

1. STANDBY ENERGY AUTHORITIES ACT OF 1975

The first bill, the "Standby Energy Authorities Act of 1975" provides the basic authority to deal with the contingency of oil embargoes or other sudden curtailments of the nation's essential energy supplies. This measure is patterned after S. 2589, the energy emergency bill which was vetoed by President Nixon on March 6, 1974.

Mr. President, Title XIII of the Administration's proposed omnibus energy legislation is closely patterned after S. 2589, the bill vetoed by the President in the last Congress. I was pleased to learn that the Administration has reversed its position and now supports the concept of standby authorities to deal with embargo situations and to fulfill U.S. obligation under the sixteen nation International Energy Agreement which was signed last fall.

The bill I am introducing today would establish authority for end-use rationing of gasoline and other petroleum products; the imposition of mandatory energy conservation programs; the allocation of scarce materials, equipment and other supplies; limitations on the export of energy and equipment related to the production of energy; funding for state energy conservation programs and provision for the delegation of specified responsibilities to State governments; and broad authority to acquire and analyze needed data concerning inventories, transport capability and other aspects of the nation's energy system.

Hearings on this measure will be held on Thursday, February 13 before the Interior Committee. I am hopeful that the Committee acts on this measure on an early date.

2. EXTENSION OF EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

The second measure, the "Emergency Petroleum Allocation Extension Act of 1975," would extend the life of the Emergency Petroleum Allocation Act of 1973 to December 31, 1980. At present the Emergency Petroleum Allocation Act would expire on August 30 of this year. It is clear that this Act must be extended for two purposes. First, extension is necessary to insure that the country has in place legislative authority for the allocation of crude oil and petroleum products during periods of shortage conditions and during periods when the government seeks to regulate overall energy consumption and to conserve energy by limiting allocations of petroleum products to some level below unconstrained demand.

The second purpose is to maintain price controls on domestic crude oil and petroleum products. Section 4(a) of the Emergency Petroleum Allocation Act of 1973 provides the only authority in existing law for controlling petroleum prices. If this authority were permitted to expire on August 30 of this year the cost of energy to American consumers would almost double.

3. PETROLEUM PRICE INCREASE LIMITATION ACT OF 1975

The third bill, the "Petroleum Price Increase Limitation Act of 1975" would impose limitations on the President's existing authority to lift or decontrol the existing price controls on domestic oil. President Ford has announced that he intends to lift all domestic oil price controls on April 1, 1975. This action, if permitted to become effective, would see the price of 60 percent of domestic oil production go from its present controlled level of $5.25 a barrel to a minimum of $12 per barrel. The $12 per barrel price could become as high as $15 per barrel if the President is permitted to impose the full $3 tariff fee on imported oil that he has also announced.

Mr. President, the Administration's proposed program to increase energy prices through tariffs, taxes, and the scrapping of price controls is an irresponsible policy that will send shock waves crashing through an already weakened economy and will impose a regressive, unfair, unjustified burden upon the poor, and upon low and middle income segments of society. The huge cost increases involved in this proposed program will serve no important national purpose other than simply to generate revenue in the form of tariff fees and excise taxes.

By Mr. THURMOND (for himself, Mr. ALLEN, Mr. CURTIS, Mr. DOLE, Mr. DOMENICI, Mr. FANNIN, Mr. HELMS, and Mr. PASTORE):

S. 624. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes. Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, last year I expressed my concern to my distinguished colleagues in this Chamber about the tragic missing-in-action issue. At that time, I expressed grave doubts about our Government pursuing the procedure to change the status of the missing in action to "killed in action."

Since then I have conducted a more comprehensive review of the military departments' procedures to reach these presumptive findings by implementing the provisions of the law contained in sections 555 and 556 of title 37. I concluded after this review, that these two sections of the law require further study by the Congress insofar as they pertain to Southeast Asia.

Since this study will require time, I am introducing legislation which will temporarily prohibit the military departments from issuing a findings of "killed in action" or "presumed killed in action," as far as missing in action and prisoners of war in Southeast Asia are concerned. The legislative measure will require the Senate and House Armed Services Committees to conduct a study of this problem and report results to the Congress not later than 180 days after the date of enactment of this act.

Meanwhile, the measure will also urge the administration to continue relentless efforts to convince the Democratic Republic of Vietnam—North Vietnam—and the Provisional Revolutionary Government of South Vietnam—Vietcong—to comply with the provisions of article 8 (a) and (b) of the Paris Peace Accord of January 27, 1973. When the President of the United States determines that all reasonable actions have been taken to account for such members, the President must report such determination in writing to the Congress.

Mr. President, I fully realize that the Defense Department probably will not recommend approval of this legislative measure. However, it is clear that our Government is convinced that the Communists could provide considerable information about Americans who are missing or prisoners. These missing also include as many as 20 newsmen from seven different countries. Our Government and the world know that the Communists have information about our men, as stated in official reports, either through photographs, newspaper articles, interviews, foreign broadcasts, observed captures, and other sources.

Consequently, it is very difficult for MIA/POW wives and families and many faithful Americans to accept the current procedures to declare some of our brave men as presumed dead when there is definitely encouraging hope. However, it is also realized, according to my understanding of defense procedures, that a presumptive finding to change the status will not be issued when there is hopeful information available. Nevertheless, I believe our Government is premature in implementing sections 555 and 556 of title 37, as pertains to Southeast Asia, in such great haste.

Mr. President, my bill may not be the only solution to this tragic issue. However, I am convinced that the Congress must devote greater and more serious attention to this law, as it applies to Southeast Asia, and revise it accordingly. Many MIA families have contacted me. They have urged that status changes be stopped until accounting procedures have been proven to be exhausted and a satisfactory new law which will completely protect the rights and individual liberties of each POW and MIA has been enacted to replace or modify sections 555 and 556,

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chapter 10, title 37 of the United States Code.

Mr. President, this is the objective to my bill. I sincerely urge my distinguished colleagues to give this bill serious and favorable attention.

Mr. President, I request that this bill be appropriately referred and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 624

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of sections 555 and 556 of title 37, United States Code, no change in the status of any member of the uniformed services who, on the date of enactment of this Act, is in a missing status as a result of his performance of service in Southeast Asia may be made by the Secretary concerned until—

(1) the Democratic Republic of Vietnam (North Vietnam) and the Provisional Revolutionary Government of South Vietnam have fully complied with the provisions of article 8(a) and (b) of the Paris Peace Accord of January 27, 1973, and

(2) the President of the United States (A) has determined that all reasonable actions have been taken to account for such members, and (B) has reported such determination to the Congress in writing.

(b) As used in subsection (a), the terms "uniformed services", "missing status", and "Secretary concerned" shall have the same meaning ascribed to such terms in chapter 10 of title 37, United States Code.

SEC. 2. The Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives shall each conduct a study of sections 555 and 556 of title 37, United States Code, with a view to determining whether such sections should be amended or repealed. Each such committee shall report the results of its study to the appropriate House of Congress not later than one hundred and eighty days after the date of enactment of this Act together with such recommendations for legislation as such committee deems appropriate.

By Mr. KENNEDY (for himself, Mr. WILLIAMS, Mr. JAVITS, and Mr. SCHWEIKER):

S. 625. A bill to establish an Emergency Health Benefits Program for the Unemployed. Referred to the Committee on Labor and Public Welfare.

EMERGENCY UNEMPLOYMENT HEALTH BENEFITS ACT OF 1975

Mr. KENNEDY. Mr. President, our Nation is faced with a grave national emergency. We are in the grip of an economic crisis that has left more than 7½ million workers unemployed. And next month, and the next, and the next the Ford administration predicts it will get worse.

More Americans will lose their jobs. Their families will scrimp and scrape to pay their rent—to pay their electric bill—and to put food on the table. The unemployment compensation for the average person is $68 a week. You can hardly live on $68 a week—yet, millions of Americans are standing in lines for hours to collect it—because it is all they have—it is all that stands between them and nothing—because this Nation cannot give them work.

Nor does the crisis end there. More and more unemployed are returning from the unemployment lines only to find their son has broken his arm—or someone is sick—and they have no health insurance. When you lose your job and your paycheck in America, you also lose your health insurance. Within 30, 60, or at most 90 days, the employer stops paying your premium and the insurance company cuts off your policy. It makes no sense at all—but it is true. Just when you can least afford medical bills—you lose all insurance protection—and you pay every cent of every doctor bill out of your own pocket.

And if someone in your family needs to go to the hospital, it may cost every cent you have in the world.

Of course, you can buy health insurance for yourself when you are laid off. That is, you can if you can afford to pay at least $40 a month. That is 15 percent of the average unemployment benefit. In fact, by the time the rent and utilities are paid and you return from the food market—there is simply nothing left. So, according to one estimate as many as 75 percent of workers who have been unemployed more than 30 days have no health insurance at all.

Families without insurance and short on money put off going to the doctor as long as possible, and their health gets worse in the meantime. It makes no sense at all to saddle the unemployed with this added handicap. It makes no sense to compound the tragedy of being laid off with the tragedy of poor health or ruinous doctor bills.

Any thoughtful person would think that if insurance ever covered you, it would cover you when you are down and out, and unemployed. But in fact—that is just when you lose it. That is what we are doing to millions of families in America today—and I believe it amounts to a national emergency.

It need not have been this way. For 5 years, this Congress has talked about national health insurance—about making health care a right for all Americans. But we have done nothing—and now, even if we were to start hearings tomorrow, it will take 3 to 4 years to pass a bill and set up the program. Indeed, if the Ford administration has its way, we will not even start this year—and the administration says it will not even send the Congress a proposal for national health insurance until 1976.

We cannot wait that long. We must start to work immediately on national health insurance. And we must also, as quickly as possible, extend emergency health insurance to our unemployed.

During recent months this Congress has passed several emergency measures to extend unemployment compensation, and to make millions of additional Americans eligible for unemployment compensation. As a result, more than 95 percent of our workforce are assured at least meager unemployment benefits for 26–52 weeks. But only a handful of our workers are assured health insurance beyond 30 days.

That is why I am today introducing the Emergency Unemployment Health Benefits Act. Under this act, until June 30, 1976, the Federal Government will pay the premium to continue health insurance of any unemployed worker receiving unemployment benefits who is not covered by a spouse's or parent's health policy. The employer will not pay, the unemployed worker cannot pay; and without payment—the insurance company will cut you off. And so, I believe the Federal Government must pay. We estimate over 8 million unemployed and their families, a total of nearly 25 million Americans, will benefit from the program during the course of the program. It is the only way we can rescue the unemployed from the insane insurance system we have in this country—and protect them from being ruined by doctor bills.

The fact is, by passing this bill, we will be rescuing more than the worker. We are also rescuing the hospitals, the clinics, the health maintenance organizations, and the doctors. The fact is, many hospital and doctor fees have gotten so high that the average family cannot pay them without insurance. The money just is not there. As more and more unemployed show up for treatment—with no insurance—the hospital either has to turn them away, or write it off to bad debts.

Tragically far too many are turned away. But it is also tragic when great hospitals are brought to the verge of bankruptcy because they cannot collect their bills. America's hospitals and clinics will face a crisis of bad debts in the months ahead. They will feel growing pressure to turn people away, or cut the quality of their services—unless they can be paid.

By making sure the unemployed worker and his family have health insurance, the emergency health benefits program will help avert this crisis, and preserve the quality of American hospitals.

Only the Federal Government can do this job. State treasuries are being emptied by the falling revenues and rising welfare and medicaid costs that result from unemployment. It would be ridiculous to ask them to bear the burden of this program. Moreover, this is not a welfare or medicaid program. To qualify for those programs, a family must be all but impoverished. Meager as they are, unemployment benefits are high enough to disqualify most unemployed workers for medicaid. Nor should the unemployed have to become impoverished to have health insurance.

The program that I am introducing today with Senators WILLIAMS, JAVITS, and SCHWEIKER will continue an unemployed workers health insurance as a form of unemployment benefit during the national emergency we now face.

The program established by this bill is a simple one. It provides funds for the Secretary of Labor to make payments to health insurance carriers, or employers or health and welfare trusts, which agree to continue employment-based health insurance for unemployed individuals.

The provisions of the bill are straightforward.

First, the bill provides health insurance benefits for each individual who is entitled to receive compensation under any Federal or State unemployment program, including the special unemployment assistance program.

Second, the bill provides that the individual and his family receive the same type and scope of benefits they would have received had the worker continued to be employed.

Third, the bill requires the Secretary of Labor to make arrangements to pay insurance carriers—and when appropriate, employers or health and welfare trusts—to continue the unemployed worker's health insurance, plus a reasonable additional amount for administrative costs.

Fourth, arrangements would be made for State unemployment compensation agencies to certify individuals as eligible for the health insurance benefits program. The Secretary of Labor would reimburse the States for their costs.

Fifth, to minimize the costs, the bill would require unemployed workers whose spouse or parent is employed, to enroll wherever possible in health insurance benefits through their employment-based health insurance program, and receive their health insurance coverage there rather than under this Federal program.

Sixth, the bill is a new title of the Emergency Jobs and Unemployment Assistance Act of 1975. The program is to expire on June 30, 1976. Such sums as may be necessary are authorized to be appropriated from general revenues to support the program.

We estimate the cost of the program to be between $1 and $1.5 billion assuming an unemployment rate of 8 percent.

This is a stop-gap emergency program; it is not national health insurance, and it bears no resemblance to the Health Security Act that I have long advocated in the Senate. Indeed, if that bill had been enacted previously, an emergency program would not be necessary at this time.

But the Nation does not now have a health security program. So we are faced with the emergency of millions of unemployed workers without health insurance. We are forced to act to shore up the existing system, and the bill I am introducing today simply pays premiums.

It does not assure comprehensive coverage;

It does not cover every American, or even every unemployed worker;

It does nothing to restrain the inflationary practices of hospitals and other providers;

It does nothing to assure health services are actually available in every community;

It does nothing to assure the quality of health care.

Indeed, this bill simply pays the premiums of the unemployed for the same insurance they had when they were working. I am hopeful we will be able to correct many of the inequities and shortcomings in this approach during committee deliberations.

But there is an emergency. We are forced to act and act quickly. In such situation we cannot remedy the faults of the present health insurance and health care system. We must simply utilize the existing system as best we can. Indeed, we must depend on the Nation's employers, insurance companies, and health care providers to help make this emergency measure work. It may require them to do extra work, to take extra risks—but I am hopeful that they will pitch in to meet this emergency.

I urge my colleagues to join me in supporting this legislation. I further urge you to join me in working for a program of comprehensive national health insurance that makes health care a right for all Americans, such as the Health Security Act of 1975.

Only by passing such a national health insurance program can we insure that stop-gap emergency programs of this type will not be necessary in the future to fix our troubled health insurance system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 625

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Unemployment Health Benefits Act of 1975."

Sec. 2. The Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding at the end thereof the following new title:

"TITLE IV—EMERGENCY HEALTH BENEFITS PROGRAM

"ELIGIBILITY FOR HEALTH INSURANCE BENEFITS

"SEC. 401. (a) It is the purpose of the title to provide—

"(1) to each individual who—

"(A) is unemployed and is entitled to receive weekly compensation under a State or Federal unemployment compensation law (including the special unemployment assistance program established by title II of this Act), and

"(B) would, if his employment by his previous employer had not been discontinued, be covered under an employer sponsored health insurance plan, and

"(2) to each dependent spouse (as defined in regulations of the Secretary) and to each dependent child (as defined in such regulations) of an individual described in clause (1),

health insurance benefits of the type and scope which would have been provided to such individual (or to such dependent spouse or dependent child) under the health insurance plan referred to in clause (1)(B), if the individual described in clause (1) were still employed by his previous employer.

"(b) For purposes of subsection (a) an individual is "unemployed" for any week if, for such week, such individual is entitled (or would, except for illness or disease, be entitled) to receive compensation under a State or Federal unemployment compensation law. The Secretary may, in order to facilitate the administration of this title, provide by regulation that an individual will, for purposes of subsection (a), be deemed to be unemployed for all of the weeks in any period of weeks (not in excess of 6 weeks) if such individual is for one or more of the weeks in such period 'unemployed' within the meaning of the preceding sentence.

"(c) No health insurance benefits shall be provided under this title to any person—

"(1) during any period for which he is covered (without regard to the provisions of this title), or has the opportunity to obtain (by reason of action on his part or on the part of any member of his family) coverage, under any employer sponsored health insurance plan, or

"(2) who would have received benefits under an employer sponsored health insurance plan which provided health benefits to formerly employed persons which plan was in effect on February 7, 1975.

"SEC. . Arrangements with carriers and State agencies

"SEC. 402. In carrying out the purpose of this title, the Secretary shall (whenever he is able to do so)—

"(a) enter into arrangements with the carriers (and in appropriate cases with employers or employee welfare benefit plans (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974)) whereby individuals covered for benefits under this title will be provided such benefits under the particular health insurance plan by which such individuals were covered while employed by their previous employer and there will be paid to such carriers (or, in appropriate cases, to such employer or employee welfare benefit plan) amounts equal to the premiums or other charges prescribed for such benefits plus any additional administrative expenses reasonable incurred by the carrier (or by the employer or health and welfare trust) in securing such benefits under the arrangement, and

"(b) enter into agreements with the State agency of each State under which such agency will be utilized by him for the purpose of making determinations, in the case of individuals in the State, of eligibility of such individuals for the health insurance benefits provided by this title, and for the purpose of making payments to carriers (and employers or employee welfare benefits plans) through whom such benefits are secured for individuals in such State; and any such agreement shall provide that the Secretary will pay to each State agency which is a party thereto amounts equal to the administrative and other expenses reasonably incurred by such State agency which is a party thereto amounts equal to the administrative and other expenses reasonably incurred by such State agency in performing the functions specified in the agreement.

"SEC. 403. Definitions.

"SEC. 403. As used in this title:

"(a) the term 'Secretary' means the Secretary of Labor;

"(b) the term 'employer sponsored health insurance plan' means a health insurance plan which covers some or all of the employees of an employer and the premiums for which are paid or collected wholly or in part by the employer;

"(c) the term 'health insurance plan' means an insurance policy, contract, or other arrangement under which a carrier undertakes in consideration of premiums or other periodic payments, to provide, pay for, or reimburse the costs of, health services received by individuals covered by the plan;

"(d) the term 'carrier' means a voluntary association, corporation, partnership, or other nongovernmental organizstion which is engaged in providing, paying for, or reimbursing the cost of, health services under group insurance policies or contracts, medical or hospital service agreements, membership or subscription contracts, medical or hospital service agreements, membership or subscription contracts, or similar group arrangements, in consideration of premiums or other periodic charges payable to the carrier;

"(e) the term 'employer' shall have the meaning given such term in the applicable State or Federal unemployment compensation law described in section 401(a)(1)(A); and

"(f) the term 'State agency' means the agency of a State which administers the unemployment compensation law of that State, approved by the Secretary under section 3304 of the Internal Revenue Code of 1954.

"TERMINATION DATE

"SEC. 404. Notwithstanding any other provisions of this title, no health insurance benefits may be provided under this title with respect to any week ending after June 30, 1976.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 405. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

Mr. WILLIAMS. Mr. President, each one of us knows how deeply the economic crisis has penetrated the fabric of our society. Disheartening recession, painful inflation, and a critical shortage of energy are all woven together into a heavy blanket, and it is smothering us. The result is that we are choking from a massive lack of jobs.

Our national unemployment tragedy has many faces: The faces of breadwinners in line at the unemployment office or waiting to buy food stamps, the faces of young children going to bed hungry to save on groceries, the dejected look of the older children who are dropping out of college or vocational school because they are unable to afford it anymore and unable to borrow money to get a Federal grant and unable to find a job.

But the most horror stricken face of all is the face of the unemployed worker whose family becomes ill or is sick himself, suddenly realizing that because he has no more job, he has no more health insurance. What does a family do when its savings have been wiped out to pay the rent or the electric bill or to buy food and necessary clothing? Who is going to pay the doctor or put down the deposit for the hospital room?

Mr. President, most Americans have health benefits coverage through their employment. If they are laid off or lose their jobs permanently, their eligibility for coverage usually ends within 30 days. If they are not quickly reemployed, they must go without insurance coverage or they must pay for it themselves at exorbitant individual rates. In my own State of New Jersey, where the unemployment compensation benefits pay a weekly maximum of $90, this is an intolerable, if not impossible burden.

The jobless rate in New Jersey alone is 10.3 percent. And on a nationwide basis, it is estimated that with our current 8.2-percent unemployment rate more than 3 million workers with prior health insurance coverage are in immediate jeopardy of losing these benefits.

All of this points to the fact that our current unemployment emergency is being compounded by a health care emergency.

Just last week, at the briefings on the HEW budget, this very problem was raised with departmental officials. One spokesman said that the problem was under study, but there was no proposal to make yet. Another official said that it really was not a problem at all. He said that the unemployed already have access to health care programs; when their unemployment benefits run out, they can go on public assistance and then they will qualify for medicaid.

Well, I do not think we should wait for these studies. Nor can we say to millions of unemployed Americans that they have to go on welfare before they can qualify for the medicaid program—a program which the administration itself wants to cut back.

We need action now.

And that is why today I am joining with Senators KENNEDY, JAVITS, and SCHWEIKER in introducing the Emergency Unemployment Health Benefits Act.

The purpose of this proposal is to continue basic health benefits coverage for unemployed workers and their families as though they were still employed. This coverage is to be provided in the same manner and to the same extent as when these persons had jobs. Specifically:

In order to be eligible, a person:

First, must be eligible for unemployment compensation benefits;

Second, must have been eligible for health benefits coverage; and

Third, must not be eligible for health insurance as a result of prior employment or coverage through a spouse or other family member.

A person—and any of his dependents who were covered under the health benefits program—would be eligible for coverage as when employed, regardless of medical and surgical benefits.

Coverage would be provided through the health benefits program under which the person was covered during his last employment.

An employer or health and welfare trust would be required to certify that the person was covered, the extent of the coverage, the cost of the coverage, the date of termination of coverage, and the name and address of the health benefits program.

The employer or health and welfare trust would be advised by State unemployment insurance offices of the initial eligibility and termination of eligibility of the employee.

Payment of premiums for unemployed workers would be made to the employer, the health and welfare trust or to a carrier designated by the payee.

The emergency program would extend until June 30, 1976.

If our nationwide unemployment rate reaches as high as 9 percent—a dreadful but possible prospect—it is assumed that the costs of this measure could be $1.75 billion. This figure is based on the assumption that at a 9-percent jobless level, there would be 3.5 million eligible workers who had previous health benefits coverage at an average premium cost of $500 per year. While this appears to be a substantial sum, it is certainly a small price to pay to guard against the economic and human suffering which would otherwise occur.

Mr. President, this is a very straightforward proposal. It is designed to meet a desperate situation—a situation which is not an imaginary picture of the future, but one which is having a broad brush effect right now. At a time when a national health care system is a crying need, the administration's 1976 budget cuts 20 percent out of existing health services programs. They suggested that the States and insurance carriers would pick up the difference. Yet, we know that this is unrealistic, especially since so many will be losing their benefits if this legislation is not enacted.

I must, of course, emphasize that this is not a permanent solution. It is an attempt to fill a void over the short run until we finally develop a mechanism which will assure that this kind of emergency never happens again. A permanent national health insurance system is the only long term answer.

This is not a complex system which will take too long to implement before it has an immediate impact. We will use the existing system of the unemployment insurance program, employers, private insurance carriers, and health and welfare trust funds so that the long delays of developing a new mechanism will not occur.

Mr. President, I cannot emphasize enough the vital importance of this program. The lives of hundreds of thousands of families will be affected. We no longer have the luxury of time to act on this measure, and as chairman of the Labor and Public Welfare Committee, I intend to move on this bill within the month. The health of the American people is our most precious commodity; it cannot be bartered for any price.

Mr. JAVITS. Mr. President I am joining today, as ranking minority member of the Labor and Public Welfare Committee, in introducing—with the chairman of the committee, Senator WILLIAMS, and the chairman, Senator KENNEDY, and ranking minority member, Senator SCHWEIKER, of its Health Subcommittee—the Emergency Unemployment Health Benefits Act.

Our bill is an emergency stopgap measure designed to protect the health of millions of unemployed American workers—men and women—who, through no fault of their own are being laid off due to the current economic crisis. Not only will these Americans be without a job, but at the same time they will be without any protection for the health care needs of themselves and their loved ones. Unemployment benefits leave no room to afford the cost of purchasing health insurance protection.

This measure is not intended to be a substitute for America's need for comprehensive national health insurance, nor is it intended to remedy any inequities or inadequacies in our existing health care system. Rather, it is a humanitarian legislative response to a tragic economic emergency and one which assures millions of Americans a form of health insurance protection if they are the unfortunate victims of illness, injury, or disease.

While the benefits of two measures I sponsored last December which were enacted into law—the Emergency Jobs and Unemployment Assistance Act and the Emergency Unemployment Insurance Act—provide some measure of security for the 7.5 million workers currently unemployed, they are not the entire answer. Unemployment insurance benefits, on the average, replace between 50 and 60 percent of the unemployed workers' lost wages. While this may serve to help keep a roof over his head and help to feed and clothe his family, it does not take into account the critical need for health insurance protection which the unemployed worker finds he cannot maintain when he cannot obtain gainful employment.

The lack of financial resources to purchase health insurance protection leaves the unemployed American workers and their families only one unacceptable alternative—delay or denial of necessary medical care.

Thus, the health condition worsens, as when an upper respiratory infection becomes life-threatening pneumonia. Now the treatment is substantially more expensive and this bankrupting financial burden is cast upon the already financially overburdened State treasury, as the unemployed ill person enters for the first time the medicaid system.

To meet this problem our bill would establish an emergency program to continue the health benefits coverage of those persons who are unemployed and eligible for unemployment insurance benefits. It would continue basic health benefits coverage of nearly 8 million unemployed workers, and their families, despite their unemployment, as though they were still employed. Thus, approximately 25 million Americans will be benefitted during the life of this program. Such coverage is to be provided in the same manner and to the same extent as when the unemployed person was gainfully employed.

The bill provides:

First, in order to be eligible a person: Must be eligible for unemployment insurance benefits under any Federal or State unemployment program including the special unemployment assistance program; must have been eligible for health benefits coverage; and must not be eligible for health insurance as a result of prior employment or coverage through a spouse or other family member.

Second, a person—and any of his dependents who were covered under the health benefits program—would be eligible for coverage as when employed, regardless of the source of payment, for hospital, medical, and surgical benefits.

Third, coverage would be provided through the health benefits program under which the person was covered during his last employment.

Fourth, an employer or health and welfare trust would be required to certify that the person was covered, the extent of the coverage, the cost of the coverage, the date of termination of coverage, and the name and address of the health benefits program.

Fifth, the employer or health and welfare trust would be advised by unemployment insurance offices of the initial eligibility and termination of eligibility of the employee.

Sixth, payment of premiums for unemployed workers would be made to the employer, the health and welfare trust or to a carrier designated by the payee.

Seventh, the emergency program would be for 1 year and there would be authorized such sums as may be necessary.

The preliminary estimates of the cost of the bill—$1.5 billion—assume an annual average premium cost of about $500 for the approximately 3 million eligible unemployed workers—at any one time—with an assumed average 8 percent unemployment rate for the life of the bill.

This is a substantial Federal expenditure, but I prefer to consider it a humanitarian investment in the health care of America's unfortunate victims of the present economic crisis.

There are imperfections and inequities in this emergency bill, and a variety of other alternatives for offering health care to the unemployed have been considered. However, I believe this bill is the best emergency program that can be passed promptly by the Congress.

I intend to continue to work for the enactment of a comprehensive national health insurance scheme which would avoid such future emergencies.

Mr. SCHWEIKER. Mr. President, today we are being told that the rate of unemployment in this Nation continues to climb up to 8.2 percent. Further, I am afraid that they signal that the situation will get worse long before it gets any better. Obviously, our economic dilemma is a nightmare for those Americans who daily join the ranks of the unemployed. Families must turn to unemployment compensation, food stamps, social services, and any other source of support and comfort during this difficult period. Thousands of American workers every day are faced with a bitter choice; as a result of their unemployment, lose their eligibility for health insurance coverage or pay for it themselves at exorbitant individual rates.

Mr. President, I am talking about the 9 million unemployed workers who, with their families, face the terrible risk of not being able to pay for needed medical services. It is my understanding that in the last year alone nearly 2 million workers lost their hospitalization coverage. This situation, the result of the current economic crisis, dictates that we take emergency steps, and that means continuing health benefits coverage for unemployed workers.

Earlier this week I met with a group of unemployed auto workers from Pennsylvania, some of whom must pay close to $100 a month to retain health insurance coverage. Even with the new emergency extension of unemployment benefits, a family of four which had been making $10,000 a year might have to pay nearly one-fourth of its monthly unemployment benefits for health insurance. That is an outrage, especially considering the high cost of food, housing, and other consumer necessities with today's inflation.

I join with my colleagues on the Senate Labor and Public Welfare Committee, the distinguished chairman of the committee, Mr. WILLIAMS, the ranking Republican, Mr. JAVITS, and the chairman of the Senate Health Subcommittee, Mr. KENNEDY, in introducing a bill to extend emergency health benefits to these unemployed workers and their families. We have an emergency on our hands and this is an emergency measure. It is not a program of national health insurance, although such a program, if it were in place, would undoubtedly eliminate the need for a measure of this kind. This measure does not cover all those unemployed workers who need health insurance coverage. To be candid, I am not certain that this measure necessarily represents the best way to proceed in solving this problem. Nevertheless, despite its defects, I feel this bill is necessary so that we can move quickly to enact a program to provide some help to the unemployed.

To meet this problem, this measure establishes an emergency program to continue the health benefits coverage of those persons who are unemployed and eligible for unemployment insurance benefits. The purpose of the proposal is to continue basic health benefits coverage of workers and their families despite their unemployment as though they were still employed. The coverage is to be provided in the same manner and to the same extent as when the person was employed.

In order to be eligible under this proposal, a person must be eligible for unemployment insurance benefits, must have been enrolled in a health benefits plan before becoming unemployed, and must not be eligible for health insurance as a result of prior employment or coverage through another family member. The program would run until June 30, 1976.

Coverage would be provided through the health benefits program under which the worker was covered during his last employment. An employer or health and welfare trust would be required to certify that the person was covered, the extent of the coverage, the cost of the coverage, the date of termination of coverage, and the name and address of the health benefits program. The employer or health and welfare trust would be advised of the initial eligibility and termination of eligibility of the employee. Payment of premiums for unemployed workers would be made to the employer, the health and welfare trust, or to a designated carrier. The program would be funded through general revenue funds appropriated by the Congress.

As I mentioned earlier, this is an emergency program which cannot solve all the problems and will result in some inequities. But, it is imperative that we move quickly to come to grips with this emergency. The Labor and Public Welfare Committee will hold hearings on the bill within the next few weeks and we will have an opportunity to receive the comments and recommendations of the experts in this area as well as those who will benefit from the program. This will allow us to refine and improve the bill and quickly bring it to the Senate.

Obviously, a program of this sort is not inexpensive. At this point, the data is not precise but we can assume that this program may cost at least $1 billion and may reach $1½ billion. Nevertheless, we cannot ignore the welfare of the American workers and we must take the steps necessary to provide them some relief.

Mr. President, I am pleased to be a cosponsor of this measure and I urge my colleagues to join in our effort.

By Mr. MONDALE (for himself, Mr. JAVITS, Mr. ABOUREZK, Mr. CLARK, Mr. BROOKE, Mr. CASE,

Mr. CHURCH, Mr. CULVER, Mr. HATFIELD, Mr. HATHAWAY, Mr. PHILIP A. HART, Mr. GARY W. HART, Mr. HOLLINGS, Mr. HUMPHREY, Mr. KENNEDY, Mr. MCGEE, Mr. MCGOVERN, Mr. METCALF, Mr. NELSON, Mr. PELL, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SCHWEIKER, Mr. STAFFORD, Mr. STEVENSON, and Mr. WILLIAMS):

S. 626. A bill to provide for services to children and their families, and for other purposes. Referred to the Committee on Labor and Public Welfare.

CHILD AND FAMILY SERVICES ACT OF 1975

Mr. MONDALE. Mr. President, today I am privileged to introduce with the distinguished senior Senator from New York (Mr. JAVITS), and Senators ABOUREZK, BROOKE, CASE, CHURCH, CLARK, CRANSTON, CULVER, G. HART, PHILIP HART, HATFIELD, HATHAWAY, HOLLINGS, HUMPHREY, KENNEDY, MCGEE, MCGOVERN, METCALF, NELSON, PELL, RANDOLPH, RIBICOFF, SCHWEIKER, STAFFORD, STEVENSON, and WILLIAMS, the Child and Family Services Act of 1975.

Mr. President, a companion bill is being introduced in the House of Representatives by Representative JOHN BRADEMAS, who chairs the House Select Subcommittee on Education and is a creative and forceful leader on this effort and many other efforts designed to improve opportunities for families and their children. Representative BRADEMAS is joined by Representatives ORVAL HANSEN, PATSY MINK, and MARGARET HECKLER as major sponsors of the companion bills and by over 80 other cosponsors.

Our bill is designed to provide financial assistance to help States and localities upgrade the quality and expand their services for children and families. This measure incorporates the fundamental principles and elements contained in both the child development provisions in S. 2007, the Economic Opportunity Amendments of 1971, which passed the Congress in 1971, and was voted by President Nixon, and in the Comprehensive Headstart Child Development and Family Services Act of 1972 which passed the Senate by a vote of 73 to 12 on June 20, 1972.

This bill is the identical bill that I introduced last year, S. 3754, on which we held hearings August 8 and 9, 1974. The only difference between the bill I introduce today, and S. 3754, is that the dates have been revised so that the planning year would begin in fiscal year 1976, rather than fiscal year 1975, and the subsequent program years would become fiscal years 1977 and 1978.

PURPOSE

Our bill seeks to help families better meet the need for quality, family-oriented, preschool programs for millions of young children whose mothers are working, or who because of inadequate resources are denied adequate health care, nutrition, or educational opportunity.

It recognizes and specifically provides that child care programs must be totally voluntary, and must build upon and strengthen the role of the family as the primary and fundamental influence on the development of the child.

It assures that parents will have the opportunity to choose among the greatest possible variety of child and family services—including prenatal care, nutrition assistance, part-day programs like Head Start, after school or full day developmental day care for children of working mothers, in-the-home tutoring, early medical screening and treatment to detect and remedy handicapping conditions, and classes for parents and prospective parents.

THE NEED

Mr. President, the need for adequate care for the millions of children whose parents are working has increased drastically in recent decades, and continues to grow. Hearings I conducted recently in my Subcommittee on Children and Youth concerning trends and pressures affecting the American families have provided a real understanding of the needs. Permit me to cite just two findings.

First, there has been a tremendous increase in the number of mothers who are working. Consider the facts:

In 1971, 43 percent of the Nation's mothers worked outside the home, compared to only 18 percent in 1948.

One out of every three mothers with preschool children is working today, compared to one out of eight in 1948.

Thirteen percent of all children—some 8.3 million—are living in single parent families, and 65 percent of these parents are working.

More than 27 million American children under the age of 18 have mothers in the work force.

Yet, there are only about 1 million spaces in licensed day care centers to serve the 6 million preschool children whose mothers work.

Some of these children are receiving adequate care while their mothers work, but many are not. Many are left in purely custodial and unlicensed day care centers, and many others are left alone to look after themselves, because that is all their parents can afford. For example, it is estimated that at least 10 percent of the elementary school children, aged 6 to 11, whose mothers work are left alone after school to look after themselves.

In addition, Mr. President, the need for adequate child care has increased since my previous bill was vetoed. Between 1970 and 1973, for example, there has been an increase of 650,000 in the number of children whose mothers are working. And since that veto, the average family's real spendable earnings have fallen about 4 or 5 percent—increasing the difficulties of working families who do not have enough money to pay for the decent child care they want for their children.

Mr. President, the current needs and the future needs for quality day care were eloquently and powerfully described by Carmen R. Maymi, Director of the Women's Bureau, of the U.S. Department of Labor, in a speech last November. At this point I want to quote several sections of that speech, and I ask unanimous consent that the entire text of her speech appear at the close of my remarks.

Ms. Maymi said, in part:

It is pointless to argue about whether or not mothers *should* work. The fact is that more and more women *with* children are entering the work force—most of us work because of economic reasons.

However, the employment of mothers is not the only reason many children need day care. Illness or death of the mother, mental or physical handicaps, emotional disturbances, poor family relationships, and poor living conditions are other factors. But the major demand for day care facilities stems from the employment of mothers outside of the home.

Ms. Maymi continued:

There has been a steady upward trend in the number of working wives with children. Since 1960 the labor force participation of married women with husbands present and with children under 6 years has increased from 18.6 percent to 34.4 percent. The rate of labor force participation for women who were family heads, at 54 percent, was higher than that of wives, but has remained little changed for many years.

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor force in March 19. About one-fourth of these children were below regular school age and required some kind of care while their mothers worked.

Since 1970, the number of children of working mothers has risen sharply by 1.2 million, while the total number of children in families has dropped by 2.2 million. These opposing trends can be attributed to the continuing long-term rise in the number of working wives, both with and without children; a declining birth rate, and an increase in the number of families headed by a woman which is due largely to a rising divorce rate.

Over 12 million children were in families where the father was either absent, unemployed, or not in the labor force. This figure is highly significant in view of the fact that in families headed by a woman, the median income in 1973 was only $6,195 if the mother worked and only $3,760 if she did not.

These figures point out that the need for child care facilities is acute now and that it will increase over the years. Latest estimates indicate that care in licensed centers and homes is available for only 905,000 of the several million children needing day care. By 1985 we expect that 6.6 million mothers, aged 20 to 44, with children under age 5 will be working or looking for work. The demand for day care facilities can be expected to increase accordingly.

The problem is particularly severe for women heads of families who so often are poor. Of 6.8 million families headed by a woman in March 1974, 32 percent had incomes below the low-income level in 1973. The percent of female-head families with related children under 18 that were poor in 1973 was 42 percent for whites and 67 percent for blacks. Among families headed by Spanish-origin women with incomes below the low-income level in 1973 the figure was 51.4 percent. For families headed by a man the proportion was 6 percent.

Finally, let me include one more quote from Ms. Maymi:

The child of a working mother is not the only one to benefit from good day care. The mother also gains. The welfare mother, of course, is freed to acquire training and a job. But it is a mistake to think of day care exclusively as a welfare measure. Middle class women struggling to provide their families with an adequate standard of living, can enter the work force as they see fit and women with professional and technical skills can continue to contribute their skills and talents to fill the needs of our society in health, science, business and industry, politics and other fields. Day care in fact, is a boon to women of all economic levels who want the freedom to choose for themselves their own life style and decide for themselves how they can best contribute to the well-being of their families.

Society, too, benefits from a day care system that assures the careful development of future generations and at the same time makes available the skills and capabilities of a large segment of our human resources.

Mr. President, although some existing Federal programs, such as title IV of the Social Security Act, help provide day care for these children, much of it is inadequate. Dr. Edward Zigler, the dedicated and talented former Director of HEW's Office of Child Development, stated that in "many instances we are paying for service that is harmful to children."

Dr. Zigler's concerns about the quality of much of this day care was unfortunately borne out by a recent HEW audit of federally assisted day care programs in nine States. Auditors visited 607 centers and found that 425 failed to meet Federal health and safety requirements, and 243 failed to meet the minimal but essential Federal standards for staff-child ratios.

Mr. President, this lack of enforcement is an absolute disgrace with tragic and profound effects on children and families. Day care programs must provide safe, healthy, secure environments for children, and include educational opportunities. That is why many of us in Congress have fought to establish and maintain Federal standards and that is why they must be enforced. This is not just a technical point. It concerns nothing less than the future of hundreds of thousands of small children.

This lack of enforcement is a major reason why our bill emphasizes the provision of resources and services to upgrade existing programs; why it requires that the 1968 Federal interagency day care requirements shall apply to all programs funded under this act and cannot be watered down; and why we specifically reserve no less than 5 percent of the funds in this bill for the monitoring and enforcement of standards.

The need for improved and upgraded day care opportunities among families near but above the poverty line can hardly be overemphasized. There are 1 million children of working mothers in families with incomes between $4,000 and $7,000—incomes which are just a little too high to qualify for most federally assisted day care programs such as those under Head Start and title IV of the Social Security Act, and too low to afford quality day care in private programs. Indeed, as Ms. Maymi indicated, these families living in near poverty have perhaps the greatest unmet need for quality day care.

Some people would like us to believe that the day care needs of the near-poor and working parents have been adequately met by the recently enacted liberalization of income tax deductions for child care. But the facts do not support this optimism.

In response to my inquiry concerning the tax savings under this new income tax deduction, the Treasury has provided the following information:

A family of four with an income of $5,000 which spends $500 for child care would realize no tax savings;

A family of four with a $7,000 income which spends $700 for child care would realize a savings of only $77;

A family of four with a $10,000 income which spends $1,000 for child care would realize only $190 tax savings;

A family of four with an income of $18,000 and child care expenses of $1,000 would save $250 in taxes.

Mr. President, our hearings on the American families revealed a second striking trend that has paralleled the dramatic increase of working mothers. Over the past several decades, America has experienced the virtual disappearance of the extended family. Testimony showed that at the turn of the century, for example, 50 percent of the homes in Boston contained parents, their children, and at least one other adult—a grandparent, an aunt, or other relative. That figure today is about 4 percent. This is representative of the decline in extended families nationally. And this has meant a tremendous decrease in the availability of relatives to look after children when both mother and father are working.

These inadequacies in our child care system can have a lasting and detrimental effect on children. Every parent knows the importance of the first 5 years of life. We know that these beginning years are the most important for a child's growth and development. These early years are the formative years—they are the years in which permanent foundations are laid for a child's feelings of self worth, his sense of self-respect, his motivation, his initiative, and his ability to learn and achieve.

Yet, the statistics I have cited already make it clear beyond any doubt that we are not offering the support many families need; and that we have particularly neglected families and children with the greatest economic and human need.

Mr. President, today there are over 3 million preschool children whose families have incomes below the poverty level, and probably an equal number of families living in near poverty. In spite of the love and attention these children receive from their families, many are growing up without the nutrition and health care during their early years that are necessary for a child to have a real chance in American life.

These are what I call "cheated children"—children who simply do not have the access to the fundamental kinds of health, nutritional, and educational care that most Americans take for granted.

Consider, for example, just two examples of our Nation's record in the area of child health:

The United States, the richest and most powerful in history, ranks only 14th in the world in infant mortality.

A quarter of a million American children are born each year with birth defects—many of which could have been prevented.

Recent findings by the Mississippi Medicaid Commission provide another sad illustration of the magnitude of children's health needs. The Commission found 1,301 medical abnormalities in the 1,178 children it examined, including: 305 cases of multiple cavities; 97 cases of faulty vision; 217 cases of enlarged tonsils; 57 cases of hernia; 48 cases of intestinal parasites—mostly hookworms; 53 cases of poor hearing; and 32 other medical conditions requiring immediate treatment.

Many poor children—Mexican American, Indians, Eskimos, Puerto Ricans, and members of other minority groups—grow up learning English as a second language, or not at all. They are confronted with an alien language and an alien culture when they begin school, often with very little preparation.

GROWING NATIONAL AWARENESS

Mr. President, our Nation is paying far too great a cost—in both human and economic terms—for this neglect. And there is growing public awareness of these needs. Of all the individuals and organizations which have identified child care and preschool education as a top priority in recent years—and the list is simply too long to include at this point—let me cite just two examples.

The 1970 White House Conference on Children—composed of a broad cross-section of over 2,000 delegates representing every walk of life across our Nation—identified as its No. 1 priority among children's services the provision of "comprehensive family-oriented child development programs including health services, day care, and early childhood education."

Specifically, the White House Conference said:

We recommend that the Federal Government fund comprehensive child care programs, which will be family centered, locally controlled, and universally available, with initial priority to those whose needs are greatest. These programs should provide for active participation of family members in the development and implementation of the program. These programs—including health, early childhood education and social services—should have sufficient variety to insure that families can select the options most appropriate to their needs. A major educational program should also be provided to inform the public about the elements essential for quality in child care services, about the inadequacies of custodial care, and the nature of the importance of child care services as a supplement, not a substitute, for the family as the primary agent for the child's development as a human being.

The Committee on Economic Development, which is composed of some of the Nation's most respected business leaders, in a March 1971 report, told us that—

The most effective point at which to influence the cumulative process of education is in the early preschool years . . . there is evidence that effective preschooling gives the best return on the educational investment.

And both the Democratic and Republican Parties in their 1972 national platforms committed themselves to the support of increased funding for comprehensive day care programs for children.

The 1972 Democratic platform, stating a belief reflected in our bill that "child care is not a supplement, not a substitute for the family," called for:

The Federal government to fund comprehensive developmental child care programs that will be family centered, locally controlled, and universally available.

The Republican 1972 platform similarly urged:

The development of publicly or privately run, voluntary, comprehensive, quality day care services locally controlled but Federally assisted.

CHILD AND FAMILY SERVICES ACT

Mr. President, I would like to summarize at this point the key elements and principles in the legislation we are introducing today.

First, and above all, this legislation is grounded on the belief and recognition that families are the primary and most fundamental influence on children, and that child and family services programs must build upon and strengthen the role of the family. That is why our bill is designed to maximize parent control and strengthen family life. That is why the programs under this legislation are totally voluntary—available only for children whose parents request them. That is why parents whose children are served under these programs will compose at least 50 percent of the governing boards—which decide what services will be offered, which programs will be funded, and what curriculums, policies, and personnel shall be approved.

And that is why our bill provides a wide variety of services—including part-day child care such as Headstart, in-the-home services to children and their families, full-day child care, after school child care, prenatal care, medical services for new mothers to reduce the incidents of preventable birth defects, and health diagnosis and treatment programs. By a combination of these provisions—the totally voluntary nature, the parent control, and the wide variety of programs available—we are assuring that families will have the options and supports available that they find are necessary.

Second, our bill is designed to assure that any services made available are quality services. Programs funded under this act must meet the 1968 Federal interagency day care requirements, and any improvements thereto promulgated after enactment of this bill. It is not enough simply to provide mind numbing, custodial care for children while their parents work, or health and education services that are third rate, and our bill is drafted specifically to prevent that.

Third, our bill is designed to make services available to a broad range of families who need them. For that reason, services would be free for families with incomes below the lower living standard budget as determined annually by the Bureau of Labor Statistics in the Department of Labor. This is our Government's most realistic measure of the minimum amount a family needs to survive in this country. Currently, the lower living standard budget for an average family of four is $8,118. Under our bill services would be free to families of incomes up to that level, adjusted for family size, and a sliding fee schedule would begin at that point to permit families with incomes above that level to participate at fees they could afford. Sixty-five percent of the funds under this bill would be reserved for serving children from families with incomes up to the lower living standard budget, with up to 35 percent of the funds available to serve children with families with higher incomes.

Fourth, the authorizations in our bill are designed to provide for a 1-year phase-in for planning and training and then steady growth at amounts that could be efficiently and effectively absorbed. During the first year of the bill, we provide $150 million for planning, training, and technical assistance.

This unique planning year is designed to assure that money which becomes available in subsequent years can be used to its full effectiveness. In the second year of the bill, $200 million are authorized for continued planning and preparation, with $500 million available for upgrading and improving programs. The third and final year of this bill provides a $1 billion authorization for upgrading and improving services and programs.

Fifth, the bill provides heavy emphasis on training. Assistance is authorized to local programs for inservice-preservice training, for professional and paraprofessional personnel, especially family members and members of the community. We view this as one of the key elements in our effort to upgrade the kind of care available to children of working parents.

Sixth, the administrative or delivery system in this bill provides that programs would be administered through a system of State and local governmental "prime sponsors," if they meet the criteria and can administer programs effectively, efficiently and in a coordinated fashion. But I want to emphasize at this point that we do not have the final answer to the question of what delivery system is best. Our goal is to explore this question very deeply throughout the hearings and investigations of this bill. We want to develop a system that will insure parental involvement, local diversity to meet local needs, and appropriate State involvement to assure coordination and maximum use of sources available. We intend to invite testimony and views from representatives from Federal, State, and local governments, child and family service specialists, as well as other experts as we seek to discover the best allocation of administrative responsibility among the various levels of government.

Mr. President, let me emphasize one final point. This bill is designed to provide the substance necessary to achieve the national commitment called for 5 years ago. It is our best thinking, after 5 years of legislative investigation, and passage of several previous bills, about the way to best provide for the wide variety of programs and services that families need. But nothing in this bill is etched in stone.

There are profound and important questions about the authorizations in this bill; about the appropriate role of the public schools in the delivery of these services; about the role of profit-making child care programs; and about the appropriate combination of State and local governments in the delivery and administration of these services.

Clearly the economic situation in our country will and should affect the consideration of this bill. Unemployment is now at the absolutely intolerable level of more than 8 percent. Families and children are also suffering from double-digit inflation. There are, obviously, many important programs in the areas of tax relief, tax reform, public service jobs, improved unemployment compensation, and other fields that require the immediate attention of the Congress and the President.

But we believe for many reasons that child and family services should continue to rank among the highest priorities of our Nation because many children need improved services and care—either through a new or an upgraded program of health or child care or other service. These investments in the early years of life are not only the most humane actions our Nation can take—they are also one of the most cost-effective. In addition, at a time of rising unemployment the child care system should be among those programs considered for its job creation capacity, because it is one of the most labor-intensive programs we have.

Permit me also to make a couple of comments concerning the budget deficit in President Ford's budget proposal, and his statement that we cannot afford, indeed that he will veto, any new programs authorizing additional Federal funding.

I am sure that all of us, in the Nation, in the Congress, and in the administration recognize that conditions are difficult. Clearly we cannot, as individual taxpayers or as a nation, afford all the programs and services we might like. Priorities must be set. But they must be done in an equitable way.

And there are clearly areas in the President's budget proposals which must be examined closely—proposals which can be and must be reduced in order to fund higher priority programs such as the one we are introducing today.

The President says he wants no new programs. Yet his budget includes $9 billion increase for the Pentagon, a new $6 billion tax reduction for business, and not a single proposal to close tax loopholes.

I believe it is time we started looking at tax incentives as tax expenditures, and subjecting them to the same scrutiny that we subject appropriations to. Many of them, no doubt, can be justified and will be retained. But they are all expenditures of taxpayers' money, and we should examine every one of them the same way we examine appropriations.

We should question, for example, whether it is more important to our Nation to fund a program such as this, or to continue to subsidize oil companies through the oil depletion allowance at a level of $2.5 billion a year.

We must ask whether it is more important to our Nation to provide $1.2 billion a year to a program designed to strengthen families and help children, or to continue the DISC program of export subsidies to big business which costs the U.S. Treasury about $1.2 billion a year.

We must, finally, consider whether about $400 million a year would be better invested in a program like this, or by continuing the tax deferral preference on the foreign incomes of multinational corporations.

Mr. President, these are some of the questions we hope to address in our hearings. We want the advice and counsel of families, and of a wide variety of individuals and organizations experienced and knowledgeable about child care and child services from all sections of the country as we begin hearings and investigations on this bill.

We will begin joint House-Senate hearings with the Subcommittee on Children and Youth which I chair, and the Select Subcommittee on Education, chaired by Representative BRADEMAS, on February 20 and 21 in Washington. We will also hold a joint field hearing in Chicago February 24. We intend to continue hearings in March, but the specific dates have not been set.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill, a copy of the bill itself, and a copy of the press release describing the bill be printed at this point in my remarks, along with the speech by Ms. Mazmi that I referred to earlier in my remarks. I believe I speak for all the sponsors of this legislation when I say that we are open, indeed anxious, to receive suggestions and recommendations about ways to strengthen and improve this bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1

Title.—Child and Family Services Act of 1975.

Section 2

Statement of Findings and Purpose.—Finds that the family is the primary and most fundamental influence on children; that child and family services must build upon and strengthen the role of the family; that such services must be provided on a voluntary basis to children whose parents request them with priority for preschool children with the greatest economic and human need; that there is a lack of adequate child and family services; and that there is a necessity for planning and operation of programs as partnership of parents, community, state and local governments, with appropriate federal supportive assistance.

Purpose is to establish and expand child and family service programs, build upon the experience of Headstart, give special emphasis to preschool children and families with the greatest needs, provide decision making with direct parent participation through a partnership of parents, State, local and Federal government.

Section 3

Authorization of Appropriations.—Authorizes $150 million for fiscal 1976 and $200 million for FY 1977 for training, planning, and technical assistance and $500 million in FY 1977 and $1 billion in FY 1978 for program operation. Headstart would be funded under separate authority, and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Headstart is funded at the level it received in FY 1975 or FY 1976, whichever is higher.

Forward funding is authorized.

TITLE I—CHILD AND FAMILY SERVICES PROGRAMS

Section 101

Establishes Office of Child and Family Services in HEW to assume the responsibilities of the Office of Child Development and serve as principal agency for administration of this Act; and Child and Family Services Coordinating Council with representatives from various federal agencies to assure coordination of federal programs in the field.

Section 102

Financial Assistance.—Defines puposes for which federal funds can be used: (1) planning and developing programs, including pilot programs; (2) establishing, maintaining, and operating programs, including part-day or full-day child care in the home, in group homes, or in other child care facilities; other specially designed programs such as after-school programs; family services, including in-home and in-school services; information and referral services to aid families in selecting child and family services; prenatal care; programs to meet special needs of minorities, Indians, migrants and bilingual children; food and nutrition services; diagnosis of handicaps or barriers to full participation in child and family services programs; special activities for handicapped children within regular programs; programs to extend child and family service gains, including parent participation, into the elementary schools; (3) rental, renovation, accuisition, or construction of facilities, including mobile facilities; (4) preservice and inservice training; (5) staff and administrative expenses of councils and committees required by the Act; and (6) dissemination of information to families.

Section 103

Allocation of Funds.—Reserves funds proportionately for migrant and Indian children, not less than 10% for services to handicapped children, and not less than 5% for monitoring and enforcement of standards.

Allocates the remainder among the states and within the states, 50% according to relative number of economically disadvantaged children, 25% according to relative number of children through age five, and 25% according to relative number of children of working mothers and single parents.

Allows use of up to 5% of a state's allocation for special state programs under Section 108.

Section 104

Prime Sponsors.—States, localities, combinations of localities or public and nonprofit organizations are eligible to serve as prime sponsors.

The bills current provisions establish performance criteria for prime sponsor: demonstrated interest in and capability of running comprehensive programs, including coordination of all services for children within the prime sponsorship area; assurances of nonfederal share; establishment of a Child and Family Services Council (CFSC) to administer and coordinate programs.

Public or private nonprofit organizations can serve as prime sponsors with priority on governmental units. Any locality or combination of localities which submits an application meeting the performance criteria may be designated prime sponsor if the Secretary determines it has the capacity to carry out comprehensive and effective programs. The state may be designated prime sponsor for all areas where local prime sponsors do not apply or cannot meet the performance criteria, provided that the state meets the performance criteria and divides its area of jurisdiction into local service areas with local child and family services councils which approve the relevant portions of the state's plan and contracts for operation of programs within the local service areas.

The Secretary may fund directly an Indian tribe to carry out programs on a reservation. He may also fund public or private nonprofit agencies to operate migrant programs, model programs, or programs where no prime sponsor has been designated or where a designated prime sponsor is not meeting certain needs.

Directs the Secretary to designate an alternative to any prime sponsor discriminating against minority group children or economically disadvantaged children.

Provides opportunity for Governor to comment on prime sponsorship applications and provides appeal procedure for applicants who are disapproved.

The sponsors want to particularly emphasize that as the bill is considered they intend to invite the testimony of representatives of Federal, State, and local government, as well as other experts, with respect to the best allocation of responsibility among various levels of government which will insure parental involvement, local diversity to meet local needs and appropriate State involvement to assure coordination and maximum utilization of available resources.

Section 105

Child and Family Service Councils.—Sets forth composition, method of selection, and functions of councils. Half of members must be parents, selected by parents of children served by programs under the Act. The remaining members appointed by the prime sponsor in consultation with parent members, to be broadly representative of the general public, including representatives of private agencies in the prime sponsorship area operating programs of child and family services and at least one specialist in child and family services. At least one-third of the total council to be economically disadvantaged. The council selects its own chairperson.

A state prime sponsor must establish councils at the state level and for each local service area. Parent members of the state council to be selected by parent members of local councils.

Council approves goals, policies, action and procedures of prime sponsors, including planning, personnel, budgeting, funding of projects, and monitoring and evaluation.

Section 106

Child and Family Service Plans.—Requires that prime sponsor submit plan before receiving funds. Plan must: provide services only for children whose families request them; identify needs and purposes for which funds will be used; give priority to children who have not reached six years of age; reserve 65% of the funds for economically disadvantaged children, and priority thereafter to children of single parents and working mothers; provide free services for children of families below the Bureau of Labor Statistics lower living standard budget and establish a sliding fee schedule based on ability to pay for families above that income

level; include to the extent feasible, children from a range of socioeconomic backgrounds; meet the special needs of minority group, migrant, and bilingual children; provide for direct parent participation in programs, including employment of parents and others from the community with opportunity for career advancement; establish procedures for approval of project applications with priority consideration for ongoing programs and applications submitted by public and private non-profit organizations; provide for coordination with other prime sponsors and with other child care and related programs in the area; provide for monitoring and evaluation to assure programs meet federal standards; where possible, supplement funds provided by this Act with assistance from other sources.

Requires that the Governor, all local education agencies, Headstart and community action agencies have the opportunity to comment on the plan.

Establishes appeal procedures if plans are disapproved.

Section 107

Project Applications.—Provides for grants from prime sponsor to public or private organizations to carry out programs under the prime sponsor plan pursuant to a project application approved by the CFSC.

The project applicant must establish a parent policy committee (PPC), composed of at least 10 members with 50% parents of children served by the project, at least one child care specialist, and other representatives of the community approved by the parent members. The PPC must participate in the development of project applications and must approve basic goals, policies, action and procedures of the applicant, including personnel, budgeting, location of center, and evaluation of projects.

The application must: provide for training and administrative expenses of the PPC; guarantee free services for economically disadvantaged children with fees according to the fee schedule for other children; assure direct participation of parents and other family members, including employment opportunities; provide for dissemination of information on the project to parents and the community; and provide opportunities for the participation of children, regardless of participation in nonpublic school programs.

Section 108

Special Grants to States.—Authorizes special grants to the states, on approval of Secretary, to establish a child and family services information program to assess goals and needs in state; to coordinate all state child care and related services; to develop and enforce state licensing codes for child care facilities; and to assist public and private agencies in acquiring or improving such facilities. A state must establish a Child and Family Services Council to receive a special grant.

Section 109

Additional Conditions for Programs Including Construction or Acquisition.—Allows federal funding for construction or acquisition only where no alternatives are practicable, and provides federal funding for alteration, remodeling, and renovation. Provides that no more than 15% of a prime sponsor's funds may be used for construction; that no more than half of that may be in the form of grants rather than loans, limited to public and private non-profit agencies, organizations, and institutions.

Section 110

Use of Public Facilities for Child and Family Service Programs.—Requires that federal government and prime sponsors make available for child and family service programs facilities they own or lease, when they are not fully utilized for their usual purposes.

Section 111

Payments.—Provides 100% federal share for planning in FY 1976, 90% federal share for fiscal 1977 and 1978, 80% for subsequent fiscal years. Provides 100% federal share for programs for migrants and Indians, and allows waiver of part of all of non-federal share where necessary to meet needs of economically disadvantaged children.

Non-federal share may be in cash or in kind. Revenues generated by fees may not be used as non-federal share but must be used by prime sponsor to expand programs.

TITLE II—STANDARDS, ENFORCEMENT, AN EVALUATION

Section 201

Federal Standards for Child Care.—Authorizes a national committee on federal standards, with one-half parent participation, to establish standards for all child care services programs funded by this or any other federal act. The 1968 Interagency Day Care Requirements would continue to apply until such standards are promulgated, and any new standards must be consistent with the 1968 Requirements.

The Secretary must submit the proposed standards for approval to the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor. No prime sponsor or project applicant is allowed to reduce services below these standards.

Section 202

Development of Uniform Code for Facilities.—Requires a committee to develop a uniform minimum code dealing with health and safety of children and applicable to all facilities funded by this Act.

Section 203

Program Monitoring and Enforcement.—Requires the Secretary through The Office of Child and Family Services, to establish an adequately trained staff to periodically monitor programs to assure compliance with the child care standards and other requirements of the Act.

Section 204

Withholding of Grants.—Provides procedure for witholding of funds to programs which have failed to comply with standards or requirements of the Act.

Section 205

Criteria With Respect to Fee Schedule.—Requires Secretary to establish criteria for adoption of the schedule based on family size and ability to pay with considerations for regional differences of the cost of living. The criteria must be submitted for approval by the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor.

Section 206

Evaluation.—Requires the Secretary to make annual evaluations and report to Congress on federal child family services activities.

TITLE III—RESEARCH AND DEMONSTRATIONS

Section 301

Research and Demonstration.—Authorizes child and family services research and requires that the Office of Child and Family Services coordinate research by federal agencies.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

Section 401

Preservice and Inservice Training.—Provides for training of personnel, including volunteers, employed in programs assisted under this Act.

Section 402

Technical Assistance and Planning.—Provides technical assistance to child and family services programs.

TITLE V—GENERAL PROVISIONS

Section 501

Definitions.—Defines terms used in the Act.

Section 502

Nutrition Services.—Requires that procedures be established to assure adequate nutrition services in programs under the Act, including use of Section 13 (special food service programs) of the School Lunch Act and the Child Nutrition Act.

Section 503

Special Provisions.—Anti-discrimination provisions, including separate provisions on sex discrimination. Requires that programs meet the minimum wage. Prohibits use of funds for constructing, operating, or maintaining facilities for sectarian instruction or religious workshop.

Section 504

Special Prohibitions and Protections.—Provides that no child may be the subject of research or experimentation without parental approval, and that no child may be forced to undergo examination or treatment if parents object. Protects legal rights and responsibilities of parents with respect to the development of their children.

Section 505

Public Information.—Requires that all applications, plans, and written material pertaining thereto be made available to the public without charge.

Section 506

Repeal or Amendment of Existing Authority and Coordination.

Section 507

Acceptance of Funds.

S. 626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child and Family Services Act of 1975".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the family is the primary and the most fundamental influence on children;

(2) child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services, with a view toward offering families the options they believe are most appropriate for their particular needs;

(3) although there have been increased services for children of working mothers and single parents and although Headstart and similar programs have provided supplemental educational and other services for children, such services have not been made available to families to the extent that parents consider necessary, there are many other children whose parents are working full or part time without adequate arrangements for their children, and there are many children whose families lack sufficient resources who do not receive adequate health, nutritional, educational and other services;

(4) it is essential that the planning and operation of such programs be undertaken as a partnership of parents, community, private agencies and State and local government with appropriate supportive assistance from the Federal Government.

(b) It is the purpose of this Act to provide a variety of quality and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest economic or human needs, in a manner designed to strengthen family life and to insure decisionmaking at the community level, with direct participation of the parents of the children served and other individuals and organizations in the community interested in child and family service (making the best possible use of public and private resources), through a partnership of parents, State and local government and the Federal Government, building upon the experience and success of Headstart and other existing programs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) For the purpose of providing training, technical assistace, planning, and such other activities as the Secretary deems necessary and appropriate to plan for the implementation of this Act, there is authorized to be appropriated $150,000,000 for the fiscal year ending June 30, 1976, and $200,000,000 for the fiscal year ending June 30, 1977, to be allocated as prescribed in section 103.

(b) There is authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1977, and $1,000,000,000 for the fiscal year ending June 30, 1978, except that no funds are authorized to be appropriated for either fiscal year, unless funds appropriated to carry out the Project Headstart program described in section 222(a)(1) of the Economic Opportunity Act of 1964 for such years, or for any successor program are at least equal to the greater of (1) the amount appropriated to carry out such program for the fiscal year ending June 30, 1975, or (2) the amount appropriated to carry out such program for the fiscal year ending June 30, 1976. Any such amounts appropriated for a fiscal year which are not obligated at the end of such fiscal year shall remain available for obligation until expended.

FORWARD FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act such funding for grants, contracts, or other payments under this Act is authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year for which it shall be available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

TITLE I—CHILD AND FAMILY SERVICE PROGRAMS

OFFICE OF CHILD AND FAMILY SERVICES; SPECIAL COORDINATING COUNCIL

SEC. 101. (a) The Security shall take all necessary action to coordinate child and family service programs under his jurisdiction. To this end, he shall establish and maintain within the Office of the Secretary of the Departent of Health, Education, and Welfare an Office of Child and Family Services administered by a Director appointed by the President with the advice and consent of the Senate, which office shall assume the responsibilities of the Office of Child Development and shall be the principal agency of the Department for the administration of this Act.

(b) A Child and Family Services Coordinating Council, consisting of the Director of the Office of Child and Family Services established under subsection (a) (who shall serve as chairperson), and representatives from the Federal agencies administering the Social Security Act and the Elementary and Secondary Education Act of 1965 and from the National Institute of Education, the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Office of Economic Opportunity, the Department of Labor, and other appropriate agencies, shall meet on a regular basis, as they may deem necessary, in order to assure coordination of child and family service activities under their respective jurisdictions so as to assure—

(1) maximum use of available resources through the prevention of duplication of activities;

(2) a division of labor, insofar as is compatible with the purposes of each of the agencies or authorities specified in this paragraph, to assure maximum progress toward the achievement of the purposes of this Act;

(3) the establishment and maintenance of procedures to insure that each office or agency of the Federal Government conducting child and family services and related activities is aware of the administrative actions of other offices or agencies with respect to the provision of financial assistance to eligible applicants; and

(4) recommendation of priorities for federally funded research and development activities related to the purposes of this Act.

FINANCIAL ASSISTANCE

SEC. 102. (a) The Secretary of Health, Education, and Welfare through the Office of Child and Family Services, shall provide financial assistance for carrying out child and family service programs for children and their families under this title to prime sponsors (including educational agencies) and to other public and private nonprofit agencies and organizations pursuant to applications and plans approved in accordance with the provisions of this title.

(b) Funds available for this title may be used (in accordance with approved applications and plans) for the following services and activities:

(1) planning and developing child and family service programs;

(2) establishing, maintaining, and operating child and family service programs, which may include—

(A) part-day or full-day child care programs, in the child's own home, in group homes, or in other child care facilities, which provide the educational, health, nutritional, and social services directed toward enabling children participating in the program to attain their maximum potential;

(B) other health, social, recreational, and educational programs designed to meet the special needs of children and families including before- and after-school and summer programs;

(C) family services, including in-home and in-school services, and education and consultation for parents, other family members functioning in the capacity of parents, youth, and prospective and expectant parents who request assistance in meeting the needs of their children;

(D) social services including information, consultation and referral to families that request such services to help them determine the appropriateness of child and family services and the possibility of alternative plans;

(E)(1) prenatal and other medical care including services to expectant mothers who cannot afford such services, designed to help reduce malnutrition, infant and maternal mortality, and the incidence of mental retardation and other handicapping conditions, and (ii) postpartum and other medical services to recent mothers;

(F) programs designed (1) to meet the special needs of ethnic groups, including minority groups, Indian, migrant children, and children from families with special language needs, and (ii) to meet the needs of all children to understand the history and cultural backgrounds of ethnic groups including minority groups which belong to their communities and the role of members of such groups in the history and cultural development of the nation and the region in which they reside;

(G) food and nutritional services;

(H) diagnosis, identification, and treatment of visual, hearing, speech, medical, dental, nutritional, and other physical, mental, psychological and emotional barriers to full participation in child and family service programs;

(I) special activities designed to identify and ameliorate identified physical, mental, and emotional handicaps and special learning disabilities as an incorporated part of programs conducted under this title;

(J) programs designed to extend child and family service gains (particularly parent participation) into kindergarten and early primary grades, in cooperation with local educational agencies;

(K) other such services and activities as the Secretary deems appropriate in furtherance of the purposes of the Act;

(3) rental, lease or lease-purchase, mortgage amortization payments, remodeling, renovation, alteration, acquisition and maintenance of necessary equipment and supplies, and to the extent authorized in section 109, construction or acquisition of facilities, including mobile facilities;

(4) preservice and inservice education and training for professional and paraprofessional personnel, including parents and volunteers, especially education and training for career development and advancement;

(5) staff and other administrative expenses of child and family service councils established and operated in accordance with section 105, and of parent policy committees established and operated in accordance with section 107; and

(6) dissemination of information in the functional language of those to be served to assure that parents are well informed of child and family service programs available to them and may participate in such programs.

(c) Assistance under this title shall be made only for a program which

(1) provides for establishing and maintaining a parent policy committee to be composed of parents of children served by such program, which shall directly participate in the development and operation of such program (as described in section 107),

(2) provides for the regular and frequent dissemination of information to assure that parents of children served by such program are fully informed of program activities, and

(3) provides for regular consultation with the parents of each child regarding their child or children's development, with ample opportunity for such parents to observe and participate in their children's activities.

SEC. 103. (a)(1) From the amounts available for planning and carrying out child and family service programs under this title the Secretary shall reserve the following:

(A) not less than 10 per centum of the total amount available for carrying out this title, which shall be made available for the purposes of section 102(b)(2)(I) of this title (relating to special activities for handicapped children.).

(B) not less than that proportion of the total amount available for carrying out this title as is equivalent to that proportion which the total number of children of migrant agricultural workers bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children of migrant agricultural workers on an equitable basis;

(C) not less than that proportion of the total amount available for carrying out this title as is equivalent to that proportion which the total number of children in Indian tribal organizations bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving chil-

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dren in Indian tribal organizations on an equitable basis;

(D) not more than 5 per centum of the total amount available for carrying out this title, which shall be made available under section 104(e)(2) of this title (relating to model programs);

(E) not less than 5 per centum of the total amount available for carrying out this title, for the purposes of section 203 of this Act (relating to monitoring and enforcement of standards).

(2) The Secretary shall allocate the remainder of the amounts available for this title, among the States and within the States among local areas, so as to provide, to the extent practicable, for the geographical distribution of such remainder in such a manner that:—

(A) 50 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of economically disadvantaged children in each State and local area, respectively;

(B) 25 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of children through age five in each State and local area, respectively; and

(C) 25 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of children of working mothers and single parents in each State and local area, respectively.

For the purposes of clauses (A), (B), and (C) of this paragraph, there shall be excluded those children who are counted under clauses (B) and (C) of subsection (a)(1) of this section.

(b) Not more than 5 per centum of the total funds apportioned for use within a State pursuant to subsection (a)(2) may be made available for grants to the State to carry out the provisions of section 108 of this title.

(c) Any portion of any apportionment under subsection (a) for a fiscal year which the Secretary determines after notice to the States and local areas involved will not be required, for the period for which such apportionment is available, for carrying out programs under this title shall be available for reapportionment from time to time, on such dates during such period as the Secretary shall fix to other States or local areas on an equitable basis, taking into account the original apportionments to the States and local areas. Any amount reapportioned to a State or local area under this subsection during a year shall be deemed part of its apportionment under subsection (a) for such year.

(d) In determining the numbers of children for purposes of allocating and apportioning funds under this section, the Secretary shall use the most recent satisfactory data available to him.

(e) As soon as practicable after funds are appropriated to carry out this title for any fiscal year, the Secretary shall publish in the Federal Register the allocations and apportionments required by this section.

STATE AND LOCAL PRIME SPONSORS

SEC. 104. (a) In accordance with the provisions of this section, a State, locality, or combination of localities meeting the requirements of this part may be designated by the Secretary as a prime sponsor for the purpose of entering into arrangements to carry out programs under this title, upon the approval by the Secretary of an application for prime sponsorship which—

(1) describes the prime sponsorship area to be served;

(2) demonstrates the applicant's capability of administering a child and family service program meeting the requirements of this title, including the coordination of delivery of services within the prime sponsorship area of other public agencies operating programs relating to child care necessary for efficient delivery of services under this Act;

(3) provides assurances satisfactory to the Secretary that the non-Federal share requirements of the Act will be met;

(4) sets forth satisfactory provisions for establishing and maintaining a Child and Family Service Council which meets the requirements of section 105;

(5) provides that the prime sponsor shall be responsible for developing and preparing for each fiscal year a plan in accordance with section 106 and any modification thereof and for selecting or establishing an agency or agencies to administer and coordinate child and family service programs in the prime sponsorship area;

(6) sets forth arrangements under which the Child and Family Service Council will be responsible for approving child and family service plans, basic goals, policies, procedures, overall budget policies and project funding, and the selection or establishment and annual renewal of any agency or agencies under paragraph (5) of this subsection and will be responsible for annual and ongoing evaluation of child and family service programs conducted in the prime sponsorship area according to criteria established by the Secretary;

(7) provides assurances that staff and other administrative expenses for the Child and Family Service Councils and Local Program Councils and Project Policy Committees will not exceed 5 per centum of the total cost of child and family service programs administered by the prime sponsors unless such per centum limitation is increased to give special consideration to initial cost in the first operational year, in accordance with regulations which the Secretary shall prescribe;

(b) The Secretary shall approve a prime sponsorship application submitted by a locality which is a (1) city, (2) county, or (3) other unit of general local government, or by a combination of such localities, if he determines that the application so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive and effective child and family service programs in the area of such locality. In the event that the area under the jurisdiction of a unit of general local government described in clause (1), (2), or (3) of the preceding sentence includes any common geographical area with that covered by another such unit of general local government, the Secretary shall designate to serve such area the unit of general local government which he determines has the capability of more effectively carrying out the purposes of this part with respect to such area and which has submitted an application which meets the requirements of this section and includes adequate provisions for carrying out comprehensive child care and family service programs in such area.

(c) The Secretary shall approve a prime sponsorship plan submitted by a State, except for areas with respect to which local prime sponsors are or will be otherwise designated pursuant to this section, if he determines that the plan so submitted meets the requirements of this section and sets forth adequate arrangements for serving all geographical areas under its jurisdiction, and that the plan:

(1) meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out child and family services programs in each such area;

(2) divides those areas within the State for which no prime sponsor has been designated under subsection (b) of this section into local service areas, with due consideration in making such decisions being given to compactness, contiguity, and community of interest;

(3) provides:

(A) for establishing and maintaining with respect to each local service area a local program council composed so that (i) not less than half of the members who shall be chosen initially by parents who are recipients of federally assisted day care services, with equitable and appropriate consideration to parents selected by the parent members of Headstart policy committees where they exist, and at the earliest practicable times by the parent members of parent policy committees, and (ii) the remainder shall be public members broadly representative of the general public, appointed by the chief executive officers or the governing bodies, as appropriate, of the units of general local government within the local program area;

(B) that the comprehensive child care and family service plan to be submitted by the State which affects each such area is developed and prepared with the full participation and approval of the appropriate local program council; and

(C) that contracts for the operation of programs through public or private nonprofit agencies or organizations shall be entered into only if previously approved by the local program council for the appropriate local service area; and

(4) contains assurances that any local program council may appeal directly to the Secretary whenever such council alleges that with respect to its portion of the child and family service plan the State has failed to comply with the provisions of such plan or the provisions of the Act.

(d) In addition to prime sponsors designated under subsections (a), (b), and (c) of this section, the Secretary may fund directly:

(1) an Indian tribe on a Federal or State reservation if he determines that such Indian tribe has the capacity to carry out child and family service programs in the area to be served;

(2) a public or private nonprofit agency, including but not limited to an educational agency or institution, a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, employer organization, labor union, or employee or labor-management organization, which submits a proposal:

(A) to provide child care and family services in an area possessing a commonality of interest where no prime sponsor has been designated, or where the prime sponsor is found not to be satisfactorily implementing child and family service programs;

(B) to provide child and family service programs on a year-round basis to children of migrant agricultural workers and their families; or

(C) to carry out model programs especially designed to be responsive to the needs of economically disadvantaged, minority group, or bilingual children and their families.

(e) When any prime sponsor is maintaining a pattern or practice of discrimination against minority group children or economically disadvantaged children, the Secretary shall designate for prime sponsorship an alternative unit of government of public or private agency or organization in the area which will equitably serve minority group children and economically disadvantaged children.

(f) The Governor shall be given not less than thirty nor more than sixty days to review applications for prime sponsorship designation submitted by any applicant within the State other than the State, to offer recommendations to the applicant, and to submit comments to the Secretary.

(g) A prime sponsorship application submitted under this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such application, including a statement of the reasons therefor, (2) a reasonable time in which to submit corrective amendments to such application or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

(h)(1) If any party is dissatisfied with the Secretary's final action under subsection (h) with respect to the disapproval of its application submitted under this section or the withdrawal of its prime sponsorship designation, such party may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such party is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

CHILD AND FAMILY SERVICE COUNCILS

SEC. 105. (a) Each prime sponsor designated under section 104 shall establish and maintain a Child and Family Service Council composed of not less than ten members as follows—

(1) not less than half the members of such Council shall be parents of children served in programs under this Act chosen in accordance with the provisions of paragraph (1) of subsection (b) of this section;

(2) the remaining members shall be appointed by the prime sponsor, in consultation with the parent members described in paragraph (1) to be broadly representative of the general public, including representatives of private agencies and organizations concerned with or operating programs relating to child and family services and at least one person who is particularly skilled by virtue of training or experience in child and family services;

(3) at least one-third of the total membership of the Child and Family Service Council shall be persons who are economically disadvantaged. Each Council shall select its own chairperson; and

(4) in establishing a Child Development and Family Service Council under this section, the prime sponsor shall give due consideration to the membership of child care and day care coordinating bodies then existing in the area to be served.

(b) In accordance with procedures which the Secretary shall establish pursuant to regulations, each prime sponsor designated under section 104 shall provide, with respect to the Child and Family Service Councils established and maintained by such prime sponsor, that—

(1) the parent members described in paragraph (1) of subsection (a) of this section shall be democratically selected by parents as follows:

(A) in the case of Councils established by prime sponsors which are States, by the parent members of local program councils established under section 104(c)(3); and

(B) in the case of Councils established by prime sponsors other than States (and by States with respect to local program councils), initially by parents who are recipients of federally assisted child care services, with equitable and appropriate consideration to parents selected by the parent members of Headstart policy committees and, at the earliest practicable time, by the parent members of parent policy commitees established under section 107(b)(2);

(2) the terms of office and any other policies and procedures of an organizational nature, including nomination and election procedures, are appropriate in accordance with the purposes of this Act;

(3) such Council shall be responsible for approving child and family service plans, basic goals, policies, procedures, overall budget policies and project funding, and the selection or establishment and annual renewal of an administering agency or agencies and will be responsible for annual and ongoing evaluation of child and family service programs according to criteria established by the Secretary; and

(4) such Council shall, upon its own initiative or upon request of a project applicant or any other party in interest, conduct public hearings before acting upon applications for financial assistance submitted by project applicants under this part.

CHILD AND FAMILY SERVICE PLANS

SEC. 106. (a) Financial assistance under this title may be provided by the Secretary for fiscal year 1976 and any subsequent fiscal year to a prime sponsor designated pursuant to section 104 only pursuant to a child and family service plan which is submitted by such prime sponsor and approved by the Secretary in accordance with the provisions of this title.

(b) Any such plan shall set forth a program for providing child and family service in the prime sponsorship area which—

(1) provides that programs or services under this title shall be provided only for children whose parents request them;

(2) identifies child and family service needs and goals within the area and describes the purposes for which the financial assistance will be used, giving equitable consideration to the needs of children from each minority group and significant segment of the economically disadvantaged residing within the prime sponsorship area;

(3) meets the needs of children and families in the prime sponsorship area, to the extent that available funds can be reasonably expected to have an effective impact, with priority for services to children who have not attained six years of age;

(4) provides that programs receiving funds under section 3(b) will give priority to providing services for economically disadvantaged children by reserving not less than 65 per centum of such funds for the purpose of serving economically disadvantaged children;

(5) gives priority thereafter to providing services to children of working mothers and single parents not covered under paragraph (4);

(6) provides that, to the extent feasible, each program within the prime sponsorship area shall include children from a range of socioeconomic backgrounds;

(7)(A) provides that no charge will be made with respect to any child who is economically disadvantaged, except to the extent that payment will be made by a third party; and

(B) provides, pursuant to criteria established in regulations promulgated by the Secretary as required by section 205, an appropriate and flexible fee schedule for children who are not economically disadvantaged, designed to permit enrollment or continued participation in the program as family income increases and based upon the size of the family, and its ability to pay, which shall provide for appropriately reduced charges for less than full day care, and shall provide that payment may be made in whole or in part by a third party in behalf of a family, with provision for waivers in cases of need.

(8) provides comprehensive services—

(A) to meet the special needs of minority group children and children of migrant agricultural workers with particular emphasis on the needs of children from bilingual families for the development of skills in English and in the other language spoken in the home, and

(B) to meet the needs of all children to understand the history and cultural background of minority groups within the prime sponsorship area;

(9) provides for direct parent participation in the conduct, overall direction, and evaluation of porgrams;

(10) provides that, insofar as possible, unemployed or low-income persons residing in communities being served by such projects will be employed therein, including in-home and part-time employment and opportunities for training and career development, provided that no person will be denied employment in any program solely on the grounds that such person fails to meet State or local teacher certification standards;

(11) includes a career development plan for paraprofessional and professional training, education, and advancement on a career ladder;

(12) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and other interested persons in the community are fully informed of the activities of the prime sponsor, Child and Family Service Council, project applicants, and parent policy committees;

(13) sets forth provisions describing any arrangements for the delegation, under the supervision of the Child and Family Service Council, to public or private agencies, institutions, or organizations, of responsibilities for the delivery of programs, services, and activities for which financial assistance is provided under this Act or for planning or evaluation services to be made available with respect to programs under this Act;

(14) provides procedures for the approval of project applications submitted in accordance with section 107, including procedures for priority consideration of applications submitted by public and private nonprofit agencies and organizations with ongoing child development programs;

(15) provides, in the case of a prime sponsor located within or adjacent to a metropolitan area, for coordination with other prime sponsors located within such metropolitan area, and arrangements for cooperative funding where appropriate, and particularly for such coordination where appropriate to meet the needs of children of parents working or participating in training or otherwise occupied during the day within a prime sponsorship area other than that in which they reside;

(16) provides for coordination of other child care and related programs (including those relating to manpower training and employment) within the prime sponsorship area with the programs assisted under this Act, including procedures and mechanisms to provide continuity between programs for preschool and elementary school children;

(17) provides for such monitoring and evaluation procedures including licensing, inspection, and enforcement activities as may be necessary to assure that programs in the prime sponsorship area funded under this Act meet the applicable Federal standards as prescribed in section 201 of this Act;

(18) provides, to the extent practicable, for the use of financial assistance and services available from State and local government, Federal sources other than those provided in this Act, and private charitable sources with respect to activities and services under the plan; and

(19) provides for such fiscal control and funding accounting procedures as the Secre-

tary may prescribe to assure proper disbursement of and accounting for Federal funds paid to the prime sponsor.

(c) No child and family service plan or modification thereof submitted by a prime sponsor under this section shall be approved by the Secretary unless he determines, in accordance with regulations which the Secretary shall prescribe, that—

(1) the educational agency for the area to be served and other appropriate educational and training agencies and institutions have had an opportunity to submit comments to the prime sponsor and to the Secretary;

(2) each community action agency or single-purpose Headstart agency in the area to be served responsible for the administration of programs under this part or under section 222(a)(1) of the Economic Opportunity Act of 1964 has had an opportunity to submit comments to the prime sponsor and to the Secretary;

(3) in the case of a plan submitted by a prime sponsor other than the State, the Governor of that State or the State Child and Family Service Council has had an opportunity to submit comments to the prime sponsor and to the Secretary.

(d) A comprehensive child and family service plan submitted under this section may be disapproved or a prior approval withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided—

(1) written notice of intention to disapprove such plan including a statement of the reasons therefor.

(2) a reasonable time to submit corrective amendments to such plan or undertake other necessary corrective action, and

(3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

PROJECT APPLICATIONS

SEC. 107. (a) Funds may be provided by the prime sponsor for carrying out any program under such prime sponsor's comprehensive child and family service plan only to a qualified public or private agency or organization, including but not limited to an educational agency or institution, a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, organization interested in child care, employer or business organization, labor union, or employee or labor management organization.

(b) Financial assistance under this title may be provided to a project applicant for any fiscal year only pursuant to a project application which is submited to the Child and Family Service Council by a public or private agency and which—

(1) describes the project, identifies the children and families it is designed to serve, and provides for the necessary such comprehensive services.

(2) provides for establishing and maintaining a parent policy committee composed of not less than ten members as follows—

(A) not less than half of the members of each such committee shall be parents of children served by such project, democratically selected by parents of children served by the project, and

(B) the remaining members of each such committee shall consist of (i) persons who are representative of the community and who are approved by the parent members, and (ii) at least one person who is particularly skilled by virtue of training or experience in child care, child health, child welfare, or other child care services, except that the Secretary may waive the requirement of this clause where he determines, in accordance with regulations that such persons are not available to the area to be served;

(3) provides for direct participation of such parent policy committee in the development and preparation of project applications under this title;

(4) assures that the parent policy committee shall have responsibility for approving basic goals, policies, actions, and procedures for the project applicant, and for planning, overall conduct, personnel, budgeting, location of centers and facilities, and direction and evaluation of projects, including approval of the project director and any project applications and modifications thereof;

(5) makes adequate provision for training and other administrative expenses of such parent policy committee (including necessary expenses to enable low-income members to participate in committee meetings);

(6) assures that services shall be provided without charge to any child who is economically disadvantaged except to the extent that payment will be made by a third party, and that charges will be made to any child who is not economically disadvantaged according to the fee schedule established pursuant to section 106(b)(7)(B);

(7) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons are fully informed of project activities;

(8) provides opportunities for the direct participation of parents, older siblings, and other family members in the daily activities of the programs in which their children are enrolled;

(9) assures, to the extent practicable, employment of paraprofessional aides and use of volunteers, especially parents, older children, students, older persons, and persons preparing for careers in child development and family service programs;

(10) assures that children will in no case be excluded from the programs operated pursuant to this title because of their participation in nonpublic preschool or school programs or because of the intention of their parents to enroll them in nonpublic schools when they attain school age;

(11) provides for such fiscal control and fund accounting procedures as the prime sponsor shall prescribe to assure proper disbursement of and accounting for Federal funds.

(c) A project application may be approved by a prime sponsor upon its determination that such application meets the requirements of this section and that the programs provided for therein will otherwise further the objectives and satisfy the appropriate provisions of the prime sponsor's comprehensive child and family service plan as approved pursuant to section 106.

(d) A project application from a public or private agency seeking funds under section 104(d) shall be submitted directly to the Secretary, and may be approved by the Secretary upon his determination that it meets the requirements of subsection (b) of this section.

(e) A prime sponsor may disapprove a project application only if it provides to the project applicant a written statement of the reasons therefor. Such project applicant may submit an appeal to the Secretary requesting the direct approval of such application or modification thereof. Any such appeal shall include such comments, including the project applicant's response to the prime sponsor's statement of reasons for disapproval, as the project applicant may deem appropriate or as the Secretary may require.

SPECIAL GRANTS TO STATES

SEC. 108. (a) Upon application submitted by any State, the Secretary is authorized to provide financial assistance for use by such State for carrying out activities for the purposes of—

(1) establishing a child and family services information program, in order to improve their quality and availability and improve the accessibility of such services to parents who need them;

(2) identifying child and family service goals and needs within the State;

(3) coordinating all State child and family services, and encouraging the cooperation and participation of State agencies in providing such services, including health, family planning, mental health, education, nutrition, and family, social and rehabilitative services where requested by appropriate prime sponsors in the development and implementation of comprehensive child and family service plans;

(4) encouraging the full use of resources and facilities for child and family service programs within the State;

(5) developing, enforcing, and assessing State codes for licensing child and family service facilities within the State;

(6) assisting public and private agencies and organizations in the acquisition or improvement of facilities for child and family service programs;

(7) assisting in the establishment of Child and Family Service Councils and strengthening the capability of such Councils to effectively plan, supervise, coordinate, monitor, and evaluate child and family service programs;

(8) developing information useful in reviewing prime sponsorship applications under section 104 and of comprehensive child and family service plans under section 106.

(b) In order to receive funds under this section, a State shall establish a Child and Family Service Council as prescribed in section 104(a).

(c) Funds received by the State under this section shall be in addition to any funds such State may receive under this title pursuant to an approved prime sponsorship application and comprehensive child and family service plan.

ADDITIONAL CONDITIONS FOR PROGRAMS INCLUDING CONSTRUCTION OF ACQUISITION

SEC. 109. (a) Applications for financial assistance for projects including construction or acquisition may be approved only if the prime sponsor, or the Secretary in cases of applications submitted for his approval, determines that construction or acquisition of such facilities is essential to the provision of adequate child care services, and that rental, lease, or lease-purchase, remodeling, or renovation of adequate facilities is not practicable.

(b) If any facility assisted under this title shall cease to be used for the purposes for which it was constructed, the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(c) All laborers and mechanics employed by contractors or subcontractors on all construction, remodeling, renovation, or alteration projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C 276a–276a–5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(d) In the case of loans for construction, the Secretary shall prescribe the interest rate and the period within which such loan shall be repaid, but such interest rate shall not be less than 3 per centum per annum and the period within which such loan is to be repaid shall not be more than twenty-five years.

(e) The Federal assistance for construction, remodeling, renovation, alteration, or acquisition of facilities, may be in the form of grants or loans. Repayment of loans shall, to the extent required by the Secretary, be returned to the prime sponsor from whose financial assistance the loan was made, or used for additional loans or grants under this title. Not more than 15 per centum of the total financial assistance provided to a prime sponsor under this title shall be used for construction of facilities, with no more than 7½ per centum of such assistance usable for grants for construction. Financial assistance for construction or acquisition of facilities pursuant to this Act shall be available only to public and private nonprofit agencies, institutions, and organizations.

USE OF PUBLIC FACILITIES FOR CHILD AND FAMILY SERVICE PROGRAMS

SEC. 110. (a) The Secretary, after consultation with other appropriate officials of the Federal Government, shall within eighteen months after enactment of this Act report to the Congress with respect to the extent to which facilities owned or leased by Federal departments, agencies, and independent authorities could be made available to public and private agencies and organizations, through appropriate arangements, for use as facilities for child and family service programs under this title during times and periods when not utilized fully for their usual purposes, together with his recommendations (including recommendations for changes in legislation) or proposed actions for such use.

(b) The Secretary may require, as a condition to the receipt of assistance under this title, that any prime sponsor under this title agree to conduct a review and provide the Secretary with a report as to the extent to which facilities owned or leased by such prime sponsor, or by other agencies in the prime sponsorship area, could be made available, through appropriate arrangements, for use as facilities for child and family service programs under this title during times and periods when not utilized fully for their usual purposes, together with the prime sponsor's proposed actions for such use.

PAYMENTS

SEC. 111. (a) In accordance with this section, the Secretary shall pay from the applicable allocation or apportionment under section 103 the Federal share of the costs of programs, services, and activities, in accordance with plans or applications which have been approved as provided in this title. In making such payment to any prime sponsor, the Secretary shall include in such costs an amount for staff and other administrative expenses for the Child and Family Service Councils and for parent policy committees, consistent with limitations contained in this title.

(b) The Secretary shall pay from funds appropriated under section 3(a) for fiscal year 1976 an amount equal to 100 per centum of the cost of planning, training, and technical assistance.

(1) Except as provided in paragraphs (2) and (3) of this subsection, the Secretary shall pay from funds appropriated under section 3(b) for fiscal year 1977 an amount not in excess of 90 per centum and from funds appropriated under section 3(b) for fiscal year 1978 and subsequent years an amount not to exceed 80 per centum of the cost of carrying out programs, services, and activities under this title. The Secretary may, in accordance with such regulations as he shall prescribe, approve assistance in excess of such percentage if he determines that such action is required to provide adequately for the child and family service needs of economically disadvantaged children.

(2) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child and family service programs for children of migrant agricultural workers under this title.

(3) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child and family service programs for children in Indian tribal organizations under this title.

(c) The non-Federal share of the costs of programs assisted under this title may be provided through public or private funds and may be in the form of cash, goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, or union or employer contributions. Fees collected for services shall not be used for the non-Federal share, but shall be used by the prime sponsor to improve and expand programs under the comprehensive child development and family service plan.

(d) If, with respect to any fiscal year, a prime sponsor or project applicant provides non-Federal contributions or any program, service, or activity exceeding its requirements, such excess may be applied toward meeting the requirements, for such contributions for the subsequent fiscal year under this title.

(e) No State or unit of general local government shall reduce its expenditures for child development or child care programs by reason of assistance under this title.

TITLE II—STANDARDS, ENFORCEMENT, AND EVALUATION

FEDERAL STANDARDS FOR CHILD CARE

SEC. 201. (a)(1) Within six months after the enactment of this Act, the Secretary may, after consultation with other Federal agencies and with the approval of the committee established pursuant to subsection (d) of this section, promulgate a common set of program standards which shall be applicable to all programs providing child care services under this or any other Federal Act, to be known as the Federal Standards for Child Care. If the Secretary disapproves the committee's recommendations, he shall state the reasons therefor.

(2) Such standards shall replace but shall be consistent with the Federal Interagency Day Care Requirements as approved by the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Department of Labor on September 23, 1968. The 1968 requirements will continue to apply to all applicable programs until program standards authorized by subsection (a) are in effect.

(3) Not less than sixty days prior to implementation of program standards pursuant to subsection (a) of this section, the Secretary shall submit such proposed program standards to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Upon majority vote of either Committee within such sixty days disapproving such proposed program standards, such standards shall not take effect.

(b) The Secretary shall establish policies and procedures, in accordance with regulations which he shall prescribe, to assure that all programs and projects assisted under this Act address, on a continuing basis, the individual need of and the appropriateness of child and family service for very young children served—

(1) any program or project providing care outside the home for very young children shall be reviewed and evaluated periodically and frequently by the Secretary, to insure that it meets the highest standards of quality; and the Secretary may reserve such funds as he deems necessary from funds available under this Act for the purpose of evaluation, by appropriate persons, of programs under this Act in order to insure compliance with subsections (a) and (b) of this section.

(2) no program or project described in clause (1) of this subsection shall be approved for assistance under this Act unless it is specifically authorized and approved by the Secretary.

(c)(1) Upon determination that a prime sponsor or project is in violation of one or more of the provisions of this section, the Secretary shall give immediate public notice of such determination to such prime sponsor or project and, if such violation or violations have not been corrected, shall commence action within ninety days of such determination to withhold funds under section 204.

(2) Upon determination that a project is in violation of one or more of the provisions of this section, the prime sponsor shall give immediate notice of such determination to such project and, if such violation or violations have not been corrected, shall commence action within ninety days of such determination to withhold funds under section 204.

(d) The Secretary shall, within sixty days after enactment of this Act, appoint a Special Committee on Federal Standards for Child Care, which shall include parents of children enrolled in Headstart and child care programs, representatives of public and private agencies and organizations administering such programs, specialists, and other public and private providers of child and family services, individuals engaged in licensing activities, and others interested in services for children. Not less than one-half of the membership of the committee shall consist of parents of children participating in programs conducted under title I of this Act and section 222(a) of the Economic Opportunity Act of 1964 and title IV–A of the Social Security Act, or other public programs providing child and family services. Such committee shall participate in the development of Federal Standards for Child Care and modifications thereof as provided in subsection (a).

(e) In no event shall any prime sponsor or program or project receiving assistance under this Act reduce the quality of services provided under this Act below the standards established in this section.

DEVELOPMENT OF UNIFORM CODE FOR FACILITIES

SEC. 202. (a) The Secretary shall, within sixty days after the date of enactment of this Act, appoint a special committee to develop a uniform minimum code for facilities, to be used in licensing child and family services facilities. Such standards shall deal principally with these matters essential to the health, safety, and physical comfort of the children and the relationship of such matters to the Federal Standards for child care developed under section 201.

(b) The special committee appointed under this section shall include parents of children enrolled in comprehensive child services programs and representatives of State and local licensing agencies, public health officials, fire prevention officials, the construction industry and unions, public and private agencies or organizations administering comprehensive child services programs, and national agencies or organizations interested in services for children. Not less than one-half of the membership of the committee shall consist of parents of children enrolled in programs conducted under this title, section 222(a)(1) of the Economic Opportunity Act of 1964, and title IV of the Social Security Act.

(c) Within six months of its appointment,

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the special committee shall complete a proposed uniform code and shall hold public hearings on the proposed code prior to submitting its final recommendation to the Secretary for his approval.

(d) The Secretary must approve the code as a whole or secure the concurrence of the special committee to changes therein, and, upon approval, such standards shall be applicable to all facilities receiving Federal financial assistance under this Act or in which programs receiving such Federal financial assistance are operated; and the Secretary shall also distribute such standards and urge their adoption by States and local governments. The Secretary may from time to time modify the uniform code for facilities in accordance with the procedures described in subsections (a) through (d).

PROGRAM MONITORING AND ENFORCEMENT

SEC. 203. The Secretary shall provide, through the Office of Child and Family Services, for regular and periodic monitoring and programs under this Act to assure compliance with the child care standards and other requirements of this Act, and shall provide for the establishment and maintenance of sufficient trained staff in such office to accomplish the purpose of this section.

WITHHOLDING OF GRANTS

SEC. 204. Whenever the Secretary, after reasonable notice and opportunity for a hearing to any prime sponsor, or project applicant, finds—

(1) that there has been a failure to comply substantially with any requirement set forth in the plan of any such prime sponsor approved under section 106; or

(2) that there has been a failure to comply with applicable standards pursuant to section 201; or

(3) that there has been a failure to comply substantially with any requirement set forth in the application of any such project applicant approved pursuant to section 107; or

(4) that in the operation of any plan, program, or project carried out by any such prime sponsor, or project applicant or other recipient of financial assistance under this Act there is a failure to comply substantially with any applicable provision of this Act or regulation promulgated thereunder;

the Secretary shall notify such prime sponsor, project applicant, or other recipient of his findings and that no further payments may be made to such sponsor, project applicant, or other recipient under this Act (or in the Secretary's discretion that any such prime sponsor shall not make further payments under this Act to specified project applicants affected by the failure) until he is satisfied that there is no longer any such failure to comply, or that the noncompliance will be promptly corrected. The Secretary may authorize the continuation of payments with respect to any project assisted under this Act which is being carried out pursuant to such plan or application and which is not involved in any noncompliance.

CRITERIA WITH RESPECT TO FEE SCHEDULES

SEC. 205. (a) Not later than one hundred and eighty days after the enactment of this Act, the Secretary shall by regulation establish criteria for the adoption of fee schedules by prime sponsors as provided in section 106(b)(7)(B) of this Act. Such criteria shall be designed to permit enrollment or continued participation in the program as family income increases, shall be based on family size, and ability to pay, and shall provide for appropriately reduced charges for less than full-day care, and shall be appropriately adjusted for regional and urban-rural differences in the cost of living or determined by the Bureau of Labor Statistics.

(b) Not less than sixty days prior to implementation of the criteria established by the Secretary pursuant to section 106(b)(7)(B), the Secretary shall submit such proposed criteria to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Upon a majority vote of either committee disapproving such proposed criteria, such criteria shall not take effect and the Secretary shall within sixty days promulgate revised criteria. Such revised criteria, and any revision to criteria established pursuant to this section shall be subject to the requirements of this section.

EVALUATION

SEC. 206. (a) The Secretary shall make an evaluation of Federal involvement in child and family services, which shall include—

(1) enumeration and description of all Federal activities which affect child and family service programs;

(2) analysis of expenditures of Federal funds for such activities and services;

(3) determination of the effectiveness of such activities and services;

(4) the extent to which preschool, minority group, and economically disadvantaged children and their parents have participated in programs under this Act; and

(5) such recommendations to Congress as the Secretary may deem appropriate.

(b) The results of the evaluation required by subsection (a) of this section shall be reported to Congress not later than two years after enactment of this Act.

(c) The Secretary shall establish such procedures as may be necessary to conduct an annual evaluation of Federal involvement in child and family services programs, and shall report the results of each such evaluation to Congress.

(d) Prime sponsors and project applicants assisted under this Act and departments and agencies of the Federal Government shall, upon request by the Secretary or the Comptroller General of the United States make available, consistent with other provisions of law, such information as the Secretary determines is necessary for purposes of making the evaluation required under subsection (c) of this section, or the Comptroller General determines is necessary for an independent evaluation.

(e) The Secretary may enter into contracts with public or private nonprofit agencies, organizations, or individuals to carry out the provisions of this section.

(f) The Secretary shall reserve for the purposes of this section not less than 1 per centum, but not more than 2 per centum, of the amounts available under section 3(b) of this Act for any fiscal year.

TITLE III—RESEARCH AND DEMONSTRATIONS

SEC. 301. (a) The Secretary is authorized to carry out a program of research and demonstration projects, which shall include but not be limited to—

(1) research to develop techniques to measure and evaluate child and family services, and to develop standards to evaluate professional and paraprofessional child and family service personnel;

(2) research to test preschool programs emphasizing reading and reading readiness;

(3) preventive medicine and techniques and technology, including multiphasic screening and testing, to improve the early diagnosis and treatment of diseases and learning disabilities of preschool children.

(4) research to test alternative methods of providing child and family service;

(5) evaluation of research findings and the development of these findings and the effective application thereof;

(6) dissemination and application of research and development efforts and demonstration projects to child and family service and related programs and early childhood education, using regional demonstration centers and advisory services where feasible;

(7) production of informational systems and other resources necessary to support the activities authorized by this Act; and

(8) a study of the need on a nationwide basis for child and family services programs and of the resources, including personnel, which are available to meet this need.

(b) In order to carry out the program provided for in this section, the Secretary is authorized to make grants to or enter into contracts or other arrangements with public or nonprofit private agencies (including other Government agencies), organizations, institutions, and individuals.

(c)(1) The Secretary shall coordinate, through the Office of Child and Family Services established under section 101(a), all child and family services research, training, and development efforts conducted within the Department of Health, Education, and Welfare and, to the extent feasible, by other agencies, organizations, and individuals.

(2) Funds available to any Federal department or agency for the purposes of this title shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Secretary for such use as is consistent with the purposes for which such funds were provided, and the funds so transferred shall be expendable by the Secretary through the Office of Child and Family Services established under section 101(a), for the purposes for which the transfer was made.

(d) The Secretary shall conduct special demonstration, and model programs, which demonstration, and model programs shall be subject to the fullest extent practicable to each of the requirements with respect to project applications under section 107.

(e) The Secretary shall report to Congress not later than September 1, 1976, summarizing his activities and accomplishments under this section during the preceding fiscal year and the grants, contracts, or other arrangements entered into and making such recommendations (including recommendations for legislation) as he may deem appropriate.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

PRESERVICE AND INSERVICE TRAINING

SEC. 401. The Secretary is authorized to make payments to provide financial assistance to enable individuals employed or preparing for employment in child and family services programs assisted under this Act, including volunteers, to participate in programs of preservice or inservice training for professional and nonprofessional personnel, to be conducted by any agency carrying out a child and family services program, or any institution of higher education, including a community college, or by any combination thereof.

TECHNICAL ASSISTANCE AND PLANNING

SEC. 402. The Secretary shall, directly or through grant or contract, make technical assistance available to prime sponsors and to project applicants participating or seeking to participate in programs assisted under this Act on a continuing basis, to assist them in planning, developing, and carrying out child and family services programs.

TITLE V—GENERAL PROVISIONS

DEFINITIONS

SEC. 501. As used in this Act, the term—

(1) "Secretary" means the Secretary of Health, Education, and Welfare;

(2) "State" means the several States and the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(3) "child and family service programs" means programs on a full day or part-day basis which provide or arrange for the provision of the educational, nutritional, health, and other services needed to provide the opportunity for children to attain their full potential, including services to other family members;

(4) "children" means individuals who have not attained the age of fifteen;

(5) "economically disadvantaged children" means any children of a family having an annual income below the lower living standard budget (adjusted for regional and metropolitan, urban, and rural differences, and family size), as determined annually by the Bureau of Labor Statistics at the Department of Labor;

(6) "handicapped children" includes mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education and related services;

(7) "program" includes any program, service, or activity, which is conducted full- or part-time in the home, in schools, or in child facilities;

(8) "parent" means any person who has primary day-to-day responsibility for any child;

(9) "single parent" means any person who has sole day-to-day responsibility for any child;

(10) "working mother" means any mother who needs child or family service in order to undertake or continue full- or part-time employment, training, or education outside the home;

(11) "minority group" includes, but is not limited to, persons who are Negro American Indian, Spanish-surnamed American, Portuguese, or Oriental, and, as determined by the Secretary, children who are from environments in which a dominant language is other than English and who, as a result of language barriers, may need special assistance, and, for the purpose of this paragraph, "Spanish-surnamed Americans" includes, but is not limited to, persons of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestry;

(12) "bilingual" includes, but is not limited to persons who are Spanish-surnamed Americans, American Indian, Oriental, Portuguese, or others who have learned during childhood to speak the language of the minority group of which they are members and who, as a result of language barriers, may need special assistance;

(13) "local educational agency" means any such agency as defined in section 801(f) of the Elementary and Secondary Education Act of 1965;

(14) "unit of general local government" means any political subdivision of a State having general governmental powers.

NUTRITION SERVICES

SEC. 502. In accordance with the purposes of this title, the Secretary of Health, Education, and Welfare shall establish procedures to assure that adequate nutrition services will be provided in child and family services programs under this Act. Such services shall make use of the special food service program for children as defined under section 13 of the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, to the fullest extent appropriate and consistent with the provisions of such Acts.

SPECIAL PROVISIONS

SEC. 503. (a) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program, program participant, or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any program or activity receiving assistance under this Act. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program or activity receiving assistance under this Act.

(c) The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations and make such payments in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including necessary adjustments in payments on account of overpayments or underpayments. Subject to the provisions of section 204, the Secretary may also withhold funds otherwise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act on any term or condition of assistance under this Act.

(d) The Secretary shall not provide financial assistance for any program, service, or activity under this Act unless he determines that persons employed thereunder, other than persons who serve without compensation, shall be paid wages which shall not be lower than whichever is the highest of—

(1) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 (29 U.S.C. 206), if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof;

(2) the State or local minimum wage for the most nearly comparable covered employment; or

(3) the prevailing rates of pay for persons employed in similar occupations by the same employer.

(e) The Secretary shall not provide financial assistance for any program under this Act unless he determines that no funds will be used for and no person will be employed under the program in this construction, operation, or maintenance of so much of any facility as is for use for sectarian instruction or as a place for religious worship.

SPECIAL PROHIBITIONS AND PROTECTIONS

SEC. 504. (a) Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children. Nor shall any section of this Act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law.

(b) The Secretary is directed to establish appropriate procedures to insure that no child shall be the subject of any research or experimentation under this Act unless the parent or guardian of such child informed of such research or experimentation and is given an opportunity as a right to except such child therefrom.

(c) A child participating in a program assisted under this Act shall not undergo medical or psychological examination experimentation or research, immunization (except to the extent necessary to protect the public from epidemics of contagious diseases or in cases of medical emergencies where parental consent cannot be readily obtained), or treatment without the written permission of his parent or guardian based upon full understanding of the procedures and possible consequences.

PUBLIC INFORMATION

SEC. 505. Applications for designation as prime sponsors, comprehensive child development plans, project applications, and all written material pertaining thereto shall be made readily available without charge to the public by the prime sponsor, the applicant, and the Secretary.

REPEAL OR AMENDMENT OF EXISTING AUTHORITY AND COORDINATION

SEC. 506. (a) After consultation with the head of any agency of the Federal Government immediately responsible for providing Federal assistance for and family services, child care, and related programs, including title I of the Elementary and Secondary Education Act of 1965, section 222(a)(2) of the Economic Opportunity Act of 1964, title VII of the Housing and Urban Development Act of 1966, title I of the Demonstration Cities and Metropolitan Development Act of 1966 and titles IV and VI of the Social Security Act, the Secretary of Health, Education, and Welfare shall establish regulations to assure the coordination of all such programs with the programs assisted under this Act.

(b)(1) Section 203(j)(1) of the Federal Property and Administrative Services Act of 1949 is amended by striking out "or civil defense" and inserting in lieu thereof "civil defense, or the operation of child care facilities".

(2) Section 203(j)(3) of such Act is amended—

(A) by striking out, in the first sentence, "or public health" and inserting in lieu thereof "public health, or the operation of child care facilities";

(B) by inserting after "handicapped," in clause (A) and clause (B) of the first sentence the following: "child care facilities"; and

(C) by inserting after "public health purposes" and the second sentence, the following: ", or for the operation of child care facilities,".

ACCEPTANCE OF FUNDS

SEC. 507. In carrying out the purposes and provisions of this Act, the Secretary is authorized to accept and use funds appropriated to carry out other provisions of Federal law if such funds are used for the purposes for which they are specifically authorized and appropriated.

BIPARTISAN GROUP OF SENATORS AND CONGRESSMEN TO SEEK CHILD, FAMILY SERVICES BILL

WASHINGTON, D.C., February 7.—A bipartisan group of Senators and Representatives joined today to call for new legislation to upgrade and increase day care, preschool education, health and nutrition services available to families for their children.

The group, led by Senators Walter F. Mondale (D-Minn.) and Jacob Javits (R-N.Y.) in the Senate and by Congressman John Brademas (D-Ind.) and Alphonzo Bell (R-Calif.) in the House, introduced companion bills today.

Brademas, Chairman of the House Select Subcommittee on Education, and Mondale, Chairman of the Senate Subcommittee on Children and Youth, announced that they would hold joint hearings on the bill beginning on Thursday, February 20, and Friday, February 21. A joint field hearing will be held Monday, February 24 in Chicago, Illinois.

Among activities supported by the legislation would be day care services for preschool age children including early identification of handicaps; medical services for new mothers to reduce the incidence of preventable birth defects; family counseling; health diagnosis and treatment; and school feeding programs for children.

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"Serious gaps exist in the quality and extent of child care services now available to parents for their children. This is a particularly important problem for working parents," the sponsors said in a joint statement released today.

"Today there are only about one million day care openings in licensed day care facilities to serve the six million preschool children whose mothers work.

"Some of these children of working parents are receiving good care from relatives and neighbors, but far too many families are forced to leave their children in facilities which are both seriously understaffed and which provide almost no supportive services."

Mondale and Brademas stressed that participation in the programs authorized by the bill would be completely voluntary.

The sponsors also said they are particularly concerned that parents play a key role in the operation of community projects which would receive support from the new law. This goal would be accomplished, they explained, in two ways:

(1) By establishing policy-making parent councils for each child care and family service program; and

(2) By providing for the participation of parents in the day to day operation of the programs.

The programs would be administered through a system of state and local governmental "prime sponsors" including educational institutions and other public and private nonprofit grantees in specified circumstances. Under the proposed bill, both profit and nonprofit organizations which meet the bill's standards for quality would be eligible to receive funds to operate the programs and provide services.

The new bill is similar to one which Congress passed in 1971 but which President Nixon vetoed in the last days of that year.

Brademas and Mondale emphasized that the proposed was not "etched in stone." They said, "We intend to invite a wide range of interested persons and organizations to present their views to the Committee as we consider this legislation."

At the time this release went to print, 84 Congressmen had joined the sponsors in cosponsoring the House bill, and 23 Senators had agreed to cosponsor the Senate version.

WORKING MOTHERS—THEIR CHILD CARE NEEDS

(Address by Carmen R. Maymi, Director, Women's Bureau, Employment Standards Administration, U.S. Department of Labor, at a meeting of the Chicago Community Coordinated Child Care Committee, Chicago, Ill., November 2, 1974)

I would like, first of all to express *my* thanks for the opportunity to address this meeting. The Women's Bureau of the Department of Labor has for decades watched the problem of child care grow in magnitude in the United States as the number of working mothers increased. Certainly, in any discussion of day care, the welfare of the child must be given primary consideration, as this meeting proposes to do. But we must also give some thought to the circumstances that make day care necessary. I feel privileged, therefore, to be here to discuss the problems of working families and the services required to meet their child care needs.

It is pointless to argue about whether or not mothers should work. The fact is that more and more women with children are entering the work force—most of us work because of economic reasons.

However, the employment of mothers is not the only reason many children need day care. Illness or death of the mother, mental or physical handicaps, emotional disturbances, poor family relationships, and poor living conditions are other factors. But the major demand for day care facilities stems from the employment of mothers outside of the home.

There has been a steady upward trend in the number of working wives with children. Since 1960 the labor force participation of married women with husbands present and with children under 6 years has increased from 18.6 percent to 34.4 percent. The rate of labor force participation for women who were family heads, at 54 percent, was higher than that of wives, but has remained little changed for many years.

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor forces in March 1974. About one-fourth of these children were below regular school age and required some kind of care while their mothers worked.

Since 1970, the number of children of working mothers has risen sharply by 1.2 million, while the total number of children in families has dropped by 2.2 million. These opposing trends can be attributed to the continuing long-term rise in the number of working wives, both with and without children; a declining birth rate, and an increase in the number of families headed by a woman which is due largely to a rising divorce rate.

While the labor force participation rates of wives with children rose significantly between 1970 and 1974, the absolute increase in the total number of children with working mothers occurred almost exclusively in female-headed families. The number of children was smaller for families if the mother worked than if she did not. This was true whether the family was white or black and whether it was headed by a man or a woman.

Over 12 million children were in families where the father was either absent, unemployed, or not in the labor force. This figure is highly significant in view of the fact that in families headed by a woman, the median income in 1973 was only $6,195 if the mother worked and only $3,760 if she did not.

These figures point out, that the need for child care facilities is acute now and that it will increase over the years. Latest estimates indicate that care in licensed centers and homes is available for only 905,000 of the several million children needing day care. By 1985 we expect that 6.6 million mothers, aged 20 to 44, with children under age 5 will be working or looking for work. The demand for day care facilities can be expected to increase accordingly.

The availability of child care is often the pivot on which a woman's decision to work or remain at home turns. Often it is the earnings of the mother that keeps the family above the poverty line and off public assistance. However, if she is unable to find good care for her children, a woman is usually forced to stay at home and depend on welfare allowances to support her children.

The problem is particularly severe for women heads of families who so often are poor. Of the 6.8 million families headed by a woman in March 1974, 32 percent had incomes below the low-income level in 1973. The percent of female-head families with related children under 18 that were poor in 1973 was 42 percent for whites and 67 percent for blacks. Among families headed by Spanish-origin women with incomes below the low-income level in 1973 the figure was 51.4 percent. For families headed by a man the proportion was 6 percent.

We must objectively review the attitudes of some persons toward child care. Some mothers who want or need to work do not look for jobs because they distrust the kinds of day care available to them. Many are reluctant to leave young children in the care of aging grandparents or of only slightly older brothers and sisters. Some feel that care in day care centers or in the homes of others may separate the child from his or her own family, and still others feel that being parted from the mother is damaging to the emotional stability of the young child.

Clearly these attitudes argue for parent's involvement in the care of their children by others while they are at work. Parents need to know the kind of care their children receive, something about the persons who give that care and the physical surroundings in which their children will spend the better part of their days.

Concerned parents want to be able to work without having to worry about their children, and mothers, in particular, want reassurance that they need not feel guilty about leaving their children in the care of others. Parents also want to be sure that the child's sense of the importance of his or her own family is strengthened and that the experience in the day care setting are consistent with the child's background and with the parent's values.

This last point is of particular concern to minority parents. Spanish-speaking, American Indian and black families want their children to develop a sense of pride in their cultural and racial or ethnic background. They look to the child care center or the family child care home to substitute for the extended family which is rapidly becoming a thing of the past, to be supplanted by the small nuclear family.

The child of a working mother is not the only one to benefit from good day care. The mother also gains. The welfare mother, of course, is freed to acquire training and a job. But it is a mistake to think of day care exclusively as a welfare measure. Middle class women, struggling to provide their families with an adequate standard of living, can enter the work force as they see fit and women with professional and technical skills can continue to contribute their skills and talents to fill the needs of our society in health, science, business and industry, politics and other fields. Day care in fact, is a boon to women of all economic levels who want the freedom to choose for themselves their own life style and decide for themselves how they can best contribute to the well-being of their families.

Society, too, benefits from a day care system that assures the careful development of future generations and at the same time makes available the skills and capabilities of a large segment of our human resources.

While in recent years, major laws addressing the importance of day care, not only as a social measure but as an economic one as well have not been numerous, we still have a considerable body of laws that support the concept of day care.

A number of laws provide funds for day care. The 1962 amendments to the Social Security Act represented a major advance in that direction. They authorized Federal grants-in-aid to State public welfare agencies for day care services, thereby stimulating the States to improve standards for day care facilities and to develop more such facilities.

In 1967 the Act was again amended to authorize the Work Incentive Program which we know as WIN. The law provides for the training and placement in jobs of persons on Aid to Families with Dependent Children, and assures that child care services be available until participants in the program are reasonably able to make other satisfactory arrangements for the care of their children.

The Economic Opportunity Act of 1964 authorized grants for day care projects within community action programs. Head Start is the most notable child development program under this Act. Funds are also provided for care of children of migratory and seasonal farmworkers and for the establishment of day care centers in areas where there are many unemployed or low-income persons.

Day care programs for educationally deprived children are authorized under the Elementary and Secondary Education Act of 1965.

Funds for the training of day care personnel are provided under a number of laws including the Vocational Education Act of 1963, The Education Professions Development Act, the Manpower Development and Training Act, and the 1967 amendments to the Social Security Act.

Several other laws provide funds for services related to day care such as nursing and other health services and for research and training program; grants for staffing community mental health centers which may include child care centers; for loans and lease guarantee insurance programs for operators of day care centers, and for the construction of day care facilities.

A 1969 amendment to the Labor-Management Relations Act of 1974 permits employers to contribute to trust funds for the establishment of child care centers for preschool and school-age dependents of employees.

Another important legislative step was a change in the Revenue Act of 1971 to liberalize the deductions taxpayers may take for child care expenses. Under the law a business also may deduct, proportionately over a 5-year period, the expense of providing a child care facility for employees' children.

Because many of these measures require community cooperation, they provide an excellent basis for parental involvement in planning and operating day care facilities.

Many imaginative approaches to the problem of day care have evolved in recent years. A noteworthy trend toward union operation of child care centers was begun by the Amalgamated Clothing Workers of America. Baltimore Regional Board has six child health care centers. These centers are financed primarily by employer contributions to the health and welfare funds administered by both the union and the men's clothing industry. The Chicago Regional Joint Board of the same union opened the first union-operated child care center here in 1970. I note that it has been cited as an exemplary center in the handbook on day care for preschool children published by the Office of Child Development in the Department of Health, Education, and Welfare.

The United Federation of Teachers in New York City has a program that calls for 50 centers designed to provide care and education to children of teachers in poverty area schools and to children of residents in the community.

There is a growing trend toward the establishment of day care centers by employers who find it advantageous to have child care facilities in or near the workplace. In a survey of hospitals with 100 or more beds in 1968, the Women's Bureau found 98 hospitals operating day care centers for children of staff members. Twelve have been added since, including the Evanston Illinois Hospital Child Care Center. Officials reported that having such services made it easier to recruit and retain nurses, resident doctors, and other health workers. In addition, the provision of day care for their children permitted some personnel to work full time instead of part-time or to work overtime, shift rotation was facilitated, and there was a reduction in absenteeism. Similar benefits were cited by employers in other industries surveyed by the Women's Bureau for its bulletin, "Day Care Services: Industry's Involvement." At last count 14 company-sponsored centers were operating.

Among other approaches to the day care problem reported by industry is that of the Polaroid Corporation in Cambridge, Massachusetts, which contracted with several licensed day care centers for slots for their employees' children. Under a similar plan the Ford Foundation in New York instituted a plan of providing child care allowances to its employees for child care arrangements made by the employees. The Illinois Bell Telephone Company in Chicago has a program to assist its employees find day care for their children and to encourage local citizens to apply for State foster care licenses.

Federal agencies, too, are beginning to initiate day care centers for children of employees. I am proud to say that the Department of Labor is among the Federal agencies supplying child care services. Our center opened in October 1968 for 30 preschool children of employees in the Washington, D.C. area. Enrollment has grown to 60 children and when the Department moves into a new building we will be able to accommodate 110 children. The center will probably be moved in 1975.

The Labor Department Day Care Center has a twofold purpose—to serve as a demonstration model in employer-sponsored day care service and to promote employee stability and productivity. It is presently operated by a private contractor who has exerted leadership in the Washington, D.C. 4-C's program, the National Child Day Care Association. It is funded by the Department under the Manpower Development and Training Act. Parents pay a sliding fee, depending on their incomes.

The main concerns of the Department are to provide high quality day care at a reasonable cost, delivered by staff members who are chosen on the basis of educational level, work and related experience, and commitment to child care.

Parental involvement is provided through a Parent Group which is designed to encourage parents to give support to the center and to foster understanding between home and center. Parents are given administrative leave to attend meetings of the Group with teachers. Fund raising activities and programs that include speakers, films, and demonstrations are sponsored by the Group.

The children of working mothers deserve the best care we can devise and their mothers have a right to expect such care for their children. In a time of changing family and employment patterns, when society makes multiple demands upon women, expecting them to fulfill a variety of roles, we must find ways to accommodate their special needs. We cannot say we have discharged our obligation to women who work or that we have provided equal opportunities for women until we make sure that no woman who wants to work is kept out of the work force because of a lack of day care for her children.

Mr. JAVITS. Mr. President, I am pleased to join with Senator MONDALE in the introduction of the Child and Family Services Act of 1975.

We are joined by 23 of our colleagues, including Senators ABOUREZK, BROOKE, CASE, CHURCH, CLARK, CRANSTON, GARY, HART, HATFIELD, HATHAWAY, HOLLINGS, HUMPHREY, KENNEDY, MCGEE, MCGOVERN, METCALF, NELSON, PELL, RANDOLPH, RIBICOFF, SCHWEIKER, STAFFORD, STEVENSON, and WILLIAMS.

A similar measure has been introduced in the House of Representatives by Congressman BRADEMAS.

This measure is identical to S. 3754, the Child and Family Services Act of 1974, which Senator MONDALE and I and 22 of our colleagues introduced on July 11, 1974.

Under our proposal, the Secretary of Health, Education, and Welfare, would be authorized to fund a variety of quality child and family services assisting children and families in the Nation. Services provided under the bill would include in-the-home tutoring, education for parenthood, prenatal services, part-day and full-day and after-school programs, food and nutrition services, and information and referral services to aid families in selecting child and family services.

The program would be administered by the Office of Child and Family Services, essentially a renaming of the current Office of Child Development in the Department of Health, Education, and Welfare, through a system of State and local prime sponsors as well as educational and other institutions and, in specific circumstances other public and private grantees.

Each prime sponsor would submit a comprehensive child and family services plan which would have to be approved by a representative child and family services council. Localities demonstrating capability to administer programs would do so within their jurisdiction. State governments would administer programs in other areas and have specific funds for coordination and specific statewide efforts.

This measure builds upon the child care title which was included in the Economic Opportunity Act Amendments of 1971, which former President Nixon vetoed in December of that year, and upon the Comprehensive Head Start, Child Development and Family Services Act of 1972, jointly sponsored by Senator MONDALE and myself, which passed the Senate on June 20, 1972, but as to which no action was taken by the House of Representatives.

We are introducing this measure today in order to prompt a renewed national debate on the need for child care, and in order to begin a dialog with the new administration toward the formulation of a legislative framework for quality child care programs.

To further that debate, discussion and dialog, the measure we introduce today differs from the 1971 and 1972 proposals in a number of important aspects.

First. The bill authorizes an aggregate of $1.8 billion over a 3-year period—fiscal year 1975–1977—compared with the 1972 Senate-passed measure which authorized $2.8 billion over a 2-year period.

Second. We have not included in this measure authorization for the Head Start program. Public Law 93–644, the Head Start, Economic Opportunity, and Community Partnership Act of 1974—which I authored and which the President signed into law on January 4, 1975—extends the Head Start program for the current and 2 succeeding fiscal years.

As the bill we introduce today is considered by the committee, the relationship between the efforts shall be addressed.

Third, we have not included a population requirement for localities to qualify as prime sponsors; the 1971 vetoed bill required a population of 5,000 and the 1972 passed bill required 25,000. We have left this matter open so as to be free to achieve in the final legislation the best allocation of responsibility among various levels of government, which will insure parental involvement, local diversity to meet local needs, and appropriate State and local participation to insure

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coordination and maximum utilization of available resources.

Mr. President, with this general background I shall now comment on various aspects of this bill which are particularly important to New York City and New York State.

First. In terms of the need for this legislation, I note that in New York City alone there are over 1.9 million children under the age of 14 of which 742,000 are under the age of 6. On the welfare roles, there are over 400,000 children under the age of 14 in families receiving AFDC. In contrast, there are approximately only 43,000 licensed day care slots funded publicly.

For New York State overall—including New York City—there are approximately 4.5 million children under the age of 14, of which 1.8 million are under the age of 6; approximately 830,000 children are in families on the AFDC rolls. In contrast, there are only approximately 50,400 licensed group and family day care slots which are publicly subsidized.

Exact allocations under this measure to the State cannot, of course, at this point in time, be determined, but as a general rule, we expect New York State to receive at least 8 percent of the total of funds available for programs in each of the 2 years of actual operation.

At a cost of approximately $2,400 for each preschool slot, this would mean that 18,182 opportunities could be funded in fiscal year 1976 and 36,364 in fiscal year 1977, from New York State's share of the aggregate of $500 million and $1 billion, respectively.

Second. Under the bill no charge would be made for services for children in families below the Bureau of Labor Statistics lower living standard, now at $8,100 a year for a family of four. This provision is crucial to families in New York City and New York State where the costs are so high that any fees below that point would effectively make it impossible for families to participate in the program. The provisions of this bill are much more realistic in this respect than those in the vetoed 1971 measure, which permitted a fee schedule to be imposed above the level of $4,320 a year for a family of four.

Third. The bill includes, as did previous measures, the requirements not only that parents participate in the programs, but that they have a leading role in the development of the programs. This would be accomplished through the requirement that each prime sponsor have a child and family services council of which one-half of the members must be parents as well as a number of other provisions. The current programs in New York City and State have similar elements in practice and this aspect has been a key element in their effectiveness.

Mr. President, currently in the Nation there are now 700,000 to 1,000,000—depending upon the criteria applied—licensed day care places for 6 million preschool children with working mothers; even beyond that as overall fact, 43 percent of the Nation's mothers work outside the home compared with 18 percent in 1948.

Mr. President, I hope very much that the administration will take a fresh and objective look at the need for comprehensive child care legislation and work with us on establishing a framework to that end.

This is particularly important at this time when child care has such a direct relationship to the recovery of the economy, since such efforts aid parents greatly in securing and maintaining employment opportunities.

Thus, child care should be seen as a necessary correlation to our efforts in providing public service jobs and otherwise expanding employment opportunities.

Mr. WILLIAMS. Mr. President, I am pleased to join in sponsoring the Child and Family Services Act with Senators MONDALE and JAVITS and other Members of the Senate. This bill provides assistance to help local communities and States expand their services for children and families. It incorporates many of the important elements of both the Economic Opportunity Amendments of 1971, which was approved by the Congress but vetoed by President Nixon, and of the Comprehensive Head Start, Child Development and Family Services Act of 1972, which was passed by the Senate. Under this new bill communities could support family services, including prenatal care, nutrition assistance, early screening and treatment to detect and ameliorate handicapping conditions, parental training, and full- or part-day preschool programs like Head Start or other after school and day care for children of working mothers.

This legislation was originally introduced in 1971 as a way of stimulating day care and comprehensive services at the local level to children whose parents work. It represents a recognition of the fact that for working parents with young children serious problems result because of lack of adequate care, inability to pay for care which does exist, and lack of other services such as good nutrition, preschool services and adequate health screening. It is clear that this trend is continuing to grow and, particularly in view of today's bleak economic picture, parents with young children must work to make ends meet.

In 1971, 43 percent of women with children worked, and one of every three women with preschool children worked; 8.3 million children are living in single parent families, and some 65 percent of these parents work. Examining just the number of preschool children whose parents work, the estimate is 6 million. But despite the increasing numbers of these children, adequate day care services exist for only about 700,000. While private care arrangements can often provide very good care, estimates are that 10 percent of these children aged 6 to 11 are left alone with no care after school and larger numbers are left in the care of older relatives—which strains this relationship—or in inadequate facilities.

This situation is more desperate for families living in poverty or near poverty. In the $4,000 to $7,000 bracket, income levels are just too high to qualify for publicly assisted day care programs and too low to be able to afford private programs. As Senator MONDALE reported in his introductory remarks last year, the newly enacted income tax deduction provides little if any solution to this problem. According to Department of Treasury statistics, a family of four with an income of $5,000, spending $500 on day care would realize no tax savings at all; a family of four with an income of $7,000, spending $700 would realize a savings of only $77. Substantially, this provision assists only those individuals who have enough money to buy both an adequate amount of child care and to pay enough taxes to receive a deduction.

In my own State of New Jersey, there is a great need for this legislation. The State has, through the cooperation of State and local government and community organizations in fiscal year 1975, expanded the capacity for developmental day care by 40 percent, doubled services to prevent child abuse and neglect, initiated comprehensive family planning programs and early diagnosis and treatment programs, and has begun implementation of new legislation to divert nondelinquent juvenile offenders from the traditional corrections system. All of these services could be provided through the community under the auspices of this bill.

Yet, the striking point about this expansion of State and local services in New Jersey is the need which will not be filled. At the present time there are approximately 1,000 programs in the State of New Jersey which provide day care and other child care services to over 55,000 children. Without considering middle or upper income families who may also need child care services, approximately 100,000 pre-school children of AFDC moths need these services and presently do not receive them.

Furthermore, more than 45,000 children from families earning less than $8,500 also are in need of such services. Thus, despite the efforts of local communities and community organizations to expand and triple the services available, care is only provided to about one-fourth of the community in need. As Commissioner Ann Klein of the department of institutions and agencies has stated:

> For families, services such as child care and functional education can be the difference between welfare dependency and productive employment; for children, the difference between child abuse and educational enrichment; for taxpayers, the difference between rising welfare rolls and a more productive economy.

Under this bill, child care services would be available to all who request them, but on a strictly voluntary basis. Services would be provided without charge to families earning a poverty-level income or less, and there would be modest fees based on a sliding scale for those with higher income levels. Sixty-five percent of the funds under this bill would be provided only to children from families with incomes up to the lower living standard budget—currently, $8,118 for a family of four. The bill also takes special care to assure that the needs of handicapped children are considered, earmarking not less than 10 percent of the funds for special activities for the identification and provision of services for handicapped children.

I believe that it is very important to stress that this bill is based on the family as the primary and most significant influence on children and as one of the most important institutions in our country. All of the provisions in this bill foster and strengthen the role of the family, including assuring parent control over local programs. The services that could be provided by local communities and towns would be available only for children whose parents request them, and parents of the children receiving services would compose at least 50 percent of the governing boards which would decide what services will be offered and what policies will be followed.

This bill does not suggest that all of the services and knowledge is available right now; a very important provision, I believe, is the one which begins with an initial year for planning and training, including inservice and preservice training, and moves into operation of programs and continued planning and preparation in the second year.

I have been a sponsor of this legislation since its inception and believe that the funds which could be made available to local communities for these services are critical to our economy and to the working parents of this Nation. The bill represents a sound and realistic approach to an urgent national problem.

By Mr. BENTSEN:

S. 632. A bill to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements. Referred to the Committee on the Judiciary.

Mr. BENTSEN. Mr. President, I am today introducing legislation to strengthen the role of the Congress in the foreign policy decisionmaking process by requiring congressional approval of Executive agreements. I have been inspired in this regard by one of this Chamber's most illustrious former Members. During his many years in the Senate, the distinguished former Senator from North Carolina, Sam Ervin, made a major contribution toward rectifying the imbalance that has for too long characterized the policymaking process in this Nation. Of particular concern to him, and to many of us, were the abuses to which uncontrolled Executive power has been put, not only in domestic policy but also in foreign policy. The Congress took a major step toward righting this imbalance by passage, and later an override of the President's veto, of the War Powers Act.

Perhaps just as crucial is the issue of the increasing use of Executive agreements as a means of bypassing the advise and consent role of the Senate on treaties. This problem was thoroughly studied by Senator Ervin and one of his most invaluable legacies to this Nation was legislation he introduced to reassert the voice of Congress in the foreign policymaking process by requiring congressional approval of Executive agreements.

Late last year the Senate passed Senator Ervin's bill, S. 3830, by voice vote; I was one of a bipartisan group cosponsoring that benchmark legislation. Since the House of Representatives did not take action on it, I am today reintroducing it in order to bring to a conclusion the important groundwork laid by Senator Ervin in the area of congressional sharing in the policymaking process.

The use of Executive agreements has, without doubt, been much abused. Indeed the term "Executive agreement" is not to be found in the Constitution. Clearly our Founding Fathers envisioned the treaty as the sole instrument of concluding agreements with other nations. Nevertheless, international agreements are increasingly being made in the form of Executive agreements which, under current law, need only be submitted to the Congess for its information. The use of the Executive agreement as a means of bypassing the advice-and-consent role of the Senate has grown considerably through various administrations both in terms of numbers as well as scope. For example, during the last Congress, attempts were made by the executive branch to submit such crucial national security issues as naval facilities on Diego Garcia, a naval support facility in Bahrain, and an extension of U.S. military base rights in the Azores as Executive agreements which would not require the approval of the Congress. At the same time, such relatively less important issues as the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matters; a Convention for the Protection of Producers of Phonograms against Unauthorized Duplication of their Phonograms; Protocol to the Convention for the International Council for the Exploration of the Sea; and Amendments to the Convention for the Safety of Life at Sea were submitted to the Senate as treaties requiring a two-thirds vote of approval.

Mr. President, I submit that such a practice is an insult to the Congress and a contravention of the Constitution's clear intent that Congress share in the foreign policymaking process.

The issue of separation of powers involved in this bill is an important one and has been thoroughly scrutinized by the Separation of Powers Subcommittee, ably chaired for many years by Senator Ervin, the full Judiciary Committee as well as the Senate Foreign Relations Committee. During the extensive hearings held on this and similar legislation over the course of the last 3 years, testimony was offered by the executive branch reflecting its belief that it possesses wide powers to enter into Executive agreements without benefit of congressional participation.

The Senate, by unanimously passing this bill, rejected this argument. The Constitution does not specifically grant to the President the power to negotiate international agreements other than treaties and there has been no Supreme Court decision recognizing the power of the President to negotiate Executive agreements without benefit of congressional approval. Clearly, therefore, there is need to strengthen the Congress constitutionally mandated role in the foreign policymaking process by sharing in the means by which international agreements other than treaties are made.

The executive branch should welcome this opportunity to share with the Congress the weighty responsibility of reaching agreements with other nations, agreements which reflect our national priorities and which lie at the very heart of the foreign policy process. At a time when Executive power has been much abused, a strengthened congressional role in the policymaking process should go far toward restoring the faith of the people in the institutions of Democratic Government.

I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress declares that the Constitution of the United States established a system of shared powers between the legislative and executive branches of the United States Government in the making of international agreements; the powers of Congress have been substantially eroded by the use of so-called executive agreements, and the Senate is thereby prevented from performing its duties under section 2, article II, of the Constitution, which provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur".

SECTION 1. (a) In furtherance of the provisions of the United States Constitution regarding the sharing of powers in the making of international agreements, any executive agreement made on or after the date of enactment of this Act shall be transmitted to the Secretary of State, who shall then transmit such agreement (bearing an identification number) to the Congress. However, any such agreement the immediate disclosure of which would, in the opinion of the President, be prejudicial to the security of the United States shall instead be transmitted by the Secretary to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives under an appropriate written injunction of secrecy to be removed only upon due notice from the President. Each committee shall personally notify the Members of its House that the Secretary has transmitted such an agreement with an injunction of secrecy, and such agreement shall thereafter be available for inspection only by such Members.

(b) Except as otherwise provided under subsection (d) of this section, any such executive agreement shall come into force with respect to the United States at the end of the first period of sixty calendar days of continuous session of Congress after the date on which the executive agreement is transmitted to Congress or such committees, as the case may be, unless, between the date of transmittal and the end of the sixty-day period, both Houses agree to a concurrent resolution stating in substance that both Houses do not approve the executive agreement.

(c) For the purpose of subsection (b) of this section—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

(d) Under provisions contained in an executive agreement, the agreement may come into force at a time later than the date on which the agreement comes into force under subsections (b) and (c) of this section.

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SEC. 2. For purposes of this Act, the term "executive agreement" means any bilateral or multilateral international agreement or commitment, other than a treaty, which is binding upon the United States, and which is made by the President or any officer, employee, or representative of the executive branch of the United States Government.

SEC. 3. (a) This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of concurrent resolutions described by subsection (b) of this section; and it supersedes other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b) For the purposes of this section, "concurrent resolution" means only a concurrent resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the Congress does not approve the executive agreement numbered —— transmitted to (Congress) (the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives) by the President on , 19 .", the blank spaces therein being appropriately filled, and the appropriate words within one of the parenthetical phrases being used; but does not include a concurrent resolution which specifies more than one executive agreement.

(c) A concurrent resolution with respect to an executive agreement shall be referred to a committee (and all concurrent resolutions with respect to the same executive agreement shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives as the case may be.

(d) (1) If the committee to which a concurrent resolution with respect to an executive agreement has been referred has not reported it at the end of twenty calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the concurrent resolution or to discharge the committee from further consideration of any other concurrent resolution with respect to the executive agreement which has been referred to the committee.

(2) A motion to discharge may be made only by an individual favoring the concurrent resolution, is highly privileged (except that it may not be made after the committee has reported a concurrent resolution with respect to the same executive agreement), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other concurrent resolution with respect to the same executive agreement.

(e) (1) When the committee has reported, or has been discharged from further consideration of, a concurrent resolution with respect to an executive agreement, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on the concurrent resolution shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

(f) (1) Motions to postpone, made with respect to the discharge from committee, or the consideration of a concurrent resolution with respect to an agreement, and motions to proceed to the consideration of other business, shall be decided without debate.

(2) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a concurrent resolution with respect to an executive agreement shall be decided without debate.

SEC. 5. The provisions of section 1 of this Act shall not apply to any executive agreements entered into by the President pursuant to a provision of the Constitution or prior authority given the President by treaty or law.

By Mr. HOLLINGS:

S. 633. A bill to conserve gasoline by directing the Secretary of Transportation to establish and enforce mandatory fuel economy standards for new automobiles, and for other purposes. Referred to the Committee on Commerce.

AUTOMOBILE FUEL ECONOMY ACT OF 1975

Mr. HOLLINGS. Mr. President, John R. Quarles, Deputy Administrator of the Environmental Protection Agency has stated:

If we are unwilling to face up to the problem of the automobile, we might as well forget about the goal of energy conservation.

His statement is well founded. At present there are more than 100 million registered automobiles in the United States which consume about 14 percent of all U.S. energy, almost three-quarters of all gasoline used, and the equivalent of 31 percent of all petroleum. Moreover, the share of energy consumed by automobiles has been rising. If policies can be devised that save even modest percentages of the fuel consumed by automobiles, the absolute savings in energy will be very large.

The idea of, and the need for, improving automobile fuel economy is not new. For several years the Senate Commerce Committee has been working on legislation that would mandate improved fuel consumption. As a part of his energy program, the President has proposed a 40 percent improvement in fuel economy by 1980 with a relaxation in emission control standards. Our hearings and our experts tell us the President's goal is low. Technology allows us to do better. Our hearings also tell us that the President's proposal needlessly gives up on clean air objectives; we can achieve significant improvement in fuel economy without jeopardizing clean air.

We must do everything possible to head our domestic automobile industry in the direction of clean, safe, and efficient vehicles. Our imported cars are living proof of the fact that these goals are achievable. As in every other case, we have indulged ourselves too long in the conspicuous and wasteful consumption of energy. The bill which we are introducing today sets targets for the automobile industry which are realistic and achievable. Learning from the lessons in the past, we do not set annual targets but rather incremental targets. In other words, we set a standard of at least 50 percent improvement in the industrywide average fuel economy for new automobiles by model year 1980 and a 100 percent improvement in such average by model year 1985. The model year 1974 is used as the base year. By achieving a 50 percent improvement over the 14-mile per gallon average in 1974, we can look to an industry average of 21 miles per gallon in 1980 and an average of 28 miles per gallon in 1985. Assuming a constant number of miles traveled, this kind of improvement translates into a savings of 500,000 barrels of oil per day by 1980 and easily a 2 million barrel per day savings by 1985.

The bill we are introducing adopts the view that mandatory fuel economy standards, implemented over a period of years, would obtain the maximum benefits from new automotive technology. Such a policy would have negligible, if not salutary, effect on auto ownership and new car sales, would result in substantial reduction in costs of owning and operating an automobile, and would improve the U.S. auto industry's competitive position.

The proposed standards also leave flexibility to automobile manufacturers, which would result in a more diverse product mix and wider consumer choices in acceleration, comfort, and roominess. In attempting to meet the fuel economy standard, one auto company would choose new technology, another would choose to shift more rapidly to small cars, and still another could choose some combination of the two.

The levels chosen for industrywide average fuel economy in model years 1980 and 1985 are realistic and necessary, in light of the energy problems facing this Nation. American habits and expectations must change in order to adjust to a new set of realities with respect to energy availability, and this bill is an important step toward implementation of that change.

Our program is not all stick with no carrot. Earlier this session, S. 499, was introduced which establishes a federally sponsored program of research and development into more efficient and alternate engines. We must provide the industry with financial support for their research efficiency and this bill would provide the necessary stimulus.

Our bill creates the choice—the opportunity for the car purchaser to obtain cars with greater fuel efficiency. Further, as I stated January 30, when I discussed my views on an overall energy alternative, it is important to provide the car purchaser with the financial incentive to purchase the more efficient, domestically produced automobiles. We are in the process of drafting and will shortly introduce a system of surcharges to be levied against cars which consume more than their fair share of fuel and a system of tax credits for the purchaser of domestically produced cars which have significantly improved fuel economy.

The Commerce Committee has held extensive hearings on the issue of automobile fuel economy standards. It is hoped that hearings on the fuel economy bill, S. 499, and the other ingredients of the package related to the automobile industry will be scheduled during the week of March 10 and it is hoped that the committee will move to a markup on the legislation shortly thereafter.

The people are looking for direction. They are looking for decisions. It is incumbent upon us to provide them with the leadership they seek.

I ask unanimous consent that the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 633

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Automobile Fuel Economy Act of 1975".

SEC. 2. The Motor Vehicle Information and Cost Savings Act (15 USC 1901 et. seq.) is amended by adding at the end thereof the following new title:

"TITLE V—FUEL ECONOMY

"SHORT TITLE

"SEC. 501. This title may be cited as the 'Automobile Fuel Economy Act'.

"DECLARATION OF POLICY

"SEC. 502. (a) FINDINGS.—The Congress finds and declares that—

"(1) Each day the United States uses approximately 6,000,000 barrels of oil more than it produces from domestic sources.

"(2) The gap between such domestic consumption and such domestic production is met by the importation of oil from oil exporting nations.

"(3) During the past year, such oil exporting nations, acting in concert, have raised the price of oil by approximately 300 per centum.

"(4) Such price increases and oil importation requirements have caused the United States to suffer deficits in its international balance of payments; have contributed to the highest rate of inflation in decades as the increased cost of fuel is passed on to manufacturers and consumers, and have made the nation prey to arbitrary and exorbitant price fixing by oil exporting nations and vulnerable to unreasonable foreign policy pressures and economic chaos from production reductions and embargoes by such nations.

"(5) For these reasons, it is an urgent necessity for the United States to reduce the quantities of crude oil and refined petroleum products which it imports without further damaging the economy. Automobiles are the single largest and most significant user of petroleum products.

"(6) The amount of oil required for automobile transportation could be reduced by more than 1,000,000 barrels a day through technologically feasible improvements in automobile fuel economy.

"(b) PURPOSE.—It is therefore declared to be the purpose of Congress in this title to—

"(1) mandate the manufacture of automobiles which reduce the amount of fuel consumed per mile traveled without reducing safety, damageability, or environmental standards; and

"(2) increase the industrywide average fuel economy for new automobiles to achieve at least a 50 per centum improvement in such average by model year 1980 and at least a 100 per centum improvement in such average by model year 1985 over the model year 1974 industrywide average fuel economy level of 14 miles per gallon.

"DEFINITIONS

"SEC. 503. As used in this title, the term—

"(1) 'Administrator' means the Administrator of the Environmental Protection Agency;

"(2) 'automobile' means a four-wheeled vehicle propelled by fuel which is manufactured primarily for use on the public streets, roads, and highways, except any vehicle operated exclusively on a rail or rails, and which has as its primary intended function the transportation of not more than ten individuals. The term includes a light duty truck rated at 6,000 pounds gross vehicle weight or less, and a multipurpose passenger vehicle which has as its primary intended function the transportation of not more than ten individuals, other than a motor home constructed on a truck chassis, truck chassiscab, or special chassis, or constructed through utilizing a truck or similar van;

"(3) 'average fuel economy' means a harmonic average of fuel economy weighted on the basis of automobiles produced. As used in this paragraph, 'harmonic average of fuel economy weighted on the basis of automobiles produced' means the total number of automobiles produced in a given model year by a manufacturer and its affiliates, divided by a sum of terms, each term of which is a fraction created by dividing the number of automobiles of a given model type produced in a given model year by the fuel economy measured for each particular model type rounded to the nearest mile per gallon, as determined by the Administrator;

"(4) 'dealer' means any person engaged in the business of selling new automobiles to purchasers who buy for purposes other than resale;

"(5) 'fuel' means gasoline and diesel oil;

"(6) 'fuel economy' refers to the average number of miles traveled in representative driving conditions by an automobile per gallon of fuel consumed, as determined by the Administrator in accordance with test procedures established by him by rule which are consistent with the Clean Air Act, as amended (42 U.S.C. 1857f-5);

"(7) 'manufacturer' includes an importer;

"(8) 'model type' means a particular class of automobile as defined by the Secretary; and

"(9) 'model year' means the period from the date a model is first offered for sale to purchasers for purposes other than resale, to no later than December 31 of the next calendar year.

"MINIMUM FUEL ECONOMY PERFORMANCE STANDARDS

"SEC. 504. (a) ESTABLISHMENT.—(1) Not later than June 1, 1975, the Secretary shall establish, by rule pursuant to section 553 of title 5, United States Code, minimum average fuel economy performance standards for new automobiles manufactured in model years 1977 through 1985. The standards shall be set for each such model year at a level which the Secretary determines is the maximum feasible such level and shall result, by model year 1980, in an industrywide average fuel economy level which represents at least a 50 per centum improvement over the model year 1974 average. Such standards shall also result, by model year 1985, in an industrywide average fuel economy level which represents at least a 100 per centum improvement in such average over the model year 1974 average. Such standards shall be promulgated in a manner which will result in steady progress toward meeting such industrywide averages for model years 1980 and 1985.

"(2) Beginning in 1977, the Secretary shall review not later than January 1 of each calender year standards promulgated pursuant to this subsection which will take effect in future model years and shall publish the results of such review in the Federal Register. The review required to be published by January 1, 1980, shall include a comprehensive analysis of the program required by this title. Such analysis shall include an assessment of the adequacy of the industrywide average fuel economy requirement for 1985 as specified in section 504(a)(1) of this title and any legislative recommendations he or she might have for adjusting such standard or otherwise improving the program required by this title.

"(3) Any such standard, and any amendment thereto under subsection (b) of this section, shall be promulgated not later than 18 months prior to the beginning of subsequent model years as to which such standard or amendment is to apply, except that the standard applicable to model year 1977 shall be promulgated not later than 12 months prior to the beginning of the 1977 model year.

"(b) AMENDMENT.—The Secretary may from time to time, upon the basis of new information, amend, modify, or revise any average fuel economy performance standard established under subsection (a) of this section, except that no such amendment, modification, or revision may reduce the minimum standard for average fuel economy below that necessary to meet the model year 1980 and 1985 goals specified in section 504 (a)(1) of this title.

"(c) REQUIREMENT.—Each manufacturer shall, after the date of enactment of this Act, comply with the applicable minimum average fuel economy standard for the applicable model year. Compliance is to be determined by the Administrator in accordance with test procedures established by him by rule by calculating the average fuel economy of all automobiles produced by such manufacturer during such model year. The Administrator shall report the findings of such compliance determinations to the Secretary. Nothing in this subsection shall be construed to require each individual automobile produced by a particular manufacturer to meet the applicable minimum average fuel economy performance standard if the average fuel economy of all automobiles produced by such manufacturer meets or exceeds such minimum standard.

"(d) JUDICIAL REVIEW.—(1) Any person who may be adversely affected by any rule promulgated under this section may at any time prior to 60 days after such rule is promulgatd file a petition in the United States Court of Appeals for the District of Columbia, or any circuit wherein such person resides or has his principal place of business, for judicial review of such rule. A copy of the petition shall be forthwith transmitted by the clerk of such court to the Secretary. The Secretary shall thereupon cause to be filed in such court the record of the proceedings upon which the rule which is under review was based, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

"(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced in a hearing, in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his or her finding as to the facts, or make new findings, by reason of the additional evidence so taken, and

he or she shall file such modified or new findings, and his or her recommendation, if any, for the modification or setting aside of his or her rule, with the return of such additional evidence.

"(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(4) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law.

"DUTIES AND POWERS OF THE SECRETARY AND ADMINISTRATOR

"SEC. 505. (a) GENERAL.—(1) For the purpose of carrying out the provisions of this title, the Secretary or the Administrator, or their duly designated agents, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, Administrator, or such agents, deem advisable. The Secretary, Administrator, or their duly designated agents, shall at all reasonable times have access to, and for the purpose of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Secretary or Administrator under this title. The Secretary or Administrator is authorized to require, by general or special orders, any person to file, in such form as the Secretary or Administrator may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary or Administrator under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary or Administrator within such reasonable period as he may prescribe.

"(2) The district courts of the United States for a judicial district in the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a duly authorized subpena or order of the Secretary, the Administrator, or their duly designated agents, issued under paragraph (1) of this subsection, issue an order requiring compliance with such subpena or order. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

"(3) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"(b) INSPECTION.—(1) Every manufacturer of automobiles shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the Secretary or Administrator may reasonably require to enable the Secretary or Administrator to carry out their duties under this title and under any rules or regulations promulgated pursuant to this title. Such manufacturer shall, upon request of a duly designated agent of the Secretary or Administrator, permit such agent to inspect finished automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the Secretary or Administrator may prescribe.

"(2) The district courts of the United States for a judicial district in which an inspection is carried out or requested may, if a manufacturer of automobiles refuses to accede to any reasonable requirement or request, issued or made under paragraph (1) of this subsection, issue an order requiring compliance with such requirement or request. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

"(c) PUBLIC DISCLOSURE OF INFORMATION.—The Secretary or Administrator shall disclose so much of any information obtained under this title to the public as he or she determines may assist in carrying out the purposes of this title, except that any information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, which if disclosed would result in significant competitive damage, shall not be disclosed to the public (other than to officers or employees concerned with carrying out this title), unless such information is relevant to any proceeding under this title. Nothing in this subsection shall authorize the withholding of information by the Secretary or Administrator or any officer or employee under their control from any duly authorized committee of the Congress.

"(d) REPRESENTATION.—Notwithstanding any other provision of law, in any action under this title, the Secretary or Administrator may direct attorneys employed by him or her to appear and represent him or her.

"LABELING AND ADVERTISING

"SEC. 506. (a) STICKER.—Beginning no later than 90 days after the enactment of this title, each manufacturer shall cause to be affixed and each dealer shall cause to be maintained on each new automobile, in a prominent place, a sticker indicating the fuel economy which a prospective purchaser can expect from such automobile, and the estimated average annual fuel costs associated with the operation of such automobile. The form and content of such sticker shall be determined by the Secretary, pursuant to section 553 of title 5, United States Code, after consultation with the Federal Trade Commission.

"(b) DISCLAIMER.—Nothing in this section shall be deemed to prohibit a manufacturer or dealer from representing orally or in writing that the fuel economy or estimated average annual fuel costs required to be disclosed by this section are based on representative driving conditions as determined by the Secretary in consultation with the Administrators of the Environmental Protection Agency and the Federal Energy Administration (or their successors) and should not be construed as a precise calculation of fuel economy or estimated average annual fuel costs to be experienced by an individual purchaser.

"(c) ADVERTISING.—The Federal Trade Commission shall by rule, pursuant to section 553 of title 5, United States Code, direct which type of advertisements for new automobiles shall contain the information regarding fuel economy and average annual fuel costs which is required under subsection (a) of this section.

"(d) CONFORMING AMENDMENT.—Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by striking out in the first paragraph 'disclosing the following information concerning' and inserting in lieu thereof 'disclosing the information required by the Automobile Fuel Economy Act together with the following information concerning'.

"PROHIBITED CONDUCT

"SEC. 507. The following conduct is prohibited:

"(1) the failure to comply with any provision of this title or any standard, rule, regulation, or order issued pursuant to this title;

"(2) the failure to provide information as required in accordance with this title;

"(3) the failure to permit inspection pursuant to this title; and

"(4) the failure to comply with any labeling and advertising requirement mandated or authorized under section 506 of this title.

"CIVIL PENALTY

"SEC. 508. (a) AMOUNT.—(1) Any manufacturer who is determined by the Secretary or the Administrator, in a proceeding in accordance with section 554 of title 5, the United States Code, to have failed to comply with the requirement set forth in section 504(c) of this title shall be liable to the United States for a civil penalty of not less than $50 and not more than $100 for each mile per gallon by which the average fuel economy of the automobiles manufactured or imported by such manufacturer during the same model year falls short of the applicable minimum fuel economy performance standard established under section 503(a) of this title multiplied by the total number of automobiles manufactured or imported by such manufacturer during such model year. Fractional miles per gallon deviations from an applicable standard shall be penalized on the basis of the $50 to $100 civil penalty multiplied by the fraction.

(2) Any person who is determined by the Secretary or Administrator to have violated a provision of section 507 of this title shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation is a separate violation.

(3) The amount of such civil penalty shall be assessed by the Secretary or Administrator by written notice. The Secretary or Administrator may, at his or her discretion, compromise, modify, or remit, with or without conditions, any such civil penalty only to the extent necessary to prevent the insolvency or bankruptcy of a manufacturer or the substantial lessening of competition within the automobile industry.

"(b) PROCEDURE.—(1) Any person against whom a civil penalty is assessed under this section may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days after the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary or Administrator. The Secretary or Administrator shall promptly file in such court a certified copy of the record upon which failure to comply or violation was found and such penalty imposed. The determinations of the Secretary or Administrator shall be set aside if found to be unsupported by substantial evidence, as provided by section 706(2)(e) of title 5, United States Code.

"(2) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Secretary or Administrator, the Secretary or Administrator (or, at his or her request, the Attorney General) shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

"RELATIONSHIP TO STATE LAW

"SEC. 509. (a) Except as provided in subsection (b) of this section, after the effective date of any standard issued or effective under this title relating to fuel economy performance standards for automobiles or to fuel economy labeling or advertising of new automobiles, no State or political subdivision thereof may adopt or enforce any standards relating to such matters which are inconsistent therewith.

"(b) The Secretary may, by regulation promulgated pursuant to section 553 of title 5, United States Code, permit any such State or political subdivision thereof to establish standards which are more stringent than the ones under this title if the application of such State or local standards will not, through difficulties in marketing, distribution, or other factors, result in an unreasonable burden on commerce.

"REPORTS

"SEC. 510. (a) Within 300 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress and the President a comprehensive report setting forth his or her findings and containing his or her conclusions and recommendations with respect to the 55 miles per hour national maximum speed limit established by Act of Congress. Such report shall include, but not be limited to, an examination of the extent of compliance with such speed limit by region, State, and geographic area; the amount of gasoline that would have been saved if all motorists had complied with such speed limit; and the feasibility, practicality, safety, and associated energy savings of a requirement that manufacturers install on all new automobiles and other motor vehicles devices that would make it impossible to operate such vehicles at speeds in excess of such national maximum speed limit for any sustained period of time.

"(b) Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress and the President a comprehensive report setting forth his or her findings and containing his or her conclusions and recommendations with respect to a requirement that each new automobile be equipped with a fuel flow instrument reading directly in miles per gallon and the most feasible means of equipping used automobiles with such instrument. Such report shall include, but not be limited to, an examination of the effectiveness of such instruments in promoting voluntary reductions in fuel consumption, the cost of such instruments, means of encouraging automobile purchasers to voluntarily purchase automobiles equipped with such instruments, and any other factor bearing on the cost and effectiveness of such instruments and their use.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Secretary for carrying out the povisions of this title such sums as are necessary, not to exceed $1,000,000 for the fiscal years ending June 30, 1975, and June 30, 1976, not to exceed $750,000 for the transitional fiscal quarter ending September 30, 1976, and not to exceed $3,000,000 annually for the fiscal years ending September 30, 1977, and September 30, 1978.

By Mr. ROTH:

S.J. Res. 29. A joint resolution proposing an amendment to the Constitution of the United States to guarantee the human rights of pupils attending public schools. Referred to the Committee on the Judiciary.

S. 634. A bill to prohibit the use of Federal funds for the transportation of public school children without the written consent of their parents. Referred to the Committee on Labor and Public Welfare.

Mr. ROTH. Mr. President, I have been consistently opposed to the forced busing of schoolchildren for whatever purpose and what is more I have supported my beliefs by my votes both in the House and Senate. Just as consistently I have been a firm supporter of quality education and the neighborhood school concept.

I invite the Members of the Senate to reflect upon an important part of the American democratic experience: The struggle to remove those artificial barriers that stand in the way of individual freedom. Do we not all agree with the well-known observer of the American political scene, Theodore S. White, that the instinct and pride of our country from the time of its founding "has been to keep opportunity for individualism open." All of our great struggles—

Against King George, against the banks, against the trusts, against the bosses—have reflected a doctrine which is more than politics, a doctrine which is of the essence of the culture of the nation; No man must be locked into or hammered into a category from which he has no opportunity to escape. He must not be locked in by the color of his skin or his racial genes; he must not be locked in by lack of educational opportunity; he must not be locked in by birth, or parentage, or age, or poverty.

Mr. President, are we not now making war against this great tradition out of the best of motives? Seeing in the continued segregation of our public schools a blatant inequality that poisons the future of our youth, we have hammered all children—black and white and yellow and red—into categories. We have transported them, on the basis of these categories, great distances. We have disrupted their education, their family life, their involvement in school activities, and their own developing social life. As in all instances where basic principles are sacrificed for momentary expediency, we might properly inquire whether the cure is worse than the illness. Busing experiences in several American cities strongly document this view.

Further as former Congresswoman Edith Green recently said:

More and more rank and file black Americans are speaking out for quality education rather than the mere mathematical matching of children of a certain skin pigmentation. . . . Many white and black parents are annoyed by the disruption of their neighborhood schools and incensed by the dreams of those who think children are merely numbers.

Mrs. Green who recently retired from Congress is a distinguished Democrat and educational expert. She is also an ardent integrationist who has long been in support of the Supreme Court decision of 20 years ago.

That decision recognized that separate but equal facilities are inherently unequal. Mr. President, the Supreme Court decision in Brown against Board of Education was a contribution to the tradition of removing barriers to self-advancement. But the courts made a decision at war with that tradition when they made the first decision that required busing as a means of achieving an arbitrary racial balance.

Forced busing only imposes new restrictions. It replaces one injustice against few with an injustice against all. Though it springs from the best of motives, it is a dangerous principle and, once applied, a dangerous precedent. For where is it to end? Shall our social planners next enforce quotas that will distribute our children proportionally by sex? Or by intelligence? I cannot support the continuation of such a principle or such a precedent. I cannot support the application of Government power in a way which categorizes people, hammering them into classifications from which there is no escape, even if it is done for the best of motives.

We find ourselves in this unenviable position, because the political branches of Government, for too long, delayed taking the steps necessary to end segregation. By our delay, the judiciary felt compelled to act on its own. The Court has been rightly criticized, of late, for assuming the legislative function in this manner. But criticism alone does not solve the problem.

It is time the Congress took meaningful action to end this problem once and for all.

It is time the busing issue be laid to rest. This issue has tortured Americans long enough. Congress continues to back and fill and never seems to come up with any effective solution. Other issues become involved. Funds for important programs are stalled. We must finally act if we are to protect the concept of the neighborhood school, promote the development of quality education, and insure the best education we can provide for our children. To do otherwise is to shirk our responsibility to the American people.

It is to put this issue to rest that I am introducing a joint resolution providing for a constitutional amendment to prevent the forced busing of schoolchildren. Since a constitutional amendment takes time I am also introducing an additional bill which will limit Federal funds for busing to those cases where parents of children involved, not school officials, make an express written and voluntary request for or consent to such busing.

I urge my colleagues to join me in assuring that these bills are passed and that the problem of forced busing is solved. Once we have set to rest the concerns of parents about this troublesome and divisive issue we can get on with the very necessary job of providing quality education for all of our children.

I ask unanimous consent that the bill and joint resolution be printed at this point in the RECORD.

There being no objection, the bill and joint resolution were ordered to be printed in the RECORD, as follows:

S. 634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Neighborhood School Act."

SECTION 2. (a) No funds shall be authorized, nor any funds used or withheld by any official or court of the United States, to require or encourage the transportation of any public school pupil to any school because of his or her race, color, national origin, creed, or sex, except in cases involving a child whose parents have made an express, written, voluntary request for, or have given their written, voluntary consent to such transportation.

(b) No funds shall be authorized, nor any funds used or withheld by any official or court of the United States, to require or encourage the assignment of teachers to any particular public school, except in cases involving teachers who have made an express, written, voluntary request for, or have given their written, voluntary consent to such assignment.

S.J. RES. 29

Resolved by the Senate and House of Representatives of the United States of America

in Congress assembled, Proposing an amendment to the Constitution of the United States to guarantee the human rights of pupils attending public schools.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date and final passage of this joint resolution:

"Article—

"SECTION 1. No public school pupil shall be transported to a particular school because of his or her race, color, national origin, creed, or sex.

"SEC. 2. Congress shall have the power to enforce this article by appropriate legislation."

By Mr. PERCY:

S. 635. A bill to establish an automobile efficiency tax incentive program, and for other purposes. Referred to the Committee on Finance.

S. 636. A bill to terminate the Highway Trust Fund. Referred to the Committee on Finance.

S. 637. A bill to amend the Internal Revenue Code of 1954 to repeal the tax deduction for State and local gasoline taxes. Referred to the Committee on Finance.

S. 638. A bill to amend the Internal Revenue Code of 1954 to increase Federal excise taxes on gasoline, tobacco, and alcohol, and to provide a credit against tax for the increased gasoline tax paid. Referred to the Committee on Finance.

S. 639. A bill to amend the Internal Revenue Code of 1954 to provide income tax relief for small businesses. Referred to the Committee on Finance.

S. 640. A bill to amend the Internal Revenue Code of 1954, to require the dyeing of heating fuel oil. Referred to the Committee on Finance.

SENATOR PERCY'S COMPREHENSIVE ALTERNATIVE TO THE PRESIDENT'S ECONOMY AND ENERGY PROPOSALS

Mr. PERCY. Mr. President, the President's budget and the economic report have hit like a bombshell. As the President promised in his economic message to the Congress earlier in January, his budget, while expansive, is at the same time a very stringent one. In spite of the fact that no new spending programs are proposed, and that health insurance and welfare reform are postponed, the projected deficit of $52 billion, coupled with assumed unemployment rates over 7 percent for several years, comes as a shock and a surprise. The implications of this budget, and of economic projections for the years ahead are extremely sobering. In striking a balance between the goals of recession and inflation, neither seems to be "cured."

However, the President's fiscal 1976 budget does provide a necessary stimulus to economic activity and it implements the bold energy plan he outlined to the Congress earlier. President Ford is to be commended for his leadership in presenting a concrete proposal. While it demands sacrifices of the American people and changes of entrenched attitudes toward consumption of energy, the President's program does, at last, provide the basis for cutting back sharply on domestic consumption, ending the balance of payments drain that our energy purchases have created, and giving us a stronger bargaining position versus the oil exporting countries.

The need for energy conservation must be dealt with firmly and swiftly. The President has called upon Congress to enact his proposals, or comprehensive alternatives to it. For this reason, I have opposed delay in implementing a major element of the President's plan—the import fee on oil. However, as I indicated to the President himself at a meeting in the Cabinet room last week, I believe we should use the period before the full application of the oil import fee in April, to study intensively other alternatives.

Therefore, I am today proposing my own comprehensive alternative to the President's energy program. It embraces many of the President's proposals that I support, and substitutes my own for those with which I disagree.

The theory behind the President's energy program, announced in his state of the Union address, rests on the fundamental presumption that the world oil price rise of 1973–74 was too sudden and too drastic for the world economy to absorb, and that therefore the world price of oil must come down, or at least not be permitted to rise further.

In the next few years major new oil supplies for the United States and the rest of the developed world can only come from the Middle East, and increased reliance on that source would only exacerbate the present tensions over price. Alternative sources of energy will not be available in significant quantities until the 1980's. Thus the only bargaining chip we have in negotiating for a price reduction or stabilization with the Organization of Petroleum Exporting Countries—OPEC—is energy conservation. But this can be a powerful chip.

Regardless of the outcome of our negotiations with OPEC, energy conservation will have a clear positive payoff for the energy-consuming nations. If the price comes down, world monetary strains will be eased. If imports are reduced, trade balances and balances of payments will improve. If the OPEC cartel is weakened, the price of oil will become less arbitrary and more responsive to the market. If energy growth rates are reduced, our resources will last longer and our environment will improve.

This is a sound and workable theory based on energy conservation, and I subscribe to it. Because the United States uses far more energy per capita than any other industrial nation, our contribution to the conservation effort must be proportionately greater. We in the United States should reduce our consumption of oil by 1 million barrels per day or more in 1975 and strive to permanently reduce our overall energy growth rate from 4 percent to 2 percent annually.

The President is right in concluding that mandatory energy conservation programs are now needed to supplement the still vital voluntary programs of the past year. In the months following the Arab embargo last year, voluntary efforts to conserve resulted in only about a 2-percent reduction in U.S. oil consumption, compared with the same period in 1973. Over the long term, voluntarism is ineffective and inequitable because the sacrifice is shared only by those who volunteer.

The President is also right in rejecting gasoline rationing as a solution to our dependence on imported oil. Gas rationing is really a supply restraint rather than a demand restraint mechanism, and thus it would not effect a permanent change in our energy consumption habits.

Rationing would lead inevitably to cheating and demands for exemptions, even if a "white market" coupon system were instituted to make additional fuel available at a higher price. Gas rationing would be inequitable because those who live closest to work and thus contribute the most to conservation would be entitled to the least gasoline, while those who conserve the least would require the most fuel. General administrative rules governing the distribution of gasoline among consumers could never take into account all the special individual circumstances and these, too, would lead to inequities.

There are many components of the President's energy package which conform to the conservation theory and should be supported. For example, the President has asked Congress to provide a tax credit for homeowners who insulate their homes or install storm windows, and to provide direct grants to low-income families and elderly persons who insulate their dwellings. Another program would set mandatory standards for heat efficiency in new homes and commercial buildings. Appliances would be required to use 20 percent less energy by 1980 and to be labeled according to their energy efficiency.

All these mandatory energy conservation measures which the President has proposed should be enacted promptly into law. Congress has already provided by law that the uniform national speed limit of 55 miles per hour, which helped to save about 10,000 lives and 50 million barrels of fuel last year, must be adequately enforced or States could lose their Federal aid to highways.

On the supply side, Congress should also support the President's proposal to explore and develop Naval Petroleum Reserve No. 4 in Alaska. Elk Hills Reserve in California, the only immediately available source of new domestic energy supply, should now be opened for development as the President recommended.

Other parts of the President's program need to be strengthened. For example, the President obtained commitments from automobile manufacturers voluntarily to increase the average fuel efficiency of new cars to 19.6 miles per gallon by 1980, but this commitment was in exchange for a 5-year delay in achieving the exhaust emission standards already required by law. I am deeply disappointed at this. The Federal Government's own studies conclude that the same improvement in fuel efficiency can be achieved by 1980 with current technology and without any impairment of air quality standards.

Instead of trading mandatory pollution requirements for a voluntary commitment to better fuel efficiency, we need a much stronger incentive program. Purchasers of new cars which deliver 15 miles per gallon or less should pay a stiff sliding-scale tax based on the car's fuel efficiency. Conversely, buyers of new cars that deliver better than 17 miles per gallon should receive a cash payment from the Federal Treasury financed from the tax. The standard for fuel economy in new cars should be increased 1 mile per gallon every year until it reaches 24 miles per gallon in 1980. This would be a further incentive for the manufacturers to design and produce more efficient American cars.

The heart of the President's economic and energy program, however, is the system of revenue increases and tax relief. These tax changes attempt to solve several problems at once by transferring income from one segment of the economy to another. The amounts of dollars transferred are staggering and the system is complex. Trying to predict accurately the total impact of this program on the economy will occupy economists for months to come.

In considering the President's proposals, the Congress must try to assess the impact on consumers of the energy taxes and price increases and their corresponding tax cuts. The President's plan calls for the following new energy taxes and deregulation of prices:

First. An import fee on foreign crude oil and refined petroleum products ultimately stabilizing at $2 per barrel. This would raise the price of imported crude oil from about $11 to about $13 a barrel.

Second. Removal of price controls from "old" domestic crude oil and an excise tax of $2 per barrel on all domestic crude oil. This would have the effect of raising the average price of domestic oil from about $8 a barrel to about $13 a barrel. This means that the average price of American oil will rise as much—about $5 a barrel—through deliberate action by our own Government as it did in 1973–74 through deliberate action by OPEC.

Third. Elimination of regulated prices on "new" natural gas and an excise tax on all natural gas of 37 cents per thousand cubic feet. This will have the effect in the first year of increasing the price of new natural gas contracts in interstate markets from about 45 cents to at least $1.37 per thousand cubic feet to equal the current average intrastate rate plus the excise tax.

Fourth. A tax on all domestic crude oil to capture the windfall profits resulting from price decontrol. The tax would initially take 88 percent of the windfall profits on crude oil and would phase out over several years.

The President anticipates that the import fees and excise taxes will bring in $18 billion and the windfall profits tax will capture another $12 billion in the first year.

The President's program thus relies heavily on an enormous price increase to achieve the energy conservation goals of the United States. The assumptions are that demand for oil and gas will be cut markedly by these price increases and that the burden of sacrifice will be shared equitably throughout the economy.

In order for these assumptions to work, a further assumption must be made—that demand for all petroleum products is equally elastic. We know that this is not the case. Demand for heating oil and petrochemical feedstocks, for example, is much more stable, and thus less dependent on price, than demand for gasoline. But a tax on crude oil would likely drive up the price of all refined products.

In the absence of Government controls or incentives, refiners would be expected to pass on their tax burdens more heavily to consumers of the products with the lease elastic demand; namely, heating oil and petrochemical feedstocks. This is only good business sense.

The effect would be that gasoline consumers, who could contribute the most to conservation by eliminating nonessential driving, would sacrifice the least. Conversely, homeowners and renters of homes heated with oil and gas would sacrifice the most.

There is a limit to the amount of energy that can be conserved in a home in winter. Once the thermostat is turned down and the dwelling is insulated, then higher prices just translate into being cold. For low-income persons, unbearably high heating bills can mean freezing to death.

To counter the effect of fuel taxes being passed on to the customers least able to pay, the administration has established a system of regulations and incentives for refiners to encourage higher price increases for gasoline than for other products. The President's advisers have expressed the hope that retail gasoline prices will increase by about 15 cents a gallon, and other products, about 10 cents a gallon.

It is reasonable to ask: If the real purpose of the President's tax program is to raise gasoline prices, why not simply tax gasoline at the pump? This would prevent the highly inflationary effects of a $5-per-barrel increase in average crude oil prices spreading throughout the economy. It would avoid the added bureaucratic tangle of applying incentives to refiners. Most importantly, it would concentrate on cutting consumption of the product most susceptible to conservation; namely, gasoline.

In place of the complex series of import fees, excise taxes, decontrolled prices and windfall profits taxes, the Congress should enact a retail sales tax on gasoline of 20 cents per gallon the first year and 30 cents per gallon in subsequent years. So that the tax will not be recessionary, the equivalent of the tax on the first 450 gallons purchased the first year and the first 400 gallons purchased each subsequent year should be rebated to individuals as an income tax credit, or as a cash refund for those who do not pay Federal income taxes. Four hundred gallons is the amount consumed by a car traveling 8,000 miles and delivering 20 miles per gallon.

A gasoline tax would generate sufficient revenues to permit flexibility for applying either fiscal stimulus or restraint. If the tax on the first 450 gallons is rebated to each individual the first year, a 20-cent-a-gallon gas tax would still produce over $6 billion in revenues. In future years, a 30-cent-a-gallon gas tax would produce over $10 billion above the rebated amount.

Under the President's program, the import fees, excise taxes, and windfall profits taxes imposed on producers will tend to multiply as they are spread through the economy. Consumers will pay higher direct fuel prices for gasoline, heating oil, diesel oil, and natural gas. Consumers will also pay higher indirect fuel costs for air travel, train travel, electricity, and petrochemical products, as well as higher product prices due to increased fuel costs paid by industrial and commercial users.

A study conducted by the Library of Congress concludes that this ripple or multiplier effect could result in total costs to consumers of up to $50 billion this year, $20 billion more than the administration's estimate. The Library of Congress also believes that the direct fuel costs alone will add 3 percent to the inflation rate, and that indirect costs could possibly add another 2 percent to inflation.

The Federal Energy Administration has conceded that its original estimate of $250 per year in additional costs to the average family was too low. They now estimate that combined direct and indirect fuel costs will add at least $275 to the average family's annual expenses, and could add up to $345. Other estimates have ranged up to $1,000 per family.

A simple rebatable gasoline tax would, I believe, conserve as much fuel as the President's plan, cost consumers less and avoid both the immediate inflationary and potential recessionary effects of the President's program. The rebatable gas tax I have proposed would cost the average family about $160 the first year and $210 in subsequent years in increased fuel costs, and more than half of those amounts would be rebated directly.

Although I disagree with his crude oil tax approach, the President cannot be faulted for proposing a bold and comprehensive program to attack the triple-headed monster facing our economy—inflation, recession, and energy dependence. The Congress has not lived up to its obligation to develop an equally comprehensive alternative program of its own.

Until the Congress enacts a gasoline tax or some other serious alternative energy conservation proposal, I shall oppose any effort to delay the implementation of the President's proposed import fee. A vote for delay is a vote for inaction and for continued dependence on high-priced foreign oil. The time for rhetoric about energy conservation is past. The time for action is now.

Another part of my alternative energy conservation package is abolition of the highway trust fund, which every year earmarks billions of dollars of Federal

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gas tax revenue primarily for highway construction, whether the highways are needed or not.

The highway trust fund has outlived its usefulness. It has discouraged the development of other modes of transportation which are far more energy-efficient than cars. This money should be channeled into general revenues where it could be used to help finance various types of transportation or other national needs.

In addition to the energy conservation tax measures I outlined above, the program I am presenting today includes several proposals to achieve greater equity in our tax system and lay the basis for long-term economic growth.

I agree with President Ford that a temporary economic stimulus of $12 billion is called for at this time, but Congress must insure that the money we rebate is actually poured back into the spending stream, not just tucked away, by giving the bulk of the rebates to low-income groups who need it to combat inflation.

I strongly support the President's proposal to enact a permanent reduction in tax rates, particularly for low-income individuals, and to increase the standard deduction. This $16.5 billion in tax relief will help mitigate the effect inflation has had on real wages in recent years.

I also favor increasing the business investment tax credit for all industires to 12 percent for a 1-year period and then setting it at 10 percent permanently. Capital investment is vital to our real long-term growth.

Small businesses have been particularly hard hit by inflation and are generally less able to take advantage of the investment tax credit. Under existing law corporations pay a 22-percent tax on the first $25,000 of income and a 48-percent tax on income in excess of $25,000. I propose this base to $100,000.

The revenue-raising measures in my package will make our tax laws more equitable and raise the necessary revenue to fund these tax relief proposals.

First, I am introducing legislation to increase the Federal tax on alcohol by 50 percent and on tobacco by 100 percent. These luxury taxes have not been increased for 23 years and would raise an estimated $5.8 billion.

Second, tax reforms are necessary in the area of energy production and use. The following measures, which will raise over $5 billion a year in revenues when fully effective, should be adopted immediately:

Repeal the Federal income tax deduction for State and local gasoline taxes.

Limit the credit against U.S. taxes for taxes paid to foreign countries on oil production income.

Repeal the domestic depletion allowance this year, with longer phaseout provisions for independent producers and stripper wells.

Repeal the foreign depletion allowance.

Require foreign oil and gas extraction income to be figured on a country-by-country basis and prohibit the use of excess tax credits on that income to be used to offset taxes due on other types of income in the same counrty or to offset taxes in other countries.

Dye heating fuel oil to deter tax fraud in its use as a diesel fuel.

Nonenergy related tax reforms in my proposal include repealing the special tax advantages allowed Western Hemisphere trading companies and increasing the effectiveness of the minimum tax by including additional items of preference income and raising the applicable tax rate. These two reforms would increase Federal revenues by nearly $1 billion per year.

As shown on the chart below, this program will pay for itself. The revenue-disbursing measures are funded by the revenue-raising measures. I believe this is a must for any comprehensive program. In our efforts to fight recession, we must not form the basis for ever-increasing budget deficits in the future.

In conclusion, I oppose any effort to delay the implementation of the President's program of import taxes without a consistent proposal to replace it. That is why I am offering my own alternative today. The keystone of a correct economy-energy program is in my view a gasoline tax. It will have an immediate impact on consumption, and can be administered in order to have a selective, quantifiable, controllable effect on the economy and American families, and can be rebated through the tax system without unusual difficulty. However, until Congress sees fit to proceed with a comprehensive program to deal seriously with our economic and energy problems, I will not oppose implementation of the President's plan. It is far more important now to have a concrete plan of action than to delay and have none.

Mr. President, I ask unanimous consent that a chart showing the fiscal impact of my energy conservation and tax reform proposals, a summary of the bills I am introducing today and the texts of these bills be printed at this point in the RECORD:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 36 of the Internal Revenue Code of 1954 (relating to certain other excise taxes) is amended by inserting at the beginning thereof the following new subchapter:

SUBCHAPTER A—AUTOMOBILE FUEL CONSUMPTION TAX

"SEC. 4451. Imposition of tax.

"SEC. 4451. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is imposed on each new automobile sold to a final purchaser a tax in the amount determined under subsection (b). The tax imposed by this subsection shall be paid by the final purchaser.

"(b) AMOUNT OF TAX.—The amount of tax referred to in subsection (a) is determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The credit is:
Over 15	$0
Over 13 but not over 15	$200
Over 11 but not over 13	$420
Over 9 but not over 11	$680
Not over 9	$1,000

"(c) CREDIT AGAINST TAX.—There shall be allowed as a credit against the tax imposed by this subsection an amount determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The credit is:
Not over 17	$0
Over 17 but not over 19	$75
Over 19 but not over 21	$150
Over 21 but not over 23	$225
Over 23	$300

"(d) INCREASE IN TAX AND CREDIT.—

"(1) 1977–1978.—Effective January 1, 1977, each fuel consumption rate listed in the tables under subsections (b) and (c) shall be increased by 2 and, as increased, shall be the rate in effect for calendar years 1977 and 1978.

"(2) 1979–1980.—Effective January 1, 1979, each such rate shall be increased by 4 and, as increased, shall be the rate in effect for calendar years 1979 and 1980.

"(3) 1981–1982.—Effective January 1, 1981, each such rate shall be increased by 6 and, as increased, shall be the rate in effect for calendar years 1981 and 1982.

"(4) 1983 and thereafter.—Effective January 1, 1983, each such rate shall be increased by 8 and, as increased, shall be the rate in effect for calendar years after 1982.

"(e) COLLECTION OF TAX AND REFUNDS.—

"(1) COLLECTION.—Every person who receives payment for a new automobile on which a tax is imposed under this section shall collect the amount of the tax from the final purchaser making such payment.

"(2) REFUNDS.—Each persons who sells a new automobile to a final purchaser shall report to the Secretary or his delegate the amount of credit, if any, to which such purchaser is entitled under subsection (c).

"(f) DEFINITIONS.—For the purposes of this section—

"(1) FINAL PURCHASER.—The term 'final purchaser' means the first person who in good faith purchases a new automobile for purposes other than resale.

"(2) FUEL CONSUMPTION RATE.—The term 'fuel consumption rate' means the fuel consumption rate determined on the basis of the Automobile Fuel Consumption Schedule prepared by the Administrator of the Environmental Protection Agency.

"(3) NEW AUTOMOBILE.—The term 'new automobile' means an internal combustion engine vehicle, other than a truck or bus, which is a highway motor vehicle as defined in section 4482(a)."

SEC. 2. AUTOMOBILE FUEL CONSUMPTION SCHEDULE.

(a) STUDIES.—The Administrator of the Environmental Protection Agency shall, from time to time, study the fuel consumption rates of automobiles which are subject to the tax imposed by section 4451 of the Internal Revenue Code of 1954 (relating to automobile fuel consumption tax).

(b) CAITERIA.—The studies conducted under subsection (a) shall include tests—

(1) of each automobile model subject to such tax equipped—

(A) with each available engine size (measured by horsepower);

(B) with standard accessories; and

(C) with standard tires;

(2) which shall be conducted—

(A) under driving conditions representative of average urban and highway driving speeds and circumstances,

(B) with the fuel used being of the quality normally recommended for use in such automobile, and

(C) with such automobile carrying the average weight load recommended for such automobile.

(c) REPORTS.—Based upon the studies conducted under subsection (b), the Administrator shall determine the fuel consumption rate of each automobile with each available engine size, standard accessories, and standard tires. The Administrator shall, not later than January 1, 1976, and by January 1 of each year thereafter, report to the Secretary of the Treasury a schedule of all such rates to be known as the Automobile Fuel Consumption Schedule. The Automobile Fuel Consumption Schedule shall be published in the Federal Register each year.

(d) Until the first Automobile Fuel Consumption Schedule is reported to the Secretary of the Treasury under subsection (c), the fuel consumption rate shall be determined for purposes of section 4451 of the Internal Revenue Code of 1954 by reference to the harmonic mean between the urban and highway test cycles as reported by the Environmental Protection Agency under the 1975 Federal Test Procedure.

SEC. 3. TECHNICAL AMENDMENTS.

(a) ASSESSMENT AUTHORITY.—Section 6201 (a) of the Internal Revenue Code of 1954 (relating to assessment authority) is amended by adding at the end thereof the following new paragraph:

"(5) ERRONEOUS CREDIT UNDER SECTION 4451.—If on any claim for a refund of excise taxes under chapter 36 there is an overstatement of the credit allowable by section 4451 (relating to automobile fuel consumption tax), the amount so overstated which is allowed as a refund may be assessed by the Secretary or his delegate in the same manner as in the case of a mathematical error."

(b) REFUNDS.—Section 6401 of the Internal Revenue Code of 1954 (relating to amounts treated as overpayments) is amended by—

(1) redesignating subsection (c) as subsection (d), and

(2) inserting after subsection (b) the following new subsection:

"(c) EXCESS CREDIT UNDER SECTION 4451.—If the amount allowable as a credit under section 4451 (relating to automobile fuel consumption tax) exceeds the tax imposed by chapter 36 of subtitle D of chapter 1, the amount of such excess shall be considered an overpayment."

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 36 of the Internal Revenue Code of 1954 is amended by inserting at the beginning thereof the following new item: "Subchapter A. Automobile fuel consumption tax."

SEC. 4. LABELING.

Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by inserting "(a)" after "Sec. 3" and by adding at the end thereof the following:

"(b) Every label required to be affixed under subsection (a) shall include, in the case of any automobile on which a tax was imposed or a credit allowed by section 4451 of the Internal Revenue Code of 1954 (relating to automobile fuel consumption taxes)—

"(1) the fuel consumption rate determined to be applicable for such automobile, and

"(2) the tax paid or credit allowed under such section 4451."

S. 636

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective on and after July 1, 1975—

(1) the Highway Trust Fund is terminated and the amount in such Fund, including any obligations held in such fund, shall be covered into the general fund of the Treasury;

(2) any outstanding appropriations from, or obligations of, such Trust Fund shall be made from such general fund;

(3) any authorizations for appropriations to be made from such Trust Fund shall be considered to be authorizations for appropriations from such general fund; and

(4) section 209 of the Highway Revenue Act of 1956 is repealed.

S. 637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective after December 31, 1974 (1) section 184 (a) of the Internal Revenue Code of 1954 as amended (relating to deduction of taxes not related to a trade or business) is amended by striking out paragraph (5) (relating to taxes on gasoline and other motor fuels);

(2) section 164(b)(5) (relating to separately stated taxes) is amended by striking out "or of any tax on the sale of gasoline, diesel fuel, or other motor fuel."

S. 638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Revenue Act of 1975".

SEC. 2. (a) Subpart A of part III of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to manufacturer's excise taxes) is amended by redesignating section 4084 as 4085, and by inserting after section 4083 the following:

"SEC. 4084. ADDITIONAL TAX.

"There is imposed on gasoline sold by the producer or importer thereof, a tax of—

"(1) 20 cents a gallon with respect to gasoline sold before January 1, 1976, and

"(2) 30 cents a gallon with respect to gasoline sold after December 31, 1975.".

(b)(1) Section 4082(d) of the Internal Revenue Code of 1954 (relating to definition of wholesale distributor) is amended by inserting "or section 4084" after "section 4081" where it appears in paragraph (2).

(2) Section 4083 of such Code (relating to exemption of sales to producer) is amended by inserting "or section 4084" after "section 4081".

(3) Section 4101 of such Code (relating to registration) is amended by striking out "section 4081 or section 4091" and inserting in lieu thereof "section 4081, section 4084, or section 4091".

(4) Section 4221(d)(6)(C) is amended by inserting "or section 4084" after "section 4081".

(5) Section 4226(a) of such Code (relating to floor stocks taxes) is amended by adding at the end thereof the following new paragraphs:

"(8) 1975 tax on gasoline.—On gasoline subject to tax under section 4084 which on the date occurring 15 days after the date of enactment of the Revenue Act of 1975, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 20 cents a gallon. The tax imposed by this paragraph shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.

"(9) 1976 tax on gasoline.—On gasoline subject to tax under section 4084 which, on January 1, 1976, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 30 cents a gallon. The tax imposed by this paragraph shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.".

(6) Section 6421(b)(1) of such Code (relation to allowance for local transit systems) is amended by inserting after "(A)" the following: "one-half of the tax paid under section 4084 for each gallon of gasoline so used on which tax was paid under such section and".

(c) The table of sections for such subpart A is amended by striking out the item relating to section 4084 and inserting in lieu thereof the following:

"Sec. 4084. Additional tax.
"Sec. 4085. Cross references.".

(d) The amendments made by this section apply to gasoline sold on or after the 15th day after the date of enactment of this Act.

SEC. 3. (a) Section 5001(a) of the Internal Revenue Code of 1954 (relating to imposition and rate of tax on distilled spirits) is amended by striking out "$10.50" and inserting in lieu thereof "$15.75".

(b) Section 5021 of such Code (relating to imposition and rate of tax on distilled spirits and wines) is amended by striking out "30 cents" and inserting in lieu thereof "45 cents".

(c) Section 5022 of such Code (relating to tax on cordials and liqueurs containing wine) is amended by striking out "$1.92" and inserting in lieu thereof "$2.88".

(d) Section 5023 of such Code (relating to tax on blending of beverage brandys) is amended by striking out "30 cents" and inserting in lieu thereof "45 cents".

(e) Section 5041(b) of such Code (relating to rates of tax on wines) is amended by—

(1) striking out "17 cents" in paragraph (1) and inserting in lieu thereof "26 cents",

(2) striking out "67 cents" in paragraph (2) and inserting in lieu thereof "$1.01",

(3) striking out "$2.25" in paragraph (3) and inserting in lieu thereof "$3.38",

(4) striking out "$3.40" in paragraph (4) and inserting in lieu thereof "$5.10", and

(5) striking out "$2.40" in paragraph (5) and inserting in lieu thereof "$3.60".

(f) Section 5051(a) of such Code (relating to rate of tax on beer), is amended by striking out "$9.00" and inserting in lieu thereof "$13.50".

(g) The amendments made by this section take effect 15 days after the date of enactment of this Act.

SEC. 4. (a) Section 5701 (a) of the Internal Revenue Code of 1954 (relating to rate of tax on cigars) is amended by—

(1) striking out "75 cents" in paragraph (1) and inserting in lieu thereof "$1.50",

(2) striking out "$2.50" in paragraph (2) (A) and inserting in lieu thereof "$5.00",

(3) striking out "$3.00" in paragraph (2) (B) and inserting in lieu thereof "$6.00",

(4) striking out "$4.00" in paragraph (2) (C) and inserting in lieu thereof "$8.00",

(5) striking out "$7.00" in paragraph (2) (D) and inserting in lieu thereof "$14.00",

(6) striking out "$10.00" in paragraph (2) (E) and inserting in lieu thereof "$20.00",

(7) striking out "$15.00" in paragraph (2) (F) and inserting in lieu thereof "$30.00", and

(8) striking out "$20.00" in paragraph (2) (G) and inserting in lieu thereof "$40.00".

(b) Section 5701 (b) of such Code (relating to tax on cigarettes) is amended by—

(1) striking out "$4.00" in paragraph (1) and inserting in lieu thereof "$8.00", and

(2) striking out "$8.40" in paragraph (2) and inserting in lieu thereof "$16.80".

(c) Section 5701 (c) of such Code (relating to tax on cigarette papers) is amended by striking out "½ cent" and inserting in lieu thereof "1 cent".

(d) Section 5701 (d) of such Code (relating to tax on cigarette tubes) is amended by striking out "1 cent" and inserting in lieu thereof "2 cents".

(e) The amendments made by this section take effect 15 days after the date of enactment of this Act.

SEC. 5. (a)(1)(A) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credit allowable) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"SEC. 42. EXCISE TAX ON GASOLINE.

"(a) IN GENERAL.—There is allowed as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 20 cents multiplied by the number of gallons of gasoline purchased by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) AMOUNT.—The credit allowed by subsection (a) for any taxable year shall not exceed $90 ($180 in the case of a joint return under section 6013).

"(2) APPLICATION WITH OTHER CREDITS AND DEDUCTIONS.—In determining the number of gallons of gasoline purchased by the taxpayer during the taxable year, any gasoline purchased with respect to which a credit or a deduction is claimed under this chapter for the taxable year shall be disregarded.".

(B) The amendments made by this paragraph apply to taxable years beginning after December 31, 1974, with respect to amount paid or incurred after such date.

(2)(A) Section 42 of such Code (as added by subsection (a) of this section) is amended—

(i) by striking out "20 cents" in subsection (a) and inserting in lieu thereof "30 cents", and

(ii) by striking out paragraph (1) of subsection (b) and inserting in lieu thereof the following:

(1) AMOUNT.—The credit allowed by subsection (a) for any taxable year shall not exceed $120 ($240 in the case of a joint return of tax under section 6013).".

(B) The amendments made by this paragraph apply to taxable years beginning after December 31, 1975, with respect to amounts paid or incurred after such date.

(3) The table of sections of such subpart A is amended by striking out the item relating to section 42 and inserting in lieu thereof the following:

"Sec. 42. Excise tax on gasoline.
"Sec. 43. Overpayments of tax."

(b) Section 6401(b) of such Code (relating to excessive credits) is amended by—

(A) inserting after "(lubricating oil)" the following: ", 42 (relating to tax credit for excise tax on gasoline),"; and

(B) striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39, and 42".

(3) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(A) inserting "OR 42" after "Section 39" in the caption of such section;

(B) striking out "oil)," and inserting in lieu thereof "oil) or section 42 (relating to excise tax on gasoline),".

S. 639

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective after December 31, 1974:

(1) section 11(d) of the Internal Revenue Code of 1954 as amended (relating to the corporate surtax exemption) is amended by striking out "$25,000" and inserting in lieu thereof "$100,000".

S. 640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act may be cited as the Dye Marking Act.

SEC. 101. DEFINITIONS.

For purposes of this Act

(1) the term "number 1 fuel oil" means any distillate oil which meets the following distillation requirements (established by the American Society of Testing Materials under test numbered D–86): the 10 percent point is equal to 420 degrees Fahrenheit maximum, and the 90 percent point is equal to 550 degrees Fahrenheit maximum;

(2) the term "number 2 fuel oil" means any any distillate oil which meets the following distillation requirements (established by the American Society of Testing Materials under test numbered D–86): the 10 percent point is equal to 440 degrees Fahrenheit maximum, and the 90 percent point is equal to 610 degrees Fahrenheit maximum; and

(3) the term "Administrator" means the Administrator of the Federal Energy Administration.

SEC. 102. LIMITATION ON USE OF MARKED FUEL OIL.

(a) No person shall purchase or use any number 1 fuel oil or number 2 fuel oil which is marked in accordance with the provisions of subsection (b)(1) for the purpose of providing fuel, which makes it subject to tax under section 4041(a) of the Internal Revenue Code of 1954 (relating to imposition of tax on diesel fuel) for any diesel-powered highway vehicle.

(b)(1) Any person who sells or distributes number 1 fuel oil or number 2 fuel oil shall provide for the marking of such fuel oil in accordance with rules which the Administrator shall prescribe under this subsection, except that such fuel oil shall be marked if such fuel oil is to be used in a manner which makes it subject to tax under section 4041(a) of the Internal Revenue Code of 1954 (relating to imposition of tax on diesel fuel).

(2) The Administrator shall, before prescribing such rules, conduct and make available to the public a study to determine—

(A) the appropriate oil soluble dye to be used for the marking of such fuel oil, and the proportionate amounts of such dye to be used for such marking;

(B) the appropriate point or points in the petroleum distribution system at which such dye shall be added to such fuel oil in order to carry out the marking requirements of this section; and

(C) effective means and procedures through which the Administrator may oversee the marking of such fuel oil in accordance with the provisions of this section.

(3) The Administrator shall prescribe such rules no later than 180 days after the date of the enactment of this Act. Such rules shall, to the extent the Administrator considers practicable, take into account the findings and conclusions of the study which the Administrator conducts under paragraph (2).

SEC. 103. INSPECTION.

The Administrator or his delegate may enter during business hours the premises (including places of storage) of any person who sells or distributes number 1 fuel oil or number 2 fuel oil, and the Administrator or his delegate may have access to any motor vehicle owned or operated by any such person, for the purpose of conducting an inspection or examination to determine whether such person is in compliance with the provisions of this Act. The Administrator or his delegate may provide for the inspection of any other motor vehicle to insure the compliance with the provisions of this Act.

SEC. 104. PENALTY.

Any person who violates any provision of this Act shall be fined not more than $25,000 or imprisoned not more than 5 years, or both.

SEC. 105. EFFECTIVE DATE.

The provisions of this Act shall take effect on the date of the enactment.

PERCY ENERGY CONSERVATION AND TAX REFORM PROGRAM—FISCAL IMPACT

1975 CALENDAR YEAR

[Estimated in billions]

Revenue Raising Measures:	
Gasoline Tax of 20¢ a gallon	* $18.00
Luxury Taxes on Alcohol and Tobacco	5.80
Energy Related Tax Reforms	3.48
General Tax Reforms	.85
Total Revenue Raised	28.13
Revenue Disbursing Measures:	
Individual Gasoline Tax Rebate (450 gals.)	9.00
Increased Business Tax Deductions	2.70
Cut in Individual Rates	$16.50
Credit for Home Insulation	.50
Subtotal Revenue Disbursed	28.70
One Time Economic Stimulus (Ford Proposal):	
Individual Tax Cut of 12% geared to low income individuals	12.00
Raise Investment Tax Credit to 12%	4.00
Total Revenue Disbursed	44.70

1976 CALENDAR YEAR

Revenue Raising Measures:	
Gasoline Tax of 30c a gallon	*25.80
Luxury Taxes on Alcohol and Tobacco	5.80
Energy Related Tax Reforms	3.78
General Tax Reforms	.85
Total Revenue Raised	36.23
Revenue Disbursing Measures:	
Individual Gasoline Tax Rebate (400 gals.)	12.00
Increased Business Tax Deductions	3.87
Cut in Individual Rates	16.50
Credit for Home Insulation	.50
Raise Investment Tax to 10%	2.00
Raise Base for Small Business Tax Rate	2.50
Total Revenue Disbursed	37.37

*Presumes a cut in gasoline consumption of 10% (750,000 barrels a day) at 20¢ a gallon and of 14% (one million barrels a day) at 30¢.

1977 AND FUTURE CALENDAR YEARS

Package will be in fiscal balance as of calendar 1978, at which time revenues from phasing out the oil depletion allowance will be $417 million higher than in 1976 and the tax credit for home insulation will be terminated. By calendar 1980, the oil depletion allowance phase out will be raising another $1.1 billion above 1978 revenues.

SUMMARY OF BILLS INTRODUCED BY SENATOR PERCY

Rebatable gasoline tax

Provides for a new fuel conservation tax on gasoline with rebates to consumers for essential driving. The tax would be 20 cents a gallon in 1975 and would increase to 30 cents a gallon on January 1, 1976. Revenue raised would be paid into the general fund of the Treasury. An annual tax credit for essential driving would be provided on the first 450 gallons of gasoline purchased by an individual in the first year, and the first 400 gallons purchased in subsequent years. A driver could receive a tax credit of up to $90 in the first year (20 cents times up to 450 gallons used) and up to $120 in subsequent years (30 cents times up to 400 gallons). The credit is obtained by filing a Federal income tax return, whether or not a driver has any income tax liability.

Auto efficiency tax incentive program

Establishes an automobile efficiency tax incentive program by taxing new car purchases on the basis of gasoline mileage. Based on an initial fuel economy standard of between 15 and 17 miles-per-gallon, which is the average gas mileage range for 1975 model cars, a new car purchaser would be subject to a tax or payment depending on fuel efficiency. A purchaser of a new car that delivers more than 17 miles-per-gallon would receive a payment from the Federal Treasury on a sliding scale, up to $300 for a car that gives 23 miles-per-gallon or more. Conversely, a purchaser of a new car that delivers 15 miles-per-gallon or less would pay a tax that starts at $200 and increases in steps to a maximum of $1,000 on a car that delivers 9 miles per gallon or less. The scale for taxes and payments would increase by 2 miles-per-gallon every two years until 1983, when the standard for fuel economy would reach the range of 23 to 25 miles-per-gallon. This program would be a strong incentive for consumers to purchase and manufacturers to produce more fuel efficient cars.

Abolition of the highway trust fund

Abolishes the Highway Trust Fund and makes the billions of dollars collected annually from the Federal gas tax available to help finance various types of transportation or other national needs. A trust fund designed for highway construction is anachronistic in our present economic condition. It has discouraged the development of other modes of transportation which are far more energy-efficient than cars. The fund now has a balance of $8 billion, but work has either been completed or is underway on 99 percent of the nation's 42,500 mile Interstate Highway System.

Repeal of deductibility of State and local gas taxes

Repeals the Federal income tax deduction now allowed for state and local gasoline taxes, retroactive to January 1, 1975. This deduction is a Federal subsidy on gasoline sales. National policy now emphasizes fuel conservation. The subsidy works against that policy. Moreover, the income tax deduction for state and local gasoline taxes, like other deductions, benefits only those taxpayers whose incomes are high enough to warrant itemized deductions. Those taxpayers are the ones least in need of selective tax benefits. Also, this deduction deprives the Federal Treasury of about $600 million annually.

Increased luxury taxes

Increases tax on alcohol by 50% and increases tax on tobacco by 100%. These taxes, which have not been increased in over 20 years, are levied on the producer. The current tax on alcohol varies with alcoholic content: from 17¢ per gallon for spirits that are less than 14% alcohol by volume to $10.50 per gallon for spirits that are 50% alcohol by volume. The current tax on tobacco varies with type and size. The tax on small cigarettes is $4.00 per thousand, the tax on large cigarettes is $8.40 per thousand. The current tax on small cigars is 75¢ per thousand and the tax on large cigars is from $2.50 to $20.00 per thousand depending on retail price.

Reduce "small business" tax rate

Increases the base on which the normal corporate tax is levied from $25,000 to $100,000. Under current law, a tax of 22 percent is levied on the first $25,000 of corporate income and a tax of 48 percent is levied on all income above $25,000. Small businesses have been particularly hard hit by inflation and, because of the nature of their business, are generally less able to take advantage of increases in the investment tax credit. This measure will be of primary benefit to small corporations.

Dye heating fuel oil

Requires that number 1 and number 2 heating fuel oil be colored with an oil soluble dye to deter tax fraud. Under existing law, diesel fuel is taxed at the rate of 12¢ per gallon (4¢ federal and 8¢ state).

An extensive black market has developed in which untaxed heating oil is substituted for taxable diesel fuel. It has been estimated that up to $500 million in Federal revenues are lost every year because of this fraud. A similar program was instituted in Canada in 1973 and resulted in a 58.5% increase in revenues in the first year of operation.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 63

At the request of Mr. BEALL, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 63, a bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for certain income of condominium housing associations, homeowner associations, and cooperative housing corporations.

S. 275

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 275, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence.

S. 319 AND S. 320

At the request of Mr. TALMADGE, the Senator from Oregon (Mr. HATFIELD), and the Senator from Iowa (Mr. CULVER) were added as cosponsors of S. 319, a bill to provide a priority system for certain agricultural uses of natural gas; and S. 320, a bill to provide natural gas for essential agricultural purposes.

S. 445

At the request of Mr. HUGH SCOTT, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 445, a bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or reduction in the benefits the individuals or family has been receiving under certain Federal or federally assisted programs.

S. 472

At the request of Mr. JAVITS, the Senator from Nevada (Mr. CANNON) was added as a cosponsor to S. 472, the Full Employment and Job Development Act of 1975.

S. 489

At the request of Mr. ABOUREZK, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of the bill (S. 489) to amend the Clayton Act to preserve and promote competition among corporations in the production of oil, natural gas, coal, oil shale, uranium, geothermal steam, and solar energy.

S. 564

At the request of Mr. HUGH SCOTT, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 564, a bill to provide public financing of primary and general elections for the Senate and House of Representatives.

SENATE RESOLUTION 12

At the request of Mr. ROTH, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of Senate Resolution 12, amending the standing rules of the Senate providing for open meetings of conference committees.

SENATE RESOLUTION 20

At the request of Mr. KENNEDY, the Senator from South Dakota (Mr. ABOUREZK) and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of Senate Resolution 20, relating to the Vladivostok agreement and strategic arms control.

SENATE RESOLUTION 48

At the request of Mr. SPARKMAN, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of Senate Resolution 48 urging continuing efforts on behalf of the missing-in-action in Southeast Asia.

SENATE RESOLUTION 66—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Referred to the Committee on Rules and Administration.)

Mr. RANDOLPH (for Mr. JACKSON), from the Committee on Interior and Insular Affairs, reporting the following resolution:

S. RES. 66

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Interior and Insular Affairs, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (4) to consent to the assignment of personnel of other committees of the Senate to assist in carrying out the purposes of section 3 of this resolution. Travel and other expenses, other than salary, of any personnel from other committees assigned to the committee pursuant to this paragraph for the purposes of section 3 of this resolution may be paid under this resolution.

SEC. 2. The expenses of the committee under this resolution shall not exceed $817,000, of which amount (1) not to exceed $35,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SENATE RESOLUTION 67—A RESOLUTION CONCERNING THE SAFETY AND FREEDOM OF VALENTYN MOROZ, UKRAINIAN HISTORIAN

(Referred to the Committee on Foreign Relations.)

Mr. GRIFFIN (for Mr. TAFT (for himself, Mr. BEALL, Mr. BUCKLEY, Mr. HUMPHREY, Mr. MATHIAS, Mr. RIBICOFF, Mr. HUGH SCOTT, Mr. WEICKER, and Mr. WILLIAMS)) submitted the following resolution:

S. RES. 67

Whereas Valentyn Moroz, historian, writer, and spokesman for the cultural integrity of the Ukrainian people, is currently imprisoned in the Soviet Union on the charges of anti-Soviet agitation and propaganda; and

Whereas such charges are without basis as in his valiant attempts to preserve and defend the rights of the Ukrainian people and the culture of the Ukraine and to defend the principle of basic human rights, Valentyn Moroz has done no more than exercise rights granted him by the Constitution of the United Soviet Socialist Republics: Now, therefore, be it

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Resolved, That the Senate requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz, historian, writer, and spokesman for the cultural integrity of the Ukrainian people.

SEC. 2. The Secretary of the Senate shall transmit copies of this Resolution to the President and the Secretary of State.

Mr. GRIFFIN. Mr. President, on August 22, 1974, the distinguished Senator from Ohio (Mr. TAFT) introduced Senate Resolution 392, which requested the President to express the concern of our Government for the safety and freedom of Mr. Valentyn Moroz. It will be recalled that Mr. Moroz is a Ukrainian historian and writer who has been imprisoned in the Soviet Union on charges of anti-Soviet agitation and propaganda.

Although I have been, and continue to be, a strong supporter of the ideals of détente with the Soviet Union, I have been disturbed by reports concerning Mr. Moroz' treatment in prison. Last year I joined with the distinguished Senator from Ohio in cosponsoring Senate Resolution 392 but, unfortunately, the Congress adjourned without considering it.

Because he is unable to be here today, Senator TAFT has asked me to reintroduce his resolution. Accordingly, I do so on his behalf and on behalf of eight of our colleagues.

I ask unanimous consent that a statement prepared by Senator TAFT be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

STATEMENT OF SENATOR TAFT

Mr. President, as I noted during the last session when I introduced this resolution regarding the great Ukrainian writer and historian, Mr. Valentyn Moroz:

I have long supported the administration's policy of improving our relations with the Soviet Union. But I have also believed that we cannot, as a price for improved relations, be silent about Soviet abuses of basic human rights. The resolution I introduce now is concerned with such an abuse: The imprisonment of Mr. Valentyn Moroz.

Today, Mr. Moroz languishes in prison, serving a 14-year term for "anti-Soviet agitation and propaganda." He thus joins a distinguished group of Soviet writers and intellectuals who have felt the weight of Soviet oppression for their defense of basic human rights. The conditions of his imprisonment are such as to raise grave questions about his physical and mental well-being.

Mr. Moroz, a defender of human rights, is the most noted and uncompromising spokesman within the Soviet Union for the rights of the Ukrainian people and for the maintenance of the Ukrainian culture and national heritage. The Ukrainian culture and national history is independent of that of the Russian people. It is a long and distinguished history, and Ukrainian culture ranks among the great national world cultures. But the Ukrainians have always had to struggle against the politically dominant Russians for the maintenance of the Ukrainian tradition. Under the Soviet Government, the campaign to eradicate the Ukrainian national heritage—and the heritage of other national groups within the Soviet Union—has been prolonged and intense. It continues today. And no one has been more valiant in his efforts to oppose this unjust campaign than Valentyn Moroz.

I ask my colleagues to join me in expressing our humanitarian concern for Mr. Moroz, for the conditions of his imprisonment and for his freedom. In his attempts to defend the culture of the Ukraine, Mr. Moroz has done no more than exercise the basic human rights guaranteed to him by the Soviet constitution. There can be no justification for depriving him of his liberty for exercising these rights. I sincerely hope that the Senate will approve this resolution, and that President Ford will express our concern on this matter to the Soviet Government in the strongest possible terms.

Today, Mr. Moroz's situation remains uncertain. He has apparently ended the hunger strike he began to protest his terrible prison conditions, but we do not know if those conditions have materially improved. Accordingly, I believe it is once again appropriate to ask my colleagues to join me in expressing our concern for this gallant defender of human rights. I am pleased that my distinguished colleagues, Mr. Beall, Mr. Buckley, Mr. Griffin, Mr. Humphrey, Mr. Mathias, Mr. Ribicoff, Mr. Scott of Pennsylvania, Mr. Weicker, and Mr. Williams have joined as cosponsors of this resolution.

SENATE RESOLUTION 68—A RESOLUTION ESTABLISHING A PROCEDURE FOR REQUIRING AMENDMENTS TO BILLS AND RESOLUTIONS TO BE GERMANE

(Referred to the Committee on Rules and Administration.)

Mr. PASTORE (for himself, Mr. BENTSEN, Mr. BROCK, Mr. BROOKE, Mr. BURDICK, Mr. DOMENICI, Mr. PELL, Mr. RANDOLPH, and Mr. SYMINGTON) submitted the following resolution:

S. RES. 68

Resolved, That rule XVIII of the Standing Rules of the Senate is amended—

(1) by inserting after "QUESTION" in the caption a semicolon and the following: "GERMANENESS";

(2) by inserting "1." before "If"; and

(3) by adding at the end thereof the following new paragraph: "2. (a) At any time during the consideration of a bill or resolution it shall be in order to move that no amendment which is not germane or relevant to the subject matter of the bill or resolution, or to the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall thereafter be in order. Such a motion shall be highly privileged and shall be decided without debate.

"(b) If a motion made under subparagraph (a) is agreed to by an affirmative vote of two-thirds of the Senators present and voting, then an amendment thereafter proposed (except amendments proposed by the committee which reported such bill or resolution) which is not germane or relevant to the subject matter of such bill or resolution, or to the subject matter of an amendment proposed by the committee which reported such bill or resolution, shall not be in order. A motion to reconsider the vote by which such motion was so agreed to or was not so agreed to shall not be in order, and, if such motion was not so agreed to, it shall not be in order to make a second motion under subparagraph (a) with respect to such bill or resolution.

"(c) When a motion made under subparagraph (a) has been agreed to as provided in subparagraph (b) with respect to a bill or resolution, points of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may, prior to ruling on any such point of order, entertain such debate as he considers necessary in order to determine how he shall rule on such point of order. Appeals from the decision of the Presiding Officer on such points of order shall be decided without debate.

"(d) The provisions of this paragraph shall not apply to amendments subject to the rules of germaneness and relevancy contained in paragraph 4 of rule XVI and paragraph 2 of rule XXII."

Mr. PASTORE. Mr. President, 1 year ago the Senator from Texas and I submitted a resolution amending the standing rules of the Senate in an attempt to expedite the business of the Senate.

We were concerned that it has become the rule rather than the exception that our sessions run from January through December and yet our work still remains unfinished.

We decided that much of the trouble lies with the matter of germaneness. We have no intention of circumscribing in any way the right of debate, but we feel that nongermane floor amendments which, in many instances, take days and weeks to consider and yet are brushed aside in a matter of moments in conference could somehow be handled in a more judicious manner.

The purpose of this resolution is to make it possible to prohibit the introduction of nongermane amendments only and if two-thirds of those present and voting so decide. This motion would be nondebatable and nonrenewable whether decided one way or the other.

If the Senate, by two-thirds vote of those present and voting, decided that no nongermane amendments would be in order, thereafter no nongermane amendments could be offered for the remainder of the consideration of the pending business.

On the other hand, if such motion failed, then nongermane amendments would be in order for the remainder of the pending business.

Neither the Senator from Texas nor myself are wedded to this particular plan and we would hope that the Rules Committee, to which in all probability this resolution will be referred, will give this matter serious consideration.

If a better way is found to expedite the business of the Senate, the Senator from Texas and I will be only too glad to support it.

But there can be no question that our duties have become more complex, that our work has become more burdensome, especially in these troubled times, and some way has to be found which will make the legislation process more effective.

Mr. BENTSEN. Mr. President, I am pleased to join with the distinguished senior Senator from Rhode Island (Mr. PASTORE) as a joint sponsor of a Senate resolution which would establish a new Senate rule for germaneness of amendments.

The Senator from Rhode Island and I discussed this amendment during the closing weeks of the first session of the 93d Congress when nongermane amendments were often delaying the consideration of important legislative initiatives. The Senator from Rhode Island, as we all know, has been concerned with the question of germaneness for some time. The Senate rule of debate during the first 3 hours of legislative business bears his name and he has given the Senate consistent leadership on matters of procedure and debate.

I am honored, therefore, to jointly sponsor with the senior Senator from Rhode Island a Senate resolution which would allow the Senate to prohibit nongermane amendments by a two-thirds vote. The resolution would not restrict any Senator's right to debate a motion but would merely allow a two-thirds majority of the Senate to prohibit amendments that are not germane to the pending business.

Too often, Mr. President, we in the Senate find ourselves embroiled in issues to quote Shakespeare, "full of sound and fury and signifying nothing." We heatedly debate nongermane amendments delaying the Senate for days, and then find these amendments summarily dismissed in conference because of the rules and attitude of the other body concerning nongermane amendments. Perhaps there will be times when the Senate will want to debate a nongermane amendment simply to expose an issue or to stimulate interest in a particular problem, and this rule will not prevent those debates from taking place.

But when the overwhelming majority of Senators feels that an issue should be dealt with quickly—nongermane amendments could be prohibited and the pending business could be given the Senate's full, undivided attention.

The motion to restrict nongermane amendments could be offered at any time during the consideration of a bill. The motion would not be debatable and could not be offered more than once to a particular bill or resolution. If two-thirds of the Senate were to agree, then all amendments would have to be germane according to the decision of the Chair.

I believe this is a fair proposal but I would be happy to consider any other suggestions for dealing with this issue that Senators might have to offer. I hope that the Rules Committee will hold hearings on this proposal and that some device can be found that will speed up our consideration of important measures and make the legislative process more efficient.

SENATE RESOLUTION 69—A RESOLUTION DISAPPROVING THE PROPOSED DEFERRAL OF BUDGET AUTHORITY

(Referred to the Committee on Appropriations, the Committee on the Budget, and the Committee on Public Works.)

Mr. RANDOLPH (for himself, Mr. MUSKIE, Mr. BENTSEN, Mr. BURDICK, Mr. CANNON, Mr. GRAVEL, Mr. MAGNUSON, Mr. MONTOYA, Mr. MOSS, Mr. WILLIAMS, Mr. ROBERT C. BYRD, and Mr. CULVER) submitted the following resolution:

S. RES. 69

Resolved, That the Senate disapproves the proposed deferral of budget authority for Federal-aid highways, which deferral (D75–17) was set forth in a special message transmitted by the President to the Congress on September 20, 1974, under Section 1013 of the Impoundment Control Act of 1974.

Mr. RANDOLPH. Mr. President, while Americans debate the most effective means of reversing the economic recession, the Federal Government has at its disposal the ability to create thousands of jobs in a relatively short time.

Because our national economy continues to decline and demands urgent attention, I introduce today a resolution overruling the Presidential deferral of $10.7 billion in Federal-aid highway funds.

This is the second such resolution being submitted today. The other would revoke the impoundment of $5 billion for the construction of municipal waste treatment facilities.

Mr. President, throughout my public career I have seen the ability of public works construction to produce employment at the same time it produces useful public facilities. Improved highways are needed in all parts of the country and can be built with income-producing jobs.

The Federal Highway Administration has computed that each billion dollars invested in highways produced 151,040 jobs. These include jobs directly involved in roadbuilding, plus those with suppliers and in communities that are generated as a result of the construction. It is immediately apparent, therefore, what potential lies in the impounded funds.

I fully recognize that there are many unanswered questions concerning highway funding and the ability to put the money to work with a minimum of delay. The Committee on Public Works has scheduled a hearing for February 27 to review the budget request of the Federal Highway Administration for fiscal year 1976. This hearing is being conducted as part of our responsibility under the Congressional Budget Act. It is my intension to utilize the hearing also to consider the resolution I submit today and the issues it raises.

Mr. President, I believe, however, that there is sufficient information presently available to warrant proposing at this time the rejection of the Presidential deferral of Federal-aid highway funds.

In addition to the tangible benefits resulting from roadbuilding, our positive action on this resolution and the one freeing water pollution control funds would be the long-awaited sign to the American people that the Congress is moving to reverse the deterioration of the economy.

I have received information indicating that more than $2 billion in highway work could be placed under contract by the end of June, in addition to the $2.3 billion already programed for that period. This could create well over 300,000 jobs—or even more if the money is concentrated in projects that have a higher labor usage than the average.

With the release of additional highway money, there are many types of projects which can be started with little delay. I envision that such quick-start work could take place in areas such as road reconstruction, bridge work and safety improvements.

Part of the ability to accelerate the highway program lies in the fact that the roadbuilding industry is now operating at slightly less than 50 percent of its capacity. The shortages of materials that hampered construction programs a year ago have eased considerably so that there would be few delays for this reason.

The deferral message sent to the Congress by President Ford impounds a total of $10.7 billion. This amount includes all of the authorized highway money for fiscal year 1976, or about $6.4 billion. A substantial portion of this is programed for release on July 1 to finance the program during the next year. Of more concern to us now is the remaining $4.3 billion in impounded funds which were authorized for fiscal year 1975 and prior years. Passage of the resolution I introduce today would release all of this money, much of which could be placed to good use in the near future.

Mr. President, the distribution of impounded highway money is not uniform throughout the country. Some States which have been able to move ahead have relatively little in the total impoundment. Others, mainly those in which expensive Interstate projects have been delayed, have hundreds of millions of dollars charged to them. So that Members will know the situation for their States I have prepared a table showing a State-by-State breakdown of impounded highway money. This does not include funds apportioned for fiscal year 1976 or approximately $500 million in impounded funds that are not apportioned to the States on a formula basis. I ask unanimous consent that the table be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Alabama	$12,711,043.38
Alaska	2,210,709.23
Arizona	60,317,207.29
Arkansas	12,583,517.38
California	62,697,364.89
Colorado	41,666,729.04
Connecticut	204,207,162.32
Delaware	13,486,752.31
Florida	34,250,095.81
Georgia	55,964,961.00
Hawaii	92,457,909.98
Idaho	15,505,096.46
Illinois	309,502,604.73
Indiana	54,145,092.29
Iowa	53,857,094.65
Kansas	32,874,664.66
Kentucky	2,079,825.74
Louisiana	69,359,641.12
Maine	17,595,696.74
Maryland	284,058,324.15
Massachusetts	263,931,267.69
Michigan	79,999,916.71
Minnesota	68,287,604.61
Mississippi	29,443,730.13
Missouri	19,730,951.16
Montana	61,345,754.41
Nebraska	30,229,874.15
Nevada	1,760,275.06
New Hampshire	17,337,068.58
New Jersey	182,284,708.24
New Mexico	12,430,134.22
New York	499,725,227.35
North Carolina	59,425,918.16
North Dakota	20,492,853.93
Ohio	173,777,222.18
Oklahoma	28,599,176.18
Oregon	86,243,017.28
Pennsylvania	139,757,393.52
Rhode Island	47,918,102.12
South Carolina	10,734,959.97
South Dakota	20,473,284.43
Tennessee	43,406,804.47
Texas	79,048,123.29
Utah	39,701,717.05
Vermont	703,010.96
Virginia	19,802,397.74
Washington	63,887,005.76
West Virginia	28,049,056.24
Wisconsin	49,289,096.17

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Wyoming	$30,709,016.37
District of Columbia	197,943,257.10
Puerto Rico	19,188,421.29
Total	3,777,333,517.07

Mr. RANDOLPH. Mr. President, the Committee on Public Works will develop new highway legislation this year. In it we hope to chart the direction of the Federal-aid program in the years ahead. There is an immediate need, however, to stimulate our economy. The American people expect action from the Congress, and the adoption by the Senate of this resolution would be our affirmative response.

SENATE RESOLUTION 70—A RESOLUTION DISAPPROVING THE PROPOSED DEFERRAL OF BUDGET AUTHORITY

(Referred to the Committee on Appropriations, the Committee on the Budget, and the Committee on Public Works.)

Mr. MUSKIE (for himself, Mr. RANDOLPH, Mr. BURDICK, Mr. CANNON, Mr. GRAVEL, Mr. MAGNUSON, Mr. MONTOYA, Mr. MOSS, Mr. WILLIAMS, Mr. ROBERT C. BYRD, Mr. CULVER, and Mr. GARY W. HART) submitted the following resolution:

S. RES. 70

Resolved, That the Senate disapproves the proposed deferral of budget authority for Water Program Operations Construction Grants, which deferral (D75–9) was set forth in the special message transmitted by the President to the Congress on September 20, 1974, under Section 1013 of the Impoundment Control Act of 1974.

Mr. MUSKIE. Mr. President, in deferral No. D75–9, dated September 20, 1974, President Ford proposed to defer the obligation of $9 billion in clean water funds—a major part of the program to restore America's once beautiful lakes and streams.

The Congress authorized $18 billion for the fiscal years 1973–1975 under title II of the Water Pollution Control Act Amendments of 1972 to provide grants for the construction of municipal waste water treatment works. When we wrote the law in 1972, the cost of accomplishing this objective was estimated to be $25 billion. Current estimates of the minimum facilities needs are in excess of $60 billion. The Environmental Protection Agency is authorized by the act to allot the funds to the States in accordance with a formula based on the "needs" for such facilities. Grants are then made to muncipalities for the construction of the waste treatment facilities. The Federal share of these construction projects is set at 75 percent.

The Congress authorized $18 billion for the program in 1972. However, only $9 billion had been allocated for fiscal years 1973, 1974, 1975.

On January 24, 1975, the President authorized release of $4 billion of the total, leaving $5 billion in deferral status. This $5 billion could be putting Americans to work; $5 billion to give Americans the quality environment they have asked for; $5 billion to stimulate sagging construction industry; $5 billion for a meaningful, productve program.

This deferral should be immediately disapproved by the Senate; I am today introducing the necessary resolution and ask for early Senate action.

While this withholding of funds to fight inflation was occurring the economy started a downward turn. A recessionary cycle began. High unemployment has developed as a result of the downturn in our economy. Unemployment in December was 7.1 percent which means that nearly 6 million workers are currently out of work. A large part of this unemployment—1½ percent—is in the construction industry. This means that approximately 900,000 workers or 15 percent of construction employment is currently out of work. Mr. President, if the administration had not impounded these waste water treatment construction funds, many projects would be under way now which could be providing employment for construction workers.

Russell Train, Administrator of the Environmental Protection Agency, in recent testimony before the Environmental Pollution Subcommittee of the Senate Public Works Committee said,

> We estimate that the program provided over 40,000 on-site jobs and more than that number of off-site jobs last fiscal year (1974).

This figure represents jobs on only those projects which are actually under construction and is not nearly reflective of what the obligation of the entire $18 billion—$13 billion presently available for allotment and $5 billion currently deferred—could accomplish. It is estimated by the Bureau of Labor Statistics that each $1 billion of contract construction for waste treatment plants creates 22,000 on-site jobs. This, allotment and obligation of the $14 billion available would create 310,000 on-site new construction jobs and nearly double that number for off-site jobs and jobs in other industries.

Mr. President, almost a quarter of a million Americans could be employed in worthwhile jobs—jobs helping to meet an important national objective. Americans want clean water—they have amply demonstrated it in countless local elections throughout the last several years. They want meaningful employment—make-work jobs should only be the very last resort. Release of these impounded funds provides both opportunities.

The impact of impoundment was characterized in a recent GAO report which stated:

> The President's impoundment could seriously hamper achieving the goal of eliminating discharge of pollutants into navigable waters by 1985 once administrative and legislative requirements are met.

This deferral must therefore be disapproved for two reasons:

First. Delay in funding seriously hampers the national goal of elimination of discharge of pollutants into navigable waters by 1985 and,

Second. Job opportunities are unnecessarily curtailed in a period of rising unemployment.

While the Supreme Court considers the legality of Presidential impoundments, we must move now to release these funds under the authority of section 1013(b) of the Impoundment Control Act of 1974, if we are to effectively halt the current economic recession.

Some would argue that the obligational process is too slow for waste treatment construction programs to have any substantial effect on the unemployment situation. I do not believe this is necessarily correct. EPA has indicated in recent testimony that they are attempting to speed up the obligation process through administrative action such as the budget request for 172 new positions for construction grant administration, State certification of compliance with procedural requirements, and elimination of as much redtape as possible. Any increase in obligation rate will help the employment situation and that is what is needed at this time.

It has been argued that EPA can not spend the money any faster than they are—how will they know unless they try it? There certainly are countless worthy projects all across the country just waiting for Federal funding so they can begin. The States are constantly crying out for more Federal construction grant funds.

The President missed the point in his state of the Union message. There is not a thing in the budget that refers to the need to create jobs to deal with this 7 to 8 percent unemployment that the budget projects for the next 4 years, not a word.

The President should have said, "Look, we need to create some jobs. There is $9 billion of impounded funds for waste treatment plants, we are going to put that to work as fast as we can do it and I am going to release all of it."

If, as a practical matter, there is a limit to the pace at which it can be obligated, this will emerge. But the mere fact of announcing the release would have the effect of stimulating the construction industries, stimulating local governments across the country in order to appreciate their efforts. I believe it could have a very beneficial psychological impact upon the mood of the country.

This is a way to get people to do useful, lasting work. I have talked to municipal officials about public service employment. There are limits to that. There are limits beyond which you are only creating leaf-raking jobs, and at very high pay by comparison to the leaf-raking jobs of the depression of the 1930's. The public by and large would accept this $5 billion for sewage treatment plant construction. They would accept it enthusiastically.

The other day I was up in the town in which I was born. The business district is on an island in the middle of the river and as I went across the bridge onto the island, I was confronted by a big concrete breakwater—it had been built after the floods of the 1930's to protect the island. Written across the front of it, etched in the permanence of the concrete, was WPA 1936". Now there is a public works project, produced with public money, supporting public jobs, built in 1936—it still gives value to the citzens of my hometown. They see it every day. They understand it. They welcome it. They support that kind of spending. The kind of spending we are asking for today.

Mr. President, we have given the American people bad economic news for a long time; it is time we did something positive. The Senate must reject this deferral.

Mr. RANDOLPH. Mr. President, the Federal Water Pollution Control Act Amendments of 1972 committed this country to an ambitious program to end the contamination of our waters. That measure authorized the obligation of $18 billion in Federal funds to help communities build waste treatment facilities. Regrettably, the effectiveness of this program has been hampered by the impoundment of part of that money by the executive branch.

In deferral No. D75–9, dated September 23, 1974, President Ford proposed to defer the obligation of $9 billion in contract authority to finance the construction of waste treatment plants under the Federal Water Pollution Control Act Amendments of 1972—Public Law 92–500.

On January 24, 1975, the President announced in a letter to the EPA Administrator, his decision to release for allotment $4 billion of the $9 billion he had proposed in September be deferred. In so doing, he said that:

> The Administrator should take aggressive steps to assure that the funds are used efficiently.

But the deferral is still pending before the Congress, minus the $4 billion. I propose that these funds be released for obligation into our sick economy as soon as is practicable.

Unemployment in the construction industry, seasonally adjusted, at the end of December was 15 percent, more than twice the national average. When the deferral message was sent up, the President made his case on fighting inflation. Today his more important priority, if I understand his recent words correctly, is fighting recession.

The President now has before us in effect a deferral request for the remaining $5 billion. The question is: Why should the President withhold this duly authorized money from the benefits it will bring to the economy? Inflation is no longer a valid reason. In fighting recession we need to put the unemployed to work and to stimulate the economy. These $5 billion would be money well placed to accomplish those purposes.

First, the sector of our economy that has consistently suffered severely is the construction industry. Beside high unemployment, the ravages of inflation were particularly severe—fantastic price increases in materials, shortages, supply delivery crisis, high priced and scarce capital and more—leading to bankruptcies and diminished bidding activity.

Engineering-News Record in its January forecast on construction sees a downturn in constant dollar volume for 1975 and 1976. Physical volume will be down, competition will be keener, and profit margins will be slim.

The Bureau of Labor Statistics has estimated that sewer works construction can employ onsite and offsite 47,680 persons per billion dollars. At the same time, the same billion dollars buys materials and equipment providing considerable stimulation to the economy. Thus using BLS estimates, the additional $5 billion in question would generate some 238,000 jobs.

Mr. President, it will be said that the Environmental Protection Agency cannot practically move the money out that fast—cannot obligate it—if even it were made available. Suppose those practical limits exist. What harm does it do to release it? One thing it will do is create a blessed psychological impact that would surely bolster our sagging confidence in the economy today. But no one can say for certain that with extra effort the money cannot be spent.

The jobs would go more to the plain, everyday laborer on sewer lines and waste treatment plants than other categories of workers. Operating engineers make up a substantial part of the workforce needed, pipelayers, cement finishers, bricklayers, and plumbers are others. A significant category of jobs also is made up of administrative, clerical, technical, and professional people.

While I do not waiver in my support for a strong public service jobs program, I see in the release of these withheld EPA funds not only a sure method to create thousands of needed jobs and a way to stimulate the economy, but I see also a program that builds an enduring facility that a community will have for a long time to come.

What we ask is that this $5 billion be immediately allotted to the States; that all haste be made to move the money to obligation and get it percolating in the economy. But most of all, to hurry and put idle men and women to work.

Mr. President, I am sorry that the President did not address himself to the creation of needed jobs in his state of the Union message. The budget he has submitted does not address the question of jobs. Yet, the Economic Report says, dolefully, that we can expect high unemployment for the next few years. That may be candor, but it does not build much confidence.

I recommend that we deny the deferral of these funds, and press the President to allot them immediately.

Mr. President, the ranking member of the Public Works Committee, Senator BAKER, is absent from the Chamber but has asked that his written remarks be included at this point in the RECORD.

The Senator from Tennessee has given the issue his usual careful attention and has concluded that he cannot join us in introducing these resolutions. He has indicated, however, that he intends to follow developments carefully and could, perhaps, support selected increases in budget levels where reduced unemployment appears likely to result.

I ask unanimous consent that Senator BAKER's statement appear at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BAKER

Mr. President, I regret that I cannot support my good friends, the distinguished Senators from West Virginia and Maine, in the introduction of resolutions disapproving deferral of funds for sewage treatment construction grants and highways.

The effect of these resolutions is to make immediately available for obligation almost $20 billion not currently in the budget for 1975. Estimates are that we will experience a Federal deficit of $32 billion in fiscal 1975 without any additional release of funds.

It is, of course, true that the whole $20 billion will not be spent before the end of this fiscal year, June 30, 1975. But the availability of these funds will put pressure on the State to obligate them as quickly as possible.

There is no guarantee or indeed, great likelihood, that the funds obligated will be for projects in areas where there is high unemployment. In fact, it is likely that some of these funds may divert labor from other worthwhile projects to projects for which Federal funds are suddenly—and only temporarily—available.

I am aware of the need to stimulate employment. I am aware of the need to move ahead with projects to clean up the nation's waters and provide safe and efficient transportation. I am not opposed to carefully planned expenditure of funds for these purposes, even if such expenditures were to exceed the Administration's present budget plans.

But voting to release $20 billion with little control over where the money is spent would aggravate inflation without necessarily buying any decrease in unemployment.

At the end of last year Congress passed, as part of the Emergency Jobs and Unemployment Assistance Act of 1974, the Job Opportunities Program, which requires Federal agencies to review the programs they administer and recommend those which could be expanded to provide jobs for the unemployed.

The results of these evaluations could form the basis for assessment of where expenditures logically should be increases. Once information of this nature is available, I might very well join with others to propose selective increases in the President's budget levels.

We should not act injudiciously. Looking a little ahead we see the President's budget predictions of a $52 billion deficit for fiscal 1976. Even this level requires that there be belt-tightening in Federal programs. The projected deficit for 1976 exceeds any in peacetime history and is surpassed only by the deficit incurred at the peak of our war effort in 1943.

Where there is little assurance that a massive increase in the availability of Federal funds will significantly improve the unemployment picture, I must oppose potential escalation in an already staggering deficit.

SENATE RESOLUTION 71—ORIGINAL RESOLUTION REPORTED AUTHORIZING A STUDY OF THE EFFECTIVENESS OF CERTAIN FEDERAL AGENCIES

(Referred to the Committee on Rules and Administration.)

Mr. GLENN (for Mr. RIBICOFF), from the Committee on Government Operations, reported the following resolution:

S. RES. 71

Whereas there are a large number of Federal and State agencies which regulate in significant ways various aspects of the Nation's economy;

Whereas the proliferation of such agencies over a long period of time, and under a variety of circumstances, has resulted in overlapping regulatory jurisdictions, conflicting mandates and procedures that have affected the efficient operation of the Government and the economy;

Whereas to consider certain reforms in Federal and State regulatory policies and in the operations and organization of the agencies, a Senate committee study is indicated to review the effectiveness of the agencies and consider any necessary legislation: Now, therefore, be it

Resolved, That the Senate Committee on Government Operations and the Senate Committee on Commerce are authorized under sections 134(a) and 136 of the Legisaltive Reorganization Act of 1946, as amended, and in accordance with their jurisdiction specified in rule XXV of the Standing Rules of the Senate to conduct a cooperative study of instrumentalities in the Federal and State government with substantial economic, health or safety regulatory authority, activities of which affect the growth or efficiency of the economy, or the quality or safety of goods or services, or the health or safety of the general public.

SEC. 2 (a) The study shall contain findings, conclusions, and recommendations concerning activities within the Federal regulatory agencies with respect to—

(1) the most serious deficiencies within the regulatory process which tend to contribute to inflation, lessen competition, or which adversely affect the public and regulated companies,

(2) the extent to which certain areas of the national economy are over-regulated or under-regulated, with special emphasis on overlapping regulatory jurisdictions, conflicting mandates, and actual implementation of existing laws and regulations.

(3) the economic costs and benefits of regulation, or the lack thereof, with special emphasis on the inflationary impact of regulation on the cost to the consumer of goods and services, the added costs to manufacturers and suppliers in providing goods and services, the anti-competitive effects of some regulation, the degree of market concentration in regulated as opposed to nonregulated industries, and productivity factors affected by regulation,

(4) the continued appropriateness or applicability of original regulatory purposes and objectives as mandated by statute, and an evaluation of the purposes and objectives which regulation should now serve,

(5) the consequences to the Nation of selective deregulation in specified areas or selective modification of regulatory purposes, operations, and procedures in specific areas,

(6) the need for, and specific recommendations concerning increased or more stringent antitrust enforcement as a higher order national priority, including proposals for any new legislation which may be needed or for restructuring of the Federal antitrust effort,

(7) specific recommendations for legislative actions to improve the effectiveness, efficiency, and responsiveness to the public of Federal regulatory agencies, including but not limited to the following—

(A) selective elimination of specific regulatory functions, procedures, activities, or practices;

(B) selective elimination, merger, or transfer of overlapping or related regulatory jurisdictions, mandates, or functions;

(C) revisions in the laws, regulations, structure, operation, procedures, activities, or mechanisms of the regulatory agencies;

(D) elimination, transfer, or separation out of the subsidy-granting or other forms of promotional activities performed by regulatory agenices which adversely affect or interfere with their principal regulatory responsibilities;

(8) an evaluation of other proposals for improving the effectiveness, efficiency, and responsiveness to the public of the regulatory agencies including, but not limited to an evaluation of proposals for—

(A) encouraging the enunciation of broad policy guidelines by the regulatory agencies instead of continuing to permit unclear policies to develop impliedly through a series of case-by-case decisions or adjudications involving differing facts and circumstances;

(B) making the regulatory responsibilities of selected or all regulatory agencies more independent of the executive branch by requiring simultaneous submission of budget and legislative requests to the President and the Congress, and by permitting each regulatory agency to independently control and supervise its own litigation in the Federal courts;

(C) eliminating collegial commissions altogether or selectively, and replacing the commission form with a single administrator;

(D) revising procedures for selecting commissioners and reviewing their qualifications, including the designation or establishment of a distinguished Board of Regulatory Review to provide its recommendations or guidance on names submitted by the President as possible appointees for regulatory agency positions;

(E) revamping the conflict-of-interest statutes, or their applicability to regulatory agency officials, so as to limit the movement of persons from a regulated industry or a related industry to the agency which regulates that industry, and the movement of persons from the agency back to the regulated industry;

(F) limiting the removal of regulatory agency officials to reasons relating to their inefficiency, neglect of duty, or malfeasance in office;

(G) making regulatory agency officials, in their personal capacity, civilly or criminally responsible for intentional misuse or abuse of their office for reasons relating to (i) their disclosure of trade secrets or other confidential or privileged information; (ii) their failure to make information available to the public pursuant to the Freedom of Information Act; (iii) their failure to open up agency meetings, sessions, and agency advisory committee meetings and sessions to the public; or (iv) their neglect or failure to carry out the provisions of the laws administered by them;

(H) providing for the payment of reasonable costs and expenses in agency proceedings of intervenors on behalf of the public or consumer interests and an assessment of the manner by which such a proposal might be implemented across the board including the anticipated costs therefor;

(I) creating a new Administrative Court of the United States as an expert judicial unit to handle agencies;

(J) amending the Administrative Procedure Act and modifying agency rules to expedite regulatory agency proceedings as a means of facilitating more timely decision-making and preventing wasteful costs attendant to agency delays;

(K) substituting direct subsidies, where appropriate, for complicated and cumbersome regulatory schemes, with hidden taxes and costs, which aim at achieving a particular economic or social purpose;

(L) improving the information-gathering, analysis, storage, and retrieval systems within the regulatory agencies while lessening the paperwork burden both within the agencies and within the regulated industries by avoiding needless duplication;

(M) providing for more effective means of informing the public of the activities within the regulatory agencies and their specific or general impact on the public interest in matters of particular importance or impact;

(9) recommendations for assuring an ongoing review and assessment of the economic costs and benefits, and the deficiencies of Federal regulatory activities, including proposals for limiting the growth of bureaucracy, and phasing out selected agencies or establishing a time certain within which they would expire unless Congress specifically renews their mandates by legislative enactment, and

(10) a realistic and detailed assessment of the costs or savings, transitional, interim, and long-term, of Commission proposals and recommendations for regulatory reform.

(b) The study shall also consist of findings, conclusions, and recommendations concerning activities within State, regional, and local regulatory agencies which tend to contribute to inflation, lessen competition, or which adversely affect the public and the regulated companies. The report shall give special emphasis to areas where Federal regulatory activities interact with or are affected by the activities of State, regional, or local regulatory units, and where the latter acivities, or the absence of misdirection thereof, have an important inflationary impact.

(c) As used in this resolution, the term "Federal regulatory agency" includes any existing independent Federal agency which, as one of its principal responsibilities, exercises regulatory functions affecting one or more segments of American industry, as well as any agency or governmental unit within an agency or department of the Federal Government which exercises such regulatory functions as one of its principal activities.

(d) In carrying out their responsibilities under this section, the Committees shall utilize, wherever appropriate, all existing studies, investigations, reports, and other existing material relevant to their responsibilities.

SEC. 3. For the purposes of this resolution the Chairmen of the Committee on Government Operations and the Committee on Commerce, acting jointly with the ranking minority members of both Committees, are authorized through July 1, 1976, (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, (4) to consent to the assignment of personnel of other committees of the Senate to assist in carrying out the purposes of this resolution, and (5) to appoint an advisory panel or panels of nongovernment experts, having fair representation from business, labor, and consumer interests.

SEC. 4. The Committee on Commerce and the Committee on Government Operations shall prepare and submit not later than July 1, 1976, to the Senate a joint report on the findings of the study authorized by this resolution. Each such committee shall report its recommendations for such legislation as that committee deems advisable to the Senate. Where findings and recommendations for legislation relate to an agency which is subject to the jurisdiction of another committee of the Senate, such findings and recommendations shall be forwarded to that committee for appropriate action.

SEC. 5. For the purpose of this resolution, the Committee on Commerce is authorized to expend, from the contingent fund of the Senate, from March 1, 1975, through September 1, 1976, not to exceed $375,000, upon vouchers signed by the chairman of that committee, with the approval of the ranking minority member. For the purpose of this resolution, the Committee on Government Operations is authorized to expend, from the contingent fund of the Senate, from March 1, 1975, through September 1, 1976, not to exceed $375,000, upon vouchers signed by the chairman of that committee with the approval of the ranking minority member.

SENATE RESOLUTION 72—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD (for Mr. EASTLAND) from the Committee on the Judiciary, reported the following original resolution:

S. RES. 72

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate so far as applicable, the Committee on the Judiciary, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services or personnel of any such department or agency.

SEC. 2. The Committee on the Judiciary, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed $4,391,400 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202.

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SEC. 3. Not to exceed $429,500 shall be available for a study or investigation of administrative practice and procedure, of which amount not to exceed $14,500 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 4. Not to exceed $815,100 shall be available for a study or investigation of antitrust and monopoly, of which amount not to exceed $8,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed $310,000 shall be available for a study or investigation of constitutional amendments, of which amount not to exceed $14,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed $381,800 shall be available for a study or investigation of constitutional rights, of which amount not to exceed $10,117 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. Not to exceed $258,000 shall be available for a study or investigation of criminal laws and procedures.

SEC. 8. Not to exceed $17,500 shall be available for a study or investigation of Federal charters, holidays, and celebrations.

SEC. 9. Not to exceed $223,500 shall be available for a study or investigation of immigration and naturalization.

SEC. 10. Not to exceed $272,000 shall be available for a study or investigation of improvements in judicial machinery, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 11. Not to exceed $400,000 shall be available for a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950, as amended, (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States, and (3) the extent, nature, and effect of subversive activities in the United States, its territories and possessions, including, but not limited to, espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organization controlling the world Communist movement or other movement seeking to overthrow the Government of the United States by force and violence or otherwise threatening the internal security of the United States.

SEC. 12. Not to exceed $428,000 shall be available for a study or investigation of juvenile delinquency, of which amount not to exceed $14,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 13. Not to exceed $168,000 shall be available for a study or investigation of patents, trademarks, and copyrights.

SEC. 14. Not to exceed $98,000 shall be available for a study or investigation of national penitentiaries, of which amount not to exceed $500 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 15. Not to exceed $220,000 shall be available for a study or investigation of refugees and escapees, of which amount not to exceed $3,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 16. Not to exceed $70,000 shall be available for a study or investigation of revision and codification.

SEC. 17. Not to exceed $280,000 shall be available for a study or investigation of separation of powers between the executive, judicial, and legislative branches of Government, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 18. Not to exceed $20,000 shall be available for a study or investigation of Federal Bureau of Investigation oversight.

SEC. 19. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 20. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SENATE CONCURRENT RESOLUTION 11—TOWARD A BARRIER-FREE ENVIRONMENT FOR ALL HANDICAPPED AMERICANS

(Referred to the Committee on Labor and Public Welfare.)

Mr. RANDOLPH submitted the following concurrent resolution:

S. CON. RES. 11

Whereas it is estimated that one out of ten persons in the United States today has limited mobility due to a temporary or a permanent physical handicap; and

Whereas improved medical techniques and an expanding population of older persons is increasing the number of persons with limited mobility every year; and

Whereas the physical environment of our Nation's communities continues to be designed to accommodate the able-bodied, thereby increasing the isolation and dependence of disabled persons, and to break this pattern requires a national commitment:

Now therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their communities.

TOWARD A BARRIER-FREE ENVIRONMENT FOR ALL HANDICAPPED AMERICANS

Mr. RANDOLPH. Mr. President, in recent years the American public and the Congress have become increasingly aware of the problems and the needs of those who are elderly and who have handicaps.

One result of this new awareness has been the belated recognition that our society has not provided to the handicapped population full freedom to enjoy benefits of society. Disabled persons are confronted daily with difficult or unsurmountable obstacles, which are simply not perceived or appreciated by the majority of our citizens in the course of everyday life.

What for many of us are mundane normalities of living are, too often, to people with handicaps, absolute barriers to employment, education, transportation, housing, or leisure. A person in a wheelchair cannot negotiate a flight of stairs. He must have access to an elevator or inclinator, or be carried. Nor is he able, in most places, to take advantage of toilet facilities, or get on a bus. A quadriplegic cannot negotiate a street curb. If he or she is to have fuller access to the benefits of our world, the deaf person needs light signals.

The blind person needs braille or sound signals and an elimination of dangerous and unnecessary obstacles. Washing one's hands in a public lavatory can even be difficult for a blind individual. If he finds the sink and the soap, and the towel dispenser is not immediately at hand, he must rely on someone else to provide the towel or grope around on his own.

An affirmative action program to hire handicapped individuals is not of much value if the person hired is not physically able to get to the workplace.

The problems wheelchair-bound people are having with accessibility to commercial air transportation has been brought to public attention recently. Some airlines have demonstrated an incredible insensitivity to the right of disabled persons to travel by air. The Federal Aviation Administration has been of little help in ameliorating this problem. Over the recent adjournment period a staff member of the Senate Committee on Labor and Public Welfare was physically removed from a commercial airliner traveling from New York to Washington because she did not have a medical certificate stating that she could travel unaccompanied by an attendant. Such incidents should not be allowed to occur.

These are just a few of the myriad barriers faced by handicapped people each day of their lives. It should be a national policy to eliminate these barriers which exist for a substantial segment of our population.

Congress has taken a few steps toward this end. In 1968, the Architectural Barriers Act became law. That legislation required that all Federal and federally-assisted buildings must meet accessibility standards as determined in regulations of the General Services Administration,

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Department of Defense, Department of Housing and Urban Development, and Department of Health, Education, and Welfare. Public Law 91-205 requires that Washington's Metro subway system also adhere to such standards.

On September 26, 1973, the Rehabilitation Act of 1973 became law. That measure included a provision, which I authored, to establish a Federal Architectural and Transportation Barriers Compliance Board, the functions of which are, among others, to insure compliance with standards adopted pursuant to the Architectural Barriers Act of 1968, and to study and recommend legislative and administrative means of providing accessibility by handicapped persons to housing, public transportation of all kinds, public buildings and monuments, and parks and parklands. Amendments to the 1973 Act became law on December 7, 1974. These amendments included provisions which would strengthen the Board and provide it with an enforcement mechanism.

Voluntary groups and individuals at the local, State and national levels, have recognized the need to provide a barrier-free environment in which handicapped and nonhandicapped alike have freedom of movement and access. Working in isolation, these programs have met with varying degrees of success as local resources and capabilities differ. However, the effectiveness of even the most successful of these voluntary efforts is diluted by fragmentation and lack of coordination with similar projects elsewhere. A national goal and national program can offer the shared resources, expert consultation, and area-wide coordination that is necessary to reinforce and strengthen local efforts.

To meet this need for a national commitment and declaration of purpose, leaders in the field of barrier-free design met in January, 1974, at the American Institute of Architects' national headquarters for a 2-day conference on environmental barriers.

Cosponsored by AIA, the National Easter Seal Society, and the President's Committee on Employment of the Handicapped, the conference took two major actions: developing a national policy for a barrier-free environment and advocating the establishment of a national center to implement it.

Since the announcement of the policy, it has been endorsed by more than 100 organizations and business concerns ranging from the National Paraplegia Foundation to the Metropolitan Life Insurance Co.

To provide the central coordination called for by the conference, a National Center for a Barrier-Free Environment is being organized by a coalition of eight national organizations, including strong representation of handicapped groups. I understand that this is the first nongovernmental cooperative effort on a national level to work toward assuring handicapped citizens their rights to full and free use of the environment.

Mr. President, the resolution I introduce is patterned after the national policy adopted at the conference on environmental barriers last January. I believe the resolution is sound. Its adoption by the Congress would be beneficial to the community of handicapped citizens, who are looking to their national legislature to provide leadership in the elimination of the environmental barriers that impede them in their everyday living.

This resolution will establish that the Congress endorses a national policy to eliminate such barriers. I urge its adoption.

SENATE CONCURRENT RESOLUTION 12—SUBMISSION OF A CONCURRENT RESOLUTION PROVIDING FOR A JOINT SESSION OF CONGRESS TO RECEIVE A "STATE OF THE STATES" MESSAGE FROM THE NATIONAL GOVERNORS' CONFERENCE

(Referred to the Committee on Rules and Administration.)

Mr. BROCK (for himself, Mr. GARN, Mr. HUMPHREY, Mr. BUMPERS, Mr. EASTLAND, Mr. FANNIN, Mr. FORD, Mr. HARTKE, Mr. HUDDLESTON, Mr. JACKSON, Mr. LAXALT, Mr. McGOVERN, Mr. MOSS, Mr. NUNN, Mr. THURMOND, and Mr. WILLIAMS) submitted the following concurrent resolution:

S. CON. RES. 12

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on February 20, 1975, at 1 o'clock p.m. for the purpose of receiving a message on the State of the States from the Chairman of the National Governors' Conference.

CALL FOR A "STATE OF THE STATES" ADDRESS

Mr. BROCK. Mr. President, today I have introduced a resolution to have a joint session of Congress addressed by the chairman of the National Governor's Conference. Mr. GARN of Utah and Mr. HUMPHREY of Minnesota have joined me as primary sponsors of this resolution.

As we approach our Bicentennial, it is particularly appropriate that we recognize the important role played by State governments. The relationship between the Federal Government and State government—federalism—is the foundation of our democratic type of government.

Article 10 of the Constitution specifically delegates all powers not vested to the Congress to the States. Over the years, the relationship between these two different levels of government has expanded, and, as the problems of government have grown more complex, the State remains the governing body closest to the people.

While separate, there has always been a close relationship between the Congress and the States. Indeed, until the passage of the 17th amendment, Senators were appointed by the various State legislatures.

In addition to the close constitutional ties, State and Federal governments also share similar problems. State governments know firsthand the terrible impact of recession and inflation. The fiscal position of State governments has deteriorated considerably over the past year. Expenditures are growing much more rapidly than receipts. This is not unlike our own experience here in Washington.

Congress needs a direct and regular report from the States, like the State of the Union. An address from time to time, by the head of the Governors' Conference, would be beneficial. It would allow one Governor to outline the common problems of the States. It would also be a direct and obvious sign of our continuing concern over the impact of Federal policies on State government.

While each of us can communicate with the Governor of our home State, it is often difficult for us to receive a good overview of the specific problems common to most States. I feel confident that the chairman of the National Governors' Conference would be able to provide us with insight and information. The chairman of this year's Governors' Conference is Gov. Calvin Rampton from Utah.

Mr. President, I am pleased that this resolution is being sponsored bipartisanly by so many Senators. I am particularly pleased to be joined in this resolution by the distinguished Senator from Minnesota. Mr. HUMPHREY has long been an advocate of improved communication exchange between the States and the Federal Government. To this end, he has lent his unqualified support to Governor Rampton of Utah and Governor Anderson of Minnesota for a "state of the States" report, and has spoken with the leadership of both Houses about the merits of this idea. His Modern Congress Act, S. 563, introduced this week, will further enhance the mutual understanding we need to foster between governmental units at all levels by calling for the establishment of a Federal-State legislative council to explore, research, and recommend solutions to problems of mutual concern.

He feels, as I do, that a "state of the States" report would be a valuable means of nurturing a cooperative relationship between the States and the Federal Government, and bring a new dimension to American federalism as we work together to meet the challenges ahead.

AMENDMENTS SUBMITTED FOR PRINTING

PROHIBITION AGAINST TARIFFS ON OIL IMPORTS—SENATE JOINT RESOLUTION 12

AMENDMENT NO. 4

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the joint resolution (S.J. Res. 12) to prohibit for a period of 60 days the imposition of tariffs, fees, and quotas on oil imports and the lifting of all price controls on domestic oil, and to require the submission to and the right of approval of the Congress of any such action within 30 days.

REFUND OF 1974 INCOME TAXES—H.R. 2166

AMENDMENT NO. 5

(Ordered to be printed and referred to the Committee on Finance.)

BALANCED GROWTH TAX INCENTIVES

Mr. PEARSON. Mr. President, I introduce an amendment providing special tax incentives for job-creating investments in rural areas and in certain urban areas. The objective of this proposal is to advance the goal of rural development and balanced national growth.

Mr. President, over the past several years there have been many expressions of concern in the Congress and across the country about the growing imbalance in the distribution of our Nation's population; that too many of our people are concentrated in too few metropolitan agglomerations. Many of us have argued that this tilt in the population balance away from the countryside and the small town toward the large cities is economically inefficient, environmentally unsound, and socially undesirable. And we have argued that this imbalance will worsen unless steps are taken to counter it.

Congress has formally recognized the problem and declared an intent to develop balanced growth policies. Title X of the Agricultural Act of 1970 states:

> The Congress commits itself to a sound balance between rural and urban America. The Congress considers this balance so essential to the peace, prosperity and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas.

And title VII of the Housing and Urban Development Act of 1970 declares:

> The Congress finds that the rapid growth of urban population and uneven expansion of urban development in the United States, together with a decline in farm population, slower growth in rural areas, and migration to the cities, has created an imbalance between the Nation's needs and resources and seriously threatens our physical environment, and that the economic and social development of the Nation, the proper conservation of our natural resources, and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.

These are bold declarations. I believe the intent they embody is sound; that the achievement of a more rational, balanced growth is essential to the Nation's health and welfare.

Yet the gap between these broad declarations and the concrete programs to achieve them is enormous. We did adopt the Rural Development Act of 1972 and this was a significant achievement. And in the Housing and Community Development Act of 1974 we adopted several measures, particularly in the area of housing which will further the cause of rural development. But beyond this there is little to point to.

Mr. President, given the nature of our federal system and our aversion to centralizing planning, it is not likely that we will ever implement a comprehensive, unified balanced growth policy as such. It is not likely that we will, at least in the near future, emulate the balanced growth policies that many of the European countries have already adopted. But certainly we can and must take additional steps to advance the cause of balanced growth. The legislation I propose today is one such step, a step which I believe is timely and essential.

Mr. President, the Congress will soon be acting on President Ford's request for a temporary increase in the investment tax credit. I propose that in acting on this request we provide a mechanism whereby the investment tax credit can be used as a tool to encourage rational, balanced growth.

Specifically, I propose that at such time as the temporary increase in the investment tax credit expires that a special tax credit for job-creating investments in the manufacturing, processing, assembling, and distribution of personal property located in designated balanced growth areas be retained on a permanent basis.

The amendment I offer today is to H.R. 2166, the tax bill now under consideration by the House Ways and Means Committee. H.R. 2166 calls for a 1-year increase in the investment tax to 10 percent. Therefore, my amendment would retain at the conclusion of the temporary period, a modified investment tax credit at the 10 percent level for job-creating industries locating in balanced growth areas. I would stress that my proposal can be modified to fit whatever approach the Congress finally decides to take on the issue of the general investment tax credit.

Mr. President, this proposal defines two types of balanced growth areas. First, are the nonmetropolitan or "rural" counties. These are counties which are not a part of a standard metropolitan statistical area, which for the most part means they do not contain a city of over 50,000. There is one exception. Nonmetropolitan counties within 25 miles of metropolitan areas of over 250,000 would be excluded.

Second, certain portions of urban counties which are suffering a serious decline in population could be designated as eligible balanced growth areas. This provision is made in recognition of the fact that while the primary problem is an imbalance between metropolitan and nonmetropolitan America, there is also a growing imbalance within some of our metropolitan communities. The movement of jobs from the central cities to the suburbs has created a great economic imbalance which needs to be addressed.

In summary, most nonmetropolitan areas and some metropolitan areas are potentially eligible for designation as balanced growth areas and, therefore, job-creating industries locating in these areas would be eligible for the special balanced growth tax credit.

Mr. President, one very important provision of this legislation involves State governments in the decisionmaking process as to how the system of balanced growth tax credits is to be used.

Specifically, areas which meet the definitions provided for in this legislation will not actually become eligible until they are formally designated as balanced growth areas by the individual State governments.

In other words, the State would have the option of designating all, some, or none of the areas within its boundaries which meet the definitional standards of the legislation. I would anticipate that some States would designate all potential balanced growth areas to be eligible. Other States which have already developed some land use and balanced growth planning mechanisms would be selective and would designate only certain areas to be eligible for the balanced growth tax credit. And, it might be, that some States would decide not to participate in the program at all.

In any case, this gives to the States an important responsibility. It would, I believe, provide an important stimulus to the development of land use and economic growth planning within each State. And, certainly, it would encourage a greater dialog between the State governments and the local communities. In this connection, this legislation provides that States shall designate the eligible balanced growth areas consistent with the State's goals of balanced growth and land use and in accordance with the expressed desires of the affected local communities.

Mr. President, one further comment in regard to the possible designation of balanced growth areas in metropolitan communities. If a county in a standard metropolitan statistical area has shown a net decline in population over the past 5 years, portions or all of that county may be designated as a balanced growth area. However, the State in designating balanced growth areas within metropolitan areas may not designate metropolitan balanced growth areas which contain a total population greater than the total population contained in designated nonmetropolitan balanced growth areas.

Mr. President, this proposal builds on the established principle that investment tax credits can be used to stimulate the development of new jobs. It proposes to use this tool to encourage the development of new jobs in areas which will contribute to the goal of balanced national growth. And, of particular importance, it brings the States into the decisionmaking process. This proposal provides them a powerful new tool that they can use to shape the growth patterns within their boundaries. Thus, while contributing to the goal of balanced national growth, this legislation I believe also would help to strengthen our federal system.

Mr. President, I ask unanimous consent that the text of this amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 3

On page 16, immediately before line 3 insert the following new section:

Sec. 302. INVESTMENT CREDIT FOR PROPERTY IN BALANCED GROWTH AREAS.

(a) Permanent 10 Percent Investment Credit.—Paragraph (1) of section 46(a) (determining the amount of the investment credit) is amended to read as follows:

"(1) General rule.—The amount of the credit allowed by section 38 for the taxable year shall be equal to the sum of—

"(A) 10 percent of the qualified investment (as defined in subsection (c)) attributable to section 38 property which is qualified balanced growth property, and

"(B) 7 percent of the qualified investment (as so defined) attributable to other section 38 property."

(b) Qualified Balanced Growth Property.—Section 48 (relating to definitions and spe-

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cial rules) is amended by redesignating subsection (k) and (l), and by inserting after subsection (j) the following new subsection:

"(k) Qualified Balanced Growth Property.—

"(1) In general.—For purposes of this subpart, the term 'qualified balanced growth property' means balanced growth property—

"(A) which is used predominantly in one or more designated balanced growth areas (or former balanced growth areas), and

"(B) the construction, reconstruction, or erection of which is commenced at a time when the area is a designated balanced growth area or the acquisition of which is pursuant to a binding order or contract placed or entered into at a time when the area is a designated balanced growth area.

"(2) Balanced growth property.—For purposes of this subpart, the term 'balanced growth property' means section 38 property with respect to which the taxpayer establishes, under regulations prescribed by the Secretary or his delegate, that—

"(i) such property will assist in providing new employment opportunities in the balanced growth area or areas (or former balanced growth area or areas) in which it is used,

"(ii) such property will be used in the manufacture, processing, assembling, or distribution of personal property (other than in a business consisting primarily of selling or leasing property at retail), or in connection with, or a part of, a facility providing recreation to the public which is not inconsistent with State recreation plans, approved by the Bureau of Outdoor Recreation, and with local economic development plans, and

"(iii) the new employment opportunities in the balanced growth area or areas (or former balanced growth area or areas) which will be assisted by such property will not result in a decrease in employment in any other area.

"(3) Designated balanced growth areas.—For purposes of this subpart, the term 'designated balanced growth area' means a geographical area, designated pursuant to a law of the State in which the area is located by the Governor or other officer or agency of the State prescribed by the State law, which is within—

"(A) a county (i) no part of which is within a standard metropolitan statistical area designated by the Office of Management and Budget, and (ii) no part of which is within 25 miles of a standard metropolitan statistical area which has a population of 250,000 or more, or

"(B) a county (other than a county described in subparagraph (A)) which has suffered a net decline in population during the immediately preceding five-year period. Such term also includes any area within an Indian reservation.

"(4) Criteria for State laws.—In order to qualify under this subsection, a State law must provide—

"(A) that balanced growth areas will be designated consistent with goals for balanced growth in the State and its counties and other political subdivisions and areas thereof, and consistent with the expressed desires of the governing bodies of its counties and other political subdivisions.

"(B) for an annual review of all designations and the revocation of any designation of an area which is no longer an area described in subparagraph (A) or (B) of paragraph (3), and

"(C) that the total population of designated balanced growth areas described in subparagraph (B) of paragraph (3) may not exceed the total population of designated balanced growth areas described in subparagraph (A) of such paragraph."

On page 16, line 3, strike out "302" and insert "303".

On page 17, line 1, strike out "303" and insert "304".

On page 18, strike out lines 17 through 25 and insert the following:

SEC. 305. EFFECTIVE DATES.

(a) For sections 301 and 303.—The amendments made by sections 301 and 303 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(b) For section 302.—The amendments made by section 302 shall apply to taxable years beginning after December 31, 1975.

(c) For section 304.—The amendments made by section 304 shall apply only with respect to distributions made during the 5-year period beginning on the date of the enactment of this Act.

NOTICE OF ERDA HEARINGS

Mr. CHURCH. Mr. President, as chairman of the Energy Research and Water Resources Subcommittee of the Senate Interior and Insular Affairs Committee, I want to give notice that the subcommittee will conduct public hearings on March 3, 4, 5, and 6, 1975, on the proposed authorization bill for the Energy Research and Development Administration for fiscal year 1976.

On the first day of the hearings the subcommittee will invite a panel of experts from outside the Government to present their views on the administration recommendations. Representatives of ERDA will be scheduled the second day. The third and fourth days of hearings will be devoted to obtaining views from representatives of interested organizations and industries and from the public-at-large.

The hearings will begin at 10 a.m., on the days scheduled in room 3110 of the Dirksen Senate Office Building.

Parties interested in making a contribution to these hearings should contact Mr. Yamagata or Mr. Malone of the subcommittee staff, room 3206, Dirksen Senate Office Building, telephone: 202—224-9894 and 224-1076.

NOTICE OF HEARING ON THE PLIGHT OF INDIANS

Mr. ABOUREZK. Mr. President, I wish to inform my colleagues, the Indian people and the public that the Subcommittee on Indian Affairs, which I chair, will hold a general informational hearing on February 24 to explore the need for justice reform on Indian reservations and communities.

The costly and tragic Indian occupation of the historic Wounded Knee Indian community in South Dakota occurred approximately 2 years ago. I followed this episode closely and endeavored to identify the contributing causes. It is my belief that the unequal application of law enforcement and justice on several of the reservations in South Dakota were among the major factors leading to this episode. I have been informed by Indian people from other parts of the country that a similar situation exists on their reservations and in their communities.

It is my hope that the committee will be able to undertake an orderly exploration of this problem with a view toward developing constructive legislation that will improve the quantity and quality of law enforcement programs and justice for Indian people.

The hearing will commence at 10 a.m. in room 3110, Dirksen Senate Office Building, and will be open to the general public.

NOTICE OF HEARINGS ON JOBS AND UNEMPLOYMENT IN NEW JERSEY

Mr. WILLIAMS. Mr. President, the Senate Labor Subcommittee will hold hearings in New Jersey on jobs and unemployment on February 12 and 13. On Wednesday, February 12, at 9:30 a.m., the hearings will take place in the Passaic City Hall, City Council Chambers, third floor, corner of Passaic and Gregory Avenues, Passaic. On February 13, at 9:30 a.m., the hearings will be held in the Camden County Council Chambers, Camden County Court House, 6th and Market Streets, Camden, N.J.

ADDITIONAL STATEMENTS

LOFTY POSITION OF HON. JOSEPH F. JOHNSTON, U.S. SENATOR FROM ALABAMA, AUGUST 6, 1907, TO AUGUST 8, 1913

Mr. ALLEN. Mr. President, on today I received a letter dated February 5, 1975, from Hon. Joseph F. Johnston, reading in part as follows:

About the year 1910 or 1912, election of Senators was held in the Illinois legislature at which a Republican, Mr. Lorimer was elected. It was a bitterly contested election and the matter was brought before the Senate on charges by the Democrats of improper campaign expenditures by Lorimer. A committee was appointed, including the Senator from Alabama, Joseph F. Johnston. At lengthy hearings, the matter came before the Senate and on a partisan vote, Lorimer was refused his seat. Senator Johnston voted against his fellow Democrats amid great uproar and criticism. I attach an excerpt from the speech he made in the Senate on that occasion.

The present Mr. Joseph F. Johnston, of Birmingham, Ala., is a grandson of Senator Joseph F. Johnston and is one of the outstanding attorneys and constitutional authorities in the United States.

Since the speech by Senator Johnston announces such a lofty stand for principle above politics or popular clamor, I ask unanimous consent that this excerpt from Senator Johnston's speech, referred to in Mr. Johnston's letter, be printed in the RECORD as a standard which all Senators might seek to emulate.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Mr. President, I entered the Confederate Army in April, 1861, because the State of Alabama had seceded from the Union, and I believed their cause was righteous and that it was my duty so to do. For four long, bloody years I followed the flag of Dixie, sometimes in defeat and often to victory. I became convinced before the surrender that we could not succeed, because we could not replace the brave men who fell on the field of battle. We were shut out from the world, and could only draw recruits from the cradle. The idea never came into my mind that because we must inevitably fail I should desert to the enemy. I stood by my colors facing death and defeat until Lee and Johnston surrendered the fragments of glorious armies whose fame will never die. The span of my years may be shortened by the shots stopped by my breast in that failing cause; but, all in all, my keenest satisfaction in the past rests not upon those moments when I swam with the tide, but when I bared my breast, with Ajax, and took the lightning. Mr. President, I refuse to save myself at the sacrifice of my convictions and my honor. The people have not heard the evidence as I have. They have not taken an oath to do impartial justice according to the Constitution and the laws. I have. I cannot render judgment upon their convictions, nor can they transfer to themselves my punishment if I violate my own. I would be unworthy of my place if, for any fears of public retribution or disapproval, or for the sake of securing popular favor, I should disregard the convictions of my judgment and conscience. If every member of the Legislature of Alabama and every citizen of the State should demand that I should yield to the popular clamor for the conviction of anyone upon their belief about the facts contrary to my judgment, my convictions, and my oath as a Senator, I should promptly resign my commission and permit them to choose a successor who might be more willing than I to sacrifice his honor and self-respect for a seat in the Senate. I have taken no oath and made no promise to cast my vote according to the edict of the press. I ran before the wind of no popular temporary issue I rode into this Chamber upon no hobby selected for political effect. I believe that the dignity of a Senator is not consistent with catchpenny platforms, patent issues, or maudlin generalities, and that my presence here is based upon the conviction of my people that upon all public questions my experience and my record of service in the past justified them in relying upon me to consider patiently each question in the light of public welfare and vote my convictions.

CHIEF JUSTICE JOSEPH R. MOSS

Mr. THURMOND. Mr. President, the even-handed application of justice, under law, is essential to our constitutional system. One of the outstanding jurists of this country who has administered that system with exceptional ability and distinction is the present chief justice of South Carolina, Joseph R. Moss.

He has served as our State's top jurist for the last 9 years and prior to that time was an associate justice of the South Carolina Supreme Court for a decade. Previously, he was a circuit judge for 8 years. His eminence as a constitutionalist and legal scholar, while tempered with the practical logic of the court, is known throughout the land.

However, in recent weeks Chief Justice Moss has said he will retire from the bench in July when he reaches the age of 72. Although he will be stepping out of an active role in the State's judicial affairs, all who know him look forward to his continuing counsel and activities in the interests of his State.

Mr. President, for the last quarter-century, Joseph R. Moss has compiled a distinguished record of jurisprudence which stands as a demonstrated example for all in the legal profession to follow and be guided. His devotion to both individual fairness and public good is without question. He has truly administered justice, under the law, in a manner which is exemplary, as well as effective.

This man's spirit of public service stems from a time well before his tenure on the bench. He was an outstanding lawyer practicing in his hometown of York, S.C., and in the courts of our State. In political affairs during that period, he served as chairman of the York County Democratic Executive Committee for 15 years. As the culmination of the public spirited service which he rendered to his county, he was elected to the South Carolina State Senate.

As a State senator, Joseph R. Moss demonstrated so thoroughly his abilities as a student and practitioner of the law that his fellow members of the General Assembly selected him for a circuit judgeship. It was the beginning of his judicial career which has brought him such honor and provided the State such excellence.

The people of South Carolina and the institution of law which Chief Justice Moss has upheld have reaped the benefits of his service. All of us look forward to his continued participation in the affairs of his community and State after his retirement in July.

Mr. President, following the recent announcement by Chief Justice Moss that he would step down from his post this summer, an excellent article written by Hugh E. Munn of the State newspaper in Columbia, S.C., was published about him. I ask unanimous consent that this article, entitled "Chief Justice Moss a Man of the Law," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHIEF JUSTICE MOSS A MAN OF THE LAW

The old wooden steps leading up to the second-floor office creaked and swayed as it heaved a billow of dust into the air.

At the top, a door rattled open, revealing a dimly-lit room consumed by huge shelves of old law books and paraphernalia.

And there behind a low row of tables sat the S.C. Supreme Court's Chief Justice, Joseph R. Moss—a man at home in his world of legal briefs, books and opinions.

The Chief Justice was in his workshop, a place where law is made and where, more often than not, legal history also gets its start.

Moss's desk was covered with documents and books, but he sifted through the stacks with ease and familiarity. He knew the old office located in York like the back of his hand.

For 19 years, Moss has used the second-floor space in his work as a S.C. Supreme Court justice—nine of those years as the state's chief justice.

"A lot of law has flowed through here," Moss said pointing proudly to the stacks on the table.

"Right now, I'm working on a case so complicated that it means we're (Moss and his law clerk) having to trace down an original act of the General Assembly," Moss said.

"But that's not too unusual. A lot of times, we have to try to construe what a state statute really means. How do you know? You've got to diligg," Moss said, drawing out the word.

Moss thought about what he said for a minute and then added, "One time I had been digging for days looking for a particular South Carolina law written way back there, but we couldn't find a thing.

"I was about to give up on the idea, when one day I was reading an opinion handed down by the supreme court in one of the Dakotas," Moss said.

Moss said the opinion told how a Dakota law in question in the case had been patterned after an old South Carolina law—the very law Moss had been looking for.

"I grabbed it up, wrote an opinion, and later, somebody asked me how in the world I found that old law—that it was a physical impossibility," Moss said.

"I told him, research, man, research," Moss said, bellowing with laughter. "I never did tell him the truth."

The 71-year-old chief justice leaned back in his chair, running his fingers through a maze of silver white hair like he was rummaging through a file cabinet for some long-forgotten memory.

It quickly became apparent the judge doesn't forget much at all. "I just got to get it in order, that's all."

He began thinking aloud . . .

"You know, we got some funny appeals out there in all the courts," he said, waving his hand toward the door.

"I read just recently, where this prisoner out west somewhere filed an appeal in federal court, claiming his rights had been denied.

"He wanted to be transferred out of the prison and be sent to a women's prison nearby, but they wouldn't let him," Moss said.

He began to laugh again, "He said the prison people were denying him his rights to be sent to the women's prison, because the Bible said ". . . be fruitful and multiply."

Moss picked up one of his old law books and looked at it intently. He looked up a few moments later.

"You know, here in South Carolina, we have a good judicial system. Oh, I know you'll find flaws—you'll find flaws in anything, but it's a good one," he said.

"Our system has never put a taint on a single man, and I'm proud of it," the judge said, "and I want to help keep it that way."

Moss will be stepping down as Supreme Court justice in July after reaching the mandatory retirement age of 72. But that's in July, and Moss made it clear he was going to keep on working until then.

"Lord, I've seen a lot of law come by me since I started as a circuit judge way back in 1948," Moss said. The York County native and farmer served from the state's Sixteenth Circuit until his election to the Supreme Court in 1956.

"In this business, you've got to have a high boiling point—can't get mad over just any little thing.

"In fact, I always told people that after I made a decision, you have 24 hours to cuss the judge. After that, it's contempt," the chief justice said and grinned.

"Looking back now, I guess I'd say that the hardest thing for a judge on any criminal court bench is the job of fitting the punishment to the individual," said Moss.

But once on the Supreme Court, there's a whole new ball game, Moss said. "Here, you're dealing with cold records . . . personalities are not too much involved."

So, how does he do it—getting down to dealing with the hard facts and coming up with an opinion?

"Well, I don't worry too much about it. I just get in there and let it go. Now with cases which are going to set precedent, I do some worrying.

"I just want to be certain I'm right on it . . . that is, saying it so there won't be any question. Of course, I feel that way about any case," he said.

He added, "Man, sometimes, I really agonize over a case. I've written opinions, rewritten them, re-considered them until it's gone well over a month.

"Two months later, I'd look back and see just how simple it really was," he said.

Moss was asked what type of case bothers his the most.

"Oh, there's no doubt . . . a child custody case. It's anguishing in a way to try to decide who should get the child.

"All you can do is try to determine from the record in front of you just what is in

the best interest of the child. It's all you can do," Moss said.

"I've got a lot of hope for this judicial reform bill," said Moss. "I think the Riley bill (a bill implementing the judicial reform amendment) is a step in the right direction.

"Of course, I'm also concerned about the jurisdiction of the new district court system set out in the bill. If every case is transferred to the circuit courts, it'll be just as crowded as ever. But, I believe the bill will take care of it in the long run," Moss said.

Moss quickly added, "You know, the ideal way to clear the dockets is to put two judges in one circuit all the time, but in places like Columbia, Greenville, and Charleston, there's a limit as to how to clear the docket. There's no space to try the cases."

Moss then began thinking again of his times on the circuit bench.

"When I got on, not as many mean, heinous crimes to be tried. I don't know if it is because of a change of times, but now, the percentage of crimes has gone way up," said Moss.

"I can remember, in Conway, I went in there faced with 105 cases one year. I left there with only one case left untried or settled," he said.

But Moss is realistic. He said he knows the same thing can't be done now—there's just too many cases, and a month on the bench, seven days a week, wouldn't clear the docket in some areas.

"Now on the Supreme Court, a lot has changed too since the old days," said Moss. "But on the circuit bench then, a judge didn't have problems of things like uninsured motorists and the like.

"The passage of legislation has increased the civil cases, there's no doubt," Moss said. "It's the same for the Supreme Court too.

"I guess no fault insurance is going to be the next big case load for all the courts," said Moss.

Moss said that 19 years on the Supreme Court has taught him one good lesson: "We're an appellate court. If the issues are not raised, we shouldn't be concerned with it."

Moss thought again about the state's high court and his involvement with it as justice and chief justice.

"I've been lucky, I know. There've been some right important cases that have come out of our court since I've been on it," he said.

Moss named several of the cases. One was the Holzwasser case last year: a 3–2 Supreme Court ruling upholding a state law which subjects property owned or leased by manufacturing businesses to a higher tax rate than other property.

The majority opinion from Moss and Associate Justices Bruce Littlejohn and J. Woodrow Lewis reversed a lower court ruling which declared unconstitutional portions of a 1972 General Assembly Act allowing counties to assess the tax.

Another case cited by Moss was a 1967 Supreme Court ruling—the Industrial Bond decision.

In that case, the court issued an opinion broadening the state's Industrial Revenue Bond Act to permit revenue bond financing of projects begun before the act was passed earlier that year.

The opinion followed another ruling by the court, giving the Revenue Bonds Act a clean bill of health—thus, opening the door for what promised to be a substantial upswing in industrial development. The act in essence provided public funds for private industry.

"You know, thinking back about those cases, it makes you think about the difficulty in issuing opinions," Moss said.

"I'd rather not write an opinion sometimes, especially if it means putting a man in the electric chair, but if it's the law, I'm not going to hide from it . . . I'm not going to disassociate myself from it," Moss said.

Moss loved talking about the court—all facets of the judicial process. He said conversations on the subject sometimes last for hours.

But a short time later, Moss' law clerk, Pete Perrill, confessed the truth:

"If you really must know, the chief justice would rather talk about farming—that's what he loves most."

Moss never would say what he planned to do after he steps down as chief justice in July.

"One thing for sure," Perrill said, "he won't just sit down. He'll go back to his farm or practice law or something."

SALARIES OF FEDERAL JUDGES SHOULD BE RAISED

Mr. PERCY. Mr. President, once again I recommend that the salaries of Federal judges be raised. This is not an academic inquiry. It is a matter of concern to everyone who is dedicated to creating and maintaining a standard of excellence on the Federal bench.

The ultimate appointment of men and women to the Federal bench reflects a lifetime of legal excellence, judgment and wisdom. Their appointment is by the President of the United States and they are confirmed by the U.S. Senate.

We must remember that the best lawyers earn tremendous salaries in private practice. Most Federal judges, should they return to private practice, could earn far more than they presently do. But most Federal judges do not ask to be paid the same amount they could earn in private practice. They ask only that their salaries keep pace with the cost of living. Judicial salaries were frozen in 1969. Since then, the Consumer Price Index has risen 42 percent. While salaries for most Federal employees have increased 38 percent since 1969, the salaries of Federal judges have not changed.

We now face a significant crisis. Some of our best Federal judges have resigned recently to resume private practice. As these vacancies occur, it becomes more difficult to find qualified attorneys who are willing to leave private practice for the Federal bench and face salary cuts. Unless we increase salaries for Federal judges to keep pace with the cost of living, the caliber of our Federal judges and thus our system of justice, will deteriorate.

I urge the President to submit a request for pay increases for Federal judges. I urge my colleagues to support the measure.

I ask unanimous consent that there be printed in the RECORD a letter I recently received from an eminent Federal district court judge, whose name I have deleted, which explains the dilemma which many Federal judges face today.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 24, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
Room 4321, Dirksen Building,
Washington, D.C.

DEAR SENATOR PERCY: I know you are aware of the recent concern among Federal judges over salaries. The problem is particularly acute among younger judges like myself, with children still in school and no income other than our salaries.

During my years on the bench, I have exhausted the reserve capital accumulated during my law practice, and now find myself solely dependent on a salary which by any fair standards has become inadequate.

Congress does not seem aware of the urgency of the problem. I am told that five Federal judges have resigned this past year for financial reasons, and as our plight becomes more commonly known, I am beginning to receive discreet inquiries as to whether I am considering returning to the practice. I followed up one such inquiry from an old friend and was offered a guaranteed minimum income in an amount twice my salary. I have postponed responding while I await whatever action comes from the 94th Congress. I'm sure you can imagine the soul searching my dilemma has precipitated.

There is much data available on our financial status and I would be happy to supply it if you wish. But a few central facts tell the story. Since our salary was fixed at $40,000 in 1969, the consumer price index has risen 42%. Most other Federal employees have received pay increases of 38%, and the average income of attorneys has risen 43%. A comparable increase for the judiciary would warrant a $60,000 salary

A judicial salary commission appointed by President Nixon several years ago recommended a 25% increase. Under the law creating the commission, its recommendation to Congress becomes law unless specifically disapproved. I understand President Ford will send this recommendation to Congress if he can get any assurance from the leadership that it will be allowed to become law.

While this would result in an increase much less than fair, it certainly would be welcome. My fellow judges and I would be grateful for your support in bringing it about.

I would be happy to discuss this with you or give you further information if you wish it.

Sincerely,

———— ————.

A LIMITATION ON THE PRESIDENT'S AUTHORITY TO IMPOSE A TARIFF ON OIL IMPORTS

Mr. RANDOLPH. Mr. President, earlier today the junior Senator from Washington (Mr. JACKSON) and the senior Senator from Massachusetts (Mr. KENNEDY) testified before the Senate Finance Committee on H.R. 1767, a House-passed bill which prohibits for a period of 90 days the imposition of new tariff fees on oil imports.

Mr. President, I ask unanimous consent that the statement by the junior Senator from Washington be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HENRY M. JACKSON

Mr. Chairman, Members of the Committee, I am pleased to appear before this Committee with my distinguished colleague from Massachusetts. Your Committee has before it a House passed bill, H.R. 1767, a measure which would prohibit for a period of ninety days the imposition of new tariffs, fees and quotas on oil imports.

We are at a significant crossroads in the effort to resolve our nation's energy crisis fairly and sensibly. Decisions in the weeks and months ahead will set this country on a course which will not be easily altered. I am confident that the Congress will take decisive action based on a reasoned and thoughtful examination of the merits of alternative energy conservation programs.

The President's energy price and tax proposals would, if implemented, result in intolerable price increases for all energy consumed in the United States. With the President's proclamation increasing the fees on imported oil by $1.00 per barrel, we are already thrust down the road to "prohibitive" energy pricing. If Congressional inaction allows the President's program of import fees and domestic crude oil price decontrol to take effect, American consumers will pay an additional $33.6 billion in higher energy costs. This amounts to nearly $150 for each man, woman and child in the United States, nearly $600 for an average family of four. These enormous cost increases would affect all petroleum products and would quickly spread to other energy sources—coal, natural gas, uranium—which compete with oil in the United States. These price increases will push up the cost of all goods and services in all regions of the country.

I believe the President's program contains the seeds of economic disaster for the United States, without substantially improving our energy situation. It will depress an economy already on the brink of depression. It will also perpetuate double digit inflation. By attempting to achieve long-term energy goals in the short run, the Administration's program will create economic chaos: higher energy prices; more bankruptcies, more unemployment, more inflation, a captive foreign policy, and a weakened economic position for domestic companies which engage in international commerce.

The Joint Resolution which Senator Kennedy and I have introduced requires that the Congress be consulted on these proposals before they are implemented, that each proposal be fully justified as to rationale and impact, and that the Congress have the right of disapproval. Our resolution and the House passed bill provide time for Congressional participation and deliberation leading to the development of a fair, sensible and effective energy conservation program.

We have already learned much about the disruptive economic potential of the President's proposals. Yesterday the Interior Committee and representatives from other committees participating in the Senate's National Fuels and Energy Policy Study, heard testimony from representatives of industry, electric utilities and higher education. The testimony was as alarming as it was informative. The President's program would—

Increase fuel costs for one segment of the transportation industry alone—the airlines—by $1 billion, which could lead to a 15% increase in air fares or result in as many as 50,000 lost jobs;

Force universities and colleges to absorb higher energy costs, $1.7 million for one major university, necessitating tuition increases and a sharp curtailment in research and educational output;

Drive up utility rates to intolerable levels for business and consumers; and

Fail to limit energy consumption significantly because the demand for petroleum products is largely insensitive to price changes.

One witness, Mr. Charles R. Owens, who formerly served in the Administration as Deputy Assistant Administrator at the Federal Energy Administration in charge of oil price control policy stated that he believes "the President's program is based on several highly dubious assumptions". These include the assumption:

"That a viable recession recovery program can be financed by regressive oil and natural gas taxes.

"That demand elasticity for energy is significantly negative despite the contrary evidence over the entire post-World War II period. Even the past eighteen months, while admittedly exceptional, indicate almost zero elasticity.

"That U.S. domestic oil production can be quickly turned around, even though under the two-tier price system U.S. output still declined by 10 percent or 900 thousand barrels per day from December 1973 to December 1974.

"That exploration incentives would still be positive with the recommended excise taxes on oil, plus the excess profits tax.

"That the cake is really worth the candle. A makeshift tax package—both on the input side and on the rebate side—has been constructed to show OPEC that we mean business, to put economic pressure on foreign oil producers, despite the fact that the amounts involved are only a minor fraction of producing capacity, and to prove to our European and Japanese allies that we are willing to make sacrifices. We strongly suggest that the potential strategic benefits of these 'bargaining chips' ought to be balanced against a rigorous assessment of their costs."

Mr. Chairman, I would like to submit copies of this testimony for the Committee's hearing record.

Finally, Mr. Chairman, I would like to submit for the hearing record an economic analysis of the cost of the Administration's energy price, tax and tariff program which was prepared by the Interior Committee staff at my request.

Table VIII of this analysis shows the significant effect of cost increases in the direct purchase of fuels and electricity and the even larger effect of indirect energy use on expenditures. Thus, for a poor family, approximately $125 in increased costs for direct energy purchases corresponds to nearly $340 in increased costs when purchases of nonfuel goods and services are accounted for. For middle-income families, $200 to $250 in increased costs for direct purchases of fuels and electricity become $500 to $700 in total cost increases per family when all purchases are considered.

This table also shows the disproportion between added energy costs and ability to pay. The poor must find extra cash to pay for a third as much energy as the well off, yet they must find this cash in an income which is on the average, only an 8th to a 10th as large. Thus, the basic requirements for food, shelter, heat, transportation, and essential clothing and manufactured goods place a floor on energy requirements which does not respect relative ability to pay. When basic energy prices increase, the burden falls much more heavily in proportion to ability to pay on the poor.

The table shows that added energy costs which the President's program would provide for will reduce the purchasing power of the poor by over 11 percent while for the well off, only 3 percent of income will be affected.

TABLE VIII.—INCREASED ENERGY COSTS FOR HOUSEHOLDS BY INCOME: DIRECT AND INDIRECT ENERGY PURCHASES

Category	Income [1] (1974 dollars)	Cost increase for direct energy purchases [2]	Cost increase for indirect energy purchases [3]	Total increases
Poor	$3,050	$124	$212	$336
Lower middle income	9,770	176	329	505
Upper middle income	17,000	242	506	748
Well off	29,900	287	657	944

[1] Income adjusted by the ratio of consumer price indexes: December 1971; December 1972=1.221.
[2] Purchases of fuels and electricity for households; energy costs assumed to increase by 60 cents per million British thermal units.
[3] Purchases of all products (food, automobiles, housing appliances, petrochemicals, services) dependent on energy; dollar-for-dollar passthrough of 60 cents per million British thermal units is assumed.

Mr. Chairman, the President's energy program includes many proposals for whose adoption Congress has worked long and hard. These will receive early action and enjoy bipartisan support. His "prohibitive" energy pricing proposals have *not*, as the House vote indicates, received support.

I urge your Committee to act at an early date to report H.R. 1767 to the Senate floor. The sooner this ill-conceived Administrative policy of huge increases in the tariff on oil imports, without any form of Congressional assent, action or review, is set aside the sooner Congress and the Administration can get at resolving the many difficult energy problems facing the nation.

THE CASE FOR TAXING GASOLINE AND AUTOMOBILES

Mr. PERCY. Mr. President, on February 3, 1975, the New York Times editorially supported the idea of taxing gasoline and automobiles as an alternative to the administration's proposals for tariffs and excise taxes on crude oil.

Since the energy crisis has made us acutely aware of the need to reduce our dependency on foreign petroleum, we must seek to cut consumption where we can most afford to—with the automobile. By taxing gasoline and the larger, inefficient automobiles, we can strike at the most elastic use of petroleum. As the editorial points out, it is far easier for most Americans to cut down on their driving than to go without heat in their homes.

During the last session of Congress, I introduced a package of energy legislation which included a gasoline tax and an auto-efficiency tax incentive program. I plan to reintroduce this legislation soon and since the New York Times so effectively argues the case for these proposals, I would like to share the editorial with my colleagues.

I ask unanimous consent that the New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 3, 1975]

TAXING GASOLINE AND AUTOS

GASOLINE

The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health. Thus, President Ford insists on a tariff on all crude oil imports rather than a higher excise tax on gasoline alone.

Yet, essential though automobile transport has become in most parts of the country, many American families have already found that the gasoline to power inefficient cars, one driver at a time, over short urban and suburban distances is far easier to spare in their energy budget than, say, the fuel to provide basic 68-degree heat in the home.

On average, American motorists drove about 300 miles less per car last year as a result of the higher cost of gasoline forced by foreign oil producers' price increases. This is an indication of the elasticity in gasoline—optional consumption that falls off as the price rises.

Nor is it necessary fairer, as the Administration contends, to spread out the costs of conserving energy across all petroleum users—which, one way or another, means everyone. It is surely fairer to let each American motorist make the decision for himself how much to drive, rather than to force

every consumer to pay the higher costs passed along by utilities, industries and everyone else who uses petroleum in the production process.

The fourfold price increase that has already occurred in crude oil has forced gasoline prices up about 37 per cent, but far higher percentage increases hit other fuel prices: diesel fuel went up 49 per cent, home heating oil 66 per cent, aviation fuel 100 per cent and residual fuel oil, used in industry and electric utilities, a staggering 143 per cent.

Where is the equity, therefore, in "sparing" motorists the burdens of a sizable increase in the cost of a gallon of gasoline in order to spread out the burden among all petroleum products when these other products have already risen so much more?

Undoubtedly, adjustment to higher gasoline prices would create hardships, particularly at the start and in localities where there may now be no practical alternative to the car for employment and communication. But designing a system of rebates and allowances for essential automobile uses would be far less complicated than any attempt to compensate for the gross inflationary damage from across-the-board petroleum price increases.

The social and economic judgment that underlies President Ford's abhorrence of a gasoline tax centers on an exaggerated pride of place which he assigns to the automobile industry. However, the unpalatable fact is that the directions pursued in car design and marketing over the past decade and the infrastructure of highways and community development that this trend has promoted have distorted the economic growth and social well-being of the nation.

One current example is the impact on employment and energy consumption from highway construction, so long the symbol of this country's auto-based economy. In a recent issue of Science magazine, two researchers calculated the difference between spending $5 billion on construction of new highways or investing the same amount in railroads and other mass transit facilities. The energy consumed in the construction work alone would be 62 per cent less for railroads than for highways; such a shift in priorities, moreover, would provide more than 8,000 additional jobs.

Leaders of the automobile industry recognize the need for new directions. Chrysler has begun a long-term restructuring that cuts capital overhead by one-third and projects sales in the range of 6 million cars every year instead of 8.8 million sold in 1974. General Motors has announced a four-year research program, costing $3 billion, to make its models smaller and lighter.

Such steps are but a beginning. Dr. Edward Teller, who knows something about advanced technology, believes that "except for the mental inertia in Detroit, we could have a fifty-mile-per-gallon car in perhaps as short a time as three years." Another critic of the automobile industry, Donald E. Weeden, president of the City Club of New York, has even proposed "massive government aid to Detroit to produce twenty million compact cars a year in order to get us out from under our existing inefficient fleet." A tax on horsepower or automobile weight would be a logical complement to a tax on gasoline; the goal is not to penalize motorists, but to reward efficient design and use of cars.

No energy policy that aims to protect the status quo of the automobile industry by preserving the relative cheapness of gasoline can make more than a dent in the profligacy of this country's energy consumption.

The undoubted hardships of a gasoline tax can only be measured against the alternative hardships foreshadowed by President Ford's tariff plan; these are becoming more extensive with each new economic analysis by the government itself. For the longer term, automobile and gasoline taxes would promote the necessary trend of American life away from the extravagances of the unfettered automotive economy.

ILLEGAL ALIENS IN AMERICA

Mr. CURTIS. Mr. President, today there are a huge number of jobs held by illegal aliens in America, when millions of American citizens are unemployed. I wish to address myself to changes in public policy necessary to correct this injustice.

We have the unhappy statistics as to the growth of unemployment due to a combination of inflation, energy shortages, and sharp decline in consumption and capital formation. The latest shows 7.1 percent of our work force unemployed. In human terms, this means 6 million people out of work.

Alongside this, we have estimates by the Immigration and Naturalization Service that there are from 6 to 12 million illegal aliens in this country.

Stated another way, those who have come illegally in recent years more than equal the total of all those who have entered our country legally over the past 25 years.

This in itself is bad enough.

But I am receiving frequent complaints from citizens in Nebraska and neighboring States seeking employment that a large number of jobs are held by illegal aliens. Many of my colleagues report the same situation elsewhere in the country.

Attorney General William Saxbe, last October, estimated that at least one million jobs are held by illegal aliens.

In December, after hearings by a House Government Operations Subcommittee, it was stated that illegal aliens take at least 1.2 million jobs from American citizens, and earn $10 billion annually.

These are not simply "jobs that no one else will take," as is sometimes asserted.

According to Representative LEO RYAN, of that committee, half the jobs held by illegal aliens pay from $4.50 to $6.50 per hour and another 20 percent are semiskilled. The 30 percent remaining are lower-paying farm jobs.

Again, this is confirmed by individual letters and calls received from constituents, both native-born or naturalized.

If these jobs were available to American citizens, it would reduce unemployment by 20 percent of those unemployed, and by more than 1 percent of all Americans in the labor market.

In many instances, the illegal alien sends part of his money earned to his native country. Thus, this transfer of funds represents one more cash outflow affecting adversely our balance-of-payments position.

Mr. President, I realize that all immigrants—legal or illegal—still come to America because it is the land of opportunity.

I realize that many illegal aliens are exploited and forced to accept lower wages, or poorer working conditions lest their illegal status be reported.

But these factors can hardly serve as justification when the net effect is to take jobs from citizens—many of whom came to this country under our immigration and naturalization laws—and depress wage levels.

Our first obligation is to our citizens, particularly when so many are unemployed.

As to why so many aliens have entered this country illegally, there seems to be general agreement with Commissioner Leonard Chapman—and I commend him for his candor—that the Immigration and Naturalization Service has simply not had enough funds to prevent the silent, stealthy, unceasing flow of illegal entries.

At present, he has only 1,350 men to cover the entire 2,000 mile Mexican border. Most of the illegal aliens come from the Western Hemisphere, and of these the largest number come from Mexico. Nor will this flood stop; the surplus labor force in Mexico is expected to soar in years to come.

Parenthetically, it should be noted that prior to the enactment of the Immigration Act of 1965, the problem of illegal entries from Western Hemisphere countries was relatively minor. The act—perhaps unintentionally—seems to have established policies which actually encourage such entries.

Commissioner Chapman has pointed out that not only do these illegal aliens take jobs from American citizens, but they benefit from our country's general social services, and educational facilities, without paying any taxes.

Mr. President, I understand that the Service has requested an additional $50 million for fiscal year 1976 to increase its force by 2,200 men and women. It would seem absolutely essential that such increase be approved by OMB and Congress. I intend to support this request, and would hope that my colleagues on the Judiciary and Appropriations Committees agree on the need for it.

I am informed that with the Service's present training facilities, it will take at least 2 years to recruit, train, and integrate into the Service that many additional personnel.

The Service expects to graduate a class of about 140 this March, and 225 in the next class.

The Service at present makes a special effort to recruit Vietnam-era veterans, for which I commend them. About 45 percent of the present class are such veterans. I would hope this number could be increased, under the provisions of the Vietnam Era Veterans Readjustment and Assistance Act of 1974.

The Service is also requesting additional funds for a type of census to establish more precise figures as to how many illegal aliens are in this country, and holding jobs. This, too, would seem eminently justified.

Finally, the Service is requesting additional funds for interior and repatriation operations.

Today the problem is not simply stopping illegal entries, although this is difficult enough.

The Service must find the illegal aliens who have "disappeared" in cities all over America. A large number of its additional staff will be assigned to this task.

Once illegal aliens are located, they must be returned to their native land. If the alien has no funds, the cost of transportation must be borne by the Service. Each regional office has a limited allocation of funds for this purpose, and if such funds are exhausted, the Immigration Service has no recourse but to turn such aliens loose, with orders to report to the regional office. Naturally, they simply go underground again.

The Service cannot afford to hold them in detention indefinitely. Nor can they file criminal charges unless there is evidence of several violations of parole, or of commission of crimes such as smuggling. To do otherwise would swamp the dockets of Federal district courts.

Finally, Mr. President, I urge enactment of legislation making it illegal for an employer to knowingly employ illegal aliens. This would seem to be necessary to cut off the job market for such aliens.

Such legislation must be very carefully drawn to protect those who hire illegal aliens in good faith. Today, many of the latter are provided with false or stolen work certificates, phony marriage licenses and so forth, all making it difficult for the employer to detect the illegal alien.

I would hope that this combination of additional funding for the Service and legislation drying up the job markets would make the message very clear to those who seek to enter our country illegally: You will not be able to find jobs in America, and if you enter illegally you will be detected in short order and returned to your own land.

Even more important, these policies would demonstrate to unemployed American citizens that more jobs will be available to them, and unemployment will not in part be due to jobs being held by those who enter our country illegally.

ROCKET ATTACK ON CAMBODIAN SCHOOLCHILDREN

Mr. THURMOND. Mr. President, it was shocking to read in the Washington Post this morning, February 7, about the rocket attack against Phnom Penh by Communist forces which took the lives of 18 school children between the ages of 7 and 9.

Having visited Phnom Penh less than a month ago I was greatly moved by the conditions in that city which is surrounded by Communist forces.

It is incomprehensible to me why any military force would indiscriminately fire upon the civilian populace. This tactic is typical of Communist forces in Cambodia and South Vietnam, which have used terrorism in attempts to achieve their political and military objectives.

I know the American people will be repulsed by this further example of the tactics used by Communist forces in Indochina.

Mr. President, I ask unanimous consent that the article appearing in the Washington Post February 7 be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROCKETS KILL 18 CHILDREN IN CAMBODIA

(By H. D. S. Greenway)

PHNOM PENH, February 6.—War came to the center of this capital today as insurgent rockets killed 22 persons—18 of them schoolchildren between the ages of seven and nine—and wounded more than 50 others.

The explosion of the first rocket, which struck in a tree just outside the College Wat Phnom, could be heard throughout the center of town. That blast was followed by the high-pitched, hysterical shrieking of frightened and injured schoolchildren.

Reporters rushed to the scene and found tearful teachers and police carrying the shattered bodies of dead and injured out into street.

The rocket explosion had sent shrapnel through the roof and window, killing nine children at their desks. Eight more children, and a woman French teacher, died subsequently in hospitals around the city, according to hospital authorities. The number of wounded children could not be accurately determined but it appears to be between 25 and 35.

The rocket attack had apparently interrupted a French lesson because the words "chapeau" and "champignon" were left chalked on a blood-spattered blackboard.

Crowds of anxious parents defied police and forced their way into the schoolyard, crying and calling out the names of their children. Soon there were at least a hundred more outside in the street, as word spread through the city.

A second rocket landed moments after the first beside a taxi stand near the central market. Four persons were reported killed and at least a score wounded. The corpse of a woman, her head blown away, lay crumpled in blood on the floor of her small street stall, which the police quickly closed.

"If they bombard the center of the city, where else is there left to go?" a woman asked anxiously. While the war has raged in the countryside and even on the outskirts of the city, there have been comparatively few rocket or artillery attacks in the center of town.

Since increased fighting began on Jan. 1, however, officials said that more than 550 rockets have struck the city and its airport, killing 75 persons and wounding more than 335.

In addition to the two rockets that hit the center of town today six rockets hit the airport, the Cambodian military command said. But there were no casualties or damage there.

The 1,000-pupil College Wat Phnom is now temporarily closed and the Yyceee Descartes, another French school nearby which was hit without injury to students last year, has also closed temporarily. Most of the students at both schools are Cambodian.

On Tuesday the French ambassador here told the 1,500-member French community that it would be a "wise precaution" to evacuate women and children from the country. Embassies have periodically evacuated dependents during the war, but this year fewer embassies had evacuated their women and children than during the dry-season fighting two years ago.

According to army headquarters here the shells were 107-mm. rockets fired from the east bank of the Mekong, where the insurgents hold positions a few miles from the city. A third round landed not far from the school, but it failed to explode.

The 107-mm. rocket is a notoriously inaccurate weapon and can only be pointed in the general direction of the target.

SCIENCE POLICY AND WHITE HOUSE ADVISERS

Mr. MATHIAS. Mr. President, our success or failure in grappling with the problems which face us—the problems of our economy, of our environment, of energy, and other scarcities—will depend in large measure upon the procedures which we establish to deal with them. We need new procedures to bring to bear the resources at our disposal. One of the greatest of those resources is science. Science, particular scientific research and development, requires planning. We need new procedures to make our political processes work in a manner permitting farsighted planning.

There has been of late much discussion of the need for establishing a mechanism to provide such "resource allocation" of science. The debate about how this will be accomplished has centered upon the wisdom of reestablishing the Office of Science and Technology in the White House. Indeed, legislation which would accomplish this was passed by the Senate last year, but failed of enactment in the House of Representatives. Because of my continuing interest in matters of science policy and the procedures which we employ to arrive at such policy, I have introduced S. 79 to establish the U.S. Science and Technology Board, which provides another approach to this problem.

I wish to call to the attention of the Senate, as part of what I hope will be a continuing dialog on this issue, an article by Eugene B. Skolnikoff and Harvey Brooks, entitled "Science Advice in the White House? Continuation of a Debate" which appeared in the January 10, 1975, issue of Science magazine. This is an important article and should be read as an aid in viewing the extent and breadth of the problem, as well as for the solutions proposed. I ask unanimous consent that this article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCIENCE ADVICE IN THE WHITE HOUSE?
CONTINUATION OF A DEBATE

(By Eugene B. Skolnikoff and Harvey Brooks)

A new debate over the purpose and structure of a science advisory apparatus in the White House is now well underway, spurred by the apparent interest of President Ford in some kind of structural change. An important article by G. B. Kistiakowsky in *Science* in April 1974, the report by a select committee of the National Academy of Sciences (NAS) chaired by James R. Killian, the recent hearings of the House Committee on Science and Astronautics, S. 32 sponsored by Senator Kennedy (D–Mass.) and passed by the Senate, and assorted items in the pages of this and other journals have contributed to the debate.[1] So far, the consensus seems to favor creation of a modified Office of Science and Technology—a three-member Council for Science and Technology patterned after the Council of Economic Advisers and the Council on Environmental Quality. The existing arrangement in which the director of the National Science Foundation (NSF) also serves as science adviser to the President is given short shrift, as are other possibilities.

[1] *National Academy of Sciences*, "Science and Technology in Presidential Policymaking—A Proposal." Report of the ad hoc Committee on Science and Technology, June 1974; G. B. Kistiakowsky, *Science* 184, 38 (1974); E. B. Skolnikoff, *Public Sci. 5*, (No. 6) 1 (1974); S32 The National Policy and Priorities for Science and Technology Act of 1974.

We agree with the proposal for a three-member Council for Science and Technology (CST); but we believe the detailed structure is much less important than the nature of the tasks to be performed and the arguments that justify such a council in the first place. The case for the CST has not been made adequately, in our view, by any of the contributors to the debate, although the Kistiakowsky article comes closest. The NAS study, the most widely quoted, fails to deal with the politics behind the issue or to examine the real and critically important lessons of the rise and fall of the President's Science Advisory Committee (PSAC) and the Office of Science and Technology (OST). It is essential that we be clearer about the possibilities and limitations of a science office at the White House level if a successful and stable office is to be achieved.

For analytical purposes it is useful to divide the functions that must be performed into (i) the science advisory function for the President, and (ii) the science policy function for the Executive branch. Although they overlap, there is a difference between an intimate advisory role for the President, and a broader science and technology "management" or policy role for the government as a whole The first involves a close personal association with the President in a White House staff relationship, bringing to his attention scientific and technological aspects of policy issues under consideration, and representing him in dealings with other parts of the government. The second implies all the problems of allocation of resources for science and technology, reconciliation and integration of multiagency programs, evaluation of the quality of agency R & D programs, early warning of technology-related problems, and concern for the health of the R & D community, for science education, and for other policy issues directly related to or bearing on science and technology.

In practice a sharp demarcation between these two functions is not possible; there is a difference of emphasis only. The PSAC and later the OST clearly felt responsible for both. Yet one of the two could be represented at the White House level without the other, depending on a given President's preferences. In fact, we would argue that it was the statutory identification of, and, indeed, confusion between the two functions, and OST's persistence in attempting to fill both simultaneously when the advisory function was withering on the vine, that contributed to the ultimate demise of the office. The science policy function, if justifiable at the presidential level, can give an institution permanence; the advisory function will always depend on the variations of presidential style and politics.

SCIENCE ADVISORY FUNCTION FOR THE PRESIDENT

There is presumably no reason to debate at this time the need for scientific and technological advice at the presidential level. The significance of the various technology-rich security, energy, environmental, and other issues that a president personally must face are obvious. Equally evident is his difficulty in obtaining technical judgments that he can grasp and then interpret in relation to the political and other considerations which he must also weigh in these issues.

But agreeing that there is such a need does not determine how that need should be met. This science advisory function could be performed within the National Security Council (NSC) and domestic council structures or as part of Office of Management and Budget (OMB), through a single person with a small staff in the White House, or through a CST. Whatever mechanism is established, it will have to take into account that every President has his own working style and pattern of White House relationships, and that these cannot be determined by others. The primary political lesson from the OST experience is that it is not possible to legislate an intimate advisory function for the President. In fact, institutions at that level with political power independent of the President almost certainly will be ignored and probably will be destroyed.

Ultimately the President's test of a successful science advisory apparatus is whether it helps him politically while still preserving its own intellectual integrity and unique perspective. It can help him by suggesting new policy or program initiatives for which he can take personal credit or by being foresighted about science and technology issues that are likely to cause controversy. The science adviser can keep the President from allowing problems to fester until they can be used by critics and from putting the President's political prestige behind projects and policies that are likely to fail eventually because they are unsound scientifically. In many cases the science adviser can retain credibility not by directly opposing presidential views on policy grounds, but rather by clearly and forcefully warning the President of the political consequences before and not after he embarks on certain courses. Or, the adviser can help provide a scientific evaluation and justification for initiatives a President might desire to take on political grounds, or make sure after the fact that the implementation of such initiatives is technically sound and not undermined by the biases of the departments and agencies. The PSAC played that role with respect to the early bilateral science agreements with Japan and the Soviet Union and many aspects of the space program, and it could, if it still existed, be continuing that role in relation to Project Independence and to the growing number of bilateral agreements for science cooperation.

The most difficult problem is in the national security area. Here the President's need for scientific and technological advice independent of the Defense Department and other security-related agencies is crucial. In fact, the primary contributions of PSAC were not only in advice to the President, but often in direct relations with the Pentagon. But the special assistants for National Security Affairs since 1960 were never fully comfortable with a role for PSAC in this area and increasingly tended to reduce PSAC influence. Over time, PSAC's influence in the security area was far less than it was in the late 1950's and early 1960's, and far less than was in fact needed.

There may, however, be alternatives. If there is no science advisory office close to the President, another possibility for security issues could be the creation of a science advisory staff within NSC, although such a staff would be hard to establish with adequate size and continuity. However, if there were a science advisory office, joint staff assignments between NSC and the science office, as developed between OST and NSC for a time, could be a valuable coupling. One way or the other, a science advisory function in the security area for the President is critical.

In sum, for the presidential advisory function we believe that some mechanism is essential but that it must be established anew by each President. It can take many different forms; but if a stable, politically savvy, high-quality staff in the Executive Office of the President was already performing the science policy function, and, therefore, was ready at hand, it could be the likely candidate for a personal advisory role. But such a staff must have a continuing reliable foundation if it is to be "ready at hand" for each President, and it must be competent to carry out both functions, recognizing that they can compete as well as be mutually supportive.

SCIENCE POLICY FUNCTION FOR THE EXECUTIVE BRANCH

One component of the role for which PSAC and later OST were created was to oversee a burgeoning federal responsibility for science and technology. The situation today is not basically different from what it was in the late 1950's and early 1960's as far as R & D is concerned. The federal budget for R & D is larger, though not in relation to the gross national product. R & D allocations continue to be made annually at department levels based on the missions of those departments. Scientific and technological competence is much more widespread throughout government, but science and technology are also more intimate parts of all policy issues than ever before.

However, there are some other changes as well. In contrast to defense and space programs, technical programs in support of the solutions of social problems tend to conform much less easily to the functional organization of the Legislative and Executive branches. Whereas high technology programs in defense and space are largely concerned with means to serve agreed goals, technical programs to solve social problems more often are concerned with alternative goals as well as means to achieve goals. These programs characteristically cut across agency objectives and capabilities in a way that make overall planning both more essential and more difficult. The fact that political, economics, and other nontechnical or semi-technical considerations are much more prominent in the key decisions regarding future directions in such policy areas as energy, transportation, environmental planning, health care delivery, and food supply, adds to the need and difficulty of overall planning.

As the pace of both social change and expectations accelerate, planning for future needs, assuring timely investments in specific technologies, and avoiding premature commitment to the wrong large-scale systems loom as much greater imperatives than even 15 years ago. An early warning capability to foresee problems requiring R & D investment well before the problems require crisis treatment thus takes on immensely important proportions.

The growing complexity and resulting inertia of government make it increasingly critical that policies once decided have adequate oversight and are then followed through. For all the well-understood reasons, the political forces at work in multi-agency issues, aided and abetted by the pattern of organization and influence of Congress, tend to dilute or divert changes of policy direction unless continuous oversight is maintained.

The slow but hopefully real signs of change in the Congress, where there is a developing capability to examine scientifically and technologically related issues on a broader base than in the existing committee structure, calls, in turn, for a matching capability in the Executive branch. The Office of Technology Assessment and the new congressional budget office could become powerful factors in challenging Executive branch policies or the lack of them. Or, the argument can equally be turned the other way: A strong science policy focus in the Executive branch would contribute significantly toward bringing forth a competent congressional response, thus strengthening the Congress' capabilities in science and technology, and in turn assuring a more intelligent and relevant public debate on such issues.

Perhaps there is no area of government activity where the conflict between immediate needs and long-range capabilities for problem-solving is more evident than in the application of science and technology to immediate needs. The growing pressure for visible, measurable, usually short-term payoffs of research at the expense of long-range research, while not confined to one Administration, may, in fact, require continuous vigilance and political mobilization on the part of leaders of the scientific community if long-term injury to the national scientific potential is to be avoided.

But even for this function, it is not self-evident that a new office is needed. At least some of the needs mentioned above, in particular those involving budgetary and related allocation questions, could fall quite naturally within the purview of the OMB. Others, such as "early warning," do not necessarily have to be carried out above the level of the departments and agencies. In fact, some needs, such as concern for the health of the scientific and technology community, may require advocacy roles that conflict with other functions in which a more disinterested approach is necessary.

A strong argument, moreover, could be made for an effort to build the right kind of scientific and technological competence within the OMB and the Domestic Council and to strengthen the NSF Science and Technology Policy Office to perform long-range analyses. Such a solution would avoid creating a new Executive Office agency and would more importantly bypass some of the inevitable problems of an office at the White House level having both management and advocacy roles.

On balance, however, we believe the case is stronger for recreating an instrument in the Executive Office of the President with science policy functions as we have outlined them.

(1) Over many years OMB has never shown a willingness or ability to build the kind of staff able to oversee with substantial technical insight the science and technology activities of the government. This is particularly evident with regard to defense programs, on which OMB has had little influence overall. Even if OMB attempted to build an adequate in-house technology competence, such an office would likely be so tied to the annual budget cycle and so sensitive to pressures to limit expenditures that it would be difficult to carry out those functions requiring a different time perspective. In addition, multi-agency program initiation and oversight, usually involving other issues beyond budgetary matters, would be exceedingly difficult to carry out reasonably from an office with predominantly budgetary concerns.

(2) Whatever value the science policy office in NSF can have, and that can be substantial, it simply cannot be expected to perform politically difficult management functions that involve influencing or controlling programs of large rival departments. If nothing else, the key to flushing out problems and evaluating progress and potential is access to detailed, accurate information from the working level. As difficult as it is for a White House office to get accurate information when agencies do not want to give it, it would be impossible for NSF, which must work largely through approved channels.

(3) The foreign policy role that is needed, discussed below, cannot be carried out at all adequately from either OMB or NSF.

(4) A strong focal point in Congress requires a strong focal point in the Executive Office where all the threads can be gathered together.

(5) Our last argument for a strong science policy office is simply our hope that such an office would in fact also be used as a close presidential adviser. It cannot be used, however, if it does not exist.

Thus, we believe an Executive Office mechanism for science policy is the best solution, although there are important problems that must be faced. The precise structure is not as important as its mandate, though we believe a three-man office or council makes sense as a way of dividing what will quickly become difficult burdens. It should be a council serving at the pleasure of the President, to insure his acceptance of it as part of his Administration, though the staff might well be a continuing one.

To make it possible for such a council to serve in a presidential advisory role, the science policy function must be distinguished from operational responsibility for specific interagency programs. The OST got into difficulties when its operational responsibilities conflicted with its advisory responsibilities and it found itself in the position of being both the promoter and critic of particular scientic programs in such areas as atmospheric sciences, oceanography, and water resources. Even with the most conscientious efforts to be objective, it was seen by operating agencies with different priorities, and by congressional committees, as having a particular program axe to grind; and this tended to erode its credibility as a disinterested advisory body even in areas where no such conflict of interest existed.

The initiative of the Executive Office will sometimes be needed to get important new programs off the ground, but any such initiative should be undertaken with the clear understanding that operational responsibility would be transferred as soon as possible to existing agencies or new interagency mechanisms separate from the Executive Office. The role of PSAC in the creation of the National Aeronautics and Space Administration (NASA) out of the old National Advisory Committee on Aeronautics (NACA) is the kind of proper transitional responsibility we have in mind. Except temporarily, an Executive Office agency should not be placed in the position of having to promote a new technical program while at the same time being expected to balance it in an objective way against existing programs within agencies.

OBJECTIVITY OF SCIENTISTS AND ENGINEERS

The very intimate relation of scientific and technological factors with broader aspects of policy issues means that scientific and technological inputs alone are far from enough if a council is to do its job adequately, a point that the NAS study mentions but does not demonstrate that it fully appreciates. In fact, the NAS study points out how large is the group of qualified scientists and engineers who can "provide counsel with respect to major societal matters that entail a strong scientific and technological component." However, the study indicates only that they should have broad experience in administrative and political tasks within their professions and personal qualities of "intelligence, wisdom, judgment, humanity and perspective." These qualities are so obviously desirable for anybody in a high position that they are hardly helpful criteria for the selection of scientists.

The qualities required have to do more with the ability to understand the political and economic setting sufficiently so that the scientific and technological factors may be seen as intimate interacting parts. In other words, the individuals should be able to translate policy concerns into questions about relevant science and technology; should be able to relate scientific and technological uncertainties to political choices; should understand the impact of policy objectives on technological development; and should be able and willing to enter the political and institutional competition inherent in the making of policy. But all these abilities require a sophistication in the non-technical aspects of policy issues, as well as in the scientific and technological components. These are not widespread talents, nor are they easily acquired. The subset of qualified individuals is not defined by the number of scientists and engineers in management posts in their professions, as the NAS report states. Nor, we might add, is the subset made up only of scientists and engineers. The need for such abilities is demonstrated by the PSAC and OST studies outside the national security area, studies that were both prescient and ineffective.

For almost every crisis problem of the 1970's there is a PSAC or OST report which foresaw the problem and recommended a research program to do something about it. But in almost every case OST failed to get the attention of top policy-makers sufficiently to raise the issue to the necessary level of political visibility to generate concern and action. Authoritative, scholarly reports were produced, but little else. And the subject tended to die after a little flurry of attention.

Why? Basic researchers and academic scientists have a professional bias which assumes that if only the facts and understanding are made available, society will automatically appreciate their implications and act accordingly. The PSAC has by-and-large represented this orientation, and most of its reports failed to translate their analyses sufficiently for politicians to understand their significance in their own terms. The energy report did not say how the energy supply situation might reflect on the American economy and our foreign policy goals. The food report did not demonstrate that the world food problem might produce tangible political and economic effects that could embarrass an administration. The civilian technology report did not explain adequately how a lag in the development of civilian technology might ultimately contribute toward undermining the U.S. international trade position and consequently the position of the dollar as a reserve currency. These failures were not merely failures of political skill and salesmanship; they represented deficiencies in analysis of the problems involved, because the understanding of political and economic implications was considered to be outside PSAC competence, in the province of the politicians. There remained a deep intellectual gulf between the scientific analysis and the policy pressures and options faced, or soon to be faced, by decision-makers. This was a real intellectual gulf, not just political naiveté.

Of course, a difficult dilemma is faced here. The more the political implications of scientific advice are explicitly dealt with, the more it is necessary to depart from the domain of "objective" and "value free" analysis, which has helped to make scientific advice acceptable to politicians and the public in the first place. But there is a fair amount of mythology on this question of objectivity and value-free analysis on the part of scientists and engineers that needs to be straightened out

There is no question that in their professional capacities scientists and engineers must live by an ethic of objectivity. Whatever their intent, however, scientists and engineers are subject, on policy issues, to biases and prejudices just as are others. The issues on which advice is sought at the higher levels of government are almost always ones in which technical uncertainty is high, important evidence is lacking, and associated nontechnical issues are contentious and critical. Judgment on both technical and nontechnical issues and on their interaction is thus required; a logically reasoned single answer is not possible. Judgment is necessarily affected by biases, policy preferences, ignorance, differing estimates of the nontechnical factors, and other vagaries. There is nothing wrong with this; it is unavoidable.

But it must be recognized, contrary to the impression left by the NAS report, that a council of scientists cannot provide purely "objective" analyses. What such a council will do is give another view, a different and fresh perspective; and, on issues not involving its own institutional loyalities, it may in fact be a more disinterested view than that of the agencies of government whose bureaucratic interests are more directly involved. But its objectivity is only relative, and very much affected by the nature and implications of the particular question that is being considered.

On the other hand, he must be careful here not to imply a simple politicization of the science advisory function. There is a

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difference between purely political advice and the kind of analysis performed with a clear attempt to attain as much objectivity as possible. In scientific and technological matters this is often easier than in other fields because at least some part of every problem is factual and verifiable. Moreover, scientists and engineers often carry influence to the extent that they are seen to be objective and outside the normal policy battles. These are valuable attributes that deserve to be preserved and utilized, for increasingly society requires institutions that are seen to be in some sense disinterested and able to be relied upon for independent judgments.

Our point is that this is a matter of degree, and that it should not be assumed that the advice of scientists and engineers on policy questions is totally disinterested. Nor should it be accepted that science advice can be no more "objective" than any other personal or political input. There is a value to striving for objectivity; we just must recognize that it has its limitations, and that the greater the range of uncertainty in the technical answers, the wider the door for entry of differing policy perspectives.

The NAS committee itself demonstrates this problem. Its conclusions were surely influenced by the fact that a large majority of the committee members and its executive assistant had been heavily involved in PSAC in the past, yet this fact is never mentioned. It is also curious that the role of science and technology in society is referred to almost exclusively in positive terms. The widespread public concerns over the negative effects of technology are only hinted at, and never addressed directly.

On the other side of the same coin, it must be recognized that a CST will be assumed by others to be an advocate, whether intended or not. Moreover, it must and should be concerned with the health of science, which necessarily involves some advocacy. There is no avoiding this conflict between advocacy and objectivity; it can, in fact, be dealt with in practice, but it must be recognized if there is to be any chance of dealing with it.

The foregoing discussion suggests that advice about science and technology must somehow be better intergrated into political and social thinking about the future of the country. There is a need for "interpreters" who think more like politicians and policymakers, but are still not bound by the exigencies of short-term political considerations. The need is for people wo can talk to both the scientists and the politicians continuously, but not feel themselves fully identified with either.

In the light of this discussion, the makeup of the three-man council is particularly difficult to define. Certainly, all or most of the members should have the confidence of the scientific and technological communities in the sense that they will insure the highest professional standards. But, the council members must not be simply representatives of the communities; their scientific credentials are a necessary but not sufficient condition for effectiveness in the advisory function. Perhaps one way to proceed would be for the President to seek lists of candidates from recognized bodies in the scientific and engineering communities, such as the NAS and the National Academy of Engineering (NAE), from among which he would hope to choose. He should not be bound by such nominations, but they would set a standard to help avoid the danger of appointing those whose views are regarded as extreme or eccentric among scientists and engineers, or those who are politically active but of low scientific quality of judgment.

It is also entirely reasonable that one or more members of the council not be scientists. Rather, they could come from a growing group who are sensitive to scientific and technological issues and have the experience and ability to relate these to the political environment and to political choices. Presumably, many on the staff of the council would also have these characteristics.

PUBLIC ACCESS

One of the more difficult questions, much less pertinent in the early days of PSAC and OST than today, is the degree to which a science office at the White House level should be accessible to public scrunity of its meetings and reports. In part, this is a matter of law as a result of the Federal Advisory Committee Act and the Freedom of Information Acts as well as the precedents set by the turmoil of Watergate. In part, too, it is a matter of policy as a result of the need for an electorate better informed on the implications and opportunities of science and technology.

Our judgment on this issue follows the distinction made between a science policy function for the Executive branch and the science advisory function for the President. The science policy function can more readily be and is now required to be a relatively open process with some public access to committee meetings, published reports, and the like. Without destroying the office's effectiveness and access to information it should not be to difficult to devise a pattern allowing considerable openness on some issues, or on some parts of the process.

This openness would also be particularly helpful in making it possible to obtain more inputs from nongovernmental sources, including more of the scientific "grass roots."

With the detached air of those not bearing the responsibility, we also heartily endorse the proposal often made that a science policy office should be required to issue an annual report on some aspects of the state of science and technology in the United States. That could be a powerful educational and policy tool, useful for the Congress and the public, as well as a vehicle for forming Administration science policy.

The presidential advisory function, however, cannot be open to any appreciable extent. Aside from problems of classified material, a president requires confidentiality of his advisers on substantive policy issues. When policy is being formulated, the President should consider the widest possible variety of options. Early disclosure can alert powerful lobbies to seek to block consideration of options adverse to their perceived interests. Premature publicity regarding options subsequently rejected can embarrass the President and ensure that he will not consult his advisers until his own mind is fairly well made up. The last thing that endears advisers to a President is their adding to his political problems rather than helping to solve them.

This dichotomy does serve to create a possible barrier to a President's willingness to use as his personal staff advisers a council whose members operate with some public access to their deliberations. The problem should be manageable, however, with some clear rules of procedure. As with so many problems, this one can probably be dealt with effectively if it is recognized from the outset.

RELATIONS WITH THE SCIENTIFIC COMMUNITY

The relations between a CST and the scientific and engineering community in the country are important and not at all likely to be simple. The question is whether it is or seems to be representative of scientific and technological interests or whether it is in some sense independent and objective. As we have already said, the problem of objectivity and advocacy is unavoidable, but it must be acknowledged and plans should be made to avoid its pitfalls. With regard to relations with the community at large, a CST would have to go to considerable lengths and exercise unusual discipline to avoid responding directly to lobbying by scientists and their professional organizations. The NSF can much more appropriately perform that lobbying role, and with the existence of a council it would have an understanding ear at court.

Even in its relations with NSF, a CST should not simply treat NSF's proposals and budgets more sympathetically than others, but as critically as it treats other agencies. A council's influence with other White House bodies is likely to erode, as did OST's, if it is perceived, even unjustly, to be insufficiently critical with its "own" constituency.

The reorganized NAS and NAE and the Institute of Medicine (IOM) present a special situation. Their large and strong capability both for mobilizing scientific competence from outside the government for analysis of many public issues or for evaluating the state-of-the-art in fields of science and technology is too valuable not to be used heavily by a CST. But the work inevitably carries the tag of coming from the heart of the science "establishment" and does in fact tend to reflect the implicit biases of this group of scientists and engineers.

The CST's job, then, would be to use NAS, NAE, and IOM, but to recognize that inputs from those organizations are only one of those it must have. In any case, as we discussed earlier, the CST must be so acutely aware of the need to present its findings in terms useful to its immediate clients that it should never be in a position of uncriticallly adopting outside reports as its own.

INTERNATIONAL DIMENSION

When it comes to attempting to define the role of a White House science office in the nonmilitary aspects of U.S. foreign policy, and particularly with the Department of State, most observers are reduced to vague handwaving. The reasons are not hard to find.

The Department of State itself has never been able to build the level of internal science capability to which it has repeatedly committed itself. Its present science office is the strongest it has ever had, but we believe that even the last director, Herman Pollack, would agree that it needs substantial changes. With weak internal competence in State in the past, it was difficult for PSAC to relate effectively and usefully to the department.

A more fundamental reason for weakness in the Department of State is the fact that many of the foreign policy issues with important technological aspects—now covering an increasingly wider portion of foreign affairs—are issues in which other agencies of government have a large and often commanding voice. Space, atomic energy, food, environment, oceans, to say nothing of defense, are all subjects in which the technical agencies of government have money, large staffs, and dominant control of complex esoteric information. The Department of State has neither money nor large staffs in these areas nor great competence in the individual technologies. And yet it is expected to cover all issues while each of the other agencies can focus on its area of primary concern.

The situation is ripe for change. A new office, headed by an Assistant Secretary of State, has been created to be responsible for scientific, ocean, and environmental affairs. Dixy Lee Ray, recently head of the Atomic Energy Commission (AEC) has been named as the first incumbent. The office will have greater prestige within the department, and perhaps more personnel. A new advisory committee on Science and Foreign Affairs had earlier been established to help the Secretary of State; it now could be in a position to assist the new Assistant Secretary to tap outside expertise in order to avoid complete dependence on the technical agencies.

Thus, one possible answer with regard to CST's role in foreign policy is to wait until State is itself stronger so that there can be more effective interaction. But there are other factors that must be taken into consideration.

When one looks at the entire federal R&D budget, a curious fact emerges. A substantial portion of that budget, well more than half, is committed to missions which have strong foreign policy motivations and repercussions: primarily the Department of Defense, some of the AEC, and some of NASA. A good portion of the rest goes for work in subjects that will affect foreign policy quite directly: agriculture, energy, oceanography, foreign trade, and population to mention just a few.

However, given this strong foreign policy motivation for federal R&D, the Department of State, the one department of government most concerned with foreign policy below the President, has essentially no voice in the allocation of those R&D resources. Instead, other departments and agencies rely on their own interpretation of what serves foreign policy goals in setting their R&D objectives. The President and Executive Office agencies (NSC and OMB) oversee the process, but only in the most general terms. The Department of State merely has to cope with the consequences.

Perhaps the Department of State never can do much to become a real participant in R&D allocations, although we believe the attempt has never seriously been made. If it were undertaken, a CST at the White House level could be a powerful, even an essential ally.

Quite apart from what the Department of State does, however, it seems clear that a CST in its science policy role must attempt to fill this important gap. It must make a concerted, selfconscious effort, more than PSAC ever attempted, to keep foreign policy concerns constantly before it in all the subjects with which it deals. This will have implications for membership, for staffing, and for the agenda; but it is an important requirement not now being carried out adequately any where in government. There is no other candidate agency within the Executive Office of the President, and even if State were better able to participate, it would need help.

Last, it is well to point out that bilateral science and technology agreements are becoming a more frequently used tool of presidential diplomacy. While it would be a mistake for a White House science policy office to have operating responsibility for those agreements, there certainly needs to be a capability for overseeing the agreements and their execution at a level above that of the departments. The NSF director, in his capacity as presidential science adviser, is performing that function now; but operational responsibilities are scattered among several departments and agencies, and in practice there is relatively little policy coordination. The overview of OST is now sorely missed by those most heavily involved in carrying out the agreements.

OTHER ISSUES

Many other issues deserve detailed attention, but these cannot be covered in a brief article. Let us mention just three: (i) How should the social sciences be represented, if at all? We believe it is essential that the social sciences be included in the science policy mandate of CST, although the means for doing so merit more discussion. (The NAS report does not mention the social sciences at all.) (ii) How is experience in other countries in their science policy structure relevant and useful for the United States? For example, is there merit in adopting the French practice of allocating a specific budget to the science policy office to be used for seeding new research areas or reorienting old ones? How has that actually worked in practice? To what extent is it applicable in the U.S. context? (iii) What of the recurring proposal for a cabinet-level Department of Science and Technology? We have not discussed this alternative in part because it does not seem to us to be either viable or desirable, but in any case because a new cabinet department would not solve the problem of Presidential advice or Executive Office oversight. If such a department were created, it certainly would be a powerful force in scientific and technological affairs, but the broader technology-related policy issues and the need for integration of programs across departments and agencies would remain. The actors would be different, but the essential factors similar.

SUMMARY

Thus, we are skeptical of the commonly stated arguments for re-creation of a science office at the White House, but are ultimately convinced that such an office is justified. A three-man CST is a reasonable proposal, although the detailed structure is less critical than the mandate given to the office, and the general understanding within government of its functions and limitations and of its relationship to the President.

To give it permanence, the office should be grounded in a science policy management and oversight function that is critically needed today. That kind of strong office could lead a president to use it as his personal science advisory staff, but the decision must be made anew by each president. The president does have other ways of obtaining scientific advice, although the right kind of science office would be a preferable route in our view.

The importance of such an office being able to present its analyses and recommendations in policy terms useful to other policymakers cannot be over-estimated. This has important implications for the kind of competence required to staff and work with such a council; it also requires recognition of the fact that policy-relevant studies and advice can never be value-free, even when carried out by scientists and engineers.

And finally, such a council could bring intensive and continuous attention to the international dimension of U.S. science policy, which seems to us to be particularly neglected.

It is not yet clear whether there will be any structural changes in the new Administration. But it is not too soon to be clearer about the essential factors that should underlie a sensible proposal for this or the next Administration.

HON. MAC SWINFORD: FEDERAL DISTRICT JUDGE 1937–75

Mr. FORD. Mr. President, yesterday in Cynthiana, Ky., friends from throughout the country and from all walks of life paid their final tribute to Judge Mac Swinford, an eminent jurist and remarkable man.

Judge Swinford, who died on February 4, had served as a Federal district judge longer than any other individual in America with one exception. He was appointed in 1937 by President Franklin D. Roosevelt.

Admitted to the Kentucky bar in 1922, Mr. Swinford gave dignity and meaning to law, as a practicing attorney, a U.S. attorney, and Federal district judge.

Despite an extremely heavy workload in his judicial duties, Mr. Swinford always had time for others. For 38 years he taught a men's Sunday school class at the Cynthiana Presbyterian Church. This quickly became a unique experience for those attending, many who were members of other religious denominations, and others who periodically drove from other communities because they found a very special attachment to the lessons Judge Swinford taught.

He had time for young people who sought his counsel, his assistance and his presence. He had time for community betterment—in education, recreation and the other wide ranges of human needs.

Judge Swinford was one of America's leading authorities on Thomas Jefferson, an avid sportsman, and exceptional writer. I commend to you a very interesting book, "Kentucky Lawyer," which he authored and one that contains many humorous and entertaining stories.

Judge Swinford had every reason to be a proud husband and father. His family has made numerous contributions to the betterment of society through professional, social, governmental, and personal services.

We have lost a great talent, a perceptive mind, and a compassionate man who believed in the magnificence of America, the people and the God who rules over us. I have lost a dear friend, as have so many others.

THE MID-EAST CONFLICT

Mr. PERCY. Mr. President, in the hope of bringing nearer the day of peace in the Middle East, I have recommended changes in both Israeli and Arab policy. The fact is that I have not changed my long-held support for the legitimate aspirations of the brave people of Israel. I continue to support Israel's desire for peace and security. I continue to care about the future of Israel and in face-to-face meetings with the rulers of a substantial number of Arab countries, accompanied by our American Ambassadors, I reiterated my long-held and deeply felt position that:

First. Israel as a sovereign nation must be fully recognized by the Arab States.

Second. The borders and territorial integrity of the State of Israel must be guaranteed to the maximum possible extent.

Third. The ability of the people of Israel to live in peace and security must be assured.

I recounted the revulsion of the world to the extermination of 6,500,000 Jews by the Nazis and the role this played in causing the United Nations to create a State of Israel in 1947. Certainly the Palestinians, who now desire a "homeland," should be able to understand the longing of Jews through the centuries to have a homeland of their own.

As I said to the Egyptian press in Cairo, a statement sent to all Arab capitals by USIA:

In any peace the sovereignty of the State of Israel and its people must be assured. I have found no basic disagreement with this cardinal concept in my travels to date in the Arab world, a sign of real progress. A peace settlement would also bring an end to discriminatory economic practices such as the Arab boycott of firms doing business with Israel, and restriction in the passage of Israeli-flag ships, and cargoes through the Suez Canal.

It is because I care deeply about Israel that I have recommended changes in Israel's policy.

The changed circumstances in the Middle East require changes in Israel's policy, because the Arab States are no longer weak. They are becoming richer

and stronger in every respect. Most significant, they have become united, which poses special and new dangers for Israel.

I am saying that Israel, in her own interest, should make those adjustments now which will avert a fifth and bloodier war. Time is not on Israel's side, unfortunately. Time is now on the side of the Arabs as they build their strength. Therefore, in these circumstances, as I urged Prime Minister Rabin just a week ago in Jerusalem, I hope Israel will start a process enabling the more moderate Arabs to resist the pressures of the military and radical elements in their countries from going to war once again.

In exchange for Israeli withdrawal from most of the occupied lands and negotiation with the Palestinians, Israel should require formal diplomatic recognition by the Arab States, free and unhampered use of the Suez Canal when it is opened for cargoes destined for Israel as well as for Israeli-flag ships, and the beginning of economic and cultural diplomatic, economic, political and military assistance support for Israel during the difficult time of negotiation, during the rearrangement, and into the future.

If this can be achieved, and I believe it can, Israel would finally have peace and the full and essential recognition of her neighbors which it has long sought.

What I have suggested is an alternative to the prospect of imminent war which hangs over Israel today. At great risk of being misunderstood by a community I respect and which I believe has respected me, I have made these suggestions with Israel's survival and well-being uppermost in my mind, along with my responsibility to the United States national interest.

There are perils in any policy, in any path, but I feel it my duty to speak frankly even though others may disagree. I do not claim infallibility. Were I that wise I would have advised Israel after the 1967 war to make a magnanimous gesture toward the then humiliated Arab nations.

As I have said many times, my support for Israel's legitimate aspirations for peace and security is irrevocable. I mean that with all my heart.

FUTURE HOMEMAKERS OF AMERICA

Mr. CURTIS. Mr. President, I would like to take a moment to encourage the activities of a fine youth organization, the Future Homemakers of America.

There are half a million members from secondary schools in all 50 States learning to become better adults by extending themselves to the communities in which they live.

An FHA chapter at Northwest High School in Grand Island, Nebr., for example, is presently working with small children in their community through Head Start and through foster home programs.

The Franklin, Nebr., chapter has 40 members involved in a program of career orientation sessions designed to enrich their own lives and extending into their homes and communities.

In Nebraska, as in all the States, FHA members pursue goals of personal growth, better family life, vocational preparation, and community involvement.

These are worthy goals, part of our fine youth tradition in this country. America can only be as strong as its people. Our young people are our future.

As Future Homemakers of America celebrate National FHA Week and their 30th anniversary, they have my best wishes.

MR. ROBERT D. WILSON

Mr. SPARKMAN. Mr. President, Mr. Robert D. Wilson, Congressional Liaison Officer with the Office of the Secretary of the Air Force, retired on December 31, 1974, after completing more than 37 years of active and distinguished Government service. The past 21 years of Mr. Wilson's service has been in the Office of Legislative Liaison.

I know that many other Members of Congress have shared the same relationship with Mr. Wilson that I have enjoyed. He has worked very closely with my office on problems of my constituents, and he has always attacked each problem as a personal challenge. He never seemed satisfied with anything short of doing an outstanding job no matter how small or how large the problem. It would be impossible to recount all of the good works that Mr. Wilson has done for thousands of Air Force members and their families over the past two decades.

I know that my office will miss him greatly, and I am sure the same is true of all the other Members of the Senate. I also know that my colleagues join with me in wishing him the best over the coming years.

PROMINENT ATTORNEY YANCEY McLEOD DIES

Mr. THURMOND. Mr. President, Yancey A. McLeod, a distinguished lawyer and former chairman of the South Carolina Democratic Party, died last week in Columbia, S.C., at the age of 65. The son of Thomas G. McLeod, Governor of South Carolina from 1923 to 1927, Yancey McLeod was a skillful political leader in his own right, and his achievements have given added luster to an already famous name. I knew Yancey McLeod for many years. For some of that time we were political friends, for some we were political foes. However, I always had the highest regard for his character, abilities, and patriotism, and I rise now to pay him a few words of well-deserved tribute.

Yancey McLeod served his country on the battlefield, in the courtroom, and in government. A practicing attorney for more than four decades, he left his practice during World War II to join the Marine Corps. After 17 months of combat duty in the Pacific theater, he returned home and began to take a more serious interest in politics. In 1946, he was elected to a 4-year term in the South Carolina State senate.

Thereafter, he was continuously active in the affairs of the South Carolina Democratic Party, becoming State chairman in 1964. In that year, he also was a member of the Platform Committee of the Democratic National Convention. In addition to his many political and legal activities, he found time to devote to a wide variety of civil organizations and to his church, the First Presbyterian Church of Columbia, where he served as a deacon and taught Bible classes for many years.

It is hard to believe that so strong, active, and vigorous a man is no longer with us. His death is a sad loss to friends and associates all over South Carolina. However, the legacy of achievement that he leaves behind is imperishable, and all who knew him should be proud and grateful that he lived so productive a life.

Mr. President, at the time of Mr. McLeod's death, a number of articles appeared in his honor in newspapers throughout South Carolina. I ask unanimous consent that three such accounts be printed in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) Record, Jan. 29, 1975]

PROMINENT ATTORNEY YANCEY McLEOD DIES

Yancey Alford McLeod, 65, a Columbia attorney for 42 years, and a former state senator, died today in Richland Memorial Hospital.

Funeral plans will be announced by Dunbar Funeral Home.

Mr. McLeod was born in Bishopville, a son of the late Gov. Thomas Gordon McLeod and Elizabeth Alford McLeod. He moved from Bishopville to Columbia in 1923 when his father was inaugurated as governor.

He graduated from Columbia High School, the University of South Carolina and its law school. He was a major in the United States Marine Corps, serving 17 months combat duty in the South Pacific during World War II.

He later served as executive officer at Congaree Air Base.

A member of the First Presbyterian Church, he was a deacon and a teacher of the Men's Bible Class for many years and was a former member of the Board of Visitors of Presbyterian College.

Politically active until recent years, he was elected in 1946, to the State Senate from Richland County. He served one term. He represented Richland County on the State Democratic Executive Committee from 1956 until 1964. In that year, he was elected State Democratic chairman representing South Carolina on the Platform Committee at the party's National Convention in Atlantic City.

In 1932, upon graduation from the University of South Carolina Law School, he practiced law in Columbia and thereafter was an attorney with the Federal Land Bank, later a trial specialist as special attorney with the U.S. Department of Justice and as an assistant United States Attorney, assigned to the Lands Division of the Justice Department.

He represented the U.S. Government in many condemnation proceedings that resulted when the Savannah River Project was begun in early 1950's by the Atomic Energy Commission. He became one of the leading legal authorities in the Southeast on land condemnation proceedings.

He was a former president of the Richland County Bar Association, former secretary-treasurer of the S.C. Bar Association, and a member of the American Bar Association and the U.S. 4th Circuit Judicial Conference.

Mr. McLeod was a member of Sigma Alpha Epsilon and Omicron Delta Kappa Fraternities, American Legion, VFW, Marine Corps League, Military Order of the World Wars, the Elks, Forest Lake Club, the Cotillion, Palmetto Club and the Torch Club.

Surviving are his wife, Mrs. Brownlee Neeley Hair McLeod; a daughter, Mrs. Leonard W. (Melinda) Rousselle Jr. of Florence; a son, Yancey A. McLeod Jr. of Columbia; and a granddaughter.

The family is at the residence, 4205 Woodleigh Rd.

[From the Columbia (S.C.) State, Jan. 30, 1975]

YANCEY McLEOD, EX-S.C. DEMO CHIEF, 65, DIES

Yancey Alford McLeod, former state Democratic Party chairman and state senator, died Wednesday in Richland Memorial Hospital. He was 65.

Mr. McLeod was born in Bishopville, a son of the late Gov. Thomas Gordon McLeod and Elizabeth Alford McLeod. He moved to Columbia in 1923 when his father was elected governor.

He graduated from Columbia High School, the University of South Carolina and its law school. He served in the Marines during World War II in combat duty for 17 months in the Pacific. He later served as executive officer at Congaree Air National Guard Base.

He was named state Democratic Party chairman in 1964 and represented South Carolina in platform committee deliberations at the Democratic National Convention that year. He was a special attorney with the Justice Department and an assistant U.S. attorney, specializing in land condemnations. During the 1950's he assisted the government in acquiring the land that is now used for the Savannah River Plant.

He was elected in 1946 to the State Senate from Richland County, serving one term. From 1956 to 1964 he represented Richland County on the State Democratic Executive Committee.

A practicing attorney for 42 years, he was a former president for the Richland County Bar Association, former secretary-treasurer of the S.C. Bar Association, and a member of the American Bar Association and the U.S. 4th Circuit Judicial conference.

Mr. McLeod was a member of Sigma Alpha Epsilon and Omicron Delta Kappa Fraternities, American Legion, VFW, Marine Corps League, Military Order of the World Wars, The Elks, Forest Lake Club, the Cotillion, Palmetto Club and the Torch Club.

A member of the First Presbyterian Church, he was a deacon, a teacher of the Men's Bible Class for many years, and a former member of the Board of Visitors of Presbyterian College.

Surviving are his widow, Mrs. Brownlee Neeley Hair McLeod; a daughter, Mrs. Leonard W. (Melinda) Rouselle Jr. of Florence; a son, Yancey A. McLeod Jr. of Columbia; a sister, Mrs. Lucy McIntyre of Toronto, Canada; a brother, Thomas G. McLeod of Spartanburg, and a granddaughter.

Services will be 4 p.m. today in the First Presbyterian Church, conducted by Dr. Hugh McClure.

Pallbearers will be Robert Adams Jr., Walton J. McLeod III, James I. Milliken, Dr. Frank C. Owens, George R. Rembert, Dr. Milledge B. Seigler, William K. Temple and William Wingfield.

Dunbar Funeral Home, Gervais Street Chapel, is in charge.

[From the Columbia (S.C.) State, Feb. 2, 1975]

A RESPONSIBLE CITIZEN

A son of a former governor of South Carolina, Yancey A. McLeod was destined for leadership in public service, and his lifetime is an example of responsible citizenship which the younger generation would do well to emulate.

He served the nation in the U.S. Marine Corps during World War II. He served this community and state as the senator from Richland County. He served the state Democratic party as its chairman. He served the Presbyterian church as a deacon and a teacher and as a member of the Board of Visitors of Presbyterian College.

And he served his profession—the law—for 42 years, on occasion as an attorney for the U.S. Department of Justice, and at one time as president of the Richland County Bar Association. His membership in many community and professional organizations kept him actively involved in public affairs.

Senator McLeod died the other day of cancer at the age of 65. But he leaves an example of a worthwhile life which should be an inspiration for everyone who has the opportunity to serve others.

REDUCING FUEL WASTE

Mr. MATHIAS. Mr. President, Mr. Robert H. Wilder, of Maryland, recently sent me his article in Industry and Power magazine of August of 1943. He was writing as an engineer in Chicago, Ill., and on the basis of personal experience. The article, entitled "Practical Methods for Reducing Fuel Waste," is a timeless piece, but particularly important for us to review now. Mr. Wilder has wide experience in installing and maintaining industrial and residential boilers and provides a blueprint for fuel savings. I ask unanimous consent that this article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRACTICAL METHODS FOR REDUCING FUEL WASTE

(By Robert H. Wilder)

High over-all efficiency of power plants can be attained only by exceptionally close and continued scrutiny of all elements of daily operation. Lack of attention to basic factors can be considered as the primary cause for burning fuel in excess of the best possible standards for the equipment involved.

Some one person must be responsible to the management for the operation of the boilers. Unfortunately, in many plants, particularly the smaller ones, the boiler operators are assigned to too many jobs outside of the boiler room. While the practice of having the boiler operator assume numerous maintenance or production jobs around the plant may appear to be economical, the apparent labor saving in dollars and cents will generally be more than offset by fuel losses due to lack of attention to the many factors entering into the efficient production of steam.

In the discussion of the following causes of fuel waste, the assumption has been made that the plant is functioning without the instruments necessary to control daily operation, and that the assistance of instruments is not required to put the suggested remedies into practice, although such aid would be helpful.

EXCESS AIR

Perhaps without question, excess air is the one factor that causes the greatest fuel waste in boiler operation. With either oil- or coal-fired units, excess air is generally the result of operating with too much draft.

If 13% CO_2 in the flue gases is assumed as representing good all-around furnace efficiency for solid and liquid fuels, the amount of air taken into the furnace for combustion with this condition will run about 20% for heavy oil, or 40% for coal, in excess of the actual weight (lb air per lb fuel) required for theoretically complete combustion of the fuel. Any amount of air taken into the furnace over and above that required for the theoretically complete process of combustion is referred to as "excess air."

While a moderate amount of excess air admission to the furnace is essential to guard against possible oxygen deficiency, incomplete combustion, smoke, and extremely high furnace temparatures, any amount that will reduce the CO_2 below 10%, for the particular fuel burned, should seldom be permitted (except with gas fuel).

AIR IS EXPENSIVE

Excess air is a most expensive raw material when used to burn more fuel than required. It causes a waste of fuel that grows as the amount of excess air increases, although not in direct proportion. As the ratio of excess air to fuel burned increases, the exit gas temperature increases and the percentage of CO_2, as well as steam pressure, decreases. To make steam and/or to hold the pressure then becomes increasingly more difficult. Excess air is responsible for fuel waste ranging as high as 50% in many plants where no instruments are available to indicate such losses promptly.

Excess air wastes fuel because all air that enters the furnace at room temperature (70° F. more or less) must be heated to a furnace temperature of 2000° F. or higher. Unless sufficient fuel is burned to maintain this relatively high temperature, the boiler will suffer from the consequent chilling action which larger quantities of cold air will exert as the air is drawn into the furnace from the atmosphere.

Consequently, burn no more fuel than the minimum required to bring a predetermined quantity of air for efficient combustion up to furnace temperature. The amount of air will vary with the steam and fuel demands and the degree of furnace efficiency or CO_2 percentage desired. Any amount of air, therefore, beyond that which suits maximum steam, fuel, and CO_2 requirements, is entirely superfluous. Its continued use will merely demand more fuel just to maintain the required minimum furnace temperature without benefit to boiler. In other words, air in excess of the 20% to 40% fuel requirements for high efficiencies merely robs the boiler of the heat released by the extra fuel consumed to satisfy the superfluous quantity of air.

Probably the chief source of the introduction of wasteful excess air is the improper operation of the stack or breeching damper. The correct amount of air for combustion can be best controlled, manually or automatically, by the gas outlet damper. The damper setting should always suit, first, the load and second, CO_2 or furnace efficiency.

Reduce the draft just as much as possible without decreasing the steam output and without making dense smoke, and reasonably efficient operation will result. Try to maintain fuel and draft ratios at all times so that a very light haze is visible at the top of the stack.

In some localities, insurance or other regulations demand that the stack or uptake butterfly damper be wired open or completely removed where oil is burned, as a safeguard against furnace explosions. A wide-open stack will unquestionably cause great fuel waste. Under these circumstances, a good procedure is to install a barometric draft regulator which does not restrict the breeching area. This type of control operates on the principle of the check damper, decreasing the draft by admitting cold air to the breeching or stack.

Flexible controls, such as chains, wires, and ropes, provide a very unsatisfactory means of damper control as an exceedingly slight variation in the damper control mechanism will often mean the difference between light haze and dense smoke—good efficiency or poor. The best system of damper control will include a rigid rod which, if manually operated, should be equipped with a screw and wheel for close adjustment.

PERIODIC TESTS

With boilers equipped with automatic draft regulation, periodic tests should be made

with portable instruments to make certain that draft and fuel supply controls are well balanced and closely adjusted to suit the load range.

All air required for the combustion of oil should be admitted close to the burner and within the confines of the flame. Otherwise, stratification of gas and air currents may exist due to inadequate mixing or lack of turbulence and may result in low efficiency. Therefore, if secondary air is thus admitted, investigate the size and shape of the checkerwork.

When coal is burned, all combustion air should, as nearly as possible, be admitted through the fuel bed. As the coal burns, holes will develop within the fuel bed and will admit large quantities of excess air into the furnace. Unless the fuel bed is frequently raked by hand or agitated mechanically, the leakage of excess air through such holes will be responsible for considerable waste. Proper attention to the fuel bed will not only keep the CO_2 percentage and steam pressure where they belong, but will also decrease the combustible matter in the ash. In some instances, a small amount of over-fire air is desirable for brief periods to overcome dense smoke during the volatilization of fresh coal, but ordinarily the continued use of over-fire air represents a definite loss except in those cases where the air is injected a high velocity for the specific purpose of eliminating stratification by the promotion of turbulence.

No air leaks should be allowed to exist in the furnace walls. To discover such leakage, go over every inch of the setting with a candle while the boiler is in operation. Make a chalk mark at each spot where the flame is sucked into a crack. Then take immediate steps to caulk and seal the leaks permanently.

Don't overlook warped and poorly fitted doors and door frames. With HRT boilers, the blow-off pipe sleeves, rear arches, and any space between front wall and boiler shell should be investigated. With water-tube boilers, look particularly for leakage between headers and setting walls. With sectional header boilers, don't miss the space between the sections.

All brick settings are subject to cracking and leakage sooner or later. Plastic wall coatings, which always remain sufficiently elastic or pliable to allow for expansion and contraction, can be applied to the exterior brickwork to stop air infiltration.

COMBUSTION OF OIL

Atomization into fine particles is the first step towards complete combustion of oil. Dirty nozzle tips, spinner cups encrusted with carbon, and similar conditions, will defeat their purpose—atomization. Burner tips or heads should be changed and cleaned frequently. With horizontal rotary burners, wipe the spinner cups clean and swing them away from the boiler fronts as soon as they are taken out of service. Don't let oil drippings bake on the cups.

Flames should be kept in suspension at all times. If furnace walls or floor are close enough to cause flame impingement, carbon formations, incomplete combustion, and increased refractory maintenance will ensue.

Sludge and unstable viscosity of the oil can result in poor circulation of the fuel to and from burners, can unbalance the proper automatic control of the air-fuel ratio, and can reflect themselves in faulty atomization. Temperature variation of the oil from tank to burner tips can likewise upset conditions. Several new mediums now on the market are designed to eliminate sludge, and normalize viscosity.

Since soot prevents the absorption of heat by the boiler, it should not be allowed to collect on any exposed boiler heating surface. One-fifth inch of soot is equivalent in insulating effect to 1 in. of asbestos, according to U.S. Bureau of Mines.

Many plants have no adequate means for cleaning tubes. Cleaning by hand once a week is entirely inadequate. In the more efficiently operated plants, tube cleaning is done systematically three or four times daily, or during each watch. Each time the tubes are blown, the outlet gas temperature is reduced and the boiler immediately begins to absorb more heat.

Automatic soot blowers are a present-day necessity. Frequently, an installation will pay for itself within a few months. Soot not only results in waste of fuel, but if allowed to bake onto the tubes it can eventually result in tube deterioration, due to the sulphur content of the soot.

Every steam leak, needless to say, represents an indirect fuel loss. A handy man with a wrench and some packing should go over every steam line and valve, from the boiler to the end of the plan and back again. Stopping all visible steam leaks will save many barrels of oil or tons of coal.

Underground lines conveying return condensate should be checked. Every ounce of hot condensate returned to the boiler reduces the amount of make-up water needed. You can figure an approximate fuel loss of 1% for every 10–11° below 200° F. at which the feedwater enters the boiler.

SCALE

Scale on the water side of the tubes is similar to soot on the fire side. One pound of scale costs approximately 50 lb. of coal per month. If permitted to build up an appreciable thickness, it will be increasingly more difficult for the water to absorb the heat available from combustion. Scale not only causes fuel waste but also contributes to tube or shell deterioration from overheated surfaces. Most boiler bags and ruptures can be traced to scale or other accumulations on the inside of the heating surface.

To prevent excessive scale formations, have the feedwater analyzed periodically and then treat the water in accordance with findings.

PROTECTING THE ELDERLY FROM TAX OVERPAYMENTS

Mr. KENNEDY. Mr. President, the Senate Special Committee on Aging recently compiled a list of itemized deductions available to the elderly to insure that they are aware of the legitimate deductions available to them.

As a member of the Senate Special Committee on Aging and chairman of its Subcommittee on Federal, State, and Community Services, I have seen all too often that elderly Americans pay more than their share of taxes. They cannot afford the tax counsel that could advise them of expenses which they are entitled to consider as deductions.

Similarly, if elderly Americans find that they have failed to take advantage of legitimate deductions in previous tax years, they still may obtain refunds by filing a form 1040X within 3 years after the original return was due or two years after the tax was paid, whichever is later.

For that reason, I ask unanimous consent that the checklist, which has been reviewed by Internal Revenue Service personnel, be printed in the RECORD.

There being no objection, the checklist was ordered to be printed in the RECORD, as follows:

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

DRUGS AND MEDICINES

Included in medical expenses (subejct to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expense (subject to 3% limitation):

Abdominal supports.
Acupuncture services.
Ambulance hire.
Anesthetist.
Arch supports.
Artificial limbs and teeth.
Back supports.
Braces.
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs.
Chiropodist.
Chiropractor.
Christian Science practitioner, authorized
Convalescent home (for medical treatment only).
Crutches.
Dental services (e.g., cleaning, X-ray, filling teeth).
Dentures.
Dermatologist.
Eyeglasses.
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).
Gynecologist.
Hearing aids and batteries.
Home Health services.
Hospital expenses.
Insulin treatment.
Invalid chair.
Lab tests.
Lip reading lessons (designed to overcome a handicap).
Neurologist.
Nursing services (for medical care, including nurse's board paid by you).
Occupational therapist.
Ophthalmologist.
Optician.
Optometrist.
Oral surgery.
Osteopath, licensed.
Pediatrician.
Physical examinations.
Physician.
Physical therapist.
Podiatrist.
Psychiatrist.
Psychoanalyst.
Psychologist.
Psychotherapy.
Radium therapy.
Sacroiliac belt.
Seeing-eye dog and maintenance.
Speech therapist.
Splints.
Supplementary medical insurance (Part B) under Medicare.
Surgeon.
Telephone/teletype special communications equipment for the deaf.
Transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.).
Vaccines.
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).
Wheelchairs.
Whirlpool baths for medical purposes.
X-rays.

TAXES

Real estate.
State and local gasoline.
General sales.
State and local income.
Personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pension or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends exclusion, unemployment compensation and public assistance payments).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

INTEREST

Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc.).
Bank credit card—can deduct the finance charge as interest if no part is for service charges or loan fees, credit investigation reports. If classified as service charge, may still deduct 6% of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) limited to the portion of the total fee or service charge allocable to the year.
Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).
Penalty for prepayment of a mortgage—deductible as interest.
Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CHILD AND DISABLED DEPENDENT CARE EXPENSES

The deduction for child dependent care expenses for employment-related purposes has been expanded substantially. Now a taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for two children, and $400 per month for three or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, his deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).
Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.
Union dues.
Cost of preparation of income tax return.
Cost of tools for employee (depreciated over the useful life of the tools).
Dues for Chamber of Commerce (if as a business expense).
Rental cost of a safe-deposit box for income-producing property.
Fees paid to investment counselors.
Subscriptions to business publications.
Telephone and postage in connection with investments.
Uniforms required for employment and not generally wearable off the job.
Maintenance of uniforms required for employment.
Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).
Business entertainment expenses.
Business gift expenses not exceeding $25 per recipient.
Employment agency fees for securing employment.
Cost of a periodic physical examination if required by employer.
Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).
Cost of bond if required for employment.
Expenses of an office in your home if employment requires it.
Payments made by a teacher to a substitute.
Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $50 ($100 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $12.50 ceiling ($25 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) to help defray the costs of the 1976 Presidential election campaign.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES FOR OLDER AMERICANS

Filing status	*Required to file a tax return if gross income is at least—*
Single (under age 65)	$2,050
Single (age 65 or older)	2,800
Married couple (both spouses under 65) filing jointly	2,800
Married couple (1 spouse 65 or older) filing jointly	3,550
Married couple (both spouses 65 or older) filing jointly	4,300
Married filing separately	750

Additional Personal Exemption for Age.—In addition to the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before you 65th birthday. Thus, if your 65th birthday is on January 1, 1975, you will be entitled to the additional $750 personal exemption because of age for your 1974 Federal income tax return.

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met. (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10% of the mutual dependent's support, *but only one of them*, may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part, or, under certain cir-

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cumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 1 year before or 1 year after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Retirement Income Credit.—To qualify for the retirement income credit, you must (a) be a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1974, and (c) have certain types of qualifying "retirement income". Five types of income—pensions, annuities, interest, and dividends included on line 15, Form 1040, and gross rents from Schedule E, Part II, column (b)—qualify for the retirement income credit.

The credit is 15% of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62, he must reduce the $1,524 figure by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700, plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax and he answers the questions for columns A and B and completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

CONFIRMATION OF EDWARD H. LEVI TO BE ATTORNEY GENERAL

Mr. PERCY. Mr. President, on Wednesday, February 5, once again the Senate considered the nomination of an Attorney General of the United States. This is the fifth time in 6 years that we have gone through this process. It has been disconcerting to the Senate, troubling to the American people, and damaging to the Justice Department. The past few years have been times of turmoil for the Justice Department. It is time that stability, professionalism, and excellence become the rule, not the exception, at the Department.

Edward H. Levi, the man nominated by President Ford to be Attorney General and sworn in today at the Justice Department, is an ideal choice for this office at this time. Dr. Levi is not a partisan. He has never run for political office. He has never managed a political campaign. This lack of partisan political association, combined with a well-deserved reputation as a legal scholar, an eminent educator, and a man of high integrity, make him well suited to serve as Attorney General.

In the past, I have urged that the post of Attorney General be taken out of partisan politics. I will make my plea again. We have seen the politicization of the Justice Department. We have witnessed a Presidential campaign directed from the office of the Attorney General. The citizens of this Nation have come to distrust the Justice Department because they perceive it to be the sword of political retaliation rather than the shield of citizen's rights. The Justice Department should not be an independent agency. It is an essential part of any administration. However, the individuals who head the Justice Department should not be instruments of partisan politics.

The office of the Secretary of State is traditionally perceived as a nonpartisan position. Likewise, I believe the office of Attorney General should be nonpartisan.

The Attorney General's counsel and advice can and should be sought by the administration as policy is determined. But that counsel and advice should be sought in the determination of public, not political policy.

I wholeheartedly supported Dr. Levi's nomination. Over the past 25 years, as a trustee of the University of Chicago, I have worked closely with him. In all our dealings, I have found him to be a man of wisdom, determination, energy, and thoughtfulness.

Mr. President, along with many others who have advocated a man of high stature to become Attorney General, I applaud the nomination and confirmation of Dr. Levi.

Following are the brief, but meaningful remarks Mr. Levi made at his swearing-in ceremony today.

I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS OF ATTORNEY GENERAL EDWARD H. LEVI AT HIS SWEARING-IN CEREMONY

President Ford, Vice President Rockefeller, Justice Powell, Members of the Cabinet, distinguished Members of Congress, Deputy Attorney General Silberman:

It is with a sense of responsibility I assume this post. The mission of the Department of Justice is a great one. The law is a servant of our society. Its enforcement administration can give more effective meaning to our common goals: among them domestic tranquillity, the blessings of liberty, the establishment of justice.

These goals do not bring themselves into being. If we are to have a government of laws and not of men, then it particularly takes dedicated men and women to accomplish this through their zeal and determination, and also their concern for fairness and impartiality. I know this Department always has had such dedicated men and women. I recall with pride the years I spent in this Department.

We have lived in a time of change and corrosive skepticism and cynicism concerning the administration of justice. Nothing can more weaken the quality of life or more imperil the realization of the goals we all hold dear than our failures to make clear by word and deed that our law is not an instrument for partisan purposes and it is not an instrument to be used in ways which are careless of the higher values within all of us.

Mr. President, when you spoke to me two months ago, you were eloquent and persuasive as to your high aspirations for this Department. I am sure the able men and women of this Department will join with me in responding to your aspirations.

ENERGY: THE NECESSITY OF DECISION

Mr. HUGH SCOTT. Mr. President, Secretary of State Kissinger, in a recent speech before the National Press Club, details the multipronged efforts being made to establish international cooperation between the OPEC nations and the oil-consuming nations. The Secretary paints a rather optimistic picture, focusing on U.S. activities to bring about international collaboration. This is a most lucid presentation of the problems facing the United States and our efforts to deal with them.

Mr. President, I ask unanimous consent that the full text of "Energy: The Necessity of Decision" and the questions and answers that followed be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY: THE NECESSITY OF DECISION

(Address by Secretary of State Henry A. Kissinger before the National Press Club)

Ladies and Gentlemen:

I appreciate this opportunity to speak to you on the question of energy.

The subject is timely, for this week marks an important moment in both our national and international response to the energy crisis.

On Wednesday, the Governing Board of the International Energy Agency [IEA] convenes in Paris for its monthly meeting. This organization, which grew out of the Washington Energy Conference, represents one of the major success stories of cooperation among the industrialized democracies in the past decade. In recent months it has begun to mobilize and coordinate the efforts of the industrial democracies in energy conservation, research, and development of new energy sources. The IEA already has put in place many of the building blocks of a coordinated energy policy. At the forthcoming meeting, the United States will advance comprehensive proposals for collective action, with special emphasis on the development of new energy sources and the preparation of a consumer position for the forthcoming dialogue with the producers.

Equally important, we are now engaged in a vital national debate on the purposes and requirements of our national energy program. Critical decisions will soon be made by the Congress—decisions that will vitally affect other nations as well as ourselves.

THE NATURE OF THE CHALLENGE

The international and national dimensions of the energy crisis are crucially linked. What happens with respect to international energy policy will have a fundamental effect on the economic health of this nation. And the international economic and energy crisis cannot be solved without purposeful action and leadership by the United States. Domestic and international programs are inextricably linked.

The energy crisis burst upon our consciousness because of sudden, unsuspected events. But its elements have been developing gradually for the better part of two decades.

In 1950, the United States was virtually self-sufficient in oil. In 1960, our reliance on foreign oil had grown to 16 percent of our requirements. In 1973, it had reached 35 percent. If this trend is allowed to continue, the 1980's will see us dependent on imported oil for fully half of our needs. The impact on our lives will be revolutionary.

This slow but inexorable march toward dependency was suddenly intensified in 1973 by an oil embargo and price increases of 400 percent in less than a single year. These actions—largely the result of political decisions—created an immediate economic crisis, both in this country and around the world. A reduction of only 10 percent of the imported oil, lasting less than half a year, cost Americans half a million jobs and over one percent of national output; it added at least 5 percentage points to the price index, contributing to our worst inflation since World War II; it set the stage for a serious recession; and it expanded the oil income of the OPEC nations from $23 billion in 1973 to a current annual rate of $110 billion, thereby effecting one of the greatest and most sudden transfers of wealth in history.

The impact on other countries much more dependent on oil imports has been correspondingly greater. In all industrial countries economic and political difficulties that had already reached the margin of the ability of governments to manage have threatened to get out of control.

Have we learned nothing from the past year? If we permit our oil consumption to grow without restraint, the vulnerability of our economy to external disruptions will be grossly magnified. And this vulnerability will increase with every passing year. Unless strong, corrective steps are taken, a future embargo would have a devastating impact on American jobs and production. More than 10 percent of national employment and output, as well as a central element of the price structure of the American economy, would be subject to external decisions over which our national policy can have little influence.

As we learned grimly in the 1920's and 30's, profound political consequences inevitably flow from massive economic dislocations. Economic distress fuels social and political turmoil; it erodes the confidence of the people in democratic government and the confidence of nations in international harmony. It is fertile ground for conflict, both domestic and international.

"In 1950, the United States was virtually self-sufficient in oil. In 1960, our reliance on foreign oil had grown to 16 percent of our requirements. In 1973, it had reached 35 percent."

The situation is not yet so grave, but it threatens to become so. The entire industrialized world faces at the same time a major crisis of the economy, of the body politic, and of the moral fiber. We and our partners are being tested—not only to show our technical mastery of the problems of energy, but even more importantly to show if we can act with foresight to regain control of our future.

For underlying all difficulties, and compounding them, is a crisis of the spirit—the despair of men and nations that they have lost control over their destiny. Forces seem loose beyond the power of government and society to manage.

In a sense we in America are fortunate that political decisions brought the energy problem to a head before economic trends had made our vulnerability irreversible. Had we continued to drift, we would eventually have found ourselves swept up by forces much more awesome than those we face today.

As it is, the energy crisis is still soluble. Of all nations, the United States is most affected by the sudden shift from near self-sufficiency to severe dependence on imported energy. But it is also in the best position to meet the challenge. A major effort now—of conservation, of technological innovation, of international collaboration—can shape a different future for us and for the other countries of the world. A demonstration of American resolve now will have a decisive effect in leading other industrial nations to work together to reverse present trends toward dependency. Today's apparently pervasive crisis can in retrospect prove to have been the beginning of a new period of creativity and cooperation.

One of our highest national priorities must be to reduce our vulnerability to supply interruption and price manipulation. But no one country can solve the problem alone.

Unless we pool our risks and fortify the international financial system, balance-of-payments crises will leave all economies exposed to financial disruption. Unless all consuming nations act in parallel to reduce energy consumption through conservation and to develop new sources of supply, the efforts of any one nation will prove futile—the price structure of oil will not be reformed and the collective economic burden will grow. And unless consumers concert their views, the dialogue with the producers will not prove fruitful.

The actions which the United States takes now are central to any hope for a global solution. The volume of our consumption, and its potential growth, is so great that a determined national conservation program is essential. Without the application of American technology and American enterprise, the rapid development of signifiant new supplies and alternatives sources of energy will be impossible.

There is no escape. The producers may find it in their interest to ease temporarily our burdens. But the price will be greater dependence and greater agony a few years from now. Either we tackle our challenge immediately or we will confront it again and again in increasingly unfavorable circumstances in the years to come. If it is not dealt with by this Administration, an even worse crisis will be faced by the next—and with even more anguishing choices.

History has given us a great opportunity disguished as a crisis. A determined energy policy will not only ease immediate difficulties, it will help restore the international economy, the vitality of all the major industrial democracies, and the hopes of mankind for just and prosperous world.

THE STRATEGY OF ENERGY COOPERATION

We and our partners in the International Energy Agency have been, for a year, pursuing strategy in three phases:

The first phrase is to protect against emergencies. We must be prepared to deter the use of oil or petrodollars as political weapons and, if that fails, we must have put ourselves in the best possible defensive position. To do this, we have established emergency sharing programs to cope with new embargoes, and created new mechanisms to protect our financial institutions against disruption. This stage of our common strategy is well on the way to accomplishment.

The second phase is to transform the market conditions for OPEC oil. If we act decisively to reduce our consumption of imported oil and develop alternative sources, pressure on prices will increase. Measures to achieve this objective are now before the International Energy Agency or national parliaments; we expect to reach important agreements on them before the end of March.

Once the consumer nations have taken these essential steps to reduce their vulnerability, we will move to the third stage of our strategy—to meet with the producers to discuss an equitable price, market structure, and long-term economic relationship. Assuming the building blocks of consumer solidarity are in place, we look toward a preparatory meeting for a producer-consumer conference before the end of March.

Our actions in all these areas are interrelated. It is not possible to pick and choose; since they are mutually reinforcing, they are essential to each other. No emergency program can avail if each year the collective dependence on OPEC oil increases. New sources of energy, however vast the investment program, will be ineffective unless strict measures are taken to halt the runaway, wasteful growth in consumption. Unless the industrial nations demonstrate the political will to act effectively in all areas, the producers will be further tempted to take advantage of our vulnerability.

In recent months we and our partners have taken important steps to implement our overall strategy. Two safety nets against emergencies have been put in place. In November, the IEA established an unprecedented plan for mutual assistance in the event of a new embargo. Each participating nation is committed to build an emergency stock of oil. In case of embargo, each nation will cut its consumption by the same percentage, and available oil will be shared. An embargo against one will become an embargo against all.

"A major effort now—of conservations, of technological innovation, of international collaboration—can shape a different future for us and for the other countries of the world. A demonstration of American resolve now will have a decisive effect in leading other industrial nations to work together to reverse present trends toward dependency."

And in January, the major industrial nations decided to create a $25 billion solidarity fund for mutual support in financial crises—less than 2 months after it was first proposed by the United States. This mutual insurance fund will furnish loans and guarantees to those hardest hit by payments deficits, thus safeguarding the international economy against shifts, withdrawals, or cutoffs of funds by the producers.

The next steps should be to accelerate our efforts in the conservation and development of new energy sources. Action in these areas, taken collectively, will exert powerful pressures on the inflated price. No cartel is so insulated from economic conditions that its price structure is invulnerable to a transformation of the market. Because of the reduced consumption in the past year, OPEC has already shut down a fourth of its capacity, equaling 9 million barrels a day, in order to keep the price constant. New oil exploration, accelerated by the fivefold-higher price, is constantly discovering vast new reserves outside of OPEC. The $10 billion in new energy research in the United States—on the scale of the Manhattan Project and the moon-landing program—is certain to produce new breakthroughs sooner or later.

As the industrial nations reduce consumption and increase their supply, it will become increasingly difficult for OPEC to allocate the further production cuts that will be required among its members. Even now, some OPEC members are shaving prices to keep up their revenue and their share of the market. Indeed, it is not too soon in this decade of energy shortages to plan for the possibility of energy surpluses in the 1980's.

The strategy we have been pursuing with

our partners since the Washington Energy Conference has linked our domestic and international energy policies into a coherent whole. We have made remarkable progress, but much remains to be done. The question now is whether the industrialized countries have the will to sustain and reinforce these promising initiatives. Conservation and the development of new sources of energy are the next priorities on our common agenda.

CONSERVATION

Unconstrained consumption of cheap oil is the principal cause of the present vulnerability of the industrial countries. Neither the United States nor other consumers can possibly reduce their dependence on imports until they reverse the normal—which is to say wasteful—growth of consumption.

There is simply no substitute for conservation. Alternative energy supplies will not be available for 5 or 10 years. In the next few years conservation, and only conservation, will enable us both to absorb the present burden of high energy costs and to begin to restore the balance of consumer-producer relations.

Only a determined program of conservation can demonstrate that we and our partners have the will to resist pressures. If the industrialized nations are unwilling to make the relatively minor sacrifices involved in conservation, then the credibility of all our other efforts and defensive measures is called into the question.

Some say we face a choice between conservation and restoring economic growth. The contrary is true. Only by overcoming exorbitant international energy costs can we achieve reliable long-term growth. If we doom ourselves to 50 percent dependence on imported energy, with the supply and price of a central element of our economy subject to external manipulation, there is no way we can be sure of restoring and sustaining our jobs and growth. These decisions will depend on foreign countries for whom our prosperity is not necessarily a compelling objective.

To be sure, conservation—by any method—will have an economic cost. The restructuring which it entails, away from production and consumption of energy-intensive goods, incurs shortrun dislocations. At a time of recession, this must concern us. Yet these costs are small compared to what will be exacted from us if we do not act. Without conservation, we will perpetuate the vulnerability of our economy and our national policy. And we will perpetuate as well the excessive international energy prices which are at the heart of the problem.

"Some say we face a choice between conservation and restoring economic growth. The contrary is true. Only by overcoming exorbitant international energy costs can we achieve reliable long-term growth."

At present, the United States—in the midst of recession—is importing 6.7 million barrels of oil a day. When our economy returns to full capacity that figure will rise; by 1977 it will be 8 or 9 million barrels a day in the absence of conservation. Imports will continue to grow thereafter. Even with new production in Alaska and the outer continental shelf, this import gap will remain if we do not reduce consumption significantly and rapidly.

With these prospects in mind, President Ford has set the goal of saving a million barrels a day of imports by the end of this year and 2 million by 1977. That amounts to the increase in dependence that would occur as the economy expands again, in the absence of a conservation program.

Our conservation efforts will be powerfully reinforced by the actions of our IEA partners and of other interested countries such as France. Their collective oil consumption equals ours, and they are prepared to join with us in a concerted program of conservation; indeed some of them have already instituted their own conservation measures. But any one country's efforts will be nullified unless they are complemented by other consumers. This is why the United States has proposed to its IEA partners that they match our respective conservation targets. Together we can save 2 million barrels a day this year; and at least 4 million barrels in 1977.

If these goals are reached, under current economic conditions OPEC will have to reduce its production further; even when full employment returns, OPEC will have surplus capacity. More reductions will be hard to distribute on top of the existing cutbacks of 9 million barrels a day. As a result, pressures to increase production or to lower prices will build up as ambitious defense and development programs get under way. By 1977 some oil producers will have a payments deficit; competition between them for the available market will intensify. The cartel's power to impose an embargo and to use price as a weapon will be greatly diminished.

"In short, the massive development of alternative sources by the industrial countries will confront OPEC with a choice: they can accept a significant price reduction now in return for stability over a longer period; or they can run the risk of a dramatic break in prices when the program of alternative sources begins to pay off."

But if America—the least vulnerable and most profligate consumer—will not act, neither will anyone else. Just as our action will have a multiplier effect, so will our inaction stifle the efforts of others. Instead of reducing our collective imports, we will have OPEC's ability to raise prices, which is now OPEC's ability to raise prices, which is now in question, will be restored.

In exchange for a brief respite of a year or two, we will have *increased* and industrialized world's vulnerability to a new and crippling blow from the producers. And when that vulnerability is exposed to public view through a new embargo or further price rises, the American people will be entitled to ask why their leaders failed to take the measures they could have when they should have.

One embargo—and one economic crisis—should be enough to underline the implications of dependency.

THE IMPORTANCE OF NEW SUPPLIES

Conservation measures alone, crucial as they are, cannot permanently reduce our dependence on imported oil. To eliminate dependence over the long term we must accelerate the development of alternative sources of energy. This will involve a massive and complex task. But for the country which broke the secret of fission in 5 years and landed men on the moon in 8 years, the challenge should be exciting. The Administration is prepared to invest in this enterprise on a scale commensurate with those previous pioneering efforts; we are ready as well to share the results with our IEA partners on an equitable basis.

Many of the industrialized countries are blessed with major energy reserves which have not yet been developed—North Sea oil, German coal, coal and oil deposits in the United States, and nuclear power in all countries. We have the technical skill and resources to create synthetic fuels from shale oil, tar sands, coal gasification and liquefaction. And much work has already been done on such advanced energy sources as breeder reactors, fusion, and solar power.

The cumulative effort will of necessity be gigantic. The United States alone shall seek to generate capital investments in energy of $500 billion over the next 10 years. The Federal Government will by itself invest $10 billion in research into alternative energy sources over the next 5 years, a figure likely to be doubled when private investment in research is included.

But if this effort is to succeed, we must act now to deal with two major problems—the expense of new energy sources and the varying capacities of the industrialized countries.

New energy sources will cost considerably more than we paid for energy in 1973 and can never compete with the production costs of Middle Eastern oil.

This disparity in cost poses a dilemma. If the industrial countries succeed in developing alternative sources on a large scale, the demand for OPEC oil will fall, and international prices may be sharply reduced. Inexpensive imported oil could then jeopardize the investment made in the alternative sources; the lower oil prices would also restimulate demand, starting again the cycle of rising imports, increased dependence, and vulnerability.

Thus paradoxically, in order to protect the major investments in the industrialized countries that are needed to bring the international oil prices down, we must insure that the price for oil on the domestic market does not fall below a certain level.

The United States will therefore make the following proposal to the International Energy Agency this Wednesday:

In order to bring about adequate investment in the development of conventional nuclear and fossil energy sources, the major oil importing nations should agree that they will not allow imported oil to be sold domestically at prices which would make those new sources noncompetitive.

This objective could be achieved in either of two ways. The consumer nations could agree to establish a common floor price for imports, to be implemented by each country through methods of its own choosing such as import tariffs, variable levies, or quotas. Each country would thus be free to obtain balance-of-payments and tax benefits, without restimulating consumption, if the international price falls below agreed levels. Alternatively, IEA nations could establish a common IEA tariff on oil imports. Such a tariff could be set at moderate levels and phased in gradually as the need arises.

"Collective actions to restore balance to the international economic structure . . . will contribute enormously to the likelihood of the success of the projected consumer-producer dialogue."

President Ford is seeking legislation requiring the executive branch to use a floor price or other appropriate measures to achieve price levels necessary for our national self-sufficiency goals.

Intensive technical study would be needed to determine the appropriate level at which prices should be protected. We expect that they will be considerably below the current world oil prices. They must, however, be high enough to encourage the long-range development of alternative energy sources.

These protected prices would in turn be a point of reference for an eventual consumer-producer agreement. To the extent that OPEC's current high prices are caused by fear of precipitate later declines, the consuming countries, in return for an assured supply, should be prepared to offer producers an assured price for some definite period so long as this price is substantially lower than the current price.

In short, the massive development of alternative sources by the industrial countries will confront OPEC with a choice: they can accept a significant price reduction now in return for stability over a longer period; or they can run the risk of a dramatic break in prices when the program of alternative sources begins to pay off. The longer OPEC waits, the stronger our bargaining position becomes.

The second problem is that the capacities of the industrialized countries to develop new energy sources vary widely. Some have rich untapped deposits of fossil fuels. Some have industrial skills and advanced technology. Some have capital. Few have all three.

Each of these elements will be in great demand, and ways must be found to pool them effectively. The consumers, therefore, have an interest in participating in each other's energy development programs.

Therefore, the United States will propose to the IEA this Wednesday the creation of a synthetic fuels corsortium within IEA. Such a body would enable countries willing to provide technology and capital to participate in each other's synthetic energy projects. The United States is committed to develop a national synthetic fuel capacity of one million barrels a day by 1985; other countries will establish their own programs. These programs should be coordinated, and IEA members should have an opportunity to share in the results by participating in the investment. Qualifying participants would have access to the production of the synthetics program in proportion to their investment.

In addition, the United States will propose the creation of an energy research and development consortium within IEA. Its primary task will be to encourage, coordinate, and pool large-scale national research efforts in fields—like fusion and solar power—where the costs in capital equipment and skilled manpower are very great, the lead times very long, but the ultimate payoff in low-cost energy potentially enormous.

The consortium also would intensify the comprehensive program of information exchange which—with respect to coal, nuclear technology, solar energy, and fusion—has already begun within the IEA. We are prepared to earmark a substantial proportion of our own research and development resources for cooperative efforts with other IEA countries which are willing to contribute. Pooling the intellectual effort of the great industrial democracies is bound to produce dramatic results.

When all these measures are implemented, what started as crisis will have been transformed into opportunity; the near panic of a year ago will have been transformed into hope; vulnerability will have been transformed into strength.

THE MUTUAL INTERESTS OF CONSUMERS AND PRODUCERS

Consumer solidarity is not an end in itself. In an interdependent world, our hopes for prosperity and stability rest ultimately on a cooperative long-term relationship between consumers and producers.

This has always been our objective. It is precisely because we wish that dialogue to be substantive and constructive that we have insisted that consumers first put their own house in order. Collective actions to restore balance to the international economic structure, and the development in advance of common consumer views on the agenda, will contribute enormously to the likelihood of the success of the projected consumer-producer dialogue. Without these measures, discussions will only find us restating our divisions, and tempt some to seek unilateral advantages at the expense of their partners. The result will be confusion, demoralization, and inequity, rather than a just reconciliation between the two sides.

"The producers seek a better life for their peoples and a future free from dependence on a single depleting resource; the industrialized nations seek to preserve the hard-earned economic and social progress of centuries; the poorer nations seek desperately to resume their advance toward a more hopeful existence."

A conciliatory solution with the producers is imperative for there is no rational alternative. The destinies of all countries are linked to the health of the world economy. The producers seek a better life for their peoples and a future free from dependence on a single depleting resource; the industrialized nations seek to preserve the hard-earned economic and social progress of centuries; the poorer nations seek desperately to resume their advance toward a more hopeful existence. The legitimate claims of producers and consumers, developed and developing countries, can and must be reconciled in a new equilibrium of interest and mutual benefit.

We must begin from the premise that we can neither return to past conditions nor tolerate present ones indefinitely. Before 1973, market conditions were often unfair to the producers. Today they are unbearable for the consumers; they threaten the very fabric of the international economic system on which, in the last analysis, the producers are as dependent for their well-being as the consumers.

As the consumers approach their preparatory meeting with the producers, what are the basic principles that should guide them?

The United States will propose the following approach to its partners in the IEA:

First, we should explore cooperative consumer-producer action to recycle the huge financial surpluses now accumulating. The oil producers understand that these new assets—which are far greater than they can absorb—may require new management mechanisms. At the same time, the industrial nations know that the stability of the global economic structure requires the constructive participation of the producers.

Second, and closely related to this, is the need to examine our internal investment policies. The oil producers need productive outlets for their revenues; the industrial democracies, while they should welcome new investment, will want to retain control of essential sectors of their economies. These needs can be reconciled through discussion and agreement between consumers and producers.

Third, we must help the producer nations find productive use for their wealth in their own development and to reduce their dependence on a depleting resource. New industries can be established, combining the technology of the industralized world with the energy and capital of the producers, for their own benefit and that of the poorer nations. The creation of fertilizer and petrochemical plants is among the more promising possibilities.

Fourth, the oil-producing countries and the industrial consuming countries share a responsibility to ease the plight of the poorest nations, whose economies have been devastated by OPEC's price increases. Technology and capital must be combined in an international effort to assist those most seriously affected by the current economic crisis.

Fifth is the need to provide consumers with a secure source of supply. Another attempt to use oil as a weapon would gravely threaten the economies of the industrial nations and destroy the possibilities of consumer-producer cooperation. Oil-sharing arrangements by the consumers would blunt its impact at first, but over time an atmosphere of confrontation would be inevitable. Thus, if the producer-consumer dialogue is to be meaningful, understandings on long-term supplies are essential.

A central issue, of course, will be price. It is vital to agree on prices for the long run which will satisfy the needs of consumers and producers alike. The balance-of-payments crisis of the consumers must be eased; at the same time, the producers are entitled to know that they can count on a reasonable level of income over a period of time.

The United States is ready to begin consultations with the other major consuming nations on this agenda. We will be prepared to expand on these proposals, and will welcome the suggestions of our friends, so that we can fashion together a common and positive program.

In sum, consumers and producers are at a crossroads. We have the opportunity to forge new political and institutional relationships, or we can go our separate ways, each paying the price for our inability to take the long view. Mutual interest should bring us closer together; only selfishness can keep us apart. The American approach will be conciliatory.

The implications for the structure of world politics are profound. If we act with statesmanship we can shape a new relationship between consumer and producer, between developed and developing nations, that will mark the last quarter of the 20th century as the beginning of the first truly global, truly cooperative international community.

THE NEED FOR UNITED ACTION

The United States will soon celebrate the 200th anniversary of its independence. In those 200 years Americans have gloried in freedom, used the blessings of nature productively, and jealously guarded our right to determine our fate. In so doing, we have become the most powerful nation on earth and a symbol of hope to those who yearn for progress and value justice. Yet now we sometimes seem uncertain of our future, disturbed by our recent past, and confused as to our purpose.

But we must persevere, for we have no other choice. Either we lead, or no one leads; either we succeed, or the world will pay for our failure.

The energy challenge is international; it can only be met by the cooperative actions of all the industrial democracies. We are far advanced with our partners toward turning a major challenge into bold creation and determined response.

But our hopes for the future rest heavily on the decisions we take on our own domestic energy program in the days and weeks ahead. Our example—for good or ill—will chart the course for more than ourselves alone. If we hesitate or delay, so will our partners. Undoing measures already instituted, without putting an alternative program in their place, will have implications far transcending the immediate debate.

"The energy challenge is international; it can only be met by the cooperative actions of all the industrial democracies."

The United States bears world responsibility not simply from a sense of altruism or abstract devotion to the common good—although those are attributes hardly deserving of apology. We bear it, as well, because we recognize that America's jobs and prosperity—and our hopes for a better future—decisively depend upon a national effort to fashion a unified effort with our partners abroad. Together we can retain control over our affairs and build a new international structure with the producers. Apart we are hostages to fate.

A domestic program that will protect our independence; a cooperative program with other consumers; and accommodation with producers—these are the indispensable and inseparable steps toward a new equilibrium of interest and justice. No one step can succeed in the absence of the other two.

It is the glory of our nation that, when challenged, we have always stepped forward with spirit and a will to dare great things. It is now time to do so again, and in so doing to reaffirm to ourselves and to the world that this generation of Americans has the integrity of character to carry on the noble experiment that began 2 centuries ago.

The CHAIRMAN [William Broom, president of the National Press Club]. Thank you, Mr. Secretary.

Mr. Secretary, in November you, the Secretary of the Treasury, and Mr. Arthur Burns, the Chairman of the Federal Reserve Board, all made speeches emphasizing the imperative need to bring about a lowering of the OPEC prices of oil. Now the Administration is advocating an energy policy based upon a price even higher than the OPEC price. What happened between November and now?

Secretary KISSINGER. I do not think it is correct to say that the Administration's energy policy is based on an increase in price.

UMI

The Administration's energy policy attempts to reduce consumption. The increase in price that is designed to reduce consumption will be rebated to the American public so that the inflationary impact will be severely minimized, if not eliminated. So we are not dealing here with an increase in price that produces a balance-of-payments drain. We are dealing with a technical measure designed to reduce consumption for the reasons that I have explained, and the increase will then be rebated in various ways to the American people.

Q. Our audience has many questions for you today, Mr. Secretary. A second one here concerns what you anticipate from our Allies. The first questioner asks—what result might you foresee if IEA nations do not all agree on some method of establishing floor prices; specifically, what results if only the U.S.A. does so. And secondly, someone wonders if you can identify or expect any European country or any consuming nation not to act in parallel in the consumer bloc.

A. The proposal about a floor price will, of course, only be formally submitted to our Allies on Wednesday. But we have had some exploratory conversations which lead us to believe that the proposal will receive a sympathetic reception. The United States is, of course, in a position to establish such a price for itself, and given the scale of its investment, it could carry out a very massive program for the development of alternative energy sources. But in order to achieve the objectives which I have described, the cooperation of all the consumers would be extremely important.

I would not want to identify—indeed, I do not know any consumers that are likely to disagree. I believe that the cooperation of the nations in IEA, as I pointed out in my speech, has been one of the great success stories of the last decade-and-a-half. Within the space of less than a year, very major steps have been taken in the field of conservation, in the field of emergency sharing, and in the field of financial solidarity. And I have every confidence that the spirit of cooperation that has brought us to this point will hold in the months ahead.

Q. A number of questions on price. What do you estimate the protected price of oil will be? For how long will it be protected? How will the long-term protected price be affected by inflation? And based on your remarks, what do you believe is the minimum price per barrel for domestic oil that will be required to keep U.S. investments competitive?

A. Well, the precise price would have to be established first by more detailed technical studies, and then in consultation with our partners that also have an interest in the problem. However, it can be stated now that the protected price would be substantially below the existing period of time sufficient to justify the massive investment in the alternative sources that are called for.

With respect to the impact of inflation on the protected price, if a long-term price arrangement were made with the producers and if the price were pegged at a level considerably below current world prices, the United States would not exclude discussing indexing in relation to it.

Q. If the cost of oil in the United States and in the major industrial nations remains above the level of exported oil, or Communist country prices, how are U.S. or European exporters of petrochemicals going to cope with competition from Eastern European or other nations?

A. Well, this assumes that there is an unlimited capacity by the Soviet Union to expand its oil exports at lower prices; and we doubt seriously that this capacity exists.

Q. Have you had any reaction as yet from the oil-producing countries' leaders regarding President Ford's plan to impose the import levy on oil in this country? What is the possibility that the oil-producing countries will use that as a reason for a further price increase?

A. We have not had any reaction from the oil-producing countries with respect to the President's import tax. I believe also that the oil producers very clearly understand the difference between a price increase that compounds a balance-of-payments deficit and a price increase that is rebated to the consumers.

Q. Do you agree, Mr. Secretary, with Senator Church's proposal that the United States set up an oil-purchasing agency as one way of eliminating unnecessary competition for profits and supplies?

A. I have frankly not had an opportunity to study this proposal in great detail, and I therefore would rather withhold judgment.

Q. An enterprising member of the audience asks—can we trade U.S. wheat for Russian oil?

A. That, too, is something I would like to examine a little bit. [Laughter and applause.]

Q. We have a number of questions on other countries, particularly the Middle East, where you will be going within a very short space of time. Will it be possible to arrange a further military disengagement on the Sinai with Egypt without further progress with Syria on the Golan Heights? And secondly, will the time come when the United States will have to deal with the Palestine Liberation Organization [PLO]?

A. If I didn't believe that there was some possibility of progress in further negotiations, I would not obviously go to the Middle East. Of course any step that is taken should only be considered as an interim step toward a final peace. And all other of the nations in the Middle East will have to participate in that next step—or will have to participate not in the forthcoming step, but will have to participate in a negotiation for a final peace.

With respect to the PLO, we have stated our position repeatedly, that there is no possibility of a negotiation as long as the PLO does not recognize the existence of Israel.

Q: How do you explain shipments of American airplanes to the Middle East and to the Arab countries in view of the possibility of the renewal of an Arab embargo on oil?

A: In my press conference last week, I explained the American policy with respect to arms shipments to other countries as follows: The questions that have to be answered are whether a threat to the security of these countries exists in the minds of these countries; whether the United States considers this a realistic appraisal; whether the United States has an interest in the stability and security of the countries concerned; and finally, whether, if the United States does not supply these weapons, these countries would remain without weapons. In the case of the arms shipments to which the United States has agreed, we believe that the answer to each question can be affirmative—and in view of the various balance-of-payments considerations that I have earlier outlined, also in our interest. But the controlling decision is not a commercial one. The controlling decision is the political one that I explained.

Q: Four or five questions on Cuba. The first one asks whether you have any comment on Senator Sparkman's recent remarks about resuming U.S. relations with Cuba and what are the changes that U.S. policy towards Cuba will change this year.

A: I'm brave but not reckless. [Laughter.] In the spirit of partnership between the Congress and the Executive that I called for recently, I would like to say that we are examining our policy toward Cuba—that we are prepared to look at various of the measures that have been taken in the inter-American system with a view toward seeing what can be done in our Cuban relationship.

Q: Do you see any possibility, Mr. Secretary, of an opportunity for the United States to sell some goods to Cuba in the near future to help us with our balance of payments?

A: Whatever decision will be made on Cuba is not going to be dictated by economic considerations. It will grow out of our assessment in the international context, as well as our overall relationships with the Western Hemisphere.

Q. Let's switch to the Eastern Hemisphere for a moment. A member of the audience notes that Chinese leaders are reportedly dissatisfied at the pace of Sino-American rapprochement. When will the United States recognize mainland China? Will it be during President Ford's visit to China this year? And, presuming, when will we withdraw U.S. troops from Taiwan?

A. I read these accounts with great interest, but of course we can only deal with the expressions that the Chinese leaders make to American officials. And we do not have the impression that the Chinese leaders are dissatisfied with the state of Chinese-American relations. We are committed in the Shanghai communique to proceed toward the normalization of relations with the People's Republic of China. We are determined to carry out not only the letter but the spirit of the Shanghai communique; and we will base our improving relations with the People's Republic of China on these principles.

Q. Within a few days, the Prime Minister of Pakistan will be paying a visit to Washington. Is the United States ready to lift the embargo on arms to Pakistan when Prime Minister Bhutto is here this week?

A. The question about Pakistan, an ally which is in the curious position of being subject to American embargo, is always before us—especially at a time when the Prime Minister of Pakistan visits the United States. No decisions have yet been made, and I doubt that any final decision will be made while Prime Minister Bhutto is here. But of course it is always a subject that is seriously examined in preparation for his visit and of course will be discussed.

Q. A pair of questions on Viet-Nam. Is the division of South Viet-Nam into Government and Viet Cong regions a feasible way to stop the fighting? Or—to put it another way—another questioner asks: Despite any agreements that have been made or will be made, do you feel there can be peace in Viet-Nam as long as North Vietnamese troops occupy any part of South Viet-Nam?

A. The United States has always been prepared, together with the Government in Saigon, to see to it that peace is maintained in South Viet-Nam along the demarcation lines that existed when the armistice agreement was signed. It is the Communist side which has consistently refused to agree to a demarcation and to deploy the international control teams by which such a demarcation would be insured.

Under the agreement in January 1973, there was no requirement for the withdrawal of the North Vietnamese troops which were then in South Viet-Nam. But there was a flat prohibition against any further increase in their numbers—or, indeed, a flat prohibition against sending any new personnel. This prohibition has been consistently violated from the very first day of the agreement. And the only security problem in South Vietnam is the presence of North Vietnamese military forces.

Q. Back to the Western Hemisphere. Today's Washington Post reported some conclusions by former Chilean Ambassador Orlando Letelier, who alleged that he had been deceived about CIA involvement with the opposition to the Allende government. In retrospect, should any of the CIA's activities have been different—do you regret the outcome?

A. I found it amazing that the front page of a leading newspaper would report a totally unsupported story by an individual who, after all, was not exactly disinterested and who told a rather amazing tale that he had been invited to the house of a Washington columnist to receive a special message from me.

Now, it would be an interesting question—who exactly passed that message to him that he should come to the house of the columnist. That columnist does not remember such an incident; I do not remember such an incident. And while our denial was duly reported in the last paragraph of the story, one would not be able to determine that from the front page of an article that can only be designed to prove that I was telling a lie for purposes that are totally unclear by a man who has a profound interest in the problem. And I might say I find it particularly painful because I have not been uninvolved in his release from prison in Chile. [Applause.]

Q. A pair of questions here about food as it relates to the present energy crisis. One questioner wants to know if there is a plan to use food as a weapon in the strategy of the consuming nations against the oil-producing countries.

A. In my first public statement as Secretary of State, two days after I was sworn in, I proposed the convening of a World Food Conference. I did so because it seemed to me that if we were serious about our assertions that the world was interdependent and that a new world order had to be instituted based on this principle, then we had a moral and political obligation to use the resource which we have in surplus for the benefit of all of mankind. We made proposals at the World Food Conference which were designed to alleviate the chronic food shortage that exists all over the world; and we emphasized that whatever the level of American food aid, we would not be able to deal with the chronic problem by American food alone—that it was necessary to increase the productivity, especially in less developed countries, to improve the distribution, and to take other fundamental measures of agricultural reform, to which the United States will contribute.

With respect to American food aid, which is a separate problem, a very large percentage of this food aid is given for primarily humanitarian purposes. There are, of course, countries where we are conscious that this food aid also helps us politically, and we have no reason to apologize for this. But even in those countries there is a profound need for food.

We have worked closely with Senator [Hubert H.] Humphrey, with Senator [Mark O.] Hatfield—first, to produce the maximum level of food aid that was possible and, secondly, to allocate it in a manner that met both the humanitarian and other needs of this country.

Q. In that connection, Mr. Secretary, in the final moments of drafting the budget, $178 million was apparently added to the total available for the P.L. 480 Food for Peace program. Some people are crediting you with arguing for the addition of that $178 million. Who is going to receive it? How much of the total food aid available will go to most seriously affected [MSA] countries? Have Cambodia and South Viet-Nam been added to the MSA list?

A. I can hardly keep up with the newspaper reports printing the breakdown of various working papers with respect to food aid, none more recent, incidentally, than 2 months. I frankly don't know the exact figure that was added in recent weeks to the budget. But, again, if you remember—I don't know why I assume that each of you remember every detail of every speech I gave: I look at my staff here and they have to open staff meetings by rehearsing them, in spite of their prayers. [Laughter.]

But in that speech I indicated that the United States would support the highest possible level of food aid. The only reason we did not announce the level then was because of the impact on American domestic prices and because we were afraid that if the result of announcing a high level of food aid would be to push up the American domestic food prices, that then congressional support for the food aid program might evaporate altogether. Therefore we have consistently been at the highest level that was compatible with our domestic price structure.

Now that the recent crop reports have indicated that we have adequate food supplies, we have, as a matter of course, gone to the high levels. And it is not the case that this was suddenly jury-rigged in order to produce a particular effect. With respect to the allocations required by the Congress between the humanitarian and other purposes, we have worked out this arrangement with all the Senators and Congressmen who have shown a particular interest in the problem.

To answer your specific question, Viet-Nam and Cambodia have not been added to the MSA list, even though, in fairness, the only reason they are not on the MSA list of the United Nations is because Viet-Nam is not in the United Nations.

The CHAIRMAN. Thank you very much.

NEED FOR A REGULATORY REFORM COMMISSION

Mr. ALLEN. Mr. President, the need to reform Federal regulatory practices has been abundantly clear to Congress now for several years.

Originally conceived as a lean team of public watchdogs, the Federal regulatory system has become a herd of bloated elephants meandering directionless around the congressional waterhole.

The answer to the problem is not for Congress to give birth to yet another elephant, such as the proposed Agency for Consumer Advocacy, alias Consumer Protection Agency—even if it is trained to stick its tusks into the flanks of others around the waterhole.

The answer is for Congress to recognize that a problem of tremendous dimension exists, one that will not be solved without a commitment to coordinated, comprehensive regulatory reform.

This will not be an easy task, nor will it be pleasant. But it must be begun in earnest. The taxpayer can no longer continue to bear the burden of supporting a regulatory system packed with costly waste, redtape, and highly questionable symbiotic relationships between regulators and those whom they regulate.

For this reason, I have again introduced my bill to create a National Commission on Regulatory Reform, Senate Joint Resolution 7, and I again hold to the hope that Congress will recognize the need for us to begin comprehensive regulatory reform now.

Rather than, once again, explaining this bill, I ask unanimous consent that an excellent editorial from the January 26 edition of the Birmingham News be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REFORM REGULATORY AGENCIES

Federal regulatory agencies have been the subject of criticism from at least two different directions. Businessmen have found a multiplicity of regulations restrictive and costly; the red tape often, from this point of view, drives up the cost of products and services without justification. Consumerists, on the other hand, have condemned the regulatory agencies as having softened over the years to the point that they have become cozy with the interests they were intended to regulate.

In October, President Ford called for "a joint effort by the Congress, the executive branch and the private sector to identify and eliminate existing federal rules and regulations that increase costs to the consumer without any good reason in today's economic climate."

Soon after the President made his appeal, several resolutions were offered to establish regulatory reform commissions. One of those resolutions was by Sen. Jim Allen, D-Ala. As was the case with all the resolutions, Allen's plans died with the adjournment of the last Congress.

This past week, however, Allen reintroduced his resolution to create a National Commission on Regulatory Reform.

The commission as Allen proposes it would offer broad representation. It would be made up of 15 members, chosen in this manner: Three by the Senate, three by the House, three by the President and six from the private sector. Of the latter six, two would be chosen to represent the labor community, two for business and two for consumers. The six would be appointed by the President with confirmation by the Senate.

Unlike the other resolutions offered last year, Allen's plan would not limit the inquiry of the commission to the independent agencies, but would include executive branch agencies as well.

Furthermore, the Allen version specifically names certain agencies for scrutiny by the commission. These agencies have been frequently named as being unresponsive to the public's interest or suspected of causing unjustified cost increases. These agencies are the Civil Aeronautics Board, the Consumer Product Safety Commission, the Environmental Protection Agency, the Federal Communications Commission and nine others, including the U.S. Postal Service.

And the Allen version would mandate the proposed commission to study the degree to which the regulatory agencies represent the interests of consumers in their decision-making process. Additionally, such a commission would be required to report on alternative methods of improving consumer representation—including, specifically, the feasibility of a nonregulatory Agency for Consumer Advocacy or, as it has also been called, a Consumer Protection Agency.

The commission would be required to report to the President and Congress within one year on its findings, specifically on the economic impact of regulatory agencies. Within 18 months, the commission would be required to submit a comprehensive report on consumer representation in agencies and on alternative methods of improving representation. Further reports would be required at the end of two years, then after three years.

It is to be hoped that the White House will give Allen's resolution support by once again calling for a regulatory commission.

Certainly such a commission is needed, and Allen's plan is the strongest and most specific proposal that has yet been submitted. It deserves, and doubtless will attract, widespread support.

SWARTHMORE COLLEGE ACTS TO CONSERVE FOOD

Mr. HATFIELD. Mr. President, on the evening of December 9, 1975, I had the pleasure of addressing the student body of Swarthmore College in Swarthmore, Pa. As a result of their interest in the world food situation, students were asking for information relating to the World Food Conference and the worldwide need for food and agricultural development. I found the evening to be

most enjoyable and encouraging as the college community expressed genuine interest in helping effect a solution to this problem which faces each of us.

As part of their work for the beginning of a solution, students, faculty, and administration joined in collecting money and conserving food intake. They continued their program of education in the issue. Shortly after the visit to Swarthmore. I received a report of the activities of the Swarthmore College Committee on World Hunger. From other reports I have received by mail, word-of-mouth, and in phone conversations, this activity is being repeated by colleges and citizen and church groups all across our country. This fact, and information reported in the December 18 hearing before the Senate Select Committee on Nutrition and Human Needs, is evidence of the responsiveness of the American people to the very real needs of others. I would call this to the attention of my colleagues and hope that the administration will soon realize that the hearts and pocketbooks of the American people are indeed open to others, even in this time of economic uncertainty.

I ask unanimous consent that the report of the Swarthmore College Committee on World Hunger be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD as follows:

THE SWARTHMORE COLLEGE COMMITTEE ON WORLD HUNGER

The Swarthmore College Committee on World Hunger was organized in mid-November, 1974, for two purposes:

To increase awareness and concern at Swarthmore College about the severe world hunger problem and what can be done about it;

To aid the causes of short-term food assistance and long-term agricultural development in poor countries.

The Committee of twelve students and two faculty members organized a fast by students on the night of December 11, 1974. 612 students, half the student body, signed petitions requesting the College food service to send the money saved by their abstaining from dinner to Oxfam-America, an organization working to reinforce agricultural self-help projects in developing countries. The fast yielded a rebate of $500, to which was added $114 of supplementary donations given by concerned students.

The student fast was matched by faculty and administration action, which demonstrated that world hunger is a concern among all segments of the College community. A note circulated to faculty members urging their families to join the fast resulted in contributions of over $430 to the Swarthmore donation to Oxfam-America. The usually lavish official banquet given by the President of the College to host an eminent visiting speaker was replaced, in observance of the world food crisis, by a simple meal.

Educating the College community on the issues of world hunger is another focus of Committee effort. While students were fasting the evening of December 11, professors from the biology, history, political science, and philosophy departments, joined by Carrol Streeter, former editor of *Farm Journal*, spoke to the College on various aspects of the food problem. The following day, Dick Gregory, a renowned political speaker noted for his extended fasting on behalf of the world's poor, was brought to the campus to offer his views to a large audience.

These recent programs are part of an ongoing concern at Swarthmore College. Contemplated future actions include political lobbying and regular fasting, perhaps in conjunction with community groups or other colleges. Educational efforts will continue: an all-day symposium of visiting experts is being planned, and study groups are being organized. We realize that the world food crisis will not disappear quickly, and that our efforts must be multiplied.

REBECCA CANTWELL,
RUPA LEFEVRE,
JOHN RODGERS,
DAVID B. SACKS,
Coordinator,
Student members of the Swarthmore College Committee on World Hunger.

U.S. (POLITICAL) ENERGY CRISIS

Mr. HANSEN. Mr. President, the Society of Independent Professional Earth Scientists is an organization, as its name implies, that should be well versed in the Nation's energy and mineral resources.

Last week, my good friend and colleague, the distinguished Senator from Arizona (Mr. FANNIN), was asked to address the SIPES annual meeting at Dallas, Tex.

His remarks support the objectives of the President's energy proposals. He traces the course of our drift into foreign oil dependency and what we must do to get out—and the alternatives.

As Congress considers the President's proposals and the alternatives, I highly recommend that all Senators could benefit from Senator FANNIN's very astute analysis of the U.S. energy situation.

As ranking minority member of the Senate Interior Committee which has been engaged in a study of national fuels and energy policy for almost 4 years, PAUL FANNIN is eminently qualified to speak about energy and I ask unanimous consent that the text of his speech to SIPES be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR PAUL FANNIN TO THE SOCIETY OF INDEPENDENT PROFESSIONAL EARTH SCIENTISTS

About two weeks ago President Ford told us quite frankly that the state of the union is not good.

Today I want to talk with you about the state of the oil industry in America, about the relationship of this industry to congressional politics, and about the threat to all business and industry in our country.

Quite frankly, the state of the free enterprise system is not good. In fact, it is in great danger. Proponents of government controls and Washington dictatorship are blasting away at the oil industry. The oil companies and fellow energy producers are in a state of siege.

The 93rd Congress took us to the doorstep of nationalization. The 94th Congress threatens to push us over the threshold onto the irreversible pathway to total nationalization.

If the assault on the energy industries is successful, the liberals will move quickly to clamp government control on all other major segments of the American economic system.

You, ladies and gentlemen, are in the trenches. You are the front line of defense.

How are we going to save the private oil industry? How are we going to save the private enterprise system?

To answer these questions, we must consider three points:

1. American public opinion and how it gets translated into the politics of energy;
2. What the last Congress did and what the current Congress is likely to do to the energy industry; and
3. What you can do to turn things around before it is too late.

First, let's consider the public attitude toward oil companies. Far too many citizens think of oil companies in terms of "monopolists," "price-fixers," "polluters," and "tax evaders."

This picture of oil companies has been promoted by liberal journalists and peddled by opportunist politicians seeking high public office. It was fed by the frustrations of the average man in the face of last winter's fuel shortage. It has been allowed to grow through a cataclysmic failure of communications between industry and the public.

While some politicians have fed this attitude for their own selfish ends, others have reacted to obvious growth of public bias against oil companies.

Politicians who want to stay in office try to please their constituents. If they perceive a widely held belief that some industry has exploited the people, the politicians will introduce legislation to correct the situation. It makes little difference whether the public perception is accurate or the legislation wise. Reality and political reality are not necessarily the same.

Not only are Congressmen inclined to speak out against the oil industry in response to what they see as strong public opinion, they also are afraid to vote for incentives needed to increase energy supply.

Such incentives often entail higher prices to bring about more drilling and greater production. Consumer and environmental groups exert terrific pressure against such action.

Populist politics is nothing new in the United States, and it already was enjoying a revival when the Arab boycott added fuel to the flames in the fall of 1973.

In December 1973, a Lou Harris Poll on the public mood relative to gasoline prices stated the following:

"The key to public unwillingness to see gasoline prices rise as a means of cutting consumption is that the public is willing to undergo cutbacks in its use of home heating (oil) and gasoline, but is patently opposed to price rise as a way to control usage. Basically, this means that ultimate rationing of gasoline and fuel oil will go down better than will any system of cutting demand by manipulating the price. The reasoning of the public is that raising the price would help the rich and penalize the poor, and that anything which adds to the cost of living is hard to stomach."

Two months later a Gallup poll showed that more people thought the energy crisis was caused by the oil companies than by any other single factor.

This was the atmosphere when the 93rd Congress opened its second session just about one year ago. Politicians reacted quite predictably by agitating for a wide array of legislation which would punish, control and virtually destroy oil as a private industry.

We had repeated battles on energy legislation—battles which created much more heat than illumination as far as resolving our problems is concerned.

You will recall that a mandatory price rollback bill would have set the price for new and released oil at $5.25 per barrel. The President wisely vetoed this legislation, and we barely sustained the veto in the Senate.

This was not the only punitive legislation brought before Congress in the past year.

A review of this legislation is instructive because it reveals patterns which have been carried into and intensified in the 94th Congress.

First, we should look at bills acted upon by the 93rd Congress ostensiby to increase energy supplies. The incentives the Congress provided in these bills were submerged by punitive and unnecessary regulatory controls of the field operations of the oil companies.

The Deep Water Port Bill is one example. This law so heavily regulates licensing and operation of ports that it will be difficult for oil companies even to obtain a license.

Another case in point is the Energy Supply Act which passed the Senate but not the House. It called for leasing and regulatory reforms pertaining to exploration and development of the outer continental shelf. It contained no new incentives, only a myriad of provisions penalizing the industry.

Included in the bill was mandatory submission of the Secretary of the Interior of proprietary data obtained not only from drilling cores pursuant to an OCS lease, but also of seismographic data obtain under an exploration permit. Other provisions would cause serious delays and inequities in expanding OCS leasing, exploration and production.

We also should consider the Clean Air Act Amendments of 1974 which were intended ostensibly to bring about the conversion of electrical utilities from oil and gas to coal. Instead, the amendments contained such stringent air quality provisions that no more than nine or ten plants throughout the country were able to convert to coal.

The Alaska Pipeline Act is a fourth example. This bill contains over 20 separate sections and sub-sections regulating the operations not only of the Alaska Pipeline but all future oil pipelines crossing public lands.

The Pipeline Act, however, is one bill where the 93rd Congress showed some economic good sense. In addition to clearing the legal way for the pipeline, the bill included the amendment allowing the exemption of stripper well production from price controls. This was a very important and immediate incentive to continue pumping from marginal wells and to reactivate some wells which had been abandoned.

Other bills related to increasing energy supplies were involved principally with intermediate and long term supply problems associated with coal gasification and liquefaction, oil shale, solar, geothermal and nuclear energy.

Incidentally, one interesting program now being studied is the Pacer Project. This involves hollowing out a huge cavern in a salt dome and using nuclear reactions in the cavern to generate steam which would be piped to the surface where it would turn conventional power generators. Much of this is still theoretical, but it is an extremely interesting program.

It appears that Congress will take action to increase energy supplies only so long as the Federal government does the planning and oversees the programs. The Congress is willing to commit billions of dollars to long-range energy development, but unwilling to make much more modest steps which would enable private industry to alleviate our immediate shortage and build capacity for the longrun.

All authorization bills related to new energy research, development and demonstration programs call for thorough program planning by government agencies coupled with submission of such plans for Congressional review. This takes time, as does the development of new energy technologies to the point of broad scale commercial utilization. These acts will not increase domestic energy supplies significantly until the late 1980s or 1990s.

Action on this legislation underscores the political sex appeal of "clean" and "renewable" energy sources.

Each bill contained reaffirmation of the need to protect the environment and conserve energy. Two solar bills and a geothermal bill moved through Congress before the nonnuclear energy research and development legislation which gave heavy emphasis to fossil fuel development.

The "clean" and "renewable" concepts coupled with the equally popular conservation, or demand reduction, are ideologies which will be with us for some time.

It is likely that when the Congress begins its review of these programs, some headlines will be sought by Members of Congress raising objections to petroleum industry involvement in the programs.

Despite the problems, it is essential that the traditional petroleum industry be involved. Industry leaders should sit down with officials of the Energy Research and Development Administration to help in planning and in participation. If such a relationship does not develop, the Energy Research and Development Administration will find other friendly companies with whom to do business.

What may evolve in such an event is a series of joint Federal-industry corporations with a collective virtual monopoly on the development of new technologies.

Let's continue our analysis of the 93rd Congress by considering the growing determination to throw all corporate books open to government and public examination.

The Energy Information Bill was predicated on the theory that the oil industry is not to be trusted. This legislation suggests that the government must have complete access to all industry files, including proprietary information, to be certain the industry is not cheating.

Although this bill did not pass, its purpose was achieved by the inclusion of its principal features in two bills which became law. Both the Federal Energy Administration legislation and the Coal Conversion and Clean Air Act Amendments contain provisions which guarantee access to oil company corporate information.

This includes the right to conduct searches and to compel production of evidence.

In trying to establish a strategy for the current Congress, it may be as important for us to look as closely at what the 93rd Congress almost did as at what it actually did.

The 93rd Congress, as I mentioned earlier, almost forced an oil price rollback.

It almost enacted a punitive windfall profits scheme.

It almost pased a disastrously restrictive surface mining bill.

It almost put through a land use bill which would have been destructive of our property rights and our economic future.

It gave frightenly serious consideration to a ridiculous proposal for FOGCO—A Federal Oil and Gas Company.

It attempted to force a rationing program on the Administration.

The 93rd Congress was anti-oil; it was anti-business; it was obsessed with government control of enterprise.

Members of Congress who worked the past two years to socialize our system are back, and they have an exceptionally large group of first-term members anxious to slay corporate giants and lesser entrepreneurs.

It may be that the oil industry will look back on the 93rd Congress as "the good old days," if the next two years are as hectic as I believe they will be.

Here is what you can expect:

Efforts already are being made to negate President Ford's entire energy package. Instead, the majority in Congress appears determined to impose an energy rationing system.

There will be a new and vigorous attempt to legislate lower oil prices and to end the stripper well exemption.

Although we desperately need deregulation of natural gas, there will be a fight to impose a new system of price controls on wellhead production.

The depletion allowance will be cut drastically if not eliminated completely and there may even be an attack on intangible drilling deductions.

Other legislation which will be promoted in this Congress would:

Require Federal chartering of energy companies;

Establish public utility regulation of all energy;

Require divorcement and divestiture;

Prohibit the lifting of dealer franchises;

Regulate international oil companies dealing with producing countries; and

Reform the Outer Continental Shelf Lands Act.

There will be legislation concerning energy facility siting, strategic reserves of oil, and even more disclosure of corporate information.

The congressional leadership already is attempting to railroad strip mining legislation to the White House and there will be another scrap over land use.

And the idea of a Federal Oil and Gas Corporation is by no means dead.

My objective in giving you this gloomy rundown on what the 93d Congress did and what the 94th will try to do is not to depress or discourage you. My objective is to demonstrate the urgent need for each of you to become active in shaping the political future of our country.

Most of you are highly competent in technology and business. Now, for your own survival, you must become competent also in politics.

If you believe in private enterprise and the economic system which has made America the great nation it is, you must become involved politically. You can work to turn things around before it is too late.

During this past year, I have talked to a number of groups around the country. Because of our reduced numbers, those of us in Congress who believe in private enterprise must have more help than ever before.

I have suggested that businessmen and industry leaders begin politicizing—that is, using the tactics of consumer groups, the environmentalists and other successful grassroots pressure organizations.

This involves a process of identifying, recruiting, training and motivating constituent groups to intervene in the governmental process in order to promote changes in laws and policies which will result in direct benefits to the group itself.

This group may be energy company employees, stockholders, businesses closely affiliated with energy companies, all consumers of energy, employees of large companies which use energy, and unions which represent these workers.

These are the kind of people who must be made aware of the fact that Federal legislation which adversely affects the energy industry will adversely affect them personally.

These are the people who must be informed as to what actions they can take.

These are the people who must be motivated to act.

Simply put, you must convince employees, stockholders, customers, and the general public that the free enterprise system is in their best interest. You must express your company and industry in terms of jobs created, taxes paid, quality goods and services produced. You must not only educate the people, but you must motivate them to express themselves forcefully to Members of Congress on issues involving energy and our economic system.

Each of you personally should write your Congressmen and Senators giving your views on mandatory rationing and conservation and the need to restore the price mechanism as the fairest and most efficient allocator of fuels.

Better yet, each of you should visit your Congressmen and Senators. You should in-

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volve your friends, relatives and business associates in the effort.

Some organizations wield strong influence on our politics, but the controlling force today lies in the grassroots.

Polls tell us that the majority of the American public and a majority of Congress favors a policy which would include:

1. The freezing or reduction of energy price levels through law.

2. A gasoline rationing system.

Unless we can demonstrate to the people how disastrous this program would be, you can be certain that the Congress will enact such rationing and controls.

We must make it clear to the American people that these proposals for government dictatorship over energy will put an end to use of the price mechanism as a means of increasing supply and reducing demand. The day the price mechanism is rejected is the day the irreversible decision will be made to nationalize the energy industry. When that happens, we will see a steady progression of the government taking over industry after industry—steel, mining, airlines, and so on.

President Ford has presented a plan to preserve and enhance our private enterprise system in the energy industry.

The President's bold and decisive action has caused pandemonium in the liberal ranks of Congress. It is now evident to most Americans that the President is the only one with a comprehensive plan.

The Members of Congress who are complaining the loudest have no alternative proposal. Critics of the President mutter generalities about rationing, but mainly they want to stall another three months in hopes that they will stumble on to some new scheme they can sell to the public.

Rationing is not the answer. It is inconceivable that our country could set up a program to decide equitably how much gasoline each of the 125 million American drivers should get each week. This would require a massive, unbelievably expensive bureaucracy. Rationing would necessarily be arbitrary and inequitable.

When Americans understand they would get on the average of 9 gallons of gas a week; that they would have to stand in line to get coupons; that gas prices probably would go up anyway; that blackmarkets would flourish under the best of rationing systems—then the public will turn quickly against rationing.

President Ford's program is not perfect. He has invited the Congress to help perfect it. I believe that he has given us an excellent framework and we should get on with the job.

Unless the American public rallies to the support of President Ford's program, we will have bureaucrats telling us how much fuel we are entitled to and what procedures we have to follow to obtain it.

For you and me—for every American—the choice is clear. We can restore and maintain the pricing mechanisms which served our country so well for almost two centuries or we can deliver total economic control of the country to Washington.

We can pay slightly high prices for fuels and maintain our individual freedom to choose whether we want to spend our money on beefsteak or gasoline, or we can yield our freedom and let the government dictate how much fuel we are entitled to. When this happens, it is only a short step to government edict over how much beefsteak—and other commodities—we can have.

We must get across to the people that rationing does nothing to increase supply—it is simply a plan for sharing of scarcities. In fact, it seems inevitable that rationing could mean a continuing reduction of supply and an ever decreasing allocation of gasoline, fuel oil, natural gas and other fuels to each individual or company or industry.

Given the opportunity to make fair profits and to operate under a fair tax structure, American oil and other industries can and will respond to the energy needs of America. We will develop adequate and reasonably priced fuel supplies. It can't be done overnight, but it can be done.

It is the people, speaking through Congress, who will choose from these alternatives.

You and I have alternatives, too.

We can stand by quietly and allow catastrophe to strike, or we can fight.

If you are not already enlisted in this crusade, I urge you to join immediately. We must fight.

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. RANDOLPH. Mr. President, the Interior Committee, at its organizational meeting on January 24, adopted new committee rules for the 94th Congress.

On behalf of the junior Senator from Washington (Mr. JACKSON) I ask unanimous consent that the committee's rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, 94TH CONGRESS

COMMITTEE RULES

Rule 1. The Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, to the extent the provisions of such Acts are applicable to the Committee on Interior and Insular Affairs and as supplemented by these rules, are adopted as the rules of the Committee.

MEETINGS OF THE COMMITTEE

Rule 2.(a) The Committee shall meet on the third Wednesday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of the Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he deems necessary.

(b) Business meetings for any Subcommittee may be called by the Chairman of such Subcommittee, *Provided*, That no Subcommittee meeting or hearing other than a field hearing, shall be scheduled or held concurrently with a full Committee meeting or hearing, unless a majority of the Committee concurs in such concurrent meeting or hearing.

OPEN HEARINGS AND MEETINGS

Rule 3. Hearings and business meetings of the Committee or any Subcommittee shall be open to the public except when the Committee or such Subcommittee by majority vote orders a closed hearing or meeting.

HEARING PROCEDURE

Rule 4. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee or any Subcommittee at least one week in advance of such hearing unless the Chairman of the full Committee or the Subcommittee involved determines that the hearing is non-controversial or that special circumstances require expedited procedures and a majority of the Committee or Subcommittee involved concurs. In no case shall a hearing be conducted with less than twenty-four hours notice.

(b) Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

(c) Each Member shall be limited to five minutes in the questioning of any witness until such time as all Members who so desire have had an opportunity to question the witness.

(d) The Chairman and ranking Minority Member or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other time as the Chairman and the ranking Minority Member or the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5. (a) A legislative measure or subject shall be included on the agenda of the next following business meeting of the full Committee or any Subcommittee if a written request for such inclusion has been filed with the Chairman of the Committee or Subcommittee at least one week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee or Subcommittee to include legislative measures or subjects on the Committee or Subcommittee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee or any Subcommittee shall be provided to each Member and made available to the public at least three days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee or Subcommittee. The Clerk shall promptly notify absent Members of any action taken by the Committee or any Subcommittee on matters not included on the published agenda.

QUORUMS

Rule 6. (a) Except as provided in subsections (b), (c) and (d), five Members shall constitute a quorum for the conduct of business of the Committee.

(b) No measure or matter shall be ordered reported from the Committee unless eight Members of the Committee are actually present at the time such action is taken.

(c) Except as provided in subsection (d), three members shall constitute a quorum for the conduct of business of any Subcommittee.

(d) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the Committee or any Subcommittee.

VOTING

Rule 7. (a) A roll call of the Members shall be taken upon the request of any Member.

(b) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

SUBCOMMITTEE

Rule 8. (a) Membership of Subcommittees shall be fixed by the Chairman in consultation with the ranking minority member, and, insofar as possible, shall reflect the wishes and preferences of the individual members of the Committee.

(b) Following consultation with the ranking Minority Member, the Chairman may, from time to time, establish such ad hoc or special subcommittees as he deems necessary to expedite Committee business.

(c) Any Member of the Committee may sit with any Subcommittee during its hearings and business meetings but shall not have the authority to vote on any matters before the Subcommittee unless he is a Member of such Subcommittee.

SWORN TESTIMONY

Rule 9. Witnesses in Committee or Subcommittee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee or Subcommittee deems such to be necessary. All testimony at any hearing to confirm a Presidential nomination shall be under oath and the confidential financial statement received by the Committee shall be accompanied by a sworn affidavit by the nominee as to its completeness and accuracy.

CONFIDENTIAL TESTIMONY

Rule 10. No confidential testimony taken by or confidential material presented to the Committee or any Subcommittee, or any report of the proceedings of a closed Committee or Subcommittee hearing or business meeting, shall be made public, in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 11. Any person whose name is mentioned or who is specifically identified in, or who believes that testimony or other evidence presented at, an open Committee or Subcommittee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OR MEETINGS

Rule 12. Any meeting or hearing by the Committee or any Subcommittee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography, Photographers and reporters using mechanical recording, filming, or broadcasting devices shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 13. These rules may be amended only by vote of a majority of all the Members of the Committee in a business meeting of the Committee: *Provided*, That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three days in advance of such meeting.

UNEMPLOYMENT FIGURES

Mr. BUCKLEY. Mr. President, Americans today received more bad news with the announcement by the U.S. Government's Bureau of Labor statistics that unemployment reached 8.2 percent in January. Unfortunately, all indications are that there will be more bad news to follow. About the only mitigating factor is that as it now stands Americans can expect significantly less inflation for the next several months.

As the evidence comes in it appears that the monetary policy of the Federal Reserve Bank must bear a large measure of the burden for the deepening recession. In 1973 money stocks were growing at an inflationary rate of between 8 and 10 percent. However, in recent months the Fed has rapidly closed down the money supply increase to a 1 to 2 percent level. The overrapid contraction from too high levels has contributed significantly to our present recession problems. While it is absolutely essential that we bring inflation under control it is a mistake to think that it is possible to do so other than slowly. We are now learning that lesson.

However, the current recessionary trend confronts the Nation's economy with a twin set of problems: Reaction to the recession and overreaction to the recession. Unfortunately, the staggeringly high deficit projection of $51.9 billion severely aggravates the twin problem.

If the Nation's economic policymakers, which includes the Congress, forces or leads us into an overreaction to the rising unemployment then we will be in for a debilitating round of new inflation. Inflation is still the economy's No. 1 long-term problem: The implication of the high budget deficit will make it extremely hard for us to solve.

There is something we can do about the recession and the unemployment rates. The Congress will soon have before it important legislation which will effect a major reform on the implementation of the Nation's monetary policy, the key economic factor. The legislation, which I will sponsor with its author, the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from Minnesota (Mr. HUMPHREY), will do the following three things:

First. The Fed is directed to increase the rate of growth in the money supply over its most recent slow rate of increase—this will help to fight the recession;

Second. To insure that the reaction to the recession is not excessive and, therefore, inflationary, as it has been in previous recessionary circumstances, the Fed is directed to tie monetary growth rates to "the economy's long-run potential to increase production"; and

Third. To insure that the Fed sticks to this approach, it is required under the resolution to report semiannually on "its money supply growth targets and other monetary policy actions required in the upcoming 6 months."

I am convinced that if this resolution is passed and followed by the Federal Reserve Bank we will be able to substantially eliminate its past erratic performance. We will not end the vicious recession-inflation-recession cycle until we come to grips with the monetary realities of the Nation's economy.

THE IMPACT PROGRAM IN BALTIMORE CITY

Mr. MATHIAS. Mr. President, the October-November 1974 issue of the Maryland Governor's Commission on Law Enforcement and Administration of Justice's newsletter contains a report on the implementation and progress thus far of the IMPACT program in Baltimore City.

In 1971, the Law Enforcement Assistance Administration—LEAA—instituted a major new program, High Impact, aimed at attacking street crime including robbery, rape, murder, aggravated assault, and burglary in eight cities. Through the funding of IMPACT projects by the Governor's Commission, the Mayor's Coordinating Council, and LEAA, Baltimore City has been identifying and dealing with this type of "stranger to stranger" street crime.

The aim of the IMPACT program is to establish procedures for increasing arrests by better educating both the police and the public, reducing the incidence of crime by stepping up efforts to make streets and buildings more inaccessible targets for criminal activity, and to improve the processing and treatment of IMPACT offenders by improving court procedures and rehabilitation efforts. The success of the IMPACT program is currently being evaluated. Today, with predictions that criminal activity will increase sharply over the next few years, experimental projects such as IMPACT should be carefully watched. Congress will next year consider the LEAA program as it comes up for renewal and will be considering, among other things, the IMPACT program.

Mr. President, I ask unanimous consent that the Governor's Commission newsletter containing the Commission's analysis of the IMPACT program in Baltimore City be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PLANNING FOR IMPACT

Crucial to the implementation of Impact in Baltimore City was an intensive planning process aimed at identifying the characteristics of Impact crimes (where they occur, what time they occur, what is their extent) and the characteristics of the Impact offender.

The second stage of the planning effort involved designing a comprehensive program to increase arrests, reduce crime incidence and provide for processing and treatment of Impact offenders.

The Impact offender is most frequently a young person between the ages of 18-25. According to figures compiled by the Mayor's Coordinating Council on Criminal Justice in Baltimore, just under 9 out of every 10 Impact crimes are committed by offenders in this age group.

Seven areas

Planning for the Impact program was carried out by the Governor's Commission and the Mayor's Coordinating Council, and programs were designed to encompass all areas of the criminal justice system. Seven program areas have been established: Prevention of Youth Crime, Drug Abuse Prevention, Intensive Community Patrol by Police, Court Requirements, City Jail, Citizen Involvement, and Target Hardening (efforts to make streets and buildings more difficult targets for criminal activity).

Implementation and monitoring of projects funded under Impact is the joint responsibility of the Governor's Commission, the Mayor's Coordinating Council and LEAA's regional office in Philadelphia. Program financial support comes from special LEAA discretionary funds, rather than the normal block grant funds which are made available by the Governor's Commission for most of its programming.

Within this organizational framework, LEAA exercises final funding authority. All projects, however, must be approved by the Governor's Commission to insure compatibility with overall State-wide criminal justice plans. The Commission also administers the projects financially and monitors project activity in close cooperation with the Mayor's Coordinating Council.

Since program funding began in August, 1972, approximately 30 projects have been implemented. Grant awards, totaling nearly $15 million, have been made to Baltimore City and to various State agencies providing criminal justice services in Baltimore.

HOW IS IMPACT WORKING?

The projects comprising the impact program are diverse, covering such areas as diversion of youthful offenders, police helicopter patrol, community relations, addict

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treatment, community-based treatment for adult and juvenile offenders and court services.

Police

Police programs under Impact have two major goals: to improve the effectiveness of patrol activities and to encourage cooperation between police and citizens through effective community relations.

A total of 41 foot patrolmen are currently assigned to posts in high crime sectors of six districts as part of Impact's Intensive Community Patrol project. The patrolmen operate in addition to regularly-assigned motorized patrols in the areas. The project's objective is to reduce Impact crime by providing this increased level of patrol services.

Helicopter patrol is another component of the intensive patrol effort under Impact Funds have enabled the purchase of two additional helicopters for the Baltimore City Police Department (bringing the total to five), as well as providing for their crews. The helicopters are used in conjunction with mobile ground units as a crime prevention tool for Impact crimes, enabling pursuit and surveillance in areas normaly inaccessible to ground vehicles. During the period between July, 1973 and June, 1974, the helicopter unit assisted in the apprehension and arrest of 440 suspects involved in 209 incidents.

Department officials indicate from arresting officers' reports that these arrests could not have been effected without the support of the helicopter.

Officials of the City Police Department point out that the helicopters can usually respond to a call for service within seconds, and because of their aerial vantage point, can locate suspects and relay information to ground units.

As for their value in preventing crime, officials note the "psychological impact the highly-visible helicopter patrol unit imparts upon the potential criminal, thus curtailing the opportunity for unlawful activity." As an example of the helicopters' usefulness in detecting crime, police statistics indicate that between July 15, 1973 and June 30, 1974, 160 criminal investigations were initiated after suspicious activity was observed by aerial patrols.

The Police Department has also hired two civilian community relations specialists under an Impact grant, who provide liaison on a City-wide basis and work in close contact with citizens in communities where Impact crime is most severe.

Attending an average of 15 community meetings each month, the specialists have had person-to-person contact with over 6,000 citizens in the last 15 months; they have served on various City-wide committees and planning groups, have participated in various seminars, and have assisted in organizing and strengthening neighborhood groups attempting to combat crime.

Two major programs have been initiated. The first is a lecture series which has introduced citizens to the proper ways to provide information to police, and to such topics as self defense for women and children and the burglary prevention program, "Operation Identification."

Secondly, a Businessmen's Crime Prevention program has been designed to reduce the amount of assaults, robberies and burglaries of business in the inner-city. Businessmen participating in the program have formed an association through which they contribute nominal dues. The dues are paid out in the form of a monetary reward for information leading to the apprehension of persons victimizing commercial establishments. The Police Department does not handle the dues money.

THE IMPACT OFFENDER AND THE COURTS

The Impact program is a system-wide effort, aimed not only at preventing the target crimes, but at improving the criminal justice system's ability to deal with offenders once arrests have been made.

An offender's initial contact with the system after arrest is usually with the courts, where, frequently, critical initial decisions are made. Efficient case processing and effective sentencing can often make the difference between an offender's rehabilitation and his return to criminal activity.

Since a high proportion of Impact offenders are under the age of 18 (53 percent in 1971), considerable emphasis has been placed on the prevention and treatment of youth crime. Here, the focus is on community-based activity, such as projects to divert juveniles away from the formal criminal justice process at an early stage or projects designed to provide residential community treatment for youths as opposed to institutional confinement.

Impact courts

It is generally agreed by criminal justice authorities that swift processing of offenders through the court system is of paramount importance in improving the system and assuring that justice is delivered both to the offender and to society. The American Bar Association notes that "a speedy trial is necessary to preserve the means of proving the charge, to maximize the deterrent effect of prosecution and conviction, and to avoid, in some cases, an extended period of pre-trial freedom of the defendant during which time he may flee, commit other crimes, or intimidate witnesses." The National Advisory Commission on Criminal Justice Standards and Goals in its report on the courts also notes that first priority in improving the system "should be given to speed and efficiency in achieving final determination of guilt or innocence of a defendant."

The courts component of the Impact program is attempting to achieve this over-all goal of speedier trials in a number of ways including the establishment of two special courts to handle Impact offenses, and the provision of clerical support, Public Defender services, and pre-sentence investigative services for the two courts.

With these and other resources, the Impact Courts have the capability to hear an increased volume of cases. For a two-month period in 1973 (prior to the implementation of the Courts), there were 341 total trials heard in the various parts of the Supreme Bench's Criminal Court compared to 412 for the same two month period in 1974, a 20 percent increase.

Clerical support

Clerical support for the Impact Courts is provided by two courtroom clerks and deputy clerks who work exclusively in the Impact Courts. These clerks provide such court supportive services as city jail liaison, docket review and preparation of materials necessary for bail hearings, trials, and data processing purposes. In general, these clerical personnel provide the necessary administrative support that is necessary for the efficient operation of the Impact Courts.

A Public Defender's project is meeting the goal of providing defense counsel for every indigent Impact offender coming before the Impact courts.

Pre-sentence reports

Under a grant to the State Department of Parole and Probation, a team of probation agents develops pre-sentence reports on offenders coming before the Impact Courts. These reports, which provide information relating to an offender's personal, educational and employment background as well as criminal history, are useful to the judge for sentencing purposes. A major goal is the completion of pre-sentence reports within 14 days after the request is received from the Courts. Statistics from the first year of the project have shown that the average time interval between the time the request was received by the Division and the time that the report was transmitted to the trial judge was approximately 12.0 days. A secondary responsibility of the probation team is to provide intensive supervision for those Impact offenders placed on probation.

Pre-sentence reports now are requested by the judges of the Impact Courts in virtually all cases. Demonstrating the increase over normal court practice, in a four-month period prior to program implementation (July 1, 1973-November 1, 1973), the Courts asked for pre-sentence investigations approximately 42 percent of the time. For a period of eight months after the program started, this rate climbed to approximately 93 percent. Also, in approximately 87 percent of the cases in which pre-sentence reports were ordered, the recommendations of project staff were followed (140 out of 160 total recommendations). In addition, there has been some indication that the number of incarcerations resulting from conviction has declined as a result of the increase in pre-sentence report services.

Chief Judge Dulany Foster, of the Baltimore City Supreme Bench, notes that although the Impact Courts have not as yet been entirely successful in achieving many of the goals related to time intervals between arrest and disposition, he feels much progress has been made. He is especially encouraged, he says, by data which show that the average number of days from arrest to disposition has been reduced substantially. A survey of impact offenders prior to program implementation in 1972 showed an average arrest through disposition time of 271.3 days. This time has now been reduced to 172 days. "This is a very significant reduction," says Judge Foster.

"The High Impact Courts project is an important management tool," he notes, "which has forced us into a position where we must look at our judicial process objectively, constantly review and evaluate the various steps in this process to determine where any weaknesses may exist, and concentrate on remedying these weaknesses."

TREATING THE IMPACT OFFENDER

Of the 5,728 cases involving impact offenses handled by the Baltimore City Juvenile Court in FY 1972, 2,353 or 41 percent of these involved youthful offenders under the age of 14. Nearly 70 percent of these were sent through the court process and handled formally.

JUVENILE DIVERSION ACTIVITY

Recent evidence has shown, however, that experiencing the formal court process can often have very detrimental effects on many young offenders and often increases their chances of recidivating. As one alternative, juvenile authorities have suggested that these offenders be treated in pre-trial diversion programs where their problems can be more effectively diagnosed and they can receive the counseling or treatment they need.

The Diversion of Impact Offenders project, funded under Commission grants of over $900,000, is a Department of Juvenile Services (DJS) project which attempts to divert 10- to 14-year-old impact offenders from the juvenile justice system into various community social services programs. The agencies implementing the program are the Southeast Community Organization, the East Baltimore Community Corporation, and the Baltimore Urban League.

Referrals to the project come from DJS intake. All possible candidates for the program are screened carefully before they are accepted. The coordinator of the project, working with DJS intake staff, makes the initial determination regarding acceptance into the program based on a number of criteria. Youths must be first-time offenders between the ages of 10 to 14 and live within the boundaries services by one of the three implementing groups. When this initial screening is completed, clients are referred to the servicing group in their community. A second screening process is then undertaken to determine the willingness of the candidate and his parents to participate in the project. If all are willing, the youth enters the program.

The youth, his parents, and the counselor then agree on a treatment program for the youth based on his needs. The youth remains in his home for the duration of the program, maintaining constant communication with his counselor at the community agency, and intensively supervised by the counselor. After 45 days, a progress report is written outlining the steps taken toward achieving the goals of the treatment plan and describing future plans. At the end of 90 days, the youth's progress is evaluated and a recommendation is made to the Court to drop or not drop charges. If it is recommended that charges should not be dropped, the youth may voluntarily stay in the program for up to a year; if he does not wish to continue, the Court determines the youth's disposition.

Counseling activities

Guiding the youth through each step of his treatment is a counselor who works closely with the youth and develops a plan of action for him depending on his individual needs. There are four counselors at the East Baltimore Community Corporation and the Baltimore Urban League. The Southeast Community Corporation employs three counselors. Most of these individuals have had previous experience in counseling and community service. Many of them live in the community where they work; are familiar with its customs and life styles, and are known and respected in their neighborhoods. Project coordinator Paula McLellan notes that a number of the counselors are also parents and can understand the difficulties that sometimes arise in family life. This tends to improve counselors' rapport both with the youths and their parents, she says.

Since major emphasis in the project is placed on its accessibility to the youths it serves, counselors keep their schedules flexible so they can meet with and counsel the youths on an informal basis in their neighborhoods.

Individual, peer group, and family counseling sessions are held at regular intervals. Ms. McLellan emphasizes the special importance of peer group counseling. She notes that especially in this age group when a youth's peers are so important to him, it is imperative that, following his offense, he is accepted again by his friends. "Including his friends in on the counseling sessions," she notes, "helps reduce any stigma that he may feel is attached to him because of his offense and promotes his re-acceptance into the peer group."

Client capacity at the community agencies ranges from 45 to 60, providing a low counselor/client ratio for the three or four counselors at each participating agency. This lends itself to the intensive supervision these youths need to help them overcome their problems.

Counselors also plan for and participate in both formal and informal activities for the youths. Again, the participation of peers is welcomed. Activities have included field and camping trips, drug education and employment counseling, tutorial programs and athletic instruction.

Community resources

In attempting to successfully reintegrate the youth into his community, project staff have attempted to utilize community resources in a variety of ways. All maintain contact with the school system in order to insure the attendance of the youths in the program and to provide counseling and tutoring as appropriate. Youths and their families are referred to various social service agencies for medical, financial, or other special needs, and counselors closely follow up on these referrals.

Of the 164 impact youths serviced as of this date, 117 have successfully participated (completed 90-day participation and were recommended for dismissal of charges) and only eleven have participated unsuccessfully (clients not recommended for dismissal of charges). Thirty-six youths have not completed the 90-day mandatory participation to date.

A major goal of the project is to prevent the repetition of impact offenses by youthful offenders. So far, 12 rearrests have occurred during youths' participation and four after completion of the 90-day period.

Other projects

Additional project activity has provided for intensive probation services for juvenile offenders, residential facilities used as alternatives to institutionalization and career development training made available through the Port of Baltimore Sea School.

Community Treatment for Adults

Another impact project addresses the problem of young offenders (between 18 and 26), and their efforts to reintegrate into the community after a period of confinement. The O'Brien House, located adjacent to the Maryland Penitentiary and operated by the Maryland Department of Public Safety and Correctional Services, houses young men who are within six to ten months of parole, mandatory release or expiration of sentence. Individualized treatment programs oriented toward community re-entry are developed for each house resident.

Intensive supervision

Another treatment approach for the young offender is that of intensive supervision.

For a Parole and Probation agent with an average normal caseload of approximately 150 clients, the time constraints that are necessarily a part of such a large caseload can often make it difficult for agents to give clients the individualized, concentrated attention they need to address their specific problems.

In recognizing this situation and as one attempt to reduce recidivism rates among young adult impact offenders, the Division of Parole and Probation has initiated a program of intensive, personalized counseling and supervision for these offenders. Termed the Intensive Differential Supervision of Impact Parolees and Probationers, the program is aimed at 18 to 26 year-old impact offenders.

Under the program, Parole and Probation agents work with offenders who have been placed on parole or probation to address their specific problems and to utilize available community resources to help reintegrate the offender into the community. Project director Basil Day notes that the project is termed "intensive" because each agent has an active caseload of only 20; the treatment is "differential" because treatment methods and approaches differ from client to client.

There are 20 Parole and Probation agents working in the program. They operate in pairs in a sort of "buddy" system. Under this system, two agents work closely together and become familiar with each other's caseloads. They complete at least some portion of their field work together, consult with each other in developing treatment plans and handle one another's clients in each other's absence.

Team approach

Each pair of agents belongs to a team of five agents. With each team, various agents have developed special fields of interest such as alcoholism, drug abuse, or employment and act as specialists in these fields, with clients assigned to them according to their respective needs in these areas. Team members meet weekly to discuss individual cases and to offer suggestions in development of treatment plans for clients.

One group of agents uses a "collective team" approach in which cases are not assigned to a single agent, but rather to a team consisting of four agents. Initial contacts at the institution, office sessions and field supervision are completed by any or all members of the team, depending upon the situation. Routine visits are usually accomplished by individual agents; in more intense counseling sessions, all of the agents may become involved as they attempt to pinpoint a client's difficulties and develop a treatment plan for him. All team members share responsibility for the client and supervise and guide him as he progresses through the program.

Project director Day notes that in the team approach, constant communication and cooperation is required of the agents. As they learn to utilize the resources of other team members and of community agencies, Day says, they become more capable of recognizing an individual client's problems and more efficiently adapt a treatment program to fit his needs.

Project objective

A major objective of the project has been to maintain 80 percent employment or job training for project participants. In striving to achieve this goal, agents individually counsel and assist their clients in their efforts to obtain employment. They brief them on what employers expect, assist them in completing applications, and often accompany them on the initial interviews with employers. If an individual is hired, the agent maintains contact with the employer and is available for consultation with the client or employer should problems arise on the job. Some agents who have become employment specialists search the newspaper want ads for job possibilities for clients, and one has been assigned a desk at the Employment Security Job Bank and has all its resources available to him.

Day points out that this intensity of efforts in the area of employment has resulted in a 76.1% employment rate for clients during the first grant year.

Project agents counsel clients with drug or alcohol abuse problems or refer them to appropriate treatment programs if necessary. They maintain close contact with representatives of these agencies to determine the progress being made by their clients.

The Intensive Supervision program gives impact parolees and probationers the concentrated guidance and counseling they need to tackle their specific problems. Project staff feel that such personalized, intensive treatment, utilizing community resources wherever possible, can be one means of accelerating an offender's rehabilitation, and ultimately, his successful reintegration into the community.

CITY JAIL

At the City Jail, three projects have been developed. The first two are designed to provide for diagnostic and classification services for inmates, and for background reviews to determine eligibility for release on recognizance.

A third project, now in its initial phases, will ultimately provide a computerized record-keeping system which will deliver data on inmates relating to such things as court appearances, discharge and transfer.

DRUG PROGRAMS

Drug abuse represents a special problem in that a significant number of impact offenders have drug problems, and because specialized treatment is necessary in handling them. For example, the Division of Correction indicates that on an average daily basis, between 650 and 700 offenders under its custody who are Baltimore residents are under incarceration for robbery, armed robbery and burglary. Approximately 77 per cent of these inmates are identified as drug abusers.

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Part of the drug treatment activity under impact is coordinated through the Court Referred Addict Treatment Unit (CRAT).

Under a pre-trial release component. Impact offenders are screened after arrest. Those with drug problems who are eligible for pre-trial release are referred to the CRAT Unit for treatment referral pending trial.

Another intensive probation supervision project is also available for impact offenders with drug problems.

In addition, a project entitled Confined Addicts Seeking Help (CASH) operates at the City Jail. CASH is a therapeutic inmate community which utilizes group discussion and peer pressure in dealing with drug problems.

A final drug abuse project, now in its planning stages, will provide programming for impact parolees and releasees. Its goal is to assist impact offenders who are institutionalized in overcoming drug problems. Its method is to begin working with offenders while they are under incarceration and continue treatment through pre-release and release status.

OTHER ACTIVITY

A final area of program activity centers on the provision of street lighting and residential security measures designed to make areas more difficult targets for criminal activity.

Under this program area, high intensity street lights have been funded and are opearting in areas with severe impact crime problems. In addition, a residential security program was implemented in four of the City Housing Authority High Rise projects in Baltimore. Included in the security package were security guards and various communications alterations aimed at providing improved contact between residents and security guards.

EVALUATING IMPACT

Plans are now underway for a broad-based evaluation of the Impact Program, an evaluation designed to measure the program's success in reducing impact crime and in lowering recidivism rates.

In addition to the evaluations which are being performed on all individual Impact projects to measure their effectiveness in meeting various program goals, close analysis of crime rates is also taking place.

One effort in measuring crime impact has been the implementation of victimization surveys which utilize in-home personal interviews to determine crime victimization. This technique has been found useful in determining the amount of crime which occurs and is not reported to the police (as opposed to the more traditional crime measurements based on reported incidents).

An initial victimization survey was conducted by LEAA in Baltimore prior to the implementation of Impact projects. (See Governor's Commission Newsletter, Volume 4, Number 3, April-May, 1974.) A follow-up study is planned in order to determine the possible effect of the Impact Program on crime.

The Uniform Crime Reports (UCR) data, which measures reported incidents, is also being monitored. Analysis to date shows that the rates dropped by six percent in 1973 from 1972 levels. Although the overall crime rates for 1974 appear to be fluctuating upward, preliminary statistics indicate that on an overall basis, Impact crimes are not rising at as rapid a pace as non-Impact crimes.

For the first six months of 1974, as compared with the first six months of 1973, the volume of non-Impact crimes rose an average of 16 percent, while the average volume for Impact crime rose only 4 percent.

Specifically, the non-Impact crimes of larceny and auto theft were up 19 percent and 14 percent, respectively. In the Impact categories, murder and non-negligent manslaughter were up 7 percent, rape was down 8 percent, robbery was up 18 percent, aggravated assault was down 10 percent, and burglary/breaking and entering was up 17 percent.

It should be noted that the volume of crime in all Impact categories, with the exception of aggravated assault, was down in the first six months of 1974 from 1972 levels. Aggravated assault increased only slightly.

BALTIMORE CITY IMPACT GRANTS

Project, grantee, and current year award

Community Treatment Project; Dept. of Juvenile Services; $513,501.

Residential Facilities Project; Dept. of Juvenile Services; $44,400.

Diversion of Youthful Impact Offenders; Dept. of Juvenile Services; $362,160.

Intensive Differentiated Supervision of Impact Parolees and Probationers; Dept. of Public Safety and Correctional Services; $497,363.

Community Residential Facility for Youth; Dept. of Public Safety and Correctional Services; $199,170.

Port of Baltimore Sea School; Baltimore City; $165,546.

Drug Rehabilitation Project for Impact Parolees and Releasees; Dept. of Public Safety and Correctional Services; $388,572.

Intensive Supervision of Narcotic Offenders; Dept. of Public Safety and Correctional Services; $136,254.

Pre-Trial Release—High Impact Narcotic Offenders; Baltimore City; $226,768.

Court Referred Addict Treatment Unit (CRAT); Baltimore City; $281,401.

Confined Addicts Seeking Help (CASH); Baltimore City; $27,389.

Expansion and Optimization of Helicopter Patrol Coverage; Baltimore City; $99,600.

Intensive Community Patrol by Police; Baltimore City; $279,007.

Police Civilians; Baltimore City; $500,000.

Civilian Community Relations Specialist; Baltimore City; $27,389.

High Impact Courts; Baltimore City; $562,874.

High Impact Courts—Clerk of Criminal Court; Baltimore City; $75,225.

High Impact Courts—Public Defender Project; Office of the Public Defender, $147,599.

High Impact Courts—Probation Department Project; Dept. of Public Safety and Correctional Services; $108,301.

Reception, Classification, Diagnosis and Treatment; Baltimore City; $109,802.

Jail Bail Review; Baltimore City; $62,415.

On-Line Jail System; Baltimore City; $191,036.

Pre-Trial Intervention; Baltimore City; $314,969.

Funded One Time Only

Target Hardening—High Rise Security; Baltimore City; $204,000.

Target Hardening—Street Lighting; Baltimore City; $500,000.

Loch Raven Radio Watch; Baltimore City; $2,872.

THE ADMINISTRATION'S ENERGY PROPOSAL

Mr. ABOUREZK. Mr. President, earlier this week when Federal Energy Administrator Frank Zarb testified before the Interior Committee concerning the President's energy proposal, I had the privilege of questioning him on inconsistencies in the administration's position. Mr. Zarb was unable to answer why administration spokesmen, including the President, spend roughly half their time denouncing high prices for imported oil, and the other half denouncing low prices for domestic oil. While everyone from President Ford on down to the White House maintenance staff has threatened war over oil, the obvious undenied objective of the administration policy is to allow domestic oil prices to increase to an unnaturally high level, through taxes and decontrol, and then to remain there.

Which brings me to a second major inconsistency. Mr. Zarb candidly admitted during his testimony that the world is full of oil, in fact, he agreed that we are floating on oil. I have always believed this to be true, and I considered talk of energy shortages and crises to be clever propaganda efforts creating a basis for oil price increases. Given the surplus of oil, it is dangerously inconsistent then for the President to offer the Nation only the choices of either long gas lines, coupon rationing, or rationing through higher prices and taxes. We do need to conserve fuel for fertilizer manufacture and for other feedstocks, but should it not be done in a more orderly manner?

Do we need administration predictions of doomsday if we do not conserve now? Rather than the options offered by the President, which admittedly will conserve very little oil, it would seem more sensible to require that all cars manufactured and sold in this country deliver efficient gas mileage, that fuel-efficient urban mass transit and cross-country rail systems be developed, and that the Federal Government seriously consider solar power for both heating and cooling and for the production of electrical power.

And, as I. F. Stone would say, one of the biggest whopperoos of them all was the flat statement by Mr. Zarb that there will be a free market with respect to oil by 1985. And this free market, he said, will then force oil prices downward.

Into that breach rode Secretary Henry Kissinger, virtually at the same time, but in a separate appearance at the National Press Club, to say that what is needed is a common floor price for imported oil so that oil prices cannot go too low so as to discourage investment in energy sources. While these men have greater experience in explaining secret bombing missions, Government destabilization programs, the free distribution of weapons to both sides in a conflict, I know that a proper rationale will be forthcoming from a neutral member of the administration.

NATURE CURRICULUMS IN THE PUBLIC SCHOOLS

Mr. YOUNG. Mr. President, a prominent North Dakota businessman and a very good friend of mine, Mr. Harold Shafer of Bismarck, called my attention to an excellent column appearing in the Bismarck Tribune of January 17, written by Bill Mitzel, the Tribune's outdoor editor.

This column is one of the best I have ever read dealing with wildlife and hunting. Too often people who have been exposed to wildlife in any manner are misled and misguided by mass media presentations which simply are not realistic.

Hunting is an extremely popular activity in my State of North Dakota, as it is in many other States. We are fortunate in our part of the country that it is still possible for everyone, regardless of their financial status, to hunt and fish. We have a great variety and abundance of fish and game species in North Dakota.

This column advocates that school children should be informed about the very important role played by wildlife in our environment. I think this is an excellent approach and I commend the steps already taken by some school systems to include courses of this nature in their curriculums.

Mr. President, I request unanimous consent that Mr. Mitzel's column be printed in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUTDOORS WITH BILL MITZEL

The education of our young people receives foremost attention in this country but a facet of it which desperately needs attention concerns man and his relationship to wildlife.

It's discouraging that so many children grow up knowing so little about wildlife and how they are affected by it—regardless whether they hunt and fish or not.

A child having parents who are outdoor enthusiasts is well and good but it's not enough. And perhaps the primary responsibility rests on the parents' shoulders for the necessary education. Too many parents regard it as a minor issue.

WILDLIFE EDUCATION LAX

Educators, too, have been grossly lax in not realizing the importance of this aspect of life. Until the last few years, there has been nothing available to youngsters in school systems about wildlife except what they might find at the library.

As a result, children get their education from the so-called "nature" films which depict nature as being something superficial. Many children grow up thinking that animals are human and in later years fall into the path of the anti-hunting proponents, which is one of the most misinformed groups in the world today.

They grow up thinking that hunting is murder and to kill an animal is just the wrong thing to do. And they are also heavily influenced into thinking that nature and wildlife consists of a utopia where everything is beautiful and man is just a sore thumb in the spectrum.

Ronald Stastney, State Director of elementary education, feels that the system is changing. "We're seeing more of it (environmental education) every year with increasing interest," he said, adding, "Federal grants are in the proposal stages and in coming years it will become more prominent in the school."

Stastney also indicated that while the interest is intensifying, the present aspects deal primarily with the ecological problems. While this is excellent, we also need to educate the youngsters in another area—wildlife existence.

IMPRESSED WITH FILM

While I was standing in line to see the latest nature film now making the rounds, I cautiously expected to see the old Disney routine again where Snow White was making grizzly bears purr like kittens.

But I was impressed with the fact that this film included some of the more brutal acts of nature which consisted of a golden eagle routinely attacking a rabbit for a meal. One could hear barely audible tones of sympathy for the rabbit and there was an atmosphere of "that mean old eagle" that you could almost touch.

I wondered how many people—especially children—really saw the magnificence of that scene. I wondered how many realized that that is the way it is supposed to be and as a result such an act was truly beautiful.

What we really need, starting from the first grade, is education concerning WHY an eagle kills rabbit and why some animals are predators and why some are not.

CAUGHT IN 'BAMBI' TRAP

Stastney predicts that in the very near future education will include all these aspects. But until that time comes we're caught in a "Bambi" trap which builds respect for the animal kingdom but doesn't bother exposing WHY we should possess that respect. A child's curiosity about nature is instinctive. But it needs to be nourished correctly.

The opponents of the proposed mourning dove bill reason that we shouldn't add it to the game bird list because it's a "pretty bird" and it doesn't harm anyone. Had these people been educated at the right time they would realize that such reasons are totally irrelevant. A cock pheasant is one of the most beautiful birds in the world but that is not a reason for not hunting them.

If you, as a sportsman, will take the time to look at the real bounty of a rainbow trout, a fox, or a cock pheasant before you dispose of it, and teach your children to do the same, we'll have them all around for a long time.

THE AIR FORCE F–15

Mr. THURMOND. Mr. President, today we have some good news. The Air Force announced yesterday that its new air superiority fighter, the F–15, has broken all existing world time-to-climb records during recent tests in North Dakota.

This represents a great achievement for the Air Force and for the builder of the F–15, the McDonnell Douglas Co. in St. Louis, Mo.

As this aircraft continues to prove its worth I hope the Air Force will consider stepping up the monthly production in the out years as our forces acquire the F–15. In times of unemployment and lesser resources we must remember that the price of any product comes down when the production rate is increased. This approach, while costly during a given period, puts the system into use quicker and at a lower cost.

Mr. President, I ask unanimous consent that the announcement released by the Air Force yesterday be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

ANNOUNCEMENT, FEBRUARY 4, 1975

WASHINGTON, D.C.—An Air Force F–15 "Eagle" advanced tactical fighter unofficially broke all existing world time-to-climb records during test operations conducted at Grand Forks AFB, ND, the Air Force announced today. The eight records were previously held by the Soviet Union and U.S. Navy.

While breaking the time-to-climb records, the flights provided the Air Force with valuable information on the performance of the F–15 at extremely high altitudes and the operation of the various aircraft systems under these conditions.

Records broken include the 20,000 meter (65,617 ft), 25,000 meter (82,021 ft) and 30,000 meter (98,425 ft) time-to-climb records set by a Russian MIG–25/E–2–66/"Foxbat" fighter in 1973, one by better than 25 percent. For example, time to 20,000 meters (65,617 ft) was reduced from approximately 2 minutes 45 seconds down to 2 minutes 3 seconds.

The five low altitude records previously held by a U.S. Navy F–4 "Phantom" were—3,000 meter (9,843 ft), 6,000 meter (19,685 ft), 9,000 meter (29,529 ft), 12,000 meter (39,370 ft) and 15,000 meter (49,213 ft). These records were broken by from 14 percent to more than 30 percent.

Air Force claims for the new records must be verified by the Federal Aeronautique International (FAI) in Paris, France, before they become official. The National Aeronautics Association (NAA), the U.S. arm of the FAI, officiated during all test flights and will submit record data to FAI on behalf of the Air Force.

McDonnell Douglas Company, St. Louis, Missouri, is the F–15 airframe manufacturer and Pratt and Whitney Company, East Hartford, Connecticut, makes the F–100 25,000 lb thrust turbofan engine.

The F–15 is the first Air Force operational fighter aircraft with a thrust to weight ratio greater than one, enabling it to accelerate even while in a vertical climb.

Records	Held by	When	Old record (seconds)	New record (seconds)	Pilot
3000 m (9,843 ft)...	Phantom (U.S.) F–4H.	Feb. 21, 1962	34.5	27.60	Smith.
6000 m (19,685 ft)..	Phantom (U.S.) F–4H.	Feb. 21, 1962	48.8	39.35	Macfarlane.
9000 m (29,529 ft)..	Phantom (U.S.) F–4H.	Mar. 3, 1962	61.7	48.90	Do.
12,000 m (39,370 ft)..	Phantom (U.S.) F–4H.	Mar. 1, 1962	77.1	59.40	Do.
15,000 m (49,213 ft)..	Phantom (U.S.) F–4H.	Mar. 3, 1962	114.5	77.05	Peterson.
20,000 m (65,617 ft)..	Foxbat (U.S.S.R.) E–266 MIG–25.	June 4, 1973	169.8	122.95	Do.
25,000 m (82,021 ft)..	Foxbat (U.S.S.R.) E–266 MIG–25.	....do.....	192.4	160.95	Do.
30,000 m (98,425 ft)..	Foxbat (U.S.S.R.) E–266 MIG–25.	....do.....	243.4	207.60	Smith.

NEW JERSEY JOBLESSNESS SEVERE

Mr. WILLIAMS. Mr. President, the unemployment figures for January are disheartening but not surprising. We have known for several weeks that hundreds of thousands of people were being laid off during last month.

But the shock is great, nevertheless, to be told today that nearly a million more breadwinners were put out of work in January—930,000 to be exact.

And these cold statistics are no real measure of the human misery of the unemployed today.

The 8.2 percent unemployment rate is seasonally adjusted. It fails to take into account nearly 1 million persons who

UMI

have lost hope completely and stopped looking for work altogether. It does not tell the story of nearly 4 million persons whose work day has been cut back for economic reasons.

In my home State of New Jersey joblessness is worse than in nearly any other State. The December rate was 10.3 percent according to State employment figures.

The full 1 percent increase nationally means that New Jersey's unemployment rate probably exceeds a devastating 11 percent today.

That is alarmingly close to the 12.4 percent average unemployment over the first 7 years of the New Deal in the 1930's.

Everywhere in Washington, over the last few weeks, the disaster that was confirmed today has been anticipated—everywhere, that is, except in the White House.

The President has been saying for 3 weeks that he was declaring war on recession, but his program does not reflect a commitment to close the gaping wound of joblessness.

His chief economic adviser said yesterday that nothing can be done about 8-percent unemployment without driving the Federal budget deeper into the red.

What he meant was that nothing can be done if we follow President Ford's misguided economic policy, which contains no significant recommendations to close glaring tax loopholes that cost the Federal Treasury billions of dollars per year.

Something can be done, and I am convinced that the Congress is prepared to do it:

Directly create 1 million public service jobs for those who can find no other productive work:

Get the funds to pay for it by closing the tax loopholes; and

Change the President's priorities to channel more Federal resources into helping the poor and unemployed.

DONALD BLESSING RICE, JR., SELECTED AS OUTSTANDING MAN

Mr. MATHIAS. Mr. President, the city of Frederick, Md., was honored by the recent selection of one of its native sons, Donald Blessing Rice, Jr., as one of America's 10 outstanding young men for 1975 by the U.S. Jaycees. Mr. Rice's parents, former Mayor and Mrs. Donald B. Rice, still reside in Frederick. Donald Rice currently lives in Santa Monica, Calif., where he is president of the Rand Corp.

Mr. President, the Frederick News published an article reporting Mr. Rice's selection by the Jaycees, and listing his many outstanding accomplishments. I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAYCEES SELECT RICE AS OUTSTANDING MAN

Donald Blessing Rice, Jr., formerly of Frederick, and now residing in Santa Monica, Calif., was one of three attorneys, two physicians, a university president and four others noted for selfless devotion to the betterment of mankind, who have been named as America's Ten Outstanding Young Men for 1975 by the United States Jaycees.

Rice is the son of Mr. and Mrs. Donald B. Rice of Kline Blvd. He resides with his wife Susan, and three sons in Santa Monica, Calif., where he is president of the Rand Corp.

Rice, 35, during his professional career has worked toward solutions of specific problems of our society and, at the same time, made improvements in the processes by which these problems have been attacked. In short—trying to help the government serve the people.

Rice received his Ph.D. in economics from Purdue in 1965, and served as a faculty member at the Naval Postgraduate School until 1967. As a faculty member he developed a course to teach Department of Defense managers, (civilian and military) new planning, programming, and budgeting system designed to lead to more rational decision-making and to better choices in resource management.

Between 1967 and 1970, as Director of Cost Analysis, Office of the Sec'y of Defense; Rice's concern was with improving the nation's security in the broad sense, including, for example the economic aspects of defense spending, and coordination with the President's National Security Council on defense program and budget planning.

As Assistant Director of the Office of Management and Budget during 1970–72, he supervised the budget and management activities for one-third of the federal agencies. Rice saw his job as that of improving the way the government carries out its responsibilities to the taxpayer.

During the past two years as President of The Rand Corporation, Rice has enhanced the organization's twenty-five year reputation as a national resource which effectively applies intellect to the complexities of national defense and domestic problems. Under his leadership, Rand is a meeting ground where problems and resources come together to serve the government in the broadest sense and at the highest policymaking levels.

After leaving the government, Rice's expertise and counsel is still sought by federal executives. He has acted as a public servant both in the government and outside of it. His success had laid a foundation for even more impressive future achievement in the public interest.

His academic interest continues . . . he has been instrumental in the development of the Rand Graduate Institute; a new, innovative graduate program leading to a doctoral degree in policy studies, coupling formal academic training with on the job training in applied policy analysis through work on the Rand research projects.

Twelve specific criteria are used as the basis for selecting the most qualified recipients of the award: personal improvement; financial success and economic innovation; social improvement to major contemporary problems; philanthropic contribution or voluntary service; politics or government service; scientific or technological contributions; legal reform; cultural achievement; academic leadership; athletic accomplishment and example; moral and religious leadership; and success in the influence of public opinion.

Screening judges for the 1975 awards were Congressman James R. Jones; John Johnson, President, Johnson Publishing Company; and Sheffield Nelson, President, Arkansas Louisiana Gas Company. Finalist judges included William J. Clark, President, Massachusetts Mutual Life Insurance Company; John Mack Carter, President and Editor In Chief, American Home Publishing Company; Senator Charles H. Percy; House Minority Leader John J. Rhodes; and James A. Skidmore, Jr., President, Science Management Corporation.

A VIEWPOINT ON EDUCATIONAL FUNDING POLICIES

Mr. YOUNG. Mr. President, one of the difficult problems I have to deal with—and I believe this is true with most Members of Congress—is the conflicting viewpoints of many of our best educators on their appraisals of new educational techniques and policies.

Recently I received a letter from Mr. Harold Wakefield who has spent his lifetime in education and who was the superintendent of my home school district for a quarter of a century. I do not know of a school superintendent who has more right to be proud of the achievements of his students than him.

Mr. President, I ask unanimous consent to have Mr. Wakefield's recent letter to me printed in the RECORD as a part of my remarks. I think the thoughts he expressed will be of real interest to Members of the Congress and readers of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LA MOURE, N. DAK.,
January 18, 1975.

HON. MILTON R. YOUNG,
Dirksen Office Building,
Washington, D.C.

DEAR MILT: I am one who believes that the United States is the best country in the world and North Dakota is a state in which we can be proud to live. I have lived long enough to go through two world wars, two depressions and years of healthy growth and expansion. Today we are hearing about depression, inflation, energy crisis and a breakdown of foreign relations. The people in the past have faced up to adversity and will do so today if they are given facts truthfully. However I am finding it hard to get unbiased reports on conditions and facts in the United States.

Congress cannot solve these problems through "miracle" legislation. Pumping money into the economy by increasing the deficit in the federal budget will not solve the problems. They can suggest remedies, give leadership and set an example of being willing to make personal sacrifices in order to bring about a solution. The solution will only come when all of the people are willing to make sacrifices in order to solve these problems. Sometime ago a philosophy was developed which proposed that whenever a segment of society was in trouble, the federal government, using money from our pockets, would provide aid. This has destroyed the attitude of people to make provisions for periods of difficulty. Revenue sharing has not been used to reduce the cost of local government but rather has lead to a search for new projects. For example one city is using part of its revenue sharing money to put a carpet on a football field. The federal government, the state government, and the local government can help solve inflation by reducing their budgets.

The energy crisis is going to be solved when the people are willing to cooperate by reducing their demands for energy. A tax on fuel or on gasoline is not the solution. The only people who will have to reduce their use of energy will be the lower and middle income group. Those with substantial income will not reduce their use of energy because of a special tax.

Our problems are going to be solved when everyone from the president down is willing to do his share in solving these problems through personal sacrifices. Now is the time for all of us to be American Citizens first and not just Democrats, Republicans or Mugwumps. The welfare of the United States should come first and our personal desire second. I hope that I can contribute my share in solving these problems.

Sincerely yours,

HAROLD WAKEFIELD.

JOBS IMPACT OF THE FEDERAL BUDGET: A PRIORITY FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. President, the Senate Committee on Labor and Public Welfare, which I have the privilege to chair, has derived a large and grave responsibility in these times of economic trouble. It is the responsibility to probe intensively for remedies to the national unemployment tragedy.

We now have the President's program. His energy plan, his budget for fiscal 1976, and his annual economic report have been presented to the Congress and the people.

Together, they comprise an exhaustive statement of the priorities and programs to which the President has committed himself for the year. But even in combination, the Presidential statements do not add up to a sufficient commitment to deal with the effects of recession.

There is no clear indication that the administration comprehends the human misery that unemployment has produced; on the contrary, proposed budget reductions for human needs would aggravate an already painful situation. No more than casual consideration was given to the jobs impact of a vast range of Federal budget decision. There is no intensive administration effort to determine what mix of Federal programs would most effectively provide additional jobs in the most direct manner.

In short, I have concluded that the President's program fails to offer an urgent commitment to take immediate and direct steps to cope with joblessness and the hopelessness it fosters.

I did not come to this conclusion easily. I have been willing to allow President Ford ample time and opportunity to assume command of the leadership burden he accepted under some very unusual and trying circumstances.

I had hoped that, after taking office last August, Mr. Ford would move as quickly as possible to confront the specter of growing recession. Instead, with his economic policy statement of last October, he sent the Federal Government in pursuit of inflation, to the virtual exclusion of the signs of recession.

Immediately after the election, the President modified his course somewhat and cooperated with the Congress in enacting vital improvements in the unemployment insurance program and expansion of emergency employment programs. Moreover, his new budget reflects a supplemental request for an additional $125 million—to enhance the $875 million already appropriated—for creation of public service jobs. In addition, he has budgeted significantly larger amounts of Federal funds for unemployment benefits.

But he has made no recommendations to raise the minimum level of unemployment payments nor to extend the benefits over a longer period of time. It is my hope that he is prepared to make such recommendations in a supplemental request later this year. With unemployment projected to deepen even more and sustain a disastrously high level for many months, I believe it will be imperative to take these steps.

Neither has the President devised a program to provide health care services for unemployed persons who are not receiving public assistance payments. A spokesman for HEW acknowledged, in a briefing prior to release of the 1976 budget, that no such program has been formulated; it is only under study.

At a time when a national health care system is a crying need, the President has not provided for even the minimum needs of those who are the most obvious victims of the current recession.

With those prefatory comments, Mr. President, I will turn now to what I regard as two major and pervasive deficiencies of the President's program as defined by his budget.

First, the budget fails to cope with unemployment in a direct, effective manner. It proposes to stimulate the economy with tax rebates, tax credits, tax subsidies, grant subsidies, increased military spending, and the huge Federal deficit that will result. But these are economic devices that will take a long time to trickle down and be translated into jobs. As I have already noted, the budget contemplates no expansion of—and in some cases, no further appropriations requests for—programs for directly creating federally financed work opportunities that provide useful and productive work. This need must be addressed by the Congress, and I am hopeful that the President will cooperate in this effort.

Second, it seems apparent that the first Ford budget was compiled without considering, except very casually, the impact on the grim jobs picture of budget cuts in other areas of Federal programs, particularly those of the Department of Health, Education, and Welfare. In the budget briefings at HEW, an official conceded that decisions were made to cut funding of health, education, handicapped, and aging programs without any serious study of the employment impact on professionals or other employees of these programs at the State and local level.

Some of the other questions that the budget people should have asked are: How many young people will be forced to drop out of college or vocational school because their Federal student assistance would be cancelled or denied? How many of them would increase the ranks of the unemployed? How many would be condemned to underemployment for their lifetimes for want of adequate training and education?

Mr. President, these and a host of other vital questions require answers if the Congress is to fully and effectively address the needs of the times and the best Federal role for meeting those needs.

The Committee on Labor and Public Welfare is prepared to do its part in developing some of the answers, and I want to advise my colleagues today that the committee is preparing for hearings in Washington and across the country on the national unemployment tragedy and the urgent, crying need to understand and remedy the human misery of millions of people without productive jobs.

Two of the many responsibilities of the committee are employment and manpower. I intend to make them our top priority as a committee in 1975 and for as long as it takes to recover from 6 years of fragmented economic policies.

Every Federal decision that translates into jobs or unemployment will be examined by the committee, including impoundment of appropriated funds, budget cuts in Federal programs, and funding levels of emergency employment programs.

Fundamental to this effort and its major goal is to identify the best mix of Federal programs for expanding job opportunities in the current crisis as well as in better times.

The product of our work, hopefully, will be of assistance to the Committee on the Budget and the Committee on Appropriations in compiling their view of national priorities.

Mr. President, the specific steps which I announce today include:

National employment hearings with leading economists, national labor leaders, representatives of industry, and administration officials appearing before the committee to discuss immediate job shortages and long-range effects of Federal budget decisions;

Intensive overview study of the jobs impact of Federal budget and policy decisions to provide the perspective that was only casually considered by the administration in formulating next year's budget; and

Field hearings in key areas around the country where unemployment has reached disastrous proportions to document the human impact of joblessness.

The national employment hearings will be scheduled to begin in late February, and the field hearings will be conducted over a 3-month period beginning on February 12, in Passaic, N.J., and continuing February 13, in Camden.

In the field hearings, we intend to collect the graphic evidence of the terrible human impact of the current situation—cold and hungry families whose breadwinners have been laid off, young people giving up on finding their first decent job or getting the education and training they need, bankruptcy, illness, hopelessness, and growing despair spawning crime that engulfs new victims.

This grim national mural must be brought into full view in Washington, where Federal policymakers focus on lifeless economic statistics and have not seen the flesh-and-blood effects of their policies.

In the longer range, Mr. President, the committee will also endeavor to construct a concise and easily understood report on priorities for the Department of Labor and the Department of Health, Education, and Welfare. This effort, I believe, is indispensable in communicating to the

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citizens of the Nation the real priorities of the Federal Government—those enacted by the Congress and agreed to by the President.

At present, only the executive branch is heard on national priorities. The President's annual budget virtually monopolizes public attention on priorities, and the Congress has no comparable instrument or procedure for communicating the end product of its arduous deliberations over the course the Nation will take.

That void must be filled. The real priorities as expressed in enacted laws must be brought into public view. It is not enough for Congress to share the power of governing. The people of the Nation must understand how that power is shared and to what uses it is put. Only then will public confidence in this great legislative body be enhanced and the institutions of our constitutional Government strengthened.

POSITIVE ACTION BY CONGRESS IS NEEDED TO RESOLVE THE OIL CRISIS

Mr. BUCKLEY. Mr. President, since the reality of energy policy was brought home with such force as a consequence of the Arab oil embargo following the 1973 Middle East war, the need for action by the Government has become increasingly apparent.

Indeed, the Senate has long recognized the need for action when, on May 3, 1971, it adopted Senate Resolution 45 authorizing a national fuels and energy study to help formulate policy so that appropriate remedial legislation could be provided by the Congress. After more than 3½ years of study, costing more than $1,500,000, the study group has yet to issue its report. The Congress has yet to take even the first steps toward developing a comprehensive energy policy; and in only one area, the passage of the Alaska pipeline bill, has action been taken that will have any positive effect on the supply of petroleum. Thus, the Congress effectively did nothing while the inexorable forces of declining domestic production and increasing imports from the Arab States continued to build up.

President Ford, on the other hand, has managed to offer a comprehensive energy policy for the United States. I disagree strongly with certain elements of it, although I believe the thrust is in the right direction. It does offer a coherent strategy to encourage more domestic production of petroleum and other energy sources, while limiting our degree of dependence on foreign, and particularly Middle Eastern sources of petroleum. The fact that Congress was unable to develop suitable legislation for over 3 years makes it highly unlikely that the Congress will come up with something suitable in 60 or 90 days.

Every day that we delay to implement a sound energy policy simply increases the degree to which we become dependent on oil imports from the Middle East. The possibility of another embargo is a real one; not merely because the dispute with Israel remains unresolved, but because many of the nations involved are highly unstable, and could become hostile to the United States overnight as a result of a political coup or for any one of a dozen other circumstances, and express this hostility through an embargo. During the the 1973 embargo, this Nation had to adjust, and adjust painfully to a 15-percent decrease in petroleum, rationed by the patience of the consumer at the gasoline line. If an embargo comes in the latter part of this decade, we may have to adjust to a far greater reduction in available petroleum; one that would result not merely in personal inconvenience but in serious economic disruptions and unemployment. It is far better for the economic security of this Nation that we take steps now to avert such a tragedy rather than try to risk the consequences that would accompany a severe drop in the supply of energy available to our economy.

The joint resolution that has been introduced by the Senators from Massachusetts and Washington (Messrs. KENNEDY and JACKSON) requiring a 60-day moratorium on two key aspects of the President's energy strategy—the imposition of import duties on imported crude oil and petroleum products and on the lifting of remaining price controls on domestically produced oil—reflects the bankruptcy of the Congress' own approach to the energy crisis. Moreover, it represents more than a mere 60-day postponement for "purposes of study." Moreover, as the joint resolution would require that following the 60-day period, any subsequent proposals by the President to either tax or limit imports would be subject to veto by either House of the Congress, the net effect will be to paralyze the ability of the Executive to take essential first steps toward a rational resolution of our energy problems, all in the name of sparing the American consumer the higher costs for energy that any rational solution is going to require in one form or another.

As I mentioned at the outset, there are certain aspects of the administration's proposals with which I disagree. It is to meet these specific objections that I am introducing an amendment to Senate Joint Resolution 12. It will steer a middle course between the need to reduce our dependence on imported petroleum and the need to distribute the burden of energy conservation in a manner more equitable for all sectors of the Nation. My amendment modifies the pending resolution, Senate Joint Resolution 12, to: First, exempt for 60 days product imports—over 80 percent of which are in the form of distillate and residual fuels—from the tariff proposed by the Ford administration; and second, permit the deregulation of "old oil." With regard to the exemption of product, the statistics of energy imports make it evident that this is a reasonable course for the Congress to take to equalize the burden of inevitable higher prices for energy. The United States imports 1.8 million barrels of residual oil, the major source of fuel for the generation of electricity in the East, 1.7 million barrels of which are imported to the east coast. The east coast consumption of residual oil accounts for 95 percent of all residual oil imports. Similarly, with regard to the distillate products, the east coast accounts for 88 percent distillate imported into the United States. These figures have been compiled by the Petroleum Research Foundation, and are based on recent consumption patterns. My amendment would eliminate the tariff from this portion of our energy imports which so disproportionately affects the east coast of the United States. Crude oil imports would continue to be subject to the tariff proposed by the Ford administration but the burden would be equalized since existing FEA procedures are likely to be far more successful at spreading the burden of higher crude oil price imports over the entire Nation than spreading the cost of imported petroleum products over the entire country.

The exemption of import duties on petroleum products serves an additional important function. There is a substantial body of evidence that suggests that the extraordinary rise in the cost of electricity and heating oil in the Northeast that has resulted from the region's unique dependence on high priced Arab oil has already resulted in as much conservation in the use of fuels to heat homes and generate electricity as is apt to be realized through the price mechanism. In other words, to raise the price of these commodities still further will not result in savings to justify the added cost to consumers. The 60-day period allowed by my amendment will enable the administration to present any evidence it may have to the contrary. If it should then still believe an increase in cost to be necessary in order to achieve necessary reductions in consumption, then it can notify the Congress of its intention to do so, subject to the right of veto in the Congress that must be exercised by a vote of both Houses. This will require, in other words, positive action by the Congress as a whole thus placing responsibility for the ultimate decision where it belongs.

Permitting the administration to proceed with the deregulation of old oil is likely to bring far more petroleum from domestic sources into production than many imagine. The significant difference between the regulated and nonregulated price provides no incentive for small producers to bring petroleum to the market. The release of old oil from controls putting it on the same basis with currently decontrolled "new" oil may well substantially offset the "loss" resulting from the exemption of petroleum products from the import tariff.

THE INTERNATIONAL TRADE COMMISSION

Mr. HATFIELD. Mr. President, the U.S. International Trade Commission, known until recently as the U.S. Tariff Commission, has scheduled a series of hearings around the country on the probable economic effects of tariff concessions. As we know, such hearings are required before the President can enter into trade agreements to reduce tariffs.

What impresses me, though, is the fact that these hearings will be held throughout the country. I applaud the Commission for this step. How many times have we met with our constituents on an issue of deep concern to them, and been told they could not afford to come to Washington to testify, either before Congress or a regulatory body? The International Trade Commission is taking their platform, their forum, out into the people, and I am very impressed by this step. I certainly hope that the hearings provide a broader based perspective for trade decisions than would have been possible if the hearings were held solely in Washington, or only in one or two other cities.

I am very interested in the future of international trade. My colleague from Oregon, Mr. PACKWOOD, serves on subcommittees on both the Banking and the Finance Committees that involve international trade. In addition, Congressman AL ULLMAN now serves as chairman of the Ways and Means Committee. I think I speak for all of us when I thank the Commission for scheduling hearings in Oregon, for I know we will be interested in their findings.

Mr. President, I ask unanimous consent that a press release describing the hearings and a public notice about the hearings be printed in the RECORD, along with a letter from Chairman Catherine Bedell.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Press release from the U.S. International Trade Commission]

INTERNATIONAL TRADE COMMISSION ANNOUNCES NATIONWIDE HEARINGS ON IMPACT OF FUTURE INTERNATIONAL TRADE AGREEMENTS

The U.S. International Trade Commission (formerly the U.S. Tariff Commission) today announced nationwide hearings for the purpose of seeking the views of all segments of agriculture, business, labor, consumers, and the general public concerning the economic impact of future tariff reductions which the President can make through international trade agreements under the Trade Act of 1974.

Public hearings will be held in Washington, D.C., and 13 other cities beginning on February 25 and continuing through March and April in accordance with the following schedule:

Cities and dates (1975):
Washington, D.C., February 25–27.
New Orleans, La., March 4–5.
Atlanta, Ga., March 6–7.
Phoenix, Ariz., March 11–12.
San Francisco, Calif., March 13–14.
Minneapolis, Minn., March 18–19.
Portland, Oreg., March 20–21.
New York, N.Y., April 1–2.
Boston, Mass., April 3–4.
Chicago, Ill., April 8–9.
Cleveland, Ohio, April 10–11.
Denver, Colo., April 14–15.
Omaha, Nebr., April 16–17.
Kansas City, Mo., April 18–19.
Washington, D.C., April 8–until completed.

The Trade Act of 1974 authorizes the President to enter into trade-agreement negotiations and, within limits, to change U.S. import duties to carry out concessions made in such agreements. The President may eliminate duties that are not over 5 percent ad valorem (or the equivalent) and reduce higher duties by as much as 60 percent.

The Commission seeks the views of interested parties, either in writing or at its public hearings. It is interested in developing factual information on trends in domestic production, investment, capacity, profits, and employment; the availability and costs of raw materials; trends in imports and in the price relationships between domestic and imported articles; relative technologies of domestic and foreign industries producing like or directly competitive products; the extent to which duty reductions may be reflected in market prices both of the domestic and imported products; the market outlook for both domestic and imported products as a result of duty reductions of the magnitude authorized by the act; and the effect of market changes on consumer interests.

On January 14, 1975, the President published and furnished the International Trade Commission a list of articles on which he will consider granting concessions in international trade negotiations. This list, copies of which may be obtained from the Secretary of the Commission, includes all importable articles except certain bearings, certain ceramic tableware, and certain petroleum products, which the Trade Act of 1974 excludes from consideration for trade-agreement concessions.

The Commission is to assist the President in judging the probable economic impact of the proposed duty changes on U.S. manufacturing, agriculture, mining, fishing, labor, and consumers. As part of its advice, the Commission may recommend that reductions in duties should be staged over longer periods of time than specified in the Trade Act, in order to give domestic producing interests additional time to adjust to a possible increase in imports. The International Trade Commission is required to give its views to the President on or before July 14, 1975.

As indicated above, the first public hearing will be held February 25–27, 1975, in the hearing room of the U.S. International Trade Commission, 8th and E Sts., N.W., Washington, D.C. It will resume in Washington on April 8, 1975. Hearings will be held in cities outside Washington, D.C., during March and April. The hearings in cities other than Washington, and in Washington beginning on April 8, will continue until all interested parties have been heard. Notice will be furnished as to the locations of hearing rooms in cities other than Washington.

Requests to appear at the public hearings shall be filed in writing with the Secretary of the Commission at least 2 weeks prior to the commencing date of the hearing in the city at which the appearance is to be made. Questions respecting the hearings should be directed to the Secretary. Parties wishing to testify at one of the hearings should obtain from the Commission a copy of the public notice issued January 1975.

[Public notice of investigation and hearings, released by the U.S. International Trade Commission]

PRESIDENT'S LIST OF ARTICLES WHICH MAY BE AFFECTED BY INTERNATIONAL TRADE NEGOTIATIONS

On January 14, 1975, the President, pursuant to section 131(a) of the Trade Act of 1974 (hereinafter referred to as "the Act"), furnished the United States International Trade Commission (hereinafter referred to as "the Commission") a list of articles (hereinafter referred to as the "President's list") to be considered in international trade negotiations to be conducted under authority of section 101 of the Act. The President's list is published in paragraph 11–B of his "Notice of International Trade Negotiations and of Articles which may be Affected by such Negotiations" (40 F.R. 2659).

I. Investigation instituted.—In accordance with the President's request and section 131 of the Act, the Commission has instituted an investigation for the purpose of obtaining, to the extent practicable, information of the kind described in section 131(d) of the Act for use in connection with the preparation of advice to the President required by section 131(b) of the Act. This advice will be the Commission's judgment, with respect to each article included in the President's list, as to the probable economic effect of the continuance, elimination, or reduction of United States duties, or continuance of United States duty-free or excise treatment, on industries producing like or directly competitive articles and on consumers.

II. Procedure for conduct of hearings and submission of written views:

A. Public hearings in connection with the investigation will be held in the following cities commencing at 10 a.m. on the dates indicated:

Cities and dates[1] (1975):
Washington, D.C., February 25–27.
New Orleans, La., March 4.
Atlanta, Ga., March 6.
Phoenix, Ariz., March 11.
San Francisco, Calif., March 13.
Minneapolis, Minn., March 18.
Portland, Oreg., March 20.
New York, N.Y., April 1.
Boston, Mass., April 3.
Chicago, Ill., April 8.
Washington, D.C., April 8.
Cleveland, Ohio, April 10.
Denver, Colo., April 14.
Omaha, Nebr., April 16.
Kansas City, Mo., April 18.

Further notice will be published in the Federal Register as to the names and locations of the hearing rooms in cities other than Washington. The public hearings in Washington, D.C., will be held in the hearing room of the U.S. International Trade Commission, 8th & E Streets, N.W., Washington, D.C., commencing at 10 a.m. on the dates indicated.

1. Requests to appear at the public hearings shall be filed in writing with the Secretary of the Commission at least two weeks prior to the commencing date of the hearing in the city at which the appearance is to be made. Such requests shall contain the following information:

a. A description of the article or articles on which testimony will be presented, including, if possible, the item number or numbers in the Tariff Schedules of the United States[2] covering the article or articles.

b. The name and organization of the witness or witnesses who will testify, and the name, address, telephone number, and organization of the person filing the request.

c. A statement indicating whether the testimony to be presented will be on behalf of importers, domestic producers, consumers, or other interests.

d. A careful estimate of the aggregate time desired for presentation of oral testimony by all witnesses for whose appearances the request is filed.

2. Allotment of time.—Because of the extensive scope of the President's list, limitation of time for the presentation of oral testimony is in the public interest. Accordingly, the scheduling appearances at the hearing the time to be allotted to witnesses for the presentation of oral testimony will be limited as circumstances require. Supplemental written statements will be allowed in all cases, and should be submitted at the time of presentation of oral testimony.

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[1] The hearings in Washington, D.C., scheduled to begin February 25 will conclude on February 27; those scheduled to begin April 8 will continue until all interested parties have been heard. The hearings scheduled in cities other than Washington, D.C., will continue until all interested parties have been heard.

[2] The Tariff Schedules of the United States Annotated (1975) is for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402; and is also available for inspection without charge at any field office of the U.S. Customs Service or the Department of Commerce and at depository libraries.

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3. *Notification of date of appearance.*—Persons who have properly filed requests to appear will be individually notified in advance of the date on which they will be scheduled to present oral testimony and of the time allotted for presentation of such testimony.

4. *Order of hearings.*—To the extent practicable the hearings at each city will follow the order of the Tariff Schedules of the United States, beginning with Schedule I, Animal and Vegetable Products.

5. *Questioning of witnesses will be limited to members of the Commission and its staff.*

B. *Written information and views in lieu of appearances at the public hearings may be submitted by interested persons.* A signed original and nineteen true copies of such statements shall be submitted. Business data which it is desired shall be treated as confidential shall be submitted on *separate sheets, each clearly marked at the top "Business Confidential."* All written statements, except for confidential business data, will be made available for inspection by interested persons. To be assured of consideration by the Commission, written statements in lieu of appearances should be submitted at the earliest practicable date, but not later than the date of the closing of the public hearings.

III. Communications to be addressed to Secretary.—All communications regarding the Commission's investigation should be addressed to the Secretary, United States International Trade Commission, Washington, D.C. 20436.

U.S. INTERNATIONAL
TRADE COMMISSION,
Washington, D.C., January 22, 1975.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: The United States International Trade Commission (formerly the United States Tariff Commission) has announced an investigation instituted at the request of the President on the probable economic effect of proposed tariff concessions to be granted by the United States in international trade negotiations to be conducted under the provisions of the Trade Act of 1974. Public hearings in the investigation will be held in Washington, D.C., and 13 other cities; hearings will begin on February 25 and continue through March and April. The schedule of hearings is shown in the Commission's public notice and press release, copies of which are attached.

The Commission invites you to present your views at any of the public hearings, in person or in writing, and it welcomes the views of any segment of agriculture, business, labor, and the general public in your state.

If the Commission can assist you or your staff with any questions regarding the announced investigation and hearings, please contact my office (202/523-0111) or the office of the Secretary of the Commission (202/523-0161).

Sincerely yours,

CATHERINE BEDELL,
Chairman.

THE FEDERAL BUDGET AND THE CITIES: REPORT BY THE NATIONAL LEAGUE OF CITIES AND THE UNITED STATES CONFERENCE OF MAYORS

Mr. MUSKIE. Mr. President, this is the fourth year the National League of Cities and the United States Conference of Mayors have published a study of the Federal budget and its impact on our cities. They do this because of the budget's increasingly important impact on Federal-State-city relationships and their interaction with the private sector.

These organizations are concerned with the President's budget and the kind of attention paid to State and local government needs. They ask: "Is this the end of the road for New Federalism?" And they add: "If the 1976 budget is a headache for President Ford, it is a concussion for the Nation's cities."

I commend this report to my colleagues and ask unanimous consent that highlights of the report, together with the text, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOME HIGHLIGHTS OF THE REPORT

The budget projects an unemployment rate of 8.1 percent in 1975 and 7.9 percent in 1976. This will translate into unemployment five times that rate among the young, the minorities and the other vulnerable members of the work force who tend to live in cities or are drawn to them in hard times in search of work. The budget falls far short of addressing the needs of these workers who will not receive unemployment benefits and will be unable to afford housing, health care, and other social services for themselves and their families.

The cost of running cities is now rising at an annual rate of 11 to 14 percent, but the yield of local taxes is up only 8.8 percent. Nevertheless, the budgeted grants for local governments fail to keep up with this inflation rate; indeed, in constant dollars, the budget actually cuts federal aid to cities.

The budget for defense procurement and construction, factors in an inflation rate of about 10 percent, but allowances for any inflation in domestic programs such as housing, transportation, etc., are ruled out.

One of the budget's strategies is to restrain the rate of growth of income assistance programs, a plan that most burdens dependent city dwellers, who therefore will turn in desperation to City Hall for services they cannot afford to buy themseves.

The budget's attitude toward state and local governments and social programs is characterized by the Public Health Services budget, which, in the words of the Administration, "reflects the decision to require that states, local governments" and other non-federal sources contribute 20 percent more than they did in 1975 to the cost of health care programs receiving federal support.

The federal budget relies heavily on both state and local governments to compensate for lagging social effort at the federal level. The effect is counter-productive in two ways: First, the Federal Government, which is sustained by a progressive tax structure, would virtually force state and local governments to take the unpopular step of raising taxes, many of which are regressive, at the same time the Federal Government is prescribing popular tax cuts for itself as an economic stimulator. Second, the displacement of responsibility from federal to non-federal governments compounds the fiscal problems of cities, which heavily depend on state aid for education, health, welfare, public works and other programs.

The budget is so preoccupied with dealing with deficits, containing social assistance costs, and meeting the energy crisis that it does not adequately address the entire range of needs of the people and of the other levels of government. As an example, the budget is so oriented toward tomorrow's energy costs and tomorrow's feared inflation, that it fails to take account the cumulative effects of previously skyrocketing inflation on top of which city government budgets are now precariously balanced.

A central problem of the budget is that it virtually ignores the interdependence of the intergovernmental system, the relative inflexibility of the revenue resources available to local governments, and the escalating social and fiscal demands upon the cities. Absent is any coherent and comprehensive federal strategy for dealing with local fiscal and social needs, the cities have a right to ask: Is this the end of the road to the New Federalism?

THE FEDERAL BUDGET AND THE CITIES

(A review of the President's budget in light of urban needs and national priorities)

Published by the National League of Cities and the United States Conference of Mayors, 1620 Eye Street, N.W., Washington, D.C. 20006.

Allen E. Pritchard, Executive Vice President, National League of Cities.

John J. Gunther, Executive Director, United States Conference of Mayors.

Additional copies of this publication may be obtained from: NLC and USCM Publications Center, 1620 Eye Street, N.W., Washington, D.C. 20006.

Price: 1–9 copies, $8 each; 10–99 copies, $6 each; 100 or more copies, $4 each.

PREFACE

The National League of Cities and the United States Conference of Mayors are the two organizations which jointly represent the nation's cities in Washington. With offices located in the nation's Capital for more than 40 years, the League and the Conference have developed a highly professional staff.

The League, founded in 1924, and the Conference, founded in 1933, maintain joint Washington offices; however, each organization retains its own members, president, officers, policy committees, members, and staff.

This study, "The Federal Budget And The Cities," is the fourth edition of an annual series. It is prepared by League and Conference staff under our direction in accordance with League and Conference policies adopted at annual meetings by locally elected officials.

The federal budget, submitted to the Congress on February 3, represents President Ford's proposed financial plan for the Federal Government for the year beginning July 1, 1975. It not only takes into account economic and other factors; it also sets forth the priorities which he deems essential to carry out his plan.

The budget is a political document expressed in accounting terms. It is the single most important federal document published each year. It is the vehicle for the most important and comprehensive collection of priority decisions which the United States makes in the course of a year.

All too often the public does not pay sufficient attention to the implications contained in the budget. The reason for this public inattention are clear enough. The budget is not one document but four, ranging in size up to the 1,092-page budget appendix. It is highly complex and it abounds with numbers whose meaning are often elusive.

Although the budget reports the results of the hard decisions among competing priorities, the budget does not indicate which choices were the most difficult or what plausible alternatives were available.

The report, "The Federal Budget And The Cities," examines the budget from an urban perspective. The report contains 22 chapters. The first chapter offers a budget overview. The second highlights subjects of major concern. The 20 remaining chapters deal with specific topics.

ALLEN E. PRITCHARD, JR.,
Executive Vice President,
National League of Cities.
JOHN J. GUNTHER,
Executive Director,
U.S. Conference of Mayors.

OVERVIEW

The Cities' View of the Budget—In Brief: Seeking public approval of his proposed Budget, President Ford personally briefed the press Saturday morning, February 1, at the State Department. The last time a President of the United States had done that was on January 19, 1952, when Harry Truman told reporters: 'This budget has been the biggest headache I have ever had," Mr. Ford recalled. He went on to say, "Well, as I look at the Federal Budget for the fiscal year 1976, I can only say, 'Harry, I hope you left some aspirin for me.' "

If his 1976 Budget is a headache for President Ford, it is a concussion for the cities.

As seen by the cities, the faults in the Budget include:

The Budget projects an unemployment rate of 8.1 percent in 1975 and 7.9 percent in 1976, which may translate into unemployment five times that rate among the young, the minorities and the other vulnerable members of the work force who tend to live in cities or are drawn to them in hard times in search of work. The Budget falls far short of addressing the needs of these workers who will not receive unemployment benefits and will be unable to afford housing, health care, and other social services for themselves and their families.

The cost of running cities is now rising at an annual rate of 11 to 14 percent, but the yield of local taxes is up only 8.8 percent.[1] Nevertheless, the budgeted grants for local governments fail to keep up with this inflation rate; indeed, in constant dollars, the Budget actually cuts federal aid to cities.

The Budget for defense procurement and construction factors in an inflation rate in the neighborhood of 10 percent, but allowances for any inflation in domestic programs—housing, transportation, etc.—are ruled out.

One of the Budget's strategies is to restrain the rate of growth of income assistance programs, a plan that most burdens dependent city dwellers, who therefore will turn in desperation to City Hall for services they cannot afford to buy themselves.

The Budget's attitude toward state and local governments and social programs is characterized by the Public Health Services budget, which, in the words of the Administration, "reflects the decision to require that states, local governments" and other non-Federal sources contribute 20 percent more than they did in 1975 to the cost of health care programs receiving Federal support.

The Federal Budget, as illustrated by the Public Health Services budget, relies heavily on both state and local governments to compensate for lagging social effort at the Federal level. This is unrealistic: State and local governments in 1974 registered about a $7.5 billion deficit, according to the National Income Accounts. The effect is counter-productive in two ways: First, the Federal Government, which is sustained by a progressive tax structure, would virtually force state and local governments to take the unpopular step of raising their taxes—many of them regressive—at the same time it is prescribing popular tax cuts for itself as an economic stimulator. Second, the displacement of responsibility from the Federal to the state governments compounds the fiscal problems of cities, which heavily depend on state aid for education, health, welfare, public works and other programs.

The FY 76 Budget is so preoccupied with dealing with deficits, containing social assistance costs, and meeting the energy crisis that it does not adequately address the entire range of needs of the people and of the other levels of government. As an example, the Budget is so oriented toward tomorrow's energy costs and tomorrow's feared inflation, that it fails to take account of the cumulative effects of previously skyrocketing inflation on top of which city government budgets are now precariously balanced.

A central problem of the Budget is that it virtually ignores the interdependence of the intergovernmental system, the relative inflexibility of the revenue resources available to local governments, and the escalating social and fiscal demands upon the cities. These points have been reiterated to Federal policy makers in recent meetings with state and local leaders, but the Budget ill reflects our concerns. Absent any coherent and comprehensive Federal strategy for dealing with local fiscal and social needs, the cities have a right to ask: Is this the end of the road for the New Federalism?

In short, the cities are pounded by inflation and recession at home and by inept and insensitive Federal policies in Washington. Hence the concussion. It will take more than aspirin to cure it.

Highlights of the budget: Describing the Budget, President Ford told the press on February 1, ". . . the President's annual budget is a carefully considered and integrated set of policies, programs, and priorities that a President recommends to the people and to the Congress to set our national course into the future."

Highlights of his Budget—his first since taking office less than six months ago—include proposals for:

Total outlays of $349 billion in FY 76, an increase of $36 billion over FY 75.

A deficit of $52 billion—a peacetime record, and the second highest deficit in history.

Congressional approval of another $17 billion in rescissions and deferrals of appropriations, and economies to be achieved by imposing a five percent ceiling on increases in Federal civilian and military pay and Federal benefit payments (e.g. Social Security, railroad and Federal retirement pay, Supplemental Security Income, food stamps, and child nutrition programs) that are tied to the cost of living.

Increased aid to the unemployed, totaling $17.5 billion in unemployment insurance benefits and $1.3 billion for public service employment.

An import fee on oil, and taxes on domestically produced petroleum and natural gas and on their producers, including a $12 billion windfall profits tax, all adding up to $30 billion.

Turning around that $30 billion in FY 76 as "equalization rebates and payments" in the form of: $2 billion to state and local governments to be distributed under the existing General Revenue Sharing formula, $16.5 billion in individual income tax cuts, $2 billion to persons too poor to pay Federal income taxes, $6.5 billion in corporate income tax cuts, and $3 billion for Federal operations.

An increase in budget authority for defense of $16.4 billion, up 18 percent over FY 75.

A one-year moratorium on new Federal spending programs, except for energy and defense.

The economy and the cities: The economic decline of 1974 had a severe impact on the fiscal resources of state and local governments. Beginning with the third quarter of 1973, the National Income Accounts figures for state and local governments shifted from a surplus to a deficit position. By the third quarter of 1974, the annualized deficit was estimated at about $7.5 billion.

The severity of the economic crisis and its implications for state and local government was recognized by the Joint Economic Committee in its final report to the 93rd Congress. The report predicted:

"The combination of inflation-affected expenditures and recession-induced revenue shortfalls will make it very difficult for many state and local governments to make it through the upcoming year without tax increases, employee layoffs and cuts in levels of service."

This gloomy prediction is now a harsh reality for many city governments, as shown by a recent survey of 67 cities:

The 55 cities that provided data on fuel costs reported an average rise of 90 percent from 1973 to 1974.

Thirty-six cities reported that the economy was forcing postponements of planned capital improvements.

Twenty-one cities reported municipal job layoffs or job freezes.

Forty-three cities anticipated revenue shortfalls in 1975.

Forty-two cities expected to raise taxes and/or cut services during 1975.

The budget and the cities: While the President's Budget outlines a specific set of programs for dealing with the economic crisis, it fails to recognize the unique potential of state and local governments in the recovery process. Instead of developing a coordinated intergovernmental approach to our economic problems, the Budget would force local governments to take budgetary action that could work at cross purposes with national economic recovery strategies. For example, local governments are being forced to:

Increase taxes, while the Federal Budget proposes stimulation of the private sector through tax reductions.

Lay off employees, while the Federal Budget proposes to create jobs in the private economy by these Federal tax cuts.

Reduce essential public services, many of them most needed by those hardest hit by the economic crisis.

The sheer magnitude of the state and local sector should be reason enough to coordinate carefully the national economic program with state and local governments. As of 1972, 47.5 percent of all government expenditures took place at the state and local levels, and employment at those levels was four times greater than federal employment. With the public sector accounting for more than 32 percent of the gross national product, and state and local governments accounting for 43 percent of the combined public sector, common sense should dictate a coordinated intergovernmental approach to the current crisis.

The President's Budget sets forth economic recovery policies that both help and rely heavily upon the private sector. In his Budget Message, the President said: "I believe that tax relief, not more government spending, is the key to turning the economy around to renewed growth." The Budget calls for $16 billion in tax rebates during 1975, with $12 billion for individual tax relief and $4 billion for corporate tax relief. This anti-recessionary measure will be coupled with $3.5 billion in increased aid to the unemployed.

Thus, the President proposes to shift some billions of dollars in purchasing power to private business and to individuals. In the process, he is taking some funds away from Federal programs that aid cities and that also help to support the economically weak and others who are unable to help themselves. The League and the Conference recognize that there must be some belt-tightening and acceptance of hardship in our recovery effort, but they also believe that the President's program is uneven and unfair in its likely impact and unwise in its support of the private sector at the expense of the public sector. For after all, the state and local public sectors interact with the private sector no less than the Federal public sector does.

The long run: The President's Budget is also designed to "avoid commitments to excessive growth of Federal spending in the

[1] "Quarterly Summary of State and Local Revenue," U.S. Dept. of Commerce, Bureau of the Census, December, 1974.

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long run" and thereby to reduce the inflationary pressures during the recovery period. To achieve this objective, the President is proposing that Congress approve budgetary reductions and restraints to prevent an additional $17 billion deficit. In addition, the rate of growth of many programs would be curtailed over the next two decades, despite the Budget's own projection of unacceptably high unemployment rates for the rest of this decade.

The President's determination to provide the bulk of the anti-recessionary economic stimulus through the private sector, as opposed to increased public sector activity, means that the urgent needs of the cities will go largely unmet

The cities, it should be stressed, are the locus for the increased private sector activity that the Administration wishes to promote. The cities provide necessary services and infrastructures. Crippling of cities could limit or undermine the gains of the private sector. The recovery program, we assert, should aid cities as well as the private sector.

The FY 76 Budget does not adequately address the needs of cities. Instead of fully capitalizing on the potential ability of state and local governments to contribute to the recovery effort, the Budget proposes a reduction, in real dollar terms, of Federal assistance to the cities. This reduction can only place an additional burden on hard-pressed municipal budgets, increasing the likelihood of regressive local tax increases or cutbacks in essential services, or both.

Energy: In its energy tax and payment proposals, the Administration plans to make available to state and local governments $500 million in FY 75 and $2 billion in FY 76 to offset the new fuel and energy costs the Ford program will impose on local levels. But municipal energy bills are already high because they have been rising rapidly for more than 18 months. Twenty-five to thirty billion dollars already have been drained out of the economy to pay for inflated energy related costs, and cities have paid their share of this huge sum. No remedy, however, for the inflated fuel costs already burdening municipal budgets is provided in the President's Budget.

The President's proposal to compensate state and local governments prospectively for rising energy costs is computed under the General Revenue Sharing formula, which is based on population, income, and tax effort. This formula relates poorly, if at all, to actual municipal energy costs. Cities use energy in proportion to the number of miles of road that have to be lighted and patrolled, the number of buildings that have to be heated, the number of trash pickups that have to be made, and so on. Moreover, cities that rely on oil and natural gas for fuel are in a distinctly different situation from those that use coal and hydro-electric power. Further, the General Revenue Sharing formula excludes schools, which are heavy energy users for buildings and buses.

A critical long-term city concern is the cost, supply and distribution of energy and the related economic impacts. The immediate picture does not seem bright. And the longer range Budget, insofar as it sheds light, is not favorable, for example, budget authority and outlays for natural resources, environment, and energy are expected to fall from 1976 to 1980.

From the standpoint of the cities and the nation as a whole, the President's program leaves no room for a reduction in oil prices. His tax and allowance program would put a floor under the current quadrupled international price, which has been established by a cartel of oil-exporting countries. This seems to be an inflexible policy of despair, from the standpoint not only of the consumer, but also of local government.

Finally, the Administration's decision to increase the price of petroleum products generally, rather than to focus on gasoline prices, signals its continued willingness to promote the use of energy-inefficient automobiles, rather than to concentrate national growth around mass-transit-serviced metropolitan modes.

Some bright spots, including general revenue sharing: Despite the foregoing, there are some bright spots in the Budget for cities. Though the Administration has resisted the amount of subsidy for public passenger vehicles that would be necessary to provide real incentives to use them instead of private cars in metropolitan areas, the President's transportation budget, discussed in detail elsewhere in this book, is a distinct plus. So, too, is the Budget's release of $4 billion in previously impounded water pollution control construction funds.

We are also pleased that the President proposes to renew the General Revenue Sharing Act through 1982. But the specific figures for 1976 show an anticipated outlay to state and local governments of $6.3 billion, almost the same figure as for 1975. Our pleasure is tempered, therefore, by the fact that no provision has been made for the 11 percent increase in prices over calendar year 1974 and the additional increase sure to take place before FY 76 begins next July 1. The Budget figures themselves show that overall Federal aid to state and local governments will advance about 6 percent in 1976 over 1975, an increase far short of the inflation rate experienced in the past year. If state and local governments are to continue to carry out vital programs adequately, and if their citizens are to receive the service and assistance they require, some provisions must be made to bridge the gap caused by inflation.

Between 1976 and 1980, Federal aid for community and regional development will drop from an outlay of $5.9 billion to $5.3 billion. Compare this 10 percent drop with the defense budget, which is projected to grow over the same period by more than 50 percent. Meanwhile, education, Federal manpower and social service expenditures will remain level. Revenue sharing will show a small rise, going from $7.2 billion in 1976 to $7.7 billion in 1980, an increase well below the expected pace of inflation. The Administration's budget projection thus gives extraordinary emphasis to defense expenditures—at the expense of domestic programs.

Economic assumptions: While the proposed Federal response to the critical fiscal and economic needs of the cities is disquieting, the economic assumptions underlying the President's Budget are also a cause for concern. Present economic conditions are extremely unstable: few predicted that the unemployment rate would climb to seven percent as early as December 1974. The revised budget deficit estimates are a good illustration of the effects of economic instability on the Federal Budget. In mid-January, the President said the deficit for FY 76 would be 45 to 47 billion dollars. Two weeks later, he was forced to revise this estimate upward by four to six billion dollars because of rapid decline in projected revenue and rise in Federal payments for unemployment compensation.

Double standards: As indicated elsewhere in this discussion, the FY 76 Budget applies a double standard to different sectors of the economy and the intergovernmental system.

On the one hand, we find that the Budget encourages private investment in capital expansion. On the other hand, we find that capital investment in the public sector is discouraged—e.g. there are to be no new construction starts in the Army Corps of Engineers domestic public works programs.

On the one hand, we find that the Budget assigns greater responsibility for program planning and management to the state and local governments. On the other hand, we find that the Housing Act Section 701 program, a vital planning and management capacity building tool for state and local governments and regional planning councils, is to be cut in half.

On the other hand, as already noted, we find that the defense budget is both increased and allowed to take account of future inflation. On the other hand, domestic Federal programs are given no such leeway.

The historical perspective: One of the premises of the President's budget-makers is that Federal grant outlays have been going up and up, and therefore the time has come to restrain them. This premise requires analysis.

First, the proposed rate of increase in federal aids to state and local governments next year is well below the 11 percent inflation rate. Second, the proportion of Federal grant outlays in relation to total Federal outlays, domestic Federal outlays, and state and local expenditures peaked in FY 73, has been going down since, and is projected to decline further in FY 76. Table Overview I demonstrates these points.

TABLE OVERVIEW I.—IMPACT OF FEDERAL GRANT OUTLAYS ON GOVERNMENTAL EXPENDITURES

Fiscal year	Federal aid			
	Amounts (millions)	As a percent of—		
		Total Federal outlays	Domestic Federal outlays [1]	State-local expenditures [2]
1960	$7,040	7.6	15.9	14.7
1965	10,904	9.2	16.6	15.4
1970	23,954	12.2	21.1	19.1
1971	29,849	14.1	22.7	21.1
1972	35,940	15.5	23.8	23.0
1973	43,963	17.8	26.1	25.2
1974	46,040	17.2	24.7	23.6
1975 estimate	52,649	16.8	23.6	23.3
1976 estimate	55,632	15.9	22.3	22.2

[1] Defined for this purpose as excluding national defense and international programs.
[2] As defined in the National Income Accounts.

Source: Fiscal year 1976 Budget Special Analysis O, p. 242.

In reviewing this Budget, we recognize that it includes a variety of intergovernmental fiscal transfers. The sum of these transfers is depicted in Table OVERVIEW I. While General Revenue Sharing and block grants (e.g. community development, law enforcement, employment, etc.) comprise a growing share of the total, it must be remembered that the remaining categorical grant programs still are important to cities.

The New Federalism

Despite the fiscal problems created for the cities by recent Federal budgets, the National League of Cities and the U.S. Conference of Mayors did express satisfaction last year with the direction of the Nixon Administration in grant consolidation and apparent decentralization of the intergovernmental system. There was a coherent strategy for dealing with the non-Federal partners in that system and a recognition of their interaction with both the private sector and the Federal portion of the public sector. The strategy and the partnership were known as "The New Federalism."

Our problem with the Ford Administration's Budget is not only that it creates greater fiscal problems than ever, but also that it sees only dimly the vital and dynamic role of local governments in the intergovernmental system.

This Administration's obvious lack of attention in its FY 76 Budget to state and local government needs is even more distressing when one considers the amount of discussion that has taken place among Federal, state, and local government officials since President Ford took office.

At numerous meetings and forums, governors, mayors, county officials, and the President himself discussed issues of mutual concern. Yet there is little evidence that the Budget reflects what state, county and city leaders were saying.

It is for these reasons that we feel the cities are entitled to ask: Is this the end of the road for "New Federalism"?

BUDGET HIGHLIGHTS

Community Development and Housing

The President seeks $5.9 billion in new appropriations for HUD, up 13 percent from last year, mainly to liquidate prior year commitments, but not to generate significant new ones. Second year funding for the new Community Development Block Grant program would increase only slightly. The new Section 8 Housing Assistance Payments program would continue through FY 76 at an annualized rate of 400,000 units. The severe reduction in Housing Act Section 701 planning funds would be continued.

Community Services Administration (OEO)

Funding for the remaining community action and economic development activities of the old Office of Economic Opportunity, now the Community Services Administration, would be cut almost $60 million. Research and development would be dropped. State economic opportunity offices no longer would receive federal funds.

Drug and alcohol abuse

Drug Abuse.—Enforcement funds would increase by $20 million, primarily for tighter border control in the Southwest. FY 76 funds available to communities for treatment services would decrease by $4 million from the FY 75 level of $126 million, a loss that would be compounded by a proposed 10 percent reduction of the federal match.

Alcohol Abuse.—While the FY 76 budget for alcohol abuse reflects a slight increase over the FY 75 request, the additional funds are to be used primarily for continuation grants, rather than new starts. At the same time, the FY 76 Budget calls for drastic rescissions in the FY 75 budgetary resources. Cities are most affected by these proposed cuts.

Economic Development Administration

The Economic Development Administration (EDA) budget would rise by $46.4 million to $314.3 million, but $36 million of the increase would be for new trade adjustment assistance. Public works programs would be substantially cut, while business development, economic adjustment, and state grants would be increased. Preliminary estimates suggest that SMSAs, which receive only about about 25 percent of EDA funds, would receive the same amounts in FY 76 as in FY 75. The effect would be a severe cut in resources for ongoing local economic development activities and an increase in aid only for short-term adjustment to local economic crises.

Education

The overall education budget contains a cut of $400 million, with three-fourths of the reduction in elementary and secondary education programs. The major programs would be advance-funded again, but with about $500 million less than this year. Funds have been requested for the major programs to cover the transition quarter—July, August, and September, 1976. The Administration again proposes legislation to decrease by two-thirds the amount of money available for impact aid. Higher education would be cut by $133 million, of which $122 million would be for student assistance.

Employment

The level of Comprehensive Employment and Training Act (CETA) funding, other than for temporary public service jobs (Title VI), would remain constant at $2.4 billion, including $1.6 billion for training and summer youth employment (Title I), $400 million for public service employment (Title II), and $414 million for national and special programs. No new funds are sought for summer youth employment or the Recreation Support Program. Summer of 1975 and 1976 youth programs are to be funded from local CETA Title I resources. The Budget also proposes a rescission of $12 million in FY 75 funds for public service employment for the elderly.

Energy

To reduce the nation's dependence on foreign oil, a comprehensive plan for reducing consumption and increasing domestic energy supply is proposed, featuring oil import and excise taxes, income tax rebates, and an energy research and development program. The Budget emphasizes production over conservation and nuclear over non-nuclear energy sources in its $1.7 billion outlay request.

Environment

The President directs the Environmental Protection Agency to release $4 billion in previously impounded water pollution control construction grants in FY 76, bringing the total available for them since 1972 to $13 billion. But the level of support for local government's air pollution control and monitoring, insufficient in past years, would be further cut, despite Federal requirements to improve air quality. Solid waste resource and energy recovery effort again will be minimal.

Food stamps and nutrition programs

Proposed regulations would reduce food stamp outlays by $217.3 million over projected FY 76 amounts. The Department of Agriculture will propose a new block grant nutrition program which would reduce nutrition outlays by $410.8 million below FY 75 levels.

Health

The budget would slash community health programs (comprehensive health formula grants to state and local governments, community health centers, maternal and child health, family planning, migrant health, health maintenance, and National Health Service Corps) by an overall 30 percent. State and local governments are asked to join private institutions and third-party payers in picking up 20 percent of the Federal share of other Federally supported health programs. The President's Budget Message says: "We should begin plans for a comprehensive national health insurance system. However, . . . I cannot now propose costly new programs."

Income security and social services

Major restraints on public assistance expenditures are proposed, thus potentially burdening state and local governments with financing a larger portion of income security programs. The burden would be compounded by a plan to impose a five percent ceiling on cost of living increases to beneficiaries of income security programs. These plans, however, are subject to Congressional approval.

Intergovernmental personnel assistance

For the second year in a row, the Administration requests $15 million for the IPA program. The actual operating level of the program has now been frozen for the last three years at about $14 million.

Law enforcement assistance administration

LEAA's budget authority will decrease from $880.1 million in FY 75 to $796.8 million in FY 76. This will mean a decrease of $88 million in crime control aid to state and local governments.

National defense

The President seeks $107.7 billion in budget authority for national defense programs—a $16.4 billion (18 percent) increase over FY 75. If appropriated by Congress, this military budget would be the largest in U.S. history.

Office of Minority Business Enterprise

The Office of Minority Business Enterprise (OMBE) program budget for FY 76 is $52.6 million, an increase of $600,000 over FY 75. $1.1 million is requested to establish a new "city OMBE" demonstration project in seven cities.

Research and development

The Budget proposes increases in obligations for research and development totaling nearly $3 billion, but these are not for the agencies most concerned with cities. The total research and development budget would increase from $18.8 billion to $21.6 billion, but the proposed HUD research and development budget would be the same as FY 74—$65 million. That for HEW would be slightly less than in FY 74. The proposed energy research and development budget also does not appear to respond to the needs of the cities.

Rural development

The Administration requests a decrease of $120 million in rural development loan funds and proposes to maintain FY 75 levels for rural development grants. The rural housing budget is $112 million below this year's level.

Transportation

Mass transit capital grants would increase slightly from a FY 75 level of $1.05 billion to a FY 76 level of $1.1 billion. But formula grants, to be used for both capital and operating purposes, would be increased substantially from $300 million in FY 75 to $500 million in FY 76, as authorized by law. Funding for urban highways would be increased slightly in FY 76, although the proposed funding level of $685 million is substantially below the $1.3 billion authorization. The large increase in funding for the Interstate, $500 million, makes clear the Administration's strong commitment to this program at the expense of all other highway programs. Airport and Airway Trunst Fund grants for planning and construction would be increased slightly from $345 million in FY 75 to $350 million in FY 76. However, the FY 75 level included a one-time Congressionally-sponsored 1975 supplemental of $25 million; hence the FY 76 Budget seeks a $30 million increase over the equivalent FY 75 program.

Veterans

Reflecting 12 percent pension and 22.3 percent G.I. Bill increases voted in 1974, the Veterans Administration Budget is to climb from $13.6 billion in FY 75 to $15.6 billion in FY 76. G.I. Bill spending, with supplementals, is expected to total $4 billion in FY 75 and decrease to $3.6 billion in FY 76.

THE FEDERAL BUDGET PROCESS: A NEW APPROACH

The Congressional Budget and Impoundment Control Act of 1974 mandates a comprehensive role for the Congress in shaping the Federal budget and holding the Executive branch accountable for spending programs. It creates a process to:

Improve Congressional control of the total federal budget;

Bring order to the piecemeal approach that Congress has taken toward the budget in the past;

Enable citizens to join in an annual Congressional debate on budget priorities;

Rationally deal with Federal tax expenditures;

Relate the Federal budget to current and projected economic conditions; and

Restrict the President's ability to withhold the expenditure of funds.

Congress will fully implement its new process in 1976 to develop the FY 77 Budget. The limiting of the President's ability to "impound" or withhold funds made available by the Congress through appropriations or other actions became effective when the law was enacted last year. Under the Act, the traditional fiscal year (July 1 through June 30) is changed to October 1 through September 30. This change is intended to give Congress adequate time to formulate its budget before the start of the fiscal year. Under the present system, Congress is unable to complete action on all budget bills before

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the fiscal year begins, tending to produce uncertainty.

Under the new Act, Fiscal year 1977 will begin October 1, 1976. Therefore, the FY 76 Budget must take account of the fifteen month 1976 federal fiscal year—the months of July, August and September make up the extra three months.

The primary significance of the new budget process is that Congress for the first time must vote on the priorities within the annual Federal budget as a whole. Less than two-thirds of the budget is appropriated by Congress each year, and these funds are allocated piecemeal through thirteen regular appropriations bills and a few special measures.

The old Congressional budget system contrasts sharply with that of most state and local governments, which vote complete annual budgets at one time. Further, only about 40 percent of the total Federal budget is controllable by Congress in the short run, because the remainder of the budget is expended in mandatory, permanent or trust fund programs established previously in law. Now, Congress must determine the relative worth of all spending programs and the internal tradeoffs of the tax structure itself (including special interests through tax breaks). The new process will not be limited to the immediate year; it will take into account a five-year frame of reference as well.

The new Act limits the President's ability to refuse to spend funds voted by Congress. A special message must be sent to Congress if the President wishes to *rescind* or *defer* spending of appropriated money, stating the amount and reasons for his request. A *rescission* i.e., not spending appropriated money at all, will require affirmative action by both the House and the Senate within 45 working days or the money must be spent. A *deferral* means that spending will be delayed to a later time in the same fiscal year; it will take effect automatically unless at least either House of Congress disapproves.

COMMUNITY DEVELOPMENT AND HOUSING

The Administration's FY 76 Budget for the Department of Housing and Urban Development proposes a series of expected steps to further realize the objectives of the 1974 Housing and Community Development Act.

The President is requesting $5.9 billion in appropriations, up 13 percent from the previous year. Nearly all of this increase results from the necessity of liquidating commitments made in prior year housing and community development programs. It does not represent a significant increase in commitments for future activities. Outlays are projected to increase substantially over last year, up 28 percent to $7.1 billion. The bulk of this rise is due to a projected "draw down" of funds under the new block grant program. HUD's budget includes approximately $322 million in impounded or deferred funds in three basic programs. This figure would drop to $264 million during FY 76 as some carryover funds were spent.

For community development, the budget proposes to fund the new block grant program during its second year at a level only slightly above the appropriation for FY 75. The Section 701 Comprehensive Planning program would continue a second year at the $50 million level, existing entirely on deferred funds from FY 75.

For assisted housing, the budget acknowledges that, at best, only half of the original goal for subsidized units will be reached during the balance of FY 75. New budget authority is sought in order to support a 400,000 unit level of activity in FY 76.

Community development

The Administration is asking Congress for a 2 percent increase in the funding level for the Community Development Block Grant program (CD). The proposed second-year appropriation for the new program of $2.55 billion would be $450 million below the actual authorized level in the 1974 Housing Act. At least 1,000 local governments will be receiving initial block grant contracts during the *last* five months of FY 75. Second-year block grant contracts will also be lumped in the second-half of FY 76. Thus, since no annual grant commitments are scheduled to come up for refunding during the July 1, 1976–September 30, 1976 transitional quarter (due to the change in the fiscal year), the Administration has not proposed any transitional appropriation for CD.

The FY 76 budget for HUD also reports on the transfer (authorized under the 1974 Act) of $628 million in unutilized, previously-impounded community development categorical funds into HUD's revolving funds. These funds, which will be used to liquidate program commitments already outstanding, had originally been provided by Congress for such activities as basic water and sewer facilities, open space, neighborhood facilities, and public facilities loans. Future HUD assistance for such activities will come through the Community Development Block Grant program.

701 comprehensive planning

On December 16, 1974, the President's deferral of one-half or $50 million in already-appropriated Section 701 comprehensive planning assistance went into effect. The proposed FY 76 budget for HUD announces that no new 701 funds will be requested and that the program is projected to continue for a second year at the same $50 million level. While the budget does not address the department's funding strategy, it is presumed that the present approach of excluding further funding of cities over 50,000 population will continue.

Policy development and research

Also on December 16, 1974, the deferral of $8 million in funds for HUD's policy development and research activities became official, thereby reducing the FY 75 program level to $57 million. For FY 76, the Administration proposes to add the $8 million carryover to a request for a new appropriation of $57 million, producing a $65 million level for the year. Nearly one-quarter of the FY 76 funds are proposed to go toward continued testing of the twelve "direct cash assistance" or "housing allowance" experiments around the country.

Housing

As expected, the Administration's proposed budget continues the nearly total reliance of HUD on the new Section 8 Housing Assistance Payments program in lieu of all other available low-income housing subsidy mechanisms. All of the new contract authority provided by the 1974 Act for low-income subsidies has been released by the Department, including $900 million in Section 8 funds. During the rest of FY 75, HUD estimates that approximately 200,000 units will reach the commitment stage. During FY 76, the balance of another 200,000 units will go to commitment under the 1974 Act funds.

The budget also requests Congress to authorize an additional 200,000 units for FY 76, bringing that year's total to 400,000. Thus, the Administration estimates that 600,000 units of assisted housing could be committed between January 1975 and June 1976. The budget cautions that all these figures are rough estimates. The actual number of subsidized units will depend upon several factors, including the ultimate mix of new versus existing units placed under subsidy (since new units require nearly twice as much subsidy as existing units).

The budget also confirms an earlier announcement by HUD that the $215 million in Section 202 elderly housing funds are now available for construction loan financing only, with Section 8 subsidies available for "rent-up."

TABLE HUD-1.—COMMUNITY PLANNING AND DEVELOPMENT

[In millions of dollars]

	Fiscal year 1975				Fiscal year 1976			
	Authorization	Appropriations (actual)	Estimated obligations	Carryover appropriations	Authorization	Appropriations (request)	Estimated obligations	Transition period[1]
CD block grants	2,550	2,495	2,495	0	3,000	2,550	2,550	0
Sec. 701 comprehensive planning	130	100	50	[2] 50	150	0	50	0
Policy development and research	([3])	65	57	[2] 8	([3])	57	65	16

[1] July 1 through Sept. 30, 1976.
[2] Deferred by President, effective Dec. 16, 1974.
[3] Open.

TABLE HUD-2.—HOUSING ASSISTANCE PAYMENTS

[In units]

	Fiscal year 1975			Fiscal year 1976	
	Units authorized	Estimated commitments	Carryover (units)	New units requested	Estimated commitments
Sec. 8 housing assistance payments [1]	400,000	200,000	200,000	200,000	400,000

[1] Actual number of units committed will depend upon ultimate use of Sec. 8 subsidies for new construction or rehabilitation (more expensive) versus existing housing (less expensive).

For the existing inventory of public housing projects now under management around the country, the budget proposes to increase operating subsidy funds for FY 76 by $75 million—up to a total $525 million. Distribution of these funds will be through HUD's recently-developed performance funding formula. Under the new budget control act, all previous "back door" contract authority, such as public housing funds, must now go "front door," meaning that Congress must give prior approval before the funds can be committed.

The two major low- and moderate-income FHA interest subsidy programs from the 1968 Housing Act would continue to remain essentially dormant, according to the Administration's plan. At the moment, some $264 million in Section 235 homeownership subsidy funds are frozen and the department remains adamant in its intention not to utilize those funds. For the Section 236 multi-family rental program, $181 million will be available and unutilized at the beginning of FY 76. However, HUD anticipates that all of these funds will have been committed by the end of FY 76 (approximately 70,000 units) in conjunction with its present policy of meeting bona fide commitments which the department incurred before the January 1973 moratorium.

TABLE HUD-3.—STATUS OF OTHER ASSISTED HOUSING PROGRAMS

[In millions of dollars]

	Fiscal year 1976 status of other assisted housing programs		
	Contract authority available	Estimated obligations	Carryover authority
Section 235 homeownership	264	0	264
Section 236 rental	181	[1] 181	0

[1] To be used for completing outstanding bona fide commitments; no new commitments will be made.

Comment

For the first time in the last five years, the Administration's proposed budget for HUD is relatively simple and straightforward with few, if any, surprises. This is in sharp contrast to the previous four budgets which had each been based in large part upon a series of legislative actions by the Congress, none of which actually occurred as projected. Instead, this budget is focused on the process of carrying out the new activities created by the 1974 Housing and Community Development Act.

For cities, the message is a mixture of satisfaction and disappointment. On the positive side, particularly in light of recent experience with HUD budgets, there is a certain relief that comes with a hold-the-line budget. The two major programs of the department—Community Development Block Grants and the Section 8 Housing Assistance Payments program—would be continued into FY 76 at about current levels. Since both are new programs, such an approach might appear satisfactory at first.

However, inflation and the increasing needs of the cities continue. In the case of the Community Development Block Grant program, the decision of the Administration not to seek a significant increase in funding in the second year, if upheld by Congress, will cause very serious problems. Moreover, it was generally understood at the time of the debate on the 1974 act that the Administration was prepared to support a series of annual increases in the funding of the program that would get it to the $2.9 to $3 billion level by the third year (FY 77). Indeed, HUD officials based much of the selling effort to the smaller, first-time CD communities that will rely on discretionary funds on the assumption that subsequent increases in the total appropriation would produce substantial discretionary funding resources for their needs.

Instead, with the first year of the new Community Development program at a level of $55 million below that authorized, there is now a probability that there will be little or no discretionary funds for first-time communities within metropolitan areas. The minor 2 percent rise proposed by the Administration in the second year will certainly be absorbed by the many "urban counties" whose entitlement amounts will double under the act in FY 76. One year without reasonable funds for discretionary communities is bad enough, two years would be intolerable.

Also bearing heavily on the negative impact of the Administration's proposal to hold-the-line on C.D. funds is the corresponding reduction being proposed elsewhere in the FY 76 budget in various urban-oriented social service programs, particularly in the area of health. Under the C.D. block grant program, communities are required to first exhaust other federal grant-in-aid sources for social services funding before using C.D. funds (other than for matching). As the alternative sources of these "software" funds decrease, the local pressures upon the limited C.D. block grant dollars measurably increase. For those communities with "formula" (rather than "hold harmless") entitlements, failure to increase the total national C.D. pot will hurt.

A parallel disappointment, and one possibly even more serious on a dollar-for-dollar basis, concerns the Section 701 comprehensive planning program. Recently, the 701 program has become one of the most valuable funding tools for local governments of all sizes and locations. The Administration's decision to cut the program in half—down to $50 million—and to eliminate the funding for cities over 50,000 population on the grounds that these communities can use C.D. block grant funds is disastrous. It is simply not true that C.D. funds may be used for the same purposes as 701 funds. A careful comparison of the two programs makes this point immediately. Moreover, the argument itself exposes a basic lack of understanding about 701. It is a capacity building, general planning and management tool, not a functional planning system.

The reduction in the budget for policy development and research is similarly troubling, since it comes at a time when new and better approaches to old problems are clearly needed. In periods of high stress such as the present, research funding should be increased rather than reduced.

The significance of the Administration's recommendations in the area of assisted housing is hard to judge with any precision, since the primary mechanism on which all bets have been placed is untried and is certain to have a rocky start. While cities will express disappointment at the reduced estimate of Section 8 units to be processed to commitment in FY 75, there are strong signs that even the projected 200,000 units will not be reached by this June 30.

All of this suggests that there should be a willingness to adopt some of the more important administrative changes that have been proposed in the design of the Section 8 program and to utilize the existing Section 235 and 236 programs in tandem with the new program—a more flexible strategy that this budget forthrightly rejects.

COMMUNITY SERVICES ADMINISTRATION

OEO becomes CSA

The budget of the former Office of Economic Opportunity, now the Community Services Administration (CSA), reflects the changes authorized in the recently enacted Head Start, Economic Opportunity and Community Partnership Act of 1974, and a cut of $57.8 million for FY 76 activities.

The law changed the name of the Office of Economic Opportunity. It also allowed the submission of a reorganization plan, currently being developed, which would transfer CSA to the Department of Health, Education and Welfare and the Title VII "Special "Impact" program for local community development programs to the Department of Commerce. CSA will continue to administer the Legal Services program until the new Legal Services Corporation is fully operating.

The CSA budget reflects some important reductions. Last year's budget requested no funds for OEO programs, a move strongly resisted by Congress, NLC, USCM, and other public interest groups and community organizations. The program level finally appropriated came to $420.8 million. This year's budget continues the phase-out of "categorical" programs within the CSA structure. The FY 76 budget indicates the following new steps:

Research development and evaluation

No funds are requested for R & D activities. During 1974 they were delegated to other federal agencies with statutory responsibility and funds were appropriated to these agencies (HEW, DOL, etc.) at a program level of $4.4 million for 1974 and an estimated $6.3 million for 1975. The FY 76 budgetary change completes the transfer of these activities and phases out R & D.

Community action operations

At the cutting edge of the "war on poverty" were the local community action organization (CAA's). They received the bulk of the former OEO budget and will get the majority of proposed FY 76 CSA spending. Total CAA "local initiative" funds will be reduced from $330 million to $295 million according to the proposed budget. The law authorizing the creation of the Community Services Administration also reduced the maximum federal share from 80 percent of programs or activities under this category to 70 percent in 1976. Thus, CAA activities could continue at the present level but local governments will have to increase their matching share. Exempted are CAA's whose annual operating level is $300,000 or less. In these cases, the federal share shall not exceed 75 percent of the total approved cost.

TABLE CSA-1.—COMMUNITY SERVICES ADMINISTRATION

[Obligations in millions of dollars]

Program by activities	Fiscal year— 1974 (actual)	1975 (estimated)	1976 (estimated)
Research and demonstration	4.4	6.3	----------
Community action programs	227.9	[1] 370.5	[2] 319.0
Community economic development	38.3	39.0	39.0
Legal services program	72.4	----------	----------
General support	4.6	5.0	5.0
Total	347.6	420.8	363.0

[1] Includes $330,000,000, local initiatives; $7,500,000, SOS; $90,000,000 SEOO; and $24,000,000 program administration.
[2] Includes $295,000,000 local initiatives; and $24,000,000 program administration.

Source: Fiscal year 1976 Budget Appendix, o. 864.

Other important changes in the CSA budget include the following:

Senior Opportunity Services (SOS)

No budget request was made. Last year SOS operated at a level of $7.5 million.

Funding of State Economic Opportunity Offices

No budget request was made. Last year, $9 million was spent for staffing and administration of SEOO's in 50 states, the District of Columbia, Virgin Islands, Guam, Samoa, and the Commonwealth of Puerto Rico. The budget reflects the insistence by the Administration that states and local governments pay the administrative costs for CSA activities.

The Youth Recreation and Sports program operated by HEW and Emergency Food and Medical Services which was funded for $22 million in 1974 will also be discontinued.

Community Economic Development

This program presently funds 35 grantees in urban and rural areas to stimulate economic development activities in minority and low-income areas. The legislation changing

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OEO to CSA also transferred the Title VII "special impact" program to the Office of Minority Business Enterprise in the Department of Commerce. The FY 76 Budget requests a total of $39 million for community development corporation programs.

Legal Services Corporation

Until the Legal Services Corporation (LSC) is operated as an independent agency and a board of directors is appointed, CSA will continue to have jurisdiction over LSC program activities. No budget request will be made until the new corporation is operating; current program levels are on the basis of a "continuing resolution" which sustains the present funding level.

Comment

While less stringent than last year's attempt by the Administration to phase-out completely the Office of Economic Opportunity, this year's budget proposals nevertheless will have a negative impact on the urban poor and the elderly, on research and development efforts in metropolitan areas and, finally, on the technical services given to Community Action Agencies by State Economic Opportunity Offices throughout the country. The new Community Services Administration and the present lack of direction on the reorganization plan ordered by Congress compound the present financial picture at the troubled agency.

The Administration proposes to eradicate the Senior Opportunity Services (SOS) program which serves the elderly poor in many metropolitan areas. A relatively small program, SOS allowed Community Action Agencies (excluded from consultation on the larger HEW aging programs) some "leverage" money to stimulate activities for the elderly.

The budget would cut off funds for the State Economic Opportunity Offices. These offices have provided the necessary technical assistance to CAA's in both urban and rural areas to develop new programs. They have acted as information points within specific geographic regions for CAA's.

The CSA's R&D activities, too, provided some financial assistance to urban governments seeking ways to solve the age-old problems of poverty with new approaches and new solutions. Even though most of the functions of R&D in the former Office of Economic Opportunity have been transferred, these special R&D funds permitted great flexibility and gave cities a valuable tool for developing new approaches to solving urban problems.

Finally, the proposed reduction of the percentage in the federal share constitutes another "squeeze" on local governments already hard-pressed because of inflation and other high costs of services, to continue the more than 900 local community action agencies across the country.

TABLE DA-1.—DRUG ABUSE BUDGET

[In millions of dollars]

	Fiscal year—			
	1973 OBL[1]	1974 B.A.[2]	1975 Res[3]	1976 B.A.[2]
Drug abuse prevention	$465.8	$510.4	$447.1	$443.8
Drug law enforcement	214.1	277.9	299.9	319.6
Total	679.9	788.3	747.0	763.4

[1] OBL—Obligations.
[2] B.A.—Budget authority.
[3] Includes Rescissions.

Note: These figures represent a composite of requested budget authorities for 21 agencies for prevention and 8 agencies for enforcement in both directed and non-directed efforts. These figures are not shown as line items in some agencies' budgets, but are estimates which change categories and are revised periodically. Therefore, the figures in a similar table in "The budget for fiscal year 1975" will differ in some instances from figures set forth in this table for fiscal year 1976 composites.

Source: Special Action Office for Drug Abuse Prevention.

DRUG AND ALCOHOL ABUSE

Drug abuse

The estimated budget authority of $763.4 million for federal drug abuse efforts for FY 76 is an increase of $18.3 million over FY 75. It represents a greater emphasis on enforcement programs but provides less for drug abuse prevention.

Prevention

$336.9 million are requested for prevention efforts in directed programs and $106.9 million for prevention support within larger federal programs. The National Institute on Drug Abuse (NIDA) will administer the major portion of the directed funds with a budget request of $221.8 million with $173 million to be available for community programs. Most efforts in cities are supported through treatment grants and contracts with the category of community programs in NIDA which is broken down as follows:

TABLE DA-2.—NATIONAL INSTITUTE OF DRUG ABUSE

[Budget Authority in millions of dollars]

	Fiscal year—		
Community programs	1974 carryovers and advanced funding	1975 BA[1]	1976 BA
Treatment grants and contracts	21+	[3] 105.0	122.0
Demonstration grants	---	12.0	11.1
NARA[2] contracts		1.2	1.0
Education grants and formulas		2.7	3.9
State formula grants		35.0	35.0
Total	21+	[4] 155.9	173.0

[1] Rescissions level which represents reduction of $1,123,000,000.
[2] Narcotics Addiction Rehabilitation Act.
[3] 126 equivalent.
[4] 176.8 equivalent.

Source: Special Action Office for Drug Abuse Prevention.

Treatment for ninety-five thousand persons is supported within the total scope of the community program. Eighty-seven thousand of the 95,000 treatment slots are within the treatment grants and contracts.

Requests for the remaining categories—education information, research, evaluation and planning direction support—do not differ significantly from FY 75 levels. In the area of training, however, $7 million less is requested, i.e., $3 million as compared to the FY 75 level of $10 million. The reduction primarily represents the elimination of regional treatment centers, with these activities being transferred to the National Drug Abuse Training Center.

As for preventive education, no funds are requested for the Office of Education to implement the Drug Abuse Education Act, as none were requested for FY 75. The $3.9 million requested for education programs are to be administered by NIDA and could be available directly to communities.

The Law Enforcement Assistance Administration (LEAA) within the Department of Justice will continue to administer the treatment alternatives to the Street Crime Program from its discretionary program budget with $3.7 million estimated for FY 76, which is $2.1 million less as compared to $5.8 million in FY 75.

The Special Action Office for Drug Abuse Prevention (SAODAP), which has coordinated federal prevention activities for the past three years, from the Executive Office of the President, will cease to exist June 30, 1975, when the Drug Abuse Office and Treatment Act of 1972, (P.L. 92–255), expires. Many of SAODAP's functions will be transferred to NIDA. P.L. 92–255 also authorizes the major portion of funds which NIDA administers.

Law enforcement

Of the total enforcement budget authority of $319.6 million, (not including prevention activities of enforcement agencies) $147.9 million is for the Drug Enforcement Administration (DEA) within the Department of Justice. This represents an increase of $15.1 million over FY 75 and is to be used for criminal enforcement primarily along the southwestern border to combat an expected rise in the availability of both Turkish and brown heroin. The estimates for drug enforcement activities of LEAA and other Justice agencies total $64.7 million with the major portion of the $13.8 million requested for the U.S. Attorneys and marshals for personnel to continue drug related prosecution.

Most of the remainder of the enforcement budget is accounted for through the following estimates: $42.5 million to the State Department, $42.6 million to the Bureau of Customs and $20 million to the Internal Revenue Service in the Department of Treasury. These FY 76 estimates are set at approximately the same level as in FY 75.

Comment

The $17 million requested increase for treatment grants and contracts (see Table DA–2) should be evaluated in light of the 10 percent decrease in the federal match for these funds which is to drop to 63 percent. Under the present 73 percent federal match (approximately $1,500 of the $2,100 necessary per annum per treatment slot), $130.5 million is estimated as necesary to continue the 87,000 treatment slots supported by NIDA administered treatment grants, which most directly provide services at the local level. The estimate does not take inflation into account or the anticipated increased need for treament which is predicted by SAODAP due to the growing infiltration of Turkish and brown heroin, as documented by both SAODAP and DEA. Also, at present most NIDA funded programs are operating at 100 percent capacity due to reallocation of unused treatment slots during the past year.

The federal government expects state and local government to allocate funds for the 10 percent reduction in the federal match. This expectation is based on the false assumption that state and local governments are in a "better fiscal position" than the federal government. Thus the federal government is pressuring local governments to provide additional support.

The Treatment Alternative to Street Crime Program, administered by LEAA, was conceived by SAODAP to provide treatment for all persons graduated from TASC programs. However, the recent shortage of treatment slots is making it difficult for NIDA to honor SAODAP's commitments, particularly since NIDA must provide a 90 percent match for any new grants. LEAA has developed TASC programs out of its 15 percent discretionary funds based on this commitment and does not want to continue the operational costs of TASC programs on a long term basis or to graduate clients where no treatment is available. State governments will be expected to assume costs for any TASC program in existence over two years.

The Administration is recommending that SAODAP be allowed to expire as part of a move to transfer to appropriate federal agencies the duties of all special offices operating from the Executive Office of the President. However, it is doubtful that NIDA will be able to assume the broad coordinating functions of SAODAP, operating as an agency four layers from the top of the Department of Health, Education and Welfare. There is also concern in some quarters that since the director of the DEA reports directly to the Attorney General, the enforcement aspect of drug abuse may receive more emphasis, particularly in view of the new heroin infiltration.

Extension of the Drug Abuse Office and Treatment Act is of major importance to continuing national, state and local efforts against drug abuse.

Alcohol abuse

The President's FY 76 Budget for the National Institute of Alcohol Abuse and Alcoholism (NIAAA) reflects a slight increase over last year's request. The requested funds, however, are to be used primarily for continuation grants rather than new starts. At the same ime, the FY 76 Budget calls for drastic rescissions in the FY 75 budgetary resources.

Rescissions

If the proposed reductions were to be accepted, the alcohol budget would diminish from a total of $165.8 million (including both the Congressional appropriations and remaining 1973 impounded funds) to $90.3 million. This would represent a cut of approximately $54.4 million, or one-third of the current budget authority.

Cities would be most affected by the proposed rescissions as project grants and contracts, which are the main source of funds for local programs, would be reduced from a level of $80.9 to $40.4 million. Since $16 million represents 1973 appropriations and cannot be reduced by the Administration, the actual revised 1975 Budget request for community projects and grants is $24.5 million.

TABLE AA–1.—FUNDS FOR ALCOHOL ABUSE

[In millions of dollars]

	Fiscal year 1974 actual	Fiscal year 1975 Request	Fiscal year 1975 Resources	Fiscal year 1975 Revised request	Fiscal year 1976 estimated
Research	$10.5	$10.4	$11.0	[1] 0.1	$9.0	$9.0
Training	6.9	1.9	11.4	[2] 3.7	1.9	7.0
Community programs: Project grants and controls	70.0	32.0	80.9	[1] 16.0	24.5	45.5
Grants to States	56.9	45.6	52.0	------	45.6	45.6
Management and information	8.8	9.9	10.4	[1] .2	9.2	7.1
Total[3]	153.2	99.9	165.8	[1] 19.8	[2] 90.2	114.2

[1] Represents 1973 appropriation restoration available for obligation until Feb. 7, 1975.
[2] Excludes 1973 appropriation restorations. With restorations, 1975 revised budget is $110,100,000.
[3] Totals may vary due to rounding.

Sources: Proposed Rescissions of Budget Authority, Report Pursuant to sec. 1013 of Public Law 93–344, rescission No; R75–70; Appendix to the Budget for Fiscal Year 1976, p. 402. Appendix to the Budget for Fiscal Year 1975, p. 410; Material submitted by the National Institute on Alcohol and Alcohol Abuse.

Budget request

The total budget request for FY 76 is $114.2 million, as compared to $99.9 million in FY 75. Project grants and contracts are aimed at improving the capability of communities to establish programs of alcoholism prevention, treatment and rehabilitation. The budget authority requested for these programs is $45.5 million, more than $32.1 million initially requested for FY 75. The FY 76 Budget will provide continuation funding for grants initiated in 1975 and before. Funds will provide up to 80 percent of previous funding levels for all categorical programs with the exception of Indian and poverty programs, which will be continued at 100 percent and 90 percent respectively. All other programs will be expected to obtain funding support from sources other than the federal government.

Research was decreased from $10.4 million to $9 million, and management and information from $9.9 million to $7.1 million. Grants to states remained at the same level ($45.6). The Administration will propose legislation for 1976 to require a non-federal match for formula grants. Training increased from $1.9 million to $7.0 million. In supporting alcoholism training projects, NIAAA intends to increase the number of qualified professional and para-professional personnel working in the field of alcoholism and to improve the knowledge of such persons as law enforcement officers and lawyers who come into contact with alcohol offenders. NIAAA is also establishing four area Alcoholism Education and Training Programs in different sections of the country to assess the localized need for manpower in alcohol programs.

Comment

Both the requested rescissions for FY 75 and the justifications for the FY 76 Budget clearly indicate the Administration's decision to require local governments, states and categorical programs to assume financial responsibility for the continuing cost of alcohol services. A significant part of the revised FY 75 budget for community projects and grants is focused on assisting cities, states and individual programs to establish the capacity for seeking non-federal funding, and to utilize resources such as third party payments in providing services. However, not all programs may have the time to obtain enough resources for their 20 percent contribution between FY 75 and FY 76.

Although alcohol abuse has been recognized as the nation's foremost health problem, and Congress has consistently passed high levels of funds for alcohol programs, the Administration has still chosen to reduce these funds. While all programs of the National Institute of Alcohol Abuse and Alcoholism are cut in the revised FY 75 Budget, the impact of reduced funds will be felt most heavily in the cities. If the rescinded funds for project grants and contracts were obligated, approximately 534 new projects could be awarded, as well as 168 renewed. Only 295 new awards will be possible under the rescissions.

ECONOMIC DEVELOPMENT ADMINISTRATION

The Public Works and Economic Development Act of 1965, through its creation of the Economic Development Administration and the Regional Action Planning Commissions, has as its purpose the strengthening of those local economies "suffering substantial and persistent unemployment and underemployment." While the program has been largely rural oriented and seriously underfinanced (approximately $3 billion has been appropriated since FY 65), it has given significant assistance to struggling urban economies.

In its Federal Budget for FY 75, the Nixon Administration recommended that EDA and the regional commissions be phased out and replaced by federal revenue sharing through block grants to states for economic development. That effort failed and Congress extended the Public Works Act for two more years. The 1975 EDA extension legislation also made several changes in the agency's program which could be beneficial to cities as well as other communities: new planning and capacity building grants for cities and other subfederal levels of government; an easing of the requirements for cities being designated for assistance; an improved business loan program more responsive to urban conditions; and a new economic adjustment program for state and substate jurisdictions. The total amount appropriated to EDA for FY 75 excepting funds for the regional commissions was $267.9 million. This latter figure assumes Congressional approval of a pending Administration rescission request of $2 million from EDA's technical assistance program.

For FY 76 the Administration proposes a budget of $314.3 million, an increase of $46.4 million, and an addition of 88 permanent EDA employees (see chart below). It should be noted that this budget includes the addition of funds for the newly created trade adjustment program established by the 93rd Congress in the Trade Adjustment Act of 1974. Nearly $36 million in trade adjustment monies are included. Thus, EDA's current programs will receive substantially less than the $46 million projected budgetary increase. Federal officials concede that the need for trade adjustment assistance is as yet unknown. Finally, the Office of Budget and Management continues to prohibit the release of nearly $150 million in accrued funds in EDA's revolving fund.

The following is an outline of the major program components of the proposed FY 76 EDA Budget.

Public works grants and loans

EDA's Public Works Program will undergo a substantial reduction of $32.2 million including the elimination of funding for the Public Worka Impact Program, which provides for short term labor intensive public works projects in high unemployment communities and neighborhoods. Urban communities have expressed general support for PWIP. The Administration maintains that public works are ineffective for the stimulation of emergency employment, and that programs involving federal project approvals should be de-emphasized. The public works programs have provided important assistance for local governments to install support facilities for business development, e.g., utilities, transportation improvements.

Business development

This program of business loans, loan guarantees and lease guarantees will be increased substantially by $35 million, including $17 million under the Trade Act of 1974 for firms adversely affected by import competition. It should be noted that in the past SMSA's have received far less money percentage wise from this title of the EDA program than from any other.

Planning, technical assistance, and research

EDA's planning budget will receive a net increase of $6.3 million, but that will include a reduction of $1.5 million in economic planning grants for cities and other substate jurisdictions. The technical assistance budget will receive a net increase of $2.7 million with the new monies going to a new $3 million program of technical assistance under the Trade Act of 1974, while the current technical assistance program suffers a $300,000 reduction.

Grants to States for supplemental and basic funding of EDA programs

The FY 75 EDA extension legislation established a new program of grants to the states for use in supplementing or making grants and loans for activities authorized under Titles I, II, and IV of the EDA Act, with the states providing 25% of the assistance. Funds are distributed among the states in proportion to the amount of public works grants each state has received since EDA was created. This program will receive a substantial increase of $7 million in FY 76.

Economic adjustment assistance

This program, begun in 1975, provides special economic development and adjustment assistance to states and local areas to assist them in meeting actual or threatened unemployment arising from increased competition from imports, natural disasters, environmental closures, defense closures and other impacts of federal action, and other economic adjustment problems resulting from severe changes in economic conditions. The program's budget will be increased by $26,250,000. It should be noted, however, that the FY 75 start up appropriation of $38,750,000 was a six months' appropriation, and the FY 76 $65 million budget also in-

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cludes $15 million for trade adjustment assistance.

Comment

While the Economic Development Administration survived Administration efforts to phase it out and replace it with a state oriented economic adjustment revenue sharing program, the proposed FY 76 budget for EDA indicates the persistence of Administration thinking: greater emphasis on assistance to states; a shift away from federal project approvals to revenue sharing; program decentralization; a shift to economic adjustment programs rather than longer term economic development; and continued limited financing of federal economic development efforts.

TABLE EDA-5.—ECONOMIC DEVELOPMENT ADMINISTRATION

[In millions of dollars]

	Fiscal year—			Change fiscal year 1975 to fiscal year 1976
	1974 (actual)	1975 (estimated)	1976 (estimated)	
Budget highlights: [1]				
Program level—				
Budget authority and administration	$240.5	$767.9	$314.3	−$46.4
Outlay	235.8	274.9	259.6	−15.3
Permanent employment	650.0	650.0	738.0	+88.0
Direct obligations by program: [2]				
Public works and business development	193,808	173,200	176,000	
Planning, technical assistance and research:				
Planning	7,739	12,200	18,500	
Technical assistance	17,765	7,300	10,000	
Research	989	500	500	
Subtotal, planning, technical assistance and research	26,493	20,000	29,000	
Grants to State for supplements and basic funding of title I, II, and IV activities (title III, sec. 304)		13,000	20,000	
Economic adjustment (IX)		38,750	65,000	
Total obligations	220,301	244,950	290,000	

[1] U.S. Department of Commerce "Fiscal Year 1976 Budget Outline," p. 17.
[2] "The Budget of the U.S. Government, Fiscal Year 1976, Appendix," p. 2-2.

The increase in EDA's FY 76 proposed budget is largely accounted for by the infusion of funds for trade adjustment programs. While our preliminary estimates suggest that SMSA's, which presently receive approximately only 25% of EDA funds, will receive the same dollar amounts in FY 76 as in FY 75, this will involve a severe reduction of monies available for on-going economic development activities, e.g., public works, economic planning, and technical assistance, and an increase in monies only for assistance for economic adjustment to external developments impacting local economics. The dollar amounts may remain relatively equal but the change in the budget's composition would be significant. With the requested 26.5 million dollar increase in its budget, the pivotal question is whether EDA's new economic adjustment program will become a program of short-term reactions to local economic crises, or a more flexible vehicle for long-term redevelopment of local economies, and hopefully, increasingly urban economies. The substantial increase in grants to states indicates the continued emphasis on strengthening the state role in economic development.

The Administration's overall economic strategy is also manifested in the EDA budget. Economic stimulation will be sought through assistance to the private sector, e.g., increases in the business development program, while public sector programs are curtailed, e.g., severe reduction in public works. While business development assistance, especially with the improved financing programs added in FY 75, is a valuable anti-recessionary and economic development tool, commensurate assistance is also needed for public sector infrastructure, technical assistance and economic planning to support local economic development. In line with its view that public works are a poor vehicle for emergency employment the Administration is also seeking to defer the $125 million accelerated public works program established by the Emergency Employment Act of 1974 (Title X) and to have those monies transferred to the public service employment program of the Department of Labor. In contrast, proponents of accelerated public works programs have indicated that such programs, while providing short term job opportunities, would also contribute to the long-term improvement of the national and local economies and increase long-term private sector job opportunities.

In contrast to the Administration's proposed EDA budget, mayors recently called for nearly a sevenfold increase in EDA's budget. This increase would include over $1 billion in additional funds for current EDA programs and $500 million for an anti-recessionary accelerated public works program.

EDUCATION

For FY 76 the President is requesting a total budget authority of $6.086 billion, a decrease in funding of approximately $400 million. Cuts in elementary and secondary education programs (down $291 million) account for approximately three-fourths of the decrease.

Rescissions, deferrals and reductions

At the same time the President has decreased the education budget, he has sent to Congress proposals to rescind or defer another $660 million of appropriated FY 75 education funds. If Congress should support these requests, educational funding would decrease by more than $1 billion. In particular, the President has proposed rescissions of $35.9 million in elementary and secondary education ($21 million will come from Bilingual Education and Follow Through funds); $102.5 million in education for the handicapped; $39.7 million in occupational, vocational, and adult education; $58.3 million in higher education; and $49.4 million in library resources

Deferral proposals amount to $374.3 million: higher education basic opportunity grants, $298.7 million; higher education construction, $72.8 million; and library resources, $2.8 million. These proposals represent one-half of the rescissions and deferrals proposed from all HEW funds.

Advance funding for consolidated programs

With an overall decrease of $400 million, no programs will be significantly increased in FY 76. Support and innovation for elementary and secondary education increased by $41 million but that increase is based on approval of a $9 million rescission in funds for strengthening state departments of education. Grants for the Disadvantaged increased by a mere $24 million; Education for the Handicapped increased $24 million, while at the same time the President has proposed a rescission of $102.5 from FY 75 funds and FY 76 advance funded monies.

Legislation supporting the consolidation of programs in elementary and secondary education was passed in FY 75. The FY 76 budget reflects this by providing funds to trigger the consolidations and provide advanced funding for the programs. In addition to the $6.086 billion requested for the Office of Education, $2,328 billion in advance funding has been requested. The programs for which advance funding is requested, at FY 76 levels, are Grants for the Disadvantaged, Consolidated Programs (elementary and secondary education), Education for the Handicapped, Adult Education, and Libraries and Instructional Resources.

Programs maintaining fiscal year 1975 levels

Other elementary and secondary programs are funded at FY 75 levels, which, due to inflation will be viewed by some as a decrease. Of particular interest in this category are Bilingual Education (with a $15 million rescission proposed); Follow Through (with a $6 million rescission proposed); and Vocational Education (with a $39.7 million rescission proposed and the introduction of new legislation to consolidate programs, the result of which will increase the non-federal dollar share).

Emergency school aid

Funding for the Emergency School Aid program continues to be an unresolved issue. Congress has not yet passed an appropriation for the program which is currently operating under a temporary continuing resolution. The continuing resolution funds the program at $234 million, which is at a much higher level than the President proposed. The Administration wants to reduce the level to $75 million. Its rationale is that funds can be targeted to those school districts with the greatest need of desegregation assistance rather than allocations being based on state apportionment formulas. At the same time, the Administration has indicated that if the continuing resolution becomes the budget authority for Fy 75, rescissions of continuing resolutions will also be proposed. If approved, the rescission would reduce federal spending by $159 million.

Impact aid

The proposed Impact Aid legislation would reduce FY 76 budget authority by $390 million and reduce outlays by $270 million.

Library resources

The President will also propose legislation in the area of Library Resources. This legislation will support the integration of library and information services as well as new methods of delivery of library services.

Higher education

Although higher education fared rather well in FY 75, this is not the case for FY 76. Student assistance funds, which accounted for the major portion of the increased funds in higher education last year have been decreased by some $122 million. This $122 million is a net decrease resulting from the following changes in funding: Supplement Opportunity Grants of $240 million are to be eliminated; the Direct Loan program is to be reduced to $9 million, a reduction of $320 million; and Work-Study funds are to be reduced by $50 million. These reductions amount to $610 million. Of this $610 million reduction, only $488 million will find its way back into Student Assistance programs. Basic Opportunity Grants will increase by $390 million; Guaranteed Loans will increase by $74 million (the President has also requested supplemental appropriations in FY 75 of $150 million for this program); and Incentive Grants for state scholarships will increase by $24 million

TABLE ED-1.—ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

[Budget authority in millions of dollars]

	Fiscal year 1974	Fiscal year 1975		Fiscal year 1976
		Enacted	Revised	
Elementary and secondary education:				
Grants for disadvantaged	$1,719	$1,876	$1,876	$1,900
Advance for 1977				(1,900)
Support and innovation	173	141	132	173
Advance for 1977				(173)
Bilingual education	58	85	70	70
Right to read	12	12	12	12
Follow through	53	53	47	42
Education broadcasting facilities	13	12	7	7
Environmental education	2	2	2	
Drug abuse education	6			
Subtotal, ESEA	2,036	2,181	2,146	2,204
Impact area aid	593	656	656	266
Emergency school aid	258	[1] 102	102	102
Education of the handicapped	148	200	147	[2] 175
Occupational, vocational, and adult	692	678	639	[3] 644
Indian education	42	42	42	42
Total	3,769	3,859	3,732	3,433

[1] $75,000,000 of estimate pending before Congress.
[2] Does not include $50,000,000 advance funding (fiscal year 1977) for State grants.
[3] Does not include $68,000,000 advance funding (fiscal year 1977) for adult education.

Research

The federal role in education, as viewed by the Administration, is devoted to developing and encouraging improvements in the educational process through research, innovation and reform, extending and assuring equal educational opportunity, and supporting projects that will enable the states to improve their capability to provide and finance educational activities. The FY 76 Budget indicates that requests for the National Institute of Education have been increased from $70 million in FY 75 to $80 million. Additional authorizing legislation appropriating $357 thousand for FY 75 research will be proposed. The National Center for Education Statistics, created by the Education Amendments of 1974, will be funded at an increase of $7.6 million over the FY 75 request of $9.1 million; and $17.6 million is requested for the fund for the improvement of Post-Secondary Education. Overall, funds for research in education will more than double in FY 76 increasing from $119 million in FY 75 to $254 million in FY 76.

The FY 76 budget provides about $39 million for innovative and experimental programs authorized under the Special Projects Act included in the Education Amendments of 1974. The FY 75 budget included $18 million for some of these activities which were formerly conducted under the Cooperative Research Act which has been repealed. The Special Projects Act is designed to support experiments with new educational and administrative methods and techniques, and to meet special educational needs and problems.

TABLE ED-2.—HIGHER EDUCATION

[Budget authority in millions of dollars]

	Fiscal year—			
	1974	1975		1976
		Enacted	Revised	
Student assistance:				
Basic opportunity grants	$475	$660	$660	$1,050
Supplemental opportunity grants	210	240	240	
Direct loans	293	329	329	9
Other student assistance	908	750	900	948
Total, student assistance	1,686	1,979	2,129	2,007
Other higher education	2,021	2,255	2,345	2,213
Total	3,707	4,234	4,474	4,220

Comment

The Administration's FY 76 budget for education again clearly indicates the federal government's continued position that education is the responsibility of states and local governments. At the same time, local education agencies generally have been experiencing a hold-fast, if not a decline in the states' support for local education.

Consolidation of elementary and secondary programs will be completed during FY 76. At best it can be said that the Administration has continued advanced funding for these programs. Whether or not the level of funding is sufficient to have an impact on monumental urban education problems remains to be seen. Regardless, they are not of the nature to relieve the present "financial crunch" urban education agencies are experiencing today, particularly in terms of basic operating expenditures.

As usual, because all education funds are controllable funds (Impact Aid being the only exception) money for education along with other social programs, continues to suffer first and severely when there are cutbacks in federal spending. This year the crunch will be particularly severe because of increased energy costs. Because the vast majority of the nation's local education agencies are financially autonomous, they will be greatly affected by increased energy costs and will be pressing for federal financial support to offset their increased costs.

The Administration's proposed change in the Impact Aid program can have a tremendous effect on the general operating revenue of local education agencies. Impact Aid represents one of the few programs that provides unrestricted funds to school districts. A decline in these funds will place an additional and unnecessary burden on urban school systems already plagued with financial dependencies and no new sources are on the horizon to raise additional funds.

The Emergency School Aid program is again challenged by the Administration. The Administration argues that allocation of these funds should be based on need, not on a formula and that local education agencies must develop definitive plans for the use of these funds in assisting school desegregation. The shift in allocation criteria again raises the question of the Administration's level of commitment toward eliminating the occurrence of other Bostons and it places the tough responsibility for initiating desegregation activities on the local school district.

The court decisions affecting education for the handicapped have only exposed the top of the iceberg. Many more federal dollars are going to be needed to assist local education agencies in meeting their responsibility for educating this segment of the urban population.

The greatest need for education funds is at the elementary and secondary levels—in the public schools of the nation's cities—not in higher education. Based on a need factor, higher education receives a disproportional share of the federal education dollar.

EMPLOYMENT

Manpower Training and employment programs

The President's FY 76 Budget calls for an appropriation of $2.4 billion for programs funded under the Comprehensive Employment and Training Act (CETA) of 1973. This is the same level of funding for CETA (excluding Title VI) as is presently in place after the December Labor-HEW appropriation. Title I of CETA would require $1.6 billion, Title II $400 million, and Titles III and IV $414 million, all of which equal current funding levels. Title I funding includes comprehensive manpower services and summer youth employment programs. Title II of CETA provides public service employment activities, and Title III monies for support manpower activities to special target populations. Title IV of CETA represents the nationally operated Job Corps Program.

Title I

Out of the $1.6 billion available for Title I activities, 80 percent, or $1.3 billion, will be distributed among prime sponsors through the Title I formula. The remaining funds will be used to maintain the 90 percent hold harmless requirements, provide bonuses to promote consortiums of local jurisdictions, supplement vocational education activities, support state manpower services councils, fund manpower activities through the states, and to provide other activities at the Secretary's discretion.

Emergency employment

The FY 75 appropriation of $875 million for the Emergency Jobs and Unemployment Assistance Act of 1974 is incorporated into the President's FY 76 budget as outlays. The Budget proposes transfer of $125 million appropriated for Title X of EDA (for public works projects) to Title VI of CETA. The budget anticipates therefore, that $1 billion in funds will be available for public service employment under Title VI in a time frame of calendar year 1975. Of this amount, it is estimated that $350 million will be consumed by June 30, 1975, and that $650 million will be available during FY 76. No FY 76 funds are being requested for Title VI pending an evaluation of the nation's needs and the program's success.

In addition, no funds are being requested for any further extensions of the Emergency Employment Act of 1971. Total new funding being requested by the President for public service employment in FY 76 thus amounts to $400 million, solely for Title II of CETA.

Job Corps

The budget reflects anticipated outlays during FY 76 of $171 million for the Job Corps Program, compared to $175 million in FY 75. The President's budget, therefore, requests a reduction of $4 million in funding for this national program.

Comment

The President's budget reflects two basic considerations of the Administration: the projection of significant amounts of carryover funds from FY 75, and a cautious, wait-and-see attitude toward public service employment. The manpower budget request also ignores the impact of a rate of inflation of 12.2 percent on manpower activities.

A $2 billion level of FY 75 public service employment activity is proposed to be refunded with a $400 million FY 76 budget request. Even with projections of carryover funds, this request would barely suffice for an orderly phase-out of the project, when reality calls for its immediate and substantial expansion. The failure to take early recognition of the problems of the unemployed and deal effectively with them can only lead to a severe reduction in our capacity to respond to an urgent national crisis that is growing worse, not better.

The proposed level of public service employment activity could result in lay-offs of workers in these programs as early as June, 1975. With most projections calling for a prolonged downturn in the economy this prospect is unacceptable.

The following table compares FY 75 public service employment resources with the President's 76 budget:

TABLE M-1.—PUBLIC SERVICE EMPLOYMENT RESOURCES

[In millions of dollars]

	Fiscal year—	
	1975 (actual)	1976 (estimated)
CETA, title II	[1] $780	$400
CETA, title VI	875	
Proposed transfer from title X of EDA to title VI of CETA	125	
Emergency Employment Act of 1971 (PEP)	250	
Total	2,030	400

[1] Includes $380,000,000 of fiscal year 1974 title II funds that were allocated in effect during fiscal year 1975.

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Should no resources beyond the proposed $400 million be made available to CETA prime sponsors during FY 76, slowdowns in hiring under existing resources would begin to occur within the next few months. This would be extremely detrimental to the nation's unemployed, but necessary if prime sponsors are to avoid mass layoffs of public service workers. The current pace of hiring is extremely rapid and participation in the programs is expected to peak at 320,000 by April, 1975. This peak would then fall-off precipitously unless additional resources were provided. More unemployed must be served if this effort is to be at all meaningful, yet as their needs grow, the President's Budget would only reduce the resources available to serve them.

Under the Budget, CETA manpower training efforts in urban areas also would suffer at a time of rapidly expanding needs. CETA Title I funding of $1.6 billion, while equaling the FY 75 level in total, does not mean that prime sponsors will be receiving the same allocations as last year. The Title I formula will continue to reduce the funding levels of most major cities through the 90 percent hold harmless provision of the Act.

In light of the above discussion, the expectation that prime sponsors will fund summer youth employment and recreation programs from future and existing Title I resources is ludicrous. Unemployment among youth is soaring and may reach 50 percent in urban areas by this summer. In failing to request a supplemental appropriation for the summer of 1975 or to seek budget authority for a summer of 1976 program, the President's budget plainly disregards the enormous needs of this group.

It is clear that despite Administration statements to the contrary, public service employment and certainly manpower training are not reflected in the budget as part of the President's anti-recession program.

Related manpower programs

In related areas, the Budget reflects deferral of funds in one program while requesting a continuation of others at current operating levels.

A budget authority request of $218 million is sought for the Work Incentive Program. The requested amount and projected carryover funds will sustain the program at the FY 75 level of $315 million. Since FY 75 operations were conducted largely with FY 74 carryover funds, a $93 million increase in the Department of Labor's authority and a $27 million increase in authority for the Department of Health, Education, and Welfare portion of the program are being requested.

The budget proposes an increase of $116 million for the Occupational Safety and Health Administration, including $5 million to provide on-site technical assistance to small employers, $2.5 million additional for state administered programs and $6.2 million for 300 new compliance officers.

To cushion the impact of statistics gathering in light or emergency employment legislation, the budget requests authority of $31.7 million, a $7 million increase over FY 75, to improve statistics gathering activities.

A budget request of $79.7 million, an increase of $3.6 million, is included for employment standards and equal employment opportunity activities. The increase is to be used primarily for an additional 200 compliance officers.

The Budget requests a rescission of $12 million for public service employment under Title X of the Older Americans Act—the entire amount appropriated for FY 75.

An additional $36 million has been requested for Special Workers' Compensation Benefits, increasing its budget to $201 million.

To administer the Department of Labor's portion of the Employee Retirement Income Security Act of 1974, the budget requests an addition of $4.9 million to be incorporated into a $42 million request for labor-management services.

The Budget also requests a $5.1 billion FY 75 supplemental appropriation for advances to the Unemployment Insurance Trust Fund. No new budget authority is requested for payments to workers not previously covered by unemployment insurance, as provided by the Emergency Jobs and Employment Assistance Act of 1974.

Summer youth programs

While the Department of Labor anticipates a 1975 summer youth employment program of approximately the same magnitude as last year (710,000 slots at a cost of $380 million), there are no specific funds earmarked and the budget states that a supplemental appropriation will not be sought for either summer 1975 or summer 1976. CETA prime sponsors are expected to fund summer youth programs out of existing CETA Title I allocations and surplus carry-over funds accruing from FY 75 CETA operations.

The Recreation Support Program is also not reflected in the budget this year. The new Community Services Act of 1974, transferred this program from the Department of Labor to OEO. OEO, however, has not proposed any funding for recreation support during FY 76. This program received $17 million during FY 75.

Comment

Rapidly rising unemployment rates and deteriorating economic conditions will have a severe impact on joblessness among youth this summer. With projected increases in the number of disadvantaged youth and alarming numbers of lay-offs in both the private and public sector, an unemployment rate of 50 percent or more is anticipated among disadvantaged youth this summer. Cities have estimated that they can effectively employ 1.2 million youth at a cost of $650 million (at the new minimum wage rate of $2.10 per hour). A supplemental appropriation in this amount that specifically addresses the growing crisis of youth unemployment is essential if there is to be a summer program of meaningful magnitude. The recent enactment of the Emergency Jobs and Unemployment Assistance Act of 1974 responded to the needs of the rapidly increasing ranks of unemployed adults. A similar response is necessary to meet the separate crisis of youth unemployment.

ENERGY

Energy programs

Energy is one of the central issues of the President's FY 76 Budget. President Ford proposes:

An excise tax on imported oil of $2.00 a barrel;

An excise tax on domestically-produced petroleum and natural gas;

Decontrol of oil prices;

A windfall profits tax;

Deregulation of prices on new natural gas;

Leasing of off-shore oil and gas resources on the outer continental shelf;

More extensive use of the naval petroleum reserves;

Conversion of utilities from oil to coal;

A petroleum storage system;

An expanded research and development program which focuses on nuclear and non-nuclear resources;

Amendments to the Clean Air Act which would permit deterioration of air quality standards;

A five-year moratorium on automobile emission standards;

An $80 rebate to non-taxpayers for increased energy costs;

A low-income energy conservation program;

National mandatory thermal efficiency standards;

Energy facility siting legislation which would allow state override of local land-use decisions in facility siting;

Mandatory appliance and automobile efficiency labelling;

Decreased individual and corporation income taxes;

An income tax credit of 15% of expenditures on energy-saving home improvements;

A five-year moratorium on auto emission standards;

A two billion dollar payment to state and local governments; and

A three billion dollar payment to federal agencies.

Energy policy

This program is designed to reduce our dependence on foreign oil by raising the cost of energy in every sector of the economy, thus encouraging conservation through price rationing. The effects of the rising prices are expected to be modified somewhat by the tax cuts and rebates to corporations and individuals. These various payments are not viewed as an economic stimulus but as one part of an energy strategy which will reduce energy consumption without undue hardship upon any one sector of the economy.

The loosening of environmental standards, the leasing of federal lands, and the energy facility siting legislation all are efforts at increasing the domestic supply of energy. The Administration feels that the energy needs of the country warrant a slowing of the environmental gains made during the past decade.

The efficiency labelling and the mandatory thermal efficiency standards both attempt to increase conservation through public education and through energy efficient building codes.

Research and development

In terms of budget impact, the proposed energy research and development budget is among the more important aspects of the President's energy proposals. It serves to point out the direction in which the Administration feels that we as a nation should travel.

The FY 76 budget allocates $2.2 billion to federal energy programs representing a little more than one-half of one percent of the total federal budget. This budget will meet programmatic needs in four broad categories: general operating programs ($478 million), regulatory programs $164 million), uranium enrichment ($738 million), and research and development program ($1.7 billion).

"The funds for energy R & D . . . will be in research and development with the newly created Energy Research and Development Administration (ERDA) responsible for over 90% of energy research funds.

"The funds for energy R & D . . . will support a broadly based and balanced development effort on technologies for energy supply, environmental control, and conservation" (Special Analyses, p. 253). Within ERDA, the budget allocates the agency's funds as follows:

TABLE EN-1.—ENERGY RESEARCH AND DEVELOPMENT OPERATING EXPENSES

[In millions of dollars]

	Fiscal year—	
	1975	1976
Petroleum and natural gas	$17.3	$23.7
Oil shale	3.5	8.1
Coal	174.2	311.3
Solar energy	8.8	57.1
Geothermal	13.8	28.3
Advanced energy systems	12.3	23.2
Physical research program	281.6	312.5
Electric power transmission	6.4	11.8
Advanced automotive power systems	4.5	8.3
Energy storage systems	5.8	9.1
End-use conservation		3.0
Fusion power R. & D.	85.0	120.0
Fission development programs	1,235.5	1,513.9
Weapons R. & D.	819.9	873.5
Other national security	47.3	64.9
Environmental and safety research	165.0	197.7

Source: ERDA press release, Feb. 1, 1975.

The research and development effort is divided into five major areas.

Fossil Energy—This program is intended to stimulate increased energy supply from oil, gas, and coal. The major programs within this area are coal liquefication, tertiary recovery methods for oil and gas fields, adaption of low quality synthetic fuels for automobiles, and in site production of oil and gas from oil shale.

Solar and Geothermal Energy—This program will be conducted to establish the economic viability of solar energy in the heating and cooling of buildings and wind conversion. The geothermal program will continue to develop the technological base necessary to stimulate the generating of electricity in substantial amounts by 1985.

Nuclear Energy—This program will accelerate the development of fusion power technology. The program will also continue to increase the support of existing and developing fission technologies.

Environmental and Safety Research—This program will continue to study the effects of energy production on living systems. The effort will primarily focus on the effects of fission technology in the production of electricity.

Conservation—Program emphasis is on improving the efficiency of electric power transmission, advanced automotive power, and storage systems.

COMMENT

President Ford's proposals for increasing the nation's energy supply within the context of the nation's immediate needs and within the context of the long term needs of the country appear to be misdirected.

There is no question that if we are to reduce our energy consumption it must be done through the economy and include all forms of energy. The President's proposal, which will raise energy costs through oil taxes and the gas deregulation, is aimed at this reduction of consumption. But the questions remain: does the President's proposal reduce consumption equitably? and, can our already depressed economy stand the shock of such drastic price hikes in so short a time?

In terms of equity, the President's energy proposal falls for at least four reasons:

1. It raises prices for goods and services which are inelastic for the low income groups without providing enough support to offset the increases.

2. It affects regions of the country disproportionately without a similarly disproportionate tax rebate system.

3. The distribution of rebates to cities is not based upon a formula which bears any relation to the differing impact of the energy crises upon cities.

4. It does not provide relief to school systems.

It is difficult to judge the ability of the economy to stand the strain of this policy, but estimates place the direct costs of the President's proposals at over $50 billion. The proposals return $30 billion through various mechanisms leaving the economy and the consumer with a $20 billion shortfall and a national deficit of $30 billion.

The proposed strategy for increasing energy supply through the loosening of environmental standards and the leasing of federal lands appears to indicate a serious change of policy on the part of the federal government. The League and the Conference are committed to a policy of developing environmentally safe sources of energy. Thus, the amendments to the Clean Air Act, the conversion of utilities, the leasing of off-shore drilling rights, and the five-year moratorium on auto emission standards appear to eradicate much of the progress made during the past 10 years of increasingly stringent environmental protection. No one can argue our need to develop domestic energy resources, but there can be no excuse for degrading the environment for the sake of cheap energy.

The environmental gains this country has made have been hard won, and we should not sacrifice them in a frenzy of energy development.

The President's research and development proposals appear to be the most misdirected of the energy proposals. The R & D budget is almost entirely production oriented. Of the more than $4.2 billion allocated to ERDA for FY 76 only $3 million will be committed to research on end-use conservation. This budget must cover residential, commercial, and industrial conservation research. It appears that the President not only expects the public to use less energy, but also expects it to do without the benefit of conservation research.

The FY 74 Budget proposed to provide adequate, reasonably priced, clean energy through the energy R & D programs. In that year, and in every succeeding year, we have witnessed an ever quickening march in the opposite direction with only a slight hesitation for FY 76. The energy R & D effort puts 60% of its resources into nuclear development allocating $120 million to fusion development and over $1 billion to fission R & D even though the promise of nuclear fission has dimmed as we have seen billions of dollars invested in nuclear power plants which are inefficient, unpredictable, and constantly threaten disaster. Not only are the plants cost-inefficient but the ever-increasing wastes from these plants continue to present an insoluble disposal problem. Fusion offers promise, but not without a greater commitment than the federal government has been willing to make.

But nuclear power is not the only environmentally dirty power source being invested in by the federal government: oil shale, coal development, and off-shore drilling have also received a disproportionate share of resources given their rather limited promise for long-term usefulness and acceptability.

For years, the League and the Conference have called for an energy research budget which more clearly meets the needs of the American people. The nation needs a budget which for the short term focuses on conservation—not production—and for the long term, develops a broad based program for clean energy—not the environmentally dangerous development of fission and other destructive technologies to the exclusion of more acceptable technologies.

This year the budget proposes an over 500% increase in funding for solar and geothermal energy, but still only commits 9% of the total R & D budget to the development of these inexhaustible sources of clean, inexpensive energy.

Cities are by nature energy conserving. Their concentration of human and physical resources guarantee energy efficiency. Population density reduces travel distances and makes possible the use of mass transit. Housing concentrations limit energy use and transmission costs. And in cities the existing physical facilities are well-used, reducing the need to expend scarce energy on the creation of new facilities.

Not only are cities by nature energy conserving, but city governments have shown their ability to reduce urban energy use even further. While city fuel costs have risen 90%, cities have managed to keep the increase in their expenditures for fuel to 45%. The proposed federal energy policy acts contrary to the nature of cities and the efforts of city governments ignoring a cooperative approach to the problem. Instead, it works at cross purposes to local governments, forcing higher taxes and reduced services at a time when people should be encouraged to live in cities.

ENVIRONMENT

The FY 76 Budget provides for an increase of $47 million in authority for the Environmental Protection Agency (EPA), raising the total of its operating budget to $743 million.

Water pollution control

The EPA will allot $4 billion to states next week for further construction of water pollution control facilities. The money will not be available for obligation, however, until the beginning of the next fiscal year. This will bring the total amount of funds obligated under Section 207 of the Water Pollution Control Act Amendments of 1972 to $13 billion. The act authorized $18 billion, which was to be obligated over three years concluding with the current budget cycle. During FY 76, EPA expects actual construction activity to substantially increase. Figures listed below indicate that the level of funds obligated for reimbursement purposes was substantially lower during the current fiscal year, thus making available more dollars for new construction activity which will actually be initiated during the latter half of 1975.

TABLE ENV-1.—EPA CONSTRUCTION GRANT AUTHORIZ A TIONS BY TYPE OF EXPENDITURE

[In billions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
New construction	1.541	3.550	5.200
Reimbursement	1.249	.541	

Source: EPA fiscal year 1976 Budget Briefing Document, Feb. 1, 1975.

The EPA water quality operating budget reflects a fundamental realignment of staff effort from permit issuing to compliance enforcement and monitoring. Along with this is an increasing emphasis on improving the management and administration of the construction grants program. A reduction of 151 persons is sought in those functions involving permit issuance. In contracts, the grants, administration, and related enforcement activities have been substantially increased. EPA indicated in a special briefing session that the agency had completed permit work for 94 percent of major industrial and 88 percent of major municipal users as of Jan. 1, 1975, thus justifying the shift.

EPA operating programs

The EPA's operating budget will be increased by $47 million from $696 million for FY 75 to $743 million for FY 76. Over half of this increase is due to the enactment of a Safe Drinking Water Act during the last session of Congress. Other significant increases include: $3.6 million for construction grants management; $4 million for noise abatement control; $10 million for pesticides; and $14 million for management and support. This budget reflects the emphasis placed on improved management of the wastewater construction grant program discussed above, increased technical assistance to farmers and other crop growers who must comply with pesticide standards during the ensuing fiscal year, and implementation of a new water supply program.

Air pollution

The proposed $140 million air budget represents a decrease of almost $12 million. The decrease is primarily attributed to a reduction in commitment to stationary source pollution control technology research. This reduction, however, does not reflect a lack of emphasis on pollution control technology. Rather it is indicative of the fact that the first phase in a series of research efforts in this area undertaken during the current fiscal year was a capital intensive and non-repetitive one.

Grants to pollution control agencies will remain the same at $51.5 million, while technical assistance and training grants will be reduced somewhat below their FY 75

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level of $10.3 million due to a transfer of several functions, including the advanced automotive power systems program to the newly created Energy Research and Development Administration.

Funding for 11 new positions has been requested for the assembly line monitoring program aimed at reducing the number of automobiles shipped to cities which have inadequate emission control devices.

Solid waste management

The Administration's FY 76 budget request for EPA's solid waste management program, including resource and energy recovery, is $ million. The entire proposed increase of $2 million will be applied towards the development of guidelines for the disposal, storage, treatment, and transport of hazardous wastes. This continued narrow focus of EPA's solid waste program will attempt a further classification of hazardous materials by their types and sources. In addition, EPA desires to identify the potential health effects of hazardous wastes and to study various approaches aimed at controlling hazardous waste pollution. The budget provides an increase of 10 fulltime positions for the Office of Solid Waste Management Programs for these purposes.

The remainder of this year's budget request is expected to support program components similar to FY 75. No new resource or energy recovery demonstration grants are planned, despite a continued emphasis on technical assistance to cities, counties, and states beginning resource recovery programs. In addition, the Administration did not request funds for planning demonstration and construction grants for conventional solid waste systems.

Water supply

The budget request of $32.3 million for the water supply program represents an increase of almost $25 million over FY 75. Most of the money will be used to carry out the newly enacted Safe Drinking Water Act. In the aggregate the Administration has requested $24 million out of $78 million authorized by the act including $10 million out of $15 million authorized for state program grants, $2.9 million out of $15 million authorized for health research, and $4.3 million out of $15 million authorized for control technology development. Although the act specially authorizes the appropriation of $40 million for technical assistance and training for local government agencies, the Administration has requested less than $10 million.

Noise abatement control

The noise budget request has been increased by $4.9 million over FY 75. This increased authority will be used to speed up the issuance of guidelines and regulations under the act. Thirty-two additional staff persons would be authorized; 20 to work on the development of standards and 10 to be dispatched to the 10 regional offices.

Parks and recreation

The Land and Water Conservation Fund administered by the Interior Department's Bureau of Outdoor Recreation would again be funded at its ceiling level of $300 million. Of this $175.8 million would be available for matching grants to state and local governments for outdoor recreation planning, land acquisition, and development of facilities, and $117.9 million would be spent by federal agencies to expand various recreational opportunities.

Comment

This year's EPA budget, like some new domestic programs, appears to have been "held harmless," in any other budget year, perhaps, a level of funding such as contemplated by the Administration for environ- ever, requirements imposed on local governmental programs would be satisfactory. However, by federal environmental statutes make this year quite different from all others.

Of paramount concern to cities is the Administration's recent proposal to place a five-year moratorium on automobile emission standards. This would insure that the nation's localities will suffer a larger amount of noxious emissions from automobiles than is technologically necessary. At the same time, the Administration has failed to request an increase in the pollution control technical assistance program to aid cities in the development and implementation of air control plans. As of June 1, 1975, cities will have to implement indirect source reviews for all new construction activity. Transportation control plans with parking management requirements will also be in effect. These two requirements will be a tremendous burden to cities both from an economic and a technical point of view, and adequate financial assistance should be provided to help in carrying out these federal programs.

The second most distressing item in the EPA budget again is the miniscule budgetary request for solid waste management. The nation is in a period of economic ill health due to a number of related factors, not the least of which is an imbalance in the demand for and supply of energy. Solid waste activities, because of that commodity's great potential as a supplemental energy source, should be funded at a level at least 50 times what the current budget calls for, rather than ignored in the absence of any prior congressional initiative.

The Safe Drinking Water Act, signed by the President in December of last year, places onerous reporting, monitoring, and economic burdens on localities. Realizing this to be the case, Congress established a series of program grants and technical assistance programs aimed at helping states and localities comply with federal drinking water standards. The Administration proposes to spend less than half of the state program grant money and less than one-fourth of the technical assistance dollars during FY 76. Furthermore, the $50 million water facility construction loan program has been completely ignored, with Administration spokesmen indicating that they "may" deal with this issue in a supplemental appropriation request later this year.

Finally, the funds authorized to assist organization of localities in the first year of comprehensive areawide planning under the complex and often delayed procedures governing the Section 208 (Water Pollution Control Act) program will expire at the end of the present fiscal year. Only $53 million has been requested for FY 76, and only $123 million out of the $150 million appropriated for FY 75 will be expended. This phasing down of Section 208 funding comes at a time when many localities have begun to overcome the deliberate inertia injected into the program by the Office of Management and Budget (which opposes this type of funding) and could prove to be disastrous to the program's already failing health.

FOOD STAMPS AND NUTRITION PROGRAMS

Food stamps

Proposed USDA regulations, effective March 1, will reduce food stamp outlays by $217.3 million over projected FY 76 figures and by $61.4 million over estimated FY 75 outlays. The proposed regulations would require all eligible food stamp families to pay 30 percent of their income in order to receive their full coupon allotment. These regulations would lower income limits for food stomp elegibility, reduce net benefits for people who do qualify, and discourage the participation of marginally-eligible families and individuals in the program. Congress has overwhelmingly approved and sent to the President legislation prohibiting any change in the food stamp program, thus freezing for all of 1975 the amount of payments at the Jan. 1, 1975 level. Most observers feel that a Presidential veto is unlikely.

In other food-related programs, the Administration is requesting a slight increase for elderly feeding over FY 75 and the same amount as last year for nutrition education. The Administration is also preparing legislation which would place a 5 percent limit on price index (cost-of-living) adjustments during the period Jan. 1, 1976 through June 30, 1976 for all child nutrition and food stamp programs. The direct food distribution program to institutions is scheduled for termination.

TABLE FS-1.—FOOD STAMPS AND OTHER FOOD PROGRAMS

[Outlays in millions of dollars]

	Fiscal year—			
	1974 (actual)	1975 (estimated)	1976 (existing law)	1976 (proposed legislation)
Food stamp program	$2,664.9	$3,703.0	$3,858.9	$3,641.6
Direct distribution to families (Indian dairy)	193.7	42.5	2.8	2.8
Direct distribution to institutions	19.8	22.3		
Food donations (Indian food)			5.8	5.8
Elderly feeding		5.6	6.0	6.0
Operating expenses	6.8	7.2	6.7	3.5
Nutrition education	47.4	47.4	47.4	47.4
Total, food stamp and other programs	3,132.5	3,828.0	3,927.6	3,707.1

Source: U.S. Department of Agriculture, 1976 Budget Summary, Feb. 1, 1975.

Nutrition

The Administration will propose a new block grant program for child nutritional assistance, and will not seek extensions of legal authority for certain nutrition programs scheduled to expire in June. These programs (pilot school breakfast, nonschool food, and supplemental food for women, infants, and children) will be folded into the proposed new block grant program. Under the proposed new program USDA would spend $410.8 million less for nutrition assistance than it did in FY 75. According to USDA, the new program would eliminate the present set of overlapping child feeding programs, increase assistance to the needy, reduce subsidies currently paid to the non-needy, and provide states with more discretion and flexibility to tailor feeding programs to local conditions.

TABLE FS-2.—NUTRITION ASSISTANCE

[Outlays in millions of dollars]

	Fiscal year—			
	1974 (actual)	1975 (estimated)	1976 (existing law)	1976 (proposed legislation)
Child nutrition:				
Cash grants to States:				
School lunch (sec. 4)	$412.1	$444.4	$498.0	
Free and reduced price lunches	683.2	751.1	865.0	$1,682.5
School breakfast	60.7	73.3		
Nonfood assistance	29.1	28.0	28.0	
State administration expenses	3.7	6.7	6.7	
Nonschool food program	70.4	116.7		
Grants in lieu of commodities			73.0	
Commodities to States	347.8	361.0	365.2	
Nutrition training, surveys, and operation expenses	8.4	11.1	14.4	
Total, child nutrition	1,615.6	1,792.2	1,850.3	
Special milk program	62.1	120.0		
Special supplemental food program	15.3	127.1		
Total, nutrition	1,693.0	2,039.3	1,850.3	1,682.5

Source: U.S. Department of Agriculture, "1976 Budget Summary," Feb. 1, 1975

If enacted, it appears that the proposed legislation would eliminate as eligible recipients all but the poorest family groups ($4,500 for a family of four) unless the state chooses to provide assistance to families with higher incomes (up to 125 percent of the poverty level). The proposed legislation is expected to reduce the total number of children receiving nutritional assistance from 25 million to approximately 9 million.

HEALTH

The austerity of the overall Budget is reflected in the health proposals, which have three basic strategies: (1) rescissions of appropriations already enacted; (2) reduction or elimination of certain categorical programs; and (3) changes in matching ratios to reduce federal shares in formula grant programs.

The health budget is unrealistically low because it assumes congressional approval of all of these strategies, together with substantial costs savings attributed to the more efficient delivery systems which are supposed to be in place as the result of planning and organization.

The Administration is not proposing major new legislation. The national health insurance proposal of last year will not be resubmitted as an Administration bill, and manpower and services legislation will originate in the Congress.

Rescissions

The President has already requested the Congress to rescind appropriations previously made for health programs in the amount of $800 million. Three hundred and fifty million dollars of this is from the National Institutes of Health (NIH) research funds; $284 million from health services planning and development (principally unobligated "Hill-Burton" construction funds; $104 million from alcohol, drug abuse, and mental health funds (mainly community mental health center monies); and $26 million from health services funds (mostly maternal and child health grants).

TABLE H-1.—RESCISSIONS EXAMPLES

[In millions of dollars]

Program	Available resources	To be rescinded fiscal year 1975
Maternal and child health	$305.0	$24.0
Preventive health:		
Venereal disease	28.0	2.7
Immunization	6.2	.3
Lead-based paint	9.0	2.5

Source: Derived from fiscal year 1975 Labor, HEW appropriations; President's Rescission Message, January 1975; and the fiscal year 1976 budget.

The Administration continues to press for elimination of federally-aided construction programs and is again delaying and obstructing the commitment of appropriated funds for health facilities construction.

Reduction or abolition of categorical health programs

The comprehensive health formula grant program, which provides basic public health program support to states, is proposed to be terminated. This program provides $90 million in formula grants to states under expiring authority which is not proposed for renewal.

Proposed for substantial reductions (in addition to rescissions) are the rodent control, lead-based paint, venereal disease and immunization programs. These are all key urban public health programs, and the Administration views them as local, not federal, responsibilities. The total reduction would be $14.3 million.

Community mental health centers support is again proposed to be phased out, and only continuations of existing alcohol program grants and contracts are contemplated.

The new National Health Planning and Resources Act replaced the Comprehensive Health Planning, Regional Medical Programs, and Hill-Burton construction programs. While the new law visualized the commitment of significant new resources, the budget proposed $175 million, which, together with a proposed supplemental appropriation of $75 million, is to fund all of the activities consolidated in that law. Again this year, the Adminstration proposes the transfer of some PHS hospitals to local agencies.

Changes in the Federal share of Federal-State formula grant programs

In general, the budget proposes that the federal support for state and local programs such as Community Health Centers, Maternal and Child Health, Migrant Health, and Family planning be reduced by about 20 percent.

TABLE H-2—SELECTED HEALTH ITEMS

[In millions of dollars]

Program	Fiscal year—	
	1975 (Enacted)	1976 (Requested)
Community health services	795	496
Comprehensive health grants	90	0
Community health centers	200	155
Maternal and child health	277	212
Family planning	100	79
Disease control	106	90
Venereal disease	28	20
Lead paint	9	4
Rat control	13	5

Source: Fiscal year 1976 budget.

Another proposal with significant effect on the larger states and major cities is the plan to reduce the floor under the federal share for medicaid from 50 percent to 40 percent. The 13 states affected (Alaska, California, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Maryland, Massachusetts, Michigan, Nevada, New Jersey, and New York) currently spend nearly 70 percent of the medicaid dollars. This 10 percent shift represents a substantial amount in the $7 billion medicaid program, probably from $200 to $700 million over the next few years.

TABLE H-3.—MEDICAID—FEDERAL FUNDING

[In millions of dollars]

	Fiscal year—	
	1975	1976
Inpatient hospital care	1,780	1,767
Skilled nursing homes	1,264	1,383
Intermediate care	995	1,020
Physicians' fees	674	701

Source: Fiscal year 1976 budget.

The change in matching proposed will have an impact on local public hospitals, especially if the state passes the increased local share to the local government. Other legislative changes are proposed in medicaid.

Proposed legislation

Health legislation to be proposed by the Administration includes the following:

Discounting federal matching for adult dental care under medicaid;

Providing reasonable cost limitations for hospital care (medicaid);

Offsetting the impact of medicare (Title XVIII) cost sharing on medicaid;

Reducing matching floor from 50 percent to 40 percent;

Transferring St. Elizabeth's Hospital from NIMH to the District government.

Other legislation expected to be considered by the Congress includes:

National Health Insurance—A variety of proposals including catastrophic coverage, coverage of unemployed workers, etc., are being prepared for hearings before the Ways and Means Committee.

Health Manpower—The Congress will probably reach early agreement on a comprehensive bill along the lines of the bill which failed to emerge from conference in the final days of the 93rd Congress.

Health Services—A bill identical to the vetoed bill of the last Congress has been introduced.

Comment

The Administration's philosophy of moving health care toward a third party reimbursement system continues. More cost sharing is proposed, with tightened cost controls and eligibility requirements. Emphasis will be placed on development of planning and delivery systems with a "disengagement" by the federal government from support of programs and services. Direct service costs will be shifted more and more to state and local governments. Construction aid will be severely limited and eventually phased out under current budget philosophies.

From the cities' point of view, the fault with the health budget is summarized in the words of Dr. Theodore Cooper, Acting Assistant Secretary for Health, Department of Health, Education, and Welfare, in his Feb. 1, 1975 briefing:

"The budget reflects the decision to require that states, local governments, private institutions, and third-party payers contribute a greater share of the cost of the health care programs we are supporting. We are anticipating that this increased contribution will be about 20 percent of the revised 1975 program level."

The proposed reduction in categorical and formula grants that are vital to community health are to be 30 percent—significantly greater than the proposed 20 percent overall reduction in federal support for health care.

INCOME SECURITY AND SOCIAL SERVICES

A comprehensive review of federal programs which maintain or supplement personal income with cash benefits or in-kind services would encompass more than 40 activities ranging from social security (OASDI) to housing assistance and school lunches. Service programs, such as child care and manpower training for special population groups, increase earnings capacity or otherwise reduce the need for cash benefits.

However, in this analysis, "welfare" is limited to public assistance, including aid to families with dependent children (AFDC), medicaid, social services, training for state and local personnel and child welfare services; the Supplemental Security Income Program (SSI) which substantially replaced the adult public assistance categories (aged, blind and disabled) as of Jan. 1, 1974; and programs for special population now incorporated into the new Office of Human Development (OHD) in the Department of Health, Education, and Welfare (HEW).

Grants to States for public assistance

The maintenance assistance figures of $4.668 billion shown in Table IS–1 are based on estimates submitted by the states in November 1974 and adjusted by HEW to reflect proposed regulatory and legislative changes. This table does not include monies for the aged, blind, and disabled categories (except for close out costs) which are now included under the Social Security Administration accounts.

UMI

TABLE IS-1.—MAINTENANCE ASSISTANCE

[Budget authority in millions]

Program	Fiscal year— 1974	1975[1]	1976
Aid to families with dependent children	3,750	4,208	4,084
Adult categories	945	5	6
State and local administration	466	515	540
Emergency assistance	38	31	37
Repatriated U.S. nationals	1	1	1
Total, program costs	5,200	4,745	4,668

[1] Fiscal year 1975 figures represent congressional appropriations with administration adjustments to those totals based on regulatory or legislative proposals.

Source: Department of Health, Education, and Welfare, fiscal year 1976 budget briefing document, Feb. 3, 1975.

TABLE IS-3.—FEDERAL INCOME SECURITY BENEFITS

[In millions of dollars]

	Fiscal year— 1974 (actual)	1975 (estimated)	1976 (estimated)
Federal outlays for cash benefits:			
Social Security (OASDI)	54,007	62,294	69,753
Federal employee benefits	11,322	14,122	15,534
Veterans benefits	7,167	8,000	8,061
Public assistance	6,832	8,410	9,214
Unemployment insurance	5,208	13,581	17,047
Railroad retirement	2,621	2,972	3,211
Other programs	1,097	1,073	1,069
Proposed legislation included above		(—60)	(—4,632)
Subtotal outlays, cash benefits	88,255	110,511	123,889
Federal outlays for in-kind benefits:			
Food and nutrition	4,466	5,534	5,207
Health care	16,669	20,171	23,079
Housing	1,776	2,190	2,653
Proposed legislation included above		(—255)	(—3,025)
Subtotal, outlays, in-kind benefits	22,912	27,895	29,940
Total benefits	111,167	138,346	152,829

Source: Department of Health, Education, and Welfare, fiscal year 1976 budget briefing document, Feb. 3, 1975.

The projected caseloads for FY 76 indicate that although the rapid increases of the late 1960s have ended, there will be a greater growth in the next year due to the economic situation. The greatest relative growth is occurring in the average monthly payment which has increased from $56.56 in FY 74 to an estimated $67.41 in FY 76. The caseload increases in those three years in families are small—10,845 (FY 74); 10,995 (FY 75); and 11,241 (FY 76). HEW has stressed repeatedly that management initiatives have been successful in reducing overpayments and eliminating ineligibles with the result that the funds can be used to increase individual payments.

Projected costs under the public assistance program for FY 76 need to be closely examined because of the possible implications of proposed federal legislation which will severely impact local and state finances. HEW is asking localities and states "to share a greater proportion of the financing of public assistance programs and health services programs for special target groups." A variety of legislation will be proposed (See Table IS–2), the most costly being a reduction of federal matching in the medicaid and social services programs. The reduction in medicaid from 50 to 40 percent would affect the 13 largest states. The services matching rate (from 75 to 65 percent in 1976 and to 50 percent in FY 77) would affect all states and localities.

A number of regulatory and legislative proposals are incorporated in the medicaid budget. The proposals are a reaction to the substantial increases in federal funding for the program—$3.2 billion in FY 71 to $6.8 billion in FY 75—averaging 25 percent annually. Medicaid costs on the average are shared almost equally between the federal and state or local governments. The major emphasis in reducing costs through regulations will be through greater utilization review and greater use of eligible third-party payments.

The recently enacted Social Services Amendments of 1974 (P.L. 93–647) stabilizes the program for the first time in several years. Expenditures are expected to grow in FY 76 in this substantially broadened program which includes a greater role of cities in the development of overall planning. It is likely that many states will be reaching their ceiling of federal matching funds within the next fiscal year.

While no legislation is specifically proposed for reform of the income transfer programs, the President emphasizes in his budget message that he does not want to abandon the effort to simplify the system. He will work with Congress this year to seek alternatives to the present complicated welfare system, hopefully to develop a solution which he believes will be no more costly than the present program.

Until the enactment of some form of income security program, HEW will continue the emphasis on the WIN program. An additional $120 million are requested for FY 76, with the major part of the increase in training and incentives, rather than in child care and other supportive services.

Supplemental security income program

The SSI program, initiated Jan. 1, 1974, replaced the state administered program of assistance to the aged, blind and disabled with a program administered by the federal government with uniform eligibility requirements and support levels, and with optional state supplementation. The minimum benefits of $146 for an individual and $219 for a couple are subject to automatic cost of living increases and would be affected by the proposed 5 percent limitation on all such benefits.

The number of beneficiaries is substantially lower than estimates given prior to enactment of the program. Outreach efforts by HEW thus far have received few responses. The total number projected for the end of FY 75 is one million lower than the number estimated in the FY 75 budget. Benefit payments are approximately $200 million higher because of the provision for two cost of living increases during the last calendar year, and because the average monthly benefit under the SSI program is approximately 45 percent higher for the aged and 22 percent higher for the disabled than was anticipated.

Office of Human Development

The newly created Office of Human Development is responsible for administration of programs serving vulnerable groups including the aging, handicapped, children, native Americans, and youth. Organizational changes accomplished through Congressionally initiated legislation moved the juvenile delinquency program to the Justice Department and moved the vocational rehabilitation program from the Social and Rehabilitation Services to OHD.

All of the programs in OHD in the Federal Budget show either a constant level in FY 76 or small increases. However, in reviewing the FY 75 appropriations made by the Congress, there are actual decreases proposed in FY 76 aging and vocational rehabilitation programs. The elderly community services (Title III) budget is reduced $9 million, elderly nutrition (Title VII) is reduced $25 million, and training reduced $8 million in FY 76, if actual FY 75 appropriation figures are used. In addition, the FY 76 request for vocational rehabilitation represents a decrease of $23 million over amounts appropriated.

There will be a new initiative in child abuse programs and the runaway youth project will be maintained at the FY 75 level. The aging program will remain the same in FY 76 with the emphasis on providing the same number of meals within the same funding (despite increasing food and labor costs). The rationale for maintaining constant funding is that most programs are now operational and require no start-up and lower administrative costs.

The $434 million for Head Start will continue to provide services to approximately 300,000 children. Because of the emphasis placed by Congress on serving handicapped children through this program, an increase of $20 million will be targeted toward improving services to 38,000 handicapped children currently enrolled.

Comment

The financial status of the OASDI programs have come under close scrutiny this year because of the large potential net spending from the fund in FY 76. Without the 5 percent limitation, the fund will distribute $4.148 billion more than it receives in contributions; with the limitation, as well as with other cost saving legislation, that total is expected to be reduced to $837 million. This development is the result of new lower forecasts of the level of employment and of earnings for FY 76. It would mean that the reserves in the trust fund would be used to cover the difference in income and spending.

The OASDI (social security) fund is only one of a number of income security programs which are tied through legislation to a cost-of-living index. The President, at the press briefing on the FY 76 budget, emphasized that he believes that the "uncontrollables" in the federal budget, such as social security, can be controlled through legislation. Legislation to reduce expenditures in these programs in FY 76 would reduce expenditures by $17 billion. Table IS–2 shows that over $6.2 billion of these cuts would be in public assistance and Social Security Administration programs.

Total federal income security benefits are estimated to exceed $152 billion in FY 76. This represents an increase of over $41 billion or about 38 percent from the FY 74 total of $111 billion. The major factors accounting for this change include:

By law, $96 billion of the 1976 outlays are in programs tied to the cost of living.

Primarily because of increased costs of medical care, health care benefits will increase.

The new SSI program has increased both average benefits and the number of eligible recipients compared to the state operated adult programs which it replaced.

Anticipated new outlays of $17.4 billion for unemployment insurance reflect both an increase in benefit levels and also in the number of eligible workers.

All programs presently tied by law to changes in the Consumer Price Index would be limited to a benefit increase of 5 percent under administration proposals. The effect of this legislation as well as other cost saving measures is reflected in Table IS–3 which shows those programs included in the $152 billion total.

The rapid increases in income security programs reflect the impact of the administration's commitment toward an "income strategy." Such a strategy which places more cash directly into the hands of the poor and aged within the cities may be most desirable in terms of direct impaction a city's economy. The opposing strategy of providing "in-kind" services such as day care or manpower training may not place money directly into programs from which the cities benefit on a dollar for dollar basis. Furthermore, in times of an economic downturn, it is more difficult to quickly channel monies through in-kind

services programs into purchasing power within the cities. The trade-offs between services and cash assistance programs are still under debate within the Administration and may not be settled within the near future because of the potentially great cost of "cashing out" services programs and the strong constituency developed in support of those programs in recent years.

The proposed limit of 5 percent on cost of living increases may cause problems for cities, since in the long run, localities may have to supplement the incomes of the most needy. If other health, services, and maintenance programs expenditures are reduced, either through regulatory changes or through legislation, the net effect for cities could be disastrous given the billions of dollars involved in such programs.

TABLE IS–2.—PUBLIC ASSISTANCE AND SOCIAL SECURITY

[Outlays in millions of dollars]

	Fiscal year— 1975	1976
Public assistance:		
Revisions of income disregard and work-related expenses benefit computation provisions	—63	—200
Revision of AFDC accounting and redetermination periods	—20	—146
Utilization of medicaid matching formula for AFDC in all States	—20	—60
Elimination of Federal matching for adult dental care under medicaid	—10	—81
Revised Federal matching formula for social services		—448
Absent parent support	—10	—90
State and local training restrictions	—10	—30
Reduction of the minimum Federal matching provision in medicaid from 50 percent to 40 percent	—200	—636
Other provisions	—2	—6
Subtotal, Public Assistance	—340	—1,700
Social security:		
Limitation on automatic cost-of-living adjustment in July to a maximum of 5 percent		—2,654
Eliminate retroactive annuity benefit option	—45	—443
Make retirement test computation annual rather than monthly	—15	—205
Provide increased cost sharing by medicare beneficiaries but limit total cost sharing to a maximum of $750 annually	—255	—1,279
Medicaid offset	+13	+113
Place limits on the rate of yearly increase in reasonable costs of medicare providers		—100
Subtotal, social security	—302	—4,568

Source: Department of Health, Education, and Welfare, fiscal year 1976 Federal budget briefing document, Feb. 3, 1975.

INTERGOVERNMENTAL PERSONNEL ASSISTANCE

For the second straight year, the Administration is requesting $15 million for the Intergovernmental Personnel Act (IPA) program. An additional $4 million is requested for the July-September 1976 transition period to the new federal fiscal year. The actual operating level of the IPA program has been frozen for the last three years.

TABLE IPA-1.—IPA FUNDING HISTORY

[In thousands of dollars]

	Fiscal year— 1973 (actual)	1974 (actual)	1975 (estimated)	1976 (estimated)
Budget authority (appropriation)	$15,000	$10,000	$15,000	[1] $15,000
Outlays	13,665	14,239	14,400	15,000

[1] Administration request.

Source: "Fiscal year 1976 Budget Appendix," pp. 855 and 865.

Comment

The Intergovernmental Personnel Act of 1970 authorized the U.S. Civil Service Commission to provide grants and other assistance to improve and strengthen the personnel, manpower, and management capabilities of state and local governments. IPA grants have been used to upgrade the quality and effectiveness of municipal personnel and management resources through a variety of approaches, including the development and implementation of training for municipal employees. It is a program in which small governmental investments have had significant payoffs, and is currently the only federal program providing flexible, comprehensive assistance in the personnel and management areas.

The IPA program is without fiscal year limitation, authorizing such sums as are necessary to carry out the intent of the act. Initial expectations for adequate program funding have not been realized, and inflation already has eaten away over $4 million of the program's total $52.5 million appropriation since FY 72. The Administration's FY 76 request of $15 million, therefore, can only be viewed as a net reduction for the IPA program.

Equally discouraging to cities is the apparent lack of federal commitment to improving management capabilities at the local level. This pattern emerged in the Nixon Administration with the phaseout of HUD's Title VIII community development training program and university community services grants under Title I of the Higher Education Act. The trend has continued in the Ford Administration with the proposed deferral of $50 million in HUD comprehensive planning assistance (701) appropriations. The lack of other management improvement resources will produce an even greater demand for IPA funds in FY 76.

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

The requested budget authority for the Law Enforcement Assistance Administration for FY 76 is $769.8 million. Additional authorizing legislation is to be proposed for $195 million to cover July 1 through September 30, 1976, the three-month transition period from FY 76 and the start of FY 77 on October 1, 1976. This change was mandated in the Congressional Budget Reform and Impoundment Control Act of 1974. The $769.8 million figure represents a decrease of 12.6 percent under the FY 75 appropriation of $880.6 million and is 77 percent of LEAA's authorized funding level of $1 billion. LEAA's expenditures, however, will increase from $865.7 million in FY 75 to $887.6 in FY 76 due to carry over of unexpended funds from previous fiscal years.

As Table LEAA 1 shows, a substantial portion of the decrease is reflected in Category 2a, the block grant program, which is reduced by $66.4 million, representing a decrease of 14 percent. Category 6, educational assistance and special training programs, also decreases considerably, from $44.5 million to $26.6 million. Discretionary funds (Category 2b) are reduced from $84 million to $73 million, representing a decrease of 13 percent. The other major decrease is in Category 3, corrections, which is decreased by $15.6 million.

Category 1, planning grants to states and local governments, is increased by 9 percent, from $55 million to $60 million. This is the only category showing a significant increase.

With the exception of Category 5, research, evaluation and technology transfer, the budget for programs at the national level remains fairly stable. Category 4, technical assistance, stays at the FY 75 funding level ($14 million), as does Category 7, data systems and statistical assistance ($26 million). Management and operations, Category 8, is increased by 7 percent (from $21.6 million to $23.1 million). It should be noted that this category has increased by 49 percent since FY 73.

No budget authority is requested for implementation of the Juvenile and Delinquency Prevention Act of 1975, which is authorized for $125 million in FY 76.

Comment

While the League and Conference recognize the need for overall austerity in the FY 76 budget, they take strong exception to the proposed category reductions in the LEAA program. The purpose of the Omnibus Crime Control and Safe Streets Act of 1968, as amended in 1970 and 1973, is to aid states and localities in improving their criminal justice systems and in controlling crime. Yet, the proposed FY 76 budget ignores the necessity for increased federal crime control funds at the local level. Instead, the federal bureaucracy is kept intact, while the aid to state and local governments is reduced by $88 million.

TABLE LEAA-1.—LEAA BUDGET, FISCAL YEAR 1974, 1975, AND 1976

[In millions of dollars]

Categories	Fiscal year— 1974 (appropriated)	1975 (appropriated)	1976 (requested)
Grants for development and implementation of comprehensive plans	50.0	55.0	60.0
Matching grants to improve and strengthen law enforcement:			
(a) Allocations to States according to population	480.3	480.0	413.7
(b) Allocations to States, localities, or private nonprofit organizations as determined administratively	88.7	84.0	73.0
Aid for correctional institutions and programs	113.0	113.0	97.4
Technical assistance	12.0	14.0	14.0
Research, evaluation and technology transfer	40.1	42.5	35.4
Educational assistance and special training programs	45.0	44.5	26.6
Data systems and statistical assistance	24.0	26.0	26.6
Management and operations	18.0	21.6	23.1
Total	871.1	880.6	769.8

Source: Appendix to the Budget, Fiscal Year 1976, p. 611; Appendix to the Budget, Fiscal Year 1975, p. 617; Appendix to the Budget, Fiscal Year 1974, p. 628.

The increase in planning funds from $55 million to $60 million, while welcome, mercy will allow state and local planning agencies to keep pace with inflation; it will not mean increased planning capabilities. Moreover, only $2 million of the $5 million increase may go to localities, a barely adequate sum to be divided among localities in the 50 states.

The proposed reduction in funds available for reserach and evaluation will have serious ramifications for both LEAA and localities. This is the critical year for the LEAA program. Congress is demanding evidence of LEAA's effectiveness, while local elected officials are faced with decisions on the institutionalization of expiring LEAA-funded programs. But the very budget item that would enable both Congress and local decisionmakers to have information on the performance of LEAA projects is cut below both the FY 74 and FY 75 funding levels.

In the summer of 1974, Congress recognized the need for federal assistance to combat the ever-growing problems of juvenile crime and delinquency and passed the Juvenile Justice and Delinquency Prevention Act of 1974, which the President signed into law on September 7, 1974. The program is to be administered by LEAA and is designed to support badly needed innovative juvenile

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delinquency programs at the state and local levels. To date, no funds have been appropriated to implement the program, and no budget authority is requested for FY 76. The Act is meaningless without funds. Since nearly half of the crime in the United States is committed by persons under 18, who are the target sevice population under the Juvenile Justice Act, it seems incredible that funding is not requested in the LEAA budget. We will not begin to see a long-term downward trend in our crime rate until juvenile problems can be adequately addressed which certainly requires strong federal leadership and assistance.

Contrasting sharply with the austere LEAA budget requests are the requests for agencies involved in federal crime control efforts. The request for the Drug Enforcement Administration (DEA) represents an 11 percent increase over FY 1975 ($135.7 million to $150.8 million). The proposed increase for the federal prison system is $22.4 million, while a $25.1 million increase is requested for the Federal Bureau of Investigation (FBI). Salaries and expenses for U.S. attorneys and marshals are increased by $14.6 million. The League and the Conference are not opposed to these increases, but feel they are being made at the expense of local government.

NATIONAL DEFENSE

For the first time in U.S. history, the military budget may exceed $100 billion. For FY 1976, the Administration has requested that Congress grant budget authority for national defense activities totalling $107.7 billion. This figure represents an increase over FY 1975 of $16.4 billion or some 18 percent. Even when taking into account the effect of pay increases and in inflation on military purchases, spending is increasing. That means military functions are being expanded very substantially in terms of real dollars.

Considering budget outlays controllable by Congress each year, the portion proposed for military purposes has increased from 67 percent in FY 1975 to 69 percent in FY 1976. (About 75 percent of the total Federal budget is made available in mandatory, permanent and trust fund programs established in law and, therefore, is relatively uncontrollable by Congress.)

TABLE D-1.—COMPARISON OF FISCAL YEAR 1975 AND FISCAL YEAR 1976 MILITARY BUDGET AUTHORITY

[In billions of dollars]

	Fiscal year	
	1975 (enacted by Congress)	1976 (request)
Department of Defense	[2] 84.3	[3] 101.1
Military assistance	[3] 3.5	3.2
Aid to Southeast Asia	1.0	[4] 1.3
Atomic Energy—ERDA	1.8	1.9
Other	−1.2	−1.7
Less proposed recissions	−.3	
Add proposed supplemental	[4] 2.4	
Total	91.3	107.7

[1] Comparable figure in outlays for fiscal year 1976 is $94,000,000,000. This analysis uses budget authority because it is the most meaningful indicator of program commitments.
[2] Includes proposed legislation to reduce reserve personnel costs by $17,000,000 and receipts of $112,000,000 from proposed sale of naval petroleum reserves.
[3] Appropriations not yet enacted. Estimate based on authorizing legislation.
[4] Includes $300,000,000 for South Vietnam and $222,000,000 for Cambodia.
[5] Includes an estimated supplemental of $1,700,000,000 to be requested later this year, receipts of $649,000,000 from a proposed sale of naval petroleum reserves and assumes holding Federal pay raises and retiree cost of living increases to 5 percent.
[6] For South Vietnam only. Aid to Cambodia, included under military assistance account, is classified at this time.

Source: Budget of the United States Government, fiscal year 1976, p. 338 and Office of the Assistant Secretary of Defense, fiscal year 1976 Department of Defense Budget, News Release 46-75, Feb. 3, 1975.

Note: Increase from fiscal year 1975 to fiscal year 1976: $16,400,000,000 (+18 percent).

The FY 1976 military budget could grow another $2.2 billion if certain assumptions made by the Administration do not materialize. The increase from FY 1975 to FY 1976 would then be $18.6 billion (20 percent). The Administration is assuming Congress will reduce reserve personnel costs in FY 1975, reduce certain equipment, authorize sale of petroleum reserves and hold FY 1976 pay and retirement increases to 5 percent.

For the second year since U.S. forces disengaged from the Vietnam conflict, the military budget continues to rise. The Administration argues that the military is entitled to a large increase in its FY 1976 budget to recoup cuts made by Congress last year.

The Administration also argues that spending should be increased to compensate for the effect of inflation on military programs. This policy is not applied to other programs of the Federal government except payments and benefits programs which are tied by law to increases in the consumer price index. In the latter case, the Administration proposes holding increases to 5 percent in FY 1976. At the same time, an inflation allowance of 8.4 percent is granted for total national defense activities. After taking account of the inflation factor, military programs grow $8.7 billion (9.5 percent) in real terms.

Highlights

Some of the major changes and trends in military programs and funding are:

Aid to Southeast Asia—For FY 1975, Congress enacted military aid of $700 million for South Vietnam and $275 million for Cambodia. The Administration has requested supplemental funding for FY 1975 of $300 million for South Vietnam and $222 million for Cambodia. For FY 1976, the Administration proposes an additional $1.3 billion for South Vietnam, an increase of 128 percent (including the supplemental) over the level approved by Congress for FY 1975. The FY 1976 request for Cambodia is classified at this time.

Personnel—Total military personnel will be reduced from 2,129,000 to 2,100,000 and civilian personnel will be reduced from 994,000 to 985,000. Assuming the 5 percent limit proposed for pay increases, pay costs for active military personnel will remain at about the same level as FY 1975.

Force Structure—Force levels are to remain relatively constant except for Army divisions. One division was added in FY 1975 and two more are to be added in FY 1976 bringing the total to 16. About $400 million will be required for equipment and construction for the three new divisions.

Procurement—Appropriations for procurement are to be increased 47.8 percent to $24.7 billion. This substantial growth in procurement funding is caused by a combination of increased purchases of certain systems and initial procurement of systems coming out of research and development phase. The systems for which procurement funding is to increase most dramatically are aircraft (A-10, F-15A, AWACS), missiles (Trident I, Sidewinder, Sparrow, Condor and Maverick), ships (attack submarines, destroyer tenders, fleet oilers, destroyers and patrol frigates) and tracked vehicles (M60A1 tanks and M113A1 personnel carriers). $2.3 billion will be requested to cover unforeseen costs in the shipbuilding program

Research and Development—Funding for research and development is to increase 18.9 percent to $10.9 billion. The major items contributing to this increase are modification of the B-52 bomber to carry the Harpoon missile, air combat fighter, B-1 bomber, sea launched cruise missile, Navy air combat fighter, SAM-D missile, SHORAD missile, PHALANX ship gun system, UTTAS tactical transport aircraft, site defense against ICBM's and the space shuttle.

Military Construction—The military construction program is to go up 49.8 percent to $2.9 billion largely due to major increases in support facilities for the Trident submarine, sheltering aircraft in Europe and troop housing.

Five year projection

The Administration forecasts that by FY 1980 the military budget will reach about $150 billion, an increase of nearly 9 percent a year. If Pentagon estimates of inflation are taken into account, obligations will rise at about 2 percent per year in terms of real purchasing power. This increase is deemed necessary "to provide for selective improvements and to take advantage of changes in technology."

OFFICE OF MINORITY BUSINESS ENTERPRISE

The Office of Minority Business Enterprise was established within the United States Department of Commerce by Executive Order 11458 on March 5, 1969, to provide the following services: (1), to coordinate programs and operations of the federal government which affect the establishment, preservation, and strengthening of minority businesses; and (2) to promote the mobilizations of activities and resources of state and local governments and the private sector to develop and stabilize minority business enterprise.

For the third consecutive year, the OMBE budget has remained relatively stable at approximately $52 million. The budget authority for FY 76, at $52.6 million, is an increase of $600,000 over the FY 75 Budget.

TABLE OMBE-1.—BUDGET AUTHORITY REQUESTED

[In millions of dollars]

	Fiscal year—			
	1974 (actual)	1975 (estimated)	1975 (estimated)	Change 1975 to 1976
OMBE program level	$52.4	$52	$52.6	+$.6

Source: "U.S. Department of Commerce News," February 3, 1975.

Although there was only a slight increase in the FY 76 Budget, OMBE's programs were modified significantly. A budget authority of $1.1 million has been requested to establish a new "city OMBE" project in seven cities. This effort will focus on local government's efforts in minority business activity.

An additional $1.6 million are requested to provide additional contractor staff for about 50 business development organizations to permit increased management and technical assistance to minority firms, and to establish six additional Construction Contractor Assistance Centers to assist minority construction firms.

These program increases are accompanied by some program decreases. There is a decrease of $1.4 million resulting from the termination of a minority business training program and another $1.4 million decrease resulting from the reduction in scope of assistance provided by OMBE-funded consulting firms.

Comment

There seems to be a slowly increasing recognition by the federal government, as reflected in the OMBE FY 76 Budget, that minority-owned business firms are a part of the local economy. Such recognition by the federal government is long overdue and necessitates the programming of minority business activities more around local economic planning and development activities. An effort of this nature should be designed to promote minority business development within the scope of the city's economic development framework. Unless minority business enterprises are recognized and dealt with as a part of the local economic infrastructure, the importance of training and education, the development of capital accumulating institutions, and of management and technical assistance will be drastically reduced.

RESEARCH AND DEVELOPMENT

The President's proposed research and development budget for FY 76 calls for total obligations of $21.6 billion, an increase of $2.7 billion, or 15 percent, from the estimated FY 75 obligations of $18.8 billion. It also proposes that another $1 billion be obligated for research and development (R & D) facilities in FY 76. Over half of the R & D budget ($11.4 billion) is in the category of defense, an increase of $1.9 billion from FY 75. Another $7.3 billion is proposed for civilian R & D and $2.9 billion for space R & D.

TABLE R. & D.-1.—CONDUCT OF R. & D. BY MAJOR PROGRAM AREA

[Obligations in billions of dollars]

Program	Fiscal year—		
	1974 (Actual)	1975 (Estimated)	1976 (Estimated)
Conduct of R. & D.:			
Defense[1]	9.0	9.5	11.4
Space[2]	2.5	2.7	2.9
Civilian (other than space)	5.9	6.6	7.3
Total[3]	17.4	18.8	21.6

[1] Includes military related programs of the Energy Research and Development Administration transferred from the AEC.
[2] Includes all NASA programs except areonautical research, space application (e.g., pollution monitoring communications, earth observations), energy technology application, and technology utilization which are classified under civilian programs.
[3] These data do not reflect amounts of Federal support for private sector R. & D. through tax expenditures and allowances to defense and space contractors for independent R. & D. Tax expenditures, discussed by special analysis F, are estimated to have grown from about $6,000,000,000 to $65,000,000,000 during the period 1974 to 1976. Independent R. & D. allowances are estimated at approximately $4,000,000,000 per year during this same period.

Source: Fiscal year 1976 budget, "Special Analyses," p. 252

TABLE R. & D.-2.—CONDUCT OF RESEARCH AND DEVELOPMENT BY MAJOR DEPARTMENTS AND AGENCIES

[Obligations in millions of dollars]

Department of agency	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Defense military functions	8,396	8,833	10,603
National Aeronautics and Space Administration	3,024	3,327	3,526
Energy Research and Development Administration	1,475	1,893	2,346
Health, Education, and Welfare	2,286	2,092	2,285
National Science Foundation	556	619	680
Agriculture	384	428	468
Transportation	370	368	402
Interior	198	303	315
Environmental Protection Agency	177	287	300
Commerce	181	211	230
Veterans Administration	87	102	102
Nuclear Regulatory Commission	44	59	96
Housing and Urban Development	65	58	65
Justice	37	67	45
All other	127	135	134
Total	17,408	18,780	21,602
Total, conduct of research	7,163	7,545	8,255
Total, conduct of development	10,245	11,235	13,346

Source: FY 76 Budget, Special Analyses, p. 255.

Within the civilian portion of the R & D budget, the largest functional category is health with approximately $2.6 billion FY 76 obligations. About one-fourth of total obligations is planned for energy with the largest share, $1.6 billion, going to the new Energy Research and Development Administration.

It is useful to look at the R & D budget in two ways: first, with reference to who is spending the money and second, according to the functional areas at which the money is directed.

Departments and agencies

Table R & D 2 details the proposed obligations and outlays for the conduct of research and development by major departments and agencies. It shows the Defense Department at the top with $10.6 billion, containing the largest proposed increase of $1.8 billion. A $1.4 billion increase is proposed for the Energy Research and Development Administration. The Department of Health, Education and Welfare, which has the fourth largest R & D budget, shows an increase in proposed obligations between FY 75 and FY 76, but a slight decrease from FY 74. And the Department of Housing and Urban Development, ranking 13th among the 14 departments and agencies which spend 99% of the federal research and development money, shows a proposed increase in obligations from $58 million to $65 million; but the sum is identical to that of FY 74. The difference is in proposed deferrals for FY 75.

Functional areas

For the first time, a separate document, a Report on the Federal R & D Program, prepared by the Federal Council for Science and Technology, was released with the budget. In addition to describing the agency R & D proposals, it pursues functional areas across agency lines in the categories of basic science, climate, energy, environment, food, health/bio-medical, materials, oceans, and social. Energy R & D is discussed in the section on energy above.

Social R & D, "all socio-economic R & D performed in support of projects, programs, or policies for federal social programs" totals $1.1 billion of the proposed $21.6 billion R & D total. This is a confusing figure because of the variety of activities it contains—from "determining nutrition needs" in AID to investigating the "human factors involved in weapons systems development" in the Department of Defense to research in income supplements for low-income persons in HEW.

HEW has the largest share of the proposed social R & D obligations, i.e., $652 million, an increase of $112 million over FY 75 but only $61 million more than FY 74. The proposed amounts for NSF, the Department of Agriculture and the Department of Defense all exceed that for HUD.

Comment

If the President's budget is a statement of priorities for the coming year, the research and development budget is an assertion of goals for the future. What can or will be done depends on what is known and the knowledge will be gained only if it is sought. It is difficult to make judgments about the adequacy of proposed research expenditures separate from judgments about need, priorities, and potential for payoff. It is perhaps more difficult in the research area than in others because the possible benefits often remain unknown until the project is successful. It is especially difficult to deal with this budget because so many dollars are in the limbo of deferral, making FY 75 figures uncertain and FY 76 totals unclear. However, from the city perspective, the proposed R & D budget provokes serious questions.

Are city needs directly and adequately reflected in the R & D budget? The proportion of the total funds which is proposed for HUD, $65 million of the $21.6 billion, seems scant. When viewed over time it looks even less adequate. And when the proposed HUD deferrals, in areas such as energy conservation, housing rehabilitation, and improving local management are compared with changing and growing urban needs, it must be concluded that too little is being devoted to the investigation of cities, their problems, and possible solutions. Can it be true that national needs justify an R & D budget for Agriculture seven times greater than that for HUD and for the Veterans Administration one-third larger?

Are city needs taken into account adequately in areas of research indirectly related to cities? The weaknesses in the energy R & D budget are discussed in the energy section of this report. In that area it is clear that special needs of cities with regard to energy receive incomplete and tangential concern. The decline since FY 74 in the Research Applied to National Needs (RANN) Intergovernmental Science and Research Utilization program from $11.5 million to $3 million also suggests a low priority for putting knowledge to use for cities. The figures on the distribution of social R & D funds amond the various agencies suggests, also, that a great deal of research which might be of use to cities is conducted in departments that are remote from direct city interests. More, rather than less, money should be devoted to consolidating and communicating this knowledge.

Rural development

The Administration has requested a decrease of $120 million in rural development loan funds and proposes to maintain FY 75 levels for rural development grants. The Farmers Home Administration budget requests $900 million in loan authority for water and waste disposal, community facilities, and business and industrial development. Proposed FY 76 grants for rural water and sewer, and business and industrial development total $160 million, pending congressional approval of a $3.75 million rescission requested by the Administration. The FY 75 budget authority of $3.5 million for rural community fire protection grants has been proposed for recission, and no program is proposed for FY 76.

TABLE RD-1.—RURAL DEVELOPMENT LOANS AND GRANTS

[Outlays in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Loans:			
Water and waste disposal	$470	$470	$400
Community facilities	50	200	200
Business and industrial development	200	350	300
Total loans	720	1,020	900
Grants:			
Water and waste disposal[1]	24	[2] 150	150
Business and industrial development	10	[3] 10	10
Community fire protection		[4]	
Total grants	34	160	160
Rural development total	754	1,180	1,060

[1] Water and sewer grants will be given for systems development only in fiscal year 1976. No water and sewer planning grants will be funded.
[2] $120,000,000 of this amount was carried over from fiscal year 1974.
[3] Pending approval of a $3,750,000 rescission.
[4] Pending approval of a $3,500,000 rescession.

Source: U.S. Department of Agriculture, "1976 Budget Summary," Feb. 1, 1975.

Municipalities of 10,000 population and under are eligible for rural water and sewer and community facilities loans. Industrial loans are available to cities of 50,000 or less in a rural setting, with preference given to cities under 25,000. The $120 million decrease in rural development loan assistance will be exacerbated by the slowness with which outlays are likely to reach the cities. On Aug. 8, in one of his last official actions, former President Richard Nixon vetoed the agricul-

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ture appropriations bill. USDA operated on a continuing resolution for the latter half of 1975, severely limiting expenditures for that period. FHA also has been slow in implementing many of the provisions of the Rural Development Act of 1972.

Rural Housing

Housing loans and grants are projected at $2,142 million in FY 76, a decrease of $112 million from the basic program which operated last year. Proposed cuts will be shared equally by both new and existing housing purchase programs under the low income subsidized ownership program. Approximately 62 percent of housing units financed will be subsidized. No funds are being requested in FY 76 for domestic farm labor housing grants (funded at $7.5 million and $5 million in FY 74 and FY 75) or for mutual and self-help housing grants (funded at $4 million and $5 million in FY 74 and FY 75).

TABLE RD-2—HOUSING UNITS ASSISTED

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Subsidized units	51,523	79,470	66,460
Unsubsidized units	54,405	45,930	40,925
Total	105,928	125,400	107,385

Source: U.S. Department of Agriculture, 1976 Budget Summary, Feb. 1, 1975.

TABLE RD-3.—RURAL HOUSING PROGRAMS

[Outlays in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Subsidized ownership program:			
Purchase:			
New	$556	$700	$650
Existing [1]	150	536	486
Repair loans	4	20	20
Mutual and self-help site loans		1	
Technical assistance grants	4	1	
Rental insured	135	100	100
Farm labor loans	10	10	
Farm labor grants	10		
Total, subsidized	869	1,368	1,256
Unsubsidized program:			
Ownership:			
Low income	102	93	93
Moderate income	782	744	744
Other site loans	2	3	3
Rental	38	46	46
Total, unsubsidized	924	886	886
Total, rural housing program	1,793	2,254	2,142

[1] Includes $1,100,000 for repairs to homes purchased in 1974, $2,500,000 in 1975, and $2,700,000 in 1976.

Source: "U.S. Department of Agriculture, 1976 Budget Summary," Feb. 1, 1975.

TRANSPORTATION

The Administration's FY 76 Budget for transportation assistance for the nation's cities reflects funding levels for mass transit as authorized in the National Mass Transportation Assistance Act of 1974, substantial decreases in the commitment to urban highways, and a slight increase in funding for airport planning and construction programs. Given the continued crisis in energy, and the concomitant drastic need for more efficient modes of transportation, the Administration's plan falls far short of meeting the transportation needs of cities.

During this session of Congress, the Administration plans to send major new airport and highway legislative proposals to the Congress. It is expected that the highway proposal will call for substantial changes in financing, program structure and the federal role. It appears that the Administration will seek to make the Highway Trust Fund available exclusively for Interstate funding, return two cents of the gasoline tax to the General Fund and allow states the option of picking up one cent of the motor fuel taxes (gasoline, diesel and special fuels).

The more than 30 categorical grant programs would be consolidated into four major programs: Interstate System, urban transportation, rural transportation and safety construction. All but the Interstate System would be funded from general revenue.

The proposed airport legislation seeks flexibility in the use of funds, revised formula grants based on air carrier departures, transfer of general aviation airport responsibility from the federal government to the states, and changes in aviation user fees.

Urban mass transportation

Capital Facilities—Prior to enactment of the National Mass Transportation Assistance Act (NMTA Act) of 1974, Congress appropriated $1.35 billion for FY 75 transit capital grants. The NMTA Act created a new formula grant program for operating and capital purposes, authorizing $300 million for FY 75 and $500 for FY 76. Congress and the Administration then agreed to a total FY 75 funding level of $1.1 billion for capital grants and $300 million for the new formula grants, requiring a supplemental appropriation of $50 million to reach that level. Because DOT did not request a supplemental, the FY 75 level will actually be only $1.05 billion, instead of the agreed upon $1.1 billion level. For FY 76, the Administration is requesting $1.1 billion for capital grants.

UMTA estimates that an additional $200 million per year in 1975 and 1976 will be spent on transit capital programs through the interstate transfer provision and Urban System substitution provisions of the 1973 Federal-Aid Highway Act. According to UMTA, the increase in funding for capital purposes will permit a slightly higher level of assistance to meet requests from localities for capital grants, including the "acquisition of new bus and rail stock and continued construction support for new rapid transit systems and extensions."

Formula Grants—Formula grants, authorized in the National Msas Transportation Assistance Act of 1974 for capital and operating purposes at local discretion, will be increased from a FY 75 level of $300 million to a FY 76 level of $500 million. UMTA has made it clear that in addition to operating expenses, these funds should be used for routine bus replacement and bus purchases.

TABLE 1.—URBAN MASS TRANSPORTATION

[Obligations in millions of dollars] [1]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Capital facilities	$870	$1,050	$1,100
Formula grants		300	500
Technical studies	38	37	41
R.D. & D	67	46	67
University research and training	2	2	2
Other	8	10	14
Total [2]	985	1,445	1,724

[1] In UMTA terminology "administrative reservations."
[2] Totals may differ slightly due to rounding.

Source: "Appendix to the Budget for Fiscal Year 1976," p. 712.

Technical Studies—Technical studies grants (Section 9 grants) will be increased from a FY 75 level of $37 million to a FY 76 level of $41 million. This program provides assistance to state and local public agencies for studies related to management operations, capital requirements, economic feasibility and other planning activities related to the construction, acquisition or improved operation of mass transportation systems, facilities and equipment.

Research, Development and Demonstration (R, D & D)—R, D & D grants (Section 6 grants) will be increased substantially from a FY 75 level of $46 million to a FY 76 level of $67 million. Most of this increase is for R, D & D of new systems such as personal rapid transit systems and dial-a-ride syatems. The increase also includes $10 million for transit-related bicentennial activities in the District of Columbia, and other programs related to planning methodology, policy development, and management methods. The estimated project level of 155 projects represents an increase over the estimated 140 projects last year.

Highway programs

Interstate System—Obligations from the Interstate System would be increased substantially from a level of $2.56 billion to $3.06 billion in FY 76. The increase of $500 million for the Interstate, compared with a total increase of $600 million in all highway funding demonstrates the clear commitment by the Administration to this program, at the expense of urbanized and small urban programs.

Rural and Small Urban Transportation—The rural and small urban transportation program would provide financial assistance to states for highway construction on the rural primary and secondary systems, the priority primary system in these areas and other programs for areas under 50,000 population. The FY 76 Budget would be increased by $22 million to a FY 76 level of $905 million.

TABLE T-2.—FEDERAL-AID HIGHWAYS

[Obligations in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Interstate	$2,965	$2,560	$3,060
Rural and small urban	1,093	883	905
Urbanized areas [1]	812	667	685
Construction safety	63	251	300
Other	253	239	250
Total [2]	5,186	4,600	5,200

[1] Legislative authorizations for urban highways are $1,170,000,000 for fiscal year 1974, $1,250,000,000 for fiscal year 1975 and $1,300,000,000 for fiscal year 1976.
[2] Totals may differ slightly due to rounding.

Source: "Appendix to the Budget for Fiscal Year 1976," p. 687

Urbanized Area Transportation—The urbanized area program is to provide assistance for highway construction on the Urban System, urban extensions of the primary and secondary systems, the Priority System in urbanized areas, the Urban High Density Traffic program and other federally-aided programs for areas with a population of 50,000 or more. The Federal-Aid Highway Act of 1973 authorized a total of approximately $1.3 billion for these programs. The FY 76 estimated costs for highways is only $685 million, indicating that the Administration proposes to spend about one-half the amount authorized by the Congress. This continues the trend by the Administration to defer vitally needed urban highway funding. It should be noted that Urban System

funds can be used, at local discretion, for highway transit purposes.

Airports

Airport planning and construction grants will total $350 million in FY 76 which is the funding level in the Administration's proposed airport legislation expected to be submitted to Congress within the next month.

Although this funding level represents only a small increase of $5 million over the FY 75 level, the FY 75 level included a one-time congressionally-sponsored 1975 supplemental of $25 million, hence the proposed FY 76 Budget will result in a $30 million increase over the equivalent FY 75 program. Nevertheless, the funding falls far below estimated requirements for airport construction.

TABLE T-3.—AIRPORT AND AIRWAY TRUST FUND

[Obligations in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Planning grants	$8	$10	
Construction grants	300	335	$350
Total [1]	308	345	350

[1] Totals may differ due to rounding.

Source: "Appendix to the Budget for Fiscal Year 1976." p. 684.

Comment

Mass Transit—Although the capital grants program has been increased significantly over the past several years, it still falls far short of the estimated basic bus and rail requirements of the nation's cities.

Cities also are concerned about the need to provide incentives for increased bus production, although it does not appear from the Budget that the Department of Transportation plans to make any major thrust in this direction. Currently, there is about an 18-month waiting period from order to delivery of buses.

Highway Funds—Total obligations for highways in FY 76 are estimated at $5.4 billion. The $600 million increase over FY 75 funding will go almost exclusively to the Interstate System which is to be increased by $500 million.

The Federal-Aid Highway Act of 1973 authorized approximately $5.8 billion for FY 76 from the Highway Trust Fund. Given the previous failure to obligate highway funds authorized by the Congress, and the projected withholding of funds in FY 76, the unexercised obligational authority in the Highway Trust Fund will be approximately $10.7 billion. The Administration also is expected to recommend deferring $400 million authorized in the 1974 legislation, bringing the total amount withheld to $11.1 billion.

The Budget includes only $685 million for urbanized areas, although Congress authorized about $1.3 billion for urban highway programs. Based upon the Federal Highway Administration's composite price index, highway construction costs have risen substantially and funding for the urban programs has failed to keep pace with increased costs. Also, cities still have extensive highway needs, as demonstrated by the forecasted expenditure of almost $5 billion on highways in metropolitan areas in 1975.

Finally, the Administration's proposed highway legislation would extend the Highway Trust Fund indefinitely and restrict the use of it to funding for completion of the Interstate System, expected to take 15 to 18 years. The department considers the Interstate as its main priority and after completing the system, DOT plans extensive Interstate rehabilitation and reconstruction.

All other highway programs would compete for general funds. However, the states would have the option of picking up one cent in motor fuel taxes (about $1.3 to $1.4 billion annually), which could be used for highway or transit purposes.

Airports—The proposed airport legislation would increase flexibility in the use of funds, extend eligibility to public use portions of terminal areas and allow acquisition of land for environmental compatibility, but it would also make certain Federal Aviation Administration (FAA) operations eligible for payment from user taxes currently restricted to planning and construction grants.

The League and Conference have opposed any diversion of these taxes to fund FAA operations, so long as cities continue to have planning and construction requirements. The Airport Operators Council International (AOCI) has estimated that just to keep pace with inflation over the past five years would require a funding level of approximately $600 million annually.

In addition, there is a surplus of almost $600 million in the Airport and Airway Trust Fund, which, it appears, the Administration may want to use for maintenance. Cities believe that this surplus could be used for the creation of a revolving land banking program to acquire land for future airport expansion and for environmental purposes.

VETERANS EDUCATION AND JOB OPPORTUNITIES

Overall Veteran's Administration FY 76 expenditures are expected to climb from the $13.6 billion projected in the FY 75 budget to $15.6 billion outlays. This reflects 22.3 percent GI Bill and 12 per cent pension increases voted by Congress in 1974. The GI Bill is the nation's largest scholarship program. FY 75 expenditures are expected to total $4 billion, an increase of almost $1.1 billion over last year's estimate. The administration calls for the repeal of the extension of the benefits expiration date from 8 to 10 years, and on the assumption that happens, projects FY 76 benefits at $3.6 billion.

Rescission requests are made to wipe out the FY 75 appropriation of $23,750,000 for the veterans cost of instruction program which enabled more than 1,000 colleges, junior colleges and technical schools to start Veterans Service's offices in July, 1973. No money is requested for this program for FY 76. With soaring unemployment among younger veterans, who were among the last hired because of the 70–72 recessions, no new federally-funded employment programs targeted to veterans are recommended. No legislation is recommended to correct geographical inequities in GI Bill use, which turn on the great state variance in costs and availability of post-secondary education. States in the West and the South, generally, have greater numbers of lower cost education institutions, especially junior colleges and technical schools, and, as a result, higher GI Bill usage.

Comment

Increased GI Bill expenditures represent an important anti-recessionary tool, since the more people who sign up for education and training the more money Congress appropriates under its open-ended commitment to veterans. More jobless veterans may turn to the GI Bill as an income supplement, as well during unemployment, with the hope that subsequent to competion of their education and training, they will become more competitive on the job market.

Additional spending on the GI Bill represents the increased attractiveness of the benefits resulting from the 1972 and 1974 increases. But, additional impact must be attributed to the veterans cost of instruction and supported by the League and Conference which gave educational institutions these staff to deal with veterans. A failure to continue this program indicates a continued emphasis on the so-called "income strategy" of funding the consumer and not the institution that serves him. This income strategy emphasis disregards the fact that unless the institution provides the consumer with services and is in a financial position to continue to do so, there may be no services to buy. There is national evidence that these programs for the first time opened up significant educational opportunities for low income and minority veterans.

Unemployment for veterans 20-24 has soared, rising to 15% overall and 25% for black veterans. Continued increases in veterans' unemployment can be expected because of their lack of seniority. Congress wrote specific provisions in to the 1974 Emergency Job legislation, as well as the GI Bill amendments, providing for concerted efforts by the Veterans Administration, HEW and the Labor Department to work together in obtaining veterans' education, training and job opportunities. No specific funds are earmarked by the budget for this, but it is hoped that the GI Bill, emergency public jobs and where necessary, unemployment compensation, will be viewed as complementary means to create long-term opportunities for individuals who served the country.

TABLE VET-1.—VETERANS

[Outlays in billions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Total VA budget	$13,386	$15,466	$15,592
GI bill outlays	3,249	4,042	3,600

Source: Fiscal year 1976 budget, p. 144.

GLOSSARY

Appropriation—Congressional action to allow a Federal program or agency to incur obligations to spend or to lend money.

Authorization—Basic substantive legislation that sets up a Federal program or agency. Such legislation sometimes sets limits on the amount that can subsequently be appropriated, but does not usually provide budget authority.

Budget Authority—Authority provided by the Congress—mainly in the form of appropriations—which allows Federal agencies to incur obligations to spend or lend money. While most authority is voted each year, some becomes available automatically under permanent laws—for example, interest on the public debt. Budget authority is composed of:

—New Obligational Authority—Authority to incur obligations for programs in the expenditure account; plus

—Loan Authority—Authority to incur obligations for loans made under programs classified in the loan account.

—Contract Authority—Some budget authority is in the form of contract authority, which permits obligations, but requires an appropriation or receipts to liquidate or pay these obligations.

Budget Surplus or Deficit—The difference between budget receipts and outlays, representing the expenditure account surplus or deficit plus net lending.

Deferral—An Executive Branch action or inaction which delays the availability of budget authority for obligation. Under the new Congressional Budget Reform and Impoundment Control Act, the President must send a special deferral message to Congress stating his reasons. A deferral means that spending will be delayed until later in the same fiscal year. Deferrals take effect auto-

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matically unless at least one House of Congress disapproves.

Federal Funds—Funds collected and used by the Federal government, as owner. The major federally-owned fund is the general fund, which is derived from general taxes and borrowing and is used for the general purposes of the government. Federal funds also include certain earmarked receipts, such as those generated by and used for the operations of government-owned enterprises.

Fiscal Year (FY)—Year running from July 1 to June 30 for fiscal year 1975 and earlier fiscal years. FY 76 will have a fifth or Transitional Quarter, ending September 30, 1976 (see "Transition Quarter"). All subsequent fiscal years will begin October 1 and end September 30. The fiscal year is designated by the calendar year in which it ends.

Impoundments (Budgetary Reserves)—A general term that refers to the withholding of budgetary authority from obligation—that is, recissions or deferrals.

Obligations—Commitments made by Federal agencies to pay out money for products, services, loans, or other purposes—as distinct from the actual payments. Obligations incurred may not be larger than the budget authority.

Outlays—Checks issued, interest accrued on the public debt, or other payments made, net of refunds and reimbursements.

Rescission—Enacted legislation canceling budget authority previously granted by Congress. Under the Congressional Budget Reform and Impoundment Control Act of 1974, the President must send a message to Congress stating his reasons for the proposed rescission. Congress must approve the rescission within 45 Congressional working days, or the money must be spent.

Reserves—See "Impoundments".

Transition Quarter—Due to change in the fiscal year (See "Fiscal Year") FY 76 will cover a fifteen-month, rather than a twelve-month, period. The months of July, August, and September 1976 are the transition quarter.

Trust Funds—Funds collected and used by the Federal government, as trustee, for specified purposes, such as social security and highway construction. Receipts held in trust are not available for the general purposes of the government. Surplus trust fund receipts are invested in government securities and earn interest.

REVENUE SHARING

Mr. HRUSKA. Mr. President, in recent weeks I have received many letters from Nebraska communities urging that the general revenue-sharing program be extended.

Local officials in Nebraska and elsewhere are becoming concerned over the fate of revenue sharing. There have been widely circulated reports that certain special interest groups are trying to kill or radically change the revenue program or cripple it with stringent Federal controls. One of the program's most attractive features has been that, to a large extent, local governments have been able to use revenue-sharing funds where they deem best.

If the letters I have received from Nebraska are any indication, the State, county, and municipal officials have been utilizing these funds wisely and in accordance with the wishes and interests of the citizens they serve.

For instance, the Holt County Board of Supervisors infromed me that they have used the money for improvement of county roads without increasing the tax levy. The Frontier County Commissioners have been able to gravel many miles of unpaved county roads and to purchase road improvement and maintenance equipment which they could not afford previously. Nemaha County used revenue-sharing funds to erect a new county jail. The city of Weeping Water used the funds to furnish a clinic for a doctor and purchase a lot to enlarge the fire hall. These are a few instances of how revenue sharing has proved beneficial to the communities in my State.

Mr. President, I was pleased to cosponsor S. 11, the bill introduced recently to extend the revenue sharing act. As I stated when S. 11 was introduced, I believe that this measure provides "a sound basis for careful review and reevaluation of general and special revenue sharing." In addition, the bill contains many provisions which might improve the program's operation and suggest solutions for the problems which some local officials have encountered.

S. 11 would provide indefinite automatic funding of revenue sharing, eliminate restrictions on the uses of revenue sharing funds by local officials, and relate entitlements to a fixed percentage of Federal adjusted gross income.

These would be worthwhile improvements in the program, and they merit serious consideration by the Congress. I look forward to the forthcoming hearings on S. 11 and on other revenue sharing proposals during the 94th Congress.

I appreciate hearing from Nebraska officials who have worked closely with all facets of revenue sharing and are most familiar with its advantages and disadvantages. I am pleased to know that the mayors, county commissioners, and municipal authorities of my State strongly favor continuing the program and that their communities have made good use of the revenue sharing funds they have received.

Mr. President, I received a letter from a distinguished constituent of mine, Mayor Glenn Zajicek, the mayor of Wilber, Nebr., asking my help in "keeping the revenue sharing program alive." He said:

I realize it has been an added tax but I still think that other federal programs of less value and other worthless programs could be done away with.

He concluded:

This is about the only way in which we can start getting our government back to local control.

I know of no one who has better credentials to speak of the success of revenue sharing than the mayor of a small city in mid-America. His firsthand experience with the workings of revenue sharing should provide invaluable insight to us.

Mayor Zajicek enclosed an article he wrote on revenue sharing. I ask unanimous consent that his letter and the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

CITY OF WILBER,
January 29, 1975.

Senator ROMAN HRUSKA,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am very concerned about keeping the revenue sharing program alive. I realize it has been an added tax BUT I still think that other federal programs of less value and other worthless programs could be done away with.

Enclosed is an article that I wrote on revenue sharing. Use it anyway you see fit if you want to. It may seem a little course to you and you may not agree with me 100% but after all this is your privilege. After being Mayor of Wilber for over 9 years I feel that I am qualified to know what is best for our community. One thing that I do know is that we do not need more federal control.

This is about the only way in which we can start getting our government back to local control.

Sincerely,
Mayor GLENN ZAJICEK,
Wilber, Nebr.

THE TRUTH ABOUT THE REVENUE SHARING PROGRAM AS SEEN BY A SMALL TOWN MAYOR

(By Glenn W. Zajicek, mayor of Wilber, Nebr.)

Even tho there are a few strings attached to revenue sharing it is the start of one of the best programs ever offered to cities and small towns. There is room for corrections but let us face the simple facts. We are finally getting some of our own tax money back without having to go to the Federal Government on bended knees. Anyone who has ever been involved in any Federal funding program knows of the red tape and excessive costs encountered due to this red tape. Also the small towns do not have the money and personnel to support the lobbys in Washington like big business and like the large labor unions. Therefore we have little voice in anything that big business and the large labor unions do not agree with.

We must realize that the back bone of this country is still the so-called little people. (Small farmer, small business and small industry). Many of these are located in the smaller communities.

I never could quite understand how the Federal Government could implement the same programs for New York City and Wilber, Nebraska. It is so far fetched that it does not even make sense. This is like comparing the New York Yankees to the Pee Wee Midget Baseball Club of Wilber. We simply are not in the same league.

We are now suffering from excessive inflation. Most of this has been due to our Federal bureaucracy. Two good examples of this are our meat and dairy industries. Over the last few years the small meat processors and small dairy people have almost been obliterated from business.

Why? Because of the many stupid bureaucratic regulations. I realize that we need health regulations for these two industries but what these people had and have to put up with is ridiculous. There was little or no co-operation between the State and Federal Government. Both sent out inspectors in some cases that were comparable to the German SS men. In some cases they made up their own rules and regulations. Every few months more money had to be spent to come up to the so-called standards. The inspectors were never satisfied. So many of the small meat processors and small dairy people gave up and quit. So now most of the meat industry and dairy industry is in the hands of big business. This is why meat and dairy products are higher than they should be. Bring back the small family type meat processor and small dairy farms and these prices will stabilize. Course the damage has already been done. This is easier said than done.

Now the reason I have expounded on the meat and dairy industries is to make clear the need to get the power of government back to the state and local level. We know our needs. We are here where we can keep better watch on what goes on. We are not perfect nor will we solve all the problems but I am sure we can cut the Federal spending by this so called do it yourself method.

We do not need Federal aid on highway funds, in schools, sewer and water grants and a lot of the other so called give away Federal programs. Plain logic will tell anyone that the school needs or highway needs etc. In different parts of the country will vary. So why waste these funds when they are not needed in certain areas of the country. Let the state, county and local governments determine their needs. One thing for sure—we can ——— things up any worse than they are now.

Our bureaucracy is like a tumor. It keeps growing more every day. It is costing the tax payer more every day and we are getting less for our money. The only solution is to operate and cut away the tumor and leave the healthy tissue. Which in this case would be a government by the people. We do not need a government to support the people. In a democracy the people are the Government and they should be able to support themselves.

Revenue sharing to Wilber, Nebraska, has been a shot in the arm to our community. We have tried to use it wisely and today we find ourselves with a smaller mill levey than we had four years ago. We have used it in law enforcement, recreation, public health and flood control. It has enabled us to use other city money in fire protection and public safety. And the sweet part of it all is that we did not have to go begging for the money.

Nobody has ever come around and ask me about revenue sharing and I am sure many mayors like myself have never been consulted. Most of the loud mouths who talk against revenue sharing are political opportunists who know little about local government.

When our forefathers planned this great democracy of ours they did not intend the Federal government to have the vast powers it has today over state and local government. They were in a sense a lot smarter than we are today because they could see the crippling effect that a powerful central government could have over local government.

How many times have we heard the phrase "let the government do it"? We are finally coming to realize that someday the so called government is going to do everything for us. When this happens then where is the government by the people? We can say goodby to our democracy and hello to a socialistic form of government where the people will have very little to say. We can look up the word "socialism" and the word "communism" in the dictionary and we find little difference between the two.

A lot of our problems can be solved if we get the working part of Government back to the State and local level. The Federal Government has a place in our country but not at the bureaucratic level it is at now. The people are still the key in a democracy. Our people in our communities have to assume leadership. They have to assume their obligations and their responsibilities provided them in our Constitution and the Bill of Rights. Too many people in this country want to work forty hours a week, draw large wages and then its all fun time—fishing, golfing, bowling etc. To hell with any responsibilities. And yet these people still want to live in a democracy.

It is plain stupidity to blame all the problems of this country on one man—the President of the United States. He is no miracle man nor can we expect one man to have all the answers. The simple fact is that the job is too big for one man. In other words our Federal Government as it is today is too big.

This in itself should prove why we need a revenue sharing type of program to help lessen the load of the Federal Government.

As I see it the people in this country have one of two choices: No. 1—to keep letting the Federal Government do everything for us and have our country ending up as a socialistic republic or No. 2—get off of their dead behinds, wake up and start assuming their democratic responsibilities and start working to make this the democracy our forefathers intended it to be. After all we get out of something just what we put into it. If we put nothing into this democracy of ours then we can expect nothing back. It is time that we stop letting other people do our work for us.

Revenue sharing is the key that can unlock the door that leads us back to a better life but most of all a true democracy where the people assume the responsibilities and do the work that should be done to make our communities and our country a better place to live.

AUTHORIZATION TO INTRODUCE MEASURES UNTIL MIDNIGHT TONIGHT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until midnight tonight to introduce bills, submit resolutions, and to include statements thereon for the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR CERTAIN ACTION TO BE TAKEN DURING THE ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during adjournment of the Senate over to 12 o'clock noon on Tuesday next, the Secretary of the Senate be authorized to receive messages from the President of the United States and the House of Representatives, that they may be appropriately referred, and that the Vice President, the President pro tempore, and the Acting President pro tempore may be authorized to sign all duly enrolled bills and joint resolutions.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 noon on Tuesday next. There will be a period for transaction of routine morning business.

GENERAL INFORMATION

As to Tuesday and the balance of next week, the following measures are expected to be available for possible floor action—rollcall votes could occur:

First. Debt ceiling bill.

Second. Ninety-day deferral bill, oil import tariff.

Third. S. 353, maritime authorization.

Fourth. Resolutions on rescissions and deferrals are highway funds and waste treatment funds.

ADJOURNMENT TO TUESDAY, FEBRUARY 11, 1975

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon on Tuesday next.

The motion was agreed to; and at 11:48 a.m., the Senate adjourned until Tuesday, February 11, 1975, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 6, 1975:

DEPARTMENT OF STATE

Elliot L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

DEPARTMENT OF JUSTICE

George J. Long, of Kentucky, to be U.S. attorney for the western district of Kentucky for the term of 4 years (reappointment).

NOMINATIONS

Executive nominations received by the Senate February 7, 1975:

IN THE COAST GUARD

The following named commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of captain:

Robert E. West	Jan D. Wegenka
Arthur S. Langlie	Paul H. Kuhn
Thomas K. Thorpe	August H. Douglas, Jr.
Frederick W. Brundick III	Robert G. Lyle
Daniel M. Conway	Eldon L. Laidig
Thomas A. Roach	Harry W. Bischoff
Richard H. Funsch	Glenn G. Anderson
Christopher Aeschlimann	John J. Fitzgerald
	Thomas S. Latham

IN THE ARMY

The following-named officers to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Michael Shannon Davison, 561–54–7263, Army of the United States, (major general, U.S. Army).

To be lieutenant general

Lt. Gen. Elvy Benton Roberts, 400–14–1170, Army of the United States (major general, U.S. Army).

IN THE NAVY

The following-named officers of the U.S. Navy and Naval Reserve for temporary promotion to the grades indicated in the staff corps as indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Commander

Aguila, Honorato M.
Altman, Jeffrey Alan
Amis, Edward Stephen, Jr.
Amundsen, Duane George
Arendale, Stephen Sydney
Ashley, L. G., Jr.
Babka, John Christopher
Barnwell, Grady Glenn J.
Barone, Robert Michael
Beal, Lowell Richard
Beatty, Hugh Tyrrell
Biesecker, Gary L.
Bigley, Harry Alan, Jr.
Blome, Bruce Richard
Boffman, Harry Randolph
Borel, Sylvain Angelo
Bosley, William R.
Bounds, Terrell Buddy J.
Brewer, Robert Francis
Brumfield, James Douglas
Bryan, Floyd Talmadge
Bryant, David Willard
Burnett, John R.
Burns, Arthur Charles
Burrows, William Mead J.
Butcher, Michael Dane
Caldwell, Craig Wilson
Campbell, Barry Blair
Campbell, Corder Compton

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Campbell, James Anthony
Carlisle, John Lester
Carlisle, John Wesley J.
Carson, Homer Shannon I.
Carstensen, Richard O.
Chambers, Robert Edward
Childers, Marvin Alonzo
Christensen, Mahlon F.
Clark, George Wesley, Jr.
Clark, Thomas Alan
Clyde, Harrie Robert
Colgan, Diane Leslee
Connor, Thomas Martin
Conte, Robert Salvador
Cooley, William Emory J.
Cordell, Larry Donald
Cox, Joel Robert, Jr.
Craver, William Dillon
Credle, William Frontis
Cross, David Alan
Daly, Richard George
Daniels, Bruce Lynn
Davis, William Roger
Day, Cyrus M., III
Dibona, Douglas Dante
Donaldson, Robert Carter
Douglas, Donald Steven
Duckworth, Dyce Jerome
Duffey, Depue Hazen, Jr.
Dwyer, Robert Dennis
Edwards, Bruce George
Ellsworth, Robert Martin
Ellwood, Leslie Clive
Farrell, Kenneth H.
Flanagan, Michael Cyril
Flynn, Edward Thomas, Jr.
Foote, D. D.
Fuselier, Francis Wayne
Gallagher, William Joseph
Getz, Lawrence Gilbert
Gilson, Mayo Dean
Golden, Richard Allen
Goldschmidt, Mark Norman
Gordon, Dennis Harvey
Gorske, Arnold Lowell
Granatir, Robert Francis
Greeson, Charles Stewart
Gregory, George William
Grodin, Douglas Michael
Gunther, Stephen Flack
Haley, John Marshall
Hall, James Henderson, I
Hallenbeck, John Mansfield
Hallet, Kathleen Kagan
Harder, David Franklin
Hardy, John Sherman, Jr.
Harris, Arthur S.
Harris, Clarence Monroe
Harris, Richard Ernest
Hawkins, Michael Lawrence
Hayes, Robert Preston B.
Hitt, Curtis Lee
Hoger, Norman Garwood
Holtzman, Garry Lynn
Hopper, Richard Edmund
Houghton, James Orville
Houk, William Michael
Isenhart, George Edwin
Izzo, Joseph Leonard
Jackman, William Martin
Jacobson, Albert Dale
Jacquet, James Martin
Jewell, Calvin Thomas
John, David Alan
Johnson, Paul Elmer
Keith, Virgil Anderson
Kemp, David Garrett
Kimbrell, Fred Taylor J.
Kindschi, George William
King, Byron Francis, Jr.
King, Charles Robert
Kirchner, John Patrick
Klein, William Joseph
Knapp, Robert Sinclair
Knight, Douglas Reid
Koenig, Harold Martin
Krebs, Curtis James
Kundert, Ernest Edgar
Lange, Thomas Allen
Langhus, Peter A.
Lavarias, Santiago P.
Lewis, Ronald William
Lewis, Stephen Barnett
Lichtman, David Michael
Lohner, Thomas
Lomas, William Roger
Lorenzen, Paul Conrad
Ludewig, Robert L.
Luiken, George Anthony
Lyman, William Michael
Lynch, Thomas Patrick
Malinovsky, Michael Rud
Malone, Patrick Thomas
Margulies, Robert Allan
Martinson, Alice Marie
Marty, Alan Thomas
Mason, Jack Fabian
Mason, William Terry
Mathers, James McClurg
Mattheis, Kenneth Robert
Max, Martin H.
McArtor, Robert Dennis
McCormick, Hugh Bernard
McGill, Willis Alexander
McKee, Edgar Geer
McKenzie, William Fount
McKinney, Douglas Edgar
McLamb, James Norwill
McMillan, Donald Malcolm
Medina, Miguel Pablo
Meinecke, Henry Milton
Mendez, Prudencio, Jr.
Miller, George J.
Miller, William David
Mlynarczyk, Francis A.
Mogien, Leslie Joel
Moynihan, Donald Thomas
Muller, Steven Anthony
Myster, Stuart Howard
Navarro, Godofredo L.
Neal, David Alistair
Nebel, Otto Theodor III
Nelson, Fred Ritchie, Jr.
Nelson, Richard Arnold
Newton, Dennis Elbert I
Nicholson, Thomas Corne
Nielson, Karl Douglas
Nowak, Gerald Joseph
O'Connell, Kevin John
Odwyer, Andrew J.
Oller, Dale William
Panek, Henry Francis
Parvin, Thomas Steve
Paul, Francis Ferdinand
Paul, Theodore Otis
Pease, Gary Lee
Penner, Lawrence Raymond
Pettit, William Francis
Plaza, Jesus Aurelio
Poundstone, John Walker
Pratt, Richard Alfred, I.
Pries, Richard Edwin
Pryor, Norman Dale
Radnich, Robert Hays
Ray, Walter F.
Reed, James Croft
Reed, William Jerome
Rhyne, Dennis Alfred
Ricker, William Ernest
Roan, Ralph R.
Rodgers, Donald E.
Rodgers, Stephen John
Roelofs, Bruce A.
Romolo, Joseph Louis
Roper, Albert Lonsdale
Rosenthal, Myer Hyman
Routenberg, John Albert
Sanford, Frederic Goodman
Satko, Frank Gregory
Sawyer, Ralph Alphonse
Schang, Steven Jacob, Jr.
Scher, Irwin
Schmottlach, David Ralph
Schweitzer, Robert Leon
Scott, Kenneth Neal
Seal, William Clayborn
Seckler, Jerrold Howard
Shaver, Philip James, II
Shaw, Gerald Lee
Sheffer, Lee Allan
Siegfried, George Earle
Slesers, Juris
Somma, Richard Martin
Spader, Bryan Dale
Spence, Clarence Howard
Steele, Samuel McDowell
Steinberg, Steven Marc
Stenberg, Michael Donald
Stevens, Bruce Lawrence
Stevens, Larry Phillip
Stice, Richard Bell
Stokos, James
Strauss, Michael Brian
Stromberg, Murray Gage
Stuckey, Charles Edward
Suvari, Agu
Sydlowski, Paul E.
Talton, Hugh Johnston
Tashchian, Agop
Telesh, George Gregory
Templeton, Gilbert W.
Todd, Gary Price
Turner, Tommy
Ulch, George Alan
Unsicker, Carl Lester
Upchurch, William David
Vanderberry, Robert C. J.
Vandersalm, Thomas J.
Vasquez, Guillermo A.
Vega, Luis Eduaro
Voth, Gayle Vernon
Watkins, Robert P., Jr.
Waugh, Robert Andrew
Weisberg, Jan Joseph
Welch, William Calvin
Werner, Leslie George
Westcott, William Ireland
Whitlock, Paul Austin J.
Wilson, Richard Lee
Wong, Kuan P.
Woodburn, Richard

SUPPLY CORPS

Anderson, Floyd Raymond
Armour, Robert Charles
Billings, Thomas Hadley
Bloom, Jardine Clifton
Boltz, Jacob
Brand, Herbert Fred
Bruton, Lawrence Layne
Burns, Reuben Donald
Chenoweth, Denver, Jr.
Christensen, Thomas William
Cook, Bennie Wayne
Dempsey, Robert James
Desmarais, Normand Donald
Ditmore, Carl Alexander, Jr.
Draper, Walter Scott, III
Drinnon, James Willard, Jr.
Erickson, Roger Charles
Ervine, Donald McClure
Farnsworth, David Lee
Faul, David Charles
Fournier, Alexander F., III
Francis, Thomas Marlin
Gartrell, Cecil Eugene
Gear, James Robert
Gentile, Ronald Philip
Gibfried, Charles Philip
Goodman, James Clement, Jr.
Hamlin, Rudolph Barry
Hardin, Jonathon Jaben, Jr.
Heavener, Richard Wayne
Hoffmann, Wilbur Edwin, Jr.
Inman, James Edward
Isenhour, Thomas Henry
Jacroux, Paul Edward
Jarman, Cecil Albert, Jr.
Johnson, Jerry Eugene
Jordan, James Clyde, Jr.
Knachel, Robert Eugene
Knapp, Emmett Jay
Koczur, Eugene
Krieg, William Cecil
Kuhns, Howard Edwards
Leber, Theodore Timothy, Jr.
Ledwig, Donald Eugene
Lee, Richard Henry
Leisenring, Richard Porter
Ligon, Samuel Joseph, Jr.
Lynch, Ronald Paul
Machesky, John Michael
McGee, Bernard James

McGee, William Cozadd
Meier, John Douglas
Mezzio, George Henry
Miles, Darrell Raymond
Moore, Robert Marion
Morgart, James Alan
Parker, Jimmie Roscoe
Paskowitz, Selwyn S.
Percifield, William Lester
Peters, Richard Dale
Ransdell, Maurice Gene
Reavis, Peter Augustus, Jr.
Roth, Jon Biddle
Schleck, Peter Joseph
Selgelid, Larry Curtis
Shaughnessy, David Brian
Shiels, John Morse
Steidle, Robert Earl
Talbot, Patrick Joseph, Jr.
Tribbie, Arthur Stewart
Wadsworth, William Theodore
Waller, Billy Glenn
Werbel, Samuel Gerson
Wolff, Norman Dieter
Yeager, Howard Bailey

CHAPLAIN CORPS

Anderson, Philip David
Baar, Harold Leroy
Brock, David Francis
Campbell, Eli Hoke, Jr.
Cox, Joseph Donald
Dowd, Patrick Arthur
Duke, Robert William
Fitzsimmons, David Harlan
Greco, Evan Joseph
Grubbs, Roy Dale
Jayne, Edward Eben
Koeneman, Alvin Berthold
Krabbe, Donald Louis
Loughman, Kenneth Michael
Morley, John Francis
Peters, Jack Richard
Purdham, Aldon Elwood
Quinn, Robert John
Turner, Wallace Barry
Walker, John Francis
Willard, Melville Frederick J.

CIVIL ENGINEER CORPS

Bell, Warren Miller
Bonham, Paul Windsor, Jr.
Booth, Robert Midgley
Currie, Wayne Lee
Davis, Harry Paul, Jr.
Emsley, Thomas Howard
Fraunces, George David
Greenwald, James Michael
Harmon, William Hayne
Horacek, Jerry Lee
Lafond, John Allen
Lewis, Quentin Edward David
McCorvey, Donald Laney, Jr.
Monarch, Delmont Jerome, Jr.
Osborn, James Harold
Patterson, Joe Thomas, Jr.
Poole, Arthur Seeger, Jr.
Preston, Robert Lowell
Robinson, George Sydnor, Jr.
Thomas, Eugene William
Tucker, Tracy Clark
Vasilik, Kenneth John
Weir, Charles Edwin, Jr.
Wilson, Eric Rex, Jr.
Wisenbaker, Richard Yancey

JUDGE ADVOCATE GENERAL'S CORPS

Cronin, George Francis, Jr.
Hunt, Roger Wayne
Michael, George Lewis, III
Pope, Charles Evans, III
Vanderlugt, Robert William
Warwick, Howard Roger, Jr.

DENTAL CORPS

Baycar, Robert Stephen
Bernhard, George Karb J.
Blake, James Morris
George, Gary Stapleton
Hartman, Gerald Lee
Kennard, John Thomas
Licking, Thomas Charles
Pfeifer, David Lewis
Poe, Gerald Stivers
Stuart, William W., Jr.
Yavorsky, John Dennis

MEDICAL SERVICE CORPS

Anderson, Francis Graham, Jr.
Bennett, Floyd Edward
Blankenship, William Leon
Butler, Robert Charles
Chan, Robert Sherman
Ellis, Glenn Mercer
Ferguson, Donald Richard
Hammett, Gene Lee
Hinds, Robert Bruce
Kennedy, Robert Samuel
Levandowski, Thaddeus Freder
Lucas, John Richard
McCullagh, Robert Francis
McKelvy, Patsy Lurleen
Mulrennan, John Andrew, Jr.
Richardson, Fredric Maury
Schroeder, William Henry
Steil, James Joseph
Wentworth, Richard Lee
Zimmerman, Lonnie Victor

NURSE CORPS

Anderson, Dolores Elaine
Banks, Audrey Estelle
Barbarick, Donna Louise
Frawley, Shirley Mae
Lochte, Rose Marie
Lockwood, Lavon Ruth
McIntyre, Joan
Merrill, Shirley Elaine
Porter, Julia H.
Tuttle, Nancy L.
Wallace, Donna L.
Miller, Barbara E.

The following-named regular officer of the U.S. Navy for temporary promotion to the grade of commander in the Supply Corps, pursuant to title 10, U.S. Code, section 5787, subject to qualification therefor as provided by law:

Tarr, Nicholas W.

The following-named officers of the U.S. Navy and Naval Reserve for temporary promotion to the grades indicated in the staff corps as indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Lieutenant commander

Baxter, Nicholas Herbert
Becker, Albert Eugene J.
Carlson, Daniel William
Coombs, Douglas Ray
Criddle, Frank J.
Damm, Stephen R.
Delaney, Adrain Joseph
Devig, Patrick Marvin
Gemelli, Ralph Joseph
Golembieski, Miachel Ed
Gorrell, Alan Louis
Hassett, James Martin J.
Haworth, David Lee
Hay, James Thomas
Huffman, William Raymond
Hurst, James Martin
Jette, Norman Timothy, I
Kammeyer, Steven Edward
Kramer, Douglas Alan
Mayr, James Francis
McLeod, James William
Murray, William Kent
Nase, Harold Wallace
O'Bryan, Robert Keene
Peterson, Daniel Reuben
Reedy, John Canaday
Sanders, John Woodrow
Schenk, Joseph Henry
Schwab, Charles William
Shreck, James Neil
Swanson, Richard Thomas
Thomas, Otis Victor, Jr.
Verkleeren, John Luce
Voge, Victoria Mae
Wagner, William Jordan
Watts, Michael Allen
Weber, Daniel James
Williams, John Francis

SUPPLY CORPS

Allega, Timothy James
Barnes, Frank
Barnett, Orlando Tyrone
Bedle, William Blis
Benbow, Robert Thomas
Bray, Richard Lee
Brown, William Timothy
Chamberlin, Edward Robert
Coffin, Charles Edward, III
Crognale, Stanley Joseph, Jr.
Dawson, Joseph Charles
Dexter, Stephen Thompson
Doubleday, Ross Justin
Eaton, Roy William, Jr.
Edgerton, Donald Kenneth
Engel, Raymond Paul
Freeny, Ronald Nelson
Guth, Michael Harold
Hilton, David Eastwood
Hoyt, Charles Arny III
Ireland, Dennis Wayne
Jaudon, James Elton III
Jenkins, Evan Richard
Jepson, Francis Edwards, Jr.
Kauffman, David Carl
Keller, Frank Boyd
Kern, Samuel Yeager
Kincaid, Bruce David
King, Lawrence Allen
Kinsey, Joseph William
Krause, Ben Allen
Libby, Kurt William
Loveday, Leonard Norman
Madril, Richard Joseph
Marx, Paul Thomas
McGinnis, William James
McInnis, Rober Eugene
Meehan, Clement Thomas, Jr.
Moore, Beryl Grant II
Mortsolf, Larry Alonzo
Nelson, Ronald Charles
Newton, George Edward
Novak, Wayne Frank
Nuzum, Judge Meigs
Ott, Gene Franklin
Parks, Michael Blake
Printz, Stephen Carl
Quirk, David John
Sarver, Gordon Jay
Satterthwaite, Peter Leo
Scarola, Joseph Ralph
Schechter, Kenneth Alan
Scudi, John Turner
Seyfried, Philip Joseph, Jr.
Shirley, Joseph Garrison
Soares, Leonard Joseph
Souza, John Edward
Spadafora, William Henry
Stanton, William Hugh
Trimpert, Eugene Charles
Ulirich, James Marshall
Utter, James Henry
Vanrooy, Lester Arthur, Jr.
Vaughan, Larry Edward
Weave, Willis Stanley

CHAPLAIN CORPS

Ferraro, Joseph Anthony
Frankel, Bernard
Moore, Paul James
Perry, William Lee
Pilarski, Peter Richard

CIVIL ENGINEER CORPS

Ankrum, George Theodore
Bare, James Clement
Bone, Talbot Wade
Brown, Richard Eugene
Brown, William David
Eckloff, James Clement
Everhart, Guy Franklin
Fadden, Dean Everett
Franz, John Peter
Fucile, Eugene Paul
Geibel, Bruce Burgee
Heath, John Emery
Hoff, Michael Leroy
Holm, Stanley Robert, Jr.
Jones, Lloyd Kenneth
Laursen, Brian Ray
Lehman, John August

UMI

Lowery, Edward Joseph, Jr.
Lucas, John Albert, Jr.
Nash, David Julian
Owens, James Walter, II
Palmborg, James Glenn
Rever, John Nicholas
Sherron, John Thomas
Somers, Allen Harry
Spiezio, Frank Anthony
Thurston, Benjamin Easton
Walters, Victor Young
Ward, James Emerson
Yankoupe, George William

JUDGE ADVOCATE GENERAL'S CORPS

Grant, Harold Eric
Kerr, Gerald Lee, III
Milliken, Jon Chancy
Newman, Richard Carson
Nolta, Franklin Lyman
Scholz, Ronald Walter
Shea, John Patrick, III

DENTAL CORPS

Abulafia, Lewis Harold
Akerson, Harvey Alan
Ambrose, John Michael
Auclair, Paul Lionel
Bailey, Charles Stephen
Beaudry, Robert Joseph
Beaver, Geoffrey Hood
Bial, John Joseph
Boyd, John Joseph, Jr.
Broadbent, Charles D.
Comey, Thomas Edward
Creed, Thomas William
Doblecki, Walter
Draude, Joseph Anthony
Dunlap, Robert M.
Eickenhorst, Julius W.
Evans, William Richard
Ewald, Franklin Henry
Fertig, Steven Allen
Figenshau, James Gibbs
Frankel, Richard Lee
Frazier, Joseph Irvin
Fuhrman, Robert James
Fullerton, William Lloyd
Genet, Philip Edwin
Graf, George Herbert
Gray, Jonathan Loomis
Guman, Richard Andrew
Hadman, James Allen Bal
Hendrickson, Dean Alan
Herrmann, Robert Christ
Horton, Jowell Dean
Hoyem, Stephen
Jackson Ronald David
Janek, Bruce S.
Jorgensen, Michael George
Kapa, Stanley Francis
Lamb, Courtney Charles
Lander, Charles William
Lehman, Joseph William
Lynch, Peter Gerard
Mariner, Robert Walker
Maroney, William Francis
Martin, John Christopher
Miller, Richard Charles
Moyer, Gary Neal
Nolan, Gordon James
Oboyle, Ronald Charles
Parker, Robert Scott
Peterson, Burke Brent
Reeves, William George
Rocha, Theodore Everett
Sanders, John Joseph
Santoro, Robert Joseph
Schneider, Theodore, IV
Schwenk, Robert James
Sharrock, Michael Francis
Simkovich, John Joseph
Smith, Millard Bedford
Smith, Ronald James
Sorensen, Jon Arthur
Spann, Charles Earl
Stannard, Paul Francis
Steakley, Steven Lee
Stuller, Charles Bernard
Styrlund, Thomas Frederick
Towle, Herbert Jere, III
Tozzi, Raymond A.
Tyler, Martin Thomas
Walton, James Franklin
Waytena, James Richard
Weiskopf, Mark Allen
Witherspoon, Robert A.

MEDICAL SERVICE CORPS

Benander, Douglas Norman
Blanton, James Roger
Cooper, Fuman Kenneth
Edwards, Darrel
Hickey, Myron Joe
Hostetler, Melvin Glenn
Jeffs, Robert Anton Aulie
Lamdin, Jay Marshall
Ludwig, William Carl
Mathewson, Gordon Wesley
McGrath, William Peter
Moore, John Riley
Morris, Wayland Franklin, Jr.
Morton, Robert Johnathan, Jr.
Oleary, Terrence James
Potter, Duane Ernest
Price, Darrell Loyd
Snow, Kenneth Souder, Jr.
Tackitt, Robert Duane
Thrall, Allen Mason
Tveten, Paul David
Walker, Richard Ives

NURSE CORPS

Austin, Stuart Richardson, Jr.
Baker, Deirdre Call
Becklun, Joan Kay
Bohn, Randolph Joseph
Corbusier, Jill Ann
Dault, Judith Ann
Elsesser, Mary Ann
Engel, Joan Marie
Finley, Frances Lee
Jordan, Janice Yvonne
Mencik, Barbara Ann
Monk, Judith Lynn
Morris, Edward William

The following-named officers of the U.S. Navy for temporary promotion to the grade indicated in the line subject to qualification therefor provided by law:

LINE

Lieutenant commander

Aaker, Charles Ervin
Aanerud, Kenneth Dean
Abbot, Charles Stevenson
Abraham, Michael, III
Ackerson, Jeffrey Townsend
Adams, Merchant Stewart
Agee, Jerry Bond
Akst, H. Gordon
Alexander, Samuel John
Allen, Lloyd Edward, Jr.
Allen, Thomas Richard
Allman, John Chelsea, Jr.
Almon, John Sterling
Ameel, Frederick Donald
Angelina, Peter Gerald
Arje, Andrew Coulter
Armstrong, Douglas McLean
Arnold, John Paul
Arquette, Howard Ralph
Ashford, Richard F., Jr.
Atkins, Ronald Wayne
Aurand, David Robert
Avery, Robert Butner
Badger, Richard Lee
Baggett, Donald William
Baird, Leo James Michael
Bandy, Robert Frank
Banks, Bruce Christian
Baranowski, William
Barchi, Richard Henry
Barker, Timothy Lee
Barry, Thomas Joseph
Bartel, Edward Donald
Bartley, Archie Lee, Jr.
Baskerville, James Jay
Bateman, James Harold
Bates, George Macnider
Baumann, Dennis Clement
Beachy, John Scott
Beal, Robert Everett
Beard, Timothy Robert
Beattie, David John
Beaudry, Rodolphe Wildy
Beaulier, Jerome Eugene
Beck, Andrew Conrad, II
Beers, Robert Norman
Begbie, Albert Joseph
Beiser, Richard William
Benn, Ross Gary
Bergen, Laurence Michael, Jr.
Berning, Ronald Charles
Berry, William
Betts, Craig Robert
Biery, George Monroe, II
Bill, David Spencer, III
Billings, Alan James
Billings, Leland Raymond
Birchfield, Robert Boyd
Bird, Noel Thomas
Birkmaier, William B., Jr.
Bishop, Donald Elmore
Bixler, Michael Balfour
Bixler, Paul Woodruff
Black, Harold David
Blair, Dennis Cutler
Blakeney, James Houston
Blocksom, Roland Daly, Jr.
Blomberg, Charles Lawrence
Boennighausen, Roger Paul
Bokesch, William Michael
Booth, Gregory Seeley
Borich, Michael Stephen
Borsh, Richard Martin, Jr.
Bortz, Richard Vaughan
Bouck, David William
Bowenkamp, Robert Donald
Bowles, Hugh Conrad
Bowman, Frank Lee
Boyd, John Stuart
Boyer, Robert Frank
Bradt, Douglas James
Brandenstein, Daniel Charles
Braun, Farrell John
Brennan, Neil Maxwell
Brewer, Joe Robert
Broder, William Thomas
Brodsky, Robert Gray
Bronaugh, Welbourne F. J.
Brooks, Nicholas George
Brooks, Robert Andrew
Brooks, Robert Emmett
Brooks, William Keith
Brosee, Manfred Neil
Broughton, Thomas Gary
Bruckner, James Winston
Bryant, Franklin Simons
Buchanan, Richard Alan
Bucher, Lawrence Charles
Buckingham, James Robert
Buckley, John Thomas
Buege, Paul Stephen
Buletza, Peter George
Bunge, Thomas Edward
Burhans, Nicholas Pegau
Burkhart, James Richard, II
Burkhead, Franklin, Jr.
Burmaster, Charles Lyman
Burns, Franklin Jeffrey
Burns, Kenneth Edward
Burton, Charles William
Butler, Edward John
Byron, John Ladue
Calabough, Jerry Simms
Callahan, Patrick Anthony
Campbell, James Dougal
Canaday, Brent Arnold
Cannon, Arthur Bruce
Capute, Joseph Robert
Carey, Edwin Fenton, Jr.
Carlson, David Samuel
Carlson, Edward James
Carlton, Kenneth Marvin
Carmody, William Oliver
Carroll, James Norman
Carter, Rodger Besley
Carter, William Campbell
Casterline, John Braman
Center, William Dillard
Chandler, Michael Stewart
Chandler, Thomas Haywood
Clark, Dale Veldon
Clark, Vernon E.

Clark, William Stephen
Clarke, Joseph Dallas, IV
Claybrook, Sam
Clegg, Marshall Cardon
Cline, Gary Keith
Cloninger, Arthur Douglas
Clothier, Thomas John
Cobb, Robert Linah
Cockcroft, Thomas D.
Coffey, William Jackson
Cole, Otis Robert, III
Colgan, Stephen Gregory
Collier, James Church
Collins, Alfred Leroy, Jr.
Conway, Clinton James
Conn, George Richard Werner
Connell, Jack Peterson
Cook, Donald Edward, Jr.
Copeland, Larry Mack
Council, George Sloan, Jr.
Cramer, Michael William
Crane, Melvin Edward
Creighton, John Oliver
Crenshaw, William Robins, Jr.
Crider, Thomas John
Gripe, Paul Lynn
Crociata, Joseph Philip
Cronyn, Brian Sullivan
Crosby, Dennis Allen
Crowell, Gary Dean
Crowley, Jarrett Hunter, II
Cumings, Ronald Anthony
Currier, Richard Martin
Curtis, Stephen Edward
Cutchin, Richard Lee
Daly, Thomas Milton
Dambekaln, Andris
Daniel, Donald Charles Felix
Daniels, Harold Edward, Jr.
Darrow, Lester Martin
Davis, Ernest Lamont
Davis, Harold Walker
Davis, John Stark
Davis, Lee Alfred
Davis, Stephen Brooks, Jr.
Delello, Nicholas Joseph
Dennis, Patrick Joseph
Denton, Richard Jackson
Deserio, Darryl James
Dicarlo, Louis Albert
Dickens, Phillip Wayne
Dittmer, Edward Raymond, Jr.
Dixon, Gregg Woodford
Deoane, Robert K.
Dolan, Peter James
Donaldson, Paul Howard
Donnelly, Walter Patrick, Jr.
Donovan, Daniel Jeremiah
Dooley, John Patrick
Dorsi, Robert Anthony
Douglas, Billy Stephen
Dove, Curtis Ray, Jr.
Dowgwilla, Frank Michael, Jr.
Downey, Robert Vincent
Draper, John Joseph, III
Droll, Joseph Alfred
Dudley, Scott Bruce
Duffy, John Francis
Duncan, Robert Ray
Dunn, Dale Raymond
Durnan, Patrick Aloysius
Dutcher, William Earl
Dwinelle, William Alfred
Dye, Gary Thomas
Dye, George Walter, Jr.
Earhart, John Dudley, Jr.
Earl, Dennis Roland
Eberle, Daniel Joseph
Ecker, Paul William
Echles, James Warren
Ede, Terrence Frederick
Edwards, David Alan
Edwards, James Edward
Edwards, Michael Bruce
Eldridge, James Donald, Jr.
Ellis, Charles Eugene
Ellis, John Raymond
Emery, Robert Hugh
Engelken, James Karl
Ernst, Larry Lee
Eshleman, Donald Eugene
Eskridge, Escal Larry
Eubanks, Thomas Irvin
Evans, Kirk Eden
Evans, Samuel Hall
Everett, David Harrell
Fagan, Patrick Michael
Fairchild, Lawrence Vernon
Farmer, Clinton Jefferson
Farnsworth, William A., Jr.
Farrell, Richard Kenneth
Farris, Wayne Ross
Fellows, Richard Hudson
Felsinger, Richard Cox
Felton, Lewis Allen
Felty, Joseph William R.
Ferguson, Lawrence Leroy
Field, Michael Edward
Findley, Joseph Herbert, Jr.
Finta, Thomas William
Fisher, Dwight Douglas
Fiske, Gary William
Fitch, David Atwood
Fitzgerald, John Stephen
Fitzgibbons, Thomas Arthur
Flegel, Kenneth Christian
Fletcher, Jerry Jon
Fletcher, Luther Lawrence, II
Franconeri, James Joseph
Frantz, James Joseph
Franzitta, Anthony Michael
Frederick, Jeffrey Con
Fredrickson, John Allen
Friese, Laurence Victor
Fuentez, Raymond Marques
Fumia, Francis Henry, Jr.
Gabber, Wilhelm Martin
Gage, Carvel Clinton, Jr.
Gallagher, Tilden Matthew, Jr.
Galler, Joseph Louis
Gallo, Robert Michael
Galvin, James Joseph
Garnar, George Edgar
Gary, Michael Anthony
Gaskin, Peter Joseph, II
Gavin, Gerald Robert
Gebeaux, Robert Joseph
Genrich, Charles Mainard
Gerber, Raymond
Gerhardt, Robert Ross
Gibbs, Maurice Edward
Giblin, James Francis, Jr.
Gibson, Terrell Allen
Giles, Wayne Houston
Gill, James Michael
Gill, Robert Pearson
Gillard, James Henry
Ginsburg, Peter Arthur
Gnerlich, Charles Henry
Gohmann, Barton Charles
Gordon, Ian Scott
Goryanec, George Thomas, III
Grant, Homer Thomas, Jr.
Gray, Will Phelps
Greenamyer, Richard Doyle
Grillo, Pat Louis
Grim, Thomas Harold
Haley, James Richard
Hall, David Parkin
Halligan, James Reginald
Hamly, Richard Dana
Hanley, Wayne Richard
Hansen, George Robert, Jr.
Hanson, Donald Arthur
Hanson, Jeffery Wayne
Hardy, Randall Webster
Harford, Joseph Leo
Hartzell, Ray Kaufman Murphy
Haskell, Edwin Richard
Haskins, Michael Donald
Hattan, Robert Leland
Haughney, Charles Joseph
Hayes, William Steven
Helmsin, Francis Kenneth, Jr.
Hemmerle, George Edouard
Henderson, Joseph Kee
Hendrickson, Larry John
Herrera, Henry Francis
Hersh, David Sidney
Hewlett, Holden Willets
Higdon, Kenneth Hill
Hill, Daniel Davies
Hill, Roger Benton
Hines, Ronald Dewitt
Hitchcock, Terrence Walton
Hoberg, Raymond John
Hodge, Jerome Brownlee
Hodgens, Timothy Holdridge
Hofstetter, Robert Emil
Holbrook, Robert Scott
Holian, Francis Kevin
Holk, Frederick Arthur, Jr.
Hollender, Edmund Victor
Honour, Walter Whitaker, Jr.
Hontz, Edward Brigham
Hopson, Thomas Edward
Horn, William Allen
Horner, Timothy Francis
Hornick, James Freeman
Hough, James Arthur
House, William Louie
Howell, Buford Fredrick
Hoxie, Stephen Sanders
Huber, Paul Mikel
Hudson, Warren Putnam
Huffman, Thomas Bartlett
Hughes, Ivan Estes
Hughes, Kirby Edmondson, II
Hulme, Woodrow Wilson, II
Hulse, Richard Louis
Humphrey, James Smith, III
Hunt, Andrew William, Jr.
Hunter, William Carrol, Jr.
Hura, Myron
Irwin, William Jenner
Jackson, John Dwight
James, Gary Douglas
Januszewski, Francis James
Jewell, Charles Norman
John, William Harrison
Johns, Ernest Houston
Johnson, Adrian Warren, Jr.
Johnson, Alan Keith
Johnson, David Allen
Johnson, Hartle Eric
Johnson, Jay Lynn
Johnson, Jerry Lee
Johnson, Paul Niels Thornton
Johnson, Pierce Jarvis
Johnston, Raymond Albert
Jones, Charles Ernest, III
Jones, Charles Ray
Jones, David Morgan
Jones, Edward Allen
Jones, Francis Terrell
Jones, Jerry Lee
Jones, Kenneth Lee
Jordan, Robert Lucius
Joyce, Robert Richardson
Juhl, Douglas Wray
Julian, Benjamin Eugene
Kainer, Edward Lester
Kallsen, Bruce Donald
Kane, Leonard K., II
Kauffman, Carl Francis
Kaufhold, Francis Frederick
Kearney, Michael Erwin
Keefe, George Edwin, Jr.
Keller, James Henry
Kelly, James Peter
Kelly, John Thomas
Kelly, Robert Tyrone
Kemlein, Donald Fleetwood, Jr.
Kendrick, Robert Carroll
Kennedy, William Henry
Kenty, Jay William
Kessmann, Richard David
Kesson, Charles Edmund, II
Kickhofel, George Charles
Kight, Ben
King, Carl
King, Larry Lee
Kissick, Ronald Wayne
Klahr, Owen Allen
Klapperich, Donald Harry
Klinkhamer, David Joseph
Knott, Gerald Wayne
Korbet, Michael Thomas
Kowalick, Stephen Joseph Jr.
Kropf, Wallace Leroy
Kupka, Stephen Gregory
Kuykendall, George Ira, Jr.
Labrecque, Robert Joseph
Lagomarsino, Thomas Sivert

UMI

Laprevotte, William
Larkins, James Marion, Jr.
Larrabee, Stephen Harris, Jr.
Larson, David Charles
Lashley, Lewis
Lauer, Klaus Wilfried
Lawless, John Martin
Lawson, Thomas Nelson
Lebaron, George Rohmer, Jr.
Lecompte, Walter Herrell, Jr.
Lee, Earl Cunningham, II
Leonard, Fred Parker, III
Lepage, Roger Henry
Lewis, James Crawford
Lewnes, Christopher
Lichtenwalter, James Edward
Lichtermann, Richard D.
Lienhard, John Bernard
Lightstone, Robert Martin
Liner, Bennice Lee
Lingo, Dennis Roy
Lipfert, Ralph Hall
Lipscomb, Warren Neilson, Jr.
Livingston, Douglas Henry
Lockwood, Ernest Reese
Loconte, Salvatore John
Long, Donald Erskine
Loome, James Michael
Loop, David Everett
Lopacinski, James Michael
Lopez, Teodoro Granillo
Lorenz, William Frederick, II
Lorren, Lonnie Dwight
Lortscher, David John
Love, Buddy Alfred
Love, Glendel Devon
Lovelady, David Eugene
Luce, Charles Marlin, Jr.
Lueneburg, Raymond Lee
Lundberg, William Dennis
Lyons, John Thomas, III
Lyons, Joseph Eugene, Jr.
Lyons, Richard Leo
Mahlstedt, Paul Williams
Major, William Earl, II
Mallett, Carl Victor
Maloney, Elbert Sevier, Jr.
Manko, Michael Bradley
Manlove, Donald Norman
Marflak, Thomas Fletcher
Marinshaw, Stephen Alfred, Jr.
Marquez, Octavio Jimenez
Marshall, Rolf
Martin, James Harold
Martin, Port Robert
Martineau, Paul William, Jr.
Martinek, Charles Allen
Massicot, William Harvey
Masters, Quentin Steward
Mathis, Troy Eddie, Jr.
Matthael, Raymond Eugene
Mattis, David William
Matton, Michael Nevett
Mattox, Walter Charles, Jr.
Maynard, James Devere
McBride, Jon Andrew
McBurnett, Richard Lee
McClelland, Thomas Lee
McClendon, Robert Pierce, Jr.
McConnell, John Michael
McCullough, Carl Preston
McCumber, Ralph Ray, Jr.
McDonald, Jerry Ralph
McGann, William Henry, III
McGovern, Patrick Daniel
McKendrick, John Demille, Jr.
McKenney, Edward Anthony
McKenney, John Wayne
McKinney, Ronald Lewis
McKnight, Philip Kinsey, Jr.
McLeod, Robert Stirling
McMinn, John Finle
McMullin, Lynn Darnell
Mears, Allen Kennard
Mears, Michael Lawson
Medlin, William Douglas
Meloney, Michael Bruce
Mendenhall, Corwin Guy, III
Michna, Kenneth Ralph
Miess, Samuel Allan
Miller, Gary Raymond
Miller, Richard Gillett
Minor, Donald Anderson
Minton, Joseph Kelly
Mitchell, John Thomas
Mitchell, Thomas R., III
Mittell, John Evans
Mittendorff, Gerald Ernest
Mobley, Joseph Scott
Mollet, Robert Edward
Montgomery, George Wynn
Moore, Edwin Terry
Moore, George Malcolm
Moore, Thomas Stephen
Morgan, Edward Earle
Morris, Ralph Richard
Morrison, Richard Martin
Moser, Curtis Clayton
Moses, Dale Hopkins
Mossman, Harry Seeber
Muldoon, Patrick Michael
Mullin, Leo George, Jr.
Murkland, Richard Grant
Murphy, Dennis Edward
Murphy, Timothy Aloysius
Murray, Robert Edward
Naber, Michael Edmund
Nelson, Carl Dean
Nelson, Thomas Swan
Nesbit, Thomas Burns
Nester, Cletis Maynard
Newell, James Kirk, III
Nichols, Loring Buttrick
Nicholson, Donald Lee
Nicholson, Samuel Thorne
Nicks, Harold Troy
Norton, David Howel
Notz, Frank Peter
Novak, Emanuel Joe
Nundahl, Gerald Alvin
Nunno, Thomas
Nuquist, Harold Stanley, Jr.
Nygard, Howard Thomas
O'Brien, Michael Francis
Odegaard, Richard Erling
O'Donnell, Robert
Offutt, James Hucorn, III
Ohlert, Edward James
O'Keefe, Thomas Stephen, Jr.
Olmstead, Allen John, Jr.
Olsen, Curtis Wayne
Olsen, Richard Allen
Olson, Terry Gene
O'Malley, John Francis
Ostenson, Harold Thomas
Ouderkerk, Milford Merwin
Oyler, Joe Richard, II
Paddock, John Francis, Jr.
Palm, Danny James
Parker, Leonard Alden, Jr.
Parker, Richard Ernest
Parkes, Norman Michael G.
Patch, David Alan
Patterson, John Carroll
Pearson, Larry Glen
Pelensky, Mark
Pender, Orland James, Jr.
Pennington, Larry Dilver
Pentecost, Claude Daniel
Percival, Robert Clayton
Pergler, Robert Armstead
Perrotta, Joseph William, Jr.
Perry, Wilburn Robert, Jr.
Peterson, Brent Lynn
Peterson, Carl Marvin, II
Peterson, Gordon Irwin, Jr.
Peterson, Michael Curtis
Pfeifer, Charles Gregory
Phelan, Joseph Francis
Philips, Gary Quinten
Platt, Cummings William
Piper, Harry Lee
Pitman, Edgar Leroy, II
Plumb, Paul Douglas
Pool, Willard Owen, Jr.
Porter, Thomas John
Posenecker, William Warren
Powell, James Milton, Jr.
Pratt, Edmund Lee, Jr.
Prout, James Gregory, III
Pruitt, James Griffin
Prusaitis, Gerald Joseph
Prydybasz, Andrew Michael, Jr.
Puffer, James Whitney
Pursley, Robert Earl, III
Quinn, Neal Albert, Jr.
Quinn, Robert Joseph, Jr.
Radican, William Walter
Rahn, Donald Frederick
Ramsey, Gerald Frank
Rawson, Warren Addison, Jr.
Reass, Richard Martin
Reidelberger, William Henry
Reynolds, Tom Hunter, Jr.
Rich, John Shipley
Richards, Francis Gerald
Richardson, Terry Allen
Riddick, George Thomas, Jr.
Riley, Michael Dean
Rinaldi, Ronald Albert
Rist, Austin Michael
Rittenour, Harry Taylor
Roberts, Charles Raymond
Roberts, Joel Herbert
Robidoux, Richard Ronald
Robinson, Lee Hayward, Jr.
Rockwell, John Hobart, III
Rohrkemper, Stephen Frederic
Roland, John Rogers, Jr.
Rose, Francis Immediato
Ross, Paul Davidson, Jr.
Rowe, Donald
Ruland, James Kenneth
Rule, William Martz
Ryan, James Jonathon
Ryan, Robert Earl
Sadler, Clint Densmore
Sadler, John Clinton
Saffell, Charles Raymond, Jr.
Sage, Fred Walter, III
Salinas, Daniel, II
Sanders, James Clifford
Sanders, Robert Charles
Sanders, Robert Tracy
Sarich, Ace John
Sawyer, Ivan Ernest
Saylor, William Harry
Schaede, Harry Robert
Scheerer, Raymond Henry
Schleicher, Harold C., Jr.
Schlein, Paul Barron
Schneider, Edward Thomas
Schneider, Ronald Dale
Scholl, John Foster
Schoolfield, Ernest Lynn
Schroll, John Raymond
Schuyler, James Preston
Scott, Donald James
Scott, Morris Bruce, Jr.
Scott, Murrel Clifton, Jr.
Scott, William Raymond
Scoville, Judson Lawrence
Sears, Jay Allen
Sears, Scott Lowrie
Sears, William Carr
Secrest, David Emmett Heaume
Sedlak, John Ray
Selfridge, Harry Edward
Senappe, John, Jr.
Seward, Theodore Clark, Jr.
Shaddock, Gilbert Perry
Shank, Michael Howard
Shannon, James Okey
Sheedy, Patrick James, Jr.
Shelton, Leonard George, Jr.
Sherer, Wesley Michael
Sherman, Marshall Robert
Shewell, Daniel John
Shipe, Edwin Evan III
Shubert, William Moses, Jr.
Sigler, John Fleet
Silvia, Michael Ferreria
Simmons, Robert Thomas
Simmons, William Alfred
Simons, William Edgar
Simpson, James Kendall
Simpson, Robert William
Singleton, Michael Robert
Skroch, Albert Paul, Jr.
Smith, Carleton James, III
Smith, David Peter
Smith, Gerald Clark
Smith, James Harvey

Smith, Thomas Joseph
Smith, Tracy William
Smith, Walter Kenneth, Jr.
Snyder, John William, Jr.
Snyder, Luther William, Jr.
Snyder, William Thomas D.
Solan, John Michael
Solomon, Dennis Lee
Sosnicky, Andrew Peter
Speakman, Glendon Caldwell
Spelbring, Daryl Carlton
Spicer, Tadd Edward
Spikes, Clayton Henry
Standrich, Elvin Beryle
Steel, James Robert, Jr.
Steele, Allen Wayne
Steele, Joseph Henry, III
Sterling, Stoughton, III
Stewart, John Christopher
Strawn, William Wesley, Jr.
Strother, John Wayne
Stuckey, James Godfrey
Sulfaro, John James
Sullivan, James Vincent, Jr.
Sullivan, Michael James
Sumnick, John Michael
Swank, Jeffrey Lee
Swanson, John Fredrick
Sweatt, John L., Jr.
Swenson, Daniel Austin
Syrko, Thomas Michael
Tafuri, Ronald Robert
Tappan, Benjamin, III
Temme, Robert Lee, Jr.
Thomas, John Morgan
Thomas, Lewis Carroll
Thomas, Patrick Edward
Thompson, John Ralph
Timmons, David Richard
Toriello, Andrew Norman, Jr.
Tracey, Michael Thomas
Trafton, Wilbur Cobb
Tryon, Frank Harold, Jr.
Tucker, Douglas
Twaddle, Roy Royce, III
Valley, Bruce Leon
Vanderpoel, Eric, II
Vidosic, Richard Paul
Vogt, Peter Dixon
Votava, Charles Frank, III
Waddoups, Lynn J.
Wagensell, Lawrence Lee
Waggoner, David Thomas
Wahlig, Leonard Otto
Wales, Paul Robert
Waline, Richard Laverne
Walker, David Mathieson
Walker, Donald Edgar
Walker, Niles Allen
Walls, William Hammond
Walsh, David Francis
Warren, Edward Ola
Waschbusch, John Frank
Wassmer, Douglas Harold
Watson, David
Weber, Robert Sycks
Weeks, Floyston Allan
Weller, Philip Baxter
Wells, John Carroll
Wheeler, William Richard
White, Allen Hardin, Jr.
Whittemore, Michael Alan Nye
Wiant, Jeffrie Edwin, Jr.
Weigand, Rudolph Paul, Jr.
Wiese, Clifford Allen
Wiggins, Joseph Lambert, Jr.
Wilcox, Keith Lee
Wiles, Marvin Benjamin C.
Wiley, Armando Anibal
Willems, Robert Cecil
Williams, Gregory Bruce
Williams, James Thomas
Williams, Robert Russell, III
Williams, Thomas Johns, Jr.
Wilsbach, Ronald Keith
Wilson, Clark Albert
Wilson, Eldon Stephen
Wilson, John Franklin
Winge, Donald Ernest
Wittenberg, Robert Ralph
Woerner, James Paul, Jr.
Wojtkowiak, Daniel Leonard
Wolff, Richard Ernest
Woltz, David Ralph
Wonicker, William Curtis
Wood, Charles Mills, III
Wood, William Allison
Woodard, James Charles, Jr.
Woods, Robert Allen
Woodward, Harlan Wilfred
Woolrich, Raymond Dudley
Woy, Gary William
Wrenn, Ralph Elliott
Wright, James Robert
Wright, Peter Warren
Wright, Thomas Williams
Wyatt, James Colquitt, III
Wyman, Bruce Dana
Yates, Cornelius H., III
Yeaw, Ronald Everest
Yokley, Robert Andrew
Zafran, Robert
Zeigler, Philip Eugene
Zucker, Clayton George
Zvacek, Robert Dale
Zveare, Dennis Leeth

The following-named women officers of the U.S. Navy, for permanent promotion to the grade of lieutenant commander in the line, subject to qualification therefor as provided by law:

Anderson, Susan Halnauer
Boling, Deanna Irene
Canfield, Susan Barbara
Clair, Carolina
Clark, Barbara Lorraine
McElligott, Marie Louise

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant commander in the staff corps, as indicated, subject to qualification therefor as provided by law:

DENTAL CORPS

Acquavella, Richard F.
Gher, Marlin E.
Kriz, John F.
Lewis, Doyle M.

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps of the U.S. Navy, as indicated, subjects to qualification therefor as provided by law:

LINE

Armentrout, Wilfred H.
Brown, Larry D.
Burns, Brian H.
Crandall, Charles K., Jr.
Fath, Thomas M.
Finney, Charles P.
Folkman, Stewart G.
Gamber, Charles T.
Gavin, Donald E.
Gawlik, Joseph A.
Gibson, Robert P.
Griffin, Lee B.
Hans, William F.
Himmelmann, Michael R.
Hodermarsky, George T.
Hunt, David E.
Keehn, Thomas J.
Krayer, William E.
Kreutzer, Kenneth L.
Levinge, Charles A.
Mac Garvey, Ronald E.
Massenberg, Walter B.
Mayer, John S.
Maxson, David E.
Mitchell, James P.
Nelson, John P.
O'Leary, Joseph L.
Peck, John P.
Quartano, Anthony G.
Reed, Michael R.
Rogerson, Edward S.
Ruble, Steven M.
Ryan, Daniel K.
Scruggs, David A.
Shields, Guy M.
Shipp, William B.
Sigmon, Kennis L.
Toennies, Peter E.
Wasielewski, Michael C.
Willenbrock, Eric F.
Wilson, Steven D.
Wooldridge, Gregory C.
Zakem, Jeffrey S.
Zimmerman, Frank M.

SUPPLY CORPS

Branaman, Larry G.
Capizzi, David A.
Fennell, Walter F.
Grames, Steven M.
Self, James J.

CIVIL ENGINEER CORPS

DiGeorge, Frank P., III
Gecan, Anton S.
Guthrie, Gene S., Jr.
Hering, Alfred G.
Kechter, Ronald A.
Parsons, Robert C.
Rigby, William H., Jr.
Schneider, Charles H.
Vanderels, David
Weaver, Vaughan C.

MEDICAL SERVICE CORPS

Densley, Merylnn D.
Petersen, Paul C.

NURSES CORPS

Barlow, July L.
Cranston, Christine A.
Hobbs, Linda H.
Joswig, Mary E.
Penick, June G.
Watkins, Pamela R.

Comdr. Anthony P. Chatowsky for temporary promotion to the grade of commander in the Medical Corps of the Reserve of the U.S. Navy, subject to qualification therefor as provided by law.

The following-named officers of the U.S. Navy for permanent appointment to the grade of lieutenant in the Medical Service Corps of the U.S. Navy, subject to qualifications therefor as provided by law:

Scott, Kelvin P. G.
Stant, George M., Jr.

Lt. (junior grade) Jolene K. Schaefer for permanent promotion to the grade of lieutenant in the line of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. Robert A. Englemann, of the U.S. Navy, for transfer to and appointment in the Supply Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant.

The following-named officers of the U.S. Navy for transfer to and appointment in the Supply Corps in the permanent grade of ensign and temporary grade of lieutenant (junior grade):

Friedel, John M.
Leclair, Daniel V.
Orr, William D.
Worrall, Eric H.

The following-named officers of the U.S. Navy for transfer to and appointment in the Supply Corps in the permanent grade of ensign:

Bailey, Richard D.
Bauman, Daniel J., Jr.
Dawson, Craig B.
Finley, Michael E.
Marshall, Douglas B.
Soles, Harry G., Jr.
Young, Mark A.

The following-named officers of the U.S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant:

Brubeck, Gregory W.
Moore, Michael P.

The following-named officers of the U.S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of ensign and temporary grade of lieutenant (junior grade):

Doo, Harry Y.C.K.
Steinke, Paul D.
Rodriguez, Glenn R.

The following-named officers of the U.S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of ensign:

Thomas, Harold E.
Williams, David G.

The following-named officers of the U.S. Navy for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant:

Kaln, Michael R.
Miller, William A.
Surpless, Donn C.

Lt. Harold T. Nicks, of the U.S. Navy, for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant.

Lt. (junior grade) John C. Lessel, of the U.S. Navy, for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant (junior grade).

The following-named officers of the U.S. Navy for permanent promotion to the grade of Chief Warrant Officer, W-3 subject to qualification therefor as provided by law:

Abretski, Paul Robert
Adelwerth, Robert Thomas

UMI

Akley, Larry Donald
Alabado, Gregory Paterno
Almand, Richard Maxwell
Anderson, J. Quinton
Armfield, Alfred Emanuel S.
Armour, Warren Thomas
Ashworth, Robert Arthur
Avenson, Jerome Harvey
Aversano, Anthony Joseph
Aycock, Joe Edward
Bagley, Raymond Calvin
Baker, Clyde Ernest
Barker, Harvey Ward
Barnhart, Edward Eugene
Bartholomew, David Lynn
Bartke, Harrold Lincoln
Bartley, James Arnold
Beare, Lloyd Allen
Beatty, Arthur
Beuning, Vale Jean
Bettis, Bobby Gerald
Biernesser, James Carr, Jr.
Billick, Dan Richard
Blackwell, Andrew Pinkney
Blanchard, Gary Franklin
Blanchard, Raleigh Thomas
Bobo, Billy Joe
Bobo, Jerry Lyn
Bolton, Harold Leslie, Jr.
Booth, Robert Walter
Borgmann, Frederick William
Bothe, James John
Boyle, David John
Bradford, Billy Cleveland
Brice, Allen Guy
Brooks, Edgar Tearl
Brooks, William Albert
Broussard, Clarence Joseph
Brown, Donald Claudean
Brown, Richard Arnold
Brown, Robert Edward
Brueggeman, James Edward
Buist, Andrew Robertson
Buote, Raymond Edmund
Burbridge, Robert Lee
Busseno, Henry William
Butler, Clyde Lewis
Butler, Robert Edmund
Callahan, Alvin Edward
Cameron, Robert Murdoch
Campbell, Cager Wayne
Campbell, Donald Leroy
Campbell, Leonard Malcolm
Campbell, Willis Eugene
Carey, John Dale
Cartwright, William Fuller
Caspary, Kenneth Allen
Caton, Robert Nelson
Chambers, Harold Dean
Cherry, Stephen Wallace
Chisholm, Leonard Marby
Chitwood, Orvis Hugh, Jr.
Choate, Edward Howe
Clark, Harry Eugene
Clark, Jimmy
Clarke, Robert Eugene
Clements, David Lawrence
Conti, Charles William
Cooper, Gary David
Cormier, Edward Norris, Jr.
Countryman, Larry Dean
Coupland, Steve Joel
Cousins, Jack William
Cox, Anderson Hunter
Crain, Robert Levan, Jr.
Crane, Alvin Edward
Creel, Cecil Doyle
Crickman, Frederick Paul
Crowder, James Dunn
Cubbedge, Carlon Eugene
Cutler, William Donald
Darr, Sammy Lee
Davis, Edward Lyle
Davis, Neil Carter
David, William Leighton
Day, Raymond Francis, Jr.
Dechene, Philip Edward
Deese, David Shannon
Delancey, James Douglas
Dirkes, Ernest Anton
Donnellan, David Francis
Dorso, John Michael
Dougherty, Thomas James
Dove, Gene Francis
Dowell, Billy Ray
Drier, Melvin Franklin
Driscoll, Richard Francis
Driver, John Edward
Dryfka, John Edmund
Dubose, James Tracy
Duckworth, George Earle
Duffy, Mark Edward
Dunning, James Leslie
Edwards, Bernard Darriel
Edwards, Kenneth Paul
Edwards, Thomas McCord
Eggett, Andrew James
Eney, Nelson Eugene, Jr.
Ennis, James Wathan
Espy, Ira John
Etten, Gary Albert
Evans, Charles Dean
Farlow, Roger Kent
Faulkner, Norman Harrison
Ferrara, Bernard Joseph
Fetter, Norman Leonard
Finfrock, Patrick
Fite, James Wilson
Fitzgerald, Thomas Maurice
Flanders, Mack Haywood
Floyd, George Francis
Flynn, Kevin Anthony
Folkers, Dale Carl
Ford, John Robert
Ford, William Patrick
Foster, Charles Lee
Free, Dale Kenneth
Freeman, George
Freese, Allen Paul
Garnett, Claude, Jr.
Garrahan, Richard
Garrett, Leo Edward
Gates, Richard Wesley
Gebbie, Larry Allen
Gibson, Richard Ernest
Giunta, Joseph Francis
Glover, Andrew Lee
Goerg, Frederick Clarence
Gordon, Harold Leroy
Goss, Marlin Earl
Graff, Clinton George, Jr.
Graves, Charles Richard
Gray, Charles Rolland
Greenberger, David
Greene, Bobby Eugene
Gregory, Thomas
Griggs, Edward Cole
Guerra, Manuel William, Jr.
Gutierrez, Zollo Rosario
Haffner, Guy Allen
Hagensick, John Richard
Haggard, Henry Clay
Hall, Clifford Richard
Haller, Bernard Joseph
Halliday, Alvin Leroy
Hannon, Billie Gene
Hardin, Larry Kenneth
Harrington, Festus Marcel
Harris, Lester Leroy
Harris, Wendell, Jr.
Harry, Robert Meade
Hart, Monte Arthur
Harvison, Lynn Doyal
Hasselbacher Delmar Earl
Haupt, Lloyd
Havenstein, Gene Leon
Haworth, James Ray
Hazard, William Lavern
Helton, James Nathaniel
Henry, James, III
Heuchert, Richard Herman
Hicks, Edward Kent
Hicks, William James
Hill, Robert Wallace
Hine, Jerry Gordon
Hines, Milton
Hisey, Howard Alan
Hobbs, Hurshel Benton, Jr.
Holiway, Weldon Yvonne
Hollon, Maurice Calvin
Holmes, Doyle Edward
Holt, Lonnie Dean
Howard, Donald Reed
Howard, James Elijah, Jr.
Hughes, Charles Earl
Hutcheson, James Edward
Jackson, Harold Bell, Jr.
Jackson, Robert Burns
James, Bobby Campbell
Jeffcoat, James Mark
Jensen, Gordon Mark
Jensen, James Cecil
John, Paul Maret
Johnson, Arthur Lee
Johnson, Thomas Scott, Jr.
Johnston, Darrell Edwin
Johnston, James Edward
Johnston, Wilford Paul
Jones, Carlos
Jones, Rodney Richard
Jordan, Boykin Bristow
Kale, James Edward
Keaton, William Creath
Kehoe, Raymond Jerome
Kellum, William Clayton, Jr.
Kennedy, Robert Lee
Kerwin, James Albert
Kilpatrick, James Hoyt, Jr.
Kirkpatrick, Gerald Eugene
Kloke, Carl Herbert
Knall, Daniel John
Knapik, Paul Peter, Jr.
Kondziela, Jack
Kuhnert, Howard Julius, Jr.
Lane, Richard Dale
Langmaid, Robert Vance, Jr.
Lardner, Thomas Paul
Lawrence, James Ross
Lear, Gerald Shirley
Lechtenberg, Richard Clem
Lentz, Joe Blane
Lesperance, Robert Francis
Lighthart, Lloyd William
Lister, Robert Corley
Little, Benerson Vernon
Little, Charles Ernest
Little, William Theodore, Jr.
Locke, Gary Winfred, Jr.
Lockey, Donald Lee
Londot, Jack Lane
Loney, James Eldredge
Long, Homer Richard
Loonam, John Francis
Lopez, Clyde Cecil
Loranger, Richard George
Lormor, Eugene Harold
Lovejoy, Jay Edward
Lucie, George Rexford
Lutze, Robert Gerald
Lynn, William Jackson
Maddock, James Fairweather
Maggard, Andrew James
Mahar, Joseph Chester
Malden, Jesse Joe
Malchrowicz, Edward John
Malboeuf, Ernest Joseph
Malone, Robert Grant
Mann, Elmer Heath
Marsh, Robert Dean
Marshall, Leo Roy
Martin, Norman Richard
Mathews, Carl Leon
Mathis, Larry Thomas
Maurd, Richard Fay
May, Bobby Eugene
Mayers, Joseph
Mayo, Jimmy David
McCleer, James Lawrence
McCowan, Kenneth Edwin
McGee, Carl Edwin
McGee, Thomas Earl
McGowan, John, Patrick
McGuire, David Nelson
McManus, Theodore Glenn
Meade, Joe Davis, III
Melton, William Gene
Menhennett, James Richard
Metzger, William Marvin
Miller, Clyde Dudley
Miller, Paul Howard
Miller, Phillip Edson
Miller, Roy Allan

Mills, Charles William
Mitchell, Elmer Ray
Moen, Rodney Charles
Morgan, Walter Claude
Moyer, Milton John
Mueller, John Carroll
Mueller, Robert Arthur
Mullen, George Augustine
Mumford, Donald Emerson
Murphy, John Thomas
Murray, Wendel Albert
Nash, Ronald Edwin
Nassar, Albert Nicholas
Neal, Paul Gartrelle
Nechvatal, Charles James
Neste, Carl Alfred
New, Melvin Roger
Nichols, Paul Malcolm
Noel, Ronald Eugene
Oliver, Richard Henry
Olsen, Fredrick Lee
Olson, John Theodore, Jr.
Olsson, John Phillip, Jr.
Owens, Terry Dean
Page, Alfred Leonard
Paquin, Joseph Russell
Parsons, James Franklin
Parsons, William Gilbert
Partesius, John Scott
Patino, Donald Verdi
Patkus, Joseph Thomas
Payton, John Dewey
Peele, Franklin Dale
Pelletier, Ronald Wilbrod
Percival, William Lee
Perritti, Frank Victor, Jr.
Perry, Allen Burrell
Perry, Junior Lacie
Peszynski, Walter Franklin
Peters, John Wesley
Petrick, Robert George
Pirozzoli, David Paul
Pittman, Norward Thomas
Pletcher, Thomas Ray
Pochkowski, Joseph Daniel
Pohl, Matthew John
Popikas, Charles Frederick
Posey, James Arthur, Jr.
Poynter, Charles Ray
Preti, Wilfred Joseph
Price, Earl Junior
Price, John Edward
Pridgen, Joel Bernard
Priolo, Gary Philip
Ragghianti, Charles Frank
Rakfeldt, Harry Ottomar
Rasmussen, Anker Martin
Ratliff, Thomas Linwood
Ray, Harold Lonzo
Reddix, Charles John
Reed, Frank Guy
Reese, Robert Wayne
Reeves, Donald Ray
Reinoehl, Phillip Wells
Reynolds, Eugene Nicholas
Rice, Charles Oliver
Rice, Glenn, Jr.
Richardson, David Lee
Richardson, Donald Charles
Richey, James Horace
Riddle, Richard Arnold
Rigg, Donald Arthur
Ritz, Richard Charles
Ritzel, Charles James
Robertson, Bernard Lee, III
Robinson, Frank Jeffrey
Robinson, Richard Stanton
Rockwood, Donald James Jr.
Rodgers, Carl Todd
Rogers, Thomas Eudene
Romas, Gregory George
Ross, Albert James, Jr.
Ross, Johnny Edward
Rossignol, Donald Joseph
Ruryk, Mirlan Eugene
Rutland, Roger Wayne
Ryan, Gerald Dean
Ryder, Leon Elmer
Salinas, Amando Santos
Santonil, Rosendo Torres
Sauls, Aubrey Plowden
Schaffer, Lawrence Carl, Jr.
Scheierman, Robert Leroy
Schier, Robert Martin
Schraud, Henry Frank
Schroeder, William
Sears, James Arthur
Seymour, John Clinton
Sheehan, Donald Francis
Sherman, Richard Floyd
Sherrill, James Durwood
Shierling, Johnnie Wayne
Shreve, Julius George
Shumpert, Harold Corbett
Siemers, Uwe
Skaw, Larry Roger
Skelley, Willard Richard, Jr.
Skipper, John William
Sliger, Ronald Wilburn
Smith, Floyd Harold
Smith, Howard Patrick
Smith, James Luther
Smith, Lester Clark
Smitheman, James Courtland
Snow, Homer Eugene
Snyder, Ray Lewis, Jr.
Sockell, Edward Joseph
Soderlund, John Henry
Sowers, Bobby Gene
Sparks, Howard Frank
Spear, Earl Jay
Spears, Tommie Edward
Stanek, David Mouroe
Stauffer, Robert George
Stendel, James Clinton
Stephens, Hugh Lawson
Stephenson, Thomas Richard
Stephenson, Gerald Dwayne
Stewart, Lowell Thomas
Stiffler, James William
Stout, Arling George, Jr.
Stowe, Abraham Ronald
Stowe, Dorothy Jean
Strong, Franklin Eugene
Stuck, James Roland
Stutler, Frank Otley, Jr.
Sutter, William Winston
Tanner, Marshall Elliotte, Jr.
Tanner, William Earl
Taylor, Donald Walter
Thomas, Donald Ralphael
Thomas, Gordon Joel
Thompson, Byron Haywood
Thompson, Robert Miller
Thompson, Stello Guy
Thomson, Bruce Lindsay
Toomey, Thomas Patrick
Tosatto, Francis Levern
Treadway, Alton Glen
Tucker, Charles Wayne
Turley, Brian Dale
Turner, Donald Paul
Turner, James Sunday, Jr.
Turpin, Thomas Richard
Tuttle, Donald Eugene
Twombly, Bennett Clayton
Uptegrove, Edwin Wayne
Vanhee, Richard Charles
Vanhoose, Ronald
Ventgen, Robert John
Verbic, Alan Robert
Vettese, Anthony
Villanueva, Anastacio, Lazaro
Wales, Richard Allan
Walsh, William Francis
Walter Fredrick Sebastian
Walters, Chester Huel
Walz, Lee Lucas
Watford, Qube Gene
Watson, Chester Arthur, Jr.
Watson, Donald Reed, Jr.
Weaver, Sterrle, Leon, Jr.
Webb, Elvin Bernell
Webb, Rufus Willis
Wegrzyn, Raymond Robert
Wells, Harold Adolph
Wertz, Bruce Neal
West, Frank, Jr.
Whitaker, Lawrence Winans
Williams, Thomas Yeaman
Wilson, James Orville
Wilson, Jerrold Bradley
Wilson, Phillip Barry
Wilson, Robert Henry
Wood, Ronal Dewey
Woody, Guy Willard
Worley, James Lloyd
Wray, Donald Milford
Wyatt, William Douglas
Yavorosky, Vincent Michael
Yeatts, Harold
Yoneda, Minoru Mickey
Young, Neal Ronald
Zeitler, George Dean

IN THE MARINE CORPS

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Alexander, Joseph A.
Antosh, Steven A.
Augspurger, Dennis S.
Bambrick, Philip M.
Barnes, Richard K.
Belleman, Guy M.
Berquist, Larry W.
Blankenship, Edward W.
Bower, Mark V.
Breller, Allan C.
Bristol, Michael G.
Buchinger, Philip E.
Budimier, Jeffrey L.
Burgin, Joe C.
Cade, Adolphe C., IV
Cagiano, Mark A.
Campbell, Andrew H.
Card, William A.
Carlsen, James
Carroll, John K., Jr.
Casey, Mark W.
Cassidy, Alan T.
Catanach, Anthony H.
Celvi, Michial M.
Clarke, Robert A.
Cole, Eugene J.
Cotten, Rodney M.
Cramer, Joseph F.
Cushing, William R.
Darbyshire, David L.
Deen, Frank C.
Dillingham, Wayne E.
Dolan, Thomas E.
Donahue, William J.
Doscher, Paul A.
Easterly, Arnoldo R.
Eberling, Gary M.
Elder, Myles E.
Ellis, Daniel P.
Estep, Jeffrey P.
Fitzgerald, Richard C.
Fritts, Kenneth M.
Garrabrants, William M.
Gilbreath, David L.
Glagola, Michael J.
Glover, Thomas C.
Goodale, Richard W., Jr.
Goodloe, James, Jr.
Gordon, Kevin L.
Gram, Charles A.
Guevremont, John J.
Hanaway, Michael J.
Hardy, Eugene P.
Hartley, George S.
Henderson, John D.
Herrington, Steve
Hetler, Kim O.
Hickey, Mark A.
Horne, Francis G., Jr.
Hubert, Robert J.
Hurst, Clifford G.
Hug, David C.
Hughes, Michael K.
Hurst, Clifford G.
Iaquinto, Christopher J.
Inabinet, Michael J.
Jagielski, John M.
Johnson, Mark A.
Johnson, Richard T.
Kaessner, David J.
Karlson, David J.
Klauser, Frederick J.
Klinefelter, Christian P. M.
Knight, Robert L., Jr.
Kozick, Stephen, III
LaBarre, Allan K.
Lasseter, Granville D., II
Laverick, James M.
Lewis, James L.
Lochocki, Frank M.
Lott, John L.
Lydon, Kevin B.
Lynard, Constantine W.
Macadam, Adam F., II
Maher, Henry E.
Maldonadoz, Robert J.
McCann, William J.
McCleskey, Nathaniel T.
McDonnell, Joseph M.
McGuinness, Allan P.
McNamara, Paul P.
Merchant, Paul G., Jr.
Miller, Jeffrey W.
Miller, Melvin R.
Miller, William A.
Monnie, Robert B.
Mossman, Mark G.
Motes, Michael J.
Murphy, Richard J.
Murray, William R.
Nicholas, Ronald C.
Nielsen, Eric P.
Nielson, Thomas J.
Nowlan, Rex C.
Oberholtzer, David M.
O'Connor, Mark F.
O'Donnell, Fulton P.
Olney, Courtney L.
Ordone, Stanley A.
Packard, Richard J.
Page, Harry A.
Painter, Rodney P.
Park, Curtis R.
Parker, Raymond D.
Patterson, Gregory A.
Peoples, Melvin L.
Pettengill, James J.
Phillips, David A.
Pietrzak, Steven R.
Pistochini, Greg P.
Plough, Kenneth A.
Price, Joseph E., II
Prout, Steven L.
Raines, Randal A.
Rains, Kenneth C.
Rann, David P.
Rapp, Daniel E.
Regan, James M.
Richter, Jeffrey C.
Robb, Stephen C.
Ruckriegel, John R.
Sadberry, Dan R.
Sandkuhler, Kevin M.
Schuler, Alan K.
Shookster, John A.
Sherry, Mark D.

Simmons, Richard L.	Sweeney, John L., Jr.	Wright, James M.	Zak, Michael J.
Slavick, Frank P.	Taylor, Walter E.	Younger, Robert E.	Zarate, Michael A.
Sloan, Timothy A.	Taylor, Walter L.		
Smith, Robert F.	Thompson, Jerry L.		
Snyder, Wesley F.	Towsey, Craig W.		
Somers, Daniel G.	Trichler, William K.		
Sondermann, John W.	Turner, John H.		
Stock, Paul C.	Tussing, Bert B.		
Strahan, Robert W.	Wagner, Michael W.		
Sturgeon, Clyde N.	Walick, David G.		
Sumrall, Carroll B.	Wangsgard, John E.		
Swain, John D.	Watson, Paul H.		

The following-named (Marine Corps enlisted commissioning education program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Brown, Donald D.
McQuerry, Thomas O.

The following-named (Navy Enlisted Scientific Education Program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Benefield, John W.	Herbert, Stanley M.
Boyd, Charles E.	Jones, Peter L.
Carpenter, Steven C.	Lape, Joseph S.
Crissinger, Michael A.	Laughlin, Larry L.
Fletcher, William R.	McIntyre, Luther B.
Forgy, James R.	Seal, John F.
Goldmon, William E.	Seward, James J.
Hall, Graham T.	

HOUSE OF REPRESENTATIVES—*Monday, February 10, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Fear not, for I am with you; be not dismayed, for I am your God; I will strengthen you; yea, I will help you.—Isaiah 41: 10.

"Another day is dawning,
Dear Father, let it be,
In working or in waiting
Another day with Thee."

We thank Thee, O God, for the coming of a new day and for the opportunity to serve Thee and our Nation in these troubled times. As we bow at the altar of prayer, may the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord, our strength and our Redeemer.

Steady our spirits for the tasks of these hours and strengthen us to do our work as well as we can do it. Deliver us from fears which unfit us for our labors, from bitterness which belittles our efforts, from resentments which ruin our dispositions, and from worries which weary us and wear us out. Why should we do ourselves these wrongs when with us is prayer, and joy and strength and courage are with Thee. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. MILITARY ACADEMY

The SPEAKER. Pursuant to the provisions of 10 U.S.C. 4355(a), the Chair appoints as Members of the Board of Visitors to the U.S. Military Academy the following Members on the part of the House: Mr. MURPHY of New York; Mr. LONG of Maryland; Mr. CEDERBERG; and Mr. GILMAN.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO THE U.S. NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of title 10, United States Code, section 6968(a), the Chair appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House: Mr. FLOOD, Mr. SIKES, Mr. EDWARDS of Alabama, and Mrs. HOLT.

APPOINTMENT AS MEMBERS OF COMMISSION ON ART AND ANTIQUITIES OF U.S. SENATE

The SPEAKER. Pursuant to the provisions of Public Law 92-342, the Legislative Branch Appropriation Act, 1973, the Chair appoints the following Members to serve with the Speaker and with the members of the Commission on Art and Antiquities of the U.S. Senate in supervising the restoration of the Old Senate and Supreme Court Chambers in the Capitol: Mr. O'NEILL, Mr. RHODES, Mr. MAHON, and Mr. CEDERBERG.

APPOINTMENT OF ADDITIONAL MEMBER ON COMMITTEE ON AGING

The SPEAKER. The Chair appoints as an additional member of the Committee on Aging the gentleman from Hawaii (Mr. MATSUNAGA) to rank after the gentleman from Florida (Mr. PEPPER).

There was no objection.

PROPOSALS OF ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, today, I am introducing three House concurrent resolutions which if approved by the Congress would express approval of three proposals of the Energy Research and Development Administration in the area of international agreements for cooperation of nuclear energy.

Two of the proposals raise the present ceiling on the amount of nuclear materials which may be distributed by the United States—ERDA—to two international agencies, Euratom and the International Atomic Energy Agency. The third extends the existing agreement for research purposes with the Government of Israel.

By provisions of sections 54 and 123 of the Atomic Energy Act of 1954, as amended, proposals of this nature must be submitted to the Congress for review. On February 6, 1975, I chaired hearings of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy to consider these proposals. These resolutions are submitted in accordance with the Atomic Energy Act of 1954, as amended, which requires that within 30 days of submission of the proposals to the Congress the Joint Committee must report to the Congress its views and recommendations on the proposals with corresponding concurrent resolutions either favoring or disfavoring the proposals.

These resolutions will be the subject of a Joint Committee markup session tentatively scheduled for February 13, in order to comply with the time limits as provided by the Atomic Energy Act.

CARIBBEAN TAX HAVEN TOUR

(Mr. VANIK asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. VANIK. Mr. Speaker, on April 12, 1975, 3 days before 75 million Americans must have their Federal income tax filed, 80 other Americans will be leaving Miami on a tax-dodging Caribbean tax haven tour. The tour will cost a minimum of $1,750, sunny and tax deductible to the participants who will have opportunity to learn how to take full advantage of legal tax avoidance.

This group will be wined, dined, and advised by local government officials in Cayman, Costa Rica, Panama, the Netherlands Antilles, and the Bahamas. It is unconscionable that our tax laws and trade laws permit this form of international tax piracy—luring desperately needed revenues from the Federal Treasury of the United States.

Mr. Speaker, the tax haven abuse is becoming more widespread and is resulting in incredible distortions in investment practices. For example, American Federal Reserve banks had $20.7 billion in Bahamas and Cayman Islands at the end of 1973, more than enough to make the entire island green with American money.

I am today requesting Ambassador Harald Malmgren, acting head of the Office of Special Representative for Trade Negotiations, to raise the issue of tax haven countries at the multilateral trade negotiations being conducted in Geneva. It is time that the international community consider trade sanctions against those nations which flaunt their role as world tax havens.

The letter is as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 10, 1975.

Hon. HARALD B. MALMGREN,
Ambassador, Special Representative for Trade Negotiations, Washington, D.C.

DEAR MR. AMBASSADOR: During the up-coming Multilateral Trade Negotiations in Geneva, I request you and other American negotiators to raise the issue of improper trade practices by tax haven countries. While tax haven countries do not restrict—in the traditional sense—trade between nations, they clearly offer unfair and distorting "subsidies" which attract the flow of capital, industries, and jobs from the United States and other industrialized nations. In many cases, these tax haven countries are quietly supported by their former owners or possessor countries—who are usually members of the Organization for Economic Cooperation and Development.

Judging from recent advertisements, I believe that the tax haven abuse is becoming more widespread. It is resulting in incredible distortions in investment practices. For example, at the end of 1973, members banks of the Federal Reserve System had invested assets of some $20.7 billion in the Bahamas and Cayman Islands—both of which are notorious tax haven countries. These assets were larger than the assets of these banks in Continental Europe as of the end of 1973!

As another example, I am enclosing for your information, a pamphlet advertising a "Caribbean Tax Havens Tour." This "tour," organized by a seminar service, will leave Miami on April 12th and travel to Grand Cayman, Costa Rica, Panama, Netherlands Antilles, the Bahamas, and return to New York on April 25th. For a registration fee of $1,750 (including tuition, air fare, hotel accommodations, receptions, and cocktail parties), the first 80 persons who sign up will have "a unique opportunity to not only visit the major tax havens in the Caribbean, but to attend informative lectures as well in each tax haven dealing with its particular advantages.

"These sessions will be conducted by distinguished government officials, financial experts, and noted legal authorities."

For example, the program for Costa Rica includes such "topics" as "Costa Rica Taxes Only Local Income." In Panama, the lead lecture is entitled "Panama's Role as a Major Tax Haven." In the Antilles, the topics include "Netherlands Antilles as a Base for Eurobonds and Holding Companies" and "Using a Netherland Antilles Company to Invest in U.S. Real Estate." Finally, one of the Bahamas topics is "The Bahamas Is Still An Important Tax Haven."

I think you will agree that this type of promotion is a form of unfair international competition, resulting in unneeded and unproductive investments. I urge the American delegation to the new trade negotiations to oppose extending any form of Generalized System of Preferences to recognized tax haven countries. In addition, I believe serious consideration should be given to establishing some form of counter-vailing duty or tariff on the products of tax haven countries. I would appreciate your comments on how the problem of tax haven countries could be raised during the trade negotiations.

Sincerely yours,

CHARLES A. VANIK,
Member of Congress.

ABOLISH THE USELESS FEDERAL METALLIC AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. HECHLER of West Virginia. Mr. Speaker, the President has been asking Congress to tighten its belt on Federal spending. For 3 years I have been trying to have abolished a very useless board which does nothing but meet once a year for administrative purposes, the Federal Metallic and Nonmetallic Mine Safety Board of Review.

It recently submitted its report to the Speaker of the House on its activities for 1974—and its activities were none. The report for calendar year 1974 even made a mistake in the date placed on the report, dating it "January 11, 1974" for its calendar year 1974 report. Yet the President in his budget has asked for $60,000 for this useless board, which includes two administrative personnel, and pays the travel expenses of the five members who travel here to Washington for meetings to do absolutely nothing.

Mr. Speaker, this Board should have been abolished long ago. It was created in 1966, but did not begin to "function" until 1971, yet the President has just announced the renomination of Mr. Charles E. Schwab of the Golden Cycle Corp. of Colorado to serve on this Board.

Mr. Speaker, I have asked the chairman of the Committee on Labor and Public Welfare of the Senate, Senator HARRISON WILLIAMS to take steps so the Senate reject the confirmation of Mr. Schwab, and I have written the chairman of the Committee on Education and Labor of the House, Representative CARL PERKINS, to recommend the appropriate legislation to deauthorize this board. If that cannot be done, we certainly ought to cut out the appropriation for the Board. It is outrageous that this board should continue to exist and do absolutely nothing.

The Board is supposed to receive appeals from mine operators served with closure orders. But no such appeals have ever been filed, despite the fact that in calendar year 1974 there were 1,988 closure orders issued by the Department of the Interior. This do-nothing Board has managed to spend nearly $200,000 since 1971.

Under unanimous consent, I include the following letters and reports:

FEBRUARY 4, 1975.

Hon. HARRISON A. WILLIAMS, JR.,
Chairman, Committee on Labor and Public Welfare, Dirksen Office Building.

DEAR CHAIRMAN WILLIAMS: I understand that President Ford has recently nominated Mr. Charles E. Schwab to a second four year term as an industry representative to the long-dormant Federal Metal and Nonmetallic Mine Safety Board of Review.

I strongly urge that your Committee promptly move to terminate this Board, in lieu of recommending confirmation of this nominee.

This Board is akin to the old Federal Coal Mine Safety Board of Review which Congress terminated in 1969. Like the old coal mine Board, this Board has five part-time members, consisting of a university professor, two mineral-industry representatives, and two labor representatives.

Its statutory reason for existing is to "hear and determine" applications filed by mine operators for "annulment or revision" of closure orders issued by Interior Department inspectors and orders issued by the Secretary. But no such applications have ever been filed with the Board, despite the fact that in calendar 1974 there were 1,988 closure orders issued by Interior. This is because Section 9 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772, 777) gives the operator another procedural avenue of review, namely the Secretary of the Interior. There have been no appeals to the Board from a final order of the Secretary. In essence, the Board duplicates the Secretary's procedure and is unnecessary.

Since July, 1971, when the Board began to function, it has met less than six times "for administrative purposes." Yet in this period it has managed to spend nearly $200,000 none of which has benefited the health and safety of the miners.

Although the President has recently implored Congress to be frugal and not increase the budget for people-oriented programs, I note that he is asking Congress to appropriate $60,000 in Fiscal Year 1976 for this "Do-Nothing" Board.

I urge that your Committee move to terminate this Board before Mr. Schwab's current term expires in July, 1975, and provide for direct appeals from the Secretary to the courts.

Yours sincerely,

KEN HECHLER.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 8, 1975.

Hon. CARL D. PERKINS,
Chairman, House Education and Labor Committee, Rayburn House Office Building.

DEAR CHAIRMAN PERKINS: President Ford recently nominated Mr. Charles E. Schwab of the Golden Cycle Corporation of Colorado to a second four year term as an industry representative to the long-dormant Federal Metal and Nonmetallic Mine Safety Board of Review.

This Board, which was created in 1966, but did not begin to function until 1971, is akin to the old Federal Coal Mine Safety Board of Review which Congress terminated in 1969. Like the old coal mine Board, this Board has five part-time members, consisting of a university professor, two mineral-industry representatives, and two labor representatives.

Its statutory reason for existing is to "hear and determine" applications filed by mine operators for "annulment or revision" of closure orders issued by Interior Department inspectors and orders issued by the Secretary. But no such applications have ever been filed with the Board, despite the fact that in calendar 1974 there were 1,988 closure orders issued by Interior.

This is because Section 9 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772, 777) gives the operator another procedural avenue of review, namely the Secretary of the Interior. The operators can then appeal to the Board and then to the courts, but there have been no appeals to the Board from a final order of the Secretary since 1971. In essence, the Board duplicates the Secretary's procedure and is unnecessary.

Since July, 1971, the Board has met less than six times "for administrative purposes." Yet in this period it has managed to spend nearly $200,000, none of which has benefited the health and safety of the miners. It has an Executive Secretary and a secretary.

Although the President has recently implored Congress to be frugal and not increase the budget for people-oriented programs, I note that he is asking Congress to appropriate in Fiscal Year 1976 another $60,000 for this "Do-Nothing" Board.

I plan to introduce a bill next week to terminate this Board and to provide for judicial review of Secretarial orders or decisions. I hope that your Committee will enact such legislation before Mr. Schwab's current term expires in July, 1975, and thus save the taxpayers at least $60,000 annually. If this is done, confirmation will be unnecessary.

Yours sincerely,

KEN HECHLER.

UMI

FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW,
Washington, D.C., January 15, 1974.

Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed is calendar year 1974 report of the activities of the Federal Metal and Nonmetallic Mine Safety Board of Review, as required by Section 10(i) of the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 729(i)).

Respectfully yours,

JUBAL HALE,
Executive Secretary.

1974 CALENDAR YEAR REPORT—FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

The Federal Metal and Nonmetallic Mine Safety Board of Review is an independent agency established to review mine closure orders issued by authorized representatives of the Secretary of the Interior (i.e., mine safety inspectors) which require a mine operator to close all or part of a mine because conditions exist in violation of the Federal Metal and Nonmetallic Mine Safety Act or regulation(s) issued pursuant to this Act. Appeal to the Federal Metal and Nonmetallic Mine Safety Board of Review is the principal administrative remedy of a mine operator affected by a closure order and it is before the Board that a record is made from which further appeal may be pursued to the court.

Though 1998 mine closure orders were issued in 1974 under the Federal Metal and Nonmetallic Mine Safety Act, none of these orders was appealed by a mine operator to this Board. Therefore, assuming these orders have been enforced, either the mines remain closed, or they have reopened because the violations have been abated, or the order has been annulled or revised by the Secretary of the Interior.

The Board maintained its principal (and only) office in the District of Columbia, as required by Section 10(d) of the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 729(d)). The Board met once in 1974 for administrative purposes.

JUBAL HALE,
Executive Secretary.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. YOUNG of Texas. Mr. Speaker, is it the understanding that when the House adjourns today, it will adjourn to meet on Thursday next?

The SPEAKER. The gentleman is correct.

THE LATE ROY A. STAUFFER

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MCDADE) is recognized for 5 minutes.

Mr. MCDADE. Mr. Speaker, we who live in northeastern Pennsylvania have lost one of the truly outstanding men we have known in the 20th century through the death of Roy A. Stauffer.

He was a truly amazing man. He was one who started as a bicycle mechanic and became the largest Chevrolet dealer in northeastern Pennsylvania. He took the view that what he had done with his life, any community could do with its own life. With untiring effort he set about convincing people of northeastern Pennsylvania that any effort to build their communities must come from within, and so he worked with so many communities to build the spirit of self-development, and saw that effort bring thousands and thousands of jobs to those communities. For this, he became known as the "father of community industrial development."

He headed a new concept in community development which was known as the "Lackawanna Industrial Fund Enterprises" or LIFE, and through LIFE there were built in northeastern Pennsylvania shell buildings for potential industrial occupants. When the shells were completed, the people of the community, led by Roy Stauffer went out to find the industries to occupy them, and they were remarkably successful in their quest. For this, Roy also became known as the "Father of the Scranton Story."

It is planned to name the West Pittston riverbank "Stauffer Commons," and it is also planned to erect a monument to his memory. For a man like Roy Stauffer, no new monument is really needed. His work in building our communities lives on and will outlive all of us.

I share the sorrow of his widow and children at his death, but I know they are immensely consoled by the thought of what this remarkable man did in his lifetime.

At this point I will append an editorial from the Scranton Times:

ROY STAUFFER PERSONIFIED "BOOTSTRAP" RECOVERY

When Roy Stauffer was being honored as the "father of the Scranton Story" by the Scranton Chamber of Commerce nearly 20 years ago this newspaper observed that "More citizens of the Roy Stauffer type would mean a bigger and better Scranton." That comment bears repetition today in looking back on his long and productive life which came to a close with his death on Sunday.

Perhaps more than any other of the many notable people who have been associated with the continuing effort to develop a strong and varied industrial base for our region's economy Roy Stauffer personified this bootstrap operation.

He had gone from bicycle mechanic to auto mechanic and to ownership of what became the largest new car dealerships in Northeastern Pennsylvania. In doing so he overcame the obstacles of the Depression. During World War II when cars were scarce he converted his auto sales operation into a defense plant. When the war was over he advocated that residents of the area pool their own resources to supply the funds to build plants for new industry here.

As a leader of SLIBCo, the Scranton Plan and Lackawanna Industrial Fund Enterprises, Mr. Stauffer made the search for new industries and new jobs an obsession. He worked just as tirelessly for his neighbors in Luzerne County. And the results in both Lackawanna and Luzerne counties are impressive in the statistics of new plants and diversified job opportunities.

Grateful civic groups heaped awards and honors on him before his retirement. And a monument to this enterprising figure was authorized by the Greater Pittston Chamber of Commerce for Susquehanna River Common last summer.

Roy Stauffer made this valley a better place than he found it, making it possible for others to have the opportunities for success he had developed in hard times for himself. His indomitable spirit and dedication to the economic welfare of the region set an example for all to follow in his day and in the years ahead.

SENIOR INTERN RESOLUTION

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BIESTER) is recognized for 5 minutes.

Mr. BIESTER. Mr. Speaker, I am pleased today to reintroduce House Resolution 16, establishing the John McCormack senior intern program, with an additional 24 cosponsors. To date, 71 Members have joined Mr. BINGHAM, Mr. HEINZ, Mr. HILLIS, Mr. REGULA, Mr. WYDLER, and me in this effort to create a 2-week Washington internship program for district residents aged 60 and above. We are encouraged that you, Mr. Speaker—and both Mr. O'NEILL, the majority leader, and Mr. RHODES, the minority leader—have lent your support to this idea by cosponsoring the resolution.

For each of the past 3 years I have conducted such a program, bringing two senior citizens from my district to Washington during a 2-week period in May. At these times they had a first-hand opportunity to watch Congress and a congressional office in operation and meet with various experts in the areas of legislation and Federal programs affecting the elderly. They have also been active workers in the office during that period, apprising me in depth of the various special difficulties experienced by older men and women in my district and in America.

An increasing number of House and Senate colleagues have joined in this internship program since 1972, and the program has developed momentum and an ongoing quality despite the absence of legislation. We are hopeful that the resolution can be adopted in time for implementation this May, but, regardless, we will be continuing our ad hoc program this year. In the near future Members will be informed of the exact date of the program, and we hope our colleagues will plan now to join us in this constructive educational venture.

SUPPORT FOR THE OFFENDER EMPLOYMENT AND TRAINING ACT

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 10 minutes.

Mr. RAILSBACK. Mr. Speaker, we are facing an ever growing crisis in our corrections system. The high rate of recidivism clearly demonstrates the inadequacy of our present techniques of rehabilitation. It is estimated that between 50 and 80 percent of all crimes are committed by individuals who have previously been confined in our prisons. As a member of the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice I have had the opportunity to visit prisons throughout the country and have come to the conclusion that if we are to remedy this situation we must be willing to dramatically change our traditional methods of incarceration.

Recent studies have shown a significant correlation between unemployment and recidivism. The lack of a vocational skill is a major barrier to the reintegration of the prisoner into the community; unfortunately, rehabilitation, in terms of preparing the convict for employment, has been a disappointing failure. Ex-offenders rarely find jobs because they lack marketable skills and have not been given adequate vocational training. It is all too easy for an ex-convict to return to crime if he is unable to find a job.

Legislative restrictions have severely limited the program of the Federal Prison Industries, the Department of Justice corporation responsible for offering Federal prisoners training and work experience, is able to provide. The FPI is required to restrict competition with free labor and business. The goods produced are used solely by Government agencies and institutions and inmates are generally employed in unskilled jobs for which there is little demand in the free market. Prison industries fail to provide inmates with the necessary education and skills which would enable them to enter the free labor market upon their release. There is little demand for persons trained in making license plates, bookbinding, or furniture refinishing. The entire operation lacks proper incentives, relevance, and modern managerial motivation.

It is in response to these gross inadequacies of our present system that I am reintroducing the Offender Employment and Training Act which would enable us to use free market expertise to revitalize our antiquated system. Senator PERCY, an acknowledged leader in the field of penal reform, is introducing identical legislation in the Senate. The bill was previously introduced in the 93d Congress but failed to reach the floor.

Title I of the act applies to Federal correctional institutions. It provides authorization for the Federal Prison Industries to make grants or loans to, or contract with, private organizations for construction or operation of projects designed to train and employ Federal offenders. Such projects may also provide supportive services including education and counseling. The private organizations would be the employers of the prisoners and the project could operate within the prison facility itself or outside of it.

Prisoners would receive wages at a rate not less than that paid for similar work or training in the locality in which the work or training is to be performed. The work or training performed must be of such a nature as to make it likely that the inmates will be able to find comparable employment upon release. From the wages earned would be deducted money to support the inmate's dependents and pay for the prisoner's room and board. In addition, up to 10 percent of his wages would go to a fund which would be established for the purpose of compensating victims of crimes.

The program would be supported by a Federal Employment and Training Fund whose moneys would be derived from repayments of loans and proceeds from sales where the employer is a Federal agency, such as the Federal Bureau of Prisons. The fund would also be supported by such annual congressional appropriations as would be necessary to make the fund not less than $10 million.

Title II of the Offender Employment and Training Act gives to the Attorney General the same powers given the Federal Prison Industries in title I for carrying out similar projects in State correctional institutions. The State program would be funded by a $10 million authorization for each of the next 5 years.

Ideally, industrial programs should expose inmates to a work experience that would enhance their opportunities to acquire suitable employment. In addition, the production of an economically useful product would enable inmates to acquire self-respect and the satisfaction of a job well-done. A diligent effort should be made to initiate the manufacture of products which are in demand on the free market so that offenders can transfer their newly acquired job skills into meaningful employment after their release.

The Offender Employment and Training Act would create such a realistic and competitive work situation. This would provide the inmate with the necessary physical skills and mental preparation to reenter society as a productive individual and in so doing would help to lower our inflated crime rate. Since the ultimate beneficiary of these changes can only be our society as a whole, I am extremely hopeful that the Congress will give the Offender Employment and Training Act its immediate and favorable consideration.

AGAINST RATIONING

The SPEAKER. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, there is a great deal of discussion now about rationing gasoline as an alternative to President Ford's suggested increase in tariffs on oil imports.

I am opposed to rationing.

I oppose it, because it would be expensive, it would enlarge the bureaucracy and it would tend to make liars and cheats out of all of us.

Frankly, I have been surprised that some of my colleagues in the Congress have said they favor rationing, and I have been surprised that many others have discussed rationing as a real alternative to the President's proposals.

I suppose it is because this might appear to be a way to keep the price down on gasoline. But in my view, the price will go up no matter which plan we approve.

Continuation of the free market system of allocating gasoline, as outlined by President Ford, would be fairer and more efficient than a cumbersome rationing method. It would avoid a black market and it would eventually solve our energy crisis by encouraging the development of new sources of energy and discouraging oil imports. Rationing would institutionalize and prolong the crisis.

Many Americans who remember the rationing days of World War II are quick to point out the difficulties and inequities that existed.

Any rationing plan adopted today would probably be a "white market" system—coupons would be transferable and people who did not need all their coupons could legally sell them to those who did. "White market" rationing would generate less skulduggery and ill-feelings than the World War II variety did. But it would still be inadequate and unfair.

The Federal Energy Administration, which would run any rationing program, recently spelled out some of the possible consequences. Coupons would go to the Nation's 125 million licensed drivers; another 15 million Americans might rush to get licenses just to be able to procure coupons. The "white market" price of the coupons could reach $1.20 per gallon—over and above the current average pump price today of 55 cents.

More important, rationing would not provide a financial incentive to the U.S. energy industry to produce more domestic oil and it would not help to promote energy conservation outside of curbing the use of cars. At the same time, the FEA reckons that rationing would probably depress the gross national product by nearly $13 billion in the first year, presumably by cutting the market for new cars.

Unquestionably, rationing would generate widespread inequities. Lower-income motorists would be penalized, because they tend to drive inefficient old cars that get poor gasoline mileage. Residents of rural and suburban areas would suffer more than city dwellers, because they are not served by adequate mass transit systems.

It is important to remember that any way we go—even if we do nothing—it is going to cost us more money and to do nothing would be ignorant.

At this point, the President's proposal is the only plan that will return money to the taxpayers in an amount almost equal to the increase in fuel costs. But its a long way from being adopted. It is complicated and has may parts that need amending and I shall continue to give it great study.

STATE DEPARTMENT BOMBING INDICATES CONTINUED NEED FOR INTERNAL SECURITY COMMITTEE

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 5 minutes.

Mr. BAUMAN. Mr. Speaker, the recent bomb blast in a State Department washroom may be, according to some sources, a prelude to more violence by radical groups. It is also a tragic and graphic demonstration of the continuing need for maintaining the House Committee on Internal Security as a standing committee of the House of Representatives. For this and other reasons I am pleased to cosponsor the bill of my colleague from Ohio (Mr. ASHBROOK) which will accomplish that worthy goal.

In my view, and in the view of the Internal Security Committee in the past, individuals and organizations are entitled to hold whatever radical views they may wish. This freedom is part of the heritage of America, and the House Internal Security Committee had no desire to threaten this freedom.

But when organizations and individuals begin to take violent action, such as the State Department bombing, and the planting of a bomb in a Federal building in Oakland, Calif., then they become a legitimate concern of the Government. Both law enforcement and legislative arms of the Government need to be aware of groups and individuals who are committed to violence. If new legislation is appropriate, we need to be able to evaluate proposals and alternatives in a calm and rational manner.

The State Department bombing also demonstrates a need for more aggressive oversight of Government security programs, which had been part of the mandate of the House Internal Security Committee. As recently as last summer the committee conducted oversight hearings which went into personnel security practices at the State Department.

Mr. Speaker, here are a few facts which I hope will be of interest to my colleagues. The House Internal Security Committee has probably the most reliable information in the country on the Weather Underground outside FBI files. Not specific information on the precise whereabouts of individual members—that is the job of law enforcement agencies. But HISC has information on the origins of the group, the dominant philosophy of its members, their previous affiliations, and an insight into their motivations. This is the kind of information which can be invaluable in understanding and coping with the motivations of such individuals and groups. It is information which we as legislators should have in order to confront the problem of violence-prone groups in our society head-on, with our eyes open.

During the period from 1971 to 1973, there were 573 incidents of violence in this country attributed to terrorists, including firebombings, arsons, snipings, shootings, ambushes, and other criminal acts. Terrorists during this period were responsible for 152 police woundings and 43 deaths, as well as 53 civilian woundings and 22 deaths.

In June of last year, an FBI agent appearing before HISC testified that the FBI was interested in 52 different groups which could be characterized as subversive. Of these groups, 21 were characterized as terrorist, with a membership of 15,000. As the FBI pointed out, this does not mean that all of these individuals are necessarily planning terrorist acts, or even personally inclined to terrorism. Nonetheless, given the fact that terrorist activities by their nature can be carried out by just a few people, the presence of such a substantial number of organizations and individuals who are at least willing to endorse the rhetoric of terrorism should be of concern to Congress. The word is father to the deed, and the record shows that plenty of misdeeds have been committed.

I would like to insert at the conclusion of my remarks an article which appeared in the January 30 Washington Post, which quotes radical sources as speculating that the State Department bombing may be a "muscle-flexing gesture that may be a prelude to more violence." The writer, Paul Valentine, also discusses a new manifesto attributed to the Weather Underground, "Prairie Fire." This manifesto openly calls for mass violence in order to "disrupt the empire—to incapacitate it."

I hope my colleagues, on sober reflection, will reconsider the decision to abolish the House Internal Security Committee. Prompt consideration of the bill of the gentleman from Ohio (Mr. ASHBROOK) to restore HISC will give us that opportunity. If we are to be faced with a renewed onslaught of radical violence, we should have the legislative ability to learn about it and deal with it intelligently. The continued existence of the House Internal Security Committee is our best guarantee that the House of Representatives will maintain that capacity.

The article follows:

WEATHER UNIT CLAIMS CREDIT FOR BOMBING

(By Paul W. Valentine)

The long quiescent Weather Underground Organization, emboldened by the nation's current social and economic unrest, bombed the State Department yesterday in a muscle-flexing gesture that may be a prelude to more violence.

This is the dominant view of several sources close to radical and underground politics here. In interviews yesterday, a number of activists and observers said the loose network of one to two dozen Weather Underground collectives throughout the nation has been preparing for months for some kind of overt and dramatic action.

"They've been more active in the last six to seven months," said Mike Drobenaire, a longtime antiwar organizer and now a law student at Howard University.

"I don't think they're dormant . . . I think we'll hear from them again," said another source who, like most others, asked not to be identified.

The State Department blast was the first political bombing in Washington for which the Weather Underground has taken credit since the May 19, 1972, explosion at the Pentagon. The Weather Underground claimed credit for both the Pentagon blast and an earlier explosion at the Capitol on March 1, 1971. No arrest has been made in either case.

Between 1970 and 1972, the organization also said it was responsible for at least 20 bombings in other cities against targets ranging from police stations and government military research centers to draft boards and ROTC buildings.

Since then, the shadowy and loosely defined organization, led by such noted radical militants as Mark Rudd, Cathlyn P. Wilkerson and Bernardine R. Dohrn, has been relatively quiet.

The FBI has identified at least 23 persons as Weather Underground fugitives wanted on a variety of criminal charges.

FBI and D.C. police intelligence officials said they do not know how many persons are actively involved in the Weather Underground today.

Their number was put at about 400 in 1970 by police, but sources close to radical activity here said yesterday that the number has probably decreased since then.

Despite the decrease, the tempo of Weather Underground's activity picked up last summer with publication and distribution of a new manifesto called "Prairie Fire," a 152-page statement of Weather Underground's revolutionary aims and purposes.

The soft-cover book, complete with photographs, maps and drawings, is available at radical literature bookstores and newsstands and is distributed through at least two overt outlets in New York and San Francisco.

These overt outlets—post office box numbers in New York and San Francisco—are further evidence of growing popular or "above ground" support for the Weather Underground, one source said here. Another source estimated that 3,000 to 4,000 copies of the original book have been printed.

The sources said "Prairie Fire" and newspaper format reprints of it are also available through an outlet in Cambridge, Mass.

The manifesto sets the stage for new violent actions, such as the State Department bombing, radical observers say.

Its opening chapter calls for both "mass struggle and clandestine struggle, peaceful and violent, political and economic, cultural and military."

Later, it says "We are at an early stage, going from small to large. The mass armed capability which will destroy the enemy has its beginnings in armed action.

"Our intention is to disrupt the empire . . . to incapacitate it, to put pressure on the cracks, to make it hard to carry out its bloody functioning against the people of the world. . . ."

Radical sources here offered in their assessment of Weather Underground's coordination of its far-flung system of collectives, the groups of five to eight persons making up the basic units of the organization.

"They're so far underground that they don't have much communication," said Drobenaire. "It's a whole kind of isolation."

The collectives are largely autonomous units, he said acting often on their own initiative without coordinating their actions through the Weather Underground's five-member central committee.

Another source said, however, that despite the logistical problem of being underground, "the Weather people have mechanisms for organizing across the country. . . . It would only take a dozen of them—representives from each of the major cities—meeting on a weekend to work out a plan of action."

RULES OF THE COMMITTEE ON WAYS AND MEANS

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. ULLMAN) is recognized for 5 minutes.

Mr. ULLMAN. Mr. Speaker, clause 2(a)(3) of rules XI of the rules of the House of Representatives requires the publication in the CONGRESSIONAL RECORD within 30 days of the convening of the Congress of committee rules specifying regular meeting days and any other rules which are in addition to those required by clause 2(a)(3). In satisfaction of this requirement, I submit for publication in the RECORD the rules of the Committee on Ways and Means for the 94th Congress. These rules were adopted by the committee on January 21, 1975:

RULES OF THE COMMITTEE ON WAYS AND MEANS

Rule XI of the Rules of the House of Representatives, provides in part:

• • • The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees.

• • • Each subcommittee of a committee is a part of that committee, and is subject to the authority and direction of that committee and to its rules so far as applicable.

• • • Each standing committee of the House shall adopt written rules governing its procedure. Such rules • • •

(1) shall be adopted in a meeting which is open to the public • • •

(2) shall be not inconsistent with the House or with those provisions of law having the force and effect of Rules of the House • • •

In accordance with the foregoing, the Committee on Ways and Means, on January 21, 1975, adopted the following as the Rules of the Committee.

RULE 1. IN GENERAL

Except where the terms 'full committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Committee on Ways and Means and its subcommittees as well as to the respective chairmen.

RULE 2. MEETING DATE, QUORUM, AND QUORUM FOR TAKING TESTIMONY AND EVIDENCE

The regular meeting day of the Committee on Ways and Means shall be on the second Wednesday of each month while the House is in session. A majority of the Committee constitutes a quorum for business. Provided, however, that two members shall constitute a quorum at any regularly scheduled hearing called for the purpose of taking testimony and receiving evidence.

RULE 3. SUBCOMMITTEE MEETINGS

Insofar as possible, meetings of the Committee and its subcommittees shall not conflict. Subcommittee chairmen shall set meeting dates after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

RULE 4. SUBCOMMITTEES

All matters referred to the Committee on Ways and Means involving the Internal Revenue Code shall be considered by the whole Committee and not in subcommittee. The purpose of this is to expedite consideration of these matters.

There shall be six standing subcommittees as follows: Subcommittee on Social Security; Subcommittee on Health; Subcommittee on Unemployment Compensation; Subcommittee on Trade; Subcommittee on Public Assistance; and Subcommittee on Oversight.

The jurisdiction of such subcommittees shall include:

1. *Subcommittee on Social Security* shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Social Security will include bills and matters referred to the Committee on Ways and Means which relate to the Federal Old-Age, Survivors' and Disability Insurance System and employment taxes and trust fund operations relating to that system, but shall not include those titles of the Social Security Act involving health benefits, unemployment compensation or welfare matters. The jurisdiction of this subcommittee, more specifically, will include bills and matters involving title II of the Social Security Act, as well as provisions in title VII and title XI of the Act relating to procedure and administration involving the Old-Age, Survivors' and Disability Insurance System.

2. *Subcommittee on Health* shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Health includes bills and matters which are referred to the Committee on Ways and Means relating to programs which provide payments (from any source) for health care, health delivery systems, or health research. More specifically, the jurisdiction of the Subcommittee on Health includes bills and matters relating to the health care programs of the Social Security Act (including titles V, XI (Part B), XVIII, and XIX thereof) and tax credit (including tax credits where no tax is due) and deduction provisions of the Internal Revenue Code dealing with health insurance premiums and health care costs.

3. *Subcommittee on Unemployment Compensation* shall consist of 10 Members, 7 of whom shall be Democrats and 3 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Unemployment Compensation will include bills and matters referred to the Committee on Ways and Means which relate to the Federal-State system of unemployment compensation, and the financing thereof, including the programs for extended and emergency benefits.

More specifically, the jurisdiction of this subcommittee shall include all bills and matters pertaining to the programs of unemployment compensation under title III, IX and XII of the Social Security Act. Chapter 23 of the Internal Revenue Code, the Federal-State Extended Unemployment Compensation Act of 1970, the Emergency Unemployment Compensation Act of 1974, and provisions relating thereto.

4. *Subcommittee on Trade* shall consist of 16 Members, 11 of whom shall be Democrats and 5 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Trade will include customs and customs administration including tariff structure, classification, valuation of, and special rules applying to imports, and special tariff provisions and procedures relating to customs operation affecting exports and imports; import trade matters, including import impact, industry relief from injurious imports, adjustment assistance, unfair import practices including antidumping and countervailing duty provisions, and import policy relating to dependence on foreign sources of supply; reciprocal trade agreements including multilateral and bilateral trade negotiations involving tariff and nontariff trade barriers to and distortions of international trade; international rules, organizations and institutional aspects of international trade agreements; and special trade-related problems involving market access, access to materials in short supply, trade with developing countries, operations of multinational corporations and state trading.

5. *Subcommittee on Public Assistance* shall consist of 10 Members, 7 of whom shall be Democrats and 3 of whom shall be Republicans.

In general, the jurisdiction of this subcommittee shall include bills and matters referred to the Committee on Ways and Means affecting those provisions of the Social Security Act relating to welfare matters, i.e., welfare reform, supplemental security income, aid to families with dependent children, social services and child support, and eligibility of welfare recipients for food stamps.

More specifically, the jurisdiction of this subcommittee shall include bills and matters relating to titles I, IV, VI, X, XIV, XVI, XVII, XX and related provisions of titles VII and XI of the Social Security Act.

6. *Subcommittee on Oversight* shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

The jurisdiction of this subcommittee shall include all matters within the scope of the Committee but shall be limited to existing law and said oversight jurisdiction shall not be exclusive but shall be concurrent with that of the other subcommittees, and with respect to matters involving the Internal Revenue Code said concurrent jurisdiction shall be shared with the full Committee. Before undertaking any investigation or hearing, the Chairman of the Subcommittee on Oversight shall confer with the Chairman of the full Committee and the Chairman of any other subcommittee having jurisdiction.

RULE 5. SUBCOMMITTEE CHAIRMAN

Democratic members of the Committee shall have the right in order of full committee seniority to bid for vacant subcommittee chairmanships. Such bids shall be subject to approval by a majority of those present and voting in the Democratic caucus of the Committee. If the caucus rejects a subcommittee chairmanship bid, the next senior Democratic Member may bid for the position as in the first instance. No member of the Committee who serves on the Budget Committee shall serve as a chairman of a subcommittee. A subcommittee chairmanship shall not be considered vacant while the subcommittee chairman has taken a leave of absence to serve on the Budget Committee.

RULE 6. EX-OFFICIO MEMBERS OF SUBCOMMITTEES

The Chairman and the ranking minority member may sit as ex-officio members of all subcommittees. They may be counted for purposes of assisting in the establishment of a quorum for a subcommittee. However, their absence shall not count against the establishment of a quorum by the regular members of the subcommittee. Ex-officio members shall not vote in the subcommittee.

RULE 7. REFERENCE OF LEGISLATION AND SUBCOMMITTEE REPORT

Every bill, or other matter (except bills concerning the Internal Revenue Code) referred to the Committee or initiated by the Committee shall be referred by the Chairman of the full Committee to the appropriate subcommittee within 2 weeks from the date of its receipt by the Committee unless by a majority vote of the Democratic members of the full Committee, consideration is to be by the full Committee.

No bill reported by a subcommittee shall be considered by the full Committee unless it has been presented to all members at least 48 hours prior to the meeting, together with a comparison with present law, a section-by-section analysis of the proposed change, and a section-by-section justification.

RULE 8. SUPERVISION, DUTIES OF COMMITTEE STAFFS

The staff of the Committee, both professional and clerical, shall be under the general supervision and direction of the Chairman of the full Committee except as provided in Rule XI Clause 5(d) and Clause 6 of the Rules of the House of Representatives concerning committee expenses and staff. Provided, however, that the chairman of each subcommittee shall be entitled to select and designate at least one professional staff member for said subcommittee and at least one clerical staff member for said subcommittee subject to the approval of a majority of the Democratic members of said full Committee. The ranking minority member shall have the right to designate one staff member. Said staff members shall be compensated at a salary commensurate with the responsibilities prescribed by said subcommittee chairman. Compensation shall be provided out of appropriated amounts—rather than statutory amounts allowed each committee.

RULE 9. COMMITTEE BUDGET AND EXPENSES

The Chairman, in consultation with the majority members of the Committee, shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, travel, investigation, and other expenses of the Committee. After consultation with the minority members, the Chairman shall include an amount budgeted to minority members for staff under their direction and supervision. The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a subcommittee budget to include funds for staff, travel, investigations, etc., as may be required for the work of the subcommittee. Thereafter, the Chairman shall combine such proposals into a consolidated committee budget, and shall present the same to the Committee for its approval or other action. The Chairman shall take whatever action is necessary to have the budget as finally approved by the Committee duly authorized by the House. After said budget shall have been adopted, no substantial change shall be made in such budget unless approved by the Committee.

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RULE 10. WITNESSES

Witnesses who are scheduled to appear before the Committee shall file with the clerk of the Committee at least 24 hours in advance of his appearance a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement unless this provision is waived by the Chairman. Witnesses shall provide sufficient copies of his statement to the clerk for distribution to members, staff and news media.

RULE 11. QUESTIONING OF WITNESSES

Committee members may question witnesses only when recognized by the Chairman for that purpose. All members shall be limited to five minutes on the initial round of questioning. In questioning witnesses under the five minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recognition for questioning in such a manner as not to disadvantage the members of the majority.

RULE 12. PUBLICATION OF TENTATIVE DECISIONS

A copy of any tentative or final legislative decision made by the Committee on the subject matter under consideration shall be made available to each Member of the Committee by the next meeting of the Committee, or at the latest, by the next day.

RULE 13. AMENDMENT TO PROVISION PREVIOUSLY READ

In the process of reading a bill for amendments, it shall be in order to return to a previously read portion of the bill for the purpose of considering and acting upon amendments thereto. However, if such previously read portion has been adopted by a record vote, the provisions of Rule XVIII of the Rules of the House of Representatives concerning reconsideration shall be applicable except that the term "succeeding day" shall be defined as the next day on which a quorum of the Committee is present.

RULE 14. RECORD VOTES

A record vote on an issue shall be required on the request of a Member which is supported by at least one-fifth of a quorum.

RULE 15. PREVIOUS QUESTION

The Chairman shall not recognize a Member for the purpose of moving the previous question unless the Member has first advised the chair and those Members present that this is the purpose for which recognition is being sought.

RULE 16. RECOMMENDATION FOR APPOINTMENT OF CONFEREES

Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall recommend to the Speaker as conferees the names of those members of the subcommittee which handled the legislation in the order of their seniority upon such subcommittee and such other committee and subcommittee members as the Chairman may designate. In making recommendations of minority members as conferees the Chairman shall consult with the ranking minority member of the Committee.

RULE 17. RECORDS OF HEARINGS

An accurate stenographic record shall be kept of all testimony taken at a public hearing. Witnesses may, in the presence of a member of the Committee staff and at reasonable times in the office of the Committee, examine the transcript of his own testimony and may make suggestions to the staff to correct grammatical or technical changes as will not substantially alter the records of the testimony. Members shall correct their own testimony and return transcripts as soon as possible after receipt thereof. The Chairman may order the printing of the hearing record without the corrections of a witness or Member if he determines that such Member or witness has been afforded a reasonable time to make such corrections and that further delay would impede the consideration of the legislative actions which is the subject of the hearing.

RULE 18. TRANSCRIPTS OF OTHER COMMITTEE MEETINGS

An accurate stenographic record shall also be kept of all markup and other meetings of the Committee, whether they be open or closed to the public. This record shall be available for inspection by Members, together with their staffs, at reasonable times and places. This record shall not be published or made public in any way except by a majority vote of the Committee. Before any release of the uncorrected record, Members must be given a reasonable opportunity to correct their remarks.

RULE 19. BROADCASTING OF COMMITTEE OR SUBCOMMITTEE HEARINGS

The provisions of House Rule XI 3(f) are by reference specifically made a part of these rules.

RULE 20. PARTY RATIO

The ratio of Democrats to Republicans on any subcommittee of the Committee shall be not less than two Democrats plus one to each Republican including ex-officio members. In recommending to the Speaker members of conference commitees, the same ratio shall apply.

RULE 21. PROXY VOTING

Voting by proxy shall be permitted in accordance with the manner prescribed in House Rule XI 2(f).

SUPPLEMENTAL SECURITY INCOME PROGRAM REFORM

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, the supplemental security income program (SSI) has been in operation for a year now. Its serious flaws have caused great hardship to many elderly and disabled Americans. Because SSI recipients—the poverty-stricken aged, blind and disabled—are among the most helpless people in our society and have been hardest hit by inflation, it is essential that Congress act quickly to remedy these deficiencies. I have, therefore, introduced a comprehensive SSI reform bill.

The most serious problem with SSI is its failure to provide adequate living allowances for a substantial number of recipients. I am sure that most of my colleagues have received, as I have, desperate appeals from constituents who simply do not have enough money for food and shelter. As inflation continues, the number of persons in such circumstances will undoubtedly increase.

My bill contains several approaches to this problem. It assures that cost-of-living increases in benefits will be received by beneficiaries in all States; it provides for supplementary housing benefits to persons with high rents or housing costs; it mandates that persons who receive social security increases will not suffer corresponding reductions in their SSI benefits; and it allows SSI recipients in "cash out" States to elect to receive food stamps.

Each of these measures is essential if SSI is to make the difference between survival and despair for the poverty-stricken aged, blind, and disabled. Although the program now contains a cost-of-living increase provision, there is no guarantee that recipients will actually get increased benefits. States are not required to pass such increases through to recipients, but may keep the benefit of a Federal increase entirely to themselves. In addition, in some States, neither the State nor the beneficiaries receive cost-of-living increases. My bill would assure that cost-of-living increases are received by all SSI beneficiaries.

The supplemental housing allowance corrects a fundamental inequity in the SSI program. Because SSI benefits are determined without regard to the actual living costs of individual recipients, some people simply cannot live on the allowances provided. These discrepancies are largely due to variations in rent or housing costs. The New York State Assembly Standing Committee on Social Services, which held extensive hearings into SSI problems, noted:

It is not at all uncommon in many areas of this state for even a single person to have to pay rent in the range of $140 to $160 per month. After also paying for utilities, an essential phone, personal necessities, transportation and perhaps heat, a person with as little as the basic monthly SSI grant of $206.85 may have as little as $1.00 a day with which to put food on the table. SSI recipients must therefore each month tread a thin line between malnutrition and eviction or utility disconnection.

When we realize that elderly and disabled persons in these circumstances have no other available sources of Government assistance, it is not difficult to understand the despair that leads them, when faced with eviction, to talk of suicide.

My bill will prevent this intolerable hardship by providing a supplemental housing allowance of up to $50 per month for an individual or couple whose rent or housing costs exceed one-third of monthly income. Such a payment will, for many recipients, make the difference between severe deprivation and a subsistence level income.

The bill provides a third protection against inflation, by insuring that persons receiving both SSI and social security payments do not lose the benefit of social security increases. Last year, persons whose social security benefits were relatively high received increases of 11 percent. Persons whose benefits were so low that they were eligible for SSI, however, received no increase because their SSI checks were reduced by the exact amount of the social security increases. It is absurd that those social security recipients who are sufficiently well off that they do not need SSI will get benefit increases while those who are poorer will not. My bill would prevent this cruel and senseless result.

In recognition of the particular difficulty faced by the elderly because of skyrocketing food costs, my bill allows SSI recipients, who live in States which provide a cash payment rather than food stamps, to elect to receive the stamps instead. Receiving food stamps may often help SSI recipients to budget for food purchases. This provision also will insure that "cash-out" payments reflect the current value of food stamps rather than those which existed in 1972.

Another great inequity of the program is in the fact that persons who are "grandfathered-in" to SSI from public assistance—because they have turned 65 or become sufficiently disabled to meet the rigorous Federal standards—often lose very substantial amounts of benefits. Congress recognized this problem when it required that persons "grandfathered-in," when the SSI program began in January 1974, suffer no loss in benefits. Surely persons newly transferred to SSI deserve the same protection.

The bill contains a number of administrative changes, including a provision for the emergency replacement of undelivered, lost or stolen SSI checks or cash. At the present time, it takes at least 2 weeks for persons to receive replacement SSI checks, leaving many recipients with no money for food or rent in the interim. My bill requires that emergency check replacement procedures be made available, so that no elderly, blind or disabled person need face eviction or go without food because of someone else's error or crime.

Other sections of the bill provide for speedy action on SSI applications, make revisions in eligibility rules for separated spouses, and provide more flexible payment provisions for certain disabled persons.

We have seen, in SSI's first full year of operation, the great hardship it has caused to many elderly, blind and disabled persons. We have also learned, I believe, how to keep such hardship from continuing. I urge my colleagues to act quickly to make the essential reforms my bill offers so that SSI will no longer mean, to many people, federally financed starvation.

CONGRESS SAYS COLLECT FOREIGN DEBTS PROMPTLY

The SPEAKER. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, it has been the foreign policy of this great Nation to help others in need. None can deny that we have marched side by side on the battlefields with our allies. Our brothers and sisters have died for the cause of peace. We have labored side by side with the citizens of the world's undeveloped nations in strengthening their economies.

And we have taxed our citizens to help those countries torn by war and those whose development needs outstripped their available financial and technical resources.

Now, hostilities have ceased throughout most of our world. War-torn lands have been rebuilt. Many nations have made great strides toward development.

Today we find our own Nation in a state of financial need. Not for loans from friends, but for the repayment of just debts.

U.S. assistance helped heal the war-torn land of Iran. We recently witnessed the offer of the Shah to invest more than $200 million to bail out Lockheed from its financial bind. This offer is, in effect, made with money generated by an Iranian economy rebuilt partially with American foreign aid. Iran now owes the United States more than $1 billion and is delinquent in its repayments more than $39 million.

My amendment to the Foreign Assistance Act of 1974, signed by the President on December 30, 1974, makes it indisputably clear to such countries with past due debts owed to the people of this Nation that those debts are to be paid now and that future payments are to be made on time.

Foreign nations, individuals, and international organizations owe the United States $32.5 billion according to June 30, 1974 Department of Treasury statistics.

Of the 158 nations and 17 organizations that owe the United States, 110 of the countries and 7 of the organizations are at least 90 days overdue in their payments. Delinquent debts on June 30, 1974 totalled $562,706,773.

After 4 years of hearings by my Subcommittee on Foreign Operations on the subject of foreign debt collection, I have come to the conclusion that the State Department lacks the determination in representing the best interest of the American taxpayer by promptly collecting outstanding foreign debts.

If all the foreign debts now delinquent were paid at this time it would balance the budget and have a dramatic effect on the sliding value of the dollar.

Our sense of responsibility to humanity must be no less than in the past, but it must be tempered strongly by a sense of duty to help take the siphon of an inflated economy out of the pocketbooks of our citizens through an injection of foreign dollars provided us in repayment of just and due debts.

While my amendment makes it clear that the United States intends to keep its commitments to other nations, it also makes it clear that foreign countries must keep their commitments to the people of the United States.

I urge the President and the State Department to take affirmative action to carry out this congressional directive and represent the American taxpayer as he should be.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DICKINSON (at the request of Mr. RHODES), for today, on account of official business.

Mr. FREY (at the request of Mr. RHODES), after 5 p.m., February 5, 1975, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BIESTER) to revise and extend their remarks and include extraneous material:)

Mr. MCDADE, for 5 minutes, today.
Mr. BIESTER, for 5 minutes, today.
Mr. RAILSBACK, for 10 minutes, today.
Mr. EDWARDS of Alabama, for 5 minutes, today.
Mr. BAUMAN, for 5 minutes, today.

(The following Members (at the request of Mr. RONCALIO) to revise and extend their remarks and include extraneous material:)

Mr. ULLMAN, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Ms. HOLTZMAN, for 15 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Ms. ABZUG, for 10 minutes, today.
Mr. ALEXANDER, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BIESTER) and to include extraneous matter:)

Mr. MYERS of Indiana.
Mr. SHUSTER.
Mr. BELL.
Mr. EDWARDS of Alabama.
Mr. COLLINS of Texas.

(The following Members (at the request of Mr. RONCALIO) and to include extraneous matter:)

Mr. BURKE of Massachusetts.
Mr. MOFFETT in two instances.
Mr. ANNUNZIO in six instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. STOKES in three instances.
Mr. RANGEL in 10 instances.
Mr. HARRINGTON in 10 instances.
Mr. DOWNING.
Mr. EVANS of Indiana.
Mr. WOLFF in two instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 58. An act compensation and other emoluments attached to the Office of Attorney General.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on Febuary 7, 1975 present to the President, for his approval, a bill of the House of the following title:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative sections.

ADJOURNMENT

Mr. RONCALIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until Thursday, February 13, 1975, at 12 o'clock noon.

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EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

289. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that various appropriations have been apportioned on a basis which indicates a necessity for supplemental appropriations for fiscal year 1975, pursuant to section 3679 of the Revised Statutes [31 U.S.C. 665]; to the Committee on Appropriations.

290. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Agriculture for the Child Nutrition Program has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation for fiscal year 1975, pursuant to section 3679 of the Revised Statutes [31 U.S.C. 665]; to the Committee on Appropriations.

291. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Air Force Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

292. A letter from the Acting Administrator of General Services, transmitting a report on borrowing authority under the Defense Production Act covering fiscal year 1974, pursuant to section 304(b) of the Act [50 U.S.C. App. 2094(b)]; to the Committee on Banking, Currency and Housing.

293. A letter from the Acting Assistant Secretary of State for Congressional Relations; transmitting a report on political contributions made by Peter H. Dominick, Ambassador-designate to Switzerland, and his family, pursuant to section 6 of Public Law 93-126; to the Committee on Foreign Affairs.

294. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles to Spain, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

295. A letter from the Acting Director of Territorial Affairs, Department of the Interior, transmitting a report for fiscal year 1974 by the Governor of American Samoa on disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

296. A letter from the Governor of the Canal Zone, transmitting a report covering fiscal year 1974 on disposal of foreign excess property by the Panama Canal Company and the Canal Zone Government, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

297. A letter from the Assistant Secretary of the Interior, transmitting a report of the Honokohau Study Advisory Commission and the National Park Service on the feasibility and desirability of incorporating the Honokohau National Landmark into the National Park System, pursuant to section 3 of Public Law 92-346; to the Committee on Interior and Insular Affairs.

298. A letter from the Assistant Secretary of the Interior, transmitting the Annual Report of the Colorado River Basin Project for fiscal year 1974, pursuant to 82 Stat. 885; to the Committee on Interior and Insular Affairs.

299. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

300. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the Act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

301. A letter from the Secretary of Transportation, transmitting the 1974 national highway needs report, pursuant to section 3 of Public Law 89-139 (H. Doc. No. 94-45); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

302. A letter from the Acting Secretary of Transportation, transmitting a report on the pedestrian and bicycle safety study, pursuant to section 214(b) of Public Law 93-87; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

303. A letter from the Acting Comptroller General of the United States, transmitting a summary of the proposed rescissions of budget authority pending before Congress (H. Doc. No. 94-46); to the Committee on Appropriations and ordered to be printed.

304. A letter from the Comptroller General of the United States, transmitting a report on the status of efforts to offset the balance-of-payments deficit for fiscal year 1974 attributable to maintaining U.S. forces in Europe; jointly, to the Committees on Government Operations, and Armed Services.

305. A letter from the Comptroller General of the United States transmitting a report on the activities of the Office of Federal Elections, General Accounting Office, in the administration of the Federal Election Campaign Act of 1971; jointly, to the Committees on Government Operations, and House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 3. A bill to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce (Rept. No. 94-6). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on Feb. 6, 1975, the following report was filed on Feb. 10, 1975]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 2051. A bill to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes; with amendment (Rept. No. 94-7). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself, Mr. EILBERG, Mr. MITCHELL of Maryland, Mr. NIX, Mr. PRICE, Mr. ROYBAL, Mr. SOLARZ, Mr. STOKES, Mr. WAXMAN, and Mr. CHARLES H. WILSON of California):

H.R. 3090. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 to provide increased unemployment benefits; to the Committee on Education and Labor.

By Mr. ANDREWS of North Dakota:

H.R. 3091. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances, and to increase the estate tax exemption from $60,000 to $200,000; to the Committee on Ways and Means.

By Mr. BADILLO:

H.R. 3092. A bill to provide that certain aliens illegally in the United States may have their status adjusted to that of permanent residents; to the Committee on the Judiciary.

By Mr. BIESTER (for himself and Mr. PRESSLER):

H.R. 3093. A bill to provide for a procedure to investigate and render decisions and recommendations with respect to grievances and appeals of employees of the Foreign Service; to the Committee on Foreign Affairs.

By Mr. CRANE (for himself, Mr. MOORHEAD of California, Mr. ESHLEMAN, Mr. SPENCE, Mr. DAVIS, Mr. STUCKEY, Mr. MCDONALD of Georgia, Mr. WAGGONNER, Mr. YOUNG of Florida, Mr. STEIGER of Arizona, Mr. ARCHER, Mr. LOTT, Mr. RUNNELS, Mrs. HOLT, Mr. BURGENER, Mr. WHITEHURST, Mr. GOLDWATER, Mr. MOLLOHAN, Mr. SATTERFIELD, and Mr. SYMMS):

H.R. 3094. A bill to limit U.S. contributions to the United Nations; to the Committee on Foreign Affairs.

By Mr. DRINAN:

H.R. 3095. A bill to direct the President to exempt crude oil, petroleum products, natural gas, and related products, which are used as petrochemical feedstocks, from any action to adjust imports of such oil, products, or gas under the Trade Expansion Act of 1962 or the Trade Act of 1974; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama:

H.R. 3096. A bill to temporarily suspend required emission control on automobiles registered in certain parts of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG:

H.R. 3097. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FORD of Michigan (for himself, Mr. VANDER VEEN and Mr. ESCH):

H.R. 3098. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. FREY:

H.R. 3099. A bill to amend the Public Health Service Act to provide assistance for Tay-Sachs disease screening, counseling, and research programs; to the Committee on Interstate and Foreign Commerce.

By Mr. NEAL:

H.R. 3100. A bill to limit the use of limousines; to the Committee on Government Operations.

By Mr. GOODLING:

H.R. 3101. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 3102. A bill to establish the Potomac National River in the States of Maryland, Virginia, and West Virginia, and in the District of Columbia, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3103. A bill to require the Secretary of the Army to permit the burial in Arlington National Cemetery of all veterans and their eligible survivors; to the Committee on Veterans' Affairs.

By Mr. HEINZ (for himself, Mr. SEIBERLING, Mrs. SCHROEDER, Mr. VANDER JAGT, and Mr. FORD of Tennessee):

H.R. 3104. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI:

H.R. 3105. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide benefits to survivors of police officers, firemen, and correction officers killed in the line of duty, and to police officers, firemen, and correction officers who are disabled in the line of duty; to the Committee on the Judiciary.

H.R. 3106. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3107. A bill to increase the contribution by the Federal Government to the costs of employees' group life and health benefits insurance; to the Committee on Post Office and Civil Service.

H.R. 3108. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H.R. 3109. A bill to authorize appropriations for the saline water conversion program for fiscal year 1976; to the Committee on Interior and Insular Affairs.

By Mr. McEWEN:

H.R. 3110. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

By Mr. McFALL:

H.R. 3111. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. MOAKLEY:

H.R. 3112. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. MOSHER (for himself, Mr. BIESTER, Mrs. BOGGS, Mr. COHEN, Mrs. FENWICK, Mr. FISH, Mr. HECHLER of West Virginia, Mr. JEFFORDS, Mr. MCCLOSKEY, Mr. MELCHER, Mr. MILLER of California, Mr. MITCHELL of Maryland, Mr. PATTERSON of California, Mr. RANGEL, Mrs. SCHROEDER, and Mr. STUDDS):

H.R. 3113. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. OBEY (for himself, Mr. RAILSBACK, Mr. GAYDOS, Mr. DANIELSON, Mr. MAZZOLI, Ms. HOLTZMAN, Mr. PATTEN, Mr. FORD of Tennessee, and Mr. BIESTER):

H.R. 3114. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 3115. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. PIKE (for himself, Mr. ADDABBO, Mr. BEARD of Rhode Island, Mr. BROWN of California, Mr. CORMAN, Mr. DOWNEY, Mr. DRINAN, Mr. EDGAR, Mr. GOODLING, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. ICHORD, Mr. JEFFORDS, Mr. MAZZOLI, Mr. MOORHEAD of Pennsylvania, Mr. MOSHER, Mr. PATTISON of New York, Mr. REES, Mr. RYAN, Mr. STARK, Mr. TAYLOR of North Carolina, Mr. VANDER VEEN, Mr. WAXMAN, Mr. CHARLES WILSON of Texas, and Mr. CHARLES H. WILSON of California):

H.R. 3116. A bill to provide for the conservation of petroleum and other natural resources by imposing an excise tax on the sale of certain automobiles and granting a tax credit on the sale of certain automobiles according to the rate at which such automobiles consume fuel, and for other purposes; to the Committee on Ways and Means.

By Mr. REES (for himself, Mr. NIX, and Mr. CHARLES H. WILSON of California):

H.R. 3117. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

By Mr. ROGERS (for himself and Mr. ESCH):

H.R. 3118. A bill to amend the Clean Air Act so as to assure that aerosol spray containers discharging Chlorofluoromethane compounds in the ambient air will not impair the environmental ozone layer, to prevent any increased skin cancer risk, and otherwise to protect the public health and environment; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. SKUBITZ:

H.R. 3119. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Florida:

H.R. 3120. A bill to prohibit commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DERWINSKI:

H.J. Res. 206. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. WOLFF, Mr. ROBERT W. DANIEL, Jr., and Mr. CLAY):

H.J. Res. 207. Joint resolution authorizing the President to proclaim September 8 of each year as National Cancer Day; to the Committee on Post Office and Civil Service.

By Mr. FREY:

H. Con. Res. 112. Concurrent resolution expressing the sense of the Congress with respect to the location of U.S. servicemen missing in action in the Democratic Republic of Vietnam; to the Committee on Foreign Affairs.

By Mr. PERKINS (for himself, Mr. BEARD of Rhode Island, Mr. STOKES, Mr. TSONGAS, and Mr. CARR):

H. Con. Res. 113. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. RONCALIO:

H. Con. Res. 114. Concurrent resolution expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975; to the Joint Committee on Atomic Energy.

H. Con. Res. 115. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975; to the Joint Committee on Atomic Energy.

H. Con. Res. 116. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975; to the Joint Committee on Atomic Energy.

By Mr. BENNETT (for himself, Mr. BLOUIN, Mr. BROWN of California, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mr. LAGOMARSINO, Mr. PRESSLER, and Mr. SCHULZE):

H. Res. 167. Resolution amending clause 6 of rule X of the Rules of the House of Representatives with respect to the election of the chairmen of standing committees of the House; to the Committee on Rules.

By Mr. BIESTER (for himself, Mr. BINGHAM, Mr. HEINZ, Mr. HILLIS, Mr. REGULA, Mr. WYDLER, Mr. RHODES, Mr. GUDE, Mr. HECHLER of West Virginia, Mrs. HECKLER of Massachusetts, Mr. HELSTOSKI, Mrs. HOLT, Ms. HOLTZMAN, Mr. HORTON, Mr. MCCLOSKEY, Mr. MCKINNEY, Mr. MAGUIRE, Mr. MEEDS, Mr. MELCHER, Mr. METCALFE, Mr. MITCHELL of New York, Mr. MITCHELL of Maryland, Mr. MOORHEAD of Pennsylvania, Mr. MURPHY of Illinois, and Mr. PATTEN):

H. Res. 168. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. BIESTER (for himself, Mr. BINGHAM, Mr. HEINZ, Mr. HILLIS, Mr. REGULA, Mr. WYDLER, Mr. FORD of Tennessee, Mrs. KEYS, Mrs. BURKE of California, Mr. STOKES, and Mr. ZABLOCKI):

H. Res. 169. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. CRANE (for himself, Mr. SYMMS, Mr. MOORHEAD of California, Mr. LENT, Mr. HANSEN, Mr. CHARLES H. WILSON of California, Mr. HUTCHINSON, Mr. COLLINS of Texas, Mr. DEVINE, Mr. BAFALIS, Mr. MCDONALD of Georgia, Mr. KEMP, Mr. SPENCE, Mr. MURPHY of New York, Mr. ESHLEMAN, Mr. ARCHER, Mr. SCHULZE, Mr. MILFORD, Mr. MYERS of Indiana, Mr. LUJAN, Mr. CLEVELAND, and Mr. MARTIN):

H. Res. 170. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

16. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, relative to Ireland; to the Committee on Foreign Affairs.

17. Also, memorial of the Legislature of the State of Oklahoma, relative to strip-mine reclamation; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GUDE introduced a bill (H.R. 3121) for the relief of Gregoria Ridier and her children Maria Louise and Roberto Harry, which was referred to the Committee on the Judiciary.

SYNOPSIS OF BILLS INTRODUCED

H.R. 201. January 14, 1975. Agriculture. Directs the Secretary of Agriculture to establish under the Agricultural Adjustment Act of 1938 a national acreage allotment for rice to maintain adequate supplies and to prevent excessive carryover stocks. Imposes an established price for rice under the Agricultural Act of 1949.

H.R. 202. January 14, 1974. Armed Services. Revises the computation method for armed forces retainer and retired pay for certain individuals to reflect current active duty pay rates.

H.R. 203. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by: (1) redefining certain terms; (2) permitting employers to maintain safety councils; and (3) enumerating affirmative defenses for employers to proceedings brought under the Act.

Directs the Secretary of Labor to: (1) waive penalty provisions against employers under certain circumstances; (2) assist certain employers in complying with the Act; and (3) waive standards established under the Act where he determines that it would be impossible for employers to comply.

H.R. 204. January 14, 1975. Judiciary. Incorporates the National River Academy of the United States.

H.R. 205. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 and the Interstate Commerce Act to authorize reduced fares on a space-available basis for persons who are sixty-five years old or older.

H.R. 206. January 14, 1975. Public Works and Transportation. Limits the charge which can be made by common carriers in interstate commerce for transporting elderly persons during nonrush hours to half the published tariff.

Establishes procedures fo. reimbursing carriers which lose money due to the provisions of this Act.

Revises the Urban Mass Transportation Act of 1964 to give preference, for assistance under such Act, to States and local bodies which adopt specially reduced rates for elderly persons transported in intrastate commerce.

H.R. 207. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 208. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 209. January 14, 1975. Ways and Mean. Amends the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private non-profit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 210. January 14, 1975. Ways and Means. Increase the amount of outside earnings allowed before any reduction in the Old Age, Survivors, and Disability Insurance benefits, under the Social Security Act, may be made.

H.R. 211. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 212. January 14, 1975. Bank, Currency and Housing. Requests the Federal Reserve Board and the Federal Open Market Committee to maintain a minimum rate of increase in the money supply of six percent for the first six months of 1975.

Directs the Board to allocate credit toward non-inflationary uses and away from inflationary uses.

Authorizes the Board to impose supplementary reserve requirements on member banks for the purpose of reducing the loans and investments of commercial banks.

H.R. 213. January 14, 1975. Judiciary. Authorizes the appointment of a special judicial prosecutor and investigators to assist grand juries in an inquiry into any activities of an officer in the executive branch.

H.R. 214. January 14, 1975. Judiciary. Prohibits the search of business, private, or medical records, the opening of foreign and domestic mail, or the interception of wire or oral communications except as otherwise authorized by law.

Repeals the authority of the President, the Attorney General, or appropriate State officials to order such searches.

Requires persons seeking an order from a court to authorize the interception of wire, oral or other communication or the opening of mail to report to the Committee on the Judiciary of the Senate and House of Representatives.

H.R. 215. January 14, 1975. Judiciary. Grants newsmen the privilege of nondisclosure of information or sources of information except in specified circumstances. Makes the order of a Federal or State Court granting, modify or refusing a claim of privilege subject to judicial review.

H.R. 216. January 14, 1975. Interstate and Foreign Commerce. Requires the public dissemination of information related to seizures and recalls made under the Federal Food, Drug, and Cosmetic Act.

H.R. 217. January 14, 1975. Foreign Affairs. Authorizes the Secretary of the Treasury to make payments to wartime members of the Royal Army of Yugoslavia, and their survivors. Establishes a Yugoslav Claims Commission to determine individual eligibility for payments under this Act.

Directs the Secretary of State to negotiate with the Federal Government of Germany for reimbursement of payments made under this Act.

H.R. 218. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit contributions to the United Nations to be deductible for income tax purposes as a charitable contribution.

H.R. 219. January 14, 1975. House Administration. Prohibits requiring the disclosure of marital status by one sex if the same disclosure is not required of individuals of the opposite sex for determining voter qualification under State law for Federal elections.

H.R. 220. January 14, 1975. Judiciary. Authorizes the issuance of special immigrant visas to residents of Northern Ireland who have British citizenship.

H.R. 221. January 14, 1975. Education and Labor. Establishes an Institute for the Improvement of Museum Services within the Department of Health, Education, and Welfare which is authorized to make grants to museums to improve and increase museum services.

H.R. 222. January 14, 1975. Interstate and Foreign Commerce. Regulates the manufacturing, processing, and packaging of food for sale in interstate commerce by establishing a system for licensing food manufacturers, processors, and packers under the Federal Food, Drug, and Cosmetic Act. Authorizes the Secretary of Health, Education, and Welfare to recall or embargo any food deemed a significant potential public health hazard.

H.R. 223. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act with respect to certain grounds for the exclusion or deportation of aliens.

H.R. 224. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to make it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

H.R. 225. January 14, 1975. Public Works and Transportation. Requires that mass transportation facilities and rolling stock built or purchased with Federal funds pursuant to the Urban Mass Transportation Act of 1964 be designed with features to allow utilization by elderly and handicapped persons.

H.R. 226. January 14, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old Age, Survivors and Disability Insurance. Sets forth the procedures by which Federal employees may elect such coverage.

H.R. 227. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow individuals either a deduction or a credit against the income tax for the cost of commuting between his or her residence and place of employment.

H.R. 228. January 14, 1975. Banking, Currency and Housing Requires the developers of all federally assisted condominium projects to disclose specific information on proposed new condominium construction or conversion to condominium units of existing structures.

Establishes the office of Assistant Secretary for Condominiums in the Department of Housing and Urban Development. Authorizes the Secretary of Housing and Urban Development to make grants to State and local governments to establish similiar programs.

H.R. 229. January 14, 1975. Ways and Means. Amends the Social Security Act to include routine Papanicolaou tests for uterine cancer among the medical services covered under Medicare.

H.R. 230. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the Interior to issue certain obligations to acquire additional waterfowl nesting and breeding grounds.

Authorizes the payment of principal and interest on such obligations through revenues obtained from the sale of Federal migratory bird hunting stamps along with other revenues available in the migratory bird conservation fund.

H.R. 231. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 232. January 14, 1975. Government Operations. Directs the Comptroller General to conduct a study on the effect of reporting requirements of Federal regulatory programs on business establishments.

H.R. 233. January 14, 1975. Interstate and Foreign Commerce. Establishes an Office of Rural Health Care in the Department of Health, Education, and Welfare to administer all Federal laws related to health care programs in rural areas.

H.R. 234. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 235. January 14, 1975. Post Office and Civil Service. Redesignates the dates for observance of Memorial Day and Veterans' Day as legal holidays.

H.R. 236. January 14, 1975. Veterans' Affairs. Entities veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 237. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the assistance of the Office of Small Business Tax Analysis to be created within the office of the Secretary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 238. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 239. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit against taxes for certain amounts deposited by a taxpayer in an educational savings plan for himself or a dependent to pay the expenses of postsecondary education.

H.R. 240. January 14, 1975. Armed Services. Entitles to severance pay individuals who have been involuntarily, although honorably, discharged from the armed forces.

H.R. 241. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to develop a comprehensive plan for use of the lands and waters adjacent to or related to Assateague Island National Seashore in Maryland and Virginia. Authorizes the Secretary to provide for a visitor transportation system to that portion of the Seashore located in Virginia.

H.R. 242. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to pay in full any outstanding educational loan incurred by any physician, dentist, or optometrist who agrees to practice in an area with a shortage of such professionals.

H.R. 243. January 14, 1975. Interstate and Foreign Commerce. Extends the maximum term of license for the operation of broadcasting stations from three to five years.

H.R. 244. January 14, 1975. Interstate and Foreign Commerce. Gives the Secretary of Housing and Urban Development the authority to make loans to certain cable television systems.

H.R. 245. January 14, 1975. Judiciary. Sets forth the conditions under which a Federal Court may entertain an application for a writ of habeas corpus in behalf of a person in custody pursuant to the judgment of a State court.

H.R. 246. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act by permitting cargo vessels to carry more than sixteen passengers when emergency situations arise.

H.R. 247. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of Commerce to aid private builders and owners in the development, construction, and operation of nuclear-powered merchant ships.

H.R. 248. January 14, 1975. Post Office and Civil Service. Entitles certain prevailing rate Federal employees to night differential pay as part of their basic pay for purposes of determining such pay in conversions to the General Schedule.

H.R. 249. January 14, 1975. Post Office and Civil Service. Authorizes election of health benefits coverage by Federal employees and annuitants for themselves and their spouses at a rate based on coverage of two persons. Establishes the amount of Government contribution towards such employee health insurance plans.

H.R. 250. January 14, 1975. Veterans' Affairs. Excludes certain Social Security payments in determining annual income for purposes of paying non-service-connected disability pensions to veterans.

H.R. 251. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by State and local governments.

H.R. 252. January 14, 1975. Ways and Means. Amends the Social Security Act to make certain aged, disabled, uninsured individuals eligible for benefits under the Act.

H.R. 253. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act, by reducing the requisite number of covered quarters to 20.

H.R. 254. January 14, 1975. Science and Technology. Establishes a National Metric Conversion Board to develop a program to accomplish conversion to the metric system in the United States.

H.R. 255. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire and designate certain lands in California as the Mulholland National Scenic Parkway.

H.R. 256. January 14, 1975. Judiciary. Authorizes the Secretary of the Treasury to reimburse State and local law enforcement agencies for assistance rendered at the request of the United States Secret Service.

H.R. 257. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to make it unlawful for persons to knowingly employ or refer for employment aliens who have not been lawfully admitted to the United States for permanent residence.

Directs that the Immigration and Naturalization Service shall increase its staff.

H.R. 258. January 14, 1975. Post Office and Civil Service. Extends to volunteer fire, rescue and ambulance companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations.

H.R. 259. January 14, 1975. Veterans' Affairs. Repeals all limitations on the aggregate period for which a person may receive assistance under two or more of the veterans' educational assistance programs.

H.R. 260. January 14, 1975. Ways and Means. Removes the limitation upon the amount of outside income which an individual may earn while receiving benefits under the Social Security Act.

H.R. 261. January 14, 1975. Rules. Establishes a Congressional Joint Committee on Intelligence Operations to oversee and exercise exclusive jurisdiction over agencies engaged in foreign intelligence activities and operations.

H.R. 262. January 14, 1975. Armed Services. Forbids characterization of separation from the armed forces on any discharge certificate. Describes conditions under which an other than honorable discharge may be issued. Sets forth procedures for issuing an other than honorable discharge.

H.R. 263. January 14, 1975. Government Operations. Directs the Comptroller General to conduct a study on the effect of reporting requirements of Federal regulatory programs on business establishments.

H.R. 264. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and research in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefor within the Public Health Service.

H.R. 265. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to appoint a National Commission to develop a national plan for the control of epilepsy and its consequences.

H.R. 266. January 14, 1975. Judiciary. Prohibits any civil officer of the United States or any member of the Armed Forces from using the Armed Forces to exercise surveillance of civilians or to execute civil laws.

H.R. 267. January 14, 1975. Judiciary. Prohibits the sale of certain handguns in the United States.

H.R. 268. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 269. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income amounts received by an individual during a taxable year as a pension, annuity, or other benefits under a State or local public retirement system.

H.R. 270. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income pensions or annuities received by policemen or firemen or their dependents or survivors, for services performed in the employ of a Federal, State or local government.

H.R. 271. January 14, 1975. Ways and

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Means. Amend the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 272. January 14, 1975. Ways and Means. Amend the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 273. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 274. January 14, 1975. Ways and Means. Amend the Internal Revenue Code to permit a taxpayer an additional personal exemption and withholding exemption for each dependent who is mentaly retarded.

H.R. 275. January 14, 1975. Ways and Means. Amend the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 276. January 14, 1975. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to make emergency assistance grants to supplemental security income recipients whose checks are lost, stolen or undelivered.

H.R. 277. January 14, 1975. Armed Services. Revises the method of computing the retired or retainer pay to which a member of the armed forces is entitled.

H.R. 278. January 14, 1975. House Administration. Establishes an American Folklife Center in the Library of Congress.

H.R. 279. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose on the producers of crude oil produced in the United States a tax on windfall profits.

H.R. 280. January 14, 1975. Agriculture. Authorizes the Secretary of Agriculture to distribute seeds for us in home gardens.

H.R. 281. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance beuefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 282. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for each ton of post-consumer waste paper processed in the United States by the taxpayer during the taxable year into new commercially marketable pulp paper, paperboard, or other similar products.

H.R. 283. January 14, 1975. Ways and Means. Revises the tax rates for Old Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 284. January 14, 1975. House Administration. Requires States holding Federal primary elections to hold such elections on certain specified dates.

H.R. 285. January 14, 1975. Interstate and Foreign Commerce. Requires no-fault motor vehicle insurance as a condition precedent to using the public streets, roads, and highways.

H.R. 286. January 14, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any narcotic drug from any pharmacy.

H.R. 287. January 14, 1975. Judiciary. Authorizes the compensation of persons injured by certain criminal acts. Establishes, as an independent agency, the Violent Crimes Compensation Commission to carry out the purposes of this Act.

H.R. 288. January 14, 1975. Post Office and Civil Service. Requires the posting in post offices of information regarding voter registration, voting, and communicating with the President, Vice-President, and Members of Congress.

H.R. 289. January 14, 1975. Post Office and Civil Service. Makes election day a national holiday.

H.R. 290. January 14, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 291. January 14, 1975. Post Office and Civil Service. Requires the postmark on mail matter to disclose the name of the place in which the mail matter is actually mailed, the assigned zip code, and the date and time of mailing.

H.R. 292. January 14, 1975. Post Office and Civil Service. Directs the Postal Service to issue a stamp in commemoration of the Jewish victims of Nazi Germany in World War II.

H.R. 293. January 14, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 294. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to establish the Internal Revenue Commission to administer the internal revenue laws. Transfers all functions relating to the administration and enforcement of the Internal Revenue Code from the Secretary of the Treasury or his delegate, to the Internal Revenue Commission.

H.R. 295. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 296. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a certain amount received during the taxable year as an annuity, pension or other retirement benefit by an individual or married couple.

H.R. 297. January 14, 1975. Ways and Means. Increases the amount of supplemental security income benefits under the Social Security Act.

H.R. 298. January 15, 1975. Ways and Means. Lowers the age at which an individual becomes eligible for Old-Age, Survivors and Disability Insurance and Medicare benefits under the Social Security Act. Increases the minimum monthly benefit amount. Increases the amount of outside income which may be earned by recipients of certain benefits under the Social Security Act.

H.R. 299. January 14, 1975. Judiciary. Standards of Official Conduct. Creates a Federal Lobbying Disclosure Commission. Requires Lobbyists to: (1) register with the Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities. Repeals the Federal Regulation of Lobbying Act.

H.R. 300. January 14, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to sell all rights to phosphate deposits in certain lands in Florida.

H.R. 301. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment.

H.R. 302. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for amounts paid for the purchase and installation of qualified heating equipment or insulative materials in the taxpayer's principal residence.

H.R. 303. January 14, 1975. House Administration. Repeals the authority of the Committee on House Administration to adjust allowances for Members of Congress, standing committees, leadership offices, and officers of the House.

H.R. 304. January 14, 1975. Merchant Marine and Fisheries. Establishes the Marine Fisheries Conservation and Development Fund for the conservation, management, protection and development of the marine fisheries of the United States. Places the administration of the Fund under the Secretary of Commerce.

Establishes an Advisory Committee to assist the Secretary in carrying out his functions under this Act.

H.R. 305. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of Commerce to make loans to commercial fishermen whose vessels or equipment have been damaged or destroyed by foreign fishing vessels.

Authorizes the Secretary to cancel repayment of such loan if his investigation reveals that the damage was caused solely by the foreign vessel, or to require repayment with interest when the owner of the United States vessel was partially or entirely at fault.

H.R. 306. January 14, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a specified quantity of silver from the national stockpile.

H.R. 307. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment.

H.R. 308. January 14, 1975. Interstate and Foreign Commerce. Extends the Emergency Petroleum Allocation Act of 1973 for an additional two years.

H.R. 309. January 14, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to prohibit pipeline companies engaged in the transportation of oil from transporting any oil through its pipelines if that company has an interest in such oil.

H.R. 310. January 14, 1975. Judiciary. Prohibits persons from directly or indirectly engaging in commerce in the marketing of refined petroleum products while also being affiliated in the business of production, refining, or transportation of petroleum products.

H.R. 311. January 14, 1975. Judiciary. Establishes a National Corrections Academy to provide continuing education and training for Federal, State and local corrections personnel.

H.R. 312. January 14, 1975. Rules. Requires that new forms and reports, and revisions of existing forms resulting from legislation be contained in reports of Congressional committees reporting the legislation.

H.R. 313. January 14, 1975. Veterans Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 314. January 14, 1975. Veterans' Affairs. Repeals the time limit within which a veteran must use his educational benefits. Extends the maximum period of eligibility for educational benefits from thirty-six months to forty-five months.

H.R. 315. January 14, 1975. Ways and Means. Requires Congressional aproval of all tariffs imposed by the President on petroleum imports.

H.R. 316. January 14, 1975. Ways and Means. Amends the Internal Revenue Code by disallowing deductions for depreciation to a landlord who has been convicted of violating provisions of a housing code.

H.R. 317. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 318. January 14, 1975. Ways and Means. Revises the eligibility requirements freeze under the Social Security Act by reducing the requisite number of covered quarters to 20.

H.R. 319. January 14, 1975. Ways and Means. Imposes a motor vehicles excise tax on the sale of certain gasoline-powered automobiles based upon the rate at which such automobiles consume fuel.

Directs the Secretary of Transportation to prepare an Automobile Fuel Consumption Schedule based on existing motor vehicle excise tax law.

H.R. 320. January 14, 1975. Education and Labor. Directs the Commissioner of Education to allot $100 annually to each public and private school pupil in the United States for the purpose of defraying part of the cost of his education.

H.R. 321. January 14, 1975. Foreign Affairs. Directs the President, under the Foreign Assistance Act of 1961, to suspend economic and military assistance to any country which fails to take appropriate steps to prevent narcotic drugs produced in the country from entering the United States unlawfully.

H.R. 322. January 14, 1975. Interstate and Foreign Commerce. Requires under the Federal Food, Drug, and Cosmetic Act that all ingredients in food be listed on the food container label in the order of their predominance.

H.R. 323. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless auch article is intrinsically injurious to health in the recommended dosage.

H.R. 324. January 14, 1975. Interstate and Foreign Commerce. Bans the introduction of diethylstibestrol into any animal or food product transported, sold, or received in interstate commerce.

H.R. 325. January 14, 1975. Judiciary. Makes any alien who becomes a public charge within twenty-four months of his arrival in the United States subject to deportation under the Immigration and Nationality Act. Requires an affidavit of support by a citizen sponsor as a condition of admission of any alien excludable because he is likely to become a public charge.

H.R. 326. January 14, 1975. Judiciary. Makes it a Federal crime for any person to carry out any research activity on a human fetus alive outside the mother's womb or to intentionally kill or hasten the death of such fetus in any federally supported facility or activity.

H.R. 327. January 14, 1975. Judiciary. Prohibits the introduction, or manufacture for introduction of switchblade knives into interstate commerce.

H.R. 328. January 14, 1975. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce. Provides that this Act shall not be construed to affect the concurrent jurisdiction of a State to enact or enforce State cigarette tax laws.

H.R. 329. January 14, 1975. Merchant Marine and Fisheries. Requires that a minimum percentage of United States oil imports be carried on privately owned United States-flag commercial vessels.

H.R. 330. January 14, 1975. Merchant Marine and Fisheries. Requires that a minimum percentage of United States oil imports be carried on privately owned United States-flag commercial vessels.

H.R. 331. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 332. January 14, 1975. Public Works and Transportation. Modifies the New York Harbor collection and removal of drift project in accordance with a survey report. Directs the Secretary of the Army to immediately carry out the project.

H.R. 333. January 14, 1975. Judiciary. Revises the Federal Criminal Code.

H.R. 334. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a credit against the tax imposed for amounts not to exceed $500 paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 335. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of a withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 336. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income during the taxable year a limited amount received as an annuity, pension, or other retirement benefit.

H.R. 337. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 338. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 339. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as an annuity, pension, or other retirement benefit.

H.R. 340. January 14, 1975. Ways and Means. Increases the amount of outside earnings allowed before any reduction will be made in Old Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 341. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability insurance benefits applicable to the blind under the Social Security Act.

H.R. 342. January 14, 1975. Ways and Means. Repeals certain provisions of the Social Security Act which reduce Old Age, Survivors and Disability Insurance benefits as a function of the beneficiary's outside income.

Lowers the age of eligibility for Old Age, Survivors and Disability Insurance benefits under the Social Security Act. Eliminates the age requirement for survivors benefits when the survivor is under a disability.

Amends the Social Security Act to eliminate deductibles and coinsurance fees under Medicare. Extends Medicare hospital insurance coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs. Extends Medicare supplementary medical insurance coverage to include eye, dental and foot care, dentures, hearing aids and influenza immunizations.

H.R. 343. January 14, 1975. Armed Services. Amends the National Security Act of 1947 and the Central Intelligence Agency Act of 1949 to prohibit certain intelligence operations within the United States by the Central Intelligence Agency.

H.R. 344. January 14, 1975, Banking, Currency and Housing. Amends the National Housing Act by authorizing the Secretary of Housing and Urban Development to issue loans to help homeowners continue making mortgage payments during periods of financial distress.

Establishes the Homeownership Conservation Loan Insurance Fund under the Secretary of Housing and Urban Development to carry out the purposes of this Act.

H.R. 345. January 14, 1975. Education and Labor. Amends the Civil Rights Act of 1964 to make it unlawful for an employer, a labor organization, or a labor or employer job training program to discriminate on the basis of military discharge status.

H.R. 346. January 14, 1975. Education and Labor. Extends the provisions of the Age Discrimination in Employment Act of 1967 to employees of States and their political subdivisions.

H.R. 347. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by applying the safety and health standards of that Act to athletic contests between secondary schools or between institutions of higher education.

H.R. 348. January 14, 1975. Education and Labor. Requires educational institutions engaged in interscholastic athletic competition to employ certified athletic trainers.

Requires the Commissioner of Education to make grants to institutions of higher learning to assist them in educating athletic trainers.

H.R. 349. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to the Deganawidah-Quetzalcoatl University to be used for its development and improvement.

H.R. 350. January 14, 1975. Foreign Affairs. Prohibits the expenditure of funds for military assistance to the Republic of Vietnam under certain conditions, and for the deployment of any United States Armed Forces to Indochina. Prohibits the funding of police or prison systems in certain foreign countries.

H.R. 351. January 14, 1975. Government Operations. Amends the Budget and Accounting Act of 1921 by requiring the Comptroller General to make a continuing investigation of matters relating to the receipt and expenditure of public funds. Expands the duties of the Comptroller General in making expenditure analyses of public funds.

H.R. 352. January 14, 1975. Interstate and Foreign Commerce. Declares that any toy which is a facsimile of any weapon or destructive device used by the Armed Forces shall be considered a banned hazardous substance under the Federal Hazardous Substance Act.

H.R. 353. January 14, 1975. Judiciary. Grants unconditional amnesty to certain individuals for acts done in the course of protest against United States military operations in Indochina.

Establishes an Amnesty Commission to administer the provisions of this Act.

H.R. 354. January 14, 1975. Judiciary. Requires the registration of firearms. Establishes minimum standards for licensing possession of firearms. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, possession or transportation of handguns.

H.R. 355. January 14, 1975. Judiciary. Directs officials of agencies in the executive branch to supply information to any committee of Congress upon request within 30 days. Directs the Comptroller General to withhold funds from agencies that fail to comply with such a request, unless such failure to comply is authorized under the Act.

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H.R. 356. January 14, 1975. Foreign Affairs. Limits the assessed and voluntary contributions of the United States to the United Nations and its affiliated agencies to an amount not to exceed an amount which bears the same ratio to the total budget of the United Nations as the total population of the United States bears to the total population of all the member states of the United Nations.

H.R. 357. January 14, 1975. Judiciary. Requires the President to appoint the Director of the Federal Bureau of Investigation to a single term of fifteen years.

H.R. 358. January 14, 1975. Merchant Marine and Fisheries. Establishes the limit of the United States fishery zone at two hundred miles from the inner limit of the territorial sea.

Extends the jurisdiction of the United States over fish which originate in United States inland waters to wherever such fish range in the oceans except that jurisdiction does not extend into the fishery or territorial waters of another country.

H.R. 359. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the department in which the Coast Guard is operating to regulate the design, inspection, and certification of submersible vessels; the licensing of operators of such vessels, and the certification of schools giving instruction in the operation of such vessels.

Authorizes the Secretary to appoint an advisory committee for the purpose of advice and consultation on matters under this Act.

H.R. 360. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936 to extend the United States Merchant Marine Academy to persons in the maritime industries other than merchant marine officers, to expand the scope of the educational program at the Academy, and to change the name of the Academy to the "United States Maritime Academy."

H.R. 361. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 362. January 14, 1975. Ways and Means. Amends the Social Security Act to allow a surviving spouse to authorize direct payment of the insured's lump-sum death payment to a funeral home for his burial expense.

H.R. 363. January 14, 1975. Ways and Means. Establishes a health insurance benefit program under the Social Security Act by providing for direct Federal payment of health insurance premiums and indirect subsidization by allowing income tax credits for health insurance premiums paid by an individual.

Establishes a Health Insurance Advisory Board to develop guidelines for administering this program.

Directs the States to pay deductibles and coinsurance fees for persons receiving cash assistance under certain Social Security Act programs.

H.R. 364. January 14, 1975. Ways and means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 365. January 14, 1975. Judiciary. Establishes under the Omnibus Crime Control and Safe Streets Act of 1968 a Federal death benefit to be paid to the survivors of firefighters who die in the performance of their duty.

H.R. 366. January 14, 1975. Judiciary. Directs, under the Omnibus Crime Control and Safe Streets Act of 1968, that a gratuity be paid to survivors of certain public safety officers who die in the performance of duty.

H.R. 367. January 14, 1975. Judiciary Amends the provisions of the Immigration and Nationality Act relating to the adjustment of status of aliens, numerical limitations on visas, and conditions precedent to admission of aliens to the United States.

H.R. 368. January 14, 1975. Judiciary. Makes additional immigrant visas available for immigrants from certain foreign countries.

H.R. 369. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts received by a volunteer fireman for serving as a member of a firefighting or rescue unit.

H.R. 370. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to carry out a national aquaculture development program. Defines aquaculture as the culture and husbandry of aquatic organisms.

H.R. 371. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 372. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by extending eligibility to individuals with 40 quarters of coverage regardless of when they were earned.

H.R. 373. January 14, 1975. Interstate and Foreign Commerce. Public Works and Transportation. Requires that the Administrator of the Environmental Protection Agency include a cost-benefit analysis in compliance orders issued in enforcement of air and water pollution control regulations pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

H.R. 374. January 14, 1975. Agriculture. Amends the Food Stamp Act by authorizing quarterly adjustments in the face value of a household's coupon allotment to reflect changes in retail food prices

H.R. 375. January 14, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to provide for reimbursement and advanced construction for certain publicly owned treatment works.

H.R. 376. January 14, 1975. Judiciary. Merchant Marine and Fisheries. Interior and Insular Affairs. Establishes a Marine Resources Conservation and Development Fund for use by the Secretary of the Interior for various marine resources programs. Requires monies collected from leases on the Outer Continental Shelf to be deposited into the fund with a certain percentage to be returned to the States.

Creates regional environmental review boards to assess the impact of regulations designed to protect the Outer Continental Shelf environment.

H.R. 377. January 14, 1975. Judiciary. Establishes an Antitrust Revision Commission to study the operation and enforcement of the antitrust laws and to recommend revisions to Congress.

H.R. 378. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to classify and inventory wetland resources, to measure wetlands degradation, and to evaluate the environmental contribution of natural wetlands.

H.R. 379. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate the waiting period requirement for disability benefits and the disability freeze.

H.R. 380. January 14, 1975. Ways and Means. Sets forth standards, to be incorporated in State plans, pertaining to the discharge or transfer of Medicaid recipients from skilled nursing or intermediate care facilities.

H.R. 381. January 14, 1975. Interior and Insular Affairs. Designates a segment of the Oklawaha River in Florida for potential addition to the national wild and scenic rivers systems.

H.R. 382. January 14, 1975. Judiciary. Revises the standards and procedures for parole of Federal prisoners.

H.R. 383. January 14, 1975. Veterans' Affairs. Stipulates that any limited campaign period shall be treated as a period of war for the purposes of authorizing veterans' benefits.

H.R. 384. January 14, 1975. Veterans' Affairs. Directs the Secretary of the Army to establish a national cemetery in Florida.

H.R. 385. January 14, 1975. Veterans' Affairs. Specifies the amount payable for travel expenses for persons traveling to and from Veterans' Administration facilities.

H.R. 386. January 14, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to construct a Veterans' Administration hospital in the Halifax area of Volusia County, Florida.

H.R. 387. January 14, 1975. Judiciary. Confers exclusive jurisdiction upon the district courts of the United States to hear tort claims for money damages which arise under the Constitution or statutes of the United States. Declares that such claims are to be determined in accordance with applicable Federal law.

Authorizes the Secretary of Health, Education, and Welfare, the Secretary of Defense, and the Administrator of Veterans' Affairs to hold harmless or provide liability insurance for any officer or employee held liable for certain torts, under certain circumstances.

H.R. 388. January 14, 1975. Judiciary. Authorizes the Attorney General to exchange criminal record information with certain State and local non-law-enforcement agencies.

H.R. 389. January 14, 1975. Public Works and Transportation. Increases the maximum Federal share of the cost of shore restoration and protection projects.

H.R. 390. January 14, 1975. Post Office and Civil Service. Computes Federal Civil Service annuities by applying current basic pay scales.

H.R. 391. January 14, 1975. Education and labor. Authorizes the Secretary of Labor to make grants to States to enable them to assist public and private nonprofit agencies to provide day care services for children from needy families where the parents are working, training, or incapable of self-support.

H.R. 392. January 14, 1975. Judiciary. Authorizes the Attorney General to develop Community Correctional facilities for use by Federal, State and local governments. Establishes Federal policy groups to deal with the issues of standards for correctional facilities, and training of correctional personnel.

H.R. 393. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit ministers, members of religious orders, and Christian Science practitioners to revoke their election to be exempt from coverage under the old-age, survivors, and disability insurance program.

H.R. 394. January 14, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by authorizing administrative and judicial review on claims arising under the medicare supplemental medical insurance programs.

H.R. 395. January 14, 1975. Agriculture. Requires the Secretary of Agriculture to provide Federal assistance to agricultural producers for various soil conservation purposes.

H.R. 396. January 14, 1975. Agriculture. Establishes a National Agricultural Bargaining Board in the Department of Agriculture to provide standards for the qualification of agricultural cooperative organizations for bargaining purposes, to define the mutual obligation of handlers and agricultural cooperative organizations to bargain in good faith, and to enforce this obligation. Exempts the bargaining activities of qualified associations and handlers from the enforcement of the antitrust laws of the United States.

H.R. 397. January 14, 1975. Agriculture. Prohibits the importation of any dairy product into the United States unless it has been inspected and found to be wholesome and unless the foreign farms and plants in which such products were produced comply with all inspection, grading and other standards prescribed by the Secretary of Health, Education, and Welfare.

H.R. 398. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 399. January 14, 1975. Armed Services. Allows certain members of the National Guard to wear civilian clothing when performing their duties in a civilian status.

H.R. 400. January 14, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of specified amounts of beryl ore equivalents from the national stockpile and the supplemental stockpile.

H.R. 401. January 14, 1975. Banking, Currency and Housing. Establishes a Presidentially-convened Capital Markets Advisory Committee for the purpose of developing criteria for advising financial institutions as to which demands on the credit markets merit priority in lending.

H.R. 402. January 14, 1975. Banking, Currency and Housing. Directs that paper money printed after January 1, 1975, shall have the denomination imprinted on it in braille.

H.R. 403. January 14, 1975. Education and Labor. Establishes a national adoption information exchange system to be administered by the Secretary of Health, Education, and Welfare.

H.R. 404. January 14, 1975. House Administration. Requires the use of a minimum percentage of recycled paper in the printing of the Congressional Record.

H.R. 405. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 406. January 14, 1975. Interstate and Foreign Commerce. Prohibits the shipment or sale in interstate commerce of nonreturnable beverage containers for which no reasonable refundable money deposit is required.

Directs the Secretary of Health, Education, and Welfare to define the term "nonreturnable containers."

H.R. 407. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded to assist the Secretary of Health, Education, and Welfare in implementing and reviewing the standards established by this Act.

H.R. 408. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make grants for the establishment and operation of home health services and for the purpose of initiating, developing, and maintaining programs for the training of professional and paraprofessional personnel to provide home health services.

H.R. 409. January 14, 1975. Interstate and Foreign Commerce. Amends the Flammable Fabrics Act to extend the provisions of that Act to construction materials used in interiors, and to require the Secretary of Commerce to determine toxicity standards or other regulations, where there is determined to be a danger from toxic byproducts produced by the burning of such substances.

H.R. 410. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make loans to certain cities and counties for the establishment of nonprofit clinics for the spaying and neutering of dogs and cats.

H.R. 411. January 14, 1975. Interstate and Foreign Commerce. Prohibits or restricts the ownership or control by foreign interests of certain issuers of securities, corporation, real estate, or natural resources deemed to be vital to the economic security and national defense of the United States. Establishes the National Foreign Investment Control Commission to supervise and regulate foreign investments in domestic interests.

H.R. 412. January 14, 1975. Judiciary. Revises the Immigration and Nationality Act to allow the immigration of children of individuals suffering from Hansen's disease under regulations to be promulgated by the Secretary of State.

H.R. 413. January 14, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 414. January 14, 1975. Judiciary. Requires court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail and for the inspection or procurement of telephone, bank, credit and other records. Requires reports to Congress and to the Administrative Office of the United States Courts concerning court orders requested, denied, and approved.

H.R. 415. January 14, 1975. Merchant Marine and Fisheries. Designates several species of sealife to be included in the definition of Continental Shelf fishery resource.

H.R. 416. January 14, 1975. Merchant Marine and Fisheries. Guarantees the right to a trial by jury for persons charged with a violation of the Migratory Bird Treaty Act.

H.R. 417. January 14, 1975. Merchant Marine and Fisheries. Establishes the limit of the United States fishery zone at two hundred miles from the inner limit of the territorial sea.

Extends the jurisdiction of the United States over fish which originate in United States inland waters to wherever such fish range in the oceans except that jurisdiction does not extend into the fishery or territorial waters of another country.

H.R. 418. January 14, 1975. Rules. Creates a Congressional Joint Committee on Foreign Investment Control in the United States to study the manner in which the National Foreign Investment Control Commission established by the "Foreign Investment Control Act of 1974" fulfills its functions.

H.R. 419. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 420. January 14, 1975. Veterans' Affairs. Permits retired veterans of the uniformed services with service-connected disabilities to be paid retired pay concurrently with compensation for any service-connected disability rated thirty percent or more in degree of disability.

H.R. 421. January 14, 1975. Veterans' Affairs. Establishes a program for mortgage protection life insurance for veterans unable to acquire commercial life insurance because of service-connected disabilities.

H.R. 422. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 423. January 14, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay service pensions to certain World War I veterans, their widows, and their children.

H.R. 424. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 425. January 14, 1975. Ways and Means. Amends the Social Security Act by guaranteeing a minimum annual income to the elderly.

H.R. 426. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer.

H.R. 427. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the assistance of the Office of Small Business Tax Analysis to be created within the Office of the Secretary, to submit to the House Committee on Ways and Means for the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 428. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 429. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income the interest on deposits in certain savings institutions.

H.R. 430. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code as a charitable contribution an amount specified for each pint donated.

H.R. 431. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 432. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 433. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer an additional personal exemption and withholding exemption for each dependent who is mentally retarded.

H.R. 434. January 14, 1975. Ways and Means. Authorizes semiannual computation of cost-of-living increases in Old Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 435. January 14, 1975. Ways and Means. Amends the Social Security Act by eliminating the special eligibility requirements for widow's benefits.

H.R. 436. January 14, 1975. Ways and Means. Amends the Internal Revenue Code by entitling persons owning a homestead, having low income, and being sixty-five years of age and over to be reimbursed for property taxes accrued for the taxable year.

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H.R. 437. January 14, 1975. Ways and Means. Amends the Social Security Act to extend Old Age, Survivors and Disability Insurance coverage and Medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 438. January 14, 1975. Ways and Means. Increases the amount of outside earnings allowed before any reduction will be made in Old Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 439. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old Age, Survivors and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining an individual's eligibility for veterans pensions or dependency and indemnity compensation for parents of deceased veterans.

H.R. 440. January 14, 1975. Atomic Energy. Authorizes an independent study of the civil nuclear power functions and special industrial operations of the Atomic Energy Commission. Directs the National Academy of Sciences to conduct the study for the Joint Committee on Atomic Energy.

H.R. 441. January 14, 1975. Atomic Energy. Amends the Atomic Energy Act of 1954 to permit the States, concurrently with the Atomic Energy Commission, to regulate emissions of radioactive effluents.

H.R. 442. January 14, 1975. Armed Services. Revises Armed Forces regulations pertaining to notification of next of kin in the case of death of a serviceman.

H.R. 443. January 14, 1975. Armed Services. Revises the computation methods for armed services retainer and retired pay for certain individuals to reflect current active duty pay rates.

H.R. 444. January 14, 1975. Education and Labor. Amends sections of the Occupational Safety and Health Act of 1920 relating to civil penalties for employers in violation of the Act.

H.R. 445. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 446. January 14, 1975. Government Operations. Requires the Administrator of General Services to notify each Member of Congress whenever federally owned real property located in his district is subject to disposal.

H.R. 447. January 14, 1975. House Administration. Increases the number of copies of the daily edition of the Congressional Record to be furnished to each Representative, Delegate, and Resident Commissioner in Congress.

H.R. 448. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to revise the procedure for consideration of applications for renewal of broadcast licenses.

H.R. 449. January 14, 1975. Interstate and Foreign Commerce. Amends the Uniform Time Act by changing the duration of the daylight savings time period.

H.R. 450. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to suspend motor vehicle emissions control in all parts of the United States except for certain designated air quality control regions.

Prohibits the Administrator of the Environmental Protection Agency and the States from enforcing motor vehicle emissions control standards in areas outside designated regions during the suspension period.

H.R. 451. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the perfomance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 452. January 14, 1975. Judiciary. Increases the penalties for use of a firearm in the commission of a felony.

H.R. 453. January 14, 1975. Judiciary. Specifies that in jury trials, all questions of obscenity shall be decided by the jury alone without comment by the court.

Removes the jurisdiction of Federal Courts to review, reverse or set aside the determination of a jury or a State court that an article, matter, thing, device or substance is obscene, lewd, lascivious, indecent, vile or filthy.

H.R. 454. January 14, 1975. Judiciary. Authorizes the Secretary of State to restrict travel to foreign countries by citizens and nationals of the United States.

H.R. 455. January 14, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative, and Judiciary Salaries established by the Federal Salary Act of 1967.

H.R. 456. January 14, 1975. Veterans' Affairs. Revises the eligibility requirements for outpatient dental services and treatment for veterans who were prisoners of war.

H.R. 457. January 14, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to increase or decrease, on an annual basis and in an amount equal to the percentage by which the Bureau of Labor Statistics' Consumer Price Index increases or decreases, the monthly monetary rates for compensation, dependency and indemnity compensation, pension, subsistance allowance, educational assistance allowance, and special training allowance benefits. Increases, under the same procedure, the pension payable under the Veterans' Pension Act of 1959.

H.R. 458. January 14, 1975. Veterans' Affairs. Revises the effective date for determining death compensation, dependency and indemnity compensation, or death pensions for veterans and their survivors.

H.R. 459. January 14, 1975. Ways and Means. Amends the Social Security Act to require that Old Age, Survivors and Disability Insurance benefits be paid for the month during which a beneficiary dies.

H.R. 460. January 14, 1975. Judiciary. Prohibits the transportation or use in interstate or foreign commerce of counterfeit, fictitious, altered, lost or stolen transportation tickets.

H.R. 461. January 14, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to prohibit pipeline companies engaged in the transportation of oil from transporting any oil through its pipeline if that company has an interest in such oil.

H.R. 462. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to designate certain money paid to or collected from employee stock-ownership plans as deductible from taxable income.

H.R. 463. January 14, 1975. Rules. Establishes a Congressional Joint Committee on Intelligence Oversight to oversee and exercise jurisdiction over agencies engaged in foreign or domestic intelligence activities. Requires such agencies to keep the joint committee currently informed on their activities.

H.R. 464. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated or have resigned or retired from traveling outside the United States at Government expense.

H.R. 465. January 14, 1975. Judiciary. Repeals the Gun Control Act of 1968. Re-enacts the Federal Firearms Act. Makes the use of a firearm to commit a felony a Federal crime.

H.R. 466. January 14, 1975. Rules. Requires, with certain exceptions, that meetings of Congressional Committees and Government agencies be open to the public.

H.R. 467. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 468. January 14, 1975. Ways and Means. Amends the Second Liberty Bond Act to require that each annual budget submitted to Congress by the President include one item specifically providing for the retirement of the public debt.

H.R. 469. January 14, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 470. January 14, 1975. Banking, Currency and Housing. Amends the Federal Home Loan Mortgage Corporation Act to permit the Federal Home Loan Mortgage Corporation to purchase older seasoned mortgages from Savings and Loan Associations and other financial institutions.

Establishes a schedule according to which such mortgages must be repurchased by the seller.

H.R. 471. January 14, 1975. House Administration. Forbids Members of the House of Representatives who have been defeated for re-election to travel at public expense, with certain exceptions.

H.R. 472. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health, Education, and Welfare, after consultation with the Secretary of Agriculture, to establish standards for a grading system by which retail purchases may determine the relative nutritional value of different foods for human consumption.

H.R. 473. January 14, 1975. Post Office and Civil Service. Eliminates the requirement of apportionment of appointments in the departmental service in the District of Columbia among the States, territories, possessions, and the District of Columbia on the basis of population as determined by the census.

H.R. 474. January 14, 1975. Post Office and Civil Service. Requires the Postal Service to consult with agencies of State and local government regarding the construction of certain Postal Service facilities. Establishes hearing procedures with respect to proposals for such construction.

H.R. 475. January 14, 1975. Ways and Means. Repeals the statutory authority to impose quotas on the importation of meat and meat products.

H.R. 476. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by States and local governments.

H.R. 477. January 14, 1975. House Administration. Directs certain legislative officers to enter into agreements with Virginia, Maryland and the District of Columbia to withhold State or District of Columbia income taxes of each Member of Congress or specified employees subject to such income tax, and who voluntarily agree to such withholding.

Authorizes the Committee on House Administration to review such agreements.

H.R. 478. January 14, 1975. Banking, Currency and Housing. Directs that paper money printed after January 1, 1976, shall have the denomination imprinted on it in braille.

H.R. 479. January 14, 1975. Banking, Currency and Housing. Excludes certain advertising costs from those expenses which regulated public utilities may include in their computation of rates or charges.

Establishes an advisory board to determine which advertising expenses are allowable and which are to be excluded.

H.R. 480. January 14, 1975. Education and Labor. Amends the Federal Coal Mine Health and Safety Act of 1969 by repealing the requirement that black lung benefits be offset by amounts received from State workmen's compensation, unemployment compensation, and disability insurance benefits.

H.R. 481. January 14, 1975. Education and Labor. Amends the Labor-Management Reporting and Disclosure Act of 1959 by requiring that all officers of national labor organizations be elected by secret ballot of the members.

H.R. 482. January 14, 1975. House Administration. Establishes within the Information Systems of the Congress an office to compile and disseminate information relating to pending legislative proposals. Directs the Committee on House Administration to establish and administer such system. Gives the Office a toll-free telephone line.

H.R. 483. January 14, 1975. House Administration. Requires the use of recycled paper in the printing of the Congressional Record.

H.R. 484. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 485. January 14, 1975. Interior and Insular Affairs. Amends the National Trails System Act to designate the Potomac Heritage Trail in Maryland, Pennsylvania, Virginia, West Virginia, and the District of Columbia, as a component of the National Trails System.

H.R. 486. January 14, 1975. Judiciary. Amends the Federal Criminal Code by increasing the penalties for the use of a firearm in the commission of a felony.

H.R. 487. January 14, 1975. Judiciary. Prohibits making appropriations to the Department of Justice for any fiscal year beginning on or after July 1, 1975, unless authorized by Congress after the date of enactment of this Act.

H.R. 488. January 14, 1975. Merchant Marine and Fisheries. Amends the Duck Stamp Act to prohibit the charging of a Federal fee to any individual sixty-five years or older for the privilege of hunting, trapping, or fishing.

H.R. 489. January 14, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 490. January 14, 1975. Post Office and Civil Service. Permits certain Postal Service employees to attend the funerals of certain persons without loss of pay or deduction from annual leave.

H.R. 491. January 14, 1975. Public Works Transportation. Amends the Federal Aviation Act of 1958 to prohibit smoking on scheduled flights in interstate or overseas transportation.

H.R. 492. January 14, 1975. Science and Technology. Establishes a National Metric Conversion Board to develop a program to accomplish conversion to the metric system in the United States.

H.R. 493. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code as a charitable contribution an amount specified for each pint donated.

H.R. 494. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the amount of individual income tax withheld from wages.

H.R. 495. January 14, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from thirty-six months to forty-five months.

H.R. 496. January 14, 1975. Veterans' Affairs. Defines service in the Women's Army Auxiliary Corps as active duty for the purposes of all laws administered by the Veterans' Administration.

H.R. 497. January 14, 1975. Banking, Currency and Housing. Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to insure loans to finance improvements to long-term care facilities required to correct deficiencies identified in State surveys and Federal certification procedures.

H.R. 498. January 14, 1975. Education and Labor. Amends the Older Americans Act of 1965 by requiring State plans to provide for home health services and community access to and security of long-term care facilities.

H.R. 499. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act by requiring and establishing procedures for the publication and adjudication of proposed consent orders.

H.R. 500. January 14, 1975. Interstate and Foreign Commerce. Establishes the Commission on Mental Health and Illness of the Elderly to develop a national policy of mental health for aged and aging persons.

PETITIONS, ETC.

Under clause 1 of rule XXII,

Mr. MOAKLEY presented a petition of the Metropolitan Police Patrolmen's Union, Local 1576, AFL–CIO, Hingham, Mass., relative to neighborhood schools; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

HEARINGS ON FOOD STAMP COSTS

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Friday, February 7, 1975

Mr. TALMADGE. Mr. President, on February 5 the Committee on Agriculture and Forestry, which I chair, heard testimony about the food stamp program and the proposed regulations of the Department of Agriculture which would have the effect of increasing the costs to recipients for food stamps.

An eloquent appeal to the committee to prevent the administration's proposed price increases was delivered by a distinguished member of the senate of my State of Georgia, Mr. Henry McDowell, of Savannah.

I ask unanimous consent that Senator McDowell's statement, together with a letter from Gov. George Busbee, of Georgia, which likewise urged action to delay the proposed increase, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ATLANTA, GA., *February 4, 1975.*

Senator HENRY MCDOWELL,

DEAR SENATOR MCDOWELL: It is my understanding that you will present testimony on February 5, 1975, to the Committee on Agriculture of the United States Senate. I appreciate your discussing with me the nature of the testimony which you will provide and reviewing with me a draft of your statement.

Please convey to the members of the Committee that I share your concern with the effect of the proposed increased cost of food stamps upon recipients in Georgia, particularly elderly recipients. I fully support your strong stand on this matter, and I have also written to the President requesting a delay in the implementation of his proposed increase in food stamp costs.

I want to commend you for your interest and action on behalf of food stamp recipients in Georgia and I hope you will convey to members of the Committee my deep concern with respect to this matter.

Sincerely,

GEORGE BUSBEE.

STATEMENT OF SENATOR HENRY MCDOWELL, SECOND DISTRICT OF GEORGIA

Mr. Chairman, members of the committee, I come before you in hope of persuading you toward action to overcome the decision by President Ford to increase the cost of food stamps to recipients.

This decision, if allowed to run it's course, will be disastrous for many of the nations elderly and disadvantaged at a time when President Ford is advocating an 18 billion dollar tax rebate for people, both black and white, who are earning more money than ever before. They live in better homes, own more cars and other possessions. They have more vacation time from jobs they mostly like. Their young are going to college. In short, they are progressing. The elderly and disadvantaged are not.

Before I continue, I would like for you to know that my concern is real. It is deeply felt. It derives from my own life experience which includes living in an orphanage during the depression, standing in soup lines and the early degradation of living off welfare, my father passed away in 1935 when I was 9. My mother found herself unexpectedly alone, with 4 children, no means of support, no training and no work experience. There is little wonder that I have demanded, do demand and will continue to demand both dignity and reasonable standards of life for the nations disadvantaged. In my campaign for election I promised that I would demand respect and dignity for programs for the unfortunate and the senior citizens.

Our Government has tried to help. The new deal gave us "social security"—a bright ray of hope, promise and comfort shining out of that era of depression, degradation, destitution and hunger. It is that word "hunger" that I wish to emphasize and leave in your minds today. President Ford's decision to increase the cost of food stamps requires the nations hungry to dampen the nations recession by making their starvation a little more acute. Gentlemen do not become party to this decision by action or inaction.

Consider the nation's elderly, most of whom are retired under "social security" under this Government's solemn promise that they could with their earned pension support themselves adequately and with dignity in their declining years. Instead they have been reduced to reliance upon food stamps to sustain even minimum nutrition. Now the President's decision would turn this desperately needed help into a Trojan horse. In addition to calling for higher costs for food stamps, the President has now asked Congress to defer increased social security benefits scheduled to go into effect in July.

As of January 1, 1975, there were 483,302 Georgians participating in the food stamp program. . . . Of this number 11.5% or 55,599 are senior citizens. Bureau of Agriculture's statistics indicate that these people fall almost entirely in the one and two member family category and have retirement income of $100 to $150 per month. At this time their purchase bonus is $22.00 per person per month or only $264.00 per year. This is a meager amount.

When the new guideline becomes effective on March 1, 1975, their purchase bonus will be cut to $8.50 per person per month. Enter the trojan horse. The cost of patricipation in the food stamp program—cost of going to

and from the place of application and the place of distribution, the cost of buying from the particular store that accepts food stamps—may for many exceed the meager purchase bonus. It may just not be worth it. Dollars available for food supply will be reduced by $13.50 per month. In most cases this amount of money buys more than a week's supply of food for a senior citizen.

Hard to believe isn't it when you and I may spend this amount or more for just one dinner in one of the fine restaurants of Atlanta or Washington.

In summation, the elderly citizens of the State of Georgia will lose more than $9,000,000.00 in purchasing power for food.

This averages out to $162.00 per year per person. Where would these people find this amount since they are too old to work even if the economy were sound?

In all of America's history, the greatness of her agricultural production has not been exceeded—not in her revolution, not in her emancipation proclamation, not in the placing of the first man upon the moon. In the light of the abundance of America's agriculture, I did not take office in the legislature of Georgia and I am confident you did not take office in the Senate of these United States to mend the Nation's recession by taking food from the tables of the Nation's poor and elderly.

I thank you for this privilege of appearing here and for your attention.

UNEMPLOYMENT IN DETROIT

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DIGGS. Mr. Speaker, the national problems of the economy have become a crisis of enormous proportions in the city of Detroit. While the national unemployment figure for December was 7.1 percent, the unemployment rate in Detroit was 18 percent. With a continuing problem of high crime rates, inflation, housing, education, and health, Detroit has become a near-disaster area.

New Detroit, Inc., the Nation's first urban coalition which incorporates leaders of business, labor, city and State government as well as grassroots community organizations, has formed an ad hoc group to consider solutions to this situation. I am most pleased to present their recommendations to my colleagues for their careful study and review:

FEDERAL ACTIONS TO PULL THE ECONOMY OUT OF THE RECESSION PROPOSALS OF NEW DETROIT, INC.

The United States is in a serious recession. Unemployment is high and rising, affecting many areas of the country. Real personal income has been declining for some time and is now affecting almost every sector of the economy. As a result, many states and local governments, particularly the State of Michigan and the City of Detroit, are experiencing a significant decline in tax revenues, while the need for expenditures on social welfare is increasing.

The national unemployment rate in mid-December was 7.1%, representing 6.5 million persons unemployed, and it is generally believed it will go substantially higher. In many states and cities the unemployment rate already is substantially higher. In Michigan it was 11.2% in December. In the six-county Detroit Metropolitan Area* it was 12.4%. The State of Michigan forecasts that in the first quarter of this year the unemployment rate will average 12.5% in Michigan and 16% in the six-county Detroit Metropolitan area.

In the City of Detroit the December rate of unemployment was approximately 18%. It likely will average about 23% in the first quarter of this year, and in the most depressed areas of the city and for minority groups it will be substantially higher, perhaps double. A 23% unemployment rate in Detroit means 126,000 persons are out of work—one out of every four in the city's work force.

It seems clear that additional action by the federal government is critical to deal with the problems of recession that plague our economy. Additional actions to deal with the plight of the unemployed and to stimulate consumer and business purchases, thus providing jobs, are immediately necessary.

We recognize that measures to pull the economy out of the recession must not be such that they cause excessive inflation after the economy begins to recover. We therefore are recommending some measures that would be operative only in 1975. Also, we are not suggesting specific dollar amounts, believing that the administration and the Congress must decide on the over-all size of the anti-recession package as more up-to-date economic data become available.

Our purpose is to recommend the kinds of actions that will be most effective both in helping the individuals and industries that are being hurt most by the present recession and in stimulating the over-all economic recovery. Our proposals recognize that it is important to avoid creating long-term inflationary pressures, but we believe that inflationary pressures are diminishing and the Nation's principal concern must now be the recession.

New Detroit, therefore, recommends the following federal actions:

EXPAND PUBLIC SERVICE AND PUBLIC WORKS EMPLOYMENT

In December the Congress passed, and the President approved, legislation to temporarily extend the duration and coverage of unemployment benefits and to provide additional public service and public works employment. We believe these measures are vitally important. They will provide help to people who are in real need, and by maintaining their purchasing power will help dampen the downward spiral of the economy.

The $2.5 billion for public service employment and the $500 million for public works authorized in the recent legislation plus approximately $1 billion authorized earlier in 1974 will only provide about 500,000 jobs for a year. Unless there is a decrease in the level of unemployment (which currently exceeds 6.5 million) a significant expansion of these programs will be required.

RELEASE DEFERRED FEDERAL FUNDS

The administration has deferred the expenditure of over $23 billion that have been appropriated by the Congress. A large portion of these funds could be used to finance projects for which plans exist and the states and local agencies are ready to award contracts rapidly. Release of all or part of these funds could have an early and significant impact on employment in construction and allied industries and could be accomplished through action by either the President or the Congress.

PROVIDE IMMEDIATE TAX RELIEF FOR INDIVIDUALS

Congress should immediately enact tax relief for individuals. The actions should be designed primarily to restore the purchasing power of lower and middle income groups. Possible actions include (a) short-term (for 1975 only) reductions in income tax rates and/or the provision of income tax credits and (b) long-term adjustments of the personal exemption allowance and tax brackets to reflect inflation.

These actions would provide immediate relief for many of the people who have been most severely affected by recession and inflation. It would put additional money into the pockets of people who would be most likely to spend it, and thus would help to stimulate the economy.

INCREASE THE AVAILABILITY OF MONEY AND CREDIT THROUGH ACTION OF THE FEDERAL RESERVE SYSTEM

Many believe the rein on monetary growth imposed by the Federal Reserve lasted too long and has been a principal cause of the economic downturn. The money supply increased at an annual rate of 1.6% from June to September, much less than the rate of inflation. Between September and December it increased at a rate of 5.0%, but this is still not enough. A more substantial increase is necessary in order to reduce interest rates and stimulate the economy.

REMOVE THE FEDERAL EXCISE TAX ON MEDIUM AND HEAVY-DUTY TRUCKS

The excise tax on cars and light trucks was removed several years ago. The tax that remains is discriminatory. Its removal would help stimulate sales of medium and heavy-duty trucks and reduce costs to users.

DO NOT IMPOSE ANY NEW MOTOR VEHICLE STANDARDS UNTIL CONGRESS HAS EXAMINED ALL OF THE INTERRELATED SOCIAL AND ECONOMIC COSTS AND BENEFITS OF CURRENT, FUTURE AND PROPOSED FEDERAL STANDARDS FOR AUTOMOBILES

No new motor vehicle standards, whether for safety, damageability, emissions, noise or fuel economy, should be imposed until Congress has examined all of the interrelated social and economic costs and benefits of current, future and proposed standards. This re-examination should include effects on employment and energy consumption as well as direct costs and benefits to the public. New standards should not be imposed until such a re-examination has been conducted.

DETERMINE AND IMPLEMENT A NATIONAL ENERGY PROGRAM

We believe that concern over energy has contributed to the decline in consumer confidence in the economy. A quick decision on, and an early start to implement, a comprehensive national energy program is needed. Such a program should balance conservation measures with measures to increase supply, and should provide for extensive research into both conservation and production technologies.

CONSIDER OTHER PROGRAMS TO STIMULATE CONSUMER AND BUSINESS EXPENDITURES

Congress also should consider new programs such as a temporary increase in the investment tax credit and tax credits or deductions for individual purchasers of consumer durable goods. Programs of this nature would have to be carefully structured to avoid administrative complexity, "windfalls" and excessive impacts on federal revenues, and to confine their stimulus to expenditures that would otherwise be deferred or not made at all.

* Wayne, Oakland, Macomb, Livingston, Lapeer and St. Clair counties.

FOOD AND FUN FOR THE ELDERLY IN SACRAMENTO

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BRADEMAS. Mr. Speaker, the November 1974 edition of HUD Challenge, published by the Department of Housing and Urban Development, carries an excellent article by Sue Thomas describing a nutrition program for elderly people in Sacramento, Calif.

The program is one of 52 in California funded under Title VII of the Older Americans Act which is under the jurisdiction of the subcommittee I am privileged to chair. Title VII provides funds to States to support projects offering one hot meal a day, 5 days a week, to Americans aged 60 and over.

Mr. Speaker, the program described in this article illustrates that the nutrition program for the elderly offers not only food but also companionship, recreation, and human warmth.

A flavor of what this program means to the senior citizens of Sacramento can be gleaned from the following description:

Banjo bands serenade the lunchers and provide music for dancing afterward; a self-proclaimed "hillbilly comedian" takes to the stage as often as he's asked; and, at one of the four centers, "Golden Fingers Charlie" jealously guards the piano.

There are several human portraits of more than passing interest, but perhaps the most touching is the following:

An elderly man who arrived on his first visit unshaven, rumpled, and somewhat intoxicated, returned the next day sober and shaven. He now returns daily in a tie and freshly pressed suit.

But I think, Mr. Speaker, the description I most appreciated was of a man nicknamed "Graft and Corruption."

The article tells us that:

He complains bitterly about government inadequacies with every bite, but comes every day!

Mr. Speaker, because I believe this article makes human the technical problems about which we legislate, I include it at this point in the RECORD.

NUTRITION PLUS! FOOD AND FUN FOR THE ELDERLY

(By Sue Thomas)

The elderly—like other groups that society sometimes tries to push into pigeon holes based on income, race, national origin, or education—continue to defy definition. As a matter of fact, many a frail, white-haired woman is more at home with a racing form than with a lap full of grandchildren. And probably few aging men resemble the bland, pipe-smoking cliches so often seen on television.

Elderly people are as individual and distinctive as other human beings. Probably more so, for they have had a lot more practice.

Tina Gontarski, coordinator of Sacramento, California's nutrition program for the elderly, daily bears witness to that fact. Tina is an employee of the Sacramento Housing and Redevelopment Agency, headed by Director William Seline. The agency's Federal grant to administer the program is the only one awarded to a California housing agency. Other grants for such nutrition programs have been made across the Nation, including a total of 52 in California, but few are administered by housing agencies.

The program itself was established by Title VII of the Older Americans Act of 1965. As amended by law March 22, 1972, the Act authorizes allotments on a formula basis to the States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

The allotments provide up to 90 percent of the costs of establishing and operating nutrition projects which furnish low-cost, nutritionally sound meals to persons aged 60 and over, and to their spouses regardless of age.

Sacramento's program began March 25, 1974, with the aim of eventually serving a hot, mid-day meal to 550 persons, five days a week at four sites selected for high-density concentrations of elderly residents. A secondary goal, federally funded for one year, was to break the grip of isolation and loneliness in which many older persons are caught.

Both objectives have met with extraordinary success. At present, an average 571 noon meals are served and the four centers are open from 10 a.m. to 2 p.m. daily. Crowds of people come not only to eat, but to socialize or take advantage of services and programs made available by the housing agency.

The opportunity to gather with others holds strong appeal. Says Tina Gontarski, "They treat us like a social club, not as if this were a necessary meal. It's their place and they feel like they belong."

CENTERS ADOPT OWN STYLE

Each center has developed a distinct atmosphere of its own, due to the supervisor in charge and the particular group it serves. There is even rivalry between the centers, where entertainment is supplied by outside volunteers or by the elderly participants themselves.

Banjo bands serenade the lunchers and provide music for dancing afterward; a self-proclaimed "hillbilly comedian" takes to the stage as often as he's asked; and, at one of the four centers, "Golden Fingers Charlie's" jealousy guards the piano. (When another pianist was invited to play, Charlie tried to pull him off the bench and has since claimed that the piano was ruined.)

As "Golden Fingers Charlie's" reputation as a piano whiz has spread, he has even been kidnapped by a carload of elderly abductors who swept him off to play during lunch at *their* center. A contrite Charlie now plays the "ruined" piano and vows not to be kidnapped again.

FRIENDSHIPS SPARKED

Many friendships, and a few romances, have blossomed at the centers, according to Tina. One of the volunteers related that an elderly woman who was lunching for the first time, registered a complaint.

"Young man," she said to him, "you seated me at a table with five men!"

When the volunteer began an apology, she continued, "That's all right. One of them asked me for my phone number and that hasn't happened in 17 years."

Troublemakers are never a problem, reports Tina. A small group of regular participants makes sure that the unruly or apparently inebriated are tactfully and quietly brought into line.

Most center visitors appear regularly three, four, or even five days a week. They are a fascinating mix of personalities. One man, nicknamed "Graft and Corruption," complains bitterly about government inadequacies with every bite, but comes every day. Mabel (not her real name) now eats alone because other diners have learned through experience that no uneaten dessert is safe within her reach.

An elderly man who arrived on his first visit unshaven, rumpled and somewhat intoxicated, returned the next day sober and shaven. He now returns daily in a tie and freshly pressed suit.

SERVICES VOLUNTEERED

There are now 60 regular volunteers assisting in the program, many of them formerly only participants. Seventy percent of the volunteers are over 60 years of age. Helping out, even in a small way, contributes to individual dignity and self-respect. There is a wide range of volunteer services; one center boasts dancing waiters and singing kitchen help. Those who can afford to pay may offer donations.

The Elderly Nutrition Program supplements meals at the centers with a small but growing home delivery program and other services. A Public Health Department nurse makes regular visits to the centers and glaucoma and hearing tests are on the agenda. A social worker is on duty at each center four hours daily to provide counseling, information and referral services. Employment opportunities are available through a Senior Job Mart. Lectures and classes are scheduled on various subjects and films and safety talks are provided by the Sacramento Police Community Relations Department.

The eagerness and enthusiasm of those who participate in the program is evidence of need for a chance to be with others and to escape the loneliness to which the elderly are prey. Recently, an elderly woman who learned that a safety film was to be scheduled at 11 a.m. arrived at 8:45 a.m. to make sure she would get a seat. That's how popular Sacramento's "food and fun" program has become with elderly residents.

OIL INVESTMENT NEEDED

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. COLLINS of Texas. Mr. Speaker, many questions have arisen over the question of oil industry profits. The subject is rarely presented in its proper perspective by judging profits against return on investment. I would like to share with my colleagues just one example of the tremendous outlay increases facing our producers.

The other day, I received a set of invoices from Corpus Christi describing the cost, over the past 30 years, of workover rig operations. A workover rig is a piece of equipment used by operators to solve production problems, search for new hydrocarbons, and maintain an oil well. Because operation of the workover rig includes cost, labor supervisions, taxes, fuel, depreciation, and maintenance, it represents a fairly accurate yardstick of increased oil production costs.

The first invoice is dated January 31, 1945. At that time the hourly cost of a workover rig was $10.50. By 1956, that cost had risen to $16.50 per hour. On September 9, 1974, a similar rig operation had risen to $50 an hour—five times the cost of operation in 1945, and on January 1, 1975, notice was served that the cost was being increased to $55.

With these costs in mind, let us look at corresponding prices for produced crude. In 1945, the cost of a barrel of crude was $2.52 in the Corpus Christi area. By 1956, this cost had risen only slightly to $2.90 per barrel, and in 1973, the cost was still only $3.28. While production costs were five times higher, crude prices had risen less than $1 per barrel. Facing these statistics, it is not hard to understand why many of our small producers are hesitant to take on the increased production which is so desperately needed.

Another example of tremendous cost increases is seen in the Alaska pipeline construction costs. The original cost of the pipeline was estimated by be $900 million. Today, that figure has risen to $6.5 billion.

Other countries have taken a much more realistic approach to their energy situations. Mexico, for example, after having a very late start in the oil pro-

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ducing business has achieved self-sufficiency. The price of gasoline in Mexico is 80 cents per gallon. When you consider the difference in economics, 80 cents per gallon in Mexico would be the same as $1.75 a gallon in the United States.

The Chase Manhattan Bank has estimated that our program for reasonable self-sufficiency will require over $15 billion annually in production and exploration costs. Before we rush into oil depletion allowance prohibitions and windfall taxes, I think that each of us should carefully study these basic facts. It is essential to encourage the oil industry to plow back the cash flow generated and keep the emphasis on more drilling in the United States.

NO MINORITIES ON FORD'S BLUE RIBBON PANEL

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. STOKES. Mr. Speaker, the American public was recently shocked by revelations of CIA domestic surveillance over U.S. citizens. Responding to a general outcry, President Ford appointed a blue ribbon panel to investigate the allegations. But his choices for that panel were an even greater affront to the American sense of justice. Congressman WILLIAM CLAY speaks very eloquently to the question of the lack of minority representation on the President's panel in the following article reprinted from the January 22, 1975, edition of the Boston Globe. I submit the article for the interest of my colleagues:

FORD DISPLAYS RARE "FOXMANSHIP"

Shortly following the revelation that the CIA had been involved in widespread domestic spying on U.S. citizens, President Ford announced that a panel of blue-ribbon citizens would be formed to look into the allegations.

White House press secretary Ron Nessen announced that these blue chippers would be individuals who had no previous connections with the CIA. As the panel was finally announced by the President, it sounded as if "no connections" was confused with "reconnections" with the CIA.

Heading the list was Vice President Rockefeller, who has been a long-time member of the Foreign Intelligence Advisory Board, which is charged with reviewing the activities of the CIA.

Gen. Lyman Lemnitzer formerly headed the Joint Chiefs of Staff at the time of the Bay of Pigs invasion.

Lane Kirkland, secretary-treasurer of the AFL-CIO, has long CIA connections.

Former Undersecretary of State Douglas Dillon is a long time pillar of the US foreign policy establishment.

Ronald Reagan is no relief since he is known for his contempt for civil disturbance and dissidence.

Longevity is certainly to be respected and the list sounded like a bid for gerontocracy, with its teenager being 52 years young. The "blue ribbon" suddenly paled to a familiar whitewash with no minority representation, which was a large target of CIA espionage activities.

Acting as if Watergate never happened, President Ford once again allowed the fox into the chicken coop to straighten up the mess. In doing so, he may turn out to be the craftiest fox of them all. Two of the foxes include the two most likely GOP presidential candidates facing Ford in 1976—Ronald Reagan and Nelson Rockefeller.

If by chance, the panel really does its job and turns out information damaging to the chairman, Nelson Rockefeller, the damage would be too great to overcome by 1976. If, on the other hand, the panel washes its hands in its own laundry water and attempts to cover up allegations that may surface during congressional investigations, then two foxes would be caught in the trap. Such foxmanship would allow Mr. Ford no trouble winning the GOP nomination.

It is shameful that once again this country has to reach back into the dungeons and waste valuable time, money and physical strength in order to clean up the Nixon mire.

In an effort to assure us that these activities will never happen again, I am joining with other colleagues in the House to advocate creation of a special congressional committee to oversee the activities of intelligence agencies such as the CIA. This committee will try to find out whether the law has been broken and, if so, seek prosecution of individuals responsible.

NO NONSENSE NATION

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. SHUSTER. Mr. Speaker, in these times when we hear so much about our so-called military commitments, the draft, amnesty and all the rest involved with national defense to foreign countries, it is refreshing to take a look at a truly "neutral" nation.

Switzerland is famous for more than timepieces and chocolate. Its greatest achievement is true neutrality.

I commend the reading of this editorial "No Nonsense Nation" in the Altoona Mirror recently to the Members of the House.

The editorial follows:

NO NONSENSE NATION

Only one country has withstood the test of time among the many which have declared themselves "neutral" in world affairs in the twentieth century. Neutrality is practically a synonym for Switzerland, so effectively have the Swiss lived up to the pledge of eternal neutrality made to them in 1815 at the Congress of Vienna, at the close of the Napoleonic wars.

But Switzerland doesn't take its neutrality lightly. It is prepared to go to war against an invader with armament and trained men which would do credit to nations many times her size. Every able-bodied male is subject to military training up to age 50.

Every Swiss home contains a war manual which covers everything from caring for the wounded to launching a grenade attack. All men subject to military call also must keep automatic rifles and ammunition in their homes.

Twenty divisions could be put in the field in hours, with a reserve of 750,000 men who have had military training. Hundreds of jet fighters, 1,000 tanks, assorted guided missiles and antitank rockets and an early warning radar defense network round out the Swiss defenses.

All military training in the land is defensive, designed to take the heaviest toll of an invading army at the lowest cost to the defenders. Considering the highly favorable terrain for defensive positions, this small nation with a population half that of Tokyo is capable of standing off giants.

Certainly the Swiss model of neutrality is worth emulating by the many countries, both large and small, which have not found a successful means of living in peace and mutual respect with their neighbors. Switzerland is not impregnable but she has shown the world she means it when she says all she wants to do is mind her own business.

Anyone wishing to test the firmness of that policy will pay dearly.

GOVERNMENT REGULATIONS HELP CAUSE INFLATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. CRANE. Mr. Speaker, the serious problem of inflation has two parts—too much money chasing too few goods.

The first part of the inflationary problem, too much money, is the result of excessive monetary expansion over a number of years. The cause of such an inflationary expansion of the money supply is chronic deficit spending by Congress. To cover expenditures that exceed tax revenues the Federal Government prints more money and thereby increases the money supply. This reckless excessive spending by Congress is the basic cause of our endemic inflation. This is why I have consistently voted against any unnecessary Federal spending bills while in Congress, and I will continue to do so in the future. Moreover, this is why I have further acted to cut reckless Federal spending by introducing and supporting legislation that would mandate that Congress balance the budget in the future by placing an absolute ceiling on all Federal spending.

The second part of the inflationary problem, too few goods, is a result of the growing supply of goods not keeping pace with the excessive expansion of the money supply. To the extent that Government regulations promote inefficient use of resources, pushing up costs without increasing production, such Government interference in the marketplace causes inflation. Such regulations, of course, are often intended to achieve other purposes, but too seldom are intended benefits weighed against their economic costs. Politicians imply that they can give constituents something for nothing through the regulatory process. The cost, they argue, will be borne by industry. This is misrepresentative nonsense. Eventually the consumer bears the cost through higher prices. The public through Federal regulations ends up paying excessive costs for minimum gain.

We in the United States have been blessed with the highest standard of living of any nation in the world. This is a result of our free enterprise system. It is the most efficient and most effective economic system history has ever known. Consequently, the free enterprise system delivers goods to the consumer at the lowest prices. Government interference in the marketplace through regulations undermines the free enterprise system causing costly economic disfunctioning. There is absolutely no way that bureaucrats, however well intentioned, can make

the vital determinations governing the marketplace as efficiently over the long run as can individual consumers. Free from the discipline of the profit motive, bureaucrats generally promote regulations that are ineffective, inefficient, and costly to administer. Consequently, such regulations fuel the flames of rampant inflation.

It has been calculated that the cost to business large and small to fill out all the forms provided by Government is $18 billion a year and it is estimated that it costs the Government at all levels another $18 billion a year to print and shuffle paperwork. These costs are passed on to you as a consumer paying higher prices and as a taxpayer paying unnecessarily high taxes.

A prime example of the inflationary damage caused by Government interference in the marketplace is the rapid price increases in gasoline. Within a brief period of time the average cost of a gallon of gas has increased from just over 30 cents a gallon to around 60 cents a gallon. The current high cost of gasoline has less to do with the Arab oil boycott of last winter than with Government interference in the free market.

Since 1954 Federal regulators have kept the price of natural gas artificially low. By cutting potential profits in this manner, the Federal Government effectively discouraged further exploration for natural gas and thereby cut the supply of natural gas as a fuel supply. The Federal Government aggravated the problem in 1959 by imposing import quotas on oil which prevented suppliers from meeting the increasing demand for petroleum.

Such severe inflationary pressures were further heightened when development of the Alaskan pipeline, which could provide some 2 million barrels of oil a day, was delayed for 6 years. Beyond this, the Federal Government promulgated antiemission standards for automobiles resulting in cars that impose a 10-percent fuel penalty over cars built prior to enactment of these Federal regulations. Other Government environmental standards have forced factories to turn from burning cheap and plentiful soft coal to already strained supplies of gas, thereby increasing not only the demand for—and thus the price—of the gas itself, but also making the products more expensive. Additional restrictions have been added to already tough Federal regulations on atomic energy facilities, slowing the construction of new plants and reducing the electricity output of some already in operation.

It is readily apparent that long before the Arab boycott, Government interference in the marketplace was effectively working to force the consumer to pay higher prices for gasoline and other forms of energy. Now that the Arab oil boycott has long since been lifted, it is these Government interferences in the marketplace that continue to fuel the rampant inflationary prices for gasoline which you must pay.

Congress, however, does not learn. Last fall both Houses of Congress passed new inflationary cargo preference legislation regarding gasoline. This bill requires that 30 percent of all petroleum imports be transported in U.S. ships rather than competitively in whichever available ship will transport oil to the United States at the lowest cost. It is estimated that this new Government interference in the marketplace will add an unnecessary cost burden on the American economy approaching $60 billion over the next 10 years. That will result in all Americans paying grossly higher prices.

Of even greater concern than the debilitating inflation caused by Government interference in the marketplace is that such coercive action infringes upon our economic liberties. In our free enterprise system the jury of American business is found in the dollars of millions of free citizens who judge products and services as they choose between them. Government regulations take that liberty away from the consumer and put such power in the hands of nonelected bureaucrats not answerable to the consumer. You thereby begin to lose the freedom of economic choice; and, when economic freedom is challenged, our political freedom becomes increasingly tenuous. There is an intrinsic link between economic freedom and political freedom.

To the extent that Government interference in the marketplace hinders growth of productivity it causes inflation. The intended benefits of such regulations must be weighed against their economic costs and their harm to economic freedom. This is why I have consistently voted against needless Federal regulations of business while in Congress and I will continue to do so in the future. Moreover, this is why I have initiated and supported legislation that will repeal many of the inflationary regulations now in full force and effect that have contributed to today's unjust inflation.

Inflation was my top priority concern when I first was elected to Congress in 1969 and it has remained my top priority concern. I have opposed excessive Federal spending and needless Federal regulations where the intended benefits are far outweighed by the economic cost of further inflationary pressures. I pledge to you my continued stewardship to safeguard your pocketbook by fighting inflation in the years ahead.

HOOSIERS ARE NO. 1

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MYERS of Indiana. Mr. Speaker, those of us from Indiana have always felt we were No. 1 in the Nation when it comes to playing basketball and so it is with some pride that I call to the attention of my colleagues the fact that the "Hurryin' Hoosiers" from Indiana University have been atop the world of collegiate basketball for the past 6 weeks.

The Hoosiers have won 25 straight and are ranked No. 1 in both the Associated Press and United Press International polls.

The Hoosiers are not new to such lofty heights. The 1953 NCAA champions finished the season No. 1 in both polls and the 1954 squad was rated No. 1 by United Press International.

To Head Coach Bobby Knight and the fantastic Hoosiers, we offer our congratulations on their No. 1 rating and best wishes for continued success in the remaining weeks of the season.

SENATOR PERCY STRESSES THE NEED FOR COOPERATIVE ACTION TO SOLVE WORLD PROBLEMS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. RANGEL. Mr. Speaker, the following address was given by Senator CHARLES PERCY to the General Assembly of the U.N. In it, he stresses the important point that if we are to solve our global problems, it must be through cooperative action. The creation of an international grain reserve, the discovery of alternative sources of energy, the elimination of unrestrained population growth—all these depend on the realization that the destiny of every individual nation is the destiny of the world. It will be impossible for any nation to stand while others are crumbling around it. Economic nationalism will be our demise; the conditions for our survival and our perpetuation are interdependent.

In light of our country's recent nonaction on the world food problem, I would like to submit this address for the consideration of my colleagues:

COOPERATIVE ACTIONS TO SOLVE ECONOMIC AND SOCIAL PROBLEMS

(Statement by Senator Charles H. Percy, U.S. Representative to the U.N. General Assembly)[1]

On this speck of debris in the universe which we call earth, no individual, no nation, no race can be an island unto itself. The economic and social issues that face one face us all.

Philosophically, the United States is committed to improving the economic and social welfare of humanity. The great difficulty is to translate our philosophical commitments into political realities. It is easy to speak in platitudes, but much harder to talk in the political realities of what can be done.

Certainly the major issues facing the 29th Assembly will be economic. They will be interwoven in the fabric of virtually every topic discussed. Without economic resources, we cannot realistically move to solve the vast social problems that beset this planet. This does not mean that economic and social problems are separate. They are not. In fact, many of the solutions to the economic problem of increasing the wealth of the world are closely tied to social conditions.

The state of humanity necessitates that the agenda before us be broad. The issues we must deal with this year include inflation, trade reform, monetary reform, economic assistance, population planning, food production, the status of women, and education.

[1] Made in Committee II (Economic and Financial) of the U.N. General Assembly on Oct. 1 (text from USUN press release 123).

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But as essential to all these issues, we must resolve through open discussion and negotiation the lowering of the price of international crude oil.

The price of international crude oil is the most destabilizing element in the world economy today. Its price denies the developing countries of the world adequate energy supplies to run their economies and fertilizer to grow their crops. The most seriously affected nations must take the rise in price directly out of the very low standard of living of their populace.

While the developed countries can borrow funds among each other in the short run, they will not be able to stand the drain of funds for a long period. No matter how effective the recycling of dollars is from oil exporters to oil importers, regional and national balance of payments disparities will grow so great that even many now-developed countries will be faced with international insolvency.

Such events could collapse the trade and monetary systems that have been so painfully constructed since the end of World War II. This in turn could certainly mean economic catastrophe, first for the less developed nations of the world, then for oil-dependent countries, and last for such countries as the U.S.S.R. and the United States who have oil resources of their own. And further, what optimism can there be in the long run for nations, primarily oil producers, in such a world?

No one can benefit from a worldwide depression. What will be lost is years of economic growth, resulting in despair for at least a generation of the world's people. What will be lost is a chance to work on our social and economic interests together. We must work together. There is no reasonable, rational alternative. Economic nationalism should not bring down the world economic system, and thus social and political systems; nor should that system be operated for the benefit of only a few.

An alternative solution, of course, to the problem of oil prices is the development of alternative energy sources. All nations must work cooperatively on energy research to achieve technical breakthroughs to harness new sources of energy and better develop existing energy sources.

At best, however, this is a longer term solution, and for the time being most nations will continue to be heavily reliant on oil. That is why the policy of certain oil-producing nations engaged in unilateral price fixing on a noneconomic basis, commonly known as cartels, poses such severe economic problems to the world.

Such practices, whether they be by sellers or buyers, by industrial nations or less developed, can be ruinous. Like retaliatory tariff barriers and competitive devaluations, economic nationalism can spread through the body of the world economy and essentially destroy it. The world has come too far to return to barter.

This body should further note that such practices are contrary to the principles and objectives of the General Agreement on Tariffs and Trade (GATT) in that they are monopolistic, anticompetitive, and distort flows of resources.

To be more specific, three key international organizations—GATT, the IMF [International Monetary Fund], and the IBRD (World Bank) [International Bank for Reconstruction and Development]—are the basis for today's world trade and payments system. Thus the international payments system itself is threatened by these practices.

Unilateral price fixing on a noneconomic basis is unusually bad no matter who does it—not just in oil but in all commodities. Those who decry the present oil crisis must also look to themselves—are they in the process of fixing other prices?

If these practices are continued, those shouldering the brunt of such practices, particularly in developing countries, can take only so much. Masses of unemployed and starving will bring a powerful political and economic reaction against those causing the problem.

Therefore we must all consider in this forum and send home to our governments the following message:

Abandon monopolistic economic practices, wherever they may exist, that are now the main cause of distortion in our world economy.

Return to and reaffirm the open trade and free payments principles of these organizations—the United Nations, GATT, IMF, and IBRD.

Understand that the long-term prosperity of each nation depends to a degree on the prosperity of all nations.

Understand that not to correct these problems is to threaten grave economic disruption worldwide.

My own country certainly has a strong responsibility to help achieve these ends. Less developed countries need more access to the markets of developed nations. While our trading system is built on the idea of comparative advantage, the realities of economics are such that it is difficult to penetrate major markets and risky to move against established competition.

The trade reform bill now before the U.S. Senate establishes the principle of trade preferences for less developed countries. It is not enough, I would be the first to admit, but it is a start. As a realist, I can only report that it may be politically difficult to get more.

NEED FOR NEW SOLUTIONS

The economic problems facing the world today have been further aggravated by world social problems and demonstrate the need to view economic and social questions as inextricably related. The solution of one without the other is impossible.

As stated by the U.N. Committee for Development Planning in its 1970 report: [2]

While it is evident that high rates of growth of output and income have to be realized in these (developing) countries in order to eliminate mass poverty, to generate fuller opportunities all round and to finance some of the social measures, the process of development has itself to be viewed in terms of fundamental structural changes and as much with reference to concepts and methods appropriate to planned social transformation as those customary to economic analysis and policy-making . . . for this reason, *the distinction often made between economic and social objectives is not a very meaningful one to draw.* [Italic added.]

How true. In the search for solutions to our traumatic economic and social problems, we must find a rational balance between people and resources so that the quality of human life worldwide may be enhanced.

If the problems basic to human and national survival—the population explosion, food and resource shortages, mass poverty—are to be solved, new, nonstereotypic solutions are needed.

Central to the creative and innovative processes needed to produce these new solutions is education. Education is the fount of knowledge and thus the basis from which civilization, cultures, and humankind have grown and advanced. Education has been the basis from which the world has made its immense advances in science and technology. If the world's acute problems of poverty, disease, and hunger are to be resolved, education must continue to produce the breakthroughs necessary to expand agricultural, industrial, and technological productivity. Increasing technological progress, however, will require new skills and resources. Only through education will the need for expanded skills and resources keep in line with new demands.

That education is integral to national development goes without saying. Education, however, is also the basis for personal development. It is through education that people seek to improve themselves and reach full potential.

We have to take into account that we are all committed to education. The more education people get, the more dissatisfied they become with their lives when the shackles of ignorance are thrown off, if their rising expectations are not met. They will become a destabilizing force within each nation if they have no hope and are faced only with despair.

FULL UTILIZATION OF TALENTS OF WOMEN

The ultimate purpose of economic growth, stability, and well-being is to provide the opportunities for a better life to all people. Particularly important will be the elimination of mass poverty and social injustice.

One of the greatest economic mistakes and social injustices that almost every nation in the world has at one time or another been guilty of is the assignment of women to a second-class role in society.

Actually, the role women often do play in contributing to social and economic development has perhaps gone as unrecognized as the potential role they can play. But, with great justification, no longer are they going to tolerate it. Action must be taken to correct both of these problems if women are to be fully integrated into all aspects of national and international economic, political, and social activity.

Both economic and social development require the full utilization and recognition of all individuals in society—economic development because all potential resources must be utilized in this effort, social development because a fundamental precept of human rights is that all people must be allowed to participate in the economic and political processes by which decisions are made about their lives.

It was because of this that I sponsored legislation in the U.S. Senate requiring the United States to work so far as possible toward the integration of women into the implementation of our foreign aid programs. This requirement is now law, but we must work to assure that its intent is carried out.

Similarly, we must all work to assure that the principle of equality for women established in the original U.N. Charter is realized—not only in the nations of the world but in the functioning of the United Nations itself. We must all work, individually and collectively, on the economic and social changes necessary to bring this about.

Education and the avenues for greater participation in society give birth to rising expectations, expectations which cannot be met without new economic development.

The United Nations has wisely designated 1975 as International Women's Year. But let us not wait until next year to develop programs to better utilize one-half of the world's human resources. ECOSOC [Economic and Social Council] has called for a World Conference on the Status of Women, which Colombia has offered to host, in June 1975. We fully support the objective of the Year and the conference and will do all we can to insure the success of both.

GLOBAL APPROACH TO POPULATION PROBLEMS

In another area involving the linking of economic and social issues, the United Nations was living up to its potential as a global problem-solving organization in naming 1974 as World Population Year and in sponsoring the World Population Conference in Bucharest. In sponsoring Population Year and the conference, the United Nations has successfully assumed a leadership role in urging upon the world community the need for a unified approach to development and the problems that accompany development.

At the Bucharest World Population Conference, I was particularly struck by the complex interrelationships of the economic and social problems we face. The subject of population was once the esoteric realm of demographers—scientists whose concern was with numbers and distributions of people. In 1974, however, the population issue can no longer be separated from the problems of agriculture, resources, land use, health, education, women's rights, as well as all other aspects of economic and social development.

In Bucharest, the global approach to problem solving worked well. Candid expressions of widely disparate views were heard, but they did not obscure the real desire of participating nations to resch agreement on approaches to population problems. The World Plan of Action, the document resulting from the Conference, is an outline which any nation may follow in its search for improved living conditions and opportunities for its people.

The Plan of Action is an excellent base upon which the United Nations and its member nations can build. But the Plan of Action must be recognized as only an outline and only a foundation for continuing efforts. The United Nations must not delay in urging all nations to accept as their own and to implement the far-reaching recommendations of the Plan of Action. At this point, the Plan of Action is only a document. Concerted efforts by us here in New York and by the governments of all nations can, however, transform that document into a reality that will mean a higher quality of life for all people.

SHORT-TERM AND LONG-TERM FOOD PROBLEMS

Finally, no problem is more economically and socially intertwined or global in dimension or in greater immediate need of U.N. attention and assistance than the world food situation. During a recent visit to South Asia, I saw firsthand the magnitude of unmet nutritional needs the world faces.

The problem is that if food production only stays even with demand for the foreseeable future, then it will be impossible to upgrade the diets of those who exist on subsistence or lesser diets at present. Hundreds of millions of persons around the world are undernourished or even malnourished. Moreover, if production fails to live up to expectations for any one of a number of reasons, then millions who are now malnourished because of subsistence diets will fall below this dietary level. They will starve.

We face two different but related problems. There is the short-term problem of providing food aid to meet existing food emergencies and of organizing a system to deal with similar situations which may arise in the next few years, and there is the longer range problem of increasing worldwide production, particularly in developing countries. This latter problem requires nothing short of a revolution in the countryside of developing nations. Neither set of problems will be easily solved. For our part, the United States this year will increase the amount of money we spend on food aid for others.

Such aid, however, even from many nations, is not enough and can never be enough. Long-term relief can only be accomplished through increased agricultural production in developing countries. As a U.S. Senator from a major agricultural state, I know that the lives of millions in distant lands cannot be allowed to depend on crop success or failure in another country.

Developing countries must have fertilizer production capability and the technological base from which to guide their own growth. And the developed nations must assist them in achieving this independent base. This is the main avenue to economic and social growth with justice.

I find it encouraging that the concept of a U.N.-sponsored World Food Conference developed simultaneously in the U.S. Government and at the last Nonaligned Conference. The fact that we worked together in the last Assembly and the Economic and Social Council to bring this idea to fruition bodes well. But as with the Population Conference, the United Nations has responsibility to carry through, and well beyond the World Food Conference, with efforts to solve the problem of production, storage, and distribution we all face.

In summation then, what the global community must do and what the United Nations must actively encourage are the following:

1. The price of international crude oil must be lowered.

2. The development of alternative sources of energy must be encouraged.

3. Economic nationalism should be discouraged, and we must return to the open trade and free payments principles of the United Nations along with a monetary system adapted to our changing world.

4. Educational opportunities for all peoples must continue to expand, but opportunities for economic fulfillment must expand commensurately.

5. Women must be given a greater role in economic development.

6. The United Nations must help encourage countries to deal with population problems by developing plans to eliminate unrestrained population growth.

7. We must solve the world's food problems through an international system of nationally held food reserves and increased investments in research, fertilizer production, and development assistance.

Only if we really work together on these problems and dedicate ourselves to their solutions will we have the chance to actually benefit all of humankind. If we just let empty rhetoric consume our days this fall, then we will have empty stomachs. Nations will have to empty treasuries, and eventually we will all go down together. On the other hand, through cooperative action the self-interest of all nations, we can find solutions to these problems which will be worthy of the objectives of this organization.

[1] U.N. doc. E/4776.

SUPERSONIC AIRCRAFT FLEET

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. WOLFF. Mr. Speaker, last week I called attention to the work of a distinguished scientist who has had the courage to openly challenge the Department of Transportation's misleading statements on the dangers to world health of a fleet of supersonic aircraft.

Today I am pleased to present for the RECORD a story by a distinguished environmental reporter for Newsday, of Long Island, Mr. Harry Pearson. I must say that this story, which appeared in Newsday, January 30, first alerted me to the problems posed by the DOT's report. Stories and headlines carried in other papers, including here in the Nation's Capital, I am sorry to say, apparently fell for the smoke screen laid down by the DOT.

But as you will see, Harry Pearson did what all good journalists do by going beyond the story handed out by some interested party to check for himself. And what a story he found, Mr. Speaker. A story of possible duplicity at the highest levels of our scientific establishment.

It is my hope that the Office of Technology Assessment probe I have requested will get to the bottom of the story once and for all.

[From the Long Island (N.Y.) Newsday, January 30, 1975]

EXPERT: UNITED STATES IS MISREADING SST DATA

(By Harry Pearson)

WASHINGTON.— Last week, the Department of Transportation released the results of a three-year study of the effects of the supersonic transport on the stratosphere, a report minimizing earlier scientific predictions that the plane would destroy much of the ozone shield that protects life on earth from deadly solar radiation.

Yesterday, an expert on the earth's upper atmosphere told a Senate committee that the study data actually contradicts the conclusions drawn by the agency, and shows that a fleet of 500 SSTs could strip away 40 per cent of the ozone shield and, within a single year, put an end to life on earth as it is.

The scientist, Thomas M. Donahue, chairman of the University of Michigan's atmospheric and ocean science department, said he had examined the agency's preliminary data last fall. He said that the department had changed some important basic assumptions in the final report—such as assuming one SST would fly four hours a day instead of eight, thereby cutting its pollution by half—and had failed to correct mathematical errors. The errors would, if corrected, confirm the most pessimistic predictions about the plane's effect on ozone, he said.

The official in charge of the study, Alan Grobecker, defended the new calculations on a variety of grounds. For one thing, he said, Donahue has not seen an appendix explaining the study's methodology. When he does, he will be satisfied, Grobecker contended. The reduced flying time was based on new airline estimates.

Grobecker said that a fleet of 500 SSTs flying four hours a day, would strip away only 1.5 per cent of the ozone shield each year. (Donahue maintains that the figure is off by more than 40 per cent.) Grobecker said the present Anglo-French and Soviet SSTs, which number just over a dozen, have had no measurable impact on the upper atmosphere and that 125 SSTs would have to be flying in the stratosphere daily before scientists could measure an impact.

Donahue, who testified before the Senate Aeronautical and Space Committee on threats to the ozone, said the department's study showed that for every one per cent the ozone was reduced there would be a two per cent increase in the incidence of skin cancer. "Since there are," he said, "among the white population of the United States 600,000 new cases of skin cancer and 2,000 deaths resulting from skin cancer reported every year, this SST effect would work out to about 100,000 new skin cancer cases and 340 extra related deaths in the United States every year per hundred SSTs . . . 500 SSTs would result in a 42.5 per cent reduction in ozone and this result could only be characterized as cataclysmic."

EVER-INCREASING OIL PRICES

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MOFFETT. Mr. Speaker, during these frantic days of trying to bring under control the inflationary effects of ever-increasing oil prices and developing

a rational, people-based national energy policy, we must give consideration to varying perspectives on these problems and proposed solutions. The Institute of Policy Studies, a Washington-based think tank, has published in the January issue of their newsletter a plan for public ownership and management of the U.S. energy industry. Because of my feelings that Members should be well-informed on all sides of the issues, I insert this article in the RECORD.

[From the Elements, January 1975]

NEW ENERGY—OUR PLAN IS TO TURN THE PRIVATELY CONTROLLED U.S. ENERGY INDUSTRY INTO A SOCIALIZED REGIONAL AND LOCAL NETWORK

Last year a group of us at the Institute for Policy Studies sought to develop the outlines of an overall plan that would change the existing energy system in the United States. We set forth principles, and then a tentative scheme for a new system, actually a network of democratically constituted local, regional and national energy organizations. This system would have the authority to produce, transmit and distribute energy throughout the nation. Its introduction clearly would have major effects on other parts of the political economy as well.

In doing so we recognized all the dangers inherent in Utopian planning. But it seemed to us important to set forth a vision for the future and also a fretwork into which various reforms or changes could be fit. Otherwise, we are likely to go fumbling along, patching up a decrepit system here and there, not driving for any fundamental change.

Our plan or system is based on several principles, including:

1. The natural resources of the nation should belong to all the people.

2. Each citizen should be assured a fair share of the energy made available to the American people.

3. Whatever system is developed, it should be firmly rooted in local popular control. Thus, regional and district agencies, created under the plan, should be involved in every stage of the preparation of the national energy plan.

4. All information regarding the activities of every energy agency, all reserve statistics and data on energy consumption should be publicly available on a timely basis, to facilitate the fullest possible participation by the public in the preparation of the plan, and in its subsequent implementation.

5. The prices of energy products should be set at the minimum level consistent with the costs of production and the ecologically-sound use of the nation's resources, including not only energy resources but also air, water, land and other natural resources.

6. There should be the minimum possible consumption of non-renewable resources. Where possible, the energy plan should be coordinated with other national planning aimed at reducing the consumption of non-renewable resources.

With these principles in mind, the group then began to lay out an initial, tentative scheme for actually translating the ideas into a legislative and administrative program.

Briefly, the concept calls for creation of public energy districts around the country. There would be several hundred such districts, and the district energy boards would be chosen in general elections. The district boards would plan, control and administer energy production and distribution within their territories. They are the guts of the system. The local districts, in turn, would send representatives to regional energy boards. The regional boards would send representatives to the national energy agency, which would coordinate and develop national energy policy and arrange for international transactions.

This governmental system would plan energy development and execute energy policy. It would dispense research and development funds and administer large portions of the energy apparatus that is now under private control.

The essential aim was to ground an energy system in responsive democratic government at the local level, which would not only govern, but whose constituents would be intimately involved in actual production, distribution and use of energy. The plan would place control of private transportation systems, i.e., oil and gas pipelines and electric transmission systems, in the hands of the national agency. The plan additionally would sever the bonds that link industry and government by removing planning from the industry purview and putting it in the hands of the new system. Research and development functions also would be taken from the federal government and industry, and instead placed directly in the hands of the district, regional and national energy agencies.

In practice this energy system might work like this: The energy district board of, let's say, Riverhead, Long Island, New York, would meet weekly to debate and develop energy policy that would include a five to ten year forward plan. These plans would take into account such factors as the feasibility of introducing solar energy for heating and cooling of buildings, low energy architecture, transportation and industrial patterns. Riverhead's district then would join with other public energy districts making up a Middle Atlantic region, for monthly meetings at New York. At these meetings, the Riverhead representative would work with other regional representatives in hammering out a coordinated energy plan, also involving maximum use of solar and other alternative energy schemes. These meetings would result in a regional plan, which the regional representative would present in Washington to the national agency. The members of the national agency, each one representing a region, would then work up a coordinated national plan that sought to meet the requirements of each region and district.

Suppose, in the case of the Middle Atlantic region, including Riverhead, the national plan calls for allocating oil to be used for medicine and gasoline. The national board allots the region an amount of oil production on the outer-continental shelf off Louisiana. Then the Middle Atlantic region contracts with the southern region for production of the oil at rates established by the national board. The oil then is transported from offshore Louisiana to Middle Atlantic refineries via pipelines controlled by the national board, and from the Middle Atlantic refineries to Riverhead, in pipelines controlled by the region.

This system is operated by a popular governmental planning process that is grounded in local constituencies. Private enterprise functions within this system in a circumscribed way, i.e., its methods of operation, rates, etc., are established by the system, treated in effect as a public utility.

Here is a more detailed description of the plan's different aspects:

PUBLIC ENERGY DISTRICTS

The heart of the plan involves creation of a new local governmental unit to administer energy policy—the Public Energy District (PED). This would be a sort of municipal corporation, a political subdivision within a state. The idea is taken in part from Lee Webb's work on a model energy scheme for Vermont. In part it is based on historical experience in the state of Washington. As David Whisnant has described the Washington experience in *People's Appalachia*, "In concept the public utility district is relatively simple. Normally a PUD law authorized a publicly controlled body to issue revenue-producing bonds, receive and disburse funds, acquire real estate (by condemnation if necessary), construct dams and other power generation and distribution facilities, and sell electric power. Many PUDs in the northwest are distribution facilities only, buying their power from the Bonneville Power Administration. All PUDs pay a specified portion of their receipts into the general revenue funds of their counties. As nonprofit enterprises, they are able to supply electricity to their customers at about half the rate charged by private utilities, while paying off their own indebtedness to bondholders.

"The public utility district mechanism quickly proved capable of achieving spectacular results in poor Washington counties. Tiny Lewis County, with a population of 35,000 farmers, loggers, and cattlemen and no industry, now operates a $2 million-a-year PUD which provides nearly a quarter of a million dollars a year in revenues for the county—including $125,000 per year to support its public schools. Chelan County, also quite small, started its PUD in 1936 and purchased its first transmission lines nine years later. Within the next few years it bought out some existing power systems, built a 249,000 KW generating facility at Rock Island, and financed construction of its own Rocky Reach dam by selling $263 million worth of revenue bonds. The 800,000 KW Rocky Reach project is a model of activity in the public interest; its powerhouse even includes a museum of artifacts excavated during construction of the dam. Power from Rocky Reach, available by 1961, attracted manufacturing installations by Alcoa, Dow Chemical, the Vanadium Corporation, and others. By 1967, 22 Washington PUDs were supplying electric power to 280,000 customers."

Directors of the PED would be elected at the polls as part of regularly scheduled elections with standards set for local geographic and worker representation.

A public energy district would have power of eminent domain, but not the power to tax.

The public energy district would be the basic unit within the proposed system of local, regional, and federal energy planning and administrative bodies. It would conduct planning, carry out research and development, produce oil, gas, coal, uranium, etc., design and manufacture solar collectors, build oil refineries, lay pipelines, operate and construct electric generation systems—all of the functions now carried on by the different energy industries or fragmented public or non-profit bodies.

It is anticipated that the district would continuously debate energy policy and establish and administer policy for the region. It would set utility rates and priorities for end use of fuels.

The district is meant to be a powerful political and economic organization. For example, if an automobile manufacturer sought to open a plant within a public energy district, it must first submit a detailed plan of operations to the PED whereupon the directors would initiate hearings on the advisability of building such a plant, initially taking into account the plan's impact on energy and the environment. But as the PED developed, it might also go further, inquiring into the energy efficiency and usefulness of the end product, i.e., car, truck or bus; the effect of the plant on employment and transportation within the PED, environmental impacts, effect on economic growth policies, and in other ways look into the beneficial and adverse effects of constructing the factory.

Within the different operations of the district, workers would manage and operate the facilities, although the overall policies would be determined by the district board or council, which of course also would include workers.

REGIONAL ENERGY BOARDS

Each public energy district would send a representative of its board to a regional energy board. The federal government has developed 10 multistate regions for the purpose of administering its different programs, and while these regions are arbitrary, the plan uses them as a basis, at least tentatively.

(There are several different sorts of federal regions, including six large "depressed areas" defined by the Economic Development Administration; 25 metropolitan administrative areas called Federal Executive Boards, and 10 overall administrative regions which cover the entire nation and its territories. Under Nixon, the major emphasis was to develop the 10 regions, and the Department of Labor, HUD and HEW all were committed to similar regional concepts, and often had offices in the same building in the same city, which served as a sort of regional capital: Boston, New York, Philadelphia, Atlanta, Dallas, Denver, Chicago, San Francisco, Seattle, and Kansas City. Nixon set up a regional council where representatives of each involved agency have a seat.)

While the public energy district would administer energy resources on a day to day basis, the regional board would allocate resources within the total area.

The Tennessee Valley Authority provides an idea of what a regional organization might be like. Since its origins in 1933, TVA sought to mesh together different aspects of resource planning, electric power, agriculture, industry, fertilizer production, navigation, flood control, recreation, conservation. It conceived of the immediate job as not merely to build dams and reservoirs, but to put people to work. It did not contract for the workers, but hired them directly, building them communities, attending to their health needs. It was an important force in reinforcing existing state and local governments, by delegating tasks to these governments on a contractual basis. Its free technical services helped raise the level of state and local services.

Even though it was entirely surrounded by hostile corporations and a federal government which reinforced those corporations, TVA became an immensely important economic force, far more so than often is recognized. It should be remembered that TVA's electrical production program initially made possible the nuclear industry. Without the vast quantities of electricity produced by the combined coal and hydroelectric plants of the valley authority, the Atomic Energy Commission's uranium enrichment plants could never have operated. In providing that electricity, TVA literally reorganized the coal industry. It introduced the concept of long term contracts, was an important factor in mechanizing the coal industry, and became the single largest purchaser of coal, a vital factor in the market. It also introduced a modicum of sanity into the electrical utility industry, through its interlinks with other private systems in the south and southeastern mountains, particularly the American Electric Power Company's operations. Despite the vitriolic attacks made upon TVA by private power, the valley authority, through these entities, made the private systems stronger and more stable.

The tragedy of TVA is that because it became so much an instrument of national economic policy, it has been placed in a position of turning against its own constituency on the strip mine issue. Because of its policy of providing low priced electricity, the authority seeks out coal at the lower prices, and hence trades heavily in strip mined coal from Appalachia. Strip mining is ruinous to the entire region; by buying the stripped coal TVA turns its own constituency against it.

A similar situation developed around nuclear power. TVA reorganized the coal industry to provide the electricity to enrich the uranium necessary for hydrogen bombs and nuclear power plants. In doing so it was answering the dictates of the Pentagon, which was anxious to perpetuate nuclear technology.

Under this new proposal, the possibility of such policy would be greatly lessened by grounding the policies of a TVA-like authority in the local districts, which in this instance would include the strip mined areas, and it could not become an instrument of topdown federal policy.

NATIONAL ENERGY ORGANIZATION

The purpose of this board or agency would be to coordinate the ideas and plans of the different regions. It would be an important organization, providing the point of contact with the federal governmental apparatus and the Congress.

It would have several principal functions. Perhaps the most important would be to act as trustee of the nation's natural resources, allocating scarce resources to regions for distribution to localities.

In principle, all natural resources of the nation ought to be public, and not given solely to any corporation for exploitation on its own terms. But, as with all other aspects of this plan, transitional steps are needed. Here is one good example:

The national agency could take over from the Interior Department administration of those territories already in the public domain; that is, areas specifically removed from commerce by the Congress for the purpose of the general public good. These federal resources include an extensive amount of mineral fuels. The estimates vary. According to a common estimate, over 50 percent of the fossil fuel energy resources of the United States are in the public domain territories. Some estimates place the amounts as high as 80 percent. According to the Ford Foundation's Energy Policy Project report, about one-third of the remaining domestic oil and gas resources are estimated as likely to be found in the outercontinental shelf, which is part of the public domain. In 1972, the outercontinental shelf lands produced 10 percent of the domestic oil and 16 percent of the domestic gas. Oil shale is almost entirely controlled by the federal government. About one-half the domestic coal in the West is under federal control. About 85 percent of the strippable low sulphur deposits are in the public domain. About half of the nation's geothermal resources are on public land. An estimated 50 percent of the domestic uranium supply is in the public domain.

These estimates do not include the huge areas of Alaska that already have been leased by the federal government to oil companies, nor the state-controlled lands.

Under one concept, a transitional scheme would be to place these important resources, already in the federal public domain (and in one sense "nationalized") within the control of the national agency, whose regional constituents then could make initial plans and coordinate national policy based on this resource base.

Eventually, the idea would be to widen the concept of public lands so that all natural resources, including mineral fuel resources, were considered public.

In principle then, all energy sources would come under the public control.

In addition, the national organization should have a planning staff that functioned as a public research and development center serving the different regions. Probably this staff would conduct the mapping and resource estimates that now are carried out by private industry.

The national organization would take over functions of the Federal Power Commission and the other regulatory agencies. For instance, it would establish all interstate rates and end use priorities for energy, and arrange for international trade.

As the history of the modern energy cordustry instructs, again and again large corporate interests—the Standard Oil Trust, its successor companies, the Morgans, Insulls, Rockefellers—dominated different sectors of the industry through control of the transmission facilities. Rockefeller initially built his monopoly through control over transportation. In the 1930s, the Morgans and Rockefellers controlled the natural gas business by dominating the pipelines. In California today, the major companies control the industry by ownership of pipelines. In electricity, brownouts and blackouts are due in large part to the inefficient systems caused because private companies refuse to transmit public power and interlock their systems with public power systems. Tanker fleets, the largest navies in the world, still are controlled by the major oil companies, and so on. Transportation of energy is absolutely crucial to its ultimate control. Therefore, under the plan the major interstate transportation facilities should be placed under direct control of the national energy board. This is a crucial part of our long range plan.

The plan would have the national board in a staged process acquire outright control (obtain 51 percent of securities) of the major interstate natural gas and oil pipelines, and electrical transmission systems.

During this 10-year period, the national energy board would lease and operate those portions of oil, gas and electrical transmission systems necessary to transmit energy from public domain territories to the different public energy districts. Terms of the leases would be negotiated between the board and the companies.

The lease period would provide an effective test of the systems and the energy board could determine which parts of the transportation lines could be used in its developing inter-regional system.

In the case of interstate commerce in energy that was transported by water, rail, truck or airplane, the energy board would establish rates and prescribe general policy.

While the national board would determine policy and establish rates, the actual work would be carried out at the local level by the PEDs. Neither the national energy board nor the regional boards should maintain sizeable bureaucracies. All work, including planning, bookkeeping, hearings and investigations should be conducted by the PED staff.

The national energy board would regulate commerce in energy between regions. Commerce within a given region, among the public energy districts, would be governed by the regional board. Commerce within the public energy district would be regulated by that board.

PLANNING

As the brief history of the oil and coal industries indicates, the crucial element in the industry's control of public resources and of federal governmental policy is planning. Systematically, since the early 1920s, the federal government has given over to industry access to natural resources and has refused to plan these resources.

The central, most important step in breaking apart big capital from the federal government would be to remove planning from the industry. The representative federal board as envisioned in this plan would conduct routine, careful mapping of the nation's mineral energy resources, including geophysical assessments, shallow and deep core drilling, environmental tests, aerial and space surveys, mapping and testing of the nation's coal, etc.

As with other parts of the proposed system, the actual work would be carried out within the different energy districts under contract from the federal and regional boards.

Federal money designated for planning would be earmarked for use first by local energy districts, and secondly through contract with not-for-profit groups within the localities.

UMI

Where the money was spent on private industry, it would go to locally owned and managed small business.

This is a tentative long range plan for political action. It cannot be implemented tomorrow; the outline surely will change with experience and discussion. But we offer the plan as the beginning of a debate for socializing our natural resources.

(Those participating in the IPS discussions included Bettina Conner, Len Rodberg, James Ridgeway, Robb Burlage. A more detailed version of this plan will appear in *New Energy*, by James Ridgeway and Bettina Conner, to be published by Beacon Press this spring.)

CORPORATE SOCIAL RESPONSIBILITIES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. STOKES. Mr. Speaker, the black businessman has a unique perspective on the role and responsibility of business corporations in improving the quality of life for all Americans. A black leader in the corporate world, and my personal friend for many years, Mr. Harold Sims, has eloquently addressed himself to the subject of corporate social responsibility in the following article reprinted from Contact magazine. I submit Harold Sim's commentary on this topic of emerging importance for the interest of my colleagues:

THE QUEST FOR CORPORATE SOCIAL RESPONSIBILITY: ALTRUISM, NECESSITY OR OPPORTUNITY

(By Harold R. Sims)

". . . profit takes on a new meaning for enlightened businessmen who know that unless today's profits are in part used for important social ends, there may be no profits tomorrow." **Whitney M. Young, Jr.,** from Beyond Racism, 1969.

Nowadays, it seems that everyone is talking about corporate social responsibility. From every spectrum of the American ideological span, from Milton Friedman to Michael Harrington, debates and discussions ensue about the proper or improper role business must increasingly play or not play in using its resources to become more directly involved in the nation's new campaign to improve the quality of life.

In many ways, this is a curious and unbalanced debate. On the more visible side, the American corporation is often portrayed as a greedy, insensitive power broker which only reacts to short-term profits, government decree or consumer threat. Yet, on the less visible side, many of the principal architects of these negative or cynical portrayals have been empowered to effectively challenge the corporations from the very resources and technology which the corporations generate.

This latter point—the funding or enabling by American business of the institutions which have been among its most effective critics—may be among its greatest contributions to the free enterprise system to date.

In some ways, this unbalanced debate is part of the overall disenchantment with established institutions of any kind within the public cynicism and distrust of our times.

In other ways, these portrayals may also suggest that in view of the failure of other major, non-profit and tax-supported American institutions to stabilize or reverse our national drift towards social mismanagement and human resource abuse, the American public has turned to the business corporation to demand that it play an increased role in solving the human and social problems that are currently undermining America's present and future and the very survival of its marketplace. This conclusion was best articulated by the eminent humanist and social thinker, Dr. Kenneth Clark, when he concluded that: "Business and industry are our last hope. They are the most realistic elements in our society."

Whatever the rationale, there is widespread recognition today that business corporations must take a more active role and an increased involvement in more directly pursuing and meeting the social, consumer and citizenship challenges of these times.

To aid in this contemporary quest for the "why to" and the "how to" of greater corporate social response, this article will examine this emerging challenge from these overlooked or new prespectives: (1) The historical role of business corporations as fundamental social institutions; and (2) the unique role of the Black American experience as a key barometer to social change and opportunity.

HISTORIC ROOTS AND SOCIAL FRUITS

("Commerce is generally understood to be the basis on which the power of this country hath been raised, and on which it must ever stand."—Benjamin Franklin.)

In the quest for corporate social responsibility, one of the greatest barriers is a limited understanding of the primary and historic roles the business corporation has played in the evolution of Western society and the non-Western world. This limited understanding has led to a great deal of ethnic and human amnesia, propaganda and guilt about how the United States was made and the role economics played in it.

Without clarifying that evolutionary framework, it will be almost impossible for corporations to move beyond reaction to affirmatively and aggressively learn how to better relate social responsibility to its bottom line.

Carefully and creatively reexamined then, this excluded history reminds us that:

America is fundamentally an economic system;

It was an economic system long before it was a political or a democratic system:

In the 470 odd years since that system was planted in North America, economic considerations have tended to dominate all or most other concerns, whether spiritual, political or ideological;

The earliest and most enduring instrument of this European-launched economic system was the foreign-owned, European-based trading company—the forerunner to today's multinational, multi-geographic corporation: and

This trading company or foreign-controlled, state-owned corporation, born in the post-Marco Polo age, became the greatest and most effective weapon of conquest (called colonialism), as well as economic development, in the history of humankind. By dividing and pacifying people on the basis of relative need, supply, demand and exchange, it separated relative from relative, nation from nation, tribe from tribe—rearranging civilizations on the basis of markets and resources rather than custom and tradition.

Slavery then existed in America for economic necessity or cause, not for racial or moral reasons, and when it became uneconomical it died—notwithstanding the instrument of war.

Segregation existed in America for economic not political reasons, and when it became uneconomical it died—notwithstanding the instruments of organization, philanthropy, protest and Black Messiahs.

Today, those same economic forces which permitted and encouraged a nation founded on principles to undermine its very inception with evil and misdeeds now demands that, to survive, it must *include all* Americans, as ruthlessly as it *excluded some* Americans. It must *pursue humanity* for all, as relentlessly as it *tolerated inhumanity* to many.

Commerce or business is the very heart of the American system. Not only was it a principal cause of the nation's revolution and the foundation of the Republic, but the individuals who wrote and shaped its Constitution and institutions were all essentially businessmen.

The real and enduring strength in America's private enterprise system lies not in its mythological exhortations about so-called self-made men but in what Paul N. Ylvisaker calls "creative aristocracy." That is, business' ability to accommodate, include and utilize enormous diversity based on talent and performance rather than heredity, race, sex and class, as the right places, at the right time.

For example, throughout its early history American business was an exclusive club, run by owner/managers and frequently dominated by men from Great Britain and other points in Western and Central Europe. The alienated and restless minorities which violently and noisily confronted that system in the "isms" and "movements" of the time were basically the late arrivals with the funny names and wrong religions from the wrong parts of Europe—East and South.

Ever since 20th century American business "cut in" these excluded Europeans to avoid being "cut out," it has become richer, more powerful and more influential than ever envisioned. But significantly and tragically, American business erected these new manager/professionals as barriers between the long-time excluded Americans (primarily women and non-Whites) and the heirs of these original owner/mangers—thereby allowing their heirs to move in a single generation from liberal advocates to conservative resisters.

Despite the amnesia being practiced against the female and non-White consumer citizen by the "new immigrant"—himself just one generation removed from the urban ghetto, one step from the boat dock, and one home mortgage from poverty—inclusiveness has still proven to be the one unchanging and effective fact in the continuing evolution of America's stability, wealth and growth. In fact, there has never been a single instance when expanding or "cutting" people into a critical U.S. system has not made the system richer, wiser and more productive for all included in it.

We must conclude, therefore, that the most historically sound, socially significant thing that corporations must and can do now is to include all of its currently excluded consumer citizens (especially women and those of African, Asian, Native American and Latin descent) into the total reward and responsibility system of the business corporations which their dollars and needs support—and to do so without delay.

BLACK BAROMETER—SOCIAL CHANGE

("If American history means anything, it proves that great ability may appear among the sons and daughters of unsuccessful or very ordinary parents. Any system that promises well for our future must guarantee these young people the opportunity they deserve."—Robert Wood Johnson, 1947.)

The key catalyst in triggering this current movement by business towards economic inclusiveness is Black America. As a direct result of the urban-racial disturbances of the 1960's, most American corporations entered the quest for social responsibility late and, even then, through reaction rather than desire. Responding to the findings of the Kerner Commission Report, the password was "jobs"—for the Black unemployed, underemployed and outraged.

In this climate, social responsibility came to mean in the minds of many such things as "exceptions for Blacks," "riot prevention,"

"ghetto handouts," "women's lib," etc., rather than an increased willingness on the part of business to confront and participate in the solution of certain cost-related social problems. No pragmatic attempts were made to seriously seek the relationship of this new movement to the changing consumer market climate, taxes, capital investment, talent shortages and other known business opportunities and threats.

Business managers were asked to hire Black workers for racial reasons rather than for business reasons. The Federal government reinforced this request with threats of economic sanctions and court cases. Alien communications techniques and internal structures were created within large corporations to effect social responsibility efforts on the periphery rather than in the mainstream of corporate power. These forces led many businesses to regard social responsibility as pie-in-the-sky altruism and forced government intervention. This led to defensiveness and resistance by some businesses, which generated increased public pressure and new government regulations.

Black America, too, saw the corporate social responsibility movement through limited and reactionary eyes. Yielding to the pain and glory of the 1960s, they began to view it as tokenism, deception and other insincere efforts, won by fear rather than commitment to the liberation of human talent. Civil rights were glorified and economic rights underplayed. Black achievers in politics were publicized and highlighted out of proportion to their actual accomplishments: while Black achievers in business were largely ignored or viewed as powerless, selfish compromisers out of proportion to their real value, emerging role and critical necessity. The inseparable relationship between the survival of Black political power and the acquiring of Black economic power was largely ignored or unattended.

Despite these conditions, Black America's efforts and sensitivities once again predicted the course of action and goals for all other excluded minorities and women in the 1970s. As it was during the Civil War and its Reconstruction, the peculiar and complete interweaving and interaction of the Black American within the total institutional framework of the American society still makes them the most accurate and sure predictor of the nation's social future.

For example, the origins of the American labor union, the Susan B. Anthony movement, the "New Deal" programs, the full employment struggle, the Equal Opportunity movement, the War of Poverty, the humanization of the Army, etc., were all conceptualized, demanded and often initiated in the Black community, long before political parties or majority representatives even conceived of or supported the idea or the deed. Even the artistic fashion and social lifestyle of America is often seen and lived in Harlem before it ever reaches Broadway. Gunnar Myrdal made this point in *An American Dilemma*, when he argued that Black America's impact on White America is as great as White America's control of Black America.

To paraphrase Mayor Kenneth Gibson, **"Wherever America is going, Black America will get there first."**

Viewed in these terms, it is critical for business to understand that you cannot uplift Black America without uplifting all America. Particularly vital here is the role of the Black woman as the link between the struggles for racial equity and sex equality. ***Strategies which propose to neglect Blacks for other minorities or women beg for delayed disaster rather than shared progress.***

Black America, on the other hand, must come to grips with the importance, resources and vulnerability of the American business community to the changing economic climate at home and around the world. Continued rhetoric or strategies which treat corporations and minorities in it as persons to be used rather than co-equally supported may lead once again to the loss of hard-fought rights, due to the failure to seize and retain the power to influence those free enterprise, life-supporting systems which fundamentally shape America.

Both Black Americans and corporations must understand that their collective unity ensures the advancement of all excluded classes and the maximization of talent utilization and market expansion. Economics, like the world, is round.

VISION TO TRANSFORM THE MARKETPLACE

America then is fundamentally a business or economic society, whose economic institutions lay the foundation for freedom as we perceive it; whose roots are in its very constitutional framework of existence.

Economic development, as a vision, means that the world expects now and will demand tomorrow that business also do its work for the good of the society or the marketplace which sustains it, while continuing to make a competitive profit. Economic nationalism has moved multinationally and transnationally in pursuit of an economic result, which improves the quality of life and the percentages for survival.

The expressions and expectations of this new vision have transformed the marketplace.

In such a climate, reducing the uncontrollable circumstances or the environmental risks of doing business becomes as important to marketing as increasing sales. For example, profit yields to market uncertainty which sets lower limits on investment return. In fact, marketing pioneer Naylor Fitzhugh of Pepsi Cola argues that the formula for profit today and tomorrow must subtract risk cost after all other cost has been made to realistically determine real earnings or real profits and actual value.

One can easily speculate, for example, on how favorable the American marketplace could be in terms of tax-load, environmental health, consumer purchasing power, balance of payments, productivity, skill availability, safety, security and general peace of mind, *if* we in buisness had viewed Whitney Young's call for a domestic Marshall Plan as our first order of business in the 1960s and in our vested and urgent interest.

We can therefore summarize our examination of the quest for corporate social responsibility with these conclusions:

Corporations and business are historically the foundation of our economic system and, fundamentally, social institutions with tremendous impact upon the fabric and lifestyle of modern society. As such, they incur major responsibilities which in turn present major opportunities for market growth and survival through innovative social investment.

Corporations must understand that Black Americans are the key barometers to social change and economic progress in America as well as in developing countries abroad. They are the way to reducing the risk climate and improving the environment for better and more secure business performance.

Black Americans must learn to *independently* assess and better appreciate the business corporation so that the creative resources of business, minority and female America can move from confrontation to conciliation to mutual rewards through cooperation. The struggle for social justice and respect in America has shifted to the corporate inside. Whitney Young has been multiplied manyfold.

Black women have a critical role in this emerging new coalition for change. They must negotiate the dangerous barriers between racial aspiration and female self-assertion.

Corporate social responsibility then is an idea whose time has come. It affirms that business must learn to manage change or it will be controlled by change. It recognizes that in today's marketplace, social responsibility has joined the marketing team in its quest to help business survive and prosper.

However, to survive and profit from these new challenges to the American economic system in a free world marketplace, both business and its society—especially its Third World, female and youth components—must demonstrate, through a new code of action-oriented results, that:

The price of peaceful progress is to make progress in peaceful times.

The price of profit today is reinvestment in tomorrow.

The price of keeping power is sharing power.

The price of independence is interdependence.

THE PERILS OF CURTAILMENT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. UDALL. Mr. Speaker, the economic crisis has evoked as many varied opinions as alternative solutions. Governmental controls, laisse faire philosophy, and administrative subsidies have all been suggested with the conventional attitude of complete curtailment of production. All these responses seem to me to be negative, hasty and individually ill-suited to be the answers for the problems facing the United States.

I have been seeking positive approaches, and along these lines I want to bring to the attention of colleagues some fresh thoughts presented in a paper by Mr. Sidney Scheuer.

Mr. Scheuer has had a most varied and fruitful experience as one of our top economic administrators and negotiators during World War II. In a private capacity as president of Scheuer & Co. and Intertex International, he was one of the pioneers in East-West trade, taking an early lead when it was unpopular and difficult to do so. He struggled with the economics of America before under the leadership of the late President Franklin D. Roosevelt.

As chairman of the National Committee for an Effective Congress, Mr. Scheuer recognizes the great disadvantage which American businesses face in competition with the highly centralized and subsidized Iron Curtain economics. He feels only positive Government action will stimulate large scale trade initiatives.

While I have some clear differences with Mr. Scheuer's approach, I commend it to my colleagues as a fresh and innovative analysis which may help provoke further thought.

The article follows:

The following is an evaluation of the advantages of maximizing production as against the disadvantages of broad-scale curtailment.

Over-organization and over-manning are among the major maladies of modern society. They are a form of sickness which has overtaken the capitalist as well as the Eastern Communist worlds. They betray a belief and trust in foolproof formulae which are supposed to prevent error and eliminate uncertainties.

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This concept has failed completely; instead of achieving efficiency and improving management, it has merely given rise to burdensome and unproductive costs. No area of human activity has been exempted from this obsessive surge—government services, municipal activities, industry, professional organizations, educational establishments and most other areas of activity.

What to do and how to do it are difficult to determine. Undertaking corrective steps at a time when capitalist societies are in disarray as never before in modern times is not easy. Obviously, when and as correction is undertaken, displacement and unemployment will ensue. While pensions, unemployment insurance and other similar programs are available in greater measure than ever before, ways must be found to deal with the displaced persons involved. If they have talents, as many have, they can be employed usefully provided a new beginning and a new approach are adopted.

To accomplish this would necessitate large scale and unorthodox initiatives. One such appears to be to undertake a new approach in production policies; to wit, the operation of our industrial facilities at maximum capacity. While this sounds like economic and financial heresy, it is nothing of the kind. Only in areas which are experiencing radical changes in requirements should this recommendation be altered, and many of these ought to have been anticipated. Perhaps the principal example of this is automobile production.

If a boost is given to production, employment will be maintained at a high rate; however difficulties in financing inventories and operations would have to be cleared up. In this connection, it should be recalled that for many years we mistakenly subsidized our agriculture to prevent overproduction. We learned that this caused a costly drain upon American citizens and in the end did a disservice. Large-scale curtailment of industrial production would be even more costly.

Through the Export-Import Bank in cooperation with private banking we now make available enormous sums to assist our exports. Is it not equally desirable that the Export-Import Bank's functions be broadened to include those hitherto performed by the Reconstruction Finance Corporation, i.e., financing domestic industrial activities which necessitate financing of inventories. The financing of the export of increased production would seem to come within current Export-Import Bank operations. Markets for this excess can be found. With a little effort we can produce what the world needs.

The benefits of such a scheme are indisputable: reduction of unemployment, increased efficiency, lowering of production costs. Moreover, the important practical as well as psychological benefits generated would not only be helpful in the U.S. but throughout the world.

The risks of maximum operation would be less than those of broadscale curtailment. One need only contemplate an average curtailment of 33⅓% throughout major American manufacturing facilities to recognize the enormous cost thereof, and the widespread distortions which this would cause. A dominant industrial society cannot curtail itself into prosperity. Even though other countries find it necessary to retrench or find it prudent to do so, this does not automatically make it a wise course for us to follow. If our society allows itself to become the captive of classical economic theories in this unclassical world, we will be the losers. Private stockholders and investors will benefit if such a bold concensus is adopted. Such a national undertaking would prove our competence to adjust to the vicissitudes of a chaotic international world and an ability to look beyond current economic abnormalities.

The use of raw materials as blackmail by Middle East suppliers has been emulated by other commodities-supplying countries. This could have been forestalled: it ought certainly to have been denounced as a moral assault on international society, but now it is a reality and must be dealt with.

Governments that treat certain industries as instruments of national policy are among the additional international factors which capitalist societies must contend with. The culmulative influence of all this upon free competition is something new to our business community, so it behooves us to give tangible proof of our commitment to maximum productivity.

If this is done, the balance sheet of our capitalist society will look much better in two years than it will if curtailment, withdrawal, and fear dominate. The open question is whether the necessary leadership can be generated and whether it will recognize this as an opportunity and as a test of strength. Our industrial effectiveness hinges upon statesmanship. Employment will be vastly more increased by work rather than by handouts, by using our strengths rather than by permitting our economic society to deteriorate. Innumerable objections will be raised; one being that prices will decline—but isn't that what is urgently desired? Will our economy not be less damaged if recovery is based on higher employment and the increased demand this generates? Taxes, too, would be higher if operations are maintained rather than if they are not.

Emerging and industrializing nations, China, U.S.S.R. and Eastern Europe are all expanding production. Would it not be a sad commentary on capitalism if the largest industrial nation were to move backwards at such a time? It is realized that this rough outline describes a procedure unfamiliar to classical economic practitioners but do the times not demand just this?

REPUBLIC OF LITHUANIA

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. BELL. Mr. Speaker, I would like to remind my colleagues in the Congress that February 16 of this year will mark the 57th anniversary of the establishment of the Republic of Lithuania.

On that day, it would befit all of us in this Nation to contemplate the ongoing struggle of the oppressed people of Lithuania, who had enjoyed their independence only 22 years before the Soviet Union invaded and forcibly annexed the Baltic States of Lithuania, Latvia, and Estonia in 1940.

The determined struggle of the Lithuanian people to be free of this oppression continues, as demonstrated by the following resolution adopted recently by the Lithuanian-Americans of southern California, which I respectfully call to the attention of my colleagues and all Americans:

RESOLUTION

Unanimously adopted at a mass assembly of Lithuanian-Americans and their friends, living in Southern California, sponsored by the Lithuanian-American community of the United States, Western Division, held on Sunday, December 23, 1974, at 12:15 p.M. at the Marshall High School Auditorium (3939 Tracy Street, Los Angeles, California. 90027) in meeting and honoring Mr. Simas Kudirka, a Lithuanian seaman, who in November, 1970 jumped from a Soviet fishing trawler to a Coast Guard ship tied alongside and several hours later was surrendered to the Russians, triggering worldwide outrage, after four years of suffering and torturing by the Soviet Communists in the Soviet prisons and slave-labor camps, finally in November, 1974 he and his family landed in America.

Whereas the Soviet Union took over Lithuania by force of arms in June, 1940; and

Whereas the Lithuanian people are strongly opposed to foreign domination and are determined to restore their freedom and sovereignty, which they rightly enjoyed for more than seven centuries in the past; and

Whereas all representatives of the United Nations, including the Soviet Union, signed the Declaration of Human rights ten years ago, but the Soviet Union has failed to live up to the principles and goals of the aforementioned declaration; and

Whereas the government of the Soviet Union, through a program of deportations and resettlement of peoples, continues in its effort to change the ethnic character of the populations of the Baltic States; and

Whereas scores of new States were established and founded since 1945 in Asia and Africa and admitted into the United Nations; and

Whereas it has been the firm and consistent policy of the government of the United States to support the aspirations of Baltic peoples for self-determination and national independence; Therefore be it

Resolved, That we, Americans of Lithuanian origin or decent, reaffirm our adherence to American democratic principles of government and pledge our support to our President and our Congress to achieve lasting peace, freedom and justice in the world; and be it further

Resolved, That the President of the United States carries out the expression of the United States Congress contained in *H. Con. Res. 416* (89th Congress) by bringing up the Baltic States question in the United Nations and demanding the Soviets to withdraw from Lithuania, Latvia, and Estonia; and be it finally

Resolved, That copies of this resolution be forwarded this day to the President of the United States, Secretary of State Henry Kissinger, United States Ambassador to the United Nations, John A. Scali, and selected members of the United States Congress.

JOHN CINGA,
Chairman, Lithuanian-American Community of the United States—Western Division.

VOLUNTEER FIREFIGHTERS

HON. DAVID W. EVANS

OF INDIANA

Monday, February 10, 1975

Mr. EVANS of Indiana. Mr. Speaker, we are all aware that fire is a major national problem. The United States leads the industrialized nations of the world in per capita deaths and property loss from fire. Even by conservative estimates, fire costs in the United States are over $11 billion annually. The cost of human lives, both victims and firefighters, is an immeasurable cost.

Manpower is a key factor in prevention and control of fires. But the incentives for firefighters are few. Theirs is the most hazardous profession in the Nation, with a death rate 15 percent greater than the next most dangerous occupation—mining and quarrying.

Despite these great risks, about 1 million Americans serve as volunteer firefighters which is five times the number of paid firefighters. It would cost at least $4.5 billion annually to replace these

civic-minded volunteers with paid firefighters.

But there are no financial incentives for volunteers and few opportunities for training beyond the basic levels. Training is an expensive undertaking that removes the trainees from useful service for a period of time.

Costs incurred by volunteer firefighters during the performance of their duties are normally reimbursed to the volunteer. However, under present law, this reimbursement is considered income by the Internal Revenue Service and is taxable. Not only does this destroy what little incentive there is for volunteer service, but we are also taxing these public-spirited individuals who have donated their own time and efforts to provide a dangerous and essential service to their local communities.

I have joined in sponsoring legislation, H.R. 369, to allow these volunteer firefighters and rescue teams to exclude from their gross income certain amounts of income received in the performance of their duties.

I hope that the Ways and Means Committee, to which the bill has been referred, will take a close look at the problem this bill is designed to remedy, and give the bill its favorable consideration.

The text of H.R. 369 follows:

H.R. 369

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"SEC. 124. CERTAIN PAYMENTS TO VOLUNTEER FIREMEN

"(a) GENERAL RULE.—In the case of an individual who is a volunteer fireman, gross income does not include amounts received by him for service as a member of a firefighting or rescue unit of a State or a political subdivision thereof.

"(b) VOLUNTEER FIREMAN.—For purposes of this section, the term 'volunteer fireman' means any individual—

"(1) who serves as a member of a firefighting or rescue unit of a State or political subdivision thereof, and

"(2) who does not receive compensation for such service in excess of—

"(A) $5 for each occasion on which such individual serves as a member of such unit in response to an emergency call for firefighting or rescue services, and

"(B) $5 for each occasion on which such individual attends an administrative or other meeting of such unit, but not to exceed $10 during any month.".

(b) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 124. Certain payments to volunteer firemen.

"Sec. 125. Cross references to other Acts.".

SEC. 2. The amendments made by the first section of this Act shall apply to taxable years beginning after December 31, 1974.

BICENTENNIAL ACTIVITIES IN QUINCY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, as I mentioned yesterday, I am pleased to bring to the attention of my distinguished colleagues a series of articles published by Quincy Heritage, Inc., concerning Bicentennial activities in Quincy, Mass.—city of Presidents:

HONORING JOHN Q. ADAMS—500 TREES TO BE PLANTED FOR BABIES IN 1975, 1976

John Quincy Adams, sixth president of the United States, had a personal motto: "Plant trees for the future."

During his presidency, Adams initiated the planting of 100,000 trees in Florida to insure young America ample wood for future shipbuilding.

Quincy Heritage will honor the memory and spirit of the country's sixth president by planting 500 trees throughout the city in the name of the children born during 1975 and 1976.

The parents of each Quincy baby born during those two years will receive a certificate stating that a tree has been planted in their child's name.

Local civic organizations, clubs, businesses and individuals can contribute funds to plant a tree or trees.

The purchase and planting cost of each tree is $50. Estimated cost of the entire two-year project approaches $25,000. Quincy Heritage hopes to conduct two plantings each year with the aid of the Park and Recreation Department.

Quincy Heritage also plans to involve Quincy's students in raising contributions for tree-plantings by sponsoring a tree walk-a-thon. Slated for April 18, the walk-a-thon will be held in conjunction with the re-enactment of Colonel Francis W. Parker's original address to the townspeople exactly 100 years before, when he became (Quincy's) first superintendent of schools.

There will be two walk-a-thon sessions—one in the morning, another in the afternoon. The purpose of the walk-a-thon is three-fold. Most importantly, Quincy students will acquire an appreciation of the rich heritage of their city. Students will visit and investigate historic sites nearby their own schools, enriching their knowledge about their city. At some of the lesser-known sites, teachers will discuss the significance of the area with the students.

Secondly, students will help to beautify the city by picking up pieces of litter as they travel.

Thirdly, the students will raise money for tree planting during the walk-a-thon through pledges. Checkpoints will be established at each school to provide soft drinks, water and first-aid to walkers. Quincy Heritage volunteers will man these checkpoints to verify the distance walked by each student.

PROGRESSIVE EDUCATION BORN IN QUINCY

Progressive education was born in Quincy. Colonel Francis W. Parker, Quincy's first superintendent of schools, developed the "Quincy System", a plan which revolutionized teaching methods and became nationally known.

In 1900, the year marking the 25th anniversary of the birth of the new system, Col. Parker returned to Quincy, giving a speech on the "Quincy System" at United First Parish Church.

To commemorate the contributions of this great man, a reenactment of this event will take place April 18, at United First Parish Church. A top United States education figure will be invited to participate in the commemoration.

HANCOCK CEMETERY RESTORATION TO CONTINUE

Quincy Heritage will be able to continue the restoration of the 330-year-old Hancock Cemetery with the help of a $9,200 grant from the executive office of educational affairs.

Some 50 high school students associated with the Neighborhood Youth Corps and the Quincy Youth Commission will work on the restoration project under the direction of North Quincy High School anthropology teacher Richard Riley.

During the summer of 1974, students spelled out the name of the cemetery in pieces of sod along the cemetery entrance side near City Hall.

Students will be able to develop their skills as artisans, craftsmen, tradesmen and resource teachers. Designed to increase appreciation and respect for our historic properties, the project will be a unique learning experience for the students of the city.

The $9,200 grant will enable Quincy Heritage to complete the next phase of work which includes "gridding" of the cemetery, mapping burial plots and studying the histories of families buried there. Gridding involves dividing the cemetery into small sections in order to determine the exact location of gravesites.

John Graham, executive director of Quincy Heritage sees the beautification of the cemetery as an "ideal project" for involving the youth of the city with the value and process of historic preservation while providing them with needed jobs.

He hailed the project as "a major contribution" to the city's celebration of its 350th anniversary in 1975 and the nation's Bicentennial in 1976.

UNDER PROJECT LINC—TEACHERS RESEARCHING QUINCY HISTORY FOR STUDENTS

Six Quincy teachers and one principal are researching aspects of Quincy's history in order to develop learning material for Quincy students.

Under the auspices of Project LINC, Quincy Public Schools' Title III project, students will be able to explore Quincy's historical sites and learn of Quincy's heritage, helping to involve them in the city's celebration of its 350th anniversary.

Gerald Butler of Lincoln-Hancock Community School is developing information on the history of the granite industry, its importance to the city and the reasons for its decline.

Joan Leonard of the Parker School and Laura DiTullio of the Squantum School are investigating the role of women in the 19th century.

Gene Ronayne, assistant principal at Quincy Elementary School, David Hohmann of the Wollaston School and Marshall D——— of the Squantum School, are researching the potential of the United First Parish Church for re-creation of the 18th and 19th century Quincy life.

Eugene Creedon, principal of the Parker School, spent the summer researching education in the 1870's and 1880's at the time of the appointment of Col. Francis W. Parker as the first superintendent in Quincy.

LINC students started to learn first-hand about Quincy's historic sites in September and October of last year during the Adams Academy Dig.

Under the guidance of North Quincy High School teacher Richard Riley and Quincy High School teacher Daniel Lutts, several students assisted in the attempt to unearth the old Hancock well on the grounds of the academy—the birthplace of Patriot John Hancock.

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APRIL 11-12—QUINCY TO MARK 350TH BIRTHDAY AT 2-DAY CELEBRATION

(By Mary Ann Duggan)

Quincy will officially celebrate its 350th birthday April 11 and 12 with a week-end dinner-dance and homecoming day.

A semi-formal, sit-down dinner at the Chateau de Ville in Randolph will begin the festive weekend Friday, April 11. Quincy natives who have gained national recognition have been invited to return to their historic Granite City to participate in the two-day, birthday-homecoming celebration.

William Szathmary, alias Bill Dana, recently replied to Mayor Walter J. Hannon's invitation to attend the city's 350th anniversary party. Dana thanked the Mayor for his gracious invitation and said he would try to re-arrange his schedule and attend the city's planned celebrations.

In his letter, Dana wrote:

"Quincy is very important to me. There is an expression here—'Put me in with a hard pencil.'"

He added, "Just one other problem concerning the birthday party. What do you get a city which has everything?"

Invitations have also been sent to state and film actress Ruth Gordon, actress Lee Remick, former Boston Braves pitcher Dick Donovan, Channel 7 TV personality Paul Benzaquin and WWI veteran and Congressional medal winner Charles McGilvray.

Friday's dinner-dance will begin at 6:30 p.m. with a social hour. A roast beef dinner will be served at 7:30 p.m.

Throughout the evening, John Savini's 18-piece orchestra will entertain the guests along with Quincy accordionist Mabel Biagini.

On display that evening will be plywood and paper mache scale-model reproductions of Quincy's historic sites, made by students at Broad Meadows Junior High School.

Tickets for the dinner-dance cost $17 each. Reservations must be made in advance since seating is limited. Everyone attending the event will receive the official 350th anniversary medal in bronze.

On Saturday, Quincy Square will be the scene of a gala birthday party and homecoming day for the entire city. Mayor Walter J. Hannon will present "Citizens of Distinction" awards to Quincy residents, past and present, who have made significant contributions to the community.

Both the Quincy High School Band and the North Quincy High School Band will entertain during the afternoon celebration which will begin at 2 p.m. A gigantic birthday cake will be cut into thousands of pieces—enough for everyone attending.

In case of inclement weather, the celebration will be held at the Quincy Vocational Technical School.

Leo Meady is chairman of the Quincy Heritage Social Committee which has planned and co-ordinated the birthday-homecoming weekend. Ticket chairman for the dinner-dance is Mrs. William Walsh.

"SALUTE TO QUINCY DINNER" KICKS OFF HERITAGE EVENTS

A "Salute to Quincy's Heritage Dinner" Wednesday night marked the official beginning of the city's celebration of its 350 years of history.

Paul Benzaquin of Channel 7 was the main speaker at the four-hour festive event held at the Carlton House, North Quincy.

During the evening Mayor Walter J. Hannon announced the 54 winners of the Quincy Heritage poster and slogan contests co-sponsored by the Quincy Savings Bank and The Quincy Sun.

The evening of entertainment and celebration began at 6:30 p.m. Pete Henderson, custodian at the Merrymount School, entertained the crowd with a solo performance on the bagpipes.

A sit-down roast beef dinner was served at 7:30 p.m., followed by the announcement of the slogan and poster contest winners.

For Benzaquin it was a pleasant homecoming. He is a graduate of Quincy High School. Benzaquin is the host of an hour-long morning talk show on Channel 7. A former Herald and Globe reporter, he is the author of "Fire", a book chronicling the horror of the Coconut Grove holocaust. He was also nominated for two Pulitzer Prizes.

The premier of "Quincy Played Its Part", a 20-minute film produced by sixth graders, closed the gala evening. Under the direction of Walter McCarthy, Atlantic Junior High School Graphic Arts teacher, the children tried to envision and re-create the life of the early settlers leaving their homes and friends to make a new life in a new and unfamiliar frontier.

WHY WE PRONOUNCE IT "QUIN-ZEE"

Why do we pronounce Quincy "Quin-zee" when just about everyone else in the country refers to it as "Quin-see"?

There are 19 other Quincy's in the U.S. but they pronounce it "Quin-see".

Can they be right and we be wrong?

Not according to Quincy's late city historian William C. Edwards who never budged an inch whenever the argument ever came up. And it still comes up.

The reason we pronounce it "Quin-zee" is very simple.

"That's the way the Quincy family pronounced it," he used to explain.

"The original Quincy family which settled here at Mount Wollaston pronounced it 'Quin-zee' including Col. John Quincy after whom Quincy, Mass.—the first Quincy—was named in 1792."

Colonel Quincy was the great grandfather of sixth President John Quincy Adams.

Apparently all 19 other Quincy's in the U.S. were named after John Quincy Adams.

And, apparently the early settlers of those communities thought John Quincy pronounced it John "Quin-see".

Anyway, that is how Edwards explained it. Seems like a sound argument.

SIXTH GRADERS PRODUCE MOVIE "QUINCY PLAYED ITS PART"

"Quincy Played Its Part", a 20-minute movie produced by sixth grade Quincy students, premiered Wednesday night at the gala opening of Quincy's Bicentennial and 350th anniversary celebrations.

Under the direction of Walter McCarthy, graphic arts teacher at Atlantic Junior High School, students involved in "Summer Scene"—the city's summer school program—began to research the film's story-line during the summer months.

McCarthy conceived of the idea of making the film not only to involve the youngsters in the celebration of their city's birthday and the nation's bicentennial but to cultivate in them a better understanding of their heritage and history.

"Stars" in the movie include Michael Dineen, Patrick Doherty, Christine Flynn, Lisa Flynn and Karen Kiley, all sixth graders from Quincy elementary schools.

The film tries to capture the feelings and to re-create the lives of the early pioneer settlers who abandoned the security of their homeland and sailed to the New World, building a new life in distant, unfamiliar land.

To prepare for the making of the film, the students visited the Quincy Yacht Club for a sailing lesson during the summer. They learned the intricacies of sailing and the skill needed to man a vessel at sea.

The students also visited Plimouth Plantation, Quincy's Heritage Trail, United First Parish Church, the Hancock Cemetery, the Dorothy Quincy Homestead and the birthplaces of John Adams and John Quincy Adams. Film for the movie was shot at these historic sites.

The film also contains shots of pictures in books and tells the story of the early stages of the Revolution, emphasizing the role of John Adams.

James Lynch, a teacher at Atlantic Junior High, as well as the school children, narrate the film.

McCarthy said the children reacted eagerly to making the movie. He said:

"I hope they learned about Quincy's role in the nation's beginning and I hope they got an idea of how a film is made."

ARTICLE ON QUINCY IN MASSACHUSETTS BICENTENNIAL GUIDE

"Quincy: Still Making Merry On Merry Mount", is a full-page article on Quincy Heritage included in the official Massachusetts Bicentennial Guide.

The article discusses the major programs of Quincy Heritage, including tourmobile service to historic sites, the restoration of Hancock Cemetery, its information center and the production of such plays as "American Primitive", based on letters written between Abigail Adams and John Adams.

The Massachusetts Bicentennial Guide, a 160-page booklet filled with illustrations and pictures, is specifically designed to help residents and tourists pre-plan their itinerary to include special Bicentennial events planned throughout the Commonwealth.

Edward McColgan, executive director of the Massachusetts Bicentennial Commission, presented Mayor Walter J. Hannnon with Quincy's first copy of the official guidebook in November.

The booklet is now on sale at the Quincy Heritage offices located in the Quincy Center MBTA Station.

CALENDAR OF EVENTS

Following is a calendar of events scheduled for a three-month period to celebrate Quincy's 350th anniversary.

Many other events are being arranged throughout 1975 and 1976—the nation's bicentennial, but the actual dates, times and places have not yet been completely firmed up.

Quincy Heritage will update the calendar during the two-year period and it will be published in The Quincy Sun.

Jan. 15, 6:30 p.m.—"Salute to Quincy's Heritage" Dinner and program at the Carlton House.

Jan. 23, 7:30 p.m.—"Quincy's Pride" slide show presented to Central School/Home Association at Central Junior High.

Jan. 27, 8:30 p.m.—"Quincy's Pride" slide show presented to the Quincy Hadassah at City Hall.

Jan. 30 and 31, 8 p.m.—"Damn Yankees" at Broadmeadows Junior High School.

Feb. 5, 5 p.m.—Concelebrated Mass at St. Mary's Church with sermon by Bishop Fulton J. Sheen of New York.

Feb. 5, 6:30 p.m.—"Quincy's Pride" slide show presented to Braintree Men's Club at All Soul's Church, Braintree.

Feb. 12, 8:15 p.m.—"Quincy's Pride" slide show presented to the Mother's Guild at St. Joseph's Church.

Feb. 26, 8 p.m.—"Quincy's Pride" slide show presented to the Mr. and Mrs. Club of the Wollaston Congregational Church.

March 11, 8:30 p.m.—"Quincy's Pride" slid show presented to the Evening Division of the Quincy Women's Club.

March 13, 12:45 p.m.—"Quincy's Pride" slide show presented to the Wollaston Mothers' Club at the Wollaston Lutheran Church.

March 11, 8:30 p.m.—"Quincy's Pride" slide show presented to the Daughters of the American Revolution, General Sylvanus Thayer Chapter.

March 20, 21, 24, 25, 8 p.m.—"Quincy Heritage Cabaret" at North Quincy High School Auditorium.

March 20 and 21, 8 p.m.—"American Primitive" by William Gibson, a play based on the letters of Joan and Abigail Adams, at Broadmeadows Junior High.

QUINCY HISTORICAL SOCIETY PROGRAMS

Jan. 23—350 Years—H. Hobart Holly.

Feb. 27—Recent developments at the American China Trade Museum—Paul E. Molitor, Jr., illustrated.

March 27—Digging it all up in Eastern Massachusetts—George R. Horner, illustrated.

Meetings are held at the United First Parish Church, Quincy Square, at 7:30 preceded by a dinner by reservation. The public is welcome.

WILLIAM AND MARY CELEBRATES 282D ANNIVERSARY

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. DOWNING. Mr. Speaker, Saturday marked the 282d anniversary of the granting of the charter for the College of William and Mary in Virginia. The ceremonies commemorating the event were highly marked by an address by Mr. Virginius Dabney, the retired editor of the Richmond Times Dispatch in which position he won the Pulitzer Prize. Since that time Mr. Dabney has devoted much of his energy to a lifetime interest in Virginia to the result that his scholarship has endowed the Old Dominion with her finest volume of history to date.

Like most Virginians, Mr. Dabney is proud of our State's history and understandably proud that the richness of Virginia's past enables us to take a responsible role in the preparations for the bicentennial of our country's founding.

We have not found it necessary to manufacture new tales of Virginia's past, and we are prone to take issue with those who would attempt such an effort.

On Saturday, Mr. Dabney once again exercised the skilled hand of an editor as he took to task two authors who recently have treated the truth quite loosely in their writings about certain leaders in the movement which brought this Nation into being. I am pleased to insert the full text of his remarks in the RECORD:

FACTS AND THE FOUNDING FATHERS

(By Virginius Dabney)

It is fitting that at the ancient College of William & Mary, whose halls have been trod by so many of the great men in our early history, we should concern ourselves on this Charter Day with the two hundredth anniversary of the American Revolution and our country's founding.

The men and women who carried the Continental Army to victory after years of intense struggle against apparently overwhelming odds, and then created a nation, deserve our veneration. They were not perfect, they had their faults and frailties, but they possessed ability, courage, determination and character.

There was a musical show a few years ago entitled "1776". It did not purport to portray history as it was. Thomas Jefferson as a mooning, dreamy, not altogether bright individual certainly seemed a travesty on the original, and Richard Henry Lee as a song and dance man was so far removed from reality that nobody, let us hope, took "1776" seriously as a picture of actual persons and events.

But two books have appeared recently, both choices of the Book-of-the-Month Club, that are in a quite different category. At the very time when we are preparing to exalt those who brought the United States of America into being, and to pay tribute to their virtues and their accomplishments, *Burr* by Gore Vidal and *Thomas Jefferson* by Fawn Brodie have been published. These best-selling volumes, purporting to be based on sound scholarship, tend strongly to degrade some of the very men whom we, in the bicentennial, are seeking to honor.

The Brodie book is not objectionable simply because it advances wholly unproved charges against Thomas Jefferson. It is even more objectionable because it seeks to show that the alleged fathering of a brood of mulatto children affected Jefferson's whole life thereafter, giving him a guilt complex. One of numerous far-fetched interpretations advanced by Mrs. Brodie is that "the unwritten and unadmitted tragedy of Jefferson's life" was that he had to "keep up an elaborate pretense" that his relations with Sally Hemings, the mother of the children, did not exist. Evidence of thia so-called "tragedy" has somehow escaped Jefferson's other biographers.

It should be recognized at the outset that the charge of fathering mulatto children was first circulated against Jefferson by a vicious, unscrupulous drunkard named James T. Callender, who had become furious with President Jefferson because the President refused to appoint him postmaster at Richmond.

While proof of Callender's allegation is wholly lacking, there is no question that, when young and single, Jefferson tried to seduce the wife of his friend, John Walker, when Walker was absent on a trip. This was admitted by Jefferson, who was obviously no plaster saint, and his modern biographers do not try to make him out one. They are aware of his faults, and this is obvious in their books about him.

But the three greatest living authorities on Thomas Jefferson all agree that Mrs. Brodie's book is based on half-truths, unwarranted assumptions and grievous misinterpretation of the known facts.

All three of them—Dumas Malone, Julian P. Boyd and Merrill Peterson—have devoted the greater part of their adult years to the study of Jefferson, in contrast to Mrs. Brodie, whose other books have been in entirely unrelated fields. These superlative scholars have provided me with heretofore unpublished statements concerning the Brodie book, which they have authorized me to use at this time. Their views were completely shared by the late Douglass Adair, profound student of the Jefferson era and onetime editor of the *William & Mary Quarterly*.

Dumas Malone, whose magisterial biography of Jefferson is regarded by authorities on both sides of the Atlantic as the last word on the subject, was reluctant to comment on the Brodie volume, saying that as a rule he did not discuss "other people's books on Thomas Jefferson." His statement is too long for me to quote it in full, but I give the following extract:

"This determined woman runs far beyond the evidence and carries psychological speculation to the point of absurdity. The resulting mishmash of fact and fiction, surmise and conjecture is not history as I understand the term. . . .

"Mrs. Brodie is not without insight into Jefferson's personality, and except for her obsession, might have contributed to our understanding of him. But to me the man she describes in her more titillating passages is unrecognizable.

"She presents virtually no evidence that was not already known to scholars, and wholly disregards testimony which I regard as more reliable. . . .

"Fawn Brodie and Gore Vidal cannot rob Washington and Jefferson of their laurels, but they can scribble graffiti on their statues. It is unfortunate that dirty words are so hard to erase, and it is shocking that the scribblers should be so richly rewarded."

Julian P. Boyd, editor of the massive collection of Jefferson's papers, whose colossal scholarship is universally recognized, terms "the principal defect of Brodie's work the manipulation of evidence, the failure to give due weight to the overwhelming considerations of fact and plausibility which conflict with her preconceptions."

Dr. Boyd points out that "among the whole chorus of adulatory critics of Mrs. Brodie's book, not a single Jefferson scholar is to be found. Mrs. Brodie's Jefferson never existed . . . He is as fictional as the Jefferson in Vidal's *Burr*," Boyd says. He repudiates completely Brodie's picture of a "despairing, ambivalent, indecisive, guilt-ridden man."

Testimony of two aged blacks, published in the *Pike County, Ohio, Republican* in 1873, on which Mrs. Brodie relies heavily, was "obviously prompted by someone for some unexplained purpose", says Boyd, "being unquestionably shaped and perhaps even written and embellished by the prompter." Malone terms it "in the tradition of political enmity and abolitionist propaganda."

One impressive fact, which Mrs. Brodie ignored, was that one of the aged men professed to have personal recollections of events that occurred before he was born.

Merrill Peterson, greatly respected Jeffersonian scholar and author of "The Jefferson Image in the American Mind", and "Thomas Jefferson and the New Nation", says concerning the Brodie book: "Mrs. Brodie has her obsessive theory and she sends it tracking through the evidence, like a hound in pursuit of game . . . in the end nothing is cornered and we are as remote from the truth as when we began. . . . I see no need to charge off in defense of Jefferson's integrity when we have no solid grounds for doubting it."

Dr. Peterson adds that Callender's newspaper article of 1802, "without supporting evidence of any kind, is the principal source of the legend, and in all likelihood we would not be discussing it today, but for him.

"The legend was born in the malignant political climate of 1800; it was revived by abolitionists, for whom it disclosed the ultimate corruption of slavery . . . and it enjoys some currency today because of intense curiosity about history of the black man in America . . . Callender's known character, his motives, his talent for libel—none of this damages his credibility for Mrs. Brodie."

Douglass Adair has an entire chapter entitled "The Jefferson Scandals" in his recently published posthumous volume *Fame and the Founding Fathers*. In it he makes the following statement:

"In four widely separated areas of the country, four different scholars independently discovered four key documents, no one of which alone solves the puzzle, but which, when checked and cross-checked against each other, together throw a great blaze of light on Jefferson as a slaveholder, on the Monticello slaves, and in particular on the slaves named Hemings. Today it is possible to *prove* that Jefferson was innocent of Callender's charges."

Adair's chapter on Jefferson was written in 1960. His assertion that the four documents referred to "prove" Jefferson's innocence seems a bit strong. It is almost impossible at this late date to *prove* such a thing beyond the shadow of a doubt. But it is altogether possible to indicate, on the basis of these documents, that the Master of Monticello was almost certainly innocent. All the probabilities point in that direction.

The four documents referred to by Adair are Jefferson's *Farm Book*, a letter from Henry S. Randall to James Parton, the statement of Madison Hemings published in Ohio in 1873

and reminiscences of Isaac Jefferson, another slave at Monticello.

Jeffersonian scholars have studied these materials for years and they have all concluded that Jefferson was innocent. They believe with Adair that Peter Carr, son of Dabney Carr and Jefferson's sister, Martha, was the father of the mulatto children in question. They believe further that Peter's brother Sam was the father of another group of mulattoes.

Thomas J. Randolph, Jefferson's grandson, told the historian Henry S. Randall, that Sally Hemings was the mistress of Peter and his sister Betsey, the mistress of Samuel—and from these relationships sprang the progeny which resembled Mr. Jefferson. The Hemings girls' "connection with the Carrs was perfectly notorious at Monticello, and scarcely disguised by the latter—never disavowed by them," said Randolph.

He further declared that he showed Peter and Sam a newspaper containing an insulting article about Jefferson's supposed paternity of the children. In Randolph's words:

"Peter read it, tears coursing down his cheeks, and then handed it to Samuel. Samuel also shed tears. Peter exclaimed: 'Aren't you and I a couple of ——— pretty fellows to bring this disgrace on our poor uncle who has always fed us! We ought to be ——— by ———!' (Expletives deleted.)

Ellen Randolph Coolidge, granddaughter of Jefferson wrote that Peter Carr had been overheard to say, with a laugh, that "the old gentleman had to bear the blame of his and Sam's misdeeds."

As corroborative evidence we have the statement of Edmund Bacon, overseer at Monticello, who said he knew who the father of Sammy's children was, and it was not Thomas Jefferson. He did not name the father, but said, "I have seen him come out of her [Sally's] room many a morning when I went up to Monticello very early."

Why did Thomas Jefferson never deny publicly that he fathered these children? The most plausible explanation is that his father-in-law, John Wayles, had undoubtedly sired Sally Hemings, Jefferson's supposed paramour, and five additional children by Betty Hemings. In other words, this group of six illegitimates at Monticello were Jefferson's wife's half-sisters and brothers. With his father-in-law producing one group of mulattoes and his nephews producing two similar broods, it is easy to see why Jefferson was unwilling to enter into public controversy concerning this matter.

Despite Mrs. Brodie's repeated assertions that Jefferson had Sally Hemings for his concubine over a period of many years, she reaches the remarkable conclusion that his "heroic image remains untarnished and his genius undiminished." Yet she asserts that the affair gave him a guilt complex for the rest of his life.

Mrs. Brodie even tosses off the charge that George Wythe, perhaps the most venerated man of the age, was the father of the mulatto boy who died from the same poisoned coffee that killed Wythe. She makes no attempt to offer proof.

Mrs. Imogene E. Brown, who has recently completed a biography of Wythe after several years of work, and Julian Boyd, who wrote a 45-page monograph on "The Murder of George Wythe", both say there is absolutely no foundation for this charge. Merrill Peterson and Dumas Malone term it sheer fantasy.

It is dismaying that Mrs. Brodie's confused and confusing book has been so highly praised by some non-Jeffersonian scholars in the universities. Written by a professor of history, it has been lauded by other professors of history. Just what this signifies for the deterioration of standards on the faculties of our seats of learning I leave to others to determine.

The other book that we are considering today was not written by a professor of history, but by a novelist who makes pretensions to historical knowledge, *Burr*, by Gore Vidal, is even more objectionable than *Jefferson* by Brodie, since it defames both Washington and Jefferson.

I have been astounded by the number of people who have taken this book seriously.

One reason perhaps is to be found in the declaration of the publisher on the jacket. "The facts are actual", we are told, "and the portraits of the major characters, Washington, Jefferson, Hamilton . . . are drawn from their own words and from the observations of their contemporaries." Also, "the book creates with scrupulous accuracy . . . the most significant years in the history of America." Vidal himself says that "the story told is history and not invention."

Let us first look at this so-called history as it concerns George Washington.

The story is related largely in the words, or supposed words, of Aaron Burr, not the most admirable character in American history, who, it should be noted, hated both Washington and Jefferson.

He hated Washington from the time when the latter caught him in 1776 reading confidential papers on his desk. Washington had returned suddenly after leaving the room. The commander-in-chief gave Major Burr a well-deserved tongue-lashing. Burr's first biographer, who knew him for forty years, wrote that "his prejudices against General Washington were immovable."

In Vidal's book, Burr is constantly sneering at Washington, without any explanation by the author of the reasons for this bitterness. Nothing is said concerning the fact that Washington caught him reading confidential documents. Burr repeatedly makes slurring observations concerning Washington's appearance, his character and his ability. Yet we are told that this is a portrait drawn from Washington's "own words and the observations of his contemporaries."

Of course, there were contemporaries in the opposition party, as was Burr, who denounced Washington on all kinds of ridiculous grounds, and who simply invented charges when this appealed to them. Anybody can go through the records and find these statements. For example, the Philadelphia *Aurora*, the country's leading Republican paper, said when the first President of the United States completed his second term and retired to private life, that the Master of Mount Vernon was "the cause of all the misfortunes of our country . . . every heart ought to beat high with exultation that the name of Washington from this day ceases to give currency to political iniquity and to legalize corruption."

Those who today may have reservations concerning the American press will doubtless concede that anything as preposterous as the foregoing will hardly be found in any leading twentieth century American newspaper.

But this is the sort of thing that Vidal seems to have relied on for the observations of "Washington's contemporaries." And the contemporary who is relied on more than any, of course, is Aaron Burr.

Washington, says Burr, ultimately "might be judged as an excellent politician who had no gift for warfare . . . an incompetent general." He adds that "in my view, had [Horatio] Gates or [Charles] Lee been placed in command of the Army, the war would have ended at least three years sooner."

Washington, needless to say, made his mistakes, including some bad ones, in the war of the Revolution, and he could not have won without the aid of France. But let us consider the enormous handicaps under which he labored and the fact that his sometimes ragged and starving, and always poorly equipped, army was facing soldiers from what was then the most powerful nation on the globe.

With respect to the Father of His Country's personal characteristics, we are informed by Burr that he was "slow-witted" but "no man was cleverer when it came to business and the promotion of his own commercial interests." One bit of evidence not mentioned by Burr is that the greedy and grasping Washington served seven years as commander-in-chief of the Continental Army and eight years as President of the United States, and refused to accept compensation in either post. He even spent some of his own funds for expenses.

Reference is made to his "cold, dull, serpent's glance", his "bleak, dark-toothed smile" and his "cold, serpent's nature." Also, he never read "any book at all." All this is what Vidal terms "history, not invention."

The one and only time that Vidal, or Burr, can bring himself to praise Washington, even half-heartedly, is when he speaks of him as "the supreme creator of this Union", but adds that he achieved this by his "powerful will and serpentine cunning."

The existence of this reptilian George Washington seems to have eluded his principal biographers. He has been intensively studied by Douglas S. Freeman and James T. Flexner, who probably, at a conservative estimate, devoted ten times as many hours to this enterprise as Gore Vidal. Freeman's massive biography got the Pulitzer Prize and Flexner's the National Book Award and a special Pulitzer citation. After the most thorough study ever made by anybody of Washington, Freeman failed to make a single reference to serpent's glances or serpentine cunning, and termed him "greater than any of us believed he was." Flexner called him "the indispensable man." Dumas Malone, who is completing the definitive biography of Thomas Jefferson, nevertheless regards Washington as the greatest of all Americans. The English historian, John Richard Green, in his classic *Short History of the English People*, said of Washington: "No nobler figure ever stood in the forefront of a nation's life."

After mature reflection, I have concluded that the opinions of Douglas Freeman, James Flexner, Dumas Malone and John Richard Green outweigh those of Gore Vidal.

Among those who knew Washington best were the members of the Virginia General Assembly, a body in which he had served several terms before the Revolution. In 1785 they commissioned the foremost sculptor in Europe, Houdon, to execute his statue from life, and place it in the Capitol at Richmond, in recognition of his services to the nation. In 1788, before Washington became President, the people of Richmond began celebrating his birthday annually as a holiday. If the description of Washington in *Burr* is based on the observations of his contemporaries, as the book's jacket claims, why was no reference made to such contemporaries as these, who paid him such conspicuous honor? Or those who demanded unanimously that he became the first President of the United States?

Vidal's and Burr's strictures on Thomas Jefferson are not quite so startling as those on George Washington, since Burr could hardly have failed to feel strong hostility toward Jefferson, in view of the latter's role in Burr's trial for treason. President Jefferson did his best to obtain a conviction, and his methods toward that end, it must be conceded, do not show him in his best light.

It is understandable, then, that in the book Burr terms his implacable enemy "a hypocrite" and "the most deceitful" man he had ever known. Burr also repeats the old canard that "Wise Tom preferred the safety of Virginia and the excitement of local politics to the dangers of war."

But when he refers to perhaps the most brilliantly versatile man America has produced as "an intellectual dabbler" who "never did any one thing particularly well," he lapses into absurdity. He becomes still more nonsensical by strongly implying that Jefferson couldn't even write, for he says that certain words of the Master of Monticello display "a more than usual infelicity of style."

Burr even sneers at John Marshall, the man who saved him from conviction on charges of treason. He states that in the crucial opinion that secured his acquittal, Marshall moved "with elephantine grace away from his own earlier position", and Burr adds that the Chief Justice underwent "a shameful collapse before Jefferson and public opinion."

Yet all this defaming of Washington, Jefferson and Marshall is hardly surprising, given Burr's tremendous prejudice against Virginians. "Putting aside honor like a Virginian" is one of his choice phrases. Only James Madison, among all the Virginians, qualified as a gentlemen, in Burr's opinion. We inhabitants of the Old Dominion would be inclined to regard this judgment as slightly excessive.

The amazing thing about Vidal's *Burr* and Brodie's *Jefferson* is that so many supposedly intelligent readers seem to take them seriously. It is understandable that these books have sold well, for almost any reasonably literate work that makes sensational charges against revered figures or downgrades those whom we have been taught to honor, will appeal to the groundlings. It is, however, dismaying that persons of presumed discrimination have accepted the slanders in these volumes.

Here at the College of William & Mary, where so many of the foremost men in our early history studied, and in Williamsburg, where the heroic Virginians of the revolutionary era made some of the epochal decisions in our annals, it is peculiarly appropriate that we denounce these untruths and half-truths for what they are.

The shades of Washington, Jefferson, Marshall, Wythe, Patrick Henry, George Mason, Peyton Randolph, Richard Henry Lee and a host of others who made this nation, look down upon us here, as we celebrate Charter Day at this fine old institution of higher learning, and as we move into the bicentennial. Let us remember their great and gallant services, and let us keep faith with them in gratitude for their lasting contributions to the founding of the republic.

U.S. POLICY TOWARD CUBA ANACHRONISTIC

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. HARRINGTON. Mr. Speaker, last week I introduced legislation designed to improve our relations with Cuba by amending or repealing laws long overtaken by events.

The first of my proposals is a joint resolution of the House to repeal the Cuba Resolution. Passed as Public Law 87-733 on October 3, 1962, the original resolution was little more than a policy statement expressing hostility toward the Cuban Government. As such, its repeal would be a convenient means of demonstrating an interest in reconsidering our relations with that country.

My second proposal is a bill to end the economic sanctions the United States has imposed on the Government of Cuba. More substantive than the joint resolution, it would bring relations with Cuba more in line with our recent efforts toward rapprochement with other countries, most notably the People's Republic of China and the Soviet Union.

As a matter of fact, to ignore détente with Cuba, or any other country for that matter, is out of harmony with this Nation's expressed foreign policy. In the case of Cuba, it involves more than just a foolish consistency because the reasons for threatening and isolating Cuba have become anachronistic.

In the early part of the last decade, it was commonly held that the isolation of Cuba would contribute to her decline and ultimately purge the island of communism. The result of this action has been increased Communist influence in Cuba, a country which is today stronger, not weaker than it was 13 years ago. Ironically, it is the United States which is now isolated. American opinion notwithstanding, eight members of the Organization of American States—OAS—Argentina, Mexico, Peru, Venezuela, Barbados, Jamaica, Panama, and Trinidad and Tobago—have recognized Cuba and three others—Colombia, Costa Rica, and Equador—are contemplating similar shifts in their foreign policy. At a meeting of the OAS in Quito last year, 12 members voted in favor of accepting Cuba as a member, another indication that Latin American countries are not willing to follow the United States blindly.

In addition, the United States, whose shortage of sugar alone makes trade with Cuba worthwhile, is beginning to find its policy divorced from the interests of its businesses. Recently, American automobile companies, recognizing that Cuba is a market for modern equipment, have set up subsidiaries in at least one country—Argentina—for the production and sale of tractors; other firms are seeking similar exemptions for licenses elsewhere; the Litton Co. for instance wishes to sell $500,000 worth of furniture to Cuba from Canada.

Because so many Latin American countries have normalized their relations with Cuba, or at least carry on trade, prolonging the U.S. embargo will have serious implications for our status in the Organization of American States. If Congress is serious about a "new dialog" with Latin America and about détente, concrete action must replace rhetoric. It is in this spirit that my proposals are offered.

OF PROXIES AND PARTISANSHIP

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, I was astounded and confounded to read in last Friday's Washington Post that House Democrats are charging Republicans with partisanship in their successful move to ban proxy voting on the ethics committee. I would remind my colleagues that the proxy voting ban was originally proposed unanimously in the last Congress by our completely bipartisan select committee on committee reform, and that it was adopted by a bipartisan House majority last October. It was only by a secret democratic caucus vote this January that proxy voting was restored to the House rules.

To charge that opposition to proxy voting is partisan is like claiming that opposition to military desertion is unpatriotic. I would point out that, among other things, our ethics committee is charged with voting on allegations of official misconduct by House Members. To permit proxy voting on this committee would be like permitting Judiciary Committee members to vote resolutions of impeachment without first exposing themselves to the evidence. We have not learned a thing from Watergate if we think our own ethics committee can faithfully discharge its duties in absentia.

I noted with interest that the new chairman of the ethics committee defended proxy voting on the grounds that it has been "a longstanding rule on the committee." This is one of the weakest defenses I have ever heard for proxy voting. It also used to be a longstanding practice to burn women at the stake who were thought to be witches. But that did not make it right.

The Democrats have been frequently credited in the press with at least tightening-up on the proxy procedure. But the fact is that the new rule permits a Member to vote by proxy if he "is absent on official business or is otherwise unable to be present." Rule XI, clause 2(f). This "tight" new rule protects the golfer as well as the Member attending another committee meeting. Let us face it: proxy voting is nothing more than a coverup for truancy and dereliction of duty. The American people will not stand for this democratic game of legislative hooky being played by a bunch of absentminded professors.

Finally, Mr. Speaker, I was amazed to read that the chairman of the formerly reform-minded democratic study group has proposed that the democratic caucus pack the ethics committee with Democrats in order to restore proxy voting. This proposal is one of the most cynical and perverse ploys I have ever heard. It makes a complete mockery of the concept of an ethics committee. But such high-handed power plays are to be expected under the King Caucus system erected by the Democrats. In the alternative, the same DSG chairman has proposed that the caucus strip the ethics committee of its legislative jurisdiction. One wonders whether this suggestion has been made to penalize the committee for eliminating proxy voting, or to block bipartisan action on such necessary legislation as personal financial disclosure and regulation of lobbying. It would not surprise me if the caucus voted to shift this jurisdiction to the House Administration Committee as it did jurisdiction for congressional salaries last January. This would be but one more nail in the reform coffin, courtesy of King Caucus.

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Mr. Speaker, I would suggest that the cleanest way to resolve this whole dispute over proxy voting would be for the Rules Committee to take immediate action on my House Resolution 113 which would abolish proxy voting in all committees and to permit the full House a separate vote on the issue. Let us indeed see by this test vote whether this Congress is more or less reform-oriented than the last Congress.

The Post article follows:

HILL PANEL BARS VOTE BY PROXY

(By Richard L. Lyons)

House Republicans won their first partisan fight of the year yesterday—in the supposedly nonpartisan Ethics Committee.

The committee to police official conduct of House members was created in 1967 after the House had thrown out Rep. Adam Clayton Powell (D-N.Y.) for misuse of public funds. In recognition of its nonpartisan function, Ethics is the only House committee where both parties have equal membership. Democrats dominate all others in the same 2-to-1 ratio by which they control the House.

The issue yesterday was proxy voting. Republicans have tried at organizational meetings of most House committees this year to outlaw this procedure, which allows absent members to cast votes in some circumstances. Proxy voting favors the majority party, depriving Republicans of winning committee votes by catching Democrats with too many absentees.

The Republicans had lost every time until yesterday. When the 12-member Ethics Committee met to organize under its new chairman, Rep. John J. Flynt (D-Ga.), they defeated a motion to permit limited proxy voting. The vote was a party line tie, 6 to 6.

Flynt said this was the first time to his knowledge that a partisan vote had been cast in the committee and expressed regret "that a longstanding rule of the committee was changed by a party line vote."

Rep. Thomas S. Foley (D-Wash.) warned that the action might cause the caucus of all House Democrats to change the committee's membership giving Democrats control or removing its legislative jurisdiction, or both. The committee is empowered not only to sit in judgment on congressional conduct but to propose legislation on lobbying and financial disclosure.

Foley and other Democrats tried for more than an hour yesterday to persuade Republicans that, of all committees, Ethics is the one where proxy voting is most justified.

Republicans contend that proxy voting should be abolished. It is not permitted on the House floor and committee chairmen should not be permitted to prevail by casting a pocketful of proxies for absent members, Republicans argue.

Time was when an absent member could authorize a colleague to vote his proxy on any issue at any time. Last year the House adopted a ban on proxies, but when the new Congress convened last month, Democrats pushed through the House a change permitting committees to adopt limited proxy rules. A member must sign a statement that his vote may be cast on a specified date in a specified manner. Most of the Democrat-dominated committees have adopted this change.

Foley noted that the Ethics Committee includes chairmen of three other major committees and senior Republicans on three others. Rep. Edward Hutchinson (Mich.), ranking Republican on the Judiciary Committee, would have found it difficult to leave the Nixon impeachment hearings last year to vote at an Ethics Committee meeting. Foley argued. But the six Republicans were not swayed.

THE PRESIDENT'S ENERGY AND ECONOMIC PROGRAM

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. WOLFF. Mr. Speaker, Now that the House has passed H.R. 1767 and hopefully, the Senate will join our efforts, we can fully analyze the President's complex energy and economic program and evaluate the implications of any comprehensive program. One issue which I think deserves consideration is the impact the President's program will have on all of the organizations and institutions which now enjoy a tax exempt status. As these entities pay no taxes, they are not eligible for the rebate program as it is now set up. However, they will not be exempt from the rises in the cost of energy supplies which are essential to their operation. I think that some provision must be made to remedy this unique squeeze in which the tax exempt institutions find themselves.

At this point, I include a letter which I received from Mr. Steven Muller, president, Johns Hopkins University which details this situation:

THE JOHNS HOPKINS UNIVERSITY,
January 28, 1975.

HON. LESTER L. WOLFF,
House of Representatives,
Washington, D.C.

DEAR MR. WOLFF: As the Congress of the United States moves toward new policy and legislation on the related problems of energy and the economy, please allow me to draw your attention to an extraordinary difficulty that may face the entire tax exempt sector of American cultural, religious and higher educational institutions. The unintended effect of proposals made by President Ford and others would be to single out these institutions with a burden that would be both unfair and possibly ruinous.

President Ford has proposed a combination of increased taxes on crude oil imports and other measures that would increase consumer costs of energy, and tax relief for individuals and business enterprises. Cultural, religious, and higher educational institutions would as a consequence be confronted with further increases in fuel and energy costs, but because of their tax exempt status these institutions could not benefit from any measures of tax relief. These institutions also face the insoluble problem of finding it largely impossible to pass on increased utility costs to their clients and patrons.

Because of this last condition, all of the institutions across the country to which I refer already face severe new budgetary difficulties. Please let me offer one segment of my own institution as a typical example. On the Homewood campus in Baltimore of The Johns Hopkins University our total expenditures for oil, natural gas and electricity during the academic and fiscal year 1972–73 amounted to $667,885. In 1973–74 these expenditures rose to $837,163. For the current 1974–75 year we are projecting expenditures of $1,271,584. For 1975–76 our present projection calls for expenditures of $1,818,180. In 1972–73 we were paying 10.3¢ per gallon for oil; currently we are paying 33¢ per gallon—an increase of over 300%. In 1972-73 we were paying 49.5¢ for 1,000 cubic feet of natural gas; currently we are paying 80.4¢ per 1,000 cubic feet—an increase of over 75%. In 1972–73 we were paying 1.47¢ per kilowatt-hour of electricity; currently we are paying 2.62¢ per kilowatt-hour—again an increase of over 75%. Our projections for next year assume that we will continue to be compelled by the Baltimore Gas and Electric Company to use oil rather than natural gas throughout most of the winter; that there will be some further increase in oil and electricity rates; and that there will be a very substantial increase in natural gas rates. Despite a reduction of nearly 20% in the total consumption of oil, natural gas and electricity on the Homewood campus, we are, therefore, looking at the grim prospect of a tripling of utility costs over four years—from $667,685 in 1972–73 to over $1.8 million in 1975–76.

This is already a desperate situation. Further reductions in energy use are possible only at the price of significant sacrifices in the quality of our academic programs. I trust that it is obvious that we are in no position to meet this explosion of utility costs simply by matching increases in student tuition and fees. We obviously face other unavoidable expenditure increases for wages and salaries, costs of paper and telephone, social security contributions as a large employer, etc. If this savage problem were now compounded by one or more additional rounds of increases in energy costs without relief, the impact on my institution would be literally destructive.

I cite this one major campus of The Johns Hopkins University not as a case of special pleading, but because it typifies the problem confronting every university, college, hospital, museum, concert hall and church in the United States, perhaps most acutely in the northeastern part of the country. I know that it is not the intent of the President or the Congress to solve problems of energy or the economy by destroying the tax exempt cultural, religious and high educational institutions of America. I write to you in the simple hope and faith that a candid and explicit statement of this special problem before new national solutions are worked out in detail may help to avert an unintentional turning of what is already a crisis into a catastrophe.

Sincerely,

STEVEN MULLER.

TURKEY—YESTERDAY AND TODAY

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MYERS of Indiana. Mr. Speaker, a respected friend of mine, R. D. McAllister of Arlington, Va., recently made some very interesting observations on the history of events in the conflict over Cyprus which I want to share with all the Members of the House:

TURKEY—YESTERDAY AND TODAY

When one reads about recent events on Cyprus and the hesitation of the U.S. to cut off aid to Turkey, even while thousands of lives have been devastated, one realizes that history does indeed repeat itself. Although not a major power, Turkey still manages to capitalize and milk the maximum advantage from her strategic location just as she has done for several centuries, always doing as she pleases, regardless of world opinion, for she knows she holds the ace in the game of the nations.

During the 19th and early 20th Centuries it was England rather than the U.S. who overlooked Turkey's faults, and in both instances, the main factor in this anomalous behavior is Russia. In England's case, landlocked Russia had repeatedly tried to gain control of the Turkish straits, but England couldn't permit this, since Turkey lay on the route to England's Indian empire. It took World War I to make England finally realize she had "backed the wrong horse," for when she turned to Turkey for help, England found her many years of friendship and backing had all been for naught. Now apparently the U.S. considers Turkey essential to the containment of Russia and stands silent while Turkish crowds hail their hero Ecevit by strewing his path with flowers. Turkey has been the beneficiary of all this concern for her welfare "not because of their beautiful black eyes" as someone said once, but because of her location.

The Turks first appeared in the West during the 11th Century. Valiant fighters, they swept out of the plains of central Asia and conquering as they went, gradually took over and established the Ottoman Empire in Asia Minor, Egypt, Arabia, North Africa, the Balkan penninsula, and even some parts of southern Russia. By 1453 the Turks had taken Constantinople, marking the end of the Byzantine Empire. Successful at conquest, they were unsuccessful in ruling over those conquered, with the result they gradually lost much territory. The Greeks won their independence early in the 19th Centry. So inspired was Lord Byron, the English poet, by the Greek fight for freedom that he went to Greece to help not only personally but financially. He died there at Missolonghi in 1824 and is still revered as a Greek hero. By the end of the 19th Century more territory was lost: Algeria to France in 1830 and Tunisia in 1881; Great Britain got Cyprus in 1878 and occupied Egypt in 1882; in 1908 Austria annexed Bosnia and the Bulgarians won their freedom; in 1911 Italy took Libya; and finally with the Balkan Wars Turkey lost most of what was left of her European possessions.

During the last half of the 19th Century, even when all Europe had dubbed Turkey "The Sick Man of Europe" and the Sultan of Turkey, Sultan Abdul Hamid, was called "The Great Assassin," England still backed Turkey every time Russia made any move against her, even fighting the Crimean War. Toward the end of the century another great power entered the circle of those seeking Turkey's favors. Germany, turning eyes eastward, adopted the policy "Der Drang nach Osten"—We Push Eastward. In 1898, even while the world was still aghast at the 1896 massacres of 100,000 Armenian subjects of Turkey, the German Emperor travelled to Palestine to show his friendship for the Sultan who was responsible for the massacres. So grateful was the Sultan for this show of friendship, in 1899 he rewarded the Emperor with the Baghdad Railway concession, a railway which played an important part in World War I.

England managed to maintain her friendship with Turkey in spite of the growing presence of the Germans. A major event occurred in 1909 when the Young Turks rose and deposed the Sultan, installing a constitutional government. The world little realized the future importance of two of the Young Turks, an obscure Army officer of Polish extraction named Enver, and an Islamized Bulgarian gypsy, a postal clerk, named Talaat.

It was the first World War that really brought home to the Turks the value and significant strategic importance of their land. As the events piled one on top of another: the assassination of the Archduke; the demands on Serbia by Austria; the backing of Austria by her ally Germany; the backing of Serbia by her ally Russia; the pact between France and Russia; the efforts of France and Russia to get England to commit herself; English reluctance until Belgium was invaded; the invasion of Belgium as Germany struck through to win a fast victory; and then they were finally all at it.

In the meanwhile all the participants were anxiously eyeing Turkey. With Germany facing France on the west and Russia on the east, Turkey's position was crucial to Germany. For the allies, too, Turkey's location was of extreme importance. Lord Kitchener, head of the British War Office, instructed Sir Louis Mallet, British Ambassador at Constantinople, to keep Turkey neutral at all costs, or at least until he could get Britain's Indian army through the Suez. Sir Louis' second objective was to insure that, if all efforts failed to avoid a state of war between England and Turkey, it should be clearly by the unprovoked aggression of Moslem Turkey, for Great Britain did not want to offend her Moslem Indian subjects. With these factors in mind, Sir Louis informed the Turks that England, France, and Russia would guarantee Turkey's independence and integrity against any attack if Turkey would remain neutral. England's main hope was that having helped Turkey all those years, Turkey would now reciprocate. When the final decision was made, Turkey went with Germany. Having foreseen Turkey's importance, Germany had, through the friendship of Enver, who by now was Minister of War and an ardent Prussophile, installed German officers to train the Turkish Army. Another decisive factor turned out to be two pairs of ships.

A short time before the great war, Turkey and Greece were having serious problems over the islands of Chios and Mitylene, and the Turks deported thousands of Greeks from their homes. It is said if the war had not come, there would have been a Greco-Turk war in 1914. Turkey had purchased two ships from England to bolster her navy in case of war with Greece. Just as they were about to be delivered to the Turks, England found herself involved in the war and decided to hold the two ships for her own navy, notifying Turkey of her decision on August 3rd. The appropriation of the two ships could not have taken place at a worse time as far as the British cause was concerned, for the Germans were making every effort to keep the Turks on their side. Anti-British feeling ran high in Turkey, so that when on August 10th the two German Cruisers, the Goeben and Breslau, entered the Dardanelles, the Turks welcomed them warmly. Although at the time Turkey was still neutral, and under international laws could not allow the German ships to remain there more than 24 hours, a statement was issued that Turkey had "purchased" the two ships, and the German crew put on Turkish fezes and remained at their posts.

Confident of a quick victory, Germany at first assured the Turks they need not enter the war, but by early September when the Battle of the Marne took place and Germany realized the quick victory was not materializing, the Turks found themselves drawn in. Many believe Germany would have been beaten in 1915 if Turkey had remained neutral. By the end of 1914 Enver had embarked on the first campaign ordered by the Germans—an attack on the Russian Caucasus. In that bitterly fought winter campaign, of Enver's original 150,000 men, only 12,000 survived.

Another major action that resulted in enormous human consequences was the failure of the British to force the straits leading to Constantinople in early 1915. After suffering great losses, the British decided to withdraw their navy on March 18, 1915. Historians would later find that the fleet had been on the brink of victory had it persisted another day or two. This failure to keep the straits open not only resulted in preventing the Allies from supplying the Russian army and contributed indirectly to the Bolshevik revolution, but also set the scene for the first genocide of the 20th Century, one that has never been admitted to by Turkey; a genocide that has been overlooked by most history books and is remembered only by a few over 65 years of age, who as children were admonished when they didn't finish their food, "Remember the starving Armenians."

The present generation knows so little about it that one college-educated young woman was recently heard to remark that she had a friend whose Armenian parents were chased out of Germany by Hitler. That is why Hitler felt confident when he undertook his Jewish pogroms, telling his commanders in 1939, "Who, after all, speaks today of the annihilation of the Armenians?" Just as Hitler later carried out his genocide under cover of World War II, when no one could stop him, so the Turks in April 1915 decided with the straits impregnable the propitious moment had arrived to complete what the Sultan had left incomplete in 1896 and to get rid of the Armenian subjects of Turkey once and for all. They activated their previously made plans.

Henry Morgenthau, who was on the spot as the American Ambassador and who repeatedly tried to convince the Turks of the monstrosity of such action, has written: "The great massacres and persecutions of the past seem almost insignificant when compared to the suffering of the Armenian race in 1915." Talaat once requested Morgenthau to collect the proceeds of the insurance written with American companies on the lives of Armenians now dead. "The government of Turkey is now the beneficiary," Talaat told the American Ambassador. This same Talaat fled to Berlin when Germany lost and was tracked down and assassinated by an Armenian youth in 1921. The youth was tried and acquitted by German courts. In 1943, again under cover of a war, the Turks brought Talaat's body back to Turkey, and extolling him as a true patriot, buried him with full honors.

Thus, in view of their past actions and when one considers the end results of England's friendship, one cannot but speculate on the necessity for our current stance toward Turkey. In light of modern technological advances, are we continuing to base our security needs on outmoded concepts? At the turn of the century, in a world without planes and missiles, it is easy to understand how imperative it was for England to protect her trade routes. With our arsenal of intercontinental missiles, is Turkey still that important to the United States? Are we, too, "backing the wrong horse" as England eventually concluded?

The Turkish Sultan Abdul Hamid is once said to have remarked to a friend, "My nation has been wooed by all the powers, but is still a virgin." Since England wasn't able to make her after a century of wooing, one wonders if the United States can.

AID TO CAMBODIA

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MOFFETT. Mr. Speaker, the Members of the House of Representatives have been asked by the administration, not even 2 months after decisive legislation on the part of Congress, to put up another $222 million of the American people's money for the war efforts of Mr. Lon Nol of Cambodia—a leader who has thus far been unable to fight his way out of a paper bag.

In addition, the administration is asking for us to lift the ceiling on the amount of food for peace they can

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send over there—a program that some of us call food for war since the profits from that food have been used by Lon Nol and by Thieu to buy weapons or run their prisons.

Any possible claims that U.S. aid of any kind is being used for economic development in Cambodia, of course, would have to be false. A country completely involved in war, and especially in a regime besieged by political and military opposition, has no time for proper development. The claim that the United States will lose its credibility by withdrawing support from Lon Nol is equally absurd. We have already lost our credibility by having dropped more than 250,000 tons of bombs on Cambodia in order to "insure its neutrality."

Actually, I do not want to use the word "we" when we talk about U.S. policy in Indochina; because the promises made to corrupt dictators like Thieu and Nol were not made by the American people; the "secret" bombing of Cambodia was a secret not to Cambodians or Chinese or Russians, but to the American people; and the billions of dollars described by the administration as investment in Indochina, most of my constituents regard as a waste. And the loss of 55,000 GI's, Mr. Speaker, drew the most distinct line of all between "we," the American people, and "they," the policymakers who make deals with Indochinese dictators.

I would like at this point to introduce into the RECORD the February 6, 1975, New York Times editorial by Anthony Lewis, entitled "A Successful Operation," which points out the discrepancies between word and action in the administration's Cambodian war which is now several years old:

[From the New York Times, Feb. 6, 1975]

A SUCCESSFUL OPERATION

(By Anthony Lewis)

BOSTON, February 5.—Last December, just before it recessed, Congress put a ceiling of $275 million on military aid for Cambodia in the current fiscal year. The act used unusually firm language, prohibiting spending beyond the ceiling for "any operation, project or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel or advisers. . . ."

Six weeks later, the Administration is back asking for more: an additional $222 million in military aid for Cambodia, almost as much as the amount just fixed by Congress for the whole year. And although the figure is not yet generally known, the Administrations wants another $425 million in military aid for the next fiscal year, starting July 1.

Philip Habib, Assistant Secretary of State for East Asian and Pacific Affairs, told a House Appropriations subcommittee the other day that the added money was essential—to save the Lon Nol regime in Cambodia, and with it American credibility. The world is watching to see what we do in Cambodia, he said.

Mr. Habib is a skillful and experienced diplomat, and he made a good witness. But his case for more aid—the argument of military need and U.S. credibility—can be convincing only if one is oblivious to very recent history. It is crucial to look at the record: the record of American words and actions, and the results in Cambodia.

1. THE WORDS

Overt U.S. involvement in Cambodia began with the "incursion" announced by President Nixon on April 30, 1970. Mr. Nixon said his purpose was not to "expand the war into Cambodia" but to hit North Vietnamese sanctuaries. If he had not acted, he said, "the credibility of the United States would be destroyed," and we would seem "like a pitiful helpless giant."

On June 3, 1970, Mr. Nixon pronounced the incursion "the most successful operation of this long and difficult war." He gave assurance that the U.S. was not undertaking a long-term military role in Cambodia. After July 1, he said, the only American military activity in Cambodia would be "air missions" against the Vietnamese Communists' movement of men and supplies—and then only when necessary to protect "the lives and security of our forces in South Vietnam."

On June 30 Mr. Nixon repeated that assurance. He added that there would be "no U.S. advisers with Cambodian units." And, finally, he said the U.S. would give military aid to Cambodia "in the form of small arms and relatively unsophisticated equipment."

In a television interview the next day, July 1, 1970, Mr. Nixon spoke of what the incursion had done for Cambodia. "Cambodia's chances of surviving as a neutral country are infinitely better," he said, "than they were on April 30."

2. THE ACTIONS

American military activity in Cambodia after July 1, 1970, was not limited to air missions against Vietnamese forces, or limited to the purpose of protecting U.S. troops in South Vietnam. There was a massive intervention from the air in the Cambodian civil war—bombing that continued after all American forces left Vietnam in 1973, until Congress stopped it.

Aid was not limited to "small arms and relatively unsophisticated equipment," nor were military advisers kept out. Congress eventually legislated a ban on advisers, but current reports from Cambodia make plain that American diplomats and others still play a critical role in advising, if not directing, Lon Nol's tactics.

The United States has spent nearly $7 billion thus far on bombs in and aid to Cambodia: More than 250,000 tons of bombs were dropped on Cambodia, and at the known rates for the Indochina air war that would have cost roughly $5 billion. And aid to Lon Nol has totaled $1.85 billion to date.

3. THE RESULTS

The civil war has raged on for five more years, with human results that are heartrending even by the standards of war in Indochina.

Some 700,000 Cambodians have been killed or wounded. That is 10 percent of the population: the equivalent in the United States of 20 million casualties. According to estimates by the Senate Refugee subcommittee, 3,389,000 Cambodians have been made homeless by the war. That is nearly half the population.

As for the Lon Nol regime, its chances of survival have never been worse than they are now, after five years of American assistance. It is a Government without political will, corrupted almost to the point of disintegration, hanging on in Phnom Penh and a few other towns only because of American subvention.

Can anyone who looks at the record believe that American intervention has helped the people of Cambodia? Would more intervention be likely to bring them peace, or Asia political stability? Yet those are the arguments that Congress is being asked to accept, just a month or two after setting a limit to the tragedy of American intervention in Cambodia.

The operation was "most successful," but the patient is dying.

DR. JOHN L. S. HOLLOMAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. RANGEL. Mr. Speaker, the February issue of Black Enterprise carries an excellent article on Dr. John L. S. Holloman, president of the New York City Health and Hospitals Corp. "Mike" Holloman is a resident of my congressional district and has long been active in Harlem community affairs. His appointment last year by Mayor Abraham Beame makes him the top hospital administrator in the United States, in charge of 19 hospitals providing a full range of health services in New York.

At this point, I am introducing the article on Dr. Holloman in the RECORD:

THE HOSPITAL ADMINISTRATOR

(By Jacob Wortham)

In many ways, John Lawrence Sullivan Holloman, Jr., is quite extraordinary. A 55-year-old black physician who has spent most of his professional life (30 years) treating residents of New York City's Harlem, Holloman is well past the age of the typical "new black achiever" of the seventies. Perhaps that is why many people were somewhat surprised seven months ago, when the soft-spoken, but formidable, champion of better health care for the poor was elected to the nation's number one non-federal public health services post.

As president of the New York City Health and Hospitals Corporation, Holloman oversees the operations of 19 municipal hospitals with a combined capacity of 15,000 beds and a combined budget totaling almost $1 billion a year.

To select a president, the corporation's board of directors spent nine months reviewing the credentials of more than 160 candidates before responding to the concerns of a bipartisan coalition of black politicians that a black be seriously considered for the $65,000-a-year job.

Predictably, after Holloman's selection, the board's action was applauded in the black community and denounced by some of the city's top white politicians, physicians and newspapers. In a scathing editorial, *The New York Times* called Holloman a poor choice, a man "more distinguished for his adroitness in personal and intergroup relations than for his skill or experience in hospital administration." It could be argued that personal warmth and expertise in human relations are invaluable assets for the head of a hospital system where a majority of the patients are poor blacks or Puerto Ricans. Moreover, it was never expected that anyone could handle the job single-handedly. Holloman, like his predecessor, Joseph English, is surrounded by expert managers and technicians at the vice presidential level. "What is important," says one Holloman supporter, "is that the man at the top be able to identify with the corporation's chief constituency."

But "Mike" Holloman, as he is known to his close friends, sees himself as more than a peacemaker to the corporation's often disenchanted community advisory boards.

Seated at the head of a long conference table, in his downtown office, Holloman is poised and, at times, philosophical as he answers his critics. His major challenge, he says, "is to help the citizens of New York recognize that quality health care is a right. We must work to eliminate a dual health care system, which somehow deems the poor to be less worthy of good care than those who are able to pay."

Even Holloman's most obstinate detractors would find it difficult to question his sincerity on such issues. Ever since he graduated from the University of Michigan Medical School in 1943, the stocky, bearded physician has been at the forefront of the struggle against racial and economic discrimination in medicine.

For several years, he led pickets outside the annual convention sites of the American Medical Association, until the often conservative AMA took a stand against discrimination and segregation in health facilities and in medical societies.

"You must remember," he says, "at one time our hospitals were more segregated than our churches."

Holloman was also one of the founders of the Medical Committee for Civil Rights, which provided medical assistance during many of the freedom marches throughout the south during the 1960s. In fact, he met his second wife, the former Patricia Ann Tatze, a nurse, during the march to Selma, Alabama, in 1965.

Mrs. Holloman, who is 40-years-old, coordinated an education program for the Public Health Association before giving up her career to take care of their children, Laura Ann, 3, and Ellen Victoria, 10 months.

Home for the Hollomans is a spacious apartment in a Harlem co-operative. But the head of the family rarely gets a chance to spend much time there. Since he took over the presidency of the corporation, he has been on the job 14- to 16-hours-a-day, seven-days-a-week. And he must be available around the clock, in case a crisis situation arises at one of the 19-member hospitals.

It's a grueling schedule and Holloman must budget his time wisely. He is usually the first person to arrive at his office (by eight o'clock most mornings) and immediately settles down to attack the perpetual flow of paper work that will inevitably escalate as the day progresses.

By the time his secretary arrives, Holloman is ready to iron out any kinks in his itinerary, which she gives him the night before. At least three mornings a week, he calls his executive staff into session for discussions on matters, ranging from budget to personnel. And, on any given day, there is usually a luncheon to attend or a conference with board members, in addition to a speaking engagement or a meeting with politicians.

Although the latter is absolutely essential to anyone in his position, it has created problems for Holloman, whom some critics have charged lacks independence because of his "close ties" with the politicians. He, in turn, emphatically replies, "I am my own man. My only commitment is to the citizens of New York."

That is undoubtedly so, but the problem arises because the quasi-independent corporation was created by the state legislature, in 1970, which gave the mayor and city council virtual control over the selection of board members.

Additionally, more than 46,000 employes are required to run the corporation's 19 hospitals and numerous health centers. They treat more than two million patients yearly and the funds must be appropriated by New York's City Council. So, while Holloman asserts his independence, he is compelled to recognize that good relations with the political sector "are a must" if the corporation is to be able to deliver quality health care services. Consequently, it is a thin line and a tight rope that he walks. Fortunately, he is well-qualified for it.

Still some observers wonder if Holloman will be able to pull the corporation out of a financial crisis that often appears unwieldly. When he took over the presidency, the Medicaid reimbursement rate (which provides 68 percent of the patient revenues) was slightly more than $120 per day while the private non-profit hospitals were receiving more than $200 per day. "From this source alone," says Holloman, "the municipal hospitals were being short-changed by about $45 million per year. I immediately directed my staff to appeal the reimbursement rates and the result has been an increase to slightly more than $200 a day."

A great deal of Holloman's time is also spent in consultation with the hospitals' community advisory boards. "I have always been an advocate of patient rights," says Holloman. "These boards are made up of people who are our consumers of services and we have found that by listening to them, it becomes easier to find ways to make the system work more smoothly.

"One of my goals is to move the hospitals closer to the people who are being served," says Holloman. To achieve that, he recently acquired the unanimous approval of the corporation's board to relocate the Queens Hospital Center from a white middle-income area to a site closer to the hospital's black constituency.

The community board applauded Holloman's victory, with one member saying "at last we seem to have someone downtown who is willing to stick his neck out for the poor."

If the corporation's relations with the local boards have improved since Holloman took office, it may be due, in part, to his low-key profile, and to some extent, his color. The boards' members are mostly blacks and Puerto Ricans and they, no doubt, find it easier to communicate with a man who has been constantly linked to the ghetto.

Of course, while Holloman may speak their language, he was never child of the streets. His father, whose name he bears, was a scholarly minister, who pastored Second Baptist Church, in the nation's capital, for almost 55 years. "My father was a particularly fine person," he says. "I am very fortunate to have been brought up by him." John, Sr. and his wife, Rose, had five children—four girls and one boy. He attended Washington's segregated public schools and then graduated from Virginia Union University in Richmond, with honors in chemistry.

He came to Harlem Hospital as an intern in 1943, following his graduation from the University of Michigan. A year later, he joined the Army Air Corps and served under Benjamin O. Davis in an all-black bomber group that called itself the "Spookwaffe."

When the war was over, Holloman returned to New York and did postgraduate medical training in internal medicine at Cornell University and Bellevue Hospital. He then set up a private practice in Harlem and proceeded to build a solid reputation as a highly respected urban doctor.

He is a former president of the National Medical Association and was an assistant vice president of the Health Insurance Plan of Greater New York at the time of his election to the hospitals corporation presidency. He has also been the medical director of two diagnostic laboratories.

Holloman's credentials are indeed impressive. Why then do so many people keep insisting that he lacks the administrative ability to handle his job efficiently? He doesn't have the answers, but some of his supporters will tell you that much of the criticism stems from outright racism. As one black politician put it: "It's difficult for some folks to conceive of a black man being the city's highest paid public official. They feel he has arrived a bit too far, too soon."

Holloman doesn't discount the racism factor, but he says he's much too busy to give it serious thought. "I accepted this job because I believe in providing good service to people," he says. "That comes from my dad. He always knew there was a lot to be done and never shirked his responsibility."

An admirable philosophy. But why does a man who has lived perhaps three quarters of his life want to take on a system that some people insist can never run smoothly because of its size? "Because I sincerely believe the system can work for the good of all New Yorkers," Holloman says. "If I didn't really believe that I wouldn't be here."

Holloman is reminded that, in the past he has been a critic of many of the corporation's programs, especially one that affiliates each municipal hospital with a non-public hospital or school.

He has no plans to scrap the program but intends to make sure the municipal hospitals are not short changed.

"There are still quite a few problems," he explains, "but they are solvable. We pay the voluntary hospitals for certain services and we are now demanding that they be rendered promptly and efficiently."

Holloman is a strong advocate of a proposal to establish a public medical school in New York City. Such a school would be related to the municipal hospital system. The school would emphasize human dignity and students would be taught that poor people and minority peoples are not just guinea pigs. "Our prime raison d'Etre would be patient care," he says.

Holloman has been chief executive of the world's largest municipal hospital system for less than a year. It is too early to tell whether he'll be able to make the system work for everybody. But so far, he seems to be making it work for those who most need it: the disadvantaged.

A MOCKERY OF PEACE WITH HONOR

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. CRANE. Mr. Speaker, even though the war in Vietnam is no longer the front page or on TV every day, the war has not ended. Hanoi has been ceaselessly probing the strength of South Vietnamese positions with the continued material support of Moscow and Peking. Yet, the United States neglects to fulfill its pledged responsibilities to the South Vietnamese by training their troops and by providing necessary material to their army which has proven itself most capable in the past when it had been sufficiently supplied.

Prof. John P. Roche—a former Chairman of Americans for Democratic Action—in a column entitled, "A Mockery of 'Peace with Honor,'" published January 3, 1975, in the Philadelphia Bulletin, reminds us of our promises to provide the people of South Vietnam with the means to protect themselves from an unrelenting aggression.

I commend this article to the attention of our colleagues:

PLIGHT OF SOUTH VIETNAM—A MOCKERY OF "PEACE WITH HONOR"

(By John P. Roche)

WALTHAM, MASS.—I hoped it would never be necessary to write again of Vietnam, and I suspect that most Americans have consciously or unconsciously blocked the war from memory. But those of us who still cherish that old-fashioned notion of American honor must focus attention on events in Vietnam.

Congressional parsimony in military as-

sistance to the still beleaguered Saigon government could make a grim jest out of "Vietnamization" and a mockery of "peace with honor." While Moscow and Peking have continued to load Hanoi's arsenal with sophisticated weaponry, and an estimated 200,000 North Vietnamese are camping in South Vietnam, the United States has virtually turned off the tap.

The underlying premise of Vietnamization was that the United States would fulfill its responsibilities to the Vietnamese by training their troops and providing the necessary hardware. The rationale for withdrawing our forces was that they were no longer necessary. But implicit in this arrangement was the understanding that we would continue to supply adequate military assistance. Since Vietnam went off the map as far as the average newspaper reader or TV viewer was concerned, many people assume the war has died down. Actually the war has never ended. Hanoi has been ceaselessly probing in strength, now in the North, now in the Delta, now in the An Loc region.

Nobody in Saigon or Washington knows what the overall strategy is. One theory, long cherished, has General Giap's troops cutting through South Vietnam to the coast at Hue. This explains why there has been so much effort expended in the Central Highlands in the neighborhood of Kontum.

Then there are others who say that Hanoi plans to open a "tank corridor" in the flatlands between An Loc and Saigon. Reconnaissance indicates that the Ho Chi Minh trail is now paved, paralleled by an oil pipeline, and as busy as the Jersey Turnpike on a hot Summer weekend. Much of the stuff coming down are tracked vehicles—tanks (big T–62s as well as T–54s), armored personnel carriers and flak wagons. Communist warehouses seem inexhaustible.

The record of the Army of the Republic of Vietnam (ARVN) has been excellent. Despite an almost universal bad press, ARVN has fought hard and well. (One reason ARVN has been consistently badmouthed is that it let down all the prophets of its imminent collapse. They have a vested interest in its failure—a fact that may have motivated some members of Congress to swing the budgetary ax. If ARVN won't commit suicide, this logic runs, let's shoot it down and regain our prophetic status.)

But it is dying of the logistical starvation. The Communists, with unlimited resources and splended lines of communication all the way from North Vietnam to Cambodia, can take the offensive at the time and place of their choosing. ARVN has to react. When the probe toward Hue began, for example, the strategic reserve was rushing north. At which point the Communists moved into the Delta to grab the rice crop.

As it now stands, ARVN has to ration shells and ammunition in a way inconceivable to any American GI. Admittedly, Americans are notorious for their lousy fire discipline—never use one bullet when there are five left in the clip—but last year, before the latest budget cuts, an ARVN maneuver battalion was operating with 20 percent of the logistical support provided for an equivalent American unit. In other words, Congress' latest paring will take this figure below 20. ARVN, in desperation, may have to issue Montagnard crossbows.

The consequence of this policy is easy to predict. The Government of the United States will betray and destroy an ally almost invisibly, inch by inch. And the worst of it is that the technique will be self-justifying: ARVN is doing badly so let's stop supporting that bunch of losers. So ARVN will do worse. Congressional critics of ARVN should take a hard look at the number of South Vietnamese killed in action as a proportion of that nation's population. (The last time I figured it, the equivalent figure for the United States would be roughly two million dead.) These brave men and their American comrades died to prevent a totalitarian conquest; they may well have died in vain if the Congress covertly makes it impossible to defend the autonomy of the Republic of Vietnam.

MARGERY W. ROBINSON

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. STOKES. Mr. Speaker, after 42 years of unselfish dedication to the welfare of the Cleveland community, Margery W. Robinson has retired from her post as head counselor of the John Adams High School Guidance Department. She was recently honored for her many years of service at an appreciation dinner sponsored by the faculty and staff of John Adams High School.

Margery W. Robinson is one of the most outstanding women in our community, and has made a lasting contribution over the years as an educator, a social worker, and a guidance counselor. I know my colleagues will join me in commending Mrs. Robinson for her lifelong service to the community.

I submit for the interest of my colleagues a biography of this remarkable woman as printed in the program from the January 17, 1975, banquet held in her honor:

MARGERY W. ROBINSON

The occasion of the Retirement of Margery W. Robinson as Head Counselor of the Guidance Department at John Adams High School marks the close of forty-two years of service in the field of Social Work, Education and Guidance.

At the beginning of the thirties, Margery Robinson became a visitor with Associated Charities and County Relief. She held this position until 1936 when she was appointed Case Worker of Cuyahoga County Child Welfare Board. Other areas of employment in the social field include: Probation Officer of Cuyahoga County Juvenile Court; Group Leader of Adolescent boys and girls (evenings); Community Organization on Kinsman (East 79th Street Area); Homefinding Caseworker and Casework Supervisor of the Cuyahoga County Child Welfare Board; Group Leader for girls; Woodland Center Neighborhood House; Homefinding Caseworker (Part-time) Children's Services and Pediatric Social Worker, Mount Sinai Hospital.

Entering the field of Education in the Cleveland Public Schools, Margery gave invaluable assistance to the home and school Visitor Programs at Addison Jr. High School, served as Guidance Counselor at Addison, John Hay and John Adams Senior High Schools.

She has worked with the Scouting Programs, served as Superintendent of Sunday Schools, Sunday School Teacher at St. James A. M. E. Church.

She and her family are members of Antioch Baptist Church. She was past president of Antioch's Board of Christian Education. She is a member of Delta Sigma Theta Sorority, also many other civic and community organizations too numerous to name.

Mrs. Robinson is a graduate of Central High School, received an A.B. Degree from West Virginia State University, Institute, West Virginia; holds a MSSA Degree from Western Reserve School of Applied Sciences, and a Post Master's Certification Program in guidance and counseling from John Carroll University.

Margery W. Robinson is the wife of the late Attorney Armond L. Robinson. Her Family includes A. Stanford Robinson, an ordained minister, presently working on a Ph.D. in Historical Studies in Religion at Graduate Theological Seminary, Berkeley, California; a daughter, Marita E. Robinson Brown, certified counselor and teacher, presently working part-time at Cuyahoga Community College; a son-in-law, Thomas G. Brown, a teacher at John Adams High School, and two grandchildren, Myana Kim and Jefferson Jabari Brown.

Throughout her years of service, Mrs. Robinson has demonstrated her deep and abiding loyalty to her constituents and planned sound ways for meeting their needs.

SENATE—*Tuesday, February 11, 1975*

The Senate met at 12 o'clock meridian and was called to order by Hon. WENDELL H. FORD, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Create in us a clean heart, O God, and renew a right spirit within us that we may walk worthy of those who put their trust in us. Fill Thy rightful place in our hearts and reign supreme in our lives. Show us that every wound has a blessing and every scar a remembered grace—that even though we walk in the valley, Thou art with us. Be with us in moments of hard thinking and painful decisionmaking, as well as in times of triumphant joy. Make us ill content with anything less than that which serves our fellow man and advances Thy kingdom. May justice and truth be the fruit of our labors.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 11, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, February 7, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until 12 o'clock noon on Thursday.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order today, there be a period for the transaction of routine morning business, with statements therein limited to 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MARITIME ADMINISTRATION AUTHORIZATION, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 12. S. 332.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State marine schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four post ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–7), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill, as reported, is to authorize appropriations for programs of the Maritime Administration for fiscal year 1975 and to assure that the Maritime Administration maintains regional offices for each of the nation's four principal seacoasts, including the Great Lakes.

SUMMARY AND DESCRIPTION

The legislation provides for authorization of appropriations for six categories of maritime programs of the Department of Commerce, which are administered by the Maritime Administration, in the aggregate sum of $562,933,000. Those programs, and the amounts authorized, are as follows:

(1) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships—$275 million;

(2) Payment of obligations incurred for ship operating-differential subsidy—$242.8 million;

(3) Expenses necessary for research and development activities—$27.9 million;

(4) Reserve fleet expenses—$3.742 million;

(5) Maritime training at the Merchant Marine Academy at Kings Point, N.Y.—$10.518 million; and

(6) Financial assistance to State marine schools—$2.973 million.

Section 2 authorizes additional supplemental appropriations for fiscal year 1975 for the activities specified in section 1 of the bill, to the extent necessary for increases in salaries, pay, retirement, or other employee benefits authorized by law.

Section 3 of the bill amends the section of the Merchant Marine Act, 1936 which requires the four major seascoasts (Atlantic, Gulf, Great Lakes, Pacific) to be treated equitably by providing that at least one regional office of the Maritime Administration be maintained for each of the four areas.

BACKGROUND

The 93rd Congress passed the fiscal year 1975 maritime authorization (H.R. 13296) on December 20, 1974. That legislation was pocket-vetoed by President Ford after the 93rd Congress had adjourned because of a provision providing for reimbursement for U.S. fishing vessels and equipment damaged by foreign flag vessels. On January 23, 1975, S. 332 was introduced and ordered favorably reported, without amendment, on January 27, 1975. The bill is identical to the vetoed H.R. 13296 in every respect except that the amendment which required the Federal Government to reimburse U.S.-flag fishing vessel owners for damage to their equipment by foreign-flag vessels, was deleted.

EXPLANATION OF THE AUTHORIZATION FOR FISCAL YEAR 1975

In 1970, the most comprehensive and far-reaching maritime legislation in decades was enacted in order to halt a pronounced decline of the U.S. merchant marine. That legislation, the Merchant Marine Act, 1970 (Public Law 91–469) (the "1970 Act"), provided for a 10-year program to improve the efficiency of American shipyards and to build a modern, efficient U.S.-flag merchant fleet so that the United States could once again be a major maritime Nation.

This bill, S. 332, authorizes appropriations for the 5th year of the program established by the 1970 Act. In considering the authorization request for fiscal year 1975, the Committee has reviewed the performance of the Maritime Administration. Substantial progress has been made toward rebuilding the U.S. merchant marine, and it has become increasingly clear that with continued support the goals set in 1970 will be reached.

Shipbuilding has reached a new peacetime high. The backlog of orders for new vessels is 3½ times as large as when the program began in 1970. The present backlog of 90 merchant ships valued at $3.6 billion represents 200,000 man-years of employment for shipyard workers and those in the supply industries and a potential addition to our fleet of nearly 6.2 million deadweight tons. U.S. shipbuilders have begun for the first time to receive orders for very large crude oil carriers and have advanced to a leading position in the construction of liquefied natural gas carriers. The progress in the field of energy carriage balances earlier construction of modern liner vessels including LASH and RO/RO vessels for intermodal operations.

Series production of vessels and shipyard modernization and expansion have contributed to a reduction in subsidy rates for ship construction. The declining subsidy rates which encourage shipyard efficiency are being met and, in certain cases, the subsidy award is significantly below the guideline rate. While the guideline rate is presently 39 percent, awards for tankers have been made

at 33.4 percent and liquefied natural gas carriers have been contracted for at 16.5 percent.

In the area of vessel operations, modern bulk carriers built with Federal assistance are beginning to enter foreign trade. This is important because over 90 percent of our country's foreign trade tonnage is comprised of bulk cargoes and U.S. participation in this trade has been minimal for many years. In the liner trades, the average age of our subsidized fleet has decreased by 20 percent and the average ship size has increased by 17 percent, reflecting the replacement of older vessels with larger ships of advanced design.

Progress is also being made toward reducing the dependence of operators on operating subsidies. A number of capital intensive U.S.-flag vessels, such as container ships, are competing in our foreign trade without subsidy. Nineteen vessels previously receiving operating subsidy no longer receive such aid.

The 10-year merchant marine program is approaching its midpoint. Clear signs of progress are evident. The construction of a modern, balanced, competitive American merchant fleet is well underway. As these vessels are delivered and enter service, U.S.-flag penetration of our essential trades should become more evident, especially in the area of bulk carriage. The 1970 Act's program is proving to be an appropriate instrument for restoring our Nation's prominence in international shipping. In the opinion of the Committee, this program should be continued to its completion.

SUMMARY

The amounts authorized by the bill are as follows:

(a) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000.

These funds finance payment of construction subsidies based on the difference between United States and foreign shipbuilding costs. These sums are paid to U.S. shipyards so that operators can purchase American-built vessels at the same price as similar foreign-built vessels. In order to encourage the competitiveness of American yards, the 1970 Act provides for the gradual reduction of the construction subsidy level from 45 percent in 1971 to 35 percent in 1976.

Subsidized shipbuilding orders exceeding $2.5 billion have been placed with U.S. shipyards since enactment of the 1970 Act. These orders have provided for the construction of 52 new ships of 4.7 million deadweight tons and for the conversion of 19 existing ships into container ships. These vessels are of advanced and highly productive design. They comprise a diverse mix of types that will provide the United States a more competitive fleet in a variety of trades.

The authorization request for this activity for fiscal 1975 ($275 million) is the same as that for fiscal year 1974. This amount will sustain an adequate and orderly shipbuilding program. Maritime Administration officials project awarding contracts for fourteen new ships, the conversion of four container ships into larger capacity container ships and funding for three ships for which contracts were awarded in 1974.

Ships currently being built with the aid of construction-differential subsidy are larger and more costly than those envisioned when the 1970 Act was passed and their productive capacity exceeds the capacity goal established in 1970. The fiscal year 1975 authorization request will allow series production of bulk cargo ships to continue at existing yards. The economies realized through series orders are essential to achieve competitiveness in the production of energy carriers. When in service, these ships will help to create a competitive U.S.-flag bulk cargo fleet. The combined 1974 and 1975 programs will generate 50,000 man-years of work for shipyard employees and about an equivalent amount of employment in supporting industries.

Maritime Administration officials have expressed confidence that in 1975 all ship construction contracts will be awarded at a subsidy rate lower than the 37 percent mandated by the 1970 Act. Subsidy rates have been as low as 33.4 percent for some types of tankers and 16.5 percent for LNG's. These declining subsidy rates mean that for a given level of Government support, a larger shipyard orderbook is generated. Thus, while the 1975 program level is $23 million less than in 1974 due to a decrease in the availability of carryover funds, the 1975 funds will generate approximately $976 million in shipyard orders—$65 million more than generated by the higher 1974 level of funding.

(b) Payment of obligations incurred for ship operating-differential subsidies, $242,800,000.

Operating subsidies are generally based upon the difference between U.S. and foreign vessel operating costs and are paid in order to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services. Essential services are defined as those ocean services, routes and lines, and bulk cargo carrying services essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States. Operators receiving subsidies for the provision of such services must operate American-built vessels manned by American crews. The fiscal year 1975 authorization request of $242,800,000 will finance operating subsidies to U.S.-flag operators in order to promote the continuation of essential American merchant marine services. Subsidized liner activity will remain at essentially the same level as in fiscal 1974. New bulk vessels, most of which were built under the construction subsidy program, will be entering into service this year and in 1975. This is reflected by an increase in subsidized regular bulk carrier service from 3.1 ship-years in 1974 to 6.8 in 1975. Carriage of the 1973 grain purchases to the Soviet Union will be completed this year. No funds have been requested for fiscal 1975 for special commodity shipments of this type due to uncertainties about the extent of possible future purchases and the level of charter rates prevailing at the time.

From the $242,800,000, an estimated $198,932,000 in subsidy will be paid in fiscal year 1975 for 5 passenger and combination passenger/cargo, 153.2 general cargo and 6.8 bulk carrier ship-years of operation. An additional $43,868,000 will pay obligations incurred under subsidy contracts for subsidized operations in prior years. The fiscal 1975 request reflects a decrease of $15,489,000 from the 1974 adjusted level of $258,289,000. It should be noted, however, that the 1974 level includes a 1973 appropriations carryover of $13,774,410 and a 1974 supplemental authorization for $23 million (P.L. 93-308).

(c) Expenses necessary for research and development activities, $27,900,000.

The Maritime Administration research and development program has as its purpose the development of technological superiority in order to enable U.S. shipyards and vessel operators to become more competitive. Projects under the program involve the development of new and more efficient types of ships, machinery, and equipment, and the improvement of operating practices in order to improve American shipping and shipbuilding and help overcome foreign advantages (*e.g.* as low-wage costs). Industry participation and cost sharing have been emphasized to insure the relevance and practicality of these projects.

In the area of advanced ship construction, the 1975 program will continue to explore new ship construction methods and equipment as well as new ship designs which will lower shipbuilding costs. Examples of this research include new welding procedures, standardized component designs, shipyard automation, and the development if improved transmission and propulsion systems, such as an advanced gas turbine and nuclear power.

In order to reduce operating costs and improve ship utilization, the Maritime Administration supports research and development in the area of advanced ship operations systems. Projects in this area include computerized models to assist operators with cargo space documentation, intermodal distribution coordination, fleet management, and computers to aid in navigation, communications, ship maneuvering and collision avoidance. These improvements will result in greater vessel utilization and increased safety of operation. This activity also supports R. & D. efforts in the areas of pollution abatement and safety improvements. The 1975 program will continue to develop cost-effective means of reducing pollution.

The fiscal year 1975 request for research and development of $27,900,000 is an increase of $8,900,000 from the 1974 appropriation level. The 1974 appropriation of $19 million was augmented by $5 million carried forward from 1973. Thus, the actual increase in program level from 1974 to 1975 is $3,900,000.

(d) Reserve Fleet expenses, $3,742,000.

The Maritime Administration maintains the National Defense Reserve Fleet in order to supplement our active merchant fleet in time of war or national emergency. The authorization request for this activity in fiscal year 1975 is $3,742,000. That is $31,000 less than in 1974. This reduction in Reserve Fleet expenses results from the consolidation of the fleet at the sites and the elimination of obsolete tonnage. In 1975 29 merchant ships and 101 Navy ships are scheduled for scrapping. The fleet will then consist of 294 ships.

(e) Maritime training at the Merchant Marine Academy at Kings Point, N.Y., $10,518,000.

This authorization request of $10,518,000 is for the operation of the Merchant Marine Academy at Kings Point, N.Y., to train cadets for service as officers in the U.S. merchant marine. The 1975 program anticipates a graduating class of 200 officers, approximately the same level as in the past several years.

The major portion of the $1.9 million increase requested for this category is for the necessary modernization program at the Academy, including renovation and improvement of the physical fitness facilities.

(f) Financial assistance to state marine schools, $2,973,000.

The requested authorization is for the training of cadets at six participating state maritime schools located in California, Michigan, New York, Maine, Massachusetts, and Texas. Federal assistance to these schools, authorized by the Maritime Academy Act of 1958, as amended (46 U.S.C. 1383), includes subsidies and grants to the schools, allowances to cadets for uniforms, textbooks and subsistence, and maintenance and repair expenses of training vessels on loan from the National Defense Reserve Fleet.

The 1975 authorization request of $2,973,000 reflects an increase over 1974 of $546,000. Expenditures under this authorization will remain at essentially the same level as in 1974 except in the area of maintenance and repair of Federally owned schoolships. The requested increase will allow conversion from a reactive to a preventive maintenance program and assure continued compliance with Coast Guard and American Bureau of Shipping safety standards.

Section 2 of the bill is basically a technical amendment to avoid having to amend the 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for increases in remuneration of employees at the National Defense Reserve Fleet and the Merchant Marine Academy.

Section 3 of the bill would modify section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213) to establish by law at least one regional office of the Maritime Administration for each of the Nation's four seacoasts.

Section 809 currently provides that contracts entered into under the 1936 Act shall "equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, Gulf, Great Lakes, and Pacific ports of the United States." This amendment would provide the administrative structure for implementing that obligation as well as other responsibilities of the Maritime Administration.

Since the Maritime Administrtaion already maintains regional offices for the Atlantic (New York), Gulf (New Orleans), and Pacific (San Francisco) ports, the practical effect of the amendment is to require the establishment of one additional regional office for Great Lakes ports and the St. Lawrence Seaway. A Great Lakes regional office can and should serve as a focal point for efforts to re-establish overseas U.S.-flag service in the Lakes and to realize the full potential of our fourth seacoast.

The amendment also requires the Secretary of Commerce to appoint a director for each regional office and it is the Committee's expectation that, where necessary, these offices will be established and adequately staffed as promptly as possible.

ESTIMATED COSTS

Pursuant to section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510), the Committee estimates that the cost of the legislation is $562,933,000, the specific amounts authorized by the bill, plus administartive expenses incurred in establishing one additional regional office.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the action previously taken on S. 332 be vitiated and that the bill be restored to its place on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Lutrelle F. Parker, of Virginia, to be Deputy Commissioner of Patents and Trademarks.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

DEPARTMENT OF COMMERCE

The second assistant legislative clerk read the nomination of Lutrelle F. Parker, of Virginia, to be Deputy Commissioner of Patents and Trademarks.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATION SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan desire recognition?

Mr. GRIFFIN. I do not.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period for the transaction of routine morning business, with statements therein limited to 15 minutes.

The Senator from Utah is recognized.

(The remarks of Mr. Moss appear under Statements on Introduced Bills.)

The ACTING PRESIDENT pro tempore. The Senator from Arkansas is recognized.

Mr. McCLELLAN. Mr. President, I yield to the distinguished Senator from Wisconsin.

COST OVERRUN ON "NAUTILUS"

Mr. PROXMIRE. Mr. President, the overhaul of the Nation's first atomic submarine, the *Nautilus*, will cost $48 million—more than three times the original overhaul contract price of $14.1 million.

No wonder shipbuilding and repair costs will go up $2.3 billion in the fiscal year 1976 defense budget. The lack of sound management by the Navy in its overhaul program is appalling.

The *Nautilus* is a good example. The original contract for the *Nautilus* overhaul was given to Electric Boat by the Navy in August 1972, at a time when Electric Boat desperately wanted the business. Navy officials negotiated a $14.1 million target price with Electric Boat even though both parties knew that the job would cost substantially more.

Costs rose when Electric Boat began to have serious problems with scheduling work. As a result of cost overruns in other Navy projects, the *Nautilus* overhaul was postponed 7 months from January to August 1972. And then total costs began to soar well above the contract target prices.

By August 1973, the total program costs were estimated at $27.5 million. September brought $35 million. In May of 1974, it was $41 million and the August 1974 estimate was $48.1 million. In November of 1974, the Navy and Electric Boat reached a new target price agreement of $24.3 million, well below what both parties then knew were the true costs.

In order to fund the additional cost of the reconditioning of the *Nautilus*, the Navy was forced to defer overhaul on the U.S.S. *Skipjack* and the U.S.S. *W. C. Lowe*. Meanwhile, Electric Boat is in the middle of significant cost overruns on the overhaul of two fleet ballistic missile submarines, the U.S.S. *Andrew Jackson* and the U.S.S. *Lafayette*. The former is up to $51.3 million from $30.9 million and the latter has a 55-percent increase from $31.2 to $48.5 million.

The number of man-days necessary for submarine overhaul at Electric Boat has climbed dramatically from 113,100 in 1972 for the U.S.S. *Pargo* to 350,000 in 1975 for the U.S.S. *Dace*. Overhaul prices per ship have gone up 57 percent since 1969.

The fault for such slipshod work lies both with the Navy and the contractor. The original *Nautilus* estimates were so low as to suggest deliberate under-costing to buy-in for the work. And revisions in the target price were set at half the full costs as estimated by the Navy and Electric Boat.

In addition, the program has other major failings. Spare parts were not available. Electric Boat's authorization to handle radioactive materials was revoked at one point due to dangerous control practices. The training of qualified workers was not accomplished in time. The amount of required work was underestimated.

The lack of coordination between the Navy and Electric Boat can only be interpreted as mismanagement of the worst kind. If costs on the *Nautilus* continue to rise, soon the overhaul program will total more than the original purchase price of $58.2 million in 1955. Prior overhauls of the *Nautilus* in 1960 and 1966 cost $24.8 million, not including a $5 million refueling in 1968.

The U.S. shipbuilding and overhauling program is a colossal mess. We are getting repair work done far too late at far too great a price. The Navy was warned about such mismanagement in a General Accounting Office report in June 1973, but the same old problems persist.

It is about time that the Navy stopped rewarding favorite shipyards with business they cannot adequately perform. The real threat to our shipbuilding and overhauling program is not lack of money, but lack of tough management.

There should be official questioning from Congress as to why the Navy entered into the *Nautilus* contract at a price it knew to be extremely low and why our ship repair program is on the rocks.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Arkansas has the floor.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the time consumed by the Senator from Wisconsin be charged to him, and not to my allocation of time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE FACTS ABOUT DEFENSE SPENDING

Mr. McCLELLAN. Mr. President, in my more than three decades of service in this body, I can recall few documents as

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shocking and as sobering as the administration's proposed budget for the 1976 fiscal year.

The bare figures speak for themselves—$349.4 billion in outlays—nearly $1 billion a day—and a $52 billion deficit. Thus 1 day of each week of the coming fiscal year will be a deficit day, adding $1 billion each week to the already astronomical national debt.

Storms that have been gathering by reason of deficit spending over many years have suddenly swept over our economy with such force and velocity that they are disrupting the American way of life. This budget clearly forecasts a continuation and a growing intensity of these storms.

Inasmuch as the budget request for national defense—$94.027 billion in outlays—including $92.8 billion for the Department of Defense—almost $9 billion in expenditures over fiscal year 1975, is the largest single item in the President's request—critics of defense spending are already mounting their usual attack upon it.

From them we hear the same old refrain:

> We can't afford a defense budget of this size; defense funds should be slashed and such reduction should be used to increase appropriations for health, education, mass transit or non-military government programs.

The more exuberant critics claim the defense budget is "soaring out of control."

We are told that a greedy military-industrial complex is gobbling up funds needed for underfunded social programs; that a national defense budget of this magnitude fuels an ever-spiraling arms race which may end in nuclear disaster.

The facts properly interpreted, however, present quite a different picture.

To be sure, $94 billion is an enormous sum, especially when compared with the $55.9 billion cost of defense only 10 years ago.

But, outlays for national defense have shrunk during the 10-year period from 41.5 percent of total Federal budget outlays to 26.9 percent requested for fiscal year 1976.

Since fiscal 1966, the cost of the Federal Government has gone up $214.7 billion—from $134.7 to $349.4 billion estimated for fiscal 1976. Of that total increase, only $38.2 billion—or 17.8 percent—is attributable to national defense spending. The remaining 82.2 percent, or $176.5 billion of the $214.7 billion increase, is attributable to nonmilitary functions and services, such as human resources and general government.

So very little blame can possibly be lodged against the Defense Department for the exorbitant increase in Federal expenditures.

Since fiscal 1966, nondefense programs including Federal outlays for human resource items—education and manpower; health, including medicare and medicaid; income security, including individual benefits—have increased from 58.5 percent of the budget to 73.1 percent. In dollar terms, the increase for those functions was $176.5 billion—from $78.8 billion to $255.3 billion, in the last 10 years.

Thus, while national defense costs were rising by 68 percent over the past 10 years—from $55.9 to $94 billion—total other Government expenditures were climbing from $78.7 to $255.3 billion by 224 percent.

And the defense share of both the total Federal budget and the gross national product continues to decline. In fiscal 1976, for example, proposed national defense outlays constitute only 26.9 percent of the total budget—down about 14 percent from the fiscal year 1966 level. Between 1966 and 1976, national defense outlays declined from 7.7 percent of the gross national product to 5.9 percent. During this same period, outlays for the nondefense portion of the budget rose from 10.9 to 16.0 percent of the gross national product.

Moreover, defense spending has been rising far less rapidly than any other major item in the budget.

For example, during the past 10 years:

Federal aid to education, manpower, and social services jumped 257 percent, from $4.1 to $14.6 billion.

Public assistance increased 440 percent, from $3.4 to $18.4 billion.

Social security and other retirement and disability programs increased 247 percent, from $21.4 to $74.3 billion.

Health services, including medicare and medicaid, increased by 963 percent, from $2.6 to $28 billion.

Interest on the national debt increased by 205 percent, from $11.3 to $34.4 billion.

Many other like comparisons could be cited.

So, Mr. President, contrary to the misconceptions of many well-meaning persons who demand a revision of priorities with regard to the defense budget—including some Members of this body—the truth is that we have already revised our spending priorities on an across-the-board basis.

The truth is that we are spending far less proportionately today to maintain our national security than we are spending for human needs and nondefense programs.

Why, then, are we now being called upon to provide for expenditures of an additional $9 billion over the amount being spent on national defense in the current fiscal year?

To a great extent, the answer lies largely in the cancer of inflation, the increasing sophistication of weapons systems, the need to replace obsolescent equipment, and the high cost of an all-volunteer force.

Even as I speak, the fires of inflation are consuming a significant amount of the funds Congress has made available to the Department of Defense. For example, on September 30, 1974, the Secretary of Defense sent me a report on the status of 42 selected weapons systems which showed that inflation has driven up the cost of completing these programs by a phenomenal $16 billion over estimates made only 3 months before. I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. MCCLELLAN. For example:

In World War II, a B–29 bomber cost $680,000. If we buy the B–1 bomber, each one will cost $76.4 million.

In World War II, a P–51 fighter aircraft cost $54,000. An F–14 of today costs $17.8 million.

In World War II, the price of an M–1 rifle was $50.22. A modern M–16 costs $137.17.

The annual pay of a recruit in 1950 was $960. Today, a recruit receives $4,130.

Only 8 years ago, it cost $1.30 a day to feed a soldier. Now it costs $2.68 and—as any housewife knows—the cost of food is still going up.

Here is a table showing the phenomenal increases in the cost of food served in the mess halls of the Armed Forces:

Cost of food items	Cost in 1964 (cents)	Cost today [1] (cents)	Percent increase
White bread, 1 lb	0.21	0.27	28.6
Round steak, 1 lb	1.04	1.75	68.3
Rib roast, 1 lb	.83	1.56	88.0
Chuck roast, 1 lb	.57	1.23	115.8
Pork chops, 1 lb	.88	1.80	104.6
Bacon, 1 lb	.67	.90	34.3
Hamburger, 1 lb	.49	.82	67.4
Pork loin, 1 lb	.61	1.60	162.3
Milk, ½ gal	.48	.76	58.3
Coffee, 1 lb	.82	1.12	36.6

[1] August 1974. These are bulk prices paid by the Department of Defense.

Military personnel costs have in recent years also escalated as a result of inflation and the all-volunteer services concept. In fiscal 1976, personnel and related costs will account for 53 percent of the Department of Defense outlays, or $49.2 billion of the $92 billion estimated. This represents an increase of $2.4 billion in spending on personnel in 1 year alone to maintain a much smaller force.

Although the number of military personnel will have been reduced from 3.5 million men in 1968 to 2.1 million in 1976, average per capita cost is expected to double—due principally to pay increases and inflation—from $5,500 to $12,000 in 1976. As a result, total active duty pay costs for our military personnel have risen from $19 billion in 1968 to $25 billion in 1976.

Spending for national defense is up almost $9 billion over last year, but nearly one-third of this, $2.4 billion, will go for military and civilian pay and related personnel costs. Of the remaining $6 billion, about $1.8 billion will go for procurement; $2.6 billion for operation and maintenance; about $1 billion for research and development, and about $400 million for military construction and family housing.

In the area of fuel costs alone, the bill will rise by $400 million between fiscal year 1975 and 1976, even though actual consumption will be about the same.[1]

Mr. President, I do not want my remarks today to be misinterpreted. There is a very real and significant growth in funding for our national defense effort contemplated in the fiscal year 1976 budget, and it must bear very close scrutiny in light of the overall budget totals.

[1] In fiscal year 1976, 199.5 million barrels at a cost of $3.4 billion, compared with 198.2 million barrels at a cost of $3.0 billion in fiscal year 1975.

I want to assure my colleagues that the Appropriations Committee will examine very carefully some of the following areas of increase, and make prudent reductions where they are feasible. Some of the more significant areas of concern include:

An increase in military aid to South Vietnam of almost $600 million;

A $650 million increase budgeted for a higher peacetime tempo of air operations, more real property maintenance, greater numbers of ship alterations and increased maintenance in other areas;

A one-time request of $2.3 billion to pay for naval ships whose costs were very seriously underestimated by the administration in fiscal year 1975 and previous years;

Very significant increases—approaching $1 billion—in war reserves;

A 20-percent increase—over $1.6 billion—in research and development funding to pay for a whole range of new initiatives in advanced weapons systems—both strategic and tactical;

A significant and costly program to increase exploration, development and production of oil from our naval petroleum reserves as well as to establish a sizable national strategic petroleum reserve;

An increase of over $1 billion in appropriations for military construction and family housing programs.

It is obvious that reasonable men will often differ on the question of "how much is enough" for defense. However, Mr. President, I wish to impress upon this body the following facts:

During fiscal 1976, national defense will receive the smallest share of the Federal budget since 1940—the year before Pearl Harbor.

During fiscal 1976, defense will have the lowest levels in manpower it has had since 1950.

No one can seriously challenge the proposition that there must be significant reductions in Federal spending. But, defense spending is only one segment of the national budget—and of the national obligation, I may add. It cannot be forced to bear the whole burden of fighting inflation.

For the sad truth is that despite détente, military power is by no means irrelevant in the modern world. It is a real, tangible, and indispensable element of our national and international policy.

The burden of military preparedness which we must bear is not easy to carry. There is no way to shirk or escape this burden without weakening—and possibly imperiling—our national safety and security. As we celebrate the Bicentennial of the independence of our Nation during this coming fiscal year, it is well for us to be guided by the words of Thomas Paine:

> Those who expect to reap the blessings of freedom, must, like men, undergo the fatigue of supporting it.

Mr. President, in the processing of the defense appropriations bill this year, the Senate Appropriations Committee will most carefully examine the budget request and will endeavor to make reductions wherever it is determined, or where it reasonably appears, that cuts can be made without doing violence to our military posture and without reducing the level of deterrent and preparedness believed to be essential to national security.

I would like to point out, Mr. President, that in fiscal year 1973 when I first became chairman of the Appropriations Committee, we were able to reduce Defense Department appropriation requests by $5 billion. In fiscal 1974, we made a reduction of $4 billion. And, in fiscal 1975, we reduced Defense Department requests by $5½ billion. I am sure we will be able to make some reductions again in 1976. But, I want to reiterate, in substance, what I said in my remarks here in the Senate on August 21, 1974. I stated that in light of world conditions today it is imperative that we—our country—support and maintain a defense posture of deterrent proportions. In doing so, we not only provide for our own security, but we also serve the cause of peace throughout the world. If we do less, we will surely incur unacceptable risks to our own security and invite provocations and impositions that may challenge peace throughout the world.

I hope, Mr. President, we consider what the consequences can well be if we become a second-rate military power.

The price of maintaining military strength of deterrent proportions—of preparedness—comes high today, but it is certainly more than worth the cost and the sacrifices it entails if it prevents war and contributes to peace.

I would again remind my colleagues that the highest priority—and we hear a lot about priority, Mr. President—for any of us, for any individual, is the preservation of life itself—survival. And so it is with our Nation. National security that insures the preservation of our freedom and way of life is our highest governmental priority. No other obligation of government is paramount to or transcends the obligation to insure national survival.

Mr. President, I ask unanimous consent that a letter from the Secretary of Defense to me regarding the effects of inflation on defense costs and a chart prepared by the staff of the Senate Committee on Appropriations showing the comparison of defense spending to the cost of human resources and other programs from fiscal 1966 to fiscal 1976 be printed in the RECORD at this point.

There being no objection, the letter and chart were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., September 30, 1974.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: The Selected Acquisition Reports for June 30, 1974 are currently being finalized for transmission to you in the near future. The reports are behind schedule this quarter to permit implementation and refinement of the changes previously discussed with the Committee staff and the inclusion of more realistic escalation indices for the out-year programs.

In the interim, there is attached for your information a summary of the more significant program cost data reflected in the preliminary SAR's for June. While some of the data included therein may change, the summary will provide you with advance information on the magnitude of the cost increases since the March submission.

Since the factors that influence economic escalation are beyond the control of the Department of Defense, we continue to believe that the Base Program estimates provide you and the Congress with the best measure of management efficiency. The Base Program includes the best estimate of all acquisition costs associated with a program except for economic escalation. The increase in Base Program estimates since the March SAR's is $875M bringing the Base Program cost to complete for the 42 SAR programs to $106.5B. By Service, the increase is $619M for the Navy, $261M for the Army, and a decrease of $23M for the Air Force.

In addition to providing estimates for the Base Programs, we have, as previously agreed, provided estimates reflecting the impact of economic escalation for all programs in the SAR system *through completion*, in some cases extending 15 years into the future. In providing these economic escalation factors, we are attempting to provide you and the Congress with our best estimate of the eventual dollar costs of systems procured, as described in each of the SAR's. These are our best estimates and their development required assumptions concerning the overall economy and the impact of national and international events on the various elements of costs for our weapons systems. In addition, our estimates are heavily influenced by the timing and rate of procurement for these systems.

The rate of inflation experienced in the U.S. since last December (when previous indices were developed) has been much greater than anticipated. As a result, the inflation indices developed last July reflect much higher rates and this accounts for the significant increase in the escalation estimates reported in the June SAR's.

For the December and March SAR's, we developed general price escalation indices which provided for a 4.5% increase for procurement in FY 1975 and 3.1% in FY 1976 and each calendar year thereafter. For the June SAR's, we developed revised price indices which indicated an 11% increase from 1974 to 1975, 8% in 1976, decreasing to 4.3% in 1980 with 3.7% per year thereafter. Although the Services are provided the OSD indices for general application, they are encouraged and do in fact develop their own indices which are representative of the conditions pertinent to a particular program. Based on the past few months' experience, the 11% projection for FY 1975 may be too low.

The overall increase since the March SAR's is $16.9B, bringing the total cost to complete for the 42 SAR programs to $143.6B. By Service, the increase is $7.3B for the Navy, $3.7B for the Army, and $5.9B for the Air Force. A $16.0B increase in the provision for economic escalation reflected in the June SAR's is responsible for 95% of the overall cost increase this quarter. The increase in economic escalation by Service is $6.7B for the Navy, $3.4B for the Army and $5.9B for the Air Force.

By weapon system, 10 programs account for $15.1B or 89% of the total cost increase reported this quarter. These are the programs of longer range where the effects of higher out-year escalation are most significant. The 10 programs, which are marked with a check on the enclosure, are the Navy's TRIDENT, SSN–688, DD–963 and PF systems; the Army's SAM–D, UTTAS, AAH and XM–1 systems; and the Air Force B–1 and F–15 systems.

With kindest regards,
Sincerely,

JAMES R. SCHLESINGER.

BUDGET OUTLAYS BY FUNCTION 10-YEAR COMPARISON (1966–76)

[Millions of dollars]

	Fiscal year 1966			Fiscal year 1976 (proposed)			Budget dollar and percent increase from fiscal year 1966 to 1976
	Amount	Percent of total budget	Percent of GNP	Amount	Percent of total budget	Percent of GNP	
National defense	55,856	41.5	7.7	94,027	26.9	5.9	Up 38,171 or 68 percent.
(Department of Defense portion)	(54,178)	(40.2)	(7.5)	(89,800)	(25.7)	(5.6)	(Up 35,622 or 66 percent.)
Education, Manpower and Social Services	4,093	3.0	.6	14,623	4.2	.9	Up 10,530 or 257 percent.
Public assistance	3,400	2.5	.5	18,368	5.3	1.2	Up 14,968 or 440 percent.
General retirement and disability insurance (including Social Security).	21,435	15.9	3.0	74,356	21.3	4.7	Up 52,921 or 247 percent.
Health	2,638	2.0	.4	28,050	8.0	1.8	Up 25,412 or 963 percent.
Interest	11,286	8.4	1.6	34,419	9.9	2.2	Up 23,133 or 205 percent.
General Government and other costs	35,944	26.7	5.0	85,529	24.5	5.4	Up 49,585 or 138 percent
Total	134,652	100.0	18.7	349,372	100.0	21.9	Up 214,720 or 159 percent.

10-YEAR COMPARISON OF DEFENSE OUTLAYS TO TOTAL OUTLAYS

[Millions of dollars]

	Fiscal year 1966			Fiscal year 1976 (Proposed)			Increase	
	Amount	Percent of total budget	Percent of GNP	Amount	Percent of total budget	Percent of GNP	Amount	Percent
National Defense	55,856	41.5	7.7	94,027	26.9	5.9	38,171	68
(Department of Defense portion)	(54,178)	(40.2)	(7.5)	(89,800)	(25.7)	(5.6)	(35,622)	(66)
Federal Government other than defense	78,796	58.5	10.9	255,345	73.1	16.0	176,549	224
Total	134,652	100.0	18.7	349,372	100.0	21.9	214,720	(1)

[1] Of the total increase of $214,700,000,000, only 17.8 percent is attributable to national defense, while 82.2 percent of the increase is attributable to nonmilitary functions.

Note: Columns may not add due to rounding.

Mr. McCLELLAN. Mr. President, I most earnestly urge my colleagues in the Senate, in Congress, to read the statistics and weigh them in the light of what is their duty and responsibility in this critical period in our Nation's history.

I yield the floor.

[Ex. 1]

SAR PROGRAM ACQUISITION COST SUMMARY JUNE 30, 1974

[In millions of dollars]

System	Current estimate			Changes in current estimate this quarter		
	Base program	Prov. for eco. escal.	Total	Base program	Prov. for eco. escal.	Total
Navy:						
A-7E	$2,226.0	$364.5	$2,590.5	+$4.1	+$17.7	+$21.8
E-2C	883.6	101.2	984.8	−2.3	+6.0	+3.7
F-14A	5,338.3	968.7	6,307.0	−29.7	−8.7	−38.4
P-3C	2,428.1	295.9	2,724.0	−50.0	+24.7	−25.3
S-3A	2,377.8	910.9	3,288.7	+12.0	+36.0	+48.0
Aegis	501.7	47.6	549.3	.....	.....	.....
Condor	366.8	45.7	412.5	+11.5	+5.0	+16.5
Harpoon	783.0	395.9	1,178.9	.....	+147.1	+147.1
Phoenix	991.7	162.6	1,154.3	.....	+37.9	+37.9
Poseidon	4,790.7	NR	4,790.7	+47.7	NR	+47.7
Sidewinder AIM-9L	101.8	30.6	132.4	+6.8	+18.1	+24.9
Sparrow III F	587.8	212.0	799.8	−50.2	+34.4	−15.8
Trident	11,417.2	4,029.2	15,446.4	+94.3	+2,921.0	+3,015.3
MK-48	1,369.4	187.8	1,557.2	−4.2	+100.9	+96.7
SSN-688	5,932.6	1,930.0	7,862.6	+84.1	+756.3	+840.4
OD-963	2,838.2	750.4	3,588.6	+241.7	+277.7	+519.4
DLGN-38	1,272.7	319.1	1,591.8	+25.0	+200.0	+225.0
LHA	980.5	199.4	1,179.9	−1.3	+35.9	+34.6
PF	2,807.8	2,466.8	5,274.6	+130.2	+1,661.6	+1,791.8
PHM	776.2	331.3	1,107.5	+99.8	+249.3	+349.1
CVAN 68 Class	2,045.5	512.3	2,557.8	.....	+211.9	+211.9
Total Navy	50,817.4	14,271.9	65,089.3	+619.5	+6,732.8	+7,352.3
Army:						
Lance	898.4	47.3	945.7	+4.5	+16.2	+20.7
Imp. Hawk	700.6	151.8	852.4	+.1	+21.4	+21.5
Safeguard	4,572.0	790.0	5,362.0	−14.0	.....	−14.0
Sam-D	$3,810.0	$2,579.0	$6,389.0	+$259.4	+$1,229.9 [1]	+$1,489.3
HLH	252.0	2.3	254.3	.....	+2.3	+2.3
UTTAS	1,918.6	1,484.2	3,402.8	.....	+727.2	+727.2
MICV	226.4	118.5	344.9	.....	+59.3	+59.3
Scout	204.5	57.8	262.3	.....	.....	.....
AAH	1,464.0	1,054.2	2,518.2	+11.2	+505.9	+517.1
XM-1	2,328.3	1,946.9	4,275.2	.....	+874.9	+874.9
Total Army	16,374.8	8,232.0	24,606.8	+261.2	+3,437.1	+3,698.3
Air Force:						
A-7D	1,324.4	157.9	1,482.3	−3.8	.....	−3.8
A-10	1,799.0	954.5	2,733.5	.....	+212.6	+212.6
B-1	12,209.8	6,422.8	18,632.6	.....	+3,632.6	+3,632.6
F-5E	387.8	34.7	422.5	.....	.....	.....
F-15	7,586.5	3,354.8	10,941.3	+47.1	+1,620.0	+1,667.1
F-111	5,492.4	1,625.4	7,117.8	−8.1	.....	−8.1
AWACS	1,965.9	689.5	2,655.4	.....	+178.8	+178.8
AABNCP	466.2	52.4	518.6	+23.3	+11.0	+34.3
Maverick	410.3	162.9	573.2	.....	.....	.....
Minuteman III	5,922.7	968.4	6,961.1	−.4	+115.8	+115.4
SRAM	1,135.4	19.8	1,155.2	.....	.....	.....
Sidewinder AIM-9L	184.1	57.1	241.2	.....	+38.4	+38.4
Sparrow III F	368.4	142.0	510.4	−81.1	+76.8	−4.3
Total Air Force	39,302.9	14,642.2	53,945.1	−23.0	+5,886.0	+5,863.0
Grand total	106,495.1	37,146.1	143,641.2	+857.7	+16,055.9	+16,913.6

[1] Reflect changes since Dec. 31, 1973: no SAM-D SAR for Mar. 31, 1974.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The ACTING PRESIDENT pro tempore (Mr. FORD). The Chair, on behalf of the President of the Senate pro tempore, pursuant to Public Law 93-618, and upon the recommendation of the chairman of the Committee on Finance, appoints the following Senators as official advisers to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements: Senators LONG, TALMADGE, RIBICOFF, FANNIN, and ROTH; and as alternates to the above conferences, meetings, and negotiation sessions: Senators HARTKE, HARRY F. BYRD, JR., NELSON, MONDALE, GRAVEL, BENTSEN, HATHAWAY, HASKELL, CURTIS, HANSEN, DOLE, PACKWOOD, and BROCK.

VIETNAM: IN DEFENSE OF CONGRESS AND THE VIETNAM AGREEMENT

Mr. McGOVERN. Mr. President, in recent days spokesmen for the executive branch have joined with President Thieu in Saigon in a full offensive designed to obtain more military aid from the Congress of the United States and from the American taxpayers. President Thieu is now freely available to the American press in Saigon to talk about what he refers to as American abandonment or American betrayal.

Those words are in quotation marks.

To the administration, the Vice President has pressed the attack with his recent speech in New Jersey in which he said that the United States has a "moral obligation" to Saigon, which was "negotiated by the Secretary of State, which the Congress authorized."

The Vice President said:

If we don't, if the Communists take over and one million people are killed—they are going to be liquidated—I think we ought to know where the responsibility lies.

The clear implication being that unless Congress gives the administration and the Thieu regime everything requested in addition to the American military aid, Congress is responsible then for the political state of South Vietnam, including any deaths that might take place after that time.

Now at least, Mr. President, the Vice President has made explicit what many of us felt was implicit in the administration's policy of pouring more funds and guns into Vietnam for more than 2 years later we were told "peace" was "at hand."

This claim of an "obligation" to the Thieu regime tells us far more directly that while the Paris Agreement was offered to the American public and to the Congress to admire, the administration was secretly telling President Thieu that he could ignore it and that it represented not a new American policy but only a political expedient at home.

The Vice President, has also clarified the administration's political strategy. The aggressive campaign that is now being waged for this $300 million in supplemental arms is a device to shift the blame for a policy that has already failed and, indeed, was a failure from the very beginning.

So we are suddenly transported back in time.

We are taken back to the 1950's and the tactics of the so-called McCarthy era, now asking not, "Who lost China?" but the new question will be, "Who lost Vietnam?"—as if either China or Vietnam were ever ours to lose in the first place.

We are taken back to the mid-1960's with claims about the "bloodbath" that we will supposedly prevent in Indochina if we continue to send arms, overlooking the fact that more than 4 million people have been killed or maimed in the bloodbath that has continued all along.

We are back a decade to Indochina, debating issues long since resolved, or at least that we thought were resolved, and refueling a war that we were determined to end years ago.

Now we are back to the early 1970's, when the Vice President of that time eagerly unloaded on any institution or group which failed to see the glory of the war policy that he served—while the same Secretary of State privately pleaded to press on, if only because to end the war would cause a rightwing backlash and divide the Nation.

But I submit to administration spokesmen that Congress will not yield to these scare tactics into abandoning the Paris Agreement. Rather, we will insist that the Paris Agreement must be the cornerstone of our policy in Vietnam—even when it, apparently, has been abandoned by its authors.

And more aid to General Thieu is the way to sabotage the Paris Agreement, not save it. Those military funds that we are now being asked to provide in a supplementary way would go not to achieve a real peace, not to move the struggle from the battlefield to the political arena, but to avoid that course.

I think it is time we had a true accounting of what that agreement provided and how the agreement has fared in the last 2 years.

Despite the posturing 2 years ago, that agreement was no diplomatic miracle. The pretense has been that 4 more years—1969–73—of spending lives and spilling blood brought not only peace, but "peace with honor," even victory, in Vietnam. But that is belied by the terms.

For our Nation, the Paris Agreement was a way out of Vietnam—to bring our troops and prisoners home.

For the Thieu government, the agreement did provide something more than what Secretary Kissinger once called a "decent interval." It also offered a chance to participate in the process that would decide the political future of Vietnam—not to dictate, but to participate.

And for the North Vietnamese and the Provisional Revolutionary Government, the agreement brought essential concessions from the United States and from the Saigon regime—concessions "the other side" refused to yield back even in the face of the brutal Christmas bombing of 1972.

The agreement contained a guarantee against further American interference in Vietnamese affairs. It recognized the legitimacy of the Provisional Revolutionary Government. It promised the PRG zones for control in the south, and an equal role in shaping machinery for elections and an ultimate political settlement. It called for the release of all political prisoners, and it guaranteed political freedoms for all sides.

The agreement has not fared well.

The weight of the evidence is that the Paris agreement had the support of the Democratic Republic of Vietnam, of Hanoi, and the Provisional Revolutionary Government in the South, the insurgent forces in the South that we used to refer to as the Vietcong.

But President Thieu from the very beginning has opposed the Paris agreement. From the beginning he has tried to subvert it. And if he can, he will destroy it.

Militarily, from the date of that agreement, General Thieu's forces pressed the attack no less aggressively than before.

They captured hamlets long under the control of the Provisional Revolutionary Government, they moved more troops into contested areas, and they built more military outposts. A joint American-South Vietnamese study in early 1974, just about a year ago, revealed that for every round of ammunition fired by the opposition, and there had been many, South Vietnamese troops fired 16. And that probably understates the ratio. The Foreign Relations Committee staff found last year that the ratio sometimes runs as high as 50 to 1 in areas where "random harassment and interdiction fire against Communist-controlled areas is still common."

Beyond this, the Foreign Relations Committee investigators have uncovered a practice of reporting from our Embassy that is frighteningly familiar. The staff report, "Vietnam: May 1974" tells us:

One consistent pattern which emerges from a study of these reports is the Embassy's tendency to play down or to ignore obvious cease-fire violations by the South Vietnamese armed forces.

Here in Washington, Mr. President, we are left to wonder whether the blind are once again being misled by the blind on events in Vietnam where we have so frequently, over the years, been misled as to the facts and the realities.

But wherever the information or the misinformation begins, the truth is clear that Mr. Thieu has ignored the cease-fire and the terms of the Paris Agreement from the very beginning.

The struggle in Vietnam, of course, has not been waged only for a cease-fire. It has been fought primarily to settle a political dispute.

In other words, the forces that were going to control the political strength of South Vietnam and the Paris Agreement was a way to settle that dispute by peaceful means. What has happened to those political terms?

President Ford told us on January 28, in his message calling for supplemental Vietnam and Cambodia funds, that—

The Communists have also violated the political provisions of the Paris Agreement. They have refused all South Vietnamese offers to set a specific date for free elections, and have now broken off negotiations with the Government of the Republic of Vietnam.

It did not settle the argument, but it did say the time has come to move it off the battlefield into the political arena.

But President Thieu has made no offer for elections that bears any resemblance to the Paris Agreement. It is those terms, once endorsed by all parties, which have been the focus of unrelenting insistence from the DRV and the PRG, and unrelenting resistance from General Thieu.

And in line with that underlying event, the Paris Agreement called for immediate political freedoms, more specifically the release of our political prisoners. It called for establishment of a national council and concord with authority shared equally by all the contending parties, by the Provisional Revolutionary Government, by the present government in Saigon, or to sympathizers and then by representatives of neutral or third forces, and that council was to be formed before the elections were scheduled.

It was to serve as a kind of provisional government that would set the machinery for the election and see that it was carried out in an objective and fair manner. The council was to assure political freedoms and run the elections.

Now, instead of that, President Thieu wants to set the date for elections first

and then says that he, not the council, will assure political freedoms and that that will be done for only a 90-day period prior to the election.

In a sense, Mr. President, he wants to hold the ballot box and set the stage for the election rather than having this done by groups representing all the various forces in South Vietnam.

Instead of that, Mr. Thieu wants to set the date for elections first, and then he says he, not the council, will assure political freedoms—for just 90 days before the elections are held.

What of the national council on reconciliation and concord? Mr. Thieu dismisses that easily. It contemplates a third neutral force in South Vietnam. But he has made it a violation of law in South Vietnam—decree law 93/SL/CT—for anyone to commit "acts of propaganda for and incitement of neutralism." So Mr. Thieu simply locks up the neutralists, and then tells us that while he would like very much to follow the agreement, he cannot, for the third force simply does not exist.

So, under that provision of the Thieu government, anyone who would admit publicly that he is neutral between the government and the insurgent forces is put in prison. This is what has happened in the last 10 days to five major daily newspapers. They were not Communist newspapers, but papers that had the courage to offer some criticism of the Thieu regime. For their courage and trouble their editors and publishers were sent to prison. This is the regime that we are being asked to bail out once again in South Vietnam.

In fact, Mr. Thieu has tried every avenue to destroy the Paris accords. His policy throughout has been the same one declared by his Premier Khiem in 1973:

> We will not let the Paris Agreement decide the fate of South Vietnam. Our army is determined to decide the fate of South Vietnam. Today the world does not rely on international law, but on force.

Now, in 1975, we are told of cease-fire violations on the other side. Of course, there have been some. But after President Thieu has declared war in spite of peace, after he has rejected the political alternative and has said openly that he has no intention of abiding by the Paris Peace Agreement, one wonders why he has any further claim on American arms and American dollars to sustain that position in open violation of the terms of the Paris agreement.

Under the circumstances, I suspect the American people will find it hard to share the administration's outpouring of sympathy for Mr. Thieu. He has had fair warning—Congress has turned down escalating arms requests for 2 straight years. He has had fair opportunity—that written into the Paris accord. But he has defied those options and made another choice.

For 2 years, Mr. Thieu has poked and prodded the beehive. Now it is his responsibility, not ours, to bear the sting of battle.

And if any American official has encouraged him in that course, let that official now justify his mistake. If anyone has made a private commitment to General Thieu in defiance of the Paris accords, then let him look privately for funds. For no official has been granted such authority to commit the United States.

Mr. President, it was implied by the Vice President's statement that the Congress has somehow made a commitment to indefinitely continuing American military aid to this regime in Southeast Asia.

On the contrary, the Congress has taken great care to limit executive authority in Indochina, and to force a full disengagement.

On three separate bills, Congress has specifically prohibited the use of funds to finance any U.S. involvement in hostilities "in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia."

Congress has also excluded any U.S. involvement in paramilitary operations in Indochina.

Congress has prohibited the presence of any U.S. military advisers in Cambodia, and I am today introducing a bill reflecting the obvious intent of Congress to extend that prohibition to Vietnam and Laos as well. It would rule out military advisers for "military, paramilitary, police, or other security or intelligence forces in that part of the world. This is, in fact, a step to adopt by American law a provision which should be treated as law in any case, because we accepted it in the Paris agreement.

Finally, Congress has repudiated the presumption that while we have ruled out a direct American involvement, we have somehow ruled in the limitless involvement of American dollars. Just where has Congress granted anyone authority to promise aid to General Thieu? The answer is, we have not.

What we have done is to cut administration requests for military aid to Vietnam by $1.26 billion in 2 years. We have provided declining sums—some $1 billion in 1974, and $700 million in 1975. Congress has neither authorized nor acquiesced in any commitment to the Thieu regime; we have instead declared that this aid must end.

After all of this, I am astonished that this administration still insists upon being led around by General Thieu; by the machinations and manipulations to send him more funds. I am amazed by what Vice President ROCKEFELLER says and how he says it.

But there is one thing I welcome.

Far from fearing it, I welcome the opportunity for Congress to assume the responsibility for what happens next—for the decision to choose the Paris Agreement over General Thieu.

Let them call it blame. I call it credit. For it will mean that the Congress and the country have moved toward commonsense recognition that we cannot indefinetly provide arms for continued killing in Vietnam.

If some of their leaders are not, I think the American people are mature enough to welcome this peace now, even if it falls short of the impossible promises of a few years ago.

If some of their leaders have not, I think the American people, who have borne the costs, have also grasped the lessons of this abominable decade in Indochina.

If some of their leaders still resist the truth, I think the American people understand that this country has neither the right, nor the power, nor the need, to write an American formula for the future of Southeast Asia.

Congress does have a responsibility in Vietnam. The responsible course now is to help this new President avoid the trap which cursed his predecessors and nearly ruined the Nation. It is to break free at last from a permanent, costly client dictatorship, from an endless time of killing and suffering for the Vietnamese people.

I foresee—in both the eyes of the American people and in the reflections of history—far more blessing than blame in declaring that our military role in Southeast Asia is coming to an end.

It should not be forgotten, Mr. President, that it was through that practice of sending in military advisers that we were first sucked into this tragic and bloody conflict in Southeast Asia.

Mr. President, I send my bill to the desk and ask that it be appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

THE OIL IMPORT DUTY

Mr. DOLE. Mr. President, in an effort to avoid either confrontation or further delay between efforts by the executive branch and the legislative branch to come to grips with, and perhaps find some solution to the economic and energy problems which face this Nation, it seems to the junior Senator from Kansas that our primary effort should be in trying to work out some agreement or some compromise on the President's action to impose an oil import duty.

As the junior Senator from Kansas understands it, there are those who oppose any import duty; there are those who would seek to delay the imposition of this duty for 90 days, and there are probably a great many on both sides of the aisle who have some other solution.

It occurs to the Senator from Kansas that one resolution might be to freeze the import tax at $1 for a period of 90 days. This would give those who are seeking additional time for some alternative plan that 90-day period they desire and would leave in effect the $1 import tax imposed by proclamation by the Executive on February 1.

In an effort to strike a compromise, I shall offer, as a member of the Committee on Finance at its meeting tomorrow, in the event there is a quorum present, and I assume there will be a quorum present, an amendment which would do specifically two things: It would suspend until May 1 the President's power to impose an oil import duty in excess of the $1 per barrel tariff previously imposed on February 1. Thus, the present $1 per barrel tariff would be frozen at that level until May 1.

After May 1, unless Congress enacts new legislation, the President's power under the Trade Expansion Act of 1962 to impose larger import fees would be restored.

Mr. President, today the President of the United States is in the State of Kansas speaking to the Midwestern Governors, Republicans and Democrats, and speaking to others who are concerned about our economy and also the energy-related problem.

As I have said to members of the White House staff and to my colleagues in the Senate, if we are really concerned about the American people, then we should not let the energy crisis or any other problem become so politicized that we refuse to have some flexibility.

Mr. President, again without encouragement from the White House and without any support from the White House—perhaps opposition from the White House—without much support from other colleagues, it is still my hope that the amendment I shall offer tomorrow will prevent a confrontation between the Congress and the President and avoid a loss of time that would result from such a confrontation.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOLE. Yes.

Mr. PASTORE. Mr. President, I believe we have reached a point where there is a misunderstanding of the old adage, that it all depends on whose ox is being gored. My part of the country, New England, depends entirely upon, or almost entirely upon, imported oil. This is not true of Kansas. That is not true of other parts of the country. I believe that the American people are willing to assume their responsibility whatever the sacrifice may be, provided that that sacrifice is equally shared by all Americans. That is not what is happening today.

There was a time, going back to 1959, when President Eisenhower instituted, under Executive directive, a quota on the importation of oil. At that time, you could buy foreign oil cheaper than domestic oil. The argument was made that unless we limited the importation of cheap foreign oil, the result would be that the military or the national defense would be jeopardized, and that for that reason, in order to stimulate domestic production, we should limit the importation of foreign oil. That is the argument they gave.

So when we could buy it cheaper than the domestic oil, they slapped on a quota.

What is happening now? Now that the foreign oil costs more than 2½ times domestic oil, they are saying to the people of Rhode Island, "It is not bad enough that you have to pay 2½ times more than if you got the domestic oil, but on top of it all, we are going to put another tax on, and we will call it a tariff tax." This is the injury that is being misunderstood.

How is this President doing it? He is doing it exactly the way Eisenhower did it. He slapped it on unilaterally. He did not call in the Governors nor the mayors nor the leaders of Congress. He did not call in anybody. He just got his coterie of advisers around him, and then he said, this is it, and he gave it to us right between the eyes.

That is exactly what they did. They put on a $1 tax on February 1. They are going to put on another $1 tax on March 1, and another $1 tax on April 1. By the time they get through, they will have socked $40 billion on the backs of the taxpayers of this country.

Am I taking too much time?

Mr. DOLE. I assume that I can find more time.

Mr. PASTORE. I am only half-way through.

[Laughter.]

Mr. DOLE. I think the discussion is good.

Mr. ROBERT C. BYRD. The Senator will have no problem getting additional time.

Mr. PASTORE. All I say is that there is an injustice here.

The President also is recommending that we remove the controls from domestic oil, and he can do that under the law. He does not have to come to Congress. If he wants to deregulate natural gas, he has to come to Congress, but he is recommending that, too. By the time they get through, God help the poor consumers of America.

What are they doing? The President predicated his budget on an unemployment rate of 7.9. The unemployment rate today is 8.2, from the governmental agency.

George Meany was on television last Sunday, and he said that they have taken the bottom line, that the real unemployment rate in this country is now 10 percent. He may be taking the top line, but in between we have 9 percent. You do not have to be a high school graduate to know that the difference between 8 and 10 is 9. [Laughter.] What does that mean? That means 9 million people out of work. That is what we are up against.

What we Democrats want to do is this: We are saying to the President, "We are not repudiating you. All we are asking you to do is to give us a reprieve for 90 days. Give us a chance to come up with something." We will come up with it. We are working on it right now. What we will come up with is good, because the thrust of our program is going to be to put this economy back on the track, to cut down the unemployment rate if we can, to give jobs if we can, to conserve our energy that is being wasted. Over the years, we have become a very neglectful and wasteful society, unnecessarily so.

That reminds me of a story. When I was the Governor of my State, we had a visiting dignitary come to my State, and I had to entertain him at luncheon. We had a rather nice luncheon, and the time came when the waiters had to pick up the dishes. There was a great deal of food, because the people had not eaten all the food.

I said to my guest, "Isn't it a shame? With so many hungry people in the world, look at all the food that goes to the garbage pail."

Without flickering an eyelash, he looked at me and said, "Governor, I come from a poor country; but if we had your abundance, we would be doing the same thing."

What do I mean by that? I mean by that that because we had an abundance, we began to waste. Now we do not have the abundance any more, and the thing to do is to conserve. We can conserve.

We have a 55-mile-an-hour speed limit on our highways. If you drive 55 miles an hour, every Tom, Dick, and Harry will pass you. That is wasting gasoline.

We can convert to coal. Why make an automobile that can go 120 miles an hour on a 55-mile-an-hour road? We can save money there. We can make smaller cars; we can have less horsepower; we can do a lot of things before we begin to soak the poor.

What does the President say? Let the poor people who need the food stamps pay more. Let the people on social security get no more than 5 percent, even though they are entitled to 8.5 percent. Is that the way to deal with the question of equality of sacrifice?

Raise the price of gasoline by 20 cents. I do not think the Vice President of the United States is going to be bothered by that. I do not think he is going to be bothered by that. I do not think he even knows how many miles a gallon his car will go—and if I had $250 million, I would not know, either. That is what we are doing.

All I am saying is that the time of reckoning has come. We of the Democratic Party will give a program, but do not paint us into a corner. Once the President has exercised that authority and we vote to delay and we cannot override his veto, then we have government by minority, not government by majority. That is what we are going to be up against.

We are going to get it right here, right in the neck; that is where we are going to get it.

All I say to my good friend from Kansas is that I hope he can speak to the President. The Senator from Kansas is a wise man, an astute man. He knows that $3 is bad, but he is willing to come down to $1.

I say this to the Senator: Why do we not call it all off for 90 days? It is not going to kill anybody. Let us start some conservation; let us start some conversion; but let us find out where we are going. All this tax will do will be to add to inflation, add to unemployment, and add to the misery of the country. The time has come to put it to an end.

I thank my good friend for his patience. He has always been kind and generous.

Mr. DOLE. Mr. President, I appreciate the nonpartisan remarks of the senior Senator from Rhode Island. [Laughter.]

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time taken by my good friend the Senator from Rhode Island not be charged against the time of the Senator from Kansas.

The PRESIDING OFFICER (Mr. GARY W. HART). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I say to the distinguished Senator from Rhode Island that I certainly have great respect for his views, and I think the discussion is good.

What I am doing, in effect, is freezing the $1 tariff for 90 days, trying to compromise with what some Democrats may want and at least leave in

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effect the President's $1 tariff for that period. There may be better compromises; there may be other compromises; perhaps no compromise is possible. But in the view of the junior Senator from Kansas, we could be talking about this problem a year from now and still have no resolution of it, unless we are willing to compromise.

It is not enough to denounce the President's stated circumstances, whether it be in social security, whether it be in unemployment, or whether it be in inflation. It is whether or not this Congress and this President are willing to come to grips with the situation.

I shall talk with the President. As the Senator from Kansas indicated earlier, my amendment is not supported, as far as I know, by the White House. It may not be supported by anyone but the Senator from Kansas. But it is some indication of the willingness on the part of 1 Senator or possibly 5 Senators or 10 Senators of the need to reach a solution and a recognition of the seriousness of the problem. Any of us could give a laundry list of programs passed in past administrations which have added to the problems of today; and that could be added to inflation, added to the cost of government, added to the cost of social programs. But I am certain that that kind of exchange will not do much insofar as resolution of the real problem before us.

Insofar as the cost to New England is concerned, a special effort has been made to ease the impact on regions heavily dependent on imported petroleum products. The Senator from Kansas was informed this morning that under his amendment, the imported products used in New England would not absorb any of this $1 tariff. That is because imported petroleum products have been given a 60 cents per barrel subsidy. The subsidy has been ended which would have about the same impact on New England as the $1 per barrel tariff on imported crude oil would have on the rest of the country.

Insofar as the added price of gasoline, it would add about 1 cent per gallon. A study done in my State of Kansas indicates that Kansas residents, under the President's mandate, if enacted, would pay about $101 per capita of increased gasoline costs whereas the residents of New England would only pay about $70. We love New England, but we do more driving in the Midwest. While problems are different in certain geographical areas in this country, it is rather difficult to tell an American in one part of the country that he should pay one-third more because he lives in the Midwest.

So under the amendment I plan to offer, New England comes out about the same as or slightly better than the rest of the country. While I understand the concerns of the Senator from Rhode Island, I believe his objections are unwarranted. Under the action taken February 1, which my amendment would essentially freeze for 90 days, all regions of the country should see about a 1 cent per gallon increase in the price of gasoline.

As far as the Senator from Kansas has been able to determine, there are no plainless remedies. Anything designed to come to grips with the problem will be bitter medicine, whether it comes from the Democratic spoon or the Republican spoon or whether it comes from some coalition of Democrats and Republicans working with the President.

Finally, a major purpose of even suggesting an amendment is to indicate that we need to stop wasting time and move toward a comprehensive solution. If Congress passes the so-called Ullman bill, which suspends for 90 days from date of enactment—not 90 days from the date it was introduced on January 23, but 90 days from the date of enactment—the power of the President to impose any import duty, then we have, in effect, delayed an effort toward a comprehensive solution for about 150 days or more.

If the House bill, H.R. 1767, should be reported by the Senate Committee on Finance tomorrow, if there is a quorum present, and if then, sometime next week, it should be passed by the Senate, vetoed by the President, and then if it goes through the veto process, we will have consumed another 2 or 3 weeks' time or more while the American people still wait for action.

It seems to the Senator from Kansas that we can avoid the confrontation between Congress and the President, that further delay can be avoided. Perhaps working in concert, we can work together toward a comprehensive solution of the energy problem. The amendment is a compromise on the President's plan to increase import fees to $3 as indicated by the distinguished Senator from Rhode Island. It would freeze the $1 tax on crude oil imports at that level until May 1. It would give those in Congress who want more time the 90 days to come up with some alternate plan. It may not represent the best compromise in the mind of every Senator, but it does present an opportunity to make an honest effort to move toward some resolution of the greater problem of over-dependence on crude oil imports.

Mr. NELSON. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield.

Mr. NELSON. I should like to ask the distinguished Senator from Kansas and the Senator from Rhode Island the same question.

As I understand the Senator from Rhode Island, the President's proposal discriminates against New England, which uses all imported oil.

Mr. DOLE. The understanding of the Senator from Kansas is that President Ford's proposal would seek to lessen any advantage there may be in the form of windfall profit, and to reduce any differences in regional impact.

Mr. NELSON. It is not the intention of the administration to have a two-tier price, a price on imported oil that is $2 or $3 a barrel higher than the oil produced domestically?

Mr. DOLE. As I understand the testimony of witnesses and statements I have read, this would be a one-price system. We have had a two-tier domestic price system for some time. It has not worked very well. I see the distinguished chairman of our committee just entered. I think I am correct that there would be one price for imported and one price for domestic oil.

Mr. NELSON. I addressed the question also to the Senator from Rhode Island and perhaps the chairman of the Committee on Finance.

Mr. PASTORE. It is inevitable—the minute we decontrol domestic oil, there is no question in my mind that the price will rise to the OPEC price. It is bound to happen. It is natural. It could not be any other way, because we are not going to have two-price oil. The minute we take the control off, then the regular forces of free enterprise will have to lift the price so that it will level off the same as for imported and domestic. It is inevitable.

The only thing that disturbs me—I like the President. I think he is a fine person. I do not mean any aspersion upon Jerry Ford. I think he is a wonderful man, he is a good father, he is a wonderful husband. That is not the point here. But I do say I do not think he has a leg to stand on in criticizing the Democratic Congress. Let me tell the Senator why.

First of all, what we intend to do is pegged all on rejecting the $3 tariff. All of our plans—to stimulate the economy, to avoid further disruption to the economy, to avoid further unemployment—our whole program is being pegged on the rejection of the tariff.

Now, the President has imposed the tariff and there is nothing we can do about it except to pass a bill to say we delay it for 90 days.

If we pass it by an overwhelming vote in the House, which they did, and if we pass it by an overwhelming vote in the Senate, but not by a two-thirds vote, then the President will veto it and we cannot override his veto. So where does that put us in the Democratic Party? We would have to shift our whole plan all over again because we are knocking the bottom right out of our program.

Our program is to make jobs, to decrease inflation if we can, and if we go ahead and put on this $3 tax and we can do nothing about lifting it, and the Committee on Finance passes its package on a $20 billion rebate and tax reduction, the President has his plan; he has his package. All he has to wait for is for us to do a little conservation on automobiles and what-have-you. But he would have the major part of his plan. And that is where he has boxed us in.

That is where he boxed us in, because he has unilaterally imposed a tariff without consultation with Congress. That is all I say.

Mr. DOLE. Well, he had that authority under the 1963 act.

Mr. PASTORE. Of course, he has the authority; but there is a morality involved here, too. Why stand up and criticize us after you have hit us over the head with a club?

Mr. DOLE. I am not criticizing.

Mr. PASTORE. That is what it amounts to. It is like saying, "Give me your baseball bat" and then saying "Hit a home run." How are we going to do it?

Mr. DOLE. Well, we do not want you to hit a home run.

Mr. PASTORE. I want to hit a home run on this package we are going to suggest. All I am saying is that we have got to have a rejection of that tax if we want to avoid further unemployment and further inflation; and our whole program is tabbed and anchored to that. And he is taking that tool away from us.

Mr. DOLE. If there is this fear that we might be boxed in, why would not the amendment that I have discussed offer some way out, not a Democratic way, but a way for Congress to respond and a way for the President to respond?

Mr. PASTORE. The President will not even buy the Senator's program. The White House has told us that everyone in the White House is against the Senator's scheme, and everyone in the White House is against my scheme. All they are doing is attempting to use the Congress of the United States as a battering ram; that is all. They are letting us have it between the eyes, and the time has come when we have got to begin to talk turkey, and the turkey I mean is the one that gobbles along on two legs.

Mr. DOLE. The Senator is not talking about the other Turkey, over in the Middle East?

Mr. PASTORE. No; that is another problem. All I want to say to my good friend from Kansas is that even he realizes the President has gone too far. All I am saying is that there should have been better rapport, better consultation.

This idea that you leave me out of your consultations, and then you say, "I am giving you this; it may be rotten, but you will be giving me something"—they are taking that away from us, because unilaterally he has imposed his program on us, and the only way we can get by it is by overriding his veto; and that is minority government. I say again, Jerry Ford has become a champion vetoing President in the history of this country.

Mr. DOLE. As I think the Senator has stated, the head count is very close as to whether or not a veto might be sustained. It seems to me that rather than waste all that time, there should be some modification. Perhaps the Senator from Rhode Island has a modification, or the Senator from Louisiana, or the Senator from Wisconsin. I would not say the President rejected any compromise because I do not believe the President has. If the witnesses he sent to the Finance Committee on Monday speak for the administration, they are willing to compromise, and if they are not willing to compromise, they should not say in the presence of the Senate Committee on Finance that they are willing to compromise.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOLE. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, it is my feeling that no one, at this point, really has the answer to the problem, and I include myself in the generality of that statement. I do not think anyone has the answer to it, but I do think there have been some good suggestions made, which would contribute to the solution of the problem, and I think that some of those suggestions have been made by the President, some of them have been made by some of the Senators on this side of the aisle—and I would certainly include the suggestions made by the distinguished Senator from Rhode Island, as well as those made by Senators on the other side of the aisle.

There have been some good suggestions made, and those that we can agree upon as useful proposals should be incorporated into a package. That is what it is going to require in the long run anyway, a package of suggestions, each of which will help to find this Nation's way out of a very difficult situation.

I regret to say that ever since this energy crisis hit us, we have so far succeeded in doing just one simple little thing, and that is to widen the right of way for the Alaskan pipeline from—what was it?—50 feet to 100 feet, or some such thing as that. That is about all we have done.

We sent a proposal down to the President that was advocated by the distinguished manager, the Senator from Washington (Mr. JACKSON), that had some good facets to it. There were a lot of good pieces in that package, but there was one item in there that the then energy administrator, Mr. Simon, said would be very counterproductive and would defeat the administration's whole effort to move us toward self-sufficiency. That was the so-called price rollback, which Mr. Simon felt would be counterproductive to trying to increase the domestic production of energy, and that as it was written he felt compelled to advise that he would probably have to recommend a veto if the rollback remained in the package.

But the Democratic leadership, particularly those managing the bill, were determined to insist on that, so the President vetoed the bill. They could not override the veto; and in view of that fact, I think they should have taken everything in the bill for which the President would have been willing to sign, which was about 95 percent of what they were proposing, and send that back down to the President and let him sign it.

That was 15 months ago.

Now we find Mr. JACKSON criticizing the President, that those provisions that the President vetoed, which the President is now recommending, did not become law.

The point is that Congress should have sent them on back down there again, minus the one provision that the President was unwilling to sign. I think we need to recognize sooner or later that we cannot make the President sign something he thinks is bad law, but certainly we can send him the things on which he would agree with us to be good law, and he would sign that much of it.

One thing that appeals to me about the President's action is that at least it puts the pressure on Congress to do something, and I am hopeful that, with the result of what the President has done, the debates occurring, and the matters being considered by both sides of the aisle, we will wind up making a constructive contribution towards solving the energy problem; because, as I said, when Richard Nixon was President and the energy crisis hit us, he came up with a proposed "Project Independence," that was supposed to have given this Nation self-sufficiency in 7 years. As I recall it, he was going to have this Nation independent in energy by 1980. Now that we have Jerry Ford as President, he is sending us his proposal, but he is going to have us self-sufficient in 10 years, by 1985. So about all I can see that has been achieved so far is that where 2 years ago we were supposed to be independent in 7 years, now we are supposed to be independent in 10 years; so we have spent 2 years losing 3 years, and we are now 5 years farther away from the target than we were 2 years ago.

I hope he will keep pressure on Congress to do something, emphasizing that if we do not do something, something horrible will happen to the country, and I hope that he will keep the pressure on and maybe something will happen, at least as to these suggestions that everyone agrees to now.

Everyone agrees that we ought to try to get people to install storm windows and insulate their homes. Maybe we can get that much done. Everyone agrees that we ought to produce energy out in the Atlantic, that that is the biggest undeveloped frontier. Maybe we can do something about that.

In addition to the pipeline built across Alaska, we ought to put a pipeline down through Canada to bring oil and gas to the United States. Maybe we can get some of that done.

We ought to encourage people to find ways to make better use of the energy we have. Maybe we can do something about that. A lot of suggestions have been made. I have made some myself.

Maybe we can do something about some of those things. So, if we just keep the pressure on maybe we can accomplish results with regard to the price. Maybe we can have better public transportation, more carpooling, smaller automobiles, better gas mileage.

If pressure is kept on Congress perhaps Congress will react. But I am not the least bid proud of the fact that nothing except the Alaskan pipeline can be cited as an achievement during the last 2 years.

How long ago was it that the Arabs imposed a boycott on the United States? Almost 500 days now, is it not?

Mr. DOLE. Five hundred some.

Mr. LONG. About 500 days ago, and nothing has been achieved.

You have 100 Senators, each of whom could propose his own program between now and this time tomorrow. Just say, "All right, give me the Long program." I could have it ready for you by this time tomorrow.

"Give me the Dole program," and I am sure you could do the same thing, and so could everybody else in the Senate.

You have 435 Congressmen who could do the same thing.

The President has already submitted his program to us. All I am saying is that one would think that with 500 days to work on it we would have succeeded in doing more than just authorize a

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widening of the right-of-way for the Alaskan pipeline.

It looks to me as though that is all that has been achieved in more than a year since this thing hit us, and we are 3 years further away from our target date now than we were then. So I would hope that as a result of the President at least saying, "If Congress does not do something I am going to do something," something will begin to happen around here. That is why I am reluctant to vote to strike down what the President has done. I think we ought to try to simply move from that point to enact a program that we think is better, instead of trying to stop him from moving forward with his.

Mr. DOLE. I thank the Senator from Louisiana. I believe that he is in accord with the hopes also of the Senator from Kansas. My thought is that the pressure now is on Congress, and it would not be increased on March 1 and again on April 1, but would give Congress that 90-day period, and then if we still have not done anything but maybe reconsider the Alaska right-of-way, and we might do that again, then the President would be free on May 1 to reimpose $2 or $3. But, in any event it would seem to the Senator from Kansas that the time for action is now.

REMARKS OF SENATOR NUNN AT NATIONAL PRAYER BREAKFAST

Mr. ROBERT C. BYRD. Mr. President, I was impressed by the remarks offered by the junior Senator from Georgia at the recent National Prayer Breakfast, and the philosophy they contained.

In order that any of my colleagues who did not hear them may have the opportunity of reading Senator NUNN's words, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Mr. President, Mrs. Ford, Mr. Vice President, Ladies and Gentlemen:

One evening after an extremely busy day in a large city, Mr. Jones, a businessman, rushed to catch the commuter train which would take him to his suburban home. In the station he noticed Johnny, a small, poorly clothed, crippled boy selling apples at a small stand. Another man obviously in a great rush accidently knocked the boy from his stand and all of the little fellow's apples were left scattered over the dirty floor of the station.

The man who caused this accident paused for a brief moment and muttered a meaningless apology before quickly departing in a rush to avoid missing the train. Mr. Jones, also in a hurry, quickly passed by, but had a second thought as he started aboard his departing train and returned to the scene.

As he stooped over to help the little crippled boy recover his apples from the floor, he suddenly realized that Johnny was also blind as he groped about in pursuit of his only merchandise.

Mr. Jones took a little time from his busy life, recovered all the apples, brushed each one off with his handerchief and placed them on the fallen stand, which he had re-erected.

In departing he handed the young lad a crisp five dollar bill. As Mr. Jones started on his delayed journey, Johnny, the little crippled boy, clutched him by his coat and with large tears in the eyes that could not see, asked him, "Mr. are you Jesus?" (Pause)

No, Johnny, Mr. Jones is not Jesus—but—to be more like the Master—full of kindness, compassion, and understanding—is the goal of every Christian. Only Jesus Christ lived the perfect life, and like Mr. Jones, we Senators who meet each Wednesday morning in the Vandenberg Room are far from perfect.

There are those who criticize our regular Wednesday morning prayer breakfast meetings as being nothing more than self-serving exercises in Senatorial soul-searching. Some claim we are no better than the hypocritical pharisee, praying aloud in the temple, raising our voices for all to see how devout we are. To these cynics, I readily admit we have normal faults and normal motivations.

For me, that's the heart of it. If anyone knows he is human and subject to limitations and frailties, it should be the Senator and Congressman who are trying to write laws which will govern fairly the lives of over 200 million people. Think about that for a moment and you'll know how inadequate we are—alone. That is why I believe that those of us in the Senate who gather each Wednesday morning to study the scriptures, to share personal insights into our own religious convictions, emerge the better for this experience.

In Proverbs, we find this admonition: "As a man thinketh in his heart, so is he." (Proverbs 23:7)

This is what we are trying to do—remold our hearts, reshape our thoughts, and better serve our nation and the world by obedience to God's laws and God's will.

As you may remember, the pharisee I referred to earlier was not alone in the temple. Over in the corner was the publican, and his words more truly express the thoughts we all feel: "God be merciful to me, a sinner." (Luke 18:13)

SAM ERVIN—AMERICAN PATRIOT

Mr. ROBERT C. BYRD. Mr. President, I am sure that all my colleagues in this body shared my regret when Senator Sam Ervin decided to retire at the end of the 93d Congress. I am equally certain that all of us join in wishing him many years of pleasant and carefree retirement in his beloved Old North State.

I recently had the privilege of addressing a dinner in Sam Ervin's honor, given by and for the Cystic Fibrosis Foundation of North Carolina in Winston-Salem.

I ask unanimous consent that my speech on that occasion be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH FOR SAM ERVIN AT CYSTIC FIBROSIS DINNER

(By U.S. Senator ROBERT C. BYRD from West Virginia)

Mr. Chairman, Senator Ervin, Ladies and Gentlemen:

It is always a genuine pleasure for me to visit with the good folks in North Carolina. As many of you know, the Tarheel State was my birthplace, though I moved at a very early age to the Mountain State of West Virginia. I have a very warm spot in my heart for this State, and a very warm spot in my heart for the great Carolinian and great American whom we honor tonight.

There is something about Sam Ervin that personifies all the qualities and the strengths of character of which Americans have always been proud, and which we have always admired.

To some men there are given by Providence the characteristics of human kindness, compassion, and understanding to complement wisdom, erudition, and a deep love of his country and its institutions. Such men do not come down the pike every day. But when one does, he is a giant in his time.

Such a man began his journey to greatness when he was born in Morganton seventy-eight years ago. In the years between those simple bucolic days and the frenetic times in which we now live, Sam Ervin has seen this great and good country of ours change from the peace and calm of a rural society into the world's most powerful and most prosperous industrial, technological, and urban nation. He, himself, has played a significant role in the shaping of our destiny by his wise and conscientious counsel in the high places of government—both as a highly respected member of the judiciary and as a distinguished member of the United States Senate!

Sam Ervin has long enjoyed a well deserved reputation as one of the country's most knowledgable constitutional lawyers. Many times, on the floor of the United States Senate, I have listened, and marveled, at his command of the words and provisions of our Constitution; his immense knowledge and recollection of even the most obscure interpretations of that great document by a wide variety of jurists and constitutional scholars; and his incisiveness in illustrating exactly the point of constitutional law required to prove the rightness of his case in debate.

We have all heard the hypothetical question: If you were going to be a castaway on a desert island, and you were allowed only three books, which books would you choose?

I have never asked Sam this question, but my guess would be that he might settle for the Holy Bible, the Federalist Papers, and Lefler and Newsome's "North Carolina—A History of a Southern State."

When a man has served in the Senate of the United States for 21 years, and has been exposed for that length of time to the sometimes unreal world of Washington, D.C., it is entirely likely that instead of the man's making an impression on Washington, the nation's Capital leaves its controlling impression on the man. And sometimes that impression is not the kind of impression that we like to see. There have been men who have gone to Washington from the grassroots of America, and who have forgotten after a while that the grassroots that bred and nurtured them, are still there. They have forgotten the debt they owed to the good people who placed their confidence in them and sent them to Washington. They have forgotten that the road that leads to Washington, leads back home.

This will never be said of Sam Ervin. For, with all the honors that he has garnered in his distinguished career—both in his home state and at the hub of political power in Washington—he is still a man, who, in the words of Rudyard Kipling, can:

Walk with Kings—nor lose the common touch. . . .

Though Sam Ervin has always been a man of great stature among those of us who have been privileged to know him over the years, it is only in the last few years that his virtues and his strengths have become well known to the people of this entire nation, and, indeed, to people in many other parts of the world through the marvels of television technology.

When the Senate, in one of our acts of wisdom, chose Sam Ervin as Chairman of the Senate Select Committee to investigate the excesses of what we know as Watergate, our wisdom was perhaps greater than we knew. For not only did the Chairman conduct the hearings with the skill expected of him—he also introduced into the Committee deliberations an aura of belief in high principles, truth, and integrity, and encouraged in the millions of Americans who followed the televised hearings, a recrudescence of the spiritual values that inspired and sustained our people and our leaders when this nation was much younger than it is now.

Tonight should be an occasion for remembering, for there is much in the past that is timeless, and that we can, and should, apply to the present and to the future.

In 1776, that most farsighted North Carolinian, Sam Spencer, and his associates wrote, in Section 35, Article I of the North Carolina Constitution, the admonition: A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessing of liberty.

Revelations of the very recent past show, with a sharp truth, how very relevant to our own lives and times are these words of two centuries ago. Sam Ervin has always known how relevant the words are, and how relevant they will always be, to a nation born in turmoil and nurtured in freedom. He has constantly espoused and urged upon us the principles from which sprang the great testaments of liberty—the Magna Carta, the Declaration of Rights, and the Declaration of Independence.

To some men, to be called "old-fashioned" would approach an epithet. To Sam Ervin, to be called "old-fashioned" is a compliment—as it should rightly be. For he is old-fashioned enough to believe that however strong may be the winds of mischance or malevolence, the tree of liberty will stand unbroken, because its strong roots are embedded in the human heart and in the past.

He is old-fashioned enough to believe that, long before America became the powerful and prosperous nation that we know today, there were built into our national character the qualities of faith in God, adherence to truth, devotion to ideals, love of our heritage, and respect for the law.

In a Memorial Day address in 1884, to Union Veterans of the Civil War, Mr. Justice Holmes said:

"Above all, we have learned that whether a man accepts from Fortune her spade, and will look downward and dig, or from Aspiration her axe and cord, and will scale the ice, the one and only success which it is his to command is to bring to his work a mighty heart."

The distinguished Tarheel we honor tonight has always brought to his work a mighty heart. And to complement that mighty heart, he has always brought to his work a searching and highly-active mind, full of commonsense and penetrating wit. The United States Senate, the State of North Carolina, and the country are much the richer because he is among us.

In our relatively brief history as a nation, many patriots can be counted. Some have found their glory by sustaining us against our enemies on the field of battle. Some have inspired us by their example of courage and tenacity in the face of persecution and the threat of dire penalty. And some, by their steadfast devotion to, and championing of, the Rule of Law and the Bill of Rights, have helped to preserve for posterity the inalienable rights that were conferred on every American by the Founders of this Republic.

Among these latter, three North Carolinians have honored places. In the 18th century, it was Sam Spencer. In the 19th century, it was Zeb Vance. In the 20th century, it has been, and is Sam Ervin.

But no one man, however dedicated he may be to a cause—however much of himself he may sacrifice for that cause—however powerful his voice may be in the espousing of that cause—can hope to see the flowering of his ideals unless there is an answering chord in the hearts and in the minds of the people for whose wellbeing the battle is being fought.

Sam Ervin would hardly be human if, at some periods in his lifelong dedication to the cause of freedom and liberty of the people, he had not felt that the struggle naught availeth. Notwithstanding, he has never given up the struggle, and today, he is honored for his labors by his peers, and loved and admired by millions of his countrymen for his staunchness in the defense of their rights as a free people.

I read once that at one time during World War I, Sam Ervin was posted "Missing in Action" and remained on the missing list for some considerable time. When he finally turned up in his hometown, the whole community expressed its relief that Sam had been found. "I was never lost", he told them. "I knew where I was all the time."

Sam Ervin, United States Senator, American patriot, honored equally by kings and commoners, and to whom we, his colleagues in the Congress said a reluctant and most regretful farewell, has always known exactly where he was! All the time!

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. FORD) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives received on February 10, 1975, during the adjournment of the Senate and under the authority of the order of February 7, 1975, stated that, pursuant to the provisions of 10 United States Code 4355(a), the Speaker has appointed Mr. MURPHY of New York, Mr. LONG of Maryland, Mr. CEDERBERG, and Mr. GILMAN members of the Board of Visitors to the U.S. Military Academy on the part of the House.

The message also stated that, pursuant to the provisions of 10 United States Code 6968(a), the Speaker has appointed Mr. FLOOD, Mr. SIKES, Mr. EDWARDS of Alabama, and Mrs. HOLT members of the Board of Visitors to the U.S. Naval Academy on the part of the House.

The message further stated that, pursuant to the provisions of Public Law 92-342, the Legislative Branch Appropriation Act, 1973, the Speaker has appointed Mr. O'NEILL, Mr. RHODES, Mr. MAHON, and Mr. CEDERBERG to serve with him and with the members of the Commission on Art and Antiquities of the U.S. Senate in supervising the restoration of the Old Senate and Supreme Court Chambers in the Capitol.

ENROLLED BILL SIGNED

The message also stated that the Speaker has signed the enrolled bill (S. 58) compensation and other emoluments attached to the Office of Attorney General.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. FORD).

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The Acting President pro tempore (Mr. FORD) laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION TO AMEND THE COMMODITY FUTURES TRADING COMMISSION ACT OF 1974

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Commodity Futures Trading Commission Act of 1974 to eliminate three provisions which encroach on the separation of powers (with an accompanying papers); to the Committee on Agriculture and Forestry.

DEFICIENCY APPORTIONMENTS REQUIRED TO PERMIT PAYMENT OF PAY INCREASES

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, deficiency apportionments required to permit payment of pay increases granted pursuant to law (with accompanying papers); to the Committee on Appropriations.

DEFICIENCY APPORTIONMENTS FOR THE CHILD NUTRITION PROGRAM, DEPARTMENT OF AGRICULTURE

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, deficiency apportionment based on a determination that the Department of Agriculture is required to permit reimbursement increases pursuant to law and that an emergency has arisen involving the immediate welfare of individuals to whom the United States is required to make payment of amounts in accordance with formulas prescribed by law; to the Committee on Appropriations.

FEDERAL CONTRIBUTIONS PROGRAM, EQUIPMENT AND FACILITIES

A letter from the Director, Defense Civil Preparedness Agency, transmitting, pursuant to law, a report of Federal Contributions Program Equipment and Facilities for the quarter ending September 30, 1974 (with an accompanying report); to the Committee on Armed Services.

FEDERAL CONTRIBUTIONS PROGRAM, EQUIPMENT AND FACILITIES

A letter from the Director, Defense Civil Preparedness Agency, transmitting, pursuant to law, a report of Federal Contributions Program Equipment and Facilities for the quarter ending December 31, 1974 (with accompanying papers); to the Committee on Armed Services.

PROPOSED CONSTRUCTION PROJECTS BY THE AIR FORCE RESERVE

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law a list of proposed construction projects to be undertaken by the Air Force Reserve (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending Sep-

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tember 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and for other purposes (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION AFFECTING THE SEPARATION OF POWERS

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the act entitled "To increase deposit insurance from $20,000 to $40,000, to provide full insurance for public unit deposits of $100,000 per account, to establish a National Commission on Electronic Fund Transfers, and for other purposes" (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION BY THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Director of the Office of Management and Budget transmitting a draft of proposed legislation to amend the Employment Act of 1946 to include general price stability as a national goal of comparable importance to full employment (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

REPORT CONCERNING IMPLEMENTATION AND ADMINISTRATION OF THE FAIR PACKAGING AND LABELING ACT

A letter from the Chairman, Federal Trade Commission, transmitting, pursuant to law, a report concerning the implementation and administration of the Fair Packaging and Labeling Act during fiscal year 1947 (with an accompanying report); to the Committee on Commerce.

REPORTS OF THE NATIONAL RAILROAD PASSENGER CORPORATION

Two letters from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, reports on the operations of Amtrak for the months of October and December 1974 (with accompanying reports); to the Committee on Commerce.

REPORT OF THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting, pursuant to law, a report submitted in accordance with section 203, title II of the Ports and Waterways Safety Act of 1972 (with an accompanying report); to the Committee on Commerce.

SUMMARY OF THE 1974 NATIONAL TRANSPORTATION REPORT

A letter from the Secretary of Transportation transmitting, pursuant to law, the summary of the 1974 National Transportation Report (with an accompanying report); to the Committee on Commerce.

REPORT OF THE D.C. ARMORY BOARD

A letter from the Chairman of the District of Columbia Armory Board transmitting, pursuant to law, the annual report and financial statements of the Armory Board for the fiscal year ending June 30, 1974 (with accompanying report); to the Committee on the District of Columbia.

PROPOSED LEGISLATION BY THE BOARD FOR INTERNATIONAL BROADCASTING

A letter from the Chairman of the Board for International Broadcasting transmitting a draft of proposed legislation to amend the Board for International Broadcasting Act of 1973 to provide authorization for appropriations for fiscal years 1976 and 1977 (with accompanying papers); to the Committee on Foreign Relations.

INTERNATIONAL AGREEMENTS ENTERED INTO BY THE UNITED STATES

A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within 60 days after the execution thereof (with accompanying papers); to the Committee on Foreign Relations.

ANNUAL REPORT OF THE PEACE CORPS

A letter from the Director, the Agency for Volunteer Service, transmitting, pursuant to law, the Peace Corps annual operations report for the fiscal year 1974 (with an accompanying report); to the Committee on Foreign Relations.

DISPOSAL OF FOREIGN EXCESS PROPERTY REPORT

A letter from the Acting Director of Territorial Affairs, U.S. Department of the Interior, transmitting, pursuant to law, a report on disposal of foreign excess property (with an accompanying report); to the Committee on Government Operations.

DISPOSAL OF EXCESS PROPERTY IN FOREIGN COUNTRIES

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a negative report covering the disposal of excess property in foreign countries for calendar year 1974; to the Committee on Government Operations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the status of selected major weapon systems being acquired by the Department of Defense (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report summarizing the activities of the Office of Federal Elections, General Accounting Office, in the administration of the Federal Election Campaign Act of 1971 with respect to campaigns for the offices of President and Vice President of the United States (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the accountability and physical controls of the Treasury Department's gold bullion reserves (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the status of efforts to offset balance-of-payment deficit for fiscal year 1974 attributable to maintaining U.S. forces in Europe, Department of Commerce, Department of Defense (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need for better controls on foreign students, Department of Justice, Department of State (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Operations of the Five Service Academies," Department of Defense, Department of Transportation, Department of Commerce (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audit of the Commodity Credit Corporation, Department of Agriculture (with an accompanying report); to the Committee on Government Operations.

PROPOSED SURFACE MINING CONTROL AND RECLAMATION ACT OF 1975

A communication from the President of the United States, transmitting the proposed Surface Mining Control and Reclamation Act of 1975 (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE HONOKOHAU STUDY ADVISORY COMMISSION

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report of the Honokohau Study Advisory Commission and the National Park Service concerning as to the feasibility and desirability of incorporating the site of the Honokohau National Landmark into the National Park System (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT OF THE COLORADO RIVER BASIN PROJECT

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, the annual report of the Colorado River Basin Project for the fiscal year ended June 30, 1974 (with an accompanying report); to the Committee on Interior and Insular Affairs.

LOAN APPLICATION FROM VALLEY CENTER MUNICIPAL WATER DISTRICT, VALLEY CENTER, CALIFORNIA

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, an application for $3,500,000 to supplement its original loan received from the Valley Center Municipal Water District, Valley Center, Calif.; to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO AUTHORIZE APPROPRIATIONS FOR THE INDIAN CLAIMS COMMISSION

A letter from the Chairman, Indian Claims Commission, transmitting a draft of proposed legislation to authorize appropriations for the Indian Claims Commission for the fiscal year 1976 (with an accompanying paper); to the Committee on Interior and Insular Affairs.

ANNUAL REPORT OF THE JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA

A letter from the State Cochairman, Federal-State Land Use Planning Commission for Alaska, transmitting, pursuant to law, submitting a report on its activities during 1974 (with an accompanying report); to the Committee on Interior and Insular Affairs.

PROPOSED CONTRACT FOR A RESEARCH PROJECT ENTITLED "DESIGN, MANUFACTURE AND FIELD DEVELOPMENT OF AN AUTOMATED EXTRACTION SYSTEM (MINI MINER)"

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with the National Mine Service Co., Indiana, Pennsylvania, for a research project entitled "Design, Manufacture and Field Development of an Automated Extraction System (Mini Miner)" (with accompanying papers); to the Committee on Interior and Insular Affairs.

ADMISSION OF CERTAIN ALIENS INTO THE UNITED STATES

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders entered in the cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATION FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classification for certain aliens (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders entered in 305 cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act as exercised on behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION ORDERS FOR CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders suspending deportation as well as a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

ANNUAL REPORT OF THE NATIONAL ACADEMY OF SCIENCES

A letter from the President, National Academy of Sciences, transmitting, pursuant to law, the annual report of the National Academy of Sciences for the fiscal year ending June 30, 1972, including the annual report of the National Academy of Engineering and the annual report of the Institute of Medicine covering the fiscal year ending June 30, 1972 (with an accompanying report); to the Committee on Labor and Public Welfare.

REGULATIONS GOVERNING LOANS TO PRIVATE NONPROFIT SCHOOLS FOR STRENGTHENING INSTRUCTION IN ACADEMIC SUBJECTS

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, regulations governing loans to private nonprofit schools for strengthening instruction in academic subjects (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION TO MAKE CERTAIN TECHNICAL AND PERFECTING AMENDMENTS TO THE EDUCATIONAL AMENDMENTS OF 1974

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make certain technical and perfecting amendments to the Educational Amendments of 1974 (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED APPROPRIATIONS AUTHORIZATION FOR THE NATIONAL SCIENCE FOUNDATION

A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation for authorization for fiscal years 1976 and 1977 for the National Science Foundation (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION TO REPEAL LIMITATIONS ON THE COMPENSATION AND OTHER EMOLUMENTS ATTACHED TO THE OFFICE OF ATTORNEY GENERAL

A letter from the Acting Attorney General of the United States, transmitting a draft of proposed legislation to repeal limitations on the compensation and other emoluments attached to the Office of Attorney General (with accompanying papers); to the Committee on Post Office and Civil Service.

REPORT OF THE DEPARTMENT OF DEFENSE ON CIVILIAN POSITIONS

A letter from the Assistant Secretary of Defense, Manpower and Reserve Affairs, transmitting, pursuant to law, a report of the Department of Defense on civilian positions in the department allocated or placed in grades GS-16, 17 and 18 (with an accompanying report); to the Committee on Post Office and Civil Service.

LIST OF IMMIGRATION AND NATURALIZATION SERVICE POSITIONS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, reporting, pursuant to law, on Immigration and Naturalization Service positions (with accompanying papers); to the Committee on Post Office and Civil Service.

ANNUAL REPORT OF THE HIGHWAY SAFETY IMPROVEMENT PROGRAMS

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on the Highway Safety Improvement Programs (with an accompanying report); to the Committee on Public Works.

PEDESTRIAN AND BICYCLE SAFETY REPORT

A letter from the Acting Secretary of Transportation, transmitting, pursuant to law, a report entitled "Pedestrian and Bicycle Safety" (with an accompanying report); to the Committee on Public Works.

1974 NATIONAL HIGHWAY NEEDS REPORT

A letter from the Secretary of Transportation, transmitting pursuant to law, the 1974 National Highway Needs Report (with an accompanying report); to the Committee on Public Works.

PROPOSED LEGISLATION FOR AUTHORIZATION OF APPROPRIATIONS FOR THE U.S. NUCLEAR REGULATORY COMMISSION

A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a draft of proposed legislation to authorize appropriations for the Nuclear Regulatory Commission totaling $219,935,000 for fiscal year 1976 and $217,000,000 for fiscal year 1977 (with accompanying papers); to the Joint Committee on Atomic Energy.

PROPOSED LEGISLATION TO INCREASE THE AUTHORIZATION FOR APPROPRIATIONS FOR THE NUCLEAR REGULATORY COMMISSION

A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a draft of proposed legislation to increase the authorization for appropriations for the Nuclear Regulatory Commission by $56,400,000 for "salaries and expenses" (with accompanying papers); to the Joint Committee on Atomic Energy.

CUMULATIVE REPORT OF FISCAL YEAR 1975 RESCISSIONS AND DEFERRALS—FEBRUARY 1975

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report of fiscal year 1975 rescissions and deferrals, February 1975 (with an accompanying report); to the Committee on Appropriations, the Committee on the Budget, the Committee on Public Works, the Committee on Agriculture and Forestry, the Committee on Armed Services, the Committee on Labor and Public Welfare, the Committee on Banking, Housing and Urban Affairs, the Committee on Interior and Insular Affairs, the Committee on the Judiciary, the Committee on Foreign Relations, the Committee on Finance, and the Committee on Government Operations.

PROPOSED RESCISSIONS REQUIRING CONGRESSIONAL APPROVAL BEFORE MARCH 1, 1975

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report of proposed rescissions requiring congressional approval before March 1, 1975, retransmitted to the 94th Congress due to the sine die adjournment of the 93d Congress (with an accompanying report); to the Committee on Appropriations, the Committee on the Budget, the Committee on Government Operations, the Committee on Agriculture and Forestry, the Committee on Commerce, the Committee on Armed Services, the Committee on Labor and Public Welfare, the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Finance.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. FORD):

Two concurrent resolutions adopted by the Legislature of the State of Louisiana; to the Committee on Finance:

"HOUSE CONCURRENT RESOLUTION No. 7

"A concurrent resolution to memorialize the Congress of the United States to take steps necessary to insure the welfare of the sugarcane farmworker and the small sugarcane farmer

"Whereas, the failure of Congress to reenact the Sugar Act of 1938, as amended in 1948, seriously impairs the well-being and economy of Louisiana and her citizens in that it has had the effect of abolishing protection of a domestic industry which is vulnerable to the elements and to global economic competition and economic instability; and

"Whereas, the amendments to the Sugar Act (H.R. 12525) would have subsidized the sugarcane industry with federal benefit payments guaranteeing the production of domestic sugar with fair profit to the producers, fair and reasonable wages for the workers, and at a fair price for the consumer; and

"Whereas, under the proposed new Sugar Act wage rate hearings would have been conducted by an administrative law judge, rather than by the Sugar Division of the USDA; final wage determinations would still have rested with the Secretary of Agriculture, but would have been subject to judicial review with the wage criteria strengthened to take into account the seasonal nature of sugarcane farming; and

"Whereas, federal workmen's insurance would have been provided and workers would have been allowed to enforce the law by filing civil suits for double damages and growers of sugarcane would have been prohibited from retaliating against workers who exercised their rights; and

"Whereas, under H.R. 12525 sugarcane growers would not have been permitted to charge their workers more than reasonable costs for items provided by company stores and service agencies, since these operations have literally forced the workers into an indebtedness that they find economically irreversible; and

"Whereas, the conclusion of the 93rd Congress saw the expiration of the Sugar Act and this will undoubtedly result in severe economic disruption in the sugarcane industry in the state of Louisiana and to consumers in general.

"Therefore, be it resolved by the House of Representatives of the state of Louisiana, the Senate thereof concurring, that the legislature of the state of Louisiana does hereby petition and memorialize Congress to act immediately to amend the Sugar Act as per H.R. 12525 of the 93rd Congress so that the plight of the sugarcane farmers, workers, and entire industry will be resolved in a more equitable fashion in order that domestic sugarcane can be produced with a fair profit to the producers, fair and reasonable wages for the workers, and a fair price for the consumers.

"Be it further resolved that the entire Louisiana delegation to the Congress of the United Statea and Representative W. R. Poage, Chairman of the Agriculture Committee of the House of Representatives, are hereby petitioned to reintroduce a bill to reenact the Sugar Act in accordance with the provisions of H.R. 12525 of the 93rd Congress and to take all necessary steps to insure its passage.

"Be it further resolved that a copy of this resolution be transmitted immediately to the Honorable W. Pat Jennings, Clerk of the United States House of Representatives, and to the Honorable Frances R. Valeo, Secretary of the United States Senate. The en-

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tire Louisiana delegation to Congress and to the Honorable W. R. Poage, Chairman of the Agriculture Committee of the House of Representatives.

"HOUSE CONCURRENT RESOLUTION No. 43

"A concurrent resolution to express the intent of the Louisiana Legislature with respect to references to proposed amendments to the Sugar Act (H.R. 12525) contained in House Concurrent Resolution No. 7, adopted during the 1975 Extraordinary Session of the Louisiana Legislature

"Whereas, during this 1975 Extraordinary Session, the Louisiana Legislature adopted House Concurrent Resolution No. 7, which resolution memorializes the Congress of the United States to take steps necessary to insure the welfare of the sugarcane farm worker and the sugarcane farmer; and

"Whereas, said resolution infers that proposed amendments to the Sugar Act (H.R. 12525) would have subsidized the sugarcane industry with federal benefit payments; and

"Whereas, it is not now, nor was it ever the intent of the Louisiana Legislature to request that Congress provide subsidies in any form to the sugarcane industry, or to increase the benefits that sugarcane workers receive in excess of those already provided these workers in accordance with provisions of the Fair Labor Standards Act.

"Therefore, be it resolved by the House of Representatives of the state of Louisiana, the Senate thereof concurring, that the legislature of the state of Louisiana, through the language contained in House Concurrent Resolution No. 7 of the 1975 Extraordinary Session memorializing the Congress of the United States to take steps necessary to insure the welfare of the sugarcane farm worker and the sugarcane farmer does hereby expressly state its intent that it did not then, and does not now, request in any manner or form that Congress provided subsidies to the sugarcane industry.

"Be it further resolved that the legislature of the state of Louisiana does hereby further express its intent that it did not then, and does not now, request that Congress provide any additional benefits to sugarcane workers in excess of those already being provided these workers in accordance with the provisions of the Fair Labor Standards Act.

"Be it further resolved that a copy of this resolution be transmitted to the Honorable W. Pat Jennings, Clerk of the United States House of Representatives and to the Honorable Frances R. Valeo, Secretary of the United States Senate, the entire Louisiana delegation to Congress and to the Honorable W. R. Poague, Chairman of the Agriculture Committee of the House of Representatives."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MOSS (for himself, Mr. MAGNUSON, Mr. PHILIP A. HART, Mr. KENNEDY, and Mr. JAVITS):

S. 641. A bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes. Referred, by unanimous consent, jointly and simultaneously to the Committee on Labor and Public Welfare and the Committee on Commerce, with the provision that when the first committee reports the bill, the second committee reports promptly or is discharged from further consideration of the bill.

By Mr. MOSS:

S. 642. A bill to amend the Federal Trade Commission Act to authorize certain State and local officials to enforce certain rules promulgated by the Federal Trade Commission, and for other purposes. Referred to the Committee on Commerce.

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 643. A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes. Referred to the Committee on Commerce.

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 644. A bill to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes. Referred to the Committee on Commerce.

By Mr. JAVITS:

S. 645. A bill for the relief of John H. R. Berg. Referred to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 646. A bill for the relief of Mary P. Keefe. Referred to the Committee on Post Office and Civil Service.

By Mr. TAFT (for himself, Mr. HUGH SCOTT and Mr. BAYH):

S. 647. A bill to provide for the certification of certain historic barns and to provide a tax credit for the costs of maintaining the exterior appearance and structural soundness of such barns. Referred to the Committee on Finance.

By Mr. CURTIS:

S. 648. A bill to amend section 502 of the Small Business Investment Act of 1958 to provide for loans for plant acquisition, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CHURCH:

S. 649. A bill for the relief of Roberto Quispe. Referred to the Committee on the Judiciary.

By Mr. CHURCH:

S. 650. A bill to amend title II of the Social Security Act to provide that the special minimum insurance amount thereunder shall be increased—in like manner as other benefits thereunder are increased—to take account of increases in the cost of living. Referred to the Committee on Finance.

By Mr. CHURCH (for himself, Mr. HASKELL, and Mr. RIBICOFF):

S. 651. A bill to make changes in the treatment of foreign income, to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes. Referred to the Committee on Finance.

By Mr. JACKSON (for himself, Mr. METCALF, and Mr. FANNIN) (by request):

S. 652. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 653. A bill to amend the Budget and Accounting Act, 1921, to provide for audits by the General Accounting Office of expenditures by intelligence agencies of the Government and for reports thereon to certain committees of the Congress. Referred to the Committee on Government Operations.

By Mr. NELSON (for himself and Mr. HASKELL):

S. 654. A bill to provide for minimum energy conservation fuel economy performance standards, and for other purposes. Referred to the Committee on Commerce.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 655. A bill to amend title III of the National Housing Act to authorize a temporary program to afford mortgagors additional opportunities to cure home mortgage defaults. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN (for himself and Mr. ALLEN):

S. 656. A bill to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of Alabama. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN:

S. 657. A bill for the relief of Mildred Sophia Henry. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. HATFIELD, Mr. MONDALE, Mr. TUNNEY, and Mr. MCGEE):

S. 658. A bill to prevent famine by increasing world food production through the development of land-grant type universities in agriculturally developing nations. Referred to the Committee on Foreign Relations, by unanimous consent.

By Mr. HUMPHREY:

S. 659. A bill to amend the Social Security Act to provide for improvements in the program relating to the diagnosis, screening, and referral of child health and maternal conditions established by title V of such Act. Referred to the Committee on Finance.

By Mr. MONDALE (for himself, Mr. BROOKE, and Mr. PHILIP A. HART):

S. 660. A bill to provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. NUNN (for himself and Mr. TALMADGE):

S. 661. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, and Mr. CHURCH):

S. 662. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the need of elderly and handicapped persons, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN (by request):

S. 663. A bill to provide additional military assistance authorizations for Cambodia for the fiscal year 1975, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. MCGOVERN:

S. 664. A bill to prohibit U.S. military advisers in Indochina. Referred to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOSS (for himself, Mr. MAGNUSON, Mr. PHILIP A. HART, Mr. KENNEDY, and Mr. JAVITS):

S. 641. A bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes. Referred, by unanimous consent, jointly and simultaneously, to the Committee on Labor and Public Welfare and the Committee on Commerce, with the provision that when the first committee reports the bill, the second committee reports promptly or is discharged from further consideration of the bill.

Mr. MOSS. Mr. President, for myself, Mr. MAGNUSON, Mr. HART of Michigan, Mr. KENNEDY, and Mr. JAVITS, I introduce a bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes.

Mr. President, I ask unanimous consent that the bill be jointly and simultaneously referred to the Committee on Commerce and to the Committee on Labor and Public Welfare, with the proviso that when one committee reports the bill, the other will be limited to 45 days to report, or the second committee will be deemed discharged from consideration of the bill.

Mr. GRIFFIN. Mr. President, reserving the right to object, may I ask what bill this is?

Mr. MOSS. This is a bill introduced by me, Senator MAGNUSON, Senator HART, Senator KENNEDY, and Senator JAVITS, to regulate adulterated food, in a consumer bill.

Mr. GRIFFIN. I do not know anything about that or the merits of the bill, but it is highly unusual, upon the introduction of a bill, to require that the bill be reported within a given period of time. Whether or not that would be enough time for the committees, I have no idea.

Mr. MOSS. This, by the way, has been cleared with the Committee on Labor and Public Welfare, which is the second committee involved besides the Committee on Commerce, and it is very satisfactory with them.

Mr. GRIFFIN. I have no objection to the reference of the bill to the two committees, but I object, at least temporarily, to the requirement that it be reported at any particular time.

So, Mr. President, I reluctantly object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. MOSS. May I speak further to that? This is simply a matter of determining how much time would be permitted beyond when one committee reports. This is no absolute requirement; but when one committee goes ahead, the second committee then is limited to 45 days after the first committee has reported.

Mr. President, since there seems to be objection to the specific number of days, I will amend my unanimous-consent request to a proviso that when one committee reports the bill, the other committee will, as soon as possible, report on the bill so as not to delay unduly its consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MOSS. Mr. President, the bill which we introduce today is virtually identical to the Consumer Food Act, S. 2373 of the 93d Congress. That bill passed the Senate without dissent in July 1974. Unfortunately, the House was unable to act on the bill during the remaining days of the 93d Congress, and so we have it before us again.

The bill is designed, first, to provide consumers with greater assurance that the food they eat is safe and wholesome, and second, to prevent consumer deception and confusion by requiring comprehensive food label information. The Consumer Food Act of 1974 requires food processors to develop comprehensive safety assurance systems and empowers the Secretary of Health, Education, and Welfare—HEW—acting through the Food and Drug Administration—FDA—to develop safety assurance standards for systems that fail to provide adequate protection. The legislation would upgrade the Nation's food safety and sanitation programs: by providing national registration program for food processors under the auspices of the Secretary of Health, Education, and Welfare; by requiring annual inspections of food processing establishments; and by extending FDA's inspection authority to include examinations of records maintained by food processors. In addition, food manufacturers would be required to provide complete, and in some cases, quantitative food ingredient information, open-dating information on perishable and semiperishable food products, and information regarding the nutritional value of food products.

EXHIBIT 1

S. 641

A bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Food Act of 1975".

TITLE I—FOOD SURVEILLANCE

SEC. 101. Section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) is amended by inserting after subsection (x) thereof the following two new subsections:

"(y) The term 'food processor' means any person who owns or operates any establishment in which food is processed."; and

"(z) The term 'safety assurance' includes, and is limited to, those processing factors which bear upon whether a food may be adulterated within the meaning of section 402(a) of this Act: *Provided,* That with respect to the application of subsections (a) and (c) of section 410 of this Act to fresh fruits and vegetables in raw unpeeled form, the term includes, and is limited to, those processing factors which bear upon whether a food may be adulterated within the meaning of paragraphs (3) and (4) of such section 402(a).".

SEC. 102. Chapter IV of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341-348) is amended by adding at the end thereof the following two new sections:

"FOOD SURVEILLANCE

"Safety Assurance Procedures

"SEC. 410. (a)(1) A food processor shall, unless he is exempted by the Secretary pursuant to paragraph (4) of this subsection, develop, implement, and maintain safety assurance procedures for each establishment which he owns or operates. Such procedures shall be set forth in writing (in such manner and form as the Secretary shall prescribe) and such writings shall be available to the Secretary, within 6 months after the date of enactment of this section. In developing such procedures, a food processor shall—

"(A) identify those control points in the food processing operation carried out by any establishment owned or operated by him which are important in the prevention of adulteration, within the meaning of section 402(a) of this chapter;

"(B) identify the hazards associated with each such point;

"(C) establish adequate controls at each such point; and

"(D) establish adequate monitoring of the controls at each such point.

"(2) The safety assurance procedures developed under paragraph (1) of this subsection shall be reviewed, and appropriate revisions made, at least annually, by the food processor involved.

"(3) Written documents required under this section shall be retained for 5 years and shall be subject to inspection, pursuant to section 704 of this Act.

"(4) A food processor shall be exempted from the requirements of this subsection if the Secretary finds by regulation that the establishment or type of establishment owned or operated by such processor is unlikely, because of the nature or volume of its food processing, to create or contribute to a significant risk of adulteration, within the meaning of section 402(a) of this chapter.

"Safety Assurance Plan

"(b)(1) On or before December 31 of each year, the Secretary shall prepare a safety assurance assessment report concerning existing and potential risks of adulteration, within the meaning of section 402(a) of this chapter, which are known to him and for which safety assurance procedures, safety assurance standards, or inspection and monitoring by the Secretary appear necessary or appropriate to protect the public. Such report shall—

"(A) specify all risks identified;

"(B) rank such risks in the order of their public importance; and

"(C) state, in general terms, the means by which such risks are to be controlled (that is, by safety assurance procedures, safety assurance standards, or identified methods or procedures of inspection and monitoring).

"(2) The first safety assurance assessment report shall include a proposed safety assurance plan, in the form of a proposed regulation, which shall be designed to control the risks required to be specified in such report. Such plan shall include a specific schedule for implementation (that is, the date by which (A) appropriate provisions shall be included in safety assurance procedures; (B) an appropriate safety assurance standard shall be developed and adopted; or (C) a particular method or procedure of inspection and monitoring—including, where appropriate, the frequency of its application—shall be implemented), in such detail as to permit reasonable evaluation by interested persons of the adequacy of the Secretary's total safety assurance effort. Subsequent safety assurance assessment reports shall include any proposed changes in the safety regulation. Such plan may be further amended at any time at the discretion of the Secretary. No such plan or amendment thereto shall contain provisions regarding

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safety assurance procedures or safety assurance standards applicable to processing which consists solely of the sale of food in a retail establishment for consumption on or off the premises.

"(3) The safety assurance assessment report and the proposed safety assurance plan or amendments thereto shall be published in the Federal Register and interested persons shall be afforded an opportunity for comment pursuant to section 553 of title 5, United States Code. Any final plan or amendment shall constitute final agency action subject to judicial review, in accordance with section 701(f) of this Act.

"(4) The safety assurance plan shall provide for inspection at least once each year, by authorized representatives of the Secretary, of each establishment engaged in the processing of food, other than an establishment (A) which is engaged in processing which consists solely of the sale of food in a retail establishment for consumption on or off the premises; or (B) which is of a type which the Secretary by regulation finds is unlikely, because of the nature or volume of its food processing, to create or contribute to a significant risk of adulteration, within the meaning of section 402(a) of this chapter: *Provided*, That such plan may provide for a transfer by the Secretary of resources committed to such annual inspections to other food safety assurance activities subject to his jurisdiction upon a finding that such transfer is necessary to protect health and safety.

"(5) The safety assurance plan shall, at a minimum, be formulated so as to (A) reduce or eliminate all risks required to be specified in prior safety assurance assessment reports to the maximum extent feasible; and (B) provide reasonable assurance that within 4 years of the date of enactment of this section no risk shall constitute an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter, unless and to the extent that the Secretary for good cause finds (and incorporates such finding and a statement of the reasons therefor in the plan) that the realization of this objective is infeasible, impractical, or contrary to the public interest.

"Safety Assurance Standards

"(c)(1) If the Secretary finds that any food or class of food is being processed in such a manner as to present an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter, and that existing safety assurance procedures and inspection and monitoring activities are not adequate to protect against such risk to the extent required by paragraph (8) of this subsection, he shall promulgate regulations or amendments to existing regulations in order to establish a safety assurance standard to reduce or eliminate such risk.

"(2) Regulations under this subsection shall be promulgated in accordance with section 553 of title 5, United States Code, after notice and an opportunity for a hearing: *Provided*, That (A) the Secretary shall publish in the Federal Register his findings and an adequate statement of reasons underlying the provisions adopted, including responses to objections and comments of interested persons; and (B) an order promulgating regulations or amendments to regulations under this subsection shall be subject to judicial review, in accordance with section 701(f) of this Act.

"(3) Regulations under this subsection may be proposed by the Secretary upon his own initiative or upon the petition of any interested person. In promulgating or modifying such regulations the Secretary shall consider the reports and recommendations of appropriate advisory committees established by the Secretary.

"(4) Regulations under this subsection shall designate—

"(A) the food or class of foods which is subject to the safety assurance standards being established;

"(B) the persons required to conduct surveillance in accordance with such standards;

"(C) the contaminants, properties, unsanitary practices, or other factors (including but not limited to micro-organisms, heavy metals, toxins, drug residues, pesticide residues, filth, and other potentially harmful constituents and practices) for which surveillance is required;

"(D) the sampling methods and methods of inspection and examination by which such surveillance shall be accomplished;

"(E) the methods of analysis by which such examinations shall be accomplished;

"(F) the circumstances under which reports of such surveillance and test results shall be submitted to the Secretary; and

"(G) the activities (including sampling, analysis, and inspections) which the Secretary shall undertake to assure compliance with the safety assurance standards being established.

"(5) No safety assurance standard established under this subsection shall be applicable to any person who has developed, implemented, and maintained safety assurance procedures under subsection (a) of this section which the Secretary finds are adequate to protect against risks of adulteration to the extent required by paragraph (8) of this subsection.

"(6) The Secretary shall periodically evaluate the adequacy of any safety assurance standard established under this subsection and propose amendments in order to reflect new information or changes in methods of food processing.

"(7) Any person or group of persons may petition the Secretary, for an amendment of, or an exception to, regulations promulgated under this subsection, to permit the use of methods other than those specified in the regulations. Upon a showing that any alternative method is equally or more effective than the method specified in the regulations, the Secretary shall (A) approve the requested amendment or exception; or (B) refer the petition for an amendment or exception to an advisory committee established pursuant to subsection (d) of this section for its consideration and recommendation.

"(8) The safety assurance standards established pursuant to paragraphs (1) and (2) of this subsection shall be formulated and implemented so as to provide reasonable assurance that food does not present an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter. Such standards may vary, as appropriate, among different foods or classes of foods. If there is insufficient knowledge to establish such a standard for any food or class of foods, the Secretary shall immediately initiate a program to acquire sufficient knowledge and to develop such a standard.

"(9) If the Secretary finds a threat or potential threat to the public health, which requires that there be an immediate increase in the level of surveillance pursuant to safety assurance standards, with respect to any foods or classes of foods, he may direct an increase in such level (or otherwise modify the applicable safety assurance standards) to the extent that he determines necessary. Such an order may be entered without regard to any procedural prerequisites otherwise applicable, except that the Secretary shall provide an opportunity for a hearing thereon and comply with other applicable procedures as soon as practicable after the increase in the level of surveillance has been directed.

"(10) Chemical and other analyses performed under this section to determine the presence and amount of contamination in food shall be performed through the use of the best instruments, technology, and trained personnel which are reasonably available.

"Advisory Committees

"(d)(1) The Secretary is authorized to appoint and organize such standing or ad hoc advisory committees as he deems necessary or appropriate to study and report to him with respect to existing and potential hazards to health and safety related to food, risks of adulteration, and recommended action to reduce such hazards or risks. Each committee so established shall provide, to the maximum extent practical, an opportunity for any interested person to submit data and views on all matters considered by such committee. The meetings of such committees shall be governed by the Federal Advisory Committee Act of 1972 (5 U.S.C. App. I). The Secretary shall cause any report submitted to him by any such committee to be published as soon as practicable in the Federal Register and shall provide interested persons an opportunity to comment thereon.

"(2) Where advisory committees are established, the members shall be individuals who are qualified, by training and experience, in food safety or in the use of statistical sampling techniques, analytical methodology, or other technical disciplines relevant to food surveillance. The provisions of chapter 11 of title 18, United States Code, shall apply with respect to voting members of any such committee. In addition to such technical experts, any such committee shall include, as nonvoting members, a representative of consumer interests and a representative of industry interests. Committee members may be nominated by appropriate scientific, trade, and consumer organizations. The Secretary shall designate one of the members of any such committee to serve as chairman. Committee members shall, while attending meetings or conferences of the committee or otherwise engaged in its business, be compensated at per diem rates fixed by the Secretary, but not at rates in excess of the rate for grade GS–18 of the General Schedule at the time of such service, including traveltime. While serving away from their homes or regular places of business, members of such committees may be paid travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. The Secretary shall furnish any such committee with adequate clerical and other necessary assistance, and he shall prescribe by regulation the procedures to be followed by it.

"Records and Examination

"(e)(1) Any person required to comply with the requirements of subsection (a) or (c) of this section shall establish and maintain such records as the Secretary may by regulation require pertaining to safety assurance procedures and safety assurance standards and make such records available to the Secretary upon request.

"(2) The Secretary may require, by general or specific orders, the submission of special reports or answers in writing to specific questions containing such data and information relating to any safety assurance procedures and safety assurance standards, or the implementation thereof, or any matter relating to detection of adulterated or misbranded food, which may assist him in carrying out the purposes of this Act. The district courts of the United States shall have jurisdiction to enforce such general or specific orders and to require access to such information, upon application of the Attorney General or of the Secretary pursuant to section 309 of this Act. An action for enforcement of such orders may be brought in the district court of the United States for any judicial district in which the person or establishment involved is found or transacts business.

"Notification

"(f)(1) A food processor, upon learning, or acquiring information which supports the conclusion, that there is, with respect to food processed by him, an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter, shall immediately notify the Secretary of such risk, if such food has left his control. Such food processor shall also notify the Secretary of any recall of any food which is adulterated, within the meaning of section 402(a) of this chapter, if such food has left an establishment subject to his control. No information or statements derived exclusively from any notification required under this section (except for information contained in records required to be maintained under any provision of this Act) shall be used as evidence in any proceeding brought against an individual pursuant to section 303 of this Act with respect to any alleged violation of law occurring prior to or concurrently with such notification.

"(2) The notifications required by paragraph (1) of this subsection shall contain a clear description and evaluation of the risk of such adulteration, including, but not limited to, the nature of the food affected and the quantity involved, and a statement of the measures to be taken to protect the public from such risk.

"Citizens Civil Actions

"(g)(1) Except as provided in paragraph (2) of this subsection, any person may commence a civil action for mandatory or prohibitive injunction relief, including interim equitable relief, on his own behalf, whenever such action constitutes a case or controversy—

"(A) against any person (including the Secretary) who is alleged to be in violation of any regulation promulgated under subsection (c)(1) of this section; or

"(B) against the Secretary where there is alleged a failure of the Secretary to comply with the safety assurance plan established under subsection (b) of this section or to perform any act or duty under this section which is not discretionary with the Secretary. The district courts of the United States shall have jurisdiction over actions brought under this section, without regard to the amount in controversy or the citizenship of the parties.

"(2) No civil action may be commenced—

"(A) under paragraph (1)(A) of this subsection—

"(i) prior to 60 days after the plaintiff has given notice of the alleged violation to the Secretary and to any alleged violator in such manner as the Secretary may by regulation require; or

"(ii) if the Attorney General or the Secretary has commenced and is diligently prosecuting proceedings with respect to such alleged violation.

"(B) under paragraph (1)(B) of this subsection, prior to 60 days after the plaintiff has given notice to the Secretary of such alleged failure to comply with the plan or to perform an act or duty.

"(3) In any action under this subsection the Attorney General or the Secretary may intervene as a matter of right.

"(4) The court, in issuing any final order in any action brought pursuant to paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

"(5) Nothing in this subsection shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any regulation or order or to seek any other relief.

"(6) For purposes of this subsection, the term 'person' means an individual, corporation, partnership, association, State, municipality, or political subdivision of a State.

"Other Authority

"(h) This section shall not be construed to exempt the Secretary or any other person from any obligation imposed by any other provision of this Act or by the provisions of any other Act, nor shall this section be construed to permit the use of any substance, practice, or conduct resulting in the presence of adulterated food if such use, practice, or conduct would not have been permitted in the absence of this section.

"Exemption

"(i) This section shall not apply to—

"(1) any processing subject to the exclusive jurisdiction of the Secretary of Agriculture;

"(2) processing which consists solely of the sale of food in a retail establishment for consumption on or off the premises, except with respect to safety assurance assessment reports and safety assurance plans prepared or established pursuant to subsection (b) of this section; or

"(3) processing of food which is not or has not been introduced into, delivered or held for introduction into, or shipped in or received or held for sale after shipment in, interstate commerce.

"Small Business Assistance

"(j) The Secretary shall cooperate with the Small Business Administration with respect to applications (under section 7(b)(5) of the Small Buiness Act, as amended (15 U.S.C. 631 et seq.)) for loans to assist affected small business concerns to comply with requirement under this section. The Small Business Administration shall direct that applications from such concerns, regarding proposed additions to or alterations in plant, facilities, or methods of operation which are designed to enable such concerns to comply with requirements under this section, shall be reviewed by the Secretary. The Secretary shall evaluate each such application and shall report to the Administrator (or to the bank or lending institution) within 60 days as to whether such additions or alterations are appropriate to assist the applicant to comply with such requirements and whether he recommends that the loan be granted.

"FOOD CODING

"Uniform System

"SEC. 411. (a) The Secretary is authorized and directed to establish by regulation as soon as is feasible a uniform system of coding applicable to packaged foods consisting of symbols which will permit the identification of (1) the identity and plant location of each food manufacturer and packer, (2) the identity of each individual food, (3) the lot or batch number of the food, and (4) determines, by regulation, with respect to any food or class of foods, that because of the nature of the food or the volume processed, such identification of any or all such matters is not necessary to protect the public health. Such regulations for uniform coding shall not prohibit any manufacturer or packer from coding any additional information which is not inconsistent with the required information and which is necessary to effect any reasonable commercial purpose of such manufacturer or packer.

"Public Information

"(b) The Secretary shall make available to the public sufficient information to enable consumers to comprehend the basic elements of such uniform coding system established pursuant to subsection (a) of this section.

"Coding Requirements

"(c) The Secretary is authorized and directed to require by regulation, to the extent that it is technically feasible and economically practicable, that the immediate container and outside container (if any) of packaged food bear legibly and prominently thereon the symbol or symbols established in the system of coding pursuant to subsection (a) of this section.

"Distribution Records

"(d) The Secretary is authorized and directed to require by regulation, to the extent that it is technically feasible and economically practicable, that distribution records of food include such information as is adequate to reasonably permit the tracing of packaged foods coded pursuant to regulations under this section and which is helpful in effecting and monitoring recalls of such food.

"Exemption by Regulation

"(e) Upon the petition of any person, the Secretary is authorized to exempt by regulation from any requirements established pursuant to subsection (c) or (d) of this section any packaged food or distribution records if such person demonstrates that such food or records are subject to a coding or tracing system, or type of coding or tracing system, which is adequate to meet the purposes of this section and which does not conflict with any system established by the Secretary pursuant to subsection (a) of this section. Any such exemption shall not be inconsistent with or endanger the protection of the public health.

"Availability of Records

"(f) For the purposes of establishing a coding system pursuant to subsection (a) of this section and for monitoring recalls of packaged food, the Secretary is authorized to require by regulation that manufacturers and packers of packaged foods keep records and make such records available to the Secretary on request in the manner and form he deems necessary. The Secretary is authorized to issue any general or special order which he finds is necessary in order to assemble the information necessary to establish such system of coding. The district courts of the United States shall have jurisdiction to enforce such orders upon application of the United States. An action for such enforcement may be brought in any district court of the United States where the person or establishment involved is found or transacts business.

"Exemption

"(g) This section shall not apply to manufacturing and packing of packaged food in a retail establishment for consumption on or off the premises.".

SEC. 103. Section 304 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 334) is amended by adding at the end thereof the following two new subsections:

"(g) If any food is found by an authorized representative of the Secretary in any establishment or vehicle where it is held for purposes of, or during, or after distribution in interstate commerce, such food may be detained by such representative for a reasonable period, not to exceed 20 days, if such representative concludes that the facts provide a reasonable basis to show that such food is adulterated, misbranded, or otherwise in violation of this Act. Such food may be detained pending seizure action under this section or notification of any Federal, State, or other governmental authority having jurisdiction over the food, and such food shall not be moved by any person from the place at which it is located and detained (except as the Secretary may authorize), until released

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by the Secretary. If the food is still being processed, and has not been put in final form for shipment, processing may continue until the food is put in final form, but detention of such food in final form may be ordered. Any person who would be entitled to claim such food if it were seized may appeal such detention to a superior official. Such official shall conduct an informal hearing on the matter and confirm or revoke such detention within 5 days of such appeal. The Secretary may extend such detention for an additional 10 days, upon making a finding (and giving appropriate notice) that such extension is necessary to institute seizure action under this section.

"(h) There is a rebuttable presumption, because virtually all food is subject to the jurisdiction of this Act, that any food found in any State is subject to seizure and condemnation pursuant to this section. The claimant or any other party to a condemnation proceeding under this section shall have the burden of establishing that the article or articles are not subject to the jurisdiction of this Act. In the absence of such a showing jurisdiction shall be deemed to be established.".

SEC. 104. Section 402 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342) is amended by adding at the end thereof the following two new subsections:

"(f) If it is a food which was processed other than in compliance with safety assurance procedures and applicable safety assurance standards required by or pursuant to section 410 of this chapter.

"(g) If it is packaged food, and the immediate container and outside container (if any) do not bear legibly and prominently symbols which the Secretary requires to be placed thereon pursuant to section 411 of this chapter.".

SEC. 105. Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331) is amended by adding the following three new subsections:

"(q) The failure to develop, maintain, and make accessible safety assurance procedures as required by section 410(a) of this Act, the failure to comply with safety assurance procedures or safety assurance standards required by or pursuant to section 410 of this Act, the failure to maintain or make available records or make reports required pursuant to section 410 of this Act, or the failure or the refusal to furnish notification or other information as required by or pursuant to section 410 of this Act, with respect to food subject to the jurisdiction of this Act.

"(r) The unauthorized movement of a food detained under section 304(g) of this chapter or the removal or alteration of any mark or label used to identify the food as detained.

"(s) The failure (1) to comply with any regulation promulgated pursuant to section 411(c) or 411(d) with respect to any food or distribution records subject to such subsections, (2) to comply with the conditions of any exemption provided pursuant to section 411(e), or (3) to keep records or provide information as required by or pursuant to section 411(f).".

SEC. 106. Chapter III of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331–7) is amended by adding at the end thereof the following two new sections:

"CIVIL PENALTIES

"SEC. 308. (a) Any person who is found by the Secretary, after notice and an opportunity for an adjudicative hearing in accordance with section 554 of title 5, United States Code, to have committed an act prohibited by section 301 of this chapter with respect to any food, shall be liable to the United States for a civil penalty of not more than $10,000 for each day of violation. The amount of such civil penalty shall be assessed by the Secretary, or his delegate, by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the prohibited act or acts committed and, with respect to the person found to have committed such act or acts, any history of prior offenses, ability to pay and effect on ability to continue to do business, and such other matters as justice may require.

"(b) Any person against whom a violation is found and a civil penalty assessed under paragraph (1) of this subsection may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary. The Secretary shall promptly file in such court a certified copy of the record upon which such violation was found and such penalty imposed, as provided in section 2112 of title 28, United States Code. The finding of the Secretary shall be set aside if found to be unsupported by substantial evidence, as provided by section 706 (2)(e) of title 5, United States Code.

"(c) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Secretary, the Secretary shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

"AUTHORITY TO INITIATE LEGAL ACTIONS

"SEC. 309. Notwithstanding any other provisions of law, the Secretary may initiate, defend, or appeal any court action arising under this Act through his own legal representative or through the Attorney General, except that the Attorney General shall have exclusive authority to initiate prosecution of persons under section 303 of this Act.".

SEC. 107. Section 304 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 334) is amended by deleting "United States attorney for such district" each time it appears therein and inserting in lieu thereof "the Secretary of the United States attorney for such district, as appropriate,".

SEC. 108. (a) Section 702(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 372(a)) is amended by inserting after the first sentence thereof the following new sentence: "In connection with the training by the Secretary of any individual who is not an officer or employee of the United States to prepare him to perform the duties described in the preceding sentence, the Secretary may allow such individual travel expenses to and from the place of such training, including per diem in lieu of subsistence while in travel status and during such training, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently: *Provided*, That the individual's training is conducted under an agreement between the Secretary and any State or any political subdivision of a State, pursuant to which such individual, upon the completion of the training, will be employed by such State or political subdivision to conduct examinations or investigations to carry out the purposes of this Act.".

(b) Section 6(c) of the Fair Packaging and Labeling Act (15 U.S.C. 1455(c)) is amended by inserting at the end thereof the following new sentence: "In connection with the training by the Secretary of any individual who is an officer or employee of any State or any political subdivision of a State, duly commissioned by the Secretary as an officer of the Department of Health, Education, and Welfare to conduct examinations, investigations, or perform other functions, for the purposes of carrying out this Act, the Secretary may allow such individual travel expenses to and from the place of such training, including per diem in lieu of subsistence while in travel status and during such training, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently: *Provided*, That the individual's training is conducted under an agreement between the Secretary and a State, or a political subdivision of a State, pursuant to which such individual, upon the completion of the training, will be employed by such State, or political subdivision to conduct examinations or investigations to carry out the purposes of this Act.".

SEC. 109. Section 702 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 372) is amended by adding at the end thereof the following new subsection:

"(f) For the efficient administration and enforcement of this Act as it relates to food, the provisions (including penalties but excluding annual reports) of sections 6(b), 9, and 10 of the Federal Trade Commission Act (15 U.S.C. 46(b), 49, 50) are made applicable to the jurisdiction, powers, and duties of the Secretary in administering and enforcing the provisions of this Act as it relates to food and to any person, firm, or corporation with respect to whom such authority is exercised. The Secretary may prosecute any inquiry necessary to his duties under this Act in any part of the United States, and the powers conferred on the district courts of the United States by such section 6(b), 9, and 10 of the Federal Trade Commission Act may be exercised for the purposes of this Act by any such court.".

SEC. 110. (a) Section 704(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 374(a)) is amended by inserting immediately after the first sentence thereof the following two new sentences: "In the case of any establishment manufacturing, processing, preparing, packaging, or holding food, inspection shall extend to safety assurance records bearing upon whether a food may be adulterated, within the meaning of section 402(a) of this Act, and records bearing upon the accuracy of statements made in the labeling of food. Safety assurance records shall be limited to process flow diagrams; any analytical procedure or method used; the results obtained from tests to ascertain compliance with safety assurance standards or procedures; quality assurance instructions or manuals; complaints; any record which relates to a breakdown in or demonstrates a pattern or possible weakness in safety assurance procedures or standards; food ingredient usage records; process validation and control records; coding; and shipping information.".

(b) Section 704(a) of such Act (21 U.S.C. 374(a)) is further amended by striking the words "second sentence" in the last sentence and inserting in lieu thereof "fourth sentence".

SEC. 111. Section 801 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381) is amended by adding at the end thereof the following new subsection:

"(e)(1) Every person importing, offering for importation, or otherwise responsible for importing into the United States any food or class or food shall file with the Secretary, at least 30 days prior to such importation, a certificate in such manner as the Secretary shall specify, demonstrating that the particular imported food or class of foods has been produced in accordance with safety procedures and in compliance with any applicable safety assurance standard established pursuant to section 410 of this Act.

"(2) The Secertary shall request the Secretary of the Treasury to refuse admission into the United States, pursuant to this section, of any such food or class of food which the Secertary determines has not been produced in accordance with section 410 of this Act, or where the importer has failed to file the certification required in this subsection.

"(3) Any such food refused admission shall not be admitted until such time as the Secretary may determine that the food offered for importation is not injurious to the public health. For the purpose of making such determination, the Secretary reserves the right to request that a duly authorized employee or agent of the Secretary be permitted to inspect the processing procedures employed in the production of the food or class of food offered for importation.".

SEC. 112. Section 705 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 375) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall not use to his own advantage, or reveal, other than to other officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this Act, any trade secret information relating to food or any other information referred to in section 1905 of title 18, United States Code, insofar as it relates to food. With respect to information relating to food which was originated by any person other than the Secretary, whenever the Secretary determines that information which he desires to disclose is not trade secret information and is not otherwise referred to in such section 1905, he immediately shall give notice to the originator of such information that he intends to disclose such information, identifying the information in such notice with sufficient particularity to enable its originator to evaluate whether it is referred to in such section 1905, and the Secretary shall provide such originator with an opportunity, which is reasonable under the circumstances but not to exceed 15 days, to initiate a civil action to enjoin, suspend, or restrain any such intended disclosure on the ground that such information is a trade secret or is otherwise referred to in section 1905 and, therefore, is prohibited from disclosure by this subsection. The district courts of the United States shall have jurisdiction over actions brought under this subsection, without regard to the amount in controversy. The courts shall expedite the disposition of such actions and shall cause them to be conducted in a manner which is designed to protect the confidentiality of the information intended to be disclosed by the Secretary.".

SEC. 113. Section 201(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(f)) is amended by inserting after "animals," the following: "except that in section 402(f), 410, and 411 of this Act such term shall not include articles used for food or drink for animals,".

SEC. 114. The amendments made by this title shall take effect upon the date of enactment of this Act, except that the first report under section 410(b) of the Federal Food, Drug, and Cosmetic Act shall be required on or before December 31, 1976.

TITLE II—FOOD ESTABLISHMENT REGISTRATION

SEC. 201. The Congress finds and declares that—

(a) in order to make regulation of interstate commerce in food effective, it is necessary to provide for registration and inspection of all establishments in which food intended for human consumption is manufactured, processed, packaged, labeled, stored, or otherwise handled;

(b) the products of all such establishments are likely to enter the channels of interstate commerce and to affect such commerce directly; and

(c) the regulation of interstate commerce in food, without provision for registration and inspection of establishments that may be engaged only in intrastate commerce in such food, would discriminate against and depress interstate commerce in such food and adversely burden, obstruct, and affect such interstate commerce.

SEC. 202. Chapter IV of the Federal Food, Drug, and Cosmetic Act, as amended by this Act, is further amended by adding after section 411 the following new section:

"REGISTRATION OF FOOD ESTABLISHMENTS

"General

"SEC. 412. (a) On or before December 31 of each even-numbered year (or of such other year as the Secretary may determine), each food processor in any State shall prepare and submit to the Secretary a registration statement which shall include, but not be limited to his name; principal place of business; the location of each establishment owned or operated by him; and, for each such establishment, a complete list, in such form as the Secretary shall by regulation prescribe, of all classes of foods processed therein. Such list shall identify the types of processing utilized for each class of food. The Secretary shall promulgate regulations defining classes of foods and types of processing, to promote uniformity and expeditious administration with respect to such registration.

"Notification

"(b)(1) Any person, upon first engaging in the processing of food in any establishment which he owns or operates in any State, shall immediately notify the Secretary and prepare and submit to him a registration statement containing the information required under subsection (a) of this section.

"(2) Any person who has duly registered under this section shall notify the Secretary if he ceases to process or discontinues the processing of any class of food in any establishment, within 90 days of such cessation or discontinuance. Such notification shall not be required in the case of any temporary cessation of processing which is necessitated by the seasonal character of operations at the particular establishment or which is caused by temporary conditions beyond the control of such person.

"(3) Every person who has submitted a registration statement in accordance with this section shall immediately notify the Secretary of any additional establishment which he acquires or at which he commences operations in any State and which involves the processing of food. Such notice shall contain a supplemental registration statement which shall include, with respect to such additional establishment, the information required by subsection (a) of this section.

"Number

"(c) The Secretary may assign a registration number to any person or any establishment registered in accordance with this section.

"Public Availability of Information

"(d) The Secretary shall make any registration statement filed pursuant to this section available for inspection by any person without charge, except to the extent that such information is a trade secret or other matter referred to in section 1905 of title 18, United States Code.

"Exemption

"(e) This section shall not apply to—

"(1) any class of food processors whom the Secretary may by regulation exempt from the application of this section upon a finding in writing that registration in accordance with this section is not necessary for the protection of the public health;

"(2) any processing subject to the exclusive jurisdiction of the Secretary of Agriculture;

"(3) any processing consisting solely of the sale of food in a retail establishment for consumption on or off the premises; or

"(4) the processing of distilled spirits, wine, or malt beverages as defined in the Federal Alcohol Administration Act (27 U.S.C. 201–211).

"Inspection

"(f) Every establishment in any State which is required to be registered with the Secretary under this section shall be subject to inspection, pursuant to section 704 of this Act.

"Foreign Registration

"(g) The Secretary may by regulation provide for the registration of foreign establishments engaged in the processing of food intended to be offered for importation into the United States.

"Definitions

"(h) As used in this section and sections 402(f), 402(g), 403(o), 410, 801(a), and 801(e) of this Act—

"(1) 'name' includes, in the case of a partnership, the name of each partner and, in the case of a corporation, the name appearing on the corporation's charter or certificate of incorporation, the name of each principal corporate officer, and the name of any State of incorporation;

"(2) 'principal place of business' and 'location of each establishment' include mailing address and telephone number; and

"(3) 'processing' and 'processed' include manufacturing, processing, packing, labeling, storing, importing or being in any manner responsible for importing, or otherwise handling food.".

SEC. 203. Section 301 of the Federal Food, Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 331), is further amended by adding after subsection (s) thereof the following new subsection:

"(t) The failure to register or the failure to provide any information, as required by section 412 of this Act.".

SEC. 204. Section 403 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343) is amended by adding at the end thereof the following new subsection:

"(o) If it was processed in an establishment required to be registered under section 412 of this Act and not so registered.".

SEC. 205. Section 801(a) of such Act (21 U.S.C. 381(a)) is amended by inserting "(1)" immediately after "(a)" and adding at the end thereof the following new paragraph:

"(2) The Secretary may refuse entry of any food offered for importation into the United States which has been processed in any establishment, other than an establishment registered pursuant to section 412 of this Act.".

SEC. 206. The amendments made by this title shall take effect on the first day of the seventh calendar month which commences after the date of enactment of this Act.

TITLE III—FOOD LABELING

SEC. 301. The Congress finds that the availability to consumers in a uniform manner of information regarding the dating, ingredients, and nutritional qualities of food will enhance the health and the nutritional and economic welfare of the consumer. The presence of differing, additional, conflicting, or nonuniform labeling requirements for foods leads to consumer confusion and higher food costs by requiring for different localities separate labels for the same food; discriminates against and depresses interstate commerce in such foods; and adversely burdens, obstructs, and affects such interstate commerce.

SEC. 302. Section 403 of the Federal Food, Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 343), is further amended by adding after subsection (o) thereof the following new subsection:

"(p) If the label or labeling bears any information regarding the dating of a food for human consumption, unless such information is in accordance with regulations

promulgated by the Secretary. Regulations promulgated under this subsection shall—

"(1) identify, upon a finding of need to prevent violations of this Act, those foods or classes of food with respect to which date information must be provided, or those characteristics of a food or class of foods which necessitate the providing of date information;

"(2) require the processor of a food, with respect to which the Secretary has made a finding that date information is necessary, to place on the package or label of such food the date by which the processor recommends that such food be sold at retain for consumption (sell date);

"(3) require that the date be stated on the package or label in a clear and conspicuous manner and in such form as will enable the consumer readily to identify the day or date, without reference to any decoding information;

"(4) require that the date be accompanied by a statement or phrase which clearly states that the date expressed is a sell date;

"(5) require a statement of the storage conditions recommended by the processor, if such storage conditions differ from ordinary room temperature;

"(6) prohibit a processor of any food, with respect to which the Secretary has made a finding that date information is necessary from placing on a label or in labeling of such food any other information which may appear to the ordinary consumer to represent a sell date; and

"(7) prohibit a processor of any food with respect to which the Secretary has not made a finding that date information is necessary from placing on the label or in labeling of such food any date information which may appear to the ordinary consumer to represent a sell date, unless such information is expressed in a manner consistent with the requirements of paragraph (2) through (6) of this subsection.".

SEC. 303. Section 403 of the Federal Food Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 343), is further amended by adding after subsection (p) thereof the following new subsection:

"(q) If it purports to be or is represented as a food for human consumption—

"(1) to which a nutrient or nutrients have been added; or

"(2) for which any claim of nutritional value is made on the label or in labeling, or in advertising or in promotion of such food; unless the nutrition information on the label or in labeling is in accordance with regulations promulgated by the Secretary.".

SEC. 304. (a) Section 401 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341), is amended by striking out the fourth sentence thereof.

(b) Section 403(g) of such Act (21 U.S.C. 343(g)), is amended to read as follows:

"(g) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 401 of this chapter, unless (1) it conforms to such definition and standard; and (2) its label bears the name of the food specified in such definition and standard.".

SEC. 305. (a) Section 403(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(i)), is amended to read as follows:

"(i) (1) If its label fails to bear the common or usual name of the food, if there is one; and

"(2) In case the food is fabricated from two or more ingredients, if its label fails to bear—

"(A) the common or usual name of each such ingredient (in the order of its predominance); except that (i) spices and flavorings, other than those sold as such, may be designated as spices and flavorings without naming each such ingredient, if information concerning each spice and flavoring not designated on the label is available upon request from the manufacturer or distributor named on the label: *Provided*, That the Secretary may by regulation require certain spices and flavorings to be named on the labels or packages upon a finding that such disclosure is necessary to protect public health or to provide information useful to consumers; and (ii) subject to such conditions as the Secretary may by regulation provide, this provision shall not apply to the following:

"(a) a food which has been received in bulk containers at a retail establishment, if such food is displayed to the purchaser with the labeling of the bulk container plainly in view or with a counter card, sign, or other appropriate device plainly in view which prominently and conspicuously displays the information required to be stated on the label;

"(b) incidental additives that are present in a food at insignificant levels and which do not have any technical or functional effect in such food;

"(c) the label declaration of a harmless marker which is used to identify a particular manufacturer's product, in order to protect against disclosure of a trade secret;

"(d) closely related ingredients that may be declared by a general term or without regard to order of predominance in a manner that accurately states the nature of the ingredients;

"(e) a shipment or other delivery of a food which is, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantity at an establishment in which it is originally processed, labeled, or packed;

"(f) an assortment of different items of food which are packed in such a way that there are variations in the ingredients in different packages;

"(g) shipping containers or other transportation wrappings, tray pack displays, and transparent wrappers; and

"(h) inner packages in multicomponent food packages; and

"(B) a declaration of the percentage of any ingredient of any such food for human consumption if (i) the ingredient is an integral part of such food and is significant with respect to value, quality, nutrition, or acceptability of such foods, or (ii) the ingredient is required to be so declared by the Secretary by regulation upon a finding that such information would be useful to consumers.".

(b) Section 403(k) of such Act (21 U.S.C. 343(k)) is amended by striking out "paragraphs (g) and (i)" and inserting in lieu thereof "paragraph (i)".

(c) The Secretary of Health, Education, and Welfare shall conduct, or cause to be conducted (taking into consideration, and providing for representation of, views held by consumer, industry and health groups concerned with food labeling) a study of the need to amend the Federal Food, Drug, and Cosmetic Act to require that the common or usual name of every spice and flavoring used in the fabrication of a food for human consumption be declared on the label of such food. Such Secretary shall transmit a report on the results of such study to the President and Congress simultaneously within 1 year after the date of enactment of this Act. This report shall assess the need of consumers for such information, the feasibility of requiring all such ingredients to be labeled, any potential beneficial or adverse economic or health consequences of such labeling, and the reasonableness of alternatives to the labeling of all such ingredients.

SEC. 306. Section 407(c) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 347 (c)) is amended to read as follows:

"(c) No person shall serve colored oleomargarine or colored margarine at a public eating place, whether or not any charge is made therefor, unless—

"(1) a notice that oleomargarine or margarine is served is displayed prominently and conspicuously in such place and in such manner as to render it likely to be read and understood by the ordinary individual being served in such eating place; or

"(2) a notice that oleomargarine or margarine is served is printed or is otherwise set forth on the menu in type or lettering not smaller than that normally used to designate the serving of other food items; or

"(3) each separate serving bears or is accompanied by labeling identifying it as oleomargarine or margarine.".

SEC. 307. Chapter IX of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 391–2) is amended by adding at the end thereof the following new section:

"SEC. 903. (a) It is declared to be the express intent of Congress to supersede any and all laws of the States or political subdivisions thereof, insofar as they may now or hereafter provide for information on the label or in labeling of a food which is in addition to or different from information required on the label or in labeling under section 403 of this Act or regulations promulgated thereunder, except as provided in subsection (b) of this section.

"(b)(1) Upon application of a State or political subdivision thereof, the Secretary is authorized to exempt from subsection (a) of this section any existing or proposed law or regulation for such jurisdiction as provided in this subsection.

"(2) An application for exemption under this subsection shall demonstrate that the implementation of the subject law or regulation in the applying jurisdiction will likely promote the interests of consumers therein without unduly burdening interstate commerce, and that such law or regulation is inappropriate for promulgation as a Federal requirement.

"(3) Upon receipt of an application for exemption, which shall be accompanied by any materials gathered by the applicant in its legislative or administrative consideration of the existing or proposed law or regulation, the Secretary shall publish such application in the Federal Register as a proposal, accompanied by a description of any supporting materials submitted therewith which, because of their voluminosity or other good and stated reason, are not suitable for publication at that time. Such supporting materials shall be available for public inspection at an appropriate location identified at the time the application is published as a proposal.

"(4) The procedure for consideration and action upon a proposed exemption shall be pursuant to section 553 of title 5, United States Code, except that the Secretary shall allow at least 60 days for public comment and shall provide interested persons with an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions, and shall keep a transcript of any oral presentation.

"(5) The Secretary shall grant the proposed exemption upon finding that the subject law or regulation will likely promote the interests of consumers within the applying jurisdiction without unduly burdening interstate commerce or otherwise adversely affecting the interests of all consumers, and such action shall be subject to judicial review pursuant to section 701(f) of this Act.".

SEC. 308. Section 301 of the Federal Food, Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 331), is further amended by adding after subsection (t) thereof the following new subsection:

"(u) Changing, altering, or removing before the sale of a packaged food to the ultimate consumer, any statement or information required by regulations issued under section 403 of this Act to be placed on the label or in labeling of such food.".

SEC. 309. This title shall not apply to the labeling of distilled spirits, wine or malt beverages to the extent of the application or the extension thereto of the Federal Alcohol Administration Act (27 U.S.C. 201–211).

SEC. 310. The amendments made by this title shall take effect upon the date of enactment, except that the effective date for any regulations promulgated pursuant to this title shall be no earlier than the first day of the sixth month beginning after the date regulations are published as a final order in the Federal Register with respect to all new or changed labels printed thereafter, and the first day of the eighteenth month beginning after the date the regulations are published as a final order in the Federal Register with respect to all other labels.

By Mr. MOSS:

S. 642. A bill to amend the Federal Trade Commission Act to authorize certain State and local officials to enforce certain rules promulgated by the Federal Trade Commission, and for other purposes. Referred to the Committee on Commerce.

Mr. MOSS. Mr. President, I introduce for appropriate reference a bill to amend the Federal Trade Commission Act to authorize certain State and local officials to enforce certain rules promulgated by the Federal Trade Commission, and for other purposes.

Mr. President, this bill is aimed at improving the scope and comprehensiveness of the consumer protection programs administered by the Federal Trade Commission. It achieves this end by authorizing State and certain local jurisdictions to enforce regulations and orders that the Commission has promulgated to prohibit unfair trade practices. The bill also provides an improved framework in the Federal Trade Commission to coordinate State and Federal consumer protection activity.

The bill arises from many years of increasingly close cooperation between the States and the Federal Trade Commission in the consumer protection area. During the past decade, not only have more and more States handled consumer protection issues on a higher priority basis, but they have also been working together, and with the FTC more and more, to insure that their activities have a comprehensive effect. Much of the interstate coordination has come through the work of the National Association of Attorneys General and the Federal Trade Commission's Office of Federal-State Relations. The cooperation is natural because many of the underlying consumer protection statutes passed by the various States were modeled on the Federal Trade Commission Act and because many of the problems the attorneys general face cover several States at the same time.

This bill formalizes the hitherto informal cooperation and adds the element of authorizing State and certain local enforcement officials to enforce regulations that the Federal Trade Commission has promulgated in the consumer protection area.

The bill does not force the States to take any action. The attorneys general are free to decide whether or not they will enforce FTC rules within their jurisdictions and, subject to the FTC's limited power of preemption, how they will enforce such rules if they choose to enforce them. The central notion behind the bill is that, while the nationwide Commission may perceive and prohibit a broad trade abuse, local variations may make it more sensible and crucial for local enforcement officials to take legal action against the violators. At the same time, a violation may have vast local ramifications, but not affect an area sufficiently broad to require the commitment of the FTC's limited resources.

This bill also contains certain amendments which bring the language of the Federal Trade Commission Act into line with present trends of consumer protection legislation established by the passage of the Magnuson-Moss Warranty Act last year including an amendment which would allow the Federal Trade Commission to grant its regional office more autonomy in order to eliminate money-wasting delays that are encouraged by the present setup.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State and Local Enforcement Act of 1975".

SEC. 2. Section 5(b) of the Federal Trade Commission Act (15 U.S.C. 45(b)) is amended by adding at the end thereof the following two new sentences: "The functions of the Commission under this subsection with respect to the issuance and service of complaints may be exercised by bureau and regional directors designated by the Commission for such purpose, pursuant to the general policy of, and any guidelines set forth by, the Commission. Any such designated person may exercise the powers which the Commission is authorized to exercise under section 9 of this Act, in pursuing investigations to determine whether facts exist which would warrant the issuance of a complaint. If any such complaint is issued, any such delgnated person may bring suit pursuant to section 13 of this Act.".

SEC. 3. The first sentence of Section 5(c) of the Federal Trade Commission Act (15 U.S.C. 45(c)) is amended by striking out in the first sentence thereof "where the method of competition or the act or practice in question was used or where such person, partnership, or corporation resides or carries on business" and inserting in lieu thereof "where such person, partnership, or corporation has its principal place of business".

STATE AND LOCAL ENFORCEMENT

SEC. 4. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by (1) striking out section 21 thereof; (2) amending section 1 thereof by striking out "That a" in the first sentence thereof and inserting in lieu thereof, with appropriate paragraph indentation, the following:

"(a) This Act may be cited as the 'Federal Trade Commission Act'.

"(b) A";

(3) by redesignating section 20 as section 21; and (4) by inserting after section 19 the following new section:

"SEC. 20. (a)(1) If any person, partnership, or corporation (A) violates any rule which is promulgated by the Commission under this Act with respect to unfair or deceptive acts or practices (other than an interpretive rule or a rule which the Commission has provided is not one whose violation is an unfair or deceptive act in or affecting commerce), or (B) engages in any act or practice in or affecting commerce with respect to which the Commission has issued against any person, partnership, or corporation a cease and desist order which has become final, then the Attorney General of the State in which such act or practice occurred, or his delegate, may commence a civil action for appropriate relief against such person, partnership, or corporation, in any court of competent jurisdiction in such State.

"(2) If any person, partnership, or corporation violates any rule which is promulgated by the Commission under this Act with respect to unfair or deceptive acts or practices (other than an interpretive rule or a rule which the Commission has provided is not one whose violation is an unfair or deceptive act or practice in or affecting commerce), then the chief law enforcement officer of any Indian reservation or similar self-governing entity not under the jurisdiction of State authorities, in which such act or practice occurred, may commence a civil action against such person, partnership, or corporation for relief in a tribal court or in an appropriate district court of the United States.

"(3) If any person, partnership, or corporation violates any rule promulgated by the Commission under this Act with respect to unfair or deceptive acts or practices (other than an interpretive rule or a rule violation which the Commission has provided is not one whose violation is an unfair or deceptive act or practice in violation of section 5(a) of this Act), then any person directly affected by such violation may commence a civil action against such person, partnership, or corporation for relief under subsection (b) in any court of competent jurisdiction of a State or of an Indian reservation or similar self-governing entity not under State jurisdiction.

"(4) In commencing an action authorized by paragraph (1) or (2) the Attorney General, the chief law enforcement officer, or the moving party shall give notice of the theory and the alleged facts of the action to the Commission and its appropriate regional office, or in the case of an action authorized by paragraph (3) to the appropriate State Attorney General, within 10 days of filing the action. The Commission, or a regional office if so authorized by the Commission, or in the case of an action authorized by paragraph (3) such Attorney General may intervene in any such action as a matter of right to move that such action be consolidated, in whole or in part, with a broader civil action which involves the same issue or issues and the same or different parties and which the Commission, or, in the case of an action authorized by paragraph (3), the Attorney General, is in the course of diligently pursuing through appropriate administrative or judicial proceedings. The court, in ruling on such motion, shall consider which course is more likely (i) to resolve the factual or legial issues involved; (ii) to preclude repetition of the alleged unfair or deceptive act or practice; and (iii) to result in substantive justice to the parties directly involved in such litigation. A court order consolidating such an action with other actions shall not prejudice the right of any claimant involved to recommence such civil action if the Commission's action fails to result in a conclusive determination of the claim. Any applicable limitation periods are tolled in the interim and begin running

again on the termination of the Commission's action.

"(b) The court, in an action under subsection (a), shall have jurisdiction to grant such relief as it finds necessary to redress injury which resulted to consumers or other persons, partnerships, and corporations as a consequence of the rule violation. Such relief may include, but shall not be limited to, injunctions, rescission or reformation of contracts, the refund of money or return of property, or the payment of damages or attorney's fees, or both, and public notification respecting the rule violation, except that nothing in this subsection shall be construed to authorize any award of exemplary or punitive damages. In any action brought under this section, Federal statutes and the decisions of the Commission and decisions and opinions of the courts of the United States shall be the rules of decision, and any remedy available in a court of the United States or for enforcing an order of a court of the United States shall be available. Except with regard to the actual claims settled or decided in actions brought under subsection (a), actions brought under subsection (a) shall in no way restrict or prejudice any right of the Commission to commence any actions involving the same or other parties on the same or similar issues in any place wherein the Commission has jurisdiction to act.

"(c)(1) The governing body on Indian reservations, or similar self-governing entities not under State jurisdiction, is authorized to develop regulations required by local circumstances or conditions to eliminate or preclude unfair or deceptive acts and practices in commerce. Such regulations, when adopted, are to supplement existing laws, rule, and regulations affecting trade on the reservations and similar self-governing entities not under State jurisdiction. Such regulations shall preempt any trade regulations promulgated by the Bureau of Indian Affairs, wherever the two conflict. Such regulations are to be promulgated under procedural rules adopted by the local self-governing body and they shall be applied uniformly to such proceedings: *Provided*, That reasonable opportunity shall be given for oral or written comment on proposed regulations before they take effect. The local self-governing body may alter or amend such regulations and procedural rules from time to time as is necessary to insure the smooth flow of commerce and the elimination or preclusion of trade abuses.

"(2) The governing body of Indian reservations, and other self-governing entities not under State jurisdiction, shall have the exclusive authority to license traders as a prerequisite to the operation of trading establishments. The Commission shall cooperate with such governing body to develop regulations and procedures to control the granting of such licenses. Upon the approval of such regulations and procedures by such local self-governing body, the sole authority to license trading establishments shall vest in such body, and any prior Federal or State authority with reference to such licensing shall lapse and cease to have any further force and effect.

"(d) The Commission shall coordinate local, State, and Federal trade regulation and enforcement activities. Such coordination shall include, but not be limited to, the gathering and dissemination of information about regulation enforcement in all parts of the United States, periodic evaluations and progress reports concerning the enforcement of trade regulations, special studies to develop recommendations for alternative enforcement strategies, consumer education programs, and other programs that might enhance the impact of regulations, and seminars or similar educative programs designed to inform State and local authorities of current Commission regulations and anticipated Commission initiatives.".

SEC. 5. Section 12(a)(2) of the Textile Fiber Products Identification Act (15 U.S.C. 70j(a)(2)) is repealed.

(b) Paragraphs (3) through (11) of section 12(a) of such Act (15 U.S.C. 70j(a)(3) through 70j(a)(11)) are renumbered as paragraphs (2) through (10), respectively, of such section 12(a).

SEC. 6. Section 5(a)(6) of the Federal Trade Commission Act (15 U.S.C. 45(a)(6)) is amended to read as follows:

"SEC. 5. (a)(6) The Commission is empowered and directed to prevent persons, partnerships, or corporations, except banks and entities subject to the Packers and Stockyards Act, 1921, as amended (to the extent so subject, and except as provided in section 406(b) of such Act) from using unfair methods of competition in or affecting commerce and from committing unfair or deceptive acts or practices in or affecting commerce.".

SEC. 7. Sections 2, 2a, and 3 of the Clayton Act (15 U.S.C. 13, 13a, and 14) are amended by striking out "in commerce" wherever the term appears and inserting in lieu thereof "in or affecting commerce".

SEC. 8. Section 2 of the Federal Trade Commission Act (15 U.S.C. 42) is amended by adding at the end thereof the following new paragraph:

"No officer or agency of the United States, other than the Civil Service Commission for the purpose of evaluating professional qualification, shall have any authority to require the Chairman or the Commission to obtain approval of the appointment, employment, or promotion of any individual by the Commission. No individual may be required to advocate, or to be involved in advocating or supporting programs and positions espoused by the executive branch of the Federal Government or to participate significantly in the determination of major political questions by such branch, as a prerequisite to, or as a condition of, any appointment, employment, or promotion by the Commission.".

SEC. 9. (a) Section 21 of the Federal Trade Commission Act, as amended by this Act, is further amended by (1) inserting "(a)" before the first sentence thereof; and (2) adding at the end thereof the following three new subsections:

"(b) The Congress, through the duly authorized committees of the Senate and the House of Representatives, shall exercise continuing oversight over the activities of the Commission. In the exercise of such oversight, such committees may authorize professional staff members to conduct inquiries into the activities of the Commission, maintain transcripts of pertinent discussions, and to report thereon to such committees in order to facilitate such oversight. Each agency and officer of the Federal Government is directed to assist, and cooperate with, such oversight.

"(c) Whenever the Commission submits any budget estimate, request, or information to the President or the Office of Management and Budget, it shall concurrently transmit a copy of such budget estimate, request, or information to the Congress.

"(d) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.".

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 643. A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes. Referred to the Committee on Commerce.

Mr. MOSS. Mr. President, I introduce for myself and for Mr. MAGNUSON for appropriate reference a bill to regulate commerce by establishing uniform test protocols for consumer products and for other purposes.

A prime prerequisite to a properly functioning competitive marketplace is that consumers must have access to information regarding the relative merits of competing products. Without such information it is virtually impossible to make discriminating buying decisions. But in a marketplace as sophisticated as ours, being an "informed consumer" would be a full-time job. Not only are there thousands of different types of products in our stores, but meaningful information about each is scarce, if even available at all. One economist has said:

> The expert buyer has always been the exception; and the consumer is not only an inexpert buyer but the increasing complexity of consumer's goods is constantly increasing his ignorance.

The proliferation of products, coupled with the lack of meaningful criteria upon which to compare competing products creates a serious barrier to a properly functioning free market. To what does the consumer now turn to enable him to make informed choices? One source is advertising, but by and large it is uninformative and has focused less on the objective performance characteristics of the advertised products than on the psychological associations they may permit.

Another source of information utilized by consumers is the reputation of the manufacturer's brandname. Unfortunately, merely because a manufacturer's name appears on a product does not insure that product's level of quality relative to competing products. For example, whereas the Hamilton DE651 clothes dryer was rated "Not Acceptable" by Consumer's Union and the Frigidaire DAT was ranked quite high for overall quality, the opposite was true for clothes washers. The CU tests indicated that the Hamilton WA771 model was superior to the Frigidaire WCDAT machine. Similarly, Consumer's Reports warns its readers that—

> A rating of a given model should not be considered a rating of other models sold under the same brandname unless so notified in the report.

Consumers also tend to rely on price as an indicia of quality: the more expensive the product, so the thinking goes, the higher the quality. However, there is no rule of the marketplace that there be a consistent relation between price and quality.

The work of Consumer's Union in testing consumer products though commendable, does not entirely fulfill the need for product information. The problem is not the type of information that Consumer's Union is providing, but rather where it is being provided. Since most of us do not consider ourselves professional consumers, we have only a limited amount of time to consult Consumer's Reports on each and every purchase. The information is not at our fingertips when we need it—in the retail outlet.

Additionally, because of the vast number of products in the marketplace and frequent model redesigns Consumer's Union cannot always keep pace with up-to-date data on current models. Thus a CU rating may become outdated soon after it is published and may not be revised for several years.

A final source of information affecting consumers buying habits are word-of-mouth representation of salespersons or friends. With respect to the former, however, salespersons are oftimes uninformed about the products they sell. Advice from friends is sometimes useful, although the needs of one person may not always be compatible with those of another. Hence, a satisfactory product for one may not be satisfactory for another. What consumers need is a source of objective information comparing competing products based on a variety of characteristics, and which is available at the point of sale.

The absence of information in consumer product markets has a profound effect on competition. The uninformed buyer's lack of information and reliance on trademarks, brand names, company reputation, and the like has the effect of shifting the competitive emphasis in the industry away from both price competition and real quality competition. The result is higher prices contributing to our current inflationary spiral and inferior products.

The consumer's lack of effective knowledge creates oligopoly power and oligopoly profits in at least two ways. First, it limits price and quality competition among established firms. His inexpertness in appraising the relative merits of competing products lessens competition on price and quality by making it unprofitable for producers to emphasize those two product dimensions. Competitively speaking it is pointless to offer improved quality to customers who cannot distinguish good quality from bad. Similarly, the uninformed buyer's habit of judging quality by price weakens also price competition. The offer of a lower price will largely defeat its purpose in markets where a low price is regarded as a sign of inferior quality. Additionally, with price and quality competition muted, the remaining competition in these markets tends to focus on the advertising of only marginally relevant features of the product, expenditures that themselves significantly raise costs, and thus the prices consumers are ultimately required to pay.

A second injury resulting in oligopoly power due to consumer ignorance is that it protects existing firms from the potential competition of newcomers by setting high barriers of entry to the market. The most important obstacle to a newcomer in a market is the consumer's tendency to judge products by the size, age, and reputation of the manufacturing firm—not by the quality of the product being sold. Because consumers are unable to objectively compare the relative merits of a new firm's products and that of a well know manufacturer, the tendency is to purchase the product of the latter.

It is no surprise, then, that in surveying the 1967 census of manufacturers published by the Census Bureau, in virtually every important consumer market, we find three or four firms, each selling a heavily promoted brand name product accounting for perhaps 70 percent or more of the industry's total sales. For example, the four largest manufacturers of household laundry equipment account for 78 percent of the market. Similarly, the four largest manufacturers of sewing machines claim 81 percent; of electric lamps—91 percent; of household vacuum cleaners—76 percent; of household refrigerators and freezers—73 percent and cathode ray picture tubes—84 percent.

It is clear to me that industry, as well as consumers would welcome a program such as that which I propose in the Consumer Product Testing Act. From a businessman's standpoint, it will be a relief to know that a competitor will not use a phony procedure to measure a quantifiable characteristic of his product. For example, I recently heard of an incident involving the sale of washing machines by two different manufacturers. Both machines used the same model washing drum purchased from the same supplier—but one claimed a 2-pound larger capacity than the other. Similarly, refrigerator capacities are computed in a variety of ways. As a result, two refrigerators in a showroom which are advertised to have identical capacity may, in reality, be of substantially different size.

The use of objective performance criteria has been tried and tested and the results have been unquestionably successful in revitalizing market forces to upgrade product quality. I refer specifically to the tobacco industry, where since a 1966 FTC consent decree, manufacturers have been publishing the Federal Trade Commission tar and nicotine ratings in print advertising. Because of the concern of smokers of the adverse health consequences of smoking, manufacturers have undertaken aggressive advertising campaigns to promote low tar and nicotine cigarettes. As a result, several new brands with low tar and nicotine ratings are today among the best sellers—and this is without the aid of broadcast advertising.

The legislation which I am introducing today would provide consumers with a simple but meaningful source of information which would objectively compare competing products. Under the scheme outlined in this bill, the Federal Trade Commission, utilizing the resources of the National Bureau of Standards would develop, propose, and promulgate objective product testing protocols for classes of consumer products. The testing protocols would be designed to measure the performance characteristics of the product and translate that performance in easily comparable terms. Test characteristics would include ratings on materials, durability, operating cost, and effectuation of purpose. The results of the tests would be available to consumers at the point of sale, prior to the sale.

It is important to emphasize no product would fail the tests; the results would simply be available to consumers to make a more informed judgment as to which of competing products best fits his needs.

In this era of severe inflation and recession, the American consumer is searching for ways to get more for his dollar. I am convinced that by providing simple and clear objective performance results, manufacturers will be forced once again to compete based on product quality, durability, and price.

I ask unanimous consent that the text of the Consumer Product Testing Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 643

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Product Testing Act of 1975".

DECLARATION OF POLICY

SEC. 2. Informed consumers are essential to the fair and efficient functioning of a free market economy. It is therefore declared to be the purpose of the Congress in this Act to establish reliable and uniform protocols for quality and performance testing of consumer products and to require meaningful dissemination of the results of such tests to the consumers of such products.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "agency" means any executive agency, as defined in section 105 of title 5, United States Code, but the term does not include the General Accounting Office;

(2) "Commission" means the Federal Trade Commission;

(3) "consumer product" means—

(A) any article produced or distributed (i) for sale to a consumer for use in or around a permanent or temporary household or residence, a school, in recreation, or otherwise, or (ii) for the personal use, consumption, or enjoyment of a consumer in or around a permanent or temporary household or residence, a school, in recreation, or otherwise;

(B) motor vehicles or motor vehicle equipment as defined by sections 102 (3) and (4) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391);

(4) "consumer product test protocol" means a standardized procedure for performing, pursuant to regulations promulgated by the Commission, objective tests, inspections, or measurements which are required under this Act, the results of which will provide a basis for judging and comparing product characteristics;

(5) "product characteristics" means the features of a consumer product which relate to its quality and performance under conditions of normal use, including reasonably foreseeable abuse, in or for the purpose or purposes for which it is designed or adapted. Such features of a consumer product include, but are not limited to, (A) effectuation of purpose; (B) durability; (C) average annual cost of operation; (D) maintenance requirements; (E) frequency and nature of repair; and (F) environmental impact in the manufacture, use and disposal of such product;

(6) "retailer" means a person to whom a consumer product is delivered or sold for purposes of sale or distribution by such person to a consumer;

(7) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States; and

(8) "supplier" means any person, other than a retailer, engaged in the business of making consumer products available to consumers, directly or indirectly.

TEST PROTOCOLS

SEC. 4. Whenever the Commission determines that a consumer product test protocol for a consumer product would assist consumers in making informed purchasing decisions, the Commission shall commence a proceeding for the development of such a test protocol. In establishing priorities among consumer products to be the subject of such proceeding, the Commission shall consider all relevant factors, including but not limited to—

(1) the importance of each consumer product to the average consumer, based upon an evaluation of the number of consumers who purchase such products, the frequency with which such product is purchased, the cost of such product and the per unit annual consumption thereof;

(2) the case with which the average consumer can personally ascertain, and the likelihood that he will know, the quality and performance characteristics of each consumer product prior to purchase, based on the technical complexity of each such product, the degree of product differentiation between competing products, and the rate of technological change of each such product relative to the frequency of purchase; and

(3) the economic impact for suppliers, retailers, and consumers of prescribing test protocols for each consumer product.

DEVELOPMENT OF TEST PROTOCOLS

SEC. 5. (a) A proceeding for the development of a test protocol for a consumer product shall be commenced by the publication in the Federal Register of a notice in accordance with this paragraph. Such notice shall—

(1) describe the consumer product as to which a test protocol is to be developed;

(2) identify the product characteristics of such product which can be reliably and uniformly tested, measured, and reported;

(3) state the Commission's determination that a consumer product test protocol would be of assistance to consumers in making informed purchasing decisions; and

(4) invite any person, including any State or Federal agency (other than the Commission), within 30 days after the date of publication of the notice (A) to submit to the Commission an existing protocol as the proposed consumer product test protocol or (B) to offer to develop the proposed consumer product test protocol.

An invitation under paragraph (4) shall specify a period of time, during which the protocol is to be developed, which shall be a period ending 180 days after the publication of the notice, unless the Commission for good cause finds (and includes such finding in the notice) that a different period of time is appropriate.

(b) If the Commission determines that (1) there exists a protocol which has been issued or adopted by any Federal agency or by any other qualified agency, organization, or institution, and (2) such protocol would, if applied, assist consumers in making informed purchasing decisions, then the Commission may publish such protocol as a proposed consumer product test protocol.

(c)(1) The Commission may accept one, or more than one, offer to develop a proposed consumer product test protocol pursuant to the invitation prescribed by subsection (a)(4) of this section, if it determines that the offeror is technically competent, is likely to develop an appropriate standard within the period specified in the invitation under such subsection, is providing for participation by technically competent consumers, and will comply with regulations of the Commission under paragraph (3) of this subsection. The Commission shall publish in the Federal Register the name and address of each person whose offer it accepts, and a summary of the terms of such offer as accepted.

(2) If an offer is accepted under this subsection, the Commission may agree to contribute to the offeror's cost in developing a proposed consumer product test protocol, in any case in which the Commission determines that such contribution is likely to result in a more satisfactory standard than would be developed without such contribution, and that the offeror is financially responsible. The Commission shall reimburse offerors for the cost of their professional services rendered wherever such offerors are not so reimbursed, directly or indirectly, by their employers. Regulations of the Commission shall set forth the items of cost in which it may participate, and shall exclude any contribution to the acquisition of land or buildings.

(3) The Commission shall prescribe regulations governing the development of proposed consumer product test protocols by persons whose offers are accepted under paragraph (1) of this section. Such regulations shall include requirements—

(A) that standards recommended for promulgation be suitable for promulgation under this Act, be supported by test data or such other documents or materials as the Commission may reasonably require to be developed, and (where appropriate) contain suitable test methods for measurement of compliance with such test protocols;

(B) for notice to and an opportunity for interested persons (including representatives of consumers and consumer organizations) to participate in the development of such test protocols;

(C) for the maintenance of records, which shall be available to the public, to disclose the course of the development of test protocols recommended for promulgation, the comments and other information submitted by any person in connection with such development (including dissenting views, comments, and information with respect to the need for such recommended standards), and such other matters as may be relevant to the evaluation of such recommended test protocols; and

(D) that the Commission and the Comptroller General of the United States, or any of their duly authorized representatives, have access for the purpose of audit and examination, to any books, documents, papers, and records relevant to the development of such recommended test protocols or to the expenditure of any contribution of the Commission for the development of such test protocols.

(d) Whenever (1) the Commission has published a notice under subsection (a) of this section; (2) has not accepted an existing test protocol pursuant to subsection (b) of this section; and (3) has determined that the development of such a protocol by the Commission itself would be of benefit to the public, then the Commission may proceed to develop and publish in the Federal Register a proposed consumer product test protocol, whether or not it has accepted offers to develop such a proposed test protocol.

(e) Not more than 270 days after its publication of a notice of proceeding pursuant to subsection (a) of this section (which time may be extended by notice by the Commission upon a showing of good cause therefor and publication thereof in the Federal Register), the Commission shall publish in the Federal Register a notice withdrawing such notice of proceeding or publish a proposed rule which proposes a consumer product test protocol applicable to any consumer product subject to such notice.

(f)(1) Within 60 days after the publication under subsection (b), (d), or (e) of this section of a proposed consumer product test protocol, the Commission shall—

(A) promulgate a consumer product test protocol which will assist consumers in making informed purchasing decisions with respect to the product or products subject to such test protocol; or

(B) withdraw by rule the applicable notice of proceeding if it determines that such test protocol (i) would not assist consumers in making informed purchasing decisions with respect to the product or products subject to such test protocol, or (ii) is not in the public interest,

except that the Commission may extend such 60-day period for good cause shown (if it publishes its reasons therefor in the Federal Register).

(2) Consumer product test protocols which have been proposed under this section shall be promulgated pursuant to section 553 of title 5, United States Code.

(g) Each consumer product test protocol shall specify the date such protocol is to take effect not exceeding 180 days from the date promulgated, unless the Commission finds, for good cause shown, that a later effective date is in the public interest and publishes its reasons for such finding in the Federal Register. The effective date of a consumer product test protocol under this Act shall be set at a date at least 30 days after the date of promulgation unless the Commission for good cause shown determines that an earlier effective date is in the public interest. In no case may the effective date be set at a date which is earlier than the date of promulgation.

(h) The Commission may by rule amend or revoke any consumer product test protocol. Such amendment or revocation shall specify the date on which it is to take effect which shall not exceed 180 days from the date the amendment or revocation is published unless the Commission finds for good cause shown that a later effective date is in the public interest and publishes its reasons for such finding in the Federal Register. Where an amendment involves a material change in a consumer product test protocol, the provisions of this section shall apply. A consumer product test protocol may be revoked only if the Commission determines that such test protocol is not reasonably necessary to assist consumers in making informed purchasing decisions.

DUTIES OF COMMISSION

SEC. 6. (a) The Commission shall—

(1) promulgate regulations governing the manner in which suppliers or retailers may advertise that their products have been tested in accordance with the requirements of the Commission under this Act and the results therefrom. Such regulations shall prohibit false statements and misrepresentations; and

(2) encourage or establish programs designed to furnish consumers with information which will enable them to utilize information developed under the consumer product test protocols.

(b) Whenever the Commission publishes a consumer product test protocol and such protocol has become effective, the Commission shall require, in such form and detail as it deems necessary, each supplier or retailer doing business in interstate commerce or whose activity affects interstate commerce, to make a copy of the complete results, or a summary thereof, available without charge to each retailer who sells or distributes the product or products of such supplier subject to such protocol. Such retailer shall make such results available without charge to each consumer at the point of sale prior to sale.

NATIONAL BUREAU OF STANDARDS

SEC. 7. (a) GENERAL.—The Secretary of Commerce, through the National Bureau of Standards, shall develop the resources, facilities, and expertise necessary to assist and advise the Commission in the exercise of its responsibilities under this Act, at the request of the Commission and subject to its direction. Whenever the Commission itself proceeds to develop a proposed consumer product test protocol, it shall utilize such resources, facilities, and expertise.

(b) CONFORMING AMENDMENT.—Section 1 of the Act of July 22, 1950 (15 U.S.C. 272) is amended by inserting after subsection (f) a new subsection as follows:

"(g) The development of consumer product test protocols, pursuant the Consumer Product Testing Act.".

COMPLIANCE TESTING

SEC. 8. (a) AUTHORITY.—The Commission may conduct or contract, pursuant to subsection (d) of this section, for compliance testing of consumer products subject to consumer product test protocols in order to insure the veracity of test results determined by suppliers, retailers, or any other person who has tested such consumer products.

(d) DUTY OF SUPPLIERS.—Any person who supplies a consumer product for which a consumer product test protocol is in effect shall furnish a reasonable number of such products without cost to the Commission upon request. Consumer products furnished to the Commission under this subsection shall be drawn randomly from regular production runs of such product.

(c) RETURN OF PRODUCTS.—Upon completion of any compliance testing, the Commission shall return to the supplier from whom it was obtained any consumer product which is tested for compliance with any applicable consumer product test protocol. Such supplier shall, in any subsequent sale or lease of such product, disclose that it has been subjected to compliance testing and shall indicate the extent of damage, if any, prior to repair.

(d) CONTRACTUAL AUTHORITY.—The Commission may enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to conduct compliance testing, and on such terms as the Commission may deem appropriate, with any agency or instrumentality of the United States, with any State or political subdivision thereof, or with any public or private person, firm, association, corporation, independent testing laboratory, or institution.

ENFORCEMENT

SEC. 9. (a) GENERAL.—Any person who—

(1) has reason to believe that another person is committing or intends to commit a violation of any provision of this Act; and

(2) can demonstrate that he will be adversely affected by that violation,

may bring an action against such other person in the district court of the United States for the district in which such other person resides, does business, or may be found, to obtain injunctive relief against such other person. The district courts of the United States shall have jurisdiction over such actions without regard to the citizenship of the parties or the amount in controversy. The provisions of section 13(b) of the Act of September 26, 1914 (15 U.S.C. 53b) shall apply to any grant of injunctive relief under this section.

(b) NOTICE.—Before bringing an action under this section, the person seeking relief must give notice by certified mail to the Commission and to the person or persons against whom the relief will be sought. Such notice shall be given not less than 60 days prior to commencement of the action. Such notice shall state the nature of the alleged violation, the relief requested, and the location of the court in which the action will be brought.

(c) COSTS.—In an action under this section, costs of litigation, including reasonable attorney's and expert witness' fees, may be apportioned to the parties whenever the court determines that such an award is appropriate.

PROHIBITED ACTS

SEC. 10. No person—

(1) shall induce or encourage the purchase of any consumer product by—

(A) falsely representing that the product has been tested in accordance with consumer product test protocols promulgated under this Act; or

(B) misrepresenting the result of any consumer product test protocol applied to the product;

(2) engaged in testing consumer products in accordance with the provisions of this Act shall—

(A) falsely represent that the product has been tested in accordance with applicable consumer products test protocols; or

(B) misrepresent the results of any tests of any consumer product conducted or asserted to have been conducted in accordance with the applicable consumer product test protocol; or

(3) shall advertise or distribute any consumer product imported into the United States with respect to which any statement or representation has been made which is in violation of this section.

PENALTIES

SEC. 11. (a) CIVIL VIOLATION.—It shall be a violation, under section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)), for any person—

(1) engaged in testing consumer products under this Act; or

(2) advertising or selling any product tested in accordance with the provisions of this Act,

to violate any provision or fail to comply with any applicable requirement under this Act or any regulation issued pursuant to this Act. Conduct prohibited under section 10 of this Act shall constitute unfair and deceptive acts or practices under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(b) CRIMINAL VIOLATION.—Any person who willfully violates any proivsion of this Act or any regulation promulgated thereunder shall on conviction be fined not more than $10,000 for each day of violation or imprisoned for not more than 2 years, or both.

REPORTS

SEC. 12. The Commission shall, not later than July 1, 1976, and on or before July 1 in each succeeding year, report to the Congress on the implementation of this Act during the preceding twelve months, and on the extent of compliance with the Act and the regulations issued thereunder.

COOPERATION WITH OTHER FEDERAL AGENCIES

SEC. 13. The Commission may obtain from any Federal department or agency such statistics, data, program reports, and other materials as it may deem necessary to carry out its functions under this Act. Each such department or agency shall, to the extent practicable, cooperate with the Commission and furnish such materials to it.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14 (a) COMMISSION.—There are authorized to be appropriated to the Commission for the purposes of carrying out the provisions of this Act not to exceed $2,000,000 for the fiscal year 1976, not to exceed $3,500,000 for the fiscal year 1977, and not to exceed $4,000,000 for the fiscal year 1978.

(b) BUREAU OF STANDARDS.—There are authorized to be appropriated to the Secretary of Commerce for the use of the National Bureau of Standards for the purposes of carrying out section 7 of this Act not to exceed $5,000,000 for each of the fiscal years 1976, 1977, and 1978.

EFFECT ON OTHER TEST PROTOCOLS

SEC. 15. Trade regulation rules promulgated pursuant to section 5 of the Federal Trade Commission Act (15 U.S.C. 45) which relate to quality and performance criteria of consumer products shall be subject to the provisions of section 6 and sections 8 through 14 of this Act. Amendments or modifications to such rules shall be subject to section 5 of this Act.

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 644. A bill to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes. Referred to the Committee on Commerce.

PRODUCT SAFETY IMPROVEMENTS ACT OF 1975

Mr. MOSS. Mr. President, during the closing days of the 92d Congress, we enacted the Consumer Product Safety Act. This act, which established the Consumer Product Safety Commission, gave the Federal Government a major role in assuring the health and safety of the American public. The National Commission on Product Safety had shown that each year, 20 million Americans are injured by hazards relating to consumer products.

The Commission has now been in business for almost 20 months. On February 21, 26, and 27, our committee will conduct major oversight hearings into the implementation of the act. In addition, it will be necessary at that time to amend the act to authorize additional appropriations.

In my opinion, it is too early to make any major modifications to the act. Since most new agencies require a shakedown period of at least a year, the Commission is just now beginning to exercise the full scope of its powers under the act. However, there are several minor amendments which are needed to refine several provisions of the act. I proposed today those amendments.

On April 3 and 11, 1974, the Committees on Commerce and Government Operations held joint hearings to investigate a controversy between the Consumer Product Safety Commission and the Civil Service Commission. The controversy arose in late 1973 when four members of the Consumer Product Safety Commission wrote to Chairman Hampton of the Civil Service Commission urging expeditious approval of its noncareer executive assignment—NEA—personnel. Citing the provisions of 5 CFR 305.601 (b), Chairman Hampton concluded that an NEA position is to be filled by one who advocates administrative policies and thus, White House clearance of such nominees is required. I believe that the application of these regulations to the Consumer Product Safety Commission, and in fact, to any independent regulatory agencies, is both unwise and inappropriate. Independent agencies are structured as such because of the sensitive rulemaking and adjudicatory roles

they play. The enabling legislation of the Consumer Product Safety Commission is designed to allow this decision-making process to proceed in an atmosphere free of outside influence.

This controversy has yet to be resolved to my satisfaction. Accordingly, I am proposing an amendment to the act which would prohibit the Office of the President, the Office of Management and Budget, or any other Executive Office or Agency to approve, other than for professional qualifications, appointments to the Commission staff.

Under the Consumer Product Safety Act, a manufacturer of a consumer product or a distributor and retailer of such product, who discovers that a product fails to comply with applicable consumer product safety standards or contains a defect which could create a substantial product hazard, must immediately inform the Commission of its discovery. There was an unintentional gap in the act, however, with respect to products liability underwriters and independent test laboratories. Because of the nature of their business, such underwriters or laboratories may have occasion themselves to discover failure to comply or a substantial product hazard. Since the purpose of the act is to detect and remedy such defects in the marketplace, it is appropriate that when such an underwriter or laboratory obtains such information, the Commission should be so informed.

I have proposed an amendment which would effectuate this policy. Upon discovery of a failure to comply or substantial product hazard, the underwriter or independent test laboratory would be required to notify the manufacturer of such product. If the product is one which is distributed in commerce, then the manufacturer himself must comply with the requirement of the act. If the manufacturer has not complied, then it becomes the obligation of the underwriter or independent test laboratory to inform the Commission of the substantial product hazard. I believe that this amendment will assure prompt remedial attention to what may be very serious defects in consumer products.

If the Consumer Product Safety Act is to have teeth, it is necessary that it be enforced uniformly and fairly throughout the Nation. It is for this reason that I have proposed to clarify the act to allow the Consumer Product Safety Commission itself to go directly into court to initiate or defend a civil and criminal action which may arise under the laws administered by it, that is, Consumer Product Safety Act, the Federal Hazardous Substances Act, the Flammable Fabrics Act, the Poison Prevention Packaging Act, and the Refrigerator Safety Act. Under the current system, the determination of whether to initiate a suit and upon what ground the suit will be argued is determined by local desires, views, or prejudices of the many different U.S. Attorneys throughout the United States. That discretion under my amendment would be with the Consumer Product Safety Commission because it is the responsibility of this Commission to administer the laws entrusted to it. Therefore the decision of which cases to initiate or how cases would be defended would also rest with that agency. To provide otherwise would allow the Commission to escape the responsibility for its regulatory acts by virtue of the actions of another Federal agency or some subdivision thereof.

Mr. President, I assure you that the Committee on Commerce will consider each of these amendments thoroughly during its oversight hearings this month.

Mr. President, I ask unanimous consent that the "Consumer Product Safety Commission Improvements Act of 1975" be reprinted in the RECORD in full at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Product Safety Commission Improvements Act of 1975".

SEC. 2. Paragraphs (1), (2), and (3) of section 32(a) of the Consumer Product Safety Act (15 U.S.C. 2081(a)) are amended to read as follows:

"(1) $55,000,000 for the fiscal year 1976.

"(2) $60,000,000 for the fiscal year 1977.".

SEC. 3. Section 4(g) of the Consumer Product Safety Act (15 U.S.C. 2053(g)) is amended by adding at the end thereof the following new paragraph:

"(3) No officer or agency of the United States, other than the Civil Service Commission for the purpose of evaluating professional qualification, shall have any authority to require the Chairman or the Commission to obtain approval of the appointment, employment, or promotion of any individual by the Commission. No individual may be required to advocate, or to be involved in advocating or supporting programs and positions espoused by the executive branch of the Federal Government or to participate significantly in the determination of major political questions by such branch, as a prerequisite to, or as a condition of, any appointment, employment, or promotion by the Commission.".

SEC. 4. Section 4 of the Consumer Product Safety Act (15 U.S.C. 2053) is amended by adding at the end thereof the following new subsection:

"(i) The Congress, through the duly authorized committees of the Senate and the House of Representatives, shall exercise continuing oversight over the activities of the Commission. In the exercise of such oversight, such committees may authorize professional staff members to conduct inquiries into the activities of the Commission, to maintain transcripts of pertinent discussions, and to report thereon to such committees in order to facilitate such oversight. Each agency and officer of the Federal Government is directed to assist, and cooperate with, such oversight.".

SEC. 5. (a) Section 3(a) of the Consumer Product Safety Act (15 U.S.C. 2052(a)) is amended by adding at the end thereof the following two new paragraphs:

"(15) The term 'product liability insurer' means a legally constituted and authorized entity which has issued or entered into a contract or other legally binding obligation to pay or compensate an injured person for losses associated with a consumer product distributed in commerce or which has insured a manufacturer of a consumer product distributed in commerce against risks involving such product.

"(16) The term 'independent testing laboratory' means a person who, in accordance with professional standards and objective test protocols, tests consumer products and evaluates them for safety and other characteristics and which is not owned or controlled, in whole or in part, directly or indirectly, by the manufacturer of the consumer product being tested or evaluated.".

(b) Section 15(b) of such Act (15 U.S.C. 2064(b)) is amended by (1) deleting "(1)" at the beginning of the first subparagraph thereof and inserting in lieu thereof "(A)"; (2) deleting "(2)" at the beginning of the second paragraph thereof and inserting in lieu thereof "(B)"; (3) inserting "(1)" immediately after "(b)" and before "Every manufacturer"; and (4) adding at the end thereof the following new paragraph:

"(2) Every product liability insurer and independent testing laboratory which obtains information which reasonably supports the conclusion that a consumer product distributed in commerce—

"(A) fails to comply with an applicable consumer product safety rule; or

"(B) contains a defect which could create a substantial product hazard, as described in subsection (a)(2),

shall, as soon as practicable but not later than 1 business day after such information is obtained, notify the manufacturer of such product of such information and conclusion by telephone and by certified mail. Upon receipt of such information, the manufacturer of such product shall be subject to, and shall act in accordance with, the provisions of paragraph (1). If such product is distributed in commerce, such insurer or laboratory shall take steps to determine whether, within 24 hours after the receipt of such notice, such manufacturer has informed the Commission pursuant to paragraph (1). In the event that such manufacturer has failed to meet his obligation pursuant to such paragraph, such insurer or laboratory shall inform the Commission of such failure to comply or of such defect pursuant to paragraph (1).

SEC. 6. (a) Section 22(a) of the Consumer Product Safety Act (15 U.S.C. 2071(a)) is amended by deleting "(with the concurrence of the Attorney General)" in the second sentence thereof.

(b) Section 27(b)(7) of such Act (15 U.S.C. 2076(b)(7)) is amended by inserting "civil or criminal" after "enforcing the" and before "laws"; and by deleting "with the concurrence of the Attorney General".

(c) Section 27(c) of such Act (15 U.S.C. 2076(c)) is amended by deleting "with the concurrence of the Attorney General".

By Mr. TAFT (for himself Mr. HUGH SCOTT, and Mr. BAYH):

S. 647. A bill to provide for the certification of certain historic barns and to provide a tax credit for the costs of maintaining the exterior appearance and structural soundness of such barns. Referred to the Committee on Finance.

Mr. GRIFFIN. Mr. President, at the request of the Senator from Ohio (Mr. TAFT), I am today introducing his historic barn bill.

Mr. President, I ask unanimous consent that his statement, the statement of the Senator from Pennsylvania (Mr. HUGH SCOTT) and the bill be inserted in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR TAFT

Mr. President, for years our conservation efforts have been largely directed toward the preservation of the wilderness. As important as these efforts are, I think we must recognize the need to preserve some of the artistic, historical, and architecturally unique buildings which have graced our Nation's landscape and have become so much a part of the great heritage of this country. I think that this is particularly true with respect to some of our Nation's barns.

As the suburban sprawl of hamburger stands, used car lots and gasoline stations devours our countryside, the rural charm of this country gradually is being destroyed.

To an equal degree economic forces weigh in favor of replacing old, artistic barns with new structures which do not retain much of the beauty of America's past. The beauty of these barns is nowhere more apparent than in the Amish sections of Ohio, Pennsylvania, Indiana, and Wisconsin. Much of the beauty and the great joy of New England lies in the barns which grace that landscape. These barns were created in an era when people took great pride in their work. They are a great part of our Nation's heritage and should not be allowed to pass from the American scene.

To replace an old, artistic barn with a corrugated metal building is just as much a destruction of our environmental beauty as a pizza stand in Glacier National Park.

STATEMENT OF SENATOR HUGH SCOTT

Mr. President, as one who takes great pride in the rural charm of his home State, I am pleased to join in the effort to preserve historic barns with architectural and aesthetic significance. These architecturally unique barns are apparent and abundant in the Amish and rural areas of Pennsylvania, and I am sure my colleagues from the Amish sections of Ohio, Indiana and Wisconsin can offer similar testimony on these monuments of quality workmanship.

The legislation would allow owners to claim a 10 percent Federal tax credit for funds spent to maintain the exterior appearance and structural soundness of barns, 40 years or older, which would have to be certified for preservation by the Secretary of Interior. The Secretary would select barns on the basis of their location and historic, architectural and artistic appeal. Participation in the program would be initiated by voluntary application to the Secretary of Interior, and barn ownership would remain in private hands.

Mr. President, what pastoral scene is complete without an aesthetic barn. With the Bicentennial almost upon us, we must act now to assure that these unique reminders of our rural heritage remain on the American scene.

S. 647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Preservation of Historic Barns Act".

CERTIFICATION BY SECRETARY OF THE INTERIOR

SEC. 2. Upon application made therefore, the Secretary of the Interior is authorized to certify, for purposes of this Act, any barn which he determines (1) was constructed at least forty years prior to the year in which certification is made, and (2) is of historic, architectural, or artistic significance because of its location, construction, or exterior appearance. In carrying out the provisions of this section, the Secretary of the Interior is authorized to consult with the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments.

AMENDMENT OF INTERNAL REVENUE CODE

SEC. 3. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"Sec. 40. Maintenance of historic barns.

"(a) GENERAL RULE.—There shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 10 percent of the amounts paid or incurred during that taxable year by the taxpayer for maintaining the exterior appearance and structural soundness of any historic barn owned by him and certified by the Secretary of the Interior under section 2 of the Preservation of Historic Barns Act as being of historic, architectural, or artistic significance.

"(b) LIMITATION.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"(c) REGULATIONS.—The Secretary or his delegate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such subpart is amended by striking out

"Sec. 40. Overpayments of tax."

and inserting in lieu thereof:

"Sec. 40. Maintenance of historic barns.

"Sec. 41. Overpayments of tax."

(c) The amendments made by this section shall apply to taxable years beginning after December 31, 1974.

Mr. GRIFFIN subsequently said: Mr. President, earlier today, the junior Senator from Michigan introduced a bill on behalf of Mr. TAFT who, unfortunately, is in the hospital temporarily, and I ask unanimous consent that that bill may carry his name as though he had introduced it.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. CURTIS:

S. 648. A bill to amend section 502 of the Small Business Investment Act of 1958 to provide for loans for plant acquisition, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

AMENDING SMALL BUSINESS LEGISLATION

Mr. CURTIS. Mr. President, I rise to call attention to some adverse and unnecessary restrictions in the authorizing legislation of the Small Business Administration, and to urge swift approval of a bill I am introducing today to change this situation.

The purposes of the Small Business Administration include aiding, counseling, assisting and protecting small businesses; the licensing of, and providing loan assistance to, small business investment companies; and extending loan assistance to small business concerns and State and local development companies.

Among the services of the Small Business Administration are programs to: First, provide financial counseling and loan guarantees; second, make direct or lender participation loans to small business concerns to help them finance plant construction, conversion, or expansion; third, finance the acquisition of equipment, facilities, machinery, supplies, or materials; and fourth, provide small businesses with working capital.

In addition, loans are made to State and local development companies, which, in turn, provide assistance to small businesses.

This year the SBA will be 22 years old, and in the time since it has come into existence, it has provided financial assistance of more than $12.5 billion to nearly 200,000 small businesses across the Nation.

The two largest activities of the Small Business Administration are the regular business loan program under section 7(a) of the Small Business Act of 1953, and the investment development program under sections 501 and 502 of the Small Business Investment Act of 1958.

In less than 22 years, through the end of 1974, the regular business loan program has provided financial assistance of $11.4 billion to 190,662 small businesses throughout the United States. In its shorter period of time, 1958 through 1974, the investment development program has provided nearly $1.4 billion in assistance to 5,441 small businesses. The Section 502 assistance is further broken down into $531.2 million in direct loans, and $605 million in development company investments and bank loans.

Because there is no workable formula or method for determining meaningful employment statistics for the regular SBA loan program, there are no such figures available for this program. However, statistics can be kept for the section 502 program, and this program shows that 257,020 jobs were created or saved by its funding through the end of 1974.

Mr. President, the value of the Small Business Administration, and the good it has done through its programs to aid and assist small business development, is quite obvious from the information I have provided here. I know of no one who would quarrel with the good which the programs of Small Business Administration has done throughout the country.

It has come to my attention, however, that the language of the authorizing legislation of the SBA programs is such that it restricts many good and worthwhile instances of SBA assistance to small businesses. Because of this, I am introducing legislation today which should correct the problem, and further expand on the efficiency and worthiness of the Small Business Administration.

The first section of my bill provides for two changes, one relating to section 7(a) regular business loans, and the other to section 502 investment development company loans.

The second section deals with the regular business loan program. It provides for issuance of loans involving both land acquisition and construction costs, and sets the maximum repayment period at 20 years.

The present language of section 7(a)(4) of the Small Business Act provides for a maximum repayment period of 15 years for loans made for construction, but it does not allow for loans made involving both property acquisition and construction. My bill would correct this inequity, by adding the repayment provision for loans issued for both real property acquisition and plant construction; and it would extend the maximum repayment period on these and regular construction loans to 20 years.

The first section of my bill would cor-

rect an inequity in the section 502 program. The present language of the Small Business Investment Act specifies that SBA "may make loans for plant construction, conversion, or expansion, including the acquisition of land to local development companies." This language excludes the approval of loans under this act for acquisition of existing plant facilities.

According to an opinion issued by the SBA's general counsel in May 1974, section 502 loans could not be used solely to purchase an existing plant or facility. The opinion was based on an interpretation of the phrase "conversion or expansion" to mean acquisition of an existing facility if such acquisition is incidental to the construction of other facilities.

SBA offices around the Nation have run into many situations where existing facilities are available and appropriate for small business use without the need for conversion or expansion. Yet, because of the language of section 502 and the SBA's opinion on it, SBA offices cannot provide assistance to small businesses which would locate solely in existing facilities and which would not also have to convert or expand those facilities. My bill would amend the language of the Small Business Investment Act to allow the SBA to make loans solely for acquisition of existing plant facilities, as well as for other facilities included in the act.

Mr. President, the need is acute. Many SBA offices around the country have encountered industrial prospects that are looking for existing buildings and plants. In this day and age, when construction costs and material shortages are high, the application of this loan program to already existing facilities could provide substantial savings. This proposed change would reduce unnecessary expenditures in the construction of new facilities where suitable existing facilities are available, and would at the same time stretch the funding and authority of the SBA further to allow for financing of more small business investments.

I urge that these legislative changes be taken up promptly, and ask unanimous consent that the text of the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502 of the Small Business Investment Act of 1958 is amended by inserting "acquisition," after "plant".

SEC. 2. Section 7(a)(4)(C) of the Small Business Act is amended to read as follows: "(C) no such loans including renewals and extensions thereof may be made for a period or periods exceeding 10 years except that such portion of a loan made for the purpose of acquiring real property and construction of facilities may have a maturity of 20 years plus such additional period as is estimated may be required to complete such construction."

By Mr. CHURCH:

S. 650. A bill to amend title II of the Social Security Act to provide that the special minimum primary insurance amount thereunder shall be increased—in like manner as other benefits thereunder are increased—to take account of increases in the cost of living. Referred to the Committee on Finance.

COST-OF-LIVING ADJUSTMENTS FOR SPECIAL MINIMUM BENEFICIARIES

Mr. CHURCH. Mr. President, I introduce for appropriate reference, a bill to provide cost-of-living adjustments for special minimum beneficiaries under the social security program.

The special minimum benefit was enacted into law in 1972 for persons with low lifetime earnings and long periods of covered employment under social security.

Congress intended this benefit to be at least equal to the basic Federal payment level for the supplemental security income program. SSI's income standards are now $146 a month for qualifying aged, disabled, and blind persons and $219 for couples.

Under present law, the special minimum payment is computed by multiplying $9 by an individual's covered social security employment above 10 years but not greater than 30 years.

For example, a retired worker with 30 years of covered employment who becomes eligible for benefits at age 65 would be entitled to at least $180 a month under the special minimum provision. In the case of an individual with 25 years of credited service, his special minimum monthly benefit would be $135.

One of the fundamental principles underlying the social security system is that a person who contributes should receive a benefit. And, this is a major reason for the adoption of the special minimum provision.

Today it provides valuable help for low-income persons with a long-term attachment to social security.

But, there is an urgent need to perfect this measure. And, the bill that I introduce is designed to make two important improvements.

First, it would extend the automatic cost-of-living adjustment mechanism to special minimum payments.

When this provision was adopted in 1972, it was decided not to apply the automatic escalator mechanism to this measure, essentially for two reasons:

Additional time was needed to obtain information about these beneficiaries to determine whether there was, in fact, a clear-cut need to increase their payments when prices rise; and

SSI did not have a cost-of-living adjustment mechanism.

These reasons, however, are no longer applicable today. Quite to the contrary, the 12.2 percent increase in living costs during 1974—the steepest jump since 1946—provides a very compelling reason to extend the cost-of-living provision to special minimum beneficiaries.

Today the vast majority of retirees under Federal income maintenance programs have built-in protection against inflationary pressures. More than 30 million social security beneficiaries will receive a cost-of-living increase in July.

In his state of the Union message, President Ford called for a 5-percent ceiling for this automatic adjustment.

However, 52 Senators—a clear-cut majority—have joined me in sponsoring Senate Concurrent Resolution 2 to express congressional opposition to any reduction in the cost-of-living raise. This action should remove any doubt in the minds of social security beneficiaries that they will be denied the full amount of the cost-of-living increase.

Moreover, the SSI program now has an automatic escalator provision with the enactment of Public Law 93-368 last summer. Additionally, proposals are being advanced to extend similar protection for railroad retirees and VA pensioners.

And to my way of thinking, this coverage should also apply to persons who receive special minimum payments under social security.

Surely, they are no less deserving than other social security beneficiaries or Federal annuitants. In all likelihood, they may be in greater need of this protection because they are ordinarily struggling on very limited incomes. They typically depend upon their special minimum payments for their primary source of income. In some cases these benefits are an aged person's sole source of support.

More than 120,000 persons now receive special minimum payments. For retired workers who receive these benefits, the average monthly payment is $159. This contrasts with the average monthly benefit of $188 for all retired workers under social security.

Second, my bill would correct an inequity concerning the application of last year's two-step, 11-percent increase for special minimum beneficiaries. The Senate-passed version of this legislation also included a two-stage raise in the special minimum payment, as well as extending the cost-of-living provision to these individuals.

Unfortunately, these measures were modified in conference committee. The net impact is that special minimum beneficiaries received a 6-percent raise.

My proposal would, in effect, pass on the second stage of last year's social security increase to these individuals. This would occur simultaneously with the provision to make the automatic cost-of-living adjustment mechanism applicable for special minimum beneficiaries, effective for June 1975.

With inflation continuing at an unacceptably high level, both of these measures are needed now. For these reasons, I urge early action on this legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 650

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 215(a)(3) of the Social Security Act is amended by striking out "$9.00" and inserting in lieu thereof "$9.50".

(b) The amendment made by this section shall apply with respect to monthly insurance benefits under title II of the Social Security Act for months after May 1975.

SEC. 2 (a) Section (1)(2)(A)(ii) of such Act is amended by striking out "(but not including a primary insurance amount determined under subsection (a)(3) of this section)" and inserting in lieu thereof the following: "(with any increase in the special minimum primary insurance amount applied after the determination of such special minimum primary insurance amount under subsection (a)(3) of this section)".

(b) The amendment made by this section shall apply, after the application of section 1 of this Act, with respect to monthly insurance benefits under title II of the Social Security Act for months after May 1975 (without regard to when the insured individual became entitled to such benefits or when he died).

By Mr. CHURCH (for himself, Mr. HASKELL, and Mr. RIBICOFF):

S. 651. A bill to make changes in the treatment of foreign income, to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes. Referred to the Committee on Finance.

Mr. CHURCH. Mr. President, I wish to introduce the Tax Neutrality Act of 1975 in behalf of Senator HASKELL, Senator RIBICOFF, and myself. This bill would make certain changes in the Internal Revenue Code which presently constitute powerful inducements for large corporations to invest abroad rather than at home.

Congressman CHARLES VANIK of the 22d District in Ohio plans to introduce similar legislation in the House.

The number of concessions given to American-owned multinational corporations in the way of tax havens, tax deferrals, and special tax advantages, if they invest abroad, are legion.

This amendment attempts to eliminate from the Internal Revenue Code the most detrimental of the tax concessions which tilt our policy heavily in favor of the outmigration of American capital, which, of course, entails the export of American jobs. The revenue effect of this legislation would be to raise over $4 billion for the U.S. Treasury.

Figures released by the Tariff Commission give ample proof of the direct effect this pro-foreign-investment bias has had on U.S. trade. Trade of multinational corporations has been growing at a more rapid rate than the average rate of growth of imports and exports. For example, U.S. merchandise exports shipped to majority-owned affiliates of U.S.-based MNC's increased from $7.8 billion in 1966 to $13 billion in 1970, an average annual gain of 13.5 percent. U.S. imports from such affiliates, although smaller than exports, increased even more rapidly—from $5.8 billion in 1966 to $10.9 billion in 1970, an average annual gain of 17.2 percent. Because such trade flows grew more rapidly from 1966 to 1970 than did aggregate U.S. exports and imports—9.4 percent and 11.8 percent, respectively—they accounted for an increasing proportion of aggregate U.S. trade.

As the Tariff Commission further notes:

Although the surplus generated by U.S. trade with majority-owned affiliates of U.S.-based MNC's increased slightly from 1966 to 1970, the more rapid growth in imports raises the possibility that in the future such imports could even exceed exports to these affiliates.

We must recognize that the multinational corporations are now central to the entire trading picture.

After 2 years of intensive investigation by the Senate Foreign Relations Committee Subcommittee on Multinational Corporations of which I am chairman, I am of the opinion that we must end current Government policies which favor investment abroad rather than here at home. This bill is premised upon the proposition that Government policy on investment here or abroad should be essentially neutral and thus investment be channeled in accordance with real economic efficiencies.

But the central conclusion to which I have arrived, as a consequence of our hearings, is that U.S. Government policy is not neutral. We have so tilted public policy in favor of overseas rather than domestic investment that I sometimes wonder why any multinational corporation given a choice, invests in the United States at all. So I think the time has come to signal to the American people and the world at large that we are intent not upon reverting to a sterile policy of beggar thy neighbor protectionism but upon correcting the imbalance of American policies that have promoted and stimulated overseas investment, at times, at the expense of domestic investment. The provisions of this bill will increase U.S. tax revenues by over $4 billion per year while stimulating the domestic economy by encouraging the marginal investment dollar to be placed at home rather than abroad.

The provisions of this bill are:

Revenue in millions of dollars per year

Elimination of "Western Hemisphere Trade Corporations" provision	[1] $100
Elimination of Domestic International Sales Corporations (DISC) provision	[1] 920
Elimination of the provision which allows "less developed country corporations" not to "gross up" realized dividends from its foreign subsidiaries for purpose of tax credit provision	[1] 80
Eliminates deferral of foreign earnings	[3] 1,000
Eliminates optional "overall limitation" on foreign tax credit, bars carry forwards and carry backs of excess foreign credits, and provides a loss recapture provision (exact figures not available but in excess of)	[3] 2,000
Total revenue	4,100

[1] "Federal Subsidy Programs," Subcommittee on Priorities and Economy in Government of the Joint Economic Committee (October 18, 1974); also Tax Analysts and Advocates, "Fiscal 1975 Tax Expenditure Budget" (January 21, 1974).

[2] Musgrave testimony before the Committee on Ways and Means, February 28, 1973.

[3] Staff of the Subcommittee on Multinational Corporations.

TAX CREDIT

Mr. CHURCH. Currently, U.S. corporations are given over $20 billion per year in tax credits for taxes they pay abroad. These credits can be carried forward and carried back to shield foreign income from U.S. taxation over a decade. Moreover, under current provisions tax credits from one foreign country can be used to offset income from another foreign country. The tax credit provisions and deferral are the most important tax incentives for a corporation to invest abroad rather than in the United States. The abuses fostered by the tax credit provisions are legion. For example, the foreign tax credit provisions currently allow the international oil companies to shield all their offshore shipping and refining revenues from U.S. taxation—even though they pay almost no taxes to the host countries for these operations. Thus, the current tax credit structure is one of the main reasons so little shipping is done in U.S. ships and why so much oil refining is done abroad.

In her testimony before the Ways and Means Committee on February 28, 1973, Professor Musgrave reported that in many industries the rate of return before tax considerations is higher for investment in the United States than abroad. But because of the tax credit provisions, corporations often choose to invest abroad. The tax credit reforms in this bill will correct this. Tax neutrality demands that the tax credit provisions of the Internal Revenue Code be amended to allow that a tax credit be given only for the country in which the foreign tax is paid and for the year in which the foreign taxes are paid. Neutrality also demands that foreign losses written off against U.S. gains later be recaptured. This restructuring of the code will provide for neutrality in the decision of the U.S. corporations to invest in a particular foreign country or in the United States and will raise at least $2 billion in extra revenue for the United States.

DEFERRAL

In a paper presented to the Joint Economic Committee in 1972, Prof. Peggy Musgrave concluded that—

The consequences of tax deferral are far reaching owing to the differentials between United States and foreign profits tax rates. Since profits earned by a foreign-incorporated subsidiary and held or reinvested abroad are subject only to the foreign rate of tax considerable tax advantage may be had by earning such income in relatively low tax jurisdictions. Thus, a U.S. corporation operating through a foreign-incorporated subsidiary in a country with, say, an effective tax rate of 30 percent has 70 cents out of every dollar for reinvestment purposes, whereas if the same investment had taken place in the United States only 52 cents of each dollar of profit would be available. So long as profits are kept abroad, and the foreign tax rate is below that in the United States, there is a tax incentive to foreign investment through the deferral provision. Furthermore, the incentive is greater, the lower is the foreign rate, thus making for differential investment incentives among foreign countries.

As we learned in the course of our hearings, many developing countries grant incentives which insure that there is no tax at all on the earnings of multinational corporations. This was the case with the Ford Motor Co. in Taiwan. Taiwan granted Ford a 5-year tax holiday to locate a Philco electronic facility in

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that country, along with accelerated depreciation, duty-free import of machinery, and exemption from export taxes. In Korea, our hearings showed that Motorola's investment in that country was 100 percent tax free for 8 years.

In the course of our hearings, my distinguished colleague from Illinois, Senator PERCY, asked Mr. Stanford Ross, former Assistant Tax Legislative Counsel of the Treasury Department:

> Could you explain to the Subcommittee how an American company with an investment in Brazil can set up a paper company in the Bahamas and not pay taxes in either the United States or Brazil? What can we do to stop this practice?

Mr. Ross answered that "the real solution is to eliminate tax deferral."

Tax deferral thus permits U.S. corporations to pay no U.S. income taxes on the profits of their foreign subsidiaries until those profits are brought back home—which may be never. The effect of this provision is that if a U.S. corporation uses its foreign profit for reinvestment abroad, the foreign profit is not subject to U.S. taxation.

In the domestic economy, of course, all investment in new plant and equipment is normally financed from after-tax corporate income. It is generally considered an extraordinary and temporary measure for us to provide a 7- or 10-percent tax credit for new investment, in effect offering a temporary Government subsidy to stimulate a needed expansion of domestic capacity. The foreign operations of our multinationals, on the other hand, enjoy a permanent 100-percent U.S. tax writeoff for any new investment they can finance directly from their overseas profits.

As Professor Musgrave concluded:

> Deferral clearly introduces a non-neutral incentive to invest abroad and is difficult to defend on both equity and efficiency grounds.

John Nolan, formerly Deputy Assistant Secretary of the Treasury for Tax Policy, told the President's Commission on International Trade and Investment:

> There is a clear-cut bias in our existing tax structure favoring the manufacturer of goods abroad through foreign subsidiaries as opposed to exporting, in order to benefit from the deferral of U.S. taxes.

In sum, tax deferral on foreign income offers tremendous advantages to U.S. corporations which invest abroad. It offers nothing to those which invest at home. It operates as an American subsidy to the overseas operations of U.S. companies.

LESS DEVELOPED COUNTRY AND WESTERN HEMISPHERE TRADE CORPORATION

In addition to the general problem of deferral this amendment eliminates the so-called Less Developed Country Holding Company and the Western Hemisphere Trade Corporation provisions of the Internal Revenue Code. Under section 922 of the code, certain U.S. corporations doing business in the Western Hemisphere are given a special deduction from taxable income. In effect, the provision amounts to a reduction of 14 percentage points in the U.S. corporation income tax rate. The apparent intent of the original—1942—legislation was to relieve U.S. investors in the Western Hemisphere from any competitive disadvantage resulting from the wartime U.S. corporate surtax. The annual revenue loss to the Treasury resulting from this provision is estimated to be $100 million.

World War II ended 29 years ago. It is time we ended this anachronism.

The Lesser Developed Country Holding Company provision was created to soften the impact of the 1962 Revenue Act crack down on "tax haven" operations. Income earned in tax haven countries such as Panama, the Bahamas, Bermuda, Liberia, and the Netherlands Antilles was, after the reform legislation, treated as taxable in the year in which it was earned—that is to say not subject to the deferral rules. However, income earned in lesser developed countries was exempted from this rule and Panama and Liberia were denominated lesser developed countries. Further, the general rule that profit on the sale of stock of foreign subsidiaries is treated as ordinary income does not apply to those holding companies. This enables ship owners wishing to repatriate their Liberian and Panamanian profits to receive capital gains treatment when the taxes are finally paid. They do this by reinvesting the earnings abroad and then selling the stocks for a capital gain.

Corporations not interested in shipping have also taken advantage of the LDC Holding Company to avoid the "grossing up" for foreign source income. The gross-up requirement was enacted to prevent corporations from claiming the foreign tax credit and taking a deduction for foreign taxes paid. When dividends are "grossed up" the foreign taxes paid must be added back to the total amount of income if a tax credit has been taken. LDC holding companies do not face this "gross-up" requirement.

Finally, this amendment would eliminate the Domestic International Sales Corporation provision of the code. The DISC, as it is called—is allowed to defer taxes on export earnings. The stated purpose of the DISC is clearly counter to a neutral tax policy. Since the devaluation of the dollar and the arrival of floating exchange rates, the rationale for the amendment is vitiated because floating exchange rates insure that the American exports "stay competitive."

This year, U.S. taxpayers can expect the DISC to cost them $920,000,000 in lost tax revenue. The prime beneficiaries are the 100 largest corporations, all of whom are in the export business and would stay in it with or without DISC.

And there are other objections—the DISC encourages and subsidizes the export of scarce commodities, it encourages sham transactions which permit domestic income to be shifted abroad, and it encourages U.S. companies to use the DISC money for foreign plants.

Mr. HASKELL. Mr. President, I am pleased to join with the distinguished Senators from Idaho (Mr. CHURCH) and Connecticut (Mr. RIBICOFF) in introducing the Tax Neutrality Act of 1975.

Our bill addresses itself to the present imbalance in our tax laws between incentives to invest overseas and those which encourage domestic investment. We believe that this proposal will eliminate that imbalance, will help to avert a worsening of the trade deficit which America is now experiencing and will end the exporting of jobs abroad at a time when jobs are so desperately needed at home.

At the same time, this bill if passed by the Congress, would represent a major step in the direction of meaningful tax reform. It would result in $4 billion in new Federal revenues—dollars which might be well spent on providing much needed tax relief to the American people or which might be diverted to direct stimulation of our domestic economy.

We propose, Mr. President, to repeal the controversial DISC provisions of the Internal Revenue Code as well as the "Western Hemisphere trade corporations" and "less-developed-country corporation" tax subsidies. Additionally, our bill would substantially tighten the foreign tax credit provisions of present law and would eliminate the current "deferral" of taxation on income earned by foreign subsidiary corporations.

These proposals should be viewed in the light of the recent passage of the Trade Reform Act of 1974. In our approval of that legislation, we were seeking to eliminate tariff and nontariff obstacles to international trade. We hope, through the Trade Reform Act, to achieve neutrality among nations with respect to international trade. But, neutrality among nations is only the first necessary step: our task is incomplete until we also achieve neutrality in our own policies, including the tax law, with respect to international trade.

That such a bias toward investment abroad exists in our tax laws today is hardly a debatable point. Provisions such as those which are dealt with by our bill encourage American business to send its capital abroad. In so doing, American corporations are shipping American jobs and technology abroad and diverting tax dollars which might have accrued to the American Government to foreign nations. This diversion of tax dollars results in increased pressure to tax businesses and individuals here in the United States and this shifting of the tax burden within the United States is a substantial part of the reason that progressiveness is more an ideal than a reality within our own tax structure.

In the final analysis, the Trade Reform Act cannot be viewed in isolation. We must look at the effect that a reduction in tariff and nontariff barriers to trade will have in light of the Tax Code's encouragement of overseas investment. I maintain, and it is a basic premise of this bill, that unless we address these tax incentives, we will soon begin to realize an increase in our imports without any comparable increase in our exports. That would worsen what is already a disturbing picture of our trade balance.

Senator CHURCH, through the fine work of his Multinational Corporation Subcommittee, has analyzed the trends in international trade. His study of multinational corporations lends great support to our contentions. He points out, for

example, that trade by multinational corporations has been growing at a faster rate than the average rate of growth of imports and exports and that, in the context of this increased trade, imports from foreign subsidiaries to the United States have been growing at a significantly more rapid rate than have exports of merchandise from the United States to such corporations. Thus, exports to such corporations increased from $7.8 billion in 1966 to $13 billion in 1970—an average annual gain of 13.5 percent. Meanwhile, however, U.S. imports from foreign subsidiaries of U.S. corporations, although still smaller than exports, has grown from $5.8 billion in 1966 to $10.9 billion in 1970—an average annual gain of 17.2 percent. Thus, Mr. President, imports from such corporations are growing at a rate which is some 27.4 percent more rapid than the rate at which our exports to those corporations is growing. It should be no surprise then, that the Tariff Commission recently noted that "the more rapid growth in imports raises the possibility that in the future such imports could even exceed exports to their affiliates."

We can avert that possibility by eliminating from the tax laws the incentive to send American capital abroad. The National Committee for Tax Justice reports that "between 1960 and 1971 the book value of foreign investment by United States industry increased from about $32 billion to $86 billion." The 50 largest U.S. corporations derived over 40 percent of their incomes from overearnings on the foreign incomes of all United States corporations in that year were some $11 billion. Incredibly enough, of that $11 billion only $640 million—about 6 percent—was paid in U.S. taxes.

The tax realities of overseas investment are largely why our corporations choose to invest abroad rather than at home even though in many industries the rate of return before tax considerations is higher for investment in the United States than for investment overseas. There are several elements of this tax reality—the most dominant, and therefore the best place to begin our analysis, is the foreign tax credit provision of the Internal Revenue Code.

FOREIGN TAX CREDITS

At the present time, income taxes paid to foreign governments may be credited against income taxes otherwise due the Federal Government. The rationale for allowing such credits is quite simple and, in the main, entirely appropriate. The objective of the credit is to prevent double taxation on multinational corporations since, to impose such double taxation, would put international corporations at an extreme disadvantage with respect to foreign companies.

Of the $11 billion in 1970 taxable income of U.S. corporations from foreign operations, according to the National Committee for Tax Justice, $5.7 billion or 51.8 percent was paid in foreign taxes. Because of these taxes some $4.6 billion was credited against U.S. taxes. Additionally, credits may, at present, be carried forward or backward to protect foreign income from U.S. taxation for a full decade. Under our bill, tax credits may be taken only for the year in which the foreign taxes are actually paid.

There are two forms of "limitation" on the use of the foreign tax credit. They are the "per country" and the "overall" limitation, and they are optional with the corporate taxpayer. "The overall limitation" is, in reality, no meaningful limitation at all. Under this provision, the taxpayer aggregates all of his foreign income and taxes. The tax credit for all of the foreign tax imposed is limited to the U.S. tax on the total amount of foreign source income. The overall limitation, then, allows a corporation to, in effect, use tax payments to country "A" to offset taxes due to the United States on income earned in country "B." This so-called limitation stretches the "double taxation" rationale of the foreign tax credit beyond any reasonable bounds.

If the overall limitation were repealed, as this bill would do, the taxpayer would henceforth be subjected to the "per country" limitation. Under this limitation, the taxpayer must segregate its income or losses from each country: The credit allowed for foreign tax payments, then, may not exceed the U.S. tax imposed on that income. This revision of the U.S. tax treatment of foreign taxes would limit the double taxation rationale to its proper scope.

Finally, Mr. President, the foreign tax credit provisions of the Internal Revenue Code must be amended to deal with the problem of royalty payments. At present, the IRS allows corporate taxpayers to credit against their U.S. tax liability royalty payments made to foreign governments. The problem is especially acute with respect to payments made to foreign governments in connection with the extraction of oil or gas—the rights to which frequently are owned by those governments. Royalty payments are ordinary business expenses and, hence, should generate nothing more than a deduction for the purpose of determining tax liability. Unfortunately, when paid to foreign governments in the guise of income taxes, the IRS allows a credit against taxes—reducing U.S. tax liability on a dollar-for-dollar basis—rather than a deduction against gross income—which would reduce tax liability by 48 cents on the dollar.

The Tax Neutrality Act does not deal with the royalty problem. On Monday of this week, however, I introduced S. 512, which would, among other things, prohibit the taking of a tax credit for any payment which is a royalty payment rather than a bona fide foreign tax payment.

DEFERRAL OF TAXES ON SUBSIDIARY INCOME

At present, the tax laws do not require U.S. corporations to pay taxes on income earned by controlled foreign subsidiaries until those earnings have been distributed to the domestic parent corporation. If the income is kept outside of the United States, the corporation may reinvest it abroad and indefinitely defer U.S. taxation. As a result, the Federal Treasury lost $375 million in tax revenues in 1972.

The Department of the Treasury recommended the repeal of this provision of the tax code as long ago as 1962. Repeal would help to eliminate the present tax incentive to export jobs, technology, and capital abroad. This incentive exists especially with respect to those countries which have a tax rate on corporate income below the 48-percent U.S. rate. The multinational corporation can avoid the higher U.S. tax on its foreign income as long as the subsidiary neglects to repatriate the earnings by declaring dividends on behalf of its U.S. parent. Corporations which operate entirely within the domestic economy must look to after-tax dollars for further investment. Multinational corporations, however, receive a permanent 100-percent income exclusion as long as they use their subsidiaries profits for further investment abroad. This provision provides the clearest incentive to multinational corporations to (re)invest abroad rather than at home. It should be repealed.

WESTERN HEMISPHERE TRADE CORPORATIONS

Under the "Western Hemisphere Trade Corporation" provisions of the tax code, businesses which operate in Latin America are taxed on those operations at a rate of 34—rather than the usual 48—percent.

The historical basis of this special rate was an effort during World War II to relieve these corporations of the wartime corporate surtax which the United States then imposed. Still in existence today, this special tax rate costs the Federal Treasury approximately $50 million a year. The House Ways and Means Committee recently recommended repeal of the WHTC provisions. The committee explained its reason for this position as follows:

> Your committee believes general tax equity requires that income derived from all foreign sources be taxed at the same rate . . . [I]n many instances the WHTC deduction merely adds to the complexity of preparing an income tax return without providing significant tax benefits.
>
> The preferential rate granted to WHTCs has also encouraged U.S. manufacturers to set the prices on sales of goods to related WHTCs so as to maximize the income derived by the WHTC, since this income is taxed at the lower WHTC rate. These pricing practices have been the source of many controversies between taxpayers and the Internal Revenue Service. Finally, the broad interpretation given to the WHTC provisions by the Internal Revenue Service has enabled corporations to obtain the benefits of the WHTC provisions for goods manufactured outside the Western Hemisphere by causing the title to the goods which are sold by the WHTC to be passed within the Western Hemisphere. In such a situation your committee believes it is inappropriate to give special tax relief.

LESS DEVELOPED COUNTRY CORPORATIONS

LDCC's are subsidiaries of U.S. corporations which operate in less developed countries. Like all other foreign subsidiaries they may earn income which is not taxable to their U.S. parent unless and until they return their profits to the United States.

Additionally, however, they are exempted from the general rule that profit on the sale of the stock of a foreign subsidiary is to be taxed as ordinary income rather than as capital gains. By allowing the U.S. parent to sell this stock at a capital gain, the U.S. corporation can

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turn ordinary income into capital gain by simply leaving its profit in the foreign subsidiary until such time as it repatriates that profit by selling the stock of the foreign subsidiary. In this way, the parent pays capital gains taxes on the value of the stock of its subsidiary although that value consists principally of retained ordinary income.

Finally, LDCC's need not "gross up" their income as must other corporations. The "gross up" requirement prevents corporations from taking both a foreign tax credit and, in effect, a deduction for foreign taxes paid. "Grossing up" means that the parent must add to the dividends which it receives from its foreign subsidiary the amount of foreign taxes paid whenever the parent intends to take a tax credit against the U.S. tax liability it incurs on that foreign income. LDCC's and their parents need not "gross up" their dividends for the purpose of taking the foreign tax credit.

The Tax Neutrality Act would repeal these tax preferences for LDCC's and their domestic parents.

DISC—DOMESTIC INTERNATIONAL SALES CORPORATIONS

Under the DISC provisions of the Internal Revenue Code, specially organized export corporations are permitted to defer indefinitely the tax on one-half of the income earned from the production and sale of export goods. The purpose of DISC ostensibly is to provide an extra stimulus to the business of exporting. The plain fact of the matter, however, is that there is no evidence whatsoever that DISC has indeed been effective in promoting exports. What we do know beyond any question is that DISC has, over the last several years, represented an extraordinary drain on the Federal Treasury.

DISC's are frequently nothing more than paper subsidiaries established by large corporations solely to take advantage of the favorable tax treatment provided by the Internal Revenue Code. In 1972, 22 percent of the income received by all DISC's was earned by eight corporations with gross receipts of over $100 million. Over 80 percent of the approximately 2,220 DISC's in existence at that time were owned by corporations with assets of over $100 million. According to the National Committee for Tax Justice:

[B]y the end of 1972 one company, Weyerhauser, had deferred perhaps permanently $3.6 million in taxes simply by having accomplished the mechanics of adopting export operations to the DISC form.

When DISC was originally enacted, in 1971, the Nation was facing a very serious balance-of-payments deficit. In 1973, the United States enjoyed a $700 million trade surplus and had a record breaking $70 billion in exports. There is no evidence, however, that this trade turnaround was a product of DISC, and there is no reason to believe that DISC will improve our current trade problems.

Indeed, according to the International Economic Report of the President, the 1972–73 turnaround in the U.S. trade balance was caused primarily by increased worldwide demand for our agricultural and manufactured exports and by the 15-percent devaluation of the dollar over the past 2 years. The General Accounting Office has reported that DISC "is not considered to have had much influence toward increasing U.S. exports to date. Neither has it resulted in exporters lowering their prices to meet competition." Finally, a report recently prepared by the U.S. Department of the Treasury reached no firm conclusion as to whether the existence of these tax breaks led to greater exports than would have been the case in their absence. Indeed, the report noted that 1972 was the first year of devaluation of the dollar and that "other powerful influences were brought to bear on the U.S. trade position," apart from the tax changes brought about by the passage of the DISC provisions.

Further, to the extent that DISC encourages the export of U.S. commodities in short supply—such as soybeans and wheat—the American taxpayer gets a double punch. First, we subsidize these exports by depleting the Federal Treasury at the direct expense of the taxpaying public, and, second, consumers feed corporate profits by paying higher prices caused by the increased worldwide demand for these products.

What we do know for certain has been accomplished by the passage of DISC is that the Federal Treasury has been depleted to a far greater extent than was originally anticipated when DISC was proposed. The Treasury Department had estimated that the revenue loss for 1972 would be approximately $100 million; instead the Treasury loss for that year turned out to be 2½ times that amount, or $250 million. The revenue loss for 1973 was approximately $500 million and, it is estimated, the loss will reach nearly $815 million for 1974, and over $900 million for 1975.

Under this bill, the DISC provisions of the Internal Revenue Code would be repealed.

By Mr. JACKSON (for himself, Mr. METCALF and Mr. FANNIN) (by request):

S. 652. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, I am introducing today by request for myself and the chairman of the Subcommittee on Minerals, Materials, and Fuels (Mr. METCALF) and the ranking minority member of the Interior Committee (Mr. FANNIN) the surface coal mining bill sent to the Congress by President Ford on February 6.

I believe that the bill which the President pocket-vetoed last December achieved a proper balance between the need to develop our Nation's coal resources and the need to protect the environment. I see no need to amend that bill which I have reintroduced with Senator METCALF as S. 7, the Surface Mining Control and Reclamation Act of 1975.

I ask unanimous consent that the letter from President Ford together with the administration's summary of principal changes from S. 425 incorporated in the administration's bill be printed in the RECORD at the close of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., February 6, 1975.

The Honorable THE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Our Nation is faced with the need to find the right balance among a number of very desirable national objectives. We must find the right balance because we simply cannot achieve all desirable objectives at once.

In the case of legislation governing surface coal mining activities, we must strike a balance between our desire for environmental protection and our need to increase domestic coal production. This consideration has taken on added significance over the past few months. It has become clear that our abundant domestic reserves of coal must become a growing part of our Nation's drive for energy independence.

Last December, I concluded that it would not be in the Nation's best interests for me to approve the surface coal mining bill which passed the 93rd Congress as S. 425. That bill would have:

Caused excessive coal production losses, including losses that are not necessary to achieve reasonable environmental protection and reclamation requirements. The Federal Energy Administration estimated that the bill, during its first full year of operation would reduce coal production between 48 and 141 million tons, or approximately 6 to 18 percent of the expected production. Additional losses could result which cannot be quantified because of ambiguities in the bill. Losses of coal production are particularly important because each lost ton of coal can mean importing four additional barrels of foreign oil.

Caused inflationary impacts because of increased coal costs and Federal expenditures for activities which, however desirable, are not necessary at this time.

Failed to correct other deficiencies that had been pointed out in executive branch communications concerning the bill.

The energy program that I outlined in my State of the Union Message contemplates the doubling of our Nation's coal production by 1985. Within the next ten years, my program envisions opening 250 major new coal mines, the majority of which must be surface mines, and the construction of approximately 150 new coal fired electric generating plants. I believe that we can achieve these goals and still meet reasonable environmental protection standards.

I have again reviewed S. 425 as it passed the 93rd Congress (which has been reintroduced in the 94th Congress as S. 7 and H.R. 25) to identify those provisions of the bill where changes are critical to overcome the objections which led to my disapproval last December. I have also identified a number of provisions of the bill where changes are needed to reduce further the potential for unnecessary production impact and to make the legislation more workable and effective. These few but important changes will go a long way toward achieving precise and balanced legislation. The changes are summarized in the first enclosure to this letter and are incorporated in the enclosed draft bill.

With the exception of the changes described in the first enclosure, the bill follows S. 425.

I believe that surface mining legislation must be reconsidered in the context of our current national needs. I urge the Congress to consider the enclosed bill carefully and pass it promptly.

Sincerely,

GERALD R. FORD.

SUMMARY OF PRINCIPAL CHANGES FROM S. 425 (S. 7 AND H.R. 25) INCORPORATED IN THE ADMINISTRATION'S SURFACE MINING BILL

The Administration bill follows the basic framework of S. 425 in establishing Federal standards for the environmental protection and reclamation of surface coal mining operations. Briefly, the Administration bill, like S. 425:

Covers all coal surface mining operations and surface effects of underground coal mining;

Establishes minimum nationwide reclamation standards;

Places primary regulatory responsibility with the States with Federal backup in cases where the States fail to act;

Creates a reclamation program for previously mined lands abandoned without reclamation;

Establishes reclamation standards on Federal lands.

Changes from S. 425 which have been incorporated in the Administration bill are summarized below.

CRITICAL CHANGES

1. *Citizen suits.* S. 425 would allow citizen suits against any person for a "violation of the provisions of this Act." This could undermine the integrity of the bill's permit mechanism and could lead to mine-by-mine litigation of virtually every ambiguous aspect of the bill even if an operation is in full compliance with existing regulations, standards and permits. This is unnecessary and could lead to production delays or curtailments. Citizen suits are retained in the Administration bill, but are modified (consistent with other environmental legislation) to provide for suits against (1) the regulatory agency to enforce the act, and (2) mine operators where violations of regulations or permits are alleged.

2. *Stream siltation.* S. 425 would prohibit increased stream siltation—a requirement which would be extremely difficult or impossible to meet and thus could preclude mining activities. In the Administration's bill, this prohibition is modified to require the maximum practicable limitation on siltation.

3. *Hydrologic disturbances.* S. 425 would establish absolute requirements to preserve the hydrologic integrity of alluvial valley floors—and prevent offsite hydrologic disturbances. Both requirements would be impossible to meet, are unnecessary for reasonable environmental protection and could preclude most mining activities. In the Administration's bill, this provision is modified to require that any such disturbances be prevented to the maximum extent practicable so that there will be a balance between environmental protection and the need for coal production.

4. *Ambiguous terms.* In the case of S. 425, there is great potential for court interpretations of ambiguous provisions which could lead to unnecessary or unanticipated adverse production impact. The Administration's bill provides explicit authority for the Secretary to define ambiguous terms so as to clarify the regulatory process and minimize delays due to litigation.

5. *Abandoned land reclamation fund.* S. 425 would establish a tax of 35 cents per ton for underground mined coal and 25 cents per ton for surface mined coal to create a fund for reclaiming previously mined lands that have been abandoned without being reclaimed, and for other purposes. This tax is unnecessarily high to finance needed reclamation. The Administration bill would set the tax at 10 cents per ton for all coal, providing over $1 billion over ten years which should be ample to reclaim that abandoned coal mined land in need of reclamation.

Under S. 425 funds accrued from the tax on coal could be used by the Federal government (1) for financing construction of roads, utilities, and public buildings on reclaimed mined lands, and (2) for distribution to States to finance roads, utilities and public buildings in any area where coal mining activity is expanding. This provision needlessly duplicates other Federal, State and local programs, and establishes eligibility for Federal grant funding in a situation where facilities are normally financed by local or State borrowing. The need for such funding, including the new grant program, has not been established. The Administration bill does not provide authority for funding facilities.

6. *Impoundments.* S. 425 could prohibit or unduly restrict the use of most new or existing impoundments, even though constructed to adequate safety standards. In the Administration's bill, the provisions on location of impoundments have been modified to permit their use where safety standards are met.

7. *National forests.* S. 425 would prohibit mining in the national forests—a prohibition which is inconsistent with multiple use principles and which could unnecessarily lock up 7 billion tons of coal reserves (approximately 30% of the uncommitted Federal surface-minable coal in the contiguous States). In the Administration bill, this provision is modified to permit the Agriculture Secretary to waive the restriction in specific areas when multiple resource analysis indicates that such mining would be in the public interest.

8. *Special unemployment provisions.* The unemployment provision of S. 425 (1) would cause unfair discrimination among classes of unemployed persons, (2) would be difficult to administer, and (3) would set unacceptable precedents including unlimited benefit terms, and weak labor force attachment requirements. This provision of S. 425 is inconsistent with P.L. 93–567 and P.L. 93–572 which were signed into law on December 31, 1974, and which significantly broaden and lengthen general unemployment assistance. The Administration's bill does not include a special unemployment provision.

Other Important Changes. In addition to the critical changes from S. 425, listed above, there are a number of provisions which should be modified to reduce adverse production impact, establish a more workable reclamation and enforcement program, eliminate uncertainties, avoid unnecessary Federal expenditures and Federal displacement of State enforcement activity, and solve selected other problems.

1. *Antidegradation.* S. 425 contains a provision which, if literally interpreted by the courts, could lead to a nondegradation standard (similar to that experience with the Clean Air Act) far beyond the environmental and reclamation requirements of the bill. This could lead to production delays and disruption. Changes are included in the Administration bill to overcome this problem.

2. *Reclamation fund.* S. 425 would authorize the use of funds to assist private landowners in reclaiming their lands mined in past years. Such a program would result in windfall gains to the private landowners who would maintain title to their lands while having them reclaimed at Federal expense. The Administration bill deletes this provision.

3. *Interim program timing.* Under S. 425 mining operations could be forced to close down simply because the regulatory authority had not completed action on a mining permit, through no fault of the operator. The Administration bill modifies the timing requirements of the interim program to minimize unnecessary delays and production losses.

4. *Federal preemption.* The Federal interim program role provided in S. 425 could (1) lead to unnecessary Federal preemption, displacement or duplication of State regulatory activities, and (2) discourage States from assuming an active permanent regulatory role, thus leaving such functions to the Federal government. During the past few years, nearly all major coal mining States have improved their surface mining laws, regulations and enforcement activities. In the Administration bill, this requirement is revised to limit the Federal enforcement role during the interim program to situations where a violation creates an imminent danger to public health and safety or significant environmental harm.

5. *Surface owner consent.* The requirement in S. 425 for surface owner's consent would substantially modify existing law by transferring to the surface owner coal rights that presently reside with the Federal government. S. 425 would give the surface owner the right to "veto" the mining of Federally owned coal or possibly enable him to realize a substantial windfall. In addition, S. 425 leaves unclear the rights of prospectors under existing law. The Administration is opposed to any provision which could (1) result in a lock up of coal reserves through surface owner veto or (2) lead to windfalls. In the Administration's bill surface owner and prospector rights would continue as provided in existing law.

6. *Federal lands.* S. 425 would set an undesirable precedent by providing for State control over mining of Federally owned coal on Federal lands. In the Administration's bill, Federal regulations governing such activities would not be preempted by State regulations.

7. *Research centers.* S. 425 would provide additional funding authorization for mining research centers through a formula grant program for existing schools of mining. This provision establishes an unnecessary new spending program, duplicates existing authorities for conduct of research, and could fragment existing research efforts already supported by the Federal government. The provision is deleted in the Administration bill.

8. *Prohibition on mining in alluvial valley floors.* S. 425 would extend the prohibition on surface mining involving alluvial valley floors to areas that have the potential for farming or ranching. This is an unnecessary prohibition which could close some existing mines and which would lock up significant coal reserves. In the Administration's bill reclamation of such areas would be required, making the prohibition unnecessary.

9. *Potential moratorium on issuing mining permits.* S. 425 provides for (1) a ban on the mining of lands under study for designation as unsuitable for coal mining, and (2) an automatic ban whenever such a study is requested by anyone. The Administration's bill modifies these provisions to insure expeditious consideration of proposals for designating lands unsuitable for surface coal mining and to insure that the requirement for review of Federal lands will not trigger such a ban.

10. *Hydrologic data.* Under S. 425, an applicant would have to provide hydrologic data even where the data are already available—a potentially serious and unnecessary workload for small miners. The Administration's bill authorizes the regulatory authority to waive the requirement, in whole or in part, when the data are already available.

11. *Variances.* S. 425 would not give the regulatory authority adequate flexibility to grant variances from the lengthy and detailed performance specifications. The Administration's bill would allow limited variances—with strict environmental safeguards—to achieve specific post-mining land uses and to accommodate equipment shortages during the interim program.

12. *Permit fee.* The requirement in S. 425 for payment of the mining fee before operations begin could impose a large "front end" cost which could unnecessarily prevent some mine openings or force some operators out of business. In the Administration's bill, the regulatory authority would have the authority to extend the fee over several years.

13. *Preferential contracting.* S. 425 would require that special preference be given in reclamation contracts to operators who lose their jobs because of the bill. Such hiring should be based solely on an operators reclamation capability. The provision does not appear in the Administrations' bill.

14. *Any class of buyer.* S. 425 would require that lessees of Federal coal not refuse to sell coal to any class of buyer. This could interfere unnecessarily with both planned and existing coal mining operations, particularly in integrated facilities. This provision is not included in the Administration's bill.

15. *Contract authority* S. 425 would provide contract authority rather than authorizing appropriations for Federal costs in administering the legislation. This is unnecessary and inconsistent with the thrust of the Congressional Budget Reform and Impoundment Control Act. In the Administration's bill, such costs would be financed through appropriations.

16. *Indian lands.* S. 425 could be construed to require the Secretary of the Interior to regulate coal mining on non-Federal Indian lands. In the Administration bill, the definition of Indian lands is modified to eliminate this possibility.

17. *Interest charge.* S. 425 would not provide a reasonable level of interest charged on unpaid penalties. The Administration's bill provides for an interest charge based on Treasury rates so as to assure a sufficient incentive for prompt payment of penalties.

18. *Prohibition on mining within 500 feet of an active mine.* This prohibition in S. 425 would unnecessarily restrict recovery of substantial coal resources even when mining of the areas would be the best possible use of the areas involved. Under the Administration's bill, mining would be allowed in such areas as long as it can be done safely

19. *Haul roads.* Requirements of S. 425 could preclude some mine operators from moving their coal to market by preventing the connection of haul roads to public roads. The Administration's bill would modify this provision.

The attached listing shows the sections of S. 425 (or S. 7 and H.R. 25 which are affected by the above changes.

LISTING OF PRINCIPAL PROVISIONS IN S. 425 (S. 7 AND H.R. 25) THAT ARE CHANGED IN THE ADMINISTRATION'S BILL

Subject	Title or section S. 425, S. 7, H.R. 25	Administration bill
Critical changes:		
1. Clarify and limit the scope of citizens suits	520	420.
2. Modify prohibition against stream siltation	515(b)(10)(B), 516(b)(9)(B).	415(b)(10)(B), 416(b)(9)(B).
3. Modify prohibition against hydrological disturbances	510(b)(3), 515 (b)(10)(E).	410(b)(3), 415 (b)(10)(E).
4. Provide express authority to define ambiguous terms in the act.	None	601(b).
5. Reduce the tax on coal to conform more nearly with reclamation needs and eliminate funding for facilities.	401(d)	301(d).
6. Modify the provisions on impoundments	515(b)(13), 516(b)(5).	415(b)(13), 416(b)(5).
7. Modify the prohibition against mining in national forests.	522(e)(2)	422(e)(2).
8. Delete special unemployment provisions	708	None.
Other important changes:		
1. Delete or clarify language which could lead to unintended "antidegradation" interpretations.	102 (a) and (d)	102 (a) and (c).
2. Modify the abandoned land reclamation program to (1) provide both Federal and State acquisition and reclamation with 50/50 cost sharing, and (2) eliminate cost sharing for private land owners.	Title IV	Title III.
3. Revise timing requirements for interim program to minimize unanticipated delays.	502(a) through (c), 506(a).	402(a) and (b), 406(a).
4. Reduce Federal preemption of State role during interim program.	502(f), 521(a) (4).	402(c), 421(a) (4).
5. Eliminate surface owner consent requirement; continue existing surface and mineral rights.	167	163.
6. Eliminate requirement that Federal lands adhere to requirements of State programs.	523(a)	432(a).
7. Delete funding for research centers	Title III	None.
8. Revise the prohibition on mining in alluvial valley floors.	510(b)(5)	410(b)(5).
9. Eliminate possible delays relating to designations as unsuitable for mining.	510(b)(4), 522 (c).	410(b)(4), 422 (c).
10. Provide authority to waive hydrologic data requirements when data already available.	507(b)(11)	407(b)(11).
11. Modify variance provisions for certain post-mining uses and equipment shortages.	515(c)	402(d), 415(c).
12. Clarify that payment of permit fee can be spread over time.	507(a)	407(a).
13. Delete preferential contracting on orphaned land reclamation.	707	None.
14. Delete requirement on sales of coal by Federal lessees.	523(e)	None.
15. Provide authority for appropriations rather than contracting authority for administrative costs.	714	612.
16. Clarify definition of Indian lands to assure that the Secretary of the Interior does not control non-Federal Indian lands.	701(9)	601(a)(9).
17. Establish an adequate interest charge on unpaid penalties to minimize incentive to delay payments.	518(d)	418(d).
18. Permit mining with 500' of an active mine where this can be done safely.	515(b)(12)	415(b)(12).
19. Clarify the restriction on haul roads from mines connecting with public roads.	522(e)(4)	422(e)(4).

By Mr. PROXMIRE:

S. 653. A bill to amend the Budget and Accounting Act, 1921, to provide for audits by the General Accounting Office of expenditures by intelligence agencies of the Government and for reports thereon to certain committees of the Congress. Referred to the Committee on Government Operations.

Mr. PROXMIRE. Mr. President, this bill will put teeth in the congressional oversight of the intelligence community by authorizing the General Accounting Office to audit and analyze the expenditures of these agencies.

The CIA and other intelligence agencies have protected themselves from congressional review by not allowing audits of their programs. Billions have been spent yearly without one financial audit at the direction of Congress. Expenditures declared to Congress have been taken at face value.

The CIA claims that its programs are audited internally and by the Office of Management and Budget. But the limited number of people involved and their obvious self-interest raise doubts about the thoroughness of this procedure.

The GAO has found that congressional requests for data about intelligence operations have been disrupted by the refusal of the agencies involved to allow access to records. They have refused access by denying GAO officials the appropriate security clearances.

The GAO has successfully audited the most sensitive Defense Department programs for years without being denied data. Thus the obstruction of the intelligence community appears to be more of a protective device than a legitimate concern for protecting sources and methods.

When the GAO tried to effectively audit CIA programs in a trial period from 1959 to 1961, the CIA denied GAO access to data necessary for the audit and the project ended in failure.

In 1973, the GAO was stopped from concluding field investigation of a Defense Department installation involved in intelligence matters due to problems with intelligence clearances.

A second field survey involving a different installation dealing with technical publications of foreign countries also was disrupted by problems with obtaining access by GAO staffers who already had top secret and atomic energy "Q" clearances.

In contrast to the roadblocks posed by the CIA and military intelligence agencies, the National Security Agency has been more cooperative with the GAO. At the request of the NSA, since 1955 the GAO has been auditing accounts at the NSA facility. Although this is a strict auditing procedure without program analysis, the onsite presence of GAO personnel greatly facilitates such work.

Congress has no way of independently checking on the funds it provides to the intelligence community—without the help of the GAO. With the national intelligence program variously estimated at between $3 and $6 billion, depending on the definition of strategic and tactical intelligence, there is serious possibility of financial irregularities.

How does the CIA handle the profits of its proprietary organizations, the airlines, and other front companies? Do profits go into the CIA budget?

Does the Director of CIA have a special "Director's fund" which can be used without justification to any other person?

Does the CIA have reserves of money set aside for unforeseen contingencies? Where would such reserves be retained? In foreign banks? Here in the United States? Under what terms and conditions?

How does the CIA change American dollars into the local currencies of foreign countries?

Have the American taxpayers been getting the best intelligence at the most effective price for their tax dollars?

These and many other questions should be asked of the CIA and the rest of the intelligence community.

Under this bill, GAO investigations would be done only at the request of an official congressional committee with intelligence jurisdiction. Such audits and program investigations would be made public only if the congressional committees and the intelligence community agreed on an unclassified format.

Mr. President, I ask unanimous consent that a 13-page GAO letter dealing with intelligence matters be printed in the RECORD, and the full text of this bill be so printed in the RECORD.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., May 10, 1974.

Hon. WILLIAM PROXMIRE
U.S. Senate

DEAR SENATOR PROXMIRE: In a letter dated January 24, 1974, you requested our assistance in reviewing the extent of Congressional oversight and control over the operations of the United States intelligence community. You consider the following agencies as part of the intelligence community: the Central Intelligence Agency; the Defense Intelligence Agency; the National Security Agency; the intelligence components of the Army, Navy and Air Force; the Federal Bureau of Investigation; the Department of the Treasury; the Atomic Energy Commission; and the Bureau of Intelligence and Research of the Department of State.

Under the Constitution of the United States the Congress is empowered to raise and support armies, provide and maintain a Navy and make rules for the Government and regulation of the Armed Forces. Art. I, Sec. 8, Cls. 12, 13 and 14. Clause 18 of Article I, Sec. 8 of the Constitution empowers the Congress "[T]o make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States and in any Department or Officer thereof."

Pursuant to its constitutional authority, the Congress has enacted numerous statutes dealing with national security. We will concentrate herein on the two statutes cited in your letter.

On July 26, 1947, there was signed into law the National Security Act of 1947, Pub. L. 80-253, 61 Stat. 495, as amended, 50 U.S.C. 401, *et seq.* Generally that act established a federated agency, the National Military Establishment, to coordinate the three separate executive departments of the Army, Navy and Air Force, each to be headed by a civilian secretary. Outside the National Military Establishment, but somewhat closely related to it, three other agencies were created by the act: the National Security Council, the Central Intelligence Agency, and the National Security Resources Board.

The National Security Council (Council) was established to advise the President with respect to the integration of domestic, foreign and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security. As such it is generally the President's chief policy advisor in national security matters. It also assists the President in implementing that policy. As established by that statute, the Council consisted of the President, the Secretary of State, the Secretary of Defense, the secretaries of the three services, the Chairman of the National Security Resources Board, and certain enumerated persons when appointed by the President by and with the advice and consent of the Senate to serve at the President's pleasure. The composition of the Council has since been altered slightly.

Established under the Council is the Central Intelligence Agency (CIA). The purpose of this agency is largely to coordinate, under the direction of the Council, the intelligence activities of the several Government departments and agencies in the interest of national security. In addition to its coordination functions the CIA performs such other functions and duties related to intelligence affecting the national security as the Council may from time to time direct.

The National Security Resources Board, which was abolished by statute in 1954 (act of September 3, 1954, 68 Stat. 1226, 1244), was composed of a Chairman and such heads or representatives of the various executive departments and independent agencies as may be designated from time to time by the President. Its purpose was to advise the President relative to the coordination of military, industrial and civilian mobility and certain other matters.

On June 20, 1949, the Congress enacted Public Law 81-110, which is known as the Central Intelligence Agency Act of 1949, 63 Stat. 208 as amended, 50 U.S.C. 403a-403j. The purpose of this legislation generally is to grant the CIA the necessary authority for its proper and efficient administration. Previously the CIA had been operating under the 1947 Act which did not grant the CIA "the authorities necessary for its proper administration." As a result of questions raised by this Office and other agencies as to the legality of some of the CIA's activities, Congress decided to spell out the manner in which the agency would be administered. Public Law 81-110 deals with, among other things, procurement authority, travel and allowances for CIA personnel, methods of expenditures of appropriated funds, and other related authorities connected with the agency's administration. Other provisions enable the agency to protect its confidential functions. In passing this act the Congress recognized that some of its provisions were of an unusual nature but determined that they were nonetheless necessary to the successful operation of an efficient intelligence service.

Your inquiry first requests us to review the oversight authority of Congress in relation to the aforementioned acts and the intelligence community as a whole. Through the exercise of the "power of the purse" given to it by the Constitution, the Congress, in our view, is entitled to any information on the expenditure of funds which it wishes to receive from the executive branch of the Government. When denied desired data the Congress may deny funds to the agency involved until such information is forthcoming. Within the limits of this ultimate power the Congress may establish the rules with respect to its access to information and materials held by the executive branch.

In enacting the above-cited statutes the Congress did not specifically address itself to the question of the kind and amount of oversight and control which it would exercise over the intelligence community, other than giving the community, under the direction of the CIA, authority to keep its operations from becoming public.

However, the attitude of the Congress with respect to its oversight functions, at that time, can be seen in its consideration of the Central Intelligence Agency Act of 1949 (CIA Act). In hearings held by the House Committee on Armed Services on February 23, 1949, on H.R. 1741, H.R. 2546, and H.R. 2663, the Chairman stated:

"Now, of course, we all recognize the purpose of this bill. Of course, there is a great deal of matter that we cannot discuss here, and we cannot discuss on the floor of the House. We will just have to tell the House they will have to accept our judgment and we cannot answer a great many questions that might be asked. We cannot have a Central Intelligence Agency if you are going to advertise it and all of its operations from the tower [of the Empire State Building]." pp. 486-487.

In its report of February 24, 1949, to the House on H.R. 2663, the Committee set forth an explanation of certain sections of the bill. It concluded, however, that:

"The report does not contain a full and detailed explanation of all of the provisions of the proposed legislation in view of the fact that much of such information is of a highly confidential nature. However, the Committee on Armed Services received a complete explanation of all features of the proposed measure. The committee is satisfied that all sections of the proposed legislation are fully justified." House Rept. 81-160, p. 6.

The House considered the Committee report on March 7, 1949.) See Cong. Rec. (daily ed.) pp. 1982-1990). Objection was raised at that time to the failure of the Committee to inform the House as to the full implications of the bill under consideration. For example, Mr. Celler stated in pertinent part:

"Mr. Speaker, although I do not like the hush-hush business surrounding this bill, I shall not oppose it. Certainly if the members of the Armed Forces Committee can hear the detailed information to support this bill, why cannot our entire membership? Are they the Brahmins and we the untouchables? Secrecy is the answer. What is secret about the membership of an entire committee hearing the lurid reasons? In Washington three men can keep a secret if two men die. It is like the old lady who said, 'I can keep a secret but the people I tell it to cannot.'" p. 1985.

The Senate on May 27, 1949, amended and passed the bill (H.R. 2663) as passed by the House. The Senate debate (Cong. Rec. (temp. ed.) pp. 7082-7090)) reflects the knowledge of that body that it was not being given a full explanation of all of the provisions of the bill. Despite this lack of knowledge on the part of both Houses of Congress, the conference report was agreed to and the bill passed both Houses and was signed by the President.

Inasmuch as the Congress as a whole was not given a detailed explanation of the provisions of the CIA Act of 1949 or of the underlying information which prompted the legislation, it seems that the Congress expected its oversight over the CIA to be handled by the appropriate committee in secrecy consistent with the manner in which the bills which were enacted into this legislation were handled.

Since that time, however, there has been extensive and increasing concern on the part of various members of the Congress with the level of oversight and independent surveillance over the intelligence community. The question of whether the Congress was giving sufficiently serious consideration to the constitutional provision that no money may be spent from the public treasury without congressional approval was the subject of a major Senate debate in 1956. The debate was triggered in part by the 1955 Hoover Commission Study which expressed concern about the absence of congressional and other outside surveillance of Government intelligence activities.

Senator Mansfield introduce a bill—with 34 cosponsors—for a joint committee on intelligence. The Senate Rules Committee majority concluded that while secrecy is essential for certain intelligence community operations, a wide area of intelligence activities constituted proper grounds for congressional review; and reported the bill favorably out of the committee.

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A strong administration opposition to the bill caused 14 of the original cosponsors of the bill to reverse their positions and the bill was defeated by a vote of 59 to 27, with 10 Senators not voting.

In 1960 two events resulted in congressional attention being given to the subject issue.

Shortly after the U–2 incident the Senate considered, but did not pass, a proposal for a major reorganization of the policy-making machinery of the executive branch, which provided for, among other things, the transfer from the CIA of all non-clandestine intelligence collection, and the establishment of a joint committee of the Congress on the CIA.

The House, shortly thereafter considered a resolution—triggered by the suspected defection of two NSA employees—to authorize the House Committee on Un-American Activities to conduct a full and complete study of each of the intelligence agencies. The House adjourned without passing the resolution. However, the Chairman of the Armed Services Committee did name a three man subcommittee to conduct, without publicity, a complete investigation of the intelligence agencies.

In 1966 the subject issue was again debated in the Senate. Consideration of more systematic congressional surveillance of intelligence activities was focused by a proposed Senate resolution calling for an investigation by the Senate Foreign Relations Committee of American foreign intelligence activities The proposal was referred to the Foreign Relations Committee, where it was approved by a vote of 14 to 5. After considerable debate the Senate voted—61 to 28—to send the resolution to the Armed Services Committee but no action was taken on the bill. However, the Chairman of the Armed Services Committee did invite selected members of the Foreign Relations Committee to attend all intelligence subcommittee sessions.

In the past two decades, more than 200 bills aimed at making the CIA more accountable to the Congress have been introduced.

Thus, although the question of whether the Congress exercises adequate oversight concerning the intelligence community has been raised a number of times, the determination made in 1949 that Congressional oversight would be limited to reviews by the relatively few members who serve on certain designated committees or subcommittees remains unchanged.

You also requested that we provide you with an opinion as to the legality of the Council's issuing classified directives to the intelligence community based on the CIA Act of 1949 and the National Security Act of 1947, if the directives deal with subjects, such as instructions to engage in covert activities not considered in the original legislation. You also ask whether the terms of subsections 102(d) (4) and (5) of the National Security Act, 50 U.S.C. 403(d) represent "a totally open ended provision" and whether the Council must make all directives issued pursuant to those subsections available to the Congress.

The relevant portions of section 102(d) provide:

"(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency (CIA), under the direction of the National Security Council—

• • • • •

"(4) to perform, for the benefit of the existing intelligence agencies such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

"(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct."

As noted above, the Council is the President's chief advisor on national security policy and it also is responsible for assisting in implementing that policy. The Council acts generally through the issuance of instructions or directives to the agencies within the intelligence community. Inasmuch as the Council is endowed with broad authority in this area, it may issue directives dealing with virtually any subject dealing with national security and United States intelligence operations. While the statute does not explicitly mention "covert operations and activities," it seems clear that those operations and activities are part of the national security intelligence operations which are within the Council's jurisdiction. Of course, the Council may not direct an agency to perform duties proscribed by statute. Thus, for example, the CIA may not undertake internal security functions. See subsection 102(d) (3) of the NSA Act of 1947 (50 U.S.C 403(d)(3)). Copies of the Council's directives apparently would be available to the Congress in accordance with the discussion above of congressional oversight of intelligence operations.

Finally, you have asked for a review of GAO's right to review, audit or otherwise examine the programs and operations of the various intelligence agencies. Also, you request information on the success we have had in obtaining information from and about the intelligence community, the staff support we could provide to the oversight committees and the problems which might attend congressional requests for investigations in the intelligence field.

The basic audit authority of this Office is contained in the Budget and Accounting Act, 1921, and the Accounting and Auditing Act of 1950. Pursuant to these and other statutory authorities the audit authority of the General Accounting Office extends generally to the expenditures of the various departments and establishments. There are, however, exceptions provided by law, including a fairly substantial number of instances where expenditures are accounted for solely upon a certification by the head of the department or establishment involved. For example, expenditures of a confidential, extraordinary or emergency nature by the CIA are to be accounted for solely on the certificate of the Director of Central Intelligence. 50 U.S.C. 403j(b). Sometimes such restrictions are contained in appropriation acts. For example, annual appropriations for the Federal Bureau of Investigation have included funds to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and accounted for solely on his certificate.

Overall we have had relatively limited contact with the intelligence community. However, we have had sufficient contact to enable us to identify certain problems we would have in obtaining information from and about intelligence organizations. Underlying these problems is the extremely high degree of sensitivity attached to intelligence matters and the desirability within the intelligence community of reducing the risk of leakage by minimizing the number of people having access to such matters. Part of this latter factor, which also entails a relatively considerable expenditure of time and money in obtaining necessary security clearances, is that the intelligence community restricts the numbers of clearances it will issue to us. Generally to carry out a survey or review in a timely manner, develop a report and process it though Office review channels requires effort on the part of a relatively large number of people. Our experience indicates, however, that we will be issued only a few clearances on a given intelligence subject—not nearly enough to allow us to do the type of job we normally expect to do. Of course, we try to streamline our procedures as much as possible in handling these matters. Another problem is working out arrangements acceptable to all parties for distributing any of our final products to the Congress.

Following enactment of the Central Intelligence Agency Act of 1949, the then Director of the Agency requested that notwithstanding the very broad and unusual powers granted to the CIA by the Act, an audit of expenditures at the site, as previously performed by GAO, be continued. Accordingly, our Office continued to make audits of vouchered expenditures under the same arrangements that were in effect with the predecessor Central Intelligence Group. However, in view of the provisions of section 8 of the Act (formerly section 10), no exceptions were taken to any expenditures; in those cases where questionable payments came to our attention, we referred the matter to the CIA Comptroller's Office for corrective action. In using the term "questionable payments," we meant any expenditures which, except for former section 10(a) of the Act, appeared to be impropr or illegal either under law or under the decisions of the Comptroller General. In our audit work, we did not make substantive reviews of Agency policies, nor of its practices and procedures; further, we made no audit of expenditures of unvouchered funds.

Subsequent to enactment of Central Intelligence legislation, we broadened the type of audit we made of the activities of most Government agencies. We adopted the "comprehensive audit" approach under which we construed an agency's financial responsibilities as including the expenditure of funds and the utilization of property and personnel in the furtherance of authorized programs or activities in an efficient, economical and effective manner. We concluded in 1959 that this broader type of audit was appropriate for our work at the CIA and was more likely to be productive of evaluations which would be helpful to the Congress and the Agency Director. We also determined that the previous limited audit work at CIA should not be continued. In the fall of 1959, we agreed with the then Director of Central Intelligence to broaden our audit efforts at CIA, on a trial basis.

In 1961, after the trial period, we concluded that under existing security restrictions on our audit of CIA activities, we did not have sufficient access to make comprehensive reviews on a continuing basis which would produce evaluations helpful to the Congress. We further determined that continuation of the limited financial audit effort which we had conducted in prior years at the CIA would not serve a worthwhile purpose; we therefore proposed to cease all activities at the Agency. At about this same time the Agency was engaged in a major reorganization and strengthening of its comptroller and internal audit functions. Concurrence in our proposal to terminate all audit efforts was forthcoming in 1962, and since that time we have not conducted any reviews at the CIA nor any reviews which focus specifically on CIA activities.

At this point, it might be useful to relate some of the activities and problems we have had in relation to the intelligence community.

One of our divisions, the Procurement and Systems Acquisition Division (PSAD), has attempted to engage in several reviews in the intelligence area. For example, in June 1973, it planned to make a survey at a Department of Defense field installation but access was blocked because of the sensitive nature of work being performed there. Instead, DOD suggested that the Division Director first obtain a special clearance, get a briefing on the installation, and then decide what GAO's course of action should be. He immediately requested clearance for himself and an Assistant Director. Even though both had Top Secret and AEC "Q" clearances, a new "full field" investigation was required for the special clearance involved. They have not yet received the clearances, and consequently have obtained no information about the installation other than its name.

In another instance, this division had one of our regional offices make a survey at a DOD field installation having responsibility for analyzing data contained in foreign country technical publications. The survey proceeded well until our requests for information apparently reached the sensitive stage. A meeting was then held with a high intelligence official in Washington at which time the conditions under which we could continue our work were outlined. The official seemed to be very cooperative and offered to accelerate the special clearance procedure so long as no more than 3 or 4 staff members were to be cleared and assigned to intelligence work for several years. It appeared to us that we would not have full control over the direction of our effort. Because of this and other factors we decided to terminate the survey.

On another assignment, initiated at the request of a Senate Armed Services subcommittee, we attempted to compare the Soviet and U.S. expenditures for military research and development. We had good cooperation from DOD, including access to some intelligence reports, due at least partially to the existence of a congressional request. But even so, we were not able to see all the intelligence reports used by DOD in making its own comparison. The intelligence community refused to provide us with the reports or to work with us directly.

Our International Division has the most contact with and concerning the intelligence community. The International Division has had contact with the Central Intelligence Agency directly or indirectly in connection with broad reviews regarding such matters as international narcotics control, military activities in Laos, contracting for technical services, language training, transfers of excess defense articles to foreign governments, U.S. economic assistance programs, and the wheat sale to the Soviet Union. In some cases the Division has experienced cooperation from the CIA in obtaining information it desired; in other cases attempts to get information were frustrated. The Division's overall success in obtaining information from the intelligence community must be characterized as border line, at best.

Finally, we might discuss the work of our Logistics and Communications Division with respect to the National Security Agency (NSA). The NSA is a separately organized agency within the Department of Defense and, for financial administrative convenience, is under the direction of the Secretary of Defense. It is a unified organization providing for the collecting and presenting of intelligence information on a worldwide basis through verbal or message type media and interception and analysis of wave or signal type communications. NSA is also responsible for insuring secure communications systems for all departments and agencies of the Government. The Congress has enacted several statutes to safeguard the agency's cryptologic activities and to enable the Government to limit disclosure of its cryptologic activities to such information as does not interfere with the accomplishment of cryptologic missions.

In response to a request by the Director of NSA an arrangement was approved by the Comptroller General on July 18, 1955, whereby a GAO staff member would be assigned to the NSA on a permanent basis to perform on-site audits of its vouchers and accounts. The designated staff member or GAO representative and the responsible Director having general supervision for this work were required to obtain the necessary special security clearance to conduct reviews, surveys, or other similar efforts.

From 1955 through 1973 only two or three GAO personnel had this special clearance at any one time. During this period the audit effort by GAO has been primarily the compliance type, that is, examining the financial accounting records and related documents together with limited effort in the procurement and contracting areas.

Under present on-site audit procedures all vouchers, contracts, schedules, accounts current or statements of transactions, and other supporting documents are kept at NSA or designated records storage sites for audit purposes. This is primarily for security reasons because the majority of the documentation is of classified nature and not for ready publication.

The ready accessibility of the GAO representative(s) to NSA officials provides for frequent discussions and ready "on the spot" resolution of questionable entitlement claims provides for early detection of over or under payments thereby enabling NSA to take appropriate action. Generally, these matters and other queries relating to the functions of NSA are handled between GAO representative(s) and cognizant NSA officials on an informal basis primarily because of agency controls and provisions of law to safeguard the sensitive activities of the NSA.

The provisions of Public Law 86–36, approved May 1959 enables NSA to function without disclosure of information which would endanger the accomplishments of its missions. Section 6 thereof provides that no law shall be construed to require the disclosure by the organization or any function of the NSA of any information with respect to the activities thereof. We believe that this section should not be construed as prohibiting GAO access on a confidential basis but only as prohibiting disclosure of its findings to the public at large. Consequently, no formal report disclosing the results of our continuing examinations of the agency activities has been published. To date, informal discussions with officials outside of NSA have been held with only those GAO personnel, at the director level or higher, having the proper clearance and the need-to-know concerning the various sensitive activities of this agency.

Discussions were held in latter 1973 and early 1974 with top-level NSA officials about GAO expanding its examinations by performing management-type reviews of the significant aspects of the agency's operations as well as the compliance type financial audits and certain assist work for other GAO divisions that we have been engaged in up to the present. Although it was concluded that the expansion was feasible, performance of reviews in some functions would be limited from a practical viewpoint, based upon applicable laws, regulations, and controls governing the cryptologic functions of NSA.

Furthermore, it was very evident that any work involving NSA operations would require, without exception, the special clearance for each GAO staff member assigned responsibility for this type of work. This can be a problem because (1) the clearance is expensive, (2) requires at least 6 or more months to complete, (3) for certain operations higher level clearances might be necessary, and (4) the results of the work performed would be highly classified and severely limited in distribution.

Since discussions in latter 1973, arrangements have been made with NSA to have eight additional staff members obtain the necessary clearances. This will provide ten staff members with this type clearance. To date seven have been cleared. We have been advised that the required clearance for work at NSA will generally be acceptable for performing similar work at other organizations (other than the CIA) within the intelligence community. We plan for fiscal year 1975 preliminary review efforts of NSA's automatic data processing functions.

As indicated by the foregoing, we have had some serious difficulties in obtaining information from and about the intelligence community. Sometimes the community has cooperated to the extent of providing us with the requested information but we have been unable to verify it independently. The problem of obtaining proper security clearances is a major obstacle to our work. Hence, for example, while many of our staff have clearances for "Top Secret" defense data and "Atomic Energy Restricted" data, these are not considered sufficient for access to all intelligence data. In each case the "need-to-know" test is applied and the deeper we have tried to delve into the workings of the intelligence community, the more difficult the test becomes. We have been told that within the Defense intelligence community there would be over 100 separate clearances involved if one person were to gain access to the entire community. The time it takes to obtain clearances varies but it is at best a slow process. Also, as indicated, there is a question as to whether we could get enough staff members cleared to do a thorough job on a timely basis.

From prior experience, it is our view that a strong endorsement by the congressional oversight committees will be necessary to open the doors to intelligence data wide enough to enable us to perform any really meaningful reviews of intelligence activities.

We trust the above has been responsive to your inquiry.

Sincerely yours,

R. F. KELLER,
Acting Comptroller General
of the United States.

S. 653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Budget and Accounting Act, 1921 (31 U.S.C. 411 *et seq.*) is amended by adding at the end thereof the following new section:

SEC. 320. (a) Notwithstanding the provisions of section 8(b) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403j(b)) or of any other provision of law, the accounts and operations of each intelligence agency of the Government shall be audited pursuant to the provisions of this section and under such rules and regulations as may be prescribed by the Comptroller General. For purposes of this subsection, the term 'intelligence agency' means the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, the Intelligence and Research Bureau of the Department of State, and the intelligence components of the Department of the Treasury, the Department of the Army, the Department of the Navy, the Department of the Air Force, the Energy Research and Development Administration, and the Federal Bureau of Investigation. Such term also includes any successor agency or component to any of the agencies or components named in the preceding sentence.

"(b) The Comptroller General shall arrange for security clearances of such officers and employees of the General Accounting Office as may be necessary to carry out the provisions of this subsection, and the intelligence agencies shall give the highest priority to processing such clearances.

"(c) The head of each intelligence agency shall cooperate with the Comptroller General and the officers and employees assigned by him in carrying out the provisions of this subsection.

"(d) At the request of any committee of the Senate or the House of Representatives, or any joint committee of the Congress, which has legislative jurisdiction over any

intelligence agency or the appropriation of funds therefor, or of any subcommittee of any such committee or joint committee to which such jurisdiction has been delegated by such committee or joint committee, the Comptroller General shall (A) submit to such committee, joint committee, or subcommittee a report of any audit of the accounts and operations of such intelligence agency conducted pursuant to this subsection, and (B) conduct an audit pursuant to this subsection of such accounts and operations of such intelligence agency as may be requested and submit a report thereon to such committee, joint committee, or subcommittee."

By Mr. NELSON (for himself and Mr. HASKELL):

S. 654. A bill to provide for minimum energy conservation fuel economy performance standards, and for other purposes. Referred to the Committee on Commerce.

Mr. NELSON. Mr. President, never in our history has our Nation been confronted, as it is today, with the intertwined crises of energy and economy. Our ravenous appetite for energy and our wastfeul habits have made us dependent on highly priced, artificially controlled foreign oil. This dependence for about 40 percent of the oil we consume each day is draining the economic life out of this Nation. It has caused the most massive and widespread dislocations in our economy since the Depression. Yet, we are consuming more oil today than we used before the embargo despite its more than 150 percent increase in price.

Last year American consumers sent $24.2 billion to foreign oil producers to support the Nation's energy habit. Less than half that amount came back in terms of foreign investments. This unprecedented and alarming outflow of dollars was a major contributor to the country's 1974 $3 billion balance of trade deficit. The greater the demand—the greater the imports—the greater the economic problems. We continue to support and feed a petrochemical monster more frightening than Frankenstein.

The sudden and severe increase in the price of oil has created domestic inflation and recession and directly threatens the world with economic depression, chaos and panic. As elected decisionmakers who must deal with the complexities of energy, inflation, and rescession, we have no other reasonable and responsible choice except to cut our energy consumption. We must reduce annual energy growth in half.

The time has come for decisive bipartisan action. We have talked, discussed, and debated enough.

Approximately 20 percent of all the petroleum this Nation consumed in 1973 was used to fuel our cars, over 77.6 billion gallons a year. One step we must now take to counter the effects that petroleum prices have on our economy is to reduce the amount of gasoline consumed by our automobiles by increasing fuel economy.

As a matter of national policy we must establish minimum energy conservation fuel economy performance standards for cars to achieve the highest practicable improvement in fuel economy at the earliest possible date.

On January 30, 1975, the Senate Democratic Caucus went on record supporting the concept of requiring fuel-economy improvement. The caucus directed the appropriate committees and subcommittees to expedite consideration of legislation that implements the policy of automobile fuel-economy improvement.

I am introducing a bill that establishes minimum fuel economy standards. This bill, the National Energy Conservation Fuel Economy Performance Standards Act of 1975, mandates a 57 percent improvement in fuel economy by 1980, and a 75 percent improvement by 1985. These standards are practicable and achievable and if enacted into law will have a dramatic impact on the nation's economy. This bill is only a first step toward establishing a national energy policy, but it is an absolutely essential one.

Under this proposal a firm could continue to manufacture a mix of cars including large sedans and station wagons so long as the average of all models produced accomplish 25 miles per gallon by 1985.

If every car now on the road met the minimum fuel economy performance standards for 1980 established by this act:

First. This Nation could reduce its oil consumption by 672 million barrels a year, 1.84 million barrels a day.

Second. It would reduce gasoline consumption by 28.2 billion gallons a year, over 36 percent.

Third. At an average price of 50 cents per gallon for gasoline, such a standard would save consumers $14 billion a year.

Fourth. It would cut our imports by 30 percent and reduce the flow of dollars out of the country by $7.2 billion a year, approximately $20 million a day.

The U.S. Environmental Protection Agency and the Department of Transportation have released a study that states the technology to achieve these standards is technologically reasonable and available. The technology and design changes can be phased in over the next few years, gradually increasing fuel economy while reducing our dependence on foreign imports. The industry would:

First, install radial tires on all new cars. This action would reduce gasoline consumption by 2.5 percent.

Second, reduce aerodynamic drag by 10 percent saving another 1.5 percent.

Third, install a more fuel-efficient engine that would yield 25 percent better fuel economy, and

Fourth, reintroduce a fourth gear on automatic transmissions, overdrive. This would save another 4 percent.

In addition, the automobile manufacturers would have to shift the model types and numbers of cars they produce. On a percentage basis, the industry produced during 1974 27 percent large cars, 45 percent middle-sized cars, and 28 percent small-sized cars. To achieve the mandated standards the industry would have to adjust their sales mix to: 10 percent large cars, 44 percent middle-sized cars, and 46 percent small cars.

Section 204(a)(2) of this bill establishes a standard of 24.5 miles per gallon by 1985, a 75-percent improvement in automobile fuel economy. If all cars on the road today averaged 25 miles per gallon:

First. Auto use of gasoline would be reduced 40 percent over current levels, a savings of 31 billion gallons a year, over 2 million barrels a day.

Second. Consumers would save approximately $15.5 billion a year.

Third. The flow of dollars would be reduced by $8.3 billion a year.

Fourth. We would save the equivalent of the output of 1¼ Alaska pipelines.

Our next object to reach as soon as practicable must be to double gasoline mileage, to achieve 30 miles per gallon. This accomplishment would have the dramatic consequence of:

First. Reducing auto gasoline consumption by 50 percent over current levels, a saving of 38.8 billion gallons a year, over 2.5 million barrels a day.

Second. Consumers would save an estimated $19.4 billion a year.

Third. We would reduce the flow of dollars out of the country by over $10.3 billion a year.

Fourth. This is the equivalent of 1.5 Alaska pipelines, or 42 percent of our current imports.

We cannot afford delays in establishing a national energy conservation program. The need to act is too great, the result of inaction too disastrous. We must act now.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Energy Conservation Fuel Economy Performance Standards Act of 1975."

TITLE I—STATEMENT OF FINDINGS AND PURPOSES

SEC. 101. The Congress hereby finds and declares that—

(1) the Nation will face a shortage of domestically produced energy at least for the decade following enactment of this Act;

(2) almost twenty-nine per centum of the petroleum consumed by this country in 1973 was used to fuel passenger motor vehicles;

(3) this Nation consumed over seventy-seven billion gallons of gasoline during 1973;

(4) the Nation's well-being requires the establishment of a mandatory fuel economy automobile performance standard to achieve the highest practicable improvement in fuel economy at the earliest possible date.

TITLE II—AUTOMOBILE FUEL EFFICIENCY

DEFINITIONS

SEC. 202. (a) For the purposes of this title, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "Manufacturer" means any person engaged in the manufacturing or assembling of new passenger motor vehicles, or importing new passenger motor vehicles for resale;

(3) "passenger motor vehicle" means a four-wheeled vehicle propelled by fuel which is used and is manufactured primarily for use on streets, roads, avenues, and highways. The term includes a light duty truck rated at six thousand pounds gross vehicle weight or less.

(4) "fuel" means gasoline or diesel oil;

(5) "fuel economy" means the average number of miles traveled in representative driving conditions by a passenger motor vehicle per gallon of fuel consumed to the nearest tenth of a mile, as determined by the Administrator in accordance with test procedures established by him by rule which are consistent with the Clean Air Act, as amended (42 U.S.C. 1857 F–5);

(6) "average fuel economy" refers to a harmonic average of fuel economy weighted on the basis of passenger motor vehicles produced. As used in this paragraph, "harmonic average of fuel economy weighted on the basis of passenger motor vehicles produced" refers to the total number of passenger motor vehicles produced in a given model year by a manufacturer and its affiliates, divided by the sum of terms, each term of which is a fraction created by dividing the number of passenger motor vehicles of a given model type produced in a given model year by the fuel economy measured for each particular model type rounded to the nearest tenth of a mile per gallon, as determined by the Administrator;

(7) "model type" refers to a particular class or classes of passenger motor vehicles as determined by the Administrator;

(8) "model year" refers, with reference to any specific calendar year, to the manufacturer's annual production period (as determined by the Administrator) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term "model year" shall mean the calendar year. For the purpose of assuring passenger motor vehicles manufactured before the beginning of a model year were not manufactured for the purposes of circumventing the effective date of a standard under Section 303(a), the Administrator may proscribe by regulation definitions of "model year" otherwise than provided above.

TESTING AND LABELING

SEC. 203. (a) On an annual basis, the Administrator shall determine and publish for the benefit of consumers, information with respect to passenger motor vehicle fuel efficiency.

(b) Beginning no later than 90 days after the enactment of this title, each manufacturer shall cause to be affixed and each dealer thereof shall cause to be maintained on each new passenger motor vehicle, in a prominent place, a sticker indicating the minimum fuel economy as determined by the Administrator for such passenger motor vehicle, and the estimated average annual fuel costs associated with the operation of such passenger motor vehicle. The form and content of such sticker shall be determined by the Federal Trade Commission, pursuant to section 553 of title 5, United States Code.

(c) The Federal Trade Commission shall by rule, pursuant to section 553 of title 5, United States Code, direct that the information regarding fuel economy and average annual fuel costs, required under subsection (c) of this section, be displayed in a conspicuous part of any advertisement for new passenger motor vehicles which refers to purchase price or acquisition cost of such passenger motor vehicle.

PERFORMANCE STANDARDS

SEC. 204(a)(1) The Administrator shall prescribe (and from time to time revise) in accordance with the provisions of this section minimum fuel-economy performance standards for any class or classes of new passenger motor vehicles for model year 1977 and each model year thereafter.

(2) Regulations prescribed by the Administrator under this section shall be designed to achieve the maximum fuel-economy which he determines is practicable and feasible; *provided* that, the fuel-economy standard for model year 1980 shall not be less than 22.0 miles per gallon, and, the standard for model year 1985 shall not be less than 24.5 miles per gallon. The Administrator shall not prescribe fuel-economy standards for a manufacturer for any model year which is less stringent than the fuel-economy standards applicable to such manufacturer in the preceding model year.

(3) In determining standards under this section the Administrator shall take into account the available technology, and the period of time necessary to permit the development and application of the requisite technology, giving appropriate consideration to: the cost of compliance, the economic impact of compliance, the natural resource impact of compliance, and the impact on regulations applicable to the emission of air pollutants from any class or classes of new passenger motor vehicles or new passenger motor vehicle engines established under Title II of the Clean Air Act, any applicable safety standards, and other aspects affecting the public health and welfare.

(4)(1) The Administrator shall initially promulgate standards for the model years 1977 and each model year through 1985, inclusive, no later than 270 days after the date of enactment of this Act.

(ii) The Administrator shall initially promulgate standards for the model year 1986 and each model year through 2000, inclusive, no later than January 1, 1983.

(b)(1) Each manufacturer of new passenger motor vehicles shall comply with the minimum fuel-economy standard for the applicable model year.

(2) The Administrator shall prescribe (and from time to time revise) procedures by which compliance with the standards prescribed under subsection (a) of this section are determined. Such regulations shall contain testing procedures necessary to assure compliance with the provisions of this section and requirements respecting instructions of the manufacturer for maintenance, use, or repair of the passenger motor vehicle.

(3) If the Administrator determines that the average fuel-economy of any class of new passenger motor vehicles offered for sale by a manufacturer during any model year fails to meet the standards established under subsection (a) of this section with respect to such class, such manufacturer shall be in violation of such standard and shall be subject to the provisions of section 208.

(4) The Administrator may require manufacturers of new passenger motor vehicles and new motor vehicle engines to submit in such form, in such manner, and at such time as he may require, information and data as to sales and fuel economy of new passenger motor vehicles and new passenger motor vehicle engines, and such other information and data that he may require to ascertain compliance with the requirements of this title.

ENFORCEMENT

SEC. 205 (a)(1) Whenever the Administrator determines in accordance with regulations that a model type of new passenger motor vehicles, manufactured, or proposed to be manufactured, fails or will fail to achieve the fuel economy reported by the manufacturer for purposes of determining the average fuel economy for all new passenger motor vehicles anticipated to be sold by the manufacturer during the model year; or if the Administrator determines that the sales for any model type are or will be substantially different than those reported by the manufacturer for the purposes of determining the average fuel economy for all new passenger motor vehicles anticipated to be sold by the manufacturer during the model year, he shall inform the manufacturer of such determination and shall recommend to the manufacturer that corrective action as the Administrator determines may be necessary to achieve the standards established under section 204. Such corrective action may include requirements to curtail or suspend sales of model types the fuel economy of which falls below the average fuel economy standard under section 204.

(2) If the manufacturer fails to take corrective action necessary to achieve compliance with section 204 within the time determined by the Administrator, the Administrator may order the curtailment or suspension of sales of any model types manufactured by such manufacturer until such time as the manufacturer demonstrates to the satisfaction of the Administrator that it will meet the standards under section 204.

(3) If the manufacturer fails to comply with an order issued by the Administrator within the time required by such order, the Administrator may commence a civil action for appropriate relief, including permanent or temporary injunction. Any such action brought under this section may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business. Such court shall have jurisdiction to restrain violation of the Administrator's order and to compel compliance.

DUTIES AND POWERS OF THE ADMINISTRATOR

SEC. 205(a) GENERAL.—(1) For the purpose of carrying out the provisions of this title, the Administrator may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Administrator deem advisable. The Administrator shall at all reasonable times have access to, and for the purpose of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Administrator under this title. The Administrator is authorized to require, by general or special orders, any person to file, in such form as the Administrator may prescribe, reports or answers in writing to specific questions relating to any function of the Administrator under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed wtih the Administrator within such reasonable period as he may prescribe.

(2) The district courts of the United States for a judicial district in the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a duly authorized subpoena or order of the Administrator, issued under paragraph (1) of this subsection, issue an order requiring compliance wtih such subpoena or order. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

(3) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"(b) INSPECTION.—(1) Every manufacturer of passenger motor vehicles shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the Administrator may reasonably require to enable the Administrator to carry out their duties under this title and under any rules or regulations promulgated pursuant to this title. Such manufacturer shall, upon request of a duly designated agent of the Administrator, permit such agent to inspect finished automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the Administrator may prescribe.

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"(2) The district courts of the United States for a judicial district in which an inspection is carried out or requested may, if a manufacturer of automobiles refuses to accede to any reasonable requirement or request, issued or made under paragraph (1) of this subsection, issue an order requiring compliance with such requirement or request. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

"(c) PUBLIC DISCLOSURE OF INFORMATION.—The Administrator shall disclose so much of any information obtained under this title to the public as he determines may assist in carrying out the purposes of this title, except that any information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, which if disclosed would result in significant competitive damage, shall not be disclosed to the public (other than to officers or employees concerned with carrying out this title), unless such information is relevant to any proceeding under this title. Nothing in this subsection shall authorize the withholding of information by the Administrator or any officer or employee under their control from any duly authorized committee of the Congress.

"(d) REPRESENTATION.—Notwithstanding any other provision of law, in any action under this title, the Administrator may direct attorneys employed by him or her to appear and represent him or her.

PROHIBITED CONDUCT

"SEC. 207. The following conduct is prohibited:

"(1) the failure to comply with any provision of this title or any standard, rule, regulation, or order issued pursuant to this title;

"(2) the failure to provide information as required in accordance with this title;

"(3) the failure to permit inspection pursuant to this title; and

"(4) the failure to comply with any labeling and advertising requirement mandated or authorized under section 203 of this title.

CIVIL PENALTY

"SEC. 208. (a) AMOUNT.—(1) Any manufacturer who is determined by the Administrator, in a proceeding in accordance with section 554 of title 5, the United States Code, to have failed to comply with the requirements of section 204 of this title shall be liable to the United States for a civil penalty of not less than $50 and not more than $100 for each mile per gallon by which the average fuel economy of the passenger motor vehicles manufactured or imported by such manufacturer during the same model year falls short of the applicable minimum fuel economy performance standard established under section 204 of this title multiplied by the total number of passenger motor vehicles manufactured or imported by such manufacturer during such model year. Fractional miles per gallon deviations from an applicable standard shall be penalized on the basis of the $50 to $100 civil penalty multiplied by the fraction.

(2) Any person who is determined by the Administrator to have violated a provision of section 207 of this title shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation is a separate violation.

(3) The amount of such civil penalty shall be assessed by the Administrator by written notice. The Administrator may, at his discretion, compromise, modify, or remit, with or without conditions, any such civil penalty only to the extent necessary to prevent the insolvency or bankruptcy of a manufacturer or the substantial lessening of competition within the automobile industry.

"(b) PROCEDURE.—(1) Any person against whom a civil penalty is assessed under this section may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days after the date of such order and by simultaneously sending a copy of such notice by certified mail to the Administrator. The Administrator shall promptly file in such court a certified copy of the record upon which failure to comply or violation was found and such penalty imposed. The determinations of the Administrator shall be set aside if found to be unsupported by substantial evidence, as provided by section 706 (2)(e) of title 5, United States Code.

"(2) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Administrator (or, at his or her request, the Attorney General) shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

AUTHORIZATION OF APPROPRIATIONS

SEC. 209. There is authorized to be appropriated to the Administrator for carrying out the provisions of this title such sums as are necessary, not to exceed $3,000,000 for the fiscal year ending September 30, 1976 and not to exceed $2,000,000 annually for the fiscal years ending September 30, 1981.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 655. A bill to amend title III of the National Housing Act to authorize a temporary program to afford mortgagors additional opportunities to cure home mortgage defaults. Referred to the Committee on Banking, Housing, and Urban Affairs.

HOME RETENTION ACT OF 1975

Mr. SPARKMAN. Mr. President, I introduce a bill to amend title III of the National Housing Act to authorize a temporary program to afford mortgagors additional opportunities to cure home mortgage defaults. My bill is entitled the "Home Retention Act of 1975."

This bill would be of benefit to those homeowners, who because of economic conditions over which they have no control face the loss of their home through foreclosure. Very generally, the measure would authorize the Government National Mortgage Association—GNMA—to purchase mortgages with outstanding balances not to exceed $45,000 of homeowners who face foreclosure. The bill authorizes the GNMA to "work with" the homeowners by first, refinancing the entire amount of the mortgage to bring the monthly installments on the mortgage within a range the homeowner can afford to pay, or second, to suspend the mortgage payments for a period of time in order to let the homeowner readjust his economic situation so that he can make his mortgage payments. In the case of the latter, the homeowner may be required to make a baloon payment at the end of the mortgage term, or he may increase his monthly mortgage payments over the remaining life of the mortgage to "catch up" the payments which were deferred during the suspension. Once the homeowner and the GNMA have reached an agreement for "curing" the default, the GNMA could then sell the mortgage back into regular mortgage market channels.

The GNMA is presently the arm of the Federal Government that lends support to the mortgage market by purchasing special categories of mortgages originated under various Federal housing, VA, and conventional programs. These are usually mortgages in which regular mortgage investors do not wish to invest because the mortgage secures housing built under new programs which have not been tried or proven, or under programs with special interest rates or terms, which at the time of origination, are unpopular with mortgage investors. Once the new program proves unsuccessful—that is, the mortgage has a chance to cure under GNMA ownership—they become popular with mortgage investors and are sold off by GNMA. My bill simply takes the present function of the GNMA one step further to let that agency deal directly with the homeowner in order to save his home in the event he faces foreclosure because of some economic circumstance over which he has no control.

It might be argued that there is no need for this type of legislation presently. The latest figures compiled on mortgage delinquencies and defaults do not show any upward turn. However, we all know that over the last several months unemployment has been on the rise. Last week it was announced that unemployment figures for January 1975 reached 8.2 percent, the highest in many years, and we are told this situation will get worse before it turns better. At this time, also, many of the unemployed still have certain unemployment benefits flowing to them and are able to meet some of their commitments with these benefits. If unemployment deepens, as some predict, and unemployment benefits come to an end, there is a real question as to what will happen to mortgage delinquencies and defaults.

Mr. President, we have an excellent opportunity now to lock the barn door before the mule gets out. Early consideration and enactment of my bill will give us the tool we need to help American homeowners retain their homes if the situation comes to that.

I ask unanimous consent that the text of my bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Home Retention Act of 1975".

SEC. 2. Title III of the National Housing Act is amended by adding at the end thereof the following new section:

"EMERGENCY AUTHORITY FOR CURING DEFAULTS

"SEC. 314. (a) Whenever the Secretary finds, because of economic conditions or other factors, that substantial numbers of homeowners could benefit from the assistance available under the authority conferred by this section, he shall direct the Association to exercise the authority conferred by this section with respect to mortgages which meet the requirements of this section.

"(b) Upon being directed by the Secretary to exercise its authority under this section, the Association is authorized to acquire

from mortgagees approved by it any mortgage which covers a one- to four-family residence (including a unit in cooperative or condominium project) and which involves an outstanding balance of not to exceed $45,000 ($55,000 in the case of a residence located in Alaska, Hawaii, or Guam), upon a determination by the Association that the assistance available under this section will enable the mortgagor under such mortgage to avoid a default or to cure a default before foreclosure without exposing the Association to an excessive risk of loss.

Prior to acquiring any mortgage under this section, the Association shall by appraisal establish a fair market value of the property. The price, which the Association may pay for such acquisition shall not exceed the lesser of (1) the fair market value of the property or (2) the unpaid principal balance, unpaid interest to the date of acquisition, and amounts theretofore advanced by the mortgagee for the protection of its lien or the property.

"(c) The Association shall furnish such counseling or other advice or assistance to the mortgagor as it determines to be appropriate. If the Association determines that such action is necessary it may—

"(1) refinance the entire amount of the mortgage, together with such expenses incurred in acquiring and refinancing the mortgage it deems appropriate, in order to reduce the monthly debt service payment, and may include in such refinancing such cash advances to the mortgagor as it may deem appropriate to assist the mortgagor's financial rehabilitation, except that the total amount refinanced may not exceed the lesser of $45,000 ($55,000 in Alaska, Hawaii, or Guam) or the fair market value of the property;

(2) suspend the mortgagor's obligation to pay under the mortgage for such period of time, but not to exceed 24 months, as the Association determines to be necessary to enable the mortgagor to retain the property while securing employment; and

"(3) recast the entire amount of the mortgage debt over the remaining term thereof (with or without a balloon payment at the end of such term), or over a longer term which does not exceed 75 percent of the Association's estimate of the remaining economic life of the property. Any mortgage acquired, and any other extension of credit by, the Association under this subsection shall bear interest at a rate determined by the Association to be adequate to cover the cost of funds borrowed under subsection (d) and administrative costs incurred by the Association under this section.

"(d) The Association may issue to the Secretary of the Treasury its obligations in an amount outstanding at any one time sufficient to enable the Association to carry out its functions under this section. Each such obligation shall mature at such time and be redeemable at the option of the Association in such manner as may be determined by the Association, and shall bear interest at a rate to be determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the obligation of the Association. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Association issued under this section, and for such purposes the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchase of the Association's obligations hereunder.

"(e)(1) The Association is authorized to guarantee securities based on pools or trusts of the mortgages acquired by the Association under this section as provided in section 306 (g) of this Act with respect to federally insured or guaranteed mortgages and to act as issuer of such guaranteed securities. The Association shall possess with respect to securities under this section all the powers it possesses with respect to securities guaranteed under such section 306(g), and the provisions of such section shall apply to guarantees under this section, except that such section shall not be deemed to prohibit the Secretary from guaranteeing payment of only a part of the principal and interest on securities issued under the provisions of this section.

"(2) The Association may offer and sell any securities guaranteed under this subsection to the Federal Financing Bank, and such Bank is authorized to purchase any securities so offered. The Association may also offer and sell any securities guaranteed under this subsection to any Federal Reserve Bank. The proceeds from the sale of such securities when issued by the Association shall be treated in the accounts in the same manner as if such proceeds were from the sale of the underlying mortgages.

"(f) The Secretary is authorized during any period when the Association holds a mortgage acquired under this section and which is insured under the National Housing Act to waive the requirement for payment of any mortgage insurance premium under such Act.

"(g) The Association is authorized to enter into such contracts and other arrangements and to pay for such services as may be necessary to carry out its functions under this section without regard to any limitation on administrative expenses heretofore enacted.

"(h) The authority conferred by subsection (b) may not be exercised after the expiration of 2 years following the date of enactment of the Home Retention Act of 1975."

By Mr. HUMPHREY (for himself, Mr. HATFIELD, Mr. MONDALE, Mr. TUNNEY, and Mr. MCGEE):

S. 658. A bill to prevent famine by increasing world food production through the development of land-grant-type universities in agriculturally developing nations. Referred to the Committee on Foreign Relations, by unanimous consent.

LAND-GRANT UNIVERSITIES ENLISTED TO INCREASE FOOD PRODUCTION

Mr. HUMPHREY. Mr. President, I am today introducing legislation to address the long-term food needs of the developing world.

As I have indicated before, the food crisis has short- and long-term dimensions. While we should be prepared to be as helpful as possible in providing food aid to address the short-term problem, the major focus must be on the longer range problem of increasing agricultural production.

We have 69 land-grant universities in the United States which represent a unique resource. These institutions have played a vital role in this country in conducting research and carrying out extension programs.

The record of American agriculture in producing food and fiber for this Nation and the world is one which is unparalleled anywhere.

In the past 20 years, these land-grant institutions helped establish nine new land-grant-type universities overseas at a cost of only $42 million.

This bill authorizes a maximum of $150 million a year in order to expand this program to capitalize on the capabilities and experience of these institutions.

In many countries the Green Revolution has ground to a halt. There is a whole second generation of new problems relating to newer seed varieties, plant diseases, irrigation methods, credit pesticides which must be addressed.

The sophisticated talent and experience which these institutions can provide are needed to make a further step forward. New indigenous institutions are needed so that national research scientists, teachers, economists and agromists can be trained, to address the agricultural problems of the developing nations.

In the long run, the food crisis must be solved by each individual nation. Establishing this capability in the developing countries—and especially the food deficit nations—will go a long way in meeting the food crisis.

The recent energy and fertilizer shortages, as well as erratic weather, have all served to set back agricultural production. This proposed program would new start in expanding food production.

This bill has been introduced in the House by Representative FINDLEY with 70 cosponsors in that body. I am pleased to announce that Senators HATFIELD, MONDALE, TUNNEY, and MCGEE have joined in sponsoring the Senate legislation.

I am hopeful that this body will give serious consideration to this measure.

Mr. President, I ask unanimous consent that this bill be referred to the Foreign Relations Committee.

I also ask unanimous consent that the text of my bill—to prevent famine by increasing world food production through the development of land-grant type universities in agriculturally developing nations—be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 658

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress declares that, in order to prevent famine and establish freedom from hunger, the United States should help increase world food production by strengthening land-grant universities in the United States to enable them to assist and cooperate in developing and improving land-grant type universities in agriculturally developing nations.

The Congress so declares because it finds:

(1) that the establishment, endowment, and continuing support of land-grant universities in the United States by federal, state and county governments has led to agricultural progress in this country;

(2) that land-grant universities in the United States, through two decades of experience, have demonstrated their ability to cooperate with other nations in expanding indigenous food production, while continuing effective support of U.S. food production for both domestic and international markets; and

(3) that land-grant universities in the United States need a stable source of financial assistance from the federal government

in order to expand, or in many cases continue, their cooperative efforts with other nations.

SEC. 2. DEFINITIONS.—As used in this Act—

(a) The term "land-grant universities" means those colleges or universities in each state, territory or possession, or the District of Columbia now receiving, or which may hereafter receive, benefits under the Act of July 2, 1862 (known as the First Morrill Act) or the Act of August 30, 1890 (known as the Second Morrill Act).

(b) The term "land-grant type university" means a school of higher education in a foreign country which:

(1) conducts classroom teaching programs in agriculture, animal sciences, and vocational and domestic arts appropriate to local needs;

(2) either conducts or cooperates in programs of extension work, through which knowledge concerning food production is made available directly to farmers and farm families;

(3) either conducts or cooperates in carrying out agricultural research; and

(4) is organized to encourage the interaction among teaching, research and extension work through adaptation of land-grant principles to the local characteristics and needs.

SEC. 3. FINANCIAL ASSISTANCE TO LAND-GRANT UNIVERSITIES IN THE UNITED STATES.—(a) The President is authorized to provide financial assistance to land-grant universities under appropriate memoranda of understanding, to enable them to:

(1) Strengthen their capabilities in teaching, research and extension work relating to food production, processing, distribution and consumption in agriculturally developing nations;

(2) Develop a proposal for an agreement with an agriculturally developing nation or university in such nation, to carry out one or more of the programs specified in paragraph (3) of this subsection; and

(3) Enter into and carry out cooperative agreements with agriculturally developing nations or universities in such nations, for the conduct of one or more of the following programs designed to aid in the development of land-grant type universities in the cooperating nation:

(A) cooperation in developing capacity in the university in the cooperating nation for classroom teaching in agriculture, animal sciences, or vocational and domestic arts appropriate to local needs;

(B) cooperation in agricultural research to be conducted in the cooperating nation, at an international agricultural research center, or in the United States as a means of enriching the teaching process, providing knowledge and information useful to either university or nation, or promoting increased efficiency in the production, marketing, distribution, or utilization of food commodities in either nation;

(C) cooperation in the planning, initiation and development of extension services, through which information concerning agriculture and related subject is made available directly to farmers and farm families in the agriculturally developing nations by means of education and demonstrations; and

(D) cooperation in the exchange of educators, scientists and students between the two nations for the purpose of assisting in the successful development of the university in the cooperating nation.

(b) The President shall determine which foreign nations are agriculturally developing. He shall establish and maintain a list of agriculturally developing nations which express an interest in establishing or developing land-grant type universities and shall periodically circulate this information to all land-grant universities in the United States.

(c) The President shall also solicit from land-grant universities with which he has entered into a memorandum of understanding pursuant to section 4 of this Act proposals for agreements between such universities and agriculturally developing nations or universities in such nations.

SEC. 4. UNDERSTANDINGS AND AGREEMENTS.—(a) To be eligible to receive financial assistance under this Act, a land-grant university must enter into a memorandum of understanding with the President. The President shall submit each proposed memorandum of understanding to the International Land-Grant University Advisory Board for its review and evaluation before entering into such memorandum. The memorandum of understanding with regard to each land-grant university shall contain such terms and conditions as may be agreed upon but at a minimum shall contain the following:

(1) a provision that an official of the land-grant university shall be designated to be responsible for the programs carried out by such university under this Act;

(2) the terms under which the land-grant university may obligate and expend funds for the formulation and execution of proposals relating to the establishment or development, or both, of a land-grant type university in an agriculturally developing nation, including terms under which subcontracting with other United States institutions or agencies may occur; and

(3) a requirement that the land-grant university shall submit an annual report to the President, which report shall include a statement of the activities carried out by such university pursuant to the memorandum of understanding during the preceding 12 months and a projection of all such activities, if any, that it may contemplate during each of the next ten years.

(b)(1) Before entering into an agreement with an agriculturally developing nation or university in such nation, a land-grant university shall submit the proposed agreement to the President for approval. Before approving a proposed agreement the President shall submit it to the International Land-Grant University Adivsory Board for review and evaluation.

(2) Each agreement between a land-grant university and an agriculturally developing nation or university in such nation shall set forth the level, character and duration of the obligations that the land-grant university and the cooperating nation or university in such nation agree to assume, and shall include provisions to insure that the university in the cooperating nation is a land-grant type university as defined in section 2(b) of this Act.

SEC. 5. INTERNATIONAL LAND-GRANT UNIVERSITY ADVISORY BOARD.—(a) To assist in the administration of the program authorized in section 3 of this Act, the President shall establish an International Land-Grant University Advisory Board to be composed of four representatives from the federal government, one of whom shall be designated by the Secretary of Agriculture, and four representatives from the land-grant universities in the United States. The Board shall remain in existence indefinitely.

(b) The duties of the International Land-Grant University Advisory Board shall include, but not be limited to providing for:

(1) review and evaluation of memoranda of understanding between the President and land-grant universities, and each substantial amendment thereof;

(2) review and evaluation of proposals for agreements between land-grant universities and agriculturally developing nations or universities in such nations before final approval by the President;

(3) oversight of agreements and domestic activities authorized by this Act and undertaken by land-grant universities to assure compliance with the purposes of this Act; and

(4) recommendation to the President for the apportionment of funds to the President for administrative expenses and to land-grant universities which have entered into memoranda of understanding with the President pursuant to section 4 of this Act.

(c) In making recommendations pursuant to subsection (b)(4) of this section the International Land-Grant University Advisory Board shall consider all pertinent factors, including the following:

(1) the capacity of the land-grant university in the agricultural sciences;

(2) the capacity of the land-grant university to maintain an appropriate balance of teaching, research and extension functions;

(3) the capacity, experience and commitment of the land-grant university in international agricultural efforts; and

(4) the priority of the problems to be solved in the cooperating nation.

SEC. 6. WITHHOLDING OF FUNDS.—If the President determines that a land-grant university with which he has entered into a memorandum of understanding has failed to comply with the requirements of that memorandum or has failed to carry out the provisions of an agreement with an agriculturally developing nation or university in such nation, he may withhold any funds apportioned to or due such land-grant university.

SEC. 7. FUNDING.—(a) There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act, but not to exceed $150 million in a fiscal year. Such sums are to remain available until expended.

(b) Funds authorized under this Act shall be in addition to any allotments or grants that may be made under other authorizations.

(c) Land-grant universities may accept and expend funds from other sources, public or private, in order to carry out the purposes of this Act. All such funds, both prospective and in hand, shall be periodically disclosed to the President, as he shall by regulation determine, but no less often than in each annual report.

SEC. 8. EXERCISE OF FUNCTIONS.—The President may exercise any functions conferred upon him by this Act through such agency or officer of the United States Government as he shall direct. The head of any agency or any officer to whom functions under this Act are delegated by the President may promulgate such rules and regulations as may be necessary to carry out such functions, and may delegate authority to perform any such functions, including, if he shall so specify, the authority successively to redelegate any of such functions to any of his subordinates.

By Mr. HUMPHREY:

S. 659. A bill to amend the Social Security Act to provide for improvements in the program relating to the diagnosis, screening, and referral of child health and maternal conditions established by title of such act. Referred to the Committee on Finance.

CHILD AND MATERNAL HEALTH CARE EXTENSION ACT

Mr. HUMPHREY. Mr. President, today I am introducing legislation which can signal the initiation of a new child and maternal health care policy for the United States. The Child and Maternal Health Care Extension Act of 1975 authorizes a decisive Federal response to the critical deficiencies in the availability and financing of early diagnosis, screening, and treatment of serious child and maternal health conditions in many areas of our Nation, and particularly among our lower-income families.

This bill, an extension of title V of the Social Security Act, establishes a program which would guarantee that all infants, children, and pregnant women, regardless of residence, income, or race will have equal access to medical diagnosis, screening, and comprehensive medical care. Our children are our investment in the future; they deserve effective health care.

DOCTOR SHORTAGE EMERGENCY

Currently, there are two major problems which affect primary health care to children—the number of medical personnel in this field, and a serious, nationwide maldistribution of those personnel.

Statistics presented in "Lengthening Shadows" by the American Academy of Pediatrics, and information published by the AMA in "The Distribution of Physicians in the United States, 1971," give us an idea of the severity of the problem. Although the national number of pediatricians increased during 1963–71, the loss of general practitioners, coupled with the 6-percent increase in population under 18 years of age, has resulted in a substantial decrease in the total number of effective primary child health care providers.

This is not the only problem hampering the provision of health services to children. There is also a serious nationwide maldistribution of doctors providing this care. According to statistics published by the AMA in the study previously cited, there are 133 counties, having a total population of nearly one-half million persons, which do not have a single, active physician; 1,600 additional counties, with a total population of at least 23 million persons, do not have an active, resident pediatrician.

While the medical professions have not agreed on the ideal number of primary health care providers per 100,000 children, these counties without a single pediatrician and only a small number of general practitioners are, by any standard, understaffed. There, children of all races, rich and poor alike, are denied a basic equality of access to the health care services available to children fortunate enough to reside elsewhere.

To improve this Nation's child health care program, the problems caused by the declining numbers as well as the maldistribution of primary child health care providers must be alleviated. Only by addressing these two basic problems can the infrequency of physician visits by large proportions of American children be reduced, and equal access to child health care be assured for all children, regardless of family income or residential location.

ONCE BASIC SOLUTION: MOBILE HEALTH CARE FACILITIES

The first substantive part of my bill, section 3, specifically confronts the problems of declining numbers and the maldistribution of primary child health care providers. And it addresses these critical needs through a new and very practical mechanism—the establishment of mobile health care facilities in physician-shortage counties across the Nation through grants to States under an expanded title V of the Social Security Act.

In every eligible county in the State there must be a mobile health care team in operation, including a pediatrician and more than one of the following: A pediatric nurse practioner, a registered nurse, a licensed practical nurse, a dietition, and a health assistant. Emphasis is also placed on the use of paraprofessionals and students in medicine and the allied health professions. And, the frequency and locations of mobile health team visits must be clearly spelled out in the State plan.

The key focus of mobile health care teamwork will be careful medical examinations of expectant mothers and children. These examinations must include the diagnosis of the following child health problems:

Child abuse and neglect;
Nutritional deficiencies;
Dental problems;
Emotional problems;
Visual and hearing defects;
Mental retardation and learning disorders;
Crippling and handicapping conditions; and
Catastrophic illness.

When these conditions are screened, the child must receive immediate treatment by the mobile health care team, and be referred to the nearest major facility which provides health care on an inpatient or outpatient basis. This referral must be followed up by a team assistant, to assure that the further required treatment was actually received.

Medical examinations by the mobile health care team are to be free to all children and expectant mothers. The costs of further treatment for lower-income families are to be covered under appropriate public health programs.

PEDIATRIC NURSE PRACTITIONERS

Another step in alleviating the shortage and maldistribution of primary child health care providers is to expand opportunities for education and service as pediatric nurse practitioners.

It is abundantly clear that from the perspectives of time and economy, greater use should be made of pediatric nurse practitioners. It takes less time and less money to train them than to train pediatricians who would provide an equivalent amount of service. According to a recent survey of pediatricians, more than 50 percent favored delegating to allied health workers, such as pediatric nurse practitioners, tasks such as immunization, providing instructions on child care and feeding, compiling the medical history of the patient and the patient's family, and providing certain medical advice.

These same pediatricians stated that the major obstacle to the greater use of allied health workers in pediatric practice was the lack of trained workers. While the Federal Government has provided some moneys for the training of pediatric nurse practitioners, much more needs to be done. To place more emphasis on this obvious educational need, section 4 of my bill would amend title V, section 511 of the Social Security Act to make grants to institutions of higher learning specifically for the training of pediatric nurse practitioners.

OVERCOMING THE COST BARRIER TO HEALTH CARE

The United States has a comparatively high infant mortality rate among the developed nations of the world.

The infant mortality rate varies considerably, however, among economic categories within the United States. One of the factors causing the high infant mortality rate, particularly among the poor, is the lack of pre- and postnatal medical care. The percentage of mothers who receive no prenatal care is 10 times greater among low-income white families than it is among white families earning more than $10,000; the discrepancy between these income categories is even greater when nonwhite families are considered.

Many of these mothers receiving no prenatal care would be able to receive a diagnosis and some medical assistance from the mobile health care units established under the provisions of the bill I am introducing today.

For those low-income mothers who are fortunate enough to receive prenatal care, most do not have any insurance covering medical costs and hospitalization during delivery or for subsequent treatment.

After birth, life-threatening, and catastrophic illness take a toll among our children and usually require large financial expenditures by the family in order to secure remedial medical care. Family medical insurance usually does not cover the considerable expense of treating a catastrophic or life-threatening illness.

If we are to guarantee that our children suffering from life-threatening and catastrophic illnesses will receive medical care—and not have such care denied by a family's low income—the Federal Government must begin to provide greater support for such care.

To achieve the goal of greater Federal Government support for the care of these child and maternal health conditions, section 6 of my bill would amend section 505(a)(7) of the Social Security Act to require that as a condition for receiving Federal allotments, State plans must provide for comprehensive health care and services for prematurely born infants and for full-term infants who have defects or conditions which are life-threatening or handicapping and which can be corrected or ameloriated.

This section also is amended to require that by fiscal 1980 State plans should provide for comprehensive health care and services to all children under 6 years of age whose health is threatened or had been impaired seriously by a major trauma, a life-threatening illness, or an illness of catastrophic nature.

Furthermore, section 7 of my bill would amend section 505(a) of the Social Security Act to add a new requirement that States shall have plans to provide comprehensive maternity and infant care for low-income families. This care would include prenatal care, care during and after childbirth, and related hospital services for mothers, and comprehensive medical care for infants during their first year of life.

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EARLY DIAGNOSIS AND TREATMENT VITAL

Mr. President, it has become increasingly clear that the most serious need in promoting quality health care for mothers and children in America today is the early identification of health problems and their immediate treatment.

This point is driven home in a recent study of child health care in the Washington, D.C., area. It noted a high incidence of serious health problems, such as iron deficiency anemia, uncorrected vision defects, and hearing losses among children of upper-income neighborhoods as well as in low-income areas.

The conclusion of the study's director, Dr. David M. Kessner, is that—

Either the children had not been screened by doctors, or that a thorough diagnosis had not been made after initial screening tests, or the children had not been properly treated after diagnosis.

I repeat, this conclusion applies to children of families in the upper-income brackets as well as to children of poor families. It is a conclusion that has been reached again and again in recent studies of child health problems across our Nation.

It is precisely the central intent of my bill to make early medical examination, diagnosis, screening, and immediate treatment readily accessible to expectant mothers, infants, and children, regardless of income or place of residence. I urge Congress to take action on this priority national program.

Mr. President, I ask unanimous consent that the text of the Child and Maternal Health Care Extension Act be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 659

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child and Maternal Health Care Extension Act".

DECLARATION OF POLICY

SEC. 2. The Congress finds and declares that in order to reduce the infant mortality rate and generally improve the health of children—

(1) more emphasis must be placed upon alleviating the problems caused by the declining numbers and the maldistribution of primary child health care providers, and

(2) greater access to medical care for children must be provided in order to improve child health and to eliminate the needless suffering and crippling conditions experienced by children because of the lack of available early diagnosis, screening, and treatment of potentially serious medical conditions.

SEC. 3. (a) Title V of the Social Security Act is amended by adding at the end thereof the following:

"PART B—MOBILE HEALTH CARE FACILITIES

"APPROPRIATION

"SEC. 525. For the purpose of enabling the States to diagnose, screen, and provide immediate limited treatment of child health and maternal health conditions, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare, State plans for establishment and operation of mobile health care facilities.

"STATE PLANS FOR MOBILE HEALTH CARE FACILITIES

"SEC. 526. (a) A State plan for the establishment and operation of mobile health care facilities must—

"(1) provide that a mobile health care team shall be in existence and operate in each of the eligible counties within the State;

"(2) provide for the establishment or designation of a single State agency to supervise the administration of the plan;

"(3) provide that the State agency designated in accordance with paragraph (2) will have authority to carry out the plan in conformity with this section;

"(4) provide that the State agency will (A) make an annual report to the Secretary concerning the activities, achievements, and operations of each mobile health care team established in such State, in such form and containing such additional information as the Secretary may from time to time require, and (B) comply with such requirements as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

"(5) provide that the Comptroller General of the United States or his delegate shall have access, for the purpose of audit and examination, to the data on which any report required to be submitted under paragraph (4) is based;

"(6) provide that the State agency will from time to time, but not less often than annually, review its State plan and submit to the Secretary any modifications thereof which it considers necessary;

"(7) provide that—

"(A) the personnel assigned to each mobile health care team will include a pediatrician and more than one of each of the following: a pediatric nurse practitioner; a registered nurse; a licensed practical nurse; a dietician; and a health assistant; and

"(B) to the extent practical, students in medicine and the allied health professions who plan to specialize in pediatrics or family medicine will be included as personnel on each mobile health care team;

"(8) designate, in accordance with regulations established by the Secretary, the locations within each eligible county that the mobile health care team will visit and the frequency and duration of such visits;

"(9) provide that the mobile health care team will give children medical examinations and that such examinations must include, but are not limited to, the diagnosis and screening of the following conditions—

"(A) child abuse and neglect,

"(B) nutritional deficiencies,

"(C) dental problems,

"(D) emotional problems,

"(E) visual and hearing defects,

"(F) mental retardation and learning disorders,

"(G) crippling and handicapping conditions, and

"(H) catastrophic illnesses;

"(10) provide that the medical methods, procedures, and equipment the State will require each mobile health care team to employ to assure that the examination and the diagnosis of the conditions designated in paragraph (9) will be of high quality be set out in the State plan;

"(11) provide that each mobile health care team test for pregnancy and screen and diagnose all prenatal and postnatal conditions up to one year after giving birth;

"(12) provide that each mobile health care team screen all pregnant and lactating women for nutritional deficiencies;

"(13) provide that the medical examination, diagnosis, and screening provided by each mobile health care team be free to all children and pregnant and lactating women;

"(14) provide that each mobile health care team will provide immediate preventive care or treatment for the diagnosed conditions where, in the judgment of the attending physician, such immediate care is required because of the serious condition of the patient;

"(15) provide that, for those conditions requiring medical treatment a mobile health care team reasonably cannot provide, the patient will be referred to the nearest, major facility which provides health care on an inpatient or outpatient basis, except that children requiring such referrals shall, whenever possible, be referred to an accredited hospital with facilities for parents to spend extended periods of time with their children during the child's hospital confinement;

"(16) provide that each mobile health care team will refer cases of child abuse and neglect to the appropriate State agency and to any public or private nonprofit center established to identify, prevent, and treat child abuse and neglect which serves the geographic area covered by such team;

"(17) provide that in addition to giving immediate treatment to infants diagnosed as nutritional risks, each mobile health care team will refer such infants to the appropriate local public or private nonprofit health or welfare agencies receiving funds under section 17(a) of the Child Nutrition Act of 1966, as amended, so that such infants may receive supplemental foods;

"(18) provide that children who are crippled or who are suffering from conditions leading to crippling will be referred to the State agency providing services to crippled children under part A of this title;

"(19) provide that women diagnosed as pregnant will receive from the mobile health care team whatever immediate care or treatment their conditions require and for further referral by such team to appropriate health care facilities and physicians as appropriate;

"(20) provide that women determined to be nutritional risks shall be referred to the appropriate local public or private nonprofit health or welfare agencies receiving funds under section 17(a) of the Child Nutrition Act of 1966, as amended, so they may receive supplemental foods;

"(21) provide that all referrals shall be subsequently reviewed by a health assistant assigned to the mobile health care team which makes a referral; and

"(22) provide that any individual who receives treatment in addition to the examination, diagnosis, screening, or immediate treatment which is authorized under the State plan will be given the opportunity to enroll in any public health care program for which he is eligible and that payment for such additional treatment will be made in accordance with the provisions of such program and that, in all other cases, additional treatment will be paid for by such individual.

"(b) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which—

"(1) proposes to employ a mobile health care team which will visit too few locations or whose visits will be of such frequency and duration to be inadequate to carry out the purposes of this part; or

"(2) fails, in the case of a State in which there is an agreement in effect pursuant to section 794C of the Public Health Service Act under which students or trainees in the allied health professions participate in a work-study program, to provide that employment under such a work-study program on a mobile health care team automatically qualifies as part of such a work-study program.

"PAYMENTS TO STATES

"SEC. 527. (a) Appropriations pursuant to section 525 shall be available for making grants to States having a plan approved under section 526 for the establishment and operation of mobile health care facilities.

"(b) Payments pursuant to grants made under this section may be in advance or by way of reimbursement and in such installments as the Secretary shall prescribe by regulation.

"OPERATION OF STATE PLANS

"SEC. 528. (a) The Secretary shall review periodically the eligibility of all counties in each State and notify the appropriate State agency of changes in the eligibility of each such county to participate in the program established under this part. Each county that is an eligible county (and is participating in the program established under this part) whose child health care ratio is found to exceed the limit established by the Secretary shall continue to be an eligible county and may continue to participate in the program established under this part for not more than one year after notice of ineligibility has been transmitted to the State agency.

"(b) If the Secretary, after reasonable notice and opportunity for hearing to the State agency supervising the administration of the State plan approved under this section, finds—

"(1) that the plan has been so changed that it no longer complies with the provisions of section 526(a); or

"(2) that in the administration of the plan there is a failure to comply substantially with any such provision; or

"(3) that an eligible county within the State is not included within the State plan;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until the Secretary is satisfied that there will no longer be any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).

"(c) Whenever any State desires a modification of the State plan in order to reduce the scope or extent of the care and services provided by a mobile health care team under such plan, or to terminate any of the care and services so provided, the Secretary shall, upon application of the State, approve any such modification only if such modification does not violate any of the provisions of section 526(a) or any existent regulation established pursuant thereto.

"DEFINITIONS

"SEC. 529. When used in this part—

"(a) The term 'State' means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

"(b) The term 'county' includes a political subdivision of a State formally denominated as a county, parish, or other similar unit.

"(c) The term 'child health care provider' means a pediatrician and such other health care personnel as the Secretary shall designate by regulation after consultation with recognized authorities in, and Federal agencies concerned with, child health care.

"(d) The term 'child health care ratio' means the proportion of child health care providers in a State per 100,000 population under 18 years of age in such State.

"(e) The term 'eligible county' means (1) a county in which there is not located a practicing pediatrician, or (2) a county whose proportion of child health care providers to population under 18 years of age is less than the child health care ratio as defined in subsection (d).

"(f) The terms 'pregnant and lactating women', 'infants', and 'supplemental foods' shall have the same meanings when used in this part as such terms are defined in section 17 of the Child Nutrition Act of 1966, as amended.

"REPORTS

"SEC. 530. The Secretary shall evaluate annually the operations and accomplishments of the mobile teams in terms of extending child and maternal health care to areas with few primary child health care providers and achieving the purposes of this part. The Secretary shall report his findings together with any recommendations to the President and the Congress not later than March 1 of each year."

(b) Title V of the Social Security Act is further amended by inserting "PART A—GENERAL SERVICE PROGRAMS" immediately below the caption of such title.

TRAINING OF PEDIATRIC NURSE PRACTITIONERS

SEC. 4. Section 511 of such Act is amended by inserting immediately before the period in the last sentence "and for the training of pediatric nurse practitioners."

PAYMENT FOR SERVICES RENDERED BY A PEDIATRIC NURSE PRACTITIONER

SEC. 5. (a) Section 1905(a) of such Act is amended by redesignating paragraph (17) as paragraph (18) and inserting after paragraph (16) the following new paragraph:

"(17) services rendered by a pediatric nurse practitioner;".

SERVICES FOR CRIPPLED CHILDREN

SEC. 6. (a) Section 505(a)(7) of such Act is amended to read as follows:

"(7) provides, with respect to the portion of the plan relating to services for crippled children—

"(A) for early identification of children in need of health care and services, and for health care and treatment needed to correct or ameliorate defects or chronic conditions discovered thereby, through provision of such periodic screening and diagnostic services that are not already provided by mobile health care teams established pursuant to part B, and such treatment, care, and other measures to correct or ameliorate defects or chronic conditions, as may be provided in regulations of the Secretary;

"(B) effective July 1, 1976, for comprehensive health care and services to prematurely born infants (as determined in accordance with standards prescribed by the Secretary) and full-term infants (as determined in accordance with standards prescribed by the Secretary) who have defects or conditions which are life threatening or handicapping and which can be corrected or ameliorated by health care services and other measures relating to the correction or amelioration of such defects or conditions, as may be provided in regulations of the Secretary; and

"(C) effective July 1, 1976, for comprehensive health care and services to children whose health is threatened or has been seriously impaired by major trauma, life-threatening illness, and other illnesses of a catastrophic nature, and for the provision of such care and services to all children in such age groups as may be prescribed in regulations of the Secretary except that effective by July 1, 1979, such care and services shall be provided to all children under age 6;".

MATERNAL AND CHILD HEALTH SERVICES

SEC. 7. Section 505(a) of such Act is amended—

(1) by striking out "and" at the end of paragraph (14);

(2) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(16) effective July 1, 1977, provides, in the case of families with low income (as determined by the State in accordance with criteria prescribed by the Secretary), for (A) comprehensive maternity care to prospective mothers (including prenatal care, care during and after childbirth, and inpatient hospital services related to such care), and (B) comprehensive medical health care for infants duirng the first year of life."

EFFECTIVE DATE

SEC. 8. The provisions of this Act shall become effective on July 1, 1975.

By Mr. MONDALE (for himself, Mr. BROOKE, and Mr. PHILIP A. HART):

S. 660. A bill to provide emergency relief respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

HOMEOWNERS' LOAN ACT OF 1975

Mr. MONDALE. Mr. President, I am today introducing legislation which attempts to anticipate a possible tragedy for thousands of Americans and, most importantly, to avoid it. I am talking about the heartbreak of losing one's home. And, for literally thousands of Americans, that heartbreak may become a reality over the next several months.

As unemployment continues to increase, inflation continues at astronomic levels, and energy problems continue to take their toll in both prices and jobs, many Americans may find it increasingly difficult, and eventually impossible, to meet home mortgage payments. For these unfortunate citizens, a major investment—quite possibly the largest investment of their lifetime—will vanish, and their shelter will be suddenly gone.

So that the Federal Government, in anticipation of this possibility, may be ready to cope with this tragedy and aid families faced with mortgage foreclosure, I am today introducing standby legislation which would reactivate the Home Owners' Loan Corporation. The legislation is designed to become operative only when the foreclosure situation reaches crisis proportions and provides real help to those American families faced with the loss of their homes.

I am pleased to announce that this legislation is cosponsored by the distinguished Senator from Massachusetts (Mr. BROOKE) and the distinguished Senator from Michigan (Mr. PHILIP A. HART).

THE ORIGINAL HOMEOWNERS' LOAN CORPORATION

During 1932 and 1933, this Nation experienced a period of high unemployment. At the same time, the public exhibited a serious lack of confidence in existing property values. As a result of these two forces, the annual rate of real property foreclosures climbed to nearly 250,000. Most of the foreclosed properties were owner-occupied homes. And, surely, the foreclosures resulted from the inability of families, with the head of the household unemployed, to meet mortgage payments.

The foreclosures obviously exacerbated the economic hardships of the effected

families. In addition, they had a domino effect by collapsing real estate values and making lenders reluctant to finance new housing. The resultant inactivity in the construction industry further contributed to the depression of the entire economy.

Against this background, Congress enacted the Home Owners Loan Act of 1933. It directed the members of the Federal Home Loan Bank Board to establish the Home Owners' Loan Corporation and to serve as the Board of Directors of the HOLC. The HOLC represented an attempt to counteract mortgage foreclosures by allowing the HOLC to purchase mortgages from private lending institutions and to refinance the mortgages of homeowners faced with foreclosure, because of temporary financial hardship.

The HOLC was authorized to issue stock of up to $200 million and up to $2 billion in bonds. The bonds had the full faith and credit of the United States behind them, were tax-exempt, and were to bear interest at a rate of 4 percent or less.

The HOLC was authorized to exchange its bonds for home mortgages and other liens—such as tax liens—secured by real estate. A $14,000 limitation—or 80 percent of the value of the property—was placed on the mortgage loan balance to be amortized over a 15-year period and could grant such extensions of time for payment as might prove necessary. The maximum interest rate on the refinanced mortgage would be 5 percent, which was significantly lower than the prevailing rate. The HOLC could also make cash loans to homeowners with debt-free homes who were faced with financial difficulties and possible loss of the home. Such loans could not exceed 50 percent of the appraised value of the property and bore an interest rate of 6 percent or less.

The Home Owners' Loan Corporation was established in June 1933 and eventually liquidated in March of 1951. It made, or acquired and refinanced about 1,016,000 mortgage loans; most during the first 3 years of its existence. The original aggregate amount of these loans totaled $3,093,000,000. Only about 19 percent of the original loans ended in foreclosure. In the process of its operations, the HOLC helped about 800,000 homeowners save their homes. It also helped innumerable lending institutions from whom it acquired mortgages. By stemming the tide of foreclosures, it was also influential in stabilizing property values and in restoring the necessary confidence which led to an upturn in residential construction. When the HOLC discontinued operations in 1951, it had a net surplus of $14 million.

THE NEED FOR THE HOLC TODAY

In December 1974, industrial production fell 2.8 percent. This decline followed a 4.6-percent decline in the previous 11 months. More than 7 million Americans are out of work, and leading economists are predicting another 1 million jobless Americans. In the automotive industry alone, there are more than 200,000 unemployed workers. This is more than one-third of the automobile workers. With housing starts down 50 percent from a year ago, 640,000 workers in the construction industry are without jobs.

Against the backdrop of high unemployment, we find a situation where, for millions of American homeowning families, mortgage payments are high in relation to income and savings. This predicament is particularly acute for young workers who acquired their homes in recent years at high prices with mortgage interest rates high. Unemployment rates among this group will be even higher than the national average, and their savings are frequently too small to permit them to meet mortgage payments over any extended period of unemployment.

There are also millions of elderly American homeowners who, although their homes may be debt-free, will find it extremely difficult to meet the cost of property taxes during a period of inflationary living costs. Their fixed incomes will simply be squeezed too far. Many will lose their homes to tax liens.

For millions of homeowners of all ages, the equity invested in their homes represent their greatest asset. Furthermore, almost all would have to pay more for housing in today's inflated market, if they were forced to live elsewhere. When the cruel arm of unemployment reaches into their homes, literally millions of Americans will find their shelter seriously threatened. They will have nowhere to turn, and nowhere to hide. Although many mortgages are insured, they are insured to protect the lender-mortgager against loss, not usually the homeowner-mortgagor.

When the mortgage foreclosure rate on all properties reaches a level of five-tenths of 1 percent, it is estimated that the rate of foreclosures on one- to four-family properties would be approximately 100,000 per year—surely a critical situation. When and if such a situation occurs—and we have every reason to believe that it might—we should be prepared to help those families who face the possibility of a loss of their home.

A NEW HOLC

Mr. President, I am today introducing legislation designed to help these homeowners who face the possibility of the loss of their homes during a serious economic downturn. The bill establishes a new Home Owners' Loan Corporation, to come into being when and if the Federal Home Loan Bank Board index reaches the critical five-tenths of 1 percent level. The Board of Directors of the corporation will be the chairman of the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs. The corporation will be empowered to issue stock and bonds at levels sufficient to serve its needs.

There are between 30 and 35 million owner-occupied one- to four-family homes in this country. More than 20 million of these homes are subject to outstanding mortgages.

According to a quarterly index published by the Federal Home Loan Bank Board, the mortgage foreclosure rate on all properties for the first three-quarters of 1974 was approximately four-tenths of 1 percent. But, according to figures compiled by the Mortgage Bankers Association, the mortgage delinquency rate on one- to four-family properties—the most accurate measure of potential mortgage foreclosures on this class of properties—was 4.23 percent for the fourth quarter of 1974. In addition, seriously delinquent loans—those with two or more payments past due—are 1.20 percent. We are seeing a trend—an ominous trend toward mortgage foreclosure on a widespread basis for one- to four-family dwellings.

The new HOLC will have two, broad powers. First, it will be empowered to assist individuals and families, who have experienced a substantial loss of income as a result of unemployment, meet home mortgage payments. Within defined limits, the corporation may make payments to such individuals and families for a period of up to 18 months to help save their home from potential foreclosure. The payments will constitute a second mortgage on the property.

Second, the corporation will be empowered to acquire, in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate. The power is limited to one- to four-family properties of a value of $50,000 or less. The corporation may refinance the mortgages so acquired over a 30-year period at an interest rate not to exceed 6 percent. In addition, the corporation will be able to help homeowners redeem homes already lost to foreclosure.

It is important to note that the HOLC will not become operative—and will cost nothing—until we are faced with a national foreclosure crisis. When and if that crisis comes, we will be ready with a mechanism for helping thousands of Americans from losing their homes.

Mr. President, I am hopeful that this body will give prompt consideration to this important legislation. I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 660

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Homeowners' Loan Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "Corporation" means the Homeowners' Loan Corporation created under section 3 of this Act.

(2) The term "home mortgage" means a first mortgage on real estate in fee simple or on a leasehold under a renewable lease for not less than ninety-nine years upon which there is located a dwelling for not more than four families, which is used by the owner as a principal residence, and which has a value not exceeding $30,000.

(3) The term "first mortgage" includes such classes of first liens as are commonly given to secure advances on real estate under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

ESTABLISHMENT AND CAPITALIZATION OF HOMEOWNERS' LOAN CORPORATION

SEC. 3. (a) There is established a corporation to be known as the Homeowners' Loan Corporation, which shall be an instrumentality of the United States, which shall have authority to sue and to be sued in any court of competent jurisdiction, Federal or State, and which shall be under such bylaws, rules, and regulations as it may prescribe for the accomplishment of the purposes and intent of this section. The Board of Directors of the Corporation (hereinafter referred to as the "Board") shall consist of the Chairman of the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs, all of whom shall serve as such Directors without additional compensation.

(b) The Board shall determine the minimum amount of capital stock of the Corporation and is authorized to increase such capital stock from time to time in such amounts as may be necessary, but not to exceed in the aggregate $1,000,000,000. Such stock shall be subscribed for by the Secretary of the Treasury on behalf of the United States, and payments for such subscriptions shall be subject to call in whole or in part by the Board and shall be made at such time or times as the Board deems advisable, and for the purpose of making such payments, the Secretary shall use as a public debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Second Liberty Bond Act are extended to include such payments. The Corporation shall issue to the Secretary of the Treasury receipts for payments by him for or on account of such stock, and such receipts shall be evidence of the stock ownership of the United States. The Secretary of the Treasury may sell, upon such terms and conditions and at such price or prices as he shall determine, any of the stock acquired by him under this subsection. All purchases and sales by the Secretary of the Treasury of such stock under this subsection shall be treated as public debt transactions of the United States.

(c) The Corporation is authorized to issue bonds in an aggregate amount not to exceed $10,000,000,000, which may be sold by the Corporation to obtain funds for carrying out the purposes of this section, or exchanged as hereinafter provided. Such bonds shall be issued in such denominations as the Board shall prescribe, shall mature within a period of not more than eighteen years from the date of their issue, shall bear interest at a rate not to exceed a rate determined by the Secretary of the Treasure taking into account the average yield on outstanding marketable obligations of the United States as of the close of the preceding month. Such bonds shall be fully and unconditionally guaranteed as to interest only by the United States, and such guaranty shall be expressed on the face thereof. In the event the Corporation shall be unable to pay upon demand, when due, the interest on any such bonds, the Secretary of the Treasury shall pay to the Corporation the amount of such interest, which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, and the Corporation shall pay the amount of such interest to the holders of the bonds. Upon the payment of such interest by the Secretary of the Treasury the amount so paid shall become an obligation to the United States of the Corporation and shall bear interest at the same rate as that borne by the bonds upon which the interest has been so paid. The bonds issued by the Corporation under this subsection shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by any State, county, municipality, or local taxing authority. The Corporation, including its franchise, capital, reserves, and surplus, and its loans and income, shall likewise be exempt from such taxation; except that any real property of the Corporation shall be subject to taxation to the same extent, according to its value, as other real property is taxed.

FUNCTIONS

SEC. 4. (a) The Corporation shall, during any three calendar quarters beginning with a calendar quarter in which the Federal Home Loan Bank Board determines that the foreclosure rate (stated as an annual percentage rate of all mortgaged structures in any geographic area) exceeds one-half of 1 percent, make, and contract to make, assistance payments to individuals and families who reside in such area and who have incurred substantial losses of income as a result of unemployment, in such amounts as the Corporation determines to be necessary to enable such individuals and families to meet home mortgage payments, except that—

(1) payments under this subsection may not be made for a period in excess of 18 months with respect to any mortgagor; and

(2) payments may not be made under this subsection with respect to any mortgagor unless the Corporation determines that such mortgagor will be able to avoid or cure a default on the mortgage without exposing the Corporation to an unreasonable risk of loss.

The aggregate amount of payments with respect to any mortgagor shall be secured by a lien on the mortgaged property and shall be repayable upon disposition of the property by the mortgagor or upon completion of the period of amortization for the mortgaged. The Corporation shall by regulation require periodic recertifications of income of any mortgagor assisted under this subsection. The Corporation may not make assistance payments under this subsection whenever it determines that the mortgagor has recovered a sufficient portion of the income lost as a result of unemployment to reassume his obligations under the mortgage. In addition to the assistance available under this subsection, the Corporation may furnish other assistance available under this section with repect to any mortgagor.

(b) The Corporation is authorized, for a period of three years after the date of enactment of this Act, but only during any three calendar quarters beginning with a calendar quarter in which the Federal Home Loan Bank Board determines that the foreclosure rate (stated as an annual percentage rate of all mortgaged structures in any geographic area) exceeds one-half of 1 percent (1) to acquire in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate located in such area (including the interest of a vendor under a purchase-money mortgage or contract) recorded or filed in the proper office or executed prior to the date of enactment of this Act, and (2) in connection with any such exchange, to make advances in cash to pay the taxes and assessments on the real estate, to provide for necessary maintenance and make necessary repairs, to meet the incidental expenses of the transaction, and to pay such amounts, not exceeding $50, to the holder of the mortgage, obligation, or lien acquired as may be the difference between the face value of the bonds exchanged plus accrued interest thereon and the purchase price of the mortgage, obligation, or lien, except that the aggregate of such advances and payments shall be reduced by an amount determined by the Board to be equal to the amount of costs which would have been incurred in foreclosure proceedings in connection with the mortgage, lien, or other obligation. The face value of the bonds so exchanged plus accrued interest thereon and the cash so advanced shall not exceed in any case $50,000. In any case in which the amount of the face value of the bonds exchanged plus accrued interest thereon and the cash advanced is less than the amount the homeowner owes with respect to the home mortgage or other obligation or lien so acquired by the Corporation, the Corporation shall credit the difference between such amounts to the homeowner and shall reduce the amount owed by the homeowner to the Corporation to that extent. Each home mortgage or other obligation or lien so acquired shall be carried as a first lien or refinanced as a home mortgage by the Corporation on the basis of the price paid therefor by the Corporation, and shall be amortized by means of monthly payments sufficient to retire the interest and principal within a period of not to exceed thirty years, but the amortization payments of any homeowner may be made quarterly, semiannually, or annually, if in the judgment of the Corporation the situation of the homeowner requires it. Interest on the unpaid balance of the obligation of the homeowner to the Corporation shall be at a rate not exceeding 6 per centum per annum. The Corporation may at any time grant an extension of time to any homeowner for the payment of any installment of principal or interest owed by him to the Corporation if, in the judgment of the Corporation, the circumstances of the homeowner and the condition of the security justify such extension. As used in this subsection, the term "real estate" includes only real estate held in fee simple or on a leasehold under a lease renewable for not less than ninety-nine years, upon which there is located a dwelling for not more than four families used by the owner as a home or held by him as a homestead and having a value not exceeding $50,000. No discrimination shall be made under this Act against any home mortgage by reason of the fact that the real estate securing such mortgage is located in a municipality, county, or taxing district which is in default upon any of its obligations.

(c) The Corporation is further authorized, during any quarter referred to in subsection (b) in any case in which the holder of a home mortgage or other obligation or lien eligible for exchange under subsection (b) of this section does not accept the bonds of the Corporation in exchange as provided in such subsection and in which the Corporation finds that the homeowner cannot obtain a loan from ordinary lending agencies, to make cash advances to such homeowner in an amount not to exceed 50 per centum of the value of the property for the purposes specified in such subsection (b). Each such loan shall be secured by a duly recorded home mortgage and shall bear interest at a rate of interest which shall be uniform throughout the United States, but which in no event shall exceed a rate of 6 per centum per annum, and shall be subject to the same provisions with respect to amortization and extensions as are applicable in cases of obligations refinanced under subsection (b) of this section.

(d) The Corporation is further authorized, during any quarter referred to in subsection (a) or (b), to exchange bonds and to advance cash, subject to the limitations provided in subsection (a) or (b) of this section, to redeem or recover homes lost by the owners by foreclosure or forced sale by a trustee under a deed of trust or under power of attorney, or by voluntary surrender to the mortgagee within two years prior to such exchange or advance.

(e) The Board shall issue such rules and regulations as may be necessary, including rules and regulations providing for the appraisal of the property on which loans are made under this section so as to accomplish the purposes of this Act.

(f) Any person indebted to the Corporation may make payment to it in part or in full by delivery to it of its bonds which shall be accepted for such purpose at face value.

ADMINISTRATIVE PROVISIONS

SEC. 5. (a) The Corporation shall have power to appoint and fix the compensation of such officers, employees, attorneys, or agents

as shall be necessary for the performance of its duties under this Act, without regard to the provisions of other laws applicable to the employment or compensation of officers, employees, attorneys, or agents of the United States. No such officer, employee, attorney, or agent shall be paid compensation at a rate in excess of the rate provided by law in the case of the members of the Federal Home Loan Bank Board. The Corporation shall be entitled to the free use of the United States mails for its official business in the same manner as the executive department of the Government, and shall determine its necessary expenditures under this Act and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other law governing the expenditure of public funds.

(b) The Board is authorized to make such bylaws, and issue such rules and regulations, not inconsistent with the provisions of this section, as may be necessary for the proper conduct of the affairs of the Corporation. The Board is further authorized and directed to retire and cancel the bonds and stock of the Corporation as rapidly as the resources of the Corporation will permit. Upon the retirement of such stock, the reasonable value thereof as determined by the Board shall be paid into the Treasury of the United States and the receipts issued therefor shall be canceled. The Board shall proceed to liquidate the Corporation when its purposes have been accomplished, and shall pay any surplus or accumulated funds into the Treasury of the United States. The Corporation may declare and pay such dividends to the United States as may be earned and as in the judgment of the Board it is proper for the Corporation to pay.

PENALTIES

SEC. 6. Whoever makes any statement, knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Homeowners' Loan Corporation or the Board upon any application, advance, discount, purchase, or repurchase agreement, or loan under this Act, or any extension thereof by renewal deferment, or action or otherwise, or the acceptance, release, or substitution of security therefor, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than two years, or both.

FEDERAL HOUSING ADMINISTRATION AUTHORITY

SEC. 7. During any period when the Corporation is carrying out its function pursuant to section 4, the Secretary of Housing and Urban Development may not make cash expenditures in connection with default proceedings under any provision of the National Housing Act, except as provided in the second sentence of section 207(j) of such Act.

AUTHORIZATION

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. BROOKE. Today, Mr. President, for the first time in over 35 years, the strength of the American economy is being severely tested by high unemployment, increasing business failures, and fading consumer confidence. These weaknesses in our economy are real and severe, and anyone who ignores them is only fooling himself. The hardships which will be felt by the families of the unemployed are equally real and severe, and all of us must work to find ways to alleviate those hardships and provide new jobs for the unemployed.

As a member of the Housing Subcommittee I have been particularly concerned about unemployment in the construction trades which rose to 664,000 or 15 percent of the workers in that industry in December. Housing starts in December of 1974 plummeted to an 8-year low annual rate of 868,000 units—a 60.5-percent decline from the October 1972 high annual rate of 2,509,000 starts.

Toward the end of last year the Congress passed the Brooke-Cranston Act to provide additional mortgage credit on an emergency basis to stimulate housing construction. So far $4,899,600,000 has been committed under this act. More stimulus to the housing industry may be needed, and I shall not hesitate to introduce and support new legislation to get housing starts up, because I believe that a recovery in housing can lead the way to general economic recovery.

While offering stimulus to the housing industry by way of the Federal secondary mortgage market, we cannot ignore the potential threat which unemployment itself presents for the residential real estate industry. If unemployment forces a large number of families to default on their mortgages, we could witness a deluge of foreclosed properties pouring onto the already glutted housing market, depressing prices, and destroying consumer confidence. The hardship for families losing their homes would be severe.

History has taught us that widespread foreclosures can be avoided if remedial action is taken. We know that there is no need to put the temporarily unemployed through the financial wringer.

To avoid the hardship which could result from temporarily high unemployment and to avoid the destabalization of our real estate markets, I have joined with Senators MONDALE and HART in introducing the Homeowners' Loan Act of 1975. Its objectives are the same as that which inspired the 1933 act from which it takes its name, though some new devices are incorporated.

Action by the HOLC to avoid foreclosures will be automatically triggered whenever the foreclosures rate in any geographic area exceeds one-half of 1 percent for any calendar quarter. Payments will be to mortgagors who the HOLC determines will be able to avoid or cure a default on their mortgage without exposing the Corporation to an unreasonable risk of loss. Any mortgagor who is assisted in making mortgage payments by the HOLC will be responsible for reimbursing the HOLC for such assistance at such time as his mortgage is fully amortized or upon sale of his property, and this liability will be secured by a lien against the property.

The bill also provides the HOLC with all of the powers it had under the 1933 act, including the power to purchase mortgages from mortgagees.

This bill provides protection against foreclosure for the unemployed and lessens the danger of a precipitous collapse in our real estate markets. As ranking minority member on the Housing Subcommittee, I shall urge early hearings on this subject.

A NEW HOLC

Mr. PHILIP A. HART. Mr. President, I am pleased to cosponsor with the Senator from Massachusetts (Mr. BROOKE) the bill introduced by Senator MONDALE to reestablish the Home Owners' Loan Corporation.

As we seek ways to help people with serious financial problems due to economic conditions, we would do well to look to our past for success stories.

The HOLC is such a story.

The HOLC was first used during the depression when mortgage foreclosures were increasing. It purchased mortgages from private lending institutions to refinance the mortgages of homeowners faced with foreclosures, because of temporary financial hardship.

In 1951, Congress determined that the foreclosure crisis was over and HOLC was closed down. At that point, it had handled about $1 million mortgage loans and showed a slight profit.

I doubt that I need repeat here today's unemployment figures. Whether you believe that unemployment will level off at 8 million or go higher—or whether you are hopeful that the figure will not change from the current 7 million jobless—there is no question that many families face or will face the possibility of losing their homes, because they cannot afford to keep up their mortgage payments.

The problem of foreclosures in Michigan, perhaps hardest hit by the recession, has already led some lending institutions and some State legislators to call for reinstatement of an HOLC-type program.

Under the bill introduced today, a new HOLC would come into being without further action by Congress if the Federal Home Loan Bank Board foreclosure index reaches the critical five-tenths of 1 percent level. That would mean about 100,000 foreclosures a year.

The foreclosure rate on all properties for the first 9 months of 1974 was about four-tenths of 1 percent. The number of mortgages which were seriously delinquent—meaning 2 or more months in arrears—is running at a high 1.2 percent, an ominous sign for the near future. Further, the Mortgage Bankers Association, I understand, estimates the mortgage delinquency rate on one- to four-family rents at 4.23 percent for the last quarter.

The bill would permit the corporation to:

Issue stock and bonds at levels sufficient to serve its needs.

Acquire, in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate.

Deal only with one- to four-family properties of a value of $50,000 or less.

Refinance mortgages over 30 years at an interest rate not to exceed 6 percent.

Make cash advances, up to 50 percent of the property value, to homeowners whose obligations cannot be secured by the corporation.

Assist homeowners in redeeming homes already lost to foreclosure.

Members of the Board of Directors for HOLC would include the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs.

It is my hope that the bill will receive prompt consideration in both the Senate and the House, where it has been introduced by Congressman WILLIAM D. FORD, of Michigan.

By Mr. NUNN (for himself and Mr. TALMADGE):

S. 661. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

CHATTAHOOCHEE RIVER NATIONAL RECREATION AREA

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by Senator NUNN and a bill he is introducing today, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR NUNN

In an age of urban crowding, it is increasingly important that we preserve the available open spaces in and near our large cities for recreational use. The Chattahoochee River is one of the recreation areas favored by Georgians who live in the metropolitan area of Atlanta, and it is a pleasant retreat for thousands each year.

In the 93rd Congress, I introduced legislation, S. 1738, cosponsored by Senator Talmadge, which would set aside along a 48-mile stretch of the Chattahoochee River near Atlanta as a national recreational area. A similar bill, sponsored by Congressman Andrew Young and cosponsored by all of the 10 Georgia Congressmen, was introduced at that time.

Field hearings, chaired by Senator Johnston, were conducted on S. 1738, by the Committee on Interior and Insular Affairs in Atlanta last October 28. Testimony from these hearings overwhelmingly demonstrated the need to provide additional recreational areas for our citizens, particularly since our use of available recreational lands continues to rise at the rate of at least 10 percent each year.

This testimony also demonstrated the urgency of protecting our outstanding natural resources, such as the Chattahoochee River, before they are lost.

I am re-introducing this bill on behalf of Senator Talmadge and myself to protect some of the most beautiful river vistas and scenic woodlands in the Southeast for the enjoyment of future generations of Georgians; and I am pleased to announce that a similar bill was introduced on February 6 in the House of Representatives by Congressman Andrew Young.

By Mr. WILLIAMS (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, and Mr. CHURCH):

S. 662. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

NATIONAL MASS TRANSPORTATION ASSISTANCE ACT AMENDMENTS OF 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by Senator WILLIAMS, on a bill he is introducing today, be printed in the RECORD.

There being no objection, the statement and bill were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WILLIAMS

NATIONAL MASS TRANSPORTATION ASSISTANCE ACT AMENDMENTS OF 1975

Last year the Congress enacted PL 93-503, the National Mass Transportation Assistance Act of 1974. This legislation was the result of three years of legislative effort and created a new 11.8 billion dollar landmark mass transportation assistance program.

During the consideration of this legislation many comments were received concerning the operations of the mass transportation program. Unfortunately, it was not possible at that time to include these comments in legislative form in PL 93-503. Among the areas of legislative interest were suggestions on new programs for the elderly and the handicapped.

MASS TRANSPORTATION FOR ELDERLY AND HANDICAPPED PERSONS

Section 16 of the Urban Mass Transportation Assistance Act of 1970 made it a declaration of national policy that elderly and handicapped persons have the same rights as other persons to utilize mass transportation facilities and services. This section authorized the Secretary of Transportation to make grants or loans to states and local public bodies to assist in providing services which are planned, designed, and carried out to meet the special needs of elderly and handicapped persons. However, even more should be done for this segment of our population.

At the present time, we have no mass transit systems which are effectively accessible to handicapped persons. BART, in San Francisco has taken the first giant step toward this goal by making its rapid rail facilities fully accessible to the handicapped. Unfortunately, however, its feeder lines are not similarly equipped, and thus, the BART rail system cannot be fully utilized by the handicapped. Other mass transit systems, such as TARTA in Toledo, Ohio, and TRI-MET in Portland, Oregon, also have taken the first steps toward providing accessible transportation for handicapped persons.

In most cases, however, handicapped persons must rely on family or friends, use specially equipped automobiles, or rely on private transportation systems which often charge exorbitant prices. In the District of Columbia, for example, there is no alternate transportation system to take the handicapped to and from work, and on the one system which provides transportation for medical check-upa and therapy, the going rate is $35 per trip. New York City has numerous private transportation companies for the handicapped. However, the average charge for day time service for a regular customer is approximately $12 per trip, or $60 per week, or $2,880 per year. Charges for weekend services are even greater.

Recently, a New York State survey of social service agencies estimated that at least $80 million per year is being spent to provide special transportation for physically, economically and socially disadvantaged clients. Transportation services for these clients consume as much as 30 per cent of budgeted funds.

This financial burden becomes all the more overwhelming due to the fact that the elderly and handicapped are less affluent than average citizens, and thus, the human costs and limitations imposed on this group by limited mobility, make public mass transit essential for their well being.

According to a recent edition of Trends for the Handicapped, we now have approximately 67.9 million handicapped citizens. This population includes: 1.2 million blind, or visually impaired persons; 7.6 million persons with heart conditions; 6.2 million persons using orthopedic aids and wheelchairs (including crutches and braces); 1.8 million deaf persons; 18.3 million hard of hearing persons; 14.5 million persons with respiratory ailments; 18.3 million persons with arthritis.

Furthermore, according to 1970 census figures, 85% of this group has an income of less than $7,000, and of these, 52% have an income of less than $2,000. For these citizens, the limitations on mobility coupled with their inability to find accessible transportation and attendant care, vastly constrains their ability to pursue active lives and find gainful employment.

And yet the costs of planning accessible mass transportation, if pursued on a rational basis, are not out of reach. Accessibility of stations, new terminals, and bus stops will add only minimally to transit costs since all that is required is to integrate the necessary special features in the primary design of the facilities. The largest of these costs are in the installation of elevators or other modes of moving from level to level in multi-floor facilities. The cost of accessible rapid rail cars, may well be diminuous, since all that is required is the rearranging of the interior of one car to provide accessible bathroom facilities and to widen the doors and aisles.

The major expense comes in the design of buses. While their actual costs are difficult to estimate, the Department of Transportation has indicated that once in mass production an accessible bus would be expected to add from $2,000 to $5,000 to the overall price. This additional cost, assuming that roughly one tenth of the 50,000 buses presently in existence is replaced each year, would be roughly $25 million per year.

But one fact is clear, initial steps must be immediately taken to provide accessible mass transit for the elderly and handicapped. In the case of major existing mass transit systems, a revamping of all existing facilities and vehicles would mean a huge financial undertaking; and in cities like New York this would doubtlessly be impossible. Yet, it is important even in these areas to begin to take the initial steps toward a fully accessible system. One which in the future, will provide public transportation to elderly and handicapped consumers.

Specifically, our legislation will require that all assistance under the Urban Mass Transit Assistance Act provide for the effective utilization of mass transportation for elderly and handicapped individuals. It will require the Secretary to assure that all projects funded under the Act are planned, designed, constructed and operated to allow effective utilization of mass transportation for the handicapped. In addition the Secretary shall not approve any program or project unless he finds that such requirements have been complied with.

Our bill provides that effective immediately, all vehicles, buildings, stations, and other structures for new rapid rail systems, other grade separated fixed guideway systems, and other vehicles integrated with such systems, and extensions of existing systems which form usable segments, and other station facilities used by the public be accessible to the elderly and handicapped. It also requires the Secretary to issue accessibility standards for transit vehicles designed for at-grade operations, provided, however, that he may incorporate reasonable exceptions from the requirement of full accessibility of these vehicles as may be necessitated by the nature of the vehicle or its proposed use and commercial availability of reliable equipment if he determines, based on substantial evidence and a detailed timetable, that the effective utilization of mass transportation by elderly and handicapped persons is otherwise assured. The proposal also requires the immediate establishment of a local advisory committee (at least half

of whose members must be handicapped persons) for the geographical area for which a capital or operating assistance grant is made. Such committee shall be involved in drawing up a detailed timetable for compliance with these amendments, and such timetable must be submitted within 90 days from the time any grant is made, and the service proposed for elderly and handicapped persons must be included as part of the public hearing required for capital assistance under the Act. In addition all technical study grants made under section 9 of the Act shall include work elements necessary to produce a comprehensive plan for meeting the mass transportation needs of elderly and handicapped persons by July 1, 1977.

The Secretary is also required to establish a National Advisory Council on the Accessibility of Mass Transportation, at least half of whose members must be handicapped persons, and the Secretray is required to submit to the Congress on or before July 1, 1977, a comprehensive report on mass transportation needs of elderly and handicapped persons including such additional measures which must be undertaken to assure effective utilization by such persons.

Our bill also increases from 1½ to 2 percent the amount available under section 4(c) of the Act which may be utilized to assist States and local public bodies and non-profit corporations and associations in providing accessible mass transportation for the handicapped. Finally, the definition of "handicapped person" is amended to specifically include any individual who is non-ambulatory, wheelchair bound, or who has semiambulatory capabilities.

This legislation sets up a process which takes into consideration the problems of existing mass transit systems, and at the same time, assures that all new planning and design of systems meet the needs of elderly and handicapped persons.

OPERATING ASSISTANCE FOR NON-URBANIZED AREAS

Our bill would also authorize a program of operating assistance for rural and small urban areas. When the Congress enacted PL 93-503 it authorized up to $500 million of Section 3 capital grant funds for rural and small urban areas (under 50,000 in population). The authority was restricted solely to capital grant funds. Since the passage of the bill, the Congress has received expressions of interest to extend this new rural and small urban program to include assistance for operating costs. Public transportation in rural areas is also non-existent. New programs will be started only if service is made available. This will almost certainly require immediate operating assistance.

Therefore, we are proposing that this new program be administered at the outset as a discretionary program. This is in contrast to the urban program which is administered by way of a formula grant program. After our initial experience with the discretionary program, we may well be able to devise an equitable and effective formula grant program.

As I mentioned, the 1974 National Transportation Assistance Act authorized up to $500 million for rural and small urban areas for capital purposes. This Act would not require any new money. It would merely expand the uses of existing authorizations.

GRANTS FOR MANAGERIAL TRAINING PROGRAMS

Under the present provisions of Section 10 of the Urban Mass Transportation Assistance Act of 1964, the Secretary of Transportation is authorized to make grants to provide fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation field.

This training program has ben hampered in the past by certain restrictive provisions. Specifically, these restrictions are:

1. The number of fellowship grants UMTA can make in a year;

2. A 12½ state limitation on the number of fellowships awarded to any one state.

3. The exclusion of employees of private transit operators from receiving fellowships under this program.

Our amendment would simply remove these restrictions so that the benefits of the training program can be better distributed among our existing transit systems as well as new systems under development. The payoff of this investment in human resources will be felt immediately in improved transit operational efficiencies.

FUNDING REPORT AND UPDATE

The 1970 UMTA Act created the present capital grant program. It provided $3.1 billion in contract authority to finance capital costs of mass transit projects for a five-year period-fiscal 1971–1975. An important concept of this program was that $3.1 billion was only an estimate of the needs of the program for five years, and that funding levels would be reviewed by both the Congress and the Administration on a two-year basis. Since passage of this legislation, two reporting periods have come and passed, February 1972 and February 1974. Both times the Administration did not submit requests for further funding. Instead they submitted legislation to cause major revisions in the UMTA program.

However, during this period the Congress on its own initiative added an additional $3 billion in 1973 and $4.825 billion in 1974. During calendar 1976, we expect to consider needs for additional authority.

Since this reporting requirement has not been effective, the Congress eliminated it in the Discontinuation and Modification of Reports Act late last session. And Section 6 of this bill provides a new reporting and update requirement, that in my opinion should and will be effective.

During the debate on PL 93-503, Senator Weicker raised the question of adequacy of funding. In my response, I assured him, as I assure the Senate, that I intend to review our mass transit program every two years and that we will seek additional authorization to meet developing needs.

In this regard, I want to commend the President on his budget statement on mass transit. In it he declares that he intends to use alternative analysis of major capital projects to determine major new mass transit projects that will qualify for multi-year obligation. This was what was envisioned in the 1970 Act. The new reporting and update provision will further enhance the Administration's ability to make these multi-year obligations that are so necessary a part of major new transit capital projects.

This section would also eliminate the liquidation schedule in Section 4 of the UMTA Act. As I mentioned earlier, the 1970 UMTA Act authorized $3.1 billion of contract authority. These funds were made available immediately for obligation. A schedule of liquidation of funds was provided, however, as a technique of program control. In practice, UMTA has learned there is a wide and unpredictable range between the time when the obligation is made and when the obligation is liquidated into cash. This is not an uncommon characteristic of major construction projects.

As a result OMB, DOT and the Congressional Appropriations Committees have developed the concept of Administrative Reservations as the means of annual program control. The President's Budget presents an amount the Administration declares it intends to reserve in obligations during the fiscal year. The Congress acts on this proposed level and is free to accept, raise or lower the amount. This seems to be a satisfactory method.

As a result of this, the liquidation schedule has become obsolete as a control mechanism and its elimination is called for.

In addition, this legislation provides for an expanded definition of transit "construction" to include "engineering" and for a loan forgiveness program which is especially relevant to the State of Rhode Island. In regard to the loan forgiveness program, the efforts of the Senators for Rhode Island, Mr. Pastore and Mr. Pell, have been especially helpful in the drafting of the legislation.

In my opinion this legislation is urgently needed in order to fully implement the provisions of PL 93-503. It is legislation which should and must be enacted into law.

S. 662

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

OPERATING SUBSIDIES IN AREAS OTHER THAN URBANIZED AREAS

SECTION 1. The last sentence of section 4 (c) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof a comma and the following: "and of such $500,000,000, not to exceed $250,000,000 may be used in such areas for the payment of subsidies for operating expenses on the same terms and conditions and subject to the same limitations as are contained in section 5(d)(2), the last three sentences of section 5(e), and subsections (f) through (n) of section 5."

FELLOWSHIP ASSISTANCE

SEC. 2. Section 10 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"GRANTS FOR TRAINING PROGRAMS

"SEC. 10. The Secretary is authorized to make grants to States, local public bodies, and agencies thereof and private mass transportation operators to provide fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation fields. Fellowships shall be for not more than one year of training in public or private training institutions offering programs having application in the urban mass transportation industry. The recipient of a fellowship under this section shall be selected on the basis of demonstrated ability and for the contribution which he can reasonably be expected to make to an efficient mass transportation operation. The assistance under this section toward each fellowship shall not exceed the lesser of $12,000, or 75 per centum of the sum of (1) tuition and other charges to the fellowship recipient, (2) any additional costs incurred by the educational institution in connection with the fellowship and billed to the grant recipient, and (3) the regular salary of the fellowship recipient for the period of the fellowship (to the extent that salary is actually paid or reimbursed by the grant recipient)."

EXPANDED DEFINITION OF CONSTRUCTION TO INCLUDE ENGINEERING

SEC. 3. Section 12(c) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" at the end of clause (4);

(2) by striking out the period at the end of clause (5) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(6) the term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or acquisition of facilities and equipment for use in public mass transportation, including designing, engineering, location surveying, mapping, acquisition of right-of-way, relocation assistance, acquisition of replacement housing sites, acquisition and rehabilitation, relocation, and construction of placement housing."

MASS TRANSPORTATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

SEC. 4. Section 16 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"MASS TRANSPOATATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

"SEC. 16. (a) It is hereby declared to be the national policy that—

"(1) elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services;

"(2) special efforts shall be made in the planning, design, construction, and operation of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and

"(3) all Federal programs offering assistance for mass transportation (including the programs under this Act) should effectively implement this policy.

"(b) The Secretary shall require that projects receiving Federal financial assistance under this Act shall be planned, designed, constructed, and operated to allow effective utilization of mass transportation services by elderly and handicapped persons who are unable without special facilities or special planning or design to utilize such facilities and services effectively. The Secretary shall not approve any program or project under this Act unless he finds that the program or project complies with the requirements mandated by this section. The Secretary shall, as part of carrying out this section, require the following:

"(1) Effective immediately, any vehicle, building, station or other structure for any new rapid rail system or other grade-separated fixed guideway system, and any other vehicle integrated with such a system, and any extension of an existing system that forms a usable segment, and any other station facility for use by the general public shall be accessible to elderly and handicapped persons. The Secretary shall issue accessibility standards for transit vehicles designed for at-grade operations, which may incorporate such reasonable exceptions from the requirements for grade-separated systems as the Secretary may deem required by the nature of the vehicle or its proposed use and the commercial availability of reliable equipment to facilitate accessibility except that such exceptions shall only apply where the Secretary determines, based on substantial evidence and in accordance with a detailed timetable submitted pursuant to the second sentence of paragraph (2), that the provisions of this subsection are otherwise being carried out.

"(2) Effective immediately, a local advisory committee (at least half of the members of which shall be elderly and handicapped persons) shall be established for each geographical area in which assistance under section 3 or 5 is being furnished. The committee shall be utilized in drawing up a detailed time table for compliance with this subsection and in carrying out provisions of this subsection. A project agreement for assistance under either such section shall specify the time, not to exceed 90 days from the grant of assistance, for implementation of the timetable.

"(3) Effective immediately, the sevice proposed to be provided for elderly and handicapped persons shall be presented at the public hearing required as part of the application process for assistance under section 3 of this Act.

"(4) Effective immediately, all technical study grants made under section 9 of this Act in support of local transportation planning (including those grants made for the fiscal year 1975–1976 planning program) shall include work elements necessary to produce, in consultation with the local advisory committee required by paragraph (2), by July 1, 1977, a comprehensive local plan for meeting the mass transportation needs of elderly and handicapped persons within the geographical area included in the study.

"(c) The Secretary shall establish a National Advisory Council on Accessibility of Mass Transportation at least 50 percent of the members of which shall be elderly and handicapped persons. The Advisory Council shall advise and consult with the Secretary on all matters relating to mass transportation for elderly and handicapped persons.

"(d) On or before July 1, 1977, the Secretary shall prepare and submit to the Congress a comprehensive report on the mass transportation needs of elderly and handicapped persons, including information generated under technical study grants subject to the requirements of paragraph (b)(4) of this section; research, development, and demonstration activities undertaken in furtherance of the national goal set forth in subsection (a); and the progress made in assuring the effective utilization by elderly and handicapped persons of mass transportation services and facilities assisted under this Act, and shall recommend additional measures to assure such effective utilization.

"(e) In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants and loans—

"(1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to such terms, conditions, requirements, and provisions as are applicable to grants and loans made under section 3(a), and for the purposes of all other laws, any grant or loan under this subsection shall be deemed to have been made under such section; and

"(2) to private nonprofit corporations and associations for the purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)), as the Secretary may determine to be necessary or appropriate for purposes of this paragraph. Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 4(c), 2 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs).

"(f) Of any amounts made available to finance research, development, and demonstration projects under section 6 after the date of the enactment of this section 1½ per centum may be set aside and used exclusively to increase the information and technology which is available to provide improved transportation facilities and services planned and designed to meet the special needs of elderly and handicapped persons.

"(g) For the purposes of this Act, the term 'elderly and handicapped persons' means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, including any individual who is non-ambulatory wheelchair bound or who has semiambulatory capabilities, is unable without special facilities or special planning or design to utilize such facilities and services effectively."

LOAN FORGIVENESS

SEC. 5. (a) The Secretary of Transportation may convert equipment and facilities loans heretofore made under section 3(a) of the Urban Mass Transportation Act of 1964 or title II of the Housing Amendments of 1955 (42 U.S.C. 1492), to grants under the conditions set forth below. A grant agreement for the acquisition, construction, reconstruction, or improvement of facilities and equipment under section 3(a) may provide for forgiveness of principal and interest on a loan previously made in lieu of a cash grant in the amount forgiven. Such grant shall be subject to such terms and conditions as the Secretary may deem necessary and appropriate, taking into account the degree of completion of the project financed with the loan.

(b) In lieu of the local matching share otherwise required, the grant agreement may provide that State or local funds shall be committed to mass transportation projects in the urbanized area, on a schedule acceptable to the Secretary, in an amount equal to the local share that would have been required had the amount of principal and interest forgiven been the Federal share of a capital grant made when the original loan was made. The State or local funds contributed under the terms of the preceding sentence shall be made available for projects eligible for funding under section 3(a), and may not be used to satisfy the local matching requirements for any other grant project.

NEW REPORTING REQUIREMENT AND ELIMINATION OF LIQUIDATION SCHEDULE

SEC. 6. Section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking the third sentence and adding the following:

To assure for orderly planning and program development under Section 3, the Secretary shall report to Congress on or before February 1, 1976. A detailed estimate of the cost of grants to be made under Section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1977 and ending with fiscal year 1981. On or before February 1, 1978, the Secretary shall report to Congress a detailed estimate of the cost of grants to be made under Section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1979 and ending with fiscal year 1983.

SENATOR RANDOLPH COSPONSORS LEGISLATION TO PROVIDE FOR MASS TRANSPORTATION ASSISTANCE TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

Mr. RANDOLPH. Mr. President, it is a privilege to join the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Vermont (Mr. STAFFORD) in introducing legislation designed to provide for mass transportation assistance to meet the needs of elderly and handicapped persons. It is my belief that this bill is another step forward in providing equal rights for these citizens in this critical area.

As chairman of the Subcommittee on the Handicapped and the Senate Committee on Public Works, I have become aware of the importance of transportation to everyone in this Nation. Immobility breeds isolation; mobility is the means of satisfying basic needs and of finding and obtaining basic necessities. In our society, when there is no transportation, we cannot get to and from work, the market for our food, or the

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doctor for treatment. In addition, there is an inability to participate in spiritual, cultural, recreational, and social activities. In effect, we are denied participation in our community and culture; we are denied access to necessary services; and in most instances we are even denied the opportunity to work.

During the 93d Congress, the Subcommittee on the Handicapped considered legislation which would: guarantee the right of every handicapped child to an appropriate public education and help provide quality educational services; extend and amend the provisions of the Randolph-Sheppard Vending Stand Act for the Blind to improve employment opportunities for blind venders; improve and strengthen the vocational rehabilitation program and stress that severely handicapped persons be served under the program; establish an Architectural and Transportation Barriers Compliance Board; create an affirmative action program to insure that handicapped citizens are not discriminated against in employment; and establish the right of this population to participate in any and all programs receiving Federal financial assistance. I am proud that this legislation is now public law.

Yet it would be an exercise in futility for us to enact these programs if the people for whom they were intended could not get to them because of inaccessible transportation. Indeed, many Federal programs for handicapped and elderly individuals have had to include a transportation component because accessible mass transit systems simply do not exist in most areas of the country. This has led to a proliferation of small, isolated transportation programs, each with different guidelines and differing eligibility and operating restrictions. They are administered by various Federal agencies, primarily the Department of Health, Education, and Welfare; the Department of Housing and Urban Development; and the Office of Economic Opportunity. This is clearly an inefficient and unsatisfactory way of meeting the transportation needs of those who are mobility impaired.

However, there has been no concentrated, coordinated Federal effort to develop any definitive policy to meet these special needs until very recently. The Architectural Barriers Act of 1968, section 16 of the Urban Mass Transportation Amendments of 1970, and Public Law 91-205—which extended the provisions of the Architectural Barriers Act to the Washington, D.C. subway system—were the only measures which addressed the problem of accessibility of mass transit until the 93d Congress Then, in the past 2 years, the Committee on Public Works amended the Federal Aid Highway Act so that projects receiving assistance under that act could effectively be utilized by handicapped and elderly persons and, in an amendment which I was pleased to sponsor, specifically inciuded those in wheelchairs in the definition of handicapped persons. There is also an amendment to the "Department of Transportation and Related Agencies Appropriation Act, 1975" which states that none of the funds provided under that act can be available for the purchase of motor buses or passenger rail or subway cars unless the cars, buses and facilities are designed to meet the mass transportation needs of the elderly and the handicapped.

Another provision our subcommittee developed was the establishment of an Architectural and Transportation Barriers Compliance Board, contained in the Rehabilitation Act of 1973. This Board is composed of designees—executive level IV or higher—from the Departments of Health, Education, and Welfare; Transportation; Housing and Urban Development; Labor; Interior; Defense; the General Services Administration; the U.S. Postal Service; and the Veterans' Administration. Its duties are to: First, insure compliance with the standards issued pursuant to the Architectural Barriers Act of 1968; second, investigate and examine alternative approaches to the architectural, transportation, and attitudinal barriers confronting handicapped individuals; third, determine what measures are being taken by Federal, State, and local governments and by other public or nonprofit agencies to eliminate such barriers; fourth, promote the use of the International Accessibility Symbol; fifth, make reports to the President and to the Congress describing the results of its investigations, and sixth, make recommendations to the President and Congress concerning legislation and administration. In addition, the Board is charged with determining how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and to consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized. Finally, the Board is to determine what measures are being taken to eliminate barriers from public transportation systems—including vehicles used in such systems—and to prevent their incorporation in new or expanded transportation systems.

This past Friday it was my privilege to introduce Senate Concurrent Resolution 11, declaring the sense of Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their comunities. It is my belief that this resolution is complementary to the requirement in section 504 of the Rehabilitation Act of 1973 which states that:

No otherwise qualified handicapped individuals in the United States . . . shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

The legislation which Senator WILLIAMS is introducing today is another logical step in eliminating barriers. This bill amends section 16 of the Urban Mass Transportation Act of 1964, as amended, by bringing the definition of "handicapped person" into line with the newly amended definition in the Federal Aid Highway Act and mandates specific requirements in meeting the mass transportation needs of elderly and handicapped persons. These requirements must be met if the Secretary is to approve the program or project. Any exceptions must be based on substantial evidence that the requirements cannot be met, and there is a detailed timetable showing that the other requirements are being carried out. The measure established both local advisory committees and a National Advisory Council on Accessibility of Mass Transportation, all of which must be composed of at least 50 percent handicapped persons. Finally, the Secretary of Transportation is to prepare and submit to the Congress a comprehensive report on the mass transportation needs of handicapped and elderly persons.

Mr. President, as I said the other day, voluntary groups and individuals at the local, State and national levels have recognized the need to provide a barrier-free environment in which handicapped and nonhandicapped alike have freedom of movement and access. Working in isolation, these programs have met with varying degrees of success as local resources and capabilities differ. A national goal and national program can offer the shared resources, expert consultation, and areawide coordination that is necessary to reinforce and strengthen local efforts. Again, I urge adoption of my resolution which will establish that the Congress endorse a national policy to eliminate such barriers and urge support of the legislation being introduced today by Senator WILLIAMS.

Finally, Mr. President, I wish to commend both Senator WILLIAMS and Senator STAFFORD for their excellent work in the area of transportation for elderly and handicapped individuals. Senator WILLIAMS is the very able chairman of the Committee on Labor and Public Welfare and is a valuable member of the Subcommittee on the Handicapped. Senator STAFFORD is the ranking minority member of the Subcommittee on the Handicapped and is a member of the Public Works Committee. He has made significant contributions to our endeavors on behalf of handicapped Americans. It is my hope that our colleagues will join with us as we continue our efforts to make accessible transportation a reality for all citizens.

By Mr. SPARKMAN (by request):

S. 663. A bill to provide additional military assistance authorizations for Cambodia for the fiscal year 1975, and for other purposes. Referred to the Committee on Foreign Relations.

ADDITIONAL MILITARY ASSISTANCE AUTHORIZATIONS FOR CAMBODIA FOR FISCAL YEAR 1975

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to provide additional military assistance authorizations for Cambodia for the fiscal year 1975, and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated January 29, 1975.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 663

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 504(a) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following sentence: "In addition, there is authorized to be appropriated to the President not to exceed $222,000,000 for additional military assistance for Cambodia for the fiscal year 1975."

SEC. 2. Section 655 of the Foreign Assistance Act of 1961 is amended by repealing subsection (a) and subsection (b) thereof.

SEC. 3. The value of orders of defense articles and services ordered under Section 506 of the Foreign Assistance Act of 1961 for military assistance for Cambodia shall not exceed $75,000,000 in the fiscal year 1975.

DEPARTMENT OF STATE,
Washington, D.C., January 29, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith a draft bill to provide additional military assistance to Cambodia, together with a section-by-section analysis.

This legislation is designed to carry out the recommendations of the President in his message to the Congress yesterday requesting additional Indo-China Assistance.

Respectfully,

LINWOOD HOLTON,
Assistant Secretary for Congressional Relations.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED BILL TO PROVIDE ADDITIONAL MILITARY ASSISTANCE AUTHORIZATIONS FOR CAMBODIA

The proposed bill would amend the Foreign Assistance Act of 1961, as amended, to provide certain additional authorizations for military assistance to Cambodia in fiscal year 1975.

The first section of the bill would amend Section 504(a) of the Foreign Assistance Act of 1961 to add a new sentence authorizing the appropriation of not to exceed $222,000,000 for the purpose of providing additional military assistance to Cambodia. This would be in addition to the current $600,000,000 worldwide military assistance authorization enacted by the Foreign Assistance Act of 1974, $200,000,000 of which has already been obligated for Cambodia.

Section 2. This section would amend the Foreign Assistance Act of 1961 by repealing Section 655(a), which establishes an overall ceiling of $377,000,000 on economic and military assistance of any kind to, for, or on behalf of Cambodia, no more than $200,000,000 of which may be available for military assistance, and which establishes a $75,000,000 ceiling on the exercise of the President's "draw-down" authority under Section 506 of the Act for Cambodia, and Section 655 (b), which establishes rules for the computation of the $377,000,000 ceiling. The repeal of subsections (a) and (b) of Section 655, however, shall not be deemed to affect any unrepealed provisions of law which refer to them. Moreover, the remaining subsections of Section 655, in particular the reporting requirements of subsections (e) and (f), would be left intact. Removal of Section 655(a) would not change the allocation of $100,000,000 for economic assistance contained in Section 36 (a) (2) of the Foreign Assistance Act of 1974 but it would permit increased P.L. 480 food assistance to meet Cambodian needs.

Section 3. This section establishes a limitation of $75,000,000 on the exercise of the President's "draw-down" authority under Section 506 of the Foreign Assistance Act of 1961 for military assistance for Cambodia in fiscal year 1975. A similar limitation is contained in Section 655(a) of the Act; inasmuch as Section 2 of the proposed bill would repeal that section, it is necessary to reenact that limitation through the inclusion of a separate provision to that effect in the proposed bill.

By Mr. MCGOVERN:

S. 664. A bill to prohibit U.S. military advisers in Indochina. Referred to the Committee on Armed Services.

(The remarks of Mr. MCGOVERN in connection with the introduction of the above bill are printed earlier in the RECORD.)

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 15

At the request of Mr. DOLE, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 15, a bill to amend the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare inflationary impact statements in connection with legislation reported by Senate and House Committees.

S. 18

At the request of Mr. DOLE, the Senator from Tennessee (Mr. BROCK), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from New York (Mr. BUCKLEY) were added as cosponsors of S. 18, a bill to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes.

S. 211

At the request of Mr. MCGEE, the Senator from Utah (Mr. Moss), the Senator from Idaho (Mr. CHURCH), and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 211, to amend the Internal Revenue Code of 1954 with respect to .22 caliber ammunition recordkeeping requirements.

S. 284

At the request of Mr. HUMPHREY, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of the bill (S. 284) to provide price support for milk at 90 percent of parity and for other purposes.

S. 331

Mr. HASKELL. Mr. President, my distinguished colleague from Nebraska, Mr. HRUSKA, has introduced S. 331, a bill to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday. I ask unanimous consent that I be added as a cosponsor of S. 331. I am pleased to be able to indicate my full support for this legislation.

The PRESIDENT OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Many Colorado veterans have written to me and ask that I do all I can to restore Veterans Day to its original date. This piece of legislation is very important to them and their respective organizations, including the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Non-Commissioned Officers Association, and the American Veterans of World War II, Korea, and Vietnam.

One day each year is set aside to honor Americans who have died in service to our Nation. Because of the nearly unanimous commitment of these surviving veterans organizations to the traditional date for that observance I feel we must act to reinstitute that date. I appreciate so many people contacting me concerning this matter and am pleased to be able to give them my full support.

S. 513

At the request of Mr. HUMPHREY, the Senator from Wisconsin (Mr. NELSON) was added as a cosponsor of the bill (S. 513) to provide for adjustments in established price and loan levels for certain agricultural commodities, to improve stabilization of farm prices and incomes and to provide for improved management of certain agricultural commodities during times of shortage and for other purposes.

S. 632

At the request of Mr. BENTSEN, the Senator from Iowa (Mr. CLARK), the Senator from Utah (Mr. Moss), the Senator from Minnesota (Mr. MONDALE), the Senator from Delaware (Mr. ROTH), the Senator from South Carolina (Mr. HOLLINGS), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Alaska (Mr. GRAVEL), the Senator from Idaho (Mr. CHURCH), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of the bill (S. 632) to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements.

SENATE JOINT RESOLUTION 25

At the request of Mr. JACKSON, the Senator from Pennsylvania (Mr. HUGH SCOTT), was added as a cosponsor of the joint resolution (S.J. Res. 25) to authorize and request the President to issue a proclamation designating the calendar week beginning May 12, 1975, as "National Historic Preservation Week."

SENATE CONCURRENT RESOLUTION 5

At the request of Mr. DOLE, the Senator from Alabama (Mr. ALLEN) was added as a cosponsor of Senate Concurrent Resolution 5, to urge the President to establish a Council on the Missing in Action.

SENATE RESOLUTION 32

At the request of Mr. Moss, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Utah (Mr. GARN) were added as cosponsors of Senate Resolution 32, to disapprove deferral of certain budget authorizations.

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SENATE RESOLUTION 48

At the request of Mr. SPARKMAN, the Senator from Florida (Mr. STONE) was added as a cosponsor of the resolution (S. Res. 48) urging continuing reports in behalf of Americans missing in action in Southeast Asia.

SENATE CONCURRENT RESOLUTIONS 13, 14, AND 15—SUBMISSION OF CONCURRENT RESOLUTIONS EXPRESSING THE APPROVAL OF CONGRESS ON DISTRIBUTION AND USES OF ATOMIC MATERIAL

(Referred to the Joint Committee on Atomic Energy.)

Mr. PASTORE submitted the following concurrent resolutions:

S. CON. RES. 13

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the International Atomic Energy Agency pursuant to the provisions of Section 544, of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975 letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

S. CON. RES. 14

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the European Atomic Energy Community pursuant to the provisions of Section 54a of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975 letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

S. CON. RES. 15

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" submitted in the January 14, 1975 letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

SENATE CONCURRENT RESOLUTION 16—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING PRINTING OF ADDITIONAL COPIES OF "INCOME SECURITY FOR AMERICANS: RECOMMENDATIONS OF THE PUBLIC WELFARE STUDY"

(Referred to the Committee on Rules and Administration.)

Mr. HUMPHREY submitted the following concurrent resolution:

S. CON. RES. 16

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee three thousand additional copies of its joint committee print of the 93d Congress, 2d session, entitled "Income Security for Americans: Recommendations of the Public Welfare Study".

SENATE CONCURRENT RESOLUTION 17—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF "FEDERAL SUBSIDY PROGRAMS"

(Referred to the Committee on Rules and Administration.)

Mr. HUMPHREY submitted the following concurrent resolution:

S. CON. RES. 17

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee three thousand additional copies of its joint committee print of the 93d Congress, 2d Session, entitled "Federal Subsidy Programs".

SENATE RESOLUTIONS 73 THROUGH 80—SUBMISSION OF SENATE RESOLUTIONS DISAPPROVING THE DEFERRAL OF CERTAIN BUDGET AUTHORITY

(Referred to the Committee on the Budget and the Committee on Appropriations.)

Mr. PASTORE submitted the following resolutions:

S. RES. 73

Resolved, That the Senate expresses its disapproval of proposed deferral D75–121, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 74

Resolved, That the Senate expresses its disapproval of proposed deferral D75–119, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 75

Resolved, That the Senate expresses its disapproval of proposed deferral D75–117, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 76

Resolved, That the Senate expresses its disapproval of proposed deferral D75–116, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 77

Resolved, That the Senate expresses its disapproval of proposed deferral D75–114, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 78

Resolved, That the Senate expresses its disapproval of proposed deferral D75–113, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 79

Resolved, That the Senate expresses its disapproval of proposed deferral D75–112, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 80

Resolved, That the Senate expresses its disapproval of proposed deferral D75–111, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

FISCAL YEAR 1975 ENERGY DEFERRALS

Mr. PASTORE. Mr. President, last December I submitted resolutions which would have expressed the disapproval of the Congress of eight budget deferrals in the Atomic Energy Commission's energy programs. The Senate was unable to act on those resolutions because of the short time then remaining in the session.

These programs have now been transferred to the New Energy Research and Development Administration. The considerations which led the Joint Committee on Atomic Energy to recommend that these deferrals be overridden are even more valid today, as ERDA takes its first steps toward its goal of the development of new energy sources, and as Congress and the administration settle down to the difficult task of resolving this country's serious energy problems, both present and future. Accordingly, I am today submitting those resolutions for the consideration of the 94th Congress.

The proposed deferrals would delay development efforts for the liquid metal fast breeder reactor, gas cooled reactors, controlled thermonuclear research, and laser fusion, as well as fundamental physical research efforts essential to ERDA's nuclear and nonnuclear programs, and would delay improvements which will significantly increase the Nation's uranium enrichment capacity. The committee believes that the delays will cost the Nation far more in the long run than they would save, both from an economic standpoint and in terms of energy independence.

I hope that prompt action can be taken to reverse this unfortunate decision to curtail critical energy efforts for a questionable budgetary exercise. ERDA must be allowed and encouraged to pursue these essential technology efforts with all the resources that are needed.

AMENDMENTS SUBMITTED FOR PRINTING

NATIONAL RESOURCE LANDS MANAGEMENT ACT—S. 507

AMENDMENT NO. 5

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. HASKELL. Mr. President, on January 30, 1975, I introduced for myself, the chairman of the Senate Interior Committee and the chairman of its Subcommittee on Minerals, Materials, and Fuels, S. 507, the National Resource Lands Management Act. Inadvertently omitted from page 53 of the 55 page act was an entire subsection. In order to restore that subsection, I am today introducing, for myself and the two cosponsors of S. 507, an amendment to that bill. I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 5

"(d) Section 1 of the Act of March 3, 1877 (19 Stat. 377, ch. 107, as amended by section 2 of the Act of March 3, 1891 (26 Stat. 1096, ch. 561, 43 U.S.C. 321), is repealed except the following language:

'All surplus water over and above such actual appropriation and use, together with the water of all lakes, rivers, and other sources of water supply upon the public lands and not navigable, shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes subject to existing rights.'"

PROHIBITION OF THE IMPOSITION OF TARIFFS ON OIL—S.J. RES. 12

AMENDMENTS NOS. 8, 7, AND 8

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted three amendments intended to be proposed by him to the joint resolution (S.J. Res. 12) to prohibit for a period of 60 days the imposition of tariffs, fees, and quotas on oil imports and the lifting of all price controls on domestic oil, and to require the submission to and the right of approval of the Congress of any such action within 30 days.

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST PETROLEUM IMPORTS—H.R. 1767

AMENDMENT NO. 9

(Ordered to be printed and referred to the Committee on Finance.)

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

NOTICE OF HEARINGS ON THE 25TH AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Indiana (Mr. BAYH), I announce that the Subcommittee on Constitutional Amendments is scheduling hearings on the 25th amendment for February 25 and 26. These hearings will begin a comprehensive review of the implementation of the 25th amendment during the Vice Presidential confirmations of Gerald R. Ford and Nelson A. Rockefeller. In addition, the subcommittee will hear testimony on suggested modifications of the amendment including a proposal introduced by the Senator from Rhode Island (Mr. PASTORE), Senate Joint Resolution 26.

On February 25 the hearing will be held in room 318, Russell Senate Office Building, beginning at 10 a.m. and on February 26 we will meet in room 6202, Dirksen Senate Office Building at 10 a.m.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE ENVIRONMENT AND LAND RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HASKELL. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Environment and Land Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for Friday, March 7, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited on S. 507, a bill to provide for the management, protection, and development of the national resource lands, and for other purposes. As you know, Mr. President, this is the National Resource Lands Management Act which the Senate passed during the second session of the 93d Congress.

For further information regarding the hearings you may wish to contact Mr. Steven Quarles of the subcommittee staff on 224–9894. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Environment and Land Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE ENVIRONMENT AND LAND RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HASKELL. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Environment and Land Resource Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for Wednesday, February 26, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding two bills which are presently before the subcommittee. The measures are: S. 267, a bill to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado; and S. 268, a bill to designate the Eagles Nest Wilderness, Arapaho, and White River National Forests, in the State of Colorado.

Since the subcommittee will conduct a field hearing on these measures in the near future to solicit testimony from public witnesses, the purpose of the hearing on the 26th is to receive oral testimony from agency witnesses only. Of course, anyone wishing to submit a written statement for the record is certainly encouraged to do so.

For further information regarding the hearings, you may wish to contact Mr. Steven Quarles or Mr. Tom Williams of the subcommittee staff at 224–9894. Those wishing to submit a written statement for the hearing record should write to the Environment and Land Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

CONTROLLED ENVIRONMENTAL AGRICULTURE

Mr. HUMPHREY. Mr. President, too frequently we are overwhelmed by the immediate magnitude of problems we face. The world's food problem is a good example. There are many obstacles to be overcome in order to provide more and better quality food for millions of hungry and malnourished people, both in the United States and overseas.

Most of these obstacles involve nature—either unlocking nature's secrets or controlling nature's forces. Man's will to overcome these obstacles is the key. This requires that the leaders of the world make a commitment to unravel nature's enigmas. The development and proper extension of technology underlies all breakthroughs that must occur.

One area of technology that is worth increased attention is "Controlled Environmental Agriculture." To date, this technological innovation has been limited to increasing the availability of fresh vegetables.

However, the potential extension of controlled environmental agricultural techniques to certain aspects of grain and legume crop production needs to be explored. It could be another step toward man's goal of assuring future generations that they will not go to bed hungry. Increased research emphasis is necessary to utilize this technology on behalf of the hungry and malnourished.

A recent article, "Desert Food Factories," by Carl N. Hodges and included in the January 1975 issue of Technology Review, describes a specific type of controlled environmental agriculture—CEA—technology applicable to desert areas of the world.

Work has already been done utilizing this approach in Abu Dhabi and areas of the Southwest United States.

Other CEA technologies exist: For example, a pulse light system designed by Don Widmayer of Control Environment Systems, Inc. This system seems to have merit in energy-rich countries such as Iceland with available geothermal energy resources.

Mr. President, I ask unanimous consent that this informative article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

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DESERT FOOD FACTORIES

(By Carl N. Hodges)

If the world's growing hunger is to be satisfied, means obviously must be found for increasing productivity from the finite land that is available for farming. The so-called "Green Revolution" in grains, which is not without its inherent limitations, at best offers a partial solution. Many other innovations will be prerequisite to feeding the explosive population. One promising response to this challenge may be seen in an improbable place: tiny Abu Dhabi, a sandy Arab Shaikdom best known for petroleum. Several times in the past two years, cucumbers, tomatoes, eggplant, and peppers were airfreighted into Lebanon from Abu Dhabi. Because none of these trial consignments—which were of exceptional quality—exceeded a ton in weight, the transactions caused no noticeable excitement among international traders. To agriculturists, on the other hand, they were worth at least a footnote for two reasons: the food was extracted from one of the least arable locations on earth, and Abu Dhabi always had imported vegetables, many of them ironically brought from Lebanon.

What enabled this cornucopian transformation was an artificial oasis that scientists and engineers from the University of Arizona have superimposed on a parched islet off the Arabian mainland. There, desalted seawater, distilled with waste heat captured from generators, is used to irrigate vegetables inside plastic-skinned greenhouses in which the microclimate can be regulated. All of this may seem reminiscent of *Dune*, a 1967 Frank Herbert novel that ecology buffs have evangelized as almost a new *Book of Revelations*. In *Dune* the locale is a waterless planet bereft of any verdure save that in an indoor garden. In Abu Dhabi the nonfictional indoor gardens promote fertility where dust storms, heat, and aridity preclude ordinary agriculture, and the low, sparse shrubs barely sustain a few browsing camels.

This concept began to evolve half a world away, in Tucson, at what now is the University's Environmental Research Laboratory. Our sole interest, initially, was in a theory for the low-energy humidity—cycle desalination of seawater. A small working model was put together on a large lot that once had been the campus polo field. Then, in 1962, a 2400-gallon-a-day unit was fabricated on the Gulf of California at Puerto Penasco, Sonora, Mexico, a shrimp fishing and boat-building settlement 220 miles southwest of Tucson. This was a joint venture with the University of Sonora, the genesis of bi-national cooperation between the two institutions that continues still at Puerto Penasco.

Sunlight originally provided the energy for the desalting process, although solar energy later was abandoned for a more immediately practical source: the waste heat from the two diesel-electric generators at the research station. Internal combustion engines, as is well known, dispel to the atmosphere much of the energy they produce. So, at Puerto Penasco, heat exchangers—recovery mufflers—were attached to the exhausts and water jackets' of the generators, and that heat then was harnessed for the distillation of saline water. The desalting unit worked well enough, and even yet might prove to be feasible for certain small-scale applications.

Meanwhile, it had become clear, though that any desalted water probably will remain too costly for conventional irrigation for the foreseeable future—and particularly in arid areas where evaporation and transpiration are prodigious. A crop in the desert may consume up to 100 times its weight in water each day—most of it merely to keep cool. An obvious question was whether there might be a way, by creating a manipulatable milieu, to till vegetables on a desert coast with a minimum expenditure of desalted water. As it turned out, there is. Biologists at our laboratory determined that plants grown in essentially 100 percent relative humidity demand less than a third of the water required by those in a humidity of 35 percent. In practice, though, this is easier theorized than done.

LIGHTING AND COOLING, AND TOM SAWYER'S WHITEWASH

While sunlight is esesential, of course, to photosynthesis, excessive radiation sometimes overheats leaves. When that happens, three of nature's fail-safe systems cool them: convection, re-radiation, and transpiration of water. Transpiration may be reduced simply by adding humidity—which lessens the vapor-pressure gradient between leaf and atmosphere—and cooling may be maintained by substituting more convection and re-radiation. Thus, the leaf temperature and consequently the convectional and radiational transfer increase, and a slight rise occurs again in transpiration. As long as this leaf temperature is not high enough to impair productivity, there is no problem. In a controlled ambience, however, where one objective is optimum sunlight, the equilibrium temperature, with only natural convection, can be exteremely high. Cooling becomes crucial.

If one wishes to alter the envrionment, he must commence, patently, with small, confined spaces. Accordingly, the Environmental Research Laboratory, with Rockefeller Foundation funding, erected and evaluated greenhouses of diverse materials and configurations—first on the old polo field and then in Mexico. Structures of air-inflated plastic appeared promising. The plastic would be relatively inexpensive, the covers easy to install, and there would be no supports to inhibit sunlight. We chose a 12 mil polyethylene, with a yield strength of about 1,400 p.s.i. It was treated to filter out ultraviolet radiation, which has no photosynthetic utility and simply adds heat to the greenhouse.

Eight pneumatic polyethylene "tents," resembling long, translucent quonsets, were inflated at Puerto Penasco in 1966. Each was 100 feet long and 12 feet wide, and anchored to a concrete curb. To enhance the environmental control, that is, to form a more or less closed loop, the half-cylinders were put up in pairs; each pair was connected front and back by concrete tunnels. Early in the first summer, it became obvious that no crops within the enclosures could withstand the withering sun. To diminish the radiation load, therefore, the greenhouses were shaded, i.e., they were sprayed with Tom Sawyer's whitewash—a mixture of water, gypsum and glue. This protection was sufficient. Since the expected lifetime of the plastic at Puerto Penasco was only 12 months, the plastic cover could be sprayed with shading compound late in the spring and replaced for another year at summer's end. Changing plastic covers was an elementary procedure, a three-hour job for four men. Inflation, which takes less than two minutes, was done with the circulation system, two ¾ h.p., 10,000 c.f.m. belt-driven propeller fans.

Once inflated, little pressure was required to keep the polyethylene canopies taut. A primary 1/6 h.p. centrifugal inflation blower maintained a positive pressure generally of .01 to .02 p.s.i., albeit, this was a function of ambient wind velocity. When wind speeds reached about 20 m.p.h., the covers were stiffened by an automatically switched-on, 1-horsepower blower that increased the pressure to about .03 p.s.i.

The air flow created by the circulation system began in the back on one house. Fans forced the air through a tunnel to the adjoining house and up through packed-column heat exchangers, low honeycomb-like stacks of corrugated asbestos through which seawater was sprayed. After the moistened current flowed the length of the house, it was deflected through the front tunnel and back down the opposite unit to the fans again. This movement, on the order of 20,000 c.f.m., continued in a ceaseless pattern.

Pressure blowers inserted 1,000 to 1,800 c.f.m. of outside air into each house. Inside, because the cycle was virtually closed, the trapped air swept every two minutes through the spray of the packed column, becoming almost saturated. Humidity hovered close to 100 per cent. Both it and the air velocity, which prevents stagnation at leaf surfaces, were important to environmental control.

Water for the packed columns, like that for the desalting process, was pumped at a year-round temperature of approximately 78°F. for a seawater well. Thus, temperature in the greenhouses could be controlled to a considerable extent by managing the flow of the seawater through the packing. The column was not an evaporative cooler, but rather a direct-contact heat exchanger. Because the corrugated asbestos spread out the water, the effective heat-transfer area was high. Nominally, seawater flowed through the corrugated asbestos at a rate of about 120 gal./m., and the temperature of the air blown from the packed column remained near that of the incoming seawater. On hot days, the cooling flow could be increased to 140 gal./m. or so. This would bring the interiors closer to seawater temperature. If higher night temperatures were desired during the winter, the water flow could be shut off completely. On extremely cold days, 94°F. blowdown seawater from the desalting plant outlet could be piped into the houses for warmth.

WATER USE DOWN, CROP YIELDS UP

Winter or summer, damp tropical conditions prevailed within the greenhouses, sheltered as they were from the harshness of the surrounding desert. Eighteen different kinds of vegetables, as well as strawberries, have been harvested from this manipulated environment. Once the plastic covers were in place and the greenhouses were inflated, the beach sand was leached to remove excess salt, a step that required no more than a half-gallon of pure water per square foot of growing area. When the experiments began, the vegetables were seeded in separate plots of either the natural beach sand or an amalgam of vermiculite and spahgnum peat moss. The crops did no better in the artificial medium; since then they have been set out only in the native sand.

CONTROLLED-ENVIRONMENT YIELDS VERSUS FIELD-GROWN YIELDS IN TONS

Vegetable	Field-grown yield (U.S.) acre/crop	Abu Dhabi Acre yield per crop	Crops per year	Total yield acre/year
Broccoli	4.2	13.0	3	39.0
Bush beans	3.0	4.6	4	18.4
Cabbage	12.0	23.0	3	69.0
Cucumber	12.0	70.0	3	210.0
Tomato	30.0	60.0	2	120.0

GROWING AND HARVEST PERIODS: OPEN FIELDS VERSUS CONTROLLED ENVIRONMENT

Vegetable	Growing period (days) Field	Growing period (days) Green-house	Harvest period (days) Field	Harvest period (days) Green-house
Cabbage	62±	51	1	1
Cucumber	90	83	55	30
Eggplant	130	181	40	125
Lettuce	70	38	10	4
Radish	30	30	1	4
Tomato	140	130	50	69

Water-soluble fertilizers (mainly nitrogen, phosphorus, potassium, magnesium, calcium, and iron) were mixed with the desalted water for irrigation; this mixture then was rationed frugally to the crops through trickle (or drip) irrigation systems. One such system watered each plant individually from a spaghetti-like network of tiny plastic tubes; another released water in small droplets at soil level through perforated plastic tubing. Only enough water was applied, with each treatment, to reach the bottom of the root zone. As hundreds of horticultural varieties were tested, it quickly became evident that those plants that were developed in hot, humid areas would respond best to the closed environments.

Not only did this approach require one-third as much water, but because of the heat and intensive light, many crops matured more rapidly than they would have outdoors—bibb lettuce, for instance, was ready for the table 20 days sooner—and most of them produced far more profusely. Again to use lettuce as an example, the yields were five times those of open fields. The productivity of carrots, eggplant and radishes were more than doubled.

The closed-system houses proved to be hotter in mid-summer than was the ideal for tomatoes and some other varieties. Some of the laboratory's later models are compromises: they have fiberglass sides but plastic roofs, and the moistened air flows in one end and out the other.

Of course, people have nurtured vines in shelters of one sort or another for a long time. Tiberius Caesar, the emperor who ruled Rome for almost a third of the first Christian century, is said to have possessed such an affinity for cucumbers that considerable trouble was taken to provide them for him. His minions tinkered together portable cucumber beds—covered with such fairly transparent stone as slate and mica—that could be carried indoors on chilly Italian days. George Washington protected citrus trees in a heated "orangery" at Mount Vernon. Even before then, a glass-sided conservatory, which contained exotic shrubs, had been built on the James Beckman estate in New York—which became distinguished as the place where Nathan Hale was detained the night before his appointment with a British hangman. Whether the Beckman building was heated, no one knows now.

The present greenhouse industry, which is not large compared with agriculture as a whole, has developed more in Europe than in this nation. At last accounting, there was slightly more than 1000 acres of vegetable greenhouses in the U.S., or less than the Guernsey alone has. Wherever they are located, most modern greenhouses usually sre simple glass affairs with rudimentary environmental controls—usually only heating in order to extend growing seasons into the winter. What the Arizona group has contributed, then, are ways of much more precise manipulation of the microclimate and the use, where it can be done, of seawater for cooling greenhouses in the summer. These methods, more akin to industry than to traditional crop husbandry, appeared to make farming feasible in locations where otherwise it would be impractical, particularly on desert coasts.

GROWING IN THE ABU DHABI DESERT

The experimental greenhouses at Puerto Penasco were about a year old when word of them reached Abu Dhabi, a small, oil-rich principality on the Persian Gulf 500 miles south of Kuwait. A government official there read about the Mexican work in *Time* magazine and discussed it with the ruler, Shaikh Zayed. The Shaikh decided that his desert country needed an integrated power-water-food facility. The only vegetables grown in Abu Dhabi (population ca. 50,000) at that time were produced seasonally, and in limited quantities, at an inland oasis called Al-Ain.

The ruler offered to finance some training and research in Arizona and Mexico as well as his new horticultural center. The site he selected for the center was Jazirat as Sadiyat (the Island of Happiness), across a narrow inlet from this capital. Sadivat was essentially inhabited only by the families of fishermen who occupied 24 palm-frond huts, or "barrastis."

Because the island lacked both water and roads, the University's resident staff, which arrived early in 1970, first had to build a jetty, a construction-phase desalting plant, and almost two miles of paved roads. A research greenhouse had been planted by that June, and work began on the five acres of commercial greenhouses. When completed early in 1971, half of the spread consisted of 48 inflated half-bubbles of plastic, each approximately the same size as those at Puerto Penasco. While the Puerto Penasco structures must be entered through underground air-locks, those on Sadiyat branch off from central concrete tunnels that serve both as airlocks and as packing areas. Four steel-framed polyethylene-covered houses, totaling about 101,000 square feet, sprawl across the remaining 2½ acres.

The center was designed in this manner so that such low-growing crops as cabbage, spinach and beans, which need no supports, could be grown in the pneumatic houses, while tomatoes and cucumbers, which are trained vertically on a cordon system, might be planted in the structured houses.

Three diesel engines, developing 580 B.H.P. at 750 r.p.m., provide power. A waste-heat recovery muffler connected to each engine provides energy for the desalting plant, a multiple-effect, spray-flash, 70,000-gal./day unit. This unit makes, primarily for irrigation purposes, a distillate with a purity of 0.5 to 1 p.p.m. dissolved solids. For cooling the greenhouses, untreated seawater is pumped directly from the Gulf by vertical turbine pumps, at temperatures that vary seasonally from 66° to 88° F.

Summer heat proved to be a major challenge. Inside the chambers, the average daily dry bulb temperatures reach a maximum of 93° F. in June, but the wet bulb temperature continues to rise until September, decreasing the effectiveness of the cooling system. For example, in June at the maximum day temperature a 42° F. suppression of the ambient temperatures can be attained but only a 35° F. differential would be possible in August because of the higher relative humidity.

In the summer, night temperature in the greenhouses will reach a low of only 86°F. It is these high night temperatures that accelerate high rates of respiration in the plant, making it difficult to achieve good yields of most crops except for Malabar spinach, melons, and cucumbers. As at Puerto Penasco, in the summer the greenhouses are shaded at varying extents, depending on the crop. These decreases the amount of incoming radiation and therefore the heat load within the greenhouse.

Growing temperatures of 75°F. by day and 64°F. by night can be maintained during the winter by regulating the evaporative cooling system and/or the amount of incoming air. The evaporative cooling system used in Abu Dhabi are corrugated-asbestos heat exchangers. Seawater is sprayed over the top of these corrugated materials. Wintertime heating systems are not necessary (the lowest recorded temperature on the Abu Dhabi coastline was 50°F.).

In the framed greenhouses, air is exhausted through the middle of the roof. The negative pressure that this creates inside results in air flow into the house across the heat exchanger. In the inflated greenhouses, air is pulled through the asbestos by fans mounted in the end wall. The air that is forced through the house is exhausted through the roof of the central corridor to which the air-supported greenhouses are attached. The corrugated materials provide a large surface area for contact between seawater and air. Humidity within the houses normally is high, because the cooling system, which operates nearly all year, essentially saturates the already-humid incoming air with moisture.

The horticultural techniques developed at Puerto Penasco needed little modification. Once more, the vegetables were sown directly in the indigenous beach sand (which on Sadiyat is more than 95 per cent calcium carbonate with a pH of 8.3); commercial-grade, water-soluble fertilizers were added to the irrigation water, and this mixture then was applied through trickle irrigation systems. Again, the varieties that had originated in tropical regions turned out to be the most suited for the rain-forest conditions of the greenhouses; the tomato that has grown best on the island is one bred at the University of Hawaii. Lettuce for reasons still not understood has grown poorly, but most other crops have succeeded. Even under the constraints of summer heat, it has been possible to produce two yearly crops of tomatoes, for example.

COVERING THE WORLD WITH CUCUMBERS

As a result, the productivity of Puerto Penasco has been more than duplicated in Abu Dhabi. Last year for instance, four times as many tomatoes were carted from the Sadiyat greenhouses as one would pick from open fields in the United States, in part because two full crops a year could be harvested from the greenhouses. Yields of cabbage were five times what they would have been in a productive field. Crops usually matured more rapidly in the enclosures, and harvest periods by and large lasted longer. Altogether, the five acres of covered beach sand gave up an average of a ton a day of high-quality vegetables, and the year-long output of tomatoes alone was enough to supply almost 10,000 persons at U.S. levels of consumption.

The most impressive results came with cucumbers, which seldom bear more than a dozen tons/acre/crop in American fields. More than five times that much, or 60 tons/acre/crop, has been taken from the Sadiyat structures; by growing continuously it becomes possible to obtain 210 tons/acre each 12 months. (Extrapolation can be exhilarating. Assume a global population of six billion in the year 2000. In the improbable event that only one per cent of our planet's 2.5 million square miles of coastal deserts was covered by then with such greenhouses and planted entirely in cucumbers, enough of the green cucurbits would pour from them to allot every human on earth three pounds a day.)

Actually, what vegetables are sown depends considerably upon the market. Fifteen different Sadiyat crops have been sold locally, including eggplant, peppers, radishes, turnips, parsley, spinach, broccoli, cabbage, snap beans, squash, kale, and beets. But each was evaluated for marketability as well as productivity, and the results suggest that tomatoes and cucumbers would be the most profitable.

Harvesting also has been timed so that the greenhouse produce does not compete with the fairly limited supply that comes from the Al-Ain oasis. This desire to avoid local competition was the point of the trial shipments to Lebanon, where the prices commanded were sufficient to make such exports realistic, once the local market is satisfied. Exporting could be especially attractive, since demand is high in Beirut at a time (from mid-November through mid-March) when sales from Al-Ain reach their nadir.

From the beginning of the project, the goal was to invest full management, ultimately, in the local people. Because of this, training has been stressed. How well this transfer of technology has succeeded may be measured by the fact that all the trainees have remained in the program after their apprenticeship. Or its success might be evinced in the careers of the original trainees, three

UMI

Abu Dhabians who spent seven months in Tucson and Puerto Penasco to acquire the requisite skills. Two now manage the Sadiyat greenhouses; the third is in charge of packing.

But the new facility has meant far more to Sadiyat than merely a few jobs. Once the island families had to haul water from the mainland, but now they get water and electricity from the new facility. Several of them boast television sets, and Shaikh Zayed is replacing their old huts with modern houses. Where once there was only saltbush, now trees and grass are irrigated with effluent from a sewage treatment unit at the facility.

THE TECHNOLOGY EXISTS—REFINEMENTS NEEDED

The Abu Dhabi installation, the first large scale desert "vegetable factory," undoubtedly is the first of many. Across the Gulf, the area's oil companies asked E.R.L. engineers to design two acres of controlled-environment greenhouses for the Iranian island of Kharg, the largest petroleum depot in the world. The first crops there will be harvested this year.

Back in the United States, the first purely commercial application of this technology already was in business. Environmental Farms, Inc. (E.F.I.), near the laboratory on the fringe of Tucson, broke ground in 1968 for a modest 1.2 acre facility.

Three years later, Superior Farming Co., a large California-based agribusiness concern, purchased the property and set out on a $1.5 million program to expand E.F.I. to 10 acres. When that construction was completed at the end of 1972, there were five new fiberglass-and-plastic greenhouses. Two of them were 264 by 541 feet—or thrice the size of a football field. These rigid-framed structures were designed by E.R.L. engineers. They are built of galvanized steel columns, bar joists and gutters, fiberglass walls, and inflated "pillow" roofs, each roof made up of two polyethylene sheets separated by air. The air layer facilitates temperature control inside the house; and the plastic covers, like those at Puerto Penasco, can be coated at the onset of summer to reduce the heat load, and then changed with autumn's arrival. Horizontal aspin pads and centrally-located exhaust fans evaporatively cool the growing area, which is heated by conventional fan-coil units that are supplied hot water from two central heating stations. Municipal water is abundant. In 1973, its first full year of operation, Environmental Farms marketed almost 1,150 tons of tomatoes, its only product (again, by contrast, a grower would consider 150 tons a fortunate yield from an outdoor plot of that size). Still, the laboratory horticulturists suspect that even this volume can be multiplied by introducing new varieties and by more sophisticated environmental engineering. As one small, straightforward example of what might be done, it was found that tomato quality tended to improve when the upper leaves were pruned in such a way that they provided shade for the fruits below.

As is true at Abu Dhabi, the Tucson tomatoes, most of which are of prime quality and sell on supermarket shelves in the Midwest and Northeast, are planted directly in desert sand that has been washed and screened. The same growing medium is utilized at a second commercial installation designed by ERL—on the Fort Yuma Indian Reservation. The reservation lies in a part of eastern California, on the Colorado River, where such sand is not scarce. There, five acres of growing enclosures were established last year with federal funds; the project has assured employment for 20 to 30 tribesmen.

Technologically, controlled-environment agriculture seems, to use, to need only refinement. As for the economics, more experience will be instructive. Neither the Abu Dhabi project, because of its logistics, nor the Fort Yuma complex, which was federally funded, bears much resemblance to any future investments—anywhere. Although its management is optimistic, Environmental Farms is new. Meanwhile, the research continues. Among other things, a plant breeder is seeking to winnow out genetically those varieties that fare best under controlled conditions, while the engineers try to develop new greenhouses that will be less costly to erect and operate. The present ones are not inexpensive (those at Fort Yuma, for instance, cost $120,000 an acre to build), and thus they are practical only for high-value crops. One goal is to reduce this capitalization so that high-protein but lower cost foodstuffs may be similarly produced.

Last year, the laboratory began to apply to aquaculture (the husbandry of marine life) some of the same techniques it has devised for horticulture. As a preliminary step, shrimp are being cultured experimentally in the air-inflated greenhouses—now called "Aquacells"—at Puerto Penasco.

Shrimp are unlikely to stave off a famine, nor are tomatoes. But what one learns about the intensive, engineered cultivation of them—or any other food—nonetheless could have a considerable impact.

A CABLE TELEVISION PROGRAM FOR THE ELDERLY—GAYLORD WHITE HOUSE AND MOUNT SINAI COOPERATE

Mr. JAVITS. Mr. President, we are all deeply concerned that the elderly in our society should not be cut off from community and social activities, as well as from friends, because of their lack of mobility and personal funds.

I am gratified to learn that one of New York's outstanding educational institutions, Mount Sinai School of Medicine of the city of New York, has designed an innovative response to this critical problem. The Mount Sinai School of Medicine's Department of Community Medicine has developed a cable television project to reach out to the elderly in their own homes, over their own TV sets, to inform them of the happenings in their own communities, and to involve them in the production and programing.

Funding for this unique demonstration program, which reaches 330 tenants, with a median age of 76 in the Gaylord White House, at Second Avenue and 104th Street, in New York City's Manhattan was provided by the Lister Hill National Center for Biomedical Communications.

I commend to my colleague's attention an article on the project by Edward Wallerstein, coordinator, and Carter L. Marshall, M.D., chief of the Mount Sinai School's Division of Communications of the Department of Community Medicine, in the periodical "Perspective," published by the National Council on the Aging, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TELECOMMUNICATIONS: AN APPROACH TO DEISOLATION OF THE ELDERLY

(By Edward Wallerstein and Carter L. Marshall, M.D.)

Of all the problems besetting the elderly, perhaps that of isolation is the most distressing. Separated from spouse or family by death or distance, from employment by forced retirement or the sheer antipathy of ageism, uprooted from familiar surroundings by economics, the elderly may suffer to the extent of sensory deprivation. In extreme cases, such alienation can lead to "pseudosenility," where presenting symptoms mimic those of organic brain syndrome.

The greater the isolation, the more serious will become other aspects of living patterns—less attention paid to nutrition, personal health or appearance, hygiene. These characteristics, self-perpetuating, feed upon themselves, resulting in depression and a consistent decline in both physical and emotional well-being—and thus furthering the elderly's isolation.

TV SET MAY BE ONLY "COMPANION"

How to reduce this downward spiral? This paper describes one unique method, a demonstration project fully operational in New York City since early June 1974: Using television to attack the problem. Data indicate that not only do the elderly watch more television than any other age category, they spend more time at it than at anything else. For the isolated elderly, the TV set may be their major or only contact with the outside world; many living alone may even keep it turned on until sign-off time for "company."

That TV influences people of all ages is evidenced by the $2.5 billion spent annually on commercial TV to promote products and services, many of dubious value. For the isolated elderly who have its "advice" as a single source for solving health problems, it can be disastrous.

HEALTH ADVICE OFTEN MISLEADING

In a recent study, Wayne State University School of Medicine monitored a Detroit network TV channel during a typical 130-hour broadcast week. Of total programming, health-related content was used only 7.2 percent of the time, and 70 percent of the material was either inaccurate and/or misleading. Ten times as many commercial spots urged the use of pills as there were messages warning against drug abuse. Some useful health information was offered, but professional health resources were not mentioned to any discernible degree. Major health problems (heart disease, cancer, stroke, accidents, mental health, etc.) were virtually ignored. Studies of educational TV programming, with a few notable exceptions, showed the same lack of health coverage.

TV CAN EDUCATE, MOTIVATE, ACTIVATE

Yet television, beyond providing passive entertainment, can be used to educate, motivate, activate. The "Sesame Street" success is a case in point; another is last year's "V.D. Blues," which asked readers to call in questions. In New York City, 15,000 calls were answered in less than two hours; 50,000 calls were made during the day. The following day, city venereal disease detection centers were taxed beyond capacity.

In early 1971, the City University of New York's Mount Sinai School of Medicine, Department of Community Medicine, established a communications division to explore the application of telecommunications technology to disseminate health information to an inner city geriatrics population, using television in a totally new way: reaching the elderly in their own apartments over their own TV sets.

We chose the elderly as our target population because:

Their health needs are greater than those of any other age group; their illnesses are apt to be more prolonged.

They account for a disproportionate amount of total health expenditures. Though about 10 percent of the population, their health bills are 27.4 percent of the national total.

We had another aim: The need for health care providers to learn how to communicate with the elderly. By disseminating health information via TV and coordinating it with the delivery of health care, our hypothesis was that the health status (emotional, physical and social) of the Gaylord White residents could be materially improved.

MEDIAN AGE IS 76

With funding from the Lister Hill National Center for Biomedical Communications, we chose as a demonstration site an East Harlem single-rise public housing project, the Gaylord White House, Second Avenue at 104th Street, whose 246 apartments house 330 tenants with a median age of 76. Approximately 20 percent each are black or Puerto Rican; the remainder are white, half of whom are of Italian extraction.

First, we installed a special bidirectional cable television system (CATV) with free outlets in each apartment connected to the tenant's set. We established a small base studio in the basement, activating one unused CATV channel specifically as the Gaylord White channel. On regular CATV, residents receive clearly all channels, including Very High Frequency (VHF) and Ultra High Frequency (UHF) and additional CATV channels available only to subscribers.

USE MOBILE EQUIPMENT

With the black and white system, we telecast live or via videotape; with all the equipment mobile (mounted on carts), we can produce and cablecast from any apartment or common building area, as well as from the basement studio. Most of the programming is directed to impacting two areas of tenant health: Their psychosocial isolation and need for ego support; increasing their knowledge of health status, and how to use the health care delivery systems available.

Currently, we cablecast six hours a week, one hour each Monday, Wednesday and Friday mornings, repeating the programs at noon. A wide variety of material is presented, although the daily format is fairly consistent: A greeting with the date, time and weather; a rundown of activities at Gaylord White and the neighborhood; a tenant reading an inspirational message or poem. Then comes "Eye on the Community," describing some activity or service of interest to residents. This might be followed by segments on nutrition and shopping, accident prevention or health problems. The cablecast usually concludes with "Know Your Neighbor," with resident appearances.

The full-time project staff includes a director, associate director, an assistant director responsible for software (written programs) production; three production assistants do videotape, edit and cablecast. Graduate students in health education assist in all phases, serving as nutrition committees, etc.

Generally, tenant response has been very good. We make every effort to involve them in all activities, from planning programs to handling equipment to appearing on camera. In effect, with no constraints as to time, format or content, we have a built-in, excellent laboratory to test the effectiveness of the medium in serving the needs of an elderly population.

"Know Your Neighbor," featuring the tenants themselves, is by far the most popular program. To date, more than 40 have "starred," some for a few minutes, others for half an hour. Some have given vignettes of their own lives; others have demonstrated skills, talents and hobbies, ranging from cabinetry to doll-making and growing houseplants to singing and dramatic readings. Seeing themselves or their neighbors on TV delights them, and it encourages others to participate.

"STARRING" ENHANCES GROOMING

Being a "star" also does much to improve self-image and self-esteem. Initially, many were reluctant to appear on camera, but with staff encouragement and after seeing their neighbors appear, they are becoming more and more eager to participate. Besides the 40 or so who have appeared on "Know Your Neighbor," we recently videotaped a picnic starring 25 tenants, most of them for their first time.

We've had many requests for reruns; when we schedule them, the once shy tenants who appeared on the tape begin busily ringing their neighbors' doorbells to alert them to watch. In fact, several have complained that their appearances were too short; one person even suggested that we rerun the tape in slow motion so it would last longer.

IMPLICATIONS ARE POSITIVE

We have seen other positive implications that our program is making inroads in reducing isolation. Two examples: After considerable encouragement from the staff, one 90-year-old who loves houseplants agreed to appear with a representative of a nearby botanic garden. Prior to her appearance, she had seldom, if ever, been seen outside her apartment; now she frequently visits with her neighbors. Another tenant, fairly sociable until her husband's death, isolated herself completely afterwards, feeling she had little assistance during his lengthy illness or comfort after his death. With the staff's gentle prodding and the lure of activities, she now participates.

Other auspicious aspects are visible signs of better grooming: Tenants refuse to appear on camera if they feel improperly dressed or groomed or have their dentures out; the attitude seems to carry over in general, not just for camera appearances.

HEALTH PROVIDERS LEARN, TOO

We have begun to involve health providers in producing the programs, a novel experience for them in learning to communicate effectively with an elderly population. (Most medical schools offer no training in geriatrics.) They have developed programming in such areas as dermatology, proper medication, oral hygiene, gastroenterology, nutrition, accident prevention, body mechanics, breast cancer, headaches and hypertension.

Whenever possible, our programming calls for a behavioral response, i.e., taking part in a recreational activity, registering to vote, requesting a recipe booklet and, most importantly, making (and keeping) dental and medical appointments and getting free chest X-rays, breast mammographies.

VIEWING AUDIENCE HIGH

From random telephone surveys after 10 weeks of cablecasting, we know that we have better than a 30 percent viewing audience; half of the residents say they watch the Gaylord White Channel at some time during every week. We are researching now for specific elderly's problems which might be addressed via television; we are experimenting to determine the most effective ways to impart whatever information and assistance is needed.

Although much too early to specifically measure the program's success, the results to date are both promising and exciting. Naturally, we hope for renewal when our current contract with Lister Hill expires in August 1975; much experimentation is still needed. We want to address the question of how long it takes to accurately measure the medium's effectiveness in long-term behavioral response; we want to test some applications of the technology in areas such as mental health, health education, alcoholism, etc. Definitely, the need for such research is there.

CRUDE OIL EXCISE TAXES

Mr. McCLELLAN. Mr. President, I recently received a thoughtful memorandum from a correspondent discussing the desirability of imposing excise taxes on American crude oil production as part of an energy conservation program which I would like to share with my colleagues.

The memorandum, prepared by John P. Renshaw, of Hillsborough, Calif., concludes that this type of tax would not be in the best interests of our Nation. Such taxes, he states, would hinder the prospects for making our country self-sufficient.

In view of current importance of energy conservation programs to the future of the American economy, I believe that Mr. Renshaw's memorandum is worthy of study by the Members of the Senate.

Therefore, Mr. President, I ask unanimous consent that a copy of Mr. Renshaw's memorandum be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

DECEMBER 31, 1974.

Subject: Desirability of possible U.S. excise taxes on U.S. crude oil production, as part of a larger program for solving or mitigating U.S. energy problems.

Conclusion: In general, such excise taxes of any noticeable magnitude appear not to be in our country's best interests in any sort of new tax law combinations because we are a net importer and wish to encourage to the greatest practical extent new domestic exploration and production. For other countries that are net exporters, such excise taxes, or their equivalent, can and obviously do make sense.

Discussion: Politically powerful consumer resentment both towards higher fuel costs and also to oil companies in general, and desires to limit what is thought to be uncalled-for profit bonanzas by those companies and individual producers: these all bring about efforts to reduce or eliminate resultant near-term higher profits (whether reasonable or not) by means including:

(a) Federal control of crude prices at rates selectively and on average lower than those prevailing in the rest of the free world; allocation;[2] and public rationing; and/or

(b) Government-imposed domestic crude oil excise taxes[1]—that serve to lower the selling price available to producers; and/or

(c) Some form of excess profits taxes.

Any or all of these will not solve or appreciably lessen the long-term shortage problem of U.S. production—even though there could be short-term balance-of-payment and consumer and voter appeal for a number of them. Yet a reasonable and politically acceptable program may involve some of the above factors—together with many others not to be discussed here. The latter could include not only incentives to discover and produce more, but also (on the side of decreasing consumption)—possible import tariffs, fees, or quotas. However, any appreciable excise tax on oil domestically produced does not make sense. To illustrate this point by two simplified, imaginary—but quite possible—specific examples:

First, assume the proposed tax decreases the present selling price available to the producer. Then, assume a successful drilled well (including previous associated dry holes) together with necessary equipment is correctly calculated to need an average gross

[1] These taxes should be differentiated from increased sales taxes on one or more final products (such as gasoline) as sold to the consumer. These sales taxes could somewhat reduce demand for final product fairly quickly, and therefore reduce industry import volume and cost and therefore national balance-of-payments problems. U.S. producers or their incentives to both discover oil and to produce it should not be noticeably affected by these taxes.

[2] Whether on imports; geographically within this country, by industry or company; or on end sellers (i.e. gasoline service stations).

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production volume to the producer of $300 per day for a certain number of years in order to make a profit reasonably competitive with other investment opportunities. If oil sells for $10 per barrel and this is all available to the well owners, then $300 divided by $10, or 30 barrels per day average or better is acceptable and will be so sought. However, if—for example—there was an excise tax of $5 per barrel included in the $10 sales price per barrel, then $300 divided by ($10 minus $5), or 60 barrels per day is needed. This would mean an informed intelligent investor who correctly assumed some such average discovery results and needs would, with no excise tax, risk his money in drilling for a probable final 30 barrel average per day well, or hopefully better. With the above excise tax, he wouldn't drill unless 60 barrels were an average minimum expectancy. Therefore, the excise tax would tend to reduce intelligent exploration and publicly-needed production because it should eliminate drilling on prospects between the 30 barrel and 60 barrel per day production area assumed above. Although these figures are purely fictitious and not based on any industry averages, nevertheless the principle is obvious.

Next, assume an excise tax on crude producers that is *added* to the present selling price available to the producer. Using the previous supposition of: $300 per day average revenue needed, $10 oil price available to the producer, and then a $5 per barrel tax[3] added—the results could be as follows:

If no tax, then $300/$10 obviously price-controlled oil is 30 barrels per day average needed. If, on the other hand, there is a $5 tax added and demand for domestic crude is not appreciably affected, then $10 is still available to the producer—and 30 barrels per day average is still needed. However it should be pointed out that the latter assumes the crude buyers will buy $15 oil which is undoubtedly domestically protected and made possible by import limitations and extra taxation. Therefore, if $15 is a valid selling price without a tax, then $300 divided by $15 is only 20 barrels a day needed—instead of 30. This $15 price to the producer should open up greater potential volumes of oil, while it lasts. Under our example, wells between 20 and 30 barrels would then be attractive, whereas with the tax they were not. With $15 crude, the Federal government would not now get a $5 barrel tax—but the main objective here presumably is more domestic oil and not just more tax revenue. If these prices in some large "fortunate" cases result in "unconscionable" profits (i.e. over a period of time they are far above those available in other industries or businesses), then some partial (but not complete—because that is wasteful) definitely-temporary excess profits tax could be considered. This should politically solve the bonanza "problem" and still provide proper incentive for looking for smaller producer wells and therefore greater crude production volume. However, it should be remembered that bonanzas hardly ever last long because they automatically invite competition; and a temporary bonanza can increase discoveries sooner (and in the public interest) than can run-of-the mill or below-average financial incentives. As has been said: "the best cure for high prices can be high prices"—in spite of the temporary problems they make while they last. It's a question of what is the lesser of several evils—or, to be more constructive, what is the more common sense or practical course.

In the second of the above drilling examples involving a $5 per barrel added tax, this tax certainly can serve to limit consumption of imports and yet be politically palatable if the $5 is largely returned to most needy consumers and voters. Yet in both drilling examples, the tax does not maximize discovery of new oil. It shuts off intentional seeking for many low-production wells which can, in the aggregate, be an appreciably large total volume of production. It also lessens the present incentives to seek new larger wells as soon as possible. As a matter of interest, the average producing well in the U.S. is now only producing about 18 barrels per day.

Although its discussion does not strictly belong here, there is another related matter that Congress should well ponder if it wants to urge the discovery and production of the greatest amount of domestic oil at the cheapest price and in a reasonably short time. That matter is: the probability, frequency, timing and magnitude of future law changes which may affect the expected profitability of long-term, high-capital energy projects after those projects are initiated in good faith under previously existing laws. And any such retro-active law changes can often unfairly further complicate the problem.[4] The results of the prospect of such restrictive legislation could easily be that private enterprise will discount at the time of deciding to embark on a new project any existing incentives to find and produce needed new energy sources because of the "danger" of Congress later changing its mind. This outlook can be wasteful to the general public because of itself it may make necessary greater-than-needed immediate incentives to counter this future contingency in the eyes of the investor. The more capital-intensive and long-term the project, the more this will be true. A similar somewhat-related problem for these latter-type projects is not only substantially higher costs than reasonably anticipated, but possible future much lower-than-expected unit energy sales prices. Congress may at some point have to seriously consider for some vital projects, a form of minimum price support and/or a type of shared risk-taking through possibly innovative financing in cooperation with private industry.

I only mention these here because they are important and will continue to be. Perhaps in some cases there should be unchangeable Federal guarantees for a certain number of years. Perhaps law-changing retroactivity should be legally limited to a certain time period.

In a broader sense, all these questions of oil and/or gas excise and other taxes also have great possible long-term energy importance in that they serve to make more difficult the determination of competitive future probable energy BTU costs that will in turn affect the development, suitability, timing, and initial and operating costs of other specific competing future energy sources. The applicability of later systems will be determined not only by technology but by what is then (at times of major installation and use) considered competitive BTU costs—including those of safety, environment, and largely political need.

[3] A $5 tax per 42 gallon barrel is about 12 cents per gallon of crude or the total of all of its products. If all this tax later fell only on gasoline, it would be the equivalent of not far from 25 cents per gallon.

[4] Examples of such problems in foreign countries are: North Sea higher demands by England and Norway well after relevant drilling projects were undertaken; and later Canadian restrictions causing additional doubts about the future of Tar Sand recovery projects.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, on December 11, 1946, the United Nations General Assembly adopted a resolution affirming that genocide was a crime under international law and that those guilty of it, whoever they were and for whatever reason they committed it, were punishable. Furthermore, the Assembly requested the Economic and Social Council to consider preparation of a convention against genocide.

On December 9, 1948, speaking before the General Assembly, Assistant Secretary of State Ernest A. Gross said:

> It seems to the United States delegation that, in a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My government is eager to see a genocide convention adopted at this session of the Assembly and signed by all member states before we quit our labors here.

On that very day, the Assembly unanimously adopted the Convention on the Prevention and Punishment of the Crime of Genocide. American participation and support were crucial in drafting and securing unanimous passage of the treaty. However, the United States has since then abrogated its role as world leader in the field of human rights by failing to ratify the Genocide Convention which we were so instrumental in drafting. To the amazement of the nearly 80 countries which have ratified the Convention thus far, the United States continues to stand aloof from a treaty outlawing perhaps the most heinous crime known to mankind.

In its report of March 1974 to the House of Representatives, the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs stated:

> The United States, through its failure to become a party to all but a few of the human rights treaties, has become increasingly isolated from the development of international human rights law. This failure impairs both our participation in the U.N. work in human rights, and our bilateral efforts to persuade governments to respect international human rights standards.
>
> There are at least 29 human rights conventions which the United States has not ratified. Even alleged inconsistency between provisions of the conventions and the U.S. Constitution would not justify outright rejection by the Senate since reservations may properly be attached to ratifications to preserve the integrity of the U.S. Constitution.

Ratification of the Genocide Convention will reassert the human rights leadership of America which is in keeping with our historical traditions. As President Kennedy remarked to the Senate in 1963:

> The United States cannot afford to renounce responsibility for support of the very fundamentals which distinguish our concept of government from all forms of tyranny.

I urge ratification of the United Nations Genocide Convention at the earliest possible date.

DAVID PACKARD ADDRESSES THE FOURTH ANNUAL FINANCIAL MANAGEMENT CONFERENCE

Mr. HARRY F. BYRD, JR. Mr. President, Washington remembers well the effective and able service David Packard rendered our Government as Deputy Secretary of Defense. He served 3 years in this important position.

Mr. Packard is chairman of the board of the Hewlett-Packard Co., Palo Alto, Calif.

On January 20, 1975, he addressed the Fourth Annual Financial Management Conference held in Washington. I ask unanimous consent that Mr. Packard's able presentation be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS AT THE FOURTH ANNUAL FINANCIAL MANAGEMENT CONFERENCE BY DAVID PACKARD

I am greatly honored to be with you today at this fourth annual conference. This meeting revives memories of my days at the Pentagon where I spent a great deal of my time working on the problems that are the concern of all of you here—budgeting financial control, management improvement. I do not expect that all of the problems we faced back in 1969 and '70 have been solved, but I am sure the AFMIP is continuing to make a very important contribution to better government.

One strong impression that I took with me when I left Washington is that the majority of the men and women at the management level throughout our government are people of high professional competence with sincere dedication to better government. The average citizen does not have that impression, particularly these days, because the news media mostly talks about the alleged mischief that goes on here in Washington. The average citizen hardly ever hears about the important work that is done so well by you men and women who are here today—and by your associates in your respective organizations. I want to take this opportunity to express my appreciation for the fine job that is being done. I only wish there was some way for the people all across America to know how well served they are by you people.

I believe it is good that you are devoting this conference to a discussion of the federal budget process, hopefully focusing on the all-important question—can the Congressional Budget and Impoundment Control Act of 1974 be implemented in a way that the Federal Government will have better control of its spending? I do not believe the answer to this question is a clear cut yes, by any means, and I welcome this opportunity to explore this issue with you.

I also will try to point out some other areas where I believe you can be helpful to the Congress and to the various departments and agencies in the executive branch in which you serve.

Even though I have serious reservations about how well these new budget procedures will work in practice, I was in favor of them, and spent some time and effort to encourage the Congress to pass this new Act. At least now there is a mechanism that can be made to work—if there are enough people in the Congress who want to make it work, and who are in agreement on what they really want this federal budget procedure to do.

As I see it, there are at least three things which are expected to be improved by this legislation. The *first* is to make federal spending more effective as a fiscal tool to influence the economy of the country in a positive, constructive way. Fiscal policy is widely acknowledged as a way to accelerate or decelerate economic growth and to help control inflation. We have not had a way to implement federal fiscal policy in a responsive and responsible way in the past, and it is hoped by many, including me, that the new budget procedures will enable the Congress to do better in the area in the future than it has done in the past.

The *second* expectation is to provide a better mechanism for the Congress to assess the issues and establish priorities of both the programs in the President's budget and those programs which may be initiated by the Congress. There is a real problem here, because the most accurate information and the most objective analysis will not always assure the same order of priorities, nor agreement on the issues, even in a non-political environment. I have the impression, and maybe I am wrong, that there are some people around this town who are quite able to use any fact and any analysis to support whatever they have already decided as the right thing to do.

But I would hasten to add, although it does not always appear to be so, there is a fairly high level of responsibility in the Congress on issues that are really important, and better information and analysis certainly should help to produce better legislation and better federal budgets.

The *third* objective is to establish a more realistic time table so that, hopefully, the appropriations can all be approved, kept within the fiscal policy constraints that are established, and enacted before the beginning of the fiscal year. On this point we will have to just wait and see.

I want to go back, now, and discuss some of the fiscal policy issues which the Congress will be addressing under the new budget procedures.

On the first hand, there will be a very difficult problem with timing, as we can see from what has happened in this current economic crisis. In the Spring of 1974 the economy was going strong, although with an unacceptably high rate of inflation. Responsible fiscal policy under the situation that prevailed earlier in the year would certainly have called for a budget surplus for the 1975 fiscal year, beginning in July.

The President's economic conferences showed a broad consensus that the proposed $305 billion spending level should be cut back at least to $300 billion. Most of the economists and others who attended those meetings would have supported a cut to below $300 billion, had it been considered politically feasible.

This view of what was needed in federal fiscal policy for 1975, a budget in balance if not a surplus, still generally prevailed until about October of 1974, when a considerable number of economists and others began to express doubts that inflation was the main problem in our economy.

Today, just three months later, I judge the consensus of the experts has turned about 179 degrees and most would now support a budget deficit. A $20–$30 billion deficit for fiscal 1975 is now being proposed by some who would have thrown up their hands in horror at the thought of such a thing three to six months ago. This situation is a good example of why there is a real problem for the Congress in deciding what kind of fiscal medicine the economy is going to need six months or a year ahead, even if one assumes the Congress can decide on the right medicine for the current state of the economy.

But I have an even more fundamental concern about the utility of federal fiscal policy as defined by a gross surplus or deficit as a useful tool to determine the well-being of the nation's economy. The double digit inflation of 1974 was clearly not brought on by federal fiscal policy, as bad as it was, at least by the federal fiscal policy of the last year or two—although the cumulative effect of a number of years of past federal fiscal policy—or the lack of it—was without doubt a factor of some importance in setting the stage for the serious economic problems we have today.

There were, however, a number of specific and unusual events that together generated this troublesome combination of inflation and depression we are plagued with today. The first event was the devaluation of the dollar against the currencies of our major international trading partners, and decoupling the world monetary system from gold that occurred in the summer of 1971.

This action increased the cost of a great many products and raw materials imported into the U.S. and lowered the cost to many of our international customers of the products and materials the U.S. exports to them. This greatly increased the export demand on our domestic supply of many products. The dollar devaluation hit our farm products, soybeans and grain, for example, particularly hard because of another unusual event which followed—a serious shortfall in worldwide food production due to adverse weather worldwide. The demand for grain and other food products increased tremendously in the world market and drove food prices up to levels no one anticipated. There were federal government actions which could have helped in this situation, but these were in the area of export controls—not fiscal policy as implemented by a deficit or surplus in the federal budget.

I believe a case can be made that the 1971 dollar devaluation was the result of a long period of bad federal fiscal policy—many years of deficits, heavy spending overseas to help restore our allies and Japan after World War II, and the fact that the United States has carried too large a share of the cost of national security for Europe and Japan for too long.

Let's face it—even before 1971, the real value of the dollar had, in fact, deteriorated in respect to many other currencies and sooner or later a devaluation had to occur.

This inflationary effect of devaluation did not show up immediately. There were goods in transit at the old exchange rates—a first-in first-out inventory problem much like the one in oil last year, but not so severe. Many companies tried to soften the impact by adjusting the price of their products, but the inflationary effects of the devaluation became apparent in 1972. The impact of this 1971 devaluation was compounded by federal fiscal policy in 1972 in a way that had very little to do with the congressional budget process. Federal spending was simply accelerated to improve the economy in the election year in ways I am sure I do not have to explain to this audience.

Then in the fall of 1973 came the Yom Kippur War, the oil embargo and a four-fold increase in the cost of international oil. This was a highly inflationary incident. It was completely independent of domestic fiscal or monetary policy and, as you all well know, caused a substantial increase in the cost of energy derived from oil, and materials and products made from oil.

Budget procedures, or the lack of them, had nothing to do with the doubling of the price of gasoline, and no budget action will bring the price of gasoline back to where it was in 1972.

These major events were all unusual and, to a large extent, out of the range of what might have been done with even good fiscal and monetary policy that might have been implemented through this period.

To compound the problem, the federal government undertook a number of actions over the last several years which were done for worthy purposes, supported by both the Congress and the administration, and yet only added to the inflation already triggered by the series of unusual events I have described.

Federal requirements placed on actions by business and industry in such areas as air and water quality, occupational safety, and automobile safety, are no doubt inspired by lofty ideals and are also needed in some form, and at least to some degree. At the same time, these federal regulations imposed on business and industry have added real and substantial cost to the production of goods and services, and have been the major factor in causing this concurrent inflation and recession.

There is no doubt in my mind that the serious depression of the automobile industry is the main reason that what was a mod-

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est downturn in the economy has turned into the worst recession since the 1930s. We have problems in housing, short term problems in the semi-conductor industry, and in other areas—but our entire economy is so dependent on the automobile industry that we can not have national prosperity without a healthy state of prosperity in automobiles.

Our Congress, in its great wisdom on environmental pollution and safety on the highway, has brought the economy of the United States to its knees by bringing the automobile industry to its knees. There is simply no other way to explain the economic dilemma of the United States today. There are other factors to be sure, but the Congress of the United States has the sole responsibility for legislating features which the public does not want, and legislating costs which the public will not pay on 1975 model cars. That, ladies and gentlemen, is the reason—and the only reason—we have depression and inflation at the same time.

Sure, the 1975 model automobiles cost more partly because of higher material and labor costs, brought about by the inflationary factors which I have already described—imported materials, more expensive oil and wage increases granted in response to general price increases. But a large share of the increase in the cost of the average 1975 automobile is because features costing at least $600 have been added to meet federal requirements on emission control and safety by Congressional legislation—specifically, about $200 for emission control devices which do not increase fuel efficiency, and $400 for safety devices that customers have to take whether they want them or not.

We have a recession today primarily because the public is not willing to buy the 1975 model car that the federal government has designed and priced for us.

Furthermore, as I understand it, there is still legislation on the books to require by 1978 an air bag safety device that will require about $100 million of R&D and tooling for each automobile company, and more stringent emission standards that will require each automobile manufacturer to spend on the order of $300 million. You and I and everyone else who buys a car in the future, will have to pay these costs which will add hundreds of dollars more to the price of automobiles.

Frankly, I almost think the Congress is wasting its time devising a fiscal policy to control inflation through budgetary control legislation. No conceivable fiscal policy can bring automobile prices *down* as much as other federal actions are driving costs and prices *up*.

It is not only that these federally dictated features are driving the prices up, they are driving the customers out of the market. These are far more powerful fiscal policies than you can apply with the new budget procedures.

I do not want a 1975 model automobile designed by the Congress, and would not buy one, even if the government gave me a tax rebate to cover the full price. I would rather use my 1972 model for a few more years, and I know I have a great deal of company around the country.

I am sure you people here today understand this situation as well as I. The point I want to make is that, at least in the environment of 1972, '73, and '74 better federal fiscal policy—even if it could have been achieved through better congressional budget procedures—would not have enabled our country to avoid this terrible double dose of inflation and recession.

I hope the Members of the Congress will learn the lesson that they should go slow in imposing detailed requirements on the products and procedures of business and industry. They did learn something about the acceptability of interlocking seat belts—but the problem goes much, much further—it is not just automobiles.

I sincerely believe you people in this organization can help in this matter. Cost effectiveness would be a very useful concept to apply to some of the things Congress has been asking business and industry to do—and this just might be a more useful place to apply the fine analytical procedures you people are capable of providing, than on the budget issues through this new legislation.

Another place where you can help is to reach agreement among yourselves, that where federal requirements should be placed on the private sector—and I will admit there are some places they should be—they will, at least, be consistent among all the agencies. The only way we are going to stop inflation is to improve productivity, to produce more and better products and services for every dollar we spend on wages and salaries. The only way the government will get more for the taxpayers' dollars it spends, is to take those actions which will help the private sector become more productive. It is manifestly absurd to ask business to keep one set of books for the IRS, one set for the SEC and one for the GAO. I can assure you, whatever such requirements may accomplish, they will not help bring inflation down, nor help get the economy moving again, not get a better value for the taxpayer's dollar.

There are many matters to be dealt with by the federal government that are as important as fiscal policy, as exercised by the Congress through these new budget procedures. But fiscal policy is one of the tools that can be useful, and I would like to talk a little more about some other aspects of fiscal policy which should be kept in mind.

The make-up of the budget will be as important as the size of the surplus or deficit. A one-time deficit or surplus of 1% of the GNP, which would be about $14 billion at the current rate, might or might not have too much effect on the economy. This would certainly depend on the spending and the revenue raising details, as well as the amount. A tax rebate that put $14 billion of spendable cash in the hands of the consumers in a short time would have an entirely different effect than the same amount spread over the year in welfare—or different, even, from the same amount given as a tax reduction to business and industry or as an investment credit. The nature of the deficit or surplus, thus, may be just as important as the amount—and this issue needs careful attention as the new procedures are put into effect.

And the longer term effect of federal fiscal policy must be kept in mind. A 1% deficit over a period of 10 or 20 years could be a considerably different problem than a one-time 1% deficit—or a 1% deficit when called for and a 1% surplus when called for, which would tend to average out over a reasonable period of time. I know it is too much to expect for the political process to come out with anything that rational, but it should be held out for consideration—at least, that one option is to have a surplus often enough to balance out the deficits over a period of several years.

And so, in summary, I would like to repeat that I believe this new legislation will at least provide a mechanism for the Congress to work with the President and implement a responsible fiscal policy. That has not been possible before—at least, it has not been done. We have talked about federal fiscal and monetary policy as being the two most important tools to deal with the health of the economy. It would be a very constructive step if we could finally tailor a mutually supporting fiscal and monetary policy instead of having to rely so heavily on monetary policy alone—or monetary actions working against fiscal actions, as we have seen many times.

There are some practical problems with this legislation—timing will certainly be one, as well as *what* in addition to *how* much should be in the fiscal package. There will be severe political problems—but then, what else is new?

I hope, but I am not sure that what is new, is at least a comprehension that the federal budget is an important fiscal tool which, if used properly can help keep our economy strong and keep inflation down—sound federal fiscal policy can contribute to the welfare of this great country of ours. But, I want to emphasize there are many other actions taken by the federal government that affect the economy, as we have seen in our present plight. And so I hope, as you people work with your respective sponsors on the budget process, you will also work with your respective sponsors on some of these other matters. I have mentioned today.

The future welfare of this country requires more responsible economic policy by the Congress and by the President than we have seen in recent years. I know you people here today can have a large role in helping to bring this about. I hope you will make this your first priority.

Thank you for asking me to be with you.

LITHUANIAN ANNIVERSARY

Mr. MATHIAS. Mr. President, it was my privilege on Saturday, February 8, 1975, to attend the annual banquet of Lietuviu Draugiju Taryba, Baltimore's Council of Lithuanian Societies at the invitation of its president, Elena Armanas. The event commemorated the 724th anniversary of Lithuanian nationhood and 57th anniversary of the founding of the Republic. It was also a welcome to Simas Kudirka, the Lithuanian seaman who was recognized by the world as a courageous spokesman for individual liberty and for national freedom.

I ask unanimous consent that the text of a resolution adopted by the council last year and a brief history of Simas Kudirka be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION

We, Lithuanian Americans of the Council of Lithuanian Societies of Baltimore, at a meeting held on February 17, 1974, at Lithuanian Hall, commemorating the 724th Anniversary of the formation of the Lithuanian State when Mindaugas the Great unified all Lithuanian principalities into one kingdom in 1251 and the 57th Anniversary of the establishment of the Republic of Lithuania on February 16, 1918, unanimously adopt the following resolution:—

Whereas in 1918 the Lithuanian people exercised their right of self-determination and restored the Independent Lithuanian State by establishing the Republic of Lithuania and

Whereas in the peace treaty of July 12, 1920 Soviet Russia officially recognized the sovereignity and independence of Lithuanian and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15-17th, 1940 invaded with overwhelming armed forces occupied Lithuania, and forcefully annexed the Lithuanian Nation; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the free Republic of Lithuania,

consistently has refused to recognize the seizure of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the communist regime in seeking political and religious freedom, as demonstrated by the Lithuanian Sailor, Simas Kudirka, the self-immolation of Romas Kalanta, the subsequent demonstrations of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations; and

Whereas the 89th Congress unanimously passed House Concurrent Resolution 416 urging the President of the United States to direct attention of world opinion at the United Nations and other international forums, to the denial of the rights of self-determination for the peoples of Lithuania, Latvia and Estonia, and to maintain that policy and the respect for human rights as fundamental freedom before the respective committees of the Conference on Security and Cooperation in Europe, and further

Resolved, to request the President of the United States to vigorously implement House Concurrent Resolution 416 to the fullest extent, and further

Resolved, that copies of this resolution be forwarded this day to the President of the United States, the United States Secretary of State, the United States Ambassador to the United Nations, the United States Senators from Maryland, the Members of the United States House of Representatives from Maryland, Republican and Democratic Parties Leaders in the United States Congress, the Charge d'Affairs of Lithuania in Washington, D.C. and the Lithuanian Consul General in New York, Chicago, Los Angeles and the press.

SIMAS KUDIRKA

Simas Kudirka, born in Lithuania in 1929, was eleven years old when the Russian Army invaded his independent homeland in 1940. His formative years saw Lithuania occupied by the Russian and German Armies, saw mass deportations of Lithuanians to Siberian concentration camps, and saw his fellow schoolmates joining the local partisans to fight for Lithuania's freedom.

By the time he was twenty one, he was an apprentice seaman specializing in radio technology. He became a seaman to escape the tragedy in his homeland, but even on the ships he found discrimination because of his nationality and his refusal to join the Communist Party.

This was the background that made Simas Kudirka risk his life on that fateful day November 23, 1970 off of Martha's Vineyard.

"I do not consider myself guilty, since I did not betray my homeland, Lithuania, I do not consider Russia, called the Soviet Union, as my homeland".

"All I demand is an independent Lithuania, one that is not occupied by any army, and has a free, democratic system of elections".—Statements by Simas Kurdika at his trial in May of 1971.

PUBLICATION OF RULES AND ORGANIZATION OF THE COMMITTEE ON APPROPRIATIONS

Mr. McCLELLAN. Mr. President, the Committee on Appropriations held its organizational meeting on February 5, 1975. At that meeting the committee adopted rules of procedure for the 94th Congress, established its subcommittees and the subcommittee's jurisdictions, and agreed to subcommittee assignments.

In accordance with the provisions of the Legislative Reorganization Act, as amended, I submit for publication in the RECORD the rules adopted by the committee.

I also ask unanimous consent that the list of subcommittees, showing the members thereon, and the subcommittee jurisdictions be printed in the RECORD.

There being no objection, the committee rules, list of subcommittees, and subcommittee jurisdictions were ordered to be printed in the RECORD, as follows:

RULES GOVERNING THE PROCEDURE OF THE SENATE COMMITTEE ON APPROPRIATIONS, ADOPTED PURSUANT TO SECTION 133(b) OF THE LEGISLATIVE REORGANIZATION ACT OF 1946, AS AMENDED

1. MEETINGS

The Committee will meet at the call of the Chairman.

2. QUORUM

(a) *Reporting a bill.* A majority of the members must be present for the reporting of a bill.

(b) *Other business.* For the purposes of transacting business other than reporting a bill or taking testimony, one-third of the members of the Committee shall constitute a quorum.

(c) *Taking testimony.* For the purpose of taking testimony, other than sworn testimony, by the Committee or any subcommittee, one member of the Committee or subcommittee shall constitute a quorum. For the purpose of taking sworn testimony by the Committee three members shall constitute a quorum, and for the taking of sworn testimony by any subcommittee one member shall constitute a quorum.

(d) *Ex officio members.* In determining if a quorum is present ex officio members appointed pursuant to paragraph 6 of Rule XVI of the Standing Rules of the Senate shall not be considered.

3. PROXIES

Votes may be cast by proxy when any member so requests.

4. ATTENDANCE OF STAFF MEMBERS AT EXECUTIVE SESSIONS

Attendance of Staff Members at Executive Sessions of the Committee shall be limited to those members of the Committee Staff that have a responsibility associated with the matter being considered at such meeting. This rule may be waived by unanimous consent.

5. BROADCASTING AND PHOTOGRAPHING OF COMMITTEE HEARING

The Committee or any of its subcommittees may permit the photographing and broadcast of open hearings by television and/or radio. However, if any member of a subcommittee, including ex officio members, objects to the photographing or broadcasting of an open hearing, the question shall be referred to the Full Committee for its decision.

6. AVAILABILITY OF SUBCOMMITTEE REPORTS

When the bill and report of any subcommittee is available, they shall be furnished to each member of the Committee twenty-four hours prior to the Committee's consideration of said bill and report.

7. POINTS OF ORDER

Any member or ex officio member of the Committee who has in charge an appropriation bill, is hereby authorized and directed to make points of order against any amendment offered in violation of the Senate rules on the floor of the Senate to such appropriation bill.

SUBCOMMITTEES AND SUBCOMMITTEE JURISDICTIONS

(The names of ex officio members appear in italics. Senator McClellan, as chairman of the Committee, and Senator Young, as ranking minority member, are ex officio members of all subcommittees of which they are not regular members. *Ranking minority member.)

AGRICULTURE AND RELATED AGENCIES

Senators McGee, Stennis, Proxmire, Byrd, Inouye, Bayh, Eagleton, Chiles, Fong,* Hruska, Young, Hatfield, and Bellmon.

Talmadge, Eastland, and *Dole.*

Jurisdiction

Department of Agriculture (*except* Forest Service).
Farm Credit Administration.
Commodity Futures Trading Commission.
Food and Drug Administration (HEW).

DEFENSE

Senators McClellan, Stennis, Pastore, Magnuson, Mansfield, McGee, Proxmire, Montoya, Inouye, Young,* Hruska, Case, Fong, Stevens, and Schweiker.

Symington, Jackson, and *Thurmond.*

Intelligence Operations

Senators McClellan, Stennis, Pastore, Young, and Hruska.

Jurisdiction

Department of Defense—Military: Departments of Army, Navy (including Marine Corps), Air Force, and Office of Secretary of Defense (*except* Military Construction, Military Assistance, and Civil Defense).
Central Intelligence Agency.

DISTRICT OF COLUMBIA

Senators Chiles, Johnston, Huddleston, Mathias,* and Schweiker.

Eagleton, Inouye, and *Bartlett.*

Jurisdiction

District of Columbia.

FOREIGN OPERATIONS

Senators Inouye, Proxmire, McGee, Chiles, Johnston, Brooke,* Hatfield, and Mathias.

Jurisdiction

Agency for International Development.
ACTION (international programs, Peace Corps).
Asian Development Bank.
Cuban Refugee Program (HEW).
Export-Import Bank.
Foreign Military Credit Sales.
Inter-American Development Bank.
Inter-American Foundation.
International Bank for Reconstruction and Development (World Bank).
International Development Association.
International Monetary Fund.
Migration and Refugee Assistance (State).
Military Assistance Program.
Overseas Private Investment Corporation.

HUD-INDEPENDENT AGENCIES

Senators Proxmire, Pastore, Stennis, Mansfield, Bayh, Chiles, Johnston, Huddleston, Mathias,* Case, Fong, Brooke, and Bellmon.

Also on Aeronautical and Space Activities: *Moss, Symington,* and *Goldwater.*

Jurisdiction

Department of Housing and Urban Development.
American Battle Monuments Commission.
Cemeterial Expenses, Army.
Consumer Information Center (GSA).
Consumer Product Safety Commission.
Council on Environmental Quality and Office of Environmental Quality.
Disaster Relief.
Environmental Financing Authority (Treasury).
Environmental Protection Agency.
Federal Home Loan Bank Board.
National Aeronautics and Space Administration.
National Commission on Water Quality.
National Science Foundation.

Office of Consumer Affairs (HEW).
Selective Service System.
Veterans' Administration.

INTERIOR

Senators Byrd, McClellan, McGee, Montoya, Inouye, Chiles, Mansfield, Hollings, Stevens,* Young, Hruska, Hatfield, and Bellmon.

Jurisdiction

Department of the Interior.
(*Except:*
Alaska Power Administration.
Bonneville Power Administration.
Bureau of Reclamation.
Southeastern Power Administration.
Southwestern Power Administration.)
Other Agencies:
American Revolution Bicentennial Administration.
Commission of Fine Arts.
Energy Research and Development Administration—Fossil Fuels Research and Development and Related Matters.
Federal Energy Administration.
Federal Metal and Nonmetallic Mine Safety Board of Review.
Forest Service (USDA).
Franklin Delano Roosevelt Memorial Commission.
Indian Claims Commission.
Indian Education Activities.
Indian Health Activities (HEW).
Joint Federal-State Land Use Planning Commission for Alaska.
National Capital Planning Commission.
National Foundation on the Arts and the Humanities.
National Gallery of Art.
Pennsylvania Avenue Development Corporation.
Smithsonian Institution.
Woodrow Wilson International Center for Scholars.
Youth Conservation Corps (Forest Service).

LABOR, HEALTH, EDUCATION, AND WELFARE

Senators Magnuson, Stennis, Byrd, Proxmire, Montoya, Hollings, Eagleton, Bayh, Chiles, Brooke,* Case, Fong, Stevens, and Schweiker.

Jurisdiction

Department of Health, Education, and Welfare.
(*Except:*
Cuban Refugee Program.
Food and Drug Administration.
Indian Education Activities.
Indian Health and Construction Activities.
Office of Consumer Affairs.)
Department of Labor.
Related Agencies:
ACTION (domestic programs).
Community Services Administration.
Corporation for Public Broadcasting.
Federal Mediation and Conciliation Service.
National Commission on Libraries and Information Science.
National Labor Relations Board.
National Mediation Board.
Occupational Safety and Health Review Commission.
Railroad Retirement Board.
Soldiers' and Airmen's Home.

LEGISLATIVE

Senators Hollings, McClellan, Huddleston, Schweiker,* and Mathias.

Jurisdiction

U.S. Senate.
Joint Items:
Architect of the Capitol (*except* House items).
Botanic Garden.
Cost-Accounting Standards Board.
General Accounting Office.
Government Printing Office.
Library of Congress.
Office of Technology Assessment.

MILITARY CONSTRUCTION

Senators Mansfield, Inouye, Johnston, Huddleston, Stevens,* Bellmon, and Brooke.
Symington, Cannon, and *Tower.*

Jurisdiction

Military construction, Army, Navy (including Marine Corps), Air Force, and Defense Agencies, and Reserve Forces.
Military family housing.
Homeowners Assistance Fund.

PUBLIC WORKS

Senators Stennis, Magnuson, Byrd, Pastore, McGee, Montoya, Hollings, Johnston, Huddleston, Hatfield,* Young, Hruska, Case, Schweiker, and Bellmon.
Also on Rivers and Harbors items: *Randolph, Muskie,* and *Baker.*
Also on Atomic Energy items: *Jackson, Symington,* and *Baker.*

Jurisdiction

Energy Research and Development Administration (*except* for fossil fuels research and development and related matters).
Department of Defense—Civil:
Department of the Army:
Corps of Engineers—Civil.
Department of the Interior:
Alaska Power Administration.
Bonneville Power Administration.
Bureau of Reclamation.
Southeastern Power Administration.
Southwestern Power Administration.
Related Agencies:
Appalachian Regional Commission.
Appalachian Regional Development Programs.
Delaware River Basin Commission.
Federal Power Commission.
Interstate Commission on the Potomac River Basin.
Nuclear Regulatory Commission.
Susquehanna River Basin Commission.
Tennessee Valley Authority.
Water Resources Council.

STATE, JUSTICE, COMMERCE, THE JUDICIARY

Senators Pastore, McClellan, Mansfield, Hollings, Magnuson, Eagleton, Johnston, Huddleston, Hruska,* Fong, Brooke, Hatfield, and Stevens.
Also on Diplomatic and Consular items: *Sparkman,* ———, and *Javits.*

Jurisdiction

Department of Commerce.
Department of Justice.
Department of State (*except* Migration and Refugee Assistance).
The Judiciary.
Related Agencies:
Arms Control and Disarmament Agency.
Board for International Broadcasting.
Commission on Civil Rights.
Commission on the Organization of the Government for the Conduct of Foreign Policy.
Equal Employment Opportunity Commission.
Federal Communications Commission.
Federal Maritime Commission.
Federal Trade Commission.
Foreign Claims Settlement Commission.
Legal Services Corporation.
Marine Mammal Commission.
National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance.
Renegotiation Board.
Securities and Exchange Commission.
Small Business Administration.
Special Representative for Trade Negotiations.
Tariff Commission.
U.S. Information Agency.

TRANSPORTATION

Senators Bayh, Byrd, Stennis, Magnuson, Pastore, Eagleton, Case,* Stevens, Mathias, and Schweiker.

Jurisdiction

Department of Transportation.
Related Agencies:
Civil Aeronautics Board.
Interstate Commerce Commission.
National Transportation Safety Board.
Panama Canal.
United States Railway Association.
Washington Metropolitan Area Transit Authority.

TREASURY, POSTAL SERVICE, GENERAL GOVERNMENT

Senators Montoya, Bayh, Eagleton, McClellan, Bellmon,* and Hatfield.
Also on Postal Service items: *McGee, Randolph,* and *Fong.*

Jurisdiction

Treasury Department.
United States Postal Service.
Executive Office of the President:
Compensation of the President.
Council of Economic Advisers.
Council on International Economic Policy.
Domestic Council.
Executive Residence.
National Commission on Productivity.
National Security Council.
Office of Intergovernmental Relations.
Office of Management and Budget.
Office of Telecommunications Policy.
Special Action Office for Drug Abuse Prevention.
Special Assistance to the President.
Special Projects.
Unanticipated Personnel Needs.
White House Office.
Funds Appropriated to the President:
Economic Stabilization Activities.
Emergency Fund for the President.
Expenses of Management Improvement.
Independent Agencies:
Administrative Conference of the United States.
Advisory Commission on Intergovernmental Relations.
Advisory Committee on Federal Pay.
Civil Service Commission.
Commission on Executive, Legislative, and Judicial Salaries.
Commission on Government Procurement.
Commission To Review National Policy Toward Gambling.
Committee for Purchase of Products and Services of the Blind and Other Physically Handicapped.
General Services Administration.
Tax Court of the United States.
Other:
Civil Defense Preparedness Activities (Defense).
Commission on Federal Paperwork.
Council on Wage and Price Stability.
General Provisions, Governmentwide.
National Commission on Electronic Fund Transfers.
National Commission on Supplies and Shortages.
Office of Federal Procurement Policy.
Official Residence of the Vice President.

CHILD NUTRITION CUTS ILL-ADVISED

Mr. McGOVERN. Mr. President, on February 4, the Ford administration moved to so drastically cut the federally funded child nutrition programs that, if successful, its place in history will be assured.

The place would be a dark one, empty of charity, void of a sensible purchase on the future.

Their theory is that when the Ship of State is foundering on the shoals of stagnation, some people have to be sacrificed, some have to be discarded, so that voyage may resume.

That way, if the Ship of State is in trouble, at least it will not sink because of an overload of the poor, the young, or the unborn. They will be cast out, to sink or swim in the seas of an unfriendly economy.

History will note that when the crunch came, the Ford administration resorted to lifeboat ethics.

There is no other way to describe their budget proposal for federally funded nutrition programs.

In one proposal, they seek to eliminate:

First, diet supplementation for 650,000 low income women, infants, and children in 48 States;

Second, 2½ billion school lunches for children from middle-income homes;

Third, milk for tens of millions of young schoolchildren;

Fourth, all meals for any child in a Day Care Center, Head Start Center, and

Fifth, all school breakfasts, taking food away from over 1½ million young children each day.

This proposal seems to me to be a case of blaming the victims. I am certain Congress will not tolerate such action.

The proposed fiscal year 1976 budget for the Food and Nutrition Service of the Department of Agriculture incredibly includes the following language:

Breakfast, non-school (Day Care, Head Start, and Summer Feeding), and Special Milk are proposed to be terminated. . . .

. . . proposed legislation would repeal and supersede all existing child nutrition legislation. . . .

This is about $600 million less than the present set of programs continued into FY-1976. . . .

WIC Program to be terminated. . . .

Commodities to schools would . . . be reduced . . .

Terminate current set of programs and separate appropriations . . .

There it is in a nutshell. Elimination of programs serving daily millions of women, infants, and children, plus drastic reduction and reshaping of others.

What makes this action particularly foolhardy is that it comes at a time when these programs, tried and proven, could be a real help to the people of this country, without a great increase in cost.

At a time when food costs are rising over 15 percent per year, when unemployment is hitting recordbreaking numbers, when double digit inflation is bewildering almost everyone, when the farm economy is plagued by firestorms, and when local economies need a boost, the Federal nutrition programs are in a unique position to be used to help, not to hurt, our people.

I am certain Congress will not allow 30 years of progress in the health and welfare of children to be destroyed because of misguided values.

I am certain Congress will not act to take support away from the farmer, away from the hard-pressed family food budget, away from the faltering economy.

In addition, the proposed budget continues the drastic cutbacks in the food stamp program. This year's cut of about $325 million is projected into next year as a cut of $700 million and is based on an assumption that at least 1.3 million persons will be cut from the rolls. Since participation in the food stamp program is growing daily, that cut is more likely to drop 2 million persons from the rolls. Frankly, the Congress is not going to let this happen. Before this week is out, I believe we will have reversed the cut proposed for this fiscal year and next.

I am not saying that food stamps or child nutrition programs are beyond any power of meddling.

They are not.

They can be improved, expanded, streamlined, made less bureaucratic.

I plan shortly to introduce legislation to do just those things, as I have in the past.

But I would hope these programs are beyond budgetary opportunism and ill-advised use of power.

And I would hope at last they had earned their existence through ordeal, too many tries to count.

I would hope they be, at last, beyond lifeboat ethics.

Last week both Congress and the administration acted to change the status of federally funded nutrition delivery programs.

Congress voted overwhelmingly to freeze food stamp prices at their current levels until the end of 1975.

At nearly the same time, the administration proposed a budget for the child nutrition programs which effectively abolishes food benefits for millions of Americans, including low-income infants, schoolchildren of all ages, and the elderly.

I will soon introduce legislation to continue, improve, and expand our child nutrition programs.

I hope and trust Congress will respond to this proposal with the same speed and wisdom it did in the case of food stamps.

The following articles contained in the February 6, 1975, edition of the Community Nutrition Institute Weekly Report, accurately describe the administration's intention of eliminating the child nutrition programs, as well as the feeding programs for the elderly. There is also an article on the food stamp legislation.

Mr. President, I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

BUDGET MESSAGE PROPOSES ENDING CHILD NUTRITION PROGRAMS

The Ford Administration ignited a new firestorm in the nutrition area this week by calling for the abolition of the school lunch, school breakfast, special milk, equipment assistance, day care, summer feeding, supplemental feeding, and women, infants, and children (WIC) programs.

The Administration said it would seek legislation designed to replace all existing child nutrition programs with a single program of block grants to states. The announcement came this week with the unveiling of President Ford's budget request for fiscal year 1976.

The block grants would provide $600 million to $700 million less in food assistance in fiscal 1976 than would the continuation of existing programs. The principal savings would result from termination of federal support for school meals served to non-poor children.

Pregnant and nursing women who now receive food supplements under the WIC and supplemental food programs would also be cut off entirely. Block grant funds would be available for the provision of meals to children only.

BLOCK GRANTS PROPOSED

Under the Administration's proposal, states would be able to use block grant funds to provide meals meeting one-third of the U.S. Recommended Daily Allowances (RDAs) of basic nutrients to children from families with incomes up to 125 percent of the poverty line. The children could receive their meals in schools, day care centers, summer recreation programs or other institutional settings.

The proposal would knock out about $650 million a year in federal support currently provided to schools to help defray the costs of breakfasts, lunches and milk served to children from families above 125 percent of the poverty line. William G. Boling, manager of USDA's child nutrition division, predicted that the prices charged for school lunches would rise about 22 cents if the block grant concept goes into effect.

State allocations under the new proposal would be determined by multiplying $202 (90 cents per meal times 225 days) by the number of children in the state who are between the ages of one and 17 in families below the poverty line. Part of a state's allocation would be withheld, however, if the state had poor children in schools with no school food programs. The funds would be released only if the state used them to establish food programs in these schools.

The proposal is sure to meet vigorous and probably insurmountable opposition in Congress. It would require families of four with incomes above $5,640 a year to pay an average of 65 to 70 cents for each child. This aspect of the program will be difficult to sell on Capitol Hill.

In addition, an increase of 20 cents or more in the price of school lunches would drive several million paying children out of the program. The Senate Nutrition Committee estimated in a 1973 report that each increase of one cent in the price of school lunches causes one percent of the paying students (or about 145,000 children) to drop out of the program.

If the number of children purchasing lunches declines sharply, per-lunch preparation costs will rise, necessitating possible further increases in meal prices and further dislocations in the program.

Organizations and agencies involved with non-school food programs also are likely to oppose the Administration proposal. Day care and summer feeding programs would have no assurance of receiving funds from state officials who would control the block grants, and WIC directors would see their new programs dissipated almost entirely.

The proposal has already drawn a bitter blast from Senator George S. McGovern (D-S.D.), Nutrition Committee chairman, who declared within hours after release of the budget message that he was totally and implacably opposed to the block grants proposal.

"I am certain Congress will not allow 30 years of progress in the health and welfare of our children to be destroyed because of misguided values," McGovern declared.

UMI

FOOD ASSISTANCE PROGRAMS—FISCAL YEARS 1974-76

[Program level—Dollars in millions]

Program	1974 actual	1975 estimate	1976 Under existing legislation	1976 Under proposed legislation
Child nutrition programs:				
1. Cash grants to States:				
(a) School lunch (section 4)	$412.1	$444.4	($498.0)	
(b) Free and reduced price lunches	683.2	751.1	(865.0)	
(c) School breakfast	60.7	73.3	(——)	
(d) Nonfood assistance	25.1	28.0	(28.0)	
(e) State administrative expenses	5.7	6.7	(6.7)	
(f) Nonschool food program	70.4	[1] 116.7	(——)	
(g) Grants in lieu of commodities			(73.0)	
2. Commodities to States	341.8	361.0	(365.2)	
3. Nutrition training and survey and operating expenses	6.4	11.1	(14.4)	[2] $1,682.5
Special milk program	62.1	120.0	(——)	
Special supplemental food program	15.3	127.1	(——)	
Total	1,693.0	2,039.3	1,850.3	[3] 1,682.5
Food stamp program	$2,864.9	$3,703.0	$3,858.9	[3] $3,641.6
Direct distribution to families	193.7	[4] 42.5	[3] 2.8	[3] 2.8
Direct distribution to institutions	19.8	22.3	——	——
Food donating program	——	——	[3] 5.8	[3] 5.8
Elderly feeding	——	5.6	6.0	6.0
Section 32 operating expenses (AMS & FNS)	6.8	7.2	6.7	3.5
Nutrition education (Extension Service excluding administrative expenses)	47.4	47.4	47.4	47.4
Total food assistance	4,825.5	5,867.3	5,777.9	5,389.6

[1] Includes $64,000,000 for day care feeding and $52,700,000 for summer feeding.
[2] USDA is proposing to substitute a comprehensive block grant program for the present child nutrition programs, special milk, special supplemental food (WIC), and commodity supplemental food programs, $1,682,500 is being requested for the block grant program in fiscal year 1976.
[3] Both the $2,800,000 under "Direct Distribution to Families" and the $5,800,000 under "Food Donations Program" are for commodity distribution to needy families on Indian reservations.
[4] Includes $6,400,000 for supplemental feeding.

Note: USDA is proposing to limit cost-of-food adjustments in all food programs to 5 percent over the 18-month period from Jan. 1, 1975, to June 30, 1976. This proposal would reduce food stamp expenditures by $217,300,000 to a total of $3,641,000.

USDA administrators have little optimism about their proposal's chances in Congress. At a press briefing on the budget request last Saturday, USDA budget director Jerome Miles noted wryly: "There are some who think this won't pass."

ELIMINATION OF PROGRAMS

Even if the block grant proposal is defeated, however, the Ford Administration will seek to terminate the school breakfast, summer feeding, day care, WIC, supplemental feeding and special milk programs. Legislation governing all these programs except supplemental feeding and special milk expires June 30, and the Administration announced this week it will not seek to have these programs renewed.

In addition, while authority for the supplemental and milk programs does continue beyond June 30, the Administration is requesting no money whatsoever for these programs, whether or not a block grant proposal is enacted. Only the school lunch program, equipment assistance for schools, and commodities for schools would be allowed to continue into fiscal 1976, under the USDA budget request, if the block grants are not implemented.

The Administration is also proposing to terminate all commodity deliveries to orphanages, children's homes, homes for the aged, and other institutions. These institutions are receiving $22.3 million in commodities during the current fiscal year.

A background paper on the budget prepared by the budget division of USDA's Food and Nutrition Service notes that the "general theme" of the fiscal 1976 budget for food programs is "the need to reduce federal spending." The paper also observes that USDA is assuming no growth in participation in the food programs. "In fact, declines are expected to result from tighter administration," the paper declares.

FIVE PERCENT "CAP"

In addition to a wholesale dismantling of the child nutrition programs, the Administration is asking for new legislation to limit cost-of-food adjustments in all federal food programs to 5 percent over the 18-month period from July 1, 1975 to June 30, 1976, even though food costs may rise 20 percent or more during this period (see CNI Vol. V:5).

Food stamp households would be especially hard hit by this proposal. USDA officials say that the food stamp allotment for a family of four, currently set at $154 a month, would be allowed to rise only to $158 a month on July 1, 1975 and would not be permitted to increase at all on January 1, 1976, if the 5 percent limit is enacted.

Without the limit, the food stamp allotment for a family of four is expected to rise to $164 this July and to $172 next January 1, according to USDA.

The 5 percent limit would also hit school food programs—if these were allowed to continue instead of the block grant. School food reimbursements already rose more than 5 percent on January 1 of this year. Consequently, there would be no increase at all in reimbursements again for 18 months—until July 1, 1976.

The reduction in food stamp allotments and school food reimbursements would be permanent rather than for a one-year period, because the percentage increase that would be allowed in July 1976 would cover only the preceding six months rather than the entire 18-month period. There would be no "catch-up" to bring food stamp allotments and school food reimbursement rates up to the levels they would otherwise have attained during this period.

This means that food stamp allotments would remain permanently nearly 10 percent below the cost of the economy food plan, the cheapest food plan calculated by USDA. The Department's own studies show that over half the families spending at the full cost level of the economy plan still have poor diets and that only one out of ten families spending at this level gets 100 percent of the RDAs for the seven most basic nutrients.

Commodity donations to schools and elderly feeding programs would also be limited to a 5 percent increase. The donations, which currently total 10 cents per meal, would be limited to 10.5 cents per meal in fiscal 1976. Similarly, reimbursements in the special milk program would rise to only 5.25 cents per half pint of milk next year (if the special milk program is continued).

COMMODITY PROGRAMS

In the area of commodity programs, the new budget shows that the Ford Administration, like the Nixon Administration before it, wishes these programs would largely disappear. The budget contains no money at all for the provision of commodities to institutions. In addition, the donation of commodities to schools and other child nutrition programs would be ended by the block grant proposal.

USDA officials said that commodities could still be made available for schools from time to time, but the commodities would have to be paid for with the state's block grant money. (The budget does show that if the block grant proposal and the 5 percent ceiling are both rejected by Congress, USDA expects to provide about 9.38 cents in commodities and about 1.87 cents cash in lieu of commodities for each school lunch served in fiscal 1976.)

USDA also plans to provide $8.6 million in commodities for Indian reservations still distributing commodities to needy families and $6 million in commodities to nutrition projects for the elderly. However, the elderly feeding commodities would be composed entirely of food items that are in surplus. USDA's authority to purchase non-surplus commodities at market prices for school food and elderly feeding programs expires June 30, and the Department will not seek to have this authority renewed. The selection of commodities available to elderly feeding programs in fiscal 1976 could be extremely limited as a result.

The budget also shows that USDA plans to spend only $28 million on equipment assistance for schools in fiscal 1976 if the block grant proposal is not accepted. The $28 million figure is the same amount spent on this program in fiscal years 1974 and 1975, representing somewhat of a decline in real support for this program when inflation is taken into account. A USDA survey released last March showed school districts reporting a need for $177 million in equipment aid.

SUMMER FEEDING AFFECTED

While Congress is likely to reject the Administration's legislative recommendations in most child nutrition areas, one program—summer feeding—could still suffer substantial damage in the coming months. Proposed regulations for the summer feeding program generally come out in February, and handbooks and application forms usually follow in March. This year, however, USDA will apparently issue no regulations or handbooks because it is seeking to abolish the program.

If summer feeding sponsors are forced to wait for enactment of new legislation extending the program, they may find themselves unable to begin any preparation for this year's program until the summer is almost upon them. The result would be administrative chaos and a program that reaches only a small number of children.

Another program whose future now appears uncertain is the women, infants, and children (WIC) feeding program. Congress is unlikely to adhere to USDA's request to let this program expire on June 30, and the WIC program probably will be extended. But what level of funding Congress will choose to provide for the WIC program is now unclear.

At present, USDA is required by legislation and by court order to spend about $125 million on the WIC program in fiscal 1975. In order to spend this amount the Department has been awarding large numbers of new grants and allowing caseload increases during the course of the fiscal year. If all WIC projects that have now been funded were to operate at full capacity for a year the cost of the program could run close to $200 million.

Since USDA can be expected to oppose any efforts to secure funding of this magnitude for WIC next year, a major battle over WIC funding could develop this spring.

FOOD STAMP ESTIMATE

The budget message requests only $3.86 billion for the food stamp program in fiscal 1976, but this estimate was based on the mistaken assumption that Congress would allow the Administration to raise the price of food stamps on March 1. If Congress succeeds in blocking the food stamp price increase, the projected cost of the program in fiscal 1976 will rise to nearly $4.8 billion.

FORD REBUFFED ON STAMP CUTBACK

The Ford Administration's effort to raise food stamp prices collapsed this week in the face of a 374–38 House vote to freeze food stamp prices at their current levels until the end of 1975.

An identical measure was approved by the Senate Agriculture Committee on Wednesday and appeared headed for sure passage on the Senate floor as CNI Weekly Report went to the printer.

The Senate was also expected to approve a resolution directing the Agriculture Secretary to provide a study of the food stamp program by June 30. That study, the resolution said, should include recommendations for disqualifying ineligible households, increasing penalties for abuse of the program and reducing "administrative complexities which make joint operations with other federal assistance programs difficult."

Administration spokesmen have indicated that President Ford, faced with the opposition of more than two-thirds of both houses of Congress, will reluctantly sign the freeze bill when it reaches him.

Meanwhile, several state food stamp directors said this week that because of the certain victory of the legislation, they would begin preparing March food stamp authorization-to-purchase cards that reflect current food stamp prices rather than the increased prices the Administration had wanted to charge. A survey conducted by CNI and several other organizations last week found that states were planning to begin reprocessing their caseloads to reflect the higher prices within the next few weeks (see CNI Vol. V:5).

LOWER PRICES DISCUSSED

The legislation passed by the House is intended only as a temporary freeze on food stamp prices. Both the House and Senate Agriculture Committees want to study the question of food stamp prices—as well as other food stamp issues—more thoroughly over the next few months. Farm legislation probably will include a number of food stamp amendments.

However, the degree of Congressional opposition to the Administration's plan makes it certain that this forthcoming farm legislation will not contain any food stamp price increase. In fact, Congress may act to lower prices for some or all food stamp households.

A bill (S. 13) introduced by Senator George S. McGovern (D-S.D.) to lower food stamp prices has attracted 45 co-sponsors in the Senate (see CNI Vol. V:3). Rep. Thomas Foley (D-Wash.), the new chairman of the House Agriculture Committee, said last week that his Committee would also examine proposals to lower food stamp prices in the coming months; he is considered sympathetic to this idea.

CUTBACK PROPOSED FOR AGING PROGRAMS

The Ford Administration last week proposed that Congress withdraw spending authority for some $42 million in fiscal year 1975 program funds for the elderly.

The proposal to rescind spending authority would reduce funding for Title VII nutrition programs for the elderly by $25 million. Title II area agency programs would be cut back by $9 million, and training and technical assistance programs would be eliminated, a recision of $8 million. These recisions are reflected in President Ford's fiscal 1976 budget request for aging programs (see table on page 7.)

Under budget reform legislation enacted last year, the executive branch may not impound appropriated funds, but it may propose rescinding the money. Any proposed recision—and the Administration last week proposed 35 fund reductions overall—must be approved by both the Senate and the House. If a majority vote is lacking in either chamber, a recision proposal cannot take effect.

Congress now has 45 days in which to accept the proposed recisions. If Congress does not act within that time, the Administration must spend or obligate the funds as rapidly as possible, Congressional sources say.

The likelihood of Congress accepting the recision of funds for the aging is extremely small. Even officials of HEW's Administration on Aging (AoA) concede privately that the funds will be allocated to the states for program use soon after March 10.

The only question remaining with respect to fiscal 1975 funds is whether AoA will spend the additional $50 million that Congress authorized for Title VII programs over the $100 million requested by the Administration. The confusion stems from Congress action in raising Title VII funding by only $25 million in direct appropriations, stipulating that the other $25 million be taken from available carryover funds.

HEW spokesmen claim that the White House Office of Management and Budget (OMB), which makes basic spending decisions for the Administration, has not yet indicated whether it believes the $25 million Congressional directive to be as binding as a $25 million appropriation.

SPECIAL PROGRAMS FOR AGING

[In thousands of dollars]

	1974 actual	1975 estimate	1976 estimate
Community services	106,558	96,000	96,000
Nutrition	99,600	99,600	99,600
Research, demonstration and manpower	16,500	7,000	7,000
Federal council on aging	——	1,000	1,000
Total	222,658	203,600	203,600

In his fiscal 1976 budget request, the Administration asked for a carbon copy of its proposed fiscal 1975 budget. The $96 million community services budget, HEW said, would support 412 area agencies established in 1975 and make possible some 40 model project grants, the same as the 1975 level.

With respect to the Title VII nutrition program, HEW said a $99.6 million funding level would provide 200,000 hot meals daily in 665 project sites nationwide. Increases in food costs, it said, would be "partially offset by management improvement, savings from nonrecurring capital and administrative expenses incurred in 1974, and obtaining funds from other public and private sources."

The budget proposal contains $2 million over two years for two major studies by the Federal Council on Aging: a study on the interrelationships of government benefit programs for the elderly, and a study on the combined impact of taxes on the elderly.

UNEMPLOYMENT AND THE ECONOMY

Mr. MOSS. Mr. President, the Labor Department announced Friday that the Nation's jobless rate has reached 8.2 percent—7.5 million Americans are now out of work.

By every indication, unemployment will increase in the months ahead. President Ford in his economic report, delivered last week, predicted that unemployment will continue to rise. Only last Thursday, his chief economic advisor, Alan Greenspan, said that the Nation's jobless rate will reach 8.5 percent sometime this year. At least one major economist outside the administration has predicted that the unemployment rate will remain above 8 percent for the next 2 years.

While there may be some disagreement about the actual statistics, it is now clear to everyone that our Nation now confronts a critical period of deep and sustained recession. Not since the 1930's has there been a greater need for Congress to take bold, corrective action.

Last Thursday, the House Ways and Means Commitee approved a $20.2 billion tax cut aimed at stimulating the Nation's economy. This cut includes a 10 percent "rebate" on 1974 taxes to be returned to taxpayers sometime this spring. In addition, it calls for an $8 billion cut in 1975 taxes, primarily for those taxpayers who earn less than $20,000 a year. This cut would be reflected in reduced withholding taxes this summer.

The question now facing Congress is whether these tax relief measures contain sufficient stimulus to turn the economy around. Given the latest unemployment figures, it is clear that the situation is far more serious than we had estimated only a few weeks ago. It is quite possible we will have to move in a direction of a more substantial tax cut. Alternatively, Congress may have to consider a sizable increase in the current public service jobs program, which is now providing some 330,000 federally financed employment opportunities. With some 930,000 workers joining the unemployment rolls in the last month alone, our current efforts in this area have become grossly inadequate.

What is needed now is a broad-ranging approach to the Nation's economic difficulties. We need to determine how overall spending and taxation policies can be geared to the battle against recession.

Last summer Congress enacted historic legislation to give the legislative branch a far tighter grip on the Federal budget. It provides that each year Congress pass a concurrent resolution setting overall levels of Federal expenditure and taxation that meet the Nation's current economic needs.

On Friday, February 14, I am presid-

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ing over a day of Budget Committee field hearings in Utah on the impact of the Federal budget. I will attempt to survey the effect of various Federal spending and tax policies on my State's economy. Senator GARN and Governor Rampton have agreed to testify. The hearings will be held in the State Office Building auditorium in Salt Lake City at 9 a.m. on February 14.

Other witnesses will include:

Alan Witt, of the Utah Foundation, who will discuss the impact of Federal spending on Utah's overall economic outlook.

Joseph Perry, acting dean of the College of Business, University of Utah, who will also discuss the impact of Federal expenditures on the local economy.

Curtis Harding, director of the Utah Employment Security Office, will comment on the employment impact of Government programs in the State. He will also provide a survey of the State's overall employment situation and outlook, as well as an up-to-date assessment of the public service employment program and its effectiveness in providing local jobs.

Herbert Smart, Utah State finance director, will discuss the impact of Federal budgeting on the State's own budget planning.

Mickey Gallivan, director of the Utah Travel Council, will talk about the impact of Federal energy and economic policies on the State's tourist industry.

Ross Barnes, Regional Director of the Office of Economic Opportunity, will also appear to give a complete overview of all Federal spending in the State.

SENATOR MONDALE SAYS NEW FOOD AND AGRICULTURAL POLICY ESSENTIAL FOR FARMERS AND CONSUMERS

Mr. HUMPHREY. Mr. President, on February 6, the Senator from Minnesota, Mr. MONDALE, testified before the Committee on Agriculture and Forestry on the need for substantial improvements in our Nation's farm and food policies. His statement touched upon each of the crucial elements in our agricultural and nutrition programs; the deficiencies in price supportive mechanisms, the need for a farmer-consumer food reserve, the case against cutbacks in child feeding and other national nutrition programs, the need for Federal purchase and distribution of beef, and the necessity of strengthening world food assistance programs under Public Law 480.

I would like to share with my colleagues in the Senate the complete text of Senator MONDALE's statement. Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR WALTER F. MONDALE

I am grateful for this opportunity to express to the Senate Agriculture Committee my view concerning the need for major revisions in laws affecting the management of our nation's food supplies.

In 1974, America's livestock, poultry, and dairy industries struggled against serious, and in too many cases, ruinous losses. Farmers were forced to absorb an increase in production costs approaching 20 percent. Net farm income, overall, fell by 17 percent. During the same period consumers, far from enjoying savings, paid an average of about 15 percent more for food than they paid in 1973.

The lessons of the past two years should be obvious. Neither the farmer nor the consumer benefits from wildly fluctuating prices.

Recent history has proven American agriculture to be the miracle of the world. Family farmers are widely and properly recognized as among the most efficient production units in modern society.

Nevertheless, the benefits of this unprecedented achievement are all too often being lost to farmers and to consumers through a lack of proper federal management. Indeed, it has become an article of faith of this Administration, as it was of its predecessor, to exercise as little leadership as possible in assuring that this great productive machine functions as it should. There is a lack of careful thought and planning that is at best mindless and at worst harmful to our nation's legitimate interests.

Take an illustration. Two weeks ago a 68 year old woman was arrested in St. Paul. She was charged with stealing two packages of sausage. The Judge asked her why she did it, and she told him that she was hungry but had run out of food stamps.

This is not an isolated example. Senior citizens, many of them living on Social Security, are picked up each week for trying to get away with a package of cold cuts or cheese. They've never stolen before. They are simply desperate.

Yet Farmers in 1974 slaughtered cattle because they could not afford to feed them. Our grasslands are filled with surplus beef. And the Administration has developed no coherent plan to get this food to the people who need it and in the process prevent farmers from being forced into bankruptcy.

Instead, the Administration is proposing that food stamp recipients be required to pay thirty percent more for benefits.

The only solution to our food problem being offered by the Administration is to tell the grain farmer to produce every acre in sight. But the grain farmer who is looking at skyrocketing bills for fuel, fertilizer and other farm inputs and is weighing the tremendous reductions in animal feeding demands, and knows the abysmal levels of price protection the Administration is willing to give to him, is now thinking long and hard about the wisdom of planting to full capacity.

It is ironic that the Administration is now proposing floor prices for members of the OPRC cartel which could result in billions in consumer costs while they oppose meaningful price guarantees for American farmers.

An American farmer, assessing the Administration's program and its results so far with respect to beef or poultry or dairy products, can only conclude that it is an invitation to ruin. And as consumers, I believe most Americans know, there is no way they can benefit when farmers by the thousands are forced out of business.

If leadership is not forthcoming from the Administration, it is up to the Congress to write and enact a law that includes the basic elements of a rational and balanced food policy.

NATIONAL FOOD BUDGET AND NATIONAL ENERGY AND RESOURCES BUDGET

The first feature of a realistic food program must be a provision for proper planning. The Minnesota Farmers Union, in consultation with the Minnesota AFL–CIO and consumer representatives, has been working to fashion just such a planning mechanism. Here is what the MFU proposes, and I fully support their recommendations. At the beginning of each year the Administration would be required to prepare a national food budget which would specify production goals for each commodity based on estimated domestic and world market demand. Included in the demand equation would be food assistance requirements at home and abroad. With the production goals established, the Administration would then prepare an Energy and Resource Budget, detailing the requirements for energy, credit, fertilizer, transportation, and other production items and setting forth the government's policy to mobilize the resources of all Federal agencies to assure the availability of inputs needed to meet production goals.

FARMER—CONSUMER FOOD RESERVE

A second ingredient of workable food policy must be a mechanism to assure availability of supplies and stability of prices. The design of a system to protect the farmer against catastrophic surpluses and to cushion the consumer against rapid escalation of prices should form the heart of this Committee's recommendations to the Senate. Senator Humphrey has proposed the basic elements of such a system in a bill which I am proud to cosponsor. This bill would provide for the creation of a national farmer-consumer food reserve system. It would offer income protection to farmers by increasing the target price and loan levels in the 1973 Agricultural and Consumer Protection Act. The present levels were outdated even before the ink was dry on the law. The current escalator clause would then ensure that each year hereafter the target levels would be increased to keep pace with changes in production costs.

To assure adequate supplies and to stabilize market prices, our bill would provide for the accumulation of reserves of wheat, feed grains, soybeans, and cotton in times of surplus which would be held off the market as protection to consumers against shortage. The consumers I refer to here are, in the first instance, mostly other farmers, namely poultry, hog, dairy, and other livestock producers.

Government purchase and release prices under the loan program are the key to protection for grain, soybean, and cotton farmers on the one hand and consumers (both livestock and household) on the other. Existing loan programs with rates varying between 30 and 40 percent of parity offer protection to no one.

Under the bill we are submitting, the exact levels for the target prices and loan rates have been left open. During the hearings this week and next, the Committee will be receiving testimony from farm organizations and consumer representatives. I am hopeful that agreement can be reached in specific figures that can satisfy the needs of both interests—or to put it another way—to restore balance and stability to U.S. food and agricultural system.

The Committee has ample evidence that many farmers are disillusioned with the target price system as embodied in existing law. They feel that only a realistic floor under market prices through the loan program can offer meaningful protection against the risks of all out production.

Without proposing any number for the supportive mechanisms, the most important of which are the loan levels, I would only says that if we are going to expect farmers to bear the expenses of fence to fence production, the Federal Government should be prepared to make a commitment of the "risk-sharing involved as close to full parity as possible, limited only by our need to remain competitive in world markets, to maintain a workable balance in terms of price-feed ratios within our agricultural economy, and to provide sufficient supply at reasonable prices for domestic consumers.

DAIRY PRICE SUPPORTS

One of the sectors within Agriculture that has been under greatest stress during the past year is the dairy industry. I represent the nation's fourth largest milk producing state, which contributed an estimated 8.2 percent of the U.S. total in 1974. And in Minnesota this year alone more than 3,000 dairy farmers have been forced out of business. The milk cow population in Minnesota, as throughout the country, is currently at the lowest level in well over a decade.

It is not difficult to understand why dairymen are going out of business when one looks at the crushing cost-price squeeze under which they are forced to operate. I would like to submit for the record detailed statistical information regarding producer losses in 12 typical Minnesota counties. At this time, I will just highlight the results of one study compiled by J. R. Larson of the St. Cloud Vocational Center in St. Cloud, Minnesota. This study of 416 dairy farms in the north-central portion of the State shows an average net loss of $200 per cow disregarding any allowance for the farmer's own labor. On a normal sized herd of 36 cows, this works out to an annual loss of more than $7,000 per farmer.

Only the depression in livestock markets has kept consumers from feeling the full impact of today's disastrous losses in the dairy industry. But if present trends continue, we will be heading straight into the worst milk shortage in recent history.

To prevent such a tragedy, I have joined with Senator Humphrey in proposing legislation to increase milk price supports to 90% of parity with quarterly adjustments required throughout each milk-marketing year. This is a relatively modest increase from the present level of 80 percent, but it is essential if the alarming reduction in cowherds is to be halted and reversed.

NATIONAL NUTRITION PROGRAMS

Cutbacks or elimination of federal nutrition programs for school children, senior citizens and the disadvantaged are harmful in the best of times. Today, when inflation and recession are eating away at family income that is available for food, they are unconscionable. Yet the Administration is proposing a $1.3 billion cutback in national nutrition programs. They would abandon the Special Milk, School Breakfast, Summer Feeding, and W.I.C. Program in favor of a block grant approach to child nutrition; and they tried to force a major increase in the cost of food stamps to recipients. As a member of the Budget Committee, I will fight for continuation of needed child feeding programs. I am pleased that the Senate has now passed legislation which would prevent the increase in food stamp costs. I cannot think of any word but shameful to describe a suggestion that the poor and elderly should be subjected to what amounts to a new 7% federal tax on their incomes during a time when their real purchasing power is being eroded at a rate of 12 percent a year.

Earlier in my statement I described the terrible irony of Social Security recipients being driven into theft of cold cuts and sausage when our livestock industry is depressed by swollen inventories. With the support of the National Farmers Organization, Senator McGovern has proposed a bill to allow for distribution of surplus beef to people who are today desperately in need of it. Through federal purchase and distribution programs, supplies of beef, dairy, and other high protein products should be made available on a temporary basis to senior citizens and others in the United States who have been forced by inflation into near subsistence diets.

WORLD FOOD AID

Throughout my testimony I have concentrated on the problems of the American food economy. But we should not lose sight of the fact that what are for us managable problems may be insoluable to other countries without outside help, principally from the United States.

Last November the World Food Conference met in Rome to consider the world food problem and to develop recommendations for both national and international action.

At that meeting it was revealed that the current, severe, food deficits in so-called "fourth world" nations may be just the tip of the iceberg. Indeed, within the next decade the food import requirements of deficit countries is expected to triple or to double under even the most optimistic of assumptions.

The Food for Peace Program (P.L. 480) is the primary mechanism by which the United States offers assistance to developing countries in the event that emergency needs cannot be met through normal commercial channels.

The world food shortages experienced in 1974 served to focus national attention on the inadequacies of the current Food for Peace Program. For example, at a time when global needs soared to record highs, and pictures of starving children could be found on the front page of any newspaper, the level of actual aid under the P.L. 480 program was reduced to less than half the average maintained in the late 1960's and early 1970's. While Administration officials initially resisted calls for expanded aid, after some delay they found that in fact it was possible to step up the program.

We also found that the bulk of the assistance under Title I of P.L. 480 was going not to countries most desperately in need, but to those that are of political or military importance to the Defense and State Departments.

Congress last December approved Senator Humphrey's amendment, which I strongly supported, to limit the proportion of U.S. food aid that can be sent for political rather than humanitarian reasons.

This year I would urge the Committee to consider additional reforms aimed at strengthening and improving our P.L. 480 programs, such as the inclusion of specific * * *.

As a beginning, I believe the Committee should consider setting a minimum target for food assistance of 5 million tons to be directed toward countries in greatest need and to be reduced only when actual need diminishes. This level is well below historical U.S. food aid contributions and would not have placed an undue burden on our economy even in 1974—the tightest supply year in two decades.

While the Department of Agriculture continues to voice optimism regarding the magnitude of world food needs, the World Bank in a recent study projected a negative rate of per capita growth for each year of the next five years in the world's poorest countries. I believe we should provide a reliable assurance of minimum supplies and assure that at least that minimum level be directed toward the countries that are most needy.

The Title II program of Public Law 480 provides assistance for the world's poorest people, including pregnant women, infants and children, refugees and disaster victims. Over the past two years tens of millions of people have been cut from Title II assistance just when their needs have increased dramatically. U.S. voluntary agencies have a demonstrated competence in distributing supplies under the Food for Peace program at volumes greatly in excess of the current level. I believe that the Congress should therefore consider a substantial increase in funding for Title II to a level perhaps double the fiscal 1975 program.

Finally, with the added funds I would hope that increased emphasis could be given to the distribution of food among infants and pregnant women so that greater attention is given to reaching the very young before permanent mental or physical damage has occurred.

CONCLUSION

Today, I have touched upon a few, by no means all, of the elements which I believe ought to be included in a comprehensive U.S. food policy. The job of this Committee in fashioning legislation that is acceptable to both farmers and consumers will not be an easy one. And whatever bill is approved by the Congress faces the possibility, if not the probability, of a Presidential veto. The challenge of this Committee and for the Congress as a whole will therefore be to design a program that can command broad-based support within the House and Senate and from consumers, workers, and the many elements of the farm community.

I firmly believe that each group individually, and our country as a whole, has more to gain from working together on behalf of such a bill than from allowing those who prefer no policy whatsoever to prevail. For the victims of a mindless agricultural program, as we have seen over the past two years, are the average man and woman whether they live in St. Cloud, Minnesota, in rural Mississippi, or in New York City. Our common interest lies in working together toward the development of a "balanced" national food and agricultural policy that will restore some semblance of "stability" to this vitally important section of our nation's economy. Under the leadership of this Committee I believe we can shape a program to achieve such a goal.

FOOD STAMP PROGRAM

Mr. McGOVERN. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from Friday's Washington Post on the rejection by the Congress of the President's proposed cutback in the food stamp program. Along with the Post, I hope our overwhelming vote the other day constitutes a clear message to the President that his economic program has some basic priorities reversed and that the human needs of our citizens simply cannot and will not be sacrificed as we search for the appropriate solutions for the Nation's economic difficulties.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 2, 1975]

FOOD STAMPS AND CONGRESS

For the first bill of the season, the 94th Congress could not have made a better choice than to reverse the ill-advised attempt by the Ford administration to raise the price of food stamps for the poor. By voting in overwhelming margins against the President's action, both houses sent the clear message that a veto would be useless. Indeed, once the sentiment of Congress became clear earlier in the week, the administration might even have done well to rescind the regulation on its own.

But in one sense, and only one, it is good that the administration permitted the issue to reach a vote in Congress. Now, at least, there is a commitment from the Congress and the administration to have a thorough review of the manner in which the stamp program is being operated. There is some concern that some people who are affluent are receiving benefits intended only for the poor. If that is true, the abuses should be stopped. But the problems should be dealt with in a manner that does not spread punitive procedures through the whole program; the many should not suffer for the sins of a few. At the same time, there are many other problems with the program, among them that its provisions tend to hurt the elderly poor living alone—the very people who need this assistance the most.

In its moment of crisis, the food stamp program turned out to have a remarkable coalition of friends. Sen. James Allen, the conservative Alabama Democrat, joined forces

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with George McGovern, the South Dakota liberal, to bring the 76–8 result in the Senate. And William C. Wampler, the Virginia Republican loyalist, went against his party's President when the House voted 374–38 to freeze the food stamp prices.

There is a message for the President in these votes and it appears to reject the notions propounded in the President's budget message. The administration has adopted the view that cutting food stamp outlays and reducing planned increases in Social Security payments is a proper approach to reducing federal spending in a time of recession. At the very point at which the administration was working to cut benefits for food stamps, the enrollment in the program was increasing by hundreds of thousands, and it now stands at 17.1 million persons. In light of these conditions, it is no wonder that the President had a hard time persuading congressmen whose constituents are facing rising unemployment that this is the time to reduce the federal food assistance dollar.

The administration is projecting a high rate of unemployment over the next several years, and yet it proposes cutting the programs that can assist the unemployed most effectively. A simple calculation of the impact on local economies if the food stamp program had been successfully reduced shows that the most likely result of those reductions would have been even more unemployment. Consider that at the present rate of unemployment, $7.50 of every $100 spent on food in the United States today is paid by food stamps. As Sen. McGovern said in the floor debate, "I don't think we have a better social program on the books than the food stamp program. It is absolutely essential to our country, especially at this time."

Other than its attempt to reduce social programs, we have seen little from the Ford administration that suggests anyone is thinking comprehensively about the problem of the new unemployed or the chronically poor. The best the administration has been able to tell us is that there are likely to be more poor people, that they are going to stay poor for awhile to come, and that they are going to consume a larger and larger share of the federal, state and local tax dollars. It seems to be assumed by the administration that such a state of affairs is inevitable and endurable. It would be nice if the administration had also spoken in more precise detail of its great hopes for curing this situation by describing its attempts to put large numbers of people back to work. That remains the best way of reducing the load on the food stamp program.

WELFARE REFORM

Mr. McCLELLAN. Mr. President, reform is one of the most loosely used and abused words in the English language today. Any change from past practice—good, bad, or indifferent—is labeled as reform with the obvious hope of making it palatable to the American people.

Once again, as a recent editorial in the Arkansas Democrat has pointed out, a plan which would almost double the cost of welfare programs is being sold to the American taxpayer as a "reform."

A joint congressional subcommittee has, according to the editorial, recommended after a 3-year study that the current welfare program be scrapped and a new one started which will skyrocket costs from $16 billion to $31.4 billion.

Included would be $7.5 billion in tax deductions for the nonwelfare eligible poor. As the Arkansas Democrat notes, this would be offered not on a temporary basis as part of the fight against inflation and recession, but on a permanent basis.

Mr. President, this is certainly a strange sort of welfare "reform." Instead of reducing welfare rolls as one would expect from a change described as a reform, it would add more people to them. It would put a floor under failure.

There may be a need to help those who are gainfully employed but whose incomes are low, but I do not believe that such assistance should be called welfare "reform." This term should be reserved for putting a permanent end to the worst feature of the current welfare mess—the continuing dependency that it breeds.

I ask unanimous consent that the editorial from the Arkansas Democrat of December 9, 1974, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Arkansas Democrat, Dec. 9, 1974]

BEYOND WELFARE

Double the cost of welfare. That's what a joint congressional subcommittee recommends after studying welfare reform for three years. We need to look closely at any reform that would rocket welfare costs from $16 billion to $31.4 billion. What is reform?

Cutting costs, or at least insisting on efficiency, is how many people look at reform. One reason hardly anybody is happy with welfare is the fraud and sloppy handling of eligibility that mar it.

Real reform means change, and only change can remedy the worst feature of present welfare—the spirit of continuing dependency it breeds. When loafing is a better deal than working, you've got permanent welfare. Like most reform proposals, the committee's plan is strong on incentives—though not, so far as we can tell, on a must-work feature for the ablebodied.

But the plan does encourage the head of the welfare family to work: The family gets a guaranteed annual cash income (a feature of most reform plans) and the head of it can work and add to the total without losing more than the work brings him—which is not the case now. Also, the family would get some tax deductions.

The price for the plan is high—$7.5 billion in new money. If it helps people work their way OFF welfare, maybe it's worth considering—especially since Aid to Families of Dependent Children would be junked, along with foodstamps, which themselves are threatening to create an empire of the dole.

If the committee had quit there, we'd be inclined to weigh the pros and cons—but it doesn't: It proposes to spend another $7.5 billion in tax deductions for the nonwelfare-eligible poor. Now, the committee doesn't offer this as part of the fight against inflation-recession; it's offered as a permanent feature—a sort of war on poverty.

And the trouble with it is that it fuzzes up the question of, where do we put a floor under failure? Just whom all do we help in this fashion—anybody that inflation drives below a certain purchasing level? That question involves a lot more than welfare and welfare reform. We think the committee should leave that second $7.5 billion out. It's already got enough on its welfare plate.

AMERICAN EXPRESS RESPONSE TO THE EXPOSURE DRAFT TO THE FINANCIAL ACCOUNTING STANDARDS BOARD

Mr. SPARKMAN. Mr. President, on October 21, 1974, the Financial Accounting Standards Board issued an exposure draft entitled "Accounting for Contingencies." This exposure draft is of a proposed statement of financial accounting standards which has been issued by the Board for public comment.

Many of my colleagues share my interest and concern in seeing that accounting standards be promulgated providing for full, complete, and accurate financial reporting. So that my colleagues can share the benefit of at least one response to the exposure draft, I ask unanimous consent that the views of American Express be printed in the RECORD.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

ACCOUNTING FOR CONTINGENCIES

The Financial Accounting Standards Board (FASB) was launched two years ago as an independent agency to set-up accounting standards with the encouragement, financial support and hopes of those concerned with financial reporting. The general expectation was that standards could be established that provided full, complete, and accurate financial reporting, industry by industry, while permitting some latitude and the exercise of independent judgment by industry. The need for more uniform accounting standards has been well documented and their development remains as our common objective. What must be avoided is the attempted development of uniform standards that are so detailed as to make them unworkable from a practical standpoint when applied across the board. If the recent exposure draft on "Accounting for Contingencies" is a reliable preview of the FASB's developing approach, their future and effectiveness may be brought into question. As a minimum, the exposure draft represents movement down the path that all had hoped to avoid. Such a course of action, if followed, will be a severe disappointment to those involved with financial reporting—investors, public accountants, regulators, industrial management, and rating agencies, to name a few—who support the vital need for an on-going standards-setting independent agency outside of government.

The reasons for our concerns are real. The exposure draft, is approved in its present form, will produce six damaging consequences:

1. Add materially to the cost of doing business by U.S. corporations with no offsetting economic or social gains.

2. Extinguish the multi-billion dollar self-insurance capacity of U.S. industry.

3. Add substantially to the unfavorable U.S. balance of payments.

4. Distort annual reported earnings of U.S. Property and Liability companies—a distinct disservice to their owners, managers, and employees.

5. Strain the underwriting capacity of the U.S. insurance industry which has been shrunk importantly by the worst year in industry history.

6. Create windfall revenues for the reinsurance industry, mostly located abroad.

Of equal concern is the fact that a considerable amount of public testimony was elicited as background for the FASB draft. It would appear that much of this public testimony has been ignored along with several longstanding basic accounting principles.

We believe that these views of the FASB's exposure draft are widely-held. Even worse, in some quarters there is a feeling of helplessness to influence a change of direction. This feeling should be of as much concern to the FASB as its emerging philosophy.

The need for standards of financial reporting for contingencies is continuing and much in the exposure draft is constructive and appropriate. On balance, however, it will require significant revision in order to rid it of the damaging consequences cited above. Each of the consequences needs a closer look.

1. Add materially to the cost of doing business by U.S. corporations with no offsetting economic or social gains.

This consequence would result from the exposure draft's fiat prohibition of self-insurance reserves. Managements which have responsibly provided self-insurance reserves would have to seek other means of obtaining the protection that these reserves provided. In general, this would have to be accomplished through the acquisition of costly new insurance policies. The alternative would be to face decreased loss protection. Considering today's economic conditions, this inflation of costs seems particularly inappropriate. Common sense as well as accounting sense, requires that methods of accounting should not increase the costs of doing business. These increased costs can be avoided by revising the exposure draft to permit controlled self-insurance reserves, including catastrophe reserves.

2. Extinguish the multi-billion dollar self-insurance capacity of U.S. industry.

U.S. industry typically carries a portion of its loss exposure internally much as individuals do when they purchase $100.00 deductible" insurance policies. If the amount of deductibility is significant, a business firm will build a reserve over time to shield its earnings from the self-insured loss when it occurs. No one really knows the total of self-insurance reserves in this country. However, "multi-billion" seems a reasonable estimate since total corporate net worth last year approximated 500 billion dollars. Admittedly, self-insurance reserves can be abused. Nonetheless, self-insurance reserves are a sound means of protection against the impact of loss, and often, the most economic means an organization can employ to obtain needed protection. Rather than flatly excluding self-insurance reserves, as the exposure draft does, it should permit the establishment of these reserves along with reasonable standards to prevent abuses. For instance, rules could be adopted that would permit such reserves to be drawn down only over a specific period of time.

3. Increase substantially the unfavorable U.S. balance of payments.

This consequence would also flow from the draft's prohibition of self-insurance reserves. Business firms deprived of self-insurance protection would, in most cases, buy substitute protection from the insurance industry. Most of the new protection would have to be found abroad. The vast majority of U.S. reinsurance needs is met outside the United States. Thus, because of the nature of the world-wide insurance industry, the draft as written would cause dollar out-flows to foreign insurance centers. No reliable statistics are available, but such out-flows would be sizable and in the range of hundreds of millions of dollars.

Distort annual reported earnings of U.S. property and liability companies—a distinct disservice to their owners, managers, and employees.

The special characteristics of the property and liability insurance business has, until recently, meant hard-to-understand financial reporting—significantly different from the bulk of U.S. industries' financial reporting. Two years ago, after broad discussion and study, much of the property and liability industry adopted certain broad general principles of financial reporting which removed most of the distortion and peculiarities from property and liability companies' annual financial reporting. The draft as written adds material distortion because of its prohibition of catastrophe reserves, which are a type of self-insurance reserve for insurance companies. In brief, the draft forbids insurance firms from matching, in the same time period, the revenues they received for protecting policyholders from catastrophic losses and their expenses in providing that protection.

The major motivation in the purchase of insurance is to gain protection against loss arising from flood, hurricanes, tornadoes, and other catastrophes. A portion of every dollar of property insurance premium pays for such protection. Clearly a similar portion of each dollar of property insurance premium revenue is earned by providing such protection. However, such revenue obviously is not earned until the service or protection is provided. Catastrophes, by their nature, cannot be predicted precisely in advance, although their occurence over time is a certainty. Many insurance companies, therefore, have established a "catastrophe reserve" setting aside a predetermined specific percentage of premium income monthly to absorb the expenses of reimbursing catastrophe victims. In so doing, these companies are recognizing their liability to provide the protection sought by their policyholders. This practice surely stands the test of reason. The exposure draft, however, prohibits such reserves principally on the grounds that the occurence and costs of catastrophes cannot be predicted in advance. Surely the FASB is correct in these ascertions, but in no way does that alter the fact that the insurance companies are receiving revenues and assuming liabilities to provide catastrophe protection. Since catastrophe losses are often large when they do occur, the abolition of catastrophe reserves could mean random and wide swings in property and liability companies' earnings. Such erratic swings serve no one's interest. The draft should be amended to permit reasonable catastrophe reserving practices.

5. Stretch the underwriting capacity of the U.S. insurance industry, which has already been shrunk importantly by the worst year in its history.

The proposed prohibition of self-insurance and catastrophe reserves would generate, in a stroke, heavy new requirements for insurance. The capacity to provide insurance protection is limited by certain financial ratios and regulatory policies. A surge of demand for insurance protection, which would no doubt be measured in the hundreds of millions or even billions of dollars, would have the same effect experienced in other areas when demand surges in the fact of shrinking capacity: Prices rise and shortages occur. Thus, we would have the effect of an accounting practice straining the capacity of an industry. Again, the draft should be modified to remove this undesirable consequence by permitting self-insurance and catastrophe reserves in accordance with reasonable standards.

6. Create windfall revenues and profits for the reinsurance industry here and abroad.

Deprived of self-insurance and catastrophe reserves, U.S. industry, including property and casualty insurance companies, would have to seek new insurance protection. This would mean a strong upsurge in demand for services of the reinsurance industry. If the exposure draft is adopted without modification, the FASB will unwittingly provide windfall profits in one industry while increasing the costs of many others and eventually the consumer. This consequence could also be eliminated by the authorization of reasonable self-insurance and catastrophe reserves.

Public testimony and filings preceding the issuance of the exposure draft highlighted most of the arguments listed here and include testimony on certain longstanding and broad accounting principles. For example, Ernst and Ernst offered testimony in support of the explicit need for providing for future catastrophic losses. They testified, "We regard revenue deferral as the appropriate way to account for catastrophe losses sustained by casualty insurance companies." Accounting for Future Losses, A Statement by Ernst & Ernst to the Financial Accounting Standards Board, May 7, 1974.

RECOMMENDATIONS

The FASB is a new organization with important responsibilities. It is not yet bound by precedents of its predecessor, the Accounting Principles Board. While the exposure draft on "Accounting for Contingencies" as written would have damaging consequences and limit the FASB's future effectiveness, it can be rectified. Some specific recommendations for FASB action are:

1. Delay the effective date of the exposure draft to permit its material revision.

2. Appoint a "blue ribbon" working committee of insurance and general industry executives familiar with self-insurance and catastrophe reserves to work with FASB members and its Advisory Council to draft guidelines governing the use of self-insurance and catastrophe reserves.

3. Re-issue a revised exposure draft to permit the use of self-insurance and catastrophe reserves.

4. Revise its procedures so as to include an advisory review mechanism of proposed exposure drafts by thoughtful and responsible persons. Such a review panel should include representatives of users of financial reports, e.g., rating agencies and producers of financial reports, i.e., industrial accountants and academicians.

5. Redirect its emerging basic philosophy so as to encourage the general usefulness of financial reports. While accounting abuses will always be with us, they are committed by a handful of practitioners. The FASB will surely fail its purposes and disappoint its supporters if it perceives its role chiefly as a maker of detailed rules designed to thwart those who would mislead. No body of detailed rules can frustrate those determined to mislead and abuse, and attempts to write such rules lead only to violations of common sense and distortions of financial reporting. Although the FASB and its supporters deplore reporting abuses, their approach should not be one of detailed rule writing, but rather one of causing clearer and fuller disclosure of the practices followed by firms in preparing their public financial reports.

SENATE YOUTH PROGRAM

Mr. HUMPHREY. Mr. President, once again it has been my privilege to participate in the activities of the Senate youth program.

It is a matter of great pride to me, Mr. President, that I was an original sponsor, in the 87th Congress, of Senate Resolution 324, expressing the willingness of the Senate to cooperate in the development of this program.

Made possible by grants from the William Randolph Hearst Foundation, the Senate youth program each year brings two high school students from each of the States and the District of Columbia to Washington for a 1-week internship to learn the workings of the Federal Government, with special emphasis on the U.S. Senate. Each student delegate is awarded a $1,000 scholarship with the single stipulation that he or she study political science for at least 2 years of their college careers.

Delegates are selected on a competitive basis by the chief school officer of each State, and each student is involved in school and community affairs.

Representing my own State of Min-

nesota at the 13th annual Senate youth program were Lynn A. Ericson, of Arden Hills, Minn., and Wade H. Henrichs, of Albert Lea. It was my pleasure to be able to spend time with these fine young people and to present their certificates and scholarship grants at a luncheon on February 5.

On February 3, I addressed the Senate youth program delegates at the Mayflower Hotel. I want to share with my colleagues excerpts of my remarks.

Let me also take this opportunity to congratulate Mr. Randolph A. Hearst, chairman of the Hearst Foundation Committee, and Mr. Ira P. Walsh, director of the Senate youth program, for their superb direction in assuring the continued excellence of this program. I also commend my colleagues in the Senate for their willingness to cooperate in this ambitious endeavor.

Mr. President, I ask unanimous consent that a portion of my remarks of February 3 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

I am delighted to be back with the Senate Youth Program delegates again this year. I have been privileged to participate in your activities on many occasions, and it is a matter of great pride that I have been able to have a part in helping your program along from time to time.

You probably have come to Washington with certain ideas about how the federal government works—or doesn't work—to meet the needs of its citizens.

Washington is the place to test your impressions of history against the realities of the present and your hopes for the future.

I hope that your minds are open to the new information you are gaining this week.

I hope that your thoughts are being challenged, worked over, and measured against what civics books say government in our democracy *should* be.

Mr. Dickens probably would agree that the America of 1975 offers both the best of times and the worst of times.

Many would say that the worst of times are upon us. We have witnessed over two years of the most turbulent, trying times in the history of our nation.

The President of the United States resigned in a cloud of scandal and corruption; the integrity of our constitutional system has been threatened; the system by which we elect public officials has been maligned. In short, our Constitution has met its greatest test outside of the Civil War.

And while the White House and the Congress tried to sort out the facts and bring about a solution to our constitutional problems, economic and social problems almost got out of hand.

As a result, our economic stability and national well-being have been threatened with a burning inflation and the worst recession since the Great Depression of the 1930's.

More than 6½ million Americans are out of work, and this is a conservative figure.

Many of our people literally cannot afford to buy groceries for next week.

And there is lingering insecurity about the long-range availability of fuel supplies to keep factories in operation, to heat our homes, and to move people and products across this great land.

You don't need me to tell you that we have big problems—problems which might qualify these as the worst of times.

But I'm not a pessimist by nature. I don't like to go around preaching gloom and doom, so I won't start now. While we must face our problems realistically, we must also acknowledge that we have the ability and the tools to transform these into the best of times.

Look at the evidence. Even with a serious recession, America is the most prosperous country on earth.

While our rate of inflation is totally unacceptable at 12 percent, it's not as bad as in England, say, where it is 18 percent. Or France, which has an inflation rate of 13 percent. In Italy, it's 20 percent.

And while we worry, with good reason, about a fuel shortage, we are one of the major oil producing countries. We consume more fuel than any country on the face of the earth, but we have the capability to develop alternative forms of energy—unlike many countries.

Our constitutional system has indeed been threatened and abused. But our government is still standing. Our commitment to the purposes and ideals of the Constitution has been greatly strengthened. We have proven that we are, indeed, a government of laws and not of men. And our political and election systems are undergoing extensive reforms—proving that ours is a living, vibrant, constantly improving democracy.

We have the resources, and we have the tools, to make these the best of times.

You are fortunate to live in the United States of America—a land where natural resources, education, technology and communications are among the finest in the world. We have the tools to meet almost any challenge.

This week you are in Washington to take a first-hand look at the government. You might be thinking the government is in pretty lousy shape, that nobody is coming up with answers, that all they do is spend a lot of time fighting over ideas and proposals.

Some of you might like me to tell you that the government is perfect. Well, I'm here to tell you that it isn't perfect. And do you want to know why? Because it's run by 213 million people, none of whom are perfect. That's right. Representative democracy is not—it cannot be—perfect, and I, for one, don't think that it has to be perfect to be successful.

Winston Churchill once said: "Many forms of government have been tried, and will be tried in this world of sin and woe . . . no one pretends that democracy is perfect or allwise. Indeed, it has been said that democracy is the *worst* form of government *except* all those other forms that have been tried from time to time."

The Founders, in their great wisdom, created what Daniel Webster called, "The *people's* government, made *for* the people, made *by* the people, and answerable *to* the people."

Tempered by years of bitter struggle in the American colonies for justice and equal treatment by the "mother country" of Great Britain, the framers of the Constitution left no doubt where the concentration of power was to be in our government.

"We the People," they wrote. Not we the rich, or we the poor, or we the blacks, or we the whites, or we the politicians, or we the corporate executives, but we the *people*. There are no words more beautiful in our heritage than these.

They knew that democracy is not an efficient form of government. The word "efficiency" is not mentioned one time in any of our national documents. But you will find the words: compassion, justice, liberty, equality.

And how will we secure the blessings of liberty for all Americans? How will we harness the resources of this land and put them to work for the common good? How will we guide our inefficient democracy toward the goals we share? The answer to all these questions is—You.

Yes, these could be considered the worst of times. But you, more than any other group of Americans alive, face the challenge of making these the best of times—the best of beginnings.

I have a poster in my office which bears this slogan: "Today is the first day of the rest of your life." This expression appeals to me because it is a reminder that each day can be a new beginning.

In our dynamic democracy there always will be one constant—the inevitability of change.

The problems and the challenges will always be replaced by new ones, which will require new approaches, new ideas, new solutions.

In a few years, it will be you who are proposing the solutions, and you must be prepared.

This week, you have a unique opportunity to begin your preparations to assume leadership. As you continue to meet with government officials, open your minds to accept new ideas. Listen well and then challenge what you hear.

When you go home, get involved in community activities—in political affairs. Share what you have learned with your classmates, with your families, and make it your business to know what's going on in the world.

Because it is your business. In this country, government is *everybody's* business.

THE ENERGY CHALLENGE

Mr. McGOVERN. Mr. President, the editor of the Lake Preston, S. Dak., Times has reprinted with thoughtful editorial comment a recent newsletter on the energy problem that I have sent to my South Dakota constituents.

Mr. John Sittner, the editor of the Lake Preston paper, is an unusually perceptive and objective man. I am thus gratified that he saw fit to reprint my newsletter.

I ask unanimous consent that Mr. Sittner's editorial and the text of my newsletter as carried in the February 6, 1975, Lake Preston Times be printed in the RECORD.

There being no objection, the editorial and the text of the newsletter were ordered to be printed in the RECORD, as follows:

A LOOK AT THE WHOLE PICTURE

The intense hassle over the proposed tax on oil imports is entwined in the gloomy national picture of inflation and recession. And rightly, it is engaging much of the attention of Congress and the administration. For the decision on the oil import tax is of critical importance in the way the nation deals with the immediate economic problems.

But the oil import tax, indeed, the entire oil import situation, is only a small part of a most serious national energy problem.

For a look at the big picture of energy, at programs directed at resolving the major crisis clouding the national future, we recommend your attention to the following newsletter received this week from Senator George McGovern.

Mention of the newsletter author's name will automatically turn off a lot of readers, turn on some others.

But those of you who can put aside or rise above blind political partisanship, at least long enough to read the newsletter objectively, will find it most enlightening. We just hope you can read and consider what the senator says as objectively as he says it.

The reasons for our present energy dilemma are enormously complex, but there are five basic factors which seem to have caused our present situation.

1. Our total and our per capita energy consumption have been rising rapidly.

2. The demand for oil and natural gas has outstripped the domestic supply and refinery capacity, producing an increased dependence on imports.

3. Because all energy uses pollute to some degree, the increased use of energy has come into direct conflict with our need to preserve the air, water and land.

4. The lack of a coordinated national energy policy has led to poor long-range planning and to conflicting policies on the part of the government and the energy industries.

5. Potentially useful energy options such as solar, geothermal, Nuclear fusion, wind power and energy conservation have not been developed.

Today, about 95 per cent of all energy used in the United States is based on the fossil fuels, coal, oil and natural gas. Between 1850 and the present, we shifted our energy use pattern first from wood to coal, and then from coal to oil and natural gas. The joyride of cheap fossil fuel energy in the United States seems to be over and we must now adopt a new energy use pattern. We are not running out of energy, but we are running out of cheap oil and natural gas.

In spite of this, over 50 per cent of the energy used in this country is wasted. We could cut this by one-third to one-half—without a loss in the quality of life—through a national energy conservation program based on existing technology. Based on the information we now have, it seems clear that the epoch of readily available supplies of oil and natural gas will probably be over in the world around 2015 to 2030 and in the United States by 1990 to 2015, if not sooner. Since it takes 20 to 50 years to develop and phase in a new energy system, we have no time to lose in seeking replacements.

Instead of getting all of our fossil fuels out of the ground as quickly as possible, a compelling case can be made for deliberately setting aside perhaps a third of our reserves of natural gas and petroleum as raw material to produce petro-chemicals in future decades. These chemicals are used to produce most of the fertilizers, pesticides, detergents, synthetic fibers, inorganic and organic chemicals, plastics and other products we need in modern society. The use of petrochemicals is growing rapidly and already accounts for about 6 per cent of all fossil fuels used in the United States. It seems unlikely that an entirely new chemical industry, not based on fossil fuel raw materials could be developed in the next few decades. As a result, this may be the single most important use of these resources.

So far, the federal government's response to the 1973–74 energy policy crisis has been to view it only as a short-term "situation" that will not interfere with wasteful energy lifestyles and ever increasing total and per capita energy demands. The 1975 plan for achieving energy self-sufficiency by 1980 projects a thirteen-fold increase in nuclear energy, expansion of the coal industry by over 50 per cent, a 30 per cent rise in domestic oil production, a voluntary energy conservation program rather than laws that would be strongly opposed by automobile and oil companies—and too little attention to the development of alternative energy sources. The cost of this project over the next five years is estimated at $750 billion.

This short-sighted policy could produce a temporary and highly misleading energy surplus. But based on the longer-term realities of the situation, it could develop into a series of national and global energy catastrophes. Using up the world's high quality natural gas and oil supplies over the next few decades would leave us no high net energy resources to phase in other energy options should they become feasible and as they become available. We must face the fact that the realities of energy supplies will not give away to political or industrial pronouncements about self-sufficiency.

The most critical need in the immediate future is to develop and implement a national energy policy. Any plan of this kind should probably include the following elements:

1. Establish a Cabinet-level National Energy Agency.

2. As one of the Agency's first tasks, establish a national energy policy based on the evaluation of short-term (1975–1985), intermediate term (1985–2000) and long-term (2000 to 2020) energy options and strategies.

3. Institute thermodynamic bookkeeping for all resources and options to evaluate and report all energy resources in terms of estimated net energy yield rather than on total energy reserves.

4. Break up the horizontal and vertical monopolistic practices or potential of individual energy companies and of groups of companies acting directly or indirectly as energy cartels.

5. Slow down the expansion of nuclear fission power until its net energy yield can be evaluated, its risks decreased and other safer and perhaps more net energy yielding alternatives can be evaluated.

6. Reduce the average par capita rate of energy growth and institute a massive energy conservation program.

7. Stimulate exploration and development of domestic supplies of oil, natural gas, coal, oil shale and coal gasification, but only in conjunction with increased environmental controls and the mandatory energy conservation program.

AMERICAN SOCIETY OF BANK DIRECTORS

Mr. SPARKMAN. Mr. President, I commend the American Society of Bank Directors, founded in 1970, in its aim to enlist the aid of America's 200,000 citizen bank directors to work for better banking laws so that banks can better serve the local communities of our Nation.

Citizen bank directors go to the fundamental concept of commercial banking in America, where leading local citizens serve on bank boards in their communities, and thereby bring a broad experience and wide variety of expert advice and counsel to operational officers, the professional bankers, who run the banks.

It is the balance between the professional banker and the citizen directors which gives our great banking system its strong fundamental strength, as each local bank is thereby truly a community service institution.

We salute the American Society of Bank Directors in its efforts to bring educational programs to citizen bank directors and in its constant efforts to achieve better banking laws at State and national levels through the participation of its citizen directors in keeping legislators informed of grassroots banking problems and needs.

A broad participation by bank directors in the American Society of Bank Directors will inevitably result in strengthening America's great commercial banking system.

ENERGY AND THE ECONOMY

Mr. MATHIAS. Mr. President, in an editorial published on February 8, 1975, the editors of the Baltimore Sun commented on a proposal I have made to deal with our related energy and economic problems.

Since their perception and comment will undoubtedly have weight and value for Members of the Senate, I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MATHIAS AND THE GAS TAX

There are 535 members of Congress, and therefore nearly 535 pet schemes for dealing with the nation's energy problems. As legislators prepare to shoot down President Ford's comprehensive program, we can expect to hear of proposals ranging from rationing to stripping the State of Colorado. One of the more interesting approaches of recent weeks has come from Maryland's senior senator, Charles McC. Mathias, who has foresworn his earlier flirtation with rationing to focus on a gasoline tax and an income-tax rebate.

The Mathias plan, which may require refinements and more precise calculations, would place a tax of perhaps as much as 30 cents a gallon on gasoline. The senator would use the $32 billion thus collected to cut or rebate withholding taxes, which he feels are excessive in any case. Most taxpayers in lower and medium income brackets would receive rebates of about $250 a year, more than enough to compensate an average driver consuming 700 gallons a year and hence paying about $210 in added gasoline taxes. Rebates would be cut down on a sliding scale to zero for taxpayers in higher income brackets. Citizens who do not drive would, in effect, get a substantial tax break, which is the senator's intention. Those too poor to pay taxes would get increases in Social Security or food-stamp allotments.

As with all other energy plans that have surfaced thus far, there are some built-in inequities in the Mathias idea. A Baltimorean from the inner city having to drive to work in Sparrows Point or an Allegany county farmer who must drive frequently to Cumberland obviously would need more gasoline than a Ruxton suburbanite who could take a bus down Charles street.

Nevertheless, the Mathias plan has some overriding advantages that commend its close consideration. Foremost is its concentration on gasoline consumption, which is the most wasteful and polluting and reduceable use of petroleum. The senator would forcefully cut driving without sharply increasing the cost of heating homes, drying crops and making fertilizer. And he would pump back into the economy huge sums that presumably would be spent largely on products other than gasoline. Compared to President Ford's program, the Mathias plan thus could be more effective in fighting the recession and produce a much less inflationary economy.

PRESIDENT FORD RELEASES $2 BILLION OF IMPOUNDED HIGHWAY FUNDS—ECONOMY WILL BENEFIT

Mr. RANDOLPH. Mr. President, I am gratified to report to the Members of the Senate that President Ford has announced today that he will release $2 billion in impounded Federal-aid highway funds.

While the withholding of congressionally approved highway funds has been a serious issue for 8 years, it is especially critical in this time of economic distress. With the national unemployment rate now standing at 8.2 percent of the work force, we must utilize every

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realistic means at our disposal to reverse this trend.

The commitment of available funds to highway construction is one such means. The money released today will have the double impact of easing unemployment and helping States to build needed roads. It is estimated that $2 billion worth of highway projects can be placed under contract before the end of June. According to figures compiled by the Federal Highway Administration, more than 250,000 jobs could result from the expenditure of these funds.

The highway construction industry is operating at less than 50 percent of capacity. The longer this situation continues, the less able the industry will be to carry out an expanded program in the future. The release of the $2 billion not only will create jobs, it will also preserve a substantial portion of the industry.

Senate Public Works Committee members will develop a new highway bill this year. As we go forward with that work, we also will carefully monitor the commitment of the $2 billion released today. There are indications that the highway programs of some States already are impaired by the lack of local matching funds. If this shortage of State revenues prevents the utilization of Federal assistance, the Congress will consider emergency legislation to alleviate this situation.

Inflation has shrunk the highway dollar just as it has eroded the purchasing power of all expenditures. An additional $2 billion, when added to the $2.3 billion previously programed for obligation during the first half of 1975, will enable us to compensate for inflation and to accelerate the job-creating highway program. I have supported public service job programs as an essential part of our antirecession effort. But I remain convinced that the creation of lasting facilities makes public works construction an even more effective weapon in the arsenal to fight economic stagnation.

There is soundly based satisfaction that the Federal-aid highway program has received a boost today. I hope the action of the President is a signal that the artificial restriction of this activity is at an end.

Mr. President, there has been some misunderstanding about the job-producing potential of highway construction. Today, I received a report from the Federal Highway Administration which contains the latest information on highway construction employment impact. While the figures are slightly below those previously used—probably because of inflation—they are most impressive. The report also shows the amounts of fuel utilized in highway building.

I ask unanimous consent that this information be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

EMPLOYMENT IN FEDERAL-AID HIGHWAY PROGRAM

General National Average Employment: 25,600 man-years are created for each $1 billion (on-site); 28,700 man-years are created for each $1 billion (off-site); 71,750 man-years are created for each $1 billion (induced); 126,050 man-years are created for each $1 billion (Total).

EMPLOYMENT BY PROJECT TYPE

[In billions of dollars]

	Onsite man-years	Offsite man-years	Induced man-years	Total man-years
Grade and drain	38,000	43,000	106,000	187,000
Bituminous paving	19,000	21,000	52,000	92,000
P.C. concrete paving	19,000	22,000	54,000	95,000
Structures	25,000	28,000	74,000	127,000
Miscellaneous	18,000	20,000	50,000	88,000

FUEL USAGE IN FEDERAL-AID HIGHWAY PROGRAM[1] (BY TYPE OF PROJECT)

	1973 gallons per million dollars	1974 (estimate) gallons per million dollars
Grade and drain	193,900	148,710
Bituminous paving	125,100	95,950
P.C. concrete paving	95,600	73,300
Structures	26,800	20,550
Miscellaneous	26,100	20,200

[1] 75 percent diesel fuel, 25 percent gasoline.

Note: Average for all Projects: 107,000 gallons per million dollars—1973; 82,060 gallons per million dollars—1974.

A FOOD ALLIANCE?

Mr. HUMPHREY. Mr. President, there is a growing awareness by consumers that their interest in stable food prices is consistent with the interest of farmers. Both farmers and consumers stand to benefit from stable food prices, based on both ample domestic reserves and short-supply export management regulations.

There is also a growing awareness by consumers that the food middleman is entirely responsible for the 15-percent hike in food prices during 1974—a hike which occurred despite a 2-percent drop in farm prices. The Joint Economic Committee has revealed, for example that Safeway's return on equity now exceeds that of Shell Oil Co. In fact, middleman profits may provide the foundation for a food alliance between farmers and housewives—both have an interest in restoring competition to the food retailing industry. Each has an interest in seeing the middlemen and retailers now receive 60 cents of every food dollar.

A number of farmers and consumer groups are evaluating the basis for an alliance. One such encounter occurred the last week in January here in Washington sponsored by the Consumer Federation of America. Mr. William Rice, of the Washington Post, reviewed this session on Thursday, February 6. He emphasized the need for education of consumers on the problems daily faced by farmers—a clear duty our farmers should help to undertake.

I commend Mr. Rice's article to my colleagues. I ask unanimous consent that Mr. Rice's article, "Farmer, Consumer: An Uneasy Alliance," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 6, 1975]

FARMER, CONSUMER: AN UNEASY ALLIANCE

(By William Rice)

"The farmer and the cowman should be friends," sang the stage population of "Oklahoma" in the musical of the same name. No one was singing last week at the Consumer Assembly sponsored by the Consumer Federation of America, but the message was clear: the farmer and the consumer should be friends.

One speaker at a panel discussion on managing food supplies set up a conflict, a sort of tag-team match, between "monopolies and inflation" (in the black trunks) and farmers and consumers (in the white). Another talked of a "triad" of workers, producers and consumers. Everyone talked of the new attitude in Congress and the "intelligence" and "new ideas" that had arrived with the 75 new members.

But at this point the alliance is as uneasy as a couple introduced by mutual friends out on a date. Both sides fear that selfish interests will overwhelm common courtesy at the first test.

The farm interests (and no few consumer leaders) wonder whether the grass-roots consumer pressure that has so quickly become a viable political reality may not be limited by a narrow-scope desire for a return to pre-1972 food prices, something they consider an impossibility.

Consumer leaders such as Ellen Haas, the articulate president of the Maryland Citizens Consumer Council, recoil visibly when asked out of the blue if they will favor a return to government price supports for farmers. They need to know more before taking any position.

The stakes are large, because an alliance is slowly building that intends to change the traditional view that what is good for business (including agricultural business) is good for America. Congress is preparing to examine the structure of the food industry, its tendencies toward monopoly and vertical integration, and the curious pattern of profits that has been woven since prices began to jump upwards in 1972.

The questions are many, but one that has to be answered before the others are posed with any insistence is, how deeply is the consumer committed? Boycotts or protest merely for a return to yesterday, don't interest the professionals of either camp.

"I feel we need reasonable, stable prices," said Ellen Haas, who was the lone woman and lone consumer leader on the seven-person panel, "but to ask for just lower prices would be irresponsible. We do feel a lot of the 'whys' of pricing have not been answered. We have questions and just because the price of a steak may drop from $1.79 a pound to $1.69 a pound, does not mean we are going to stop asking those questions."

Earlier in the day, Sonny Covill, a North Carolina farmer speaking for the activist National Farm Organization, had addressed the entire assembly in a hypnotizing biblical cadence. He spoke of the multi-billion dollar indebtedness of the nation's farmers and said:

"I'm no authority on anything, just a man who is deeply concerned. I'm not sure today I'm going to be able to farm in 1975 . . . Our problem is everybody's problem."

Solutions to the problem, or at least temporary measures to prevent it from becoming worse, are being proposed. Bob Frederick, a representative of National Grange, a farmers' group, spoke out in favor of establishing grain reserves, but warned, "Reserves won't lead to an immediate lowering of prices. They may help remove the valleys and peaks of prices for consumers but prices shouldn't reach the low levels of pre-1972. Labor, transportation, packaging; all those costs have gone up."

There was talk of a reserve program that would have an "explicit" price level for releasing food reserves, with price floors and ceilings to protect farmers as well as consumers, of the need for a "national security" reserve to keep a minimum level of foods within United States borders, and of adjusting the foreign aid program away from processed and blended foods toward raw farm materials.

"Reserves can work for both the farmer and the consumer," said Ben Radcliffe, president of the South Dakota Farmers Union, "or to their detriment. How we move beyond basic principles to specific details is important."

Specific details, ranging from reestablishing a grain reserve to food export policy and food stamps for the poor, will be taken up by the House and Senate Agriculture Committees during the current session of Congress. Ellen Haas said at one point that a "concern for the consumer" has been missing in the Department of Agriculture. The same has been said of the House Agriculture Committee.

This session, consumer leaders hope, it will be a different story.

The fact that a number of new members of the House Agriculture Committee are from urban districts "doesn't bother me a bit as a farmer" said a man from South Dakota.

But urban consumer ignorance of farm prices is not only monumental, it has, in the past, been willful. Urban consumers are confused. They are, as one of their number put it, "tired of being blamed," for "causing" price increases and then blamed for complaining about them.

Farmers suspect the middle men, but it is middle men who, in the end, pay them whatever cash they do see. They are consumers themselves, but the "consumer" with political muscle lives in a big city far away. Their points of view, even the implications of the words both groups use, often are different.

Farmers, talking their special language of parities and defensively saying, "American agriculture can't live on domestic consumption alone," (as though consumers would slap on a foreign-trade embargo each time a food goes up in price) are uncertain, too.

Education is needed on both sides if the alliance is to work. Few tend to fault the farmer. The potential villains are a number of factors over which neither the farmer nor the consumer has much, if any, control: middlemen, weather, international hunger and politics are along them.

Rep. Neal Smith (D-Iowa) recalled that "before the turmoil over food prices, city people really didn't concern themselves with discussions over farm policy."

The unstated conclusion at the Assembly was that no rational national food policy can be formulated until these complexities are explained and better understood. "Agriculture" can no longer be a turn-off word for the urban consumer. Agriculture committees and the Agriculture Department are making decisions that effect everyone. To fully comprehend the issues will not be easy, but, as Rep. Smith told the panel, "Some years you can get educated faster than others."

A NEW LOOK AT OUR FOOD POLICY

Mr. MCGOVERN. Mr. President, the Committee on Agriculture and Forestry is undertaking an indepth review of our Federal farm programs with the hope of making substantial improvements in our food and farm policies.

The distinguished chairman of our committee, the Senator from Georgia (Mr. TALMADGE), has written an articulate assessment of this Nation's food situation for the February issue of Nation's Business. The chairman's views deserve the most careful study and wide dissemination.

I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Nation's Business (magazine), February 1975]

CAN WE PRODUCE ENOUGH FOOD?

(By Senator HERMAN TALMADGE)

Can the United States continue to serve as "breadbasket of the world," feeding not only its own people in a manner unprecedented in human history but trying to satisfy the food needs of so much of the rest of mankind as well?

To answer that question we must first understand the complexities of the global food situation.

Two years ago, bins and silos across our land bulged with grain, the base product from which so much of our food—especially beef—flows. Americans could eat abundantly and cheaply. And millions of tons of feed grains were left over, not only to feed the hungry of Asia, Africa and other underdeveloped and undeveloped areas of the world but to meet some of the demands of rich, industrialized nations.

But there has been a marked change in the picture. International affluence, and the diminishing value of the American dollar, have vastly stimulated demand for our agricultural products. The world food supply-demand situation has been turned topsy-turvy. Inflation has taken its toll. Fuel, so essential in the manufacture of fertilizer, has soared in price and has become scarce or potentially scarce. Weather has dealt harsh blows. And the American farmer, instead of enjoying the fruits of his labor, has become the target of scorn.

While huge farm surpluses may be a thing of the past, America has the capacity and know-how to continue expanding its output. Millions of additional acres of land can be converted to agriculture. Technology continues to improve. It is a miracle of our times that only 4 per cent of our population can produce such an abundance of food and fiber—enough to feed and clothe 210 million Americans and millions more abroad. And these farmers are prepared to do more, if they have adequate supplies of fertilizer, equipment and good weather, and—above all—if they are given guarantees of adequate price and income protection.

Despite all the problems and adversities that plague agriculture, some bright spots appear on the horizon. American agriculture is far and away the most efficient and most productive in the world. It continues as our nation's most productive economic sector.

Not surprisingly, perhaps, U.S. agriculture today accounts for nearly all of the soybeans, about half of the feed grains and a third of the wheat and rice in international trade. In a sense, this food abundance is to the United States what oil is to the Middle East.

Except for our massive exportation of farm commodities—nearly $22 billion in 1974—the U.S. balance of payments ledger would show a much grimmer bottom line. Food exports have helped immeasurably in recent months to offset some of the American trade deficit resulting from the exorbitant price of Arab oil reaching our shores.

Needless to say, the high productivity of the American farmer is critically important in this period of food supply uncertainty.

We have been most generous with our food. Our humanitarian instincts and Christian heritage have moved us to help those who are starving, who are suffering from malnutrition. I believe strongly in large-scale exportation of American food, for dollars or for humanitarian reasons. But I don't want the U.S. to fall into short supply. If people are going to be hungry in the world, I want Americans to be the last to be hungry.

SHARING WHAT WE CAN AFFORD

There are some realities that cannot be ignored. We represent only 6 per cent of the world population. It's simply beyond our capacity to guarantee that the remaining 94 per cent of the earth's inhabitants eat well. I believe in helping the poorer nations—and others—by making available our technology and I believe in sharing with them what we can afford.

Further, I am in favor of cooperating with other nations in trying to relieve hunger. But that isn't plowing new ground. We've been doing this for 20 years, to the tune of some $25 billion in food aid alone. That's more than all the other nations of the world combined have given. I am, however, unwilling to have some foreign agency tell the United States in what quantities it must ship food and to what countries. I want America to retain control of the amount, and control over who receives it.

Export controls are mentioned as a panacea to ensure that no food leaves our shores until American needs have been adequately met. This is a shortsighted approach to a long-range problem. We cannot treat lightly our commitments to those nations which traditionally depend on American agricultural products. If we impose export controls, or slap on an embargo, these countries will look elsewhere for their food. A good example of this is the embargo we imposed on soybeans about two years ago. Japan, one of our major customers, was forced to look elsewhere. It invested huge amounts of capital in South America, particularly Brazil, to produce more soybeans. Not that Japan wanted to turn away from the U.S.; it simply was seeking insurance against an unreliable supplier.

While I am opposed to direct export controls I think it is imperative that we monitor more closely our stocks of wheat, feed grains and soybeans. Only in that way can we be sure we not only will meet our domestic needs but at the same time will not commit irreparable harm to our friendly trading partners abroad. And as far as our trading partners are concerned, they must realize that we cannot sell what we do not have. Healthy international trade relations are always based on a healthy domestic economy.

We do not need a drastic revision of our current national farm programs, but some changes in the 1973 Agriculture and Consumer Protection Act will have to be made in order to guarantee realistic prices for our farmers. As a first step in the new Congress, we will develop an emergency farm bill to be entitled, "The Agriculture and Anti-Depression Act of 1975."

I hope Congress accepts the fact—and the Administration will go along—that we must substantially raise target prices for cotton, wheat and feed grains. Equally important, whatever legislation emerges, there must be an "escalator clause" guaranteeing the farmer compensation for increases in production costs over which he has no control. That is in addition, of course, to guarantees that he will receive an equitable return on his investments of money and labor.

TARGETS THAT MISS

In the 1973 Act, the Senate tried to establish a price floor on basic agricultural prod-

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ucts so the farmer would receive 70 per cent of parity (a formula which guarantees that a farmer's buying power is kept abreast of rising costs) but we had to settle for less in the face of a threatened Presidential veto. In the two or so years which have followed that legislation, the cost of production of many farm products has risen 50 per cent or more. Hence, the target price levels set in 1973 (averaging about 50 per cent of parity) are unrealistically low.

If we are going to ask the American farmer to produce more food for our own domestic consumption, we have to assure him that he won't be hit by disastrous cost increases. Cotton is a good example. Last year, cotton sold for about 40 cents a pound. But it now costs many farmers over 50 cents to produce that same pound of cotton. The result is that you will see large acreages of cotton being switched to soybeans this year because the farmer believes he'll get a better break on that commodity at the marketplace.

I am sure our farmers will heed the call of President Ford for all-out farm production in 1975. But simple economic justice demands that they be provided reasonable income protection in return for the high risk they must shoulder.

There is no question that the shortage of food and the escalating world population are inextricably tied together. It was estimated at the recent World Food Conference in Rome that 144 per cent more food, or a total annual global output of 3.7 billion tons, will be required just to maintain current inadequate levels of nutrition in the face of a one billion population increase by the year 1985.

The United States has done its utmost to help alleviate hunger and malnutrition across the face of the globe. It will continue to do so. But we cannot carry the burden alone. Nor should we be expected to do so at giveaway prices.

Already, the United States is taking steps to broaden its output of food. Since 1972 we have increased the number of acres under grain production by 23 million, for a total of 167 million acres. Another 20 million acres of idle cropland can be made productive within a reasonably short period. Similarly, we raised our investment in agriculture by $2.5 billion in 1973 alone. Certainly, proportionate efforts should be made by all food exporting countries.

Unfortunately, the birth rate is highest in those areas of the world with the least efficient agriculture—in Asia, Latin America and Africa. While the developing countries, with their large and growing populations, have 35 per cent more land in grain production than the developed countries, they produce 20 per cent less grain. By 1985, it is estimated, the gap between what the developing nations produce and what they need could rise from 25 million tons to as much as 85 million tons annually.

We must also consider in any forecast of future food supplies that even if zero population growth is achieved in the most highly industrialized nations, the demand for more food (and more nutritious food) will continue to increase in them. Standards of living are steadily rising in virtually all of these countries and this has spurred demands for a higher protein diet, which principally means meat, milk and eggs. Per capita meat consumption in the United States, for instance, has reached a level of about 188 pounds a year and is still going up. Every country that can afford it either is producing or buying more meat than ever before, although per capita consumption does not match that of the United States.

In addition to some $25 billion worth of agricultural shipments under the Food for Peace program since 1954, we have been most generous in sharing our technology. Under the foreign aid program, we have encouraged countries which cannot adequately feed their people to use better strains of seed, more fertilizer and more efficient methods of agriculture. While this has not been overwhelmingly successful, we must continue to help these countries to help themselves.

Pouring tremendous amounts of food and money into needy countries is humanitarian beyond doubt. But it may be a disservice at the same time. The more we give, the more they rely on us. Why not encourage a Marshall Plan approach in which, given initial help by us, they work toward self-sufficiency? We would continue to provide technological assistance, working closely with their farmers to develop their own agricultural resources.

FERTILIZER: A KEY

A key to any solution of food shortages, both at home and overseas, is the availability of fertilizer. Cheap food which we have enjoyed for so many years in this country has stemmed from constant improvements in farm technology. Higher-yielding and disease-free varieties of crops and more efficient machinery are examples. But, above all, this superabundance of food is due to the expanded use of fertilizer. In the past quarter century, we have seen corn and sorghum yields tripled and cotton and rice yields more than doubled. Parallel gains have been noted throughout agriculture.

However, fertilizer supplies for this year are expected to be down nearly 20 per cent from 1973. At the same time, the price of fertilizer is skyrocketing with no end in sight.

If we are going to have adequate supplies of fertilizers to meet the ever-growing demand for food, we must give fertilizer manufacturers priority in the allocation of natural gas. You can't produce food without fertilizer and you can't produce fertilizer without natural gas. Because of environmental and other factors, we are not building enough new fertilizer plants now to keep up with demand. I find it ironic that 10 U.S.-built fertilizer plants are under construction in Communist China and others are planned in Soviet Russia while we sit in limbo.

However we resolve our own food problems, I will insist that it not be at the expense of the free enterprise system. No one is more averse to government intervention in the marketplace than I am. That is why I am skeptical about imposing export controls on our farm products and that is why I am opposed to a return to huge government-controlled stocks of food reserves.

Experience has shown us over and over again that undue government interference in agriculture is always extremely costly to the taxpayers. That was especially true a few years back, when our silos and warehouses bulged with surplus farm commodities purchased and held in reserve by the federal government. Not only is this inordinately costly but it poses a threat to the market price of all commodities—the government can break the market price of any reserve commodity by releasing it for sale whenever it chooses.

I can't predict how agriculture, and the problems inherent in agriculture, will fare under the new Congress. It is becoming increasingly more difficult to steer sound farm legislation through Congress. Fewer and fewer members have an appreciation of, or an interest in, the problems of the farmer. With the new makeup of the House of Representatives, for example, the majority of its 435 members don't have a single farmer in their Congressional districts.

But I believe we have a chance now to convince them their well-being is affected by how much American agriculture is producing, and how sound American agriculture is. This is the task ahead. And the farmer must make his voice heard.

This new Congress has an opportunity to win a place in history by doing more lasting good for American agriculture than any Congress since the 1930s. I hope it will meet that challenge.

CHANGES NEEDED IN THE FARM PROGRAM FOR COTTON

Mr. STENNIS. Mr. President, the Committe on Agriculture and Forestry, under the leadership of the distinguished Senator from Georgia (Mr. TALMADGE), is holding hearings this month on the changes that are needed in the Agriculture Act of 1973 in order to make that legislation effective under the situation as it exists today on American farms and in the marketplace.

Testimony is to be heard on cotton production on Monday next, February 17, and I have asked to be heard by the committee on that date.

My remarks today are directed primarily toward the production of cotton. However, many of the comments I make on that commodity can also be applied to other crops, including wheat, corn, grain sorghum, and other feed grains, and to soybeans.

After the Senate adjourned in 1974, I spent several weeks in Mississippi, during which I visited many areas of the State and had extensive discussions with cotton farmers and other agricultural producers and scientists. I also had the pleasure of addressing the annual meeting of the American Farm Bureau Federation at New Orleans on January 7. While there I met with a number of the delegates to that meeting, all of whom are very current in their knowledge of the problems of the agricultural community.

More recently, on January 31 and February 1, I returned to Mississippi and made an extensive automobile tour through the Mississippi Delta, the tremendously fertile farming area in the western part of the State which extends from the Tennessee border south to the central latitude of the State. The delta is one of the most productive agricultural areas in the Nation. It is farmed very intensively and very skillfully, and the practices used there are most modern and scientific. The farmers throughout Mississippi are in a bad situation as a result of some of the provisions of current farm legislation, and those who operate in the less productive areas and soils are, of course, in even more dire straits.

I can attest that all of the cotton producers in Mississippi are facing a very grim situation. I am reliably informed that the situation is the same in other cotton producing areas. If a remedy is not provided soon, we may see the end of cotton production as a major crop in the United States.

The fact is that rising production costs, caused by inflation, have simply outstripped the market price, and a farmer who plants cotton under the target price established by current law is facing a prohibitive loss in the coming crop year. I have been told by many cotton farmers that the estimated costs to produce a pound of cotton this year will be 49 or 50 cents. Estimates vary but they are close to that figure.

The inflation of production costs is a reflection of the increased costs of fuels and chemicals. Pesticides, herbicides, and fertilizers have also increased greatly in cost. It is obvious that further cost increases can be expected in gasoline, diesel fuel, and propane or other gas, all used in cotton growing, harvesting, and processing.

At the same time cotton prices have dropped substantially from a year ago and are presently very low. With the situation as it is today, a cotton farmer who plants his land this coming crop year is facing a potential loss of 11 or 12 cents a pound. He also faces a serious problem in getting the production credit he needs if he does intend to plant a crop.

There are a number of changes needed in the Agriculture Act of 1973 to meet this situation. They involve target prices, and the administration of Commodity Credit Corporation—CCC—loans and Farmers Home disaster loans.

The target or floor price established by the Agriculture Act of 1973 is 38 cents a pound for cotton. With estimated costs at 50 cents and rising, the incentive for a cotton farmer to put in his crop is obviously lacking. I strongly urge a necessary revision of the act to provide for a target price of an absolute minimum of 52 cents a pound for cotton.

The Agriculture Act of 1973 contains an escalator clause, to adjust target prices for farm commodities such as cotton, wheat, and feed grains, so that they take into account rising production costs. However, the escalator clause does not take effect until the 1976 and 1977 crop years. This delay was established as one of the measures necessary to avoid a Presidential veto of the bill at the time it was passed. I propose that the escalator clause be made effective in 1975 and subsequent years.

The most troublesome aspect of cotton production is the fact that there is a great lack of stability from year to year, both in the supply of cotton available and in the price it will bring, creating a disorderly and unpredictable market situation.

The purpose of the Commodity Credit Corporation, according to the 1974–75 Government Manual, and I quote—

> is to stabilize and protect farm income and prices, to assist in maintaining balanced and adequate supplies of agricultural commodities and their products, and to facilitate the orderly distribution of commodities.

In short, CCC loans are intended to promote stability of both price and supply, but as presently administered under relatively recent legislative changes, they fail to do so in cotton production. Loan levels are low, interest rates are high, and a farmer facing a low market price cannot hold his cotton long enough to avoid selling at a severe loss.

The Agriculture Act should be amended so that a firm loan rate is established at the time the crop is planted. The loan rate should be related to the estimated production costs of that crop, and set moderately below those costs, so that while the farmer would not be guaranteed a profit he could get adequate financing at today's production costs. This is essential in the situation with which we are faced. The interest rate certainly should be below the current rate of 9.375 percent.

The farmer should then have the option of holding his cotton under that loan for a period not shorter than 1 crop year beyond the year of production. Should the farmer elect to relinquish his crop in return for the amount of the loan then, of course, the cotton is in the hands of the Commodity Credit Corporation and becomes a factor in market price stability.

Provision should be made in the legislation to relate the selling price to the loan price. The price at which the CCC could sell the cotton would have to be set at a reasonable percentage above the loan level, so that the market would not be forced down to the detriment of the farmers who elected to hold their cotton.

Farmers Home emergency loans are a means of assisting agricultural areas which have had low production because of extreme weather conditions. As they are presently administered they can cause the marketing of crops under very unfavorable market conditions. The disaster loan program should be made as responsive as possible to the purpose for which it was established, which is to enable a farmer to finance another crop when he has lost one to weather.

In closing, Mr. President, I wish to commend the Senate Agriculture Committee for the prompt initiation of hearings on the farm programs. If the Agriculture Act of 1973 had become law in the form in which it was originally passed by the Senate, some of the problems I have discusesd would not have occurred, and I trust that these aspects can now be remedied.

I urge very strongly that the Congress give the highest possible priority to new farm legislation. The American farmer is entitled to a fair return on his investment, like any other business; he must have access to substantial amounts of credit at reasonable interest at the beginning of the crop year; and he should be able to expect enough stability in market prices so that he can plan ahead.

The world is in a food crisis. How it comes out is going to depend primarily on the American farmer. He needs all the help we can give him.

THE REPORT ON SOCIAL SECURITY

Mr. BENTSEN. Mr. President, on Monday of this week a paper entitled "Social Security, a Sound and Durable Institution of Great Value," was presented to the public by a distinguished group of men with recognized expertise in the field of social security. The group included five former Secretaries of Health, Education, and Welfare, namely the Honorable Arthur Flemming, the Honorable John Gardner, the Honorable Wilbur Cohen, the Honorable Robert Finch, and the Honorable Elliot Richardson. It also included all three living ex-Commissioners of Social Security, Prof. Charles Schottland, Mr. William Mitchell, and Mr. Robert M. Ball. It will be noted that the group includes Secretaries and Commissioners of both political parties who served under both Republican and Democratic administrations. It can, therefore, in no sense be termed a political or partisan statement.

I wish to commend this statement to my colleagues in the U.S. Senate as an important contribution to the study of this subject which again is commanding increased attention on the part of the public.

As the authors point out, nearly every American has a personal stake in the social security system. There are now more than 30 million people receiving a social security benefit check every month. More than 9 out of 10 workers are currently covered under the system. In this year a hundred million people will contribute and receive credits under the system. Social security is today responsible for keeping some 12 million Americans out of poverty and is the most important single source of income for the majority of beneficiaries.

At the very time the social security system seems to be approaching its goals of providing economic security for such a large proportion of our population and is generally accepted as doing a reasonably good job in this respect, it is coming under more criticism than it has been subject to for a long time. Perhaps this is due in part to the very size of the program and the number of people affected by its operations. Possibly also this is a result of the fact that the financing of this huge system has become an ever-increasing burden.

I believe that constant analysis of so important a system is always healthy. Criticism too can be helpful if it is criticism directed to a constructive examination of how we can best provide an underpinning of income against those hazards and uncertainties with which workers are always confronted such as unemployment, old age, disability or death of the family breadwinner.

Some of the criticism has not carried an understanding of the basic principles of the system. For example, there are those who look at only one side—the contribution side of the system ignoring the progressivity in the benefit structure, and come up with the judgment that the system is nothing but a cruel and unfair tax on the poor. It is true that the tax structure of the system needs to be under examination and we do need to ask ourselves about equity, but we must address ourselves to the equity of the system as a whole and not just to the financing part of it. We must look at both sides of the coin, the contribution side and the benefit side. This is one of the cogent factors to which this paper calls our attention.

Others have charged that Congress has been irresponsible in providing periodic increases in benefits. Sometimes these same critics charge Congress with imposing a burdensome regressive tax on

the workers. On the whole, I believe the record will show that Congress has acted responsibly in the social security field. Congress has never increased benefits without provision for financing these raises. I would point out that we cannot have the argument both ways: criticizing the increase in taxes and at the same time charging Congress with failing to finance the system.

Against these charges, I am pleased to note that there are thoughtful approaches being made to the problem. These approaches note that it is not the social securiy system that created the problem of old age and disability. These problems have been with us and the social security system is the best answer we have been able to develop to date. If indeed, as some of our population analysts have predicted there will be some 60 years from now 30 people aged 65 and over for every 100 persons of working age, as contrasted to the 18.3 in that group at present—that will be a problem that we will not only have to meet but will have to plan for well in advance. But there is time. And there is no reason to make abrupt changes to meet this eventuality.

In the short run too there may well be a deficit in the system this year and possibly next—especially if the gloomy economic forecasts of the President and his advisers can be relied upon. But a temporary deficit is not always a matter of serious concern. There are currently some $46 billion in assets in the social security cash benefit trust funds. If we have to dip into these reserves in a period of recession that is no cause for alarm. In fact, most financial analysts and advisers point out that the existence of these reserves is one of the new stabilizing factors in our economy. Reserves are there to be used. We cannot, of course, keep drawing on them indefinitely. But one of their functions is to provide an underpinning of the program that gives us time to make whatever changes are called for. It gives us time to reexamine the needs and test the soundness of the financing structure and make the changes that thoughtful analysis calls for.

The administration takes the position, however, that this situation calls for a reduction in the benefit increases required under present law to meet increasing living costs. So the President proposes cutting the increase to 5 percent. Such a proposal reflects the opinion that one purpose of the trust funds is to help reduce the deficit in the overall budget. This is a view to which I do not subscribe and I believe a majority of my colleagues will agree that the full cost-of-living increase scheduled under present law should go into effect in the checks payable in July of this year. Social security beneficiaries have already seen an erosion of their benefits resulting from double-digit inflation. The automatic provision of the law aims at restoring their lost purchasing power. This is important to the beneficiaries and it is important to economic recovery.

It seems to me the paper released on Monday by these men who have a solid reputation for expertise in this field is a substantial contribution to the kind of thoughtful approach the present situation calls for. I may not be in complete agreement with every one of their conclusions. But I do intend to give it careful study and I commend such study of this paper to my distinguished colleagues in the Senate.

At this time, Mr. President, I am not asking it to be introduced into the RECORD as I understand that the Special Senate Committee on Aging is including it as an appendix to their current report. It will thus be available in such quantity that we will be in a position to provide copies to people who inquire of us to the status of the social security system at this time.

CREDIT ALLOCATION WILL WORK

Mr. HUMPHREY. Mr. President, Arthur Brimmer, a member of the Federal Reserve Board from 1966 until last August, has testified that a system of credit allocation would be both workable and efficient. His assessment is based on his years of experience in the Fed and his intimate knowledge of previous programs designed to channel the flow of credit.

According to Dr. Brimmer, the Federal Reserve's foreign credit restraint program—which was in effect from March 1965 through January 1974—was a great success. Compliance by the banks with the ceiling on foreign credits was "remarkably good." The burden of the restraint was shared equitably among all banks—no exceptions were made and the banks knew that the Fed would enforce its restrictions. Far from creating the "national credit police state" run by a "a new brigade of bureaucrats," that Secretary Simon warns would accompany any attempt to control the direction of credit, this successful program was managed by three or four staff members, an officer at the Fed, and a few staff members in each of the regional reserve banks.

Mr. President, if we can effectively operate such a program to preserve the balance of payments, we can certainly operate a similar program to restore balance in the allocation of credit in this country. At a time when Mr. Simon says inflation is still one of our greatest problems, there appears to be ample credit for inflationary activities, such as corporate mergers that facilitate administered pricing and for speculation in foreign currencies and commodities. However, at the same time, there is little credit available to build homes, and reverse the recession in that industry, and nowhere near enough credit to keep our competitive small business sector healthy.

We have been receiving grave warnings from the administration's spokesmen that we must not "overdo" monetary and fiscal policy. If we overstimulate, overspend or overborrow, they tell us, we will be in serious trouble. It seems to me that this is a perfect opportunity to do some credit directing that will make it unnecessary to overuse the heavier tools of fiscal and monetary policy. According to Dr. Brimmer, this fine tuning can be effectively managed by only a few technicians.

Mr. President, I ask unanimous consent that a recent Wall Street Journal article, "Ex-Fed Member Backs Credit Allocation, Disputes Simon on Fears of 'Police State' ", be printed in the RECORD. It is very important that the views of experienced "money managers" be available to all of us as we reach our own conclusions on this important issue.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EX-FED MEMBER BACKS CREDIT ALLOCATION, DISPUTES SIMON ON FEARS OF "POLICE STATE"

WASHINGTON.—A former member of the Federal Reserve Board said the Fed could allocate credit without creating a police state.

Andrew Brimmer, currently a professor at the Harvard Business School, told a House Banking subcommittee that the Fed could nudge banks to channel loans to specified U.S. borrowers just as simply and successfully as it got them to limit their overseas lending between 1965 and 1974.

The subcommittee is holding hearings on a bill that would require the Fed to allocate loans toward "priority" uses and away from "inflationary" uses. Tuesday, Treasury Secretary William Simon told the panel that the bill would establish a "national credit police state," run by "a new brigade of bureaucrats."

But Mr. Brimmer, who served on the Fed from 1966 through last August, took a more sanguine view. Last fall, he said, the board issued a statement on bank-lending policies designed to encourage banks to lend for certain specified purposes and to discourage lending for other purposes. In January, the Fed began monitoring the performance of banks within those voluntary guidelines.

The guidelines contain "the makings" of a system of voluntary credit allocation that the Fed could implement without encountering the difficulties that the board has found in the approach contained in the bill, Mr. Brimmer said. The bill would require banks to maintain extra reserves against nonpriority loans; they could reduce these reserves by the amount of any priority loans they made.

With "some modifications," these guidelines could serve as the basis for a system of priority commercial bank loans and investment, Mr Brimmer said. His willingness to try this, he added, is based on the Fed's experience with its voluntary foreign-credit-restraint program, which was in effect from March 1965 to January 1974 and was designed to reduce the U.S. balance-of-payments deficit.

Under that program, which Mr. Brimmer managed for nearly six years, the Fed gave each bank a ceiling on the amount of its foreign credits. The Federal Reserve district banks were responsible for administering the program day-to-day in their regions.

Managing the program took only three or four staff members at the board plus an officer and a few staff persons in each Reserve bank, Mr. Brimmer told the subcommittee. Yet, compliance was "remarkably good" and the banks believed that the Fed was administering the program "fairly and equitably," he added.

Exceptions weren't made for banks regarding the foreign-credit ceilings, "and, above all, the banks knew that the Federal Reserve would enforce the guidelines," Mr. Brimmer concluded.

But a spokesman for the American Bankers Association echoed Treasury Secretary Simon's warning. "Free markets, responsive to competition among borrowers and lenders, should determine the allocation of credit, rather than any bureaucracy subject to error and political pressure," Beryl Sprinkel told the subcommittee.

Mr. Sprinkel, executive vice president of Harris Trust & Savings Bank, Chicago, urged Congress, instead, to grant a tax credit to stimulate investment in a few priority areas, such as housing.

BACK AGAIN TO HOOVER

Mr. MONDALE. Mr. President, the ghost of Herbert Hoover walks through the pages of the Ford budget.

Once again we are told that the first priority of a nation sinking deeper into recession must be to cut Federal spending.

Once again we are told that financing a large Federal deficit will disrupt private capital markets.

Once again we are told that public works and public employment programs to stimulate the economy must be resisted.

Once again we are told that the Federal share of relief and social welfare programs must be cut back because this is a "local responsibility."

Once again we are told that the poor and the aged must suffer so that Federal spending can be restrained.

All that remains to complete the historical parallel is for the Federal Reserve Board to continue its policy of unduly limiting growth in the money supply, which, unhappily, it shows signs of doing.

This is a prescription for economic disaster.

It has become a cliché that those who will not learn from history are doomed to repeat it. Historically parallels are never exact, but the similarities between what is happening now and what happened in the early 1930's are disturbing.

Here is a passage from Arthur Schlesinger's "The Crisis of the Old Order":

Though the Treasury could still report a surplus of nearly $200 million for 1930, it was evident that the nation was headed for a deficit in 1931. As the deficit came nearer, Hoover became increasingly preoccupied with what he actually defined as "the primary duty of the Government, that is, to hold expenditures within our income." More and more, the growing federal debt seemed the primary threat to recovery. "For the government to finance by bond issues," Hoover declared in December 1930, "deprives industry and agriculture of just that much capital for its own use and for employment. Prosperity cannot be restored by raids upon the public Treasury." Tax revenues continued to fall in 1931; and the federal deficit that year was almost a billion dollars—the largest peacetime deficit in American history. With national income still going down, the prospect for 1932 was even more dismal; the deficit might well end up three times as great. Hoover now redoubled his efforts. He demanded the most rigid retrenchment in government. He called for an increase in taxes. He denounced proposals for public spending. (p. 232)

And what happened? Federal deficits grew to unprecedented levels, unemployment soared, and the Nation slid inexorably into depression. From a $300 million budget surplus and 8.7 percent unemployment in 1930, the numbers grew staggeringly worse. Here are the Federal budget deficits for the years 1931–37, measured as a percentage of GNP, and the unemployment rates. President Ford's projected fiscal year 1975 deficit is 2.4 percent of GNP, and the projected fiscal year 1976 deficit is 3.3 percent of GNP:

	Federal deficit as percent of gross national product	Unemployment rate (percent)
1931	2.8	15.9
1932	2.6	23.6
1933	2.3	24.9
1934	4.5	21.7
1935	3.6	20.1
1936	4.4	16.9
1937	.4	14.3

Some may take comfort from the fact that the present 8.2 percent unemployment rate is not nearly as high as the levels reached in the depression. However, a recent Library of Congress study points out that unemployment was measured differently during the 1930's. The principle difference was that those employed in Federal work relief programs, such as the WPA and the Civilian Conservation Corps, were counted as unemployed, whereas today they would be counted as employed. When the unemployment rates for the 1930's are adjusted for this difference, they look like this:

	Percent
1933	18.9
1934	9.9
1935	16.4
1936	10.1
1937	8.9

With many economists predicting that unemployment will reach 10 percent this year, it is disturbingly apparent that we are not very far from depression-level unemployment rates.

RECESSIONS AND DEFICITS

President Ford is disturbed by the projected $52 billion deficit for fiscal year 1976, and he should be. But he is disturbed for the wrong reasons.

Some deficits result from excessive Federal spending. The $25 billion "guns and butter" deficit of fiscal year 1968 was one of these.

But others result from recession and declining revenues. That is what has caused the huge fiscal year 1976 deficit, and President Ford says as much in his budget message. If the economy were as fully employed in 1976 as it was in 1974, the President says on page 6, tax receipts would be $40 billion higher, aid to the unemployed would be $12.7 billion lower, and there would be no deficit at all.

Further, he says:

We must recognize . . . that if economic recovery does not begin soon, the Treasury will lose anticipated receipts and incur even larger deficits in the future.

It is, I should think, a useful insight. But it is not put to use. Instead of setting a course that will restore a balanced budget by bringing recession to an end, the President has proposed budget cuts and an energy policy that will make recession vastly worse and postpone far into the future the prospect of returning to a balanced budget.

In a time of deepening recession, a single-minded effort to reduce deficits by cutting spending achieves approximately the same results as those obtained by a dog which pursues its own tail. Each $10 billion cut in spending reduces the deficit by only around $5 billion, since the spending cut pushes down economic activity and reduces Federal revenues. You never quite catch up with yourself.

President Ford is not content with Hooverian spending cuts, however. Tax increases are also proposed.

To be sure, the President has asked for a one-time tax rebate of $16 billion. But he has proposed on top of this program of energy price and tax increases that will withdraw a minimum of $50 billion in purchasing power from the economy, while restoring at the most only $30 billion.

This $20 billion difference will act very much like a tax increase, rapidly nullifying the modest stimulus of the $16 billion rebate, and plunging us ever deeper into recession.

Unfortunately, we have already had a demonstration of the impact of imposing a de facto $204 billion tax increase on a recessionary economy. The quadrupling of oil prices last year by the OPEC cartel has extracted about $20 from American consumers, and had a great deal to do with last year's double digit inflation and slide into recession.

President Ford now proposes to do practically the same thing again, only this time we are doing it to ourselves.

FINANCING DEFICITS IN A RECESSION

President Hoover's declaration that financing Federal deficits by borrowing "deprives industry and agriculture of just that much capital for its own use and employment" finds its echo in recent statements by our Secretary of the Treasury.

Testifying before the House Ways and Means Committee on January 23, for example, Secretary Simon said:

[In] the event that the Congress is unwilling to accept the strong discipline the President is trying to impose upon Federal spending, the higher deficits that will result will certainly threaten the private capital markets with intolerable burdens.

Yet the private capital markets have found a much larger burden of Federal debt tolerable in the past. As a matter of fact, Federal debt held by the public is near its lowest level in 20 years, measured both as a percentage of total debt, and as a percentage of GNP. Federal debt held by the public was 62 percent of GNP in fiscal year 1954, compared to an estimated 28.4 percent in fiscal year 1976, budget, page 366. And Federal debt held by the public has declined from about 40 percent of total debt in calendar 1954 to about 14 percent in 1974, special analyses, page 45.

There is also balm for the Secretary's feverish distress in the report of the President's Council of Economic Ad-

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visers, which declares that "the deficit as presently estimated can probably be financed without serious problems in 1975."

In just the past month, commercial and industrial loans by the Nation's largest banks have declined by more than 3.5 percent as a result of the deepening recession. Consumer debt in December dropped by $877 million, the second monthly decline in a row and the largest 1-month decline on record.

And just today, the Washington Post reported that Salomon Brothers, the New York investment banking firm, estimates that overall demand for new credit will decline in 1975 for the second straight year. Including Federal Government borrowing, the Salomon Brothers study estimates that total demand for new credit will fall to $163.3 billion this year, down from $171.8 billion in 1974 and the record $185.1 billion in 1973.

This follows the pattern of past recessions. As overall economic activity declines, private borrowing is reduced, leaving room for a growth in Federal borrowing. Indeed, if Federal borrowing did not fill at least part of the gap left by the decline in private borrowing, the economy could slump even further.

UNEMPLOYMENT

According to the President's budget, "maximum feasible employment" means an unemployment rate above 7 percent well into 1978, and no return to the unemployment levels of last year until 1980.

Is that the best we can do? Can we truly tell over 7 million Americans that it is not "feasible" to put them back to work for years to come?

The President joined readily with the Congress late last year in pushing through an authorization of $2.5 billion for over 300,000 additional public service jobs. A few days later, an appropriation for $875 million of this amount was approved, enough for 100,000 jobs. States and localities throughout the Nation are now hiring workers under the program, with long lines of applicants in most areas.

I have joined in sponsoring legislation that would increase the authorization for public service jobs to as much as $8 billion, enough for 1 million new jobs. This would still be less than 15 percent of those out of work.

In his January 15 state of the Union speech, President Ford declared that

The emphasis on our economic efforts must now shift from inflation to jobs.

Yet when his budget came out less than 3 weeks later, no money was proposed for public service jobs beyond the $875 million already appropriated. The program is to be cut off at at 100,000 jobs.

Was the shift of emphasis from inflation to jobs so ephemeral that it lasted less than 3 weeks?

Inflation lasted as Public Enemy No. 1 for over 3 months, and now we have energy.

Yet we should not give up hope. The President may yet turn to recession. The process of elimination, at least, is on our side.

HELP FOR THE POOR AND THE AGED

Mr. Hoover did not oppose poor people being helped. He just did not think the Federal Government should be the one to do it. That sort of thing was a "local responsibility."

Mr. Ford seems to have something of the same approach. His budget proposes that the States assume a much larger share of the cost of health, social services, medicaid, and other programs that help the poor. And he expresses great concern over the growth of "income transfer" programs like social security, SSI, food stamps, and medicare.

"We must begin to limit the rate of growth of our budgetary commitments in the domestic area to sustainable levels," the President says in his budget message. And he proposes to begin by holding cost of living increases under many of these programs to 5 percent, about half of what the increase would otherwise be.

His gimlet budget-cutter's eye has trouble focusing on other areas, however. The $15.7 billion increase in the Pentagon budget escapes the excoriation that is heaped upon spending for the poor, and the $522 million in military aid for Vietnam and Cambodia is hailed as a great contribution to our Nation's well-being.

There is dutiful listing of some $92 billion in "tax expenditures" like the oil depletion allowance—$2.5 billion—and DISC—$1.3 billion—but there is no hint of alarm over their continued existence and growth.

WHAT SHOULD BE DONE?

The President has made his proposals and spelled out their consequences with commendable frankness. Those consequences, in my judgment, are unacceptable. It is not enough, however, to say that the President is wrong. We have a responsibility to come up with alternatives.

This alternative approach must cover three areas—budget priorities, tax and fiscal policy, and energy.

While the President's preoccupation with spending cuts is excessive, and the cuts he has chosen to propose are the wrong ones, it cannot be said that no cuts should be made in Federal spending. Cuts could be made in Pentagon spending and foreign military aid without impairing our economic recovery, and "tax expenditures" like DISC, the oil depletion allowance, ADR, and others could easily be eliminated. It is a matter of priorities, and if the President thinks a cut of $17 billion has some magic, I believe we could make cuts in these areas that would better reflect our Nation's needs.

I believe we need a tax cut of around $30 billion this year, and $15 billion in 1976 and thereafter, if we are to restore healthy economic growth in the years to come. I proposed legislation—S. 469—to provide for a cut of this size in individual and corporate taxes on January 28—CONGRESSIONAL RECORD, page 1545. A just-completed forecast using the Wharton econometric model indicates that a $30 billion tax cut would result in substantially lower inflation and unemployment over the next 2 years than would President Ford's tax and energy proposals.

Finally, we must devise a comprehensive energy program that will end our dependence on foreign oil by 1985. This will require serious and often difficult measures to conserve energy, and broad-ranging programs to develop alternative energy sources. But it is not clear to me that it is either necessary or feasible to bite off as large a chunk of this long-term goal over the next 2 years as President Ford proposes. When beneficial results will flow from reducing oil consumption by a million barrels a day by the end of this year that would not equally flow from cutting 500,000, or 200,000, or 700,000? And what are the costs of moving rapidly to reduce consumption in the midst of a recession?

These and other questions must be posed and answered before the President's energy package is accepted. I will be discussing them soon in a longer statement on this very serious and complex issue.

ON THE DEATH OF DENNIS BANKS

Mr. RANDOLPH. Mr. President, it has been said that sincerity is the salt of eloquence, and nowhere has this been better defined in recent days than in the heartwarming commentary of WRC-TV's coanchorman Jim Vance "On the Death of Dennis Banks."

This sensitive, moving gesture of solace to a grieving mother might have quickly been forgotten by an oft-times cynical and violence-sated audience, had not the Washington Post reprinted Vance's words on its editorial page of January 28.

Mrs. Carroll E. Miller, president of the General Federation of Women's Clubs, commenting on the Post article, said "it is a rare occasion in the 1970's when journalism is distinguished by such humaneness." I agree, and feel that TV newsman Vance's commentary deserves a broader audience. I am pleased to share his compassionate remarks with my colleagues, and ask unanimous consent that the Post article be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON THE DEATH OF DENNIS BANKS

(Comments by Jim Vance, coanchorman of WRC-TV's "News Center" program, on the broadcast of Jan. 22.)

I want to say something to Mrs. Vera Banks . . . But I'm not sure what it is . . . I really don't know what to say. You probably know by now that Mrs. Banks' eldest son Dennis, was murdered last Friday (Jan. 17) because he chose to act like a man. What he did was to get involved, when a bunch of young dudes boarded the bus on which he was riding—and refused to pay their fares—while hassling the woman driving the bus. I cannot tell you, Mrs. Banks, how deeply sorry I am . . . and how sickened . . . and enraged . . . and how stupid I feel because of your son's needless death.

When I talked with you on the phone earlier today, I stumbled and stammered. I apologize. I have seen death and destruction and ignorance and rage—but the circumstances of your son's death are more than I can handle with the usual newsman's crust. I am troubled because I'm not really sure that I have what it takes to do what your son did. And I am very concerned about the conditions that drive people to act as your son's killers did. And I am appalled that my people continue destroying each other in this way. But be he white, black, yellow, pink or green, a punk is a punk.

You raised a fine young man, Mrs. Banks. He was a hero and, for what it's worth, I will remember him—and my kids will know his name. And I wish I knew what to say to you.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess awaiting the call of the Chair.

The motion was agreed to, and at 1:35 p.m., the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 1:41 p.m. when called to order by the Presiding Officer (Mr. GARY W. HART).

AUTHORIZATION TO INTRODUCE MEASURES UNTIL 5 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until the hour of 5 p.m. today to introduce bills and resolutions and to include statements for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I also would include in my request a provision that Senators may offer amendments and have them printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I want to thank the majority whip for getting the unanimous-consent request allowing Senators until 5 o'clock to introduce resolutions, amendments, and bills.

I would like to make certain, though, and I ask the Chair, would it not be in order for a Senator under that unanimous-consent request to provide for any special instructions concerning where the bill would be referred to in terms of the committee, or that it be reported in any particular time?

I would assume that if there were any requests for special instructions that it would not fall within this agreement.

The PRESIDING OFFICER. Any special instructions would have to be made by unanimous consent from the floor.

Mr. GRIFFIN. I appreciate that clarification on the part of the Chair.

Then, I want to say—although I wish that the Senator from Utah were here, and I will call his attention to my comments—earlier today the Senator from Utah (Mr. Moss) did get unanimous consent that a bill be referred to two committees and that it be reported by the second committee and I think the words the Senator used were "as soon as possible."

The Senator from Michigan did not object to that, but I want to indicate at least my understanding that the words "as soon as possible" have no meaning other than as they might serve as guidance or a sense of the Senate, so to speak, and that it would impose no requirement or direction of an absolute nature on the committee and certainly would not require that the bill go on the Calendar at sometime to be determined independently of the committee.

That is only a statement by the junior Senator from Michigan, I am not even going to ask the Chair to rule on it.

It is an unusual request, one which I think ought to be discouraged, but as I would understand it, it would have very, very limited meaning and would only serve in the sense of guidance to the committee but providing no restrictions or directions that would be binding on the committee.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, following the recognition of the leaders or their designees, there be a period for the transaction of routine morning business with statements limited therein to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 12 o'clock noon. There will be a period for the transaction of routine morning business with statements limited therein to 10 minutes each.

The Senate is meeting in order to transact business if committees report matters to the floor. The Foreign Relations Committee met today, I understand, to consider certain nominations. The Committee on Armed Services met today. The Committee on Interior and Insular Affairs met today. Hopefully, the Committee on Finance will be able tomorrow to report out the debt limit and the measure delaying the tariff on oil imports for early action.

It is for this reason that the Senate is meeting tomorrow and Thursday, in the event that such legislation should be reported and without request for delayed Senate floor action.

Rollcall votes can always occur, so Senators are so alerted.

Mr. President, may I add to my previous statement of the program by saying that the Senate will be in session on Monday next, even though that is the day for the reading of Washington's Farewell Address. In the past the Senate has been in session on such Mondays, action has been taken on various measures, and rollcall votes have occurred. I would anticipate the same for Monday next, inasmuch as the debt ceiling will expire on Tuesday.

The two measures that are being considered by the Finance Committee and which, incidentally, were not received by the Senate until last Thursday, February 6, are both very important measures, one dealing with the debt limit extension—I understand the present ceiling will expire on Tuesday at midnight—and the other dealing with suspension of the President's authority to impose the oil tariff.

Consequently, Senators should arrange their schedules accordingly. I thought I ought to make this statement for the RECORD lest Senators be under the misunderstanding that no rollcall votes will occur on the day when Washington's Farewell Address is being read.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon tomorrow.

The motion was agreed to; and at 1:48 p.m., the Senate adjourned until tomorrow, Wednesday, February 12, 1975, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate February 11, 1975:

INTER-AMERICAN DEVELOPMENT BANK

Yan Michael Ross, of Maryland, to be Alternate Executive Director of the Inter-American Development Bank, vice Kenneth A. Guenther, resigned.

U.S. POSTAL SERVICE

William A. Irvine, of Pennsylvania, to be a Governor of the U.S. Postal Service for the remainder of the term expiring December 8, 1976, vice George E. Johnson, resigned.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert Morin Shoemaker, 364-28-5085, Army of the United States (brigadier general, U.S. Army).

CONFIRMATION

Executive nomination confirmed by the Senate February 11, 1975:

DEPARTMENT OF COMMERCE

Lutrelle F. Parker, of Virginia, to be Deputy Commissioner of Patents and Trademarks.

(The above nomination was approved subject to the nominee commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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SENATE—*Wednesday, February 12, 1975*

The Senate met at 12 o'clock meridian and was called to order by Hon. JOHN C. CULVER, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who hast made and preserved us "one Nation under God," we lift our hearts in thanksgiving for the memory of Thy servant Abraham Lincoln. We thank Thee for his humble birth, his simple faith, his wise philosophy and his courageous leadership. May the mantle of his wisdom, his patience, his kindness, and his firmness encompass us and move us to a higher and holier dedication to service in our time. Rekindle in us the fires of patriotism and a deeper love of God and our fellow man.

As he took heed of Thy Word, so may we remember "that the judgments of the Lord are true and righteous altogether." Then "with malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive to finish the work we are in; to bind up the Nation's wounds; * * * to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 12, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN C. CULVER, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CULVER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, February 11, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MARITIME ADMINISTRATION AUTHORIZATION, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 12, S. 332.

The ACTING PRESIDENT pro tempore. The bill will be stated by title. The legislative clerk read as follows:

A bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LONG. Mr. President, this bill (S. 332) authorizes appropriations for the present fiscal year 1975 for the programs of the Maritime Administration of the Department of Commerce.

The total amount authorized is $562,933,000, the same total requested by the administration earlier this year.

Mr. President, on December 12, 1974, the Senate passed H.R. 13296 which was identical to this bill with two exceptions. One was a committee amendment which inserted into the Shipping Act of 1916 a definition of "citizen of the United States" which includes a State or political subdivision thereof, thereby permitting States and other governmental bodies to create and hold ship mortgages and thus enable them to provide financing of fishing vessels. That provision was deleted in the conference committee agreement on this legislation.

The other was an amendment that was adopted here in the Senate when H.R. 13296 was approved. That provision provided for reimbursement for U.S. fishing vessels and equipment damaged by foreign-flag vessels. It was that provision which President Ford stated as his reason to pocket-veto this legislation on January 3, 1975.

The bill before us now contains the exact amounts requested by the administration for maritime program authorizations for fiscal 1975 and a section 3 which amends that section of the Merchant Marine Act, 1936, which requires the four major seacoasts—Atlantic, Gulf, Great Lakes, and Pacific—to be treated equitably by providing that at least one regional office of the Maritime Administration be maintained for each of the four areas. As far as I am aware, there is no opposition to this provision.

The fiscal 1975 authorization consists of the following:

The sum of $275 million for construction-differential subsidy for the acquisition, construction, or reconstruction of U.S.-flag vessels built in U.S. shipyards. These funds finance payment of construction subsidies based on the difference between United States and foreign shipbuilding costs.

The sum of $242.8 million for payment of obligations incurred for ship operating subsidies.

Such subsidies are based on the difference between United States and foreign vessel operating costs. They are paid to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services in the U.S. foreign commerce. The funds in this category will be paid in fiscal year 1975 for 5 passenger and combination passenger/cargo, 153.2 general cargo, and 6.8 bulk carrier ship-years.

The sum of $242.8 million for payitime Administration research and development program is included in the bill. The MARAD R. & D. program supports the development of technology to enable U.S. shipyards and vessel operators to become more competitive. The principal areas of this activity include advanced ship construction and operation as well as pollution abatement and safety improvements. Industry participation and cost sharing are strong elements in this program.

The authorization of $3.7 million supports the MARAD effort in maintaining the national defense reserve fleet which supplements our active merchant fleet in time of war or national emergency.

The sum of $10.5 million is for the U.S. Merchant Marine Academy at Kings Point, N.Y., and $2.9 million of the request is for assistance to the six State maritime schools located in California, Michigan, Texas, Massachusetts, New York, and Maine.

Mr. President, the Department of Commerce appropriation bill which has been passed by the Congress and approved by the President includes this martime program. The amount appropriated was $2 million less than this authorization request. The reduction was made in the research and development item. All the others have been approved as contained in this bill.

Section 3 of the bill would modify section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), to establish by law at least one regional office of the Maritime Administration for each of the Nation's four seacoasts.

Section 809 currently provides that contracts entered into under the 1936 act shall "equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, gulf, Great Lakes, and Pacific ports of the United States." This amendment would provide the administrative structure for implementing that obligation as well as other responsibilities of the Maritime Administration.

Since the Maritime Administration already maintains regional offices for the Atlantic (New York), gulf (New Orleans), and Pacific (San Francisco) ports, the practical effect of the amendment is to require the establishment of one additional regional office for Great Lakes ports and the St. Lawrence Seaway. A Great Lakes regional office can and should serve as a focal point for efforts to reestablish overseas U.S.-flag service in the lakes and to realize the full potential of our fourth seacoast.

The amendment also requires the Secretary of Commerce to appoint a director for each regional office and it is the committee's expectation that, where necessary, these offices will be established and adequately staffed as promptly as possible.

This section embodies the provisions of S. 406 which was introduced by Senator SCOTT of Pennsylvania, the distinguished minority leader. That bill would authorize the establishment of a Great Lakes regional office in the Maritime Administration.

Mr. President, I urge approval of this measure.

The ACTING PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill (S. 332) was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State marine schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four post ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–7), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill, as reported, is to authorize appropriations for programs of the Maritime Administration for fiscal year 1975 and to assure that the Maritime Administration maintains regional offices for each of the nation's four principal seacoasts, including the Great Lakes.

SUMMARY AND DESCRIPTION

The legislation provides for authorization of appropriations for six categories of maritime programs of the Department of Commerce, which are administered by the Maritime Administration, in the aggregate sum of $562,933,000. Those programs, and the amounts authorized, are as follows:

(1) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships—$275 million;

(2) Payment of obligations incurred for ship operating-differential subsidy—$242.8 million;

(3) Expenses necessary for research and development activities—$27.9 million;

(4) Reserve fleet expenses—$3.742 million;

(5) Maritime training at the Merchant Marine Academy at Kings Point, N.Y.—$10.518 million; and

(6) Financial assistance to State marine schools—$2.973 million.

Section 2 authorizes additional supplemental appropriations for fiscal year 1975 for the activities specified in section 1 of the bill, to the extent necessary for increases in salaries, pay, retirement, or other employee benefits authorized by law.

Section 3 of the bill amends the section of the Merchant Marine Act, 1936 which requires the four major seacoasts (Atlantic, Gulf, Great Lakes, Pacific) to be treated equitably by providing that at least one regional office of the Maritime Administration be maintained for each of the four areas.

BACKGROUND

The 93rd Congress passed the fiscal year 1975 maritime authorization (H.R. 13296) on December 20, 1974. That legislation was pocket-vetoed by President Ford after the 93rd Congress had adjourned because of a provision providing for reimbursement for U.S. fishing vessels and equipment damaged by foreign flag vessels. On January 23, 1975, S. 332 was introduced and ordered favorably reported, without amendment, on January 27, 1975. The bill is identical to the vetoed H.R. 13296 in every respect except that the amendment which required the Federal Government to reimburse U.S.-flag fishing vessel owners for damage to their equipment by foreign-flag vessels, was deleted.

EXPLANATION OF THE AUTHORIZATION FOR FISCAL YEAR 1975

In 1970, the most comprehensive and far-reaching maritime legislation in decades was enacted in order to halt a pronounced decline of the U.S. merchant marine. That legislation, the Merchant Marine Act, 1970 (Public Law 91–469) (the "1970 Act"), provided for a 10-year program to improve the efficiency of American shipyards and to build a modern, efficient U.S.-flag merchant fleet so that the United States could once again be a major maritime Nation.

This bill, S. 332, authorizes appropriations for the 5th year of the program established by the 1970 Act. In considering the authorization request for fiscal year 1975, the Committee has reviewed the performance of the Maritime Administration. Substantial progress has been made toward rebuilding the U.S. merchant marine, and it has become increasingly clear that with continued support the goals set in 1970 will be reached.

Shipbuilding has reached a new peacetime high. The backlog of orders for new vessels is 3½ times as large as when the program began in 1970. The present backlog of 90 merchant ships valued at $3.6 billion represents 200,000 man-years of employment for shipyard workers and those in the supply industries and a potential addition to our fleet of nearly 6.2 million deadweight tons. U.S. shipbuilders have begun for the first time to receive orders for very large crude oil carriers and have advanced to a leading position in the construction of liquefied natural gas carriers. The progress in the field of energy carriage balances earlier construction of modern liner vessels including LASH and RO/RO vessels for intermodal operations.

Series production of vessels and shipyard modernization and expansion have contributed to a reduction in subsidy rates for ship construction. The declining subsidy rates which encourage shipyard efficiency are being met and, in certain cases, the subsidy award is significantly below the guideline rate. While the guideline rate is presently 39 percent, awards for tankers have been made at 33.4 percent and liquefied natural gas carriers have been contracted for 16.5 percent.

In the area of vessel operations, modern bulk carriers built with Federal assistance are beginning to enter foreign trade. This is important because over 90 percent of our country's foreign trade tonnage is comprised of bulk cargoes and U.S. participation in this trade has been minimal for many years. In the liner trades, the average age of our subsidized fleet has decreased by 20 percent and the average ship size has increased by 17 percent, reflecting the replacement of older vessels with larger ships of advanced design.

Progress is also being made toward reducing the dependence of operators on operating subsidies. A number of capital intensive U.S.-flag vessels, such as container ships, are competing in our foreign trade without subsidy. Nineteen vessels previously receiving operating subsidy no longer receive such aid.

The 10-year merchant marine program is approaching its midpoint. Clear signs of progress are evident. The construction of a modern, balanced, competitive American merchant fleet is well underway. As these vessels are delivered and enter service, U.S.-flag penetration of our essential trades should become more evident, especially in the area of bulk carriage. The 1970 Act's program is proving to be an appropriate instrument for restoring our Nation's prominence in international shipping. In the opinion of the Committee, this program should be continued to its completion.

SUMMARY

The amounts authorized by the bill are as follows:

(a) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000.

These funds finance payment of construction subsidies based on the difference between United States and foreign shipbuilding costs. These sums are paid to U.S. shipyards so that operators can purchase American-built vessels at the same price as similar foreign-built vessels. In order to encourage the competitiveness of American yards, the 1970 Act provides for the gradual reduction of the construction subsidy level from 45 percent in 1971 to 35 percent in 1976.

Subsidized shipbuilding orders exceeding $2.5 billion have been placed with U.S. shipyards since enactment of the 1970 Act. These orders have provided for the construction of 52 new ships of 4.7 million deadweight tons and for the conversion of 19 existing ships into container ships. These vessels are of advanced and highly productive design. They comprise a diverse mix of types that will provide the United States a more competitive fleet in a variety of trades.

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The authorization request for this activity for fiscal 1975 ($275 million) is the same as that for fiscal year 1974. This amount will sustain an adequate and orderly shipbuilding program. Maritime Administration officials project awarding contracts for fourteen new ships, the conversion of four container ships into larger capacity container ships and funding for three ships for which contracts were awarded in 1974.

Ships currently being built with the aid of construction-differential subsidy are larger and more costly than those envisioned when the 1970 Act was passed and their productive capacity exceeds the capacity goal established in 1970. The fiscal year 1975 authorization request will allow series production of bulk cargo ships to continue at existing yards. The economies realized through series orders are essential to achieve competitiveness in the production of energy carriers. When in service, these ships will help to create a competitive U.S.-flag bulk cargo fleet. The combined 1974 and 1975 programs will generate 50,000 man-years of work for shipyard employees and about an equivalent amount of employment in supporting industries.

Maritime Administration officials have expressed confidence that in 1975 all ship construction contracts will be awarded at a subsidy rate lower than the 37 percent mandated by the 1970 Act. Subsidy rates have been as low as 33.4 percent for some types of tankers and 16.5 percent for LNG's. These declining subsidy rates mean that for a given level of Government support, a larger shipyard orderbook is generated. Thus, while the 1975 program level is $23 million less than in 1974 due to a decrease in the availability of carryover funds, the 1975 funds will generate approximately $976 million in shipyard orders—$65 million more than generated by the higher 1974 level of funding.

(b) *Payment of obligations incurred for ship operating-differential subsidies, $242,800,000.*

Operating subsidies are generally based upon the difference between U.S. and foreign vessel operating costs and are paid in order to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services. Essential services are defined as those ocean services, routes and lines, and bulk cargo carrying services essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States. Operators receiving subsidies for the provision of such services must operate American-built vessels manned by American crews. The fiscal year 1975 authorization request of $242,800,000 will finance operating subsidies to U.S.-flag operators in order to promote the continuation of essential American merchant marine services. Subsidized liner activity will remain at essentially the same level as in fiscal 1974. New bulk vessels, most of which were built under the construction subsidy program, will be entering into service this year and in 1975. This is reflected by an increase in subsidized regular bulk carrier service from 3.1 ship-years in 1974 to 6.8 in 1975. Carriage of the 1973 grain purchases to the Soviet Union will be completed this year. No funds have been requested for fiscal 1975 for special commodity shipments of this type due to uncertainties about the extent of possible future purchases and the level of charter rates prevailing at the time.

From the $242,800,000, an estimated $198,932,000 in subsidy will be paid in fiscal year 1975 for 5 passenger and combination passenger/cargo, 153.2 general cargo and 6.8 bulk carrier ship-years of operation. An additional $43,868,000 will pay obligations incurred under subsidy contracts for subsidized operations in prior years. The fiscal 1975 request reflects a decrease of $15,489,000 from the 1974 adjusted level of $258,289,000. It should be noted, however, that the 1974 level includes a 1973 appropriations carryover of $13,774,410 and a 1974 supplemental authorization for $23 million (P.L. 93-308).

(c) *Expenses necessary for research and development activities, $27,900,000.*

The Maritime Administration research and development program has as its purpose the development of technological superiority in order to enable U.S. shipyards and vessel operators to become more competitive. Projects under the program involve the development of new and more efficient types of ships, machinery, and equipment, and the improvement of operating practices in order to improve American shipping and shipbuilding and help overcome foreign advantages (*e.g.* as low-wage costs). Industry participation and cost sharing have been emphasized to insure the relevance and practicality of these projects.

In the area of advanced ship construction, the 1975 program will continue to explore new ship construction methods and equipment as well as new ship designs which will lower shipbuilding costs. Examples of this research include new welding procedures, standardized component designs, shipyard automation, and the development of improved transmission and propulsion system, such as an advanced gas turbine and nuclear power.

In order to reduce operating costs and improve ship utilization, the Maritime Administration supports research and development in the area of advanced ship operations systems. Projects in this area include computerized models to assist operators with cargo space documentation, intermodal distribution coordination, fleet management, and computers to aid in navigation, communications, ship maneuvering and collision avoidance. These improvements will result in greater vessel utilization and increased safety of operation. This activity also supports R. & D. efforts in the areas of pollution abatement and safety improvements. The 1975 program will continue to develop cost-effective means of reducing pollution.

The fiscal year 1975 request for research and development of $27,900,000 is an increase of $8,900,000 from the 1974 appropriation level. The 1974 appropriation of $19 million was augmented by $5 million carried forward from 1973. Thus, the actual increase in program level from 1974 to 1975 is $3,900,000.

(d) *Reserve Fleet expenses, $3,742,000.*

The Maritime Administration maintains the National Defense Reserve Fleet in order to supplement our active merchant fleet in time of war or national emergency. The authorization request for this activity in fiscal year 1975 is $3,742,000. That is $31,000 less than in 1974. This reduction in Reserve Fleet expenses results from the consolidation of the fleet at the sites and the elimination of obsolete tonnage. In 1975 29 merchant ships and 101 Navy ships are scheduled for scrapping. The fleet will then consist of 294 ships.

(e) *Maritime training at the Merchant Marine Academy at Kings Point, N.Y., $10,518,000.*

This authorization request of $10,518,000 is for the operation of the Merchant Marine Academy at Kings Point, N.Y., to train cadets for service as officers in the U.S. merchant marine. The 1975 program anticipates a graduating class of 200 officers, approximately the same level as in the past several years.

The major portion of the $1.9 million increase requested for this category is for the necessary modernization program at the Academy, including renovation and improvement of the physical fitness facilities.

(f) *Financial assistance to state marine schools, $2,973,000.*

The requested authorization is for the training of cadets at six participating state maritime schools located in California, Michigan, New York, Maine, Massachusetts, schools, authorized by the Maritime Academy Act of 1958, as amended (46 U.S.C. 1383), includes subsidies and grants to the schools, allowances to cadets for uniforms, textbooks and subsistence, and maintenance and repair expenses of training vessels on loan from the National Defense Reserve Fleet.

The 1975 authorization request of $2,973,000 reflects an increase over 1974 of $546,000. Expenditures under this authorization will remain at essentially the same level as in 1974 except in the area of maintenance and repair of Federally owned schoolships. The requested increase will allow conversion from a reactive to a preventive maintenance program and assure continued compliance with Coast Guard and American Bureau of Shipping safety standards.

Section 2 of the bill is basically a technical amendment to avoid having to amend the 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for increases in remuneration of employees at the National Defense Reserve Fleet and the Merchant Marine Academy.

Section 3 of the bill would modify section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213) to establish by law at least one regional office of the Maritime Administration for each of the Nation's four seacoasts.

Section 809 currently provides that contracts entered into under the 1936 Act shall "equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, Gulf, Great Lakes, and Pacific ports of the United States." This amendment would provide the administrative structure for implementing that obligation as well as other responsibilities of the Maritime Administration.

Since the Maritime Administration already maintains regional offices for the Atlantic (New York), Gulf (New Orleans), and Pacific (San Francisco) ports, the practical effect of the amendment is to require the establishment of one additional regional staff for Great Lakes ports and the St. Lawrence Seaway. A Great Lakes regional office can and should serve as a focal point for efforts to re-establish overseas U.S.-flag service in the Lakes and to realize the full potential of our fourth seacoast.

The amendment also requires the Secretary of Commerce to appoint a director for each regional office and it is the Committee's expectation that, where necessary, these offices will be established and adequately staffed as promptly as possible.

ESTIMATED COSTS

Pursuant to section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510), the Committee estimates that the cost of the legislation is $562,933,000, the specific amounts authorized by the bill, plus administrative expenses incurred in establishing one additional regional office.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Philip H. Modlin, of Virginia, to be a member of the Board of Parole.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL MONDAY, FEBRUARY 17, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until 12 o'clock noon on Monday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, that order may be changed during the day.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, with statements therein limited to 10 minutes each.

Is there morning business?

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. CULVER) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriations committee.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT

A message from the President of the United States received during the adjournment of the Senate on February 6, 1975, transmitting the annual report on the administration of the National Sickle Cell Anemia Control Act was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am pleased to send to the Congress the Second Annual Report on the Administration of the National Sickle Cell Anemia Control Act (P.L. 92-294) in accordance with the requirements of Section 1106 of the Public Health Service Act. The Annual Report highlights the progress made in the implementation of the National Sickle Cell Disease Program and related activities as provided for in the Act.

Research efforts to investigate the mechanisms and subsequent complications of the abnormal sickling phenomenon in sickle cell anemia have continued to receive significant attention over the past year under the National Institutes of Health. Clinical trials and preliminary studies utilizing various antisickling agents are underway to alter the sickling process and thus aid individuals who suffer from sickle cell anemia. Demonstration service activities designed to improve public awareness, education, detection and counseling in regard to sickle cell have significantly increased over the past year under the combined efforts of the Health Services Administration and the National Institutes of Health.

The activity toward Sickle Cell Anemia continues to be of high priority for our Government and I am pleased to commend this report to the attention of the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *February 5, 1975.*

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. CULVER):

A joint resolution of the Legislature of the State of Wisconsin; to the Commitee on Agriculture and Forestry:

"1975 SENATE JOINT RESOLUTION 14

"Memorializing congress to increase the support level of manufactured milk to 100% of parity

"Whereas, farm costs have risen at an alarming rate in the last several years; and

"Whereas, the present $7.24 support level is only 80% of the parity equivalent; and

"Whereas, the full parity equivalent for manufactured milk today is $9.05 per hundredweight; and

"Whereas, the cost of producing milk today is $8.61 per hundredweight; and

"Whereas, if current trends continue unabated, an addition of $1.81 to the present level is needed to bring the price of manufactured milk to the 100% parity level; and

"Whereas, milk production has recently been in sharp decline nationally; and

"Whereas, milk production per cow has decreased by 5% in the past year; and

"Whereas, over 4,000 individuals have left dairy farming in Wisconsin in the past 2 years; and

"Whereas, this combination of increased milk production costs and reduced prices has continued the exodus from the farms of the nation, which has contributed dangerously to urban as well as rural instability; and

"Whereas, the continuous decline of milk production threatens the health and welfare of our nation; now, therefore, be it

"Resolved by the senate, the assembly concurring, That the congress is respectfully petitioned to increase the support level of manufactured milk to 100% of parity beginning April 1, 1975, for the coming market year; and, be it further

"Resolved, That certified copies of this resolution be immediately transmitted to the President of the United States, the secretary of the U.S. senate, the clerk of the U.S. house of representatives, the U.S. secretary of agriculture and each member of the Wisconsin congressional delegation."

IMPACT OF OIL TARIFF PROGRAM ON RHODE ISLAND

Mr. PELL. Mr. President, I am deeply concerned by President Ford's decision to move forward with his proposal to impose tariffs on oil imports, especially without the opportunity for congressional review and approval. While I recognize that we, as a nation, must substantially reduce our petroleum imports, I am not nor persuaded by administration arguments that such a tariff is either the best means of achieving the necessary oil import reduction, or in the best economic interests of the country; it quite clearly is not for my State and New England.

My views in this regard are shared by the members of the Rhode Island General Assembly, and I would like my colleagues to be aware of their position as expressed in a resolution adopted recently memorializing Congress to oppose the increased taxes on imported and domestic oil. In addition, I would call my colleagues' attention to the recent remarks of Dr. John Sawhill, former Administrator of the Federal Energy Administration, in the Boston Globe of February 2, regarding the President's oil import tariff program. I ask unanimous consent that the resolution and Boston Globe article be printed in the RECORD at the conclusion of my remarks, and that the resolution be appropriately referred.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. PELL. Mr. President, in my opinion the administration has been badly misinformed regarding the economic impact of the tariff proposals on the Nation and especially, on New England. I have been advised that this may be largely the result of a failure by the Federal Energy Administration and other agencies to provide a detailed economic analysis of the impact of the President's proposed action as required by law under the National Security Clause of the Trade Expansion Act of 1962.

An indepth economic analysis would have shown that the oil tariff program will not only have an impact on industry in my State and New England of catastrophic proportions, but will also place an intolerable burden on consumers in the region who are already paying 30 percent more for energy than the United States as a whole. The New England Fuel Institute estimates that a direct pass-through of the higher tariffs on home-heating oil and residual fuel used by utilities will add $152 a year to every New England family's energy bill. In Rhode Island, the higher tariffs on residual fuel used by utilities will increase fuel adjustment charges an estimated 11 to 25 percent.

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The impact of the oil tariff on Rhode Island industry is even more alarming as demonstrated in an article which appeared in the Providence Sunday Journal of February 2. I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks. As the article notes, with State unemployment already at 9.1 percent and many marginal industries already curtailing or moving operations to new locations as a result of exorbitant energy costs, the imposition of further tariffs could spell disaster for the economy of Rhode Island.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 3.)

Mr. PELL. Mr. President, I am deeply aware of the grave energy situation which confronts our Nation along with the urgent need to reduce domestic energy consumption. I am aware also of the importance of close cooperation between the President and Congress in resolving this tragic problem. I cannot, however, support a program which is piecemeal, will place a further unjust burden on the consumers of my State and New England, and does not take into account the substantial energy conservation savings already achieved by New Englanders.

I, therefore, strongly urge my colleagues to support legislation to delay for 90 days the imposition of tariffs and fees on oil imports. This will give Congress the opportunity to review the President's program and prepare fair and equitable alternatives to accomplish the energy conservation goals we all desire.

EXHIBIT 1

The resolution agreed to by the General Assembly of the State of Rhode Island, which was referred to the Committee on Finance, reads as follows:

'RESOLUTION MEMORIALIZING CONGRESS TO OPPOSE THE INCREASED TAXES ON IMPORTED AND DOMESTIC OIL

"Whereas, The proposals by President Ford to increase the tariff on imported oil and the tax on domestic oil will greatly boost the overall cost of petroleum products; and

"Whereas, Rhode Island heavily relies on imported oil for its petroleum needs, such an increase places an inequitable burden on the state and the region; and

"Whereas, The President's proposal to increase the cost of petroleum will result in cost increases in all sectors of the economy; now, therfore, be it

"Resolved, That the House of Representatives of the state of Rhode Island and Providence Plantations hereby memorializes congress to oppose the increased taxes on imported and domestic oil; and be it further

"Resolved, That the Secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Rhode Island delegation in congress."

EXHIBIT 2

[From the Boston Globe, Feb. 5, 1975]

SAWHILL CALLS U.S. ENERGY POLICIES RIDICULOUS AND UNFAIR TO NORTHEAST

(By David Nyhan)

WASHINGTON.—John Sawhill, who was eased out of the nation's top energy job by the Ford Administration, said yesterday the Administration's energy-economy policies are "absolutely ridiculous" and unfairly penalize New England.

"I think New England is being discriminated against," said Sawhill, former head of the Federal Energy Administration. He called Mr. Ford's oil import tariff fees a hastily-concocted program, and said "I don't know anybody who would disagree with that position."

New Englanders in Congress are trying to overturn the oil import fee, charging the scheme Mr. Ford implemented last Saturday could eventually cost the six-state region $800 million annually in higher oil prices.

Sawhill said the Administration is shying away from tackling headon the need to conserve gasoline, and that it is moving to revive the ailing auto industry, hurt badly by slumping sales and massive layoffs.

"I think the Michigan Mafia is at work," he said, in apparent reference to the fact that President Ford, his top economic aide, L. William Seidman, and his closest Senate friend, minority whip Robert Griffin, are all from the home base of the auto industry.

"My own perception is that the economic policy and the energy policy were put together separately and are not coordinated," he said. Sawhill is in the running for an appointment by congressional Democrats to head the new Congressional Budget Office.

"My own concern is that the energy policies will negate the economic policies. The No. 1 problem is recession—we have to do everything we can to get people back to work. Aid scooping $50 billion out of the economy (under the Ford economic program) is not the way to do it."

Asked if he was forced out of the Administration because of his views, Sawhill said, "Oh, yes, I felt very strongly about this."

Concerning the rebate structure, under which the Administration claims New England will pay no more for its oil, than the rest of the nation, Sawhill said: "I don't think anybody understands it."

He said, "the basic flaw (with the President's program) is that it is asking for too much too soon" in terms of restricted oil imports.

Sawhill proposes a modest gasoline tax such as a 5 cents a gallon now, and phasing in 5 cents more each year so that in four years gasoline would carry a tax of about 25 cents a gallon. This would not disrupt the economy, he said, and would give the public time to prepare for it.

"What we need to do is not have a crash program to reduce oil usage—that is too tough on the economy—but we should have a long-range program to change the life-style and consumption habits of the American people, and put that in place now."

He criticized the underpinnings of the Administration's oil import fee approach, which aims to curb oil imports by one million barrels a day in its first year. "I've never seen any justification for (the target of) one million barrels a day," Sawhill said.

"We are spiralling down into the worst recession since World War II," he said adding that unemployment will probably be worse than the Administration predictions of at least six million unemployed through 1980.

As far as New England's dependence on oil, which is greater than the nation's as a whole, he said, "Frankly, I think you just can't have that kind of program which has that regional impact. What we need is not a sharp reduction right now (of imported oil) but to put in place policies that will curb long-term consumption nationally."

"I favor things like a mandatory requirement that new cars get at least 20 miles per gallon, mandatory thermal standards for new buildings (to conserve heat loss), subsidies for installation of storm windows and insulation, and substantial tax credits" to induce energy conservation.

EXHIBIT 3

[From the Providence Sunday Journal, Feb. 2, 1975]

HOW OIL TARIFF HURTS FACTORIES

(By Donald D. Breed)

Rhode Island manufacturers are reacting to President Ford's energy program with varying degrees of dismay and alarm.

"It's just another noose around your neck when you're doing business in New England," said Reginald K. Meade, general manager of Washburn Wire Co.'s strikebound Phillipsdale plant, normally one of the state's biggest consumers of electricity and residual oil.

John G. Buckley, vice president of Northeast Petroleum Industries Inc., importer and distributor of petroleum products, declared that Northeast's industrial customers, under the spur of last year's price increases, have already cut energy consumption as much as possible. "The only way to conserve more is to shut down plants. That's a heck of a way to achieve conservation," he said.

Already, two plants have announced plans to close, citing energy savings.

Even before the Ford program was announced, Stamina Mills Inc. in North Smithfield said it would relocate in Alabama. Paul Dubin, president, said oil costs went from $50,000 to $100,000 and then to $330,000 in three years—the biggest jump within the last year. "If we were all working on the same base, we'd stay where we are," he said. "But when another manufacturer in another area is working with lower costs, either you get involved in that same area, with the same costs, or you go out of business."

The other factory is Hasbro Industries Inc.'s in Woonsocket, which is being shut down indefinitely because purchase of smaller but more productive equipment at Hasbro's Pawtucket and Central Falls plants creates additional manufacturing capacity at those locations. Stephen D. Hassenfeld, president, estimates that by shutting down the Woonsocket facility Hasbro will have $100,000 in energy costs—the biggest single item in a total saving of around half a million dollars. About three-fourths of the energy savings will come in electricity and oil and the rest because trucks and cars won't have to transport materials and people back and forth from Woonsocket.

In the cases of Stamina and Hasbro, the companies are staying in business. But Buckley fears that a good many marginal industries—and New England has many—could be pushed over the edge. Next summer, he said, the Ford administration could be congratulating itself on lower energy consumption in New England achieved either by factories going out of business or by shutting down for the duration of the tariff.

Two large Rhode Island factories, both heavy energy users that closed down last year citing high fuel and electricity costs and reopened under new management, would seem to be under particular pressure.

Fairmont Foundry Cranston Inc. took over the facility vacated by ITT Grinnell Corp., which had lost money turning out cast iron plumbing fittings for a competitive, relatively static market. Fairmont plans to become a commercial job shop, with a market where customers might be better able to absorb cost increases.

David J. Wilson, Fairmont's vice president and treasurer, said that electricity comprises 10 percent of costs at the foundry, which has electric furnaces. "We are trying to develop long-term relationships with people out of the region," he said. "If we really are out of whack with people in the rest of the country, it will restrict our market." To Wilson, the question was not so much *whether* electricity would go up, but by *how much*.

Rhode Island utilities have been unable to give precise forecasts, since they use different mixes of fuel and have no official word on what the tariff will be. Narragansett Electric Co., for example, will be importing some one million barrels of residual oil this winter and spring, the first part of it arriving last week. The amount of the tariff would depend on the month it was unloaded. Estimates of the increase to the fuel adjustment range from 11 percent to 25 percent. In some industries, the fuel adjustment portion of the bill is already larger than the regular portion, since there are no discounts to large users on the fuel adjustment.

At New Bradford Dyeing Association, president Richard Grills said, "Yes, it will be drastic," adding that especially when the economy is down, any marginal industry that faces increased costs is pressed. Asked if New Bradford would have been started up if management had known of the tariff, Grills said, "I'll pass that one. Who knows? Would you have married your wife today? The decision is made, and we're moving. Put it this way: I have a tremendous amount of faith in Governor Noel, and I think he will be able to lick this thing."

The President's program comes in two parts. The first he has authority to do on his own—unless Congress intervenes, as it seems likely to do. The other part is a sweeping program that would transform the United States from a relatively low-cost energy consumer to a high-cost consumer. For this second part, the President requires assent of Congress, which undoubtedly has its own ideas about it all.

The first part of the Ford program has the greatest impact on New England, because of the region's excessive dependence on petroleum products. It's not that imported petroleum is taxed—adjustments have been made to spread extra tariff costs—but because only petroleum is involved in stage one.

The New England Economic Research Office in Washington calculates that by the end of stage one, the cost increase per capita will be close to $73 per capita in New England, compared with $59 per capita nationwide.

Stage one itself falls into three parts. On Feb. 1, there will be a $1 per barrel tariff on imported crude oil, coupled with a $1 a barrel rebate on imported products—what New Englanders principally import. So the tariff washes out in the first month. But in addition, the recent "entitlements" portion of the oil allocation program is canceled. Loss of this measure, which was to spread oil costs among the regions, adds about 62 cents a barrel to the cost of imported products at the start; it could be worth about 80 cents a barrel later. So in February, imported products cost about 62 cents more. At the same time this is happening, domestic refined products will increase by the same amount, since 60 percent of U.S. refinery runs are either from imported crude oil or oil on which there are no price controls.

In March, the tariff rises another $1 a barrel, which means another 60 cents a barrel for products from U.S. refineries. Also, the rebate for imported products will fall 40 cents short of washing out the tariff. The same thing happens in April.

Thus, by April 1 products from U.S. refineries would be $1.80 a barrel more expensive and imported products would be $1.80 to $2 a barrel more expensive (depending on the value of the entitlement).

The most striking example of New Englands' dependence on petroleum is in the generation of electricity. As between the main fossil fuels—petroleum, coal and natural gas—79.8 percent of New England's electric power comes from petroleum, compared with 59.7 percent in the Pacific, 36.5 percent in the mid-Atlantic and 23.9 percent in the south Atlantic.

These figures, supplied by the Associated Industries of Massachusetts, come from 1974 Federal Power Commission data. They don't take into consideration the recent change-over from oil to coal at some New England generating facilities. Nor do they count electricity from water power and nuclear fission.

In 1974, New England got 30.3 percent of its electricity from non-fossil sources—23.2 percent from nuclear energy and 7.1 percent from hydroelectric plants. The commitment to nuclear energy was the highest of any region in the country.

However, the dependence on fossil fuels (i.e., petroleum) rises in the southern portion. New England Electric System, which serves most of Rhode Island four-fifths of Massachusetts and a small part of New Hampshire, in 1974 obtained 12.3 percent of its power from nuclear plants and 10.1 percent from hydroelectric, or 22.3 percent from non-fossil fuel sources.

While stage one of the Ford program—the one most likely to go through—hurts New England industry disproportionately, the other part of the program would probably help the region in the long run.

For petroleum, the Ford program calls for lifting all price controls and adding a $2-per-barrel excise tax on domestic oil and a $2.63 tax on imported oil. For natural gas, new funds would be lifted from Federal Power Commission controls, which would mean a gradual lifting of the price over the next decade. There would also be a 37-cents-per-MCF (thousand cubic feet) tax on all natural gas.

Since the FPC has kept natural gas at 20.6 cents per MCF at the wellhead, the excise tax more than doubles it. Transmission and distribution costs amount to more than the wellhead price, but the industry estimates that end-user prices would rise by 25 to 50 percent just from the tax.

With the price lid off other forms of fossil fuels, the price of coal could be expected to rise to the energy-equivalent level. Coal prices are already under pressure because of the hefty settlement to miners and, in the case of strip-mined coal, the costs of restoring the land from which it was taken.

As Buckley of Northeast Petroleum summarizes it, it would raise energy costs to "the OPEC price plus freight plus $2." OPEC is the Organization of Petroleum Exporting Countries, the cartel which has quadrupled the price of crude oil in a little over a year. Although the stated purpose of Mr. Ford's proposals would be to make the United States independent of foreign energy sources, Buckley's assumption is that OPEC would continue to establish the going price for oil anywhere in the world. He argues that imports would continue, and "the marginal supplier sets the price."

Stage two of the Ford program still has some inequities, from the New England viewpoint. Imported oil, which the region relies on disproportionately, would still be 63 cents higher. And there would be a lag for the mix of natural gas prices—some free market and some controlled—to catch up to the decontrolled energy prices.

Still, the transition from a cheap-energy economy to a costly-energy economy would probably be more traumatic for the rest of the country. For one thing, New England has already gone through it once, when the Mideast war and embargo sent oil prices skyrocketing.

Brian Curtis of Kenyon Piece Dyeworks said that this fall energy costs, as a percentage of billings, of the southern competitors of New England's dyers and finishers were just two points behind New England mills. They had been four or five points behind, he said.

Curtailments of natural gas at the southern mills has forced them to switch to more expensive forms of energy. A call to the superintendent of one mill in Alabama disclosed that it had shut down its dyeing and finishing plant—the most energy-intensive part—rather than use oil. As for the other factories, he remarked: "We're fortunate that we don't have the most modern boilers, which use only gas or oil, and so we've been able to burn coal."

He also remarked that the weather that day was favorable—"temperatures supposed to be in the 60s." That is the kind of regional advantage that can't be altered by either president or Congress.

New England, being more compact, has its own advantages. The energy coordinator for the state of Texas, according to the New York Times, claims that gasoline prices resulting from the President's program will be $79.04 per capita in New England and $107.27 per capita in the West-South central states.

People in other regions note that the Northeast has better mass transit systems in place, and that people drive longer distances to work in the South and Midwest.

Curtis said that Kenyon and other northern mills have "done a tremendous job on what can be done quickly and easily" to conserve energy. More savings, he said, would be "tougher and tougher," but he was confident that more can be found.

More efficient boilers may be purchased, though they are expensive, he said. Other examples were use of colors that need less heat, and scouring at lower temperatures.

The textile industry, which has traditionally been secretive, is beginning to share information that relates to conservation of energy, Curtis said. His confidence at the factory-management level flies in the face of ivory-tower studies arguing that the only way Americans can conserve is to lower living standards. New Englanders may show the rest of the country how deep the bullet can be bitten. Stephen Hassenfeld said that Hasbro will save 14 percent of energy expense in its New England plants by shutting down the Woonsocket plant. If everybody cut back by 14 percent, he said, the problem would be well on the way to being solved.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. GRIFFIN (for Mr. THURMOND), from the Committee on Armed Services:

Joseph Laitin, of Maryland, to be an Assistant Secretary of Defense.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. GRIFFIN. Mr. President, on behalf of the distinguished Senator from South Carolina (Mr. THURMOND), from the Committee on Armed Services, I report favorably the nomination of Lt. Gen. John Russell Deane, Jr., to be general, USA, Major General Guthrie, USA, to be lieutenant general, 25 to be permanent major general (beginning with Maj. Gen. Robert Creel Marshall and ending with Maj. Gen. John Robin Davis Cleland, Jr., USA, and 18 for promotion to major general and brigadier general in the Reserve of the Army and 12 Army National Guard major generals and brigadier generals for Federal recognition; in the Navy, Rear Adm. Horace B. Robertson, Jr., to be Judge Advocate General in the grade of rear admiral, Rear Admirals Waller III, Davis, and Watkins for promotion to the grade of vice admiral, Vice Admirals Michaelis and Talley, Jr., to be admiral, Captain O'Connor for promotion to the grade of rear admiral and 10 Naval Reserve captains to the grade of rear admiral; and,

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in the Air Force, there are 66 for promotion to the grade of major general and brigadier general (both temporary and permanent), 6 Air National Guard colonels to the grade of brigadier general and 42 temporary appointments to the grade of brigadier general. I ask that the these names be placed on the Executive Calendar.

The ACTING PRESIDENT pro tempore (Mr. CULVER). Without objection, it is so ordered.

Mr. GRIFFIN. In addition, there are 441 in the Army for promotion to the grade of colonel and below, and in the Air Force there are 1,079 for promotion to the grade of colonel and below. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they lie on the Secretary's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD at the end of the Senate proceedings of January 16 and January 21, 1975.)

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on February 11, 1975, he presented to the President of the United States the enrolled bill (S. 58) relating to compensation and other emoluments attached to the Office of Attorney General.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. YOUNG:

S. 665. A bill to authorize a feasibility study of the West River Diversion Unit, Pick-Sloan Missouri Basin program in North Dakota and South Dakota, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. BENTSEN (for himself, Mr. RIBICOFF, Mr. HUMPHREY, Mr. SCHWEIKER, Mr. BEALL, Mr. BURDICK, Mr. CASE, Mr. DOMENICI, Mr. GRAVEL, Mr. LEAHY, Mr. MCGEE, and Mr. Moss):

S. 666. A bill to provide an income tax credit for savings for the payment of postsecondary educational expenses. Referred to the Committee on Finance.

By Mr. BEALL (for himself, Mr. DOLE, Mr. DOMENICI, Mr. GOLDWATER, Mr. HARTKE, Mr. JAVITS, Mr. MATHIAS, Mr. MCGOVERN, Mr. METCALF, Mr. STEVENS, Mr. TOWER, and Mr. TUNNEY):

S. 667. A bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property and for other purposes. Referred to the Committee on Finance.

By Mr. BIDEN:

S. 668. A bill to provide a special payment to certain elderly and disabled social security recipients. Referred to the Committee on Finance.

By Mr. MOSS:

S. 669. A bill for the relief of Kenji Okuma. Referred to the Committee on the Judiciary.

S. 670. A bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce, and for other purposes. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 671. A bill to establish a Federal Inland Waterways Administration in the Department of Transportation. Referred to the Committee on Government Operations.

S. 672. A bill to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States. Referred to the Committee on Post Office and Civil Service.

By Mr. MOSS:

S. 673. A bill to establish an energy stamp program which will provide energy stamps to certain low-income households to help meet residential energy costs incurred by such households. Referred to the Committee on Labor and Public Welfare.

By Mr. PASTORE (by request):

S. 674. A bill to authorize supplemental appropriations to the Nuclear Regulatory Commission for fiscal year 1975. Referred to the Joint Committee on Atomic Energy.

S. 675. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes. Referred to the Joint Committee on Atomic Energy.

By HANSEN (for himself and Mr. MCGEE):

S. 676. A bill to authorize the Secretary of the Interior to enter into contracts for the development of the additional areas of the Heart Mountain Irrigation District, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON:

S. 677. A bill to establish a strategic energy reserve office in the Federal Energy Administration, to create a strategic energy reserve system to minimize the impact of interruptions or reductions of energy imports, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

S.J. Res. 31. A joint resolution proposing an amendment to the Constitution of the United States relating to prayer in public schools. Referred to the Committee on the Judiciary.

By Mr. HOLLINGS (for himself, Mr. MAGNUSON, Mr. HARTKE, Mr. WILLIAMS, Mr. HUMPHREY, Mr. HATHAWAY, Mr. CHILES, Mr. STEVENS, Mr. TAFT, Mr. BUCKLEY, Mr. THURMOND, Mr. JOHNSTON, and Mr. BEALL):

S.J. Res. 32. A joint resolution to authorize and request the President to issue a proclamation designating the month of October 1975 and each succeeding October as "National Fish and Seafood Month." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN (for himself, Mr. RIBICOFF, Mr. HUMPHREY, Mr. SCHWEIKER, Mr. BEALL, Mr. BURDICK, Mr. CASE, Mr. DOMENICI, Mr. GRAVEL, Mr. LEAHY, Mr. MCGEE, and Mr. Moss):

S. 666. A bill to provide an income tax credit for savings for the payment of postsecondary educational expenses. Referred to the Committee on Finance.

Mr. BENTSEN. Mr. President, today I am reintroducing legislation to provide greater educational opportunities for an estimated 33 million young Americans through the creation of educational savings plans. This bill was originally introduced last November.

The educational savings plans provided for in this bill will allow a Federal tax credit for individuals who save for either vocational or other higher educational expenses. Funds deposited in these educational savings plans will be channeled into savings and loan associations, mutual savings banks, and other federally insured financial institutions—the majority of whose loans are related to housing. These savings plans will not only make postsecondary education more readily available to millions of this country's young, they will provide a stable source of private funds at reasonable interest rates to potential American homeowners.

The average American has four basic economic goals beyond the day-to-day physical needs for survival—he wants to be able to purchase his own home, to provide for his children's education, to meet his family's health needs, and finally to provide for his own retirement when those working years are behind him.

Despite the progress of the last several decades, in recent years these four basic goals of homeownership, education, health care, and retirement have become further from the reach of millions of Americans. I believe it is the duty of Government to provide policies that enhance the opportunity for working Americans to accomplish the goals which they have chosen.

Last year the Congress passed a major piece of legislation to reform the private pension system and I was pleased to have played a role in that effort. This Congress we hope to pass legislation to provide a national system of health insurance and I hope to play a role in seeing that legislation enacted as well. But in addition to retirement income and health care, I believe we must take steps to assist American families in meeting the educational needs of their children and those families' needs for housing.

In the 10 years between 1962 and 1972, the costs of tuition, room and board at public colleges and universities increased 50 percent, compared to a 38 percent increase in the Consumer Price Index. During the same period, the costs of private higher education have escalated 80 percent, more than twice the rise in the Consumer Price Index. Equally important, vocational education programs have also seen substantial cost increases.

Middle and lower middle income students have been increasingly priced out of postsecondary education. With limited funds available under the various programs of student financial aid, and with college costs increasing, we confront a situation in which the costs of a secondary education tend to eliminate those who fall between the categories of the very poor and the very rich. The children of the very poor frequently qualify for full scholarship aid, and those who are very rich can afford high tuitions. It is primarily moderate-income Americans who are frequently ineligible for Federal student assistance and who have been suffering during the cost squeeze in education. The educational savings plan provided for in this legislation should be of considerable benefit to these families. It should also provide an element of predictability to families concerned about how they are going to meet the cost of their children's higher education.

In addition, Mr. President, these educational savings plans can give strong impetus to our efforts to provide a better trained work force and to improve the productivity of the American worker. In recent years, many countries have been outstripping the United States in productivity as they have adopted American management techniques and improved their technologies. One of the lessons of the economic summit held last year was that our country badly needs the new technology and higher level of skills created by a vigorous postsecondary education program in both our colleges and vocational schools.

When American youth becomes more productive, the individual and the economy benefit. The educational savings plan should channel increasing numbers of students into career education, develop their skills, lower unemployment rates, and provide the Nation with a more effective work force.

The Department of Treasury estimates that as many as 15 million families would utilize these plans to save for the education of 33 million children. This would mean approximately $9 billion would be deposited in educational savings plans annually. Since these plans will be managed by savings and loan associations, mutual savings banks, and any other institution placing 50 percent of its assets into housing-related loans, these plans will provide a stable source of financing for home mortgages and construction loans.

Mr. President, the unavailability of a steady flow of capital into housing is creating unnecessary shortages of housing and inefficiencies in construction.

Thrift institutions, such as savings and loan associations and mutual savings banks which will be able to offer educational savings plans, made 65 percent of this Nation's loans for the purchase of homes in 1973 and have been the traditional source of such lending. Savings and loan associations put approximately 85 percent of their funds into mortgages generally and 75 percent into single-family dwellings. Mutual savings banks have over 60 percent of their assets in mortgages. But, Mr. President, these institutions suffer serious shortages of funds during periods of tight money and high interest rates.

During the last period of tight money in 1969 there was a net outflow of over a billion dollars during the course of the year. As interest rates eased in 1970 and 1971, funds began to move back into these institutions for a peak new inflow of over $23 billion in 1972. But when interest rates began to climb again in 1973, that net inflow was more than cut in half to only $10½ billion. When the administration's tight money policies of 1973 really began to be felt that inflow was further cut to $4.7 billion for 1974. We are never going to be able to provide the almost 2 million new homes Americans need every year when the principal source of funds for housing is subject to this type of fluctuation.

The $9 billion in annual deposits for educational savings plans provided by my legislation would not be subject to such market fluctuations and would provide a steady source of financing for as many as 300,000 new homes per year.

As a result of the unavailability of financing, the current depression in housing appears to be the worst since the 1930's. Housing starts have dropped from an annual rate of over 2½ million in October 1972 to 1.3 million in 1974.

Fluctuations such as these not only drive up home prices by creating a housing shortage, they cause serious inefficiencies in every phase of home construction by increasing the cost of materials and skilled labor and contributing to homebuilder bankruptcies. Over 630,000 construction workers are now unemployed. Over 1,000 homebuilders were forced out of business last year. Inflation in housing cannot be controlled by forcing skilled construction workers and homebuilders into other lines of work or by continuing to create artificial shortages of housing units available.

Mr. President, the periodic unavailability of funds for housing has created seven major housing cycles since World War II. Past experience indicates that a substantial increase in construction costs occurs during the 2 years following the bottom of the cycle. We will be paying for the present depression in the housing industry with higher construction costs this year and 1976. And, Mr. President, most Americans have already been priced out of the market for a new home. A home that cost $32,000 in 1971 now costs $45,750—a 43-percent inflationary increase over 3 years. Moreover, when the extra cost of the 2½-percent increase in interest rates during that period is included, the monthly payments have gone up 78 percent. A more stable and lower cost source of funds must be made available if the opportunity for homeownership is to be a reality for millions of American families.

The Treasury estimates that a $1.7 billion annual revenue loss will occur from the tax credits allowed on these educational savings plans. However, this estimate does not take into consideration the benefits to the Treasury of lower unemployment rates and more stable profits in construction and construction-related industries. I believe most if not all of the direct revenue loss of this legislation would be offset by the benefits of steadier economic growth. I am sure that when the long-term benefits of greater educational opportunity are considered we will find, as we did with the veterans' education programs, the country reaps a healthy return on its investment.

Mr. President, with the twin goals of encouraging long-term savings and education and stabilizing the flow of funds into housing, the educational savings plan addresses two of the most serious social issues confronting the American people. I believe this is the kind of tax incentive the American people want—one which addresses the basic needs of our society and one which benefits millions of average citizens.

I ask unanimous consent that the text of the legislation be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"SEC. 42. POSTSECONDARY EDUCATIONAL SAVINGS PLAN.

"(a) GENERAL RULE.—There is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the amounts deposited by the taxpayer in an educational savings plan (as defined in subsection (c)(1)) for himself or a dependent.

"(b) LIMITATIONS.—

"(1) TAXPAYER ACCOUNT.—In determining the amount of the credit allowable under subsection (a) for the taxable year with respect to any educational savings plan maintained by the taxpayer for his own benefit, amounts deposited in any taxable year in excess of $250 and amounts deposited during any taxable year in which the taxpayer is enrolled in any eligible postsecondary educational institution shall be disregarded.

"(2) DEPENDENT ACCOUNT.—In determining the amount of the credit allowable under subsection (a) for the taxable year with respect to any educational savings plan maintained by the taxpayer for the benefit of his dependents, amounts deposited in any taxable year in excess of $250 per dependent and amounts deposited during any taxable year for any dependent who is enrolled in an eligible postsecondary educational institution shall be disregarded.

"(c) DEFINITIONS.—For purposes of this section—

"(1) EDUCATIONAL SAVINGS PLAN.—The term 'educational savings plan' means a savings account maintained by the taxpayer for the benefit of himself or of a dependent in a savings institution exclusively for the purpose of paying expenses of postsecondary education incurred by the taxpayer for himself or his dependent.

"(2) SAVINGS ACCOUNT.—The term 'savings account' means an interest-bearing deposit or account which is not payable on a specified date or at the expiration of a specified time after the date of deposit (although the individual who maintains the deposit or account may be required by the bank or savings and loan association with which the deposit or account is maintained to give notice in writing of an intended withdrawal not less than 30 days before withdrawal is made.

"(3) SAVINGS INSTITUTION.—The term 'savings institution' means—

"(A) a savings and loan association, the deposits or accounts of which are insured by the Federal Savings and Loan Insurance Corporation, or

"(B) a mutual savings bank, the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation, or

"(C) any other financial institution which invests at least 50 percent of its assets in residential realty mortgages, residential construction loans, residential realty improvement loans, or mobile home loans.

"(4) EXPENSES OF POSTSECONDARY EDUCATION.—The term 'expenses of postsecondary education' means, subject to regulations of the Commissioner of Internal Revenue and the Commissioner of Education, the actual per student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as determined by regulation to be reasonably related to attendance at an eligible postsecondary educational institution.

"(5) ELIGIBLE POSTSECONDARY EDUCATIONAL INSTITUTION.—The term 'eligible postsecondary educational institution' means formal instruction, research, and other learning opportunities offered by educational institutions that primarily serve persons who have

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completed secondary education or who are beyond the compulsory school attendance age and that are accredited by agencies officially recognized for that purpose by the United States Office of Education or are otherwise eligible to participate in Federal programs.

"(d) RECAPTURE OF CREDIT ALLOCABLE TO NONQUALIFIED USE.—

"(1) DISQUALIFICATION FOR NONEDUCATIONAL PURPOSE.—If any amount in such account is withdrawn and expended for anything other than an expense of postsecondary education, a tax shall be imposed on the amount expended for a noneducational purpose equal to the credits allowed under this section for all prior taxable years on this amount.

"(2) DISQUALIFICATION FOR FAILURE TO USE ACCOUNT.—

"(A) TAXPAYER ACCOUNT.—An educational savings plan maintained by the taxpayer for the payment of expenses of postsecondary education incurred by him for his own education is terminated for the taxable year following the taxable year (of the taxpayer) in which the taxpayer attains the age of 25 years, or if the taxpayer is enrolled in an eligible postsecondary educational institution at that time, when the taxpayer terminates such enrollment. A tax shall be imposed on any amount remaining in such account upon termination, equal to the credits allowed under this section for all prior taxable years on this amount. However, no tax shall be imposed under this subparagraph in the event of the death of the taxpayer or disability (within the meaning of section 72(m)(7)).

"(B) DEPENDENT ACCOUNT.—An educational savings plan maintained by the taxpayer for the payment of expenses of postsecondary education incurred by him for the education of dependents of the taxpayer is terminated for the taxable year following the taxable year (of the taxpayer) in which the youngest dependent for whose benefit the account is maintained attains the age of 25 years or if that dependent is enrolled in an eligible postsecondary educational institution at that time, when that dependent terminates such enrollment. A tax shall be imposed on any amount remaining in such account upon termination, equal to the credits allowed under this section for all prior taxable years on this amount. However, no tax shall be imposed under this subparagraph in the event of the death or disability (within the meaning of section 72(m)(7)) of all dependents.

"(e) APPLICATION WITH OTHER CREDITS.—The credit allowed by this section to the taxpayer shall not exceed the amount of the tax imposed on the taxpayer for the taxable year by this chapter, reduced by the sum of the credits allowable under this subject (other than under this section and section 31).

"(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section.".

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Postsecondary educational savings plan.

"Sec. 43. Overpayments of tax.".

SEC. 2. The amendments made by this Act shall apply to taxable years beginning after December 31, 1974.

By Mr. BEALL (for himself, Mr. DOLE, Mr. DOMENICI, Mr. GOLDWATER, Mr. HARTKE, Mr. JAVITS, Mr. MATHIAS, Mr. MCGOVERN, Mr. METCALF, Mr. STEVENS, Mr. TOWER, and Mr. TUNNEY):

S. 667. A bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes. Referred to the Committee on Finance.

HISTORIC STRUCTURES TAX ACT OF 1975

Mr. BEALL. Mr. President, I am sending to the desk legislation that would amend the Internal Revenue Code of 1954 to encourage the preservation of historic buildings and structures and for the rehabilitation of other property. I have been joined by 11 of my colleagues in sponsoring this legislation. The following Senators have cosponsored the Historic Structures Tax Act of 1975; Senators ROBERT DOLE, PETE V. DOMENICI, BARRY M. GOLDWATER, VANCE HARTKE, JACOB K. JAVITS, CHARLES MATHIAS, GEORGE MCGOVERN, LEE METCALF, TED STEVENS, JOHN TOWER, and JOHN V. TUNNEY. I first introduced this bill on August 3, 1973 (S. 2347) but unfortunately no action was taken during the 93d Congress. Similar although not identical legislation was introduced in the House of Representatives during the 93d Congress by our distinguished colleague from New York, Representative BARBER B. CONABLE, JR.

Mr. President, I feel that our current system of tax incentives works in a very direct and definite way against enlisting private funds in historic restoration projects. We can no longer continue to systematically destroy our Nation's history, weaken the fabric of our communities, and deplete our resources as we have in the past. As our national values readjust to the concept of a finite world it is important for us to update our tax system so as to help redirect and achieve socially desirable goals.

As we approach our Bicentennial celebration, more and more Americans are becoming committed to the cause of historic preservation. It is truly an idea whose time has come and I think it is incumbent upon the 94th Congress to move expeditiously with legislation designed to achieve that goal. By preserving our communities we can strengthen the social fabric which unites Americans of different ethnic, racial, and religious backgrounds.

Mr. President, I have prepared a section-by-section analysis of the proposed Historic Structures Tax Act and I would ask that it along with environmental impact statement prepared by the Department of Treasury be printed in the RECORD at the conclusion of my statement.

Shortly after I introduced S. 2347 I wrote to various Federal, State, and local agencies, historical societies, and other organizations seeking to perserve our Nations' historical treasures asking each to comment on this legislation. I was gratified by the large number of letters I received, many of which contained the reoccurring theme which was summed up in a quote by the late Dr. Henry Nelson Synder who said:

An institution which tends to forget its past will soon have a past not worth remembering.

In a letter addressed to the chairman of the Senate Finance Committee, Mrs. Eleanor Stearns, assistant to the administrator of the Octagon—a National Historical Landmark administered by the American Institute of Architects Foundation, Inc.—stated:

To what extent, and under what conditions, we can hope to protect our environment and architectural heritage in a meaningful and adaptive manner is up to speculation. Yet, what is real is our unique opportunity to do something constructive NOW before the wrecking ball takes its toll—and along with it, tangible and material symbols of our past with which we are able to identify.

This is not to say that all "old" buildings are viable and must be preserved but, rather, that those buildings which are potentially adaptive—as so many are—should be treated in such a manner as to encourage preservation, and not destruction. S. 2347 provide such incentive.

The Historic Structures Tax Act would harness the constructive aspects of our Federal tax system so as to preserve historically significant buildings, encourage the rehabilitation rather than the demolition of older buildings in our urban centers; and increase the development of additional open spaces for public use. The Historic Structures Tax Act is a modified version of legislation that was strongly supported by the administration during the 93rd Congress.

Mr. President, I ask unanimous consent that the following items be printed in the RECORD at the conclusion of my remarks; section-by-section analysis; excerpts from the Environmental Impact Statement, prepared by the Department of the Treasury; an analysis of the bill prepared by the Adivsory Council on Historic Preservation; and a Library of Congress summary of the tax law affected by the Historic Structures Tax Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

THE PROPOSED HISTORICAL STAUCTURES TAX ACT OF 1975—SECTION-BY-SECTION ANALYSIS

TITLE I—SHORT TITLE

Title I labels the Act as the Historical Structures Tax Act of 1975 and specifies that all amendments contained in the Act are amendments to the Internal Revenue Code.

TITLE II—PRESERVATION AND REHABILITATION OF HISTORIC STAUCTURES

Title II contains provisions intended to encourage preservation of historic buildings and structures certified by the Secretary of the Interior as registered or qualified for registration on the National Registry. In addition, the Bill limits depreciation to the straight-line method in the case of buildings constructed on sites which were formerly occupied by demolished historic structures.

Section 201

Section 201 adds a new section 189 to the Code, permitting a 5 year write-off of rehabilitation expenditures incurred with respect to historic structures which are used in the taxpayer's trade or business or held for the production of income provided that property acquired in connection with such expenditure is otherwise eligible for the depreciation allowance.

On the disposition of a certified historic structure, gain would be treated as ordinary income to the extent that the special write-off provided under this section exceeded the depreciation deduction which would have otherwise been allowable (without regard to this provision). This section would apply with respect to all expenditures made after February 15, 1975.

Section 202

Section 202 would add a new section to the Code providing that no deduction would be allowed for amounts expended in the demolition of a registered historic structure, or for the undepreciated cost of such a structure. Both items would have to be allocated to the basis of the land. The section would apply to all demolitions occurring after the date of enactment.

TITLE III—REHABILITATION OF OTHER PROPERTY

Section 301

Section 301 would add a new subsection (o) to the general depreciation rules of section 107. Under this new provision, if a taxpayer substantially rehabilitated depreciable property, he would be permitted to elect to compute depreciation with respect to his pre-existing basis in the building as though the entire structure was first placed in service by him. This will permit a taxpayer who purchases a used building and rehabilitates it to utilize so-called accelerated methods of depreciation, a privilege which is not now accorded taxpayers under the law.

In order to qualify for this special treatment, the amounts added to capital account during a 24 month period must be at least $5,000 in amount and must be greater than the undepreciated cost of the property, determined at the beginning of the 24 month period. The provision is effective with respect to such expenditures incurred after June 30, 1975.

TITLE IV—CHARITABLE TRANSFERS FOR CONSERVATION PURPOSES

Title IV provides several amendments to the charitable contribution provisions in section 170 of the Code, the effect of which is to permit a charitable contribution deduction for certain types of transfers which are not presently allowed under the law. Specifically, section 401(a) provides that a charitable deduction will not be denied on the transfer of a partial interest in property, where the interest is either an easement of 15 or more years duration granted exclusively for conservation purposes, or is a remainer interest in real property which is granted exclusively for conservation purposes. "Conservation purposes" mean the preservation of open land areas for public outdoor recreation or education, or scenic enjoyment; the preservation of historically important land areas or structures; or the protection of natural environmental systems.

These amendments would apply with respect to contributions made after February 15, 1975.

EXHIBIT 2

TAKEN FROM THE ENVIRONMENTAL IMPACT STATEMENT

(Prepared by the Department of the Treasury)

Rehabilitation.—These changes would seek to minimize the difference in tax treatment between demolition and rehabilitation of buildings. At the present time, the destruction of older structures and their replacement with new buildings or with parking lots and related low-density facilities are given tax benefits unavailable to the owner who wishes to substantially rehabilitate the original structure. The resulting loss of architectural variety, especially in the downtown areas of cities, and the continued deterioration of older buildings until a decision to demolish is made, have resulted in degradation of the urban environment. In order to counter this trend, the proposal would provide accelerated depreciation rates now available for new buildings to the undepreciated cost of old buildings which are substantially rehabilitated.

Historic Preservation.—Several changes are proposed to encourage the preservation of historically significant buildings. With the high rate of building demolition and replacement in the United States, it has been estimated that more than 25 percent of the buildings recorded by the Historic American Buildings Survey since 1933 have been destroyed. Present economic incentives do not favor the retention and restoration of these buildings, particularly those in private ownership. Maintenance costs are high and restoration expenses often exceed potential future returns for buildings held for commercial purposes.

The new proposals would seek to readjust these incentives so as to favor retention and restoration. They would allow a five-year writeoff of rehabilitation expenditures on depreciable property, would require capitalization of the costs of demolition and the undepreciated cost of the demolished building, and would limit depreciation on new structures placed on the site of a demolished or substantially altered Registered structure to the straight-line method.

Charitable Transfers.—The preservation of natural areas, scenic landscapes, unique ecosystems and other environmentally important lands is appreciably aided by the willingness of private landowners to dedicate their property to conservation purposes. Whether the gift is of the entire property or of rights over it that protect it from abuse, there are non-profit organizations which are empowered to receive such donations and to protect the areas from environmental degradation. Additionally, local and state governments are increasingly more involved in these activities. However, some provisions of the 1969 Tax Reform Act have had the unfortunate result of discouraging these important conservation undertakings. In dealing with a broad range of tax abuses in the area of charitable deductions, the reforms inadvertently swept in many transactions that would have these beneficial environmental impacts.

The changes now being proposed would rectify the treatment given for the charitable donation of land or rights in land for environmental purposes. Specifically, they would allow deductions for all donated conservation-related easements, even those granted for less than perpetuity. They would allow the deduction of remainder interests when donated for a wide range of conservation purposes.

ENVIRONMENTAL IMPACT OF THE PROPOSED CHANGES

The rehabilitation proposals are specifically aimed at preserving a variety in the size and architecture of urban structures by offering to the investor an attractive alternative to the demolition of older buildings. Center city commercial areas have been particularly affected by a tendency to convert land usage to large multi-story structures or to parking lots and other low density uses often related to motor vehicle accommodation. The resultant loss in the character and charm of our cities is a permanent concession to economic realities. While the 1969 reforms provided special amortization for low and moderate income rental housing these proposals would apply regardless of income level, although the tax incentives for low and moderate income units would continue to receive most favored treatment. Recent changes in other aspects of depreciation deductions allowable make it difficult to predict the pace of change as a result of these proposed provisions.

The proposed changes in the tax law are in no way intended to replace local and state governmental decisions related to the proper planning and regulation of land use. Nor will they have much effect absent a strong and creative effort by those levels of governemnt to deal with the problems of urban blight. Nevertheless, over the long term the effect of moving toward more equal tax treatment of demolition and rehabilitation should result in greater variety and character in the urban environment. More older structures should be retained and renovated. Downtown areas should provide a broader range in architecture as the ages of buildings will be more varied. Smaller older structures should be saved and used where before they might have been converted to parking lots. Residential areas with a high number of rental units should show greater numbers of rehabilitated structures. Fewer structures should be abandoned and left to decay.

The historic preservation provisions are intended to provide to the taxpayers strong incentives to save those buildings and neighborhoods of such historical importance as to warrant a place on the National Register. It is estimated that as a result of these provisions increased expenditures will be made to restore and rehabilitate such structures, added efforts will be made to preserve them, and they will become desired structures that will be used and kept in good condition.

While these tax benefits may cause increased pressure for commercial use of such structures as offices and so forth, many of the buildings are now located in commercial areas, are unsuited for residential use, crews. Additionally, other proposals are being made outside the tax area that will provide benefits for owner-occupied historical buildings. Finally, provision of special tax treatment for Registered buildings will provide added interest in the possibility of registration and may result in a significant expansion in future years in the number of structures on the National Register.

The changes in the tax provisions governing the deduction of charitable donations of land and interests in land should increase the attractiveness of this alternative for many taxpayers. Along with related changes being considered in the valuation methods used by the Internal Revenue Service in some of these cases, these proposals should make the donation of land for conservation purposes one of the most advantageous of gifts. If past actions are indicators, it is expected that many of these donations will be of attractive large estates near urban areas, which would provide scenic and open space opportunities beyond the capabilities of most local governmental budgets. Additionally, the variety of possible uses for such lands—recreation, natural preserves, study areas, research areas, and scenic beauty to name a few—will allow for a varied balance of use and protection. Different conservation groups and public bodies will decide how best to use their own areas, hopefully providing a variety of outdoor experiences for the public.

IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

While the proposals require no commitment of present resources by the Government, they will cause a small revenue loss.

EXHIBIT 3

THE ENVIRONMENTAL PROTECTION TAX ACT AND THE HISTORIC STRUCTURES TAX ACT, AN ANALYSIS FOR THE ADVISORY COUNCIL ON HISTORIC PRESERVATION, SEPTEMBER 24, 1973

INTRODUCTION

While certain safeguards have been established, notably at the Federal level, to guide governmental undertakings in a manner consistent with preservation objectives, little control presently exists over private actions that may adversely affect historic properties. This is particularly true in the case of a private individual planning to alter or redevelop a historic building that he owns. In the absence of direct government regulations, economic factors generally determine the fate of such privately-owned historic structures. The unceasing growth of the Nation creates constantly changing economic conditions that affect the continued use of historic properties in their traditional func-

tions. The opportunity for greater gain through redevelopment, or the inability to make an adequate return due to an obsolete physical plant, compels the owner of a historic property to undertake its replacement. Thus suburban sprawl presses for housing developments on the Antietam and Manassas battlefields and high-rise technology forces New York's Pennsylvania Station and Chicago's Old Stock Exchange to yield to new buildings producing greater revenue per square foot.

Many of these economic threats to historic properties are caused by rapid growth, especially in urban areas. Little can be done, other than imposing direct controls on development, to influence private economic decisions in those situations. However, the natural pace and direction of growth are often accelerated by governmental policy determinations, especially those affecting tax apportionment. Indeed, some economic decisions in the private sector affecting historic properties are made solely on the basis of tax consequences. Consequently, diminishing or increasing the tax liability accruing from a certain action can have a significant effect on the decision to undertake that action. While tax policy at all levels of government influences action in the private sector, changes in the Federal revenue laws generally have the most pronounced effect on the taxpayer's burden. Therefore, modifications in the Internal Revenue Code present considerable potential for establishing tax incentives (and disincentives) to stimulate private preservation activity.

Having recognized the impact of tax policies on private economic decisions, it can be demonstrated that the present Federal tax structure encourages the replacement of old buildings, including those of historical significance, with new ones. Two bills now in Congress, the Environmental Protection Act (H.R. 5584) and the Historic Structures Tax Act (S. 2347), will remove tax-generated pressures for the replacement of historic structures and will provide additional positive incentives for private action that further the objectives of historic preservation. It should be noted that the provisions of both bills regarding historic properties are virtually identical and will be considered accordingly.[1]

THE PROBLEM AND PROPOSED SOLUTIONS

The proposed amendments deal with three major areas of conflict between the present Internal Revenue Code and historic preservation policy. These are the treatment of demolition costs and losses, the depreciation and amortization of rehabilitation expenses, and the deduction of gifts of interests in property as charitable contributions. To appreciate the inherent limitations on the proposed bill's reforms, it is important to note that the Code only allows deductions of depreciation, amortization, and demolition costs when charged to commercial properties, including those used for rental purposes. This well-established doctrine admits of no exceptions, and it would require a radical charge of long-standing tax policy to extend those deductions to noncommercial properties. It should also be noted that the primary concern of the drafters was the threat to historic buildings in declining urban commercial districts, and the bill reflects this. A related proposal was directed to noncommercial properties, providing for FHA home improvement loans of up to $15,000 for National Register properties as opposed to the regular limit of $5,000, and an extension of the repayment period from 7 to 15 years. This proposal was introduced in Congress last year, but was not acted upon before adjournment. Finally, a portion of H.R. 5584 is concerned with the preservation of coastal wetlands and, consequently, will not be covered in this analysis.

DEMOLITION COSTS AND LOSSES

Present provisions of the Internal Revenue Code encourage the demolition of old commercial structures regardless of their historical or architectural merit. This encouragement derives from two sources. First, the Code allows the owner of such a building to deduct from his income the expenses of demolition and his unrecovered investment in the building (undepreciated costs).

Example 1: T owns a building with an undepreciated cost of $100,000 and spends $50,000 to demolish it. The $150,000 deduction reduces T's taxes by $75,000 based on the corporate tax rate of approximately 50%.

The second incentive is found in the Code's allowance of accelerated depreciation [1] on the new building constructed on the cleared site, when that building is used for business purposes. Accelerated depreciation induces new investment by permitting the deduction of a larger portion of the investment in a shorter time than the normal straightline depreciation method allows.

Example 2: T constructs a building that costs $1,000,000 and has a useful life of 20 years. Its depreciation treatment and resulting tax savings would be as follows:

Year	Straightline method		Declining balance method	
	Deduction	Tax reduction	Deduction	Tax reduction
1	$50,000	$25,000	$200,000	$100,000
2	50,000	25,000	160,000	80,000
3	50,000	25,000	128,000	64,000
4	50,000	25,000	102,400	51,200
5	50,000	25,000	81,920	40,960
6	50,000	25,000	65,536	32,768
7	50,000	25,000	52,428	26,214
8	50,000	25,000	41,923	20,971
9	50,000	25,000	33,555	16,777
10	50,000	25,000	26,844	13,422
20	50,000	25,000	3,000	1,500
Total (20 yrs)	1,000,000	500,000	987,939	493,964

Note: Depreciation is defined by sec. 167(a) of the code as "a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence)—(1) of property used in the trade or business, or (2) of property held for the production of income."

While both methods produce essentially equal deductions and savings over the long run, accelerated depreciation is obviously attractive to the taxpayer attempting to minimize his tax burden. He can sell the building after about five years and reinvest in a new commercial structure that qualifies for accelerated depreciation, thereby starting the entire process over again. Present tax law does not extend this treatment to old buildings that may be historic and, therefore, makes them less attractive to purchasers than new buildings.

The proposed amendments to the Internal Revenue Code would change the treatment of demolition costs and depreciation when a historic building used in a trade or business is involved. Section 302 denies deduction of the undepreciated cost of the building and the expense of demolishing it when the building is a "certified historic structure." [2] Rather than taking the deduction as shown in Example 1, the taxpayer would be required to add those sums to his investment (basis) in the land on which the demolished historic structure stood. This would then be considered in the computation of his capital gain when the property was sold.

Example 3: The cost (basis) of the land in Example 1 is $100,000. Under the new provision, T must add the $100,000 undepreciated cost of the demolished building and the $50,000 demolition cost to that figure, thereby resulting in an adjusted basis of $250,000. He sells the land for $500,000. His gain is $250,000 and his tax, at capital gains rates, is $62,500. Under the old provision, he would have received the $150,000 deduction at the time of demolition, representing a tax saving of $75,000. I would then compute his gain from a $100,000 basis on his property. Thus $400,000 gain would incur a tax of $100,000 at the time of sale. However, since he has already received a $75,000 reduction in his taxes at the date of demolition, his net tax liability for the entire transaction is $25,000. This compares with $62,500 liability from the same set of circumstances under the proposed amendments.

	Present code	Proposed amendment
Deduction for demolition plus loss	$150,000	0
Immediate tax saving	75,000	0
Addition to basis	0	$150,000
Capital gain on sale for $500,000	400,000	250,000
Tax on sale	100,000	62,500
Net tax from demolition and sale	25,000	62,500

Not only does the amended provision reduce the tax benefit accruing from the demolition of a historic building, but it also defers the realization of this reduced benefit until the owner of the land chooses to sell. Consequently, the owner who clears for development is denied the incentive existing in the present Code.

A second amendment addresses the depreciation incentive. Section 201 requires that any improvement "in whole or in part" constructed on a site previously occupied by a certified historic structure that was demolished or substantially altered must be depreciated on the straightline method. Excepted are rehabilitations aproved by the Secretary of Interior pursuant to Section 301 discussed below. As indicated by Example 2 and the related discussion, the straightline method of depreciation is generally the least conducive to new investment in properties. Denying accelerated depreciation on a building constructed on the site of a historic structure makes that site substantially less attractive to a redeveloper and will induce him to consider other sites for new construction that are not historic and, therefore, not restricted by the tax laws. For the owner of the parcel, demolition and rebuilding becomes economically less rewarding and, pursuant to Section 401 discussed below, rehabilitation becomes more attractive.

REHABILITATION EXPENSES

The tax treatment of rehabilitation expenses of historic properties used for commercial purposes is the second major area affected by the Environmental Protection Tax Act and the Historic Structures Tax Act. While the Code does not define rehabilitation expenses, it is clear that these expenses, as covered by the amendments, are limited to capital expenditures and do not include items properly classified as maintenance expenses.[3]

Restoration costs would not likely be included as rehabilitation expenses under the proposed amendments. Present treatment of rehabilitation expenses requires that they be added to the basis of the property and, therefore, would provide only a deferred and reduced tax benefit when the property is sold (see Example 3).

The proposed amendments would alter the treatment of rehabilitation expenses in two respects. Section 301 would allow the owner of a historic building used for business or rental purposes to deduct his rehabilitation expenses from his annual income over a period of five years.[4] To qualify for this treatment, the building would have to meet the requirements of a "certified historic structure," and the rehabilitation would have to be certified by the Secretary of the Interior or his delegate as being consistent with the historic character of the property or the historic district in which it is located. It is further required that the rehabilitation expenses exceed the cost of the property and $5,000.

Example 4: T spends $100,000 to rehabilitate a historic building, which cost him $75,000. Under the existing law, this amount would be added to the basis of the property. Upon sale, it would reduce T's gain by $100,000 and, at corporate tax rates, reduce T's tax liability by $25,000. Under the new provision, T would be able to deduct $20,000 annually from his income for five years. This would result in an annual tax saving of $10,000 or $50,000 for the five-year period, twice the benefit received under present law.

Section 401 provides an alternative incentive to rehabilitation. The current Internal Revenue Code permits only straightline depreciation to be taken on a building constructed before 1953. As shown by Example 2, this makes a post-1953 structure more attractive to a buyer considering the potential tax consequences, because the newer building would qualify for accelerated depreciation while a pre-1953 structure must be depreciated on the straightline method.[5] Section 401 would permit the owner of a "substantially rehabilitated property" to utilize accelerated depreciation methods. To qualify, the investment in rehabilitation must be at least $5,000 over two years and must exceed the original value of the structure at the beginning of that two-year period. This Section 401 treatment is not limited to "certified historic structures" and, therefore, would benefit properties of less than Register caliber as long as they were used for business or rental purposes. Accelerated depreciation under Section 401 would be an alternative to amortization of rehabilitation expenses under Section 301. This is attractive to the owner of an expensive building, because as the cost of the building increases in relation to the rehabilitation costs, depreciation becomes a larger factor and amortization a lesser one.

Example 5: T purchases a historic building for $1,000,000. He invests another $1,000,000 in rehabilitation. Useful life of the structure is 20 years, and the tax is computed at the corporate rate, 50%. The tax consequences under the various provisions would be as follows:

Year	Present code, straightline depreciation of cost only		Proposed amendment: Sec. 301, amortization of rehabilitation expenses, straightline depreciation of cost			Proposed amendment: Sec. 401 (declining balance depreciation of cost rehabilitation expenses)	
			Deduction				
	Deduction	Tax saving	Depreciation	Amortization	Tax saving	Deduction	Tax saving
1	$100,000	$50,000	$50,000	$200,000	$125,000	$400,000	$200,000
2	100,000	50,000	50,000	200,000	125,000	320,000	160,000
3	100,000	50,000	50,000	200,000	125,000	256,000	128,000
4	100,000	50,000	50,000	200,000	125,000	204,800	102,400
5	100,000	50,000	50,000	200,000	125,000	163,840	81,920
6	100,000	50,000	50,000	0	25,000	131,072	65,536
7	100,000	50,000	50,000	0	25,000	104,855	52,428
8	100,000	50,000	50,000	0	25,000	83,886	41,943
9	100,000	50,000	50,000	0	25,000	67,110	33,555
10	100,000	50,000	50,000	0	25,000	53,688	26,844
20	100,000	50,000	50,000	0	25,000	6,002	3,001

CHARITABLE CONTRIBUTIONS

The third area of revisions contained in the Environmental Protection Tax Act and the Historic Structures Tax Act in the deduction of property interests as charitable contributions. Recent tax reforms have generally, with the exception of easements perpetual in terms, abolished the deduction of less than fee interest in land—such as easements, options to purchase and long-term leases—donated for charitable purposes. This eliminates any tax incentive for the donation of a scenic or facade easement on a historic property except when given for a perpetual term. Also, charitable deductions for remainder interests [6] have been limited to residences and farms, preventing the donor from realizing any of the tax benefits previously available and thereby removing an incentive to give.

Section 501 proposes modifications to current Internal Revenue Code provisions to encourage the donation of less than fee and remainder interests to organizations for preservation purposes. Any lease, option to purchase, or easement of not less than 30 years duration could be granted to a recognized charitable organization, including State and local governments, for conservation purposes and qualify the donor for a deduction from his income equal to the value of the interest conveyed. Under Section 501(a)(4), conservation purposes include "the preservation of land areas for public outdoor recreation or education, or scenic enjoyment; the preservation of historically important land areas or structures; or the protection of natural environmental system." The section would also permit the deduction by the donor of a remainder interest in a conmmercial or rental property granted for conservation purposes. This would allow the owner of a historic property to donate it to a preservation organization, while retaining the right to use the property until his death. In the meantime he would realize immediate tax benefits from his gift, and the recipient of the remainder interest would have certain rights to prevent the deterioration or alteration of the property. Finally, the bill changes the estate and gift tax provisions to allow the deduction of these same interests for conservation purposes, thereby encouraging bequests of such intrest.

In summary, the Environmental Protection Tax Act and the Historic Structures Tax Act would redress much of the imbalance of the present tax system that mitigates against the preservation of historic properties employed in commercial use. The existing encouragement of new construction, through deduction of demolition costs and losses and accelerated depreciation, is reversed in the case of recognized historic structures. Rehabilitation of historic buildings is favored by the write-off rehabilitation expenses and the allowance of accelerated depreciation for substantially rehabilitated structures. Finally, the deduction of charitable contributions of less than fee and remainder interests for conservation purposes is permitted. Besides the obvious incentives to private preservation activity, the inducement of preferred tax treatment should be a spur to enrollment of properties on the National Register because that listing is the basis for qualifying for the proposed incentives.

STATUS OF THE BILLS

The Environmental Protection Tax Act was drafted jointly by the Council on Environmental Quality and the Department of the Treasury. With the Administration's backing, Representative Byrnes of Wisconsin, ranking minority member of the Ways and Means Committee, introduced the bill on April 27, 1972. As H.R. 14669, the bill was referred to the Ways and Means Committee but no further action was taken during the 92nd Congress. In February 1973, the President transmitted his 1973 Environmental Program to the Congress, including a request for action on the Environmental Protection Tax Act. On March 14, 1973, Representative Conable of New York reintroduced the measure. Designated H.R. 5584, the Environmental Protection Tax Act of 1973 is currently pending before the House Ways and Means Committee.

On August 3, 1973, Senator J. Glenn Beall of Maryland introduced S. 2347, the "Historic Structures Tax Act of 1973." This measure embodies all the historic preservation incentives found in the proposed Environmental Protection Tax Act and analyzed in this paper. S. 2347 is currently pending before the Senate Finance Committee.

FOOTNOTES

[1] For simplicity, all section numbers referred to in this paper will be those of H.R. 5584.

[2] "Certified historic structure" is the term used by the bill for those properties covered by its provisions. As defined in Section 301(d)(1), the term includes any building or structure subject to depreciation which is: (1) listed individually on the National Register; or (2) is located in a Registered historic district and is certified by the Secretary of the Interior or his delegate as being of historic significance to the district. The term, "subject to depreciation" means that the building must be used in a trade or business or for the production of income, as in the case of a rental property.

[3] The Code defines capital expenditures as amounts spent on "permanent improvements or betterments made to increase the value of any property." These expenses are not deductible from income as maintenance expenses are and must normally be added to the basis of the property. In Jones v. Commissioner, 242 F. 2d 616 (5th Cir. 1957), a taxpayer who reconstructed a building in the Vieux Carre was required to treat "general rehabilitation" costs as capital expenditures.

[4] The process of deducting capital expenditures such as rehabilitation costs from income, rather than adding them to the basis of the property, is referred to as amortization.

[5] The basis for depreciation in either case would be the purchase price plus any capital improvements subsequently made in the building.

[6] A remainder interest is a right to ownership of a property that does not take effect until the expiration of another's interest in the property. For example, if T donated a remainder interest in his home to the National Trust, subject to a life estate in T, the Trust would not acquire full title to the property until T died. The Trust would have certain rights over T's use of the property during his lifetime.

Footnotes at end of article.

EXHIBIT 4

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., March 20, 1974.

To: The Honorable J. Glenn Beall, Jr.
From: Economic Division
Subject: Summary of tax law affected by S. 2347, Historic Structure Tax Act

This memorandum is in response to your request for a summary of present tax law which is relevant to the provisions of S. 2347, Historic Structures Tax Act, and the changes which would be effected by enactment of this bill. Following is a summary covering the three basic objectives outlined in your letter. The first two objectives are covered as a unit since present law and the provisions of S. 2347 are overlapping in their applicability.

1. Encourage the preservation of historic buildings and structures certified by the Secretary of Interior.

2. Encourage the rehabilitation, rather than the demolition, of existing structures.

PRESENT LAW

Under present tax law, accelerated depreciation is available for new building construction. For new real property (other than residential housing) constructed after July 24, 1969, depreciation may be computed under the 150 percent declining balance method (1½ times the straight line rate is applied in each year to the balance of the cost, without construction of salvage value), or it may be computed under any other consistent method which does not give greater allowances in the first two-thirds of useful life than the 150 percent declining-balance method. Used real property acquired after July 24, 1969 is generally limited to straight line depreciation. Exceptions to these methods are provided for both new and used residential rental property.[1] Thus, under present law, an older building or historical structure could be demolished, and a taxpayer could receive accelerated depreciation on the new commercial building constructed on the cleared site. In addition, deductions are permitted for the expenses of demolition and the unrecovered investment in a building.

CHANGES PROPOSED BY S. 2347

S. 2347 would provide incentives for the rehabilitation of older structures rather than their destruction. It would provide accelerated depreciation rates now available for new buildings to the undepreciated cost of old buildings which are substantially rehabilitated. If a taxpayer substantially rehabilitates depreciable property, he would be permitted to elect to compute depreciation with respect to his preexisting basis in the building as though the original use of the property began with him. This will permit him to use the accelerated method of depreciation. In order to qualify for this special tax treatment, the mounts added to capital account during a 24 month period must be at least $5,000 in amount and must be greater than the adjusted basis of the property as determined at the beginning of the 24 month period. The changes made by this provision would apply to additions to capital account made after June 30, 1974.

In the case of a certified historic structure (certified by the Secretary of the Interior as registered or qualified for registration on the National Register), S. 2347 would permit a five year write-off of rehabilitation expenditures if the structures are used in the taxpayer's trade or business or held for the production of income. Deduction for depreciation would also be allowed with respect to the portion of the adjusted basis which is not amortized.

On the disposition of a certified historic structure, gain would be treated as ordinary income to the extent that the special write-off provided under the bill exceeded the depreciation deduction which would have otherwise been allowable (without regard to this provision). The changes made by this provision would apply to additions to capital account made after February 15, 1973.

S. 2347 provides that no tax deduction would be permitted in the case of the demolition of a certified historic structure, or for the undepreciated cost of such a structure. Both items would have to be allocated to the basis of the land. Structures located in a registered historic district would be treated as a certified historic structure unless the Secretary of the Interior certified, prior to demolition, the structure was not of historic significance to the district. The changes made by this provision would apply to demolitions occurring after the date of enactment.

If a certified historic structure is demolished or substantially altered, but not in conformity with the rehabilitation provisions included in the bill, S. 2347 provides that any new construction, after February 15, 1973, on the site previously occupied by the historic structure would be eligible only for straight line depreciation. The changes made by this provision apply to property placed in service after December 31, 1973.

3. Encourage charitable transfers of property for use of parks, open spaces, or other conservation purposes.

PRESENT LAW

Under Federal income and estate and gift tax law, a charitable deduction is not allowed for contributions (not made by a transfer in trust) of a partial interest in property unless the contribution would be deductible if that interest had been transferred in trust. The disallowance does not apply, however, to contributions of (1) a remainder interest in a personal residence or farm, or (2) the undivided portion of the taxpayer's entire interest in the property. For example, a deduction will be allowed where an individual makes a gift of his residence to charity and retains the right to live in the residence for his life. Also, a gift of an open space easement in gross is considered a gift of an undivided interest in property where the easement is in perpetuity, and is, therefore, deductible.

A deduction is allowed for contributions transferred in trust except under certain circumstances These exceptions involve contributions of remainder interests and income interests, as follows:

Remainder interests—no deduction is allowed for contribution of a remainder interest unless the trust is a charitable remainder annuity trust or a charitable remainder unitrust, or a pooled income fund.

Income interests—no deduction is allowed unless the interest is in the form of a guaranteed annuity, or the trust instrument requires that the charity receive an annual fixed percentage of the fair market value of the trust property determined annually.

CHANGES PROPOSED BY S. 2347

S. 2347 would revise the tax treatment of the charitable donation of land or rights in land for environmental purposes. S. 2347 would provide that a charitable deduction under income and estate and gift taxes would not be denied for the transfer to a qualifying organization or a partial interest in property where the interest is either a lease on, option to purchase, or easement with respect to real property of not less than 30 years' duration or is a remainder interest in real property which is granted exclusively for conservation purposes. Qualifying organizations are those to which individual contributions are eligible for the maximum 50 percent deduction. They include public charities, private operating foundations, and private nonoperating foundations which either distribute the contributions they receive to public charities or private operating foundations within 2½ months following the year of receipt, or qualify as community foundations. The term "conservation purposes" means the preservation of land areas for public outdoor recreation or education, or scenic enjoyment; the preservation of historically important land areas or structures; or the protection of natural environmental systems.

[1] In addition, a special provision was enacted in 1969 which included incentives comparable to those in S. 2347. This provision permits taxpayers to elect to compute depreciation for rehabilitation expenditures on buildings for low- and moderate-income rental housing which are made after July 24, 1969 under the straight line method over a period of 60 months if the additions or improvements have a useful life of 5 years or more.

By Mr. BIDEN:

S. 668. A bill to provide a special payment to certain elderly and disabled social security recipients. Referred to the Committee on Finance.

Mr. BIDEN. Mr. President, I have become alarmed that our economic system is going backward as far as providing people with the basic necessities of life. More and more Americans are finding it difficult to contend with increasing costs of housing, utilities, food, clothing, and transportation.

The Ford administration's 1976 budget proposals submitted to us yesterday only aggravate an already deteriorating situation. Indeed, they make a modest existence almost impossible.

It is the elderly who perhaps suffer most in a recession/inflation economy such as we now are laboring under. Poverty among this age group is almost a way of life—for example, last year only one of five older Americans had an income sufficient to pay any Federal income tax.

Elderly Americans pay more than 10 cents of each dollar of their incomes for natural gas and electricity, compared to 2 percent paid by middle-income groups. Per capita health care expenditures for the elderly are three times higher than those for persons under 65, and while individuals under 65 pay 23 percent of their income for housing, older Americans pay 35 percent. While food costs have risen 15 percent during the past year, elderly incomes have remained fixed.

This administration's solution to the problem is to raise the price of food stamps, limit the automatic cost-of-living increase in social security benefits to 5 percent instead of the projected higher rate, and to grant a tax rebate, which only 20 percent of the elderly will receive.

Mr. President, early in my service in the Senate, I determined that I would use my vote to try to discourage unwise or wasteful spending. But I do not share the President's view that the way to do this is to place the burden on older Americans, who have already shouldered the brunt of inflation.

Although I have introduced legislation to provide a $50 tax credit to all taxpayers, most senior citizens would be ineligible because so few of them pay Federal income tax. For this reason, I am today introducing legislation which would grant social security recipients a bonus in the form of one additional payment equal to one-half of their monthly benefit check. This additional payment would be financed from the general revenues, not the trust fund, and it would be payable to individuals who currently receive benefits under title II of the Social Security Act. Individuals receiving this additional payment would, therefore, include retired workers receiving benefits for old age or disability, dependents of retired or disabled workers, and surviving family members of a deceased worker. The cost of the additional payment would be financed from the general treasury so as not to place added burden on the social security trust fund.

Mr. President, President Ford's budgetary proposals with respect to our older Americans seem almost unconscionable. His budget proposes a ceiling of 5 percent on social security benefits while inflation is running at a double digit figure. It would almost appear as if we are asking that portion of the population which is over 65 to singlehandedly pay off the national debt.

The legislation I propose would provide at least some small relief to senior citizens from a staggering inflation. It could help them meet their energy costs, for example, or purchase more food.

In this regard, a recent study by HEW in conjunction with the Federal Energy Administration urged the consideration of other policy options to supplement the existing Federal assistance programs which are inadequate to meet the needs of the poor. Among the options stated were changes in the food stamp benefit structure to lower the purchase price of coupons, and an energy stamp program to provide needy families and individuals with coupons to be used in purchasing home heating fuels.

Mr. President, I am concerned that we have just been presented with a proposed budget, one-seventh of which is a deficit. We cannot turn away from this problem. But neither can we turn away from the elderly, poor, and disabled individuals who cannot fend for themselves.

I would urge my colleagues in the Senate to move quickly and favorably on my bill so that we can provide some measure of relief to those who have been most severely hurt by the present economy.

I ask unanimous consent that the text of the legislation I am introducing be printed in the RECORD at this point in my remarks:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the amount of the monthly insurance benefit to which any individual is entitled under Title II of the Social Security Act for the second month after the month in which this Act is enacted shall for such month (and for such month only) be increased (1) in the case of any such individual (other than an individual who is entitled to such benefit under such section 227 or 228 and whose spouse is also entitled to such a benefit under such section 227 or 228) by $50 or (if greater) by an amount equal to 50 per centum of such benefit (as determined without regard to this Act), and (2) in the case of any such individual who is entitled to such benefit under section 227 or 228 and whose spouse is also entitled to such benefit under such section 227 or 228, by an amount equal to 50 per centum of such benefit (as determined without regard to this Act). For purposes of applying the proceding sentence, the amount of an individual's monthly benefit under section 228 of the Social Security Act shall be regarded as the amount of such benefit as determined under such section without regard to the provisions of subsection (c) thereof.

(b) (1) The increase in social security benefits provided by this Act shall not be considered to be a "general benefit increase under this title" (as such term is defined in section 215(i)(3) of the Social Security Act.

(2) The amount of the increased payment of monthly insurance benefit for the second month after the month in which this Act is enacted payable to any individual shall, if administratively feasible, be paid at the same time as and as a part of the regular monthly insurance benefit paid to such individual for such month; otherwise, a special payment equal to the amount of such increase shall be paid to such individual at the earliest practicable date after the date on which such regular monthly insurance benefit is paid to such individual.

(3) The amount of the increase in monthly insurance benefit payable to any individual under this Act shall, for purposes of title II of the Social Security Act, be treated as a part of a regular monthly insurance benefit payable under such title, except that the provisions of section 203(a) of such Act shall not be applicable with respect to so much of the monthly social security payment (as increased by this Act) paid to any individual as is attributable to the increase in such payment made by reason of the provisions of this Act.

SEC. 2. Notwithstanding any other provision of law, any amount payable to any individual by reason of the provisions of the first section of this Act shall not be included in the income of such individual (or of the family of which he is a member) for purposes of determining the eligibility of or amount of assistance to be provided to such individual (or of the family of which he is a member) under any program which is designed to assist needy individuals or families, if such program is a Federal program or a State program supported wholly or in part by Federal funds.

SEC. 3. There is hereby authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund an amount equal to the aggregate of the additional amounts paid from such Fund, as monthly insurance benefits under title II of the Social Security Act, by reason of the provisions of the first section of this Act.

By Mr. MOSS:

S. 670. A bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce, and for other purposes. Referred to the Committee on Commerce.

CONSUMER FRAUD ACT

Mr. MOSS. Mr. President, I introduce, for appropriate reference, a bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce and for other purposes.

I ask unanimous consent that the text of the bill be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, during the past few years, the Committee on Commerce and, particularly its Consumer Subcommittee, has concentrated on developing "self-help" tools for consumers and on improving the regulatory framework so that the Government's agencies are able to respond quickly and effectively to today's problems.

In the self-help area, for example, we have considered class actions and other dispute settlement mechanisms in the Consumer Controversies Resolution Act and similar bills. We have also worked toward improving the content of warranties, toward increasing substantive disclosures in advertising, and toward encouraging more effective product testing to provide consumers with the kind of adequate information they need for informed decisionmaking in the marketplace.

On the regulatory side, the committee has worked to eliminate delay and enhance the fairness and comprehensiveness of Government regulation as it affects the marketplace. We have, for example, readjusted the authority of the Federal Trade Commission so that it can provide effective protection against and deterrence to many kinds of consumer fraud. We have also worked toward bringing the regulatory authority in the safety area up to date to help solve the problems posed by occasional food adulteration and product hazards to our mass market economy.

During our consideration of these and similar measures, it became clear that despite the impressive array of administrative and civil penalties which can effectively encourage strict compliance, fraudulent operators who perpetrate wanton abuses are left virtually untouched by existing laws.

As the then Attorney General William Saxbe stated during a conference of State and local consumer protection officials last June, further sanctions are necessary if we are to root out those who are all too willing to engage in or take advantage of unconscionable marketing practices. At that time, the Attorney General said that "tough criminal penalties are needed rather than civil sanctions which too often are toothless," and he noted that a new fraud statute is necessary since now the only major vehicle for prosecuting blatantly fraudulent marketing practices is the rather narrow mail fraud statute.

To fulfill the need that our studies and the Attorney General pointed up, in the last days of the 93d Congress, I introduced a "Consumer Fraud Act" and I am reintroducing it now to put teeth into the web of consumer protection laws.

The act works by defining a variety of fraudulent trade practices which are clearly deceptive and unconscionable and it subjects those who knowingly engage in these practices to criminal penalties. The requirement that the conduct be knowingly engaged in precludes the possibility that the criminal penalties will be enforced against any inadvertent violations, but insure that the unscrupulous operators who engage in deceptive practices as a matter of course will no longer be able to profit from their wrongdoing.

The conduct proscribed by this bill includes knowingly making false or mis-

leading statements concerning the need for, or necessity of, any goods, services, replacements, or repairs; representing that goods are new, knowing that they are not in fact new; failing to return or refund deposits or advance payment for goods which are not delivered or services not rendered; offering gifts, prizes, free items, or other gratuities intending not to provide them as offered in connection with a sale of goods or services to a consumer; and using physical force, threat of physical force, undue harassment, or coercion in dealing with consumers.

Clearly, there are activities which we do not condone and the conduct of which should be punished. They are also not the kind for which we need a regulatory mechanism, such as the Federal Trade Commission, to determine whether they are unfair or deceptive. When knowingly engaged in, these activities are crimes and should be punished as such.

S. 670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Fraud Act".

SEC. 2. As used in this Act, the term—

(1) "consumer" means any human being who is offered or supplied goods or services for personal, family, or household purposes;

(2) "goods" means personal and real property, but the term does not include securities or interests in securities;

(3) "services" means any benefit resulting from the labor, skill, or time of another person or from the use of property, including, but not limited to, labor, professional service, transportation, telephone, mail, other public service, electricity, gas, other public utility service, insurance, banking, accommodations in hotels, restaurants, or other places, admission to exhibitions, performances, or other places, and the use of property owned by another;

(4) "statement" means any representation in any form of advertising, any oral or visual presentation, or any other representation, presentation, or conduct which is intended to communicate to consumers;

(5) "supplier" means any person who is in the business of making goods or services available, either directly or indirectly, to consumers; and

(6) "unfair consumer practice" means any of the following: (A) offering goods or services intending not to sell them as offered; (B) advertising goods or services intending not to supply reasonably expectable public demands, unless the advertisement discloses a limitation; (C) knowingly making false or misleading statements concerning the need for, or necessity of, any goods, services, replacements, or repairs; (D) representing that the consumer will obtain any rights, privileges, or remedies, knowing that the consumer will not in fact obtain them; (E) representing that goods are new, knowing that they are not in fact new; (F) representing that goods are of a particular standard, grade, quality, style, or model, knowing that they are not; (G) knowingly making false or misleading statements concerning (i) the reason for, existence of, or amounts of price reductions, or (ii) savings in comparison to prices charged by competitors or one's own price; (H) representing that goods or services are those of another person, knowing that they are not; (I) failing to return or refund deposits or advance payments for goods which are not delivered or for services which are not rendered in the absence of any default or breach of obligation on the part of consumers making such deposits or advance payments; (J) knowingly representing that goods or services have sponsorship, approval, origin, safety, or performance characteristics, ingredients, uses, benefits, or quantities that they do not have, or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have, except that the conduct described in paragraph (J) of this section shall not be an unfair consumer practice if the supplier shows that an affirmation merely of the value of the goods or services, a statement of his opinion of the goods or services, or any similar statement did not take unfair advantage of the consumer's knowledge, ability, experience, or capacity; (K) taking consideration for goods or services intending not to deliver such goods or not to perform such services, or intending to deliver goods or to provide services which are materially different from those ordered or sold; (L) knowingly making false or misleading statements concerning the profitability, risk, or any other material aspect of any home-operated business opportunity or venture; (M) offering gifts, prizes, free items, or other gratuities, intending not to provide them as offered in connection with a sale of goods or services to a consumer; (N) knowingly making false or misleading statements concerning the existence, terms, or any discount offered as an inducement for the sale of goods or services to a consumer in return for giving the supplier the names of prospective consumers or otherwise helping the offeror to enter into any other consumer transaction; (O) using physical force, threat of physical force, undue harassment, or coercion in dealing with consumers; or (P) any other act or practice which is unfair or deceptive to a consumer and which is prohibited by section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)).

SEC. 3. Chapter 63 of title 18, United States Code, is amended by inserting therein, and amending the syllabus accordingly, the following new section:

"§ 1345. Unfair consumer practices

"Whoever, in connection with the sale or distribution of goods, services, or other property by the use of any means or instrumentality of transportation or communication in or affecting interstate or foreign commerce or by use of the mails, with actual knowledge or knowledge fairly implied, engages in or offers or attempts to engage in an unfair consumer practice, as defined in section 2(7) of the Consumer Fraud Act, shall be fined not more than $10,000 or imprisoned for not more than three years, or both.".

SEC. 4. Any contract or agreement in or affecting interstate or foreign commerce which provides for the purchase of goods or services in furtherance of an unfair consumer practice is void. Any person who knowingly induces a consumer to enter into a contract or agreement pursuant to or in furtherance of an unfair consumer practice shall be liable to such consumer in an amount equal to three times the consideration paid and any other loss suffered, together with the costs of any legal action required including a reasonable attorney's fee (based upon actual time expended). Such amount may be recovered in a civil action in an appropriate district court of the United States. The district courts of the United States shall have jurisdiction of any action brought under this section without regard to the citizenship of the parties or the amount in controversy. An action under this section may be brought within three years from the last date on which such consideration was paid.

SEC. 5. The Attorney General of the United States, or the chief law enforcement officer or the attorney general of any State in which a prohibited act or practice occurred, may upon a finding that any person is engaged or is about to engage in any act or practice which constitutes an unfair consumer practice, may bring an action in the appropriate district court of the United States to enjoin such act or practice. Such courts shall have jurisdiction over such actions and shall provide appropriate relief. Such court may grant a temporary restraining order, or a preliminary or permanent injunction without bond.

SEC. 6. This Act does not annul, alter, or affect the scope or applicability of the laws of any State relating to unfair consumer practices except to the extent that such laws permit acts or practices which are unlawful under this Act.

By Mr. HUMPHREY:

S. 671. A bill to establish a Federal Inland Waterways Administration in the Department of Transportation. Referred to the Committee on Government Operations.

OUR INLAND WATERWAYS—A VALUABLE NATIONAL RESOURCE

Mr. HUMPHREY. Mr. President, I am today introducing legislation to establish a Federal Inland Waterways Administration within the Department of Transportation. I believe this reorganization proposal requires priority attention in light of the vital importance of our inland waterways and the increasing demands being placed on this transportation network.

Over the years I have been a strong exponent of the development and use of our Nation's inland waterways as a cost-effective transportation system and as a vital component in regional development and in the promotion of commerce for associated port facilities.

Commerce on our inland waterways is of major importance. In 1972, freight carried on inland waterways and the Great Lakes reached over 338 billion ton-miles. This was more than twice the freight carriage level in 1950. About one-fifth of all the Nation's freight is carried on the inland waterways—consisting chiefly of coal, grain, sugar, iron ore, forest products, petroleum, chemicals, sand, and large semifinished and finished products.

This commerce is highly important to the economy of Great Lakes ports, including Duluth and other Minnesota terminals. In addition, the inland waterway ports of Minneapolis and St. Paul handled over 6.4 million tons in 1970, and even this amount is small in comparison to the tonnage handled by such major inland ports as St. Louis, Memphis, Baton Rouge, and New Orleans.

The dramatic dimensions of our inland waterway system and its major impact on commerce are probably not generally well known. We are talking about a system that includes 25,543 miles of federally improved navigable inland channels, exclusive of the Great Lakes, and where 38 States with 95 percent of the population have commercial transportation services by vessels. We are describing a large-scale ship-building and carrier industry—including 1,849 companies engaged in commercial operations on the inland waters; and in which 80,000 persons are employed aboard an inland fleet of over 17,500 dry cargo barges and scows, more than 3,400 tank barges, and 4,278 towboats and tugs.

The Alaskan, Atlantic, and Gulf Intercoastal Waterways, and the major Mississippi system with Ohio, Tennessee, Arkansas, and Missouri River tributaries are perhaps best known and have been of incalculable importance in the economic growth of large sectors of our Nation. The opening of the St. Lawrence Seaway etsablished the largest inland navigation system on the continent. But inland channels on other rivers, as well as constructed waterways and canals, have also achieved significant regional economic development in Washington, California, Texas, Alabama, Georgia, Florida, Illinois, States bordering on tributaries of the Chesapeake and Delaware Bays, and New York with the Hudson River-State Barge Canal system.

My point in outlining the scope and importance of the inland waterways is to emphasize their key role in the Nation's transportation system. However, this role is not reflected in the organization of the Department of Transportation, except for the U.S. Coast Guard and the St. Lawrence Seaway Development Corporation. Rather, responsibilities appear to be shared by the U.S. Army Corps of Engineers, the Maritime Administration of the Department of Commerce—Office of Domestic Shipping, the Interstate Commerce Commission—regulating some 16 percent of inland waterway ton-miles, the Federal coastal ports, and the Tennessee Valley Maritime Commission—with respect to Authority.

The significant absence of a DOT agency on our inland waterways is highlighted by the fact that DOT does have separate Administrations responsible for the development and regulation in the public interest of America's aviation, highway, railroad, and urban mass transit systems.

In this time of profound public concern over forces contributing to inflation, and as we face simultaneously the specter of recession and energy supply shortages, it is highly important to organize Federal policies and programs to promote those sectors which can help stabilize and strengthen our economy. In this regard, two facts about inland waterways transportation merit very close attention: First, it requires less energy per ton-mile than any other method of freight distribution; and second, shipping costs per ton-mile are significantly lower than for several other transportation services.

The responsibilities of the Federal Government in the public interest with respect to our inland waterways were recognized very early in the history of our Nation, with the enactment in 1824 of legislation providing for the improvement of rivers and harbors on a planned basis. Several transportation laws in the present century have underscored the importance of the waterways system, and steps have been taken periodically to promote its development, including the establishment in 1924 of the Inland Waterways Corporation, which continued in operation for several years.

More recently, however, there has been increasing legislative recognition of the problems associated with technological modernization and continued expansion of inland waterways transportation. This includes legislation passed by the 92d Congress to require radio-telephone communications, and amendments to the Interstate Commerce Act, enacted by the 93d Congress, relating to mixed cargoes including dry bulk commodities.

The pressures of expanding commerce on the inland waterways will require increased attention by the executive and legislative branches. We must examine closely the need and feasibility of modernizing navigation systems, where it is contended that obsolete harbor and channel installations will hamper the substantial ton-mile carriage increase expected over the next 10 years. It is important, however, that industry and Government work cooperatively at an early stage in studying and recommending appropriate and equitable measures for financing such capital improvements and ongoing operational costs.

Such cooperation was evident in the National Planning Conference on Domestic Shipping, sponsored by the Maritime Administration in 1972, which has resulted in the proposal of a 5-year program. This would be important in achieving effective administration of the Federal Ship Financing program under the Merchant Marine Act, recently amended to permit participation by inland waterway carriers, where MarAd is currently committed to about $53 million in financing for barges and towboats.

However, the implications of continuing technological innovations in inland waterways shipping will require serious study and appropriate response on a broader scope by the Federal Government. When we confront such matters as increased horsepower of tugs and towboats, expanded loads resulting from integrated barge carriage, containerization and barge redesign, and more recently, developments in Seabee and LASH systems for the carriage of barges, as well as the environmental impact of increased traffic, it is clear that piecemeal approaches by multiple Federal agencies to rapid developments in this major transportation system can no longer be tolerated.

We need to establish a central reference point in the Federal Government with overall responsibility to initiate and coordinate policies and programs for the development and improvement of the waterways and transportation, and to coordinate regulatory functions to promote safe and efficient transportation in this system which is so vital to our national interests. Moreover, we must assure that a rational and comprehensive approach is taken in the development of environmental protection policy with respect to inland waterways.

Presently, there appears to be a confusing matrix of responsibilities shared by at least seven Federal agencies. Whatever the capabilities and accomplishments of these agencies may be, the lack of an organization plan and program for integrated transport regulation and development on the inland waterways can only have an adverse effect upon carriers, shippers, and consumers.

Mr. President, last November I originally presented my proposal for the establishment of a Federal Inland Waterways Administration in a letter to Secretary of Transportation Claude S. Brinegar. In his reply of December 16, 1974, Secretary Brinegar stated that:

> The proposal has such merit as to warrant a more complete analysis of the possibilities.

And he indicated that a staff analysis would be immediately undertaken. Although I have not been informed of the results of this staff study, I was encouraged by the Secretary's reply to propose this reorganization for consideration by Congress.

Mr. President, I believe the establishment of a Federal Inland Waterways Administration merits action early in the 94th Congress. I ask unanimous consent that Secretary Brinegar's letter and the text of this legislation be included at this point in the RECORD.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

SECRETARY OF TRANSPORTATION,
Washington, D.C., December 16, 1974.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: This is in further reply to your letter of November 6, 1974, regarding the inland waterways transportation system, and its attendant problems and potential. Your letter raises many interesting possibilities and points out some of the weaknesses of the current situation regarding the administration and development of an integrated, economical transportation alternative in the water mode.

As your letter points out, specialized Government agencies have evolved over the years which deal with certain aspects of the inland waterways system: the Army Corps of Engineers for development of our natural resources; the Coast Guard, in addition to its many other functions has the responsibility for aids to navigation and search and rescue; the Interstate Commerce Commission regulates some of the inland waterways carriers; and there are other concerned organizations, both Federal and State.

I agree that some increased coordination of Federal policies, programs and actions concerning inland waterways is a desirable goal. However, by the depth of the analysis of the current situation contained in your letter, I am sure you appreciate the complexities and problems attendant to achieving such a goal. Although certain of the activity in this field is outside the scope of this Department, I believe that the proposal has such merit as to warrant a more complete analysis of the possibilities. Accordingly, I have directed my staff to initiate such an effort, and to report to me the results of their analysis. Also, I intend to discuss this with representatives of the Office of Management and Budget, other interested Federal agencies, and will advise you further.

Thank you for your interest and please be assured that this matter will receive my personal attention.

Sincerely,

CLAUDE S. BRINEGAR.

S. 671

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Inland Waterways Administration Act of 1975".

FINDINGS

SEC. 2. (a) The Congress finds that—

(1) the inland waterways play a key role in the transportation system of the United States, and

(2) there is no single organization responsible for the development and regulation in the public interest of inland waterways of the United States.

(b) It is the purpose of this Act to establish a Federal Inland Waterways Administration in order to initiate and coordinate programs for the development, regulation, and improvement of inland waterways in the United States and transportation thereon.

ESTABLISHMENT

SEC. 3. (a) There is established within the Department of Transportation the Federal Inland Waterways Administration. The Administration shall be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. The Administrator shall be under the supervision and direction of the Secretary of Transportation.

(b) The functions of the Secretary under this Act shall be administered through the Administration.

FUNCTIONS

SEC. 4. (a) In order to carry out the purposes of this Act, the Secretary, through the Administration, shall—

(1) develop and recommend appropriate policies, programs, and actions affecting inland waterways and transportation on such waterways, with particular emphasis upon such policies, programs and actions relating to safety;

(2) coordinate Federal policies related to the inland waterways system;

(3) conduct continuing comprehensive surveys, collect data, and make available findings on the dimensions of the inland waterways system and its impact on commerce;

(4) provide information and such other assistance to interested persons as may be authorized by the Congress to aid in the maintenance of an efficient inland waterways system;

(5) encourage comprehensive planning by appropriate port authorities designed to coordinate Federal and State activities affecting the development and use of the inland waterways system; and

(6) carry out such other activities as will promote the purposes of this Act and as will assure conformity with appropriate provisions of the National Environmental Policy Act of 1969 (83 Stat. 852).

(b) (1) There are transferred to the Secretary, and the Secretary shall perform, such functions of—

(A) the Maritime Administration of the Department of Commerce,

(B) the Federal Maritime Commission,

(C) the Corps of Engineers of the Department of the Army,

(D) the Tennessee Valley Authority, and

(E) the Interstate Commerce Commission as the Director of the Office of Management and Budget determines relates to inland waterways.

(2) There are transferred to the Secretary, and the Secretary shall perform, the functions of the head of each agency set forth in paragraph (1) of this subsection as such functions relate to a function transferred under paragraph (1) of this subsection, as determined by the Director of the Office of Management and Budget.

(c) Within 180 days after the effective date of this section, the President may transfer to the Department any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function related primarily to functions transferred to the Department by this section.

TRANSFER OF PERSONNEL AND PROPERTY

SEC. 5. (a) All personnel, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 4(b), are transferred to the Secretary.

(b) (1) Except as provided in paragraph (2) of this subsection, personnel engaged in functions transferred under this Act shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(2) The transfer of personnel pursuant to subsection (a) shall be without reduction in classification or compensation for one year after such transfer.

TRANSFERS WITHIN THE DEPARTMENT

SEC. 6. The Secretary is authorized and directed to transfer to the Administration—

(1) that portion of the functions of—

(A) the Coast Guard; and

(B) the St. Lawrence Seaway Development Corporation, and

(2) that portion of his functions administered by or through—

(A) the Coast Guard; and

(B) the St. Lawrence Seaway Development Corporation which relates to inland waterways.

ANNUAL REPORT

SEC. 7. The Secretary shall, as soon as practicable after the end of each fiscal year, prepare, as part of the annual report required under section 11 of the Department of Transportation Act, a report on the activities of the Administration during the preceding fiscal year. Such report shall contain objective data on (1) changes in the development and physical dimensions of the inland waterway system and the effect such changes have on commerce on inland waterways, (2) commercial operations on the inland waterways including industries, persons employed and equipment; (3) needs for improvement of channels, locks and other physical facilities on the inland waterways system; (4) special needs for critical areas such as specific ports or selected portions of the waterways system, and (5) policies, programs, recommendations with respect to maintaining or improving the quality of the human environment.

SAVINGS PROVISIONS

SEC. 8. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this Act, by (A) any agency or office, or part thereof, any functions of which are transferred by this Act, or (B) any court of competent jurisdiction, and

(2) which are in effect at the time this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this Act takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such agency or office, or any part thereof, is transferred to the Secretary, or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit not involving functions transferred to the Secretary, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this Act).

(d) With respect to any function transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the department or officer in which such function is vested pursuant to this Act.

(e) Orders and actions of the Secretary in the exercise of functions transferred under this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the Secretary.

(f) In the exercise of the functions transferred under this Act, the Secretary shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and his actions in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

COMPENSATION

SEC. 9. Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Administrator, Federal Inland Waterways Administration, Department of Transportation."

DEFINITIONS

SEC. 10. For the purpose of this Act—

(1) "Administration" means the Federal Inland Waterways Administration;

(2) "Administrator" means the Administrator of the Federal Inland Waterways Administration;

(3) "Department" means the Department of Transportation;

(4) "function" includes power and duty; and

(5) "Secretary" means the Secretary of Transportation.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 11. (a) This Act, other than this section, shall take effect ninety days after the date of enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a), the officer provided for in section 3 may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. That officer shall be compensated from the date he first takes office, at the rate provided for in this Act. Such compensation and related expenses of his office shall be paid from funds available for the functions to be transferred to the Department pursuant to this Act.

By Mr. HUMPHREY:

S. 672. A bill to authorize any officer of the United States to accept the voluntary services of certain students for the United States. Referred to the Committee on Post Office and Civil Service.

STUDENT INTERNS IN THE EXECUTIVE BRANCH

Mr. HUMPHREY. Mr. President, I am today introducing legislation which will provide relief from existing civil service regulations which place severe constraints upon programs which provide unsalaried educational internships in Federal agencies for high school, college, and graduate students.

The purpose of this bill is to allow our Federal agencies to open their doors to student involvement in challenging apprenticeship roles which can greatly enhance the participants' knowledge about Government. Many Members of Congress make it possible for students to spend some time in their offices, to learn the workings of Government. In my own office, I have attempted to have an ongoing internship program whereby an average of 15 students per year provide voluntary services. It is an advantageous situation both for the students and for my staff, as these young people perform duties ranging from clerical work to the development of legislative proposals.

In previous Congresses I have introduced proposals to establish internships in State and local government, and to provide interns with modest stipends, and I will be offering similar legislation again this year. A number of State legislatures and agencies have undertaken internship programs and have found this to be a workable, successful addition to State programs.

Mr. President, I believe we need to extend and expand the number of educational opportunities which are provided for students from high school through graduate school. Many in public life have called for increased youth participation in government. We have acted to lower the voting age to 18, and young people in increasing numbers are seeking elective office. Political participation in this country can and should begin as part of the educational process, and the bill I am introducing today would open another avenue to participation by making it possible for Federal agencies to accept the voluntary services of young people.

Because such student activity exists primarily for the educational and intellectual benefit of the interns, I can see no justification for the existing regulations which prohibit unsalaried service, and which prevent the creation of thousands of additional opportunities for young people.

As a model of the current educational programs, I commend to the Senate's attention the Executive High School Internships of America. This program, which annually involves 1,300 high school juniors and seniors across the country, enables young people to serve as special assistants-in-training to executives in government and related fields. The internship carries a full semester of academic credit, but no pay. Sponsoring executives are required to provide a broadly stimulating educational experience and are specifically prohibited from using students as clerks, messengers, or for other functions for which people would be compensated. The founder and national director, Dr. Sharlene Pearlman Hirsch, developed the idea for this program after serving as a Washington intern in education in the U.S. House of Representatives.

Mr. President, I ask unanimous consent that the text of my bill be included at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 3679 of the Revised Statutes of the United States (31 U.S.C. 665(b)) or any other provision of law, any officer or employee of the United States may accept voluntary service for the United States if such service is performed by a person who is enrolled as a student, not less than half-time, in an institution of higher education or a secondary school at the time the person makes application to perform such voluntary services.

SEC. 2. As used in this Act, the terms "institution of higher education" and "secondary school" have the same meaning as prescribed for such terms in section 1201 of the Higher Education Act of 1965 (20 U.S.C. 1141).

By Mr. MOSS:

S. 673. A bill to establish an energy stamp program which will provide energy stamps to certain low-income households to help meet residential energy costs incurred by such households. Referred to the Committee on Labor and Public Welfare.

Mr. MOSS. Mr. President, home heating costs have risen sharply in recent months and have risen substantially since 1971. In fact, prices for each of the household fuels has risen more since 1971 than any other major commodity or service in the Consumer Price Index, except for food. The most rapid increase has been in the price of fuel oil. From December 1971, to December 1974, the price of fuel oil increased by over 70 percent. A recent study by th Department of Health, Education, and Welfare listed several cities in which households using the primary home heating fuel of the area have experienced significant increases in heating bills:

Projected-price increase of primary fuel 1974–75

Buffalo	44.7
Cleveland	34.5
Washington, D.C.	33.6
San Francisco-Oakland	30.1
Cincinnati	29.4
Boston	27.3
Seattle	26.9
Baltimore	26.4
Philadelphia	24.6
New York	18.0
Detroit	17.8
St. Louis	17.6

Mr. President, these figures tell only part of the story. Total residential energy costs have risen sharply, not only home heating costs. The price increases in electricity have been nearly as dramatic as the increase in home heating fuel. On February 3, the Washington Post reported that the average residential electric bill in Maryland and the District of Columbia rose 33 percent last year while in Virginia electric bills rose 60 percent. Increased electric bills have been mostly the result of price increases for coal and oil, the fuels burned to generate electricity.

Even if the Congress defeats the administration's proposal to deregulate natural gas and oil and to tax oil imports it is likely that residential energy cost will continue to increase faster than the Consumer Price Index. This is confirmed by the HEW study which projects price increases for residential energy for 1974–75:

	Percent
Natural gas	14.6
Fuel oil	23.1
Electricity	17.2

This continued rapid rise in the price of residential energy is causing severe hardships for those least able to adjust—the poor, the low-income working families, and the elderly.

The press has reported case after case of individual suffering. The tragedy of the elderly couple in Schenectady, N.Y., who died from cold after the utility company turned off their heat. The lady in Kansas who receives $82 per month from social security and pays the propane company $80 to heat her house. Or cases of families paying more to heat their homes than to rent them. These conditions are simply intolerable. Millions of low-income Americans are carrying a disproportionate share of the increased residential energy costs.

The poor spend an average of 15 percent of their income on electricity and home heating compared to less than 5 percent for those with incomes over $16,000. Because heating costs come in several large lump sums in the winter and the poor are less able to summon up cash reserves or obtain credit, it becomes impossible for some low-income households to pay their heating bills. With the prices of other essentials like food and clothing also rising, the poor are even less able to shift their consumption from nonessentials. Among the poor, energy consumption is almost entirely a necessity, whereas fuel consumption by others is more a matter of lifestyle. To adjust to rising energy costs the poor must cut into consumption of basic needs.

Furthermore, the pricing policies of utility companies penalize the poor. Utility rates decline with the amount purchased. Rates are designed partly to encourage usage, but poor households use substantially less electricity and natural gas than other households, but pay almost 8 percent more per unit—that is per million B.t.u.'s. Therefore, the poor who can afford only small amounts of electricity or natural gas and use it entirely for necessities pay more per unit than other households.

There are Federal programs which guarantee a certain minimum level of housing, medical care, and nutritional levels for low-income families. In an examination of the various income security programs it is apparent that the cost of residential energy has not been considered a basic necessity, but, Mr. President, heating and lighting a home is a basic necessity.

Today I am introducing a bill to establish a national energy stamp program. This bill will provide entitlements to low-income families to help them meet the rising costs of residential energy.

Those eligible for benefits are households with less than $6,000 income. If every eligible family participated in this program the cost to the Treasury would be less than $1 billion. This cost is not excessive when one realizes that there are over 40 million people living in households which earn less than $6,000 a year. Rising residential energy costs have forced lower living standards on these 40 million people and in many of these households a choice must be made between heat and food. No family should have to make this sort of decision. We must guarantee a basic standard of living for all Americans. No one should be deprived of minimum levels of heat and light, food, housing, and medical care.

This bill will require the Secretary of Health, Education, and Welfare to establish benefit levels that will take into consideration climate, household size, type of fuel used, fuel price, household income, and subsequent price increases in residential energy. Benefits will be set high enough to offset much of the increase in residential energy cost but low enough so as not to induce unnecessary fuel consumption. Each eligible household will receive coupons in amount equal to 30 percent of their utility costs. Funding will be provided by the Federal Government and each State desiring to participate in the energy stamp program must submit for approval a plan of operation specifying the manner in which such program will be conducted within the State.

By Mr. JACKSON:

S. 677. A bill to establish a strategic energy reserve office in the Federal Energy Administration, to create a strategic energy reserve system to minimize the impact of interruptions or reductions of energy imports, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

STRATEGIC ENERGY RESERVES ACT OF 1975

Mr. JACKSON. Mr. President, I am introducing for appropriate reference the proposed Strategic Energy Reserves Act of 1975.

Two years ago I introduced legislation to establish strategic reserves. Eighteen months ago, administration spokesmen testified before the Interior Committee that some type of strategic reserve was necessary. Until last month, however, the executive branch had never endorsed or proposed a strategic reserve system.

The 94th Congress must act now, on a priority basis, to authorize a strategic reserve.

The concept of strategic energy reserves is simple. The stockpiling of energy supplies provides some degree of protection against unexpected interruptions or reductions of energy imports. And the very existence of adequate reserves can serve as a deterrent to such interruptions or reductions.

The creation and maintenance of strategic reserves—with oil and other energy forms priced at historic highs—will not be cheap. The question must be asked, however, can we afford not to stockpile such reserves?

We had a taste, during the Arab embargo last year, of the economic impact caused by import interruptions. During the first quarter of 1974, when the full effect of the embargo was felt, imports averaged 2.2 million barrels per day below earlier projections. The resulting cutback in petroleum consumption was accompanied by a 7-percent decrease in real GNP, rather than the increase forecast before the embargo.

The relatively short duration of the embargo, coupled with strong energy conservation efforts, kept the impact of the embargo within manageable limits. But a prolonged embargo could have far more serious effects. Obviously, the degree of vulnerability depends on the level of imports. The Project Independence Report, asserting that vulnuerability to import disruptions depends on world prices, concluded that—

> At $7 oil and no new domestic policy actions, imports will reach 12.3 MMBD in 1985, of which 6.2 MMBD are susceptible to disruption. A one year embargo could cost the economy $205 billion.
>
> At $11, imports will decline to 3.3 MMBD by 1985, and only 1.2 MMBD are susceptible to disruption, at a cost of $40 billion for a one year embargo.

Thus, the impact of a future embargo could be serious enough to justify comprehensive—albeit costly—measures to minimize such impacts.

Existing petroleum stocks are clearly inadequate to fulfill the protective and deterrent functions of a strategic reserve. Dr. John Sawhill told the committee last November that within 20 days:

> We would be down to a point where we would be scraping the bottom of the barrel and disrupting our system.

The extent of inventories obviously varies from product to product and from month to month. Realistic definitions of minimum operating inventories leaves us an effective reserve equal to 20 to 30 days of imports. With imports now supplying nearly 40 percent of domestic energy consumption, that kind of margin is too thin for comfort.

The legislation I have introduced today would authorize the immediate establishment of a strategic energy reserve system. This system would be composed of:

First. A national strategic energy reserve including storage of crude oil equal to 25 percent of crude oil imports for 3 months. This reserve could be built up with oil from the public lands, including the naval petroleum reserves.

Second. Industry storage reserves requiring importers of crude oil, residual fuel oil, and refined petroleum products to maintain reserves equal to the highest 3-month level of such commodities imported by him in the preceding 24 months.

Third. Utility storage reserves to be maintained by power stations above a specified size and to be adequate to maintain normal power generation for at least 3 months.

Fourth. Coal storage reserves to equal 6 months of coal consumption to be composed of coal mined by or for the United States from federally owned lands and Federal coal lands from which coal lands from which coal could be mined for consumption within 30 days of an order to do so.

The legislation establishes an overall 5-year period for creating the reserve system. Some components would be completed in less time.

Prior to creation of the reserve, up to 10 percent of readily available inventories could be set aside as an interim reserve.

The legislation also authorizes a prototype storage program to evaluate, within the next year, the problems involved in storing petroleum in geological formations like salt domes. However, in light of existing experience with such storage, a prototype program may not be necessary.

Mr. President, the legislation I am proposing would enable the Government to begin at once the establishment of a strategic reserve system. The legislation proposed on this subject by the administration, on the other hand, offers no assurance that any Government action will take place in the immediate future.

The administration bill sets grandiose goals, but no timetable to meet them. It contains sweeping grants of authority to the President to require reserve storage, with no certainty that such authority will be properly used. The administration bill, carefully read, is nothing more than a prescription for further study and further delay.

Mr. President, the administration opposed strategic reserves legislation 2 years ago, because it felt the subject required further study. Now it is asking Congress to endorse further studies of this subject.

Clearly, the time for study has passed. The need for strategic reserves is well established. We have the capacity to create a workable strategic reserve system. We should now move to do so.

Mr. President, I ask unanimous consent that the text of the proposed Strategic Energy Reserves Act of 1975 be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 677

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Strategic Energy Reserves Act of 1975".

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.—(a) The Congress hereby determines that—

(1) the nation's increasing dependence on foreign energy sources poses a significant threat to the Nation's economy, security, and well-being;

(2) there is a continuing danger that imports of energy supplies will be subject to interruption or reduction for political or economic reasons;

(3) such interruptions or reductions would have a disruptive economic effect, creating hardship for millions of Americans; and

(4) there is a clear need to minimize the impact of such interruptions or reductions through the establishment of a national system of strategic energy reserves.

SEC. 102. DECLARATION OF POLICY.—It is hereby declared to be the policy of the United States to create over a period of five years, and to maintain thereafter, strategic energy reserves in storage capable of replacing energy imports for at least ninety days in order to reduce the impact of interruptions or reductions in imports of energy supplies.

TITLE II—STRATEGIC ENERGY RESERVE SYSTEM

SEC. 201. GENERAL PROVISIONS.—(a) In order to protect the United States economy against interruptions in energy imports and to provide adequate energy inventories for national security purposes there is hereby created a strategic energy reserve system (hereinafter referred to as the "system") for those fuels subject to the provisions of this Act which shall be composed of the following:

(1) national strategic energy reserves;
(2) industry storage reserves;
(3) utility storage reserves; and
(4) coal storage reserves.

(b) There shall be established in the Federal Energy Administration a Strategic Energy Reserve Office (hereinafter referred to as the "Office"). The Administrator acting through the Office shall exercise authority over the establishment, management, and replenishment of the strategic energy reserve system provided for in this Act. The Office shall have a Director appointed by the President with the advice and consent of the Senate.

(c) As used in this Act, the terms "refined petroleum products" means gasoline, naphtha, kerosene, distillates, refined lubricating oils, diesel fuel, unfinished oils, and liquified petroleum gases.

SEC. 202. NATIONAL STRATEGIC ENERGY RESERVES.—(a) There are hereby authorized to be created national strategic energy reserves, which shall consist of crude oil stored in tanks, natural geological formations or otherwise, and a national strategic coal stockpile.

(b) The Administrator is hereby authorized and directed to establish within five years, and maintain thereafter, national strategic energy reserves equal to 25 per centum by volume of crude oil imports for three consecutive months.

(c) For the purpose of this section, the base period for determining the three-month equivalent of 25 per centum of crude oil imports shall be those three consecutive months in the preceding twelve months in which import levels were the highest.

(d) For the purpose of establishing and maintaining the reserves authorized in subsection (b) hereof, the Administrator is authorized to place in storage, transport, or exchange:

(1) crude oil produced from Federal Lands, including the Naval Petroleum Reserves to the extent authorized by law; and

(2) crude oil to which the United States is entitled as royalty from future production upon Federal lands, including the Outer Continental Shelf.

SEC. 203. INDUSTRY STORAGE RESERVE.—(a) For the purpose of creating an industry storage reserve, the Administrator is authorized to require that within five years after the date of this Act, every importer of crude oil, residual fuel oil or refined petroleum products accumulate and thereafter maintain in storage in tanks, natural geological formations or otherwise a strategic reserve for each such commodity equivalent to the highest three-month level of such commodities imported by him in the preceding twenty-four months. Such strategic reserves shall be available for distribution according to the terms and conditions set forth in Title III of this Act;

(b) Within ninety days of the date of enactment of this Act, the Administrator shall review alternatives for financing the industry storage reserve, including but not limited to, financing solely by industry; financing by Government through grants, rebate of import fees, tax credits or other means; and financing through some combination of industry and Government participation, and shall recommend to Congress a program for financing the industry storage reserve that equitably distributes the costs thereof among different regions of the country with regard for the impact on consumers and the need to maintain the competitive viability of all sectors of the petroleum industry.

(c) From the date of enactment of this Act until such time as the industry storage reserves authorized by subsection (a) of this section are complete, a per centum of readily available inventories (as defined in subsection (f) of this section) shall be reserved in storage and dedicated for use as strategic reserves, to be used under the terms and conditions set forth in title III. Such per centum shall be determined by the Administrator, but in no event shall exceed 10 per centum of readily available inventories;

(d) Every barrel of crude oil, residual fuel old, or refined petroleum products imported and stored in the industry storage reserve shall be exempt from any import license fee now or hereafter imposed;

(e) Nothing in this section shall be construed to transfer title of any crude oil, residual fuel oil, or refined petroleum products to the United States or to a third party; and

(f) For the purposes of this Act, the industry storage reserve shall consist of readily available inventories which can be drawn down without affecting the importer's operations at normal capacity. Such readily available inventories shall not include minimum working level inventories or otherwise unavailable stocks.

SEC. 204. UTILITY STORAGE RESERVES.—Within two years after the date of enactment of this Act, all fossil-fueled baseload electric power generating stations with a generating capacity of one hundred million British thermal units or more in an hour shall establish and thereafter maintain fuel reserves sufficient to maintain normal power generation for a period of not less than three months.

SEC. 205. COAL STORAGE RESERVES.—The Administrator, in cooperation with the Administrator of the General Services Administration, is authorized and directed within five years after the date of enactment of this Act, to stockpile and maintain a national strategic coal reserve, equivalent to six months of coal consumption. Such reserve shall consist of: (1) Federally owned coal mined by or for the United States from Federally owned coal lands, and (2) Federal coal lands from which coal could be mined for consumption within thirty days of an order to do so. Lands to be mined or dedicated for this purpose shall be selected by the Secretary of the Interior within six months of the date of enactment of this Act.

TITLE III—ADMINISTRATION

SEC. 30. AUTHORITY OF THE ADMINISTRATOR.—To implement the establishment, management, and replenishment of the system, the Administrator, in furtherance of and not in limitation of any other authority, is authorized to:

(a) promulgate rules, regulations or orders necessary or appropriate to implement the provisions of this Act;

(b) acquire by purchase, condemnation or otherwise, land or interests in land for the location of storage and related facilities;

(c) construct, purchase, lease or otherwise acquire storage and related facilities;

(d) use, lease, maintain, sell or otherwise dispose of storage and related facilities acquired pursuant to this Act;

(e) execute any contracts necessary to carry out the provisions of this Act;

(f) require that performance under contracts and orders (other than contracts for employment) which he deems necessary or appropriate to implement this Act shall take priority over performance under any other contract or order and for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preference to other contracts or orders by any person he finds to be capable of their performance, and to allocate materials and facilities in such manner, upon such conditions and to such extent as he shall deem necessary or appropriate to achieve the objectives of this Act;

(g) cause proceedings, whenever he deems it necessary to implement this Act, to be instituted in any court having jurisdiction of such proceedings to acquire by condemnation, any real or personal property, including facilities, temporary use thereof, or other interests, therein, together with any personal property located thereon or used therewith, that he deems necessary to achieve the objectives of this Act;

(h) waive application of the provisions of the Federal Property and Administrative Services Act of 1949, as amended, with respect to procurement necessary for the purposes of this Act, if he finds it is in the national interest to do so;

(i) order the use of all or any part of the strategic reserves established pursuant to this Act, when imports of crude oil, residual fuel oil, and refined petroleum products have fallen significantly or will within thirty days in his judgment, fall significantly below existing requirements for such imports, resulting in an existing or prospective shortage of at least 10 per centum of import requirements.

(j) require that the replenishment of depleted reserves is accomplished expeditiously; and

(k) establish price levels and allocation procedures for the national strategic energy reserves created pursuant to sections 202 and 205 of this Act but nothing in this Act shall be deemed to authorize the Administrator to exercise such authority with respect to the industry and utility storage reserves created pursuant to section 204 of this Act.

SEC. 302. CONDEMNATION PROCEEDINGS.—

Before any condemnation proceedings are instituted pursuant to this Act, an effort shall be made to acquire the property involved by negotiation unless, because of reasonable doubt as to the identity of the owner or owners, because of the large number of persons with whom it would be necessary to negotiate, or for other reasons, the effort to acquire by negotiation would involve, in the judgment of the Administrator, such delay in acquiring the property as to be contrary to the national interest. In any condemnation proceeding instituted pursuant to this section, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under the first section of the Act of February 26, 1931 (46 Stat. 1421), providing for such declarations. Unless title is in dispute, the court, upon application, shall promptly pay to the owner at least 75 per centum of the amount so deposited, but such payments shall be made without prejudice to any party to the proceeding. Property acquired under this section may be occupied, used, and improved for the purpose of this Act prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended.

SEC. 303. STRATEGIC ENERGY RESERVES FUND.—There is hereby created in the Treasury of the United States a strategic energy reserves fund. All import fees levied on petroleum imports shall be paid into such fund. Such fund shall be used for the creation and maintenance of the national strategic energy reserves created by sections 202 and 205 of this Act.

SEC. 304. DISCLOSURE, INSPECTION, INVESTIGATION.—(a) Every importer or user of fuels subject to the provisions of this Act shall prepare such accounts, records of cost-accounting procedures, correspondence, memorandums, papers, books, and other records as the Administrator may by rule and regulation prescribe as necessary or appropriate for purposes of the administration of this Act.

(b) The Administrator shall at all times have access to and the right to inspect and examine all producing, transportation, storage, refining, or processing facilities, and all accounts, records, and memorandums of persons subject to the provisions of this Act; and it shall be the duty of such persons to furnish to the Administrator, within such reasonable time as the Administrator may order, any information with respect thereto which the Administrator may by order require.

SEC. 305. PETROLEUM STORAGE PROTOTYPE PROGRAM.—(a) To evaluate the practicability of and to identify the problems attendent upon the storage of petroleum in mines, salt domes, or other geological formations, the Administrator is authorized to establish a prototype program for such storage. This program shall provide for the actual storage if necessary to achieve the purposes of this Section, of such volumes of crude oil, residual fuel oil or refined petroleum products as may be required for test and evaluation purposes in not less than one but no more than three mines, salt domes, or other geological formations, located onshore or offshore on the Federal lands.

(b) Within one year after the date of enactment of this Act the Administrator shall submit to the Congress a report on the prototype program if any, for the storage of petroleum in mines, salt domes, or other geological formations. This report shall include but not be limited to: (1) description of environmental, technological, and material problems encountered; (2) cost per barrel of petroleum stored; (3) evaluation of the practicability of large-scale, long-term storage of petroleum in mines, salt domes, or other geological formations; and (4) recommendations for and factors to be considered in the development of such a large-scale, long-term program.

(c) The Secretary of the Interior is authorized to claim in kind for the purposes of this section and the Administrator is authorized for the purpose of the establishment of the petroleum storage prototype program required by this section, to transport, exchange, and store incidental to that program such per centum as may be required of all crude oil which the United States owns or is entitled to as royalty oil from future production upon Federal lands, including the Outer Continental Shelf.

SEC. 306. ANNUAL REPORTS.—The Administrator shall prepare, have printed, and transmit to the President and the Congress an annual report summarizing all actions taken under authority of this Act, with an analysis of their impact, an evaluation of their effectiveness in fostering the objectives listed in section 102, and any recommendations he may address to Congress for legislation regarding the matters governed by this Act.

SEC. 307. AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Administrator such funds as are necessary for implementation of the provisions of this Act.

SEC. 308. SEVERABILITY.—If any provision of this Act or the applicability thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

By Mr. BARTLETT:

S.J. Res. 31. A joint resolution proposing an amendment to the Constitution of the United States relating to prayer in public schools. Referred to the Committee on the Judiciary.

Mr. BARTLETT. Mr. President, I am today reintroducing my proposed constitutional amendment that would insure our children their freedom to pray in our public schools.

As you know, Mr. President, it has now been about 13 years since the U.S. Supreme Court handed down its edict which in effect has made prayer in school illegal.

Although 13 years have passed, I have found in my travels around Oklahoma that the Supreme Court decision is still unacceptable to the vast majority of our people. And they cannot understand why their elected leaders have done nothing to change that decision.

We have had hearings, speeches, and talk, but thus far there has been no constitutional amendment brought before this body.

I hope we will not let another session of Congress come and go without action on this measure. The longer we are deprived of the complete freedom to pray the easier it will be to forget the need for this freedom. Our forefathers fought and died to insure us this right. We must not allow the least erosion of the liberties which these patriots fought so valiantly to secure.

By Mr. HOLLINGS (for himself, Mr. MAGNUSON, Mr. HARTKE, Mr. WILLIAMS, Mr. HUMPHREY, Mr. HATHAWAY, Mr. CHILES, Mr. STEVENS, Mr. TAFT, Mr. BUCKLEY, Mr. THURMOND, Mr. JOHNSTON, and Mr. BEALL):

S.J. Res. 32. A joint resolution to authorize and request the President to issue a proclamation designating the month of October as "National Fish and Seafood Month." Referred to the Committee on the Judiciary.

Mr. HOLLINGS. Mr. President, today I am introducing a joint resolution calling for the designation of the month of October of this year and October of each succeeding year as "National Fish and Seafood Month."

As this Nation begins the celebration of its 200th year of progress and independence, we have a most appropriate time to honor America's oldest industry.

The American fish and seafood industries produce more than 5 billion pounds of fish and shellfish annually from our oceans, lakes and rivers, providing food and nourishment for citizens in all walks of life.

As a rich source of protein, fish represent a vital contribution to a nutritious, yet economical, diet in these days of inflation. Nutritionists and medical authorities are strong in their belief that marine and aquatic protein represent a valued element in the American diet and a much-needed weapon in the fight against world hunger and malnutrition.

Yet, despite the historical contribution of commercial fishing and of seafood processors to the American Nation, these endeavors have been experiencing troubled times in recent years.

As was pointed out in connection with Senate Concurrent Resolution 11, passed during the 93d Congress:

It is almost sunset for seafood operations in our Nation.

In the resolution, it was noted that, while the world catch has doubled over the past 10 years, that of the United States has declined and we have plunged from first to sixth place in seafood production.

It is obvious that increased attention is needed for this great industry which is vital to the American diet and to its economy.

To illustrate a point, one has only to look at the budget allocation for developing the potential of protein from our lakes and oceans and its relationship to other national programs. Out of a total Federal budget of more than $300 billion, the National Oceanic and Atmospheric Administration—NOAA—is allotted some $400 million for its budget. Out of this, National Marine Fisheries Service—NMFS—receives some $44 million or a little more than 10 percent of the NOAA budget. The point is quite simple. We believe that the two primary American priorities that must be dealt with in the future are energy and food, yet we see that aquatic protein is virtually ignored in our American budget.

NMFS has begun development of an industrywide national fisheries plan to be aimed at rehabilitating the U.S. marine fisheries. In addition, the National Ocean Policy Study group, of which I am chairman, is examining all aspects of our Nation's need to develop a comprehensive plan to guide future American use of the ocean and its resources.

This action is an important one now and will become more important in the future when the proposed extension of U.S. fisheries jurisdiction and conservation of coastal marine species becomes a reality. When that comes about we will have to mount an even greater effort at rebuilding our fishing capability in order to make full use of the seafood resources off our shore—resources currently largely harvested by subsidized foreign fleets.

To reiterate, our fishermen and their allies in the food industry can provide a valuable service in our efforts for a balanced economy and our fight against inflation.

Recently, our distinguished First Lady, Mrs. Gerald Ford, said over nationwide television that she was serving more fish at the White House in her efforts against the costly inroads of inflation. We applaud this individual act to call attention to the nutritional and economical value of seafood in the American diet.

But let us look at the broader aspects of this fight. At the recent White House Conference on Inflation, the National Fisheries Institute presented its position thusly:

Increased productivity is the overwhelming answer as the single most important tool to defeat inflation worldwide. As productivity increases, employers can increase wages without increasing prices . . .

American fishermen have suffered greatly from poor productivity . . . Inactivity and disregard for the problems these individuals face has left the United States with a fishing fleet so antiquated as not to attract badly needed public or private investments. This has happened to American fishermen while highly advanced foreign fleets literally vacuum fish from the sea up to twelve miles from our shores.

Steps must be taken . . . to conserve and manage stocks of fish, particularly those whose very existence is threatened by the current trends of overfishing. Failure to recognize the immediate need for application of sound management and conservation principles will cause an important renewable food and still economical protein source to become an expensive delicacy.

Once the appropriate measures to protect our living marine resources have been taken, a reallocation of capital must be effected to the benefit of the U.S. fishing fleet to enhance productivity. Only in this way, can we, as a Nation, take full advantage of the valuable and renewable fisheries in the waters off our coast.

In short, there are a number of factors to be considered in our efforts to strengthen the capacity of our fishermen to serve the American need for increased supplies of protein.

We need to press forward with vigorous programs of environmental protection and improvement for the fisheries industry, and we need to encourage the growth and development of all aspects of our fisheries enterprises.

We need to increase support for the management of all fisheries on the basis of adequate scientific information in order to maximize the sustainable harvest of all species.

In addition, we need a thoroughgoing educational campaign to foster the utilization of unused species and of portions of our seafood catch that now are being wasted. The current loss of protein in the processing of blocks and fillets is a vast waste of an invaluable national resource.

We also need to look at our regulations—in harvesting, transportation, and processing—to bolster the beneficial ones and to eliminate those which constitute barriers to our progress.

And, lastly, we need to encourage aquaculture—an area in which our scientists are developing methods to augment our natural fishing industry. These endeavors are in keeping with the innovative spirit that has helped make this Nation great.

Mr. President, all the elements above are included in work now taking place in the National Ocean Policy Study and the Commerce Committee's Subcommittee on Oceans and Atmosphere. We plan to examine, early in this session, the proposed national fisheries plan and make recommendations which will enable the Nation's oldest industry, once again, to afford maximum benefits to this great Nation and to its people.

And so, Mr. President, what more appropriate time than on the eve of the observance of our 200th year, is there for saluting America's oldest industry—one that has contributed greatly to the health of our people and to the welfare of our economy in the past—and for mounting a cooperative effort to enable the fish and seafood industry to renew itself and redouble its contributions to our great society.

I ask unanimous consent that the text of this resolution appear at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 32

Whereas the fishing industry and its related segments is the oldest continuous industry in these 50 States; and

Whereas fish and seafood provide a readily available protein resource for feeding Americans of all walks of life; and

Whereas this rich protein resource could be a potent weapon in the war against world food problems; and

Whereas the United States fishermen and their allies in the food industry produce more than five billion pounds of fish and shellfish annually to provide a major source of natural food to enrich each American's diet; and

Whereas the total water resources surrounding and within the United States of America are capable of producing an even greater abundance of nutritious, wholesome seafood products; and

Whereas the President's Advisory Committee on Oceans and Atmosphere, coincidentally with the Nation's 200th birthday celebration, has recommended the launching of a national fisheries plan aimed at rehabilitating United States marine fisheries; and

Whereas, the nation's fishermen and seafood processors consist of a large group of independent businessmen who represent the best in the American tradition of individual endeavor in their goal of producing food for the American people and the world's hungry; and

Whereas, it is appropriate to honor the nation's oldest industry while saluting the 200th anniversary of this nation; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of October in 1975 and in each succeeding year as "National Fish and Seafood Month", and calling upon the people of these United States and interested groups and organizations to observe such month with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 28

At the request of Mr. Moss, the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. CASE), and the Senator from Washington (Mr. JACKSON) were added as cosponsors of the bill (S. 28) to amend the Internal Revenue Code of 1954 to provide a credit against tax, or in the alternative a deduction, for energy conserving residential expenditures.

S. 294

At the request of Mr. BIDEN, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the bill (S. 294) to amend the Internal Revenue Code of 1954 to increase the effectiveness of the minimum tax for tax preferences.

S. 295

At the request of Mr. BIDEN, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the bill (S. 295) to amend the Internal Revenue Code of 1954 to eliminate percentage depletion for oil and gas wells over a 3-year period.

S. 296

At the request of Mr. BIDEN, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the bill (S. 296) to amend the Internal Revenue Code of 1954 relating to the application of the foreign tax credit to taxpayers engaged in the extraction, production, or refining of oil or gas in foreign countries.

S. 426

At the request of Mr. HOLLINGS, the Senator from Minnesota (Mr. MONDALE), the Senator from Utah (Mr. Moss), the Senator from Delaware (Mr. ROTH) and the Senator from Connecticut (Mr. WEICKER) were added as cosponsors of the bill (S. 426) to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes.

S. 548

At the request of Mr. PROXMIRE, the Senator from Kansas (Mr. DOLE) and the Senator from New York (Mr. BUCKLEY) were added as cosponsors of the bill (S. 548) to prevent the Food and Drug Administration from regulating safe vitamins and minerals as dangerous drugs.

SENATE JOINT RESOLUTION 21

At the request of Mr. HOLLINGS, the Senator from Texas (Mr. TOWER) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of the joint resolution (S.J. Res. 21) to authorize and request the President to issue annually a proclamation designating February of each year as "National History Month."

SENATE JOINT RESOLUTION 26

At the request of Mr. PASTORE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the joint resolution (S.J. Res 26) proposing an amendment to the Constitution of the United States providing for a special

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election for the offices of President and Vice President when an individual who has been appointed Vice President succeeds to the Presidency.

SENATE CONCURRENT RESOLUTION 18—SUBMISSION OF A CONCURRENT RESOLUTION REFERRING TO THE CONDUCT OF MONETARY POLICY

(Referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. PROXMIRE (for himself, Mr. HUMPHREY, Mr. ABOUREZK, Mr. BAYH, Mr. BUCKLEY, Mr. CRANSTON, Mr. HASKELL, Mr. LONG, Mr. MCGEE, Mr. MCGOVERN, Mr. MONDALE, Mr. RIBICOFF, Mr. TUNNEY, and Mr. WILLIAMS) submitted the following concurrent resolution:

S. CON. RES. 18

Whereas Article 1, Section 8 of the Constitution provides that Congress shall have the money power, namely ". . . to coin money and regulate the value thereof," and

Whereas Congress established the Federal Reserve Board as its agent, and delegated to its agent the day to day responsibility for managing the money supply, and

Whereas the United States economy is now suffering from excessively high unemployment and a decline in production and the gross national product, together with inflation, and

Whereas the substantial budget deficits anticipated during fiscal years 1975 and 1976 could result in substantially higher interest rates and a reduced supply of mortgage credit in the absence of reasonable growth in the money supply, and

Whereas Congress has received expert evidence that the economy's performance is affected by changes in the rate of growth of the money supply; Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States hereby directs its agents, the Board of Governors of the Federal Reserve and the Federal Open Market Committee to

(i) take appropriate action in the first half of 1975 to increase the money supply at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery; and

(ii) maintain long-run growth of the money supply commensurate with the economy's long-run potential to increase production, so as to effectively achieve the goals of maximum employment and stable prices.

Pursuant to this directive, the Federal Reserve shall consult with Congress at semiannual hearings before the Committees on Banking about its money supply growth targets and other monetary policy actions required in the upcoming six months.

CHANGE IN MONETARY POLICY NEEDED

Mr. PROXMIRE. Mr. President, I am introducing today a resolution along with Senator HUMPHREY and other Senators directing our agents, the Board of Governors of the Federal Reserve and the Federal Open Market Committee, to follow certain guidelines in conducting monetary policy so that we quickly reverse the still deepening recession and achieve both maximum employment and stable prices over the long run. A turn around in monetary policy is of equal importance to the tax cut in stimulating the economy. In fact, the effect of any tax reduction could be entirely canceled out if the Federal Reserve continues its supertight monetary policy. That is why this resolution is so important to the Congress and the country.

The Federal Reserve System was established by the Congress to manage the Nation's monetary policy. Ultimate responsibility resides in the Congress, where it was vested by the Constitution. Proper exercise of this responsibility requires that Congress provide meaningful policy guidelines for the conduct of monetary policy and exercise close and continuing oversight of its implementation. The Federal Reserve Act, as amended, provides neither meaningful guidelines nor specifies a procedure whereby Congress can oversee monetary policy in an orderly way.

EXISTING GUIDELINES AND OVERSIGHT

The Federal Reserve Act empowers the Federal Open Market Committee, using the facilities of the New York Reserve Bank, to conduct open market operations. The act also empowers the Board of Governors to review and determine discount rates established by Reserve banks, to change member banks' reserve requirements and to regulate ceiling rates on savings and other time deposits. There are four passages in the law which relate to the Federal Reserve System's monetary policy powers. They allude to "accommodation" of commerce, business, or industry, and agriculture; to the "maintenance of sound credit conditions" to "the general credit situation of the country"; and to the prevention of "injurious credit expansion or contraction." These criteria are ambiguous and archaic. New guidelines are needed, ones that are clear and meaningful for conducting monetary policy in our modern economy to achieve both maximum employment and stable prices.

Congressional oversight of Federal Reserve actions also needs to be changed. Currently, oversight is carried out almost haphazardly. As a result, the Federal Reserve often pays inordinate attention to views that are not necessarily representative of the entire Congress. On the other side of the coin, the Congress receives information about monetary policy only irregularly and most never in time to be useful in formulating its fiscal and other economic policies

Our resolution will correct these deficiencies. It provides meaningful guidelines both for our present depressed economy and over the long term, and also establishes a procedure for regular oversight hearings.

The resolution calls for substantially stepping up the rate of growth of the money supply in the first half of 1975 in recognition of the need to facilitate recovery from the present still deepening recession. This is our immediate objective. Our long term objective is to achieve both stable prices and maximum employment. To accomplish this, the resolution calls for money supply growth commensurate with our economy's long term potential to increase production. Pursuant to these guidelines, the resolution directs that the Federal Reserve Board consult with the Congress about its upcoming policies at semiannual hearings before the House and Senate Banking Committees.

MONETARY POLICY IN THE CURRENT ECONOMIC PICTURE

In the past year we have experienced double digit inflation, depressions in the housing and automobile industries and rising unemployment nationwide. The outlook for this year is equally grim. Though inflation is expected to taper off somewhat, the administration forecasts that unemployment will average more than 8 percent. Indeed, the unemployment rate has already climbed to 8.2 percent in January, the highest level since 1942. Monetary policy errors, as evidenced by erratic changes in the growth rate of the money supply—and also other monetary aggregates—have helped to bring about this sorry state of economic affairs. Monetary policy has not been the only factor of course. Long delayed depreciation of the dollar against other major currencies in late 1971 and early 1973, budget deficits totaling nearly $40 billion in 1971 and 1972 followed by a reduction to $6 billion in 1973 and to less than $3 billion in the first 3 quarters of 1974, widespread droughts and crop losses in 1972 and 1974, and the OPEC imposed increases in the price of oil in late 1973 and 1974 were events that caused major price and production changes in our economy. Erratic changes in the growth rate of the money supply compounded the destabilizing impact of these events.

Proper management of the Nation's money supply would assure that in future years, whatever else goes wrong, at least the creation of new money would be at a rate which operated to mitigate, not magnify, perverse trends in prices, interest rates, production, and employment.

MONEY SUPPLY IN THE RECENT PAST

From 1948 to 1964, money supply growth resembled a roller coaster titled slightly downward. From 1965 until now it looks like a roller coaster angled sharply upward. In the last 10 years the growth rate of publicly held currency and demand deposits—which together comprise our money supply—have increased and decreased around a rising trend in four distinct cycles. The most pronounced rise and fall have occurred in the latest cycle, which yet endures in its falling phase. During this cycle we have experienced both extremely high and extremely low rates of growth of the money supply. From mid-1972 to mid-1973, the money supply grew 9 percent, the highest 12-month rate of growth since World War II. From mid-1973 until now the growth rate has fallen sharply, and during the last 6 months, was at an annual rate of only 1 percent, one of the lowest six month growth rates since 1948 and representing the sharpest turnaround since that time.

These erratic shifts in the growth rate of the money supply have contributed to our recent economic instability. They have helped to generate waves of inflation and recession, one after the other, and sometimes overlapping. Each wave of inflation has been more virulent than its predecessor, reflecting—in part—the upward drift of new money creation, and similarly, each recession has been deeper and longer than its predecessor, reflecting—in part—increasingly sharp and prolonged decelerations in money supply growth. Let me add at this point that all other monetary aggregates exhibit the same roller coaster with upward drift growth pattern, and most recently, the growth rates of all have decelerated sharply.

IMMEDIATE OBJECTIVE OF THE RESOLUTION

The immediate objective of economic policy must be to reverse the still deepening recession and mounting unemployment, which stands now at more than 8 percent. If we are to reverse the recession and achieve our legislated employment and housing goals, we must, in the months immediately ahead, have substantially faster money supply growth than the Federal Reserve allowed in recent months. Though it was necessary to slow the growth of the money supply from the peak rates of 1972–73, it was a tragic mistake to cut the growth rate nearly 8 percentage points in just 19 months from mid-1973 until now. Because of the resulting shortfall in the public's money holdings there is urgent need to step up the rate of growth of the money supply in the first half of this year very substantially above the recent rate. Part (i) of the resolution recognizes this need and directs the Federal Reserve to increase the money supply during the first half of 1975 "at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery." It is vital to the 7½ million unemployed workers and their families that this be done.

THE LONG TERM OBJECTIVE

At the same time it also is vital to make sure that the speedup of money supply growth is not overdone, as it was in 1972 and 1973. We cannot allow the Federal Reserve authorities to generate a new and more virulent wave of inflation. But based on past experience, as the recent history of money supply growth so clearly shows, we cannot be sanguine about their willingness not to do so. Part (ii) of the resolution provides a safeguard against their doing so. It requires that over the long run money supply growth be maintained "commensurate with the economy's long-run potential to increase production." This guideline will help the Fed resist any future political pressure either from the White House or the Congress to overaccelerate to achieve short run gains at the cost later on of still another round of inflation, high interest rates, recession.

PROVIDING FOR ORDERLY OVERSIGHT

It is time to recognize that the men to whom Congress gave responsibility for the day to day management of monetary policy need meaningful guidelines and systematic oversight. Parts (i) and (ii) of the resolution provide the guidelines. Pursuant to these directions, the resolution establishes a procedure for routinely and regularly overseeing Federal Reserve policy. Specifically the resolution states that—

The Federal Reserve shall consult with Congress at semiannual hearings before the Committees on Banking about its money supply growth targets and other monetary policy actions required in the upcoming 6 months.

Regular consultations on the targets of monetary policy within the framework of the guidelines would assure that those who have responsibility for the day-to-day management of monetary policy are held accountable by the Congress for their actions, and assure at the same time, that Congress as a whole and not just individual members influences the formation and implementation of monetary policy. Let me also say in this connection that in the West German Federal Republic, the free world's strongest and most stable economy, the Central Bank now follows a similar procedure of disclosure and consultation to what the resolution proposes. It has not hurt the value of the mark, led to speculative excesses or gains, or in any way hurt the West German economy. Rather, the procedure has helped achieve economic stability in West Germany and it would do so here. In particular, it would accomplish this by permitting all economic units, households, investors, producers, and governmental units including the Congress, to formulate their plans and policies without having to play Russian roulette with future Federal Reserve policy.

CAN CONGRESS DO THE JOB?

Mr. President, I recognize there are those who feel that Congress does not have the capability to oversee monetary policy. Monetary policy is said to be too complex for the Congress to understand and should be left entirely to the Federal Reserve. Others have argued that Congress has a persistent inflationary bias and that if we had a voice in monetary policy we would always be in favor of an excessive expansion of the money supply. Let me respond to these fears.

First of all, it is not true that the central issues in monetary policy are beyond the comprehension of the Congress. Fiscal policy is equally complex but we have not delegated our spending or taxing powers to the President or an independent agency. As a matter of fact, we now recognize the need for an integrated approach in spending and tax matters and are beginning to reassert our authority over fiscal policy through the Congressional Budget Control Act of 1974. Under this act, Congress will be required to consider and debate very complex issues in economic policy. I believe the time has come for a similar reassertion of our monetary powers. I simply cannot believe that monetary policy would not be improved by the Federal Reserve systematically consulting with the Congress to receive the advice of the entire membership. If we have learned anything in the last few years, it is that so-called experts always can benefit from the views of the Congress. It is time to recognize that this is not Plato's Republic but the United States of America. It is time that we in the Congress rid ourselves of our institutional inferiority complex.

To be sure, the average Member of Congress may not have a deep knowledge about some of the details involved in conducting monetary policy. This is why we have delegated the day-to-day management of the money supply to the Federal Reserve. But monetary policy is more than a technical exercise in money and banking. In regulating the growth of the money supply, it is sometimes necessary to balance competing goals. For example, at the moment and over the longer term I see no basic conflict between the goals of stable prices and maximum employment, in a recovery period we might have to choose between taking inflationary risks or failing to do so and risking a full-fledged depression. Such decisions are essentially political. They affect the well-being of every American. We are the elected representatives of the people and are in the best position to reflect their goals and aspirations. The Federal Reserve may be more qualified to handle the detailed execution of monetary policy; but the Congress is more qualified to shape its broad outlines.

Second, it is simply not true that Congress is weak on fighting inflation. We have consistently cut the President's budget request. We also have increased our control over total spending through the Congressional Budget Control Act of 1974. There is no reason to assume that the 535 Members of Congress are inherently biased in favor of inflation as compared to the 7 persons who are appointed by the President to be members of the Board of Governors of the Federal Reserve and the 12 Reserve bank presidents whose appointments are approved by the Board of Governors.

As elected officials, we are accountable to the voters for our actions. When we cast a vote, our political necks are on the line. If we were to direct the Federal Reserve to pursue an inflationary policy, we would soon be out of office. We have to answer to the voters and they are deeply concerned about inflation. Indeed, the resolution recognizes this. It makes stable prices a coequal goal with maximum employment over the long term.

In contrast to the Congress, the members of the Board of Governors of the Federal Reserve are appointed for 14-year terms and are accountable to no one. There are some who applaud this lack of political accountability on the basis of the mistaken theory that monetary policy should be insulated from "political pressures." This ivory tower view of monetary policy is wrong both in theory and in fact. The Federal Reserve does not conduct monetary policy in a vacuum. The Fed is subject to a wide variety of backroom inflationary pressures—from bankers who want a more rapid growth in bank reserves to meet loan commitments; from government securities dealers who are against any sharp increase in interest rates; from Treasury officials who want a stable market for Government issues; from White House political aides who want easy money during an election year; from business firms who want bail-out loans from member banks; and from outspoken individual Members of Congress whose monetary views may not be

representative of Congress as a whole. These inflationary pressures are bound to have some influence on the Federal Reserve. I am sure the Fed thought it was following a wise policy in 1972 and part of 1973 when it allowed the money supply to increase at an annual rate of 9 percent. However, I cannot help but wonder whether monetary policy would have been quite as expansionary if the members of the Board of Governors and the Reserve bank presidents had to answer to the voters.

I do not mean to suggest that the Federal Reserve will always be wrong and the Congress will always be right. If Congress assumes a more active consulting role in monetary policy as the resolution envisions, it will undoubtedly make mistakes from time to time, just as the Federal Reserve has made mistakes from time to time. But because we are politically accountable to the voters, I believe that over the long run, our advice will help to minimize future errors in monetary policy.

AMENDMENTS SUBMITTED FOR PRINTING

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—SENATE RESOLUTION 66

AMENDMENT NO. 10

(Ordered to be printed and referred to the Committee on Rules and Administration.)

Mr. RANDOLPH (for himself, Mr. INOUYE, Mr. HART of Michigan, Mr. HATHAWAY, Mr. JACKSON, Mr. JOHNSTON, Mr. MAGNUSON, Mr. MONDALE, Mr. MOSS, Mr. PASTORE, Mr. RIBICOFF, Mr. SPARKMAN, Mr. STENNIS, and Mr. WILLIAMS) submitted an amendment intended to be proposed by them jointly to the resolution (S. Res. 66) authorizing additional expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations.

NOTICE OF BUDGET COMMITTEE SEMINARS

Mr. BELLMON. Mr. President, at the request of the chairman of the Senate Budget Committee, Mr. MUSKIE, I have been asked to announce that on February 18, 19, and 20 the Committee on the Budget will conduct three seminars on critical issues in the 1976 budget. Framed within the three major budget areas, the panels will be devoted to physical resources, human resources, and military-international affairs.

Panelists and committee members will appear in an informal setting to highlight and debate key fiscal policy choices facing the Congress and the country.

These Budget Committee meetings will begin at 9 a.m. in room 357 of the Russell Senate Office Building. The panels will be open to the public.

ANNOUNCEMENT OF SUBCOMMITTEE HEARINGS

Mr. McGEE. Mr. President, about this time last year I had the honor of accompanying Secretary Kissinger to the Tlatelolco Conference, which ushered in the "new dialog" in our relations with Latin America. In retrospect, the much heralded success of that meeting—summed up in the phrase "the Spirit of Tlatelolco"—was to be short lived.

The rhetoric of a year ago has since given way to the reality of today:

The United States has been hauled before a special session of the OAS council;

The nations of Latin America have condemned the Trade Reform Act of 1974; and

The Buenos Aires Foreign Ministers' Conference, scheduled as the next round of the "new dialog," has been postponed indefinitely.

These actions and others, most notably having to do with the issue of Cuba, indicate a dramatic turnabout in our relations with the hemisphere. The whys and wherefores of this situation need to be fully examined.

Mr. President, with this purpose in mind, the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Relations will begin February 21 several days of public hearings on United States-Latin American relations.

The hearings will begin with testimony from three distinguished former Government officials: Jack Vaughn, Sol Linowitz, and Arturo Morales-Carrion, each of whom will provide the subcommittee with an overview of U.S. relations with Latin America. Their testimony will insure a broad perspective on the major issues confronting the nations of this hemisphere.

The following week, the subcommittee will proceed with 3 days of hearings on specific categories of issues: economic relations, special political problems, and regional organizations and agreements. A variety of witnesses will appear on these issues, thus offering the subcommittee a wide range of views in each of these areas.

On the fifth and final day of hearings in early March, Secretary Kissinger has been asked to present the administration's analysis of the primary issues confronting the hemisphere and to discuss overall U.S. policy objectives toward Latin America. By agreement with Chairman SPARKMAN, the Secretary's appearance will be under the auspices of the full committee.

Mr. President, I am confident that a mutually convenient time can be arranged for Secretary Kissinger's testimony in the course of these hearings. His appearance will afford us an opportunity not only to review our policy toward Latin America but, in addition, to discuss with him Congress' role in the making of it. As Members of Congress are aware, the Secretary of State has had a great deal to say in recent weeks about the making of foreign policy. In view of this, my colleagues and I look forward to discussing this matter with him in the context of specific policy issues relating to Latin America. I am sure that such a discussion will help produce a better understanding of our Latin American policy and of the foreign policy roles assigned to the executive and legislative branches of our Government.

ADDITIONAL STATEMENTS

ADDRESS BY SENATOR GOLDWATER AT THE INTERNATIONAL PRINTING WEEK DINNER

Mr. GOLDWATER. Mr. President, on January 21 of this year I was honored by the Printing Industry of New York at their annual dinner held at the Waldorf. My legal assistant, Mr. Terry Emerson, put together my remarks for that evening, and they are so well done and so typical of his dedicated work that I ask unanimous consent that they be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR BARRY M. GOLDWATER

As we mark in 1975 the Bicentennial of major events which led inevitably to American independence—the battles of Lexington and Concord, the convening of the Second Continental Congress, the bravery at Bunker Hill, and the commission of George Washington as Commander in Chief of the patriot armies—I think it is fitting that we should consider tonight the achievements of the namesake of the award with which you have honored me and the contributions which he and his trade have made to the birth of the nation and to its living heritage.

In 1874, the editor of Franklin's Memoirs, John Bigelow, wrote "that there never was a time in the history of our country when the lessons of humility, economy, industry, toleration, charity, and patriotism, which are made so captivating in his pages, could be studied with more profit by the rising generation of Americans than now."

A century later these words hold even greater truth than when written. In our society, with its unbounded challenges and problems, nothing is worth so much as the example and the lessons of an individual, who, having emerged from poverty and obscurity, by self-initiative, labor, sacrifice, and faithfulness to his principles, conquered all adversities and advanced the cause of liberty throughout the world.

Franklin was the oldest of the Founding Fathers by an entire generation, being born in Boston in 1706. His bookish inclination determined his father to make him a printer, and at age 12, he was indentured to serve with his brother James.

When about 16, Franklin entered into an agreement with his brother that if he would give him half the money he paid for his board, he would board himself. Franklin was able to save half what his brother paid him and use this as a fund for buying books. While his brother and the other apprentices went from the printing-house for their meals, Franklin remained there alone using the time till their return for study of famous works, including Locke's "On Human Understanding."

Franklin quickly became proficient in the printing business. He was with James in 1721, when his brother began the fourth newspaper to appear in America, the New England Courant.

It was at this time that Franklin, a 16-year old apprentice, experienced at first hand the arbitrary powers of government. One of the pieces which James published in the Courant criticized the government for inaction against pirates operating off the coast of Rhode Island and gave offense to the Colonial Assembly.

James was taken up, censured, and imprisoned for a month, until the Assembly ordered that he should no longer print the paper. This restriction was surmounted by having it printed under the name of "Benjamin Franklin." The paper went on accordingly, under young Benjamin's name, for several months.

In October of 1723, at the age of 17, Franklin embarked almost penniless for New York and then Philadelphia, where he took up work with one of the two printers in the city.

Encouraged by the flattery and false promises of the local Governor, Franklin set forth to England to choose, so he thought, the inventory of a little printing-house with which he was to set up shop in Philadelphia. Arriving in London on Christmas eve of 1724, without a promised letter-of-credit from the Governor, Franklin was able to make the most of his situation by immediately getting into work with the best known London printing-houses.

On occasion, Franklin would carry up and down stairs of his shop a large form of type in each hand, when others carried but one in both hands. In this way, Franklin, who was called the "Water-American," disproved the belief of his British companions at the press who followed a practice of "drinking stronger beer that they might be strong to labor."

Franklin moved from press-work to the composing room, where his uncommon quickness as composing recommended him for being put upon all work of dispatch.

Thus he spent about 18 months in London, before returning to Philadelphia in October of 1726. Once home, it was not long before he set up his own printing-shop. His diligence gained him immediate repute. At the merchant's evening-club, one of the members remarked of Franklin, that "I see him still at work when I go home from club, and he is at work again before his neighbors are out of bed."

In 1729, Franklin acquired a newspaper, the Pennsylvania Gazette, from his former employer, who had stolen the idea from Franklin, but had dismally failed with the project. The Gazette proved extremely profitable under Franklin and he could afford to promote several of his workmen by establishing them with printing-houses in different colonies on agreements of partnership.

Franklin does not mention it in his Autobiography, but he was the first man in America to conceive of the publication of a true magazine. This was in 1740.

At the age of 42, Franklin retired from active participation in his printing business, intending to devote the rest of his life to "philosophical studies." Franklin would continue to be known first as a printer, however, even by himself. In both his self-written epitaph and his last will, Franklin refers to himself as "Benjamin Franklin, printer."

Franklin was still the printer when at age 83, only four months before his death, he complained to Noah Webster in a lengthy letter about the "improvements backwards" of modern printers who adopt styles which render characters less legible. Franklin also admonished Webster "that your Spelling Book is miserably printed."

Franklin enjoyed of course, several imposing careers. He achieved fame not only as a printer, editor and publisher, but as an author, philosopher, scientist, negotiator and statesman.

As to the latter, I would mention that in an address before the printers of New York at your celebration of the 168th anniversary of the birthdate of Franklin, the United States poet and journalist, William Cullen Bryant, remarked that Franklin saw "further into the true province and office of a free government, and the duties of its legislators, than any man of his time."

Bryant said of Franklin that: "He saw and pointed out the folly of governing too much. He saw that it is not the business of a government to do what can possibly be done by individuals."

It was Franklin, the statesman, who in 1754 presented his Albany Plan for the union of all the colonies under one general government; whose arguments against "taxation without representation" before the House of Commons in February of 1766 deserve much credit for the repeal of the Stamp Act one month later; and who in May of 1776 was unanimously chosen to be a Delegate to the Second Continental Congress. Here, his name would become inseparable from the Declaration of Independence.

In the fall of 1776, Franklin, then 70 years old, was sent as a special commissioner to Paris. Thus opened one of the most glorious chapters of his life.

By early 1778, after the Treaty of Alliance between France and the United States had been concluded, everyone in England was urging the Ministery to negotiate a peace with America. Secret ministerial agents attempted to extract from Franklin some basis of a peace short of recognizing the independence of the colonies and to obtain his consent to negotiate separately from our ally, France.

Bigelow writes: "Franklin's brave and masterly deportment under all the temptations held out to him by the English government, his farseeing faith in the ultimate success of the cause upon which he had embarked 'his life, his fortune and his sacred honor,' and his inflexible loyalty to our ally, reflect perhaps as much credit on the American name and lend as much dignity to our national origin as any event of the Revolution."

But Franklin's career as a statesman was not yet over. In 1787, at age 81, he was chosen as a member of the Constitutional Convention, which he attended for five hours every day from beginning to end.

As we all know, the first two months of the session were almost entirely spent in tedious debates about the terms upon which the small States should be associated with the larger ones. It was when the chances of agreement upon this subject seemed to be at their minimum, that Franklin proposed the compromise, which, after some modification, was agreed to and is conceded to have saved the Union—that all States should be equally represented in the Senate and according to their population in the House.

No one else, save Washington, took greater interest in the subsequent adoption of the Federal Constitution than Franklin. He lost no opportunity to commend it to public favor.

The press which Franklin had nurtured served the Country well, both as carriers of public opinion and information regarding the Constitution, and as the medium for arguments which ultimately led to compromises resulting in adoption of the Bill of Rights.

Out of about 100 weekly newspapers then published in the United States, nine out of ten were on the side of ratification. Newspapers of the period undoubtedly deserve a great share of the credit for the remarkable fact that by July 26, 1788, barely ten months after the Convention had closed, eleven States had approved the Constitution.

If the press helped to obtain ratification of the Constitution, it has since helped to serve as its guardian. Supreme Court Justice Potter Stewart instructs us that a free press not only disseminates knowledge, but serves as a check on the three official branches of the government.

But freedom of the press also implies responsibility in its exercise. Even Franklin, in his Autobiography, cautions printers "not to pollute their presses" by printing "false accusations" and "scurrilous reflections" on individuals and governments.

We also have it from Justice Frankfurter, one of the recognized top ten Justices of America, that:

"The press does have the right, which is its professional function, to criticize and advocate. . . . But the public function which belongs to the press makes it an obligation of honor to exercise this function only with the fullest sense of responsibility."

Walter B. Wriston, in remarks before the Commercial Club of Boston, stated that one dimension of the responsibility which the press owes to the public is to correct its lack of "a sense of history which is essential to balance, to perspective and to optimism."

The novelist and Professor of English, Mark Harris, recently concurred that the press "lacks not only a sense of history but even the memory of yesterday."

What the press must understand is that the problems of today did not come upon us suddenly and that there are few instant solutions for repair of these troubles overnight.

Instead of simplifying every matter, artificially constructing everything as happening "today, and establishing a provocative contest out of every human action or statement, the press must bring to the people sufficient good information for the development of a sound public opinion. As Washington once wrote, it is "only after time has been given for cool and deliberate reflection that the real voice of the people can be known."

Difficult matters must be reported as they really are, complex and perhaps incapable of immediate comprehension or answer. So as not to wrongly undermine public confidence, readers must be informed that not all programs and policies, particularly in the realm of foreign affairs, can be justified after the event with absolute precision of proof. There is nothing sinister in the behavior of an official who has acted according to his best prediction of what are in their nature unpredictable events. Nor should the lessons of how the great figures of our past, such as Franklin, handled the grave problems of their day be forgotten.

So, too, the press must recognize that the First Amendment is not the only source of freedom. Freedom of the press itself presupposes the existence of other freedoms and institutions which support that of the press or may be of equal importance to a free society.

For example, in 1972, the Supreme Court wrote:

"The Amendment does not reach so far as to override the interest of the public in ensuring that neither reporter nor source is invading the rights of other citizens through reprehensive conduct forbidden to all other persons."

Freedom of the press also assumes a sufficient maturity so that reasoned criticism will be accepted as such without treating every suggestion for self-reform as if it were a reincarnation of the Alien and Sedition Laws.

I would close with these words of caution because I fear the press is in danger of losing public confidence, not by attacks from without, but by excesses from within.

When newspapers print the most sensitive national secrets with abandon, when every effort by the Republic to protect its basic legal functions is portrayed as being indecent, and when the best public servants among us are denied even that minimum of trust necessary for the effective discharge of their duties, then it is time for the media to reappraise where it, and the country, are headed, and whether the way for each is illuminated by what Franklin would call "a rising and not a setting Sun."

RELEASE OF IMPOUNDED HIGHWAY FUNDS

Mr. STENNIS. Mr. President, I am very pleased at the announcement by President Ford that he is releasing $2 billion in highway funds which have heretofore been impounded.

Putting money into highway construc-

UMI

tion is a very effective way of creating jobs and at the same time making a solid investment for the future. These are the kinds of jobs that create other jobs, in the industries that supply the materials, heavy equipment, vehicles, and so on that are used in highway construction.

I think this kind of action is preferable to the concept of public service employment jobs, because we end up with something susbtantial as a result, although I also recognize the need for public service jobs also.

This decision to build highways is particularly effective because the construction industry is one that has been particularly hard hit by the recession. I would like to see a similar action taken to stimulate the housing industry also.

I note that the President has said that this is to be "first-come-first-served" money—that any State that has projects ready to go and the State share of the money ready can come in and ask for these highway trust funds.

I note also that the President expressed the thought that some priority should be given to missing links in interstate routes and to mass transit. I urge strongly that these suggested priorities not be applied in such a way that money cannot be put into State primary and secondary systems. If the secondary highway system is included, this makes eligible the county and rural highways, which are eligible under present law, to receive a portion of the secondary highway funds.

Mr. President, if spending is to be done to help turn the economy around, the highway system is a good place to do it, and I commend this decision by the administration. My interpretation is that the President's order does include secondary highways which in turn includes rural and county highways as being eligible for a portion of the money. I shall pursue this further in time.

THE BUDGET AND THE PEOPLE

Mr. MOSS. Mr. President, barely 3 months ago President Ford refused to declare the American economy in recession. The administration has since taken a crash course in economic conditions. It learned that in December unemployment was at 7.1 percent and rising, inflation was running at 11 percent and rising, output in constant 1958 dollars had dropped 2.2 percent from 1973 and was declining. Some of the statistics, especially unemployment, have steadily worsened in the interim. What are most staggering, however, are the administration's plans and expectations for the future.

With remarkable candor if nothing else, the White House in its budget proposals admits to planning on hard times for several years. Average annual unemployment, it says, will rise to 8.1 percent in 1975 and drop only slightly to 7.9 percent in 1976. Already 8.2 percent unemployment has been posted for January. The projection means that more than 7½ million individuals will be out of work 18 months from now.

Inflation will rise to 11.3 percent this year and continue at nearly 8 percent through 1976. This estimate includes 2 percent the President attributes to his energy taxes, although most private experts believe these proposals will add from 2.8 to 3.5 percent to the cost of living. In addition, the import tariff on oil, decontrol of "old" oil, decontrol of the wellhead price of new natural gas, and the excise tax on natural gas will cost consumers $50 billion or more, cause perhaps one-half million Americans to lose their jobs, and hobble the country with $10 billion in lost economic output. It is easy to see why the proposed $16 billion income tax rebate is going to have a very small stimulative effect. The Gross National Product, discounting inflation, will decline 3.3 percent in 1975 and only begin to rise, gradually, in 1976.

"COMPASSION" ENDS HERE

On top of fewer jobs and higher prices this year, President Ford insists that Congress cut Federal spending by $17 billion below what it would otherwise be if outlays continued at their present level. A large majority of these reductions affect programs the budget euphemistically calls "human resources." Most, though not all, of these programs will have more dollars to spend, but the inflated dollars will buy less in fiscal year 1976 than they did in 1975. In a world of rising prices, holding a program steady or to a small increase is equivalent to cutting it. In "real" terms, therefore, there may be more money for unemployment compensation but less money for medical care, education, social service; job training, and food and nutrition assistance to individuals.

The poor and the elderly would suffer more than half of the proposed cuts.

Budget Director Roy Ash commented:

It is a question of how well off they should be. In the past 25 years, this country has been more compassionate toward those in need than at any other time in the history of this country or any country.

INCOME

Despite the rapid growth of Government income transfers in the past 20 years, there has been almost no significant redistribution of earned income—let alone of capital and physical assets—since World War II. Increases in social security and other programs remedied our long neglect of a growing segment of the population. They were not compassionate but necessary to prevent an enormous gap between the few wealthy and the many destitute.

Now the administration asks the Congress to put a 5 percent ceiling on all income security increases, not for a year but for 18 months until July, 1976, while the consumer price index is expected to climb some 15 percent. The proposal applies to social security, supplemental security income, disabled coal miners' benefits, railroad and military and civil service retirement, Federal pay, food stamps, and child nutrition programs.

President Ford would also reduce the Federal share of welfare and social service payments from 75 percent to 50 percent in 2 years. In a recessionary period when State revenues are falling, deficits growing, and layoffs and expenditure cutbacks increasing, it is hardly likely that the States can make up the 25 percent difference. It is not even clear that the administration will ask them to do so. The budget document states,

Should the States assume the increased share of the costs, the overall level of available service would remain the same.

In other words, should the States not be able to assume the increased share of the costs, welfare and social service payments to poor people would shrink 25 percent. As HEW Secretary Weinberger concedes,

Many deserving people . . . will have to scale down their expectations.

JOBS AND JOB TRAINING

For job training and public service employment, the budget reduces Federal spending absolutely, not just in "real" dollars. Job training drops $500 million, public employment $50 million in spite of unemployment projections of 8 percent for 2 years. The temporary public service job program would not be extended beyond its December 1975, expiration date and would create only 111,000 man-years of employment, far less than the Congress authorized last year.

HEALTH

The 11 million elderly who receive medical care under medicare have been paying an increasing share of their health care costs in recent years. Medicare is paying correspondingly less—35 percent in 1973 compared to 40 percent in 1969. The administration would accelerate the trend. Premium costs for medicare part B would increase 30 cents to $7 per month beginning in October. The elderly would also pay more for hospitalization—10 percent of the bill, up to $750 for each stay—and for physicians' services.

The attempt to shift the burden of social programs to the States applies to medicaid as well as welfare. The Federal Government contribution would be reduced from 50 percent to 40 percent in the 13 States with the highest per capita income levels. The budget would adversely affect all medicaid recipients, however, by eliminating benefits for dental services.

Absolute cuts are scheduled for venereal disease control, immunization, and rodent control programs and for neighborhood health centers and community mental health centers. These plans run counter to health trends. The proportion of children immunized against polio has declined 3 percent—to 60 percent—since 1972; venereal disease is epidemic in the United States. Real reductions, discounting inflation, would affect health research, education and training, and medical facilities construction.

FOOD AND NUTRITION

The Congress has voted to rescind the administration's regulation raising the price of food stamps to a uniform 30 percent of income, but the budget imposes a 5-percent ceiling on expansion of the program in a time of increasing need. The President's proposals are especially hard on children. They would totally eliminate the school breakfast program—serving 1.5 million children last year—the nonschool food program for children in day care and other institutions, and the special milk program. The school lunch program would serve fewer meals to fewer children in fiscal year 1976 if the administration has its way.

EDUCATION

Total spending for education would not keep pace with inflation. And once again the White House plans drastic cuts in the education impact aid.

A FAIR "DEAL"

A chief architect of this disastrous social policy is leaving the administration. When asked what he had learned during 2 years in government, Roy Ash replied:

I found that decisions are reached by deal making rather than intellectually. By deals I mean deals primarily between Congress and the executive or within Congress. We in the executive branch are relatively pure.

Clearly, purity has gone astray and it is up to the Congress and citizens to work out a fair "deal" for the people.

I believe such a program must include a larger tax cut to stimulate economic growth, to restore workers to jobs, and to help middle and lower income individuals. We should avoid a meat-ax approach to energy conservation, whether by taxes, price increases, quotas, or rationing, when the greater need is for economic recovery. The Wharton School of Finance estimates that a $30 billion tax reduction, without the proposed energy package, would result in more production, more employment, and less inflation than the President's budget. More gradual, long term measures to encourage industrial, automobile, and home energy efficiency would not so seriously compound our present difficulties.

The administration's tough talk of mutual sacrifice conceals the grossly inequitable distribution of their burden among people and among their needs. We should not impose on income assistance ceilings which will reverse the economic gains of the poor, retired, and elderly. Nor should we dump social programs in the laps of hard-pressed State and local governments. Under present conditions, the recipients will be the victims. Not all social spending is equally vital and worthy, no more than is all defense spending. But the President's sweeping cuts in real income must not be allowed to stand.

THE LATE RONALD A. WEBB, FOREIGN SERVICE OFFICER

Mr. LONG. Mr. President, the unexpected and tragic passing of one of America's very capable Foreign Service officers, Ronald A. Webb, who most recently distinguished himself in the field of international maritime affairs, came as a great shock to those who knew and worked with him.

Born and reared in southern California, Ronald Webb, first served his country in the U.S. Army during the Korean war. At the time he had completed 3 years of study at the University of Southern California. Upon discharge from military service, Mr. Webb pursued further studies at Georgetown University and Mexico City College. In 1956, he received a degree in international affairs from the University of California at Los Angeles.

Entering the Foreign Service in 1957, Ronald Webb ably fulfilled a series of assignments in Santo Domingo, the Department of State, and in Paris. In 1969 he received a merit honor award for his outstanding work with the economics section of the American Embassy in Madrid. More recently, he was the Director of the Office of Maritime Affairs at the State Department where he not only formulated and coordinated U.S. international maritime policy efforts, but also effectively represented his country at numerous international conferences and meetings, including the U.N. Conference on a Code of Conduct for Liner Conferences.

Ronald Webb was halfway through an academic year at the Harvard University Center for International Affairs prior to being assigned abroad at the time of the tragedy which ended his life and those of his wife and her mother. I want to extend my deepest sympathy to the members of his family. He is survived by his mother, Mrs. Felita Engle, of Gardenia, Calif.; his children, Peter and Diana Webb, presently of Lexington, Mass.; his stepson, Donald S. Lebow, of Riverside, Calif.; and his brother, Manning Webb, of Los Angeles, Calif.

Mr. Webb served our Nation with distinction, and in the finest tradition of the Foreign Service.

AMENDMENT OF MEAT IMPORT ACT OF 1964

Mr. BELLMON. Mr. President, on behalf of the distinguished Senator from New Mexico (Mr. DOMENICI) who is necessarily away from the Senate today, I ask unanimous consent that a statement by him relating to S. 595 be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR DOMENICI

I am pleased to join with the distinguished Senator from Oklahoma (Mr. BARTLETT) in introducing S. 595, a bill to amend the 1964 Meat Import Act.

This bill will amend the meat import law in the following two ways:

1. The maximum amount of beef imports in any one year would be limited to a total not to exceed 750 million pounds. This is approximately 430 million pounds below today's level and would represent an initial decrease of 36 percent.

2. Future import adjustments would be based on a responsive relationship with a 1969–72 base period.

In his remarks, the Senator from Oklahoma (Mr. BARTLETT) gave the following illustration to show how this bill would work:

"From 1969–72 the percentage of grain-fed slaughter to total slaughter was 73 percent. This 1969–72 period reflects operation of a relatively stable market and is used for the base percentage. Since late 1973 there has been economic adjustment in the beef industry. This has taken the form of increased domestic production of nonfed beef, which must compete with foreign nonfed beef imports. The extent of this adjustment is evident in the fact that fed-cattle marketings in the last quarter of 1974 fell to 60 percent of the total beef slaugher. This represents a 17.8 percent change from the base period. This 17.8 percent decline in fed beef production would then be utilized to further reduce the level of foreign beef imports. Thus, the base of 750 million pounds would be reduced on a quarterly basis by 17.8 percent so that total beef imports for the quarter could not exceed 154.1 million pounds—616.4 million pounds at an annual rate. This compares to 300 million pounds per quarter which would be allowed in under the present Act and represents a reduction of foreign beef imports of nearly 50 percent."

We must keep in mind, Mr. President, that the manufacturing type of beef which we import competes directly with our own increasing production and slaughter of cow and other non-fed beef.

On the domestic side, our calf crop has increased more than slaughter in recent years. This growth has been steady since 1966, with a crop of 51 million in 1974 and 53 million expected in 1975. In 1973, cattle and calf slaughter was 2.9 million head less than in 1972, while the calf crop was growing by 1.3 million head. In 1974, for the first time since 1966, our slaughter increase was greater than the calf crop increase. We can see from these figures that the industry is starting to eat away at excessive cattle numbers. Although we can expect slaughter in 1975 will again be greater than the calf crop increase, these two years' slaughter increases won't offset the numbers build-up in 1973.

If we look at recent figures on the composition of cattle slaughter, they show a decrease in fed slaughter and a sharp increase in non-fed slaughter. In 1974, fed cattle accounted for only about 60 percent of total slaughter, compared with more than three-fourths in 1973. Typically, increased slaughter is depressing prices and will ultimately result in a reduction or at least a leveling off of cattle numbers. However, just as it takes time to build up cattle numbers, it takes an extended period of time to work out of the oversupply.

The large U.S. cattle supplies are only part of a worldwide surplus of cattle and beef. In total, world cattle numbers in 1974 increased by an estimated 15 million head, which includes exporting countries such as Australia. Compounding the problem for the U.S. cattle industry, all major importing nations except for the U.S. have banned or severely restricted beef imports, leaving the U.S. as the only country with its borders wide open for ultimate "dumping" of the surplus.

Many cattlemen share with me a fundamental belief in free world trade. However, as long as other nations involved in world trade of meat do not follow the same policies, as long as every other major importing nation is effectively embargoing or restricting meat imports, I believe we have no other choice but to insist that beef imports into our own country be restrained.

CONSOLIDATED FINANCIAL STATEMENT OF SENATOR AND MRS. ADLAI E. STEVENSON

Mr. STEVENSON. Mr. President, in accordance with my practice, as an officer of the State of Illinois and now the Federal Government, of publicly disclosing all my economic interests, I have prepared the following consolidated financial statement for my wife and myself as of January 1, 1975. As is also my

practice, I update these statements quarterly and copies are available to the public in my Senate offices.

I ask unanimous consent that the following consolidated financial statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Consolidated Financial Statement of Senator and Mrs. Adlai E. Stevenson

Real estate:	
Home, Chicago, Ill.	$90,000
Home, Washington, D.C. (cost)	125,000
One-third interest, residence, Beverly, Mass.	30,000
Interest in farm, Jo Daviess County, Ill.	77,500
Fractional interest, Fisk Building, Amarillo, Tex.	3,200
Fractional interest, 1776 Pennsylvania Avenue, Washington, D.C.	20,000
Fractional interest, 633 Folsom Street, San Francisco, California	12,000
Real Estate—St. Maarten Island	8,000
10 percent undivided interest in real estate, Tiburon, Calif.	66,195
Stocks and bonds:	
12,640 shares, Evergreen Communications, Inc. (publishes Bloomington, Ill. Daily Pantagraph, operates WROK, Rockford, Ill. & WJBC, Bloomington, Ill., owns 10% of Bloomington, Ill. CATV)	164,573
3 shares, Bloomington Broadcasting Corp., Class B, nonvoting	1,500
533 shares, KBA Townbuilders Group Ltd., Tel Aviv	550
34.1 shares, R.R. Leaseholds, Inc.	500
State of Israel Bond	500
Stocks and bonds (market value as at Dec. 31, 1974):	
10,000 Bonds, Baltimore, Md., 6.25 percent, October 15, 1984	10,200
Commercial paper	10,000
250 shares Deere & Co.	10,438
300 shares General Electric	9,600
200 shares Hesston Corp.	4,150
83 shares IBM	13,633
69 warrants Lin Broadcasting Corp.	163
100 shares Pfizer, Inc.	3,175
200 shares Spectra Physics Inc.	1,025
210 shares Xerox Corp.	10,605
705 shares Rowe Price New Era Fund	5,971
Life insurance policies (cash surrender value):	
United Services Automobile Association Life Insurance Co.	1,226
Northwestern Mutual Life Insurance Co.	1,616
Continental Assurance Co.	4,122
Civil Service Retirement System	14,016
Cash: Less current obligations	1,000
Miscellaneous: Personal property, including securities of nominal value, furniture, cars, paintings and clothing	50,000
Total	750,458
Debts:	
Mortgages:	
Perpetual Building Association, Washington, D.C.	74,430
Continental Bank, Chicago, Ill.	14,512
Note payable to Brown Brothers Harriman	9,000
Note payable to Continental Assurance Co.	4,053
Total	101,995

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee. In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *February 7, 1975.*

In reply refer to: I-1080/75.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 75-4, which contains information concerning a proposed Letter of Offer in excess of $25 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF,
Director, Defense Security Assurance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

TRANSMITTAL NO. 75-4, NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE FOREIGN MILITARY SALES ACT, AS AMENDED

a. Prospective Purchaser: Spain.

b. Total Estimated Value: $203,042,220.

c. Description of Articles or Services Offered: F-4E and RF-4E aircraft, spares and support equipment.

d. Military Department: Air Force.

e. Date Report Delivered to Congress: 7 February 1975.

FALLING FARM PRICES

Mr. SYMINGTON. Mr. President, the lead editorial in the January 30, 1975, Washington Post accurately describes the present dilemma faced by both American farmers and consumers.

Food and feed grain farmers are being squeezed between heavily increased costs for fuel and fertilizer needed for production and falling prices for their products.

Livestock and dairy farmers are caught between higher feed costs and investment payments and lower prices. Missouri farmers tell us that today cattle and milk prices are not sufficient to pay feed bills and repay loans. These farmers are losing money by staying in business and are receiving no return for their investment and labor.

The quickest way for farmers to reduce their costs is to reduce production. This will raise prices to the consumer and reduce our exports which bring billions of dollars back to the United States and help pay for our oil imports bills.

The Committee on Agriculture and Forestry started hearings on the 1975 farm bill Monday. Effective agricultural programs are needed for both producers and consumers.

As the Post editorial correctly states:

Higher price supports would be expensive—but not nearly as expensive as the present waves of inflation at the grocery store and of panic on the farms.

I ask unanimous consent that this editorial and four letters from Missouri farmers be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FALLING FARM PRICES

Farm prices have now been falling for three months, tightening the dilemma of American agricultural policy. When farm prices go up consumers are hurt, and inflation at the supermarket triggers cost-of-living increases throughout the whole economy. When prices go down, farmers are hurt and begin to cut back the production on which the government is counting for export sales.

You may have gained the impression that food prices, around 1972, began behaving very differently from the way they had before in the memory of most of us. There is a reason for it. A combination of bad luck and bad policy has wrecked the system that used to stabilize American farm prices. Agricultural markets are inherently unstable, and without government intervention they swing wildly up and down disrupting the whole economy. Until the middle of 1972 the Department of Agriculture carried tremendous stocks of basic foodstuffs and feed grains, which it could sell off if prices began to rise unusually high. If prices began to sink unusually low, the Department gave support payments to the farmers and bought grain for the reserves. The memorable Russian wheat sale of the summer of 1972 removed at one whack most of the nation's wheat reserves. But that huge sale turned out to be only the beginning of the great surge of foreign demand for American food. It was the effect of rising wealth and rising standards of living abroad, amplified by the devaluation of the dollar.

In this country all farm prices, unrestrained by the presence of the traditional reserves, shot up. But if there was now no limit on the upward swing of the cycle, it was also true that the farmer no longer had any protection on the downward swing. The old structure of loans and payments was still legally in effect but, with the erosion inflicted by inflation, the support levels were no longer enough to cover the basic costs of production. American agriculture is again threatened by precisely the classic roller-coaster pattern of boom and bust that the whole intricate and expensive array of farm price supports were worked out in the 1930s to prevent. Farmers liked the new free-wheeling market as long as it wheels higher, but when it turns around—as it did last fall—they see their danger very clearly.

Since October the price of corn, the largest American crop, is down by almost one-fourth. Soybeans and soy meal are down more than a third. What's going on here? Take the example of wheat, which cost $1.50 a bushel until the Russians started buying it in July 1972. By this time last year, the same bushel cost nearly $6. But then, as the year went on, the price sank. The winter wheat harvest starts in late spring, and it looked like a very big harvest. By last May, the price had fallen to $3.50. With last summer's bad weather and heavy exports, supplies tightened up again and by October the price was over $5.

But instead of continuing to rise steeply until late winter, as it did last year, the price of wheat suddenly began to sink in November. It's now down to about $4. The reasons begin with consumer resistance to high prices at the grocery store, and individual shoppers' decisions to cut back on expensive meat. Most of the grain raised in this country goes, not to people, but to animals being raised for the butchers. Since late summer the meat producers have cut back sharply on the number of animals, particularly beef cattle, that they are raising for market. That, in turn, has diminished domestic demand for grain. The consumers' rebellion that started nearly two years ago has now been painfully reinforced by the recession. Cutting back on meat is, for many families, no longer a matter of choice.

Exports, meanwhile, are down a bit because the administration is at last paying attention to their effects and has been leaning on foreign buyers to take it easy. When the Soviet government tried to buy more than three million tons of grain last September, the White House intervened and suspended the sale. Subsequently it persuaded the Soviets to take a smaller amount, a little over two million tons. There appears to have been pressure, less public and formal, on other overseas buyers. Now, with the rapid decline in prices of recent months, the administration currently gives indications of changing direction enough to keep exports at last year's level.

But some of the grain producers are, predictably, pushing for unlimited exports. Last year the administration belatedly instituted a requirement for prior government approval of any significant export sale. Several of the producers' lobbies are angrily demanding an end to this procedure, on grounds that it discourages foreign shipments. But producers should have learned by now that increasing the instability of the market is no answer to their troubles. The Agriculture Department made the latest in a long succession of serious and obvious blunders yesterday when it caved in to the grain lobbies and doubled the size of shipments that can be exported without prior federal approval.

Producers and consumers together now have the strongest kind of interest in a compromise. It would mean a level of federal price supports high enough to ensure farmers of profitable operation at the very high volumes that the nation needs. It means rebuilding national stocks of grain, not only as insurance against an emergency but to dampen further inflationary increases in prices. The intolerable fluctuations were not predictable, but in retrospect the reasons are entirely comprehensible. Higher price supports would be expensive—but not nearly as expensive as the present waves of inflation at the grocery store and of panic on the farms.

STEWARTSVILLE, MO.,
January 15, 1975.

Hon. STUART SYMINGTON,
Washington, D.C.

DEAR HONORABLE MR. SYMINGTON: I sold (gave them away) my dairy cows today, why—Because the milk check would not pay feed cost, electricity—never no wages. I was going in debt, just to milk 8 hours a day—

I have milked for 19 or 20 years. There never was any money in it—but last July, the pay for milk broke $2 a hundred and the heavy losses began.

Washington has become a center of investigation. Everything is being investigated. Chain stores pricing of food has run the gauntlet many times and always come out lily white.

I was only a surface deal. Politicians know only 1 vote in 20 belongs to farmers. So farm clout power is nil.

Chain stores pay the cost of getting public officials elected and public officials are aware of that!

Hundreds of farmers went broke in the beef fiasco. Were we so short of beef that President Nixon had to let all foreign countries export their beef to the U.S.A. free of tariff?

And a year and a half later—It is still free of tariff—coming here to overburden the American beef farmer and cheapen his costly product.

How long—Mr. Senator will our farmers have to live with the words of President Ford in his veto message of 85% parity for milk—"The farmer doesn't deserve any raise and besides it's inflationary."

What does the term inflationary mean?

Rich 1972 beef feeders were so damn broke in 1974, they couldn't buy groceries, after the break—Milk prices won't pay the feed bills—No *wages*, no *profits*, what *so ever*—Is America still a land of opportunity when its farmers go broke feeding the people? Why not investigate the real cause of the Food Economics instead of giving food purveyors all the "lily white" breaks?

STANLEY PAUL.

URBANA, MO.

DEAR SIR: I'm writing you in regards to the Dairymen's situation! When are we going to get some help? The milk check doesn't even pay for the corn we grind in our dairy feed! This is an emergency! If the situation doesn't change soon, all the dairymen will have to go out of the business, thousands already have! We can't even *give* our calves away and we can't afford to raise them! So what choice have we? It doesn't seem like this administration cares about the hard-working dairy men! I *urge* you to do everything in your power to do something quick!

Our expenses are continually rising beyond reason. We have talked to quite a few dairy men around here and they all say they can't afford to buy fertilizer and seed. Both have tripled.

Our health insurance goes up $11.00 starting Jan. 1. Every thing has gone up so much that even at $10.00 a hundred for our milk, we couldn't break even.

Due to the heavy exports of grain to foreign countries must be the reason our feed has gone up so high. If this is the case then the government should *subsidize* our dairy feed. We would greatly appreciate anything you can do to help.

Farmers have been asked by President Ford to produce more. First the farmer has to get something to produce with! Most of the dairy farmers around here can't afford to fertilize this year. Consequently we'll be short of feed for our cows next winter, if we last that long.

My wife and I work from 3:30 AM to 9 PM *seven* days a week. No vacations and no holidays. Don't even have time to visit our neighbors.

With so much Foreign Aid "dished" out it seems to me like we need more "aid" at home!

We just heard prices of gasoline is going up! What next? The slight raise we're supposed to get isn't enough for what we have lost!

Sincerely,

Mr. ROBERT MAGLY.

LICKING, MO.,
January 17, 1975.

DEAR SIR: I am a beef farmer in partnership with my father. We depend on baled hay to winter our cattle. Recently I learned that baler twine costs $34.00 per bale as of January 16, 1975 at the local MFA (Missouri Farmers Association). One year ago February 9, 1974, it was priced at $17.55 per bale at that same MFA. Prior to 1974 baler twine prices hovered around $10.00 per bale.

Farmers were told price hikes were due to shortages, yet supplies never seemed to run out. Everyone was able to get the price inflated twine so was there really a shortage?

I would like to know who or what is behind these outlandish prices. Is this part of a scheme to push cattlemen out of business?

If baler twine manufacturers were able to stay in business and grow when twine sold for around $10.00 per bale, why is it necessary for them to charge 3 to 4 times this amount now?

Please investigate this situation. Farmers have rights, too. Reply requested.

Respectfully yours,

TIMOTHY R. MOLONEY.

RICH HILL, MO., *January 26, 1975.*

Senator STUART SYMINGTON.

DEAR SENATOR: In checking the Cattle on Feed Report, it is down 29%. I was wondering when they were going to use this extra feed grain. If the rest of livestock feed is cut as much as cattle feed it will amount to more than all the exports. They want all out production of grain, then they want to increase the price of fuel, fertilizer and all other products using oil.

It has been less than two years since they wanted all out production of meat. They have never been able to cripple the livestock business without hurting the rest of the economy. I see where Mr. Kissinger is talking war. When you have to kill & cripple people that is too drastic for me.

Very Truly Yours,

F. M. BELL.

ALLOCATIONS FOR PUBLIC SERVICE JOBS

Mr. BEALL. Mr. President, on January 28, the Department of Labor announced allocations for public service jobs programs covered under the Emergency Jobs and Unemployment Assistance Act of 1974. In the case of Maryland, the allocations, based on totally unrealistic unemployment figures from the Bureau of Labor Statistics, were so low as to defy belief. They completely failed to recognize the serious unemployment problem in two areas of my State, the Eastern Shore and western Maryland.

As a result, I called on Secretary of Labor Brennan to utilize discretionary funds to bring this allocation for the two areas up to fair levels.

On January 31, 1975, two counties in the western Maryland consortium, Garrett and Frederick, passed resolutions deploring this situation. I ask unanimous consent that the resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION 1975-1976

Whereas, the citizens of Garrett County have an unemployment rate of 13.9%; and,

Whereas, the President of the United States, Gerald R. Ford, signed into law an emergency bill to provide funding for an expanded Public Service Employment program; and,

Whereas, the Western Maryland Manpower Consortium has been cited as one area of efficiency in hiring people to improve the unemployment rate; and,

Whereas, the Bureau of Labor Statistics of the U. S. Department of Labor recently re-

structured their statistics to reflect a discrepancy in the unemployment rate for Garrett County; and

Whereas, the Garrett County Commissioners have determined that the statistics were arrived at arbitrarily; and,

Whereas, funds for the Western Maryland Manpower Consortium were reduced based on the new statistics of the Department of Labor; and,

Whereas, the Western Maryland Manpower Consortium, under Title VI CETA had their allocation reduced from $1,377,000 to $384,000; and,

Whereas, Garrett County, Maryland, under the new program had their allocation reduced from $192,000 to $50,845 and is presently unable to continue the Public Service Employment program in Garrett County as initially planned and implemented; be it therefore.

Resolved, That the Board of Commissioners of Garrett County oppose the reallocation of Title VI Comprehensive Employment Training Act founds to the Western Maryland Manpower Consortium as a result of the unrealistic figures of the Bureau of Labor Statistics of the U. S. Department of Labor.

RESOLUTION No. 75–1–1

Whereas, Frederick County, Maryland was given a Department of Labor commitment of $323,426 under Title VI of the Comprehensive Employment and Training Act for a period of one (1) year;

Whereas, there was a strong indication from the Department of Labor officials that there would be a second allocation of at least another $323,426;

Whereas, at the urging of Department of Labor officials, all of the positions funded for the first allocation were filled by January 24, 1975;

Whereas, jobs for the second allocation have been developed;

Whereas, Frederick County Chamber of Commerce has committed itself to "Operation Maximum Employment," asking the private sector to share the available work load with those unemployed;

Whereas, "Operation MAV-EM" is designed to be a mutual effort of the private and public sectors based in part on the availability of public service positions;

Whereas, the Department of Labor's actual commitment to Frederick County, Maryland is only $85,378; and

Whereas, forty-one (41) persons currently employed in Frederick County public service jobs will only be employed for ninety (90) days instead of the promised one (1) year maximum because of this service reduction of funding; Now, therefore, be it

Resolved, by the Board of County Commissioners of Frederick County, Maryland, the official governing body of the County, that it deplores the cut in Title VI funding under the Comprehensive Employment and Training Act and its incumbent human suffering, and further

Resolved, That any and all efforts be made to restore public service job funds to at least the level of the first and second preamble clauses.

DANVILLE GAS SHORTAGE RESPONSE

Mr. HARRY F. BYRD, JR. Mr. President, the city of Danville, Va., was threatened with a severe and crippling natural gas shortage this winter.

Because of shortages of supply, the municipally owned Danville Gas Co. announced on December 27 that it would have to cut back deliveries by 55.5 percent. The cutback could have cost 30,000 jobs in industries using natural gas and in other industries that would be affected.

Danville city officials, in conjunction with the chamber of commerce, mounted a campaign for conservation of natural gas for nonindustrial use—principally home heating—which has been an enormous success.

It now appears that Danville will weather the winter without job losses at its major plants. The credit goes to the people of Danville and their dedicated leaders.

The story of Danville's successful conservation effort is well told in two items which have reached me: A communication from the Danville Chamber of Commerce and a New York Times News Service article which appeared in the Washington Star-News and many other newspapers.

The Danville story dramatizes what can be done by way of voluntary conservation of energy.

I ask unanimous consent that the account by the chamber of commerce and the New York Times News Service story be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOW 50,000 DANVILLIANS SAVED 10,000 JOBS AND THE CITY'S ECONOMY DURING THEIR 1974–75 "ENERGY CRISIS"

On Friday, December 27th, 1974, 50,000 Danvillians found themselves with their backs to the wall. Transcontinental Gas Pipeline Corporation (Transco) had just announced a cut in Danville's natural gas supplies of 55.5% effective January 1, 1975. This proposed cut would leave industries without their much needed process gas. Without a guarantee of such gas supplies, four major industries (Dan River Inc., Corning Glass, Goodyear Tire and U.S. Gypsum) would be forced to cease operations and throw approximately 10,000 workers out of a job.

Danville's industrial payroll represents roughly 85% of the City's purchasing power. No city could withstanding this kind of a blow to its economy very long, so Danville got together to—"Save Gas, Save Jobs."

THE PROBLEM

Convincing citizens of Danville our National Energy Crisis (as created by Transco's announced curtailment) is, in fact, real.

Gaining their full cooperation in a program designed to conserve energy on the local level so that local industries could remain in operation, and to overcome general public skepticism created by many conflicting reports and rumors concerning the energy crisis and the cut back on natural gas supplies by the Transcontinental Gas Pipeline Corporation.

OBJECTIVES

1. Bring every citizen of Danville and surrounding county up-to-date on the current energy situation and the local effect resulting from this shortage.

2. Create a public desire to cooperate on a local voluntary energy conservation program.

3. Inspire public enthusiasm to insure continued reduction of personal energy consumption over the winter months in an effort to keep our local industries working—"Save Gas, Save Jobs."

HOW THE PROBLEM WAS SOLVED

Following Transco's announced curtailment plans on December 27, 1974, a meeting of Chamber of Commerce officials, City officials, and representatives of the affected industries, was held to chart a course of action. The Chamber of Commerce assumed the responsibility of urging and organizing a public conservation program through the services of all local news outlets. This consisted of on the scene radio reports and interviews, television interviews and stories, newspaper photos and features, speaking engagements arranged for civic clubs and other organizations. Conferences were established with industrial energy customers, the City and Chamber of Commerce officials on a week to week basis so that all parties could keep on top of a constantly changing situation.

1. A total of $528.66 has been spent on the entire campaign to date.

2. Effective use of public service spots featuring local personalities on all radio stations and the use of public speakers and appearances to answer questions and convey the appeal led to public acceptance, confidence and cooperation.

The City Manager and Executive Vice President of the Chamber appeared on several radio interview programs explaining the day to day situation and asking for community-wide support to reduce natural gas consumption so local industries could keep working and thereby keep Danville working.

Local and Regional coverage—public service spots and news stories used on all local radio stations and throughout local newspapers. The appeal was also carried as news stories on Channel 7 (CBS), Channel 10 (NBC) from Roanoke, Channel 13 (ABC) from Lynchburg, Channel 2 (CBS) Greensboro, and the Greensboro Daily News. Our local news outlets carried day to day stories on the need for continued conservation and the success being generated through conservation measures.

National coverage—ABC from Washington carried a 3 to 5 minute story on their evening news broadcast concerning the City's effort to save natural gas for their industries. The New York Times carried a story on the City's efforts and success with saving gas for its industrial use.

RESULTS

1. Danville's industries and economy are still very much alive, and a relatively safe cushion of a 10% reserve in natural gas has been gained through the conservation efforts carried out by commercial establishments and private homeowners.

2. Gas Department officials credit the voluntary efforts of the general public for a reduction in consumption of natural gas supplies by 13% during the first six days of the campaign in January.

3. Weekly breakfast meetings between the affected industries, Chamber and City officials served to keep the public informed and enthused over the current situation and success of the conservation effort.

4. Federal Power Commission Judge adjusts federal priorities for gas customers because of Danville's cooperative attitude and display to save gas for its industrial customers and citizens.

[From the Washington Star-News, Feb. 3, 1975]

DANVILLE WEATHERING CUT IN NATURAL GAS

(By Douglas E. Kneeland)

DANVILLE, VA.—It's beginning to look as if Danville is going to make it through the winter after all without becoming an economically depressed area.

But it was touch and go there for a while for this old industrial city of 47,000 on the banks of the muddy Dan River in the Piedmont country of south central Virginia.

Before Christmas, Danville seemed to be more than holding its own as recession gnawed much of the rest of the country. The home of Dan River Fabrics, which employs about 8,000 persons in its sprawling plants along the river bank, had broadened its industrial base in recent years with the addition of Goodyear Tire and Rubber, Corning Glass and United States Gypsum factories.

Unemployment then was 4.1 percent, well below the national average of 7.1 percent.

Suddenly, on Dec. 27, Transco—the pipeline concern that supplies natural gas to the Danville Gas Company, a municipally owned utility—informed the city that because of shortages, it would have to cut deliveries by 55.5 percent on Jan. 1, up from a previously announced cut of 44 percent.

"This would have meant shutting our industries down," said James W. Lord, the city manager. "That would have been 9,800 jobs, just like that. Then for every industrial job that goes out, you can figure about two or three in other businesses. You'd be talking about 30,000 people out of work. We couldn't afford that."

The problem was that, under the federal priority system, home heating takes precedence over all industrial uses. But what is known as "process" gas is indispensible to Danville's four major industries.

"We decided we were going to have to do something about it," said Raymond C. Gourley, vice president of Dan River Inc. "Ten thousand people out of work in a city of 47,000 and you've had it.

"It would have looked silly to have gas for homes and nobody having money to pay for it," he said. "It's bad enough to have layoffs but it's worse when they're compounded by shortages, artificial or otherwise."

His use of the word "artificial" reflected a widespread skepticism here as to whether the shortage was real or whether the gas company was merely trying to increase pressure on Washington to decontrol the wellhead price of gas, a move most producers argued would provide an added incentive for more exploration and drilling.

That weekend in late December, city officials and leaders of business and industry huddled in a series of hastily called meetings. The major industries agreed to join the city in hiring attorneys to present a petition to the Federal Power Commission for emergency relief. And it was decided that the chamber of commerce would wage an intensive campaign for voluntary cutbacks in the use of gas for heating by businesses and residents. Meanwhile, the municipal gas company said it would continue to supply the industries as long as possible.

Almost overnight, the whole community seemed to be involved in saving gas. Every hour the local radio stations ran appeals such as, "set your thermostat at 65 degrees and keep Danville working." The afternoon newspaper ran a box on page 1 urging readers to save gas and jobs. The merchants paid for four banners to be strung across the main entrances to the downtown shopping district saying, "business is at 65 degrees, are you? Let's help save jobs."

"I've never seen people cooperating more fully on any program than they have on this," said Albert Koplen, whose father and grandfather were clothing merchants here. "I think the responsibility has been remarkable. They realize that without this vital energy, industry here could just be shut down."

The upshot, according to the city manager, has been that Danville has cut back about 10 percent in its use of gas for heating. In the meantime, Dan River fabrics bought about 1.4 million gallons of liquid propane, which the city converted to gas and distributed among the industries.

THE CONGRESS CANNOT BE BLAMED FOR SECRETARY KISSINGER'S FAILURES

Mr. STEVENSON. Mr. President, now that history has stripped the policies of Henry Kissinger of their pretensions to grandeur and his actions of their pretensions to success, the Secretary is casting the blame upon the Congress.

Congress is blamed for Soviet repudiation of the 1973 trade agreement. Congress is blamed for the fiasco in the eastern Mediterranean. The foundation is being laid so that Congress will be blamed for the inevitable fall of the Thieu and Lon Nol regimes in Southeast Asia.

The truth is that Congress is not responsible for the Soviet Union's repudiation of the trade agreement. In the trade bill which it passed in December, Congress merely codified the "Kissinger compromise" on emigration from the Soviet Union, linking most-favored-nation status and Export-Import Bank credits for the Soviet Union to "assurances" of more liberal Soviet emigration policies. The Soviets then repudiated the trade agreement after revealing that Secretary Kissinger had misled the Congress. There was no Kissinger compromise, according to the Soviet Foreign Minister. Then, instead of defending the United States, Secretary Kissinger blamed Congress and defended the Russians.

In the eastern Mediterranean, U.S. relations are strained with Turkey, Greece, and Cyprus. The Turks are in Cyprus; Greece is partly out of NATO. And Secretary Kissinger blames Congress for having jeopardized the security of the United States by cutting off military aid to Turkey.

The truth is that the fiasco in the eastern Mediterranean is rooted in the administration's support of the now-deposed Greek junta. Congress action in denying further aid to Turkey was occasioned by the Turkish invasion of Cyprus. The Turkish use of U.S.-supplied arms in Cyprus violated the Foreign Military Sales Act, the Foreign Assistance Act, and the agreement under which Turkey accepted the arms. The cutoff should have been automatically triggered. The law of the United States should have been defended, not evaded, by the official entrusted with its enforcement. It should not have been necessary for the Congress to insist upon its enforcement. But Secretary Kissinger sought to reward the Turkish aggressor at the expense of U.S. relations with the new Greek Government and the Makarios government in Cyprus. He defended the Turkish position instead of his own Government's.

If, as Secretary Kissinger contends, our national security is endangered by the halting of arms shipments to Turkey, he could advise the President to exercise the authority granted to him by Congress to continue such shipments by declaring them to be "important to the security of the United States."

In South Vietnam, 500,000 U.S. troops could not assure the survival of the Thieu regime. The truth is that the Thieu regime cannot survive because it is not supported by the non-Communist peoples of South Vietnam. Its enemy is its own people. Had President Nixon and Secretary Kissinger believed their own rhetoric, they might have made possible for the people of South Vietnam a democratic electoral process and a government, perhaps led by General Minh, which governed with popular support instead of U.S. support. Such a government might have negotiated a settlement and accomplished our ostensible purpose; namely, self-determination. But all such proposals for a political settlement have been opposed by President Nixon and Secretary Kissinger. The erstwhile war for self-determination became transparently a war for the perpetuation of a corrupt and oppressive regime. It was the Congress which finally ended the overt involvement of U.S. personnel in Southeast Asia. But now it is the Congress which is to be blamed for the inevitable fall of the Thieu and Lon Nol regimes.

The great Western Alliance is in disarray, a casualty of vest-pocket displomacy, bilateral maneuverings in Moscow and Peking, and neglect. The truth is that the personal diplomacy of Secretary Kissinger, and the Presidents who have served under him, has left little time for U.S. interests in Europe or indeed the remainder of the world. Our relations with Japan, the great power of Asia, have also been strained by neglect.

And everywhere along the odyssey of Secretary Kissinger promises are left behind—along with cash, credits, nuclear reactors and arms. High expectations are excited by such attention and then are disappointed. It is a dangerous method for the conduct of a great power's affairs. Actors upon the world stage dare not be embarrassed, and so they leave something behind—a little treasure here, a little blood there, a little of the Nation's prestige and influence everywhere.

A great power does not pursue its interests with bribes, false promises and gesticulations upon the stage of world opinion.

Détente with the Soviet Union, vaguely defined as both a noble end and a noble process, has been pursued by ignoble means—cash. The United States has given more than $1 billion in concessionary loans to the Soviet Union in 2 years, with nothing as yet gained and everything—from our capital to our wheat to our strategic superiority—lost. The Congress is not opposed to détente; it is opposed to the purchase of détente. It did not cut off Soviet credits, out it did say that before more than an additional $300 million in Eximbank credits can be extended to the Soviet Union, the world's largest oil producer and second richest nation, congressional approval must be obtained. It thereby sought to exercise its constitutional power over the purse.

The People's Republic of China was undoubtedly led by President Nixon and Secretary Kissinger to expect a loosening of the relationship between the United States and the Chinese Nationalists. The Nationalists were undoubtedly led not to expect that, and so both sides, promised too much, are disappointed. Relations with both are now strained. Another of Secretary Kissinger's castles in the air has begun to crumble. The altogether hopeful, long-overdue effort to normalize relations with the People's Republic and break down its isolation in the world, was imperiled by method and style. The President and the Secretary, probably with an eye on the Gallup poll, paid homage in the middle kingdom, under-

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mining by such obsequious and impulsive methods a legitimate purpose and the confidence of friendly Asian nations.

And then to cover the right flank at home, the U.N. was chastised by President Nixon for agreeing with him that there was in fact but one government of China, a government located in Peking. That institution, now much neglected, responds in kind. It was not long ago that the United States spoke with authority in the United Nations.

One might have expected the student of Prince Metternich and advocate of détente with the Soviet Union to accept a concert of nations at Geneva to hammer out an accommodation of the conflicting interests in the Middle East. Instead, the Secretary pursued peace energetically but hopelessly, motivated by the myth of his own personality and indispensability. Once again the means became the ends. The United States offered cash in Syria, arms to Saudi Arabia, nuclear reactors to Egypt and Israel, seeking to avoid humiliation and inevitable failure. A Sinai disengagement, in one stage or two, is relatively easy because all the parties, including the Soviets, want a secure route through the Suez Canal to the Indian Ocean. The next slice of the salami will be hard—because the parties and the issues are all woven together and the Soviets fear U.S. penetration in the Mideast. In the meantime precious time runs out for negotiation and moderation in the Middle East.

Secretary Kissinger's mistake in the Middle East is not the mistake of the Congress. If he heeded the advice of others he would involve the Soviet Union in a multinational negotiating process with all of the Middle East parties prepared to accept the existence of all the others, including, in the proper circumstances, responsible representatives of the Palestinian people. He would share the responsibility and the limelight with the Soviet Union and waste no more time.

It was not the Congress which propped up the Greek junta against tides of history and humanity and caused the fall of Makarios and the Turkish invasion of Cyprus. The Congress is guilty, but only because it went along.

It was not the Congress which intervened in the internal affairs of Chile to help depose a democratically elected government, or aided the now-deposed Government of Portugal to our embarrassment in Portugal and sub-Sahara Africa.

It was not the Congress which tilted to the now-deposed butcher, Yahya Kahn, in the Indo-Pakistani war, estranging the peoples of the world's largest democracy, India, and now the world's seventh largest nation, Bangladesh.

The Congress is to blame for the deterioration of America's position in the world, but not for reasons assigned by the Secretary of State. The Congress is to blame because for too long its members naively applauded the adventures of Henry Kissinger and Richard Nixon. Unwittingly they became part of the personality cult; charmed at dinner parties, dazzled by the disingenuous intellect, always hoping, they went along. They were blinded by the truth, but now in the twilight they see the errors of personal diplomacy and the dangers of liaisons with rotting and totalitarian regimes the world over.

One looks in vain for the vaunted triumphs of Secretary Kissinger in Europe, the Asian mainland, Japan, Latin America, and Africa and finds instead declining U.S. influence. He did not perceive and anticipate the interconnection between economics and politics, now made plain by the oil crisis.

His means without ends prompt convulsive reactions by the United States. The sheiks are kissed on the cheek one day, threatened with war the next. The United States loses credibility because it lacks principle and consistency.

The aggrandizement in the hands of one man of more power than any man could wisely employ causes a dangerous neglect of the future. The Secretary deals with the immediate, jumping from one crisis to the next, rarely preventing them. The Government acts without a vision of the future, an understanding of history and frequently without premeditation. The energy crisis was foreseen by some in the Congress but not by the administration. The long-term consequences of the arms buildup in the Persian Gulf is still not understood or even analyzed. The future is subordinated to the perceived exigencies of the present.

So it is with nuclear proliferation. For the sake of cash sales now, the United States accelerates the proliferation of reactors worldwide. Yet the most serious threat to the peace and stability of the world may be the accelerated, unlicensed proliferation of nuclear technology, ostensibly for peaceful purposes but with nonpeaceful potential made plain by the Indian detonation of its "peaceful" explosive. If the threat of every nation having its own bomb is to be contained it will be contained by U.S. leadership—and soon—or not at all. Congress passed legislation to force the administration to review nuclear safeguards and to prepare for the Nuclear Proliferation Treaty review conference in May. But the President and the Secretary of State are providing no perceptible leadership on that issue in a world desperately seeking dependable and inexpensive nuclear alternatives to undependable and expensive oil.

Almost any foreign policy would be better than none. Given a policy, the Congress and the military might begin to gear military expenditures to our purposes in the world instead of planning expensively for every conceivable contingency. The CIA and all agencies could act with some concert in support of some purpose. The United States has no foreign policy, only the odysseys of Secretary Kissinger, his dreams and secrets. The agencies of Government are cut loose to fend for themselves with little direction or input.

History has overtaken the personal diplomacy of Henry Kissinger. Impressionable Members of the Congress and the press have awakened to the truth: The personal diplomacy of Secretary Kissinger is threatening to make of the United States the apparition Mr. Nixon most feared—a pitiful, helpless giant.

So the Congress is moving ponderously to arrest the decline of the United States in the world by limiting the flexibility of the Secretary. He has forfeited the confidence of many in the Congress. It has no duty to endorse error and repose unlimited authority in the architect of national decline—as, for example, by granting his requested $30 billion blank check on the Export-Import Bank. Reluctantly the Congress is moving, not so much to protect itself from false charges as to protect the Nation from the egocentricity of its Secretary of State.

The time has come for a serious national debate over U.S. foreign policy, its objectives and methods, and the division of authority between the legislative and executive branches.

The Nation requires a foreign policy which allines the United States once again with its principles and with the yearnings of humanity seeking bread and freedom.

When the Secretary recognizes that morality and self-interest can coincide, and gets down to the hard work of foreign policy formulation and implementation, he will earn the confidence of the Congress and the public. When he begins to share power with the institutions of Government established for the conduct of foreign policy in all parts of the globe, his own State Department included, he will earn the confidence of his own branch of the Government.

The Congress is poorly suited for a major role in the formulation and implementation of foreign policy. It is not a role which the Congress seeks. The strong inclination in the Congress is to give the President free rein so long as his power in foreign affairs is not abused and for so long as the judgments are sound. And there lies the rub. The power has been abused, and in the minds of many the judgments have been calamitous. That being so, the Congress is compelled to choose between licensing the continued misconduct of foreign relations or of exercising powers which it is not altogether equipped to exercise. It has no choice except to prevent further miscalculations in the world, as best it can, privately begging for the day when foreign policy is managed by men in whom it can confidently repose authority.

The President is moving commendably to bring men of the highest distinction, untarnished by public failure, into places of high authority. Edward Levi, William Coleman, John Dunlop, as well as the continuing service of James Schlesinger, will all help restore confidence in the probity, as well as the judgment of the executive branch. A Secretary of State similarly endowed—either a Henry Kissinger prepared to share the Nation's power or someone else—could restore confidence at home and abroad in the conduct of the Nation's most vital affairs—its foreign affairs.

THE PRESIDENT'S ENERGY MESSAGE

Mr. MOSS. Mr. President, Mr. B. Z. Kastler, president of Mountain Fuel Supply Co., of Salt Lake City, Utah, wrote to me a few days ago concerning the President's energy message as it pertains to natural gas. Mr. Kastler is a longtime friend of mine and a very effective and able chief executive of Mountain Fuel—which is the natural gas supplier for the State of Utah. Mr. Kastler enclosed with his letter a statement about the problem of natural gas distributors which I think is of interest to all of the Senate. While I do not necessarily endorse everything that Mr. Kastler has set out, I agree with a great deal that he has written and I think his presentation is thoughtful. I, therefore, ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S ENERGY MESSAGE

In connection with the President's energy message as interpreted by the White House "Fact Sheet" (issued by the office of the White House Press Secretary), I earnestly invite your attention to the following:

1. The message is singularly devoid of any mention of problems besetting the natural gas industry (save mention of deregulation of "new" gas), while at the same time being most solicitous of identical problems besetting the electric industry.

On page 39 of the White House Fact Sheet (item II A7), the President proposes only with respect to electric utilities, a host of tax reforms, together with five specific mandated reforms of State Public Utility Commission processes. It is earnestly submitted that the natural gas industry is as vital to this nation's energy picture as is the electric industry and just as badly requires the assistance proposed as does the electric industry. In fact, the natural gas industry may be more vital since it is a primary supplier of energy whereas the electric industry is essentially a secondary supplier. (The Federal Energy Administration "Project Independence" Report states that the electric utility industry utilizes 26% of the nation's energy resources to produce 10% of the nation's energy needs.)

In our service area of Utah alone, Mountain Fuel Supply Company delivers, on a Btu basis, about five times more energy as does our good electric company, Utah Power & Light Company.

While I readily concede the electric utility industry needs investment tax credits, preferred stock dividend deductions and the five regulatory reforms that would expedite, simplify and make regulatory processes more equitable, so does the natural gas industry!

Moreover, any review and report to the President on the entire regulatory process and financial situation relating to electric utilities, as now called for, should not and must not be so limited to the electric utility business, but should apply to all regulated utilities in the energy business—particularly the natural gas business!

Finally, those utilities engaged in the energy business, both electric and gas, also suffer from Federal Regulatory processes which could stand improvement. My company has been visited with many Federal Power Commission mandated or approved increases in the cost of purchased gas (both field and pipeline purchases), given under the laudable banner of spurring exploration for and development of new gas supplies. Yet my company has been before this body for two years in an effort to gain approval of a simple 30-mile pipeline to bring additional supplies of gas we already have to a market that badly needs it. The long delay in the face of repeated urgings has forced us to advise our larger firm customers—for the first time in our history—that we may have to curtail them this winter for lack of this capacity and not for lack of gas. Involved are schools, large commercial buildings, some light industries, etc. Additionally, failure of the FPC to consider the impact of its frequent increases (often given on little or no notice and sometimes even granted retroactively over substantial past periods) has caused distributors such as Mountain Fuel Supply Company not only to file frequent and irritating rate increase applications with State regulatory authorities, but also to go to substantial work constantly redrafting its service schedules, setting up new billing amounts, etc. Moreover, my Company lost several million dollars in revenues in 1974 due to lag of time between when the FPC imposed increases on us and when we, in turn, achieved State permission to collect the increases from our customers. Surely this is not in the public interest and defies reasonable explanation, let alone public understanding.

2. The administration's proposals not only exclude the natural gas industry from the host of tax benefits and regulatory reforms promised the electric industry, but also proposes to visit natural gas customers with a 37¢ per Mcf excise tax! This would almost double some of our rates and would represent a very substantial increase of all of our rates.

The apparent purpose of this large excise tax is threefold:

(a) To encourage conservation of scarce natural gas and discourage low priority uses of natural gas such as for electric generation.

(b) To keep the price of gas in its present relationship to the price of oil, upon which the administration proposes an equivalent excise tax of an additional $2 per barrel. This is deemed necessary partly because much electricity is generated from burning oil and an increase in oil prices will force an increase in electric rates to the point where many electric users will rush to use of cheaper gas for uses readily convertible (such as cooking, home heating and water heating) unless gas, likewise, is increased in price by use of governmentally imposed excise taxes.

The gas excise tax is also designed to force electric generation away from use of natural gas to use of coal.

The trouble with this proposal is that, as previously pointed out, the gas industry is offered none of the tax and regulatory benefits which will be bestowed upon the electric industry, and no proposal is made to terminate the preferred treatment of the electric industry when the desired switch of electrics to coal is achieved. To give these benefits to the electric industry while penalizing the gas industry with an excise tax could well distort the competitive situation to the point where users will find it financially advantageous to use electricity for such uses as home and water heating. This would not only significantly damage a natural gas industry which is as badly in need of help and is as vitally important to the nation's energy needs as the electrics, but would bring about the highly undesirable result of causing switches from gas system heating with an overall efficiency of 60 to 70% to electric system heating with an overall efficiency of 25% to 35%. This is certainly not in the interest of fuel conservation. Moreover, it would place an entirely impossible burden upon electric systems already overtaxed in meeting customer demands. Imagine the capacity needed if we were to disappear and the electrics were called upon to deliver five times the energy they now deliver! Imagine the problems of fuel supply, pollution, siting, water, etc., etc.! Ponder the wisdom of sacking an energy system which is 70% efficient in favor of one 35% efficient!

3. Much is said and implied in the President's message to accomplish conversion of electric plants from scarce oil or gas to coal. Tax and regulatory breaks are offered, the Clean Air Act will be amended, and so forth. However, as coal can be used to generate electricity (at about 28% to 35% efficiency), so can coal be used to produce gas by several gasification processes and at much better conversion efficiencies of between 50% and 70%. Yet, no tax, regulatory or pollution incentives are offered to promote coal gasification, even though the plants require huge capital outlays and can utilize higher sulphur coals with less pollution effect. Certainly if use of abundant coal is to be encouraged as a substitute for scarce natural gas in electric generation, it should receive equal or greater encouragement for use to produce manufactured gas as a quality substitute for scarce natural gas, particularly since the conversion efficiencies are greater!

An energy policy unfairly canted against natural gas (it being the only fossil fuel regulated as to price since 1954) not only resulted in a rush to use and waste this artificially low-priced premium fuel, but also drove out of the picture those persons who explore for and find this resource because the price was kept so low. This caused a screaming emergency in the natural gas industry which has resulted in less gas at much higher cost. The solution now seems to be to abandon regulation in the face of the emergency, and to replace artificially low regulated prices not only with much higher unregulated prices, but with a punitive excise tax thrown in to insure the switch from gas and thereby produce the undesirable side result of effectively crippling or destroying the competitive posture of the gas industry. An even more undesirable side result will be the forcing of many people to use a far less efficient and less sound source of energy from a conservation as well as an environmental point of view. Just as two wrongs do not make a right, neither do two excesses produce an appropriate solution to a problem. We learned long ago that patients dying from the excesses of medieval medicine were not helped much by the process of leeching their blood!

Natural gas now accounts for 30.6% of the total energy supplies of this nation (see Project Independence report). In spite of bad past governmental regulation, the industry is still alive albeit by a narrow margin. The substantial contribution of natural gas to the nation's energy blood stream must not be rubbed out by further governmental excesses. To be sure, the United States can afford to lose some blood, but not 30.6%! Excluding transportation, natural gas supplies 40.9% of the nation's energy needs.

The outpouring of concern for the electric industry is understandable and timely, but the lack thereof for the harder-pressed and more victimized natural gas industry defies both understanding and reason, has no logical basis, and will militate against the objectives of prudent use of energy resources, energy conservation, and ultimate energy independence.

We realize our nation made a serious mistake by keeping the gas baby in the hot bath water of government regulation for over 20 years. I submit it is not now a reasonable solution to throw the baby out with the bath water!

PROPOSED DEFERRAL OF THE OIL IMPORT TARIFF

Mr. GRIFFIN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Ohio (Mr. TAFT).

The PRESIDING OFFICER. Without objection, it is so ordered.

UMI

STATEMENT BY SENATOR TAFT

While I believe that strong mandatory energy conservation measures are essential, President Ford's import tariff is the wrong way to conserve energy at the wrong time. I urge my colleagues in the Senate to vote for the measure which would delay imposition of the tariff for 90 days and cancel that portion of the tariff which has already been imposed.

The import tariff will drain billions of dollars from American incomes, just the opposite of what our economy needs. In recent testimony before the Joint Economic Committee, Charles Schultze of the Brookings Institution testified that by April, the price rise in "new" and imported oil resulting from the tariff would be draining American incomes at a rate of about $10 to $11 billion per year. The President's total energy package recognizes this factor and balances it with permanent tax cuts. However, it is already apparent that the entire energy package, including these tax cuts, will not be acted upon fast enough by the Congress to counteract the added burden of the tariff on consumers' incomes.

There are also good reasons to question the tariff as a means of achieving energy conservation. It is hard to see why American consumers and industries should be forced to pay a higher price for all crude oil than the artificial world price set by the OPEC cartel, which is far too high already. Furthermore, President Ford's energy conservation strategy of raising the price of crude oil would cause serious inflation and dislocation in key industries, possibly without reducing oil consumption enough. Instead, the energy conservation proposals I suggested to the President in a letter several weeks prior to his state of the Union message were more directed to gasoline, because that it is the area of greatest energy waste. At the time, I suggested measures such as gasless weekend days, promotion of fuel-efficient automobiles (which is being done) and possibly a partial rationing or allocation approach in which the use of gasoline beyond individuals' basic needs would be taxed heavily.

In view of the serious concerns and uncertainties with respect to the President's energy proposals and the profound impact which any comprehensive energy program will have, Congress should have ninety days to develop its compromise proposal. Its challenge is to do so.

SENATOR McGEE WINS CONSERVATION AWARD

Mr. HUMPHREY. Mr. President, I was delighted to note that the February 1975 issue of Rural Electrification reported the presentation of the Distinguished Service Award to the National Association of Conservation Districts to my colleague and friend, the Senator from Wyoming (Mr. McGEE).

The NACD award is conferred annually to "an American citizen for significant contributions to the protection and development of the Nation's privately owned natural resources."

This is certainly a well deserved award. Senator McGEE understands the importance of providing adequate funding and investment in order to protect and develop our basic natural resources.

Senator McGEE also deserves credit for challenging President Nixon's impoundment program, which he accurately described as "tearing up the Constitution to balance the budget."

Mr. President, I wish to join in saluting Senator McGEE, and I am delighted at this recognition of the leadership he has provided. I ask unanimous consent that the Rural Electrification article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

McGEE WINS CONSERVATION AWARD

Senator Gale McGee (D-Wyo.) has been presented the Distinguished Service Award of the National Association of Conservation Districts in ceremonies held in Denver, Colo., on Feb. 4.

The top award, conferred annually by the NACD, is given to "an American citizen for significant contributions to the protection and development of the nation's privately owned natural resources."

McGee, who is chairman of the Senate Appropriations Subcommittee on Agriculture, Environmental and Consumer Protection programs, has been particularly interested in the needs of rural America in general and soil conservation programs in particular.

This interest and concern spurred the Wyoming Democrat, in 1973, to challenge then President Nixon's action of impounding congressionally mandated funds for many agricultural programs and termination of others such as the Rural Electrification Administration's direct-loan program and the Rural Environmental Assistance Program (REAP).

At that time, McGee characterized the action as "tearing up the Constitution to balance the budget." The Senator then proceeded to have his subcommittee fashion a new appropriations bill to fund Agriculture, Environmental and Consumer programs during fiscal 1974. He refused to receive Administration witnesses to testify on budget requests, noting: "Last year the Secretary of Agriculture urged my subcommittee to fund every program the President ended up dumping in December.

"At that time, there was not a whisper that we could not afford these programs," he said. "Instead, the President chose to make a mockery of our whole constitutional process by waiting until after the election and until after Congress had adjourned to take the most deliberately deceitful route possible—executive fiat."

The Wyoming Democrat said the only really effective tool to fight the President was the power of the purse. "That is why I am invoking the power of the purse."

McGee is particularly supportive of legislation to control the strip mining of coal and other minerals. He feels that the nation's energy needs must be balanced against the need for environmental safeguards.

He long has advocated more rational planning when it comes to land development, noting that millions of acres of productive farmland in the United States had been destroyed by urban sprawl and mineral exploitation.

"We are entering an era of worldwide food shortages," he said. "Our most valuable resource as a nation is the food productive capacity of our agricultural sector. We cannot abuse one of the most valuable tools available to our farmers' productive efforts—the land."

In accepting the award, the Senator pointed out that his subcommittee had been able to withstand the challenge thrown at it by President Nixon two years ago.

"We have restored soil conservation programs as a major effort of the U.S. Department of Agriculture," he said. "While I am not yet satisfied that we have achieved adequate funding levels for these programs, I believe we have more than held our own in light of the domestic economic problems which are forcing us to tighten our belts in Washington."

SLASHING PROGRAM FUNDS FOR THE ELDERLY

Mr. PELL. Mr. President, President Ford recently proposed that some $42 million be withdrawn from fiscal year 1975 program funds for the elderly. The major portion of that amount, exactly $25 million, would be taken from the title VII nutrition program for the elderly.

I deplore this ill-conceived attempt to slash funds from this excellent and vitally important nutrition program. I can think of no single program which more clearly meets the needs of millions of persons in this country, and which has achieved such immediate and broad-based community support.

In my home State of Rhode Island, the story of the luncheon programs has been heartwarming and encouraging. Fully, 1,000 hot and nutritious meals are served daily, at lunch sites all over the State, in neighborhood centers and in modest storefronts, in churches, and in gymnasiums. The program has drawn enormous community support. Senior aides and CETA employees help to prepare and serve the meals; and the seniors themselves have increased their voluntary contributions, to the breaking point, in an effort to keep the State at the 1,000-meals-a-day level, against the skyrocketing cost of food. The President speaks about belt tightening: the fact is that the elderly citizens of Rhode Island have already used up all the notches in their belts just to keep the program at its current size. They cannot, and should not, be asked to suffer a cutback in meal days, or contribute even more of their small incomes. Where is the logic in holding back on necessary social security increases, as the President proposed, and at the same time cutting supplementary social services, such as the nutrition program? There is no logic in that, only a shortsighted ignorance of the real needs of senior citizens.

The message of the President's proposed rescission is that the elderly can do without. I know, to the contrary, that if additional funds were available, Rhode Island has enough immediate need so that it could expand its lunch program threefold. The President's proposed cuts, on the other hand, would push us back to only 800 meals each day.

Mr. President, I believe that this proposed rescission is totally unacceptable. Under the rules of the Congressional Budget and Impoundment Control Act of 1974, Congress must approve a rescission proposal, if it is to take effect. I will certainly not vote to support this rescission, and I urge my colleagues to do likewise.

IMPROVED EQUIPMENT FOR FIREFIGHTERS

Mr. BEALL. Mr. President, last October, the Congress passed what I consider landmark legislation in the area of fire safety. The Federal Fire Prevention and Control Act for the first time gave major Federal impetus to our national effort to combat fire and its related tragedies, and I was pleased to be a cosponsor of and conferee on this long-awaited legislation.

During our work on the bill, the Commerce Committee came to the realization that one of the biggest problems facing today's firemen is the development and purchase of adequate equipment. On September 26, 1973, I was privileged to chair hearings on the legislation, and at that time one of my constituents, Fireman Thomas Herz of Baltimore City, appeared before the committee. Fireman Herz was severely injured fighting a house fire in Baltimore, and he showed us the equipment he was wearing during that fire. The gear in almost every instance was burned or melted almost beyond recognition. The committee, impressed with his testimony and the statements of others, therefore included within the bill mandates to develop new and improved equipment for our firefighters.

On January 30, 1975, the Wall Street Journal published an article entitled "Firefighting Gear Improves, But Cities Can't Afford To Buy It" which discusses in some detail some of the problems facing local firemen in obtaining quality equipment. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIREFIGHTING GEAR IMPROVES, BUT CITIES CAN'T AFFORD TO BUY IT—NEW TECHNOLOGY IS BLOCKED BY SQUEEZE ON BUDGETS; RAPID WATER AND JET-AXE—BAINGING INSURERS UP TO DATE

(By Jeffrey A. Tannenbaum)

Jarrold A. Parry, a volunteer fire chief in Pierce County, Wash., was wearing a white fireman's coat made from a relatively new synthetic fiber, called aramid, when he was showered with flaming oil from an exploded tank about 18 months ago.

The 38-year-old fireman suffered severe burns on the parts of his body that the cost didn't cover, but his torso wasn't harmed. "If I hadn't had that kind of coat on," he says, "I wouldn't be alive now. My doctor also said that. An old-style coat would have just burned up."

The fire district's taxpayers don't deserve credit for providing their volunteers with the latest and best equipment—Mr. Parry had paid for his $90 fire coat out of his own pocket. Today, the other 21 members of his volunteer district still have cheaper and less-effective canvas coats, like most of the nation's fire fighters.

And therein lies a problem: The technique of dousing fires, which hasn't changed much in decades and is considered incredibly old-fashioned by some critics, is now able to benefit greatly from recent scientific advances. A number of developments—including electronic fire-hose nozzles, new chemicals and even robot firemen—promise to make fire fighting both safer and more effective, saving lives and property. But fire departments, largely because of financial difficulties, are slow to catch on.

"NOBODY CAN AFFORD THEM"

"There's no question that technology in the fire service is way out of date," says James M. Newman, a municipal official in Oakland, Calif., and co-author of a comprehensive recent study of fire-fighting gear. Adds Donald M. O'Brien, general manager of the International Association of Fire Chiefs, "We've discovered all these technological innovations, but nobody can afford to pay for them."

Ironically, money problems are blocking the advent of new technology just as many former problems are being cleared away. For instance, critics long have considered fire departments to be so tradition-bound and riddled with internal politics as to be unreceptive to change; but more and more departments are showing signs of breaking out of this pattern and actively are embracing the new developments.

Governmental indifference also is being shaken off. On the federal level, a bill is expected to be introduced in Congress that would extend the protection of the Occupational Safety & Health Act to fire fighters who now are excluded because their employers are local governments. On the state level, Washington shortly is expected to implement the first state standards for fire-service equipment; other states are expected to follow suit sooner or later.

The insurance hurdle may be dismantled, too. Most fire insurers use a grading schedule to help judge the capability of local fire departments, which is a major factor in setting insurance rates. The grading schedule historically has been revised very infrequently—it wasn't updated at all between 1956 and 1973—which meant that there was no credit given to fire departments for new types of equipment and thus no incentive to invest in them; in fact, there was incentive to keep old equipment. But now the grading schedule is supposed to be updated more frequently, according to Daniel J. McNamara, president of the industry-sponsored Insurance Services Office, which has been responsible for it since 1971.

NO GOVERNMENT MONEY

All these moves might be expected to lead to massive reequipping of fire departments across the country, except for one additional fact: Neither the federal nor state governments appear to be contemplating pumping very much money into fire department modernization.

A new federal agency, the National Fire Prevention and Control Administration, was established in October, and it already has rejected several dozen appeals for capital-improvement funds. Joseph E. Clark, the acting administrator, says: "We don't have authority to give money away for the purchase of equipment. It's not in the legislation."

The outlook isn't much better in Washington state. Charles C. Soros, a 32-year-old Seattle fire captain, is asked how long it will take for the state's fire departments to meet the proposed equipment standards. "I'm afraid I might never see it in my lifetime," he replies. "Nobody has the money for new equipment."

As a result, the new fire-fighting technology is showing up in only a few, widely scattered cities. Even so, the effectiveness of the new equipment and materials is attracting a lot of attention among fire-fighting officials.

RAVES FOR RAPID WATER

Perhaps none has so dramatic an impact as Rapid Water, a chemical additive that Union Carbide Corp. started selling to fire departments about four years ago. The chemical, polyethylene oxide, is added to the water that flows through fire hoses to reduce the friction in the hose and cause the water to squirt out faster. Fire fighters can get up to 50% more flow than before with the same pump pressure and hose size—or get the same flow as before with a smaller hose that's much easier to use.

"We're getting water on the fires faster, and it's less tiring for the men," says Frank C. Burke, a deputy fire chief in Syracuse, N.Y., one of the first cities to use Rapid Water. In part because of improved manpower deployment, but largely because of new equipment, "I would say that the initial knockdown on a good fire at a residence is taking us five to 10 minutes now, and before it could go 30 to 40 minutes," he says.

Nine of Syracuse's 14 pumpers now are outfitted to use Rapid Water, and the other five will be so equipped soon. But Union Carbide and Bendix Corp., which makes the related pumping equipment, says that orders still only trickle in. Only about 20 fire department's of the nation's approximately 25,000 have started using the system, a Carbide manager says. "It's always a problem for fire departments to get capital funds," he adds. "We recognize it's going to be slow growth."

An electronic fire-hose nozzle, designed to operate a pumper by remote control, is being marketed by a subsidiary of Grumman Corp. Grumman has tackled a universal problem of fire fighters—the inability of those who carry a fire hose to control the water flow. The water always has been controlled by another fireman at the pumper itself. The attempts at coordination, involving hand signals and hollering, are often clumsy, inefficient and downright dangerous for the fire fighters.

By using a dial on the Grumman nozzle, a fire fighter can alter or stop the water flow quickly. "It's far more effective and safer for the guy using the nozzle," says William J. Patterson, a deputy fire chief in Long Beach, Calif., which has been using a prototype. The nozzle also frees the fireman at the pumper for other tasks. "We feel that the nozzle speeds our attack a great deal," Mr. Patterson says. The only drawback: It costs about $12,000 to automate two hoses, an expense that few fire departments say they could afford.

Another expensive new wrinkle is using controlled-charge explosives to break through walls instead of picks and axes. Crestwood, Mo., fire chief William J. Kramer credits Jet-Axe, an explosive developed by a subsidiary of OEA Inc., with curtailing the spread of a shopping-center blaze in neighboring Warson Woods not long ago. Fire fighters blasted through a four-inch thick concrete-and-steel floor in seconds and headed off the rapidly spreading flames. But Jet-Axe's makers say it has been slow to catch on with fire departments, at least partly because of the cost: $85 to $150 per explosion.

PROBING SMOKY ROOMS

Still another new aid is Probeye, which helps fire fighters make their way through smoky rooms. Derived by Hughes Aircraft Co. from military equipment that tracks missiles, the cameralike instrument detects infrared radiation rather than normal light and thus can pinpoint cinders in concealed places or people caught in smoke-filled rooms. The Anaheim, Calif., fire department has been testing a prototype, and Hughes says it has a handful of orders. Many fire departments are balking at the price of $3,575, though, and Hughes says it might find a better market among utilities, for which the device also has applications.

New technology also promises to relieve fire fighters of highly flammable clothing, plastic helmets that melt and breathing apparatus that is so bulky it contributes to exhaustion. Many injuries and deaths are attributed to inadequate equipment. W. Howard McClennan, the president of the International Association of Fire Fighters, asserts—and federal officials say that he isn't exaggerating—that "many firemen are still wearing coats that are far more flammable than babies' night clothing.

None of these problems has yet been solved to the satisfaction of fire fighters, but a good deal of progress has been made in some areas, notably the fire coat. Many coat makers have switched to aramid, a fiber developed by Du Pont Co. that is much more fire-resistant than the materials it is displacing. More recently, Carborundum Co. has developed another new fire-resistant fiber, called novoloid; the company says that a fabric made of novoloid can be splashed with molten lead without burning through.

Among other developments, federal officials recently started field tests of an improved breathing apparatus for fire fighters. The new compressed-air system, designed by the National Aeronautics & Space Administration, is made of glass fibers rather than steel or aluminum and weighs about 13 pounds less than conventional gear.

Budgetary and other barriers to change may fall in time, but then a new one could spring up. Many fire chiefs expect opposition from labor unions because technology can eliminate some fire fighters' jobs. New York City says the use of Rapid Water on a portion of its pumpers has led to the elimination of 265 jobs, a move accepted by the union only in return for some expensive contract concessions. Grumman's nozzle also could replace fire fighters, some sources say.

In the not-too-distant future, another source of union controversy may even be robots designed to carry fire hoses. In Scottsdale, Ariz., the privately owned Rural-Metro Fire Department has built a four-wheeled, tank-like device called the Snail, which led the attack on a leaking tank car of butane not long ago and presumably is ready to tackle an actual fire. So far, though, the Snail isn't likely to replace a human. "He still doesn't climb stairs very well," says the Snail's designer, Louis A. Witzeman.

MISSOURIANS SET EXAMPLE ON FUEL CONSERVATION

Mr. SYMINGTON. Mr. President, President Ford has urged reduction of oil consumption by 1 million barrels per day. Most Americans recognize that goal as one which should be achieved in the national interest.

Missourians have been working to help achieve that goal, and figures recently released by the Missouri Department of Revenue show that their efforts have been effective. Last year, motor fuel consumption in our State was reduced nearly 3.8 million barrels below 1973.

If all the States could have achieved similar reductions, it would have meant 452,530 barrels of motor fuel saved each day last year, almost half of the reduction sought under the President's program.

It is of particular note that in December 1974 motor fuel consumption in Missouri was nearly 10 percent below that in December 1973.

I ask unanimous consent that a news article from the St. Louis Post-Dispatch about the reduced fuel consumption in Missouri be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FUEL USAGE OFF 5.7 PERCENT IN MISSOURI

JEFFERSON CITY, January 22.—Motorists bought 159,481,583 fewer gallons of motor fuel for highway use in Missouri in 1974 than they did in 1973, year-end figures of the Missouri Department of Revenue show.

The annual totals show 2.789 billion gallons for 1973, and a decline of 5.72 per cent to 2,630 billion gallons of gasoline and diesel oil in 1974.

During the calendar year, fuel consumption was down anywhere from .69 percent in July 1974 against July 1973 to 17.14 per cent in January 1974 compared to a year earlier.

In only three months of 1974 were there increases over 1973. They were May 11.75 per cent; August 1.09 per cent, and November 3.45 per cent.

In December 1974, the last monthly figures available, motorists purchased 22,590,647 fewer gallons of gasoline, 9.69 per cent fewer than they bought in December 1973.

The amount of motor fuel for highway purposes is derived by subtracting from the gross gallonage the fuel used for aviation, agricultural, industrial and marine use.

GEN. THADDEUS KOSCIUSZKO

Mr. BIDEN. Mr. President, today, February 12, marks the birth of one of the great military leaders in the American Revolution, Gen. Thaddeus Kosciuszko.

Kosciuszko came to America in 1776 from Poland to volunteer to fight in the Continental Army as a colonel of Army Engineers. He distinguished himself in the Carolinas as well as in the battles of New York and Yorktown. One of his greatest contributions in the independence struggle was the engineering of fortifications, in particular, the fortification at West Point.

At the close of the war, the Polish patriot was acknowledged by Congress for his gallant service. By special act, he was granted rights and privileges of American citizenship. Thaddeus Kosciuszko was also commissioned brigadier general for his historic role in the American Revolution.

At this time, only a short period away from the celebration of the Bicentennial, we should acknowledge one of those responsible for the birth of this Nation. Thaddeus Kosciuszko is placed in the annals of American history among the proponents of sovereign rule.

PROFILE OF WILLIAM E. SIMON

Mr. HARRY F. BYRD, JR. Mr. President, probably no one who has served as Secretary of the Treasury in our Government has done so at a more difficult time than William E. Simon.

He is forced to deal daily with soaring inflation and a sagging economy. Most efforts to remedy one of these problems tend to make the other worse. It is not an enviable task.

I believe Mr. Simon is doing a splendid job. He is hard working, forthright, and intelligent. I have been very favorably impressed with his actions and comments under extremely trying circumstances.

The February issue of Nation's Business includes an interesting profile of Secretary Simon, which brings out both the tough problems which he faces and the determination with which he tackles them. It gives interesting insight into his thinking and his habits. It is both interesting and informative, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIMON'S CAMPAIGN TO CURB BIG GOVERNMENT

There's a television show on the air in Washington every Saturday that features a mixed group of correspondents discussing what's been going on around town.

"I watch you each week," William E. Simon told a participant one day at a luncheon. "Boy, you guys don't know how many times I've been on the verge of calling you up right then and telling you what you just said was all wet."

"I talk back to the television set," Mr. Simon explained a few moments later. "I just can't stand it when somebody gets something perfectly simple messed up in trying to explain it."

As Secretary of the Treasury and chairman of the President's Economic Policy Board, Mr. Simon is equally pained that in this period of economic stress so many ignore what to him is a simple explanation of why we are now struggling with recession and inflation.

"We're in this mess because of things done in the past," he says. "Inflation causes recession. We're going to come out of it, but we don't want to come out of it and two years from now have worse inflation, which could only lead to worse recession.

"What I wish everybody would understand is that government spending doesn't cure economic problems. Massive government spending just creates them."

Statements similar to these have caused some members of Congress, columnists and economists to accuse the 47-year-old former New York investment banker of being a "Neanderthal," or "Eighteenth Century thinker."

To this, Bill Simon says simply: "It's the philosophy that bothers them. If they can't punch holes in the philosophy, they try to tear down the man."

He contends his philosophy is merely an unshakable belief in the American free enterprise system, "which has brought us the greatest prosperity in the history of the world.

"All I'm saying is that this system has worked, is working and will work if we let it and don't strangle it with government and regulation."

Mr. Simon has been preaching a message of less government and less government spending ever since he joined the Administration in 1972 as Deputy Secretary of the Treasury.

But it wasn't until the energy crisis struck in December, 1973, that he jumped overnight from being a little known sub-Cabinet official to a household word.

That was when he was named to take over the Federal Energy Office, established by President Nixon to coordinate federal energy policies. With imported Arab oil cut off in a global political power play, Mr. Simon's job became one of keeping fuel going to businesses so they could continue to produce, and making enough fuel available to the public to keep it comfortable and mobile.

He succeeded—"and without getting into any coupon-rationing fiasco," he says with a grin of satisfaction.

BIG, BAD BILL?

But along the way there started building a long list of what he calls "myths about Simon."

Such as?

Mean, tough to work for and get along with.

Has a short fuse . . . temper blowups.

Fighting for power.

Rigid.

"Your list could go on and on," he says. "They just aren't true, so why worry about these petty things?"

What does worry him, he says, is that in this "critical issue stage" there seems to be very little concern about issues, but a lot of focus on personalities.

"You know, Sen. Fulbright [J. William Fulbright, a former chairman of the Senate Foreign Relations Committee who lost an Arkansas primary contest] put it pretty well in his farewell speech at the National Press Club when he said, 'You people are more interested in the singer than the song.' "

The song being sung today could very well be entitled, "The Economy," with Congress and the Administration a Washington version of Tin Pan Alley.

When Mr. Nixon named him Treasury Secretary (after a first choice declined the job) to succeed George Shultz, Mr. Simon immediately put on 44 other hats—for that's how many officially designated functions the nation's top financial officer has. He added another when President Ford named him to chair the newly created Economic Policy Board.

The Board's executive committee meets in the White House daily at 8:30 a.m., to discuss the economic state of the nation, and it meets with President Ford twice a week, sometimes more often.

AN EARLY BIRD

By the time of the 8:30 a.m. meeting, Mr. Simon has already put in a pretty good day. He gets up every morning by 5, "catches up on my reading with a cigaret and a cup of coffee," and is usually in his Treasury office shortly after 7. At 8, there is a meeting with Donald Rumsfeld, the President's top assistant, and the senior White House staff.

After the executive committee session—the other participants are L. William Seidman, staff director of the Policy Board; Alan Greenspan, chairman of the Council of Economic Advisers; the director of the Office of Management and Budget; and the President's special assistant for trade—he is back at Treasury coping with a schedule that changes almost hourly.

The Secretary was one of the chief suppliers of the options President Ford considered when he finalized the Administration fiscal policies that he outlined in his State of the Union message to Congress.

Says Mr. Simon: "The President has to have every option available to him when he makes his decisions. The Economic Policy Board certainly tries to give it to him. Sometimes recommendations are unanimous. Sometimes strong opinions of a varying nature are also given."

Does he ever give his opinions to the President, personally and alone?

"Oh, sure. He knows how I feel. He knows how a lot of people feel. He gets a good input. Then he makes the decisions. Sometimes, when we talk, it's philosophical. Other times, I've got position papers with me, especially when we talk about taxes."

To get the nation out of recession, the President proposed a $12 billion reduction in income taxes for 1974, to be rebated by the Treasury in two checks. In addition, noting that inflation is pushing people into higher tax brackets, he called for a $16.5 billion annual reduction in personal incomes taxes from 1975 on.

Mr. Ford also proposed a one-year $4 billion increase in investment tax credits for farmers and business. For the future, both to offset "inflationary distortions" and to stimulate activity, he urged a reduction in the corporate income tax rate from 48 per cent to 42 per cent of profits above $25,000 the present 22 per cent would remain).

On the energy front, the President asked Congress to increase excise taxes or import fees on all crude oil, and on imported petroleum products, by $2 a barrel. Meantime, on his own authority, he said, he would raise import fees $3 per barrel by April 1, and he will limit imports if he feels it is necessary. And he said he will end price controls on "old" domestic oil.

Also, he would delay certain environmental standards for autos, deregulate the price of new natural gas, raise natural gas excise taxes and impose a windfall profits tax on energy producers. In addition, he would extend the investment tax credit increase (a rise from 7 per cent to 12 for most businesses and from 4 per cent to 12 for utilities) for two years in the case of utilities that build power plants which don't use oil or natural gas.

A "HORRIFYING" DEFICIT

A result of his proposals, Mr. Ford said, would be a 1976 budget deficit of at least $45 billion.

The size of the deficit "horrifies me," Mr. Simons says, but he adds that it is necessary to stop the nation's economic slide. He emphasizes: "I intend to fight to enact the President's entire program. And it should be taken in its entirety."

That the Administration is going to have a big fight on its hands in Congress is obvious. The Democratic majority has proposed its own version of a remedy for the nation's economic ills and, while it favors a tax cut, it prefers one different in emphasis than the President's.

Because Mr. Simon is an ardent advocate of pay-as-you-spend policies, eyebrows were raised all over Washington when it became known some weeks before the President's message that the Administration was thinking of the cut and that he hadn't hit the roof.

The Secretary says he doesn't see any contradiction.

"First of all, nothing is more important than responsible budgeting," he explains. "If we had followed pay-as-you-go policies over the past decade, we wouldn't be in our present mess. However, I don't advocate a balanced budget when the economy is falling off into recession. Budget deficits in recession are inevitable and even desirable since they do provide a needed degree of fiscal stimulus.

"But we also have rampant inflation to contend with. And there is a world of difference in terms of inflation between a deficit which results from sluggish tax revenues, and one which results from runaway federal spending. The first type of deficit helps to stabilize the economy; the second type would further destabilize it."

Since the Secretary isn't shy about speaking up for Administration economic views, there's hardly a network talk show on television he hasn't appeared on more than once. In fact, he and Secretary of State Henry Kissinger are probably the most publicly recognizable of all Cabinet members.

In his TV appearances, or when he is testifying before a Congressional committee, Mr. Simon startles listeners with the machine-gun rapidity with which he hurls out a seemingly endless array of facts and figures—specifics on almost any subject within the sphere of the moment.

"It's discomforting to see a man so damn sure of himself," one Congressman confides. "You think he'd have to look at some notes once in a while just to make sure he's right."

One reason he doesn't need notes is because "I have an almost photographic memory," the Secretary says. "I seem to be able to remember almost anything I've read, including some damn silly stuff. I don't mean just the substance of something, but the page number."

IN A CROSSFIRE

Mr. Simon is considered, even by his critics, a dedicated, hard-working and competent person. But his views—and more importantly the ability to influence the President with those views—bring him into a strong cross fire from Congressmen, from dozens of diverse groups, and even from within the Administration.

One basic cause of conflict between some in Congress and Mr. Simon is his belief that whatever you do in the short term for the economy has to be consistent with long-range objectives.

"Unfortunately, too many in government view long-term projection as the next election," he says.

"I tend to take the longer view. I'm dedicated to turning around this big ship of government. Government at all levels today is taking about 32 or 33 per cent of our gross national product. If it continues to grow, it's going to be the end of our free enterprise system."

Mr. Simon says he is enough of a "political realist" to know it isn't easy to cut government spending or convince everyone that overspending is the prime cause of inflation.

"We have a love-hate relationship with inflation," he contends. "We hate inflation, but we love everything that causes it."

REGULATIONS THAT RESTRICT

The biggest surprise to him when he came to Washington, he says, was "the way everybody runs to government for the answer to a problem. Everybody, business included. I was simply amazed. Government's not the answer. Government's mostly the problem."

One area, in the Secretary's view, that's long overdue for a close look is just what regulation is really doing to American business.

"The regulations that were created to protect have ended up protecting special interests," he says. "Most are anticompetitive and cost consumers billions of dollars. And they certainly cost business, too.

"It will be an excruciating difficult thing to do to judge these regulations on the basis of what they're really accomplishing. But just because it's tough doesn't mean you shouldn't try."

The Secretary and his wife, Carol, live in McLean, Va. They have seven children, ranging from William E. Jr., 23, to Katie, 7.

When he isn't working, which is rare, Mr. Simon likes to play tennis, and he scrounges around for a partner when an unexpected free hour turns up.

"I usually can get Art Buchwald [the columnist]. He's a tennis bug, too, and seems to be able to drop what he's doing almost any time."

Mr. Simon had an intimate knowledge of some of the Treasury's activities before he officially joined it. As a senior partner of Salomon Brothers he was responsible for the investment banking firm's government and municipal securities department.

"I knew the financial end of Treasury," he says. "But I didn't know much about the law enforcement part. I learned."

While Mr. Simon plans to stay as Secretary of Treasury as long as the President wants him, he definitely doesn't intend to be a 30-year government man.

"I worked my way up to the top once before and I can do it again," he says, grinning.

But he is serious when he answers a question on how he will feel about the job he's done if and when he does return to private business:

"Comfortable. I'll feel comfortable. I won't have compromised any principles. I'll have spoken my piece and done my best."

NATIONAL CHILD ABUSE AWARENESS WEEK

Mr. BEALL. Mr. President, today I would like to focus attention on the beginning of National Child Abuse Awareness Week—February 9–15. As a member of the Senate Subcommittee on Children and Youth, I have, over the last few years, become more aware of the atrocities being committed against innocent children and the need for greater public awareness of this problem. A measure which I cosponsored, the Child Abuse Prevention Act, signed on January 31, 1974, is certainly a step in the right direction, providing for demonstration programs for the prevention, identification, and treatment of child abuse and neglect.

This week, a national conference on child abuse is being held in California, further heightening the attempts to end society's current frustration in dealing with abused children and abusive parents.

Every child, no matter how different or unique, is of the same intrinsic worth, and should be given the opportunity to fulfill his utmost potential. It is our duty to insure that all children have those rights we consider basic, and to reaffirm the importance of children as the future of American society. I am hopeful that the Subcommittee on Children and Youth will continue in its efforts on behalf of our Nation's youngest citizens, and I commend those groups throughout the country whose efforts to improve the lives of children benefit us all.

OUR ENERGY-RELATED ECONOMY

Mr. MOSS. Mr. President, the administration, like a horse with blinders, has set its sights on a single solution to our complex energy and economic problems. Since it insists there can be no second thoughts, it ignores the worried voices of the people of this Nation.

I recently received a letter from a Utah rancher, who served as legislative chairman at a recent convention of the Utah-Idaho Farmers Union. The delegates to that convention are deeply disturbed with President Ford's proposed oil import tariff. They fear for their economic futures under a tax they term as "vastly inflationary." If the costs of the items used in livestock and agricultural production continue to rise, they predict drastic decreases in food production capabilities and the collapse of many cattle farms.

The residents of Utah are greatly concerned with the continuing downturn of our energy related economy. Although the presently available gas supply is adequate for the needs of the Western States, Utahans are looking toward an uncertain energy future for the entire Nation.

Mr. President, I ask unanimous consent that this letter from one of my constituents be printed in the RECORD. It is indicative of the plight and proposals of people from this area of the country.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ROOSEVELT, UTAH,
February 3, 1975.

Senator FRANK E. MOSS,
U.S. Senate,
Washington, D.C.

DEAR TED: In response to your letter of Jan. 24th I am sorry that I have not written my favorite Senator more often during the past few months, expressing my sentiments towards various national problems, than I have. It is very easy in the ranching business to become involved in the everyday problems of land, water, cattle, and grass, and disregard the larger problems afflicting this nation. Let's just say a person gets in a rut.

In regard to the problems of the supply of natural gas, I am in complete accord with your conclusion that this is an immediate pressing problem. I do know that if enough natural gas is not available for the fertilizer industry, that our food production capabilities, especially in the field of grains and corn, will decrease dramatically with a great number of adverse effects upon our economy.

The testimony, which was given at your hearing in Salt Lake City on natural gas, was very informative and interesting to me. As I read the testimony and tried to correlate the statements made, against my own limited knowledge and experience, I came to several conclusions:

1. In the production of oil and gas from oil shale, it would be best if a production program involving the In Situ process could be developed. Large scale strip mining of oil shale and the attendant debris left after processing, would after a few years, make the landscape of the western states comparable to that of the moon.

2. I have considerable reservations in regard to the large scale use of nuclear explosives in the production of natural gas. I cannot help but think that over a period of years, fissionable material would leach into both atmosphere and water supplies causing a great many difficulties to future generations.

3. The large scale use of conventional explosives, to me, show great promise in the production of gas from low permeability rock and should be vigorously pursued.

4. The use of our vast coal supplies in the production of both gas and oil will increase drastically during the next few years, and be an immediate source of new energy.

5. Several of the individuals from the oil and gas industry testified that the removal of Federal regulations on interstate gas would stimulate greater production. My personal belief is that this would only result in greater profits for the oil industry whose profits have already been described as being 'indecent'. This would occur because the majority of natural gas production occurs as a result of oil production. My personal experience with the oil industry is that a large portion of this industry is totally lacking in either honesty or devotion to the best interests of this nation.

I would suggest a two-fold program of first, a larger write off of taxes upon the discovery and production of new sources of natural gas and that leasing of both state and federal lands for oil and gas, be based totally on a royalty basis rather than bonus and royalty. Such a program would apply incentives to the established industry to seek additional sources of gas and allow the introduction of more independent operators into, what is now, an almost monopolistic industry.

At a recent convention of the Utah-Idaho Farmers Union, I served as legislative chairman, and our delegates were deeply opposed to President Ford's proposed program to increase the tax on both domestic and import oil. The delegates expressed the opinion that such a tax would be vastly inflationary in character, affecting a large portion of the items used in the production of agricultural products. In reality the desired reduction of oil usage should come from the recreational sector of the American economy, because it produces the least in the absolute essentials of a productive society. If this means rationing, then we must have rationing, but it might well be achieved by a publicity campaign discouraging tourist travel by automobile and closing of service stations on Sunday, except for those serving the trucking industry with a diesel outlet. Such a program would discourage long distance and recreational travel by automobile and decrease the usage of oil without the bureaucracy involved in a rationing program.

At the present time, the cattle industry is in a "helluva shape," in that the costs of production are far in excess of what is received for the product which is being produced. If this continues one more year, those young men who are deeply in debt will not survive. I have no solution to the problem. The decision of the Dept of Agriculture not to raise the grazing fees for 1975 will help. Here in the Uintah Basin, the Dept of Interior, Bureau of Indian Affairs, proposes to raise the water assessments on water administered by the Bureau by approximately 35 percent. If this increase could be deferred for a year or two until the cattle industry can get back on its feet, it would be of great benefit to our farming community which is based on a livestock economy.

Thank you, Senator, for allowing me to comment on a few of the problems with which we are faced, and if I can ever be of service to you, please let me know.

Best regards,

KARL SHISLER.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, several times the Genocide Convention has been attacked by those who hold that it makes punishable the acts of soldiers in combat. They state that members of one military organization who kill or wound members of another military organization belonging to another nation are guilty of genocide as described under the terms of the treaty.

Article II of the treaty describes genocide as acts committed "with intent to destroy, in whole or in part, a national ethical, racial or religious group." This is clearly not the intent in a military engagement. Military action is designed to force the surrender of an opposing government. Genocide, on the other hand, is action with the intent to kill people just because they are members of a certain group.

Death or injury of military personnel in active combat is obviously not covered under the terms of the Genocide Convention. However, by ratifying this treaty, the United States can stand firm with over 80 other nations to try to prevent the horrors of genocide from occurring. I strongly urge my colleagues to ratify it as expediently as possible.

A TRIBUTE TO NANNIE MITCHELL TURNER

Mr. SYMINGTON. Mr. President, during this week, Black History Week, I think it fitting to pay tribute to a great lady, a Missourian who contributed much to her community, her Nation and to the history of the black press and black America.

Mrs. Nannie Mitchell Turner owned and published the St. Louis Argus, the oldest black-owned business in Missouri, which has been published continuously longer than any other weekly newspaper in the Nation.

Born in 1887 to parents who themselves were born into slavery, Mrs. Turner lived a full and beautiful life until her death on January 25 of this year. She was 88 years old and had been a newspaperwoman for 70 years.

Another black-owned newspaper, a competitor for many years, the St. Louis American, paid tribute to her in an editorial on January 30, 1975.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NANNIE MITCHELL TURNER

Those of us who toil in the vineyards of the nation's Black Press know of the untold hardships that are connected with the regular publication of a weekly newspaper. These hardships range from long hours of work trying to coax an extra thousand newspapers out of a press that had seen its best days when it was purchased.

These are some of the hardships that Mrs. Nannie Mitchell Turner, 88, could testify to in her nearly 70 years of newspaper work in St. Louis. She came here at the age of 16, the newly wedded wife of William E. Mitchell. Both had lived in Alexander City, Ala. With Mr. Mitchell's brother, J. E. Mitchell, the three of them founded the St. Louis Argus in 1906. From a small beginning, the Argus grew in size and influence to the prestige it enjoys today. The Argus has won 25 national awards.

Mrs. Mitchell was widowed in 1945 when William E. Mitchell died. Eight years later she was married to Young Turner. In her 71 years in St. Louis she has been active in organizations designed to help young people. She was also active in women's organizations. She was of great financial support to civil rights organizations and was interested in several financial institutions.

But first and foremost, Nannie Mitchell Turner was a newspaper woman. She was most proud of the title of "First Lady of the Black Press" which was bestowed upon her by the National Newspaper Publishers Association.

For 69 years she wrote a regular column which appeared in the Argus. In her later years, she also wrote a column for the St. Louis Post-Dispatch. Both Ebony Magazine and the National Urban League selected her among the one hundred most distinguished Americans. She knew the newspaper business inside out because she worked at it. In her career she covered every kind of story ranging from civil rights to society. Her spirit served her almost to the end. We understand that she quit driving her own car only about six months ago.

When the final history of the Negro Press in America is compiled, we are certain that alongside the names of the Douglasses, the Sengstackes and the Murphy's there will be the name of Nannie Mitchell Turner. It was our good fortune to know her.

FOUNDATIONS AT THE CROSSROADS

Mr. HARTKE. Mr. President, there are 29,000 private foundations in the United States with assets of more than $21 billion and total annual grants of nearly $3 billion. While that represents a significant amount of money, it is only one-tenth of all the money which is spent by private charity each year. What gives private foundations their importance is that they alone make a rational effort to apply their money in a concerted effort to meet public needs.

There is much that is good about the private foundation community, but there is also room for significant improvement. It was in this vein that I spoke this week before the Conference on Federal Tax and Other Problems of Non-Profit Organizations in Washington, D.C.

Mr. President, I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

FOUNDATIONS AT THE CROSSROADS

(By Senator VANCE HARTKE)

Earlier this week, the President sent Congress a record budget request of three-hundred-forty-nine billion dollars for the coming fiscal year. During that year, private philanthropy in the United States will account for expenditures equal to about one-tenth of the Federal budget, and of that total, private foundations spend ten cents of every charitable dollar—or three billion dollars. In about three days alone, the Federal Government will exceed what all private foundations spend in a year.

Placed in that perspective, it may seem odd that twenty-nine thousand institutions whose total assets equal less than twenty-one billion dollars should have such great importance to our society.

Clearly, their importance goes far beyond the business foundations generate for lawyers and accountants. Foundations are a unique and important American institution. When southern education was sagging in the aftermath of the Civil War, and neither State nor Federal governments provided any assistance, it was an American private foundation which came to the rescue. When hookworm was devastating our farmland, it was an American private foundation which used its human and financial resources to provide a solution. When the magnitude of world hunger became clear, it was American foundations which provided the impetus for the green revolution. There was a time some fifty years ago when foundations spent more money for education than the Federal Government.

A great deal has changed in those fifty years. The Federal Government has blossomed into a mammoth bureaucracy. While foundations continue to give more money to education than to any other purpose, the Federal Government spends more on higher education alone than foundations spend on all of their grants for all purposes.

Much more has happened in fifty years than the growth of the Federal Government. In five decades, our society has become highly urbanized, computerized and plasticized. Government is an integral part of our daily lives with programs to aid businessmen, students, farmers, the unemployed, the poor, the aged and the sick. More and more discretion has been placed in the hands of local governments and citizen groups for the expenditure of Federal funds. Foundations must adjust to these new conditions and new needs.

Our people have a laundry list of unmet needs and problems. High on that list are such items as the energy crisis; the failure of our economic institutions; the need to restore the qualities of brotherhood and humanity to our daily lives in the face of frustration, congestion, and pollution; the failure of too many of our public schools to educate; and the need for government to become more responsive to the people.

There is so much to be done that it seems futile to begin the process of listing the full range of public priorities, but that is precisely what private foundations must do. Too many private foundations are content to continue business as usual. They make no rational effort to assess the needs of the community they serve or to hire a professional staff to administer their affairs, and they make no annual reports. There are many examples of private foundations in this country which do an excellent job, but they are outnumbered at least five to one by foundations which are failing to serve the public purpose adequately.

Let there be no mistake. The only reason for the existence of private foundations is to serve the public purpose. The law requires it, and it makes good sense. American taxpayers sacrifice their right to the benefit of six-hundred-million dollars in tax revenues each year so that foundations and other tax-exempt charitable institutions can make use of money which would otherwise go to the Federal treasury. The people have a right to expect that money to be used for public purposes.

The Tax Reform Act of 1969 set out a variety of basic requirements which are designed to assure that private foundations will act in the public interest. But legal requirements alone are not enough. Foundations must go beyond the letter of the law to determine what real public needs are in this age of change and then fit their grant-making programs to meet those needs. They must remember that it was their devotion to innovation and experimentation which marked their early years, and that those two qualities are needed even more today.

Government may be into every aspect of our lives, but we cannot count on government to chart new territory, monitor itself, or examine the basic institutions upon which it depends for its existence. These are the modern-day frontiers for foundations which need to be explored and probed for the good of our society.

If for no other reason, foundations must re-examine themselves as a simple matter of survival. Many people are deeply concerned about provisions of the Tax Reform Act of 1969. But I can tell you that it is far more important to me and to the other members of Congress that foundations demonstrate they still have a valuable role to play in our society; that they demonstrate they have a continuing right to the benefits which they enjoy under our tax laws. It may be that there are provisions of the internal revenue code which are working a serious injustice on private foundations, but the burden will be on those foundations to demonstrate to Congress and to the public that their loss is also society's loss.

One part of the foundation problem is a matter of public relations. Publishing annual reports, publicizing grants, and making contact with Members of Congress in whose districts or States grants are made will help the foundation community get its message across.

But this is more than a question of merchandising. If foundations are to continue to exist as viable and unique American institutions, they must have a clearly-defined purpose. To exist for the sole purpose of giving away money is not enough. Charitable grants which further a distinct objective meaning to the existence of a foundation and give substance to the foundation's continuing use of tax privileges.

Once the objective is established, a foundation can weigh with rational criteria the various grant proposals it receives and evaluate just how effectively that money is being used by the recipient. Too few foundations engage in this type of rational grant-making process, and even fewer make a serious effort to determine how the money is being used by the grantee.

I can see no reason why fifty or a hundred-thousand dollars should be given away without first setting strict conditions on what the foundation expects in return for its money. It is time that the foundation community adopt evaluation and accounting practices which enable the effective monitoring of each and every foundation grant. Congress can require this by law, but it would be far more effective if the foundation community did it voluntarily.

In a similar vein, there are too few foundations which make any effort to make an assessment of the effect which a grant is likely to have on a community. Many of our gov-

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ernment programs now require citizen-group evaluation. Foundations ought to reach out to the community to get an idea of how the public evaluates the impact of the foundation's money.

Another method by which foundations can improve their public service is to broaden the representation of the governing boards. No group which seeks to serve the public can afford to limit itself to dependence on a select group of executives to set policy and direction.

These are some of the basic challenges facing foundations. I have raised them during the past year and a half during which I have served as chairman of the Senate Subcommittee on Foundations, and I intend to raise them again and again until foundations get the message that they must make some basic changes if they are going to survive. There is a major role which foundations can continue to play, but the substance of tomorrow will not be found in the pages of yesterday. It may be that some foundations will not be able to survive the dual challenge presented by a suspicious public and a sagging economy, but I want to do everything I can to assure that those which do survive leave a legacy of lasting value long after their organizational demise.

Part of the efforts of the Subcommittee on Foundations during this Congress will be directed toward examining the substance of foundation activity in our society. We held two days of hearings last September on the role of foundations in public broadcasting. A hearing on foundations and the aged is planned for next month. And there will be other hearings on such areas as education, health, minorities, urban problems, and the arts. We want to know just what benefit foundations are providing the public but we will also examine the relationship between Government and foundations. It concerns me, for example, that some functions which now receive substantial foundation support could be just as effectively supported by Government. That in turn would free foundation money for new program areas which need a more innovative and dramatic approach than Government can provide.

While these hearings are taking place, the subcommittee will devote a substantial amount of time to examining the provisions of the Tax Reform Act of 1969. During the last Congress, we held three separate sets of hearings on this subject, and I can foresee the need for at least a dozen more during the next several months.

Many of you know that the members of the subcommittee issued a statement last October recommending a fifty percent reduction in the four percent excise tax. The loss in Government revenues will be minimal when compared to the increased benefits which could go to our society when that tax is lowered to two percent. And I think it is time that we stopped calling it an excise tax and instead call it what it should have been called in the first place: An audit fee designed to cover at least a portion of the Government's expense of supervising tax-exempt organizations.

Many witnesses before the subcommittee have testified that the minimum payout provisions of the 1969 act are working a severe hardship on foundations. The purpose of the payout provision is sound. Foundations should not be permitted to unreasonably accumulate wealth. A foundation should be required to pay out all of its investment income, and there ought to be a legislative standard which encourages foundations to invest in income-producing assets.

Just what that standard ought to be has been the subject of disagreement. Two things are clear at this time. First, Congress has not accumulated enough hard facts to determine whether a legislative modification of the standard ought to be made. Information which will become available to the Congress this fall should make that determination possible.

On the other hand, it is equally clear that the method presently being used by the Treasury Department to set the payout rate is open to question. At the subcommittee's November hearings, it was revealed that the department has been using treasury notes with approximately five years remaining duration as its standard. The members of the subcommittee suggested a more equitable market-basket approach which takes into account the performance of both debt and equity investments, and I am hopeful that this type of approach will be adopted by treasury for 1975.

There are some basic premises underlying the Tax Reform Act which deserve to be reexamined. One is the severe restrictions which were placed on private foundations compared to other types of philanthropic institutions. These restrictions were justified because it was thought that the private nature of foundations demanded increased public control through legislation, while public charities were by their nature more subject to the influence of the people.

It is now clear that this is one premise which rests on an extremely fragile foundation. Public charities throughout this country are practicing daily abuses of their tax privilege in the form of excessive fund-raising costs, unscrupulous fund-raising tactics, and inadequate public financial disclosure, and I can promise you that our subcommittee will begin an examination of these practices early this year.

One of the major contributions of the subcommittee has been its persistence in developing new information about the foundation community We discovered, for example, that nearly five thousand private foundations have terminated since 1969. At our suggestion, the Internal Revenue Service has been conducting a survey to determine why these foundations terminated and what happened to their assets after termination.

The foundation birth rate question is one which has concerned the subcommittee. In 1968, it had been thought that there would be nearly one and a half million foundations by the year 2000 with total grants of forty-eight billion dollars. The upward trend in the number of foundations has clearly been reversed. When that fact is coupled with the general economic decline of the past several years, it is equally apparent that foundation grants will be decreasing in the years ahead.

The subcommittee on foundations will examine the degree to which the Tax Reform Act of 1969 is a factor in the decline in the size of the foundation community. On at least one aspect of this question, it is clear that the act has discouraged the formation of new foundations. Its many complexities present so many hazards in the way of forming new foundations that many donors find it easier to create a less complex philanthropic organization or they may simply decide to give their money away in a more direct manner.

One answer to this problem would be the publication by the Internal Revenue Service or by a private group, of literature which explains the various philanthropic alternatives in clear language so that donors and organizers can have a better idea what the law and the regulations say. Lawyers and tax accountants can provide very useful advice, but their clients must first know what questions to ask.

These next two years will be important ones for private foundations. One of the most important developments will be the publication of the conclusions and recommendations of the Filer commission about the whole field of private philanthropy. Just as the Peterson Commission report formed the basis for congressional action in 1969, so will this new commission provide an impetus for legislation.

The Filer Commission should be completing its work by June. In the time that is remaining, I hope that its distinguished members and staff will reach out to a broader spectrum of the population for information and support assistance. Just as in any field of interest, there is an established group of experts who are called upon time after time for their advice and knowledge. The Commission has done an excellent job of harnessing these people for its work, but it cannot afford to neglect a whole wealth of as yet untapped talent which can lend a new and equally valuable perspective to the field of philanthropy.

In the long run, Congress will need the services of an on-going publicly-funded commission on private philanthropy to provide a continuous supply of information. This is a subject of immense importance to America. It may be more rhetoric than fact, but private philanthropy has the potential of promoting the diversity and pluralism which should characterize our society. If Congress were to end the charitable deduction in response to a growing public belief that it mainly represents a rip-off of the average taxpayer, the net result would be catastrophic. It is precisely to avoid that type of catastrophe that Congress needs the assistance of a permanent advisory commission as soon as possible.

At a time of fiscal crisis at every level of government, when social programs are being cut back and when the appropriation of almost every tax dollar is watched through a microscope, our society can ill afford to experience the weakening of foundations.

I want to continue to work with you and with anyone else who sincerely cares about the future of foundations so that we can tear down any legislative barrier which gets in the way of innovative foundations. I hope that you will write to me and that you will encourage any foundations with which you may be associated to contact me or their own elected representatives so that they can help us to understand their concerns.

There is a vital future for private foundations in this country so long as they continue to meet the pressing needs of our people with programs which are dynamic and creative. I intend to do all that I can to challenge foundations to do more and to do better so that potential can become a reality.

PRELIMINARY REPORT TO THE SENATE RE HEARINGS ON SMALL BUSINESS TAX NEEDS

Mr. NELSON. Mr. President, the Select Committee on Small Business has just completed 2 days of public hearings as a part of its inquiry to assess the impact of inflation and recession on small business, for the purpose of making recommendations as to what should be included in the emergency tax bill now before the Congress.

SMALL FIRMS SUFFER MOST

After receiving testimony from four national small business groups, four regional small business organizations, and the Small Business Administration, I must sadly conclude that conditions are worse for small business than they are for the economy generally.

Overall, the current recession is the worst since the 1930's: unemployment is above 8 percent—the highest since 1941. The drop in the gross national product has been the steepest since 1938, and lacks only one-tenth of a percentage point of being the most severe economic contraction since the Great Depression.

Meanwhile, consumer prices rose 12.2 percent during 1974, and wholesale prices, which directly reflect the costs producers charge distributors, and which must in turn be relayed to retailers and consumers, rose 20.9 percent.

However, as an organization of smaller manufacturers in Pennsylvania informed us, prices of industrial commodities for its members have risen 26 percent in the past year. In the construction industry nationwide, a field in which smaller businesses are important, materials increased 21.2 percent, in the year ending in August 1974. That escalation was exclusive of land which is thought to have risen even faster.

The effects of inflation on bank accounts of small firms was explained to the committee plainly by the National Association of Wholesaler-Distributors in the following terms:

(W)holesalers are primarily feeling the effects of inflation through higher inventory replacement costs. It costs the average wholesaler 20 percent more to replace a particular product in his inventory than he had to pay when he purchased the identical product one year ago. Thus, *to maintain the same volume of inventory, he requires an additional 20 percent investment* in his inventory . . . *his accounts receivable also goes up 20 percent* even though he may be fortunate enough to collect from his customers within the same time limits of a year ago. This places him in a most difficult position as—being small business without access to additional capital for equity—*the additional inventory replacement costs must come from after-tax earnings.* (Emphasis added.)

Thus, all the numbers on the income statement are going up: "profits" may show up 20-percent higher also, and because the tax rates have not changed, taxes will be higher despite the fact that the profits may actually be lower in real terms. This inequity is compounded, because of certain accounting practices such as accounting methods commonly used by small businesses which do not reflect the full cost of replacing inventories. Most small firms use outdated costs, while they must now replace their inventory and equipment at the inflated costs of today.

Small businesses have described these as "phantom profits," and they are aggravated even further by the fact that under accrual accounting, which is in general use by small firms, profits must be reported at the time of sale, even though much of the payment for these goods comes in months later.

SMALL ENTERPRISES STARVED FOR CAPITAL

All of these factors, as well as the tight-money-high-interest-rate policy of the past year have squeezed the smaller businessman's bank account to the vanishing point. So, to pay his taxes and for the merchandise he sells, it is almost certain that he must borrow money. At that point, the entrepreneur faces interest rates far above the prime rate paid by large national corporations. Witnesses told us that interest costs for small ventures range from 12½ to 18 percent effective rates.

One owner of a 47-year-old bakery in Michigan had borrowed funds at 17 percent to purchase new equipment. The bank also required the loan to be secured by securities representing much of the owner's life savings. When the recession came, the bank foreclosed on the stock, which was selling at depressed 1974 prices.

Evidence before the committee indicates that, since the public market for small business securities practically came to a standstill in 1974, small firms had nowhere else to turn but to banks, factors, and other high-price lenders. New issues of underwritten securities issues have declined as follows:

1972	409
1973	101
1974	9

Only $16.1 million was raised in public securities markets through new underwritten stock issues for all businesses during the entire year of 1974.

PROFITS FORCED DOWNWARD FOR SMALL FIRMS

The recession has been in the news daily, and it has been a harsh fact of life for small business during the past year. The official figures may show that overall corporate profits were about 15 percent higher in 1974 than they were in 1973. But the contrast for small business was dramatically different. Testimony at the hearings disclosed that profits, under the impact of these pressures, had been declining for the past six quarters. Not surprisingly, this decline accelerated during the past 6 months, according to the National Federation of Independent Business Survey, with only 15 percent of the firms reporting higher earnings during that period while 50 percent showed lower earnings.

BUSINESS FAILURES RESULT

So, deprived of profits and unable to obtain credit at reasonable rates, many small businesses were forced to close their doors.

Statistics on business failures in 1974 bear this out, rising above 10,000 for the first time in 3 years. Even more significantly, the average liability in these failures climbed from $246,000 to $306,000, a jump of almost 25 percent in the magnitude of these business bankruptcies. This indicates that some of the more substantial businesses had been forced to go under—at great human cost—as well as financial cost.

Other small business persons have kept going only by reducing their living standards, working harder, extending more credit, and borrowing money at ulcer-creating interest rates. By doing so they have helped to maintain employment and the flow of vital goods and services in their communities and neighborhoods.

WHAT SHOULD BE DONE?

It is quite obvious to the committee that small business needs help to maintain its existing employment and production, let alone to increase its expenditures for new capital investment, employment, and productivity improvements.

It seems to me that the number one priority is to preserve the businesses that have proven useful and valuable to their towns and cities over the years as the best platform to launch any program to revive and expand the economy.

In order to stimulate the economy, without boosting the present double-digit inflation rate, we feel that Government tax policy must devote some attention to the service-oriented, cost-conscious, competitive small business segment of the economy which accounts for 97 percent of the number of businesses, over one-half of employment, and one-third of the gross national product.

These figures alone suggest that, when it comes to tax benefits devoted to the business sector, about one-third should be allocated to small business if we are interested in stimulating the economy generally, and closer to one-half if the Nation is serious about maintaining and expanding employment.

But the structure of American business is even more convincing in this regard. Testimony before the committee shows that in the last 25 years, employment by manufacturers has declined from over one-half to the present 40 percent of total employment, while jobs in the wholesaling, retailing, and service sectors have increased to about 60 percent of total employment. The indications are that of the 18½ million jobs that were created between 1950 and 1973, 75 percent were in the distribution and servicing trades, where small businesses predominate.

We also know that it is traditional, where a small business person has his own name on the door and his reputation at stake, that he will work extra hours, make extra sacrifices, and try harder to deliver lower prices and extra services to satisfy his clientele. We heard repeatedly in our hearings that this resourceful, hard-working segment of our business population is anxious to increase its business, provide more employment, and make additional investments, if only they are given a fair chance.

ADMINISTRATION'S TAX PROGRAM DOES NOT RECOGNIZE SMALL BUSINESS

Because small business needs are acute, and their potential for energizing the economy is so great, it was a shock to me that the administration's tax proposals would badly shortchange this extensive segment of the economy.

For example, as to the investment tax credit proposal, our information is that the 352 largest corporations account for more than one-half of the total investment credit. The 90 percent of corporations which are small business got the benefit of less than 5 percent, and 10 million noncorporate businesses accounted for about 18 percent.

The corporate tax rate reduction proposal made by the administration gives no benefits whatever to 90 percent of the corporations earning less than $25,000, and ignores the possibility of energizing noncorporate businesses. We are encouraged that the House Ways and Means Committee has moved in the right direction by agreeing to a decrease in the tax rate in the corporation earnings between $25,000 and $50,000 and easing the restriction on investment credit benefits for used machinery.

However, the hearings made clear to our committee that far more is needed to provide basic equity to the small business community as well as noninflationary stimulation to the economy. Accordingly I have formulated the following outline of matters which are being dis-

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cussed with the committee as the basis for submitting an early legislative proposal to redress the imbalances in the emergency tax program and give small business a fair share of the benefits:

OUTLINE OF POSSIBLE SMALL BUSINESS PROVISIONS TO BE PROPOSED FOR INCLUSION IN THE EMERGENCY OR "QUICKIE" SMALL BUSINESS TAX BILL

Noncorporate business:

An effort within the general framework of the individual rate proposal to encourage employment, investment, and productivity by noncorporate business, including:

An increase in allowable first-year depreciation along the lines approved by the Ways and Means Committee in August 1974;

Re-examination of the $50,000 restriction upon investment credit attributable to the purchase of used machinery.

Corporations:

Some temporary relief for some corporations earning less than $25,000;

An increase of the corporate surtax to a level which is realistic in terms of inflation and, upon the basis of our testimony of encouraging capital growth;

An increase in permissible accumulated earnings to $150,000, likewise along the lines approved by the Ways and Means Committee in 1974;

Some assistance to those businesses willing to begin a new enterprise under current conditions;

Parity for small business and non-corporate business, if loss carry-overs are acted upon, and a 10-year carry-forward for new businesses: and

A possible advantage for small businesses as to the investment tax credit.

I hope that many of my colleagues in the Senate will join with us in this effort to produce a tax bill which is fair to small and large business, and will thus be in the best interest of the entire economy. I welcome suggestions toward putting together the soundest possible proposal to aid the beleaguered small businessman and will be glad to work with the President, the Treasury Department, and all concerned within the Congress toward that result.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, awaiting the call of the Chair.

The motion was agreed to; and at 12:05 p.m. the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 12:07 p.m., when called to order by the Presiding Officer (Mr. FORD).

RECESS UNTIL 1:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:30 p.m. today, with the understanding that the period for the transaction of routine morning business will carry over, that statements therein will be limited to 10 minutes each, and that the period for the transaction of routine morning business will be limited to not to exceed 1 hour.

There being no objection, the Senate, at 12:08 p.m., recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. FORD).

STUDY OF NATIONAL FUELS AND ENERGY POLICY

AMENDMENT NO. 10

Mr. RANDOLPH. Mr. President, I submit an amendment which I send to the desk. I ask that the cosponsors be read.

The PRESIDING OFFICER (Mr. FORD). The clerk will read the cosponsors.

The assistant legislative clerk read as follows:

Amendment intended to be proposed to Senate Resolution 66 by Messrs. RANDOLPH, INOUYE, HART of Michigan, HATHAWAY, JACKSON, JOHNSTON, LONG, MAGNUSON, MONDALE, MOSS, PASTORE, RIBICOFF, SPARKMAN, and WILLIAMS.

Mr. RANDOLPH. Mr. President, we face major economic and energy problems. I believe all Members of the Senate are intensely interested in continuing the Senate's efforts, which has been in effect for several years toward a national energy policy.

In 1971, pursuant to Senate Resolution 45, which I had the responsibility to author, our National Fuels and Energy Policy Study came into being.

Since that time the effort has been diligently carried forward by the members of the several committees which have jurisdictions in energy matters.

Some 2 years later, on January 31, 1974, Majority Leader MIKE MANSFIELD formed an ad hoc committee to coordinate energy legislation in response to the wishes of the Democratic conference. This committee, under the able chairmanship of Senator INOUYE, initiated a study of the dynamics of the present Senate committee jurisdiction and an analysis of the various alternative proposals for restructuring committee assignments for the purpose of determining the substance and the timing of any change in Senate committee organizational structures as might be deemed necessary.

Last year, in order to provide sufficient time for this activity, the ad hoc committee recommended, and the full Senate ratified, extension of the Senate's National Fuels and Energy Policy Study for an additional year, under the active chairmanship of Senator HENRY M. JACKSON. Representation on the study was expanded from the Interior, Public Works, Commerce, and Joint Atomic Energy Committees to also include members from the Committees on Finance, on Foreign Relations, on Government Operations, and on Labor and Public Welfare. This action has proven particularly important in the heavy energy legislative agenda during the second session of the 93d Congress, and the reorganization of the House of Representatives' committees that was also in process.

It is not really understood that during the 93d Congress a total of 421 energy-related bills were introduced in the Senate. Some 405 of these measures were referred to a single Senate committee, and 6 were jointly referred to more than one committee. Final congressional action, Mr. President, was completed on 48 measures, of which 43 were signed and 5 were vetoed at the White House.

I ask unanimous consent that this list be printed in the RECORD at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

MAJOR ENERGY LEGISLATION—93D CONGRESS

I. ENACTED AND PUBLIC LAW

Public Law and bill number

1. Economic Stabilization Act Amendments: Public Law 93-28, S. 398.
2. Rural Electrification Act: Public Law 93-32, S. 394.
3. Water Resources Planning Act: Public Law 93-55, S. 1501.
4. Federal-Aid Highway Act: Public Law 93-87, S. 502.
5. To Amend the Euratom Corporation Act of 1958, as amended: Public Law 93-88, S. 1993.
6. Oil Pollution Act Amendments: Public Law 93-119, H.R. 5451.
7. Rail Passenger Corporation: Public Law 93-146, S. 2016.
8. Mineral Leasing Act of 1920, Amendments and Trans-Alaska Oil Pipeline Authorization: Public Law 93-153, S. 1081.
9. Emergency Petroleum Allocation Act of 1973: Public Law 93-159, S. 1570.
10. Emergency Daylight Saving Time Energy Conservation Act of 1973: Public Law 93-182, H.R. 11324.
11. Northeast Rail Service Act: Public Law 93-236, H.R. 9142.
12. Emergency Highway Energy Conservation Act: Public Law 93-239, H.R. 11372.
13. Supplemental Appropriation Act to Explore and Develop Naval Petroleum Reserves: Public Law 93-245, H.R. 11576.
14. Intervention on the High Seas Act: Public Law 93-248, S. 1070.
15. Fuel Cost Pass-Through for Truckers: Public Law 93-249, S.J. Res. 185.
16. Federal Energy Administration: Public Law 93-275, S. 2776.
17. AEC Authorization Act: Public Law 93-276, S. 3292.
18. NASA Authorization Act: Public Law 93-316, H.R. 13998.
19. Energy Supply and Environmental Coordination Act of 1974: Public Law 93-319, H.R. 14368.
20. Special Energy Research and Development Appropriations for 1975: Public Law 93-322, H.R. 14434.
21. AEC Omnibus Legislation of 1974: Public Law 93-377, S. 3669.
22. Housing and Commodity Development Act: Public Law 93-383, S. 3066.
23. Aid Energy Affected Small Business: Public Law 93-386, S. 3331.
24. Natural Gas Pipeline Safety Act, as amended, additional appropriations: Public Law 93-403, H.R. 15205.
25. The Solar Heating and Cooling Demonstration Act of 1974: Public Law 93-409, H.R. 11864.
26. Geothermal Energy Research, Development and Demonstration Act: Public Law 93-410, H.R. 14920.
27. Public Works and Economic Development Act: Public Law 93-423, H.R. 14883.
28. Defense Production Act of 1950, extended for 2 years: Public Law 93-426, S. 3270.
29. Emergency Daylight Saving Time Energy Conservation Act of 1973, amendments: Public Law 93-434, H.R. 16102.
30. Energy Reorganization Act of 1974: Public Law 93-438, H.R. 11510.
31. Federal Columbia River Transmission System: Public Law 93-454; S. 3362.
32. Solar Energy Research, Development and Demonstration Act of 1974: Public Law 93-473, S. 3234.
33. Foreign Investment Study Act: Public Law 93-479, S. 2840.
34. To amend the tariff schedule of the United States to provide for the duty free entry of methanol imported for use as fuel: Public Law 93-482, H.R. 11251.
35. International Nuclear Cooperation: Public Law 93-485, S. 3698.
36. National Railroad Passenger Corporation: Public Law 93-496, H.R. 15427.
37. Export Administration Amendments: Public Law 93-500, S. 3792.
38. Urban Mass Transportation Act: Public Law 93-503, S. 386.
39. Emergency Petroleum Allocation Extension Act of 1974: Public Law 93-511, H.R. 16757.
40. Federal Nonnuclear Energy Research and Development Act of 1974: Public Law 93-577, S. 1283.
41. Deep Water Port Act: Public Law 93-627, H.R. 10701.
42. Federal-Aid Highway Act Amendments of 1975: Public Law 93-643, S. 3934.
43. Export-Import Bank Act Amendments (requires semi-annual report on impact of domestic energy resources of each loan involving export of any energy-related product or service): Public Law 93-646, H.R. 15977.

II. VETOED

1. Energy Emergency Act (S. 2589, H.R. 11450), March 6, 1974.
2. Atomic Energy Act, Price-Anderson provisions (H.R. 15323), October 12, 1974.
3. TVA Pollution Control Cost Credit (H.R. 11929, S. 3057), December 21, 1974.
4. Energy Transportation Security Act (H.R. 8193, December 30, 1974.
5. Surface Mining Control and Reclamation Act (S. 425, H.R. 11500), December 30, 1974.

Mr. RANDOLPH. Mr. President, on the basis of the experience with enactment of these measures, Senator INOUYE's ad hoc committee on coordinating energy legislation goes forward in its study which will lead to recommendations to facilitate more orderly Senate consideration of energy and energy-related legislation.

In the interim, this ad hoc committee recommends that the Senate's National Fuels and Energy Policy Study be extended for an additional year with the addition of members from the Committee on Aeronautical and Space Sciences.

On behalf of Senator INOUYE and myself and the other members of the ad hoc committee: Senators HART, HATHAWAY, JACKSON, JOHNSTON, LONG, MAGNUSON, MONDALE, MOSS, PASTORE, RIBICOFF, SPARKMAN, STENNIS, and WILLIAMS, I offer an amendment to Senate Resolution 66, to carry out that purpose and I ask unanimous consent that it appear in the RECORD at this point in my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 10

Redesignate Section 3 of Senate Resolution 66 as Section 4 and add the following new subsection 3:

"SEC. 3. (a) The committee shall continue the study of national fuels and energy policy authorized pursuant to S. Res. 45, agreed to on May 3, 1971. In carrying out the purposes authorized by S. Res. 45, the committee shall make—

"(i) a full and complete investigation and study (including the holding of public hearings in appropriate parts of the Nation) of the current and prospective fuel and energy resources and requirements of the United States and the present and probable future alternative procedures and methods for meeting anticipated requirements, consistent with achieving other national goals, including the high priorities—national security and environmental protection; and

"(ii) a full and complete investigation and study of the existing and prospective governmental policies and laws affecting the fuels and energy industries with the view of determining what, if any, changes and implementation of these policies and laws may be advisable in order to simplify, coordinate, and provide effective and reasonable national policy to assure reliable and efficient sources of fuel and energy adequate for a balanced economy and for the security of the United States, taking into account: the Nation's environmental concerns, the investments by public and private enterprise for the maintenance of reliable, efficient, and adequate sources of energy and fuel and necessary related industries, and the need for maintenance of an adequate force of skilled workers.

"(b) In carrying out the investigations set forth in S. Res. 45, agreed to on May 3, 1971, the committee shall, in addition to such other matters as it may deem necessary, give consideration to—

"(i) the proved and predicted availabilities of our national fuel and energy resources in all forms and factors pertinent thereto, as well as to worldwide trends in consumption and supply;

"(ii) projected national requirements for the utilization of these resources for energy production and other purposes, both to meet short range needs and to provide for future demand for the years 2000 and 2020;

"(iii) the interests of the consuming public including the availability in all regions of the country of an adequate supply of energy and fuel at reasonable prices and including the maintenance of a sound competitive structure in the supply and distribution of energy and fuel to both industry and the public;

"(iv) technological developments affecting energy and fuel production, distribution, transportation, and/or transmission, in progress and in prospect, including desirable areas for further exploration and technological research, development, and demonstration;

"(v) the effect that energy producing, transportation, upgrading, and utilization has upon conservation, environmental, and ecological factors, and vice versa;

"(vi) the effect upon the public and private sectors of the economy of any recommendations made under this study, and of existing governmental programs and policies now in effect;

"(vii) the effect of any recommendations made pursuant to this study on economic concentrations in industry, particularly as these recommendations may affect small business enterprises engaged in the production, processing, and distribution of energy and fuel;

"(viii) governmental programs and policies now in operation, including not only their effect upon segments of the fuel and energy industries, but also their impact upon related and competing sources of energy and fuel and their interaction with other governmental goals, objectives, and programs; and

"(ix) the need, if any, for legislation designed to effectuate recommendations in accordance with the above and other relevant considerations, including such proposed amendments to existing laws as necessary to integrate existing laws into an effective long-term fuels and energy program.

"(c) In furtherance of the purposes of Senate Resolution 45, agreed to on May 3, 1971, the chairman and ranking minority member of each of the Committees on Aeronautical and Space Sciences, on Commerce, on Finance, on Foreign Relations, on Government Operations, on Labor and Public Welfare, and on Public Works, or members of such committees designated by such chairmen and ranking minority members to serve in their places, and the ranking majority and minority Senate members of the Joint Committee on Atomic Energy, or Senate members of such committee designated by such ranking majority and minority members to serve in their places, shall participate and shall serve as ex officio members of the Committee for the purpose of conducting the Senate's National Fuels and Energy Policy Study.

"(d) The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976."

Mr. RANDOLPH. Mr. President, today this fuels and energy task force held a hearing at which five panelists brought to us important information on our energy situation. The testimony will help all Members of the Senate, to be more knowledgeable in connection with the programs that need to be initiated to meet our problem.

I remind those critics who allege that there has been a lack of Senate action in matters relating to energy that 421 bills were introduced and that final congressional action was taken on 48. Another 21 measures received active consideration in one House or the other.

I direct attention to one particular measure, the Energy Supply and Environmental Coordination Act, signed into law by the President in June 1974.

Mr. President, only last week, 9 months later, were regulations proposed to implement it. Certainly after we have worked and given to an administration such legislation to facilitate conversion to coal, which would release great quantities of natural gas and petroleum, and nothing is done with that legislation, we naturally wonder how can we proceed to meet these problems.

Mr. President, in December, it was indicated by the Federal Energy Administration in a report to the Congress that we could save 1 million barrels of oil per day in this country through an effective energy conservation program on four particular fronts. I ask unanimous consent that those figures be inserted at this point in the RECORD.

There being no objection, the figures were ordered to be printed in the RECORD, as follows:

Strategy for near term program

[Thousand barrels per day saving (1975)]

Industrial: Industrial conservation and energy audits	175
Transportation:	
Auto fuel economy (1975 model yr. gains	58
55 mile-per-hour limit enforcement	50
Encourage car tuning and tire inflation	7
Encourage use of public transportation	5
Encourage carpooling	40
Encourage activity and route coordination	130
Subtotal	290
Buildings:	
Modify ventilation in commercial buildings	50
Insulation	15
2 degree thermostat change	102
Furnace, A/C maintenance	5
Urge reduced commercial lighting	100
Urge turnoff gas yard lights	8
Encourage energy conscious design	5
Reduce hot water thermostat by 10 degrees	5

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Encourage cold water laundering	20
Maintenance and reduced use of appliances	35
Subtotal	345
Fuel substitution:	
Coal conversion of utilities	115
Coal conversion in Industry	75
Total	1,000

Mr. RANDOLPH. Now, it is being said that such a program is too ambitious. It is not; voluntary energy conservation can become a way of life. It is very evident from the actions of government, industry and individuals that we have not yet set ourselves to the task of changing the life style of America which is wasteful from the standpoint of energy.

Mr. President, an example of the failure of the Senate to provide leadership comes from this morning's hearing. As some 10 Members of the Senate discussed energy problems with the panel of five very knowledgeable individuals, including John Sawhill the former Administrator of the Federal Energy Administration, the room temperature was 81 degrees.

All over the Capitol complex—in the office buildings of the Senate and House, even in the Capitol itself—we are doing work in rooms that are heated 10 and 12 degrees more than they need to be.

There is comfort and security in lower temperatures. In fact, a better job can be done by people in rooms that are not excessively warm.

Mr. HARRY F. BYRD, JR. Will the Senator from West Virginia yield?

Mr. RANDOLPH. Yes, I yield to my friend from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator from Virginia is so knowledgeable in the field of energy, I am wondering if the Senator would give an estimate of how much petroleum could be saved, in his judgment, on a voluntary basis, if the Government would get behind a voluntary program and make clear to the public a need for a conservation program. I think the public would respond. How much does the Senator feel could be saved in the way of petroleum products?

Mr. RANDOLPH. I say to the able Senator from Virginia that the Federal Energy Administration itself said, and I have placed as part of this record a document released in December, that we could save a million barrels of oil daily on a voluntary program.

Mr. HARRY F. BYRD, JR. Well, that is all the President seeks to save with this heavy tax and tariff on petroleum products, is it not?

Mr. RANDOLPH. Yes, and now we find those who are beginning to take these figures and say that they were not accurate. At the hearing this morning I pointed out what we can save by improved insulation, and what we can save by the 55-mile-an-hour speed limit. If observed, it saves us at a minimum 2 million gallons of gasoline every day in this country—that is 50,000 barrels of oil every 24 hours.

I appreciate the question because I think the energy conservation action taken by the Senate a few days ago is a partial answer to what the Senator is saying.

We believe by the resolution which was passed on energy conservation that now is the time, with no partisanship involved whatsoever, that the President of the United States should proclaim an energy conservation crusade in this country and designate February 16 to March 15 as Energy Conservation Month and then to report to us on March 31 what has been done voluntarily by the American people in the Senator's State, and in a congressional district.

The challenge would be very great. We have urged the President to proclaim this crusade and to designate the month.

Mr. HARRY F. BYRD, JR. It would be a very desirable thing to do, it seems to me, and if this country could save the energy that needs to be saved by voluntary conservation, we are all much better off than enacting programs that will add to the inflationary spiral.

Mr. RANDOLPH. I thank the Senator, and I am in agreement with his views.

Mr. President, as I have stated, very substantial savings in energy use can be achieved through a massive conservation program. There must be strong leadership from Washington to achieve this objective, however. As Senators we are aware of many local efforts to establish energy conservation projects. It was my privilege last Saturday to meet with the members of the Morgan County-Berkeley Springs Energy Conservation Committee in West Virginia. There in our Mountain State a group of interested citizens are mobilizing local organizations and residents to initiate voluntary energy savings actions.

I am confident that their endeavors will be successful. It is my belief that other areas of West Virginia and our country will benefit from the initiative of the people of Morgan County and Berkeley Springs.

We are failing in our conservation efforts which, in rather substantial degree, would take care of the so-called need to conserve petroleum consumption by a rather complex maneuvering as suggested by the administration's economic and energy programs. We need to do the very simple job of voluntary conservation along a broad front in this country. With maximum determination, the American people can conserve; they will halt wasteful practices; they will prove equal to the task.

S. 641—CONSUMER FOOD ACT OF 1975

Mr. MOSS. Mr. President, yesterday, upon the intrduction of the bill S. 641, a bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes, I propounded a unanimous-consent request that the bill be referred to two committees and that when the first committee reports, the second shall have 45 days to report or be considered discharged from further consideration of the bill.

The Senator from Michigan, the acting minority leader at that time, objected to the request, which I then modified and which appears on the bill as follows:

When the first committee reports the bill, the second committee reports promptly or is discharged from further consideration of the bill.

I altered my unanimous consent request in order to accommodate the objections of the Senator from Michigan. However, he did state:

It is highly unusual, upon the introduction of a bill, to require that the bill be reported within a given period of time.

Mr. President, not only did the referral on the particular bill last year relate to two committees, but it also required one committee to report by a date certain. It would seem to me that when the committee chairman of the second committee and the ranking member of the second committee are in agreement as to the length of time they want the bill, we might, as a matter of comity, comply with that request.

In the current instance, the Labor and Public Welfare Committee felt that 45 days was sufficient time after, and I repeat after, the Commerce Committee had acted, in which to further consider the bill. Last year I recall two additional bills which, with the concurrence of the chairman and ranking member, were similarly jointly referred to two committees with a 45-day proviso. These bills, S. 707 and E. 2928, were subsequently reported and placed on the calendar without any difficulty in complying with the predetermined 45-day proviso. Each committee had the bill for the same length of time, that is from introduction until reporting, however one committee had an additional 45-day period in which to consider the bill after the first had reported.

In the future, I hope the assistant minority leader or his designee would permit such unanimous consent referrals if they have been cleared with the relevant committee leadership.

Mr. President, I would be remiss in the above remarks if I let pass my own statement that the Labor and Public Welfare Committee were the "second" committee in considering the bill which was introduced yesterday. The only sense in which the Labor and Public Welfare Committee is the second committee is that: First, I introduced the bill and am not a member of that committee, and second, the bill as originally developed originated in the Commerce Committee. The referral and use of the term second committee presupposes that the Commerce Committee would act first, although, in the last session, the Committee on Labor and Public Welfare acted first. In order to put to rest any unintended innuendo, let me state that the Committee on Labor and Public Welfare has as much jurisdiction over this legislation as does the Commerce Committee, and some might say even more. Let us just say we are equals when it comes to this particular bill.

ORDER FOR STAR PRINT OF S. 495

Mr. BARTLETT. Mr. President, a portion of the language was deleted from Senate bill 595. I ask unanimous consent that a star print be made of the bill to incorporate the additional language and sponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT TO THE PROPOSED SUSPENSION OF THE PRESIDENT'S ENERGY IMPORT FEE PROGRAM

Mr. JAVITS. Mr. President, I have submitted an amendment to the 90-day stay of the President's energy program which was referred to the Committee on Finance. I commend it to the study and the reading of Senators. I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 9

Strike all after enacting clause of H.R. 1767 and insert:

That, during the period beginning on the date of the enactment of this Act and ending at the close of the sixtieth day thereafter, nothing in section 232(b) of the Trade Expansion Act of 1962 (U.S.C. 1862(b)) or in any other provision of law shall be deemed to grant to the President any authority to adjust fees, tariffs, or other charges on imports of petroleum or any product derived therefrom except in accordance with the provisions of this Act.

SEC. 2. (a)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a rate of duty on petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline shall cease to have effect on the date of the enactment of this Act.

(2) Upon appropriate request therefor filed with the customs officer concerned on or before the sixtieth day after the date of the enactment of this Act, the entry or withdrawal of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline to which a rate of duty imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) applies shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as if no duty applied to such entry or withdrawal.

(b)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a tax or fee on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which is higher than the tax or fee imposed on the importation of petroleum or any such product on January 15, 1975, shall cease to have effect on the date of the enactment of this Act; and the tax or fee imposed on the importation of petroleum or any such product derived therefrom after such date of enactment shall be the tax or fee in effect on January 15, 1975.

(2) Upon request therefor filed with the appropriate Federal agency on or before the sixtieth day after the date of the enactment of this Act, the amount of any tax or fee imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) and paid by any person on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which exceeds the tax or fee that was imposed with respect to the importation of petroleum or such products derived therefrom on January 15, 1975, shall be rebated to such person.

SEC. 3. If during the sixty-day period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces,

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)).

SEC. 4. Nothing in the first section and sections 2 and 3 of this Act shall be deemed to affect the validity of any proclamation or executive order issued before January 16, 1975, by the President under section 232(b) of the Trade Expansion Act of 1962.

Mr. JAVITS. Mr. President, in accordance with the energy program I announced and explained on the floor of the Senate on Tuesday, January 21, I today introduce an amendment in the form of a substitute to H.R. 1767, the bill suspending for a period of 90 days the President's authority to take any import adjustment action relating to petroleum products.

The substitute amendment I am offering will prohibit the President from imposing any new fee or tariff on imported petroleum or products derived from imported petroleum with the excepton of motor gasoline, the fuel that is most elastic in demand subject to the greatest waste and inefficiencies in use. It will thus exempt from any increased tariff imported home heating oil and residual fuel—the two fuels that most critically are needed and on which further price increases can be tolerated least by hard-pressed consumers.

It will also exempt all commercial and industrial fuels, on which immediate increases in prices have not been shown to cause substantial decrease in use, and on which further price increases would have a significant inflationary impact on the entire economy.

It would reduce the period of suspension, which is in effect the period for congressional review from 90 to 60 days, giving the Congress enough time to formulate any alternative program, yet still maintaining an atmosphere of urgency that is undeniably necessary.

Finally, it would not prevent the President from utilizing his quota authority to reduce imports if he determines that the requirements for imposition of a quota exist.

Mr. President, the goals of the Kennedy-Jackson resolution, the House-passed bill and my amendment are not divergent. We each recognize the need for congressional and public scrutiny of the Executive action announced by the President with regard to import tariffs and de control of the price of old oil. Realistically and substantially, we each oppose as a matter of policy any additional tax on users of imported residual fuel and home heating oil, who have suffered the most in the past year from the skyrocketing costs of imported oil and who have already cut back on their use to the greatest extent possible in the short term.

Additionally, we each think it a necessary prerequisite, before any action is taken carefully to analyze the economic and social effects of increased prices on industrial and commercial fuels, which ripple through to the ultimate consumer in higher prices for all goods and services.

However, our methods of achieving that goal are substantially different. The Kennedy-Jackson resolution and the House-passed bill invite a veto. They each provide a confrontation with the President that I believe is unnecessary and unwise. Passage as presently worded invites the possibility of a long-term stalemate, where the Congress blocks Presidential energy initiatives and the President vetoes congressional energy programs.

Our Nation cannot withstand such a continuing confrontation—nor should it be forced to endure the delays inherent in partisan politics. It desperately needs action to relieve our energy problems and start the process toward energy independence by 1985. With that we all agree. And yet, the Kennedy-Jackson and House bills fail to take the steps—even a small step—necessary to compromise with the President so that America will have an energy policy that is workable and fair.

As I have said before, we must recognize that the era of cheap fossil fuel energy resources is over. If we are to increase energy efficiency and productivity over the long term, the price of energy relative to other goods and services must rise. Moreover, if we are to develop alternative sources of supply, and increase the incentives for private investment in new sources, the long-term price of energy must be high enough to warrant that investment. To hold out to the American people that we can solve our energy problems and continue low prices for oil and gas is counterproductive to energy conservation and a false promise.

But, the form, the pace and the magnitude of that increase is one of the primary issues of energy policy facing the Congress. I believe the increase should be phased in over a 3- to 5-year period, and imposed selectively on those petroleum products that show the greatest price elasticity and the minimum adverse economic and social impacts.

However, neither this policy nor any other will result from stalemate and veto. I feel it is irrelevant to the American people where the blame may lie—and that the American people want effective leadership and sound policy. I believe those goals—which require

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achieving the immediate goal of subjecting the President's Executive actions to congressional oversight—can be achieved. But I do not think it need be achieved by confrontation.

Mr. President, I believe with the changes I propose, the President can sign this legislation and break the ice over energy policy. It would be a major first step toward the congressional-Executive cooperation that is critically needed to solve the enormous and complicated energy problems we face.

Mr. President, the amendment proposes to confine the President's order respecting an increase in the tariff on imported petroleum and petroleum products of $3 by monthly stages to, essentially, fuel used to drive motor cars of all kinds, and to exclude from it home heating oil, residual fuel oil, and other industrial and commercial petroleum levels and feedstocks.

The concept would be that in this regard, that is, in respect to gasoline primarily, the demand is more elastic in the short term. We all know how much we waste. We had proof of it when we dealt with the gasoline lines, early in 1974, and were able to economize to the tune of pretty close to 1 million barrels of gasoline a day just by some rudimentary precautions respecting how much and when people could buy gasoline.

The amendment would also preserve the quota power of the President, to use in coordination with his mandatory allocation authority. It would stay the rest of the President's import tariff order for 60 days.

What the amendment really tries to do, Mr. President, is to avoid a confrontation now, and to try to bring about at least a partial agreement between the President and Congress so that without confrontation an atmosphere can be created for development of an energy package of a much broader kind.

The resistance to the President's energy package as it has now developed has proven to be so great that, coupled with the President's offer of partnership with Congress, offering to work out with us what ought to be done, the opportunity is presented to cooperate instead of confront, and this opportunity ought to be availed of.

I realize perfectly, and I hope that the President realizes, that he has to do something to come to an accommodation with the Congress. The amendment which I have offered, which would be in the nature of a substitute for the whole bill as ordered reported out by the Finance Committee today, is designed toward that end.

Mr. President, I commend the amendment to the consideration of the majority and the minority alike—it is entirely nonpartisan. I hope that there will be further fruitful discussion about it and that the White House will think about it very seriously.

I believe it is possible to reach agreement on an energy program. But the immediate failure to agree should not block the tax rebate, which is urgently essential for America's first priority, which today is jobs.

I hope very much, whether it is my idea or someone else's idea, that we will not try to resolve the whole question here and now, which probably cannot be done except with the shedding of a lot of blood, in legislative terms and in terms of the country's recovery, but will rather come to an interim accommodation, and then endeavor, with that kind of atmosphere created, to work out a plan which will be agreeable to the Congress, the President, and the country.

Mr. President, I end by pointing out that we have settled many bills this way, and they looked just as insoluble as this one. It has always worked out best for all concerned. That has happened in education; it has happened in manpower; it has happened in legal services, and in other bills.

I believe the effort, the collaborative effort, of that kind, with the White House and the Congress getting together on practicalities, is clearly indicated now. I hope that this substitute may lead in that direction.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to, and at 1:58 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 1:59 p.m., when called to order by the Presiding Officer (Mr. FORD).

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, there are certain nominations at the desk which have been reported today from the Committee on Armed Services. I ask unanimous consent that the Senate go into executive session to consider those nominations.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Defense.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to, and at 2 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 2:01 p.m., when called to order by the Presiding Officer (Mr. FORD).

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL 11 A.M. MONDAY, FEBRUARY 17, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow it stand in adjournment until 11 a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT; AUTHORIZATION FOR CERTAIN ACTION TO BE TAKEN DURING THE ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow; that the session on tomorrow be merely a pro forma session, and that immediately after convening the Presiding Officer shall, without the transaction of any business or debate, declare the Senate adjourned until 11 a.m. on Monday next. I further ask unanimous consent that Senators may have until 5 p.m. today to introduce bills, resolutions, and amendments, and to include statements in the RECORD; that on tomorrow they may have from 12 noon to 3 p.m. to introduce bills, resolutions, or amendments, but with no statements for the RECORD tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, awaiting the call of the Chair.

The motion was agreed to; and at 2:02 p.m. the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 2:10 p.m., when called to order by the Presiding Officer (Mr. BARTLETT).

AUTHORITY FOR JOINT COMMITTEE ON ATOMIC ENERGY TO HAVE UNTIL MIDNIGHT FRIDAY, FEBRUARY 14, 1975, TO FILE REPORTS ON SENATE CONCURRENT RESOLUTIONS 13, 14, AND 15

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Joint Committee on Atomic Energy have until midnight Friday, February 14, 1975, to file its reports on Senate Concurrent Resolutions 13, 14, and 15.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at 12 o'clock noon in a pro forma session, with no speeches and no business. Senators will have until 5 o'clock p.m. today to have speeches printed in the RECORD and to introduce bills, resolutions, and amendments. They will have, on tomorrow, until 3 o'clock p.m. to introduce bills, resolutions, and amendments, but with no accompanying statements for the RECORD.

Upon the adjournment of the pro forma session tomorrow, the Senate will go over until 11 o'clock a.m. on Monday next. After the two leaders or their designees have been recognized on Monday next, the reading of the Farewell Address of President George Washington will occur, with Senator GARN of Utah reading the address.

After the reading of Washington's Farewell Address on Monday, there will be a period for the transaction of routine morning business by unanimous consent, not to extend beyond 1 hour, with statements limited therein to 10 minutes each, and other business, if ready for transaction by the Senate, will be transacted.

Rollcall votes are not to be ruled out. There have been past instances, many of them, in which business has been transacted by the Senate and rollcall votes have occurred on the day of the reading of Washington's Farewell Address.

Hopefully, on Monday, the joint leadership will be able to reach an agreement as to the taking up of the bill extending and enlarging the debt limit, and also the bill suspending the President's authority to impose oil import tariffs. That agreement is being worked on at this time, but we shall not be able to achieve it this week.

I feel that the Senate has accomplished its purpose and there would be no reason for any session tomorrow other than a pro forma session, the purpose having been to allow committees to meet and to assist in the expedition of the reporting by the Committee on Finance of the two measures to which I have alluded. It is my understanding that there is a request from the minority to have until Monday to file the report on the oil import tariff measure. That being the case, and the two measures being somewhat tied together for various reasons, there would be no purpose in the Senate meeting on tomorrow or Friday.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 2:14 p.m. the Senate adjourned until tomorrow, Thursday, February 13, 1975, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 12, 1975:

DEPARTMENT OF STATE

William G. Bowdler, of Florida, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of South Africa.

DEPARTMENT OF JUSTICE

Ralph B. Guy, Jr., of Michigan, to be U.S. attorney for the eastern district of Michigan for the term of 4 years (reappointment).

John E. Clark, of Texas, to be U.S. attorney for the western district of Texas for the term of 4 years vice William S. Sessions, resigned.

Ramon M. Child, of Utah, to be U.S. attorney for the district of Utah for the term of 4 years vice C. Nelson Day, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 12, 1975:

DEPARTMENT OF JUSTICE

Philip H. Modlin, of Virginia, to be a member of the Board of Parole for the term expiring September 30, 1977.

DEPARTMENT OF DEFENSE

Joseph Laitin, of Maryland, to be an Assistant Secretary of Defense.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be major general

Brig. Gen. Robert M. White, 104–16–0834FR, Regular Air Force.

Brig. Gen. Harrison Lobdell, Jr., 552–26–5729 FR, Regular Air Force.

Brig. Gen. George H. Sylvester, 114–18–3812 FR, Regular Air Force.

Brig. Gen. William C. Burrows, 527–22–9420 FR, Regular Air Force.

Brig. Gen. Paul W. Myers, 097–16–9174FR, Regular Air Force, Medical.

Brig. Gen. John G. Albert, 071–18–4399FR, Regular Air Force.

Brig. Gen. Charles L. Wilson, 456–28–0247 FR, Regular Air Force.

Brig. Gen. Lucius Theus, 358–03–5396FR, Regular Air Force.

Brig. Gen. Robert C. Thompson 170–12–7339 FR, Regular Air Force.

Brig. Gen. John R. Spalding Jr., 358–14–0435FR, Regular Air Force.

Brig. Gen. Robert E. Sadler, 483–16–7670FR, Regular Air Force.

Brig. Gen. Winfield W. Scott, Jr., 230–24–1597FR, Regular Air Force.

Brig. Gen. Richard H. Schoeneman, 008–14–9277FR, Regular Air Force.

Brig. Gen. Thomas M. Sadler, 417–26–5127 FR, Regular Air Force.

Brig. Gen. Lovic P. Hodnette, Jr., 420–52–5359FR, Regular Air Force.

Brig. Gen. Walter D. Druen, Jr., 228–26–0380 FR, Regular Air Force.

Brig. Gen. Benjamin R. Baker, 403–22–7251 FR, Regular Air Force, Medical.

Brig. Gen. Richard C. Bowman, 336–20–0042FR, Regular Air Force.

Brig. Gen. Gerald J. Post, 029–16–8496FR, Regular Air Force.

Brig. Gen. Carl D. Peterson, 560–26–1261FR, Regular Air Force.

Brig. Gen. Cecil E. Fox, 453–28–9099FR, Regular Air Force.

Brig. Gen. Kermit C. Kaericher, 356–16–8013FR, Regular Air Force.

Brig. Gen. Don D. Pittman, 498–14–9442FR, Regular Air Force.

Brig. Gen. Robert A. Rushworth, 007–12–3948FR, Regular Air Force.

Brig. Gen. Charles C. Blanton, 218–26–1940 FR, Regular Air Force.

Brig. Gen. John J. Murphy, 047–14–7514FR, Regular Air Force.

Brig. Gen. James P. Mullins, 012–24–1664 FR, Regular Air Force.

Brig. Gen. Wayne E. Whitlatch, 479–24–0179FR, Regular Air Force.

Brig. Gen. Thomas M. Ryan, Jr., 142–20–5526FR, Regular Air Force.

Brig. Gen. Malcolm E. Ryan, Jr., 548–30–3431FR, Regular Air Force.

Brig. Gen. James L. Brown, 461–38–5413FR, Regular Air Force.

Brig. Gen. Benjamin F. Starr, Jr., 260–26–0996FR, Regular Air Force.

The following officers for appointment in the Regular Air Force to the grades indicated, under the provisions of chapter 835, title 10 of the United States Code:

To be major general

Lt. Gen. James E. Hill, 446–12–0379FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Howard M. Lane, 422–16–1628 FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Edward P. McNeff, 138–18–0859 FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Howard P. Smith, Jr., 255–24–3618FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. James E. Paschall, 244–20–2535 FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Travis R. McNeil, 467–20–0153 FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. George Rhodes, 234–24–7416FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Kendall Russell, 562–54–3484FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Jack Bellamy, 334–20–3822FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Timothy I. Ahern, 044–16–4884 FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Charles E. Buckingham, 341–16–1210FR, (brigadier general, Regular Air Force), U.S. Air Force.

Lt. Gen. Brent Scowcroft, 528–20–7372FR, (brigadier general, Regular Air Force), U.S. Air Force.

To be brigadier general

Brig. Gen. David W. Winn, 475–12–1616FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John R. Spalding, Jr., 358–14–0435FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Cecil E. Fox, 453–28–9099FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Kermit C. Kaericher, 356–16–8013FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Bohdan Danyliw, 047–12–8503FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Benjamin F. Starr, Jr., 260–26–0996FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Norman C. Gaddis, 411–14–6705 FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Henry B. Stelling, Jr., 559–26–0004FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Jack I. Posner, 091–16–7848FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. James B. Currie, 348–14–0694 FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Rupert H. Burris, 431–34–0482 FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Thomas F. Rew, 052–14–8635FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William C. Norris, 123–16–8359 FR, (colonel, Regular Air Force, U.S. Air Force.

Brig. Gen. Carl G. Schneider, 451–40–5477 FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard C. Bowman, 336–20–0042 FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard H. Schoeneman, 008–14–9277FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John G. Albert, 071–18–4339FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Frank G. Barnes, 412–14–0769FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. George M. Wentsch, 565–26–2803FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. James P. Mullins, 012–24–1664FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Carl D. Peterson, 560–26–1261FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Donald N. Vivian, 094–16–9350FR, (colonel, Regular Air Force, Medical), U.S. Air Force.

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be brigadier general

Col. William P. Acker, 247–42–3710FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Anderson W. Atkinson, 431–26–8605 FR, Regular Air Force.

Col. Walter H. Baxter III, 454–34–6467FR, Regular Air Force.

Col. Stanley C. Beck, 527–28–7053FR (major, Regular Air Force) U.S. Air Force.

Col. John H. Bennett, 521–36–4193FR, Regular Air Force.

Col. Rufus L. Billups, 418–22–2533FR, Regular Air Force.

Col. Max B. Brallier, 410–64–2170FR, Regular Air Force, Medical.

Col. Jay R. Brill, 278–36–4342FR, Regular Air Force.

Col. William E. Brown, Jr., 137–22–1097FR, Regular Air Force.

Col. Kelly H. Burke, 419–20–0489FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Kenneth D. Burns, 556–36–0759FR (major, Regular Air Force) U.S. Air Force.

Col. Carl H. Cathey, Jr., 244–36–7303FR (major, Regular Air Force) U.S. Air Force.

Col. Edgar A. Chavarrie, 526–20–2659FR, Regular Air Force.

Col. Ernest J. Clark, 513–12–8805FR, Regular Air Force, Medical.

Col. Robert F. Coverdale, 277–26–0316FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. William D. Curry, Jr., 479–22–1102FR, Regular Air Force.

Col. Charles L. Donnelly, Jr., 287–28–0955 FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Philip C. Gast, 498–34–9821FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Don M. Hartung, 265–26–1456FR, Regular Air Force.

Col. Charles C. Irions, 312–24–6750FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Thomas E. Lacy, 426–34–5704FR, Regular Air Force.

Col. Chris C. Mann, 185–20–5127FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. James R. McCarthy, 412–40–2339FR, (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Edward J. Nash, 386–18–1451FR, Regular Air Force.

Col. George K. Patterson, 375–40–8423FR, Regular Air Force.

Col. John R. Paulk, 253–48–7056FR, (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Thomas C. Pinckney, Jr., 248–40–9816 FR, Regular Air Force.

Col. Andrew Pringle, Jr., 556–30–0618FR, Regular Air Force.

Col. Walter B. Ratliff, 441–28–1840FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Irving B. Reed, 244–36–4648FR, Regular Air Force.

Col. Richard G. Rumney, 168–20–7905FR, Regular Air Force.

Col. George L. Schulstad, 501–26–1488FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Eugene D. Scott, 125–18–5270FR, Regular Air Force.

Col. Robert Scurlock, 556–32–4920FR, Regular Air Force.

Col. James W. Stansberry, 106–20–0475FR, Regular Air Force.

Col. Leroy W. Svendsen, Jr., 361–16–9390FR, Regular Air Force.

Col. Herbert V. Swindell, 218–16–1198FR, Regular Air Force, Medical.

Col. Daryle E. Tripp, 096–22–9928FR, Regular Air Force.

Col. Everett L. True, 490–44–9697FR, Regular Air Force.

Col. Ewell D. Wainwright, Jr., 457–40–3844 FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Joseph E. Wesp, 459–22–9183FR, Regular Air Force Medical.

Col. Robert F. C. Winger, 497–26–4047FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35, 831, and 837, title 10, United States Code:

To be brigadier general

Col. Harry L. Cochran, Jr., 182–14–3838FG, Air National Guard.

Col. Richard L. Frymire, Jr., 401–40–4126 FG, Air National Guard.

Col. Grady L. Patterson, Jr., 251–22–5089 FG, Air National Guard.

Col. Richard A. Rann, 381–18–2986FG, Air National Guard.

Col. Hal C. Tyree, Jr., 484–14–9219FG, Air National Guard.

Col. Bobby E. Walls, 445–28–2829FG, Air National Guard.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be general

Lt. Gen. John Russell Deane, Jr., 460–64–0004, Army of the United States (major general, U.S. Army).

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. Robert Creel Marshall, 081–32–6336, Army of the United States, (brigadier general, U.S. Army).

Lt. Gen. John Alfred Kjellstrom, 339–12–9525, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Robert Leahy Fair, 546–18–6387, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Chester M. McKeen, Jr. 360–05–3544, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Kenneth Banks Cooper, 579–52–8235, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Richard Edward McConnell, 092–12–8607, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Ernest Graves, Jr., 081–32–8109, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas McKee Tarpley, 320–34–6372, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Ira Augustus Hunt, Jr., 371–40–5174, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Richard Luther West, 384–12–6688, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. William Roy Wolfe, Jr., 245–60–7696, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Joseph Corbett McDonough, 145–18–1676, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Wilbur Henry Vinson, Jr., 579–20–7549, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Gordon Sumner, Jr., 525–24–8374, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Herbert Eric Wolff, 130–14–3117, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles Robert Myer, 235–34–1338, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Robert Morin Shoemaker, 364–28–5085, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles James Simmons, 460–64–3081, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Sam Sims Walker, 549–32–8593, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. John Royster Thurman III, 238–26–1135, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles Dwelle Daniel, Jr., 260–60–1991, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles Maurice Hall, 551–28–7043, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Elmer Raymond Ochs, 322–20–3690, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. William Johnston Maddox, Jr., 577–28–8085, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. John Robin Davis Cleland, Jr., 233–32–7086, Army of the United States, (brigadier general, U.S. Army).

The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3384:

To be major general

Brig. Gen. Naiff Harold Kelel, 378–16–4311.
Brig. Gen. Lee Lawrence, 289–07–9630.
Brig. Gen. Howard Ashton Louderback, Jr., 139–12–2326.
Brig. Gen. John Henry Neiler, 184–18–2278.
Brig. Gen. Norris Ewel Sills, 439–46–5958.
Brig. Gen. Donald Austerfin Yongue, 250–22–4375.

To be brigadier general

Col. Forrest Anderson Abbott, 249–32–6142.
Col. Bill Charles Branson, 499–24–5060.
Col. JRoyston Brown, 429–40–1260.
Col. Charles Maxwell Headrick, 532–12–7540.
Col. Evan LeRoy Hultman, 483–16–0951.
Col. Frederick Hebel Lawson, 355–14–8787.
Col. Marion Mann, 109–16–3820.
Col. Gordon Clark McKeague, 341–20–0119.
Col. Forrest Cooke Murphy, Jr., 575–20–4459.
Col. James David Randall, Jr., 416–36–4964.
Col. William Doyle Tidwell, Jr., 412–24–7326.
Col. Donald Lloyd Turkal, 219–12–4680.

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major general

Brig. Gen. Charles Hayden Jones, 286–18–0480.
Brig. Gen. William Robert Sharp, 154–12–4561.
Brig. Gen. Harold Roden Story, 077–12–4679.

To be brigadier general

Col. Wilbur Robert Buntin, Jr., 294–16–8283.
Col. James Arthur Daley, 034–12–1834.
Col. George Henry Fairfield, 508–18–8676.
Col. Morphis Albert Jamiel, 035–22–0302.
Col. Clarence Frost Rhea, 418–14–8372.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of title 10 United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Cunningham Campbell Bryant, 227–18–5437.
Brig. Gen. Richard Austin Miller, 543–07–9856.

To be brigadier general

Col. John Coffey, Jr., 443–28–5284.
Col. Marvin Kent Speigner, 419–24–3220.

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Reiley Guthrie, 125–07–75, U.S. Army.

IN THE NAVY

Rear Adm. Donald C. Davis, U.S. Navy, having been designated for commands and other duties of greater importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Capt. John J. O'Connor, Chaplain Corps, U.S. Navy, for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law.

Rear Adm. Edward C. Waller III, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Vice Adm. Frederick H. Michaelis, U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of admiral while so serving.

Vice Adm. George C. Talley, Jr., U.S. Navy, for appointment to the grade of vice admiral on the retired list, pursuant to the provisions of title 10, United States Code, section 5233.

Rear Adm. Horace B. Robertson, Jr., Judge Advocate General's Corps, U.S. Navy, to be Judge Advocate General of the Navy with the rank of rear admiral, for a term of 4 years.

Rear Adm. James D. Watkins, U.S. Navy, for appointment as Chief of Naval Personnel in the Department of the Navy for a term of 4 years.

Rear Adm. James D. Watkins, U.S. Navy, having been designated for commands and other duties of great importance and responsibility determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

The following-named officers of the Naval Reserve for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law:

LINE

Sigmund F. Bajak
Bernard E. Nash
Richard Lyon
Thomas E. Morris
Anthony H. Murray, Jr.
Paul W. Rohrer

MEDICAL CORPS

Winston H. Weese

SUPPLY CORPS

Charles H. Mayfield

CHAPLAIN CORPS

Bertram W. Korn

DENTAL CORPS

Edward U. Austin

IN THE AIR FORCE AND ARMY

Air Force nominations beginning Raymond S. Bennett, Jr., to be colonel, and ending Arthur R. Zeitler, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Air Force nominations beginning James G. Sanders, to be lieutenant colonel, and ending James B. Miller, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Air Force nominations beginning Douglas E. Adamson, to be first lieutenant, and ending Doreen N. Yoshioka, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Air Force nominations beginning Nicholas Annicelli, Jr., to be colonel, and ending Owen C. Oheir, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on January 21, 1975.

Army nominations beginning Daniel L. Miller, to be colonel, and ending Albert A. Otero, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Army nominations beginning Norman L. Barnes, to be colonel, and ending Dorothy F. Jones, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 21, 1975.

EXTENSIONS OF REMARKS

LITHUANIAN INDEPENDENCE DAY

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 12, 1975

Mr. SCHWEIKER. Mr. President, I would like to join Lithuanian-Americans from Pennsylvania, and around the Nation, in commemorating the 57th anniversary of the establishment of the Republic of Lithuania this coming Sunday, February 16, 1975.

Once again, we take this occasion to pay tribute to the Lithuanian people, whose steadfast determination on behalf of the cause of personal freedom for all individuals is an inspiration to us all.

Once again, we call attention to the broad issue of human rights, self-determination, and religous freedom, which should be the cornerstones of truly free persons throughout the world.

It has been a pleasure for me to work closely on a variety of issues with members of the Lithuanian-American community throughout Pennsylvania. In particular, Lithuanian-American groups have been most helpful to me in drafting and implementing the bill I sponsored, the Ethnic Heritage Studies Programs Act, Public Law 92–318.

The February 16 anniversary is an important one, and I join in paying tribute to the Lithuanians.

HOUSE OF REPRESENTATIVES—*Thursday, February 13, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

This is the word . . . not by might, nor by power, but by my spirit, saith the Lord.—Zechariah 4: 6.

O God, our Father, we thank Thee for the refreshment of sleep and for the restoration of soul rest brings to our weary spirits. Now with fresh vigor we face the work of another day. In the midst of our labors keep our hearts close to Thee as we seek to solve the problems that confront us and our Nation.

Grant unto us strength for daily duties and stamina for these demanding days that with clear minds, clean hearts, and creative spirits we may prove ourselves worthy of these hours which call aloud for wisdom, courage, and integrity.

Above the noise and din of human voices may we hear Thy still, small voice as we endeavor to do what is right as Thou dost reveal the right to us.

In the mood of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed a bill of the following title, in which the concurrence of the House is requested:

S. 332. An act to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The message also announced that the

President pro tempore, pursuant to Public Law 93-618 and upon the recommendation of the chairman of the Committee on Finance, appointed Mr. LONG, Mr. TALMADGE, Mr. RIBICOFF, Mr. FANNIN, and Mr. ROTH as official advisers, on the part of the Senate, to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements; and as alternates to the above conferences, meetings, and negotiation sessions: Mr. HARTKE, Mr. HARRY F. BYRD, JR., Mr. NELSON, Mr. MONDALE, Mr. GRAVEL, Mr. BENTSEN, Mr. HATHAWAY, Mr. HASKELL, Mr. CURTIS, Mr. HANSEN, Mr. DOLE, Mr. PACKWOOD, and Mr. BROCK.

APPOINTMENT AS MEMBERS OF AMERICAN REVOLUTION BICENTENNIAL BOARD

The SPEAKER. Pursuant to the provisions of section 10(a), Public Law 93-179, the Chair appoints as members of the American Revolution Bicentennial Board the following Members on the part of the House: The gentlewoman from Louisiana (Mrs. BOGGS) and the gentleman from Virginia (Mr. BUTLER).

APPOINTMENT AS MEMBERS OF BOARD OF TRUSTEES OF HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-642, the Chair appoints as members of the Board of Trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House: The gentleman from Missouri (Mr. BOLLING) and the gentleman from Missouri (Mr. TAYLOR).

APPOINTMENT AS MEMBERS EX OFFICIO OF BOARD OF TRUSTEES OF JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

The SPEAKER. Pursuant to the provisions of section 2(a), Public Law 85-874, as amended, the Chair appoints as members ex officio of the Board of Trustees of the John F. Kennedy Center for the Performing Arts the following Members on the part of the House: The gentleman from New Jersey (Mr. THOMPSON); the gentleman from Wyoming (Mr. RONCALIO); and the gentleman from Michigan (Mr. ESCH).

APPOINTMENT AS MEMBERS OF AMERICAN INDIAN POLICY REVIEW COMMISSION

The SPEAKER. Pursuant to the provisions of section 1(b), Public Law 93-580, the Chair appoints as members of the American Indian Policy Review Commission the following Members on the part of the House: the gentleman from Washington (Mr. MEEDS); the gentleman from Illinois (Mr. YATES); and the gentleman from Arizona (Mr. STEIGER).

APPOINTMENT AS MEMBERS OF FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of section 1, Public Law 372, 84th Congress, as amended, the Chair appoints as members of the Franklin Delano Roosevelt Memorial Commission the following Members on the part of the House: the gentleman from New York (Mr. MURPHY); the gentleman from New Jersey (Mr. HOWARD); the gentleman from Maryland (Mr. GUDE); and the gentleman from New York (Mr. FISH).

APPOINTMENT AS MEMBERS OF NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

The SPEAKER. Pursuant to the provisions of section 5, Public Law 93-426, the Chair appoints as members of the National Commission on Supplies and Shortages the following Members on the part of the House: The gentleman from California (Mr. REES) and the gentleman from Ohio (Mr. J. WILLIAM STANTON).

APPOINTMENT AS MEMBERS OF FEDERAL RECORDS COUNCIL

The SPEAKER. Pursuant to the provisions of 44 United States Code 2701, the Chair appoints as members of the Federal Records Council the following Members on the part of the House: The gentleman from Missouri (Mr. BURLISON) and the gentleman from Minnesota (Mr. FRENZEL).

PUBLICATION OF RULES OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

(Mr. JOHNSON of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JOHNSON of California. Mr. Speaker, pursuant to clause 2(a)(3) of rule XI of the Rules of the House of Representatives the publication of committee rules in the CONGRESSIONAL RECORD within 30 days of the convening of the Congress. These rules should specify regular meeting days and other rules in addition to those required by the above clause. To satisfy this requirement and to comply with committee rule I(e), Chairman ROBERT E. JONES, of the Committee on Public Works and Transportation, has asked that I submit for publication in the RECORD the rules of the Committee on Public Works and Transportation for the 94th Congress. These rules were adopted by the committee on February 5, 1975:

RULES FOR THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

RULE NO. I—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under Rule X of House Rules and (subject to the adoption of expense resolutions as required by Rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection therewith.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under Rule X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO. II—REGULAR AND SPECIAL MEETINGS; OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first Tuesday of every month to transact its business unless such day is a holiday, or Congress is in recess or is adjourned, in which case the Chairman shall determine the regular meeting day of the Committee for that month. When the Chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances make practicable, a written notice to that effect and no committee meeting shall be held on that day. This paragraph shall not apply to meetings of any subcommittee.

(b) The Chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the Chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the Chairman, those members may file in the offices of the committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the Chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

(f)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: Provided, however, That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(3) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE NO. III—RECORDS AND ROLL CALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. A record vote may be demanded by one-fifth of the members present. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as Chairman of the committee; and such records shall be the property of the House and all members of the House shall have access thereto.

RULE NO. IV—PROXIES

(a) A vote by any member in the committee or in any subcommittee may be cast by proxy, but such proxy must be in writing during each roll call in which they are to be voted. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(b) Proxies shall be in the following form:

Hon. ———,
House of Representatives,
Washington, D.C.

DEAR ———: Anticipating that I will be absent on official business or otherwise unable to be present, I hereby authorize you to vote in my place and stead in the consideration of ——— and any amendments or motions pertaining thereto.

———, *Member of Congress.*

Executed this the — day of ———, 19—, at the time of ——— p.m./a.m.

RULE NO. V—POWER TO SIT AND ACT; SUBPOENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI the committee, or any subcommittee thereof, is authorized (subject to subparagraph (b)(1) of this paragraph)—

(1) to sit and act at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents

as it deems necessary. The Chairman of the committee, or any member designated by the Chairman, may administer oaths to any witness.

(b)(1) A subpoena may be issued by the committee or subcommittee under subparagraph (a)(2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the members of the committee and authorized subpoenas shall be signed by the Chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpoena issued by the committee or subcommittee under subparagraph (a)(2) may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpoenaed, upon the completion of his testimony before the committee or any subcommittee, may report to the office of counsel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. If hearings are held in cities other than Washington, D.C., the witness may contact the counsel of the committee, or his representative, prior to leaving the hearing room.

RULE NO. VI—QUORUMS

A majority of the members of the committee shall constitute a quorum of the committee for business and a majority of the members of any subcommittee shall constitute a quorum thereof for business: *Provided,* That any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. VII—HEARING PROCEDURES

(a) The Chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 2 working days before the day of his appearance, a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the Chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, to the extent practicable the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other material) under consideration which shall be made available immediately to all members of the committee. In addition, upon announcement of a hearing and subsequently as they are received, the Chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) All other members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such members who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority nor the members of the minority. The chairman may accomplish this by recognizing two majority members for each minority member recognized.

(g) The following additional rules shall apply to investigative hearings:

(1) The Chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

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(C) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the Chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

(10) No major investigation by a subcommittee shall be initiated without approval of a majority of such subcommittee.

RULE NO. VIII—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a)(1) It shall be the duty of the Chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the Chairman of the committee notice of the filing of that request.

(b)(1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each roll call vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include

(1) the oversight findings and recommendations required pursuant to the last sentence of clause 2(b)(1) of Rule X of the House separately set out and clearly identified;

(2) the statement required by section 308 (a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison of the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) of Rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (3) and (4) of subparagraph (c) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any such measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

RULE NO. IX—OVERSIGHT

(a) In order to assist the House in:

(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall be in conformity with Rule XV a Subcommittee on Investigations and Review.

(b) The Subcommittee on Investigations and Review and the appropriate subcommittee with legislative authority shall cooperatively review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, and subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Subcommittee on Investigations and Review and the appropriate subcommittee with legislative authority shall cooperatively review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the committee. The Subcommittee on Investigations and Review shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Subcommittee on Investigations and Review and the appropriate subcommittee with legislative authority shall cooperatively review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

RULE NO. X—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII of House Rules.

(b) The committee shall review, from time to time, each continuing program within its jurisdictions for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(c) The committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such divisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenever the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

RULE NO. XI—BROADCASTING OF COMMITTEE HEARINGS

(a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee hearings, or committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as legislative and representative body and regarding the measures, public issues, and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered, under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearings or other meeting or the activities of committee members in connection with that hearing or meeting or in connection with the general work of the committee or of the House; or

(2) cast discredit or dishonor on the House, the committee, or any member or bring the House, the committee, or any member into disrepute.

(d) The coverage of committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause.

(e) Whenever any hearing or meeting conducted by any committee of the House is open to the public, that committee may permit, by majority vote of the committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(f) The written rules which may be adopted by a committee under paragraph (e) of this clause shall contain provisions to the following effect:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of this rule, relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level necessary to provide adequate television coverage of the hearing or the meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

RULE NO. XII—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The Chairman, in consultation with the chairman of each subcommittee, the majority members of the committee and the minority membership of the committee, shall, for each session of the Congress, prepare a consolidated committee budget. Such budget shall include necessary amounts for staff personnel, for necessary travel, investigation, and other expenses of the full committee and its subcommittees.

(b) Authorization for the payment of additional or unforeseen committee and subcommittees' expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(c) The Chairman or any chairman of a subcommittee may initiate necessary travel requests as provided in Rule XIV within the limits of the consolidated budget as approved by the House and the Chairman may execute necessary vouchers thereof.

(d) Once monthly, the Chairman shall submit to the Committee on House Administration, in writing, a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the full committee. Such report shall show the amount and purpose of such expenditure and the budget to which such expenditure is attributed. A copy of such monthly report shall be available in the committee office for review by members of the committee.

RULE NO. XIII—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes; Provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed, and may be removed, and their remuneration determined by the Chairman.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the ranking minority party member of the full committee who may delegate such authority as he determines appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff shall be available to all members of the committee.

(f)(1) The chairman of each standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause 6 of House Rule XI; Provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1), (2), and (3) shall apply to six subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to subparagraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of the chairman.

(7) The professional and clerical staff of

a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. XIV—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee of any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the Chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the Chairman. Such prior authorization shall be given by the Chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with Rule VII of the committee.

(c)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the Chairman, or, in the case of a subcommittee from the subcommittee chairman and the Chairman. Before such authorization is given, there shall be submitted to the Chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the Chairman or the chairman of a subcommittee (except that individuals may submit a request to the Chairman for the purpose of attending a conference or meeting) and shall be limited to members and permanent employees of the committee.

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the Chairman covering the activities and other pertinent observations or information gained as a result of such travel when requested by the Chairman.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and of the Committee on House Administration pertaining to such travel.

RULE NO. XV—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be 6 standing subcommittees. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively:

(1) Subcommittee on Aviation

(2) Subcommittee on Economic Development

(3) Subcommittee on Investigations and Review

(4) Subcommittee on Public Buildings and Grounds

(5) Subcommittee on Surface Transportation

(6) Subcommittee on Water Resources

(b) The committee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the committee.

(c) A member serving as chairman of any subcommittee on this committee shall not also serve as the chairman of a subcommittee on any other standing committee; Provided, however, that this provision shall not apply to members serving as subcommittee chairmen on the Budget Committee; House Administration Committee; Joint Committees; or on the Small Business Committee who served as a subcommittee chairman on the Select Committee on Small Business as of October 8, 1974.

RULE NO. XVI—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) In any event, the report of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the subcommittee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.

(d) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report:

"This report has not been officially adopted by the Committee on (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(e) Where practicable, bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed upon the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the committee shall by majority vote otherwise direct. No bill reported by a subcommittee shall be considered by the full committee unless it has been delivered to the offices of all members at least 48 hours prior to the meeting, unless the chairman determines that such bill is of such urgency that it should be given early consideration. Where practicable, such bills, resolutions, or other matters shall be accompanied by a comparison with present law and a section-by-section analysis of the proposed change.

RULE NO. XVII—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule XV referred to or initiated by the full committee shall be referred by the Chairman to the subcommittee of appropriate jurisdiction within two weeks, unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until three days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the Chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideraton or for reference to another subcommittee.

(c) In carrying out Rule XVII with respect to any matter, the Chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule XV, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter to a special ad hoc subcommittee appointed by the Chairman (from the members of the subcommittee having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. XVII—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments; Provided, however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and Provided further, that the majority party members may limit the number of subcommittee assignments of the Chairman and the subcommittee chairman in order to equalize committee workloads.

(b) On each subcommittee there shall be a ratio of at least two majority party members for each minority party member, plus one majority party member. In calculating the ratio of majority party members to minority party members, there shall be included all *ex officio* voting members of the subcommittees.

(c) Following shall be the sizes and majority/minority ratios for subcommittees:

(1) Subcommittee on Aviation: (22 members) (15 majority; 7 minority)

(2) Subcommittee on Economic Development: (22 members) (15 majority; 7 minority)

(3) Subcommittee on Investigations and Review: (22 members) (15 majority; 7 minority)

(4) Subcommittee on Public Buildings and Grounds: (22 members) (15 majority; 7 minority)

(5) Subcommittee on Surface Transportation: (25 members) (17 majority; 8 minority)

(6) Subcommittee on Water Resources: (25 members) (17 majority; 8 minority)

(d) The full committee Chairman shall recommend to the Speaker as conferees the names of those members (1) selected by the majority party members of the committee in a manner determined by them, and (2) selected by the minority. Provided, however, that recommendations of conferees to the Speaker shall provide a ratio of at least two majority party members for each minority party member, plus one majority party member.

PUBLICATION OF RULES OF THE COMMITTEE ON GOVERNMENT OPERATIONS

Mr. BROOKS. Mr. Speaker, pursuant to clause 2(a)(3) of rule XI of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD the Rules of the Committee on Government Operations, which were adopted on February 4, 1975:

RULES OF THE COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, 94TH CONGRESS

Rule XI, 1(a)(1) of the House of Representatives provides;

The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that motion to recess from day to day is a motion of high privilege in committees and subcommittees.

Rule XI, 2(a) of the House of Representatives provides, in part:

Each standing committee of the House shall adopt written rules governing its procedure. * * *

In accordance with the foregoing, the Committee on Government Operations, on February 4, 1975, adopted the following as the rules of the committee:

RULE 1—APPLICATION OF RULES

Except where the terms "'full committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Committee on Government Operations and its subcommittees as well as to the respective chairmen.

[See House Rule XI, 1.]

RULE 2—MEETINGS

The regular meetings of the full committee shall be held on the third Thursday of each month at 10 a.m., except when Congress has adjourned. The chairman is authorized to dispense with a regular meeting or to change the date thereof, and to call and convene additional meetings, when circumstances warrant. A special meeting of the committee may be requested by members of the committee in accordance with the provisions of House Rule IX, 2(c)(2). Subcommittees shall meet at the call of the subcommittee chairmen. Every member of the committee or the appropriate subcommittee, unless prevented by unusual circumstances, shall be provided with a memorandum at least three calendar days prior to each meeting or hearing explaining (1) the purpose of the meeting or hearing; and (2) the names, titles, background and reasons, for appearance of any witnesses. The minority staff shall be responsible for providing the same information on witnesses whom the minority may request.

[See House Rule XI, 2(b).]

RULE 3—QUORUMS

A majority of the members of the committee shall constitute a quorum, except that two members shall constitute a quorum for taking testimony and receiving evidence. Proxies shall not be used to establish a quorum. If the chairman is not present at any meeting of the committee or subcommittee, the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

[See House Rule XI, 2(h).]

RULE 4—COMMITTEE REPORTS

Bills and resolutions approved by the committee shall be reported by the chairman in accordance with House Rule XI, 2(l).

Every investigative report shall be approved by a majority vote of the committee at a meeting at which a quorum is present. Supplemental, minority, or additional views may be filed in accordance with House Rule XI, 2(l)(5). The time allowed for filing such views shall be three calendar days (excluding Saturdays, Sundays, and legal holidays) unless the committee agrees to a different time, but agreement on a shorter time shall require the concurrence of each member seeking to file such views. A proposed report shall not be considered in subcommittee or full committee unless the proposed report has been available to the members of such subcommittee or full committee for at least three calendar days (excluding Saturdays, Sundays, and legal holidays) prior to the consideration of such proposed report in subcommittee or full committee. If hearings have been held on the matter reported upon, every reasonable effort shall be made to have such hearings available to the members of the subcommittee or full committee prior to the consideration of the proposed report in such subcommittee or full committee.

RULE 5—PROXY VOTES

A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto. A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date and time of day it was signed and the date for which it is given and the member to whom the proxy is given. Each proxy authorization shall state that the member is absent on official business or is otherwise unable to be present; shall be limited to the date and the specific measure or matter to which it applies; and, unless it states otherwise, shall apply to any amendments or motions pertaining to that measure or matter.

[See House Rule XI, 2(f).]

RULE 6—ROLL CALLS

A roll call of the members may be had upon the request of any member.

[See House Rule XI, 2(e).]

RULE 7—RECORD OF COMMITTEE ACTIONS

The committee staff shall maintain in the committee offices a complete record of committee actions including a record of the roll-call votes taken at committee business meetings. The original records, or true copies thereof, as appropriate, shall be available for public inspection whenever the committee offices are open for public business. The staff shall assure that such original records are preserved with no unauthorized alteration, additions, or defacement.

[See House Rule XI, 2(e).]

RULE 8—SUBCOMMITTEE; REFERRALS

There shall be seven subcommittees with appropriate party ratios which shall have fixed jurisdictions. Bills, resolutions, and other matters shall be referred by the chairman to subcommittees within two weeks for consideration or investigation in accordance with their fixed jurisdictions. Where the subject matter of the referral involves the jurisdiction of more than one subcommittee or does not fall within any previously assigned jurisdiction, the chairman shall refer the matter as he may deem advisable. Bills, resolutions, and other matters referred to subcommittees may be reassigned by the chairman when, in his judgment, the subcommittee is not able to complete its work or cannot reach agreement thereon.

[See House Rule XI, 1(a)(2).]

RULE 9—EX OFFICIO MEMBERS

The chairman and the ranking minority member of the committee shall be ex officio members of all subcommittees. They are authorized to vote on subcommittee matters; but, unless they are regular members of the subcommittee, they shall not be counted in determining a subcommittee quorum other than a quorum for the purpose of taking testimony.

RULE 10—STAFF

Except as otherwise provided by House Rule XI, 5 and 6, the chairman of the full committee shall have the authority to hire and discharge employees of the professional and clerical staff of the full committee and of subcommittees subject to appropriate approval.

RULE 11—STAFF DIRECTION

Except as otherwise provided by House Rule XI, 5 and 6, the staff of the committee shall be subject to the direction of the chairman of the full committee and shall perform such duties as he may assign.

RULE 12—HEARING DATES AND WITNESSES

The chairman of the full committee will announce the date place, and subject matter of all hearings at least one week prior to the commencement of any hearings, unless he determines that there is good cause to begin such hearings at an earlier date. In order that the chairman of the full committee may coordinate the committee facilities and hearing plans, each subcommittee chairman shall notify him of any hearing plans at least two weeks in advance of the date of commencement of hearings, including the date, place, subject matter, and the names of witnesses, willing and unwilling, who would be called to testify including, to the extent he is advised thereof, witnesses whom the minority members may request. The minority members shall supply the names of witnesses they intend to call to the chairman of the full committee or subcommittee at the earliest possible date. Witnesses appearing before the committee shall, so far as practicable, submit written statements at least 24 hours in advance of their appearance.

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[See House Rule XI, 2(g)(3), (g)(4), (j), and (k).]

RULE 13—OPEN MEETINGS

Meetings for the transaction of business and hearings of the committee shall be open to the public or closed in accordance with Rule XI of the House of Representatives.

[See House Rule XI, 2(g).]

RULE 14—FIVE-MINUTE RULE

A committee member may question a witness only when recognized by the chairman for that purpose. In accordance with House Rule XI, 2(j)(2), each committee member may request up to five minutes to question a witness until each member who so desires has had such opportunity. Until all such requests have been satisfied, the chairman shall, so far as practicable, recognize alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the direction of the chairman.

RULE 15—INVESTIGATIVE HEARINGS; PROCEDURE

Investigative hearings shall be conducted according to the procedures in House Rule XI, 2(k). All questions put to witnesses before the committee shall be relevant to the subject matter before the committee for consideration, and the chairman shall rule on the relevance of any questions put to the witness.

RULE 16—STENOGRAPHIC RECORD

A stenographic record of all testimony shall be kept of public hearings and shall be made available on such conditions as the chairman may prescribe.

RULE 17—TV, RADIO, AND PHOTOGRAPHS

When approved by a majority vote, an open meeting or hearing of the committee or a subcommittee may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions of House Rule XI, 3. In order to enforce the provisions of said rule or to maintain an acceptable standard of dignity, propriety, and decorum, the chairman may order such alteration, curtailment, or discontinuance of coverage as he determines necessary.

RULE 18—ADDITIONAL DUTIES OF CHAIRMAN

The chairman of the full committee shall:

(a) Make available to other committees the findings and recommendations resulting from the investigations of the committee or its subcommittees as required by House Rule X, 4(c)(2);

(b) Arrange such meetings, designate participants and submit such reports to the House as may be necessary to carry out the coordination of oversight activities and reporting requirements under House Rule X, 2(c);

(c) Direct such review and studies on the impact or probable impact of tax policies affecting subjects within the committee's jurisdiction as required by House Rule X, 2(d);

(d) Submit to the Committee on the Budget views and estimates required by House Rule X, 4(g); and

(e) Prepare, after consultation with subcommittee chairmen and the minority, a budget for the committee which shall include an adequate budget for the subcommittees to discharge their responsibilities.

IS STRIP MINING REALLY SAFER?

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, a lot of my friends ask me: How can you be against strip mining when strip mining is so much safer than the dangers of underground mining? Well, the latest official figures for 1974 refute the popular image that strip mining is safer. In fact, the rate of underground mining fatalities for 1974 was 0.43 per million man-hours worked, and the rate of strip mining fatalities per million man-hours-worked was exactly the same: 0.43 per million man-hours.

Between 1973 and 1974, the strip mining fatality rate jumped from 0.30 to 0.43 per million man-hours, while the fatality rate in underground mines declined from 0.49 to 0.43. Strip mines are getting more dangerous, and underground mines are getting safer. Also. the Mining Enforcement and Safety Administration has set up a different category called "other surface mining" in which the accident rate shows a higher additional frequency of fatalities than listed under strip mines. For example, the rate is 0.60 per million man-hours under "other surface mining," which is defined as "sliding or falling materials" and "haulage," and these fatalities would send the strip mining fatality rate actually higher than the rate for underground mining.

Mr. Speaker, giant strides will be made in the next few years in stepping up this Nation's coal production. The President and the Congress agree that a major public and private investment will have to be made in converting coal to synthetic liquids and natural gas.

You hear a lot of high-level talk, studies, conferences, and statements about billions of dollars of money, risks, tax incentives, and R. & D. but very little attention is paid to the human problem of how to protect the safety of coal miners and how this Nation can expect to attract the necessary manpower unless we dramtically improve the atrocious accident record in coal mines.

The final grim figures for 1974, just released show that 130 coal miners were killed in 1974, which is only 2 less than in 1973. That is not much to brag about when you consider there was also a coal strike in 1974.

Mine safety is possible. Bethlehem Steel and United States Steel have achieved excellent safety record in the underground mines they operate. You can not obtain safety for coal miners by slick public relations or by politicizing the Mining Enforcement and Safety Administration.

Because of poor administration, a huge backlog of health and safety violations and fines have accumulated. During the last year the Department of the Interior has been settling thousands of violations for as little as 32 to 44 cents on the dollar.

FISHERMEN NEED HELP ON FUEL COSTS, TOO

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, the President announced earlier this week a plan for a rebate program to compensate farmers for increased energy costs caused by the administration's proposed conservation program. The special rebate would help farmers pay increased oil taxes. I support the President in this matter and, in fact, I have urged stronger means to help farmers to produce commodities which are needed here and abroad. Now, I want to urge that a similar rebate program be extended to other industries, particularly the commercial fishermen, who must have fuel for their operation and who are in serious financial difficulty because of increased fuel costs.

It is very important that the American people continue to have fresh, low-cost food products which the commercial fishermen have always supplied. However, this will not be possible unless the problems of the commercial fishermen are recognized and assistance be given to them to help defray the double problem of higher operating costs and lower receipts. Therefore, I strongly urge that President Ford and Federal Energy Administrator Frank Zarb include the commercial fishing industry in the fuel rebate program and to institute additional programs for the relief of the commercial fishing industry. I urge my colleagues to join me in making this recommendation to the President and the FEA.

INTRODUCTION OF MEDICAL MALPRACTICE ARBITRATION BILL

Mr. ASHLEY. Mr. Speaker, I am today introducing the Medical Malpractice Insurance and Arbitration Act of 1975. This legislation is a direct outgrowth of the spreading nationwide crisis in medical malpractice insurance. Physicians in many States, including Ohio, are faced with outright cancellation of their insurance coverage as the few companies left in this field announce their decision to cease underwriting physicians' liability. Others are faced with skyrocketing premium rates, ranging as high as 100 to 300 percent above their present payments.

The insurance companies claim that the escalating amounts of jury awards in malpractice suits make this type of coverage no longer profitable for them. Regrettably, we simply do not have any nationwide compilation of statistics to know whether this is true or not. But what we do know is that the medical profession, not only physicians but hospitals as well, feels that this situation threatens the cost and quality of health care available in the States and communities where the problem has arisen.

The crisis is acute in my congressional district. We have had very few successful malpractice suits over the past decade. Yet one of our chief insurers has announced it will discontinue coverage of classes IV and V physicians imminently, and many of them have been unsuccessful in finding alternate coverage. One group of anesthesiologists insured by another company has been notified that its group premium will rise from $48,000 a year to $360,000. Individual premium increases up to $60,000 annually have been reported to me, as has at least one case of a young doctor who has just completed his residency but cannot afford the initial $20,000 set as his liability premium. Eighteen Toledo area hospitals recently had their coverage

cancelled, but found another company at a greatly increased cost.

This is not a problem for the medical profession alone. Physicians in high-risk specialities are contemplating ceasing practice under the impact of these rate hikes. Doctors and hospitals who pay these sky-high premiums will obviously pass the costs on to their patients. The practice of defensive medicine, taking excessive precautions against the possibility of error, is growing, adding a further threat to the availability of affordable health care throughout the community.

Mr. Speaker, HEW Secretary Weinberger has assembled a task force of health policy specialists under Dr. Roger Egeberg to convene meetings of insurers, State insurance commissioners, and the medical profession to seek solutions to this problem. The American Medical Association is working with the State medical societies to attempt to develop programs for the various State legislatures to prevent this possible disruption of health services. In my own State of Ohio the medical community is preparing legislation which would establish a State commission to become the insurer of Ohio's hospitals and medical practitioners. In addition, a National Conference on Medical Malpractice has been scheduled for the Washington area to provide a forum for exchange of views on this matter between State and Federal officials and the insurance industry.

In my own examination of this problem, I retain doubts as to whether this is essentially a State or Federal problem, since the licensing of physicians and regulation of insurance have been till now responsibilities of the various States.

Nevertheless, the seriousness of this situation requires an exploration of the possibilities for Federal legislation if solutions are not forthcoming elsewhere. The bill I am introducing today embodies my belief that the settlement of malpractice suits through arbitration offers the most reasonable prospect of insuring the rights of claimants and the rights of health providers, while at the same time guaranteeing the maximum return to the injured party in a case where the suit is justifiable.

A report by the defunct HEW Medical Malpractice Commission indicated that arbitration saves time from the normal 3-4 years of court lag in jury cases, costs 15 to 45 percent less than court cases in expenses exclusive of final awards, and increases the chances of informal and satisfactory settlement. One California physicians' group which has included arbitration in its contract with subscribers for more than 3 decades reports that over 90 percent of claims are settled informally through this mechanism.

The bill I am introducing would require States to enact legislation to create arbitration panels, set licensure standards for physicians, and set fees for attorneys participating in arbitrated settlements. Health providers would pay an annual premium into a Federal medical malpractice insurance fund under the administration of the Secretary of HEW and would receive malpractice insurance coverage from the government. The bill would require initial submission of malpractice claims to arbitration. A petition for arbitration would be filed in civil court, and the presiding judge would appoint a panel consisting of a chairman and an equal number of attorneys and members of the medical profession to hear the parties to the case.

The panel would have subpena power, and after hearing both parties, would decide by majority vote whether there was liability and what the damages should be. The panel's decision would be filed with the court, and if the parties accept it, it would be binding. If either party to the suit rejects the decision, the claimant then has the recourse of beginning civil action for the damages, with the arbitration panel's recommendation admissible as evidence by either party in any subsequent court proceeding. This provision answers the objections of some that an arbitration system might tend to be biased toward the health provider. And finally, the legislation establishes maximum fee rates for attorneys in malpractice suits to provide reasonable compensation for services performed.

The bill requires HEW to develop national standards for licensure of health professionals, but it does not preclude any State from establishing its own program as long as it meets or exceeds the national standards.

Mr. Speaker, I have called on the insurance companies, HEW, and the House Subcommittee on Health to initiate action for an early resolution of the crisis in medical malpractice insurance. I do not know if this arbitration approach is the best possible solution. But I am concerned that action be undertaken at the earliest opportunity, and legislative vehicles are needed as a focus of congressional hearings. I am afraid of the impact of declining health services or further cost increases to the public and hope that early action either by the Congress, the state legislatures, or the medical profession itself will resolve this matter as fairly as possible in the public interest.

INTRODUCTION OF THE TAX NEUTRALITY ACT OF 1975

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, today I am pleased to join Senators CHURCH, HASKELL, and RIBICOFF in introducing the Tax Neutrality Act of 1975. This legislation represents the first attempt since 1962 to establish the principle of neutrality in our taxation of the foreign operations of U.S. corporations and individuals. The Revenue Act of 1962, although dealing primarily with the taxation of foreign source income, did not resolve many of the important problems raised by our present tax system. At the same time, however, the 1962 act was the first comprehensive review of this portion of our tax code since the enactment of our original income tax laws in 1913 and 1918.

The short, taxation of foreign income has been an area of law long neglected by Congress. During this long period of neglect piecemeal changes in the law—establishment of Western Hemisphere Trade Corporations, Less Developed Country exceptions, and Domestic International Sales Corporation—all served to obscure the principle of neutrality on which our taxation of foreign income was purportedly based. At the same time, complex and controversial issues surrounding the computation of U.S. tax liabilities on foreign income—issues such as deferral, limitations on the foreign tax credit, and the deductibility of foreign losses—have remained unresolved.

The legislation I am introducing today takes a comprehensive look at all of these provisions and proposes reforms in the law based on a standard of neutrality. "Neutrality" in this context means that our tax laws should not artificially encourage or discourage foreign investment. American companies should make their investment decisions not on the basis of tax considerations, but on the basis of sound economic judgments. If we re-establish this principle in our tax laws, our economy—as well as those of our trading partners—will be better off.

As Senator CHURCH has demonstrated through extensive investigations before his Subcommittee on Multinational Corporations, our present tax laws are far from neutral. Multinational corporations with an army of expert tax accountants and lawyers armed with computers now make investment decisions based largely on tax considerations. A proliferation of paper corporations in tax haven countries such as Grand Cayman, Panama, Costa Rica, and the Netherlands Antilles are only the most notorious examples of the distortions which our tax laws create. Far more serious from the standpoint of the health of our domestic economy are the decisions by our huge multinational corporations to make enormous investments in fixed assets abroad in order to avoid payment of U.S. taxes. In this regard, the critical reform of our tax laws must be the elimination of deferral, the provision which allows U.S. taxpayers to avoid current tax on foreign income by simply reinvesting these profits in their foreign incorporated subsidiaries.

The stakes in the reform of our taxation of foreign income are enormous. U.S. direct investments abroad have a book value of about $86 billion. These investments—which are largely made by our Nation's largest corporations—produce close to $200 billion in output. In 1970, total pretax profits from U.S. direct investments was $18 billion. U.S. taxes on that profit, after allowance for foreign taxes, amounted to only $900 million—or 5 percent of the profit.

Through enactment of the Tax Neutrality Act a substantial degree of justice will be returned to our tax structure. The Government will realize increased revenues without at the same time jeopardizing the strength or competitiveness of American investment abroad. Most importantly, the Tax Neutrality Act will substantially eliminate tax considerations from multinational investment decisions. Opportunities in our domestic economies will not be subject to the

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grossly unfair competition of other countries who offer special tax holidays and concessions.

Specifically, this legislation accomplishes five important reforms:

First, Elimination of deferral of foreign earnings;

Second. A reform of the foreign tax credit by—

Eliminating the "overall limitation" option,

Denying carry forward and carry backs of excess foreign tax credits, and

Institution of a loss recapture provision;

Third. Elimination of the "Western Hemisphere Trading Corporations" provisions;

Fourth. Elimination of the "Domestic International Sales Corporation", and

Fifth. Elimination of the "Less Developed Country Corporations" exceptions for computing the foreign tax credit and foreign earnings.

The revenue gain from these reforms is sizable. Reforming the foreign tax credit will increase Treasury revenues by roughly $2 billion. Eliminating DISC's—perhaps the most outrageously useless preference in the tax code—will alone pick up about $1.3 billion. Eliminating deferrals will raise another $1 billion, while doing away with Western Hemisphere Trading Corporations and exceptions for Lesser Developed Country Corporations will place another $180 million in the Treasury. Total Treasury gain will be $4.5 billion per year. The important point to emphasize is that these revenue gains will not result from punitive taxation. Rather, they are the product of returning our tax laws to the principle of neutrality. This legislation seeks fairness and equity—nothing more.

For an economy suffering the jaundiced symptoms of capital starvation, the Tax Neutrality Act has important implications. Investment dollars now being sucked out of our economy by tax preferences will be attracted by new opportunities in our economy. This will mean an expansion of domestic investment, a strengthening of our economy, and additional jobs for American workers.

The complexity of this area of the tax law has itself been the primary obstacle to reform. In the weeks ahead, I intend to offer an explanation of the major problem areas of our taxation of foreign income and a more detailed description of the remedies provided by the Tax Neutrality Act of 1975.

OIL AND GAS LIMITATIONS SEEN AS WRONG POLICY

(Mr. YOUNG of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Texas. Mr. Speaker, according to recent reports, the National Science Foundation has, after a lengthy study, indicated that contrary to public belief and contrary to the belief of the administration, the oil and gas reserves in this country amount to something on the order of about half of what the administration had thought they were, or a supply of about 25 years.

Mr. Speaker, I recommend that the administration think carefully about these figures before it attempts to limit the production of oil or gas or the importation of petroleum products, from whatever source. I would recommend also to those people who are so interested in the present plight of the automobile industry and the manufacture of automobiles that as long as those automobiles are going to be run on gasoline, they not continue to try to wreck the petroleum industry of this country.

PROPOSED FUEL COST REBATE SHOULD INCLUDE FISHERMEN

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, President Ford in his speech to the Kansas Legislature informed the American public that he had instructed the FEA to formulate a program whereby farmers would receive a rebate on their fuel costs, as I understand it, if his recommended program of a tariff on imported oil is approved.

I have informed the President that I, in behalf of the farmers of my district applaud his decision. Respectfully, I further informed him that he should include not only farmers and ranchers, but also the fishing industry which is having such a difficult time with fuel costs, among other problems.

I advised the President that we must not forget that our fishermen are "the farmers of the sea."

PERMISSION FOR JOINT COMMITTEE ON ATOMIC ENERGY TO FILE REPORTS ON HOUSE CONCURRENT RESOLUTIONS 114, 115, AND 116, UNTIL MIDNIGHT, FRIDAY, FEBRUARY 14, 1975

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that the Joint Committee on Atomic Energy may have until midnight, Friday, February 14, 1975 to file its reports on House Concurrent Resolutions 114, 115, and 116.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK OF FEBRUARY 17, 1975

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, I have asked for this time in order to inquire of the distinguished majority whip if he will give us the program for the coming week.

Mr. McFALL. Mr. Speaker, will the acting minority leader yield?

Mr. BAUMAN. I yield to the majority whip.

Mr. McFALL. Mr. Speaker, I will be very glad to provide that information for the Members of the House.

The program for the House of Representatives for the week of February 17, 1975, is as follows:

On Monday, we will call the Consent Calendar, and we have no bills scheduled. Under suspension of the rules, there are no bills scheduled. On that day we will have the traditional reading of Washington's Farewell Address.

On Tuesday, we will call the Private Calendar, and there are no bills scheduled.

Under suspension of the rules on that day, there will be two bills, as follows:

H.R. 2302, Government employees per diem and mileage expenses; and

H.R. 3, maritime authorization, fiscal year 1975.

On Wednesday, we will consider H.R. 2051, Regional Rail Reorganization Act, subject to a rule being granted; and

House Resolution 138, Select Committee on Intelligence.

On Thursday and for the balance of the week, we will consider the supplemental appropriations bill for fiscal year 1975—that bill is still unnumbered—which will have in it the money for Penn Central which we hope will have been authorized on the previous day, and it will have in it some money from the Legislative Subcommittee on Appropriations.

Mr. BAUMAN. Mr. Speaker, may I ask, in view of the heavy, even crushing schedule that we will have next week, will we work Friday or Saturday to accomplish any of that business?

Mr. McFALL. If the gentleman will yield for that purpose, I am getting some help from other Members on the floor. They say we might, but I would think that we ought to be able to finish up our business on Thursday of next week.

Mr. BAUMAN. I notice the gentleman from Ohio (Mr. VANIK) conferring about the heavy schedule we have. Perhaps the gentleman would like to advise as to whether he feels we should have a quorum call today to perhaps take care of the extensive business we have.

Mr. McFALL. Speaking for the gentleman from Ohio, I think it would be better to have two or three extra quorums next week rather than one today.

Mr. BAUMAN. I fully understand the implications of the gentleman's statement.

Mr. McFALL. With reference to the calendar for next week, I would say to the gentleman from Maryland that the legislative bills that are on it are very important.

The money for the Penn Central Railroad, $100 million, is very important because of the necessity for the railroad's meeting a payroll on February 25. Assurances have been given to the Penn Central that that money would be available to them so that they need not begin the embargo of freight. In order to shut down the railroad, that would be necessary, if they do not get the money; and assurances were given to them that the Congress would act expeditiously in providing these sums.

Consequently, they have not embargoed the freight.

Both bills, the one from the Committee on Interstate and Foreign Commerce and the one from the Committee on Appropriations, are very important to the Northeast corridor of railroads and the operation of the railroads hereafter.

Mr. BAUMAN. Mr. Speaker, I would just observe that the gentleman is quite correct. I think, however, that the Penn Central officials could learn a great deal if they would observe the gentleman from California and his conferees, the leadership on the other side. They would learn a great deal about how to run a railroad efficiently.

I thank the gentleman, Mr. Speaker.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

WHAT STRIP MINING IS DOING TO THE NATION

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I would like to use this occasion, while we are not heavily laden with other matters this week, to compliment my colleague, the gentleman from West Virginia (Mr. HECHLER), on his observation about strip mining and what it is doing to this Nation.

In my State of Wyoming, the onslaught of surface mining is going on at such a pace that everyone in the State is concerned lest we become one vast chasm from Yellowstone Park to Cheyenne, and from Newcastle to Evanston.

Perhaps legislation is necessary now to compel every surface mining company to deep-mine a certain percentage for every million ton that it surface-mines. Otherwise, I fail to see how the 39 times more deep coal that Wyoming contains at levels from 1,500 feet and deeper will ever be mined, if we continue the unregulated, hell-bent-for-destruction strip mining of coal.

We should compel an early transition to deep mining in Wyoming, and compel its growth annually in relation to surface mining tonnage.

Thank you, Mr. Speaker.

THE POTOMAC HERITAGE TRAIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 10 minutes.

Mr. BAUMAN. Mr. Speaker, 7 years ago the Congress passed and the President signed into law, the National Trails System Act which instituted a national system of recreation and scenic trails. Pursuant to the act, the Secretary of the Interior and the Secretary of Agriculture are directed to determine the feasibility of including other trails within the national system of trails. Under this provision the Department of the Interior has recommended that the Potomac Heritage Trail be included in the National Trail System, and I am today introducing a bill to effectuate this.

I support the conclusion of the Department and am today introducing legislation to amend the National Trails System Act by designating the Potomac Heritage Trail as a component of the National Trails System. This trail which is approximately 874 miles in length and runs from Point Lookout, St. Mary's County, Md., in my district and Smith Point, Va., to a point near Johnstown, Pa., is well suited for inclusion in the national system. From a historical, environmental, and recreational vantage point the trail will offer all of us the opportunity to enjoy the scenic views, the wildlife and waterfowl which abound throughout the length of the trail and to obtain a better understanding of the historic events which have helped shape our Nation's heritage.

As proposed by the Interior Department, the trail will originate at Point Lookout State Park, a one-time Union prison camp during the War Between the States, which has remained in a natural state. It will then proceed through wooded and some cleared land toward St. Mary's City, the first permanent settlement and first capital of Maryland. At St. Mary's City the replica of the 17th century State House with its view of the St. Mary's River and other historical buildings will bring back the spirit of the early colonization of the tidewater area.

Beyond St. Mary's City, the trail follows stream valleys past Leonardtown and Charlotte Hall through Allen's Fresh and the Zekiah Swamp, an area which saw Lincoln's assassin John Wilkes Booth hide out after his tragic act in 1865. This swamp is still relatively primitive with little surrounding development that would indicate the passage of time. Past this point the trail turns west to the remaining buildings of the historic town of Port Tobacco. Almost 300 years ago this was one of the busiest ports in the new world and the area was visited in 1609 by Captain John Smith.

These historical notes indicate the educational benefit which will be derived by the countless citizens who will travel this trail if the Congress and the State and local governments take appropriate action. As a cosponsor of pending legislation to amend the Land and Water Conservation Act to encourage additional historic preservation, I am hopeful that the involved States will see fit to use funds that may become available under the Land and Water Conservation Act to provide for the establishment of this historic trail.

As a member of the National Parks Subcommittee of the Interior and Insular Affairs Committee, I look forward to the prompt scheduling of hearings on this and similar proposals and believe that congressional action can be completed on this matter so that the Department of the Interior can begin to plan for the development and management of the trail.

THE CHILD AND FAMILY SERVICES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 15 minutes.

Mr. BRADEMAS. Mr. Speaker, on Thursday, February 6, the child and family services bill was introduced on behalf of myself and my distinguished colleagues, the gentlewoman from Hawaii (Mrs. MINK), the gentleman from California (Mr. BELL), and the gentlewoman from Massachusetts (Mrs. HECKLER), as well as on behalf of a number of other Members of the House whose names I shall include following these remarks.

I should also note, Mr. Speaker, that companion legislation was introduced in the other body by the distinguished senior Senator from Minnesota, Senator MONDALE, and the distinguished senior Senator from New York, Senator JAVITS on Friday, February 7.

Mr. Speaker, as chairman of the Subcommittee on Select Education of the Committee on Education and Labor, I have been struck by the repeated testimony before the subcommittee concerning the critical importance of the early years of human life to later development, and I am pleased that so many Members of the House, both Democrats and Republicans, are today joining to forward a new bill to strengthen services to families and children in those crucial early years.

Mr. Speaker, the Child and Family Services Act is aimed at increasing and improving the day-care, preschool education, health, nutrition, and other services available to American families for their children.

UNMET NEEDS

I trust that no one here today would argue that there are no unmet needs in these crucial areas. Consider that with respect to health care—ours, infant mortality. I would hope that the prenatal and postpartum care which this bill can help provide, will make possible a start on improving this appalling statistic.

Or, to take another area of need, consider the handicapped child. Today there are 7 million handicapped youngsters in the United States between the ages of 0 and 18, including 1 million handicapped pre-school children.

Fully 60 percent of these youngsters are not receiving the special educational services they need, and many of them lack the medical assistance they also require.

Early identification programs for handicapped and learning disabled children, such as can be established under this bill, will allow prompt treatment at an early age, treatment which can make a critical difference in helping such children reach their full potential.

Mr. Speaker, to cite a third area of need, I hope my colleagues are aware that there are today only 1 million licensed day-care places available for the 6 million preschool children with working parents.

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It is time we made a start on providing decent recreational educational, and social services for those youngsters who do not receive care from relatives or friends, but who are too often simply abandoned by their parents to wander the streets.

Mr. Speaker, I could continue to cite evidence of the need for a national commitment to a spectrum of services for families and children. I could recall for my colleagues the growing numbers of mothers who are working, the increasing number of single-parent families, the extraordinary numbers of teenage parents embarking on parenthood with little help or assistance, and the continued gap between demand and funds to support the Headstart preschool program.

But we really should not have to make the case anew for providing better services for children and their families in this country. Conferences, experts on children, and Congress itself, have repeatedly called for a comprehensive child development program, and still we do not have one.

BACKGROUND OF LEGISLATION

Let me briefly recall the history of support for this legislation.

The 1970 White House Conference on Children—representing parents, pediatricians, health and welfare experts, professors, and authorities in practically every area of children's needs—voted as their first priority to recommend the creation of a system "to provide comprehensive family-oriented child development programs including health services, day care, and early childhood education."

Mr. Speaker, former President Nixon's 1969 message on welfare reform proposed expansion of the Federal commitment to child care, to provide "more than custodial" care. At that time, he announced that—

> This administration is committed to a new emphasis on child development in the first 5 years of life.

President Nixon's own Commission on School Finance urged the Nation not to ignore evidence that problems with later schooling might be related to lack of early help to children and families. The Commission urged the President to support child development programs because "we believe that the Federal Government should encourage the development of such programs for all children, with financial assistance provided for children from low-income families."

The Committee for Economic Development, which is composed of some of the Nation's most respected business leaders, in a March 1971 report, told us that—

> The most effective point at which to influence the cumulative process of education is in the early preschool years . . . there is evidence that effective preschooling gives the best return on the educational investment.

Finally, Mr. Speaker, let me point out that both the Democratic and Republican Parties in 1972 pledged, as part of their national platform, support of increased funds for comprehensive day care services.

The 1972 Democratic platform noted that "child care is a supplement, not a substitute, for the family," and called for:

> The Federal government to fund comprehensive developmental child care programs that will be family centered, locally controlled, and universally available.

In similar fashion, the 1972 Republican platform urged:

> The development of publicly or privately run, voluntary, comprehensive, quality day care services, locally controlled but Federally assisted.

And, of course, Mr. Speaker, Congress has spoken on the subject, indicating the concern of the Nation's elected representatives for adequate care for children. Indeed, a measure to accomplish many of the same goals we are today reviewing, S. 2007, passed both Houses in 1971, but was vetoed by Mr. Nixon in December of that year.

And in 1972 both the House and the Senate considered new legislation to accomplish these goals, with bills reported from committees in both bodies, and passing in the Senate.

Thus, I believe it to be true that the time is proper for another effort to heed the recommendations of so many, and to follow through on the actions we have ourselves on several occasions begun.

SPECIFIC PROVISIONS OF BILL

Let me turn now to several aspects of the specific proposal being introduced today.

First. I want to stress that participation in the program supported under the proposed act will be entirely voluntary. That is to say, children will be eligible for these services only after a written request from their parents or guardians has been received.

Second. I want to emphasize that the bill requires parental involvement at every stage in the planning, developing, and carrying out of programs.

Because the family is the central shaping force and influence on children, and because the needs and interests of families differ throughout the Nation, this legislation allows the greatest local flexibility in selecting a variety of services and ways of delivering them.

Thus, with involvement of each child's parents in selecting services, of parent groups in designing programs, and local prime sponsors in overall planning, the sponsors of the legislation believe that it will create a genuinely responsive, dynamic system, rather than a static set of programs dictated in regulations or guidelines from afar to a community and its families.

Third. The Child and Family Services Act is aimed at serving children in all socioeconomic groups. Too often programs established by Federal or State Government have concentrated exclusively on a particular set of children who may, indeed, have unique needs but who end up segregated into programs by income or race. Programs under the proposed act must, to the extent possible, involve all children, for all our children must be encouraged to reach the fullest growth and development within the family and with support from schools and other institutions in our society.

Fourth. Let me note that the bill introduced is somewhat more modest than the one approved by Congress in 1971, and to a greater extent emphasizes the planning and development of programs prior to their actual implementation.

Indeed, no funds will be available to put programs into place until the second year after enactment of this legislation. Funds available in the first year will be used for planning as well as research and the training of personnel required to carry on the programs.

The funding authorized in the Child and Family Services Act totals $1.85 billion over 3 years, as opposed to an authorization of over $2 billion in the bill vetoed in 1971. The bill I have introduced authorizes $150 million in the first year for startup planning, training, and technical assistance.

Finally, Mr. Speaker, let me say a word about the actual administration of the program as proposed in the legislation. I mention this subject because we often are led to believe that concepts of "local autonomy" or "returning flexibility to local and State governments" are the exclusive concern of the administration, which is, of course, not true.

The bill makes State and local governments the potential prime sponsors for programs under the act, subject to certain requirements of comprehensive planning, needs assessment and parental participation in those processes. The range of services which can be offered, and the means by which they are offered, can vary as widely as the imagination and ingenuity of these local sponsors, again subject to certain standards of quality of care and parental involvement.

But it does seem to me, Mr. Speaker, that the proposed Child and Family Services Act is a good example of a creative partnership of the Federal, State, and local governments for the purpose of carrying out a national policy on child and family services, with roles reserved to each level of government, but with major flexibility left at the actual service-delivery level.

A national set of functions is identified in the bill, for research, evaluation, and certain basic standard-setting tasks; beyond that, States and localities must assess their children's needs and plan from there how best to meet them.

Mr. Speaker, this proposal is neither new or old federalism, regionalization, decentralization, or any other catch phrase; the proposal is just plain commonsense.

CONGRESSIONAL HEARINGS

I want, in conclusion, Mr. Speaker, to advise Members of the joint hearings which the Subcommittee on Select Education expects to hold with our colleagues in the other body later this month. As the bill is considered, we plan to listen to testimony and views of representatives of State and local governments, as well as Federal officials, child and family service specialists, other experts, and other citizens in order to achieve in the final piece of legislation the allocation of responsibility among the various levels of government that will best insure parental involvement, local diversity to meet local needs, and appropriate State participation to provide coordination and maximum utilization of available resources.

Mr. Speaker, I believe these hearings will provide us with a great opportunity to make good on an eloquent promise voiced only a few years ago by former President Richard Nixon:

> So critical is the matter of early growth that we must make a national commitment to providing all American children an opportunity for healthful and stimulating development during the first five years of life.

Mr. Speaker, other Members of the House who are also cosponsoring the bill are as follows:

LIST OF COSPONSORS

Mr. Perkins, Mr. Meeds, Mr. Peyser, Mr. Lehman, Mr. Esch, Mr. Benitez, Mr. Pressler, Mr. Clay, Mr. Miller of California, Mr. Hawkins, Mr. Thompson, Mr. Daniels, Mr. Dent and Mr. Beard of Rhode Island.

Ms. Abzug, Mr. Addabbo, Mr. Anderson of California, Mr. AuCoin, Mr. Badillo, Mr. Bingham, Ms. Boggs, Mr. Boland, Mr. Bonker, Mr. Brown of California, Ms. Burke of California, Mr. Carney, Mr. Carr, Ms. Collins of Illinois, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Drinan, Mr. Edwards of California, Mr. Ellberg, and Mr. Fascell.

Mr. Flood, Mr. Florio, Mr. Ford of Tennessee, Mr. Fraser, Mr. Gibbons, Mr. Gilman, Mr. Gonzalez, Mr. Green, Mr. Harrington, Mr. Harris, Mr. Hayes of Indiana, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Horton, Ms. Jordan, Mr. Kastenmeier, Ms. Keys, Mr. Koch, Mr. Matsunaga, Mr. Metcalf, Mr. Mikva, and Mr. Mineta.

Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Nix, Mr. Oberstar, Mr. Ottinger, Mr. Pepper, Mr. Rangel, Mr. Rees, Mr. Richmond, Mr. Riegle, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, Ms. Schroeder, Mr. Scheuer, Mr. Seiberling, Mr. Solarz, and Ms. Spellman.

Mr. Stokes, Mr. Vander Veen, Mr. Waxman, Mr. Charles H. Wilson of California, Mr. Won Pat and Mr. Young of Georgia.

Mr. Speaker, I include at this point in my remarks a section-by-section analysis of the Child and Family Service Act:

SECTION-BY-SECTION ANALYSIS OF THE CHILD AND FAMILY SERVICES BILL

Section 1. *Title*—The act may be cited as the Child and Family Services Act.

SEC. 2. *Statement of Findings and Purpose*—The Congress finds that the family is the primary and most fundamental influence on children; that child and family service programs must build upon and strengthen the role of the family; that there is a lack of adequate child and family services available to working mothers, single parents and families who lack sufficient resources to provide their children with adequate health, nutritional, educational, and other services; and that it is essential that planning and operation of programs be undertaken as a partnership of parents, community, State and local governments with appropriate Federal supportive assistance.

It is the purpose of the act to provide quality child and family services with a priority to families with the greatest need and to provide the decisionmaking at the community level, with the direct participation of the parents and other individuals and organizations in the community.

SEC. 3. *Authorization of Appropriations*—The bill authorizes $150 million for fiscal year 1976 and $200 million for fiscal year 1977 for training, planning and technical assistance. Program operation would begin in fiscal year 1977 and there is authorized to be appropriated $500 million in fiscal year 1977, and $1 billion in 1978. (Head Start would be funded under present authority and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Head Start is funded at the level it received at fiscal year 1975 or 1976, whichever is greatest.)

SEC. 4. *Forward Funding*—This provision provides for appropriating funds under this act during the preceding years for which it shall be available for obligation.

TITLE I—CHILD AND FAMILY SERVICE PROGRAMS

SEC. 101. *Office of Child and Family Services; Special Coordinating Council*—Subsection (a) directs the Secretary of Health, Education, and Welfare to establish within the Office of the Secretary, an Office of Child and Family Services to coordinate all such programs within the department, to be headed by a Presidentially appointed (with the advice and consent of the Senate) Director. This office shall assume the responsibilities of the present Office of Child Development.

Subsection (b) directs heads of various agencies to meet regularly as a Child and Family Services Coordinating Council, chaired by the Director mentioned in subsection (a). The Council, among other responsibilities, shall assure the establishment and maintenance of procedures to keep all offices aware of actions of others in providing financial assistance to eligible applicants, and shall recommend priorities for federally funded research and development related to the purposes of this act.

SEC. 102. *Use of Federal Funds*—Financial assistance shall be provided for carrying out programs by prime sponsors and other public and private nonprofit agencies and organizations, for the following activities and services:

1. Planning and developing child and family service programs.

2. Establishing, maintaining, and operating programs such as—

Part- or full-day care in homes or centers which provide educational, health, nutrition, and social services.

Other health, social, recreational, and educational programs designed to meet the special needs of children and families, including before- and after-school and summer programs.

Family services meeting the needs of children, including in-home and in-school services and education, for parents, other family members serving as parents, youth and prospective parents.

Social services to families including counseling and referral to help the family determine the appropriateness of services.

Prenatal and other medical care to expectant and post-partum mothers to reduce infant and maternal mortality and the incidence of mental retardation and other handicapping conditions.

Programs to meet the special needs of children of minority, ethnic, Indian, and migrant families, and children from families with special language needs, and to meet the needs of children to understand the background of minority and ethnic groups.

Food and nutritional services.

Diagnosis, identification, and treatment of visual, speech, medical, dental, nutritional, and other physical, mental, psychological, and emotional barriers to full participation in child service programs.

Special activities to ameliorate handicaps and disabilities, as an incorporated part of programs under the act.

Programs designed to extend child care gains (particularly parent participation) into kindergarten and primary grades.

3. Construction and alteration of facilities, and acquisition of equipment and supplies.

4. Training and education, both preservice and inservice, for professional and other personnel including parents and volunteers.

5. Expenses of child and family service councils and project policy committees as provided in section 105 and section 107.

6. Dissemination of information to parents.

Subsection (c) provides that assisted programs must have parent policy committee, must frequently and regularly disseminate information about program activities to parents, and must consult with parents regularly with respect to each child's development and must allow opportunity for parents to observe and participate in their children's activity.

Subsection (d) directs the Secretary to consider the factors of need for the program, prior planning in the area, the ability of the applicant to serve children in the area, when reviewing applications for grants or loans.

SEC. 103. Subsection (a) directs the Secretary to reserve certain amounts of the available funds for special purposes: not less than 10 percent for special activities relating to handicapped children; population proportions for migrant and Indian children, in their ratio to the total number of economically disadvantaged children in the country; 5 percent for model projects as provided under Sec. 104; and not less than 5 percent for enforcement of child care standards under section 203.

The act directs that the balance of funds be distributed as follows:

1. 50 percent to be apportioned among the States, and within each State among local areas, in proportion to the number of economically disadvantaged children in each State and local area.

2. 25 percent to be apportioned among the States and within each State among local areas, in proportion to the number of children through age 5 in each State and local area.

3. 25 percent to be apportioned as above, with respect to the relative numbers of children of working mothers and single parents in each State and local area.

Each State may use no more than 5 percent of its apportionment for the purpose of the planning and other activities specified in section 108.

SEC. 104. *State and Local Prime Sponsors*—Subsection (a) sets forth requirements that must be met by applicants for prime sponsorship, whether by States, localities, or combinations of localities. The requirements include:

1. Description of the area to be served, and the applicant's capability to coordinate the delivery of services within the area.

2. Assurance of contributing the required non-Federal share.

3. Satisfactory provisions for establishing a Child and Family Service Council meeting the requirements of section 104.

4. Provision for annual plans from the prime sponsor, as set forth in section 106.

5. Arrangements for the carrying out by the Child and Family Service Council of its responsibilities for approving plans, goals, budget policies, annual review of other agencies involved in the plans, and for evaluation of the programs conducted in the area.

6. Assurance that administrative costs of the Child and Family Service Councils, Local Program Councils, and Project Policy Committees will not exceed 5 percent of the to-

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tal cost of programs administered by the prime sponsors.

Subsection (b) provides that the Secretary shall approve an application for prime sponsorship submitted by a locality—a city, county, or other unit of general local government, or combination of localities—if it meets the requirements of subsection (a).

If a prime sponsorship plan from a State meets these requirements, the Secretary shall approve it, according to subsection (c).

Subsection (d) provides that the Secretary may approve an application for prime sponsorship by a State, if it meets the requirements of subsection (a) and if there are no designated prime sponsors in the area, divides the area into local service areas. These areas shall be the basis for local program councils composed half of members chosen by parents receiving federally assisted day-care services (with due consideration to parents selected by parent members of Head Start policy committees where they exist) and at the earliest practicable time by parent members of project policy committees, the other half to be public members appointed by the chief executives of units of local government within the local service area. Plans submitted by the State, and any contracts for operation of programs, shall be approved by the local program councils for the appropriate local service areas. Finally, State plans, must contain assurances that any local program council may appeal to the Secretary whenever such council alleges that the State has failed to comply with provisions of the State plan or the act.

Subsection (e) provides that the Secretary may fund directly, Indian tribes, and public or private agencies (including educational, community action, Head Start, parent cooperative, organization of migrant agricultural workers or Indians, employer organization, labor union) which submits a proposal to provide comprehensive child care and family service in an area:

1. Where no prime sponsor has been designated or where the prime sponsor is found not to be satisfactorily implementing child care programs.

2. On a year-round basis to children of migrant agricultural workers or their families.

3. Where the program will be a model designed especially to be responsive to the needs of economically disadvantaged, minority group, or bilingual children and their families.

Subsection (f), (g), (h), and (i) provide for termination of prime sponsorship if patterns of discrimination are found; for review by Governors of application for prime sponsorship within a State; and for other procedures for termination of prime sponsorship or disapproval of an application for prime sponsorship, including access to the courts for review of such action.

SEC. 105. *Child and Family Service Councils*—Subsection (a) sets forth the required composition of the Child and Family Service Council required for each prime sponsor. The 10 or more members shall be composed half of parents of children served in programs under this act, and the remainder appointed by prime sponsor in consultation with the parent members. The nonparent members are to be broadly representative of the public, and of private agencies, and shall include at least one person skilled in the field of child and family services. One third of the members shall be economically disadvantaged.

Subsection (b) directs the Secretary to issue regulations concerning other aspects of the Councils, so that the parents members are democratically selected (in the case of State prime sponsors) by local program council parents, or by parents in other cases who are recipients of federally assisted day-care services and with due consideration to parents who are selected by Head Start policy committee parents. Regulations shall further provide that the duties of the Councils include approving plans, basic goals, policies, procedures, overall budget policies and project funding, selection and evaluation of administering agencies. Finally, the regulations shall provide that the Council shall, at its own initiative or at the request of an applicant, conduct public hearings before acting on applications for financial assistance.

SEC. 106. *Child and Family Service Plans*—This section set forth requirements (subsections (a) and (b)) which prime sponsors must meet in a service plan:

Services must be provided only for children whose parents request them.

Needs must be identified, and means to meet them, with priority for services to children under age 6.

Programs receiving aid under the act must reserve not less than 65 percent of their funds for services to economically disadvantaged children.

Next priority must be given to providing services to working mothers' children, or children of single parents.

Programs shall include children from a range of socioeconomic backgrounds to the extent feasible.

No charge will be made to any disadvantaged child (except those paid by third parties).

Comprehensive services are to be provided for migrant, minority, and bilingual children, and to meet the needs of all children to understand the history and cultural background of minority groups in the prime sponsorship area.

Prime sponsors must provide for direct parent participation in program conduct, direction, and evaluation.

Plans must provide for employment of unemployed or low-income residents of communities being served by projects, and no person shall be denied employment solely for not being certified as a teacher.

Career development plans for paraprofessionals must be included.

Regular information dissemination to parents and other interested people must be provided for.

Provides clear definitions of any delegations of authority under the supervision of the Child and Family Service Council.

Includes procedures for handling project applications, for coordinating with other prime sponsors under the act and with other programs, and for monitoring projects to check compliance with standards set forth in section 201.

Provides for the use of State, local, and other Federal resources.

Subsection (c) requires that no plan be approved until the Secretary determines that opportunity for comment has been given to local educational and training agencies, Community Action or Head Start agencies, and State Governors and State Child and Family Service Council.

Subsection (d) provides for orderly procedures to be followed in case of disapproval of a proposed plan.

SEC. 107. *Project Applications*—This section lists types of agencies eligible for project funds under the comprehensive plans of a prime sponsor, and the requirements an applicant must meet. Any qualified public or private agency or organization is eligible, and must show in its application:

A parent policy committee with broad participation and powers.

Assurance that no fees will be charged economically disadvantaged children (except as paid by a third party).

Involvement of family members in children's daily activities.

Regular information dissemination to parents.

Employment of paraprofessionals, use of volunteers.

Assurance that children will not be excluded because of participation in nonpublic education.

Subsection (d) provides that the Secretary may directly approve project applications from public or private agencies seeking funds under Section 104(d).

Subsection (e) providea for procedures of appeal of disapproved project applications, including appeal to the Secretary.

SEC. 108. *Special Grants to State*—States with established Child and Family Service Councils may apply for additional funds for certain purposes in addition to providing services. The purposes for which funds may be requested under this section include: information programs for parents, identifying service needs and goals in the State, coordinating child services of separate agencies where requested by prime sponsors, developing and enforcing standards for licensing facilities, assisting organization in acquiring facilities, assistance to Child and Family Service Councils, developing information useful in reviewing applications under the act.

SEC. 109. *Additional Conditions for Programs Including Construction or Acquisition*—The section provides certain conditions for Federal assistance for constructing or acquiring facilities, including labor standards, repayment to the government in case the facility is used for other purposes, and certain limits on loan interest and repayment periods. Financial assistance for construction or acquisition of facilities shall be available only to public and private nonprofit agencies, institutions, or organizations.

SEC. 110. *Use of Public Facilities for Child and Family Service Programs*—The section requires the Secretary to report to the Congress within 18 months after enactment of the act, on the availability of Federal facilities to public and private agencies for use as facilities for child and family service programs under the act. Prime sponsors may be required to review their own facilities for such use also.

SEC. 111. *Payments*—Subsection (a) provides that the Secretary shall pay the Federal share of the costs of programs and services, including staff and administrative expenses of the Child and Family Service Councils and parent policy committees, from allocations or apportionments under section 103.

Subsection (b) provides that the Federal share of certain activities shall be: 100 percent of the cost of planning, training and technical assistance in 1976; 90 percent of the cost of programs and services in 1977, to be reduced to 80 percent in 1978 and thereafter, though the amounts may be raised by the Secretary. Indian and migrant agricultural workers' children's services are to be reimbursed at 100 percent.

Subsection (c) allows the non-Federal share to be provided in public or private funds, goods, services, facilities. Fees collected for services shall not be used for the non-Federal share, but to enrich and expand the program.

Subsection (d) allows for carrying over to the next year, any excess local contribution above the amount required in a given year.

Subsection (e) requires States and local governments not to reduce its expenditures for child development or child care because of aid received under this title of the act.

TITLE II—STANDARDS AND EVALUATIONS

SEC. 201. *Federal Standards for Child Care*—The 1968 Interagency Day Care Requirements are to apply to programs under the act, but the Secretary is directed to draw up new standards within 6 months of enactment of the act, with the advice and approval of a committee composed at least half

of parents of children receiving services under certain programs. Prior to implementation, appropriate committees of Congress shall have opportunity to disapprove.

Subsection (b) directs the Secretary to assure that programs and projects under the act assess individual children's needs and the appropriateness of the child and family services being rendered. Programs or projects providing care outside the home for very young children shall be reviewed and evaluated periodically and frequently by the Secretary to insure they meet the highest standards of quality.

SEC. 202. *Uniform Code for Facilities*—The Secretary is directed to establish a committee, composed of at least half parents, to draw up a uniform minimum code for facilities receiving Federal assistance under this act. The code shall deal with matters essential to the health, safety, and physical comfort of the children. The code shall be completed within 6 months of the committee's appointment, and must be the subject of public hearings.

SEC. 203. *Programs Monitoring and Enforcement*—This section provides for program monitoring and enforcement.

SEC. 204. *Withholding of Grants*—By this section, the Secretary is authorized under certain conditions to withhold grants.

SEC. 205. *Evaluation*—Subsection (a) requires a comprehensive review of all Federal activities affecting child and family service programs, including their effectiveness, costs, and parent participation, within 2 years of the act's passage.

Subsection (c) calls for additional annual evaluations of Federal involvement in child and family service programs, to be reported to Congress, and subsection (d) requires prime sponsors to provide data for such evaluations.

Subsection (f) reserves not less than 1 percent nor more than 2 percent of the amounts available under section 3(c) for evaluation in any given year.

TITLE III—FACILITIES AND RESEARCH FOR CHILD AND FAMILY SERVICES PROGRAMS

SEC. 301. *Mortgage Insurance for Comprehensive Child Services Facilities*—This section authorizes the Secretary to insure mortgages on new facilities of public or private agencies, not to exceed $250,000 or 90 percent of the cost of the project. The section also establishes a Child and Family Services Facility Insurance Fund, with such sums as shall be necessary authorized to be appropriated.

SEC. 302. *Research and Demonstrations*—A diverse program of research and demonstrations in authorized in subsection (a), including but not limited to studies of child development, program assessment, comparison of alternative methods, syntheses of research, dissemination of findings, studies of national needs, and other purposes.

Subsection (c) provides that the Secretary shall coordinate all child and family service research, development, and training within the Department of Health, Education, and Welfare and other agencies, through the Office of Child and Family Services established under the act.

Subsection (e) requires the Secretary to report on activity under this section no later than September 1975, to the Congress.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

SEC. 401 through 404. *Training*—States that the Congress recognizes that one of the major barriers of quality child care is the lack of sufficiently trained and prepared professional and paraprofessional staff. The purpose of this title is to respond to that need by stimulating sufficient training programs in every State and region to assure an adequate supply of personnel to meet the staff requirements. The Secretary of Health, Education, and Welfare is authorized to make grants to and contracts with, institutions of higher education, State and local agencies private organizations, and producers of television programing to develop programs to—

(a) Provide postgraduate level training for teachers.

(b) Attract and recruit personnel.

(c) Retrain personnel.

(d) Provide pre-service and in-service training for teaching, management and supervisory and administrative posts in childhood programs, including the training and certification of child development associations.

(e) Help parents and students understand and practice sound child care techniques.

(f) Develop educational television programs and other material, and

(g) Develop and refine certification criteria. There is authorized to be appropriated to carry out these sections for fiscal year 1976 through fiscal year 1978, $40 million, $60 million, and $75 million, respectively.

SEC. 405. This section amends the Higher Education Act to authorize $20 million for 1976 and subsequent years for training and retraining of professional personnel for comprehensive child services programs, and a like amount for 1976 and subsequent years for training and retraining of nonprofessional personnel.

SEC. 406. This section authorizes forgiveness of indebtedness under the National Defense Education Act loan program, at the rate of 15 percent for each year of service in a program under this act's title I.

SEC. 407. This section authorizes grants to individuals employed in, and programs set up under, title I of the act for in-service training for professional and nonprofessional staff including volunteers, conducted by the agency or an institution of higher education of both.

SEC. 408. This section authorizes $5 million for fiscal year 1976 and each succeeding year to carry out the in-service training of section 407.

TITLE V—GENERAL PROVISIONS

SEC. 501. *Definition*—This section defines terms used in the act. "Children" includes all individuals who have not reached age 15. "Economically disadvantaged children" are those in a family having an annual income below the lower living standard budget as determined annually by the Bureau of Labor Statistics at the Department of Labor.

SEC. 502. *Nutrition*—This section directs the Secretary to assure that adequate nutrition services are provided in programs under the act, including use of the special food service program for children as defined in the National School Lunch and Child Nutrition Acts.

SEC. 503. *Special Provisions*—In this section are included antidiscrimination, method of payment, minimum wage, and nonsectarian provisions.

SEC. 504. *Special Prohibitions and Protections*—Subsection (a), (c) states that nothing in the act should be construed to infringe on or usurp the moral and legal rights and responsibilities of parents and guardians with respect to the moral, emotional, physical or other development of their children. Informed consent shall be required of parents or guardians before any child is subject to any research or experimentation. Similar understanding and prior consent must be obtained in the case of medical or psychological examination, experimentation, or research, immunization or treatment.

SEC. 505. *Public Information*—Applications for designation as prime sponsor, comprehensive child development plans, project plans, and all written material pertaining to them, shall be available to the public without charge by sponsors, applicants, and the Secretary.

SEC. 506. *Coordination With, Repeal or Amendment of, Other Authority*—Subsection (a) directs the Secretary to establish regulations to assure coordination of programs assisted under the act with other Federal assistance for child development, child care, and related programs, including title I of the Elementary and Secondary Education Act, titles IV and VI of the Social Security Act, the Economic Opportunity Act, and several Housing and Model Cities Acts.

Subsection (b) provides that day care furnished under State plans under titles IVA and IVB of the Social Security Act, shall be day care services made available under title I of this act. The Secretary is directed to make services under this act available to children receiving aid under the Social Security Act, also.

Subsection (c) amends the Federal Property and Administration Services Act of 1949 to add child care programs as eligible recipients of property declared surplus by Federal departments or agencies.

SEC. 506. *Acceptance of Funds*—The section allows the Secretary to accept and use funds appropriated to carry out other Federal laws if such funds are used for the purposes for which they were authorized.

RULES OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, the rules of the Committee on the District of Columbia for the 94th Congress were adopted by the committee by majority vote, a quorum being present, at a meeting open to the public on Monday, February 3, 1975. The gentleman from Michigan, CHARLES C. DIGGS, JR., chairman of the committee, has requested that I submit the rules as adopted for publication in the CONGRESSIONAL RECORD in accordance with clause 2 of rule XI of the Rules of the House of Representatives:

RULES GOVERNING PROCEDURES, COMMITTEE ON THE DISTRICT OF COLUMBIA, 94TH CONGRESS

A. IN GENERAL

(1) The Rules of the House are the rules of this Committee and each subcommittee so far as applicable, except that a motion to recess from day to day is a motion of high privilege in the Committee and subcommittees.

(2) Each subcommittee is a part of this Committee, and is subject to the authority and direction of the Committee and to its rules so far as applicable. The rules of the committee shall be the rules of its subcommittees.

(3) No major investigation by a subcommittee shall be initiated without approval of the Chairman of the Committee or the majority of the full committee.

(4) Any Member, when recognized by the Chairman, may address the Committee on any bill, motion, or other matter under consideration before the Committee. The Chairman may limit to 5 minutes the time of any such member, after giving due considera-

tion to the importance of the subject matter and to the length of time available.

B. REGULAR MEETING DAYS

(1) The full committee will have its regular meetings on the first Monday in each calendar month at 10:00 A.M. When the House is in recess, the regular monthly meetings of the Committee may be dispensed with at the discretion of the Chairman upon notce of such action to all members of the Committee.

(2) The Committee shall meet, for the consideration of any bill or resolution pending before the Committee or for the transaction of other committee business, on all regular meeting days fixed by the Committee.

(3) Subcommittee chairmen shall set meeting and hearing dates after consultation with the chairman and other subcommittee charimen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

C. ADDITIONAL AND SPECIAL MEETINGS

(1) The Chairman may call and convene, as he considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The Committee shall meet for such purpose pursuant to that call of the chairman.

(2) If at least three members of the Committee desire that a special meeting of the Committee be called by the Chairman, those members may file in the offices of the Committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, the special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the Committee shall notify all members of the Committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

D. RANKING MAJORITY MEMBER TO PRESIDE IN ABSENCE OF CHAIRMAN

If the Chairman of the Committee or subcommittee is not present at any meeting of the Committee or subcommittee, the ranking member of the majority party on the Committee or subcommittee who is present shall preside at that meeting.

E. COMMITTEE RECORDS AND ROLLCALLS

(1) The Committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be made available by the Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available by the public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

A record vote in subcommittee may be had upon the request of any subcommittee member, and in full Committee upon the request of any Committee member.

(2) Records of hearings before the Committee shall not be available to the public for quotation of any Member until after such Member has had an opportunity to examine and approve such hearing records.

(3) All Committee and subcommittee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the chairman of the Committee or a subcommittee; and such records shall be the property of the House and all Members of the House shall have access thereto.

F. PROXIES

A vote by any member in the Committee or in any subcommittee may be cast by proxy, but shall be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

G. OPEN MEETINGS AND HEARINGS

(1) Each meeting for the transaction of business, including the markup of legislation, of the Committee or subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by roll-call vote that all or part of the remainder of the meeting on that day shall be closed to the public; *Provided, however*, that no person other than members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by (2) of this rule, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the Committee or subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; *Provided, however*, that the Committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

H. QUORUM

(1) The number of members to constitute a quorum for the purpose of taking testimony and receiving evidence in full Committee or subcommittee is two.

(2) A majority of the Committee or a subcommittee shall constitute a quorum for other meetings.

I. CALLING AND INTERROGATING WITNESSES

(1) Whenever any hearing is conducted by the Committee or a subcommittee upon any measure or matter, the minority party Members on the Committee or subcommittee shall be entitled, upon request to the Chairman of the Committee or subcommittee by a majority of the minority party Members before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(2) The Committee and subcommittees shall apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each Member of the Committee or subcommittee who so desires has had an opportunity to question each witness.

(3) Committee Members may question witnesses only when they have been recognized by the Chairman for that purpose.

(4) All questions put to the witnesses before the Committee shall be pertinent to the bill or other subject matter before the Committee for consideration.

(5) Insofar as is practicable, each witness who is to appear must file with the Committee (in advance of his or her appearance) a written statement of the proposed testimony and limit the oral presentation at such appearance to a brief summary of his or her argument.

J. INVESTIGATIVE HEARING PROCEDURES

(1) The Chairman of the Committee or subcommittee at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the Committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chairman of the Committee or subcommittee may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the full Committee may cite the offender to the House for contempt.

(5) If the Committee or subcommittee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpoena additional witnesses. Full Committee authorization is required to subpoena witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee.

(8) In the discretion of the Committee or subcommittee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee or subcommittee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee.

K. REPORTING BILLS AND RESOLUTIONS

(1) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(2) Any Member at a meeting of the full Committee or any Member of the subcommittee involved may make a point of order that a quorum is not present.

(3)(a) Each Committee report shall include in its text a statement of the reported legislation's intent or purpose, need, the results of motions to report, a five-year cost estimate, oversight statement, inflationary impact statement, and statement required by sections 308(a) and 403 of the Budget and Impoundment Control Act of 1974, Administration or Departmental position (if any), and changes in existing law, in addition to such other provisions as the Chairman deems necessary.

(b) If, at the time of approval of any measure or matter by the Committee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the Committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, and additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted pursuant to the requirements of sections 308(a) and 403 of the Budget and Impoundment Control Act of 1974) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

L. POWER TO SIT AND ACT; SUBPOENA POWER

(1) For the purpose of carrying out any of its functions and duties under these rules, the committee, or any subcommittee thereof, is authorized—

(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(B) subject to (2)(A) of this rule, to subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman of the Committee, or any member designated by the Chairman, may administer oaths to any witness.

(2)(A) A subpoena may be issued by the Committee or subcommittee under (1)(B) of this rule in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman of the full Committee or by any Member designated by the Committee.

(B) Compliance with any subpoena issued by a Committee or subcommittee under (1)(B) of this rule may be enforced only as authorized or directed by the House.

M. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

Whenever any hearing or meeting conducted by the Committee or any subcommittee is open to the public, the Committee or subcommittee may permit, by majority vote of the Committee or subcommittee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

N. COMMITTEE STAFFS

1. Subcommittee staffs: From the funds provided for the appointment of Committee staff pursuant to primary and additional expense resolutions of the House:

(1) The Chairman of each standing subcommittee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority party member of each standing subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in 2(c) of this rule or (B) the rate paid the staff member appointed pursuant to 1(1) of this rule.

(4) No member shall appoint more than one person pursuant to 1(1) and 1(2) of this rule.

(5) The staff positions made available to the subcommittee Chairman and ranking minority party Members pursuant to 1(1) and 1(2) of this rule shall be made available from the staff positions provided under clause 6 of Rule XI of the House unless such staff positions are made available pursuant to a primary or additional expense resolution.

2. Committee staffs.

(a)(1) Subject to subparagraph 2(a)(2) of this rule and paragraph 2(d) of this rule, the Committee may appoint, by majority vote of the Committee, not more than eighteen professional staff members. Each professional staff member appointed under this subparagraph shall be assigned to the Chairman and the ranking minority party member of such Committee, as the Committee considers advisable.

(2) Subject to 2(d) of this rule, whenever a majority of the minority party Members of the Committee so request, not more than six persons may be selected, by majority vote of the minority party Members, for appointment by the Committee as professional staff members from among the number authorized by 2(a)(1) of this rule. The Committee shall appoint any persons so selected whose character and qualifications are acceptable to a majority of the committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the minority party members may select other persons for appointment by the Committee to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the Committee consider advisable.

(3) The professional staff members of the Committee—

(A) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

(B) shall not engage in any work other than committee business; and

(C) shall not be assigned any duties other than those pertaining to committee business.

(4) Services of the professional staff members of the Committee may be terminated by majority vote of the Committee.

(b)(1) The clerical staff of the full Committee shall consist of not more than twelve clerks, to be attached to the office of the Chairman, to the ranking minority party member, and to the professional staff, as the Committee considers advisable. Subject to 2(b)(2) and 2(d) of this rule, the clerical staff shall be appointed by majority vote of the Committee, without regard to race, creed, sex, or age. Except as provided by 2(b)(2) of this rule, the clerical staff shall

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handle committee correspondence and stenographic work both for the Committee staff and for the Chairman and the ranking minority party Member on matters related to committee work.

(2) Subject to 2(d) of this rule, whenever a majority of the minority party Members of the Committee so request, four persons may be selected, by majority vote of the minority party Members, for appointment by the Committee to positions on the clerical staff from among the number of clerks authorized by 2(b)(1) of this rule. The Committee shall appoint to those positions any person so selected whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the minority party members may select other persons for appointment by the Committee to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this subparagraph shall handle committee correspondence and stenographic work for the minority party members of the Committee and for any members of the professional staff appointed under 2(a) 2 of this rule on matters related to committee work.

(3) Services of the clerical staff members of the full Committee may be terminated by majority vote of the Committee.

(c) Each employee on the professional staff, and each employee on the clerical staff, of the Committee, is entitled to pay at a single per annum gross rate, to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code.

(d) If a request for the appointment of a minority professional staff member under paragraph (a), or a minority clerical staff member under paragraph (b), is made when no vacancy exists to which that appointment may be made, the Committee nevertheless shall appoint, under paragraph (a) or paragraph (b), as applicable, the person selected by the minority and acceptable to the Committee. The person so appointed shall serve as an additional member of the professional staff or the clerical staff, as the case may be, of the Committee, and shall be paid from the contingent fund, until such a vacancy (other than a vacancy in the position of head of the professional staff, by whatever title designated) occurs, at which time that person shall be deemed to have been appointed to that vacancy. If such vacancy occurs on the professional staff when seven or more persons have been so appointed who are eligible to fill that vacancy, a majority of the minority party members shall designate which of those persons shall fill that vacancy.

(e) Each staff member appointed pursuant to a request by minority party Members under paragraph (a) or (b), and each staff member appointed to assist minority party Members of a Committee pursuant to an expense resolution shall be accorded equitable treatment with respect to the fixing of his or her rate of pay, the assignment to him or her of work facilities, and the accessibility to him or her of committee records.

(f) Paragraphs (a) and (b) shall not be construed to authorize the appointment of additional professional or clerical staff members of the Committee pursuant to a request under either of such paragraphs by the minority party members of that committee if six or more professional staff members or four or more clerical staff members, provided for in paragraph (a)(1) or paragraph (b)(1) as the case may be, who are satisfactory to a majority of the minority party members, are otherwise assigned to assist the minority party members.

(g) Notwithstanding paragraphs (a)(2) and (b)(2), the Committee may employ nonpartisan staff, in lieu of or in addition to committee staff designated exclusively for the majority or minority party, upon an affirmative vote of a majority of the Members of the majority party and a majority of the Members of the minority party.

3. Members seeking assistance from the staff shall make their requests through the Chairman or the ranking minority Member.

O. REFERRAL OF BILLS, RESOLUTIONS, AND OTHER MATTERS TO SUBCOMMITTEE

(1) All legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority Members of the full Committee, consideration is to be by the full Committee.

(2) The Chairman may refer a matter simultaneously to two or more subcommittees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee.

(3) Should a subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such subcommittee and report that fact to the full Committee for further disposition.

P. SUBCOMMITTEE

(1) There shall be the following standing subcommittees:

Commerce, Housing and Transportation.
Education, Labor and Social Services.
Government Operations.
Judiciary.
Fiscal Affairs.
Bicentennial Affairs, the Environment, and the International Community.

(2) Additional legislative subcommittees may be established by a majority of those voting, a quorum being present, of the full Committee.

(3) Each member shall be given an equal number of subcommittee assignments insofar as practicable.

(4) Bills shall be assigned to subcommittees in accordance with the subject matter of the subcommittees.

(5) The Chairman and the ranking minority Member of the full Committee shall be *ex officio* members of all subcommittees and special subcommittees with the right to vote thereon. *Provided that* the ranking minority Member of the full Committee may waive his right to membership on one or more subcommittees.

(6) Any member of the full Committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and to participate but shall not have authority to vote on any matters before the subcommittee unless he is a member of such subcommittee.

(7) The majority Members of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee and shall authorize a member or members to negotiate that ratio with the Minority; provided, that the ratio on each subcommittee including *ex officio* members, shall be no less favorable to the Majority than the ratio for the full Committee and that the ratio on conference committees also shall be no less favorable to the Majority than the ratio for the full Committee.

Q. GENERAL OVERSIGHT RESPONSIBILITIES

The Committee and each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the Committee or the subcommittee, respectively, and the organization and operation of the Federal and District agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Committee and each subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the Committee or subcommittee, respectively (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the Committee or subcommittee, respectively. Each subcommittee is required to conduct oversight in the area of their respective jurisdiction, to assist in carrying out the full committee's responsibilities under Rule X 2. of the House of Representatives. The establishment of an oversight committee shall in no way limit the responsibility of the subcommittees with legislative jurisdiction from carrying out their oversight responsibilities.

R. ADDITIONAL FUNCTIONS

(1) The committee and each subcommittee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing program and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII of the House of Representatives.

(2) The committee and each subcommittee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

S. POINTS OF ORDER

No point of order, other than a point of order that a quorum is not present, against the hearings or business procedures of the committee shall be sustained unless it is made in a timely fashion (1) at the commencement of the hearing or meeting, or (2) at the time such point of order first occurs. Any point of order not raised in a timely manner in subcommittee shall not be sustained in full committee.

T. NOTICE OF MEETINGS AND AGENDA

(1) The committee and each subcommittee shall make public announcement of the date, place and subject matter of any committee hearing at least one week before the commencement of the hearing. If the committee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest.

(2) The agenda for all Committee meetings, setting out all items of business to be considered, including a copy of any bill or a summary of any bill and of any subcommittee amendments, shall be furnished each committee member by delivery to his office at least two full calendar days (excluding Saturday, Sunday and Legal Holidays) before the meeting. This requirement may be waived by a two-thirds vote, a quorum being present, of the Committee.

(3) No bill or other matter shall be brought up for hearing or other consideration except with the approval of the Chairman or by a majority of those voting, a quorum being present; *Provided*, that any member (other than the Chairman) making the motion for consideration under this rule has given 2 days' notice in writing to all members of the committee.

U. AMENDING COMMITTEE RULES

The committee rules may not be amended unless the member proposing the amendments gives two days' notice (excluding Saturday, Sunday and Legal Holidays) in writing of the text of the proposed change to all members.

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ENERGY—A CALL TO ACTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. FITHIAN) is recognized for 5 minutes.

Mr. FITHIAN. Mr. Speaker, I rise today to issue a call to the House for action in the field of energy. Today, as in so many other times of national crisis, the American people look to this body for positive, constructive leadership, and decisive action. The eyes of the American people are upon us and we must not fail them.

Let us admit from the start that we are now caught in a trap largely of our own making. We have, as a nation, been wildly extravagant in our use of energy and woefully shortsighted in our conservation of our natural resources. We have become accustomed to a way of life in which we take energy for granted; and we are now paying the price.

Despite all of our differences of opinion on our energy situation, we can all agree on one thing—our country is in a difficult situation. We must now find a way to extract ourselves from a serious energy shortage.

We can find our way out of our current dilemma, just as we have found our way out of other, more serious problems in the past. But let us not kid ourselves. There will be no easy solutions this time.

As we begin our efforts to solve the Nation's energy problems, let us take a long hard look at our own past efforts in the field of energy. In the past we have accepted in this House a crazy quilt patter of overlapping and sometimes conflicting jurisdictions relating to energy. There has been no one single forum for the discussion of energy problems in the past for there is no one committee assigned jurisdiction to this whole subject area.

While our current arrangement may have been acceptable in 1955 and tolerable even in 1965, it is unacceptable in 1975. To draw a few parallels, who in industry would attempt to build a complex machine without blueprints or coordinated supervision? What educator would allow the important task of decisionmaking to lazily drift through half a dozen academic committees of varying size and resources? What captain at sea would allow his crew to set a ship's sails at their own speed according to their own personal judgments? I believe the time has come to ask ourselves a similar question: What type of legislature can hope to resolve the energy problems this country now faces while standing in disarray on the topic?

The time has come, Mr. Speaker, to organize this House for the task at hand. We need to form a committee with full responsibility to deal with energy. It should be a strong, active committee, with full powers of investigation, legislation, and oversight of all aspects of our national energy effort. It should draw its talent and expertise from Members of both parties who have demonstrated their active interest in seeking solutions to our energy problems. Its creation would not, as our recent experience in creating the Budget Committee has shown, greatly disrupt the activities of the House. Such a committee would not, in itself solve our energy problems. But it could provide the type of leadership in the field of energy we so desperately need.

And what is true of our need for a centralized, efficient effort in energy matters in this House seems also to apply to the Senate. I will not brashly suggest how our distinguished colleagues should conduct their affairs, but let us in this House lead the way, hoping that they will follow.

Our need for bold new approaches for solving our energy problems extends beyond the legislative branch. What America calls for today is imaginative, innovative, and determined Executive leadership: leadership of the sort that President Kennedy showed when he took those first exciting steps toward putting a man on the Moon; leadership of the type that President Eisenhower demonstrated in his battle for open skies inspection; and leadership of the sort shown by Franklin Roosevelt in launching the Manhattan project to harness the atom. History tells us that man's accomplishments through technology are limited only by his imagination, innovation, and determination. Our current administration has, at least shown determination.

What we see in the administration's proposal to raise the price of imported crude oil is a lack of innovation and imagination that would cost the American people between $15 and $40 billion in the coming year. It will stimulate wide-ranging price increases in everything from plastics to paint, from milk containers to clothing, from fertilizer to utility rates. The profits derived from this proposal would be narrowly limited to oil companies and related industries. And they would be enormous. The average American family will have to cope with increased prices on nearly everything they purchase at a time in which they can least afford it.

The average working family will have to make a substantial sacrifice without any real prospect of altering the energy crisis. It is generally conceded that the price of gasoline must rise to nearly 80 cents a gallon before the price system would significantly reduce consumption. Gasoline at 80 cents a gallon is unacceptable. If gasoline were increased only 10 to 15 cents as the administration suggests, it would stimulate inflation without conserving energy resources.

I reject the tendency popular these days, and encouraged by administration spokesmen, to limit our discussion of the energy crisis to gasoline rationing or higher prices. A wide range of alternatives are still open to us, even in the area of gasoline supply. But to view the energy crisis solely in terms of gasoline is misleading. To expect either rationing or higher gasoline prices to solve all our energy problems is grossly inaccurate. The fact of the matter is that the comprehensive energy policy we must build must go far, far beyond the discussion of gasoline prices, important though they may be. Gasoline is only one part of the total energy picture for this country. I refuse to view this problem in such narrow terms and I urge my colleagues and the President to accept a broader, more comprehensive view of the energy situation.

When a conflict arises between the Congress and the President as has occurred with regard to energy policy, we cannot be content in offering criticisms. We must offer constructive alternatives. I am greatly encouraged by efforts within the past few days to formulate such constructive alternatives, although these painful efforts have again demonstrated the need for a reorganization of our committee structure.

The main problem we all face in our efforts to resolve our energy problems is one of attitude. We must reject the notion that our energy problems are insoluble. But we must also reject the notion that conventional administrative methods are adequate to handle the problem at hand.

I believe that America calls today for Presidential action to gather together the best scientific and economic talent this country has to offer. It is evident that political appointees and bureaucratic paper pushers now at the helm of our energy effort have failed us. More of the same type can only compound the problem. How refreshing it would be if the President called a press conference to tell the world that he was bringing together our best minds on energy—the nuclear and mining engineers, the geologists, economists, and automotive engineers—to take charge of our efforts to develop our energy reserves and alternative energy sources.

I call for an immediate and thorough shakeup of the upper echelons of our Federal bureaucracy to make room for men with fresh new ideas on energy. We should then make every effort to coordinate and rationalize responsibility for energy development and management, both inside and outside our existing

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agency structure. We should encourage a task-oriented approach to administration of energy development rather than the traditional agency-oriented approach. We should stress flexibility and administrative innovation rather than rigid formality. And most important of all we must ungrudgingly support the effort with whatever appropriations are necessary to get the job done.

I strongly urge the President to consider these proposals and implement them as soon as possible. I, for one, can assure him of my support for this ambitious experiment. While it would provide no easy end to our energy problems, this reorganization seems to be at least a sound beginning.

A careful restructuring of our efforts in both the legislative and executive branches can be of enormous value in achieving our energy goals. Yet we must not ignore the substantive aspects of the effort. In forming our national energy policy let us direct our efforts along two parallel tracks. On one track should be those necessary efforts to expand our present production and develop every possible means of conservation within our present technology. On the other track we should pursue bold and innovative programs for the development of new sources of energy, wherever they may be found.

Our short-range policy goals should include immediate efforts to maximize domestic production of crude oil and natural gas. Foreign tax credits, which encourage American oil corporations to expend much of their efforts and resources abroad, must be abolished. We should begin an immediate program to build a 90-day strategic reserve to decrease the impact of foreign oil interruptions. Greater coal production from existing mines should be encouraged by all practical means. Every prospect for building safe nuclear plants must be explored. These efforts, among others can bear fruit within the next few months. They may also have an immediate effect on the oil-producing countries, although we should proceed in any case to lessen our dependence on foreign oil.

At the same time we must begin efforts which will not bear fruit without several years of intensive effort. These programs should include the construction of new coal mines, a crash program to perfect sulfur dioxide scrubber technology to allow easily accessible eastern coal to be burned safely, expansion of safe nuclear power, and construction of the oil shale and coal gasification plants now on the drawing boards.

The short-range track of our energy effort is limited by existing technology. Our long-range track is limited only by the imagination of our scientists and engineer and our continued willingness to financially support them wherever their research takes them. Fusion, advanced fission reactors, hydrogen technology and fuel cells, geothermal and solar power all seem to hold great promise as energy sources for the nineties and beyond—if we speed up their development now.

The challenge lies not only in the area of new energy production, but also in energy conservation. Let us be equally daring in this area. Rather than talking about closing down gas stations on Sundays, let us talk about requiring 25-mile per-gallon performance from all new cars by 1980. Instead of arguing about reducing passenger miles traveled in cars and airplanes, let us work toward expansion and revitalization of energy efficient passenger rail service. Instead of talking merely about turning down thermostats in homes and businesses, let us make it our national policy to promote the installation of efficient insulation and heat pump systems in both new and eixsting buildings.

Mr. Speaker, I have never known the American people in times of crisis to fail in their support of their elected leaders if they have been told the truth. I am convinced that we should tell them plainly that there is no quick fix or easy solution to the problems we now face. But if they know that we are making every possible effort in this House to seek solutions to our national energy problems and to reform and coordinate our efforts with those of the Senate and the administration, I am sure that they will respond with resolute support. We must tell them plainly that the answer to our problems are not in the stars, nor in the whimsical decisions of our Arab neighbors, but in the talent, resources, and dedication of the American people.

LITHUANIA'S STRUGGLE FOR INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, the struggle for freedom and independence ranks foremost in the hearts of people all over the world. As a nation, we have fought and struggled to maintain our own autonomy for almost two centuries now. Yet the people of Lithuania, who celebrate the 57th anniversary of their declaration of independence this year, still can only dream of a time when they will really be free again.

On July 22, 1922, our Government recognized the independence of the Lithuanian people—an independence which lasted only 18 years, until this small but proud country was invaded and annexed by the Soviet Union against its will.

The yoke of oppression and domination is indeed a harsh and difficult one, but the Lithuanian people have not buckled under the strain. Instead, they have grown stronger in their resolve, they have continued to resist and they have continued to sacrifice. How long will it take before the Soviet regime realizes that their system of repression and subjugation will never quench the burning desire to be free?

We will not forget the escape attempt of Simas Kudirka. We will not forget the self-immolation of Pomas Kalanta and the subsequent demonstrations by thousands of young Lithuanians. These courageous acts are symbols of the commitment and dedication of the Lithuanian people. And we will not forget our commitment to the Lithuanian people. For we have heard your protests, we have recognized your courageous stand, and we will continue to support your struggle to achieve the liberty and freedom which belongs to all men.

Thus, let us reaffirm what we declared 16 years ago, "to not be a party to any agreement or treaty that would confirm or prolong the subordination of the formerly sovereign Lithuanian state."

VARIABLE INTEREST RATES RAISE BIG QUESTIONS

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Federal Home Loan Bank Board once again is floating the idea of imposing a variable interest rate on home buyers.

This is a major step—a dangerous step—and it is one that should not be undertaken without full congressional airing. In fact, Mr. Speaker, I am convinced that a full hearing of this issue will clearly show that it is against the public interest and that it will not serve as any great solution for the mortgage lenders.

Under this proposal, the lenders would be free to increase the interest payments when interest rates rose generally in the economy. Thus, the contract which the home buyer signs with the lender would be open-ended and the borrower would have no way of knowing what his monthly payments might be in the future.

True, the proposal would also allow interest rates to be lowered as interest rates went down generally in the economy, but the history of the money markets plainly indicates the emptiness of this side of the equation. The lenders obviously are not promoting this scheme because they think interest rates—over the long haul—are going to trend downward.

The Federal Home Loan Bank Board proposal would allow the lenders to increase interest rates by 2½ percent over the life of the mortgage—thus an original 8 percent mortgage could be moved up to a 10½ percent mortgage—an increase of almost one-third. Mr. Speaker, I do not think there are many home buyers—certainly in the low- and moderate-income categories—who could afford a one-third increase in their monthly interest rate payments.

Mr. Speaker, a variable interest rate will force many low- and moderate-income families completely out of the mortgage market. Lenders will simply refuse to consider loans to persons who might be unable to meet higher interest payments in future years. A lot of people who could now qualify for a fixed interest rate mortgage would be turned down flat under the variable proposals.

Mr. Speaker, without question mortgage lenders have had great difficulty during our repeated periods of tight money and I think that the Congress definitely needs to find solutions to this problem. But the variable interest rate scheme is not the answer. The answer lies in providing a more competitive atmosphere among the various segments of the financial community and, most importantly, setting monetary policy straight. What we need are monetary policies which can provide long-term stability for both the lenders and the borrowers.

Mr. Speaker, we need to find this stability—we need to require it—at the Federal Reserve. It is wrong to try to require the consumer to provide this stability for mortgage lenders out of his already depleted pocketbook.

Mr. Speaker, I place in the RECORD a copy of a Wall Street Journal story on this latest proposal by the Federal Home Loan Bank Board:

[From the Wall Street Journal, Feb. 13, 1975]

HOME MORTGAGES AT VARYING RATES ARE AGAIN URGED

WASHINGTON.—The Federal Home Loan Bank Board, after two retreats under fire from Congress and consumer groups, again advanced its proposal for variable-rate home mortgages.

And the board said that unless Congress stops it, the agency will adopt the proposal in six months or so, allowing federally chartered savings and loan associations to issue home mortgages on which the interest rates would vary generally with money-market rates.

Opponents of the plan fear it would prompt S&Ls to become more restrictive in their mortgage lending. They reason that S&Ls would make such loans only to borrowers they believe will be able to make sharply higher mortgage payments at some future time when market rates are substantially higher. Many low-income or fixed-income families would be considered poor risks and wouldn't get mortgage loans, these critics believe.

Specifically mentioning those with low or fixed incomes. Thomas Bomar, Bank Board chairman, acknowledged that variable-rate mortgages "aren't for everybody."

Bank Board officials also said that had variable-rate mortgages been allowed in 1973, interest rates on those mortgages would have risen one full percentage point since then due to the sharp jump in interest rates generally during the past year.

The Bank Board said it believes the variable-rate mortgages will increase incomes of S&Ls during periods of high interest rates, thus allowing them to pay higher savings rates and keep savers from withdrawing and placing their funds in higher-yielding securities, such as Treasury bills. Mr. Bomar said this presumes that the current interest-rate ceilings on savings accounts will be removed. With extra savings, S&Ls will be able to make more home mortgages, Mr. Bomar said.

The agency said it expects S&Ls will still offer both fixed-rate and variable-rate mortgages "for a long time" after the new ones are approved. Borrowers "will decide how much of each kind will exist," the Bank Board asserted. However, the proposals don't require S&Ls to offer both types.

Under the proposals, interest rate changes would be determined by an index beyond the control of the lender. Such an index could be tied to the average interest rate on mortgages or to rates paid for Treasury or corporate securities.

In addition, S&Ls couldn't raise interest rates on the mortgages more than twice each year or more than one-half percentage point each increase. The increase during the life of a mortgage couldn't exceed 2.5 percentage points. That means, for example, that the rate on a mortgage with an initial interest rate of 8% could never exceed 10.5%.

Rates would have to decline when the index went down but increases would be optional. Furthermore, the board's proposals would allow the term of a mortgage loan to be extended to 35 years from the present 30-year limit as an alternative to increasing the monthly payments when rates went up. Even with the longer term, however, the Bank Board noted that a borrower probably would still have to increase his monthly payments if his mortgage interest rate went up more than 0.25 percentage point.

The Bank Board proposals don't require congressional approval. The board could have permitted the variable-rate mortgages some time ago, but officials were concerned about congressional action. Congressional banking committees are planning hearings on the issue.

The U.S. League of Savings Associations, a major S&L trade group, applauded the Bank Board proposals contending that variable-rate mortgages will boost housing starts and "will help home owners, who want to sell their houses, and home buyers, who are looking for financing."

But a spokesman for the National Association of Home Builders said his trade group continues to "dislike" the idea of variable-rate mortgages. "We've been saying for years that buying a home is a great hedge against inflation. You can't say that with variable-rate mortgages," the spokesman asserted.

NATIONAL HUNTING AND FISHING DAY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SIKES. Mr. Speaker, for the past 3 years, I have sponsored legislation in the House designating the fourth Saturday of September as "National Hunting and Fishing Day." I was very pleased that 109 Members of the House joined me in cosponsoring this measure last year. I am introducing the bill again today and I invite my colleagues to join me as cosponsors and urge their active participation and support.

National Hunting and Fishing Day has been very popular with the American people and I feel that it should be continued. This event has significant meaning to the more than 55 million hunters and fishermen who have contributed so generously to conservation and the improvement of outdoor recreation in this country.

National Hunting and Fishing Day has become one of the most meaningful and widely observed activities of its kind.

In the last 3 years, there have been over 8,500 separate observances in all 50 States with some 40 million Americans taking part. These activities are annually endorsed and recognized by all 50 State governments and by over 500 municipalities.

The observance of National Hunting and Fishing Day has served to make millions of Americans more aware of the outdoorsman's role in conservation and has enlisted the support of all Americans, sportsmen and nonsportsmen alike, in the ever important conservation effort.

National Hunting and Fishing Day has been described as this Nation's newest sporting tradition and is, in fact, being observed in Italy, Germany, and South America.

SUCCESS OF FORESTRY INCENTIVES PROGRAM JUSTIFIES EXPANSION

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the Congress took a major step forward when it authorized the Forestry Incentives Program as a means of assuring an adequate supply of wood for future generations. Although field work did not get underway until March of 1974, all of the available funds, $14.4 million, were applied for within 6 months. Nearly 20,000 forest owners asked for assistance in replanting and improving more than 400,000 acres. Present authorization is for $25 million per year. Rapid progress thus far made is a clear indication that the program is too small to meet the need which is being demonstrated.

The Foresty Incentives Program, approved by Congress as Public Law 93-86, authorizes the Federal Government to share the costs incurred in planting trees and applying cultural treatments in the small forest holdings of private, nonindustrial owners. This classification embraces 296 million acres of commercial forest land in 4 million separate ownerships. Many of these small tracts have no forestry management programs and are only partially productive. Yet taken together, they comprise nearly 60 percent of all the commercial forest in the United States. Consequently, their present level of productivity is of much importance to the future welfare of the Nation.

While the incentives program is designed to stimulate land owners to invest in the improvement of their forests, it also is having important supplemental effects. For example, the States of Mississippi and Virginia have enacted parallel forest resource programs under which the States will share planting costs with private landowners.

In a related move, a lumber company has offered to pay the owners of small forests an annual rental based upon the productivity of the soil. Several other forest industries are helping their smaller neighbors by providing labor and equipment at cost.

Only a few days ago, I noted a new project in New England in which a utility company will generate power from wood chips, thus saving its dependence upon oil. I like that. We can produce wood forever; something we cannot do with other sources of power.

With this kind of cooperation, the future becomes much brighter, particularly as it relates to new sources of energy and improvement of the environment.

I am introducing a bill today to amend the Forestry Incentives Act that would increase the Federal authorization to $50 million annually from the present $25

million. It is time now to plan for the future.

The forestry incentives program has another important feature. It requires the investment of at least $1 of private money for every $3 in Federal cost sharing. This fact is of special significance in the present critical economic period when it is important to make the most of each opportunity, particularly if it offers employment to people in need of work. For example, the State Forester of South Carolina reports that during the first 9 months of the program, forestry incentives provided approximately 100,000 hours of heavy machine time employment for small contractors who found themselves with little or no construction work to do. During the same period, 240,000 man-hours of labor were used in planting some 30,000 acres of nonproductive land.

Similar achievements are reported in North Carolina where 851 contractors and laborers are engaged in forestry incentives work. The story is being repeated in varying degrees in many other States.

There are some problems, however. Some forest owners who should participate and wish to do so cannot because they own more land than the 500 acre limit set by Public Law 93–86. This restriction is particularly burdensome in some of the Western States where ownerships of a section—640 acres—are common. Therefore, I recommend that the present 50-acre limitation in Public Law 93–86 be raised to 1,000 acres of forest land per owner and I am also introducing a bill today to accomplish this objective.

I urge my colleagues to support these proposals and I invite their cosponsorship.

OFPP: AN OMBUDSMAN "OF LARGE BUT UNCERTAIN DIMENSION"

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the February 1975 issue of Government Executive goes into detail on the newly created Office of Federal Procurement Policy. This organization has a unique responsibility to both legislative and executive branches. It is obvious that it can exercise considerable influence and its accomplishments can be very meaningful. The article is all the more interesting because it talks in detail about Hugh Witt, the Administrator of OFPP. Mr. Witt is well known and very highly regarded on Capitol Hill. There are many in Congress who rate him among the most competent Federal officials.

Mr. C. W. Borklund, the publisher of Government Executive, outlines in brief a few of Mr. Witt's accomplishments in these words:

When Congress was discussing how to staff the OFPP they were about to create, veteran House Government Operations Committee staff director, Herb Roback, reportedly suggested, "Why don't you get just a small, competent Administrator?"

At 5'11", Witt is not very small but his credentials clearly claim he is both competent and has had more than enough experience to have heard "all those procurement alibis before." A 1943 University of Kentucky graduate, he spent three years in aircraft production control, went into sales promotion after World War II.

DEEP EXPERIENCE

He joined the Air Force staff in the Pentagon at the outbreak of the Korean war; moved up to the Air Force Secretary's office in 1954, working mostly on weapon systems programming. In 1960, he became Air Force assistant deputy for procurement policy and served on the Air Force Contract Appeals Board.

A year later, he was promoted to Deputy for Supply and Maintenance to the Air Force Assistant Secretary (Installations & Logistics); moved down the hall in 1970 to be special assistant to the Navy Assistant Secretary (Installations & Logistics); "went over to the enemy," as Pentagon veterans like to put it, in 1973 when he was pulled up to the OSD (Office/Secretary of Defense) level as Principal Deputy Assistant Secretary of Defense (Installations & Logistics.)

AWARD WINNER

Among his arm-long list of government career awards: three Exceptional Civilian Service awards, highest civilian citation given by the Air Force; in 1973, the Navy's top Distinguished Civilian Service Award But getting to OMB hasn't been all accolades.

In addition to the complex, challenging headaches of the job itself, Witt, a "supergrade" already, got only a modest income boost. That is being offset by the higher meal, travel and parking costs downtown compared to what he paid at the Pentagon.

All of which, he says, prompts "Janie (his wife) to ask every once in a while, 'Explain again how you got promoted'."

Mr. Borklund's article also has this to say about Mr. Witt:

Three times last year, then-director of the Office of Management and Budget (OMB) Roy Ash asked Hugh E. (for Ernest) Witt to come to work in OMB. The arm-long title offered Witt: Deputy Associate Director and Assistant to the Director for Procurement Policy.

Witt, then Principal Deputy Assistant Secretary of Defense (Installations & Logistics), called the executive director of a major industrial association after the third request and asked the retired admiral and long-time friend what he thought of the idea.

The answer, after a long pause, "Hugh, it's an impossible job. Why don't you take it?"

The post was a tough enough task when Witt, who is 53 and looks 15 years younger, finally accepted in June, 1974. It has become even more challenging and more powerful a job since—as most signs then said it likely would. Though a changeover in U.S. Presidents and resultant paperwork delays stretched out the decision-making, in late December Congress approved Witt's White House nomination as the first Administrator of the newly created Office of Federal Procurement Policy (OFPP).

Mr. Speaker, I feel that the Members of the House will also be interested in the OFPP charter in brief which follows:

THE OFPP CHARTER IN BRIEF

OFPP Administrator Hugh Witt has his Congressionally mandated job description written long-hand on a big paper pad mounted on an easel, standing in his office for any visitor to see.

The six easily stated, yet broadly comprehensive, assignments:

"The functions of the Administrator shall include—

"(1) establishing a system of coordinated, and to the extent feasible, uniform procurement regulations for the executive agencies;

"(2) establishing criteria and procedures for an effective and timely method of soliciting the viewpoints of interested parties in the development of procurement policies, regulations, procedures and forms;

"(3) monitoring and revising policies, regulations, procedures, and forms relating to reliance by the Federal Government on the private sector to provide needed property and services;

"(4) promoting and conducting research in procurement policies, regulations, procedures, and forms;

"(5) establishing a system for collecting, developing, and disseminating procurement data which takes into account the needs of the Congress, the executive branch, and the private sector;

"(6) recommending and promoting programs of the Civil Service Commission and executive agencies for recruitment, training, career development, and performance evaluation of procurement personnel."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. TREEN, for this week, on account of official business of the House Committee on Armed Services.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BAUMAN) and to revise and extend their remarks and include extraneous matter:)

Mr. KEMP, for 30 minutes, today.
Mr. BAUMAN, for 10 minutes, today.

(The following Members (at the request of Mr. DE LA GARZA) to revise and extend their remarks and include extraneous matter:)

Mr. BRADEMAS, for 15 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. FRASER, for 5 minutes, today.
Mr. FITHIAN, for 5 minutes, today.
Mr. RODINO, for 10 minutes, today.
Mr. VANIK, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BAUMAN) and to revise and extend their remarks:)

Mr. HEINZ.
Mr. YOUNG of Florida in five instances.
Mr. BELL in two instances.
Mr. BAUMAN in two instances.
Mr. DERWINSKI in two instances.
Mr. MCCOLLISTER.

(The following Members (at the request of Mr. DE LA GARZA) and to include extraneous material:

Mr. ANDERSON of California in three instances.
Mr. GONZALEZ.
Mr. OBERSTAR.
Mr. ROSENTHAL in three instances.
Mr. SEIBERLING in 10 instances.
Mr. EILBERG.
Mr. NOWAK.
Mr. LONG of Maryland in 10 instances.
Mr. REES.
Mr. FORD of Tennessee.
Mr. HALL in two instances.
Mr. BURKE of Massachusetts.
Mr. MOFFETT.
Miss JORDAN.
Ms. ABZUG.
Mr. TRAXLER.
Mr. MOAKLEY in two instances.
Mr. DE LA GARZA.
Mr. STOKES.
Mr. MORGAN.

ADJOURNMENT

Mr. DE LA GARZA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 16 minutes p.m.), under its previous order, the House adjourned until Monday, February 17, 1975, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RONCALIO: Joint Committee on Atomic Energy. House Concurrent Resolution 114. Concurrent resolution expressing the approval of the Congress of the amendment to the 1955 Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy proposed by the Atomic Energy Commission on January 14, 1975 (Rept. No. 94–8). Referred to the Committee of the Whole House on the State of the Union.

Mr. RONCALIO: Joint Committee on Atomic Energy. House Concurrent Resolution 115. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94–9). Referred to the Committee of the Whole House on the State of the Union.

Mr. RONCALIO: Joint Committee on Atomic Energy. House Concurrent Resolution 116. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94–10). Referred to the Committee of the Whole House on the State of the Union.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

306. A letter from the Acting Secretary of Agriculture, transmitting the annual report of the Federal Crop Insurance Corporation for the 1974 crop year, pursuant to 81 Stat. 719; to the Committee on Agriculture.

307. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority for fiscal year 1975, as of February 1, 1975, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 94–48); to the Committee on Appropriations and ordered to be printed.

308. A letter from the Secretary of the Air Force, transmitting the semiannual report on Air Force experimental, developmental, and research contracts of $50,000 or more, covering the period ended December 31, 1974, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

309. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal financial assistance to States for civil defense equipment and facilities during the quarter ended September 30, 1974, pursuant to section 201(i) of the Federal Civil Defense Act of 1950, as amended [50 U.S.C. App. 2281(i)]; to the Committee on Armed Services.

310. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal financial assistance to States for civil defense equipment and facilities during the quarter ended December 31, 1974, pursuant to section 201(i) of the Federal Civil Defense Act of 1950, as amended [50 U.S.C. App. 2281(i)]; to the Committee on Armed Services.

311. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes; to the Committee on Foreign Affairs.

312. A letter from the Acting Assisting Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403; to the Committee on Foreign Affairs.

313. A letter from the Secretary of Commerce, transmitting a report on export administration for the third quarter of 1974, pursuant to the Export Administration Act of 1969, as amended [50 U.S.C. App. 2409]; to the Committee on Foreign Affairs.

314. A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting the 16th annual report of the Commission, pursuant to Public Law 86–380; to the Committee on Government Operations.

315. A letter from the Secretary of the Interior, transmitting the fourth annual report on the operation of the Colorado River, covering operations during water year 1974 and projections for water year 1975 for the reservoirs in the Colorado River Basin, pursuant to 82 Stat. 885; to the Committee on Interior and Insular Affairs.

316. A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act to increase the rate of compensation for experts and consultants and to provide continuing authorization for appropriations without limitation; to the Committee on Interior and Insular Affairs.

317. A letter from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to amend the Rail Passenger Service Act of 1970 to authorize additional appropriations; to the Committee on Interstate and Foreign Commerce.

318. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft amendment to the President's proposed Energy Independence Act of 1975 concerning automobile emission standards; to the Committee on Interstate and Foreign Commerce.

319. A letter from the Secretary, Railroad Retirement Board, transmitting a draft of proposed legislation to amend the Railroad Retirement Act of 1974 to provide for the continuing annual credit to the Railroad Retirement Account and the Railroad Retirement Supplemental Account of the taxes collected under the Railroad Retirement Tax Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

320. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 216(b)(1) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

321. A letter from the Acting Sercetary of Transportation, transmitting the fourth annual report of the Urban Mass Transportation Administration on capital assistance, technical studies, and relocation grants, covering calendar year 1974, pursuant to 84 Stat. 965; to the Committee on Public Works and Transportation.

322. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on the 1974 survey of the estimated costs of construction of needed publicity owned wastewater treatment works, pursuant to section 516(b) of the Federal Water Pollution Control Act, as amended; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

323. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Student Loan Insurance Fund for fiscal year 1974 (H. Doc. No. 94–49); to the Committee on Government Operations and ordered to be printed.

324. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in Army cost-effectiveness studies for major weapon systems; jointly, to the Committees on Government Operations, and Armed Services.

325. A letter from the Comptroller General of the United States, transmitting a report on the financial operations of the five service academies; jointly, to the Committees on Government Operations, Armed Services, and Merchant Marine and Fisheries.

326. A letter from the Comptroller General of the United States, transmitting a report assessing the performance of the Office of Management and Budget and the Federal agencies in implementing title IV of the Intergovernmental Cooperation Act of 1968 and section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 through OMB Circular A–95; jointly, to the Committees on Government Operations, and Banking, Currency and Housing.

327. A letter from the Comptroller General of the United States, transmitting a report on how local housing authorities can improve their operations and reduce dependence on operating subsidies; jointly, to the Committees on Government Operations and Banking, Currency and Housing.

328. A letter from the Acting Comptroller General of the United States, transmitting a report on the accountability and physical controls of the Treasury Department's gold bullion reserves; jointly, to the Committees on Government Operations, and Banking, Currency and Housing.

329. A letter from the Comptroller General of the United States, transmitting a report on Government support of the shipbuilding industrial base; jointly, to the Committees on Government Operations, and Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H.R. 3122. A bill to amend the Public Health Service Act to provide for a national program of medical malpractice insurance and arbitration of medical malpractice claims; to the Committee on Interstate and Foreign Commerce.

By Mr. BAUMAN:

H.R. 3123. A bill to amend the National Trails System Act by designating the Potomac Heritage Trail located in portions of Maryland, Pennsylvania, Virginia, West

Virginia, and the District of Columbia, as a component of the National Trails System; to the Committee on Interior and Insular Affairs.

By Mr. BAUMAN (for himself, Mr. HARRINGTON, Mrs. HOLT, Mr. RICHMOND, Mr. SOLARZ, and Mr. WHITEHURST):

H.R. 3124. A bill to amend the Coastal Zone Management Act of 1972 to authorize financial assistance to coastal States to enable them to study, assess, and plan the effects of offshore energy-related facilities and activities in or on the Outer Continental Shelf on their coastal zones, and to provide for needed public facilities and services; to provide assistance to the coastal States for coordinating coastal zone planning, policies, and programs in contiguous interstate areas; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BELL:

H.R. 3125. A bill to establish in the State of California the Channel Islands Marine National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FORD of Tennessee:

H.R. 3126. A bill to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of California (for himself, Mr. MCFALL, and Mr. SANTINI):

H.R. 3127. A bill to provide for the preservation of critical scenic, environmental, and outdoor recreational values of Lake Tahoe Basin in California and Nevada; to the Committee on Interior and Insular Affairs.

By Mr. KEMP:

H.R. 3128. A bill to amend section 102 of the National Environmental Policy Act of 1969 to permit the appropriate Federal official to delegate the responsibility for the preparation of an environmental impact statement to the appropriate State agency or official; to the Committee on Merchant Marine and Fisheries.

H.R. 3129. A bill to amend section 109 of title 23 of the United States Code to permit the Secretary of Transportation to delegate the responsibility for the preparation of an environmental impact statement to the State affected by a proposed project on a Federal-aid highway system; to the Committee on Public Works and Transportation.

By Mr. LAFALCE:

H.R. 3130. A bill to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; to the Committee on Merchant Marine and Fisheries.

By Mr. LONG of Maryland:

H.R. 3131. A bill to amend the Emergency Petroleum Allocation Act of 1973 to direct the President to establish a program for the end-use allocation of gasoline; to amend the Internal Revenue Code of 1954 to impose an energy conservation tax on gasoline; and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. MITCHELL of New York:

H.R. 3132. A bill to grant a Federal charter to the Italian American War Veterans of the United States; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 3133. A bill to establish the Smaller Communities Administration; to the Committee on Banking, Currency and Housing.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 3134. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; to the Committee on Armed Services.

By Mr. REES:

H.R. 3135. A bill to amend the Federal Reserve Act to establish special asset reserve requirements for all financial institutions to maintain a fund from which moneys may be drawn for the purpose of purchasing mortgages; to the Committee on Banking, Currency and Housing.

By Mr. SIKES:

H.R. 3136. A bill to amend the Agricultural Act of 1970 to increase the amount authorized to be appropriated for the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

H.R. 3137. A bill to amend the Agricultural Act of 1970 to increase the size of a tract which may be affected by the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

By Mr. TRAXLER:

H.R. 3138. A bill to amend title II of the Social Security Act to provide that the automatic cost-of-living increases in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

H.R. 3139. A bill to amend title II of the Social Security Act to provide that an individual otherwise eligible may be paid full widow's or widower's insurance benefits at age 55, or reduced widow's or widower's insurance benefits at age 50 (age 45 in case of disability); to the Committee on Ways and Means.

H.R. 3140. A bill to amend the Internal Revenue Code of 1954 to increase the amount of retirement income eligible for the tax credit for retirement income from $1,524 to $5,000, and for other purposes; to the Committee on Ways and Means.

H.R. 3141. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 3142. A bill to provide for the monthly publication of a consumer price index for the aged and other social security beneficiaries, which shall be used in the provision of the cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

H.R. 3143. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

H.R. 3144. A bill to amend title XVIII of the Social Security Act to include drugs requiring a doctor's prescription among the medical expenses with respect to which payment may be made under the voluntary program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. VANIK:

H.R. 3145. A bill to make changes in the treatment of foreign income, to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 3146. A bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for the equalization of residual fuel oil prices charged to public, private, and investor-owned utilities and other persons using such oil; to the Committee on Interstate and Foreign Commerce.

By Mr. BELL (for himself, Mr. UDALL, Mr. RONCALIO, Mr. BURGENER, Mr. BIESTER, and Mr. VANDER VEEN):

H.J. Res. 208. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H.J. Res. 209. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on Post Office and Civil Service.

By Mr. BOLLING:

H. Con. Res. 117. Concurrent resolution providing for the printing as a House document of the hearings and panels of the Select Committee on Committees; to the Committee on House Administration.

By Mr. EILBERG:

H. Con. Res. 118. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

H. Con. Res. 119. Concurrent resolution expressing the sense of the Congress with respect to the incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

By Mr. TRAXLER:

H. Con. Res. 120. Concurrent resolution that the members of the Chamber of Commerce of Frankenmuth, Mich., be commended; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

18. By the SPEAKER. Memorial of the Legislature of the State of Louisiana, relative to sugar; to the Committee on Agriculture.

19. Also, memorial of the Legislature of the State of Oklahoma, relative to food stamps; to the Committee on Agriculture.

20. Also, memorial of the House of Representatives of the State of Oklahoma, relative to Turkish opium production; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII,

Mr. PATMAN introduced a bill (H.R. 3147) for the relief of Col. John H. Awtry, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

24. The SPEAKER presented a petition of the House of Representatives of the Republic of Cyprus, Nicosia, relative to the Turkish invasion of Cyprus; to the Committee on Foreign Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the second calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

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B. Eli Lilly & Co., PO Box 618, Indianapolis, Ind. 46206.

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A. Cummins Engine Co., Inc., 1000 Fifth Street, Columbus, Ind. 47201.

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B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Lawrence Monaco, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. Michael Monroney, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.
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A. National AeroSpace Services Association, 1501 Wilson Boulevard, Arlington, Va. 22209.

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A. National Hairdressers and Cosmetologists Association, 3510 Olive Street, St. Louis, Mo. 63103.

A. National Solid Wastes Management Association, 1730 Rhode Island Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Water Resources Association, 897 National Press Building, Washington, D.C. 20045.

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B. Arkansas Petroleum Council, 301 Commercial National Bank Building, Little Rock, Ark. 72201.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

A. Andrew R. Paul, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jack Pearce, Suite 808, 910 17th Street N.W., Washington, D.C. 20006.
B. Milk Industry Foundation, 910 17th Street NW., Washington, D.C.

A. Amos A. Plante, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., USA, P.O. Box 2180, Houston, Tex.

A. Ronald L. Plesser, 1712 N Street NW., Washington, D.C. 20036.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Pohoryles, Goldberg, Repetti & Harris, 1150 17th Street NW., Washington, D.C.
B. St. Mary of Nazareth Hospital Center, 1120 North Leavitt Street, Chicago, Ill. 60622.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc.

A. John Arthur Reynolds, P.O. Box 512, Fresno, Calif. 93709.
B. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.

A. William F. Ross, 716 Palmetto State Life Building, Columbia, S.C. 29201.
B. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. John W. Rowland, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Stanley J. Sawicki.
B. Stanley Sawicki & Son Inc., 1521 West Lafayette Boulevard, Detroit, Mich.

A. Carol A. Seeger.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.

A. Peter J. Semper Jr., 13915 Panay Way, Marina del Rey, Calif. 90291.
B. Council for Responsible Nutrition.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Association for the Improvement of the Mississippi River, c/o T. P. Walsh, 10 Broadway, St. Louis, Mo. 63102.

A. Mark S. Sigurski, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Arkansas Best Corp., 1000 South 21st Street, Fort Smith, Ark. 72901.

A. James A. Skinner, Jr., 1136 Second Avenue North, Nashville, Tenn. 37208.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Smith and Hewes, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Bart B. Chamberlain, Jr., 717 First Federal Tower, Mobile, Ala. 36616.

A. Robert B. Smith, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. Ronald R. Tullos, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. John G. Turner, Jr., Suite 1204, 1700 K Street, NW., Washington, D.C. 20006.
B. Standard Oil Co., of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

A. Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.

A. Charlotte Voorde, 133 Duddington Place, SE., Washington, D.C. 20003.
B. Association for the Advancement of Psychology, 1200 17th Street NW., Washington, D.C. 20036.

A. Thomas C. Walker, Browning-Ferris Industries, Inc., P.O. Box 3151, Houston, Tex. 77001.

A. Johnnie M. Walters, 1730 Pennsylvania Avenue NW., Suite 1060, Washington, D.C. 20006.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.

A. R. J. Watson, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rockwell International Corp.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

A. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif., 93709.

A. John L. Zorack, 1800 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the third calendar quarter of 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

	QUARTER			
P	1st	2d	3d	4th

(Mark one square only)

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e.g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter
12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	("*Period*" from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures
9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year
11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Albert E. Abrahams, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,870.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $11,514.13. E. (9) $11,514.13.

A. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,800. E. (9) $3,008.26.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $803.62. E. (9) $749.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $563.85.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $1,350. E. (9) $320.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $13,741.27. E. (9) $13,741.37.

A. Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

A. Alderson, Catherwood, Ondox & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.
D. (6) $1,065. E. (9) $39.06.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John Allen.
B. Union Oil Co., of California, 461 South Boylston Street, Los Angeles, Calif. 90054.
E. (9) $80.

A. Nicholas E. Allen, 444 Shoreham Building, Washington, D.C. 20005.
B. Music Operators of America, Inc., 228 North La Salle Street, Chicago, Ill. 60601.
D. (6) $300. E. (9) $227.57.

A. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $8,393.51. E. (9) $8,393.51.
B. National Organization for Women, Inc.,

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $440.68. E. (9) 5.23.

A. American Automobile Association, 811 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $120.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $24,313.12. E. (9) $24,313.12.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $2,628.59. E. (9) $2,628.59.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60811.
D. (6) $3,847.37. E. (9) $3,847.37.

A. American Family Corp., 1432 Wynnton Road, Columbus, Ga. 31902.
D. (6) $1,825. E. (9) $31.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068; Washington Offices: 425 13th Street NW., Washington, D.C. 20004.
D. (6) $49,538. E. (9) $49,538.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $76,609.77.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300. E. (9) $300.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $37,509.15. E. (9) $309.44.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $2,776.35. E. (9) $3,307.20.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $36,537.38. E. (9) $36,537.38.

A. American Israel Public Affairs Committee, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
D. (6) $64,804.32. E. (9) $35,041.78.

A. American Land Title Association, Suite 303, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $634.23.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
D. (6) $1,104. E. (9) $30.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
E. (9) $28,061.77.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $4,545.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
E. (9) $2,999.06.

A. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $6,493.16. E. (9) $6,493.16.

A. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $3,084.40. E. (9) $3,084.40.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $492.15.

A. American Parents Committee, Inc. 52 Vanderbilt Avenue, New York, N.Y. 10017.
D. (6) $12,173.96. E. (9) $21,481.98.

A. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $29,173. E. (9) $51,721.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $7,847.58. E.(9) $7,847.58.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $12,804.28.

A. American Postal Workers Union AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,577,782.46. E. (9) $81,874.80.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Short Line Railroad, Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $649.86. E. (9) $649.86.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $883.10. E. (9) $4,249.67.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $375. E. (9) $193.41.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $2.40.

A. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $21,777.23. E. (9) $21,777.23.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $42,649.65.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

A. Morris J. Amitay, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $3,333.32.

A. Anthony L. Anderson, Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,000. E. (9) $1,320.

A. J. Lem Anderson, 400 First Street NW., Washington, D.C. 20001.
B. Time Inc., Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,750. E. (9) $509.05.

A. Scott P. Anger, 1725 K Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.

UMI

A. Andrea N. Anglin, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $550,

A. J. Donald Annett, 1001 Connecticut Avenue NW., Suite 510, Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $100.

A. Clarence A. Arata.
B. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $16,250.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va., 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,100. E. (9) $300.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Government of the Virgin Islands of the United States, c/o Verne A. Hodge, P.O. Box 280, St. Thomas, V.I. 00801.
D. (6) $1,500.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.
D. (6) $50.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,035. E. (9) $15.50.

A. Arkansas Petroleum Council, 301 Commercial National Bank Building, Little Rock, Ark. 72201.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Howard Arnett, 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $918. E. (9) $673.12.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Family Corp., 1902 Wynnton Road, Columbus, Ga. 31906.
D. (6) $1,825. E. (9) $31.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $5,000.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Electronic Data Systems Corp., 7171 Forest Lane, Dallas, Tex. 75230.
E. (9) $28.73.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 230 Park Avenue, New York, N.Y. 10017.
D. (6) $625. E. (9) $55.31.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $874.80. E. (9) $40.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Fairchild Camera & Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Puerto Rican Government, Economic Development Administration, G.P.O. Box 2350, San Juan, Puerto Rico 00936.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Judith A. Assmus, 1763 R Street NW., Washington, D.C. 20009.
B. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.
D. (6) $346.15.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.
E. (9) $31.30.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Association of American Railroads, American Railroads Building, Room 211, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $6,133.69. E. (9) $6,133.69.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.
E. (9) $500.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
E. (9) $26.68.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $480.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $900. E. (9) $250.

A. Robert L. Augenblick, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $31.

A. Richard W. Averill, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, in care of Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (5) $800. E. (9) $301.

A. Donald L. Badders, 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90802.
D. (6) $721. E. (9) $236.16.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. John C. Bagwell, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $6,500. E. (9) $453.50.

A. Grace C. Baisinger, 2870 Arizona Terrace NW., Washington, D.C. 20016.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $375.57.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $66.72.

A. Donald Baldwin, Donald Baldwin Associates, 906/1625 I Street NW., Washington, D.C. 20006.
B. American Electric Power Co., 2 Broadway, New York, N.Y. 10004.
D. (6) $4,500. E. (9) $218.33.

A. Robert D. Bannister, 925 15th Street NW., Washintgon, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,687.50.

A. Jo Ann S. Barefoot, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Thomas H. Barksdale, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $9,075. E. (9) $616.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036
B. Clearly, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Richard L. Barr, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
E. (9) $313.24.

A. Robert W. Barrie, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $290.

A. Fraser Barron, 1054 Potomac Street NW., Washington, D.C. 20007.
B. Havasupai Tribal Council, Supai, Ariz. 86435.
D. (6) $3,884.42. E. (9) $296.02.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Rosehurg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $199.38.

A. Weldon Barton.
B. The Farmers' Educational and Co-Operative Union of America, 1012 14th Street NW., Washington, D.C.
D. (6) $4,246.16. E. (9) $59.49.

A. William M. Bates, Bell & Stanton, Inc., 2016 Peachtree Center Building, Atlanta Ga. 30303.
B. Georgia Farm Bureau Federation.
D. (6) $4,500. E. (9) $868.06.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Gasoline Marketers Council, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $2,500.

A. Batzell & Nunn, 1523 L Street NW.,
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Gary Lee Bauer, 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association.
D. (6) $10,000. E. (9) $3,300.

A. Merle D. Baumgart, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C., 20036.
D. (6) $600. E. (9) $35.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24009.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24009.
D. (6) $3,965.82. E. (9) $3,965.82.

A. Donald S. Beattie, 400 First Street, NW., Washington, D.C. 20001.
B. Congress of Railway Unions, 400 First Street NW., Washington, D.C.
E. (9) $1,609.70.

A. John H. Beidler, 1125 15th Street NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agriculture Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $8,578.13. E. (9) $484.70.

A. Page Belcher, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.

A. Thomas S. Belford, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,312.50. E. (9) $329.27.

A. Kenneth E. BeLieu, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Gas Supply Committee.
D. (6) $916.66. E. (9) $495.06.

A. Bruce Benefield, 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.
D. (6) $300.

A. Kathleen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. E. M. Benson, Jr., 515 South Flower Street, Los Angeles, Calif. 90071.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $900.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Atlanta Corp., 17 Varick Street, New York, N.Y. 10013.

A. Berry & Gipson, 1700 Pennsylavnia Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. R. Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. OEHEG—Sudtiroler Platz 8, A–6020 Insbruk, Austria; OEMOLK, P.O. Box 176 A–1013, Vienna, Austria.
A. Max N. Berry, Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, NY.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., 7th Floor, Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $700. E. (9) $25.

A. William C. Bickel, Suite 700, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Co., P.O. Box 2100, Houston, Tex. 77001.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,534. E. (9) $195.15.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Billig, Sher & Jones, 1126 16th Street NW., Washington, D.C. 20036.
B. Steamship Conferences.
D. (6) $675.

A. Tracy Bird, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $275

A. Lydia Bitter, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,500. E. (9) $133.44.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $6,000.

A. Tersh Boasberg, 1225 19th Street NW., Suite 602, Washington, D.C. 20036.
B. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.
E. (9) $164.57.

A. Becky Bogard, 2600 Virginia Avenue NW., Washington, D.C.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $360.

A. A. Dewey Bond, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C., 20007.
D. (6) $500. E. (9) $16.

A. T. J. Boone, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $750. E. (9) $200.

A. Mark Borinsky, 1910 K Street NW., Washington, D.C. 20006.
B. National Council To Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Charles E. Bosley, 100 Maryland Avenue NE., Washington, D.C.
B. Council for a Livable World.
D. (6) $5,400.

A. G. Stewart Boswell, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $2,225. E. (9) $222.03.

A. Albert D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $1,828.

A. Kenneth J. Bousquet, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600. E. (9) $400.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.
D. (6) $666.66. E. (9) $34.

A. Edward L. Bowley, 617 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL–CIO, 617 14th Street NW., Washington, D.C.
D. (6) $8,988.70. E. (9) $1,117.

A. Boyden & Kennedy, 1000 Kennecott Building, Salt Lake City, Utah 84133.
B. Hopi Indian Tribe, Oraibi, Ariz.
D. (6) $27,010. E. (9) $4,174.

A. Melvin J. Boyle, 1125 15th Street, NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,333.

A. Frank W. Bradley, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C.
E. (9) $75.

A. George E. Bradley, 1341 G Street NW., Washington, D.C. 20005.
B. Organization of Professional Employees of USDA (OPEDA), 1341 G Street NW., Washington, D.C.
D. (6) $1,260. E. (9) $25.

A. Wayne W. Bradley, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $417. E. (9) $244.

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $120.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.

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B. National Cotton Counch of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $421. E. (9) $75.37.

A. Robert M. Brandon, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $425.

A. Parke C. Brinkley, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Wally Briscoe.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $135. E. (9) $16.50.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 316 Lexington Avenue, New York, N.Y. 10016.
D. (6) $450.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
D. (6) $4,500.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $43.18.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $800.

A. Michael F. Brown.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Travis Taylor Brown, 2525 49th Street NW., Washington, D.C.

A. Brown, Vlassis & Bain, 222 North Central Avenue, Phoenix, Ariz. 85004.
B. Navajo Tribe, Window Rock, Ariz. 86515.
D. (6) $4,550. E. (9) $2,609.20.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Council of Housing Producers, 9301 Wilshire Boulevard, Suite 312, Beverly Hills, Calif. 90210.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. International Franchise Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Massachusetts Bankers Association, Inc., 125 High Street, Boston Mass. 02110.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. PruLease, Inc., 1255 Boylston Street, Boston, Mass. 02215.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $990. E. (9) $309.13.

A. George S. Buck, Jr., P.O. Box 12285, Memphis, Tenn 38112.
B. National Cotton Council of American, P.O. Box 12285, Memphis, Tenn.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.
D. (6) $3,375. E. (9) $184.44.

A. Thomas G. Burke, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $145.83. E. (9) $83.

A. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C.
D. (6) $50,773.42. E. (9) $966.92.

A. Phillip C. Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $581.25. E. (9) $94.79.

A. George Burnham IV, 1625 K Street NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $351. E. (9) $455.

A. Charles S. Burns, 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 20022.
D. (6) $1,200. E. (9) $171.44.

A. Richard M. Bush, Suite 501, Barr Building, Washington, D.C. 20006.
B. Pacific Northwest Power Co.
D. (6) $450. E. (9) $435.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.
D. (6) $2,277.50. E. (9) $1,903.41.

A. James J. Butera, 1709 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,325. E. (9) $190.09.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

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A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y., 10005.

A. Camp, Carmouche, Palmer, Carwile & Barsh, Pioneer Building, Lake Charles, La., 70601.
B. Louisiana Department of Conservation, State of Louisiana, P.O. Box 44275, Capitol Station, Baton Rouge, La. 70804.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $340.91.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.
E. (9) $280.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $120.

A. Sharyn G. Campbell, 1620 I Street NW., Suite 603, Washington, D.C. 20006.
B. National BankAmericard, Inc., 555 California Street NW., San Francisco, Calif. 94126.
D. (6) $2,500. E. (9) $3,295.63.

A. W. Dean Cannon, Jr., 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.
B. California Savings and Loan League, 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.
D. (6) $1,500. E. (9) $274.16.

A. David L. Cantor, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $650. E. (9) $63.08.

A. Marvin Caplan.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,715. E. (9) $129.25.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Connecticut General Life Insurance Co., et al.
D. (6) $1,800. E. (9) $30.

A. Caplin & Drysdale, 1101 17th Street, NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,525.

A. Cardon Sanders & Ferrell, 1776 F Street NW., Washington, D.C. 20006.
B. CIT Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.

B. General Atomic, San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Philip Carlip, Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
B. Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
D. (6) $2,500. E. (9) $1,676.27.

A. Elizabeth Carpenter, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowles, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $200. E. (9) $5.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo. 65201.
B. Midcontinent Farmers Association.
D. (6) $5,299.32. E. (9) $456.66.

A. Henry A. Carrington, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $6,250.

A. David C. Carter, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. John L. Casey, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South African Sugar Association, P.O. Box 507, Durban, South Africa.
D. (6) $30,000. E. (9) $2,360.18.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $121.05.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
B. The Organization of Plastics Processors.
D. (6) $4,307.

A. Frank R. Cawley, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $50. E. (9) $79.67.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va., 23219.
D. (6) $100. E. (9) $89.68.

A. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $5,077.50. E. (9) $20,905.63.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street, NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,125.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street, NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. Justice M. Chambers, 2300 Calvert Street, NW., Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $575.64.

A. James W. Chapman.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,146.

A. William C. Chapman, 1660 L Street, NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich., 48202.
D. (6) $3,000. E. (9) $2,723.57.

A. Nancy H. Chasen, 133 C Street, SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street, SE., Washington, D.C. 20003.
D. (6) $500.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $123,718.11 E. (9) $12.15.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $1,725. E. (9) $66.35.

A. Kimball Clark, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $125.94. E. (9) $173.54.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $582.94.

A. Robert M. Clark, 1100 Connecticut Avenue NW., Suite 1020, Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $2,000. E. (9) $300.

A. Joan Claybrook, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,200.

A. Clay Pipe Industry Depletion Committee, Post Office Box 6, Pittsburgh, Kans. 66762.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $67.42.

A. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.
E. (9) $900.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.
D. (6) $68.90.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natomas Co., 601 California Street, San Francisco, Calif 94108.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Oil Shale Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers, Inc., 4100 Roxboro Road, Durham, N.C. 27702.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Lorillard, Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Philip Morris, Inc., 100 Park Avenue, New York, N.Y. 10017.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C. 27102.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
E. (9) $90.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.
D. (6) $1,575. E. (9) $315.

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A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Bessemer & Lake Erie Railroad Co., 600 Grant Street, P.O. Box 536, Pittsburgh, Pa. 15230.
E. (9) $35.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Railroad Passenger Corp. (AMTRAK), 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
D. (6) $510. E. (9) $111.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. New York Cocoa Exchange, Inc. and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.
D. (6) $8,000. E. (9) $1,630.78.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street (Box 1035), Toledo, Ohio 43061.
D. (6) $1,000. E. (9) $200.

A. Larry D. Cline, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $19.25.

A. Grover B. Cobb, 1200 Travis, Houston, Tex. 77002.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Grover C. Cobb, 1771 N. Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $400.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
E. (9) $440.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $1,324.43.

A. Jeffery Cohelan, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $999.99.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,125. E. (9) $1,112.03.

A. Timothy A. Colcord, 1620 I Street NW., No. 603, Washington, D.C. 20006.
B. National BankAmericard, Inc., 525 California Street, San Francisco, Calif. 94126.
D. (6) $6,875. E. (9) $7,592.89.

A. Eleanor Cole, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $1,000. E. (9) $1,000.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $239.35.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $1,347.32.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. The Chase Manhattan Bank, One Chase Manhattan Plaza, New York, N.Y. 10015.
E. (9) $361.07.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.
E. (9) $10.32.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $399. E. (9) $39.39.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. H. H. Robertson Co., Two Gateway Center, Pittsburgh, Pa.
D. (6) $1,229. E. (9) $67.75.

A. William Cole.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90054.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee of American Tanker Owners, Inc., One Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. National Ethical Pharmaceutical Association, P.O. Box 13547, St. Petersburg, Fla. 33733.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

A. Collier, Shannon, Rill & Edwards, 1666 **K Street NW., Washington, D.C.** 20006.
B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $25.

A. Collier, Shannon, Rill & Edwards, 1666 **K Street NW., Washington, D.C.** 20006.
B. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, **Arlington, Va. 22209.**
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. American Footwear Industries, Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. Bicycle Manufacturers Association of America, Inc., 122 East 42d Street, New York 10007.
D. (6). $500. E. (9) ¢100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. Department of Information, Private Bag X152, Pretoria, 0001, Republic of South Africa.
D. (6) $17,937.50 E. (9) $25,095.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. National Broiler Council, 1155 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. Tool & Stainless Steel Industry Committee, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $525.

A. Robert B. Collyer, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 702 Majestic Bldg., Denver, Colo., 80202.
D. (6) $600. E. (9) $1,600.

A. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $31,475. E. (9) $8,074.62.

A. Committee of Copyright Owners (CCO), c/o Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
D. (6) $5,490.44. E. (9) $5,490.44.

A. Committee on Strikes in Transportation, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) **$1,479,227.63. E.** (9) **$388,102.02.**

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,014.

A. Congress of Railway Unions, 400 First Street NW., Washington, D.C. 20001.
D. (6) $8,539.39. E. (9) $8,536.99.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $4,462.21. E. (9) $4,462.21.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $120. E. (9) $41.30.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $1,449.44. E. (9) $1,449.44.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $120.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y.
D. (6) $164.25. E. (9) $15.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $2,600.

A. Jack T. Conway, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,812.50. E. (9) $577.61.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.
B. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Howard Lee Cook, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $914.

A. James A. Cook, 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
E. (9) $650.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Suite 101, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $660.30.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., P.O. Box 1123, Portsmouth, N.H. 03801.
D. (6) $1,850. E. (9) $1,207.42.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $10,000. E. (9) $67.05.

A. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $855.

A. Darrell Coover, 1625 I Street NW., No. 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018
D. (6) $2,000. E. (9) $208.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $975. E. (9) $87.50.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $634.88.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $5,529.57.

A. Eugene E. Cortright, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Company, 1660 L Street NW., Washington, D.C. 20036.

A. David Cosson, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
D. (6) $125.

A. Bertram Robert Cottine, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $56.67.

A. Robert M. Coultas, 1100 17th Street NW., Washington, D.C. 20036.
B. Institute for Rapid Transit, 1100 17th Street NW., Washington, D.C. 20036.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.
D. (6) $6,987.62. E. (9) $6,987.62.

A. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue, NW., Washington, D. C. 20036.
D. (6) $5,000. E. (9) $5,653.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $432. E. (9) $294.80.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Adhesive & Sealant Council, 1410 Higgins Road, Park Ridge, Ill. 60068.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Corn Millers Federation, 1030 15th Street NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Association of Bituminous Contractors, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Industrial Diamond Association of America, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Kohler Co., Kohler, Wis. 53004.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Linen Supply Association of America, 917 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Printing Ink Manufacturers, 101 Executive Building, Elmsford, N.Y. 10523.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Erectors Association, 1800 North Kent Street, Arlington, Va.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Glass Dealers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue, NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Business Men's Assurance Company of America, BMA Tower One Penn Valley Park, Kansas City, Md. 64141.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $432.90. E. (9) $294.80.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Eli Lilly and Co., P.O. Box 618, Indianapolis, Ind. 46206.
E. (9) $15.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $9.17.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
E. (9) $10.46.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. MGIC Investment Corp., 600 Marine Plaza, Milwaukee, Wis. 43201.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, c/o HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.
E. (9) $54.04.

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A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Incorporated, P.O. Box 1537, Salisbury, Md. 21801.
E. (9) $190.33.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.
E. (9) $11.10.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Association of Research Libraries, 1527 New Hampshire Avenue, NW., Washington, D.C. 20036.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.
D. (6) $1,365.50. E. (9) $19.70.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20005.

A. P. H. Croft.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $832.50. E. (9) $960.21.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Jack A. Crowder, Suite 1001, 1150 17th Street NW., Washington, D.C.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,500. E. (9) $67.47.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $250.

A. Barry M. Cullen
B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $420. E. (9) $55.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $328. E. (9) $2,270.

A. Frank Cummings, Gall, Lane & Powell, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Institute of Electrical & Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $3,500.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $9,240. E. (9) $3,933.64.

A. Cystic Fibrosis Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
E. (9) $3,308.70.

A. John Jay Daly, Direct Mail/Marketing Association, 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association.
D. (6) $10,000. E. (9) $3,300.

A. Thomas A. Daly, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.

A. Frank C. Daniel, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $8,750.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $405. E. (9) $3,930.

A. Stephen I. Danzansky, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $12.05.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $480. E. (9) $234.55.

A. Philip J. Daugherty, Industrial Union Department, AFL–CIO.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,624. E. (9) $110.52.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $118.

A. North Dakota Railway Lines, P. M. Davison, Jr., 418 East Rosser Avenue, PO. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines, et al.
E. (9) $629.15.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.
E. (9) $56.62.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street Chicago, Ill. 60603.
E. (9) $25.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.
D. (6) $1,300. E. (9) $512.01.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,300.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
E. (9) $25.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $54.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
E. (9) $25.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. United Insurance Co., One East Wacker Drive, Chicago, Ill. 60601.
D. (6) $150. E. (9) $56.62.

A. Claire Davis, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. David R. Davis, 714 Harrison Building, Indianapolis, Ind. 46204.
B. Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
D. (6) $70. E. (9) $17.50.

A. George R. Davis, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, National Capital Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Ovid R. Davis.
B. The Coca-Cola Co., P. O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $90. E. (9) $315.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, DC. 20006.

A. Charles W. Day, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $325. E. (9) $272.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. Tony T. Dechant.
B. The Farmers' Educational and Cooperative Union of America, 1012 14th Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $171.11.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $945. E. (9) $154.47.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C., 20037.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $440. E. (9) $52.15.

A. John L. Delano, P.O. Box 1172. Helena, Mont. 59601.
B. Montana Railroad Association, P.O. Box 1172, Helena, Mont. 59601.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6.) $150.

A. George W. Della, III, 1115 Maryland National Bank Building, 10 Light Street, Baltimore, Md. 21202.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $250.

A. Vincent A. Demo, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,500. E. (9) $2,225.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, Federation of Trades and Labor Unions, 815 16th Street NW., Washington, D.C.
D. (6) $9,083.60. E. (9) $408.59.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $625. E. (9) $200.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors & Publishers, One Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Emergency Committee for American Trade (ECAT), 1211 Connecticut Avenue NW., Washington, D.C. 20036.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006.

A. R. Daniel Devlin, 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

A. Ralph B. Dewey, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $2,342.60. E. (9) $1,080.91.

A. Dialog, 1156 15th Street NW., No. 900, Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.
E. (9) $868.28.

A. Charles J. DiBona, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington D.C. 20006.

A. John M. Dickerman, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $6,029.28. E. (9) $232.05.

A. Annette Dickinson, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council for Responsible Nutrition.
D. (6) $3,750.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $101,107.87. E. (9) $101,107.87.

A. James F. Doherty, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Masachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $4,812.48.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $540. E. (9) $327.90.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $16.75.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $398. E. (9) $162.23.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Advance Schools, Inc., 5900 Northwest Highway, Chicago, Ill. 60631.

A. F. Raymond Downs, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45201.

A. Robert H. Doyle, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $4,031.25.

A. Andrew Drance, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $414. E. (9) 129.02.

A. Wilbur B. Dronen, 100 N.E. Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 N.E. Adams Street, Peoria, Ill. 61629.
D. (6) $750. E. (9) $653.35.

A. Franklin B. Dryden.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $120. E. (9) $120.

A. Evelyn Dubrow, Union-1710 Broadway, New York City 10019.

B. International Ladies' Garment Workers', Union, 1710 Broadway, New York City 10019.
D. (6) $4,654. E. (9) $2,612.83.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $1,850. E. (9) $100.

A. Donald A. Duffy, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $450. E. (9) $225.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $60.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Douglas G. Dunn, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,500.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $2,160. E. $100.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $480.

A. J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
B. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
E. (9) $88.75.

A. Roy W. Easley, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
D. (6) $24.18. E. (9) $2.50.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $650. E. (9) $1,100.

A. Robert E. Ebel, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corporation, 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $19.50.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

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B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $857.50.

A. Arthur B. Edgeworth, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $587.50.

A. E. Neel Edwards, 921 Washington Building, Washington, D.C. 20005.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.
D. (6) $2,500. E. (9) $310.99.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. John P. Edwards, 1030 15th Street NW., Suite 720, Washington, D.C. 20005.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $1,317.18.

A. Jonathan W. Edwards, 429–B New Jersey Avenue SE., Washington, D.C. 20003.
B. The Navajo Nation, Window Rock, Ariz. 86515.
D. (6) $6,250. E. (9) $3,225.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $750. E. (9) $60.12.

A. George H. Efthemes, P.O. Box 6549, Wheeling, W. Va. 26003.
E. (9) $10.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va. 22202.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

A. Harmon L. Elder, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $263.64.

A. Electronic Data Systems Corp., 7171 Forest Lane, Dallas, Tex. 75230.
E. (9) $28.73.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
E. (9) $353.63.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $1,681.01. E. (9) $1,351.44.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $25,576.63. E. (9) $23,243.93.

A. Richard W. Emory, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $757.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa. 17405.
D. (6) $1,800. E. (9) $287.16.

A. M. Dale Ensign, 1625 Eye Street NW., Washington, D.C. 20006.
B. Husky Oil Co., Box 380, Cody, Wyo. 82414.
E. (9) $40.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $759.

A. Barry Ensminger, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street, Suite 708, Washington, D.C. 20036.

A. David C. Evans, Suite 404, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.
E. (9) $512.05.

A. Evans, Petree, Cobb and Edwards, 900 Memphis Bank Building, Memphis, Tenn. 38103.
B. Tennessee Farm Bureau Federation, Columbia, Tenn. 38401.
D. (6) $2,000. E. (9) $1,617.66.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,364. E. (9) $15.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C.
B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $2,500. E. (9) $23.

A. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $65,498.40. E. (9) $34,440.51.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $1,915.44. E. (9) $1,915.44.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
E. (9) $4,500.

A. Stuart F. Feldstein.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $50.

A. Carol Fielders, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,823.93. E. (9) $2,823.93.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver V6E 2HI, British Columbia, Canada.
D. (6) $8,907.94. E. (9) $400.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Joint Committee of Printing and Publishing Industries of Canada, 321 Bloor Street East, Toronto 5, Ontario, Canada.
D. (6) $1,340.32. E. (9) $130.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $6,250.79.

A. Maurice W. Fillius, 5040 Lowell Street NW., Washington, D.C. 20016.
B. Bacardi Corporation, San Juan, Puerto Rico.

A. Luke Findlay, Jr., 306 North Cherry Street, Falls Church, Va. 22046.
B. Lawyers Cooperative Publishing Co., Rochester, N.Y. 14603.

A. James W. Finley, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $4,230.25. E. (9) $4,649.31.

A. Robert W. Fischer, 144 West Colfax, Denver, Colo. 80202.
B. Board of Water Commissioners (Denver Water Department), 144 West Colfax, Denver, Colo. 80202.
D. (6) $816.48. E. (9) $453.19.

A. William J. Flaherty, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $7,976.80. E. (9) $29.17.

A. James F. Fleming, 991 National Press Building, Washington, D.C.
B. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.
D. (6) $1,000.

A. Carl J. Fleps, The Greyhound Corp., 1629 K Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $275. E. (9) $66.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $753.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.
D. (6) $2,895.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $4,460. E. (9) $7.10.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.
D. (6) $695. E. (9) $2.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., et al.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
B. Minnesota Railroads Association.
D. (6) $500. E. (9) $498.84.

A. Tim C. Ford, Glass Container Manufacturers Institute, 1800 K Street NW., Washton, D.C.
B. Glass Container Manufacturers Institute, 1800 K Street NW., Washington, D.C.
E. (9) $913.91.

A. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. James W. Foristel, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,300. E. (9) $457.

A. David H. Foster.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $237.50.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702; American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.
D. (6) $1,176. E. (9) $807.15.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.
D. (6) $98.82.

A. Joe H. Foy, 1200 Travis, Houston, Texas 77002.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $607.98. E. (9) $76.60.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,375. E. (9) $22.

A. Mark H. Freeman, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
B. League of New Community Developers, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
D. (5) $3,000. E. (9) $60.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $1,722.71.

A. Susan Fridy, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $750. E. (9) $28.70.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.
D. (6) $78.15. E. (9) $10.88.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Navajo Tribe, Window Rock, Ariz.
D. (6) $4,205. E. (9) $1,000.36.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Nez Perce Tribe, Lapwai, Idaho.
D. (6) $600. E. (9) $5.30.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.
D. (6) $3,500. E. (9) $54.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Box 194, Laguna, N. Mex.
D. (6) $838. E. (9) $16.14.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Salt River Pima-Maricopa Community, P.O. Box 120, Route 1, Scottsdale, Ariz.
D. (6) $187.50. E. (9) $2.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Seneca Nation of Indians, P.O. Box 231, Salamanca, N.Y. 14779.
D. (6) $2,800.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $100.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,000. E. (9) $223.72.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $87,285. E. (9) $12,676.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $550.

A. Charles H. Fritzel, 1625 I Street NW., No. 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,500. E. (9) $92.

A. Cornelius F. Froeb, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. David C. Fullarton, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
D. (6) $200.

A. Ronald K. Fuller, 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.
B. San Diego Gas & Electric Co., 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.
D. (6) $7,196.50. E. (9) $8,204.44.

A. James E. Gaffigan, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $225.02. E. (9) $32.23.

A. Mark J. Gallagher.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $4,134.83. E. (9) $476.40.

A. Peter N. Gammelgard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2,086.93.

A. William B. Gardiner, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $7,012.50.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,281.22. E. (9) $1,628.52.

A. Edward A. Garmatz, 2210 Lake Avenue, Baltimore, Md. 21213.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $875. E. (9) $20.50.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $870.

A. Gas Supply Committee, 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $65,750. E. (9) $2,115.76.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
E. (9) $857.50.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
E. (9) $50.

A. George W. Gephart, 1412 Gas & Electric Building, Baltimore, Md. 21203.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $99.70. E. (9) $319.48.

A. Mary Condon Gereau, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
D. (6) $4,710.50. E. (9) $149.50.

A. Lesley Chapman Gerould, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,025. E. (9) $4,014.

A. Wayne Gibbens, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $900. E. (9) $411.62.

A. Joseph L. Gibson, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $42.50. E. (9) $150.

A. Arthur P. Gildea, 2347 Vine Street, Cincinnati, Ohio 45219.
B. National Conference of Brewery & Soft Drink Workers—International Brotherhood

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of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Affiliate: 300 S. Ashland Boulevard, Chicago, Ill. 60607.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.
E. (9) $67.91.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.
B. Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.
E. (9) $275.24.

A. GM Washington Consultants, Inc., Public Relations Counsel, 905 16th Street NW., Suite 304, Washington, D.C. 20006.
B. William G. Simon, 2404 Wilshire Boulevard, Los Angeles, Calif. 90057.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.
E. (9) $62.50.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $312.50. E. (9) $62.50.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.
B. Texas Power & Light Co., Dallas, Tex.; et al.
E. (9) $54.70.

A. Don A. Goodall, 1625 I Street NW., Suite 614, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $212.50. E. (9) $101.50.

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
D. (6) $6,600.

A. Brenda J. Gore.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $600. E. (9) $25.

A. Frederick D. Goss, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037
B. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
D. (6) $2,100.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.
B. Florists' Transworld Delivery Association, 900 West Lafayette Boulevard, Detroit, Mich. 48226.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $115.

A. Dan L. Grant, 230 Peachtree Street, Suite 1507, Atlanta, Ga. 30303.
B. American Petroleum Institute, 1801 K Street NW,. Washington, D.C. 20006.
D. (6) $50.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $1,403.80. E. (9) $25.00.

A. Robert K. Gray, 1425 K Street NW., Washington, D.C.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $400. E. (9) $108.15.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.
B. Citizens Comittee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $70.50. E. (9) $92.55.

A. Samuel A. Grayson, 611 Idaho Building, Boise, Idaho 83702.
E. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68102.
E. (9) $867.85.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash. 98104.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.

A. C. O. Gregory, Jr., 151 North Carolina Avenue SE., Washington, D.C. 20003.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $6,461.49.

A. Claiborne D. Gregory, 1809 Staples Mill Road, Richmond, Va. 23230.
B. Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.

A. William G. Grief, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $500.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., 701, Washington, D.C. 20036.
D. (6) $8,254.30. E. (9) $8,254.30.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va.
E. (9) $120.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $725.01. E. (9) $111.38.

A. Samuel Gusman, 1025 Connecticut Avenue NW., Suite 202, Washington, D.C. 20036.
B. Rohm and Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $100.

A. Paul R. Haerle, 2 Embarcadero Center, San Francisco, Calif. 94111.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.
E. (9) $235.92.

A. Howard R. Hague, Jr.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $2,714.40. E. (9) $11.10.

A. Matthew Hale, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW.
D. (6) $1,000. E. (9) $200.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, Harker, Stanton & John Coffey, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Williams Companies, National Bank of Tulsa, Tulsa, Okla.

A. J. G. Hall, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $4,500. E. (9) $2,025.10.

A. Hamel Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. C.B. & T. Bancshares, Inc., 1148 Broadway, Columbus, Ga. 31901.
E. (9) $2.60.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. International Nickel Co., 1 New York Plaza, New York, N.Y. 10004.
E. (9) $15.00.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Standard Oil Co. (Indiana), 200 East Randolph Street, Chicago, Ill. 60601.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 2006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. James E. Hanson, Ron Ahern & Associates, 121 Second Street NE., Washington, D.C. 20002.
B. Puget Sound Tug & Barge Co., 1102 S.W. Massachusetts St., Seattle, Wash. 98134.
D. (6) $395.

A. Robert B. Harding, 1801 K Street NW., Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $350. E. (9) $110.50.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die and Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers.
D. (6) $2,500. E. (9) $539.66.

A. Bryce N. Harlow, 1601 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Mfg. Co., 301 East Sixth Street, Cincinnati, Ohio 45201.
D. (6) $125. E. (9) $354.83.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $700. E. (9) $300.

A. A. J. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $467.46. E. (9) $42.73.

A. Herbert E. Harris II, 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
B. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
D. (6) $1,800.

A. Stephanie Harris, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.

A. James W. Hart Jr., 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

A. William C. Hart, 1625 I Street NW., Washington D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $3,185. E. (9) $4,893.50.

A. Rita M. Hartz, 1737 H Street NW., Washington, D.C. 20006.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $7,520.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Sidney G. Hawkes, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D. (6) $825. E. (9) $605.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Robert T. Hayden, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,681.80. E. (9) $750.58.

A. Patrick J. Head, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $136.50. E. (9) $150.

A. Health Insurance Association of America, 1701 K. Street NW., Washington, D.C.
D. (6) $8,146.51. E. (9) $8,146.51.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $129.03. E. (9) $129.03.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $393.75. E. (9) $23.50.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc., 52 Vanderbilt Avenue, New York, N.Y. 10017.

A. John F. Hellman, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $4,812.50.

A Spencer H. Heine, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $32.15. E. (9) $150.

A. Ross E. Heller, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $225. E. (9) $250.

A. Leslie P. Hemry, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $194.40. E. (9) $2.50.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.
D. (6) $1,500. E. (9) $33.14.

A. George F. Hennrikus, Jr.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,392.

A. Maurice G. Herndon, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.
E. (9) $3,672.07.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.
D. (6) $1,300. E. (9) $993.58.

A. Andrew I. Hickey, Jr., 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $9,586.60. E. (9) $1,281.38.

A. M. F. Hicklin, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
E. (9) $676.14.

A. J. Thomas Higginbotham, Pittsburgh, Pa. 15230.
B. Mellon Bank, N.A., and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $402.86.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $2,000. E. (9) $2,000.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Harry R. Hinton, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,250. E. (9) $1,083.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $510.

A. Claude E. Hobbs, 1801 K Street NW., Ninth Floor, Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.
D.(6) $3,149. E. (9) $124.25.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Constructors Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $8,713.19. E. (9) $102.23.

A. Dale Curtis Hogue, 1128 16th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
E. (9) $300.

A. Thomas W. Holland, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $630. E. (9) $682.

A. Lee B. Holmes, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $4,438. E. (9) $14,765.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,750. E. (9) $69.50.

A. The Hormel Foundation, Austin, Minn. 55912.
E. (9) $1,104.06.

A. Houger, Garvey, Schubert & Barnes, 1019 19th Street NW., Suite 810, Washington, D.C. 20036.
B. States Steamship Co., 320 California Street, San Francisco, Calif. 94104.
D. (6) $50,000. E. (9) $8,181.88.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $1,185.

A. Thomas Howarth, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $990. E. (9) $990.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Companies, Allstate Plaza, Northbrook, Ill. 60062.

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A. Charles L. Huber, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $10,312.50. E. (9) $128.65.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. American National Financial Corp., 300 Delaware Avenue, Wilmington, Del. 19801.
E. (9) $1,935.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Lomas & Nettleton Financial Corp., 2001 Bryan Tower, Dallas, Tex. 75222.
E. (9) $1,680.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Zale Corp., 3000 Diamond Park Drive, Dallas, Tex. 75247.
E. (9) $1,680.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,025. E. (9) $409.

A. Richard M. Hunt, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
D. (6) $1,125.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,909.73. E. (9) $1,241.21.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $25.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $250. E. (9) $75.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
B. Arnold L. House, Washington, D.C.; Retail Food, et al.
E. (9) $148.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
D. (6) $5.

A. F. N. Ikard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,125. E. (9) $739.

A. Independent Gasoline Marketers Council, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.
E. (9) $125.18.

A. Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
E. (9) $149.50.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $11,151.69. E. (9) $11,151.69.

A. Institute for Rapid Transit, 1100 17th Street NW., Washington, D.C. 20036.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $5,159.12.

A. International Brotherhood of Teamsters 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $17,523.19.

A. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $133,080. E. (9) $133,080.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $2,383.75.

A. Investment Counsel Association of America, Inc., 172 East 59th Street, New York, N.Y. 10022.
E. (9) $448.50.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $726.42. E. (9) $8,757.01.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $120.

A. Robert C. Jackson, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,750. E. (9) $105.66.

A. Joseph A. Jeffrey, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $77.50. E. (9) $5.75.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20045.
B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.
E. (9) $850.

A. David M. Jenkins II, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.
E. (9) $154.36.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. Anita Johnson, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $35. E. (9) $3.52.

A. Jess Johnson, Jr., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John B. Johnson, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

A. John H. Johnson, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers.
D. (6) $2,250.

A. John Paul Johnson, 1725 De Sales Street NW., Washington, D.C.
B. Gas Supply Committee.
D. (6) $143.88. E. (9) $108.36.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $2,065. E. (9) $10.20.

A. Reuben L. Johnson.
B. The Farmers' Educational and Co-Operative Union of America, 1012 14th Street N.W., Washington, D.C.
D. (6) $4,859.04. E. (9) $159.78.

A. Stanley L. Johnson, 1001 Connecticut Avenue NW., Suite 510, Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $25.

A. Charles N. Jolly, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $2,334.38.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,448.06.

A. Charlie W. Jones, 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $110.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
E. (9) $6.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $21.50.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $9,750. E. (9) $10,816.

A. Richard J. Jones, 1110 Davidson Street, Champaign, Ill. 60631.
B. Independent Grocers Alliance (IGA), 300 West Adams Street, Chicago, Ill. 60606.

A. Ronald K. Jones, 7841 Doane Court, Springfield, Va. 22152.
B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,530.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.

A. Francis M. Judge, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the USA, 1615 H Street, NW., Washington, D.C. 20006.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $27.

A. Katten, Muchin, Gitles, Zavis, Pearl & Galler, 125 South Clark Street, Chicago, Ill. 60603.
E. (9) $1,081.61.

A. Gerald M. Katz, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Carleton R. Kear, Jr.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $211.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $275.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,625. E. (9) $500.13.

A. John G. Keller, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., P.O. Box 2180, Houston, Tex.

A. Julie C. Keller, 401 Wilcox Building, Portland, Oreg. 97204.
B. Oregon Filbert Commission, 12295 S. W. Main, Tigard, Oreg. 97223.
D. (6) $3,000. E. (9) $3,000.

A. Paul J. Kelley.
B. Amerco, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.
E. (9) $2,240.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. George Kelm, 1 First National Plaza, Suite 5200, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1176, Colorado Springs, Colo. 80901.
D. (6) $1,300. E. (9) $512.01.

A. I. L. Kenen, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
D. (6) $833.22.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C. 20006.
B. Marathon Oil Company, Findlay, Ohio 45840.
E. (9) $425.40.

A. Jerry W. Kennedy, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis Tenn. 38112.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corporation, 1370 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $30.36.

A. Robert T. Kenney, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

A. William J. Kenney 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $220. E. (9) $150.

A. John V. Kenny.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $50.

A. Thomas P. Kerester, Coopers and Lybrand, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Balcor Co., 1 Concourse Plaza, 4711 Golf Road, Skokie, Ill. 60076.

A. Carl F. Kettler, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association of America.

A. James L. Kimble, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Kenneth L. Kimble, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American life Insurance Association Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $175. E. (9) $65.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $32.

A. David S. King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.
B. Syndicat des Distillateurs de Sucre, de Madagascar.
D. (6) $12,000. E. (9) $40.

A. Susan B. King, 421 Fourth Street SE., Washington, D.C. 20003.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $6,734.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $2,122.69.

A. Peter M. Kirby, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue, Washington, D.C. 20006.
D. (6) $1,666.87. E. (9) $1,506.82.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Ernest A. Kistler, 2 North Ninth Street, Allentown, Pa. 18101.
B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.

A. James D. Kittelton, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Wespark Drive, McLean, Va. 22101.
D. (6) $595.37. E. (9) $50.

A. Ralph W. Kittle.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $650.

A. Douglas E. Kliever, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. John S. Knox, Jr., 166, 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottlers' Association, 166, 16th Street NW., Atlanta, Ga. 30318.
D. (6) $250.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $1,000. E. (9) $250.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $15.25.

A. Ann Kolker, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $225.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Kenneth S. Kovack, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,815.63. E. (9) $967.26.

A. June K. Kraeft, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $148.

A. Stephen W. Kraus, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Richard W. Kreutzen, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $63.85.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $4,525.02. E. (9) $622.23.

A. William J. Kuhfuss. 225 Touhy Avenue, Park Ridge, Ill. 60068.

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B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,125.

A. Lloyd R. Kuhn, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $8,946. E. (9) $1,377.77.

A. Michael M. Kumpf, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $500. E. (9) $200.

A. Norman G. Kurland, Bangert & Co., Inc., 2027 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Bangert & Co., Inc., 111 Pine Street, San Francisco, Calif. 94111.
D. (6) $4,725. E. (9) $6,080.06.

A. Daniel M. Kush, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

A. Labor Bureau of Middle West, 1290 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $11,154. E. (9) $9,100.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $15,680.39.

A. Edward J. Lachowicz, 4317 Brandywine Street NW., Washington, D.C. 20016.
B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $1,906.66. E. (9) $19.35.

A. Nick L. Laird, Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $100.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
D. (6) $50. E. (9) $25.

A. Karl S. Landstrom, 610 North Edison Street, Arlington, Va. 22203.
B. Sportsmans Paradise Homeowners Association, 10612 Dalerose Avenue, Lennox, Calif. 90304.
D. (6) $335.90. E. (9) $44.75.

A. R. Josh Lanier.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $1,325. E. (9) $25.

A. James J. La Penta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $631.75.

A. Glenn T. Lashley, 8111 Gatehouse Drive, Falls Church, Va. 22042.
B. District of Columbia Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Lawyers Committee To End the War, 1 Wall Street, 25th Floor, New York, N.Y. 10005.
E. (9) $3,238.39.

A. Lawyers To Preserve the Constitution, 36 West 44th Street, Room 500, New York, N.Y. 10036.

A. Monte Lazarus, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $500. E. (9) $230.24.

A. League of New Community Developers, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
D. (6) $6,512.80. E. (9) $7,301.15.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Robert W. Lee, 1028 Connecticut Avenue NW., No. 1004, Washington, D.C. 20036.
B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass. 02178.

A. Peter R. Leffe, Department of Architecture, University of California, Berkeley, Calif. 94720.

A. Robert J. Leigh, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

A. Joseph L. Leitzinger.
B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Washington 98164.
D. (6) $408. E. (9) $524.24.

A. Gilbert LeKander, 910 17th Street NW., Suite 501, Washington, D.C. 20006.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., P.O. Box 3727, Spokane, Wash. 99202.
D. (6) 450.

A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $697.92.

A. Earl T. Leonard, Jr., c/o The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $316. E. (9) $603.43.

A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Harry LeVine, Jr., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $795. E. (9) $400.

A. Robert G. Lewis.
B. The Farmers' Educational & Cooperative Union of America, 1012 14th Street NW., Washington, D.C.
D. (6) $1,384.61. E. (9) $54.98.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $97.21.

A. Herbert Liebenson, 1225 19th Street NW., Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C.
D. (6) $4,500. E. (9) $1,200.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Board of Commissioners, County of Wayne, City County Building, Detroit, Mich. 48226.
D. (6) $4,000. E. (9) $267.32.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $4,019.20. E. (9) $424.44.

A. Charles B. Lipsen.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $11,442.34. E. (9) $400.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $553.75. E. (9) $209.77.

A. Sheldon I. London, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $800.

A. Edward J. Lord, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,480. E. (9) $147.16.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $750.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $500. E. (9) $100.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street, NW., Washington, D.C. 20036.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $1,236.50.

A. Freddie H. Lucas, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $300. E. (9) $128.

A. Lund Levin & O'Brien, 1625 Eye Street NW., Washington, D.C. 20006.
B. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.
D. (6) $154.36.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97204.
E. (9) $26.53.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., Two North 9th Street, Allentown, Pa. 18101.
D. (6) $600. E. (9) $43.22.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $2,500.

A. Lusk-Evans Limited, 1120 Connecticut Avenue NW., Suite 940, Washington, D.C. 20036.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $5,654.60. E. (9) $349.09.

A. Mark H. Lynch, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $500.

A. Robert N. Lynch.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $6,073.55. E. (9) $2,468.46.

A. Richard Lyng, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
D. (6) $500. E. (9) $20.

A. Shane MacCarthy, 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.
D. (6) $1,125. E. (9) $1,892.85.

A. James E. Mack, 1225 19th Street NW., Washington, D.C. 20036.
B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.
D. (6) $12,500. E. (9) $3,551.29.

A. James E. Mack, 1225 19th Street NW., Washington, D.C. 20036.
B. Peanut Butter Manufacturers and Nut Salters Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $592.19.

A. Duncan H. Mackenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.
D. (6) $18.50. E. (9) $2,490.

A. John P. Mackey, 810 National Press Building, Washington, D.C. 20004.
B. The Ad Hoc Committee In Defense Of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $2,500. E. (9) $1,950.03.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,625. E. (9) $769.42.

A. Michael Maggio, 3820 Morrison Street, Washington, D.C.
B. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20036.
D. (6) $1,936.50. E. (9) $200.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. Andre Maisonpierre, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $440.

A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.
E. (9) $465.89.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,801.80. E. (9) $244.64.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $140.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, Coal Building, 1130 17th Street NW., Washington, D.C.
D. (6) $7,374.99. E. (9) $77.80.

A. Mike Manatos, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East 6th Street, Cincinnati, Ohio 45202.
D. (6) $.67. E. (9) $227.18.

A. ManExec, Inc., 231 East Vermijo Avenue, Box 572, Colorado Springs, Colo. 80901.
B. Red River Valley Cooperative, Inc., Box 43, Hillsboro, N. Dak. 58045.
E. (9) $663.08.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
E. (9) $325.

A. H. Warren Mann., 1200 Travis, Houston, Tex. 77002.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. Dallace F. Marable, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers.
D. (6) $472. E. (9) $467.

A. J. Eugene Maranz, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Ronald M. Marcus, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
E. (9) $7,500.45.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $299.17.

A. Rodney W. Markley, Jr., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.

A. Ralph J. Marlatt, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Mutual Insurance Agents, 640 Investment Building, Washington, D.C. 20005.
E. (9) $1,205.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Edwin E. Marsh, 200 C Street SE., No. 401, Washington, D.C. 20003.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $4,885.26. E. (9) $1,142.80.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.

A. C. Travis Marshall, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $50.

A. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. J. Paull Marshall, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $294.50. E. (9) $248.65.

A. Thomas A. Martin, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $200.

A. Steven A. Martindale, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $300.

A. Richard E. Martinez, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $555.80. E. (9) $547.35.

A. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Mike M. Masaoka, Suite 520 Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. American Japanese Trade Committee, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

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A. Mike M. Masaoka, Suite 520 Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Suite 520, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, Suite 520, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishikawa and Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Aveneu NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jon G. Massey, Suite 3, 125 C Street SE., Washington, D.C. 20003, P.O. Box 8293, Washington, D.C. 20024.
B. Oil Investment Institute.

A. P. H. Mathews, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $250.43. E. (9) $159.60.

A. Charles D. Matthews, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $624.99. E. (9) $386.63.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $348.96.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,683. E. (9) $125.48.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.

A. Anthony F. Mauriello, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. New York State Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
D. (6) $40.

A. Albert E. May, 1625 K Street NW., Washington, D.C., 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $410. E. (9) $14.43.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.
B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $7,111. E. (9) $720.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. Encyclopaedia Britannica, 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $8,275.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Santee River Cypress Lumber Co. & Beidler Owners, Suite 1354, 222 West Adams Street, Chicago, Ill. 60606.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. Scott, Foresman & Co., 1900 East Lake Avenue, Glenview, Ill. 60025.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. L. M. Williams and Clayton Burch families, c/o Continental Illinois National Bank & Trust Co., 231 South LaSalle Street, Chicago, Ill. 60693.

A. H. Wesley McAden, 1030 15th Street NW., Suite 508, Washington, D.C. 20005.
B. Cook Industries, Inc., 2185 Democrat Road, Memphis, Tenn. 38116.
D. (6) $1,500.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $360. E. (9) $72.27.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $220.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,250.02. E. (9) $215.22.

A. Carlos R. McCalla, Jr., Route 2, Box 72F, New Windsor, Md. 21776.
B. U.S. Tobacco Co., 100 West Putnam Avenue, Greenwich, Conn. 06830.
E. (9) $50.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $344.41. E. (9) $35.67.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., 1 Gulf & Western Plaza, New York, N.Y. 10023.
D. (6) $2,849.87. E. (9) $33.34.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D (6) $4,386.89. E. (9) $75.68.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Montgomery Coca-Cola Bottling Co., Inc., North Perry & Jefferson Streets, Montgomery, Ala. 35102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Quaker State Oil Refining Corp., Oil City, Pa. 16307.
D. (6) $563.50. E. (9) $22.51.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. Harry G. McComas, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $69.48 E. (9) $55.

A. Robert A. McConnell, Jr., 4234 Winfield Scott Plaza, Scottsdale, Ariz. 85251.
B. AMERCO, International, 2727 North Central Avenue, Phoenix, Ariz. 85004.
D. (6) $352.91. E. (9) $526.94.

A. E. L. McCulloch, Room 819, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Cleveland, Ohio. 44114.
D. (6) $284.60. E. (9) $81.50.

A. D. McCurrach, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $524.52. E. (9) $269.22.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $54.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $103.40.

A. Robert E. McGarrah, Jr., Suite 708, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $7,080.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,450.90 E. (9) $391.20.

A. Marshall C. McGrath.

B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $770. E. (9) $107.43.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,947.60. E. (9) $427.40.

A. Marianne McGuire, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $14.42. E. (9) $21.

A. Clarence M. McIntosh, Jr., 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $853.26.

A. W. F. McKenna, McKenna & Fitting, 1156 15th Street NW., Washington, D.C. 20005.
B. First Federal Savings, Phoenix, Ariz.; First Federal Savings, Tampa, Fla.; City Federal Savings, Elizabeth, N.J.; First Federal Wisconsin, Milwaukee, Wis.
D. (6) $1,092.80. E. (9) $900.

A. William F. McKenna, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Washington, D.C. 20005.
D. (6) $120.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20006.
D. (6) $250.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $375. E. (9) $285.15.

A. Jane Pierson McMichael, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,500. E. (9) $250.

A. C. W. McMillan, Suite 1015, National Press Building, 14th and F Streets, Washington, D.C. 20045.
B. American National Cattlemen's Association, 1001 Lincoln, Denver, Colo. 80202.
D. (6) $1,500.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $50.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., et al.
D. (6) $8,750. E. (9) $4,556.49.

A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward, Inc., P.O. Box 18339, Chicago, Ill. 60680.
D. (6) $250. E. (9) 25.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $501.83.

A. Carl J. Megel, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,600. E. (9) $2,800.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,947.60. E. (9) $257.40.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $20.

A. Jeffrey M. Menick, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $1,137.61.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. Aris Gloves, Inc., 140 Geary Street, San Francisco, Calif. 94108.
E. (9) $1,121.03.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $9,375. E. (9) $540.48.

A. Lawrence C. Merthan, 1015 18th Street NW., Washington, D.C. 20036.
B. The Carpet and Rug Institute, Dalton, Ga. 30720.
D. (6) $250. E. (9) $26.90.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $503.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald Michieli, Suite, 1015, National Press Building, 14th and F Streets, Washington, D.C. 20045.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $78.81. E. (9) $1,556.73.

A. A. Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Miller, Cassidy, Larroca & Lewin, 1320 19th Street, NW., Suite 500, Washington, D.C. 20036.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.
D. (6) $1,035. E. (9) $31.58.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.
D. (6) $6,500. E. (9) $56.76.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Aircraft Corp., Burbank, Calif. 91503.
D. (6) $4,940.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Sperry and Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $550.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Sperry and Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $2,625.

A. Clinton R. Miller, 4620 Lee Highway, Room 240, Arlington, Va. 22207.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $5,000. E. (9) $8,560.79.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $252.50. E. (9) $39.39.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $300. E. (9) $180.37.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
D. (6) $7,049.88. E. (9) $779.61.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oregon 97204.
D. (6) $1,313.28. E. (9) $1,313.28.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Thomas F. Mitchell, 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $210.

A. Mobile Homes Manufacturers Association, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,565. E. (9) $1,565.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

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B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $1,398. E. (9) $51.44.

A. Michael Monroney, 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $900. E. (9) $500.

A. Montgomery Ward & Co., Inc.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
E. (9) $611.15.

A. G. Merrill Moody, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $117.25. E. (9) $252.50.

A. O. William Moody, Jr., 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,378.46.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, Washington, D.C. 20036.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. Gene P. Morrell, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,500. E. (9) $1,023.

A. John W. Morton, 1660 L Street, NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,100. E. (9) $414.35.

A. Lynn E. Mote, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Daniel J. Mundy, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building and Construction Trades Department, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,249.88. E. (9) $1,759.12.

A. George L. Murphy, 905 16th Street NW., Suite 304, Washington, D.C. 20006.
B. GM Washington Consultants, Inc., 905 16th Street NW., Suite 304, Washington, D.C. 20006.

A. Jerome E. Murphy, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $250.

A. John J. Murphy, Shoreham Building, Suite 416, 806 15th Street NW., Washington, D.C. 20005.
B. National Customs Service Association.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. Tom O. Murphy, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad Co., 516 West Jackson Boulevard, Chicago, Ill., 60606.
D. (6) $100. E. (9) $163.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. The Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $150. E. (9) $81.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building,
D. (6) $100.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Association of Industrial Parks, 1800 North Kent Street, Arlington, Va., 22209.
D. (6) $75. E. (9) $72.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Council of Coal Lessors, Inc., 1425 H Street NW., Washington, D.C. 20005.
D. (6) $75. E. (9) $85.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $185.

A. Thomas H. Mutchler.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $300. E. (9) $19.

A. Fred A. Myers, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $750. E. (9) $100.

A. J. Walter Meyers, Jr., 4 Executive Park East NE., Atlanta, Ga., 30329.
B. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga., 30329.

A. John J. Nangle, 1625 I Street NW., Suite 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $500.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $82.50.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $540.62. E. (9) $925.64.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $157. E. (9) $442.05.

A. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20036.
D. (6) $19,575. E. (9) $26,755.05.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $1,938.19. E. (9) $12,297.37.

A. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
D. (6) $1,526.21. E. (9) $1,526.21.

A. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
D. (6) $300. E. (9) $117.50.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300. E. (9) $300.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $7,995.61.

A. National Association of Letter Carriers, 100 Indiana Avenue, NW., Washington, D.C. 20001.
D. (6) $1,055,049.14. E.(9) $42,831.21.

A. National Association of Mutual Insurance Co.'s, 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $5,629.63. E. (9) $5,629.63.

A. National Association of Plumbing Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $5,348.12. E. (9) $5,348.12.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
E. (9) $14,459.80.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $300.

A. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.
D. (6) $2,293.58. E. (9) $2,293.58.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

D. (6) $2,495. E. (9) $11,492.07.

A. National Committee for Research in Neurological Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $4,621.50. E. (9) $6,777.08.

A. National Consumer Alliance, 1922 North High Street, Columbus, Ohio 43201.
D. (6) $472.41. E. (9) $472.41.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $14,064.53. E. (9) $14,064.53.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Cenco Inatruments Corp., 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $1,475. E. (9) $120.34.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $1,111.08. E. (9) $330.49.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Encyclopaedia Britannica Educational Corp., 425 North Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $174.76.

A. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.
D. (6) $2,176. E. (9) $2,086.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $360,562.78. E. (9) $23,690.46.

A. National Federation of Independent Business, 920–922 Washington Building, Washington, D.C. 20005.
B National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $37,183.17. E. (9) $37,183.17.

A. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $800.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $7,017.29. E. (9) $7,017.29.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $4,799.16. E. (9) $4,799.16.

A. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $501.59.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $551. E. (9) $23,118.82.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $4,109.05.

A. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
E. (9) $1,62·

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,500.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $2,562.52.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $3,566.56.

A. National Solid Wastes Management Association, 1730 Rhode Island Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Student Alliance, 1922 North High Street, Columbus, Ohio 43201.
D. (6) $207.67. E. (9) $207.67.

A. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
E. (9) $2,425.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $100. E. (9) $100.

A. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $30,413.20. E. (9) $7,944.17.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $17,689. E. (9) $7,052.26.

A. The Nation-Wide Committee on Import-Export Policy, 815 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $3,744. 61.

A. Navajo Tribe, Office of the Controller, Window Rock, Ariz. 86515.
E. (9) $7,159.20.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 16th Street NW., Washington, D.C. 20036.
D. (6) $1,495.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $300. E. (9) $127.48.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.
D. (6) $300.

A. Frances E. Neely, 245 Second Street NW., Washington, D.C. 20002.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) 2,070.

A. Robert R. Nelson, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $100.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. Ivan A. Nestingen, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.
B. American Nursing Home Association, 1200 15th Street NW., Washington, D.C. 20005.
D. (6) $1,200. E. (9) $120.05.

A. E. John Neumann, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $400. E. (9) $300.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C.; 1 IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $950. E. (9) $32.41.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,312.50. E. (9) $647.36.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, Crystal Lake, Ill. 60014.
D. (6) $150.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,600. E. (9) $17,647.

A. New York State Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
E. (9) $170.

A. Richard Ney, 700 New Hampshire Avenue NW., Washington, D.C. 20037.
B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $6,750. E. (9) $3,492.56.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $600. E (9) $410.30.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,725. E (9) $489.

A. Patrick J. Nilan, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.
D. (6) $9,691.36. E. (9) $1,796.37.

A. Gail Ann Chew Nishioka, 1730 Rhode Island NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $810.

A. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
E. (9) $1,125.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Nancy A. Nord, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United

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States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $100. E. (9) $5.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $650.

A. Coleman C. O'Brien, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,250. E. (9) $31.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allegheny Corp., New York, N.Y.
D. (6) $500. E. (9) $30.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1747 Pennsylvania Avene NW., Suite 600, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $95.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $1,750. E. (9) $227.50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Transit Association, 465 L'Enfant Plaza West SW., Suite 2900 Washington, D.C. 20024.
D. (6) $750. E. (9) $42.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Committee for Study of Revenue Bond Financing, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $1,666.50. E. (9) $482.39.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., 2900 IDS Tower, Minneapolis, Minn. 55402.
D. (6) $1,500. E. (9) $450.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Church and Institutional Financing Organizations, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
D. (6) $100. E. (9) $73.60.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Women's & Children's Apparel Salesman, 515 Peachtree-Palisades Building, Atlanta, Ga.
D. (6) $1,000.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Federation of Independent Business, 150 West 20th Street, San Mateo, Calif. 94403.
D. (6) $2,000.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Upper Mississippi Towing Corp., 7703 Normandale Road, Room 110, Minneapolis, Minn. 55435.
D. (6) $2,500. E. (9) $283.

A. Lawrence J. O'Connor, Jr., 1801 K Street NW., Suite 1021, Washington, D.C. 20006.
B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.
E. (9) $931.99.

A. T. J. Oden, 1747 Pennsylvania NW., Suite 900, Washington, D.C. 20006.
B. Independent Gasoline Marketers Council, Suite 900, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $300.

A. James F. O'Donnell, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Philippine Sugar Institute.
D. (6) $3,000. E. (9) $250.

A. Bradford C. Oelman, Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $2,400. E. (9) $247.40

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $5,400.04.

A. Richard C. O'Hara, 1120 Investment Building, Washington, D.C. 20005.
B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.
E. (9) $67.91.

A. Oil Investment Institute, Suite 3, 125 C Street SE., P.O. Box 8293, Washington, D.C. 20003.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Michael Sanders Olson, P.O. Box 2776, Raleigh, N.C. 27602.
B. Carolinas Association of Mutual Insurance Agents, Inc. P.O. Box 2776, Raleigh, N.C. 27602.
E. (9) $25.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $10.50.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $247.39.

A. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
D. (6) $6,000. E. (9) $6,205.

A. Organization of Professional Employees of the U.S. Department of Agriculture (OPEDA), 1341 G Street NW., Washington, D.C. 20005.
D. (6) $1,836.64. E. (9) $2,608.70.

A. John L. Oshinski, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,889.48. E. (9) $1,226.50.

A. David A. Oxford, 1016 North Carolina Avenue SE., Washington, D.C.
B. Mobile Homes Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $6,500. E. (9) $65.

A. Juris Padegs, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Norman Paige, Distilled Spirits Council of the United States, Inc., 538 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 538 Pennsylvania Building, Washington, D.C. 20004.

A. Edward J. Panarello, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $7,436.44. E. (9) $794.85.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Herschell E. Parent, 301 Commerical National Bank Building, Little Rock, Ark. 72201.
B. Arkansas Petroleum Council, 301 Commercial National Bank Building, Little Rock, Ark. 72201.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $425.80.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $2,625.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.
D. (6) $2,853. E. (9) $1,440.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $900. E. (9) $161.67.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,100. E. (9) $44.93.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20006.
D. (6) $650. E. (9) $17.85.

A. Patton, Boggs & Blow, 1200 17th Street, NW., Washington, D.C. 20036.
B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $1,722. E. (9) $206.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.
D. (6) $1,100. E. (9) $15.26.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Association, 401 N. Michigan Avenue, Chicago, Ill. 60601; National Association of Engine & Boat Manufacturers, 537 Steamboat Road, Greenwich, Conn. 06830.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chippewa-Cree Tribe, Rocky Boy Route, Box Elder, Mont. 59521.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce. 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.
D. (6) $265.50. E. (9) $2.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.
D. (6) $1,100. E. (9) $101.74.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $16.47.

A. Patton, Boggs & Blow, 1200 17th Street N.W., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street N.W., Washington, D.C. 20036.
D. (6) $150.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.

A. Patton, Boggs, & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $960. E. (9) $7.66.

A. Patton, Bogga & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Nestle Co., 100 Bloomingdale Road, White Plains, N.Y. 10605.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 16365.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Outboard Marine Corp., 1401 Cushman Drive, P.O. Box 82409, Lincoln, Nebr. 68501.
D. (6) $340. E. (9) $5.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $527. E. (9) $27.15.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $2,500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
D. (6) $300. E. (9) $1,305.84.

A. Andrew R. Paul, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $85.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros., Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.
D. (6) $642. E. (9) $186.20.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $355.85. E. (9) $281.81.

A. Peabody, Rivlin, Lambert & Dennison, 1730 M Street NW., Suite 707, Washington, D.C. 20036.
B. Los Angeles Trial Lawyers Association, 1313 West Eighth Street, Suite 308, Los Angeles, Calif. 90017.
D. (6) $1,000. E. (9) $1,031.09.

A. John J. Pecoraro, 1750 New York Avenue N.W., Washington, D.C. 20006.
B. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,666.53.

A. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
E. (9) $643.22.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
E. (9) $12,915.63.

A. Dominic V. Pensabene, 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
B. Standard Oil Co. of California, 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. J. Carter Perkins, Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National REA Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,672.27.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,681.80. E. (9) $424.81.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
E. (9) $1,983.51.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Sam Pickard, 1101 17th Street NW., Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $10.15.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $3,333.33 E. (9) $434.19.

A. Pierson, Ball & Dowd, 1000 Ring Building NW., Washington, D.C. 20036.
B. Standard Oil Co., (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $2,299.44. E. (9) $1,350.

A. Amos A. Plante, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Ronald L. Plesser, 1712 N Street NW., Washington, D.C. 20036.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $337.31.

A. Pohoryles, Goldberg, Repetti & Harris, 1150 17th Street NW., Washington, D.C.
B. St. Mary of Nazareth Hospital Center, 1120 North Leavitt Street, Chicago, Ill. 60622.
D. (6) $5,000. E. (9) $436.98.

A. Kenneth B. Pomeroy, 10404 Conover Drive, Silver Spring, Md. 20902.
B. National Association of State Foresters.
D. (6) $3,000. E. (9) $647.71.

A. Everett O. Post, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
D. (6) $233.31. E. (9) $32.47.

A. John Post, 888 17th Street NW., No. 601, Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017; 888 17th Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $5.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $405.

A. Ramsey D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $19.75.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
D. (6) $432. E. (9) $16.50.

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A. Richard M. Powell, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Robert D. Powell, Suite 400, 734 Fifteenth Street NW., Washington, D.C. 20005.
B. National Business Aircraft Association, Inc., 425 13th Street NW., Washington, D.C. 20004.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $705. E. (9) $104.18.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $2,292. E. (9) $80.

A. William C. Prather.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $600.

A. Dan Prescott, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $90.08. E. (9) $53.26.

A. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $1,225.17. E. (9) $1,002.41.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $437.50.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $1,265.34.

A. PROD, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $230.10.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $210. E. (9) $210.

A. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $760.17. E. (9) $760.17.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,422. E. (9) $13.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,319.04.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $393.12.

A. Raymond Raedy, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $125. E. (9) $175.

A. Richard J. Ragan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $375. E. (9) $50.54.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $10,692. E. (9) $10,692.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $1,500. E. (9) $1,500.

A. Donald A. Randall, Suite 1201, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Automotive Service Councils, Inc., Suite 112, 188 Industrial Drive, Elmhurst, Ill. 60126.
D. (6) $3,000. E. (9) $602.50.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $644.88. E (9) $433.07.

A. G. J. Rauschenbach.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $2,000. E. (9) $1,060.

A. Timothy J. Redmon, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $14.42. E. (9) $45.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $59.13. E. (9) $42.15.

A. Lawrence D. Reedy, 1730 M Street NW., Suite 805, Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $600.

A. J. Mitchell Reese, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $1,500. E. (9) $300.

A. John T. Reggitts, Jr., R.D. No. 2, Boonton Avenue, Boonton, N.J. 07005.

A. John A. Reilly, Kenyon & Kenyon Reilly Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, et al.
E. (9) $25.

A. W. W. Renfroe, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
E. (9) $310.37.

A. Reserve Officers Association of U.S., 1 Constitution Avenue NE., Washington, D.C.
D. (6) $1,315.07. E. (9) $481.50.

A. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $5,252.

A. William L. Reynolds, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $980. E. (9) $520.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.
E. (9) $2,484.50.

A. Theron J. Rice, 1130 17th Street NW., Suite 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. John D. Ritchie, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Stark Ritchie, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. William Neale Roach, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $97.38.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $48.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $245.90.

A. Robinson, Silverman, Pearce, Aronsohn, Sand & Berman, 230 Park Avenue, New York, N.Y. 10017.
B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
E. (9) $59.28.

A. John P. Roche, 1000 16th Street NW., Washington, D.C. 20036.
B. American Iron & Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $210.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Frank W. Rogers, Suite 793, 1801 K Street NW., Washington, D.C. 20006.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.
D. (6) $750.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Deltona Corp., 3250 Southwest Third Avenue, Miami, Fla. 33129.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Teachers Insurance & Annuity Association/College Retirement Equities Fund, 730 Third Avenue, New York, N.Y. 10017.
D. (6) $1,355. E. (9) $35.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,500.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., 301 Virginia Street East, Charleston, W. Va. 25301.
B. Appalachian Power Co., 301 Virginia Street East, Charleston, W. Va. 25301.
D. (6) $221.15. E. (9) $222.27.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William F. Ross, 716 Palmetto State Life Building, Columbia, S.C. 29201.
B. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. Rouss & O'Rourke, Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V. (known as UNPASA), Balderas 36, Mexico, D.F. Mexico.
D. (6) $9,999. E. (9) $2,764.14.

A. Larry Rubin, 1319 F Street NW., Washington, D.C. 20004.
B. United Electrical, Radio & Machine Workers of America (UE), 11 East 51st Street, New York, N.Y. 10022.
D. (6) $2,951.

A. John Forney Rudy, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Joseph Ruskiewicz, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, care of Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $12.50. E. (9) $30.

A. Perry A. Russ, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $4,318.18. E. (9) $271.66.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C.
B. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,250. E. (9) $1,378.59.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street NW., Washington, D.C.
D. (6) $800. E. (9) $1,277.22.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Washington, D.C. 20036.
B. American Trucking Association, 1616 P Street NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $508.74.

A. Millard H. Ruud, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. Ella Marice Ryan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $250. E. (9) $78.80.

A. C. Hill Rylander, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.
E. (9) $3,002.94.

A. Carl K. Sadler, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $6,827.80. E. (9) $7,442.18.

A. Frank P. Sandera, 815 Connecticut Avenue NW., Washington, D.C.
B. Burmah Oil & Gas Co., P.O. Box 94193, Houston, Tex. 77018.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Cos., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Charles E. Sandler, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Irene Saunders.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $3,160.80.

A. Thomas H. Saunders, 1825 K Street NW., Suite 501, Washington, D.C. 20006.
B. The Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $350.01. E. (9) $154.64.

A. Henry Schacht.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $923.74.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,192.73.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,249.98. E. (9) $282.49.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md., 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Stephen I. Schlossberg, 1125 15 Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $9,883.91. E. (9) $1,340.90.

A. Robert L. Schmidt, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.
D. (6) $975.

A. Mahlon Schneider.
B. Green Giant Co., Le Sueur, Minn. 56058.
D. (6) $500. E. (9) $20.

A. Hilliard Schulberg, Suite B–3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
B. National Liquor Stores Association, Inc., Suite B–3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $225. E. (9) $20.

A. Hilliard Schulberg, Suite B–3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Washington D.C. Retail Liquor Deal-

UMI

ers Association, Inc. Suite B–3, 5010 Wisconsin Avenue NW., Washington, D.C.
D. (6) $555. E. (9) $40.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,014.05. E. (9) $18.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $800.49. E. (9) $164.50.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Occidental Life Insurance Co. of California, Occidental Center, Los Angeles, Calif. 90054.
E. (9) $100.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112
D. (6) $90. E. (9) $3.67.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.
B. Estate of Bert N. Adams et al.
D. (6) $4,500. E. (9) $4,500.

A. Peter J. Semper, 13915 Panay Way, Marina del Rey, Calif. 90291.
B. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,050. E. (9) $853.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $300. E. (9) $56.

A. Patricia S. Senger, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $87.50.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $900. E. (9) $100.

A. Leo Seybold, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $1,192.75. E. (9) $766.52.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $402. E. (9) $170.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Albright Title & Trust Co.
D. (6) $11,305.90. E. (9) $333.59.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American National Cattlemen's Association, Denver, Colo.
D. (6) $1,000.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Estate of Howard Allington et al.
E. (9) $14,460.59.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $1,100. E. (9) $30.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Independent Grocers' Alliance et al.
D. (6) $4,374.20. E. (9) $515.70.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Port Louis, Mauritius.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.
B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y.

A. Shaw, Pittman, Potts & Trowbridge, Barr Building, 910 17th Street N.W., Washington, D.C. 20006.
B. Doubleday & Co., Inc., 277 Park Avenue, New York, N.Y. 10017.

A. John J. Sheehan, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,683.89. E. (9) $4,156.42.

A. Jowanda Shelton, 910 16th Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street New York, N.Y. 10023.
D. (6) $3,600.

A. Norman R. Sherlock, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $2,376.87. E. (9) $1,852.12.

A. Edward L. Shields, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,390.

A. Harvey A. Shipman, 1725 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Penn Central Transportation Co., 6 Penn Center Plaza, Philadelphia, Pa. 19104.

A. James K. Shiver, 1629 K Street NW., Suite 600, Washington, D.C.
B. Diamond Shamrock Chemical Co., Cleveland, Ohio.
D. (6) $100. E. (9) $50.

A. W. Ray Shockley, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,250. E. (9) $27.33.

A. L. J. Sichel, 1730 M Street NW., No. 808, Washington, D.C. 20036.
B. Abbott Laboratories, North Chicago, Ill. 60064.

A. Mark S. Sigurski, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, Washington, D.C. 20006.
D. (6) $33.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $1,916. E. (9) $1,367.89.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Arkansas Best Corp., 1000 South 21st Street, Fort Smith, Ark. 72901.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. MCA, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C. 20002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C. 20036.

A. James E. Simmons, 1730 Pennsylvania Avenue NW., Suite 220, Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $398.30.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $1,725. E. (9) $62.

A. Julian H. Singman, 815 16th Street NW., Room 310, Washington, D.C. 20006.
B. International Longshoremen's Association, AFL–CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.
D. (6) $5,000. E. (9) $2,019.26.

A. James A. Skinner, Jr., 1136 2d Avenue North, Nashville, Tenn. 37208.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.
E. (9) $512.05.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,000.

A. Carstens Slack, 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1736 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $6,250. E. (9) $4,559.61.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $6,250. E. (9) $39.16.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $6,500. E. (9) $669.86.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Committee of American Tanker Owners, c/o Neal M. Mayer, Esq., 100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
D. (6) $25,000. E. (9) $807.45.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.
D. (6) $8,500. E. (9) $439.59.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,000. E. (9) $264.17.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $794.57.

A. Arthur J. Smith, 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

A. J. Kenneth Smith, Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,000. E. (9) $1,015.

A. Robert Wm. Smith, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $252. E. (9) $184.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Mutual Insurance Co's., 2611 East 46th Street, Suite H, Indianapolis, Ind. 46205.
D. (6) $500. E. (9) $66.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,465. E. (9) $1,143.60.

A. Arthur V. Smyth, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $500. E. (9) $100.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $640.75. E. (9) $326.17.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,495.

A. J. R. Snyder, 400 1st Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 1st Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $300.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $2,062.35. E. (9) $3,563.65.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $855.

A. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. Joe P. Sparks, 4234 Winfield Scott Plaza, Scottsdale, Ariz. 85251.
B. Havasupai Tribe of Indians, Supai, Ariz.
D. (6) $8,345.55. E (9) $1,994.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $624. E. (9) $125.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $799.16. E. (9) $2.77.

A. Frank J. Specht, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $40. E. (9) $3.10.

A. Joseph L. Spilman, Jr., 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $483. E. (9) $100.

A. J. Roy Spradley, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $214.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John M. Stackhouse, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,562.50. E. (9) $407.27.

A. The Standard Oil Co. (Ohio), 1801 K Street NW., Suite 1021, Washington, D.C. 20006.
E. (9) $931.99.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. Steinhart, Goldberg, Feigenbaum & Ladar, 1 Post Street, San Francisco, Calif. 94104.
B. Valley Center Municipal Water District, Valley Center, Calif. 92082.
D. (6) $905. E. (9) $71.08.

A. Steptoe & Johnson, 1250 Connecticut Avenue, Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rule of Law Committee, 1250 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $870.

A. Travis B. Stewart, 1775 K Street NW., Washington, D.C. 20006.
B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $650. E. (9) $150.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $6,039.35. E. (9) $646.82.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.
D. (6) $6,465. E. (9) 2,150.72.

A. John D. Stringer, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,725.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $2,750. E. (9) $376.73.

A. Walter B. Stults, 312 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $600.

A. Roger H. Sullivan, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $8,750.04.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp, Bethlehem, Pa. 18016.
D. (6) $200. E. (9) $332.50.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.
B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.
D. (6) $170.84. E. (9) $249.96.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Noble J. Swearingen, 101 Second Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 20006.
B. Government of Bolivia, United States Embassy, 1145 19th Street NW., Washington, D.C.
E. (9) $547.10.

A. Charles C. Talley, 100 Angus Court, Charlottesville, Va. 22901.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.

A. David Tarr, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $262.50.

A. William K. Tell, Jr., 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $450. E. (9) $271.88.

A. Paul Tendler, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $3,669.23. E. (9) $3,669.23.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. J. Woodrow Thomas Associates, Inc., 734 15th Street NW., Washington, D.C. 20005.
B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.
D. (6) $6,750.

A. Bert M. Thompson, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $990.

A. William D. Thompson, 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $3,716.28.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $5,250. E. (9) $5,050.44.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $1,032.09.

A. Paul J. Tierney, 1100 17th Street NW., Washington, D.C. 20036.
B. Transportation Association of America.
D. (6) $192.37. E. (9) $152.37.

A. Michael L. Tiner, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $3,031.13. E. (9) $475.50.

A. Maurice B. Tobin, 1010 16th Street NW., Washington, D.C.
B. Potlatch Corp., 1 Maritime Plaza, Box 3591, San Francisco, Calif.
D. (6) $25.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.
B. National Association of Electric Co's., 1140 Connecticut Avenue NW., Washington, D.C.
D. (6) $886.56. E. (9) $340.37.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 11 East Wacker Drive, Chicago, Ill.
D. (6) $6,500. E. (9) $117.50.

A. Richard P. Trotter, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,335.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 2006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. St. Clair J. Tweedie, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,100. E. (9) $61.87.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $23.52.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue, Washington, D.C. 20001.
E. (9) $12,511.50.

A. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.
E. (9) $1,325.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $1,545.31.

A. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.
E. (9) $415.97.

A. United States League of Savings Association, 111 East Wacker Drive, Chicago, Ill.
E. (9) $63,083.74.

A. Universal Development Consultants, Inc., 425 13th Street NW., Washington, D.C. 20004.
B. Mortgage Bankers Association of America.

A. Herbert C. Upson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,306.88.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. John A. Vance, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas and Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $786.50. E. (9) $534.14.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite No. 912, Washington, D.C. 20005.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
E. (9) $107.09.

A. Lois W. Van Valkenburgh, 1673 Preston Road, Alexandria, Va. 22302.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NW., Washington, D.C. 20002.
D. (6) $62.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Elizabeth Alderman Vinson, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the U.S., 1730 M Street NW., Washington, D.C. 20036.
D. (6) $710.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Virginia Petroleum Industries, 1609 Staples Mill Road, Richmond, Va. 23230.

A. Donn L. Waage, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $187.50. E. (9) $36.25.

A. E. F. Waldrop, Jr., 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $380.25.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allied Chemical Corp., P.O. Box 1057R, Morristown, N.J. 07960.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Co. of America, Washington, D.C. 20006.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gulf Oil Corp., Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Illinois Central Industries, 111 E. Wacker Drive, Chicago, Ill. 60601.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Laredo National Bank, et al.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Bipartisan Committee on Absentee Voting, Inc., 1800 K Street NW., Suite 614, Washington, D.C. 20006.
E. (9) $57.96.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Firefighters, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $6,435.84.

A. Charles S. Walsh.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $15.

A. William A. Walton, 800 Merchants National Bank Building, Eighth and Jackson Streets, Topeka, Kans. 66612.
B. Kansas Railroad Committee, 800 Merchants National Bank Building, Eighth and Jackson Streets, Topeka, Kans. 66612.
D. (6) $450. E. (9) $450.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,728.13. E. (9) $563.23.

A. Jack Ware, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1001 K Street NW., Washington, D.C. 20006.
D. (6) $11,000. E. (9) $177.

A. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
D. (6) $6,418.60. E. (9) $6,001.03.

A. Leonard Warner, 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
B. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
D. (6) $1,800.

A. Pamela R. Warner, Suite 5, 121 Second Street NE., Washington, D.C.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif.
D. (6) $300. E. (9) $844.57.

A. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.
E. (9) $1,537.01.

A. George A. Watson, Suite 800, 1612 K Street NW., Washington, D.C. 20006.
B. The Ferroalloys Association, Suite 800, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $1,500.

A. George K. Watts, 1155 15th Street NW., D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $12,207.30. E. (9) $1,996.08.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $650.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. American Society of Composers, Authors & Publishers—Performing Rights Society, ASCAP Building, 1 Lincoln Plaza, New York, N.Y. 10023.
D. (6) $3,600.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J.
D. (6) $2,000.

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A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Canada-France-Hawaii Telescope Corp., Institute for Astronomy, 2840 Kolowalu Street, Honolulu, Hawaii. 96822.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. Edward O. Welles, 1910 K Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250. E. (9) $158.57.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Clyde A. Wheeler, Jr., 240 Radnor Chester Road, St. Davids, Pa. 19087.
B. Sun Oil Co., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $7,000. E. (9) $1,910.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Wheeler, Van Sickle & Anderson, 25 West Main Street, Madison, Wis. 53703.
B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Donald K. White, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $835.50. E. (9) $774.06.

A. John C. White, Room 1008, 1101 Seventeenth Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., Room 1008, 1101 17th Street NW., Washington, D.C.

A. John S. White, 1625 I Street NW., Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $887.18.

A. Douglas Whitlock, II, 1660 L Street NW., Suite 1005, Washington, D.C. 20036.
B. Zale Corp., 1660 L Street NW., Suite 1005, Washington, D.C. 20036.
D. (6) $500. E. (9) $150.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. David Wilken, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y.
E. (9) $654.81.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $52.07.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 135 East South Temple Street, Salt Lake City, Utah.
E. (9) $75.77.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $2.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.
E. (9) $11.60.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana.
E. (9) $168.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Estate of Albert W. Small, c-o Mrs. Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $33.31.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corporation, Inc., Box 48, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Quinaielt Tribe of Indians, Taholah, Wash.
E (9) $37.23.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $94.89.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. U.S. National Bank, Medford, Ore., acting for the "Remaining Members" of the Klamath Indian Tribe, Oregon.
E. (9) $141.11.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. Williams, Connolly & Califano, 839 17th Street NW., Washington, D.C.
B. Northwest Industries, 400 West Madison Street, Chicago, Ill. 60606.
E. (9) $3.89.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

A. Francis G. Williams.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

A. Harding deC. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.
D. (6) $166. E. (9) $16.

A. Williams & King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $7,500. E. (9) $773.

A. Williams & King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.
B. Noranda Mines, Limited, P.O. Box 45, Commerce Court West, Toronto, Ontario, Canada.
D. (6) $10,000. E. (9) $1,268.22.

A. Robert E. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $882.

A. Robert G. Williams, 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wisc. 54601.
D. (6) $462.50. E (9) $208.45.

A. Samuel M. Williams, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $400. E. (9) $300.

A. Thomas C. Williams, 1 Farragut Square South, Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.
D. (6) $500. E. (9) $7.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Council for Responsible Nutrition, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Marianas Political Status Commission, P.O. Box 977, Saipan, Mariana Islands 96950.
D. (6) $35.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La. 71106.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $937.50. E. (9) $126.13.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex. 77002.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,850. E. (9) $5,000.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gould, Inc., 8550 West Bryn Mawr Avenue, Chicago, Ill. 60631.
D. (6) $850. E. (9) $33.13.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. International Council of Shopping Centers, 445 Park Avenue, New York, N.Y. 10022.
D. (6) $1,062.50. E. (9) $211.57.

A. Russell C. Wisor, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $3,375. E. (9) $261.23.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.
D. (6) $600. E. (9) $1,600.

A. James E. Wolf, 2020 14th Street, North Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
E. (9) $90.30.

A. Sidney M. Wolf, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C. 20006.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $9,693.60. E. (9) $1,850.46.

A. Kenneth B. Wollack, 1341 G Street NW., Suite 906, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $3,750.

A. David G. Wood, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,230. E. (9) $348.08.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Ewing M. Kauffman, Marion Laboratories, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $2,062.50. E. (9) $540.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $2,062.50. E. (9) $540.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Peter W. Woofter, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $9,900. E. (9) $409.

A. George M. Worden, 1425 K Street NW., Washington, D.C.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Edward E. Wright, 1901 Pennsylvania Avenue NW., Washington, D.C.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $5,000.

A. Wyatt, Saltzstein, Minton & Howard, 1300 Wyatt Building, Washington, D.C. 20005.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $2,250. E. (9) $46.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94016.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.

A. Dennis M. Yamamoto, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $356.06. E. (9) $386.85.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $115.49.

A. Cornelius T. Young, 3515 North Summit Avenue, Milwaukee, Wis 53211.
B. Wisconsin Electric Power Co. System, 231 West Michigan Street, Milwaukee, Wis. 53201.
D. (6) $3,000. E. (9) $243.23.

A. Young, Kaplan & Edelstein, 277 Park Avenue, New York, N.Y. 10017.
E. (9) $858.33.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,756. E. (9) 155.04.

A. Robert J. Young, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., USA (A Division of Exxon Corp.), P.O. Box 2180, Houston, Tex.
E. (9) $15.20.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $2,400. E. (9) $955.

A. Thomas Zaucha, 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $500.

A. Donald P. Zelfang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $340.61.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md., 20014.
B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.
D. (6) $420.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $114.79.

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*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1974 were received too late to be included in the published reports for that quarter.

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. Albert E. Abrahams, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C.
D. (6) $2,870.

A. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,600. E. (9) $2,286.81.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $800.50. E. (9) $624.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $13,495.57. E. (9) $13,495.57.

A. Paul W. Airey, 4517 Sunset Drive, Panama City, Fla. 32401.
B. Air Force Sergeants Association, 6101 28th Avenue, Suite 713, Washington, D.C. 20031.

A. John Allen.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90054.
D. (6) $300. E. (9) $322.15.

A. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y. 10003.
D. (6) $16,287.07. E. (9) $16,287.07.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $133.70. E. (9) $10,319.63.

A. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $16,576.45. E. (9) $21,875.53.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,130.92. E. (9) $2,130.92.

A. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $1,508.

A. American Maritime Association, 17 Battery Place North, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.
E. (9) $3,246.11.

A. American Optometric Association, c/o Jack A. Potter, O.D., Secretary-Treasurer, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $4,621.77. E. (9) $4,621.77.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $54.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $125.

A. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.
D. (6) $1,675. E. (9) $1,615.

A. Edward Anderson, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $5,080. E. (9) $39.

A. William C. Anderson, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,500. E. (9) $39.88.

A. Robert E. Ansheles, Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. CITC Industries, Inc., 1 Park Avenue, New York, N.Y., 10016.
D. (6) $465. E. (9) $107.65.

A. Clarence A. Arata, Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
B. Metropolitan Washington Board of Trade.
D. (6) $16,250.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $550. E. (9) $300.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. American Bottled Water Association, 1411 West Olympic Boulevard, Los Angeles, Calif. 90015.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Franklin Life Insurance Co., Franklin Square, Springfield, Ill. 62701.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Maremont Corp., 168 North Michigan Avenue, Chicago, Ill. 60601.
D. (6) $250. E. (9) $5.30.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
E. (9) $817.73.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Powell Lumber Co., Lake Charles, La.

A. Associated Builders & Contractors, Inc., 1625 I Street NW., No. 321, Washington, D.C. 20006.
D. (6) $6,000. E. (9) $3,500.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.
E. (9) $98.79.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
E. (9) $1,405.95.

A. Charles W. Bailey, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala.
D. (6) $82. E. (9) $287.65.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Joseph Baroody, 1100 17th Street NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $300. E. (9) $150.

A. Barrett Smith Schapiro & Simon, 26 Broadway, New York, N.Y. 10004.
B. New York Cocoa Exchange, Inc., 127 John Street, New York, N.Y. 10038; New York Coffee and Sugar Exchange, Inc., 79 Pine Street, New York, N.Y. 10005.
D. (6) $500. E. (9) $125.

A. Davis M. Batson, 1155 15th Street NW., No. 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

A. Gary Lee Bauer, 968 National Press Building, Washington, D.C. 20045.
B. Direct Mail Marketing Association.
D. (6) $10,000. E. (9) $3,300.

A. Ralph C. Beerbower, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress.
D. (6) $1,075.

A. Kenneth E. BeLieu, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Gas Supply Committee.
D. (6) $916.66. E. (9) $270.

A. Winston Everett Bell, P.O. Box 1718, Las Vegas, Nev. 89101.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America.
D. (6) $3,000. E. (9) $150.

A. Kathleen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. William C. Bickel, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Co., U.S., P.O. Box 2100, Houston, Tex. 77001.

A. Bruce P. Bickner, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.
B. DeKalb Agresearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Bruce P. Bickner, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.
B. Heinold Commodities, 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Billig, Sher & Jones, 1126 16th Street NW., Washington, D.C. 20036.
B. Steamship Conferences.
D. (6) $750.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 South Stanford Way, Whittier, Calif. 90601.
E. (9) $21.38.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th Street at Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.

A. Brent Blackwelder, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $392.30.

A. Richard W. Blake, 1776 K Street NW., Washington, D.C. 20006.

UMI

B. National Sugarbeet Growers Federation, 1000 10th Street, Greeley, Colo. 80631.

A. Richard W. Bliss, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $725.

A. Rodney A. Bower, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL-CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $240. E. (9) $20.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Lester M. Bridgeman, Bridgeman & Pyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.
B. Bart B. Chamberlain, Jr., Myrtlewood Lane, Spring Hill, Mobile, Ala.
D. (6) $1,215.

A. Bridgeman & Pyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.
B. Bart B. Chamberlain, Jr., Myrtlewood Lane, Spring Hill, Mobile, Ala.
D. (6) $1,390.

A. Judith Brody, 3811 Fulton Street NW., Washington, D.C. 20007.
B. National Council to Control Handguns, 4114 Davis Place NW., No. 204, Washington, D.C. 20007.

A. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $30,662.66. E. (9) $30,662.66.

A. G. N. Buffington, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $400. E. (9) $10.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Hearst Corp., 959 Eighth Avenue, New York, N.Y. 10019.
D. (6) $900. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $3,000. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $700.

A. George J. Burger, 250 West 57th Street, New York City, N.Y.
B. Burger Tire, 250 West 57th Street, New York City, N.Y.

A. George J. Burger, 30 Clinton Place, New Rochelle, N.Y. 10801.
B. National Federation of Independent Business, 30 Clinton Place, New Rochelle, N.Y. 10801.
E. (9) $385.55.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $17.48.

A. Lowell A. Burkett, 1510 H Street NW., Washington, D.C. 20005.
B. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.
D. (6) $1,100.

A. Jerald R. Butchert, 905 Parker Avenue, Falls Church, Va.
B. Metropolitan Water District of Southern California, P.O. Box 54153, Los Angeles, Calif. 90054.
D. (6) $4,062. E. (9) $1,968.67.

A. Charles S. Caldwell, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $2,852.15.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.

A. Charles R. Carlisle, Suite 903, 1701 K Street NW., Washington, D.C. 20006.
B. Lead-Zinc Producers Committee.
D. (6) $1,200. E. (9) $883.56.

A. Chapin Carpenter, Jr., 1629 K Street NW., No. 603, Washington, D.C. 20006.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $2,000. E. (9) $795.08.

A. Alfred Carr, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,579.35. E. (9) $134.15.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,579. E. (9) $334.51.

A. David C. Carter, 1156 15th Street NW., Washington, D.C. 20005.
B. U.S. Beet Sugar Association, 1156 15th Street NW., Washingtn, D.C. 20005.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
B. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
D. (6) $4,307. E. (9) $48.50.

A. Justice M. Chambers, 2300 Calvert Street NW., Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $870.20.

A Chemtex, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.
D. (6) $2,798.11. E. (9) $6,684.96.

A. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.
E. (9) $900.

A. Coalition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.
D. (6) $533. E. (9) $2,826.90.

A. Coalition of Concerned Charities, c/o John G. Milliken, 1776 F Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $6,200. E. (9) $11,277.11.

A. Carl A. S. Coan, Jr., 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $7,687.49. E. (9) $1,349.51.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $14,112.50. E. (9) $1,562.36.

A. Jeffery Cohelan, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $999.99.

A. William Cole.
B. Union Oil Co. of California, 461 South Boylson Street, Los Angeles, Calif. 90054.
D. (6) $300. E. (9) $126.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Ethical Pharmaceutical Association, P.O. Box 13547, St. Petersburg, Fla. 33733.

A. John M. Collier, 4436 Perrier Street, New Orleans, La. 70115.
B. S.F.P.A., P.O. Box 52468, New Orleans, La. 70152.
D. (6) $5,425.02. E. (9) $902.47.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $50.

A. James F. Collins, 1000 16th Street NW., Washington, D.C. 20006.
B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $125.

A. T. Neal Combs, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sand Spring Home, in care of E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.
D. (6) $200.

A. Committee for a Healing Repatriation, 604 East Armory Avenue, Champaign, Ill. 61820.
D. (6) $1,387.02. E. (9) $1,205.43.

A. Committee for Humane Legislation, Inc., 910 16th Street NW., Washington, D.C. 20006.
D. (6) $7,556.97. E. (9) $16,126.26.

A. Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $85,450. E. (9) $61,238.19.

A. Harry N. Cook, 1130 17th Street NW., Washington, D.C. 20036.
B. National Waterways Conference, Inc.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $22,540.83. E. (9) $13,079.63.

A. Council of AFL-CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C.
D. (6) $1,250. E. (9) $1,250.

A. John A. Couture, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $4,968.76. E. (9) $327.89.

A. Elizabeth M. Cox, 1266 National Press Building, Washington, D.C. 20045.
B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
D. (6) $3,300.

A. Cramer, Haber & Becker, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.
B. Action Committee for Community Services, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $7,656.25. E. (9) $10,706.18.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $7,305.80. E. (9) $739.28.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America.
D. (6) $872. E. (9) $2,438.

A. Robert J. Cushman, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,050. E. (9) $119.57.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, N.Y. 10017.
D. (6) $3,000. E. (9) $134.03.

A. John Jay Daly, 968 National Press Building, Washington, D.C. 20045.
B. Direct Mail Marketing Association.
D. (6) $10,000. E. (9) $3,300.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. National Office Machine Dealers Association, 1510 Jarvis Avenue, Elkgrove, Ill. 60007.
D. (6) $3,000. E. (9) $225.05.

A. Fred E. Darling, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of USA, P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $435.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $480. E. (9) $212.20.

A. John C. Datt, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $4,000. E. (9) $46.28.

A. Daniel P. Dawson, 200 East Randolph Drive, M.C. 3101, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., Washington, D.C. 20005.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. C.T.I. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.
E. (9) $5,988.

A. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60606.
E. (9) $40.

A. Delta Group, Ltd., 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $3,849.56. E. (9) $987.50.

A. Leslie E. Dennis, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $925. E. (9) $68.

A. C. H. DeVaney, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,500. E. (9) $103.85.

A. Annette Dickinson, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council for Responsible Nutrition.
D. (6) $3,750. E. (9) $43.80.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Committee for the Martin Report, 1735 New York Avenue NW., Washington, D.C.
D. (6) $5,000. E. (9) $336.06.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Vance Sanders & Co., Boston, Mass.; Federated Investors, Inc., Pittsburgh, Pa.; Fidelity Management & Research Co., Boston, Mass.

A. James F. Doherty, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Group Health Association of America, Inc.
D. (6) $4,812.48.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $293.33. E. (9) $128.89.

A. Richard Morgan Downey, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $200.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $1,850. E. (9) $100.

A. Louise C. Dunlap, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $3,499.98. E. (9) $145.48.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $2,160. E. (9) $100.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress.
D. (6) $1,175.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $843.75.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,883.40.

A. Frank Ellis Associates, Inc., Suite 400, 1730 North Lynn Street, Arlington, Va. 22209.
E. (9) $210.

A. D. A. Ellsworth, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $6,750. E. (9) $1,415.43.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $656.25.

A. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $28,323.27. E. (9) $28,128.82.

A. Robert S. Esworth, c/o Classroom Teachers of Dallas, 3816 San Jacinto, Dallas, Tex. 75204.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,915. E. (9) $100.

A. Ethyl Corp., 1155 15th Street NW., Suite 811, Washington, D.C. 20005.

A. Brock Evans, 1050 Mills Tower, San Francisco, Calif. 94104.
B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.
D. (6) $7,000. E. (9) $150.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $8,669.79. E. (9) $216.66.

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A. Leon Felix, Jr., 10600 West Higgins Road, Rosemont, Ill. 60018.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,723. E. (9) $75.

A. Fensterwald & Ohlhausen, 910 16th Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $600. E. (9) $2,959.

A. C. H. Fields, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,813. E. (9) $32.38.

A. Frank C. Fini, 2020 Brooks Drive, Apt. 506, Suitland, Md. 20028.
B. Air Force Sergeants Associations, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md. 20031.

A. James W. Finley, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. David M. Fleming, 1155 15th Street NW., Washington, D.C.
B. International Management Consultants, 1155 15th Street NW., Washington, D.C.

A. James F. Fleming, 991 National Press Building, Washington, D.C.
B. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.
D. (6) $1,000.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,075. E. (9) $32.97.

A. Richard J. Flynn, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Richard J. Flynn, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. David H. Foerster, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,568. E. (9) $27.70.

A. Tim C. Ford, 1800 K Street, Washington, D.C.
B. Glass Container Manufacturers Institute.
E. (6) $1,665.23.

A. Ronald C. Frankis, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,435. E. (9) $208.93.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $816.88. E. (9) $4,186.02.

A. Robert D. Fritz, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
E. (9) $914.66.

A. Gallor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.
B. Affiliated Capital, Guaranty National Bank Building, 7500 Bellaire Boulevard, Houston, Tex. 77036.
D. (6) $125. E. (9) $25.

A. Gallor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.
B. D. H. Baldwin Co., 1801 Gilbert Avenue, Cincinnati, Ohio 45202.
D. (6) $125. E. (9) $25.

A. Gallor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.
B. Blue Chip Stamps, 5801 Eastern Avenue, Los Angeles, Calif. 90040.
D. (6) $125. E. (9) $25.

A. Gallor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.
B. First Texas Financial Corp., 6060 North Central Expressway, Dallas, Tex. 75206.
D. (6) $125. E. (9) 25.

A. Gallor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.
B. ISC Industries, Inc., 3430 Broadway, Kansas City, Mo. 64141.
D. (6) $125. E. (9) $25.

A. Gallor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.
B. National Association of State Savings Insurers, 700 E Street SE., Washington, D.C. 20003.
D. (6) $125. E.(9) $25.

A. William R. Ganser, Jr., 4804 Folse Drive, Metairie, La. 70003.
B. S.F.P.A., P.O. Box 52468, New Orleans, La. 70152.
D. (6) $1,125.

A. Tom Garrett, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,950.

A. Gas Supply Committee, 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $430,450. E. (9) $2,434.52.

A. Leo J. Gehrig, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,715.94. E. (9) $371.80.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
E. (9) $843.75.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $3,229.39.

A. John Gibson, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $5,898. E. (9) $238.62.

A. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.
E. (9) $50.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.
E. (9) $104.16.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $625. E. (9) $104.16.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.
B. Texas Power & Light Co., Dallas, Tex.
E. (9) $465.54.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.
B. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.
B. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. George W. Gowen, 27th Floor, 161 East 42d Street, New York, N.Y. 10017.
B. United States Lawn Tennis Association, Inc., 51 East 42d Street, New York, N.Y. 10017.
D. (6) $770.

A. James W. Green, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,955. E. (9) $513.35.

A. William G. Grief, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $500.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 800, Washington, D.C. 20036.
D. (6) $8,696.89. E. (9) $8,696.89.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. C.B. & T. Bancshares, Inc., 1148 Broadway, Columbus, Ga. 31901.
E. (9) $15.44.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. Andrew E. Hare, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $700. E. (9) $197.

A. Donald L. Harlow, Air Force Sergeants Association, 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md. 20031.

A. Robert E. Harman, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,537. E. (9) $75.

A. Herbert E. Harris II, 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
B. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
D. (6) $1,800.

A. Kit H. Haynes, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,500. E. (9) $80.63.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.
E. (9) $59.

A. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
E. (9) $280.

A. Harold J. Heinold, Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.
D. (6) $50. E. (9) $20.

A. Harold J. Heinold, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $100. E. (9) $40.

A. Barbara Heller, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $564. E. (9) $175.91.

A. Lillie E. Herndon, 700 North Rush Street, Chicago, Ill. 60611.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
D. (6) $27,973.94. E. (9) $573.81.

A. Donald E. Hirsch, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,750. E. (9) $34.06.

A. Ralph D. Hodges, Jr.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.

A. Miles B. Hopkins, 5601 Eastern Avenue, Baltimore, Md. 21224.
B. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. Casey Hughes, 1266 National Press Building, Washington, D.C. 20045.
B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
D. (6) $1,600.50. E. (9) $37.50.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,508.76. E. (9) $483.76.

A. David J. Humphreys, Paulson and Humphreys, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Recreation Vehicle Industry Association, 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
D. (6) $16,925.

A. Lawrence H. Hunt, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Lawrence H. Hunt, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $25.

A. Lester S. Hyman, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Eastern Gas & Fuel Associates, Boston, Mass.
D. (6) $2,500.

A. Sarah B. Ignatius, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,300.02.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $437.50.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Independent Gasoline Marketers Council, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.
E. (9) $428.90.

A. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $3,130. E. (9) $3,130.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,075.

A. John Paul Johnson, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Gas Supply Committee.
D. (6) $143.88.

A. Richard J. Jones, 1110 Davidson Street, Champaign, Ill. 60631.
B. Independent Grocers Alliance, 300 West Adams Street, Chicago, Ill. 60606.
D. (6) $75.

A. Robert S. Jones, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Glidden-Durkee Division, SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.
E. (9) $50.

A. Ronald K. Jones, 7841 Doane Court, Springfield, Va. 22152.
B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,530. E. (9) $56.78.

A. James J. Judge.
B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $100.

A. Robert E. Juliano, 1666 K Street NW., Suite 304, Washington, D.C. 20006.
B. Hotel & Restaurant Employees & Bartenders International Union, 120 East Fourth Street, 13th Floor, Cincinnati, Ohio 45202.
D. (6) $4,999.98. E. (9) $3,623.94.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $13.50.

A. Julie C. Keller, 401 Wilcox Building, Portland, Oreg. 97204.
B. Oregon Filbert Commission, 12295 Southwest Main, Tigard, Oreg. 97223.
D. (6) $3,000. E. (9) $3,000.

A. James J. Kelly, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,034. E. (9) $1,000.27.

A. R. G. Kendall, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.
D. (6) $280. E. (9) $339.

A. James J. Kennedy, Jr., 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $6,000.

A. William J. Kenney, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $220. E. (9) $150.

A. Michael Kerr, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (5) $3,634.50. E. (9) $44.50.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $1,125. E. (9) $917.25.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America.
D. (6) $1,666.87. E. (9) $1,220.94.

A. Richard D. Kisling, 9500 Dashia Drive, Oxon Hill, Md. 20022.
B. Air Force Sergeants Association, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md. 20031.

A. Helen Marie M. Klein, 215 Loyola Drive, Millbrae, Calif. 94030.
B. Alaska Federation of Natives, 133 Queen Anne Avenue North, Seattle, Wash. 98109.
D. (6) $675. E. (9) $720.

A. Ralph D. Klopfenstein, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. DeKalb AgResearch, Inc., Sycamore Road, Chicago, Ill. 60606.

A. Ralph D. Klopfenstein, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Paul R. Knapp, 1511 K Street NW., Washington, D.C. 20005.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $875.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $725.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30303.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $250.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

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A. George W. Koch, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.
D. (6) $60.26.

A. Paul A. Korody, Jr., 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

A. Richard W. Kreutzen, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
D (6) $250. E. (9) $26.30.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,377.67. E. (9) $852.65.

A. Ralph D. B. Laime, 2201 Route 38, Cherry Hill, N.J. 08034.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,915. E. (9) $75.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Lane and Edson, P.C., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450.

A. Jeffrey M. Lang, Bridgeman & Fyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.
B. Bart B. Chamberlain, Jr., Myrtlewood Lane, Spring Hill, Mobile, Ala.
D. (6) $175.

A. Reed E. Larson, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right To Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $35.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $3,300.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $550. E. (9) $135.

A. Lawyers Committee To End the War, One Wall Street, 25th Floor, New York, N.Y. 10005.
E. (9) $111.31.

A. Lawyers To Preserve the Constitution, 36 West 44th Street, Room 500, New York, N.Y. 10036.

A. Corinne M. Leach, 6200 25th NE., Seattle, Wash. 98115.
B. Alaska Federation of Natives, 133 Queen Anne Avenue North, Seattle, Wash. 98109.

A. Barbar J. Leerskov, 1266 National Press Building, Washington, D.C. 20045.
B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
D. (6) $1,755. E. (9) $12.25.

A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Joseph A. Letorney, 20 Ashburton Place, Boston, Mass. 02128.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,272. E. (9) $75.

A. Leva, Hawes, Symington, Martin and Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Eastern Gas & Fuel Associates, Boston, Mass.
D. (6) $2,500.

A. Leva, Hawes, Symington, Martin and Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.
D. (6) $575. E. (9) $32.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.
B. Association of American Railroads, American Railroad Building, Washington, D.C. 20006.
D. (6) $1,000.

A. J. M. B. Lewis, Jr., 315 Shenandoah Building, P.O. Box 2887, Roanoke, Va. 24001.
B. National Council of Coal Lessors, 317 Southern Building, Washington, D.C. 20005; Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn.
D. (6) $9,000. E. (9) $900.

A. J. Stanly Lewis, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,371.87.

A. Liberty Lobby, Inc., 130 3d Street SE., Washington, D.C. 20003.
D. (6) $25,465.93. E. (9) $22,303.61.

A. Herbert Liebenson, 1225 19th Street NW., Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C.
D. (6) $4,500. E. (9) $1,200.

A. Jonathan Lindley, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $2,452. E. (9) $89.85.

A. Joseph Lippman, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Sheldon I. London, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $800.

A. George V. Lucas, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,034.

A. C. Lance Lujan, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,911.40. E. (9) $184.25.

A. Lumbermen's Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $1,550.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.
B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. Robert V. Mariani, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,034. E. (9) $1,109.90.

A. Edwin E. Marsh, 200 C Street SE., Suite 401, Washington, D.C. 20003.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah, 84101.
D. (6) $3,256.84. E. (9) $1,175.06.

A. Clarence E. Martin, 119 South College Street, Martinsburg, W. Va. 25401.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Len Martin, 613 C Street NW., Washington, D.C. 20004.
D. (6) $3. E. (9) $632.50.

A. Charles H. Mauzy, 3951 Snapfinger Parkway, Decatur, Ga. 30032.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,723. E. (9) $75.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.
B. L. M. Williams, Clayton Burch families, c/o Continental Illinois National Bank and Trust Co., 231 South LaSalle Street, Chicago, Ill. 60693.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.
B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $3,500.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.
B. Scott, Foresman & Co., 1900 East Lake Avenue, Glenview, Ill. 60025.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,362.50. E. (9) $318.50.

A. Ellen M. McCartney, 2401 Virginia Avenue NW., Washington, D.C. 20037.
B. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $4,375.12.

A. John L. McCormick, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.02.

A. Edward McDonald, 815 16th Street NW., Washington D.C., 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,034. E. (9) $945.49.

A. Stanley J. McFarland, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,550. E. (9) $465.

A. Peter E. McGuire, 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired & Veteran Railway Employees Inc., P.O. Box 6060, Kansas City, Kans. 66106.
D. (6) $250. E. (9) $250.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.
B. Marine Corps League, National Headquarters, 933 North Kenmore Street, Suite 321, Arlington, Va. 22201.
E. (9) $6.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.
B. Noncommissioned Officers Association of the USA, P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $3,084. E. (9) $4,032.55.

A. Medical-Surgical Manufacturers Association, 1666 K Street NW., Suite 208, Washington, D.C. 20006.
E. (9) $2,789.25.

A. James R. W. Medina, Rutland Drive, Carmichael, Calif. 95608.
B. California Rural Indian Health Board, Rutland Drive, Carmichael, Calif. 95608.

A. Carl J. Megel, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
E. (9) $11,680.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $300. E (9) $245.

A. Nanine Meiklejohn, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $4,167. E. (9) $23.50.

A. T. H. Meredith, 6030 Warwick Court, New Orleans, La. 70114.
B. S.F.P.A., P.O. Box 52468, New Orleans, La. 70152.
D. (6) $2,281.26.

A. Marc Messing, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $382.05.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. Miller, Cassidy, Larroca & Lewin, 1320 19th Street NW., Suite 500, Washington, D.C. 20036.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.
D. (6) $12,325. E. (9) $402.93.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.
D. (6) $2,525. E. (9) $25.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Aircraft Corp., Burbank, Calif. 91503.
D. (6) $7,960.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Interfraternity Conference, Inc., P.O. Box 40368, Indianapolis, Ind. 46240.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Questor Corp., 1801 Spielbusch Avenue, Toledo, Ohio 43601.
D. (6) $770. E. (9) $46.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $1,375.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $475.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.
D. (6) $765.

A. Clinton R. Miller, 4620 Lee Highway, Suite 240, Arlington, Va. 22207.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $5,000. E. (9) $9,644.35.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $296. E. (9) $8.

A. Clarence Mitchell, 422 First Street SE., Washington, D.C. 20003.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. Mobile Homes Manufacturers Association, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,666.78. E. (9) $1,666.78.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $658.90.

A. Tom O. Murphy, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. George E. Myers, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,201.30. E. (9) $22.35.

A. Nash, Ahern & Abell, 4400 Jenifer Street NW., Washington, D.C. 20015.
B. United Mine Workers of America Welfare & Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

A. National Air Carrier Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $962.50. E. (9) $962.50.

A. Clarence Mitchell, National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $254,756.91. E. (9) $21,278.35.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $36,938.95. E. (9) $11,843.24.

A. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $100. E. (9) $100.

A. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
D. (6) $300. E. (9) $117.50.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $135,426.43. E. (9) $36,393.38.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $800. E. (9) $761.80.

A. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.
E. (9) $10.

A. National Beer Wholesalers' Association of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.
D. (6) $21,635.03. E. (9) $687.59.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $490,025.73. E. (9) $3,581.28.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $300. E. (9) $88.81.

A. National Committee for Research in Neurological Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $11,000. E. (9) $10,045.63.

A. The National Committee on the Presidency, Inc., 63 East 82d Street, New York, N.Y. 10028.
D. (6) $2,671.41. E. (9) $10,875.14.

A. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.
D. (6) $27,973.94. E. (9) $573.81.

A. National Council of Agricultural Employers, 237 Southern Building, 15th and H Streets NW., Washington, D.C.
D. (6) $200. E. (9) $2,200.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $61,943.60. E. (9) $7,060.28.

A. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $516,681.37. E. (9) $6,260.81.

A. National Federation of Independent Business, 920–922 Washington Building, Washington, D.C. 20005.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $30,060.79. E. (9) $30,060.79.

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A. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $930.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $8,002.51. E. (9) $27,053.91.

A. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
D. (6) $17,966.89. E. (9) $17,966.89.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

A. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
D. (6) $1,498.62. E. (9) $1,498.62.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $45,897.55. E. (9) $24,016.27.

A. National Right to Life Committee, Inc., 1200 15th Street NW., No. 500, Washington, D.C. 20005.
E. (9) $6,100.

A. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $2,419. E. (9) $2,419.

A. National Rural Housing Coalition, 1346 Connecticut Avenue NW., No. 500G, Washington, D.C. 20036.
D. (6) $2,586.72. E. (9) $2,757.71.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $6,066. E. (9) $3,272.

A. National School Transportation Association, 9001 Braddock Road, Springfield, Va. 22131.
D. (6) $1,601.35. E. (9) $1,601.35.

A. National Taxpayers Union, 625 East Capitol Street SE., Washington, D.C. 20003.
D. (6) $24,021.13. E. (9) $21,821.09.

A. National Water Resources Association, 897 National Press Building, Washington, D.C. 20045.
D. (6) $12,976.68. E. (9) $5,680.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $29,182. E. (9) $5,273.65.

A. Navajo Tribe, Office of the Controller, Window Rock, Ariz. 86515.
E. (9) $28,596.95.

A. Ivan A. Nestingen, 1010 16th Street NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $900. E. (9) $225.

A. Network, 224 D Street SE., Washington, D.C. 20003.
D. (6) $6,395.20. E. (9) $6,989.46.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Julia J. Norrell, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America.
D. (6) $3,457.98.

A. Rebekah Norton, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $1,149.21.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $825.

A. T. J. Oden, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.
B. Independent Gasoline Marketers Council, Suite 900, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $75.

A. Bradford C. Oelman, Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $2,400. E. (9) $212.40.

A. Charles E. Olson, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,579.35. E. (9) $358.04.

A. James J. O'Neill, 22 Thames Street, New York, N.Y. 10006.
B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $12,120. E. (9) $1,518.85.

A. Franz M. Oppenheimer, Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.
D. (6) $225.

A. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
D. (6) $6,000. E. (9) $4,355.50.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,675.

A. David A. Oxford, 1016 North Carolina Avenue SE., Washington, D.C.
B. Mobile Homes Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $6,500. E. (9) $110.

A. Carol Ames Parker, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. D. V. Pensabene, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of California, Suite 1204, 1700 K Street, Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Suite 200, Washington, D.C. 20006.
B. Coalition of Concerned Charities, 1776 F Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $11,277.11. E. (9) $11,277.11.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,083.33. E. (9) $3,122.45.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $400.

A. Grant C. Pinney, 730 North Balsam, Ridgecrest, Calif. 93555.
B. Sierra Sands Unified School District, 730 North Balsam, Ridgecrest, Calif. 93555.

A. Frederick T. Poole, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,563. E. (9) $108.80.

A. Robert D. Powell, Suite 400, 734 15th Street NW., Washington, D.C. 20005.
B. National Business Aircraft Association, Inc., 425 13th Street NW., Suite 401, Washington, D.C. 20004.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,075. E. (9) $41.

A. Brainard E. Prescott, 220 C Street SE., Suite 309, Washington, D.C. 20003.
B. Coalition of Independent Ophthalmic Professionals, c/o Theo E. Obig, Inc., 75 East 55th Street, New York, N.Y. 10022.
D. (6) $3,200. E. (9) $5,356.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $1,411.53.

A. Questor Corp., 1801 Spielbusch Avenue, Toledo, Ohio. 43694.
E. (9) $816.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Bermuda Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666. E. (9) $5.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Fibreboard Corp., 55 Francisco Street, San Francisco, Calif.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Keystone International, Inc., Box 38, Dillon, Colo.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York. N.Y.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. National Ski Areas Association, Inc., 99 Park Avenue, New York, N.Y.
D. (6) $1,500.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Princess Hotels International, 1345 Avenue of the Americas, New York, N.Y.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 900 Edison, N.J.
D. (6) $900. E. (9) $49.50.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Stimson Lumber Co. & Miller Redwood Co., 31 Pacific Building, Portland, Oreg.
D. (6) $125.

A. Rial M. Rainwater, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $327. E. (9) $12.

A. Clarence B. Randall, Jr., 1625 I Street NW., Suite 321, Washington, D.C. 20006.
B. Associated Builders & Contractors, Inc.
D. (6) $6,000. E. (9) $3,500.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Carl L. Rechin, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Glidden-Durkee Division, SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.

A. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $27,413.73. E. (9) $29,015.20.

A. Recreation Vehicle Industry Association, 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
E. (9) $16,925.

A. Research to Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y. 10022.
E. (9) $2,643.99.

A. Reserve Officers Association of United States, 1 Constitution Avenue NE., Washington, D.C.
D. (6) $1,422.31. E. (9) $398.75.

A. James J. Reynolds, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,875. E. (9) $250.40.

A. John Arthur Reynolds, P.O. Box 512, Fresno, Calif. 93709.
B. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.
D. (6) $1,952.50. E. (9) $688.78.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. Rosalie Riechman, 120 Maryland Avenue NE., Washington, D.C. 20002.
B. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.
D. (6) $1,602.90.

A. S. F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturer, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. John Riley, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $750. E. (9) $15.86.

A. Geo. W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $3,000. E. (9) $1,340.

A. John P. Roche, 150 East 42d Street, New York, N.Y.
B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $210.

A. Diana Rock, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $11.70.

A. Ronald E. Robinson, 2800 Smith Tower, Seattle, Wash. 98104.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,723. E. (9) $100.

A. Robinson, Silverman, Pearce, Aronsohn, Sand & Berman, 230 Park Avenue, New York, N.Y. 10017.
B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
E. (9) $391.53.

A. William L. Rodich, 5601 Eastern Avenue, Baltimore, Md. 21224.
B. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.
D. (6) $1,034. E. (9) $928.72.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. Nathaniel H. Rogg, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15 and M Streets NW., Washington, D.C. 20005.
D. (6) $2,437.50. E. (9) $114.55.

A. Gail Rosenberg, 705 G Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y., 10019.
D. (6) $1,800.

A. Sand Springs Home, Sand Springs, Okla.
E. (9) $210.

A. Peter G. Sandlund, Room 400, 919 18th Street NW., Washington, D.C. 20006.
B. Council of European and Japanese National Shipowners' Associations, 30–32 St. Mary Avenue, London *EC3A 8ET*, England.
D. (6) $11,250. E. (9) $9,410.09.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $327.72.

A. William J. Schreiber, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Ann Scott, 1266 National Press Building, c/o National Organization for Women, Washington, D.C. 20045.
B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
E. (9) $57.64.

A. Durward Seals, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $312.50. E. (9) $48.

A. Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. Peter J. Semper, Council for Responsible Nutrition, 13915 Panay Way, Marina del Rey 90291.
B. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,100. E. (9) $3,840.83.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America.
D. (6) $1,192.75. E. (9) $645.74.

A. S.F.P.A. (Southern Forest Products Association), P.O. Box 52468, New Orleans, La. 70152.
D. (6) $10,590.08. E. (9) $10,590.08.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.
B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y., and Fur Conservation Council, and Fur Conservation Council of America, Inc.
D. (6) $500. E. (9) $208.10.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Norman Sherlock, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $2,008.12. E. (9) $2,403.92.

A. W. Lee Shield, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. A. Z. Shows, Suite 502, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.
D. (6) $4,550. E. (9) $3,944.97.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill., 60115.
D. (6) $50. E. (9) $20.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $100. E. (9) $40.

A. Barry M. Siegel, 22 Thames Street, New York, N.Y. 10006.

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B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $8,400. E. (9) $1,772.14.

A. Margie Siegel, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $4,279. E. (9) $84.73.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Arkansas Best Corp., 1000 South 21st Street, Fort Smith, Ark. 72901.
D. (6) $300. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $15.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $350. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. MCA, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.
D. (6) $300. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C. 20002.
D. (6) $250. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National League of Insured Savings Associations, 1200 Seventeenth Street NW., Washington, D.C. 20036.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $191.37.

A. Donald K. Simpson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $191.66.

A. Hall Sisson, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $3,430.66.

A. Jonathan W. Sloat, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $51.60. E. (9) $4.

A. Dennis M. Small, 21930 Third Place West, Bothell, Wash. 98011.
B. Alaska Federation of Natives, 133 Queen Anne Avenue N., Seattle, Wash. 98109.
D. (6) $675. E. (9) $720.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va. 22207.
B. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.
D. (6) $4,406.19. E. (9) $1,051.31.

A. Arthur V. Smyth, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $500. E. (9) $100.

A. John M. Snow, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $624.

A. Sportsman's Paradise Homeowners Association, 10612 Dalerose Avenue, Lennox, Calif. 90304.
E. (9) $1,000.

A. J. Gilbert Stallings, 1211 Connecticut Avenue NW., Washnigton, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Joseph J. Standa. 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,119. E. (9) $75.

A. Allan J. Stanton, 205 Luhrs Building, Arizona Railroad Building, Phoenix, Ariz. 85003.
B. Southern Pacific Transportation Co., 65 Market Street, San Francisco, Calif. 94105; Atchison, Topeka, and Santa Fe, 121 East 6th Street, Los Angeles, Calif. 90014.
D. (6) $600. E. (9) $832.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 211, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 211, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $256. E. (9) $6.

A. Steinhart, Goldberg, Feigenhaum & Ladar, 1 Post Street, San Francisco, Calif. 94104.
B. Valley Center Municipal Water District, Valley Center, Calif. 92082.
D. (6) $2,735. E. (9) $771.03.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.
D. (6) $6,465. E. (9) $467.60.

A. Roger J. Stroh, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $212.50. E. (9) $77.41.

A. Stroock & Stroock & Lavan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.
D. (6) $300.

A. G. Don Sullivan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $575.

A. Frank L. Sundstrom, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

A. Sunkist Growers, Inc., 14130 Riverside Drive, Sherman Oaks, Calif. 91423.
E. (9) $6,060.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Agway, Inc., P.O. Box 1333, Syracuse, N.Y. 13201.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Central States Health & Life Co. of Omaha, Howard at 18th Street, Omaha, Nebr. 68102.
D. (6) $500. E. (9) $15.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Life Companies, 1365 Peachtree Street NE., Atlanta, Ga. 30309.
D. (6) $500. E. (9) $15.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Retail Credit Co., P.O. Box 4081, Atlanta, Ga. 30302.
D. (6) $1,500. E. (9) $100.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Travelers Insurance Co., 1 Tower Square, Hartford, Conn.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The William K. Warren Foundation, 6465 South Yale Avenue, Suite 1000, Tulsa, Okla. 74136.
D. (6) $500. E. (9) $50.

A. Sutherland, Asbill, & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.
E. (9) $45.

A. Ronald E. Sweet, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $350. E. (9) $20.

A. Monroe Sweetland, 1705 Murchison Drive, Burlingame, Calif. 94010.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,369. E. (9) $100.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Bert M. Thompson, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,235.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.

A. John P. Tracy.

B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $50.

A. J. P. Trainor, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $4,249.96. E. (9) $840.20.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio, 44113.

A. Richard P. Trotter, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,335.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. J. Drake Turrentine, Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.
D. (6) $350.

A. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.
E. (9) $1,575.

A. United Fresh Fruit & Vegetable Association 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $2,279.42. E. (9) $2,279.42.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $3,997.35.

A. U.S. Lawn Tennis Association, Inc., 51 East 42d Street, New York, N.Y. 10017.
E. (9) $770.

A. R. Dick Vander Woude, 10600 West Higgins Road, Rosemont, Ill. 60018.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,915. E. (9) $75.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert E. Vinson, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $28.50.

A. Mary E. Vogel, 1266 National Press Building, Washington, D.C. 20045.
B. National Organization for Women, Inc., Legislative Office, 1266 National Press Building, Washington, D.C. 20045.
D. (6) $2,749.98. E. (9) $129.65.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, 19101.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,017.50. E. (9) $63.15.

A. George R. Walker, 3901 Hawkins Point Road, Baltimore, Md. 21226.
B. Glidden-Durkee Division, SCM Corp., 3901 Hawkins Point Road, Baltimore, Md. 21226.

A. John S. Walker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gliddens Durkee Division of SCM Corp.

A. Henry L. Walther, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $125. E. (9) $22.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,515.67. E. (9) $8,845.21.

A. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.
E. (9) $1,029.56.

A. Pamela R. Warner, Suite 5, 121 2d Street NE., Washington, D.C.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif.
D. (6) $300. E. (9) $355.41.

A. Ray Wax, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
B. National Associaton of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
E. (9) 72.10.

A. George D. Webster, 1747 Pennsylvania Avenue NW., Washintgon, D.C. 20006.
B. Sand Springs Home, c/o E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.
D. (6) $200.

A. Fred Wegner, 1750 K Street NW., Suite 1190, Washington, D.C. 20006.
B. Retired Persons Services, Inc., 1750 K Street NW., Suite 1190, Washington, D.C. 20006.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.
D. (6) $767.15. E. (9) $2,932.02.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. George Wilkens, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60606.

A. George Wilkens, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Harry D. Williams, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $250.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bankers Association of Puerto Rico, c/o Wender, Murase & White, 350 Park Avenue, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Blomquist, Batte & Campbell, Inc., 1039 College Avenue, Wheaton, Ill. 60187.
D. (6) $50. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, DC., 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $100. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Executive & Employee Benefit Plans, Inc., P.O. Box 4626, Columbus, Ohio 43212.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. James G. Freeman & Associates, 1825 Magnolia Avenue, Burlingame, Calif. 94010.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Globe Feather & Down Co., 1030 West North Avenue, Chicago, Ill. 60622.
D. (6) $500. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $1,000. E. (9) $100.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Association of School Bus Contract Operators, P.O. Box 324, Fairfax, Va. 22030.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Council for Health Care Services, 407 N Street SW., Washington, D.C. 20024.

A. William & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. School Bus Manufacturers Institute, 5530 Wisconsin Avenue, NW., Suite 1220, Washington, D.C. 20015.
D. (6) $500. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.
D. (6) $100. E. (9) $20.

A. Robert G. Williams, 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
E. (9) $659.

A. John C. Williamson, 1825 K Street NW., Washington, D.C. 20006.
B. Mobilehome Dealers National Association, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $2,000.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
B. Mortgage Insurance Companies of America, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
D. (6) $2,000. E. (9) $113.67.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.

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B. National Apartment Association, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
D. (6) $2,000.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
B. Potere, Inc., 470 Elmora Avenue, Elizabeth, N.J. 07208.
D. (6) $1,000.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Deal Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.
D. (6) $5,916. E. (9) $72.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $342. E. (9) $84.15.

A. John H. Witmer, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. John H. Witmer, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. James E. Wolf, 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
E. (9) $395.40.

A. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.
D. (6) $34,476.01. E. (9) $7,891.67.

A. Burton C. Wood, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $5,671.89. E. (9) $794.96.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Albert H. Zinkand, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John L. Zorack, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $1,076.20. E. (9) $339.80.

SENATE—*Thursday, February 13, 1975*

The Senate met at 12 o'clock meridian and was called to order by Hon. RICHARD STONE, a Senator from the State of Florida.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 13, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. RICHARD "DICK" STONE, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. STONE thereupon took the chair as Acting President pro tempore.

BILLS, RESOLUTIONS, AND AMENDMENTS

(Pursuant to the order of Wednesday, February 12, 1975, bills were introduced and resolutions and amendments were submitted today as follows:)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOLE:

S. 678. A bill to amend the Internal Revenue Code of 1954 as it relates to the Federal estate tax, to increase the individual exemption, to provide an alternate method of valuing for estate tax purposes certain real property including that listed on the National Register of Historic Places, in order to encourage the preservation of open lands and historic places if they continue to be used as such for at least 5 years after the estate tax is applicable. Referred to the Committee on Finance.

S. 679. A bill to amend the Internal Revenue Code of 1954 as it relates to the Federal estate tax, to increase the individual exemption when real property is involved, to provide an alternate method of valuing for estate tax purposes certain real property including that listed on the National Register of Historic Places, in order to encourage the preservation of open lands and historic places if they continue to be used as such for at least 5 years after the estate tax is applicable. Referred to the Committee on Finance.

By Mr. STONE:

S. 680. A bill to amend the Emergency Petroleum Allocation Act of 1973 so as to encourage and protect investments in research, exploration, development, and production of the energy resources of the United States, and to reduce the prices of energy sources and products, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MOSS:

S. 681. A bill to allow the use of certain funds authorized to be appropriated for expenditure from the highway trust fund and apportioned to the States pursuant to title 23, United States Code, without matching State or local funds. Referred to the Committee on Finance.

By Mr. JAVITS:

S. 682. A bill for the relief of Giampaola (John Paul) Montovani. Referred to the Committee on the Judiciary.

AMENDMENT SUBMITTED FOR PRINTING

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST PETROLEUM IMPORTS—H.R. 1767

AMENDMENT NO. 11

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

ADJOURNMENT TO 11 A.M., MONDAY, FEBRUARY 17, 1975

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now adjourn until 11 a.m., on Monday next.

Thereupon, at 12 o'clock and 18 seconds p.m., the Senate adjourned under the order of Wednesday, February 12, 1975, until Monday, February 17, 1975, at 11 a.m.

EXTENSIONS OF REMARKS

CHAIRMAN PETER RODINO RECOMMENDED FOR SUPREME COURT

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Ms. JORDAN. Mr. Speaker, in the February 2, 1975, issue of the Newark Star Ledger, Dr. Nathan Wright, Jr. argues persuasively why Congressman PETER RODINO should be appointed to the Supreme Court. Among the prospective names any President should include in a list of possible Supreme Court nominees is the name of PETER RODINO. I commend to my colleagues the following article:

RODINO DESERVES SEAT ON U.S. SUPREME COURT

(By Dr. Nathan Wright, Jr.)

In the light of the possible creation of a number of new federal judgeships, New Jerseyans in particular should be boosting one of their most heroic sons for one of the imminent vacancies. House Judiciary Committee Chairman Peter Rodino acquitted himself before the public eye, during the Nixon impeachment hearings, as one of the nation's most astute and judicious referees in a congressional court of inquiry.

The qualities of calmness, fairplay in the face of tremendous open and covert political pressure and diligence in the orderly pursuit of truth are all essential to the retention and furtherance of integrity in our courts. These attributes have been displayed by Chairman Rodino for years but never so brilliantly as in the televised House Judiciary Committee hearings this past year.

An able lawyer, he has chaired the U.S. House of Representatives' committee of lawyers with such distinction that he has been rated in several pools as the most effective chairman in the Congress.

For more than a third of a century, "the law" has been Chairman Rodino's life. His concern for judicial excellence is evidenced in his work with the House Judiciary Committee in which he rose through the ranks and, through seniority of service, became its perhaps most celebrated leader.

Newarkers have found in Mr. Rodino an able and effective public servant whose sympathies and supportiveness have been broad enough to bridge the notorious divisions of what has been called at once America's most beseiged and beleaguered city. While Newarkers may be divided on many issues, there is wide agreement that Chairman Rodino has meant much to the preservation of their city.

Some have encouraged, with good reason, that Mr. Rodino be nominated for the next vacancy on the U.S. Supreme Court. Once nominated, his confirmation would be certain and a grateful nation which has had little reason to be other than cynical would have ample cause to be proud of something. The nation would see in "Justice Rodino" an able and accomplished public servant who has faithfully championed human rights, they would see a proven leader among the nation's ablest lawyer-statesmen. They would have a patriot honored on the field of battle and an internationalist who has been decorated repeatedly for his work in promoting world understanding and cooperation.

Supporters of Mr. Rodino, who should include most of the public-spirited community of the State of New Jersey, should approach their U.S. Senators and Representatives and make direct communication with the White House. Republican Party members especially would have much to gain in securing from President Gerald Ford, the nonpartisan appointment of a popular jurist. After all, it will take almost as many Democratic votes as those of Republicans to place Mr. Ford in the White House for a second term. A nonpartisan image through the instrumentality of a "Justice Rodino" would go far to assure the kind of support which will be decisive for Mr. Ford's political future.

If any public servant, in all of the bleakness and tragedy of Watergate, has stood tall and wondrously beautiful, it has been Newark's hometown hero, Peter Wallace Rodino.

Newark needs a hero to be hailed at home and also heralded nationally. The U.S. Supreme Court needs a new kind of face to offset the Nixonian image of an attempted turning back of the political clocks via appointments of "strict constructionists" in a period of rapid social, political and economic change. Mr. Rodino would offer a sense of stability, while being particularly sensitive to the evolving needs which America faces in terms of the re-interpretation of the law.

It is high time that all Americans had something to cheer about. In Mr. Rodino's receiving of an appropriate reward for the most distinguished public service, by the offer of even greater opportunity for more substance service, we would be observing one of the soundest principles of good democratic government. At the same time we would restore much of a needed faith ourselves and in our system.

REPRESENTATIVE LONG INTRODUCES GASOLINE CONSERVATION PLAN

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. LONG of Maryland. Mr. Speaker, I am introducing a bill to establish a program for cutting demand for gasoline and for spreading the reduced supply in an equitable manner without the massive bureaucracy of rationing and without an across-the-board tax on petroleum as proposed by the President.

My bill would authorize a Federal surtax on gasoline of some 40 cents per gallon, while also providing for the issuance of a certain number of gasoline tax "discount coupons" to each motorist on a monthly basis. My bill provides the necessary legislative framework for such a program, which could be developed along the lines of my suggested plan, as follows:

Each driver would routinely and regularly be sent coupons which entitle him to a monthly supply of gasoline at present prices—enough gasoline for the necessary driving of an average motorist A driver would turn over his tax discount coupons at the gas station instead of paying the surtax.

When a driver uses up his monthly supply of coupons, he would be able to buy additional gasoline—unlike a strict rationing program—at a higher price, which includes the surtax. The motorists, therefore, would have a real incentive to save money and gasoline by cutting out nonessential driving or by driving an economy car.

My plan would avoid the bureaucracy and expense of a rationing system. Under my plan, there would be no need for a "gasoline allotment board" in each of thousands of communities and neighborhoods; no need to wait in long lines to get rationing stamps; no need to fill out dozens of forms; no need for a motorist to argue that he needs a bigger ration of gasoline for his business or other purpose, because an additional supply would be available.

Under my plan, coupon distribution would be handled cheaply and without redtape. Preprinted coupons, bearing license numbers in order to minimize theft or black marketing, could be mailed directly to motorists' homes. Printing and mailing could be arranged with the assistance of State motor vehicle agencies, whose computerized data banks would facilitate distribution. The Maryland Motor Vehicle Administration assures me that such a plan is administratively feasible.

My plan would not discourage those persons who already limit their driving. In order to encourage maximum conservation of fuel, unused coupons could be worth cash—redeemable at a designated agency, such as a post office.

Under my plan, the individual's freedom of choice is preserved, unlike strict taxing or rationing schemes. In addition, my plan could be adapted to heating oil and other fuels, as well.

My plan avoids the severe economic impact and inflationary ripple effects of President Ford's proposal to allow prices for all petroleum products—including gasoline, heating oil, industrial fuels, lubricants, and others—to increase by 40 percent. My plan offers a real incentive not President Ford's economic bludgeon, for cutting demand for fuel.

Mr. Speaker, my plan avoids many of the bad effects of rationing or across-the-board price boosts. In addition, my plan could encourage a saving of up to 900,000 barrels of gasoline per day.

I call upon my colleagues in the Congress to join with me in working toward the quick adoption of such a plan for reducing gasoline consumption.

DULUTH'S BRUCE BENNETT—SUPER BOWL HERO

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. OBERSTAR. Mr. Speaker, before the excitement of the Super Bowl becomes totally lost in the fast pace of events, I would like the House to recognize that not all the Superheroes were on the field that day.

One of the finest heroes was in the sportswriters box during the game—and if that surprises anyone, his story is even more astounding.

Bruce Bennett, sportswriter for the Duluth News-Tribute and Herald, was born without arms; yet he has become preeminent in a world dominated by typewriters—the world of print journalism.

We would consider him extremely handicapped; Bruce does not recognize the meaning of the word as applied to him.

Despite his heroism at overcoming the longest odds, Bruce has been little recognized outside his hometown of Duluth—until Pat Livingston, of the Pittsburgh Press, wrote the following article, reprinted in the Duluth News-Tribune.

I would like to insert that article in the RECORD at this point, so that all of us may be better able to place our own personal "problems" in perspective:

OUR BAUCE BENNETT—A REAL SUPER BOWL HERO

(By Pat Livingston)

(The following column was written by a Pittsburgh Sports Editor after he met Bruce Bennett, Executive Sports Editor of the Duluth News-Tribune and Herald, in New Orleans prior to the Super Bowl game. The column mirrors the thoughts of Bennett's associates at the newspapers, and we're certain, those of his friends, acquaintances and his readers. When Bennett returned to his desk, we showed him the column. His reaction was that he's not personally looking for publicity, but if the story gives encouragement to others, he's all for reprinting it here. We agree—Orville E. Lomoe, Executive Editor.)

NEW ORLEANS.—The real Super Bowl hero may never win a car, never be cited as the comeback player of the year, never will be hailed as a super star.

Instead, he's an anonymous sports writer, a guy you never even heard of, a guy whose column has never even been syndicated through the state of Minnesota.

UMI

He's Bruce Bennett, a sports writer from Duluth, Minn., who was born without arms even before anyone ever heard of thalidomide, the drug which triggered off a set of lawsuits which threatened, for a time, to destroy the pharmacy business.

Bruce Bennett's arms end just below the elbow. If he orders a beer in a bar, he asks you to pick up the bottle and transfer it to the stumps, which he handles with a dexterity that would knock normal people goggle-eyed.

"It's no handicap," says Bennett. "I never had hands or fingers so I have no idea of what I don't have. If you stick something in these stumps, I can handle it.

"The only thing I can't do is tie a necktie." He added, "but then I don't really need one. I'm wearing this tie tonight because Bud Grant, the coach of the Vikings, has a dress code. He expects everyone on the plane to wear a jacket and tie.

"I left Minneapolis and my wife tied my tie for me," he added. "It's probably the last time I'll wear a tie while I'm down here."

A graduate of the University of Michigan, Bennett went into the communications media because, despite his abnormality, he thought he could make it in radio or television. After all, he reasoned, how does one type without fingers?

Oddly, says Bennett, he got his first job on a newspaper.

"I applied for a job on a small newspaper in Texas," he recalled. "The editor looked at me and said 'How do you expect to write a story?'

"But they had a program in Michigan where they helped people like me with special equipment. They made a cup-like thing for me which I could slip over these stumps and it could control a typewriter key. I may not be the fastest typist in the world, but I've never missed a deadline.

I have seen Bruce Bennett in press boxes wherever the Vikings have played. But last night was the first time I ever had a chance to talk to him. I had admired the way this armless man had, with his gerry-built gadget, pecked away at his typewriter.

"I've never considered myself a handicapped person," said he. "I was born this way. Living without hands never struck me as being unusual. I never had to re-learn a technique. I'd feel sorry for you if you were to lose your hands."

"But why," I asked him, "did you figure on being a newspaper man, a sports writer?"

"I've been in sports all my life,' he replied. "High school and college I was manager of the basketball and football teams. I wanted to stay in sports, and the only way I could do it was to be a writer."

I suggested to Bruce Bennett, that, as a writer, he had an advantage over all of us especially when he walked into a loser's dressing room.

"How, for example, could a player on a losing team ignore him? How could a loser say that his luck had turned against him?"

Bruce Bennett smiled.

"I have pretty good rapport," he replied, "with all ball players."

Bruce Bennett knows I am writing this column. I am writing it because this is Super Bowl week, a week when the heroes are strong, healthy studs. Men whom God has given excellent bodies with unbelievable strength and swiftness; men who, by the sheer weight of their own unlimited talent, have been able to overcome what to us are obstacles.

But by the time this week is over, and when the Steelers, as well as the Vikings, get an understanding of the obstacles the Bruce Bennetts of this world have overcome, I'm sure the Super Bowl will still be merely a bauble, its honors a tangled mass of tinsel.

The real heroes of this world are the Bruce Bennetts, the guys who even thought they are born without wrists and hands, have the stick-to-it-iveness and the intensity to run a typewriter.

The world may salute winners but my hat, this year at least, is off to a sports writer who covers the Vikings. To the people of Pittsburgh, he may not be a factor in Sunday's Super Bowl game, but I'm sure each and every one of you would be thrilled to get to know this man with stubs for arms.

LITHUANIAN INDEPENDENCE DAY

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. McCOLLISTER. Mr. Speaker, as Americans, we prize our freedom above all other possessions. Our passionate preparations for the Nation's Bicentennial testify to the great symbolic value which still attaches to the achievement of our national independence. Our freedom and independence has provided the moral force in this great Nation which has propelled us forward and undergirded our development as the world's most open and affluent society.

The American people are justly proud possessors of the first modern republic and the longest enduring. We have championed and encouraged self-determination by oppressed people in every part of the world.

It is, therefore, wholly appropriate that the American people join with the Lithuanian-American community and Lithuanians throughout the world on February 16 commemorating the 57th anniversary of the Republic of Lithuania and the 724th anniversary of the Lithuanian State. Ironically—and sadly—the only country in which Lithuanians will be unable to observe this historical event will be in Lithuania itself due to the continued Russian occupation and subjugation there.

The Republic of Lithuania grew and prospered for 22 years from February 16, 1918 until June 15, 1940, when that nation and its neighbors Latvia and Estonia, were overrun by the Soviet Empire and forcibly incorporated by the Soviet Union. Lithuanians have not accepted this foreign occupation of their land. Lithuanians still risk their lives to defy their Communist captors. All freedom-loving Americans applaud the struggle of Lithuanians to break away from Soviet control.

The United States has kept the faith. Our Government, true to its founding principles, has steadfastly maintained a policy of nonrecognition of the imposed Communist governments in Lithuania and her Baltic neighbors. The American people have sustained those of Lithuanian descent in our country who have kept alive the cause of liberty since 1940 for their countrymen at home.

Americans take it for granted that personal freedoms are their inalienable right. In other countries, those freedoms are often infringed or denied outright. Those who struggle to maintain or secure these cherished rights are true heroes for mankind everywhere.

The struggle of the Lithuanian is both heroic and inspiring to all the world's freedom-loving peoples. The example of Lithuania should never be forgotten. On their day of independence, we honor Lithuanians everywhere, saluting them for their brave struggle, and hoping with them that the injustices suffered by those in their homeland will be recognized and action taken to correct this intolerable situation. We all hope and pray that future Lithuanian Independence Day commemorations will be held in the homeland celebrating renewed independence.

ESTABLISH NATIONAL PETROLEUM RESERVES ON PUBLIC LANDS

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. BELL. Mr. Speaker, for more than a year now, I and a number of others in the House of Representatives and the Senate have worked to open up the naval petroleum reserves to help ease this country's critical energy situation and dangerous dependency on foreign oil imports.

On February 6, 1975, Jack W. Carlson, Assistant Secretary for Energy and Minerals of the Department of the Interior, testified before the House Subcommittee on Public Lands in favor of this action.

I respectfully call to the attention of my colleagues his remarks, the complete text of which follows:

ESTABLISH NATIONAL PETROLEUM RESERVES ON PUBLIC LANDS

(Testimony of Assistant Secretary Jack W. Carlson, February 6, 1975)

Mr. Chairman and Members of the Committee, I welcome this opportunity to express the views of the Administration on proposals which will allow the Naval Petroleum Reserves to make their contribution to the nation's energy fuel requirements.

The Administration is in agreement with the intent of the many proposals to develop rapidly the petroleum reserves on public lands, including the Naval Petroleum Reserves, such as Elk Hills in California and Naval Petroleum Reserve Number Four in northern Alaska.

Many of the proposals recognize that the petroleum reserve concept is out-of-date and more readily accessible inventories are needed for both defense and national economic purposes. They recognize the need for oil now and in the years ahead. They call for development and production from Petroleum Reserve Numbers One, Two, and Three. They call for eventual exploration, development, and production of Petroleum Reserve Number Four according to a plan approved by Act of Congress. The Administration applauds the authors of these bills.

The President has proposed a similar approach. Last week he sent to the Congress the Energy Independence Act of 1975. The Act is comprehensive. It includes provision for conservation of energy, increasing the supplies of energy, and it includes contingency plans to handle emergency situations.

Title I and Title II of the Act would provide for the production of the existing Naval Petroleum Reserves and the establishment of a National Strategic Petroleum Reserve.

The present productive capacity of Elk Hills would be made immediately available to defense needs, strategic storage, and to the national economy, backing out high-cost imported oil.

The Act provides for fully developing NPRs #2 and #3.

It provides for exploration, development, and production of NPR #4 in Alaska by private industry similar to the Outer Continental Shelf or by whatever other procedure which the President determines to be best suited to its development.

The President calls for the early production of Elk Hills—160,000 barrels a day available now and over 300,000 barrels per day by 1977. The President calls for the most rapid exploration, development, and production of NPR #4. This could mean as much as two million barrels a day additional supplies by 1985 from the estimated 10 to 30 billion barrel reserve. (However, I should indicate that, until exploration is completed, we won't know the extent of oil in paying quantities.)

The President proposes setting up two reserves. The first would be a ready inventory for the military. The National Strategic Petroleum Reserves (Military) would in time total 300 million barrels. It would allow the Department of Defense to use petroleum products of double their current consumption for one full year without reducing the supplies available to the civilian economy. The military is consuming about one-half million barrels a day now.

The second reserve would ultimately total one billion barrels and be available for the national economy. The President's energy program envisions independence from foreign sources by 1985. Imports in 1985 should total only three to five million barrels per day. If an embargo should then occur, the National Petroleum Reserve (Civilian) could provide a flow of three million barrels a day for one year, or five million barrels a day for more than seven months.

The very existence of these National Strategic Petroleum Reserves would be a deterring factor in the minds of foreign power which might contemplate the use of an embargo to achieve its national policy objectives. If we are again faced with the necessity of replacing oil supplies lost through an embargo similar to that of October 1973, this strategic reserve would allow us to carry on the nation's business—unharmed—for up to a full year. And that is a very important consideration because it affects the future security of this nation.

At our request, the National Petroleum Council, an advisory committee to the Department of the Interior, made a study of Emergency Preparedness against another interruption of foreign supply. One of their most important recommendations was the creation of a strategic petroleum storage program.

The Project Independence Blueprint arrived at the same conclusion. The Blueprint indicated a good cost/benefit ratio for strategic storage, indicating that the storage would save the economy $3 to $5 for each $1 cost in the event of another embargo like that of October 1973. For a larger interruption of foreign supply, the cost/benefit ratio would be much higher. Clearly, a national storage program is a good investment. (Copies of the National Petroleum Council studies are available.)

I have asked the NPC to follow up on their study and make recommendations on the alternative ways to develop a program. The letter making the request is attached. Other governmental studies will also be requested, I am sure.

In some respects the Act proposed by the President differs from the proposals presented by several distinguished Members of the Congress.

We would recommend against proposals that create potential delays such as requiring subsequent Acts of Congress after the passage of the initial bill.

We recommend that reliance be placed on the private sector and that the Administration not be required to explore for oil and gas production on public lands, in the State of Alaska or elsewhere. We do not feel that the Federal government should socialize risk-taking in the search for oil and gas.

We do not feel that a case had been made indicating that the private enterprise system has failed us and the Government must, either as a monopoly or as a competitor with private business, search for oil and gas. Oil exploration, primarily carried out by small and medium-sized firms, has been particularly vigorous. This is evidenced by the more than 32,000 wells complete in 1974, up 21% from 1973. Independents drilled 88% of the exploratory wells in 1974. It is also shown by the nation's leadership in technological improvements in all facets of oil extraction and processing.

Moreover, if the Federal Government were to finance exploration from its own resources, the additional budget costs could easily exceed $12 billion for the exploration and development of NPR #4 alone.

If competition is inadequate, there are many policy tools that are less drastic than socializing a sector of the oil industry. We are using some of them in our management of the Outer Continental Shelf. Large companies will be prohibited from bidding together. Royalty bidding is being tested to reduce the front-end payments so as to open up leases for smaller companies. Our test so far indicates that we should do more of this.

This concludes my opening remarks and I am pleased to respond to your questions.

EVANS SAYS NO MORE AID TO SOUTH VIETNAM

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. EVANS of Indiana. Mr. Speaker, unemployment among American workers has now reached 8.2 percent. There are 7.5 million Americans out of work. There is talk of increasing the social security tax. Inflation has eroded the purchasing power of all citizens. Capital shortages are plaguing the business community.

Despite these difficult economic problems facing the Nation, and the calls for more sacrifices by the American people, President Ford has asked the taxpayers to once again dip into their pockets for a charitable donation to South Vietnam and Cambodia—and this one is not tax deductible.

Mr. Speaker, our disengagement from the war in Vietnam was greeted by all Americans with relief, no matter how much Americans differed on the question of our involvement in Vietnam. For myself, and for my constituents who have written to me expressing their opposition to sending more dollars to Vietnam, the United States has met its obligations. All told, we have spent over $140 billion to preserve the Saigon government's corrupt way of life and suffered 359,899 American casualties.

Since the 1973 cease-fire alone, U.S. aid to Saigon has totaled $8.17 billion—over $11 million a day. We could meet the President's request for funds for half a million man-years of training and employment in 7 months with these $11 million. We could pay for our entire elderly nutrition program in less than 10 days We could pay for the President's request for mass transit assistance in about 6 months.

Mr. Speaker, there is no need to remind the American people of how much money they have already given away. They have also given their young men, at an immeasurable cost. The Saigon regime has picked our pockets long enough, and the people in Indiana's Sixth District think it is time to close out the open-ended checking account.

REPORT ON ABORTIONS IN THE UNITED STATES SINCE THE 1973 SUPREME COURT DECISION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Ms. ABZUG. Mr. Speaker, a report recently released by the Alan Guttmacher Institute of Planned Parenthood illustrates the beneficial effects of the legalization of abortion resulting from the Supreme Court's 1973 decision in Roe against Wade. According to the report, the number of legal abortions in the United States rose from 600,000 in 1972 to almost 900,000 in 1974. Many women who before the 1973 Supreme Court decision were forced to resort to illegal and unsafe abortions are now able to secure a safe and legal abortion in a hospital or clinic.

Additionally, the report notes that the distribution of facilities performing abortions throughout the United States has become somewhat more equitable since 1972, eliminating to some degree the need for women to spend large sums of money and considerable amounts of time to travel to a facility where abortions are performed. Remaining restrictive State laws, however, which are only gradually being eliminated by court action, still impose on some women the burden of traveling to other States in order to secure legal abortions.

Another important consequence of the legalization of abortion has been a dramatic decrease in the number of deaths resulting from abortion. Dr. Christopher Tietze, an author of the Planned Parenthood report, was quoted in a February 3 New York Times article as saying that according to data gathered by the Center for Disease Control, deaths from abortion declined from 300 a year in the 1960's to 47 in 1973. Dr. Tietze attributes this decrease to the replacement of illegal abortions with legal ones.

One finding of the report is less encouraging. The survey indicates that only 17 percent of all public hospitals, as compared to 28 percent of nongovernmental, non-Catholic hospitals, were performing abortions in the first quarter of 1974. Unfortunately, Congress has encouraged these discriminatory—and probably unconstitutional—practices by including or proposing to include in some pieces of legislation so-called conscience clauses, which allow certain institutions to refuse to make their facilities available for the performance of abortions. The effect of such a reluctant response to the Supreme Court decision on the part of publicly financed hospitals, and on the part of Congress, is to make the constitutional right to choose abortion considerably less available to low-income women, who depend on such hospitals for much of their

medical care. As the report states, it is these women:

. . . who experience the highest rates of unwanted and mistimed pregnancy and who, therefore, have the greatest need for safe, legal abortion.

It is of the utmost importance that Congress act to protect these women by opposing any measures which would tend to restrict their right to choose an abortion.

For the benefit of my colleagues, I submit the introduction to this report, which summarizes its contents, be inserted in the RECORD at this point:

LEGAL ABORTIONS IN THE UNITED STATES SINCE THE 1973 SUPREME COURT DECISIONS

(By Edward Weinstock, Christopher Tietze, Frederick S. Jaffe and Joy G. Dryfoos)

(NOTE.—Edward Weinstock is a Senior Planning Associate, Frederick S. Jaffe is President and Joy G. Dryfoos is Director of Planning of The Alan Guttmacher Institute. Christopher Tietze is Senior Consultant with The Population Council. This article is based upon research supported by grants from the Commonwealth Fund and the Ford and Rockefeller Foundation's Program in Social Research and Legal Research in Population Policy.)

At least 745,400* legal abortions were performed in the United States during 1973, according to responses to a nationwide survey of 2,991 U.S. hospitals, clinics and private physicians. Responses from providers for the first quarter of 1974 suggest that the number rose to almost 900,000 abortions in 1974. (Tonsillectomy is the only legal surgical procedure for which a higher annual number has been reported—917,000 in 1972.[1]) There were 16.5 legal abortions reported by providers for every 1,000 women of reproductive age in 1973 (the abortion rate); or 239 abortions per 1,000 live births (the abortion ratio). A total of 1,642 agencies and physicians contributed legal abortion data to the survey, conducted under the auspices of The Alan Guttmacher Institute; 1,191 of those surveyed said they did not perform any abortions during the survey period, while 198 did not respond.

The 1973 estimate represents an increase of 158,600, or 27 percent, over the total of 586,800** legal abortions reported to the Center for Disease Control (CDC) in 1972,[2] the projection of 892,200 legal abortions performed in 1974 represents an additional increase of 146,800, or 20 percent over 1973. Thus, sizable numerical and percentage increases in the number of legal abortions, observed since the first state abortion reform laws were enacted in 1967,*** have continued.

Since the 1973 U.S. Supreme Court decisions in *Roe* and *Doe*, which declared restrictive state abortion laws unconstitutional,[3] there has also been considerable redistribution of legal abortion services in the United States. Legal abortions continue, however, to be concentrated in a relatively small number of states. Thus, New York and California, with just one-fifth of all U.S. women of reproductive age, accounted for nearly two-fifths of all abortions reported by providers in the first quarter of 1974, while in states like Louisiana, Mississippi, North Dakota and West Virginia, virtually no abortions were reported by providers.

The large increases in numbers of abortions reported in each year since legal restrictions against abortion began to be relaxed by some states, the continuation of these increases in each quarter since the 1973 Supreme Court decisions, and the persistent differences between states in accessibility of legal abortion, suggest that the utilization of legal abortions services has not yet reached a plateau, and that the number of legal abortions will continue to increase.

Changes in the distribution of legal abortions following the 1973 Supreme Court decisions tended to vary according to whether states had a liberal or restrictive abortion policy before the decisions. States in which few abortions were reported in the year prior to *Roe* and *Doe* experienced a 262 percent increase in procedures reported by providers in the year following. States in which a substantial number of abortions had been performed, but which restricted them mainly to state residents, experienced a 70 percent increase. However, states with liberal access, which served significant numbers of out-of-state women prior to the decisions, experienced a decline of 23 percent in procedures reported by providers.

Ninety percent of the increase in the number of abortions reported between the first quarter of 1973 and the first quarter of 1974 was accounted for by specialized nonhospital abortion clinics. Such clinic abortions now exceed the number performed in hospitals, which remained almost unchanged from 1973 to 1974. There was a large percentage increase in the number of legal abortions performed in physicians' offices, but these accounted for only two percent of all abortions reported by providers.

The slow response of hospitals to the Supreme Court decisions is especially marked in public hospitals, upon which low-income Americans are largely dependent for medical care. Just 17 percent of public short-term general hospitals reported performing abortions in the first quarter of 1974, compared to 28 percent of comparable non-Catholic voluntary and private hospitals.

A relatively small number of providers account for a majority of the legal abortions reported for the nation. Thus, 118 hospitals and clinics, each of which performed more than 500 abortions in the first quarter of 1974, comprise seven percent of all abortion providers, but account for 57 percent of all abortions performed in the nation during the quarter.

These are the first nationwide data to reflect the impact of the 1973 Supreme Court decisions on abortion; they indicate that the decisions significantly affected the distribution of legal abortion services geographically and among types of providers, as well as the number of abortions which were performed.

FOOTNOTES

*The total of 745,000 legal abortions reported by respondents to the survey underestimates the actual number of legal abortions performed in the United States during 1973. Some abortion providers could not be identified and, therefore, were not surveyed at all; a few providers chose not to cooperate. Although it is not possible to determine precisely the extent of the undercount, preliminary data from state central reporting systems suggest that the underestimate is between five and 10 percent of the total (see "Methodology"), so that the actual number of legal abortions performed during 1973 was probably about 800,000. There are, of course, no data to indicate the number of illegal and self-induced abortions performed during the year.

**Data from 27 states are included in the CDC report (see reference 2). Some legal abortions were performed in other states, mainly on medical grounds, but in the absence of central reporting systems these were not included in the nationwide statistics compiled by CDC. Therefore, the total of 586,800 legal abortions reported for 1972 underestimates the true number by an unknown amount.

***Thus, the number of legal abortions reported to the CDC rose by 170,800 (from 22,700 to 193,500) between 1969 and 1970; by 292,300 between 1970 and 1971 (after the first abortion 'repeal' laws were enacted in New York, Hawaii, Alaska and Washington); and by 100,900 between 1971 and 1972. (See reference 2.)

REFERENCES

[1] National Center for Health Statistics, DHEW (NCHS), "Hospital Discharge Survey Data," *Monthly Vital Statistics Report*, Vol. 23, No. 7, Supplement 3, 1974, Table 4, p. 4.

[2] Center for Disease Control, DHEW (CDC), *Abortion Surveillance, Annual Summary 1972*, DHEW Publication No. (CDC) 74-8205, Atlanta, 1974, Table 1, p. 10. (Numbers from this report are rounded here to the nearest hundred.)

[3] *Roe* v. *Wade*, 410 U.S. 113 (1973); and *Doe* v. *Bolton*, 410 U.S. 179 (1973).

THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. STOKES. Mr. Speaker, Americans of Lithuanian origin, throughout the Nation, will celebrate the 57th annual Lithuanian Independence Day on February 16, 1975. On that day we might all benefit from the contemplation of the ongoing struggle of the Lithuanian people to free themselves of the yoke of oppression. These hardy people have enjoyed only 22 years of independence when the Soviet Union invaded and forcibly annexed their country in June 1940.

Today the Lithuanian people are still determined to restore their freedom and national sovereignty. This commitment is shared by all Americans of Lithuanian origin and descent, and is exemplified in the following statement issued by the Lithuanian-American Community of the U.S.A. National Executive Committee, which I submit for the interest of my colleagues.

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramtic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the begining of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

SECOND DISTRICT RESIDENTS COMMENT ON PRESIDENT'S PROGRAM

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. LONG of Maryland. Mr. Speaker, I asked my constituents in Maryland's Second Congressional District to give me their reaction to the President's program as set forth in the state of the Union message.

As part of my regular newsletter, I asked for a vote of "approval" or "disapproval" on five major Presidential points: A one-time tax rebate, a permanent tax rate cut, an import tax on foreign oil, Federal energy conservation taxes, and a ban on new Federal programs.

I am pleased that over 2,500 have taken the time to respond and to provide many comments.

Responses indicate that most are willing to see a halt to new Federal programs if they can have a tax rate cut, and a slight majority are willing to live with Federal energy conservation taxes.

Poll participants emphatically subported curtailment of Federal programs—62 percent, and a permanent tax cut—74 percent, as methods of coping with inflation and recession.

In addition, 56 percent favor a one-time tax rebate, "in order to get us back on the track," in the words of one respondent.

The least popular of the President's proposals was the import tax on foreign oil, with only 43 percent approving.

It was especially pleasing to note that many did write very thoughtful, detailed comments, including several individuals who agreed with my suggestion to avoid the bureaucracy of rationing and the injustice of uniform gasoline tax hikes by setting up a gas tax discount coupon system, to enable all Americans to buy a basic quantity of gasoline at reasonable cost while making gasoline available at higher prices—resulting from Federal surtaxes—for those who choose to pay.

Many writers emphasized their willingness and that of their friends and neighbors to make sacrifices, if those sacrifices are truly necessary to avoid economic disaster at home and petroleum blackmail abroad. On the other hand, many emphasized, they will not be sacrificial lambs—the butt of all bad consequences of energy and economic problems.

[In percent]

	Approve	Disapprove	No response
1-time tax rebate	56.6 (56)	44.4 (44)	----------
Permanent tax rate cut	73.5 (74)	21.5 (20)	5.0
Import tax on foreign oil	43.1 (43)	56.4 (56)	.5
Federal conservation taxes	50.6 (51)	48.6 (48)	.8
No new Federal programs	62.3 (62)	34.9 (35)	2.8

Note: Included in these figures are those responses which either approved or disapproved of all 5 points. These figures were: Approve, 14 percent, disapprove, 1.5 percent.
Figures in parentheses are rounded.

WALTER T. GREANEY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MOAKLEY. Mr. Speaker, it is my pleasure to bring to the attention of the House of Representatives the national commander of the Disabled American Veterans. Mr. Walter T. Greaney resides in Jamaica Plain in my Ninth Congressional District of the State of Massachusetts.

I include the following:

WALTER T. GREANEY

Walter T. Greaney was elected National Commander of the Disabled American Veterans August 9, 1974, at the organization's 53rd National Convention in New Orleans, Louisiana.

A native of The Dorchester section of Boston, Mass., Greaney has been a member of Dorchester Chapter No. 13 of the DAV since 1947 and has served the DAV as an officer at Chapter, State and National levels. He was National Senior Vice Commander in 1973-74, and is serving as a national officer for the fifth successive year.

Mr. Greaney, who holds five earned academic degrees, attended Boston College High School and Boston College, Boston, Mass. After graduation from college with an A.B. degree in 1943, he enlisted in the U.S. Army and subsequently fought as an infantryman in Company K, 13th Regiment, 8th Infantry Division in Normandy, Northern France and the Rhineland, during which time he was twice wounded. He was honorably discharged with a wartime, service-connected disability in December, 1945.

After World War II, he returned to the Boston area and obtained J.D. and L.L.M. degrees in law from Boston University and A.M. and Ph.D. degrees from Harvard University. A practicing attorney, he is a member of the Massachusetts Bar and the Bar of the Federal District Court. Also, he is a professor at Boston College and Chairman of the Department of Finance.

Active in civic and service organizations, National Commander Greaney has been President of the Faculty Club and Chairman of the Faculty Council at Boston College. He is a member of the Section of Taxation of the American Bar Association, and the Labor-Management Committee of the Boston Bar Association. He is also a member of the American Economic Association and the Financial Management Association. He has numerous publications in taxation and budgeting.

Mr. Greaney and his wife Phyllis, live in the Jamaica Plain section of Boston with their son Walter, a fourth year student at Boston College.

I commend the efforts of Mr. Greaney and the Disabled American Veterans for their dedication to the goals of upholding and maintaining the Constitution and laws of the United States, providing for the disabled veteran, his widow and his dependents and for serving comrades, community, and country. I commend them for encouraging and fostering a spirit of understanding which will guard against future wars.

JAY H. LASKER TO RECEIVE THE HUMAN RELATIONS AWARD

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. REES. Mr. Speaker, on Wednesday, February 26, 1975, the Music and Performing Arts Lodge of B'nai B'rith is presenting its annual Human Relations Award to a constituent and friend, Mr. Jay H. Lasker, at a testimonial luncheon in New York City.

I am indeed proud to honor the outstanding leadership Jay Lasker has shown in the field of human relations and for his never ending devotion to human rights which is the sole criterion upon which this national selection is based. The Human Relations Award of the Anti-Defamation League is given each year to an outstanding leader in the music and performing arts industries in this country; previous recipients over the last 6 years have included the presidents of Columbia Records, Warner Bros. Records, and Capital Records, as well as others.

Jay H. Lasker, the former president of ABC/Dunhill Records, has lived a life devoted to the betterment of those with whom he lives and has been a leader in the fight for human relations for all people. A distinguished veteran, having served with the U.S. Army from 1943 through 1945 in the European theater, and a gifted and talented attorney, having graduated from St. John's University School of Law, Jay Lasker culminated his professional activities when he ascended to the presidency of ABC Records, where he was the chief operating officer of ABC Records, Dunhill Records and their affiliated music publishing companies. He had been the president and cofounder of Dunhill Records and when that firm was acquired by ABC Records, he became the president of that entire operation. He had demonstrated to the people with whom he has worked and to the artists with whom he has dealt an undivided devotion to ethical and professional standards of the highest order. The creative contributions of artists developed under the leadership of Jay Lasker are synonymous with the development of contem-

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porary music in American society. Such musical performers as the Mamas and the Papas, Three Dog Night, B. B. King and others have enriched the fabric of American culture with a spirit of optimism and hope certainly needed in these troubled times.

Mr. Speaker, I wish the RECORD to reflect these views and I ask the Members of the House to join me in commending Jay H. Lasker on the event of his recognition as the recipient of the Human Relations Award of the Anti-Defamation League.

TADEUSZ KOSCIUSZKO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. DERWINSKI. Mr. Speaker, as I have in the past, I wish once again to bring to the attention of the Members, the anniversary of the birth of a "Hero of Two Worlds," Tadeusz Kosciuszko. Kosciuszko, born February 12, 1746, is not only well known for the role he played in American history, but also for his fight for liberty for all peoples on the other side of the Atlantic.

Beginning his education as a member of the corps of cadets in Poland and later furthering his military instruction in Italy, France and Prussia, Kosciuszko declined offers of positions in the British and French armies, and instead journeyed to America soon after the Thirteen Colonies declared their independence from Great Britain.

After receiving an appointment as an engineer, and within 2 months receiving the rank of colonel in the army of the infant Nation, Kosciuszko's first assignment was the fortification of the Delaware River approaches to Philadelphia in order to secure this position against the British forces. His strategy was so successfully carried out that the young Pole was awarded 50 pounds by the Pennsylvania Council of Safety as a token of appreciation.

Kosciuszko also supervised the construction of fortifications at Saratoga, Ticonderoga, and West Point. As a result of his military ingenuity, Congress granted him an appointment as brigadier general after the Revolutionary War.

He returned to Poland in 1784. After the second partition of his native country in 1793, Kosciuszko led a national uprising which was successful in its early stages, but finally collapsed, to be followed by the final partition which erased Poland from the map of Europe. Nonetheless, a proud page in history of this unhappy nation was written by Kosciuszko and his fellow Poles.

On April 3, 1974, at Raclawice, 4,000 Polish troops and 2,000 peasants, the latter armed only with scythes and pikes, defeated 5,000 Russian troops. The tide turned against Poland, however, when Prussian troops joined the forces of the Czar to help subjugate the heroic defenders of Poland.

Kosciuszko, who is rightly honored as "The Hero of Two Worlds," helped Americans to secure their independence and did his utmost in a vain effort to save Poland from extinction.

Mr. Speaker, as we approach the year of our country's Bicentennial, I find it most appropriate to reemphasize the great donation made by Tadeusz Kosciuszko to our American heritage. In our battle for independence, he made a lasting contribution to the struggle for freedom as a native of a foreign land.

He believed that freedom was indivisible and that its blessings should be shared by everyone—by the slaves in America and by the peasants of Europe, no less than their more fortunate neighbors of the nobility.

Mr. Speaker, during the month of February, we are paying tribute to the memory of George Washington, who led our Nation to independence, and Abraham Lincoln, who led it during the war to preserve its union from dissolution.

Let us also take time to honor the memory of Tadeusz Kosciuszko who, like Washington, wanted freedom for all nations and like Lincoln, wanted freedom for all people.

LITHUANIAN NATIONAL DAY

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MORGAN. Mr. Speaker, I am pleased to join many of my colleagues in commemorating the 57th anniversary of the Declaration of Independence of the Republic of Lithuania, which will occur on Sunday, February 16.

I welcome this opportunity to pay tribute to Americans of Lithuanian descent. Moreover, as chairman of the Committee on Foreign Affairs, I want to take note of two positive developments, which occurred during the past year and in which our committee was directly involved.

First and foremost, there was the well-publicized arrival in this country last November of Mr. Simas Kudirka—together with his mother, his wife, and two children. As Members will recall, Mr. Kudirka was a Lithuanian seaman, whose attempted defection to the United States was aborted in the fall of 1970 as a result of bureaucratic bungling and an apparent lack of coordination among various agencies of our Government. Fortunately, this unhappy episode has been resolved to the satisfaction of all concerned. It also resulted in the issuance of revised guidelines by the executive branch on procedures for handling requests for temporary refuge and asylum.

In this connection, I want to commend my friend, the gentleman from Ohio (Mr. HAYS), for the exhaustive hearings he held in the subcommittee he chaired on State Department Organization and Foreign Operations—now redesignated the Subcommittee on International Operations. I believe the subcommittee's efforts to ascertain the facts in this case served not only to bring this matter to public attention, but also to stimulate the executive branch, under the personal direction of two President, to take corrective action.

Second, I wish to point out that last month Radio Liberty began—for the first time in its history—programs in the Lithuanian language. A full program schedule including 30-minute daily broadcasts in Lithuanian will go into effect at the beginning of March. The programing will include news, world press reviews, news and political analysis, historical, cultural and human rights broadcasts with special focus on Lithuanian interests.

Moreover, following adoption of an amendment, which was initially approved by our committee and was subsequently passed by both Houses of Congress, Radio Liberty has been authorized to initiate broadcasts in the Estonian and Latvian languages. I understand that the search for qualified programing staff in Latvian and Estonian is already underway, and I intend to support continued funding for these programs in the coming year.

Recently, Mr. Speaker, I had the privilege of taping a brief statement for subsequent transmission over Radio Liberty to the people of Lithuania. I understand that this statement will be included in the special program scheduled for February 16, in honor of Lithuanian National Day. I insert the text of this message in the RECORD at this time:

TEXT OF STATEMENT

The independence of Lithuania, which was restored 57 years ago today, was cruelly snuffed out in 1940. But in those twenty-two years the Lithuanian people have showed great economic and cultural progress, which stands out in modern history. Even in these difficult times, your inner strength and love for freedom give us hope for the brighter future in which we all believe.

THE 724TH ANNIVERSARY OF THE LITHUANIAN STATE

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MOFFETT. Mr. Speaker, I appreciate this opportunity to remind my colleagues that Sunday, February 16, 1975, will commemorate the 57th anniversary of the establishment of the Republic of Lithuania and the 724th anniversary of the Lithuanian State.

On that day, Americans of all origins and backgrounds should pause to acknowledge the worldwide drive for Lithuanian independence, which has eluded the Republic for the last 34 years. While reflecting on the meaning of religious freedom and basic human rights, we should then translate our thoughts into action—we must voice our support to those Lithuanians who are still denied their freedom and their rights today.

The determined spirit of all Lithuanians should be viewed both with respect and as a source of inspiration for all to reaffirm their own precious principles.

IS OSHA PROMOTING ANARCHY?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. BAUMAN. Mr. Speaker, of all the Government regulatory agencies imposing restrictions and redtape on American business, with small business being hurt the most, perhaps none has aroused so much controversy as the Occupational Safety and Health Administration. Since OSHA was passed in 1971, businessmen, employees, and consumers have all been adversely affected by the redtape and added expense which OSHA has caused. Of particular concern to many of us has been OSHA's apparent concern more with catching and punishing people who missed a footnote in OSHA's voluminous regulations than with allowing a reasonable amount of time for businesses to acquaint themselves with regulations and bring themselves into compliance.

As one who has supported efforts to repeal OSHA, I was particularly interested to see a recent column by syndicated columnist, John Lofton, concerning OSHA. The tale which Mr. Lofton tells, of a company which obtained a variance after more than a year of expensive legal rigmarole, because they were able to prove that OSHA's own requirements constituted a safety hazard, is particularly revealing. I hope my colleagues will consider this illustration of the folly of trying to have the Federal Government run every aspect of the lives of the American people:

ONE BRUSH WITH OSHA, AND YOU SEE THE MERITS OF ANARCHY

(By John Lofton)

For American business, particularly small business, the Occupational Safety and Health Act has been about as helpful as the Lilliputians were to Gulliver.

Since it went into effect in April of 1971, OSHA, as the law is commonly referred to, has come under fire from businessmen, employes and consumers.

The degree of dissatisfaction is indicated by the fact that in the four years since OSHA went on the books, approximately 100 bills have been introduced in Congress to amend it.

Among the complaints about the miles of new OSHA red tape have been that the rules and regulations are highly technical, making them impossible for small businesses to decipher without expert help, and that the standards are often too expensive to meet.

A survey by McGraw-Hill publications estimates that OSHA cost business $2.5 billion in 1972 and $3.1 billion in 1974. It has been reported that proposed OSHA noise-control standards could cost business anywhere from $13 billion to $31 billion, depending on how strict the rules are actually made.

To illustrate just how much red tape OSHA seeks to impose on American business, in June of last year, an entire edition of the Federal Register—342 pages long—was devoted to new OSHA rules and regulations. But this was not all. This particular publication represented only part II of the new standards.

Now, despite all the hell being raised, OSHA's head man, Assistant Secretary of Labor John Stender, says he doesn't understand why anybody questions the need for his new law. He says he doesn't know what all the furor is about.

Well, assuming Mr. Stender is expressing a sincere ignorance, I'd suggest he take a look at the recent variance that OSHA granted the Caterpillar Tractor Company of Peoria, Ill.

The Caterpillar people ran afoul of OSHA because they had the crazy idea that they know best how to mount their own fire extinguishers.

They mount them on retractable boards suspended from the warehouse superstructure.

In the stored position, the bottom of these boards is eight feet from the floor. When a two-foot nylon rope attached to the bottom of the board is pulled, presto! The board springs downward to a position about two-and-a-half feet from the floor and the extinguisher is within easy reach of the employes.

This sounds safe enough, right? To you maybe. But not to OSHA.

You see, OSHA has thought of everything and specifies not only the kinds of mountings allowable for fire extinguishers, but also sets the permissible height of the top of extinguishers at five feet for those under 40 pounds and three and a half feet for those over 40 pounds. So, as any ignoramus can see, in mounting their extinguishers the way they did, the Caterpillar people were in gross violation of OSHA safety standards prescribed in 29 CFR 1910.157(A) sections (5) and (6).

Anyway, to make a long story short, and I mean a long story, earlier this month, after a year of unexplained bureaucratic paper shuffling at OSHA by God only knows how many GS-whatevers, OSHA not only okayed the way the folks at Caterpillar hang their fire extinguishers, but the division of variances tells me that OSHA thinks it is such an "excellent" approach that they'll probably modify their standards and adopt Caterpillar's.

Now what's so incredible about this whole ridiculous, time-consuming idiocy, is that in the good old days, before there was an OSHA, the Caterpillar Company hung its fire extinguishers just as OSHA now recommends they be hung.

But, as the company's assistant safety manager Bob Keller explained to me, Caterpillar spent $60,000 in their Decatur, Ill. plant to rip this system out and install their own.

Why? Because fork-lift drivers kept smashing into the extinguishers and damaging them. They were simply too low to the ground.

So, here we see government in action. Big Brother in Washington makes a law, already found to be unworkable years ago by private industry, then after a year of consideration, ends up scrapping it and adopting the heretofore illegal standard as its own, in a ruling which should never have been any of the government's business in the first place.

It's this sort of stupidity which makes the arguments for anarchy not entirely unappealing.

LITHUANIAN INDEPENDENCE DAY

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. HALL. Mr. Speaker, this Sunday, February 16, will mark the 57th anniversary of the establishment of the Republic of Lithuania. Lithuania was to enjoy only 20 years of peace and freedom from oppression. In 1939, the Soviet Union began its occupation of Lithuania. To this date, the U.S. Government maintains a policy of nonrecognition of the forcible annexation of Lithuania. While we continue our policy of détente, we must not forget the aspirations of the Lithuanian people.

Mr. Speaker, on this, the 57th anniversary of the Republic of Lithuania and the 724th anniversary of the founding of the Lithuanian State, I wish to join with the Lithuanian-Americans of the 15th District in paying tribute to a people dedicated to self-determination and religious freedom. I commend the fine work of such groups as the Northern Illinois University Lithuanian Club, whose president is Mr. Rimantas Gencius, and all the others working to see the achievement of the goal of Lithuania's self-determination.

NATIONAL HEALTH INSURANCE IS OUT WHILE FORD IS IN

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. ROSENTHAL. Mr. Speaker, as long as Gerald Ford is in the White House, the American people will not have a universal, publicly administered, and consumer-oriented national health insurance program.

This President, who pledged support for national health insurance when he took office in August and 5 months later threatened to veto any such legislation, says we cannot afford it.

I say we cannot afford not to have national health insurance. Health care costs are one of the most inflationary elements in our high cost of living. They are now running $105 billion a year and totally out of control. The only way to bring them under control is enactment of a program like the Health Security Act.

The Health Security Act (H.R. 22), which I have sponsored in the past three Congresses, is a universal, publicly administered health care program that would mandate strict cost controls and provide the same coverage for all persons regardless of income or employment.

The President has said that if the economy turns around this year, he would support a health insurance bill next year similar to the one proposed in 1974 by then-President Nixon.

He wants a health care system that is good for the insurance industry and the doctors. We have got that. We want one for the people.

I want to caution my colleagues against enactment of legislation just for the sake of passing something.

It would be disastrous if something like the Nixon-Ford bill or one of the industry proposals were enacted. That would be a giant step backward. It would just further entrench the present nonsystem of uncontrolled costs, enormous profits, and unequal distribution of health care that has plagued this country for so long. And it would push real reform farther away and make it harder to achieve.

I believe there are enough votes in the House to pass a publicly administered, proconsumer national health insurance bill, and I am hopeful the Senate will follow that lead. If the President vetoes it, we must take the issue to the people in 1976 and make it a major issue in the

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congressional and Presidential campaigns. We need a President who truly wants to see people-oriented health care reform instead of a welfare plan for industry.

Health costs are now out of control. Americans are currently spending $105 billion a year on health care, 7.8 percent of the gross national product. This is the only major industrial nation without a comprehensive national health insurance system.

For all we spend, we rank behind a host of other nations in such vital indicators as infant mortality and life expectancy. The only category in which we rank first is cost.

The Health Security Act has been accused by critics of being the most costly proposal before Congress. Just the opposite is true. The reason is cost control. The Nixon-Ford plan, like those being put forth by industry, does nothing to bring burgeoning costs under control. As a result, they are grossly inflationary and open to the same abuses that have plagued the medicare program, where Government payments to health care providers are viewed not as the ceiling but as the floor for even higher fees.

The Health Security Act is the only proposal before the Congress that would end the present system of open-ended costs. It would cost more initially because it is the only plan that would extend coverage to the millions of Americans who now have none, but with its program of oversight, its emphasis on preventing medicine and its firm cost controls, it would be the cheapest of all in the long run. It also would offer the most extensive coverage, eliminating the need to go outside the program, and pay extra for care not included in some other plan.

This is the only proconsumer national health insurance proposal before the Congress. The other major programs have the distinct proindustry viewpoint of their authors. And all too often the industry has shown itself to be more concerned with wealth than health. We cannot afford to perpetuate that.

BUY A CAR AND FIGHT RECESSION

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. TRAXLER. Mr. Speaker, in a bold action I hope will be imitated across the Nation, the chamber of commerce of Frankenmuth, Mich., has announced that member businesses will pay $100 in cash to anyone purchasing a new car from a local dealership. This creative move on the part of the businessmen of Frankenmuth, to my knowledge the first such initiative taken by a chamber anywhere in the United States, should be applauded by every citizen concerned about fighting the recession and getting our economy moving again.

The startling announcement a few days ago that unemployment reached 8.2 percent nationally in January is underscored by the fact that within the automobile industry the jobless rate is 24 percent, and climbing. In fact, since one out of every six American jobs is related directly or indirectly to automobile production, it is likely that we will be able to do little about our deepening recession until we can restore consumer confidence and stimulate demand for cars and other durable consumer goods. The key to our economic recovery should be found in the motto, "Buy a Car."

In times of economic crisis many Americans quite naturally turn to their Government for answers to our troubles. Certainly, immediate action by the Congress to rebate taxes and reduce withholding could do much to increase the average family's purchasing power. But we should not depend upon Government action alone. Voluntary cooperation by individuals, groups, and civic organizations can also do much to stimulate demand and provide incentives for consumer purchases.

Thus, I was particularly pleased to learn of this innovative action taken by the member businesses of the Frankenmuth Chamber and I am hopeful that this first step will signal a new working partnership of American business and Government to bolster sales, production, and employment in our American economy. Small business is hurt most in a recession, so actions such as these to get our economy moving will prove to be a sound investment for these businessmen.

Mr. Speaker, this act of leadership and faith on the part of the Frankenmuth Chamber should not go unheralded; nor should it stand alone. I am today introducing a resolution commending the chamber for its cash rebate program. At the same time, I challenge chambers of commerce and other civic organizations across the Nation to follow Frankenmuth's example. Working together, citizens both in and out of government can help to create a climate of economic growth, full employment, and prosperity for all.

H. CON. RES. 120

Whereas unemployment has reached 8.2 percent nationally and is still rising, and unemployment in the automotive industry is now over 24 percent, and millions more Americans find their jobs threatened by our growing recession;

Whereas the only solution to rising unemployment lies in stimulating consumer demand for automobiles and other durable consumer goods;

Whereas the restoration of consumer confidence and business sales will benefit workers and small businesses immeasurably;

Whereas the Chamber of Commerce of Frankenmuth, Michigan, has offered a $100 cash rebate to anyone who purchases a new car or truck from any automobile dealership within the city of Frankenmuth;

Whereas this bold and innovative action on the part of these leaders should help to stimulate automobile sales, production, and jobs, which in turn will stimulate production and employment in other sectors of the economy: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the members of the Chamber of Commerce of Frankenmuth, Michigan, be commended for bold and generous initiatives which will contribute to the economic welfare of this nation.

OIL PRICE RELIEF

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. YOUNG of Florida. Mr. Speaker, I am today introducing legislation to amend the Emergency Petroleum Allocation Act of 1973 to provide for the equalization of residual fuel oil prices charged to public, private, and investor-owned utiliites, and other persons using such oil.

As the Organization of Petroleum Exporting Countries—OPEC—has raised prices again and again, it has become very clear that the Emergency Petroleum Allocation Act contains a major deficiency as far as Florida and certain other States are concerned. Whiie giving the FEA authority to regulate prices of petroleum products, the act did not specifically direct the FEA to equalize prices so that those States most heavily dependent on imported oil do not suffer more economically in comparison with the rest of the Nation.

Florida's electric utilities use residual fuel oil refined almost exclusively from Venezuelan crude oil. In January of 1973, a barrel of Venezuelan crude cost $3.84. In December of 1974, that same barrel of crude cost $12.38, of which the Venezuelan Government took $10.05. Thus, Florida's utilities are paying double the price paid by utilities elsewhere in the Nation which use fuel refined from price-controlled domestic oil selling at $5.75 per barrel.

The result has been an astronomical increase in Florida electric bills. In September of 1973, the Florida Power Corp.'s fuel adjustment charge to the average customer was $3.20 and the cost of 1,000 kWh was $25.26, for a total bill of $28.46. By September 1974, the average fuel adjustment charge had risen to $15.60 and the price of 1.000 kWh was $37.66, for a total biii of $53.26. Similiar increases have prevailed for the 1.7 million customers of Miami-based Florida Power & Light Co. At the end of January, Venezuela further increased its oil prices—by 44 cents per barrel to Florida Power and 33 cents per barrel to Florida Power & Light. These latest increases have not yet been reflected in the electric bills of already overburdened customers.

If the President's $1.20 per barrel tariff for residual fuel oil is allowed to stand, this could cost the average electric consumer an additional $1.10 per month. I voted for H.R. 1767, a bill to defer for 90 days the President's authority to impose a tariff on imported oil because I feel this additional burden on the already reeling Florida utilities and consumers is unwarranted and inequitable. Florida and the other Atlantic States need relief, not higher prices.

Last fall, the Federal Energy Administration outlined a series of alternative proposals to create price equalization for residual fuel oil users, and spread the burden of expensive foreign oil throughout the Nation. In a letter to FEA Administrator Sawhill, I strongly supported alternative rule 3 as providing substantial relief to Florida electric consumers. Under this alternative rule, residual fuel prices paid by Florida utilities could have dropped as low as $6 per barrel—and the average fuel surcharge of individual customers could have been reduced by as much as 40 percent.

Despite my prodding, and that of many other concerned Members of Congress, the FEA failed to adopt alternative 3, and Florida electric bills have continued to rise. Therefore, I have introduced legislation directing the President to exercise his authority under the Emergency Petroleum Allocation Act so as to equalize the ceiling price throughout the United States at which residual fuel oil is sold. This can be done, as in alternative rule 3, by making available in all parts of the United States, residual fuel oil refined from higher-priced crude oil and residual fuel oil refined from lower-priced crude oil in the same proportion as domestic and foreign oil make up the national oil pool from which such residual fuel oil is refined.

America currently uses some 18 million barrels of oil per day, of which close to 7 million barrels is high-priced foreign oil. But because Florida relies almost exclusively on the imported oil, Floridians pay disproportionately higher prices for their electricity and home heating oil. Under my bill, Florida's utilities will be able to purchase 11 barrels of lower-priced domestic oil for each 7 barrels of expensive OPEC oil.

Floridians and other east coast utility users have pleaded for relief for a year now. The utility companies themselves have sought in vain to have the FEA bring some equality into the situation. Millions of dollars, most of them from consumers who can ill-afford the loss, have flowed into the coffers of the oil companies and the OPEC countries. My bill will attack this problem by equalizing residual fuel oil prices throughout the Nation.

AN INVISIBLE NATION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. EILBERG. Mr. Speaker, 57 years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the U.S. Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstration by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present—spirit of détente—in which to give visible support to the Lithuanian people.

The U.S. Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the 2d session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

THE IMPACT OF OCS OIL AND GAS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. BAUMAN. Mr. Speaker, many of us in the Congress have been concerned about the onshore impact which will result from the production of oil and gas in the frontier areas of the Outer Continental Shelf. The Middle Atlantic Coastal States, including my own, are adjacent to approximately 3.5 million acres to be leased by the Interior Department to oil companies.

Thomas B. Edsall of the Baltimore Sun has written an excellent article embodying many of the problems which this oil and gas development will present.

The facts he records make it all the more important that we adopt legislation such as I have introduced which would allow States time to prepare for this onshore impact. In my opinion, it also shows the need for the creation of a Federal coastal zone fund which would provide revenue sharing to the affected coastal States out of the revenues paid by the oil companies to the Federal Government.

I include the article at this point:

STATE NOT READY FOR ONSHORE UPHEAVAL AN OFFSHORE OIL STRIKE WOULD BRING

(By Thomas B. Edsall)

About 35 miles off Maryland's Atlantic coast lies a section of the outer continental shelf considered by geologists to be a prime site for oil and natural gas drilling—the Baltimore Canyon.

The federal government appears certain to lease about 3 million acres in the southern part of the canyon for exploration and drilling by oil companies, perhaps as early as December.

An undersea oil strike in the canyon inevitably would result in major economic and environmental changes for Maryland and surrounding states, primarily in onshore development. The likelihood is small, scientists say, that a blowout from drilling rigs, which will be invisible from shore, would result in oil-covered beaches along the Delmarva coast.

NO STATE CONTROL OFFSHORE

The states do not control the offshore leasing program, although Maryland and 11 others are asking the Supreme Court for that power.

But the states only are beginning to act to control the onshore activities of a polluting industry that will require extensive state and municipal services. In Virginia, companies already are preparing for drilling operations and might be insulated from future state legislation. The effects of development in that state will spill over into Maryland.

Although the federal intention to lease Atlantic deposits for drilling has been known since 1971, Maryland officials have not made essential choices on state policy toward refineries, storage tank farms, pipelines, petrochemical factories, port facilities and equipment construction sites.

Instead of a coherent approach—banning oil-related facilities, controlling them exclusively by the state or leaving them to the discretion of local officials—individual issues appear likely to be resolved through haphazard action in the General Assembly.

The impact on the land will be significant. Medium-sized refineries in rural areas require up to 5,000 acres. Facilities for assembling drilling rigs onshore need 1,000 acres or more and must have port facilities from which to float their contraptions out to sea. Refineries spawn petrochemical plants that turn petroleum products into synthetic rubber, plastics, fertilizer, explosives and other products.

The economic impact of these activities also is heavy. They will require major governmental expenditures on roads, schools, housing, hospitals, police and fire protection, sewage facilities and garbage collection.

Balancing the cost of these governmental services against gains in taxes and other revenues, Louisiana officials contend that the state loses about $38 million a year from offshore oil production in the Gulf of Mexico.

The economic impact will be felt by traditional industries and their employees. On Maryland's Eastern Shore, a general laborer in the chicken industry earns $2.85 an hour, or $114 a week. Chicken processors cannot hope to compete with the oil industry, where production workers average about $260 a week, according to government statistics.

There is no way to predict the impact on Maryland of oil exploration and drilling.

UMI

Several factors indicate there will be considerable pressure on Maryland for the siting of oil refineries and other facilities, if that oil is found and tapped.

The three states that form the Delmarva Peninsula have virtually no refining capacity. Amoco Oil Company operates a small refinery in Yorktown, Va., Maryland has two small asphalt-refining factories and Getty Oil Company operates a 140,000-barrel-a-day refinery in northern Delaware.

Delaware is the most attractive location for the oil industry. But that state has a law barring large-scale development along its coast, and industry groups view that legal barrier as insurmountable.

Cox Enterprises is attempting to build a 155,000-barrel-a-day refinery in Portsmouth, Va., but that facility would handle only imported crude oil. That location is more distant from the offshore drilling area than Maryland or even the existing refineries in the Philadelphia-Marcus Hook section.

Oil company officials told the Worcester county (Md.) commissioners last month that there was little likelihood a refinery would be built in Maryland because the Philadelphia-Marcus Hook refineries would switch to processing offshore oil as imported petroleum, their current supply, is cut back.

That argument is contradicted by these points.

The refining capacity of the Northeast is far below the needs of the area, and it is doubtful that any decrease in oil shipped to existing refineries would develop.

According to the American Petroleum Institute, a trade association, the oil industry would prefer to construct a new refinery specifically geared to process the chemical characteristics of offshore oil, which differs from imported crude.

It would be far simpler to run a pipeline from rigs in the southern section of the canyon directly to the Eastern Shore than up the Delaware Bay and the Delaware River to the Marcus Hook-Philadelphia region.

There is very little room for expansion of the four refineries in the Philadelphia-Marcus Hook section.

PROXIMITY TO ROADS

The Eastern Shore of Maryland and the Baltimore harbor area offer the attraction to the oil industry of being near major road networks feeding the Northeast, which has one of the largest shortages of locally refined oil products in the country. (The Eastern seaboard states consume 40 per cent of the oil produced and imported into the country, but have the refining capacity for only 12 per cent.)

While opposition to refineries is intense in many of the Chesapeake Bay counties—both Anne Arundel and St. Marys counties rejected proposed refineries and Worcester county officials are adamant in opposition to offshore drilling—there are some areas that are less hostile.

Baltimore, which is seeking to strengthen its stagnant tax base, appears to be encouraging Crown Central Petroleum Company to locate a refinery in the Curtis Bay section.

Somerset county and state officials have been considering for nearly 10 years a proposed industrial park and deepwater port facility at the mouth of the Annemessex river near Crisfield. The development would include a possible refinery, according to state officials.

STATE HAS OPTIONS

Given the anticipated pressures on Maryland for the siting of oil-related facilities if there is a strike in the lower section of the Baltimore Canyon, the state has several options.

Local plebescites on refineries, similar to that in St. Mary's county, could be held whenever the refineries are proposed, in the city or the counties.

This would permit some local control over development, but would not protect the interests of communities surrounding a county that might, for example, decide that it wants to permit the construction of a refinery and benzene plant on the Chesapeake Bay.

Legislation banning refineries along both bay and Atlantic coastlines, similar to the Delaware measure, could be passed. If upheld by the courts, this would prevent environmental threats from development within state borders.

It also could lead to further consequences. If other states follow Delaware's example by prohibiting heavy industry, intense pressure might develop for passage of a federal refinery siting act that would, in effect, take out of the hands of state and local governments the power to reject or approve oil-related development.

A Maryland ban also could force intensified development in Virginia where both the Governor, Mills E. Godwin, Jr., and many local officials have declared their interest in drawing the new industry. If the development occurs in Virginia without strong efforts to insure environmental protection, damage to the Chesapeake Bay could be worse than if the development were in Maryland.

SHORE PRESSURES

The siting of major installations on the Virginia portion of the Eastern Shore, a strip of land about 55 miles long and 10 miles wide, would create major pressures for additional housing, schools and other municipal services in Maryland's Somerset and Worcester counties without providing compensatory revenue from real estate taxes on the industry.

A third alternative, a system of giving both the state and local governments veto power over the development, has been proposed by the Maryland Environmental Trust and sponsored in the General Assembly by Delegate John S. Arnick (D., 8th, Baltimore county), the House majority leader.

The Arnick bill would require a two-step approval process for all major oil-related development and construction within the state. If, for example, an oil company sought to build a refinery in Somerset county, the local government first would have the power to accept or reject the proposal. If accepted, the state would consider the project anew. If rejected, the proposal would be dead.

The measure provides a mechanism for both state and local control without the negative consequences of an outright ban. The intent, however, according to one of its authors, K. King Barnett, a lawyer and member of the Maryland Environmental Trust, is to serve as an implicit ban.

A problem with the measure is that it is not an effective vehicle for state planning. The legislation would permit initial decisions concerning the location of refineries to be made by the oil companies which first would propose the sites to local governments; there is no control beyond the exercise of a veto.

FRAGILE RESOURCE

Opponents of drilling and refining operations in Maryland argue that the state has a unique and fragile resource in the Chesapeake Bay and that the state has only 33 miles of Atlantic coastline, all of which is dedicated to either preservation or to intense recreational use.

The bay, which has 4,500 miles of shoreline and covers more than 2.8 million acres, has been described by L. Eugene Cronin, director of the University of Maryland's Chesapeake Biological Laboratory, as "probably the most valuable and vulnerable large estuary in the world."

A specific study of the potential environmental effects of refineries and petrochemical complexes on the bay was completed last year by Curt D. Rose, of the Center for Environmental and Estuarine Studies, University of Maryland. He concluded that:

"Petroleum pollution is a greater threat in semi-enclosed bays and estuaries than in open water because of the limited nature of low flushing rates on dilution of toxic hydrocarbons. . . . Traces of oil pollution have been observed in impoundments with poor circulation for as long as 11 years after the occurrence of a spill."

Some forms of aquatic life, principally shellfish, are particularly vulnerable to oil resulting either from major spills or the chronic minor accidents that are, according to industry and government experts, inevitable.

"In Chesapeake Bay, the southernmost limit of the soft clam's distributional range, the threat of oil pollution is particularly ominous. . . . Any additional stress acting in concert with adverse natural conditions could cause calamitous mortalities."

TOXIC HYDROCARBONS

Refined petroleum products often contain more low-boiling hydrocarbons than crude oil. Low-boiling hydrocarbons, which can be absorbed and stored in the fatty tissues of organisms, "are the most toxic of petroleum fractions and are acutely poisonous to man and marine animals."

(That conclusion is an argument used by advocates of a refinery also. The heavy traffic of tankers carrying more toxic refined petroleum along the bay would be reduced significantly if the area had its own refining capability, they argue.)

The discovery of major oil fields in the North Sea off Scotland offers a case study of the potential impact of onshore development and alternative ways to meet it.

In essence, the Scottish national and local governments agreed on the necessity of development and change in the region. Parliament granted the local government extensive planning and fiscal powers. The Zetland County Council, the local governing body, imposed a stiff $4.8 million annual "disturbance" tax on the oil companies and joined with the companies in a nonprofit corporation to regulate pipelines built in the area.

The County Council has imposed some stiff restrictions on the industry. Onshore facilities have been centralized and companies are required to share them, to prevent industrial sprawl. The council is considering requirements that further expansion be underground or piggy-back, atop existing development facilities. The council retains its corporate voting power to prevent companies from skirting the regulatory statutes.

ECONOMIC UPHEAVAL

County regulation has not been able to stop the upheaval in the traditional economy of the Scottish towns, however. As B. F. Wishart, editor of the Shetland Times, observed:

"Shops have closed for lack of staff, milk deliveries have ceased, bread is being imported because bakeries have closed and it is virtually impossible to find a tradesman willing to undertake repairs and maintenance, as the small firms have either lost their staff to the main contractors or are themselves engaged in oil-related work."

The Scottish option of dealing with offshore oil development is not available in this country because of the lack of agreement between federal and local government over the necessity of drilling. Worcester county, the state's only oceanfront jurisdiction, is on record as opposing anything connected with oil exploitation.

The lack of co-operation among units of government in the United States also stems in large measure from the close ties between the federal agencies regulating offshore drilling and the oil companies. These ties preclude the delegation of authority to state or local agencies.

CONDOMINIUM PROBLEMS AND ABUSES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. ROSENTHAL. Mr. Speaker, the Department of Housing and Urban Development today began hearings on condominium problems and abuses as a result of my amendment to the Housing and Community Development Act of 1974, which called for such a study. These hearings—and the 6-month HUD study of which they are a part—represent the Federal Government's first serious attempt to examine the many abuses of the housing phenomenon known as the condominium boom. Although that boom has been slowed temporarily by the Nation's economic difficulties, the trend will continue and even accelerate.

Problems associated with condominium purchases and conversions are potentially among the most pressing consumer problems in the Nation. Thousands of individuals have been mislead or defrauded in their purchase of a condominium and, in the case of conversions from rental units to condominium ownership, many persons—some of them elderly and poor—have been dispossessed and unable to find decent substitute housing.

Unless strong remedial action is taken, abuses surrounding condominium sales and conversions will become a far greater national scandal than the rash of interstate land sale frauds that swept the country several years ago.

In my own congressional district in Queens, N.Y., hundreds of prospective condominium purchasers in a development known as Village Mall Townhouses are on the verge of losing more than a half million dollars in deposits because of the possible insolvency of the developer. And 5,000 families in rental apartment developments known as Fresh Meadows and Windsor Park have been living under the threat of a financially ruinous condominium conversion.

Reliable information on the problems and abuses of condominium ownership and conversion are difficult to come by. In pulling together data last June for the amendment to the Housing and Community Development Act, which mandated this HUD study, I was astonished to learn that it was virtually impossible to get reliable information about the condominium situation from the Department of Housing and Urban Development—ostensibly the Nation's leading authority on housing matters.

It has been predicted that within the next 20 years, half the population may be living in condominiums. The shift to condominiums is particularly acute in New York City and other urban and suburban areas where new condominium building and conversion of rental units are rapidly displacing multifamily rental apartments. According to the National Association of Home Builders and the U.S. Census Bureau, more new condominium units will have been built in 1973 and 1974—461,000—than were built in the entire 20-year period from 1950 to 1970. In the New Yory City area between 1950 and 1970, 116,000 new condominium units were constructed. The median family income of those owning condominiums and coops in New York in 1970 was $14,000—a figure that is much higher today due to the rapid increase in the cost of living. Unfortunately, there are no reliable statistics and hardly any reliable estimates on the number of condominium conversion taking place across the Nation.

Mr. Speaker, while there are endless reports of deceptive and fraudulent practices associated with condominium purchases—such as loss of deposits, inadequate disclosure, understated upkeep fees, misleading advertising, and lack of ownership of key recreational and maintenance facilities—it is in the area of condominium conversions and the dislocation of existing renters where the greatest and perhaps the most personally tragic abuses take place.

Apart from the psychological stress caused by a forced move from an apartment home one may have rented and maintained for many years, the financial burden can be staggering even to middle-income families. According to the American Movers Conference, a typical intracity move in New York City and other large metropolitan areas runs between $240 and $300. Together with other costs, a forced move can wipe out the savings of most poor and many middle-income families.

It is becoming increasingly clear that condominium construction and conversions are shrinking the availability of decent rental housing. Accordingly, the continuing and even accelerating trend toward condominium sales and conversions has enormous long-range implications for the U.S. housing policy.

That is why it is distressing to me that it took a congressionally mandated study to stimulate HUD into coming to grips with the human and public policy implications imposed by the condominium boom. Until now, not only has HUD lacked the vital statistical information necessary to public-policy decisionmaking, but its "consumer" information publications on the subject, while they cite a few warning signals, merely describe the nature of condominium ownership or promote its alleged advantages.

It is my understanding that HUD has already awarded a contract to a private consulting firm for a comprehensive examination of the implications of the condominium situation. It is obviously essential that this study be accurate, objective, and comprehensive.

The Department's "background statement" to prospective contractors as contained in its "request for proposal," raises some serious questions about HUD's objectivity and the objectivity of the pending study. A portion of the "background" statement reads as follows:

Although it is believed that the majority of condominium and cooperative projects are well run and cause few problems, the Department of Housing and Urban Development wishes to obtain complete information on the nature and extent of the difficulties or abuses which may be occurring. . . .

I do not believe that that kind of statement to prospective contractors is consistent with the kind of objective and serious study that the situation demands. Moreover, while I believe that the parameters of the HUD study are reasonably complete, I would like to call attention to what I regard as some serious inadequacies and loopholes in the areas to be studied.

First. The Department's "request for proposal" fails to make mention of the need to develop information on the financial stability and solvency of developers. Newspaper and other reports available to me indicate that there are often serious questions about the financial reliability of condominium entrepreneurs.

Second. The contract fails to deal with the issue of "sweetheart" agreements between developers and lending institutions. Serious questions have been raised in my own congressional district about whether financial institutions require adequate collateral from condominium developers. In fact, tomorrow I am meeting with officials of the Federal Reserve System and Home Loan Bank Board to discuss the matter.

Third. No measure is to be taken of the psychological impact of condominium conversions on the elderly and other displaced persons. The "human factor" in condominium conversions is of an importance equal to the financial situation.

Fourth. An assessment of State and local condominium and cooperative regulations, not called for in the HUD study, would be highly desirable.

Mr. Speaker, many of our colleagues in the House have already been convinced of the need for substantive Federal protections in the area of condominimum sales and conversions. Along with 33 colleagues, I have recently introduced H.R. 2347, the Condominium and Tenants Rights Act of 1975. Similar legislation has been introduced in the Senate. This legislation provides for broad protections for prospective purchasers of condominiums and for those tenants of rental apartments who would be displaced by condominium conversions. It is my hope and expectation that the HUD study will provide objective and comprehensive information to the Congress and the public so that we can be in position to legislate public policy in the broad public interest.

CLEARLY MARKED PRICES ARE A NONNEGOTIABLE CONSUMER RIGHT

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. FORD of Tennessee. Mr. Speaker, I am today introducing legislation which would amend the Fair Packaging and

Labeling Act to require that packaged consumer commodities be labeled to show their selling price.

This legislation is of immediate concern to every consumer because of the recent introduction and use of the Universal Product Code in several major supermarket chains in the United States. The UPC is a coding system which marks each individual product with a symbol composed of a series of bars of varying widths and a numerical code. The price is listed on the shelf below the product and not on the product itself. During checkout, the customer's purchases are passed over a scanner built into the checkstand. The scanner registers the symbol and retrieves the product name and price from the store computer. This information is then printed on the customer receipt tape.

Research and development of the computerized checkout stand are already accomplished fact. By the end of this year over 30 major supermarket chains will be testing the new scanners and within the next 5 years they will be commonplace. Over 50 percent of all supermarket products are already coded. My objections are not with the advent of the new technology which the UPC represents. I do not doubt the systems' potential efficiency. I am concerned, however, that we make clear to those testing and implementing the UPC that clearly marked prices on all packaged products sold are a nonnegotiable right of all consumers.

There are serious implications in the loss of product price marking under the UPC system. For the consumer, the cash register slip will be the only information available on product prices once the shopper leaves the store premises. While shopping, a consumer will be unable to make even a rough estimation of the total cost of the products which are being collected in the basket. In addition, comparison shopping from one aisle to the next or from one shopping day to another will be virtually impossible. There is also the obstacle of checking the accuracy of the computer terminal in registering the code since the shopper would be required to remember the shelf price of each product in the basket. Some supermarket chains are gratuitously making available grease pencils to those customers who wish to mark their own purchases before checking out.

Furthermore, as many consumer organizations have already pointed out, consciousness of food costs and price rises come in great part through constantly noticing prices on food packages stocked at home. This educational tool would be lost with the elimination of price marking.

Some supermarket chains have argued that if price marking is made mandatory there would be no incentive to proceeding with the UPC system. This objection has been countered by the very firms which actually produce the scanners. They estimate the difference in savings between eliminating price marking and retaining it that an individual store will enjoy is approximately $225 a week. The store should still gain $23,000 in annual savings through other advantages the UPC will present. I submit that $225 a week is not too high a price to pay to retain such a basic consumer privilege.

PUBLIC BROADCASTING TO CONFRONT MENTAL HEALTH MYTHS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. HEINZ. Mr. Speaker, a serious national problem is plaguing society. It debilitates some people temporarily and some people permanently. It disrupts homes and careers, ruins relationships and can totally destroy the individual victim. Its cost in suffering is beyond measure and its cost to the American people in dollars and cents is $20 billion a year.

It is the country's mental health problem and today, it touches 1 out of 10 Americans.

Mr. Speaker, over the past decade a quiet revolution has been occurring in the treatment of the mentally ill. It is estimated that in 1975, over 1,400,000 patients will receive care in their communities through community mental health centers. In part, as a result of the growing number of community mental health centers, the census of State mental hospitals is decreasing—they decreased in 1973 alone by 9 percent—or some 30,000 patients.

The administration has not asked for additional community mental health funds in the 1976 budget. This failure to develop new federally funded community mental health centers is tragic, considering the need for 1,500 established national community mental health centers. So far only 600 community mental health centers have begun operations with the assistance of this fine Federal-State-local partnership.

Unfortunately that still leaves 60 percent of the Nation without the services of this outstanding program. That is why on January 14, I introduced H.R. 501, the Community Mental Health Centers Amendments of 1975. My bill would expand and improve this fine program so we could eventually provide community-based mental health services to each American who needs them.

We must continue to fight for community-based mental health care. But beyond the advances resulting from the community mental health movement, much more remains to be done. This is particularly true of the need for a better public understanding of mental illness and its victims.

Unfortunately, mental and emotional diseases are still considered by many to be a taboo subject. But it is a subject that must be dealt with. I am very pleased to note that public television is attempting to do just that.

On March 31, a new public television series on mental health will premiere. The series, called "The Thin Edge," is being produced by WNET's science program group in New York and will attempt to deal with many of the myths and misconceptions surrounding mental health.

"The Thin Edge," made possible by an $850,000 grant from Bristol-Myers Co., will be five 60-minute programs carried by Public Broadcasting Service—PBS—nationally on a bimonthly basis.

According to the executive producer, David Prowitt, the specials will explain normal and abnormal behavior in the areas of depression, aggression, guilt, anxiety, stress and sexuality.

In essence, "The Thin Edge" will seek to help Americans recognize their natural emotions and effectively deal with them before it is too late—before they cross the thin line into the area of serious mental illness.

It is hoped that following each documentary, each public television station will broadcast its own "followup" program for its community, handle incoming calls and questions from viewers, and assist its region in launching mental health projects.

"The Thin Edge" is a prime example of what public broadcasting is doing to inform and assist our people. Admirably, more than 75 mental health and civic organizations in the United States have taken a special interest in the series and are supporting its efforts. Among these organizations are the National Association of Mental Health, the National Institute of Mental Health, the American Psychological Association, and the President's Committee on Mental Retardation.

It is my hope that "The Thin Edge" will stir a significant response among the American public to encourage men and women to tackle the mental health problems in their communities.

THE 57TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. DERWINSKI. Mr. Speaker, Sunday, February 16, will mark the 57th anniversary of the declaration of independence of a small nation on the Baltic Sea. On this date in 1918, the Republic of Lithuania was created. This nation, which for over a century has been held captive by the Russian Empire, has steadfastly maintained its courageous resolve for the rights of freedom and privileges of self-determination.

I am pleased to join with my colleagues as well as all Americans of Lithuanian origin and descent in commemorating the independence of once-free Lithuania. Tragically, the freedom-loving people now living in Lithuania are unable to join in celebrating this auspicious occasion, as they are forced to live in bondage under the ruthless tyranny of the Soviet Union.

In the short 22 years that it enjoyed independence, Lithuania made great progress. However, the enjoyment of liberty was brutally cut off in 1940, when the Soviet Union forcefully annexed that Republic with its Union of Soviet Socialist Republics, an incorporation which has never been recognized by the United States. The country was a battleground throughout World War II, first occupied by the Nazis and then returning to Communist domination after the war.

Well over a million people of Lithuanian background live in the United States, approximately 200,000 of them in Illinois. Many of them came to America after their native land had been occupied by Soviet troops. Thousands of others fled from Lithuania to other lands and still other thousands have been sent to Siberia and elsewhere by the tyrants in the Kremlin. It is estimated that in just one brief period alone, June 15–21, 1940, 45,000 of her people lost their lives or were deported.

Despite their long suffering under the harsh yoke of communism, no amount of repression has succeeded in stifling the Lithuanians' inate yearning for and constant hope for sovereignty and individual freedom. No better example of this can be shown than the frantic attempt by the Lithuanian seaman, Simas Kudirka, as he escaped from Soviet bondage onto a U.S. Coast Guard vessel. Kudirka was forcibly returned to Soviet custody, but was released from Soviet imprisonment last year after having served nearly 4 years of his 10-year sentence for "treason."

Romas Kalanta, who gave his life in a public demonstration against the repression and tyranny of the U.S.S.R., brought forth an eruption of national spirit, proving that Lithuania still strives for the precious freedom it once enjoyed.

Periodically stories of persecution and suppression of human rights break through the Soviet curtain. But we may be sure that there are many such violations which do not become known publicly.

As a result of migrations, deportations, repopulation from other sections of the Soviet Union, over half of the people now living in Lithuania are unable to speak Lithuanian. What makes this so tragic is that Lithuanian is the oldest living language in all Europe. Not only their language, but their right to educate their children to the cultural heritage of Lithuania has been oppressed by the Communist doctrine.

As we are painfully aware, the Soviet Union halted the growth of independence and free existence of human rights. There is no indication that persecution or religious suppression in Lithuania is abating; it is compounded by official Kremlin denial of the existence of the Roman Catholic Church, which has played an important role in Lithuanian history and is symbolic of Lithuanian nationhood.

I have introduced House Concurrent Resolution 11, which concerns recognition by the European Security Conference of the Soviet Union's illegal occupation of Estonia, Latvia, and Lithuania. The U.S. policy of nonrecognition of this forcible annexation reinforces Lithuanians in their determination to await national independence and free existence of human rights. The right of self-government in a free and open society, the very cornerstone upon which our society is founded, has been denied these peace-loving people.

On this occasion, we should reaffirm our commitment to those Baltic nations still struggling for independence. The eventual restoration of self-determination for Lithuania, as well as Estonia and Latvia, must be an objective of freedom-loving people throughout the world.

LITHUANIAN ANNIVERSARY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MOAKLEY. Mr. Speaker, on February 16 Lithuanians and people of Lithuanian descent all over the world will celebrate the 57th anniversary of the establishment of the Republic of Lithuania. For 20 years, the Lithuanian Republic enjoyed a democratic government, a stable economy and a flowering of national culture.

Tragically, however, this year Lithuanians will celebrate the spirit of the Republic only. In 1940, the Soviet Union occupied Lithuania and imprisoned its Government officials and many of its non-Communist citizens. This brave Republic is still under Soviet Union oppression. The United States did not recognize the incorporation of Lithuania into the Soviet Union. I have supported and will continue to support any attempts to bring this matter before the United Nations.

Mr. Speaker, I would like to insert at this time a statement by the Lithuanian-American Community of the U.S.A.

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the spirit of Detente, which should foster Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

BALANCE NEEDED IN NUCLEAR ENERGY DEBATE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. ROSENTHAL. Mr. Speaker, 31 Members of Congress and 5 citizen groups are joining me today in appealing to the Nation's 7,000 radio and television broadcasters to provide air time for critics of nuclear power in an effort to balance the multimillion-dollar promotional campaigns of industry and government.

Recent developments lend special urgency to this appeal. In his state of the Union address last month, President Ford announced a goal of 200 nuclear power stations in the next decade. Just a few days later, on January 29, 23 of the Nation's 52 licensed nuclear powerplants were ordered shut down for safety inspections.

The Nation is on the verge of making major energy decisions that will affect our well-being for years to come, yet the scientific and environmental critics have not had an adequate or equal opportunity to make their case to the American public.

For years the nuclear industry and the Government have spent millions of dollars selling nuclear power. This year alone, the Atomic Energy Commission and its successor agency, the Energy Research and Development Administration, are spending over $2.3 million on public information campaigns designed to sell nuclear power. The industry is spending several times that amount—we asked for precise figures but they refused—for advertising and promotion of nuclear power, with emphasis on 30- and 60-second broadcast spots.

In addition, the Atomic Industrial Forum, the nuclear industry's tax-exempt so-called educational arm, is planning to spend over $1.3 million this year on influencing members of Congress, Federal and State officials, the media, labor unions and others.

With the Federal Government, industrial giants like Exxon and Westing-

house, public utilities like Con Edison and pressure groups like the Atomic Industrial Forum allied on the same side, you can see why we feel the average American has not had an equal opportunity to hear the critics' side of this important issue. I feel that if the public is to make intelligent and well-informed decisions about our Nation's energy policies, the media must provide access for the many scientists, environmentalists, and consumers who question the safety and effectiveness of nuclear power.

We are asking the Nation's broadcast media to allow nuclear critics to use the format that has been so heavily used by the nuclear industry and the Government, the short 30- and 60-second spot broadcast during prime time. Public Media Center, in cooperation with several other environmental and public interest groups, has prepared a campaign of 30- and 60-second radio and television spots that will be offered to all broadcasters on the dangers of nuclear power. We consider these spots as examples of viewpoints that are not currently being aired by the media.

By the same token, in making this appeal my colleagues and I are not endorsing or rejecting the use of nuclear power—we have differing viewpoints on this issue—but we are advocating a better balance in the media on this important question.

We made a similar appeal last year in response to the multimillion-dollar advertising blitz by the oil industry. That effort was very successful, generating positive responses from over 1,000 radio and television stations nationwide.

The ability of all segments of the national community to communicate their viewpoints on important public issues is fundamental to the workings of a democracy and is assured to all by the first amendment. The U.S. Supreme Court has held that the fairness doctrine of the Federal Communications Act is designed to protect the paramount first amendment rights of viewers and listeners to be exposed to all sides of important public controversies. For this reason, we are making a good faith appeal for cooperation from the Nation's broadcasters on this crucial issue.

Legal aspects of the request for free airtime by the Members of Congress and the citizen groups are being coordinated by Media Access Project, a Washington-based public interest law firm which acts in a similar capacity in numerous fairness doctrine proceedings.

Joining the Members of Congress in appealing to the broadcasters to correct the imbalance created by many years and millions of dollars worth of nuclear promotion are Environmental Action, Friends of the Earth, Media Access Project, Public Citizen, and Public Media Center.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 7, 1975.

DEAR BROADCASTER: We are deeply concerned over the imbalance on the public airwaves created by many years and millions of dollars worth of government and industry promotion of nuclear power. Consequently, we are appealing to the nation's broadcasters to take affirmative action to assure that the public is fully and fairly exposed to all sides of this crucial issue.

Many corporate interests with large investments in nuclear technology have mounted a media campaign of 30- and 60-second messages explicitly and implicitly promoting nuclear power. The Atomic Energy Commission has conducted media campaigns, including TV spots featuring Chairperson Dixy Lee Ray, that promote the use of nuclear power as a safe, efficient and clean source of energy. This effort is being continued by its successor agency, The Energy Research and Development Administration. Government spokespersons have appeared on news and public affairs programs all over the country advocating increased use of nuclear power. Recent prime time presidential addresses on energy have advocated expanding our nuclear power facilities.

As you know, the Federal Communications Act requires broadcasters to present all responsible divergent viewpoints on controversial issues of public importance. Achieving this balance is especially crucial now since the nuclear industry and the government are spending millions of dollars to sell nuclear power as our primary energy sources for the future.

We believe it is essential that the many scientists, environmentalists and concerned citizens who question the safety and reliability of nuclear power have an opportunity to respond. The ability of all segments of the national community to communicate their viewpoints on important public issues is fundamental to the workings of a democracy and is assured to all by the First Amendment.

In addition to comprehensive exposure in news and public affairs programs, it is also important that citizens have the opportunity to communicate in the most effective format possible, the format that has been utilized so heavily by the nuclear industry—the short 30- or 60-second spot announcement broadcast during prime time.

The Supreme Court has held that the "Fairness Doctrine" is designed to protect the paramount First Amendment rights of viewers and listeners to be exposed to all sides of important public controversies. We urge you to consider how the purposes behind the "Fairness Doctrine" can be served by utilizing spot announcements such as those prepared by Public Media Center and other public interest groups to insure that the public is exposed to all sides of this controversial and critically important issue.

We urge your cooperation with their efforts and hope that you will respond favorably to their petition for public service air time.

Joining the Members of Congress sending this letter are Public Media Center, Friends of the Earth, Environmental Action, Public Citizen, and Media Access Project, a public interest law firm coordinating the legal aspects of this request.

Sincerely,

BENJAMIN S. ROSENTHAL.

Other Members of Congress signing are:

James Abourezk, U.S.S.; Bella S. Abzug, M.C.; Joseph P. Addabbo, M.C.; Jerome J. Ambro, M.C.; Herman Badillo, M.C.; George E. Brown, Jr., M.C.; Ronald V. Dellums, M.C.; and Thomas J. Downey, M.C.

Don Edwards, M.C.; Hamilton Fish, M.C.; Donald M. Fraser, M.C.; Richard H. Fulton, M.C.; Mike Gravel, U.S.S.; Michael Harrington, M.C. and Henry Helstoski, M.C.

Elizabeth Holtzman, M.C.; Edward I. Koch, M.C.; Parren J. Mitchell, M.C.; Robert Nix, M.C.; Edward W. Pattison, M.C.; Charles B. Rangel, M.C.; Frederick W. Richmond, M.C.; and Peter W. Rodino, Jr., M.C.

James H. Scheuer, M.C.; Patricia Schroeder, M.C.; John F. Seiberling, M.C.; Louis Stokes, M.C.; Burt L. Talcott, M.C.; Paul E. Tsongas, M.C.; Lester L. Wolff, M.C.; and Stephen L. Neal, M.C.

Mr. Speaker, there are four serious problem areas facing our Nation in the development of nuclear energy.

DANGER OF ACCIDENTS, FAILURE OF SAFETY SYSTEMS, AND OTHER OPERATIONAL PROBLEMS

The fission process by which energy is created is controlled by inserting and then withdrawing uranium fuel rods. If for any reason the fuel rods should fail to function, intense and uncontrolled heat would be generated. Nuclear powerplants do not explode. Instead, the reactor wall would melt down and radioactive material would be released into the atmosphere. According to the Brookhaven report commissioned by the AEC, such an excrusion could, and probably would, cause 50,000 deaths, 100,000 injuries, contaminate an area the size of Pennsylvania, and cause $17 billion in property damage.

The emergency core cooling system was designed to prevent this type of meltdown. Each time this has been tested it has failed to function. Last month's shutdown of almost half the Nation's reactors was for inspection of leaks in this system. The magnitude of a potential nuclear disaster requires a perfect technology—something mankind has never been able to develop.

INABILITY TO DISPOSE OF NUCLEAR WASTE MATERIAL—PLUTONIUM

Both industry and Government admit they have no viable solution to this problem. Plutonium is a fiendishly toxic material. A pound of plutonium, if efficiently spread around the country, would be more than enough to give lung cancer to everyone. It is the most dangerous and toxic material ever developed and it remains toxic for at least several thousand years. The waste disposal problem is a very important moral consideration: we may get some temporary convenience from nuclear powerplants but we are leaving a legacy of radioactive waste for our children and their children and hundreds of future generations yet unborn.

RISK OF SABOTAGE, THEFT OF RADIOACTIVE MATERIAL AND TERRORISM

Plutonium is the basic raw material for atomic weapons. Anyone with a working knowledge of physics and some plutonium could manufacture a Nagasaki-type bomb. In a nuclear economy, we will be transporting and storing large quantities of this deadly material. Many experts have already pointed out how easy it would be to steal a sufficient amount to literally hold the world for ransom. Most knowledgeable people agree that it is only a matter of time until we are faced with a major terrorist act involving plutonium.

INEFFICIENCY AND DISECONOMIES OF NUCLEAR POWERPLANT OPERATION

According to the AEC, until August 1974 the nuclear industry had achieved 68.1 percent availability and 56.6 percent average capacity. This is far below all other forms of generating electricity. The plants require incredible capital investments and yet have never achieved an economical level of operation. The consumer is footing the bill.

A case in point is Con Edison of New York. Its Indian Point No. 1 unit was out of service for all of 1973. Indian Point No. 2 also developed serious problems. It has been unreliable enough that the New York Times characterized the plant as on-again and off-again—June 11, 1974. On June 10, 1974, the nonavailability of the plant resulted in a major voltage reduction in the New York area. Unexpected cost, unreliability and construction delays with Indian Point No. 3 contributed to a derating of Con Edison bond issues. This led to higher interest rates and both interest and operating expenses caused the company to omit it's first quarter dividends. To raise necessary money, Con Ed sold the Indian Point No. 3 plant to the State of New York.

The AEC requires that any company operating a nuclear plant demonstrate sufficient financial solvency to operate the plant safely. Con Ed's troubles have led AEC to initiate an investigation to determine if sufficient funds are available for Con Ed to continue safe operations.

The nuclear industry, which touts perfection in safety, has been unable to efficiently operate or even keep in operation its nuclear facilities.

HOUSE OF REPRESENTATIVES—*Monday, February 17, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Preserve me, O God · for in Thee do I put my trust.—Psalms 16: 1.

O Thou who art our refuge in every age and our strength for each day, we thank Thee for the glorious history of our beloved Republic and for the heroic service rendered by men and women in our past whose devotion and sacrifice has helped to make and preserve us as a nation.

Particularly this day do we remember our first President and once again listen to the words of wisdom in his Farewell Address. We thank Thee for his courage in adversity, his fortitude in hardship, and his faith which sent him to his knees in prayer that he might learn the way to go.

May the memory of this great American strengthen the soul of America and inspire our people to rise above the difficulties and the discouragements of the present hour as they respond to the challenge to keep freedom and peace active and alive in our troubled world.

We mourn the passing of our beloved colleague, JERRY L. PETTIS. Grant unto his loved ones strength and courage for the living of these days; through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

GEORGE WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Pursuant to the order of the House of February 4, 1975, the Chair recognizes the gentlewoman from New Jersey (Mrs. FENWICK) to read George Washington's Farewell Address.

Mrs. FENWICK. Mr. Speaker, I thank the Speaker for extending me this honor.

Mrs. FENWICK read the Farewell Address as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty of propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who

can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your heart, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

When then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious of liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as the main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western*; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion; and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warning, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supporters. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to

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have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment; sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith: Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise, to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1873, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of Congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

REPRESENTATIVE ELIZABETH KEE

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, it is my sad duty to inform the House of the passing of former Representative Elizabeth Kee, who died on Saturday evening at Bluefield, W. Va.

Mrs. Kee was elected in a special election following the death of her husband, the late Representative John Kee, and was sworn in on July 17, 1951. She was reelected six times, and retired undefeated after serving in the House until January 3, 1965. She was succeeded by her son, Representative James Kee, who served in the House from Mrs. Kee's retirement until 1973. It is unique in the history of our Nation that father, mother, and son served in this body over a span of 40 years.

I will obtain time so as to enable all Members to honor Mrs. Kee for her service in the House, at a later date.

[From the Washington Post, Feb. 17, 1975]

FORMER REPRESENTATIVE MAUDE ELIZABETH KEE DIES

(By Jean R. Hailey)

Former Rep. Maude Elizabeth Kee (D-W. Va.), who succeeded her husband and in turn was succeeded by her son as a member of the U.S. Congress, died Saturday in Bluefield, W. Va. She was 75.

Mrs. Kee, who represented the Fifth District of West Virginia, won a special election to fill the unexpired term of her husband, the late Rep. John Kee, after his death in 1951.

She was re-elected six times to full terms, running unopposed in several elections. When ill health forced her to retire in 1964, she was succeeded by her son, former Rep. James Kee, who held the seat until he lost the primary in 1972.

Both Mrs. Kee and her son were well versed in the affairs of Congress before they took office. She had served as executive secretary to her husband from the time he entered Congress in 1932 until his death. Her son was her administrative assistant when she retired.

Born in Radford, Va., Mrs. Kee attended public and private schools in Montgomery County, Va., and Roanoke and in Bluefield, W. Va. She was a graduate of Roanoke Business College.

While working for her husband, who became chairman of the House Foreign Affairs Committee, Mrs. Kee once described a successful congressional secretary as a combination of "clergyman, lawyer, psychiatrist and family friend."

While holding down a full-time job, she also at one time was the author of a column, "Washington Tidbits," which was syndicated in West Virginia newspapers.

Mrs. Kee played an important role in the establishment of a noted library at the Woodrow Wilson Rehabilitation Center in Fisherville, Va.

Finding that the center, which was established to look after the education and rehabilitation of handicapped persons of all ages, had facilities for a library but no books, she started a campaign for contributions.

As a result, more than 10,000 volumes were given and many of them were autographed by the famous. Among the contributors were President and Mrs. Truman, their daughter, Margaret, Vice President and Mrs. Alben Barkley, Mrs. Woodrow Wilson, Gen. Eisenhower, Winston Churchill, J. Edgar Hoover, Gen. George Marshall and members of the diplomatic corps and of Congress.

After she was elected to Congress, Mrs. Kee was a member of the House Veterans Affairs Committee and chairman of the subcommittee on veterans' education, training and other benefits.

She continued her interest in the handicapped, working with a group of Episcopal ministers in developing a hobby project. She had been an active member of Christ Episcopal Church in Bluefield and of St. James Episcopal Church in Washington.

Mrs. Kee also at one time had been active on the Congressional Club's advisory board and was a member of the American Newspaper Women's Club. She belonged to the Daughters of the American Revolution.

In addition to her son, she is survived by a daughter, Frances; a sister, Hazel Hall Simpkins; a brother, Frank Simpkins, three grandchildren and two great-grandchildren.

PERMISSION FOR MEMBERS TO REVISE AND EXTEND IN BODY AND IN EXTENSIONS OF REMARKS

Mr. O'NEILL. Mr. Speaker, without its being considered a precedent, I ask unanimous consent that all Members who desire to do so may have permission to revise and extend their remarks and include extraneous material in the RECORD following the reading of George Washington's Farewell Address and also in that portion of the RECORD entitled "Extensions of Remarks."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDERS GRANTED FOR TODAY PUT OVER UNTIL TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that any special orders granted for today be put over until tomorrow, to be called before any special orders previously granted for February 18.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ROLLCALL VOTES ON TUESDAY, FEBRUARY 18, POSTPONED UNTIL WEDNESDAY, FEBRUARY 19

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that all rollcall votes on Tuesday, February 18, except those concerning procedural matters, be postponed until Wednesday, February 19, and be considered as unfinished business on that day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

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PUBLICATION OF RULES OF THE COMMITTEE ON SMALL BUSINESS OF THE HOUSE OF REPRESENTATIVES

Mr. EVINS of Tennessee. Mr. Speaker, pursuant to clause 2(a)(3) of rule XI of the U.S. House of Representatives, I submit for publication in the CONGRESSIONAL RECORD a copy of the rules of the Committee on Small Business as approved by the Committee on Thursday, February 6, 1975:

RULES OF THE COMMITTEE ON SMALL BUSINESS OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES, 94TH CONGRESS, 1975–76

(Adopted February 6, 1975.)

INTRODUCTION

The following are the Rules of the Committee on Small Business of the House of Representatives for the 94th Congress adopted by the Committee on Small Business.

These Rules are in conformity with the requirements of the Legislative Reorganization Act of 1970 (P.L. 91–510); the Legislative Reorganization Act Amendment of 1971 (P.L. 92–136); H. Res. 988 (93d Cong., 2d Sess.) adopted October 8, 1974, as amended by H. Res. 5 (94th Cong., 1st Sess.) adopted January 14, 1975; and the Rules of the House of Representatives of the United States for the 94th Congress.

RULE 1—RULES OF THE HOUSE

The Rules of the House of Representatives shall be the Rules of the Committee on Small Business so far as applicable, except that a motion to recess from day to day is a motion of high privilege in the Committee and its subcommittees.

RULE 2—USE OF TERMS

Except where the terms "Full Committee" and "Subcommittee" are specifically referred to, the following rules shall apply to the Committee on Small Business and its subcommittees, as well as to the respective Chairmen.

RULE 3—COMMITTEE JURISDICTION

The Committee shall have jurisdiction over all bills, resolutions and other matters relating to (1) assistance to and protection of small business, including financial aid; and (2) participation of small business enterprises in Federal procurement and Government contracts.

In addition to the aforestated legislative jurisdiction, the Committee shall have general and special oversight functions as hereinafter provided in Rule 4, and additional functions as hereinafter provided in Rule 5.

RULE 4—OVERSIGHT RESPONSIBILITIES

(A) In order to assist the House in—

(1) its analysis, appraisal, and evaluation of (a) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (b) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications of or changes in those laws, and of such additional legislation, as may be necessary or appropriate,

the Committee shall have oversight responsibilities as provided in paragraph (B).

(B) The Committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within its jurisdiction, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Committee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within its jurisdiction (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within its jurisdiction.

(C) The Committee shall have the function of reviewing and studying on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdiction.

(D) The Committee shall have the function of studying and investigating, on a continuing basis, the problems of all types of small business.

RULE 5—ADDITIONAL FUNCTIONS

(A) The Committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purpose of this paragraph a Government agency includes any department, agency, establishment, wholly owned Government corporation, or instrumentality of the Federal Government or the government of the District of Columbia.

(B) The Committee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program should be modified so that appropriations therefor would be made annually.

(C) The Committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(D) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the Committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(E) The Committee, when directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process, shall promptly make such determinations and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

RULE 6—PROCEDURE

(A) The Committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities and to incur expenses (including travel expenses) in connection therewith.

(B) The Committee is authorized to have printed and bound testimony and other data presented at hearings held by the Committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of a committee shall be paid from the contingent fund of the House. Hearing records shall be published within 30 days and reports within 60 days after hearings are completed.

(C) The Committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on its activities under this rule and Rule X of the House during the Congress ending at noon on January 3 of such year.

RULE 7—COMMITTEE MEETINGS

(A) The full Committee shall meet on the second Tuesday of each month at 9:30 a.m. in the Committee Hearing Room—2359 Rayburn Building, for the consideration of any bill or resolution pending before the Committee or for the transaction of other Committee business except when the House is in adjournment or in recess. In the temporary absence of the Chairman at any meeting of the Committee, the ranking Member of the majority party on the Committee who is present shall preside at that meeting.

(B) The Chairman of the full Committee may call and convene, as considered necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business, and written notices of such meeting shall be dispatched to each Member. The Committee shall meet for such purpose pursuant to that call of the Chairman.

(C) If at least three Members of the Committee desire that a special meeting of the Committee be called by the Chairman, those Members may file in the offices of the Committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the Members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the Committee shall notify all Members of the Committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(D) The Committee shall keep a complete record of all Committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall vote shall be made available by the Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

(E) All Committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as Chairman of the Committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

(F) The Chairman of any subcommittee may call and convene, as considered necessary, meetings of the subcommittee and hold hearings for the consideration of any bill or resolution pending before or referred to the subcommittee or for the conduct of other subcommittee business under its jurisdictions. Written notices of such meetings shall be dispatched to each Member of the Subcommittee and the subcommittee shall meet for such purpose pursuant to the call of the subcommittee chairman. Such meetings and hearings shall be scheduled after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full Committee and subcommittee meetings or hearings wherever possible.

RULE 8—FUNCTIONS AND RESPONSIBILITIES OF CHAIRMAN

(A) The Chairman, after consultation with Majority Members, shall establish and define the jurisdiction of subcommittee and, after consultation with the Ranking Minority Member, schedule Committee meetings and hearings and the subject matter thereof, or approve any matter to be studied or investigated by the Committee.

(B) The Chairman shall designate Chairmen and Majority Members of Subcommittees pursuant to Rule M V of the Democratic Caucus Manual, assign and define the studies or investigations to be undertaken by them, and make such changes therein as he deems advisable and appropriate prior to the commencement of such studies or investigations. Appointment of Minority Members to Subcommittees shall be made in accordance with nominations submitted by the Ranking Minority Member of the Committee.

(C) The Chairman presiding at any hearing is responsible for the preservation of order, decorum and propriety of the proceedings in all respects.

(D) The Chairman shall have such additional functions, responsibilities, and powers as are contained in other portions of these Committee Rules, in the Rules of the House, in the laws and statutes in force, and such incidental authority as may be necessary to act as Chairman.

RULE 9—ESTABLISHMENT OF SUBCOMMITTEES

(A) There are hereby established the following subcommittees with their jurisdictions:

Subcommittee on SBA and SBIC Legislation

This Subcommittee shall be responsible for legislation affecting the operations of SBA—the Small Business Act, the Small Business Investment Act, as well as other legislation referred to the Committee by the Speaker.

Subcommittee on Energy and Environment

This Subcommittee shall be responsible for oversight, investigation and review of all problems affecting small business arising from matters concerning energy and the environment; jurisdiction would include marketing of petroleum products, transportation of petroleum products, review of natural gas and synthetic fuel development, coal, nuclear energy, petrochemical matters, and environmental problems.

Subcommittee on Government Procurement and International Trade

This Subcommittee shall be responsible for oversight, investigation and review of all problems affecting small business relating to government procurement, as well as the problems of small business in international trade; jurisdiction would include procurement under regular government procurement programs, Small Business Act 8(a) procurement by SBA, set-asides, subcontracting, renegotiation of government contracts, and government regulations involving small business procurement problems.

Subcommittee on SBA Oversight and Minority Enterprise

This Subcommittee shall be responsible for the investigation and review of SBA operations and of matters affecting minority business enterprise.

Subcommittee on Activities of Regulatory Agencies

This Subcommittee shall be responsible for oversight, investigation and review of all problems affecting small business relating to concentration, monopoly and other matters involving regulatory agencies; jurisdiction would include unfair and deceptive trade practices, advertising techniques, credit regulation, monopolistic practices, and antitrust and anticompetitive practices.

Subcommittee on Commodities and Services

This Subcommittee shall be responsible for oversight, investigation and review of all activities affecting small business concerning products, commodities, and services except for matters relating to energy; jurisdiction would include services industry problems, product and commodities problems, grain marketing and transportation, freight forwarding and customs brokerage, franchising, red tape and paperwork burdens of small business, and similar matters.

(B) The full Committee Chairman may, in his discretion, establish such additional subcommittees as he deems appropriate, but any such subcommittee so established shall be only on an ad hoc and temporary basis.

(C) Each subcommittee of the Committee is a part of this Committee and is subject to its authority and direction and to its rules.

A Subcommittee shall not hold hearings or undertake any study or investigation of a matter not assigned to it.

(D) There shall be appointed to each standing Subcommittee at least two Members of the Minority Party, and all appointments of Minority Members shall be made in accordance with nominations submitted by the Ranking Minority Member of the Committee.

(E) Party representation upon each standing Subcommittee shall have the same numerical ratio as Party representation on the full Committee.

RULE 10—COMMITTEE STAFF

(A) Professional Staff.

(1) The full Committee, by majority vote, may authorize the appointment of not more than eighteen professional staff members. Each such staff member shall be appointed by the Chairman.

(2) Whenever a majority of the Minority Party Members so request, not more than six persons may be selected, by majority vote of the Minority Party Members, for appointment as professional staff members from among the number authorized by paragraph (1) of this Rule, whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the Minority Party Members may select other persons for appointment to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such Committee business as the Minority Party Members of the Committee consider advisable.

(3) The professional staff members of the Committee—

(a) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

(b) shall not engage in any work other than Committee business; and

(c) shall not be assigned any duties other than those pertaining to Committee business.

(4) Services of the professional staff members of the Committee may be terminated by majority vote of the full Committee.

(B) Clerical Staff.

(1) The clerical staff of the Committee shall consist of not more than twelve clerks to be appointed by the Chairman of the full Committee. The clerical staff shall be appointed without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions. Such clerical staff shall handle Committee correspondence and stenographic work on matters related to Committee business.

(2) Whenever a majority of the Minority Party Members of the Committee so request, four persons may be selected, by majority vote of the Minority Party Members, for appointment by the Ranking Minority Member to positions on the clerical staff from among the number of clerks authorized by paragraph (B)(1) whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the Minority Party Members may select other persons for appointment to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this paragraph shall handle Committee correspondence and stenographic work on matters related to Committee business.

(3) Services of the clerical staff members of the Committee may be terminated by majority vote of the full Committee.

(C) Salaries.

Each employee on the professional staff, and each employee on the clerical staff of the Committee, is entitled to pay at a single per annum gross rate, to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code.

(D) Nonpartisan Staff.

Notwithstanding paragraphs (A)(2) and (B)(2) of this Rule, the Committee may employ nonpartisan staff, in lieu of or in addition to Committee staff designated exclusively for the Majority or Minority Party, upon an affirmative vote of a majority of the Members of the Majority Party and a majority of the Members of the Minority Party.

(E) Consultants.

The Chairman of the full Committee, with the approval of the Committee on House Administration, may contract for the services of individual consultants and others, as provided under the terms of section 303 of the Legislative Reorganization Act of 1970 (Public Law 91–510) and other provisions of the law, to make studies or advise the Committee with respect to any matter within its jurisdiction.

(F) Staff Title Designations.

The Chairman of the full Committee shall designate such titles for members of the professional staff, clerical staff, nonpartisan staff, and consultants, as are indicated of their respective duties and as he may deem appropriate. The Minority Party professional and clerical staffs may be designated with such titles as the Ranking Minority Party Member of the Committee may recommend to the Chairman as being appropriate.

(G) Staff Administration.

Duties and responsibilities of staff members shall be performed and staff personnel affairs and day to day operations shall be administered under the direct supervision and control of the Executive Director, who shall be responsible for providing timely, effective and economical staff services to the Committee and its Subcommittees.

RULE 11—HEARINGS AND MEETINGS PROCEDURES

(A) Open meetings and hearings.

(1) Each meeting for the transaction of

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business, including the markup of legislation, of the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however*, That no person other than Members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not aply to open Committee hearings which are provided for by subparagraph (2) of this Rule, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however*, That the Committee or Subcommittee may by the same procedure vote to close one subsequent day of hearing.

(3) The Committee shall make public announcement of the date, place, and subject matter of any hearing at least one week before the commencement of the hearing. If the Committee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly sent for publication in the Daily Digest of the Congressional Record.

(4) The Committee shall, insofar as is practicable, require each witness who is to appear before it to file with the Committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

(5) No point of order shall lie with respect to any measure reported by the Committee on the ground that hearings on such measure were not conducted in accordance with the provisions of this paragraph; except that a point of order on that ground may be made by any Member if, in the Committee, such point of order was (a) timely made and (b) improperly overruled or not properly considered.

(B) Quorum.

A majority of the Members of the Committee or any Subcommittee thereof shall constitute a quorum for the transaction of Committee or Subcommittee business, except that two or more shall constitute a quorum for the purpose of the taking of evidence, including sworn testimony.

(C) Proxies.

A vote by any Member of the Committee or any of its subcommittees by proxy is permitted, provided that such proxy shall be in writing, and delivered to the Clerk of the Committee, shall assert that the Member so voting by proxy is absent on official business or is otherwise unable to be present at the meeting of the Committee or its subcommittee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(D) No meetings during House Five-Minute Rule.

Neither the Committee nor any of its Subcommittees may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

(E) Calling and interrogation of witnesses.

(1) Whenever any hearing is conducted by the Committee upon any measure or matter, the Minority Party Members on the Committee shall be entitled, upon request to the Chairman by a majority of them before the completion of the hearing, to call witnesses selected by the Minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(2) The Committee shall apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each Member of the Committee who so desires has had an opportunity to question each witness.

(F) Investigative hearing procedures.

(1) The Chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the Committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purposes of advising them concerning their constitutional rights.

(4) The Chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the Committee may cite the offender to the House for contempt.

(5) If the Committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

(a) receive such evidence or testimony in executive session;

(b) afford such person an opportunity voluntarily to appear as a witness; and

(c) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the Chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee.

(8) In the discretion of the Committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee.

(G) Reporting bills and resolutions.

(1) It shall be the duty of the Chairman of the full Committee to report or cause to be reported promptly to the House any measure approved by the Committee and to take or cause to be taken necessary steps to bring the matter to vote.

(2) In any event, the report of the Committee on a measure which has been approved by the Committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the Committee a written request, signed by a majority of the Members of the Committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the Committee shall transmit immediately to the Chairman of the Committee notice of the filing of that request.

(3)(a) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(b) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the Committee report.

(4) The report on a measure which has been approved by the Committee shall include (i) the oversight findings and recommendations required by House Rule X(2)(b)(1) separately set out and clearly identified; (ii) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures; (iii) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the Committee; and (iv) a summary of the oversight findings and recommendations made by the Committee on Government Operations separately set out ad clearly identified whenever such findings and recommendations have been submitted to the Committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the Committee's deliberations on the measure.

(5) Each report of the Committee on each bill or joint resolution of a public character reported shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(6) If, at the time of approval of any measure or matter by the Committee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that Member, with the clerk of the Committee. All such views so filed by one or more Members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure or matter shall be printed in a single volume which—

(a) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report; and

(b) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted) are included as part of the report.

The foregoing provisions shall not preclude—

(c) the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as hereinabove provided; or

(d) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

(7) If hearings have been held on any such measure or matter so reported, the Committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House.

(H) Reports on Investigative Hearings.

The report of any subcommittee on a matter which was the topic of a study or investigation shall include a statement concerning the subject of the study or investigation, the findings and conclusions, and recommendations for corrective action, if any, together with such other material as the subcommittee deems appropriate.

Such proposed report shall first be approved by a majority of the subcommittee Members. After such approval has been secured, the proposed report shall be sent to each Member of the full Committee for his approval or his supplemental, minority or additional views. Any such additional views shall be in writing and signed by the Member and filed with the Clerk of the Committee within five calendar days (excluding Saturdays, Sundays, and legal holidays) from the date of the transmittal of the proposed report to the Members.

After the expiration of such five calendar days, the report may be filed as a House Report and any such additional views filed by one or more Members of the Committee shall be included within, and shall be a part thereof. Such report shall be printed in a single volume which—

(a) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(b) shall bear upon its cover a recital that any such supplemental, minority, or additional views are included as part of the report.

RULE 12—POWER TO SIT AND ACT

For the purpose of carrying out any of its functions and duties under this Rule and Rule X of the Rules of the House, the Committee, or any Subcommittee thereof, is authorized—

(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(B) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman of the Committee, or the Chairman of a subcommittee, may administer oaths to any witness.

RULE 13—SUBPOENA POWER

(A) A subpoena may be issued by Committee or Subcommittee in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman of the full Committee or by any Member designated by the Committee.

(B) Compliance with any subpoena issued by a Committee or Subcommittee may be enforced only as authorized or directed by the House.

RULE 14—BROADCASTING OF COMMITTEE HEARINGS

(A) Whenever any hearing or meeting conducted by the Committee is open to the public, the Chairman of the full Committee may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography (or by any of such methods of coverage), but only in accordance with the purposes, provisions and requirements of this Rule.

(B) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(C) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This paragraph is supplementary to the rule, relating to the protection of the rights of witnesses.

(D) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions or the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(E) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that Member to each other.

(F) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(G) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(H) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(I) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(J) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the Committee.

(K) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by other media.

(L) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(M) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(N) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

RULE 15—EXPENSES OF COMMITTEE

(A) The Committee may not be committed to any expense whatever without the prior approval of the Chairman of the full Committee.

(B) Travel funds authorized for the Committee under the Rules of the House are for expenses incurred in the Committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of Members of the Committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies:

(1) No Member or employee of the Committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

(2) Each Member or employee of the Committee shall make to the Chairman of the Committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier; or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. All such individual reports shall be filed by the Chairman with the Committee on House Administration and shall be open to public inspection.

PUBLICATION OF RULES OF THE COMMITTEE ON BANKING, CURRENCY AND HOUSING

Mr. REUSS. Mr. Speaker, on behalf of the Committee on Banking, Currency, and Housing, and pursuant to clause 2 of rule XI of the rules of the House, I am pleased to place in the RECORD the Committee's Rules of Procedure for the 94th Congress.

These rules were adopted in an open meeting of the committee on January 29, 1975.

On January 28, 1975, the full Democratic membership of the Committee on Banking, Currency and Housing met pursuant to rule M III A of the manual of the Democratic Caucus. Subcommittee chairmen were elected pursuant to the rules outlined in MVA of the caucus manual and subcommittee assignments were filled according to steps 1, 2, and 3 of manual rule MVB.

I am pleased also to place in the RECORD the subcommittee assignments of the Committee on Banking, Currency and Housing.

Jurisdiction and number of subcommittees, powers and duties of subcommittees, reference of legislation and other matters, party ratios on each subcommittee, and subcommittee budget and staffing were all determined and are being implemented precisely according to the terms of caucus manual rule M III A (1) through (5).

The rules and subcommittee assignments follow:

RULES FOR THE HOUSE COMMITTEE ON BANKING, CURRENCY, AND HOUSING

RULE NO. I—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committee and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under rule X of House Rules and (subject to the adoption of expense resolutions as required by rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection therewith.

(c) The committee is authorized to have printed and bound testimony and other data

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presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under rule X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO II—REGULAR AND SPECIAL MEETINGS; OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first and third Tuesday of each month while the Congress is in session. When the chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances make practicable, a written notice to that effect and no committee meeting shall be held on that day.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the 5-minute rule.

(f) (1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: Provided, however, That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a) (3) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE NO. III—RECORDS AND ROLLCALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a rollcall is demanded. The result of each such rollcall vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting. A record vote may be demanded by any three of the Members present or, in the apparent absence of a quorum, by any one member. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

RULE NO. IV—PROXIES

(a) A vote by any member in the committee or in any subcommittee may be cast by proxy, only if that member is attending another committee or subcommittee meeting on which that member serves, and where said committee or subcommittee is in a mark-up session; this shall also cover attendance of the member at Joint Conference Committees and meetings of the House and/or Joint Budget Committees. Such proxy must be in writing and in the hands of the chief clerk of the committee or the clerk of the subcommittee, as the case may be, during each rollcall in which they are to be voted. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(b) Proxies shall be in the following form:

Hon. ————,
House of Representatives,
Washington, D.C.

Dear ———: I will be attending a meeting of the ———— which is in markup session. I hereby authorize you to vote in my place and stead in the consideration of ———— and any amendments or motions pertaining thereto.

———
Member of Congress

Executed this the — day of ———, 19—, at the time of ——— p.m./a.m.

RULE NO. V

POWER TO SIT AND ACT; SUBPENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI the committee, or any subcommittee thereof, is authorized (subject to subparagraph (b) (1) of this paragraph)—

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

(b) (1) A subpena may be issued by the committee or subcommittee under subparagraph (a) (2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the members of the committee and authorized subpenas shall be signed by the chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpena issued by the committee or subcommittee under subparagraph (a) (2) may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpenaed, upon the completion of his testimony before the committee or any subcommittee, may report to the office of counsel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. If hearings are held in cities other than Washington, D.C., the witness may contact the counsel of the committee, or his represenatives, prior to leaving the hearing room.

RULE NO. VI—QUORUMS

A majority of the members of the committee shall constitute a quorum of the committee for business and a majority of the members of any subcommittee shall constitute a quorum thereof for business: Provided, That any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. VII—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify all members of the committee and the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, 100 copies of his proposed testimony and may be required to limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the majority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other material) under consideration which shall be made available immediately to all members of the committee. In addition, upon announcement of a hearing and subsequently as they are received, the chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) All other members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority. The chairman may accomplish this by recognizing two majority members to each minority member recognized.

(g) The following additional rules shall apply to investigative hearings:

(1) The chairman at any investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may review and photostat a copy of his or her testimony given at a public session or, if given at an executive session, when authorized by the committee.

RULE NO. VIII—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a) (1) It shall be the duty of the chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

(b) (1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include

(1) the oversight findings and recommendations required pursuant to the last sentence of clause 2(b) (1) of rule X of the House separately set out and clearly identified;

(2) the statement required by section 308 (a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b) (2) of rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (3) and (4) of subparagraph (c) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee or any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any such measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the Member of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both House of Congress.

RULE NO. IX—OVERSIGHT SUBCOMMITTEE

(a) In order to assist the House in:

(1) its analysis appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall in conformity with rule XV there shall be established an Oversight Subcommittee.

(b) The Oversight Subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities have responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Oversight Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake futures research and forecasting on matters within the jurisdiction of the committee. The Oversight Subcommittee shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Oversight Subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

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RULE NO. X—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing program and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7((d) of rule XIII of the House Rules.

(b) The Committee shall review, from time to time, each continuing program within its jurisdictions for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(c) The committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenver the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget in accordance with the Congressional Budget Act of 1974.

RULE NO. XI—BROADCASTING OF COMMITTEE HEARINGS

(a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of diginity, propriety, and decorum, by which committee hearings, or committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered, under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearings or other meeting or the activities of committee members in connection with that hearing or meeting or in connection with the general work of the committee or of the House; or

(2) cast discredit or dishonor on the House, the committee, or any member or bring the House, the committee, or any member into disrepute.

(d) The coverage of the committee hearings and meetings of television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause.

(e) Whenever any hearing or meeting conducted by any committee of the House is open to the public, that committee may permit, by majority vote of the committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(f) The written rules which may be adopted by a committee under paragraph (e) of this clause shall contain provision to the following effect:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of this rule, relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member of each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondent's Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

RULE NO. XII—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The chairman, in consultation with the majority members of the committee shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, for necessary travel, investigation, and other expenses of the full committee, and after consultation with the minority membership, the chairman shall include amounts budgeted to the minority members for staff personnel to be under the direction and supervision of the minority, travel expenses of minority members and staff, and minority office expenses. All travel expenses of minority members and staff shall be paid for out of the amounts so set aside and budgeted.

(b)(1) The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a budget to include funds for staff, travel, investigations, and miscellaneous expenses as may be required for the work of the subcommittee.

(2) The chairman of each subcommittee shall control the funds provided for in the subcommittee budget.

(c) The chairman shall combine the proposals of each subcommittee with the preliminary budget of the full committee into a consolidated committee budget, and shall present the same to the committee for its approval. The chairman shall then take all action necessary to bring about it approval by the Committee on House Administration and by the House.

(d) Authorization for the payment of additional or unforeseen committee and subcommittees' expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) The chairman or any chairman of the subcommittee may initiate necessary travel requests as provided in rule XIV within the limits of their portion of the consolidated budget as approved by the House and the chairman may execute necessary vouchers thereof.

(f) Once monthly, at the regularly scheduled meetings, the chairman shall submit to the committee, in writing, for its approval, or other action, a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the full committee. Such report shall show the amount and purpose of each expenditure and the budget to which such expenditure is attributed.

RULE NO. XIII—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes by the committee; provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority part staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed, and may be removed, and their remuneration determined by the chairman in consultation with and with the approval of the majority members of the committee within the budget approved for such purposes by the committee.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the minority members of the committee who may delegate such authority as they determine appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff be available to all members of the committee.

(f)(1) The chairman of each standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause 6 of the House Rule XI; provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1) and (2) and (3) shall apply to six subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to subparagraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of a majority of the majority members of the full committee, within the budget approved for the subcommittee.

(7) The professional and clerical staff of a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. XIV—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolution as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee of any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the chairman. Such prior authorization shall be given by the chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with rule VII of the committee.

(c)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the chairman, or, in the case of a subcommittee from the subcommittee chairman and the chairman. Before such authorization is given, there shall be submitted to the chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the chairman or the chairman of a subcommittee (except that individuals may submit a request to the chairman for the purpose of attending a conference or meeting).

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the chairman covering the activities and other pertinent observations or information gained as a result of such travel.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and the Committee on House Administration pertaining to such travel.

RULE NO. XV—NUMBER AND JURISDICITION OF SUBCOMMITTEES

(a) There shall be nine standing subcommittees as follows: Subcommittee on Domestic Monetary Policy; Subcommittee on Housing and Community Development; Subcommittee on Economic Stabilization; Subcommittee on Consumer Affairs; Subcommittee on International Development Institutions and Finance; Subcommittee on Financial Institutions Supervision, Regulation and Insurance; Subcommittee on International Trade, Investment and Monetary Policy; Subcommittee on General Oversight and Renegotiation; and Subcommittee on Historic Preservation and Coinage. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively.

Subcommittee on Domestic Monetary Policy

The jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all matters relating to monetary policy and agencies which directly or indirectly affect monetary policy, including the effect of such policy and other financial actions on interest rates, allocation of credit, and the structure and functioning of domestic and foreign financial institutions.

Futher, the jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all private foundations and charitable trust.

Further, the jurisdiction of the Subcommittee on Domestic Monetary Policy extends to Federal and State-chartered credit unions to the extent they are not under the jurisdiction of other subcommittees.

Subcommittee on Housing and Community Development

The jurisdiction of the Subcommittee on Housing and Community Development extends to all matters relating to housing and mortgage credit (except programs administered by the Veterans' Administration), including mortgage and loan insurance pursuant to the National Housing Act; FHA mortgage interest rates; rural housing; housing assistance programs; secondary mortgage market programs and all other activities of FNMA, GNMA, and FHLMC; private mortgage insurance; housing construction and design standards; housing-related energy conservation; housing research and demonstration programs; financial and technical assistance for nonprofit housing sponsors; counseling and technical assistance; regulation of the housing industry (including landlord-tenant relations); real estate lending powers of financial institutions (including regulation of settlement costs); and interest charges for members of the Federal Home Loan Bank System.

The jurisdiction of the subcommittee further extends to matters relating to community development and community planning, training and research, including community development block grants; urban renewal; model cities; rehabitation loans and grants; neighborhood facilities grants; open space land and urban beautification grants; water and sewer facilities grants; public facilities loans; national, urban or community development banks; advance acquisition of land programs; new communities assistance programs; national urban growth policies; comprehensive planning (including land use and areawide programs); community develop-

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ment training and fellowships; and urban research and technologies.

Further, jurisdiction of the subcommittee extends to flood insurance and related land use controls, urban property protection and reinsurance, crime insurance, and regulation of interstate land sales.

Subcommittee on Economic Stabilization

The jurisdiction of the Subcommittee on Economic Stabilization shall extend to all matters relating to financial aid to all sectors and elements within the economy, all matters relating to economic stabilization, and all defense production matters as contained in the Defense Production Act of 1950, as amended, and all related matters thereto.

Subcommittee on Consumer Affairs

The jurisdiction of the Subcommittee on Consumer Affairs shall include all matters relating to consumer credit, including those matters in the Consumer Credit Protection Act dealing with truth-in-lending, extortionate credit transactions, restrictions on garnishment, reports of the National Commission on Consumer Finance, and fair credit reporting. The jurisdiction shall further include collection practices, discrimination in the extension of consumer credit, creditor remedies and debtor defenses. Federal aspects of the Uniform Consumer Credit Code, and credit cards.

The jurisdiction of the subcommittee shall further extend to matters relating to the price of consumer goods, services, and commodities; the rationing of consumer products; and hoarding.

Subcommittee on International Development Institutions and Finance

The jurisdiction of the Subcommittee on International Development Institutions and Finance extends to all matters relating to all multilateral development lending institutions, including activities of the National Advisory Council on International Monetary and Financial Policies as related thereto; and monetary and financial developments as they relate to the activities and objectives of such institutions.

Subcommittee on Financial Institutions Supervision, Regulation and Insurance

The jurisdiction of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance extends to all agencies which directly or indirectly exercise supervisory or regulatory authority in connection with, or provide deposit or other insurance for financial or other institutions, the establishment of interest rate ceilings on deposits, and all auxiliary matters affecting or arising in connection with the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Share Insurance Fund, the Federal Home Loan Bank Board, the Federal Reserve Board and System, the National Credit Union Administration, and the Comptroller of the Currency, together with those activities and operations of any other agency or department which relate to both domestic or foreign financial institutions.

Further, jurisdiction extends to and includes, with respect to financial institutions and the department and agencies which regulate or supervise them, all activities relating to and arising in connection with the matters of chartering, branching, mergers and acquisitions, consolidations, and conversions.

Subcommittee on International Trade, Investment and Monetary Policy

The Subcommittee on International Trade, Investment and Monetary Policy shall have jurisdiction over all matters within the jurisdiction of the committee relating to international trade, including but not limited to the activities of the Export-Import Bank.

Further, the jurisdiction of the subcommittee shall extend to international investment policies, both as they relate to U.S. investments for trade purposes by citizens of the United States and investments made by all foreign entities in the United States.

Further, the subcommittee shall have jurisdiction over the International Monetary Fund, its permanent and temporary agencies, and all matters related thereto.

Subcommittee on General Oversight and Renegotiation

The Subcommittee on General Oversight and Renegotiation shall assist the House Committee on Banking, Currency and Housing in appraising the administration of the laws and regulations under the jurisdiction of the committee and present such recommendations as deemed necessary to the appropriate subcommittee(s) of the committee.

Further, the subcommittee shall exercise continuing oversight of the execution by the administrative agencies concerning any of the laws the subject matter of which reside within the jurisdiction of the committee and shall study all pertinent reports, documents and data pertinent to the jurisdiction of the committee and make the necessary recommendations or reports thereon to the appropriate subcommittee(s) of the committee.

Further, the subcommittee shall have full jurisdiction over the Renegotiation Act of 1951, as amended.

Subcommittee on Historic Preservation and Coinage

The jurisdiction of the Subcommittee on Historic Preservation and Coinage includes FHA property improvement loans under title I of the National Housing Act which can be used to finance the preservation of historic structures; community development block grant funds authorized under title I of the 1974 Housing Act which can be used to finance the acquisition and preservation of historic properties; and section 701 comprehensive planning grants to public bodies which can be used to finance surveys of historic sites and structures.

Further, the subcommittee's jurisdiction extends to all matters relating to coins, coinage, currency and medals, including commemorative coins, commemorative medals, proof and mint sets and other special coins, Coinage Act of 1965, gold and silver, including coinage thereof (but not the par value of gold), gold medals, counterfeiting, and currency denominations and designs.

(b) The committee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the committee.

(c) A member serving as chairman of any subcommittee on this committee shall not also serve as the chairman of a subcommittee on any other standing committee; Provided, however, that this provision shall not apply to members serving as subcommittee chairman on he Budget Committee; House Administration Committee; Joint Committees; or on the Small Business Committee who served as a subcommittee chairman on the Select Committee on Small Business as of October 8, 1974.

Subcommittees of the Committee on Banking, Currency and Housing

Domestic Monetary Policy

Wright Patman, Tex., Chairman; Joseph G. Minish, N.J.; Harold E. Ford, Tenn.; Mark W. Hannaford, Calif.; Stephen L. Neal, N.C.; James J. Blanchard, Mich.; William A. Barrett, Pa.; John B. Conlan, Ariz.; George Hansen, Idaho; Willis D. Gradison, Jr., Ohio.

Housing and Community Development

William A. Barrett, Pa., Chairman; Leonor K. (Mrs. John B.) Sullivan, Mo.; Thomas L. Ashley, Ohio; William S. Moorhead, Pa.; Robert G. Stephens, Jr., Ga.; Fernand J. St Germain, R.I.; Henry B. Gonzalez, Tex.; Parren J. Mitchell, Md.; James M. Hanley, N.Y.

Walter F. Fauntroy, D.C.; Lindy (Mrs. Hale) Boggs, La.; Jerry M. Patterson, Calif.; Andrew Maguire, N.J.; Harold E. Ford, Tenn.; John J. LaFalce, N.Y.; Les AuCoin, Oreg.; Thomas M. Rees, Calif.

Garry Brown, Mich.; J. William Stanton, Ohio; John H. Rousselot, Calif.; Chalmers P. Wylie, Ohio; Stewart B. McKinney, Conn.; John B. Conlan, Ariz.; Richard Kelly, Fla.; Charles E. Grassley, Iowa.

Economic Stabilization

Thomas L. Ashley, Ohio, Chairman; James J. Blanchard, Mich.; Carroll Hubbard, Jr., Ky.; John J. LaFalce, N.Y.; Leonor K. (Mrs. John B.) Sullivan, Mo.; Thomas M. Rees, Calif.; Jerry M. Patterson, Calif.; Andrew Maguire, N.J.

Gladys Noon Spellman, Md.; Paul E. Tsongas, Mass.; Fernand J. St Germain, R.I.; Stewart B. McKinney, Conn.; J. William Stanton, Ohio; Richard T. Schulze, Pa.; Willis D. Gradison, Jr., Ohio; Richard Kelly, Fla.

Consumer Affairs

Frank Annunzio, Ill., Chairman; Leonor K. (Mrs. John B.) Sullivan, Mo.; Gladys Noon Spellman, Md.; William A. Barrett, Pa.; Henry B. Gonzalez, Tex.; Walter E. Fauntroy, D.C.; Stephen L. Neal, N.C.; Chalmers P. Wylie, Ohio; Millicent Fenwick, N.J.; Charles E. Grassley, Iowa.

International Development Institutions and Finance

Henry B. Gonzalez, Tex., Chairman; Paul E. Tsongas, Mass.; Lindy (Mrs. Hale) Boggs, La.; Robert G. Stephens, Jr., Ga.; James M. Hanley, N.Y.; Thomas M. Rees, Calif.

Walter E. Fauntroy, D.C.; Gladys Noon Spellman, Md.; Carroll Hubbard, Jr., Ky.; Albert W. Jonhson, Pa.; Henry J. Hyde, Ill.; Charles E. Grassley, Iowa; Millicent Fenwick, N.J.

Financial Institutions Supervision, Regulation and Insurance

Fernand J. St Germain, R.I., Chairman; Frank Annunzio, Ill.; William A. Barrett, Pa.; James M. Hanley, N.Y.; William S. Moorhead, Pa.; Carroll Hubbard, Jr., Ky.; Wright Patman, Tex.; Stephen L. Neal, N.C.; Jerry M. Patterson, Calif.

Butler Derrick, S.C.; Thomas L. Ashley, Ohio; Walter E. Fauntroy, D.C.; Lindy (Mrs. Hale) Boggs, La.; John H. Rousselot, Calif.; Albert W. Johnson, Pa.; Chalmers P. Wylie, Ohio; Garry Brown, Mich.; Willis D. Gradison, Jr., Ohio; Henry J. Hyde, Ill.

International Trade, Investment and Monetary Policy

Thomas M. Rees, Calif., Chairman; Stephen L. Neal, N.C.; Philip H. Hayes, Ind.; Mark W. Hannaford, Calif.; James J. Blanchard, Mich.; Andrew Maguire, N.J.; Les AuCoin, Oreg.; Paul E. Tsongas, Mass.; William S. Moorhead, Pa.

Fernand J. St Germain, R. I.; Carroll Hubbard, Jr., Ky.; John J. LaFalce, N.Y.; Thomas L. Ashley, Ohio; J. William Stanton, Ohio; Garry Brown, Mich.; John B. Conlan, Ariz.; Henry J. Hyde, Ill.; Richard Kelly, Fla.; Millicent Fenwick, N.J.

General Oversight and Renegotiation

Joseph G. Minish, N.J., Chairman; Parren J. Mitchell, Md.; Butler Derrick, S.C.; Philip H. Hayes, Ind.; Henry B. Gonzalez, Tex.; Fernand J. St Germain, R.I.; Lindy (Mrs. Hale) Boggs, La.; George Hansen, Idaho; John H. Rousselot, Calif.; Stewart B. McKinney, Conn.

Historic Preservation and Coinage

Robert G. Stephens, Jr., Ga., Chairman; Gladys Noon Spellman, Md.; Frank Annunzio, Ill.; Philip H. Hayes, Ind.; Mark W. Hannaford, Calif.; Richard T. Schulze, Pa.; Albert W. Johnson, Pa.

RULE NO. XVI—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) The subcommittee chairman and the ranking minority member of the subcommittee shall be responsible for explanations, either oral or in writing, to the full committee of any bill, resolution or other matter reported to the full committee. Provided, that this shall not be construed in any way to limit the debate in full committee nor the right of any member to present his individual views.

(d) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report.

"This report has not been officially adopted by the Committee on (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(e) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed upon the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the committee shall by majority vote otherwise direct: Provided, that no bill reported by a subcommittee shall be considered by the full committee unless each member has been provided with reasonable time prior to the meeting to analyze such bill, together with a comparison with present law and a section-by-section analysis of the proposed change, and a section-by-section justification.

RULE NO. XVII—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in rule XV referred to or initiated by the full committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until 3 days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

(c) Committee reports shall be filed at such time as the committee shall determine with reasonable time allowed for members to file supplemental, individual, dissenting or other views.

(d) In carrying out rule XVII with respect to any matter, the chairman may refer the matter simultaneously to two or more subcommittees, consistent with rule XV, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter pursuant to rule X to a special ad hoc committee appointed by the chairman (from the members of the subcommittee having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. XVIII—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments: Provided, however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and provided further, that the majority party members may limit the number of subcommittee assignments of the chairman and the subcommittee chairmen and the minority party members may limit the number of subcommittee assignments of ranking minority party members in order to equalize committee workloads.

(b) On each subcommittee there shall be a ratio of at least two majority party members for each minority party member, plus one majority party member. In calculating the ratio of majority party members to minority party members, there shall be included all ex-officio voting members of the subcommittees.

(c) Following shall be the sizes and majority/minority ratios for subcommittees:

(1) Subcommittee on Domestic Monetary Policy: Total—10. Majority—7. Minority—3.

(2) Subcommittee on Housing and Community Development: Total—25. Majority—17. Minority—8.

(3) Subcommittee on Economic Stabilization: Total—16. Majority—11. Minority—5.

(4) Subcommittee on Consumer Affairs: Total—10. Majority—7. Minority—3.

(5) Subcommittee on International Development Institutions and Finance: Total—13. Majority—9. Minority—4.

(6) Subcommittee on Financial Institutions Supervision, Regulation and Insurance: Total—19. Majority—13. Minority—6.

(7) International Trade, Investment and Monetary Policy: Total—19. Majority—13. Minority—6.

(8) Subcommittee on General Oversight and Renegotiation: Total—10. Majority—7. Minority—3.

(9) Subcommittee on Historic Preservation and Coinage: Total—7. Majority—5. Minority—2.

(d) The full committee chairman, or a member designated by a majority of the majority members on the committee, shall recommend to the Speaker as conferees the names of those members (1) selected by the majority party members of the committee in a manner determined by them, and (2) selected by the minority party members of the committee in a manner determined by them. Provided, however, that recommendations of conferees to the Speaker shall provide a ratio of at least two majority party members for each minority party member, plus one majority party member.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HECHLER of West Virginia, for 1 hour, February 24, 1975, to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mr. ROUSSELOT) to revise and extend their remarks and include extraneous material:)

Mr. HASTINGS, for 5 minutes, February 18.

Mr. HASTINGS, for 15 minutes, February 19.

Mr. BAUMAN, for 15 minutes, February 18.

THE LATE HONORABLE JERRY L. PETTIS

Mr. ROUSSELOT. Mr. Speaker, it is with a heavy heart and a sense of regret that those of us in the California delegation—and our colleague, the Honorable BOB WILSON, was sorry he could not be here today—announce the passing of our good and close friend, JERRY PETTIS.

JERRY was a very devoted public servant. He gave full and total time to this job. He was always on the job when he was to be present, and we regret very much that he has left us in such a tragic way. He knew and totally studied all of his responsibilities as a Member of this House, and was a very thorough member of the Ways and Means Committee.

Prior to his service in the House of Representatives he had built many successful businesses in the private market system, and proved that the system worked, especially for the consumer.

He brought that knowledge and that capability to this House of Representatives and was able to bring that insight to the Committee on Ways and Means which plays such an important role in the House of Representatives. The Ways and Means Committee affects every single citizen of this country, and JERRY carried that responsibility with a sense of deep concern for all those affected by its actions.

JERRY PETTIS was a very fine religious man and believed thoroughly in spiritual values as an important part of life. He leaves a family rich in the tradition of those religious values. We know that it will be of comfort to Shirley and his children to be aware that these religious values will help all of them in this time of need.

The California delegation will announce at another time a special order so that others will have the opportunity to comment on their feelings about this fine public servant, JERRY PETTIS. We are well aware that he has many friends in this House and outside this Congress.

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I would like to yield to my colleague, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I appreciate the gentleman yielding.

When my office was called last Friday to advise me of the possibility of JERRY PETTIS' plane crashing, I was stunned. When the final word came to me, our worst fears had come true, and I just felt crushed, for it was just a few weeks ago that I had appointed JERRY PETTIS as my deputy whip here on the Republican side.

Since that time we have had occassion to meet frequently, making plans for the whip organization. I was counting on him so much to give us the help we desperately needed.

As the gentleman from California (Mr. ROUSSELOT) has indicated, this is not the time for extended eulogies, as most of the California delegation remained out in California at the conclusion of the Lincoln Day recess and will stay there for the funeral; but I do want to extend my unbounded sympathy to Shirley and their three children, Yvonne, Peter, and Debra.

Mr. Speaker, I should like to announce that funeral services will be held tomorrow at 1 p.m. at the University Church, Loma Linda, Calif., with burial in the Monte Cito Memorial Park.

Funeral arrangements are being handled by the Emerson-Bartlett Mortuary, 703 Brookside Avenue, Redlands, Calif.

Messages can be sent either there or in care of Dr. and Mrs. Harold McCumber, 24934 Tulip Avenue, Loma Linda, Calif. 93254.

In lieu of flowers, the family has requested that contributions be made to the JERRY L. PETTIS Veterans Hospital, Memorial Chapel Fund, Post Office Box 425, San Bernardino, Calif. 92402.

It is my understanding, Mr. Speaker, that the congressional delegation here in Washington that will be attending the funeral will gather on the House steps at 8:45 in the morning to leave for Andrews Air Force Base and to have wheels up as soon as we can and then returning to Washington very late tomorrow evening.

Mr. ROUSSELOT. Mr. Speaker, I yield to my colleague, the gentleman from California (Mr. MCFALL).

Mr. MCFALL. Mr. Speaker, all of us share the sorrow and deep regret at the passing of our colleague, the gentleman from California, Mr. JERRY PETTIS. All of us in the California Delegation will participate later in eulogies to this great man; but it should be said at this time that JERRY PETTIS' untimely death is a great loss to this House and a great loss to the country.

JERRY PETTIS at 58 years of age had many more years of remarkably competent service to give to his country. He had been a flyer in World War II, an instructor; he flew over the Hump in China. He was an inventor of remarkable capacity, a businessman, an educator, an economics professor, a man who had been a commercial flyer with the United Airlines and a principal assistant to President Patterson of United Airlines in the beginning of United's operations in this country. Here was a man who had much to give to his country, as he had given in the past.

I feel a real sense of personal loss. My wife and I went with Shirley and JERRY to China in 1973. They were a remarkable couple, with a very fine family.

Mr. Speaker, we extend our deepest sympathy to Shirley and the family.

Mr. ROUSSELOT. Mr. Speaker, I thank my colleague for his comments.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I am happy to yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, I join my colleagues in expressing at this particular time our regrets to the wife of JERRY and his family.

I knew JERRY well. He was an extremely interesting fellow with an amazing background both in the business world and as an inventor, aviator, and a loyal Member of this House. He was true to the philosophy in which he believed. No matter by what means or method we measure a man, JERRY PETTIS was a great man.

Mr. Speaker, I will enlarge upon my remarks at a later time.

Mr. ROUSSELOT. Mr. Speaker, I thank the distinguished majority leader for his remarks.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague from Ohio.

Mr. DEVINE. Mr. Speaker, I thank the gentleman from California for yielding to me, and join with the others here on the floor today in paying tribute to one of God's great people, JERRY PETTIS of California.

I was shocked to learn of the manner in which he passed away. Just the last week before our recess period I had breakfast with JERRY. We had a rather lengthy discussion about air safety and talked about ground proximity warning indicators and so forth. I never knew of a man more dedicated to safety in the field of aviation than JERRY. He was a long time commercial pilot for United Airlines and a highly successful businessman in his own right. He flew all over his district.

Mr. Speaker, I have to believe that there were some factors beyond his control which caused him to pancake into the mountain as he did on this occasion.

He made tremendous contributions to this House as well as to this country through his dedicated public service. He was an objective man, especially in analyzing the great issues before our country.

Mr. Speaker, I join the gentleman in the well and the others here in paying tribute to him, to his memory and to his family, to whom we all wish to offer our condolences.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman from Ohio for his remarks. Our colleague, Mr. DEVINE, is right when he says that JERRY PETTIS gave many hours to solving the problems of air safety.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York (Mr. CONABLE), a fellow Member with JERRY on the Ways and Means Committee.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for yielding to me.

I sat next to JERRY PETTIS on the Ways and Means Committee, and I knew him very well and admired his character and his abilities. I share in the general shock we all feel at the tragic accident that has deprived the Nation of his services.

JERRY was the kind of Congressman who did not view himself as a professional legislator, but as a man who, having benefited greatly from the rewards that our particular system could give to his energy, abilities, and ingenuity, felt that the owed his country something in return.

When JERRY ran for Congress, he was not looking for a job; he came here as a man who had been successful in everything he had done. He approached public service with absolutely the finest motivation any American citizen could have, to repay his country for permitting him to make the most of his opportunities as a private citizen.

Mr. Speaker, we have been enriched by association with this kind of man and the ideals of public service he symbolized. I deply regret his passing, and participate in a general feeling of loss that we are never going to be able to express adequately.

Mr. ROUSSELOT. Mr. Speaker, I think the gentleman from New York has stressed, as so many others have, the unusual and outstanding sense of public service that JERRY PETTIS gave to the House, to his constituents and to the whole Nation. As my colleague from New York has just mentioned, he really came here to serve, not himself, but his constituency and the entire Nation. That statement cannot be made of very many public servants.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding.

I did not have the opportunity of knowing JERRY PETTIS as long and as well as many of my colleagues, but one did not have to know JERRY PETTIS very long to know exactly what kind of a man he was, what kind of a Representative he was, and what kind of an American he was.

It has all been pretty well said, but I think one thing we could all keep in mind is that perhaps if we all just think a little bit, as I certainly have been doing since Friday, about what kind of a man he was, about what kind of a Congressman he was, and try a little bit harder to be that way ourselves, perhaps some good will come out of this tragedy.

Mr. ROUSSELOT. The gentleman is correct. It is probably the best way we can remember JERRY PETTIS, a true memorial to his good service, by doing the same thing ourselves.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Indiana.

Mr. JACOBS. I thank the gentleman for yielding.

I want to thank my colleague from California for taking this occasion to pay tribute to a decent human being whom I have known for a decade. I would sum up my impression of JERRY PETTIS by saying that he was one of the most self-disciplined human beings I have ever known, which is to say that he was economical with the resources of this world, and all of those who knew him know that he was economical with his words. He did not say a lot, but when he said something one understood what he meant and one knew a contribution had been made.

He was a decent human being, and I think that not only this body but, obviously, this country—and, really, this world—has suffered from his loss.

One can only remember the epitaph that seems to be proven again and again every time our hearts are broken this way, that only the good die young.

Mr. ROUSSELOT. I thank my colleague from Indiana.

Mr. Speaker, I offer a privileged resolution.

The Clerk read the resolution, as follows:

H. RES. 171

Resolved, That the House has heard with profound sorrow of the death of the Honorable Jerry L. Pettis, a Representative from the State of California.

Resolved, That a committee of 70 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy to the family of the deceased.

The resolutions were agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House:

Mr. MOSS, Mr. RHODES, Mr. MICHEL, Mr. BOB WILSON of California, Mr. SISK, Mr. MCFALL, Mr. JOHNSON of California, Mr. BELL, Mr. CORMAN, Mr. EDWARDS of California.

Mr. HAWKINS, Mr. LEGGETT, Mr. ROYBAL, Mr. TALCOTT, Mr. VAN DEERLIN, Mr. CHARLES H. WILSON of California, Mr. DON H. CLAUSEN, Mr. DEL CLAWSON, Mr. PHILLIP BURTON, Mr. REES, Mr. WIGGINS.

Mr. MCCLOSKEY, Mr. ANDERSON of California, Mr. GOLDWATER, Mr. ROUSSELOT, Mr. DANIELSON, Mr. DELLUMS, Mr. BROWN of California, Mr. BURGENER, Mrs. BURKE of California, Mr. HINSHAW, and Mr. KETCHUM.

Mr. MOORHEAD of California, Mr. RYAN, Mr. STARK, Mr. LAGOMARSINO, Mr. JOHN L. BURTON, Mr. HANNAFORD, Mr. KREBS, Mr. LLOYD of California, Mr. MILLER of California, Mr. MINETA, Mr. PATTERSON of California, Mr. WAXMAN.

Mr. MILLS, Mr. BURLESON of Texas, Mr. LANDRUM, Mr. VANIK, Mr. ULLMAN, Mr. BURKE of Massachusetts, Mr. KARTH, Mr. ROSTENKOWSKI, Mr. SCHNEEBELI, Mr. CLANCY, Mr. PIKE, Mr. WAGGONNER.

Mr. FULTON, Mr. GIBBONS, Mr. GREEN, Mr. CONABLE, Mr. DUNCAN of Tennessee, Mr. ESCH, Mr. RUPPE, Mr. STEIGER of Arizona, Mr. STEIGER of Wisconsin, Mr. WINN, Mr. ARCHER, and Mr. VANDER VEEN.

The Clerk will report the remaining resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 18, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

330. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement for the quarter ended December 31, 1974, pursuant to section 819 of Public Law 93-437; to the Committee on Appropriations.

331. A letter from the Secretary of Defense, transmitting his determination and certification that the Airborne Warning and Control System is cost effective and meets the mission needs and requirements of the Department of Defense, pursuant to section 101 of Public Law 93-365; to the Committee on Armed Services.

332. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend provisions of the Department of Defense Appropriation Authorization Act of 1975 which provide for the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces and for other purposes; to the Committee on Armed Services.

333. A letter from the Comptroller of the Currency, Department of the Treasury, transmitting his annual report for 1973, pursuant to section 333 of the Revised Statutes [12 U.S.C. 14]; to the Committee on Banking, Currency and Housing.

334. A letter from the Under Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to extend the Federal riot reinsurance and crime insurance programs; to the Committee on Banking, Currency and Housing.

335. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the Government of Singapore for permission to transfer certain U.S.-origin radio equipment to the Government of New Zealand, pursuant to section 3(a) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

336. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting a quarterly report for the period ended December 31, 1974, on the programing and obligation of contingency funds, pursuant to section 451(b) of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2261(b)]; to the Committee on Foreign Affairs.

337. A letter from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92-403; to the Committee on Foreign Affairs.

338. A letter from the Public Printer, transmitting the annual report of the Government Printing Office for fiscal year 1974; to the Committee on House Administration.

339. A letter from the Acting Secretary of the Interior, withdrawing the proposed distribution plans for Grand River Band of Ottawa and Cowlitz judgment funds awarded in Indian Claims Commission dockets 40-K and 218, previously submitted pursuant to section 2(a) of Public Law 93-134; to the Committee on Interior and Insular Affairs.

340. A letter from the Acting Secretary of the Interior, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Stillaguamish Tribe of Indians in docket No. 207 before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

341. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to increase the appropriation authorization relating to the volunteers in the parks program, and for other purposes; to the Committee on Interior and Insular Affairs.

342. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting a copy of the Commission's fiscal year 1975 apportionment schedule, received from the Office of Management and Budget; to the Committee on Interstate and Foreign Commerce.

343. A letter from the vice president for government and public affairs, National Railroad Passenger Corp., transmitting the annual report of the corporation for calendar year 1974, pursuant to section 308(b) of the Rail Passenger Service Act, as amended; to the Committee on Interstate and Foreign Commerce.

344. A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Antitrust Civil Process Act to increase the effectiveness of discovery in civil antitrust investigations, and for other purposes; to the Committee on the Judiciary.

345. A letter from the Chairman and members, U.S. Commission on Civil Rights, transmitting a report on the civil rights activities of the Office of Revenue Sharing of the Department of the Treasury, pursuant to Public Law 85-315; to the Committee on the Judiciary.

346. A letter from the Secretary of the Treasury, transmitting the annual report on exemptions from coastwise prohibitions for certain barges of foreign registry, pursuant to section 2 of Public Law 92-163; to the Committee on Merchant Marine and Fisheries.

347. A letter from the Secretary of Commerce, transmitting revised regulations governing yellowfin tuna purse seining using encircling gear promulgated under section 111 of the Marine Mammal Protection Act of 1972; to the Committee on Merchant Marine and Fisheries.

348. A letter from the Chairman, Marine Mammal Commission, transmitting the second annual report of the Commission, covering calendar year 1974, pursuant to section 204 of Public Law 92-522; to the Committee on Merchant Marine and Fisheries.

349. A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting the annual report for calendar year 1974 on scientific and professional positions authorized to be established in the Agency, pursuant to 5 U.S.C. 3104(c); to the Committee on Post Office and Civil Service.

350. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works and Transportation.

351. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to require that certain veterans receiving hospital care from the Veterans'

Administration for nonservice-connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care; to prohibit the future exclusion of such coverage from insurance policies or contracts; and for other purposes; to the Committee on Veterans' Affairs.

352. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes; to the Committee on Veterans' Affairs.

353. A letter from the Acting Director, Office of Telecommunications Policy, Executive Office of the President, transmitting a draft of proposed legislation to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Appropriations.

RECEIVED FROM THE COMPTROLLER GENERAL

354. A letter from the Acting Comptroller General of the United States, transmitting his review of the proposed rescissions and deferrals of budget authority and the supplementary reports revising previously proposed rescissions and deferrals contained in the message from the President dated January 30, 1975 (House Document No. 94-39), pursuant to sections 1014 (b) and (c) and 1015(b) of Public Law 93-344 (H. Doc. No. 94-50); to the Committee on Appropriations and ordered to be printed.

355. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during January 1975, pursuant to section 234 of Public Law 91-510; to the Committee on Government Operations.

356. A letter from the Acting Comptroller General of the United States, transmitting an appraisal of the special summer food program for children; jointly to the Committees on Government Operations, and Education and Labor.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ULLMAN:

H.R. 3148. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself, Mr. ASHLEY, Mr. BAUCUS, Mr. BIAGGI, Mr. BIESTER, Mr. DELLUMS, Mr. EDWARDS of Alabama, Mr. FAEY, Mr. GILMAN, Mr. JACOBS, Mr. KARTH, Mr. KREBS, Mr. LAFALCE, Mr. MAGUIRE, Mr. MILLER of California, Mr. MINETA, Mr. MURPHY of Illinois, Mr. PATTISON of New York, Mr. PRITCHARD, Mr. ROE, Mr. ST GERMAIN, Mr. SOLARZ, Mr. JAMES V. STANTON, and Mr. VIGORITO):

H.R. 3149. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 3150. A bill to amend title II of the Social Security Act so as to remove the limitation receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3151. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pension, or other retirement benefits; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 3152. A bill to amend title 10 of the United States Code in order to establish Optometry Corps in the Army and the Navy and to provide a separate optometric service within the Air Force; to the Committee on Armed Services.

H.R. 3153. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H.R. 3154. A bill to amend the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. HOWARD:

H.R. 3155. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

21. By the SPEAKER: Memorial of the Legislature of the State of Arkansas, relative to fuel prices and fuel rationing; to the Committee on Interstate and Foreign Commerce.

22. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to the Clean Air Act; to the Committee on Interstate and Foreign Commerce.

23. Also, memorial of the Legislature of the State of New York, relative to Northwestern railroads; to the Committee on Interstate and Foreign Commerce.

24. Also, memorial of the Legislature of the State of South Carolina, relative to daylight saving time; to the Committee on Interstate and Foreign Commerce.

25. Also, memorial of the Legislature of the State of North Dakota, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

26. Also, memorial of the Legislature of the State of Rhode Island and Providence Plantations, relative to public works projects; to the Committee on Public Works and Transportation.

27. Also, memorial of the House of Representatives of the Commonwealth of Puerto Rico, relative to "license" fees on imported oil; to the Committee on Ways and Means.

28. Also, memorial of the Legislature of the State of Maine, relative to cost of living increases in Federal income maintenance programs; jointly, to the Committees on Ways and Means, Interstate and Foreign Commerce, Post Office and Civil Service, and Armed Services.

SENATE—*Monday, February 17, 1975*

The Senate met at 11 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We shall pray today in the words of President George Washington's prayer for his country. Let us pray.

"Almighty God: we make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large. And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the divine Author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy nation. Grant our supplication, we beseech Thee, through Jesus Christ, our Lord." Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 12, and Thursday, February 13, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE SELECTION OF SENATOR GARN TO DELIVER WASHINGTON'S FAREWELL ADDRESS

Mr. HUGH SCOTT. Mr. President, we are specially fortunate today in that the Senator who has been selected to deliver Washington's Farewell Address has certain direct connections with the Washington family, which I am going to request that he mention at the opening of his reading of the address. I do this with special pride, as perhaps the only Member of the Senate who actually was born on property belonging to George Washington's sister.

So I have a special interest in the fact that the Senator from Utah (Mr. GARN) has perhaps the most direct connection of any Senator to the Washington family, and therefore the best reason for being chosen today.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of the Senate of January 24, 1901, as modified on February 5, 1975, the Senator from Utah (Mr. GARN), having been appointed by the Vice President, will now read Washington's Farewell Address.

Mr. GARN. Mr. President, I appreciate the request of the Senator from Pennsylvania. I am pleased to be asked to read this address today.

As most people may be aware, George Washington, himself, had no children. His youngest brother, Charles August Washington, did, however.

My grandmother's maiden name was Martha Virginia Washington. This is why I had to live in Virginia. There was no way I could have lived on the Maryland side of the river, with a grandmother named Martha Virginia Washington. Her father, my great grandfather, was Charles August Washington, a great, great, great grandson of George's youngest brother.

So I do deem it an honor to be able to read George Washington's Farewell Address this morning.

Mr. GARN, at the rostrum, read the Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation

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derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the production of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufacturers at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as the main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute: they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the

system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The

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experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment; sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common intcrest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld: and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gliding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence. (I conjure you to believe me fellow citizens) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the Government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under the character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

WASHINGTON'S FAREWELL ADDRESS

Mr. RANDOLPH. Mr. President, we have been privileged today to have the Farewell Address of George Washington read in the Senate, as is the custom. I commend the reading of the address by our able colleague from Utah (Mr. GARN).

This address—never really delivered as such—gave us the wisdom of George Washington after he had led this country during the period of his executive responsibility. I often think, however, that there was an earlier period in the life of George Washington which prepared him, in a sense, for this later responsibility in the early years of our Government.

Recalling now, with my fellow Senators and fellow citizens, the events in the life of George Washington, I take us from this Chamber, with its warmth and security, to December 1776, when George Washington was attempting to hold together a little band of patriots. They were beginning, really, the formation of the Republic which came about formally with the signing of the Declaration of Independence.

General Mercer, who was a very close friend of George Washington, said in his diary at that time of their so-called staff hospital:

> We have no medicine. We have no food. We have not a bandage fit to be used. We have three blankets.

That was a crucial hour in the history of our country when George Washington, located 10 miles above the falls of the Delaware River, was striving to hold his forces together. We should remember that those who had enlisted in that Continental Army in those days had enlisted for 1 year. Christmas was approaching, and the men, who were cold, had insufficient clothing and food, were going home to their families. The situation became so precarious for Washington and the small group of officers who worked with him that when he pleaded for a thousand volunteers to replace those who had enlisted, only 100 answered his call. I think a lesser man, Mr. President, would have gone home himself. I shall always believe—though this is only a matter of personal feeling—that there was a hand of deliverance which was stretched out to George Washington in those hours.

Washington appealed for 261 pairs of pants. Why did he make that very precise request? It was because that was the number of men who could not answer the muster call because of a lack of clothing.

What sacrifice, what determination, what faith. Those were the trying hours that I speak of, as we remember the address of George Washington of 20 years later.

Sometimes we are inclined to forget or overlook that only one-third of the people of the United States then wanted a new Republic to come into existence. One-third wished to remain under British rule, and one-third did not care very much one way or the other.

So George Washington and those who were working at his side, realized they had the support of only a minority as they brought into being the United States of America.

It is appropriate also to recall the 56 men who signed our Declaration of Independence. They were men of affluence, of property, of education, often of culture and they were in a position to lose everything, because the placing of their signatures on that document was an act of treason.

Stephen Hopkins came down from Rhode Island, racked with pain, against the advice of his physician, his hand gnarled with arthritis. They placed the pen between his fingers and helped to guide him as he signed his name. He said "My hand trembles but my heart does not."

On and on could be told the story of the 56 signers. They are not mere statistics. I regret that so very often in our school systems the story of each of the signers is not studied.

One of the signers had 11 children, all of whom were to lose their lives in the coming years because of what he had done. Carroll of Carrollton, Md., the only man who signed the name of the community from whence he came, was a very rich man in those days—in the coin of that day, worth perhaps over $1 million. His fortune was laid on the line. He said he would lose everything—and how prophetically he spoke. He died a pauper—Carroll of Carrollton, Md.

We often hear that John Hancock was a very pompous man. He wanted to sign in big letters and be first. Well, the reason he signed first was that he was the president of that Congress.

As he signed, he said:

> I will sign in letters so large that His Majesty will be able to read without benefit of glasses.

These were the men, the men who joined with Washington in the dawning hours of this Republic.

Mr. President, Senator GARN called our attention to the fact that he has a relationship with the Washington family through an ancestry from Charles Washington.

Charles Washington was the youngest full brother of George Washington. He was identified with an area that Senator ROBERT C. BYRD and I represent in the Senate.

In 1759, 4½ acres of land were presented to Charles Washington by the General Assembly of the Colony of Virginia. He later was to serve many terms as the magistrate in Spotsylvania County, Va.

The records show also that at Martinsburg in Berkeley County, W. Va., there were 80 acres of land owned by Charles Washington. I have determined from court records that this acreage became the town of Charles Town in 1780. This thriving community and area are approximately 1 hour and 20 minutes' driving time from the District of Columbia to the west.

At that time, the land of Charles Washington was in Berkeley County. Scenic Jefferson County, named after Jefferson, was to become a county at a later date. Historic Harpers Ferry is also located in Jefferson County.

Those 80 acres, by the court records, were to be laid out in such a manner with convenient streets, as to serve the people who were to live there.

There were in that town certain trustees, and the trustees included John

Augustine Washington, a brother of Charles; Thornton Washington and William Washington, both nephews of Charles.

Charles Town, when it was brought into being, was to have a main street called Washington Street. This was to be in honor of Charles Washington, whom Senator GARN mentioned in his preface to the reading of the Farewell Address today.

Then there was a parallel street to Washington Street which was to be called Liberty Street. People who were then thinking of the Washingtons were thinking also of the liberties which this country had won through the sacrifice of men like the Washingtons. Particularly today we think of George Washington who was, in truth and in fact, the Father of our Country.

Washington, in the words which the Senator read from the lectern, said something that was correct then, is correct now, and will be correct in the future. He realized that people would come to America from other countries, and so Washington said:

> Citizens by birth, or choice, of a common country, that country has the right to concentrate your affections.

Mr. President, in this hour, perhaps an easier hour, although a critical hour in the history of our Republic, I hope it is not inappropriate for me to mention the beginnings of this Republic. In a sense, this is a challenge for all of us—Senators and all those in governmental positions, as well as the people of the United States—to recognize that we do have a very solemn obligation. We must strive to be worthy of our Founding Fathers, of the signers of the Declaration of Independence, and of the first President of the United States.

QUORUM CALL

Mr. GARN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 1 hour, with statements therein limited to 10 minutes.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 91-452, appoints the Senator from Vermont (Mr. STAFFORD) to the Commission on the Review of the National Policy Toward Gambling, in lieu of the Senator from Maryland (Mr. BEALL), resigned.

MESSAGES FROM THE HOUSE

At 11:50 a.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker has appointed Mrs. BOGGS and Mr. BUTLER members of the American Revolution Bicentennial Board on the part of the House.

The message also announced that the Speaker has appointed Mr. MEEDS, Mr. YATES, and Mr. STEIGER of Arizona members of the American Indian Policy Review Commission on the part of the House.

The message further announced that the Speaker has appointed Mr. BOLLING and Mr. TAYLOR of Missouri members of the Board of Trustees of the Harry S. Truman Scholarship Foundation on the part of the House.

The message also announced that the Speaker has appointed Mr. THOMPSON, Mr. RONCALIO, and Mr. ESCH members ex officio of the Board of Trustees of the John F. Kennedy Center for the Performing Arts on the part of the House.

The message further announced that the Speaker has appointed Mr. MURPHY of New York, Mr. HOWARD, Mr. GUDE, and Mr. FISH members of the Franklin Delano Roosevelt Memorial Commission on the part of the House.

The message also announced that the Speaker has appointed Mr. REES and Mr. J. WILLIAM STANTON members of the National Commission on Supplies and Shortages on the part of the House.

The message further announced that the Speaker has appointed Mr. BURLISON of Missouri and Mr. FRENZEL members of the Federal Records Council on the part of the House.

At 1:35 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has heard with profound sorrow of the death of the Honorable JERRY L. PETTIS, a Representative from the State of California.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

AIR FORCE REPORT ON EXPERIMENTAL, DEVELOPMENTAL AND RESEARCH CONTRACTS

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report of the Air Force on experimental, developmental and research contracts of $50,000 or more, by company, for the period July 1, 1974 through December 31, 1974 (with an accompanying report); to the Committee on Armed Services.

PROPOSED LEGISLATION TO EXTEND THE FEDERAL RIOT REINSURANCE AND CRIME INSURANCE PROGRAMS

A letter from the Under Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to extend the Federal riot reinsurance and crime insurance programs (with accompanying papers); to the Committee on Banking, Housing and Urban Development.

PROPOSED LEGISLATION TO AMEND THE MERCHANT MARINE ACT

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 216(b)(1) of the Merchant Marine Act, 1936 (with accompanying papers); to the Committee on Commerce.

PROPOSED LEGISLATION TO AMEND THE RAIL PASSENGER SERVICE ACT

A letter from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to amend the Rail Passenger Service Act of 1970 to authorize additional appropriations (with accompanying papers); to the Committee on Commerce.

PROPOSED LEGISLATION TO AUTHORIZE UNITED STATES PAYMENTS TO THE UNITED NATIONS

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on examination of the fiscal year 1974 financial statements of the Student Loan Insurance Fund, administered by the Office of Education, Department of Health, Education, and Welfare (with an accompanying report); to the Committee on Government Operations.

ANNUAL REPORT OF THE COLORADO RIVER BASIN

A letter from the Secretary of the Interior, transmitting, pursuant to law, the fourth annual report of the operation of the Colorado River Basin (with an accompanying report); to the Committee on Interior and Insular Affairs.

WITHDRAWAL OF PLANS SUBMITTED FOR DISTRIBUTION OF AWARDS PROVIDED BY THE INDIAN CLAIMS COMMISSION

A letter from the Acting Secretary of the Interior, withdrawing the distribution plans previously submitted by the Indian Claims Commission for Dockets 40K and 218; to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO AMEND THE WATER RESOURCES PLANNING ACT OF 1965

A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act to increase the rate of compensation for experts and consultants and to provide continuing authorization for appropriations without limitation (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO AMEND THE RAILROAD ACT OF 1974

A letter from the Secretary, U.S. Railroad Retirement Board, transmitting a draft of proposed legislation to amend the Railroad Retirement Act of 1974 to provide for the continuing annual credit to the Railroad Retirement Account and the Railroad Retirement Supplemental Account of the taxes collected under the Railroad Retirement Tax Act, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF THE ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, the final report on the results of the 1974 survey conducted nationwide to estimate the costs of construction of needed publicly owned wastewater treatment works (with an accompanying report); to the Committee on Public Works.

PROPOSED AMENDMENTS OF THE ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator of the Environmental Protection Agency transmitting proposed amendments to the President's omnibus energy bill (with accompanying papers); to the Committee on Public Works.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE INTERIOR

A letter from the Acting Assistant Secretary of the Interior transmitting a draft of proposed legislation authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes (with accompanying papers); to the Committee on Public Works.

PROPOSED LEGISLATION BY THE VETERANS ADMINISTRATION

A letter from the Administrator of the Veterans' Administration transmitting a draft of proposed legislation to require that certain veterans receiving hospital care from the Veterans' Administration for nonservice-connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care, and for other purposes (with accompanying papers); to the Committee on Veterans' Affairs.

A letter from the Administrator of the Veterans Administration transmitting a draft of proposed legislation to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes (with accompanying papers); to the Committee on Veterans' Affairs.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the General Court of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO RECOGNIZE THE CONTRIBUTIONS OF THE IRISH PEOPLE TO OUR NATION

"Whereas, Recognizing the many contributions of men and women of Irish blood to the building of our great Nation and to the cause of freedom everywhere since the earliest times; and

"Whereas, Recognizing the many contribuland is artificially partitioned against the wishes of the overwhelming majority of the Irish people; and

"Whereas, Recognizing that Irish people in the six-county area known as "northern Ireland" are denied basic civil and human rights and are unable to obtain adequate protection from attack or equal justice under law; and

"Whereas, The explosive situation in "northern Ireland" is an unreasonable threat to the peace and is therefore the legitimate concern of all men; and

"Whereas, It is in the best interests of the United States that there be a just and equitable solution to this problem; and

"Whereas, For humanitarian reasons, as well as out of respect for the principles of freedom, liberty, justice, natural law and history, we hereby take notice of the deplorable state of affairs in Ireland; therefore be it

"Resolved, That the Massachusetts General Court memorializes and petitions the Congress of the United States to express the opinion that Irish people ought to be permitted to exercise the right of national self-determination thus returning the disputed six counties to the Irish Republic, unless a clear majority of all the people of Ireland in a free and open plebiscite determine to the contrary; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the Secretary of State, to the President of the United States, to the presiding officer of each branch of Congress and to the members thereof from the Commonwealth."

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the Senate of February 13, 1975, the following reports of a committee were received:

By Mr. PASTORE, from the Joint Committee on Atomic Energy, without amendment:

S. Con. Res. 13. A concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94-8);

S. Con. Res. 14. A concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94-9); and

S. Con. Res. 15. A concurrent resolution expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975 (Rept. No. 94-10).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIBICOFF, from the Committee on Finance, without amendment:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes (together with minority and supplemental views) (Rept. No. 94-11).

By Mr. LONG, from the Committee on Finance, without amendment:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975 (Rept. No. 94-12).

Mr. LONG. Mr. President, on behalf of the Committee on Finance, I file a committee report on H.R. 2634, the so-called debt limit bill, and ask it be printed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ANNUAL REPORT OF THE SELECT COMMITTEE ON SMALL BUSINESS (REPT. NO. 94-13)

Mr. NELSON. Mr. President, on behalf of the Select Committee on Small Business, and its chairman of last year, Senator Alan Bible of Nevada, I am submitting today the 25th annual report covering the committee's activities during 1974. I ask unanimous consent that the report be printed, together with illustrations and appendices.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Because Senator Bible retired from this body prior to the end of the last session, it was not possible for him to file this report, which encompasses proceedings of the calendar year ending December 31.

The mandate of the select committee is: "to study and survey by means of research and investigation all problems of American small-business enterprise * * *" in order to aid the Congress in enacting immediate legislation and to be responsive to the public interest in this vital area of our economy.

The report monitors developments in the economy, which have such a determining effect on the fortunes of the Nation's 12 million enterprises, 97 percent of which are classified as "small business." It records increases of 12.2 percent in the Consumer Price Index and 20.9 percent in the Wholesale Price Index during the past year which have placed small firms in a cost/price/tax squeeze imperiling their survival, in many cases.

Adversity in the housing, auto, and related industries are described with respect to their effects on small business.

In the obtaining of capital for small firms, the report sets forth the reduction of between 25 and 30 percent in the national stock averages; the decline of 60 percent in small business securities offerings; as well as a steady and disturbing reduction of about one-eighth—over the past 4 years—in the number of small securities broker-dealers available to provide financing to independent businesses.

These and other statistics reflect that small business certainly has many difficult problems in the year ahead.

The report recaps the committee's extraordinary study of "The U.S.A. Business Community" which has received the favorable attention of many governmental and private institutions on its publication in September 1974.

The regular oversight functions of the committee as to the Small Business Administration are summarized in its review of the financial, management, and other assistance programs of that agency.

The committee under Senator Bible's chairmanship also performed what I consider to be notable work in assisting smaller firms into compliance with environmental and consumer initiatives. The report reviews the programs of SBA, which the committee helped bring into being, and tabulates the financial assistance provided to date in these areas.

In the tax field, the committee's achievements in 1974 included: gaining approval and the establishing of a Small Business Advisory Committee to the Commissioner of the Internal Revenue Service; and approval by the House Ways and Means Committee of nine provisions of the Bible-Evins bill, which deal with small business tax reform and relief.

The committee also devoted substantial resources to energy and materials problems, and produced constructive results. One example is a major study by SBA of the small business impact of energy shortages, which is summarized and excerpted in the report.

Other chapters furnish a wealth of detail on such subjects as:

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Government Procurement.
Crime Against Small Business—cargo theft and fencing.
Corporate Giantism.
Small Business Credit Needs.
Small Business Problems in the Pharmaceutical Industry, and
Efforts to Reduce Paperwork for Small Firms.

For the first time, the report contains a list of exhibits, which provides an additional key to the diverse research which is called forth by the many-sided relations of small business to the economy.

The report also contains a legislative index of all bills enacted and proposed which have major effects on the Small Business Administration and small business in general.

In my view, the 25th annual report of the committee will be an invaluable resource for research and action. I recommend this volume to my colleagues in Congress, to academic institutions, small business organizations, and to all of our citizens who are interested in maintaining our free enterprise system and preserving small businesses as viable contributors of the Nation's goods, services, employment, and the pride and self-respect which has traditionally accompanied business ownership.

Copies are available, in limited numbers, at the committee offices: 424 Russell Senate Office Building, Washington, D.C. 20510.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. YOUNG:

S. 683. A bill for the relief of Ghalam Reza Padash and his wife, Homa Ghasemshahi Padash. Referred to the Committee on the Judiciary.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 684. A bill to amend the Federal Aviation Act of 1958, as amended, by requiring certification and subsidy of at least two air carriers to points receiving neither highway nor railroad service. Referred to the Committee on Commerce.

By Mr. STEVENS:

S. 685. A bill to authorize certain corporations under the Alaska Native Claims Settlement Act to merge or consolidate, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 686. A bill for the relief of Asuncion Ventura-Rumi. Referred to the Committee on the Judiciary.

S. 687. A bill for the relief of Consuelo Coronado. Referred to the Committee on the Judiciary.

S. 688. A bill for the relief of Antonio Passalaqua. Referred to the Committee on the Judiciary.

S. 689. A bill for the relief of Magdalena Pisga Mulato. Referred to the Committee on the Judiciary.

By Mr. STAFFORD:

S. 690. A bill for the relief of Sheila J. Phelps. Referred to the Committee on the Judiciary.

By Mr. CANNON (for himself and Mr. EASTLAND):

S. 691. A bill to increase benefits provided to American civilian internees in Southeast Asia. Referred to the Committee on the Judiciary.

By Mr. HOLLINGS (for himself and Mr. MAGNUSON):

S. 692. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

By Mr. WILLIAM L. SCOTT (for himself, Mr. CURTIS, Mr. EASTLAND, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. THURMOND):

S. 693. A bill to amend the Clean Air Act to establish a limitation on certain air quality standards established pursuant to such Act. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. EASTLAND, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. THURMOND):

S. 694. A bill to amend the Clean Air Act with respect to certain stationary source emission limitations. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. EASTLAND, Mr. FANNIN, Mr. HELMS, Mr. LAXALT, and Mr. THURMOND):

S. 695. A bill to amend the Clean Air Act with respect to certain motor vehicle emission standards. Referred to the Committee on Public Works.

By Mr. HUMPHREY:

S. 696. A bill for the relief of certain individuals formerly employed by the Nationwide Food Service in the U.S. Senate Restaurant. Referred to the Committee on Post Office and Civil Service.

By Mr. HUMPHREY (for himself, Mr. HUDDLESTON, Mr. MONDALE, and Mr. SYMINGTON):

S. 697. A bill to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China. Referred to the Committee on Foreign Relations.

By Mr. CANNON:

S. 698. A bill requiring the Secretary of Agriculture to convey certain lands to Mr. and Mrs. Pat Clark, of Las Vegas, Nev. Referred to the Committee on Agriculture and Forestry.

By Mr. DOLE (for himself, Mr. GARY W. HART, Mr. PACKWOOD, Mr. DOMENICI, Mr. ABOUREZK, Mr. BARTLETT, Mr BELLMON, Mr. BENTSEN, Mr. BIDEN, Mr. BROCK, Mr. CRANSTON, Mr. CULVER, Mr. FANNIN, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GRAVEL, Mr. HARTKE, Mr. HASKELL, Mr. HUMPHREY, Mr. JAVITS, Mr. LAXALT, Mr. LEAHY, Mr. MONDALE, Mr. MORGAN, Mr. MOSS, Mr. PELL, Mr. STEVENSON, Mr. TOWER, and Mr. TUNNEY):

S. 699. A bill to permit Senators to use mobile offices in their home States. Referred to the Committee on Appropriations and the Committee on Government Operations, by unanimous consent.

By Mr. THURMOND:

S. 700. A bill to amend the Agricultural Adjustment Act of 1938, as amended. Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENSON (for himself and Mr. MAGNUSON):

S. 701. A bill to regulate commerce and promote the general welfare by assuring increased supplies of natural gas, oil, and other energy sources at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 684. A bill to amend the Federal Aviation Act of 1958, as amended, by requiring certification and subsidy of at least two air carriers to points receiving neither highway nor railroad service. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, two decisions by the Civil Aeronautics Board prompted the bill I introduce today.

In 1969, the Civil Aeronautics Board initiated the Alaska service investigation. The investigation was subsequently divided into three phases: trunk line, regional routes, and bush routes. The CAB issued a decision and order in December 1971 for the trunk line and regional route phases. In this decision, the CAB created a monopoly situation by suspending two of the three carriers serving southeastern Alaska. One carrier had previously been suspended in 1965. A second carrier received a subsidy, and the third did not. Upon suspending two of the carriers, the CAB gave a monopoly route award to the remaining carrier on a subsidy ineligible basis.

In September 1972, the CAB decided the bush routes phase of the Alaska service investigation. In this decision, the CAB created another monopoly situation by suspending one of two subsidized carriers serving northwestern Alaska. The remaining carrier received a monopoly route award on a subsidy ineligible basis. Petitions for reconsideration were subsequently filed. In response, the CAB granted a motion for a stay order. On November 19, 1974, the CAB dissolved the stay order, denied the petitions for reconsideration, and permanently suspended the primary carrier's authority to serve the Anchorage-Nome-Kotzebue route.

Southeast Alaska is islandic. It has neither road nor rail service to Anchorage or Seattle, which are its only gateways other than by air. Air transportation is the only mode of travel other than infrequent and slow ferry service. Northwest Alaska—Nome, Kotzebue, and Unalakleet—is also far and remote. It typifies the Alaskan dilemma of sparsely populated communities scattered great distances from population and supply centers. In the winter months, the Bering Sea freezes and the only mode of transportation is by air. While Alaska is not alone in such physical characteristics, these portions of the State typify the dependence on air of many isolated rural communities in this country. Competition is important. The absence of competing rail and highway service makes competing air service all the more important.

These two CAB decisions were not in the public's interest. In its attempt to strengthen the financial prospects of Alaskan air operations, the CAB gave insubstantial weight to the commerce, postal, and national defense needs, and the public interest which dictated alternative dependable air carrier service.

Mr. President, CAB's November 19 decision was especially untimely. Late last fall, high winds and severe flooding nearly destroyed every town and village along the Seward Peninsula coastline. These Alaskans are now rebuilding. Food, supplies, and construction materials are needed. The only means of transporting these materials and foodstuffs during the winter months is by air. This entire emergency situation has been put on the capabilities of only one airline.

The present status of Alaska's economy stimulated by the North Slope oil development and the Native Claims Settlement Act demand increased air service, not less. Yet, the CAB continues on a course of eliminating air carrier competition to those communities which are so dependent on air transportation. This problem is of extreme concern to Alaskans.

For this reason, I am today introducing legislation which will insure continued air service to points in Alaska and elsewhere that receive neither highway nor rail service. This legislation would make it clear that air service to points in the United States, including Alaska and Hawaii, receiving neither highway service nor railroad service shall be maintained on air routes. It will also insure that subsidy payments necessary to provide such air service will be allowed.

The bill will accomplish the following:

First, the legislation adds a new provision to section 102 of the Federal Aviation Act of 1958. Section 102 details the considerations of the CAB in determining whether certification should be granted, altered, amended, modified, or suspended under section 401 of the act. This will broaden the public interest standards of the act. It will require the CAB to determine whether or not competing modes of transportation are available to communities for which the CAB authorizes airline service. If communities are isolated from railroad or highway transportation systems, the CAB will have to accommodate this dependency on air service by providing a sufficient amount of competition with the air mode.

Second, section 2 will require that no term or condition of any certificate can limit the maximum subsidy amounts payable for service to or from points receiving neither railroad service nor highway service. Existing certificates must be so amended.

Third, section 3 will require that in deterring the need for such a subsidy, the Civil Aeronautics Board and the Secretary of Transportation must consider air service to be a requirement for points receiving neither highway service nor rail service.

Fourth, section 4 will require that in determining the public convenience and necessity under the sections I have previously mentioned, the Board shall consider that the certification of at least two air carriers in areas receiving neither highway service nor railroad service is necessary for the public convenience and necessity.

This legislation is intended to prescribe guidelines in determining the amount of subsidy and the criteria for certification. It is not intended to increase the amount of subsidy paid.

I request unanimous consent that the bill itself be printed in its entirety in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Aviation Act of 1958, as amended, is hereby further amended as follows:

SECTION 1. By redesignating clauses (d), (e), and (f) of section 102 (49 U.S.C. 1302) as clauses (e), (f), and (g), respectively, and by inserting after clause (c) the following:

"(d) The extension of such service to points in the continental United States which shall include Alaska and Hawaii receiving neither highway service nor railroad service."

SEC. 2. By adding a paragraph (7) to subsection (e) of section 401 (49 U.S.C. 1371) that shall provide as follows:

"(7) No term or condition in any certificate shall limit the maximum subsidy amounts payable with respect to service to or from points that receive neither railroad service nor highway service. The Board shall, without hearings, alter, modify, or amend any existing certificate term or condition in contravention of this requirement so as to bring such term or condition into conformity therewith."

SEC. 3. By adding the following sentence to subsection (b) of section 406 (49 U.S.C. 1376): "In the exercise of their powers and duties under this subsection, the Board and the Secretary of Transportation shall consider as required for the commerce of the United States, the Postal Service, and the national defense, air service to points in the continental United States which shall include Alaska and Hawaii receiving neither highway service nor railroad service."

SEC. 4. Add a new section 406a as follows: "In determining the public convenience and necessity under sections 102, 401, and 406, the Board shall consider as necessary to the sound development of an air-transport system properly adapted to the needs of the foreign and domestic commerce of the United States, the Postal Service, and the national defense, the certification of at least two air carriers to provide air service to points in the United States receiving neither highway service nor railroad service."

By Mr. STEVENS:

S. 685. A bill to authorize certain corporations under the Alaska Native Claims Settlement Act to merge or consolidate, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, today I am introducing a bill which will authorize the merger or consolidation of village corporations formed within the same region of Alaska under the Alaska Native Claims Settlement Act.

I am seeking this legislation because many of the village corporations established under the Alaska Native Claims Settlement Act have found that they are too small to effectively manage their resources. Thus, NANA Regional Corporation, Inc., one of the 12 regional corporations created in Alaska pursuant to the Alaska Native Claims Settlement Act and the 11 village corporations in the NANA region have sought this merger in order to permit operation of these corporations on a larger and more efficient scale. This legislation is necessary because of the provisions of the Settlement Act, which prohibit, for a period of 20 years from the date of enactment of the act, any sale, assignment or other alienation of stock of any regional corporation by its shareholders. These restrictions also apply against alienation of the village corporation stock. In any statutory merger or consolidation under Alaska law, a shareholder would be exchanging his shares in one corporation for shares of stock in another corporation and, therefore, no such mergers or consolidations may take place without enactment of appropriate legislation which modifies the restrictions against alienation of stock. This bill is intended to accomplish this.

Under the provisions of this bill, mergers or consolidations among village corporations within the same region would be authorized. Only intraregional mergers would be permitted. This assures that any corporations resulting from mergers carried out pursuant to this bill would continue to be owned and controlled by enrolled Alaskan Natives.

The bill further permits the subsequent merger of any such merged corporations with other such merged corporations within the same region. This is intended to cover the situation where not all the Settlement Act corporations in a region merge at once.

Furthermore, the measure expressly would be applicable to mergers which are voted on by shareholders either before or after the bill's enactment. This would allow mergers which may be voted on and approved by the shareholders before Congress enacts legislation to permit the merger to be carried out, with the merger vote contingent upon such legislation.

Once a merger had taken place, the merged corporation would be entitled to all rights and benefits of the Settlement Act which otherwise would be directed at the individual regional or village corporations which participated in the merger, and would be subject to all the restrictions and obligations as were applicable to such corporations. Transfers of rights and titles pursuant to a merger would not affect the tax exemptions granted by the Settlement Act.

Two provisos are also contained in this bill. The first of these is intended to clarify what otherwise would be an ambiguity as to whether or not, in a merger, the shareholders may exercise dissenters' rights. In any merger or consolidation under Alaska law a shareholder voting against the merger may make demand for payment of the value of his shares, and if the merger becomes effective, the corporation must buy out his shares.

The second proviso permits the elimination under certain circumstances of the extra dividend rights given to nonvillage residents as part of the terms of a merger or consideration. A merger of the village corporations into a regional corporation would eliminate any distinction between the two classes of shares, and after the merger all stockholders would be placed on the same footing. The nonvillage residents would lose their extra dividend rights; in exchange, however, they would acquire, through the merger, a percentage share of the assets formerly held by the village corporations. Without the proviso, however, would allow the elimination of these dividends in a merger only if the class of shareholders affected thereby is per-

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mitted to vote on the merger separately as a class and votes in favor of it.

As stated previously, the need for this legislation arises because of certain peculiar circumstances existing in some of the regions. The boards of the corporations in the NANA region came to realize that some of the corporations simply were too small and too inexperienced to survive on their own, and that they had little chance of ever becoming thriving business enterprises.

Sufficient funds were not available to allow the corporations to operate without incurring losses. Management talent, of course, was also scarce; few Natives in these villages have ever operated corporations. In the NANA region the problem is further compounded by the fact that many of the villages are in extremely remote locations, with little if any communications facilities to the outside world, and only the airplane as transportation. For this reason, NANA, until now, has been carrying its village corporations, assisting them with virtually all administrative actions that are required. The corporations, therefore, came to realize that the only permanent solution is to merge with each other, or with NANA. The resulting larger corporation or corporations would then stand a much better chance of long-term survival.

At informal meetings held in the villages, an overwhelming majority of the village corporation stockholders attending indicated they were in favor of merger and asked the various boards to pursue the proposal. This support results in part from the fact that the Natives in the various villages in the region historically share a strong common heritage and bond. Regardless of what village in the region they may be from and which village corporation they may be stockholders in, they view themselves as all being united as part of the region, and their main interest is in the survival of the region as a whole and of the regional corporation. For these reasons, there is strong sentiment in favor of a merger in the village corporations.

The Natives desire to succeed in the endeavor begun under the Settlement Act. They want to become self-sufficient, but they realize that this cannot occur if they continue to operate as separate entities. Thus, the key to them realizing this goal lies within the merger of the village corporations into a strong and vital body capable of handling the many needs of the village corporations and their shareholders. If this legislation is enacted, such a merger can be made possible at the option of the various village corporations.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any provision of the Alaska Native Claims Settlement Act (85 Stat. 688), any corporation created pursuant to section 7 (d) or 8 (a) of such Act within any of the twelve regions of Alaska, as established by section 7 (a) of such Act, may, at any time, merge or consolidate, pursuant to the applicable provisions of the laws of the State of Alaska, with any other of such corporation or corporations created for the same region.

(b) Any corporations resulting from said mergers or consolidations further may merge or consolidate with other such merged or consolidated corporations within the same region or with other of the corporations created in said region pursuant to section 7 (d) or 8 (a) of the Alaska Native Claims Settlement Act. Such mergers or consolidations shall be on such terms and conditions as are approved by vote of the shareholders of the corporations participating therein, and may take place pursuant to votes of shareholders held either before or after the enactment of this Act. Upon the effectiveness of any such mergers or consolidations the corporations resulting therefrom and the shareholders thereof shall succeed and be entitled to all the rights, privileges and benefits of the Alaska Native Claims Settlement Act, including but not limited to the receipt of lands and moneys and exemptions from various forms of Federal, State and local taxation, and shall be subject to all the restrictions and obligations of such Act, as are applicable to the corporations and shareholders which participated in said mergers or consolidations or as would have been applicable if the mergers or consolidations and transfers of rights and titles thereto had not taken place.

(c) Notwithstanding the provisions of section 7 (h) (1) or 8 (c) of the Alaska Native Claims Settlement Act, the stockholders of any corporation participating in any such mergers or consolidations may exercise the rights accorded under Alaska law to dissenting shareholders in a merger or consolidation.

(d) Notwithstanding the provisions of section 7 (m) of the Alaska Native Claims Settlement Act, in any merger or consolidation in which the class of stockholders of a regional corporation who are not residents of any of the villages in the region are entitled under Alaska law to vote as a class, the terms of the merger or consolidation may provide for the elimination of the right of said class to receive dividends pursuant to said section 7 (m).

SEC. 2. Notwithstanding any other provision of this Act or of any other law, no such corporation referred to in the first section of this Act may so merge or consolidate unless that corporation's shareholders have approved such merger or consolidation of that corporation with any other such corporation or corporations.

By Mr. CANNON (for himself and Mr. EASTLAND):

S. 691. A bill to increase benefits provided to American civilian internees in Southeast Asia. Referred to the Committee on the Judiciary.

Mr. CANNON. Mr. President, on behalf of Senator EASTLAND and myself, I am very pleased to submit an amendment to the War Claims Act of 1948. A similar amendment (S. 1728) passed the Senate during the last Congress, but unfortunately the House attached an additional provision which proved unacceptable to the Senate.

In essence, our bill would amend section 5 of the War Claims Act of 1948 to increase the authorized detention benefit for American civilians during the Vietnam conflict from $60 per month to $150 per month. These benefits would be paid from funds which have already been appropriated under the fiscal year 1973 supplemental appropriation of $16 million to the Foreign Claims Settlement Commission. These funds are available until expended and would be used for payment of civilian internee benefits under this amendment when enacted.

Mr. President, I am hopeful that the 94th Congress will move forward with consideration of this amendment as it now stands, without the additional provision which killed the bill during the last Congress. At this time, I request that this bill be appropriately referred and ask unanimous consent that the following material be printed in the RECORD:

First. Cannon-Eastland bill;

Second. Legislative chronology of S. 1728;

Third. Excerpt from House Report No. 93–1179; and

Fourth. Excerpt from House debate on S. 1728, August 12, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(1)(3) of the War Claims Act of 1948 (50 App. U.S.C. 2004(1)(3)) is amended by striking out "$60" and inserting in lieu thereof "$150".

ATTACHMENT 2

LEGISLATIVE CHRONOLOGY OF S. 1728

S. 1728: Revised digest exists (CG93)⅝, mittee on Judiciary.

ACTIONS:

5/8/73: srcm010, Referred to Senate Committee on Judiciary.

10/4/73: scac070, Reported to Senate, S. Rept. 93–434.

10/8/73: sfac150, Measure passed Senate.

10/9/73: nrcm010, Referred to House Committee on Interstate and Foreign Commerce.

7/3/74: ncac080, Reported to House, amended, H. Rept. 93–1179.

8/12/74: nfac080, Measure passed House, amended, roll call No. 477 (368–17).

12/19/74: conf070, House agreed to conference report.

ATTACHMENT 3

EXCERPT FROM HOUSE REPORT NO. 93–1179

CIVILIAN INTERNEE BENEFITS

Detention benefits for civilians and members of the U.S. Armed Forces were authorized by the War Claims Act of 1948 to provide a measure of compensation for those Americans captured and held as prisoners of war during World War II. The original law set the benefit rate at $60 per month for civilians and $2.50 per day (equivalent to $75 per month) for military personnel. In 1954 the Act was amended to include internees during the Korean conflict. Another amendment in 1970 (Public Law 91–289) authorized detention benefits for civilian and military internees in Southeast Asia during the Vietnam conflict. The rate for civilian benefits was continued at $60 for each calendar month.

To qualify for the benefit a civilian must be a United States citizen who was captured in Southeast Asia during the Vietnam conflict or who went into hiding in Southeast Asia in order to avoid capture by a hostile force. The benefit is not authorized for any person who voluntarily, knowingly, and without duress gave aid to or collaborated with or in any manner served any hostile force. The benfit is effective for all periods during which a civilian was interned in Southeast Asia during the Vietnam conflict. The Foreign Claims Settlement Commission determines the amount and validity of benefit claims and provides for payment of adjudicated claims from appropriated funds.

The detention benefit for military personnel was raised by Public Law 91–289, enacted in 1970, and is presently $2.00 for each day without adequate food and $3.00 per day for certain other violations of the Geneva Convention of 1949. All the military prisoners whose claims have been processed by the Foreign Claims Settlement Commission have qualified for and have been paid the total benefit of $5 per day. No comparable increase in benefits was made in 1970 with respect to civilian American citizens held by a hostile force in Southeast Asia. American civilian prisoners suffered the same deprivations and hardships during the Vietnam conflict as military prisoners. Therefore, it is a matter of equity to give civilians the same detention benefit that is provided under the 1948 Act for military personnel.

ATTACHMENT NO. 4

EXCERPTS FROM HOUSE DEBATE ON S. 1728, AUGUST 12, 1974

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS):

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of S. 1728, a bill to amend the War Claims Act of 1948.

This bill amends two sections of the War Claims Act of 1948 to accomplish different purposes. Section 5 is amended to increase the authorized detention benefit for American civilians during the Vietnam conflict from $60 to $120 per month. The purpose is to raise the detention benefits authorized for civilians who are or were being held as prisoners to the same level presently authorized for military personnel. Since American civilian prisoners suffered the same deprivations and hardships as military prisoners, it is a matter of equity to give them the same detention benefit.

No appropriations are involved, since funds have already been appropriated for payment of the internee benefits.

Section 213 of the War Claims Act is amended to give a first priority to the payment in full of the remaining individual awards for property losses arising out of World War II. Then the bill gives a second priority to payment of the remaining corporate awards for similar losses up to the level of $50,000.

Existing law provides for payment of the major part of both individual and corporate awards on a proportional basis. The unpaid corporate awards total $94.7 million; the unpaid individual awards total $6.5 million. Therefore, pro rata payments would distribute most of the remaining funds to the largest corporate claimants.

Payments for property losses are made from the War Claims Fund, a trust account on the books of the U.S. Treasury. Therefore, no appropriations are required for this amendment to the War Claims Act. The War Claims Fund consists of the net proceeds of German and Japanese assets seized in the United States during World War II.

The sums remaining in the fund will not be sufficient to pay all remaining claims in full. For this reason, priorities of payment become important. Equitable considerations concerning the nature of the individual losses led to the decision to give priority to their payment, followed by payment of the smaller remaining corporate awards.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, does not the gentleman from West Virginia think that as a matter of principle it is unfair to pay civilians as military personnel are paid under the circumstances of Vietnam?

Mr. STAGGERS. That is debatable. If the gentleman from Iowa will let me explain, they were there doing jobs, at least, most of them, for the Government, serving their country only in a different capacity. Especially in view of the fact that there are so few civilian internees, only 66, I would say to the gentleman from Iowa that they should receive the same benefit as military personnel.

Mr. GROSS. Is it not true that the civilians were there voluntarily?

Mr. STAGGERS. Some were and some were not. Some were, as I understand.

Mr. GROSS. What is that?

Mr. STAGGERS. Some were working for the Government, and were there under orders.

Mr. GROSS. I do not think that any of them were drafted as civilians and sent to Vietnam.

I do not want to make an issue of this particularly, but I wonder if we are not here setting a precedent which may live to haunt us later. I think there is a great distinction from one who is voluntarily in Vietnam, and someone who may have been involuntarily there.

Mr. STAGGERS. I would say to the gentleman from Iowa that some of these were serving the Government, along with the military personnel, and they were captured. They were doing their jobs just the same as the military personnel were.

Mr. GROSS. That may well be. They are both serving the Government, but on an entirely different basis.

Mr. STAGGERS. That is true. And both of them were interned in the same camps and had to undergo the same kind of treatment.

By Mr. HOLLINGS (for himself and Mr. MAGNUSON):

S. 692. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

NATURAL GAS PRODUCTION AND CONSERVATION ACT

Mr. HOLLINGS. Mr. President, I introduce for appropriate reference the Natural Gas Production and Conservation Act. For the past several weeks a Democratic Caucus Committee has worked hard to propose a comprehensive energy and economic program to restore health and full employment to our economy. This program draws on idle industrial and manpower capacity in an effort of wartime intensity to build greater efficiency in consumption and enlarge production of energy.

The program is an alternative to that proposed by the President, which sets a course of wrenching the economy further by cutting energy supplies, raising prices, and hoping the energy budget will somehow balance out. The President's program may add to the burdens of inflation, deepening recession, and unemployment that now plague the Nation.

As part of the congressional program to restore a vigorous full-employment economy, we are introducing legislation to reform Federal policy regarding natural gas.

The appropriate form of Federal regulation of natural gas wellhead prices has been a subject of great concern to the Commerce Committee. This is a matter of considerable controversy, and during the last Congress the Commerce Committee held more than 21 days of hearings on a dozen proposals to amend the Natural Gas Act of 1938.

The proposal that I introduce today is the culmination of this exhausitve examination.

This proposal rejects the complete deregulation of new natural gas prices. Such action would cost consumers billions of dollars per year and provide no assurance that supplies would be substantially increased. This is the wrong time to impose such additional costs on an already extremely fragile economy.

We are convinced that price ceilings for new natural gas must be established to provide new certainty to producers and prevent natural gas prices from soaring to the equivalent of cartel-imposed oil prices. A growing body of evidence suggests that domestic production of natural gas has reached a peak and that resource constraints will prevent an enlargement of supplies regardless of the price. A recent Federal Power Commission Staff Report entitled "A Realistic View of U.S. Natural Gas Supply" concludes that:

A significant point that emerges from our analysis is that conventional U.S. gas production has reached its peak and will be declining for the indefinite future. This reverses a long historical record of growth and introduces a new dimension to the gas shortage. It is no longer simply a matter of gas supply failing to meet increasing requirements. It means that from here on, we must make do with less gas in absolute terms.

The proposal which we introduce today is intended to deal with these new realities. It would establish new gas ceiling prices designed to provide greater certainty and incentives to natural gas producers. These ceiling prices would be automatically adjusted for inflation. Except for obtaining essential information, the FPC would have no jurisdiction over producers. The artificial distinction between interstate and intrastate prices would be eliminated—as in the case of oil, natural gas ceiling prices would apply throughout the Nation. The bill contains a number of other provisions designed to alleviate current natural gas shortages and improve the supply situation. Also established are mandatory natural gas conservation measures and allocation of gas to high-priority enduses.

Mr. President, I ask unanimous consent that the accompanying description and text of the proposal be printed in the RECORD at this point.

There being no objection, the bill and description were ordered to be printed in the RECORD, as follows:

S. 692

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Production and Conservation Act of 1975".

SEC. 2. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by striking out section 24 thereof (15 U.S.C. 717w) in its entirety and by inserting immediately after the enacting clause thereof and before section 1 thereof (15 U.S.C. 717) the following: "That this Act may be cited as the 'Natural Gas Act'.

"TITLE I—GENERAL PROVISIONS".

SEC. 3. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by adding at the end thereof the following new title:

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"TITLE II—PRODUCTION AND CONSERVATION INCENTIVES

"SHORT TITLE

"SEC. 201. This title may be cited as the 'National Gas Production and Conservation Act'.

"DEFINITIONS

"SEC. 202. As used in this title, the term—

"(1) 'affiliate' means any person directly or indirectly controlling, controlled by, or under common control or ownership with any other person. The Commission is authorized and directed to define the terms 'control' and 'ownership';

"(2) 'boiler fuel use of natural gas' means the use of natural gas as the primary source of fuel for the purpose of generating steam or electricity;

"(3) 'Federal lands' means any land or subsurface area within the United States which is owned or controlled by the Federal Government or with respect to which the Federal Government has authority, directly or indirectly, to explore for, develop, and produce natural gas. The term includes the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a));

"(4) 'intrastate commerce' means commerce between points within the same State, unless one such point is located upon Federal land within such State or unless such commerce passes through any place outside such State;

"(5) 'Mcf' means a thousand cubic feet of natural gas of pipeline quality at 14.73 pounds per square inch at 60 degrees Fahrenheit.

"(6) 'new natural gas' means natural gas production which is irrevocably dedicated to interstate or intrastate commerce for at least 20 years but which the Commission in its discretion determines was not dedicated prior to January 1, 1975;

"(7) 'old natural gas' is natural gas which, prior to January 1, 1975 was dedicated to interstate commerce as determined by the Commission on the date of the first certification of such natural gas;

"(8) 'producer' means a person who produces and commits to interstate or intrastate commerce more than 10 million Mcf of natural gas per year or who produces natural gas and does not qualify as a smaller producer;

"(9) 'purchaser' means a person who purchases or acquires natural gas from a producer or small producer;

"(10) 'residential user' means a person who uses natural gas for personal, family, or household purposes;

"(11) 'small user' means a person or governmental entity using less than fifty Mcf of natural gas on a peak day of natural gas usage in the preceding calendar year;

"(12) 'small producer' means a person as determined by the Commission (A) who is not an affiliate of a person who produces and designate one or more high-cost production commits to interstate or intrastate commerce more than 10 million Mcf of natural gas or an affiliate of a person engaged in, or who is not himself engaged in, the transportation by pipeline of natural gas in interstate or intrastate commerce; and (B) who together with all affiliates, if any, has not produced and committed to sale more than 10 million Mcf of natural gas in the calendar year preceding or during the year in which he wants to qualify for small producer pricing under section 204 of this title as determined by the Commission; and

"(13) 'user' means a person or governmental entity using any natural gas which is supplied in interstate or intrastate commerce.

"NEW NATURAL GAS

"SEC. 203. (a) GENERAL.—Notwithstanding the provisions of sections 4 and 5 of this Act and except as provided in subsection (c) of this section, new natural gas may be sold or transferred in interstate or intrastate commerce by a producer, only if its total price, including the market value of any advance payments or any other form of compensation, at the time deliveries are first commenced does not exceed the sum of—

"(1) a base price as determined in accordance with subsection (f) of this section:

"(2) any applicable adjustment in accordance with subsection (b) of this section; and

"(3) an additional amount, if any, authorized to be charged under subsection (c) or (d) of this section.

"(b) BASE PRICE ADJUSTMENT.—Commencing July 1, 1975, and at annual intervals thereafter, the national base price enumerated in subsection (a)(1) of this section shall be adjusted for any inflation by multiplying it by a number whose numerator is the annual implicit price deflator for gross national product as of the date of computation and whose denominator is the implicit price deflator for gross national product for the base year 1974 as compiled by the Bureau of Economic Analysis as initially published by the Department of Commerce. The adjusted base price shall only be applicable to new natural gas sold during the year for which such adjusted base price is applicable.

"(c) ANNUAL PRICE INCREASE.—A producer may, at the time of dedication of new natural gas, provide by contract for an annual cumulative increase in the price of such natural gas which is delivered in a particular year. Such increase may not exceed 2 per centum per year of the adjusted base price at the time of such commitment.

"(d) SPECIAL PRICE.—(1) The Commission may authorize a person to charge for new natural gas an amount in excess of the price authorized in subsection (a) of this section, in any high-cost production area designated by the Commission. The Commission may areas, and pursuant to subsection (f) of this section may establish one or more high-cost production area base rates if the Commission finds—

"(A) that the current and prospective costs of production in such high-cost production area or areas designated by the Commission are substantially above the base price authorized under subsection (a) of this section; and

"(B) the production of new natural gas in such designated high-cost production areas promotes the public convenience and necessity.

"(2) The Commission shall authorize a person to charge for new liquefied or synthetic natural gas a special price, which is in excess of the price authorized in subsection (a) of this section, if such person establishes to the satisfaction of the Commission that such liquefied or synthetic natural gas production promotes the public convenience and necessity and that such additional charge is necessary or appropriate to permit such person to recover costs incurred plus a reasonable rate of return on such person's investment in producing or making available to a purchaser such liquefied or synthetic natural gas. Any plant constructed and operated for the purpose of manufacturing synthetic natural gas for sale in interstate commerce shall be subject (A) to the jurisdiction and authority of the Commission under title I of this Act to the same extent as any natural gas company; and (B) to the provisions of this section: *Provided*, That such jurisdiction and authority shall not include the feedstock of such plant or facilities associated with such feedstock.

"(e) EXCEPTION.—(1) The Commission is authorized and directed to prohibit a producer of new natural gas from selling such natural gas at a price authorized in this section if—

"(A) such producer had discovered such natural gas on Federal lands 2 years or more prior to the date of enactment of this title; and

"(B) such producer does not establish to the satisfaction of the Commission that it was reasonable for such producer not to have dedicated such natural gas to interstate commerce prior to the date of enactment of this title.

"(2) A producer of new natural gas who is prohibited by paragraph (1) of this subsection from selling such natural gas at a price authorized under this section shall only be permitted to sell such natural gas in interstate commerce as if it were old natural gas and dedicated to interstate commerce as of the date of enactment of this title. Such a producer shall also be subject to the production requirements of subsection (c) of section 207 of this title.

"(f) COMMISSION BASE PRICE DETERMINATION.—(1) Within 180 days following the date of enactment of this title, the Commission shall establish an initial national base price to be retroactive to January 1, 1975, of new nautral gas and shall review and reestablish the national and any high-cost production area base price at five-year intervals after initial establishment pursuant to paragraphs (2), (3), and (4) of this subsection. The initial national base price shall be not less than 40 cents per Mcf and not more than 75 cents per Mcf at a heating value of 1 million British thermal units of energy per Mcf.

"(2) In establishing the initial base price of new natural gas within the range prescribed in paragraph (1) of this subsection, and in establishing subsequent national and high-cost production area rates, if any, the Commission shall consider current and prospective costs of production of such natural gas in the relevant area and a reasonable rate of return on investment which is conducive to attracting capital necessary to increase supplies of such natural gas.

"(3) In establishing any base price for new natural gas, the Commission shall proceed in accordance with the provisions of section 553 of title 5, United States Code, and in addition shall afford interested persons an opportunity to present testimony in oral hearings and permit limited cross-examination by representative parties on any issue of fact which the Commission, in its discretion, determines is material and if such cross-examination is necessary and appropriate in light of the time constraint set forth in paragraph (1) of this subsection.

"(4) There shall be no review by any court of a decision of the Commission establishing the initial national base price which is within the range prescribed in paragraph (1) of this subsection.

"(g) CONTRACT SANCTITY.—The Commission shall not under a decrease in the price of new natural gas with respect to any sale of such new natural gas which is made pursuant to price ceilings established under section 203 or 204 of this Act which were in effect at the time such new natural gas was first delivered.

"(h) COST PASSTHROUGH.—The Commission shall permit the passthrough, on a dollar-for-dollar basis, of the cost of all new natural gas purchased by any person engaged in the transportation by pipeline of natural gas in interstate commerce unless such costs exceed the applicable price ceiling established pursuant to this Act in which case the Commission shall not permit such passthrough.

"(i) TREATMENT OF OTHER GAS.—(1) After the date of enactment of this title, all sales of natural gas in interstate commerce which are not of old natural gas must comply with the provisions of this Act concerning new natural gas. (2) After the date of enactment of this title, all sales of new natural gas in intrastate commerce must comply with the provisions of this Act concerning new natural gas.

"SMALL PRODUCER PRICING

"SEC. 204. Notwithstanding the provisions of sections 4 and 5 of this Act (15 U.S.C. 717c, 717d), a small producer may sell new natural gas in interstate or intrastate commerce at a price which exceeds the price authorized to be charged by a producer pursuant to section 203 of this title, so long as such price does not exceed the applicable authorized price by more than 50 per centum: provided, That a small producer may not sell new natural gas in interstate or intrastate commerce at a price which exceeds the price authorized to be charged by a producer pursuant to such section 203 if such new natural gas was discovered by a producer, as determined by the Commission in its discretion.

"OLD NATURAL GAS

"SEC. 205. The Commission, notwithstanding any other provision of law, shall not authorize an increase in the price charged by a producer or small producer of old natural gas unless such an increase is necessary—

"(1) to afford such producer or small producer a total price which is equal to a price which the Commission has authorized a similarly situated producer or small producer to charge for old natural gas; or

"(2) to cover the cost of production of such old natural gas and to provide a fair rate of return to such producer or small producer.

"RESIDENTIAL AND OTHER SMALL USERS

"SEC. 206. (a) GENERAL.—The Commission shall—

"(1) require all persons engaged in the transportation by pipeline of natural gas in interstate commerce (herein referred to as 'pipelines') to file separate tariffs with respect to (A) old natural gas and (B) new natural gas, in such form and manner as to reflect the price and volumes of each which enter each such pipeline;

"(2) require all pipelines to give first priority, for sales or transfers under the applicable tariff for old natural gas, to local distribution companies and to supply such gas to such companies in sufficient volume to meet the requirements of each such company's residential users and small users; and

"(3) promulgate rules to govern pipeline-to-pipeline sales or transfers or sales or transfers to local distributors served by multiple pipelines, to the extent necessary to achieve the purpose of this section.

"(b) ENFORCEMENT.—It shall be unlawful for local distribution companies to charge residential users and small users rates which do not reflect the lesser cost of natural gas for such uses pursuant to subsection (a) of this section.

"INCREASING NATURAL GAS SUPPLIES

"SEC. 207. (a) PROMPT CERTIFICATION.—All applications, except where 2 or more pipelines file competing, mutually exclusive applications made by a pipeline under section 7(c) of this Act (15 U.S.C. 717f(c)) for the construction of facilities to transport new natural gas shall be decided by the Commission in accordance with this section. The Commission shall grant (with or without conditions) or deny such applications within 120 days of the filing of an application or within 120 days after the date of enactment of this title, in the case of applications pending before the Commission on such date. The 120-day period shall commence with the date on which such applications contain all of the information required by the Commission. If the Commission fails to grant or deny any such application within such 120 days, the Commission shall be deemed to have approved such application as last submitted.

"(b) EXEMPTION.—Notwithstanding any other provision of law, sales of new natural gas by producers or by small producers may be made without any application for a certificate of public convenience and necessity under section 7(c) of this Act (15 U.S.C. 717f(c)) and such sale shall be—

"(1) made at a price pursuant to the provisions of section 203 of this title if the sale is by a producer or section 204 of this title if the sale is by a small producer; and

"(2) irrevocably dedicates all new gas production to the sale for at least 20 years.

"(b) In certifying facilities for transporting or gathering new natural gas on Federal lands, the Commission shall require such transportation and gathering facilities to be common carriers available for use by any natural gas company to transport natural gas upon payment of a reasonable transportation fee. The Commission shall require existing gathering and transportation systems to operate on such a common carrier basis to the extent that surplus capacity is available.

"(c) PRODUCTION REQUIREMENT.—(1) Notwithstanding any other provision of law, any agreement (including a renegotiation) pertaining to oil or gas development on Federal lands consummated on or after the date of enactment of this title shall require, as a condition to such agreement, that the person granted the right of development design and implement immediately an exploratory and development program designed to obtain maximum production from such lands as soon as practicable, subject to submission of such program to, and its approval by, the Secretary of the Interior. The person granted the right of development shall inform the Commission in writing immediately upon the discovery of natural gas on any such lands, including an estimate of volumes discovered and a timetable for commercial development. Such person shall within 90 days thereafter supply the Commission with a detailed timetable of the actions necessary to produce and begin selling such natural gas in interstate commerce within 2 years of the date of discovery unless the Commission finds, upon the petition of the person granted such rights, that the volumes of natural gas discovered or developed are not sufficient to be commercially viable or that other valid reasons (not including market demand prorationing) exist which justify delaying the production until a subsequent date certain. If such a petition is granted, the Commission shall require the person granted such rights to submit monthly reports of actions taken to begin production at the earliest possible time. The Commission shall also advise other interested Federal agencies and assure that all possible steps are taken to commence gas production at the earliest possible time.

"(2) Unless such natural gas is produced and sold within 2 years after the date of discovery of natural gas on such Federal lands, or unless such a petition is granted and in effect and its terms complied with, the rights that had been granted the person to develop natural gas or oil on the Federal lands covered by such agreement shall terminate and any sum paid for such rights shall be forfeited.

"(3) With respect to agreements pertaining to oil or gas development on lands owned by the Government of the United States (other than lands containing Naval Petroleum Reserves) consummated prior to the date of enactment of this title, the requirements of paragraphs (1) and (2) of this subsection shall be applicable to the fullest extent legally permissible, such agreements shall be terminated or renegotiated, by the earliest possible date so as to make such requirements applicable.

"(c) REPORT.—The Secretary of the Interior, to aid in enforcement of subsection (b) of this section, shall report to Congress and the Commission within ninety days after the date of enactment of this title, and annually thereafter, on the status of all Federal lands leased or planned to be leased in the subsequent year for oil and gas development. Each such report shall list all parcels planned to be leased in the subsequent year and parcels leased, the holder of such lease, the Interior Department's prelease evaluation of probable quantities and values of oil and gas underlying such lease, the number of exploratory and developmental wells drilled to date, whether oil and gas have been discovered at the time of the report, the date on which any oil or natural gas not being produced was discovered, estimated reserves of oil and gas, and annual production of oil and gas therefrom.

"(d) RESOURCE EVALUATION.—In estimating the value of natural gas on Federal lands for the purpose of determining the sufficiency of any bid, the Secretary of the Interior shall utilize the appropriate applicable price ceiling established by the Commission as adjusted pursuant to sections 203 or 204 of this title.

"(e) DEDICATION REQUIREMENT.—After January 1, 1975, all production of new natural gas from Federal lands shall be sold or transferred in interstate commerce.

"(f) RESERVE INFORMATION.—Each producer and small producer shall make available to the Commission on a current basis an up-to-date account of the natural gas reserves which it has discovered on a reservoir-by-reservoir basis. The Commission is authorized and directed to take such steps as are necessary to verify and, if necessary, correct such reserve information, and shall make such reserve information available to the Congress and the public in a meaningful and understandable form. Any producer or small producer who fails to comply with this requirement shall be barred from bidding on any lease or grant on any Federal lands, and the district courts of the United States shall have jurisdiction to enforce such requirement.

"NATURAL GAS CONSERVATION

"SEC. 208. (a) GENERAL.—The Commission by rule shall prohibit boiler fuel use of natural gas and propane in interstate and intrastate commerce not contracted for prior to the date of enactment of this title by users other than residential or small users unless, upon petition by a user, the Commission determines that—

"(1) such user has a plan to convert as soon as possible to alternative fuels produced in any State; or

"(2) it is not feasible to utilize such alternative fuels at the time of such Commission determination.

"(b) EXISTING CONTRACTS.—The Commission shall promulgate by rule a national plan to prohibit as soon as practicable boiler fuel use of natural gas and propane contracted for prior to January 1, 1975, by users other than residential or small users. In determining practicability, the Commission shall consider all relevant factors, including but not limited to, the availability of alternative energy supplies produced in any State, the ability to satisfy applicable pollution prevention standards when using such alternative fuels, and the need to avoid imposing unreasonable economic hardships. The Commission shall coordinate its activities with other Federal agencies to assure that boiler fuel use of natural gas by users ended to the maximum practicable extent 10 years after the date of enactment of this title. The Commission shall also encourage conservation and more efficient use of natural gas by all other users.

"(c) PROCEDURE.—In implementing the provisions of this section with respect to intrastate commerce, the Commission shall apply the provisions of section 17 of this Act (15 U.S.C. 717p).

"(d) EFFECT ON OTHER LAWS.—Nothing in this title shall impair any requirement in any State or Federal law pertaining to safety or enviromental protection, and the Commission in determining feasibility or practicability where required by this section shall

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not assume that there will be any diminution in any safety or environmental requirement established pursuant to State or Federal law.

"NATURAL GAS CURTAILMENT

"SEC. 210. (a) ESSENTIAL AGRICULTURAL PURPOSE.—(1) Notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect upon the date of enactment of this title, the Commission shall prohibit any interruption or curtailment of the transportation or sale of natural gas and take such other steps as are necessary to assure as soon as possible the availability in interstate commerce of sufficient quantities of natural gas for use as a raw material feedstock or process fuel (for which there is no substitute except propane) in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants. As used in this subsection, the term 'sufficient quantities' means the amounts of natural gas which the Secretary of Agriculture certifies to the Commission are necessary to provide sufficient fertilizer and essential agricultural chemicals (A) to meet domestic requirements; and (B) to meet the Nation's obligations to carry out humanitarian objectives, except to the extent that any such amounts are required to maintain natural gas service to existing residential and small users.

"(2) Notwithstanding any other provision of law, a rule implemented by the Commission pursuant to paragraph (1) of this subsection shall apply also with respect to the availability of natural gas sold in intrastate commerce in any State which has not, within 90 days after the date of enactment of this title, adopted a rule to implement the purposes of such paragraph.

"(3) The Commission shall formulate rules and regulations to implement this subsection.

"(b) FACILITY INTERCONNECTIONS.—Notwithstanding the provisions of section 7 of this Act (15 U.S.C. 717f), the Commission may, by order in accordance with this subsection, direct any natural-gas company to establish a physical interconnection between any specified facility of such company and any specified facility of any other such company, any producer, or any small producer. The Commission may issue such an order upon petition of any natural-gas company, producer, small producer, or user, or on its own motion, after (1) publishing a notice thereof in the Federal Register; (2) allowing interested persons an opportunity to submit written data, views, and arguments and providing an opportunity for a hearing; and (3) finding (and publishing such finding together with the reasons therefor) that the establishment of such interconnection is in the public interest for the purpose of natural gas in the event that a natural-gas supply emergency develops within the service area of any natural-gas company affected by such order.

"(c) NATURAL-GAS SUPPLY EMERGENCY.—The Commission may declare that a natural-gas supply emergency exists along the transmission routes or within the service area of a natural-gas company which is unable or may be unable to supply its users with the amounts of natural gas determined by the Commission to be necessary to preserve public health or safety or to avoid extreme economic hardship. Any such declaration shall state the nature and extent of such supply emergency, its likely duration, and the remedial steps proposed or ordered by the Commission to deal with such emergency. Whenever such an emergency is declared, the Commission may, by order, direct any natural-gas company or companies which it not itself experiencing such an emergency to make specified deliveries of natural gas, directly or indirectly, to the natural-gas company which is experiencing such emergency. The amount of natural gas specified to be delivered pursuant to such order may not exceed the amount which such company can deliver without creating a comparable emergency along its own transmission routes or within its own service area. A company delivering natural gas pursuant to such an order shall be compensated for such gas at a rate equal to the price of the highest-cost natural gas sold by such company plus any additional price which the Commission determines is necessary to provide such company with incentives to acquire new natural gas to replace the natural gas ordered to be delivered pursuant to such order.".

SEC. 4. Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended (1) by inserting in paragraph (7) thereof after "thereof," and before "but only insofar" the following: "or between a point upon Federal lands within a State and any other point,"; (2) by inserting in paragraph (5) thereof after "unmixed," and before "or any mixture" the following: "synthetic natural gas"; and (3) by inserting the following new paragraph:

"(10) 'synthetic natural gas' means gas produced from fossil fuel or any derivative thereof.".

SEC. 5. Any district court of the United States in which venue is appropriate under section 1391 of title 28, United States Code, shall have jurisdiction, without regard to the citizenship of the parties or the amount in controversy, with respect to any civil action involving any alleged violation of (1) this title, the Natural Gas Act (15 U.S.C. 717(a)), the Federal Power Act (16 U.S.C. 791a et seq.), or any other Federal law under which Congress directs the Commission to exercise any independent regulatory function; (2) any duly authorized rule or regulation issued under any such law; or (3) any condition of any certificate of public convenience and necessity issued by the Commission under any such law. The court shall have the power to grant such equitable relief as is necessary to prevent, restrain, or remedy the effect of such violation, including declaratory judgment, mandatory or prohibitive injunctive relief, and interim equitable relief, and the court shall further have the power to award (A) compensatory damages to any injured person or class of persons, (B) costs of litigation including reasonable attorney and expert witness fees, and (C) whenever and to the extent deemed necessary or appropriate to deter future violations, punitive damages. Any court of appeals of the United States in which venue is appropriate under section 1391 of title 28, United States Code, shall have jurisdiction, upon petition by the Commission, to grant appropriate mandatory or prohibitive injunctive relief, and, at any time, interim equitable relief.

SEC. 6. The Bureau of Economic Analysis shall continue to compile, and the Department of Commerce shall continue to publish, the implicit price deflator for gross national product, in accordance with procedures consistent with those in effect on January 1, 1975, in order to carry out the purposes of this Act.

DESCRIPTION OF NATURAL GAS PRODUCTION AND CONSERVATION ACT OF 1975

PURPOSE

The purpose of this proposal is to improve the natural gas supply situation while assuring consumers that inflation in natural gas prices will be kept under control. The bill establishes new gas ceiling prices with automatic cost adjustments for inflation. Such prices will provide new production incentives for producers and at the same time remove the uncertainty over future prices. The ceilings would apply to sales in both inter- and intrastate commerce, but producers would be otherwise freed from regulation. Consumers would be protected from unjustified price increases for flowing natural gas and residential and other small users would be assured relatively stable gas prices by receiving the benefit of the lowest cost gas which is available to their distributor. Producers on federal lands would be required to develop and produce natural gas as soon as practicable and Federal Power Commission procedures relating to certification of facilities would be streamlined. The proposal would prohibit natural gas from being squandered on large boiler fuel uses that could be feasibly satisfied by alternative fuels. Finally, natural gas would be made available for fertilizer production on a priority basis, and emergency procedures for supplying gas to pipelines in severe curtailment would be established.

SUMMARY

Statutory Formula for New Gas.—The proposal creates a method for establishing a base price for new natural gas to adequately reimburse natural gas producers for their costs and risks and provide an adequate rate of return. The FPC would be required to establish the initial national base price within 180 days after the date of enactment within a statutory range of 40 to 75¢ per Mcf. The ceiling price would apply to both interstate and intrastate sales by producers. There would be no judicial review of a Commission decision within the statutory range, but the initial national base price would be reviewed by the Commission at 5 year intervals.

The base price would be adjusted each year under an automatic statutory formula to reflect changes in the general level of inflation. The adjusted base price would apply to new natural gas deliveries commenced in that year. In addition, once a producer has dedicated natural gas to interstate or intrastate commerce, he would be allowed to provide by contract for up to a 2 percent annual price increase to compensate for higher operating and maintenance costs. Natural gas committed under the applicable statutory formula would not be subject to future Commission or Court reduction.

The proposal would also reduce the expectations of vastly different prices in the near future. With this kind of certainty, producers would not expect to increase their long-term profit levels by refraining from producing available natural gas supplies at the earliest possible time. The current natural gas situation can be greatly improved by providing such certainty under a simple but fair statutory pricing formula for new natural gas.

A special price based on the cost-of-service may be charged for gas produced in designated high-cost production areas or for liquefied or synthetic natural gas. In addition, the Commission's jurisdiction would be extended to synthetic natural gas plants in an effort to simplify financing and rationalize the construction and operation of such facilities.

All dedications of new natural gas must be for a period of at least 20 years.

Special Incentives for Small Producers of Natural Gas.—There are literally thousands of natural gas producers, only a few of which contribute large amounts of natural gas to commerce. The smaller producers bear a higher risk than the large; they do not drill enough wells to statistically anticipate a certain proportion of successes, and consequently their risks often vary substantially from that of the major companies. Yet they drill most of the onshore exploratory wells, explore the marginal areas, and unlike the major producers, they invest substantially all of their revenues in search for new supplies. Increasing their market share can significantly improve competition. For these reasons, the Natural Gas Production and Conservation Act provides that small companies can charge as much as 50 percent more than the rate for new gas determined under the statutory formula. But gas discovered by major producers could not be sold by small producers at prices higher than the applicable statutory ceiling.

Flowing Gas Price Stability.—The consumer is protected against unjustified price increases for natural gas presently flowing in interstate commerce. Price increases for old natural gas may be permitted by the FPC only if a producer demonstrates that an increase is necessary to cover higher production costs of such natural gas or is necessary to eliminate discrimination. Paying more for flowing gas provides the consumer with no assurance of receiving additional supplies. The proposed Act places the incentive for new production of gas in the price available for new production.

Protection of Residential and Other Small Users.—To protect small users to the maximum extent possible, the proposal requires that the benefits of lower prices for flowing natural gas would be made available first to residential and other small users.

Increasing Natural Gas Supplies.—The proposal has additional provisions to increase natural gas supplies. First, the Federal Power Commission is directed to decide within 120 days most applications by pipelines to construct facilities to bring new natural gas from wells to the pipeline system. This would prevent unnecessary bottlenecks developing in the Commission which could slow delivery of new natural gas supplies. To reduce inefficient resource allocation, new natural gas facilities are required to be common carriers. Producers may make sales without obtaining certification from the FPC.

Second, natural gas producers leasing federal lands are required to undertake and complete exploratory and developmental programs to obtain maximum production at the earliest feasible date following the leasing of these lands. The proposal seeks to end the withholding of natural gas by producers on federal lands. Should a producer on federal lands fail to commence deliveries of natural gas to pipelines within two years of the discovery of natural gas, he would forfeit his lease, unless the Commission found that volumes discovered or developed were not of commercially paying quantities or found other valid reasons for a delay in production. This section provides for continued monitoring of annual reporting by the Department of Interior of oil and gas development progress. It also requires all producers to make available to the Commission current estimates of their reserves on a reservoir by reservoir basis and requires the Commission to make independent evaluations of such reserve data. This information will enable the Congress and the public to know the extent of the nation's natural gas supply.

Third, the proposal would end the practice that has recently developed: offshore producers have "reserved" substantial quantities of gas for their own use. The proposed bill would require all production of new natural gas from federal lands to be dedicated to interstate commerce. The revision makes it clear that only future production from federal lands where natural gas is consumed within the producing state would be subject to FPC jurisdiction.

Natural Gas Conservation.—Since natural gas, which is in short supply, is a clean-burning, convenient, highly versatile fuel, and an important raw material for many industries, it should be used efficiently and only where alternative fuels are not feasible. A relatively inefficient use of large supplies of natural gas is as boiler fuel for steam or electric generation. Thus, the proposed Act would prohibit boiler fuel use of natural gas and propane in interstate and intrastate commerce for new industrial users where alternative fuel use is feasible. Current boiler fuel users of natural gas would be phased out as soon as practicable. Nothing in the Act would impair any federal or state safety or environmental protection law or regulation. The goal is simply to restrict the use of natural gas in existing and new boiler fuel installations which generate steam or electricity to free additional supplies of natural gas for high priority users.

Natural Gas Curtailment.—Natural gas is an essential ingredient in the production of fertilizer. Current natural gas shortages have not only threatened existing fertilizer production, but has made necessary expansion of fertilizer production difficult. The need to maintain and expand food production is so basic that the proposed Act would require the FPC to assure that adequate supplies of natural gas are available for fertilizer and essential agricultural chemical production in existing and new plants. Such users would have the highest priority except to the extent that natural gas service to existing residential and small users is to be maintained.

The Commission is further authorized to require interconnection among pipelines and producers to alleviate natural gas supply emergencies. This authority is analogous to the Commission's authority to require interconnections among electric utility systems under the Federal Power Act. The Commission is further authorized to order a producer or natural gas company to make deliveries of natural gas to pipelines experiencing a natural gas supply emergency threatening public health or safety or extreme economic hardship. It permits the FPC to allocate gas among the pipelines where necessary to avoid severe inequities.

Improvements in FPC Administration.—U.S. District Courts are given jurisdiction to enforce FPC rules and regulations. The definition of new natural gas includes synthetic gas to clarify regulatory treatment of such sources and to protect the consumer. Finally, the Department of Commerce is required to continue to publish the Implicit Price Deflator for Gross National Product in accordance with procedures consistent with those currently in use.

By Mr. WILLIAM L. SCOTT (for himself, Mr. CURTIS, Mr. EASTLAND, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. THURMOND):

S. 693. A bill to amend the Clean Air Act to establish a limitation on certain air quality standards established pursuant to such Act. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. EASTLAND, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. THURMOND):

S. 694. A bill to amend the Clean Air Act with respect to certain stationary source emission limitations. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. EASTLAND, Mr. FANNIN, Mr. HELMS, Mr. LAXALT, and Mr. THURMOND):

S. 695. A bill to amend the Clean Air Act with respect to certain motor vehicle emission standards. Referred to the Committee on Public Works.

Mr. WILLIAM L. SCOTT. Mr. President, as you know there has been considerable action in the field of pollution control in recent years. However, today's economic and energy situation points to a need for making changes in our environment laws so that this country can continue to grow, prosper and maintain its high standard of living. In my opinion, three measures being introduced today will be helpful in this regard. These amendments are directed toward making reasonable use of our natural resources while not unduly restricting the activities of the individual or private industry. Joining, as cosponsors of one or more of these bills are Senators CURTIS, EASTLAND, FANNIN, GOLDWATER, HELMS, THURMOND, and LAXALT.

The first amend relates to the nondegradation or significant deterioration issue. A key question in establishing national air pollution control policy is the extent to which regions with no present pollution problems should be protected from degradation. As you know, Mr. President, this matter originally grew out of a court decision, Sierra Club against Ruckelshaus, in which a Federal judge in the District of Columbia held that the Clean Air Act prohibits "significant deterioration" of air of higher quality than the national ambient air quality standards. The decision was upheld by an equally divided 4 to 4 ruling of the Supreme Court, resulting in new regulations by the Environmental Protection Agency to prevent nondegradation in those regions of the country—primarily rural areas—with air purer than the Nation as a whole. It is my understanding that court challenges are being made at this time on EPA's proposals, and it does appear there may be prolonged litigation unless Congress acts to clarify the intent of the law. To accomplish this, my proposal reaffirms the congressional policy to protect and enhance the quality of the Nation's air, and the right to set standards to protect the public health and welfare, but adds the phrase:

nothing in this Act is intended to require or provide for the establishment of standards more stringent than primary and secondary ambient air quality standards . . .

All of us want air quality high enough to protect public health and well-being of the people but I doubt that Congress intended to enact a Federal law which required such a policy as made by the court decision. The present policy, if allowed to stand, could preclude development of industry and energy supply facilities in our more rural areas. However, this bill would permit industries to locate in those areas of the country that want it, consistent with the protection of public health, as determined by national standards.

The second measure is designed to help increase the availability of coal, our most plentiful form of energy. As you know, coal accounts for more than 90 percent of our fossil-fuel resources but provides less than a fifth of the Nation's current energy supply. The Library of Congress indicates that my own State of Virginia can contribute almost 5 billion tons of coal toward the goal of energy independence, but using vast new coal supplies may require changes in the clean air law to provide proper incentives to industry to search for and produce more coal. We are told it takes between 5 to 10 years to open a mine and to raise production to profitable levels, so coal-fired electric utilities may have some reservations about committing to long-term conversion to coal unless it is economically feasible. In my opinion, we can make much more coal usable in this country and still meet air standards to protect public health by modifying certain emission limitations now in effect.

This proposal would permit power

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plants to continue burning coal or convert from oil and natural gas to coal on an interim basis through January 1, 1985. The companies would have a 10-year period from the present until 1985 to use so-called intermittent control systems as a means of controlling pollution, with the thought that their effectiveness and practicality can be adequately reviewed during this period while maintaining adequate protection of public health. At this point, Mr. President, I ask unanimous consent to insert in the RECORD a copy of an editorial on this subject which appeared in the Wall Street Journal on Monday, February 3.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CUTTING THE LIGHT BILL

We've been hearing a lot lately about the problems of the electric utilities and some proposals about how government can come to their aid with guaranteed loans, or direct financing or maybe just by taking them over.

As it happens, there is a very simple way for government to aid the electric companies, one that would not plunge the nation further into the morass of capital allocation or state ownership. The industry could be saved vast sums in investment costs and even vaster sums (some $10 billion a year) in future operating costs, merely by some simple amendments to the Clean Air Act. At the same time, the nation would take a leap toward its oil conservation goals. And there would be no serious damage to the quality of the air or to efforts to clean up bad air where it exists.

The amendments are simple indeed. Under present air quality rules a uniform standard is applied to sulfur oxide emissions from the nation's power plants, regardless of where the plan is sited and the concentration of other pollution sources. But a good many power plants are not in high pollution areas. Such plants can easily meet federal quality standards for ambient air, or in other words the air anyone in the vicinity of the power plant actually *breathes*, with a higher rate of emissions than might be permissible in a dense area.

The Southern Company, the nation's third largest utility company after the TVA and American Electric Power, says the air quality in the vicinity of all its power plants already is well within state and federal limits even when the plants burn abundant and relatively inexpensive high sulfur coal. It achieves this result with precipitators which filter out particulate matter and high stacks which disperse the remaining, largely invisible emissions.

But if Southern Company is forced by law and the Environmental Protection Agency to meet the uniform emissions standards—measured at the stack rather than in the vicinity of the plant—its power generating costs will rise some 30% over the next five years. It will have to invest in either stack "scrubbers," which are both costly and unreliable with present technology, or buy low sulfur fuels either from abroad or from as yet undeveloped and also costly Western sources.

Much of the concern about whether utilities generally can meet financing needs stems from the investment needs posed by the emissions standards, sharp rises that already have occurred in fuel costs and sharp increases in financing costs. They badly need relief. It is loaded with an enormous cost that cannot even be justified on aesthetic grounds.

The answer to that question often has strong emotional overtones, e.g. the utilities are trying to "gut the Clean Air Act; they want to pollute areas that now are pollution free; they are only interested in profits (not that they are making any to speak of at the moment, anyway). But there is another reason why the utilities were handed a uniform standard and it has little to do with fears that ambient standards would not protect air quality.

Ambient standards would mean that power plants in industrialized and densely populated areas would need more emissions treatment than outlying plants. The cost differentials for power in various regions of the country might well widen. They already are very wide. A kilowatt hour in the Southern System costs two cents compared with nine cents in New York. A further widening could further alter manufacturing cost differentials. Congress felt that the cost of pollution control should be uniform for that reason.

But such a judgment was, in a word, wrong, however well meaning. It imposes an enormous unnecessary burden on certain regions, and on the nation as a whole in the interest of a fuzzy and impossible "equity" goal. As a national policy the exact reverse probably is desirable, to discourage further development of dense areas. Congress can correct this error with a simple amendment and it should do so at once so that utilities can restore some degree of orderly and rational planning to meet future power needs.

Mr. WILLIAM L. SCOTT. The third proposal relates to the postponement of the effective dates to achieve certain emission standards for motor vehicles. As you know, the major pollutants for motor vehicles are hydrocarbons, carbon monoxide, and oxides of nitrogen. This provision would extend the dates for compliance with the more stringent statutory standards by an additional 5 years. It is hoped that this postponement would permit automobile manufacturers adequate time to work toward cleaner motors and to improve fuel economy of all new cars. It does seem reasonable that Detroit should be given sufficient time to plan for new or modified motors and to hold the line on tougher emission standards in an effort to obtain fuel savings.

One manufacturer has testified that tighter standards scheduled for 1977 model-year cars alone would needlessly cost consumers more than $200 more per car and a 12-percent loss in fuel economy as compared to 1975 model cars. This measure would effectively freeze the Federal emission standards for all three pollutants, allowing them to remain in effect through 1981 model-year cars. There does appear to be support by most American auto companies to carry over the present Federal emission standards rather than going to the more stringent emission requirements for 1977 model cars and beyond. It is said such a 5-year postponement would result in no appreciable sacrifice in air quality, would be less costly and would result in additional fuel savings at a time when we need the energy.

By Mr. HUMPHREY:

S. 696. A bill for the relief of certain individuals formerly employed by the Nationwide Food Service in the U.S. Senate restaurant. Referred to the Committee on Post Office and Civil Service.

Mr. HUMPHREY. Mr. President, I introduce and send to the desk a bill relating to the determination of creditable service with respect to civil service retirement, on behalf of certain persons currently or previously employed in the U.S. Senate restaurant.

Over the past three decades, the management of the Senate restaurants has been passed from the Architect of the Capitol to the Nationwide Food Service and then back to the Architect of the Capitol. In this process, some of the employees of the Senate have been unfairly treated. I hope this bill will rectify the oversight.

By Mr. HUMPHREY (for himself, Mr. HUDDLESTON, Mr. MONDALE, and Mr. SYMINGTON):

S. 697. A bill to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China. Referred to the Committee on Foreign Relations.

UNITED STATES-SINO SOYBEAN RESEARCH INSTITUTE PROPOSED

Mr. HUMPHREY. Mr. President, I am today introducing legislation calling for a Soybean Research Institute to be jointly supported by the United States and the People's Republic of China.

I first introduced this legislation in the 93d Congress, and Representative SYMINGTON sponsored a corresponding bill on the House side. I am gratified that Senators HUDDLESTON, MONDALE, and SYMINGTON have joined in sponsoring the bill I am submitting today.

The need for and the usefulness of this legislation has not, in my view, diminished at all. In fact, the urgency of it has increased.

We hear increasing reports that the Chinese may be discouraged with the slow progress of détente to date. This effort, at a fairly technical level, could bring practical benefits to both countries and, at the same time, advance the cause of détente.

A great deal has been written in recent years about the need for research on increasing soybean production. We have begun to learn more about soybean production, but the secret of expanding production per acre has not yet been discovered.

At the same time, the researchers have been trying to adapt the soybean so that it can be grown farther north, and the growing line has been moved farther north in Minnesota.

The Chinese are the world's second largest producer of soybeans, and they could share some of their knowledge with us in terms of growing soybeans in northern climates.

The shortage of food supplies facing the world has now forced governments and agricultural experts to look for ways to increase production, not only through expanding acreage, but by increasing yield per acre. This goal has been achieved in some areas of the world as a result of new rice and wheat strains springing from green revolution research. But these new strains require applications of great amounts of fertilizer, the cost of which has skyrocketed due to increased demand and the outrageous cost of petroleum products.

Soybean research makes good sense in terms of the fertilizer and energy equation. The nitrogen fixation capability of the soybean—in effect, producing its own fertilizer—is well known, but how it happens is not yet understood. Unlocking this secret could provide a great production boost in other crops while at the same time serving to conserve large quantities of energy.

The world demand for soybeans has grown in recent years, but the productivity per acre has increased little in the last 25 years.

The world needs the increased food supplies that a research breakthrough would provide. With arable land in short supply, we now must look for increased production per acre. And increased soybean production per acre is one area which most experts agree on as a high and urgent priority.

In the fall of 1974 a group of American scientists visited the People's Republic of China. This initiative should now be built upon and extended to concrete subjects such as soybean research.

When I first introduced this bill, the administration indicated a reluctance to support the measure, claiming that it would restrict their room for diplomatic initiative.

On the contrary, the measure is written in very flexible terms and with a minimum of guidance. The Executive should welcome a helpful initiative of this nature, and I hope that the administration will support the measure this year.

Mr. President, I ask unanimous consent that the text of my bill—to increase the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China—be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 697

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall initiate immediate action to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China, and is authorized to bring together representatives from the two countries for the purpose of planning for establishing a Sino-American Soybean Research Institute (hereinafter referred to as the "Institute").

SECTION 1. The Institute should have as its major objective the following:

(a) to immediately devote its facilities and expertise to the specific need for increased soybean yields and soybean adaptability to new producing regions;

(b) to develop additional uses for soybeans and soybean products as sources of human and animal protein, including the development of new foods and food substitutes and extenders; and

(c) to serve as a basis for full cooperation and coordination between the People's Republic of China and the United States in the field of soybean research and technology.

SEC. 2. (a) The location or locations of the Institute and its form of administration shall be mutually agreed upon by the People's Republic of China and the United States. The United States and the People's Republic of China will equally share staffing and administrative expenses.

(b) For the immediate establishment and the initial operation of the Institute, the President is authorized to use an amount not to exceed $2,000,000 annually out of any funds available for the activities of the Agricultural Research Service of the United States Department of Agriculture, or from funds available to any other appropriate Federal Agency.

(c) The President shall also request the Consultative Group on International Agricultural Research of the World Bank to consider funding for the Institute after its establishment.

SEC. 3. In working toward the establishment of the Institute, the President should fully utilize the expertise and experience of organizations active in soybean research, particularly the Agency for International Development and the Food and Agriculture Organization of the United Nations.

By Mr. CANNON:

S. 698. A bill requiring the Secretary of Agriculture to convey certain lands to Mr. and Mrs. Pat Clark of Las Vegas, Nev. Referred to the Committee on Agriculture and Forestry.

Mr. CANNON. Mr. President, I am introducing legislation today to restore certain property in Lee Canyon, Nev., to Mrs. Bernice Clark, whose father purchased it some 30 years ago. At the time of Conveyance, Mrs. Clark's family was in the process of moving, and through an understandable inadvertance the deed was not recorded then. Shortly thereafter, the original owner died, and his widow sold the bulk of her property to the U.S. Government which included in what is now Toiyabe National Forest. The widow did not know of her late husband's conveyance to Mrs. Clark's family, and since the deed had not yet been recorded, she mistakenly reconveyed the 1⅛ acres in question to the Forest Service, which recorded their deed only a few weeks before the original deed was finally recorded.

Bernice Clark and her family have continued to use the land and the cabin they built on it to this day, and it was only recently that the title problem was discovered. The Forest Service advises me that they have no objection to returning this small parcel to Mrs. Clark, but that remedial legislation is required. This bill will do nothing more than return a small tract of land to its equitable owner, whose father gave value years ago and used it in good faith to this day.

Mr. President, I urge prompt and favorable consideration for this legislation to correct a minor mistake which occurred in settling this large estate three decades ago.

By Mr. DOLE (for himself, Mr. GARY HART, Mr. PACKWOOD, Mr. DOMENICI, Mr. ABOUREZK, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BIDEN, Mr. BROCK, Mr. CRANSTON, Mr. CULVER, Mr. FANNIN, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GRAVEL, Mr. HARTKE, Mr. HASKELL, Mr. HUMPHREY, Mr. JAVITS, Mr. LAXALT, Mr. LEAHY, Mr. MONDALE, Mr. MORGAN, Mr. MOSS, Mr. PELL, Mr. STEVENSON, Mr. TOWER, and Mr. TUNNEY):

S. 699. A bill to permit Senators to use mobile offices in their home States. Referred to the Committee on Appropriations and the Committee on Government Operations, by unanimous consent.

Mr. DOLE. Mr. President, today I am introducing legislation which, if enacted, would authorize one or more mobile offices for each Senator in his home State. This bill is drafted in a manner that I hope will give each Senator the greatest degree of flexibility in keeping contact with his constituents. It is also designed to stay within the existing spending constraints in that each Senator, for all stationary and mobile home State offices, would be able to spend a maximum of roughly what he is presently authorized under existing law.

Twenty-nine Senators are presently cosponsoring this legislation. In my opinion, it would not be controversial and hopefully it would give every Senator a greater opportunity to establish better contact with his constituents, especially those Senators from rural and less densely populated States.

CONTACT WITH RURAL CONSTITUENTS

Seventeen States have a population density of less than 10 persons per square mile over much of the State. The western half of Kansas falls in this category. Many other States have population densities of less than 50 persons per square mile over a substantial portion of the State.

Because of the longer travel distances in these areas, it may often be difficult for constituents in these States to contact their Senators. I have found a need in the western half of Kansas to make more active contact with my constituents. This contact could be accomplished by means of a mobile office.

If this legislation is enacted, it would be my intent to rent a mobile van which could be used to visit rural communities in the State at regular intervals. Those visits would be announced in advance with a notice in the local newspapers. Knowing of the visit, each of my constituents would have a better opportunity to contact my representative personally and present their requests or problems for my action or consideration.

Some Federal agencies are already following a program of visiting small communities on a regular basis, where a permanent office is not kept open at all times. It is my understanding that these regular visits by agency representatives have been successful in better meeting the needs of the rural population.

COST

Since the Legislative Appropriation Act of 1974 set forth a very specific rate formula for home State offices, it is necessary to modify this formula in order to permit adequate funding for mobile offices. This legislation revises that formula in order to permit adequate funding while staying within the general bounds of the existing legislation.

The existing funding formula is based upon a square footage allotment for every State based on population. I ask unanimous consent that a list of office space authorizations for each State be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

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	Total office space authorized (square feet)	Highest GSA rate (dollars per square foot per year)
Alabama	5,200	5.61
Alaska	4,800	13.53
Arizona	4,800	7.64
Arkansas	4,800	6.60
California	8,000	9.84
Colorado	5,000	7.84
Connecticut	5,200	6.82
Delaware	4,800	5.65
Florida	5,800	7.06
Georgia	5,400	5.65
Hawaii	4,800	8.98
Idaho	4,800	6.96
Illinois	6,800	9.95
Indiana	5,800	7.72
Iowa	5,000	5.12
Kansas	5,000	5.44
Kentucky	5,200	7.72
Louisiana	5,200	7.73
Maine	4,800	6.82
Maryland	5,200	8.49
Massachusetts	5,800	10.90
Michigan	6,200	8.52
Minnesota	5,200	8.20
Mississippi	5,000	6.60
Missouri	5,400	5.95
Montana	4,800	3.64
Nebraska	4,800	5.12
Nevada	4,800	6.54
New Hampshire	4,800	6.82
New Jersey	6,200	10.67
New Mexico	4,800	6.44
New York	8,000	10.67
North Carolina	5,800	5.65
North Dakota	4,800	3.64
Ohio	6,600	8.88
Oklahoma	5,000	5.54
Oregon	5,000	8.73
Pennsylvania	6,800	10.14
Rhode Island	4,800	6.82
South Carolina	5,000	5.61
South Dakota	4,800	3.64
Tennessee	5,200	6.60
Texas	6,800	7.22
Utah	4,800	5.40
Vermont	4,800	5.88
Virginia	5,400	6.94
Washington	5,200	8.73
West Virginia	4,800	5.65
Wisconsin	5,400	8.60
Wyoming	4,800	3.14

Mr. DOLE. The rate formula in this legislation would permit a Senator to use for a mobile office the sum derived by multiplying the highest GSA office rental rate in his State by the amount of office space authorized that is unused for his stationary offices. In this manner, each Senator would be able to use his office space authorization either for stationary offices of for mobile offices or for both, according to the particular needs of his State and constituents.

I believe this bill offers a substantial possibility for improving contact between constituents and their Senators. It is my hope that we can include this legislation in the next supplemental appropriation bill.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 699

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of paragraph 3 under the heading "ADMINISTRATIVE PROVISIONS" in the appropriation for the Senate in the Legislative Branch Appropriations Act, 1975 (Public Law 93-371) is amended to read as follows:

"(a) The Sergeant at Arms of the Senate shall secure for each Senator office space suitable for the Senator's official use in places designated by the Senator in the State he represents, except that each Senator is authorized to have one or more mobile offices. That space (except for mobile offices) shall be secured in post offices or other Federal buildings at such places, and, in the event suitable office space is not available in post offices or other Federal buildings, the Sergeant at Arms shall secure other office space in those places. The Sergeant at Arms shall secure mobile offices, for each Senator who chooses one or more mobile offices, pursuant to arrangements therefor made by that Senator."

(b) Subsection (c) of such paragraph is amended—

(1) by striking out "office secured" and inserting in lieu thereof "office (other than a mobile office) secured"; and

(2) by adding at the end thereof the following: "The maximum annual rental that may be paid for all mobile offices secured for a Senator shall not at any time exceed an amount determined by multiplying (A) the highest applicable rate per square foot charged Federal agencies by the Administrator of General Services in the State which that Senator represents, based upon a 100 percent building quality rating, by (B) the maximum aggregate square feet of office space to which that Senator is entitled under subsection (b) reduced by the number of square feet contained in offices (other than mobile offices) secured for that Senator under subsection (a) and used by that Senator and his employees to perform their duties."

(c) Subsection (d)(2) of such paragraph is amended by inserting after "provisions of" the following: "the first sentence of".

Mr. ROBERT C. BYRD subsequently said:

Mr. President, I ask unanimous consent that a bill introduced earlier today by the distinguished Senator from Kansas (Mr. DOLE), for himself and others, be referred jointly to the Committee on Appropriations and the Committee on Government Operations.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. THURMOND:

S. 700. A bill to amend the Agricultural Adjustment Act of 1938, as amended. Referred to the Committee on Agriculture and Forestry.

Mr. THURMOND. Mr. President, I am today introducing legislation to amend the Agricultural Adjustment Act of 1938, as amended, to allow the leasing of type 13 tobacco allotments or quotas across county lines within the same State.

Recognizing that all of the tobacco belts may not favor leasing allotments across county lines, I have intentionally restricted this bill to Flue-cured type 13 tobacco, which is grown in South Carolina and southeastern North Carolina. A precedent for this type of limited change was estabilshed in 1971 with the enactment of Public Law 92-144. This amendment to the Agricultural Adjustment Act of 1938 allowed leasing of tobacco allotments across county lines in the case of Virginia Fire-cured type 21 tobacco and Virginia Sun-cured type 37 tobacco.

It now appears that South Carolina tobacco growers desire similar freedoms in tobacco leasing arrangements. Both the South Carolina Grange and the South Carolina Farm Bureau, two of our most prominent and respected farm organizations, are on record in favor of such a change.

Changes in the quota leasing provisions of the tobacco program have been discussed by persons in the tobacco industry on numerous occasions in the past. In 1973, the act was amended to allow the lease of allotments or quotas across county lines from certain counties in Georgia and South Carolina which had suffered at least a 30-percent loss in the number of acres planted to tobacco due to natural disaster. This modification in the tobacco program was done on a 1-year, emergency basis and applied only to eight counties in Georgia and four in South Carolina. In retrospect, most of those who were affected by this emergency change in the tobacco program agreed that it had worked well.

In the opinion of many knowledgeable persons associated with the tobacco industry, including tobacco farmers, it would well serve the industry to allow allotments or quotas to be leased across county lines within the same State whenever the farmers may desire. Restricting the present program to county lines throughout the tobacco belts is somewhat arbitrary and unfairly penalizes counties which are more naturally suited to tobacco production. For instance, it is my understanding that farmers in several of the key tobacco-growing counties in South Carolina have already leased all the available poundage quotas within their respective counties. At the same time, considerable poundage is available for lease in adjacent or nearby counties and will likely go unused under the restrictions of the present law.

The past several years have seen a considerable expansion in the foreign demand for American tobacco, a healthy trend for the industry and the National economy. In response to the increased demand for our tobacco, the Secretary of Agriculture announced a 10-percent increase in the national marketing quota for the 1973 crop, another 10 percent for the 1974 crop, and a 15-percent increase for the 1975 crop. Granted, there are those of us who have questioned the wisdom of the Secretary's actions in this respect. However, it seems abundantly clear that many of our progressive tobacco farmers are adapting to changing marketing conditions and desire to grow more of this commodity to satisfy expanding world demand. Unfortunately, many of these farmers are unfairly constrained by the present leasing requirements.

I am convinced that allowing the leasing of tobacco allotments or quotas across county lines would generally benefit tobacco farmers. Certainly it would aid the progressive farmers in good tobacco-growing areas who wish to expand production. Of great importance, it would also aid most small farmers and retired landowners who desire to rent out part or all of their tobacco allotments. If this change were enacted, most of these small farmers would benefit because the lease value of their allotments would increase. There would be a greater number of farmers bidding for their poundage quota, and, consequently, its market value would be greater. While this may not be the case for all farmers who desire to lease their allotment, on balance, the change would be generally beneficial.

Mr. President, I have always been a strong supporter of the tobacco program. I very much desire that the program be continued substantially in its present form, because it has benefited the tobacco industry and aided our tobacco farmers. However, we must continue to look for ways to improve the program in the face of changing market conditions and the modernization of agriculture. I feel that allowing the leasing of allotments or quotas across county lines is a much-needed step in the right direction.

Mr. President, at this point I ask unanimous consent that the bill be printed in the RECORD and referred to the appropriate committee for prompt consideration.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is further amended by striking the period at the end of subsection (a) of section 316 and adding in lieu thereof the following: *"Provided,* That in the case of type 13 tobacco, any such lease may be made to a farm in another county in the same State where the same type of tobacco is produced.".

By Mr. STEVENSON (for himself and Mr. MAGNUSON):

S. 701. A bill to regulate commerce and promote the general welfare by assuring increased supplies of natural gas, oil, and other energy sources at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

CONSUMER ENERGY ACT OF 1975

Mr. STEVENSON. Mr. President, I am introducing today the Consumer Energy Act of 1975. This act is aimed at bringing about reasonable prices for crude oil and natural gas, increased supplies of oil and natural gas, and more competition in the energy industry. Additionally, it would create a National Energy Supply Corporation to negotiate for the United States in the world energy market, develop public oil and gas resources in the United States, and maintain strategic reserves.

The cost of energy to the Nation's consumers was $30 billion in 1972, rose to $65 billion in 1974 and threatens to go beyond $80 billion this year. The rate of inflation climbed to 12 percent last year. In the last quarter of 1974, gross national product declined at an annual rate of more than 9 percent. These losses represent $150 billion less in the pockets of the Nation's consumers.

These devastating blows to the national economy did not occur simultaneously by coincidence. The primary cause of inflation, unemployment, and recession is the high cost of energy.

Energy prices ripple out through the economy to inflate the price of every product and service. In 1974, $35 billion in raw energy price increases rippled out to cost American consumers as much as $100 billion in lost purchasing power.

The Organization of Petroleum Exporting Countries posted increases in energy prices of 500 percent last year—increases that have driven the industrialized West to the brink of economic peril. To the extent that they are not controlled, the costs of domestic oil, gas, and coal rise to the OPEC levels. Reserves shift from consuming to producing nations; $250 to $350 billion will accumulate in the OPEC nations by 1980. Similar transfers take place internally between the consumers and producers of energy. Drained of liquidity, some countries are teetering on the edge of bankruptcy. So are many U.S. businesses. We are experiencing the most sudden shift of great wealth and power in history.

The Nixon administration ignored the warning signs in the fall of 1973. It deregulated the price of "new" oil and raised the price of old oil to $5.25 in December 1973. It told us that these price increases would have a minimal effect on the economy. And it predicted a 5- to 7-percent rate of inflation for 1974.

The administration was wrong. As energy price increases rippled out through the economy, consumers found themselves with less discretionary income; more and more income was required for such basic necessities as food, fuel, and shelter. Less was then available for other sectors. Inflation, largely triggered by energy price increases, thus caused recession.

The administration is still wrong. The President proposes to deregulate the prices of domestic natural gas and "old" oil, causing them to rise to OPEC levels, and then to levy a $3-per-barrel import tariff and a 37-cent excise tax per thousand cubic feet on natural gas. Taken together, these measures would result in further increases in basic energy costs of at least $50 billion a year—$10 to $15 billion more than the increase caused by the past year's price increases. Annual living costs for an average family could rise by over $800—far more than they would be reduced by the President's proposed tax reduction for individuals.

The purpose of the administration's proposals is to reduce energy consumption, but it is by no means clear that they will do so. Increases in the cost of gasoline of at least 30 cents a gallon would be required to bring about significant conservation. The President's proposals call for a 12-cent increase in gasoline prices. But the oil companies could pass the cost increases on to the fuels for which demand is most inelastic—fuel oil, for example—and keep the cost down where demand has some elasticity, as in the case of gasoline.

The President's proposals would plainly lead to more inflation and recession—and probably not achieve their purpose of decreasing energy consumption significantly. To the extent they did so, it would be at the expense of the poor.

A more certain short-run course would reimpose quotas on oil imports, phasing them up from an initial cut of 500,000 barrels a day. Such phased-in quotas would allow time to study their consequences. The burden of resulting shortages would be spread equitably through an allocation program. A standby program of rationing would be available if the shortages could not be handled adequately through allocations. Conservation would be mandated, as by requiring increased automobile efficiency and heating efficiency for buildings. Legislation which has already been introduced or is in preparation, and which I am cosponsoring, would do all of this. But we need to do more. That is why I am proposing the Consumer Energy Act.

Mr. President, I ask unanimous consent that a summary of the provisions of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE PROVISIONS OF THE CONSUMER ENERGY ACT OF 1975

I. ESTABLISHMENT OF A NATIONAL ENERGY SUPPLY CORPORATION

Title I would create a National Energy Supply Corporation. Its functions would include:

Negotiations with foreign governments for the purchase of crude oil at reasonable and stable prices:

The United States and other consuming nations are at the mercy of the Organization of Petroleum Exporting Countries (OPEC), which has increased the price of crude oil by 500 percent in the past year and may raise the price still further to offset the impact of the $3-per-barrel import tax ordered by President Ford.

Our economic power is equal to that of the OPEC nations, but it is not being used. The 1974 Amendments to the Export Administration Act gave the President the bargaining power he needs to counter foreign embargoes or unreasonable price increases on such vital commodities as oil.

Backed by the President's new bargaining power, the National Energy Supply Corporation would negotiate, in concert with other consuming nations, for the purchase of foreign oil and/or production facilities.

Exploration of oil and gas resources in the public domain:

The Corporation would explore and inventory oil and gas resources on public lands, offshore and onshore, to determine whether these resources are of sufficient value to justify the environmental risks that would be involved in their development, and to assure that the government receives a fair return on leases granted to private oil companies for the development of publicly owned resources. State and local governments could contract with the Corporation for geological and environmental studies to determine the feasibility and advisability of leasing.

Production of public resources for the benefit of the public:

The Corporation could produce crude oil and natural gas on public lands. In addition to assuring independent refiners and municipal gas distributors a source of supply, this activity by the Corporation would provide a yardstick for oil and gas production costs—a standard against which the performance of the major oil companies could be measured for the determination of reasonable wellhead prices.

By assuring the availability of supplies for independent refiners, the Corporation would prevent the major oil companies from eliminating the little competition that remains, and thus promote the restoration of competition in the oil industry.

Maintenance of strategic reserves:

The Corporation would maintain the strategic reserves required by the International Energy Agreement. In addition to assuring supplies in the event of a national emergency, the maintenance of adequate reserves would strengthen the nation's bargaining position in negotiations with foreign governments for the purchase of oil.

The Corporation could also operate the Naval Petroleum Reserves.

Development of synthetic resources:

The Corporation could help develop high risk synthetic processes for converting shale, tar sands and coal to oil and gas products,

thus making unnecessary costly additional subsidies for the major oil companies.

Assurance of adequate refining capacity:

In the absence of sufficient domestic refining capacity, the Corporation could operate its own refineries. In addition to refining crude oil produced from public lands, the Corporation would assure independent producers a market for their crude.

II. ROLLBACK IN OIL PRICES

Title II would establish domestic oil prices at levels well below OPEC prices.

President Ford has denounced the Arab nations for increasing the price of their crude. Yet his own proposals for decontrol and increased taxes would permit the price of domestic oil to rise to the OPEC level, and may lead to a further increase in OPEC prices.

About 85 percent of present U.S. energy requirements are met by domestic supplies of oil, gas and coal. In the absence of controls, domestic energy prices will rise to the international levels. For example, the President's proposal to decontrol the price of "old" oil, which constitutes 60 percent of all domestic oil production, together with his proposed $3-per-barrel import tax—would increase the cost of crude oil needed for domestic use by an estimated $30 billion.

Under the Consumer Energy Act of 1975, the price of "old" oil would be frozen at the current level of $5.25 per barrel and the price of "new" oil, which is not now controlled, would be rolled back to 70 percent of the world price as of January 1, 1975.

These rollbacks would reduce current oil costs in this country by $4 billion. The reduced costs of crude would result in the reduction of prices for refined products, thus providing direct consumer relief and reducing windfall profits for the major oil companies.

III. A NEW APPROACH TO NATURAL GAS PRICING

Natural gas provides one-third of the nation's energy. This winter's natural gas shortages may exceed the anticipated 14 percent shortfall.

The present average cost of natural gas sold in interstate commerce is about 29 cents per thousand cubic feet. Some increase in present price levels is necessary to encourage new exploration and production.

But price increases can go only so far toward guaranteeing increased supplies. President Ford's Project Independence Report maintains that an increase to about 60 cents per thousand cubic feet will stimulate greater supplies of natural gas, but acknowledges that increases beyond that level will produce no significant increase in supply. Yet deregulation of the wellhead price of natural gas, as proposed by the Administration, would cause the price to rise to about $2 per thousand cubic feet—seven times its present average price. Such an increase would not assure a significant increase in natural gas supplies; it would assure more inflation and a deeper recession.

The Consumer Energy Act of 1975 would create a new framework for the regulation of natural gas prices. It would establish procedures designed to balance the need for increased producer incentives against the need for consumer protection.

Current Federal Power Commission procedures for the pricing of natural gas require lengthy proceedings which, during a time of generally rising costs, tend to cause artificially lower prices and thus discourage new exploration. The lengthy proceedings also cause serious uncertainty for potential investors.

Short-term emergency procedures adopted by the FPC made a bad situation worse. They promise higher prices but provide no certainty about how long they will last. All these forces—time-consuming pricing procedures, the new short-term procedures and Administration-supported efforts to deregulate prices—have induced producers to withhold natural gas in anticipation of higher prices.

The Consumer Energy Act would provide one certain, timely price for all new natural gas discoveries. Within six months of the passage of the Act, and every five years thereafter, the Federal Power Commission would be authorized to establish and post national area rates based on both current and prospective costs plus a reasonable rate of return to investors. Between these five-year intervals, annual price increases would be keyed to the rate of inflation.

The first five-year rate to be set by the Commission would, by law, fall within a range of 40 to 60 cents.

The price of flowing natural gas as opposed to "new" gas would be frozen at current levels and the lower-cost gas would be allocated to residential and small commercial users.

Other provisions of Title III are aimed at assuring increased supplies of natural gas:

Each federal lessee would be required to develop maximum production levels within the shortest feasible time. Failure of any producers to begin delivering natural gas within two years from the time of discovery in accordance with a development plan would result in forfeiture of the lease.

In the unregulated intrastate market, natural gas is selling for as high as $2.40 per thousand cubic feet. This differential not only causes inflated prices, but intensifies shortages by diverting gas from interstate markets. The Act would extend the reformed FPC pricing jurisdiction to all natural gas production.

Since natural gas is a premium fuel, its wasteful use under boilers would be prohibited in all new industrial plants and phased out of existing ones over a reasonable period of time. Finally, the Act would provide a natural gas priority for manufacturers of fertilizer and other agricultural users and emergency allocations when public health and safety are endangered by shortages.

IV. PIPELINE REGULATION

Title IV of the Consumer Energy Act would guarantee fair access to petroleum pipelines by all members of the petroleum industry.

In theory, the nation's petroleum pipelines are common carriers, equally available to all users. In fact, they are the private preserve of the major oil companies. For the most part, the pipelines are owned by a few of the largest companies. The major oil companies' control over the pipelines has enabled them to divide up markets and raise prices. The integrated oil companies transfer oil through pipelines they control to refineries they control to their own marketers, who in turn sell to the consumer. There is in this chain no real competition; the major oil companies do business, for all practical purposes, with themselves—often stifling competition by excluding independent producers and refiners.

The Interstate Commerce Commission is not enforcing its mandate to treat petroleum pipelines as common carriers.

Title IV would transfer jurisdiction over pipelines from the Interstate Commerce Commission to the Federal Power Commission. It would make these pipelines common carriers in fact as well as in name by granting the Federal Power Commission explicit authority to compel pipeline hook-ups, approve the route of new pipelines, and require the construction of storage facilities for shippers who meet minimum tender requirements.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 130

At the request of Mr. STEVENS, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of the bill (S. 130) to authorize certain revenues from leases on the Outer Continental Shelf to be made available to coastal and other States.

S. 284

At the request of Mr. HUMPHREY, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of the bill (S. 284) to provide price support for milk at 90 percent of parity and for other purposes.

S. 445

At the request of Mr. HUGH SCOTT, the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Tennessee (Mr. BROCK), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of the bill (S. 445) to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 474

At the request of Mr. HOLLINGS, the Senator from Maryland (Mr. BEALL), the Senator from Tennessee (Mr. BROCK), the Senator from North Dakota (Mr. BURDICK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. GARY W. HART), the Senator from North Carolina (Mr. HELMS), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from South Carolina (Mr. THURMOND), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of the bill (S. 474) relating to changes in status as a result of their service in services who are in a missing-in-action status as a result of their service in Indochina.

S. 566

At the request of Mr. HUMPHREY, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the bill (S. 566) to provide authority for the District of Columbia to place two statues in Statuary Hall of the Capitol.

S. 672

At the request of Mr. HUMPHREY, the Senator from Tennessee (Mr. BROCK) and the Senator from Iowa (Mr. CLARK) were added as cosponsors of the bill (S. 672) to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States.

SENATE RESOLUTION 31

At the request of Mr. SCHWEIKER, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of the resolution (S. Res. 31) to establish January 22 as Ukranian Independence Day.

SENATE CONCURRENT RESOLUTION 5

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of the concurrent resolution (S. Con. Res. 5) to urge the President to establish a Council on the Missing in Action.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. HUMPHREY, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the concurrent resolution (S. Con. Res. 10) to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

AMENDMENTS SUBMITTED FOR PRINTING

INCREASING IN LIMITATION ON NATIONAL DEBT—H.R. 2634

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS (for himself and Mr. STONE) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 9

Mr. JAVITS. Mr. President, I ask unanimous consent that the Senator from Maryland (Mr. MATHIAS) be added as a cosponsor of amendment No. 9, which I submitted on February 11, 1975, to the bill (H.R. 1767), to suspend the President's import tariffs on petroleum and petroleum products for 90 days. This amendment attempts to prevent the confrontation now developing between the President and the Congress by providing an interim alternative that I believe could be acceptable to all. It would allow the President to impose import fees on gasoline and crude oil refined into gasoline but prohibit the imposition of tariffs on any other petroleum imports for 60 days. I hope that others will give serious consideration to this compromise to provide an atmosphere of cooperation while the long-term solutions to these difficult energy problems are worked out.

NOTICE OF HEARINGS ON S. 200, CONSUMER PROTECTION LEGISLATION

Mr. RIBICOFF. Mr. President, the Committee on Government Operations will hold hearings on S. 200, the Consumer Protection Act of 1975. This legislation would establish an independent nonregulatory Agency for Consumer Advocacy to speak for the interests of consumers. The hearings will be held beginning at 10 a.m., Thursday, February 20, in room 3302, Dirksen Senate Office Building. They will continue again on Monday, February 24, at 10 a.m. in the same room.

NOTICE OF HEARINGS ON WAGE-PRICE STABILIZATION

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing and Urban Affairs will hold hearings on S. 409, a bill to amend legislation dealing with the Council on Wage Price Stability at 10 a.m., on March 6 and 7, in room 5302, Dirksen Senate Office Building.

All persons wishing to testify should contact Mr. Robert Weintraub, room 5300, Dirksen Senate Office Building; telephone 224–7391.

ANNOUNCEMENT OF GAO BRIEFINGS ON ENERGY, FOOD, AND MATERIAL SHORTAGES

Mr. RIBICOFF. Mr. President, I am pleased to announce that the staff of the General Accounting Office will be briefing members of the Government Operations Committee, their staff, and other interested persons on a review of the work that the GAO has done and what it will be doing in the areas of energy, food, and material shortages. The briefing on energy will be held at 10 a.m. in room 3302, Dirksen Senate Office Building, on Wednesday, February 19. The briefing on food and material shortages will be held at 10 a.m. in room 3302, Dirksen Senate Office Building, the following Wednesday, February 26. All interested persons are invited to attend.

ADDITIONAL STATEMENTS

THE WYMAN-DURKIN ELECTION

Mr. HUGH SCOTT. Mr. President, at the request of the Senator from Ohio (Mr. TAFT) I ask unanimous consent that his statement regarding our protracted debate on the Wyman-Durkin election be printed in the RECORD. Mr. TAFT's statement tells the story.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR TAFT

I am told there is an old West Virginia saying to the effect that—"Even honest men arouse suspicion when they stoop to tie their shoe laces in a melon patch." The Actions taken recently in this body rejecting the seating of Louis Wyman as a Senator from New Hampshire certainly confirm the wisdom of this saying. The Democratic Party majority could not resist the temptation of exercising their voting margin in a blind partisan manner. Not only was Senate precedent disregarded in that Mr. Wyman was refused to be seated even on an interim basis, but the majority of this Body voted that the Rules Committee, not the people of New Hampshire, can best determine who shall represent those people.

Article I, section 4 of the Constitution authorizing States to conduct elections and the mandate of the 17th amendment for citizens of the respective States to elect their Senators evidently are no longer applicable in the eyes of the majority. A new election procedure has been developed notwithstanding the Constitution. This new unwritten rule provides that any candidate, uncertified by the State, who loses a close election and is a member of the political party in control of this Body only need appeal. The Senate, through the Rules Committee, will permit the individual to select which votes he or she wishes to have examined and after such a review perhaps even by a "blue ribbon commission," the agony of defeat can be transformed into the ecstasy of victory.

A few well-placed editorials in "prominent" newspapers and media outlets to rationalize to the country that this procedure is sound can be included in the legislative history of this new procedure.

An important provision, undoubtedly in fine print, must be stressed at all times in implementing this new procedure, however, avoid a mandate of the electorate, never permit citizens an opportunity to vote because such an option would permit certain victory to be jeopardized by possible defeat. To quote an editorial on this question in the "Washington Post" recently, ". . . a new election at this point would be the worst possible step."

The logic of such reasoning is incredible. One would think that after the debacle of Watergate and the stench it left in the political climate of this country, the game of "politics as usual" would no longer be with us. Evidently that is not the case with regard to the Democratic party majority in the United States Senate.

Louis Wyman has been declared the winner by the election officials of the State of New Hampshire after two very thorough recounts, the last of which staff of the Senate Subcommittee on Privileges and Elections carefully observed. John Durkin, the Democratic Party candidate not only lost at the polls, he also lost in court as a special three-judge Federal district court unanimously rejected each one of his arguments regarding the constitutionality of New Hampshire State election appeal procedures.

Some of my colleagues on the other side of the aisle will undoubtedly argue that the old West Virginia saying I quoted is equally applicable to New Hampshire Republican officials and that the Article I, section 5 constitutional authority of the Senate should be exercised to also take away their temptations on this issue.

I agree that under the Constitution this body has technical authority to review the New Hampshire election, but I would hasten to add that I do not believe that this is an absolute right of the Senate unchecked by any other constitutional provision. Mr. Wyman's right to due process of law under the Fifth Amendment cannot be ignored. Even the rules and actions of the Senate can, if arbitrarily and capriciously invoked, overstep the protection of the separation of powers doctrine. As I have stated previously, the legislative branch has already suffered considerable legal setback in this area.

A case in point is *Powell* v. *McCormack*, 395 U.S. 486 (1969) in which the Supreme Court upheld former Congressman Adam Clayton Powell's action against the U.S. House of Representatives finding he was improperly excluded from being seated. Recently in *Consumer's Union of the United States* v. *Periodical Correspondents' Association*, 365 F. 2d 18 (1973), the power of the Congress to set rules under Article I, section 5, was abridged in a suit asserting the First Amendment rights of Consumers' Union to obtain accreditation to the press galleries of the Senate and House. I do not necessarily agree with every aspect of this latter decision, but only point it and *Powell* case out to stress the potential harmful legal precedent that can be established with regard to the Senate as an institution if Mr. Wyman is not rendered due process of law.

There has not been any proof of election fraud or misconduct on the part of New Hampshire officials to warrant the implementation of the Article I, section 5, authority of the Senate to the extent contemplated by the majority. If there is substantial doubt on

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the part of the Rules Committee and the Senate regarding the actual victor in last November's election, let the citizens of New Hampshire decide. Such a procedure for a special election is now available by statute in New Hampshire. Mr. Wyman to his credit is willing to decide this question that way. Certainly, Mr. Durkin, a candidate representing a political party that traditionally claims itself as the party of the people, should not lack the confidence to proceed in this manner.

Lest I be unfair, however, perhaps I should not identify Mr. Durkin and the Democratic Party as the party of the "people" since the new Democratic Party appears to be the party of the caucus and the quota—in this case a quota of Democratic Party members being imposed on the U.S. Senate. I look forward with great expectation as to how this type of platform is received not only by the people of New Hampshire beginning with the presidential primary in their State next year, but to the reaction of the country as a whole. I have a feeling that "democracy by special committee" will be rejected.

THE RIGHT OF THE PEOPLE TO ELECT THEIR PRESIDENT AND VICE PRESIDENT MUST BE AFFIRMED

Mr. HUMPHREY. Mr. President, I have joined my distinguished colleague, the Senator from Rhode Island (Mr. PASTORE) in sponsoring Senate Joint Resolution 26, a joint resolution proposing a modification of the 25th amendment to the U.S. Constitution.

I believe this legislation—to provide for a special election for the Office of President and Vice President when an individual who has been appointed Vice President under the 25th amendment succeeds to the Presidency—is a much needed and timely measure. It warrants bipartisan support. Enactment of this resolution will correct a serious constitutional flaw, to insure that the ultimate goal of our Nation's democratic process—representation of the people—will be met.

It could be said that the 25th amendment to the Constitution as it now stands is entirely adequate. People who will argue this, point to Mr. Ford and Mr. ROCKEFELLER and state that it works, that responsible men are brought into office upon confirmation by a majority vote of both Houses of Congress, under the 25th amendment. I do agree, good men are selected.

However, this reasoning does not address the basic requirement of democratic government. The foundation of American Government is representation of the people.

The 25th amendment calls for the President to appoint a Vice President, should that office become vacant, for confirmation by Congress. If the President cannot complete his term, the appointed Vice President becomes President. The result is that neither this President, nor the Vice President whom he subsequently appoints and Congress confirms, is in office as a result of a popular election.

Although this is a workable procedure as demonstrated by recent events, I believe that it can be improved. The people must be able to exercise their constitutional right to choose the President and the Vice President, if the incumbents of these high offices are unable to fulfill their elected term 12 months or more before the next general election.

Mr. President, this resolution allows the 25th amendment to continue to operate and fits within the present electoral system. I strongly believe this measure should be acted upon by Congress without delay. The effective exercise of the franchise by our citizens is of absolutely crucial importance in assuring the strength of American democracy. The trust and confidence of the people in their Government begins at the ballot box where they are given a direct voice in the choice of their national leadership. Government by proxy—where the electorate is dependent upon the judgment of its representatives in the selection of a President and Vice President—is a serious, weak point in our democratic system that must be corrected with all possible speed.

PROPOSED AMENDMENT OF RULE XXII

Mr. MONDALE. Mr. President, on Thursday, February 20, 1975, the Senate will resume consideration of Senate Resolution 4. Senate Resolution 4 seeks to amend rule XXII of the Standing Rules of the Senate to provide for limitation of debate upon the vote of three-fifths—rather than the current two-thirds—of those Senators present and voting.

This important resolution is cosponsored by 44 Members of this body. Many of these cosponsors, as well as Senators who support the resolution but have not cosponsored it, have risen on the floor of the Senate over the past several days to address the need for this change in Senate procedure and to warn of what might happen to the legislative capabilities of the U.S. Senate if the resolution is not adopted.

Many Senators, including myself, will have more to say about this matter when its consideration resumes in a few days. Today, Mr. President, I wish to add the thoughtful opinion of the Brainerd Daily Dispatch of Brainerd, Minn., to this discussion.

In an editorial on January 31, 1975, the Daily Dispatch asks the Senate to "replace a rule that is archaic and hinders the orderly flow of Government business." I sincerely hope that, when this matter comes to a vote, my colleagues will answer this call.

So that my colleagues may share with me the comments of the Daily Dispatch on this important matter, I ask unanimous consent that the editorial entitled "The Proof," from the Brainerd Daily Dispatch of Friday, January 31, 1975, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Brainerd (Minn.) Daily Dispatch, Jan. 13, 1975]

THE PROOF

A leading practitioner of the Senate filibuster is simultaneously threatening to talk to death a rule change that would weaken this legislative tactic, and at the same time is proving the need for change.

Senator James Allen is threatening a proposal advanced by Senators Walter Mondale, D-Minn., and James B. Pearson, R-Kan., which would allow a filibuster to be stopped by a three-fifths majority of those voting instead of the present two-thirds. The rule change is expected to come to the Senate floor soon and Allen is expected to launch a filibuster against it.

Pearson agrees with Allen that debate has halted "hasty or ill-conceived action which could have wrought much mischief."

But Pearson says the Senate could more fairly operate by "striking a better balance between the right to debate and the right to vote."

If the Pearson-Mondale proposal had been in effect last year, legislation to create a consumer protection agency probably would have come to a final Senate vote and been passed. Allen readily concedes that, but his filibuster killed the bill.

As a parliamentary tactic, the filibuster is supposed to be a nonstop talking session designed to keep the Senate from voting on a bill.

In the not too distant past, Senators would talk for hours, eating candy bars for nourishment and reciting books just to keep talking.

But now the Senate practices a less verbose version.

A member need not actually talk for hours on end. Instead, he merely threatens to, gives his colleagues a sample of what he means, and objects to a vote on the bill. The Senate then goes on to other business and the matter may be left hanging for weeks.

Some say the filibuster's longevity has been threatened since 1959 when the rules were changed to impose cloture through a two-thirds majority of those voting instead of all 100 Members. That step stripped the device of some of its airs of invulnerability.

Ninety-six attempts to choke off filibusters have been made since 1917. Twenty-one have succeeded, seven of them in 1974 alone.

Allen has been successful in his filbusters by drawing support against cloture from fellow Southern Democrats and conservative Republicans. He's counting on them to defeat the antifilibuster rule.

The Democrats have made some significant changes in the Congress this session by removing some old, entrenched committee chairmen and replacing them with what we hope will be more enlightened leadership.

We would hope that they would continue this effort and replace a rule that is archaic and hinders the orderly flow of government business.

FARM ESTATE TAX RELIEF

Mr. DOLE. Mr. President, last week I introduced legislation to modify the Federal estate tax procedures to grant some relief to those farm families and other land owners who wish to maintain their estates for farming, open space or preservation of historic places.

As our population increases, there is a rapidly expanding need to maintain our farm land base for production of food. Expansion of our urban areas makes serious inroads into this farm land base every year, and it is only because of our increasing efficiency and technology that we have been able to meet expanding agricultural needs with a diminishing base. We cannot continue this way indefinitely. We must take steps to slow, if not reverse, this process of urban development of farm land to be able to meet our future food production needs.

There is also another important reason to preserve our farm land base. It is the same reason we need to preserve and

even create open space for scenic and outdoor recreational pursuits, and to preserve our national historic places. Again, there is an important link with the cities and urban areas. As the pressures of urbanization exert more and more influence on our daily lives, we need opportunities to retreat to the open spaces of farm and scenic areas to recreate and to commune with nature and reestablish or fortify our sense of values.

The unfortunate facts, however, are that it is becoming increasingly difficult to reach or even find open or natural spaces near our urban areas. Land values near these areas become prohibitively high based on their potential for development. When a farm or other "real property" estate in such an area passes by inheritance into new ownership, the Federal estate tax regulations require the estate tax to be imposed on the "market value" of the property.

In many instances, the new owners of these lands—usually the family of the decedent—who wish to continue to manage the land are instead forced to sell at least a portion of it to pay the estate tax. When the selling price has included development potential, the new owner must develop the land to realize his investment. Those forced sales then result in either development of the land, or at best a reduction of the size of the unit. Eventually such reductions result in uneconomic units which then must be sacrificed to development.

At a time when larger, more efficient farms are appropriate, these reductions in farm acreages are detrimental to our agricultural economy as well as in conflict with our need for open space and scenic and recreation lands.

The legislation I have introduced will provide relief for farm families and other owners of scenic and open space lands and national historic places who are willing to continue the existing use of their lands. It provides a modified system of valuation whereby the property value will be determined by its value for the existing use. It also provides an exemption of the first $200,000 in the value of the estate in the computation of the estate tax. This $200,000 exemption is an increase from the presently authorized $60,000 in recognition of the inflation which has occurred since passage of the original legislation in 1954 and earlier. This is an across-the-board exemption which will apply to all estates whether farm oriented or not and regardless of the type of property making up the estate. It seems only fair that all citizens should receive relief from the punitive impact of inflation operating through a fixed exemption in the estate tax law. While this is somewhat separate from our need and desire to maintain agricultural and open lands, the solution as far as the estate tax is concerned is the same.

There is, however, a problem of considerable magnitude involved in such an across-the-board change in the exemption. The Treasury Department has estimated that the cost of such legislation in terms of lost revenue could run as high as $2.1 billion per year. It can be argued that this is only a small percentage of our total tax revenue; however, I have serious misgivings about such a cost at this particular point in time when we are faced with a masisve budget deficit. Laudable as our objective is, and reasonable as it may be to "update" the standard exemption to keep pace with inflation, this is still a doubtful time to gain support for a measure which will further fuel the deficit inferno.

Therefore, I have also introduced a second bill, similar to the first, but which would grant the $200,000 exemption only for real property which qualifies for the alternate system of evaluation relating to existing use.

This will still meet our objective of keeping land in agriculture and open space. It will be a major benefit to qualifying farmers and other rural land owners who have owned their property for 5 years and are willing to continue their existing use for an additional 5 years. The cost in terms of lost revenue is estimated to be $300 million which would be less than 7 percent of the total estate taxes generated. Surely this is a small price to pay for continuance of the family farm on the American scene, and for maintenance of our farmland base, continued high agricultural production and protection of our open space, scenic, recreation and historic values.

An important feature of both of these bills is the inclusion of properties listed on the National Register of Historic Places to insure the continued maintenance of their historic values.

One of the safeguards in the bills which also serves as a rather powerful incentive is the requirement that, in order to qualify, property must have been devoted to the qualifying use for 5 years prior to the death of the owner, and continued to be committed to that use for 5 years following the granting of the special tax exemption. If this latter provision is violated, the forgiven taxes become effective.

This is eminently fair to both the owner, the general public and the local governmental jurisdictions charged with providing tax supported services and with long range land use planning and zoning. As can be readily seen, the 10 year period involved will act both to protect legitimate, serious farmers and land owners while discouraging speculators, hobbyists, and developers.

While my second bill does not benefit all estates, it does address the most pressing problem which is the case of the farmer or other rural property owner so burdened by the Federal estate tax as to be forced to dispose of property if some relief is not provided. The assets of these people are generally not liquid, and the imposition of a large estate tax simply cannot be met without liquidating assets or incurring unrealistic loans. If we must proceed in a two step fashion to completely resolve the inequities of the estate tax, it is appropriate that this group receive the first attention.

Our process to arrive at final, effective legislation quite properly involves revisions and amendments to original proposals on matters as important as this. Therefore, I have introduced both of these bills to provide some guidelines as we move through the complex relationships involved with this issue.

Mr. President, I ask unanimous consent that both bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 678

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

"(1) IN GENERAL.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) DEFINITION OF QUALIFIED REAL PROPERTY.—For the purposes of this subsection, the term 'qualified real property' means rural real property substantially all of which is, and, for the 60 months preceding the date of death of the decedent, has been, devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland (including land used for the commercial production of trees and land publicly used for undeveloped scenic or outdoor recreational purposes),

"(C) open pastoral space, or

"(D) maintenance of historic values and is listed in the National Register of Historic Places, either separately or as part of a district so listed.

Such real property shall include residential buildings and related improvements occupied on a regular basis by the owner or lessee of such property or by persons employed by such owner or lessee for the purpose of operating or maintaining the real property and improvements described in this paragraph (2), and roads, buildings, and other structures and improvements functionally related to the uses listed in this paragraph (2).

"(3) ELECTION REQUIREMENTS.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form and manner as he may prescribe and shall contain, in addition to any other matter, the name, address, and taxpayer identification number of the person or persons to whom any interest in the property passes under the terms of the decedent's will or by operation of law.

"(4) DEFINITION OF OWNER.—For purposes of this subsection, the term 'owner' means those persons identified in paragraph (3).

"(5) REVOCATION OF ELECTION UPON CONVERSION, REZONING, OR REMOVAL FROM NATIONAL REGISTER.—The election made under this subsection shall be revoked upon the occurrence of any of the following events:

"(A) the conversion by the owner of the real property with respect to which the election provided in paragraph (1) was made, or any portion thereof, to a use other than one or more of the qualified uses described in paragraph (2); or

"(B) the rezoning of such property to permit a use other than one or more of the qualified uses described in paragraph (2), if such rezoning occurs at the request of the owner; or

"(C) if such property qualified for the election only pursuant to paragraph (2)(D), removal of such property from the National Register of Historic Places, or discontinuance of maintenance of the historic values.

"(6) RECAPTURE OF EXEMPTED TAXES.—Upon revocation of election as provided in paragraph (5), or upon sale or transfer of the

property if either event occurs within five years of the date on which the return for the tax imposed under this chapter was filed, the difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been payable on that transfer had the property not been valued under paragraph (1) shall be a deficiency in the payment of the tax assessed under this chapter on that estate. Such deficiency shall be a tax imposed on the owner of the property together with interest on such amount at 6 percent running from the filing date prescribed in section 6075 with respect to the return from the decendent's estate (taking into account any extension of time granted pursuant to law for the filing of the return).

"(7) DUTY TO FILE RETURN.—Prior to or upon the occurrence of an event described in paragraph (5) or a sale described in paragraph (6), the owner subject to the tax imposed by paragraph (6) shall file a return with respect to such tax. Such return shall be made within 30 days after the end of the calendar quarter in which the sale or event causing revocation of election occurs.

"(8) LIEN TO SECURE TAX.—If the executor of an estate makes the election provided by paragraph (1), there shall be a lien on the real property with respect to which such election was made in the amount of the tax saving realized by the estate by virtue of such election. Such lien shall be extinguished upon payment of all taxes which become due pursuant to paragraph (6) or at such time at which the possibility that any such taxes shall become due terminates, whichever time is later."

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2031(c) (relating to alternate valuation of certain real property), the value thereof as determined under such section for the applicable valuation date, including any increased value on which a tax is paid as required by paragraph (6) of that subsection".

SEC. 2. INDIVIDUAL EXEMPTION.—

(a) Section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

(b) Sections 2106(a)(3)(A) and 2106(a)(3)(B) of the Internal Revenue Code of 1954 (relating to exemption for federal estate tax) are amended by striking out "$30,000" and inserting in lieu thereof "$100,000."

(c) Section 6018(a)(1) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

(d) Section 6108(a)(2) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by striking out "$30,000" and inserting in lieu thereof "$100,000".

SEC. 3. APPLICABILITY OF AMENDMENTS.—The amendments made by this Act shall apply with respect to decedents and the estates of decedents dying after the date of enactment of this Act.

S. 679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

"(1) IN GENERAL.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) DEFINITION OF QUALIFIED REAL PROPERTY.—For the purposes of this subsection, the term 'qualified real property' means rural real property substantially all of which is, and, for the 60 months preceding the date of death of the decedent, has been owned by the decedent and devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland (including land used for the commercial production of trees and land publicly used for undeveloped scenic or outdoor recreational purposes),

"(C) open pastoral space, or

"(D) maintenance of historic values and is listed in the National Register of Historic Places, either separately or as part of a district so listed.

Such real property shall include residential buildings and related improvements occupied on a regular basis by the owner or lessee of such property or by persons employed by such owner or lessee for the purpose of operating or maintaining the real property and improvements described in this paragraph (2), and roads, buildings, and other structures and improvements functionally related to the uses listed in this paragraph (2).

"(3) ELECTION REQUIREMENTS.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form content and manner as he may prescribe.

"(4) DEFINITION OF OWNER.—For purposes of this subsection, the term 'owner' means those persons identified in paragraph (3).

"(5) REVOCATION OF ELECTION UPON CONVERSION, REZONING, OR REMOVAL FROM NATIONAL REGISTER.—The election made under this subsection shall be revoked upon the occurrence of any of the following events:

"(A) the conversion by the owner of the real property with respect to which the election provided in paragraph (1) was made, or any portion thereof, to a use other than one or more of the qualified uses described in paragraph (2); or

"(B) the rezoning of such property to permit a use other than one or more of the qualified uses described in paragraph (2), if such rezoning occurs at the request of the owner; or

"(C) if such property qualified for the election only pursuant to paragraph (2)(D), removal of such property from the National Register of Historic Places, or discontinuance of maintenance of the historic values.

"(6) RECAPTURE OF EXEMPTED TAXES.—Upon revocation of election as provided in paragraph (5), or upon sale or transfer of the property if either event occurs within seven years of the date on which the return for the tax imposed under this chapter was filed, the difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been payable on that transfer had the property not been valued under paragraph (1) shall be a deficiency in the payment of the tax assessed under this chapter on that estate. Such deficiency shall be a tax imposed on the owner of the property together with interest on such amount at 6 percent running from the filing date prescribed in section 6075 with respect to the return from the decedent's estate (taking into account any extension of time granted pursuant to law for the filing of the return).

"(7) DUTY TO FILE RETURN.—Prior to or upon the occurrence of an event described in paragraph (5) or a sale described in paragraph (6), the owner subject to the tax imposed by paragraph (6) shall file a return with respect to such tax. Such return shall be made within 30 days after the end of the calendar quarter in which the sale or event causing revocation of election occurs.

"(8) LIEN TO SECURE TAX.—If the executor of an estate makes the election provided by paragraph (1), there shall be a lien on the real property with respect to which such election was made in the amount of the tax saving realized by the estate by virtue of such election. Such lien shall be extinguished upon payment of all taxes which become due pursuant to paragraph (6) or at such time at which the possibility that any such taxes shall become due terminates, whichever time is later.

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2031(c) (relating to alternate valuation of certain real property), the value thereof as determined under such section for the applicable valuation date, including any increased value on which a tax is paid as required by paragraph (6) of that subsection".

SEC. 2. INDIVIDUAL EXEMPTION.—

(a) Section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by adding after $60,000", "or the value of property included in the election taken under section 2031(c) but not to exceed $200,000."

(b) Sections 2106(a)(3)(A) and 2106(a)(3)(B) of the Internal Revenue Code of 1954 (relating to exemption for federal estate tax) are amended by striking out "$30,000" and inserting in lieu thereof "$100,000."

(c) Section 6018(a)(1) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by adding after "$60,000", "or $200,000 in the event of an election under section 2031(c)".

(d) Section 6108(a)(2) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by striking out "$30,000" and inserting in lieu thereof "$100,000".

SEC. 3. APPLICABILITY OF AMENDMENTS.—The amendments made by this Act shall apply with respect to decedents and the estates of decedents dying after the date of enactment of this Act.

FREE PRESS PRECIOUS IN SEOUL

Mr. PROXMIRE. Mr. President, NBC Nightly News on February 8 carried a filmed report from Seoul, Korea, that demonstrated that the blessings of a free press are readily recognized when the press is enslaved.

NBC's Don Oliver reported that readers are inserting advertisements of support in an effort to counter a government-sponsored advertising boycott of the newspaper, Dong A Ilbo. The boycott was organized after reporters struck in demand that their paper print stories critical of the government.

To me, this story points up the inestimable value of our own first amendment, which guarantees a free press in the United States.

As Justice Potter Stewart has pointed out, the press is the only private enterprise mentioned in the Constitution. It is there to act as a critical check on government. The job of a free press is to watch out for injustices and usurpations on the part of the legislative, executive, and judicial branches of Government. The first amendment forbids the Congress from passing any law that might diminish the rights to freely exercise any religion, to speak freely, to peaceably assemble, to petition Government for redress of grievances and to have a free press.

Unfortunately, Congress has passed a law that does abridge a free press. The executive and the judicial branches have supported that law.

The law is the Communications Act, which has diminished the rights of a part of the free press.

Unfortunately, not everyone recognizes that broadcasting is a part of the press.

If the obvious were recognized, there would be little argument; for, in general, the necessity of maintaining the freedom of the printed press has not been attacked.

Other means of mass communication have been able to hold fast their rights of a free press—newspapers, magazines, pamphlets, books, and, yes, motion pictures.

But not broadcasting.

That would be a serious omission even if broadcasting were as insignificant in the scheme of communications as a single grade school's mimeographed newspaper. But broadcasting—radio and television—is the most popular of the media of communications.

If a broadcaster in the United States turned critical of the Government, refused to permit a Government spokesman to defend the Government, and the Federal Communications Commission threatened to shut down his transmitter, would the citizens of that community come to the defense of the broadcaster?

I do not know the answer.

That is a hypothetical question. I am virtually certain that no broadcaster feels such a situation could develop in this country.

Yet, there are broadcasters who have complained about the fairness doctrine's restraint on them—the chilling effect of knowing that their newsmen cannot do their jobs with the same freedom that their counterparts in the newspaper business can. Broadcasters know that their lawyers are as important to them as their newsmen.

Newspaper editors need to consult their lawyers before printing a story only when a possible libel is involved. And newspaper editors do not need to involve their lawyers before a governmental agency in defense of the way they handled a story.

Broadcasters do.

That is not freedom as envisioned by the writers of the Bill of Rights.

Now, if it were only the broadcasters that were inconvenienced by FCC controls, I can assure you I would not be bothered.

But, it is the listeners and viewers whose rights are injured by governmental control of broadcasting. They are citizens. They are entitled to hear and see all viewpoints expressed on controversial subjects just as they can read all viewpoints on controversial issues of public importance.

But is not that what the fairness doctrine requires of broadcasters?

Yes, that is what the law says.

"The law." Those are the controlling words.

"Congress shall make no law * * * abridging * * * the free press," says the first amendment.

And why did the writers of the first amendment mandate the absence of law on the subject of a free press? Because if a free press is to protect American citizens from the Government interfering with such basic rights as freedom of religion—to be secure in their houses—to enjoy a speedy and public trial—how can the free press do its job with the Government breathing down its neck with the passage of laws?

But, say those who endorse governmental control of broadcasters, broadcasting is different. Anyone can start a newspaper, they say, but there is room on the spectrum for a limited number of broadcasting channels.

On the surface, that argument has some appeal. But go beneath the surface, and it does not hold.

First of all, the allocation of the spectrum is not a fixed and immutable law of physics.

Without getting into the complexity of physics, suffice it to say that originally, 2,053 television channels were alloted to 1,291 U.S. communities. Later that was changed to 1,850 channels for 850 communities. At the end of 1974, a total 1,009 television stations were authorized and 921 were on the air, including 700 commercial stations and 221 educational stations.

On top of that, there were 8,064 authorized radio stations with 7,654 actually on the air, of which, 6,970 were commercial.

The number of daily newspapers totals somewhat more than 1,750.

A few suburban dailies have come into existence lately. But the number of competing, metropolitan dailies have been declining over the years. Just a few years ago, Washington, D.C., went from three to two competing papers, and it is no secret that one of those now is in financial difficulties. There are five commercial and two educational TV stations in Washington, D.C.

The point is this: Economics permits far more broadcasting stations than daily newspapers. And, technology would permit some 200 more television stations than existing daily newspapers.

Competition—economically and ideologically—is an absolute necessity if our free press is to work the way it was envisioned to work under our Constitution.

For American citizens to enjoy the benefits of that competition, they must have broadcasting stations with the same freedom as newspapers.

Under current law and current FCC regulations, our citizenry is being deprived of ideological competition among broadcasters.

But who would keep broadcasters in line?

Not the Government. That is not proper under our Constitution.

The listeners and viewers would.

The broadcaster who could not serve a large enough audience would lose his advertisers and go out of business. But given freedom, he could serve a particular audience. It might be relatively small, but he could make a go of it as do some magazines and journals serving particular publics.

Under current conditions, broadcasters must conform to Federal regulations that tend to force them into serving the same audience.

You do not believe that? Just ask the former owner of WXUR in Media, Pa. He is out of business now because of the fairness doctrine.

It is time that Americans reexamine governmental regulations of broadcasting in the context of the first amendment. That is why I introduced S. 2, the First Amendment Clarification Act of 1975.

A look at the situation in Seoul—while not exactly analogous—can show just how precious is a free press.

Mr. President, I ask unanimous consent to have printed in the RECORD the newsscript of Don Oliver's report from Seoul.

There being no objection, the newsscript was ordered to be printed in the RECORD, as follows:

NEWSPAPER BOYCOTT

It has been a long time since there was any real freedom of the press in South Korea. People have generally read what the government of President Park Chung Hee wants them to read. But a few months ago . . . in this newspaper office in Seoul . . . there was a revolt.

Young reporters and writers for Korea's largest newspaper—the Dong A Ilbo—organized a union and staged sitdown strikes. They demanded the paper print stories critical of the Park government.

The young reporters won . . . and the paper began giving front page play to anti-government stories. As the reporting got tougher . . . government threats and pressure mounted.

In late December the newspaper's biggest advertisers began to cancel their contracts. They gave no reasons.

It was obvious the government had put pressure on the big companies to cancel their advertising. The government controls business licenses and bank loans—things the big companies need to stay alive. Within two weeks, one hundred percent of the advertising was gone.

The newspaper refused to yield to the pressure and it began getting an outpouring of public support.

Students . . . priests . . . housewives filed into the advertising department daily to buy small and large advertisements—sympathy messages expressing support for the Dong A Ilbo's stand against the government.

Now, these sympathy messages are the only advertising in the paper. As many as 250 a day saying things like, "Stick to a Free Press" . . . "Be Brave" . . . "Viva to the reporters of the Dong A Ilbo. Every day police patrol outside the Newspaper offices . . . trying to intimidate citizens who want to place sympathy advertising. But the people still come and the paper has forbidden police to enter the building.

The advertising manager of the paper was held for two days by government agents because of a sympathy ad placed by an army officer. The manager refused to give them the soldier's name.

Since the advertisers boycott began, the circulation of the newspaper has gone from 700 to 800,000 a day . . . but advertising revenue is down 5 thousand dollars a day. It is a question now of how long the publisher can hold out before giving in to the government and firing the young reporters who are making a stand for freedom of the press at the Dong A Ilbo. Don Oliver, NBC News, Seoul, Korea.

OLDER AMERICANS AND THE ECONOMY

Mr. CLARK. Mr. President, shortly after President Ford announced his most recent economic plan to the Nation,

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many families tallied up the pluses and minuses to find out the impact of his proposals on their budgets. For most Americans, the proposals would have a mixed effect—gaining disposable income from some proposals like the tax cut and losing income from others like the oil tariff. It still is not clear what the net effect of the proposals will be on each segment of the American economy. But there is one group of Americans, however, that is being asked to bear much more than a fair share of the economic burden under the President's proposals—the elderly, particularly the low income elderly. For them, there would be very few pluses to help their meager budgets.

Right now, many elderly people are malnourished, inadequately housed, and in need of medical attention because they cannot afford decent food, health care, and housing. One out of every six elderly individuals has an income below the poverty level, and many more can be classified as "near-poor." They simply do not have the means or the ability to combat inflation and fight recession, nor should they need to have them. What they do need is the consideration and help of Government.

The President's economic program provides neither. For example, the administration has proposed increasing the cost of medicare for older Americans. The Department of Agriculture wanted to cut back the food stamp program, and the President has requested that the Congress place a 5-percent ceiling on the automatic cost-of-living benefit increase in social security and supplemental security income scheduled for this July. Moreover, the increased price of oil will mean that everyone will have to pay more for fuel, utilities, and transportation. Older Americans already are spending a disproportionate amount of their incomes on these items, and increased costs will create even greater economic problems for them.

I would like to take a few moments to look at some major aspects of the administration's economic program and their potential impact on older Americans.

SOCIAL SECURITY AND SUPPLEMENTAL SECURITY INCOME

Older Americans are often the hardest hit by inflation—they are the least able to cope with higher prices because they spend a larger portion of their income on the very items which have risen the most. From 1970 to the fall of 1974, the Consumer Price Index rose 31 percent. In that same period, however, food rose 44 percent, and the most widely used staples—flour and rice—almost doubled in price. Other items like fuel, utilities, and health care also have risen at rates well above the national level of inflation. As a result, the poor and elderly have been forced to do without many goods and services they need.

Because of the special hazards of inflation to those on fixed incomes, the 92d Congress approved an automatic cost-of-living benefit increase in social security. The automatic increases are designed to provide some financial insurance during periods of chronic inflation. A similar cost-of-living escalator was enacted by the 93d Congress for those on supplemental security income, SSI.

The first cost-of-living increase is due this July, and it is projected at 8.7 percent. However, in his state of the Union address the President asked the Congress to place a ceiling of 5 percent on the cost-of-living adjustment. This would put an extraordinary burden on this Nation's older citizens, and I do not believe the Congress will or should enact this legislation.

I have cosponsored a resolution introduced by Senators CHURCH, MONDALE, and KENNEDY expressing the sense of the Senate that a 5-percent ceiling should not be placed on the social security cost-of-living escalator. A majority of the Senate has given its support to the resolution. Hopefully, this will ease the growing worry and concern of those dependent upon social security benefits.

FOOD STAMPS

Unfortunately, not all programs are as well protected from executive fiat as social security. The food stamp program is a good example. The administration arbitrarily decided to increase the cost of food stamps beginning this March.

This increase would have hit the elderly poor hardest, eliminating from the food stamp program about 1.5 million individuals with net monthly incomes between $154 and $194, even though $194 is below the poverty line. Individuals with net incomes of $146 a month, the Federal SSI base payment, would have had to pay $43.80 and $46 in food stamps each month, a substantial increase from the $30 they now must pay. The food stamp cutback would have increased malnutrition among those most vulnerable to ill health, inevitably increasing Federal expenditures for assistance in the years to come.

Fortunately, the Congress earlier this month nullified the President's action with overwhelming votes to continue the current food stamp program without cuts.

MEDICARE

The administration would increase the economic problems of the elderly through the medicare program as well. The budget proposal would mean new costs for most stays in the hospital as well as for doctor visits. These additions would affect almost every older person with any significant medical expenses. Fortunately, the Congress would have to enact legislation to increase the cost of medicare, and I do not believe that this kind of legislation will be approved.

Even without the President's proposals, the health expenditures of older Americans have increased significantly since the program began—because of increased costs in noncovered items such as out-of-hospital prescription drugs, increased deductibles, and a decrease in the proportion of claims for which doctors accept medicare reimbursement as full payment for their services.

As a result, I have introduced legislation with Senator RIBICOFF to freeze the cost of medicare at 1974 levels and to enable the medicare program to provide virtually all of the elderly's health care costs. The burden of the Nation's economic woes should not be placed on the elderly—especially not in the area of health and health care.

ENERGY

The President has suggested that Congress enact legislation to deregulate domestically produced oil and natural gas, and he has begun to place an additional tax on foreign oil. These actions will not impose a burden exclusively on the elderly, but they certainly will not bypass the budgets of older Americans. Utility bills and fuel oil costs already have risen significantly—and the new proposals will increase them even more. Low-income senior citizens who often live in poorly insulated housing and who are subject to illnesses easily aggravated by lower temperatures will be required to make disproportionate sacrifices. And, many programs that directly serve the elderly will be forced to curtail their services because of the increased costs of energy.

Transportation is one of the most chronic problems for older Americans. For those who own cars, increased gasoline costs only will further isolate them from their friends, the doctor, and their communities. For those who depend upon others for transportation or public transportation, increased fuel costs will increase their transportation costs and decrease their income that can be used for other essential items.

Older Americans do not have the budget flexibility of many American families. Virtually every item in the older person's budget is a necessity. Increased costs for food, health care, transportation, and utilities have an especially harsh effect on the elderly because many do not have any luxury items which they can eliminate. Providing greater financial assistance would help them, but that is not what the President has proposed.

TAX REBATES

The proposed tax rebate plan included in the President's economic message would offset some of the increased costs faced by American families. But for most of the elderly, the President's rebate plan would provide little real help because about 60 percent of older Americans do not even have enough income to file income tax returns; another 20 percent would receive an average rebate benefit of less than $6 under the President's proposal, leaving only 20 percent that would benefit meaningfully under his tax rebate proposal. While the President did say that there would be an $80 rebate for those low-income individuals who do not pay taxes, this comes to about 23 cents a day, and that will not offset the increases in food, health, fuel, and utilities in the coming year.

Congress certainly agrees that we need a tax cut now, but we must insure that those people who need the additional spending power the most receive the bulk of the benefits. Older Americans certainly can use more disposable income, and they should receive a greater share of the benefits from a general tax rebate plan. I am confident Congress will provide just that kind of tax cut. The House Ways and Means Committee has made a good start with its rebate/tax cut plan.

Mr. President, older Americans have done a great deal for this country. They have helped build our prosperity and wealth. No other group in society needs or deserves more help, and this Congress and the administration should work together to give them a greater share of our abundance—to help them during these difficult times.

SELECTION OF JOHN DUNLOP TO BE SECRETARY OF LABOR

Mr. HUGH SCOTT. Mr. President, President Ford's selection of John Dunlop to be the new Secretary of Labor bodes well for the country as we attempt to combat growing unemployment. An excellent editorial in the Christian Science Monitor sums up Mr. Dunlop's qualifications. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Feb. 2, 1975]

A HEAVYWEIGHT FOR LABOR

President Ford made an excellent choice in picking John Dunlop to replace Peter Brennan as Secretary of Labor.

With unemployment at 8.2 percent at last count and still climbing, with 7.5 million persons out of work, Mr. Dunlop can have few illusions about the demands that lie ahead. The administration does not expect employment to improve much even by election day a year and half hence.

The rally of 8,000 auto workers last week in Washington generated fiery denunciations of administration policy. It might have been only a harbinger of what labor will do in its attempts to influence Washington. Labor wants a stronger unemployment package, expanded health care, as well as a faster economic recovery and aid for especially hard-hit industries such as automaking.

In this atmosphere, it would have been impossible for Mr. Ford to have recruited another man like Mr. Brennan from the ranks of labor itself. Mr. Brennan had been picked by President Nixon at a time when the Nixon White House was wooing the working-class vote. Brennan's building trades followers in New York had given the kind of pro-Vietnam, antistudent, hard-hat backing the administration liked.

Mr. Dunlop, a Harvard economist seasoned by years af labor mediation and high-level Washington experience, is definitely more a man for the present hour. He headed the Cost of Living Council during the third and fourth phases of the recent wage/price controls era. He emerged from the exercise with his objectivity intact. He is realist enough to know that controls may again one day be tried. If they are, he would favor an industry-by-industry approach, instead of applying blanket rules for an entire economy which could cause costly and unnecessary pressures on many industries.

Mr. Dunlop is a man of decided views. He can be expected to wade into White House skirmishes with such outspoken officials as Treasury Secretary Simon. Labor leaders expect that Mr. Dunlop will represent their case accurately.

Mr. Ford can expect very vocal opposition in the coming months from Democratic labor. But he has gained a point in choosing a heavyweight as labor chief, and not merely someone to hold labor's hand while joblessnes soars and inflation still hangs at a double-digit 11 percent rate.

TRIBUTE TO GEN. HENRY A. MILEY, JR.

Mr. STENNIS. Mr. President, I would like to pay tribute to one of our most distinguished and dedicated military leaders, the commanding general of the U.S. Army Materiel Command, AMC, Gen. Henry A. Miley, Jr. General Miley is scheduled to retire at the end of this month after 38 years of honorable and faithful service to our Nation's Armed Forces. He pointed the way for the Army logistics system in the years to come.

General Miley became commanding general of the Army Materiel Command in November 1970, after 17 months as deputy commander. During World War II, he spent 48 months in the Pacific with antiaircraft and ordnance units and upon his return to the United States in 1946, served for a year on the faculty of the Ordnance School. Later, General Miley served tours at Frankford Arsenal, Pa., and in U.S. Army, Europe, before 4 years in the office of the Chief of Ordnance. Returning to Europe in 1961 General Miley served in the G–4 division of the Communications Zone at Orleans, France, later heading the Advanced Weapons Support Command at Pirmasens, Germany, and then serving as Ordnance Officer of U.S. Army, Europe. In April 1966, he was named Director of Procurement and Production at AMC headquarters and in August 1966, Assistant Deputy Chief of Staff for Logistics—programs and budget—in the Pentagon.

The Army Materiel Command consists of a nationwide network of 69 military installations and 57 activities, responsible for the materiel functions formerly performed by the Army's technical services, including research and development, test and evaluation, procurement and production, storage and distribution, inventory management, maintenance and disposal. The command has management responsibility for an inventory of approximately $11 billion on hand in depots in the Continental United States; $4 billion on order from procurement; and $17 billion in ammunition and other major items in the hands of troops or oversea depots; and an annual expenditure of approximately $9 billion. It directly employs 11,200 military and 113,500 civilian personnel.

With headquarters in the Washington, D.C. area, AMC operates through seven major subcommands and directs the activities of depots, laboratories, arsenals, maintenance shops, proving grounds, test ranges, and procurement offices throughout the United States.

Under General Miley's outstanding leadership, the Army Materiel Command has been instrumental in the development, production, distribution, and support of the most modern, effective, and reliable equipment for our combat forces and their allies, in the history of our Nation. Our troops in Vietnam were equipped with the finest and most effective vehicles, tanks, helicopters and other weapons' systems known to man. Many of these developments were accomplished under crises conditions to meet the overriding needs of our forces in Vietnam. Through it all the Army Material Command supported our troops in the field in a manner which brought praise from our fighting men and our allies alike. The TOW Anti-tank system, the Dragon medium-tank missile, and the Lance surface-to-surface missile system, are just a few of the highly successful systems which have been developed by AMC in recent years. There have also been significant breakthroughs in the electronics and night vision areas.

Under General Miley's direction the Army Materiel Command has continued to provide for the effective support of the Army. During 1973 the Army Materiel Command went through the most drastic organizational realinement since its creation in 1962. This was followed by further and equally drastic action in 1974 to realine the Army Depot System in the interest of economy and efficiency. These improvements have been accomplished with concurrent refinements and improvements in the materiel acquisition process. Management has been significantly improved under General Miley's leadership through such actions as identification and disposition of excess operating equipment, valued in the hundreds of millions of dollars, and implementation of computer systems which have resulted in significant improvements in the Army's logistic support system.

I proudly salute General Miley personally for his splendid record of achievement and outstanding contributions to the Army of our country.

MINNESOTA WITNESSES TESTIFY AT SENATE DAIRY HEARINGS

Mr. HUMPHREY. Mr. President, on February 7 our Senate Committee on Agriculture and Forestry held hearings on the current dairy situation.

I was pleased to be able to welcome a distinguished bipartisan delegation of Minnesota witnesses, headed by State Senator Myrton Wegener and Commissioner of Agriculture Jon Wefald. Others in the delegation included State Senators John Bernhagen and Howard Olson and Representatives A. J. Eckstein, Marion Menning, and Gilbert Esau.

The group reported that the dairy industry is in terrible shape with farmers continuing to face a severe cost-price squeeze. Dairying is extremely important to Minnesota, and it is urgent that action be taken to raise the milk price support level.

I have introduced S. 284, which proposes that the support level for milk be set at 90 percent of parity. The Minnesota delegation strongly supported setting the support level at 90 percent of parity.

The Minnesota delegation also met with officials of the Department of Agriculture and attempted to make clear the plight facing our dairy farmers today.

Mr. President, this was a very well informed group, and I ask unanimous consent that their prepared statements—by State Senator Wegener, Commissioner Wefald, Representative Ekstein, and Representative Menning—be printed in the RECORD.

There being no objection, the state-

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ments were ordered to be printed in the RECORD, as follows:

TESTIMONY OF MINNESOTA STATE SENATOR MYRTON WEGENER

'Mr. Chairman, members of the committee, my name is Senator Myrton Wegener, vice chairman of the Minnesota Senate Committee on Agriculture and Natural Resources.

This bi-partisan delegation is here to testify before this distinguished committee because the dairy situation in the midwest is out of hand, and we believe there is a critical need to express the problems facing midwest dairy farmers in hopes of establishing a policy to remedy them.

The delegation the forthcoming witnesses represent, is an official delegation of the States of Minnesota and Wisconsin. We have been dispatched by official sanction of our respective legislatures to articulate to this body the urgent needs of Minnesota dairy farmers.

The importance of such a meeting cannot be over-estimated. In Minnesota last year, over 3,000 dairy farmers went out of business and thousands more are on the verge of bankruptcy. Needless to say, Minnesota's dairy economy—which services 37 million consumers—will have a profound impact on the stability of America's dairy economy.

Unless a realistic and reasonable solution to the critical problems affecting Minnesota dairy farmers can be found, the long-term effects will be devastating and widespread.

In the past administration, President Nixon allowed foreign imports to glut the domestic market in an apparent attempt to temporarily drive dairy prices downward. The obvious effect of this near-sighted remedy was that dairy farmers were receiving less money for their product. To compound the problem, cost of production was at an all-time high, so with overhead going up and prices going down, dairy farmers were caught in the worst cost-price squeeze of this century. This condition prevails today and is not getting any better for dairy farmers. It could in fact get much worse, should farmers abandon dairy farming for the rising prices for meat products.

The Minnesota public is sensitive to these dairy problems and there is widespread belief among Minnesotans, that more equitable treatment for dairy farmers is both necessary and deserved.

Unless legislative relief is immediately provided, thousands more Minnesota dairy farms are likely to go bankrupt this year, and the consequences are sure to ripple through many more States than our own.

At this time, Mr. Chairman, I would like to yield to the Commissioner of Minnesota's Department of Agriculture, Mr. Jon Wefald.

A POSITION PAPER ON THE AMERICAN DAIRY SITUATION TODAY

We are grateful to the Chairman and the members of the United States Senate Committee on Agriculture and Forestry for having granted our official delegation from Minnesota, the nation's leading state for production of manufactured dairy products, this opportunity to testify on a matter of importance and urgency.

The fact that our delegation from Minnesota is of bi-partisan composition, including both Republicans and Democrats in state government, is a strong indication of Minnesota's concern for the desperate plight of our dairy farmers and the need for positive and swift federal remedial action.

Nationally a great debate continues to determine the state of the nation.

Dairy farmers don't need to participate in these critical discussions as to whether the nation is in a state of recession or depression.

Dairy farmers know they are in a depression, both economically and mentally, and one of the worst their important industry has ever experienced.

For the first time, in Minnesota if not nation-wide, dairy farmers are applying for food stamps and welfare assistance, for their own families.

They deserve far better than the slave labor and bankruptcy situation in which dairy farmers have been thrust by the unprecedented whims of nature and the federal bureaucracy.

We ask no favored treatment for dairy farmers. All we plead for today is that dairy farmers be treated fairly and honestly by the federal government that does have some responsibility for this growing rural and economic tragedy.

Farmers deserve a comparable form of guaranteed minimum income that has already been guaranteed by the federal government many long years for the rest of the majority of our productive work force.

The bill before you today is a reasonable step in that direction, but by no means a total answer. Raising the federal milk price support to 90 per cent of parity is a fair compromise that will benefit both farmers and consumers in these times of national crisis. Dairy farmers deserve full parity, you and I all know.

Granted a federal guarantee of 90 per cent of parity, dairy farmers can continue to be a vital part of rural America and at the same time assure an adequate and continuing supply of high quality, reasonably priced and wholesome milk and dairy products to meet the nutritional needs of our growing national population.

Dairy farmers cannot long survive the present cost-price squeeze.

Minnesota is again losing dairy farming operations at an alarming rate, forced by the worst cost-price crush of the century excepting only—perhaps—the Great Depression of 45 years ago.

In the fiscal year ended June 30, 1974, Minnesota lost 3,188 dairy farms.

That was a loss of 8.5 per cent of the total number of dairy farms at the end of fiscal 1973.

Even more grim, and attesting to the prolonged depression the dairy industry has suffered and is suffering, is the fact that Minnesota in just the past decade has lost half of the total number of dairy farms that were operating in our state in 1965.

Minnesota is not a populous state, currently about 4-million citizens. To have lost nearly 34,000 families from dairy farming in only a decade is shocking, but true.

The question is not where the 34,000 families went, but why did they leave dairy farming? Why are they still leaving the dairy farm at an accelerated rate?

It isn't because theirs is the most demanding major occupation in our nation, although they do work at 12 to 15 hour day, 365 days a year on a dairy farm, by itself enough of a reason to look for a job that assures a legal minimum wage, a 40-hour week, overtime pay, fringe benefits and family security.

It isn't because the dairy farm family is apathetic to the world food crisis and the increased need for one of nature's most perfect health foods.

The truth is they are being forced out of business. No one can stay in business long selling any product at a loss. Dairy farmers are selling their milk production at a loss.

University of Minnesota Dairy Economists, Kenneth H. Thomas and Robert D. Appleman, advise that the recent declines in grain prices have not materially changed the loss situation Minnesota dairy experienced during most of 1974. They agree that Minnesota dairy farmers should receive about $9.90 per 100 pounds of milk to recover actual production costs and receive a reasonable return on their labor and massive investment.

Professor Thomas has calculated the January, 1975, out-of-pocket production costs of the better than average dairy farmers in cooperative farm management associations at $6.50 per 100 pounds of milk. That figure doesn't provide a penny for the family to buy food, clothing, heat the home, pay the plumber, electrician, or even the banker any interest on the farm mortgage.

Minnesota's mid-January farm price average for all milk was $6.97 per 100 pounds. That, using Professor Thomas' cost estimate, leaves the average dairy farm family 47 cents to apply to bills and pay themselves.

The fact is that dairy farmers are losing about $3 for every 100 pounds of milk they sell, on the average. Farmers selling milk for processing into manufactured products are losing up to $4 and more on each 100 pounds. Farmers selling Grade A milk for fluid packaging are doing much better, but only a few claim to be breaking better than even.

In Minnesota, the mid-January milk price average of $6.97 was $1.26 below the level of the first three months of 1974 when the price averaged the highest at the farm level in Minnesota history. . . . and the latest price average is still only 50 cents above the disastrous low of $6.47 in July, 1974. The mid-January price average also is more than 28 cents below the mid-month average for all of 1974.

Milk is the main product of Minnesota dairy farms, but beef is an important by-product. Calving is essential to milk production and providing the replacement cows that must be fed for three years before they produce the first drop of milk.

Dairy farmers have serious decisions to make to cut their losses. They are cutting back on feed, because of the high input prices, despite the fact that less feed for the cow means less milk production. They have sharply culled herds, keeping only the best milk producers. Calves, once a prized asset, now are a luxury few dairy farmers can afford to keep. No tears are lost when a calf is born dead today.

Dairy calves have been sent to market for veal, for further feeding, at an alarming rate. But there is little recovery there, either, because the entire livestock economy is in depression. Few farmers want to risk gambling one to three years of out-of-pocket expense against the remote hope of a decent profit that the combination of weather and Washington have shot out of the saddle these past two years.

Three recent communications of actual experiences of Minnesota dairy farmers graphically illustrate the growing economic malignancy that left unchecked threatens to destroy rural America. . . .

One enclosed a copy of a marketing bill and the check for a 200-pound Holstein dairy calf that even the South St. Paul commission agent identified as a fine animal. The calf sold for only 16 cents a pound or a total slightly over $22. The farmer's documented records showed that it had cost him 54 cents per pound, or a total of $108 to raise that calf to the sale weight. The fact is that he lost $86 out of pocket plus the family labor and pro-rated investment.

A second letter, from a farmer who marketed a 100-pound dairy calf in the St. Cloud auction market, would have had to pay out another $1.50 out of his own pocket, if the auctioneer had not generously donated the trucking fee normally assessed to the farmer. That farmer's total check for the handsome veal calf was 50 cents.

Even more grim was a recent report from a dairy farm in western Minnesota. In better times, dairy farmers used to celebrate the birth of twin calves as an income dividend. In this case, however, twin calves were immediately and humanely destroyed because they represented a liability the farmer said he could not afford.

The logic was simple, and the reason still exists. Dairy farmers are losing money on every calf they keep. If they sell or destroy the calf at birth the continuing loss has been minimized, and the mother cow can be back on the milk production line in three days if she is a high yielder the farmer is willing to risk keeping. Keeping the calf would keep the cow off the milk line for months.

Calves sacrificed today cannot provide either milk or meat for the future.

Dairy and beef calves being sold in desperation to reduce the drain against capital resources have gluttered nearly all markets, compounding the dilemma for farmers.

Look at the cold storage inventories. Look at the Commodity Credit Corporation purchases. Both sets of statistics are shocking indictments of what has been allowed to happen to our dairy and livestock economy.

Farmers accept weather disasters, even those of the staggering consequences of 1974 that destroyed an estimated $1.2-billion worth of Minnesota crop production.

But farmers should not have to compete against unrestricted dairy and meat imports heavily subsidized by foreign governments—imports that really were not warranted—imports that are draining millions of dollars and thousands of jobs from our own national economy.

Nor should farmers be forced by their own federal government to self-destruct because they are denied a decent price guarantee for the increased food production the same federal government has demanded of them.

It is unrealistic, under present federal agricultural policy, to ask an essential and family-operated business to continue to provide more milk, dairy and meat products at a loss. Yet, that is exactly the predicament of some 34,000 Minnesota dairy farming families, who are losing an average of nearly $600 of capital or credit reserves each and every month.

The present support is too low. Cold storage inventories are too high.

Cold storage inventories represent a continuing threat to American dairy and livestock farmers. The December 31, 1974 inventory of dairy products alone in cold storage was 32.5 per cent higher than at the end of 1973.

Cold storage inventories of both dairy and meat products skyrocketed during the federal experiment with unrestricted imports in an unsuccessful attempt to force down consumer food prices. Unrestricted imports continued until late November, 1974, despite the magnificent response of American farmers to the federal demand for maximum domestic food production.

Federal farm price supports do work. CCC purchases to raise the general market price ranges to the federal price support level are now only a few cents short of goal.

The problem is that Secretary Butz did not set the goal realistically. He set it too short, at the old legal minimum of 80 per cent of parity.

Federal economists and politicians have not yet really faced up to the fact that a federal price or wage "minimum" guarantee in reality becomes the open market ceiling price or wage.

This committee should carefully scrutinize the statistics on dairy imports in conjunction with CCC purchases. The comparison will be enlightening.

Dairy imports, according to federal statistics for 1973 and 1974 amounted to over 580 million pounds of butter, cheese and nonfat dry milk, or 42.3 per cent more than the volume of the same domestic products the CCC has purchased since farm milk prices fell below the support level last April, 1974.

In other words, federal policy has been subsidizing foreign dairy farmers to a far greater extent and to the detriment of our own domestic dairy industry.

Fortunately, although too late for thousands of bankrupted American dairy farmers, the administration restored the quota system for dairy and meat imports. The backlog is still with us, and will be for months to come.

The question is whether our surviving domestic dairy farmers will be able to hang on, milk cows, and stall the mortgage holders.

We don't think that they can, without immediate and positive action by the Congress to guarantee a fair and decent income to the forgotten worker, the dairy farmer.

Minnesota urges this committee to unanimously approve the bill before you that will guarantee farmers 90 per cent of parity support prices they deserve.

Your favorable action will not only save thousands of dairy farm families from a fate they and rural America do not deserve, but it will be the best insurance you can buy for the protection of American consumers of healthful dairy products.

TESTIMONY BY STATE REPRESENTATIVE A. J. ECKSTEIN

First, I want to mention a little bit about my personal background so that you may be able to better evaluate some of the points that I am going to make later in my testimony. I will try to be brief, as I know that your time is limited, and there are many people that wish to testify.

I am a Veterinarian, graduating with a DVM degree from Iowa State University in 1946. During the last 29 years, I have practiced at New Ulm, Minnesota except for approximately one year. I was born and raised on a 180 Acre Dairy Farm near New Ulm in Brown County.

A brother practices veterinary medicine at Sleepy Eye about 15 miles west of New Ulm, and a brother-in-law practices veterinary medicine also. Both are graduates of the University of Minnesota. Three of my brothers are family farmers in my district. All of them have sold their dairy cows. One of them lives on the home farm which has a double wall clay block barn 100 ft. long and 36 feet wide with 45 stanchions, barn cleaner, bulk tank, milk transfer system, long concrete outside slab, and two large silos with automatic unloaders. He had an excellent herd of Holstein dairy cows . . . many of them registered. The reason he sold the herd of about 50 cows along with the young heifers was because of the low price of milk. He claims that he would have had to get another job in order to make the farm payments and pay for the concentrate and other supplies for the cows. He feels that it was a good decision to sell the cows and has more income without the herd.

The county extension agent from Brown County gave me some interesting statistics about the number of dairy farmers, and dairy cows in Brown County. They are as follows:

	1960	1965	1970	1975
Dairy farmers	1,036	836	601	[1] 458
Dairy cows	15,600	15,500	14,200	12,750
Statewide:				
Dairy farmers		59,900	39,891	21,782
Dairy cows		1,236,983	1,215,696	874,261

[1] Estimated.

Note: This is a very large decrease of family dairy farms and dairy cows.

I attribute the decrease entirely to the low price of milk, and larger fluctations in the market, Dr. Philip Raup, University of Minnesota Agriculture Economist explained at the Minnesota Horizons Seminar about three weeks ago that over 50 percent of the family farmers in Minnesota receive over one-half of their income off the farm. This is really a sad situation when over one-half of the State's farmers need to have jobs off the farm in order to pay for the interest, feed, seed, fertilizers and fuel.

I have photocopies of the receipts which are attached with their checks from three milk producers in Brown County. These are attached as part of my testimony. One is a Grade "A" producer, one is a manufacturing milk producer with a bulk tank, and another manufacturing milk producer using milk cans. These are for the period from January 1, 1974 through December 31, 1974.

As you will note, the bulk manufacturing milk producer received $7.90 per hundredweight for January 10, 1974 . . . and $6.38 for December of 1974 with a high of $8.00, and a low of $7.35 for 3.5 percent butterfat milk. The can milk producer received $7.70 per hundredweight for January 1974 . . . and $6.21 for the month of December 1974 for Grade 1 milk. The grade "A" producer received $7.94 and $8.30 per hundredweight for January, and $7.76 and $7.12 in December. He is paid twice a month, and is entirely dependent upon his milk check for his income from his 160 acre farm.

During the January 11, 1974, snowstorm he had a tremendous loss. The loose housing system with the free stall filled with snow four to five feet deep. These sheds are usually partially open on one side, and the cows are milked in a parlor. This system has been recommended by the Universities to cut costs, and works quite well during good weather conditions.

During this snowstorm, however, many of the cows froze their tails, ears and udders. Some of them so bad that they died, others developed mastitis and gangrene . . . others had to be sent to market for slaughter. This particular producer is losing about 500 pounds of milk production per day . . . or, almost $1,000.00 per month. This man has payments to make to the bank of $1,000.00 plus per month for improvemets he made last year on his Grade "A" set-up. The low prices of milk and the snowstorm are a disaster for him and most of the other dairymen in Minnesota.

The costs of supplies and equipment have about doubled during the last year.

Grid 10, the cleaner and antiseptic used to clean the equipment has doubled in cost. Even manure spreaders have gone from about $1,000 to over $2000 . . . not to say anything about baling twine, wire, inflations, fencing, etc.

Another important factor oftentimes overlooked is that cull cows are only worth $10.00–$15.00 per cwt., and calves $4.00 to $20.00 each. Many times a farmer cannot sell his calves, and he can't afford to buy milk replacer so he just lets them die.

I have a client who thought that he would buy a few calves to increase the size of his herd. He ran an ad in the local newspaper offering to buy good healthy calves . . . one week old for $20.00 His phone rang almost constantly, and after one day he removed the ad. Day old calves are selling for $4.00 each—if the farmer can find a buyer. Surplus or cull cows are selling for $100.00 to $150.00 each. These are disastrously low prices, and many farmers depend on that income to help sustain the herd.

I do not know all of the factors that are responsible for this large drop in milk prices, but I believe that the tremendous increase in imports of dairy products had a lot to do with it.

We have a large cheese plant and a large butter plant located in New Ulm. Both plants were processing cheese and butter which was imported. These products are re-packaged with American labels.

Another factor is the high cost of milk to the consumer. At the present time, Grade "A" 3.25% milk is selling for $1.23 in the supermarkets in the New Ulm area.

UMI

TESTIMONY OF STATE REPRESENTATIVE MARION MENNING

Mr. Chairman, and members of the Senate Agriculture Committee, I certainly appreciate the opportunity to testify before this committee the concerns of the farmers of the State of Minnesota. The following information is taken from one of the top DHIA herds of dairy cattle in the State of Minnesota.

The average amount of production per cow is 13,170 pounds of milk at $7 per hundred weight is equal to a total of $921.39 per year.

The following feed costs are also taken from DHIA records. The average feed costs per year per cow are as follows:

5,400 pounds of concentrate at $139 per ton	$351.00
5,500 pounds of hay at $70 per ton	192.50
5,500 pounds of silages at $30 per ton	82.50
Bedding for six months (per cow)	3.00
Total feed costs per cow	629.00

The profit over feed costs is $294 per cow per year. Other costs are as follows. We will base these costs on a 50 cow herd which is a full time job for one family.

Other costs:

Milk hauling	$1,975.00
Breeding and vet	750.00
Cleaning and supplies	500.00
Cost of cow replacement (difference between salvage and replacement)	2,500.00
Interest on 50 cows at $500 per cow at 8 percent	2,000.00
Depreciation on buildings and equipment	3,750.00
Interest on undepreciated value of equipment and buildings (based on $75,000 investment)	3,000.00
Total other expenses	14,475.00
Total gross profit	14,700.00
Total expenses	14,475.00
Total net profit	225.00

Mr. Chairman and members of the committee, after the farmer has paid his tax and insurance he finds himself in the red. He has worked 365 days in the year at least 12 hours per day. If these kinds of prices are maintained no dairyman in Minnesota will be left after two years and the food stamp line will only grow longer.

What we need in our country for the dairyman is cost of production plus a reasonable profit.

Senator Humphrey has introduced legislation asking for a dairy support price of 90% of parity. We are here today to support Senator Humphrey's bill.

Protection is needed for the American farmer against unreasonable amounts of farm products being imported into this country.

THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

Mr. THURMOND. Mr. President, 57 years ago on February 16, 1918, the Republic of Lithuania was established as an independent nation. Coincidentally, February 16 is also the 724th anniversary of the Lithuanian State. The people of Lithuania have always been a forthright, honest, hard-working, and freedom-loving people. They continue in this tradition today, even though in 1940, when Lithuania had been an independent nation for only 22 years, the Soviet Union invaded and occupied the Baltic States of Lithuania, Latavia, and Estonia.

Mr. President, one must look at old maps of Europe to find Lithuania shown as a separate and independent nation. The newer maps portray this proud country as a part of the Soviet Union. Nevertheless, the Lithuanian people remain strong and steadfast in spirit, convinced that they one day will once again be a free and sovereign nation.

Mr. President, too often, we overlook the ongoing struggle for freedom which is taking place in Lithuania. I hope that we in the United States will remember the people of Lithuania, not only on February 16 of each year, but throughout the year, as they continue to grapple with the chains of oppression.

A BIPARTISAN FOREIGN POLICY

Mr. MONDALE. Mr. President, I submit for the RECORD a foreign policy speech given recently by the Senator from Texas, Mr. BENTSEN, at Georgetown University. I would like to draw attention, in particular, to the comments made concerning a bipartisan foreign policy. I believe it is vitally important that the Congress and the executive work together in order to have an effective foreign policy. But as Senator BENTSEN points out, that requires flexibility on the part of the executive and not just on the part of the Congress.

Mr. President, I ask unanimous consent that the speech by Senator BENTSEN be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR BENTSEN

I want to visit with you tonight about our foreign policy . . . about its pluses and its minuses . . . about the direction of America's international leadership in the years ahead . . . and to share with you a few of my own concerns about the imbalance in our foreign policy.

The bomb that shook the State Department last week was a violent expression of deep discontent, presumably over our continuing support of South Vietnam.

It was the work of extremists, a despicable act, but it is not just the extremists who are discontent with our foreign policy.

Many thoughtful Americans—who express themselves in more civilized ways—are uneasy about our foreign policy . . . in Indochina and elsewhere.

I count myself one of them.

I am opposed to the request for an additional $300 million to prop up the crumbling Thieu Regime. It is not as though we have denied them all assistance. We will still be providing them $700 million. We have provided South Vietnam altogether $248 billion in military assistance alone in the last decade and we lost 50,000 American lives in that country. I think it is time to firmly and finally draw the line. Enough is enough.

But Vietnam is only one shall facet of the foreign policy picture, and only a reflection of the broader problems in our policy-making process.

That policy-making process has become dangerously constricted and convoluted, with an undemocratic emphasis on secret diplomacy, personal negotiations, and one-man authoritarianism.

Never before in our history have we seen such a concentration of foreign-policy decision-making in the hands of one person—one person who wears two official hats and unofficially wears a third: that of roving ambassador.

It's time for Secretary Kissinger to check two of those hats.

Running the State Department is a full-time job for any man—even a superman—and it can't be done from a jet plane circling over a Middle-East airport.

He is an able, brilliant man—but he has spread himself much too thin.

It's time for Secretary Kissinger to come in from the cold—and turn his attention to overhauling, modernizing, and reactivating the rusty machinery of our foreign-policy decision-making apparatus.

It should be clear to him that a one-man decision-making apparatus is incapable of coping with the complexities and demands of international politics today.

Events at one point last year, for example, demanded that his attention be divided among Cyprus, the Middle East, the Salt Negotiations, China, Japan, Russia, and Korea, as well as foreign aid and trade legislation on Capitol Hill.

And I might add that his performance was something short of stellar in many of those areas.

Last week, he made the decision to postpone his promised visit to Latin America because he was needed in the Middle East . . . and he's needed in Cyprus . . . and he's needed on Capitol Hill to work on trade and aid legislation.

These examples simply underscore the need to restructure and revitalize our foreign-policy making machinery.

I want to remind Secretary Kissinger that the Congress is part of that machinery. Secretary Kissinger says he wants a partnership with Congress. That's well and good but the question is—what kind of partnership? Congress will not be an absent partner, a silent partner, or a limited partner. It must be—and will be—a full partner.

The late Senator Arthur Vandenberg said it well, I believe. When it comes to foreign policy and participation by the Congress, Vandenberg said that he "wanted to be in on the take-offs as well as the landings." That's how I feel.

I believe there can be a truly bi-partisan foreign policy.

But bi-partisanship is *not:* a Secretary of State, operating in secrecy, making deals, and then coming to Congress and saying: "Accept this or take the blame for failure."

Bi-partisanship is *not:* A Secretary of Defense telling Congress that unless it approves, in toto, the Administration's biggest defense budget yet, that Congress endangers world peace and U.S. National security. There can be no rational debate in that framework.

Bi-partisanship is *not* the continuous and concerned effort of this Administration to try to shift the blame of its own foreign policy failures to a Congress which is reasserting its constitutional prerogatives.

The failures in Cyprus, in Indochina, in the Mid-East, in Latin America, in Canada, in Europe, the failure to recognize the interrelationship of the world's economy is *not* a Congressional failure. These are failures of a policy which was conceived and executived without adequate and proper consultation with the Congress.

This is *not* the time for partisanship nor for one-man policy-making. This Congress will be cooperative, if it is consulted, if it is brought in on the formulation of policy.

Our foreign policy is becoming increasingly obsolete.

The Kissinger approach to foreign policy is based on the outmoded concept of a "balance of powers" distributed among 3 so-called "great powers."

It ignores the realities of today's world. It overlooks emerging new power centers. And it neglects the growing importance of economics in the international order.

We cannot continue to disregard the profound changes in the contemporary world, the rapid shifts in the centers of economic and political power.

The communist nations, long isolated, are becoming increasingly involved in Western economic affairs.

Industrialization and 20th Century technology are spreading.

Emerging third-world nations are pushing for a bigger share of the world's goods. Many of them have discovered political power, as well as economic leverage, in the control of scarce raw materials.

And the fourth world appeals for assistance from not-always-affluent industrialized nations.

Beyond question, a new day is dawning in world affairs. And the question is, what part will the U.S. play in the new scheme of things?

Is the United States slipping into the twilight zone of "past great leaders"?

Are we to be only a passive onlooker, watching a new world order develop from uncoordinated, unilateral actions and shaky, shifting alliances of convenience, facing new challenges with an out-of-date foreign policy?

I don't think so.

Nor do our friends and allies.

While I was in Europe last November, I had discussions with Prime Minister Wilson in London, with Chancellor Schmidt in Bonn, with President Giscard d'Estaing in Paris, and with the economic leaders in all three countries.

I found general agreement among them on the need for strong leadership to avoid destructive economic welfare.

And I found support for strong leadership by the U.S.

The image we present to the world, however, is not reassuring.

Our European friends express some doubt that the United States can or will fill the leadership vacuum that now exists.

But we are still their "last best hope."

Whether we fulfill their hopes depends largely on us.

I am concerned that recession and fear of depression at home may prompt a dangerous drift into isolationism, toward a feeling that we should concentrate on our own problems for a change and let the rest of the world look out for itself.

Unfortunately, it is not that simple.

It will take strong leadership to counteract that impulse, to convince the American people that isolation is impossible and unwise.

The problems of war and peace, of population pressures and food supplies, of energy and industrial development, of trade and access to raw materials, of economic and social growth—all these are global problems, as is the problem of economic stability which preoccupies us now.

To attack these problems, we can and we must develop a more balanced foreign policy.

We can and must take the lead in formulating realistic programs to meet emerging needs and problems.

To accomplish this, and to correct other serious social and economic imbalances, we shall have to work in concert with the rest of the world.

A good place to start is in the Middle East. We rush to detente with the Soviet Union yet Secretary Kissinger excludes Russia from his peace-making efforts in this area. This is dangerous for there can be no lasting solution in the Middle East without the participation of the Soviet Union.

It is a serious error to think that we can meet the challenges of a new world on our own—or through a foreign policy dominated by a triangular relationship with China and the Soviet Union.

An easing of relations with these two former adversaries is well and good.

But the world is a sphere, not a triangle.

A policy based on the concept of three major powers leaves out too much.

And in the rush to detente, we have neglected too many other important facets of our foreign policy—for example, our traditional allies.

In spite of occasional differences, we can't ignore the mutuality of cultural, political, strategic, and economic interests that bind the Atlantic Nations together.

The European alliance remains the most basic element of our foreign policy—and the basis for our National security.

But the alliance *has* been weakened—by our concentration on bilateral relations with Russia and China to the neglect of our allies, and by unnecessary disagreements with our allies over trade, monetary, and energy issues.

National interest may not carry the United States and Europe in the same direction at all times—as we saw during the Middle East crisis. But this is all the more reason to strengthen a framework for consultation in order to avoid future problems.

Within our own hemisphere, we have neglected our closest neighbors, Canada and Latin America. Our failure to work with them on vital issues has produced a real crisis in our relations with them, just when we should be drawing closer together.

The big power diplomacy of Dr. Kissinger has overlooked the problems and potential of our hemisperic neighbors. In dealing with our energy problems, for example, Secretary Kissinger has focused on Arab oil and on cooperation with Europe, neglecting the critically important energy potential within this very hemisphere.

Canada has substantial reserves of energy—as do Mexico, Venezuela, and other Latin American countries. We need to cooperate with them in reaching solutions to shortages of energy and other raw materials.

So I call on President Ford and Secretary Kissinger to develop a "Hemisphere energy strategy"—a strategy based on a new, cooperative, enlightened relationship with Canada, Mexico, Venezuela, and our other Latin Allies.

We must work with our neighbors in a constructive, orderly fashion while the door is still open, while the will still exists among these Nations to cooperate with us. For the will *does* still exist.

We have a symbiotic relationship which should be encouraged and protected.

I have introduced legislation which recognizes that relationship.

As you may know, the 1974 Trade Act prohibits granting trade preferences to members of the organization of petroleum exporting countries.

It should be pointed out that Venezuela and Ecuador—as well as Iran, Nigeria, and Indonesia—although members of OPEC, did not participate in the oil embargo against the United States and the Netherlands. Venezula, in fact, increased its shipments to the United States as much as 25 percent during that critical time.

The bill I have offered would repeal the prohibition on preferential trade treatment to those countries which did not participate in the embargo.

These countries include 3 or our 4 major foreign oil suppliers.

This, I believe, is a major step toward strengthening U.S. National security by insuring continued supplies of energy to the United States in the event of another OPEC embargo. And it goes a long way towards repairing some hemisphere fences.

I am suggesting that our policy-makers take a broader approach to energy. A major problem with the Administration's one-million barrel reduction in imports in one year is that the costs to our economy far exceed the benefits. One estimate of such an abrupt reduction in imports would add almost 3% to the inflation rate. A $10 billion loss in economic output and a half million people on the unemployment rolls by next year. The question is not should we reduce imports—the question is how much, how fast, by what means and at what cost.

As an alternative to the President's plan, I will shortly be introducing a gasoline tax, phased in over four years and rebated in an equitable fashion. This should put us on the road towards long-range energy conservation while minimizing the inflationary impact and dislocation to our economy of a million barrel reduction in imports this year.

I spent last weekend attending a Conference in Ditchley, England on the International oil problem and the monetary situation. I came away from that meeting concerned that this Administration's decision to meet with the oil-producers this summer is a poor idea at this time. I'm concerned that it will result in a high profile confrontation with vitriolic speeches by each side that will result in a hardening of positions. The long-range repercussons of this weakness in our bargaining position are obvious . . . and grave.

What we need is a global and longer-range approach to energy; a global and longer-range approach to the economy; and we need a global approach to foreign policy.

Big power politics is not enough. Detente with Russia and China does not constitute a foreign policy.

There are many new actors on the world scene today whose roles are becoming major. We neglect them at our own risk.

Secretary Kissinger's neglect of our traditional allies is equalled by his neglect of potential allies among the developing Nations. He has shown a curious insensitivity to the third and fourth worlds.

And a curious insensitivity to the humanitarian values that have given this country a vital role in moral leadership throughout the world.

We need to reassert that leadershp.

We should be sufficiently mature politically to maintain open lines of communication with countries whose policies and systems of Government differ from our own.

But we should not be apologetic about our values. And we should not hold them in silence.

It is damaging to our National spirit to ignore the humanitarian principles on which our Nation was founded.

When we neglect our traditional ideals in the name of realism, we pay the price in cynicism and loss of self-respect.

This is a price we need not pay. Realism and idealism can co-exist; both are essential to a global foreign policy.

My criticism of our foreign policy tonight is not simply to oppose.

I do so because times have changed . . . and our foreign policy must be sufficiently flexible to meet the new challenges of a new world.

PROPOSALS TO STABILIZE OIL PRICES—S. 680

Mr. STONE. Mr. President, in seeking a solution to the energy crisis, we face one of the most serious challenges in the history of our Republic. Certainly not since the last World War have our economic independence and national security been so seriously threatened. The oil embargo of 1974 and the tremendous escalation of imported oil prices since 1973 have shocked our economy and continue to cast doubt over our future well-being as a people.

The economic and financial data now available clearly demonstrate the perilous situation we are in. In 1972 we paid

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$4 billion for oil imported into the United States. Last year, the bill had risen to $24 billion. The price for this imported oil increased from $4 per barrel to over $12.50 per barrel during 1974. Economists estimate that this dramatic increase in oil prices accounted for one-third to one-half of our 12-percent inflation rate of 1974. We know that the exorbitant price we paid other countries for oil was directly responsible for the $3 billion balance of trade deficit in 1974. And, Mr. President, we know that our friends in Western Europe have suffered even more serious economic and financial distress than the United States as a consequence of these unconscionably high oil prices.

Mr. President, we cannot accept the ruinous inflation, the debilitating export of capital, nor the threat of reinvestment of petro-dollars in America which result from this artifically-imposed, exorbitant price of oil. I believe that our people not only understand the seriousness of our present situation, but are ready to support a sensible, fair, and effective program for solving our energy problems. As of yet, unfortunately, no such program has been developed and presented to the American public.

Indeed, Mr. President, some of the energy proposals presented to the American people thus far are so inadequate and inappropriate in responding to our present dilemma that many Americans are losing confidence in the capacity of the challenge before us. Although I believe President Ford to be sincere in making his energy proposals, I am convinced they harbor disaster for our already-weakened economy with doubtful promise of solving the energy crisis. It is impossible for me to understand the wisdom of raising even higher the price Americans must pay for heating oil, for electric utilities, and for other such essential energy uses in the midst of an already-rampaging inflation. This seems especially unjustifiable in view of the slim chance that the resulting reduction in domestic energy demand would bring about a reduction in the OPEC price of oil. The President's plan to reduce indiscriminately the domestic consumption of energy is unlikely to lower the OPEC price of oil but it most certainly will raise the price of essential goods and services and increase unemployment in America.

Mr. President, we must be certain as to our goals before we can be sensible about our solutions. Reducing, if not eliminating American dependence on foreign sources of energy and supply our country with energy at costs which permit continued, reasonable economic growth are the goals which I believe we must set.

Our national security, as well as our economic and financial well-being, require intensive development of and production from domestic sources of energy. The continued high standard of living which most Americans have come to enjoy and the hope for improving the economic status of less fortunate Americans depend greatly on the availability of energy at reasonable costs. While we must work hard to eliminate energy wastes, we cannot afford—especially during the present recessionary period—either high oil prices or drastic reductions in energy consumption.

These fundamental goals—reduced dependence on foreign energy sources and the development of reasonably-priced energy for our economy—should govern the consideration of proposals put forward to solve our energy problems. Necessarily, we must develop a program which will achieve these goals in the long run and which will also alleviate the immediate emergency caused by high oil prices imposed by the Organization of Petroleum and Exporting Countries.

Like many other Americans, I have been concerned about the energy crisis for some time. During my campaign for the U.S. Senate, I found that there was no more important issue on the minds of the people of Florida than the energy crisis. In the brief time I have served in the Senate, I have observed that nothing is causing more worry nor more discussion among Members of Congress than finding a solution to the energy crisis. The national dialogue continues with no clear solution in sight.

It is not with any sense of special vision or absolute certainty of success, but rather with a desire to contribute seriously to this national dialogue that I introduced on February 13, 1975, for the consideration of my colleagues in Congress and the American people a proposal for dealing with some of the more immediate problems America is facing in connection with this energy crisis.

It is my firm belief that we cannot afford to pay the exorbitant prices now imposed on us by the OPEC nations. My opinion is based upon an analysis of the precarious economic and financial situation which has resulted worldwide and in the United States as a result of these high prices. It is also based on the economic misery of millions of our citizens who are today either unemployed or facing economic disaster because of these high oil prices. I do not suggest that we deny to oil companies and to the oil producing countries reasonable return on investment and resources. But I do suggest that we cannot accept the imposition of artificially-set prices at a level which produces extravagant profits to oil companies and producing countries and results in runaway inflation and economic stagnation in America. Until we can reduce our dependence on foreign sources of oil, representing close to 40 percent of our present domestic consumption, we must adopt a program which places a ceiling on the price our country will pay for imported oil. If we do not, we will permit ourselves to be priced into further economic recession and financial chaos.

Based on official customs valuations of imports, the July, 1974, average price of U.S. oil imports was about $12 per barrel compared to about $2.73 per barrel in January, 1973—an approximate 400 percent increase in 18 months. The total cost to the United States during 1974 for imported oil was approximately $24 billion compared to approximately $4 billion in 1972. These price increases resulted from nothing more than a decision on the part of the OPEC nations to join together in setting exorbitant prices for the oil consuming countries.

The legislation I introduced on February 13, 1975, would establish a ceiling price and a floor price for crude oil, residual fuel, oil refined petroleum products, natural gas, and coal. The ceiling prices will be based on a $9.50 per barrel ceiling price for crude oil and the floor prices for crude oil per barrel will be set after we secure more cost and price data from legislative hearings. In my opinion this ceiling price—well above the $2.73 per barrel price we paid in January, 1973—allows oil producing countries and oil companies room for handsome profits without bankrupting our country. The basic idea of this bill is that we will purchase oil and petroleum products from any supplier willing to sell at less than the ceiling price to supply our energy needs in America. It does not single out any oil producing country for special treatment. Indeed, it does not discriminate against foreign oil suppliers at all inasmuch as the ceiling would apply to both domestic and foreign crude petroleum.

The floor price for crude oil would be established in order to encourage investment in alternative domestic sources of energy. This minimum price level is important in assuring relative oil price stability which is essential in the short term to encourage domestic research and development of these alternate energy sources. Uncertainty as to future oil prices causes retrenchment and retrenchment means recession. The critical importance of encouraging domestic production of oil and alternative energy resources is underlined by the fact that the domestic production of oil continues to decline despite increasing demand, rising prices, and government incentives to produce more oil. During the period January through September 1974, domestic production averaged 8,917,000 barrels per day which was a 3.2-percent decline from the 9,210,000 barrels per day produced during the corresponding period in 1973.

Within the floor and ceiling prices, prices for petroleum and petroleum products would be free to move according to the forces of the marketplace. The original minimum and maximum price levels shall govern for 12 months following the implementation of this legislation and shall thereafter be determined by the President after a review of the domestic economic situation, U.S. balance of payments, and the need to encourage and protect investments in energy research and development.

Mr. President, with respect to any foreign country willing to supply the United States with petroleum and petroleum products within the specified range of prices, this Nation shall continue its normal, friendly relationship. However, the bill provides that, upon a Presidential determination that a foreign country has taken action—the effect of which is to embargo or otherwise restrict oil exports to the United States—our economic and financial relationship with such country shall be altered to deny to such country most-favored-nation treatment, extensions of credit, credit guarantees or investment guarantees, foreign and military assistance, and any other assistance under the laws of the United States.

Criminal sanctions are established in this bill for persons who knowingly import or sell oil and oil products in excess of the maximum or below the minimum price established pursuant to this legislation.

Mr. President, I strongly and sincerely believe that the proposal to stabilize oil prices and to encourage investment in domestic sources of energy incorporated in this bill is not only necessary to alleviate our short-term energy emergency but also represents the correct beginning in attaining our long-term goals of energy self-sufficiency and reasonable energy costs for America. I want to emphasize that this proposal signals our willingness to trade with any producer of oil that is interested in supplying our Nation's energy needs in return for very good profits. It accepts, at least for 12 months subsequent to the implementation of this legislation, a substantial part of the oil price increase imposed on this country and the world by the OPEC nations. It merely asserts that, in view of the severe, continuing economic and financial distress caused in this country due to the enormously escalating oil prices, the United States cannot and will not be compelled to choose between bankruptcy or economic stagnation.

I fully recognize that this bill is a proposal addressed to our short-term, immediate emergency. It is designed to stabilize the costs of imported energy while we proceed to develop alternative sources of energy, eliminate energy wastes, and in other ways reduce our dependence on foreign sources of energy. I am strongly interested in tax incentives and other changes in law and regulatory policy which will encourage greater domestic production of the energy America needs. I intend to support reasonable conservation programs which will eliminate reckless waste of energy without discouraging the economic growth we must have to sustain our standard of living. As a member of the Senate and the Committee on Interior and Insular Affairs, I will be working with other Senators to develop a program which will accomplish these purposes.

In thinking about our energy problems and while listening to testimony presented during the current energy hearings of the Senate Interior Committee, I have become increasingly concerned about the availability and accuracy of basic economic and financial data which we need to develop a sensible and effective energy policy. I have this concern despite the fact that the Senate Interior Committee, the Federal Energy Administration, other governmental units, and private businesses and associations have been attempting to gather, analyze, and interpret this data for several years. It is my understanding, for example, that the actual cost to oil companies of acquiring oil has been difficult to establish and that such items as shipping costs are less than certain. Because of this continuing uncertainty about such basic information, I have written letters to Senator JACKSON, chairman of the Senate Interior Committee, and to the Government Accounting Office, and the Federal Energy Administration, requesting a renewed effort to secure more accurate data on the basis of which we can more confidently proceed in our developing of an energy policy. Mr. President, I ask unanimous consent to print the text of the bill I have introduced in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Emergency Petroleum Allocation Act of 1973 is amended by inserting immediately after section 4 thereof the following new section:

"SEC. 4A. (a) It is the purpose of this section—

"(1) to protect the domestic economy, by stabilizing the prices of crude oil, residual fuel oil, refined petroleum products, natural gas, and coal, and

"(2) to encourage and protect investments in research, exploration, development, and production of the energy resources of the United States, and to reduce the prices of energy sources and products.

"(b) The President of the United States or his delegate shall, by regulation, specify, for crude oil, residual fuel oil, refined petroleum products, natural gas, and coal, the maximum and minimum prices which may be paid by the importer of such oil, products, gas, or coal purchases and imported into the United States on or after the expiration of the thirty day period following the date of the enactment of this section, except that for the twelve month period next following such date of expiration, the maximum and minimum prices which may be paid by such importer for any such crude oil purchased during such twelve month period shall be $9.50 and $ per barrel, respectively. With respect to the minimum price during such a twelve month period the President shall lower such price if world prices permit.

"(c) Any person who knowingly imports any crude oil, residual fuel oil, refined petroleum product, natural gas, or coal into the United States which was purchased by him at a price in excess of the maximum price or below the minimum price established by or pursuant to subsection (b) of this section shall be fined not more than $100,000 or imprisoned not more than two years, or both.

"(d) If the price paid by the importer for any crude oil, residual fuel oil, refined petroleum product, natural gas, or coal includes amounts attributable to the cost of transportation to the United States (including insurance thereon), then, under regulations prescribed by the President or his delegate, for purposes of applying subsections (b) and (c), the price so paid shall be reduced by an amount equal to such cost.

"(e) The President of the United States or his delegate shall, by regulation, establish maximum and minimum prices for which the first sale or exchange, on and after the expiration of the thirty day period following the date of the enactment of this section, of domestic crude oil, residual fuel oil, refined petroleum products, natural gas, and coal may be made, except that for the twelve month period next following such date of expiration, the maximum and minimum prices which may be charged for the first sale or exchange of such domestic crude oil shall be $9.50 and $ per barrel, respectively.

"(f)(1) Any person who, with respect to the first sale or exchange thereof, knowingly sells or exchanges domestic crude oil, residual fuel oil, refined petroleum products, natural gas, or coal at a price in excess of the maximum price or below the minimum price established by or pursuant to subsection (e) of this section shall be fined not more than $100,000 or imprisoned not more than two years, or both.

"(2) In the case of any such exchange, the maximum and minimum prices shall apply to the total value of the goods and services asked, given, or received in exchange for such crude oil, residual fuel oil, refined petroleum product, gas, or coal.

"(g) In any case in which the President determines that any foreign country has willfully taken action the effect of which, directly or indirectly, is to place an embargo on, or otherwise curtail or restrict, exports to the United States of crude oil, residual fuel oil, refined petroleum products, natural gas, or coal, whether by means of pricing or otherwise, the President shall issue a proclamation to that effect. On and after the effective date of such proclamation and until the President determines that such embargo, curtailment, or restraint no longer exists—

"(1) the products of such country shall not be eligible to receive most-favored-nation treatment,

"(2) such country may not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, and

"(3) such country shall not be eligible to receive foreign aid, military assistance, or any other assistance, financial or otherwise, under any law of the United States.

"(h) In establishing maximum prices for purposes of this section, the President shall take into consideration the state of the domestic economy and the United States balance of payments and, with respect to minimum prices, the President shall take into consideration the need to encourage and protect investments in research, development, and production in the field of energy.

"(i) Regulations of the President pursuant to this section shall provide that any reduction in the price of crude oil, residual fuel oil, refined petroleum product, natural gas, or coal resulting from the provisions of this section is passed through on a dollar-for-dollar basis to any subsequent purchaser, reseller, or final consumer in the United States. In the case of crude oil, such pass-through of price reductions shall, to the extent practicable and consistent with the objectives of this section, be allocated among products refined from crude oil on a proportional basis, taking into consideration historical price relations among such products.

"(j) As used in this section the term—

"(1) 'person' means any individual, or partnership, association, corporation, or other entity, or officer or director thereof;

"(2) 'domestic crude oil' means crude oil (including natural gas liquids) produced in the United States, or from the Outer Continental Shelf, as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).".

IN SEARCH OF A COMPROMISE ON THE OIL IMPORT FEE QUESTION

Mr. DOLE. Mr. President, last week I introduced an amendment to H.R. 1767. The objective of this amendment is to reach a meaningful and acceptable compromise between the proponents of the administration's oil import fee program and the opponents of that program, who would suspend the President's authority to impose such duties for 90 days

It is my observation that unless some middle ground can be found which is suitable to both the administration and those in the Congress who advocate suspension of the President's authority, a "sum zero" situation will result. Either the President will be able to muster enough votes to sustain a veto of the import fee suspension bill or the Congress will override a veto. In either case, one party loses and one party wins—with the net effect that another 3 to 8 weeks will be wasted before we begin to work constructively toward a solution to our critical problem of overdependence on imported oil.

On the other hand, if we could reach a compromise on an interim energy program by adopting a portion of the President's import fee plan, but temporarily suspending his power to increase the duties in excess of $1 per barrel, then some of the main objectives of both sides could be realized.

My amendment attempts to accomplish that by freezing until April 30 the $1 import duty instituted by the President on February 1.

Perhaps even more important than the obvious delay which would result from H.R. 1767 is the effect on public opinion of the failure of the administration and the Congress to reach an accommodation in this vital matter. While both sides believe they have the most persuasive arguments in their favor, one does not have to be an exceptionally astute political observer to realize that the vast majority of our citizens are more interested in the executive and the Congress working together to come to grips with this urgent problem than they are in specific reasons why the President's program should be enacted or the import fees suspended.

COMPROMISE ENDORSED BY BOTH SIDES

Over the past couple of weeks, spokesmen from both the administration and the Congress have expressed a desire to work together to initiate a workable, equitable energy conservation program.

The President has invited Congress to examine his program and offer modifications or improvements which it deems advisable.

Both the majority and minority leaders of the Senate—Mr. MANSFIELD and Mr. SCOTT of Pennsylvania—have expressed the need for cooperation in seeking workable solutions.

The chairman of the Senate Finance Committee (Mr. LONG) has spoken of the desirability of a compromise plan.

Just last Friday, the Director of the Federal Energy Administration alluded to a possible accord between the Congress and the White House on energy policy.

The Senator from Minnesota (Mr. MONDALE) has expressed an interest in compromise on the foreign oil import fee.

The Secretary of the Treasury, during his appearance before the Finance Committee last week, was also amenable to a reasonable compromise.

Both of the distinguished Senators from New York (Mr. JAVITS and Mr. BUCKLEY) have stressed the importance of avoiding a confrontation on this key issue.

And the Senator from Massachusetts (Mr. KENNEDY)—a principal sponsor of the Senate resolution to suspend the President's import fee authority—has indicated a desire to work with the President to develop energy policy.

Mr. President, I believe the time for compromise and cooperation is now. The amendment I have proposed is designed to offer both Congress and the administration the opportunity to arrive at a workable interim compromise on the matter of oil import fees.

Considering the lack of initiatives to achieve this so far, the various statements suggesting a willingness to strike a balance amount to only so much rhetoric. If we really mean what we say, then we need to move forward by adopting my amendment and truly coming together on middle ground.

According to the President's spokesmen, the administration does not favor this amendment. Perhaps, then, it is time for those in the Congress who favor the President's oil import fee program to take the initiative for the administration and work with opponents of the oil import fees to reach a compromise. Similarly, the opponents of the President's program who have talked about the need for cooperation would hopefully cooperate in a meaningful effort to effect a compromise on the issue.

To reiterate, my amendment would simply permit the $1 per barrel crude oil import fee of February 1 to continue in effect. But it would suspend, until April 30, the President's power to impose any fee in excess of $1 per barrel—thus putting off at least temporarily the $2 and $3 per barrel import fees the President has proposed for March 1 and April 1.

OBJECTIVE OF CONGRESS

The concern of the majority in Congress who are supporting the 90-day tariff suspension, as I understand it, is that ample time is needed to consider any energy proposal before its economic impact is felt. This compromise provides that time without significantly affecting the economy.

The $1 per barrel fee would increase the cost of gasoline by only about a penny a gallon. By permitting the temporary imposition of a $1 per barrel fee, there is a little likelihood of serious economic dislocation pending congressional consideration of a more comprehensive energy conservation program.

Contrary to some speculation, the $1 per barrel fee will not cost billions of dollars. For example, the total revenue collected over a 90-day period from $1 per barrel fee is estimated to be only around $350 million.

Moreover, no one section of the country will be forced to bear an inordinate share of the burden.

The New England States, for example—which rely heavily on imported petroleum—import mainly crude products, not unrefined crude oil. And previously, the Federal Energy Administration's "crude equalization" or "entitlement" program gave them a 60-cent-per-barrel subsidy on imported refined products.

Under the first stage of the President's duty program, this subsidy on imported products was ended, having roughly the same effect as the $1-per-barrel fee on imported crude. Thus, the New England States may actually feel a lesser impact than other portions of the Nation.

Also, under the amendment I have offered, the President will be prohibited from imposing the 60-cent- and $1.20-per-barrel increase on imported crude products, as scheduled for March 1 and April 1. This would be true of the fee increases to $2 and $3 per barrel on crude as well.

PRESIDENT'S OBJECTIVE

The goal of the President with his import duty order, as I understand it, is to keep pressure on the Congress to expedite passage of a comprehensive solution.

The senior Senator from Louisiana (Mr. LONG) has expressed his support for this tactic in the Senate on February 11 when he said:

> One thing that appears to me about the President's action is that at least it puts the pressure on Congress to do something, and I am hopeful that, with the result of what the President has done, the debates occurring, and the matters being considered by both sides of the aisle, we will wind up making a constructive contribution towards solving the energy program.

I submit that this compromise will keep the collective feet of Congress to the fire nearly as much as the President's plan to increase import duties to $2 per barrel and then $3.

A $3-per-barrel tariff would raise the price of gasoline by about 3 cents per gallon. A 3-cent-per-gallon increase would not have much more conservation effect than 1 cent per gallon. Yet the compromise would permit the President to proceed with some energy conservation initiative and keep the obviously necessary pressure on us in Congress to act expeditiously and constructively on the matter.

My amendment gives Congress the initiative in making a meaningful compromise with the executive branch. And if the President is sincere about compromise—and I believe he is—he should be willing to sign the bill as amended by this proposal.

Mr. President, I believe that the compromise I have proposed is both equitable and workable. It serves the objectives of those opposed to the President's program by delaying imposition of higher import fees until April 30. At the same time, it serves one of the President's objectives—to expedite enactment of a comprehensive energy conservation program. And it asks no segment of the population or section of the country to bear an unfair burden while a long-range program is developed by the Congress.

Hopefully, this compromise amendment will signal to the citizens of this country the beginning of a joint, cooperative effort between the administration and the Congress to find effective and equitable solutions to this Nation's economic and energy problems.

Mr. President, I ask unanimous consent that the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 11

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) during the period beginning on February 1, 1975, and ending on April 30, 1975, the President may not take any action under section 232(b) of the Trade Expansion Act of 1962 (19 U.S.C. 1862(b)) or any other provision of law to adjust imports of petroleum or its derivatives in to the United States.

(b) Except as specifically provided in subsection (c), any action taken after January 22, 1975, and before the date of enactment of this Act by the President under such section 232(b), or any other provision of law, for the purpose of adjusting imports of petroleum and petroleum products into the United States, shall cease to have effect on the date of enactment of this Act.

(c) Any fees and supplemental fees for allocation and licenses imposed by action taken by the President for the purpose of adjusting imports of petroleum and petroleum products under such section 232, and in effect on the date of enactment of this Act, shall continue in effect to the extent that the sum of such fees and supplemental fees imposed per barrel does not exceed—

(1) $1.21, with respect to imports of crude oil and natural gas products, and

(2) $0.63, with respect to imports of motor gasoline, unfinished oils, and all other unfinished products (except ethane, propane, butanes, and asphalt).

SEC. 2. The first section of this Act ceases to apply if, during the ——— period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces,

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)), or

(5) there is a substantial change in the conditions of trade with respect to petroleum and petroleum products which has an adverse effect on the United States and is caused by—

(A) an increase in the average per barrel price in excess of 25 percent, determined over a one week period, of imports of petroleum and petroleum products into the United States, or

(B) a decrease in the average barrel volume in excess of 25 percent, determined on the basis of a one week period, of imports of petroleum and petroleum products into the United States.

ACTIVITIES AND ACCOMPLISHMENTS OF CONGRESS PLACED IN PROPER PERSPECTIVE

Mr. CANNON. Mr. President, the administration in recent weeks has been trying to convey the impression that the month-old 94th Congress is a "do nothing Congress" because it has not immediately rubberstamped administration proposals in the complex and crucial areas of the economy and energy.

This has been a misleading picture of congressional activities and in the process, obscures the legitimate role that the Congress plays as a separate and independent branch of the Government.

To place the activities and accomplishments of Congress in the proper perspective, I ask unanimous consent to have printed in the RECORD an article by Spencer Rich of the Washington Post, dated February 14, 1975.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS HAS LED IN MAJOR PROGRAMS

(By Spencer Rich)

Although it is fashionable to declare that Congress by its very nature lacks the capacity for leadership on national issues, the fact is that many of the most important national programs and policies of recent years have been initiated on Capitol Hill and forced on an unwilling President.

In recent days President Ford has accused Congress of obstruction, of delaying presidential initiatives without developing programs of its own. And, to be sure, Congress moves slowly, possesses an unbelievable capacity for quibbling and political showboating, argues an issue and chews it over 100 times before digesting it, compromises on everything, makes backroom deals and takes numerous undeserved vacations.

But despite all these failings, it is Congress and not the White House that has initiated and nurtured:

Medicare.

Social Security disability insurance.

Pension reform.

The 18-year-old vote.

Political campaign reform.

Clean air and auto-pollution controls.

The Indochina war cutoff.

Key laws against dangerous chemical additives in foods.

Consumer product safety and warranty laws.

Much of the landmark civil rights legislation that Lyndon B. Johnson pushed to passage when he become President.

Major Social Security benefit increases.

Still-to-be-passed proposals for no-fault auto insurance and for a federal agency to argue the consumer position before rulemaking agencies.

Mandatory auto safety standards.

Major investigations of gangsterism, labor racketeering, the drug industry and multinational corporations.

Recent improvements in food programs for the poor and in the minimum wage.

Congress leadership was demonstrated in the way the Senate Foreign Relations Committee, headed by then Sen. J. W. Fulbright (D-Ark.), publicly took up the antiwar cause as early as 1965, gave it publicity and respectability through hearings, uncovered covert military operations elsewhere in Indochina and exposed the inconsistencies in the White House's reports on the Gulf of Tonkin incident.

The committee's activities played a large role in crystallizing public opinion against the war.

This, in turn, helped press both Johnson and Richard M. Nixon to seek a negotiated end, and to brake escalation of the U.S. military effort. In 1973 Congress legislated a flat cutoff of all U.S. military combat activities in Indochina.

The evolution of Medicare—federal medical insurance under Social Security for persons over 65—is another illustration of congressional initiative.

In 1957 a Rhode Island congressman on the Ways and Means Committee, Aime J. Forand (D), sponsored a Medicare bill with the backing of the AFL–CIO and medical and welfare groups. The Forand bill won Senate sponsorship from John F. Kennedy (D-Mass.), but was opposed by the Eisenhower administration and by the 1960 GOP presidential nominee, Nixon. Congressional Democrats pressed it, however, and Kennedy made it an issue in his 1960 presidential campaign. It was enacted in 1965.

Pension reform is another good example. It was pioneered in Congress by Chairman Harrison A. Williams (D-N.J.) and senior Republican Jacob K. Javits (R-N.Y.) of the Senate Labor Commitee, faced strong opposition from the White House on many major safeguards, but finally was passed despite continued White House misgivings.

The 18-year-old vote had broad support, but the White House under President Nixon wanted it accomplished by a constitutional amendment, which would have taken years. Sen. Edward M. Kennedy (D-Mass.) had the idea of attaching it to a 1970 bill extending a major civil rights law. Majority Leader Mike Mansfield (D-Mont.) took up the thought and engineered a successful Senate vote, the House accepted it, and the President—after some hesitation finally signed it.

Kennedy and Senate Minority Leader Hugh Scott (R-Pa.) were also the chief advocates of public financing for presidential elections, enacted by the last Congress despite White House opposition. And it was Kennedy who, a year ago, initiated the drive for tax cuts to stimulate the economy, which has now been endorsed by everyone, including the White House.

The consumer protection agency bill, drawn from an idea first espoused by the late Sen. Estes Kefauver (D-Tenn.), became a Rosenthal (D-N.Y.) and Sens. Abraham A. Ribicoff (D-Conn.) and Warren G. Magnuson (D-Wash.) put the idea in its present form and started a campaign for passage. White House opposition and business-backed filibusters have killed it so far, but enactment by this Congress appears likely.

In sum, Congress was designed by the Founding Fathers to operate slowly, with deliberation and with compromise, and it is not structured to rush controversial proposals through smoothly. But it gets a lot of input from the public, and its stumbling, brooding deliberations often result in important new ideas and initiatives unconceived by a President, despite all his direct power and advisers.

SENATOR McINTYRE'S REACTION TO GENERAL BROWN'S REMARKS

Mr. McGEE. Mr. President, the distinguished senior Senator from New Hampshire (Mr. MCINTYRE) recently delivered what I consider to have been an exceptional speech before the Jewish Community Council in Boston, Mass.

In his remarks, Senator MCINTYRE explained his reasons for aggressively pursuing the case of Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, whose remarks at Duke University Law School forum last October 10 concerning the Jewish lobby in this country touched off considerable controversy.

As my colleagues are well aware, the distinguished Senator from New Hampshire was very deeply disturbed over the remarks made by General Brown. His speech in Boston, therefore, gives an insight into, and appreciation for, the reasons THOMAS MCINTYRE took up the cudgels in the Brown case.

For example, my friend and colleague noted in his speech:

> The long established principle of civilian control over the military is at the very foundation of our system of democratic self-government, and whenever a spokesman of the military, and particularly a spokesman as high-ranked as General Brown, injects himself and his views into what must remain civilian domain, it assaults and weakens that crucial principle. And in this instance, the violation was as dangerous as it was improper.

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As I am sure my colleagues will agree, contrary to his own remarks in his speech, THOMAS MCINTYRE is not given to knee-jerk reactions to issues and controversy. Consideration and reflection go into the formulation of his responses and position.

He made several poignant observations during his speech, many of which I personally appreciated. Although not a native of New England, I, too, was raised in small-town America and benefited immensely from those values—an advantage which was further enhanced, I might add, when I arrived at the University of Wyoming in the late 1940's as a university professor.

In this connection, TOM noted:

Indeed, because we are what we are, I believe we have an obligation to go beyond speaking out against bigotry, I believe we are obliged to encourage the preservation and strengthening of cultural, ethnic and religious identification in this country.

I said I was from small-town America, and I'm keenly aware of the stereotyped image of small towns—narrow, provincial, clannish and spiteful.

But if you've ever lived in a small community, you know it can be something else. It can be America in microcosm, a concentrate of where the unavoidable intimacy of people-to-people relationships can instill an abiding appreciation of the richnesses of difference.

America's melting pot was never supposed to distill a bland and homogenized people. It was supposed to brew a strong broth of diverse cultures, nationalities and faiths, where every flavor retained its distinctiveness yet accented and complemented all the others.

Some small towns brew that kind of broth. And I was lucky enough to sip from it.

I was struck very deeply by this observation. TOM's reflection was a restatement of some very basic and important values of this society—values which we often take for granted and in some instances forget. It is apparent that THOMAS MCINTYRE has never lost sight of this. He knows where he has been and he never loses sight of where he is going.

With this background, one gains a greater appreciation for the focal point of his remarks when he said:

I will never really know what it is to be Jewish, just as you will never really know what it is to be Irish and Catholic.

But that doesn't stop me from appreciating what you have meant to this beloved country we share.

In proportion to your numbers, no other group of Americans has given more of itself to the advance of science, literature, and the arts. Your contributions to medicine, psychiatry, music, poetry, novels, economics, education and entertainment are the enduring evidence of what my fellow Catholic Frank Getlein contends is the real Jewish "plot."

"When you begin to put all these pieces together," Getlein wrote not long ago, "you begin to see the broad outlines of the Jewish plot. Those Jews are out to civilize the rest of us, to refine our taste, broaden our minds, raise our thoughts from getting and spending to humane values and enduring truths."

I want to commend the distinguished senior Senator from New Hampshire for a most eloquent, yet elemental lesson in history that he has given all of us. For, in essence, THOMAS MCINTYRE was not only coming to the defense of the Jewish race, he was coming to the defense of us all. And that is what this Nation is all about.

I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE REAL JEWISH "PLOT"

(By U.S. Senator THOMAS J. MCINTYRE)

President Schlossberg, Executive Director Brown, members of the Jewish Community Council, guests and friends:

I want you to know that I am flattered by the opportunity to speak to you today—that I know what prompted your invitation—and that I am still surprised at finding myself in the middle of the controversy that led to this occasion.

I say "surprised" because in many respects this was an unlikely role for Tom McIntyre. I am not, by nature, a wave maker. Neither am I a super-liberal, an anti-militarist, a professional champion of causes, nor an expert on Israel and the Middle East.

My politics are those of a "gut" moderate. My nationality is Irish. My religion is Catholic. And my origin is small town.

So I suppose this begs the question of why Tom McIntyre, of all people, went to the mat over General Brown, when traditional firebrands in Congress—including some with White House ambitions—seemed willing to let the issue die.

Well, my friends, I have asked myself that question, asked it a hundred times. I think I know why.

But before I try an answer, let's do a quick review of what has come to be known as "The General Brown Incident." Last October 10, General George S. Brown, Chairman of the Joint Chiefs of Staff, the highest ranking military officer in the country, delivered a prepared speech at the Duke University Law School Forum.

Following the speech, the General answered a number of questions from the audience, and the answer he gave to the last questioner—who asked if the United States was contemplating the use of force against the oil producing Nations—kicked off a public uproar when the press learned of it more than a month later. Recorded by a student and never denied or corrected, the General's answer was as follows:

"Now, in answer to the question of would we use force in the Middle East, I don't know." The General should have stopped right there. But he didn't. He went on to say:

"I hope not. We have no plans to. It is conceivable, I guess. It's kind of almost as bad as the 'Seven Days in May' thing. But you can conjure up a situation where there is another oil embargo and people in this country are not only inconvenienced and uncomfortable, but suffer and they get tough-minded enough to set down the Jewish influence in this country and break that lobby.

"It's so strong you wouldn't believe now," the General said of the lobby. "We have the Israelis coming to us for equipment. We say we can't possibly get the Congress to support a program like that. They say, 'Don't worry about the Congress. We'll take care of the Congress.'

"Now this is somebody from another country," Brown added, "but they can do it. They own, you know, the banks in this country, the newspapers, you just look at where the Jewish money is in this country."

So spoke General Brown.

His words were first published in the Washington Post on November 13, and once they appeared in print, President Ford summoned the General to the White House and told him he thought his remarks were "ill-advised and poorly handled."

Defense Secretary Schlesinger called the General's words "unfortunate and regrettable."

And the General himself? Well, the General said his remarks were, and I quote: "unfounded and all too casual" and, he said, "certainly do not represent my convictions."

Now this is the man whom Time magazine described as, quote: "A cool, articulate and politically savvy professional soldier"—unquote, and somehow I could not square that description with what he said at Duke Law School, nor could I accept whole cloth his excuse that his remarks did not represent his convictions.

Now I am not going to pretend to you that I immediately recognized the Big Lie about Jewish control of the Nation's banks and newspapers when I read the General's words. Frankly, I had no idea that Jews are the principal stockholders or owners of only three percent of the country's newspapers, or that less than one percent of the directors and top officers of U.S. commercial and savings banks are Jewish.

But there was something so familiar and chilling about the General's sweeping charge that it made me think through the full implications of everything he said in that infamous response.

So now let me try to tell you why Tom McIntyre decided to step out of character, jump into this issue and stir up some waves. Part of it was a reasoned response that was triggered by practical experience as a United States Senator and, more specifically, as an 11-year member of the Senate Armed Services Committee.

But part of it was gut-level, and that, my friends, came right out of my national, religious and geographic origin.

On the reasoned level, I concluded that the General's claim that the Jewish lobby's influence was not only pervasive, but indeed inexorable flatly impugned the integrity of the Congress of the United States.

Joseph Califano put it another way. He said, "Does the General believe that collective Congressional motivations are so simple-minded?" Anyone who has dealt with the Congress must recognize how demeaning General Brown's remarks are to Senate and House members."

Califano is right. But there's more to it than that. Of course, there is a pro-Israel lobby. And it's strong. But it's strong because it reflects not only the will of the majority of Jewish-Americans, it reflects the will of a strong majority of all Americans.

I am going to return to that point, but for now let me make one additional observation from the viewpoint of someone who appreciates the real irony in General Brown's alleged awe and fear of the Jewish lobby.

As a Senator who has long been involved in fighting the "politics of oil" I can tell you that the influence of Big Oil is far more insidious, and far more pervasive, than the influence of the Jewish lobby, for oil and influence seep across ideological as well as party lines without public approval or support.

And as a veteran member of the Armed Services Committee, I can also tell you that when it comes to clout with the Congress, the Jewish lobby isn't in the same league with General Brown's own lobby—the Pentagon and the Defense establishment. I make that flat assertion, my friends, without fear that anyone can stick Tom McIntyre with being anti-military or anti-strong national defense.

The power of the Pentagon lobby is simply, and unhappily, a demonstrable fact of life, colorfully—but accurately—described by Frank Getlein in the Washington Star of November 22.

"It was," Getlein wrote, "the sheer chutzpah—if he'll pardon the word—of the Chairman of the Joint Chiefs of Staff complaining about the influence of anyone at all in Congress. It was as if the National Education Association had warned against the lobbying of the AFL-CIO.

"In the history of the institution," Getlein went on, "no one has had such an influence upon Congress as have the Joint Chiefs in the last quarter-century. Regularly, they march up the Hill, terrify Congressmen with visions of what diabolical engines the Russians may very well be contemplating the creation of, and march back down the Hill, the key to the Treasury secure still, once more and forever in their old kit bag."

And beyond the irony expressed so well by Mr. Getlein lies still another irony. General Brown has been as silent about our supplying arms to Jordan, Lebanon, Iran, Saudi Arabia, Kuwait and Oman as he was noisy about our supplying arms and equipment to Israel.

Well, maybe I am too dense to understand the subtleties of our current Middle East policy, but I can't help but feel that the quickest way to get General Brown into the war he says he wants to avoid is to arm to the teeth every country in that part of the world!

Now please don't misunderstand. I think General Brown ought to keep his mouth shut in public about foreign policy, no matter what he thinks of it. So I think he is as right to keep silent on arms to Jordan, Lebanon, Iran, Saudi Arabia, Kuwait and Oman as he was wrong to spout off about Israel.

The long established principle of civilian control over the military is at the very foundation of our system of democratic self-government, and whenever a spokesman of the military, and particularly, a spokesman as high-ranked as General Brown, injects himself and his views into what must remain civilian domain, it assaults and weakens that crucial principle. And in this instance, the violation was as dangerous as it was improper.

Again, Joseph Califano examines its consequences:

"Thus," Califano wrote, "in the context of the most explosive situation in the world today—the one situation most likely to precipitate a major war involving not only the Israelis and the Arabs, but our country and the Soviet Union—the Chairman of the Joint Chiefs vented his spleen on the Israelis, the Arabs, the American Jews, the Congress, and informed the world that he didn't intended to go to war in the Middle East,"—end of quote.

Now it's important to remember here, as Califano and others have pointed out, that the General's remarks were heard by the American public, the Israelis, the Arabs, the Russians, the United Nations, the President and the Secretaries of State and Defense.

And what did this do for his credibility as the ranking officer of the country?

A few days after the Post printed his remarks, the Pentagon took issue with a report by Israel's Prime Minister that the Soviets were unloading arms from some 20 ships in a Syrian port. The Pentagon claimed the number of ships was normal and that, contrary to what the Israeli Prime Minister said, only a few of the ships were unloading arms.

Who are we to believe? General Brown? Or the Prime Minister?

Now I said earlier that my decision to plunge into this issue was part reasoned response and part gut reaction.

I've just detailed the factors behind the reasoned response: In sum, I felt that the General had insulted and impugned the Congress, had played fast and loose with facts, had violated the principle of civilian control over the military, had improperly and dangerously intruded in the delicate field of foreign policy, and had damaged his credibility beyond repair.

None of this directly applies to the other side of the coin in this appalling incident—the anti-Semitism, however much denied, that is implicit in what the General said.

And this is where gut reaction took over.

For the life of me, my friends, I cannot understand how any Irish Catholic could be insensitive to anti-Semitism, wherever it rears its ugly head.

Having felt the historical burden of oppression and discrimination ourselves—from Ulster to early-day Boston-back to Ulster and beyond—we Irish-Catholics betray our heritage every time we ignore, tolerate or encourage bigotry of any kind!

Indeed, because we are what we are, I believe we have an obligation to go beyond speaking out against bigotry. I believe we are obliged to encourage the preservation and the strengthening of cultural, ethnic and religious identification in this country.

I said I was from small-town America. And I'm keenly aware of the stereotyped image of small towns—narrow, provincial, clannish and spiteful.

But if you've ever lived in a small community, you know it can be something else. It can be America in microcosm, a concentrate where the unavoidable intimacy of people-to-people relationships can instill an abiding appreciation of the richness of difference.

America's melting pot was never supposed to distill a bland and homogenized people. It was supposed to brew a strong broth of diverse cultures, nationalities and faith, where every flavor *retained* its distinctiveness yet accented and complemented all the others.

Some small towns brew that kind of broth. And I was lucky enough to sip from it.

So for all of these reasons—some cerebral, some visceral—I decided that I had no choice but to call for General Brown's resignation.

On November 15, before the Armed Services Committee, I said:

"When the ranking military officer of the United States slanders one element in the spectrum of the American people by hauling up the long-discredited myth about Jewish control of the Nation's banks and press—when he deliberately uses that myth in a wholly improper attempt to influence foreign policy—when his remarks encourage those who would make the Jewish community the scapegoat for our energy predicament—when he thus reveals abysmal insensitivity and a woeful misunderstanding of what this country is all about—then he has forfeited claim to the public's trust, respect and support and has so weakened national security.

"For the good of the country he has sworn to serve as an officer and a gentleman, General Brown should tender his immediate resignation."

And then I added that "if that resignation is not forthcoming, then I, as a member of the Armed Services Committee, will recommend to the Chairman that the Committee conduct a full scale inquiry into General Brown's attitudes as they affect his fitness for the office he now holds."

Now let me refresh your memories a bit. At the time I issued that call for the General to resign, much of the American-Jewish community was up in outraged arms.

The Anti-Defamation League of B'nai B'rith called for the General's dismissal, the American Jewish Congress issued similar comments, a number of Congressmen issued heated condemnations of Brown's remarks, and I, along with many other Senators, was hearing from Jewish constituents as I had rarely heard before.

I specifically recall an anguished telephone message from my former press secretary, a man whose wife still carries a concentration camp tattoo. He said his wife's blood ran cold when she heard what the General had said.

But that was all on or around mid-November.

On November 19, the Washington Post reported that a group of American Jewish leaders met privately with Defense Secretary Schlesinger and—quote: "apparently decided not to press for the resignation of General George S. Brown as Chairman of the Joint Chiefs of Staff."—end of quote.

Suddenly I found myself all alone on the firing line, and in my naivete, I didn't understand why. But by the time the Armed Services Committee met on November 25, to consider my request for a full inquiry into the General Brown case, I was able to recognize what had happened . . . and say this in my statement to the Committee:

"Since I issued my call for General Brown's resignation, it has become evident to me that some members of an immediately outraged American Jewish community have developed second thoughts about the General's removal from office.

"I find this completely understandable. Were the General to tender his resignation, or be ordered to do so, some elements of the American public inevitably would interpret this as further evidence of the alleged inexorable power of the Jewish lobby."

But then I went on to say:

"The Jewish community's sensitivity to this potentiality must be acknowledged, but it should not be used as an excuse for this Committee to back away from the issue.

"Let me put it this way," I said. "Had General Brown maligned the American Catholic community by using discredited myths to describe its lobbying power, my reaction might well have been that of many of my Jewish friends—initial outrage, followed by second-thought reservations about an overkill backlash.

"But deep in my heart," I continued, "I think I would know that sweeping this sisue under a convenient rug would be neither in the best interests of the American Catholic community, nor in the best interests of national security."

I concluded this part of my statment by saying: "And I would hope—despite my fears of a public opinion backlash—that some member of this Committee who was not a member of the American Catholic community, say a Presbyterian like the distinguished Senator from Washington, or a Baptist, like the distinguished Senator from South Carolina, or an Episcopalian, like the distinguished Senator from Colorado, would press on for a resolution of this issue *because to do so was right*.:

Well, my friends, you know what happened. My call for a full-scale inquiry into General Brown's fitness to hold his office was voted down in Committee by a vote of 11 to 4, and as Meg Greenfield put it in the Washington Post, the issued seemed to come to an end— "in sudden, unnatural silence."

But *had* it come to an end?

Not as far as Tom McIntyre is concerned.

I've never had any doubts about the moral rightness of what I tried to do. And if I ever had any doubts about my practical judgment of General Brown's fitness for the job, they were dispelled earlier this month when the General embarrassed and reportedly angered Secretary of State Kissinger by *not informing Kissinger in advance* that a Navy carrier task force had been directed to sail toward Vietnam and then denying the ships were headed for Vietnamese waters.

I have no personal vendetta against the General. But I can promise you now that I'll be keeping a very close eye on what he does and what he says as long as he's Chairman of the Joint Chiefs of Staff.

And now, in closing, let me tread lightly into the most sensitive aspect of the General Brown case.

If by my persistence in pushing the issue to the Committee vote I put the American

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Jewish community in a painful dilemma, I want you to know that was not my intention.

In the time that has elapsed since November, I have learned to appreciate the insight behind these words by Meg Greenfield. "The Jews," she wrote, "are too wary, too untrusting, too scarred and too certain of their ultimate aloneness to tell the General Browns of this world what is really on their mind."

I appreciate that insight. But I cannot surrender to what it implies.

For if I had one purpose in coming here today, it was to do what little I could to ease your wariness, encourage your trust, and let you know that you are *not* alone in America.

I will never really know what it is to be Jewish, just as you will nevery really know what it is to be Irish and Catholic.

But that doesn't stop me from appreciating what you have meant to this beloved country we share.

In proportion to your numbers, no other group of Americans has given more of itself to the advance of science, literature and the arts. Your contributions to medicine, psychiatry, music, poetry, novels, economics, education and entertainment are the enduring evidence of what my fellow Catholic Frank Getlein contends is the *real* Jewish "plot."

"When you begin to put all these pieces together," Getlein wrote not long ago, "you begin to see the broad outlines of the Jewish plot. Those Jews are out to *civilize* the rest of us, to *refine* our taste, *broaden* our minds, *raise* our thoughts from getting and spending to humane values and enduring truths."

Getlein is right. And every thinking American knows it.

So let me leave you with a question which I hope will not offend.

With such credentials, with such a valid cause, and in a time when America is listening more than ever before to the just claims of individuals and of ethnic, religious and cultural groups, is discretion on the part of the American Jewish community *really* the better part of valor? Is the *fear* of arousing anti-Semitism more dangerous in the long run than stronger self-assertion now?

I don't know. And perhaps the question itself is presumptous and irrelevant.

I raised it only because of my deep respect *for* you, my lasting appreciation *of* you, my abiding wish for your security, your happiness and well-being.

SCIENTIFIC AND TECHNICAL COOPERATION AGREEMENT BETWEEN GULF OIL CORP. AND SOVIET UNION

Mr. HUGH SCOTT. Mr. President, James E. Lee, president of Gulf Oil Corp., a Pittsburgh based firm, is presently meeting in Moscow with high Soviet officials to discuss scientific and technical cooperation in five petroleum-related areas. Discussions with Soviet ministers will cover geology, exploration, production, and transmission of petroleum, petroleum refining and petrochemicals, chemicals and synthetic fuels. I ask unanimous consent that a fact sheet outlining these meetings be printed in the RECORD.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

FACT SHEET

Subject: James E. Lee, president of Gulf Oil Corporation to visit Union of Soviet Socialists Republic.

Dates: February 16 through 20, 1975.

Purpose: Discuss scientific and technical cooperation in five areas.

Personnel: Hopefully, to meet with Leonid Brezhnev, secretary of the Soviet Communist Party, and Aleksei Kosygin, premier. Will meet: Vice Chairman, State Committee on Science and Technology Dzhermen Gvishiani to re-sign Russian and English versions of October 3, 1974 "Umbrella" Agreement.

Will meet and sign protocols with: Minister of Geology, Minister of Petroleum, Minister of Petroleum Refining and Petrochemical Industries, Minister of Chemical Industries, and Minister of Coal Industry.

Will also meet with: Minister of Foreign Trade and Minister of GOSPLAN (State Planning Commission).

Documents: Five protocols—Protocol on Scientific and Technical Cooperation in field of Geology, Protocol on Scientific and Technical Cooperation in the field of exploration, production and transmission, Protocol on Scientific and Technical Cooperation in the field of Petroleum Refining and Petrochemicals, Protocol on Scientific and Technical Cooperation in the field of Chemicals, and Protocol on Scientific and Technical Cooperation in the field of Synthetic Fuels.

Previous Documents: U.S.-U.S.S.R. economic agreements signed in May 1972. Scientific and technical cooperation agreement between Gulf Oil Corporation and Soviet Union signed October 3, 1974.

Areas of Discussion: Geology, Exploration, production and transmission, Petroleum refining and petrochemicals, Chemicals, and Synthetic fuels.

Importance: The step in negotiations toward economic detente would include a follow-up to the protocols through a letter from Mr. Dorsey to appropriate Soviet ministers which would state Gulf's proposed next step.

In the final agreements, Gulf would make minimal investments other than the provided technology and would benefit through possible technology from the Russians as well as payment for Gulf technology through Russian oil, gas, intermediate petrochemicals, etc. This arrangement should provide products for the Western World and assist in the balance of payments.

PRECEDENT FOR INTERNATIONAL COURT OF JUSTICE FURTHER SUBSTANTIATES NEED FOR GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, critics of the Genocide Convention have often argued that there is no precedent for the United States to submit its citizens to the International Court of Justice. Article IX of the convention states:

Disputes between the Contracting Parties relating to the interpretation, application or fulfillment of the present Convention, including those relating to the responsibility of a State for genocide or for any of the other acts enumerated in article III, shall be submitted to the International Court of Justice at the request of any of the parties to the dispute.

The Congress of the United States has indeed set a precedent that would submit the parties in dispute to the International Court of Justice. On November 2, 1967, the Senate ratified the Supplementary Convention on the Abolition of Slavery. Article X of this convention states that disputes between the contracting parties are to be submitted to the International Court of Justice for adjudication. This is clear precedent for article IX of the Genocide Convention.

It is clear from this comparison that ratification of the Genocide Convention would not contradict basic American policy. Mr. President, I urge speedy Senate ratification of the Genocide Convention Accords.

RECENT DEVELOPMENTS IN THE AWACS PROGRAM

Mr. CANNON. Mr. President, there have been stories appearing recently in the press regarding the AWACS program, as well as other developments which I will comment on, which I believe require explanation in order to clarify the record as to the status of this program.

To review some background, last year the House-Senate authorization conferees approved funds for procurement of the first six AWAC radar warning and control airplanes for the Air Force. At the same time, the conferees retained a requirement in the law that the Secretary of Defense had to certify to Congress that AWACS was a cost-effective program and that it would meet the mission needs and requirements of the Department of Defense.

This requirement originally had been recommended by the Senate Armed Services Committee. It was made in light of contentions by the GAO that the AWACS radar could be jammed easily by an enemy and that, therefore, the AWACS effectiveness as a warning and command-control aircraft could be countered simply and at low cost.

The committee also had recommended that the Secretary of Defense establish an independent group of electronics countermeasure—ECM—experts to review the conflicting claims of the Air Force and to the GAO regarding AWACS ECM vulnerability.

During the ensuing months since the fiscal year 1975 authorization was completed last July, the ECM panel has completed its work and the results and findings have been evaluated within the Defense Department. Secretary Schlesinger testified before the Senate Armed Services Committee on February 5, 1975, that he expected to issue his certification on the AWACS program within the very near future. This certification was sent to the Congress last Friday, February 14, 1975.

Well before Secretary Schlesinger testified to the committee regarding AWACS, the committee had been contacted by Senator EAGLETON regarding his concern that the Department might issue the certification and then immediately proceed to sign the AWACS production contract before the Congress had any chance to review the certification and the reasons for it. Because I agreed with the distinguished Senator from Missouri (Mr. EAGLETON) that those in Congress interested in the AWACS program should have a chance to review the certification, I wrote to Secretary Schlesinger on January 31, 1975, and asked that time be allotted for congressional examination before that production contract was signed.

I might add that it is my intent to hold a hearing before the Tactical Air Power Subcommittee to review this program and that I will be calling representatives from the ECM panel, the GAO, the Defense Secretary's staff, and the Air Force, so that we can get the facts on the table and, hopefully, can resolve the claims and counterclaims which are being made regarding AWACS. I also have invited Senator EAGLETON to join the subcommittee when we hold that particular hearing, which is scheduled for March 6, 1975.

With this background on the recent events which have taken place, I was more than a little surprised to see an article appear in the New York Times of February 13, 1975, which alleges that I was planning on receiving a private briefing in the Pentagon and unilaterally approving a go-ahead on the production contract. That assertion in the New York Times article is totally false and without foundation, and I will add that I was not contacted by the author of the article about those allegations before—or after—they were printed. I think that my recent correspondence on AWACS, plus my comments today, should make it totally plain that there was no basis for the Times' statements.

Mr. President, I ask unanimous consent to print in the RECORD at the conclusion of my remarks, first, my letter to Secretary Schlesinger of January 31, 1975, requesting time for a congressional review of AWACS, and second, my letter of February 12, 1975, inviting Senator EAGLETON to participate in the Tactical Air Power Subcommittee hearing on AWACS.

As a final point, it should be pointed out that press reviews of the AWACS program are not always unfavorable. Therefore, I ask unanimous consent to have printed in the RECORD both the article from the Times of February 13, 1975, and also an article from the February 1975 issue of the magazine Government Executive, which takes an opposite viewpoint on the AWACS.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *January 31, 1975.*

Hon. JAMES R. SCHLESINGER,
Secretary of Defense,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: I am informed that your certification of AWACS mission effectiveness and cost effectiveness is imminent and may be sent to the Congress next week. I also am informed that an AWACS production contract (letter contract) also possibly could be signed at that time.

In view of the on-going controversies over this program, it is my belief that the Congress should have a short, but reasonable, time within which to review the report of the ECM panel and other issues which have been raised regarding this program.

Accordingly, I am requesting that the full production contract not be executed until the Tac Air Subcommittee has made its review. This would not prevent continued long lead funding of the AWACS production.

Sincerely,

HOWARD W. CANNON,
Chairman, Tactical Air Power Subcommittee.

FEBRUARY 12, 1975.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

DEAR TOM: I intend to hold a hearing on the AWACS program to review the ECM and vulnerability issues as soon as the Secretary of Defense issues his certification on the mission and cost-effectiveness. I intend to call Dr. Smith, who headed the ECM panel, plus representatives of the DDR&E, the Air Force, and the GAO.

In view of your interest and concern on AWACS, I am offering you the opportunity to participate in the Subcommittee's hearing on the program, either as a witness if you would like to present testimony, or as a guest member of the Subcommittee to allow you to question the people who will testify.

Please let me know your desires on this matter, and I will keep you advised as to the schedule for our review.

Sincerely,

HOWARD W. CANNON,
Chairman, Tactical Air Power Subcommittee.

[From the New York Times, Feb. 13, 1975]

PENTAGON TO URGE AIR RADAR SYSTEM—SCHLESINGER WANTS CONGRESS TO PROVIDE $4 BILLION FOR BOEING PLANES

(By John W. Finney)

WASHINGTON, February 12.—Sometime this week Defense Secretary James R. Schlesinger will send to Congress a letter seeking to justify the construction of a squadron of airborne radar command posts at a cost of about $4-billion.

If all goes according to plan, the letter will be followed by an urgent private briefing at the Pentagon for Senator Howard W. Cannon, Democrat of Nevada, the chairman of the Senate Armed Services Subcommittee on Tactical Air Power who is also a major general in the United States Air Force Reserve. If, under the plan, Senator Cannon consents, the Defense Department would quickly enter into a contract with the Boeing Company to build for the Air Force the first six of the planned 31 airborne warning and control system planes, known as AWACS.

The Pentagon, however, is likely to be thwarted in its contracting plans. Even if Mr. Cannon's subcommittee holds no hearings, Representative Melvin Price, Democrat of Illinois, the new chairman of the House Armed Services Committee, is suggesting that he might want to hold some hearings before the Pentagon commits itself to a costly and controversial contract.

COST-EFFECTIVENESS

Before proceeding with the program, Congress specified last year that the Secretary of Defense had to certify that the plane, which at an estimated cost of $111-million each would be the most expensive plane ever built by the Air Force, would be "cost effective"—that is, would it overcome the far cheaper electronic countermeasures of an opposing side. In his report yesterday on the military program, Mr. Schlesinger said that he was prepared to give such certification to the Congress.

In making the certification, however, the Defense Department has subtly changed the proposed mission of the plane, which is a Boeing-707 transport loaded with radar, computers and communications equipment.

Last year, in Air Force testimony and Senate floor debate, the plane's primary mission was described as providing control and direction of allied planes in strikes over "enemy-held" territory. This potentially "offensive mission" for the plane has now become secondary to a "defensive mission" of directing an air battle over the territory of United States allies.

CAN BE JAMMED

One reason for the Defense Department's change in emphasis is that a panel of technical experts, convened by the Pentagon at Congressional insistence, found that the present Soviet jamming equipment "could degrade AWACS performance in support of offensive operations." But in defensive operations, when the plane would be farther to the rear, the panel said, the present Soviet electronic countermeasure equipment "should not seriously degrade AWACS performance."

Calling NATO's strategy "primarily defensive," Mr. Schlesinger said that he had "determined that AWACS is cost-effective and meets the mission needs and requirements of the Department of Defense."

Senator Thomas F. Eagleton, Democrat of Missouri, who has been leading the Congressional opposition to the AWACS program, said in a statement that the Schlesinger determination "can in no way be sustained on the basis of available facts."

"UNAFFORDABLE MARVEL"

"The evidence is overwhelming that AWACS can be inexpensively defeated in performing its NATO mission," Senator Eagleton said. "AWACS remains a technical marvel in search of a mission, and it is a marvel we simply can no longer afford."

Within Pentagon circles there is a suspicion that Mr. Schlesinger will not be very upset if Congress kills the AWACS program.

Some Schlesinger associates suggest that the Defense Secretary decided to make the certification rather than pick a fight with the Air Force, but aware that he was presenting a likely target for those Congressional members who wanted to make some cuts in the Defense budget.

[From the Government Executive]

MILITARY—AWACS' FUTURE: MORE OPTIONS THAN OPPOSITION

HIGHLIGHTS

Past public criticism that AWACS (officially: E–3A Airborne Warning and Control System) is vulnerable in battle, ineffective, and too costly are being shot down by performance facts.

Toughest question for AWACS decision-makers today is not defending the program; rather it is how many will NATO or the United Kingdom or Iran or all three buy, if any; and how will that affect U.S. procurement plans?

Praising performance in recent flight tests of the F–15 Eagle air superiority fighter may seem like a strange way to defend the merits of the AWACS (for Airborne Warning and Control System). Yet, say enthusiasts, "The synergism (Pentagonese for teamwork) between AWACS and especially the F–15 may well revolutionize air combat tactics."

Their case-in-point: a mock air battle last Fall in which two AWACS-guided F–15s took on nine attacking aircraft—six F–4s (built like the F–15, by McDonnell-Douglas) and three Navy EA–6s. At supersonic speeds, the F–4s played the role of interceptors; the Navy aircraft a subsonic role as AWACS-radar jammers.

All were picked up early on AWACS radar, while they were still as much as 100 nautical miles away; and all were "shot down" before they had gotten closer than halfway to the AWACS target.

In effect, this is one of many tests during 1974 which were necessary both to get a DSARC (Defense Systems Acquisition Review Council) production go-ahead last December; and to "disprove and discount" a critical GAO (General Accounting Office) report published last March, claiming AWACS was essentially "helpless" against "relatively inexpensive" enemy jamming techniques.

All nine attacked at supersonic speeds; all were picked up early on AWACS radar—in some cases while they were still as much as 100 nautical miles away; and all were "shot down" by the two F–15s before they had gotten halfway to the AWACS target.

F–15 speed, range, weaponry and radar performance were doubly impressive to observers considering that the F–15 pilots "had maybe 60 hours flying time in the aircraft vs. F–4 guys with thousands of flying hours, including in combat." The whole exercise brought home to the Pentagon "for the first time," say F–15 advocates, what one general summed up as, "For the first time in a long time, maybe we really have what we bought."

One fallout of this and other tests, on both AWACS and the F–15: one "bad guy"

amongst a bunch of "friendlies" can be picked out "right away." (One attacking F-4 pilot even tried to avoid detection by dropping down on the deck, moved along a highway hoping to get lost in ground clutter, got picked up anyway as a "speeding car.")

Point is, in an AWACS/F-15 marriage, the visual identification problem that pestered pilots in Southeast Asia seems to be solved. By implication, the probable crowded skys of, say, a European air war are manageable. That, in turn, potentially shores up an apparent weakness otherwise in the Air Combat (nee Lightweight) Fighter (AFC).

In effect, AWACS can give the ACF an "eyesight" its own presently planned avionics won't have; thus help protect it from an F-15-like attack outside its own radar's ability to detect.

Moreover, AWACS/F-15 enthusiasts claim, the aforementioned flight test also demonstrated another plus.

Through a complex set of interacting capabilities, the "team" shot down some attackers head-on, some on a beam shot, and what were left, from behind. "It demoralizes an attacker to get hit so far out," said one observer. "He drops his wing tanks which cuts his capability even more."

Under some fierce Congressional criticism (the most outspoken coming from Senator Thomas Eagleton, D-Mo.), AWACS program director, Brig. Gen. Larry Skantze, might be expected to celebrate some. Not he.

Says Skantze, "We don't intend to fall into an 'absolute AWACS' trap. We are about 10 steps ahead of the world right now; but we don't build absolutes. We evolve these things into improved capabilities. If we were always looking for absolutes, we'd never build anything."

Point is, though AWACS reportedly is the most powerful, jam-proof airborne radar known, it is still basically just a highly sensitive receiver at which an enemy can direct jamming electro-magnetic energy. Sums up one expert, "You can jam it—if you get some of the smartest radar guys around and spend a week giving them the details of the radar's architecture."

That same challenge, i.e., measuring AWACS against a realistic, relative "rather than an absolute" world, is what faced a special, independent ECM (electronic countermeasures) panel set up last Spring in the aftermath of the GAO report. Whether the scenario they devised was "real world" or "worst possible case," apparently AWACS passed—at least to the Pentagon's satisfaction.

After some 770 hours of Development and of Initial Operational testing, the critical question the DSARC spent most of its time on last December was "How many do we want to build and how fast?"

To date, Defense has looked at as many as eight different options on production, many reflecting a very Strong Congressional and top-Defense feeling that NATO should participate in the program.

Originally, Air Force planned to buy 64 AWACS aircraft systems (enough for all conceivable needs); later dropped that to 42 to be built over a two-year period; are now down on the record as planning 34 (31 new systems plus retrofitting the three current test aircraft into operational systems.)

At the 34 level, they originally planned to build one a month; are now stretched out to building one every other month, i.e., six total in Fiscal '75, '76, '77, '78 and the last seven in Fiscal '79. Options begin to get complicated when possible NATO buys are added to the equation.

For instance, one option is a NATO buy (in which the U.S. would contribute a share of purchase and operating cost) of 38. According to Pentagon speculation, allowing for the time-lag of NATO planning and budgeting machinery, that could mean a NATO purchase of three AWACS in Fiscal '77, nine more in each of the next three fiscal years, and eight in Fiscal '81.

At the same time, the U.S.-only buy at the present one-every-other-month production speed would end in Fiscal '77. That, in sum, would mean 59 AWACS in the U.S. and NATO inventories by 1981 (the 38 NATO plus the three U.S. test aircraft converted to operational plus 18 U.S.-only systems.)

Other options being studied in the Pentagon: (a.) earmarking three of the U.S.-only six in Fiscal '77 for NATO and five of the six U.S.-only planned production for Fiscal '78 as U.S. contribution to NATO; making AWACS an entirely NATO production by Fiscal '79; (b.) Inviting the United Kingdom to share in AWACS production costs, as a British NATO contribution, in either Fiscal '76 or '77 or buy four systems on its own for a national maritime mission in Fiscal '78; (c.) Having a joint U.S.-United Kingdom buy of six systems in Fiscal '79. And then there are the Canadians, Iranians and even Japanese who have all shown interest in buying what could total a dozen or more AWACS systems.

Biggest trouble is, as Joint Chiefs Chairman, General George Brown, and Defense Secretary James Schlesinger have both pointed out, "They (NATO) have budget problems just like we do." And in absolute terms, AWACS is expensive. (Though the price would come down per copy if more were bought quicker—current development and production costs for 34 aircraft is $3 billion, or $89.4 million per unit.)

On the other hand, compared to fixed ground radars and other ways to do the job, says Brown, AWACS "savings in people, operating cost, maintenance, etc., are huge." (One Southeast Asia study, for instance, contends five AWACS systems could have done at least as good if not a better surveillance/command/control job than actually was done with 27 aircraft, two large, ground-based radars and a ship anchored off Haiphong harbor.)

Moreover, adds Brown, "The beauty of AWACS is not only in the air tasks it will serve but the groundwork it will also do. By putting transponders in tanks, personnel carriers, even on the backs of doughboys if he wants, a ground commander now can know precisely where his forces are."

Estimated cost to stop, then re-start the production line, depending on how fast Defense wanted to re-start: anywhere from $340 million to $700 million in penalties.

In any event, pressure is mounting to attract NATO involvement. For one thing, the whole system has been designed specifically with a NATO-type "battlefield" in mind. For another, AWACS program costs are up $383 million over original estimates.

That cost jump likely will bring AWACS critics roaring back out into the open. But more thoughtful heads also see that the most likely way to keep a viable program going is to share the cost—and the asset—with U.S. overseas allies.

AWACS: CLAIM AND COUNTERCLAIM

Last year, AWACS came under strong public fire. Led by Senator Thomas Eagleton (D-Mo.), critics argued, basically, either (a) its radar could be "easily jammed," rendering it totally useless; and/or (b) it was a 'sitting duck"—even 200 miles back from the front lines—for interceptors and surface-to-air missile attack.

An announced $383 million jump in AWACS estimated cost (see accompanying story) is likely to bring those same critics roaring back out to stage-center—even though AWACS advocates think the criticisms already have been answered, privately at least.

Herewith the key criticisms and a summary of the Air Force's answers:

Charge: In 1973, (Defense) Secretary (James) Schlesinger changed AWACS' primary mission from strategic air defense to tactical command and control in a European environment. It was like moving from night to day. Yet, not one program milestone changed to prepare for the more demanding task.

Answer: The Secretary's decision was not what that charge implies, a major redirection of the program. Both the Specific Operational Requirement (SOR 206) written in 1963 and the ADC/TAC (Air Defense Command/Tactical Air Command) Required Operational Capability (ROC 1-66) order of September, 1966, stated AWACS must be able to perform a worldwide tactical role as well as an air defense mission.

As a result of arms constraint agreements reached with the Soviets, all that changed was the emphasis, in the strategic area, to a smaller air defense force augmented by General Purpose Forces, including AWACS; and putting all aircraft under a single AWACS-force manager to gain greater force efficiencies.

Charge: The cost estimates and timetable for AWACS were fashioned long ago for a very different mission. They are no longer realistic.

Answer: Every Congressman interested is well aware that Congress is provided quarterly with SARs (Selected Acquisition Reports) of current cost and schedule information on all major weapon system programs including AWACS, updated estimates based on constant and continual study of program trends and requirement changes.

Charge: If AWACS is going to survive and operate effectively in this (European) environment, its configuration will have to be far more capable, complex and expensive than it is now.

Answer: (See accompanying story) The worst trap to fall into is to look for an "absolute AWACS." AWACS' "baseline" configuration was defined originally to give it capability in either a tactical or a CONUS (Continental U.S.) air defense role. But it is also structured so it can be expanded and improved—as the Defense Systems Acquisition Review Council (DSARC), for instance, recommended in September, 1973.

AWACS is designed to exploit evolution—in technology, in threat estimates, in concepts of AWACS employment. In the meantime, AWACS is fully capable, in its present configuration, of doing its job in spite of the heavy attacks and intense ECM (electronic countermeasures) that could be expected in a Central Europe of the 1990s.

Charge: The current design will handle only 15 simultaneous intercepts, for instance. If AWACS is to be capable of effective operation in an 8,000-track environment, significant state-of-the-art advances in tracking and data processing technology will be essential.

Answer: That is erroneous and misleading. Intercept capability, where needed, can be increased significantly by simply adding more displays and computer memory units and/or by devoting more of the present displays to that task.

As to the density of the air-vehicle traffic AWACS could expect to face, that is studied continually in considerable detail. At the moment, though 8,000 tracks are theoretically possible, the fact is such instant air-traffic densities are far beyond the capability of current and evidently developing Warsaw Pact forces.

Even under the extreme condition of neither attacking nor defending forces suffering any losses, the instantaneous load—the only germane challenge—on AWACS surveillance ability would be much less than 8,000.

Charge: But what causes concern is that AWACS is extremely susceptible to ground-based jammers costing only a fraction the cost of AWACS itself. Low-cost ECM devices can take aim at both its main beam and side-lobes and either blind its radar with strobe lines or virtually black it out from within 200 miles of Eastern Europe.

Answer: ECM resistance, a prime consideration of AWACS radar design since its inception, is upwards of 10 times greater for AWACS than for any other radar so far built—whether the jamming attempt is airborne or ground-based.

Any radar can be jammed if any enemy wants to pour enough of his limited resources into the effort. And what's happening to his war effort elsewhere in the meantime? Besides, not only can NATO forces attack and knock out those jammers, but, while the whole family of ECMs, including main beam and side-lobe jammers, have been checked out and while they are not all totally ineffective, none to date has shown—however it was used—that it could "black out" AWACS.

Charge: (Air Force) criticism that the March (1974) GAO (General Accounting Office) report (highly critical of AWACS) was biased and was written without consulting the appropriate Air Force officials . . . is unfounded. (As proof of the report's merit), soon after it was released, the Air Force came up with a revised test schedule.

Answer: As a result of the report being prepared virtually in isolation from Defense and other informed persons, it contains factual errors—including its assessment of certain AWACS radar characteristics being wrong by a factor of one million.

As to the test schedule change, this was done under DSARC instructions in September, 1973—something GAO would have learned if it had consulted with Defense prior to issuing its report in March, 1974.

Charge: The Air Force's only answer to this criticism (that it can't survive in battle) is that AWACS will retreat to friendly skies beyond the reach of the enemy's jamming devices and threat aircraft. That's fine, but what about AWACS' primary mission, to command and control our fighters over enemy territory?

Answer: Jammers would nto be turned on until just prior to the start of attack, of itself a hostile act. Before and during that act, AWACS would be able to colect sufficient data to assess the size of the initial raid and alert defense forces.

Moreover, in the full range of possible attacks theorized, under certain postulated scenarios, enemy fighters and/or ECM devices and tactics would require AWACS defensive maneuvering to minimize their effects. But the effect on AWACS mission effectiveness would be brief and temporary. Either, as noted above, the attackers would be destroyed by NATO counterattacking forces; or if a heavy attack on AWACS were sustained longer, it would seriously if not decisively weaken an attacker's ability to perform other necessary missions.

We should point out, also, there is no evidence the Warsaw Pact Forces even have the state-of-the-art jamming equipment we have postulated in use against AWACS.

Charge: Congress can force good management by requiring the Air Force to fly before it buys.

Answer: Extensive test and competitive demonstration of the "look-down" radar, alone, is proof enough that prior to every major milestone decision—including the production program before the DSARC in December, 1974—"proof by test" or "fly before buy," if you prefer, has been a driving element in the entire program.

THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

Mr. HRUSKA. Mr. President, each year it is the custom of the Senate to reflect upon and pay tribute to the people of the small Baltic State of Lithuania. Once again, it is my honor to join with my colleagues in recognizing the right of these courageous people to chart their own national destiny.

February 16 marked the 57th anniversary of the establishment of the Republic of Lithuania. In America, it is a day set aside by Lithuanian-Americans as a day of celebration. In Lithuania, however, it is a day which is marked by quiet resignation.

This year February 16 fell on a Sunday, a day which many of us in America set aside for reflection and to give thanks to God for the blessings which He so generously has bestowed upon us. It is especially fitting that, as we observe this anniversary, we thank God for the great gift of freedom which He has given to the American people and to ask that this precious gift soon be restored to the people of Lithuania. For indeed, whenever the freedom of one people is lost, all free people are less secure in their liberty.

As America approaches its own Bicentennial celebration there are some encouraging signs that progress may be achieved toward an eventual restoration of freedom in Lithuania. The great hope of these people lies within the policy of détente. If détente proves to be an effective and enduring policy, we will observe a relaxation of tensions between the United States and the Soviet Union. For those living in Eastern Europe, there are many benefits which can be obtained from this new positive relationship.

A Soviet Union at peace with its Western neighbors might not feel the need to rule its Eastern European empire with an iron hand. As a result, ideas might once again flow between East and West. Freedom to travel might be restored. Families, separated by the Cold War, could be reunited. Individual standards of living could rise dramatically. Most importantly, the people of Lithuania and other Eastern European countries might be able to achieve a degree of self-determination which could lead to an eventual restortation of their liberties. These are some of the great hopes of détente.

A word of caution, however, is necessary. For without the United States as a counterbalancing military, economic, political and moral force to that of the Soviet Union, there is no hope for the nations of Eastern Europe. It is essential that, in the long run, while pursuing a policy of détente with the hope of it leading to the eventual restoration of liberty to these oppressed people, we do not allow ourselves to become so lulled that we endanger our own freedom and that of our allies.

So it is with these thoughts in mind that I observe this anniversary. Hopefully the policy of détente initiated by President Nixon and pursued by President Ford will make the world, in the last part of the 20th century, a much happier and peaceful place for all mankind.

THE ASSAULT ON THE WESTERN COAL LANDS

Mr. METCALF. Mr. President, many fine articles have been written about the current assault on the Western coal lands by large coal companies, fuel-hungry industrial users, and the administration. None, however, has been able to capture an "overview" quite so well as that which appeared in the February 16 Washington Post.

This exceptional article was produced by Mrs. Helena Huntington Smith, a Montanan who has written extensively about Montana and the West.

Mr. President, I recommend the reading of this article to the Senate, to the public, and especially to my fellow Montanans, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 16, 1975]

THE WAINGING OF THE WEST

(By Helena Huntington Smith)

"Montana does not intend to become a boiler room for the nation," says Lt. Gov. Bill Christiansen. This is his answer to plans announced by Interior Secretary Rogers C. B. Morton which would turn the eastern part of the state into a giant industrial complex. A great many Montanans agree with Christiansen, and the battle is on.

The strip mine control bill which was passed by the last Congress and vetoed by President Ford took several steps in the right direction; but this degree of control—reclamation requirements, even protecting the rights of the surface owner—barely scratches the surface of the problem. It will not ease the threat to the water supply imposed by massive coal development on states that have very little water; it will not relieve the industrial pollution caused by generating plants pouring their poisonous fumes into the air, nor their equally dreaded population impact. It will not help towns like Colstrip.

Forty miles south of the Yellowstone at Forsyth, Colstrip in 1972 was still just a friendly little western town of 200 people. (It took the name from a small, old Northern Pacific stripping and conversion operation.) Today two 350-megawatt generating plants are nearly completed; the influx of workers has raised the population to 3,000; the parade of thundering trucks on the narrow two-lane blacktop shoulders local cars off the road, and long-time local ranchers feel like strangers.

But Colstrip hasn't seen anything yet. In September, 1973, several large utility companies unveiled a plan to build two additional generating plants of 700 megawatts each—twice the size of the present ones; plus two EHV (Extra High Voltage) transmission lines cutting a swath across the state and shedding their often dangerous leakage on the ground, to tie in with the Pacific Northwest electrical grid.

The announcement was made at a gala meeting, attended by state and federal officials, at the late Chet Huntley's Big Sky resort. J. H. Wright, director of the Westinghouse Environmental Systems Department, which has acted as consultant on the plans, picked up the tab and answered questions. A major concern of the people living in such threatened areas is the effect of the sudden population influx on water supply, roads and, above all, schools. What will happen, they ask, when a huge new financial burden is dumped on the fragile economy of these still-small towns?

The Westinghouse man told Colstrip it would need schools to accommodate 1,700 pupils by 1975. The questioner demurred that on that basis, the school district would be short some $800,000 because of its limited bonding capacity. The speaker replied suavely: "That's your problem, gentlemen."

UMI

And again: "That is beyond the scope of our study. We cannot plan the whole world."

Today, after 17 months of often bitter debate, the showdown on Colstrip Nos. 3 and 4 is almost here: between Gov. Thomas L. Judge and other Montana officials and a powerful sector of public opinion on one side; and on the other a consortium made up of four giant West Coast utilities and the Montana Power Company, backed by the federal government. The state's Board of Natural Resources, an independent body, must start hearings on the question in a matter of weeks. Its answer will help to decide the big issue: Whether the Western coal-bearing states can escape the boiler room fate.

HOW MUCH COAL?

Montana, Wyoming and North and South Dakota, the four states known as the Northern Plains, are, or used to be, happy states, blessed with a small population and fond of their way of life. But now they are frightened about what is going to happen to them. For the first three sit on top of the vast Fort Union formation of strippable coal, largest in the United States.

How much coal is there? The guesses vary so crazily as to prove that no one knows. A Montana official estimates 42 billion tons underlying his state, while a South Dakota source gives 100 billion for the whole region. But the House Interior Committee last spring accepted a modest estimate of 32 billion tons for all strippable coal underlying the Western states, plus another 25 billion underlying Indian lands.

The information gap has been narrowed in the past year by the publication of two major studies. One, by a panel of the National Academy of Sciences, is called "Rehabilitation Potential of Western Coal Lands. The second was written by James Cannon for the Council on Economic Priorities, a New York-based public interest foundation. Entitled "Leased and Lost," it is, among many other things, a highly critical study of the giveaway leasing policies practiced by the Interior Department.

Ousted energy chief John C. Sawhill is one of many who have called for putting the brakes on demand to ease the energy crisis, but in the Western coal regions government policy is geared to all-out exploitation with all possible speed. This is not from motives of pure patriotism as the public has been led to believe. It is also because the companies fear that the rise of Eastern competition may endanger their profits.

In May, 1971, a partner in the Norsworthy and Reger consortium, owner of Westmoreland Resources, told a state official: "We are concerned with . . . establishing Montana as a coal-mining state, and in a hurry. Research is going on daily on how to lower the sulphur content of . . . Eastern coals . . . We feel that we have a limited number of years in which to develop the marketability of Montana coal." A year and a half later the president of Montana Power expressed the same thought: "If we don't act now the fellows who need the power in the East and Midwest won't wait. They'll be turning to other alternatives."

Until recently a 30-to-35-year period has been assumed to cover the boom-bust cycle of strip mining, which would bring the total depletion of the West to the year 2010. But there are signs this is being accelerated. The report of an Interior Department Coal Extraction Task Force, which surfaced last August, proposed a 15-fold speed-up in Western strip mining by 1985; and an alternate recommendation—not ruled out—called for a 23-fold increase by 1996, when it was anticipated that the coal reserves of the entire West would be exhausted. Lt. Gov. Christiansen, in a gloomy interview, feared that the plan could "break the back of Montana," and lead to "the massive destruction of the West."

"NOT ENOUGH WATER"

In the thick of all the power-boosting schemes is the regional arm of the Bureau of Reclamation—known as BuRec for short—and especially the regional planning engineer, Phil Q. Gibbs. In October, 1971, under the guiding hand of Gibbs, 35 public and private power suppliers in 14 states unveiled the North Central Power Study. This was two and a half years before "Project Independence" was heard of, so the justification of "national need" was lacking, and profit was the name of the game. The study called for 42 power plant complexes in five Western states, headed by Montana with 21; then 15 in Wyoming and four in North Dakota. They would produce a gargantuan 10,000 megawatts apiece, compared to the modest 700 apiece for Colstrip Nos. 3 and 4. They would be producing 50,000 megawatts annually by 1980 and 200,000 by the year 2000, and would be cooled by upwards of 2.6 million acre-feet of water from the Yellowstone and its tributaries.

But the planners had overplayed their hand, and the Power Study backfired. Nearly the whole state of Montana was boiling mad. The legislature was alerted and started passing tough laws, a habit which it has kept up; and citizens' groups sprang into action like Committees of Correspondence during the American Revolution. One of them was the Northern Plains Resource Council, an organization of angry ranchers and young environmentalists, who have shown marked efficiency at giving the power companies a hard time.

A year after its launching, the Power Study was piously interred by pronouncement of its co-author, Gibbs. Actually it was very much alive. While its authors were playing possum for policy's sake, they were going right ahead, and the study is quietly accepted as a goal of "Project Independence."

Although the power advocates don't seem to have waked up to it, they may yet stub their toe on the great, central, inescapable fact of life in the Western states, the scarcity of water. "Far West's Shortage of Water May Block Energy Schemes," the Wall Street Journal headlined on Dec. 16. And the battle lines are forming for a showdown between agriculture and the coal interests over the issue.

The Yellowstone River has a normal annual flow of 8 to 9 million acre-feet at Miles City. (An acre-foot is the amount of water it takes to cover one acre to a depth of one foot.) But every four years or so the flow goes down to 2.6 million acre-feet, or just enough for agricultural use, and one year in 10 it may go as low as 1.2 million. If the predicted 50,000-megawatt capacity is reached in the Northern Plains by 1985 it will create a demand for a million acre-feet to cool the plants; and a call for 2 million acre-feet is projected for coal development in the five-state Upper Missouri Basin by 1990. The total water supply in the area averages 3 million acre-feet. And meanwhile the population influx brought in by the zooming labor demand brings growing needs for water. It is somehow frightening. "Whom the gods would destroy, they first make mad . . ."

In the midst of it all the National Academy of Sciences has sounded a note of sanity: "Although we conclude that enough water is available for mining and rehabilitation at most sites, not enough water exists for large scale conversion of coal to other energy forms (e.g., gasification or steam electric power.)" And S. David Freeman, who directed the Ford Foundation's Energy Policy Project which commissioned the Academy report, was quoted as saying that it "raises a warning flag over industry's plan to transform the Rockies and the Great Plains into the nation's power house."

They were whistling down the wind.

The companies have their own answer to "not enough water." It is, very simply, to grab it all, and the devil take the hindmost, meaning the food producers. They have so far been successful.

The energy crisis has cast a retrospective glow of sanctity over the stampede for coal development in the West, now in its eighth year. But it was not until Oct. 18, 1973, that OPEC—the Organization of Petroleum Exporting Countries—declared its embargo of oil shipments to the United States in protest against this country's support of Israel.

The real story goes back to 1967, which was so long ago that Stewart Udall was Secretary of the Interior, and nobody had even thought of an energy shortage. It was so long ago that nobody but a few smart insiders had ever heard of coal in the West, while as for the West itself, every right-thinking Easterner knew that there was no such place—wasn't it all just a figment of John Wayne's imagination?

So the right-thinking East, including Congress and the press, was looking the other way when a coalition of energy companies and government forces put their heads together and engineered one of the neatest little ripoffs in modern memory. Known as the Industrial Water Marketing Program, it was set up under the Bureau of Reclamation to sell rights to the water in the Yellowstone River system and the water stored in the Boysen and Yellowtail reservoirs, by allowing the companies to purchase 10-year options for the water at the giveaway option price of 50 cents per acre-foot per year. It is said to have been a high-level decision. At any rate, its astounding import was that it enabled the energy companies, with the aid of the United States government, to corner the water supply.

Some of the water was contracted for irrigation, but this fact was ignored in the sale of options under the federal plan. It proceeded on the quiet, until local users woke up to find that their water rights were being sold out from under them. Meanwhile, all the water was not only committed but overcommitted; i.e., all the rivers and reservoirs were sold dry; and this opened the way to another of BuRec's grand designs, the Montana-Wyoming Aqueduct Study, published in the spring of 1972.

Authored by the ubiquitous Phil Q. Gibbs, it called for a system of 48 dams and reservoirs connected by 300 miles of pipeline. One of the dams proposed was the Allenspur unit south of Livingston, Mont., which would drown the scenic valley of the upper Yellowstone as far as the edge of the national park.

Meanwhile, irrigation, already raided by the option buyers, was being subjected to a clampdown by federal agencies.

"Irrigation is the bottom of the totem pole," a Bureau of Reclamation spokesman in Washington admits. Conspicuous at the top is industrial (coal-related) use. Indeed, hardly anything else is left. The National Academy of Sciences report notes a turning point: "Until recently, it has been tacitly assumed that the unappropriated water in the coal region would be used for some combination of irrigation, wildlife management, and municipal and industrial purposes including perhaps, lumber mills, paper and pulp plants, mineral or other processing plants, and assembly plants.

"In 1972–73 the use of this water became, as far as government reports are concerned, more importantly directed toward energy conversion, cooling of steam plants . . . and other aspects of coal development.

"Such a sharp reversal in government policy," the report adds drily, "came about with little or no public awareness."

LOSING THE LAND

In September, 1973, the Water Work Group (headed by Gibbs) of the Northern Great Plains Resource Program—a multi-agency task force set up by the Interior Department to study all aspects of coal development in the area—blew the whistle on irrigation in the following terms: "The policy of the national administration is not encouraging with respect to federal funding for additional irrigation development. . . . The outlook at this tme for further irrigation development in the area is poor."

This was tantamount to giving the whole food-raising potential of the Northern Plains the kiss-off. It is still the official policy. The question is how far Congress and the public will acquiesce, once its implications are understood. For the history of collusion between the power interests and government forces raises questions that can scarcely be ignored.

There may be some recourse in the courts. The Sierra Club recently won a round in the U.S. Court of Appeals in Washington, opposing strip mine activity in the vicinity of Gillette, Wyo. And a group of ranchers and environmentalists has filed suit in the U.S. District Court in Billings, Mont., to outlaw the Industrial Water Marketing Program. They charge unlawful appropriation of water from the Boysen and Yellowtail reservoirs for the benefit of private industry, in violation of the Flood Control Act of 1944 and the Reclamation Act of 1902, and contrary to the purposes for which the reservoirs were authorized: irrigation, hydroelectric power, flood control and silt control. They also claim rights to irrigation water from the Yellowstone River system, in accordance with state and federal law. With this suit pending the book on Northern Plains water is not yet closed.

Meanwhile, Sen. James Abourezk of South Dakota, outstanding defender of his region's interests, has requested Chairman Henry M. Jackson to hold Senate Interior Committee hearings on the whole subject of water utilization in the Upper Missouri Basin, in view of the conflict between energy and food needs.

In order to justify their program and win public support, the energy interests have resorted to a time-honored tactic. "But the land isn't good for anything," the coal companies pretend. "Can't even run sheep on most of it. They ought to have given it back to the Indians." So run the remarks heard in the spruced-up hotel lobbies of once cow, now coal towns.

The House Interior Committee, in a report last may, found otherwise: ". . . much of the nation's prime grazing and farming land is located in the band of Western states where these immense coal deposits are located."

The short, sun-cured, protein-rich grass that covers the "barren" rolling plains is the best natural cattle feed in the world. It sustains modern herds as before them it sustained millions of buffalo. Wheat yields, under irrigation, are among the highest per acre of any part of the country. The Northern Plains states are "good for" a cattle population of 12.6 million with a market value of $2 billion even at currently reduced prices.

There are mountains of statistics showing how many millions and billions of tons of coal the West is going to produce by the years X, Y or Z; what is needed now is a figure showing how much food-raising potential the government plans to sacrifice to "energy" in the same period, in the face of a growing agricultural crisis which is slower and less spectacular than the energy crisis, but just as real.

With headlines erupting daily about the world food crisis and the national food shortage, this country is losing farm land, due to urban sprawl, strip mining and other causes, at such a rate that president Tony Dechant of the National Farmers Union has predicted: "If this trend continues we will lose an area the size of Kansas in 15 years."

"NATIONAL SACRIFICE AREA"

The panel that issued the cautious and scholarly National Academy of Sciences report unwittingly touched off a verbal bombshell. Certain sites, it said, must be given up as impossible to reclaim or even rehabilitate, and for these hopeless areas ("Abandon the Spoils"), it coined the term "National Sacrifice Area."

The words exploded in the Western press overnight. Seized upon by a people who felt themselves being served up as "national sacrifices," they became a watchword and a rallying cry and the impression they left was supported by an unfortunate official utterance. On April 19, 1973, an officer of Gulf Mineral Resources in Denver wrote a letter to a man in Helena, in which he said: "The disposition of these deposits [of coal] will be determined by the economic and social implications of some 150 million megalopolitans located to the east . . . Providing we still have a representative form of government, then the West's minimal population, with their opinions, hopes, desires about certain tracts of real estate, will be of little or more probably of no consequence to the voting majority."

That did it. The excerpt was transmitted by means unknown to the Minneapolis Tribune, where it surfaced that December. Here was the "national sacrifice" theme in a nutshell, and it was seized upon and passed along until it became one of the most quoted utterances of its kind since Marie-Antoinette is alleged to have said: "Let them eat cake."

Bits and pieces of corroboration turned up to support the allegations. There were signs that one thrust of strip-mining policy was to create a demand for Plains-generated electricity on the Pacific Coast, and at the same time build up a surplus for export. And on Aug. 9, 1974, 12,000 tons of Montana coal were shipped out for Yokohoma from a huge new port facility at Astoria, Ore. It was strip-mined coal from a Westmoreland mine on the Crow reservation, and was a sample designed for a "test burn." But there was every expectation that 100-car trains loaded with the coal would start rolling Japan-wards twice a week, for a total of 3.4 million tons a year, indefinitely. Then New York Times reporter Ben A. Franklin got wind of it—and on Sept. 29, Montanans read that their coal was being sent to Japan.

A delegation of angry ranchers waited on Gov. John Judge; the "sacrifice" of the state had been justified to them as a patriotic move to provide energy for their country. "But they are not going to tear up the landscape of Montana for coal to be sent to Japan," declared rancher leader Bob Tully. Surprised and upset by all the uproar, the embarrassed Japanese called off the deal.

"YOUR PROBLEM, GENTLEMEN"

Said a barber in Forsyth: "The coal has only raised taxes for most of us. The rich will get richer and the rest of us will get taxed."

A prediction attributed to the Bureau of Reclamation looks forward to a seven-fold population increase in the Northern Plains as a result of coal development; Montana, with a normal population of about 750,000, can expect an influx of 200,000 to 400,000 people in the eastern part of the state. The Northern Cheyennes may be outnumbered 10 to 1 by whites on their reservation.

Kaycee, Wyo., of Johnson County War fame, was until recently a wide place in the road surrounded by prosperous ranches; but Johnson County will grow 900 per cent in the next 15 years, according to telephone planning projections.

Huge, mobile-home ghettos will be parked outside the towns, which will have to provide schools, hospitals, sewage treatment facilities. And, of course, a water supply.

In the jam-packed schools at Col-strip last year classes were being held in shower rooms, and such subjects as physics and foreign languages had been dropped because of the shortage of teachers.

There will have to be miles and miles of roads, Stephen C. Kologi, Montana state highway engineer, predicts that before the boom-bust cycle spends itself he will be building a network of roads leading to future ghost towns. "Chances are," he has said, "that by the time an adequate road system is provided, about all there will be left to serve is the mass evacuation of the area."

An oil industry representative, surprisingly, made the suggestion before a House subcommittee not long ago that the federal government ought to make a "major" contribution toward the funding of hospitals, police protection and so forth, to ease the burdens of exploding communities. This offbeat proposal was promptly squelched by a Federal Energy Administration official. It was "just not in the cards."

It's still "Your problem, gentlemen."

In the face of the coming socio-environmental cataclysm in the West, the emphasis on reclamation, in Congress and elsewhere, seems almost frivolous (or in Rep. Ken Hechler's classic phrase, "like putting lipstick on a corpse.") But aside from all that, how feasible is it?

Restoring the land to its original contours and replacing the topsoil is a matter of elementary decency, like draping a sheet over the corpse. But full "restoration," in the sense of returning the land to its original state, is regarded as impossible.

The National Academy report on "Rehabilitation Potential" is in agreement with other authorities when it says: "There is no probability of complete restoration anywhere." The next choice is "reclamation"—i.e., revegetation. But the question is: With what?

In an effort to improve their public image some of the companies have been working hard to sell their revegetation programs—commendable as far as they go—but so far these have been largely confined to small experimental plots, like Western Energy's near Colstrip. The guide who shows visitors around says: "Having taken hundreds of people on a tour of Western Energy reclamation research plots, I found it difficult for anti-Colstrip people to argue against reclamation when they are standing waist-high in grass." To which a rancher replies: "Anyone with remote knowledge knows livestock don't do well on 'waist-high' vegetation."

WATER IS MINED

With every drop of surface water appropriated on paper, the power companies have turned to mining underground water. The move may have far-reaching consequences, since one state can disrupt another's underground water supply.

Geologists know that underground water and surface water are one indivisible system. In nature the underground waters are continually recharged by streams flowing on the surface. But when the recharging falls because of heavy withdrawals of surface water, the water table starts dropping and wells start going dry By the same token, heavy withdrawals of underground water reduce the stream flow as nature tries to compensate. It is a vicious circle which can lead to even deep wells drying up hundreds of miles away.

The coal beds lying close to the surface, favored targets for strip mining, often double as aquifers, or water-bearing strata, and the shallow wells that yield enough for domestic use and livestock get their water from coal seams at depths of less than 500 feet. The alluvial valley floors are indispensable to ranchers because they form the lush, subirrigated hay meadows where winter feed is produced. Protecting them should be a top priority of new legislation.

South Dakota sits on top of an immense aquifer known as the Madison formation, which underlies the Dakotas, Montana and parts of Wyoming and Nebraska. Early last

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year the Wyoming state legislature authorized Energy Transportation Systems Inc. to tap the underground formation and build a coal slurry pipeline to Arkansas, a distance of 1,000 miles. Slurry is a mixture of powdered coal and water, and the pipeline method is one of the heaviest water users known. If Wyoming goes through with it, the 10,000 gallons a minute pumped out of the Madison formation in that state will completely dry up Edgmont, S.D., and other communities which depend on deep wells tapping the Madison formation for their water supply. Negotiations now under way may lead to abandonment of the plan, but in the event that Wyoming does go through with it, South Dakota is prepared to take the case to the Supreme Court.

What is taking place here is a highly dangerous meddling with Unknowns, and South Dakota is only part of the story. Other corporations are planning to make large-scale withdrawals from the Madison formation, and the same thing is happening widely. West of Buffalo, Wyo., one company alone has applications on file to drill no less than 58 wells which would provide a quarter of a million acre-feet of underground water to cool its plants. It is obvious that underground water withdrawals on the scale contemplated could smash the ecosystem of the entire region. The companies are acting in a legal vacuum, since laws to meet the situation have yet to be passed. Which may in part account for the stampede.

"ENERGY PARKS"

In January, U.S. Energy Czar Morton, speaking through President Ford's State of the Union message as well as independently, disclosed a new and grandiose scheme for power development in the West. A warmed-over version of the 1971 North Central Power Study, it calls for 20 new generating plants by 1985. Coining the term "energy parks," Morton envisioned one of them in rhapsodical words: "A $450 million prototype of a total energy-system complex . . . 1,000 acres . . . crammed with machinery, gasifiers, converters and refineries. Every day it would combine coal with water to produce large supplies of pipeline gas, synthetic oil, butane or propane" and so forth.

Four West Coast utilities, with Montana Power, are the backers of Colstrip 3 and 4. The Pacific Coast is the heaviest user of electric power at the cheapest rates of any national region. And Gary J. Wicks, director of Montana's Department of Natural Resources, contends that these companies are seeking to promote use of energy, rather than conservation.

Montana insists that it is already making a significant contribution to the nation's energy needs by shipping trainloads of coal out of the state to points where the need exists. By 1980 the state expects production to rise to somewhere in the neighborhood of 50 million tons annually, of which 97 per cent will be shipped, thus "exporting" not the power but the pollution. Gov. Judge contends that this can be done at least as cheaply as burning the coal in Montana's clean air.

But Montana Power and its allies are vehemently opposed to this scheme, on the ground, the Billings Gazette has charged, that the heavier their investment in mine-mouth industrial complexes and transmission lines, the higher they can boost their rates.

If the plans are permitted to go through, Morton's "energy parks" may be only the beginning of the story. For Montana could be tied into not one but two electrical grids, since it lies between the Pacific Northwest and Mid-Central systems. The Interior Department even now is said to be studying the feasibility of running EHV transmission lines from Colstrip, not only to the West Coast but to the Middle West as well. This building of two, three or even more EHV lines across the state would make so much electricity available as to stimulate the heaviest kind of industrial development within its borders; Anaconda and Johns-Manville are reported as already interested in coming in.

The plans are raising some eyebrows as the basic facts are contemplated. For the development explosion now brewing, it must be remembered, is to exploit a resource so shallow it can be stripped off in a mere matter of 20 years.

Here again are the overtones of a dementia reminiscent of the stock market craze of the Twenties, a perilous divorce from reality.

What can be done? Far broader solutions are required than any pending strip-mine control act. Old laws need to be amended and new ones passed. Legislation is a generation gap behind. Of current importance is the federal Coal Leasing Amendments Act of 1975, sponsored by Sen. Jackson, which passed the Senate unanimously last July only to fall afoul of Commerce Committee Chairman Harley O. Staggers in the House. The bill would put a stop to speculating in coal leases by providing that leases not developed within a given time would automatically revert to the public domain. Another bill that has passed the Senate twice is the Land Use Policy and Planning Assistance Act, which would strengthen the hand of the states in enacting tough power plant siting laws.

There is one important fact that is sometimes overlooked. Much of the threatened industrial development, including water allocations, exists only on paper—so far. There is still time for the nation to reconsider the destruction of the West.

IN DEFENSE OF THE UNITED NATIONS

Mr. McGEE. Mr. President, the 29th General Assembly of the United Nations was one of the most controversial in the memory of the organization.

As a result, there will be accelerated and more aggressive attempts on the part of the opponents of that institution to hamper U.S. participation in the United Nations, if not end it altogether. Yet, I believe these to be shortsighted at best and ignorant of the lessons of history at worst. If such an effort should bear fruition, it certainly would be a sad commentary on the Congress as a perceptive and knowledgeable partner in the foreign policymaking processes of this Nation.

For this reason, I would urge my colleagues to give consideration to an article which appeared in the Sunday edition of Parade magazine. I am referring to an interview with United Nations Secretary-General Kurt Waldheim.

As the Secretary noted, one of his deepest frustrations is that many people—including many Americans—are too quick to see the U.N.'s failures, and too slow to see its successes.

Of course, the opponents of the United Nations would never admit to the successes, for it might force them to seek another cause celebre in which to devote their time and energies.

But as the Secretary-General was quick to explain:

To some extent this is understandable, because when we avoid a war, nobody ever hears about it.

The Secretary-General further noted:

We must always remember that a war of words is better than a war with guns. The world is divided, and here in the U.N., at least, there is a chance for all the factions to talk to—and yes, even shout at—each other. Without this organization, there is no other place, nothing. So, even though we now face criticism in your country and elsewhere, I am confident that people will be wise enough to not say "Let's give up the ship"; yes, I am confident that we will be able to ride out the storm.

I would warn my colleagues that the United Nations, at least the General Assembly, is a reflection of the real world in which we exist. If we are to avoid the dire consequences of ignoring reality and burying our heads in the sand, then it means strengthening those institutions which allow us to deal with reality more effectively. Americans cannot continue taking from the rest of the world. We have to put something back into it sometime. That means the development of more equitable relationships with all nations. And the United Nations gives us the institutional framework in which to accomplish these purposes.

In closing, I would just add that if the United Nations had accomplished nothing else in its 30 years' history, the presence of U.N. forces in the Middle East today is well worth its existence. For I would hasten to add that had it not been for the United States and the Soviet Union working together to defuse the Middle East situation, we might not be sitting in this chamber today, for this chamber might not exist.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Parade magazine, Feb. 9, 1975]

AN INTERVIEW WITH SECRETARY GENERAL KURT WALDHEIM: CAN THE U.N. SURVIVE?

(By George Michaelson)

UNITED NATIONS, NEW YORK.—The tall, gaunt U.N. Secretary General, Kurt Waldheim, stared silently out of his office window on the 38th floor of the U.N. building. We had just asked him: What would happen if the United Nations didn't survive?

"It would be a very serious . . . an extremely serious situation," he answered slowly. "Do you remember what happened when the big powers quit the League of Nations and it collapsed? Well, it was the beginning of World War II. And I think that if the United Nations died, we would have the same situation again. Yes, it would be a disaster, a terrible disaster for mankind."

Ominous words, to be sure. But coming at a time when the U.N. is under a growing barrage of criticism here in the United States, they are also meant as a reminder. For, as the Secretary General is well aware, never before in the 29-year history of the international organization have more Americans been disillusioned and disenchanted with the U.N. "We are going through a real crisis of confidence in the U.N.," says one U.S. diplomat. "The whole future of the organization is up in the air."

MONEY TALKS

The irony, of course, is that on Oct. 24, 1945, when the U.N. was set up, no country was more enthusiastic than the U.S. We are the ones who pushed for it, provided the bulk of the funds, and agreed to host the new international organization. And over the years, we have continued to be the U.N.'s main financial supporter (at present, we contribute 25 percent of its annual budget, or about $62 million for 1974–75.) Indeed, as the Secretary General candidly stated: "The contribution and cooperation of the United States has been, and continues to be, vital to the U.N.—I would even say *essential*."

But "essential" as we may be, in recent years we have found it increasingly hard to get the U.N. to see things our way. As the organization has grown from the original 51 members to 138—with most of the present membership coming from the developing Third World—the U.S. frequently finds itself outvoted, outshouted and outraged by what the U.S. Ambassador to the U.N., John Scali, calls "the tyranny of the majority."

This was never more painfully obvious than during last year's U.N. General Assembly session when the Third World block managed to hammer through a series of radical decisions that the U.S. opposed.

Thus, for the first time a member state, South Africa, was suspended (a ruling of questionable legality); a guerrilla leader, Yasir Arafat of the Palestine Liberation Organization, was invited to address the Assembly and was accorded unprecedented head-of-state honors, while Israel's traditional right to speak was curtailed; and an economic charter was passed which in effect compels the richer countries to give over some of their wealth to the poorer ones.

"All of this has shaken up the American public," says one prominent member of the U.S. mission to the U.N. "People have been writing us, or their Congressmen, or their local newspapers, asking: 'What the hell gives here?' Congress has just acted to block funds to one of the U.N.'s agencies [United Nations Educational, Social and Cultural Organization], and there are even some Congressmen calling for us to quit the U.N. altogether. At this point, nobody knows how far this reaction against the U.N. will go, but believe me, those of us involved with, and concerned about, the organization are pretty damned worried."

A VETERAN

Certainly, nobody is more worried than Kurt Waldheim, the 56-year-old Austrian diplomat who took over the Secretary Generalship three years ago. When we interviewed him recently, the dapper, mild-mannered veteran of U.N. politics (he was head of the first Austrian mission to the U.N., and has attended every session of the General Assembly since then), seemed visibly disturbed by the storm now brewing at the U.N. And he discussed—at times quite openly—some of his views, and some of his frustrations.

Regarding his role as the world's No. 1 peacemaker, in particular, he told Parade: "The first man who ever held the Secretary Generalship, Norway's Trygve Lie, once called it 'the most impossible' job in the world. And you want to know something—it's even more difficult than that! One is constantly having to balance the interests of all the factions, all the 138 countries, and one must do this work without any practical power. I am not, after all, a prime minister of a world government. My only power is a kind of moral power, and you can be sure I use it wherever and whenever I can. But, often this must be done quietly, behind the scenes, so to speak."

SUCCESSES FORGOTTEN

One of his deepest frustrations, the Secretary General indicated, is that many people—including many Americans—are too quick to see the U.N.'s failures, and too slow to see its successes.

"To some extent this is understandable," he added diplomatically, because when we avoid a war, nobody ever hears about it. For instance, last year the U.N. was able to prevent an out-and-out war between Iraq and Iran. I sent a representative from my office, he quietly arranged a compromise solution, and as a result the public never heard a thing about it. The only time they would have heard is if war did break out—then, of course, we would be blamed.

"Take, for example, what happened in Cyprus. We were heavily criticized in some quarters for not preventing the war there this past summer. What people overlook is that for 10 years our 2000 or so U.N. troops stationed there had successfully kept the peace between the Greek and Turkish Cypriot communities. Then we were suddenly confronted by a military operation of the Turks—40,000 regular soldiers sent from Turkey. Apart from being outnumbered, the U.N. forces had no authority to get into a war with Turkey, a member state.

"What we were allowed to do in the way of lessening the plight of war victims, we of course did. And as a matter of fact, it is possible that the war might have lasted even longer had the U.N. not intervened (I went there personally, you might remember), and managed to get the two sides to sit down and talk to each other.

BIG JOB TO DO

"And there are still other situations where the U.N. has proved important. Take the Middle East where U.N. forces are being employed to divide the two sides, in Sinai and the Golan Heights. Make no mistake about it, this role we serve is not simply useful—it is necessary. It gives the parties time to negotiate a solution, though here I tell you frankly, that unless further progress is made in negotiations, by April or May, there is the very real danger that we will have another war there.

"I think it is obvious that as Secretary General I cannot go in and solve the matter myself: the U.N. has no such mandate. But we can help, we can offer a forum for such a solution, as we are providing in Geneva, and we can only hope the parties involved will use it for making peace."

Speaking of peacemaking, what—we wondered—was the Secretary General's opinion of Dr. Kissinger? "I have the highest regard for him," answered Waldheim without hesitation. "I am in regular contact with him—either on the telephone or otherwise. He never fails to impress me with his personality, his clear mind, and his diplomatic skill. And, I tell you frankly, what he has accomplished so far in the Middle East and elsewhere, has been very important towards building world peace.

"But to build world peace," continued Waldheim, "involves more than the efforts of a few men, and more than preventing wars. We must get at the causes of unrest in the world—the misery and starvation that is the lot of two-thirds of the world's population. The poorer countries are demanding that something be done, demanding that the wealthier countries listen to them. And more than anything else, perhaps, this is why we have had some of the recent confrontations in the U.N. General Assembly. I do not like these confrontations, but they do have real roots, and they do indicate that some changes must take place."

WORDS VS. GUNS

"And besides . . .," said the Secretary General, raising his finger like an exclamation point, "we must always remember that a war of words is better than a war with guns. The world *is* divided, and here in the U.N., at least, there is a chance for all the factions to talk to—and yes, even shout at—each other. Without this organization, there is no other place, nothing. So, even though we now face criticism, in your country and elsewhere, I am confident that people will be wise enough to not say 'Let's give up the ship; yes, I am confident that we will be able to ride out the storm."

ADMINISTRATION POSITION ON S. 66, THE NURSES TRAINING ACT

Mr. HUGH SCOTT. Mr. President, at the request of the Department of Health, Education, and Welfare, I ask unanimous consent that a letter from Secretary Weinberger stating the administration position on S. 66, the Nurses Training Act, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH EDUCATION, AND WELFARE,
Washington, D.C., February 10, 1974.

Hon. HUGH SCOTT,
Minority Leader,
U.S. Senate, Washington, D.C.

DEAR HUGH: This letter reports our views on S. 66, a bill to amend the Public Health Service Act to revise and extend programs of assistance for nurse training and health services delivery, reported by the Committee on January 28, 1975. It contains the provisions of two bills pocket vetoed by the President after adjournment of the 93rd Congress, H.R. 17085, Nurse Training, and H.R. 14214, Health Services. The Department opposed both of those bills, and were the Congress to pass them again, I would recommend to the President that he veto them.

NURSE TRAINING

The nurse training provisions are contained in Title I of S. 66. They are defective in five respects: (1) authorizations are excessive; (2) capitation and construction authorities are continued; (3) enrollment increases are required as a condition for receiving capitation funds; (4) geographic maldistribution is scarcely addressed; and (5) nursing is separated from other health manpower training authorities.

S. 66 proposes separate authorizations for nurse programs of $187 million for 1975 and $218 million for 1976. The President's budget request proposes an integration of special project activities for nursing with other health professions activities at a total of $128 million in 1975 and $155 million for 1976. The bill's authorizations exceed the amounts requested by the Administration.

In the 1960's, there was thought to be a shortage of general duty nurses. Current estimates, however, are that the number of active registered nurses will rise from 723,000 in 1970 to 1,099,000 in 1980 without growth stimulation. This would suggest that our incentives for expansion have been successful.

Moreover, all of our information suggests that continued investment in the current program would ultimately mean increased nurse unemployment and training problems. Recent growth is already reported to have created problems in the schools: service delivery sites for clinical training are becoming glutted, and a number of baccalaureate programs are finding that the universities in which their programs are located are beginning to resist further expansion. In the registered nurse employment market, a number of areas are beginning to report that some nurses are having difficulty in finding jobs. In January 1973 the American Nurses Association, concerned about unemployment, wrote a letter to the Department of Labor stating that the "shortage of staff nurses appears to be disappearing."

While the aggregate supply is no longer a pressing problem, serious geographic maldistribution problems persist, with particular acuteness in the rural areas in the Southeastern and South Central States. We find no

reason to conclude that nurses will enter these underserved areas simply because there are pockets of surplus. We believe that vigorous specially targeted initiatives are called for and our proposals in the 1976 Budget will permit us to undertake the necessary level and types of activities.

Under our proposals special project funding will be used for targeted geographic and specialty initiatives. Student support programs will concentrate on assistance to the disadvantaged. Undergraduate nursing students can use the same Basic Opportunity Grant resources that are available to all undergraduate students.

By handling nurse training apart from the other health professions categories, this bill perpetuates the kind of fragmentation that results in inconsistency, gaps, and overlap, and sets policy precedents that may limit what we can subsequently do in other health professions areas. We strongly believe that consideration of new nursing legislation should occur simultaneously with consideration of other health professions legislation.

HEALTH SERVICES

Our comments with respect to Title II should be viewed in the context of our overall strategy in health. The Department favors a policy which will assure financial access to health care for all Americans on an equitable basis. Medicare and Medicaid are designed to accomplish these objectives and will spend over $22 billion in 1976. States will spend an additional $6.9 billion in Medicaid. Accordingly, we oppose in principle an expansion and mandating of health programs that, in effect, duplicate the services financed under Medicare and Medicaid and single out a few selected communities for special Federal subsidies. In his memorandum disapproving H.R. 14214, the President stated:

H.R. 14214 conflicts with my strong commitment to the American taxpayers to hold Federal spending to essential purposes. The bill authorizes appropriations of more than $1 billion over my recommendations and I cannot, in good conscience, approve it. These appropriation authorizations are almost double the funding levels I have recommended for Fiscal Year 1975 and almost triple the levels I believe would be appropriated for 1976."

The authorizations exceed the President's requested budget authority for 1975 by approximately $500 million and for 1976 by approximately $700 million.

Generally, the program authorizations in S. 66 are fundamentally inconsistent with the President's 1976 Budget which would eliminate the 314(d) State formula grant and would require migrant health, family planning, and neighborhood health center grantees to share an additional 20% of the costs.

For example, in 1976, the Department will fund $295 million of family planning activities of which over $100 million will be financed from Medicaid and other programs of the Social and Rehabilitation Service. S. 66 would also authorize $139 million for new CMHC starts. The 1976 Budget includes $199 million for continuation grants in 1975 and $166 million in 1976, presumably the same amount as would be required for that purpose under the bill.

The 1976 Budget continues the phaseout of the CMHC program. Existing subsidy commitments will be honored for the duration of the 8-year funding period, but no new awards will be made. HEW has funded 626 CMHCs that more than adequately demonstrate the concept of community-oriented mental health care delivery. Federal mandating of the CMHC delivery mechanism is inappropriate in the light of the need to integrate all health services. The Health Maintenance Organization Act, for example, requires qualified HMOs to offer mental health and other social services in addition to the traditional health services. Moreover, the medical and social services provided CHMCs are similar to services generally available to eligible individuals under the Department's Medicaid and social services programs. The Federal Government will spend $8.7 billion in these progams in 1976 in addition to State and local expenditures of $7.7 billion for these purposes.

Finally, the bill would authorize new programs and activities, e.g., studies on mental health and illness of the elderly, epilepsy, and Huntington's disease (for which no specific authorization is provided), rape prevention and control and hemophilia services as well as a new program of home health services in 1976. These new programs are inconsistent with the President's strong public commitment to veto new spending programs.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

FORBES MAGAZINE RAPS THE RFC

Mr. PROXMIRE. Mr. President, I find increasingly that the ethic of free enterprise and braving competition is largely honored in the breach by many of America's devoutly capitalist enterprises. It is a delight, therefore, when a publication that unabashedly describes itself as a "capitalist tool"—Forbes magazine—comes down firmly on the side of real free enterprise, which means letting the market punish failure as well as reward success. Without that market sanction, free enterprise quickly turns into a corporate welfare state.

And that would certainly result if the latest bailout gimmick, a revived Reconstruction Finance Corporation, were enacted into law in the form in which it has been proposed. The idea, apparently, is that the taxpayers should be made to invest in corporations whose mismanagement has been so flagrant that they can no longer attract private voluntary investment. In the February 15 issue of Forbes, Felix Rohatyn, a leading proponent of that idea, is interviewed by Forbes reporter Geoffrey Smith. Mr. Rohatyn's case is so weak that it plainly defeats itself, and I am happy to include it for the RECORD.

Judging by his line of questioning, the reporter is obviously the more authentic capitalist. As Mr. Smith aptly comments at the close of the interview, the apparent idea behind a new RFC is to "socialize the losses and keep the profits private."

I ask unanimous consent that the Rohatyn interview, which I urge my colleagues to read carefully, be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

A PROMINENT WALL STREETER DEFENDS HIS PROPOSAL FOR A REVIVED RECONSTRUCTION FINANCE CORPORATION

Should the Federal Government buy common stock in troubled private corporations in order to save lending banks, and the economy, from a possible string of major bankruptcies?

That idea was recently proposed in *The New York Times* by Felix Rohatyn of Wall Street's Lazard Freres, and it has picked up considerable support in recent weeks among the financial establishment.

"It is essential that we move in this direction," commented William McChesney Martin, former head of the New York Stock Exchange, in a subsequent letter to the *Times*.

"I agree emphatically," wrote Gustave Levy, managing partner of Wall Street's Goldman, Sachs.

The idea deserves careful study, agreed Alfred Hayes, president of the Federal Reserve Bank of New York. A few days later, Chairman Roy Garrett of the Securities & Exchange Commission threw the SEC's weight behind Rohatyn's proposal.

What is going on here? Should scarce capital be allocated arbitrarily to the weakest links in the economy? Do we really want partial nationalization of major U.S. corporations? Should corporations be rescued from their own follies?

Forbes' Geoffrey Smith put these questions to Felix Rohatyn, merger maker for International Telephone & Telegraph and recently the architect of the proposed Lockheed/Textron association.

Apparently you fear there may be major bankruptcies on a large scale this year.

ROHATYN. Yes, that's true. I've felt so for some time. You have major airlines and some major manufacturing companies that are highly overleveraged and are in a situation that is structurally unhealthy. They have no way to raise equity because of the death of the equity market, and they're locked into tremendous debt structures and tremendous interest charges. Now the banking structure of this country is sufficiently fragile today that I think the banks are an area of genuine concern, when you consider the size of some of these overleveraged companies.

Now my proposal . . . I'm just looking for some tools to cushion this economic transition that might be much, much steeper and much, much harsher than we think. We have a world crisis today. The Arab oil money situation, which I find totally unworkable conceptually, is causing significant problems that are going to take some time to work out.

You feel there's a serious threat of a bank panic this year?

ROHATYN. I would think there is a risk, yes. Look, when you see a little bank like Security National and when the Chemical takes them over they write off over $140 million of their loan portfolio. . . . You look at the real estate investment trusts, you look at the pension funds, you look at city, state and federal indebtedness and the money that is going to be required just to keep those government bodies going, you have to inquire how you're going to make all this come out.

That's the Fed's problem, isn't it?

ROHATYN. The Fed can pump money into the Franklin National to make up for withdrawals. But the Fed can't do anything to the bank's capital structure that all of a sudden gets out of whack because there is an enormous default and it has to write down surplus, even though no cash is going out. If I recall correctly, the Reconstruction Finance Corporation bought bank preferred stock in the Thirties to shore up bank capital structures. There isn't anybody around today that can do that. I think that was Al Hayes' point the other day.

Why should the Federal Government buy common stock in companies on the verge of bankruptcy? Why not just have the Government guarantee their debt?

ROHATYN. Because if you just run to Congress and ask them to lend more money or guarantee more loans, you're just perpetuating the problem. What Lockheed needs is not another $100 million in credits on top of the credits it already has. That just increases the crushing amount of debt and interest charges.

In effect, you're asking the Federal Government to undertake out-of-court Chapter 11 bankruptcy refinancings.

ROHATYN. In a way that's correct. You see, what we discovered in the restructuring of the Lockheed Aircraft company is that a relatively small amount of equity, properly infused, can trigger significant conversion of debt to equity by the banks, and relieve the corporation of very significant amounts of interest charges. At Lockheed, we turned an investment of $100 million by Textron into a conversion by the banks of $275 million of debt to preferred stock, and that $275-million conversion, plus other reductions in interest charges, reduced the interest cost to Lockheed by $100 million for the first two years after restructuring. Plus that $100 million in equity releases $250 million of government-guaranteed debt. So you could argue that from the Government's point of view, that's $150 million plus.

But the free market saved Lockheed. You were able to persuade Miller to invest $100 million of Textron capital in the company. Why should the Government step in and do that?

ROHATYN. Well, $100 million is bumping up there, as far as Textron is concerned. Suppose the necessary amount had been $150 million, which is not inconceivable. Then what do I do? I mean I just don't believe it's feasible in this economy to be totally dogmatic and say the marketplace is what makes us work, and if huge companies go down the drain, the hell with it!

You know, in the summer of 1970 the question arose as to whether we should let Hayden, Stone go under. People in my industry argued with great conviction: "Let it go! Why should we put up these monies for these idiots? Nothing's going to happen. There won't be a ripple." The position we took was: "O.K. That might really be the case. But look at the *risk* of it not being the case." If they were wrong, there was no way to put that thing together again.

You're talking about confidence, really. Two or three major bankruptcies in this climate, leaving aside the banks, would not be a negligible factor in consumer confidence.

The world didn't grind to a halt when Penn Central went under. . . .

ROHATYN. No, but you might find that if you had had an instrument like the RFC at the time of the Penn Central it might have been possible to restructure it and really bring it back to its feet over a period of two, three years. I think we're going to be paying for the Penn Central, as taxpayers, for the next 50 years.

The management of a troubled company won't have to worry about solving the problem themselves. The RFC will take care of everything.

ROHATYN. No, because that management is not going to be around.

Theoretically, business failures are capitalism's occasionally harsh way of correcting maldistributions of capital, right?

ROHATYN. That would probably be true if you were talking about a free-market mechanism. But let's take Lockheed again. Partly it was their own fault, but partly it was outside factors. You had a C–5A settlement. The Rolls-Royce bankruptcy. A fall-off in airline buying because of fuel cost. I wouldn't say that was simply a case of free-market forces working their will.

It was investment bankers like you who told them they weren't leveraged enough, just a few years ago. . . .

ROHATYN. I don't say the financial community is blameless. The greed of the investors. The earnings-per-share game that went on in the Sixties, which drove companies berserk so that they were leveraging themselves to the hilt in order to improve their earnings per share because that's what the analysts wanted. And some of these companies should have learned their lesson in 1970. But here they were last year buying in their own stock because it looked cheap and it was going to mean earnings per share and the hell with the balance sheet.

And now the taxpayer, who has lost his shirt in the supermarket as well as in the stock market, should cough up some more cash to bail out these companies?

ROHATYN. I wasn't really suggesting that the Government *pay* for this. I was suggesting that the equity in the RFC, or whatever you want to call it, be subscribed to by the Treasury in the amount of $5 billion, but that that amount be repaid to the Treasury by a tax of 1% on the pretax profits of businesses earning over $1 million. I don't think it ought to be inflationary and just taking money away from the Treasury. I also recommended that the RFC have the authority to offer up to $10 billion in government-guaranteed bonds—the sort of thing you might get some of the Arab countries to invest their surplus oil funds in.

So you'd be taxing IBM, and perhaps peddling bonds to King Faisal, for the purpose of bailing out W. T. Grant? Lots of luck.

ROHATYN. From an industrial point of view. I'm not sure that the survival of W. T. Grant, certainly in its present form, is particularly vital. But on the other hand I don't know what impact its problems would have on the major banks in this country. I don't know the company well enough. The point is, I don't believe this RFC would be "bailing out" terminal cases. If there is no economic justification for the life of a particular company because its products are no damned good, or because they're priced wrong or because of other factors that make it obsolete, then you just wouldn't do it—unless they were such a large creditor of such a large bank that there would be some obvious reasons for trying to do something.

Who decides whether a company has an economic reason for being?

ROHATYN. Well, I suggested that the board of the RFC ought to include the Secretary of the Treasury, the chairman of the Economic Council, the chairman of the SEC and the chairman of the Federal Reserve Bank. Now I agree the thing you have to be most careful about is the potential for corruption and political influence-peddling. But I have to believe one can get some good people. And let's put a cutoff on it. Five years, say. Whatever happens, you liquidate it and turn its portfolio over to the Treasury, so people wouldn't make a career of this.

Suppose a small company like Lazard Frères was in "structural difficulty"? Should it be bailed out?

ROHATYN. I think it's irrelevant from the point of view of national interest whether Lazard Frères is in business three years from now. Or even whether Merrill Lynch is in business three years from now. But I do believe it makes a difference if a company employs 50,000 or 100,000 people, and if at the same time its pension fund is $300 million to $400 million under-funded because the stock market's gone to pieces, if—in the middle of an economic recession—we shut that company down, put those people out in the streets, and then find the pensions they were looking for are no longer there.

Wouldn't this create a great opportunity for speculators? Pan American Airlines paper would take off the very day an RFC was created.

ROHATYN. We may be seeing great economic opportunities in terms of equity investments, if properly made. That is, providing companies can be restructured. Remember that the RFC would own part of the equity and ultimately will make many billions of dollars on its investments. And that's taxpayers' money that we are talking about here!

So it's sort of a self-fulfilling prophecy! The troubling thing is that it amounts to nationalization of major U.S. corporations.

ROHATYN. Because they might own 25% of a company? O.K. Maybe. But don't you think that the Defense Department has effective control over defense contractors today? Or that the Government has semi-control over the airlines industry by its granting of routes and its setting of rates?

The performance of nationalized companies in, say, Britain is scarcely encouraging.

ROHATYN. Oh, it's a disaster! It's hardly conceivable to run something worse than the way the Government runs something! If the RFC works, it won't be a first step in that direction, however. Just the opposite. We're talking about *temporary* equity investments by the Government. Two, three years might be sufficient for a Lockheed or a major airline that may have a temporary problem.

Are you saying that if we don't get an RFC we're in for a full-scale economic collapse?

ROHATYN. I'm saying that the present situation is serious enough so that I would like to have an additional contingency instrument that can be used for certain types of cures—as insurance at least.

As a boardroom philosopher once remarked: Socialize the losses and keep the profits private!

THE NUCLEAR DEBATE

Mr. CANNON. Mr. President, as the 94th Congress moves forward with its deliberations on the complex problems of developing domestic energy sources, I would like to take this opportunity to acquaint my colleagues with an issue which has generated much controversy in my own State of Nevada.

Mr. President, as you know, nuclear energy has frequently been mentioned as a possible substitute for traditional fossil fuels in the campaign against energy dependence on foreign countries. The continuing dialog between pro-nuclear-power individuals and anti-nuclear-power individuals has increased the public awareness of the various aspects of the nuclear controversy and focused attention on the need for safe and efficient management of nuclear materials, particularly the storage of radioactive wastes.

Last September, the Atomic Energy Commission issued a draft environmental statement on the proposal to develop repositories for the storage of radioactive wastes, and the Nevada Test Site, located in southern Nevada, was mentioned as one of the three leading sites for the location of such a facility.

On September 24, 1974, the Governor of Nevada, Mike O'Callaghan, appointed an 18-member committee to investigate the AEC proposal, and on October 17, 1974, this committee recommended with certain reservations that Nevada remain on the AEC consideration list of possible dumping sites, which also includes the Idaho National Engineering Laboratory and the Hanford Reservation in Washington.

The AEC held public hearings on November 12, 1974 in Germantown, Md., and on December 12, 1974 in Salt Lake City, Utah. Upon the basis of these hearings and the individual letters being sent to the AEC on a daily basis, the AEC Board of Examiners will make recommendations to the Administrator of the newly established Energy Research and Development Administration—ERDA—

regarding any specific choice of a Federal site for storage of radioactive wastes.

The constituent mail that I have received on this issue encompasses a wide range of opinion. Many feel that the selection of the Nevada Test Site would greatly benefit the Nevada economy, especially during these austere times we are now experiencing, while others warn against the environmental and health hazards connected with the radioactive material.

However, regardless of one's position as to the benefits or dangers of nuclear power, there can be no doubt that public input is vital to the formulation of an integrated national energy policy. My own view is that we in this 94th Congress have a special obligation to enlist sufficient public dialog to insure an acceptable solution to the many-faceted problem of decreasing our dependence on foreign energy sources.

To those in Congress and throughout the country who take an interest in the nuclear debate, I ask unanimous consent that the following statements be printed in the RECORD: The first statement appeared in the North Las Vegas Valley Times on December 17, 1974, reporting the testimony of Bill Flangas in support of a nuclear waste disposal site in Nevada. The second statement was given by Maya Miller at the November 12, 1974 AEC hearings in Germantown, Md., and is in opposition to the selection of a Nevada site.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEVADA ENGINEER SUPPORTS A-DUMP SITE

The following is the testimony of Bill Flangas, a well known Nevada mining engineer, at a Salt Lake City hearing on the proposal to place a nuclear waste disposal site on the Nevada Test Site.

Flangas, who favors the site, is chairman of the Nevada State Public Works Board, whose duties include site selection for facilities built by our own state. He is also uniquely familiar with radioactive materials, as the mining engineer who supervised reentry into the tunnel of the first wholly-contained underground nuclear detonation at the Test Site in 1958–59. He is a native Nevadan and graduate of the famed Mackey School of Mines of the University of Nevada at Reno.

There are six key reasons why the Nevada Test Site should be selected as a national repository for these wastes. They are as follows:

1. Availability of professional and craft skills
2. Appropriate geography.
3. Possibilities for permanent geologic storage
4. Geological and hydrological suitability
5. Availability of facilities
6. Public acceptance.

The Nevada Test Site at Mercury has prominently served the nation as an outdoor laboratory for weapons testing and Plowshare tests dating back to 1951. During this period, a great number of nuclear events have been detonated, both in the atmosphere and underground, and we have a highly skilled cadre of professional, technical and craft personnel who are thoroughly schooled in the business and have the ability to cope with the inherent hazards. This capability also includes a highly sophisticated and extensive meteorological and radiological protection network, and personnel available both on and off site.

The Nevada Test Site has compiled an enviable safety record in all facets of testing activities. Heavy construction, drilling and underground mining operations are very dangerous occupations that entail considerable risks and account for many accidents in the country. Some of the best, if not the best safety records in the field have been compiled by the people working at the Nevada Test Site.

Nevada Test Site personnel are highly skilled in all aspects of safety, both onsite for employees and offsite for the public. This safety program involves such agencies as the U.S. Environment Protection Agency, the U.S. Air Resources Laboratory, the U.S. Geological Survey, the U.S. Bureau of Mines, and many others.

Over a period of years of testing at the Nevada Test Site, good communication has been established with the surrounding communities in relation to Test Site activities that enable the best possible effort to be made toward maintaining public safety.

The Nevada Test Site is located in a sparsely populated area some 65 miles northwest of Las Vegas, and amounts to some 1350 square miles located on three sides within the boundaries of the Nellis Air Force Range. Nevada Test Site is remote; it has a large area for testing purposes; it is already dedicated to nuclear purposes and has no population or agricultural encroachment.

No river systems, or fast moving underground aquifers, or public highways run through the area. Surrounded by mountain ranges, it has a built-in natural security that can be and has been easily maintained.

While NTS is well suited for retrievable surface storage, it also has strong possibilities for permanent geologic disposal. A mining engineer, I can tell you that we can tunnel into hard, dry, competent rock and store the wastes there, no matter what form the wastes are in, for geologic periods of time.

For those wastes to be disturbed would take a geologic upheaval so catastrophic that the escape of any of those wastes would be of little consequence by comparison to other damages.

We also have the capability, unique in the world, to drill large diameter holes (up to 120 inches in diameter) several thousands of feet deep into rock and geologic formations that would be acceptable for geologic storage.

There also has been proposed by the Lawrence Radiation Laboratory an in situ permanent disposal method that contemplates injecting liquid commercial power reactor wastes into deep underground cavities in silicate rock. The wastes are allowed to self-boil and the steam recycled in a closed system.

When no further wastes are added, the cavity is allowed to boil dry, the heat melts the surrounding rock, the rock cools and solidifies, trapping the radioactive materials in an essentially insoluble rock matrix deep underground. This is essentially what happens with underground nuclear detonations; the rock, melted by the detonation, resolidifies and traps the radioactivity deep underground. There already are at NTS more than 350 pockets of this rock—trapped radioactivity from underground nuclear tests.

What I am saying is this. NTS is aleady committed to the storage of radioactive wastes safely deep underground. If the retrievable storage facility were located at NTS, I'm certain further study would show NTS suitable for deep underground disposal, thus eliminating the need to move the stored wastes except within the boundaries of NTS.

Because of the numerous underground testing and drilling projects conducted at the Nevada Test Site over the years, its geological and hydrological suitability has been firmly established and there is no doubt the Nevada Test Site is one of the most highly studied and geologically mapped areas that exist any place in the world.

The unique surface and ground water conditions at NTS provide excellent protection against contamination of water acquifers, most of which flows into closed basins on site. Surface water must filter down through several hundred to thousands of feet of alluvial fill, then through an average of one thousand feet of volcanic tuff including zeolitized and clay zones, and finally into the underlying carbonate rocks before the water can migrate offsite.

Measurements of the flow rates in the tuff by USGS indicate that one hundred thousand to one million years are required for water to pass through the volcanic tuff, and any radioactive fission products in solution decay to harmless levels by then.

We don't believe that any spills would occur which would contaminate NTS ground water. If ground water were contaminated in the worst possible case, other safety factors besides radioactive decay during the long exit time from NTS would apply. To the best of my knowledge, no other area under consideration offers this. The zeolitized tuff is Mother Nature's water softener which removes fission products and fissionable metals from water by ion exchange.

Based on scientific evidence, not theory, we have seen no radioactivity from nuclear testing in the water of NTS wells, even though one of the wells in Yucca Flat is in very close proximity (within six thousand feet) of a nuclear test ground zero. We have sampled and analyzed water from all operating NTS wells (up to 15 of them) in a routine, continuous, monthly basis for the past 12 years.

A third safety factor is dilution of NTS water as it migrates offsite. Calculations of Yucca Flat's ground water recharge versus discharge of NTS and additional underflowing water at the Ash Meadows spring line, about forty miles to the southwest, indicates that Yucca Flat water is highly diluted as it slowly migrates offsite. These safety factors make Yucca Flat and surrounding areas ideal for near-surface storage of radioactive wastes.

At the north end of the Test Site are two granite stocks that are about 93 million years old and have withstood 20 million years of vulcanism and seven million years of earthquake and faulting. Fault locations have been controlled by the stocks and forced to go around or die out at the edges.

The stocks are between one and two miles in diameter at the surface, and increase in diameter with depth. They are known to be at least 15 thousand feet deep and probably extend several more miles in depth. The small amount of water in the stocks is virtually isolated from Yucca Flat.

In short, much of the Nevada Test Site is unique closed basins and massive geologic structures which geologically and hydrologically inhibit water migration from the Test Site.

We have a considerable capital investment in available buildings that can be modified for use at minimum cost. The Nuclear Rocket Development Station, now a part of NTS, presently has facilities available which could readily be modified to serve as receiving and handling facilities for encapsulated radioactive waste.

The principal facility that could readily be adapted is the E-MAD building at Jackass Flats. The E-MAD (which stands for Engine Maintenance, Assembly and Disassembly Building) is 80 feet high, enclosed in a fenced area of 36 acres, and contains 100 thousand square feet of floor space. It is heated, ventilated and cooled by eleven separate systems, comprising a total of 30 supply and exhaust air fans.

There are 600 kilowatts of interior and exterior lighting, a 75 thousand-gallon water storage tank, 31 large power operated shielding doors, 40 lead glass shielded windows, a 12-channel closed circuit television system, and a 21-channel internal communication network that ties together all the working areas. Two 300 horsepower boilers and an 800-ton 2-stage centrifugal refrigeration system provide the facility with temperature and humidity control.

Included in the special remote handling facility are an overhead bridge crane of 40 tons capacity, with a 10-ton auxiliary hook, two unique sidewall manipulators capable of handling loads up to 600 pounds at the end of a 35-foot arm, a 35-foot diameter turntable of 80-ton turning capacity, three scanning and photographic periscopes and ten master-slave manipulators.

The E-MAD complex comprises 8 different functional areas, receiving and storage, cold assembly, hot disassembly, hot cells, shops, office, facility circuit systems, and the remote-controlled railroad system. Construction was completed and activation of systems started in 1965. The overall cost of the E-MAD complex including circuit facility, railroad systems and facility equipment, exceeded fifty million dollars.

We believe the E-MAD facility, since it was designed to handle highly radioactive materials remotely, would, with modification, be ideally suited as a receiving facility for handling commercial radioactive waste.

Thousands of NTS workers and their families live in Las Vegas and have developed a high degree of confidence in the AEC and the safety of Test Site activities. The outstanding job safety record at NTS and the safe conduct of nuclear testing have both contributed to this confidence. Both local population and tourists scarcely nodded when nuclear weapons were being detonated above the surface, not too many years ago.

On a coldly scientific and technical basis—NTS is the most logical of the three sites being proposed. However, in addition, the continued economic benefits to be realized from locating the RSSF in Southern Nevada are well recognized by hardheaded business and community leaders.

Nevertheless, these community leaders would not take risks with their families or their businesses for these economic benefits. They, too, are convinced that NTS can be used safely for radioactive waste storage.

Several prominent labor leaders in our community also have endorsed the location of this facility at NTS. They too, are cognizant of the many ramifications of the nuclear business and are very proud of their contributions toward our preeminence at NTS in this field.

Storage of high level contaminated radioactive waste at NTS is compatible with underground nuclear weapons testing which has already essentially stored radioactive wastes in some surface areas and numerous underground areas without hazard to the public. Radioactive waste storage and management is a natural follow-on to serve as a future mission for NTS.

I have reviewed the data concerning shipment of high level nuclear wastes and particularly noted the provisions made for shipping the high level nuclear wastes. I am completely satisfied that the hundreds of tests that have been conducted on the shielded shipping casks are going to provide us with highly reliable containers.

The design that includes such items as the ability to withstand a free fall from a height of 30 feet onto an unyielding surface, a free fall from a height of four feet on a six-inch diameter steel rod, heat input from exposure of 30 minutes to a fire having a temperature of at least 1475 degrees Fahrenheit, and total immersion in water for eight hours is reassuring.

Much has been said in recent years, on developing alternate sources of energy, such as solar power, harnessing the winds and tides, geothermal energy, etc. I approve of continuing our efforts to develop these. I also realistically recognize that breakthroughs here are many years away. Nuclear energy is a now proposition and in my opinion is our best approach to meeting our energy needs, for several decades.

An abundant and reliable source of energy reflects the strength and vitality of our nation. I get deeply concerned over the negativism that has surfaced again and again in recent years in relation to anything technical, particularly in regard to power generations. I have been intimately acquainted with nuclear weapons development for the past 16 years, I readily admit that I don't know everything there is to know about this business, but the one thing I know for certain, I don't ever want to be in second place.

I don't fear the future and I have great faith in our ability to meet the complications and hazards involved with developing alternate sources of energy to meet our needs. I do fear the hysteria and the inaction and the poor judgment that is constantly leveled in this field.

There is risk in all progress. Only those who are willing to move out after proper study and evaluation of risks are entitled to the fruits of progress. This is not a license for recklessness, but a call for action and decision, once our best technical evaluations have been made.

In southern Nevada, we have the skills, the desire, the area, the geology and the need for this project. We have a local population acclimated to nuclear activity. We are proud of our contribution to the Nation's security and are cognizant of the economic benefits to our community.

There is no doubt in my mind that our preeminence in nuclear activities has been the keystone of maintaining the world peace.

There is no doubt in my mind that the United States must remain preeminent in this business. Abundant and reliable energy is an essential ingredient.

TESTIMONY BY MAYA MILLER

I am Maya Miller of 1685 Franktown Road, Carson City. A Nevada resident of 30 years, I have worked on environmental and human issues as state president and national board member of the League of Women Voters, and on the boards of such citizen organizations as the League to Save Lake Tahoe, the American Friends Service Committee, the Children's Foundation. Most recently I have spent almost six months in southern Nevada as well as around the rest of our state campaigning—unsuccessfully—for the Democratic nomination for the United States Senate. In that effort I spent a good deal of time with the employees of Mercury as they started their morning 2-hour commute to the Test Site, and campaigning outside the Site itself at the well-guarded gate. I have a keen sense of its remoteness.

I have come to Maryland out of my deep concern for the potential damage which your plan for a nuclear waste dump at this Nevada site may do to our land and air and water—and ultimately to our people. I speak as a concerned citizen. I speak for myself, and for those others alerted and worried at this time who have asked us to speak for them, for those who have not had the chance or the information yet to be worried, and also, I would add, for those who will never worry, but perhaps should, for they too may be poisoned.

The first question I must ask is: "Why have I had to travel from Washoe Valley, Nevada to Germantown, Maryland at my own $500 expense in order to testify? Why are your hearings not nearer the three sites under consideration?"

We are aware of the Governor's committee hearings in Las Vegas and Reno, and before starting my complaints, I have a few kind words of appreciation. For the Governor for appointing such a review committee. For the Committee for serving, especially for those who took the time and care, like Dr. James Deacon, to spell out their reactions to the AEC Draft Environmental Statement in careful detail. And most of all, our appreciation for the Committee's delightful double negative in its final report to the Governor, in which it is said in essence, "We cannot recommend 'yes' and we cannot recommend 'no'. All we can recommend is 'not no.'" We like that, for it seems to lead to the focal point of all our citizen suggestions: We want time and open dialogue.

THE HEARING PROCESS

But having said that, I must register our serious misgivings about the manner and timing of the hearings thus far.

We understand that you have known for over a year that these sites were under consideration. The Governor's Committee had less than a month to form itself, do its homework, and make its recommendations. On such a subject, one month! The only materials furnished were those of the promoter, the AEC. None of the wealth of citizen information and scientific data opposed to the proliferation of nuclear waste was supplied. And to our knowledge, the Committee did not seek out any of those citizens nearby who brought protests to get more information from them and so balance its decision-making base.

The only hearing held in northern Nevada illustrates the deficiencies of the hearing process. The announcement was in the newspaper on October 10, page 26, in a small two-inch box, looking like an announcement of bankruptcy (which it may be), but sounding no public alert, and bearing word of a hearing to be held from 4 to 8 P.M. on a Friday afternoon a day and a half later. How are citizens, themselves busy and with their own plans, expected to appear in response to a call like that? At that hearing, understandably poorly attended by the public, and understandably not attended at all by the Governor's Committee (except for one member part time, Dr. Maxey) we citizens concerned about the issue enough to come from many miles distant, had to testify into a faceless, mindless court-reporting machine. No opportunity at all for dialogue. A piece out of Dr. Strangelove.

Other citizens, experienced with leaks at other atomic dumps, leafletted and spoke informally with signs and voices at Carson City.

In Las Vegas the hearing process was the same. Even so, the Las Vegas Review Journal carried the banner headline, Nevadans Veto AEC Plans.

But the Governor recommended you keep alive your consideration of Nevada, the Nuclear Waste Dumpsite for Commercial High-Level Radioactive materials, so we citizens must persist in getting our viewpoint heard. Somehow, you, and the Governor's office, and we the citizens of Nevada, and the citizens of all those states through which your radioactive materials would be transported, and the taxpayers nationwide who will be supporting this expensive energy source with their taxes, altogether we must work out a better means for public debate and wide-open discussion on this so potentially dangerous and so astronomically expensive, and hence so controversial, subject."

We agree with the thrust of the Western Interstate Nuclear Board's criticism of the Draft Environmental Statement, low-keyed and modest as its suggestions are:

"The AEC should consider preparation of a working series of documents suitably written for public understanding, and not necessarily as the specific environmental impact statement for interim storage. . . . And the governor's advisory committees must be given access to all data and information

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affecting their State. . . . Public meetings should be held at regular intervals and at various locations around the State. If questions raised by the people at these meetings cannot be answered, every effort should be made to obtain answers by the next meeting. Full disclosure may well be the key to acceptable waste management."

But how do you make this come to pass so that you, the promoters, the federal bureaucracies and your constituent private contractors, and we the citizens, who have no paid jobs nor official status nor vested interest, can talk together ourselves, and in turn be heard by the larger community? How do you make it possible for you, the powerful AEC, or ERDA, to hear the woman with the 3-year-old child whose world she worries about? And how can she hear you?

Have you genuinely assessed the obstacles to this dialogue? Your language is esoteric to us; ours is emotional to you. Your public relations people have healthy expense accounts and salaries, and planes to move around with, and secretaries to write and duplicate their messages. More often than not, ours speak at their own expense and out of an already too-tight family budget and crowded job-and-child care time limitation. This is part of the reason you must schedule plenty of time for dialogue. And you must start thinking about also scheduling money for the protestants if a dialogue is to be carried on.

TIME

When we recommend to you a moratorium, time is what we mean: time for real understanding of what we are getting into; a request that you cease spending our tax dollars on expensive preparations for something we are not sure we want. (We are well acquainted with the problem you create when so many dollars have gone into a project that the investment itself becomes an argument for continuation. But we have also seen with the SST what can happen in America when an informed and aroused public understands the social and money costs and says to its Congress like wise investors: Stop! cut our losses, and let us rethink our need!)

If the present near-catastrophic financial state this country is in should have taught us anything, it is that we must carefully measure our needs, and then demand accountability of the private and public sectors in supplying those needs.

We need time.

We need time to analyze your budget, as it fits into the larger national budget. Can we afford the costs you are proposing? Will we have the resources to pay? Or will our children? How do the costs for this source of power compare with others, geo-thermal, solar, wind? We want a flat-out cost estimate and cost comparison, complete with all the hidden costs of today and tomorrow. You all in the federal agencies get very familiar with millions and billions. For one casket for transport and burial of this radioactive waste, you estimate $500,000 to $1,000,000. But we are dealing daily with a home to pay for, food to eat, a school to learn in, and that million would buy a whole school, 40 or 50 homes, a year's food for 1,000 families. And before we make that investment of yours, for dead and poisonous waste, we need to understand what it is we are buying. And we need to evaluate the alternatives.

We need time to explore other sources of energy, less dangerous, less commanding sources. Our fear is that your commitment to this one source will lock us in, and as a nation we will be unable or unwilling therefore to explore diligently for other energy supplies.

We need time to understand what the effects will be on our land, our water, our air, and on our people. We are your land-owners, you see. Every American, no matter where he lives, is your landlord, for the land you contemplate using, all 1,350 square miles of it, belongs to the people of the United States. We have read your rationale for the containment of the poisons within that 1,350 square miles, but we note serious differences of opinion on the part of reputable scientists about the speed with which contaminants will move in the subterranean water flow, and the extent to which leaks into the air may cause a permanent poison there. In the hazards you are flirting with you deal not simply with the frills of our life, but with the absolute basic elements: water, air, soil. These are elements we know we need, but. . . .

. . . We need time to find out if we really need all this electricity which the power companies and you project. Just because you have estimated demand does not mean that a true need exists—especially if measured against human health. Before you start analyzing sites for waste, we want you to stop and ask yourself, is this waste necessary?

We need time to learn how we can conserve energy. We are still wastrels and fat with over-consuming. But that is a habit of living that need not continue. If we are truly faced with fewer light bulbs or more poisons, we may decide on some changes in our life style.

And we need time—before we build the nuclear plants—for a level of planning such as has never been known in all previous human history. We measure our lives by a few tens of years. Radioactive wastes we measure by thousands of years. Are we capable of making such long-term engineering systems infallible to human error or natural catastrophe?

We do need time.

As one of our citizen protestants said, Your agency has been around thirty years and you're still talking about imperfect, "temporary" storage. And you want the citizens of Nevada to decide in one month if we will host these wastes, and thereby make way for the burgeoning of nuclear electric power plants all over the country, from 40 or so today to 1,000 projected for 25 years hence. One month for us to decide, and 12 million months of radioactive wastes stored on our land!

BURY IT NOT ON THE LONE PRAIRIE

This waste belongs to all Americans. Its projected energy needs are mainly for communities on the eastern coast. Before you bury the body in our backyard, and get it thus out of sight, out of mind, we would like to have you entertain the notion of burying it nearer to the place where you produce it. That way when there are leaks, the producers will halt the production right away until a cure is found. To quote a Silver City citizen:

"Propose: to store the world's radioactive waste under the Pentagon.

"Justification: Ideally suited for maximum monitoring & maintenance. Any technical advances in waste disposal could be most readily implemented. Seismically, low activity. The hazards upon urban concentrations 'minimal' as the reasons for siting nuclear power plants close to such concentrations. Safety, according to the AEC, is maximum."

OPEN DIALOGUE

One of the chief concerns of citizens about the AEC mode of functioning has been your secrecy. Left over from your wartime birth and your development during the cold war, much of that secrecy seems outdated today. It severely blocks citizen understanding of the issues and values at stake.

Many of the people we speak for believe from their experience that the Atomic Energy Commission does not want to have maximum public dialogue. You do not seem to want to advertise views and fears which run counter to your plans. They believe that you would never of your own impetus bring to public light the work and apprehensions of scientists who oppose expansion of such projects as the one under discussion. They suspect that that is one reason you want to store this waste in our remote part of the world. They have noted the inability of the AEC to act upon the tons of lethal materials lying about the west in tailing piles, the 100-acre dump in Salt Lake City where some say a million and a half tons of radioactive tailings lie emitting radon gas 50 times the federally-established maximum levels. They wonder about the incapacity of the EPA and the AEC to neutralize this material. And they believe that secrecy hides a multitude of problems which the public is shielded from, and allows a dangerous lassitude on the part of the agency about solutions. Public alarm has to come from full disclosure. And public alarm, if it is warranted, should come early.

CONSUMER ADVOCATE

We think you need a Consumer Advocate, someone whose separate responsibility it is to speak our concerns, who would seek out and engage those technicians and scientists who share our anxieties, who would help us formulate our press relations with the same commitment of public money and energy which your one side now enjoys.

The Draft Environmental Statement, WASH-1539, is a case in point. We find it, like many such reports, an apologist's document, fat and slovenly. It leaves out much. Filled with information designed to prove the promoter's point, it leaves out critical information which would weigh against purchase of the product (analysis of seismic hazards in Nevada and other areas, the experience of the Hanford and other leaks, for example).

QUESTIONS

We find we are left at the present time with a mass of questions. For openers we include a couple of pages' worth.

Basically, what we are asking is a pause for clean-up and thinking.

You and I are like the Mad Hatter and Alice at the former's Tea Party. We drink tea, and as each cup becomes empty you call out, "More cups, more cups!" and we move down the table. That seemed totally reasonable to the Mad Hatter. And it seemed reasonable for our frontier-forging American forefathers. But it is not reasonable for us. It is mad. Today we cannot keep tossing our wastes away and forgetting them. And we cannot keep thoughtlessly creating waste for our own self-indulgence. We've got, in short, to get our heads around using what we need to use, living with what we see we have to live with, and cleaning up as we go. We cannot keep leaving dirty cups for mother to deal with or to be left about to poison generations down the line. Today's subject is the filthiest waste of all.

PLACING THE ROLE OF CONGRESS IN A BALANCED PERSPECTIVE

Mr. METCALF. Mr. President, critics of the Congress have been increasingly quick lately to charge that the legislative branch has been doing a poor job in meeting its responsibilities to the Nation. Foremost among these critics is President Ford, who has accused the Congress of obstructing his policies without developing its own alternative programs.

A careful reading of recent history will reveal, however, that most of the initiatives for change and for progress have originated in the Congress. I therefore recommend for the reading of my colleagues and the public an article by Spencer Rich in the Washington Post on February 14 which puts the role and the performance of Congress in a balanced perspective.

I ask unanimous consent that the article by Mr. Rich be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS HAS LED IN MAJOR PROGRAMS

(By Spencer Rich)

Although it is fashionable to declare that Congress by its very nature lacks the capacity for leadership on national issues, the fact is that many of the most important national programs and policies of recent years have been initiated on Capitol Hill and forced on an unwilling President.

In recent days President Ford has accused Congress of obstruction, of delaying presidential initiatives without developing programs of its own. And, to be sure, Congress moves slowly, possesses an unbelievable capacity for quibbling and political showboating, argues an issue and chews it over 100 times before digesting it, compromises on everything, makes backroom deals and takes numerous undeserved vacations.

But despite all these failings, it is Congress and not the White House that has initiated and nurtured:

Medicare.
Social Security disability insurance.
Pension reform.
The 18-year-old vote.
Political campaign reform.
Clean air and auto-pollution controls.
The Indochina war cutoff.
Key laws against dangerous chemical additives in foods.
Consumer product safety and warranty laws.
Much of the landmark civil rights legislation that Lyndon B. Johnson pushed to passage when he became President.
Major Social Security benefit increases.
Still-to-be-passed proposals for no-fault auto insurance and for a federal agency to argue the consumer position before rulemaking agencies.
Mandatory auto safety standards.
Major investigations of gangsterism, labor racketeering, the drug industry and multinational corporations.
Recent improvements in food programs for the poor and in the minimum wage.

Congress leadership was demonstrated in the way the Senate Foreign Relations Committee, headed by then Sen. J. W. Fulbright (D-Ark.), publicly took up the antiwar cause as early as 1965, gave it publicity and respectability through hearings, uncovered covert military operations elsewhere in Indochina and exposed the inconsistencies in the White House's reports on the Gulf of Tonkin incident.

The committee's activities played a large role in crystallizing public opinion against the war.

This, in turn, helped press both Johnson and Richard M. Nixon to seek a negotiated end, and to brake escalation of the U.S. military effort. In 1973 Congress legislated a flat cutoff of all U.S. military combat activities in Indochina.

The evolution of Medicare—federal medical insurance under Social Security for persons over 65—is another illustration of congressional initiative.

In 1957 a Rhode Island congressman on the Ways and Means Committee, Aime J. Forand (D), sponsored a Medicare bill with the backing of the AFL-CIO and medical and welfare groups. The Forand bill won Senate sponsorship from John F. Kennedy (D-Mass.), but was opposed by the Eisenhower administration and by the 1960 GOP presidential nominee, Nixon. Congressional Democrats pressed it, however, and Kennedy made it an issue in his 1960 presidential campaign. It was enacted in 1965.

Pension reform is another good example. It was pioneered in Congress by Chairman Harrison A. Williams (D-N.J.) and senior Republican Jacob K. Javits (R-N.Y.) of the Senate Labor Committee, faced strong opposition from the White House on many major safeguards, but finally was passed despite continued White House misgivings.

The 18-year-old vote had broad support, but the White House under President Nixon wanted it accomplished by a constitutional amendment, which would have taken years. Sen. Edward M. Kennedy (D-Mass.) had the idea of attaching it to a 1970 bill extending a major civil rights law. Majority Leader Mike Mansfield (D-Mont.) took up the thought and engineered a successful Senate vote, the House accepted it, and the President—after some hesitation finally signed it.

Kennedy and Senate Minority Leader Hugh Scott (R-Pa.) were also the chief advocates of public financing for presidential elections, enacted by the last Congress despite White House opposition. And it was Kennedy who, a year ago, initiated the drive for tax cuts to stimulate the economy, which has now been endorsed by everyone, including the White House.

The consumer protection agency bill, drawn from an idea first espoused by the late Sen. Estes Kefauver (D-Tenn.), became a serious proposal in 1969, when Rep. Ben Rosenthal (D-N.Y.) and Sens. Abraham A. Ribicoff (D-Conn.) and Warren G. Magnuson (D-Wash.) put the idea in its present form and started a campaign for passage. White House opposition and business-backed filibusters have killed it so far, but enactment by this Congress appears likely.

In sum, Congress was designed by the Founding Fathers to operate slowly, with deliberation and with compromise, and it is not structured to rush controversial proposals through smoothly. But it gets a lot of input from the public, and its stumbling, brooding deliberations often result in important new ideas and initiatives unconceived by a President, despite all his direct power and advisers.

PUBLICATION OF THE RULES OF PROCEDURE BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. CANNON. Mr. President, pursuant to the requirement in section 133B of the Legislative Reorganization Act of 1946, I submit for publication in the RECORD the Rules of Procedure adopted for its own governance by the Committee on Rules and Administration on January 22, 1975.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

COMMITTEE ON RULES AND ADMINISTRATION: RULES OF PROCEDURE

(Adopted February 4, 1971, pursuant to Section 133B of the Legislative Reorganization Act of 1946, as amended. Readopted without amendment, January 17, 1973, and January 22, 1975)

TITLE I—MEETINGS OF THE COMMITTEE

1. The regular meeting dates of the committee shall be the second and fourth Wednesdays of each month, at 10 a.m., in room 301, Russell Office Building. Additional meetings may be called by the chairman as he may deem necessary or pursuant to the provisions of sec. 133(a) of the Legislative Reorganization Act of 1946, as amended.

2. Meetings of the committee shall be open to the public except during executive sessions for marking up bills or for voting or when the committee by majority vote orders an executive session. (Sec. 133(b) of the Legislative Reorganization Act of 1946, as amended.)

3. Written notices of committee meetings will normally be sent by the committee's staff director to all members of the committee at least 3 days in advance. In addition, the committee staff will telephone reminders of committee meetings to all members of the committee or to the appropriate staff assistants in their offices.

4. A copy of the committee's intended agenda enumerating separate items of legislative business, committee business and referrals will normally be sent to all members of the committee by the staff director at least 1 day in advance of all meetings. This does not preclude any member of the committee from raising appropriate nonagenda topics.

TITLE II—QUORUMS

1. Pursuant to sec. 133(d) 5 members of the committee shall constitute a quorum for the reporting of legislative measures.

2. Pursuant to rule XXV, sec. 5(a) of the Standing Rules of the Senate 3 members shall constitute a quorum for the transaction of routine business.

3. Pursuant to rule XXV, sec. 5(b) 3 members of the committee shall constitute a quorum for the purpose of taking testimony under oath; provided, however, that once a quorum is established, any one member can continue to take such testimony.

4. Subject to the provisions of rule XXV, sec. 5(a) and sec. 5(b), the subcommittees of this committee are authorized to fix their own quorums for the transaction of business and the taking of sworn testimony.

5. Under no circumstances, may proxies be considered for the establishment of a quorum.

TITLE III—VOTING

1. Voting in the committee on any issue will normally be by voice vote.

2. If a third of the members present so demand, a record vote will be taken on any question by rollcall.

3. The results of rollcall votes taken in any meeting upon any measure, or any amendment thereto, shall be stated in the committee report on that measure unless previously announced by the committee, and such report or announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment by each member of the committee. (Secs. 133(b) and (d) of the Legislative Reorganization Act of 1946, as amended.)

4. Proxy voting shall be allowed on all measures and matters before the committee. However, the vote of the committee to report a measure or matter shall require the concurrence of a majority of the members of the committee who are physically present at the time of the vote. Proxies will be allowed in such cases solely for the purpose of recording a member's position on the question and then only in those instances when the absentee committee member has been informed of the question and has affirmatively requested that he be recorded. (Sec. 133(d) of the Legislative Reorganization Act of 1946, as amended.)

TITLE IV—DELEGATION OF AUTHORITY TO COMMITTEE CHAIRMAN

1. The chairman is authorized to sign himself or by delegation all necessary vouchers and routine papers for which the committee's approval is required and to decide in the committee's behalf all routine business.

2. The chairman is authorized to engage commercial reporters for the preparation of transcripts of committee meetings and hearings.

3. The chairman is authorized to issue, in behalf of the committee, regulations normally promulgated by the committee at the beginning of each session, including the

senatorial long-distance telephone regulations and the senatorial telegram regulations.

TITLE V—HEARINGS

All hearings of the committee shall be conducted in conformity with the provisions of sec. 133A of the Legislative Reorganization Act of 1946, as amended. Since the committee is normally not engaged in typical investigatory proceedings involving significant factual controversies, additional implementory rules for hearing procedures are not presently promulgated.

TITLE VI—SUBCOMMITTEES

1. There shall be seven, three-member subcommittees of the committee as follows:
Standing Rules of the Senate
Privileges and Elections
Printing
Library
Smithsonian Institution
Restaurant
Computer Services

2. After consultation with the ranking minority member of the committee, the chairman will announce selections among the members of the committee to the various subcommittees (and to the Joint Committee on Printing and the Joint Committee on the Library) subject to committee confirmation.

3. Each subcommittee of the committee is authorized to establish meeting dates, fix quorums, and adopt rules not inconsistent with these rules.

4. Referrals of legislative measures and other items to subcommittees will be made by the chairman subject to approval by the committee members.

TESTIMONY ON BUSINESS CONDITIONS BEFORE THE JOINT ECONOMIC COMMITTEE

Mr. HUMPHREY. Mr. President, as part of the annual hearings on the President's economic message, the Joint Economic Committee received testimony on January 28 concerning problems experienced by business in coping with the present recession and inflation. Donald T. Regan, chairman of Merrill Lynch and Co., Inc., discussed the financial situation. Thomas Galligan, president of Boston Edison; Donald Crawford, president of Edison Electric Institute; and Stanley Ragone, senior vice president of Virginia Electric Power Co. described the dire state of electric utilities and offered ways to improve their situation. Milton Stewart, president of the National Small Business Association, evaluated the specific difficulties that affect small business.

Regan said that Federal deficits of about $80 billion could be handled by capital markets over the next 2 years without severe disruption. If the deficit rose to $90 billion or higher, though, lower quality borrowers and utilities would likely suffer. In order to keep the deficit from rising to a dangerously high level, Regan suggested that all increases in Federal spending be adjusted by offsetting budget cuts.

Relative to business finance, Regan explained that business growth has been financed through increases in debt-equity ratios, which could cause serious capital market pressures in the next few years. Companies shun equity financing to offset debt, however, because they believe the market price of their stocks makes their sale a give-away. Regan offered three major policies to relieve pressures in the capital market: First, a more liberal capital gains policy; second, no special withholding tax on foreign investors; third, a corporate tax deduction for dividend payments.

Messrs. Galligan, Crawford, and Ragone agreed both on the nature of the problems affecting utilities and on the policies needed to solve them. All vigorously opposed President Ford's energy tax and tariff policies on the grounds that they were highly discriminatory and inflationary. Galligan estimated that the President's program would cost New England consumers alone $800 million. In addition, the President's program pressures heating oil users, who Galligan feels are conserving as much as they can.

All called for regulatory reform, increases in the investment tax credit for utilities, expansion of nuclear capacity, and easing of environmental regulations. Crawford and Ragone modified Regan's suggestion that corporate dividends be tax exempt, by asking that it apply to both payor and payee.

Stewart blasted both big business and big government. He called the present recession the most serious of the post World War II period and the first of the "Dinosaur Economy Capers." He argued further that big business and government are inept, because they did not forecast, plan for, adjust to, or manage major change in the capital and energy areas. "The collapse of a Lockheed or Penn Central or the next King Kong Konglomerate to go, brings down thousands of jobs, thousands of stockholders, and many millions in asset value."

He elaborated on the dangers of the proliferation of large corporations and concentrated industries. "What is most distressing is the prospect that the relative shrinkage of the competitive section of the economy may be losing us the resilience and swift recovery ability that a diverse economy permits."

Stewart requested special tax relief for small business to ease its recovery. He called on the Federal Government to make the corporate tax rate more progressive, to raise the corporate surtax exemption, and to increase the investment tax credit to 20 percent for small business and also to have it apply to people as well as equipment.

I believe that this testimony, from a diverse cross section of the U.S. business community, offers us an honest and clear appraisal of serious problems that beset our economy. They surely bear directly on important and difficult decisions that Congress will be making constantly throughout this year.

Mr. President, I ask unanimous consent that the prepared statements that I have just reviewed be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY BY DONALD T. REGAN, CHAIRMAN, MERRILL LYNCH & CO., INC., BEFORE THE JOINT ECONOMIC COMMITTEE OF THE CONGRESS OF THE UNITED STATES ON TUESDAY, JANUARY 28, 1975

I appreciate your invitation to appear here today before this important Joint Committee of the Congress. While I recognize your responsibility and interests range across the entire economic spectrum, I shall concentrate on the capital markets—the impact on them of proposed anti-recession budget measures; the tasks they must perform; and, finally, some recommendations which would improve their ability to function, not only in helping a business turn-around but in promoting long-term growth of the economy.

Of course, the markets do not function in isolation but must be seen in the general economic setting. And we are all keenly aware of the unusual difficulties we face in trying to steer a proper economic course at this time. Probably never before was there so little maneuvering room between the twin shoals of recession and inflation, with the steep energy prices and uncertainties of future supplies compounding the problem.

Difficulties do not mean despair. We have tremendous strengths, in our physical wealth and in the stamina and resourcefulness of the American people. But we must be willing to face hard facts, even if that means deciding among some unpalatable choices.

In properly attempting now to combat recession and cushion unemployment, we must guard against rekindling virulent inflation. Pouring too much money into the economy could prove self-defeating if it leads to a still bigger inflationary rise during the next business expansion—and sows the seeds for a recession probably worse than this one.

Looking over the economic scene, we are already beginning to see some distinctly encouraging signs. The rate of inflation has slowed, and all indications are this trend will continue in the months ahead. The decline in money rates, which began last fall but stalled towards year's end, has resumed. And the consumer is apparently beginning to respond to price reductions on automobiles and in many retail stores. A similar reaction could come soon on the part of home buyers, as both the availability and the cost of money improve. Aiding this trend is the fact that home building costs have stabilized.

Meantime, our economists are trying to measure the impact of potential budget stimulants on the financial markets and their ability to handle resulting Treasury needs as well as those of local governments and private business. I am submitting a more detailed discussion of this subject, prepared by the economists at our subsidiaries, Lionel D. Edie & Company and Merrill Lynch Government Securities.

Let me just summarize some major points. While the official budget has not yet been submitted, our preliminary estimates, factoring in expenditures on the scale of the latest Administration proposals, project a deficit around $32 billion in the current fiscal year and a $45 billion deficit for fiscal 1976. Our Edie economists figure that such a federal deficit—about $80 billion for the two years—can be handled without severe disruptions in the money and capital markets. Among their reasons are some recession-caused slack in private credit demand, especially during the earlier part of the period, probable inflow of OPEC money, and an expected policy of more aggressive ease by the Federal Reserve than it has demonstrated in the last two quarters.

However, if the federal deficit goes much higher—heading towards as much as $60 billion for next year alone, atop the $30-plus billion for the year ending this June—then private financing needs would likely suffer from the excess government competition. This dislocation would become especially evident in early calendar '76, because by then a business upswing should stimulate private demand while the deficit-generating federal programs would be in full stride. Such a development could bring either new sky-high inflation or strangle the young recovery, especially in housing.

Thus, regardless of worthwhile projects, it would seem urgent to support the President's proposals for restrictions on expenditures and limits on the size of tax cuts—or else, to make equivalent adjustments elsewhere in the budget.

Our Merrill Lynch Investment Banking personnel also expects that, unless the deficit increases sharply over that based on the Administration proposals, they foresee no *overall* difficulty in meeting the capital raising needs of industry and local government.

But, and this is the disquieting aspect, that is the macro or over view. When they get down to the micro level, they conclude that, even with the two-year federal deficit kept to $80 billion, many lower-quality borrowers will be hurt.

Industrial companies with a Moody's rating of "Baa" or medium grade will have difficulty attracting needed funds and, in the case of utilities, even somewhat higher-rated companies may find the going rough. If these companies can get money at all, it will be at substantially higher cost. And getting long-term money, which is what most of these companies really need for a balanced debt structure, will be most difficult and costliest of all. Incidentally, the same emphasis on quality, with increasing difficulties and costs for lower credit risks, will undoubtedly apply to municipal financing.

This would mean a sharp escalation of a trend already in evidence. As *Business Week* recently commented: "In a period when demand for credit is high, the market begins to discriminate . . . Investors are placing tremendous emphasis on the 'quality' of investments they make . . . (Also) the supply of capital that investors are willing to commit long-term has slowed."

All this can hardly be considered surprising. When an investor has a choice, naturally he prefers top-quality, and the uncertainties experienced by many companies and industries recently certainly fortify that preference. Similarly, the investor tends to place a premium on bonds maturing within, say, seven-to-ten-years than over the more distant future. He feels there is less opportunity for something to go wrong; also he has learned that, if inflation drives current interest rates up, the market value of outstanding long-term bonds goes to a much deeper discount than those with shorter maturities.

The preference for quality, of course, has always been there, but the increased emphasis on it is truly dramatic. For instance, in 1973 the average medium-grade Baa industrial bond yielded about three-quarters of a percentage point more than a highest-quality Aaa bond. By last year this spread had nearly doubled. Even more startling is the change in the utility sector, where the spread between high and medium grade more than tripled from 1973 to 1974—and what is more, the differential is now substantially wider among utilities than in the industrial group. Obviously, with utilities hit by huge cost increases and with slowed-down growth, relative quality has suddenly assumed momentous importance. Actually, the situation is such that no Baa utility has come to the long-term public market in the last six months.

Despite the difficulties in attracting investors faced by some companies and the high cost of borrowing faced by all, corporate bond offerings jumped to an alltime high of $27 billion last year and are expected to run at around a solid $23 billion or so in 1975. But that's simply a reflection of the tremendous needs for funds, a need which will continue throughout the foreseeable future.

A big reason is the need for capital expenditures. American business is conservatively expected to have to spend around $2 trillion, plus inflation allowance, between now and 1985, to expand and modernize, to provide jobs for roughly 1.4 million new workers a year, to satisfy ecological and safety rules, and to make at least a stab at easing our energy vulnerbility. Other huge sums will be required for facilities by state and local governments and all types of public or quasi-public institutions.

The impact of the recession has sharply curtailed business expansion plans this year. With many cancellations, utilities will lag behind last year and other businesses may also fail to match the 1974 record in physical terms. But because of the steep rise in costs, total 1975 capital expenditures in dollars are still estimated a couple of percentage points above last year's $112 billion.

So this still leaves a hefty demand for business spending at close to $10 billion a month rate. Lower profits and cash flow may also boost the financing need. Add to this the widely recognized need to upgrade balance sheets and it's plain that there's a big call for action in corporate financing for this year as well as for many years ahead.

As we know, for some time corporations have been pushed into depending on an unusually large proportion of debt rather than new equity, and, what's worse, a disproportionate amount of the borrowing has been short-term.

One analyst has computed that 28% of the growth of manufacturing corporations between 1960 and 1972 was financed by "deterioration of the balance sheet", mostly through an increase in the debt-to-equity ratio plus some reduction in the working capital to sales ratio.

Another example of balance sheet deterioration: after increasing their relative equity position in the early Sixties, nonfinancial corporations endured a sharp reversal of this trend. Since 1966, their borrowings have been $100 billion greater than the amount they were able to add to equity through new offerings plus retained earnings. Over half of this tilt toward debt came in the last two years. And compared with the early Sixties, when short and long-term borrowings were almost evenly balanced, short-term debt now has a 3-to-2 edge.

As for equities, new common stock offerings have disappeared almost completely in recent months except for some utilities that had to sell well below book value and offer highly attractive yields. For industrial common stocks, the total 1974 offerings came to less than three percent of the corresponding bond value.

While speculative and untried companies would no doubt have a difficult time in marketing new issues, the dearth—indeed complete drought—of common offerings is not caused by just a lack of potential buyers. As we found out with several utility offerings, there is a lot of demand for equities of better companies with good dividend payments at today's bargain prices. But there is a "seller's strike" by many companies. Not that you can blame the reluctant companies. The very price which makes the stock a bargain for eager would-be buyers tends to make it a "give-away" in the eyes of the company and its present stockholders. Often the corporation finds the return it could earn on the new money would be lower than what's earned on existing operations.

This is hardly a surprise. The average stock on the New York Stock Exchange lost 75% of its value between 1968 and 1974, which would seem enough to discount any number of recessions.

We may be beginning to see a new look, or rather a reappraisal, of basic values. There is a growing willingness to look at the total return concept—the sum of dividends plus long-term capital growth which can be expected from soundly based, well-managed companies.

Naturally, moves toward a sounder economy and a brighter outlook ahead should encourage the stock market, and strengthen the bond market as well, and thus facilitate the financing of all classes of business. That's another reason a balanced program to fight recession without locking us into policies which promote long-term inflation should pay rich dividends in healthy growth for the nation.

But other important steps to promote raising the capital we so greatly need would consist of measures to directly encourage investors to put their money to work. Three helpful moves in that direction would be fairer capital gains treatment; encouragement of portfolio investments from abroad by eliminating the special withholding tax on foreigners; some steps toward deductibility of double-taxed dividends. I might add that another welcome improvement will be a more efficient marketplace; we have long believed in the advantages of a competitive market and we are glad to see that both houses of Congress will shortly consider legislation on making such a market more effective.

I am submitting separate memoranda outlining the desirability of relief in the capital gains and foreign withholding areas, so I will only summarize the highlights.

I feel capital gains improvement should be granted not only for the social benefits to be derived from extra investment flow, but also to give a fair shake to the investor. The capital gains tax system deters people from cashing in on their theoretical gains, thus preventing them from switching to what they might now consider a more desirable investment—and while they sit with their old investment, the Treasury doesn't get its revenues.

An important avenue for us to obtain additional capital without putting the money up ourselves is to tap some of the wealth being accumulated abroad. One way to attract such potential investors is to eliminate withholding taxes on interest and dividends paid to foreign portfolio investors.

Serious consideration should also be given to the suggestion recently made by Chairman Garrett of the Securities and Exchange Commission to permit corporations to deduct dividends from taxable income, just as they now deduct interest paid on bonds. Since one problem in corporate financial structures these days is the top-heavy debt, such a step would make it easier for a company to issue stock instead, and thus strengthen its financial position. By encouraging higher dividend payments, taxable to holders, the Treasury would likely recoup a sizable amount of revenues, in addition to the general economic benefits from stronger growth.

Another key area where positive action can promote greater overall strength is helping business generate fund internally. So companies can better expand their job-creating activities, it is important to increase the investment tax credit and to make it permanent. This should be particularly helpful to the hard-pressed utilities.

It is easy when deciding on priorities to look at benefits for the individual and to leave the corporation to fend for itself. But we also need a strong business organization to help provide the jobs which are the basic source of individual income. The huge boost in energy costs has cut sharply into the normal consumer expectations of a rising living standard, and the only way we can get these expectations back on the track is to bost our overall productivity. Part of this can be accomplished when individuals pitch in and determine to achieve more. But we know that the principal effort must be by business providing the tools for such greater achievement. It must be in position to do so, if we are to continue to realize a better life for all.

STATEMENT BY THOMAS J. GALLIGAN, JR., PRESIDENT, BOSTON EDISON CO., TO THE JOINT ECONOMIC COMMITTEE, JANUARY 28, 1975

Mr. Chairman: I am pleased to have the opportunity to speak to you today on subjects which affect everyone of us, young or old,

rich or poor, black or white—the critical condition of the United States economy and, in particular, the energy crisis which has contributed significantly to our economic woes.

I appreciate the fact that over the years this Committee has faced many serious problems in striving to develop constructive policies for the economy of this Nation but, in my opinion, we have never faced issues which are so complex and interrelated on an international basis and which have such severe implications not only for the present but for the long range well-being of this Nation. As complex as these issues may be, they demand immediate and comprehensive response. As I observe the high quality of the membership of this Committee, I am sure that it will lead the way for Congress to act constructively and promptly with equal misery for all.

President Ford has rendered a service by bringing the energy subject to the point where decisions must be made. We have already lost valuable time. It is our belief that a coordinated National energy policy now is absolutely essential if we are to become energy independent and remain economically sound.

It is because of this belief in the necessity for a sound National energy policy that as both a citizen and President of New England's largest single operating electric utility, Boston Edison Company, I must take issue strongly with President Ford's tariff and tax positions and protest most vigorously their adoption on the grounds that they are discriminatory in application and inflationary.

While my remarks refer to New England and to Boston Edison Company, it should be clearly understood that these problems affect most of the Atlantic seaboard, Florida, Southern California, and to a lesser extent, a number of other areas of the United States. It is not a provincial or regional problem but where it does exist it is critical.

EQUITABLE PRICES FOR OIL ESSENTIAL

You may recall that Boston Edison, in January 1974, assumed a leadership role in appealing to the Federal Energy Administration to provide some form of financial credits or some other method of easing the fuel burden for the people of New England. Very frankly, the FEA has failed in its responsibility as charged by Congress in its mandate of "equitable distribution of crude oil, residual oil, and refined petroleum products at equitable prices among all regions and areas of the United States."

After I testified at hearings in September, FEA's response to our plea was in the time-worn mold of "too little, too late." A credit of 60 to 80 cents per barrel was eventually adopted which would have amounted to a savings of about $12 million for Edison customers starting this February—a disappointing and inadequate amount.

Now comes a proposal from the White House which by February 1 would eliminate that small savings just handed down and by April 1 would mean an additional cost of $18 million in fuel prices to Boston Edison customers alone.

We seriously question the authority of the President to impose such a tariff and others are carrying this fight to the courts. The thrust of Boston Edison arguments under which we have been studying taking legal action is the incorrect administration of the "Emergency Petroleum Allocation Act of 1973" by the Federal Energy Administration. We still retain our option to take further legal action in this area.

That we must have a National energy policy is, as I said, essential to our progress as a Nation. But such a policy, instead of penalizing one region unfairly, must be dedicated to benefiting the whole Nation and all its people equitably.

NEW TARIFFS UNFAIR TO NEW ENGLAND

While the President's proposed tax relief program will fall equitably throughout the Nation, surely his energy program will not. In response to past National policies, New England is more dependent per capita on oil products than the rest of the Nation.

A $1.80 per barrel increase in oil prices for New England will cost the region $800 million annually. This is the impact of losing 60 cents under the old oil entitlement program and two additional 60 cent per barrel increases planned in the import tariff in March and April.

This burden will fall heavy on those who rely on residual oil and home heating oil where conservation in New England is at a near maximum. We will pay the penalty even if we can't help the National objective of reduced oil importa.

I feel obligated to also comment on the proposal to decontrol the price of "old domestic oil." Not only will decontrol eliminate any possible economic relief to electric consumers in New England but its inflationary impact will be felt by all. I favor the imposition of a "windfall profit tax" on the oil companies but who is going to impose a "windfall profit tax" on the oil producing nations?

It is here where National policy must recognize the real villain in this drama—our National Government and its inability to deal effectively with OPEC.

In Boston, one can do little to provide consumers economic relief in the short term when we are paying over $13 a barrel for residual oil and foreign governments are are pocketing $9 and more of that cost. This Government has remained mute as it allows tens of millions of its citizens to suffer economic strangulation. We are faced with highway banditry of days gone by on an international scale.

The oil issue is such in New England that average fuel oil costs to Boston Edison rose from $4.61 a barrel to $12.91 a barrel in a little over 12 months. Fuel costs which amounted to approximately $25 million in 1970 rose to $164 million in 1974. At the same time, a consumer using 400 kilowatt hours of electricity a month pays $22.10 for the same amount of electricity which cost him $13.40 in 1970. And the increase was due almost totally to the rise in fuel prices. As a matter of interest, our prices today, including fuel, are at the same level they were in 1921.

Some of you at some time must have been confronted by irate consumers frustrated with their increasing electric bills. They cannot understand that the Government would do this to them and we bear the brunt of their wrath even though fuel costs are the cause.

ADVERSE ECONOMIC IMPACT

While some utilities in the Nation have been hit harder than Boston Edison in the economic crunch, the symptoms are similar. Inflation, reduced consumption, increased interest expense, regulatory lag and additional common stock outstanding, all attributed to a 9.7 percent decrease in earnings per share in 1974. Earnings per share in 1973 decreased 18.8 percent.

We have watched not only our earnings decline but the rating agencies lower our bond ratings from AA to A to BBB. We are faced with a capital program of $760 million in the next five years, which has been reduced $480 million to reflect conservation efforts by our customers. We are concerned with our ability to finance that construction at reasonable interest costs. The construction is essential to maintain reliable service for our customers in the years ahead. We believe the Congress should act promptly to insure that we can meet our service responsibility.

ENERGY CONSERVATION IMPACT

There has been a National need for Americans to respond to energy conservation during this period. We must continue to find ways to reduce our overall use of energy. But energy conservation of itself is not a cure-all. In New England we have been leaders in conservation efforts which is reflected in the fact that energy sales at Boston Edison were down last year 6.3 percent from 1973 levels. The Congress in developing further conservation programs should recognize the leadership already shown by oil dependent regions of the Nation.

It is our firm belief that the need for electric energy will continue to grow. This means it is also essential that we have the Government regulatory machinery to permit that growth to take place in an orderly manner consistent with the objectives of "Project Independence."

Conservation of energy on Boston Edison's system has already caused a reduction in our capital spending program. As we have cut back our construction programs we have reduced our work force by over 600 people. Total announced industry cutbacks now amount to $21 billion as energy conservation and the financial crisis create uncertainties. This does not include the tens of thousands of jobs that will not be required because of these cutbacks.

While continuing conservation efforts, we must also maintain the vitality of our building programs to meet the longer-term needs of our customers. The achievement of energy independence, with the restoration of economic stability in the capital marketplace for electric utilities is a major problem that faces the Congress today.

ENVIRONMENTAL PROTECTION—AT WHAT COST?

I would like to comment on another matter which is of particular importance to a capital-intensive industry such as ours, namely, the cost impact of environmental control regulations. Air and water pollution control equipment is costly to install, to maintain, and to operate. It is in my opinion highly unfortunate that the imposition of such costs is often not justified by the accrual of appropriately balancing benefits. Boston Edison is one of the leaders in the industry in responding to the need and desire for improvement of air and water quality. This is, therefore, and I want to emphasize, not an argument against necessary or reasonable environmental protection measures. It is rather a suggestion some of the measures imposed are unnecessary, cost ineffective or inefficient in benefit/cost terms. They also place a significant added burden on the need to raise capital by utilities.

Let us consider the matter of water quality, especially the regulations of the United States Environmental Protection Agency to control thermal discharges. The Environmental Protection Agency has taken the position that under its legislative mandate it cannot consider whether the installation of closed cycle cooling will have appropriate benefits, but they must impose stringent regulations within the limits of the practicality and availability of technology. This means, for instance, that unless a plant such as our Pilgrim Station Unit #2 can qualify for a strictly defined exemption, costs in excess of $60 million for cooling towers may have to be undertaken even though the Atomic Energy Commission has concluded in its Environmental Impact Statement on this plant a favorable benefit cost analysis of the proposed cooling water discharge system. These costs, I must point out, do not reflect the costs of delay, added interest costs, reduced plant capacity and recent inflationary trends. One has only to multiply the capital impact of this one plant by the number of similar plants in the country to obtain a glimmer of the serious financial implications arising from such regulations.

The regulatory interpretation under the Clean Air Act is also having serious financial consequences which can be avoided. I have in mind primarily the position of the Environmental Protection Agency that constant emission control is to be preferred to other measures such as intermittent or supplementary controls which meet air quality standards a far less costly way. The capital investment in scrubbers which may be necessary for constant emission control is substantial and ranges from $46 million to $80 million for power plants of 500 to 1,000 MW in size. The capital required for the alternate systems is relatively negligible since these systems depend on operational factors such as load reduction or fuel switching. The point I wish to emphasize is that these systems not only require less capital, but permit the use of other less costly fuels—both coal and oil—which cannot now be used. For example, fuel switching could save Boston Edison customers approximately $40 million annually without violating primary air standards.

My recommendation, Mr. Chairman, is that the Congress reexamine environmental legislation to see to it that goals and objectives are not only still desirable in view of the Nation's economic condition but that they bring suitable benefits in view of the costs imposed. The Nation cannot afford inefficiency or unnecessary costs in this time of National crisis.

REDUCE REGULATORY LAG IN RATE PROCEEDINGS

There are two areas in electric rate setting where the Congress could be helpful. The Federal Power Commission is already working on one, the inclusion of construction work in progress in the rate base. This regulatory change would help to overcome reguatory lag by improving cash flow and would also improve the quality of Company earnings. We believe that the time has come when this principle should be adopted not only at the Federal level but, more importantly, by state regulatory agencies as well.

Many utilities in the Nation, including Boston Edison, would not be in the financial posture they find themselves today if state regulatory agencies had acted promptly on requests for rate relief. Our recent area of concern, the period of regulatory lag, which is ten months in Massachusetts, must be reduced and we urge the Congress' support to bring state regulation within a reasonable five-month guideline. Of course, it is essential that decisions be made within this time frame. We have one rate case that has been before the Federal Power Commission for almost five years.

INCREASE THE INVESTMENT TAX CREDIT AND PROVIDE IMMEDIATE REFUNDS

Recommendations to increase the investment tax credit for utilities will be helpful. Certainly the existing discriminatory nature of only permitting a 4 percent investment tax credit rate for utilities and a 7 percent for industry in general should be corrected. The overall rate should be increased to the President's recommended 12 percent for all industry. The limitations permitting the use of the investment tax credit of up to only 50 percent of the tax liability should also be permanently eliminated. The period of time that the investment tax credit can be carried forward or carried back for tax purposes should also be increased. Alternatively, to be helpful to all in stimulating investment with the related increase in jobs, a refund provision could be adopted which, in effect, would pay the investment tax credit immediately in cash to those companies who are not in a position to take advantage of the tax credit as they are in a net operating loss position.

INCREASE PERIOD OF OPERATING LOSS CARRYBACKS AND CARRY-FORWARDS FOR INCOME TAX PURPOSES

Many utilities in the United States have been sustaining net operating losses for tax purposes for many years. Certainly, one way to improve their cash position is to extend the period of carry-backs to a minimum of eight years and to extend the period of carry-forwards to a period of ten years. This is but another way tax legislation can be utilized to help hard-pressed utilities.

NUCLEAR POWER FOR NEW ENGLAND

The success of a sound National Energy Policy with "Project Independence" as the ultimate goal dictates the expansion of nuclear and coal as the primary energy sources for the generation of electricity. In 1974, nuclear energy accounted for 22.8 percent of the total electric energy supply in New England. As the mid-east threat and foreign oil prices stand as twin harbingers of gloom, nuclear energy stands out for this Nation as a citadel of hope.

The nuclear record in New England during 1974 gives credence to our conviction that clean safe nuclear power is the most practical source of energy for the consumers of New England. With natural gas supplies limited, hydroelectric sources utilized wherever practicable, coal burning limited by air pollution control regulations and imported oil prices continuing to skyrocket unbridled, nuclear power provides the least costly, most reliable source of power generation. With six operating nuclear power plants in New England and ten more planned, we are trying to move for fuel interdependence. When compared to current oil prices, it is anticipated that nuclear power could save for New England's base load consumers approximately $1 billion a year on their electric bills in the mid 1980's. But the attainment of these savings depends on our ability to finance and construct the necessary nuclear plants and we just cannot move ahead confidently in this direction if the lead time to license and construct the units remains at the present 10-year level.

In May of 1974, we testified before the Joint Committee on Atomic Energy concerning licensing difficulties we were experiencing at our Pilgrim Station in Plymouth, Massachusetts. I am sorry to report that although the Atomic Energy Commission (now the Nuclear Regulatory Commission) has made efforts to speed up the licensing process, no action has been taken on our recommendations. In fact, the situation has deteriorated markedly. If we are serious in our desire to achieve our energy goals, we must take positive action in the nuclear licensing area as well as provide an economic climate that will encourage the construction of nuclear plants. In their deliberations it is imperative that Congress fully understands the importance of nuclear power to our energy survival.

MORE RAPID DEVELOPMENT OF DOMESTIC NATURAL RESOURCES

I am sure we all agree that the ultimate attainment of fuel interdependence requires immediate and concerted attack on many fronts. To be sure, nuclear power plant expansion is a major step in that direction. But, by definition, energy interdependence dictates a more rapid development of our own natural resources. We should already be well on our way to developing these resources under National guidance. Offshore drilling must be explored, encouraged and brought to national reality; exploration and production of shale oil must be enhanced to bring domestic sources of petroleum to such a level as to neutralize reliance on imported oil. We have coal to be mined and new coal fields to be explored. But long-term contracts for coal as a product are required to fully realize the potential of this natural resource. The Clean Air Act may have to be amended so that those facilities able to burn coal may find it available and thus be encouraged to make use of it. We have no realized the potential of our own resources and now find ourselves dependent on others who technologically lag far behind this nation. Time has been lost already—we must not lose anymore.

CLOSE

Mr. Chairman, as Congress reconvenes, it finds the most capital-intense industry in the Nation—the electric utilities—hard hit by inflation, conservation, stampeding environmental costs, deep recession and international brinksmanship.

We need and will support a National energy policy which has as its basic premise economic equity for all citizens—a sharing of the National burden among all regions of the Nation. . . .

We need to accelerate the development of our domestic energy resources such as coal and off-shore oil. . . .

We need help in speeding up the regulatory process in licensing nuclear power plants and in rate proceedings before regulatory commissions. . . .

We need tax relief that can be utilized in order to raise lower-cost capital and also relieve the pressure of increasing electric rates on consumers.

. . . And to be effective we need these actions now.

I promise you the support of Boston Edison in achieving these objectives.

STATEMENT OF DONALD CRAWFORD, PRESIDENT, EDISON ELECTRIC INSTITUTE; ACCOMPANIED BY STANLEY RAGONE, SR., VICE PRESIDENT, VIRGINIA ELECTRIC AND POWER COMPANY

The electric utility business was formerly thought to be a rather prosaic affair. Some of us in it would not agree with that assessment. But certainly today it is a far different business than it used to be. Today we face broad array of serious, complex and interrelated problems that challenge our very ability to meet the nations needs for electricity.

In our country there has been a long term trend toward the greater use of electricity. In 1930, 10 percent of all the energy used in the country was used to generate electricity. At the present time 25 percent of all the energy goes into electricity; our studies indicate that by the end of the century 50 percent of all the energy produced will be toward electric.

There is very little question but that the nation is going to require additional amounts of energy, and increasingly it will be electric energy. We believe that the rate of increase of total energy use should and probably will abate. But this is not true in our view about the increased use of electric energy.

The question is, how can electric utilities best provide the requirements that the nation puts upon them.

I believe that there are four basic points to bear in mind: 1, electric utilities must be financially strong to attract the investment funds needed to build the needed facilities.

2. We must be able to build the facilities that are needed. We must receive approvals for building utility facilities expeditiously.

Third, we must have adequate supplies of fuel that we are permitted to turn.

And fourth, we must function with environmental regulations that also recognize the nation's needs for electric energy.

Let me amplify each of those four points briefly. As far as the financial viability of the electric untility industry is concerned, there are two basic ways to approach this, and both of them are quite essential. The first, and indispensable way to resolve this problem is that we must streamline and improve our tight regulatory procedures. And the President in his message included a number of points along this line which would be very helpful.

The second basic way to help restore the industry financial viability is through a number of tax related pressures. The one that your industry feels would be the most effective would be to make dividends on common and preferred stock of utility companies tax exempt to the recipients. The President, as you know, has proposed that the preferred stock dividends paid by utilities and others would be tax deductable to the payor, not to the payee. And that would be a useful provision to have. But we feel that even more

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useful would be a tax exemption to the recipient of these dividends.

We also favor strongly the increased investment tax credit. Utilities in the past have been discriminated against here. We have had 3 percent and then 4 percent while the rest of industry has had 7 percent. We would favor going to either the 10 percent or the 12 percent, but with some changes than those that have been previously discussed. It seems to us that it would be more useful to have a longer period than that outlined in the President's message for one year for every one, and then another two years for utilities under certain conditions. It would be much better if it were a more permanent provision.

Secondly, it would be helpful if the investment credit applied not to the plants put into operation in a particular year, but rather the construction expenditures during these years.

And thirdly, the idea that was previously enunciated by the administration, of after three years having tertiary payments back to individual companies if they had not been able to take advantage of the investment credit, seemed to us to have a considerable merit. And there are a number of utility companies that do not pay taxes because their incomes are inadequate in the light of their other requirements, so they would have no way to take advantage of investment credit. And the proposal that was made some months ago was that in most cases after three years there would be a provision whereby those companies would benefit from the tax credit.

With respect to our ability to build utility facilities, we must find a way to more expeditiously hear and grant approvals to proposed utility facilities. Whether the answers are yes or no, we need to have a more expeditious way of arriving at a conclusion. And this is particularly true in the case of nuclear plants where despite good efforts, I think, by the Atomic Energy Commission, it still requires on the order of 10 years from the date of decision to the date of operation for a nuclear plant. In Japan and France and other countries it takes much less time than this.

With respect to fuel, we believe that the fuels to meet our electric power requirements in the years and the decades ahead must be based primarily on coal and on nuclear energy.

We believe that it makes good sense to try to conserve our oil and gas resources for other uses for which they are uniquely qualified. But we must bear in mind that it is going to take some time for the change to be effective. The companies in the South and Southwest parts of our country, for example, who, consistent with national policy, built their electric power systems on the basis of burning natural gas, require extended periods of time to be able to convert those facilities over to burning other fuels.

With respect to oil also, and the President's proposal for increasing the tariff for imported oil and imposing an excise tax on domestic oil, while we can understand that as a means of achieving energy independently, or moving in that direction, and providing incentives to go to other fuels, it does seem to us that in the case of oil and gas that is used for electric utility purposes, that there should be exemptions from those tariffs and taxes.

In the case of the companies that burn oil, they have very little ability to alter their furnaces to burn other fuels. In the case of companies in the Northeast, for example, if they were to burn coal, if they could get it, they would not be able to comply with the air quality regulations. They only recently converted some of these plants from coal to oil. And they have a physical inability now to go back to coal in any short periods of time. And therefore they have no choice but simply to continue to burn the oil and to pay whatever tax is imposed upon it. And we think that would further exacerbate the financial problem of some of the utilities that rely heavily on oil.

Finally, with respect to environmental requirements, we feel that they must recognize that there is another side of this coin, and that is the nation's need for electric energy. One primary point here is the Clean Air Act. And we believe that it must be amended to allow greater reliance on the nation's coal resources. And we believe the way to do that is to permit industry, including utilities, to meet the so-called ambient or health standards in alternate ways and not to require the scrubbers to be installed, and not to require emission standards, but to concentrate instead on the ambient and health related standards.

One final point that is that Act should be amended to clarify the meaning of significant deterioration.

Mr. Chairman, that is a very brief summary of some of the principle points that I wanted to cover.

EXCERPTS FROM THE TESTIMONY OF MILTON D. STEWART, ON BEHALF OF NATIONAL SMALL BUSINESS ASSOCIATION, BEFORE THE JOINT ECONOMIC COMMITTEE, HOLDING HEARINGS ON THE ADMINISTRATION'S ECONOMIC PROPOSALS, JANUARY 28, 1975

To many small businessmen the present worsening and unprecedented stag-flation looks more serious than any of the other post-World War II recessions. The structure of our economy seems to have changed as has its ability to recover quickly in cases of economic downturn. In terms of origin, this may turn out to be the first of the "Dinosaur Economy Capers"—the joint product of the ineptitude of bigness in business and in Government. The two precipitating shortages—capital and energy—are centered in industries which are supposed to be regulated in the public interest. Both are tied to foreign policy and world trade, the special preserve of the Federal Government and the playground of the multinationals. Both are managed by a combination of corporate managers and public officials who presumably know one another very well and talk frequently.

There is no time for it right now but at some point it would be instructive to see a coherent review of exactly how big Government and big business managed to blunder in their inability to anticipate the impact of both the energy and capital problems. Perhaps we need a major study by this Joint Economic Committee on the "Risks and Costs of Bigness in Business and Government." We need to really understand who did, or did not do, what to whom, when and how, to bring about the present situation. We need to really understand the significance of the spotty impact of this recession—the devastating situation in communities where a few big companies dominate the economy; the milder impact reported recently in the press from places like Richmond, Virginia, and Cedar Rapids and Muscatine, Iowa, where there is no excessive reliance on the "big business in town."

We need to see through and understand the meanings of a shutdown of a major national retailer of 125 stores after it lost $175 million in a single year. Would 125 single entrepreneurs, owning and managing those stores as separate businesses, all have gone broke at once? What is most distressing is the prospect that the relative shrinkage of the competitive section of the economy may be losing us the resilience and swift "recovery ability" that a diverse economy permits.

All of us are going to pay for those failures for a long, long time. Small business has been paying for them already—for the past 18 to 24 months.

It is clear that the machinery for managing the Federal side of the economy is not yet adequate to its mission. It is also clear that big business cannot make up for Federal management deficiencies and that its overseas financial and resource programs and activities are out of public policy control.

My reason for using the term "Dinosaur Economy Caper" is to emphasize three points about this downturn. First, our Government and big business seem not to have been able to forecast, plan for, adjust to, or manage change. Neither the capital crunch nor the energy crisis happened without warning. Although huge, dinosaurs were not very good at either contingency planning or anticipating crises.

Second, the "dinosaur" size of more and more units in our economy has introduced some new elements or made old ones more important, and we have not yet adjusted to the changes. "Structural inflation" is the other side of increasingly imperfect competition, market domination, conglomeration and size. There is no doubt about the ability of the Federal Reserve to choke credit and capital to small business very quickly and effectively. But it takes longer for results to show with multinational banks and multinational companies. But after a while the Fed's efforts directed at "dinosaurs" squeeze everybody else in the economic forest past the point of toleration.

And third, with corporate "dinosaurs" as in all of life—the bigger they are, the harder they fall. The collapse of a Lockheed or Penn Central or the next King Kong Conglomerate to go, brings down thousands of jobs, thousands of stockholders and many millions in asset value. At least when we fail in small business, and we fail plenty, the carnage of each failure is not so great.

The basic purpose of all of our recommendations is to help small business acquire the ability to survive two bad years in a row. It is that ability, rooted in greater stability of capital access and in tax policies that favor it unduly that give big business most of its real edge, as against its well-publicized self-glamorized edges. We want for small business those things that will help, not just small business owners and managers but their employees and the economy as a whole. In our judgment that takes a four-point immediate and permanent tax relief and stimulation package. We agree that prompt tax relief is needed; but to equitable and effective that relief must be related to the size of the business affected. We have learned in the hardest possible way that "flat-headed" tax policies—whose benefits or burdens are applied "flatly" with the same percentage to all business regardles of size—discriminate against small business. *We urge the Congress to shape a recovery program which will make this the first recession which did not leave small business still further behind the growth of Government and big business as a result of inadequate Federal policies.*

There are two reasons for relating size to recovery support. First, the same logic and commonsense applies to the taxation of business which led us to progressive income tax on individuals. Simple equity demands that the broadest taxpayer carries the biggest burden, and the smallest gets the most relief when it is needed. Second, the same percentage of income taxed from a large and small company leaves the small company with far less ability to use its remaining income for its other needs. It has been demonstrated again and again that the effective tax rate on big companies is far less than that on small companies (see the recent data released by Congressman Vanik of Ohio). "Flatheaded" tax policies simply pyramid the pro-bigness bias already in the tax laws.

Our four-part small business tax package is designed to provide help to every single small company in the country regardless of its industry, regardless of its current profitability, and regardless of its size within the small business community. We need the fairest, widest-ranging direct stimulus throughout the small business sector and no one tax measure will give it to us.

First, the corporate surtax exemption should be increased from $25,000 to $100,000 (this is long overdue because of inflation anyway, $100,000 is little more in adjusted dollars than the $25,000 established in 1938). At our request and that of other small business groups, SBA has furnished us with data showing the economic impact of such a reduction. Based on 1970 tax data this change would leave about $1.5 billion to stimulate the small business sector. It would help about 150,000 corporations which pay normal tax and surtax and have incomes of more than $25,000. More than 90% of the relief would go to companies with less than $1 million in pre-tax income. No company would receive more than $20,000 in relief. This part of the package would give most help to the growing small business which is still able to show a reasonable net income.

Second, to help the smallest taxpaying businesses, we would modify sharply and progressively the President's corporate tax rate adjustment. His proposal in the traditional "flatheaded" manner makes no size distinctions. It would keep the tax on the first $25,000 at 22% and reduce the rate above $25,000 from the present 26% to 20%. That would make the total burden for both small and big companies 42% as against the present 48%. As to the companies with income under $25,000 (generally the smallest ones), this appears to be a step backwards. They get *no* relief. Since there is no limit on the amount of relief given, the bulk of this reduction's benefit, estimated by Secretary of Treasury Simon to be $6 billion, would go to larger companies. We leave to Congress the question of what reduction, if any, should be made in corporate surtax rates above $25,000. As to most larger and professional small businesses, our first proposal may be adequate. Our greatest concern in the second proposal is to provide a reduction in the initial 22% rate on the first $25,000. *A reduction here to 10% would truly relieve the smallest profit-making, taxpaying businesses the most.* If it is administratively feasible we would be content to see the reduction limited to companies which meet the SBA size definition of small businesses.

Third, we would provide some direct help to those small companies which show losses as a result of this recession or when their earnings are fluctuating wildly. We recommend that small business—defined by SBA standards or in any reasonable way satisfactory to IRS—be given a 10-year loss carryforward and carryback. To keep from encouraging piratical big business mergers and acquisitions for tax avoidance purposes, we would limit transferability of this special tax relief to *one* subsequent merger or acquisition and *only* with or by another company which also meets the small business definition.

Fourth, we would improve the investment credit proposal in two ways, one of which is easy and one more difficult. First, small companies defined by present SBA regulations should get a 20% credit, larger companies should be held to 10%. This compares with the President's "flatheaded" 12% for all companies. Second, small companies should be given the alternative of using part or all of the credit for buying "people power" as well as machinery. The credit should be useable for the one-time creation during the next taxable year of up to two new jobs by any one business. We know this is difficult of administration but it is important enough to try to learn how to make it work. Otherwise, the vast majority of businesses will not be able to use the tax credit at all in a meaningful way. In one recent year, slightly more than half the benefits went to a grand total of some 350 companies! The benefit of this credit, if it is to help the economy as a whole, must be more broadly and fairly available.

On the energy crisis we are really not ready with specific recommendations. A spot-check of a dozen small business leaders and operating managers in 12 States persuades me that while they are somewhat concerned about the economic impact of the energy crisis, they are far more worried about their Government's ability to understand and deal with it quickly, effectively, and fairly. Several expressed surprise that "it has taken them so long in Washington", others fear that "we may be in for some bloody Watergate battle between the President and Congress, this time about energy". They are less concerned about the precise steps to be taken than that their national leaders do not upset the country or take too long in agreeing on action. They know Democrats and Republicans will not agree about some measures. They know the President and Congress will not always see things the same way. But their strongest view may be summarized as a hope that there will be an early moratorium on elbowing for political advantage on energy.

"Wait till next year as they used to say in Brooklyn" as one small manager put it "there will be plenty of time to begin politicking then. We cannot afford a nasty and divisive rhubarb about energy between regions, we cannot have an ugly squabble about whose scheme for equality of inconvenience is better. Those people on the unemployment lines are out of patience and so are we. The President and Congress will get together; they might as well do it quickly."

We believe strongly that the Congress must be an equal partner with the President in making those choices. Perhaps one reason *we* believe that as strongly as we do is that under seven Presidents now, four of one party and three of the other, we have seen the Congress take the lead again and again on small business issues. Without exception every small business policy advance has originated in the Congress. We hope more will come soon. We have emphasized here our immediate need for tax changes as part of the recovery program. We will be making other recommendations on energy and other economic policy in the near future.

NOT A DIRTY WORD—PRODUCTIVITY

Mr. PROXMIRE. Mr. President, with the President's fiscal year 1976 record-setting budget before us and employment exceeding 8 percent, it is time for every Member of Congress to redouble his efforts to push our Federal agencies to accelerate their efforts to increase productivity.

In September of 1970, I initiated a joint Federal study, conducted by the General Accounting Office, Office of Management and Budget, and the Civil Service Commission, on "measuring and enhancing productivity in the Federal Government." In June of 1973, the joint task force produced a final report covering 45 agencies, some 187 organizational elements in those agencies, and involved 60 percent of the manpower in the Government for the period fiscal year 1967–72. The results were encouraging and, perhaps for the first time, it became evident that the Federal sector could and should measure productivity.

As chairman of the Senate Appropriations Subcommittee on HUD-Independent agencies, I have asked the agencies under my subcommittee jurisdiction to report what proportion of their activities are covered in their productivity data, what type of index they have developed for measuring productivity, and what steps they have taken to increase productivity through consideration of first, capital investment; second, reorganization of functions within the agency; and third, workload evaluation. Increased taxpayer demands for services makes it mandatory that the Congress take the initiative to secure this kind of information agency-wide, on a regular basis.

Mr. Ted Hutton, labor relations supervisor of the Allen-Bradley Co. in Milwaukee, Wis., was kind enough to send me a copy of an article he wrote on productivity entitled "Not a Dirty Word." Although much of what Mr. Hutton says pertains to the private sector, I feel that the article is timely and is easily applicable to Government as well.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOT A DIRTY WORD

Economists, union leaders, businessmen and government leaders all talk about productivity. A few people may consider it a "dirty word," but nearly everyone agrees on the need to continually improve our national productivity. They may not always agree on how to accomplish this, but they do understand that our economic well being is heavily dependent on it.

Today our nation faces serious economic problems, including inflation and foreign competition. Each of us has a part to play in finding solutions to these problems—our jobs depend on it. Each of us also wants higher wages, better working conditions and more leisure time for ourselves and our families. In order to achieve our common objectives, we must improve our ability to produce products and services more competitively.

Productivity is not a dirty word—it's a very important part of our daily lives. The National Commission on Productivity has a slogan which says "America. It only works as well as we do." What we want to understand is: How does improved productivity benefit everyone—the customer, the employee, the company and the nation?

To understand productivity we have to answer four questions:

1. What is productivity?
2. Why is productivity important?
3. How do we improve productivity?
4. Who is involved in productivity?

First, "What is productivity?"

It's not easy to dene, but the heart of the matter involves the amount of goods and services that we produce in a given period of time. Productivity is a measure of efficiency: we divide the total output of our goods and services by the number of hours we took to produce it.

Probably the best way to understand the definition is to see how it works in actual practice. The accompanying example (see figure 1) applies to all types of jobs, not only those in the factory. And it's basic to the understanding of our economic system.

Why is productivity important?

The answer is clear—if our productivity

increases at the same rate as our wages, we can avoid rising prices. If wages increase faster than productivity, then the cost per product rises and prices must be increased. The result is inflation, which hurts all of us.

As this example shows, if we do not offset our increased costs, prices have to rise. And when prices rise, consumers almost always suffer. The real objective is to increase productivity to justify higher wages and salaries without causing higher prices for the products to buy. Inflation must be controlled if we are to continue to compete in the world market and continue to have a high standard of living. Better working conditions and more leisure time are dependent upon our ability to produce more. And our company's ability to pay competitive wages and salaries is tied in directly to our level of productivity.

To be a successful business we must compete effectively with other U.S. companies. We are able to sell our products if our quality is acceptable, our customer service is dependable—and the price is right. Our jobs are protected if we can continue to sell our products instead of losing our customers to a competitor because his prices are lower. That loss could result if the companies we compete against increase their productivity more than we do.

Another area that concerns most companies is foreign competition. More and more we realize that we live in a world that is interdependent. We not only compete with foreign companies here in the United States, but we are also attempting to sell our products in other countries. It is a well-known fact that many foreign countries have lower labor costs than we do in the United States. The only thing that has enabled us to compete in the past has been our high level of productivity, which made it possible for us to produce more products at a lower cost. If we are to continue to compete successfully in the world marketplace, we must continue to depend upon a rising level of productivity.

The third question we must discuss is "How can we improve productivity?"

One way is through better management techniques. This means improving training, planning, scheduling, organization, plant layout and other programs tied to productivity. Management must be prepared to make better decisions on the use of our resources. This includes all areas of the company such as manufacturing, research, sales and administration. Each manager must do a better job in directing the people who work for him to get the work done in the most efficient and effective way possible.

The second way to improve productivity is through investment in machinery, tools and equipment. The United States has long been a leader in developing better ways to produce products and services. The past years have proven to us that, as a nation, our investment in machines has not resulted in fewer jobs for the American people, but in more jobs. Other countries are learning this lesson. They have invested heavily in new plants, machines and equipment, and they are becoming more productive.

The third way to improve productivity is through better individual and group effort. Each of us, regardless of the job we hold, can find better and more efficient methods to do that job. We must also find ways to be more effective as a team because by working together we can all be more productive. Each individual and each group of employees has ideas that would help increase our output. Every company, in order to compete, needs these ideas. Each manager should encourage his employees to develop their ideas for improved productivity.

The fourth question is "Who is involved in productivity?"

The first answer to this question is "You." Each person has a part to play because he or she has a job to do. If that job is performed better, our productivity as a company will increase.

The second answer to this question is "Everyone." Assemblers and machine operators who are responsible for putting our products together must find ways to work more efficiently. The employees who maintain our plant and equipment—people such as electricians, machine repairmen and tool and die makers—must find ways to keep the machinery operating at peak levels and avoid the downtime which lowers our company's productivity. Engineers and technicians are involved in the design and development of our products, and they have to be concerned about productivity, too. We must design our products not only to meet the needs of the customer, but also so that they can be manufactured as efficiently as possible. Secretaries and clerical employees are involved in finding better ways to handle the mass of paper work associated with our business. Managers are involved because they are responsible for directing the work of others and making decisions on work assignments, products and the use of machinery and facilities.

What does all of this mean? It means that every one of us is involved in the effort to improve productivity. We have to recognize the need for improved productivity and then, through teamwork and cooperation, work together to make it a reality. We have all seen examples of how good teamwork and cooperation have brought success to an organization. This is true of our nation, and it is true of our company.

Two questions remain for us as individuals to answer. They are "What can I do?" and "What will I do?" to contribute to improved productivity.

FIGURE 1

If you worked 2,000 hours last year at $3.50 an hour and produced 10,000 "widgets," your output per hour was five widgets—total output divided by total hours worked. The labor cost per widget would be 70¢.

Let's assume that wages are increased by 3% so that your wage rate per hour is now $3.61. If there were no increase in your productivity, the cost per widget would be 72¢.

But, if your productivity also increased by 3%, you will be able to produce 5.2 widgets per hour, instead of 5 widgets. With the increase in productivity, the labor cost per widget will still be 70¢.

CBS MORNING NEWS INTERVIEW

Mr. ROBERT C. BYRD. Mr. President, on Tuesday, February 11, I was interviewed on CBS' Morning News by correspondent Bruce Morton.

I ask unanimous consent that the transcript of the interview be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

TRANSCRIPT

BAUCE MORTON. Senator, the President has been stumping the country this past week or two, saying that he has a program and that Congress is a do-nothing bunch that is only interested in negative things, and in delaying his program. How about that?

Senator BYRD. I think it's a bit anomalous for a President who was not elected by the people, to go around the country criticising a Congress—which was elected by the people—for not being a rubber-stamp Congress. Congress has had the President's proposal less than a month. Congress has been in session now four weeks today. Congressional committees are actively considering the President's proposals—proposals which were delayed five months before reaching the Congress—delayed by virtue of indecision, inaction, and, to some extent certainly, insensitivity to the severity of the problems. The President didn't admit that there was a recession until mid-November.

MORTON. Is he just playing politics, then?

BYRD. Well, I would say he's scoring some propaganda points, but they're not really going to hold up, because Congress is working on his proposals. Where it can agree with him, it will support them; where it thinks there ought to be alternatives, it will come up with alternatives.

MORTON. Mr. Ford keeps saying he has a program, a thing that's whole, but, in Congress, somebody has an idea here, an amendment there, and snip it here and there. Can Congress get an organized act together?

BYRD. He does have a program, and we have to commend him for that. But it took him five months to send it to Congress. But he has at least presented a program and he has a right to defend it. But the Congress, which was elected by the people, not only has a right but also has a duty to examine that program, and where it can't agree with parts of it, come up with alternatives. And the Congress is coming up with alternatives. In the Senate, an ad hoc committee has been appointed to advance proposals dealing with the energy problem and with the recession, and it has been working with the staffs of the various legislative committees and it will be coming forth with proposals.

MORTON. That's this draft report that's in the Washington Post this morning—the gasoline tax proposal?

BYRD. Well, if we look at the President's proposal to slap an import tariff on oil imports—that is a sock-it-to-the-consumer approach, and it will amount to a hidden tax not only on gasoline, but also heating fuels; it will increase the price of coal; electricity; airline tickets; bus fares; freight rates; fertilizer. It will go across the board, and it will really mean a tax on everything that is based on petroleum—every product that is petroleum based—your synthetic textiles and petrochemicals products. But the proposal that we're working on—and we haven't come to a final conclusion on it— would be focused on the recession, and would trigger a phased-in gasoline tax based on unemployment and a more productive economy.

MORTON. How would it be based on unemployment?

BYRD. As we advance more and more toward a full production, full employment economy, the gas tax would be phased in—starting with a penny—and as each penny on a gallon of gasoline means a billion dollars in revenue, these revenues would go into an energy trust fund that would be administered by an Energy Production Board. And the idea of the trust fund would be to fund those programs that are calculated to conserve energy and to develop new sources of energy.

MORTON. So it would go into things like developing shale oil technology, and things like that?

BYRD. That and synthetic oil, synthetic gas from coal. And it would also help to pay the tax incentives that are intended to lead the insulation for homes. It would pay for the development of a program that would lead eventually to a more fuel-efficient automobile.

MORTON. What are the real chances of the Democrats in the Senate being able to get together on some program like this. I remember Russell Long coming out of the caucus in the last Congress saying there are as many viewpoints in their as there are Senators.

BYRD. That's true. There are 535 members of Congress. But I think the members of Congress realize there is a necessity for our coming up with a program. Now, if we're not going to adopt the President's program, we have a responsibility to come up with alternative proposals. And we will do that. We will support some of the President's proposals, for example, the investment tax credit—it may be modified a little bit. The tax cut—we may modify it somewhat. So we are going along with these proposals.

A mistake was made, I think, in the beginning, when the President didn't bring the Congress in on the take-off as well as on the landing. If he had brought the congressional leadership in before he presented this program—which was presented to the Congress in his State of the Union message, developed in secrecy, cloaked in mystery, and held as though it were highly classified material—if he had brought the congressional leadership in at the beginning, I think we would have raised objections to this oil import tariff, which is going to be highly inflationary and which is going to contribute to more unemployment, and perhaps we could have agreed on a program which we could all have supported together.

But instead of that, he presented the program right out of the blue, and now complains that the Congress—which has not yet had the program four weeks—has not already rubber-stamped it. I would say that, if the President would have called the leadership in at the beginning, we would have the kind of program we could work together on, there would be greater cooperation, and the American people would benefit thereby.

MORTON. Senator, thank you very much.

QUORUM CALL

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THIRTY-MINUTE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 11:49 a.m., recessed until 12:19 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BUMPERS).

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Mr. RANDOLPH. Mr. President, is there a time limitation on statements?

The PRESIDING OFFICER. There is a 10-minute limitation on statements.

UNANIMOUS-CONSENT AGREEMENT—H.R. 2634 AND H.R. 1767

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I have cleared the following unanimous-consent request with the leadership on the other side of the aisle, and with Mr. JACKSON, Mr. KENNEDY, Mr. MCGOVERN, Mr. LONG, and Mr. RIBICOFF on this side of the aisle.

I ask unanimous consent that, beginning tomorrow at 12:30 p.m., the Senate proceed to debate the measure raising the debt limit ceiling; that there be a division of the time between Mr. LONG and Mr. CURTIS on that measure; that time on any amendment thereto be limited to 30 minutes, to be equally divided and controlled in accordance with the usual form; that no nongermane amendments be in order; that no rollcall votes occur prior to 4 p.m.; that if any votes are ordered on any amendment thereto, debatable motion or appeal, such rollcall votes occur prior to 4 p.m., and that at 4 p.m. the Senate proceed to vote on the measure itself if no votes on amendments have been ordered thereto, and, in thte alternative, that if rollcalls are ordered on amendments thereto, such votes occur back to back, beginning at 4 p.m.

Mr. HOLLINGS. Mr. President, I would hope not to object, but the distinguished assistant majority leader spoke about nongermane amendments. I discussed the matter of the Federal employee cut amendment, which we would bring up at this particular time. I do not mind about time limitations, but many Senators who are interested in that matter would like a vote on it at this time.

Mr. LONG. Mr. President, I would hope that the Senator would make his request, in effect, with regard to both this bill and the bill involving the limitation of the President's power with regard to oil import fees, so that the two could be considered together, because I think that there are Senators who would be perfectly content to agree to this measure provided they would have an opportunity for amendment votes, also.

Mr. ROBERT C. BYRD. Yes. If the Senator from South Carolina would withhold his reservation, I would like to proceed to expand upon the unanimous-consent request.

I ask, further, that immediately upon the disposition of the measure in relation to the debt limit tomorrow, there be not to exceed 2 hours tomorrow, to be equally divided and controlled for the purpose of debate on the measure in relation to the oil tariff which has been imposed by the President on imports, the time to be divided between Mr. RIBICOFF and Mr. CURTIS; that on Wednesday, at 11 a.m., the Senate resume its consideration of that measure, with the time for debate thereon divided and controlled as stated heretofore; that there be a time limitation on any amendment to that measure of 2 hours, to be equally divided and controlled in accordance with the usual form; that no nongermane amendments thereto be in order; and that a final vote on the tariff measure occur at 5 p.m. on Wednesday, with the understanding that rollcall votes on amendments thereto could happen at any time during the day.

Mr. HOLLINGS. Mr. President, I would still have to object. That does not take care of the amendment we are talking about on the limitation of Federal employees. I was trying to listen closely to the distinguished acting majority leader as to a provision for that matter.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I add to my request that paragraph 3 of rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Chair and I thank all the Senators. I thank especially the Senator from South Carolina and the Senator from Florida (Mr. STONE).

The texts of the unanimous-consent agreements are as follows:

Ordered, That at 12:30 p.m., Tuesday, February 18, 1975, the Senate proceed to the consideration of H.R. 2634, the debt limit bill, and that debate on any amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That time for debate on the question of the final passage of the said bill shall be equally divided and controlled, respectively, by the Senator from Louisiana (Mr. Long) and the Senator from Nebraska (Mr. Curtis), or their designees: Provided, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

Ordered further, That no rollcall votes shall be in order on this bill until 4:00 p.m., February 18, 1975. At 4:00 p.m. the Senate shall proceed to vote on any rollcall votes that have been ordered, if ordered, and immediately thereafter shall proceed to vote on final passage of the bill.

Ordered, That immediately following the vote on the debt limit bill on Tuesday, February 18, 1975, the Senate shall proceed to the consideration of H.R. 1767, the oil tariff bill, with 2 hours on the bill to be equally divided and controlled by the Senator from Connecticut (Mr. RIBICOFF) and the Senator from Nebraska (Mr. CURTIS) or their designees.

Ordered further, That on Wednesday, February 19, 1975 at the hour of 11:00 a.m., the Senate resume consideration of H.R. 1767, with debate on any amendment to be limited to 2 hours, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment, the time in opposition thereto shall be controlled by the Minority Leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That time for debate on the question of the final passage of the said bill shall be equally divided and controlled, respectively, by the Senator from Connecticut (Mr. RIBICOFF) and the Senator from Ne-

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braska (Mr. CURTIS), or their designees: Provided, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

Ordered further, That vote on final passage of this bill shall occur at 5:00 p.m., Wednesday, February 19, 1975.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PERCY AND DESIGNATING PERIOD FOR ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow, Mr. PERCY be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business, not to extend beyond 12:30 p.m., with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

A LITTLE HELPFUL CRITICISM

Mr. MATHIAS. Mr. President, I think one of the more unhappy developments in the recent weeks has been the exchange of criticism—not helpful criticism; I think destructive criticism—between Capitol Hill and the White House. Each branch of the Federal Government seems to have decided that it wants to criticize the other. I think this is not helpful in a time in which consensus is so desperately needed and serious problems confront this Nation.

There is a role for each branch of Government to play, and each branch of Government should play that role. I think it contributes very little to the national debate for either of us to point the finger of blame and criticism at the other. Differences of opinion are natural. Differences of opinion, I think, should be encouraged. One of the purposes of debate, one of the purposes of legislative debate, is to exchange views and to have a thoughtful, rational discussion about varying ideas and then to decide which one of those ideas is the best. That is perfectly proper, and I am not criticizing that kind of debate; but I think it ill behooves either Members of Congress or the President or members of the President's Cabinet simply to point the finger at the other body and say, "They are doing wrong." I think that is a great mistake.

This morning, the Senate had the benefit of hearing the Senator from Utah read the Farewell Address of our first President. I wish to take the very few moments that will be required to repeat one paragraph of that address which, it seems to me, addresses itself specifically to the question of the relationships between the branches of the Federal Government. That paragraph appears on page 17 of the printed copy which each Member of the Senate has received today. It reads as follows:

> It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes. To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for through this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Mr. President, I think that is very pertinent, with the kind of dialog which has been taking place since this Congress began on the 14th of January. Each branch has been accusing the other of meddling in its affairs, when, in fact, I believe, an impartial observer would have to conclude that either branch may have made mistakes, but that both had a perfect right to exercise their constitutional powers in the manner in which they are set forth.

I hope that the reading of Washington's Farewell Address will be more than a patriotic formality; that people will remember that Washington was the President of the Constitutional Convention as well as the first President of this Republic; that when he spoke, he spoke from a personal knowledge of what the founders of the Republic intended, and that when he gives us his Farewell Address, he is giving us his ultimate advice on the conduct of the Government that he helped to construct. It is the greatest Government that has ever been constructed.

I believe we can take to heart the words of the craftsmen, the builders; and by taking them to heart we can perhaps make that Government which they built work better in our time, as he hoped that we might.

CHANGES IN ANNOUNCED RECESS SCHEDULE

Mr. WILLIAM L. SCOTT. Mr. President, in line with what our distinguished colleague, the Senator from Maryland, has said about attempting to eliminate unnecessary frictions between our branches of Government, I would like to thank the majority whip for not considering major legislation during the past week, after we had believed that we were going to have a recess.

I realize that a merchant marine bill was considered and passed on a voice vote. I understand this is a measure that Congress had previously passed and which was vetoed by the President. The objectionable feature was eliminated, and it was repassed.

I would like to venture the hope—and I see the distinguished majority whip in the Chamber—that we would know well in advance should there be any change in the future program as outlined by the leadership, so that this minimum of inconvenience that we had would not occur again.

I believe we have a schedule for the Easter recess and the Memorial Day recess. I want to go ahead and make plans for these two occasions on what to do, whom to visit.

I am sure that every Member of the Senate wants to make plans. If the leadership is aware in advance of any change in the program as they have announced it to us, I would hope they would let us know as soon as possible so that we will not be locked in with respect to making plans for the wise use of our time when the Senate is not in session and, perhaps, will not be inconvenienced even to he minimum extent that we were last week.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Virginia makes a reasonable request. On behalf of the distinguished majority leader and myself, I assure him that we will do everything within our power, so far as we are concerned, to bring the matter of the subsequent recesses to the attention of our colleagues, so that if there is a change—and there very well could be in the Easter recess, for example—Senators would be notified as early in advance thereof as possible so that they can accommodate their schedules thereto.

Mr. WILLIAM L. SCOTT. Mr. President, I thank the distinguished Senator. I think the leadership has performed a valuable service to each Senator in attempting to outline for us the program for the entire year. I commend the leadership for this. But if there is a change, if they could give us as much notice as possible, I, for one, would greatly appreciate it.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, may I say for the record that when the joint leadership laid out the schedule of recesses last December, we, of course, were not aware of the fact that Secretary of the Treasury Simon would appear before Congress on the 23d of January and state that the debt ceiling would be bumped at midnight tomorrow night, February 18. We were not aware of that. Nor were we aware at that time of the President's proposal with respect to the imposition of a tariff on oil imports. We did not foresee these things coming about.

In the wake of the introduction of these facts, which we could not foresee at the time of the December announcement, we felt that we ought to take this matter up before the Democratic policy committee. It was the unanimous view of that committee that the recess ought not to go forward.

The leadership in this instance, as in every instance, attempts to protect, as much as it can, all Senators by giving them adequate notice in advance of any rollcall votes which may occur. It was the intention of the joint leadership during last week that if a rollcall vote should develop on Tuesday, Senators would be given a 24-hour notice and there would be no rollcall votes on Tuesday; that any such rollcall votes, if ordered, would occur on Wednesday and Thursday.

I believe the Senate made progress by coming in last week. I do not believe that the agreements we have achieved here today, with respect to the time for a vote on the debt limit, and the time for the vote on the oil tariff, would have been achieved had we not been in session last week. By virtue of the Senate's being in session last week, committees were aided in their efforts to transact their business. While there was a little problem of getting a quorum on Tuesday, committees did get quorums on Wednesday. Even on Tuesday the Interior and Insular Affairs Committee met, the Armed Services Committee met, and the Foreign Relations Committee met.

As I say, on Wednesday, the Finance Committee had a quorum. The ad hoc committee on energy and the economy, of which I am a member and which is chaired by the distinguished senior Senator from Rhode Island (Mr. PASTORE) met a number of times throughout last week. Progress was made which, perhaps, would not otherwise have been made had the Senate not been meeting.

I would say that had the Senate not been in session last week, we would not be in a position today to tell our colleagues that there will definitely be a vote on the debt limit bill tomorrow, and a vote at a time certain on the tariff bill on Wednesday.

In connection with both of these bills, the Senate had to await the action by the other body. The Constitution requires that tax revenue measures originate in the House of Representatives. A tax revenue measure does not have to raise revenue in order to qualify under the Constitution. Both of these measures are revenue measures and had to begin in the House of Representatives. The Senate could not initiate them. For that reason, the Senate had to await the pleasure of the other body. The other body acted expeditiously, in my judgment. But even in acting expeditiously, the other body was able only to act in a way that would allow these measures to be reported in the Senate on Thursday, February 6, which was a week ago last Thursday. So the Senate only had Thursday and Friday of that week.

If we had been in recess, I think any objective observer could see where we would be today. The Senate did accomplish what it set out to do by coming in last week. It was available in the event that either or both or those measures had been reported and there had been no objection on either side to taking them up. The minority requested that they have until today to file a minority report on the tariff measure. They were certainly within their rights.

In all fairness to the Senate, it should be recognized that the leadership, while it did a painful thing, I believe came to the right conclusion. They were supported, as I say, by the policy committee on this side of the aisle, and the leadership on the other side of the aisle supported this viewpoint. I think we did the right thing.

There is no question that Senators are inconvenienced when so-called recesses are canceled. The leadership will, as we look to the days ahead, attempt to come to grips with these matters, and it will do so as early as possible, so that all Senators may be informed if there is a change in the recess schedule.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MORGAN). The clerk will call the roll.

The assistant legislature clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF REPRESENTATIVE JERRY L. PETTIS

Mr. CURTIS. Mr. President, it was very depressing to learn of the death of Representative PETTIS. He was a very outstanding individual, one who was rendering a unique service to the House of Representatives and to our entire Nation.

Not too many years ago Mr. PETTIS lived in Nebraska. He was an educator at Lincoln, Nebr., at Union College.

He made many friends there. He has been interested in that institution and other Nebraska institutions over the years.

His untimely death in an airplane accident late last week brought sorrow to many people in many States.

Representative PETTIS served on the Committee on Ways and Means of the House of Representatives. There he plied his usual scholarship. He was dedicated to a sound fiscal program. He was dedicated in his adherence to our private enterprise system, our constitutional government. In other words, in every cause that was really fundamental and genuine, one could find Representative PETTIS on the right side.

On behalf of his many Nebraskan friends, I wish to express our sorrow and our words of condolence to Mrs. Pettis and the other people whom he has left behind.

Mr. McCLURE. Mr. President, I think it might be fitting to add one other dimension to the discussion of the character of Representative JERRY PETTIS.

JERRY PETTIS entered the House of Representatives after the election of 1966, in January of 1967, at the same time I did, and I served with him in the House of Representatives for 6 years.

My wife and I became very close personal friends of JERRY and his wife Shirley. JERRY PETTIS was one of those unique people of tremendous capacity, vitality, and ability. His legislative record has been a matter of public record, and the public has noted it, but I suspect that fewer people know the private side of JERRY PETTIS—JERRY PETTIS, the husband and the father, JERRY PETTIS, the man who was very, very much concerned about the plight of human beings in this country and their well-being. Not very many people were aware of JERRY PETTIS the professor. In addition to being an educator, he had a distinguished and outstanding career in the aviation world.

Perhaps there is an anomaly that after 35 years of distinguished service in flying in this country, he met his death in an airplane accident.

JERRY PETTIS was one of the finest, most Christian gentlemen that ever graced the Halls of the Congress of the United States.

His ability and his service will be gravely missed by the people of this country. There was great promise in his future service and contributions in legislation with the sensitivity that this fine man possessed.

I am sure that the sympathy of the entire Congress will be extended and is extended to Shirley and the children. We will all miss him.

RESOLUTION RELATIVE TO THE DEATH OF REPRESENTATIVE JERRY L. PETTIS, OF CALIFORNIA

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House.

The PRESIDING OFFICER. The clerk will read the message from the House.

The assistant legislative clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of the Honorable Jerry L. Pettis, a Representative from the State of California.

Resolved, That a committee of 70 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution on behalf of myself, Mr. CRANSTON, and Mr. TUNNEY, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution.

The assistant legislative clerk read as follows:

S. RES. 81

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Honorable Jerry L. Pettis, late a Representative from the State of California.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the Committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it adjourn as a further mark of respect to the memory of the deceased Representative.

The PRESIDING OFFICER. The Senate will proceed to its immediate consideration.

The question is on agreeing to the resolution.

The resolution was agreed to.

The PRESIDING OFFICER. The Chair, pursuant to Senate Resolution 81, appoints the Senators from California (Mr. CRANSTON and Mr. TUNNEY) to join the committee previously appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at the hour of 12 noon.

After the two leaders or their designees have been recognized under the standing order, Mr. PERCY will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, not to extend beyond the hour of 12:30 p.m., with statements limited therein to 3 minutes each.

At the hour of 12:30 p.m., the Senate will proceed to debate H.R. 2634, the measure raising the debt limit ceiling. No rollcall votes will occur thereon, or in connection with amendments thereto, prior to the hour of 4 o'clock tomorrow.

At 4 p.m. tomorrow, the rollcall vote on that measure, and on any amendments that may have been called up thereto and on which rollcall votes may have been ordered, will occur.

After the debt limit measure has been disposed of, the Senate will proceed to debate H.R. 1767, the oil tariff measure, and that debate will go over into Wednesday.

I would not anticipate any rollcall votes on the tariff measure tomorrow; however, I would not rule out any such votes.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, in accordance with the previous order and in accordance with the provisions of Senate Resolution 81, I move now that the Senate, as a further mark of respect to the memory of the deceased JERRY L. PETTIS, a Representative from the State of California, stand adjourned until the hour of 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and at 1:45 p.m., the Senate adjourned until tomorrow, Tuesday, February 18, 1975, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

FEA AND THE "PUBLIC"

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. OTTINGER. Mr. Speaker, an editorial in the Wednesday, February 5, 1975 edition of the Wall Street Journal points to the ultimate irony involved in establishing a Federal Energy Administration whose purpose is ostensibly to protect the American people but which all too often forgets its own mission.

The editorial points disparagingly to an FEA policy notice of November 26, 1974, issued in the San Francisco region. The notice instructs FEA inspectors to report the existence of any gasoline price wars between service stations in that region. It appears that FEA is intent on preventing any price competition which will drive down the price of gasoline to consumers. Such a notice smacks of total disregard and insensitivity for the already overburdened consumer who finds his gasoline bill mounting as the days pass.

But of even greater absurdity is the second half of the FEA notice. "Complaints from the public will be accepted by FEA", it reads. It is rather difficult to imagine any rash of consumers calling to complain about lower prices; thus, it must be that the "public" from which the FEA is seeking complaints consists of the oil companies the FEA is serving at the real public's expense.

I am inserting the Wall Street Journal editorial for the benefit of my colleagues and their constituents.

FEA NONSENSE

We have long wondered precisely how long it takes from establishment of a federal agency whose mission is to hold down prices until it is actively engaged in trying to hold up prices. Empirical evidence now exists proving it takes exactly 10 months and 26 days.

On Feb. 1, 1974, the Federal Energy Administration was established. On Nov. 26, 1974, the following POLICY NOTICE was issued by William C. Arntz, FEA regional administrator in San Francisco:

"For several months, there has been an abundant supply of motor gasoline in most areas of Region IX, although some areas and sectors of the market continue to report shortages. There lately have been vague, unconfirmed reports that supply in some areas is so excessive as to precipitate gasoline price wars. . . . It is not the intention of FEA that larger allocations be used for engaging in gas wars. The regulations prohibit suppliers from increasing volumes to a station in order to support gas war activity."

There follows the official procedures for dealing with same:

"1A." All FEA employes are to report any "gas wars" they are aware of, giving names and addresses and "specific activity (such as gas war signs, low prices being charged, etc.)."

"1B." Complaints from the public will be accepted by FEA provided the details listed in 1A are given. Initial contact may be made by telephone to the local FEA office but should be followed up by a brief summary in writing.

To which we might add: Any citizen who complains of low gasoline prices to an FEA office, in telephone or in writing, and does not receive satisfaction, should send money order making up the difference to Energy Czar Frank Zarb, Washington, D.C.

REPUBLIC OF LITHUANIA

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. RICHMOND. Mr. Speaker, I would like to join my colleagues and extend my congratulations to the Americans of Lithuanian origin who commemorate today the 57th anniversary of the establishment of the Republic of Lithuania.

Although today the Republic of Lithuania lies within the borders of the Soviet Union, the determined spirit of the Lithuanian people lives on with great fortitude.

The history of the Republic of Lithuania is one of tragedy and misfortune. Her people have had to undergo the severest of hardships yet their faith remains strong.

The people of the United States understand what it means to be free. Free of the many aspects of government intervention which have eroded so many countries of the world. Our very heritage is based on the principles that freedom comes before all else and that no people shall be dictated by the rules and regulations of another.

It is therefore particularly fitting that the people of the United States join together and congratulate Lithuanians who for so long have held this principle close to their hearts.

THE ROLE OF THE SCIENCE AND TECHNOLOGY COMMITTEE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. FUQUA. Mr. Speaker, the Honorable OLIN E. TEAGUE, distinguished chairman of the Committee on Space Science and Applications, recently talked to the Chamber of Commerce of Mexica, Tex., discussing the role of the Committee on Science and Technology and the committee's commitment to meeting the Nation's needs through research and development and the applications of technology. Because of the significance of his remarks, I am including this in the RECORD for the benefit of my colleagues and the general public:

SCIENCE AND TECHNOLOGY COMMITTEE JURISDICTION—REMARKS BY CHAIRMAN TEAGUE

On October 8, 1974, the House of Representatives took another in a series of major steps in improving how it does its business. By adopting a reorganization of committee jurisdictions and making procedure changes, the 94th Congress will be more responsive and responsible in dealing with important policy problems—such as energy and environment R&D, foreign trade and transportation. Among the procedure changes, the speaker was given broader powers to refer legislation to more than one committee to insure that action will be taken and oversight was strengthened.

Perhaps a brief word to explain "oversight": while we in the Congress sometimes overlook things, oversight really means "overseeing"—not overlooking.

But how did this reorganization affect the Committee on Science and Astronautics? It did three things.

First, it changed our name from science and astronautics to science and technology to reflect changed conditions.

Second, it gave us a much broader jurisdiction and responsibility.

And third, it led us to a new subcommittee structure which corresponds to the broader jurisdiction.

When the committee was established on July 21, 1958, it was named the Committee on Science and Astronautics—because its primary purpose was to oversee NASA and the non-military national space program. Other jurisdictions were:

(1) The National Bureau of Standards—including standardization of weights and measures and the metric system.

(2) The National Science Foundation, including science scholarships and scientific research and development.

The early concentration on space matters reflected a national decision to respond to the challenge of Sputnik. In later years there was a growing diversity as the committee began to work on broad national science policy, aviation R&D, and technology transfer.

Throughout all of its years, the committee spent much of its time on oversight—the intensive review of agencies under its legislative jurisdiction to determine how well they are doing their job and how they are spending the taxpayers' dollars. Members and staff have spent long periods on comprehensive investigations which involved hearings in Washington, field hearings at government research centers and contractor plants, weekend visits while congress was in session, and a lot of plain, hard work and study. I know—I have done it for years. But this is how you get to know how well a program really is working, how effective management is, how the dollars are being spent. You know better how to evaluate budgets and recommend or direct corrective action.

As I mentioned earlier, one of the major provisions of the October reorganization is aimed at improving all congressional oversight. Legislation, once passed is, all too often, never reviewed.

A house oversight agenda coupled with more emphasis on oversight by each committee can result in a more effective Congress. Congress should do more than pass laws and approve budgets: it should see how those laws are carried out and what is done with the money it approves in the budgets.

In past years, we must have been going in the right direction and doing most things the right way. The committee on science and astronautics—re-designated the committee on science and technology—has been given broad new jurisdictions. These include all non-nuclear energy R&D, environmental R&D, weather R&D, and aviation R&D, and special oversight of all nonmilitary federal research and development.

The reorganization passed by the House consolidates jurisdiction over all energy R&D, except nuclear, in the committee on science and technology. This includes legislative jurisdiction over the recently created energy research and development administration (ERDA)—jurisdiction which will be shared with the Joint Committee on Atomic Energy with regard to nuclear energy R&D. The Federal non-nuclear energy research and development act, also just signed into law, requires annual authorization of the non-nuclear ERDA budget. This authorization responsibility will fall to our two subcommittees dealing with energy. One of these subcommittees will have the responsibility for fossil fuel R&D; the second will deal with the other energy technologies, and exercise the special oversight responsibilities the committee has over nuclear energy.

This action in taking the present energy R&D jurisdiction of five standing committees of the House and putting it all together in the committee on science and technology is, I believe, one of the more important results of the House reorganization effort. It will permit our committee to deal with the entire spectrum of energy R&D, except for the one area of nuclear technology. This means that we can put together comprehensive national programs for energy research, development, and demonstration that will evenhandedly approach the many technical options which we have today. We can help assure that this country will not only consider development of alternative sources of energy, but also plan on how those sources will be integrated into the economy as a whole; how they will be transported to the point of use; and how they will affect the quality of the environment.

The Energy Research and Development Administration—ERDA—is a new agency. It will need much help and support from those of us in the Congress as new programs are formulated and implemented. I think this committee has a unique advantage in dealing with such a new agency's growing pains, since we went through the same experience when NASA was formed. Similar experience has been acquired with changes in the National Science Foundation over the years—and with the establishment of the Office of Technology assessment within the Congress. We shall be in a good position to offer the legislative guidance and assistance to ERDA that can help make that agency one of the most important in the Federal establishment.

The Environmental Protection Agency is relatively new and has an expanding R&D program. A recent Senate Public Works Committee report strongly criticized the EPA's R&D efforts and its organization. A high priority of our new Subcommittee on Environmental R&D will be to use the results of the Senate report as a basis for the kind of intensive, searching oversight reviews we have been conducting with NASA and the National Science Foundation for 15 years.

Another important feature of the Environmental R&D jurisdiction is that various other agencies—besides the EPA—have components of their R&D program which can be considered as environment related. Indeed, one of our problems, as I see it, is to determine what constitutes our National Environmental R&D effort, what objectives are being pursued, and how these objectives relate to those in other areas such as energy, natural resources, transportation, water systems, waste disposal systems, urban and rural planning, health care, food, materials, and housing. These subjects call for a broad scope of activity for our committee beyond a mere examination of EPA's budget—and it is in this direction that we will be moving rapidly.

We have decided that the weather R&D jurisdiction should be under the same subcommittee that handles environmental R&D. During the debate on the House reorganization, it was established that our committee and the Merchant Marine and Fisheries Committee will share legislative and oversight responsibility for the Commerce Department's National Oceanic and Atmospheric Administration which performs both atmospheric and oceanic research.

This cooperative congressional approach to NOAA reflects a basic fact: For the past several decades the oceanic and atmospheric sciences have become increasingly integrated. Expanding the integration of space science, atmospheric science, and oceanic science is necessary for us to understand better what are apparently some very complex relationships between the sun and the earth in determining both short and long range weather.

It is sometimes easy to forget that the earth's weather has changed radically over the centuries and that as recently as 10,000 years ago—geologically speaking—we were in the grip of an ice age. For the benefit of those generations who will follow us we need to learn everything we can about the reasons why our climate changes so radically over time—and find out if it is possible and desirable to somehow control the mechanisms involved. This is another area in which the space program will make substantial contributions to the knowledge being gained by scientists in the atmospheric and oceanic research areas.

Since the mid-1960's the committee had increasingly devoted more attention to aeronautical R&D performed by NASA. It has been instrumental in reordering priorities within NASA to bring about more emphasis on major problems in aviation—ranging from noise to safety, to providing technology which will insure that the U.S. will remain preeminent in the international market place. About 75 percent of the civil aircraft flying in the world today outside of the Soviet Union were made in the U.S. The export of our aircraft has been one of the major plus components in our balance of trade.

The House reorganization assignment of civil aviation R&D could be considered as the underpinning for our entire civil air transportation system—including the air terminal, the air traffic control system, and the airplane. The change in jurisdiction brings the aviation R&D program of the Federal Aviation Administration under our committee. Additionally, by using our general oversight authority provided in the reorganization, we expect to make useful contributions by analyzing and comparing the R&D programs associated with all modes of transportation—air and surface.

I have talked about oversight throughout my remarks and emphasized its importance. While each of our subcommittees will carry out oversight of the programs under its jurisdiction, the House reorganization gave to the Committee on Science and Technology a responsibility not previously assigned to any committee of Congress—special oversight of all non-military R&D. This is an oversight function only and will not involve legislative authority for areas specifically assigned to other committees. It will, however, involve a systematic survey and analysis of all non-military R&D conducted and sponsored by the Federal Government with due regard to non-Federal R&D as well. Our objectives will be to make findings and recommendations concerning the best use of resources and the integration and coordination of major civil Federal R&D activities which will total about ten billion during fiscal year 1975. Another major purpose will be to insure comprehensiveness and to avoid major gaps, wasteful conflicts, and unnecessary duplication in national R&D.

While branching out and expanding into

our new jurisdictions, we will continue to place major emphasis upon the civilian national space program. Our constant objective is to insure that we will aquire the basic scientific knowledge for solving an increasingly wide variety of problems for the benefit of not just the U.S. but of all mankind—as Neil Armstrong put it so well when he first stepped on the moon.

As part of our current work we have been holding a series of hearings on "Federal Policy, Plans and Organization for Science and Technology." During coming months we expect to consider a bill to strengthen our national decision making process for using science and technology in major decisions. Also, we except to continue our work in devising an acceptable conversion program to the metric system.

In summary, the new Committee on Science and Technology, of which I have the great honor and privilege to be the chairman begins the 94th Congress with a significantly enlarged jurisdiction. We plan to organize ourselves into seven subcommittees to handle the major areas I have talked about today: space, energy, science and science policy, environment and weather R&D, civil aviation and transportation R&D, and special oversight and forward planning for all non-military Federal R&D. We expect to move carefully, but as quickly as possible, in meeting our new responsibilities.

In closing, I would like to respond to those who attack the Congress as being ineffective and parochial. When future historians look back to these particular years I think they will find them significant for the many ways that the Congress has been adapting itself to a rapidly changing world. We have been redefining the ever-changing relationship between the Presidency and the legislative branch of government to search out solutions to the complex problems of today's world. And the Committee on Science and Technology expects to make major contributions.

HOUSE SEARCHES IN VILNIUS AND MOSCOW

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. DERWINSKI. Mr. Speaker, I remind the Members that last week the House commemorated the 57th anniversary of Lithuanian independence with appropriate discussion.

In view of the special interest that the Members exhibited, I am directing to your attention a special article in the December 1974 edition of the Lithuania Information Service bulletin telling of the oppression in the Soviet-occupied nation:

HOUSE SEARCHES IN VILNIUS AND MOSCOW—LITHUANIAN UNDERGROUND CHRONICLE IS THE TARGET

The Soviet secret police searched the homes of dissidents in Moscow and Lithuania on December 23, according to Andrei D. Sakharov, Chairman of the Soviet Human Rights Committee. He said that the house searches were part of an investigation into the Lithuanian underground journal, the "Chronicle of the Lithuanian Catholic Church."

On October 17, 1974, Dr. Sakharov transmitted to world church bodies and to world public opinion an appeal written by five Lithuanian priests who protested arrests of Lithuanians charged with printing religious literature. The house searches and arrests are quite obviously part of Moscow's campaign to liquidate the underground presses in Lithuania. As the "Chronicle of the Lithuanian Catholic Church" had informed, the campaign is conducted under the heading of Case No. 345.

The "Chronicle of the Lithuanian Catholic Church" has been appearing regularly since November 1972.

The Russian dissidents in Moscow are collaborating with the Lithuanian resistants in translating the Chronicle into Russian and disseminating it to Western correspondents in Moscow.

IMPACT OF UNDERGROUND "CHRONICLE" ACKNOWLEDGED

The impact of the underground "Chronicle of the Lithuanian Catholic Church" on world public opinion has been acknowledged by the Communist press in Lithuania. The bi-weekly Laikas ir ivykiai (Time and Events, No. 18, Vilnius, 1974) writes:

"Anxious to exploit the religious feelings of the believers for anti-Communist politics, the Lithuanian clericals gave priority to slandering the Soviet government with the so-called 'persecution of religion and church,' and to depict the relations between the socialist state and the church in a distorted manner. The purpose of this is to exploit the religious superstitions of the believers for anti-Soviet purposes and to arouse among the religious working people a distrust in the socialist system of government. The bourgeois emigration is constantly accusing the Soviet government by using all kinds of fabrications about the so-called discrimination of the church. Efforts are made to spread the clerical lie in all the Lithuanian exile communities abroad, to reach the believers living in the Soviet Union, and to mislead the world public opinion."

LITHUANIAN INDEPENDENCE

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. SARASIN. Mr. Speaker, during the Middle Ages the Lithuanian people checked the German drive to the east, served as a bulwark for Europe against the Mongols and Tartars, and provided a calm of safety and freedom in the storm of authoritarian Russia. Drawn together to ward off these oppressive forces, Lithuanians encouraged education and toleration and allowed more individual freedom and expression than any of her neighbors. Yet, this peaceable country seemed doomed to subjugation; falling under Russian domination until 1915, suffering German occupation during World War I and, after a brief period of independence, being engulfed by the swelling forces of the Union of Soviet Socialist Republics.

Today, Lithuania constitutes a component republic of the U.S.S.R. and the Lithuania, people continue to ride the waves of oppression and maintain a fierce resistance to "alien" rule. The United States and the American people recognize their spirit and independence and we refuse to acknowledge Lithuanian incorporation into the Soviet Union. How can we ignore the fact that given the options of self-determination, the Lithuanian people adopted a permanent constitution which vested legislative power in a Seimas or Parliament and executive authority in a President and Cabinet of Ministers, so like our own? Furthermore, the League of Nations admitted the new country in 1921 and Lithuania joined the ranks of the international actors in an increasingly interdependent world. How can the United States and any free nation abandon a nation of people straining to be free and caught in a web of restriction that limits their right to create their own destiny?

Following devastation and Nazi occupation, the Soviets concentrated upon industrialization and collectivization of agriculture in Lithuania, and overtly changed the profile of a free people to Soviet subjects trained and guided at every turn. The Lithuanian people, however, have managed to preserve the strength and beauty of a rich culture and heritage that political bondage minimized.

The Lithuanian World Congress under the auspices of the American-Lithuanian community demands Lithuania's release from "Soviet slavery" and grants moral support for those in Lithuania. They continue to battle for the realization of Lithuanian goals in education, religion, freedom of speech, and the right to own property in their homeland. Our American ancestors waged a similar struggle for freedom, and what more apt time exists than the anniversary of Lithuanian independence, February 16, to once again state our continued hope for future freedom and the full Lithuanian integration into the international community? We will continue to remember the plight of the Lithuanian people and rejoice in the victories. I am pleased to say that this anniversary marks the return of freedom of one Lithuanian citizen, Simas Kudirka, who was finally granted the right to leave the land of his birth to pursue the kind of life that he desired. I hope that he will soon be able to join all Lithuanians in a true celebration of freedom and liberty.

CARLA HILLS—A SUPERB CHOICE FOR SECRETARY OF HOUSING AND URBAN DEVELOPMENT

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. OTTINGER. Mr. Speaker, President Ford is to be warmly congratulated on his superb choice of Assistant Attorney General Carla Anderson Hills as Secretary of the Department of Housing and Urban Development.

Ms. Hills has a record of brilliant accomplishment that is extraordinary for a woman just 41 years of age. An honors graduate of Stanford University and Yale Law School, she was a professor of law at UCLA Law School and has coauthored two legal books. Before becoming head of the Civil Division of the Justice Department, she was a partner in the prominent Los Angeles law firm of Munger, Tolles, Hills & Rickershauser.

There has been some unjust criticism of the President's nomination on asserted grounds that Ms. Hills has inadequate experience in the housing, banking, and construction specialties important to revival of our ailing housing industry.

The criticism can only derive from lack of adequate information. Ms. Hills' law firm represented the Federal Home Loan Bank Board which assures the sound funding of our savings institutions which are the lifeblood of the mortgage market essential to construction of private housing. As Director of the Civil Division at the Department of Justice, HUD has been one of her largest clients, with more than 3,000 cases subject to her supervision ranging from condominium conversions to subsidized housing project problems, the entanglements of discrimination in housing, construction financing, labor disputes—in short, the entire range of HUD activities.

The fields of housing, construction, finance, and related problems are thus a pronounced part of Ms. Hills' knowledge and experience. In addition, she has excellent experience as an administrator, supervising 451 employees and an $11,503,000 budget as head of the Civil Division.

But in my mind, the fact that she does not come directly from one of the industries related to housing is one of the principal virtues of the nomination.

In an era where we observe a government riddled with conflicts of interest—a Federal Energy Administration and Interior Department riddled with oilmen, a Federal Power Commission dominated by the energy czars, an Interstate Commerce Commission permeated with transportation industrialists—it is a delightful breath of fresh air to find the President nominating for one of the most sensitive posts in Government a person with no industry ties at all, able to deal with our national housing dabacle with a fresh and unbiased approach. Would that more of the President's appointments follow the same standards of highest caliber and meticulous lack of conflict.

Ms. Hills' background of brilliance and achievement makes it highly appropriate that she should become just the third woman Cabinet member in our Nation's history. I am sure she will follow in the distinguished tradition of her predecessors, Frances Perkins and Oveta Culp Hobby.

REPRESENTATIVE LONG RELEASES 1974 TAX DATA

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. LONG of Maryland. Mr. Speaker, in 1974, I paid $14,658.46 in taxes, amounting to 31 percent of my income of $46,997.15 from all sources, including U.S. Government, farm, interest, dividends, capital gains, rents, and annuities. Of this total, $9,661.19 was for Federal income tax, $2,865.26 was for State and local income taxes, and $2,132.01 was for excise and real estate taxes.

THE 57TH LITHUANIAN ANNIVERSARY

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. CONABLE. Mr. Speaker, on February 16, Americans of Lithuanian origin or descent now living in this country marked the 57th anniversary of the reestablishment of the Republic of Lithuania in 1918. This anniversary reminds us of the large contributions the more than 1 million Americans of Lithuanian descent have made to the development of the United States and to the preservation of our ideals of freedom and liberty. Members of the Rochester chapter of the Lithuanian American Council are representative of this strong people.

Lithuania and her Baltic neighbors experienced a short period of independence for 22 years; the Soviet Union invaded them in June 1940 and those people remain under Soviet rule today. Because the Baltic people have not willingly accepted the domination of the Soviet Union, they have been removed from their homeland in an effort to destroy their unity and identity. More than one-fourth of the population has been moved, with many not surviving the process. Baltic leaders have called this action by the Soviet Union the most oppressive in their long history. Nevertheless, the Lithuanian and other Baltic people continue to yearn for their own independence and freedom.

Congress first passed House Concurrent Resolution 416 in 1966. The resolution provides that the case of Lithuania and the other Baltic countries be brought before the United Nations for consideration. We still support this tactic so that in this way the first steps may be taken to redress the grievances of the people of Lithuania and its neighboring Baltic States and to permit them the self-determination we advocate for all people.

DEPARTMENT OF DEFENSE TRANSFER OF RETIRED PAY BUDGET

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. RICHMOND. Mr. Speaker, it has come to my attention that the Department of Defense proposes to transfer the retired pay budget from their own budget to the Veterans' Administration.

This is a proposal which at first glance appears to lower the already high Defense budget when in actuality it does nothing to decrease expenditures

Col. D. George Paston of the Ad Hoc Recomputation Committee has written a good analysis of this proposal and I would like to submit his remarks into the RECORD:

AD HOC RECOMPUTATION COMMITTEE,
Brooklyn, N.Y., February 3, 1975.

DEFENSE MANPOWER COMMISSION,
THE PENTAGON,
Washington, D.C.

DEAR SIRS: I refer to a proposal to transfer the retired pay budget to the VA to simplify consideration and understanding of future defense budgets.

Many individuals and Congressmen point to increasing defense expenditures, for example, $78.3 billion in FY 1972 as against $45.9 billion in FY 1960. They say that defense budget should be cut-the money saved to be used for the welfare of our people. They overlook that in FY 1960, defense expenditures were 9.3% of our then $495.2 billion Gross National Product whereas the 1972 defense expenditures were only 7.1% of the $1,100.6 GNP.

If we remove the retired pay budget from the Defense budget, the latter budget will be decreased about $6 billion. Politically and psychologically, it may reduce the clamor against the reduced Defense budget.

Pragmatically and actually, Uncle Sam's expenditures would be the same whether military retired pay is part of Uncle Sam's defense budget or part of Uncle Sam's VA budget.

Comparatively, some unit commanders transfer incompetent individuals to another unit ignoring the fact that the other unit is part of the same army.

An organization will die at its roots unless it uses a proper method to clear its rolls of those who for any reason cannot meet its standards. A military career has its obvious hazards. For the most part, military duties have no civil counterpart which means that the bulk of officers are denied an opportunity to develop skills which may be utilized to advantage in civilian employment. Fair and equitable retirement laws are a cornerstone of essential governmental military personnel administration.

Because the problem of superannuation must be met, retirement must be made compulsory upon attaining a fixed statutory age. Time brings its physical and mental impairments and ways must be provided to remove from the active list those who cannot meet a reasonable bodily standard. Responsibilities must be discharged efficiently and those who will not or cannot meet the professional standards must be eliminated. The old the infirm, and the least qualified must be identified and separated in order that there may be a suitable and regular inflow of the young, physically sound, professionally promising individuals.

The military person, whether full-time or part-time, accepts the hazards of life inherent in war. Since military duties have few direct counterparts in civilian employment, the termination of a military career presents most individuals so affected with the necessity of re-training and re-starting in order to provide the necessities of life for himself and his family. A military career is no bed of roses and the laws governing separation must be equitable to balance the hazards and shortcomings with the protection afforded.

The amount of retired pay is inadequate in itself without sharp reduction in living standards. The officer without other resources will require employment or other means of developing income to meet his needs.

Many important benefits provided for active duty personnel are curtailed or eliminated after retirement.

Disability retirement for non-regulars is based on a permanent disability, service-incurred, not due to misconduct or neglect, which renders the individual not qualified for continued active service.

An officer retired retains his status as an officer with many of its rights and privileges. He may be returned to active duty under certain laws. He remains on the official rolls of the service—

"The Army does not forget its old soldiers after they retire. It remains interested in their welfare, and wants them to serve in their civilian communities as loyal, informed representatives of the Army." (Letter to senior officers, 15 Sept 1955, General Maxwell D. Taylor, Chief of Staff, United States Army.)

Remaining interested in the welfare of its

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retirees, the D/D would not seek to cast them aside. We believe the D/D will strenuously oppose transferring the care of D/D retirees to the VA or any other agency, particularly since such transfer would not save Uncle Sam a single penny.

Sincerely,

D. GEORGE PASTON.

THE SUGAR ACT

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. DE LA GARZA. Mr. Speaker, since the defeat last session of the bill to continue the Sugar Act we have seen sugar prices skyrocket. Undoubtedly the very knowledge that the program which had done so much to stabilize supply and prices for 40 years was to expire at the end of 1974—as it did, was a big factor in this price rise.

Some of those persons who opposed continuation of the program have now changed their minds and would like to see the sugar program restored, at least in some modified form.

Mr. Speaker, the vice chairman of the House Committee on Agriculture, Mr. POAGE of Texas, recently spoke on this subject at a gathering of beet sugar people in California. I think the members of this body will find his remarks very interesting and thought provoking. I insert the text of his address in the RECORD at this point:

SPEECH OF HON. W. R. POAGE

Mr. Chairman: You have honored me by asking me to participate in your discussions of the sugar situation. I am not an expert on sugar. There are many phases of the industry with which I am completely unacquainted. I expect every one of you here knows more about the operation of our sugar program than I do, but it makes me feel important to have you want me to drive 300 miles and fly 3,000 miles just to talk with you. I left Waco this morning and must be back there tonight so I won't have much opportunity to enjoy the beauties of California.

I do, however, hope that we may find it worthwhile to review our sugar situation together, so, I will try to do that without any levity or side issues.

For a great many years, the United States has operated under a system of controlled sugar imports, and rather minor domestic subsidies. Most other major nations have developed comparable sugar programs. I believe the first sugar program was inaugurated in France under Napoleon. Great Britain has a world wide program, quite comparable to the one we have so recently abandoned. The Soviet Union has its own supply program using Cuba as its base.

When the American program was first inaugurated, President Roosevelt warned against relying too heavily upon domestic production because he recognized that production costs in the United States were inevitably higher than comparable costs abroad because in the tropics nature allows the sun to put sucrose in the cane plant 365 days where many of your northern beets have no more than 150 growing days. He warned also that if we are to maintain the high standards for American sugar workers, which the program has always provided, that the costs of production must be higher than foreign costs. That has been the basic fact justifying any domestic subsidy.

For 40 years the Congress and the American people saw fit to maintain this arrangement which guaranteed sugar workers the most favorable conditions enjoyed by any agricultural workers in our country; which assured American producers a price support structure on which they could make a small margin of profit, and which guaranteed American consumers an adequate supply of sugar at reasonable and stable prices.

The program succeeded. To the outsider, it doubtless may have resembled a "Rube Goldberg" invention, and I recognize that very few people in or out of Congress ever understood it. But the real test is that it worked. It gave America sugar when other countries had shortages. It maintained a remarkable stability of price and gave the American housewife sugar at more favorable prices than those of any major staple, but it is the nature of man to never be satisfied with what he has, and this spring the administration and a majority of the House decided to try "something else", although I must confess that I don't know what that something else is and frankly I don't believe they know either.

For many years our committee has sought a concensus of consumers, growers, workers, users and processors before we would undertake to pass a new sugar bill. For many years we have been able to secure some kind of concensus. Of course, we never had everybody in absolute agreement, but the program has been so helpful to all groups that each group has been willing to make some concessions in order to get a bill. This year too many groups seemed to feel that they could hold the bill hostage until all of that group's demands were met.

The labor unions, whose members have had an especially favorable position since the beginning of the program, felt that they must make a show of having achieved some new advantage for sugar workers, and they sent up a list of about 10 or 12 demands. Our committee gave them 6 of the items for which they asked but felt we could not go any further. The union representatives felt that they could run a bluff and announced they would support no sugar bill, unless it contained *all* of their demands.

The industrial users, to whom stability of price means more than even price itself, demanded that the committee eliminate the so-called "corridor". The committee agreed to extensive modification but refused to go as far as these users demanded. They, too, evidently felt that they could control the situation and announced their unwillingness to support legislation that did not meet one hundred percent of their demands. Again, the agriculture committee felt it was more equitable to compromise the various positions than it was to give this group all that they wanted at the expense of other groups. Thereupon the so-called industrial users adopted the same position that had been taken by the labor unions—"give us everything we want or we will do nothing to save the program".

Naturally, certain of the foreign producers were unhappy with the allocations made to their countries, but these allocations were all based on historical performance, and they could do little except make suggestions to the press that the Congress was assigning quotas to countries we considered to be friends of the United States and punishing those we considered to be our enemies. Personally, I am for rewarding my country's friends, but if foreign allotments were ever made on this basis they went back a long time because the 1974 bill changed foreign quotas only to make adjustment for failures to deliver and to grant forgiveness for failures where it could be established that these failures were the result of acts of God. Most of the foreign allotment holders supported the bill to the best of their ability.

The domestic growers seemed to be in full accord with the bill until the representatives of the Hawaiian producers pointed out an equity in connection with the effective date of the abandonment of payments. There was some argument about this, but the committee felt that the Hawaiians made a valid case and made the correction requested.

The bill retained the basic division of the domestic market between beet and cane growers and split the cane production into segments. It appeared to be reasonably fair and satisfactory to the cane growers. It wiped out all of the tax on domestic and foreign sugar. It retained the tariff on imported sugar in order to continue the payment of a modest subsidy to domestic growers.

It should never be forgotten that over the life of the Sugar Act revenues have exceeded program payments by about 700 million dollars. Opponents of sugar legislation have tried to overlook this.

The refiners blew hot and cold. Like labor and like the industrial users they wanted to use this bill as an opportunity to assure themselves of more favorable treatment. In the final analysis, I think that at least half of the refiners supported the bill. The other half kept out of sight.

Personally, I have gone along with the philosophy that we should only bring raw sugar into the United States, and the American refiners and American workers should have the benefit of applying the refining process. The proposed legislation protected the refineries and their workers in this respect but I fear that in any new legislation there may well be a majority in the Congress who will want to wipe out this domestic advantage which they think may add to the final or consumer's cost of sugar.

Then came the professional consumer advocates. Of course, many of these people are sincere and well intended individuals, who think they are always helping the poor and unfortunate by immediately reducing the price of any commodity that the public has to buy. We all wish it were that simple, but in a private enterprise economy you are only going to get production to the extent that you offer the probability of rewards or profits.

Again, many of these self appointed spokesmen of the poor take the position that *all* profits are wicked and that it is the duty of the Government to see that nobody makes a profit.

I have never aspired to speak for the Governments of the Soviet Union or of the people's Republic of China. Possibly under their form of governmental economics all profits are wicked. However, since I have spent all of my life under a competitive profit system of private property, I must suggest that, in my judgment, profits are essential to assure adequate production in the United States of oil, church furniture, shoes, automobiles or sugar.

Be that as it may, the foes of the sugar bill spent two legislative days proposing changes and amendments, all or most of which were voted down by the members who had enough interest to stay on the floor. Unfortunately many who knew the least about the program did not bother to listen to the debate.

Finally, after completing all debate and all amendments, the House was called upon to vote on final passage. The voice vote was overwhelmingly in favor of the bill. Frankly, I felt we would have no further trouble. The speaker announced passage of the bill, but as was his right one of the members demanded a roll call vote, and since a quorum was not present, the vote was automatically granted.

For the first ten minutes, when most of those voting had been on the floor and heard the discussions, the vote remained overwhelmingly in favor of the bill, but during the last five minutes of the roll call when most of those voting had come in from their offices without having heard any of the discussion, the vote went heavily against the bill.

The vote was, as I see it, a testimonial to the effective work of several special interest groups; first, the labor lobbyists; second, the industrial user lobbyists; third, the so-called consumer advocates; and finally the inexplainable but effective negative attitude of the administration including the Department of Agriculture.

Just about the time the sugar act of 1974 was being formulated the experienced career service leadership of the sugar division of the Department of Agriculture was removed and a sugar speculator was brought in from the futures market, and put in charge of the division, taking the attitude that the sugar act should be allowed to expire. When you put all of these forces together there was little chance for a continuation of the sugar program.

You beet people made every reasonable effort to pass a bill. Congressman John Zwach and Congressman Bob Bergland of Minn. and Congressman Bernie Sisk of California all did a fine and constructive job. Mr. Zwach has retired from Congress and Mr. Sisk was required by the new rules to give up his seat on the agriculture committee. We shall miss them sorely, but we are glad to have Bob Bergland remain on the committee.

The cane people were helpful and we had no foreign interference that I know of. In spite of what some headline-hunters have said, I have observed only three or four cases of foreign interference in sugar legislation over the years. Your own beet representatives realized the importance of processing facilities and tried to point this out to the members who so often overlooked this need. Some of the leaders of the opposition seem to think that you can put sugar beets on our dining tables and stalks of sugar cane in our soft drink bottles.

I think that many of those who voted against the bill expected, up until the last night of the Congress, that our committee would bring in some kind of bill, and I confess that I had hoped that we might keep "Humpty Dumpty" from falling off the wall. I had stated as clearly as I knew how that we were not going to have any last night sugar legislation, and we did not. We are not going to have any in the future if I can avoid it. I am afraid that "Humpty Dumpty" may never be put together again, but if he is while I am still chairman of the Agriculture committee, it is going to be done in broad daylight when all of the parties will have a chance to present their views and offer their amendments. I observed too often what I feel were the unfair and groundless charges and insinuations which were made against my friend and former chairman because of his practice of working out compromises the last night of the session. Anyway, the sugar bill is dead—dead at the hands of those whom it had served so well, and I have not felt that we have had the support necessary to pass a bill at any time since its defeat.

Now what of the future? I stated on the floor of the House that if we did not pass the sugar bill, I would not be surprised to see sugar go six-bits per pound. As a matter of fact, during 1974 consumers have paid 4.1 billion dollars more than they paid for sugar during 1973. Most of this increase came after the defeat of the bill.

This does not make me a prophet but it does establish the fact that over the years our sugar program did do a great deal to stabilize sugar prices. The opponents of the sugar program point to the fact that the price of sugar is now coming down. How low it will go, I don't know. Possibly low enough to make the production of sugar beets unprofitable in the United States, although, I hope we will avoid such a situation. If we do not and if the price of beet sugar goes below 18 or 20 cents, and we are without any subsidy, beet growers are going to find themselves turning to more profitable crops like soybeans, corn and possibly in California to vegetables.

If sugar goes to these low prices, American cane producers are going to find that they cannot produce as cheaply as Mexicans across the Rio Grande or Brazilians along the Equator. What are we then to expect? I think it is clear that when the American sugar producers are destroyed, the American consumers are going to be at the complete mercy of foreign sugar cartels which will be just as ruthless as any group of foreign oil operators. Indeed the press has already reported that Mexico has called a meeting of the sugar producers in the Caribbean area to work out a united front. This, I fear, means to fix prices in the American market.

Of course, the sugar division of the department and other opponents of the sugar act hasten to assure any concerned consumer that with the present prices, American producers can make such profits that they will be scrambling to plant beets, and to the uninformed this all seems reasonable.

When the price of wheat went about $4.00, all wheat farmers responded by planting the largest crop we ever grew. The "consumer advocate" immediately points to this and asks why the beet farmers won't do the same thing.

Of course, I don't need to give you the answer but for the record, beets are not worth as much as hay if you don't have a mill to process them. I don't know what it will cost to build a mill today. I would guess 40, 50, 75 or 100 million dollars. In any event, it will cost far more money than anybody is going to invest with no assurance that the whole American sugar business will not be turned over to foreigners in the next two or three years. Much the same situation confronts those who would like to increase their cane acreage.

The sugar program which expired so recently gave the assurance of stability which is so essential to long term capital investments. That stability is gone. Hopefully those of you who can get your beets crushed this year still have a chance to make good returns. But as foreign sugar displaces American sugar, I can give you little encouragement unless you are strong enough to stay in the business and to keep your mills running until the day comes, as it will certainly come, when foreign producers decide it is time to make American consumers pay through the nose. Then you can join the foreigners in reaping exorbitant profits. But I fear there won't be many of you around.

Therefore, maybe the more reasonable, and surely the more helpful attitude would be to try to get all of the interested parties to agree on some program which they can live with. I believe that if we can get a consensus we can pass some kind of program. Without pretty general agreement we won't be able to pass anything and we will all sink together.

To pass no sugar program will bankrupt American producers. It will destroy the sugar refining industry. It will reduce the economic position of sugar workers and it will cost industrial and household consumers untold billions. At least they have paid over 4 billion dollars this year which they did not pay last year. Those of us who wanted to maintain stability in the sugar business told them what defeat of the bill was going to cost. If they want to demand change simply for the sake of change neither I nor anyone else can estimate how much it will cost the American people, but we can be very sure that it will cost and cost billions.

My friends, I wish that I could leave on a more cheerful note, but I have tried to give you the picture as I see it. I hope that you will go to work with other groups and that you will soon be able to present a more attractive picture to the Congress.

LITHUANIAN INDEPENDENCE DAY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, 57 years ago, the Lithuanian National Council declared the State of Lithuania a free republic. As both an American citizen and a Member of the U.S. Congress, I hold representative government to be the fairest, freest system yet devised, under which man may seek, unimpeded, those inalienable rights of life, liberty, and the pursuit of happiness.

From 1918 to 1940, the Lithuanian Republic enjoyed such a government, but in June of 1940, the Soviet Union invaded this plucky Baltic State in direct violation of Lithuanian sovereignty. The election in July 1940, reflected the intense pressures on the Lithuanian voters and the success of the Soviets' election rigging tactics, for the new constituent assembly, meeting at the end of the month, actually petitioned Moscow for Lithuania's inclusion in the Union of Soviet Socialist Republics. The Soviets manipulative usurpation of power, their illegal and unconscionable exercise of military strength and political clout, and their total disregard for the independence and sovereignty of this 22-year-old Republic, and 724-year-old state, deserve the strongest denunciation, reproach, and censure the world's free nations, and all mankind, can offer.

I take pride in the United States' consistent refusal to recognize the Soviet Union's outright annexation of the Republic of Lithuania. To the Lithuanian people, presently struggling against Russian domination of their homeland, I offer my fervant support, and hope the symbolic value of this U.S. refusal to even tacitly condone the Soviet's action might further encourage and inspire those valiant men and women.

February 16, is Lithuanian Independence Day. The people of that eastern European nation no longer possess the freedoms of speech, press, religion, and assembly, and the freedom from arbitrary search, seizure, and unjustified arrest they once enjoyed.

As a part of their continuing efforts to regain these freedoms, so forcibly denied them, a large group of Lithuanian citizens and priests has been publishing an underground newspaper since 1972, entitled the "Chronicle of the Lithuanian Catholic Church." The Chronicle regularly reports violations of Soviet law and Lithuanian civil rights by Soviet police and Soviet authorities. In one of the more recent incidents, numerous homes were broken into and arrests made, as part of an official investigation of the Chronicle and the Lithuanian citizens associated with it.

I want the Lithuanian people and all Americans of Lithuanian descent to know I stand behind their efforts to win back the rights lost in the Russian annexation of their country. I salute them as I salute their cause.

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VOLUNTEER ARMY?

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. FRASER. Mr. Speaker, every cloud is supposed to have a silver lining. This may or may not be true. But I have discovered a trace of a silver lining in our grave economic situation.

Recruiting for the volunteer armed services has improved recently, and many attribute this to the recession we are now experiencing. As the New York Times pointed out in an editorial on the volunteer army February 5, "Recession and high unemployment rates, not any sudden turn for the better in long-term prospects * * * " are responsible for the recruitment improvements.

The silver lining I see is the additional time provided to us, if we will use it, to look closely at the volunteer army and volunteer literary concept. The Times editorial ends:

An early study by Congress of the financial, security and racial dangers involved in a continuing attempt to maintain a mass Army by voluntary recruiting appears essential.

Our Armed Services Committee ought to pursue such a study.

The editorial follows:

VOLUNTEER ARMY

Recruiting for the volunteer Army, in difficulty a year ago, has improved in recent months. But this trend, two years after the effective end of the draft, conceals more than it reveals.

Recession and high unemployment rates, not any sudden turn for the better in long-term prospects, are primarily responsible for the Army recruiters achieving 105.3 per cent of their goal last October, as against 88.7 per cent a year earlier.

Quadrupling the pay of recruits, bringing their compensation to civilian levels or better, did not succeed in attracting enough enlistees before the recession—especially for the ground combat arms, where an extraordinary bonus was needed to avoid huge shortfalls. The cost to the country is indicated by the fact that the percentage of the defense budget going into pay and other manpower costs has risen from 42 per cent in 1964 to 55 per cent today, doubling that of the Soviet Union.

What will happen when the recession recedes and full employment returns is a question the Administration and both parties in Congress would prefer to ignore right now. But it can be regarded as certain that pressure to raise pay still further and to cut more deeply into force strength will increase.

Even less discussed is the rapid drift toward a heavily black Army officered predominantly by whites. In a population 11 per cent black, the proportion of blacks in the Army as a whole has risen by almost half since 1971 to a current level of 20 per cent, and even these figures understate the real problem.

Less publicized statistics, analyzed by two Chicago sociologists, indicate that among those enlisting in the Army for the first time the percentage of blacks reached 27 per cent last year. The re-enlistment rate among first-term Army men rose to 52 per cent for blacks compared with 35 per cent for whites. And one-third of those who signed up for the $2,500 bonus for enlistment in the ground combat arms—artillery, infantry and armor—were black. The end result can be a force so largely made up of blacks as to destroy the integration aim.

Meanwhile, the myth that Army service can help by training deprived blacks for civilian jobs is little borne out by the facts. Usable civilian skills are least likely to be acquired in the ground combat forces, where most blacks are, while they are under-represented in the technical and support services, a vastly better training ground.

An early study by Congress of the financial, security and racial dangers involved in a continuing attempt to maintain a mass Army by voluntary recruiting appears essential.

LITHUANIAN INDEPENDENCE

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. MADDEN. Mr. Speaker, the Lithuanian American Council of Lake County, Ind., on yesterday, February 16, observed its annual commemoration of Lithuanian independence at Gary, Ind.

The ceremony was attended by a great number of citizens of the Calumet region living in northwest Indiana. After the annual banquet, the program included a speaking program and patriotic songs and music of recalling the seven centuries of freedom enjoyed by this great nation until enslavement by the Communist Soviet tyranny in 1940. The following resolution was unanimously adopted:

RESOLUTION

Whereas, February 16, 1975, marks the 57th anniversary of the restoration of independence to the more than 700 year old Lithuanian State, which was won and protected by the blood sacrifice of the Lithuanian people during the wars of independence of 1919–1920, and recognized by the international community of States; and

Whereas, the Republic of Lithuania was forcibly occupied and illegally annexed by the Soviet Union in 1940, in violation of all the existing treaties and the principles of international law; and

Whereas, subjection of peoples to alien domination and exploitation constitutes a denial of the right to self-determination and the other fundamental human rights; is contrary to the Charter of the United Nations, and is an impediment to the promotion of world peace and co-operation; and

Whereas, so many countries under foreign colonial domination have been given the opportunity to establish their own independent states; while Lithuania having enjoyed the blessings of freedom for centuries is now subjugated to the most brutal Russian oppression and is nothing but a colony of the Soviet empire; and

Whereas, the Soviet Union, through programs of resettlement of peoples, intensified russification, suppression of religious freedom and political persecutions, continues in its efforts to change the ethnic character of the population of Lithuania, the Soviet invaders are unable to suppress the aspirations of the Lithuanian people for freedom and the exercise of their human rights.

Now, therefore, be it resolved, That we demand that the Soviet Union withdraw its military forces, administrative apparatus and the imported Rusian colonists from Lithuania and allow the Lithuanian people to govern themselves freely;

That we demand immediate release of all Lithuanians who are imprisoned for political and religious reasons and who for years are lingering in various Soviet jails and concentration camps;

That in expressing our gratitude to the United States Government for its firm position of non-recognition of the Soviet occupation and annexation of Lithuania, we request an activation of the non-recognition principle by stressing at every opportunity the denial of freedom and national independence to Lithuania and the other Baltic countries;

That the Soviet Union, in seeking a policy of detente with the United States, shall be requested to demonstrate its good faith and good will by restoring freedom and national independence to Lithuania and the other Baltic States;

That we are deeply grateful to the United States Government for obtaining the release of Simas Kudirka froma Soviet concentration camp and for securing his safe return to the United States;

That we are asking Senators and Members of Congress of the United States for their support of our requests;

That copies of this Resolution be forwarded to the President of the United States, to the Secretary of State, to the United States Senators and Congressmen from our State, and to the news media.

LITHUANIAN INDEPENDENCE DAY

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. BLANCHARD. Mr. Speaker, next year Americans will celebrate 200 years of independence—200 years of freedom. As we begin to prepare for our celebration of liberty, let us pause and remember a small nation that 57 years ago expressed a desire to be free. A nation that today still yearns for freedom.

Mr. Speaker, February 16, 1975, marked the 57th anniversary of the independence of Lithuania, a nation who enjoyed independence for only 22 years. Because in 1940 Lithuania was invaded by the Soviet Union and has ever since been forced to exist under Soviet rule.

Yet the spirit of the Lithuanian peoples lives on, nourished by a dream of liberty and fed with the undying determination of these brave people. Yes, the Lithuanians are prepared to sacrifice and take risks for a cause they truly believe in. Who can forget Simas Kudirka's aborted leap to freedom in 1970? Who can forget the self-immolation of Roman Kalanta that demonstrated a desire for freedom and an end to religious persecution? Who can forget the demonstrations of thousands of young Lithuanians for the same cause?

We believe that human rights should be respected. We believe the rights of the Lithuanian peoples have been violated and ignored. It is for this reason that the United States and other nations have still not recognized the forcible annexation of Lithuania by the Soviet Union.

It is my belief that the Lithuanians have clearly demonstrated their strong desire for freedom. As we prepare to celebrate our own 200th anniversary of independence, let us again reassure the Lithuanian peoples that they are not an "invisible nation." They are not a forgotten people.

THE PATHS TO LIBERTY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. DERWINSKI. Mr. Speaker, the United States has historically been known as a land that extends a welcome to people who flee from tyranny and oppression wherever it exists.

Despite the propaganda claims to the contrary, it is a fact that many individuals behind the Iron Curtain continue to suffer from the denial of their fundamental rights.

Therefore, it was with special interest that I noted an article in the February 10 edition of the Chicago Tribune, by Alice Siegert, discussing an episode typical of the problems besetting the citizens of East Germany. The article follows:

[From the Chicago Tribune, Feb. 10, 1975]

TAYING TO KEEP OPEN THE PATHS TO LIBERTY

(By Alice Siegert)

BONN.—Werner Fischer, 50 a choir singer, and his wife, Liese, 47, also a singer, quietly slipped out of their Tokyo hotel, stopped a taxi, and told the driver to take them to the West German Embassy.

That same night the couple, members of an East German orchestra-choir ensemble touring Japan, were on an air liner bound for Bonn after they had filed thru passport controls clutching brand new West German passports.

By necessity rather than choice, escape via third countries has become the most frequently used method of East German fugitives even if—as in the case of the Fischers—it involves traveling almost halfway around the world to reach a destination only a few hundred miles away.

But who wants to risk his life trying to cross the mined and heavily fortified East German frontier into West Germany?

Of the 5,324 East Germans who made it last year, 4,355 arrived here from countries other than East Germany, often after hazardous detours thru the East Bloc.

Yet if the East German government succeeds in its current campaign to have western governments recognize two different German nationalities, one of the last loopholes for would-be refugees may be closed. It would mean no more West German passports for East Germans who want to come to the West for political or other reasons.

The East Berlin government argues that Bonn's claim of consular representation of all persons of German nationality, whether they live in the Western or Eastern part, violates international law.

In pressing their case, the East Germans urge worldwide acknowledgment of separate East German citizenship and hope to achieve this thru a series of consular agreements with Western governments which already have recognized East Germany as a sovereign and independent state.

So far the three Western powers and other non-Communist countries have supported Bonn's view that there is only one German nationality although two German states in fact have emerged.

This claim is based on the West German constitution, which says that, "unless otherwise provided by law, a German within the meaning of this basic law is a person who possesses German citizenship, or who has been admitted to the territory of the German Reich within the frontiers of 31 December 1937. . . ."

Consequently, West German authorities have accorded German refugees from the East the same rights as other Germans. This includes issuance of passports to East Germans who report to West German consular offices in the West with the request that they be allowed to live and work in the Federal Republic.

In their treaty calling for a normalization of relations, the two Germanys left the problem unresolved, West Germany ignoring a 1967 East German law proclaming a separate East German citizenship.

But how long will the Western world resist the Communist demands? Austria and Finland, which because of their political status have to show special consideration for the Soviet Union, already have drafted consular agreements with East Berlin recognizing separate citizenship.

As Austria is a country where many East Germans arrive illicitly from neighboring East Bloc counties, turning to the West German embassy in Vienna for help, Bonn intervened.

The criticism provoked an angry retort from the Austrian government. But Chancellor Bruno Kreisky in an interview gave assurances that East German fugitives also in the future would not be turned back.

"If a German comes to us and says of his own accord that he is a German citizen and presents a West German passport we will treat him accordingly," Kreisky declared.

FIGHTING THE TIDE OF TORTURE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. FRASER. Mr. Speaker, Robert Karen's February 8 Washington Post article "Fighting the Tide of Torture" was adapted from an essay that originally was printed in the Nation. I am pleased that many people will have an opportunity to read Mr. Karen's piece about the work of Amnesty International.

Mr. Karen points out a basic but little known fact about Amnesty:

Its basic organizational unit, the "group," is responsible for three prisoners of conscience—one from the Eastern bloc, one from the West, and one from a nonaligned nation. This careful policy of neutrality has been a key to Amnesty's success. . . .

Mr. Speaker, the story of Ginetta Sagan and the San Francisco office of Amnesty International is a story worth telling. Mr. Karen tells it well in the Post's version which follows:

[From the Washington Post, Feb. 8, 1975]

FIGHTING THE TIDE OF TORTURE

(By Robert Karen)

In the winter of 1945 in northern Italy, the Gestapo picked up a young Italian resistance worker and tortured her for 45 days. Convinced that giving them information of any kind would make her immediately dispensable, she never talked and in the end was made to type her own death sentence. However, on the day she was to be executed, two men in Gestapo uniforms took her away for some "final questioning." Inexplicably, they left her at a hospital and in two years she was fully recovered.

Today, almost 30 years later, Ginetta Sagan has become one of the major organizers for Amnesty International, the London-based group that "adopts" and fights for the release of political prisoners the world over. Founded in 1961 by a British lawyer, Peter Beneson, Amnesty has 38,000 members in 32 countries and claims responsibility for the release of more than 10,000 political prisoners.

Sagan became involved with Amnesty International 1967, when the Greek junta took power; it was the first time since the war that repression and torture again touched her life. "I had a lot of friends who were in jail because so many of them had studied in France when I was there. My former professor there had just met Christos Sartzetakis, who is the judge portrayed in the movie Z. They were sending me file after file of prisoners and horrible, horrible stories of torture. I remember one in particular, the dean of a university who was 80 years old and given the *falanga*—tying a person to a table and beating the soles of the feet until they are swollen. So painful, dreadfully painful."

In 1971 Sagan prevailed upon Melina Mercouri and Joan Baez to come to Berkeley for a concert to benefit the Greek relief fund. A crowd of 10,000 attended and Sagan has since proved that direct action to salvage individual lives can generate the kind of personal commitment that seemed to have faded with the anti-war movement. In the three years since that first Berkeley concert, Amnesty's West Coast membership (concentrated in California and Texas) has shot up from 52 to almost 52,000.

Today the San Francisco office at 3618 Sacramento Street has four full-time staff members, including Sagan and Kit Bricca, formerly with the Farm Workers. The region now accounts for about half of Amnesty's 100 U.S. groups, and the leadership understandably believes that similar organizing elsewhere in the country would produce comparable results. Recently Amnesty hired Joel Carlson, a South African civil rights lawyer who was forced to leave his country in 1971, to be full-time national coordinator, an investment which it hopes will lead to the creation of regional offices in Chicago, Denver, Atlanta and some place in Texas.

All this activity for human rights would be a cause for celebration were it not for the historical events which have helped to generate it. In the short time since Ginetta Sagan began organizing for Amnesty, there has been a marked increase in political repression and a severe upswing in the use of torture. In the last few months, Amnesty papers on Chile and North Korea and a worldwide survey called "Report on Torture" have revealed that not only is freedom of speech and association endangered by state action but torture, remarkably similar to the kind the Gestapo practiced in Italy and throughout occupied Europe, seems to be spreading in epidemic proportions across the continents.

"When talking with the victims of torture today, I have a sense of *deja vu*," says Sagan. "The same thing—interrogation, beating, fear, insult, degradation. They really want to destroy you as a human being, to reduce you to the level of a groveling animal."

The data Amnesty has gathered over the past 10 years on the detention policies of some 62 nations indicate that torture is a perennial form of political oppression.

It would be impossible to enumerate all the methods now in use. Old standbys from near drowning and suffocation to pulling out the fingernails are still prominent. But "Report on Torture" also enumerates modern developments. The omnipresent electric shock is probably the key contribution of advanced technology. Psychological and manipulative techniques, such as sensory deprivation, isolation, exhaustion, degradation and threats (of permanent injury, disease, economic retaliation, or harm to one's family) are more widely and sometimes more cleverly applied. Sagan relates that in Brazil and the Soviet Union the secret police have been

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known to torture people while showing slides of members of their families, creating an association of family with pain.

Perhaps the most important new weapons available to modern torture are the scores of drugs which terrify and melt the will of their victims. None of these drugs can force anyone to reveal what he has the courage to withhold; most, if the victim survives, will have no lasting physiological effects, though the emotional damage is frequently severe and permanent; and virtually all have some legitimate medical use. But the fears of the victim, the threatening atmosphere and the extremely unpleasant physical sensations make these medicines a potent form of terror.

While a sadist is the most likely candidate for a career in interrogation, recent clinical tests seem to demonstrate that many people, normally indisposed to cruelty, will nonetheless administer pain if told to do so by someone in authority. That is a crucial point when one considers the scores of doctors and nurses—some of whom are presumably not sadists—who, in the ultimate perversion of their professional roles, show up at secret police villas to act as consultants and practitioners of the black mechanics of interrogation. "Torture could not take place without the cooperation of physicians," says Sagan. "It is the doctor who examines the prisoner before interrogation, it is the doctor who says how far they can go, it is the doctor who treats the victim of torture and who remains silent."

It must be understood that torture is a very *inefficient* means of gathering information and for the most part is not used for that purpose. That fact is reflected in the black humor of South Vietnamese interrogators, who have been heard to say, "If they're not guilty, torture them until they are!" Torture is a weapon, widely perceived as a proper response to domestic or colonial insurrection, and sometimes openly advocated by counter-insurgency strategists. All told, according to the Amnesty report, at least 30 nations use torture as an administrative routine and have given free rein to men and women who achieve personal gratification from the destruction of other human beings. These torture states share information, educate torture trainees from less developed police states, and have even produced films on the subject (one found in the secret police headquarters in Portugal was made in part to instruct prison doctors).

Unfortunately, many victims of torture, including Sagan, have been unwilling to discuss their ordeals. Torture victims are often deeply ashamed of what has been done to them and what they have been made to do. Many have lasting and often disastrous emotional disorders.

"I wasn't able to talk about it for many years because of the humiliation and the degradation that they forced on me," says Sagan. "That is why I feel strongly that the Amnesty project of help to care for the victims of torture and to rehabilitate them psychologically is an urgent and crucial one. I wouldn't want anyone to go through years without being able to share, to talk, and to be assured that we are human beings still. It is hard for any person to think himself still human after they strap you to a table, after they insult you, and after they force on you these unspeakable, *unspeakable*, unspeakable, unspeakable actions."

Sex, degradation and power form a special weave in the torturer's mentality. An obsession with excrement and urine and forcing prisoners to smear themselves is common. So is rape and demeaning sexual positions.

What Amnesty offers the political prisoner and the victim of torture is the promise that his case will not be forgotten. Its basic organizational unit, the "group" is responsible for three prisoners of conscience—one from the Eastern bloc, one from the West, and one from a nonaligned nation. This careful policy of neutrality has been a key to Amnesty's success, and with political oppression so widespread, the meticulous nonpartisanship is unfortunately easy to maintain.

Letters on behalf of adopted prisoners are sent to the United Nations and other international bodies, to the press, and to the responsible government. Amnesty International sends observers to trials of those accused of political crimes and, when possible, visits prisons and interviews prisoners and ex-prisoners.

Its success is a testament to the power of public opinion. And yet, within and without the responsible state, public opinion is a difficult weapon to mobilize. "I can understand the fear," says Sagan. "Anything that threatens the status quo or the fragility of our day-to-day existence is better pushed back into the unconscious. It is much more comfortable to go on with our daily lives without worrying about the man in Czechoslovakia who has been picked up, who has lost his job, who is being held some place incommunicado. But the only way to break the power of the secret police is if enough people speak up."

Can it happen here? Amnesty does have 30 prisoners of conscience in the United States, most of them members of ethnic minorities who were caught in situations where racial and/or political prejudice was evident in the arrest, conviction or sentencing. It has also described numerous instances of police and prison brutality. But regarding torture, it has concluded: "It would be incorrect to suggest that there is an administrative practice of torture by the law-enforcement authorities of the United States within their own domestic jurisdiction."

Still, there is reason to be concerned about the U.S. position. As a major supplier of funds and hardware for foreign military and secret police, the country bears a responsibility for how these resources are used. Our government has never officially condemned the practice of torture in Brazil, although there is no disputing its prevalence, and there is a persistent suspicion, bluntly portrayed in the movie "State of Seige," that the United States provides the training for many of Latin America's novice interrogators. To bring the issue even closer to home there have been widespread reports, abundantly documented by the confessions of repentant GIs, of direct involvement of American troops in the torture of Vietnamese.

The very personal quality of caring which Amnesty offers is evident in the title of a new quarterly magazine, Matchbox, which is being published by the West Coast office. The name derives from an incident during Sagan's imprisonment by the Gestapo. A few nights after she had been forced to watch a comrade tortured to death, one of her jailers began cursing her and then kicked open the door to her cell and threw in a loaf of bread. "I was hungry, I wanted to eat, but at the same time the thought crossed my mind that perhaps it was poisoned. But when I picked it up and started eating, I chewed on something hard. It was a little matchbox. There were matches inside and a piece of paper saying: *'Coraggio. Lavoriamo per te.'* Take courage, we are working for you."

ONE MILLIONTH U.S. TRADEMARK

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. RICHMOND. Mr. Speaker, it is with great pleasure that I submit the following address by Mr. Benjamin Eisenstady, president of the Cumberland Packing Corp., for entry into the RECORD. This address was given upon the presentation by Hon. Frederick B. Dent, Secretary of Commerce, of the 1 millionth trademark issued by the Patent Office.

This is truly a memorable occasion since it marks the progress and protection of private property and industry in the United States. The importance of both human rights and property rights cannot be underestimated in this great country of ours.

Mr. Benjamin Eisenstadt is a constituent of mine and is a successful and highly respected businessman in the 14th Congressional District. He has done an outstanding job as president of the Cumberland Packing Corp. and is rendering superb service to our great State and country.

The statement follows:

ADDRESS BY MR. BENJAMIN EISENSTADT, PRESIDENT OF CUMBERLAND PACKING CORP., UPON THE PRESENTATION BY MR. FREDERICK B. DENT, SECRETARY OF COMMERCE, OF THE ONE MILLIONTH TRADEMARK ISSUED BY THE PATENT OFFICE

It is with extreme pleasure that we accept the one millionth Trademark issued by this department. It is not only figuratively but literally true that this is the "one chance in a million" so proverbial in song and story.

But we cannot truly take pride in a fortuitous circumstances that has given Sweet N Low this distinction. This is a happenstance that could have befallen any one of a thousand other applicants. It is far more fitting to take this occasion to pay homage to the system of government that makes patents, copyrights and trade-marks possible. Our real fortune is to live in a Country that recognizes not only the worth of each of its Citizens but also rewards the efforts, skills and industry of its business community.

We feel that this is far more than a proprietory right to a name or design. It is an affirmation of the American ideal of values. It is an implied pact between all the people of the United States and one or a group of its citizens that in exchange for the exclusive use of the granted trade-mark the recipient will so conduct the affairs of its business as to bring not only profit to the holder but will also benefit the entire community by its fair dealings.

In a large measure we believe that the greatness of this Country is based on the belief that in order to bring the greatest benefit to all Americans we must value with equal passion property rights as well as human rights. In a World racked by doubts and indecision and divided by contrasting ideologies the affirmation of this belief is paramount.

Like the well known song about love and marriage, a prosperous and stable world cannot have one without the other. Property rights and human rights are two sides of the same coin. Property rights without human rights is tyranny and injustice. Human rights without the recognition of property rights is anarchy and lawlessness, but both in equal measure spell liberty and freedom.

The rights and obligations under the laws relating to patents, copyrights and trademarks as administered by this department are a shining example of this blending of property and human rights. It is not by accident that such laws are practically unknown in those Countries practicing a different philosophy.

On one hand we have given to individuals and Corporations by these laws the right to reap the benefits of ability and knowledge. Each person is unique unto himself. He has a name which is exclusively his own. He has fingerprints unlike that of any other human being. Trade-marks are the fingerprints of American Industry. It makes it possible for any business enterprise to be unique and bring its uniqueness to the attention of the World. Of course, just as with any individual the value of this uniqueness depends not on his name or fingerprints but what talents he brings to bear in its use. So it is with a trade-mark. Its value can be measured only by those who are benefited or abused by its use. On the other hand the mark also protects the human rights of both the owner and the individual user of the product or service identified by the mark. Unlike in many other Countries he is free to value and choose among many and diverse brands of similar services and products. The American Public will decide which shall prosper and which shall fail. This is as it should be, and as long as industry has the right to make a product or render a service and label it with its mark and the Public has the right to make its unfettered judgement upon the value of that product or service then we have no need to fear for the strength and viability of the American economy.

As for us we shall unceasingly strive to make the product or products bearing the name Sweet & Low live up to these precepts so that at the presentation of the two millionth mark this great land of ours will still be living and prospering by these values.

NEED OF GENERAL TAX REFORM CITED

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I rise today to bring to your attention an article that appeared in the Boston Herald-American on February 11, 1975. Tom Wicker, the author of this piece, points out the need for both general tax reform and changes in the structure of the regressive social security system. I wholeheartedly agree with him. Mr. Speaker, as you know, I have, along with well over 100 of my colleagues, already introduced a bill which will reduce the social security payroll tax from 5.85 percent to 3.9 percent, enlarge the taxable wage base from $14,100 to $25,000, and make the cost of the social security program a three-way split—between the employer, the employee, and the Federal Government.

Mr. Speaker, many times I have risen to speak out on the need for tax and social security reform. And it is a pleasure to hear somebody else speaking out on the same topic. Therefore, at this time, I would like to insert Mr. Wicker's article into the RECORD so that you, and my colleagues, will have the benefits of his comments:

NEED OF GENERAL TAX REFORM CITED

(By Tom Wicker)

In the current zeal for tax-cutting to infuse buying power in a recessionary economy (George Meany says it's really a depression), it would be all too easy to forget two longer-standing needs—for general tax reform in favor of lower income persons, and for some adjustment of the regressive Social Security payroll tax.

The Congressional Joint Economic Committee has just published evidence of both needs, in a startling report that shows the biggest increases consumers had to pay in 1974 were in their income taxes and in the Social Security levy—26.5 percent for the former and 21.6 for the latter, against only 14.3 percent for transportation, 13.5 percent for housing, and 11.9 percent for food (all percentages based on a family of four with an income of $14,446).

The committee report was full of other evidence that under the American tax and economic system, the rich generally get rich and the poor get poorer, all soak-the-rich myths to the contrary.

Prices increased in 1947 at a greater rate for food items frequently consumed by low-income families than for foods favored by the affluent; plus-$50,000-a-year families added up to 12 percent to their incomes without going into a higher income tax bracket, while poorer families with similar percentage increases in income had to pay taxes at higher rates in 1974; federal, state and local income taxes rose an average of 31 percent from 1973 to 1974 for families of four earning $9,320, while in the same period these taxes increased only 26.5 percent for similar families earning $14,466 and $20,883. As the committee concluded:

"Not only are (the poor) less able to cope with inflation because of their limited discretionary income, but low-income families and individuals have also suffered price increases significantly greater than those experienced by upper-income consumers."

That is one good reason why many members of Congress, including the Democrats on the House Ways and Means Committee, want to revise President Ford's tax reduction proposals to provide greater benefits to low-income persons, despite the strain "big ticket" argument put forward by Ford and his economic advisers.

The administration wants a significant proportion of its proposed $12 billion rebate on 1974 personal income taxes paid in sums as high as $1,000 to families with incomes up to $40,000, on the theory that these higher-income families will more likely spend the rebate on "big-ticket" items such as refrigerators, washers, dryers, and autos.

Stimulating demand for such consumer durables will most quickly put more people back to work, the administration theorizes, while bigger rebates for lower-income families would mostly go for food, an expenditure which would have far less effect on unemployment.

But that argument for weighting the rebates to the higher brackets is hard to sustain against the evidence showing that low-income people are hit so much harder by inflation than the more affluent. Where buying power has most sharply declined is at the lower end of the scale; weighting tax rebates and reduction to that sector ought therefore to be highly stimulative, as well as providing justified relief to the hardest pressed.

For the long pull, however, the clear need for a general reform of the income tax structure, taking into account the impact—sharp in some cases—of state and local income taxation, and putting the burden more heavily on the upper-bracket taxpayer, ought next to engage the Ways and Means Committee. The new liberal majority of that panel, charged by the Constitution with originating tax measures, also would do well to turn soon to the burdensome Social Security payroll tax.

This year, workers earning from virtually nothing up to $14,100 a year pay a full 5.58 percent of their earnings in Social Security taxes—a total of $824.85 at the maximum. But people earning $20,000, $50,000, $100,000, while they pay the same total of $824.85 on their first $14,100 of income, obviously pay a declining percentage of their earnings as the latter rise. And even disregarding the extreme regressivity of the tax, the 5.58 percent rate is a heavy burden on the earnings of low-income persons.

The Social Security advisory council is reported to be considering a recommendation that the wage base on which Social Security taxes are levied be raised to $24,000. At present rates, that would mean that anyone earning that much would pay $1,404 against the maximum of $824.85 he or she will pay this year. This would go far toward eliminating regressivity and would greatly increase Social Security revenues without a further rise in the tax rate. As the system is presently designed, it would also mean substantially higher retirement benefits for the well-to-do—against the present maximum of $474.45 monthly for a husband and wife.

Such a rise in the wage base would not, however, ease the heavy burden of a 5.58 percent payroll tax on low-income workers, and it would be deflationary in this period of recession. Why not institute a graduated payroll tax now, providing more tax relief this year to low-income workers, and a higher wage base to take up the slack in revenues after the economy has turned upward?

COMMEMORATES 57TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. HEINZ. Mr. Speaker, February 16 commemorated the 57th anniversary of the short-lived independence of Lithuania, a country that has suffered much injustice in recent decades. As our own Nation prepares to celebrate its 200th anniversary, it is especially fitting that we pay tribute to this small Baltic country that was known to history hundreds of years before the discovery of America.

During little more than two short decades of independence, from 1918 until it was forceably annexed into the Soviet Union in 1940, Lithuania made great strides toward providing a better life for its citizens. Its constitution granted freedom of speech, assembly, religion and communication. Agriculture, the major occupation of Lithuania, enjoyed significant advancement. With a land reform program, Lithuania became a nation of small farmers.

Industrialization progressed as well, increasing the number of industrial establishments from 151 in 1913 to more than 16,000 in 1939.

Lithuanians also witnessed the introduction of the 8-hour day and such social legislation as a labor control law. Lithuanian literature, opera and other music also flourished.

Lithuania's era of progress ceased when the Soviet army occupied the country during World War II and declared it to be a constituent republic of the U.S.S.R. in August 1940. During this occupation Lithuania suffered the loss of an estimated 45,000 people who fled or were arrested or deported.

Less than a year later, Nazi forces overran Lithuania, making the country one of the first to experience the aggression of both Stalin and Hitler. As the

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war progressed and the tide turned against Germany Lithuania returned not to independence but to Soviet domination.

The United States has never recognized the Soviet incorporation of Lithuania and the other two Baltic States, Estonia and Latvia. Though stripped of their freedom, these brave people continue to strive to maintain their national identity and their dignity.

It is to our credit that we have not, and will not, abandon our support of the Lithuanian people's aspirations for a free and independent existence. I share with Lithuanians everywhere their pride and hopes as reflected in the words of their national anthem:

Lithuania, land of heroes,
Thou our Fatherland that art,
From the glorious deeds of ages
Shall Thy children take heart.

May Thy children ever follow
Their heroic fathers
In devotion to their country
And good will to others.

May the sun of our loved shore
Shine upon us evermore;
May the right and the truth
Keep our pathway lighted.

May the love of our dear land
Make us strong of heart and hand,
May our land ever stand
Peaceful and united.

HOUSE OF REPRESENTATIVES—*Tuesday, February 18, 1975*

The House met at 12 o'clock noon.

Rabbi Leib Pinter, B'Nai Torah, Brooklyn, N.Y., offered the following prayer:

Father in Heaven, whose sovereignty is everlasting, who grants dominion unto governments, we seek Your blessing and protection for this Nation, the United States of America. Grant wisdom to her leaders to guide her in the path of peace and prosperity.

כי לב מלאכים ביד השם

For the hearts and the thoughts of rulers are in the hands of the Almighty.

We do, therefore, pause to acknowledge Thy Lordship and ask Thy blessing upon those of us to whom are given the special responsibilities of this great country.

Direct us, O Lord, in all these, our doings, and grant us the gracious favor of Thy continued help that all our works, begun, continued, and concluded in Thee, may glorify Thy holy name.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed the following resolution:

S. RES 81

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Honorable Jerry L. Pettis, late a Representative from the State of California.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it adjourn as a further mark of respect to the memory of the deceased Representative.

The message also announced that the Vice President, pursuant to Public Law 91–452, appointed Mr. STAFFORD to the Commission on the Review of the National Policy Toward Gambling in lieu of Mr. BEALL, resigned.

RABBI LEIB PINTER

(Mr. SOLARZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLARZ. Mr. Speaker, this morning we had the pleasure of having the opening prayer delivered by one of my constituents and good friends, Rabbi Leib Pinter, of Brooklyn.

A graduate of the Mesivta Talmudical Seminary, Rabbi Pinter was ordained in 1964. He has also been awarded the B.S. degree by Brooklyn College and the M.S. degree by Long Island University. Since 1968 he has served as the spiritual leader of Congregation B'Nai Torah in Brooklyn.

In addition to his religious duties, Rabbi Pinter has also dedicated himself to furthering Jewish education. For 3 years he served as an instructor of Talmud at the Yeshiva of Eastern Parkway High School, for 3 years as principal of that institution and for 2 years as the registrar of Mesivta of Eastern Parkway Rabbinical Seminary. In 1972 he became the founder and president of the B'Nai Torah Institute in Brooklyn. He presently serves as the institute's dean.

B'Nai Torah Institute is comprised of three academic divisions—the high school, the Bais Hamedrash for high school graduates who concentrate exclusively on Hebrew studies, and the Kollel for intensive religious studies for post-high school students. The Kollel students are the young men who are destined to become the instructors and Roshei Yeshiva—deans—of future generations. The B'Nai Torah Institute operates a 12-month program and during the summer the young men pursue their studies at a camp in the Catskill Mountains of New York.

A truly unique and dedicated person, Rabbi Pinter has served as the president of the Conference of Associated Yeshivas, 1974; New York State Yeshiva High School Principal's Association, 1972; and the Council of Jewish Manpower Associations, 1973.

Married and the father of four children, Rabbi Pinter is one of the 13th Congressional District's most active and respected residents. His effective efforts in the areas of education and manpower programs are particularly noteworthy and I am delighted he could be here with us this morning.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, I wish to further commend Rabbi Pinter on the invocation he delivered to the House today.

Mr. Speaker, it has been our privilege this morning to have the invocation delivered by a distinguished leader in the American Jewish community, Rabbi Leib Pinter. I am sure that my colleagues in this august body were impressed and inspired by his moving words.

Rabbi Pinter is a noted scholar and educator who serves as dean of the outstanding B'nai Torah Institute in Brooklyn, N.Y. I am familiar with its work and wish to applaud its efforts publicly. On this occasion, I shall now enter some extended remarks in the CONGRESSIONAL RECORD.

B'NAI TORAH INSTITUTE

The "average man" is the blessing of modern democratic society and also its curse. Goals are set with the "average man" in mind, policies enunciated, laws promulgated, institutions established, schools erected—all to serve the needs of Mr. John Doe. Thus, neither the "elite" nor the "rabble" determine the public framework of our society; which is a blessing, because it meets the needs of the many and not merely the few.

But what of the few? What of the underprivileged and the disadvantaged? Must they fall by the wayside? How much valuable potential is lost because society cannot afford to pay individual attention to the needs of the poor, the uneducated, the unskilled?

And what of the gifted? Are their talents and intellectual abilities to be wasted because they must conform to the norm? Are they to be restrained from achieving the possible because our institutions are geared to reach the average attainable?

Fortunately, this is a free country and any individual can theoretically reach the heights of his ultimate capabilities. But, since government must limit its concern and assistance to the many and not the few, the striving and ambitious individual must reach his goals on his own, or with the help of other private individuals. The history of our country is replete with examples of men and women who have done just that—and America is the better for it.

EXCELLENCE IN EDUCATION

The problem is particularly acute in the field of education. All children are not created equal, at least in their intellectual capacities and talents. Ideally, therefore, the brighter child should be taught differently than the average child. Unfortunately, in a mass educational system with large classes, it is almost impossible to teach each child according to his own needs, at his own speed. And while, on the elementary level, there are in some instances sufficient pupils in a school to organize parallel classes based on slow, average, and advanced achievers, this is not the case on the higher levels of education. Only a separate school, devoted especially to the need of the gifted, intellectually superior student, could prove successful.

The Jewish people, from time immemorial, have been known as the People of the Book. Learning and study are among their highest values; their rabbis and scholars are venerated and respected beyond measure. Education for all, and especially for the gifted, is one of their prime concerns.

With this goal in mind, the B'nai Torah Institute was founded. Through careful screening of applicants, the institute was able to gather a select group of outstanding Jewish high school students who could benefit most from its unique program. The minimum standard is excellence: In intellectual capacity, in moral inclination, in a desire for influence and leadership. Once these standards are met, and openings are available, no other conditions are placed on entry, certainly not financial conditions: students pay whatever they can afford.

A 3-YEAR HIGH SCHOOL PROGRAM

One of the basic assumptions of the American educational system is that a student cannot tolerate, or function well for, more than a 10-month school year, with frequent minivacations even in that time span. For the average student this is possibly true, although this too is a controversial matter; in fact, the more demanded of a student, the more he can accomplish.

B'nai Torah Institute demands more. A B'nai Torah student devotes a minimum of 13 hours a day to his studies, beginning with prayer services at 7:30 a.m. and ending with an independent study/review session at 9 p.m. During the day he partakes of an intensive and accelerated program of both Hebrew and secular subjects. Classes are small and intimate, allowing for close one-to-one contact between student and teacher.

And this program continues, in one form or another, 12 months of the year! Ten months are spent on the school campus in Brooklyn, 1 month of full curriculum is mandatory on the school's campgrounds in the Catskills, and 1 month offers an option between continuing the full curriculum at camp or a program of assigned study projects wherever the student chooses to be.

As a result of this intense and accelerated program a student is able to complete his high school studies in only 3 years.

POST-HIGH SCHOOL STUDIES

Having graduated from high school a year earlier than most, the Institute's student rarely feels the pressure to enter a secular college, even if he has intentions of doing so, at this tender age. Thus he is able to devote a year or two, or more, exclusively to his Hebrew studies, which in any event is at the heart of his lifestyle. He enters the bais hamedrash—literally, house of study—and delves deep into the profundities of the Bible, the Talmud, and other rabbinic commentaries and ethical teachings. An exceptionally high caliber staff of instructors—a number of whom have authored and published learned articles and books—works with small groups of students in an academic style that blends a clear-cut analytical approach with a warm and positive attitude toward the subject matter.

Post-high-school students who show exceptional promise are encouraged to continue their studies even after marriage. The chosen and the willing, upon committing themselves to spend at least 3 years in this program called the Kollel, are offered a stipend which allows them to study undisturbed by the concerns of supporting their young families. While far from lavish, the B'nai Torah grant enables the Kollel men to provide for their dependents with dignity and peace of mind. These young men are destined to become the instructors and deans of future generations of young Jewish scholars.

DORMITORY AND DINING FACILITIES

While many of B'nai Torah's students reside in the immediate or adjacent neighborhoods, others come from far and wide to benefit from its unique program. To enable the latter to participate in every aspect of the schedule, dormitory facilities are provided in nearby apartments.

Three nutritious meals are served to each student every school day, and tea and coffee are available throughout the day.

A COMMUNITY-MINDED INSTITUTION

"No man is an island unto himself," the poet said, and B'nai Torah Institute subscribes to that wholeheartedly. As an institution steeped in the moral concepts of traditional Judaism, it cherished the ideal of loving one's neighbor as one's self. The administration of B'nai Torah Institute has chosen to inculcate this ideal in its students not merely by preaching it but by practicing it.

B'nai Torah Institute is actively engaged in managing and supervising several public assistance programs of direct benefit to the underprivileged in a number of Metropolitan New York's neighborhoods. Summer lunch programs, under the aegis of U.S. Department of Agriculture, provide a well-balanced nutritious meal to thousands of improverished children. Manpower training programs, under the auspices of the U.S. Department of Labor, offer training and new skills to members of the disadvantaged minorities who seek a better station in life.

By observing this example of concern for the poor and the needy, B'nai Torah students are imbued with the noble ideal of shouldering the burden with their fellow man.

B'NAI TORAH INSTITUTE LOOKS TO THE FUTURE

As long as there are human differences, there will be a need for special educational programs for the gifted. Indeed, as educational opportunities become more broad based, there will be a continually growing need to encourage the intellectually superior student to reach for, and achieve, his maximum potential.

B'nai Torah Institute can already see, by the increasingly large number of applicants they cannot accept only because their present facilities are inadequate, that it must expand its horizons. They consider it their sacred duty to their people and to our country, to make excellence in education available to all who seek it.

PRESIDENT'S POWER TO DECONTROL OLD OIL MUST BE CURBED

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, in accordance with his state of the Union speech and repeated statements since, President Gerald Ford has announced he will decontrol "old oil" on April 1. He tells us that it is a part of his energy policy to permit the price of old oil on that date to rise from its present level of $5.25 per barrel to $11 per barrel or the present world price.

According to the National Academy of Sciences, there are approximately 37 billion barrels of old oil reserves which have a present controlled price of $5.25 per barrel, or a total worth of $194.25 billion. It is the President's intention on April 1 to increase the value of these reserves—principally held by eight major oil companies—to $11 per barrel, or to a total worth of $407 billion.

Never before in the history of this Nation has a President possessed such tremendous economic power to make a few nearly a quarter of a trillion dollars richer—and all of the rest of the people of America that much poorer. The consumers will face a thunderous inflationary jolt as they begin to pay the new price for a resource which has already been developed through billions of dollars of past tax subsidy.

I am currently preparing legislation which will limit this horrendous power of the President's pen, and I hope that Members of this body will take immediate steps to limit or restrain this power before the April 1 deadline.

RECOMMITTAL OF H.R. 2302 TO COMMITTEE ON GOVERNMENT OPERATIONS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to recommit to the Committee on Government Operations the bill H.R. 2303 to revise certain provisions relating to per diem and mileage expenses of Government employees and disabled veterans and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON BILL MAKING FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a bill making further urgent supplemental appropriations for the fiscal year ending June 30, 1975.

Mr. BAUMAN reserved all points of order.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT AS MEMBERS OF COMMITTEE ON HOUSE RECORDING STUDIO

The SPEAKER. Pursuant to the provisions of section 105(c), Public Law 624, 84th Congress, the Chair appoints as members of the Committee on the House Recording Studio the following Members on the part of the House: Mr. REES of California; Mr. ROSE of North Carolina, and Mr. CRANE of Illinois.

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1975 FOR CERTAIN MARITIME PROGRAMS OF DEPARTMENT OF COMMERCE

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The Clerk read as follows:

H.R. 3

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State Marine Schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four port ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

The SPEAKER. Is a second demanded.

Mr. MOSHER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge passage of H.R. 3, which is identical to H.R. 13296, vetoed by the President on January 4, 1975, with the exception of the nongermane amendment that had been added on by the Senate and to which the President directed his veto. H.R. 13296 originally passed the House on June 4, 1974.

Section 1 of the bill would authorize appropriations for fiscal year 1975 for certain maritime programs of the Department of Commerce, in the total amount of $562.9 million—to be apportioned as follows:

Construction subsidy, $275 million;

Operating subsidy, $242,800,000;

Research and development, $27,900,000;

National Defense Reserve Fleet, $3,742,000;

Federal Merchant Marine Academy, $10,518,000; and

State marine schools, $2,973,000.

Section 2 of the bill is a technical amendment to avoid having to amend the fiscal year 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for the remuneration of Maritime Administration employees at the National Defense Reserve Fleet and the Federal Merchant Marine Academy. An identical provision was in the authorization act for fiscal year 1974.

When we enacted the Merchant Marine Act of 1970, the Congress gave specific recognition to the Great Lakes as the fourth major seacoast of the United States. While maintaining a regional office for the Atlantic, gulf, and Pacific coasts, the Maritime Administration has yet to establish such an office for the Great Lakes. Section 3 of the bill would require that this be done promptly.

Mr. Speaker, the proposed legislation set forth in H.R. 3 passed both the House of Representatives and the Senate in the last Congress as H.R. 13296, and would have been enacted but for an unacceptable Senate amendment. H.R. 3 is identical to H.R. 13296, 93d Congress, as it passed the House of Representatives, except that it does not contain the Senate amendment found objectionable by the administration.

The bill was reported unanimously by the Merchant Marine and Fisheries Committee after full and careful consideration of the entire record, and I am unaware of any opposition to it. I strongly urge the House to support this very important legislation so that the new maritime program provided by the Merchant Marine Act of 1970 can continue to be implemented as directed by the Congress.

Mr. MOSHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished chairman of the Merchant Marine Committee (Mrs. SULLIVAN) has carefully described the provisions of H.R. 3, authorizing appropriations for the Maritime Administration for fiscal year 1975. I believe it is necessary to state only that this authorization bill reflects the continuing commitment of the administration and the Congress to the goals of the Merchant Marine Act of 1970.

The principal thrust of the 1970 act was toward the creation of a bulk carrier capability under the U.S.-flag. The legislation we are now considering provides the seed money, if you will, to insure the construction of vessels which will give the United States a minimal degree of independence in the carriage of our bulk imports and exports. At the subsidy rates prevailing in fiscal year 1975 of from 16½ to 37 percent, the construction funds authorized in this legislation will support almost a billion dollars worth of ship construction in U.S. yards, and many thousands of man-hours of employment not only in the shipyards themselves but in the steel industry and all related industries that contribute to the building of a ship.

The operating subsidies authorized in this legislation will provide a minimum of support for liner companies operating on essential trade routes and bulk carriers in various worldwide services. While great strides have been made with respect to the construction of technologically advanced liner vessels, such as container and barge-carrying ships. The liner companies of the U.S. merchant marine are beset by a number of competitive problems which have seriously undermined their financial stability. The technological revolution which swept the liner trades in the 1960's made this a capital-intensive industry. The liner industry is no longer in truth a shipping industry but has become an integrated land-sea transportation industry, where terminal facilities, containers, and trucks are as important elements in the business as the ships themselves. The purchase of modern container and LASH ships has seriously strained the resources of our liner companies. A number of them have become subsidiaries of major conglomerate organizations in order to secure the great amounts of money required to pay for the ships, containers and other facilities essential to a modern liner service.

While the technological revolution in shipping began in the United States, it quickly expanded to Europe and Japan and the major shipping nations of the world have now fully equalized whatever competitive edge the U.S. merchant marine may have enjoyed during the late 1960s'. Both the North Atlantic and the transpacific trades, our principal trade routes, are heavily overtonnaged and will remain so for years to come under current projections of trade growth. In this highly competitive international environment, the American carrier with a substantially higher cost structure is at a distinct disadvantage. Subsidy is a mixed blessing. It imposes rigidity, and in return for money to meet the higher U.S. costs, the carrier must forego the flexibility which its foreign competitor enjoys. At the same time, the U.S. system of shipping regulation imposes constraints upon U.S.-flag carriers of which the foreign competition is largely free.

This year under the auspices of the United Nations a so-called Code of Conduct for Liner Conferences has been promulgated and is open for ratification. During the negotiations over this Code in Geneva, the U.S. delegation sought international approval of our system of open steamship conferences and free competition for trade. These concepts, which we have adhered to in the U.S. foreign trade since enactment of the Shipping Act of 1916, were resoundingly defeated by the international community during the Code of Conference Practice deliberations. Apparently, what the rest of the world wants is free open competition in the U.S. foreign trade and closed cartels in all other trades. The effect of this is that the Japanese and European carriers, and now most recently the Russians, are able to come into the U.S. trades at will and skim off the most lucrative cargo while effectively denying to U.S. carriers any opportunity to engage in foreign-to-foreign trades.

Understandably, the Maritime Administration has concentrated attention on the tanker shipbuilding program during the past 4 years. It is time, however, to take a serious look at the problems that beset our liner industry. Responsibility for this is divided between the Federal Maritime Commission, which administers our regulatory statutes, the Maritime Administration, Justice Department, and the State Department. Unfortunately, none of these agencies has exercised any leadership in tackling the problems of our liner industry. The time is growing short, and I urge these agencies to undertake a thorough review of our promotional and regulatory policies with respect to liner shipping with a view toward developing a system of shipping subsidy that will not place our carriers in a straitjacket, and a system of regulation which will recognize the realities of international trade in this decade. Undoubtedly, such a review, to be meaningful, must involve fundamental statutory changes. I know that the Committee on Merchant Marine and Fisheries is prepared to consider seriously the highly discriminatory climate in which the U.S. liner fleet must operate today. We are, however, a legislative body, and the administrative agencies which have the basic expertise in this field must come forward and present at least the broad outlines of a program which will permit the U.S. liner fleet to compete effectively with those of other nations with whom we trade.

In addition to providing the routine authorization of funds for the maritime programs for the Commerce Department, this legislation directs the Secretary of Commerce to establish and maintain regional offices of the Maritime Administration to serve each of our four seacoasts. For many years, the Maritime Administration has maintained large regional offices in New York, New Orleans, and San Francisco to facilitate contact between the shipping industry and the Government. These offices are staffed with personnel who are familiar with the varying problems of shipowners and our exporters utilizing the ports on these ocean seacoasts.

The Merchant Marine Act of 1970 established the Great Lakes as our fourth seacoast and directed that the programs of the Maritime Administration be administered so as to promote the interests of all our seacoasts, including the Great Lakes. Unfortunately, a statutory declaration of equality has not proven sufficient and for the 5-year period since enactment of the Merchant Marine Act of 1970, we have had to struggle against bureaucratic indifference, if not outright opposition, to our efforts to improve shipping services in the Great Lakes.

In response to considerable interest expressed by many of us in the Congress, the Maritime Administration late last year did announce that it would establish a Great Lakes regional office. In view, however, of the great reluctance exhibited in the past to come to grips with Great Lakes shipping problems, we felt that we could not afford to leave this matter to the discretion of the Secretary. Therefore, this legislation mandates the establishment of a Great Lakes regional office under a qualified director, and the various functions of the Maritime Administration that bear upon Great Lakes problems will be handled through this office.

It is noteworthy that within the past few weeks an application for subsidy to establish a U.S.-flag Great Lakes liner service has been received by the Maritime Administration. We will be watching the progress of this application filed by Prairie Shipping, Inc., of Chicago, with great interest. Great Lakes ports, labor and management interests, have expressed a strong support for direct U.S.-flag service from lake ports. It is hoped that through the enactment of H.R. 3, the Maritime Administration will come to realize how serious the Congress feels about our fourth seacoast.

Mr. DOWNING. Mr. Speaker, I rise to urge passage of H.R. 3. Sections 1 and 2 of the bill would authorize appropriations for fiscal year 1975 for certain maritime programs of the Department of Commerce, and I would like to comment briefly on them.

The first element of the authorization request is for construction subsidy. As you know, construction subsidy is based on the difference between United States and foreign shipbuilding costs, and paid to U.S. shipyards so that our vessels can compete in international trade. The construction subsidy request of $275 million will permit the Maritime Administration to contract for nine ships in fiscal year 1975, as part of the new maritime program provided by the Merchant Marine Act of 1970. These contracts will come within the declining construction subsidy rates provided by that act. The Merchant Marine Act of 1970 generally provides for the reduction of subsidy from 45 percent in 1971, until 35 percent is reached in 1976. In 1975, the construction subsidy rate will decline from 39 to 37 percent.

The next element in the authorization request is for operating subsidy that is generally based on the difference between United States and comparable foreign operating costs, and paid so that U.S.-flag operators can provide essential shipping services. The authorization request of $242,800,000 for this activity in fiscal year 1975 would be used for the operation of U.S.-flag passenger, cargo, and bulk vessels in our foreign commerce.

I am pleased to be able to inform the House that not all U.S.-flag vessels require operating subsidy. A number of capital intensive vessels, such as container ships, are operated without subsidy in our foreign trade by operators such as Sea-Land. More significantly, 19 vessels that were formerly operated under subsidy by United States Lines and American Export Lines, now compete in our foreign trade without such Government assistance.

The research and development authorization request of $27,900,000 would be used by the Maritime Administration to increase the productivity of the American shipping and shipbuilding industries in order to improve the competitive position of the U.S.-flag merchant marine. Priority will be given projects with near-term benefits. Industry participation and cost sharing will be expended. With the skyrocketing cost of fuel oil, I am pleased to note that the largest single element of the research and development program concerns the development of competitive nuclear ships.

The authorization request of $3,742,000 for the National Defense Reserve Fleet would be used by the Maritime Administration to continue to maintain ships under preservation to supplement the active fleet in time of war or national emergency. Two hundred and ninety-four merchant ships would be retained for national defense purposes.

The last two authorization requests concern maritime training. Section 1(e) of the bill would authorize $10,518,000 for the continued operation of the Merchant Marine Academy at Kings Point, N.Y. Section 1(f) would authorize $2,973,000 for Government aid to the State marine schools. In this regard, an Ad Hoc Committee on Maritime Education and Training, of the Merchant Marine and Fisheries Committee, is putting the finishing touches on a comprehensive evaluation of all of our Nation's maritime schools.

Section 2 of H.R. 13296 is basically a technical amendment to avoid having to amend the fiscal year 1975 authorization

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request if supplemental appropriations for fiscal year 1975 are required for the remuneration of Maritime Administration employees at the National Defense Reserve Fleet and the Federal Merchant Academy. An identical provision was in the authorization act for fiscal year 1974.

The annual authorization request of the Maritime Administration is one of the most important pieces of legislation to come before the Merchant Marine and Fisheries Committee each year. Every item has been carefully reviewed. After full and careful consideration of the entire record, H.R. 3 was reported unanimously, and I am unaware of any opposition to it.

Mr. Speaker, as the distinguished chairman of the committee pointed out, the proposed legislation set forth in H.R. 3, passed the House of Representatives in the 93d Congress, and subsequently was vetoed because of a nongermane Senate amendment. H.R. 3 does not contain this objectionable amendment, and should be passed.

This authorizing legislation should have been enacted in the last Congress. As it was not, the Maritime Administration, of the Department of Commerce, is currently operating under a continuing resolution that will expire on February 28, 1975. I strongly urge the House to quickly pass this very vital legislation.

Mr. ASHLEY. Mr. Speaker, I rise to join the other members of the Merchant Marine and Fisheries Committee to urge the passage of H.R. 3.

Our distinguished chairman and other members of the committee have spoken on the maritime authorization aspect of H.R. 3. Permit me to comment briefly on section 3 of the bill.

Mr. Speaker, section 3 would amend section 809 of the Merchant Marine Act, 1936, in order to accomplish what we thought we had accomplished with the Merchant Marine Act of 1970 (Public Law 91-469). That act amended section 809 to officially designate the Great Lakes as the fourth major seacoast of the United States.

In the 4 years since the enactment of the Merchant Marine Act of 1970, the Maritime Administration has done very little with respect to our unique situation on the Great Lakes, and it is clear that a regional office is required. Section 3 would amend section 809 of the Merchant Marine Act, 1936, to generally provide that the Maritime Administration establish and maintain regional offices on the Atlantic, gulf, Pacific, and Great Lakes coasts of the United States. As that Agency now maintains regional offices on the Atlantic, gulf, and Pacific coasts, the practical effect of this amendment is to require a regional office on the Great Lakes.

The Great Lakes is a vital national asset that requires the services of a regional office. The Great Lakes serve a hinterland area of 14 States that contain: First, over 35 percent of our population; second, over 42 percent of our industrial activity; third, over 50 percent of our agricultural output; and fourth, over 25 percent of our mineral production.

The hinterland of the Great Lakes develops a high percentage of our foreign trade. With respect to exports, it generates about 40 percent of manufactured goods, 50 percent of agricultural products, and over 20 percent of mineral exports. With respect to imports, the figures are about 35 percent for general cargo, over 40 percent for capital imports to be used in manufacturing, and almost 50 percent of agricultural imports.

For a variety of reasons, most of this cargo is not moving through Great Lakes ports. For example, during the past 4 years, there has been a drastic decline in shipments of general cargo in the ocean trades of the Great Lakes. Trade to Continental Europe has decreased 21 percent. During that same period, U.S. commerce from the Great Lakes area has increasecl 18 percent. U.S. trade to the Mediterranean through Great Lakes ports has decreased 61 percent. During the same period, U.S. commerce from that area has increased 10 percent. Additionally, six liner services have been lost in the continental European and Mediterranean trade routes, and no U.S.-flag ships have served the Great Lakes in the overseas trade.

The Great Lakes have unique problems. We can possibly overcome some of these problems with a little help. The regional office of the Maritime Administration to be provided by the bill would insure that our situation is not ignored, and that our problems may be considered.

In conclusion, Mr. Speaker, I wish to emphasize that H.R. 3 is a sound piece of legislation that passed the House of Representatives in the 93d Congress. I strongly urge the House to vote for it today.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN), that the House suspend the rules and pass the bill, H.R. 3.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table an identical Senate bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State marine schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four post ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

AMENDMENT OFFERED BY MRS. SULLIVAN

Mrs. SULLIVAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN: Page 3, line 4, strike the word "post" and insert in lieu thereof the word "port".

The amendment was agreed to.

The Senate bill, as amended, was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3) was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

PEACEFUL RELATIONS STRESSED AT BELGRADE CONFERENCE

(Mr. JARMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JARMAN. Mr. Speaker, last week, over 200 parliamentarians from 27 countries gathered in Belgrade, Yugoslavia, to reaffirm their support for realistic progress toward a more secure peace in Europe and a freer exchange of its people and ideas. I was pleased to participate in this Interparliamentary Union Conference on European Security and Cooperation in collaboration with seven distinguished colleagues in the House and Senate.

During our trip, we met formally and informally with leaders of four countries playing key roles in Europe and the Mediterranean.

In Yugoslavia, we visited top governmental and parliamentary leaders, including Mr. Djemal Bijedic, Prime Minister, and Koro Gligorov, President of the National Assembly. In these meetings, we exchanged views on measures each of our countries could take to achieve stable economic growth, both within our countries and internationally. While noting no major problems in our bilateral relations, we discussed how those relations might be further strengthened, particularly by increased American business participation in Yugoslavia's economy.

Following the conclusion of the Belgrade Conference, and at the invitation of the Egyptian Parliamentary Group, our delegation spent several days in Egypt. Just prior to Secretary Kissinger's visit, we met several prominent Egyptian leaders, notably the remarkable leader of that country, President Anwar al Sadat. President Sadat impressed us with his deep commitment to peace and his conviction that progress toward this goal is an urgent necessity.

Later, in Algeria, we met with President Houari Boumedienne, a dynamic leader who assured us of his country's interest in improved relations with the United States. On the Arab-Israel conflict, he carefully explained his view that Israeli withdrawal from occupied territories and an early resolution of the Palestinian problem were prerequisites for peace in that area and for Israel's own security.

Finally, in Morocco, we met with the articulate Prime Minister, Ahmed Osman and his close associates. We noted the close United States-Moroccan ties dating from the time of George Washington. The Moroccan leaders stressed their view that strict conservation of raw materials by producing countries and adequate and stable world prices for such commodities are necessary to assure both the economic development of these countries as well as the longer term availability of such raw materials to the industrialized nations.

Since cooperation in Europe was the main focus of our journey, I would like to outline several important recommendations contained in the Belgrade Conference declaration.

Above all, the Conference adopted clear and practical suggestions for establishing greater human contacts, a freer flow of information, and more numerous exchanges in the fields of education and culture. Significantly, these recommendations were supported by the delegates from Eastern Europe. They included the following:

To permit greater emigration by promoting freer movement of nationals of one state to other states, by facilitating the reunification of families, and their free choice of domicile;

To encourage students and teachers to work and study in other countries;

To increase contacts in the cultural sphere, including wider distribution of books, and coproduction and exchange of films, radio and TV programs;

To improve working conditions for journalists and improve the dissemination of information through all available media; and

To insure greater respect for human rights.

I believe the House will welcome these results in view of its own deep concern for the observance of human rights, particularly in the countries of Eastern Europe. Credit for much of this accomplishment must go to our distinguished colleagues from Illinois, Mr. ROBERT MCCLORY, and from Florida, Mr. CLAUDE PEPPER. The Conference also accepted Mr. MCCLORY's proposal to endorse International Women's Year—1977—and promote through the parliamentary process the legal and constitutional rights to which the women of all nations are entitled.

The Conference centered its economic discussions on the widely shared belief that obstacles to greater trade and economic cooperation between East and West should be removed. Senators BIRCH BAYH and LEE METCALF very ably represented our delegation on this committee. Largely because of our Member's persistence, the Conference also emphasized the need for a stable international monetary system, cooperation to resolve energy problems, and concrete measures to preserve the human environment.

In the crucial sphere of political and security affairs, our group was represented by the distinguished Senator from Vermont, our former colleague, ROBERT STAFFORD and by the very energetic gentleman from Illinois, Representative EDWARD DERWINSKI. Senator VANCE HARTKE of Indiana also made a real contribution to the work of the delegation.

The Conference reaffirmed the principles which should guide nations in the conduct of their mutual relations in Europe, and determined that all such principles must be applied equally. Perhaps significantly, the Soviet delegates accepted this major point of doctrine, even though Soviet representatives in other forums had hitherto found it unacceptable.

With the aim of creating a climate of greater confidence in Europe, the Conference also endorsed measures to reduce the burden of armaments borne by the countries of Europe and North America. It called for the acceleration of agreement on mutual reduction of conventional forces in Europe, and for an early and successful conclusion of other important arms control negotiations, such as the SALT talks. Further action contemplated by the Inter-Parliamentary Declaration in these areas will help to reduce the unilateral costs of maintaining such forces while at the same time assuring that the conventional and nuclear balance of forces in Europe is adequately maintained.

Mr. Speaker, this is but a brief summary of the accomplishments of our trip. The U.S. delegation will be submitting a full report in due course. But I wanted to draw this body's attention to the progress we believe was made at the Belgrade IPU Conference in two key areas: First, furthering common understanding among concerned parliamentarians; and second, achieving results favorable to our country's own efforts to establish durable and peaceful relations among the countries and the peoples of Europe and North America.

SAN BENITO SENIOR IS HEART POSTER GIRL

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, a 16-year-old high school senior in my area, the 15th Congressional District of Texas, sets an example which all of us might observe and follow with great benefit to ourselves.

Geraldine Gonzales is happy just to be alive. Born with congenital heart defects, this fine young woman has been named as the American Heart Association poster personality for my south Texas area. She has undergone a series of major operations, the first of which occurred when she was only 6 months old.

"I just want to be normal," says Gerrie Gonzales, "not a celebrity."

To me and to her many other friends in south Texas, she is more than a celebrity. She is an inspiration because of her courage and her happiness in living. I know that her parents, Mr. and Mrs. Claudio Gonzales of San Benito, are very proud of her. They have a right to be.

The story of Gerrie Gonzales was published recently in the Valley Morning Star, and for the inspiration of my colleagues I append this article as part of my remarks:

SAN BENITO SENIOR IS HEART POSTER GIRL

SAN BENITO.—Geraldine Gonzales, a senio. at San Benito High School, is a happy person—happy just to be living.

Gerrie, as she prefers to be called, has been selected as the American Heart Association poster personality for South Texas. She was born with five congenital heart defects and underwent her first operation at the age of six months. And now she is 16, having gone through major operations in that period.

In 1970, at the age of 12, an artificial pacemaker was implanted in Gerrie's abdomen to take over the job of the heart's natural function. A pacemaker is an electronic device which sends an impulse to specialized muscle tissue, making the heart pump at a steady pace. For Gerrie, the operation insures receiving the balanced amount of oxygen and nourishment to the body cells.

Today, Gerrie lives quite a normal life, "just like any other teenager" as she puts it. In May, she will be graduating from San Benito High School, and like most other high school seniors, her future is her main concern. In college, she hopes to major in pharmacy.

"I know that I want to go to college," she said, "but where exactly I'm not sure. I've always had an interest in pharmacy, and later I hope this comes through for me."

Gerrie is the daughter of Mr. and Mrs. Claudio Gonzales of San Benito. Her parents also view Gerrie as just another person.

"On December 19, 1974," Mrs. Gonzales said, "Gerrie had surgery again to check her pacemaker. Her previous pacemaker lasted two years and four months. With this new

pacemaker, she can plan for at least four years of college."

Much of Gerrie's daily activity is centered around the band in which she plays the flute. "I guess I liked the flute because it's about my size. I love the band trips the most, especially doing some of the crazy things that students aren't supposed to do."

On weekends, Gerrie works as a cashier at a large grocery store. She loves to read, "though riding around with kids" also keeps her busy. Her dark searching eyes and gentle smile make her attractive to many.

The American Heart Association's annual raising drive will be held in February and Gerrie will be attending several meetings to promote the volunteer activities. Gerrie's greatest concern over being named Heart Fund poster personality was the attention she might receive. "I've never been too much for dresses," she said. "I just want to be normal—not a celebrity."

Taking everything into consideration, one can be certain that Gerrie, without a doubt, is truly normal.

The South Texas Heart Association office is located in Harlingen, and anyone interested in working with the campaign or needing heart information may call 425-3234.

THE EMERGENCY UNEMPLOYMENT HEALTH BENEFITS ACT OF 1975

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS. Mr. Speaker, as of January the unemployment rate in the Nation had risen to 8.2 percent with the grim forecasts of even greater increases. More than 5.61 million persons are currently out of work. For these jobless and their families, a total of about 25 million persons altogether, the prospects are bleak.

Unemployment insurance, which for the average person is about $68 a week, is barely sufficient to keep a family fed and pay the utility bills. While the Government has moved to meet these problems through the recently enacted emergency public employment legislation and extension of unemployment benefits, there is still a major area of concern that needs immediate attention.

That is the area of health care.

When a person loses his job he also loses his medical care insurance coverage. The anxieties that this can cause for the unemployed worker and his family are enormous, especially when you consider the high cost of health care today. During the past 10 years hospital costs have more than tripled and today the daily average rate exceeds $100.

The result is that families living on meager unemployment compensation, are going to postpone medical care even at the risk of serious illness. Losing one's job is tragic enough without adding the grim specter of sickness and catastrophic medical bills.

That is why today I am introducing the Emergency Unemployment Health Benefits Act, an emergency measure to continue premium payments of unemployed workers who are not covered by a spouse's or parent's health insurance policy.

The bill follows:

H.R. 3165

A bill to amend the Public Health Service Act to establish an emergency health benefits program for the unemployed

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Unemployment Health Benefits Act of 1975".

SEC. 2. The Public Health Service Act is amended by adding at the end thereof the following new title:

"TITLE XVII—EMERGENCY HEALTH BENEFITS PROGRAM

"ELIGIBILITY FOR HEALTH INSURANCE BENEFITS

"SEC. 1701. (a) It is the purpose of this title to provide—

"(1) to each individual who—

"(A) is unemployed and is entitled to receive weekly compensation under a State or Federal unemployment compensation law (including the special unemployment assistance program established by title II of the Emergency Jobs and Unemployment Assistance Act of 1974), and

"(B) would, if his employment by his previous employer had not been discontinued, be covered under an employer sponsored health insurance plan, and

"(2) to each dependent spouse (as defined in regulations of the Secretary) and to each dependent child (as defined in such regulations) of an individual described in clause (1),

health insurance benefits of the type and scope which would have been provided to such individual (or to such dependent spouse or dependent child) under the health insurance plan referred to in clause (1)(B), if the individual described in clause (1) were still employed by his previous employer.

"(b) For purposes of subsection (a), an individual is unemployed for any week if, for such week, such individual is entitled (or would, except for illness or disease, be entitled) to receive compensation under a State or Federal unemployment compensation law. The Secretary may, in order to facilitate the administration of this title, provide by regulation that an individual will, for purposes of subsection (a), be deemed to be unemployed for all of the weeks in any period of weeks (not in excess of 6 weeks) if such individual is for one or more of the weeks in such period unemployed within the meaning of the preceding sentence.

"(c) No health insurance benefits shall be provided under this title to any person—

"(1) during any period for which he is covered (without regard to the provisions of this title), or has the opportunity to obtain (by reason of action on his part or on the part of any member of his family) coverage, under any employer sponsored health insurance plan, or

"(2) who would have received benefits under an employer sponsored health insurance plan which provided health benefits to formerly employed persons which plan was in effect on February 7, 1975.

"ARRANGEMENTS WITH CARRIERS AND STATE AGENCIES

"SEC. 1702. In carrying out the purpose of this title, the Secretary shall (whenever he is able to do so)—

"(1) enter into arrangements with the carriers (and in appropriate cases with employers or employee welfare benefit plans (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974)) whereby individuals covered for benefits under this title will be provided such benefits under the particular health insurance plan by which such individuals were covered while employed by their previous employer and there will be paid to such carriers (or, in appropriate cases, to such employer or employee welfare benefit plan) amounts equal to the premiums or other charges prescribed for such benefits plus any additional administrative expenses reasonable incurred by the carrier (or by the employer or health and welfare trust) in securing such benefits under the arrangement, and

"(2) enter into agreements with the State agency of each State under which such agency will be utilized by him for the purpose of making determinations, in the case of individuals in the State, of eligibility of such individuals for the health insurance benefits provided by this title, and for the purpose of making payments to carriers (and employers or employee welfare benefits plans) through whom such benefits are secured for individuals in such State; and any such agreement shall provide that the Secretary will pay to each State agency which is a party thereto amounts equal to the administrative and other expenses reasonable incurred by such State agency which is a party thereto amounts equal to the administrative and other expenses reasonably incurred by such State agency in performing the functions specified in the agreement.

"DEFINITIONS

"SEC. 1703. As used in this title—

"(1) the term 'Secretary' means the Secretary of Health, Education, and Welfare;

"(2) the term 'employer sponsored health insurance plan' means a health insurance plan which covers some or all of the employees of an employer and the premiums for which are paid or collected wholly or in part by the employer;

"(3) the term 'health insurance plan' means an insurance policy, contract, or other arrangement under which a carrier undertakes in consideration of premiums or other periodic payments, to provide, pay for, or reimburse the costs of, health services received by individuals covered by the plan;

"(4) the term 'carrier' means a voluntary association, corporation, partnership, or other nongovernmental organization which is engaged in providing, paying for, or reimbursing the cost of, health services under group insurance policies or contracts, medical or hospital service agreements, membership or subscription contracts, medical or hospital service agreements, membership or subscription contracts, or similar group arrangements, in consideration of premiums or other periodic charges payable to the carrier;

"(5) the term 'employer' shall have the meaning given such term in the applicable State or Federal unemployment compensation law described in section 1701(a)(1)(A); and

"(6) the term 'State agency' means the agency of a State which administers the unemployment compensation law of that State, approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1954.

"TERMINATION DATE

"SEC. 1704. Notwithstanding any other provisions of this title, no health insurance benefits may be provided under this title with respect to any week ending after June 30, 1976."

AMERICAN CONSERVATIVES SEEK ALTERNATIVES

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 15 minutes.

Mr. BAUMAN. Mr. Speaker, last week the 1975 Conservative Political Action Conference met for 4 days in Washington, D.C., sponsored by the American Conservative Union and Young Americans for Freedom, in cooperation with Human Events and National Review magazines. More than 500 leading conservatives from both parties were present including a number of State legislators, Republican Party officials, as well as rank and file Democrats, Republicans, and Independents.

I had the honor to give the keynote address at this imperative gathering, and a number of my congressional colleagues spoke before various panels and meetings including the Senator from New York, Mr. BUCKLEY, the Senator from North Carolina, Mr. HELMS, and the Senator from South Carolina, Mr. THURMOND, as well as the gentleman from New York, Mr. KEMP, the gentleman from Illinois, Mr. CRANE, the gentleman from Ohio, Mr. ASHBROOK, and the gentleman from California, Mr. ROUSSELOT, and also the Governor of New Hampshire, Meldrin Thompson.

While this conference is an annual event which has been held for several years, it obviously took on a new meaning this year as evidenced by the press and media coverage. Many conservatives in both parties have grown increasingly dissatisfied with the leftist radicalization of the Democratic Party and the apparent drift away from conservative principles in the Republican Party.

Naturally, the news media placed a great deal of emphasis on the possibility that this conference would produce a third national political party.

My own thought was, and is, as I expressed in the conference keynote:

I am of the opinion that this country does not need a third party; but by any objective analysis it badly needs a second party.

I think it is obvious that many Americans are greatly concerned with the deficit financing and inflation philosophy that have caused our economic problems. They fear the elevation to high office of men they cannot support. They fail to agree with amnesty for those who would not fight for their country and they oppose a foreign policy which seeks a constant accommodation with communism. They are just as repelled by the so-called reforms within the Congress that are, in truth, an ultimatum to conservatives in the Democratic Party that their time of influence is gone.

Although the conference most definitely did not endorse the creation of a third party, it did create a "Committee on Conservative Alternatives" which has been commissioned with the task of reporting back to the delegates periodically with specific recommendations for the future course of conservatives. I include at this point in my remarks a resolution adopted by the conference dealing with the creation of this committee:

COMMITTEE ON CONSERVATIVE ALTERNATIVES

Whereas, the severe problems facing America constitute both a challenge and an opportunity for conservatives; and,

Whereas, conservatives have been forced into a political position which leaves us without a serious leadership role in either major party; and,

Whereas, the question of our allegiance to these political parties is a matter of increasing doubt to conservatives; and,

Whereas, the present national leadership of the Republican party has not effectively articulated or represented the conservative sentiment of the vast majority of Republicans; and,

Whereas, millions of Democrats are alienated by the increasingly radical orientation of the Democratic Party; and,

Whereas, a growing number of independent voters reject both major parties;

Therefore be it resolved,

That the Committee on Conservative Alternatives be formed to provide a formal mechanism to review and assess the current political situation and to develop future opportunities;

That the Committee initially be composed of the following members:

Representative John Ashbrook of Ohio.

Representative Robert Bauman of Maryland.

Ronald F. Docksai, National Chairman, Young Americans for Freedom.

M. Stanton Evans, National Chairman, American Conservative Union.

Senator Jesse Helms of North Carolina.

Eli Howell, political consultant and former assistant to the Governor of the State of Alabama.

State Senator Cyril Joly, Republican National Committeeman from the State of Maine.

James Lyon, Harris County (Texas) Republican Finance Committee Chairman.

J. Daniel Mahoney, Chairman, New York Conservative Party.

William Rusher, Publisher, National Review, New York City.

Phyllis Schlafly, author and commentator, Alton, Illinois.

Robert Walker, former political aide to Governor Reagan of California.

Thomas Winter, Editor, Human Events, Washington, D.C.

That the Committee membership may be increased by a majority voting of the members named herein;

And that the Committee on Conservative Alternatives periodically report back to the attendees at this conference and other interested conservatives and call another national meeting, if deemed necessary, to chart more explicitly the future course of conservatism.

Mr. Speaker, I need not review here the great dissatisfaction on the part of Americans with their Government and with the Congress. The fact that nearly 62 percent of the people failed or refused to vote in the last election is proof enough. The conservative mandates expressed in the elections of 1968 and 1972 remain as yet unfulfilled. There is a tremendous potential in this country for a conservative national party, which is what I have always understood my own party, the Republican Party, was to be.

In the coming months, the future of both parties, and far more important, the future direction of our Nation will be decided. I do not think that the dissatisfaction of the many millions if conservative Americans should be overlooked, and the Conservative Political Action Conference has made that fact abundantly clear.

NEED TO REASSESS VALUE OF UNITED NATIONS

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 10 minutes.

Mr. SIKES. Mr. Speaker, in recent months the United Nations has met with much criticism from the American public as well as from congressional and other leaders in this country. Even staunch supporters of the United Nations are disturbed by some of the resolutions which passed during the 1974 session of the General Assembly. There has developed in the last several years a block vote composed of Third World nations and some Communist countries. The vote of this majority has literally swept through the General Assembly many resolutions which have had little regard for the interests of the United States and other Western countries. This was particularly evident in 1974.

John Scali, U.S. Ambassador to the United Nations, in a speech before the members of the Assembly suggested that such resolutions cannot be implemented without the support of the Western countries who supply the major portion of U.N. funds. Therefore, he warned, such resolutions are meaningless, and if they continue to be passed without consideration of the interests of all the members the United Nations can be expected to lose its credibility and therefore its support among Americans. What are some of the resolutions which have met with such disapproval not only in the United States but in European countries as well?

First, there was the barring of South Africa from participation in the 1974 General Assembly. This was accomplished through a General Assembly resolution which was passed in spite of a decision of the Security Council not to expel South Africa from the U.N. organization. According to U.S. diplomats, this Assembly action was clearly an illegal one, contrary to the U.N. Charter, which specifies that members of the organization can be expelled or suspended only on the recommendation of the Security Council.

It has also been suggested by some that many of the member countries which voted for the resolution are no more innocent in the realm of human rights than is South Africa's much criticized apartheid policy on which the U.N. action was based. Examples are Uganda's forcibly expelling 26,000 Asians and expropriating their possessions, the Soviet Union's treatment of its Jewish minority as well as its citizens who dissent from the government's current political position, and the massacring of 75,000 members of Burundi's Hutu majority.

Second, there was the Assembly's invitation to the Palestinian Liberation Organization—PLO—to participate in the debate on Palestine and the treatment of Arafat, who was accorded honors normally reserved for heads of state. Such action significantly reduced the United Nations' credibility as a peacekeeping organization because it clearly indicated that a great many U.N. members support terrorist methods. However, this was not all. In addition to allowing the voice of the PLO to be heard, the General Assembly restricted Israel's right to reply during the debate to 10 minutes. How can an organization expect to remain useful to all its members when it refuses to allow equal time for rebuttal to a member whose vital concerns are involved in a debate issue of such widescale importance? Not only was

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Israel refused equal time but the General Assembly also passed two resolutions very unfavorable to that country. One resolution declares that the Palestinian people have the right to independence and sovereignty, that the Palestinians have the "right to return to their homes and property from which they have been displaced and uprooted," and that they are a "principal party in the establishment of a just and durable peace in the Middle East." A second resolution grants the PLO "permanent observer status in the General Assembly and gives the movement the right to participate in international conferences under United Nations auspices."

Third a resolution adopting the Charter of Economic Rights and Duties of States. This charter:

Would sanction expropriation of foreign-owned property without guarantee of equitable compensation which is contrary to international law accepted by Western countries.

Would demand "full compensation for the exploitation and depletion of, and damages to, the natural and all other resources of those countries, territories and peoples" which are victims of colonialism, racial discrimination, neocolonialism, and occupation and domination.

The declaration has been criticized by the American Bar Association for its disregard for international law and by important sectors of American business, who state that the proposed declaration "would seriously deter if not fully shackle foreign private investment."

Fourth, a special fund was created during the sixth special session held during the spring of 1974. The fund would provide emergency relief and development aid to nations hardest hit by the quadrupled price of oil and the rise in cost of other commodities. The United States has refused to contribute to the fund or to sit on the board of governors because the feeling is that the special fund merely duplicates already existing organizations.

Fifth, the General Assembly passed a resolution increasing by 6 percent the salaries of the professional and higher level staff of the United Nations and its agencies. The resolution was passed over protests by the United States that the U.N. Secretariat is already the highest paid civil servant in the world, with takehome pay 24 to 36 percent higher than comparable American Civil Service salaries.

These are the resolutions referred to by John Scali as the product of a "tyranny of the majority."

Also, during 1974, UNESCO cut its aid to Israel for allegedly altering the historic sites in Jerusalem and refused her membership in its European regional group. We Americans believe that a humanitarian and cultural organization such as UNESCO should not be used for politcial purposes. As a result public support has been further reduced for an important agency of the U.N. system. In fact, the Congress has felt strongly enough on this matter that approximately $16 million in funds already appropriated for the U.S. contribution to UNESCO are being withheld "until the President certifies to the Congress that such organization: First, has adopted policies which are fully consistent with its educational, scientific, and cultural objectives, and second, has taken concrete steps to correct its recent actions of a primarily political character.

How shall the United States react to a United Nations so removed from its original purposes? One suggestion has been to reduce our contributions to the Organization. In 1973 the United States contributed $409,118,000, or 31.40 percent of the expenditures of the entire U.N. system. This includes contributions to the regular budgets of the U.N. and its agencies and voluntary contributions to specific programs. U.S. contributions for 1946–1972 come to a total of over $4 billion—$4,693,451,000. There was an amendment to the Foreign Assistance Act for 1974, offered by Senator BYRD of Virginia, to maintain the 1974 level contribution rather than increase it by a proposed 24 percent. However, this was rejected.

It has been recommended by former Senator Dominick of Colorado that the United States withdraw from active participation in the General Assembly while remaining in the Security Council in order to protect our interests and work with the U.N. specialized agencies. He further suggested that we should pursue peace through bilaterial negotiations, as Secretary Kissinger has done in the Middle East, and through international forums such as the Law of the Sea Conference.

Others have suggested that because of these recent occurrences in the United Nations the United States should reassess its role in the organization and seriously consider reducing its financial contributions.

Mr. Speaker, I must concur with the viewpoint that we need to reassess the value of the United Nations as we begin during the 94th Congress to consider U.S. contributions to the Organization and its various programs as appropriated through the Department of State and the Agency for International Development. The recent actions of the General Assembly will weigh heavily against the Organization in our considerations.

It has been apparent almost from the beginning that the United States has paid a disproportionate share of the costs of the U.N. Other nations, including Russia and France, which do not have financial problems and national debts comparable to ours withhold their payments to the U.N. at will, yet continue to exercise all the privileges of membership. The realistic course if the United States is to continue to be a member of the U.N. is that we pay a proportionate share of its costs based on population. This would reduce the cost to the United States to less than half of the amounts presently paid. There should also be a limit to the loans and grants which have been made year in and year out by the United States mainly because other nations failed to respect their commitments for dues.

Regardless of the amount of money which may be paid by the United States to the U.N., the time is fast approaching when there must be a reassessment of our attitude toward the United Nations. It is obvious that membership in the United Nations today is becoming more and more meaningless. Its once great objectives have long since lapsed into oblivion.

A CITY BETRAYED—VI

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, it was San Antonio's great misfortune to enter into a contract that Oscar Wyatt and the Coastal States Co. stood behind. Coastal's name was not on the contract, but it seems clear enough now that Coastal controlled the company that did sign the contract. Both that company's founder and Oscar Wyatt knew that the gas to support that contract did not exist. But Wyatt, gambling on the future, evidently felt that he could cover his bet sometime in the future.

It would have worked, if gas prices had never gone up. Unfortunately for Wyatt, prices of gas did start going up, and he could not buy what he needed to meet his contract obligations. He was caught with the necessity of living up to contracts at a time when he was short of gas and having to buy new supplies for more than he was obliged to sell. But Wyatt, like a common embezzler, did not admit the truth. He simply tried to brazen his way out of trouble. Unfortunately for him, that did not work, either.

Wyatt today tries to say that he did the right thing, but the truth is that he is a plain, old-fashioned liar. The respected business magazine, Forbes, summed it up this way on January 1, 1974:

> It seems that Coastal States prospered by selling more gas than it could deliver.
>
> You could say Wyatt is just a victim of the energy crisis, and that would be partly true. It would also be debatable. Wyatt got caught kiting gas. It might have worked, indeed it did work, when Coastal States was a small company; but those days are over.
>
> Wyatt built a business by betting he could obtain reserves that he did not own . . .

In effect, Wyatt is like an embezzler. He started his fortune with a lie, and today he stands exposed. But like the chronic liar he is, Wyatt simply cannot bring himself to utter the truth. It seems beyond him.

For instance, a few days ago, a San Antonio newspaper quoted Wyatt as saying that he had literally begged San Antonio to switch its utility plants to coal some 4 years ago:

> I went to McAllister (the then mayor of San Antonio) and begged him on bended knee to go to coal, but he turned me down.

What really happened four years ago was that Wyatt was trying to find his way out of the economic squeeze he was in: having a firm contract with San Antonio, at a price too low to cover the expense of acquiring the natural gas he was obliged to supply.

Four years ago, Wyatt was trying to break his contract and hike the price of gas to San Antonio. He tried it by getting a bill introduced into the Texas Legislature on March 9, 1971, that would allow any gas supply contract to be broken.

Far from telling Mayor McAllister that San Antonio should switch to gas, Wyatt wrote him a letter claiming that Coastal had plenty of gas to cover its contract. He was only worried about the long-range future. Here is what Wyatt really said 4 years ago:

> When we entered West Texas, we bought gas at 10 cents to 20 cents in substantial quantities, and this puts Coastal in an adequate position to supply San Antonio for the remainder of its contract. (Letter of Oscar Wyatt to Walter W. McAllister, Sr., April 6, 1971)

This was no letter saying that San Antonio should go to coal. It was a letter saying that everything would be all right until 1982. Wyatt was not claiming that he had a problem then; he was not insisting that coal should be used in the stead of natural gas. Not even the friends and supporters of Wyatt's drive to break his contracts believed that this was so. Wyatt supporter Morris Jaffe, in a September 9, 1971, letter to McAllister, simply said that if San Antonio gave in to Wyatt's demands, "Oscar Wyatt would give San Antonio a contract for 25 years * * *" Jaffe did not say anything about coal; neither had Wyatt.

Wyatt also says that he contributes little money to political campaigns. In the next breath he admits having given $60,000 to the Nixon reelection campaign chest. He said in an interview on February 9 that he rarely contributes to local campaigns, and that he had contributed nothing to the campaign of Charles Becker, now mayor of San Antonio—though he would have if asked.

I find this exceedingly interesting. The truth is that Wyatt is very interested in local politics. He has to be, because he does business with political entities.

Far from being disinterested in politics or political contributions, Wyatt's executive committee meeting on March 18, 1971, according to the handwritten notes of Norman Davis, included this agenda item: "political expends—see SA Suit."

At that time, San Antonio was about to sue Coastal to find out just how much gas they had. Wyatt evidently was interested in heading this off. He was actively trying to break his contract with San Antonio. This cause of course involved politics. It clearly involved Coastal in political expenditures in San Antonio. Just what these were, perhaps no one but Wyatt knows. What is certain is that Wyatt is clearly lying when he claims to have only a rare interest in local politics.

Who were these expenditures for? It is hard to tell, because in recent years, the heaviest contributor to San Antonio city council campaigns has been listed as "anonymous" again and again, even on the reports of Charles Becker. Who is "anonymous?" Wyatt claims that he is not the person; but he has lied about other things, and there is no reason to believe that he is telling the truth now—especially when his own company records show a discussion of political expenditures in behalf of Coastal in San Antonio—at the very time the city council campaigns were under way.

It certainly would have been of interest to Coastal to get a friendly representative on the city council in 1971. That would have eased the way for it to renegotiate its contract. And that was the highest single priority the company had. Disinterested in local politics? Not Oscar Wyatt.

So San Antonio had the misfortune of entering into a contract with a company that deceived its customer from the very beginning. It had the further misfortune of being caught up in a national energy crisis—a crisis made far worse by the fact that it was dealing with a chronic liar, Oscar Wyatt—a man, who the records plainly show, still cannot and will not tell the truth. He must have gotten out of the habit.

HEALTH RESEARCHERS REACT TO IMPOUNDMENT OF NIH FUNDS

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, since the Ford administration began its illegal impoundment of funds appropriated to the National Institutes of Health in early January of this year, I have received numerous letters from health researchers and administrators in my congressional district and throughout the Greater Boston area expressing their concern over the effects which the cutback in spending of more than $350 million in fiscal 1975 proposed by the President will have upon their work and upon the national effort to conquer serious disease. I believe that these dedicated health professionals can express, far better than I, the serious impact of this impoundment of appropriated funds. I reproduce below a few of the many letters which I have received on this subject. At the same time, I urge my colleagues to oppose the rescission of NIH funds when a rescission bill reaches the floor of the House.

Since I have not sought the permission of the authors to reprint these letters, I have omitted any personal identification:

JANUARY 22, 1975.

Representative ROBERT F. DRINAN,
Cannon House Office Building,
Washington, District of Columbia.

DEAR REPRESENTATIVE DRINAN: Please do all you can to turn aside any effort by the administration to exercise deferral-recession authority over the $43,000,000 General Research Support grant program.

These funds are extremely important because they permit research institutions to: (1) tie various research activities together into an effective overall program (2) provide funds for central research facilities which are extremely difficult to cover by piecemeal assignment of costs to many small sources of research support (3) enable research institutions to retain key staff between periods of loss of research support thus preserving continuity of excellent.

GRS is largely spent on salaries. Loss of these funds at this facility will mean the firing of several individuals and this outcome will be true at most institutions. It makes no sense to appropriate billions to create makeshift jobs on one hand while driving others out of useful health related research work by killing GRS on the other.

I am aware that the official position of DHEW and NIH is that GRS has a lower priority than research project funds. I am also aware that such a policy arises from little understanding by DHEW of the importance of GRS to the stability of the biomedical research base of the nation. The administration's demand that NIH set a priority on GRS is like asking a man which he wants most—gas or oil for his car? You don't go anywhere without gas but you also don't go very far without oil. With a gun to one's head, of course, the choice is gas in the hope of escaping to better days.

GRS is very much analogous to the oil which keeps the biomedical research machinery of the nation operating smoothly. Please keep it available so that we won't have to watch decades of painful development go up in the smoke of burnt out bearings.

Respectfully yours,

———— ————.

JANUARY 29, 1975.

Congressman FATHER DRINAN,
House of Representatives,
Washington, D.C.

DEAR FATHER DRINAN: The President's Office of Management and Budget has ordered the National Institutes of Health to operate until further notice below the fiscal 1975 level of congressional appropriations. Significant cuts have been ordered in each NIH branch, affecting most severely the very essential research endeavors.

I am writing to you both from the general interest raised by these cuts which will certainly affect the long-range progress of medicine as well as from my own personal experience. I have presently a research grant application with the Heart and Lung Institute; this project was found meritorious enough to be approved, however no funds were allocated. I am sure you realize the unfortunate situation of not funding such research projects. My own deals with further research in coagulation problems, which, if successfully completed, may lead to better treatment of certain types of hemophilia.

I would like to urge you, in case the President asks permission to make "rescissions", not to approve such rescissions or if alternatively the President asks the Congress for permission to make "deferrals", please take action not to allow it. I hope the Congress will order the President to spend appropriations fully. Every penny spent today will save a life a few years hence.

With best regards,

———— ————.

JANUARY 31, 1975.

Representative ROBERT F. DRINAN,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE DRINAN: I have just learned that the Presidents' Office of Management and Budget has cut the congressional appropriation for fiscal 1975 for the National Institutes for Health from 2,042 to 1,685 million dollars. The National Institute of Child Health, which supports my research was cut from $142 to $118 million.

This cut will have a very bad impact not only on biomedical research but also on the economy. I would like to develop this latter point here.

For example, I have been waiting since September 1974 to hear whether or not my competing renewal research grant HD 00143-16 will be funded for the fiscal year 1975, using emergency funds to support the personnel employed. I wonder if the President understands how much of this money goes to pay salaries? My annual budget consists of $55,000 in salaries, $8,000 in supplies and $7,000 miscellaneous expenses (to maintain equipment, etc.). That is to say, over 75% of my direct budget goes to support research assistants, research associates, part time secretarial help and various technicians. In addition, indirect costs of $30,000 would have been awarded to Harvard by the grant.

You must realize how many medical research centers exist in the Boston area and it should come as no surprise to hear that

many of the investigators doing top-notch work are in my same predicament. The unemployment in the Boston area that will be created by these fiscal 1975 cuts to N.I.H. is enormous. My grant alone directly supports (full or partly) 10 nonacademic employees and indirectly many others.

Should the President put these trained technicians doing valuable biomedical work for the nation out of jobs and then rehire them on some contrived welfare project?

Sincerely yours,

———— ————.

FEBRUARY 4, 1975.

Hon. ROBERT DRINAN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DRINAN: I wish to inform you of my concern about the current problems facing biomedical research in this country. This reflects my being a biomedical researcher as well as a taxpayer and citizen of this country. I doubt if any resident has been unaffected by the economic problems with which we are beset. I follow with anxiety the apparent inverse relationship between the unemployment roles and both gross national product as well as other business indicators. Up until recently, I felt that we in biomedical research are not sacred cows and should be expected to shoulder our fair share of this problem of combined inflation and recession. After recently speaking to my colleagues locally, nationally, and at the National Institutes of Health, I find it necessary for me to express my views.

At the present time, based upon my best information, biomedical research in this country is in a state of limbo. This is largely due to the uncertainties of monies which will be appropriated for the National Institute of Health budget. In principle this results from President Ford's request for significant budgeting reductions. I can best illustrate the consequences of this from personal experience. However, as I indicated this is happening to *many* researchers around the country. Due to these uncertainties the Institutes have taken a very cautious and understandably conservative stance on budgetary commitments for grants. No new grant applications will be funded, in some institutes, even though approved, and recommended for funding. In the case of ongoing competitive renewals approved for funding, apparently only 20% have received any indication of financial commitment. These are only in the case where a Jan. 1, 1975 obligation was necessary. In many cases, although recommendations for up to five years were approved, applicants have been informed that this was reduced to one year. Funds were only provided until April 1975. Others who require June starting dates have been told that they must wait until April for final disposition. As a result of these events it becomes impossible for many to know if they will be able to continue their research activities.

There was an acute feeling of indignation and frustration with the impoundment of funds by the previous administration. Only as a result of court action by several academic institutions were these funds subsequently released. This has left bitter memories with many researchers. I am afraid that the current situation will only add to this frustration and aggravation. Presumably active, well established groups may be able to survive at some reduced level of productivity. However, it will become increasingly difficult for the younger, developing scientist to survive and produce significant research. This could result in an erosion of interest of bright and talented young people. Ultimately, a situation might develop at some future time, where there is an inadequate supply of biomedical teachers and researchers. Thus a depletion of the requisite number of clinicians, technologists and biomedical researchers could eventually become a serious national problem.

The event that finally prompted my writing to you is the reported recent attempt by the administration to provide another $500,000,000 for Southeast Asia. I believe our country has sacrificed itself sufficiently for this unpopular cause. These monies could adequately be spent more wisely. Needless to say these funds could provide a vital infusion of stability and confidence among biomedical researchers in their future professional endeavors and also in their government.

I hope that you and your colleagues will decide not to reduce the National Institutes of Health budget request and not to support additional funding for Southeast Asia.

I thank you for taking the time from your busy schedule to read this letter.

Sincerely,

———— ————.

FEBRUARY 10, 1975.

Congressman ROBERT DRINAN,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DRINAN: As one of your constituents (as well as one of your admirers and supporters) and as one who has previously testified before you (in Newton City Hall) on problems relating to the NIH I wish to applaud you for the support which you have taken which was evident in the material which was published in the Congressional Record of January 23, 1975.

All of us actively concerned in the biomedical area and concerned about patients and their welfare have been distressed by the shortsighted actions of the Administration in recommending recissions of the NIH budget which had been authorized and appropriated by the Congress. The President's recission proposal amounts to a cutback of about 17.5% and would have devastating effects on the already limited funds for biomedical research. As we try to deal with our country's economic problems and endeavor to infuse money into the economy it seems completely unreasonable and inappropriate to cutback in the health area which is so vital to the welfare of our citizens.

The purpose of this letter however is to commend you for your actions and to indicate our support of your efforts. I know that many of our medical colleagues will be only too pleased to do whatever may be advisable to further your efforts in this regard. We appreciate your leadership.

Sincerely yours,

———— ————.

DR. MARTIN LUTHER KING, JR.

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am pleased to join today with the gentleman from Michigan (Mr. CONYERS) and several of my colleagues in both the House and Senate in introducing a bill to designate the birthday of Dr. Martin Luther King, Jr., January 15, as a legal public holiday.

Martin Luther King was a man among men. Those of us who lived in his generation can be proud that he appeared on the scene in our lifetime. To the black citizens of this country, he can be likened to Moses who saw the Promised Land, but could not pass over the River Jordan. To white America, he is a shining example of what is best in our Nation. He stood, as Gandhi stood before him, as the leading proponent of nonviolence in our age. A nation like ours, made up of every color and religion, should take note of those spectacular men who rise up in a time of trouble to lead us and bring us together.

Our need for and commitment to reconciliation of the races remains as strong today as when Martin Luther King inspired us in the march on Washington 11 years ago. To set aside his birthday as a public holiday, to recall his courage and his commitment, would be a unifying force for white and black. By so doing, we shall draw from his legacy the resolve we shall need to complete the task he helped begin.

PRIVACY SURVEY SENT TO PRIVATE ORGANIZATIONS AND STATE AND LOCAL GOVERNMENTS BY REPRESENTATIVES KOCH AND GOLDWATER

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, Congressman BARRY GOLDWATER, Jr. and I have again joined forces in a bipartisan effort to extend privacy safeguards to State and local governments and the private sector. Our bill, H.R. 1984, the Koch-Goldwater Comprehensive Right to Privacy Act, is designed to accomplish that goal.

In order to ascertain the impact such legislation will have, we have sent a questionnaire on the issue of privacy to the 50 State Governors, mayors of 200 cities, the 500 largest industrial corporations in the country, insurance companies, banks, unions, trade associations, and universities.

We want to know how private organizations are handling their information systems and if they can implement privacy safeguards. We need their comments in order to write a tighter, more workable bill. We solicited comments from over 100 organizations last year, and I think the reactions were invaluable in helping us write the Privacy Act of 1974.

I am pleased to enclose a copy of the questionnaire and the covering letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 3, 1975.

DEAR FRIEND: The Privacy Act of 1974, P.L. 93-579 has recently been signed into law by President Ford. This Act permits an individual to have access to information held on him by federal agencies; permits him to correct erroneous material in his file; and to supplement the information; and also places controls on agency dissemination of individual information. This Act will most likely be looked at by private organizations as model legislation on which a code of fair information practices for private organizations will be enacted.

We have introduced legislation known as the Koch-Goldwater Comprehensive Right to Privacy Act, H.R. 1984, which applies privacy provisions similar to those found in P.L. 493-579 to state and local governments and to organizations in the private sector. The purpose of this letter is to get an early statement on the issues from you before the Congress begins its work on privacy legislation. No doubt the 94th Congress will discuss the principles of privacy legislation as well as extending similar provisions of the Fair Credit Reporting Act to the private sector.

We have prepared the enclosed questionnaire for you to help us in responding to questions we have on several important subjects and would like to have the information for general legislative purposes. So, we want to know more about how such requirements would affect you and would like your recommendations on the impact of privacy legislation.

If your organization has established any privacy guidelines, we would be interested in seeing them. If there are any state or local statutes which preclude your implementing any principles of privacy, we would like to be advised. If you maintain personally identifiable data abroad on American citizens, we would like to know if those files are treated differently than those held in the United States.

Hearings will probably be held by the House Judiciary Committee on privacy legislation. We have spoken with Subcommittee Chairman Edwards who will be chairing these hearings advising him that we will make available to him and his staff information we receive as a result of the questionnaire returns.

We are sending this questionnaire to State Governors and Mayors of many cities, to county executives, to the 500 largest industrial corporations in the country, to banks and insurance companies, universities, trade associations and unions in order to ascertain the reactions to implementing privacy safeguards.

We would appreciate receiving your reply by March 15, 1975. If you have any questions, please write to us in Room 1134 Longworth House Office Building, Washington, D.C. 20515, or call Joe Overton (Office of Rep. Barry Goldwater, Jr., 202-225-4461) or Barbara Bayly (Office of Rep. Edward I. Koch, 202-225-2436).

We respect the prerogatives of your organization if you decide not to reply to this questionnaire. However, we would appreciate your advising us if you are unable to respond.

Sincerely,

BARRY GOLDWATER, Jr.,
EDWARD I. KOCH.

KOCH-GOLDWATER PRIVACY SURVEY OF SELECTED PRIVATE ORGANIZATIONS AND STATE/LOCAL GOVERNMENTS 1975

Organization:
Address:
Organization contact:
Name:
Title:
Telephone Number:

1. Describe your organization, specify type, function, and major objectives.

2. Indicate the approximate number of employees:

3. Indicate if your organization uses, collects, handles, or disseminates records which contain individually identifiable personal information (manual/automated). If computers are used to handle these records indicate percentage of their use as well as mode of operation.

(NOTE.—Each of the below contain the following headings: Type of Records, Number of Records, Computer Batch, Operation On-line, ADP In-house, Supported by Service Bureau.

(a) employee records (includes payroll, health, etc.)

(b) client/student records

(c) other records: specify (i.e., investigative, sales, credit, mailing list, statistical)

4. If the enclosed Public Law 93-579 were to apply to your organization's operations, what problems do you foresee. (If needed, use additional sheets for your comments.)

5. Listed below are the ten principles of privacy. For each check:

Column A—If your organization or firm presently practices the principle.

Column B—If you believe that your organization could easily implement the principle.

Column C—If you believe that your organization could not implement the principle because of cost, time, or operational considerations.

Column D—If there are technical, administrative or legal problems and limitations.

(NOTE.—Each of the below contains four check boxes A, B, C, and D.)

PRINCIPLES OF PRIVACY.

1. Permit any person to inspect his own file and have copies made at reasonable cost to him.

2. Permit any person to supplement the information in his file.

3. Permit the removal of erroneous or irrelevant information and provide that agencies [organizations] and persons to whom material had been previously transferred, be notified of its removal.

4. Prohibit the disclosure of information in the file to individuals in the agencies [organizations] other than those who need to examine the file in connection with the performance of their duties.

5. Require the maintenance of a record of all persons inspecting such files, and their identity and their purpose.

6. Insure that the information be maintained completely and competently with adequate security safeguards.

7. Require that when information is collected, the individual must be told if the request is mandatory or voluntary and what penalty or loss of benefit will result from noncompliance.

8. Require that the person involved in handling personal information act under a code of fair information practices, know the security procedures, and be subject to penalties for any breaches.

9. Permit anyone wishing to stop receiving mail because his name is on a mailing list to have that right.

10. Prohibit agencies or organizations from requiring individuals to give their social security number for any purpose not related to their social security account, or not mandated by federal statute.

Recognizing that your organization may handle differently employee, client, or other records, you may wish to make additional copies of this page.

Specify type of record.

LITHUANIAN INDEPENDENCE DAY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, it is a pleasure for me to join Lithuanian-Americans throughout the country in recognizing, on Sunday, February 16, the 57th anniversary of the establishment of the Republic of Lithuania.

The history of the Lithuanian people is one of constant struggle against overwhelming oppression. Their experience yields not only the symbolic vision of liberty, but the real, continuing struggle to regain the freedom that was lost.

During the Middle Ages, Lithuania was a powerful and independent state, halting for centuries the German drive to the East. Their leader, Vytautas the Great, was influential in establishing and strengthening Lithuanian ties, both culturally and philosophically, to Western Europe. They established and stressed individual freedoms and as one scholar noted:

They blessed their subjects with more human freedoms than in neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization.

Although Lithuania was an establishd state in 1795, they were not strong enough to resist Russian occupation. The Tsarist government began an intensive and deliberate campaign to eradicate the Lithuanian language and culture, which lasted until 1905. It is a tribute to the Lithuanian spirit that after almost a century and half of trying, this campaign was abandoned as hopeless.

The advent of World War I brought both tragedy and triumph to the Lithuanian people. While Lithuania was badly trampled upon, first by retreating Russian armies and then by advancing German legions, the time was ripe for independence and on February 16, 1918, a council of delegates proclaimed an independent Lithuania, based on democratic principles. In September of 1921 Lithuania was admitted into the League of Nations. Independence, however, was short-lived. As World War II progressed, Lithuania was eventually engulfed by Russian forces and then, repeating the history of the First World War, German—Nazi—troops. Lithuania shared the world's anguish and grief over the overwhelming loss of life that World War II brought.

It is estimated that Lithuania suffered the loss of at least 45,000 people, either by Russian arrest or Nazi execution. Almost all Lithuanian Jews were executed by the Nazis. After the war, Russia once again dominated Lithuania, beginning a policy of deportation and russification. The Soviet control of Lithuania represents a gross contravention of international law. But the issue is not simply one of political sovereignty. It has become a question of the right of a people to an ethnic and cultural identity. For 50 years the Soviet Union has made a concerted effort to destroy the Lithuanian Nation by the diffusion of its population.

It has been estimated that from 1944 to 1950 350,000 Lithuanians were deported. Since then, the Soviet Government has conducted a massive settlement of Russians in Lithuania and a corresponding dispersal of Lithuanians over the hinterlands of the U.S.S.R. Stalinistic terror tactics have been replaced by the application of administrative and economic pressure, but the policy remains methodically effective. Once again it is a great tribute to the Lithuanian spirit that, both in Lithuania and abroad, Lithuanians continue to fight for their deserved freedom and the right to preserve their cultural identity.

In many ways, Alexandr Solzhenitsyn has given voice to the Lithuanian cause. Whether directed toward an individual or an ethnic group, Soviet policy ultimately contains one message—that freedom of diversity, whether in the intellectual or cultural realm, will not be tolerated. The continued destruction of freedom-loving groups like the Lithuanians

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can only enhance the strength of that policy.

Mr. Speaker, I submit that we are faced with a basic moral imperative to lend our moral support to the cause of intellectual and national freedom in the Soviet Union. It is appropriate that tribute be paid to the oppressed of the U.S.S.R. But, in this case, our words are given meaning by our actions. Our accolades will be empty if we are willing to forget the plight of the minorities living amongst the Russians in our quest for détente with the Soviet Government. To honor the Lithuanian people by taking special note of the Independence Day is to act as a nation according to the message of Alexandr Solzhenitsyn:

The salvation of mankind lies only in making everything the concern of all.

A MATTER OF PRIORITIES

Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, American Forests in their February 1975 issue spelled out in editorial form the need for the continuation of the forestry incentives program. President Ford has proposed that the entire $25 million appropriated for this new program for fiscal year 1975 be eliminated. Forestry incentives plan, now in its second year, has been hailed as one of the most important programs yet devised for reforestation or stand improvement of small ownership forestry tracts. It is now in operation throughout the Nation. To summarily drop the program would be a blow from which it would take years for the program to recover.

The forest incentives program should be continued by the Congress. I submit the editorial in its entirety for reprinting in the CONGRESSIONAL RECORD:

A MATTER OF PRIORITIES

In a telegram to President Ford in December, AFA protested vigorously the Administration's proposal to wipe out the Forestry Incentives Program as just one of several forestry recisions and deferrals.

The entire $25 million for this relatively new forest incentives project would be eliminated if President Ford's recommendations are approved. So would $3.5 million for Rural Fire Protection, the first appropriation under this newly authorized program. Cooperative fire control funds to the states would be reduced $4.9 million. Ten million would come off the appropriation for tree planting and timber stand improvement on the National Forests.

And, forestry is not alone. Almost the entire Agricultural Conservation Program (all except existing long-term contracts) would be eliminated. The Water Bank would be wiped out. Finally, Land and Water Conservation funds would be reduced drastically, just to mention a few of the conservation setbacks.

But, let's focus on the vital forestry incentives program which AFA was so instrumental in promoting through its Trees For People Task Force. It is only just beginning to make real headway. It has taken time to inform landowners, to increase nursery stock production, and to develop suppliers and contractors with the ability to service tree planting needs. It is the type of effort that cannot be turned off and on, and still be effective. The Spring of 1975 could be, with adequate funding, the proving ground for forestry incentives. If deferred, will it ever get going again? At least two years of momentum would be lost.

At the same time that budget recisions and deferrals are being proposed by the White House, the Administration and the Congress both are working feverishly to provide funds and jobs for a growing army of unemployed. AFA already has exerted leadership to assure that conservation and public lands are included in a new public works program. A modern-day Civilian Conservation Corps would provide an ideal combination of natural resource benefits coupled with employment opportunities. The Senate Committee on Public Works has concurred in our recommendation that a public lands conservation component would benefit a proposed Emergency Public Works Employment Act. One of the great concerns of those working to alleviate the nation's unemployment is how to provide jobs in rural areas. What better way than conservation work—projects that rehabilitate both people and land. The CCC of the 1930s left more lasting benefits than any other depression years program. Why not a modern-day civilian conservation program for the nation's unemployed?

As pointed out by AFA to President Ford in protesting his recommendation to eliminate forestry incentives, this move would be counterproductive if the Administration is seriously concerned about rural unemployment. Forestry incentives represents conservation jobs on rural lands. Coupled with a public lands component in any new emergency employment act it would assure jobs where they are needed. Also, with increasing demands being made upon our nation's forests for wood products and other values such lands can provide, what better investment could be made in the future than conservation-oriented public works projects?

Conservation, one fears, has not yet come of age in the minds of many government administrators and legislators. Conservation gets token support if the wheel squeaks loudly enough. But natural resource projects are the first to get the axe when the reduced spending bite is called for. In our opinion, these are penny wise and pound foolish tactics for two reasons: 1) People and land must be the paramount concern for the long haul; 2) The public, increasingly, is aware of this. How else does one explain the new political look in Colorado and elsewhere where enlightened conservationists swept major political offices in the last election? The handwriting is on the wall.

No one can argue against the merits of reduced spending to curb inflation. Somehow we must stabilize the buying power of the dollar, at home and abroad. But as unemployment increases it only makes sense to strengthen those programs that can help unemployment now and strengthen the resource and economic bulwark for the future.

It comes down to a matter of priorities and whether we plan to go into reverse or accelerate ahead. AFA, once again, calls for a new look at priorities in our federal budget in terms of what is really important. And in doing so, let our administrators look to the people and the land. Those are the things that are important for the long haul.

A PRESIDENT IN THE MAKING

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, Erwin D. Canham, who is a very able writer, is the author of a column in the February 10 issue of the Christian Science Monitor, which should receive careful thought in Congress. He discusses the emerging strength of the President as Mr. Ford gains experience in the multiple challenges and the great undertakings which are before him. It is an encouraging statement—one that I think deserves reprinting in the CONGRESSIONAL RECORD.

A PRESIDENT IN THE MAKING

(By Erwin D. Canham)

As everyone says, Gerald Ford has begun to look like a president.

Most say it's a good thing, and a few say it's bad. The criticism is largely based on doubts about the President's energy program. There's fear that the speed with which the import tax is being applied may force the nation into ill-considered and harmful actions.

The objections are minimal. Congress has still an open opportunity to construct whatever energy program it considers best, modifying what the President has set in train. Nothing really irrevocable is under way.

And the emergence of a decisive President is an immense gain. President Ford knows, of course, that the new Congress is unpredictable and in many ways adverse to his own longest-held convictions. Perhaps he could have made an alliance with the former baronial leaders of the congressional committees. The new chairmen, pressed by the newly elected contingents in the House, are going to think for themselves.

A PLEASING CHOICE

The President's major need is to base his new decisiveness upon advisers and programs which have impressive substance. For this he still requires the recruitment of more capable people. Possibly the most encouraging single step he has taken—apart from his general display of energy and decisiveness—was the appointment of Edward Levi as Attorney General. Seldom has such an appointment pleased such a wide range of lawyers and jurists.

In no office is genuine independence and firmness of character more needed. If the new Attorney General is actually able to maintain careful supervision over the Federal Bureau of Investigation—as should have been done down through the years—one major reform will be on the way to achievement. It would not be necessary to experiment with difficult and constitutionally uncertain devices for separating the Department of Justice from partisan political control. The job can be done by an attorney general of sufficient integrity.

ADVANTAGES HELD

As time goes on, President Ford should learn how to use the wide-ranging capability of the executive branch. He has immense advantages over Congress, whose committees have inadequate staffs for constructive policymaking, and constant divisions and rivalries within and between the branches.

President Ford also has great handicaps. The adverse majorities of Congress, the manifest present flow of public opinion, the inherited burden of such policies as Indo-China: all these and other elements make his leadership of a decimated minority party dubious.

Frankly, I believe Mr. Ford will continue to show strengths, will grow in office. He relishes his job. He is no mere caretaker. He feels the possibilities of power as the engines of government throb under his hand. He has not shrunk from decisions. Far from it, he has plunged into decisions (like the Nixon pardon) with virtually no consultation and at impulsive speed. He has been burned once or twice, and must know it. It is inconceivable that he does not regret the economic attitudes of last fall, especially the ludicrous WIN buttons.

WISE ADVICE NEEDED

Meantime, the openness and decency of President Ford continue to be great assets. As an experienced legislator, he is used to defeats. He had more of them than he had of victories in his quarter century in the House. Thus he can live with what Congress does to him in the coming months.

He will be strong and effective to the degree that he does actually listen to careful, wise advice. Perhaps he will learn a big lesson in the struggle over the energy program. And in the confrontation over aid to South Vietnam, or Cambodia. His worst heritage, which comes not only from the Nixon years, is Indo-China. Already the mistake of going heavily into Vietnam grieviously wounded two presidents. It should not destroy a third.

Learning the hard way, Gerald Ford may well turn into an impressive President.

A DIRECT LENDING PROGRAM WOULD ALLOW US TO HAVE HOME MORTGAGES AS LOW AS 5 PERCENT

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, there is an overwhelming need for an immediate—and substantial—drop in mortgage interest rates. The recent drops in interest rates have had only a minimal impact on long-term mortgages and today millions of American families are still priced out of the market.

Mr. Speaker, George Meany, president of the AFL–CIO has made a number of statements in recent days about the need for a return to mortgage rates which existed in the early 1960's—rates between 5 and 6 percent. Mr. Meany is correct and I hope Members of Congress will take a good look at his statements on this subject.

On many occasions, I have recommended that we return to some form of direct lending for home mortgages—for people in the low- and moderate-income brackets who simply cannot afford and who cannot obtain mortgages bearing interest rates of 8, 9, and 10 percent. Our colleague, Mrs. LEONOR SULLIVAN of Missouri, has done a great deal of work on this subject and she has proposed in previous Congresses the establishment of a Home Owners Loan Corporation to provide direct lending.

A program of direct loans—limited to those persons priced out of the mortgage market—would enable us to provide long-term mortgages as low as 5 percent and, more importantly, put millions of hard-working, deserving Americans in decent sanitary homes. We can reach the goals in this area—the kind of goals which George Meany has been discussing—and the Congress should act.

At the present time, most of our Federal homeownership programs are all designed for financial tollgates—for guaranteed loans. These guarantees—carrying the full faith and credit of the U.S. Government—have been attached to some of the most expensive mortgage paper in the history of this Nation. We are doing nothing for the great majority of American people when we pass out Government guarantees for mortgages which more than half the population cannot afford.

Mr. Speaker, I want to place in the RECORD a copy of a transcript of Face the Nation on which George Meany, president of the AFL–CIO was the guest.

The transcript follows:

FACE THE NATION

Origination: Washington, D.C., Sunday, February 9, 1975.

Guest: George Meany, President, AFL-CIO.

Reporters: George Herman, CBS News; Philip Shabecoff, the New York Times; Barry Serafin, CBS News.

Producer: Mary O. Yates.

Associate Producer: Joan Spiegel.

HERMAN. Mr. Meany, you've said very clearly that you don't like the President's economic program. You've said with equal clarity, I think, that you don't like what's been proposed in the Congress. Where does labor now go to get what it wants established and done as policy in this nation?

Mr. MEANY. Oh, I still think we've got to concentrate on the Congress. I think that what's happening over in Congress is disappointing, but I think we've still got to concentrate there. I don't see any hope in the philosophy of—the President laid out the other day, or the philosophy of Arthur Burns, who still seems to be running the show. We've got to look to the Congress.

HERMAN. Do you see some hope that you can get what you want from the Democratic Congress?

Mr. MEANY. Well, it would take quite a long time to go into, and maybe we'll go into it a little later; but the answer is that at the present moment it looks very bad, but we're going to keep plugging.

ANNOUNCER. From CBS News, Washington, a spontaneous and unrehearsed news interview on FACE THE NATION, with George Meany, President of the AFL-CIO. Mr. Meany will be questioned by CBS News Correspondent Barry Serafin, Philip Shabecoff of the New York Times, and CBS News Correspondent George Herman.

HERMAN. Well, Mr. Meany, you said it would take a long time, but I guess I have to try anyhow. Maybe you can give us an abbreviated version of how you think the labor movement can get the help it needs in Congress when you've already said you don't like the programs—the economic programs—of so many people—Senator Humphrey, Senator Mansfield and so forth.

Mr. MEANY. Well, the immediate bill in Congress, of course, is the one that the Ways and Means Committee worked on the other night—

HERMAN. The tax cut.

Mr. MEANY. Now that's—that's the tax incentive bill, and that's tremendously important, and we were hopeful that we could get quick action on that. In fact, I talked to Mr. Ullman the second or third day he was Chairman, some weeks ago, and he was for quick action. Now I would say that the bill that they've come up with is much heavier weighted on the low income side than the President's proposal. It adds up to twenty point billion—twenty—

HERMAN. Twenty point two.

Mr. MEANY.—Twenty point two billion dollars, and it's a much better proposal than the President's. But we're in an emergency, and I don't think the members of Congress realize the dimensions of the problem we have; because what's going to happen with this bill—they're going to load on the oil tax business, you know, the depletion allowance. They're going to try to cut that out in the House, and they'll most likely succeed. And then the bill will go to the Senate, and will be the subject of a filibuster over there, and it'll be months before we get this relief that we need. And this worries me very much.

Now I certainly want to see the oil depletion allowance taken away from these oil companies. I think it's completely unfair. But by loading it on this particular measure, it's going to mean months of delay. So as I say, I don't think Congress realizes the dimensions of the problem. I think the problem is much worse now than when Congress met six weeks ago, and it's getting worse all the time.

SHABECOFF. Mr. Meany, Leonard Woodcock, the head of the United Auto Workers, has proposed a massive worker march on Washington to demonstrate the seriousness of the situation, and to demand that the government take decisive action to provide jobs. What do you think of this idea?

Mr. MEANY. If that's his judgment, let him go ahead with it.

SHABECOFF. But do you support it?

Mr. MEANY. No.

SERAFIN. Mr. Meany, one of the things that Leonard Woodcock has been pushing for, and you too, is public service employment by the government. Now Democrats and Republicans in the Senate are proposing legislation for one million public service jobs. That's a lot more than we have now, but it's only one out of seven.

Mr. MEANY. It's a lot more than we have now, but I think in this situation the government has got to do everything—not just the public service jobs; sure, we should have one million public service jobs. There should be two billion dollars appropriated for what we call accelerated public works, which means grants to localities, to municipalities, to counties, and so forth, that would enable them to put people to work immediately on plans that they have that are beyond the blueprint stage—they're ready to go—all sorts of work at the local level that are ready to go and are just held up because of the lack of finances. Now we had an accelerated public works program back in 1962, and it worked quite well. We think this year that we should go ahead with that. We think that something should be done to reactivate the federal housing program; let the government come up with the money that's already authorized. Let President Ford release 19 billion dollars of impounded funds, funds that are there. Let him release these funds.

All of these things've got to be done. Let's revive the housing industry: let's get six per cent mortgage money, and the housing industry will revive itself. All of these things have got to be done to meet this problem, but I don't think the White House nor the Congress realizes the dimensions of the problem. The problem is getting worse every day, and the projections—the projections of Alan Greenspan and people like that—you've got to always realize that they're on the low side. There's a political angle in every one of these. For instance, Greenspan said six weeks ago that he expected to see unemployment peak at eight per cent next July. Well, unemployment is now at 8.2 per cent, and it's just February. I think unemployment may go to 10 per cent by next July. So the question is, can this country—can we live with this sort of a situation?

Now, Arthur Burns can live with it. Alan Greenspan can live with it, and maybe a few other people. But the millions of American workers can't live with it. Now when you realize that the President has projected unemployment from—his projections were seven points—or eight per cent this year, down to 7.9 by '76, and down to 7.5 by '77, and down to 5.5 by 1980. Well, by 1980, 5.5 will mean millions of people unemployed, because the work force will be so much larger by 1980. We've got to have two million new jobs a year just to break even.

HERMAN. Mr. Meany——

Mr. MEANY. And what bothers me about this thing is—is the philsophical approach, well, this is the way it is and we've got to suffer it. The American people, I don't think, are going to take it.

Mr. HERMAN. Mr. Meany, what is that 10 per cent figure? You say you think unemployment may hit it—10 per cent—by next July. Is that just a round number that you picked out of the air, or have your people come up with a computation on it?

Mr. MEANY. Well, we—our projections go along the line of the economists for the federal government, except that they start higher; because—in other words, ours are much more realistic than theirs. We don't put a political angle—a political figure in them. We don't depress them because of political considerations. We're much more realistic.

HERMAN. Well, I'm not sure I understand you. Are you saying, for example, that the figure of 8.2 per cent, which is published for January, is a political figure and not realistic?

Mr. MEANY. No, no, no, no, I don't——

HERMAN. Or were you talking about the projection——

Mr. MEANY. —I don't say that. I say that Alan Greenspan's figure of six weeks ago was a political figure, and he said that we would peak at 8 per cent in July, Well, we're already at 8.2 per cent. So I'm just taking his projections with an add-on, and I say by July we'll most likely have 10 per cent.

SHABECOFF. Mr. Meany——

Mr. MEANY. Now of course, this does not reflect—it does not reflect the full unemployment. We don't count the under-employed; we don't count those who have become discouraged and are no longer looking for jobs. When you stop looking for a job and you stop registering for a job, you are considered employed. If you work two days a week, you're considered employed. Now—so the figures do not reflect the extent of the unemployment.

SHABECOFF. Mr. Meany, in view of the seriousness of the unemployment situation, do you and the AFL–CIO favor a new WPA—that is, the kind of thing they had during the depression, when the federal government created massive projects——

Mr. MEANY. No, no, no, we don't favor that. We haven't even considered that. But I just listed a number of things that must be done—reactivate the housing programs, get the building industry back, do something to create public service jobs for the millions of workers. Now—

SHABECOFF. Well, why are you against a new WPA?

Mr. MEANY. Well, I don't think it answers the problem at all. We want to turn the economy around. We don't want a welfare economy. In other words, if you're talking about a dole, we're not talking about a dole. If you could revive the construction industry—and I think the thing that would revive it would be six per cent mortgage money; that alone—if Uncle Sam could say there's going to be six per cent mortgage money——

HERMAN. Would you favor a subsidy?

Mr. MEANY. Why the FHA—why don't we have FHA six per cent money, or VA six per cent money—because of the policies of the Nixon administration, the policies of the people who are still running this show, and who are the architects of our ruin. Arthur Burns is a national disaster.

HERMAN. Would you favor——

Mr. MEANY. This—what we've been through here in the last five years in Arthur Burns' plan. It's his blueprint. He's the architect, and he is still running the show. His attitude, I would say, is inhuman. He doesn't understand people. All he understand is his economic theories, and they are completely out of date. And we've got to turn this around.

Now for instance—I get back to the housing industry—24 per cent of that industry is unemployed; 24 per cent of the automobile industry is unemployed. Now if we could revive the housing industry—and the way to do it is to provide six per cent money—now——

HERMAN. Where are you going to get it?

Mr. MEANY. —it's the policy—it's the policy of this administration to give——

HERMAN. But where are you going to get six per cent money?

Mr. MEANY. Uncle Sam.

HERMAN. You want to subsidize the mortgages——

Mr. MEANY. No, we——

HERMAN. —or do you want to roll them back?

Mr. MEANY. Yes—yes, to the extent that we're subsidizing Soviet Russia. Soviet Russia gets six per cent money, and not from Chase National Bank, but from you, George, and me—from the American taxpayer, because the Ex-Im Bank in our bank, and they get six per cent money, and Henry Kissinger wants to give them unlimited six per cent money to build anything they want. Well, let the American homeowner get six per cent money.

HERMAN. From federal banks?

Mr. MEANY. And if you say where do you get six per cent money?—you pass a law. Suppose we passed a law that limited interest rates in this country, would there be something wrong about that, or would that be socialistic? Well, let me tell you, if that's socialistic, there are a lot of other socialistic things that we ought to think about. Twenty-four per cent, eighteen per cent—you buy some furniture you pay 18 per cent. Is that the American way of life?

HERMAN. Without getting into the question of the American way of life or socialistic, if you had money to put in a bank and it had to be by law loaned at six percent when inflation was going up ten or 11 percent, would you leave your money in that bank to be loaned at five——

Mr. MEANY. If by law I had to leave it there or the bank had to loan by law, I would obey the law.

HERMAN. Yes, but you as an individual wouldn't want a law that says you have to leave your money——

Mr. MEANY. How do you know I wouldn't—what makes you think I wouldn't want that kind of a law? As far as I'm personally concerned, if that was the limit and that's all you could get, that would be fine for me—if that was the law—if four percent was the law, it would be all right for me. Now, what we've got is a situation where this country is going into a depression. We're past the recession stage, we're going into a depression, and I say we've got to take some measures, like you take when you are fighting a war; when you are fighting a war and everybody is all up tight, you do a lot of things that you wouldn't do otherwise. We are now fighting a war to preserve our way of life, as far as I'm concerned, and we have people in Congress and in the White House who seem to be insensitive to the problems of the people of America. What are we going to do with these two million kids that go into the labor market every June? What are we going to do with them for the next five years?

SERAFIN. Mr. Meany, President Ford has to some degree tied the question of whether or not he'll run in '76 to how the economy and unemployment are doing. What are his chances?

Mr. MEANY. Well, I don't know. I'm not a political expert. I would say that he says—I understand Ron Nessen says that he's going to run no matter how bad the depression is and no matter how bad the economy is. I would say that if the economy is as bad then as it is now, his chances would be pretty slim.

SERAFIN. Senator Jackson has now announced as a Democratic candidate and is considered probably the front-runner. What do you think of him?

Mr. MEANY. I'm not going to comment on the lineup, because the lineup is not full yet; we've got about five, and generally you have a baseball team, you have about nine, and I think we'll have nine Democrats in the field before——

SERAFIN. Are you as enthusiastic about Senator Jackson as you were a couple of years ago?

Mr. MEANY. No, by no means.

SERAFIN. Why?

Mr. MEANY. Because of his action on the trade bill, because of his phonying around with Henry Kissinger, deceiving the American people in regard to the so-called Jackson amendment. No, I think he was less than forthright in that situation. He didn't tell the American people what was going on, he was a party to the deception, and I just don't like deception, even from a fellow who claims to be a friend.

SHABECOFF. Nelson Rockefeller was close to the unions in New York, particularly the construction trades? Do you have much contact with the Vice President these days?

Mr. MEANY. Oh, I see him once in a while.

SHABECOFF. What do you see him about, Mr. Meany?

Mr. MEANY. Well, I saw him and had lunch with him the other day, and I enjoyed having it. That's the first time I've talked to him—I talked to him on the phone a couple of times—I had lunch with him the other day. We talked about the very things we're talking about here today.

SHABECOFF. Do you see any circumstances under which the AFL–CIO could support Nelson Rockefeller for President of the United States?

Mr. MEANY. I don't want to preclude anything.

HERMAN. You said something very interesting in an interview with Dick Cavett. You said if you'd known then what you now know about Viet Nam, you would not have backed President Johnson's policies in Viet Nam. What was it that you didn't know then?

Mr. MEANY. Deception—we were deceived—we were deceived——

HERMAN. On what?

Mr. MEANY. —all the way down the line. We were deceived on what was going on in Viet Nam. Now as far as the general overall purpose, I haven't changed one bit on that, to help the South Vietnamese people achieve a society under which they would govern themselvs, to prvent them going down the drain, as far as that was concerned. But I certainly, looking back at it, would not have gone blindly along and accepted the idea of the Commander-in-Chief, and this was the philosophy that the Commander-in-Chief had all the information and so forth. I think we were deceived, I think we were deceived by Kissinger, I think we were deceived by Nixon. The secret bombing of Cambodia, the bombing of civilian population in North Viet Nam—we didn't buy that and I wouldn't buy it now. Now, as far as the South Vietnamese people are concerned, I think we should discharge our obligations there that——

HERMAN. Continue the aid?

Mr. MEANY. The financial aid that we are committed to give them, I think we should give it.

SERAFIN. What about the supplemental request?

Mr. MEANY. I think the idea that if we leave them alone, that the fighting will stop—the fighting may stop, but the killing won't stop. If they go down the drain, several million people will be murdered, just as soon as the North Vietnamese can get to them.

SERAFIN. Do you endorse this supplemental request for aid?

Mr. MEANY. Yes, I think we're committed to give that aid, and I think that if we don't give it, I think we are put in the position of walking out on someone that we've considered an ally and someone that we're committed to help. I think we become a paper tiger, in the parlance of the Far East, if we walk away from them.

HERMAN. You must be aware, Mr. Meany, of a rash of books and articles in the last few years, saying that you and the AFL and the AFL–CIO were principal conduits for CIA and other government money to anti-Communist groups in Europe and in Asia, and in South America.

Mr. MEANY. That is absolutely untrue, and they can say all they like—my records are open and they can get any records they want. We were not a conduit and had nothing to do with it.

HERMAN. Did you receive any federal money?

Mr. MEANY. Not a penny. You see, what they do, these people, they buy the communist propaganda. We've had contracts with the AID for years. We build houses in Mexico City, we build houses in Rio de Janeiro, we set up a bank in Lima, we built a labor center in Addis Ababa in Ethiopia, we operate all over the world—in Saigon, in Indonesia, and all over.

We've got three institutes, we've got the ALC, which is the African Labor Institute; we've got the AFLD, which is the Latin American Labor Institute; and we've got what we call AFLI, which was the Asian Labor Institute. And we run them, and we have contracts with the government, with AID, to do that. Now every place we go, the communists say, well, that's the CIA so these people buy this——

SERAFIN. But some people within the CIA have said that. Philip Agee in his new book says that.

Mr. MEANY. I don't care what Philip Agee says, and if he says that the AFL–CIO is a conduit, he is lying; that is not true, not true, not for one penny, no, in no circumstances.

HERMAN. You did receive some federal money, though; it was from AID?

Mr. MEANY. Millions and millions of dollars of AID money—we don't receive it—oh, no, no, no, no.

HERMAN. You are the channel for it.

Mr. MEANY. Yes, we're the channel for it, some Mexican unions, to unions in Lima, to unions all over the world, for buildings, for libraries, for labor centers. In Jamaica, we've got a community center.

HERMAN. For no other purpose? Not to help anti-communist union?

Mr. MEANY. No, sir. No, sir. No other purpose.

SERAFIN. Mr. Meany, could I go back to politics for just a moment? In Kansas City, at the Democrats' mini-convention in December, a lot of people close to you were very upset about what was going on out there, about what they saw as a return to quotas within the party.

Mr. MEANY. A lot of people close to me were quite happy about it, so it didn't affect me much one way or the other.

SERAFIN. Well, there was a lot of talk about——

Mr. MEANY. There were people on both sides, you see.

SERAFIN. There was a lot of talk about some AFL–CIO people pulling out of internal affairs in the party, pulling out of the committees.

Mr. MEANY. That's up to them, I didn't put them in there. The AFL–CIO didn't put them in there. They went in as Democrats, Democrats from Louisiana, Democrats from Pennsylvania, Democrats from Ohio. They happen to hold union cards, but they went in as Democrats. We didn't put them in there, and we won't pull them out.

SHABECOFF. Mr. Meany, it looks like John Dunlop of Harvard University is going to be our next Secretary of Labor. Do you think you're going to get along better with him than you did with Pete Brennan?

Mr. MEANY. Well, I most likely—I haven't talked to Pete Brennan, I haven't been inside the Labor Department—I haven't been inside the Department of Labor since Pete Brennan was Secretary of Labor. We got along very well with Dick Schubert, who was the Under-Secretary of Labor, and who ran the Department actually, to be practical about it, he's running the Department. And of course, I know John Dunlop very well, I've known him for a quarter of a century, and I've never had any problem getting along with him, and I assume I'll get along with him as Secretary of Labor.

SHABECOFF. But isn't he part of the same old Nixon crowd that did such disastrous things to the economy?

Mr. MEANY. No, no, no, no. He came in for the Cost of Living Council, he came in on the CISL, which was really a continuation of what he'd been doing for a quarter of a century, working as a moderator in the building trades industry. No, John is not political, as far as I'm concerned. I think he's a registered Democrat, but I'm not even sure about that. His total world has been the academic world, principally.

HERMAN. Mr. Meany, a lot of unions have clauses in their contracts which say that the last persons hired shall be the first persons fired in the kind of recession crunch that we're having now, and in many industries the last persons hired were those who were previously disadvantaged, women, minorities, and they're now complaining.

Mr. MEANY. The union contracts—you're talking about seniority clauses in the union contracts, and I say the seniority clauses should be lived up to.

HERMAN. You don't think that any provision should be made for those who were disadvantaged and only hired recently and will now, of course, be the first fired?

Mr. MEANY. In other words, if one worker is working there for 20 years, and another fellow is working there—from a minority group is working there for two years, the assumption is that this fellow who is now 22 years of age would have been hired when he was two years of age?

HERMAN. Well, I'm not making any assumptions. I'm just asking where you stand.

Mr. MEANY. I stand by the contracts, and I'm sure that's part of our American set-up, to stand by your contracts.

SHABECOFF. Mr. Meany, at the recent general board meeting that you held here, you called very strongly for a total boycott, embargo, against the Arab countries that are practising oil blackmail against us. Wouldn't this only exacerbate our economic situation, if this went through, and wouldn't this mean a lot more Americans would be without jobs?

Mr. MEANY. I don't follow that. You tell me how it is going to exacerbate our situation and tell me how it's going to mean a lot more Americans without jobs. If we say we should boycott these countries, in other words, I don't think we should give our economic enemies presents. I don't think we should give $250 million to Sadat for a nuclear power plant; I don't think we should give $25 million to Syria, which Henry is about to do; I don't think we should go around giving money away to people who are our economic enemies. And as far as building up an air force for Saudi Arabia, I can't buy that at all, with American taxpayers' money—I just don't believe in that.

HERMAN. Do you have any worries about Arab investment in American business, or is it the same as American investment in European business?

Mr. MEANY. Well, I think what we should do is what the Arabs and the other countries do—let them invest everything, and when they've got it all in there, let's nationalize everything that they've invested in.

HERMAN. Thank you very much, Mr. Meany, for being with us today on Face the Nation.

ANNOUNCER. Today on Face the Nation, the President of the AFL–CIO, George Meany, was interviewed by CBS News Correspondent Barry Serafin, Philip Shabecoff of The New York Times, and CBS News Correspondent George Herman. Next week, another prominent figure in the news will Face the Nation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SIKES, for 10 minutes, today.

(The following Members (at the request of Mr. GRADISON) to revise and extend his remarks and include extraneous material:)

Mr. KEMP, for 30 minutes, today.

Mr. STEELMAN, for 5 minutes, today.

(The following Members (at the request of Mr. HALL), to revise and extend their remarks, and to include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. DRINAN, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GRADISON) and to include extraneous matter:)

Mr. FINDLEY in five instances.

Mr. DU PONT.

Mr. HEINZ.

Mr. ANDERSON of Illinois in two instances.

Mr. GILMAN.

Mr. BROOMFIELD.

Mr. DERWINSKI in three instances.

(The following Members (at the request of Mr. HALL), and to include extraneous matter:)

Mr. SARBANES in five instances.

Mr. DRINAN in five instances.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. ANNUNZIO in six instances.

Mr. OTTINGER in two instances.

Mr. BLANCHARD in two instances.

Mr. FRASER in three instances.

Mr. RICHMOND in four instances.

Mr. STOKES.

Mr. BOLLING.

Mr. SOLARZ in three instances.

Mr. MAZZOLI.

Mr. NATCHER.

Mr. DODD.

Mr. NOWAK in three instances.

Mr. EVINS of Tennessee in three instances.

Mr. DANIELSON.

Mr. JONES of North Carolina.

Mr. HOLLAND in two instances.

Mr. ADDABBO.

Mr. RYAN.

Mr. BADILLO in two instances.

ADJOURNMENT

Mr. HALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 16 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 19, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

UMI

357. A letter from the Secretary of Defense, transmitting a report on the relative status of the Air National Guard and the Air Force Reserve, pursuant to section 810(b) of Public Law 93–155; to the Committee on Armed Services.

358. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the proceedings of the 75th National Convention of the Veterans of Foreign Wars of the United States, pursuant to Public Law 88–224 (H. Doc. No. 94–52); to the Committee on Armed Services and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG of Louisiana: Committee on Rules. House Resolution 173. Resolution providing for the consideration of H.R. 2051. A bill to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes (Rept. No. 94–11). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 138. Resolution establishing a Select Committee on Intelligence; with amendment (Rept. No. 94–12). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 174. Resolution providing for the consideration of House Resolution 138. Resolution establishing a Select Committee on Intelligence (Rept. No. 94–13). Referred to the House Calendar.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 94–14). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois (for himself, Mr. ARCHER, Mr. BAFALIS, Mr. BAUMAN, Mr. BEARD of Tennessee, Mr. BUCHANAN, Mr. BUTLER, Mr. BYRON, Mr. CEDERBERG, Mr. CHAPPELL, Mr. CLEVELAND, Mr. COLLINS of Texas, Mr. COUGHLIN, Mr. DEVINE, Mr. DUNCAN of Tennessee, Mr. ESHLEMAN, Mr. FORSYTHE, Mr. FRENZEL, Mr. HINSHAW, Mrs. HOLT, Mr. KETCHUM, Mr. MATHIS, Mr. MCCLORY, Mr. MICHEL, Mr. O'BRIEN):

H.R. 3156. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois (for himself, Mr. RHODES, Mr. REES, Mr. ROBINSON, Mr. ROSE, Mr. SEBELIUS, Mr. STEIGER of Arizona, Mr. VANDER JAGT, Mr. WHITEHURST, Mr. WINN and Mr. YOUNG of Florida):

H.R. 3157. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. DE LA GARZA:

H.R. 3158. A bill to regulate commerce among the several States, with the territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; and for other purposes; to the Committee on Agriculture.

By Mr. GIBBONS:

H.R. 3159. A bill to amend the National Trails System Act to authorize a feasibility study for the establishment of certain bicycle trails; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN (for himself, Mr. REUSS, Mr. MINISH, Mr. FORD of Tennessee, Mr. HANNAFORD, Mr. NEAL, Mr. BLANCHARD, and Mr. BARRETT):

H.R. 3160. A bill to lower interest rates; to the Committee on Banking, Currency and Housing.

By Mr. PATMAN (for himself, Mr. REUSS, Mr. NEAL, Mr. BLANCHARD, Mr. MINISH, Mr. FORD of Tennessee, Mr. HANNAFORD, and Mr. BARRETT):

H.R. 3161. A bill to bring about an improved allocation of credit; to the Committee on Banking, Currency and Housing.

By Mr. COCHRAN:

H.R. 3162. A bill appropriating funds for construction of the Natchez Trace Parkway; to the Committee on Appropriations.

H.R. 3163. A bill to amend title 39, United States Code, to provide that proposed changes in postal rates and classes shall not be effective unless approved by Congress, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3164. A bill to amend the Internal Revenue Code to allow an additional exemption for taxpayer who is deaf, and for other purposes; to the Committee on Ways and Means.

By Mr. HASTINGS:

H.R. 3165. A bill to amend the Public Health Service Act to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ:

H.R. 3166. A bill to amend the Public Health Service Act to establish an emergency health protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLLAND:

H.R. 3167. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HORTON:

H.R. 3168. A bill to amend the act of August 24, 1966, for purposes of prohibiting the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on Agriculture.

H.R. 3169. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3170. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 3171. A bill to extend to unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LOTT:

H.R. 3172. A bill to amend the Internal Revenue Code of 1954 to extend the period during which expenditures to rehabilitate low-income rental housing may qualify for 5-year amortization; to the Committee on Ways and Means.

By Mr. MATHIS:

H.R. 3173. A bill to prohibit, except in cases of extreme emergency, assistance under the Agricultural Trade Development and Assistance Act of 1954 to any country which does not make reasonable and productive efforts, especially with regard to family planning, designed to alleviate the causes of the need for assistance provided under such act; to the Committee on Foreign Affairs.

H.R. 3174. A bill to require manufacturers of farm tractors for sale in interstate commerce to mark the engine blocks of such tractors with permanent identification numbers; to the Committee on Interstate and Foreign Commerce.

H.R. 3175. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

H.R. 3176. A bill to amend title XVI of the Social Security Act to provide for the payment of certain emergency assistance grants and special allowances to recipients of supplementary security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third party payee) in certain cases, and to restore to recipients of such benefits their right to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 3177. A bill to amend title 39, United States Code, to permit the certification of certain labor organizations as representatives of Postal Service security guards; to the Committee on Post Office and Civil Service.

By Mr. OBEY (for himself, Mr. CLEVELAND, Mr. FORD of Tennessee, Mr. HECHLER of West Virginia, and Mr. NOLAN):

H.R. 3178. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for sanitation and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

By Mr. ROBERTS:

H.R. 3179. A bill to amend title 5, United States Code, to provide additional preference to veterans with service-connected disabilities for purposes of retention in reductions in force; to the Committee on Post Office and Civil Service.

H.R. 3180. A bill to amend title 38, United States Code, to extend the period of time during which seriously disabled veterans may be afforded vocational rehabilitation training; to the Committee on Veterans' Affairs.

H.R. 3181. A bill to amend chapter 19, title 38, United States Code, so as to provide a statutory total disability for insurance purposes to any veteran who has undergone kidney or heart transplant or anatomical loss or loss of use of both kidneys; to the Committee on Veterans' Affairs.

H.R. 3182. A bill to amend title 38, United States Code, to aid certain veterans who, due to complications of a service-connected disability, are required to terminate their programs of education during a school term; to the Committee on Veterans' Affairs.

By Mr. UDALL:

H.R. 3183. A bill to revise the boundary of Saguaro National Monument in the State of Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3184. A bill to designate the Blue Range Wilderness and Apache National Forests in the States of Arizona and New Mexico; to the Committee on Interior and Insular Affairs.

H.R. 3185. A bill to designate certain lands in the Saguaro National Monument in the State of Arizona as wilderness, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3186. A bill to designate as wilderness certain lands within the Chiricahua National Monument in the State of Arizona; to the Committee on Interior and Insular Affairs.

By Mr WHITTEN:

H.R. 3187. A bill to fix the loan rate and thereby facilitate more orderly marketing of the 1974 and 1975 crops of feed grains, wheat, cotton, and soybeans, and for other purposes; to the Committee on Agriculture.

By Mr. MAHON:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

By Mr. DERWINSKI:

H. Con. Res. 121. Concurrent resolution expressing the sense of the Congress with respect to the financial consequences of removing professional baseball from the Robert F. Kennedy Memorial Stadium; to the Committee on the Judiciary.

By Mr. HORTON:

H. Con. Res. 122. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. OBEY:

H. Con. Res. 123. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. LONG of Maryland (for himself and Mr. GILMAN):

H. Res. 172. Resolution to amend rule X of the Rules of the House of Representatives to establish a permanent Select Committee on Energy; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

29. The SPEAKER presented a memorial of the Legislature of the State of Hawaii, relative to food stamp prices; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GIBBONS introduced a bill (H.R. 3188) to transfer the right of the United States to phosphates in certain real property owned by Charles N. Bardin, Jr., James H. Hickman, Leroy Miller, and Oscar T. Hubbert of Tampa, Fla., which was referred to the Committee on Interior and Insular Affairs.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of February 3, page 2152, and February 10, 1975, page 2884.

H.R. 501. January 14, 1975. Interstate and Foreign Commerce. Revises various programs of assistance under the Community Mental Health Centers Act and extends the Act to June 30, 1976. Requires the Secretary of Health, Education, and Welfare to establish the National Center for the Prevention and Control of Rape.

H.R. 502. January 14, 1975. Science and Technology. Authorizes the Director of the National Science Foundation to designate five universities at which coal research laboratories will be established and operated. Authorizes the Director to make grants to assist in the establishment of such laboratories.

Establishes a graduate fellowship program for study and research related to the production, conservation, and utilization of fuels and energy.

H.R. 503. January 14, 1975. Education and Labor. Establishes a program of benefits on account of asbestos workers suffering death or disability resulting from certain occupational diseases. Authorizes the Secretary of Health, Education, and Welfare and the Secretary of Labor to establish appropriate criteria for the payment of benfits to workers or their survivors.

H.R. 504. January 14, 1975. Post Office and Civil Service. Revises regulations relating to the mandatory retirement age of Federal employees.

H.R. 505. January 14, 1975. Post Office and Civil Service. Establishes time limitations in applying civil service retirement benefits.

H.R. 506. January 14, 1975. Post Office and Civil Service. Authorizes additional positions in grades GS–16, GS–17, and GS–18 in the Civil Service, Congressional Research Service, Library of Congress, General Accounting Office, Federal Bureau of Investigation. Administrative Office of the United States Courts, and the Office of the Architect of the Capitol.

H.R. 507. January 14, 1975. Post Office and Civil Service. Directs that grade benefits be retained for certain Federal employees whose positions are reduced in grade.

H.R. 508. January 14, 1975. Post Office and Civil Service. Authorizes civilians employed by the Department of Defense to administer oaths while conducting official investigations.

H.R. 509. January 14, 1975. Post Office and Civil Service. Permits certain Federal employees serving under overseas limited appointments to acquire career status in the Civil Service.

H.R. 510. January 14, 1975. Judiciary. Amends the Federal Criminal Code to increase the penalties for the use of a firearm in the commission of a felony. Revises the age requirements for the purchase of a firearm. Eliminates certain recordkeeping requirements with respect to the sale of ammunition.

H.R. 511. January 14, 1975. Post Office and Civil Service. Redesignate Veterans' Day as November 11.

H.R. 512. January 14, 1975. Post Office and Civil Service. Directs the Postal Service to establish certain mail delivery standards. Requires that certain public service costs be paid from the general fund of the Treasury.

H.R. 513. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 514. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old Age, Survivors and Disability Insurance benefits under the Social Security Act. Revises the age at which the limitation upon outside earning is removed.

H.R. 515. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for member and former members of the Armed Forces who are sixty years of age or older or who are retired because of a physical disability.

H.R. 516. January 14, 1975. Armed Services. Authorizes annuities for widows of former Armed Forces members who died before the Survivor Benefit Plan was established.

H.R. 517. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by (1) redefining certain terms; (2) permitting employers to maintain safety councils; and (3) enumerating affirmative defenses for employers to proceedings brought under the Act.

Directs the Secretary of Labor to assist certain employers in complying with the Act.

H.R. 518. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 519. January 14, 1975. Interior and Insular Affairs. Amends the National Trails System Act to authorize a joint feasibility study by the Secretaries of Interior, Agriculture, and Transportation, for the establishment of certain bicycle trails.

H.R. 520. January 14, 1975. Interstate and Foreign Commerce. Prohibits discrimination solely on the basis of sex by the insurance business with respect to the availability and scope of insurance coverage.

H.R. 521. January 14, 1975. Judiciary. Delays the effectiveness of Federal court orders with respect to school busing until all appeals from such orders have been taken or if no appeals are taken until the time for such appeals has expired.

H.R. 522. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 523. January 14, 1975. Judiciary. Limits the jurisdiction of the Supreme Court and the district courts to review any case arising out of any State statute, ordinance, rule or regulation which relates to voluntary prayers in public schools and public buildings.

H.R. 524. January 14, 1975. Judiciary. Increases the penalties for use of a firearm in the commission of a felony.

H.R. 525. January 14, 1975. Post Office and Civil Service. Directs that grade benefits be retained for certain Federal employees whose positions are reduced in grade.

H.R. 526. January 14, 1975. Post Office and Civil Service. Reduces the age after which the remarriage of a surviving apouse will not cause the loss of such spouse's civil service survivors annuity. Sets forth conditions under which such annuity may be restored.

H.R. 527. January 14, 1975. Post Office and Civil Service. Designates February 15, the birthday of Susan B. Anthony, as a legal public holiday.

H.R. 528. January 14, 1975. Public Works and Transportation. Requires the Secretary of the Army and the Chief of Engineers to act on license and permit aplications under any provision of law within ninety days or explain to the applicant the failure to do so.

H.R. 529. January 14, 1975. Veterans' Affairs. Entitles veterans of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 530. January 14, 1975, Veterans' Affairs. Requires that certain increases in monthly social security or railroad retirement benefits be disregarded by the Administrator of Veterans' Affairs when determining a person's annual income for the purpose of determining the veterans' pension payable to certain persons.

H.R. 531. January 14, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make grants to States to enable them to establish and maintain veterans' cemeteries.

H.R. 532. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living ad-

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justment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 533. January 14, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure on inspection of such returns unless specifically authorized by this Act.

H.R. 534. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income pensions or annuities received by policemen or firemen or their dependents or survivors, for services performed in the employ of a Federal, State or local government.

H.R. 535. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 536. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 537. January 14, 1975. Ways and Means. Establishes a health insurance benefit program under the Social Security Act by providing for direct Federal payment of health insuance premiums and indirect subsidization by allowing income tax credits for health insuracne premiums paid by an individual.

Establishes a Health Insurance Advisory Board to develop guidelines for administering this program.

Direct the States to pay deductibles and coinsurance fees for persons receiving cash assistance under certain Social Security Act programs.

H.R. 538. January 14, 1975. Judiciary. Amends the Civil Rights Act of 1964 to prohibit sex discrimination in programs and activities receiving Federal financial assistance.

H.R. 539. January 14, 1975. Judiciary. Prohibits any civilian or military officer from utilizing the Armed Forces or a State militia to investigate civilians.

H.R. 540. January 14, 1975. Judiciary. Creates a Special Counsel to represent the United States in all litigation pertaining to the Presidential materials of Richard Nixon.

H.R. 541. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction from gross income for dependent care expenses for married part-time employees and married students.

H.R. 542. January 14, 1975. Banking, Currency and Housing. Amends the Credit Control Act of 1969 to fix maximum interest charges in connection with credit transactions.

H.R. 543. January 14, 1975. Interior and Insular Affairs. Includes under the coverage of the Rehabilitation and Betterment Act expenditures of funds on any project constructed with funds provided by the Small Reclamation Projects Act, or on any irrigation or drainage system authorized by a State-authorized public agency.

H.R. 544. January 14, 1975. Veterans' Affair. Authorizes the Administrator of Veterans' Affairs to contract with private facilities near the homes of veterans for the medical care and treatment of veterans.

H.R. 545. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to revise the procedure for consideration of applications for renewal of broadcast licenses. Extends the maximum term of license for the operation of broadcasting stations from three to five years.

H.R. 546. January 14, 1975. Judiciary. Amends the Clayton Act to prohibit persons with nonfarming business assets in excess of $3,000,000 from engaging in the production of agricultural products. Directs the Secretary of Agriculture to acquire, under certain circumstances, any property or interest of which a person must divest himself by virtue of this prohibition.

H.R. 547. January 14, 1975. Agriculture. Allows the Commodity Credit Corporation, under the Agricultural Act of 1956, to donate certain surplus commodities to State and local penal institutions.

H.R. 548. January 14, 1975. Armed Services. Establishes three types of military discharge (1) honorable discharge; (2) general discharge; and (3) discharge by court martial. Entitles persons receiving a general discharge to an administrative review of that discharge. Directs the Secretary of Defense to prescribe regulations governing such administrative reviews.

H.R. 549. January 14, 1975. Armed Services. Establishes Vietnam Era Discharge Review Boards to review and revise the military record of individuals who were separated from the Armed Forces with other than honorable discharges.

H.R. 550. January 14, 1975. Banking, Currency and Housing. Prescribes procedures and standards governing the disclosure of customer records by fiduciary institutions to Federal agencies.

H.R. 551. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to assist in the improvement and operation of museums.

H.R. 552. January 14, 1975. Education and Labor. Authorizes the Secretary of the Interior to establish a program of direct Federal employment to improve environmental quality and natural resources management. Creates a National Environmental Services Corps to provide jobs for unemployed and underemployed persons.

H.R. 553. January 14, 1975. Education and Labor. Directs the Commissioner of Education to allot funds appropriated by this Act to local educational agencies to assist in reducing crime against the children, employees and facilities of their elementary and secondary schools.

H.R. 554. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make loans to certain cities and counties for the establishment of nonprofit clinics for the spaying and neutering of dogs and cats.

Requires the use of professional and paraprofessional personnel by the clinics. Authorizes the Secretary of Health, Education, and Welfare to make grants for the purpose of training paraprofessionals.

H.R. 555. January 14, 1975. Interstate and Foreign Commerce. Prohibits discrimination solely on the basis of sex by the insurance business with respect to the availability and scope of insurance coverage.

H.R. 556. January 14, 1975. Interstate and Foreign Commerce. Establishes, under the Public Health Services Act, a National Center for Clinical Pharmacology within the Department of Health, Education, and Welfare for the purpose of supporting the study of clinical pharmacology.

Amends the Federal Food, Drug, and Cosmetic Act with respect to regulation of the manufacture, distribution, and sale of drugs.

H.R. 557. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants to public and private entities for projects of research and training in fertility and sterility in humans and the human reproductive process. Authorizes the Secretary of Health, Education, and Welfare to establish in the National Institutes of Health specialized treatment centers to provide infertility diagnosis and treatment and to study the human reproduction process.

H.R. 558. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to prescribe and enforce performance standards with respect to the various classes of X-ray systems.

H.R. 559. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to establish criteria and minimum standards for the training and licensing of radiologic technologists.

H.R. 560. January 14, 1975. Interstate and Foreign Commerce. Establishes the National Dysautonomia Institute in the Public Health Service to conduct research and control programs relating to the cause, prevention, and treatment of dysautonomia.

H.R. 561. January 14, 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to allow possession of marihuana for private use. Allows the distribution, transfer or sale of marihuana, lawfully possessed, to any person for private use if such distribution, transfer or sale is not for profit.

H.R. 562. January 14, 1975. Judiciary. Prohibits Congress, Federal courts, or Federal administrative bodies from requiring persons connected with the news media to disclose confidential sources.

H.R. 563. January 14, 1975. Judiciary. Requires the Director of the Federal Bureau of Investigation to permit any Member of Congress to examine any file maintained by that agency or that Member. Requires the Director to destroy such file after examination, with certain exceptions.

H.R. 564. January 14, 1975. Judiciary. Prohibits the required use of polygraph tests in certain employment situations. Prohibits employment-related reprisals based on an individual's refusal to take a polygraph test.

H.R. 565. January 14, 1975. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the Law Enforcement Assistance Administration to make direct grants to local governments for the improvement of street lighting in urban areas.

H.R. 566. January 14, 1975. Judiciary. Makes bribery of State and local officials a Federal crime.

H.R. 567. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act with respect to illegal entry and voluntary departure of certain aliens in the United States.

H.R. 568. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to grant alien children adopted by unmarried United States citizens the same immigrant status as alien children adopted by married United States citizens.

H.R. 569. January 14, 1975. Merchant Marine and Fisheries. Prescribes standards with respect to the construction, alteration, and repair of oil tankers in order to prevent pollution of the marine environment. Requires the use of best available pollution prevention technology by oil tankers. Authorizes the Secretary of the department in which the Coast Guard is operating to establish marine environment protection standards for United States flag vessels engaged in the coastwise trade which are more strict than those applicable to vessels engaged in foreign trade.

H.R. 570. January 14, 1975. Post Office and Civil Service. Requires Federal agencies to make available to employees a certain percentage of positions on a flexible hours basis. Directs the Secretary of Labor to develop procedures and regulations to carry out this Act.

H.R. 571. January 14, 1975. Public Works and Transportation. Authorizes the Administrator of the General Services Administration to transfer airspace over public buildings of the United States to developers for the construction of low and moderate-income housing.

H.R. 572. January 14, 1975. Public Works and Transportation. Empowers the Executive Protective Service to provide police protection to foreign diplomatic missions located in the United States, its territories, and possessions.

Authorizes the Secretary of the Treasury to set the number of members for the Executive Protective Service.

H.R. 573. January 14, 1975. Veterans' Affairs. Revises the procedure for determining eligibility for veterans' benefits, including requiring the Administrator of veterans' Affairs to produce a list of such documentary information or other evidence as is likely to support a claimant's case, and by creating a presumption of entitlement to the claim.

H.R. 574. January 14, 1975. Veterans' Affairs. Entitles conscientious objectors who performed civilian work under the Military Selective Service Act to veterans' educational assistance and home loan benefits.

H.R. 575. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 576. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit or refund for all Social Security taxes paid after the month of the individual's sixty-fifth birthday. Reduces the self-employment tax on individuals who have attained the age of sixty-five.

H.R. 577. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to redefine the term "tenant-stockholders" in the case of a cooperative housing corporation as "a person" rather than as "an individual".

H.R. 578. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction to tenants for their proportionate share of the taxes and interest paid by their landlords.

H.R. 579. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit the taxpayer to satisfy the support test for claiming a dependency exemption where the dependent is sixty-two or more years of age and where a stipulated amount has been contributed to the dependent's support.

H.R. 580. January 14, 1975. Ways and Means. Amends the Social Security Act to prohibit termination of widow's, widower's or parent's insurance benefits if the recipient remarries.

H.R. 581. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 582. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code, as a charitable contribution, an amount specified for each pint donated.

H.R. 583. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of a withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 584. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the excise tax on cigarettes, and to establish in the Treasury of the United States the National Cancer Research Fund to be partially funded by the increased revenues generated by this Act.

H.R. 585. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a charitable contribution of any literary, musical, or artistic composition or similar property to be deducted at its fair market value.

H.R. 586. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the excise tax on net investment income, private foundations organized and operated exclusively as a library or museum for the public.

H.R. 587. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to develop and carry out comprehensive education programs for severely and profoundly mentally retarded children.

H.R. 588. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to direct each federally related health care facility to conduct a medical testing program for infants born in the facility or brought to it for health care.

H.R. 589. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to relieve the Santa Ynez River Water Conservation District of payments on a specific reclamation project loan.

H.R. 590. January 14, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to establish a national cemetery at Vandenberg Air Force Base, California.

H.R. 591. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance Benefits under the Social Security Act.

H.R. 592. January 14, 1975. Banking, Currency and Housing. Amends the National Housing Act to prohibit Federal Housing Administration insurance of blanket mortgages on condominium projects, and Federal National Mortgages, where the developer retains a leasehold interest in the common areas and facilities of the project involved.

H.R. 593. January 14, 1975. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 by prohibiting discrimination on the basis of age within the Federal Government. Redefines the term "employer" under the Act to include States and political subdivisions of the States.

H.R. 594. January 14, 1975. Government Operations. Directs the Administrator of the General Services Administration to prescribe regulations regarding the amount of recycled paper to be used by the Federal Government or the District of Columbia.

H.R. 595. January 14, 1975. House Administration. Requires the use of recycled paper in the printing of the Congressional Record.

H.R. 596. January 14, 1975. Interstate and Foreign Commerce. Revises the warning statement required by the Federal Cigarette Labeling and Advertising Act to be placed on cigarette packages to include various smoking-related diseases.

H.R. 597. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Power Act to prohibit public utilities from increasing rates for electric energy which reflect increased fuel cost by means of a fuel adjustment clause in a wholesale rate schedule.

H.R. 598. January 14, 1975. Judiciary. Authorizes the compensation of persons injured by certain violent criminal acts. Establishes within the Department of Justice the Violent Crimes Compensation Commission to carry out the purposes of this Act.

H.R. 599. January 14, 1975. Post Office and Civil Service. Requires Federal agencies to make available to employees a certain percentage of positions on a flexible hours basis. Directs the Secretary of Labor to develop procedures and regulations to carry out this Act.

H.R. 600. January 14, 1975. Veterans' Affairs. Directs the Administrator of the Veterans' Affairs to establish a national cemetery in Broward County or Dade County, Florida

H.R. 601. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 602. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer to deduct from income as a child care expense amounts paid to individuals related to the taxpayer.

H.R. 603. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 604. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 605. January 14, 1975. Merchant Marine and Fisheries. Authorizes the appropriation of all fines collected from unauthorized vessels and masters of vessels for fishing in United States territorial waters to the fund maintained by the Secretary of the Interior for the development and preservation of United States fisheries.

H.R. 606. January 14, 1975. Merchant Marine and Fisheries. Increases, from 30 percent to 70 percent of the gross receipts from duties collected under the customs laws on fishery products, the amount the Secretary of Agriculture may transfer to the Secretary of the Interior for research programs pertaining to the United States fisheries.

H.R. 607. January 14, 1975. Merchant Marine and Fisheries. Amends the Fishermen's Protection Act of 1967 by authorizing the President to direct the Secretary of the Treasury to prohibit the importation into the United States of any products which are the growth, produce, or manufacture of any country engaging in harmful fishing operations, as defined by the Act.

H.R. 608. January 14, 1975. Education and Labor. Amends the Higher Education Act of 1965 to require that institutions of higher education and vocational schools, in order to be eligible for purposes of federally assisted student loans, establish a policy of tuition refunds for students who withdraw.

H.R. 609. January 14, 1975. Education and Labor. Amends the Occupational and Health Act of 1970 by authorizing the Administrator of the Small Business Administration to render onsite consultation and advice to certain small business employers to assist such employers in complying with the health and safety standards of the Act.

H.R. 610. January 14, 1975. Foreign Affairs. Prohibits assistance under the Agricultural Trade Development and Assistance Act to any country which the President determines is not making reasonable and productive self-help efforts to stabilize population growth, and thereby reducing the need for assistance under the Act.

H.R. 611. January 14, 1975. House Administration. Amends the Legislative Reorganization Act of 1970 by directing officers of the House of Representatives to prepare and conduct seminars for freshmen Members of Congress.

Authorizes freshmen Members to employ our interim staff during the period beginning on the day such freshman is declared elected and the first day of the regular session of Congress.

H.R. 612. January 14, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from cancelling franchises without cause and without prior notice.

H.R. 613. January 14, 1975. Interstate and Foreign Commerce. Prohibits the use of United States fuel to train pilots who are foreign

nationals of any country which places an embargo on shipment of petroleum products to the United States.

Directs the Federal Energy Administrator to determine when any foreign nation imposes such an embargo and to make appropriate notification.

H.R. 614. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by requiring the Civil Aeronautics Board to disapprove certain pooling and other agreements between air carriers unless the Board finds that no party to any such agreement, continue to earn a profit during any period of labor dispute between such party and its employees.

H.R. 615. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require the Secretary of the Treasury to report to the Joint Committee on Internal Revenue Taxation the specific criteria and procedures used to audit returns and to report certain information regarding audits completed in the previous twelve months.

H.R. 616. January 14, 1975. Ways and Means Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 617. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose an excise tax on every passenger automobile sold by the manufacturer whose fuel consumption falls below a stipulated fuel economy standard.

Directs the Secretary of Transportation to establish test procedures for determining the fuel consumption rate for each new automobile subject to this tax.

H.R. 618. January 14, 1975. Public Works and Transportation. Increases the appropriation authorization ceiling for bridges on Federal dams. Authorizes funds for reconstruction of a bridge across the Chickamauga Dam in Tennessee.

H.R. 619. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to eliminate as an income tax credit, any income, war profits, or excess profits tax paid to any foreign country for income from petroleum production.

H.R. 620. January 14, 1975. Judiciary. States that it shall not be unlawful to intercept communications where all parties to the communication have given their consent unless the communication is intercepted for the purpose of committing any criminal or tortious act.

H.R. 621. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 622. January 14, 1975. Atomic Energy. Prohibits the transfer of atomic or nuclear energy technology or materials to foreign nations without the express approval of Congress.

H.R. 623. January 14, 1975. Education and Labor. Sets forth guidelines to be followed by educational institutions in the preservation, review, and release of the records of teachers and other employees. Prohibits educational funding to any educational agency or facility that does not comply with the guidelines stated in this Act.

H.R. 624. January 14, 1975. Interior and Insular Affairs. Releases all interest of the United States to certain real property in Sandoval County, New Mexico.

H.R. 625. January 14, 1975. Post Office and Civil Service. Allows credit under the civil service retirement program for military service performed by a United States citizen in the armed forces of an allied nation during a period of war.

H.R. 626. January 14, 1975. Judiciary. Requires the registration of handguns.

H.R. 627. January 14, 1975. Science and Technology. Establishes under the Secretary of Commerce the United States Metric Conversion Coordinating Committee to implement the recommendations of the United States metric study.

Directs Federal agencies to convert to the international metric system as soon as possible.

Declares the international metric system to be the sole official system of weights and measures in the United States for trade and commerce as of 1986.

H.R. 628. January 14, 1975. Armed Services. Prohibits the Central Intelligence Agency from engaging in the incitement, organization, supervision, assistance, or conduct of any military, paramilitary, or political activity.

H.R. 629. January 14, 1975. Agriculture. Provides that under the Agricultural Act of 1949 the price of milk shall be supported at not less than 85 percent of the parity price therefor. Declares it the sense of Congress that the President shall limit meat imports and refrain from increasing import quotas on butter, butter oil, cheddar cheese, and nonfat dry milk above the levels prevailing as of June 1, 1971.

H.R. 630. January 14, 1975. Armed Services. Directs the Secretary of the Navy to conduct programs of exploration for oil and gas in Alaska.

H.R. 631. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems.

H.R. 632. January 14, 1975. Education and Labor. Authorizes the Secretary of Labor to grant, under certain circumstances, a limited waiver of the child labor provisions of the Fair Labor Standards Act of 1938 to employers desiring to hire children for the purpose of harvesting crops.

H.R. 633. January 14, 1975. Foreign Affairs. Directs the President to halt all exports of gasoline, distillate fuel oil, and propane gas until Congress determines that no shortage of such fuels exists in the United States.

H.R. 634. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to make grants to States to assist in land use planning activities. Establishes requirements for statewide land use planning processes and programs.

Creates an Office of Land Use Policy and Planning Administration in the Department of the Interior and a National Land Use and Planning Board to coordinate Federal land use policy.

Establishes a public land policy and requires development of land use plans for all public lands.

H.R. 635. January 14, 1975. Interstate and Foreign Commerce. Revises the Mineral Lands Leasing Act to establish a public corporation to explore and develop oil shale energy resources on Federal lands. Authorizes the issuance of bonds to finance oil shale exploration and development.

Establishes an environmental advisory committee and requires that adverse environmental impacts be avoided. Prohibits the public corporation from use of surface mining techniques.

H.R. 636. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish, develop, improve and maintain regional centers for the performing arts.

H.R. 637. January 14, 1975. Banking, Currency and Housing. Establishes in the Department of Housing and Urban Development a low-interest loan program to assist low and middle-income homeowners in the maintenance and improvement of their homes. Directs that an annual audit be made by the General Accounting Office of the housing and related programs administered by the Department of Housing and Urban Development.

H.R. 638. January 14, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, possession or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officials.

H.R. 639. January 14, 1975. Education and Labor. Amends the Fair Labor Standards Act of 1938 by exempting certain individuals employed at sporting or recreational events from the child labor provisions of the Act.

H.R. 640. January 14, 1975. Interstate and Foreign Commerce. Exempts all production of natural gas from wells commencing production in 1973 or later, and all new dedications to the interstate market, from regulation by the Federal Power Commission.

H.R. 641. January 14, 1975. Ways and Means. Increases the amount of outside earnings allowed before any reduction in Old-Age, Survivors, and Disability Insurance benefits, under the Social Security Act, may be made.

H.R. 642. January 14, 1975. Banking, Currency and Housing. Establishes the National Development Bank for the purpose of making long-term, low-interest loans to individuals, State and local governments, and corporations in order to increase employment opportunities, and foster public works and low and moderate-income housing projects.

H.R. 643. January 14, 1975. Agriculture. Directs the Secretary of Agriculture to conduct research and development related to new methods of protein production, fertilizer production, and processing vegetable protein.

H.R. 644. January 14, 1975. Armed Services. Entitles former members of the armed forces and their dependents to medical and dental care and post exchange and commissary privileges for sixty days following separation.

H.R. 645. January 14, 1975. Armed Services. Amends the Military Selective Service Act to give former employees of States and their political subdivisions who are discharged from the Armed Forces the same reemployment guarantees as former employees of private employers who are discharged from the Armed Forces.

H.R. 646. January 14, 1975. Armed Services. Revises the method of computing military retired pay and civilian service retirement annuities for members and former members of the Armed Forces who were in a missing status while serving in the Vietnam conflict.

Directs the Secretary of Defense to provide special health benefits to former members of the Armed Forces who were in a missing status while serving in the Vietnam conflict and their dependents.

H.R. 647. January 14, 1975. Armed Services. Authorizes disability discharges for members of the Armed Forces who have a drug dependency. Directs the Secretary of each military department to petition the appropriate United States attorney for the civil commitment of a drug dependent member of the Armed Forces to a Public Health Service facility. Directs the Secretary of each military department to review dishonorable discharges which were granted on the grounds of drug possession or drug dependency.

Revises the Uniform Code to Military Justice by specifying the maximum penalties for offenses involving certain drugs.

H.R. 648. January 14, 1975. Armed Services. Prohibits the Navy from making contracts to have its vessels constructed outside the United States.

H.R. 649. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Labor to make loans to industry and business in certain areas to aid in the financing of pollution control facilities.

H.R. 650. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to States for the establishment of vision screening programs for public school students.

H.R. 651. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants for the education and training of professional and paraprofessional personnel in the field of early childhood development.

H.R. 652. January 14, 1975. Education and Labor. Authorizes the Secretary of Labor to develop and implement programs to provide year-round recreational opportunities for underprivileged youth. Authorizes grants to localities for urban recreational facilities and program planning.

H.R. 653. January 14, 1975. Education and Labor. Authorizes the President to call and conduct a White House Conference on Education in 1976.

H.R. 654. January 14, 1975. Education and Labor. Directs that local educational agencies shall not receive Federal financial assistance from the Commissioner of Education unless they provide educational services to all handicapped children at levels of expenditure at least equal to expenditures for other children.

H.R. 655. January 14, 1975. Education and Labor. Directs the Secretary of Health, Education, and Welfare to develop and implement youth camp safety standards.

H.R. 656. January 14, 1975. Foreign Affairs. Amends the Foreign Assistance Act of 1961 by directing a twelve-month suspension of assistance to any country which fails to take reasonable action to prevent damage by mob violence to any property of the United States.

H.R. 657. January 14, 1975. Government Operations. Amends the Federal Property and Administrative Services Act of 1949 by authorizing the Administrator of General Services to assign surplus real property to the head of any executive agency, to be disposed of in certain qualified areas.

H.R. 658. January 14, 1975. Government Operations. Directs the Administrator of General Services to assist Federal agencies with respect to records creation, maintenance, use, and disposition. Directs the Administrator to make inspection and formulate rules regarding Federal records.

Establishes a Records Review Board to review orders issued by the Administrator.

Grants the Administrator custody and control over the National Archives Building and its contents.

H.R. 659. January 14, 1975. Government Operations. Establishes a Department of Social, Economic, and Natural Resources Planning to study and report to various Federal entities on the status and goals of natural resources and social programs. Transfers to the Department from other Federal agencies all functions and duties relating to long-range planning for natural resources.

H.R. 660. January 14, 1975. Government Operations. Establishes the Department of Health in the executive branch to be headed by the Secretary of Health who shall have transferred to him the health functions of the Secretary of Health, Education, and Welfare.

Establishes the National Advisory Commission on Health Planning to determine what health functions carried on by the segments of the Government should be transferred to the Department of Health.

H.R. 661. January 14, 1975. Government Operations. Requires the President to include in the budget transmitted to Congress additional information showing the regional impact by State and Congressional districts of budget proposals. Requires the Director of the Office of Management and Budget to file with the Congress certain information relating to Federal expenditures within the States and Congressional districts.

H.R. 662. January 14, 1975. Government Operations. Limits the sale or distribution of mailing lists by Federal agencies.

H.R. 663. January 14, 1975. Government Operations. Requires that each Member of Congress be notified by the Administrator of General Services of the intended disposition of federally owned real property in the district he represents.

H.R. 664. January 14, 1975. Government Operations. Requires the Secretary of State to pay to each State or political subdivision an amount equal to the amount of property tax revenue that would be derived from tax exempt United Nations property if such property were taxed.

H.R. 665. January 14, 1975. House Administration. Amends the Legislative Reorganization Act of 1970 by directing the Librarian of Congress to prepare and conduct seminars for freshmen Members of Congress.

Authorizes freshmen Members to employ an interim staff during the period beginning on the day such freshman is declared elected and the first day of the regular session of Congress.

H.R. 666. January 14, 1975. House Administration. Authorizes the Secretary of the Interior to permit the construction of the General Draza Mihailovich Monument in Washington, D.C.

H.R. 667. January 14, 1975. Interstate and Foreign Commerce. Amends the National Mental Health Act by establishing within the National Institute of Mental Health a National Center for the Control and Prevention of Rape to conduct a continuing study and investigation of rape.

H.R. 668. January 14, 1975. Interstate and Foreign Commerce. Requires the Director of the National Institute of Child Health and Human Development to plan and develop a coordinated autism research program. Authorizes the Secretary of Health, Education, and Welfare to make grants, loans and loan guarantees, to public or private nonprofit residential or nonresidential centers with education programs for autistic children.

H.R. 669. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcastng stations from three to four years. Revises the conditions for approval of applications for licensing or license renewal.

H.R. 670. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act to require that certain television broadcasting stations include foreign language subtitles in programs of local origin.

H.R. 671. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Federal Communications Commission to establish regulations for networks to prevent or prohibit policies and practices which may have the effect of substantially lessening competition or adversely affecting the duty of broadcast licensees to operate their stations in the public interest.

H.R. 672. January 14, 1975. Interstate and Foreign Commerce. Makes it a violation of the Federal Trade Commission Act for any retailer to increase the price of a consumer commodity after the retailer has marked the price on that item.

Authorizes the Federal Trade Commission to issue a cease and desist order and to order the restitution of moneys received by a retailer in violation of this Act.

H.R. 673. January 14, 1975. Interstate and Foreign Commerce. Makes unlawful acts in defraud of consumers. Defines such acts as those unfair or deceptive practices which are unlawful under the Federal Trade Commission Act or under State law. Authorizes consumer class actions under the Federal Trade Commission Act.

H.R. 674. January 14, 1975. Interstate and Foreign Commerce. Amends the Flammable Fabrics Act by extending its provisions to construction materials used in the interiors of homes, offices, and other places of assembly or accommodation. Authorizes the Secretary of Commerce to establish toxicity standards.

H.R. 675. January 14, 1975. Interstate and Foreign Commerce. Requires persons rating municipal bonds to register with the Securities and Exchange Commission.

Directs the Commission to prescribe regulations governing the rating of municipal bonds.

H.R. 676. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit harassing telephone calls made to collect alleged debts. Requires all telephone companies to notify each telephone subscriber by means of a notice on the front of the local telephone directory of his right to be free from such harassing calls.

H.R. 677. January 14, 1975. Interstate and Foreign Commerce. Establishes the Health Action Corps to provide opportunities for young Americans to participate in programs which provide training and practical work experience in the allied health field including career counseling, exposure to various health-related occupations, and training and work experience in clinical settings.

Authorizes the Administrator of the Health Action Corps to select volunteers, to provide allowances and incentive bonuses to volunteers, and to enter into agreements with any public or nonprofit private entity whereby the Administrator will make grants to assist such entity in providing training and practical work experience to volunteers.

H.R. 678. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to appoint a National Commission to develop a national plan for the control of epilepsy and its consequences.

H.R. 679. January 14, 1975. Interstate and Foreign Commerce. Establishes, under the Public Health Services Act, a National Center for Clinical Pharmacology within the Department of Health, Education, and Welfare for the purpose of supporting the study of clinical pharmacology.

Amends the Federal Food, Drug, and Cosmetic Act with respect to regulation of the manufacture, distribution, and sale of drugs.

H.R. 680. January 14, 1975. Interstate and Foreign Commerce. Prohibits the introduction, or manufacture for introduction, of switchblade knives into interstate commerce.

H.R. 681. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Power Act with respect to the jurisdiction of the Federal Power Commission over navigable portions of water which lie within a single State.

H.R. 682. January 14, 1975. Interstate and Foreign Commerce. Establishes a National Cancer Research Administration to plan, direct, and conduct the cancer research activities of the United States and to acquire, construct, improve, repair, operate, and maintain laboratories, research and testing sites, and other facilities for the performance of its duties under this Act. Imposes a two percent income tax surcharge to cover the cost of this Act.

H.R. 683. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 684. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to establish and maintain a blood donor registration system whereby a prospective donor may be certified by an examining physician to be free of previous diseases or personal habits which might predispose him to be a carrier of the hepatitis agent. Directs the establishment and maintenance of a research program in the National Institutes of Health to discover a medical test which can detect serum hepatitis.

H.R. 685. January 14, 1975. Interstate and Foreign Commerce. Empowers the Attorney General, the Secretary of State, and the Sec-

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retary of Health, Education, and Welfare to execute the obligations of the United States under the international treaty entitled the "Convention on Psychotropic Substances" which is designed to establish suitable controls over manufacture, distribution, transfer and use of certain psychotropic substances. Stipulates that the Comprehensive Drug Abuse Prevention and Control Act of 1970 is the appropriate framework for control of psychotropic substances.

H.R. 686. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to entitle any individual suffering from hemophilia to file a claim with the Secretary of Health, Education, and Welfare for benefits equalling one hundred percent of his actual treatment costs. Directs the Secretary to provide for the establishment of no less than fifteen new centers for the diagnosis and treatment of hemophilia and to establish a program utilizing facilities of the Public Health Service for the diagnosis and treatment of hemophilia. Establishes a National Hemophilia Advisory Board within the National Institutes of Health to establish guidelines for the diagnosis and treatment of hemophilia.

H.R. 687. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded in implementing and reviewing the standards established by this Act.

H.R. 688. January 14, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from canceling franchises without cause and without prior notice.

H.R. 689. January 14, 1975. Interstate and Foreign Commerce. Establishes the Bureau of Travel Agents Registration in the Department of Transportation for the purpose of regulating standards of performance and conduct in the travel agency industry.

H.R. 690. January 14, 1975. Interstate and Foreign Commerce. Requires each State to have a motor vehicle mechanic licensing program approved by the Secretary of Labor. Sets forth criteria for such approval. Authorizes the Secretary to pay not in excess of 80 percent of the cost of such licensing programs.

H.R. 691. January 14, 1975. Interstate and Foreign Commerce. Stipulates active service of commissioned officers of the Public Health Service to be active military service in the Armed Forces of the United States for the purposes of all rights, privileges, immunities, and benefits provided under the Soldiers' and Sailors' Civil Relief Act of 1940.

H.R. 692. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefor within the Public Health Service.

H.R. 693. January 14, 1975. Judiciary. Prohibits the transportation or use in interstate or foreign commerce of counterfeit, fictitious, altered, lost or stolen airline tickets.

H.R. 694. January 14, 1975. Judiciary. Makes unenforceable certain provisions of professional athlete's contracts which require performance for an unreasonable period of time or limits the right of the individual to contract with any other person after the expiration of such contract.

H.R. 695. January 14, 1975. Judiciary. Permits the Attorney General to apply for a court order for registrars and Federal election officials to facilitate registration and voting in a State or political subdivision where a certain percentage of persons whose primary language is not English, have not registered to vote or voted.

H.R. 696. January 14, 1975. Judiciary. Prohibits possession of a firearm by certain classes of individuals.

Repeals those provisions of the Omnibus Crime Control and Safe Streets Act which regulate unlawful possession or receipt of firearms.

H.R. 697. January 14, 1975. Judiciary. Makes additional immigrant visas available for immigrants from certain foreign countries.

H.R. 698. January 14, 1975. Judiciary. Makes the bribery of State and local law enforcement officers or other appointed or elected officials a Federal crime.

H.R. 699. January 14, 1975. Judiciary. Allows the redistribution of quota visa numbers not used during fiscal year 1975.

H.R. 700. January 14, 1975. Judiciary. Establishes an Office of the United States Correctional Ombudsman to investigate either upon complaint or upon its initiative certain administrative acts of the Bureau of Prisons or of the Board of Parole.

H.R. 701. January 14, 1975. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce.

H.R. 702. January 14, 1975. Judiciary. Establishes under the Immigration and Nationality Act a Board of Visa Appeals as a separate agency within the Bureau of Security and Consular Affairs to review decisions of a consular officer refusing or revoking an immigration visa. Revises the Act with respect to the numerical limitations on lawful admissions, revocation of naturalization, and limitations on deportation.

Establishes a Select Commission on Nationality and Naturalization to study the Nationality and Naturalization provisions of the Immigration and Nationality Act.

H.R. 703. January 14, 1975. Judiciary. Authorizes the Attorney General to make grants to the States for the construction and modernization of correctional institutions.

H.R. 704. January 14, 1975. Judiciary. Specifies that fingerprints submitted to the Federal Bureau of Investigation from registered national security exchanges and brokers and dealers registered with the Securities and Exchange Commission shall be treated in the same manner and subject to the same terms and conditions as those from insurance companies and national banks.

H.R. 705. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 706. January 14, 1975. Judiciary. Amends the Gun Control Act of 1968 to make it unlawful to sell any firearm, other than a rifle or shotgun, which the Secretary of the Treasury determines to be unsuitable for lawful sporting purposes.

H.R. 707. January 14, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 708. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act to extend eligibility for appointment to the United States Merchant Marine Academy to the daughters, as well as the sons, of personnel of the United States Government and the Panama Canal Company residing in the Republic of Panama.

H.R. 709. January 14, 1975. Merchant Marine and Fisheries. Authorizes subsistence allowances for individuals enrolled in the Coast Guard officer candidate program.

H.R. 710. January 14, 1975. Merchant Marine and Fisheries. Establishes a contiguous fishery zone beyond the territorial sea of the United States. Extends United States jurisdiction to anadromous fish wherever they may range in the oceans except in the territorial waters or fishery zone of another country.

H.R. 711. January 14, 1975. Merchant Marine and Fisheries. Authorizes commercial fishermen to apply to the Secretary of the Interior for grants to cover losses of earnings due to Federal or State restrictions on fishing imposed because of a deterioration of the aquatic environment.

H.R. 712. January 14, 1975. Merchant Marine and Fisheries. Requires advance notice to the United States Fish and Wildlife Service and certain State agencies before initiation of any Federal program involving the use of pesticides or other chemicals for animals or plant pest control.

Establishes administrative procedures to evaluate potential adverse impacts of pest control agents on fish and wildlife resources.

H.R. 713. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to extend the services of the United States Merchant Marine Academy to persons in the maritime industries other than merchant marine officers, to expand the scope of the educational program at the Academy, and to change the name of the Academy to the "United States Maritime Academy."

H.R. 714. January 14, 1975. Merchant Marine and Fisheries. Amends the Fishermen's Protective Act of 1967 to require the return to the United States of United States vessels loaned or leased to foreign countries which have seized any United States fishing vessels in water recognized by the United States as international waters.

H.R. 715. January 14, 1975. Merchant Marine and Fisheries. Requires that a minimum percentage of United States oil imports be carried on privately-owned United States flag commercial vessels.

H.R. 716. January 14, 1975. Post Office and Civil Service. Requires the posting in post offices of information regarding voter registration, voting, and communicating with the President, Vice-President, and Members of Congress.

H.R. 717. January 14, 1975. Post Office and Civil Service. Designates the birthday of Susan B. Anthony a legal public holiday.

H.R. 718. January 14, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 719. January 14, 1975. Post Office and Civil Service. Permits Government officials and employees to participate in political management and in political campaigns. Prohibits the use of official authority or influence for the purpose of affecting the result of an election.

H.R. 720. January 14, 1975. Post Office and Civil Service. Makes it unlawful for officers of Federal agencies, the armed forces, or the Civil Service Commission to require that Federal civilian employees and applicants disclose certan personal information.

Creates a Board of Employees Rights to enforce this Act.

H.R. 721. January 14, 1975. Post Office and Civil Service. Prohibits government agencies from furnishing mailing lists to the public.

H.R. 722. January 14, 1975. Post Office and Civil Service. Amends the Postal Reorganization Act of 1970 with respect to the applicability of certain civil service laws and regulations to the Postal Service.

Repeals that section of the Act which regulates labor disputes, Makes employee-management relations in the Postal Service subject to certain provisions of the Labor-Management Relations Act of 1947.

H.R. 723. January 14, 1975. Post Office and Civil Service. Reduces the mandatory retirement age for non-United States citizen employees of the Panama Canal Company or the Canal Zone Government employed on the Isthmus of Panama.

H.R. 724. January 14, 1975. Public Works and Transportation. Modifies the existing flood control project at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, to authorize work on the beach erosion aspect of the project independently of the hurricane-flood protection aspect.

H.R. 725. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require the National Transportation Safety Board to consider in their duties foreign laws which discriminate against American citizens traveling as visitors on the basis of race, color, or religion.

Requires the Board to hold hearings on cases of alleged discrimination, and to suspend air carrier service to such countries where discrimination exists.

H.R. 726. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to include "young people" in the class of those eligible for reduced rate air transportation on a space-available basis.

H.R. 727. January 14, 1975. Public Works and Transportation.

Directs the Secretary of Transportation to carry on a national educational campaign designed to educate drivers and pedestrians with respect to the dangers of driving and improved methods of safety.

H.R. 728. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to authorize reduced air fares on a space-available basis for persons who are sixty-five years old or older.

H.R. 729. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require the Secretary of Transportation to prescribe regulations governing the humane treatment of animals transported in air commerce.

H.R. 730. January 14, 1975. Public Works and Transportation. Authorizes free or reduced rate transportation under the Federal Aviation Act of 1958 to handicapped persons and persons who are sixty-five years of age or older. Amends the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are sixty-five years of age or older.

Authorizes the Secretary of Health, Education, and Welfare to make grants to public and private entities to plan, research, and develop special transportation systems for the handicapped and the elderly.

H.R. 731. January 14, 1975. Public Works and Transportation. Relieves airline ticket agents of liability for the usage of airline tickets stolen from them without their complicity.

H.R. 732. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act to prohibit air carriers from abandoning any route or discontinuing any service for which the Civil Aeronautics Board has issued a certificate without a finding by the Board that such abandonment or discontinuance is in the public interest.

H.R. 733. January 14, 1975. Public Works and Transportation. Extends the duties of the Executive Protective Service to include the protection of United Nations buildings, and buildings used by the missions of United Nations member states in New York City. Increases the number of officers authorized to be employed in the Executive Protective Service.

H.R. 734. January 14, 1975. Science and Technology. Creates a National Academy of Fire Prevention and Control to provide for training in firefighting techniques and procedures.

H.R. 735. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to make grants to local fire departments for the purchase of advanced firefighting equipment.

H.R. 736. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to establish and maintain a National Fire Data and Information Clearinghouse within the National Bureau of Standards.

H.R. 737. January 14, 1975. Science and Technology. Establishes a national program to further the research and development of geothermal energy resources.

Authorizes the Director of the National Science Foundation to fund basic and applied research activities relating to geothermal energy development. Directs the National Aeronautics and Space Administration to develop a program of demonstrations in commercial utilization of geothermal energy technologies.

H.R. 738. January 14, 1975. Science and Technology. Directs the National Aeronautics and Space Administration to develop ground propulsion systems designed to reduce current levels of energy consumption.

H.R. 739. January 14, 1975. Science and Technology. Creates a United States Fire Administration and a National Fire Academy in the Department of Housing and Urban Development. Includes provisions for Federal assistance to State and local governments and to facilitate education and training of fire prevention personnel.

H.R. 740. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to provide Federal assistance to local fire departments in the purchase of certain firefighting equipment.

H.R. 741. January 14, 1975. Science and Technology. Authorizes the Secretary of Commerce to make grants to States and localities to assist in the financing of training programs for firemen.

H.R. 742. January 14, 1975. Veterans' Affairs. Increases the maximum income level at which certain veterans remain eligible for pensions.

H.R. 743. January 14, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to provide financial assistance in the form of grants to States to enable them to establish and maintain veterans' cemeteries.

H.R. 744. January 14, 1975. Veterans' Affairs. Increases the percent guaranteed by the Federal Government for certain business loan programs for veterans. Increases the maximum allowable interest rates for such loans. Extends the eligibility for these loan programs to include veterans who served after January 31, 1955.

H.R. 745. January 14, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to pay for any emergency hospital care and medical services provided to any veteran by a private hospital if the Administrator finds that such care was related to an adjudicated service-connected disability, that no government facilities were reasonably available, and that delay in receiving such care would have endangered the veteran's health and life.

H.R. 746. January 14, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to insure that during the twenty-four month period after the discharge of a veteran, such veteran will have available to him employment, the salary for which is not less than the lower of his highest rate of pay in the Armed Forces, his highest civilian pay, or the prevailing rate of pay for equivalent employment.

H.R. 747. January 14, 1975. Veterans' Affairs. Increases the monthly rates of disability and death pension for veterans and their survivors.

H.R. 748. January 14, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 749. January 14, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 750. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 751. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from gross income for expenses paid during the taxable year for the education of a dependent attending any primary or secondary educational institution.

H.R. 752. January 14, 1975. Ways and Means. Amends the Social Security Act to exclude general and cost-of-living increases in Old Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits.

H.R. 753. January 14, 1975. Ways and Means. Amends the Social Security Act by (1) revising the method of computing the primary insurance amount; (2) authorizing a 50 percent increase in Old-Age, Survivors and Disability Insurance benefits; and (3) increasing the amount of outside income allowed before any reduction will be made in Old-Age, Survivors and Disability Insurance benefits.

H.R. 754. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit to employers who hire unemployed Vietnam veterans if the position for which the veteran is hired either reflects his prior civilian, military, or education experience or it provides training which leads to self-improvement or job advancement, as certified by the Secretary of Labor.

H.R. 755. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 756. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit to employers who hire unemployed Vietnam veterans.

H.R. 757. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit to employers who hire a physically handicapped Vietnam veteran.

H.R. 758. January 14, 1975. Ways and Means. Entitles any veteran who was a prisoner of war or missing in action during the Vietnam conflict to import into the United States free of duty any personal and household effects in connection with the arrival of such person into the United States.

H.R. 759. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an additional personal and withholding tax exemption for a taxpayer, his spouse, or a dependent who is disabled.

H.R. 760. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals filing jointly.

H.R. 761. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the cost of acquiring recycled solid waste materials for manufacture by the taxpayer into useful raw materials or salable products. Permits an optional amortization deduction

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of any solid waste recycling facility acquired by the taxpayer.

H.R. 762. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 763. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid as tuition or fees during the taxable year to an educational institution for the education of the taxpayer, his spouse, or dependents.

H.R. 764. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit individuals to deduct contributions to a qualified fund, where the beneficiary is a dependent of the taxpayer, and where the distributions from the fund are to be made only to defray the cost of room, board, and tuition at an institution of higher education.

H.R. 765. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 766. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer to deduct as an expense during the taxable year expenditures for the purpose of making any facility owned or leased by the taxpayer for use in connection with his trade or business more usable by handicapped and elderly individuals.

H.R. 767. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code as a charitable contribution an amount specified for each pint.

H.R. 768. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income limited amounts received as compensation for service as a full-time law enforcement officer in the employ of the United States, or a State or local political entity.

H.R. 769. January 14, 1975. Ways and Means. Directs the Secretary of Transportation to carry on a national education campaign designed to educate drivers and pedestrians as to the danger of the improper use of motor vehicles on the highways.

Imposes an additional tax on gasoline and other motor fuels to pay for the costs of such campaign.

H.R. 770. January 14, 1975. Ways and Means. Makes it the duty of doctors, teachers, social workers and welfare workers to report all suspected child abuse. Requires the Secretary of Health, Education, and Welfare to provide for the issuance of a social security account number for every child born in the United States in order to establish an effective national child-identification system.

H.R. 771. January 14, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act: (1) authorizes emergency and temporary grants; (2) eliminating the third-party payee requirement for certain recipients; (3) revising the method of determining income for the purposes of the program; (4) revising certain eligibility requirements; (5) authorizing cost-of-living increases in benefits; and (6) entitling recipients to food stamps on a permanent basis.

H.R. 772. January 14, 1975. Ways and Means. Revises the Internal Revenue Code to allow an income tax credit to employers who hire unemployed Vietnam veterans.

H.R. 773. January 14, 1975. Ways and Means. Allows income tax credits under the Internal Revenue Code to employers who hire unemployed Vietnam veterans who have been either listed as missing in action or prisoner of war.

H.R. 774. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 775. January 1, 1975. Ways and Means. Amends the Social Security Act to authorize payment to married couples of Old-Age, Survivors, and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R. 776. January 14, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old-Age, Survivors, and Disability Insurance. Sets forth the procedures by which Federal employees may elect such coverage.

H.R. 777. January 14, 1975. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program. Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government.

H.R. 778. January 14, 1975. Judiciary Standards of Official Conduct. Creates a Federal Lobbying Disclosure Commission.

Requires lobbyists to (1) register with the Commission; (2) make and retain certain records; and (3) file report with the Commission regarding their activities.

Repeals the Federal Regulation of Lobbying Act.

H.R. 779. January 14, 1975. Merchant Marine and Fisheries. Judiciary. Amends the National Environmental Policy Act of 1969 to permit class action suits in United States District Courts against persons responsible for creation of air, water, and noise pollution.

H.R. 780. January 14, 1975. Interior and Insular Affairs. Designates a segment of the New River in North Carolina and Virginia as a potential component of the National Wild and Scenic Rivers System.

H.R. 781. January 14, 1975. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to prohibit construction of any dam, reservoir, or similar facility on the New River in Virginia until the Secretary of the Interior has completed study of the river for potential designation as a component of the National Wild and Scenic Rivers System.

H.R. 782. January 14, 1975. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to prevent construction of any dam, reservoir, or similar facility which would directly affect a certain segment of the New River in Virginia, unless such a project is specifically authorized by the Congress.

H.R. 783. January 14, 1975. Interstate and Foreign Commerce. Prevents the construction of any dam, reservoir, or similar facility which would directly affect a certain segment of the New River in Virginia, unless such a project is specifically authorized by the Congress.

H.R. 784. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a deduction of estimated income tax and for withholding income tax from wages.

H.R. 785. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction by a taxpayer for depreciation of his principal residence property.

H.R. 786. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 787. January 14, 1975. Interstate and Foreign Commerce. Requires the Federal Trade Commission to establish regulations to require the labeling of all packaged foreign dairy products to indicate that such foreign dairy product will be readily identifiable as being imported.

H.R. 788. January 14, 1975. Public Works and Transportation. Authorizes the Secretary of the Army to study and undertake remedial measures to provide relief from shore damage attributable to high water levels in the Great Lakes.

H.R. 789. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire additional lands for the Indiana Dunes National Lakeshore.

H.R. 790. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to regulate the trapping and capture of mammals and birds on Federal lands. Establishes an advisory commission to recommend to the Secretary acceptable methods for trapping and capture of mammals and birds.

Prohibits use of unacceptable traps in interstate or foreign commerce. Prescribes regulations to prohibit the interstate shipment of hide, skin, feathers, or resulting products of the use of unacceptable traps.

H.R. 791. January 14, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 792. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow the deduction from gross income of adoption fees as a medical expense.

H.R. 793. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from income for the purchase and installation of qualified insulation or heating equipment in the taxpayer's residence.

H.R. 794. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 795. January 14, 1975. Ways and Means. Amends the Internal Revenue Code by increasing the exemption for purposes of the Federal estate tax.

H.R. 796. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit an individual, at his election, to take a limited credit against the income tax for charitable contributions in lieu of a deduction as otherwise provided by the Code.

H.R. 797. January 14, 1975. Agriculture. Provides that the support price of milk shall be not less than 90 percent of the parity price therefor. Declares it the sense of Congress that the President shall take appropriate action to limit the quantity of meat imports. Declares it the sense of Congress that the President, with the concurrence of the Secretary of Agriculture, issue a proclamation not to increase the import quotas on butter, butter oil, cheddar cheese, and nonfat dry milk.

H.R. 798. January 14, 1975. Agriculture. Authorizes and directs the Secretary of Agriculture, through the Commodity Credit Corporation, to purchase animals and animal food products for use in foreign and domestic food relief programs.

H.R. 799. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 800. January 14, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 801. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 802. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 803. January 14, 1975. Banking, Currency and Housing. Establishes the Reconstruction Finance Corporation to make loans and loan guarantees to business concerns which would otherwise be unable to obtain needed financing.

Authorizes the Corporation to issue notes, debentures, bonds, and other such obligations which will be fully guaranteed by the United States.

H.R. 804. January 14, 1975. Banking, Currency and Housing. Directs the Secretary of Housing and Urban Development to carry out to the fullest extent possible those programs of the National Housing Act designed to assist low-income families who own their homes or live in rental or cooperative housing.

H.R. 805. January 14, 1975. Education and Labor. Amends the Age Discrimination in Employment Act by extending the coverage of the Act to individuals sixty years of age or over.

H.R. 806. January 14, 1975. Education and Labor. Amends the Federal Coal Mine Health and Safety Act of 1969 by eliminating the support requirements for divorced wives and surviving divorced wives.

H.R. 807. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

Revises the method of computing income for the purpose of determining eligibility for supplemental security income benefits under the Social Security Act.

H.R. 808. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to provide Federal financial assistance to those State teacher retirement systems which allow retirement credit to teachers for out-of-State teaching service.

H.R. 809. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Federal Energy Administration to establish a program of mandatory allocation of scarce supplies of natural gas. Directs that mandatory allocation regulations give high priority to those industries which use natural gas an an essential element in their production processes.

H.R. 810. January 14, 1975. Science and Technology. Amends the National Science Foundation Act of 1950 to authorize the Director of the National Science Foundation to establish a program of research and development in the production of synthetic liquid fuels.

H.R. 811. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 812. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a person to elect to take a deduction for the amorization of a qualified oil shale or coal conversion facility in lieu of the depreciation deduction authorized by the Code.

H.R. 813. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to utilize in calculating the retirement income credit the maximum amount of old-age insurance benefits which could be paid, and the maximum amount of earnings which may be received in a calendar year as determined by the Secretary of Health, Education, and Welfare under the Social Security Act.

H.R. 814. January 14, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 815. January 14, 1975. Ways and Means. Amends the Social Security Act by eliminating the waiting period for medicare coverage in the case of certain disabled individuals under age 65 who are applying for reentitlement to such coverage.

H.R. 816. January 14, 1975. Ways and Means. Amends the Social Security Act by (1) prohibiting the payment of Survivors Insurance benefits to individuals entitled to a survivors annuity under the Railroad Retirement Act; and (2) prohibiting the payment of a Survivors Insurance lump-sum death payment to individuals entitled to a lump-sum death payment under the Railroad Retirement Act.

H.R. 817. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate the reduction in disability benefits received by individuals who also receive workmen's compensation benefits.

H.R. 818. January 14, 1975. Ways and Means. Amends the Social Security Act by lowering the age at which a woman becomes entitled to widow's insurance benefits.

H.R. 819. January 14, 1975. Banking, Currency and Housing. Directs the Secretary of the Treasury to issue $2 Federal reserve notes commemorating the Bicentennial of the American Revolution.

H.R. 820. January 14, 1975. Interior and Insular Affairs. Establishes the National Conservation Area of the California Desert. Directs the Secretary of the Interior to develop and implement a comprehensive plan for the management, use, and protection of the natural resource lands within the conservation area.

H.R. 821. January 14, 1975. Interior and Insular Affairs. Prescribes penalties and establishes arrest authority with respect to violators of certain laws and regulations relating to the protection or use of public lands administered by the Secretary of the Interior or the Secretary of Agriculture.

H.R. 822. January 14, 1975. Agriculture. Decreases the amount of funds allocated under the Emergency Livestock Credit Act of 1974 from $2,000,000,000 to $1,000,000,000.

H.R. 823. January 14, 1975. Banking, Currency and Housing. Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to insure loans to finance improvements to long-term care facilities required to correct deficiencies identified in State surveys and Federal certification procedures.

H.R. 824. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to establish a program of grants to assist municipalities in strengthening and expanding existing programs of housing code enforcement in order to prevent the loss of structurally sound buildings through neglect.

H.R. 825. January 14, 1975. Banking, Currency and Housing. Prohibits the granting of Federal financial assistance to any State development agency unless such agency provides satisfactory assurances that it will take no action inconsistent with local zoning laws.

H.R. 826. January 14, 1975. Education and Labor. Establishes, under the Elementary and Secondary Education Act of 1965, a Director of Consumers Education whose duty shall be the making of grants, and contracts with educational and governmental entities to design projects to provide consumer education to the public.

H.R. 827. January 14, 1975. Education and Labor. Revises the provisions of the Higher Education Act of 1965 relating to the interest on educational loans which a student is entitled to have paid by the Federal Government.

H.R. 828. January 14, 1975. Education and Labor. Directs the Secretary of Health, Education, and Welfare, under the Older Americans Act of 1965, to approve a State plan to establish and maintain an ombudsman office which will receive and investigate complaints from residents and patients, and their relatives, in long-term care facilities.

H.R. 829. January 14, 1975. Education and Labor. Directs the Secretary of Labor to establish a volunteer employment program for retired persons.

H.R. 830. January 14, 1975. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to authorize the the Commissioner of Education to make grants to local education agencies for the stimulation and support of interscholastic athletic programs at secondary schools associated with certain community development programs.

H.R. 831. January 14, 1975. Education and Labor. Establishes a Federal Scholastic and Amateur Sports Commission within the Department of Health, Education, and Welfare for the purpose of protecting and promoting the interests of collegiate and other amateur athletes in the United States engaging in international competition.

H.R. 832. January 14, 1975. Foreign Affairs. Directs the President to suspend economic and military assistance under the Foreign Assistance Act of 1961 and sales under the Foreign Military Sales Act or the Agricultural Trade Development and Assistance Act of 1954, to any country whose government has failed to take appropriate steps to prevent narcotic drugs produced in such country from entering the United States unlawfully.

H.R. 833. January 14. 1975. Ways and Means. Requires the Secretary of Agriculture under the Export Administration Act to determine the amount of any agricultural commodity that will be available for export. Requires the Secretary of Commerce to publicly announce the determination. Prohibits the exporting of any agricultural commodity unless the person exporting such commodity has been issued an export license.

H.R. 834. January 14, 1975. Government Operations. Grants child care centers status as educational institutions for purposes of receiving surplus Federal property under the Fedreal Property and Administrative Services Act.

H.R. 835. January 14, 1975. House Administration. Requires the use of recycled paper in the printing of the Congressional Record.

H.R. 836. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health, Education, and Welfare, after consultation with the Secretary of Agriculture, to establish standards for grading system by which retail purchasers may determine the relative nutritional value of different foods for human consumption.

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H.R. 837. January 14, 1975. Interstate and Foreign Commerce. Authorizes and directs the Chairman of the Federal Trade Commission to appoint a task force to study the extent that supermarkets engage in the practice of repricing food items after the item has been initially priced and offered for sale, the financial impact this has on consumers, and the additional cost to supermarket food chains to discontinue their repricing practices.

H.R. 838. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded to assist the Secretary of Health, Education, and Welfare in implementing and reviewing the standards established by this Act.

H.R. 839. January 14, 1975. Interstate and Foreign Commerce. Increases the scope of the Flammable Fabrics Act to include construction material used in the interiors of inhabitable structures, and to regulate standards of toxicity of substances which produce toxic by-products when burned.

H.R. 840. January 14, 1975. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1937 by eliminating certain current outside employment as a bar to eligibility for annuities under the Act.

H.R. 841. January 14, 1975. Interstate and Foreign Commerce. Prohibits the importation or the sale of any products, or part of a product or the advertising of any product, produced outside the United States unless the product bears the name of the country of origin.

Requires the Federal Trade Commission to effectuate and enforce the Act.

H.R. 842. January 14, 1975. Interstate and Foreign Commerce. Prohibits interstate or foreign transaction in hypodermic needles and syringes by anyone who is not a manufacturer, wholesaler, dealer, or importer registered with the Attorney General of the United States or a licensed pharmacist or medical practitioner.

H.R. 843. January 14, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 844. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 845. January 14, 1975. Judiciary. Exempts certain volunteer firemen from Federal jury duty.

H.R. 846. January 14, 1975. Post Office and Civil Service. Makes Election Day a legal public holiday.

H.R. 847. January 14, 1975. Post Office and Civil Service. Authorizes the issuance of a special postage stamp commemorating the life and work of Doctor Enrico Fermi.

H.R. 848. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by authorizing the President to suspend the right of air carriers operating under the authority of the Civil Aeronautics Board to operate aircraft to and from any nation which does not adhere to the Convention for the Suppression of Unlawful Seizure of Aircraft.

Directs that all passengers boarding aircraft in the United States be subjected to search for weapons or explosive devices.

H.R. 849. January 14, 1975. Public Works and Transportation. Extends the duties of the Executive Protective Service to include the protection of United Nations buildings, and buildings used by missions of United Nations member States in New York City. Increases the number of officers authorized to be employed in the Executive Protective Service.

H.R. 850. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 851. January 14, 1975. Public Works and Transportation. Amends the Uniform Relocation Assistance and Real Property Acquisition Policies Act to require that relocation payments be considered income for the purpose of determining eligibility for Federal-State public assistance programs, supplemental security income benefits and medicaid under the Social Security Act.

H.R. 852. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Transportation, under the Urban Mass Transportation Act of 1964, to give preference to applicants for grants and loans whose projects are designed to increase or improve public transportation for handicapped or elderly persons, and to prescribe standards for the accommodation of elderly persons in mass transportation buildings constructed with public financial assistance.

Directs common carriers in interstate commerce to provide reduced fare service to elderly persons during nonpeak periods and authorizes them to apply for compensation of losses due to such reduced fares.

Authorizes the Secretary, under the Older Americans Act of 1965, to make grants supporting studies of improved public transportation facilities for the elderly.

H.R. 853. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 854. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 855. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for certain social security taxes, railroad retirement taxes, and civil service retirement contributions.

H.R. 856. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction to tenants for their proportionate share of the taxes and interest paid by their landlords.

H.R. 857. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a specified credit against the income tax to the purchaser of tires, tubes, and tread rubber, subject to the Federal excise tax, where such items were first used on a vehicle engaged in scheduled common carrier public land transportation.

H.R. 858. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the amount of refund payable with respect to fuels used by local transit systems for commuter service.

H.R. 859. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer to deduct as an expense during the taxable year expenditures for the purpose of making any facility owned or leased by the taxpayer for use in connection with his trade or business more usable by handicapped and elderly individuals.

H.R. 860. January 14, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act (1) authorizing emergency and temporary grants; (2) eliminating the third-party payee requirement for certain recipients; (3) revising the method of determining income for the purposes of the program; (4) revising certain eligibility requirements; (5) authorizing cost-of-living increases in benefits; and (6) entitling recipients to food stamps on a permanent basis.

H.R. 861. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for Federal-State public assistance programs, supplemental security income, or dependency and indemnity compensation for parents of deceased veterans.

H.R. 862. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount payable by the Federal Government to States as grants for social services under Federal-State public assistance programs.

H.R. 863. January 14, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old Age, Survivors, and Disability Insurance benefits.

H.R. 864. January 14, 1975. Government Operations. Requires the Secretary of State to pay to each State or political subdivision an amount of property tax revenue that would be derived from tax exempt United Nations property if such property were taxed.

H.R. 865. January 14, 1975. Interstate and Foreign Commerce. Prohibits the registration of any practitioner, under the Controlled Substance Act, to dispense or otherwise utilize heroin in any drug maintenance program.

H.R. 866. January 14, 1975. Armed Services. Amends the Uniform Code of Military Justice by establishing a Military Trial Command under the authority of the Judge Advocate General of each of the Armed Forces. Directs the Military Trial Command to designate the military judge, defense counsel and administrative personnel for each court-martial.

H.R. 867. January 14, 1975. Armed Services. Forbids characterization of separation from the armed forces on any discharge certificate. Describes conditions under which any other than honorable discharge may be issued. Sets forth procedures for issuing any other than honorable discharge and for reviewing such discharges.

H.R. 868. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to local educational agencies to share in the construction cost of projects to replace deficient elementary and secondary schools.

H.R. 869. January 14, 1975. Government Operations. Prohibits Federal agencies from furnishing mailing lists to the public, with certain exceptions. Prohibits the use of mailing lists furnished in violation of this Act for commercial solicitations.

H.R. 870. January 14, 1975. Government Operations. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans.

H.R. 871. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to enlarge the Jefferson National Expansion Memorial National Historical Site in Illinois.

H.R. 872. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize and direct the Secretary of Health, Education, and Welfare to make grants to medical schools to assist in meeting the costs of special projects to plan, develop, or establish new programs or modifications of existing programs of education in the field of family medicine.

H.R. 873. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to appoint a National Advisory Council on Kidney and Kidney-Related Diseases and, after consultation with the Council, to make grants to public or nonprofit private universities, medical schools, research institutions, and other public or nonprofit private agencies and institutions to assist them in planning the development of cooperative programs to combat kidney disease.

H.R. 874. January 14, 1975. Interstate and Foreign Affairs. Prohibits, under the Fair Packaging and Labeling Act, any manufacturer, or retail distributor from distributing or selling a perishable or semiperishable food unless the food package shows the pull date for such food and the optimum temperature and humidity conditions for its storage.

Prohibits the selling of any food whose pull date has expired unless such food is fit for human consumption and it is segregated from other food.

H.R. 875. January 14, 1975. Interstate and Foreign Commerce. Requires that any packaged consumer food product shall be labeled with an analysis of its nutritional content if it is a processed food, with its net weight and drained weight if it is a canned or frozen product, and with its major ingredients by percentage if it is a combination food item.

H.R. 876. January 14, 1975. Interstate and Foreign Commerce. Requires manufacturers to display on a conspicuous label on each item of durable goods sold to consumers the performance life of each product. Declares the National Bureau of Standards to have final authority over the designations required by this Act, and requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 877. January 14, 1975. Interstate and Foreign Commerce. Requires manufacturers to label products as to month and year of manufacture for those goods whose design and performance features change at such a frequency as to make its date of manufacture part of its relevant description.

Empowers the Federal Trade Commission to enforce this Act.

H.R. 878. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Fair Packaging and Labeling Act, certain persons engaged in the sale of consumer commodities to display the total selling price and the retail unit price of the commodity.

H.R. 879. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require that labels of certain packaged goods contain a disclosure of the manufacturer, packer, and distributor of each such good.

H.R. 880. January 14, 1975. Interstate and Foreign Commerce. Makes it unlawful under the Federal Trade Commission Act for any retailer to reprice any consumer commodity with a higher price once a price is affixed to such commodity.

H.R. 881. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, that the labels on all foods disclose each ingredient in order of its predominance and an accurate statement of the percentage amount of such ingredient.

H.R. 882. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require the use of the established name along with the proprietary name for a drug every time the name appears. Allows licensed pharmacists to fill or refill prescriptions with a substitute drug if a practitioner, licensed to administer the drug, identifies it by its proprietary name, provided the substitute drug costs the patient less than any other substitute drug. Defines "subsitute drug" as a drug having the same established name as the drug identified by its proprietary name or a drug that the Secretary of Health, Education, and Welfare has determined to have the same qualitative composition as the drug so identified.

H.R. 883. January 14, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 884. January 14, 1975. Interstate and Foreign Commerce. Requires under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors' discretion, the advertising of prescription drug prices.

H.R. 885. January 14, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than 500 percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H. R. 886. January 14, 1975. Judiciary. Establishes a Federal death benefit to be paid to the survivors of Federal, State, or local law enforcement, corrections and firefighting personnel.

H. R. 887. January 14, 1975. Judiciary. Directs the Secretary of Labor to pay compensation to any law enforcement officer or fireman not employed by the United States who is killed or injured in the line of duty.

H. R. 888. January 14, 1975. Post Office and Civil Service. Directs the Postmaster General to issue a postage stamp in commemoration of the life and work of Harriet Tubman.

H. R. 889. January 14, 1975. Public Works and Transportation. Authorizes the Secretary of the Army to proceed with construction of the locks and a dam for replacement and modification purposes on the Mississippi River at Alton, Illinois and Missouri.

H. R. 890. January 14, 1975. Public Works and Transportation. Authorizes the appropriation of funds to assist the States involved in the construction of the Great River Road, a highway through the Mississippi Valley from Canada to the Gulf of Mexico.

H. R. 891. January 14, 1975. Science and Technology. Directs the National Aeronautics and Space Administration to develop ground propulsion systems designed to reduce current levels of energy consumption.

H. R. 892. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to provide Federal assistance to local fire departments in the purchase of certain firefighting equipment.

H. R. 893. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to make grants to local fire departments for the purchase of certain firefighting equipment.

H. R. 894. January 14, 1975. Small Business. Amends the Small Business Act to empower the Small Business Administration to make loans to small businesses seriously affected by a shortage of energy producing materials.

H.R. 895. January 14, 1975. Veterans' Affairs. Establishes a veterans' outreach services program to be run by the Administrator of Veterans' Affairs for the purpose of insuring that all veterans, especially those who are recently separated, receive personalized educational, vocational, social services, and job placement assistance with respect to their entitlement for those benefits and services.

H.R. 896. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increase the pension rate for those veterans and their survivors.

H.R. 897. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 898. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 899. January 14, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 900. January 14, 1975. Ways and Means. Amends the Social Security Act by (1) lowering the age at which an individual becomes eligible for Old-Age, Survivors and Disability Insurance benefits; and (2) revising the method of computing pre-retirement age reductions in such benefits.

H.J. Res. 51. January 14, 1975. Post Office and Civil Service. Designates November 11 as "Veterans' Day."

H.J. Res. 52. January 14, 1975. Post Office and Civil Service. Authorizes the President to proclaim January 17 of each year as "National Volunteer Firemen Day".

H.J. Res. 53. January 14, 1975. Post Office and Civil Service. Authorizes the President to declare February 20 of each year as "Postal Employees Day".

H.J. Res. 54. January 14, 1975. Post Office and Civil Service. Authorizes the President to designate May of each year as "National Arthritis Month".

H.J. Res. 55. January 14, 1975. Judiciary. Proposes an amendment to the Constitution reserving to each State the sole and exclusive jurisdiction of all school systems within the State with respect to (1) organization and administration, and (2) the rights, privileges, and immunities of its citizens with respect to its school systems.

H.J. Res. 56. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to permit voluntary participation in prayer in public schools and public buildings.

H.J. Res. 57. January 14, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 58. January 14, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 59. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 60. January 14, 1975. Judiciary. Grants the consent of Congress to Maryland, Delaware, Virginia, and other States, to enter into a compact for more efficient use of the Chesapeake Bay.

H.J. Res. 61. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to regulate or forbid the voluntary termination of human pregnancy.

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H.J. Res. 62. January 14, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 63. January 14, 1975. Judiciary. Proposes an amendment to the Constitution limiting appropriations to the amount of revenues, except during a national emergency. Imposes a plan for the repayment of the national debt.

H.J. Res. 64. January 14, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 65. January 14, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 66. January 14, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 67. January 14, 1975. Judiciary. Proposes an amendment to the Constitution giving students the right to attend the public school nearest their residence.

H.J. Res. 68. January 14, 1975. Education and Labor. Authorizes and requests the President to call a White House Conference on the Handicapped.

H.J. Res. 69. January 14, 1975. Interstate and Foreign Commerce. Directs the Federal Communications Commission to conduct a study of the effects on viewers of the display of violence in television programs.

H.J. Res. 70. January 14, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 71. January 14, 1975. Merchant Marine and Fisheries. Directs the President, under the Fisherman's Protective Act of 1967, to use the Coast Guard and United States Navy to insure the safety of any United States fishing vessel in international waters.

H.J. Res. 72. January 14, 1975. Post Office and Civil Service. Requests the President to declare the week which includes Thanksgiving Day as "National Family Week".

H.J. Res. 73. January 14, 1975. Post Office and Civil Service. Requests the President to designate the 4th Sunday in November of each year as "National Grandparents' Day."

H.J. Res. 74. January 14, 1975. Post Office and Civil Service. Authorizes the President to declare February 20 of each year as "Postal Employees Day".

H.J. Res. 75. January 14, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to allow voluntary participation in the Pledge of Allegiance to the flag of the United States, and (2) to grant Congress the power to legislate with respect to the display and handling of the flag of the United States.

H.J. Res. 76. January 14, 1975. Post Office and Civil Service. Authorizes the President to designate the 1st Sunday in June of each year as "American Youth Day".

H.J. Res. 77. January 14, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 78. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 79. January 14, 1975. Interstate and Foreign Commerce. Authorizes a study by the Secretary of Transportation of the feasibility of Government acquisition, operation, and maintenance of railway fixed facilities. Directs the Secretary of Transportation to study the feasibility of a comprehensive program of Federal assistance to all forms of transportation to develop a national transportation system.

H.J. Res. 80. January 14, 1975. Interstate and Foreign Commerce. Prohibits the Interstate Commerce Commission from authorizing the abandonment of any railroad line under the Interstate Commerce Act.

H.J. Res. 81. January 14, 1975. Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 82. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to require that: (1) no public school student be assigned or required to attend a particular school because of race, creed, or color, and (2) no public school teacher or other Government employee be assigned or required to work at any particular job or location because of race, creed, or color.

H.J. Res. 83. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to cooperate with certain private groups in the establishing of the Lyndon Baines Johnson Memorial Grove on the Potomac.

H.J. Res. 84. January 14, 1975. Judiciary. Proposes an amendment to the Constitution requiring a concurrence of not less than two-thirds of the Supreme Court in order to find an Act of Congress or of a State legislature unconstitutional.

H.J. Res. 85. January 14, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to modify the terms of office of the Federal judiciary, and (2) to require that each judge be approved by the voters.

H.J. Res. 86. January 14, 1975. Judiciary. Proposes an amendment to the Constitution which specifies the qualifications and tenure of Federal judges.

H.J. Res. 87. January 14, 1975. Judiciary. Proposes an amendment to the Constitution which requires reconfirmation of Federal judges by popular vote.

H.J. Res. 88. January 14, 1975. Judiciary. Proposes an amendment to the Constitution which requires reconfirmation of Federal judges by popular vote.

H.J. Res. 89. January 14, 1975. Foreign Affairs. Directs the President to seek an agreement with Canada calling for a moratorium on the killing of eastern timber wolves.

H.J. Res. 90. January 14, 1975. Foreign Affairs. Requires the Secretary of State to inform Congressional committees of the status of any negotiations with foreign governments regarding any debt owed to the United States Government.

Declares that no such debt shall be canceled, renegotiated, rescheduled, or settled in a manner inconsistent with the original legislative authorization as amended.

H.J. Res. 91. January 14, 1975. Judiciary. Proposes an amendment to the Constitution with respect to attendance of Senators and Representatives at congressional sessions.

H.J. Res. 92. January 14, 1975. Post Office and Civil Service. Requires the Bureau of Census, the Department of Labor, the Department of Agriculture, and the Office of Management and Budget to collect and publish economic and social statistics for Americans of Spanish origin or descent.

H.J. Res. 93. January 15, 1975. Post Office and Civil Service. Designates February 9 to 15, 1975, as "National Vocational Education Week."

H.J. Res. 94. January 15, 1975. House Administration. Requests the President to designate the American rose as the national floral emblem of the United States.

H.J. Res. 95. January 15, 1975. Judiciary. Proposes an amendment to the Constitution granting parents and local school boards the right to determine which public school children in the district will attend.

H.J. Res. 96. January 15, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 97. January 16, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 98. January 16, 1975. Merchant Marine and Fisheries. Directs the President, under the Fisherman's Protective Act of 1967, to use the Coast Guard and United States Navy to insure the safety of any United States fishing vessel in international waters.

H.J. Res. 99. January 16, 1975. Judiciary. Amends the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 100. January 16, 1975. Post Office and Civil Service. Designates February of each year as "American History Month."

H.J. Res. 101. January 16, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 102. January 17, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 103. January 17, 1975. Judiciary. Proposes an amendment to the Constitution to require that: (1) no public school student be assigned or required to attend a particular school because of race, creed, or color, and (2) no public school teacher or other government employee be assigned or required to work at any particular job or location because of race, creed, or color.

H.J. Res. 104. January 17, 1975. Judiciary. Proposes an amendment to the Constitution to permit Congress or the States to impose the death penalty in certain cases.

H.J. Res. 105. January 17, 1975. Judiciary. Proposes an amendment to the Constitution with respect to the force and effect of treaties.

H.J. Res. 106. January 17, 1975. Post Office and Civil Service. Designates the last Wednesday in August of each year as "Senior Citizen Recognition Day."

H.J. Res. 107. January 17, 1975 Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 108. January 17, 1975. Post Office and Civil Service. Designates February 9 to 15, 1975, as "National Vocational Education and National Vocational Industrial Clubs of America Week."

H.J. Res. 109. January 17, 1975. Post Office and Civil Service. Designates January 28 to February 3, 1975, as "Chattanooga Area Manufacturers Week."

H.J. Res. 110. January 17, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law.

H.J. Res. 111. January 17, 1975. Post Office and Civil Service. Designates February of each year as "American History Month."

H.J. Res. 112. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 113. January 20, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 114. January 20, 1975. Judiciary. Designates the square dance as the national folk dance of the United States.

H.J. Res. 115. January 20, 1975. Judiciary, Post Office and Civil Service. Requests the President to designate June 29 to July 5 of each year as "Why I Love America Week."

H.J. Res. 116. January 20, 1975. Government Operations. Authorizes and requests the President to take the steps necessary to reduce the paperwork of the executive branch of the Federal Government.

H.J. Res. 117. January 20, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 118. January 20, 1975. Post Office and Civil Service. Requests the President to designate May 13 of each year as "American Business Day."

H.J. Res. 119. January 23, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 120. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to require popular approval of a Vice President in cases of vacancy in the office.

PETITIONS, ETC.

Under clause 1, of rule XXII,

25. The SPEAKER presented a petition of the city council, Los Angeles, Calif., relative to public works projects; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. RES. 138

By Mr. ANDERSON of Illinois:

(1) On page 1, strike lines 8 through 11 and insert in lieu thereof the following:

"(b) The select committee shall be composed of ten Members of the House of Representatives to be appointed by the Speaker

as follows: (a) five from the majority party, after consultation with the chairmen of those standing committees having current jurisdiction over intelligence matters; and (b) five from the minority party after consultation with the minority leader of the House. The speaker shall designate one of the Members as chairman."

(2) On page 4, strike lines 17 through 20 and insert in lieu thereof the following:

"SEC. 6. (a) The select committee shall institute and carry out such rules and procedures as it may deem necessary to prevent (1) the disclosure, outside the select committee, of any information relating to the activities of the Central Intelligence Agency or any other department or agency of the Federal Government engaged in intelligence activities, obtained by the select committee during the course of its study and investigation, not authorized by the select committee to be disclosed; and (2) the disclosure, outside the select committee, of any information which would adversely affect the intelligence activities of the Central Intelligence Agency in foreign countries or the intelligence activities in foreign countries of any other department or agency of the Federal Government;

"(b) No employee of the select committee or any person engaged by contract or otherwise to perform services for the select committee shall be given access to any classified information by the select committee unless such employee or person has received an appropriate security clearance as determined by the select committee. The type of security clearance to be required in the case of any such employee or person shall, within the determination of the select committee, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by the select committee.

"(c) As a condition for employment as described in section 5 of this resolution, each person shall agree not to accept any honorarium, royalty, or other payment for a speaking engagement, magazine article, book, or other endeavor connected with the investigation and study undertaken by this committee."

(3) On page 5, at line 1, insert the following new section and redesignate sections 7 and 8 as sections 8 and 9, respectively:

"SEC. 7. The expenses of the select committee under this resolution shall not exceed $750,000 of which amount not to exceed $100,000 shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the House upon vouchers signed by the chairman of the select committee and approved by the Speaker."

(4) On page 5, strike all of line 4 and insert in lieu thereof the following: "September 1, 1975."

SENATE—*Tuesday, February 18, 1975*

The Senate met at 12 o'clock meridian and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, the Strength of all that is good, the Light of all that is true, we thank Thee that Thou hast put within us some spark of the eternal flame, some desire for goodness, some craving for whatsoever things are lovely. May the penitential season upon which we have entered be to us a time of cleansing and renewal. As Thy searching spirit reviews and reveals what we really are, with the imperfections and sins which we share with our common humanity, bring us to a new awareness of Thy forgiveness and grace. And if we see ourselves in need of Thee, come quickly, O Lord, to be with us, banishing our doubts, assuring us of Thy infinite love, lighting our pathway before us. When the Lenten days at length bring us face to face with the cross, may we yield to its redemptive love and be ready for the dawn of the resurrection morning.

We pray in His name who came to seek and to save. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, February 17, 1975, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

A MODEST PROPOSAL

Mr. HUGH SCOTT. Mr. President, I should like to make a modest proposal. I would comment first by saying that it would have saved considerable confusion had the various Presidential candidates been able to agree among themselves to make their announcements in alphabetical order. Since that has not been done, confusion will be compounded.

I propose, therefore, that hereafter Presidential candidates be assigned numbers which they wear prominently, so that to facilitate reference, we may point out that candidate No. 17 has moved sharply to the left to receive a forward pass; that candidate No. 21 has faded back to the right; that for candidate No. 23 a substitution has been offered on behalf of candidate No. 27. The various candidates, being so simply designated, would be more readily identified by the public.

Since many of them are not too well known by name, I think it would be easier to remember them by number. We could, therefore, have a Presidential contest by the numbers, and thereby alleviate some of the public's confusion.

I hope that my suggestion will be given careful consideration. If they do not like numbers, perhaps we can go through the alphabet and arbitrarily assign them every letter from A to Z, except X. Since X indicates franchise and a voter's choice, no candidate will be entitled to X until after the two conventions and the election. But reserving X and moving, if necessary, into the AA category, and so on, might aid the public's view of the candidates.

I would suggest that some of the candidates really should be labeled Y, because one wonders why, indeed, they have bestowed upon us the inestimable privilege of viewing them as sufficiently talented to qualify for this high office.

However, like most things proposed in the Senate, including energy legislation, nothing will come of it.

ORDER OF BUSINESS

The VICE PRESIDENT. Under the previous order, the Senator from Illinois is recognized for not to exceed 15 minutes.

COMMEMORATION OF LITHUANIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, as today we commemorate the 57th anniversary of Lithuanian independence in the U.S. Senate, we are keeping faith with the people of Lithuania whose freedom and independence were taken from them in 1940. We want the people of Lithuania to know that they are in our hearts and that we have not forgotten them.

For me, this anniversary is a special one. It is special because we in Congress have had two successes on behalf of the Lithuanian people within recent months.

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First, our goal of having Radio Liberty initiate broadcasts in the Lithuanian language has been achieved; broadcasts in Lithuanian began early last month. Second, our determination to obtain the release of the Lithuanian sailor Simas Kudirka from a Soviet prison camp resulted in his release last August and in his emigration to the United States last October.

Those of you who worked with me on these two matters know how difficult it was to obtain the desired results. But we pursued these goals with persistence, and we won.

It is only right to mention in this connection the immense help we received in the Kudirka case from the Department of State, and particularly from Deputy Assistant Secretary of State John Armitage, and William Dyess and Richard Combs of the Soviet desk. They performed admirably, in the best tradition of the Foreign Service.

On the issue of broadcasts in the Lithuanian language, we must give credit to David Abshire, chairman of the board for International Broadcasting, and to Tom Barthelmy, the board's outstanding executive director; they cooperated in every possible way. The same was true of the executives of Radio Liberty in New York, and I would like to cite specifically the dedication of Grechen Brainerd, Radio Liberty's acting information director, who performed an important liaison role between my staff and Howland Sargeant, president of the Radio Liberty Committee.

These victories, of course, would never have been won without the great initiative and effort of organized Lithuanian-American groups throughout the country. The Lithuanian American Council, headquartered in Chicago under the impressive leadership of my friend, Dr. Kazys Bobelis, was in touch with me constantly throughout the critical months. The Lithuanian American Community, headquartered in Philadelphia under the leadership of Vytautas Volertas and Ausra Zerr, gave us tremendous support. Gordon and Grazina Paegle of Locust, N.J., deserve great credit for their unique role in bringing Simas Kudirka and his family to our country. And Representative ROBERT HANRAHAN, my friend and colleague from Illinois, did so much to keep the Kudirka case before the House of Representatives.

Mr. President, I think that all those who met with Simas Kudirka and his wonderful family at the reception we gave them in the Capitol, and at other receptions for them, found him to be an exceedingly intelligent and dedicated man. This case symbolized the necessity of having persistence and not letting someone languish in prison, forgotten. We received cooperation all the way around in that case.

There are many whose work should be mentioned, whose support was so generously offered. Dr. John Genys of Seabrook, Md., president of the Joint Baltic-American Committee, was always at our side in those battles. Mrs. Daiva Kezys of Middle Village, N.Y., and Regina Zymantas, president of the Baltic Women's Council in New York City, came frequently to Washington to help me build support for our cause. I also received continuing advice from my longtime friends in Chicago, Valdas Adamkus and Casimir Oksas.

The Knights of Lithuania were always involved. And the great Lithuanian newspapers, Naujienos, Draugas, and Sandara, effectively publicized the developments.

I was especially pleased by the enthusiastic participation of the American Latvian Association and the Estonian National Council whose support of the Lithuanian community in these matters was most admirable and much appreciated.

In fact, there was a national movement behind our efforts. Members of chapters of Lithuanian organizations throughout the country wrote letters and made phone calls to Members of Congress on these issues. And editors of many ethnic-oriented newspapers supported us; in this regard, I would like to mention Louis Adam of Amerikai Magyar Elet, the Hungarian weekly, who gave the Kudirka case magnificent coverage in his newspaper.

This great outpouring of support for the people of Lithuania attests to the concern we have for them and to the respect we have for Americans of Lithuanian birth or ancestry.

As we celebrate the anniversary of Lithuanian independence, as we send our greetings to the people of Lithuania, let us thank God for the freedom we enjoy in our country and pray that our blessing of freedom may one day be shared with them and with all the peoples of the earth.

THE MIDDLE EAST

Mr. PERCY. Mr. President, I wish to indicate my intention in the very near future to ask time of the Senate to discuss our problems in the Middle East. Having recently returned from a trip to the region on behalf of the Committee on Foreign Relations, I have come to certain observations and conclusions and am now preparing a report of that trip for the committee. I think it is in the best interests of our country, in the best interests of the valiant state of Israel, and certainly of the Arab nations, that we shed as much light as possible on this matter. Certainly, there is wide coverage now being given to the extraordinarily important mission of the Secretary of State, in the Middle East, trying to resolve differences, to dampen down emotions, to bring rationality to bear on an extraordinarily difficult set of problems. Secretary Kissinger is a particularly gifted individual who has earned the confidence of both sides in this issue. He is not free of controversy, of course, but it is the firm hope of the Senator from Illinois that the Congress of the United States will stand together with the executive branch in seeking peace in the Middle East.

Over a period of years, the world has witnessed great divisions between the Senate and the executive branch of the Government on Southeast Asia. We have seen great divisions of points of view over Cyprus on the Turkey-Greece issue. We have seen a division of opinion and a failure on a way of strengthening our trade relationships with the Soviet Union. Here today, when the peace of the world depends upon our finding a solution to the problem in the Middle East, it is my firm hope that the Senate of the United States shall stand together with the executive branch of government; work out a common program and a common approach so that the Secretary of State can speak in behalf of the United States, working in behalf of the interests of world peace in that particular area without the feeling that his efforts in any way would be undercut or detracted from by the Senate in any subsequent action.

GOVERNOR MILLIKEN, A POPULAR GOVERNOR

Mr. PERCY. Mr. President, I noticed last evening an article in the Washington Star commending the efforts of Governor Milliken of Michigan. Too frequently, our Governors are maligned because of the relatively impossible job that they face in administering the affairs of our great States. I wish to commend Mr. Charles Bartlett, who wrote an article about Governor Milliken, pointing out the positive aspects of the work that he has done, the initiative that he has taken, the remarkably creative programs that he has initiated in the State of Michigan; programs that I notice have the commendation not only of our Vice President, the Presiding Officer of the Senate, but also of the distinguished assistant minority leader of the Senate (Mr. GRIFFIN). Certainly the State of Michigan is beset with a tremendous number of economic problems today and I think the people of Michigan are fortunate, indeed, to have a Governor, a chief executive officer, of the competence, the skill, the ability, the unassuming dedication that Governor Milliken has.

I ask unanimous consent that the article which appeared in the Washington Star of last evening by Charles Bartlett, a syndicated column, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"NICE GUY" MILLIKEN

(By Charles Bartlett)

LANSING, MICH.—If there is one Republican who does not plan to be caught responding sluggishly to the miseries of recession, it is William Milliken, the remarkable governor of Michigan.

Milliken is remarkable simply because he's in office. He survived the angry, frustrated mood of an economically stricken state and the vulnerability of the Nixon stigma by coming across as a better guy than the ordinary run of politicians. "It is extraordinary," explains one partisan Democrat. "No one blames Milliken for anything."

His astonishing popularity after six years in the governor's office is not a mere product of good looks and an easy way with people. He has been consistent in behaving like a Mr. Jones who emerged from upstate obscurity to try to do the right thing. He is a supremely skillful politician because he rarely looks or talks like one.

In the present crisis of confidence, he perceived his potential to contribute to the process of building back the people's belief in the system and the future. It is crucial for the governor not to appear to be waiting for the federal government to furnish the answers. As he aptly put it in January, "We must put an end to despair and defeatism before they put an end to us."

So he is doing what he can in this pinched condition of the state's resources. He has proposed Michigan's first $3 billion budget with an $800 million bonding initiative for public works, increased contributions to the cities and a summer employment program. He is reaching out for citizen confidence with measures that reflect his responsiveness to their varied concerns. On many proposals, he will be closer to the legislature's Democratic majority than to his own Republicans.

But Michigan is in a real crunch. Faced with 549,000 unemployed workers, the most in the state's history, and with the prospect that many will soon see their benefit cushions expire, the governor will need prompt and urgent help from Washington. Michigan's unemployed are not the sort of people who will gracefully subside into welfare cases, so the great task is to make sure this does not become their sole alternative.

Therefore, Milliken is petitioning Congress to extend quickly the coverage of unemployment compensation for at least 13 weeks past the present one-year cutoff. He needs rapid action on the federal tax cut to give some substance to auto-industry predictions of an imminent recovery. He is grateful for Ford's release of highway funds, which can be quickly transformed into jobs. But he needs prompt delivery of other federal pledges for mass transportation, pollution control and social services.

Clearly Milliken does not believe a political leader can assist in the recovery of confidence by clinging to conservative behavior or by piling promise upon promise in the liberal style. His approach is to steer clear of posturing and partisanship and to avoid any move that may give him the aspect of a politician hankering for higher office. Some say he lacks a "power drive," but he seems merely intent on preserving the purity of his image as the man who came to Lansing to do good.

Milliken's rapid rise from a rather boyish, insecure lieutenant governor to one of Michigan's great leaders cannot fail to reassure Gerald Ford, another practitioner of "nice guy" leadership. There are substantial parallels between what Ford is trying to do in Washington and what Milliken has managed to do in Michigan.

If the President pulls it off as neatly as the governor has, there will be reason to hope that the nation can gain back its faith in the political system.

QUORUM CALL

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STONE). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. STONE). Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 12:30 p.m., with statements therein to be limited to 3 minutes.

PRIVILEGE OF THE FLOOR— H.R. 2634

Mr. LONG. Mr. President, I ask unanimous consent that during the consideration of the debt limit bill, Mr. Laurence Woodworth and Mr. Al Buckberg of the Joint Committee on Internal Revenue be permitted privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Also, I ask unanimous consent that Mr. Mike Stern and Mr. Robert Willan be permitted privileges of the floor during this period.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VALUE OF EXTENDED DEBATE

Mr. ALLEN. Mr. President, on Thursday, an effort will be made, from all indications, based on the unanimous-consent agreement that has been entered into here in the Senate, to amend rule XXII so as to enable three-fifths of the Senators to impose a gag rule on debate in the Senate.

I hope that effort will not succeed.

The charge has been made that extended debate, or filibuster, if you please, is a time killer, that it unduly delays or hampers the consideration of legislation and final action by the Senate.

The whip notice on Senators' desks this morning is of considerable interest in that regard. I ask unanimous consent, Mr. President, that the whip notice be printed in the RECORD.

There being no objection, the whip notice was ordered to be printed in the RECORD, as follows:

WHIP NOTICE

February 17, 1975.

TUESDAY, FEBRUARY 18

DEAR COLLEAGUE:

Senate convenes at 12:00 Noon.

Senator Percy will speak for 15 minutes, after which there will be routine morning business until 12:30 p.m., with statements limited therein to 3 minutes.

At 12:30 p.m., the Senate will debate H.R. 2634 (Debt Limit) with any nongermane amendments *not* in order. No rollcall votes before 4:00 p.m.

At 4:00 p.m., rollcall votes will occur on the passage of the Debt Limit Bill and on any amendments thereto on which rollcalls have previously been ordered.

Upon the disposition of the Debt Limit Bill, debate will begin on H.R. 1767 (Oil Import Tariff).

WEDNESDAY, FEBRUARY 19

At 11:00 a.m., Senate will resume consideration of H.R. 1767 (Oil Import Tariff) under a time limitation. Nongermane amendments will *not* be in order. *The rollcall vote on final passage of H.R. 1767 will occur at 5:00 p.m.*

REMINDER: (1) Rollcall votes will occur on Tuesday at 4:00 p.m.

(2) There will be rollcall votes on Wednesday with a vote on final passage of H.R. 1767 at 5:00 p.m.

ROBERT C. BYRD.

Mr. ALLEN. The whip notice calls attention to the fact that there is unanimous consent in the Senate that on consideration of the debt limit bill (H.R. 2634) no nongermane amendments will be in order, and the same unanimous consent agreement applies with respect to the oil import tariff (H.R. 1767).

Mr. President, in days gone by the debt limit bill, which is a bill that must be passed from time to time by Congress, authorizing a temporary funded indebtedness by the National Government, and a necessary piece of legislation, has been used as a vehicle to add measures by amendments that could not stand on their own and be considered separately.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ROBERT C. BYRD. Mr. President, will the Chair recognize me?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. I yield my time to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 3 additional minutes.

Mr. ALLEN. So thereby nongermane amendments have been added, and extended debate has been used in the Senate to prevent the adding of nongermane amendments to this necessary bill.

So this is an illustration of how extended debate would have been employed this time had this unanimous-consent agreement not been entered into, that no nongermane amendments would be allowed.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. ALLEN. I will yield to the Senator in a moment.

The threatened use of extended debate apparently has been instrumental in the agreement that there be no nongermane amendments. As a result, the use of extended debate, far from serving as a delaying tactic, has opened the way for early passage of the debt ceiling bill and early action on the oil import measure.

So this is an illustration of how extended debate can cut down on the time for consideration of measures, rather than prolong the deliberations with respect to a piece of legislation.

I yield now to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, if I had known, as I suspect the Senator of saying, that he had intended to engage in extended debate, if need be, to prevent nongermane amendments from being offered to the debt limit bill, I would certainly have seized upon that in the negotiations to try to persuade Senators not to offer nongermane amendments on this measure. As it was, I thought I might be compelled to engage in dilatory tactics myself in order to prevent nongermane amendments on the debt limit bill, because, as the Senator knows, we may be bumping against the debt ceiling by midnight tonight.

Mr. ALLEN. Yes.

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Mr. LONG. And if that were the case, anyone offering extraneous amendments on the bill could prevent it from being enacted in time, which could cause some considerable financial and fiscal embarrassment to this Government, because people have their pet proposals, not in any respect germane, to the debt limit bill, which they would like to offer, and it is essential that that measure become law immediately.

Mr. ALLEN. I certainly agree with the Senator, and apparently we are of the same opinion with regard to the adding of nongermane amendments to this necessary piece of legislation.

The point that the Senator from Alabama was making is that in the past the use of extended debate has defeated these efforts to add nongermane amendments, and apparently now no effort is being made to add nongermane amendments, which the Senator from Alabama is glad to see, but he is using that as an illustration to show that the use of extended debate, far from adding to the length of time it takes to consider a piece of legislation before it comes to a vote, has in some cases in the past—and I have called attention to two present cases as shown by the whip notice—caused the time to be cut down rather than added to.

Mr. President, I yield the floor.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. STONE). The Chair, on behalf of the Vice President, pursuant to Public Law 86–417, appoints the Senator from Alabama (Mr. ALLEN) to the James Madison Memorial Commission.

The Chair, on behalf of the Vice President, pursuant to Public Law 86–380, appoints the following Senators to the Advisory Commission on Intergovernmental Relations: the Senator from Maine (Mr. MUSKIE), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Delaware (Mr. ROTH).

The Chair, on behalf of the Vice President, in accordance with title 14, section 194(a) of the United States Code, appoints the Senator from North Carolina (Mr. MORGAN) to the Board of Visitors to the U.S. Coast Guard Academy, and the Chair announces on behalf of the chairman of the Committee on Commerce his appointments of the Senator from Rhode Island (Mr. PASTORE) and the Senator from Connecticut (Mr. WEICKER) as members of the same Board of Visitors.

The Chair, on behalf of the Vice President, pursuant to Public Law 93–356, appoints the Senator from New Hampshire (Mr. MCINTYRE) and the Senator from Tennessee (Mr. BROCK) to the Commission on Federal Paperwork.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of New York, to the Committee on Commerce:

Joint Resolution No. 13 of the Legislature of the State of New York memorializing the President and Congress of the United States to enact legislation for emergency financial assistance for certain Northeastern railroad systems

Whereas, The present economic recession has disastrously affected the financial stability of the two important Northeastern railroad systems now in reorganization; namely, the Penn Central and Erie-Lackawanna systems so as to force an early determination as to whether or not these lines can be sustained much longer on a viable basis; and

Whereas, The Interstate and Foreign Commerce Committee of the House of Representatives has approved for floor action HR 2051 appropriating $322 million and $25 million respectively in emergency assistance for those two railroads representing the sums indicated as being necessary for maintenance of services on those two lines pending evolution of the new CONRAIL plan; and

Whereas, The Trustees of the Penn Central system have publicly stated that they will find it necessary to begin to embargo receipt of all further freight shipments commencing about February 19, 1975 and will be required to terminate all rail operations about February 25, 1975 and the Trustees of the Erie-Lackawanna Lines have petitioned their Reorganization Court for permission to terminate all operations except their New York and New Jersey commuter service by February 28, 1975 unless in each case the appropriate emergency federal assistance provided in HR 2051 is promptly forthcoming; and

Whereas, The cumulative effect of these emergency conditions may well have an adverse impact on those solvent railroad lines still existing within New York State and which are now essential to be preserved for the economic well-being of the State of New York; now, therefore, be it

Resolved, That it is in the best interests of the people of New York and the Northeastern states to preserve and maintain in a strong and financially viable operational basis the existing Penn Central and Erie-Lackawanna rail route structures pending the development and final approval of the CONRAIL system plan, which together with assistance being provided by New York State for the solvent systems within this State will enable the latter to survive as healthy enterprises and thereby make available competitive routes within the framework of the free enterprise system for the benefit of shippers and our basic economic well-being; and be it further

Resolved, That the President and the Congress of the United States be and they are hereby memorialized to take all such steps as may be desirable and necessary to enact HR 2051 at the earliest possible moment and at such an early date as to prevent any interruption of rail services on the Penn Central and Erie-Lackawanna systems; and be it further

Resolved, That copies of this resolution be transmitted to the President and Vice-President of the United States, the Secretary of Transportation, the Secretary of the Senate, the Speaker and the Clerk of the House of Representatives and to each member of the Congress of the United States from the State of New York.

By order of the Senate,
ALBERT J. ABRAMS, *Secretary*.
By order of the Assembly,
CATHERINE A. CAREY, *Clerk*.

Adopted in the Assembly on February 12, 1975.

Mr. THURMOND. Mr. President, on February 12, 1975, the General Assembly of the State of South Carolina adopted a concurrent resolution memorializing Congress to terminate daylight saving time each year at midnight on the Sunday following Labor Day.

The resolution notes that the change would enhance the safety of children attending school and would also benefit and make more effective the operation of industries and farms throughout the State of South Carolina.

Congress recognized the need to alter daylight savings time when it recently passed a bill, which was subsequently signed by the President, that returned the Nation to standard time from the last Sunday in October through the last Sunday in February. I feel this was a wise move. Year-round daylight saving time was dangerous for children who walked to school; and, because of this, many parents who would not ordinarily have done so, drove their children to school. The extra gasoline expended during the trip to and from school, in all probability, negated any other energy savings caused by the lessened use of lighting and fuel.

Mr. President, in light of the problems that have been experienced, perhaps Congress should consider further the benefits and drawbacks of daylight saving time. On behalf of myself and the junior Senator from South Carolina (Mr. HOLLINGS), I ask unanimous consent that the concurrent resolution adopted by the general assembly of the State of South Carolina be printed in the RECORD at this point and referred to the appropriate committee for proper consideration.

The VICE PRESIDENT. Without objection, it is so ordered.

The resolution, which was referred to the Committee on Commerce, is as follows:

CALENDAR NO. S. 32

A concurrent resolution to memorialize the Congress of the United States to terminate daylight saving time each year at midnight on the Sunday following Labor Day

Whereas, for the safety of children attending school and for the convenience, benefit and more effective operation of certain industries and the farmers of this State the General Assembly of South Carolina has concluded that an earlier termination of daylight saving time is appropriate. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the General Assembly by this resolution respectfully requests the Congress of the United States to take necessary action to annually terminate daylight saving time at midnight on the Sunday following Labor Day.

Be it further resolved that copies of this Resolution be forwarded to the Speaker of the United States House of Representatives, the Vice-President and each member of the South Carolina Congressional Delegation in Washington, D.C.

COST OF FOOD STAMPS

Mr. HOLLINGS. Mr. President, on behalf of myself and my distinguished colleague, Senator THURMOND, I ask unanimous consent to have printed in the RECORD a concurrent resolution of the South Carolina State Legislature memorializing Congress to take such action as may be required to prevent an increase in the cost of food stamps.

I also wish to commend the Congress for the action it has already taken on this matter and reaffirm my opposition to any cost increases in the food stamp program.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

A concurrent resolution memorializing Congress to take such action as may be required to prevent an increase in the cost of food stamps

Whereas, unbridled and uncontrolled inflation has eroded the purchasing power of the poor and less fortunate as well as those of our citizens on fixed incomes; and

Whereas, at this time to increase the cost of food stamps to this sector of society would subvert the original concept of the food stamp program, diminish the purchasing power of the public thereby adversely affecting the farmers' ability to cope with rising costs and, in addition, would have a devastating effect on the morale and confidence of those people helpless in the face of the economic vicissitudes confronting the decade of the seventies. Now, therefore, be it

Resolved, by the House of Representatives, the Senate concurring:

That the Congress of the United States is hereby memorialized to take such action as may be required to prevent an increase in the cost of food stamps. Be it further

Resolved That a copy of this Resolution be forwarded to each member of the United States Congress from South Carolina.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S.J. Res. 18. A joint resolution to designate March 13, 1975, as "Music in Our Schools Day." (Rept. No. 94–14).

By Mr. HRUSKA, from the Committee on the Judiciary, with amendments:

S.J. Res. 8. A joint resolution to authorize the President to issue annually a proclamation designating March of each year as "Youth Art Month." (Rept. No. 94–15).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Charles W. Robinson, of California, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development; U.S. Alternate Governor of the Inter-American Development Bank; and U.S. Alternate Governor of the Asian Development Bank.

Robert J. McCloskey, of Maryland, to be an Assistant Secretary of State.

STATEMENT OF POLITICAL CONTRIBUTIONS OF ROBERT J. MCCLOSKEY

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert J. McCloskey.

Post: Assistant Secretary Congressional Relations, nominated January 28, 1975.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses names, none.
4. Parents names, none.
5. Grandparents names, none.
6. Brothers and spouses names, none.
7. Sisters and spouses names, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

ROBERT J. MCCLOSKEY.

Subscribed and sworn (or affirmed) before me this 3rd day of February A.D. 1975, at Washington, District of Columbia.

[SEAL] ———, *Notary Public*.

My Commission Expires April 30, 1976.

Peter H. Dominick, of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

STATEMENT OF POLITICAL CONTRIBUTIONS OF PETER H. DOMINICK

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Peter H. Dominick.

Post: Ambassador, Switzerland, nominated February 3, 1975.

Contributions, amount, date, donee.

1. Self 1971: Nevius For Congress $50. Allott For Senate $300. 1972: Brotzman For Congress $200. McKevit For Congress $250. Johnson For Congress $250. 1974: Brotzman for Congress $250. Colorado Dominick Committee $16,000. (of which $4,000 represents cost of flying my own plane.)

Spouses.

Nancy P. Dominick, 1974: Colorado Dominick Committee $3,000.

4. Parents names, none

5. Grandparents name, none.

6. Brothers and spouses Names: Bayard Dominick: 1970 Etherington for Senate fund, $200. Dinner committee for Meyer $100. 1974: Colorado Dominick committee, $1,000.

7. Sisters and spouses names, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

PETER H. DOMINICK.

Subscribed and sworn (or affirmed) before me this 30 day of Jan. A.D. 1975, at New York, New York.

[SEAL] EILEEN M. WALSH, *Notary Public*.

Commission expires March 30, 1975.

Elliott L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

STATEMENT OF POLITICAL CONTRIBUTIONS OF ELLIOTT L. RICHARDSON

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Elliott L. Richardson.

Post: Ambassador to Great Britain, nominated February 6, 1975.

Contributions, amount, date donee.

1. Self, see attached.
2. Spouse, none.
3. Children and spouses names: Henry S. Richardson (unmarried), none; Anne Hazard Richardson (unmarried), none; Michael E. Richardson (unmarried), none.
4. Parents names, deceased.
5. Grandparents names, deceased.
6. Brothers and spouses names, see attached.
7. Sister and spousea names, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

ELLIOTT RICHARDSON.

Subscribed and sworn (or affirmed) before me this 17th day of January A.D. 1975, at Washington, D.C.

[SEAL] MILDRED M. THOMPSON, *Notary Public*.

Commission expires November 14, 1975.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: $500, March 21, 1971, Kick-Off '72 Republican Dinner.

$25, December 28, 1971, Republican National Finance Committee Sustaining Membership.

$300, March 27, 1972, Linsky Campaign Committee.

$500, May 15, 1972, Brooke Committee.

$100, August 11, 1972, Republican National Finance Committee.

$100, September 19, 1972, The Weeks Committee.

$300, September 27, 1972, Linsky Campaign Committee.

$2,000, October 10, 1972, Victory '72 Dinner Committee (CRP).

$1,000, October 24, 1972, Linsky Campaign Committee.

$25, December 4, 1972, Linsky for Congress Committee.

$25, February 8, 1973, Republican National Finance Committee.

$200, March 5, 1973, The Marty Linsky Non-Dinner Committee.

$100, January 1, 1974, Republican National Committee.

$100, June 5, 1974, Republican National Committee Sustaining Membership.

6. Brothers and spouses: Dr. & Mrs. George S. Richardson (Rebekah), $500, May 1972, Linsky Campaign Committee. $100, June 4, 1972, McGovern for President Committee. $50, March 1, 1973, Leonel Castillo (may not be federal office candidate). $50, February 22, 1973. Hubie Jones for Congress. $100, March 3, 1973. Marty Linsky Non-Dinner. $500, June 1974, Linsky Campaign Committee.

Dr. Edward R. Richardson, Jr.: $100, August 1, 1974, Linsky Campaign Committee.

Margaret E. Richardson: $25, October 1974, National Committee for an Effective Congress; $50, August 18, 1972, Finance Committee to Reelect the President.

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Arthur W. Hummel, Jr., of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

STATEMENT OF POLITICAL CONTRIBUTIONS OF ARTHUR W. HUMMEL, JR.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Arthur W. Hummel, Jr.

Post: Ambassador to Ethiopia, nominated January 16, 1975.

Contributions, amount, date, donee.

1. Self, none.

2. Spouse, $10, August 1972, Dollars for Democrats.

3. Children and spouses names, none

4. Parents names, none.

5. Grandparents names, none.

6. Brothers and spouses names, Sharman B. Hummel, $10, August 1972, the American Party.

7. Sisters and spouses names, none.

I have listed about the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

ARTHUR W. HUMMEL, Jr.

Subscribed and sworn (or affirmed) before me this 22nd day of November A.D. 1974, at Washington, District of Columbia.

[SEAL] MARY E. M———,

Commission expires April 30.

Notary Public.

Mark "Evans" Austad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

STATEMENT OF POLITICAL CONTRIBUTIONS OF MARK "EVANS" AUSTAD

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Mark Evans Austad.

Post: Ambassador to Finland, nominated, January 16, 1975.

Contributions, amount, date, donee.

1. Self, $500, September 1972, Committee for Reelection of the President.

2. Spouse, none.

3. Children and spouses, names: Lola (wife) Austad, Nancy (Austad) and David Roth, Penny (Austad) and James Davis, Wendy (Austad) and John Durfee, none.

4. Parents' names, deceased.

5. Grandparents' names, deceased.

6. Brothers and spouses names, Mr. Lou Austad, none.

7. Sisters and spouses names, Mrs. Douglas Spencer, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Subscribed and sworn (or affirmed) before me this 27th day of November A.D. 1974, at District of Columbia, city of Washington.

[SEAL] EVELYN M. NEWTON,

Notary Public.

Commission expires February 14, 1978.

Holsey G. Handyside, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

STATEMENT OF POLITICAL CONTRIBUTIONS OF HOLSEY G. HANDYSIDE

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Holsey Gates Handyside.

Post: Ambassador to Mauritania, nominated January 16, 1975.

Contributions, amount, date, donee.

1. Self, none.

2. Spouse, no spouse.

3. Children and spouses, names, no children.

4. Parents names, deceased.

5. Grandparents names, deceased.

6. Brothers and Spouses names, none.

7. Sisters and spouses names, Mrs. W. L. Reichle, $15, fall 1972, a group of some twenty environ-minded Congressmen and challengers.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

HOLSEY G. HANDYSIDE.

Subscribed and sworn (or affirmed) before me this 20th day of Nov. A.D. 1974, at District of Columbia.

[SEAL] STELLA MAKNRA,

Notary Public.

Commission expires July 31, 1977.

Wells Stabler, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

STATEMENT OF POLITICAL CONTRIBUTIONS OF WELLS STABLER

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Wells Stabler.

Post: Madrid.

Nominated, January 16, 1975.

Contributions, amount, date, donee.

1. Self, none.

2. Spouse, none.

3. Children and spouses, names, none.

4. Parents names, deceased.

5. Grandparents names, deceased.

6. Brothers and spouses names, none.

7. Sisters and spouses names, not applicable.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

WELLS STABLER.

Subscribed and sworn (or affirmed) before me this 13th day of January A.D. 1975, at Washington, District of Columbia.

MARY E. MISSAKJAN.

Commission expires April 30, 1976.

Notary Public.

Commission expires April 30, 1976.

(The foregoing nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. INOUYE:

S. 702. A bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60,000 to $100,000. Referred to the Committee on Finance.

S. 703. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education. Referred to the Committee on Finance.

By Mr. STEVENSON (for himself, Mr. PERCY, and Mr. HUMPHREY):

S. 704. A bill to designate the Paul H. Douglas Federal Building. Referred to the Committee on Public Works.

By Mr. INOUYE:

S. 705. A bill for the relief of Mr. and Mrs. Lemuel D. Navarrete. Referred to the Committee on the Judiciary.

By Mr. EASTLAND (for himself, Mr. STENNIS, Mr. ALLEN, Mr. ABOUREZK, Mr. BURDICK, Mr. MCGOVERN, Mr. MONTOYA, Mr. YOUNG, and Mr. DOLE):

S. 706. A bill to amend Public Law 92-181 (85 Stat. 583) relating to credit eligibility for public utility cooperatives serving producers of food, fiber, and other agricultural products. Referred to the Committee on Agriculture and Forestry.

By Mr. SCHWEIKER:

S. 707. A bill for the relief of Nelson Montenegro. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT (for himself, Mr. BARTLETT, Mr. BROOKE, Mr. CANNON, Mr. DOLE, Mr. DOMENICI, Mr. HUMPHREY, Mr. JOHNSTON, Mr. METCALF, Mr. STEVENSON, Mr. TUNNEY, Mr. WILLIAMS, and Mr. YOUNG):

S. 708. A bill to provide for displaying for public viewing at the Arlington National Cemetery the names of certain deceased veterans. Referred to the Committee on Veterans' Affairs.

By Mr. HUMPHREY:

S. 709. A bill to provide for a comprehensive, long-range, and coordinated national program in marine science, to establish a National Council on Marine Science, Engineering and Resource Development, and an Advisory Panel on Marine Science, Engineering and Resource Development. Referred to the Committee on Commerce.

By Mr. STEVENSON:

S. 710. A bill to incorporate Recovery, Incorporated. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 711. A bill for the relief of James H. Davidson, Vincent W. S. Hee, and Kay M. Mochizuki. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 712. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. METCALF (for himself, Mr. BARTLETT, Mr. FANNIN, Mr. HANSEN, Mr. JACKSON, Mr. JOHNSTON, and Mr. Moss):

S. 713. A bill to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor. Referred, by unanimous consent, to the Committee on Interior and Insular Affairs; and, if and when reported, to be jointly referred to the Committees on Armed Services, Commerce, and Foreign Relations for 30 days.

By Mr. BROOKE:

S. 714. A bill to provide that, in determining the eligibility of any household for a couple allotment under the Food Stamp Act of 1964, there shall be disregarded so much of the income of any member of such household as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Agriculture and Forestry.

S. 715. A bill to require that, for purposes of determining medicaid eligibility, there be disregarded so much of an individual's social security income as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Finance.

S. 716. A bill to amend title XVI of the Social Security Act to increase the amount of benefits payable to individuals under the supplemental security income program. Referred to the Committee on Finance.

S. 717. A bill to amend title XVI of the Social Security Act so as to expedite the establishment of eligibility for benefits thereunder, to afford relief to individuals whose benefit check is lost, stolen, or undelivered, and to provide for cash advances to applicants while their application for benefits is pending. Referred to the Committee on Finance.

By Mr. HOLLINGS:

S. 718. A bill to improve the operation and efficiency of the United States Postal Service. Referred to the Committee on Post Office and Civil Service.

By Mr. MCCLELLAN:

S. 719. A bill granting a renewal of patent numbered 92,187 relating to the badge of the Sons of the American Legion. Referred to the Committee on the Judiciary.

S. 720. A bill granting a renewal of patent numbered 54,296 relating to the badge of the American Legion. Referred to the Committee on the Judiciary.

S. 721. A bill granting a renewal of patent numbered 55,398 relating to the badge of the American Legion Auxiliary. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 722. A bill for the relief of Wing Nuen Lo, Yin-May Wong Lo, Mei Yee Lo, and Chi Tat Lo. Referred to the Committee on the Judiciary.

By Mr. CHILES:

S. 723. A bill to amend title 28, United States Code, to provide that Madison County, Fla., shall be included in the northern judicial district of Florida. Referred to the Committee on the Judiciary.

By Mr. RIBICOFF:

S. 724. A bill to amend subchapter II of chapter 73 of title 10, United States Code, to redefine the terms "widow" and "widower", and for other purposes. Referred to the Committee on Armed Services.

By Mr. CRANSTON:

S. 725. A bill for the relief of Antonio Zamora-Mendoza, his wife, Josefina Padilla Zamora, and their sons, Alberto Antonio Zamora-Padilla, Victor Zamora, Leopoldo Zamora, Jaime Zamora, and Jose Zamora. Referred to the Committee on the Judiciary.

By Mr. CHURCH:

S. 726. A bill to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho. Referred to the Committee on Interior and Insular Affairs.

By Mr. BELLMON:

S. 727. A bill to return Congress, through the implementation of procedural reforms, the ability to insure that rules and regulations promulgated through the administrative process shall reflect the intent of Congress. Referred to the Committee on Government Operations.

By Mr. DOMENICI:

S. 728. A bill to authorize the Administrator of the National Aeronautics and Space Administration to name a space vehicle to be launched in 1976 the "Dr. Robert Hutchings Goddard Rocket." Referred to the Committee on Aeronautical and Space Sciences.

By Mr. BURDICK (for himself, Mr. HRUSKA, Mr. MCCLELLAN, and Mr. FONG):

S. 729. A bill to improve judicial machinery by reorganizing the fifth and ninth judicial circuits, by creating additional judgeships in those circuits, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 730. A bill to exempt small independent oil producers from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOMENICI:

S. 731. A bill to designate certain lands in the Bandelier National Monument, New Mexico, as wilderness. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOLE:

S. 732. A bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit. Referred to the Committee on Post Office and Civil Service.

By Mr. BURDICK:

S. 733. A bill for the relief of Fernando de la Rama and Carmen de la Rama. Referred to the Committee on the Judiciary.

S. 734. A bill to authorize the mortgaging of tribal lands on the Fort Berthold Reservation for certain purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

S. 735. A bill for the relief of Glen Donald Murphy. Referred to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 736. A bill for the relief of Soerjanti Soetarto. Referred to the Committee on the Judiciary.

S. 737. A bill for the relief of Muriel S. Wilton. Referred to the Committee on the Judiciary.

By Mr. GRAVEL:

S. 738. A bill to authorize Robert L. Rausch to accept an office or position in a university maintained by the Government of Canada. Referred to the Committee on Labor and Public Welfare.

By Mr. MCINTYRE:

S. 739. A bill to promote competition in the marketing of petroleum products by providing for a moratorium on further control or acquisition of marketing outlets by petroleum producers and refiners, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. STEVENSON, Mr. BAYH, and Mr. LEAHY):

S. 740. A bill to promote the general welfare by establishing a National Energy Production Board to assure early development of energy resources on the public domain and on other Federal lands and on the Outer Continental Shelf in order to overcome the dependence of the United States on foreign nations for energy supplies which are essential to national security, commerce, and a full-employment economy. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE (for himself and Mr. TOWER):

S.J. Res. 33. A joint resolution to extend the Federal Riot Reinsurance and Crime Insurance Programs. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE:

S. 702. A bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60,000 to $100,000. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, in 1954 when the Members of Congress formulated the present Internal Revenue Code, as exemption of $60,000 was allowed in the determination of estate taxes.

At that time, this was a generous sum which did much to enable the widow or widower to live comfortably for some time. However, our economy has grown and inflated since that time. From 1954 to 1974, inflation has amounted to 83.5 percent. This inflation has severely undercut the insurance value of this exemption by cutting the buying power of the $60,000 nearly in half.

I am, therefore, introducing this bill to amend the Internal Revenue Code of 1954 to increase the exemption for estate taxes from $60,000 to $100,000. This will raise the real value of the exemption to nearly the level which the Congress originally intended. I hope my colleagues will support this amendment.

By Mr. INOUYE:

S. 703. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education. Referred to the Committee on Finance.

Mr. INOUYE: Mr. President, the Internal Revenue Code provides a tax deduction for certain taxpayers to cover the expenses of household and dependent care services which are necessary to enable the taxpayer to be gainfully employed. This provision of the law applies to those married couples who file a joint return and who are both gainfully employed on a full-time basis, or one spouse is physically or mentally unable to care for himself.

This provision of the law was primarily a relief provision for the benefit of those families where the income of both parents is essential for the maintenance of minimum living standards.

Many married students are presently struggling to maintain minimum standards of living for themselves and their families. In addition to the rising costs of living which are faced by all people, these students must meet the rising cost of tuition. Most of these students are able to work only on a part-time basis without their employment becoming a serious detriment to their education. As a result, their income is usually quite low, yet their expenses are considerably higher than those of an average citizen.

The Federal Government should assist these struggling students in their efforts to meet the financial demands of raising a family. It is time to extend the tax deduction for expenses relating to household and dependent care services which are necessary for gainful employment to include a deduction for those expenses which are necessary for the pursuit of learning. I am, therefore, introducing a bill to amend section 214 of the Internal Revenue Code to include this deduction.

By Mr. STEVENSON (for himself, Mr. PERCY and Mr. HUMPHREY):

S. 704. A bill to designate the Paul H. Douglas Federal Building. Referred to the Committee on Public Works.

Mr. STEVENSON. Mr. President, Senator Paul Douglas has set the highest standards of political leadership for all Members of this body, indeed, for the

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Nation. It is time we honor him. A bill I am introducing today would do so in a most appropriate way by naming the new Federal office building in Chicago after him.

I introduced this same bill last year as S. 4006. It was promptly and favorably reported out of the Public Works Committee on December 10, and it passed the Senate 2 days later. I am grateful for the swift action of the Public Works Committee and the approval of the Senate. Unfortunately, the heavy schedule of business during the last days of the 93d Congress prevented its consideration in the House. So I am introducing an identical bill today in the hope that this time we will secure the approval of both Houses of the Congress.

Senator Douglas joined intellect, wisdom, practicality, humility, conviction, and humor. He brought the vision and understanding of an academician to the practical work of government with unflagging vigor and purpose.

His foresight is well known. Many of our concerns and accomplishments—in medicare, economic development, civil rights, ethics in government, pollution control, urban renewal, and preservation of open space—were Senator Douglas' issues years ago, when he often stood alone.

It would be right for the Congress to honor Paul Douglas by giving this bill his name. But this bill would do more.

It would cause people to remember the man and that it is possible to merge politics and principle in Government service. It is a lesson well worth learning again.

Mr. President, I ask unanimous consent to insert in the RECORD at the conclusion of these remarks a brief biography of Senator Douglas.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

BRIEF BIOGRAPHY

Douglas, Paul Howard (husband of Emily Taft Douglas), a Senator from Illinois; born in Salem, Essex County, Mass., March 26, 1892; attended the public schools of Newport, Maine; graduated from Bowdoin College in 1913, Columbia University in 1915; studied at Harvard University in 1915 and 1916; instructor in economics; University of Illinois, in 1916 and 1917; instructor and assistant professor of economics, Reed College, Portland, Oreg., in 1917 and 1918; industrial relations work with Emergency Fleet Corporation in 1918 and 1919; associate professor of economics, University of Washington in 1919 and 1920; assistant professor, industrial relations, University of Chicago, 1920–1923; associate professor 1923–1925, and professor of economics 1925–1949; visiting professor, Amherst College, 1924–1927; secretary of Pennsylvania Commission on Unemployment and adviser New York Commission on Unemployment in 1930; member of Illinois Housing Commission 1931–1933; member of Consumers' Advisory Board, NRA, 1933–1935; member of Advisory Committee to United States Senate and Social Security Board on Federal social security system in 1938 and 1939 alderman, Chicago City Council, 1939–1942; author of numerous books; during World War II enlisted as a private in the United States Marine Corps in May 1942; served overseas from 1943 to June 1945, mainly with the First Marine Division, advancing through the ranks to lieutenant colonel; wounded at Peleliu and Okinawa; awarded the Bronze Star for heroic achievement in action; delegate to the Democratic National Conventions in 1948, 1952, and 1956; elected as a Democrat to the United States Senate in 1948; reelected in 1954 and again in 1960, serving from January 3, 1949, to January 3, 1967; unsuccessful candidate for reelection in 1966; chairman of the President's Committee on Urban Affairs, 1967–1968; chairman, Committee on Tax Reform, 1969; author; is a resident of Chicago, Ill.

By Mr. EASTLAND (for himself, Mr. STENNIS, Mr. ALLEN, Mr. ABOUREZK, Mr. BURDICK, Mr. MCGOVERN, Mr. MONTOYA, Mr. YOUNG, and Mr. DOLE):

S. 706. A bill to amend Public Law 92–181 (85 Stat. 583) relating to credit eligibility for public utility cooperatives serving producers of food, fiber, and other agricultural products. Referred to the Committee on Agriculture and Forestry.

Mr. MONTOYA. Mr. President, I am pleased to join with Senator EASTLAND in cosponsoring a measure which would ease credit for rural public utilities cooperatives.

Mr. President, it is beneficial to the national interest of our country to have a sufficient amount of capital for those cooperatives which are of service to farmers. In these days in which the consumer has reason to be concerned with the functioning of his agricultural plant, power for food and fiber production is a vitally important item.

The bill which I am cosponsoring will fulfill this interest for the following reasons:

First. The bill would reduce the percentage of members of rural electric cooperatives that are required to be agricultural producers in order to be eligible to borrow money from the Farm Credit Association. Under the Bank for Cooperatives present requirement 80 percent of the co-op members must be farmers. This bill would reduce the percentage to 60 percent.

Second. The bill would increase the number of rural electric cooperatives that would be eligible for loans from the bank for cooperatives.

Third. It would become easier for rural electric cooperatives to move into the private money market. The only way that the co-ops will become less dependent on the Federal Government is if they can have access to private funds, so that they can develop nongovernmental capital sources.

Finally, since the Bank for Cooperatives is currently financed privately, this would be no cost to the Federal Government.

Mr. President, I hope that the committee and the Senate will act expeditiously and favorably on this matter.

By Mr. HUGH SCOTT (for himself, Mr. BARTLETT, Mr. BROOKE, Mr. CANNON, Mr. DOLE, Mr. DOMENICI, Mr. HUMPHREY, Mr. JOHNSTON, Mr. METCALF, Mr. STEVENSON, Mr. TUNNEY, Mr. WILLIAMS, and Mr. YOUNG):

S. 708. A bill to provide for displaying for public viewing at the Arlington National Cemetery the names of certain deceased veterans. Referred to the Committee on Veterans' Affairs.

Mr. HUGH SCOTT. Mr. President, I believe it is vitally important to remember the tremendous sacrifices our veterans have made to maintain the integrity of our Nation. For this reason I am delighted to suggest a proposal today to recognize those men and women who have honorably served in our Armed Forces. They must not be forgotten by this or future generations.

On February 17, 1967, the Arlington National Cemetery changed its requirements for burial eligibility. The regulations for admission are now limited to the following persons: First, persons dying on active duty; second, recipients of the Medal of Honor; third, certain specified veterans who have held high elective or appointive Government office; fourth, retired members of the armed services who are qualified to receive compensation and are carried on official service retired lists; and fifth, spouses and dependents of first to fourth above.

Many veterans have a strong desire to be buried at Arlington National Cemetery. Unfortunately, present space limitations severely limit those who may qualify. This means that many veterans of the Vietnam war and veterans of earlier service will never meet the present requirements. I feel very sincerely that all veterans of the armed services who have served honorably should be allowed the opportunity to be permanently memorialized in our principal National Cemetery at Arlington.

To alleviate this situation, the bill I propose today would provide for public display at the Arlington National Cemetery of the names of certain deceased veterans. The legislation outlines that upon request of the spouse or next-of-kin of the deceased veteran, his or her name would be appropriately displayed at the cemetery. The only qualifications would be: The veteran must have died on active duty, or the veteran must have served on active duty at least 90 days and was discharged or released under honorable conditions, or the veteran was discharged or released from active duty for a service-connected disability, and his or her death must have occurred on or after February 17, 1967.

This recognition should be available to those veterans who would not otherwise meet the burial requirements for Arlington National Cemetery.

I would like to call on all my colleagues to join with me in supporting this important bill.

By Mr. HUMPHREY:

S. 709. A bill to provide for a comprehensive, long-range, and coordinated national program in marine science, to establish a National Council on Marine Science, Engineering, and Resource Development, and an Advisory Panel on Marine Science, Engineering, and Resource Development. Referred to the Committee on Commerce.

MARINE SCIENCE, ENGINEERING, AND RESOURCE DEVELOPMENT ACT OF 1975

Mr. HUMPHREY. Mr. President, during the past several decades our Nation has experienced a dramatic increase in its utilization of the ocean's resources. The United States has become much more dependent upon the sea in recent years for its food, fuel, and other material requirements. Of course, the recreational value of our oceans has also increased dramatically over the last several years.

The Marine Science, Engineering, and Resource Development Act of 1975, which I am introducing today, can be a major step toward insuring that these critically important resources and values will continue to be available for future generations of Americans.

The essential feature of this legislation is the creation of a National Council on Marine Science, Engineering, and Resource Development. This body would advise and assist the President in the development and coordination of a short-term program of private and public actions that impact on the Nation's oceans, and with regard to the long-term plans and policies that are essential to insure balanced development of these invaluable resources.

Under this legislation, the President, in consultation with the Council, must transmit to the Congress an annual report which defines the current, long-range, national oceans program and describes and evaluates the marine activities that make up the program.

The concern over our Nation's use and development of the oceans is not new. The Congress has attempted to deal with this important issue for a number of years and in a variety of ways.

The most serious effort of this type culminated in the passage of the Marine Resources and Engineering Development Act of 1966. This law established a national policy to develop and maintain a coordinated, comprehensive, and long-range national program in marine science. The major result of this legislation was the issuance of a report in 1969 by the Commission on Marine Science, Engineering, and Resources, created by this law. The central theme of this report was the need to create a single and independent agency of the Federal Government to handle all matters relating to the oceans.

In 1970, Congress passed legislation to establish the National Oceanic and Atmospheric Agency—NOAA—to implement the recommendations of the Commission. The new agency was located within the Department of Commerce and brought together nine existing programs in five departments and agencies of the Government.

While NOAA was a significant step forward in the development of a marine science program and a comprehensive policy, the existing agency has not realized all of the aspirations that the Commission had for it. A survey of Federal expenditures on marine science for the years 1972, 1973, and 1974, for example, shows that only an average of 25 percent of this spending was controlled by the Department of Commerce and NOAA. It is questionable, at best, whether NOAA is able to conduct its mission, as the Commission intended, while it controls merely one-quarter of the Federal Government's ocean program funding.

It has become apparent that today, 6 years after the Commission's report, there is still no Federal agency responsible for developing and coordinating all Federal marine policy.

I believe that we can frame the kind of national oceans policy that is required, if we enact the Marine Science, Engineering, and Resource Development Act of 1975. This legislation will establish a definite focal point for a national oceans policy and program within the Office of the President of the United States. The National Council on Marine Science, Engineering, and Resource Development created in this legislation will provide the broad expertise and technical personnel necessary to assist the President in meeting this ongoing responsibility.

Moreover, the annual report of the President, required by this proposal, will provide Congress with an opportunity to engage in a dialog with the administration regarding long-range ocean programs and their short- and long-term implementation. Such a dialog, which has been lacking in the past, will provide the basis for organizational and substantive decisions which can make the goal of balanced development and use of the ocean resources reachable.

Mr. President, the potential role of the seas in meeting the needs of our people for years to come is immense. It requires the development of the most thoughtful and vigorous program that we are capable of mounting. The contribution that can be made, and the dangers inherent in the careless or unplanned use of the resources of the seas, are so great that a comprehensive, balanced, and effective public policy is essential. I believe that the proposal that I have made today represents a wise course of action for the Nation at this time.

Mr. President, I ask unanimous consent that the text of the Marine Science, Engineering, and Resource Development Act of 1975 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Bill may be cited as the "Marine Science, Engineering, and Resource Development Act of 1975."

SECTION 2. (a) It is hereby declared to be the policy of the United States to develop, encourage, and maintain a coordinated, comprehensive, and long-range national program in marine science, engineering, and resource development for the benefit of mankind, to assist in protection of health and property, enhancement of commerce, transportation, national security, and rehabilitation of our commercial fisheries, and to increase the responsible utilization of these and other resources.

(b) The marine science activities of the United States should be conducted so as to contribute to the following objectives:

(1) Coordinated development of the resources of the marine environment.

(2) The expansion of human knowledge and information of the marine environment.

(3) The encouragement of private investment enterprise in exploration, technological development, marine commerce, and economic utilization of the resources of the marine environment.

(4) The maintenance and expansion of the role of the United States as a leader in marine science and resource development.

(5) The advancement of education and training in marine science.

(6) The development and improvement of the capabilities, performance, use, and efficiency of vehicles, equipment, and instruments for use in exploration, research, surveys, the recovery of resources, and the transmission of energy in the marine environment.

(7) The effective utilization and development of the scientific and engineering resources of the Nation, with close cooperation among all interested agencies, public and private, in order to avoid unnecessary duplication of effort, facilities, and equipment, or waste.

(8) The cooperation by the United States with other nations and groups of nations and international organizations in marine science activities when such cooperation is in the national interest.

(9) The cooperation among Federal and State Governments on the rate and mode of development.

(10) The protection of life and property associated with the marine environment by adequate safety standards and/or inspection, and as to weather and sea prediction and dissemination.

(11) The protection of the marine environment by conscientious development to insure its use by future generations.

THE NATIONAL COUNCIL ON MARINE SCIENCE, ENGINEERING AND RESOURCE DEVELOPMENT

SEC. 3. (a) There is hereby established, in the Executive Office of the President, the National Council on Marine Science, Engineering, and Resource Development (hereinafter called the "Council") which shall be composed of the following voting members—

(1) The Vice President, who shall be Chairman of the Council.

(2) The Secretary of State.

(3) The Secretary of the Navy.

(4) The Secretary of the Interior.

(5) The Secretary of Commerce.

(6) The Secretary of Transportation.

(7) The Director of the National Oceanic and Atmospheric Administration.

(8) The Director of the National Science Foundation.

(9) The Administrator of the Energy Research and Development Administration.

(10) The Director of the Environmental Protection Agency.

And the following nonvoting members:

(11) The Secretary of Health, Education, and Welfare.

(12) The Secretary of the Treasury.

(13) The Secretary of Agriculture.

(14) The Attorney General of the United States.

(15) The Director of Office of Management and Budget.

(16) The Chairman of Council of Economic Advisors.

(b) The President may name to the Council such other officers and officials as he deems advisable.

(c) The President shall from time to time designate one of the members of the Council to preside over meetings of the Council during the absence, disability, or unavailability of the Chairman.

(d) Each member of the Council, except those designated pursuant to subsection (b), may designate any officer of his department or agency appointed with the advice and consent of the Senate to serve on the Council as his alternate in his unavoidable absence.

(e) The Council may employ a staff to be headed by a civilian executive secretary who shall be appointed by the President with

confirmation by the Senate and shall receive compensation at a rate established by the President at not to exceed that of level II of the Federal Executive Salary Schedule. The executive secretary, subject to the direction of the Council is authorized to appoint and fix the compensation of such personnel, including not more than ten professional staff members who may be appointed without regard to civil service laws or the Classification Act of 1949 and compensated at not to exceed the highest rate of grade 18, of the General Schedule of the Classification Act of 1949, as amended, as may be necessary to perform such duties as may be prescribed by the President.

RESPONSIBILITIES

SEC. 4. (a) In conformity with the provisions of section 2 of this Act, it shall be the duty of the President with the advice and assistance of the Council to—

(1) survey all significant marine science activities, including the policies, plans, programs, and accomplishments of all departments and agencies of the United States engaged in such activities.

(2) develop a comprehensive long-range program of marine activities, including but not limited to exploration, description and prediction of the marine environment, development and conservation of the resources conducted by departments and agencies of mission of energy and communications, to be of the marine environment, marine engineering, studies of air-sea interaction, transmission of energy and communications, to be conducted by departments and agencies of the United States, independently or in cooperation with such non-Federal organizations as States, institutions and industry;

(3) evaluate and fix responsibility for the conduct of foregoing marine science activities by departments and agencies of the United States;

(4) insure cooperation and resolve differences arising among departments and agencies of the United States with respect to marine science activities under this Act, including differences as to whether a particular project is a marine science activity;

(5) undertake a comprehensive study, by contract or otherwise, of new legal problems arising out of the management, use, development, recovery, and control of the resources of the marine environment;

(6) undertake studies of the impacts on United States economy, security, health, and welfare to be gained from marine resources, engineering, and science, and the costs involved in obtaining such benefits;

(7) review annually all marine science activities conducted by departments and agencies of the United States in light of the policies, plans, programs, and priorities developed pursuant to this Act; and

(8) encourage national participation in the comprehensive long-range program of marine activities, established by the President, by distributing research funds to organizations, individuals, or governmental agencies in promotion of the above program.

(b) In the planning and conduct of a cordinated Federal program the President and the Council shall utilize such staff, interagency, and non-government advisory arrangements as they may find necessary and appropriate and shall consult with departments and agencies concerned with marine science activities and solicit the views of non-Federal organizations and individuals with capabilities in marine sciences.

THE ADVISORY PANEL ON MARINE SCIENCE, ENGINEERING, AND RESOURCE DEVELOPMENT

SEC. 5. (a) The Council shall establish an Advisory Panel on Marine Science, Engineering and Resource Development (hereinafter referred to as the "Panel"). The Panel shall be composed as follows:

(1) members of the National Advisory Committee on Oceans and the Atmosphere.

(2) members from each house of Congress appointed by the Speaker of the House and the Majority Leader of the Senate.

(b) The Panel shall—.

(1) Review and make recommendations to the Council on activities undertaken by the Council;

(2) Review and make recommendations to the Council on the findings of any study made by or for the Council;

(3) Undertake such additional related tasks as the Council may direct.

(c) The Panel, by majority vote, shall elect from its members appointed under subsection (a)(1)(2) of this section a Chairman and a Vice Chairman, who shall serve for such time and under such conditions as the Panel may prescribe. In the absence of the Chairman, or in the event of his incapacity, the Vice Chairman shall act as Chairman.

(d) The term of office of each member of the Panel appointed under subsection (a)(1)(2) shall be four years except that any such member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. No person shall be appointed a member of the Panel under subsection (a)(1)(2) more than twice. Terms of the members appointed under subsection (a)(1)(2) shall be staggered so as to establish a rotating membership according to such method as the Council may devise.

(e)(1) The members of the Panel other than those appointed under subsection (a)(1)(2) shall receive no pay for their services as members of the Council, but shall be allowed necessary travel expenses (or, in the alternative, mileage for use of privately owned vehicles and a per diem in lieu of subsistence at not to exceed the rate prescribed in sections 5702 and 5704 of title 5, United States Code), and other necessary expenses incurred by them in the performance of duties vested in the Panel, without regard to the provisions of subchapter 1 of chapter 57 and section 5731 of title 5, United States Code, and regulations promulgated thereunder.

(2) The members of the Panel appointed under subsection (a)(1) shall receive compensation for each day engaged in the actual performance of duties vested in the Panel at rates of pay not in excess of the daily equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses in the manner provided for other members of the Panel under paragraph (1) of this subsection.

SEC. 6. (a) The President with consultation by the Council and Panel shall transmit to the Congress in March of each year a report, which shall include—

(1) a comprehensive description of the national long-range program of marine activities and delineating those changes occurring in this program during the previous year;

(2) a comprehensive description of the activities and the accomplishments of all agencies and departments of the United States in the field of marine science, engineering and resource development during the preceding year; and

(3) an evaluation of such activities and accomplishments in terms of the objectives set forth pursuant to this Act.

(b) Reports made under this section shall contain such recommendations for legislation as the President may consider necessary or desirable for the attainment of the objectives of this Act, and shall contain an estimate of funding requirements of each agency and department of the United States for marine science activities during the succeeding fiscal year.

AUTHORIZATION

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. STEVENSON:

S. 710. A bill to incorporate Recovery, Inc. Referred to the Committee on the Judiciary.

Mr. STEVENSON. Mr. President, I am today introducing a bill to grant a Federal charter to Recovery, Inc.

It is now some 33 years since Recovery, Inc., was granted its original charter in Illinois, and Recovery, although it has long been in the process of expanding its unique method nationwide, still has its national headquarters in Chicago.

Stated simply, the Recovery program is the exclusive psychiatrically developed method of self-help aftercare for nervous and former mental patients. Recovery provides techniques that prevent relapse in former mental patients and enduring disorders in nervous patients. Such prevention saves thousands of dollars in personal and public funds, not to mention untold human suffering of patients and their families. Perhaps most important of all, the Recovery method provides a proven way of returning productive human beings to their communities in order that they may support their families and actively participate in and contribute to civic and other programs.

Recovery, although starting out as a local program in Illinois, has been in the process of expanding nationwide. Presently the organization is chartered in 50 States plus the District of Columbia, and there are slightly over 1,000 Recovery groups in those States. Demands for more groups are received daily from psychiatrists, hospitals, mental health associations, social workers, clergy, and the general public.

Mr. President, the work of Recovery is hampered by having to qualify for a charter in the 50 States and the District of Columbia, and indeed in every State of the Union. Recovery relies mainly on a volunteer force which has already devoted many thousands of hours of volunteer service to the organization. There is also a small employed staff of eight men and women at the national headquarters. Too much of the valuable time of this small central staff is spent in preparing the papers for filing in the States, such as yearly reports. There is also the economic burden—for such a small nonprofit organization—of the filing fees in the States.

Recovery, therefore, is presently qualified to "do business" in all States, including many of the larger States where it has large numbers of groups, but it has had neither the funds, the time nor the manpower to develop its program fully in those States where it is operating.

One remedy to this dilemma is the granting of a Federal charter. I believe Recovery does meet the standards for the granting of Federal charters. Recovery is an established, nonpartisan, nonprofit organization of a truly unique character. It provides a valuable service to the community and to the Nation as a whole, and its activities are national in scope and responsive to a national need, a "need which cannot be met except upon the issuance of a Federal charter."

Mr. President, I hope that a Federal charter can be granted to Recovery, so that it may continue and even expand its beneficial service to our Nation.

I ask unanimous consent that an article from the National Observer be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THEY FIND REDUCING ANXIETY IS—A MATTER OF MIND OVER MIND

(By Tim Coder)

When other psychiatrists 40 years ago were trying to cure mental illnesses by looking for *causes* in experiences such as childhood toilet training, Abraham Low in Chicago was trying something else: treating mental patients' *symptoms*.

Convinced that about 95 per cent of life's irritations are manageable trivialities, Low established an unusual self-help mental-health organization in 1937. It's Recovery, Inc., an association mainly of former mental patients who, in weekly group meetings, help one another side-step common annoyances and cope with stresses.

Participants seemed to like Low's program, but psychiatrists paid little attention to it. In 1954, when Low died, Recovery, Inc., was almost as obscure as it was when he founded it. But in recent years mental-health authorities have taken another look at Low's methods and their results, and Recovery, Inc., is springing up all over the nation. It currently has 12,000 members in groups throughout the United States and in other countries.

"I think the self-help movement is one of the most revolutionary innovations on the Hanus J. Crosz at a recent seminar here at the Nebraska Psychiatric Institute. "It has been shown to have an enormous impact on people. I see this as the way things will go in the future." He added that Recovery could "save industry millions of dollars" by keeping people out of the hospital and on the job.

Since 1970 Crosz, a research psychiatrist at the Indiana University School of Medicine, has surveyed Recovery's effects on its members—from just-released mental-hospital patients to housewives and businessmen who have a hard time coping. The organization's methods are much like those of Alcoholics Anonymous.

Recovery, Inc., which is nonsectarian and nonprofit, asks $7.50 in annual membership dues from those who can afford it. The organization is headquartered in Chicago and is run by and for former mental patients and others who are simply nervous. Recovery, Inc., does not provide diagnoses or treatment, and it is not a substitute for professional mental-illness treatment.

"As a scientist I wanted to know what the facts and figures were," says Grosz referring to his independent Recovery survey. "I was surprised by how much help people were getting." He says his survey, paid for with his own research funds, included 9,000 Recovery members in groups throughout the United States and Canada. About 99 per cent of those queried returned completed questionnaires.

One of the most significant findings, says Crosz, is that "Recovery prevented or reduced the need for rehospitalization" among people who had been in the hospital five or more times. Of those in that group who had been in Recovery for at least one year (including some who had been members for 10 years or longer), 50 per cent reported they had not been rehospitalized. About 22 per cent went back to the hospital one time after Recovery training. And about 85 per-

cent continued to receive some psychiatric care.

Grosz also found that 73 per cent of the members were women, 94 per cent of those who reported having employment problems said Recovery helped them adjust, and 37 per cent of Recovery members were referred to the organization by professionals, more than half of them by psychiatrists.

COOL RECEPTION AT FIRST

Grosz says he finds psychiatrists acceptance particularly interesting in light of the cool reception that Recovery received from the Illinois psychiatric community in the early days.

Recovery, Inc., flourished from the outset, according to *My Dear Ones*, a recently published biography of Low by Neil and Margaret Rav. But scorn from psychiatrists was heaped on almost in proportion to Recovery's success. Low, who was associate director of the University of Illinois Medical School's Psychiatric Institute when he founded Recovery, was barred from practice in all but a few of Chicago's psychiatric hospitals, and at one point he briefly disbanded the organization.

The turnaround for Recovery occurred five years ago, says Robert Farwell. He is the organization's executive director in the Chicago national headquarters, and he is one of the few Recovery officials who did not come up through the patient ranks. In 1969 Recovery was invited to set up a literature booth and present a demonstration panel at the American Psychiatric Association convention in Miami Beach. And the organization was invited for the first time to send representatives to the American Medical Association convention in Chicago in June 1974.

The American Psychiatric Association hasn't issued any formal statement about the effectiveness of Recovery, Inc., but a spokesman says: "We have heard little but praise about Recovery, Inc. We are in favor of any organization that can provide this kind of support."

HIGHLY STRUCTURED MEETINGS

The Recovery philosophy is simple. The psychoneurotic who constantly experiences sensations such as dizziness, throbbing headaches, stomach-aches, sleepless nights, a palpitating heart, and feelings of inadequacy must first be convinced that all these can be controlled. The troubled person may have a hard time believing that most everyday burdens—the stifling subway, the dirty look, the frustrating day at the office—have little effect on life over-all.

Weekly group meetings follow a highly structured outline established by Low. The principal guiding materials are a series of tapes in which he issues instructions in his European accent, and his book *Mental Health Through Will-Training*. All of Low's Nietzschean notions on will power are packed in his 393-page book, an anecdotal collection of case histories of his early patients. The $6 book is in its 17th printing and has sold an estimated 200,000 copies.

Every Recovery session begins with some thoughts from Low, as did the session I observed here one recent afternoon in the parlor of the First United Methodist Church of Omaha. A middle-aged woman read from Low's book on "the symptomatic idiom": "If the patients are to help and teach one another, they must be instructed in a language which is not confusing. . . . By dint of its defeatist insinuations, language frequently engenders tenseness which reinforces and perpetuates symptoms. . . . There are many languages."

TRIUMPHS OVER TRIVIALITIES

Recovery meetings are spiced with pithy one-line "Lowgrams." The founder is often quoted saying such things as: Mental health is a business, not a game; comfort is a want and not a need; it's average to make a mistake; muscles will re-educate the brain; there's no right or wrong in a domestic situation; it's good to be group-minded; symptoms are distressing but not dangerous; we should excuse and not accuse; we can control only our inner environment.

Members then cite examples of how they've recently put their training into practice. It's a mutual-reinforcement session called "endorsement." It contains four major parts: a description of some everyday triviality, including who was present and what was said; the person's description of his symptoms and discomfort; the person's recognizing his temper and his mounting irritation; and how the member probably would have reacted prior to Recovery training.

Bonnie, the attractive wife of an executive, recounts how she handled an experience when her daughter unexpectedly brought a severely handicapped friend home for the week end.

"I was on medication myself and was having a hard time keeping my balance," continues Bonnie, who has been hospitalized from time to time for mental disorders during the past 20 years. "When I saw her the palpitations began. I had racing thoughts and fearful—not anger—temper. I was disgusted because of my own handicap. I thought I couldn't measure up."

Group leader Marge Limprecht then encourages Bonnie, a Recovery member for six months, to explain how she spotted and overcame her symptoms. Bonnie says: "Then I realized it wasn't uncommon to feel this way. I worked it down to an average situation and was able to cope with it. Before Recovery I would have passed out. I would have had blurred vision. I wouldn't have been able to walk."

Then there follows some peer endorsement:

"I don't think she indicted herself for the way she felt," says Jean, the first to comment.

Libby: "She was group-minded. She didn't feel sorry for herself."

Marguerite: "She didn't accuse her daughter for bringing her handicapped friend home with her."

Ruth: "She dropped some of her perfection. She realized things didn't have to be absolutely perfect for the guest."

HELP BY TELEPHONE

Had Bonnie not been able to spot and cope with her problem, she could have resorted to a five-minute mutual-aid phone call to a fellow. Recovery member on duty. Low established the time limit to prevent long-winded complaining. The idea is to give a bare-bones report and receive necessary encouragement.

Bonnie may never chase away the psychological ghosts that have haunted her over the years, but the Recovery philosophy says she can hold them at bay. She is transforming herself from a nervous patient into simply a nervous person.

This is the Recovery theme that is spelled out in about 1,000 explanatory panels around the land yearly, says national executive director Farwell. In the past nine years, Omaha area leader Mrs. Limprecht figures, the chapter has given 160 demonstrations. And as a time-saving measure, she notes, interested persons and groups may attend any of the city's five weekly meetings. For example, all but one of Omaha's nursing schools regularly send their students to sessions as observers.

PREVENTIVE PSYCHIATRY

Business, too, like the health-care profession, is beginning to notice Recovery, Inc. Gate City Steel Corp. recently donated $1,000 to the Omaha chapter in recognition to help recently given to an executive's wife. Mutual of Omaha sends Recovery information to all of the insurance company's claims representatives in the United States, Puerto Rico, and Canada, stressing, however, that "under no circumstances should we refer our policy owners directly to this

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group as an independent action on our part."

Recovery, Inc., officials add that anyone interested in learning more about the organization can write to the organization at 116 South Michigan Ave., Chicago, Ill. 60603.

"The trend is moving to preventive psychiatry," says Marge Limprecht, who has had a history of nervous problems herself. "Our big problem is trying to reach people like clergymen and counselors. What Recovery gives is the common-sense tools to cope."

By Mr. BELLMON:

S. 712. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. BELLMON. Mr. President, today I am introducing legislation which would remedy several of the administrative abuses which have been caused by the improper implementation of the Occupational Safety and Health Act. Oversight hearings were conducted last year by the Senate Labor Subcommittee. The evidence presented during these hearings presented a clear and convincing case for the need to significantly modify this act.

My proposal would make several significant changes in the act:

First, authority to access penalties for first instance nonserious violations would be removed. The present mandatory accessment of penalties for first instance violations would be made discretionary. In determining whether there should be a citation, an inspector would be required to examine three relevant factors: the gravity of the violation; the good faith of the employer; and the history of previous violations.

Second, this bill would permit onsite consultation by the Department of Labor for employers with 100 or fewer employees. Personnel of the Department of Labor would be available to suggest various alternatives to remedy violations disclosed during the visits. Violations discovered during onsite consultation would not subject an employer to penalty unless eminent and serious danger to the employees affected were indicated.

Mr. President, the urgent need for legislation of this nature is apparent when one examines the often burdensome and unwarranted interference caused by the past administration of the Occupational Safety and Health Act. Let me detail the problem more fully.

The first problem is that OSHA regulations are far too complex and numerous for the average small businessman to know, comprehend or obey. It is totally unrealistic to expect the small businessman without professional assistance to comply with the same standards and guidelines that apply to large corporations employing attorneys, safety officers, industrial engineers, and other specialists. Only large firms which can afford employees who have the full time responsibility to interpret and determine the best manner to conform with the thousands of regulations which have been promulgated can meet present regulations. The small businessman acting in good faith simply does not have the expertise to digest and fully implement a mass of OSHA regulations.

There is an urgent need for legislation requiring the Occupational Safety and Health Administration to provide onsite consultative services. The law does not allow onsite consultation and inspection in the vast majority of States where the responsibility for enforcement lies with the Federal Government.

The enactment of this proposal would remedy what is the single biggest problem with the Occupational Safety and Health Act—the inability of the small businessman or farmer to learn what is expected of him. Under present law, the small businessman is faced with a dilemma. Ofttimes a small businessman or farmer who lacks the technical resources to assist in interpreting Federal regulations spends thousands of dollars in a good faith attempt to conform to OSHA regulations only to be faced with citation and fines, because he misinterprets those regulations.

Fortunately the Congress recognized this problem when it earmarked for fiscal year 1975 approximately $5 million of the appropriation for the Occupational Safety and Health Administration to be used on a matching basis as grants to the States to provide consulting services for the small businessman. Although this action represents a first step, it does not go far enough. Five million dollars for the 25 States where the act is enforced by Federal officials will not solve the problem. In addition, the problem will only be compounded in those States which accept grants for consulting services, because a Federal authority will be interpreting and enforcing the regulations while the State is providing the onsite consultation. It would be much simpler, and eliminate confusion, if only OSHA inspectors would be required to provide this much needed service.

In my judgment it is only reasonable to provide consulting services when requested by an employer for the purposes of discussing the interpretation or application of standards and the various alternatives for compliance with the act.

Mr. President, under my proposal, the authority to assess penalties for first instance nonserious violations of the act would be modified. The mandatory assessment of penalties for first instance violations would be made discretionary on three factors: the gravity of the violation, the good faith of the employer, and the history of previous violations. In the existing law, the Secretary must issue a citation with a proposed penalty whenever he finds a violation. This mandatory penalty provision should be changed.

These amendments to the Occupational Safety and Health Act would greatly improve the act without doing harm to its basic objective. It would help assure safe working conditions which serve the best interests of both employer and employee.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Occupational Safety and Health Amendments of 1975."

SEC. 2. (a) Section 17(b) of the Occupational Safety and Health Act of 1970 is amended (1) by striking the word "shall", and inserting in lieu thereof the word "may"; and (2) by inserting at the end thereof the following new sentence: "In determining whether a penalty shall be assessed under this subsection, due consideration shall be given to the gravity of the violation, the good faith of the employer, and the history of previous violations."

(b) (1) Section 17 of such Act is amended by striking out subsection (c).

(2) Section 17 of such Act is further amended by redesignating subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), and all references thereto, as subsections (c), (d), (e), (f), (g), (h), (i), (j), and (k), respectively.

SEC. 3. (a) The heading of section 21 of the Occupational Safety and Health Act of 1970 is amended to read as follows:

"Training, Education, and Technical Assistance"

(b) Section 21 of such Act is amended by inserting at the end thereof the following new subsection:

"(d) (1) In order to further carry out his responsibilities under this section, the Secretary shall visit the workplaces of employers having one hundred or fewer employees for the purpose of affording consultation and advice to such employers. Such visits (A) may be conducted only upon a valid request by an employer for consultation and advice at the workplace on the interpretation or applicability of standards or on possible alternative ways of complying with applicable standards, and (B) shall be limited to the matters specified in the request affecting conditions, structures, machines, apparatuses, devices, equipment, or materials in the workplace. Where, after evaluating a request by an employer pursuant to this subsection, the Secretary determines that an alternative means of affording consultation and advice is more appropriate and equally effective, he may provide for such alternative means rather than onsite consultation.

"(2) The Secretary shall make recommendations regarding the elimination of any hazards disclosed within the scope of the onsite consultation. No visit authorized by this subsection shall be regarded as an inspection or investigation under section 8 of this Act and no notices or citations shall be issued nor shall any civil penalties be proposed by the Secretary upon such visit, except that nothing in this subsection shall affect in any manner any provision of this Act the purpose of which is to eliminate imminent dangers.

"(3) Nothing in this subsection shall be deemed to require the Secretary to conduct an inspection under section 8 of the Act of any workplace which has been visited for consultative purposes. The failure of the Secretary to give consultation and advice regarding any specific matter during a consultation visit shall not preclude the issuance of appropriate citations and proposed penalties with respect to that matter.

"(4) In prescribing rules and regulations pursuant to this subsection, the Secretary shall provide for the appropriate separation of functions between officers, employees, or agents who conduct visits pursuant to this subsection and officers, employees or agents who conduct inspections or investigations under this Act."

SEC. 4. This Act shall take effect sixty days after the date of enactment of this Act.

By Mr. METCALF (for himself, Mr. BARTLETT, Mr. FANNIN, Mr. HANSEN, Mr. JACKSON, Mr. JOHNSTON, and Mr. MOSS):

S. 713. A bill to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor. Referred, by unanimous consent, to the Committee on Interior and Insular Affairs; and, if and when reported, to be jointly referred to the Committees on Armed Services, Commerce, and Foreign Relations for 30 days.

DEEP SEABED HARD MINERALS ACT

Mr. METCALF. Mr. President, the New York Times of January 5, 1975, included an article which began this way:

Someone in Jamaica or Guyana or Surinam or Australia or almost anywhere outside the United States can now decide what prices are going to be paid for most metals except raw steel.

Perhaps Chiao Kuan-hua, chairman of the Chinese delegation, summed it up in an address to the United Nations Oct. 2 when he said: "Inspired by the victorious struggle which the Arab countries and people waged with oil as a weapon, the third-world countries have started an immense tide of struggle to defend their state sovereignty, control their natural resources. The profound significance of the oil battle lies in the fact that the developing countries have united themselves and independently exercised control over their national resources."

Five days later, in his issue of January 10, 1975, Editor John R. Botzum of Ocean Science News headlined his newsletter with the questions: "Can Geneva Produce a Law of the Sea Treaty? What Are the Alternatives?"

In these two articles we see additional evidence of our increasing dependency on third-world nations for the minerals basic to our economy and the difficulty—if not impossibility—of achieving international agreement in the United Nations dominated by world have-nots whose sole interest in the seabed demonstrated to date is the intent to rip off what they can from the handful of developed nations with the wherewithal to develop seabed minerals.

Meanwhile, we have a source of some minerals in our own backyard, the seabed of the Continental Shelf, recognized as appertaining to the United States under the 1958 Geneva Convention on the Continental Shelf.

An even more plentiful and intriguing source for others is the bottom of the deep ocean itself. Beyond the coastal zones, beyond the farthest limit of national continental shelves, beyond the continental margins, lying on the ocean bottom thousands of feet deep is an untapped collection of manganese nodules containing usable quantities of manganese, nickel, copper, and cobalt—all of which are absolutely vital to our industrial needs.

These nodules, lying in "no man's land," beyond the territorial claims of the most presumptuous nation, are available to pioneers, from any nation, who are willing and able to reduce them to possession.

Hopefully, the utilization of these minerals can be shared by all as a bright new promise in the field of international resource needs. Until international arrangements are made, however, there seems really no valid reason why recovery work cannot be begun immediately. U.S. companies, for several years, have asserted their ability to seek out and recover these minerals. They have the demonstrated technology, the assembled capital, and the fundamental will to move now. They seek only some assurance of security—some guarantee that, after they invest their money and their efforts, they will not be sacrificed by their own Government on the altar of expediency, in a desire to reach international agreement on the overall politics of the sea.

While I agree that it would be preferable to develop ocean resources under international agreement, I do not believe we can wait forever. Pending international agreement, sought vainly in the United Nations for 6 years under a mandate which expires with this year, I believe the United States should encourage our people to develop the resources we need—at least to exercise some measure of control over their operations.

Next month, representatives of up to 150 countries will meet again in Geneva for the second session of The Third United Nations Conference on the Law of the Sea. Presumably this will be the last session of that body. Spokesmen for the United Nations have repeatedly testified before the Subcommittee on Minerals, Materials, and Fuels of the Senate Committee on Interior and Insular Affairs that domestic legislation will be necessary whether or not there is international agreement. Under date of March 1, 1973, almost 2 years ago, Mr. Charles N. Brower, then Acting Legal Adviser to the State Department and Acting Chairman of the Interagency Task Force on the Law of the Sea, wrote Chairman JACKSON of the Interior Committee: "Prudence dictates that we also begin at once to formulate a legislative approach." I hope that one of these years, the administration will be able to turn its attention to this complex matter.

Meanwhile, I am today introducing another Deep Seabed Hard Minerals Act. Joining on this legislation are the junior Senator from Oklahoma (Mr. BARTLETT), the junior Senator from Arizona (Mr. FANNIN), the junior Senator from Wyoming (Mr. HANSEN), the junior Senator from Washington (Mr. JACKSON), the junior Senator from Louisiana (Mr. JOHNSTON), and the senior Senator from Utah (Mr. MOSS).

Predecessor legislation, H. 2801 of the 92d Congress, S. 1134 and S. 2878 of the 93d, was the subject of extensive hearings, which go back to 1969, when Chairman JACKSON of the Committee on Interior and Insular Affairs, ahead of his time as usual, created the Special Subcommittee on the Outer Continental Shelf.

I ask unanimous consent that excerpts from the unanimous report of the Senate Committee on Interior and Insular Affairs, Senate Report 93–1116, on S. 1134 of the 93d Congress, be printed at this point in the RECORD, along with the article referred to in Ocean Science News.

There being no objection, the excerpts and article were ordered to be printed in the RECORD, as follows:

[Calendar No. 1066]

DEEP SEABED HARD MINERALS ACT

Mr. METCALF, from the Committee on Interior and Insular Affairs, submitted the following report [To accompany S. 1134].

The Committee on Interior and Insular Affairs, to which was referred the bill (S. 1134) to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

I. PURPOSE

The Deep Seabed Hard Minerals Act is designed to promote the conservation and orderly development of the manganese nodule resources of the deep seabed by persons subject to the jurisdiction of the United States. It is interim legislation which expressly provides that it will be superseded by the terms of any international agreement binding on the United States. Negotiations looking toward such an agreement are currently underway at the Third United Nations Conference on the Law of the Sea.

The bill has three basic provisions.

First, U.S. nationals would have to obtain a license from the Secretary of the Interior before they could engage in exploration for or commercial recovery of manganese nodules on the deep seabed. Licenses would limit the area to be mined by any one company and would contain provisions to protect the marine environment. There is no other existing basis for such licensing, under either international law or federal statute.

Second, S. 1134 recognizes the need for an international legal system for all the uses of the oceans, including ocean mining. No licenses would be issued under the bill once a new treaty became binding on the United States. This bill provides an orderly transition from the present situation of no regulation of ocean mining, to United States' regulation of its nationals who conduct ocean mining and then to a new international system which could result if a law of the sea treaty is agreed upon, ratified and enters into force.

Third, S. 1134 would stabilize the presently uncertain investment climate in the ocean mining industry caused by the fact that the United States has indicated its willingness to agree to change the present international law which permits unrestricted seabed mineral development. Prospective ocean miners are faced with the possibility that new internationally agreed upon terms and conditions may be imposed on them in the near future which could deny access by private industry to manganese nodule deposits entirely. Delay in investment could result in loss of American industry's current technological advantage and increased dependence on foreign sources of minerals.

S. 1134 provides a guarantee against loss of investment due to imposition of a new international regime. This guarantee does not include loss of profit. It would be offset by any profits realized prior to loss of investment.

II. BACKGROUND AND NEED

Legislative background

The origins of this legislation are deeply rooted in basic policy questions of our nation regarding the supply of minerals both now and in a future of vanishing resources; the employment of pioneering technology in the ocean for the economic and social benefit

of our people; and our fundamental heritage of freedom of access to the uses and resources of the ocean and the seabed—such access modified only by international accommodations recognizing the similar rights of other sovereign states.

These basic policy questions were the subject of hearings before the Special Subcommittee on the Outer Continental Shelf in 1969 and 1970. The attention of the Subcommittee was drawn to the question of deep seabed mineral resources. It became aware of the accelerating pace of technological progress toward the economic development of these resources. The Administration's Statement on U.S. Oceans Policy of May 23, 1970, coupled with a United States Working Paper on a Draft United Nations Convention on the International Seabed Area dated August 3, 1970, which was proposed by the Administration before the United Nations Committee on the Peaceful Uses of the Seabed and the Ocean Floor Beyond the Limits of National Jurisdiction helped to focus the policy issues of the resources of the deep seabed.

The inquiry of the Special Subcommittee into the soundness of the draft U.S. convention from the standpoint of U.S. resource interests and into the adequacy of arrangements regarding the interim period certain to prevail for a substantial period before such a convention might come into force clearly demonstrated that domestic mineral policy and economic issues were inadequately reflected in the draft convention and that no interim arrangements had been made nor in fact had been seriously contemplated.

The policy questions dealt with in S. 1134 have been illuminated by extensive hearings and other important contributions to the record beginning with the first focus on deep seabed mineral resource policy by the Special Subcommittee on the Outer Continental Shelf in its hearings on September 22 and 23, 1970. The first hearing on ocean mining legislation was that of June 2, 1972, on S. 2801 before the Subcommittee on Minerals, Materials, and Fuels. This hearing served chiefly to outline and explain the basic provisions of the bill and to hear witnesses on the legislation. During 1972 the Administration was asked to comment on the bill but in the final analysis declined to do so on the grounds, stated in a letter of May 19, 1972, from the Chairman of the Inter-Agency Law of the Sea Task Force to Senator Jackson, that "• • • the Executive Branch was not prepared at that time to state a position on S. 2801 . . ." and would report on their views in the light of developments at the summer session of the Seabed Committee and the 27th United Nations General Assembly. This was the beginning of a pattern of delay by the Executive Branch in meeting the natural resource issues of the deep seabed on the grounds of waiting for action in the United Nations which has continued until this day.

After the introduction of S. 1134 on March 8, 1973, witnesses, in a hearing on May 17, 1973, before the Subcommittee on Minerals, Materials, and Fuels, emphasized the need for the minerals and metals obtainable from the deep seabed and the importance of these raw materials in the national economy, the rapid progress of undersea mining technology, and the conviction that achievement of a new universal Law of the Sea convention sought under United Nations framework would not occur for many years and that passage of this legislation would not be inimical to striving for such a universal treaty.

On June 14 and 15, 1973, Executive Branch spokesmen appeared before the Subcommittee and affirmed the basic need of our nation to tap the mineral resources of the deep seabed and the need of industry for more secure legal arrangements. At the same time they continued to counsel delay because of their stated belief that passage of the bill would make their negotiations toward a universal Law of the Sea treaty more difficult and perhaps impossible. Nevertheless, they recognized that legislation would be required, even in their view, if negotiations should drag out past 1975 or if a satisfactory treaty for U.S. interests should prove unattainable.

Additional hearings on June 18 and 19 were helpful in developing peripheral information to the earlier arguments and in examining environmental policy questions.

Amendment 946 to S. 1134, an extensive staff rewrite of the legislation to meet the major objections of responsible spokesmen at previous hearings, was introduced on January 28, 1974. Hearings were held to consider the details of the legislation. At hearings on March 5, 1974, the politics of raw materials—in the light of the events of the energy crisis—was discussed by Dr. Kilmarx of the Center for Strategic and International Studies, Georgetown University. Dr. Kilmarx pointed out some of the reasons why many of the present source countries for minerals that could come from the nodules to be recovered from ocean mining will not be dependable sources of supply in the future. The Executive Branch again testified that enactment of the bill would have an adverse impact on negotiations of a Law of the Sea convention scheduled for the Third United Nations Conference on the Law of the Sea now going on in Caracas. Administration witnesses again urged delay and expressed optimism about results of the Caracas negotiations.

In testimony on March 6, 1974, some witnesses primarily confined themselves to detailed analysis of the technical provisions of the bill. They disputed the optimism of the Executive Branch on the timely and successful outcome of the Law of the Sea Conference scheduled for Caracas.

Additional testimony was heard on March 6 and March 11 from public interest groups on environmental policy, which provided additional perspective on the main issues.

Background of manganese nodule mining

The area lying seaward of the continental margin, generally referred to as the deep seabed, is known to be rich in mineral resources. For the moment very little is known about the *subsurface* potential of the deep seabed. With respect to the surface of the seabed, however, we know that extensive deposits of manganese nodules containing over 20 metallic elements are abundant. Potentially minable nodules will contain at least 25 percent manganese, 1.25 percent nickel, 1 percent copper and 0.22 percent cobalt.

There are three types of mining systems presently being considered for manganese nodule mining:

(*a*) Continuous path dredging involves a suspended conduit that connects a dredge head and the ship, which transverses the mine site, collecting ore over a certain sweep width.

(*b*) Fixed area dredging is conducted by a collecting device whose central portion remains stationary on the ocean bottom until ore lying within the radius of the sweeping device has been collected. During the process, the surface ship or platform remains stationary above.

(*c*) Continuous line bucket dredging involves a long continuous rope to which are attached dredge buckets. As the ship moves sideways, the loop of dredge buckets is dragged across the ocean bottom, scooping up ore.

Pilot tests of the continuous path dredging system and the continuous line bucket system have been conducted, but few of the results have been publicly released. The technological sophistication of all these mining devices will make them both expensive and design-sensitive to particular types of nodule deposits and surrounding topography.

Several metallurgical processes have been experimentally tried in the winning of metals from manganese nodules, however, only hydrometallurgical techniques are presently being considered for commercial processing. The metallurgical process is specifically sensitive to such factors as the physical characteristics of the nodules, their iron content, trace metal content, assay or grade and detrital materials. This is a critical aspect of nodule mining—the degree to which both equipment development and type of metallurgical process are dependent upon definite knowledge of the mine site to be developed.

Need for seabed minerals

The seabed minerals are important. The major products will be copper, nickel, manganese, cobalt, and molybdenum. It is well known that all of these metals are essential to a modern industrial economy. Manganese is vital in the production of all steel and imparts properties of toughness to certain steels. Nickel is the essential ingredient in stainless steels and in high temperature-high performance alloys. Cobalt is of great utility in making magnets and is essential in the making of "space age" alloys. Molybdenum is an essential ingredient in special steels. The uses of copper for electrical apparatus of all kinds and in piping and hardware are well known.

What is not well known about these materials is that we are either not self sufficient or entirely lack domestic supplies. In the case of nickel, we have only one small nickel mine and must import about 90% of our nickel. We have no domestic cobalt or manganese production and are 100% dependent on new primary supply from imports. Although we are the largest copper producer in the world, we are not self sufficient, and our copper imports have been predicted to increase. Today we import 10 to 15% of our copper.

The effect of these imports on our balance of payments is substantial. In 1971, imports amounted to about $800,000,000. In future years this is expected to rise rapidly.

The technology of seabed resource development is at hand and production is certain to occur between now and 1980 if secure legal arrangements are achieved by the passage of this legislation. Several companies have dredged nodules from the deep ocean in substantial quantity, and one company is currently conducting experiments with a full-scale ocean miner. At least two successful processes for extracting metals from the deep seabed ores (manganese nodules) have been tested in pilot plants. The pace of technology is further illustrated by the recent formation of two separate international consortia to undertake engineering development of means of nodule recovery.

These considerations alone may not demonstrate a need for urgency with respect to the development of the deep seabeds; however, other factors do create a degree of urgency. These involve our lead in prospecting, technology, and marketing, as well as the need to maintain industry initiative and momentum and the need to encourage pioneering industrial activity which may give rise eventually to even greater mineral resources benefits in the oceans.

Need for investment guarantee

It is in the nature of our society and our economic system that the market place and potential for profit making stimulate technological initiative. The Government does not decide that a particular mineral resource is worth developing for our future needs and then develop the resource itself. Neither does government give direct subsidies to our mining industry so as to encourage them to enter a business which they have not deemed profitable. On the contrary, when industry finds that a market either exists or can be developed for a new product and that the market is sufficiently large to justify major investments with reasonable anticipation of profit, new technology is found and new resources are then developed. The public is clearly the beneficiary of this process. To keep this process going, however, Government must assure that it does not take actions which hamper this kind of industrial initiative with the attendant risk that the technology will never be developed or may be developed too late to be economically competitive.

Ocean mining is a very good example of this process. Existence of manganese nodules on the deep ocean bottoms has been known for over 100 years. No nation, including others who like ourselves depend substantially on nickel and copper, has developed this resource. Neither capital nor technology was put into this resource until about 10 years ago when as result of industry initiative the opportunity to develop and market the resource profitably was seized upon. Only then did the period of research, technology development and preliminary prospecting begin. Public reports of the amounts expended by three American companies so far indicate that approximately $100 million have already been invested to bring this new industry into being. In short, the initiative has been taken and the technology is being developed.

The technology which is currently being developed for nodule mining is extremely sophisticated and expensive. The oceanographic ship and its equipment used in the prospecting phase alone can cost $1,500–$4,000 per day, while the costs jump to $2,500–$5,000 per day when more intensive exploration work begins. Shipboard equipment must include highly complex devices for acoustical, optical and magnetic observation, together with grab samplers, prospecting dredges, and box and piston corers for sampling.

From what we know, our technology, both in the systems which must be used to mine in approximately 15,000 feet of water where these nodules are found and in the metallurgical processes which must be used to win the metals, is advanced beyond the other countries, Japan, Germany, France, Great Britain, and the Soviet Union who have also shown an immediate interest in deep sea mining. Nevertheless, our technological lead is fragile. If others develop manganese nodules before we do and obtain an important marketing advantage, the resource will be developed but, at least for some time to come, we will still be importing it. Moreover, we may see our companies flee the United States to engage in joint ventures under the flags of other countries. This would decrease the possibility that manganese nodule mining would become a new United States industry.

It is, therefore, encumbent upon the Congress to assure that corporate initiative and technological achievement are not stifled by the United States' own actions. Indeed, it is important that corporate initiative be encouraged. If it is, we may begin to see production from ocean nodules as early as 1976 and substantial commercial production underway not later than 1980.

For this reason, the Committee believes that the investment guarantee provisions of S. 1134 are needed and are in the national interest.

The technology is available. Under existing law the freedom of the seas rule permits American companies to mine nodules today. It is to a large extent the uncertain future of the legal situation which is inhibiting exploitation. Large sums of money are required to carry out final engineering work and to erect complex mining equipment and metallurgical plants. Industry must have the assurance of being able to mine a particular ore from a particular site long enough to achieve a return on its investment. Industry needs the assurance that any future Law of the Sea treaty will not in effect expropriate their investment and put them out of economic operation. This legislation provides the assurances that are necessary for industry to move ahead and at the same time provides the regulation—non-existent now—which will ensure that development of the deep seabed will be carried out in conformance with public policy and sound environmental practices.

It should be noted that the United States has indicated that any Law of the Sea treaty must guarantee access to seabed minerals under reasonable conditions. If, in fact, this is the kind of treaty ratified by the United States there would be little, if any, payment to industry under this bill, S. 1134 does not provide insurance against the normal risks of a pioneer business. It is solely directed toward changes in existing international law agreed to by the United States.

Relationship to law of the sea negotiations

The Administration has continually taken the position that enactment of S. 1134 would "adversely affect progress on the deep seabeds as well as other aspects of the Law of the Sea negotiation."

The Committee completely supports the concept of a Law of the Sea treaty. We have repeatedly indicated our support of the United States' position in the current negotiations.

The Committee recognizes that the Government must protect a variety of important interests in the development of ocean law including our mineral resource interests. We agree that only through a successful Law of the Sea Conference will the world achieve harmony and stability in the many new and varied uses of ocean space, including deep sea mining, which are developing right now. Haphazard development of international law in this area may not adequately protect our own or any other country's interests in navigation, pollution control, freedom of scientific research and the rational development of both living and mineral resources of the ocean and seabeds.

This continuing concern of the Committee was reflected in a letter to the Secretary of State dated June 7, 1974 and signed by a majority of its members. The letter follows:

U.S. SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
Washington, D.C., June 7, 1974.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: As you know, a conference will convene in Caracas on June 20th to attempt to negotiate a treaty or treaties resolving international problems affecting the law of the sea.

The Senate Committee on Interior and Insular Affairs has been following these negotiations closely since the inception of the United Nations Seabed Committee in 1967. Since that time, on a continuing bipartisan basis, members have participated in a special subcommittee chaired by Senator Metcalf. They have sent representatives to nearly every session of the United Nations Seabed Committee. Additionally, the Committee has held several hearings related both to proposed ocean mining legislation and to developments which have taken place at the various preparatory sessions conducted by the Seabed Committee. We have also met with the United States delegation to the Seabed Committee, usually prior to departure and subsequent to its return from these sessions.

Although several issues will be considered at the Caracas conference, this Committee has confined its attention principally to matters affecting the development of mineral and fuel resources. Our principal concern has been directed to the following two issues:

The limits of coastal state jurisdiction over resources of the seabed adjacent to and beyond the territorial sea and the nature and the limitations of coastal state jurisdiction and authority in such areas.

The rights of individual countries and their nationals to explore and develop the natural resources of the seabed beyond the limits of national jurisdiction, the rules and conditions and institutions which might govern such exploration and development, and the distribution of benefits resulting therefrom.

Members of the Committee have frequently made known their views about the policies the United States should adopt regarding each of these issues. With regard to the former, members of the special subcommittee, in their report of December 21, 1970, expressed the following conclusion:

• • • we adopt the view of the American Branch of the International Law Association regarding the seaward limits of the Continental Shelf. That position is not only consistent with the wisest of policy preferences, but more importantly soundly interprets the present law. It holds that "rights under the 1958 Geneva Convention on the Continental Shelf extend to the limit of exploitability existing at any given time within an ultimate limit of adjacency which would encompass the entire continental margin."

We interpret the meaning of the term "continental margin" to include the continental shelf, slope and rise. We understand that a growing number of countries support the principle that coastal state jurisdiction over natural resources of the seabed adjacent to its coast should be limited to that area contained within that part of the seabed which is bounded by a line parallel to and 200 miles distance from the base line from which the territorial sea is measured. We understand that within some executive branch agencies there is support for such a position. We would like to state our strong preference for the view which would allocate to coastal states areas of the seabed adjacent to their coasts which extend seaward 200 miles and, in addition, all portions of the continental margin which extend beyond 200 miles. We have present rights under international law to this area.

As you know, there are several areas of the United States continental margin which extend beyond 200 miles. Because of the nation's critical energy problems, including our increasing dependence on imported oil, the United States should not forfeit any portion of the continental margin which could be utilized for mineral production, and more particularly, for production of oil and gas. The United States has rights to all natural resources of our continental margin, no matter how far seawardly it extends. We should not jeopardize these rights at Caracas.

Regarding the issue of the regime for the deep seabed, various options have been considered in preparing for the Law of the Sea Conference. Many developing nations have expressed a preference for the establishment of an international seabed mining organization, frequently referred to as "The Enterprise." It would have exclusive authority to explore and develop the resources of the seabed beyond the limits of exclusive coastal state jurisdiction. Through control of "The Enterprise," the developing countries could deny effective commercial access by the technologically advanced states to the natural resources of the seabed lying beyond the limits of exclusive coastal state jurisdiction.

Many developed nations, including the United States, have favored preserving as best they can the existing high seas freedom including, but not limited to, the freedom to conduct scientific research on the high seas and to mine the minerals of the ocean floor beyond the limits of exclusive coastal state jurisdiction. These nations have not opposed the creation of an international organization to administer the exploration and development of seabed resources lying beyond the limits of exclusive coastal state jurisdiction, but they have indicated the preference that such an international organization neither

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conduct such exploration and development of the mineral resources of the deep ocean floor, nor control production thereof. They have tended to take the view that we should neither restrict opportunities for exploration and development of the deep ocean floor by developing countries, nor object to paying a portion of the value of the mineral production on the ocean floor to an international organization, for the use and benefit of developing countries. Also, they have continually expressed a preference for some sort of equitable licensing system which an international organization would have the authority to administer on a ministerial, rather than discretionary, basis. In other words, once an applicant state met the relevant standards, it would automatically be eligible to receive a license from the international authority.

The principal commodity to be mined on the deep ocean floor would be manganese nodules which are rich in copper, nickel, cobalt and manganese. There is a growing reluctance of mineral exporting countries to make these minerals available to the United States on a secure and continuing basis. Our heavy dependence on imports of such minerals places us in a vulnerable position. Specifically, the United States dependency on imports of such minerals is as follows: manganese, 97%; nickel, 74%; cobalt, 98%; and copper, 18%.

In light of this dependency, we feel that it is vital to the national interest that the United States companies retain their current right of access to mine nodules lying on the deep seabed under terms and conditions conducive to making the investments necessary for their development. We believe this objective should be vigorously pursued at Caracas.

The Committee will follow the proceedings at Caracas with great interest, and will look forward to meeting with the members of the delegation upon their return.

Sincerely yours.

Henry M. Jackson, Alan Bible, James Abourezk, Floyd K. Haskell, Paul Fannin, Clifford P. Hansen, James L. Buckley, James A. McClure, Dewey F. Bartlett.

While the Committee remains concerned about the direction and pace in which the Caracas negotiations have proceeded, it is unable to comprehend how anyone could regard U.S. enactment of legislation to regulate seabed mining by U.S. nationals as a unilateral act contrary to the spirit of the Law of the Sea negotiations.

A unilateral act constitutes action by a sovereign state which is contrary to international law and deprives other sovereign states of existing rights which they enjoy. S. 1134 is neither contrary to international law nor does it deprive other states of any of their existing rights. In fact S. 1134 is grounded on three international law doctrines: (1) the freedom of the seas, (2) the extraterritorial authority of a sovereign state to regulate the conduct of its nationals; and (3) comity.

Article 2 of the 1958 Geneva Convention on the High Seas specifically recognizes and adopts the freedom of the seas doctrine. It states that the high seas freedoms "shall be exercised by all States with reasonable regard to the interests of other States in their exercise of the freedom of the high seas." S. 1134 epitomizes this concept. It provides a statutory means for U.S. nationals to exercize the freedom of the seas they enjoy by virtue of their status as being subject to the jurisdiction of the United States, while deliberately mandating that such exercize "will not unreasonably interfere with other reasonable uses of the high seas, as defined by any treaty or convention to which the United States is signatory, or by customary international laws."

Second, S. 1134 expressly limits its scope to the extraterritorial high seas regulation of U.S. nationals. It does not purport in any manner to impose regulation by the United States of any kind upon the activities of foreign nationals on the High Seas.

Finally, the bill incorporates the international law doctrine of comity by providing for recognition of the rights of reciprocating states which establish an interim policy and practice comparable to that established by this legislation. In the event that an international agreement binding upon the United States enters into force establishing a regime for the development of mineral resources of the deep seabed no licenses shall be issued under this Act inconsistent with the regime.

Thus, far from constituting a unilateral act inconsistent with the spirit of ongoing international negotiations, this legislation incorporates careful and complete recognition of existing international law while anticipating a new international agreement and specifically providing that such agreement will supersede this act.

The Committee agrees with the State Department that a "timely" treaty is essential. The Administration indicated that it would support domestic legislation if no agreement was reached on a Law of the Sea Treaty in 1975. For this reason, S. 1134 provides that no commercial recovery of manganese nodules can take place until 1976.

The basic issue is whether we wait until after 1975 or later for a treaty and risk a loss of American industrial initiatives. The Administration spokesmen have stated that a timely and satisfactory Law of the Sea treaty is obtainable. The facts do not bear this out. The United Nations Seabed Committee spent many sessions in preparatory work but failed to make significant progress toward agreement. The Law of the Sea Conference, now in session in Caracas, Venezuela, consists of some 150 nations of widely disparate views. The issues are not confined to the question of the deep seabed but include navigation rights of several kinds, fisheries, Continental Shelf resources, and a multiplicity of subissues. As one might expect, there is no sign of imminent agreement.

To the contrary, reports reaching this Committee from staff members monitoring the Law of the Sea Conference are that there is little or no progress toward international agreement halfway through the 10-week conference.

We have one report that the fifth week of the conference "was characterized by a sense of drift and inability to bridge the gap between general outlines of agreement and hard negotiations on specifics." On July 29, in the sixth week of the conference, its president, Mr. Hamilton Shirley Amerasinghe of Sri Lanka, said that "considering the number of issues and divergencies of opinion and positions it is too much to expect a treaty or convention this session."

A report on one of the three committees dated July 23 is that the "entire committee was not yet ready to seriously negotiate." Another committee chairman said late in July that "with only eight working days remaining for each subject and based upon the work that had been accomplished to date, I believe the final outcome of the Committee's work will be unsatisfactory."

Halfway through this year's Law of the Sea Conference plans were being made for at least one more session next year and there were rumors of another in 1976.

From the outset, it was clear that there would be little if any agreement at Caracas this year. When he arrived for the opening on June 20, United Nations Secretary General Kurt Waldheim said that "Caracas is only the first part of the conference * * * We cannot expect immediate solutions (because) the problems are too complicated * * * There definitely will be another conference to continue discussion of the law of the sea next year."

With respect to the question of the deep seabed, there has been no real movement in the positions of nations. The underdeveloped nations continue to demand an international regime which would control seabed resources just as if the international organization were a sovereign state which owned the resources of the seabed. This system would provide little room for the legitimate interests of the United States.

At every sign of even the smallest accommodation by the United States, demands seem to enlarge geometrically. There remains also the temptation of compromising mineral resources of the deep seabed in favor of other issues more clearly understood by the negotiators and backed by strong intro-governmental proponents.

It is of interest that the chief topic of discussion in the deep seabed regime is "Who will exploit the sea"? This question has been under discussion for years, and yet no progress has been made in its resolution. This is the mark of not only no progress but intransignence by many countries against agreeing to conditions which will make the resources of the seabed accessible to all.

The Committee has concluded that we can no longer delay in our own national efforts to create conditions conducive to the recovery of the resources of the deep seabed. We cannot accept the same old story from the treaty negotiators that progress is greater than it appears and that success is just around the corner. The Committee firmly believes that S. 1134 *is consistent* with our national interest in developing new sources of minerals and *is not inconsistent* with our long-term national goal of a broad international agreement on a new system of Law of the Sea.

III. COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs in open mark-up session on July 15, unanimously recommended that S. 1134, as amended, be approved by the Senate.

IV. LEGISLATIVE HISTORY

S. 1134 has a long legislative history.

The first bill for deep seabed hard mineral development was S. 2801, 92d Congress. S. 2801 stemmed from hearings held in 1969 and 1970 by the Special Subcommittee on the Outer Continental Shelf chaired by Senator Metcalf. Hearings were held on that bill but no further action was taken.

In the 93d Congress hearings were held on S. 1134, as originally introduced, on May 17, June 14, 15, 18, and 19, 1973. On September 19, 1973, hearings were held on the status of the preliminary negotiations in preparation for the Third United Nations' Law of the Sea Conference.

As a result of these hearings a complete revision of S. 1134 was introduced as Amendment No. 946. Hearings were held on Amendment No. 946 on March 5, 6, and 11, 1974. (See Hearings: Mineral Resources of the Deep Seabed, Parts 1 and 2, 93d Congress; Status Report on Law of the Sea Negotiations, 93d Congress.)

V. SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section designates the official citation of the Act as the "Deep Seabed Hard Minerals Act".

Section 2. Development of purpose

The section lists a series of findings as to anticipated expansion of national mineral resource requirements, national dependence upon foreign sources of supply, national interest in insuring mineral availability independent of foreign export policies, the availability of manganese nodules on the deep seabed as an alternate ability of manganese nodules on the deep seabed as an alternate supply of certain minerals, the availability of deep seabed nodules to all nations, the technological capability of United States mining companies, and the national interest in utilizing existing United States technology and capability to insure national access to available deep seabed hard minerals. The section declares the purposes of the Act are the promotion of orderly development of certain deep seabed mineral resources, pending the establishment of an international regime for that purpose, and the protection of the marine environment to the extent that it may be affected by deep seabed development.

Section 3. Definitions

Terms defined include the designation of the Secretary of the Interior as the responsible administering official; the area covered (the deep seabed to a depth of 10 meters, lying outside the Continental Shelf of any nation); the graduation of activities to be regulated (exploration and commercial recovery); the hard minerals involved (the nodules or accretions of the deep seabed containing a mixture of minerals such as iron, manganese, nickel, cobalt, and copper); eligible applicant (United States citizens and United States companies); the size of licensed blocks (not more than 40,000 square kilometers); and reciprocating States (those foreign States with regimes similar to this Act, and which undertake to recognize licenses issued under the Act).

Section 4. Activities prohibited

The development, including exploration and commercial recovery, of deep seabed minerals is prohibited for United States citizens and entities, except as it may be authorized under this Act, under a reciprocating State license, or under an international agreement binding upon the United States. Specific language is included to make clear that the section does not prohibit engineering equipment development, prospecting, or scientific research; nor does it prevent United States citizens or companies from furnishing contractual services (not amounting to actual exploration or commercial recovery), or supplying materials to developers, provided only that the development involved is not an infringement upon licenses granted under the Act, or by a reciprocating State. The Section also provides for priorities of right for eligible applicants engaged in exploration on the effective date of the Act.

Section 5. License to develop

Subsection 5(a) directs the Secretary to issue development licenses to the first eligible applicant making written application therefor, accompanied by the tender of a required license fee of $50,000, provided the applicant can meet specific tests of financial responsibility and the ability to comply with applicable laws, regulations and conditions, and provided that operations under the license are compatible with other high seas uses, will not conflict with any international obligations of the United States, and will not impose an unreasonable threat to the environment.

Subsection 5(b) provides that subject to the provisions of the Act related to a future international regime, a license issued pursuant to the Act, will be exclusive as to all persons subject to the jurisdiction of the United States or a reciprocating State. Commercial recovery under a license may not be authorized prior to January 1, 1976, and no license under the Act may be issued subsequent to the ratification by the United States of an international agreement establishing an international regime. Applications shall have priority as of the date of receipt by the Secretary. An interim priority is established during the period between the effective date of the Act and the promulgation of appropriate regulations. Licenses shall remain in force for 15 years and if commercial recovery begins during that period, will remain in force for as long as commercial recovery continues.

Subsection 5(c) provides that licenses may be surrendered, or in appropriate circumstances, may be transferred to another eligible applicant. Provisions are made for revocation of the license upon failure of the licensee to comply with applicable laws and regulations. Judicial review of any revocation is provided for. Subsection 5(d) authorizes the Secretary to include reasonable conditions prescribed on the basis of appropriate rules and regulations, in any license issued under the Act.

Section 6. Licensing procedures

The Secretary may establish procedures governing application and issuance of licenses, insuring full consultation with other departments and full consideration of the views of the general public. The license application must contain certain information required by the regulations, and must be made available to the public, upon request. Certain proprietary information will not be generally available and certain other information will be available only after the license has been issued. Upon receipt of an application, the Secretary is required to give notice to the general public and consider the public's views. His decision to grant or deny the license must be in writing and made within a specified period. Judicial review of the Secretary's decision is provided for and the maintenance of general information concerning licensing procedures shall be maintained for public inspection. At such time as reciprocating States are involved, notification to an international registry clearing house is also required.

Section 7. Environmental criteria

After necessary consultation with other departments, this section directs the Secretary to establish certain environmental standards to which license operations must adhere. These standards may, from time-to-time, be revised as scientific data may warrant.

Section 8. Minimum annual expenditures

Minimum annual expenditures are established during the exploration period, primarily to insure that the licensee is actively pursuing his exploration and not merely holding the license for other purposes. Records as to such minimum expenditures must be kept and the Secretary and Comptroller General must have access to those records for the purpose of audit.

Section 9. Authorization to begin commercial recovery

After completion of exploration activities at the licensed block, and subject to the limitations involving an international regime, the licensee, after January 1, 1976, is entitled to receive from the Secretary, upon the licensee's request, an authorization to begin commercial recovery. This authorization shall be granted if the licensee is in compliance with all his license conditions and has furnished the Secretary with necessary data related to the licensed block.

Section 10. Areas withdrawn from licensing; density limitations

No license may be issued under the Act for an area previously relinquished by the applicant within the prior three years, or for an area which is subject to either a prior application or existing license under the Act, or from a reciprocating State, or for an area which, if licensed, would permit the licensee to hold more than 30% of an area of the deep seabed within a prescribed diameter.

Section 11. Relinquishment of licensed areas

Within 15 years of the license date, and not later than the date of authorization for commercial recovery, the licensee must relinquish to the Secretary, 75% of the block for which the license was obtained. This reduces the size of any block for commercial recovery to no more than 10,000 square kilometers.

Section 12. International regime

Upon the establishment of an international regime, binding upon the United States, no additional licenses may be issued under the Act, and previous licenses must conform to the international agreement. To the extent possible under the agreement, the United States is required to sponsor the licensee for continuation of his license under the international regime.

Section 13. Investment guaranty

To the extent that the international regime may adversely affect the investment of a licensee under this Act, the United States shall provide the license compensation to the extent the investment is impaired. Until after commercial recovery authorization has been granted, any compensation is limited to equipment and facilities utilized for exploration at a licensed block. After commercial recovery has begun, the value of the investment will be determined by reducing the original value by subtracting any gross profits that may be realized prior to the time of the claimed impairment. All liability terminates 10 years after commercial recovery begins.

Section 14. Investment insurance

Based upon premiums paid by the licensee, the United States may insure any licensee for any damages suffered by the licensee through the action of any other person against whom a legal remedy does not exist or is unavailable in any forum to which the licensee has access. Application for insurance under the section is voluntary on the part of the licensee, and insurance coverage will be available only after the Secretary of Commerce determines that comparable coverage is not available elsewhere.

Section 15. Investment guaranty and insurance fund

A separate fund is established in the Treasury, divided into a Guaranty Reserve and an Insurance Reserve, to be available to discharge liabilities under sections 13 and 14. The premiums paid under section 14 shall be allocated to the Insurance Reserve, and funds appropriate, pursuant to section 21, shall be allocated to the two Reserves in accordance with the appropriations. The Insurance Reserve will be limited to funds collected as premiums.

Section 16. Nondiscriminatory treatment

For the purposes of export controls, the Jones Act (covering the transportation of cargo by vessels), customs laws, and tax laws, hard minerals recovered under a license issued pursuant to this Act, shall be treated as if they had been recovered within the United States and on an equal nondiscriminatory basis with hard minerals otherwise recovered within the United States.

Section 17. Consortia

In the case of corsortium arrangements resulting from an agreement between United States and foreign entities, the investment guaranty, investment insurance, and nondiscriminatory treatment provisions of the Act, shall be limited to the proportion of interest owned by the United States entity or entities in any such combination of interests receiving a license under the Act. In a similar combination receiving a license from a reciprocating State, the provisions relating to investment insurance and investment guaranty will not be applicable. However, provisions relating to export controls, customs laws, and tax laws (but not the Jones Act), shall be applied as if the proportion of interest owned by United States entity or entities were licensed pursuant to this Act.

Section 18. Regulatory authority

The Secretary of Interior is authorized to issue rules and regulations to carry out his

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responsibilities under the Act. An outline of the required subject matter of the rules is listed. The Secretary of Commerce is authorized to issue implementing regulations for sections 13, 14, and 15.

Section 19. Jurisdiction of U.S. district courts

Cases and controversies arising out of activities conducted under the authority of this Act are within the original jurisdiction of the United States district courts, and proceedings may be instituted in the district where any defendant resides or may be found, or in the district nearest the place where the cause of action arises.

Section 20. Penalties

A civil penalty of $10,000 per day is provided for a violation, by any person subject to the jurisdiction of the United States, of any provision of the Act or applicable regulations. Penalty procedures, review, and collection are provided. In the case of a willful and knowing violation, a criminal penalty of $25,000 per day is provided, in addition to the civil penalty. Vessels, with certain exceptions, shall be liable *in rem* for any civil penalty or criminal fine resulting from a violation in which the vessel was used.

Section 21. Annual report

Both the Secretary of the Interior and the Secretary of Commerce are required to make annual reports as to their activities under the Act, on or before June 30, with the first reports due on or before June 30, 1975.

Section 22. Authorization for appropriations

Necessary sums are authorized for the administration of the Act for the current year and for each of the two succeeding fiscal years. Additional sums as necessary are authorized to be appropriated to the Secretary of Commerce for the replenishment of the Insurance and Guaranty Fund or for the investment guaranty or investment insurance liabilities.

Section 23. Effective date; separability

The Act shall take effect on the date of enactment, and if any individual provision is held invalid, the remainder of the Act shall not be affected by that invalidity.

VI. TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to Section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes of the Committee during consideration of S. 1134.

S. 1134 was ordered favorably reported to the Senate with an amendment by unanimous voice vote taken in open public session.

VII. COST ESTIMATES

In accordance with Section 252(a) of the Legislative Reorganization Act of 1970 the Committee provides the following estimates of costs:

Enactment of S. 1134 will entail some increase in Federal costs for administration of the licensing systems. These costs should be substantially if not totally offset by the application fee of $50,000.

VIII. EXECUTIVE COMMUNICATIONS

The Administration did not submit a written report on Amendment No. 946 to S. 1134. The Administration's statement at the hearings follows:

STATEMENT OF PROF. JOHN NORTON MOORE, CHAIRMAN, NATIONAL SECURITY COUNCIL'S INTERAGENCY TASK FORCE ON LAW OF THE SEA, AND DEPUTY SPECIAL REPRESENTATIVE OF THE PRESIDENT TO LAW OF THE SEA CONFERENCE

Mr. MOORE. Thank you very much, Mr. Chairman. It is a pleasure to be here and we have greatly appreciated your continuing interest in the Law of the Sea negotiations these past few years.

Mr. Chairman, I welcome the opportunity to testify on the amendments to S. 1134 the Deep Seabed Hard Minerals Act, and to discuss with this subcommittee measures to encourage timely and efficient development of the mineral resources of the deep seabed. My testimony this morning has, in accordance with past practice, been coordinated through the National Security Council Interagency Task Force on the Law of the Sea and reflects the views of the executive branch.

The technology is now developing which will shortly permit commercial exploitation of manganese nodules on the deep ocean floor. This development will benefit not only those nations directly involved in mining or processing but also all nations as consumers of these minerals. Moreover, the generation of income for international community purposes as part of the common heritage can only be fulfilled if meaningful development occurs.

The United States has participated for the past several years in the preparatory work for the Third United Nations Conference on the Law of the Sea. It has done so in the belief that early development of deep seabed resources under an internationally agreed regime would benefit the United States and all other nations. The substantive work of the Conference is now scheduled to begin on June 20 of this year in Caracas, Venezuela. We believe that timely international agreement on an effective regime for the development of deep seabed reasources is the best way to assure the stable investment climate needed to encourage development, to insure adequate protection of the marine environment, and to accommodate the interests of all nations. We are mindful, however, that for this approach to be successful in achieving our objectives the international community must conclude a timely agreement and one which will genuinely promote efficient development.

The General Assembly resolution convening the Third United Nations Conference on the Law of the Sea provides for completion of the work of the Conference in 1974 or 1975 at the latest. As we have previously testified in commenting on a predecessor bill, we would not view agreement as timely unless it were reached in accordance with this General Assembly schedule. Any delay after 1975 would deter the expected sequence of development. Accordingly, we agree with the underlying premise of the bill that by January 1, 1976, there must be an adequate legal regime for deep seabed mining under an internationally agreed regime in force on a provisional basis or, if this is not possible, then under appropriate legislation. In either event, we will support appropriate legislation regarding the conduct of U.S. nationals and the role of Federal agencies. We are mindful in this regard that U.S. firms are making substantial investments in deep seabed mining and are rapidly approaching the point where they must make even greater investment decisions.

Similarly, for an international approach to be successful, the agreement must genuinely promote efficient development. We believe that such development will best be served by a legal regime which permits access to the resources of the deep seabed under reasonable conditions that will facilitate investment. For that reason, any machinery established could not have discretion to deny access to those resources or to alter the conditions upon which security of investment depends.

In previous testimony on this subject we have underscored the importance that the U.S. attaches to protecting access to the mineral resources of the deep seabed. World events in recent months have heightened our awareness of the potential value to the United States and all nations of this source of important minerals. Within the context of the energy crisis the international community has begun to understand how a shortage of critical supplies can jeopardize the economic growth and stability of all nations. Such shortages, through both their primary and secondary effects, impact harshly not only on industrialized countries but in particular on developing nations with scarce supplies of foreign exchange. Although the primary interest in the deep seabeds is in hard minerals rather than hydrocarbons, these recent events have reinforced the importance of a legal regime for deep seabed mining which would encourage sound development without introducing restrictions on access, price, or production levels. We hope that in the light of recent events many countries will approach the international negotiations on the deep seabeds with a new circumspection.

It is against this background of the effort to obtain timely international agreement on a legal regime for efficient development of deep seabed mineral resources that we must access the amendments to S. 1134. This bill authorizes the Secretary of the Interior to issue licenses to persons subject to the jurisdiction of the United States for the exploration and commercial recovery of hard mineral resources of the surface of the deep seabed. Such licenses would authorize commercial recovery of hard mineral resources after January 1, 1976. However, after the act took effect, exploration would be permitted immediately upon issuance of a license. Licenses issued pursuant to the act would become subject to the provisions of an international agreement concerning the development of deep seabed minerals which becomes binding on the United States.

The proposed legislation also details certain terms and conditions to be included in licenses issued for deep seabed mineral development and authorizes the Secretary of the Interior, in consultation with other interested Federal agencies, to promulgate such additional rules and regulations as may be necessary to insure the orderly development of these resources under conditions which do not unduly damage the marine environment. Under the provisions of the bill, the U.S. Government would be required to compensate the holders of licenses issued in accordance with the terms of the bill for certain losses or impairment of their investment resulting from new obligations placed upon them by any international convention to which the United States becomes a party.

On several occasions during 1973, the executive branch provided its views on S. 1134 before this subcommittee. Executive branch opposition to the enactment of interim legislation for deep seabed minerals development at that time was our ability to achieve a timely and successful international agreement which would encourage development of deep seabed resources as well as accommodate a variety of other important ocean uses. We have carefully reviewed this new version of the deep seabed interim legislation and take note of the constructive efforts that have been made to accommodate our previous difficulties with the interim approach. Among the improvements in the bill is that while it would establish a legal regime for granting exclusive rights to ocean miners, these rights would not apply to commercial recovery of deep seabed minerals prior to January 1, 1976. In addition, such licenses would be subject to the provisions of any international agreement accepted by the United States.

Nevertheless, we cannot support enactment of this bill for the following principal reasons.

We believe that enactment of this bill prior to the Caracas session of the Law of the Sea Conference would adversely affect progress on the deep seabeds as well as other aspects of the Law of the Sea negotiation. We will be in a better position to assess progress toward an international agreement after the Caracas session.

Our remaining reasons deal with the substance of the bill. First, we believe that issuance of any licenses prior to 1976 is unnecessary and undesirable in the absence of a determination that a timely and successful Conference is not possible. Second, the bill does not give the Secretary of the Interior sufficient flexibility to deal with the important contingency of provisional application of an internationally agreed regime applicable to all mineral resources of the deep seabeds. Third, we do not believe the U.S. Government should assume liability to private investors for the exercise of its normal treatymaking powers, and we cannot support the insurance provisions of the bill. Finally, we do not agree with all of the resource management provisions of the bill.

Let me elaborate on each of these points in turn.

With respect to the impact on the negotiations of enactment of the bill at this time, passage of legislation prior to Caracas would permit the opponents of a timely and successful Conference to focus the attention of the Conference on this legislation rather than on constructive efforts to reach international agreement.

Turning to the first substantive objection to the bill, that of licensing before 1976, I wish to reiterate that the United States remains firmly committed to the creation of an international legal order for the exploration and exploitation of the deep seabeds. While most of the provisions of the bill would not become effective prior to the scheduled conclusion of the Law of the Sea Conference, some nations might regard our enactment of a detailed resource management system as an attempt to preempt the international negotiation. In this respect, the feature of the bill which permits exclusive exploration rights even before 1976 is susceptible to the charge that it preempts the negotiation and might be particularly misunderstood.

It is our understanding that two of the major objectives for proceeding with legislation before January 1, 1976, would be, first, to establish some domestic priority as among U.S. nationals after that date with respect to action by the U.S. Government under either an internationally agreed regime or appropriate legislation, and, second, to insure that the appropriate Federal agency is empowered to take necessary steps. The bill, however, goes far beyond those objectives.

The second substantive point relates to the flexibility to deal with the important contingency of provisional application. As you are aware, we have proposed that the internationally agreed regime and machinery for the deep seabed should go into force provisionally very soon after the conclusion of the Conference. Provisional application is rooted in solid experience internationally, and does not in any way prejudge the international negotiation. We have been pleased with the favorable reaction to the proposal and are concerned that support for legislation which does not take into account the provisional application concept could serve to undercut this international support.

The third substantive point relates to the guarantee and insurance provisions of the bill.

Section 13 would require the U.S. Government to act as guarantor for the security of investments under the terms of this bill with certain exceptions, to the extent that such investments were taken or impaired by differing requirements of any new international agreement. Such an obligation would unjustifiably shift the cost of the relevant uncertainties from the industry to the general taxpayer. Moreover, to provide for compensation for financial loss resulting from the normal exercise of lawmaking functions, whether by treaty or legislation, is to establish an enormously broad precedent. Our rights and those of other nations with respect to the deep seabeds derive from high seas principles which permit exploration and exploitation subject to reasonable regard for the interests of other states in their exercise of high seas freedoms. Inherent in those principles is the authority of states to reach agreement regarding activities in the area on such matters as controlling pollution from ships or insuring conservation of fisheries.

Similarly, we cannot support the Government insurance system provided by this bill. It would place the Federal Government in the role of a direct or primary insurance underwriter in a situation in which it would be inappropriate. We see no overriding policy reason for the Federal Government to assume this function which belongs to the private sector.

Finally, we have concluded that there are serious problems with the resource management and other aspects of the bill. We are studying ways to construct a more adequate resource management system. For example, we would note the absence of any provisions regarding royalties or other revenues, flags of convenience, safety of life at sea, and marking and lighting of offshore mining facilities. We would wish to give careful study to the environmental aspects of the bill. The executive branch will comment further on these and other matters as soon as we have concluded our consideration of these problems.

In conclusion, Mr. Chairman, may I assure you that we are deeply conscious of the importance of a stable legal order that will permit timely and efficient development of the mineral resources of the deep seabed. All nations have a substantial stake in bringing about such a regime. As the Law of the Sea Conference resumes in Caracas, we hope that all nations will recognize and support this common interest. At the same time, we will work with interested Members of Congress to insure that we, as a government, have acted with sufficient foresight to permit us to deal with the full range of contingencies that may arise. In this regard, we would welcome the opportunity to review with this subcommittee the situation as we see it following the Caracas session of the Conference.

Thank you, Mr. Chairman.

DEPARTMENT OF STATE,
Washington, D.C., April 9, 1974.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: In response to your letter of March 6, 1974, I am enclosing answers to the questions which you posed. I am also enclosing a copy of the March 5, 1974 transcript of proceedings before the Subcommittee on Minerals, Materials and Fuels of the Senate Committee on Interior and Insular Affairs.

With respect to the answer to Question 23, we intend to furnish more detailed comments regarding resource management. This issue is still being studied by the Executive Branch.

I want to thank you again for the opportunity to appear before your Subcommittee and to restate my intention to review the situation with your Subcommittee following the Caracas session of the Law of the Sea Conference.

Sincerely,

JOHN NORTON MOORE,
Chairman, the NSC Interagency Task Force on the Law of the Sea and Deputy Special Representative of the President for the Law of the Sea Conference.

QUESTIONS FOR PROFESSOR MOORE

1. I'm going to repeat a question I asked you when you appeared before this Subcommittee on June 15th of last year. In March of 1973—let's say a year ago—Mr. Charles N. Brower, as Acting Legal Advisor to the State Department and Acting Chairman of the Inter-Agency Task Force on the Law of the Sea wrote Senator Fulbright that—in Mr. Brower's words: "Prudence dictates that we also begin at once to formulate a legislative approach."

How is the Administration doing on formulating this legislative approach keeping in mind what you called the "remote contingency" that there will not be a timely and successful conference on the law of the sea?

2. Your statement includes the words:

"We agree with the underlying premise of the bill that by January 1, 1976 there must be an adequate legal regime for deep seabed mining under an internationally agreed regime in force on a provisional basis or, if this is not possible, then under appropriate legislation. In either event, we will support appropriate legislation regarding the conduct of United States nationals and the role of Federal agencies."

That is your quotation. You are going to support appropriate legislation regarding the conduct of American nationals and the role of Federal agencies whether international agreement is reached or not?

When would you anticipate doing so?

3. I'm not impressed with your criticism of this legislation because of what it doesn't do. I'm more interested in your views on what it does do.

The task force has testified earlier that at this time there is neither law nor treaty to which the United States is a party that prohibits our nationals from heading out onto the seabed for minerals. Is it not true that this legislation is an attempt to limit the activities of American nationals? And if our government can't limit the activities of our people, who can?

4. Among deficiencies of the bill, you mention the absence of provisions regarding "flags of convenience, safety of life at sea, and marking and lighting of offshore mining facilities." Aren't such things already a matter of law?

5. You also noted—in your words—"the absence of any provisions regarding royalties."

My dictionary defines a royalty as "a compensation or portion of the proceeds paid to the OWNER of a right, as a patent or oil or mineral right, for the use of it." As you use the word "royalty," are you joining in the claim that the United States owns the seabed? Or are you saying that the world as a whole presently holds title to the seabed?

6. As you know from previous hearings, I have doubts about the constitutionality of provisional application. But if this is cleared up, and such agreement as may be reached goes into effect immediately, how long do you think it will take to form an international organization, find a headquarters, staff and equip it—and prepare regulations? Two years? Five?

I can remember a little amendment to the Hill-Burton Hospital Construction Act of some years ago. It was enacted in September—and it wasn't until the following August that regulations and application forms were available. So it took eleven months to take care of certain administrative details by an agency which was in existence, had a headquarters and staff.

7. Does the U.S.S.R. proposal for an international regime encourage central control over production rates and prices of marine-derived products? Is this a popular view at the Law of the Sea conference?

8. When the United States voted against the United Nations moratorium resolution in 1969 and 1970, did the U.S. give private assurances to the Seabeds Committee leadership that no active encouragement would be given by the U.S. government to nationals who wish to continue development of the deep seabeds before a treaty is concluded?

8(a). Were such assurances given in 1972 to fend off the even more restrictive moratorium resolution introduced by Kuwait?

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8(b). Is there any significant correlation between the sponsors of these two moratorium resolutions and the states, which I will not ask you to name, which are trying to delay progress in, or destroy, the Law of the Sea Conference?

9. Is there any indication that, as a negotiating tactic, it is better for the U.S. to enter Caracas in a weak position on its strongest bargaining chip, the deep seabed and ocean mining, rather than with a strong ongoing program having some positive government support? By government support, I do not mean fiscal support, but rather a clear policy of political and legal protection of its commercial interests, with a history of industrial reliance on that policy to give it strength and credibility.

10. When you appeared last week before the House Oceanography Subcommittee on companion legislation you said the Task Force would wish "to give careful study to the . . . antitrust aspects of the bill." I did not note any reference to antitrust in your testimony today. Is the omission significant? Did your statement that our government must do further antitrust study indicate that existing legislation may be under question or did it mean that the Justice Department has been late in making recommendations to your office?

11. The U.N. Seabed Committee, after three years of general debate and three years of attempts at preparation, was unable to make recommendations to the General Assembly in accordance with General Assembly Resolution 3029A XXVII, regarding the adequacy of its own preparation or the timeliness of the conference scheduled for 1973. Does this indicate a significant opinion within the ranks of participants that the conference was not timely?

11(a). Can you, without naming the states, categorize generally the primary objectives of those states which seek to delay or destroy the Conference?

12. You have (stated?) implied "significant support" for our provisional regime proposal. Was there, in fact, any recommendation from the Seabeds Committee concerning the desirability of application of this concept to the results of a future Law of the Sea treaty?

12(a). Was there even significant discussion of that application in the meetings of the Seabeds Committee? In the meetings of the General Assembly or the conference of last December in New York?

12(b). Has there been any public record of approval of the application of this concept to the Law of the Sea Treaty by any States? Which ones? By this I do not mean approval for the United Nations Secretariat to make the study, nor do I mean approval of the quality of that study—I mean *acceptance* of the concept itself for use in achieving early implementation of a law of the sea treaty.

13. Administration witnesses have, in the past, consistently asserted that mining of the deep seabed is not now prohibited by international law and is, in fact, a high seas freedom under existing international law. That position has been enunciated several times in the United Nations and by various witnesses before this Committee.

13(a). Do you continue to agree with that position?

13(b). In your opinion, what is the legal effect of the so-called "Moratorium Resolution" (General Assembly Resolution 2574D of December 21, 1969), as it relates to this right?

13(c). In the same regard, what is the effect of the so-called "Declaration of Principles" (General Assembly Resolution 2749 of December 17, 1970)?

14. Assuming that deep sea miners are presently entitled to explore and to exploit the manganese nodule of the deep seabed, assuming further that in the absence of national legislation some United States miners would proceed to exercise their rights, and assuming finally that an international regime is agreed upon at some future date, is ratified by the United States, and is implemented as necessary by domestic legislation, what impact would that regime have on those miners in view of the provision of the Fifth Amendment of the Constitution which provides that ". . . nor shall private property be taken for public use without just compensation."?

15. The President, in his "Ocean Policy Statement" of May 1970, stated that he did not believe it either necessary or desirable to try to halt exploration and exploitation of the deep seabeds during the negotiating process. He further stated that the regime should accordingly include due protection for the integrity of investments made in the interim period.

15(a). Do you consider that section 13, which is contained in the amendatory language which we are considering today, is inconsistent with that statement of Presidential Policy?

15(b). Are there any changes to the language of section 13 which you would recommend?

16. During your testimony before this Subcommittee last June, you referred to a proposal in the Seabed Committee relating to a provisional entry into force of the seabed's portion of the treaty to be agreed upon. You stated that you were encouraged at that time because no delegation opposed the concept during the spring meeting of the Seabed Committee, and that 17 delegations expressed interest in learning more about the approach.

16(a). Would you state whether any delegations voiced support of that approach during the most recent session of the Seabed Committee, and

16(b). Further explain the exact mechanics through which that provisional entry might be accomplished under our Constitutional system?

17. Also, during hearings last year several Administration witneses alluded to the necessity for preparing legislation which could become effective immediately if there is not a timely and successful Conference. Will you please advise the Subcommittee as to what progress you have made in developing such legislation?

18. You state that passage of legislation prior to Caracas would permit the opponents of a timely and successful conference to focus the attention of the Conference on this legislation rather than on constructive efforts to reach international agreement. Who are the opponents of a timely and successful Conference?

18(a). Why don't they want a timely and successful Conference?

18(b). Why would they suddenly focus attention of the Conference on this legislation in view of the fact they have actually paid little attention to this legislation before?

18(c). Isn't it true that, although you define timely as 1975, many nations are now talking about 1976?

18(d). Which nations have the same understanding of successful as the United States?

18(e). What is the understanding of the majority of other nations as to what constitutes a successful Conference?

18(f). What factors will cause the opponents of the United States' viewpoint to suddenly accept this viewpoint?

18(g). On what basis do you predict achieving a timely and successful Conference result in 1975? What is historical evidence?

19. You state that the feature of the bill which permits exclusive exploration rights even before 1976 is susceptible to the charge it preempts the negotiation and might be particularly misunderstood. How could this provision of the bill be misunderstood? In what way?

19(a). Art you contributing to misunderstanding by failing to make clear that these rights are only exclusive vis-a-vis U.S. persons?

19(b). In what way does this preempt the negotiation? Doesn't the U.S. position include exclusive exploration rights? Isn't this an essential ingredient to achieve a satisfactory treaty? Have we not made it clear that this point will not be negotiated?

19(c). What provisions do you find in this bill which are at variance with the U.S. position in the Law of the Sea negotiations? Would you point out each instance where a basic provision of this bill is not included in the present U.S. position? Are you suggesting that the U.S. may negotiate a treaty markedly different from the present license system proposal and then suggest that it is satisfactory?

20. You state that the United States has proposed that the internationally agreed regime and machinery for the deep seabed should go into force provisionally very soon after the conclusion of the Conference and that this proposal was favorably received. We understand that the actual proposal was to have the United Nations Secretariat prepare a study of provisional regime precedent. Aside from this study and the U.S. proposal, has any nation taken any positive steps in support of provisional regime? If so, what are these?

20(a). Was the provisional regime considered in any detail at the seabed meeting in Geneva last summer? What was done to advance the concept? Was the provisional regime concept discussed at the General Assembly debates on the resolution calling for the Conference? In organizing the Conference, was provision made for handling the provisional regime question?

20(b). Will the provisional regime be considered at Caracas? What will the U.S. do at Caracas about the provisional regime? Will concrete proposals be made?

20(c). At the time of the last discussion of provisional regime before this Committee it was stated by the executive branch that it would prepare legislation on a provisional regime. Where is this legislation? What steps have actually been taken to prepare for a provisional regime?

20(d). You state this legislation, has insufficient flexibility to handle the provisional regime. Isn't it true that the provisional regime cannot in fact be specified at this time and that new legislation would have to be obtained in any event?

20(e). Assuming you meet your time schedule of achieving a satisfactory treaty in 1975 (1975 since clearly you do not expect it in 1974), would you please give us a schedule of events and dates for the promulgation of the provisional regime and its coming into force in a way useful to the encouragement of ocean mining (i.e., granting of licenses conveying security of tenure over a mine site under reasonable conditions). Would you explain to us how the provisional regime will work—who will administer it and how?

21. You state that the obligation of acting as guarantor for the security of investment under the bill shifts the cost of the relevant uncertainties from the industry to the general taxpayer. You also state that such a guarantee would establish an enormously broad precedent. We are confused. It would appear that these "relevant uncertainties" are controllable by your own negotiating process and that therefore—for the government the uncertainties are small and perhaps infinitesimal. If they are not small, then it must mean you contemplate agreeing to a treaty far different from that which we believe would serve United States interests. Would you please discuss and explain this point.

In the finding for the bill and in fact in your own statement, the case is made for the development of seabed minerals. Both the bill and you state this to be in the national interest. In view of this would you explain how the taxpayer is burdened by the developing of alternative raw material sources which would not be subject to international blackmail. Isn't looking after the strengthening of our sources of raw materials a precedent that we are long overdue in establishing? Is this to be one more case where the administration delays, delays, and delays until a crisis is upon us? Please discuss these points for us so that we can better understand the national interest through your eyes.

22. Would you please explain in detail why you believe the backing of the government insurance system to be inappropriate? Do you not yet understand that the basic policy issue is availability of raw materials—that that is the issue? You state that this insurance function belongs in the private sector. Would you explain why and how? How can insurance be obtained at reasonable costs whose risks are purely determined by arbitrary acts of government and particularly our own as evidenced today by ambiguity toward the future? Are there in fact not many precedents for such insurance?

23. You state that there are serious problems with the resource management and other aspects of the bill. We are confused by your statement of wishing to construct a more adequate resource management system. If this is to be a constructive input to the bill rather than a shopping list of objections to support your basic objection in relation to an international treaty, then we would have hoped you would propose concrete language.

Do you have such language?

We are confused about your use of the terms royalties or other revenues. We also note your emphasis on the term resource management. Are you proposing that these deep seabed resources are ours to manage and that we have some kind of sovereign claim on them? Otherwise, how can we presume to manage them? You certainly would not propose to manage them by extensive regulation of the few blocks out of the whole ocean utilized by U.S. companies. Just how can you manage these resources—even if it were desirable—in such a bill? Clearly the problem of resource management is beyond domestic legislation.

Is this desire for something called resource management also finding its way into treaty negotiations? Resource management, as often desired by bureaucrats, in a law of the sea treaty would be an excellent tool to control production, prices, accessibility of the resources, etc. Certainly in the U.S. case of the outer continental shelf there has not been freedom to exploit and this has clearly limited production and also has resulted in limiting the number of companies able to compete in offshore mineral development. Are you suggesting that this brand of resource management (OCS, that is) be made part of an international regime? Please discuss and explain.

For Department of the Interior:

1. I'd like to pose a question to the spokesman for the Department of the Interior. Can you tell us now—or will you supply for the record—to what depth we now are issuing oil leases and oil exploration permits, and summarize the regulations concerning the size of block, duration and terms of the leases, including payment of any kind, including but not limited to, rents, royalties, bonuses?

2. The Canadian Minister of Energy, Mines and Resources spoke to the House of Commons Committee on External Affairs and National Defense on 12 December 1973 and indicated that it was in the national interest of Canada, which he characterized as the world's largest producer and exporter of nickel, to promote an international resource management system for the seabeds which would protect Canada from adverse effects of a substantial increase in seabed mineral production. Is this not, in fact, evidence of an increasing trend in the United Nations to destroy the common heritage concept in order to protect existing resource production in a few producing nations? Will not this trend conflict with U.S. interests? Is this trend in the interest of developing countries which wish to, or must, increase their consumption patterns to satisfy internal expectations?

3. Has the Interior Department information on how many months, at current rates of domestic production, would our national stockpile, at current tonnages, satisfy domestic industrial requirements for manganese, nickel, cobalt and copper—that is assuming there were civilian access to the stockpile?

For Department of Defense:

If the United States were cut off from all foreign mineral sources, is it rational to assume that the Defense Department could or would allow release of manganese, nickel, cobalt and copper from the stockpile in significant amounts for civilian production?

For Department of Commerce:

1. To what are your comments on safety of life at sea and on marking and lighting of offshore mining facilities directed? Should we submit this question to the Coast Guard?

1(a). Are there not in existing international agreements, standards and mechanisms which fully cover these circumstances? Is this another area to be captured by the new bureaucracy you are designing? Is it wise at this late stage to signal these issues as important new issues to be considered by a United Nations conference that cannot even agree on the issues it has been debating for six years?

2. Will you provide this Subcommittee at an early date with a summary of the positive assurances, guaranties, or financial incentives that are available or being made available by the governments of Japan, Canada, and the United Kingdom to the foreign components of the recently announced Kennecott consortium?

3. Is the Commerce Department doing anything to correct the reported lack of economic study on the potential value of efficient seabed hard mineral development to the national economy? Can you enlighten us with the results of that study relating to balance of payments impact?

ANSWERS FROM PROFESSOR MOORE

1. In my testimony on June 15 of last year, I distinguished between two sets of issues, and the same two issues continue to be relevant. First, we have made some progress in our examination of the kinds of legislation, if any, which may be necessary to achieve effective domestic implementation of the concept of provisional application of the regime. Some preliminary work has been completed and a working group is now intensively examining not only the kind of legislation that would be needed, but also any constitutional issues that may be involved. Secondly, as our comments on the technical aspects of this bill indicate, we have made significant progress in determining the nature of legislation that would be desirable in the unfortunate event that a timely and successful conference is not possible. For example, we have completed a draft environmental impact statement on deep seabed mining which, when finalized, will give us data needed to draft an environmentally sound regime. Moreover, we have maintained close contact with the mining industry to determine what procedures are necessary to construct an effective regime.

2. That is correct. Deep seabed mining should have a legal regime that provides the stability necessary for effective development. We believe both that an international regime would achieve this objective better than unilateral action, and that it would be consistent with our general approach to law of the sea issues. As I have stated, we will be in a better position to determine more specifically what kind of legislation is appropriate after the Caracas session, and we will welcome the opportunity to review the situation with you at that time.

3. We believe that the United States Government should regulate the deep seabed mining activities of American nationals. We continue to believe, however, that the best way to do this is through U.S. participation in a widely accepted and satisfactory international agreement that provides a stable investment climate for such activities.

4. The reference in my testimony to "flags of convenience" refers to the suggestion that the Committee might want to consider the desirability of requiring that ships used in connection with U.S. mining activities be of United States registry. There could be several beneficial results: in the case of ships, pertinent U.S. vessel inspection statutes would apply; criminal jurisdiction would be provided; these activities would receive the protection of our flag; and operation under what I termed "flags of convenience" would be discouraged. It is possible that this latter point might be an additional means of insuring continuing U.S. access to minerals extracted. The Executive Branch has this issue under study but has made no decision on this matter.

I feel that the question of providing adequate marking and lighting and the question of providing for the safety of life and property on and in the vicinity of these facilities are matters particularly within the competence of the Coast Guard, and that regulatory authority over such matters should be given to the Department in which the Coast Guard is operating. We cannot be confident that these matters are already a matter of law. That would be true only if the exploitation facility were a "vessel." It is distinctly possible, however, that the facilities employed in these activities might be of such unique construction and operation that existing law in this regard would not clearly apply. The Coast Guard has such regulatory authority over both vessels and mineral exploitation facilities on the outer continental shelf, and it would be consistent to give it such authority over offshore mining facilities, whether or not the facility can properly be categorized as a "vessel" for purposes of the vessel inspection statutes.

5. While we support the U.N. General Assembly's unanimous declaration that the seabed beyond the limits of national jurisdiction is the common heritage of mankind, we believe neither that title to the deep seabed or its resources is held by the world community, nor that title to any area of the deep seabed or its resources belongs to any state. Instead, we consider that the meaning of the principle of common heritage, as indicated by the principles which follow it in the resolution, will be elaborated in the international regime to be established. When we use the word "royalty," we do not intend to imply that any state or the world community as a whole "owns' the deep seabed.

6. I would not want to speculate upon how long it would take to set up administrative machinery for a legal regime. However, if such a regime adopted the central features of the U.S. proposal, it would not take long, certainly not several years, for those mechanisms which are essential for deep seabed exploration and exploitation to be set up on a provisional basis.

7. The U.S.S.R. has not indicated support for price or production controls over marine-derived products. The Soviet draft articles on the regime and machinery for the deep seabed, introduced in 1971, do not include provisions on this subject and the Soviets have not endorsed such controls in Subcom-

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mittee I of the Seabed Committee. Several countries engaged in land based mining of minerals contained in manganese nodules have proposed that the international seabed authority have the power to control prices and production of minerals mined from the seabed. The U.S. is opposed to such authority.

8. The United States opposition to the moratorium resolution adopted by the 24th General Assembly (1969) was not accompanied by an undertaking to the leadership of the Seabed Committee regarding the development of the deep seabeds by U.S. nationals. In explaining the U.S. position on the resolution, the U.S. Representative made it clear that exploration and exploitation of the seabeds could take place prior to the establishment of an international regime for the deep seabed. He asserted that such an exploration and exploitation would not prejudice the solution of seabed issues and that a freeze on these activities would have the effect of discouraging the exploitation and use of the seabed beyond national jurisdiction, the encouragement of which was the expressed objective of the General Assembly resolution passed in the preceding year. Subsequent opposition by the Executive Branch to interim legislation did not reflect a change in this position, but an assessment that assertion of a unilateral regime by the U.S. could prejudice the negotiations for satisfactory international arrangements.

8A. No. At the 1972 summer session of the U.N. Seabed Committee, Kuwait, with a number of cosponsors, tabled a "draft decision" incorporating an even more restrictive moratorium on seabed exploitation than that included in the 1969 U.N.G.A. resolution. The "draft decision" was the subject of some debate at the Seabed Committee session during which the U.S. asserted firm opposition to it. Kuwait, however, did not formally table the resolution at the subsequent General Assembly session.

8B. Among the nations which cosponsored either the 1969 moratorium resolution or the "draft decision" in 1972, there are several that seemed on certain occasions to seek to delay the progress of the preparatory negotiations. Like all nations in the negotiation, each member of this group displays different and varying perceptions of whether a Law of the Sea Conference can accommodate its interests. Such divergences in perception naturally lead to fluctuations in negotiating tactics, but we see no significant correlation between support of moratorium proposals and any effort to obstruct the Law of the Sea Conference.

9. We do not believe that the United States is entering the Caracas session in a weak position. It is recognized that the United States and certain other countries possess the technology and financial capability to exploit commercially the resources of the deep seabed. Moreover, the ongoing activities of United States firms are known to the international community. In addition, this Government has indicated a policy of unwavering support for its interests in the deep seabed.

10. The omission of any reference to the antitrust implications of the proposed legislation in my testimony of March 5, 1974 was not intended to have any significance. As you suggest in your question, my earlier statement to the House Oceanography Subcommittee referring to antitrust considerations, among many others, meant only that because of the importance and scope of the proposed legislation the Government wished to study carefully all aspects of the proposed legislation.

11. After three years of preparatory work for the LOS Conference, there was within the Seabed Committee significant disagreement over the adequacy of that preparatory work. The Seabed Committee's three Subcommittees had progressed at varying rates in preparation of draft articles. However, there was a general feeling within the Committee that the time had arrived to move from the informal preparatory negotiations to the formal Conference stage. In our view the desire for a timely Conference was the major motivation behind the sentiment for proceeding to the formal Conference stage.

11A. I do not believe that even a general categorization of the motives behind the behavior of some states would reduce the potential for misunderstanding.

12. We have on several occasions stated the view before the Congress that the U.S. proposal for provisional application of key portions of the Law of the Sea Treaty received "significant support" from the U.N. Seabed Committee at the time that it was introduced. While this view was indeed founded on the approval by the Seabed Committee of a request to the Secretary-General for a study on past precedents of provisional application, the optimism which we have derived from that approval must be explained within the framework of our past experience in the law of the sea negotiations.

The history of the U.N. Seabed Committee has been that it is often the procedural decisions which have been of greatest importance. This phenomenon is probably explained by the fact that the preparatory sessions for the Law of the Sea Conference have not required that major decisions be taken on substantive issues, since the primary function of these sessions has been to identify the points of agreement and disagreement among various views. On procedural questions, however, there has been the obvious requirement for some final decision to be taken and, consequently, it has often been procedural questions which consumed large portions of the Committee's time.

As you are aware, the U.N. Seabed Committee was composed of over ninety participating states and operated at all times on the basis of the consensus principle. Agreement by the Committee did not by any means indicate that there was unanimous support for the provisional application study, but rather that there was no strong opposition to the proposal. We cannot interpret from this occurrence the extent to which nations would be willing to support provisional application of the deep seabed portion of the permanent Law of the Sea Treaty, although we have been pleased to note that no delegation has publicly expressed any major difficulties with the concept.

It is not unreasonable, then, that we should give so much weight to the decision by the Seabed Committee in March, 1973 to request the Secretary-General to prepare a study of the applicability to the law of the sea of past precedents for the provisional entry into force of conventions. Moreover, our more recent experience during the July-August 1973 session has not influenced us to in any way change our position.

It is true that the U.S. proposal for provisional application of the deep seabed portion of the permanent convention was not thoroughly discussed at either the Geneva session or the New York organizational meeting. Since no substantive issues were debated in New York, the fact that provisional application was not raised at that meeting is of no significance. There were many opportunities during the meeting of Subcommittee I during the 1973 summer session, however, for discussion of the Secretariat study on past precedents which had been submitted to the Seabed Committee. Any delegation which was opposed to provisional application could easily have utilized the opportunity to comment on the study as a mechanism for making known its views. There was no evidence of such opposition. Furthermore, the Representative of Chile, one of the recognized leaders in the Seabed Committee, expressed the view to Subcommittee I that the rapid pace of seabed technology meant that there was an urgent need for the political negotiations to begin and that the Committee should devote serious study to the possibility of provisional application.

During the summer session, the United States proposed that the fisheries sections of the final law of the sea treaty be provisionally applied in addition to the deep seabed sections. Moreover, we expressed our willingness to consider suggestions by other delegations for provisional application of additional portions of the convention. This proposal was made late in the summer session, and we do not believe that delegations were allowed sufficient time to obtain official positions on the speech, although several delegations indicated to us privately their support for provisional application on the fisheries issue. We can anticipate that states will arrive at the Law of the Sea Conference in Caracas fully prepared to inform us of their official views on the provisional application proposal.

13. The Executive Branch continues to hold the view that deep seabed mineral exploitation constitutes a reasonable use of the high seas and is presently permitted under international law. We have made this position clear to other nations on many occasions. In this connection, the United States has repeatedly expressed its position that the so-called moratorium resolution is without binding legal effect.

Some states have suggested that it is possible to interpret the "Declaration of Principles" (General Assembly Resolution 2749 of December 17, 1970) as legally prohibiting the exploitation of the deep seabed until the new international regime and machinery for that exploitation comes into effect. These states derive this interpretation from their understanding of the common heritage of mankind concept. The United States, however, has consistently maintained that its interpretation of the "Declaration of Principles" does not permit the derivation of a "moratorium effect" from this resolution.

14. The U.S. is seeking in the law of the sea negotiations to promote a legal regime which will provide security of tenure and investment stability for deep seabed mining. Rather than seeking to take property, the U.S. is endeavoring in the negotiations to protect the interests of deep seabed mining firms.

15. As the Administration stated in its testimony before the Committee on March 5, 1974, we believe that Section 13 of S. 2728 would require the United States Government to act as guarantor for the security of investments made under the provisions of the bill, to the extent that such investments were taken or impaired by differing requirements of any new international agreement.

While we do not view the provisions of Section 13 of the bill as necessarily inconsistent with the portions of the President's Oceans Policy Statement of May 23, 1970, which address the protection of the integrity of investments made during the interim period, we have several other difficulties with the concept which were elaborated in our testimony of March 5. The President's Oceans Policy Statement described the position of the United States in the deep seabed negotiation, and the U.S. delegation has both consistently maintained that position during the preparatory sessions for the Conference and intends to continue to promote that position in Caracas.

Section 13 of the bill, however, would require the United States Government to provide compensation for financial losses which result from the exercise of its lawmaking functions—in this case, by treaty—and we would regard this precedent as undesirable and a shift from standard practice. Hence, we do not envision that any changes in the language of Section 13 would make it an acceptable provision.

16A: There was no further detailed discussion of the U.S. proposed provisional application of the Law of the Sea Treaty during the 1973 summer session of the U.N. Seabed Committee.

16B: The exact mechanics of provisional application are currently being studied within the Executive Branch. We expect to develop a detailed position on this question in the near future after full consultation with the concerned Congressional committees.

17. In my testimony on June 15 of last year, I distinguished between two sets of issues, and the same two issues continue to be relevant. First, we have made some progress in our examination of the kinds of legislation, if any, which may be necessary to achieve effective domestic implementation of the concept of provisional application of the regime. Some preliminary work has been completed and a working group is now intensively examining not only the kind of legislation that would be needed, but also any constitutional issues that may be involved. Secondly, as our comments on the technical aspects of this bill indicate, we have made significant progress in determining the nature of legislation that would be desirable in the unfortunate event that a timely and successful conference is not possible. For example, we have completed a draft environmental impact statement on deep seabed mining which, when finalized, will give us data needed to draft an environmentally sound regime. Moreover, we have maintained close contact with the mining industry to determine what procedures are necessary to construct an effective regime.

18. It is inappropriate to name the opponents of a timely and successful Conference.

18A. Several countries involved in the negotiations on law of the sea have concluded that they may not achieve their objectives at the Conference. Some of them appear to have decided that their interests would be better served with no Conference at all.

18B. Those countries which want to prevent a successful Conference might seize on unilateral U.S. legislation and argue that the U.S. was attempting to wreck the Conference or was not negotiating in good faith. If widely believed, this would have a very negative impact on the Conference.

18C. It is true that a few countries are talking in terms of a Third Session of the Conference possibly in 1976. However, we believe that the great majority of countries involved in these negotiations consider that a final agreement is not only possible but essential in 1975. Many of these countries strongly opposed efforts last fall to postpone further the substantive session of the Conference. Many believe that reaching agreement will become more difficult as time goes by.

18D. Most countries share the U.S. view that a treaty to be successful must have widespread support and reflect the interests of different groups in the international community. These countries would probably agree that to be successful the treaty must guarantee the rights of the coastal states, the maritime states, and the international community as a whole.

18E. The countries in these negotiations have a wide variety of goals. Although their objectives vary, the majority of countries would probably support broad coastal state control over ocean resources and an accommodation which will permit wide acceptance of the final Law of the Sea Treaty.

18F. On some issues opposition to U.S. views is based on a simple misunderstanding of the U.S. position. In these cases we hope that through an educational effort we can convince many countries to support our objectives. In other cases opposition to our policies has been tactical in nature and, as negotiations progress and differences narrow, this opposition will to some degree disappear.

18G. Our belief in the possibility of a timely and successful Conference is based on our analysis of the negotiating situation and the attitudes of the majority of countries which will attend the Conference. Historical evidence is not very helpful as there is no true precedent to this Conference.

19. If the U.S. were to enact legislation authorizing the granting of exclusive exploration rights prior to 1976, some countries would view such action as unilateral action inconsistent with the U.S. basic posture that rights beyond a three-mile territorial sea must be agreed upon internationally. Even though it is clear that the bill provides such exclusive rights only as regards U.S. nationals and that such rights are issued pending the establishment of an international regime, such an approach is inconsistent with a number of proposals that have been tabled in the negotiations. While a central feature of the U.S. proposal is exclusive exploration rights, the United States would be seen as acting as if its own proposal were already agreed upon if legislation were enacted.

There are similarities between the proposed legislation and positions the U.S. has taken in the negotiations. There are also some important differences. Testimony submitted by the Executive Branch over the past several years has spelled out the U.S. position as well as the similarities and differences between the bill and the U.S. position.

20. Several countries were in favor of the U.S. proposal for a provisional application of the LOS Treaty when it was first proposed. We have since then received a number of private indications of interest in this suggestion.

20A. The provisional regime proposal was not considered in detail at the Geneva session of the U.N. Seabed Committee. We have taken steps to promote this idea and have recently made a major effort through our embassies to gain support for provisional application.

20B. The United States will make every effort to see that the provisional application proposal is seriously considered at the Caracas session. We hope that by that time all countries will have had an opportunity to examine the proposal and be prepared to discuss provisional application in detail. The United States plans to make specific proposals on provisional application at the Caracas session.

20C. The Executive Branch is currently studying the question of provisional application. We are in the process of preparing specific proposals for use in Caracas. We are also preparing legislation on the provisional regime.

20D. It is correct that new legislation would probably have to be sought even if provisional application were adopted at the Conference.

20E. The Executive Branch is studying these questions in detail. Based on past experience with provisional application, we would assume that the provisional regime could go into force within several months of signing the Convention. In addition, I want to reiterate that the U.S. is going to Caracas prepared to negotiate a satisfactory treaty in 1974.

21. One of the major objectives in the LOS negotiations is the strengthening of our raw material sources through a clarification of the legal regime under which seabed development will take place, so that the industry can move ahead with confidence. It is true that, to some extent, uncertainties as to the outcome of the LOS negotiations may be controllable by our own actions in those negotiations. On the other hand, we have no way of insuring that each and every provision of a very detailed piece of domestic legislation can be reproduced entirely in an international agreement and that there will not be at least some differences in detail.

We, of course, have no intention of negotiating a legal order for deep seabeds which in any important way increases the uncertainties facing the ocean miner or which creates financial or other hardships. Indeed, one of our main reasons for seeking a new legal order has been to minimize uncertainties and facilitate seabed development through worldwide agreement. To those ends we have been consulting for several years with industry representatives and others to determine the requirements of an order which will provide our nation and the world with timely and efficient development of ocean minerals. We believe that as a result of these consultations we understand the type of agreed order necessary to promote deep seabed development by our firms, and that this is fairly reflected in our negotiating approach. We do not expect to agree to any treaty which does not serve fundamental United States interests. We therefore see no need for a guarantee provision in domestic legislation, and we believe that to insert such a provision would be to create an undesirable precedent for similar guarantees in every area of every area of every future negotiation. For these reasons, we are opposed to section 13 of the bill, and we do not believe that raw materials development would be jeopardized by its deletion.

22. Once the legal order for deep seabed operations has been determined, firms will have a better view of their overall risk picture and whether some special insurance program is needed or desirable. We hope that the picture will be substantially clearer after the Caracas session, and that the risks then facing the firms will be risks which the private sector can be expected to absorb. There are, of course, precedents for U.S. government insurance against certain actions of other governments which injure U.S. firms. In this regard, it is not entirely clear what risks are contemplated in section 14 of the bill, but at the present time our interpretation of these risks would not place them within the limited range of government insurance operations.

23. We have consistently opposed any international agreement which has called for price and production controls. We are seeking an international regime which ensures both timely and efficient development of deep seabed minerals and free access to those minerals to U.S. and foreign companies.

ANSWERS FROM THE DEPARTMENT OF INTERIOR

1. We are now issuing oil leases out to the 200 meter depth contour. On March 28, the Department of the Interior held a lease sale in which tracts beyond 200 meters were offered and bid on. The deepest offered was approximately 360 meters deep.

Oil exploration permits for seismic activity (nonexplosive shock wave) are now being issued in waters up to 6,000 feet (roughly 2,000 meters) in depth. At present, no slope coring programs are permitted.

The Outer Continental Shelf Lands Act requires that oil and gas leases issued by the Secretary shall (1) cover a compact area not exceeding 5,760 acres; (2) be for a period of five years and as long thereafter as oil or gas may be produced from the area in paying quantities, or drilling, or well reworking operations approved by the Secretary are conducted on the tracts; (3) require the payment of the royalty not less than 12½ % in the amount or value of the production saved, removed or sold from the lease; and (4) contain such rental provisions and other terms and provisions as the Secretary may prescribe at the time of offering the area for lease. At present, blocks of 5,760 acres are offered for lease. A royalty of ⅛ of production or its value is required. The amount of rent charged per acre varies between three and ten dollars. The amount of bonus generated depends on assessment of the value of the tracts involved. The highest bonus bid on a single tract to date is $210,000,000.

UMI

A copy of the oil and gas lease of submerged lands under the Outer Continental Shelf Lands Act now being used is attached.

OIL AND GAS LEASE OF SUBMERGED LANDS UNDER THE OUTER CONTINENTAL SHELF LANDS ACT

This lease is made and effective as of ——— (hereinafter called the Effective Date) by and between the United States of America (hereinafter called the Lessor), by the ———, Bureau of Land Management, its authorized officer, and ——— (hereinafter called the Lessee). In consideration of the cash payment heretofore made by the Lessee to the Lessor and in consideration of the promises, terms, conditions and covenants contained herein, the parties hereto agree as Sec. 1. Statutes and Regulations. This lease is made pursuant to the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 462; 43 U.S.C. Secs. 1331, *et seq.*) (hereinafter called the Act). This lease is subject to all the provisions of the Act and to all the terms, conditions and requirements of the valid regulations promulgated by the Secretary of the Interior (hereinafter called the Secretary) thereunder in existence upon the effective date of this lease, all of which are incorporated herein and, by reference, made a part hereof. This lease shall also be subject to regulations hereafter issued by the Secretary pursuant to his authority under section 5(a) (1) of the Act to prescribe and amend at any time such rules and regulations as he may determine to be necessary and proper in order to provide for the prevention of waste and for the conservation of the natural resources of the Outer Continental Shelf, and for the protection of correlative rights therein, which regulations shall be deemed incorporated herein and, by reference, made a part hereof when promulgated.

Sec. 2. Rights of Lessee. The Lessor hereby grants and leases to the Lessee the exclusive right and privilege to drill for, mine, extract, remove and dispose of oil and gas deposits, except helium gas, in or under the following-described area of the Outer Continental Shelf of the United States:

——— containing approximately ——— acres (hereinafter referred to as the leased area), together with:

(a) the nonexclusive right to conduct within the leased area geological and geophysical explorations in accordance with applicable regulations;

(b) the nonexclusive right to drill water wells within the leased area and to use water produced therefrom for operations pursuant to the Act free of cost, provided that such drilling is conducted in accordance with procedures approved by the Regional Oil and Gas Supervisor of the Geological Survey (hereinafter called the "Supervisor"); and

(c) the right to construct or erect and to maintain within the leased area all artificial islands, platforms, fixed or floating structures, sea walls, docks, dredged channels and spaces, buildings, plants, telegraph or telephone lines and cables, pipelines, reservoirs, tanks, pumping stations, and other works and structures necessary to the full enjoyment of the rights granted by this lease, subject to compliance with applicable laws and regulations.

Sec. 3. Obligations of Lessee. The Lessee agrees:

(a) *Rentals and royalties* (1) To pay rentals and royalties as follows:

Rentals. With respect to each lease year commencing prior to a discovery of oil or gas on the leased area, to pay the Lessor on or before the first day of each such year, a rental of ——— per acre or fraction thereof.

Minimum royalty. To pay the Lessor at the expiration of each lease year commencing after discovery a minimum royalty of per acre or fraction thereof or, if there is production, the difference between the actual royalty required to be paid with respect to such lease year and the prescribed minimum royalty, if the actual royalty paid is less than the minimum royalty.

Royalty on production. To pay the Lessor a royalty of percent in amount of value of production saved, removed, or sold from the leased area. Gas of all kinds (except helium and gas used for purposes of production from and operations upon the leased area or unavoidably lost) is subject to royalty.

(2) It is expressly agreed that the Secretary may establish minimum values for purposes of computing royalty on products obtained from this lease, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, or area, to the price received by the Lessee, to posted prices, and to other relevant matters. Each such determination shall be made only after due notice to the Lessee and a reasonable opportunity has been afforded the Lessee to be heard.

(3) When paid in value, royalties on production shall be due and payable monthly on the last day of the month next following the month in which the production is obtained. When paid in production, such royalties shall be delivered at pipeline connections or in tanks provided by the Lessee. Such deliveries shall be made at reasonable times and intervals and, at the Lessor's option, shall be effected either (i) on or immediately adjacent to the leased area, without cost to the Lessor, or (ii) at a more convenient point closer to shore or on shore, in which event the Lessee shall be entitled to reimbursement for the reasonable cost of transporting the royalty substance to such delivery point. The Lessee shall not be required to provide storage for royalty taken in kind in excess of tankage required when royalty is paid in value. When payments are made in production the Lessee shall not be held liable for the loss or destruction of royalty oil or other liquid products in storage from causes over which the Lessee has no control.

(b) *Bonds.* To maintain at all times the bond required prior to the issuance of this lease and to furnish such additional security as may be required by the Lessor if, after operations or production have begun, the Lessor deems such additional security to be necessary.

(c) *Wells.* (1) To diligently drill and produce such wells as are necessary to protect the Lessor from loss by reason of production on other properties or, in lieu thereof, with the consent of the Supervisor, to pay a sum determined by the Supervisor as adequate to compensate the Lessor for failure to drill and produce any such well. In the event that this lease is not being maintained in force by other production of oil or gas in paying quantities or by other approved drilling or reworking operations, such payments shall be considered as the equivalent of production in paying quantities for all purposes of this lease.

(2) After due notice in writing, to diligently drill and produce such other wells as the Secretary may reasonably require in order that the leased area or any part thereof may be properly and timely developed and produced in accordance with good operating practice.

(3) At the election of the Lessee, to drill and produce other wells in conformity with any system of well spacing or production allotments affecting the area, field, or pool in which the leased area or any part thereof is situated, which is authorized or sanctioned by applicable law or by the Secretary.

(d) *Payments.* To make all payments to the Lessor by check, bank draft or money order payable as indicated herein unless otherwise provided by regulations or by direction of the Secretary. Rental, royalties, and other payments shall be made payable to the United States Geological Survey and tendered to the Supervisor, *except* that filing charges, bonuses, and first year's rental shall be made payable to the Bureau of Land Management and remitted to the Manager of the appropriate field office of that Bureau.

(e) *Inspection.* To keep open at all reasonable times for the inspection of any duly authorized representative of the Lessor, the leased area and all wells, improvements, machinery and fixtures thereon and all books, accounts, and records relative to operations and surveys or investigations on or with regard to the leased area or under the lease.

(f) *Conduct of operations.* To conduct all operations under this lease in accordance with applicable law and regulations.

(g) *Indemnification.* To indemnify and save the Lessor harmless against and from any and all claims of any nature whatever, including without limitation claims for loss or damage to property or injury to persons, caused by, or resulting from, any operation on the leased area conducted by or on behalf of the Lessee; provided that the Lessee shall not be held responsible to the Lessor under this subsection for any loss, damage, or injury caused by, or resulting from: (1) any negligent action of the Lessor other than the exercise or performance of (or the failure to exercise or perform) a discretionary function or duty on the part of a Federal agency or an employee of such an agency, whether or not the discretion involved is abused; or (2) the Lessee's compliance with an order or directive of the Lessor against which an appeal by the Lessee under 30 CFR 250.81 is filed before the cause of action for such a claim arises and is pursued diligently thereafter.

(h) *Equal Opportunity Clause.* The Lessee agrees that, during the performance of this lease:

(1) The Lessee will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Lessor setting forth the provisions of this Equal Opportunity clause.

(2) The Lessee will, in all solicitations or advertisements for employees placed by or on behalf of the Lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) The Lessee will send to each labor union or representative of workers with which Lessee has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Lessor, advising the labor union or workers' representative of the Lessee's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Lessee will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Secretary of the Interior and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Lessee's noncompliance with the Equal Opportunity clause of this lease or with any of said rules, regulations, or orders, this lease may be canceled, terminated or suspended in whole or in part and the Lessee may be declared ineligible for further Federal government contracts or leases in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Lessee will include the provisions of Paragraphs (1) through (7) of this subsection 3(h) in every contract, subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each contractor, subcontractor or vendor. The Lessee will take such action with respect to any contract, subcontract or purchase order as the Secretary may direct as a means of enforcing such provisions including sanctions for noncompliance; *provided, however,* that in the event the Lessee becomes involved in, or is threatened with, litigation with a contractor, subcontractor or vendor as a result of such direction by the Secretary, the Lessee may request the Lessor to enter into such litigation to protect the interests of the Lessor.

(i) *Certification of nonsegregated facilities.* By entering into this lease, the Lessee certifies that Lessee does not and will not maintain or provide for Lessee's employees any segregated facilities at any of Lessee's establishments, and that Lessee does not and will not permit Lessee's employees to perform their services at any location, under Lessee's control, where segregated facilities are maintained. The Lessee agrees that a breach of this certification is a violation of the Equal Opportunity clause in this lease. As used in this certification, the term "segregated facilities" means, but is not limited to, any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. Lessee further agrees that (except where Lessee has obtained identical certifications from proposed contractors and subcontractors for specific time periods) Lessee will obtain identical certifications from proposed contractors and subcontractors prior to the award of contracts or subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that Lessee will retain such certifications in Lessee's files; and that Lessee will forward the following notice to such proposed contractors and subcontractors (except where the proposed contractor or subcontractor has submitted identical certifications for specific time periods): Notice to prospective contractors and subcontractors of requirement for certification of nonsegregated facilities. A Certification of Nonsegregated Facilities, as required by the May 9, 1967, order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be submitted prior to the award of a contract or subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each contract and subcontract or for all contracts and subcontracts during a period (i.e., quarterly, semiannually, or annually).

(j) *Assignment of lease.* To file for approval with the appropriate office of the Bureau of Land Management any instrument of transfer of this lease, or any interest therein, required to be filed under applicable regulations, within the time and in the manner prescribed by the applicable regulations.

Sec. 4. Term. This lease shall continue for a period of 5 years from the effective date of this lease and so long thereafter as oil or gas may be produced from the leased area in paying quantities, or drilling or well reworking operations, as approved by the Secretary, are conducted thereon.

Sec. 5. Cooperative or Unit Plan. Lessee agrees that, within 30 days after demand by Lessor, Lessee will subscribe to and operate under such cooperative or unit plan for the development and operation of the area, field, or pool, or part thereof, embracing lands subject to this lease as the Secretary may determine to be practicable and necessary or advisable in the interest of conservation. Where any provision of a cooperative or unit plan of development which has been approved by the Secretary, and which by its terms affects the leased area or any part thereof, is inconsistent with a provision of this lease, the provision of such cooperative or unit plan shall govern.

Sec. 6. Reservations to Lessor. All rights in the leased area not expressly granted to the Lessee by the Act, the regulations, or this lease are hereby reserved to the Lessor. Without limiting the generality of the foregoing, such reserved rights include:

(a) *Geological and geophysical exploration; rights-of-way.* The right to authorize the conduct of geological and geophysical exploration in the leased area which does not interfere with or endanger actual operations under this lease, and the right to grant such easements or rights-of-way upon, through, or in the leased area as may be necessary or appropriate to the working of other lands or to the treatment and shipment of products thereof by or under authority of the United States, its Lessees or Permittees.

(b) *Leases of sulfur and other minerals.* The right to grant leases of any mineral other than oil and gas within the leased area or any part thereof. No lease of other mineral shall authorize or permit the Lessee thereunder unreasonably to interfere with or endanger operations under this lease.

(c) *Purchase of production.* In time of war, or when the President of the United States shall so prescribe, the right of first refusal to purchase at the market price all or any portion of the oil or gas produced from the leased area, as provided in Section 12(b) of the Act.

(d) *Taking of royalties.* The right to determine whether royalty will be taken in the amount or the value of production.

(e) *Helium.* Pursuant to Section 12(f) of the Act, the ownership of and the right to extract helium from all gas produced under this lease.

(f) *Suspension of operations during war or national emergency.* Upon recommendation of the Secretary of Defense, during a state of war or national emergency declared by the Congress or President of the United States after August 7, 1953, the authority of the Secreary to suspend any or all operations under this lease, as provided in Section 12(c) of the Act: *Provided,* That just compensation shall be paid by the Lessor to the Lessee.

(g) *Restriction of exploration and operations.* The right, as provided in Section 12(d) of the Act, to restrict from exploration and operations the leased area or any part thereof which may be designated by and through the Secretary of Defense, with the approval of the President, as, or as part of, an area of the Outer Continental Shelf needed for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on the surface of the leased area or the part thereof included within the designation except with the concurrence of the Secretary of Defense; and if operations or production under this lease within any such restricted area shall be suspended, any payments of rentals and royalty prescribed by this lease likewise shall be suspended during such period of suspension of operations and production, and the term of this lease shall be extended by adding thereto any such suspension period, and the Lessor shall be liable to the Lessee for such compensation as is required to be paid under the Constitution of the United States.

Sec. 7. Direction Drilling. A directional well drilled under the leased area from a surface location on nearby land not covered by this lease shall be deemed to have the same effect for all purposes of this lease as a well drilled from a surface location on the leased area. In such circumstances, drilling shall be considered to have been commenced on the leased area when drilling is commenced on the nearby land for the purpose of directionally drilling under the leased area, and production of oil or gas from the leased area through any directional well surfaced on nearby land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations (as the case may be) on the leased area for all purposes of this lease. Nothing contained in this paragraph is intended or shall be construed as granting to the Lessee any leasehold interests, licenses, easements, or other rights in or with respect to any such nearby land in addition to any such leasehold interests, licenses, easements, or other rights which the Lessee may have lawfully acquired under the Act or from the Lessor or others.

Sec. 8. Surrender of Lease. The Lessee may surrender this entire lease or any officially designated subdivision of the leased area by filing with the appropriate office of the Bureau of Land Management a written relinquishment, in *triplicate,* which shall be effective as of the date of filing. No surrender of this lease or of any portion of the leased area shall relieve the Lessee or his surety of the obligation to make payment of all accrued rentals and royalties or to abandon all wells on the area to be surrendered in a manner satisfactory to the Supervisor.

Sec. 9. Removal of property on termination of lease. Upon the termination of this lease in whole or in part, or the surrender of the lease in whole or in part, as herein provided, the Lessee shall within a period of 1 year thereafter remove from the premises no longer subject to the lease all structures, machinery, equipment, tools, and materials in accordance with applicable regulations and orders of the Supervisor; *provided, however,* That the Lessee may continue to maintain any such property on the leased area for whatever longer period it may be needed, as determined by the Supervisor, for producing wells or for drilling or producing on other leases.

Sec. 10. Remedies in case of default. (a) Whenever the Lessee fails to comply with any of the provisions of the Act, or of this lease, or of the regulations issued under the Act and in force and effect on the effective date of this lease, the lease shall be subject to cancellation in accordance with the provisions of Section 5(b) of the Act, *provided, however,* that the 30-day notice provision applicable to non-producing leases under Section 5(b)(1) of the Act shall also apply as a prerequisite to the institution of any legal action by the Lessor to cancel this lease while it is in a producing status. Nothing in this subsection shall be construed to

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apply to, or require any notice with respect to, any legal action instituted by the Lessor other than an action to cancel the lease pursuant to Section 5(b) of the Act.

(b) Whenever the Lessee fails to comply with any of the provisions of the Act, or of this lease, or of any regulations promulgated by the Secretary under the Act, the Lessor may exercise any legal or equitable remedy or remedies which the Lessor may have, including appropriate action under the penalty provisions of Section 5(a)(2) of the Act; *however*, the remedy of cancellation of the lease may be exercised only under the provisions of Section 5(b) and Section 8(1) of the Act.

(c) A waiver of any particular violation of the provisions of the Act, or of this lease, or of any regulations promulgated by the Secretary under the Act, shall not prevent the cancellation of this lease or the exercise of any other remedy or remedies under paragraphs (a) and (b) of this section by reason of any other such violation or for the same violation occurring at any other time.

Sec. 11. Heirs and successors in interest. Each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, or assigns, of the respective parties hereto.

Sec. 12. Unlawful interest. No member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of Section 3741 of the Revised Statutes (41 U.S.C. Sec. 22), as amended, and Sections 431, 432, and 433 of Title 18 of the United States Code, relating to contracts made or entered into, or accepted by or on behalf of the United States, from a part of this lease so far as the same may be applicable.

2. The United States has repeatedly made clear in the preparatory meetings leading to the Law of the Sea Conference that basic resource interests and international production controls were incompatible. Some producing countries have asserted that production from the deep seabed of basic minerals should be limited. We do not believe it is in the interest of consuming countries, including most developing countries, to accept production controls. Production controls on deep seabed mining could affect prices of the metals involved; however, our preliminary studies show that prices, for all but one mineral, will only be insignificantly affected by the volume of metals produced from the deep seabed.

3. According to the Department of the Interior's information, domestic industrial requirements could be satisfied for the metals involved as shown below:

Manganese Ore.* 27 months.
Ferro-manganese,* 8 months.
Cobalt, 38 months.
Copper, 7 months.
Nickel, no stockpile.

ANSWERS FROM THE DEPARTMENT OF DEFENSE

The stockpile of strategic and critical materials is designed to protect the United States against costly and dangerous dependence upon foreign sources of supply in a period of national emergency. In this context, the term "national emergency" refers to actual or incipient military conflict. It does not refer to a situation created by an embargo by most or all foreign producers of a particular material for economic or political ends imposed during peace time. Thus, in establishing stockpile objectives certain assumptions are made. Among those most specifically relevant to your question are the following:

(1) It is assumed that during a national emergency as above defined, restrictions on consumption of strategic and critical materials would be imposed on the private sector.

(2) It is assumed that foreign sources of supply with the exception of those located in hostile countries would continue to be available to the United States. In this context, the National Security Council determines which countries should be considered potentially hostile in conjunction with overall contingency plans.

Thus, for example, while the annual defense requirement for nickel is established at slightly less than 37,000 short tons, it is assumed that Canada would continue to furnish a militarily secure source of supply during any potential conflict. Hence, the stockpile objective and current inventory for this material are both zero.

A similar situation exists with respect to copper. While summer 1973 inventory was slightly more than 250,000 short tons, the established annual Defense requirement of approximately 400,000 short tons is slightly less than 1/6 of annual US production; hence, the stockpile objective has been established at zero, and over the near term inventory will be reduced to that figure. Thus, there will shortly be no physical inventories of either copper or nickel.

With respect to manganese and cobalt, the situation is somewhat different. Current inventories are approximately 500% of established stockpile objectives which in turn exceed annual defense requirements by a prudent margin. It is projected that inventories will be brought into line with objectives, and thus that substantial quantities of these materials will be released to the private sector.

Accordingly, the rationality of assumptions with respect to what the Defense Department could or would "allow" does not appear to be involved. The role of the Defense Department consists in establishing the defense requirement for a given material, and coordinating in the establishment of a stockpile objective of appropriate size to ensure that the nation could meet its defense needs in the event of hostilities. The stockpile system is simply not designed to function as a safeguard against a situation comparable to the recent Arab oil embargo. If the United States were cut off from *all* foreign sources of the materials cited (whether such an hypothesis is reasonable is, of course, a totally separate question), civilian production requiring such materials could not long be maintained at current levels without regard to what the Defense Department could or would "allow."

Should such an eventuality occur with respect to a material for which a physical inventory exists, the decision of how the inventory would be allocated between the needs of current civilian production and the need to retain sufficient material in the inventory to meet Defense requirements in the event of hostilities is obviously contingent on the specifics of the postulated situation and in any event the decision is not within the purview of the Department of Defense.

ANSWERS FROM THE DEPARTMENT OF COMMERCE

1. Please refer to the answer to Question No. 4 above. This response was prepared in consultation with the Coast Guard/Department of Transportation representative on the Task Force.

1A. As discussed in my answer to Question No. 4, there may or may not, in the long run, be existing standards and mechanisms which fully cover these circumstances. It can be stated with confidence that that is true only when the facility is a "vessel." In that case, there are existing IMCO conventions dealing with marking and lighting and safety of life at sea with respect to vessels. As noted earlier, however, it is entirely possible that such facilities might be of such unique design and operation that these IMCO conventions would not apply. In such cases, and there have been instances in the past such as oceanographic buoys, IMCO addresses these unique activities by way of recommendations to governments for their marking and lighting. It is important that these activities be uniformly marked throughout the oceans, and international standards, from whatever source, should apply to unique activities which are not otherwise covered by international agreements or recommendations and that appropriate authority must be exercised by national governments to implement the standards.

2. As was pointed out in Senator Metcalf's statement of March 5, 1974, the U.K. Secretary of State for Trade and Industry was quoted by Hansard Reports to the effect that he has offered Rio Tinto Zinc and Consolidated Gold Fields, Ltd. up to 830,000 pounds sterling toward their participation in an international consortium to examine manganese nodule deposits on the floor of the Pacific Ocean. The assistance will be repaid if the project leads to commercial production and, in addition, the companies have agreed that United Kingdom consumers will have the first option to purchase a proportion of any metals produced by the consortium. We are endeavoring to obtain further information concerning this problem.

3. A number of studies have been made of the potential commercial results of the seabed, which consist basically of manganese nodules. The nodules are believe to range in content from 25 to 30 percent manganese, 1 to 1.5 percent nickel, 0.5 to 1 percent copper, and 0.25 percent cobalt, with traces of numerous other metals.

Not all processes for recovering metal from nodules contemplated recovery of the manganese. However, assuming that the manganese is recovered, and taking the average metal content, each million short tons of nodules treated would result in the recovery of:

Manganese, 275,000 tons.
Nickel, 12,500 tons.
Copper, 7,500 tons.
Cobalt, 2,500 tons.

As of February 1, 1974, the market value of these materials would be:

Manganese metal @37¼¢ per lb., total, 206,250,000.
Ferromanganese @ $194.50 per short ton*, 40,000,000.
Nickel metal** @ $1.62 per lb., 40,500,000.
Copper metal** @ 68¢ per lb., 10,200,000.
Cobalt metal @ $3.10 per lb., 15,500,000.

Some of these prices will no doubt be quite different by the early 1980's, when nodule production from the sea is expected to commence, but no prediction is made here.

Not all the companies involved intend to recover the manganese. (In this connection, it should be noted that the U.K. Secretary of State for Trade and Industry, in listing the metals which would be made available to British consumers in return for government financial assistance, did not include manganese.) Also it is not fully determined whether any manganese recovered would be in the form of pure metal or ferromanganese, an alloy of manganese and iron used in quantity in the steel industry. In the following computations, the manganese is therefore priced as ferromanganese.

If one assumes that as many as three operations might be in operation by 1980, yielding a total of four million tons of nodules, the total value of refined metals would therefore be in the neighborhood of $425,000,000.

U.S. requirements of the four metals in 1981 are expected to exceed production from domestic mines by substantially more than the above-described quantities. The contribution of a seabed hard minerals industry to the U.S. balance of payments would be equivalent to the dollar value of the reduction in imports, less certain dollar costs such as the use of foreign flag vessels or foreign refineries in the production process, and therefore could, under the assumption of price, quantity, and usage described above, be in the neighborhood of $425,000,000 per year by 1980.

*Stockpiled separately.

* U.S. Standard/74–76%.
** Producer price, cathodes.

OCEAN SCIENCE NEWS

Can Geneva produce a law of the sea treaty? What are the alternatives? Four days of discussion of those questions, and a dozen related ones, by 200 participants at the 9th Annual Conference of the Law of the Sea Institute in Miami (6–9 Jan) produced something close to a consensus, or at the least a majority opinion: Few attending the conference (27 nations were represented) have much confidence individually that a treaty will result from the upcoming Geneva 17 Mar–10 May) session of the Third United Nations Conference on the Law of the Sea. (All attendees carefully noted their remarks, whether issued from the podium, from the floor, or in private conversation, were their own individual views and not to be identified as those of the countries they represent. The caveat is to protect the ability of the Institute to bring together people willing to discuss their views openly. More realistic, of course, is the view of one panelist: "What I say may coincide with my nation's official position!")

The question of the failure or success of Geneva dominated the Miami meeting, even though most of the public discussion of the U.N. Law of the Sea Conference confined itself to evaluating the success or failure of last summer's 10-week session at Caracas. No one argued with Thomas Clingan's (U. S. Deputy Asst. Secretary of State) opening day remark that the question of success or failure at Caracas was "irrelevant," even "dangerous"; but as Donald McKernan (U. of Washington and former top U. S. negotiator on fisheries) noted on the last day of the meeting: "In my own country and in talking with others in the world community, I know the public is anxious and frustrated by the lack of progress. . ." If success or failure at Caracas or Geneva are questions which could be avoided by the professionals, however, the question of timing becomes relevant.

Two views emerged in Miami: (1) The possibility of an open-ended Law of the Sea Conference; and/or (2) Forgetting about meeting the official goal laid down for LOSC by the U.N. General Assembly—namely a treaty. In a paper which impressed almost everyone at Miami, Douglas Johnston (Dalhousie U.) noted that the official U.N. view of the LOSC must be that anything short of a comprehensive treaty which would be agreed to universally is a failure. Believing that only one more session after Geneva (in 1976) is a realistic possibility, Johnston suggests various alternative, more-or-less realistic possibilities for modifying the official objectives. (Basically, Johnston would prefer an open-ended conference, it seems, but he views that as unrealistic.) Simply put, Johnston's orthodox alternatives involve a treaty which only a majority would sign because it lacked comprehensiveness; or a treaty which everyone would sign because it was just a series of generalities; or a series of treaties, some of which some would sign, and none of which all would sign, with variations in between.

An "unorthodox approach" (Johnston's words) or alternative would be a "parent" convention of general principles, a sort of umbrella, including any new institutions required for a treaty (i.e. a Seabed Authority) plus machinery for settlement of disputes. This convention would be defined in the plenary of the LOSC and then specific treaties on most of the substantive issues would be negotiated later. Another version of the "unorthodox" (and less desirable to Johnston) would be a declaration all could identify with, or a report indicating the areas of consensus, which would be forwarded to the U.N. where it would assume the form of a General Assembly resolution.

Another approach to the timing question by Jorge Vargas (Mexican Natl. Ctr. for Science & Technology) is based on the concept that the LOSC plenary can invoke "any number" of additional sessions. Vargas decries the "artificial deadlines" set for LOSC and the premature demise of the old Seabed Committee of the U.N. which could have stayed in business long enough to produce draft articles for LOSC to act upon. A "bridge" between "the old law of the sea" and the new, "innovative" LOS could be a declaration of basic principles at Geneva, accompanied by a general moratorium on any changes of the status quo in such areas as the outer limits of the continental shelf, transit of straits, freedom of the high seas, and the positions of the land-locked and geographically disadvantaged nations, and the archipelagic states. "A protocol of adherence" could be added to such an interim regime, said Vargas, to give it some legal standing. Vargas' point: The formulation of the law of the sea is a process in itself—which cannot be artificially halted.

Whatever happens at Geneva, the world won't return to "the good old days," suggested Francis Njenga (Kenya Mission to the U.N.), while the ultimate success or failure of LOSC will not be in terms of a convention in itself but whether or not that convention makes "necessary changes" in the law of the sea "for the benefit of mankind as a whole." Indicating perhaps the unwillingness of the developing nations to prolong the LOSC, Njenga rejected the idea of "hiding" behind a convention so vague as to be meaningless, and added that so long as more sessions are scheduled, nations will continue to refuse to show their hand and get down to serious negotiating. Of course, Caracas started with high enthusiasm, so today's pessimism may represent just a swing of the pendulum to the opposite extreme. Joseph Warioba (Tanzania Director for Legal Research), who is recognized as one of the key leaders at LOSC, suggested that the pessimists should understand Caracas represented an opportunity for many nations to get their positions "on the record" for the first time, while the business of developing those positions often took extra time because the sectorial interests within the country were represented on the LOSC delegation.

Add to that the size of the Caracas conference (up to 150 nations or international groupings of one sort or another), the number and complexity of issues which were to be taken up, and the complexity of the rules of procedure, and it's no wonder the conference can be called a failure, said Edward Miles (U. of Washington). Warioba went so far as to recommend that the rules of procedure be paid little attention at Geneva, because they would prevent substantial agreement. Paul LaPointe (Canadian Dept. of External Affairs) agreed that Rule 37 could be as much hindrance as assistance to progress. (That's the compromise rule governing voting procedures on matters of substance which was designed to protect minority interests.)

The basic division at LOSC became most apparent in Miami when seabed mining was discussed. Confrontations between speaker and listener during the question & answer sessions following formal presentations were occasionally profane and sometimes ad hominem. The position of the developing nations on the issue was exhibited most vocally by Alvaro DeSoto (Peruvian Mission to the U.N.): "We are wedded to the principle of common heritage." He challenged Deepsea Ventures' (Gloucester Point VA) claim in the Pacific Ocean, and its right to mine under the high seas convention, and reminded the Miami conference of U.N. resolutions calling on states not to let their nationals mine the seabed until a legal regime is promulgated.

One of the more interesting questions raised by DeSoto to John Flipse (Deepsea's president): "Are you aware of potential conflicts your action could lead to, and has this weighed in your planning?" DeSoto didn't spell out what "conflicts" he had in mind, but the conference generally took him to mean political—maybe even armed. Flipse responded to the question by reporting his company had "weighed" the political economic risks, and in terms of the bottom line" had decided to go ahead. He charged that the strategy of the developing nations was to make the risk factor appear "very high" in order to obtain a moratorium. Flipse doesn't feel he is breaking any law; he recalled that the U.S. has never agreed to a moratorium on seabed mining, while the U.S. State Dept. has said the high seas principle covers mining activities.

Flipse wants a treaty but doesn't indicate much confidence in the U.N. "The recent irresponsibility of the U.N. (the reception of the P.L.O. leader, etc.) has shaken a lot of us severely." He also used the international oil crisis as an argument for going ahead with seabed mining: "Our friends the Arabs have taught us a lesson in resource availability."

The linkage of the freedom of scientific research to the seabed mining issue has become one of the larger problems of the LOSC and that linkage had a direct impact on Deepsea's decision to go ahead with its claim. The developing countries insist on linking the issues, while the developed countries insist on separating them. One of the few prepared statements from the floor at the Miami conference was made by A. L. Kolodkin of the U.S.S.R. Scientific & Research Institute of Marine Transport on the principle of the freedom of scientific research. He said the Seabed Authority must not be allowed to "license" research. Following that statement Richard Greenwald (Deepsea's general counsel) revealed that the linkage of the two issues was interpreted at Deepsea as meaning nothing would come out of LOSC on seabed mining—so why not go ahead? "God helps those who help themselves," he said. (More LOSI next week.)

Mr. METCALF. The Senate Committees on Armed Services, Commerce, and Foreign Relations also have an interest in this legislation. S. 1134 of the 93d Congress was rereferred to the Committee on Foreign Relations on September 4, 1974. S. 2878 was referred to the Committee on Commerce on January 23, 1974.

I ask unanimous consent that the bill be referred first to the Committee on Interior and Insular Affairs, and that, if and when it is reported by that committee, it be jointly rereferred to the Committee on Armed Services, the Committee on Commerce, and the Committee on Foreign Relations for not to exceed 30 days, during which time they will consider matters in the bill which may be within their respective jurisdictions, and that at the expiration of that period the bill be returned to the Senate Calendar.

The PRESIDING OFFICER (Mr. GARN). Is there objection?

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Mr. CURTIS. Mr. President, reserving the right to object, what measure is the Senator referring to?

Mr. METCALF. The Deep Sea Bed Minerals and Mining Act, a bill that has been before Congress for several years. This is the subject of the Second Session of the Third United Nations Conference on the Law of the Sea, and would provide for the leasing and mining of deep sea bed minerals.

Mr. CURTIS. Has the distinguished Senator cleared this matter with the minority leader (Mr. HUGH SCOTT) and his assistant (Mr. GRIFFIN)?

Mr. METCALF. That is correct; and I also have included in my prepared statement a history of the reference of the bill in previous Congresses to the Committee on Interior and Insular Affairs, and the consideration that the Committees on Foreign Relations, Commerce, and Armed Services have given it.

In the last Congress, this bill or a similar bill was reported by the Committee on Interior and Insular Affairs and was, in accordance with the ruling of the Parliamentarian, thereupon sent to these other committees.

Mr. CURTIS. As I understand, what the Senator is asking now is a procedural matter?

Mr. METCALF. That is right.

Mr. CURTIS. And the Senator has cleared it with the minority leadership and the ranking minority members of all of these committees?

Mr. METCALF. That is correct.

Mr. LONG. And it has been cleared with the chairman of those committees as well?

Mr. METCALF. That is correct. It has been cleared with the chairmen of the respective committees, and they will have an opportunity to pass on the matters within their jurisdiction.

Mr. LONG. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. BROOKE:

S. 714. A bill to provide that, in determining the eligibility of any household for a couple allotment under the Food Stamp Act of 1964, there shall be disregarded so much of the income of any member of such household as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Agriculture and Forestry.

TO PREVENT THE LOSS OF FOOD STAMP BENEFITS FOR THE ELDERLY

Mr. BROOKE. Mr. President, a great deal of publicity has recently been given to the administration's attempt to increase the purchase price of food stamps. This proposal, it has been rightly noted, would hit hardest at the elderly recipients of food stamps. And, I fully support congressional efforts to block such an action.

However, I am just as concerned about another, equally onerous burden on the elderly poor who receive food stamps—the reduction and loss of food stamp benefits that occurs every time social security payments go up in response to inflation.

The bill I am introducing today would help correct this flaw in our system of aiding the elderly poor. It would mandate that increases in social security benefits in 1975 based on the rising cost of living not be counted when determining eligibility and benefits under the food stamp program.

Right now, each time the system which the Congress instituted to maintain the buying power of social security checks results in a cost-of-living increase, more than 1 million elderly persons receiving food stamps and social security face either a complete loss of food stamp benefits—up to $10 per person per month—or a significant reduction in their benefits—on the order of $2 to $4 per household per month. Though this might not sound like much, it can represent a substantial loss to the elderly poor living on semi-fixed incomes, budgeted down to the penny. In fact, some of the elderly poor on food stamps are faced with a situation where more than one-third of a social security cost-of-living increase can be taken away due to lost food stamp benefits.

Mr. President, those who receive social security have already been taxed once as their contribution toward their retirement income. We do not tax them again by charging income tax on their social security checks. And, we should not impose a "food stamp tax" on social security increases by making these cost-of-living adjustments the cause of higher food stamp purchase price and loss of food stamp eligibility for the elderly poor.

By Mr. BROOKE:

S. 715. A bill to require that, for purposes of determining medicaid eligibility, there be disregarded so much of an individual's social security income as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Finance.

TO MAINTAIN MEDICAID BENEFITS

Mr. BROOKE. Mr. President, I am today introducing a bill to assure that the elderly poor will not lose their eligibility for medicaid simply because their social security checks are increased a little to make up for lost buying power due to general inflation. My bill would require that, when States determine income eligibility for medicaid, they disregard the extra dollars received as social security cost-of-living increases in 1975.

When the Congress mandated cost-of-living adjustments in social security payments, we intended that the larger checks that would result from these automatic adjustments would merely maintain the real value of social security benefits in the face of continuing rapid inflation. Cost-of-living rises in social security were not viewed as benefit increases that would make recipients any less needy; they were simply meant to keep the buying power of social security checks from being eroded by higher prices.

However, without a change in the law such as that proposed in my bill, social security increases will be treated as increases in real income for medicaid eligibility purposes—not as adjustments that merely keep social security checks in step with inflation. This is because medicaid eligibility standards are set by the States and are not adjusted for inflation.

As a result, when social security payments rise in response to higher prices—simply to maintain the value of the benefits, not increase it—many of the elderly poor lose their medicaid eligibility, without seeing any increase in the buying power of their social security checks.

Mr. President, this bill would help remedy this inequitable situation by requiring that any 1975 increase in social security checks meant to keep them "inflation-proof" would not be counted for medicaid eligibility. In proposing this disregard, I am following the precedent we established when the Congress passed a 20-percent social security increase. In Public Law 93–66, we included a saving clause that continued medicaid eligibility for social security recipients who would otherwise lose their eligibility because of the 20 percent social security increase. My bill would simply extend that practice to any 1975 cost-of-living increase in social security payments.

If the Congress does not act to institute this disregard, many of the 3 to 4 million elderly poor who now are eligible for medicaid assistance will find that their next social security increase means a substantial loss of medical assistance. Right now, the average value of medicaid over the course of a year is more than $700. And, if any 1975 social security rise is not disregarded under medicaid, a $5 or $10 per month jump in social security checks will, for some, bring about a much larger loss of medicaid benefits—thereby actually reducing the ability of the elderly poor to pay their bills.

The situation is all the more acute because of the fact that medical costs have been rising at a rate that is substantially higher than the general rate of inflation. Moreover, aid in meeting medical costs is patricularly important to the elderly, and, relatively small social security incomes will not be able to absorb the tremendous new burden that a loss of medicaid benefits would impose on them.

I cannot stand by and watch the good intentions with which we enacted automatic cost-of-living adjustments in social security payments thwarted by rules that require that some social security recipients lose their medicaid eligibility as a consequence. And, until such time as the Congress works out a permanent solution to this recurring problem, I believe that the least we can do is make sure that the next cost-of-living increase in social security does not force some of the elderly poor off the medicaid program.

By Mr. BROOKE:

S. 716. A bill to amend title XVI of the Social Security Act to increase the amount of benefits payable to individuals under the supplemental security income program. Referred to the Committee on Finance.

IN SUPPORT OF AN INCREASE IN FEDERAL SSI BENEFIT LEVELS

Mr. BROOKE. Mr. President, enactment of the supplemental security income—SSI—program marked the beginning of a program of guaranteed annual income for the aged, blind, and disabled. Unfortunately, since the Federal benefit levels are below the poverty level, the program has provided too little security.

Because we cannot in good conscience allow this deplorable situation to continue, I am introducing legislation today which will increase the Federal SSI benefit levels. If enacted, this measure will lift approximately 4½ million people above the poverty level.

The Bureau of Labor Statistics—BLS—moderate retirement budget for a single person over the age of 65 is $2,370. The annual SSI standard of need—currently set at $1,752 annually for an individual, provides only 74 percent of that level of income. The Federal SSI benefit level also falls short of the BLS lower budget level of $1,840. For a couple, aged 65 and over, the low-income budget is $3,360 and the moderate budget is $4,980. The maximum annual Federal SSI payment is $2,628 for a couple or only 78 percent of the low-income budget and 53 percent of the moderate-income budget.

I find it incredible that we have accepted an SSI standard of need lower than the poverty level. To millions of aged, blind, and disabled persons throughout the Nation, SSI now represents continued dismal, unrelieved poverty. It is small wonder that we read distressing newspaper reports of the elderly buying cat and dog food to eat.

I am pleased that last year we enacted an automatic cost-of-living escalator clause for SSI recipients. However, such legislation is meaningful only if the basic rate is adequate. It clearly is not.

My bill would increase the Federal income standards under SSI from $146 per month for an individual to $200 per month and from $219 per month for a couple to $300 per month—both amounts still barely above the minimum level of income. If we truly wish to keep our elderly, blind, and disabled citizens—the people most adversely affected by inflation—out of poverty, we must act immediately to increase the SSI standard of need.

By Mr. BROOKE:

S. 717. A bill to amend title XVI of the Social Security Act so as to expedite the establishment of eligibility for benefits thereunder, to afford relief to individuals whose benefit check is lost, stolen, or undelivered, and to provide for cash advances to applicants while their application for benefits is pending. Referred to the Committee on Finance.

IN SUPPORT OF CHANGES IN SSI LAW RELATING TO EMERGENCY ASSISTANCE AND PROCESSING TIMES

Mr. BROOKE. Mr. President, every month there are thousands of SSI recipients who wait for a benefit check which never arrives. Despite continued pleas to their SSI office, too often the checks still do not arrive and these aged and disabled persons are left with no means of support. We thus ask those least able to fend for themselves to do so. They bear the total burden of checks lost, stolen, or missing through bureaucratic error, too often continued bureaucratic error.

These errors are not endemic to Massachusetts alone. I ask unanimous consent to have printed in the RECORD an article by Sylvia Porter which appeared in the Boston Herald-American on January 5, 1975, which details the malfunctioning of the SSI program.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS SSI PROGRAM "TOTAL FAILURE"?

This past fall, Social Security computers spewed out letters promising an increase to more than 3000 elderly in a Northeastern state in their next benefit checks, reflecting a boost on their Supplemental Security Income—a welfare reform program designed to guarantee an income floor to our elderly, blind and disabled. The hikes showed up in the checks and generally were spent at once.

Social Security then sent out telegrams informing the recipients that the raises were a mistake and requested that the amounts—ranging from a few dollars to $125—be returned. Many sent back not only their SSI checks but also their Social Security checks and even cash from the meager savings accounts they are allowed to have under the SSI program, because they were "afraid of getting in trouble with the government," or losing their benefits.

Then to top it, when the time came for the next month's (October's) benefit checks to be sent out, the "honest" people who had returned their checks (leaving themselves virtually penniless for a full 30 days) were informed there would be no SSO checks at all during that month.

Matters became so desperate that local antipoverty groups and state aging agencies were forced to set up emergency services to provide the elderly with enough money to buy food until the snafu could be straightened out. The state's Legal Aid got an injunction against Social Security, forbidding SS from accepting any more money being returned—and Legal Aid is now preparing a class action suit to recover money that had been returned.

This is just one horror story uncovered by my associate, Lyndia Ratcliff, which has come out of the year-old federal Supplemental Security Income program originally heralded as being "as important to older Americans as the passage of Medicare." So inadequate has the SSI program been that critics have dubbed it the "Supplemental Insecurity" program.

There were 3,900,000 in the program, at latest count, receiving a maximum of $146 a month in federal benefits per person (or $219 per couple)—plus state supplements in many states. Total SSI benefits now being paid are about $500 million a month.

But . . . The number enrolled is only about half the total estimated to be eligible—7,200,000 according to the Social Security Administration, and 8 to 9 million according to the Bureau of Social Science Research in Washington.

As many as 5 million of our elderly, blind and disabled remain in ever-more desperate financial circumstances while the program itself continues to be riddled with unexplained delays and benefit cutoffs.

Applicants frequently are unable to travel to the district office or they are discouraged by all-day waits in the SS office. An estimated 361,000 SSI applications are now pending, and the waiting period before an application is decided upon can stretch to 10 months. Even the clearly eligible may be forced to wait months before they actually receive benefits.

Yet, as Adele Blong, a lawyer for the Center on Social Welfare Policy and Law in New York, says "even a few days delay can be a personal disaster if you're trying to live on less than $1600 a year."

In fact, the gap between the SSI income floor and the poverty line is even greater than it was when the law was enacted in October 1972.

Contributing to his scandalous SSI situation are two major factors:

Although SS had a full 14 months to launch the program (it didn't become effective until Jan. 1, 1974), the program began before many key rules and regulations were even issued. Thus, the SS staff has been ill-equipped to make key decisions.

New regulations still are being issued almost every week—leaving both potential beneficiaries and administrating officials baffled. SS offices have been seriously understaffed and employes supposed to be implementing the SSI program have been poorly trained. SS requests for more staff have been rejected at the White House level.

In brutal summary: the SSI program to date has been among the biggest broken promises ever made by a Congress and an administration. Instead of a giant step toward reform of our unworkable welfare system, it is as of now a disgrace.

Mr. BROOKE. Under current SSI law, the Secretary of the Department of Health, Education, and Welfare is not authorized to make emergency payments to other than initial claimants. Thus, if a person on the SSI rolls, through absolutely no fault of his own, fails to receive his monthly SSI check, he must wait for the Treasury Department to reissue the check.

Although the Treasury Department has been extremely cooperative in reissuing checks, there are instances in which persons need immediate emergency assistance and the Treasury Department is unable to reissue the check as promptly as necessary. My bill would allow emergency payments to be made within 24 hours of application to SSI recipients whose checks were lost, stolen, or undelivered. In addition, my bill would allow emergency assistance to be provided to replace lost or stolen cash which is determined by the Secretary to have constituted the proceeds of one or more SSI checks.

If legislation such as this is not enacted, SSI recipients will be forced to continue to bear the burden of postal service delays, computer errors, and thefts. While they wait, they frequently must go without proper food and may even be faced with the threat of eviction. I feel that it is important for the Government to bear the burden of these delays, rather than to force it on that segment of the population least able to deal with such situations.

Another significant problem with the SSI program as it is currently operating relates to the extremely long processing times involved. Persons who apply for SSI benefits are generally in dire need of assistance, yet it is not unusual for the processing of their claims to take several months. Indeed, it has been reported that as many as one-half of aged applicants and three-fourths of disabled applicants wait more than 2 months for their claims to be adjudicated. I have personally received correspondence from

numerous persons who have waited 6 months and have still not received a determination.

I cannot accept a program which allows aged, blind, and disabled persons to suffer because of bureaucratic delays. My bill would require that an SSI application be acted upon within 45 days after it is filed, or 60 days after filing in the case of disability claims, and in such cases, a decision on presumptive disability must be made within 20 days. My bill would further permit a cash advance of $100 per month to be made to presumptively eligible applicants while their claims are being processed.

I still believe that the supplemental security income program can offer dignity and comfort to millions of aged, blind, and disabled Americans. But if improvements in the program are not made, I fear that SSI may be just another empty promise. I urge enactment of this legislation as one step toward fulfilling the promise of SSI.

By Mr. HOLLINGS:

S. 718. A bill to improve the operation and efficiency of the U.S. Postal Service. Referred to the Committee on Post Office and Civil Service.

U.S. POSTAL SERVICE AMENDMENTS OF 1975

Mr. HOLLINGS. Mr. President, as we all know, most American are dissatisfied with the U.S. Postal Service. We receive literally thousands of letters expressing this dissatisfaction from our constituents. Daily, we read news stories and editorials which express concern about the erosion of service and question management of the Postal Service. We are not only seeing the erosion but we are experiencing a crisis in confidence in an institution which touches and affects the lives of almost every American daily.

In 1970, we in the Congress, with the support of the President, past Postmasters General, and most mail users transformed the old Post Office Department into a publicly controlled corporation named the U.S. Postal Service. For more than 4 years, we have watched the Postal Service hoping that it would be able not only to survive, but to provide more efficient service. Unfortunately, we have been disappointed. Not only has service eroded, but the poorer service is costing us more every day. The prices for mail users are rising and we are being asked to raise the level of the Federal appropriation.

It is high time that we in the Congress provide guidance to the U.S. Postal Service. It is time for us to take a critical look at this necessary institution and make changes which will help the Postal Service get on the track toward achieving the original goals of postal reorganization. These goals are improved service to all Americans and responsible management with the development of financial stability.

I have taken my critical look. And today, Mr. President, I am offering a series of amendments to the Postal Reorganization Act of 1970. The purpose of these measures is to insure better service, financial stability, and more accountability to the public.

ABOLISH THE BOARD OF GOVERNORS OF THE U.S. POSTAL SERVICE

The creation of the Board of Governors was an effort to create a corporate structure, modeled after those in the business world, for the newly established Postal Service. Each of the Governors was supposed to bring to his or her appointment an understanding of the workings of the service including business matters and the public service function of postal operations. It was intended that the Board of Governors would direct and oversee the Postmaster General who serves at its will.

With but a few exceptions, the Board of Governors has displayed little expertise in the field. There has been a rampant turnover of Governors in the last 4 years, and there have been vacancies on the Board for extended periods of time. To sum up, the Board of Governors has done little more than act as a rubber stamp for the Postmaster General.

Each governor is paid $10,000 per year in addition to $300 per day plus expenses. This seems to me to be an unnecessary drain on the public treasury.

APPOINTMENT OF THE POSTMASTER GENERAL BY THE PRESIDENT OF THE UNITED STATES WITH CONFIRMATION BY THE SENATE

Abolition of the Board of Governors who appoint the Postmaster General necessitates a new appointment procedure. Appointment by the President, which I am proposing, will have a number of positive effects. It will give the Chief Executive power over an institution for which he is held accountable by the public. It will insure the Postmaster General guidance and support from the President, and it will insure that the Postmaster General is held accountable for the U.S. Postal Service.

By no means do I wish to change chapter 10 of the Postal Reorganization Act which prohibits congressional appointments and recommendations for positions with the Postal Service.

Restoration of the appointment power to the President is necessary to restore responsible, responsive management to the Postal Service and to reinstill the support of Americans.

CHANGES IN THE POSTAL RATE COMMISSION

As all parties who must deal with the Postal Rate Commission will agree, there are many problems with the Commission, its composition and its procedures. In many cases the Commissioners have little expertise in ratemaking or postal affairs. The procedures are too long and cumbersome. There has been massive turnover of both Commissioners and staff. And the Commission is too closely tied to the Postal Service which it regulates.

To remedy these problems, I propose that the Postal Rate Commission become independent of the Postal Service. I suggest that Senate confirmation become part of the appointment procedure. This will provide an opportunity for us to review qualifications to insure that the Commissioners are experienced in administrative procedures and possess other qualities necessary for getting the job done.

The Postal Rate Commission should now be empowered to issue final rate decisions instead of reporting recommendations to the Board of Governors of the Postal Service who presently make the final decision. The Commission goes through the hearing procedures and studies the evidence presented, thus making them better qualified to make a final determination.

In the past, Mr. President, the Postal Rate Commission has been financially supported by the Postal Service. It is my feeling that this creates an undesirable dependency relationship. Since postal reorganization was enacted, the Commission staff has mushroomed to approximately 98, with an annual budget of $3 million. Under my proposal, the budget of the Postal Rate Commission would be reported directly to the Congress and the President simultaneously under the new budgeting system.

These measures would provide the Postal Rate Commission with the expertise and independence necessary to serve the best interests of the American people as well as the U.S. Postal Service.

TEMPORARY RATES

First. Extend implementation of temporary rates—

According to the Postal Reorganization Act, the Postal Service is permitted to implement its proposed rate changes if the Postal Rate Commission has not transmitted its recommendations on the proposed rate change within 90 days. This is not fair to the mail users who need more warning to prepare for adjusting to rate changes. For this reason, I am recommending that we extend the period to 120 days.

Second. Rate ceiling—

According to the Postal Reorganization Act, temporary rates can be put into effect at a maximum of one-third the rate presently used. I propose that the one-third ceiling be adjusted so that temporary increases cannot exceed 10 percent of the rate presently in effect.

Mr. President, this measure will protect the mail users from excessive rate hikes, while at the same time it will provide the Postal Service with adequate criteria for planning and budgeting.

APPROPRIATIONS

Under the Postal Reorganization Act, the U.S. Postal Service is reimbursed for public service costs incurred by its providing a maximum degree of effective and regular postal services in communities where post offices may not be deemed self-sustaining. Since postal reorganization, the Postal Service has received the following amounts for these costs: fiscal year 1971—$2.086 billion; fiscal year 1972—$1.424 billion; fiscal year 1973—$1.486 billion; and fiscal year 1974—$1.75 billion.

In spite of these appropriations, the Postal Service has accumulated a $438 million loss for their total operations in fiscal year 1974 with the expectation of 3 times that amount in fiscal year 1975. It is thus quite obvious that the Postal Service is not achieving the break-even concept as was incorporated in the Postal Reorganization Act.

We were led to believe that by 1984 the Postal Service would become financially self-sufficient. We developed a plan for phasing-out Government assistance, but it is not working.

It is time that we quit kidding ourselves about the break-even goal. We must look at reality and reexamine the administration of this policy. In addition, we must establish some measures to insure that our appropriations are not abused. I am today submitting two measures which are intended to reassert congressional authority to help the Postal Service become more fiscally responsible while providing the highest possible degree of service.

First. While we will continue to operate under the proposed break-even concept, we will allow the Postal Service to come back to us for additional funds necessary for providing an efficiency oriented service. However, instead of providing a block grant as others suggest, I propose that the Postmaster General should have to come back before this body to justify additional funding.

Second. I am also proposing that the Postal Service submit its budget to the Congress which is empowered to make reductions similar to our authority in relation to the procedures used for other agencies. It is our responsibility to assist the Postal Service. Without information we will remain in the dark and we will continue to have the public's finger pointed at us while we are able to do little on behalf of our constituents.

ELIMINATE ABILITY OF THE U.S. POSTAL SERVICE TO BORROW FUNDS FOR OPERATING EXPENSES

When we were considering postal reorganization, we thought that the U.S. Postal Service, like other corporations, should be permitted to borrow money for capital expenditures and operating expenses. It is clear to me that we made a grave mistake.

In fiscal year 1974, the Postal Service took out a 1-year promisory note borrowing $500 million from the Federal Financing Bank to cover operating expenses. Today the Postal Service is not able to adequately explain their means for paying the debt. They have indicated that they will rewrite the note to extend payment to $100 million a year for 5 years. But this plan assumes that the Postal Service will turn a profit which is necessary to pay a debt.

Based on their increasing debt, I seriously question the ability of the Postal Service to repay these funds. It is for this reason that I propose to eliminate this borrowing authority for operating expenses. If the Postal Service needs additional funding for these costs, they should come to the Congress and justify their needs.

MISCELLANEOUS PROVISIONS

Additional provisions included in my package of amendments to the Postal Reorganization Act include:

First. Placing the Postal Service under the provisions of the Administrative Procedure Act.

Second. Deletion of the word "important" when mandating the modes of transportation of letter mail. This is no longer necessary due to changes in transportation.

Mr. President, we in the Congress of the United States have neglected the interests of the people who send us to Washington by allowing the postal situation to deteriorate as it has. It is time that we pull ourselves together and work on rebuilding public confidence in this crucial institution. In summary, I propose that we work to make the Postal Service more accountable to the people and more financially responsible. This is the purpose of these amendments which I am proposing.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 718

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Postal Service Amendments of 1975".

ORGANIZATION OF POSTAL SERVICE

SEC. 2. (a) Section 102 of title 39, United States Code, is amended to read as follows:

"§ 102. Definitions

"As used in this title 'Postal Service' means the United States Postal Service established by section 201 of this title.".

(b) Section 201 of such title is amended by striking out ", as an independent establishment of" and inserting in lieu thereof "within".

(c) Section 202 of such title is repealed and the item relating to such section in the table of sections for chapter 2 of such title is amended to read as follows:

"202. Repealed.".

(d)(1) Sections 203 through 205 of such title are amended to read as follows:

"§ 203. Postmaster General

"The head of the Postal Service is the Postmaster General. The Postmaster General shall be appointed by the President by and with the advice and consent of the Senate. The Postmaster General shall receive compensation at the rate provided for level I of the Executive Schedule under section 5312 of title 5.

"§ 204. Deputy Postmaster General

"The Deputy Postmaster General of the Postal Service shall be appointed by the President by and with the advice and consent of the Senate. The Deputy Postmaster General shall perform such duties as the Postmaster General may require.

"The Deputy Postmaster General shall receive compensation at the rate provided for level II of the Executive Schedule under section 5313 of title 5.

"§ 205. Senior Assistant Postmasters General; Assistant Postmasters General; General Counsel; Judicial Officer

"There shall be within the Postal Service three Senior Assistant Postmasters General, eight Assistant Postmasters General, a General Counsel, and a Judicial Officer. The Senior Assistant Postmasters General, the Assistant Postmasters General, the General Counsel, and the Judicial Officer shall be appointed by, and shall serve at the pleasure of, the Postmaster General. The Judicial Officer shall perform such quasi-judicial duties, not inconsistent with chapter 36 of this title, as the Postmaster General may designate. The Judicial Officer shall be the agency for the purposes of the requirements of chapter 5 of title 5, to the extent that functions are delegated to him by the Postmaster General. The Senior Assistant Postmasters General shall receive compensation at the rate provided for level III of the Executive Schedule under section 5313 of title 5. The Assistant Postmasters General, the General Counsel, and the Judicial Officer shall receive compensation at the rate provided for level IV of the Executive Schedule under section 5314 of title 5.".

(2) The items relating to sections 203 through 205 of such title are amended to read as follows:

"203. Postmaster General.
"204. Deputy Postmaster General.
"205. Senior Assistant Postmaster General; Assistant Postmasters General; General Counsel; Judicial Officer.".

(e) Section 402 of such title is amended to read as follows:

"§ 402. Delegation of Authority.

"The Postmaster General may delegate to any officer or employee of the Postal Service the responsibility for the performance of such functions as may be vested by law in him or in any other officer or employee of the Postal Service.".

(f)(1) Section 410(a) of such title is amended by striking out ", including the provisions of chapters 5 and 7 of title 5,".

(2) Section 410(b) of such title is amended:

(A) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and "and"; and

(B) by adding immediately below such paragraph the following:

"(7) chapter 5 (administrative procedure) and chapter 7 (judicial review) of title 5.".

(g) Section 1005(d) of such title is amended by striking out "(other than the Governors)".

POSTAL RATE COMMISSION

SEC. 3. (a)(1) The first sentence of section 3601 of this title is amended by inserting immediately after "5 Commissioners appointed by the President" the following: ", by and with the advice and consent of the Senate".

(2) The last sentence of section 3601 of such title is amended to read as follows: "The Commissioners may be removed from office by the President for inefficiency, neglect of duty, or malfeasance in office. The Commissioners of the Postal Service shall be appointed with due regard to fitness and qualifications. No individual shall be eligible for appointment as a Commissioner who is not knowledgeable and experienced in the area of administrative procedures under the laws of the United States.".

(3) The amendments made by paragraph (1) and (2) of this subsection shall be effective with respect to any individual appointed to fill a vacancy or appointed for a term of office on the Postal Rate Commission on and after the date of enactment of the United States Postal Service Amendments of 1975.

(b)(1) Section 3603 of such title is amended to read as follows:

"§ 3603. Duties and Powers

"(a) The Commission shall have the duty to make final decisions for changes in postal rates and fees and in mail classification matters and to render advisory opinions on postal services and complaints in accordance with the policies and procedures of this title.

"(b) The Postal Rate Commission shall promulgate rules and regulations and establish procedures, subject to chapters 5 and 7 of title 5, and take any other action they deem necessary and proper to carry out their functions and obligations to the Government of the United States and the people as prescribed under this chapter. Such rules, regulations, procedures, and actions shall not be subject to any change or supervision by the Postal Service.".

(2) The item relating to such section in the table of sections for chapter 36 of such title is amended to read as follows:

"3603. Duties and Powers.".

(c)(1) Section 3604(c) of such title is amended to read as follows:

"(c)(1) The Commisison shall prepare and submit to the President and Congress, simul-

taneously, a budget of the Commission's projected expenses.

"(2) There are authorized to be appropriated such sums as may be necessary to pay the expenses of the Commission.

"(2) Section 2003(e) of such title is amended by striking out "and, subject to the provisions of section 3604 of this title, all of the expenses of the Postal Rate Commission".

(d)(1) The first sentence of section 3621 of such title is amended by striking out "Governors" and inserting in lieu thereof "the Postal Rate Commission".

(2) Section 3622(a) of such title is amended—

(A) by striking out "to submit a recommended decision on changes" and inserting in lieu thereof "to decide on changes"; and

(B) by striking out "may submit such suggestions for rate adjustments as it deems suitable" and inserting in lieu thereof "may make such rate adjustments as it deems suitable".

(3) Section 3622(b) of such title is amended by striking out "the Commission shall make a recommended decision" and inserting in lieu thereof "the Commission shall make a decision".

(4) Section 3623(b) of such title is amended by striking out "recommended".

(5) Section 3623(c) is amended by striking out "recommended".

(6) Section 3624 of such title is amended—

(A) By striking out subsection (a) and inserting in lieu thereof the following:

"(a) The Postal Rate Commission shall promptly consider any request made by the Postal Service under section 3622 or 3623 of this title. In the course of such consideration, the Commission shall hold hearings and give reasonable public notice thereof, and shall afford reasonable opportunity for the Postal Service, users of the mails, and an officer of the Commission who shall be required to represent the interests of the general public, to be present, to present evidence, and to be heard at any such hearing.", and

(B) by striking out "Governors" and inserting in lieu thereof "Postal Service" and by striking out in subsection (c) "recommended" in both places where it appears.

(7) Section 3625 of such title is repealed and the item relating to such section in the table of sections for chapter 36 of such title is amended to read as follows:

"3625. Repealed.".

(8) Section 3628 of such title is amended—

(A) by striking out "decision of the Governors to approve, allow under protest, or modify the recommended";

(B) by striking out "and the Governors"; and

(C) by striking out "or Governors".

(9)(A) The caption of section 3624 of such title and the item relating to such section in the analysis of chapter 36 of such title are each amended by striking out "Recommended decisions" and inserting in lieu thereof "Decisions".

(e)(1) The first sentence of section 3641(a) of such title is amended to read as follows: "If the Postal Rate Commission does not transmit to the Postal Service within 120 days after it has submitted to the Commission a request for a decision on a change in rates of postage or in fees for postal services, or on a change in the mail classifications schedule (after such schedule is established under section 3632 of this title), the Postal Service, upon 10 days' notice in the Federal Register, may place into effect temporary changes in rates of postage, and fees for postal service, or in the mail classification schedule it considers appropriate to carry out the provisions of this title.".

(2) The second sentence of such section is amended by striking out "its recommended decision to the Governors" and inserting in lieu thereof "its decision to the Postal Service".

(f) Section 3641(c) of such title is amended by striking out "one-third" and inserting in lieu thereof "10 percent".

(g) The third sentence of section 3662 of such title is amended by striking out "recommended".

POSTAL SERVICE PERSONNEL

SEC. 4. (a)(1) Section 1001(b) of such title is amended by striking out "202, 204, and 1001(c)" and inserting in lieu thereof "203, 204, and 205".

(2) Sections 1001 (c) and (d) of such title are repealed.

(b) Section 1002(a) is amended by striking out "a Governor or" and inserting in lieu thereof "a".

(c) Section 1005(a)(3) of such title is amended by striking out "202, 204, and 1001 (c)" and inserting in lieu thereof "203, 204, and 205".

EXPENSES OF POSTAL SERVICE

SEC. 5. (a) Section 2005(a) of such title is amended—

(1) by striking out "as it determines necessary to carry out the purposes of this title" and inserting in lieu thereof "for capital improvements only"; and

(2) by striking out in the last sentence of such subsection", and the net increase in the amount of obligations outstanding issued for the purpose of defraying operating expenses of the Postal Service shall not exceed $500,000,000".

(b) Section 2009 of such title is amended by adding at the end thereof the following new sentence: "Whenever the Postal Service submits any budget program, estimate, or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that program, estimate, or request to the Congress.".

(c) Paragraph (2) of section 2401(b) of such title is amended to read as follows:

"(2) In addition to the sums authorized under paragraph (1) of this subsection, there are authorized to be appropriated to the Postal Service such additional sums as may be determined to be necessary for an efficient service oriented postal service. An appropriation for any fiscal year under this paragraph shall not be made to the Postal Service unless, for such year, an authorization for an appropriation is enacted by Congress.

TECHNICAL AMENDMENTS

SEC. 6. (a) Section 101(c) of title 39, United States Code, is amended by striking out "in the private sector of the economy of the United States" and inserting in lieu thereof "within the Federal Government".

(b) Section 101(e) of such title is amended by striking out "important".

(c) Section 101(f) of such title is amended by striking out in the second sentence thereof "important".

(d) Section 3682(b) of such title is amended by striking out "size on mail" and inserting in lieu thereof "size of mail".

By Mr. CHURCH:

S. 726. A bill to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho. Referred to the Committee on Interior and Insular Affairs.

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, legislation which directs the Secretary of the Interior to convey to Valley County, Idaho, a 40-acre tract of national resource land. This land is to be conveyed upon payment by the county of the fair market value of such land.

The Valley County Commissioners have sought private lands for purposes of a sanitary landfill for more than 1 year, but to no avail. They inform me that private lands are not readily available to the county for these purposes.

Once title to this land has been conveyed, the county contemplates an exchange of land for other privately owned lands which are said to be ideally suited for sanitary landfill purposes. At present, the county is unable to purchase these private lands outright because the owner, Boise Cascade Corp., is only willing to make a land exchange rather than sell a piece of their holdings outright.

Passage of this bill will assure the county of land with which to make the necessary exchange for the sanitary landfill site.

I urge the Senate to act quickly on this measure.

By Mr. BELLMON:

S. 727. A bill to return Congress, through the implementation of procedural reforms, the ability to insure that rules and regulations promulgated through the administrative process shall reflect the intent of Congress. Referred to the Committee on Government Operations.

Mr. BELLMON. Mr. President, today I am introducing legislation which would significantly reform the administrative process by insuring that regulations promulgated by the executive branch conform to congressional intent.

During the 93d Congress, we witnessed a reassertion of congressional authority in several historical confrontations with the executive branch. For example, the Budget Reform Act was approved in order that Congress may have better control over the budgetary process. The Director of OMB is now subject to Senate confirmation. The War Powers bill was passed and other legislative measures enacted—all with the stated objective of reasserting Congress' authority in the decisionmaking process and restoring a balance of power with the executive branch.

My proposal would further extend congressional authority over governmental process by requiring that agencies and departments which promulgate regulations pursuant to enabling legislation conform to the congressional intent of that legislation. This proposal requires that when a governmental agency promulgates regulations in order to implement Federal legislation the congressional committee of origin has 60 days to disapprove the proposed regulations.

The need for legislation of this nature is clear. The Senate is aware of the frustration of American citizens who believe that the Federal officials are callous and arbitrary. A system of checks and balances over the Federal bureaucracy is needed to insure that the will of Congress' is followed in the regulatory process.

The problems we now face in controlling the agencies and bureaus have evolved over time. When the first regulatory agency, the ICC, was formed in the late 1800's there was no way to predict the eventual expansion of regulatory agencies. Congress has shared its responsibility with the executive branch by giving agencies and departments the power to issue regulations, licenses, and permits if the agency deems it to be "in the public interest."

For example, implementation of regulations concerning the Occupational Safety and Health Act are left to those administrators who for the most part have never worked in private enterprise and do not understand the practicalities and expenses involved in many of the regulations which they require. These regulations apply equally to the giants of industry as well as the smallest, least sophisticated business in the country.

All sections of society, corporations, as well as the workingman and the poor, are affected by these broad generalized grants of authority to administrative agencies. Millions of citizens are in a poor position to defend themselves against arbitrary agency actions. Congress needs to make certain that regulators do not become dictators. Any member who has attempted to influance a Federal agency in the promulgation of regulations will understand the feeling of futility which is held by citizens across this land.

Many agencies, most notably those which have been granted the authority to disburse money for various Federal programs to individuals, organizations, and to the States, have almost the absolute power to turn on and off the flow of money.

The promulgation of regulations which are extremely complex and confusing to even the well educated are the source of agency power. These rules and regulations are the conduit through which the agency imposes its views upon the general public, and the practical opportunities for protest are limited. Arguably, the opportunities for protest are present because of the Administrative Procedure Act. However, it is difficult and costly for citizens to hire Washington lawyers to represent them before the agencies. It represents the classic David against Goliath situation.

The effect of this legislation would be to provide a check on those agencies. The check would be imposed by the Congress from which the agency's power is initially derived. The values at stake are of constitutional impact and importance. Clearly the public can no longer stand helplessly by while Federal agencies make decisions which affect their very livelihood. Congress can no longer allow the laws to be misconstrued by the agencies and bureaus which Congress created.

The agencies have promulgated regulations so extensive and so complex that the public is endangered by the Government its taxes support. The effect has been to reduce the respect which the American people have for their Government. When Government is unresponsive to their needs, a sense of frustration and anger oberwhelms them. As Winston Churchill remarked:

If you have 10,000 regulations, you destroy all respect for the law.

The purpose of this bill is to restore this lost respect for the law, by providing a check on the regulatory process.

I ask unanimous consent that the text of this bill be printed in full in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regulatory Control Act of 1974".

SEC. 2. That section 301 of title 5, United States Code, is hereby amended to read as follows:

"(a) The head of an executive department or military department may prescribe regulations for the government of his department, the conduct of its employees, the distribution and performance of its business, and the custody, use, and preservation of its records, papers, and property. This section does not authorize withholding information from the public or limiting the availability of records to the public.

"(b) That upon the promulgation of proposed rules and regulations implementing public laws, the committee of origin, whether in the Senate or in the House of Representatives, shall give approval or disapproval of said rules and regulations within sixty days from the date of submission of said rules and regulations.

"(c) In the event the said committee fails to disapprove the proposed rules and regulations within sixty days, such abstention shall be deemed to be approval of said rules and regulations."

By Mr. DOMENICI:

S. 728. A bill to authorize the Administrator of the National Aeronautics and Space Administration to name a space vehicle to be launched in 1976 the "Doctor Robert Hutchings Goddard Rocket." Referred to the Committee on Aeronautical and Space Sciences.

Mr. DOMENICI. Mr. President, today I rise to pay respect to one of this countries greatest pioneers. I refer to Dr. Robert Hutchings Goddard, America's pacemaking rocket scientist.

When we celebrate our Bicentennial in 1976, it will mark the 50th anniversary of the launching of the world's first liquid-fuel rocket. Dr. Goddard was the developer of this rocket that was launched in 1926 at Auburn, Mass. In 1929, Dr. Goddard flew a larger and more sophisticated rocket but when it crashed the fire marshal of Massachusetts prohibited further rocket tests.

It was then with the encouragement of Col. Charles A. Lindbergh and his close friend Harry Guggenheim that a fund of $50,000 was established for Dr. Goddard to transfer his work to Roswell, N. Mex. During his stays in Roswell, Dr. Goddard clearly became the leader in liquid-fuel rockets. In 1932 Goddard first developed a gyro control apparatus for rocket flight along with the first successful testing of vanes in the rocket motor blast for guidance. His most memorable achievement was in 1935 when his liquid-fuel rocket sled broke the sound barrier.

Mr. President, it is not necessary for me to list all of Dr. Goddard's accomplishments because his personal reputation has long been a national tradition. I do, however, wish to pay a small tribute to this memorable man by introducing legislation that would authorize the Administrator of the National Aeronautics and Space Administration to designate one of the vehicles scheduled to be launched in 1976 as the "Doctor Robert Hutchings Goddard Rocket" and cause the legend of Dr. Robert Hutchings Goddard: "The Spirit of Roswell" to be prominently affixed to such vehicle.

Mr. President I urge my colleagues to join with me in sponsoring this legislation and thus I would ask unanimous consent that the entire text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in recognition of the enormous contribution of Doctor Robert Hutchings Goddard, the father of modern rocketry, to the achievements of the United States in astronautics and related sciences, the Administrator of the National Aeronautics and Space Administration is authorized to cause any integrated launch or lift vehicle scheduled to be launched in 1976 to be named the "Doctor Robert Hutchings Goddard Rocket", and to cause the legend "Doctor Robert Hutchings Goddard: The Spirit of Roswell" to be prominently affixed to such vehicle.

By Mr. BURDICK (for himself, Mr. HRUSKA, Mr. MCCLELLAN, and Mr. FONG):

S. 729. A bill to improve judicial machinery by reorganizing the fifth and ninth judicial circuits, by creating additional judgeships in those circuits, and for other purposes. Referred to the Committee on the Judiciary.

Mr. BURDICK. Mr. President, S. 729, which I am introducing today on behalf of Senator ROMAN L. HRUSKA, Senator JOHN L. MCCLELLAN, Senator HIRAM L. FONG, and myself, is a revised version of a bill (S. 2990) which was introduced by request in the last Congress. This bill would reorganize the fifth and ninth judicial circuits as the solution to the ever-rising caseload which has virtually overwhelmed these two circuits in recent years.

In the 92d Congress, the Commission on Revision of the Federal Court Appellate System was created (P.L. 92-489) to study this problem and to report to the President, the Chief Justice and the Congress on its recommendations for a solution to the acute problems in the fifth and ninth judicial circuits. On December 18, 1973, this Commission, which was chaired by the senior Senator from Nebraska and upon which the senior Senator from Arkansas and Senator from Hawaii, and I were privileged to serve, filed its report recommending that the 5th circuit be divided so as to create a new 11th circuit and that the 9th circuit be divided so as to create a new 12th circuit. Thereafter, on September 24, 25, and 26; October 1, 2, and 3, 1974, the Subcommittee on Improvements in Judicial Machinery, which I am privileged to chair, held extensive hearings in which we received the views of distinguished members of the bench and bar representing various bar associations and groups interested in finding a means of improving the efficiency of these courts. The subcommittee received many suggestions and also received testimony in opposition to the proposals to create new and separate circuits.

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Most of the opposition was centered on the proposal of the Commission which would have placed part of the State of California in a new 12th circuit and would have placed the other part of California in a revised 9th circuit. Testimony received both by the commission and by the Subcommittee on Improvements in Judicial Machinery established that the 9th circuit had a large backlog of cases, particularly civil cases, where as much as 3 years was required before the appeal was decided. In an effort to overcome this problem, the court of appeals in the 9th circuit made extensive use of district court judges assigned as a third member of a three-judge panel to hear appeals. The subcommittee received evidence indicating that this practice not only was objected to by some members of the bar but also was productive of more intracircuit conflicts than would ordinarily be the case if only circuit judges sat on panels of the court. There was further testimony to the effect that when these intracircuit conflicts occurred they were not resolved by an en banc hearing as is contemplated by statute. Testimony was received that it was difficult to schedule en banc hearings because of the geographical scattering of circuit judges in nine States ranging from Alaska to the Mexican border and as far west as Hawaii.

Under the recommendation of the Commission on Revision of the Federal Court Appellate System, if the 9th and 12th circuits arrived at differing and conflicting decisions on the same issue involving the application of Federal law to activities within the boundaries of the State of California, the only recourse would be for the litigants to petition the Supreme Court of the United States for a writ of certiorari as a means of resolving the conflict. Because the Supreme Court itself has experienced a great increase in its own caseload, witnesses before the subcommittee expressed their doubt that the Supreme Court had the time to review a case involving a conflict for California litigants. Thus, witnesses from the State of California recognized the necessity that any proposal to divide judicial business in the State of California should provide a conflict resolving judicial mechanism located on the west coast rather than on the east coast.

A cursory examination of the problems, which appellate courts have had in the face of a mounting caseload, might lead one to conclude that the simple answer is to create additional judgeships for such an appellate court. However, experience has demonstrated that more judgeships alone is not the answer. As a matter of fact when a court of nine judges in the fifth circuit was overwhelmed, the Congress provided for a total of 13 judgeships in that circuit and, in a few years, when the 13 judges in turn became overwhelmed by the caseload, a 14th and a 15th judgeship was provided. During the hearings held in the 92d Congress in connection with Senate Joint Resolution 122, testimony was received indicating that by use of assigned judges from other courts as well as its own senior judges, the fifth circuit had at times operated with a practical complement of as many as 20 judges and was yet unable to keep current with the mounting caseload. In this connection, testimony received in our hearings during the last Congress from witnesses familiar with the procedure in the fifth circuit indicated that a court composed of as many as 15 judges was presented with certain logistical and administrative problems which not only resulted in administrative and judicial inefficiency but also wasted the valuable time of circuit judges. For example, testimony was received indicating that, in a large court of that size, judges must spend a considerable amount of time keeping abreast of opinions written by judges serving on any of the many three-judge panels which can be composed from a group of 15 judges.

As a result of the hearings held in September and October of 1974, the sponsors of this bill, while recognizing that more judges are needed in both the fifth and ninth circuits, arrived at the opinion that judicial and administrative efficiency in these two circuits could be greatly enhanced if these circuits were reorganized into two separate divisions in each circuit. The bill which we are introducing would carry out this reorganization and provides that each of the divisions would have its own chief judge, judicial council and circuit executive as a means of promoting judicial efficiency. With respect to the problem involving a possible conflict of opinion between the northern and southern division of the ninth circuit with reference to the application of Federal law to activities within the State of California, this bill provides that any such conflict would be resolved by a joint en banc panel consisting of the four most senior judges from each division and the most senior chief judge of the two divisions as the ninth member. This then would provide a local or west coast conflict resolving mechanism for California litigants.

In proposing this division concept for reorganization of overburdened courts of appeals in the fifth and ninth circuits, this bill simply follows the same solution which has frequently been invoked at the trial or district court level in the Federal judicial system; this is, when the caseload of a district court within one State becomes too large for a single court to handle, the Congress has provided for the creation of one or more additional district courts in such State. Moreover, the division concept for Federal courts of appeals which is proposed in this bill is similar to the structure which the State of California has implemented in its own State court system. When the California Supreme Court became overburdened, an intermediate court of appeals was created. Today that intermediate court consists of five separate courts and, in the event a conflict exists between any of those five courts, it may be resolved by the California Supreme Court.

It has been suggested that neither the fifth circuit nor the ninth circuit should be reorganized into divisions, but that the number of judges in those existing circuits be substantially increased to the 23 and 20 judges, respectively, as provided in this bill, with the further proviso that only 9 judges comprise the en banc panel of the court. Under such a proposal there would be 14 judges and 11 judges, respectively, who would have no voice in an en banc decision but yet would be bound by the decision under principles of stare decisis. Moreover, an en banc decision could be made by as few as 5 judges of a 23- or 20-judge court. The sponsors of this bill do not believe that limiting the en banc function in all cases to but nine judges in these two circuits is conducive to harmony on an appellate court. There should not be "first- and second-class" circuit judges.

Mr. President, there are those who say that this proposed legislation would "split" the State of California. It is not intended to do so and we submit that, in fact, it will not do so. What it will do is to provide for the citizens of California as well as for citizens of all other States in either the fifth or the ninth circuit an effective court structure and an adequate judicial complement to the end that the appellate review in those circuits can be accorded to litigants in a timely fashion and without the necessity of employing various expedients which have the effect of eliminating oral argument and reducing deliberate and mature consideration of issues on appeal in a large number of cases. The sponsors of this legislation believe that enactment of this bill will further the ends of justice.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 729

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 41 of title 28 of the United States Code is amended to read in part as follows:

"The eleven judicial circuits of the United States are constituted as follows:

"Circuits and Composition:

* * * * * *

"Fifth:
Eastern Division: Alabama, Florida, Georgia, Mississippi, Canal Zone.

* * * * * *

"Fifth:
Western Division: Louisiana, Texas.

* * * * * *

"Ninth:
Northern Division: Alaska, Eastern and Northern Judicial Districts of California, Hawaii, Idaho, Montana, Oregon, Washington, Guam.

* * * * * *

"Ninth:
Southern Division: Arizona, Central and Southern Judicial Districts of California, Nevada.".

SEC. 2. A circuit judge in active service of either the fifth or ninth circuit as constituted the day prior to the effective date of this Act is assigned as a circuit judge of that division of either the fifth or the ninth circuit within which is located the State or judicial district within which he resided at the time of his original appointment to be a circuit judge of either the fifth or the ninth circuit and his seniority in service shall run from the date of his original appointment to be a judge of such circuit.

"SEC. 3. A circuit judge in senior status of either the fifth or ninth circuit on the day of the effective date of this Act may elect to

be assigned to either division of his particular circuit and he shall notify the Director of the Administrative Office of the United States Courts of the election made by him.

SEC. 4. Where on the day prior to the effective date of this Act any appeal or other proceeding has been filed with the circuit court of appeals for either the fifth or the ninth circuit as constituted before the effective date of this Act—

(1) If any hearing before said court has been held in the case, or if the case has been submitted for decision, then further proceedings in respect of the case shall be had in the same manner and with the same effect as if this Act had not been enacted.

(2) If no hearing before said court has been held in the case, and the case has not been submitted for decision, then the appeal, or other proceeding, together with the original papers, printed records, and record entries duly certified, shall, by appropriate orders duly entered of record, be transferred to the division of the circuit court of appeals to which it would have gone had this Act been in full force and effect at the time such appeal was taken or other proceeding commenced, and further proceedings in respect of the case shall be had in the same manner and with the same effect as if the appeal or other proceeding had been filed in said court.

SEC. 5. The President shall appoint by and with the advice and consent of the Senate, three additional judges for the Eastern Division of the Fifth Circuit, five additional judges for the Western Division of the Fifth Circuit, two additional judges for the Northern Division of the Ninth Circuit and five additional judges for the Southern Division of the Ninth Circuit: *Provided*, That the appointments made under this section shall become effective on the date specified in section 26 of this Act: *And provided further*, That at the earliest practicable date after the date of enactment of this Act the President shall submit to the Senate of the United States his nominations for the additional judges authorized in this section and that after such submission the Senate shall proceed to consider such nominations at the earliest practicable date prior to the date specified in section 26 of this Act.

SEC. 6. Section 48 of title 28 of the United States Code is amended to read in part as follows:

"§ 48. Terms of court

"Terms or sessions of courts of appeals shall be held annually at the places listed below, and at such other places within the respective circuits as may be designated by rule of court. Each court of appeals may hold special terms at any place within its circuit.

"Circuits and Places:

* * * * * *

"Fifth:
Eastern Division: Atlanta, Jacksonville, Miami and Montgomery.

* * * * * *

"Fifth:
Western Division: New Orleans and Houston.

* * * * * *

"Ninth:
Northern Division: San Francisco, Portland and Seattle.

* * * * * *

"Ninth:
Southern Division: Los Angeles.

Provided, however, That the courts of appeals of the Fifth Circuit-Eastern Division is authorized to hold terms or sessions of court at New Orleans until such time as adequate facilities for the court are provided at Atlanta."

SEC. 7. Section 42 of title 28, United States Code, is amended to read as follows:

"The Chief Justice of the United States and the Associate Justices of the Supreme Court shall from time to time be allotted as circuit justices among the circuits or divisions thereof by order of the Supreme Court. The Chief Justice may make such allotments in vacation.

"A justice may be assigned to more than one circuit or division thereof, and two or more justices may be assigned to the same circuit or division thereof."

SEC. 8. Section 43 of title 28, United States Code, is amended to read as follows:

"§ 43. Creation and composition of courts

"(a) There shall be in each circuit, or division thereof, a court of appeals, which shall be a court of record, known as the United States Court of Appeals for the circuit or division.

"(b) Each court of appeals shall consist of the circuit judges of the circuit or of the division in regular active service. The circuit justice and justices or judges designated shall be competent to sit as judges of the court."

SEC. 9. Section 44(a) of title 28, United States Code, is amended to read in part as follows:

"(a) The President shall appoint, by and with the advice and consent of the Senate, circuit judges for the several circuits as follows:

"Circuits and Number of Judges:

* * * * * *

"Fifth:
Eastern Division 12
Western Division 11

* * * * * *

"Ninth:
Northern Division 9
Southern Division ..... 11".

* * * * * *

SEC. 10. Section 45 of title 28, United States Code, is amended in part as follows:

(a) At the end of the first sentence of subsection (a) delete the period and insert the words "or division."

(b) At the end of subsection (b) delete the period and insert the words "or division."

(c) In subsection (d) after the words "present in the circuit" insert the words "or division."

SEC. 11. Section 46 of title 28, United States Code, is amended to read as follows:

"§ 46. Assignment of judges; panels; hearings; quorum

"(a) Circuit judges shall sit on the court and its panels in such order and at such times as the court directs.

"(b) In each circuit or division the court may authorize the hearing and determination of cases and controversies by separate panels, each consisting of three judges. Such panels shall sit at the times and places and hear the cases and controversies assigned as the court directs.

"(c) Cases and controversies shall be heard and determined by a court or panel of not more than three judges, unless a hearing or rehearing before the court en banc is ordered by a majority of the circuit judges of the circuit or division who are in regular active service. A court en banc shall consist of all circuit judges of the circuit or division in regular active service. A circuit judge of the circuit or division who has retired from regular active service shall also be competent to sit as a judge of the court en banc in the rehearing of a case or controversy if he sat in the court or panel at the original hearing thereof.

"(d) (1) In any circuit consisting of two divisions, each of which has jurisdiction over cases arising from a United States District Court sitting in a single State, the senior chief judge of the two divisions, upon certification or petition as hereinafter specified, shall convene a joint en banc panel consisting of the four most senior judges in regular active service in each division, excepting therefrom the senior chief judge who shall sit and preside ex officio on the joint en banc panel.

"(2) The joint en banc panel shall have only the jurisdiction specified in section 1291 (b) of this title. Such jurisdiction shall be invoked (1) upon certification by one of the divisions of that circuit that a conflict of opinion, as specified in section 1291(b) of this title, exists between the divisions of that circuit or (2) upon a petition of a party, served upon all adverse parties within the time provided herein, suggesting the existence of a conflict of opinion as specified in section 1291(b) of this title. The certification or the petition shall be filed with the designated clerk of the joint en banc panel within ten days after service of the notice of the entry of judgment by the division. The record before the joint en banc panel shall consist of the record and appendix to the briefs as submitted to the division together with such concise statement of the case and issue presented for review as may be contained in the petition or in the supplemental briefs of the parties as may be authorized in special rules promulgated by the joint en banc panel governing the procedure for joint en banc review of cases specified in section 1291(b) of this title. A majority of the judges serving on the joint en banc panel may order that the matter be heard and decided by the joint en banc panel, with or without oral argument. The designated clerk of the joint en banc panel shall perform all duties prescribed by law or rules of court as the same may be applicable to matters considered by the joint en banc panel.

"(e) A majority of the number of judges authorized to constitute a court or panel thereof, as provided in paragraph (c), shall constitute a quorum."

SEC. 12. Section 291 of title 28, United States Code, is amended to read in part as follows:

"(a) The Chief Justice of the United States may designate and assign temporarily any circuit judge to act as circuit judge in another circuit or division upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division where the need arises: *Provided, however*, That within a circuit consisting of two or more divisions the chief judge of the division who is senior in service may designate and assign temporarily any circuit judge from one division to act as a circuit judge in the other division upon presentation of a certificate of availability by the chief judge of the division from which the circuit judge is assigned.

* * * * * *

"(c) The chief judge of a circuit or division or the circuit justice may, in the public interest, designate and assign temporarily any circuit judge within the circuit or division, including a judge designated and assigned to temporary duty therein, to hold a district court in any district within the circuit or division."

SEC. 13. Section 292 of title 28, United States Code, is amended to read in part as follows:

"(a) The chief judge of a circuit or division may designate and assign one or more district judges within the circuit or division to sit upon the court of appeals or a panel thereof whenever the business of that court so requires. Such designations or assignments shall be in conformity with the rules or orders of the court of appeals of the circuit or division.

"(b) The chief judge of a circuit or division may, in the public interest, designate and assign temporarily any district judge of the circuit or division to hold a district court in any district within the circuit or division: Provided, however, That within a circuit consisting of two or more divisions the chief judge of a division who is senior in service may designate and assign temporarily a district judge from one division to hold a dis-

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trict court in another division of the same circuit, upon presentation of a certificate of availability by the chief judge of the division from which the district judge is assigned."

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SEC. 14. Section 293 of title 78, United States Code, is amended to read in part as follows:

"(a) The Chief Justice of the United States may designate and assign temporarily any judge of the Court of Claims or the Court of Customs and Patent Appeals to serve, respectively, as a judge of the Court of Customs and Patent Appeals or the Court of Claims upon presentation of a certificate of necessity by the chief judge of the court wherein the need arises, or to perform judicial duties in any circuit or division, either in a court of appeals or district court, upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division wherein the need arises.

"(b) The Chief Justice of the United States may designate and assign temporarily any judge of the Customs Court to perform judicial duties in a district court in any circuit or division upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division wherein the need arises."

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SEC. 15. Section 294 of title 28, United States Code, is amended to read in part as follows:

"(a) Any retired Chief Justice of the United States or Associate Justice of the Supreme Court may be designated and assigned by the Chief Justice of the United States to perform such judicial duties in any circuit or division including those of a circuit justice, as he is willing to undertake.

• • • • • •

"(c) Any retired circuit or district judge may be designated and assigned by the chief judge or judicial council of his circuit to perform such judicial duties within the circuit or division as he is willing and able to undertake. Any other retired judge of the United States may be designated and assigned by the chief judge of his court to perform such judicial duties in such court as he is willing and able to undertake.

"(d) The Chief Justice of the United States shall maintain a roster of retired judges of the United States who are willing and able to undertake special judicial duties from time to time outside their own circuit or division, in the case of a retired circuit or district judge, or in a court other than their own, in the case of other retired judges, which roster shall be known as the roster of senior judges. Any such retired judge of the United States may be designated and assigned by the Chief Justice to perform such judicial duties as he is willing and able to undertake in a court outside his own circuit or division, in the case of a retired circuit or district judge, or in a court other than his own, in the case of any other retired judge of the United States. Such designation and assignment to a court of appeals or district court shall be made upon the presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division wherein the need arises and to any other court of the United States upon the presentation of a certificate of necessity by the chief judge of such court. No such designation or assignment shall be made to the Supreme Court."

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SEC. 16. Section 295 of title 28, United States Code, is amended to read in part as follows:

"No designation and assignment of a circuit or district judge in active service shall be made without the consent of the chief judge or judicial council of the circuit or division from which the judge is to be designated and assigned. No designation and assignment of a judge of any other court of the United States in active service shall be made without the consent of the chief judge of such court."

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SEC. 17. Section 296 of title 28, United States Code, is amended to read as follows:

"A justice or judge shall discharge, during the period of his designation and assignment, all judicial duties for which he is designated and assigned. He may be required to perform any duty which might be required of a judge of the court or district, circuit, or division to which he is designated and assigned.

"Such justice or judge shall have all the powers of a judge of the court, circuit, district, or division to which he is designated and assigned except the power to appoint any person to a statutory position or to designate permanently a depository of funds or a newspaper for publication of legal notices.

"A justice or judge who has sat by designation and assignment in another district, circuit, or division may, notwithstanding his absence from such district, circuit, or division or the expiration of the period of his designation and assignment, decide or join in the decision and final disposition of all matters submitted to him during such period and in the consideration and dispositon of applications for rehearing or further proceedings in such matters."

SEC. 18. Section 331 of title 28, United States Code, is amended to read in part as follows:

"The Chief Justice of the United States shall summon annually the chief judge of each judicial circuit, or division, the chief judge of the Court of Claims, the chief judge of the Court of Customs and Patent Appeals, and a district judge from each judicial circuit or division to a conference at such time and place in the United States as he may designate. He shall preside at such conference which shall be known as the Judicial Conference of the United States. Special sessions of the conference may be called by the Chief Justice at such times and places as he may designate.

"The district judge to be summoned from each judicial circuit or division shall be chosen by the circuit and district judges of the circuit or division at the annual judicial conference of the circuit held pursuant to section 333 of this title and shall serve as a member of the conference for three successive years: *Provided, however,* That upon the effective date of this Act the district judge serving on the Judicial Conference from the fifth or ninth circuits shall continue to represent that division of his circuit wherein he resides until the next judicial conference of his circuit or division at which time each division of the circuit shall choose a district judge to serve on the Judicial Conference of the United States.

"If the chief judge of any circuit or division or the district judge chosen by the judges of the circuit or division is unable to attend, the Chief Justice may summon any other circuit or district judge from such circuit or division. If the chief judge of the Court of Claims and Patent Appeals is unable to attend, the Chief Justice may summon an associate judge of such court. Every judge summoned shall attend and, unless excused by the Chief Justice, shall remain throughout the sessions of the conference and advise as to the needs of his circuit or division or court and as to any matters in respect of which the administration of justice in the courts of the courts of the United States may be improved.

"The conference shall make a comprehensive survey of the condition of business in the courts of the United States and prepare plans for assignment of judges to or from circuits or divisions or districts where necessary, and shall submit suggestions to the various courts, in the interest of uniformity and expedition of business."

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SEC. 19. Section 332 of title 28, United States Code, is amended to read in part as follows:

"(a) The chief judge of each circuit or division shall call, at least twice in each year and at such places as he may designate, a council of the circuit judges for the circuit or division, in regular active service, at which he shall preside. Each circuit judge, unless excused by the chief judge, shall attend all sessions of the council.

"(b) The council shall be known as the judicial council of the circuit or division.

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"(d) Each judicial council shall make all necessary orders for the effective and expeditious administration of the business of the courts within its circuit or division. The district judges shall promptly carry into effect all orders of the judicial council. In any circuit consisting of two or more divisions each of which has jurisdiction over cases arising from a United States District Court sitting in a single State, the senior chief judge, with the concurrence of the chief judge of the other division, shall select and appoint a joint committee on rules of procedure from among circuit and district judges of the divisions, together with representatives from among attorneys practicing in each division, for the purpose of achieving relative uniformity in the local rules of procedure adopted in each division: Provided, however, That the rulemaking authority shall be exercised by the judicial council of each division.

"(e) The judicial council of each circuit or division may appoint a circuit executive from among persons who shall be certified by the Board of Certification. The circuit executive shall exercise such administrative powers and perform such duties as may be delegated to him by the circuit council. The duties delegated to the circuit executive of each circuit or division may include but need not be limited to:

"(1) Exercising administrative control of all nonjudicial activities of the court of appeals of the circuit or division in which he is appointed.

"(2) Administering the personnel system of the court of appeals of the circuit or division.

"(3) Administering the budget of the court of appeals of the circuit or division.

• • • • • •

"(8) Conducting studies relating to the business and administration of the courts within the circuit or division and preparing appropriate recommendations and reports to the chief judge, the circuit council, and the Judicial Conference.

• • • • • •

"(8) Representing the circuit or division as its liaison to the courts of the various States in which the circuit is located, the marshall's office, State and local bar associations, civic groups, news media, and other private and public groups having a reasonable interest in the administration of the circuit or division.

"(9) Arranging and attending meetings of the judges of the circuit or division and of the circuit council, including preparing the agenda and serving as secretary in all such meetings.

"(10) Preparing an annual report to the circuit or division and to the Administrative Office of the United States Courts for the preceding calendar year, including recommendations for more expeditious disposition of the business of the circuit or division.

"All dutes delegated to the circuit executive shall be subject to the general supervision of the chief judge of the circuit or division.

"(f) • • •

"The circuit executive shall serve at the pleasure of the judicial council of the circuit or division."

SEC. 20. Section 333 of title 28, United States Code, is amended to read as follows:

"§ 333. Judicial conferences of circuits

"The chief judge of each circuit or division shall summon annually the circuit and district judges of the circuit or division, in active service to a conference at a time and place that he designates, for the purpose of considering the business of the courts and advising means of improving the administration of justice within such circuit or division. He shall preside at such conference, which shall be known as the Judicial Conference of the circuit or division. The judges of the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virginn Islands shall also be summoned annually to the conferences of their respective circuits or divisions.

"Every judge summoned shall attend, and unless excused by the chief judge, shall remain throughout the conference.

"The court of appeals for each circuit or division shall provide by its rules for representation and active participation at such conference by members of the bar of such circuit or division.

"In circuits having two or more divisions an annual judicial conference may be held jointly by the divisions in which event it shall be summoned and presided over jointly by the chief judges of the several divisions."

SEC. 21. Section 334 of title 28, United States Code, is amended by inserting the words "or division" after the words "the chief judge of each circuit" in the second sentence of subsection (a) and in subsection (b).

SEC. 22. Section 451 of title 28, United States Code, is amended by inserting the following new paragraph at the end of the section:

"The terms 'judicial circuit,' 'circuit court,' 'judicial council of the circuit,' and 'court of appeals of the appropriate circuit' as used in this title or other titles also mean and relate to a division of a circuit which has two or more divisions created pursuant to this Act unless the context in which said term is used necessarily excludes such meaning."

SEC. 23. Section 1297 of title 28, United States Code, is amended to read as follows:

"§ 1294. Circuits in which decisions reviewable

"Appeals from reviewable decisions of the district and territorial courts shall be taken to the courts of appeals as follows:

"(1) From a district court of the United States to the court of appeals from the circuit or division, embracing the district;

"(2) From the United States District Courts for the District of the Canal Zone, to the Court of Appeals for the Fifth Circuit, Eastern Division;

"(3) From the District Court of the Virgin Islands, to the Court of Appeals for the Third Circuit;

"(4) From the District Court of Guam, to the Court of Appeals for the Ninth Circuit, Northern Division."

SEC. 24. Section 1254 of title 28, United States Code, is amended in part by changing the first sentence of the section to read as follows:

"Cases in the courts of appeals, including cases before a joint en banc panel specified in section 46 of this title, may be reviewed by the Supreme Court by the following methods:".

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SEC. 25. Section 1291 of title 28, United States Code, is amended to read as follows:

"§ 1291. Final decisions of district courts and of divisions of some circuit courts

"(a) The courts of appeals shall have jurisdiction of appeals from all final decisions of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, except where a direct review may be had in the Supreme Court.

"(b) In any circuit consisting of two divisions each of which has jurisdiction over cases arising from a district court of the United States sitting in a single State, a joint en banc panel convened as provided in section 46 of this title, shall have jurisdiction over any decision by a division of that circuit which is in conflict with a decision by the other division of that circuit affecting the validity, construction, or application of any statute or administrative order, rule, or regulation, State or Federal, which affects personal or property rights in the same State."

SEC. 26. The creation of courts of appeals for the eastern and western divisions of the fifth circuit and for the northern and southern divisions of the ninth circuit including the exercise of jurisdiction conferred by this Act upon those courts shall become effective on January 1, 1976.

By Mr. SPARKMAN:

S. 730. A bill to exempt small independent oil producers from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

Mr. SPARKMAN. Mr. President, last fall, I introduced S. 4001. This legislation was designed to provide a clear and concise distinction between the truly independent oil producers of this country and the major oil companies. S. 4001 died with the adjournment sine die of the last Congress.

I am reintroducing this legislation today because it seems to me to be rather urgent from the standpoint of small independent producers of this country, that with all of the proposed tax legislation applicable to the industry, they be carefully identified and then separated from the giant integrated, multinational major oil companies.

The last time Congress failed to distinguish between the independents and the majors, the Tax Reform Act of 1969 became law. The majors passed their additional tax loss on to the consuming public and the nonintegrated producers who have traditionally found 80 percent of the domestic reserves of oil and natural gas in this country were penalized.

In discussing the merits of this bill in this chamber during the last Congress, I analogized the capital structures of the major oil companies as opposed to the economic posture of the independent producers as reminiscent of David and Goliath. I characterized our previous attempts to limit the size of the Goliaths as having only succeeded in taking away pebbles from the Davids of the oil industry.

My overriding reason for preserving and protecting the small independent oil sector of the oil industry is because they are and have been the traditional sources of new domestic exploration and drilling.

It is my fervent hope, Mr. President, that this legislation will be a building block upon which we can move closer to true energy independence. We must take a long view in preserving and encouraging the sector of the oil industry that has consistently stood at the frontier of energy exploration and development. The problem is squarely before us. The time to answer is now.

By Mr. DOMENICI:

S. 731. A bill to designate certain lands in the Bandelier National Monument, New Mexico, as wilderness. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I rise to introduce legislation to create the Bandelier Wilderness area in the State of New Mexico. This is a proposal which was submitted to me by Mr. Carl B. Bowman, a senior at New Mexico State University who is majoring in both biology and anthropology.

Mr. Bowman has made a number of changes in the proposal submitted to the Congress by the President. I have reviewed these changes and find that they merit consideration by the committee. The changes reflect Mr. Bowman's knowledge and recognition of the rich cultural and historical resource in the form of prehistoric ruins. In his report he states:

The important consideration is that no portion of the legislation establishing the Bandelier Wilderness should eliminate the option to excavate these ruins in the future and in a manner that will not seriously damage the environment over an extended period of time.

He goes on to say:

The preservation of wilderness in Bandelier National Monument is not only something of aesthetic value, but as demand for solitude grows, it becomes a necessity. The history of ancient man in his environment is likewise not only of aesthetic value, but may have some bearing on the strivings of our culture to live in our environment. Both are equally important values in Bandelier. Neither should be sacrificed for the other.

Mr. President, I ask unanimous consent that a report which gives the overview of the changes be included in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PROPOSED CHANGES TO THE RECOMMENDED WILDERNESS FOR BANDELIER NATIONAL MONUMENT

INTRODUCTION

Although the primary purpose in the establishment of Bandelier National Monument was the preservation of prehistoric Indian ruins and artifacts, by lucky coincidence, a wide range of plants and animal communities were also preserved in the Monument. In the Wilderness Recommendation prepared by the National Park Service most of those communities have been set aside in wilderness. However, two of these communities, the pine-spruce forest on the flanks of the Jemez Mountains and the semi-desert grassland, riparian areas of the White Rock Canyon of the Rio Grande have been excluded. The Changes I have proposed in this report would include these areas in the wilderness.

In the White Rock Canyon, Cochiti Lake will flood the bottomland of the Rio Grande in Bandelier. Because of this, the wilderness for this area has been divided into two sections. The first (White Rock Wilderness Addition) will not be inundated by Cochiti Lake. The second (Rio Grande Wilderness Addition) cannot be established unless the filling of Cochiti Lake is limited to the Maximum Conservation Pool. Taken together, these two wilderness additions will include the continuum from lightly forested plateau to the riverside parks of the Rio Grande.

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Two deletions from the Recommended Wilderness are also proposed. The first, containing the large San Miguel Ruins, will facilitate mechanized excavation of those ruins. The second (Capulin) will remove land from the Recommended Wilderness that will be flooded by Cochiti Lake.

This report is not a counterproposal to the Recommended Wilderness prepared by the National Park Service. Rather, it is a list of proposed changes I feel should be made to that recommendation. In addition to this short copy, a longer report has been provided to deal with the proposed changes in more detail.

Proposed change A: Jemez Wilderness addition

This wilderness addition of 637 acres in northwestern Bandelier would contain the dense pine-spruce forest on the flanks of the Jemez Mountains. A very small area of this forest type is contained in the Recommended Wilderness, but to insure a more balanced ecosystem, a larger area must be included. The dense nature of this forest means that any formalized development beyond trail building would require extensive clearing. A non-wilderness corridor north of this addition does provide space for clearing and development, and a buffer for the wilderness area.

No difficulties are apparent regarding the designation of the Jemez Addition as wilderness. Designation as such would preclude future use of the area for major recreational developments, but due to the dense nature of the forest and its distance from other developments, it is unsuited for major developments, especially compared to other Monument lands further to the east. It seems unlikely that major ruins exist in the proposed addition.

Proposed change B: White Rock Wilderness addition

The White Rock Canyon of the Rio Grande is one of the most scenic portions of Bandelier. At present, the canyon is almost totally free of modern developments. The 504 acres of the White Rock Wilderness Addition will not be affected directly by the filling of Cochiti Lake. The addition lies above the 20-year Flood Pool of the lake and a buffer zone above the highest lake level. It will preserve the striking pink and buff cliffs which terminate the Pajarito Plateau above the Rio Grande.

Aside from grazing, no problems exist to designation as wilderness. Grazing this high on the canyon walls is infrequent, and by fencing the Monument boundary and the filling of Cochiti Lake, grazing can hopefully be eliminated. In addition to the buffer zone protecting this wilderness addition from the Flood Pool of Cochiti Lake, much of its length will be north of the Maximum Conservation Pool, keeping it isolated from the reservoir.

Proposed change C: Rio Grande Wilderness addition

Unlike the White Rock Wilderness Addition, the designation of the Rio Grande Wilderness Addition is tied intimately with the filling of Cochiti Lake past the Maximum Conservation Pool. If designated, the area would, along with the White Rock Wilderness, round out the preservation of communities within the Bandelier Wilderness by preserving the continuum from lightly forested plateau to the banks of the Rio Grande. Along the river, the relatively lush parks and old river benches would be included. About half of the Rio Grande Wilderness Addition lies along the Rio Grande.

Much of the 523 acres of the Rio Grande Wilderness Addition will be flooded by Cochiti Lake if it is allowed to rise above the Maximum Conservation Pool. Therefore, before the Rio Grande Wilderness can be added to the Bandelier Wilderness, the filling of Cochiti Lake must be limited to the maximum Conservation Pool.

Proposed change D: Stone Lions Enclave Wilderness addition

The retention of an enclave for the Stone Lions, Yapashi Pueblo, and the Backcountry Patrol Cabin is certainly necessary. However, the Park Service Recommendation excludes an unnecessarily large area from the wilderness. As an intrusion in the wilderness, the enclave should be kept as small as possible. The addition of 369 acres to the wilderness will still provide the non-wilderness enclave for excavation of Yapashi Pueblo and the surrounding cliff dwellings, protection of the Stone Lions Shrine, the Patrol Cabin, and a connecting corridor between the cabin and archaeological sites. The outstanding escarpment above the Stone Lions, as well as more of Capulin Canyon and the surrounding mesas, would be added to the wilderness.

Aside from removing a few traces of the old Capulin Canyon Road, no difficulties exist in the inclusion of this area in the wilderness. The wilderness enclave boundary will be lengthened, but due to the limited extent of development in the enclave in both time and space, no future problems are expected to occur.

Proposal E: San Miguel Wilderness exclusion

San Miguel Pueblo ruin is the second largest ruin in the Bandelier backcountry (following Yapashi Pueblo). Because of the large size of this ruin, and the amount of fallen wall material, an enclave of 56 acres is proposed to surround the San Miguel ruin. The removal of this area from the wilderness will facilitate mechanical excavation of the ruin and surrounding archaeological sites. The enclave is dominated by pinon-juniper woodland, typical of the southern portion of the Monument. No unique natural features of the Monument will be excluded from the Wilderness.

Proposal F: Capulin Wilderness exclusion

Should Cochiti Lake be allowed to fill above the Maximum Conservation Pool (see Proposal C: Rio Grande Wilderness Addition), about 8.5 acres in lower Capulin and Hondo Canyons will be submerged. Since this land lies within the Recommended Wilderness, and since the flooding is incompatible with wilderness objectives, this area is proposed for exclusion from the wilderness. The boundary of the wilderness area would then lie on the shore of Cochiti Lake at its maximum depth.

By Mr. DOLE:

S. 732. A bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit. Referred to the Committee on Post Office and Civil Service.

Mr. DOLE. Mr. President, I am today introducing a measure which would extend preference eligibility in Federal employment to those men and women who have served satisfactorily in a National Guard or Reserve unit over a period of time. Under the provisions of my bill, qualified persons would receive a 3-point preference eligibility for competitive civil service jobs.

Federal hiring preference for veterans of military service has been an accepted policy of this Government since the time of the Civil War and was duly codified when the Veterans Preference Act received congressional approval in 1944. At that time, there was general agreement that a uniform method should be established by which special consideration would be given to qualified veterans seeking Federal employment. Five-point preference was given to honorably discharged veterans who served on active duty, while disabled veterans, their wives, widows, and in some cases their mothers were granted a 10-point edge in the competitive examination for Federal employment. The Veterans Preference Act was completely justified then, and it is justified today in that it gives appropriate recognition and deference to those who have given of themselves to serve this Nation.

INEQUITY FOR RESERVES

There is, however, an inequity in the application of those benefits, which I seek to rectify today. Since the act was implemented, veterans of National Guard and Reserve units have been specifically excluded from its provisions. Despite the fact that these men and women—all volunteers—have spent an initial period of several months in active duty training, and despite the fact that many remain "on call" for their country for an additional 6 to 8 years.

These individuals receive no Federal employment benefits whatsoever. In particular, members of the Selected Reserve of the Ready Reserve—the Active segment—spend one weekend per month with their units, and an additional 2 weeks of active duty for training each year, as long as they remain in that status. Many of them experience difficulties with their jobs and their families in the process of staying prepared for national emergencies. Yet they receive absolutely no credit equivalent to that of their active-duty counterparts in the armed services—draftees and volunteers alike—many of whom complete their normal military obligation within 2 years.

Now, I do not intend in any way to disparge the current employment preference which the Government extends to active-duty veterans. I said before that this is both appropriate and entirely justified. But I do think it is only fair that some measure of equivalent recognition be extended to those who have dedicated a not insignificant portion of their lives to prepare themselves and stand ready for the national defense.

Accordingly, this measure will provide a just and equitable degree of civil service hiring preference—3 points—to those men and women who have satisfactorily participated in the Selected Reserve of the Ready Reserve for a period of at least 12 consecutive months. This should include by far the largest bulk of those who enter and complete the initial period of reserve drill training and preparation for national emergency.

RESERVIST AND NATION BENEFIT

Who will benefit?

The reservists will benefit. He will be given an equitable degree of recognition and employment preference by the Government of the Nation he stands ready to defend in its time of need.

The Nation will benefit. By providing an additional benefit to members and former members of the National Guard and Reserve units of the Army, Navy, Air Force, Marine Corps, and Coast Guard, this bill will serve to strengthen these essential units of our national security. It may well help to bolster the sagging Reserve enlistment trend which has developed in the past 2 years since suspension of the draft.

Mr. President, there are currently more than 2.3 million competitive Federal jobs in our civil service system. In my own State of Kansas, there are more than 13,000 current members of the Selected Reserve and several thousand former members who would potentially benefit from the provisions of this measure.

The measure should not create any adverse effect upon the civil service, which annually hires some 250,000 employees. We know that not every reservist will want to take advantage of these provisions. We also know that a three-point preference is not going to put anyone else at a serious disadvantage.

But the Government employment preference—however large or small it may seem in the individual case—will be greatly appreciated and richly deserved by America's selected reservists. The times are suitable for extension of veterans' preference benefits. And I believe this is the time for us to act in giving equitable recognition to those who stand by to protect us from both internal and external threat.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2108(1) of Title 5, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (A);

(2) by striking out in subparagraph (B) the comma after "January 31, 1955" and all that follows and inserting in lieu thereof a semicolon and "or"; and

(3) by inserting immediately below subparagraph (B) the following new subparagraph:

"(C) served satisfactorily as a member of the Selected Reserve of the Ready Reserve as defined by section 268(b) of title 10 for a period of at least 12 consecutive months;";

(b) Section 2108(3) of such title is amended—

(1) by striking out "and" at the end of subparagraph (F)(iii);

(2) by striking out the period at the end of subparagraph (G)(iii) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) a veteran as defined by paragraph (1)(C) of this section.".

SEC. 2. Section 3309 of such title is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(3) a preference eligible under section 2108(3)(H) of this title—3 points.".

SEC. 3. The amendments made by this Act shall apply on and after the date of enactment.

By Mr. McINTYRE:

S. 739. A bill to promote competition in the marketing of petroleum products by providing for a moratoriu mon further control or acquisition of marketing outlets by petroleum producers and refiners, and for other purposes. Referred to the Committee on the Judiciary.

THE PETROLEUM MARKETING MORATORIUM ACT OF 1975

Mr. McINTYRE. Mr. President, I send to the desk for appropriate reference legislation to provide for a moratorium on further acquisition of petroleum marketing outlets by large integrated petroleum producers or refiners.

The Petroleum Marketing Moratorium Act of 1975 is almost identical to legislation I introduced in 1973. It would make it unlawful for any person or corporation directly or indirectly engaged in the production, refining, or transportation of petroleum products whose annual gross sales total over $1 billion to acquire, either directly or indirectly, any retail gasoline outlet for the marketing of petroleum products which was not acquired by such person as of May 1, 1975.

Violations of the act will be punishable by fines not to exceed $100,000 or by imprisonment not to exceed 10 years.

In addition to this enforcement provision, the Attorney General is authorized to commence appropriate civil action to enjoin any violation of this act.

The act also directs the Federal Trade Commission within 1 year of passage to prepare a plan for divestiture of the retail marketing of gasoline from all other branches of the petroleum industry, namely, production, refining, and transportation.

There is no doubt that we need this legislation as part of an overall package of legislation to help us through this difficult period in our Nation's history.

We are seeing a drive toward concentration in the Nation's energy industry. Major oil companies propose to buy other companies, independent nonbranded dealers are being driven out of business, and the Nation's oil giants continue to move forward to take over the last remaining area of competition in the oil industry—the marketing sector.

I should like to point out that the Exxon Corp. decided last week to turn 1,000 of its stations that have been run by independent franchisors over to salaried employees. Texaco appears to want to do the same.

A moratorium to stop this type of activity is clearly in the interests of the Nation's small business independent gasoline marketers and the consuming public. We need total divestiture of retail outlets from the oil giants, but until such a bill is before us, we must have a moratorium designed to hold the oligopoly at bay. This legislation will accomplish this end.

Mr. President, I ask unanimous consent that the Petroleum Marketing Moratorium Act of 1975 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Petroleum Marketing Moratorium Act of 1975".

SEC. 2. It is hereby declared to be the policy of Congress to assist in reducing inflation, and protecting the purchase power of the dollar by making more competitive the marketing of petroleum products.

SEC. 3. As used in this Act—

(a) The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, joint-stock companies, trustees and receivers in bankruptcy and reorganization, common-law trusts, or any organized group, whether or not incorporated.

(b) The term "production" means the development of oil lands within the United States and the production of crude petroleum and natural gas thereon, the storage of crude petroleum and natural gas thereon.

(c) The term "transportation" means the transportation of petroleum products by means of pipelines, railroads, or tankers.

(d) The term "refining" means the refining, processing or converting of crude petroleum, fuel oil, or natural gas into finished or semifinished products. It shall include the initial sale with transfer of ownership of refined petroleum products to customers at the refinery.

(e) The term "marketing" means the sale and distribution of refined petroleum products, other than the initial sale with transfer of ownership to customers at the refinery.

(f) The term "control" means actual or legal power or influence over another person, whether direct or indirect, arising through direct or indirect ownership of capital stock, interlocking directorates or officers, contractual relations, agency agreements, or leasing arrangements where the result is used to affect or influence persons engaged in the marketing of petroleum products.

(g) The term "outlet" means real property used primarily as a place for the wholesale and retail sales of petroleum products.

(h) The term "operate" means engaging in the business of selling at wholesale and retail petroleum products, or motor vehicle parts, equipment, accessories, or supplies either directly, or indirectly through any agent who receives any commission, compensation, or payment because of the sale of any product of such producer or refiner.

SEC. 4. It shall be unlawful for any person directly or indirectly engaged in the production, refining, or transportation of petroleum products whose aggregate gross sales exceeded $1,000,000,000 during last year or any preceding year to acquire, operate, or control either directly or indirectly any wholesale or retail outlet for the marketing of petroleum products which were not acquired, operated, or controlled by such person as of May 1, 1975.

SEC. 5. Any person knowingly violating the provisions of this Act shall upon conviction be punished by a fine of not to exceed $100,000 or by imprisonment not exceeding ten years, or both, in the discretion of the court. A violation by a corporation shall be deemed to be also a violation by the individual directors, officers, receivers, trustees, or agents of such corporation who shall have authorized, ordered, or done any of the acts constituting the violation in whole or in part.

SEC. 6. It shall be the duty of the Attorney General to commence a civil action for appropriate relief, including a permanent or temporary injunction, whenever any person violates section 4. Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to restrain such violation and to require compliance.

SEC. 7. Any person or association injured as a result of the violation of section 4 may bring a suit or action to enforce compliance with or enjoin any violation of section 4 and

for any damages suffered as a result of the violation thereof. Any such action shall be brought in the United States district court in any district wherein the defendant is found or is an inhabitant or transacts business. Process in any such cases may be served in any other district.

SEC. 8. The Federal Trade Commission is hereby directed to prepare a plan for the divestiture of "persons" engaged in the production or refining of petroleum products from the marketing of petroleum products and file such plan with the Congress of the United States within a year of the effective date hereof.

SEC. 9. This Act does not affect the rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date

SEC. 10 If a part of this Act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this Act is invalid in one or more applications, the part remains in effect in all valid applications that are severable from the invalid applications.

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. STEVENSON, Mr. BAYH, and Mr. LEAHY):

S. 740. A bill to promote the general welfare by establishing a National Energy Production Board to assure early development of energy resources on the public domain and on the Outer Continental Shelf in order to overcome the dependence of the United States on foreign nations for energy supplies which are essential to national security, commerce, and a full-employment economy. Referred to the Committee on Interior and Insular Affairs.

NATIONAL ENERGY PRODUCTION BOARD ACT OF 1975

Mr. JACKSON. Mr. President, I am introducing today the National Energy Production Board Act of 1975. This act will create a National Energy Production Board to mobilize on an urgent basis the materials, manpower and financial resources necessary to accelerate exploration and development of our domestic energy resources, particularly the vast oil and gas reserves on our public lands on the Outer Continental Shelf and in Alaska.

Mr. President, a concerted national energy production program must accompany energy conservation if we are to achieve energy self-sufficiency, insure the independence of our foreign policy and the stability of our economy. The Nation's job, and the job of the National Energy Production Board, is to identify, explore and develop domestic energy resources in the shortest possible time, consistent with environmental concerns and the legitimate interests of State and local governments.

The Board will spearhead a national effort utilizing public and private skills and know-how. State governments will have a role in planning and consultation. Federal agencies with unutilized or underutilized resources and expertise—the Interior Department, the Army Corps of Engineers, the Defense Department, NASA, and others—will have operational responsibilities in implementing programs developed by the Board.

While there is debate on the full extent of recoverable oil and gas reserves in the United States, there is agreement on the enormous potential for oil and gas exploration and development on public lands, on the Outer Continental Shelf, and the Naval Petroleum Reserves in California and Alaska. An estimated 10 to 33 billion barrels of oil, and 80 trillion cubic feet of natural gas, await full exploration in Naval Petroleum Reserve No. 4 in Alaska. These estimates do not even include the yet to be explored Outer Continental Shelf or the already proven petroleum reserves in Alaska's Prudhoe Bay region where a minimum of 10 billion barrels—and perhaps many times that figure—await exploration and development. Whatever the ultimate potential of these areas, it is time to stop estimating and to start exploring.

Mr. President, the Board will develop Federal programs and implement Federal initiatives to supplement, not supplant, private sector activities. Cooperation between public and private sectors, and between State and Federal Government, will expedite this necessary energy exploration and development. The great history of achievement of the War Production Board demonstrates what such cooperative action can achieve in a period of national crisis. Our country can repeat this achievement in peacetime, if we again summon the will, resources and managerial talents available to us.

Business as usual will not suffice. From 1972 to 1974, for example, the number of mobile drilling rigs in U.S. waters rose by a mere 2—from 70 to 72. During the same period, foreign drilling activity increased by over 70 percent. This is the kind of alarming and counterproductive trend the Board can reverse. The authorities I propose for this Board can produce the kind of public direction and private incentives necessary for the construction of new drilling rigs, which are in potentially short supply, and for bringing back into U.S. waters some of the estimated 250 rigs which will be operating abroad in 1976.

The massive exploration and development of national energy resources demands an action-forcing agency: to eliminate material and procedural bottlenecks, to overcome manpower and equipment shortages, to end jurisdictional rivalries, and to create a sense of national purpose and urgency.

Mr. President, there is widespread support for the creation of an action-forcing agency, which I believe the National Energy Production Board will be. Last week the prestigious Atlantic Council recommended, inter alia, creation of an Energy Supply Authority and an Energy Supply Fund "to provide for the United States to meet its future energy demands and to function as a major factor in assisting others."

Given the agreed-upon objective of increasing domestic energy resources as rapidly as possible, and the emerging consensus on the means for achieving this objective, I believe legislation creating a National Energy Production Board will receive broad support, and I hope, early enactment in this Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the legislation as I have introduced it today. I intend to hold hearings on the bill creating the Board in the near future. As introduced, the bill marks out the path to be followed. Constructive comments and suggestions for its improvement will, of course, be welcomed.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

NATIONAL ENERGY PRODUCTION BOARD ACT OF 1975

DESCRIPTION OF PROVISIONS

Findings and purpose

Under this Act the Congress finds that in order to overcome the dependence of the United States on foreign sources of energy the Federal government is obligated to supplement efforts of the private sector to develop domestic, Federally-owned energy resources through innovative programs developed by a new Federal entity patterned after the War Production Board of World War II, which will recommend and propose specific action programs to the Congress to increase domestic energy supplies and, subject to authorization, direct the carrying out of such programs.

The purposes of the Act are to mobilize on an urgent basis all of the resources and expertise of the Federal government, to stimulate the economy, to create jobs, and to enhance competition in the energy industry through vigorous programs of direct and indirect Federal involvement in the accelerated development of domestic energy resources.

Title I—National Energy Production Board

The National Energy Production Board will consist of a Chairman and four members appointed by the President with the advice and consent of the Senate. The Chairman of the Board has cabinet rank (Level I of the Executive Schedule) and the members of subcabinet rank (Level II). The Board is established for a five-year term subject to extension by the Congress. No member may hold another position in the Executive branch, nor may a member, after service on the Board, represent any party other than the United States in a matter involving the Board. The Board will have power to make full use of competent personnel and enter into contracts to carry out its work.

Title II—Duties and responsibilities

The Board is empowered to monitor all activities of the Federal government and the private sector within the United States or in other parts of the world which have a bearing on the development of domestic energy resources or the availability of material, equipment or manpower for such development.

The Board is directed to prepare and carry out a Federal oil and gas exploration program designed to determine the extent, location and value of oil and gas reserves on Federal lands, including the Outer Continental Shelf. This program shall involve prompt, comprehensive, and environmentally responsible activities, including exploratory drillings, in consultation with affected State and local governments.

Title III—Programs for congressional review with right of disapproval

The Board is directed to prepare, within ninety days, programs for the development of Naval Petroleum Reserves (NPR) Numbered 1, 2, and 3, in California and Wyoming and the exploration of Naval Petroleum Reserve Numbered 4 in Alaska. The plan for development of NPR 1, 2 and 3 shall provide for the prompt development of these reserves to a state of ready availability for use to meet requirements for strategic oil storage and critical civilian requirements. Either of these programs may be disapproved by action of either House of Congress within sixty days after their submission. If no disapproval is made the programs may go forward contingent on the availability of funds from the Energy Production Trust Fund created by Title VI.

The Board is also directed to submit within ninety days, a Federal Facilities Energy Program providing for the use of existing Federal facilities and resources to assist in the accelerated exploration, development and production of energy resources. The same procedure of Congressional review and right of disapproval applies to the Federal Facilities Energy Program.

To expedite Federal agency action on essential energy development projects the Board is also authorized to identify Federal procedures and requirements that significantly delay decision-making and action on specific essential energy projects and to propose expediting procedures to the interested department or agency consistent with existing law.

Upon a determination by the Board that a specific activity or project is of high national priority and unusual urgency, the Board is authorized to recommend to the Congress an Expedited Energy Project Procedure designed to overcome delays and institutional impediments. Such expedited procedure would become effective unless disapproved by action of either House within sixty days after its submission to the Congress.

Title IV—Programs requiring express legislative authorization

The Board is directed to prepare, within nine months, Federal action programs to accelerate coal production from public lands of the United States, improvement and augmentation of the energy transportation system, including rebuilding railroad systems, coal slurry pipelines, oil and natural gas pipelines, and a Federal oil and gas production program. The Federal oil and gas production program shall include provisions for development and production of oil and gas reserves under Federal management, joint ventures and cost sharing with private industry and preferences for entry into the oil and gas production industry by independent producers. None of the programs authorized under this title may proceed without express legal authorization of the Congress.

Title V—Guidelines and administration

In developing programs to increase the production of domestic energy resources the Board shall consider and evaluate the impact of the programs on energy self-sufficiency, the quality of the environment, Federal revenues, employment and regional economic impact, and competition in the energy industry. Federal assistance under the programs may involve direct utilization of existing Federal facilities or other skills and expertise, the designation of a Federal lead agency for the project, or a cooperative role involving private enterprise.

The Energy Resources Council, the Governor of any affected State and the governing bodies of political subdivisions of affected local areas shall review proposals of the Board. In addition, right of review and comment shall be provided to private industry, labor, and environmental and consumer groups.

Title VI—National Energy Production Trust Fund

The National Energy Production Trust Fund established by the Act will receive $1 billion in fiscal year 1976 and $2 billion annually thereafter through fiscal year 1984 to be taken from revenue payable to the U.S. Treasury under the Outer Continental Shelf Lands Act. Appropriations from the Fund require an act of Congress.

Title VII—Advisory committees and interagency coordination

The Board is authorized to appoint special energy advisory committees for each project proposed. These committees shall represent the views of State and local government, the affected industries, labor, and environmental and consumer organizations. The Energy Resources Council shall assist the Board at the Board's request in the coordination of Federal agency activities under the Act.

Mr. JACKSON. Mr. President, I ask unanimous consent that if and when this measure is reported that it be referred to the Committee on Commerce and the Committee on Armed Services for not to exceed 40 days.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, reserving the right to object, I do not know what the bill is. But I will say I do not particularly like the time limit on the reference to the other committees.

Mr. JACKSON. Well, Mr. President, this is a bill to authorize the setting up of the National Energy Production Board. It does involve certain limited areas in which the Armed Services Committee would have a special interest. I am referring specifically to the Naval Petroleum Reserves, and I am referring to that area in which the Committee on Commerce has an interest as it pertains to the Outer Continental Shelf.

The Interior Committee has complete jurisdiction of the Outer Continental Shelf, and it was worked out with the respective committees.

Mr. GRIFFIN. When the Senator says it was worked out with the respective committees—in other words, have the ranking member of the Armed Services Committee and the ranking member of the Commerce Committee given their approval to this arrangement?

Mr. JACKSON. Well, I must say that I cannot personally vouch for that. But I do not think there is any question. If the Senator wishes to object it will just go to the Interior Committee, and I will have to check it out later.

Mr. GRIFFIN. Mr. President, I object temporarily and for the time being.

The PRESIDING OFFICER. Objection is heard.

By Mr. PROXMIRE (for himself and Mr. TOWER):

S.J. Res. 33. A joint resolution to extend the Federal riot reinsurance and crime insurance programs. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, I am introducing along with Senator TOWER a joint resolution to extend the Federal riot reinsurance and crime insurance programs for 3 years. These programs are to expire on April 30, 1975. I ask unanimous consent that the text of the joint resolution be inserted in the RECORD, along with a letter from the Under Secretary of HUD concerning this proposal as well as a justification for same prepared by HUD.

There being no objection, the joint resolution and letter were ordered to be printed in the RECORD, as follows:

S.J. RES. 33

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1201 of the National Housing act is amended—

(1) by striking, in subsection (b)(1), "April 30, 1975" and inserting in lieu theref "April 30, 1978";

(2) by striking, in subsection (b)(1)(A), "April 30, 1978" and inserting in lieu thereof "April 30, 1981"; and

(3) by striking, in subsection (b)(2), "April 30, 1978" and inserting in lieu thereof "April 30, 1981".

THE UNDER SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., February 12, 1975.

HON. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am enclosing proposed legislation to extend the Federal riot reinsurance and crime insurance programs for three years. Under existing law, the authority of the Secretary of Housing and Urban Development to provide new riot reinsurance and crime insurance coverages will terminate on April 30, 1975. Also enclosed for your convenience is an explanation of the proposal.

Since its inception in 1968, the riot reinsurance program, including FAIR Plans, has enabled millions of home owners, tenants, and businessmen to obtain fire and other essential property insurance at reasonable rates while substantially relieving insurers of the risk of loss from riot or civil disorders. In our view, the program has been and continues to be both viable and of significant value. Its continuation for three years is desirable.

We believe the Federal crime insurance program also should be extended for three years. Although policy levels have been somewhat lower than had been expected initially, the program serves a constructive purpose by providing otherwise unavailable crime insurance coverages at affordable rates while encouraging insureds to install and maintain reasonable protective devices to guard their property against loss. We believe continuation of this program is merited, particularly because policy sales are now increasing rapidly.

The Office of Management and Budget has advised us that enactment of this draft legislation would be consistent with the Administration's objectives.

Sincerely yours,

JAMES L. MITCHELL.

EXPLANATION AND JUSTIFICATION OF PROPOSED EXTENSION OF THE RIOT REINSURANCE AND CRIME INSURANCE PROGRAMS

Title XII of the National Housing Act, as added by the Urban Property Protection and Reinsurance Act of 1968, title XI of the Housing and Urban Development Act of 1968, authorizes the Secretary of Housing and Urban Development to reinsure property insurers against losses from riots or civil disorders in States having adequate plans to assure fair access to insurance requirements (FAIR Plans).

Under present law, the Secretary's authority to provide such reinsurance will expire on April 30 of this year. After that date, no new reinsurance coverage may be provided, although existing policies already reinsured by that date may continue, for up to three years (until April 30, 1978), to be reinsured until they expire or are renewed. The proposal would extend the Secretary's authority to provide new reinsurance coverage for three years, until April 30, 1978, and his authority to continue existing reinsurance coverage for three years thereafter (until April 30, 1981).

The basic reasons for continuing the riot reinsurance program are the program's amply demonstrated worth and viability and the continuing need for its existence. When the Congress authorized the program in 1968, it found, among other things, that: the vitality of many American cities is being

threatened by the deterioration of their inner-city areas; responsible owners of well-maintained residential business and other properties in many of these areas are unable to obtain adequate property insurance coverage against fire, crime and other perils; the lack of such insurance coverage accelerates the deterioration of these areas by discouraging private investment and restricting the availability of credit to repair and improve property therein and this deterioration poses a serious threat to the national economy.

The Congress further found that "the capacity of the private property insurance industry to provide adequate insurance is threatened, and the continuity of such property insurance protection is essential to the extension of credit in these areas." And finally, the Congress found that "the national interest demands urgent action by the Congress to assure that essential lines of property insurance including lines providing protection against riot and civil commotion damage will be available to property owners at reasonable cost."

Since its inception, the riot reinsurance program has achieved a notable measure of success in alleviating those problems. It has stimulated the adoption of FAIR Plans which have enabled millions of home owners, tenants, and businessmen in 27 States (including the District of Columbia) to obtain essential fire and extended coverage insurance (including protection against riot, vandalism and malicious mischief). Also, while the amount of property losses from riots has declined on an overall basis since the late 1960's, there is no doubt that the risk of such losses remains real. Moreover, both the number of insureds and the dollar volume of coverage written through FAIR Plans have increased until, at present, FAIR Plan business represents a significant percentage of all property insurance written in many metropolitan areas. While recent data indicate that the Plans are experiencing a decrease in use, there are strong indications that current adverse conditions in the insurance industry will result in a resurgence in the near future.

In view of the demonstrated continuing need for FAIR Plans, continuation of the riot reinsurance program would appear essential. Enabling statutes in 12 States actually condition the existence of a FAIR Plan in the State on the availability of Federal riot reinsurance, and the future of the FAIR Plans, and the invaluable insurance protection they offer, could be in doubt in many other States if riot reinsurance were no longer available.

Elimination of FAIR Plans, particularly under current strained insurance market capacity conditions, could have extremely unfortunate consequences. Indeed, collapse of the FAIR Plans at the present time could well bring about a return to the situation of the middle 1960's when deliberate programs of market constriction led to severe unavailability problems, particularly but not exclusively in inner-city areas. Also, Federal riot reinsurance provides the property insurance industry with valuable protection which private reinsurance facilities may be unable or unwilling to provide under present economic conditions.

A three year extension of the riot reinsurance program is desirable under these circumstances because of the stabilizing effect likely to result from a multi-year continuation. Prompt consideration and passage of such an extension would enable the Secretary to offer a new reinsurance contract in sufficient time prior to the expiration of the current reinsurance contract year on April 30 to enable reinsured insurers to continue their coverage without lapse or difficulty.

The proposal also would extend the Federal Crime Insurance Program authorized by a 1970 amendment to the 1968 legislation authorizing the riot reinsurance program. The 1970 amendment authorizes the Secretary to provide crime insurance coverages in States having critical problems of crime insurance availability or affordability.

The proposal would extend the authority of the Secretary to write new crime insurance policies for three years (from April 30, 1975 to April 30, 1978) and it would authorize the Secretary to continue existing crime insurance coverage for up to three years thereafter (until April 30, 1981). Since August 1971, the crime insurance program has enabled home owners, tenants, and businessmen in 14 States and the District of Columbia to purchase burglary and robbery policies at affordable rates without fear of cancellation because of losses while encouraging insureds, through its protective device requirements, to make their premises less vulnerable to burglaries.

While the number of persons and businesses covered under the program is small in relation to the number of insureds under the FAIR Plans, the over 20,000 Federal crime insureds include many who have previously experienced the greatest difficulty in obtaining or maintaining crime coverage, and as the program has become better known the number of insureds has continued to grow. For many of these insureds, especially small businessmen, the program can mean the difference between solvency and insolvency in the face of crime losses, as well as the difference between staying in an urban location or abandoning it.

As with the proposed riot reinsurance program extension, prompt Congressional action on a three year extension of the crime insurance program will guarantee that all those who depend on the program can continue to be protected without interruption.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S 104

At the request of Mr. INOUYE, the Senator from New York (Mr. JAVITS) was added as a cosponsor of the bill (S. 104) to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid.

S. 106

At the request of Mr. INOUYE, the Senator from Tennessee (Mr. BROCK) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of the bill (S. 106) to provide credit against income tax for an employer who employs older persons in his trade or business.

S. 107

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the bill (S. 107) to allow an additional income exemption for taxpayer or spouse who is deaf or deaf-blind.

S. 108

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the bill (S. 108) to allow deduction from gross income for social agency, legal, and related expenses incurred in connection with adoption of a child by the taxpayer.

S. 109

At the request of Mr. INOUYE, the Senator from Alaska (Mr. GRAVEL) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of the bill (S. 109) to require the Armed Forces to continue to provide certain special educational services to handicapped dependents.

S. 110

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of the bill (S. 110) to amend chapter 13 of title 38, United States Code, to make eligible for dependency and indemnity compensation widows of veterans who die of non-service-connected causes, but who were at the time of death totally disabled as a result of one or more service-connected disabilities.

S. 111

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of the bill (S. 111) to authorize the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries.

S. 114

At the request of Mr. INOUYE, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of the bill (S. 114) to amend the Social Security Act to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 5 years, shall be treated, for benefit purposes, as if such marriage had been legally valid.

S. 117

At the request of Mr. INOUYE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of the bill (S. 117) to amend chapter 67 of title 10, United States Code, to grant eligibility for retired pay to certain reservists who did not perform active duty before August 16, 1945, and for other purposes.

S. 118

At the request of Mr. INOUYE, the Senator from Indiana (Mr. BAYH), the Senator from Massachusetts (Mr. BROOKE), the Senator from Hawaii (Mr. FONG), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from New York (Mr. JAVITS) were added as cosponsors of the bill (S. 118) to incorporate the Pearl Harbor Survivors Association.

S. 120

At the request of Mr. INOUYE, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the bill (S. 120) to authorize reduced postage rates for certain mail matter sent to Members of Congress.

S. 123

At the request of Mr. INOUYE, the Senator from Connecticut (Mr. RIBICOFF), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from New York (Mr. JAVITS) were added as cosponsors of the bill (S. 123) to amend title XVIII of the Social Security Act to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title.

S. 192

At the request of Mr. WEICKER, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Alabama (Mr. ALLEN), the Senator from New Jersey (Mr. CASE), and the Senator from South Dakota (Mr. ABOUREZK) were added as cosponsors of the bill (S. 192) to require the disclosure of the net worth of public officials.

S. 215

At the request of Mr. INOUYE, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of the bill (S. 215) the National Medical Injury Compensation of 1975.

S. 216

At the request of Mr. DOMENICI, the Senator from South Carolina (Mr. THURMOND), the Senator from Maryland (Mr. BEALL), and the Senator from Tennessee (Mr. BROCK) were added as cosponsors of the bill (S. 216) to amend the Gun Control Act of 1963.

S. 288

At the request of Mr. BURDICK, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of the bill (S. 288) to amend the Land and Water Conservation Fund Act of 1965 so as to authorize the development of indoor recreation facilities in certain areas.

S. 308

At the request of Mr. DOMENICI, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of the bill (S. 308) to provide one free physical exam per year for medicare recipients.

S. 328

At the request of Mr. WEICKER, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of the bill (S. 328) to direct the President of the United States to establish and carry out a program for rationing gasoline.

S. 410

At the request of Mr. GOLDWATER, the Senator from New Mexico (Mr. DOMENICI), the Senator from Massachusetts (Mr. BROOKE), the Senator from Maryland (Mr. BEALL), the Senator from Kansas (Mr. DOLE), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. JAVITS), the Senator from Rhode Island (Mr. PELL), the Senator from Nevada (Mr. LAXALT), the Senator from South Carolina (Mr. HOLLINGS), the Senators from Utah (Mr. Moss and Mr. GARN), the Senators from Connecticut (Mr. RIBICOFF and Mr. WEICKER), the Senator from North Carolina (Mr. MORGAN), the Senators from South Dakota (Mr. MCGOVERN and Mr. ABOUREZK), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. STAFFORD), the Senator from North Dakota (Mr. YOUNG), the Senator from Hawaii (Mr. INOUYE), and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of the bill (S. 410) to repeal the earnings limitation of the Social Security Act for all workers age 65 and over.

S. 454

At the request of Mr. CHILES, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Wyoming (Mr. HANSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from South Carolina (Mr. THURMOND), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of the bill (S. 454) to amend the Occupational Safety and Health Act of 1970.

S. 525

At the request of Mr. RIBICOFF, the Senator from New York (Mr. JAVITS) was added as a cosponsor of the bill (S. 525) to amend the Social Security Act to freeze medicare deductibles.

S. 531

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PELL), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of the bill (S. 531) to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for a non-service-connected disability to any war veteran who has a service-connected disabilty of 80 percent or more.

S. 546

At the request of Mr. HATHAWAY, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of the bill (S. 546) to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs.

S. 547

At the request of Mr. PROXMIRE, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of the bill (S. 547) to provide for the payment of interest on public funds.

S. 551

At the request of Mr. DOMENICI, the Senator from New Jersey (Mr. Case), the Senator from Maine (Mr. HATHAWAY), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New York (Mr. JAVITS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Rhode Island (Mr. PELL), and the Senator from Texas (Mr. TOWER) were added as cosponsors of the bill (S. 551) to provide for the recycling of used oil, and for other purposes.

S. 552

At the request of Mr. DOMENICI, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of the bill (S. 552) to amend the Mining and Minerals Policy Act of 1970.

S. 583

At the request of Mr. BURDICK, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the bill (S. 583) to provide that the price of wheat, corn, and milk be supported at not less than 90 per centum of the parity price therefor, and for other purposes.

S. 585

At the request of Mr. CHILES, the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Iowa (Mr. CLARK) were added as cosponsors of the bill (S. 585) to prohibit travel at Government expense outside the United States by Members of Congress who are not reelected to the succeeding Congress.

S. 615

At the request of Mr. PROXMIRE, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of the bill (S. 615) to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes.

SENATE JOINT RESOLUTION 4

At the request of Mr. INOUYE, the Senator from Tennessee (Mr. BROCK), the Senator from North Dakota (Mr. BURDICK), the Senator from Arizona (Mr. FANNIN), the Senator from Indiana (Mr. HARTKE), the Senator from Nevada (Mr. LAXALT), the Senator from Utah (Mr. Moss), the Senator from Rhode Island (Mr. PELL), the Senator from Texas (Mr. TOWER), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Idaho (Mr. CHURCH), the Senator from South Carolina (Mr. THURMOND), the Senator from Colorado (Mr. GARY W. HART), the Senator from Maryland (Mr. BEALL), and the Senator from California (Mr. TUNNEY) were added as cosponsors of the joint resolution (S.J. Res. 4) to authorize and request the President of the United States to issue a proclamation designating September 17 as "Constitution Day."

SENATE RESOLUTION 33

At the request of Mr. BENTSEN, the Senator from Alabama (Mr. SPARKMAN) was added as a cosponsor of the resolution (S. Res. 33) to urge a meeting of hemispheric finance ministers.

AMENDMENTS SUBMITTED FOR PRINTING

PROHIBITION OF THE IMPOSITION OF TARIFFS ON OIL—H.R. 1767

AMENDMENT NO. 13

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by him to the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period, and for other purposes.

AMENDMENT NO. 14

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (H.R. 1767), supra.

RESUMPTION OF HEARINGS ON SMALL BUSINESS TAX NEEDS

Mr. NELSON. Mr. President, notice is hereby given that the Senate Small Business Committee will resume public hear-

ings on Thursday, February 20, at 9:30 a.m., in room 1114, Dirksen Senate Office Building, on the subject of the tax needs of small business under current economic conditions of recession and inflation.

A preliminary report on the prior hearings of February 4 and 5 has been submitted to the Senate—CONGRESSIONAL RECORD, February 12, 1975, pages 3036–3038.

It reflects the testimony that economic adversity during the past year has been more severe for small business firms than for the economy generally. Unfortunately, however, the administration's tax proposals for dealing with this situation appears to concentrate their benefits on larger businesses.

The hearings on February 20 will offer an opportunity for the Department of the Treasury and other witnesses to respond to these contentions.

A list of the witnesses expected to appear is as follows:

First. Frederic W. Hickman, Assistant Secretary for Tax Policy, Office of the Secretary, Department of the Treasury.

Second. Edward H. Richard, president, Council of Smaller Enterprises of Cleveland, accompanied by John C. Ellsworth, president, Ellsworth Cabinet Shop, Inc., and Mike Benz, executive director, COSE.

Third. Roland Crump, executive director, American Association of Minority Small Business Investment Companies.

ADDITIONAL STATEMENTS

OUR NURSING HOME PROBLEMS

Mr. MOSS. Mr. President, the Subcommittee on Long-Term Care of the U.S. Senate Special Committee on Aging has been investigating nursing home problems for the past 12 years. Early hearings in 1963, 1964, and 1965 contributed to the enactment of medicare and medicaid in 1965 and then to the enactment in 1967 of a comprehensive series of uniform Federal minimum standards for long-term care facilities.

Our latest series of hearings, "Trends in Long-Term Care" began in July 1969. To date 24 hearings have been held and more than 3,000 pages of testimony have been taken. We are currently in the process of issuing a 12-volume report entitled "Nursing Home Care in the United States: Failure in Public Policy." One report is released each month.

Our most recent hearings have been held in New York City on January 21 and February 4, 1975. The subcommittee was encouraged to conduct these hearings in the wake of wide publicity generated by a New York Times series on this problem. For example, Mr. William R. Hutton, Executive Director of the National Council of Senior Citizens attended our January 21 hearing expressing his support for the subcommittee's efforts and entering in the RECORD a letter signed by Nelson Cruikshank, President of the Council. The Cruikshank letter urged Secretary Caspar Weinberger of the Department of Health, Education, and Welfare, to conduct a full-scale investigation into ownership patterns and finances of the Nation's proprietary nursing homes participating in the medicaid program.

Esther Peterson, president of the National Consumer League wrote to the subcommittee and to President Ford asking that a thorough investigation of the industry be conducted utilizing the full resources of the Government. She said in part:

We will have no one to blame but ourselves if we let . . . national health insurance become a rip-off for predatory proprietors.

She recalled that as early as 1965 before passage of medicare and medicaid, American Public Health Association spokesmen urged Congress to consider restructuring new nursing homes into a nonprofit system rather than the present proprietary homes.

The two hearings which we conducted in New York City were carried live by the Public Broadcasting System and I must say I have been gratified by the response that these hearings have received. For example, the American Association of Retired Persons and National Retired Teachers Association representing 6 million older Americans wrote:

DEAR SENATOR MOSS: On behalf of the American Association of Retired Persons and the National Retired Teachers Association, I wish to commend the Senate Subcommittee on Long-Term Care for its diligent follow-through on the abuses in long-term care reported by the State of New York Temporary Commission on Living Costs.

Our Associations urge your committee to pursue the investigation beyond the limited scope of abuses in the Medicare-Medicaid reimbursement system to the broader perspectives of the quality of care provided to the institutionalized elderly. Although appalled by the documented abuse of the reimbursement system which allows car payments and alimony as fraudulently covered items for reimbursement, we are more shocked by the seemingly apathetic attitude toward human abuse perpetrated by greedy, institutional owners and operators and untrained staff. Doctoring the books is a crime punishable by law; neglect is a sin punishable only by public outrage.

A number of specific issues have been raised in these most recent hearings that merit immediate attention by the Senate of the United Sates. The testimony of Ms. Hopper, former chief city inspector of nursing homes for the City of New York, suggests that present law provides insufficient sanctions to prevent abuse, and that the enforcement mechanism, while attempting to optimize federal, state and local resources, has failed. On an even broader plane, the testimony of Ms. Hopper and other witnesses before your committee and the state commission paints a bleak picture of government preoccupation with institutionalization as the solution to the needs of the chronically ill with limited attention to alternatives.

Senator Moss, we do not have to educate you, but we must use your panel as the forum to educate this nation, that older persons are not mindless wards of the state that should be cast aside and left to die. They want to be part of the mainstream of the community; they want opportunities to participate.

The third part of your Supporting Paper Number 1 on Nursing Home Care in the United States stated the specific problem which you are uncovering in New York:

. . . the roots of the nursing home controversy stem in large part from human attitudes toward aging and the aged. Attention must be given to developing a national policy with respect to the infirm elderly. Included in this national policy must be a massive effort to change the image and substance of aging from uselessness to purpose, from degradation to dignity from dependence to independence.

Our Associations reaffirm our pledge to you and your staff that we shall cooperate in all endeavors to achieve a better quality of life for older Americans.

Again, our expressed thanks for your outstanding leadership in pursuing the issues inherent in the failure of public policy to meet the needs of the chronically ill aged.

In addition, I have received hundreds of letters from concerned individuals such as Mr. E. R. Gaubert of Levittown, Long Island who writes:

I watched the nursing home hearings on T.V. last night. It was a pleasure to see them and it renews one's faith in his country. It gives one pleasure to see that we have men like you and the committee working on our behalf. Please keep up the good work for all America.

Dr. Stanely M. Warner, a rabbi and former national executive vice president of the Religious Zionists of America, writes:

I would like to take this opportunity to commend you for the manner in which you are handling your subcommittee investigations on Nursing Home Standards. Although I am 2,000 miles away from Washington, D.C., I have received word that your hearings are being conducted in accordance with the highest standards of our American tradition of fair play. Unfortunately, we live in an age in which people are being condemned, indicted, and convicted by the American Press.

I have a special interest in your proceedings, not only because I am a concerned citizen, but because of the recent allegations hurled at Dr. Bernard Bergman. I had the pleasure of working with Dr. Bergman between 1970–1972, when I served as National Executive Vice President of the Religious Zionist's of America, an organization with which he has been closely indentified for many decades. During those two years he demonstrated over and over again, his integrity as a responsible Jew and a responsible American citizen.

I am confident that all of the allegations against Dr. Bergman will prove false. I am particularly heartened by the strength of your resistance to try a man using "McCarthy-like" tactics. In my estimation the truth will vindicate Dr. Bergman.

I am gratified that we have received so many positive letters. Indeed the only criticism I have received is for being "over-generous" in allowing Dr. Bernard Bergman and his attorneys "too much lattitude." Mr. J. C. Carroll of Great Neck, N.Y. wrote:

Who is Bernard Bergman to dictate to the U.S. Senate.

Evelyn Tubet of Woodside, N.Y. states:

To treat with respect and deference nursing home operators who have cheated the defenseless, is to make a mockery of fair play.

In the face of this and other very favorable reaction to our hearings, I was greatly distressed to receive a criticism from the American Civil Liberties Union, an organization I have long respected. In essence, their letter protests Dr. Bergman's treatment by the subcommittee labeling our hearings "accusatory." I strongly disagree with this characterization and I would be happy to share the transcript of our hearings with anyone wishing to test my claim that our hearings were entirely fair and far from accusatory.

In order to inform my colleagues on this matter I ask unanimous consent to have printed in the RECORD the letter from ACLU to which I refer, along with my response, as well as columns by James A. Wechsler appearing in the New York Post on February 6 and February 10.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
Washington, D.C., February 4, 1975.

HON. FRANK MOSS,
Chairman, Senate Special Committee on the Aging, Subcommittee for Long-Term Care, New Senate Office Building, Washington, D.C.

DEAR SENATOR MOSS: We write to protest your Subcommittee's treatment of Bernard Bergman.

As you know, Mr. Bergman faces the possibility of criminal prosecution for the practices of the nursing homes with which he is associated. It is unfair and, we believe, unconstitutional to compel Mr. Bergman to appear before your Committee and to require him to answer questions which might tend to incriminate him while he is undergoing criminal investigation by a grand jury. And, if Mr. Bergman should choose to avail himself of his Fifth Amendment privilege to refuse him to engage in the ritual invocation of that privilege in public hearings and, thereby, prejudice potential jurors in a criminal trial.

As we understand, counsel for Mr. Bergman has asked that he be allowed to call witnesses and present evidence on behalf of Mr. Bergman and that he be permitted to cross-examine witnesses hostile to Mr. Bergman. Even if these rights were granted, they would not overcome the basic unfairness in whipsawing a witness between a legislative investigation and a possible criminal prosecution. But the denial of these rights exacerbates the abuse of Mr. Bergman and is itself a violation of due process in an accusatory hearing.

We do not question the value which could be served by your Committee's hearings. Certainly, the aged have been greatly abused and legislative attention to their problems is welcome. But we are disturbed by newspaper accounts which attribute to you the view that the major purpose of the hearing is to put on record Bernard Bergman. We hope such reports are in error and that your real purpose is to facilitate legislative action on behalf of the aged. Unhappily, the purpose attributed to you in the press appears inquisitorial as does your treatment of Mr. Bergman. It is improper for a legislative hearing to be used as a device for prosecutorial discovery.

We hold no brief for Mr. Bergman and, in fact, we condemn his efforts in court to restrict the press from publishing critical information about him. But, like everyone else, he is entitled to fair treatment and we hope your Committee will provide it.

Sincerely,

ARYEH NEIER,
IRA GLASSER,
Executive Directors, New York City Civil Liberties Union.

FEBRUARY 6, 1975.

MR. ARYEH NEIER
Executive Director,
American Civil Liberties Union,
Washington, D.C.

DEAR MR. NEIER: Thank you for your startling letter which protests *newspaper accounts* of Dr. Bergman's treatment before my Subcommittee. I must say that I am distressed to have our hearings characterized as "inquisitorial" or "prosecutorial". These are serious charges and are not to be taken lightly even if they are inaccurate. I have long supported the objectives of ALCU and indeed I am a recipient of a citation from a local chapter for my efforts to protect civil liberties. Consequently the tone of your letter disturbs me.

In any event, I am pleased to inform you that the Subcommittee's hearings in New York City have been intended to facilitate legislative action. Any reasonable review of the hearing record will support this view. For example, the issues being examined include: the profitability of the nursing home industry particularly as it relates to nursing home chains; the adequacy of existing ownership disclosure requirements for nursing home operators and the wisdom of requiring cost-related reimbursement for nursing homes under the Medicaid program.

With respect to the first issue, I introduced a bill S. 1960 in 1973 to require operators to file CPA audited financial statements and to provide penalties for fraud or misrepresentation. Secondly, I am the author of the ownership disclosure requirement enacted in 1967 and as amended in 1972; despite such enactments it is still impossible to tell who owns nursing homes in most states. Thirdly, the Congress enacted section 249 of Public Law 92–603 requiring all states to adopt "cost-related" reimbursement formulas for nursing homes under the Medicaid program by January 1977. Our experience in New York, which has had such a formula since 1971, indicates that we may be moving 180 degrees in the wrong direction.

Knowing of your particular concern for the plight of the aged and infirm, I should like to point out that the Subcommittee—and Senator Percy in particular—was instrumental in insuring that a patient's bill of rights was included in Medicare-Medicaid Nursing Home regulations last year.

These are but a few of the developments which grow out of the Subcommittee's more than 37 hearings and 5,000 pages of testimony taken since 1963. A 12-volume report, now being released on a one-a-month basis, has been prepared—drawing largely on those hearings—and it has been described by the U.S. Department of Justice as the "most comprehensive study of the nursing home industry ever undertaken."

In none of these hearings, nor indeed in all of the thousands of hearings that I have conducted nor in my 10 years as Municipal Court Judge, has anyone ever questioned the fairness of the proceedings or suggested that I violated anyone's constitutional rights. I am proud of this record.

Speaking generally, I am sure you are aware of the doctrine of separation of powers which sets forth that the Senate and House as the Legislative branch have a co-equal right, indeed an obligation to investigate matters within their scope and jurisdiction. I am sure you do not question the right of the Subcommittee on Long-Term Care of the Senate Committee on Aging to investigate nursing homes. Nor can you have much objection to our investigation of specific nursing home operators or nursing home chains.

It is in this context that we have called for testimony by Dr. Bernard Bergman. We have had reason to follow his activities at least since 1964. His association until last month, as the Chairman of the Board of Medic-Home Enterprises, along with his personal holdings in nursing home real estate, certainly make him one of the most prominent nursing home owners in the country. The consistent allegation of poor care that we have received from various State Health departments as well as individuals and the allegations of fraud and abuse currently in the press certainly deserve investigation.

It is true that Dr. Bergman is under investigation for possible criminal violations being conducted in the State of New York. He has not, however, presented testimony before any Grand Jury, and of course there is no absolute certainty that current investigations will lead to indictments. In any event, possible criminal violations are not the primary focus of our investigation. Our primary concern is poor care. We look for generic examples of what may be sytomatic of the industry in general. In this connection, there is no other agency with the resources or willingness to follow issues across state lines. At present we have investigations underway in Illinois, Minnesota and Florida. I emphasize that Dr. Bergman is not the only operator under investigation. Nor is Medic-Home the only chain operation under surveillance. If you would care to check our hearings and reports you will note our deep and continuing concern with issues and industry practices.

Your suggestion that Dr. Bergman may appear before our Subcommittee and be forced to plead his rights under the Fifth amendment is startling. Dr. Bergman has testified under oath that he is innocent of all charges, including the criticism that his nursing home provides poor care. Dr. Bergman, in fact, promised me that he would reappear and answer any questions growing from our analysis of his books and records. I presume his innocence. I do assert, however, that the Subcommittee has a legitimate legislative and oversight function which is being served by our current hearings.

Even if we were examining possible evidence of criminal wrong-doing (which we are not) the Courts have consistently sustained the right of Congressional Committee to proceed with their lawfully constituted inquiries. For example in *Delaney v. United States*, 199 F. 2d 107 (1st. cir. 1952) the Court sustained the right of a legislative Committee to conduct a hearing involving a witness who had been indicted because of the "overriding consideration of public interest."

The Court then commented that in a situation where no indictment had yet been brought the circumstances might be significantly altered, and went on to state:

"In such a situation the investigative function of Congress has its greatest utility; Congress is informing itself so that it may take appropriate legislative action; it is informing the Executive so that existing laws may be enforced; and it is informing the public so that democratic processes may be brought to bear to disclose any disclosed executive laxity."

I would also like to commend to your attention the opinion of Justice Harlan for the Court in *Hutcheson v. United States*, 369 U.S. 599 (1962), where it was stated:

"But surely a Congressional committee which is engaged in a legitimate legislative investigation need not grind to a halt whenever responses to its inquiries might potentially be harmful to a witness in some distinct proceeding, *Sinclair v. United States*, 279 U.S. 263 (1929) at 295, or when crime or wrongdoing is disclosed, *McGrain v. Daugherty*, 273 U.S. 135 (1927), 179–180."

Justice Harlan then goes on to say:

"Moreover, it does not lie with this Court to say when a Congressional committee should be deemed to have acquired sufficient information for its legislative purposes . . . The Committee's interrogation was within the express terms of its authorizing resolution. If the Committee was to be at all effective in bringing to Congress' attention certain practices . . . which should be subject to federal prohibitions, it necessarily had to ask some witnesses questions which, if truthfully answered, might place them in jeopardy of state prosecution. Unless interrogation is met with a valid constitutional objection 'the scope of the power of 'congressional) inquiry . . . is as penetrating and as far-reaching as the potential power to enact and appropriate under the Constitution.' *Barenblatt v. United States*, 360 U.S. 109, 111. And it is not until the question is asked that the interrogator

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can know whether it will be answered or will be met with some constitutional objection. To deny the Committee the right to ask the question would be to turn 'option of refusal' into a 'prohibition of inquiry,' Wigmore, Evidence (3rd ed.) sec. 2268, and to limit congressional inquiry to those areas in which there is not the slightest possibility of state prosecution for information that may be divulged. Such a restriction upon congressional investigatory powers should not be countenanced."

On the matter of Mr. Lewin's request for cross-examination and calling of witnesses, you should know that I invited all parties to supply notorized statements which will be entered in full. My staff has interviewed witnesses with views favorable to Dr. Bergman and will call some at future hearings. I have agreed to contact employees who have worked for Dr. Bergman if and when I am given a list of their names and addresses. To date no list has been presented to the Committee and no statement has been received.

Once again, I am grateful for your expression of concern. I am happy to tell you that your fears are without foundation. I might add that I will welcome your support when I introduce a wide series of nursing home reforms sometime later this year.

With best wishes,

Sincerely,

FRANK E. MOSS,
Chairman, Subcommittee on Long-Term Care.

[From the New York Post, Feb. 6, 1975]

THE BERGMAN CASE

(By James A. Wechsler)

Fourteen days earlier, Bernard Bergman had appeared before the Senate subcommittee headed by Sen. Frank Moss (D-Utah) and stolen the show. He had portrayed himself as a benign figure whose modest operations in the nursing home business had been maliciously defamed.

He was subjected to only meager, soft questioning. At the end he ingratiatingly assured Moss of his readiness for a return engagement under the TV lights.

There was a brief discussion about whether the date Moss proposed would conflict with other commitments of Bergman's attorney, Nathan Lewin. When the hearings resumed on Tuesday Lewin was present, having resolved his calendar problems. The missing man was Bergman.

This background sequence is set forth because it has direct relevance to the issues raised by Lewin, with the support of spokesmen for both the American and New York Civil Liberties Unions.

If Bergman and his lawyer had initially chosen to resist an appearance before the committee on the ground that he was a man in trouble with the law whose testimony might prejudice his courtroom posture, a respectable—though not overwhelming—case might have been made.

They might have asked that he be permitted to plead the Fifth Amendment with a single response (as his accountant did) to minimize adverse speculation about the substance of questions he was declining to answer.

But that is significantly not what happened.

After initially eluding press inquiry for many weeks following the first disclosures about his empire, Bergman apparently decided that his carefully nurtured image of respectability could not be reconciled with his fugitive role.

He went before the committee and staged a production that, to many of the uninformed, might have seemed worthy of glowing notices. He alternately affirmed his innocence, his virtue, and his character references. He presented himself as a victim of a campaign of vilification that had "no parallel since the days of Senator Joseph McCarthy."

There were a few awkward moments, such as his inability to remember whether, at his daughter's wedding, he had taken time out to implore Assembly Speaker Stanley Steingut to arrange a meeting with Gov. Rockefeller.

But he generally dominated the proceedings, freely castigating Assemblyman Andrew Stein and various newspapermen as ruthless promoters of "the big lie."

Having utilized the committee stage for a self-serving TV performance, did Bergman believe he could ring down the curtain and resume his place as a pillar of society?

In the letter to Sen. Moss protesting "your subcommittee's treatment of Bernard Bergman," the Civil Liberties Union spokesmen took no cognizance of Bergman's theatrical uses of the January 21 hearings. Instead they charged a "basic unfairness in whipsawing a witness between a legislative investigation and a possible criminal prosecution," adding:

"It is improper for a legislative hearing to be used as a device for prosecutorial discovery."

At the same time, however, they conceded that "the aged have been greatly abused and legislative attention to their problem is welcome."

How can a serious legislative inquiry in this realm be conducted without examining a major mogul against whom charges of private profiteering and human negligence have been so widely aimed? Perhaps anticipating that question, the ACLU-CLU letter ascribed to Moss an "inquisitional" resolve to "put on record Bernard Bergman."

To which it can only be said that Bergman put himself "on record"—at length and with unctuous delight—at his first hearing. And anyone who watched him do so with Moss' gentle attentiveness would find it hard to equate reality with the cry of persecution.

The letter also contends the committee refused to grant Bergman the right to call favorable witnesses and cross-examine accusers. But the hearings clearly never reached a point at which those procedural points might have been validly raised.

As matters now stand, Bergman faces a contempt citation. That is not a power to be lightly revoked. But no real alternative exists if Bergman refuses to answer questions or to invoke the Fifth Amendment.

He may understandably prefer to avoid either course and let the public record end—unless and until he is indicted—with his January 21 testimonials to himself. But once he had performed those histrionics, he had morally and, I suspect, legally blocked any serene escape from further confrontation with the Senate. He rendered academic the lamentations of the civil liberties advocates, who should also be reminded that the Senate investigation of nursing home scandals did not begin with Bernard Bergman. The more intriguing question for another day may be why he was spared critical interrogation for so long.

In some remarks on the Bernard Bergman case, published here last week, I took issue with the joint statement of the American Civil Liberties Union and its New York affiliate protesting the Moss committee's alleged mistreatment of Bergman.

Those comments have evoked a response from ACLU and NYCLU spokesmen Aryeh Neier and Ira Glasser; the salient passages are herewith quoted.

"The ACLU-NYCLU statement attacked by James Wechsler argued:

"1) A legislative committee should not require Bergman to answer questions which might tend to incriminate him while he is also undergoing criminal investigation.

"2) Bergman should not be placed in a position which would require him to engage in ritual invocation of his Fifth Amendment privilege in public hearings, thereby prejudicing potential jurors in a criminal trial.

"3) Bergman's counsel should be able to call witnesses and present evidence in behalf of Bergman and cross-examine witnesses hostile to Bergman.

"The Civil Liberties Union has long advocated rules of this sort to govern legislative injuries. We said the same things about the red-hunting Congressional inquiries, about the Senate Watergate Committee, about the Knapp Commission, the state legislative hearings on drug use on college campuses and on many other occasions. We can recall no previous instance that Mr. Wechsler has criticized our endorsement of such principles. But now, says Wechsler, he disagrees because 'Bergman put himself on record—at length and with unctuous delight—at his first hearing. And anyone who watched him do so with Moss' gentle attentiveness would find it hard to equate reality with the cry of persecution.'

"Wechsler's reasoning is not persuasive. It is likely saying that criticism of Senator Joseph McCarthy's hearings was not warranted when the late Dorothy Kenyon testified and criticism of the House UnAmerican Activities Committee hearings was not warranted when Lillian Hellman testified because these witnesses got the better of their inquisitors. Bergman, too, may have gotten the better of his inquisitors at the hearing at which he testified. But that should not diminish his right to have his civil liberties protected.

"What apparently makes his case different to Wechsler is that he thinks Bergman a wretch. Wechsler seems to have forgotten what we thought he knew very well: that the civil liberties he would deny Bergman today may have to be invoked tomorrow on behalf of someone Wechsler finds more attractive . . . ."

I have long respected the Civil Liberties Union leaders for their efforts to maintain a single standard in defense of individual rights. But I remain unconvinced that Bernard Bergman is deserving of their solicitude.

Bergman is not a lonely dissenter being harassed for the utterance of unpopular or unconventional ideas. He is a dominant figure in an industry in which large-scale evidence of profiteering and inhumanity has been unfolded.

Unlike the political inquisitions to which Messrs. Neier and Glasser refer, the Senate investigation of nursing home horrors has a clearly legitimate legislative purpose. Large amounts of public funds are involved; surely Congress has both the right and obligation to explore cold-blooded abuses in the use of those funds—at the expense of the defenseless aged and draft new regulations for these hell-holes.

To equate those who have visibly prospered through the exploitation of the elderly with the targets of vindictive, repressive political inquiry is a rhetorical ritualism.

I do not deprecate the question of procedural safeguards in *any* Congressional investigation. But the record in the Bergman case, I must repeat, was fatally clouded by the disingenous tactics of his initial public appearance.

He did not present himself as a prospective defendant in a criminal proceeding whose trial might be prejudiced by his testimony before an open session of the committee. Instead he offered the portrait of a maligned civic benefactor of modest means. He did not ask for the opportunity to invoke the Fifth Amendment in a closed hearing. He proclaimed himself eager to volunteer the whole virtuous truth about himself and face detailed interrogation at a future date.

A final contradiction in the Neier-Glasser position is inescapable. On the one hand they insist Bergman be spared the potentially prejudicial effort of public invocation of the Fifth Amendment. On the other they ask that his attorney be permitted to call witnesses and cross-examine adversaries. But how can there be serious discussion about the conduct of the hearings if Bergman continues to evade them?

Each day of each year the Civil Liberties Union Leaders confront hard decisions about priorities in selecting the cases that will engage their energies. It remains hard to fathom why the fate of Bernard Bergman has so deeply stirred their emotions.

DO-GOODERS BLAMED FOR RECESSION

Mr. BARTLETT. Mr. President, an analytical report entitled "Do-Gooders Blamed for Recession" written by Mr. Gilbert Hill appeared in the Sunday Oklahoman on February 16. It is a well-written and interesting analysis about some of the causes of our current recessionary and inflationary problems. There is great need for a proper balance between our environmental objectives and our economic needs. I believe other Senators should find Mr. Hill's thoughts both entertaining and enlightening.

I ask unanimous consent that the Sunday Oklahoman analysis be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DO-GOODERS BLAMED FOR RECESSION

(By Gilbert Hill)

People in Gary, Ind., presumably, are now breathing clean air after closing down its open hearth steel making furnaces—but, some 4,000 workers are also, now, looking for jobs so they can pay for food, shelter, and clothing—and continue breathing.

This is a typical, widely publicized, and far from isolated instance of another victory for a militant, and oh, so well-meaning minority of crusading dunderheads—both in and out of government—who have finally brought this country to the brink of the widest, deepest, and most long-lasting business panic in 40 years, the worst since the Great Depression of the 1930's.

While frightened politicians orate, angry labor leaders roar, and concerned businessmen issue soothing statements and optimistic forecasts, thousands more lose their jobs every day, profits fade, industries grind to a halt, and even the federal government faces bankruptcy from falling tax revenues.

Only by diagnosing any disease, of course, can a cure be prescribed.

But there seems to be almost a conspiracy of silence—no one seems to want to point the accusing finger at the most obvious infection of all, to some two decades of frustration in human progress created by self-appointed dictators over virtually every facet of the American way of life.

Yet the evidence is obvious, widely reported, and becomes ever more clear that the business panic of 1974–75, and possibly 1976, must be tagged the "Do-Gooders' Recession."

Whether by simple ignorant good intentions, or deliberate design, those who would provide what is good for us, whether we need, want, or can pay for it—or whether it works or not—have succeeded in thoroughly sabotaging the system.

The Gary, Ind., situation is only the latest in a long series of frontal assaults on the automobile industry, agriculture, energy development, home building, lumbering—literally every facet of normal existence.

The automobile industry is, perhaps, the most spectacular victim of self-proclaimed "environmentalists," and safety crusaders with its thousands of unemployed, darkened manufacturing plants, acres of unsold new cars, and empty show rooms.

This is the industry which developed shatterproof glass, hydraulic four-wheel brakes, and paid for the basic research which concentrated attention on seatbelts to reduce deaths and serious injury in traffic accidents.

It is the industry which promoted, and watched, a steady decline in the percentage of accidents for millions of miles driven, over a number of years—and an increase in deaths, damage, and injury simply because ever better cars at competitive prices were creating automobiles faster than roads could be built to handle them.

There was a growing outcry about "smog"—a mixture of fog and noxious combustion fumes—largely from the West Coast. And the best brains of the industry were at work in research, design and production, and had come up with several ideas for inexpensive and practical control of fumes.

Then came the government, spurred by the do-gooders, to issue more than 50 "safety standards" for automobile manufacture, all costing more money, and many of doubtful value, in the eight-year period since 1966, when the Department of Transportation was given the authority to dictate.

Much of the "stuff"—the shoulder straps, buzzers, blinkers and automatic interlocks which prevent a driver from ever starting the engine on a cold morning without "buckling up"—was promptly dismantled with razor blade, screw driver and wrench—even though the car buyer had to pay for it whether he liked it or not, on top of soaring inflation.

The gasoline shortage, as much as anything else, concentrated sharp attention, finally, on how much the clean air gadgets were reducing engine efficiency in starting, in power, and in wasteful use of expensive fuel.

The public's verdict was returned resoundingly with introduction of new models in 1975 requiring use of premium-cost unleaded gasoline—enough is enough!

Many buyers, of course, have simply been priced out of the market. But there are others who decided to buy older models which could be "modified" fairly easily—or repair, remodel and even buy rebuilt engines.

Prices of new cars are being slashed right and left, through rebates, not direct cuts, so a price level may be maintained if a capricious government does resort to wage and price controls. But the prices of used cars are going up daily. Clean air, buzzers and blinkers are far less important than the price of gasoline, especially if it is to be wasted by gadgets, the market place has ruled.

If politicians and labor leaders really want to solve the unemployment problem in the automobile industry they'll get the do-gooders and their catspaw bureaucrats off the backs of the automobile designers and makers.

Hysterical discussion of clean air, either by highly paid professional propagandists, or their well-intentioned and misinformed dupes, would indicate that pollution of the air by automobiles is the first time in history such a problem has been encountered—and, therefore, only the self-anointed know how to eliminate it.

But Chicago residents, before the turn of the century, learned about air pollution—in the stench and unbelievable sanitary conditions which developed in the beginnings of the great packing house industry.

Attempts to dispose of waste and offal by burying it in huge ditches resulted in at least part of the daily production being left uncovered long enough to produce vile odors, flies and every conceivable health problem.

Public pressure for "something better" brought an industrial answer—not a government solution—with research giving birth to new sporting goods and pharmaceutical industries, and a whole new supply of cheaper "lunch meat" foods—until packers could claim they were "saving everything but the squeal."

Development of the cotton gin generated mountains of cotton seed around gins that decayed and sent foul smelling odors over the countryside. Then came an industrial answer with so many uses for cotton seed that in some years it is difficult to find enough seed to plant a new crop.

Residents of Oklahoma and other midwestern states, who learned to sleep while breathing through dampened handkerchiefs during the Dust Bowl era and to drive carefully in an atmosphere with visibility reduced to a half-block, know something about real air pollution.

That was a drouth era, made worse by lack of knowledge about how to manage High Plains soils, which brought dire predictions and sensational books on development of a great new desert because of man's abuses. In 1975, crops and livestock are being produced that will feed much of the world, because man learned, the hard way, how to use—not abandon—dry lands without violating natural laws.

It apparently has made little or no impression on dedicated environmentalists—or government bureaucrats—that much of our nation's metropolitan air pollution has been traced to a rapidly growing, smoke-producing industry of almost every description, which Pittsburgh, among others, has proved can be brought under control.

No, the automobile must have 100 per cent emission purity, no matter what it costs, no matter what it is worth, and no matter how many more thousands are left unemployed.

The energy industry, perhaps less spectacularly than automobiles except during an Arabian oil embargo, has been carrying the do-gooder monkey on its back, in a great variety of models, for years now. There is one classic example in the Alaskan petroleum pipeline strangulation.

This country is now depending upon foreign sources for about 40 per cent of its petroleum needs. About 25 per cent of the nation's needs can be met by production from Prudhoe Bay—with an estimated 26 trillion cubic feet of natural gas available there, too. If the environmentalists had not blocked construction of the Alaskan pipeline for some six years, Alaskan oil could now be reducing America's dependence on foreign oil to perhaps 15 per cent, or less.

Opponents of the pipeline fought for the right of caribou and polar bears to an undisturbed existence, while even the people of Alaska, sitting on top of untold riches in both oil and coal, suffer from lack of fuel for heating, and pay the exorbitant costs of an artificial, and do-gooder-created shortage.

Only a little less ridiculous—funny if it wasn't so tragic—is a recent court order, obtained by environmentalists, delaying construction of a 100-mile railroad line in Wyoming to reach a vast untapped deposit of high quality coal. Opponents of development of an energy supply, needed to keep human beings warm and to produce food and clothing, contend the railroad might disturb the breeding habits of antelope.

But the energy shortage in this country actually started some two decades ago when misguided do-gooders and self-centered users of fuel teamed up to create price control on the oil industry in a supposedly "free economy."

The do-gooders, dedicated to insuring clean air by burning cheap and convenient petroleum products, and homeowners and industrialists tired of paying coal bills and shoveling ashes, calmly and cynically dismissed all warnings from the oil industry of what price control could do to supply, as "self serving."

But oil wells do not last forever. Actually they "dry up" faster when prices are so low

it doesn't pay to make the final efforts to save a dying well. Eastern self-proclaimed instant-experts seem completely unaware that 50 to 70 per cent of oil deposits are left behind in normal operations as "unrecoverable," and this "waste" must increase when prices won't justify expensive secondary recovery and stripping procedures.

So, thousands of wells went "dry" and were plugged. Few more wells were being drilled simply because it didn't pay, even if small amounts of oil and gas were discovered. Drilling activity, tools, equipment, men and know-how, were "exported" to places like Arabia and other far flung areas of the world where oil production was important, very welcome—and much more profitable.

Meanwhile, use of petroleum in this country was still climbing sharply as environmentalists insisted that coal be abandoned and that "clean" oil be burned by industries and utilities instead of that "dirty" smoke-producing fuel that has served the world's needs ever since the industrial revolution.

So, it was the evangelistic do-gooders, and the obviously "self serving" price-conscious users of heating and industrial oil, that set up the conditions for international blackmail of this country by the Arabian embargo—and are now paying through their treasured purses to foreigners.

Still not satisfied, the same loud voices are being raised either in complete ignorance, or deliberate demagoguery of stupid leadership, against every effort to give a free economy a chance to repair the wreckage for which they are responsible.

These are the people who do not know, and won't listen to anyone who does, that less than one out of every four test wells drilled in this country, even with the best geological studies available, produces petroleum products—which means that every producer costs considerably more than $1 million.

One of the best years in history in Oklahoma, where there is, or has been oil production in 72 of the state's counties—and where the risk ought to be less—was in 1973 when 36 per cent of wells were producers. In 1974 it was 28 per cent success. And, in 1972 it was 21 per cent.

Uninformed critics probably will not believe either that most of the oil in this country is discovered by independent operators who represent a vast proportion of the industry—and not the big companies, the favorite targets of political harangues, who are usually, the developers of fields originally pinpointed by others.

No one knows whether or not there is another Seminole, East Texas, or Oklahoma City oil field yet to be discovered in this country—and the best information seems to indicate that there is just no possibility of a producing field big enough to wreck the price structure and bring about oil at 30 cents a barrel again—as it was when all three of the great fields came in almost simultaneously.

But it is a cinch that if such a field exists it will not be found by government, or do-gooder roadblocks to drilling through tax and price regulations, or environmentalists' control of where experts shall seek petroleum.

And it is a cinch, too, that a major strike—if it comes—is most likely to be made where some independent decided there was a situation "worth a try" even though others passed it up. But it is far more likely that this country's oil supply of the future will come from many small, widely scattered, and relatively expensive pools where geology is now favorable when oil prices are also a bit brighter.

One of the most contradictory positions of the do-gooders is their insistence on a supply of "clean fuel" and their hysterical abhorrence of the possibility of production in their own backyards where it might be more plentiful—and cheaper.

Offshore drilling has been blocked at every turn, largely by fear of "oil spills" like the one which received the nationwide, inflated and emotional television coverage of a national disaster when a producing oil well broke loose on the West Coast.

A beach was severely damaged—not ruined! Thousands of waterfowl were caught. It was tragic. And it was an expensive lesson for the oil industry—which hysterical do-gooder environmentalists have done their best to make fatal to all offshore drilling in the United States in the future.

The truth, of course, is that this one bad accident undoubtedly increases, manifold, the possibility that it will not happen again—multiplies the safety of future offshore drilling because there has been a demonstration of what, and how, such a thing can happen.

An oil "spill" is now, probably, far more likely to happen in Boston harbor in an accident involving a tanker delivering foreign oil than from that proposed—and bitterly fought—development of a potentially great field in the Georges Banks area off Cape Cod—as recent events, not quite so well covered, in Singapore and the Virgin Islands demonstrate.

This is not just theory. Virtually every improvement in "bringing in" a powerful producer with a minimum of damage to the countryside was developed in Oklahoma City, the first field ever drilled in the midst of a concentrated population—which had plenty of experience with "spills" before TV.

Always before, an oil well was expected to "clean out" all mud and non-oil ingredients by "blowing" over the top of the derrick in a spectacular gusher. Office workers in multistory downtown office buildings had a grandstand view as well after well "came in" during the early 1930's.

But it wasn't much fun to go out at the end of the day and find an automobile speckled with oil, into which dust had settled, until the windshield was completely opaque. Home owners took a dim view of repainting. Office buildings had to be cleaned. Oil producers had to learn—and did—how to control their operations.

But the experience was not used to slaughter an industry producing fuel—even though it was in surplus then—plus thousands of jobs in the midst of a great business panic.

It was in Oklahoma City, too, that the conservation drive was born which stopped the "flaring" of natural gas—wasteful burning of what is now one of the world's most valuable fuels, simply because it was too plentiful, and a nuisance in getting at the much more valuable petroleum. There was a time when great oil fields were well-lighted at night by flare burning the gas which otherwise would have created a definitely dangerous "environment" which could have blown up the entire countryside.

All such experience is ignored, however, by those who are far too busy expressing opinions based upon unfounded "facts," and figuring out new methods to block every development, to be anything but destructive—and obstructive—to a nation's progress.

Atomic power is probably the cleanest potential source of energy now on the horizon—and coal may be the nation's greatest, most widely distributed, and virtually undeveloped natural energy resource. Both face all of the normal hurdles of development but also the obstructions of do-gooders' fears and ignorance, which give rise to a flood of falsehoods, again either simply misguided or deliberate.

More than two decades ago Oklahoma geologists reported there is enough coal in the southwest corner of this state alone to provide the fuel for the entire nation for more than 300 years at the rate it was then being used—which was considerable, since it was pre-environmentalism.

There are two great areas for future research and experience in coal. It cannot be mined, of course, without disturbing the world in which we live but even the strip pits, and mine tipples left without restoration are eventually reclaimed by nature. And, with a little thought and effort there is considerable evidence that disturbed areas can be even more valuable, more beautiful, and more useful than in their natural state.

The trick will be for national policy to tell mine developers "what" needs to be done, and not attempt to define "how."

The other problem involves the use of the coal itself, which, so far has been used only by producing considerable by-products both in smoke, or flu gases, and the residue of cinders.

There are scientists who have well founded reasons to believe that both of these "wastes" are simply unrecognized resources. Coal—like petroleum and natural gas—is already a major source of some of our oldest and most widely used chemicals.

Again, those who ridicule the idea that coal may someday provide a great new source of gasoline to keep automobiles running, seem to forget—or never knew—that the "gaslight era" was based upon a coal "gas plant" producing artificial, clean, and then well—accepted artificial gas—not natural gas from petroleum.

The combustion of coal can be improved with profit by industry—and has been without question in such areas as Pittsburgh, which launched a clean air program before the present crop of propagandists ever heard of the problem. Flu gases can be captured for chemical use.

Of course, power from burning of coal can be, and has been for years, delivered to homes and factories over utility power lines.

But there are engineers who envision huge coal burning plants on the sites of coal mines, to reduce transportation costs—or in the mines themselves—producing that power, plus gasoline, plus a whole series of chemical and physical by-products from gases and cinder residue.

(The gasoline could move out by pipeline and truck as it does now, the electricity by power lines, and might reduce the need for railroads that could possibly disturb the breeding of antelopes.)

These same energy engineers are quick to point out that atomic fuels, in several forms, have now been handled for nearly a quarter of a century in this country without creating any kind of public hazard. Accidents can happen of course. But it was deliberate design—not accident—that produced and delivered the atomic bomb.

Neither our coal resources nor atomic power will be developed and there will be little or no expansion of exploration for oil, or search for any other form of energy, obviously, as long as the voices of do-gooders alone control the direction of effort and the future of the nation.

Agriculture has not escaped the meddling fingers of those who know best about everyone else's business.

Scare publicity, based upon fragmentary and suspect research, and government regulations based upon the same kind of uncertain "facts" have added untold misery for American families attempting to make ends meet at the supermarket.

Typical of what has happened, producing logical skepticism of all emotional bureaucratic orders and press releases, is the cyclamate debacle. The American public was told in glaring detail and loud statements that artificial cyclamate sweeteners could produce all kinds of ills—particularly cancer, of course, the bugaboo of this age.

Then, almost in secrecy, with as little fanfare as possible, the industries which had been virtually wrecked, and the public which didn't miss the tiny stories, were told that it was "all a mistake," and that cyclamates were not harmful after all.

Little wonder that many thinking people with a few facts of their own have doubts about regulations which affect the quality, supply and cost or production of beef; the price and quality and supply of many fruits and vegetables, not to mention possible lowering supplies of such things as bread grains and feed for livestock.

No insecticide in human history ever produced so many benefits, in so short a time, and with fewer side effects than DDT—now banned because a fearful bureaucracy found evidence that DDT might be accumulating in the bodies of some people. There was no claim made then, or since, that such accumulations, even though true, were producing any human adverse effects.

DDT literally burst upon the scene during the war. Many of our soldiers virtually bathed in the stuff to eliminate body lice and other vermin which have been a curse of many human activities for ages. Civilians couldn't buy the stuff, for a time, but when they did they virtually eliminated flies, ants, mosquitoes and other disease bearing and contamination sources around such things as the nation's milk supply—while increasing milk production by killing the flies on the cattle themselves, so more feed could go into milk and beef and less into fighting the pests.

DDT took the place of such known poisons as arsenate of lead and nicotine, and there were never any reports of amateur gardeners keeling over critically ill while spraying the garden or fruit trees, or of crop dusters collapsing with mysterious maladies, like there have been in recent years by people using "acceptable substitutes."

There were emotional charges in some quarters that DDT was killing birds in fruit growing areas, without even checking the possibility that birds were starving to death because DDT was destroying their food supply. Bird feeders could have solved the problem.

No one knows, either, how much the cost of food production has been increased by banning of 2, 4–D, the weed killer which had been used, also, for some two decades before the do-gooders came up with the idea that it must be bad because it worked.

But the weed killer had destroyed thousands of acres of worthless brush and rank—growing weeds over the range and pasture lands of the country, so that grass needed by cattle could grow. It and DDT had been used on virtually every crop to decrease the amount taken by insects and weeds and provide more for humanity.

Those looking for causes of the "recession" in agriculture can find many different explanations, but seemingly different reasons far too often have a common source in rigid rules and policies based upon isolated "scientific" reports and issued by over-cautious bureaucrats with little or no idea of the net effect of their actions—because they have no conception of the ramifications, and interlocking reactions of the American economic system.

The home building industry has endured the burden of false ecology in basic costs for decades, which, finally, came to a head in shortages and soaring prices for lumber, a generally overlooked factor, just as important as high interest rates, in finally pricing the bulk of American families out of the market.

Home building collapsed first in the current do-gooders' recession. And the ramifications slowed the economic machine of the nation long before automobiles, energy, and agriculture caught the big wave of buyer inability to meet needs—and maintain markets.

It isn't just the unemployment of carpenters, bricklayers, electricians and others who help to make up a huge consumer market—or the drop in the building supply and lumber business. Home building and sales normally support sales of new appliances, furniture and rugs, lawn mowers, and even another automobile for the family moving to a suburb.

Anyone looking for the reason for high pressure "sales" and advertising in the furniture business, for instance, need only check on the current status of new home construction.

Ecology makes sense. It is a science. The very word means maintaining a balance in nature—and human beings learning how to live with natural laws. It doesn't even include conservation. But the difficulty with "ecology" in relation to "environment" is that ecology faces up to facts as they are in this world and doesn't concern itself with the ideal world of the dreamer.

A balanced world—working ecology—recognizes that coyotes kill rabbits for food and, if they didn't, rabbits would multiply so rapidly they'd run out of food and starve to death. It recognizes that trees can grow old, ripen, and need to be harvested for use. Otherwise, they will be destroyed by nature—through lightning-set forest fires, or knocked over by a stiff breeze to "open up" the soil to sun and air, and to decay, or become food for insects.

It recognizes that species, of both plants and animals, have disappeared—and that great beasts that once roamed the world are gone without having been destroyed by man. There is brutality as well as beauty in ecology. There must be open spaces in the wilderness so plant life can grow that supports deer, the animal that provided food, clothing, and shelter to the first Americans—and are meat for wolves and wildcats yet.

Somewhere, somehow, the majority must seize back the power over personal decisions and an established way of life from meddling, self-appointed individuals with a mission—both private and government—the minority of do-gooders who have proved they can wreck a practical, working system in an effort to create their own perfect world.

Of course, do-gooders would be appalled to believe that anyone would even hint that they might be responsible for the most severe recession in years.

JOHN DUNLOP'S NO-NONSENSE ATTITUDE

Mr. HUMPHREY. Mr. President, I am very pleased that President Ford has seen fit to nominate Dr. John Dunlop for the position of Secretary of Labor. I compliment the President on his choice. Dr. Dunlop is well known by Members of Congress as a result of his service as Executive Director of the Cost of Living Council.

Dr. Dunlop will bring to this important Cabinet post strength, vitality, and an incredible background of experience in the field of labor-management relations. I believe him to be one of the finest men to have served in Government. His relationships with the Congress have been open, candid, and helpful. He will be a distinct asset to the administration. He will offer thoughtful and constructive leadership at a time when our economy needs men of experience, wisdom, and vision.

I ask unanimous consent that an article by Mr. John Herling concerning Dr. Dunlop be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHN DUNLOP'S NO-NONSENSE ATTITUDE

If the Senate concurs, John Thomas Dunlop will soon become Secretary of Labor. He will be the second full-time professor—George Shultz being the first—to hold this Cabinet post. On the Harvard faculty since 1938, Dunlop emerged a few years ago as a strong possibility for the presidency of Harvard. He was outpointed for the job by his friend and colleague, Derek C. Bok, Harvard law dean. As Dunlop once told his colleagues, "Derek and I were the last two apples on the tree, and I was betting they would pick Derek." The reason presumably was that Bok, younger and usually more diplomatic, was considered a better choice to head the university in a period of student unrest.

At Harvard, Dunlop had come under the wing of Professor Sumner H. Slichter, the prestigious labor economist, who had groomed several generations of men and women in the labor relations field. More quickly than most, Dunlop seems to have responded to the challenges and the complexities of the building and construction trades industry.

With the passage of the Taft-Hartley law in 1947, it became necessary for the building trade unions and the contractors to establish a board to settle jurisdictional disputes, a corrosive characteristic of this much-fragmented and decentralized industry. Through vast diligence and weekly trips between Boston and Washington, Dunlop developed into the ombudsman and father confessor of the industry. After two decades, he came to be regarded as the "prime minister" of the construction industry.

In achieving this eminence, Dunlop had to overcome the suspicions of many in unions and management who regarded him as an outsider butting in on the "voluntarism" of the construction trades. But it became clear that the alternative to such a settlement board was the invocation of the Taft-Hartley provisions which empowered the government to enjoin jurisdictional strikes. Through necessity, therefore, the contesting parties agreed to accept Dunlop's pragmatic decisions.

Although Dunlop might pooh-pooh the idea, he seems driven by a missionary spirit attained, at least in part, by inheritance. His father served in a mission in the Philippines at Cebu, where young Dunlop lived for years before entering the University of California as an undergraduate.

His energy and the even-handed justice he administered as chairman of the jurisdictional board won the respect of the labor community. Even George Meany, as secretary-treasurer and later president of the American Federation of Labor, stopped resenting his presence in the AF of L building. Dunlop was good for the building trades and that was good enough for Meany.

Dunlop's friends marveled that he could fly to Washington Wednesday night, drink and talk with the boys until late, hold meetings the next day and fly back to Cambridge Thursday, ready to meet his disputatious students on Friday. As time went on and even more calls for help went out to Dunlop, he became the doctor in the house of the construction industry, reducing the fever of the disputants where he could not achieve an outright cure for labor-management disagreements. His lack of professorial bearing brought him close to men who were not usually enchanted by intellectuals.

Dunlop's no-nonsense attitude and his tone of flat-footed authority have in the recent past led to tense relations with the press. This was not always so. But his impatience with the media exploded visibly when he was appointed by President Nixon in 1971 to head up the Construction Industry Stabilization Commission. This group became the forerunner of the more inclusive Cost of Living Council of which he was made executive director.

John Dunlop does not think that economic problems can be resolved in a hurry, or can

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be simplified to fit journalistic cliches, either to make a deadline or conform to the needs of a November election. This view sometimes turns into a "father knows best" attitude, which fails to inspire filial regard. But it does ensure an adversary relationship between Dunlop and those in the press who want to know more than he might be prepared to tell them.

AMERICAN FREE ENTERPRISE

Mr. BARTLETT. Mr. President, many Americans are becoming alarmed over a trend of recent years which I find equally disturbing. For too long now, the American free enterprise system has been the scapegoat for our social ills, both real and imagined. During this period of economic uncertainty, the temptation again grows to blame American business for problems in which big government is, to a large extent, the real culprit.

American free enterprise has created the highest standard of living the world has ever seen. I ask unanimous consent to have printed in the RECORD two recent articles which put our present problems in the perspective of the challenges and successes of American business.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Sunday Tulsa World, Jan. 12, 1972]

BAD RAP FOR BUSINESS

When our country and the rest of the world pull out of the current economic slide, perhaps we will all have relearned one basic lesson: How much we depend on the vitality of privately operated business.

We are all aware, of course, that we live by the free enterprise system. We learned that in school and we have recited its virtues enough that we take them for granted.

But in fact we have paid too little attention to this foundation of our Good Life. We have not defended it enough and we have allowed it to be maligned, chipped away and downgraded.

New generations come along believing that business is greedy, distasteful and a kind of grubby necessity to be endured but hardly respected. "Profit" has become a sneer to many young people and some not so young; one must labor for Government or Good Works; otherwise one might be sullied by the crass desire to make money.

Too many fashionable professors in our colleges and universities have fostered this notion, picturing business as bad business. It must be regulated, controlled, kept in bounds by antitrust policemen and above all, it must not become big business or it will be extra-contaminated.

To these theorists and their followers, only the benevolent hand of Government keeps us from being exploited down to our bare skin.

Now we see our commerce hurting. People are being thrown out of work, plants are closed, communities suffering. We are beginning to sense, perhaps, what the free enterprise system really runs on. It runs on business . . . privately financed business, mostly in competition with other business. And it must make profits to keep going, to meet payrolls, to improve facilities, to create more jobs.

And what should we do to rescue the economy in this darkening day of recession? Can we rely on those who smirk at businessmen? Can we all live off the Government? Shall we look for some better system . . . and if so, where will we find it?

No, it is clear we must do everything we possibly can to help business . . . to revive and rekindle that dynamic, dust-kicking, smoke-producing, profit-seeking, sometimes even greedy institution we call private enterprise.

It is not a perfect system. It is marred by excesses and weaknesses and it does not always function benevolently. Sometimes it must be policed and corrected. But it has built for us the greatest economical well-being ever known in history; made us the most envied if not the most loved nation in the world.

And remember this: Our competitive drive, our will to work, our yearning for success—and yes, our desire for profits—these are the very things that are most likely to restore confidence and head us back to recovery.

So let's not stand around knocking business. Let's hope and pray for business.

[From the Wall Street Journal, Jan. 3, 1975]

COMMONSENSE FOR UNCOMMON TIMES—THINKING THINGS OVER

(By Vermont Royster)

There was a lot of jeering back in 1953 when Charles E. Wilson, Eisenhower's nominee for Secretary of Defense, remarked that what was good for the country was good for General Motors, and vice versa.

The jeering was made worse because his remark itself got turned vice versa. He was widely quoted as having only said what was good for General Motors was good for the country, which sounded quite different. Altogether, the poor chap got pilloried as the very caricature of the Wicked Big Businessman who would put corporate welfare ahead of the national welfare.

Well, I suspect that hardly anyone today would scoff at Engine Charlie. Anyway, we are all learning that what's bad for the country is bad for General Motors—and even vice versa.

Right now hardly anyone can fail to see that the bad things that have been happening to the country—inflation and the oil shortage, for example—have been disastrous for Detroit. And just about everybody is beginning to notice that the bad things that are happening to Detroit—the sagging sales, the cut-back production—are in turn having very unhappy effects on the rest of the country.

The reason is that the auto industry interlocks with so much of our whole economy. Not only is the direct manufacture of automobiles itself a major enterprise in terms of capital and jobs, the industry also supports the thousands of dealers and gas stations scattered all over the country. It provides a market for hundreds of suppliers, from batteries to spark plugs, and is a major customer of many other large industries, notably steel, rubber and glass. It's been estimated that one out of every five industrial jobs in the country is related in some way to the auto industry.

That's why President Ford the other day had all those auto industry people at the White House. They came with tears in their eyes from the auto companies and the unions and the ranks of the politicians, including the governor of Michigan.

Everybody was there because they recognized that the welfare of the country and the industry were intertwined. Clearly it was a belated acknowledgement that Engine Charlie had a point. What isn't so clear is that everybody really understands the point.

For of course the real point of Mr. Wilson's remark was that there is a direct relationship between the welfare of the nation's business enterprises, of which the auto industry is one among many, and the welfare of the country. That, in fact, the two are inseparable.

What Mr. Wilson was suggesting was that if the government encouraged economic policies that were good for the country they would benefit business in general, and his own in particular, and that if the government pursued policies good for business in general they would inevitably benefit the whole country.

And that is a proposition as likely to bring jeers now as it did then. For well over a generation the attitude of our governors has been that business was something apart from the national welfare. It might have to be tolerated but never encouraged. On the contrary, it must be held down, restrained, restricted, even punished, because the interests of business are antithetical to the interests of the people.

Thus our habit of dividing the economy into a public sector and a private sector. The private sector is bad because it is greedy profit-grubbing. The public sector is good because it provides for the welfare of the people.

Right now even the most obtuse politician can see how the plight of the auto business translates into long lines of the unemployed. But a Senator Jackson can still talk about the "obscene profits" of oil companies at a time when the real welfare of the people calls for untold billions of capital investment to find and deliver new oil resources. Just so at a time when the nation cries for new gas supplies the regulators choke them off because that would just help greedy business.

It never seems to occur to the railers against business that if new oil supplies aren't found, that if new natural gas supplies aren't piped to industry, the lines of the unemployed will grow even longer.

It ought to be clear to anybody that there is no such thing as a job in any industry unless there is first the capital to build the plant and provide the tools for the laborer to do his job. Yet for years our taxing policy has been designed to discourage capital formation. The basic corporate rate, state and federal, is close to 60% even before the providers of the capital are taxed again on any return they get for providing the capital.

Worse, by recognizing interest payments, as an expense but not dividends, our tax laws encourage the piling up of debt while discouraging entrepreneurial capital investment. And to add to that problem the government is the biggest borrower of all, borrowing billions for non-productive purposes and so driving up all interest rates.

The examples could be endlessly multiplied. Everywhere you turn our national policies are imbued with the idea that somehow what is restrictive on business is good for the country.

Now, of course, with business in sad estate, with company after company in financial distress, with unemployment lines lengthening everywhere, business is threatened with more controls while the government, understandably enough, talks of enlarging the public sector to provide relief for those thrown out of work by the maltreatment of the private sector. And who, pray is to pay for it?

It's been a long time since any President dared say that the business of America is business. But maybe we'd better also stop jeering at Cal Coolidge.

DEPARTMENT OF DEFENSE VIEWS ON FOREIGN INVESTMENT IN U.S. DEFENSE CONTRACTORS

Mr. INOUYE. Mr. President, on December 9, 1974, I had printed in the RECORD a list of questions that I had sent to Secretary of Defense James Schlesinger concerning the rumored Arab investment in Lockheed and the Defense Department policy with respect to other foreign investment in American defense contractors. I promised then to share the information that I received, and pursuant to that promise I ask unanimous consent today to have printed in the RECORD the Department's reply.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS AND RESPONSES

Question. **"Is the Department of Defense able to confirm the report that an offer for a controlling interest in Lockheed was in fact made by Arab investors?"**

Response. **The Department of Defense has** no information other than what has appeared in the news media.

Question. **"Is the Department able to confirm the claim that Lockheed rejected the offer in the manner described in the POST article?"**

Response. **The Department of Defense is** not familiar with the action taken by Lockheed or the relationship described in the POST article.

Question. **"If such an offer was made, was the Department advised of it? At what point in the negotiations was the Department told of the offer and rejection?"**

Response. **The Department of Defense has** received no information of the reported offer and rejection.

Question. **"Does the Department of Defense know of any other bids for control (as defined above) of any such firms described above?"**

Response. **Under the Defense Industrial Security Program preliminary reports have been received from field components that Magnavox and Occidental Petroleum have experienced acquisitions of their stock by foreign investors. Both cases are now under review.**

Question. **"If such offers for control are made, does the Department require this information to be forwarded to the Department? If not, why not? If yes, at what point during the negotiation would this information have to be provided to the Department?"**

Response. Under the Defense Industrial Security Program cleared Defense contractors are required to report when such offers become accepted and as a result a change in ownership occurred to an extent that control of a corporation was affected. Furthermore, should foreign interests own or become owners of 6% or more of the corporation's voting stock, we are furnished a report of such changed conditions in accordance with paragraph 6a(4) of the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22-M), together with a revised Certificate Pertaining to Foreign Affiliation (DD Form 441s).

Question. "Please list existing reporting requirements—laws, rules, regulations or other procedures—maintained by the Department as to the identity, location, and nationality of the foreign investors and the nature of the investment in companies engaged in significant defense work. In replying to this question, please cite the precise legal basis for the requirement."

Response. The only reporting requirements are established under the Defense Industrial Security Program. These reporting requirements are contained in the DD Form 441s (Certificate Pertaining to Foreign Affiliation), which the contractor is required to execute pursuant to paragraph 21a of the Industrial Security Manual for Safeguarding Classified Information (DoD 5220-22-M). ASPR 7-104.12 (Military Security Requirements) requires the contractor to comply with the terms of the Security Agreement (DD Form 441) including the Industrial Security Manual which is attached to it and made a part, thereof, thus affording a contractual basis for the reporting requirement.

Question. "Please list all enforcement powers which exist to ensure compliance with the Department's data collection."

Response. Under the Defense Industrial Security Program a contractor's failure to furnish information pertaining to foreign ownership of stock may result in the denial or revocation of a facility security clearance. Misrepresentation of the extent of foreign ownership may result in a fine or imprisonment or both (18 USC 1001).

Question. "To your knowledge, have the disclosure and reporting requirements been effective or ineffective? Have the enforcement powers to require disclosure ever been to secure the necessary disclosure?"

Response. The disclosure and reporting requirements contained in the Defense Industrial Security Program have been accepted by participating contractors and are considered effective. No defense contractor's security clearance has been terminated for failure to report percent of foreign ownership, however, failure to report percent of foreign ownership or change thereto, could result in termination of a Defense contractor's facility clearance.

Question. "To what extent has the information collected been made available to the public and to the Congress?"

Response. We have no knowledge of such information being made available to the public or to the Congress.

Question. "Are there any gaps in the scope or coverage of reporting and disclosure? If so, in your opinion, what are they?"

Response. No gaps have been identified in the scope or coverage of reporting under the Defense Industrial Security Program.

Question. "Are there any factors such as foreign laws, use of foreign or domestic nominees, etc., which make it difficult or impossible to obtain information as to the identity, location, and nationality of the investors and the nature of the investment?"

Response. We are not aware of any foreign laws that restrict disclosure of stock ownership as recorded on the books of United States corporations. However, corporate stock may be held by a domestic nominee under a private agreement with a non-U.S. citizen which may make it extremely difficult to ascertain whether the voting stock is, in fact, owned or controlled by non-U.S. citizens. Further, since stock can be held in any name and the records of the stock transfer agent need only show residence, not citizenship, a non-U.S. citizen can be a resident and his citizenship unknown. In most cases, U.S. firms are able to determine when foreign interests have a significant amount of their stock because they would be aware of any holding that could affect control over their firm by election of a director to their Board.

Question. "In your view, is any additional legislative authority needed to improve the data collection and disclosure program administered by the Department of Defense? If the answer is yes, please list your suggestion."

Response. The present method of obtaining information on percent of foreign ownership of Defense contractors' participation in the Defense Industrial Security Program is considered adequate. As you know, the recently enacted legislation which was sponsored by you and Congressman Culver (PL 93-479) requires the Commerce and Treasury Departments, as part of their overall review, to study the adequacy of information, disclosure and reporting requirements, and to recommend means whereby information on foreign investment can be kept current. Moreover, the Office of Management and Budget (OMB) and the Council on International Economic Policy (CIEP) are conducting an Interagency review of reporting requirements. This study will be supplied to the Congress by mid-February. Upon completion of the foregoing, we will be in a better position to determine if any further legislative recommendations are necessary.

Question. "Can any changes or improvements be made administratively without further legislation? If so, please list your suggestions."

Response. Yes, even though present procedures are considered adequate it may be desirable to require prior notification of acquisition by a foreign investor of an interest in a US defense manufacturer. For example, companies with classified contracts might be required to notify DoD whenever negotiating for the purchase of company owned stock with a significant (e.g. 6% or more ownership) foreign investor commence. This matter will be further assessed in light of the findings of the studies mentioned in response to Question 13, above.

Question. "Please list any laws which restrict or otherwise limit foreign investment in businesses engaged in defense work or in defense-related industries."

Response. We are not aware of any legislative basis which restricts foreign investments in defense industries. Although the industrial security regulations discussed above do not directly prohibit foreign investment in the defense sector, they do act as an indirect prohibition on foreign acquisition of any firm that does classified work with the government in that such acquisition could cause the firm to lose its classified government business. In addition, the President has certain emergency powers which can be used to prevent abuse by any investor of his control of a defense related firm—e.g. power to require priority performance of defense contracts in certain circumstances and broad powers under the Trading with the Enemy Act if a national emergency exists. In order to give the President added flexibility to protect national security in situations falling short of a declared emergency or war, you might want to consider broadening the case by case authority. For example, the President might be given authority to make a determination (based on national security grounds) to require that a specific firm should have ownership and control (e.g. voting rights) separated from management of the firm (e.g. through establishment of a trust device). Alternatively, the President's power to act under the Trading with the Enemy Act might be made independent of the existence of a legal "state of emergency" and dependent only on his ad hoc determination that regulation of a particular foreign investment was required in the interest of our national security.

DEFENSE INDUSTRIAL SECURITY PROGRAM FOREIGN OWNERSHIP, CONTROL AND INFLUENCE POLICY

As part of the Defense Industrial Security Program, the Department of Defense has established policies concerning foreign ownership, control, and influence in U.S. Industry. The policy relates only to those U.S. companies who perform on classified contracts. A classified contract is defined as one the negotiation or performance of which will necessitate the contractor or his employees to have access to classified information. As a condition precedent to the award of a classified contract the contractor must be issued a facility security clearance. This is done as part of the Defense Industrial Security Program. Currently, there are approximately 11,500 cleared contractors or facilities participating in the program, and they employ approximately 1.2 million people who have been issued personnel security clearances. The DoD Industrial Security Program is administered by the Deputy Director, Contract Administration Services, Defense Supply

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Agency. Within the Defense Supply Agency there are eleven Regional Offices which have been delegated the responsibility for the security supervision and inspection of these 11,500 contractors. Overall, responsibility for policy development is vested in the Assistant Secretary of Defense (Comptroller) through the Deputy Assistant Secretary of Defense (Security Policy).

It should be pointed out that the Department of Defense pursuant to authority enunciated in Executive Order 10865 administers the Industrial Security Program, not only as it pertains to all Department of Defense classified contracts, but also on behalf of 14 other Departments and Agencies of Government. They are listed in Enclosure 1. Mention is made of these User Agencies because the foreign ownership, control, and influence policies and decisions affect not only DoD contractors, but also the contractors of these other Departments and Agencies of Government.

Since the inception of the Industrial Security Program within the Department of Defense in 1950, there has been a recognition of the need to insure those contractors who are entrusted with U.S. classified information are not subject to foreign ownership, control, or influence. This policy, which has been essentially unchanged since 1950, provides that facility clearances may be granted only to contractors organized and existing under the laws of any of the States or Puerto Rico, and that facilities which are determined to be under foreign ownership, control or influence are not eligible for a facility clearance. This policy is expressed in Section II, Part 2, Industrial Security Regulation (DoD 5220.22R).

The standard which is applied for determining the existence of foreign ownership is:

"A facility will be considered to be under foreign ownership, control or influence when the degree of ownership, control or influence from a foreign source is such that a reasonable basis exists for concluding that compromise of classified information may result."

There is an exception to this general rule. Pursuant to bilateral agreements, facilities which are under United Kingdom or Canadian ownership, control or influence may be cleared. These clearances are based on a security assurance on the foreign parent or owner from the government of Canada or the United Kingdom, as appropriate. These facility clearances are limited to the extent that classified information not releasable to the United Kingdom or Canada is likewise not releasable to facilities with United Kingdom or Canadian reciprocal facility clearances.

The reason for this foreign ownership policy is quite simple. The Industrial Security Program is based on an agreement between the Department of Defense and the top management of the company to safeguard classified information in accordance with the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22M). If the top management of the company consists of a foreign entity or is under the influence or control of a foreign entity, it would not be reasonable to entrust them with classified information which is not releasable to their foreign principal or owner. As a minimum, it would establish an untenable conflict of interest. As a maximum, it would be entrusting classified information with those who national policy has dictated should not have it—for example, the foreign government, itself.

The inquiry to establish whether or not there are elements of foreign ownership, control or influence begins as part of the initial survey which is conducted as the first step in processing a company for a facility security clearance. The policy is explained and the company is asked to furnish information relating to foreign ownership, control or influence. To facilitate this factfinding, a form entitled "Certificate Pertaining to Foreign Affiliation" DD Form 441s was developed in 1959. This form, a copy of which is attached as Enclosure 2, asks the contractor to answer relevant questions with respect to foreign ownership, control and influence. Wherever the contractor indicates an affirmative answer, he is required to provide an explanation. Subsequent to the filing of this form with the DoD Cognizant Security Officer, the contractor is required to report any significant change in the information or answers previously provided. This requirement is set forth in paragraphs 6a (4) (f) and 21 of the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22M). From this it can be seen that primary source of foreign ownership, control and influence information is from the contractor itself.

The more common foreign ownership, control or influence elements are outlined in Enclosure 3. Income from foreign sources is far and away the largest single factor. Income from foreign sources is expressed and analyzed in terms of a percentage of gross income. With respect to ownership, 6% is the general threshold. Where less than 6% of the stock is foreign held, it generally will not be significant in terms of foreign influence. When the percentage exceeds 6%, then it may be a factor in influence and control. For example, in a very widely held corporation, a foreign owner controlling 6% of the voting stock may be in a position to exercise significant control. On the other hand, in a closely held corporation an amount considerably in excess of 6% may not be significant in terms of control of the corporation.

Interlocking directors standing alone will generally not be indicative of a problem. On the other hand, interlocking directors coupled with ownership by a foreign principal who appoints such directors may well be significant in terms of corporate control.

Licensing, patent, or trade secret agreements must be carefully reviewed to insure that they would not form a basis for intentional or inadvertent unauthorized disclosure of classified information.

Finally, with respect to foreign indebtedness, the debt must be reviewed in terms of its percentage of corporate assets and also in terms of collateral that might be pledged.

Because of the complexity and significance of foreign ownership to control or influence decisions the authority to make these decisions has always been held to a high level within the Department of Defense. Prior to 1965, the decision had to be made at the Secretarial level of the Military Departments. Since 1965, when Industrial Security was consolidated in DSA, the authority was specifically delegated to the Deputy Director of DSA for Contract Administration Services (DD/CAS). There are certain further delegations to region commanders which are set forth in Enclosure 4. These are strictly interpreted and whenever there is a doubt, the case is forwarded to DDCAS for decision.

Whenever there is significant evidence of foreign ownership, control or influence, the case is discussed in detail with the contractor and its counsel. If it appears that an adverse decision is indicated, the contractor is informed and advice and guidance is provided as to actions that the contractor might take to isolate or nullify this foreign ownership. Where there is a significant degree of foreign ownership, a voting trust agreement is generally suggested as a means of isolating this foreign owner. The voting trust which normally will consist of three disinterested individuals can be used to transfer legal title from a foreign owner to trustees who are U.S. citizens. The foreign owner becomes then simply a beneficiary. In order for such an arrangement to be approved, the foreign owner must agree to relinquish all the normal prerogatives of management. The trust must be de facto as well as de jure. In other words, the U.S. trustees must assume responsibility for management and control of the corporation, thereby isolating the foreign owner from the cleared U.S. facility. If there are interlocking directors, the interlocking directors must resign, because otherwise they would circumvent the trust agreement. When a contractor establishes such a trust, it is generally possible for DSA to issue or continue the facility security clearance.

In making the clearance determination in foreign ownership, control or influence cases, DSA will generally analyze three primary channels for corporate control. They are ownership, management and technical commonality of interest. Ownership is obvious. When a foreign entity owns a significant portion of a company, he has the ability to influence or control. Generally speaking, this ownership will be manifest by the appointment of directors or officers. This constitutes the second, or management avenue, of control. If directors or officers are appointed by a foreign owner, then, of course, control and influence must be presumed. The third channel for potential control and influence relates to technical commonality of interest. If a foreign parent and U.S. subsidiary are engaged in the same general types of pursuit, or technical areas, there will be exchange and possibly dependence or interdependence in technical areas, and this situation may result in influence or control. It also establishes the possibility for a conflict of interest. On the other hand, when the foreign owner is strictly a financial institution and the U.S. subsidiary is involved in electronics, for example, there is no technical commonality of interest so this avenue would not be a potential source of difficulty in such a case.

To conclude, it should be pointed out that in the vast majority of cases foreign ownership is not a significant problem. Between 1968 and November 1974 there were a total of 682 foreign ownership, control or influence cases resolved at Headquarters, DSA. In most of these cases the ultimate decision is made to issue the facility clearance. In a small percentage it is necessary for the contractor to establish a trust before a favorable decision can be made. Some companies, albeit few in number, elect to not enter the classified procurement field, because their foreign owners choose not to relinquish the prerogatives of management. There have been very few adverse decisions.

Mention should also be made of the "utilization of facilities" policy set forth in paragraph 2-204, Industrial Security Regulation (DoD 5220.22R). Under this policy, a classified contract can be awarded even though the company is not cleared under the DoD Industrial Security Program. The advantage of this procedure is that it enables the Government to take advantage of the company's expertise, while, at the same time, not permitting the company to compete for other classified work which could be performed equally well by other U.S. contractors.

DEPARTMENTS AND AGENCIES WHICH UTILIZE THE INDUSTRIAL SECURITY PROGRAM AS AUTHORIZED BY EXECUTIVE ORDER 10865

Departments of State, Treasury, Interior, Agriculture, Commerce, Labor, Health, Education, and Welfare, and Transportation.

Agencies: Federal Energy Administration, General Services Administration, National Aeronautics and Space Administration, Environmental Protection Agency, National Science Foundation, and Small Business Administration.

MORE COMMON FOCI ELEMENTS

Foreign Income.
Foreign Ownership.
Interlocking Directors.
Licensing Agreements.
Foreign Indebtedness.

DELEGATION TO REGION COMMANDERS

Less than 6% ownership.
Interlocking directors.
Licensing agreements.
Foreign income less than 10% of gross income.

Mr. INOUYE. Mr. President, of particular interest, I should note that the Department says that it has no knowledge of the purported bid for Lockheed other than the stories which appeared in the mass media. Under the Defense Department's industrial security program, cleared Defense contractors are required to report when such offers become accepted. In view of the fact that the Department claims it was unaware of whether an offer was made, I believe that a further inquiry into this matter is warranted. It is not clear whether the bid was serious and deserved attention or whether it was simply prompted by the public concern of last year.

I would also like to point out that the Department considers its program effective and adequate, according to its reply. It further has declined to endorse new legislation while it awaits the result of a CIEP-OMB study which is now underway. I have also received a list of companies in which foreign investors have more than a 6 percent equity interest. However, the Department of Defense has advised me that it considers this information privileged under section 552(b) (4) of title 5. I am checking further into this matter to see if this information can be released.

As I noted in my initial statement on this subject, I am concerned about the possibility of foreign interference in the operation of defense-related firms. However, there is little or no evidence that this in fact has occurred. Moreover, I believe that it would be dangerous to overreact to a possibility that has no chance of being translated into reality.

I shall shortly be introducing a bill which will establish a monitoring and disclosure system for foreign investors in the United States. It will be similar in its objectives, though not in all its provisions, to a bill that former Senator Howard Metzenbaum and I introduced in the last Congress and which had 31 cosponsors. During hearings on this bill, I intend to review fully this question of foreign investment in defense-related industries.

I know that the information contained in this insertion will be of interest to my colleagues. At such time as I receive additional data on this subject, I shall share it in the same manner as I have in the past in order to provide the public with the most current information available.

TRANSCRIPT OF INTERVIEW OF SENATOR ROBERT C. BYRD ON "FACE THE NATION"

Mr. ROBERT C. BYRD. Mr. President, on Sunday, February 16, I was interviewed on the CBS program "Face the Nation." The panel consisted of CBS News correspondents Marya McLaughlin, George Herman, and Newsweek magazine's John Lindsay.

I ask unanimous consent that the transcript of the interview be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

FACE THE NATION

HERMAN. Senator Byrd, the President and his men have been taking a lot of pot shots at this Congress for doing, as the President said, essentially nothing. Does all of this come under the heading of fair comment and criticism, or is it the kind of thing which might end the so-called honeymoon between the President and the Democratic Congress?

Senator BYRD. I think it could hurt the honeymoon—the honeymoon—if there be such; but what it does, it adds up to confrontation politics, and I don't believe this is good for the country or that it serves the best interest of the people.

HERMAN. Is it all on the President's side?

Senator BYRD. Not altogether, but the manner in which the President has initiated this confrontation, I think, does not bode well. After all, he doesn't have a national constituency, and his is an inherited presidency, and it's unique in this regard. It doesn't have the national support that it should have. His main strength is his alliance with his old friends in Congress, and it imperils that alliance.

ANNOUNCER. From CBS News, Washington, a spontaneous and unrehearsed news interview on FACE THE NATION, with the Senate Majority Whip, Senator Robert Byrd, Democrat of West Virginia. Senator Byrd will be questioned by CBS News Correspondent Marya McLaughlin, John Lindsay of Newsweek Magazine, and CBS News Correspondent George Herman.

HERMAN. Senator Byrd, I'm a little bemused at your saying that the President's taking the kind of line which might break up the honeymoon, when as I recall, one of these times when we had you on the program, you said Mr. Ford was a nice man but had no ability to lead. Who started this attack?

Senator BYRD. The President has hit the Congress on energy, he has hit the Congress on the trade bill, he has hit the Congress on the economy, he has hit the Congress on Viet Nam. I think that he probably started it when he failed to take the leadership into consideration in bringing in his program. In other words, it took the President five months in which to develop a program, and he sprung that on the Congress in that he did not take the leadership into consideration. We were not consulted—

HERMAN. The leadership of Congress.

Senator BYRD. The leadership of Congress. We were not consulted. He required five months to develop that program. He sprung it out of the blue, one might say, one month ago yesterday, on January 15, and then immediately lays it on the Congress' back, goes around the country and says that Congress is dragging its feet, that we're not passing his programs. Actually, his budget proposals, which enlarge the original State of the Union message and flesh in some of the details, was not—was presented to the Congress only two weeks ago tomorrow; so the Congress hasn't had the time to assimilate this material and to act on it. Congress is going to act on it. It will come up with some alternatives. It will support some of the President's proposals. But I don't think that this kind of confrontation politics is good. It sounds like politics as usual to the American people, and that's what they don't want.

LINDSAY. Well, Senator, before this year is over the Congress will have to respond at some level to the President's proposals. What—you're a member of the Senate leadership. Now the House decided to take a vacation right at the critical moment when we're all being asked to make sacrifices. The Senate didn't take the formal recess, but they traditionally, up there, operate on their own calendars—neither Justinian nor Gregorian. It just doesn't recognize Mondays and Fridays like the rest of us. Now what are you, as a leader, going to do to impress upon the United States Senate that form and perception of how they're arriving at their decision is important in how they are going to be perceived as acting by the American people?

Senator BYRD. In the first place, every senator knows what his responsibility is and what his duty is, and it's not up to me as a member of the leadership to impress upon any senator what his responsibility is. Number two, we in the Senate don't operate as you have indicated, working only on Tuesday, Wednesdays and Thursdays, with Mondays and Fridays set aside.

LINDSAY. Well, it gets a little soft at the beginning of the week and toward the end.

Senator BYRD. Well, the Senate doesn't have to be in session for Congress to be doing its work. Committees are meeting, committees are conducting hearings in the field, committees are conducting hearings in Washington, members of the Senate are attending to the business of their constituents, they're meeting with agencies. The work is going on, even if the Senate isn't in session.

MCLAUGHLIN. Senator, I want to ask you something that really annoys me, and I would think maybe annoys a lot of American people—is this idea. I would assume that you voted for the Twenty-Fifth Amendment, and I would assume that you voted for Jerry Ford.

Senator BYRD. Yes.

MCLAUGHLIN. And yet, every time that you start off a criticism, which you did on this program, we start off the idea that he didn't really—

Senator BYRD. Well, I didn't start out with criticism. I was asked a question.

MCLAUGHLIN. That's correct, but—

Senator BYRD. The criticism that has been coming from the Congress is in answer to the criticism that has been coming from the executive.

MCLAUGHLIN. But— you could criticise him on his program, but criticizing that he's not really kind of the President of the United States because he hasn't been elected seems to me to be a cheap shot.

Senator BYRD. Well, it isn't intended to be a cheap shot! What I'm pointing out is that he has no natural base.

MCLAUGHLIN. It's not his fault.

Senator BYRD. And his—no, it isn't his fault, but his presidency is unique in this regard, that he inherited the presidency. Now for him to go out and tell the American people—

MCLAUGHLIN. He has a right—

Senator BYRD. —that the Congress—he has a right—he has a right to defend his program, yes. We have a right to examine it and to criticise it and to support part of it and to come up with alternatives. But for him to go out and tell the American people that the Congress, which was elected by the American people, is not rubber stamping his program, I think, smacks of politics as usual. And I say this with all respect to the President. I like him and revere him just as—as you do.

HERMAN: How would you label—politics as usual or not—the Democratic Whip saying—it's a long time before the President started criticizing Congress—that the President was a nice man but had no ability to lead. Is that politics as usual?

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Senator BYRD. It was a long time before he demonstrated an ability to lead.

HERMAN. I was just pointing out, it was before he attacked—that the first attacks, in some ways, came from your side.

Senator BYRD. Well, I don't recall where the attacks came from, and that isn't so important. I think the important thing is that both should cooperate and work together in the interests of the American people. The President needs the Congress, the Congress needs the President, and the American people need both. But the President made an error, in my judgment, in not bringing the leadership in on the takeoff as well as on the landing. When he conceived this program, it required five months for him to do so, and in the period of those five months, there was a wavering—a constant wavering as to policy. And the administration has consistently failed to predict the severity of the recession. And in failing to bring in the leadership, I think that the President avoided an opportunity—not intentionally—but certainly let an opportunity go by in which the leadership of the Congress and the President could perhaps have agreed and gone down the road together.

MCLAUGHLIN. Senator, again, you know, I think the American people are just so terribly upset about the conditions in the country, and the idea that the President didn't bring in the leadership is probably the last thing they're going to think about. I mean, are we going to suffer because, you know, the President failed to bring in the leadership? I mean, it seems to me the partisan politics should be out of this and that you all should be doing something. And the idea of saying, you know, well, he didn't talk to us and so we're—

Senator BYRD. Well, I was merely responding to your questions about the criticism of the Congress, how he was criticizing Congress for doing nothing. No, there must be cooperation, and there will be cooperation. The Congress will come up with its own programs where it can't agree with the President's proposals, and it will support—in the main, I should think—a good many of the President's proposals.

MCLAUGHLIN. How soon?

Senator BYRD. Well, soon, and it has already come up with some alternatives—for example, the food stamp proposal. The Congress failed to go along with the President's proposal to increase the price of food stamps; so that's pretty soon, I should think. The President—the Congress created the Commission on Wage and Price Stability within ten days after the President had requested it last year, and the Congress is already acting in regard to the extension of the—or the expansion of the debt limit, rather, and the President's oil tariff. So the Congress is working, but we've only been in session a month.

LINDSAY. But Senator, keeping a lid on the price of food stamps is not exactly a courageous stand by members of Congress who were elected by people. How—when you get to the——

Senator BYRD. Well, courage has nothing to do with it, particularly. I don't see anything in that, as to whether it was courageous or not. It was an action that was necessary, I think, on behalf of the people who need those—the assistance that the food stamps give.

LINDSAY. What I'm saying is that there's no—that it required no great sacrifice on the part of the United States Senate or the House to move on this very, very quickly. It was a simple political matter. Now——

Senator BYRD. Well, it wasn't a simple political matter, and whether it's courageous or not, I think, is beside the point.

LINDSAY. Well, what I'm getting at is that down the line you're going to have to come to grips with the so-called sacrifice—

Senator BYRD. And we will.

LINDSAY. —question of energy and so forth—

Senator BYRD. And we're in the process of doing that right now, and it requires some courage, I think, to reject the President's oil import tariff.

LINDSAY. Well—

Senator BYRD. And we're in the process of attempting to do that.

LINDSAY. Again, the question of courage here aside, do you—at the moment, philosophically—do you agree with the President that there should be a conservation of energy, with the ultimate point being the United States' independence of energy sources?

Senator BYRD. Yes.

LINDSAY. How do you propose to do that?

Senator BYRD. Senator Pastore has been meeting with his ad hoc committee several times during the so-called informal recess. And that ad hoc committee is presenting an alternative program to the President's program, and that ad hoc committee's program will be geared, in its proposals, to restoring the health of the economy and to conserving energy and to encouraging new sources of energy. So that committee will soon present its recommendations to the full policy committee, and then it will go to the—all of the chairmen of the Senate, and then to the Senate Caucus, and, hopefully, then there will be a meeting between the Senate ad hoc committee and the House task force.

MCLAUGHLIN. Senator, do you feel that there has been too much emphasis on lack of oil and lack of energy potential in this country? In other words, do you think that the administration has over-exaggerated the program—the problem, and that maybe there are great oil reserves building up and we don't have to act as fast as we might have had to?

Senator BYRD. I don't think that the energy—that the administration has intentionally exaggerated the problem. As to the logic in support of reducing immediately—or this year—the imports by one million barrels per day, I cannot find that logic. I don't know where that figure came from. I don't think anyone else knows. But I don't think that the problem should be over-emphasized, and I think the administration is correct in calling attention to the severity of this problem. And—but I must say that I think it's wrong in its approach.

MCLAUGHLIN. Well, just let me ask you then, do you think it is necessary to reduce it by the figure that the administration has said or do you think that will have a bad effect on the economy?

Senator BYRD. I don't think it's necessary—not only is it not necessary to reduce it by a million barrels a day this year, I think it would result in severe adversities throughout the economy. It would exacerbate the recession, and it would increase unemployment, and at the same time it would have a very serious effect on inflation. And I don't think that the program would translate; really, there is no guarantee that the program would translate, in the final analysis, into a conservation of energy or the production of new energy in the degree desired.

HERMAN. Considering the studies that have now been done, showing that the United States apparently does not have as great oil and energy reserves as was thought at one time, other studies which have been done which show that dollars are not flowing to the oil countries as strongly as was once subject to considerable worry, should we strive for independence?

Senator BYRD. We should strive for independence, but over a longer period. I don't think that we should go in for a crash program this year of reducing imports by a million barrels of oil daily, because I think that this would, as I have indicated, increase the inflationary pressures, it would increase unemployment, and the recession.

LINDSAY. Senator, if we talk about presidential politics, Senator Jackson is already in the race, Senator Bentsen will be in it, Mr. Udall, and former Senator Fred Harris are all quite active in the campaign. It's assumed that Governor Wallace of Alabama will be. I understand that the theme for the Robert Byrd dinner in West Virginia will be Byrd for President. I assume that you are not uninterested, that's what you said some time ago. What philosophy will you bring to the ticket? Let's talk about your civil rights record——

Senator BYRD Let's start by your premise that I'm going to bring something to the ticket, a philosophy to the ticket. That's a rather faulty premise at this point—I'm still not uninterested.

LINDSAY. You're not uninterested? Well, I'm talking about the possibility that the time will come when you are actively interested. This is true, is it not, that the theme for your dinner in West Virginia is Robert Byrd for President?

Senator BYRD. There is no dinner scheduled.

LINDSAY. Well, my understanding was that there was a dinner in West Virginia——

Senator BYRD. There is no dinner scheduled. There may be at some future point, but it will be for the purpose of raising funds for my anticipated reelection campaign to the United States Senate.

LINDSAY. Well, the state chairman down there has told us that——

Senator BYRD. Well, that's all right, I'm flattered by his compliment.

HERMAN. You would not reject the idea?

Senator BYRD. I would not reject the idea.

LINDSAY. You've been criticized for an inconsistency in your civil rights voting record. For instance, in 1964, in the massive Civil Rights Bill, you engaged in a prolonged conversation on the floor of the Senate—I think it was some 15 hours——

Senator BYRD. Sixteen hours.

LINDSAY.—against cloture. Subsequent to that, you have introduced bills—for instance, in 1969, when there was a peak of black activist activity on campus, and also the beginning of the real anti-war demonstrations on campus, to make it a federal offense for any person or student to disrupt a school that was getting federal funds. Now, in 1974 you had a situation in West Virginia where schools were disrupted, not necessarily by students, but because there was an objection to some of the content of the textbooks, and your comments at that time didn't carry the harshness of your comments directed toward the black activists and anti-war demonstrators of 1969. Why?

Senator BYRD. You have a number of questions there. First, as to the textbooks, I have taken the position that the federal government had no voice whatsoever in the selection of those textbooks, and that it has no authority to intervene. This was a decision by the local school board, and I'm sure that you would recognize that if the federal government has the authority to tell what books—to tell any local school board what books it cannot use, it also would have the authority to say what books must be used, and I think that would get us away from local control, which would be bad. In the second place, I have frowned upon violence, whether it is in Kanawha County, West Virginia, or elsewhere, and so I have taken the same stand as to violence in one situation as I have taken in another. As to my civil rights voting record, I voted for the 1957 Civil Rights Act, for the 1960 Civil Rights Act, for the 1962 Civil Rights Act, and for the 1968 Civil Rights Act. I voted against the 1964 Civil Rights Act. I voted against the 1965 Voting Rights Act. I have indicated that I intend to vote for an extension of the Voting Rights Act—the Supreme Court has upheld that act. Now, I think if one takes the whole record, one would have to say that my civil rights record is not all bad, and—

LINDSAY. I'm not suggesting that it is, Senator—

Senator BYRD.—it is in the main a good record.

LINDSAY. The '64 and '65 Civil Rights Acts were the monumental landmark Civil Rights Acts, and you voted against both of them.

Senator BYRD. I voted against them on constitutional reasons. For example, the Voting Rights Act, I took the position that Article I, Section 2, of the Constitution; Article II, Section 1, of the Constitution; and the Seventeenth Amendment of the Constitution, all gave the prerogative of determining the qualification of voters to the states, and so I voted against the act on a constitutional basis; and I did so with regard to the 1964 Civil Rights Act. There were many provisions in the '64 Civil Rights Act that I could have supported, but there were some provisions that I could not have, at the time.

MCLAUGHLIN. Senator, I am so stunned that you have taken this moment on Face The Nation, I think, to announce that your candidacy for the presidency—(laughter)—and I think also to say that your civil rights record is not all bad, but I'm not even going to pursue that conflict.

Senator BYRD. I didn't say it was all good, but—

MCLAUGHLIN. No, but I think it's interesting that you would even say it's not all bad.

Senator BYRD. Well, why not—

MCLAUGHLIN. (Unclear)—think it's all bad.

Senator BYRD. I didn't bring up the question, I was merely trying to lay all the facts on the record.

MCLAUGHLIN. Well, I think since you now are a presidential candidate, it's fair to ask you. What about the aid to Viet Nam, that's a fair question for—are we going to get that out of the Senate, or is that going to be voted down?

Senator BYRD. It's going to be an uphill fight for the President. The Congress appropriated $700 million for Viet Nam in the 1975 budget.

MCLAUGHLIN. Too much?

Senator BYRD. Too much? No, I'm not saying it is too much, but I am saying it is going to be difficult for the President to get an additional $300 million. But many people may have the impression that is the alpha and the omega, the beginning and the end. After all, in the FY 1976 budget, there's money for Viet Nam, and I would assume the Congress would appropriate money in the FY 1976 buget.

MCLAUGHLIN. Well, would you be in favor of giving that money?

Senator BYRD. No, not the addtional $300 million, no.

HERMAN. How about the money for Cambodia?

Senator BYRD. Well, I have some problems with Cambodia. I'm not sure as to whether I will support that or not. I would rather have my doubts at the moment, because I have voted against all foreign aid appropriations for several years.

HERMAN. Before we let go of the candidacy which was announced by Marya (laughter), can a candidate for the President of the United States succeed with the skeleton in his closet that he was once a member of the Ku Klux Klan?

Senator BYRD. Hugo Black succeeded—

HERMAN. But he didn't run for that.

Senator BYRD. But let's wait a moment, though. He was nominated and he was appointed and he served with distinction as a member of the United States Supreme Court, and so let's don't say that another man cannot succeed. I haven't announced my candidacy, but that joining of the Ku Klux Klan was three decades ago, and I suppose that many young people in this day and age have joined organizations which they will regret in later years. I've many times said it was a mistake, and I can't say any more than that.

HERMAN. You think those passions on all counts for all organizations in the past are dying down now and are not an important electoral consideration? Youngsters who were members of the Communist Party, the Socialist Party, the Klan, various other organizations?

Senator BYRD. Well, I don't know that that would be true in all cases, but I would imagine that if a former member of the Black Panthers, for example, were to run for office, I'm not so sure that—certainly after 30 years had passed—people would hold that against him. They are going to look at his record in the meantime.

LINDSAY. Well, that's the point, Senator. The record you speak of is 30 years old, but the record of your votes in the Senate, you know, during the past ten years—you voted for Mr. Haynesworth and Mr. Carswell for the United States Supreme Court.

Senator BYRD. And a good many senators regret today that they voted against Mr. Haynesworth, and if they had to do it over they would vote for him.

LINDSAY. And you voted against the only black that was appointed to the court.

Senator BYRD. I didn't vote against him—

LINDSAY. Yes—

Senator BYRD. Now, let's take that—you're talking about Mr. Justice Marshall. I didn't vote against him when he was appointed to the judgeship of the Circuit Court in New York; I voted against him to be appointed to the Supreme Court of the United States because I felt that at the time the Supreme Court was top heavy in membership carrying a liberal philosophy, and that's why I voted against him. I didn't vote against Mr. Weaver who was the first Secretary of HUD. He was black.

MCLAUGHLIN. Senator, we only have a few seconds, and I'll just change the subject quickly on you—the economy—tax reform, tax cut, quickly, you know, what do we do?

Senator BYRD. On the economy?

MCLAUGHLIN. Yes.

HERMAN. All that in 30 seconds?

MCLAUGHLIN. Can you say in 30 seconds?

Senator BYRD. Well, I think we'll probably have some difficulty; but we'll go along with the tax cut and the tax rebate; we will not go along with the President's request to defer and rescind programs that will help to stimulate construction; we will stimulate the housing industry; we will stimulate consumer spending; and we will reject the President's energy proposal which would increase inflation, recession, and unemployment.

HERMAN. That's a pretty good 30-second program. Thank you very much for being with us on Face the Nation, Senator Byrd.

ANNOUNCER. Today on Face the Nation, the Senate Majority Whip, Senator Robert Byrd, Democrat of West Virginia, was interviewed by CBS News Correspondent Marya McLaughlin, John Lindsay of Newsweek Magazine, and CBS News Correspondent George Herman. Next week another prominent figure in the news will Face the Nation.

NEEDED: AN INCREASE IN DRILLING ACTIVITY

Mr. BARTLETT. Mr. President, our domestic oil industry has made remarkable and excellent progress during the last several years toward the goal of energy sufficiency for this country. From the standpoint of crude oil production, the first step in this effort must be an increase in drilling activity. Reversal of the strong natural trend for production to decline and a subsequent production rate increase necessarily follow this by several years.

Current drilling rig activity is 21 percent greater than the average in 1974, 49 percent greater than the average in 1973, and 84 percent greater than the all-time low in 1971. The domestic industry is now experiencing the greatest boom since the mid-1950's. This significant increase in activity is almost totally related to the $11-per-barrel free market price for "new" crude oil production.

The independent oil and gas producer is a major factor in this effort. During 1974 independents drilled 88 percent of all exploratory wells drilled in this country, and over 80 percent of all wells. The potential contributions of the independents cannot be overstated.

The administration's windfall tax proposal, even when coupled with decontrol of all crude oil, could very seriously stifle this tremendous upsurge in drilling and thus jeopardize our goal of energy sufficiency.

I have recently received a letter from one of my constituents in Oklahoma, Mr. Horace K. Calvert, who is president of a small independent oil firm. His letter explains very well the disastrous impact any windfall tax proposal, and in particular the President's proposal, will have on the independent oil man and on this country's domestic supply of crude oil.

I ask unanimous consent to have his letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CALVERT DRILLING CO.,
Oklahoma City, Okla., January 24, 1975.

Hon. DEWEY BARTLETT,
New Senate Office Building,
Washington, D.C.

DEAR DEWEY: I was in Washington, D.C Tuesday, where I attended a briefing by Federal Energy Administration officials on the President's proposed economic and tax program. After reading the data provided me at the meeting and listening to an explanation of the President's proposals concerning energy conservation, taxes and fees, I was astounded. I was astounded not only by the fact that if his proposal were enacted, it would virtually destroy the small oil producer as well as stifle oil exploration but also how it would fiscally affect the State of Oklahoma and other oil producing states, which are the few remaining pockets of prosperity in the country.

The President's proposals presented in the White House fact sheet stated his program would encourage domestic production as well as inferring that such a program would contribute towards overall energy independence by 1985. As far as I can determine, his proposals would have just the opposite effect insofar as oil and gas are concerned. The President's proposal is to decontrol "old" oil and thereby permit it to float in a free marketplace along with present exempted oil. That is fine and as it should be. But after that, he proposes that Congress enact a windfall profits tax that would recapture the profits from the price increase, and in the aggregate, the tax would be sufficient to absorb all the

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profit that would otherwise flow from decontrolling oil plus an additional 3 billion dollars.

Let us assume that after oil was decontrolled and after a $2.00 per barrel domestic tax that the price leveled at $11.00 per barrel, which exempted oil is bringing at the present time. The Windfall Profits Tax would then reduce $11.00 oil down to $6.52 per barrel before the 7% Oklahoma production tax. If the Oklahoma gross production tax of 7% is taken out first, i.e., on the $11.00 price, then one would have a net after tax of $5.82 per barrel. If the Oklahoma tax is deducted after the excise tax, the net is $6.07 per barrel.

According to the U.S. Bureau of Mines statistics, a mix of all domestic oil, the "old" and exempted, was selling in October, 1974, for an average of $6.96 per barrel and after the Oklahoma 7% gross production tax, the net is $6.48 per barrel. As you know, much of Oklahoma's, as well as the nation's, oil is "stripper" oil and is commanding $11.00 per barrel. Reducing this oil $4.52 per barrel to a price of $6.48 would not only eliminate much of the stripper reserves but would represent an inequitable tax on the exempted oil now selling for $11.00 per barrel. How a reduction of $4.52 per barrel on new and exempted oil and some 50 cents per barrel on the overall oil mix is going to encourage domestic production is beyond me.

It certainly will not encourage the independent who drills approximately 80% of all onshore domestic wells in the United States. I have not been able to develop the percentage of old oil to exempt oil currently being produced by the major oil companies. It stands to reason however that their ownership of old oil (approximately $5.20 per barrel) is far greater than that of the independent. So ironically decontrolling old oil and reducing new and exempt oil from $11.00 to $6.52 could actually result in a greater overall increase of price to some of the large producers as well as reduce the cost of third party oil they purchase for their refineries, which would mean greater profits.

It has been estimated by the Oklahoma Energy Council that each $1.00 decrease in the per barrel price of crude oil would reduce the total recovery in Oklahoma by 100 million barrels of presently recoverable oil not counting additional recovery if some laboratory and pilot plant studies are successful. I think you will agree with me that statistically the discovery of new major oil reserves (100 million barrel fields) in the future will be few and far between in the State of Oklahoma. However if economic incentives are available, i.e., free market price oil, the independent will continue to explore and spend his money in Oklahoma, but if the President's proposals are enacted in toto, the independent will have to either cease and desist, look to other areas, or direct his energies to gas, and preferably intrastate gas. With few exceptions, the search for $6.00 oil in Oklahoma is over, unless corresponding costs come way down.

And, mind you, $6.00 is a gross price, before leasehold costs, royalties, overriding royalties, operating costs, income tax and any risk factor is involved.

When the President's program is analyzed it is essentially a revenue-raising program to fund his tax reduction program, rather than an energy incentive program which our country so desperately needs. This is substantiated by the fact that the Treasury Department prepared the energy part of the bill with little or no input by the FEA.

Basically what the President's proposals call for is a rollback of the price of crude oil through a facade that calls for decontrol of "old" oil and deregulation of "new" gas. He proposes to give the producer an increase in price by decontrol of old oil on one hand and then through a Windfall Profits Tax, reduce all oil back to a level that is approximately 50 cents lower than it is today. By such an ingenious scheme as above, revenue is provided for his 30 billion dollar program by extracting it from either the oil and gas industry or its consumers. In such a program the President achieves the same result insofar as the oil producer is concerned as Senator Jackson would in his previous proposed rollback of oil prices. However in that proposal there is nothing to tax—it is merely a rollback, consequently that program provides no tax monies to rebate to the public or fund a tax reduction program. The consumer would benefit more under the Jackson plan. However Congress, under the Jackson plan, could not generate the needed revenue for the tax reduction as proposed by Ford. On either program, the oil and gas producer would bear the brunt of the tax burden and long term goals of increased exploration would be stifled.

The Windfall Profits Tax that the President has proposed to the Congress does not include a plowback provision nor does it contain exemption for classes of production (stripper, secondary, tertiary, etc.) or producers, i.e., big or little. The bill does contain a provision whereby the proposed tax on "high cost" producers could not be taxed more than 75% of net income from a barrel of crude oil. However most of the wells in this category are problem wells making not more than a few hundred dollars per month net profit and if that profit were taxed up to 75%, I am sure that most operators would plug the wells out and recover their salvage value instead of worrying with them.

Also, "net income" is not defined in the provision, i.e., before taxes, overhead, etc.

Under the rationale presented in this bill, all oil and gas producers last year reaped excessive (obscene) profits as a result of the rise in international oil prices. This simply is not true. Consider a domestic producer who, let us say, drilled nine dry holes and one oil well last year; maybe from that one oil well, he recovers either part of his cost, or all of his cost, or even makes a 2 to 1 profit; such profit is neither excessive nor obscene. From the independent's standpoint, the great injustice of this bill is that the independent is being tarred with the same brush as companies that made large profits.

The independent has one profit center and that is in the sale of his production; and that is the only place he can pass on his added costs. Conversely, the international or integrated company is a vertical combination; they have profit centers in domestic production, foreign operations, pipelines, refining, at the pump, manufacturing, transportation, chemical plants, fertilizers and many others, and can pass on added costs in any of these areas. However the President in his proposed Windfall Profits Tax is looking only to one profit center from where to impose the tax . . . and that is on the price of a barrel of crude oil. That is why his proposal is so unjust to the independent producer who has just one profit center—his crude oil.

A recent Senate Finance Committee report stated that their investigation showed the principal source of the increase in oil company profits 1973 was the increase from their foreign operations. I do not propose to be an expert as to where to apply taxes but if the industry has to be taxed, why not impose it upon that segment that produced the excess profits, i.e., foreign operations? If this is not done, then the tax should be spread over all company profits and not just crude oil production.

I am writing this letter to each member of the Oklahoma Congressional delegation. In so doing, I certainly hope that you and our other members, along with Congressional representatives from other energy producing states take immediate steps to:

(1) Kill the Windfall Profits Tax in its entirety, or

(2) If this cannot be achieved, then provide an exemption for the small producers and royalty owners, or

(3) If neither of the above can be achieved, then impose a more equitable tax where it should be—on excessive profits and not just on a barrel of crude oil, and finally

(4) In any instance, the plowback provision should be in any tax bill, otherwise the entire industry will lose its momentum and irreparable damage will be done to our energy efforts. Here again, the small producer should not have the same criteria in any plowback as the large producer. This is for obvious reasons, the large producer can plow back in a myriad of areas whereas the small producer can utilize the plowback provision only through drilling and leasehold costs. Incidentally, a group of independents are currently drafting a provisional plowback provision which will be sent to you for your consideration.

The industry has numerous representatives to devote time and money to this effort and will be guided by your thought and the thoughts of our delegation.

Yours very truly,

HORACE K. CALVERT,
President.

RESCISSION AND DEFERRAL OF LIBRARY FUNDS

Mr. EAGLETON. Mr. President, the rescission and deferral message which President Ford transmitted to Congress on January 30, imposes a great threat to library programs across the Nation.

President Ford has proposed that Congress rescind almost $50 million in funds previously appropriated for public, school, and college libraries, undergraduate instructional equipment, and training and demonstration grants.

With regard to public libraries, the President justifies the proposed rescission of $24 million on the ground that new legislation, the Library Partnership Act, has been proposed and the cutback would avoid expansion of the existing program while new legislation is being considered. I would point out that the Library Partnership Act was proposed last August, and there was little or no support demonstrated for it. Second, were the proposed rescission to be approved by Congress, only $27.8 million would be made available for these library programs. Yet, the fiscal year 1974 operating level for public libraries was $46.7 million. This rescission would not then avoid expansion—it would substantially reduce funding and undoubtedly force a reduction in services.

Mr. President, I have been concerned with the manner in which the administration has handled the deferral and rescission of library funds for the entire fiscal year.

As Senators know, according to the provisions of the Congressional Budget and Impoundment Control Act, a proposed deferral or rescission of funds such as those proposed for library programs must be submitted to the House and the Senate in a special message by the President. That message must specify the period of time during which the budget authority is proposed to be deferred; it must be printed in the first issue of the Federal Register published after transmittal; and it must relate to proposed deferrals in future quarters of a fiscal year.

A special message sent to Congress on December 27 relating to library deferrals violated these provisions of the act.

It showed that for the first two quarters of the fiscal year the States had received less than half of the money they should have received under the Library Services and Construction Act—LSCA. At the beginning of this fiscal year, the Labor-HEW appropriations bill had not been enacted. Thus, a continuing resolution was passed which provided that if only one Chamber had passed an appropriations bill as of July 1, as was the case with Labor-HEW appropriations, programs covered by that bill would be funded at the rate set in the appropriations bill or at the fiscal year 1974 rate, whichever was lower. The 1974 operating level and the House passed bill were the same—$46.7 million for public libraries.

Under the continuing resolution, the States should have received half of this amount, $23.35 million, in the first two quarters of the fiscal year, from July 1 to December 31, 1974. Yet the States only received $12.5 million. The administration "deferred" the remaining $10.8 million which would normally have been allocated. Thus, the special message merely announced the past deferral or impoundment, not a new proposed deferral.

Second, although the law requires that each deferral specify "the period of time during which the budget authority is proposed to be deferred," no such period of time was specified in the library deferral. For all we know, library funds will be released on the last day of the fiscal year, too late for the States to make effective use of the money.

Further, I noted that the budget deferral message was submitted to Congress on December 27, and yet it did not appear in the Federal Register until January 8, 1975. This delay is an additional violation of the Budget and Impoundment Act which requires such publication in the first issue of the Register published after transmittal to Congress. That would have been December 30, 1974.

I believe that the library deferral message should have been transmitted to Congress at least by October 31, 1974, the date that second quarter funds were released by the Office of Education at the reduced level. Deferral messages were submitted on October 31, November 13, November 26, and a cumulative report on December 9. Yet it was not until the last days of the second quarter, on December 27, that Congress was informed of this deferral which had occurred in the first month of the quarter.

After this period of unlawful deferral, we now have before us a message of January 30, 1975, proposing a rescission of $49.4 million in fiscal year 1975 library appropriations. In addition, the January 30 message proposes a deferral of $2.8 million from public library funds to be placed in reserve to meet increase pay costs in other HEW accounts.

Mr. President, I do not believe that it was the intent of the Congressional Budget and Impoundment Control Act to allow the President to shuffle funds appropriated by Congress for a particular program into an entirely different category. I would hope that either the House or the Senate will take action immediately to pass an impoundment resolution disapproving this proposed deferral.

Finally, Mr. President, I should point out that neither the rescission nor the deferral proposals of January 30 indicates a revision of a previous submission. Are we then to assume that the January 30 proposed rescission and deferral of $52 million is to be added on top of the $10.8 million impoundment from the first two quarters of the fiscal year? Are we then being asked to reduce the funding of public library programs from the previous year by $47.7 million and to eliminate other smaller library resource programs?

Mr. President, I have asked the Comptroller General to respond to my concerns with respect to these library funds. I hope that my colleagues will join with me to make every effort to see that libraries are not the object of wholesale cuts. I fully agree that we must economize in many areas, but I cannot accept the President's view that all economies must come in proven domestic programs.

RABBI KORN PROMOTED TO RANK OF ADMIRAL

Mr. HUGH SCOTT. Mr. President, Rabbi Bertram W. Korn, a distinguished historian and a good friend, will soon be promoted to rear admiral, becoming the first Jewish chaplain to achieve this rank. I ask unanimous consent that an article in last Friday's Philadelphia Jewish Exponent detailing Rabbi Korn's career be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Jewish Exponent, Feb. 14, 1975]

RABBI KORN PROMOTED TO RANK OF ADMIRAL

Rabbi Bertram W. Korn, senior rabbi of Reform Congregation Keneseth Israel, will be promoted to the rank of Rear Admiral by the U.S. Navy on July 1. Rabbi Korn will become the first Jewish chaplain to achieve flag rank.

A noted historian, who coincidentally has done a great deal of research on the appointment of the first Jewish army chaplains during the Civil War, Rabbi Korn is currently national chaplain of the Jewish War Veterans and is a former president of the Association of Jewish Chaplains of the Armed Forces of the U.S.

Rabbi Korn first entered the Navy as a lieutenant (junior grade) in April, 1944, and served at Navy and Marine Corps bases in California before assignment to the China Theater with the 1st and 6th Marine Divisions. He left active duty in September, 1946, but continued in the Naval Reserve.

In 1948, he organized the Reserve Chaplain Company in Cincinnati; he joined the Chaplain Company at the Philadelphia Navy Base in 1949. Among various duties which he has performed for the Navy was the compilation of two editions of a guide for Navy reserve chaplains.

He says that his most difficult assignment was to make condolence and sick calls on the dozens of Jewish families affected when a Navy plane crashed into the site of a Jewish sponsored picnic near the Willow Grove Naval Air Station in 1963.

Commenting on his promotion, Rabbi Korn said that he was tremendously excited because "it is good for the Jews. It is almost an answer to Gen. Brown. I was selected by a board composed of Christian chaplains and I feel they are conveying a message to the Jewish community."

Shoulder boards for a Jewish admiral in the chaplaincy service have never before existed. Rabbi Korn humorously mentioned the discussions between his secretary and the firm that manufactures the shoulder boards over the form they should take.

SUGAR AND HAWAII'S FUTURE

Mr. INOUYE. Mr. President, the House of Representatives last year killed renewal of the Sugar Act, legislation that since 1934 had assured the United States a plentiful supply of sugar at reasonable, stable prices. In part due to that action, the prices Americans paid for sugar nearly tripled last year. Foreign producers, no longer encouraged to meet U.S. quotas, sold their product to new markets at higher world prices.

It seems likely the price of sugar will decline this year. Experts tell us it was driven unnaturally high by speculation and market pressures will bring it down. But there are no guarantees last year's price spiral will not be repeated in future years. And there are no guarantees the United States will always be able to fill its sugar needs, since sugar traditionally is a tightly regulated commodity throughout the world. We are a sugar importer who has no way to assure sufficient imports will be available.

The increased prices proved beneficial to the sugar industry in my State of Hawaii. The industry's gross revenue reached $740 million last year, three times its 1973 level. But Hawaii's sugar producers realize the support the Sugar Act gave their industry. They believe its defeat clouds an otherwise bright future.

The Sugar Act was designed to both stabilize prices and guarantee supply. It did both quite well. Accordingly, I hope this Congress will enact a new Sugar Act.

The Honolulu Advertiser recently published an editorial on the state of the Hawaiian sugar industry and the need for a new Sugar Act. It pointed out:

As the world short-supply situation moderates there should be more support for a new sugar act to meet the twin needs of stable prices for American consumers and orderly investment in and improvement of the U.S. industry.

The sugar issue will be before us in this Congress. I wish to call its importance to the attention of my colleagues and, therefore, to share with them this editorial from my home State. Mr. President, I ask unanimous consent to have the article entitled "Sugar and Hawaii's Future," from the January 29, 1975 edition of the Honolulu Advertiser, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Honolulu Advertiser, Jan. 29, 1975]

SUGAR AND HAWAII'S FUTURE

No matter how you figure it, the outlook for Hawaii's sugar industry is bright compared to a few years ago. But the same factors that have gone into rocketing sugar prices also help make the case for Congress to pass a new or renewed U.S. Sugar Act.

Much of the good news was spelled out yesterday in a year-end review by industry leaders in the Hawaiian Sugar Planters Association. Some items:

Sugar industry gross revenue last year was a record $740 million, three times the figure for 1973.

This year probably won't be as spectacular, but revenue again should be well above 1973. The fundamental world problem of a shortage of sugar is not expected to be corrected this year.

With 140 years of experience and continuing research, Hawaii has the highest yield per acre of any sugar industry in the world. By developing new varieties, drip irrigation and other innovations, experts suggest Hawaii's yield might yet be increased another 50 per cent.

All of which makes sugar again look like something of a growth industry and certainly a continuing bulwark in Hawaii's economy, and especially so for the Neighbor Islands.

It also indicates a need for stability as the currently high prices drift down without the cushion of quotas for domestic and foreign growing areas. Those were provided by the 40-year-old Sugar Act which expired at the end of 1974.

Industry officials here argue congressional failure to extend the act contributed to higher prices in U.S. stores. Foreign producers that had shipped sugar to the U.S. to meet quotas went to new markets at higher world prices.

A new U.S. Sugar Act would not by itself lower prices in today's market of short world supply. The Hawaii industry argument is that in the long run, when supplies catch up, the quotas and guarantees of a new sugar act would protect U.S. consumers (and the industry here) from the roller coaster of steeply rising and falling prices on the world market.

The point was made that sugar in the world is traditionally a highly regulated industry, that the so-called "world market" is only 15 per cent of the total supply.

In that context, the U.S. is said to be the only major country now without some assurance of a continuing supply of sugar. Domestic producers provide half of U.S. sugar needs. (Hawaii in 1973 provided one-tenth of national needs.)

Wisely, it seems, Hawaii's industry is pressing for a new sugar act without either the compliance payments, which many saw as a subsidy rather than a bonus for filling certain requirements, or the refinery tax which supported such payments. (For 1974, last year of the old act, Hawaii producers will receive some $9 million in compliance payments while paying $10.4 million in the refinery taxes.)

So, if there is a cloud over the bright picture facing the industry this year, it is the small one of uncertainty in a world where sugar is now in short supply but where growing much more of it (not to mention finding substitutes) is in style.

Hawaii leaders make the point the U.S. industry is not a monolith, that some sugar growing areas in the South wanted to cash in as much as possible on soaring prices last year and so joined big industrial sugar users in opposing extension of the Sugar Act.

But as the world short-supply situation moderates there should be more support for a new sugar act to meet the twin needs of stable prices for American consumers and orderly investment in and improvement of the U.S. industry.

That seems a prudent goal as we enjoy the windfall of the high profits.

GROWING SUPPORT FOR REPEALING THE MEANS TEST OF THE SOCIAL SECURITY ACT

Mr. GOLDWATER. Mr. President, it is my privilege today to announce that 21 Senators have now joined with me as sponsors of S. 410, a bill to repeal the means test of the Social Security Act. To my knowledge, this is the first time such a large number of Senators have taken a united stand in favor of abolishing the earnings penalty outright. I know we are supported in this effort by others of our colleagues who have mounted similar campaigns for a repeal of the test.

This growing support for correcting an injustice to elderly citizens encourages me to hope that we may at long last be successful this year in removing the penalty from the law.

More and more economists, as well as legislators, are looking critically at this penalty of the social security program; and I intend, with the help of my colleagues, to build a record based upon these new economic studies which is so convincing that there can be no question about the need for repealing the means test during this Congress.

Mr. President, I ask unanimous consent that the names of all Senators who are sponsoring my bill (S. 410) be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Mr. Goldwater, Mr. Domenici, Mr. Brooke, Mr. Beall, Mr. Dole, Mr. Brock, Mr. Javits, Mr. Pell, Mr. Laxalt, Mr. Hollings, Mr. Moss, Mr. Garn, Mr. Ribicoff, Mr. Weicker, Mr. Morgan, Mr. McGovern, Mr. Abourezk, Mr. Humphrey, Mr. Stafford, Mr. Young, Mr. Inouye, and Mr. McGee.

Mr. GOLDWATER. Mr. President, I also ask unanimous consent that a paper entitled, "A Proposal to Eliminate the Social Security Retirement Test," by Profs. Robert S. Kaplan and Arnold Weber of Carnegie-Mellon University be printed in the RECORD. The authors of this paper share our interest in repealing the means test and their analysis was used as a basis for discussion by the current Advisory Council on Social Security.

Profs. Kaplan and Weber conclude that the means test "is illogical, discriminatory, counter-productive, and subject to evasion," and I believe their paper makes a valuable contribution to public consideration of the issue.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

A PROPOSAL TO ELIMINATE THE SOCIAL SECURITY RETIREMENT TEST

(By Robert S. Kaplan and Arnold Weber)

CARNEGIE-MELLON UNIVERSITY,
September 1974.

The Social Security system has always had a retirement test which reduces the benefits of individuals who continue to work after they have reached the eligible retirement age. Despite a continuing series of liberalizations of the terms of the retirement test, this test still imposes a high tax on the aged who function in a productive capacity in our labor force. The retirement test was introduced into the system during the depression to encourage aged workers to retire, thereby opening jobs for younger workers. With the increasing use of federal fiscal and monetary policies to determine employment levels, and projected demographic changes in the labor force, the retirement test remains as an anachronism from the 1930's. It is now justified by inertia and arguments that we believe to be incorrect and inconsistent.

THE RETIREMENT TEST: GOALS AND MEANS

A frequently mentioned goal of Social Security is to partially replace the income that is lost when an individual retires. A retirement test is consistent with this goal since if the individual has not ceased working, he presumably has not suffered any loss in income. But if the goal is to partially replace income that is lost due to retirement, it is anomalous that no effort has been made to determine the magnitude of the loss of income in individual cases. In fact, many workers retire with substantial income producing assets and become eligible for pensions from their employer so that there may be little real loss associated with the retirement decision. It is arbitrary and discriminatory to measure the loss of one form of income without considering alternative forms of income.

A policy to measure the loss in total income due to retirement would involve a means test to determine when retirement has caused the aged individual to be in a much lower income category. A means test, however, seems to be anathema to most advocates of the Social Security system. Implicit in the opposition to a means test is the idea that the worker has earned the right to Social Security benefits through his and his employer's contributions during his working years. This argument places Social Security in quite a different light than that of insuring against loss of income due to retirement. In addition, the insurance argument, by itself, cannot justify the retirement test.

Insurance is a means for reducing the uncertainty of economic losses associated with a random event (death, fire, illness). The uncertainty is transferred from the victim of the random event to an insurer who pools the risks of many people so that the economic consequences of the random events are more predictable. The important aspect of insurance for our purposes is that it should be associated with an event that is random and is not under the control of insured. Otherwise, the insured may take actions that increase the probability of a loss to the insurer. A contributing cause to the recent increase in costs of disability insurance is likely the ability of the insured to define when the presumably "random" event of disability has occurred.

Insuring events that are essentially under the control of the insured individual is very expensive insurance. While not every person has the ability to work indefinitely on his regular job, certainly the decision to retire from the labor force is a choice made individually by many persons and is not a random event that should be insured against.

The closest analogy to Social Security is probably whole life insurance which has both an insurance aspect—receiving benefits if a random event (death) occurs before the policy is paid up—and a savings aspect, with the person receiving income or an annuity from the policy once it is fully paid. When viewed in this context, one can see the objection of people to a means test for Social Security benefits. Under the whole life policy principle, once the policy is paid for, the individual is entitled to the benefits from the policy regardless of any other circumstances affecting that individual.

Thus as we see it, there are two defendable alternatives for Social Security payments to retired individuals. First, the system can provide financial aid to retired persons so that the aged who are unable or uninterested in working any longer will not have to live in poverty or be burdens on their families. Such a program could be designed to partially or totally replace the level of income earned by the individual during his working years. Such a program, however, should only go to the needy, those who have truly suffered from the retirement decision.

Second, one could view Social Security payments as the return on the taxes paid by individuals during their working lifetimes; something to which they are entitled as a matter of right and which should be unaffected by the current financial or employment status of an aged individual.

If the first interpretation is appropriate, then a retirement test is defendable but it should be applied to all income, not just earned income. In its present form, the retirement test subsidizes those who are relatively well to do; i.e., those who are more likely to hold income producing assets and be receiving pensions from long years of steady employment. It penalizes poorer individuals who are less likely to have sources of non-wage income and must rely solely on further employment if they wish to supplement their benefits. Certainly a government policy which distributes from the lower end of the income distribution to the upper end is not easily defendable.

If one supports the second interpretation, that Social Security benefits are a return on previous contributions, then the retirement test is clearly inappropriate and represents a confiscation of income to which the aged individual is entitled. While, in principle, one could support either interpretation, the second one appears to be more widely held.

Eliminating the current retirement test would have the additional benefit of removing a powerful disincentive to labor force participation, thereby increasing the output of the economy. A further consideration against the retirement test on earned income is the incentive this provision creates for cheating by not reporting wages to the Social Security Administration.

Thus, the current retirement test on earned income is illogical, discriminatory, counter-productive, and subject to evasion. We recommend that the council agree that the long range policy of the system should be to eliminate the retirement test for persons over the age of 65.

The only creditable argument against eliminating the retirement test is one based on cost. SSA actuaries estimate that eliminating the retirement test entirely for beneficiaries aged 65 and over, would cost about $2 billion, initially. This figure, however, must be viewed as an upper bound to the total cost of eliminating the retirement test. It fails to include the increased output of goods and services available from individuals who would remain in the labor force were the retirement test eliminated and, at a minimum, does not include the payroll and income taxes that would be paid by these individuals. While most of these offsetting benefits could not be directly captured by the Social Security trust funds, it should be possible to devise some side payments from the Treasury Department to the funds to help defray the cost of eliminating the retirement test. In addition, the benefits of increased output would, of course, accrue to society in general.

Literature from SSA states that eliminating the retirement test would be costly and would not be worth the cost since only a small minority of workers would benefit—those who are currently working part time and who might expand their employment hours if the retirement test were eliminated. Without discussing (for obvious reasons) the merits of an argument which would deny individuals their right to benefits merely because they constitute a minority, we believe that the number of people who would benefit from eliminating the retirement is considerably underestimated by the above procedure. It completely ignores the people who do not have a choice as to the extent of their employment participation, i.e., they can either work full time or not at all. With current regulations, the extra income from full time employment is so heavily taxed by the subsequent reduction in tax free social security benefits, that full time employment does not represent an economically desirable alternative. Were the retirement test eliminated or relaxed, such individuals could reap the benefits of full time employment without suffering the economic losses of reduction in Social Security benefits. It is important to note that these individuals, currently retired but who could work were the retirement test relaxed, do not constitute an added cost to the system. These individuals are currently receiving their benefits by not working and if the retirement test were eliminated they would continue to receive them. The only additional cost to the system would be payments to those individuals who are currently working but receiving reduced or no benefits due to the retirement test.

ALTERNATIVE APPROACHES

Despite these offsetting factors, council members may still be reluctant to recommend any expansion of Social Security benefits at a time when the future costs of the system are a matter of primary concern. Therefore, the council might want to consider expressing their support for completely eliminating the retirement test eventually but adopting a more modest program in the short run to ameliorate some of the present inequities. Options provided by SSA staff include:

1. Raising the exempt amount;
2. Lowering the tax rate on earnings above the exempt amount, and
3. Lowering the age at which the retirement test no longer applies.

Considering Option 3 first, the present elimination of the retirement test at age 72 is such an anomalous feature of the present law that this concept should not be supported by using it as a basis for policy. Short of eliminating this age test entirely (by reducing it to 65 or by raising it to 110), there seems little rationale for choosing and justifying any other age.

Option 1 would provide some limited relief but would still impose a heavy tax rate (50%) for earnings above the exempt amount. Individuals would normally need to have income in excess of $40,000 before encountering such high marginal tax rates. It is insupportable that we impose such heavy taxes on what is probably a lower income segment of the population. Raising the exempt amount also maintains the undesirable notch feature, so typical of government programs where government benefits are supplied for income below a certain level, and are sharply reduced as income expands beyond this level.

1. Therefore we advocate Option 2 which would lower the tax rate on earnings above the exempt amount. While the staff paper has suggested a possible reduction from 50% to 40%, we feel that this percentage is still too high. We would prefer to see a reduction to 25% which is still high but at least is comparable to the marginal tax faced by middle income individuals. Should this reduction prove too expensive, it might be possible to lower the exempt amount so that most individuals would not be worse off by this proposal. For example, someone now earning $250 per month ($3,000 per year) would have Social Security benefits reduced by $25 per month (50% of ($250-200)). If the exempt amount were lowered to $170 per month (about $2,000 per year) and the tax rate on additional earnings lowered to 25%, such an individual would now lose only $20 per month.

2. Another complementary approach to offset the cost of relaxing the retirement test would be to eliminate the current subsidy to part time workers who work intensively for a few months per year. Current regulations permit individuals to earn substantial amounts in a few months each year and still collect full retirement benefits in months during which no work occurs. This is a direct subsidy to individuals who can provide personal services—doctors, lawyers, judges, accountants, entertainers, educators—on an off and on basis each year while penalizing those whose only choices again are either year round permanent employment or none. Surely, even advocates of maintaining the retirement test in its current form must be appalled by the fact that some individuals are able to earn in excess of $2,000 per month for six months while still collecting full Social Security benefits in the remaining six months. In contrast, the aged worker, employed on a year-around basis and earning $1,000 per month, would lose all Social Security benefits.

We believe that if the retirement test is to be applied at all, it must be applied to earnings on an annual basis and not one month at a time. We recognize that the monthly earnings test may have been introduced to allow individuals to collect Social Security benefits immediately upon retirement. But we should be able to devise a scheme that satisfies this objective without retaining the perverse subsidy now operating for seasonal employment. We therefore recommend that the monthly retirement test be eliminated and whatever savings are realized be applied to relaxing the retirement test on an annual income basis.

3. One final issue that must be considered is whether the Social Security payroll tax should be levied on employees aged 65 and over and their employers. At present, not only do the working aged lose their benefits by application of the retirement test but they must also continue to pay taxes into the system. These losses are offset by two factors: first, a limited ad hoc upward adjustment of benefits (1% per year) upon retirement or at age 72; second, an increase in the average monthly wage by substituting currently high (nominal) wages for lower wages earned many years ago. At present, we are uncertain as to whether these two factors are sufficient to compensate individuals for the taxes they and their employers are paying subsequent to reaching the retirement age.

SUMMARY AND RECOMMENDATIONS

The retirement test in its present form is illogical, discriminatory, counter-productive and subject to evasion. The retirement test should either be based on all income or eliminated entirely. Since there appears to be strong opposition to having Social Security benefits be dependent on a means test, we recommend:

1. The Council should endorse a resolution opposing the retirement test in principle and its eventual elimination in any form.

Because the immediate elimination of the retirement test would raise the costs of the system at a time when forecasts of future costs indicate sharp increases in tax rates, an intermediate proposal is that:

2. The tax rate on income earned above the minimum be reduced from its present level of 50% to 25%, a rate more consistent with the marginal tax rate of medium income individuals.

UMI

The increase in direct costs to the OASI system associated with this reduction in the penalty on earned income can be partially offset by administering the retirement test on an annual basis instead of its present monthly basis:

3. The retirement test, if it is to be maintained at all, should be a function of annual earned income not monthly income.

At the very least, should none of the above proposals be adopted, it seems only fair that workers aged 65 and over be spared the burden of making further contributions via the payroll tax on this earned income. We conclude by recommending that:

4. Payroll taxes on workers aged 65 and over be eliminated. Workers may still be allowed to use past 65 earnings years to replace years of lower (nominal) wages.

ENERGY POLICY

Mr. EAGLETON. Mr. President, there is no question that energy conservation and the development of new energy resources are matters of highest national priority. But it is essential to recognize the limits on what we can accomplish over the next few years and to avoid a panic reaction which would do enormous harm to the economy.

The first question Congress should be asking is not how to go about saving a million barrels of oil a day, but rather, should we at this particular time be trying to save a million barrels at all? Would the benefits of such an ambitious conservation goal be worth the cost? Would it advance us in any major way to the ultimate objective of energy independence?

I think the answer to these questions is a clear no.

The administration's program of using higher prices to discourage demand for oil products would cost American consumers from $30 to $50 billion in the first year alone. By the administration's own calculations, it would add 2 percentage points to a cost of living index, which is already in double digits, and I think most economists would put the figure closer to 3 or 4 percentage points. That would make the difference between an increase and a decline in the inflation rate—the difference between continuing double digit inflation and progress toward price stability.

At the same time, it is estimated that the Ford energy package could cost as many as 500,000 jobs as a result of denying the economy the energy it needs for growth and recovery. That is the difference between 8.2 percent unemployment and 8.8 percent unemployment—the difference between a growing and a shrinking economy in 1975.

The administration's energy program would be ruinous to our efforts to turn the economy around. The $3.5 to $4 billion savings in our balance of trade from the administration's conservation program would be insignificant compared to the costs to our economy if inflation and recession continue.

Mr. President, even at these staggering economic costs, the administration's energy conservation program might be worthwhile if it would advance us significantly toward the goal of energy independence or even lessen our vulnerability to another oil embargo.

The hard fact is, however, that even a million-barrel-a-day reduction would do little to alter our basic energy situaton.

Experts tell us that it will be fully 8 to 10 years before we can develop sufficient nuclear capacity, coal production and other energy sources to replace the oil we now receive from cartel producers. In the meantime, this country will have little choice but to continue buying oil on the world market under the best terms it can negotiate.

Last year, this country imported oil at a rate of about 6 million barrels a day. Reducing that amount by one, two or even three million would still leave us vitally dependent on foreign producers. A new embargo would hurt almost as much as if we did nothing.

The argument that we can somehow pressure OPEC nations into reducing prices by reducing our demand for their product is tenuous, at best. To begin with, the million barrels a day which the administration has set as a target represents barely 3 percent of daily OPEC production. Even if other consuming nations joined us in a vigorous conservation program—and I question how some of these countries can do much more than they are doing now—OPEC producers would have at least two other alternatives to lowering prices. The first, of course, is simply to increase the price so that even with reduced sales, their overall revenue would not decline. A second option would be to bank the oil in the ground, and a number of OPEC countries already have expressed their intention to hold their reserves as oil rather than as dollars.

Mr. President, I agree with President Ford that Congress should not reject his energy proposals piecemeal. They should be rejected in total.

Energy conservation is important, but it is not an end in itself. Our goals should be realistic and consistent with efforts to restore economic health. This is not the time for masochistic sacrifices which serve no purpose.

Mr. President, no less an advocate of energy conservation than John Sawhill, former Federal Energy Administrator, has taken issue with the President's energy conservation goals. In the February 9, 1975, edition of the New York Times, Mr. Sawhill wrote:

> I am convinced that the basic thrust of the President's plan is correct; that we must reduce oil imports and curtail consumption at home.
>
> "There is, however, no justification for a conservation goal of one million barrels per day by the end of this year, or twice that amount by the end of 1976. An economy with 8.2 per cent of its work force unemployed simply cannot afford it. In short, we must get our priorities right.
>
> We must set some lower target for this year, but make sure that we meet that target—and successively higher ones for the next several years. Only through a more gradual approach can we hope to return our economy to health.

I share that view. I do not believe we can afford to impose on an already weakened economy the additional burden of higher energy prices or a system of coupon rationing, nor do I believe either would help us out of our energy problems. What is needed is a long-range program and a series of conservation incentives and standards designed to achieve over time, our ultimate goal of energy independence.

For example, Congress should enact legislation this year mandating better mileage for future cars. It should provide tax credits or loans for home insulation, and incentives for improved building codes. And we should greatly increase funds available for rail and bus transit systems.

In tandem with conservation, we need new programs to accelerate energy production and development. This again will involve major legislation by this Congress and I am hopeful that at least the outline of that comprehensive legislative package will begin to take shape in the next week or two.

Having said this, I want to make clear that I am not proposing to abandon efforts to force down the price of OPEC oil. I favor the approach recommended by economists M. A. Adelman and Arthur Okun, among others, of limiting the amount of oil this country buys on the world market and purchasing that oil through sealed, competitive bids.

I think that approach would have a far greater chance of reducing oil prices than some demonstration of our willingness to do without the product no matter what the cost.

The sealed bid approach has the great advantage of bringing pressure on individual OPEC producers rather than dealing with them as an unbreakable bloc, as the Ford plan tends to do. It also would obtain maximum leverage from the fact that some of these producers have a pressing need for revenues and have shown a much greater capacity to spend it than had been previously estimated. In an oil market that over the next few years will be marked by increasing production and stabilizing demand, prospects may be good for forcing a break in the OPEC price line.

I think we also must be prepared to respond to another oil embargo or a new round of OPEC price increases. Any program must provide for these contingencies and I believe Congress should enact the necessary standby emergency measures.

In the meantime, however, I do not believe we should force upon the American people a draconian program of higher energy prices or gasoline rationing. With a realistic conservation goal and a phased program of increasing conservation and accelerated energy development, I believe we can meet the energy challenge without the sacrifice of our economic strength and well being.

JOURNEY TO FREE CHINA

Mr. GOLDWATER. Mr. President, one of the most pressing issues of international life these days is the relationship of the United States with the two governments of China. Shall the United States continue its formal recognition of the Republic of China, now located on the island and Chinese province of Taiwan, as the sole legitimate government of the Chinese people? Or shall the United States end its official diplomatic relations with the Republic of China and dramatically embrace the Mao-Communist rulers of the mainland as the legal Government of China?

Related to this fundamental issue is the question of whether or not a change in the status of U.S. diplomatic relations with the Republic of China would mean a simultaneous or ultimate termination of the U.S. defense umbrella now covering Taiwan. Also involved, in the eyes of those who advocate the cutting of diplomatic and defensive ties with the Republic of China, is the question of whether or not the United States should totally amputate all contacts with the government of Taiwan and let its territory and people be absorbed into the Mao-Communist domain. According to this view, even the provision of regular U.S. credit transactions for purchases of military equipment by the Republic of China or U.S. Export-Import Bank support for loans made for major development projects within Taiwan are barriers to the "normalization" of U.S. relations with the government of the Communist-occupied mainland.

The recent move to open up improved relations between the United States and the Mao-Communist regime of the mainland is the immediate stimulus for examining the above questions. This pursuit of a deeper understanding among the two sides has been accompanied by the scattered visits of congressional delegations to the mainland, hosted by an arm of the Chinese Communist Foreign Ministry and out of which have come some interesting reports of a land of achievements and plenty. The Communist precepts of Mao-Tse-tung are said to have worked such wonders as the eradication of the common house fly, the furnishing of 7 to 9 years of universal education in accordance with Maoist concepts, and the elimination of floods, pestilence, famine, crime, begging, drug addiction, alcoholism, and delinquency.

Conspicuously absent from this rundown of remarkable advances, however, is any mention of freedom. In all these reports by persons returning from the mainland of China, I cannot find one sentence announcing the existence of basic human rights and civil liberties among the Chinese people.

Where, I wonder, do the writers of these glowing plaudits for the Communist political system place the importance of freedom in their scheme of things? I would ask what good does it do to have all the answers on unemployment, inflation, social problems, food, clothing, and medicine, if the people are not free? To me, it does not mean a thing.

Mr. President, in this connection my legal assistant, Mr. J. Terry Emerson, has recently returned from a journey to the Republic of China, where he not only investigated the usual characteristics of progress such as economic developments and social services, but he also probed deeply into issues of human freedom. I am not surprised at his conclusions of great economic advances being made by the Governments of the Republic of China and the province of Taiwan, about which much has been written in the media, but I am impressed with his verification of the presence of a wide range of freedoms in Taiwan which has accompanied this progress.

For example, Mr. Emerson confirmed the existence of: Free elections, free opportunity to seek political office, freedom from aggression, free choice of employment, freedom of religion, freedom of press, freedom of expression, freedom of choice in education, freedom of travel, free emigration, freedom of private ownership, and free judiciary.

Mr. President, these are among the fundamental human rights granted and secured by the Government of the Republic of China which are immediately visible to any visitor to that country, but they are nowhere on the list of qualities found by the various delegations which have toured the Communist mainland. The conditions of the Chinese people on the mainland may seem improved over appearances made a quarter of a century ago in the immediate aftermath of a major foreign and then civil war, but when set in direct contrast with the far greater achievements which the Chinese people have made under a system of freedom on Taiwan, it is evident that the political system of freedom on Taiwan is vastly superior as an answer to human problems than the system of centralized government and slavery operated under the Communist theories of Chairman Mao.

Mr. President, I find it impossible to perceive how the United States, with its 200 years of history as the representative of democracy and freedom, can consider delivering over 16 million peaceful people on Taiwan to the tyrants who govern the mainland, which is the alternative we must confront if the wishes of those who would abandon diplomatic and military ties with the Republic of China are satisfied. How we could sacrifice our many years of successful aid to a developing nation which has lived up to our expectations in every respect and supported the United States on all international issues of major importance is also beyond me.

What we must remember is that cancellation of our defensive and diplomatic obligations to a loyal ally would cast grave doubt upon the credibility of U.S. commitments to the free alliance anywhere else in the world where we have a vital interest. We must also remember that what is at stake is world peace.

For a precipitous withdrawal of our diplomatic recognition of the Republic of China, whether coupled or not with an ending of our defensive treaty with her, could alone encourage the Communist and military rulers of the mainland to believe that they could use armed force with impunity against the Chinese on Taiwan. In other words, the callous severing of official relations between the United States and the Republic of China could cause the Chinese Communists to take risks which they will not take now and which could lead to a chain event of conflagrations touching off a world war III.

Mr. President, I believe it is in the interest both of the United States' national security and of the long-range quest of the peoples of the world for peace that the United States should maintain its official diplomatic recognition of the Republic of China as the legal government of China. I also believe that this policy should be accompanied by a continued adherence on our part to the terms of the mutual defense treaty between the United States and the Republic of China.

Mr. President, in order that a wide public may read and examine the findings of my staff member in regard to the Republic of China, I ask unanimous consent that the report which Mr. Emerson prepared for me on this subject be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

JOURNEY TO FREE CHINA

(By J. Terry Emerson)

CONCLUSIONS

Free China is a healthy and dynamic country based upon an extensive system of representative government and human liberties. The example of Free China on Taiwan offers the proven alternative by which the people of China on both sides of the Taiwan Strait will someday choose to govern their affairs.

These are the conclusions reached after a visit to the Republic of China from January 4 to January 11, 1975. The host for my visit was the Pacific Cultural Foundation, a privately endowed foundation established to promote educational and cultural exchanges among countries in the Pacific area.

During my visit, in the company of other U.S. congressional staffers, I had the privilege of meeting with the Premier, several cabinet ministers, Members of the Supreme Court, the Governor of Taiwan Province, the Speaker of the Taiwan Provencial Assembly, and the Mayor of Taipei among other national and local officials across Free China. In addition, I talked with numerous people in many groups of society, including farmers, journalists, factory workers, painters, educators, retail sales employees and military personnel.

My travels within Free China encompassed inspection trips to government ministries in Taipei and a nearby excursion to the Shih-Men Dam. I also flew to Quemoy, or Kinman, where the military defenses are not only impressive, but a thriving civilian community of 62,000 is living a mere mile and a half from Communist-occupied land.

From Quemoy, I went to Tainan for inspection of an enormous shipyard project capable of holding super-tankers and, a day later visited Taichung Harbor, a giant, man-made harbor project. At Taichung, I also visited with officials of the Taiwan Provincial Government and Assembly, Taichung being the capital of Taiwan Province.

STATISTICS OF PROGRESS

I was completely surprised at the economic advances made by the Free Chinese. The Chinese living on Taiwan, which is still a developing Asian nation, are truly affluent with an abundance of quality consumer goods and foods. But the most impressive aspect of life in the Republic of China is that these achievements have been accomplished in an atmosphere of freedom.

To cite only a few statistics:

The per capita income is almost five hundred dollars, which is four times that of Communist China and higher than any other nation in Asia than Japan.

From 1964 to 1974, the gross national product of the Republic of China has increased on the average, at current prices, about 10 to 11% annually.

Trade has increased immensely rising by almost 90% in the last year alone. The Republic of China is among the world's top twenty trading nations.

Free China is among the top dozen trading partners of the United States, having a two-way trade of over 2.6 billion dollars with America.

From an island that was primarily agricultural, Taiwan has become a major industrial country. Agriculture represented 36% of the gross national product in 1952, but has now declined to 15%. Over the same span of years, industry is up from 11% of the GNP to 38%.

The Free Chinese are affluent in the context of Asia. Ten of every dozen homes in Taipai have television sets. Ten of every fourteen homes own refrigerators. One-third have motor vehicles.

The Free Chinese are standing on their own feet. All direct bilateral U.S. economic aid to Taiwan was cut off in 1965. Even the Food for Peace program was ended in 1971 for the Republic of China. Direct U.S. military grant assistance ended in 1973. Only foreign military sales credits continue, which, however, will be repaid in no more than ten years at the cost of our government of the money involved.

PROGRESS WITH FREEDOM

But the most striking feature of Free China is the vitality of the people, the spirit of free-thinking persons asserting their unique personalities and developing their natural potentials to the fullest. In other words, the Republic of China is not a robot-state which compels mobilization of its citizens according to the dictates and precepts of the central government.

The distinctiveness of individual people is reflected in small, but significant, everyday impressions such as seeing people walking the sidewalks, or working in factories or even in the fields, who are wearing a great variety of styles and colors of clothes. There is not a monotonous and drab uniformity. Each person is free to and does express his or her own personal taste by wearing what pleases them.

An immediate rejoinder to any thought that local citizens are fearful of a police state is to observe the indifference with which motorists treat a police car which tries to weave through the constant stream of activity on the highways and city streets. If the populace is concerned that they will be punished or harassed for showing a disrespect to government law enforcement officers, they certainly do not show it. If the government expects docile obedience from its citizenry, it does not show it either.

The quality of freedom being the predominate distinguishing characteristic of the modern Republic of China, I shall discuss at greater length the major civil liberties which I observed in operation during my visit. Because so much is made of the reputed progress of the Communist political system on the Mainland in handling the problems of the Chinese people, I will contrast the provision of freedoms by the Republic of China with the denial or repression of those same freedoms under the system run by the doctrines of Mao.

While the advances of the Mainland government are invariably described in the context of the situation which existed in 1949, any fair observer would recognize that this presents a distorted picture. To compare circumstances today with those existing in the period immediately following two major wars on the Mainland, one against the Japanese invaders and the other against the Communist insurrection, is to knowingly put developments in Mainland China on an artificial scale heavily skewed on the Communist side. A more balanced and honest comparison of the results of Communist rule can be reached by squarely placing side-by-side the standards of development by which the two political systems competing for the Chinese people have managed their respective progress.

The discussion which follows is based on first-hand impressions and subsequent follow-up conversations with informed American students of the country in the case of the Republic of China. The portion of the discussion which concerns Chinese Communism is based on studies by China specialists and by accounts published in the China Mainland press, as reported in official United States publications and the private American press.

The human rights which I found to be healthy and alive in the Republic of China, but which are without any question denied or surpressed by the Communist regime on the Mainland, include:

1. The right of free travel and movement inside the country and abroad.
2. The right of seeking job opportunities according to one's own talents, not at the direction of the central government.
3. The right of free exercise of religious and ethical devotion.
4. The right to vote in truly free elections and to run for elective office.
5. The right of independent newspapers and magazines to exist.
6. The right of free expression.
7. The right to enjoy a free and wide ranging education designed to create independently thinking and knowledgeable citizens.
8. The freedom to respect and preserve the Chinese cultural heritage, without ridicule or punishment.
9. The right of free emigration.
10. The right of private ownership and investment of property.
11. A free judiciary.
12. Freedom from aggression.

COMPARISON OF HUMAN RIGHTS—MAINLAND AND R.O.C.

1. The right of free travel and movement inside the country and abroad.

Chinese Mainland—The Communists accord no rights of domestic travel. Passes are nominally required for traveling outside one's district. Even where this is not the case, ration cards limit travel; they are good only at the place of issuance. Travelers must procure special cards.

Travel regulations vary from one part of the mainland to another. In general, the elite of the Communist Party and other favored persons may travel. Others may not. Travel for personal purpose and for vacations is frowned upon. International travel is possible only in the service of the regime. Those who go do so in groups, as show troupes or athletes, and are always accompanied by security personnel who often outnumber the principals.

R.O.C.—Citizens of the Republic of China are free to travel anywhere in Taiwan or the Pescadores without permits and without requesting permission of any kind. Identification is required in booking airline space but not in buying train and bus tickets. The citizen is also free to travel as he wishes by private car or motorcycle. Only those who are changing their domicile go through a new process of registering.

Citizens may not travel abroad merely for tourism. This regulation was put into effect when foreign exchange was scarce. Its relaxation has been under study for a long time and is now held up principally because of the world economic situation.

Travel abroad is allowed for purposes of health, family visits, education, attendance at meetings and conferences, business, emigration and, of course, governmental purposes. The Foreign Ministry assures me it issues a passport in not more than 24 hours.

Emigration which will benefit the citizen and members of his family is usually approved. Only students who go abroad on government scholarships are legally required to return. Many who obtain higher degrees subsequently take up residence abroad, which is their right.

2. The right of seeking job opportunities according to one's own talents, not at the direction of the central government.

Chinese Mainland—The Communists accord no such right. Even in education, intelligence is less important than classification by the regime of an individual as a potential farmer, worker or cadre. People are told the work they are to do and to change jobs is almost impossible.

Forced or slave labor has been an essential part of the Mao political and economic system from the start. Testimony to the existence of forced labor on the Mainland is found in a December, 1955 report of the United Nations and in repeated disclosures by refugees from Communist China.

Foreign guests of the Mao Government may choose not to probe into the question of slave and draft labor, but escapees continue to relate about the presence of a system of the dictated mobilization of persons into forced labor brigades and of terror used to enforce that system.

Western visitors who are offered the hospitality of the Red Regime apparently accept without reservation the government propaganda about "volunteer" services on the part of hundreds of thousands of persons compelled to toil on social projects, such as constructing the Ming Tombs Reservoir. It also seems to be taken for granted that the many millions of students sent into the countryside for service literally as "serfs of the land" enjoy and voluntarily would have enlisted for such rural activity.

R.O.C.—Except for military service, individuals are completely free to work where and when they please. Higher education from senior high school and above is by competitive examination, not according to the central plan of any government. Thus, anyone may qualify for work according to his own unique talents.

Also, anyone may quit his job or enter a new occupation at his own decision. He need not register with the government.

In most cases, workers are not required to join a labor union. The only role assumed by government is that of encouraging, but not dictating, education for occupations which need more workers. The individual even has the right *not* to work, if someone else is willing to support him.

3. The right of free religious and ethical devotion.

Chinese Mainland—The constitution of the Chinese Communists promises freedom of religion or *atheism*. In practice, only the latter is honored.

In 1949 and the years just afterward, the Communists closed the churches and proscribed religion. Today they allow a few showplace churches and temples to function, but only where foreigners may see them.

Anyone attempting to practice religion is ostracized or sent to a labor reform camp. Confucianism, an ethical and humanistic way of life if not a religion, has been under attack off and on for the last 25 years, but most violently during the last year. The ethical teachings of Confucius are diametrically opposed to everything for which Communism stands. But Confucianism is the very heart of Chinese culture.

R.O.C.—The Constitution of the Republic of China pledges freedom of religion and the promise has been kept.

There are over 5,000 operating churches, temples and mosques on Taiwan. Of a total population of about 16 million, some 6 million Free Chinese classify themselves as Buddhists. There are more than 600,000 Christians, divided about equally between Catholics and Protestants.

The rest of the population on Taiwan includes Taoists, Muslims, members of small sects, agnostics and atheists.

As a personal matter, religion is entirely free. As an institution, it is free to build churches and temples, operate schools and hospitals, broadcast over radio and television, and seek converts—respecting only the division between church and state.

For example, there are 775 Christian kindergartens and primary and secondary schools in the Republic of China and seven Christian colleges and universities.

There are scores of Christian missionaries on the island. Jehovah's Witnesses, a Protestant sect which advocates resistance to selective service on grounds of conscientious objection, has churches and is allowed to proselytize in Taiwan. The government does not recognize the right of conscientious objection to military service, but has respected the Constitution and made no move to suppress Jehovah's Witnesses.

Buddhists also oppose the taking of life and are at liberty to preach this advocacy, although the government has no intention of renouncing its right to defend itself.

Confucianism is practiced daily in one way or another by every Chinese. A Chinese Cultural Renaissance Movement is promoting the study of Confucian ethics. Many books have been written and published. This is, however, entirely voluntary.

Buddhists and Moslems also have some concepts which differ from Confucianism. They are at liberty to develop and promote these. Thus, Confucianism is not a *state* religion or an enforced way of life.

The Confucian virtues and goals include righteousness, integrity, loyalty, altruism and, above all, love—which means respect and affection for one's fellow man. Confucianism inculcates both the Golden Rule and the belief that everyone is his brother's keeper.

4. The right to vote in truly free elections and to run for elective office.

Chinese Mainland—The Chinese Communists held some rubber stamp elections in the years after their usurpation of the mainland, but now even this pretense has been abandoned. Delegates to the fourth "National People's Congress" were handpicked, not elected. Nor do the Communists have local elections. All political power flows from top to bottom.

R.O.C.—The Constitution sets forth a complete system of elections from the level of the National Assembly and President down to the county and municipality. Although the separation from the mainland made true national-level elections impossible, they have been held, in as nearly representative a form as possible, for National Assembly, Legislative Yuan and Control Yuan members.

The offices of President and Vice President have been regularly elected by the National Assembly.

Elections are held every four years for the Taiwan Provincial Assembly and Taipei City Council (Taipei is a Special municipality with power equivalent to that of a Province), and for executives and councils at the county, city township and village level.

Elections are by secret ballot. The franchise is extended to all at age 20, except for those who have been deprived of their civil rights upon conviction of a felony. Except as otherwise provided by law, the minimum age for election to public office is 23.

The Republic of China has three political parties, but their nomination is not essential to a prospective candidate. Anyone can run for elective office, subject only to the requirement that he pay his own campaign expenses if he fails to poll 10 per cent of the vote.

In practice, the Kuomintang (Nationalist Party) holds a majority in more important elective bodies. But there are also elected members of the Young China Party and the Democratic Socialist Party, plus a sizable number of independents. Party affiliation seems less important at the grass roots level, where I am advised many representatives are independents.

Women are assured of 10 per cent of the representation in elective bodies. Aborigines are guaranteed seats in proportion to their members.

Campaign periods are ordinarily limited to about two weeks. The government pays the cost (with the exception already noted). Election commissions supervise the proceedings; appeals can be taken to the courts. A recent trend has been to require that candidates have a high school education. This is an enactment of statute law.

In local elections especially, those who seek office and tend to be elected are the most respected known members of each community. Their political affiliations are less important than their reputation for intelligence and integrity.

The local election system now works smoothly, although most of the people involved had no electoral experience when Taiwan was returned to China by the Japanese in 1945.

5. The right of independent newspapers and magazines to exist.

Chinese Mainland—Only papers published by the regime, the armed forces or the Communist Party are allowed on the mainland. The only differences of opinion expressed are those concerned with Communist Party policy. Everything else is centrally dictated. Papers in the most remote province must echo Peiping's view as distributed by the "New China News Agency."

Tourists will not find Free World newspapers waiting for them in their guest rooms or lobbies or anywhere else in Communist China. The absence of varied and independent news reporting in a Communist society is stifling and can only be fully comprehended by making a personal tour of a Communist land, as this author has done.

R.O.C.—There are 32 daily newspapers in the Republic of China. All are independent of the government. Only two are owned by the Kuomintang, the majority party.

Because of the shortage of newsprint in the early 1950's, the number of newspapers was limited by not issuing additional licenses. This is not a matter of control, but of newsprint and economics. I am told the intention is to permit the establishment of additional papers when conditions permit.

The 32 papers have a combined circulation of about 1.5 million, or approximately one copy for every ten persons.

Newspaper are free to criticize the government and do. The only important limitation on press freedom is an emergency regulation against advocating Communism or the overthrow of the government by force and violence. In the 25 years since the Central Government was moved to Taiwan, *no* daily newspaper has lost its license.

In addition to the dailies, over 1,600 weeklies, monthlies, bimonthlies, and quarterly newspapers are published. Some 52 publications from the outside world are also present at newsstands in Taiwan, including such general and independent news magazines as Time and Newsweek.

6. Free expression.

Chinese Mainland—To say what one thinks of the regime and of government policies on the Chinese Mainland is a one-way ticket to a labor camp, or worse.

For example, the Baltimore Sun reported from Hong Kong on September 19, 1970, that a wave of public executions and show trials of educated Chinese was then in progress on the Mainland, as a method of intimidating the majority.

R.O.C.—The Republic of China may not give permits for a speaker to stand on a soapbox and deliver a pro-Communist harangue, but in general, people can and do speak freely in public or private without fear of harassment or arrest.

No subject was "taboo" among any Chinese citizens I talked with during my recent visit to Taiwan. There were many Chinese outside the government and not only in it, who spoke English fluently, and I do not feel my contacts were limited solely to government "spokesmen."

7. The right to enjoy a truly free and wide ranging education designed to create independently thinking and knowledgeable citizens.

Chinese Mainland—From 1966 through 1969, education virtually ceased on the mainland. Only primary schools remained open and those on a spasmodic basis. Teachers were defamed during the "Great Proletarian Cultural Revolution" and feared to appear before even an elementary school class.

Ma Sitson, China's leading violinist, reported in 1967 how a department head of a school and his friends and neighbors were beaten in full view of public crowds. The violinist also was beaten and cut with a belt buckle on one occasion, on the pretext of not bending low enough. Students at one high school beat to death everyone of their teachers.

Such actions seem to be ignored or complacently understood by Western visitors as being "levelling" experiences necessary to remove intellectual "elitism."

As education resumed in the 1970's, it was heavily propagandistic. High schools and colleges are open only to children of farmers, workers and party-regime cadres. Only a few colleges and universities have been reopened and the enrollment is less than 400,000 for 800 million people. Study time has been reduced to two or three years and consists mostly of courses related to the thought of Mao. The new Constitution of the People's Republic itself openly decrees that education must "serve proletarian politics."

R.O.C.—There are 4,000 schools on Taiwan. In fact, nearly 28 percent of the population is in school. Education is free and compulsory for six years and free for another three years. Over 98 per cent of Free Chinese primary age children are in school and young people are receiving at least nine years of education. The percentage is rising fast.

Beginning with senior high school, admission is competitive. This is because there are not yet enough schools and teachers to satisfy all who want additional education. High school enrollment is growing rapidly, with a huge increase in junior high graduates.

The Republic of China has 100 institutions of higher learning, with nearly 300,000 students. More than half of these are two-year colleges with a vocational orientation. Universities are granting BA, MA and PhD degrees in fields ranging from the usual arts and sciences subjects to nuclear science and business administration.

Except for requirements of the Three Principles of the People of Dr. Sun Yat-sen (Nationalism, Democracy, and the Welfare of the People), ROTC for men, and nursing for women, the colleges and universities make their own rules and conduct their own examinations. A large number of ranking faculty members are Western-educated. Students are free to choose their own fields of specialization. Students are also free to go abroad for advanced study after the baccalaureate degree.

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8. The freedom to respect and preserve the Chinese cultural heritage, without ridicule or violent punishment.

Chinese Mainland—

In his documented study, "The Human Cost of Communism in China," Professor of International Relations, Richard L. Walker, a long-time student of China, writes: "Under the Communist rule, systematic destruction has frequently been practiced against traditional Chinese culture. Libraries have been burned, shrines destroyed, and art works defaced. During the Cultural Revolution, the regime pushed the destruction of the 'four olds'—culture, ideas, customs, habits—and these included religious practices, weddings, and even in some places ancestral shrines which have meant so much to the Chinese."

In 1966 the New China News Agency reported approvingly from Peking that "revolutionary fire was ignited in the Central Institute of Arts to destroy the sculptures of emperors, kings, generals, ministers, scholars, and beauties, images of Buddha and the niches for the Buddha sculptures. The revolutionary students and teachers said: 'What we have destroyed and crushed are not only a few sculptures, but the whole old world.'"

The recurrent campaigns against Confucianism on the Mainland are also significant evidence of the attack by the Communist regime on China's past.

It is true some artifacts and historic treasures are preserved or restored on the Mainland, with a display of such items now on exhibition in the United States.

But any political system which bans the traditional Chinese Opera, which has not produced a single major creative work of art or literature (the Soviet Union has at least produced a Solzhenitsyn), and which has no pride in Confucianism, a humanistic system of high standards that has strongly influenced the Chinese people for 2,500 years, cannot be described as emphasizing the preservation of traditional Chinese culture.

R.O.C.—The free Chinese of the Republic of China revere and are carefully preserving the excellence of old culture and traditions.

Writers are free to write in the old style or to experiment. Artists may paint in the classical Chinese way or venture into abstraction.

The art form of the ancient Chinese opera is being preserved. The National Palace Museum near Taipei houses the finest collection of Chinese art objects in the world. In this museum, when one sees the caption "1776," it means "B.C." not "A.D."!

As mentioned above, a Chinese Cultural Renaissance Movement is promoting the study of Confucian ethics.

In short, classical art and traditional culture are thriving in Free China.

9. The right of free emigration.

Chinese Mainland—Except for overseas Chinese, the people on the Mainland may not go abroad to settle.

But at least two million refugees have fled from Communism to Hong Kong, suffering harsh ordeals for the opportunity. The hazardous manner of escape of most migrants is unequivocal proof of the lack of any general right of emigration through normal channels.

The Manchester Guardian of December 7, 1974, in an article headed, "And still they come," reports of the escapees:

"Most of them have planned and schemed for at least a year before making their breakout, saving money for the long journey from their communes to the Hong Kong border or to some point on the Chinese coast from which they can swim or take a boat, secretly copying maps and making their own compasses out of buttons and steel pins. On the journey itself, traveling at night, they have to avoid the patrols and dogs of the People's Liberation Army.

"Once within range of Hong Kong, some few succeed in climbing over the wire fence between the colony and China. Others come by boat—last month saw the arrival of 55 in a single boat, which is a record—but the majority swim, spending as much as 14 hours in the water. Some are carried out to sea and drown, nobody knows how many. Some unlucky ones are killed, or crippled by sharks: one girl earlier this year lost a leg to a shark in Mirs Bay, but still managed to get herself ashore."

So much for any misapprehension that a right of emigration exists to any substantial degree in Maoland.

R.O.C.—The Republic of China permits emigration anywhere in the free world.

10. The right of private ownership and investment of property.

Chinese Mainland—Under the Communist political system, the central government owns all buildings and all land. Individuals may not invest in or own private businesses. Private ownership in general is prohibited.

In some instances, the government may permit families to pass on a "right of rental" of the same land, but the family does not "own" the housing or land.

Chinese farmers also have an opportunity to use a small plot of land adjacent to their housing for growing non-essential vegetables or raising animals, which can be sold by them at market. The size of this area is literally on the scale of what we would know as a "small backyard."

R.O.C.—The citizens of the Republic of China may own land, buildings, stocks, businesses, and, in general, enjoy the prequisities of private ownership equivalent to the private enterprise system of the United States.

In contrast to the results of the bloody Agrarian Reform of 1949–1952 by the Communists, which left a legacy of the execution of several millions of landlords, but has provided only a small "backyard plot" for farmers, the land reform of Free China was accomplished peaceably, with compensation, and has left 876,565 farm households with an average of 2.5 acres of privately owned land.

11. A free and independent judiciary.

Mainland—There is no judicial branch of the government as known to Western Republics. There is no enduring institution of courts as such, nor is there any other body which tries and judges cases or controversies independent of the central, authoritarian regime.

"People's courts" and local revolutionary committees hear and decide ordinary disputes among persons. Mediation committees and public security organs also dispose of cases, including minor crimes. Mass assemblages conduct "events"—certainly not trials under law—before large public gatherings at which "political crimes" or "elitism" are allegedly exposed.

Article 25 of the new "Constitution" adopted at the fourth "National People's Congress" in January of 1975 continues this practice by declaring that judicial authority shall be exercised by "People's Courts at various levels" and by "special People's Courts."

The Constitution expressly imposes party control over the legal process, proclaiming that all People's Courts are "responsible and accountable to the People's Congresses," the local organs of state political power.

The new Constitution also subjects the legal organs to political control by providing that the "President's of the People's Courts are appointed and subject to removal by the permanent organs of the People's Congresses at the corresponding levels." This provision, on its face, repudiates the notion of independence in the courts.

Moreover, the new Constitution explicitly requires that the party line be followed in court: "The mass line must be applied in procuratorial work and in trying cases."

It is clear that the legal system will continue to be governed under the new Constitution essentially as it has during the past two decades, by Maoist thought. As described in a carefully researched study of legal developments in Communist China published by the Library of Congress Far Eastern Law Division in August of 1974, the Maoist approach is one "in which the law and legal institutions are focused primarily upon protecting and advancing the ever-changing interests of the socialist state/society as these interests are defined by the leadership. . . ."

Elsewhere the same report concludes that "the Maoist approach to justice is rooted in the concept that the chief task of the legal organs is to serve as instruments of the state/Party in its suppression of classes, groups or persons who are inimical to and hence hinder China's advance toward communism."

According to the Library of Congress one of the salient features which "justice" in Communist China has assumed is:

"Rejection of the concept of protecting the rights of the individual vis-a-vis the state in the legal process. This rejection is expressed in such phenomena as a presumption of guilt so strong that the possibility of the person's being innocent often seems not to have been seriously considered after a certain stage in the legal process, the fact that the overwhelming majority of trials has always been closed to the public, the eventual abandonment of half-hearted experimentation with the use of defense counsel, the lack of protection against arbitrary arrest and prolonged pre-trial detention; compulsory confession; various pressures, some subtle, discouraging use of the appellate procedure; etc."

R.O.C.—There is a proud, independent and extensive judicial system in the Republic of China, with jurisdiction over both civil and criminal cases.

Rule under law and according to law is the practice.

There is a broad system of appeals which assures all parties a fair and full consideration of their arguments.

During my visit to the Republic of China, I made an unexpected request to discuss the legal system with professional members of the law. I was delighted and honored to be granted an interview with three Members of the National Supreme Court, Chief Justice Kuo-Cheng Tsien, Justice Tsai-Chi Lee, and Justice Wong.

From this lengthy and open discussion which had no limits on subject matter or number of questions, and from other observations made during my study tour, I am convinced a strong and free judiciary is operating in the Republic of China. I believe it is an institution which is still growing in influence and reputation in Chinese society. Not only will its importance increase in resolving normal human affairs by orderly and rational rules, but I predict the judiciary will soon acquire a role, similar to that of the judicial branch in the United States, as a major component in a political system of balanced powers.

12. Freedom from aggression.

Mainland—Whatever its words, Communist China is not a responsible participant in the world order system. The very nature of its despotic form of government makes its actions unreliable and sometimes irrational. A government founded on force and terror, manipulation and censorship, indoctrination and regimentation, cannot be expected to act toward other peoples with any greater decency than it does in the case of its own citizens.

Are our memories so short that we forget the Chinese Communist aggression in support of the North Korean invasion of South Korea? Or the brutal suppression of nationalism in Tibet? Or the armed conflicts with India?

Are there any signs of aggressive tactics today on the part of the Mainland Government? One clear indication is the massive infusion of military and economic aid the Communists are providing to the war machinery of North Vietnam.

In 1973 Communist China supplied $115 million in military equipment and $225 million of economic commodities to North Vietnam. In 1974 the Mainland Government furnished an equal amount of military aid and lifted its economic help to above $600 million, triple the last year's assistance.

That this major support promotes the North Vietnamese in carrying on a brutal war of aggression against the people of South Vietnam is ignored by those same liberals in the West who condemn anything that would prolong the war, so long as it can be said to sustain the capacity of the South for self-defense.

R.O.C.—The Grand Union of Chinese States, planned by Confucius in man's earliest history, suggests the concept of a league of independent states in the interest of order and peace. The Republic of China today strives to implement the spirit of this code by living peaceably among the community of nations, respecting the perfect equality of all states.

PETRODOLLAR INVESTMENTS IN THE UNITED STATES

Mr. INOUYE. Mr. President, on Thursday, February 13, the New York Times published two stories that should be of great interest to those Members who are concerned about foreign investment in the United States. The first article is an analysis of the petrodollar accumulation. According to recent projections and analyses, the growth of petrodollar reserves by members of the Organization of Petroleum Exporting Countries—OPEC—will not be as great as had once been feared. Although they will accumulate substantial amounts of reserves, it does not appear that the sudden shift in capital movements will have the economic impact formerly predicted. Agreement now appears to be developing that the growth of surpluses will moderate in the late 1970's and that monetary reserves may even decline in the 1980's. Projections are always speculative, however, and such assessments may understate the destabilizing effects which the oil price increases will actually have.

The second story concerns the belief by many private economists, businessmen, and bankers that OPEC investments in the United States may be much larger than the Federal Government estimates. However, the story also notes that in most cases Arab investors have tended to be conservative and cautious, with very little interest in controlling large manufacturing corporations. Investments have also been diversified. Furthermore, the majority of petrodollar funds, which includes non-Arab money as well, were placed in short-term notes and Treasury securities.

In short, these two reports should help to focus our attention on the real issue raised by foreign investment in the United States and to exorcise the phantom of illusory statistics. The real issue is not whether foreigners invest in the United States. It is whether their investments conform to our national economic policy and are managed soundly in the interests of the United States and the investor. Although there have been some cases in which the impact of foreign investment may be highly negative, particularly in the case of real estate development and speculation, on the whole there is relatively little evidence to support the fears of those who would close our borders to foreign capital. I do not wish to imply that foreign investment will always remain benign, but I do believe that the Congress can develop a policy that can be both constructive and prudent.

I intend in the near future to introduce a bill which would establish a monitoring and reporting system for significant foreign investors in the United States. A similar though not identical bill was introduced in the last Congress by former Senator Howard Metzenbaum and me and 31 cosponsors. I believe the bill will constitute a rational response to this phenomenon without either discouraging or encouraging foreign investment in our economy.

I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

OUTLOOK: ECONOMISTS, WITH NEW DATA, REVISE PREDICTIONS OF SURPLUS OIL REVENUES

(By Michael C. Jensen)

Surplus oil revenues moving out of the Middle East were viewed with alarm as recently as six months ago but are now being greeted more benignly by Government officials and private economists alike.

Although the oil-exporting nations took in an estimated $90-billion last year from the sale of crude oil and used a small part for selective investment in blue-chip industrial names like Krupp and Daimler-Benz, they have not attempted to buy control of such corporate giants as General Motors or International Business Machines, nor have they taken possession of vast tracts of Manhattan real estate.

Instead, the oil-exporting nations have behaved much like conservative investors anywhere, pumping much of the $60-billion or so in surplus cash that they could not spend on imports into Government securities and interest-paying bank accounts all over the world.

While some economists were saying six months ago that accumulated surplus cash from the oil-producing countries could exceed $1-trillion by 1985, today there is widespread belief that the surplus will probably be no more than $300-billion at its height.

Many economists assert that the worst of the problem may be over by the late nineteen-seventies or early nineteen-eighties because by then members of the Organization of Petroleum Exporting Countries will be spending so much money at home that their capacity for investment abroad will be severely curtailed.

The question arises why the predictions have turned around so quickly. What has happened to transform a potentially cataclysmic situation into what now appears to be a more comfortable, easily manageable scenario?

The answer, although complex, appears to revolve around several facts. First, there is an important statistical difference in the way the earliest and the more recent predictions were formulated. When reconciled, it erases much of the discrepancy.

SURPRISING SPEED

Next, the OPEC nations appear to have surprised almost everyone with the speed of their national development programs and the consequent sopping up of new oil money by accelerated domestic spending for imports.

However, the current (and more optimistic) projections may also be off the mark because nobody knows in detail what is happening to the new oil money, how rapidly the OPEC nations will spend their new riches on projects at home or what the trends of oil production and consumption will be.

Economic projections are risky at best, and when they are based on incomplete statistics they become even more conjectural.

One of the first of the widely discussed forecasts on OPEC surpluses appeared last July in the form of a World Bank study that was circulated internally but was quickly obtained by the press and widely publicized.

DIRE PREDICTIONS

That study indicated that the surpluses of the oil-producing nations could exceed $650-billion by 1980 and would probably continue to grow in succeeding years Such numbers gave rise to doomsday predictions that the oil producers, chiefly the Arab states and Iran, would be able to buy up an enormous portion of the rest of the world unless something were done to stop them.

But in the January, 1975, issue of Foreign Affairs, Hollis B. Chenery of the World Bank said he believed that the OPEC surplus would amount to only $300-million by 1980 and that by 1990 capital might begin to flow in the opposite direction.

On Jan. 30 Treasury Secretary William E. Simon told a Senate Finance subcommittee that there was a growing consensus among economic forecasters that the financial accumulations of the oil producers would reach only $200-billion to $300-billion by 1985 and that by the late nineteen-seventies or early nineteen-eighties of the oil exporters collectively could even be attracting capital rather than sending their extra cash elsewhere.

OPTIMISTIC ANALYSIS

Even more optimistic was an analysis last month by the Morgan Guaranty Trust Company of New York, which estimated that OPEC surplus funds available for investment in any single year had already peaked at $63-billion in 1974 and that the total cumulative surplus would crest in 1978 at $248-billion.

Meanwhile, the International Bank for Reconstruction and Development, as the World Bank is formally known, has again altered its view. Wouter Tims, director of the bank's economic analysis and projections department, said last week he now foresaw an accumulated surplus by OPEC countries of only about $250-billion by 1980.

Why the sudden turnaround? Economists point out that some of the earlier predictions were made in "current" dollars, whereas the later predictions were made in "constant" dollars.

The distinction is important. The earlier projections took into account a rate of inflation that would substantially increase the dollar figures by 1980 or 1985. The later projections, on the other hand, simply projected the build-up in terms of 1974 dollars.

This difference in statistical treatment accounted for much of the variation between the earlier and more recent predictions. While both types of treatment are routinely used by economists, comparing them is like equating apples and oranges.

If the World Bank estimate of a $63-billion petrodollar surplus by 1980 had been expressed in constant dollars, it would have totaled only $411-billion. That figure is not too far from the upper end of the Government's current estimated range of a $200-billion to $300–billion surplus.

Another major factor in the difference between the projections lies in the anticipated volume of imports by the oil producing states. The more they spend for domestic consumption, the smaller their surpluses available to invest elsewhere.

IMPORTS ESTIMATED

The Morgan Guaranty analysis estimated that imports by the oil producers last year totaled $50-billion and were likely to increase rapidly until they reached $227-billion by 1980. Morgan Guaranty also estimated that oil revenues, the money available to pay for the imports, would not increase nearly as fast. Oil revenues would rise from an estimated $105-billion in 1974 to $143-billion in 1980. The result, the bank said, was that

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OPEC surpluses would disappear (in aggregate) by 1979.

One problem, economists and analysts concede, is that such projections are highly conjectural. Some, for example, have questioned how much of the Arab nations' recent imports consisted of armaments and whether the Middle East arms build-up would continue at its present rate for the rest of the decade.

If the arms build-up (said by some to account for about 10 per cent of imports) declined, how much would some projections have to be altered?

UNCERTAIN OUTLOOK

Another problem lies in estimating OPEC oil revenues when the growth in oil consumption has slowed and the outlook for prices is uncertain.

Pervading the subject of OPEC surpluses has been a widespread uneasiness that estimates based on the flimsiest sort of source data, although subjected to searching analysis, were being frozen into projections which had an aura of certainty and which were then used as the basis of Government policy.

"One of the most uncertain parts of all these estimates is how much the OPEC countries are spending for goods and services," said F. Lisle Widman, director of the Office of International Monetary Affairs at the Treasury.

"Their official statistics are a couple of years late," Mr. Widman said. "Libya, for example, just published its January, 1974, import figures. And no one else has even done that."

As a result, he said, imports of OPEC countries were being estimated by using incomplete export statistics from countries like Japan and the United States.

A further problem, Mr. Widman pointed out, was caused by uncertainty about the "absorptive capacity" of oil-exporting states—that is, the rate at which they could spend their oil riches for their own development, as opposed to investing them elsewhere.

Also uncertain, he said, was the rate at which the rest of the world could develop alternate energy sources. Such a development could dramatically affect oil prices and would reduce OPEC income if oil exports declined as a result of growing self-sufficiency by other nations.

Analysts at the Federal Reserve Board and at commercial banks also said that estimates of the amount of surplus funds being spent by OPEC countries on behalf of developing nations were extremely "fuzzy."

They further said it was not always clear how much some of the oil-exporting nations were spending on themselves. One official, for example, said Saudi Arabia had spent only half what she hoped last year for projects within her own borders.

INVESTMENT TRAIL

"We know what's coming into United States money markets and into sterling markets in Britain," said one senior analyst. "We know what's going into Eurocurrency markets in London and into World Bank bonds.

'We dont' know how much is going into into Eurocurrency deposits in banks that are not in Britain—in places like Switzerland, France, Belgium and the Bahamas.

"We don't know how much is going into national currencies like Swiss francs or West German marks or into investment trusts in places like Switzerland or London.

"And we don't know the full extent of government-to-government loans or of direct investments like the ones in Daimler-Benz or Krupp."

OIL NATIONS' CASH SURGING INTO U.S.—ANALYSTS NOW LESS FEARFUL—CORPORATE CONTROL NOT EXPECTED TO BE A GOAL

The flow of surplus oil revenues into the United States from Arab nations and other oil-producing states was substantially larger last year than official Government figures indicate, and the inflow is almost certain to increase sharply in 1975, according to a number of commercial bankers, brokerage officials and economists.

The heavier inflow of these so-called petrodollars is generally favored by Government analysts and economists, partly because such funds are not expected to be invested directly in controlling large American corporations.

This inflow provides capital for use by the Government and American businesses, relieves pressures (particularly in the market for Treasury securities) and helps the nation's balance of payments. Foreign demand for American debt and equity securities also helps buoy the markets in which they are traded.

Treasury Secretary William E. Simon recently estimated that about $11 billion in oil money was invested directly in the United States in 1974.

However, a number of executives in the financial community indicated in interviews that they believed the actual flow of money from members of the Organization of Petroleum Exporting countries might have been as much as 50 per cent higher.

They also said investments of petrodollars here could reach $20-billion to $30-billion this year. Petrodollars are generally defined as surplus funds available to oil-exporting nations for investment purposes.

One New York banker who has maintained close contact with Arab officials said he believed the oil-exporting states had invested about $17-billion in the United States last year—some of it funneled secretly through third countries—and that their total investments here could leap to $30-billion this year.

Gerald L. Parsky, an Assistant Secretary of the Treasury, acknowledged that the Government's current statistics were incomplete, but he said he thought an estimate of $17-billion in petrodollar investments during 1974 was "rather high."

ACCUMULATING DATA

He said he was unable to provide a reliable estimate of his own that would include both direct and unreported investments, but he said the Treasury was compiling additional information on such investments.

Another banker estimated that the oil-exporting nations might invest as much as $4-billion in stocks of United States companies this year, up more than fourfold from their estimated 1974 purchases.

Another financial executive, Eugene J. Sherman, a vice president of Merrill Lynch Government Securities, Inc., said he expected the oil-exporting nations to buy at least $10-billion worth of United States Treasury securities this year, up from last year's estimated $6-billion.

He and other executives said commercial banks around the world were saturated with short-term petrodollars—that is dollars deposited for short periods which could be withdrawn at almost anytime—and he cited this situation as encouraging investment in longer-term Government securities.

EURODOLLAR ACTIVITY

"The banks are up to here with short-term money, and the Eurodollar markets are pretty well filled up," Mr. Sherman said. (The Eurodollar, or Eurocurrency, markets comprise activity in currencies on deposit outside their country of origin. The principal currency traded in this market is the United States dollar.)

One problem, of course, could be the slowing of foreign investment generally in the United States as a result of a drop in interest rates here.

Rimmer deVries, a vice president of the Morgan Guaranty Trust Company, said he expected at least $15-billion to $20-billion in investments by the oil-exporting nations in the United States this year. He said the flow was currently running at an annual rate of about $14-billion.

Mr. deVries said he agreed that large amounts of unreported oil money had flowed into the United States last year, but he said that much of it had flowed right back out.

"In the middle of 1974," he said, "in the wake of the Herstatt bank collapse in Germany, and due to attractive United States interest rates, there was a heavy flow of oil money here from European banks. But a lot of that money went right back out when interest rates in this country declined and when fears in the Euromarkets eased."

A Congressional aide said a Government intelligence service had estimated that the total flow of oil money into the United States last year was 20 per cent higher than official Government estimates of direct investments. Mr. Parsky confirmed that such an intelligence report had been received earlier in the year by the Administration but said that it was not believed to be accurate.

Some high-ranking officials representing the nation's largest and most powerful commercial banks said they would discuss petrodollars only if they could remain anonymous because their Arab clients were wary of publicity about their investment activities.

"You can be sure when you read in the newspapers about someone who says he is doing business with the Arabs that he isn't doing much," said one of the bankers.

PUBLICITY FOR DEALS

The bankers said that a few outright purchases by Arabs of American real estate and equity positions in United States companies and financial institutions had attracted widespread attention but that they constituted only a small percentage of the petrodollar investments in this country.

According to Mr. Simon, an estimated $6-billion of the OPEC money that flowed into the United States last year was used to buy Government securities. He said $4-billion more went into bank deposits, certificates of deposit and other types of money-market paper. Less than $1-billion, Mr. Simon said, went for real estate and equity investments.

Most such investments are reported in official Government statistics, but other types of investments are difficult to identify. It is believed, for example, that some petrodollars are being funneled into the United States from countries like Switzerland and West Germany. In addition, some investments by Middle East individuals are believed to have gone unreported.

LACK OF AWARENESS

"It's conceivable that some funds might be placed with individuals who aren't aware that they should report them," said F. Lisle Widman, director of the Office of International Monetary Affairs at the Treasury. "Some purchases are made that are not identified as foreign purchases."

Economists pointed out that the problem was not unique to petrodollars. Similar investments originating elsewhere in the world also go unreported.

While the accelerating flow of petrodollars into the United States is being closely watched by economists and financiers, they pointed out that most of the oil-exporting nations seem to have made policy decisions to seek widely scattered long-term investments in this country rather than aiming at direct control of American companies.

There have been some notable exceptions, like the recent commitment by Ghaith Pharaon, a private Saudi Arabian businessman, to purchase a controlling interest in the Bank of the Commonwealth in Detroit. Iranian financial interests have participated in loan financing for the Grumman Aircraft Corporation, which is selling Iran its F-14 fighter planes.

Attempts by Arabs to buy control of other, smaller banks in San Jose, Calif. and Pontiac, Mich. failed. The Kuwaitis, however, have bought a small island off South Carolina for development as a resort, and Iran is involved in intricate negotiations with Pan American World Airways which would result in an Iranian rescue of the financially troubled airline.

THE INCREASING RELIANCE ON THE COMPETITIVE MARKET IN AIR TRAVEL

Mr. THURMOND. Mr. President, the Administrative Practice and Procedure Subcommittee of the Judiciary Committee has begun a series of hearings into the Civil Aeronautics Board's success at insuring the consumer adequate air service at reasonable prices.

The central thought to emerge from the testimony presented is that greater reliance on competitive market forces will improve the economic performance of the industry and result in lower rates, will reduce excess capacity, and will provide the consumer with a wider and more attractive range of service and price options. Many consumers now pay an artificially inflated price for air transportation because of CAB policies which shelter carriers from competition. Present policies result in protection of the least efficient airlines, rates substantially above efficient costs, and a distortion of competitive forces.

Texas and California give us examples of unregulated, intrastate carriers charging 25 to 50 percent below fixed rates without loss in safety or reliability.

A reduction in Government regulation is necessary. In times of inflation, recession, and energy difficulties, the public cannot afford the extravagances created by the present regulatory system.

Passengers now find airlines competing for their patronage through fancy cuisine, attractive stewardesses, multihued planes, piano bars, and free liquor. I think my constituents, and yours, would much prefer to have the right to choose to forgo these frills in preference to lower prices.

INFLATION HURTS POOR

Mr. MUSKIE. Mr. President, I invite the attention of Senators to an article entitled "Inflation's Grip Tightens on Poor," by James T. Wooten in the New York Times of February 13, 1975. The article is a very vivid and touching description of today's plight of the poor.

It is one thing to read the statistics of deprivation. It is another to experience deprivation. This article brings the reader close to that experience. It also is a stark reminder of this Nation's unfulfilled promises and the plight of those who must endure the results.

I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

INFLATION'S GRIP TIGHTENS ON POOR

(By James T. Wooten)

ST. PETERSBURG, FLA.—When Mrs. Elsie DeFratus could no longer afford the cost of living, she died.

She was nearly 80 years old, and she had survived somehow for a long, long time on her meager widow's pension, frugally measuring it against the rising prices, scrimping and scraping and skipping meals, making do with less and less each day until finally, on a recent morning at an ancient hotel in this city, she crumpled quietly to the floor of her dark and tiny apartment.

She weighed 76 pounds. An autopsy found no trace of food in her shrunken stomach.

"Malnutrition," the coroner concluded.

"Surrender," sighed an elderly friend. "She just stopped believing tomorrow would be better."

Both may have been right, but in any case the small, emaciated woman had become the ultimate victim of inflation. Her extremity had gone as far as it could go.

For millions of other Americans, inflation's effect has been not as extreme, but it is hurting deeply nonetheless.

From one end of the country to the other, in rural hollows and small-town slums, in prairie reservations and mountain enclaves and city ghettos, it attacks the poor, the elderly, those on fixed incomes. Sometimes, it leaves them, like Mrs. DeFratus, both hungry and hopeless.

President Ford, in his first few months in office, concentrated his economic policy on reducing inflation. And even though prices rose by 12.2 per cent last year—the most in 28 years—some progress was being made.

Last month, however, Mr. Ford decided that the time had come to shift the power of government from primarily fighting inflation to fighting a deepening recession, which has pushed the jobless rolls to 7.5 million, or 8.2 per cent of the work force.

The Administration itself foresees no immediate drop in living costs. Its forecast, submitted earlier this month with the President's new budget, listed an average inflation rate of 11.3 per cent this year, as against 11 per cent last year.

Should inflation stay high, it seems certain to provide new dimensions to the nation's longtime poverty problems. And there are already some signs that economic difficulties are putting fresh edge on traditional class, ethnic and racial antipathies.

At the airport in El Paso, a middle-aged aircraft executive who declines to give his name, tells a fellow traveler his views on the poor.

"They just suck at the Great American Teat," he says, "That is their sole function, to milk the country."

One of the poor, Robert Davis, sat at his kitchen table in the tiny dinette of his housing-project apartment in Little Rock recently, talking with his wife and some visitors about the way he believes other people see him.

"I don't think they think much of me," he said, staring at his mud-caked, high-top shoes. "I mean, they don't think I've amounted to much as a man. Used to be, I don't much care what they thought, but nowadays—well, I don't know. Maybe they're right."

Mr. Davis is a 40-year-old black man who works more than 40 hours almost every week on a construction crew and earns slightly more than $2 an hour. Occasionally he takes odd jobs on Saturdays to supplement his weekly earnings.

"It wasn't hardly ever enough," he said. "Not with nine kids at home. But there was a time there not too far back when we were sort of looking up. Now, I don't see nothing but down."

SOUP AND CRACKERS

As he talked, his wife quietly prepared dinner for the family, a meal consisting of chicken soup, some crackers, milk for the younger children and coffee for the older ones. She is 38 years old.

She cannot remember a single moment in all of her life, she said, when she was not lacking something she really needed.

Her husband said: "I know people look at us and laugh and say how come we got so many kids, and I say it's because we always wanted a bunch of them and because I never did know we was going to be poor."

Mrs. Davis laughed—a slight chuckle barely heard above the sounds of her puttering at the stove.

Mr. Davis went on: "I always thought that the way I could work—I'm a right strong man—that we'd make it some way. Now, tell the truth, I don't think we can."

In the last few months, their utility bills have gone from $8 to $21 each month, the result of a rate increase by the local power company. The cost of their groceries has risen from about $60 a week to more than $100, even when Mrs. Davis buys less than she believes they need.

A few weeks ago, with several auto loan installments long overdue, they chose to pay for their food and their water and their lights and their shelter, and the finance company repossessed their second-hand car.

They pay $33 each month for their cramped, dark quarters, and, should Mrs. Davis take a job, the rent would increase proportionately and make the added income almost inconsequential.

"You know them beans I used to buy, Robert?" she said softly. "You know, those dried beans—Lord, I guess I've cooked a ton of them—and they used to be four pounds for 59 cents. You know how much they are now, Robert?"

Mr. Davis shook his head.

"Just guess, Robert," she said.

He declined silently.

"Well, they're $2 for four pounds, that's what they are, and we just can't buy them any more," she said.

Still her husband said nothing.

"You know what, Robert?" Mrs. Davis said, turning away from the stove for a moment. "I think you're right."

"What's that?" he asked.

"I don't think we're going to make it either."

High atop a new St. Petersburg hotel, only blocks from the old one where Mrs. DeFratus died, a bartender talks about the problems of poverty.

"There are no such things," he says. "There are only those who will not work, and I say to hell with them. I work hard. Everybody I know works hard. Why can't they work hard?"

In Seattle there is an old, beige, Victorian house at the corner of East Olive Street and 14th Avenue where every Tuesday morning hundreds of men and women—young and old, black and white—form a long line that snakes down the block toward the towering Space Needle.

ABSOLUTELY FREE

It is a "food bank," a pick-up point for absolutely free, no-strings-attached groceries distributed by Neighbors in Need, a nonprofit group funded partly by the Federal Government and partly by public support.

It was formed after massive layoffs by the Boeing Company, Seattle's largest industry, in 1971. Thousands of formerly middle-class workers were abruptly unemployed.

"We tried to fill that space between the Government benefits and the needs of the people," Milton Kemp, a 28-year-old employee of the group, said. "But we're not really doing it any more. Inflation is killing us. All we're doing is just throwing a few groceries into the gap."

The group's purchasing power in the last few months has plummeted to a point at which pork and beans was listed recently as a "meat" item.

"And there wasn't any pork in those beans, either," Mr. Kemp said.

Each week, thousands of Seattle residents shuffle through one of the group's several "banks," and each week the number of its clients increases

"People who were once using us as a supplement—our original function—are now solely dependent on us," Mr. Kemp said.

The people who pick up the food are a varied collection. On one Tuesday morning not long ago, a young black man and a middle-aged white woman stood next to each other in the line outside the house.

UMI

LESS THAN $100 A WEEK

He was unemployed, and his wife's job brought the couple less than $100 each week. They have two children.

"Can't make it without these—these, well, these gifts," he said, slightly embarrassed.

"Why, if you weren't black your face would turn red," the matronly woman chided. "Shame on you. When you need help, you need help. When your babies need food, they need food, and there's nothing about that to be embarrassed about."

The young black man stared at the sidewalk. "Yes, ma'am," he said. "There is."

Reggie, a black Vietnam veteran in his late 20's, leans against the wall of an abandoned store-front in Columbus, Ohio, and offers his views on inflation.

"It means just one thing to me," he says. 'America, the white middle class sort of rearranges its life-style, you know, sort of moans a little about how much hamburger is costing these days, but the black people—you know, man, the poor people—they got no life-styles to rearrange. They're just getting destroyed, you know. I mean, getting killed. And that's America to me. I never knew it to be any other way."

In Seattle Peggy Maze, director of Neighbors in Needs, was embarrassed about the food donations, too.

"Not for me," she said in her office at an old warehouse near the Puget Sound waterfront. "I'm embarrassed for Seattle."

In 1971, public donations were over $250,000. This year, they will be less than $100,000. The Office of Economic Opportunity gave the program $750,000 in 1972, $650,000 in 1973 and $500,000 this year.

"When we need more, we get less," she said.

"SUCH GREAT SENSE"

'You see the grand logic here," Mrs. Maze went on. "As the number of poor increases because of inflation, the need for services such as our group's grows. Correspondingly, the interest and the funding of the public and the Government decreases. It makes such great sense."

As the line lengthened throughout the morning at the food bank, the wind from Puget Sound increased sharply and several of the people on the line pulled their old coats close around them, embracing themselves with crossed arms and patting their own shoulders to keep warm.

"A few months ago," Mrs. Maze said as the brown paper bags crammed with groceries were doled out, "many of these people wouldn't have been here. They wouldn't even have thought of being here. Now they come. They can't buy what they need any more, and they've got to eat somehow."

A young white man and a young black man—both Southern immigrants to Detroit stand outside a food wagon at a small plant and talk about charity.

"Not me, brother," the black man says. "No giveaways for me. I'd steal to feed my family before that, wouldn't you?"

The white man hesitates for a moment and then nods an affirmative response.

"I know a hell of a lot of people that are going to steal before they'll stand in line for food," the black man says.

In New York, Detroit, Miami and Chicago, there have been arrests of elderly citizens—some of them extremely feeble—for stealing groceries in order to eat.

"But Elsie never would have done that," said Steven Haddock, manager of the hotel where Mrs. DeFratus lived here on the Sunshine Coast of Florida. "She just wouldn't have stolen anything."

Instead, she chose to attempt to manage on her Social Security checks of less than $100 a month, and with the cost of her room, $15 a week, and her transportation to and from the Post Office to pick up her check, her food allowance was down to less than 65 cents a day.

Frequently, when her funds were nearly depleted toward the end of the month, she would settle for a single ice-cream cone each morning, and somehow it had always been enough.

But on Oct. 3, after carefully arranging her clothes on her bed, she collapsed to the floor and died. Her Social Security check arrived the same day.

MILITARY AID TO SOUTH VIETNAM

Mr. THURMOND. Mr. President, in the February 10, 1975, issue, the New York Times published an article by William Safire entitled, "Sticking With It," in support of military aid to South Vietnam.

It is particularly encouraging to note this well-written article and others in the New York Times which present convincing reasons why America must honor its commitment to provide limited military aid to South Vietnam to help stop flagrant aggression and contemptuous violation of the Paris Peace Accords by the Communists.

Mr. President, I ask unanimous consent for the New York Times article to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STICKING WITH IT

WASHINGTON.—A Communist rocket, fired with the intent of killing civilians in the capital of Cambodia, exploded in a school and slaughtered a score of children.

Shocking pictures of the bodies of the children appeared on nightly television news and on front pages, bringing all the horror of war once again into the American living room.

Had the rocket been supplied by United States aid, or fired by recipients of United States aid, the anguished uproar would have been heard in the halls of Congress and in every cranny of the land to "stop the killing" and deny the murdering attackers one more round of ammunition.

But it was a Communist rocket, financed in Peking or Moscow and launched by the Khmer Rouge, who are trying to overthrow a non-Communist government. Therefore, after a humanitarian wince of pain, the reaction here is muted. We shudder and turn away.

That is because we are bored with Southeast Asia's endless warfare, frustrated by our inability to end it once and for all; a large Congressional group now seriously proposes to let it end by cutting off supplies to our allies so that they will lose and be quiet.

They tell us that our allies are at fault for the killing that comes with their continued resistance to overthrow; that our word is our bondage, and the United States is somehow to blame for the continuance of warfare, since we are unwilling to dictate a surrender; that our allies are more evil than the enemy they are fighting.

That final assertion—that President Thieu is a "corrupt dictator" unworthy of our aid—is made by longtime doves with a vested interest in his downfall, because they predicted his collapse the moment we pulled our troops out of Vietnam. But there he stands, two years later, an obstacle to takeover by North Vietnam and—worse yet—a reproof to those who were so certain he had no indigenous support.

One basic fact stares us in the face: There are no South Vietnamese troops killing anybody in North Vietnam; there are over 100,000 North Vietnamese troops fighting today in South Vietnam. It is still the South that is defending itself from sustained attack from the North.

Forget about that, says a weary majority; America did its bit. If the South Vietnamese cannot defend themselves by themselves now, we cannot be expected to support them forever. That goes for the Cambodians as well.

Foolishly, responsible officials in the United States repeat the light-at-the-end-of-the-tunnel argument; just another year's aid, just a billion or so more, and we'll win. That's misleading, as is President Ford's desperate promise to end all aid in three years, no matter what.

We should know by now that Communist aggressors, financed and supplied from outside, are prepared to fight on for decades until they win. The non-Communist majority in those countries seems prepared to fight on just as grimly for just as long, provided we match the supplies from outside. Our allies may be weary, but they are not bored; shall we now tell them we are no longer willing to match the Soviet contribution to their enemies, and they should plan for defeat?

Moreover, there is the possibility that we will be embarrassed by the severity of the local consequences of Communist victory. This is that hoary chestnut, the "bloodbath argument": When Nelson Rockefeller raised it recently, he was roundly denounced by people who are absolutely certain that no wholesale executions will follow Communist victory. Such certainty must be comforting, since it runs contrary to much experience.

The reason why the United States should continue aid to people fighting Communist take-over is because we are on the side of human freedom. Not because we lost 50,000 men in Vietnam; or because the Congress authorized current aid; or even primarily because our support tells the world that our word to our allies is at least as good as the Soviet's.

Why are we so afraid to assert that what we are doing to help others defend themselves against Communist-sponsored aggression is the right thing to do? Costly, painful, nerve-cracking, and when Mr. Thieu jails journalists, infuriating—but essentially moral.

The measure of our success is not in making peace, since the Communists want victory and not peace, but in helping our allies to continue to resist as long as the pressure is on.

As Senator Jackson begins to waffle on Vietnam, just as Senator Percy finds it expedient to waver in support of Israel, we ought to ask ourselves what kind of a people we are becoming. Do we stand ready to help allies help themselves, or do we let them go hang after a certain length of time?

Much more is at stake here than the fate of one regime, or the expenditure of several hundred millions, or the justification of past positions. Either America will remain a strong force against worldwide totalitarian coercion or she will turn inward and head downward.

WARNINGS FOR THE DEAF

Mr. INOUYE. Mr. President, the media systems in the United States have assumed an awesome burden in their efforts to warn citizens of impending disasters. Radio and television stations have been very effective in bringing immediate and essential information concerning measures to be taken to protect lives and property.

Unfortunately, a major segment of the population is oblivious to these warnings. These are the deaf and hearing-impaired.

Despite a public notice issued by the Federal Communications Commission in 1970, less than 38 percent of television stations presently caption emergency bulletins. Can you imagine the fear and frustration felt by a deaf individual who sees the words "Emergency Bulletin" flash across his screen, but who is unable to know the nature of the impending disaster?

Four concerned citizen groups have filed a petition with the Federal Communications Commission to require the transmission of visual, as well as aural, emergency announcements. These organizations are Deafwatch, the National Association of the Deaf, Deafpride, Inc., and the Alexander Graham Bell Association for the Deaf. As an expression of my support for this petition, I ask unanimous consent to have printed in the RECORD a letter I have addressed to Richard E. Wiley, Chairman of the Federal Communications Commission.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
February 6, 1975.

HON. RICHARD E. WILEY,
Chairman, Federal Communications Commission, Washington, D.C.

DEAR MR. CHAIRMAN: I wish to express my support for a petition filed with the Federal Communications Commission which would require all television stations to present visual as well as aural emergency bulletins.

This petition was filed by D.E.A.F. W.A.T.C.H., The National Association of the Deaf, DEAF-PRIDE, Inc. and the Alexander Graham Bell Association for the Deaf, because most means of emergency notification are not available to the deaf and the hearing-impaired. Civil Defense sirens, and radio and television announcements cannot be heard by those who cannot hear. Therefore, approximately 13.4 million hearing-impaired Americans are threatened unnecessarily by their inability to hear emergency warnings and their lack of knowledge of the necessary precautions which must be taken for their safety.

The medium of television is uniquely suited to warn of impending emergencies. The immediacy of its telecasts and the combination of aural and visual means of communication make its potential audience a much larger segment of the population than that portion which can be reached by radio alone, by Civil Defense warnings or by the newspapers.

The Federal Communications Commission has previously recognized the value of visual telecasts of all emergency notifications. On December 17, 1970, the F.C.C. issued a public notice entitled "The Use of Telecasts to Inform and Alert Viewers with Impaired Hearings." In this announcement, the Commission Suggested to "TV broadcasters that they make use of visual announcements along with oral announcements when presenting bulletins of an emergency nature, such as approaching tornadoes, accidents, health hazards and other community dangers." Unfortunately, this was only a suggestion. Less than 38% of all television stations claim to have adopted a policy of visual broadcast of emergency notifications. It is time that this suggestion be incorporated into regulation in order that notifications which are necessary for the protection of life and property be broadcast in such a way as to be available to the widest portion of the population possible.

Hearing impairment afflicts one out of every fifteen persons in the United States. Some of these cannot hear at all, others are unable to hear well enough to fully understand aural communications. The presentation of visual emergency communications would improve the ability of these citizens to protect themselves and their property from natural disasters. I believe we owe this small, but vital, service to this large portion of our population.

Aloha,

DANIEL K. INOUYE,
U.S. Senator.

CORN GERM FLOUR

Mr. PERCY. Mr. President, it was inevitable that the good protein in our Nation's largest crop, corn, would be used as human food. It is fitting that an Illinois firm should be the first to apply the work of USDA's Agricultural Research Service in making corn germ flour available to people in the United States and the world. Lauhoff Grain Co. of Danville, Ill., will start producing the flour developed at the Northern Regional Research Laboratory, Peoria, Ill., sometime this year.

Corn germ, which has been handled as a byproduct in corn dry milling and used in livestock feed, has a food protein value in the range of milk casein and protein from soybeans. It can be used as a major ingredient in foods like bread, muffins, and cookies and as an extender with meats.

This new corn product and the Government-industry teamwork are reported in a news story by Dan Olmstead of the Commercial-News, Danville, Ill., which I ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAUHOFF PRODUCT MAY BECOME KEY WEAPON IN HUNGER FIGHT

(By Dan Olmsted)

A new and potentially gigantic food source made from field corn is being test-produced at Lauhoff Grain Co., with full production to begin this year.

Called corn germ flour and developed by a U.S. Agriculture Department research team in Peoria, it may someday join soybeans and wheat as a major protein source for a famished world.

Protein is a basic nutrient made up of amino acids and is essential to growth and tissue building. The germ is the center of the kernel where the new plant begins to grow.

"We don't know exactly what all the uses are going to be but it looks like first it would be used as a supplement to other materials," said Charles Blessin, a chemist who led the research team at the Northern Regional Research Laboratory, Agricultural Research Service.

"Coming from a crop as big as the corn crop there won't be any question concerning the supply," said a laboratory spokesman.

"When Lauhoff goes into production it will be the first time corn germ flour will be commercially available," he said.

The flour is made from the germ at the heart of the kernel. Up to now, only corn oil and starch products have been taken from the kernel and the remaining one-third was processed by the animal feed industry for use in feed mixes.

The amount left for feed will decrease, depending on the demand for the flour, but Blessin said that the corn germ is "too good a protein" to be feeding livestock. They can live just as well on grasses and lower-protein feed, he said.

"We're taking material that has been going into livestock feed and using it more efficiently by putting it into human food," the laboratory spokesman said.

"With the need for food that there is today we have to use it just as efficiently as we can," he said.

The product itself cannot take on the world hunger problem, he said, but he called it "another major source of protein."

"It's good quality protein, the best protein in corn," Blessin said.

Blessin said turning the germ into high-protein flour took five years of research. The laboratory then asked Lauhoff to begin production because its plant here is the only one in the country that extracts corn oil by a process known as "solvent extraction."

There are two types of germ processing for oil, Blessin said.

"One is the expeller, where you press the oil out by brute force. That's not suitable."

The other, he said, is solvent extraction, which removes the corn oil with the use of a dissolving liquid—and leaves the germ unharmed.

Blessin said the germ can be used for the flour without reducing the amount of corn oil that can be extracted from the kernel. In fact, he said, the new method might even increase the amount of oil that would come from each kernel.

Don Smith, vice president for production at Lauhoff, said the flour should be in full production within the next few months, hopefully by mid-year." Test production has been going on for two months, he said.

Smith said he didn't know how big a portion of sales the flour might become for Lauhoff, nor what eventual impact it might have on the world food market.

But he said that it should be "a good domestic item" for use in the baking industry and as a "meat extender."

The test-production unit for flour was not prohibitively expensive to install, Smith said, but he declined to give a figure.

In general, the unit removes the germ meal and, in several steps, refines it into the high-protein flour.

The laboratory spokesman said that the protein content of the flour "compares quite favorably" to the content in eggs—the standard set up by a United Nations food council.

Protein quality is determined by amino acids—"the building blocks of protein"—and their balance in the flour. The spokesman said that some aminos are higher and some lower than in eggs—but the balance is excellent.

A taste panel conducted by the laboratory reported no objectionable color, odor or taste in beef patties to which 10 per cent corn germ flour had been added. Muffins containing 25 per cent corn germ flour replacement were found to be acceptable in color, odor and taste.

Cookies containing 25 per cent corn germ flour replacement were slightly darker than normal cookies and had a perceptible corn flavor; however, neither the color nor flavor were considered objectionable.

All equipment for full-scale production at Lauhoff has been ordered, but long delivery lead times will mean a several-month delay before operation.

FOOD AID HEARINGS

Mr. HUMPHREY. Mr. President, I wanted to call to the attention of this body the hearing being held today by the Senate Committee on Agriculture and Forestry on food aid and the world food situation.

This is an important undertaking in terms of today's food scarcities and the competing demands for our supplies. It is certainly urgent that a public dialog take place on this subject. The American people have grown increasingly concerned over the use of our food aid and the world food needs. We need to focus on what our goals and priorities should be under our food aid program.

UMI

It is clear to me that our people do want to help, but they also are concerned that the food reaches the most needy. They also want to use our food aid to encourage development in the most needy countries.

It is clear that our food aid program has met a variety of purposes during the past years. And food aid recipients have become important customers for U.S. food commodities under regular commercial sales.

Two of the primary purposes of the act, as originally established, were to dispose of U.S. surplus food and develop export markets. Today the situation has changed markedly as availabilities have declined and the competition for our own commodities on the commercial market increased.

While we face the prospect of food scarcities throughout the world, our farmers are rightly concerned over the prospect of bumper crops and what will happen to prices for their produce. They want to help feed the hungry but, understandably, they feel entitled to a fair return for their crops.

The Subcommittee on Foreign Agricultural Policy of which I am chairman, will be holding subsequent hearings to follow up on the work of the full committee here today.

It is urgent that we develop a clear set of priorities in terms of how this program should be operated under today's changed food situation.

I also intend to examine what progress has been made since Novmber in implementing the resolutions of the World Food Conference. We must examine what progress has been made and what our Government is proposing regarding the establishment of a world food reserve.

We also will be examining the food aid delivery issue and whether all or most shipments under the $1.6 billion program can be made this fiscal year. We will be looking carefully at the food aid shipments to see that the most seriously affected countries are not the first victims of any delivery shortfalls.

This is an area requiring priority attention. The issue of food has appropriately come to the forefront of the world's attention. We have a valuable resource which should be utilized most effectively in addressing this urgent need.

Mr. President, I ask unanimous consent that my statement at the opening of these hearings and my questions for the witnesses be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS FOR ADMINISTRATION

1. Have we established food aid levels by country? By titles I and II? Would you provide that for the record?

2. Have the Voluntary Agencies been advised of their program levels for this fiscal year?

3. Can food shipments be made after June 30, 1975 and still be charged to the FY 1975 budget?

4. Is the Administration prepared to provide a breakdown of its PL 480 levels by country, commodity and dollar amounts for FY 1976?

5. How and when are the Voluntary Agencies advised of their food aid levels for a particular fiscal year?

6. What have been the title II commodity levels from 1972 through the present?

7. Does the Administration expect to ship its $1.6 billion budget for FY 1975?

8. Will you assure this Committee that M.S.A. countries will receive priority consideration in the shipment of our food commodities?

I can assure you that I and other Senators are most concerned that shipping targets may be met for political commitments but not for M.S.A. countries.

9. What is the Administration's policy regarding political versus humanitarian food aid?

STATEMENT BY SENATOR HUBERT H. HUMPHREY, HEARING ON FOOD AID AND WORLD HUNGER, SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, FEBRUARY 18, 1975

We are today looking at the Food for Peace program and considering its future direction.

Begun largely as a vehicle for the disposal of surplus commodities and market development, the program has provided over $25 billion in food aid throughout the world.

This assistance has helped fight disasters and famine. Clearly, it has helped develop markets for our agricultural commodities.

There has been a great deal of controversy over this program in recent years as the world food needs have grown and availabilities declined.

We will need to look toward ways of utilizing our food aid to encourage expanded food development. While there was some debate at the World Food Conference over food aid, there was little question over the need to expand agricultural production.

Therefore, our food aid programs are today at a critical point. It was easy to be generous in the past when there was a food abundance and at low prices.

One of the key issues today is how generous will we be in the face of scarcity? What priority will we give to aid the countries most seriously in need?

It is clear to me where this Administration has placed its priorities in terms of our food aid. The programing has been heavily weighted toward Southeast Asia and other political-security claims.

I would hardly deny that food can be a useful diplomatic tool. And I hope that where it is so utilized it is not abused. Providing food aid as a way of advancing the cause of peace is not, in my book, the same as helping to maintain a tottering military regime.

We need to develop a clear understanding of what our priorities should be with regard to our food aid program. And I suggest that the humanitarian food considerations should be given first claim on our resources.

It is evident that the effort which some of us have made to awaken the heart and the conscience of the Administration has finally brought an increase in the food aid program.

Unfortunately, some of our friends in the media do not seem to realize how difficult it is to change our food aid policies. And it does not just happen because of good intentions.

Beginning well before the World Food Conference, a variety of devices were utilized to highlight the world food problem and the need for an intelligent and coordinated response on the part of the donors.

I must take my hat off, as I have before, to the non-governmental organizations and Mr. Herbert Waters, who was a major driving force in bringing this issue to the attention of the American people.

For many of these people, it was their first taste of action in the political arena. And, for many, the results of the struggle were not entirely satisfying.

But out of this struggle, a new concern has been forged. This effort will need to be continued and sustained.

While it is unfortunate that we have only one day to examine the food aid and world food area, it is entirely appropriate that we examine this area within the total agricultural spectrum.

It is clear to me that we need to relate a whole series of pieces in order to form a national food and agricultural policy. Our food aid must be set within the context of a sensible national policy.

Too often, unfortunately, our discussions have focused on questions such as target and loan prices, a food reserve, export controls or food aid.

These issues are related to one another, and our consumers and farmers need to understand what are the national objectives.

Our farmers need a sound agricultural program to keep them in business, and our consumers want plentiful supplies of food at reasonable prices.

Many of our farmers are being driven from business today because of boom and bust farm prices. In place of this unrealistic doctrine, the government should share in the risks when calling on farmers to go all out to increase production.

We must assure our farmers a reasonable return if the weather is good and we have bumper crops.

Our government has not yet had the courage to face up to the need for a food reserve. This mechanism can very usefully buy surplus production in order to stabilize prices for our farmers and assure adequate supplies for consumers.

A reserve also will enable us to meet our commercial contract obligations as well as international food aid needs.

Our government has been meeting with other countries over setting up an international food reserve. It seems strange that we can talk about an international reserve without facing the same issue for our own country.

We should be prepared to look at the issue of stable world food prices and their relationship to an international reserve. On the domestic level, we hear a great deal of misleading talk about how reserves and greater market stability are undesirable.

From the experience of our beef, dairy, poultry and hog producers of the last two years, it should be evident that increased stability of prices and supplies would be beneficial to everyone. And now our grain producers are beginning to understand the folly of roller coaster prices.

I am hoping that this hearing, with its expert witnesses, also will focus on the ways of improving the food aid program. Can we draw any conclusions on the benefits derived from title II as opposed to title I?

I am concerned over the rate of shipment of food under the recently announced $1.6 billion level for this year. This level will provide around 5.5 million tons of food, but there is serious question as to whether this quantity can be shipped during the balance of the fiscal year.

I recall that the Administration refused to raise the food aid level from 3.3 million tons to 4.3 million tons at the World Food Conference on the grounds that this would have been inflationary. Now the Administration has belatedly announced a 5.5 million ton food aid level, but it will be difficult to ship this volume.

We will be looking very carefully to determine how these shipping targets are met. I can assure the Administration that we will be most unhappy if the most needy countries are neglected while food aid shipments for political purposes are made on schedule.

I am appending several tables to provide additional information on our food aid program and the world hunger situation.

TABLE A.—PUBLIC LAW 480 COMMODITY SHIPMENTS[1] AND FREIGHT

[In millions of dollars]

	Fiscal year—					
	1970 actual	1971 actual	1972 actual	1973 actual	1974 preliminary	1975 proposed
Title I	906	869	789	769	797	1,125.0
Commodities[2]	833	817	716	706	747	1,075.0
Freight	73	52	73	63	50	50.0
Title II	353	393	522	394	370	475.0
Commodities[3]	266	302	404	290	282	395.0
Freight	87	91	118	104	88	80.0
Total	1,259	1,262	1,311	1,163	1,167	1.6
Volume (millions of metric tons)			9.3	7.5	3.3	5.45

[1] At CCC cost.
[2] Gross cost (including initial payments).
[3] Excludes purchase of foreign currencies for use in self-help activities (sec. 204).

TABLE B.—PUBLIC LAW 480—ALLOCATION FOR FISCAL YEAR 1975

Title I	Amount (millions)
A. Most severely affected nations (MSA)[1]	$655
B. Other Countries (30 percent of A and B)	280
C. Nonfood commodities (all to non-MSA's)	84
D. Carry-in	56
Total title I	1,075
Title II	[2] 396
Total Public Law 480 (commodities only)	1,471

[1] $364 non-MSA's.
[2] Includes $42,500,000 contingency rice reserve for South Vietnam.

TABLE C.—UNCOVERED FOOD REQUIREMENTS OF "MOST SEVERELY AFFECTED" COUNTRIES 1974–75 MARKETING YEAR, AS OF JAN. 24, 1975

[Thousands of metric tons]

	Total import requirement	Covered by commercial purchase	Covered by food aid	Total deficit covered	Uncovered deficit	Cost of uncovered (million)
India	8,500	5,789	938	6,727	1,773	$404
Bangladesh	2,500	800	984	1,712	788	227
Pakistan	1,550	1,087	222	1,309	241	52
Sri Lanka	1,365	713	135	848	517	153
Total "MSA"	17,048	9,073	3,140	12,214	4,835	1,234

SOME FASCINATING QUESTIONS ABOUT COMPUTERS AND PUBLIC POLICY

Mr. PERCY. Mr. President, the Congress is so often pressed by crisis, foreign and domestic, that time for pause and reflection on the future is scarce. This has been the case with the need to assure rights to information privacy. The landmark Privacy Act of 1974 seeks to redress the imbalance between individual rights over their personal files, and the collection and use of these records in the Federal Establishment. The Privacy Protection Study Commission to be established under the act hopefully will make important advances in information practices in the private sector and in State and local governments. But, considering the vast implications of computer technology for social policy in the next decade, too little attention is being given these questions.

A report by the committee on computers and public policy of the Association for Computing Machinery entitled "A Problem List of Issues Concerning Computers and Public Policy," recently came to my attention. This paper succinctly describes many important computer-related social issues for policymakers. It presents a panorama of questions which must be faced, debated, and decided. Not to do so will permit technological development to move forward unmonitored and unguided—and perhaps to play havoc with our traditional social values.

The "Problem List" covers a range of fascinating and important problems. For example, it has been suggested that soon the only persons who will "exist" in practical economic and political terms will be those whose identifications are verifiable through computers. In other words, only those with a computer-verifiable identity will be able to have rights to credit and social services. This is not farfetched when one considers that today it is increasingly difficult to cash a personal check without having what is known as a "major credit card."

It is possible to have instant national referendums, in which people would be presented with questions of importance via television, to which they could immediately respond by pushing appropriate buttons, and by so doing, enter their answers into a computer for tabulation. This can be done, but is it desirable?

Is it desirable to create "information utilities"? For example, would supermarkets begin to disappear only to be replaced by telephone shopping to a computerized warehouse? In a day when the automobile is becoming increasingly less efficient in both social and economic terms, telecommunications can replace many of the personal interactions once entailed in driving or walking to a shopping center to do business.

In regard to the issue of computers and elections, it is suggested that if one party has access to a data bank of potential contributors, simply because that party has more money with which to lease the computer, is democracy being well served? Does the use of the computer make it easier or harder for a candidate to say one thing in one district and something else in a district with different ethnic and economic characteristics? Should there be some equivalent of the equal time law whereby each candidate is somehow guaranteed some minimum amount of "computer power"?

It has become accepted theory that there is an "inevitability" about technological growth. The fact that technology exists tends to assure that it will be used. People ask, "Will the new system work?" rather than asking, "Should we use it at all?" There are many fascinating questions of human development implicit in the use of the computer. For example, we have assumed that the elimination of routine jobs is a very desirable development. Others suggest that society may be dependent upon routine, repetitive tasks for its own sanity. The question is whether we can sustain continuous creative thought or must it be interspersed with routine tasks—tasks that are rapidly being automated? In other words, even a genius may need a hobby to divert his mind and to rest it.

And then there is the question of computer "literacy." In brief, most people believe that the computer makes mistakes that routinely foul up their credit card bills. On the other hand, many people will also quickly believe the most outrageous ideas if it is emphasized that the work was done on a computer. Somehow, the computer creates its own legitimacy in people's minds that imparts a certain literacy to findings supported by computer analysis.

These are just a few of the issues raised in the attached document, which I commend to the attention of my colleagues, and ask unanimous consent to have printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

A PROBLEM LIST OF ISSUES CONCERNING COMPUTERS AND PUBLIC POLICY

(A Report of the ACM Committee on Computers and Public Policy)

This paper is a listing of some of the present and potential problems which arise at the intersection of computing and public policy in its various aspects. There is no attempt to break new ground, which would be difficult when, already, the topics covered are the subjects of a small library of books. The intention, rather, is to serve the needs of people in both parts of the intersection. It is hoped, for instance, that this report will be useful to lawyers and law students who desire guidance in this rather new area. It is hoped, likewise, that it will be useful to computer scientists and computer science students, e.g. in seminars on the social implications of computing. As another example, it might be useful background reading for staff members in Congressional offices.

In other words, the paper is intended to be a summary of some of the issues that impinge upon both computer science and the general public (and its representatives). It will not tell a lawyer anything about the law that he does not already know, but it might give him some new insights into the legal implications of computer technology. It will not tell the computer scientist anything new about computer science, but it might ex-

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pand his understanding of the social aspects of his work.

The term "public policy" is intended to be taken not only in the usual sense of denoting the concerns of legislative and regulatory bodies, but also in the broader sense of what is good or bad for the social fabric as a whole whether expressed in the form of laws or not.

The document is not intended to be in any way polemic. If some of the questions seem to contain implied answers, or if any of the presentations are one-sided, it is not intentional. In most cases the questions that follow the statement of an issue present various contradictory viewpoints, which fact is simply indicative of the present state of discussion of the issues.

And, to repeat, the paper does not in any way represent a statement of position on any of the issues by the Association for Computing Machinery.

1. INFORMATION SERVICES FOR HOME USE

Background. The advent of widespread two-way cable communications, such as for television, has opened up numerous opportunities for information process services. The channel width is adequate for carrying a great many data and/or voice channels in addition to regular TV programming. Some have predicted that this development will completely revolutionize everything from libraries to politics; others have looked at economic and other factors and predicted a much more limited use.

Questions

1. Here is a list of some of the uses that have been suggested—which ones are really likely to come to pass? Vote casting, the instant national referendum, home-study courses, other instructional uses, advertising, news, stock quotes, weather, bank transaction accounting, shopping for groceries or department store items in conjunction with "electronic money" concepts, reference look-ups replacing some uses of libraries, private-mail service, alarm monitoring, automatic reading of utility meters, calculation services, poison control center services, personal data storage and retrieval, checkbook reconciliation, game playing and instruction for the bedridden, and municipal services information. The list can readily be extended.

2. Should an information utility be public, private, or private but regulated? The not entirely happy history of telephone and television suggests that none of the three is perfect.

3. If some such developments are essentially inevitable (we do not mean to suggest that they are), would it be wise to hasten a merger of the fields of computers and communications so that we will not later be burdened for decades with "black boxes" needed to marry the two? If so, who should be in charge? So far the major telephone company and the major computer company have been deterred from encroaching on each other's fields by antitrust action or the fear of it. Without arguing whether that has been beneficial up to now, is it the best way for the future?

4. Cost aside for the moment, are all of these good ideas from a broad public policy viewpoint? Would they tend in the direction of creating an even greater isolation of people from each other? Is the trip to the library or store a good thing in secondary ways? Are there desirable features in attending an adult education course in the company of other people, rather than learning the same material via TV all by oneself? In other words, is there a danger that we are so fragmented that a trend toward further fragmentation is undesirable?

5. In view of some of the trends in the use of computers, it has been suggested that soon the only persons who will "exist," in practical economic and political terms, will be those whose identifications are accessible through computers. All others will be totally powerless except within a possible underworld populated by others like them.

Is this an exaggeration? If true, is it bad? Do the benefits justify requiring a person to have a computer-accessible identification in order to participate in the functions of society? Or are these threats to society as a whole, or to some individuals, sufficient to make us hesitate before we pursue such a future with abandon?

6. What, in fact, are the economics of specific proposals? Is it common for people to run through a list of ten things that are technically possible, then indulge in some armwaving to the effect that, with so many possibilities, the economics will work out somehow. Is this true? Is there any chance that the economics are extremely unfavorable and that people might not really be interested in any one of the possibilities at the level of a monthly cost roughly equivalent to that of a payment on an automobile? In other words, how much chance is there that the whole thing is only a fad that will die out when faced with the harsh economic facts?

7. How much impact would an information utility have on our mobility habits? By way of analogy, the automobile made the suburbs possible, with walking for any purpose other than exercising the dog becoming regarded as strange behavior. (A man in Los Angeles was once stopped by the police because he was walking down a street in a residential neighborhood. Very strange!) If the idea of an information utility were to catch on in a big way, it would significantly reduce the number of occasions for people to leave their homes. Already shopping centers are being built around automotive needs as the center, with such things as grocery stores being essentially satellites of the gas station. Could something like that, translated to computer terms, happen with the information utility? What form might it take? How would the good and bad aspects balance? For example, would supermarkets begin to disappear, to be replaced by telephone shopping to a computerized warehouse? Serious and wide-range thinking about these effects is very much in order right now. What will our daily lives be like a generation from now if all the things that some enthusiasts have predicted for the information utility should actually occur?

8. Can security and privacy be protected effectively in such a system? Systems which are much less extensive and ones with elaborate security provisions have been broken by clever college students.

9. Could and should the owner/operator of the information utility be enabled to use the information flowing through his system, such as analyzing buying patterns for the benefit of stores, or for selling as mailing lists?

10. It has been proposed that the marriage of computers and communications makes possible what has been called the instant national referendum, in which people would be presented with a question of importance via TV, to which they would respond by pushing appropriate buttons that would enter their answers into a computer for tabulation. There doesn't seem to be too much doubt that it could be done; the question is whether it is desirable. Could the issues be presented adequately in this way? Would such ease of voting overrepresent the casual opinions of people who didn't really understand the issues? One of the advantages of the relatively clumsy procedural requirements of legislatures is that they reduce the incidence of bad laws which might be passed in response to momentary issues of passion. Would the legislative process as we know it survive the use of computers and communications facilities to produce fast response on current issues?

11. A service of the type under discussion might not be terribly expensive, but it could hardly be really cheap either. Would this not spread the gap between the haves and the have-nots? Should public policy dictate some form of subsidy so that the new service could be available on some minimum basis to everyone? Would minority groups suffer loss of power?

12. How much danger is there that the whole system, which would naturally be a vast undertaking, would come to be looked upon as Big Brother? How much effort would there be to sabotage the system, and how well could it be protected against sabotage?

13. Might a good information utility bring back the "town meeting" in a new form, to be sure, but with direct citizen participation in local government? Would such a system permit filibustering? Would it speed up or slow down the pace of government?

14. How much danger is there that the contents of the data banks available to the public would come to be, in effect, a definition of the truth on those subjects? It is instructive to recall that the Department of Defenes was able to mislead the entire United States public and almost everyone in the United States government about the bombing in Cambodia simply by producing computer printouts falsely describing the targets that had been hit. Naturally, the power to control information flow is always subject to abuse and must sometimes be held answerable to public regulation—computers or no. But new technology often reveals new facets of old problems. Is this such a case?

2. COMPUTERS AND MONEY

Background. Rapid changes are taking place in banking and related fields, such as credit cards and department store record keeping. Credit card transactions, even for relatively small amounts in some cases, are routinely checked against computer-based files before the credit is granted. Banks increasingly have on-line teller terminals and unattended banking facilities. Point-of-sale recorders for retail establishments are currently an exploding market.

Questions

1. Is a new definition of money needed? The checkless and/or cashless society will not take over 100 percent of money transactions soon, if ever, but something in the range of 50 percent is easy to imagine within a decade or so. Under such conditions, whole new sections of law would have to be rewritten. (The current Uniform Commercial Code, which governs most such matters, does not contain the word "computer.")

2. Is the trend toward stock "certificates" that exist only in computer form a good thing? Are new laws needed to control this?

3. Are these really policy questions, or is it more a matter of public acceptance of computerized records? What *is* the present public attitude?

4. What are the privacy implications of the Electronic Funds Transfer System being urged by the Federal Reserve Board? With all information that is now written on a check being in electronic form, it would be a simple matter to collect information on, say, the contributors to political groups considered to be nonconformist. If this information is acquired through a federal agency armed with a subpoena, it might be perfectly legal—but is it desirable? Would fear of such surveillance strongly inhibit many people from supporting nonconventional groups? If such a system were tied in with point-of-sale recorders in stores, it would be a simple matter to tell where a person is at the time of any transaction, and thus, also, develop a record of an individual's travels over a period of time. This is much more difficult (and therefore less likely to be done) under present methods. Are the banking and economic factors strong enough to outweigh such considerations? In other words, is the system really needed, as seen by the individual consumer/citizen?

3. COMPUTERS AND ELECTIONS

Background. Computers have an impact on several aspects of the voting process. As everyone knows, they are used to predict the outcome of elections on the basis of early and fragmentary returns from districts that have proved in past elections to be good predictors. A computer is used to tally votes in the House of Representatives. Computers play a role in opinion surveys that often seem to be self-fulfilling prophecies. And a modern campaign for a major elective office cannot be run without a computer to generate mailing lists and otherwise keep records. There has been much talk of a national individual voting system through terminals in the home, presumably connected through TV facilities.

Questions

1. Is it good or bad that members of the House of Representatives must be physically present on the floor in order for their identification cards to be placed in the voting machine? It would obviously be possible to place vote-recording devices in each Representative's office, but would the presumed benefit of faster voting and less time wasted walking through corridors more than offset the drawbacks of uninformed voting, for instance, that might result?

2. The Presidential elections can be "called" by the sophisticated prediction programs that analyze returns from just a few key districts. The prediction of the outcome, in fact, can often be made long before the polls close in the western states. The effect is indirectly to disenfranchise the western voters, since they can see no point in voting in an election that has already been won. But what if the election was really close, so that all the people in California and Hawaii who decided not to bother going out to vote might have swung it the other way? Is that democracy? Or how about the local elections that are slighted because the voters no longer have a Presidential race to draw them out to the polls? Should ACM go on record as urging that no national predictions be made until all polls are closed everywhere in the nation?

It has been pointed out that to enforce such a ban could be interpreted as a violation of the First Amendment rights of the press; is this a valid objection? If it is granted that there is a problem here, are there better solutions than a ban on predictions?

3. A computer is a very powerful tool, and as Francis Bacon said, knowledge is power. If one side has access to a data bank of potential contributors, simply because it has more money, is democracy being well served? Does the use of the computer make it easier or harder for a candidate to say one thing in one district and something else in a district with different ethnic and economic characteristics? Should there be some equivalent of the equal-time law, whereby each candidate is somehow guaranteed some minimum amount of computer power?

4. Are there ways that computers might assist in the legislative process, at any level, other than by computerized voting? One thinks of the imbalance at the federal level between legislative and executive access to computers for research, information retrieval, and computer modeling, for instance.

5. Most national elections are participated in by only 50 to 60 percent of the eligible voters. Could computerized voting raise this to 90 percent? Could the registration process, residency requirements, and other procedures that are designed to prevent a person from voting more than once all be eliminated by a single vote to a computer? Would such changes have any impact on the efforts of those who would like to reform the Electoral College?

4. COMPUTERS AND EDUCATION

Background. At one period in the nineteen sixties it was widely believed that the use of computers would revolutionize education. Students were pictured sitting at typewriters connected to computers, the computer interacting with the students to provide at least as good instruction in some areas as a human teacher, at less cost. Such systems have turned out to be much more expensive than expected, and it has developed that writing the computer programs required is a very difficult task and that there are not very many people who can do it well. There have been some successful experiments, but the idea has not gone far enough to establish whether or not it would be educationally sound and economically feasible if carried out on a large scale.

Questions

1. Is the promise still great enough that the effort should be continued, with attempts to get adequate support from governments and foundations?

2. If any such system did catch on, how would the function of the teacher change? Most investigators in this area see no reduction of staff, but if teachers are dragging their feet, is it because of fear of unemployment or because of resistance to change?

3. Might dispersion of the educational process be one outcome of a success in this area where students spend more time at home and less in school? If so, would that be good or bad public policy?

4. There is some question whether handheld calculators are to be defined as computers, but there is no doubt that they will have a concrete impact on education at the college and high school levels. (Instructors already have to rule on whether calculators are permitted on exams.) Is this trend to be deplored or encouraged? Are calculators simply supplementing not-too-important arithmetic skills, leaving the students free to concentrate on more important ideas? Will their use lead to a nation of people who can't add or multiply without mechanical assistance, and if so, is that good or bad?

5. THE COMPUTER AS A METAPHOR FOR HUMAN SELF-UNDERSTANDING

Background. Joseph Weizenbaum, in an article in *Science*, 12 May 1972, developed the idea that computers give us a new way of thinking about ourselves, much as the microscope changed the view of disease or as the synthesis of urea in the 19th century proved there is no essential chemical difference between organic and inorganic processes. The first example weakened the notion that disease is a punishment for sin, and the second struck a major blow for evolution—both have greatly altered the way people look at themselves.

Weizenbaum, drawing on the work of Berger, Luckman, Mannheim, and others, in what is called the sociology of knowledge, suggested that the computer may provide us with a new way of seeing ourselves that will be of greater impact than anything that has ever happened before. Here again the strange paradox of compartmentalized thinking shows itself: people think less highly of themselves as they see computers playing passable chess or predicting the weather, yet they are willing to believe almost any excuse that involves some such statement as, "It was a computer error."

Weizenbaum also discussed the phenomenon of the inevitability of technological growth described by Jacques Ellul in *The Technological Society*. People ask, Will it work? when they ought first to be asking, Should it be done at all?

Questions

1. If the notion of computer as one metaphor for human self-understanding is correct, this factor could easily be more important in the long run than anything else discussed here. But is it a primary effect, or is it a lesser side effect? Is it a public policy question? Is there anything a lawyer or a legislator could do about it? Might ACM try to provide a document on the issue for the use of writers (editorial writers, novelists, essayists, etc.), and then attempt to get it widely distributed? Or is the best procedure simply to do our job right so that there will be as few *false* "facts" as possible for writers to draw upon?

2. Is the point true? Is the analogy between the microscope and the computer valid? Are there factors working against a sense of identity between people and computers?

3. One of the central features of the theory of the sociology of knowledge is that institutions, which are after all human creations, come to be objectified and then impact people as though they had an objective existence independent of their creators. For example, government is only people—what else could it be? But that isn't how it *feels* at income tax time. Is there a computer analogy? Does the often-heard phrase "the computers says" signal the beginning of an era when computers will be the most independent of all human creations? Is that good or bad? If bad, can it be stopped?

4. Might computers some day "outthink" human beings, perhaps by formulating a natural law that fits the facts but which cannot be proven or disproven by human thought processes? If this were to happen, what would be the impact on human self-understanding?

5. One of the side effects of the requirements of computer programming has been an enforced logical review of processes in organizations, since programs so far can usually deal only with ordered and quantified processes. This is a proliferating side effect. Is it widely recognized? Is it good or bad, on balance? Does it lead to an identification of the real with the quantifiable? Should it be exploited or guarded against?

6. Is society dependent upon repetitive processes for its own sanity? If all "mundane" acts, such as washing cars, threading nuts on bolts, etc., were left to the control of computerized systems and only creative tasks were left to human beings, could society survive? More concisely, the question is: Can we sustain continuous creative thought, or must it be interspersed with routine tasks—tasks that are rapidly being automated?

7. There is a concept of the "tyranny of small decisions" that seems to indicate that a number of small, relatively trivial decisions early in a process reduce the options and alternatives available later at a policy level. Bureaucratic structures exhibit this process. If computer systems come to handle a larger and larger share of small decisions, would they, in this fashion, constrain policy options in a way that would impact on human self-understanding?

6. COMPUTERS AND PRIVACY

Background. One of the most widely discussed issues relating to computers is that of data banks and the individual's right to privacy. As this is written, half a dozen bills on the subject are before Congress, TV documentaries are being devoted to it, and articles appear weekly in both trade journals and the general press.

As with most questions of public policy, the problem is not whether a particular right is legitimate but that it comes into conflict with other rights. Although the absence of precise definitions poses a difficulty in itself, most people would agree that an individual has some right to keep information about himself from inspection by the general pub-

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lic, assuming the purpose of doing so is not in the service of criminal acts. The conflicting right is that of society as a whole to have certain kinds of information that contribute to the general good. For example, most people would agree that a person should not have information about criminal acts in his distant past held against him forever—yet statistical (non-individualized) information about crime trends is usually thought to be valuable. Since maintaining the data needed to provide statistical trends holds the possibility of abuse of data about individuals, the two rights are in conflict. Finding a proper balance between these goals is one of the most difficult aspects of this issue, and yet it must be attempted.

Questions

1. Some of the questions that have most commonly arisen in the discussions of data banks include the following. What right should the individual have to ascertain whether the information about him is correct and to force correction of errors? What penalties, if any, should be imposed on administrators of data banks for disseminating false information about an individual? What right does the individual have to know what collections of data about him are in existence? What kind of time limit should be placed on the holding of damaging information about an individual, such as his past criminal record? Who has a legitimate right of access to information about an individual? Does an individual have a right to know who is given access to data about him? What safeguards need to be placed on the interchange of information by various agencies holding data about an individual? Should this interchange be deliberately curtailed by prohibiting the use of a universal identifier such as the Social Security number? Does Congress have a clear Constitutional right to regulate the interchange of data between state agencies? (In what way does data fall under the Interstate Commerce clause, for example?) Does Congress have the power to regulate the use of personal information by individuals? By corporations? What are the First Amendment limits?

2. Do we have an adequate definition of "privacy"? I have no objection if my bank branch manager looks at a computer printout for information about me before approving my loan, but I object strenuously if he shows that printout to anyone else, including bank employees who have no "need to know." And I object if a large number of government agencies claim a "need to know" when I am unable to understand the basis of the "need." On the other hand, the right is surely not absolute: if someone wants to record my habits in walking my dog on a public street, I may be annoyed, but I can't really stop him so long as he doesn't actually harass me. Where does one draw the line? Exactly what is the "right" to privacy?

3. Some kinds of statistical surveys seem so obviously beneficial for the greater good that a small loss of privacy is clearly negligible. The Public Health Service needs to know about an epidemic as soon as the possibility shows up. But what if the epidemic in question is VD; does society have a right to force people to disclose sexual partners? And even then, are permanent data banks necessary?

4. The conflict between privacy and legitimate public knowledge has existed for ages, going back at least to the Hebrew prophets who shouted from the housetops secrets that kings would have preferred to keep to themselves. Has the advance of the computer changed this situation materially, or is this, too, just a case of providing a better tool for something that has been going on for ages? If it is the latter, are there any really significant public policy issues? Recent studies have certainly suggested that there is a problem, but in those studies was the right of society to know given a fair defense in its opposition to the right of privacy? Or, granted that both goals are good, does the coming of the computer nevertheless demand new rules and a better understanding for working out satisfactory compromises?

5. Implicit in many discussions of data banks and privacy is an assumption that the information in question does need to exist—that the only *issues* are things like accuracy, longevity, and rights of access. But should it not be asked in each case whether the data needs to be gathered in the first instance? Should not the very existence of the collection of information have to be defended in terms of the benefits to society?

7. COMPUTERS AND EMPLOYMENT

Background. The impact of computers on employment has been a major concern of many people, especially labor leaders, since the earliest days of the computer era. Although computer work has created hundreds of thousands of new jobs, it has eliminated or modified a great many others. Even if computing has created more jobs than its has eliminated—and the statistics do not make this completely clear—some of the individuals displaced have found it difficult or impossible to retrain for new work.

Questions

1. The introduction of new technology always creates some displacement of workers, as old skills become less important and new ones become necessary. Are there differences in this case the require explicit public policy responses?

2. What in fact has been the net impact of computers on employment? Why are the statistics so hard to assemble? Is it a question of definitions? Are there too many cases where a diversity of factors is at work, making it hard to separate causes? How serious is the ambiguity caused by lumping "computers" with "automation," recognizing that, although most automation does involve computers, the two are not identical?

3. What does the pace of technological change in computing do to the job security and the retaining needs of workers within computing? How rapidly does a skilled and capable computer person become obsolete if he does not constantly engage in continuing professional education?

4. How much impact has the introduction of computers had on job conditions and job satisfactions? Do a great many workers feel that they are merely cogs in a machine? Do many feel that the opportunity to exercise individual initiative and creativity has been decreased to the point of overwhelming boredom in their work?

8. COMPUTER LITERACY

Background. The general public seems to hold two diametrically opposed views. (The ability to compartmentalize one's thinking in this way is well known from psychological studies.) On the one hand, most people will accept at face value statements that their credit card bill, their bank statement, their airline reservation—whatever—got fouled up "because of the computer." (Whether it is true occasionally is not the point here.) On the other hand, most people will quickly believe the most outrageous ideas if it is emphasized that the work was done with a computer. No matter that the results are false or trivially obvious; no matter that the same false or trivially obvious results could have been obtained with pencil and paper—the computer said it, and the computer never lies. The notion that a computer can only follow an algorithm that defines the procedure in total detail and that a computer can do nothing that a person, given enough time, could not do, simply has not penetrated the public consciousness. As a result, some very strange assertions have come to be common "knowledge." (For one random example, many people seem to believe that it would be simple to get a computer to beat Bobby Fischer at chess: "You just have to program it.")

Questions

1. Who is at fault here? Did we do too good a job in the fifties and sixties with "gee whiz" speeches? Is the public so gullible that it will believe anything whatever as long as it is intoned by a man in a white lab coat who has computer printouts in his hand? Is it somehow in somebody's interest to perpetuate this kind of misconception?

2. Who could best do something about it? Should we in the profession go to work, speaking at schools and Rotary Club meetings, and meetings of other professional societies? Should we be encouraging the writing of good solid books for the layman? Should we send a delegation to visit the major publishers of secondary school books? Should there be a drive to make a "computer appreciation course" required for every college graduate? Could such a course be developed, so that, taught by thousands of instructors (some of whom are not themselves very well informed), it would still accomplish the purposes? Exactly what should be in a text for such a course? Is some direct computer experience an essential part of such a course, as many believe?

3. What can be done in the short term to help enlighten key people in important decision-making positions? As one example, judges who, without specific background in the subjects, have to rule in antitrust cases involving computer companies, decide the admissibility of computer printouts as evidence, evaluate computer software for taxation purposes, and the like.

4. One manifestation of the problem of computer literacy is the willingness of some people to accept fantastic claims for such things as computer-manufactured horoscopes and computer dating. We recognize that many people believe in astrology and that computer dating sometimes works out just fine, but we deplore the use of computers to defraud people who become convinced that computers can do things for them that if not impossible are, in any case, worth much less than is being charged.

What should the role of the professional organizations be in such abuses? What is the proper role of government? (Some states are already acting, either through the passage of laws or through intervention by their Attorneys General.) Can the problem be effectively attacked by attempting to educate the public directly? On the other side of the coin, is there a question here of the First Amendment rights of companies engaging in such activities? That is, is there a sense in which the exercise of computer power is an exercise of free speech?

9. COMPUTER SCIENCE AND DATA PROCESSING EDUCATION

Background. From a point a mere 20 years ago when there were no formal courses in the design or use of computers, we now have dozens of schools offering Ph.D. programs, hundreds offering full programs if not actual degrees at the bachelor's level, and many hundreds of schools at the two-year level offering training in programming or computer operations, plus some hundreds of commercial concerns offering training in programing or computer operations.

Questions

1. Are we training the right number of the right kind of people? Are there too many or too few Ph.D.s in computer science? Are they trained in areas where they are most needed? Is the average computer science graduate too heavily oriented toward theory that will be out of date in a few years? Is his training too theoretical, or is a highly theoretical training the only way to avoid the rapid obsolescence that would follow upon a too-practical sort of education?

2. How much responsibility do the schools have to lead the way in theoretical advances such as better languages, compilers, sorting methods, etc.? Are the schools closely enough attuned to the real needs of the field to judge wisely what to concentrate research upon?

3. Are the schools at the two-year level, as well as the commercial data processing schools, turning out students who are employable? Are they attracting minimally qualified students with the lure of high pay, only to produce graduates who cannot really perform? If so, is that altogether bad? (Such students may still be benefited in other work they turn to.)

4. How much governmental regulation of data processing schools is desirable, and what kind? Should there be restrictions on the kind of advertising permitted? Should there be enforced standards on who can enter, to prevent the schools from taking money from people who are grossly underqualified? Should course content and amount of computer time be regulated? How does one balance the need to regulate unscrupulous operators of the worst schools against the legitimate right of freedom to carry on a business? Should the professional associations take a position on certification of schools?

5. Various groups from time to time propose curricula for various types of training. These are beneficial when used intelligently, and harmful when followed slavishly. They have a very strong influence on book publishers. Without suggesting that there have been serious flaws in the past, is there any way the job can be done better?

6. Should professional organizations in the computer field become involved in the accreditation of academic programs and departments, as is done in some other technical fields?

10. LIABILITY QUESTIONS

Background. The computer is at the heart of many businesses. A few businesses have already gone bankrupt because of irremediable computer foul-ups, and if rumors are to be believed, a lot more have come close. Since a computer does so much in a short time, and since so much data is concentrated in one place, the computing function becomes crucial, and the people in it have a great responsibility as well as a great opportunity for mischief, malicious or not.

Questions

1. Who is responsible when computer programs fail? The system designer who may not have adequately defined the job? The programmer who made a mistake which he failed to catch because of inadequate program testing? The manager who did not allow enough time for proper testing? The computer operator who, although it was not his prime responsibility, did notice what he thought might be a problem—but said nothing? Regardless how these questions are resolved, are there public policy issues here? By analogy, a worker who shuts down an automobile line for a couple of hours because of some kind of carelessness may be reprimanded and/or fired, but he does not come into legal problems unless the act was deliberate and malicious. If a system designer or programmer makes a big blunder, how can anyone determine objectively whether or not it was deliberate?

2. Who should be held responsible if a poorly-secured time-sharing system is "burglarized" by an employee of a rival time-sharing concern who had made proper arrangements to be a paying customer? Is it a public policy question that some users occasionally find ways to defeat the accounting system so as to get free time from a time-shared computer? If a time-sharing customer finds a way to defeat data protection features and gains access to data other than his own, has he broken any law? If no present law covers such a situation and a new law were to be drawn, whose interests are primary—the management of the time-sharing concern or the customer whose data was copied? Is the law supposed to try to determine what the intentions of parties were, if those intentions were not spelled out contractually?

3. Should those who provide computing services be held responsible to consumers? Should the store that ignores your notification of an error in your bill, caused by programming error, be penalized? Where does liability lie if a lawn-mower produced by a computer-controlled factory explodes? Could a firm ever be held liable because it did *not* use a computer when such use would have prevented injury to a consumer?

4. The Uniform Commercial Code imposes an implied warranty of fitness of goods. Is this applicable to computer programs, or should it be?

5. Would the licensing of programmers and other computing personnel be a useful approach to some of these problems?

11. MONOPOLY CONSIDERATIONS

Background. Questions of the size of computer firms have been a part of the field since its origins, a government suit against Remington Rand and IBM having been filed in 1943. Domination of major product areas by three or four firms is true of most American industry; why the computer field should have been dominated by one firm is unclear.

Questions

1. Is there something about the computing field that inherently pushes it toward bigness? Is the investment for entrance required so high that only firms with huge capital resources can succeed? The experience of RCA and General Electric would seem to argue in that direction, but the success of Control Data Corporation and Digital Equipment Corporation argues the opposite.

2. How bad is bigness? There are clear advantages in terms of support of research and development, and clear social disadvantages in terms of withholding new developments until investments on earlier projects have been recovered. Thinking only of technical and financial factors as seen by the customer and therefore by society, is bigness good or bad, on balance?

3. If a computer company is to be "broken up," on what basis should it be done? If done along hardware size lines, rapid changes within the field may turn the newly organized group of companies into merely a different form of monopoly. If done on the basis of the split between hardware and software, the effect would be to create a new monopoly in the software area, since hardware will continue to become less and less important in relation to software.

4. How should the data processing field be defined? (The impact on antitrust enforcement is significant.) Does IBM supply computers or problem-solving power? Do disk storage devices constitute a separate market from computers in general? If antitrust legislation is to be applied to a variety of submarkets, what are they and how—from a public policy standpoint—should they be defined? (For example, if disks and tapes are considered to be separate markets of the same size, then a firm that sells 80 percent of all disks but no tapes would have most of the disk market and perhaps be monopolizing it, but if disks and tapes are considered together, the firm would be selling only 40 percent of the total.)

5. If we face an extended period of litigation on this issue, how should the costs be allocated? Defending an antitrust suit can cost tens of millions of dollars—is it in the public interest that a company should have to bear all this cost? On the other hand, is the Justice Department adequately staffed and budgeted for the task?

12. COMPUTERS AND PATENTS/COPYRIGHTS TRADE SECRETS

Background. Much work is being done on the question of protection of the rights to intellectual property. Patent and copyright laws are both overdue for the major changes that will be enacted in the next few years, quite apart from the special problem of the protection of programs and data. On these latter topics it has to be said that there is confusion about what a patent or a copyright protects, and about how the content of the intellectual inventions is to be expressed.

Questions

1. Not everyone agrees that computer programs (software) should be protected, by any method. What are the countervailing arguments? Would extensive patenting of programs inhibit growth? Could licensing fees be held low enough that the root meaning of patent ("open") could come into play?

2. Generally speaking, the real content of what a developer would want to patent or copyright is the algorithm that expresses it. (An Algorithm is a precisely defined sequence of processing operations that leads to the solution of a problem.) An algorithm can be expressed in English, in the graphical form of a flowchart, or in any of the dozens of computer languages—and still be the same algorithm. How can a judge and a jury be expected to understand this and thus make an intelligent decision, faced with, say a Fortran program, a flowchart, and an English description—all representing the same algorithm? In short, how *should* algorithms be represented so as to bring about the most fair administration of justice? Would it be useful to experiment with "technological courts," or with special masters appointed by a judge to take specialized evidence?

3. The concept of data and ideas as intellectual property is well established in law. Stealing a trade secret by photocopying a blueprint, for instance, is clearly illegal, and it is no defense to say that nothing was stolen since the owner still has the use of the original. In at least one case, in California, a court held that theft of a program from a computer by telephone was a criminal violation of the trade secret laws.

Yet there seems to be some uncertainty how these concepts apply to new technology. It is perhaps not yet fully understood that data is an abstract concept having almost nothing to do with the form of its representation. Whether a firm's confidential data exists as marks on paper, holes in cards, magnetized spots on disk or tape, charges on capacitors—or in somebody's head—is largely immaterial. This and related notions will come to be well understood in time; is there anything that might be done to speed the process?

4. Have we in the computing profession done our part of the job providing clear and concise definitions of important terms such as data, program, and algorithm?

13. COMPUTERS AND ELECTRONIC TRANSMISSION

Background. The demand for good facilities to connect terminals to computers and computers to each other is now becoming acute, as the volume increases exponentially. It has been estimated that 5 to 10 percent of all telephone use is now for data, and that the figure will be closer to 50 percent within the decade.

Questions

1. Are present rate structures appropriate for a world where half of all telephone use will be for data communications? Should rate structures encourage or discourage increased use of computer-to-computer communications, with their very high data rates? Should charges be made on the basis of time or of the amount of information transmitted? Should heavy users over relatively inexpensive routes be required to subsidize users in remote locations that cost more to service?

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(That is essentially the present situation, whether for voice or data communication.)

2. Should the communications companies have a greater responsibility than they do now, to provide service with as few errors as possible? Or is it enough that they publish error characteristics of the various types of service and leave the user to make the choice that is most appropriate for him? If the communications companies are ever to be held responsible for errors in transmission, how could the blame be established and apportioned?

3. Would it be good or bad public policy if the computer manufacturers went in for communications gear and the communications people went in for computing services (such as selling unused computer capacity at off-peak hours)?

14. COMPUTERS AND NATIONAL DEVELOPMENT

Background. Most of the developing nations, often described as the Third World, are seeking actively to achieve levels of industrialization closer to those of Europe, Japan, and North America. We may hope that they will be able to imitate only our successes and not repeat our mistakes, but in any event it is clear that rapid development is their goal. With annual per-capita incomes of under $200 in many places, and with relatively trivial amounts of support coming from the so-called developed nations, development will be difficult since under these conditions it is hard to accumulate the capital needed for industrialization.

Questions

1. Is there some way that computers can help to accelerate the development process, substituting somehow for a part of the missing capital?

2. How should the developing nations seek to acquire the expertise needed to run successful computer operations? Through sending people to classes in the developed nations, and hoping they come back? By encouraging business arrangements that bring into the country experts who then spend much of their effort on training? By trying to use packaged programs to lessen the need for trained and experienced programers?

3. Is it ever advantageous for a developing nation to try to build its own hardware? (Some people in the subject countries apparently would like to do so, somewhat on the model that says every new nation must have its own airline.)

4. What applications should be attempted first? Those that are the easiest and therefore most likely to be successful, or those that are most needed? (Only by good luck will these be the same.)

5. Is it wise for a developing nation to attempt macro-economic planning by computer, much as it may be needed, considering how difficult it is to do right?

6. To what extent will the rapid introduction of computers accelerate a trend toward homogenization of cultures, destroying local customs and traditions? (It is not always clear whether the nations in question want to avoid this process.)

7. Computer applications of greatest benefit to a nation with an anual per capita income of a few hundred dollars will probably not closely resemble those of a nation with an income of ten times that amount. Does this pose problems for the developing nations in deciding what computer application to attempt, or in getting the assistance they seek? Does it create difficulties for those in the developed nations who might wish to help the developing nations? Might it be possible to set up a kind of Computer Peace Corps?

15. COMPUTERS AND SOCIAL POWER

Background. It has commonly been asserted that computers contribute to the concentration of economic, social, and political power. On (oversimplified) example of the concentration of economic power might be that the biggest institutions are best able to afford computing services, which then help them get bigger in a "them that has, gets" syndrome. (This is not an argument against bigness per se but an argument against unfair competition that bigness sometimes generates.) An example of concentration of social power might be the credit organizations' data banks, which apparently have great impact on people's lives. These existed before the computer, to be sure, but their present capabilities would be impossible without computers. An example of political power might be the disparity between the use of computers by the Executive and Legislative branches in the United States government, and the use of a computer by a well-financed candidate to generate mailing lists and "personalized" letters or to analyze neighborhoods to establish what each subgroup wants to hear.

Questions

1. Are the assertions above even true? There have always been imbalances of power and always will be. Has the advent of the computer really changed any of that, or has it just added another tool to techniques that were in use long before the computer age?

2. If they are true, even in part, what should be done about it? Should each candidate for national office be guaranteed by law to have access to a certain amount of computer power? It is hard to imagine how it might be done, but should small companies be granted a right to some of the power available to the big company? Or consider a regional planning association that is using computer modeling to guide its planning. Should it be public policy to require that countervailing groups be given access to the computing facilities, including the necessary programs, to test their assumptions?

3. If the concentration of power argument is accepted, what agency of society should police the efforts to equalize the imbalance? Trade associations? Major political parties? Congress? Professional organizations in computing?

4. If some equalization process should be decided upon, how would the security aspects best be handled? If the same computer firm is preparing voter mailing lists for both Smith and Jones, how are loyalties to be defined and policed?

5. In many important instances a computer in itself is of little value; what is important is the access to a large "data base" of information that could not be effectively processed without a computer. In other words, the computer and the data base, in these applications, would be useless without each other.

Many of the other problems considered in this report are of a like nature: in one sense the computer isn't really the issue, and yet the issue would never arise without a computer to make the application possible. How do we properly address such an issue in the context of "computers and public policy"? In one sense perhaps computer people have no "jurisdiction" since the computer is only an adjunct to the real issue, and yet if everyone defines his field of competence so narrowly the whole problem will fall into the cracks.

Perhaps this is just another way to approach the age-old puzzle about the degree of responsibility that the maker of a tool should have for its use.

16. GOVERNMENT SUPPORT OF COMPUTER RESEARCH

Background. Government support has been heavily influential in the development of computers. For instance, punched card data processing equipment was developed for the 1890 United States Census, and one of the earliest electronic computers was dubbed The Defense Computer because its production was spurred by the needs of the Korean War. Many pioneering ventures over the years were either developed directly for military purposes, or financial at academic institutions with military or National Science Foundation support.

Questions

1. How much governmental support of computer research and development is desirable? Does financial support come with too many strings attached? Does governmental support carry the risk of distorting research priorities?

2. Without governmental support over the years, the computer field would be far less advanced than it is now. Most people in the computer field would probably find government support to be a good thing, on balance. Should support at such levels be continued in order to spur further growth? If so, through what agency or agencies should it be channeled? How can effective pressure be brought to bear to obtain the needed support? On the other hand, some projects in the past have been much more productive than others. Can the evaluation of promising projects be strengthened?

3. Would government support of computing be more effective if it were decentralized, with less control being exercised by a few agencies?

EPILOGUE

These are some of the more pressing issues involving computers and public policy. It is not an exhaustive list, and it will change with time. Some of the issues will be dealt with in legislation that will be passed within coming months, and in that way they will be solved at least for the time being; others are not the sort of things that can be handled by law in any event, and will be of concern for many years. A similar list drawn up five years from now will no doubt contain a different set of issues, as some problems are resolved and new ones develop. This is to be expected in a new and dynamic field whose ramifications extend into almost all parts of society.

The hope in writing this paper is that, by clarifying some of the issues for a readership with a variety of backgrounds, faster progress will be made toward finding solutions that will benefit the most people.

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COSMETIC SAFETY

Mr. EAGLETON. Mr. President, for the past 2 years, a Food and Drug Administration Advisory Review Panel has been studying and evaluating the safety and effectiveness of over-the-counter antimicrobial drug products for repeated daily use. In the course of its deliberations, the panel has concluded that certain antimicrobial ingredients are not generally recognized as safe, and therefore should not be used until evidence to substantiate their safety is developed. Hexachlorophene is one such ingredient.

Several of the ingredients the safety of which the panel has questioned have been included in cosmetics as well as over-the-counter drugs. The most obvious example is the deodorant soap, legally classified as a cosmetic. While the Panel's jurisdiction does not extent to cosmetics, the advisory group has expressed its concern that unless some regulatory action is taken, there is nothing to prevent the use of these dubious ingredients in cosmetics.

As I have stated earlier, I plan to re-

introduce the Cosmetic Safety amendments in the near future. This legislation would deal with the problem raised by the advisory panel. It would give the Food and Drug Administration express authority to make certain that antimicrobial ingredients of questional safety will not be marketed in cosmetics.

Consumers of cosmetics, no less than consumers of over-the counter drugs, deserve protection from the risks posed by products containing these ingredients. The panel's warnings underscores the need for legislation in this area.

Mr. President, I ask unanimous consent that the panel's recommendations as contained in Food Drug Cosmetic Law Reports be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Because of the information called to the Panel's attention they have been concerned that routine use of antimicrobial soaps may have a long-term harmful effect by reducing the protective effect of the normal skin flora. It is possible that contrary to what might be expected from an antibacterial product that certain bacterial infections due to gram-negative and streptococcal organisms might be increased, rather than decreased. If this is proven to be true, the deodorant benefit would probably be considered outweighed by the potential hazard. In addition, because these chemicals are absorbed into the bloodstream, the Panel is concerned about the prudence of exposing the entire body surface to these chemicals when alternative methods of odor control are available.

The Panel has been particularly concerned that some soap and detergent bars containing antimicrobial ingredients for which only deodorant claims are made are classified legally as cosmetics rather than drugs. These products are formulated with ingredients which have been placed in Category III by the Panel but which will be moved to Category I or II at the end of the period allowed for submission of data to prove safety and effectiveness. These products are now in Category III but might be moved into Category II in the future, if the Food and Drug Administration concludes from the data before it that they are not generally recognized as safe and effective. However, the data might not support a finding that they are adulterated cosmetics, thus there is a risk that these products may continue to be marketed as cosmetics without adequate substantiation of safety.

Regardless of the legal classification of these products, it is important from a public health standpoint that they be subject to the same strict requirements for safety and effectiveness as the drug products which the Panel has reviewed in this Report.

As long as the antimicrobial ingredients of these products are effectively regulated, the Panel is not concerned whether they be classified as cosmetics or as drugs. If, for example, a regulation can be promulgated imposing the kind of testing requirements recommended in this Report upon all cosmetics containing antimicrobial agents at levels higher than those necessary for preservative use, the Panel's concerns will be met. If it is not possible adequately to control products classified as cosmetics in this way, then the Panel would strongly recommend that the Food and Drug Administration institute whatever action is necessary to reclassify cosmetic products containing antimicrobial agents as drugs.

In the view of the Panel, the Food and Drug Administration should take this regulatory action in the near future. If it turns out that the Food and Drug Administration has no legal basis to require that cosmetic products containing antimicrobial ingredients be adequately tested for safety, the Panel would urge Congress to furnish the necessary authority.

MICHIGAN'S ECONOMIC FUTURE

Mr. GRIFFIN. Mr. President, recently Dr. Paul W. McCracken, former Chairman of the Council of Economic Advisers, appeared before the Detroit Economic Club.

Dr. McCracken, now the Edmund Ezra professor of business administration at the University of Michigan, spoke on the subject of "A Strategy for Michigan's Economic Future." I ask unanimous consent that a copy of his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A STRATEGY FOR MICHIGAN'S ECONOMIC FUTURE

(By Paul W. McCracken)

In other appearances before this Club I have addressed myself to national economic problems, and my initial inclination was to follow along the same track this time around. In spite of speakers having laid out here repeatedly and even confidently the answers to our economic difficulties, enough problems remain for another 30 minutes of attention. Moreover, we also know that Michigan's economic destiny depends heavily on the vitality of the national employment and income picture. For Michigan, as used to be said for Europe, when Uncle Sam sneezes we get pneumonia. Thus another try here at getting national policy on course would be quite germane to the problems of employment and production here at home.

This time, however, a look at our own situation seemed to me to be in order. While good advice to Washington always helps to clear the Michigan economic atmosphere, Washington has a way of remaining remarkably unmoved by advice delivered from even this podium, and there is no reason to think that another edition would meet with a better fate. That underscores another lesson often forgotten—namely, that things are more apt to happen when people start to do something themselves to make things happen. Thus my remarks will have to do largely with whether a strategy can be devised for our own economic future.

I

A few quick comments on national economic policy may, however, be in order. (No one who has ever participated in the management of economic policy can ever fully suppress the urge to give Washington advice, often advice it failed to take when he was there.) Besides Michigan is not going to regain prosperity until the national economy resumes a strong and sustained expansion. And these expansions do not just happen through some sort of internal dynamics. The basic path for the economy tends to be the trail blazed somewhat earlier by our economic policies—by the fiscal operations of government and by the monetary policies of the Federal Reserve System. With a projected increase in Federal outlays of $36 billion (which will probably be $45–50 billion when the books are finally closed on FY 1976) and a probable tax reduction that will add $15–20 billion more to after-tax incomes, the fiscal operations of government will be at the outer edge of what it is prudent for the budget to be called upon to do for economic expansion.

That leaves monetary or Federal Reserve policy. During the last quarter these policies have resulted in a 1 percent per year rate of expansion in the money stock. And since mid-1974 the money supply (M_1) has been rising at less than a 2 percent per year rate. This poses two major dangers for the economy. For one thing the probability that we can get a strong recovery going in the latter half of 1975 with this restrictive pace of monetary expansion is low and declining. Moreover, the further weakening of the economy from these restrictive policies will also tend to produce pressures for a hemorrhage of new spending proposals in the Congress to stimulate the economy. Overly restrictive monetary policies make for bad budgets. Both the current economic situation and the need to restrain pressures for larger Federal spending make it essential that the rate of monetary expansion, as measured by M_1, be stepped up to the 8 percent zone promptly. That is above the appropriate rate for the longer run, but we have allowed ourselves to stray far below the basic path that the money supply ought to be following.

Some, probably including some of you here, would be fearful that a more expansive monetary policy would simply unleash inflation again. Both the logic of the problem and experience suggest that this is not a major danger. Even if monetary policy were to produce an 8 percent rate of expansion in the money supply, the visible effects would not start to show up in the economy until after mid-year. And even with a vigorous recovery, the zone of reasonably full employment will not be regained until the latter half of 1977. For at least 2½ years, in short, buyers are going to be in the drivers' seats of most markets. Moreover, after an interlude of disinflation a resumption of rising output is needed to give us the gains in output per man hour that help to relieve the pressures of costs per unit of output underneath the price level.

This, in fact, is what historically has happened. The rate of inflation usually continues high through the recedence phase of the recession, with the greater stability of the price level emerging as business activity resumes expansion. We can now put in place policies to promote economic expansion without fearing that the price level will explode in our face. That is the clear lesson of experience.

ANNUAL RATE OF CHANGE IN CONSUMER PRICE INDEX DURING AND FOLLOWING RECESSIONS

[In percent]

Recessions	12 months before peak	Peak to trough	12 months after trough	2d 12 months after trough
1953-54	0.5	0.2	−0.5	0.8
1957-58	3.3	3.0	.2	1.1
1960-61	1.8	1.2	.9	1.1
1969-70	5.8	5.6	3.5	3.5

Source: Basic data from the Bureau of Labor Statistics.

II

Now to the subject for the day. Pessimism about Michigan's economic future is easy to come by in these murky days. Nationally, let's face it, adding the word "Detroit" to a corporate name does not seem to be a very effective way of raising a price-earnings ratio. "You have in Detroit," sighed a friend of mine at lunch recently in the New York financial district, "some of the best managed banks in the United States, but it is their misfortune to be in Detroit." Instincts for home-town pride immediately come to the surface with such comments, and are all well and good, but the fact is that a lot of people would consider this statement to be so self-evidently true as to be axiomatic. And while Detroit is not the whole of Michigan, the Detroit metropolitan area would still account for somewhat over half of the state's 1974 gross national product of $65 billion or so. (This means, incidentally, that if Michigan were a separate nation, it would rank about seventh in terms of its GNP—well ahead of such countries as Sweden, or Spain or Mexico.)

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Moreover, we do need to recognize that the state's growth rate has again been lagging. The word "again" is relevant because the state's growth did lag behind the national pace during the latter part of the last century. In 1880, for example, the state accounted for 3.3 percent of the national population. By 1910 our share had fallen to 3.0 percent. And during this earlier period when Michigan's share of the national population was falling, incomes here were also almost certainly lagging the national pace. Then followed a period of sustained growth that brought our share of the national population to 4.2 percent by 1950, and that is about what it is today. And Michigan's per capita income has moved ahead, by the early 1970's being about 10 percent above the national average.

Today the Michigan economy is floundering. When sales of domestic cars descend into the 5–5½ million range, as they did by early January, the Michigan economy is inevitably in deep trouble. That is a drop of almost 50 percent from the rate that seemed to be holding solidly in 1973 before the oil embargo. And this has carried our unemployment rates to levels far higher than for the nation generally, and we probably have yet to see the peak. All of this is a familiar story, painfully familiar to many of you, and it requires no belaboring here.

This then is the track that Michigan is now on. Our unemployment rate is at the top of the heap. "Detroit" seems to evoke a response nationally suggesting that it is deemed to be on the wrong side of the economic tracks—instead of being that symbol of industrial vitality for which it once stood.

This, of course, is not the track we want to stay on. On that we would presumably all agree. Can we devise a strategy to make the change? This question *can*, I believe, be answered in the affirmative. Whether it *will* be given an affirmative answer is up to us.

The first step in any strategy for the state's economic future is to recognize that Michigan is an industrial state. This is perhaps an obvious point, but we do well to remind ourselves about it occasionally. If we are to have a strong economic future, it will be because the state's industry retains its historic strength. For Michigan about 44 percent of its personal income is generated in manufacturing. This compares with 27 percent for the whole country. Indeed, manufacturing is the source of a larger proportion of personal income for Michigan than for any other state in the nation.

Michigan is, therefore, the nation's industrial workshop. Diversification is a worthy objective, but an economic base changes slowly. If the Michigan economy is to regain its historic vitality, it will be because our factories are set to humming again. And if the additional job opportunities needed for a growing work force are to be there, they will be there because new plants are built in this state and those already here are further enlarged.

Share of Income Originating in Manufacturing, 1973

Area:	Percent
U.S.	26.5
Michigan	44.7
Indiana	41.3
Ohio	40.2
Pennsylvania	34.7
Illinois	31.4
New York	23.3

Source: "State and Regional Personal Income," Survey of Current Business, August, 1974, pp. 28–43.

III

Many things will, of course, affect the state's economic destiny. If Michigan becomes known as a state that welcomes economic development, if costs of doing business here are reasonably in line with competitive locations, if we exercise reasonable care in the division of revenue requirements between taxes on business and taxes on individuals—all of these will affect the rapidity with which needed new job opportunities are created in the years ahead. And, to repeat, it is the people needing jobs and who cannot readily move elsewhere who have the greatest stake in our pursuing wise public policies generally.

We are, however, at a juncture in history now where the economic future of our state depends to an almost uniquely critical extent on two great issues of public policy. One is energy. The other is the role that the automobile is to play in our future national life. Suppose that we explore briefly each of these in turn.

First, some quick comments on national energy policy. It is clear that up to the oil embargo we were headed toward dangerously heavy reliance on insecure sources of energy supplies, and through some combination of more sparing use and the development of alternative supplies we needed to reduce this exposure. The oil embargo did not so much create this problem as reveal it. Now, in attempting to achieve these objectives we face a fundamental choice between placing basic reliance on market forces and the pricing system on the one hand, and the heavy-handed approach of direct controls such as rationing and allocation on the other. And the latter always turns out to be attractive and beguiling in prospect and bitterly disappointing in its actual results. Finally, the most fundamental requirement of our national energy policy is that it be consistent with orderly, vigorous, and sustained economic growth. It is a strong economy that can make the adjustments and provide the needed capital to develop alternative supplies, not one with major industries in disarray from dislocations that direct-control strategies inevitably produce. For this reason we should not commit ourselves to achieving a specific import target by the end of 1975—to be realized, if necessary, by self-imposed shortages through some prohibition on further imports. It would weaken the economy's capacity for sustained recovery and expansion, and therefore weaken the economy's capability to generate the large amounts of capital that greater energy independence will require. Michigan has a particularly large stake in our not going down the road of rationing, allocations, and other direct controls. Few things have a more lethal effect on decisions to buy a new car than a motorist's uncertainty about whether there will even be gasoline available at all when he heads toward the filling station.

While energy is a national problem, and has produced particularly serious dislocations for us here, it also provides Michigan with an opportunity if we can seize it. The states that turn in a good record of expanding employment and output in the 1970's will be the states that can provide the needed additional energy, and particularly electric energy. The problems are, of course, formidable. Since electric utilities simply convert coal, oil and other primary energy into the more usable energy form of electricity, their rates must rise as prices of these primary energy sources rise, and higher electric bills are never popular. Moreover, the inevitably cumbersome and lengthy regulatory process is inherently unsuitable for dealing with the cost explosions of recent years. Members of our regulatory commissions must, therefore, be leading candidates for the honor of making a living in the most unpopular war.

It is not using language loosely to say that the nation now faces a crisis in electric power. Over $20 billion of construction has been cut back. Postponed nuclear plants alone would have produced enough energy to displace 2½ million barrels per day of oil (about 40 percent of our imports). These cancellations and delay reflect problems ranging from environmental requirements to eroded earnings and the resulting inability to borrow.

Now a problem is also an opportunity. It is not in the American temperament to let this electric energy crisis come at us and do nothing. And it is also increasingly clear that the electric utilities' expansion programs will not be reactivated with the speed that is needed unless there is Federal financing or Federal government guarantees of needed new financing. Much as many of us would like to think otherwise, the facts can no longer be evaded.

It is reasonable to expect, therefore, that there will be a national financing program to get the capital outlays of these companies going again, and one that will enable the companies to re-build their capital structures so that they can finally start to raise funds directly in the capital markets. In that way productive jobs needed now would be provided. And we would also be building the added generating capacity that must be getting into place if we are to avoid an economy unable to regain full employment in the 1970's because it is short of electric power.

The clear implication of this for Michigan is that the state should get in motion immediately with a program to do what it can about this emergent shortage of power—a shortage that could strangle the creation of job opportunities in the years ahead. This might begin with the formation of a State Energy Council, with broad-spectrum representation of consumer, labor, business, and other groups, to formulate a Michigan program to get work going again on the construction of generating capacity here, and to assure that the Federal program (when it comes along) can be put to work promptly in Michigan.

At this juncture in our history nothing would do more to improve prospects for Michigan's economic future than for the state itself to take vigorous action to improve prospects for adequate electric power, in the years ahead. In the remainder of this decade the state that has the generating capacity will get the industry and the new job opportunities. Here is something in which all groups in our state have a large common interest.

IV

Suppose we turn now to the other question. What is to be the role of the automobile in our national life? This question is of obvious importance to our own state, but it is also important for national policy that society make up its mind. In what might be called the fashionable cocktail circuit, the automobile has clearly fallen from grace (though the crowded parking lot outside clearly indicates how people preferred to come to the party). To some extent this all can be shrugged off as the great care some of ue exercise to show by our conversation that we take a Lofty View of Things which ordinary people naturally could not be expected to understand.

With the changing energy facts of life, however, society must face squarely this question about the role that automobile is to play in our future national life. And it is obviously important for Michigan that the nation make up its mind on this matter. The magnitude of economic resources being wasted on sudden equipment requirements that citizens do not want (and even have removed) or whose cost-benefit calculus is found too late not to check out is enormous. The state's most important industry has been kept off balance and in a state of suspended animation too long already.

While this Great Debate has yet to run its course, and that slow and mysterious process by which public opinion jells on an issue has yet to produce its verdict, there are some things that can be said on the matter. For one thing there will clearly be an expansion of public transportation facilities, both mass transit and intercity. (Personally I favor this in order to thin down street traffic so I can zip along more rapidly in my own car.)

Moreover, the automobile also must adjust itself to the new realities of higher oil prices and a continuing concern by government about keeping at reasonable levels energy imports from insecure sources (which means any foreign source, including Canada). This inevitably will mean pressures toward cars with markedly reduced fuel consumption. These incentives may be not only through the inevitable influence of higher fuel prices, but we may also see further tax and license fee penalties against weight and fuel consumption. It is, therefore, probable that the automobile appropriate to this era will be different in significant respects from those appropriate for an era of cheap and abundant domestic oil (the era in which our industry here developed).

The age of the automobile, however, is not over, much as this may cause dismay for those with the Fashionable View. Walter Ruther put it with his perceptive eloquence when he said that the automobile gave the common man his fifth freedom—the freedom of command over his own time and schedule. And a strategy for national energy policy which assumes that automobiles must be abolished, because the cost of transporting a ton of human flesh is cheaper when containerized in a bus or train, will fail. It would fail because it would fail to perceive the extent to which his automobile is for the common man not only the symbol but an important source of his freedom. We may be willing to shift to a smaller car (from a Caprice to a Nova or Vega, from an LTD to a Maverick or Pinto, from a Chrysler to a Valiant or Colt, from a Matador to a Gremlin). But a national strategy that would call for giving up this fifth freedom would get the vote of no confidence that such nonsense would deserve. Our foreign policy exists to serve our vital domestic interests, not the other way around. To suggest that we must have deep further cutbacks in oil imports, which would cause far more severe economic dislocations at home than many realize, because such cutbacks would strengthen our hand in foreign policy is to get our means and our ends confused.

Michigan would, therefore, have much to gain if there could be a more definitive Great Debate out of which public sentiment would begin to congeal on the role of the automobile in our national life. What the industry has to fear most is that these decisions will get made without giving the citizenry a chance to congeal and focus their own views.

V

Is there, then, a strategy for Michigan's future prosperity? There is such a strategy. The first requirement is the first requirement for prosperity in any region—namely, the deployment of national policies to turn the economy around and get the recovery process going. The most urgent need is a Federal Reserve policy giving us rates of monetary expansion that will set the course for this expansion.

The economic future of Michigan also depends, however, on what we do here at home. And the very energy crisis that contributed to throwing our economy off-stride also provides us with an opportunity. If we can develop a coordinated program to assure sustained growth in energy availability, industrial expansion will be almost sure to follow. If we can help along an intelligent Great Debate on the role of the automobile in our future national life, a new era of prosperity and high employment for our industry could begin. And we could then have a transportation system in tune with citizen preferences, and a sense of market direction within which the re-automobiling of the nation, with cars reflecting the new energy facts of life, gets under way. Whatever our Michigan family arguments with each other about lesser issues, we should all be able to join together on these issues in a great social compact to make progress for our state.

THE FISCAL YEAR 1976 FOOD AND AGRICULTURE BUDGET FAILS TO MEET URGENT NATIONAL NEEDS

Mr. HUMPHREY. Mr. President, a great deal has been written and spoken about the President's budget regarding energy and taxes. But little has been said about the budget in the area of food and agriculture.

The administration presented its budget as a people's budget, but, after even the briefest analysis, it becomes clear that a whole host of important programs in agriculture, forestry and nutrition have been pared past the bone.

Sharp program cuts will be forced on many activities because of rising costs without corresponding budget increases.

But other programs have no funding whatsoever. The budget does not provide any funds for fire protection grants under the rural development program in fiscal 1976, and the administration wants to rescind the $3.5 million authorized for the current fiscal year.

The Older Americans Act, which provided funds for the farmers union green thumb program and other employment programs for older people, expires June 30, 1975. The administration proposes to rescind $12 million from 1975 funds. There is no indication in the new budget that the administration intends to continue the "mainstream" programs for older Americans through national contracts.

No new funding is included for the 2 percent rural electrification direct loan program in the fiscal year 1976 budget. And the administration is recommending that the $455 million still in the program be turned back to the Treasury.

The budget requests no new funds for the agriculture conservation program. At a time when conservation requirements are increasing, the administration continues to try to strangle this worthwhile program. The administration also is attempting to withold spending of $156 million from the funds already authorized for ACP in the current fiscal year.

Funding for the Commodity Credit Corporation is to be reduced from $4 billion to $2.9 billion.

FOREST SERVICE

The budget for the Forest Service is a distinct disappointment. It was to be hoped that with enactment of Public Law 93–387, the Forest and Range Renewable Resources Planning Act of 1974, the administration would set its sights on reaching a better balance in managing this 187,000 acre storehouse of natural resources. But this is a sit-back, stand-pat budget.

The budget is seriously misleading in indicating that a greater level of accomplishment in reforestation and timber stand improvement is planned in 1976 than in 1975. This is not true, since $10 million in the fiscal year 1975 budget is currently impounded, and the 1975 projected accomplishments are set in terms of this rescission being allowed to stand. Thus the 1976 efforts is made to look bigger than the achievements in 1975. In fact the fiscal 1976 budget request is for $5 million less than Congress provided in fiscal 1975, and the rate of progress thus will be below what the Congress intended for 1975.

Funding for forest roads is another bleak aspect. Construction with appropriated funds will decline by $21 million, which will provide less than 150 miles of roads. In fiscal year 1975 timber purchasers received reductions in the price of timber sold sufficient to secure the construction of 8,400 miles of road. In fiscal year 1976, road construction by timber purchasers will increase by 1,200 miles and reach 9,600 miles. Instead of adopting a program of advance road construction with appropriated funds which seeks to get the maximum area of highly productive land accessible for good harvesting and management, the budget projects a continuation of the policy of cutting off the face of easily accessible timbered areas.

The reality of the situation is that we are in a recession and two of the industries hardest hit are lumber and housing construction. Assuming that other efforts free up funds and the housing industry begins to recover from its abysmal low of 900,000 starts a year, this budget does not take one step forward in Forest Service timber management which will permit a response with increased timber sales when the need develops.

The forest research program is virtually frozen at the fiscal year 1975 level, as is cooperation with States and private forest owners. In fact, with the proposal not to provide any funding for the forest incentives program—amounting to a $25 million phaseout—cooperation is reduced by 50 percent below the 1975 level. Yet, at the same time every measure of use activity—whether it be for extracting renewable resources or noncommodity purposes—continues to show an increase in interest and demand.

CHILD NUTRITION PROGRAMS

The fiscal year 1976 budget proposes replacing the school lunch, school breakfast, special milk, equipment assistance, day care, summer feeding, supplemental feeding, and women, infants, and children—WIC—programs.

In place of these programs, the administration will seek to provide block grants to the States. The block grants would furnish $600 to $700 million less in fiscal year 1976 funding than the current programs.

Pregnant and nursing women who now receive food supplements under the WIC and supplemental food programs would be cut off entirely. Block grant funds would be available for the provision of meals only to children.

The proposal would knock out about $650 million a year in Federal support currently provided to schools to help defray the costs of breakfasts, lunches, and milk served to children from families whose income is above 125 percent of the poverty line. It is estimated that the prices charged for school lunches would rise about 22 cents if the block grant concept goes into effect as proposed.

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The budget also proposes to terminate all commodity deliveries to orphanages, children's homes, homes for the aged, and other institutions. These institutions are receiving $22.3 million in commodities during fiscal year 1975.

In addition to dismantling the child nutrition programs, the administration is asking for new legislation to limit cost-of-food adjustments in all Federal food programs to 5 percent over the next year even though food costs may rise by 15 percent during this period.

Food stamp households would be especially hard hit by this proposal. USDA officials say that the food stamp allotment for a family of four, currently set at $154 a month, would be allowed to rise only to $158 a month on July 1, 1975 and would not be permitted to increase at all on January 1, 1976, if the 5 percent limit is enacted.

According to the Government's own figures, the basic economy diet—estimated to cost $159.90 per month in December 1974 for a family of two adults and two schoolchildren—was not even being met by the food stamp allotment which was set at $150 at that time.

The administration estimates that $3.86 billion will be required for food stamps in fiscal year 1976. But this assumes that its proposed new regulations will go into effect, and both Houses of Congress have voted overwhelmingly in opposition.

The administration's food stamp budget also assumes little increase in the level of enrollment. While there was little change in the recipient level from 1971 to the fall of 1974, about 2 million additional recipients have been added in the last 4 months.

With the rate of unemployment expected to remain at present levels for some time, the food stamp budget clearly will need to be revised upward.

While it is very unlikely that Congress will accept the administration's block grant proposal, the development of congressional alternatives will require some time, with the status of programs such as WIC and summer feeding remaining unclear in the meantime.

Valuable time will be lost fighting just to maintain the existence of worthwhile programs, and this effort could better be used to make improvements and refinements.

It would appear that the administration has learned nothing in the debate over increasing the cost of food stamps. While claiming to be interested in making savings and improving the program, it has appeared to be insensitive to those most in need.

In fact, the administration would appear to be either incapable of serious long range planning or, even worse, determined to play a cruel political game of bureaucratic delay in order to avoid changes which might involve any additional expenditures.

This is an unbelievably shortsighted approach. Whether the program involves soil and water, forests or child nutrition, it should be looked on as an investment in the future. But many of the budget requests reflect warmed over figures from last year with only minor adjustments.

There is no evidence of a search for new initiatives or a setting of priorities. The great concern of the budget is to cut costs wherever possible without much consideration of the long range consequences.

We will need to give special attention to the budget requests for the food and agricultural programs this year. And I regret that programs such as WIC will be faced with some doubts over their continuation for at least the immediate future.

But, Mr. President, let the record be clear that it was Congress which fought the good fight to keep these worthwhile programs going in the face of an indifferent administration.

CAMPAIGN REFORMS

Mr. BUCKLEY. Mr. President, as I indicated some time ago when I asked that the original complaint filed by me and a number of other citizens challenging the constitutionality of certain aspects of the campaign "reforms" we enacted into law last year, I will from time to time try to provide an update on the status of the case. I am doing this because I have received a number of inquiries from Senate colleagues as well as from the general public on the status of the lawsuit as well as requests for some of the materials filed in connection with it.

As you may have read in the newspapers, Common Cause and the League of Women Voters as well as the Center for Public Financing have petitioned the court to be allowed to intervene as parties defendant in the suit. Although the court has not yet responded to this petition, it is my understanding from talking to our attorneys that the Government does not appear inclined to oppose it. If the Government does not oppose it, we do not intend to either as our primary interest is in a quick and comprehensive resolution of the constitutional questions raised by this legislation.

Last week, we filed an amended complaint in the case which I ask unanimous consent to have printed in the RECORD following these remarks. In our amended complaint we included two additional plaintiffs, the Libertarian Party, a national minor party, and the Mississippi Republican Party, both of which are most interested in the outcome of the lawsuit. Mr. President, I shall report again as the case develops.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Civil Action No. 75-1061—First amended complaint for declaratory and injunctive relief]

IN THE U.S. COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

James L. Buckley, U.S. Senator from the State of New York, 5020 Glenbrook Road, N.W., Washington, D.C. 20016; Eugene J. McCarthy, 3053 "Q" Street, N.W., Washington, D.C. 20007; William A. Steiger, Member of the U.S. House of Representatives from the Sixth Congressional District of the State of Wisconsin, 323 Constitution Avenue, N.E., Washington, D.C. 20002; Stewart Rawlings Mott, 800 Park Avenue, New York, N.Y. 10021; Committee for a Constitutional Presidency—McCarthy '76, 1223 Connecticut Avenue, N.W., Washington, D.C. 20036; Conservative Party of the State of New York, 468 Park Avenue South, New York, N.Y. 10016; Mississippi Republican Party, 518 East Capitol Street, Suite 400, Jackson, Miss. 39205; Libertarian Party, 550 Kearny Street, San Francisco, Calif. 94108; New York Civil Liberties Union, Inc., 84 Fifth Avenue, New York, N.Y. 10011; American Conservative Union, 422 First Street, S.E., Washington, D.C. 20003; Conservative Victory Fund, 422 First Street, S.E., Washington, D.C. 20003; Human Events, Inc., 422 First Street, S.E., Washington, D.C. 20003; Plaintiffs against Hon. Francis R. Valeo, Secretary, U.S. Senate, Office of the Secretary, The Capitol, Washington, D.C. 20510; Hon. W. Pat Jennings, Clerk of the U.S. House of Representatives, The Capitol, Washington, D.C. 20510; Hon. Elmer B. Staats, Comptroller-General of the United States, General Accounting Office, 441 G Street, N.W., Washington, D.C. 20548; Hon. Edward H. Levi, Attorney General of the United States, Department of Justice, Constitution Avenue and 10th Street, N.W., Washington, D.C. 20530; Federal Election Commission, c/o Hon. Francis R. Valeo, Ex Officio Member, The Capitol, Washington, D.C. 20510; and c/o Hon. W. Pat Jennings, Ex Officio Member, The Capitol, Washington, D.C. 20510, Defendants.

JURISDICTION

1. This action seeks declaratory and injunctive relief against certain provisions of the Federal Election Campaign Act of 1971, Public Law 92-225, 86 Stat. 3, 2 U.S.C. Sections 431 *et seq.* (hereinafter referred to as the FECA), the Federal Election Campaign Act Amendments of 1974, Public Law 93-443, 88 Stat. 1263 (hereinafter referred to as the FECA Amendments), and Subtitle H of the Internal Revenue Code of 1954, Public Law 92-178, 85 Stat. 562, as amended by Public Law 93-53, 87 Stat. 138, 26 U.S.C. Sections 9001 *et seq.* (hereinafter referred to as Subtitle H), and against their enforcement by the defendants, on the grounds that the FECA, the FECA Amendments, and Subtitle H deprive the plaintiffs of freedom of speech and association, of the right to petition for redress of grievances, of the right of privacy, and of due process of law and discriminate invidiously against them, all in violation of the First, Fourth, Fifth, Sixth, and Ninth Amendments to the Constitution and the further grounds that the mode of appointment and confirmation of members of the Federal Election Commission and its purported power to administer, interpret, make rules and enforce said laws is in violation of constitutional separation of powers.

2. The jurisdiction of this Court rests upon 28 U.S.C. Sections 1331, 2201, and 2202, and Section 315(a) of the FECA, 88 Stat. 1285, 2 U.S.C. Section 437h. The amount in controversy, exclusive of interest and costs, exceeds $10,000.

3. Convocation of a three-judge district court is moved pursuant to 28 U.S.C. Sections 2282 and 2284, and certification to the Court of Appeals is requested under Section 315(a) of the FECA, 88 Stat. 1285, 2 U.S.C. Section 437h.

PARTIES

4. Plaintiff James L. Buckley is a United States Senator from the State of New York. He is a citizen of the State of New York and of the United States and is eligible to vote in elections for the office of President of the United States. He is a registered voter in the State of New York in the Republican Party. He is a federal taxpayer. Plaintiff Buckley desires to contribute to the campaigns of particular candidates for federal office amounts greater than $1,000 as a means of expressing his views on public issues. He may seek to be a delegate to the 1976 Republican Party National Convention. Plaintiff Buckley's present intention is to seek re-election in 1976 as United States Senator from the State of New York. Said candidacy

will be aided by volunteers whose incidental expenses will exceed $1,500 and thus constitute a contribution or expenditure within the FECA and the FECA Amendments. The expenditure of funds is essential to his success in conveying his ideas and positions on public issues to voters and potential voters. To that end, plaintiff desires to solicit and receive contributions larger than $1,000, employ personal funds or the funds of his immediate family as available and necessary, and to spend whatever amounts are available and necessary to convey his views to voters and potential voters in a meaningful way.

5. Plaintiff Eugene J. McCarthy is a former United States Senator from the State of Minnesota. He is a citizen of the State of Minnesota and of the United States and is eligible to vote in elections for the office of President of the United States. He is a federal taxpayer. Plaintiff McCarthy on January 12, 1975, announced his candidacy for President of the United States; he will run as an independent, supported by the Committee for a Constitutional Presidency-McCarthy '76. The expenditure of funds is essential to his success in conveying his ideas and positions on public issues to voters and potential voters. To that end, plaintiff desires to solicit and receive contributions larger than $1,000, and to spend whatever is available and necessary to convey his views to voters and potential voters in a meaningful way. Said candidacy will be aided by volunteers whose incidental expenses will exceed $1,500 and thus constitute an expenditure under the FECA and the FECA Amendments.

6. Plaintiff William A. Steiger is a Member of the United States House of Representatives from the Sixth Congressional District of Wisconsin. He is a citizen of the State of Wisconsin and of the United States, and is eligible to vote in elections for the office of President of the United States. He is a registered voter in the State of Wisconsin. He is a federal taxpayer. He may seek to be a delegate to the 1976 Republican Party National Convention. Plaintiff Steiger is considering a candidacy for federal office in 1976. The expenditure of funds is essential to his success in conveying his ideas and positions on public isues to voters and potential voters. To that end, plaintiff desires to spend whatever amounts are available and necessary to convey his views to voters and potential voters in a meaningful way.

7. Plaintiff Stewart Rawlings Mott is a citizen of the State of New York and of the United States, and is eligible to vote in elections for the office of President of the United States. He is a registered voter in the State of New York. He is a federal taxpayer. He has contributed in the past and will contribute in the future amounts in excess of $1,000 to individual candidates for federal office and in excess of $25,000 in the aggregate to such candidates. Plaintiff has also made expenditures on behalf of clearly identified candidates but independent of such candidates in excess of $1,000 and intends to do so in the future. Plaintiff Mott has made and intends to make expenditures against clearly identified candidates in excess of $1,000. Plaintiff has incurred and intends to incur certain incidental expenses on behalf of candidates as a volunteer in excess of $500. Such contributions are for the purpose of furthering plaintiff's ideas and positions on issues of public policy.

8. Plaintiff Committee for a Constitutional Presidency—McCarthy '76 is a principal campaign committee within the meaning of the FECA, the FECA Amendments, and Subtitle H and a not-for-profit corporation under the laws of the State of Illinois. Plaintiff is independent of the major parties and of any other political party. It is sponsoring a candidate for the office of President of the United States in 1976 and desires to solicit and receive on behalf of such candidate contributions in excess of $1,000, to contribute to said candidate an amount in excess of $5,000 and to make expenditures on behalf of said candidate in excess of two cents multiplied by the voting age population of the United States. Plaintiff will not hold a national nominating convention in 1976 to select its candidate, as such a convention is defined by the FECA Amendments. If plaintiff's candidate is to wage an effective campaign as an independent, he must make expenditures in excess of $20,000,000. Plaintiff's candidate will not be selected by primaries and will become eligible for state ballots through petition, and expects to incur expenses in that petition effort. Said activities are for the purpose of furthering plaintiff's ideas and positions on issues of public policy and are essential to its ability to participate meaningfully in the political process.

9. Plaintiff Conservative Party of the State of New York (hereinafter Conservative Party) is a political party in the State of New York and a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H. It has nominated in the past and intends to nominate in 1976 candidates for the offices of President of the United States, United States Senator from the State of New York, and members of the United States House of Representatives from all or nearly all of the Congressional Districts of the State of New York. Plaintiff will seek to place its candidate for President only on the ballot in New York. Plaintiff is what is commonly called a third party. It intends to solicit and receive contributions in excess of $1,000 for many such candidates, to contribute to many such candidates amounts in excess of $5,000, and to expend on behalf of said candidate for President of the United States an amount in excess of $5,000, to expend an amount in excess of two cents multiplied by the voting age population of the State of New York in the case of its candidate for United States Senator, and to expend an amount in excess of $10,000 in the case of many candidates for the House of Representatives. In some cases, plaintiff may choose a candidate who it hopes will expend personal funds in excess of $35,000 in the case of candidate for United States Senator and $25,000 in the case of a candidate for the House. Said activities are for the purpose of furthering plaintiff Conservative Party's ideas and positions on issues of public policy and are essential to its ability to participate meaningfully in the political process.

(10)a. Plaintiff Mississippi Republican Party is a political party in the State of Mississippi, and is part of the National Republican Party. It has nominated in the past and intends to nominate in 1976 candidates for the offices of President of the United States, United States Senator from the State of Mississippi, and members of the United States House of Representatives from all or nearly all of the Congressional Districts of the State of Mississippi. The State Central Committee of plaintiff Mississippi Republican Party voted in 1972 not to solicit, receive, or expend money on behalf of its candidates for the above mentioned offices because it opposed in principle the requirements imposed on political committees which engaged in such activities by the FECA. Plaintiff will continue this policy under the FECA Amendments. The plaintiff would prefer to contribute directly to its candidates, and may reconsider its 1972 decision in light of the political situation in 1976 and the resolution of this suit. The plaintiff, its officers, and records have been subject to careful and exacting scrutiny by agents of the supervisory officers under the FECA, even despite its decision not to solicit, receive, and expend money on behalf of its candidates.

(b). Although plaintiff Mississippi Republican Party will not itself contribute financially to its candidates, it intends to allow persons supporting its candidates to contribute in excess of $1,000 to such candidates. It further intends that its candidates solicit and receive contributions in excess of $1,000, and that they be allowed to expend on behalf of their candidacies whatever amounts are available and necessary. The plaintiff also intends that some volunteers in the campaigns of its candidates expend in excess of $500 for the incidental expenses such volunteers may incur.

(c). Representatives of plaintiff attend Republican National Conventions. Said representatives vote on the Republican Party's nominations for the offices of President and Vice President of the United States, and on all other matters that in the normal course of events come before such conventions. Plaintiff's representatives also serve, as the Republican Party rules prescribe, on committees of the National Convention, such as the Credentials Committee, and the Platform Committee. Plaintiff desires that the Republican National Committee, on which plaintiff is represented by its National Committeeman and Committeewoman, and State Chairman, spend whatever amounts are available and necessary to finance the 1976 Republican National Convention. Plaintiff is opposed in principle to accepting any payments from the United States Government to finance the Republican National Convention in 1976.

(d). The experience of the plaintiff Mississippi Republican Party has been and is that affiliation with the plaintiff is a controversial matter in many parts of the State. Persons who identified with the plaintiff's activities may be subjected to harassment or reprisals. Plaintiff does not, therefore, disclose the names of its members or contributors, and offers assurances that their names will remain confidential.

(e). All of plaintiff Mississippi Republican Party's activities are for the purpose of furthering plaintiff's ideas and positions on issues of public policy and are essential to its ability to participate meaningfully in the political process.

11. Plaintiff Libertarian Party is a national political party with affiliated organizations in 38 states, a not-for-profit corporation under the laws of the State of Colorado, and a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H. The Party was formed in 1971 and its candidates for President and Vice President of the United States received one vote in the Electoral College in 1972. Plaintiff has nominated in the past and intends in the future to nominate candidates for the offices of President of the United States, United States Senator, and members of the United States House of Representatives. Plaintiff intends to solicit and receive contributions in amounts in excess of $1,000 and to expend for its national nominating convention and on behalf of its Presidential and Vice Presidential candidates such amounts as are available and necessary. In addition, Plaintiff may nominate for the office of President of the United States a candidate who will expend in excess of $50,000 of personal funds for said candidacy. Activities of the Plaintiff Libertarian Party are intended to disseminate its ideas and philosophy to the American public and the solicitation of contributions in amounts exceeding $1,000 are an integral part of those activities.

Plaintiff further regards the acceptance of any subsidy from the United States Government for itself or its candidates to be contrary to its basic philosophy.

12(a). Plaintiff New York Civil Liberties Union, Inc. (hereinafter NYCLU) is a not-for-profit corporation, organized under the laws of the State of New York. It is a nonpartisan organization, dedicated to defending the rights guaranteed to persons under the Constitution and having as a principal function the dissemination of information concerning such rights within the State of New York. Plaintiff NYCLU, the New York

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State affiliate of the American Civil Liberties Union, is and has been since its inception barred by the American Civil Liberties Union constitution, by-laws, and policies from endorsing or opposing any candidate for public office.

(b). Plaintiff NYCLU has in excess of 40,000 members in New York State. Such members reside in all parts of the State. Membership dues for the NYCLU are $15 per year. Many members contribute more than $15 per year. Some contribute more than $100 per year, and the prime source of funds for NYCLU is contributions by members. The experience of the plaintiff NYCLU has been and is that membership is a controversial matter in many parts of the State. NYCLU does not disclose the names of its members and contributors. NYCLU regularly receives a substantial amount of "hate mail," most of which attacks NYCLU, its leadership and members, for allegedly subverting law and order or supporting "radical" groups. Numerous persons who have been identified with NYCLU activities have from time to time been threatened with physical violence or subjected to harassment or reprisals. As a consequence, many members request assurances that their names will remain confidential, and many contributors expressly request that they not be listed on the membership rolls.

(c). As part of its program of public education on controversial civil liberties issues, such as school busing, prisoners rights and police misconduct, plaintiff NYCLU often sponsors newspaper advertisements or otherwise expends funds in excess of $1,000 in order to communicate its views to the public, and intends to do so in the future. The sole purpose of such activity is to set forth and publicize plaintiff's views and positions on important public issues involving civil liberties. Although plaintiff NYCLU does not endorse or oppose the election of candidates for public office, its advertisements and statements of views on public issues frequently and necessarily refer to, praise or criticize the conduct or actions of clearly identified public officials who may also happen to be candidates for federal office.

(d). In addition, the plaintiff NYCLU regularly publicizes, in its membership newsletter and through other publications, the civil liberties voting records, positions and actions of elected public officials, who are also frequently candidates for federal office. The NYCLU also solicits and then publicizes the views of candidates for office on civil liberties issues. NYCLU's purpose in communicating such information is to inform its members and the public generally about the views and actions of public officials and candidates with respect to civil liberties issues. The expenses of disseminating such information are normally paid for out of the plaintiff's general funds supplied by membership dues and contributions. Disclosure by the plaintiff of the names of its members and contributors would cause and tend to cause persons who are presently members to resign and would deter other persons from joining, paying dues and making contributions to the NYCLU.

13(a). Plaintiff American Conservative Union (hereinafter ACU) is a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954. Plaintiff is independent of the two major political parties or of any other political party. Plaintiff ACU has made in the past, and intends to continue in the future to make contributions to political candidates whose ideas and positions on issues of public policy are similar to its own. These contributions will exceed $5,000 in the case of individual candidates. Said contributions are for the purpose of furthering ACU's positions on public issues.

(b). In addition, the Plaintiff ACU regularly publicizes, both in communications to its members and to the general public, the voting records, positions, and actions of elected officials, who are also frequently candidates for federal office. ACU, among other things, annually publishes a percentage rating of the voting record of incumbent members of both Houses of Congress, showing whether such incumbents supported or opposed issues of interest to ACU and its members.

14. Plaintiff Conservative Victory Fund (hereinafter CVF) is a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954. Plaintiff is independent of the two major political parties or of any other political party. Plaintiff CVF has made in the past, and intends to continue to make in the future, contributions to political candidates whose ideas and positions on issues of public policy are similar to its own. These contributions have exceeded and will exceed $5,000 in the case of individual candidates. Said contributions are for the purpose of furthering CVF's positions on public issues.

15. Plaintiff Human Events, Inc., is a corporation organized under the laws of the State of Delaware. It publishes a weekly newspaper devoted primarily to the reporting of events of political importance and interest, to the discussion of public issues, and to the discussion of public officials, political leaders and candidates. Human Events also distributes books, tapes, pamphlets, reprints of articles, and employs other forms of communication to further its corporate and editorial purposes. It endorses explicitly or by implication or refrains from endorsing candidates for federal offices where it deems it necessary and appropriate. It regularly takes editorial positions on matters of public controversy. It has in the past and intends in the future to recommend to those of its readers who share its views that such readers communicate their views to public officials, political candidates, and other political leaders. Plaintiff is wholly owned by its three top executive employees and is not controlled directly or indirectly by any political party or political committee.

16. Defendant Francis R. Valeo is the duly appointed Secretary of the United States Senate. This defendant is a designated "supervisory officer" within the meaning of the FECA and the FECA Amendments and will enforce Titles I and III of the FECA until the appointments and qualification of all the members and general counsel of the Federal Election Commission, Section 208, FECA Amendments, 88 Stat. 1286. He is sued in his official capacity.

17. Defendant W. Pat Jennings is the duly appointed and presently acting Clerk of the United States House of Representatives. This defendant is designated a "supervisory officer" within the meaning of the FECA and FECA Amendments and will continue to enforce Titles I and III of the FECA until the appointments and qualification of all the members and general counsel of the Federal Election Commission, Section 208, FECA Amendments, 88 Stat. 1286. He is sued in his official capacity.

18. Defendant Elmer B. Staats is the duly appointed Comptroller-General of the United States. This defendant is designated a "supervisory officer" within the meaning of the FECA and FECA Amendments and will continue to enforce Titles I and III of the FECA until the appointments and qualification of all the members and general counsel of the Federal Election Commission, Section 208, FECA Amendments, 88 Stat. 1286. He is sued in his official capacity.

19. Defendants Valeo, Jennings, and Staats, in their respective capacities as "supervisory officers" under the FECA, are charged with enforcement of the FECA and the Regulations promulgated thereunder. Defendants Valeo and Jennings are also *ex officio* Members of the Federal Election Commission.

20. Defendant Edward H. Levi is the Attorney General of the United States. As such, he is charged with the enforcement of criminal sanctions against violations of Title 18 of the United States Code. He is also empowered to receive from the supervisory officers and/or the Federal Election Commission notifications of apparent violations of the FECA and the FECA Amendments, and at the request of the supervisory officers and/or Federal Election Commission, to institute civil actions for relief or any other appropriate order. In any case in which the Federal Election Commission refers an apparent violation to the Defendant, he must respond by report to the Commission with respect to any action taken by him regarding the apparent violation.

21. Defendant Federal Election Commission is established by Section 208(a) of the FECA Amendments, 88 Stat. 1280, as amended by the FECA, 2 U.S.C. Section 437c. The six members of the Federal Election Commission have not been confirmed as of the date of the filing of this complaint. When said members are confirmed and in office, they will be named in their official capacities as defendants in this action.

THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 AND THE AMENDMENTS OF 1974

22. The FECA Amendments substantially revise the FECA, and incorporate within their statutory framework Subtitle H of the Internal Revenue Code of 1954.

Limits on contributions to candidates

23. Section 101(a) of the FECA Amendments, 88 Stat. 1263, amends 18 U.S.C. Section 608 to provide *inter alia* that—

(a) no person (as defined by 18 U.S.C. Section 591(g) to mean an "individual, partnership, committee, association, corporation or any other organization or group of persons") shall contribute to any candidate with respect to any election for any federal office more than $1,000;

(b) no individual shall make contributions aggregating more than $25,000 in any calendar year (contributions in a calendar year being defined to mean any contribution made with respect to a given election whether or not made during the actual year of such election); and

(c) no political committee as defined by 18 U.S.C. Section 608(b) as amended by the FECA Amendments to mean an organization registered as such under Section 303 of the FECA for a period of not less than 6 months which has received contributions from more than 50 persons and (except for State party organizations) has contributed to 5 or more candidates for federal office (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for federal office in excess of $5,000.

24. Section 101(b) of the FECA Amendments, 88 Stat. 1266, amends 18 U.S.C. Section 608(a)(1) to provide that no candidate shall make expenditures from his personal funds or those of his immediate family in connection with his campaigns for nomination for election, or for election to federal office in excess of the following aggregate amounts:

(a) $50,000, in the case of a candidate for the office of President or Vice President of the United States;

(b) $35,000, in the case of a candidate for the office of Senator or for the office of Representative from a State which is entitled to only one Representative; and

(c) $25,000, in the case of a candidate for the office of Representative in any other State.

25. Section 120(c) of the FECA Amendments, 88 Stat. 1269, amends 18 U.S.C. Section 591(e) to provide that certain incidental expenses incurred by volunteers in excess of $500 are a "contribution" within the meaning of Section 101(a).

26. The limitations specified in paragraphs 23, 24 and 25 of this complaint are not to be adjusted according to changes in the Consumer Price Index.

Limits on candidate expenditures

27. Section 101(a) of the FECA Amendments, 88 Stat. 1264, amends 18 U.S.C. Section 608 to provide that:

(a) no candidate shall make expenditures in excess of $10,000,000 in the case of a candidate for nomination to the office of President of the United States, except that the aggregate of expenditures in any one State shall not exceed twice the expenditure limitation applicable in such State to a candidate for nomination for election to the Office of Senator, and except that the Federal Election Commission is empowered to prescribe rules under which expenditures in two or more States shall be allocated for purposes of the expenditure limitation, based on the voting age population in each State which can reasonably be expected to be influenced by such expenditure;

(b) no candidate shall make expenditures in excess of $20,000,000 in the case of a candidate for election to the office of President of the United States;

(c) no candidate shall make expenditures in excess of the greater of 8 cents multiplied by the voting age population of the State or $100,000, whichever is greater, in the case of a campaign for nomination for election by a candidate for the office of United States Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative;

(d) no candidate shall make expenditures in excess of the greater of 12 cents multiplied by the voting age population of the State or $150,000, whichever is greater, in the case of any campaign for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative;

(e) no candidate shall make expenditures in excess of $70,000 in the case of any campaign for nomination for election, or for election by a candidate for the office of Representative in any State entitled to more than one Representative;

(f) Section 102(d) of the FECA Amendments, 88 Stat. 1270–1271, amends 18 U.S.C. Section 591(f), relating to expenditures to exclude, *inter alia*, a candidate's fund-raising costs up to 20 percent of the applicable spending limit; and

(g) the limitations enumerated in paragraph 27 subparagraphs (a) through (e) of this complaint shall be adjusted with reference to the Consumer Price Index, by a formula provided in Section 101(a) of the FECA Amendments, 88 Stat. 1265.

28. Section 101(a) of the FECA Amendments, 88 Stat. 1264, amends 18 U.S.C. Section 608 to define an expenditure "made on behalf of a candidate" as one made by

(a) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

(b) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

Independent expenditure limitations

29. Section 101(a) of the FECA Amendments, 88 Stat. 1265, amends 18 U.S.C. Section 608, to prohibit expenditures by any "person" as defined by 18 U.S.C. Section 591(g) to mean an "individual, partnership, committee, association, corporation or any other organization or group of persons," independent of and not by or on behalf of a candidate but "relative to a clearly identified candidate" in excess of $1,000. "Clearly identified" is defined to mean (i) the candidate's name appears, (ii) a photograph or drawing of the candidate appears, or (iii) the identity of the candidate is apparent by unambiguous reference.

Expenses of volunteers

30. Section 102(d) of the FECA Amendments, 88 Stat. 1270, amends 18 U.S.C. Section 591 to provide that "expenditure" includes certain incidental expenses incurred by volunters in excess of $500.

Penalties

31. Section 101(a) of the FEC Amendments, 88 Stat. 1266, amends Section 608 of the FECA to provide that any person who violates any provision of that Section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

Presidential nominating conventions

32. Section 406(a) of the FECA Amendments, 88 Stat. 1295, amends Section 9008 of the Internal Revenue Code of 1954 to limit the expenditures of the national committee of a party with respect to a presidential nominating convention to $2,000,000 (adjusted to the Consumer Price Index).

33. Section 406(a) of the FECA Amendments, 88 Stat. 1296, amends Section 9008 of the Internal Revenue Code of 1954 to provide that the Federal Election Commission may authorize the national committee of a party to make expenditures which exceed the limitation enumerated in paragraph 32 of this complaint. Such authorization is to be based on the Commission's determination that "due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee."

34. Section 406(b)(3) of the FECA Amendments, 88 Stat. 1296, amends Section 9012 of the Internal Revenue Code of 1954, to provide that any officer or member of a national committee who consents to a violation of the requirements specified in paragraph 32 of this complaint shall be fined not more than $5,000 or imprisoned not more than one year, or both.

Amounts contributed in excess of expenditures

35. Section 210 of the FECA Amendments, 88 Stat. 1289, provides that amounts received by a candidate as contributions which exceed his or her expenditures may be used to defray any ordinary and necessary expenses incurred in connection with his or her duties as holder of a federal office.

Expenditures of political party national committees

36. Section 101(a) of the FECA Amendments, 88 Stat. 1265, amends 18 U.S.C. Section 608 to provide that the national committee of a political party and state committees of a political party may make expenditures in connection with campaigns for federal office subject to certain spending limits. In the case of a national committee, it may spend no more than an amount equal to two cents multiplied by the voting age population of the United States in connection with a general election for President. A national or state committee or a party may spend: (1) up to two cents multiplied by the voting age population of the State or $20,000, whichever is greater, in connection with an election to the office of Senator or of Representative from a State which is entitled to only one Representative; (2) up to $10,000 in connection with an election to the office of Representative in any other State.

Subsidy for Presidential elections

37. Sections 403–409 of the FECA Amendments, 88 Stat. 1291, amend Subtitle H of the Internal Revenue Code of 1954 to provide public financing for elections for the office of President of the United States. Under Section 9002 a candidate with respect to any presidential election is defined as an individual who has been nominated for election to that office by a major party or has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) in ten or more States. A major party is defined as one whose candidate in the preceding presidential election received, as the candidate for such party, twenty-five percent or more of the total number of popular votes received by all candidates for such office. A minor party is defined as one whose candidate in the preceding presidential election received, as the candidate of such party, five percent or more but less than twenty-five percent of the total number of popular votes received by all candidates for such office. A new party is defined as one which is neither a major party nor a minor party.

38. Section 9006 of the Internal Revenue Code of 1954, as amended by the FECA Amendments, establishes a "Presidential Election Campaign Fund" composed of amounts designated to the fund by individuals under Section 6096. Section 6096 permits individual and joint taxpayers to designate one or two dollars, as the case may be, of the taxes they owe to the Presidential Election Campaign Fund. If, at the time of a certification from the Federal Election Commission for payment to eligible candidates, such amounts are not or may not be sufficient to satisfy the full entitlements of the eligible candidates of all political parties, a pro rata distribution is called for, in accord with a priority for different kinds of expenses as established by the FECA.

39. Under Section 9004 of the Internal Revenue Code of 1954, as amended by Section 404(a) of the FECA Amendments, 88 Stat. 1291, candidates for major parties are entitled to equal payments, up to the statutory expenditure limit of $20,000,000, as adjusted by reference to the Consumer Price Index. Candidates of minor parties are entitled to payments equal to an amount which bears the same ratio to the amount allowed major party candidates as the number of popular votes received by the minor party's presidential candidate in preceding presidential election election bears to the average number of popular votes received by major party candidates for President in the preceding presidential election. A candidate who in the previous presidential election received between five and twenty-five percent of the popular vote is to receive an amount computed in the same manner as that of a minor party (less whatever his or her party receives). After the election, a candidate of a minor party who receives more than five percent of the popular vote is entitled to an amount similarly computed if that exceeds the amount computed on the basis of the previous election. A candidate of a new party who receives more than five percent of the popular vote is entitled after the election to an amount computed on the basis of the same ratio.

40. Under Section 9008 of the Internal Revenue Code of 1954, as amended by Section 406(a) of the FECA Amendments, 88 Stat, 1294, major parties are entitled to payments up to $2,000,000 to defray expenses of nominating conventions (to be paid before any of the payments specified in paragraph 39 of this complaint. Minor parties are entitled to an amount to support their nominating conventions computed on the ratio described in paragraph 39 of this complaint upon a determination by the Commission that "due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation" of the convention.

41. Under Sections 9033 and 9034, as amended by Section 408(c) of the FECA Amendments, 88 Stat. 1297, a candidate for nomination for election to the office of President of the United States may receive from the Presidential Election Campaign Fund

funds to pay expenses incurred in connection with his or her campaign for nomination if he or she has received contributions in excess of $5,000 from residents of at least twenty States (the excess over $250 from any one individual not to be counted), the funds provided to be in an amount matching such contributions (the excess over $250 from any one individual not to be matched). Such payments are to be made only if sufficient funds are available for the payments specified in paragraphs 39 and 40 of this complaint.

Federal election commission

42. Section 208(a) of the FECA Amendments, 88 Stat. 1280, amends the FECA, 2 U.S.C. Section 437c, by providing for the establishment of a Federal Election Commission. Said Commission is to be composed of six members, two appointed by the President pro tempore of the Senate on the recommendations of the majority and minority leaders of the Senate, two by the Speaker of the House of Representatives on the recommendations of the majority and minority leaders of the House, and two by the President. All must be confirmed by a majority of both Houses.

43. The Commission has broad powers. Section 208(a) of the FECA Amendments, 88 Stat. 1282, 2 U.S.C. Section 437d. It may, *inter alia:* (a) investigate with the aid of compulsory process; (b) exercise primary jurisdiction with respect to civil enforcement of the FECA, as amended, by bringing actions (including proceedings for injunction) in federal district courts; (c) refer violations to the Attorney General; (d) formulate general policy with respect to the administration of the FECA, the FECA Amendments, and certain provisions of Title 18 of the United States Code; (e) render advisory opinions; and (f) make rules necessary to carrying out the FECA and the FECA Amendments.

44. Section 209(b)(1) of the FECA Amendments, 88 Stat. 1287, amends Section 316(a) of the FECA to empower the Commission to make rules and regulations under the provisions of the FECA and FECA Amendments relating to reporting and disclosure. Any proposed rule or regulation dealing with required reports or statements by a candidate for the office of Senator and by political committees supporting such candidate shall be transmitted to the Senate. If the Senate does not disapprove such a proposed rule or regulation within 30 legislative days, the Commission may prescribe it. Any proposed rule or regulation dealing with required reports or statements by a candidate for the office of Representative and by political committees supporting such candidate shall be transmitted to the House. If the House does not disapprove such proposed rule or regulation within 30 legislative days, the Commission may prescribe it. If a proposed rule relates to required reports or statements by a candidate for the office of President of the United States, and by political committees supporting such candidate, it shall be transmitted to both the House and the Senate. Both the Senate and the House may disapprove any such proposed rule or regulation within 30 legislative days.

45. Section 302 of the FECA Amendments, 88 Stat. 1290, amends the FECA, 2 U.S.C. Section 456, to provide that if the Commission finds that a candidate for a federal office failed to file a report required by the FECA or the FECA Amendments, such person shall be disqualified from becoming a candidate in any future election for federal office until one year after the expiration of the term for which such person was a candidate.

Miscellaneous Definitions

46. The FECA and FECA Amendments define in Section 301(d) a political committee as "any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000."

47. Section 301(e) of the FECA and Section 591(e) of Title 18 U.S.C., as amended, define a contribution as a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of influencing the nomination for election of any person to federal office or for influencing the results of a primary to select delegates to a national nominating convention or influencing the result of an election held for the expression of a preference for the nomination of persons for election to the office of the President of the United States. News stories, commentaries and editorials are not excepted from these definitions.

48. Section 301(f) of the FECA and Section 591(f) of Title 18 U.S.C. define expenditures to mean a purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination for election of any person to federal office or for influencing the results of a primary to select delegates to a national nominating convention or influencing the results of an election held for the expression of a preference for the nomination of persons for election to the office of the President of the United States. News stories, commentaries and editorials are excepted from these definitions.

Reporting and disclosure

49. Under Section 302(b) of the FECA, as amended by Section 202(a) of the FECA Amendments, 88 Stat. 1275, committees must keep detailed records identifying any person who contributes $10 or more. Under Section 304(a) of the FECA, as amended by Section 204(a) of the FECA Amendments, 88 Stat. 1277, political committees receiving contributions or making expenditures on behalf of a candidate must file reports with said candidate's principal campaign committee which comply in all respects with the reports required to be filed with the Federal Election Commission by the principal campaign committee. A principal campaign committee must, under Section 304(b) of the FECA, report the full name, mailing address, and occupation of each person who has made one or more contributions to or for said committee in an aggregate amount in excess of $100, together with the amount and date of said contributions.

50. Section 204(c) of the FECA Amendments, 88 Stat. 1277, amends Section 304 of the FECA to provide that a member of Congress need not report as contributions received or expenditures made the value of services furnished by the Senate or House recording studios, or by an individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives, and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Congressional Committees. The section does not apply to recording services furnished during the calendar year before the year in which the member's term expires.

51. Section 204(c) of the FECA Amendments, 88 Stat. 1278, provides that every person who makes contributions or expenditures other than by contributions to a political committee or candidate in an aggregate amount in excess of $100 shall file with the Commission a report containing the information described in paragraph 49 of this complaint.

52. Section 208(a) of the FECA Amendments, 88 Stat. 1279, amends the FECA as follows:

"Sec. 308. Any person (other than an individual who expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or who publishes or broadcasts to the public any material referring to a candidate (by name, description, or other reference)) advocating the election or defeat of such candidate, setting forth the candidate's position on any public issue, his voting record, or other official acts (in the case of a candidate who holds or has held Federal office), or otherwise designed to influence individuals to cast their votes for or against such candidate or to withhold their votes from such candidate shall file reports with the Commission as if such person were a political committee. The reports filed by such person shall set forth the source of the funds used in carrying out any activity described in the preceding sentence in the same detail as if the funds were contributions within the meaning of section 301(e), and payments of such funds in the same detail as if they were expenditures within the meaning of section 301(f)."

53. Section 208 of the FECA Amendments, 88 Stat. 1284, amends the FECA to provide that the Federal Election Commission may institute civil actions for relief, including injunctions, if there is reason to believe that a person has engaged, or may engage, in acts or practices which violate the Act. The Commission may also request the Attorney General to bring civil actions for relief, including injunctions, against violations of the Act.

Penalties

54. Title 2 U.S.C. Section 441 provides that any person who violates the registration, reporting and disclosure provisions specified in paragraphs 49, 50, 51, or 52 of this complaint shall be fined not more than $1,000 or imprisoned not more than one year, or both.

CAUSES OF ACTION

55. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they restrict and inhibit political activity by limiting the solicitation, receipt or making of contributions on behalf of political candidates, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

56. The FECA and the FECA Amendments violate the rights of one or more of the plaintiffs in that they restrict and inhibit political activity by presenting candidates or their immediate family from expending personal funds where available and necessary, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

57. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they restrict and inhibit political activity by limiting the incidental expenses which volunteers working on behalf of political candidates may incur, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

58. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they limit expenditures by a candidate for federal office, and thereby restrict and inhibit the candidate's ability to communicate his ideas and positions, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

59. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they are designed to have, and have, the effect of favoring most incumbent officeholders and thereby disadvantaging most challengers, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution. Incumbents have, at the government's expense, permanent offices, the frank, expense allowances, an established staff, access to Congressional television recording services, and a variety of office supplies and expenses, none of which constitute expenditures within the FECA and the FECA Amendments when used by them for all but blatantly political purposes. Challengers can employ such valuable resources only by making expenditures which the Act limits to an amount far below the value of what is available to incumbents by virtue of their office alone. This disparity is in addition to the political advantages which naturally inhere in incumbency, such as ability to make news and wider name recognition.

60. The FECA Amendments deprive one or more plaintiffs of their constitutional rights in that they allow incumbent officeholders and successful candidates to employ surplus campaign funds to defray the expenses of their offices, thus discriminating invidiously against candidates challenging incumbents and against unsuccessful candidates for federal office, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

61. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against third parties, minor parties, and independent candidates which rely heavily on large contributions, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

62. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against third parties, minor parties, and independent candidacies which have not previously demonstrated their ability to capture a large percentage of the popular vote or which run candidates on a "balance of power" or "spoiler" strategy hoping to influence the policies of the major parties, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

63. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they limit the expenditures of national committees of a political party in the case of campaigns for federal office in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

64. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against political parties lacking a national committee, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

65. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against political parties sponsoring a candidate for President in only one State, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

66. The FECA Amendments deprive one or more of the plaintiffs of their rights in that the method of appointment of the Federal Election Commission violates the constitutional separation of powers and discriminates invidiously against them in violation of the Due Process Clauses of the Fifth Amendment to the Constitution.

67. The FECA Amendments deprive one or more of the plaintiffs of their right to a hearing before an impartial tribunal by entrusting administration and enforcement of the FECA, as amended, to the Federal Election Commission, in violation of the constitutional separation of powers, Article III, and the Due Process Clause of the Fifth Amendment to the Constitution.

68. The FECA Amendments deprive one or more of the plaintiffs of their righta in that the Federal Election Commission is empowered to make rules under the FECA in violation of the constitutional separation of powers and the Due Process Clause of the Fifth Amendment to the Constitution.

69. The FECA Amendments deprive one or more of the plaintiffs of their rights in that the Federal Election Commission has power to disqualify a person from becoming a candidate for election to federal office in violation of the First, Fifth, and Sixth Amendments to the Constitution.

70. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they provide, through auditing procedures, for the Federal Election Commission to inspect lists and records required to be kept by political committees of individuals who contribute more than $10, in violation of their rights of freedom of speech and association and privacy guaranteed by the First, Fourth, and Ninth Amendments to the Constitution and of their right to due process of the Fifth Amendment to the Constitution.

71. The FECA Amendments and the FECA violate the rights of one or more of the plaintiffs in that they require political committees to register and disclose the names of those of their contributors who contribute in excess of $100, in violation of their rights of freedom of speech, association and privacy guaranteed by the First, Fourth, and Ninth Amendments to the Constitution and of their right to due process of the Fifth Amendment to the Constitution.

72. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate invidiously against them by not requiring the same disclosure from incumbent officeholders of all resources available to such incumbents, such as the value of services furnished by the Senate or House recording studios or the services of certain individuals on their staffs, in violation of the right to due process of the Fifth Amendment to the Constitution.

73. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they provide that every person contributing or expending more than $100 other than by contribution to a political committee or candidate (including volunteers with incidental expenses in excess of $600) must make disclosure to the Federal Election Commission, in violation of the rights of freedom of speech, association and privacy of the First, Fourth, and Ninth Amendments to the Constitution and of their right to due process of the Fifth Amendment to the Constitution.

74. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they require any person who expends funds or commits any act for the purpose of influencing the outcome of an election or who publishes or broadcasts to the public any material advocating the election or defeat of a candidate, setting forth a candidate's position on any public issue, his voting record or any official acts to file reports with the Commission as if such person were a political committee, in violation of the rights of freedom of speech, association and privacy of the First, Fourth, and Ninth Amendments to the Constitution.

75. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they provide criminal penalties for violation of the disclosure provisions of the statutes, in violation of the rights of freedom of speech, association and privacy of the First, Fourth, and Ninth Amendments to the Constitution.

76. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they restrain and inhibit individual political activity by limiting to $1,000 the independent (not on behalf of a candidate) expenditures of any person relative to an identified candidate, in violation of the rights of freedom of speech and association of the First Amendment to the Constitution.

77. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they exclude from the definition of "political committee" committees registered for less than the period of time prescribed in the statute, thus invidiously discriminating against such committees by prohibiting them from partcipating in the political process for a six-month period, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

78. The FECA and the FECA Amendments provide that the government may bring criminal prosecutions against anyone who violates or is about to violate Section 608 of the FECA and Section 9008 of the Internal Revenue Code of 1954. The risk of criminal prosecution deters and restrains one or more of the plaintiffs and in certain instances constitutes a prior restraint of their exercise of their rights of freedom of speech and of association in violation of the First Amendment to the Constitution and deprives one or more of the plaintiffs of due process of law in violation of the Due Process Clause of the Fifth Amendment to the Constitution.

79. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 deprive one or more of the plaintiffs of their constitutional rights in that federal tax money is thereby used to support political movements and organizations, in violation of the restrictions imposed on the federal taxing and spending power by the First Amendment to the Constitution.

80. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 deprive one or more of the plantiffs of their constitutional rights in that federal tax money is thereby used to support only certain political parties in violation of the restrictions imposed on the federal taxing and spending power by the First Amendment to the Constitution.

81. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 deprive one or more of the plantiffs of their constitutional rights in that federal taxpayers are permitted to designate neither their preference for parties nor for candidates, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

82. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 violate the constitutional rights of one or more of the plantiffs in that they establish officially supported political parties and discriminate against third parties, minor parties and independent candidates, against parties sponsoring a candidate for President in less than ten States, against candidates with substantial support in less than twenty States, against parties who have neither nominating conventions nor primaries, and against independent candidates not nominated by conventions or primaries. These provisions violate the rights of freedom of speech and association of the First Amendment to the Constitution and the right to due process of law of the Fifth Amendment to the Constitution.

UMI

83. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they empower the Federal Election Commission and the Attorney General to bring civil actions, including proceedings for injunctions against any person who has engaged or who may engage in acts or practices which violate the Act. The risk of being subject to civil injunction proceedings deters and restrains one or more of the plaintiffs and in certain instances constitutes a prior restraint of the exercise of their rights of freedom of speech and association of the First and Fifth Amendments to the Constitution.

84. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they limit the freedom of the press by exempting news stories, commentaries, and editorials from the statutory definitions of "expenditure" but not from the statutory definitions of "contribution," thus subjecting those press functions to regulation, in violation of the rights of a free press guaranteed by the First Amendment to the Constitution.

85. Titles I, II, III, and IV of the FECA Amendments deprive one or more of the plaintiffs of the rights of freedom of speech and association and of due process of law under the First and Fifth Amendments to the Constitution because they are excessively vague and overbroad.

86. Titles I, II, III, and IV deprive one or more of the plaintiffs of their retained rights under the Ninth Amendment to the Constitution.

87. The FECA, the FECA Amendments, and Subtitles H deprive one or more of the plaintiffs of their rights in that these statutes will diminish the financial and other political support received by them from adherents and supporters, all in violations of the constitutional provision enumerated in paragraphs 55–86 of this complaint.

88. Unless application of the FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 against the plaintiffs is enjoined by this Court, plaintiffs will suffer irreparable injury and will be unable to exercise their constitutional rights to participate effectively in the political process, to communicate their views on issues of public policy, to support candidates for federal office, and to compete without discrimination in the electoral process.

PRAYER FOR RELIEF

Wherefore, plaintiffs pray that the Court make application for the convening of a three-judge district court and that said three-judge court hear this action, and upon such hearing to:

1. Order, adjudge, decree and declare that the FECA, the FECA Amendments, and Subtitle H are repugnant to the Constitution of the United States, and that said statutes violate plaintiffs' rights under the Constitution of the United States; and further

2. Permanently enjoin and restrain defendants, their agents and assistants from the use, operations, enforcement, execution and application of the FECA, the FECA Amendments, and Subtitle H in any and all respects in which the same may be found to be repugnant to the Constitution of the United States; and further

3. Grant such order and further relief as to the Court may seem just and proper, together with the costs and disbursements of this action.

Plaintiffs further pray, pursuant to Section 315(a) of the FECA, 88 Stat. 1285, 2 U.S.C. Section 437h, that this Court immediately certify, to the United States Court of Appeals for the District of Columbia Circuit all questions of constitutionality raised herein.

Dated: February 7, 1975.

BRICE MCADOO CLAGETT,
JOHN R. BOLTON,
RALPH K. WINTER, JR.,
Attorneys for the Plaintiffs.

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of February, 1975, copies of the foregoing First Amended Complaint for Declaratory and Injunctive Relief were served by hand delivery to defendants' counsel in this action at the addresses listed below:

Carla A. Hills, Assistant Attorney General.
David J. Anderson, Dennis G. Linder, Attorneys, Department of Justice, 10th and Constitution Avenue, N.W., Washington, D.C. 20530.

Earl J. Silbert, United States Attorney, United States Court House, Constitution Avenue and John Marshall Place, N.W., Washington, D.C. 20001.

BRICE MCADOO CLAGETT,
Attorney for Plaintiffs.

IN COMMEMORATION OF LITHUANIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, as the American people prepare to celebrate the bicentennial anniversary of America's Declaration of Independence, we should bear in mind that the blessings of freedom are not precious to us alone. For 57 years ago, the brave people of Lithuania realized a dream they had long held. After 123 years of Soviet and German occupation, a free and independent Lithuania was declared on February 16, 1918, and Lithuania began to enjoy a rebirth of achievement and liberty, only to see it dissolve a brief 20 years later.

We join today with Americans of Lithuanian descent and their kinsmen throughout the world in commemorating Lithuanian Independence Day and in reaffirming our faith that Lithuania will be free once again.

The Lithuanians have a long and remarkable history. They have experienced the joys of democracy, the pain of war, and the bitterness of foreign domination. In 1253, Mindaugus was crowned king of a united Lithuania, which had existed since 1009 as a country of independent principalities. For over 700 years Lithuania developed and grew. Her people prospered. As one scholar has written.

They blessed their subjects with more human freedoms than in neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization.

But in 1795, Lithuania's long period of freedom came to an end as Imperial Russia took control. The Lithuanians refused to accept their condition peaceably. Within 40 years the Lithuanians had revolted three times in an attempt to regain their freedom. They failed. The Czarist Government then tried to stamp out the culture and even the language of Lithuania. Following another revolt in 1863, the policy of repression intensified. But an idea cannot be destroyed by the destruction of those who hold it, and the Lithuanians persisted until forced attempts to eliminate their culture were abandoned as an active social policy in 1905.

Lithuania became a battleground in World War I as Russian and German armies advanced and retreated over the little country. With Germany's defeat and Russia's revolution, hopes for independence brightened. In 1917, the Germans, who had occupied Lithuania since 1915, authorized a Congress of over 200 delegates. In their gathering, the delegates proposed a free and independent Lithuania, and elected a 20-member council. It was this council that on February 16, 1918, proclaimed a free Lithuanian state.

But freedom did not come with its simple declaration. The entrance of the Red Army on the heels of the German evacuation in 1919 led to the formation of a short-lived Communist government. A Polish Army then drove out the Russians, and on July 20, 1920, Russia recognized an independent Lithuania. The Russians pledged to renounce, "All sovereign rights possessed by Russia over the Lithuanian people and territory." The declaration of independence had become a reality.

Throughout the 1920's and 1930's the Lithuanian people enjoyed the freedom they had long awaited. Their constitution guaranteed freedom of speech, assembly, religion, and communication. Lithuania had a representative government, and became a respected member of the League of Nations. Literature flourished and education proceeded at a fast pace.

With the aggressions of Hitler and Stalin, long foreign occupation began again. On August 3, 1940, Lithuania became a constituent republic of the U.S.S.R. The Soviets deported to Siberia 30,000 members of the Lithuanian intelligentsia on the night of June 14, 1941. As Nazi armies marched east against Stalin, the Soviets executed 5,000 political prisoners in their hasty retreat.

The German occupation of the little country brought another attempt to destroy the culture of the Lithuanians as the Germans pursued a policy of colonization and resettlement. The entire Jewish population, save a few, was annihilated as part of Hitler's final solution.

In 1945, while Western Europe emerged from the grip of Nazi rule, Lithuania and its Baltic neighbors merely exchanged one cruel master for another. The Iron Curtain fell across Eastern Europe as the Soviet Union created puppet governments in its satellite states. The Baltic States of Latvia, Estonia, and Lithuania were incorporated into the Soviet Union, to make their domination complete. Since that time, the precious freedoms that were such a strong part of the national tradition disappeared from Lithuania. Through armed and passive resistance they have shown the world that they still value liberty, that they will not submit any more now than they did in 1795.

The American people have not remained aloof. We have reaffirmed again and again our commitment to the right to self-determination of the Lithuanians and all captive people. We have never recognized Soviet rule over the Lithuanians. In 1940, in our denunciation of the Soviet takeover, we put forth what has become known as the "Freedom Charter of the Baltic States." In 1959, and 1966, and again in 1967, we formally restated our pledge to stand by the Lithuanian people.

So on this 57th anniversary of Lithuanian independence, it is my great honor to join the 1 million Americans of Lithuanian descent, as well as Lithuanians all over the world, in commemorating Lithuanian Independence Day.

COMMEMORATING THE INDEPENDENCE OF LITHUANIA AND ESTONIA

Mr. ROTH. Mr. President, this month Americans of Lithuanian and Estonian descent are commemorating the 57th anniversary of the declarations of independence of Lithuania and Estonia. The third Baltic nation—Latvia—commemorates its independence in November.

It is tragic that these anniversaries cannot be openly remembered in the Baltic countries for they have lost their independence and are now a part of the Union of Soviet Socialist Republics.

The brave people of Estonia, Lithuania, and Latvia, however, maintain their strong desire for freedom. I have seen no more eloquent testimony to this than a passage I ran across in Aleksandr Solzhenitsyn's book, the "Gulag Archipelago." During his first imprisonment, Solzhenitsyn met an Estonian patriot named Susi. He writes of Susi's love for his country and his dedication to the principles of democracy and the Estonian constitution.

I ask unanimous consent that this passage be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

And now fate brought me together with Susi. He breathed a completely different sort of air. And he would tell me passionately about his own interests, and these were Estonia and democracy. And although I had never expected to become interested in Estonia, much less bourgeois democracy, I nevertheless kept listening and listening to his loving stories of twenty free years in that modest, work-loving, small nation of big men whose ways were slow and set. I listened to the principles of the Estonian constitution, which had been borrowed from the best of European experience, and to how their hundred-member, one-house parliament had worked. And, though the *why* of it wasn't clear, I began to like it all and store it all away in my experience. I listened willingly to their fatal history: the tiny Estonian anvil had, from way, way back, been caught between two hammers, the Teutons and the Slavs. Blows showered on it from East and West in turn; there was no end to it, and there still isn't. And there was the well-known (totally unknown) story of how we Russians wanted to take them over in one fell swoop in 1918, but they refused to yield. And how, later on, Yudenich spoke contemptuously of their Finnish heritage, and we ourselves christened them "White Guard Bandits." Then the Estonian gymnasium students enrolled as volunteers. We struck at Estonia again in 1940, and again in 1941, and again in 1944.

LITHUANIAN INDEPENDENCE DAY, 1975

Mr. PASTORE. Mr. President, I would like to take a moment to pay tribute to Lithuania and her brave people. February 16 marked the 57th anniversary of the independence of Lithuania. On February 16, 1918, the courageous and proud people of Lithuania, oppressed for centuries by foreign invaders, established a republic based on the principles of democracy and respect for the individual.

It is important, Mr. President, to keep in mind just how far back the roots of this love of freedom, this spirit of independence, this national pride extend. Indeed, it has been the depth of those roots, the length of these great traditions, which have made the Lithuanian democratic spirit, her love of freedom, so indestructible.

The first independent Lithuanian state was established more than six centuries ago and her peace-loving, energetic, and hard-working people built a flourishing kingdom on the Baltic Sea.

But because Lithuania occupied so crucial a geographic position between eastern and western Europe, she was invaded and devastated frequently by the greedy powers that surrounded her. Eventually she fell victim in the brutal game of international power politics being played by the great powers of Europe in the 18th century and she was forcibly annexed by Russia.

Despite this disaster, the flames of Lithuanian independence were never dimmed, not even by the most brutal attempts of the czars to eradicate every last vestige of Lithuanian national life, culture, and customs.

The great people of Lithuania, throughout their travail, survived their oppressors and when Czarist Russia collapsed during the First World War, they once again proclaimed their independence.

Independence, freedom, democracy, and liberty are sacred concepts to the Lithuanians and they quickly demonstrated what the free and independent Republic of Lithuania was capable of. The little Baltic Republic made astounding progress in every way. She became a model republic. The Lithuanian economy flourished and her future looked bright.

Then she was crushed between the massive military machines of Nazi Germany and the Soviet Union during World War II. The spirit of her courageous people has not been crushed however. The independence of nations can be destroyed but not a cultural heritage or the legacy of ideas that are a part of it. We draw inspiration and hope from the unquenchable courage of the people of Lithuania. We pay homage, not only to those people who suffer Soviet oppression in Lithuania, but also to those Americans of Lithuanian heritage who have sacrificed so much for the cause of liberty in their native land.

In full sincerity and homage, I express to all Lithuanians and Lithuanian Americans my hopes and prayers that Lithuania will once again become a free and independent republic.

LITHUANIAN INDEPENDENCE

Mr. BEALL. Mr. President, on Sunday, February 16, Americans of Lithuanian descent celebrated the 57th anniversary of the Declaration of Independence of Lithuania and the 724th anniversary of the Lithuania State.

Unfortunately, Lithuania enjoyed her short-lived independence for only 22 years. In 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

As we move toward an atmosphere of détente with the Soviet Union, I believe it is important that we not forget the freedom-loving peoples of Lithuania and other captive nations. Although they are repressed by the iron hand of a foreign power, their hopes for liberty remain undaunted. Their example is one which should be studied and remembered by all who value freedom.

AN FCC DEATH SENTENCE

Mr. PROXMIRE. Mr. President, columnist James J. Kilpatrick, writing in the Washington Star-News on Monday, analyzed succinctly and accurately the power of the Federal Communications Commission as viewed against the background of the first amendment.

Kilpatrick wrote about the recent action of the FCC in denying renewal of licenses for five radio stations, all owned by Star Stations, Inc. Star Stations, operating broadcasting stations in Indiana, Nebraska, and the State of Washington, has no connection with the Washington Star-News.

Mr. President, I ask unanimous consent that Mr. Kilpatrick's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN FCC DEATH SENTENCE

(By James J. Kilpatrick)

The Federal Communications Commission entered an order a couple of weeks ago denying license renewals to five radio stations under the common ownership of Star Stations, Inc. Whether just or unjust, the order dramatically revives old questions of the status of broadcasting under the First Amendment.

The FCC's decree is aimed directly at Don Burden, board chairman and president of the parent corporation that has operated WIFE and WIFE-FM in Indianapolis, KOIL and KOIL-FM in Omaha, and KISN-AM in Vancouver. Last month's order wipes him out.

Commissioner Robert E. Lee, dissenting, called it a "death sentence." To deny Burden his license renewals struck Lee as "an unprecedented example of an overdose of justice." In Lee's view, "We are effectively bankrupting the licensee and probably denying him a livelihood in his field of expertise."

A majority of the commission, disagreeing with Lee, found a pattern of "serious misconduct" in the operation of the Star stations, and held that Burden "was intimately involved in and had knowledge of the misconduct."

The charges of greatest concern, in terms of the First Amendment issue, had to do with Burden's activities in support of the political campaigns of Vance Hartke in Indiana in 1964 and Mark Hatfield in Oregon in 1966.

The commission found, as to Indiana, that Burden was "privy to a scheme by which WIFE furnished favorable publicity and free advertising for the Hartke campaign. As part of the scheme, the station's news staff was directed to provide favorable news coverage for the candidate during regular news broadcasts." Following the campaign, said the FCC majority, Burden made false representations to the commission about his knowledge of these allegations.

The Commission further found, as to Oregon, that in 1966 Burden instructed KISN's

staff "to use regular newscasts to favor Mark Hatfield over his opponent."

The publicity that Burden's station gave Hatfield was broadcast "not as an exercise of news judgment, but as a deception of the public and to further his private interests." This was an attempt "to use broadcast facilities to subvert the political process," and such misconduct could not be ignored or condoned.

One effect of the FCC's order is to emphasize the night-and-day difference between the print media and the broadcast media in terms of "freedom of the press."

In theory, the broadcasters have the same First Amendment freedom enjoyed by the press, in fact, the broadcasters' freedom is as nebulous as the air on which they rely.

Suppose a newspaper publisher had done what Burden was charged with doing. Suppose a publisher had directed his editors deliberately to favor one candidate over another in the news columns.

Sad to say, it has been known to happen.

Such corruption of the news is a terrible disservice to the press as a whole. It is wrong, unethical, contemptible—pick your adjective. But it is not unlawful. No federal commission can shut down a newspaper. No publisher has to make representations under oath to any agency of government. If it ever were seriously proposed to license newspapers, the proposal would be shouted down as intolerable.

Yet we tolerate the judgments of the FCC. Radio frequencies and TV channels must be allocated by some agency, it is reasonably argued, or we would have chaos on the air. Congress has charged the FCC, by law, with making these allocations.

The Constitution says that Congress shall make no law abridging freedom of the press. This takes us back to square one. Broadcasters may believe that as part of the press, they have First Amendment rights. What the Burden case says is simply this: They have them not.

Mr. PROXMIRE. Mr. President, the columnist's basic point—that broadcasters may believe they have first amendment rights, but actually do not—is true.

I have made many speeches on this floor on that point. Now I would like to go beyond what Kilpatrick wrote.

If, after appeals, Star Stations does lose its licenses, what does that mean for the stockholders?

It means that Star Stations is left in a position of seeing its physical assets being reduced to a small fraction of their value as operating stations.

This case is unsettled. It is not proper for me to comment further on it directly. But it has value as a real-world example of the power of the FCC when it comes to first amendment rights.

Therefore, I shall confine my remarks to the general situation, avoiding particulars.

Broadcast licenses are not a commodity. Wisely, it is forbidden to traffic in licenses. Licenses are granted to be used. They are not to be obtained for the purpose of obtaining broadcast properties for resale. Speculation is out.

That being true, a broadcaster losing his license is reduced to selling his transmitter and other broadcasting equipment for salvage. His real estate may or may not be worth much, depending on its size, location and other factors. Many times, his studios are specially designed and are not readily adapted to other uses. And often, the site of his tower or towers may be in rural areas. For radio towers, especially, the ground for the towers was selected because of technical aspects. High, dry ground is needed for some types of transmissions; wet ground for others.

In short, the license—even though it may not be sold and may be transferred only with FCC approval—is not a salable item. Yet, if a broadcaster wishes to sell, finds a qualified buyer for his physical assets, and the FCC approves the transfer of his license to the buyer of those assets, a good radio station in a good market will be worth a considerable sum.

When a license renewal is denied by the FCC, there is nothing in the FCC order dealing with the physical assets of the broadcaster put out of business.

The former broadcaster has technical equipment he may not use. It can sell it, if it can find a buyer, but the buyer may not use it intact.

It is like selling an automobile to a baby in his crib: He may own a car, but there is no way he can use it.

Another licensed broadcaster buying the equipment, might be able to use it as parts. But that is about all.

Say a newspaper publisher goes out of business. Say his plant is obsolete. Say it is nearly worthless. Yet, he may be able to sell his circulation list and the name of the paper for quite a bit of money—probably many times more than his plant is worth. Good will, an intangible, may be valuable, too. There is, of course, no license involved.

The broadcaster, deprived of a license, is in no anologous situation.

He has no audience to sell. His call letters are not his to sell. He has no good will in the business sense of that term.

In most instances, when a would-be broadcaster applies for an existing license, he has no intention of buying the existing physical assets of the broadcaster he wishes to displace. He has already hired a consultant and engineer to design a new station; he has lined up financing; he probably has an option of real estate for studios and tower. He is after a license—the cost of which is legal fees.

I am told that a broadcaster with five radio stations in the same markets as Star might be paid $10 million to $15 million for his assets in a deal involving the transfer of licenses.

Without successful transfer of the licenses, his physical assets might be worth $500,000.

That is a practical measure of the control government, through the FCC, has over the first amendment freedoms of broadcasters.

The Government's sword hangs over the heads of all broadcasters.

Because it falls from time to time, all broadcasters—not just those who taste the sword—are intimidated.

We could not condone that for newspaper publishers because of our oaths to uphold the Constitution. Yet—somehow—we condone that for broadcasters.

The question is then: Is broadcasting protected by the first amendment?

If it is, then we in the Congress cannot permit the current situation to continue. The Communications Act of 1934 must be amended.

I maintain that over the years, Congress and the other branches of Government have permitted the first amendment to the Constitution to be changed without formal action.

George Washington in his Farewell Address read Monday in both the Senate and the House warned of changing our Constitution by any method other than amendment. He said:

> . . . let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Certainly, wanting all viewpoints heard on controversial issues is a good. And that is what the fairness doctrine contemplates. Yet, when the Government attempts to enforce a good with the threat of depriving a natural news disseminator of the rights of a free press, can that be anything in the long run but an evil?

Speaking of the need for a free government, Washington said in his Farewell Address:

> Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?
>
> Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

Of course Washington knew nothing of radio and television. But he did know of the necessity of knowledge in forming public opinion.

It is enlightenment for Government to recognize that broadcasting should be a part of the free press. It is not now a part.

Broadcasting cannot do the job of imparting knowledge of public affairs, needed by all citizens, unless its bonds are cut by the Government that tied them.

I have introduced legislation, S. 2, the First Amendment Clarification Act of 1975, to do just that.

Next September 17 will be the 180th anniversary of Washington's Farewell Address. Next July 4 will be the 200th anniversay of the signing of the Declaration of Independence.

It is not too soon to reexamine the first amendment and its guarantee of a free press.

Technology aside, there is no basic difference between type and radio waves. They both serve the same purpose—imparting information for citizens to sift and judge as a necessary preliminary to exercising their franchise.

If a broadcaster does a bad job of imparting knowledge he will go out of business, just as a newspaper that does a bad job will go out of business. Free competition in the marketplace of ideas will supply controls.

But if a broadcaster can be forced out of business by Government, the freedom of the marketplace of ideas is in jeopardy.

A COMMENDATION FOR THE SERGEANT AT ARMS

Mr. PELL. Mr. President, I rise to bring to the attention of my Senate colleagues and to commend the exemplary conduct of our Sergeant at Arms, William H. Wannall, in carrying out his responsibilities regarding the securing and the transportation to the Senate of the New Hampshire ballots.

Mr. Wannall left here on Sunday morning, February 9, at 7:30 a.m. and arrived in New Hampshire at 7 p.m. that evening in a blinding snowstorm. The next morning at 5 a.m. he and James Duffy, majority counsel, and Judge James Schoener, minority counsel of the Subcommittee on Privileges and Elections, proceeded to the New Hampshire Armory and in 26 degree below zero weather, they, along with two Capitol Police sergeants, personally helped load the van hired by GSA to transport the ballots.

Then, Mr. Wannal, accompanied by Sgts. Michael Hupp and Jack Daniels of the Capitol Police, escorted the truck back to Washington, where, I can personally vouch, they completed the unloading of the truck at 3:30 the following morning.

All told, our Sergeant at Arms comported himself in accordance with all the fine traditions of our body, and should be congratulated and thanked by us all.

INCREASE SHOWN IN SUPPORT FOR ISRAEL AMONG AMERICAN PEOPLE

Mr. McGEE. Mr. President, I call the attention of my colleagues to the Harris poll of Monday, February 10, which demonstrated a significant increase in support for Israel among the American people despite the use of oil by Arab nations as a political tool in the Middle East.

The poll refutes the theory that when the chips are down and our citizens face the economic crunch caused by skyrocketing petroleum prices, support for Israel would evaporate overnight. In fact, the poll demonstrates the direct opposite has occurred. The action of the Arab oil producers in using petroleum as political leverage in our policy toward Israel has backfired among the American people. It has served as a catalyst in strengthening the support and determination in this country for the traditional U.S. policy of guaranteeing the security and independence of Israel.

As the Harris survey noted:

> The tactics of the Arab oil-producing nations have been costly in terms of American sympathies in the Middle East dispute. By default, Israel could benefit from the resentment that has grown against Arab petroprofiteers.

Mr. President, I believe the Harris survey only confirms what many of us have already known. The support for Israel in this country is much deeper than the surface support which has been claimed in the past. It also should lay to rest claims on the part of some in this country that the so-called Jewish lobby exercises an influence inordinate to its numbers. Actually, the Jewish lobby represents the views of the vast majority of the American people, as is confirmed by the survey.

I ask unanimous consent that the survey report be printed in the RECORD.

There being no objection, the survey report was ordered to be printed in the RECORD, as follows:

HARRIS SURVEY—PETROPOWERS BLAMED FOR U.S. RECESSION

(By Louis Harris)

Resentment against the oil-producing countries, particularly the Arab nations, has grown to a point where three out of every four Americans blame the petropowers for inflation and the recession. People now view the energy crisis as a problem that is serious enough to cause unemployment and destroy the economy.

The number of Americans who now view the energy crisis as "serious" has risen from 67 to 84 percent since July. Those who believe the shortage is "very serious" have increased from 26 to 44 percent during the same period.

Sympathy for Israel in the Middle East dispute has risen from 39 to 52 percent whose sympathies lie with the Arabs.

The number of people who believe that the U.S. does not have to try to trade an alliance for Arab oil or buckle under to Arab demands has risen significantly since last June. A substantial 68 to 20 percent majority of the American public does not agree that "we need Arab oil for our gasoline here at home, so we had better find ways to get along with the Arabs, even if that means supporting Israel less."

An even larger majority, 76 to 13 percent, agrees that "if we yield to Arab restrictions over oil now, we will soon find the Arabs dictating much of U.S. foreign policy, and that is wrong."

"Those Arabs are trying to put a gun at our heads with their oil," said a businessman in Dubuque, Ia. "We'll never take blackmail like that. It's not the American way."

Still, a better than 2-to-1 majority, 58 to 25 percent, opposes a take-over and internationalization of the Arab oil fields by the oil-consuming nations.

A cross-section of 1,543 households was asked last month:

"Do you feel that [read list] is a major cause of inflation, a minor cause, or hardly a cause of inflation at all?"

	January 1975	September 1974	April 1973
Foreign, oil-producing countries raising prices on crude oil	76	(1)	(1)
Business raising prices	67	74	64
Shortages of gasoline and fuel oil	64	58	(1)
Middlemen price increases	63	65	60
Business profits	61	65	56
Federal spending	60	76	68
High interest rates on borrowing	59	62	(1)
Union wage demands	50	51	57
Defense spending	37	58	49
Welfare and relief payments	39	43	(1)
Spending by the public	31	39	35
Farm prices	22	37	25

[1] Not asked.

In all cases, the number who blame the present economic situation on traditional causes of inflation, such as federal or defense spending, has decreased since last fall, while the number who blame inflation on energy shortages and price hikes by the oil-producing nations has risen.

A similar pattern emerged when the public was asked who is to blame for the present recession. People were asked:

"If you had to say, how much would you blame [read list] for the country being in a recession today—very much, only some, or hardly at all?"

[In percent]

	Very much	Only some	Hardly at all	Not sure
Foreign, oil-producing countries	64	22	8	6
Arab oil producers	63	24	8	5
Lack of leadership in country	58	28	8	6
High interest rates on loans and mortgages	58	29	7	6
Bad economic conditions worldwide	56	31	7	6
Major companies	50	36	8	6
Congress	48	37	8	7
Middlemen in business	40	39	14	7
Labor unions	39	38	16	7
American people	25	41	29	6
Big farmers	22	39	32	7
Ford administration	20	37	34	8

Americans believe that the second greatest reason for the recession besides the foreign oil producers, particularly the Arabs, is the "lack of leadership in the country," altho people blamed Congress more than the Ford administration.

The tactics of the Arab, oil-producing nations have been costly in terms of American sympathies in the Middle East dispute. By default, Israel could benefit from the resentment that has grown against Arab petroprofiteers. People were asked:

"In the dispute between Israel and the Arabs, which side do you sympathize with more—Israel or the Arabs?"

	January Percent '75	November Percent '73
Israel	52	39
The Arabs	7	4
Neither *	24	30
Both *	6	16
Not sure	11	11

* Volunteered answer.

JOHN T. DUNLOP—A PRACTICAL, EXPERIENCED EXPERT AT THE DEPARTMENT OF LABOR

Mr. PROXMIRE. Mr. President, the appointment of John T. Dunlop as Secretary of Labor is one of the most welcome events with respect to Cabinet appointments in the last 5 years. This is true for a variety of reasons.

Dr. Dunlop combines an academic knowledge of labor, collective bargaining, and the institutions of free trade unions with practical experience in negotiating and bargaining that is unprecedented in the United States today. What a welcome and refreshing event it is to have a man appointed to a position who really knows his job.

In addition, Dr. Dunlop's appointment brings to the Cabinet and the administration a very knowledgeable economic expert. He is well-trained, pragmatic, and knows what he is talking about. In fact, if I were to state the single most important advice President Ford needs these days, I would say, "Good economic advice." And good economic advice is precisely what he has not been getting with very dire results for both unemployment and inflation.

Hobart Rowen writing in the Washington Post for Sunday, February 16, details many of these points and a great deal of information about Dr. Dunlop's background. Mr. Rowan especially welcomes an expert in a particular field of eco-

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nomics as opposed to the macro, big picture economist who knows something about everything, but very little about anything in particular.

I commend Mr. Rowan's article to the Senate and the public. I welcome this extremely fine appointment, and I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DUNLOP'S SENSE OF PRAGMATISM

(By Hobart Rowen)

By persuading Harvard professor John T. Dunlop to return to Washington as Secretary of Labor and member of the top Economic Policy Board, President Ford has acquired not only a man for whom the unions have a unique respect, but also one of the few economists who foresaw early that there would be a price explosion throughout 1974.

In 25 years of government service on various panels, boards and commissions—most recently as the chairman of the now defunct Cost of Living Council—Dunlop has proved to be one of the few live bureaucrats who know how to wheel and deal with labor leaders in their own language.

The square-jawed, blunt-talking Dunlop played a major role recently in persuading the Labor-Management Committee to back a $20 billion tax cut, including a boost in the investment credit—an aid for business that heretofore has been anathema to union leaders.

He is known to feel that the big problem facing the country today is to get people back to work without touching off a new round of inflation in 1976.

Especially, Dunlop worries about construction, where unemployment rates have soared. He is sure to press President Ford for some emergency action to stimulate better flows of money for the depressed housing industry. That could brush him up against Arthur Burns' well-advertised aversion to allocating credit.

Dunlop can show a better scorecard on wage stabilization than price stabilization results. For example, his cozy brand of secret, behind-the-scenes jockeying with labor and management in the construction industry whittled wage inflation in the building trades about in half from 1971 to 1972.

As director of the Cost of Living Council from January 1973 through April 1974, however, Dunlop had less success in keeping prices under control. But he had a lot of things working against him, notably an administration that wanted to get rid of the whole system.

What Dunlop will bring to the Ford administration at this critical time when recession is gathering force is a sense of pragmatism. In a formal speech to the Society of American Business Writers in San Francisco last May, Dunlop enunciated his broad philosophy this way:

"The government is deeply involved in private decision-making, like it or not, and the government has many counters to play, apart from any mandatory wage and price controls, and our interest groups are ordinarily sufficiently willing to participate to warrant a major effort to develop less inflationary policies for all."

Dunlop believes there is a need for a "central focus" somewhere in the federal government to ride herd on a whole series of so-called "structural" changes in the way that business, government and labor conduct their affairs.

To take one example of a dozen he cited in his San Francisco speech, he thinks ways must be found to bring teen-agers into contact with the labor market. High unemployment in this age group, he said, is a failure of both the labor market and the educational system.

Essentially, Dunlop's approach is that of the micro-economist—one who concentrates on a part or parts of the "big picture" that constitutes macro-economics—and he wants to see more micro-economists in government. These would be experts in oil, coal, fertilizer, medical care, food and so on.

"Since the 1930s," he said in San Francisco, "the preoccupation of the core of economics has been with macro-economic issues and models of the total economy. This area has attracted the best of the younger generation and is the center of attention in the journals and the scholarly writings. . . .

"But this attention to macro-economics has not helped the making of economic policy very much, in my view, or assisted in the concerns over individual sectors (of the economy) . . .

"The result is that, despite a greatly enlarged economics profession, there do not exist many first-rate specialists in micro-economic analysis equal to the challenge before us."

A concentration on macro-economics, Dunlop charges, helps explain why government economists have persistently underestimated the severity of inflation. Thus, last year, he challenged the optimistic assumptions made by former Economic Council chairman Herbert Stein, suggesting that the government had not taken into account how business and labor would respond "to various economic and political pressures or opportunities."

Dunlop says that he and his staff at the old COLC developed a better way of forecasting GNP trends by building "from the bottom up."

Needless to say, Dunlop hasn't made himself too popular with "establishment" economists, mostly "macro" men. They don't ignore micro issues, but are contemptuous of his supposed ability to settle knotty issues in an all-night bull session with the labor boys. "He thinks this country is made up of four or five unions whose presidents he's chummy with," a Brookings Institution economist once snapped.

Dunlop also has been accused of playing footsie with union leaders to underestimate or overestimate the cost of a wage settlement, depending on circumstances, knowing there is no real way for outsiders to check the data. Now that he has new and important responsibility, his penchant for secrecy becomes an even more important public question.

Liberal economists also have insisted that he has an ideological hangup against the use of wage and price controls, but in recent years he has appeared to be neither for nor against, but willing to use them in particular circumstances.

All in all at a time when President Ford needs all the economic brainpower he can get, Dunlop is a good addition to the Cabinet. He'll liven things up.

DESPERATION IN DAIRYLAND

Mr. TALMADGE. Mr. President, our Nation's dairy farmers are in desperate straits. Their costs have gone up sharply; over the past year, the prices they receive have not kept pace.

On Friday, February 7, a number of hard-working dairy producers told the Committee on Agriculture and Forestry some compelling stories about the need for minimum price and income assurances which will allow them to continue producing milk and dairy products for this Nation's consumers.

One of those witnesses was Mr. W. J. Smith, Jr., a splendid dairy farmer from Warner Robins, Ga. I ask unanimous consent that his statement to the committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF W. J. SMITH, JR.

Mr. Chairman and members of the Committee, I am W. J. Smith, Jr., of Route 1, Warner Robins, Georgia. I, with my brother-in-law, Kyle Arnold, operate a 630 acre, 180 milking cows dairy farm in partnership, located approximately 20 miles south of Macon, Georgia.

My testimony today shall be limited to some data with respect to production costs on my farm, which I think are typical especially of the Southeast. Based on my experiences, I shall express my views as to future milk production in my state and area. In addition to my own personal experiences and our estimate of the production situation in my area, I shall also express my views as to what to expect in milk production nationwide.

First, let me relate to you some of my production cost increases which will illustrate my situation and the situations of thousands of dairy farmers. In 1974, a 16 percent dairy feed rose in price from $80 per ton in 1973 to $156 per ton. Fertilizer costs have risen from $80 in 1973 to $112 per ton in 1974. We have been promised another increase in fertilizer costs for the 1975 crop year, if available to all. Electric costs and dairy supply costs have risen in equal amounts. In short, every production item is up from 33⅓ to 100 percent. The 1973 costs of producing an acre of corn was approximately $50 as compared to 1974 costs of $100, which doubled silage costs. Corn silage is the principal ingredient of our dairy ration.

Machinery costs have advanced in price at least ⅓ in the last 12 months. Also, let me remind you that dairy farmers also have family living expenses, and that these costs are up 12 to 14 percent within the last year.

Because of the increases in cost of production, which have not been fully offset by price increases, the profit on our farm, as indicated by preliminary figures, will be about half of what it was in 1973.

Let me point out that our farm is above the Georgia average in production levels, and that our herd size is nearly double the average and our production per cow of approximately 13,500 pounds is above the average. I have the opportunity to work with and to talk with many dairy farmers throughout the country many times during the year. Most dairymen tell me that they are not making any money in their dairy business. Many farmers state that they are waiting for a little higher beef price to sell cull cows or to completely get out of the dairy business. In fact, two of my immediate neighbors have sold their herds and quit dairying in the last couple of months.

In summary, production costs have continued to increase and it appears that costs will continue to go up. The energy crisis, coupled with inflation, will certainly be most influential factors on our costs. Unless action is taken on price, dairy farmers will, of necessity, quit producing or reduce cows numbers and feed less feed. Total milk production will surely drop.

Within the past few days, we have seen some slight changes in grain prices, evidently because some international trade agreements have been cancelled or amended. As a result, some people have said that production costs will be substantially reduced. I don't see it this way for two reasons. First, production costs other than feed have increased and will more than offset any slight reduction in feed costs. Second, at this point, we certainly do not know how much feed will be produced in the crop year 1975, nor do we know what the world situation will be.

The midwestern farmers which I have contacted, indicated to me that there will not be significant increased acreage of feed grains for the 1975 crop year because of the uncertainty as to availability of fertilizer, especially nitrogen, and insecticides, herbicides and fuel. The increased production costs and lack of profit will result in lower milk production in the Southeast. Likewise, let me call to your attention that in December, the U.S. production, according to USDA figures, was down slightly from a year ago and four percent below the production figures of December 1972. We believe that production will continue downward until some real relief is found either in reduced production costs or increased prices for milk.

It is my understanding that several different bills have been introduced dealing with the support price of milk. I urge you to act favorably and help enact into law legislation to support the price of milk at 85 percent of parity. I further urge that the support price be reviewed and calculated each calendar quarter. Our need for a quarterly adjustment has been apparent for a number of year. Just last year, the support level that was made effective April 1, 1974, was at the 80 percent level, but as you know, by December 31, 1974, the support level of $6.57 was approximately 73 percent of parity. Therefore, we urge you to take favorable action on the support level and the time and manner of computing the price.

AN ENERGY GROWTH PROGRAM

Mr. HARTKE. Mr. President, on February 11, I spoke to the Evansville Credit Grantors Association in Evansville, Ind. In my speech I responded to the economic and energy proposals included in the President's state of the Union message.

I support the basic thrust, but disagree with the specifics of the President's economic proposals. We need a tax rebate, but the tax cut should be aimed more toward the middle- and lower-income taxpayers than the President's proposal. Also, a general tax cut should be supplemented with measures aimed more specifically at our present economic problems. This is why I have introduced S. 452 and S. 453, bills which would give tax credits to individuals who purchase new cars and houses. This is also why I have joined with Senators SPARKMAN and TOWER in sponsoring S. 655, a bill to prevent people from losing their homes due to mortgage foreclosure during periods of economic dislocation. I also favor increasing the investment tax credit to stimulate new investment and create new jobs, but the increase should be permanent, rather than for 1 year as the President proposes.

While I agree with the basic thrust of the President's economic proposals, I strongly disagree with the thrust of the President's energy proposals. I must say that I also disagree with proposals for rationing. It seems to me that many misunderstand the nature of our energy problem. The fact is there is no shortage of oil. We can have all the oil we want if we are willing to pay for it. There are, however, political and financial problems associated with relying heavily on imported oil. These problems, while not insignificant, are nonetheless manageable in the short run. I advocate tolerating these problems in the short run, rather than further depressing and inflating our economy as the President's energy proposals would do. I also advocate a major new national program to develop alternative energy sources for the future. Such a program would require a massive national commitment, on the order of the space program of the 1960's, but it would offer a positive long-term solution to the energy problem. The program would create jobs and stimulate the economy, and ultimately would offer the most certain solution to the political and financial problems of the current energy crisis.

Mr. President, I ask unanimous consent that my remarks to the Credit Grantors Association be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR VANCE HARTKE BEFORE THE EVANSVILLE CREDIT GRANTORS ASSOCIATION

AN ENERGY GROWTH PROGRAM

The two major economic problems facing the Nation today are recession and energy. The President's proposals for dealing with these problems are now clear, and they are now clearly wrong. The President's proposals not only fail to solve our problems, they make them worse. In the face of double-digit inflation which now is beginning to subside, the President proposes energy policies which will increase inflation by three to four percent. In the absence of the President's energy package most economists are predicting inflation in the range of seven to eight percent next year—historically very high, but a welcome relief after the last two years. But the President would reverse this welcome trend with energy policies which will push the inflation rate next year back up into the eleven and twelve percent range.

What are we purchasing with this historically high inflation? Is this the price we must pay to buy our way out of recession? Hardly! The President has managed to develop a program which many economists would have thought impossible only a few years ago—one which will cause both increasing inflation and increasing unemployment. It can only be characterized as planned stagflation. The administration's own projections show the average unemployment rate for 1975 at eight-point-one (8.1) percent (that is the average for the whole year, mind you) and do not anticipate the unemployment rate dropping below seven-point-five (7.5) percent before 1978. It is already clear that even these frightening estimates will prove to be dangerously conservative. The national unemployment rate in January was eight-point-two (8.2) percent, the highest rate since the great depression. Unemployment increased one percent in only one month. The unemployment rate in Indiana is eight-point-seven (8.7) percent. If we continue along this course, we will soon stop debating whether we are going to have a depression, and we will start debating when the depression began.

These policies are completely unacceptable. Americans will not accept double digit inflation and seven plus percent unemployment for three more years.

Americans will not accept the idea that we cannot avoid such economic tragedy. And Americans will not accept leaders who would lead them further into the depths of economic despair and frustration.

The President's proposal can be divided into two portions: The tax proopsals and the energy proposals. While I have some disagreements with the tax proposals, I agree with the overall philosophy of the program. And well I should. The President's tax measures sound very much like what I have been advocating for the last two years. I agree that we need a tax cut; but I think the tax cut should be aimed more toward the middle and lower income taxpayer than the President's proposal. Under the President's program, a family of four with a five-thousand-dollar annual income would get a tax rebate of merely twelve dollars, only one dollar per month. However, a family with an income eight times higher, at forty-thousand-dollars, would get a rebate nearly eighty times greater, at nine-hundred-fifty five dollars. Similar comparisons are possible at nearly all income levels; the President's proposed tax rebate increases dramatically as a percent of income as income rises, all the way up to nearly fifty-thousand-dollars.

I am all for a tax rebate, but giving a forty-thousand-dollar taxpayer a rebate eighty times bigger than the rebate given to a five-thousand dollar taxpayer, does not exactly fit my concept of tax equity. The kind of proposal recently adopted by a bi-partisan vote of the House Ways and Means Committee is more acceptable than the President's program. But I would like to see a somewhat larger tax cut and one which includes measures aimed more specifically at our present economic problems. For example, I have a bill before the Senate which would allow investment tax credits for individuals. The bill would give tax rebates to individuals who buy a new car of ten percent of the purchase price up to a maximum of five-hundred dollars; and tax rebates to purchasers of new houses of five percent of the price up to a maximum of one-thousand-two-hundred-fifty dollars. These tax rebates should stimulate demand in the auto and housing industries, which are the two most depressed industries. These two industries are "leading" economic sectors, they led us into the recession and they can lead us out of the recession. In fact, the recession will not be truly over until these two industries are again healthy.

I also favor increasing the investment tax credit for business. I opposed suspending the credit in 1969. I proposed reinstituting the credit in 1971, and my bill would have reestablished it at the ten percent level. I have advocated increasing the credit for three years, but I favor making the increase permanent, rather than for one year as the President proposes.

These are my primary disagreements with the President's tax proposals and the alternative directions I would prefer. But my most vehement disagreements are with the President's energy proposals. The President's proposals represent a negative, defeatist approach to the energy problem.

Energy is the most basic and fundamental raw material of an industrial economy. In the short run, you cannot cut back on energy use without cutting back on the economy And you cannot increase the price of energy and petroleum, which is also a raw material for many products from synthetic fibers to paints, without causing a dramatic increase in all prices. But the President wants to do just that; he has chosen an energy policy which causes both further cut-backs in an economy which is already in the depths of a historically long and severe recession, and further inflation in an economy which is just beginning to recover from the worst inflationary period in its history.

I think it is time we correctly assess the energy problem and design positive new programs to solve it. The fact is that there is no energy crisis and there is no shortage of oil. We can have all the energy and all the oil we want if we are just willing to pay for it. This is a fact which everyone seems to have forgotten in the scramble to design new and unique programs to strangle the American economy by drastically cutting our present use of energy.

The present problem is not, in the strictest sense, an energy problem at all; it is a

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financial problem and a political problem. We can get all the oil we need, but it is expensive and hurts our balance of payments, and the oil is owned by foreign powers not completely in harmony with our own political ideology. The political element of the problem takes its most visible form as a vulnerability to foreign-imposed embargo of oil imports. But you do not solve financial problems by paralyzing your own economy. And you do not avoid the dire consequences of a foreign-imposed oil embargo by adopting policies which amount to a self-imposed oil embargo.

The administration claims that we need an immediate and dramatic reduction in oil imports to decrease the outflow of dollars, and also to put pressure on "OPEC" to reduce oil prices. But, the first justification is unnecessary and the second will be unsuccessful. The outflow of dollars to "OPEC" is not nearly as sizeable as it first appeared. Initial projections first indicated that at present oil price levels, "OPEC" might accumulate as much as six-hundred-fifty billion dollars by 1980. Under more realistic analysis the figures appear to be closer to two-hundred to two-hundred-fifty billion dollars in accumulation by 1985. Furthermore, most observers believe OPEC reserve accumulation will last only a few more years with their current account balance of payments turning into a deficit later in this decade or early in the 1980's. This represents a financial problem but it is not one we cannot handle. The international monetary fund recently concluded "There is no need for the oil consuming nations to tighten their belts. The important thing is that they accept a share of the capital inflow."

This does not mean there is no financial problem associated with large capital outflows to purchase oil. There is a problem, but it is much less serious and more manageable than many have thought. The OPEC countries are not withholding hordes of money and capriciously bouncing it in and out of foreign capital markets. And their accumulation will not go on forever. This situation calls for vigorous measures to develop the means to pay for OPEC oil; it calls for monitoring the disposition of OPEC funds to guard against unexpected financial developments, and it calls for the development of strong supplementary international monetary facilities to meet major financing problems, should they develop. But it does not call for a deliberate attempt to stagnate the American economy by constricting oil imports.

Nor will reducing oil imports force a reduction of OPEC prices. Indeed, the President's policies convey the message to the Arabs that he thinks the price of imported oil ought to be three dollars higher than it already is! Even if our Nation succeeds in reducing oil imports by one million barrels a day this year, that will cause a reduction in OPEC sales of less than four percent. In the last two years OPEC's receipts have quadrupled; a reduction of four percent now is hardly going to convince them to reverse their policy and reduce prices.

Thus, the President has proposed energy policies which are unworkable, unnecessary, and economically destructive. The proposals are also, for the most part, extremely short run. The proposals are designed to constrict the economy, and thus reduce oil imports, this month, this year, and next year, but there is no major new strategy for developing alternative energy sources for five or ten years into the future. There is only a loose collection of small production programs for military oil reserves, storage programs, new research and development, and some small endeavors in the areas of nuclear energy and synthetic fuels.

The President's proposals are unacceptable. They call for too much in the short run and not enough in the long run. They offer near-term stagflation and long term stagnation. And for all this, They do not even solve the problems they are aimed at.

It is time we ask for new answers, search for new solutions, and move the Nation in new directions. We need to accept the challenges that face us and seize them as opportunities for new levels of national achievement and new directions for national purpose, rather than as uncontrollable forces to which we must concede defeat. I say to you, the only way we will be defeated is if we defeat ourselves.

I propose that the United States undertake a major new national program to develop alternative energy sources for the future. I propose a massive commitment of resources, of talent and ingenuity, of manpower, and of national purpose, to a program as large, as well funded, and as high in nation priorities as the space program of the 1960's. The purpose of the program would be to develop energy independence by 1985, not by negative measures designed to scrimp on energy by stagnating the economy, but by positive measures designed to stimulate the economy by creating new energy sources.

The space program is a good model for such an energy independence program. Like the space program, energy independence will require a major national commitment. It must captivate our interest and draw from us the best of our talent and our efforts. If we can devote a decade to putting a man on the Moon, surely we can devote a decade to putting energy in our economy here on Earth.

Like the space program, energy independence will be expensive. It will require many billions of dollars over the next ten years; billions of dollars for research and development, billions of dollars for construction, and billions of dollars for environmental considerations.

Like the space program, energy independence will create jobs, thousands of jobs. Jobs will be created not only in the research, construction, and production directly associated with energy, but also in spin-off industries created by new technological innovation and new economic activity.

But there is one important difference from the space program; energy independence does not require the development of an entirely new technology. To put a man on the Moon required the development of virtually an entirely new science, really several new sciences. Man had to advance from limited knowledge of military rockets to understanding of space flight and navigation, human survival in outer space, and the technological development of entirely new rocket and missile systems.

The program of development of energy independence through synthetic fuels does not start from such a primitive beginning. While further research is necessary to develop fully operational, economical, and ecologically feasible processes, the basic scientific knowledge required is already known. Shale oil is already being produced. Coal gasification and liquefaction is already occurring. In fact, Germany fought much of World War Two using petroleum which was not pumped out of oil wells but was liquified from coal. These things are possible; what's more, they are possible at or below the price we now pay for oil. While the alchemist's dream of changing lead to gold is now possible but produces gold which costs several thousand dollars an ounce, the alchemy of changing shale and coal into petroleum is possible at prices the Arabs have made seem feasible.

I will soon introduce legislation in Congress to begin this national energy program. It will involve a major financial commitment by the Federal Government. The program will require opening up shale oil fields. It will require dramatic increases in coal production. And it will require the construction of industrial capability to produce the synthetic fuels. Under present technology the most efficient size for a coal liquefaction plant is one to produce fifty-thousand barrels of oil per day. Thus, with present technology, twenty new conversion plants would be required to produce one million barrels of oil per day. And one million barrels of oil per day is not enough.

We need the capability to produce two to two and a half million barrels of synthetic oil per day by 1985. This is a difficult goal. It is a goal that requires the best of our efforts and our energies. But it is a goal which is attainable.

It is also a program which can achieve everything the President wants to achieve, and even more. The President's energy program calls for a reduction in oil imports of two-point-one (2.1) million barrels of oil per day by 1985 due to oil taxes and tariffs. A national synthetic fuels program can provide two to two and a half million barrels per day by that time by stimulating the economy rather than stagnating it. The program will require petroleum price supports to guarantee that investment of billions of dollars in synthetic fuel production will bring a reasonable rate of return, and the economics of the operation will not be undermined by oil producer nation price strategy. It will require Government participation in balancing the need for developing vast new energy sources with the need for environmental preservation.

The program also requires the continuation of the elements of our national energy program already in place. It is not a substitute for the development of nuclear energy to its fullest potential. It is not a substitute for continued exploration and development of domestic oil deposits. It is not a substitute for strong national efforts to conserve energy by improving the efficiency of our automobiles and insulating our homes and offices. But it is a substitute for the notion that seems to have captured the country that the only way to conserve energy is to constrict the economy.

I do not believe that. I believe we can solve the energy problem by developing new energy sources for the future. I believe we can solve the energy problem in a positive way rather than a negative way. A major new national program to develop synthetic fuels gives Americans something to be for, rather than something to be against; a new national purpose when we are in search of something to believe in. This is an approach which will stimulate the economy and create jobs and income. It is an approach which uses our most abundant national energy sources: Coal and shale oil, rather than hastening the depletion of our domestic oil reserves.

And, ultimately, it is a program which offers a more assured solution to high prices and embargo threats from the oil producing countries. Surely the best way to defeat such policies is not self-imposed economic stagnation, but rather proving to the world that we have the foresight, the capability, and the dedication to truly develop energy independence in a positive manner that contributes to our economic well-being.

PRESIDENT FORD'S REMARKS CONCERNING NONPARTISANSHIP IN FOREIGN POLICY

Mr. SPARKMAN. Mr. President, I wish to comment briefly on the remarks of President Ford last week concerning nonpartisanship in foreign policy.

There was an implication in this speech—which I hope was not intended—that whenever the Congress agrees with the President, it is being statesmanlike in the tradition of Senator Vandenberg and that whenever it disagrees, it is dragging foreign policy into the arena of partisan politics.

The President said:

I do appeal for an open-minded spirit of enlightened national concern to transcend any partisan or internal party politics that now threaten to bring our successful foreign policy to a standstill.

And—

I refuse to believe that we have passed the point of no return in discarding our tradition of non-partisanship in foreign policy.

I endorse both of those statements.

But what the President overlooks is that what is missing from American foreign policy is not the nonpartisanship of Senator Vandenberg, but the broad consensus which Senator Vandenberg represented. Even in Senator Vandenberg's time, there was lively and prolonged debate over the issue of sending additional troops to Europe. If there are now those in the Senate who believe the time has come, after more than 20 years, to bring some of those troops home, that scarcely makes them political partisans.

Both parties are themselves divided over the issues of foreign policy which divide the American people. Probably the low point in executive-congressional relations in this field was reached at a time when there was a Democratic President and a Democratic Congress. What could be more nonpartisan?

Hopefully, as the Vietnam war recedes into history, we can forge again something resembling the great national consensus of which Senator Vandenberg was a part in the late 1940's and early 1950's.

I shall certainly cooperate in this endeavor to the best of my ability, but it will be always on the basis of supporting the President when I think he is right and opposing him when I think he is wrong. That is the kind of independence which the Constitution meant for the Senate to have. And partisan politics has nothing to do with it.

IS THE NATIONAL RESEARCH AND DEVELOPMENT BUDGET OUT OF BALANCE?

Mr. PROXMIRE. Mr. President, the total national research and development budget for fiscal year 1976 is $21.6 billion, up 15 percent over last year.

Of this $21.6 billion, however, about 50 percent or $10.6 billion goes for defense. This $10.6 billion is an increase of 20 percent over last year. Therefore, the defense department research and development budget has a significant impact on that more general figure of 15 percent growth in the Federal R. & D. budget.

It is striking to note that the only other major program with a growth rate comparable to the defense department is that of the energy research and development administration—ERDA. ERDA has a 20.5-percent increase which shows the dramatic effort the United States is making in the energy field.

This raises an interesting question that American scientists may want to consider. If we are increasing the ERDA budget by a little over 20 percent in recognition of the crash program underway there, what justifies the 20-percent increase in the defense research and development budget?

The Environmental Protection Agency R. & D. budget is only up 4.5 percent. The National Aeronautics and Space Administration is up 6 percent. Transportation, Agriculture, and Health, Education, and Welfare are up 9 percent. And defense is up 20 percent. That says something about national priorities.

I am sure that there are many areas of the defense R. & D. budget that require full funding. But I am just as certain that the 20-percent increase in unnecessary if it approaches the crash budget the Congress and the executive department authorizes for energy research. There is room for pruning in that defense R. & D. budget.

Mr. President, I ask unanimous consent that a table representing departmental research and development budgets proposed for fiscal year 1976 and the change from the current fiscal year be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENTAL RESEARCH AND DEVELOPMENT BUDGETS PROPOSED FOR FISCAL 1976

(Beginning July 1)

	Amount (millions)	Change from current fiscal year (percent)
Defense	10,608	+20.0
National Aeronautics and Space Administration	3,526	+6.0
Energy Research and Development Administration [1]	2,346	+20.5
Health, Education, and Welfare	2,285	+9.0
National Science Foundation	680	+10.0
Agriculture	468	+9.0
Transportation	402	+9.0
Interior	315	+11.5
Environmental Protection Agency	300	+4.5
Commerce	230	+10.0
Veterans Administration	102	0
Nuclear Regulatory Commission [1]	96	+63.0
Housing and Urban Development	65	+12.0
Justice	45	−33.0
All other	134	−.5
Total	21,602	+15.0
Total conduct of research	8,256	−9.4
Total conduct of development	13,346	+19.0

[1] Created during fiscal 1975.

LITHUANIAN ANNIVERSARY

Mr. HARTKE. Mr. President, Lithuanian American citizens thoughout the United States are celebrating the 57th anniversary of the Declaration of Independence of Lithuania as well as the 724th anniversary of Lithuanian nationhood.

These people have every right to be proud of their heritage. One remembers at this time the struggle of Lithuanians all over the world against alien domination and exploitation. They have contributed a great deal to mankinds struggle for freedom.

Mr. President, I ask unanimous consent that the text of a statement from the American Lithuanian Club of Beverly Shores, Ind., in honor of Lithuanians everywhere be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

SENATE COMMITTEE SYSTEM

Mr. MOSS. Mr. President, the current series of articles in the Washington Post alleges that Senate committees are barely accountable to their parent body, let alone to the American public. To determine how much committees spend and where and how they spend it required months of investigation and sophisticated computer analysis. The results are bound to further undermine public confidence in the Congress.

Expenditures and hiring are only two of many aspects of the Senate committee system requiring thorough examination and reform. In a letter of January 24, 1975, to the majority leader, I cited the proliferation of subcommittees with overlapping jurisdiction, great disparities in legislative workload among committees, and gaps in oversight of executive

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agencies. These conditions have frustrated the ability of the Senate to develop sound national policies in energy and other fields.

Mr. President, I urge the Senate to support the resolution, shortly to be introduced by Senator STEVENSON and Senator BROCK, in which I have joined, to create a select committee on committees to investigate and report during this Congress.

Without objection, I ask unanimous consent that my letter to the majority leader be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *January 24, 1975.*

Hon. MIKE MANSFIELD,
Russell Senate Office Building,
Washington, D.C.

DEAR MIKE: Last fall the House of Representatives reorganized its committee structure and revised their procedures to strengthen its ability to deal with the nation's problems. This process, difficult as it was, was an important step in restoring public confidence in the Congress. Yet it has been nearly thirty years since the Senate accomplished a similar reform. The nation is increasingly conscious of our neglect.

Since World War II we have experienced an enormous expansion of Federal activity in education, health, environmental and consumer protection, housing and urban problems, and other areas. In a sense the Senate has more than grown with the times. Each new issue has been an excuse to create new jurisdictions and fragment responsibility. An obvious example is the energy field. As a member of the ad hoc committee on coordinating energy legislation, Senator Inouye last year pointed out that fifteen of the eighteen standing Senate committees have jurisdiction over various aspects of the energy problem. Twenty-six subcommittees held hearings or mark-up sessions on energy legislation in the first session of the 93rd Congress alone. This dispersal of responsibility prevented the Senate from developing a national energy policy and encouraged competition for authority over the new energy agencies.

One suggestion, in the Senate as in the House, was to create a new standing committee on energy or energy and environment, but Senator Inouye emphasized that such alternatives could only be addressed in the context of overall Senate committee reorganization. He said, "The concerns of the House—overlapping jurisdictions, lack of proper liaison and exchange of information, and the need for intercommittee coordination—go beyond the area of energy policy to Senate organization in general."

The controversy over the intelligence activities of the F.B.I. and the C.I.A. has prompted and revived proposals for new subcommittees, select committees, and joint committees. The issue here is not how we proceed to investigate the immediate allegations but how we meet the need for Congressional oversight of these and other agencies in the long run.

Many of our colleagues have cited several other problems of committee organization and procedure. While some committees are overburdened with legislation, others are underworked and atrophy. We should reduce the number of hearings and scheduling should be coordinated. Difficulties concerning the referral of legislation should be reviewed. The possibility of rotating members among committees should be examined.

The study of the Senate committee system and reporting of recommendations should have adequate staff. We need a cross-section of Senate opinion on reorganization, and there should be representation of several committees. I urge you to recommend that a select committee on committees be established to investigate and report during this Congress. Its purpose would not be to stifle the diversity of views and initiatives that now exists nor should it cast the institution in stone for another generation. We should not try to create a system capable of meeting *all* contingencies. But a select committee could define our problems and recommend solutions to them.

Sincerely,

FRANK E. MOSS,
U.S. Senator.

KENNEDY CENTER AFRICAN ROOM

Mr. HARTKE. Mr. President, the Kennedy Center is a national monument to President John F. Kennedy. Within it are testimonials from many parts of the world—chandeliers, sculptures, tapestries, paintings—donations from the people of foreign countries who held our former President in highest esteem. Most of these gifts are from Western Europe, but President Kennedy had a very deep interest in Africa and the Trustees of the Center felt it important that examples of the fine culture of the countries of Africa should also have a prominent place there. They have, therefore, set aside a large room on the box tier of the opera house, to be constructed and decorated with African textiles and other works of African art. The Ambassadors from the countries of Africa have insisted that this room be built with funds donated not by Americans but by the African countries themselves—a direct personal tribute to the memory of President Kennedy from the people of Africa.

Through the donations already received from a few of these countries, the work of constructing this African room has commenced. Many countries have not yet contributed but the Trustees of the Center have confidence that the remaining countries will join those who have made it possible to begin the work, and thus enable it to be completed so that the 3,500,000 people throughout the United States who every year pass through the Center may have the possibility of seeing a room devoted to the culture of Africa, as today they see the Israeli room, the Irish Waterford room, and all the many gifts from the countries of the West.

Mr. President, as these countries of Africa, some of which have become rich from their sources of oil, minerals, and natural resources, others poor, suffering from drought and struggling in the early stages of development, as these countries all join together in this spontaneous outpouring of affection and admiration for our former great President, let us here in Congress salute them and the African room of the Kennedy Center which they are building, and let us look forward to the day when this great room can be completed with the help of all African countries, dedicated in a fitting ceremony, and stand as a permanent cultural symbol of the great African Continent whose people we are at last beginning to appreciate played such an important part in the building of our own country.

ROSTOW'S REFLECTIONS ON OUR NUCLEAR STAKES IN SOUTHEAST ASIA

Mr. McGEE. Mr. President, in last Sunday's edition of the Washington Star-News, there appeared a column written by former national security adviser to President Johnson, Walt W. Rostow.

As the Congress proceeds to consider the President's supplemental request of $522 million for South Vietnam and Cambodia, I think Mr. Rostow's reflections are quite appropriate coming as they do at this time.

In essence, the points raised in the Rostow piece demonstrate that contrary to many in the Congress, support for Indochina, or a lack of it, should not be considered in rather simplistic terms. Indochina remains a complicated combination of complex factors—all of which must be weighed if we are to consider this request intelligently.

I would urge my colleagues to consider what Mr. Rostow has to say. Indochina is not as simple a proposition as many would lead us to believe.

I ask unanimous consent the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR STAKES IN SOUTHEAST ASIA

(By Walt W. Rostow)

From all accounts, a majority in the Congress appears seized of the idea that we should limit our military assistance to Cambodia and South Vietnam in the face of the military offensives they confront, despite the judgment of the executive branch that this may well lead to Communist victory in the area.

Those supporting this limitation are in the position of arguing that it would be better for the people of Southeast Asia to have peace than war, even if peace brings Communist control. They also say that the American people have had enough of Southeast Asia, and a majority of our citizens supports a cut-off of aid to the area.

It is understandable after all that has transpired over the last 30 years that the American political process should generate moods like these; but, as George Kennan wrote in another context: "History does not forgive us our national mistakes because they are explicable in terms of our domestic politics." What if the destruction of independent non-Communist states in Southeast Asia should irreversibly lead no to "peace" but to greater instability and conflict in the world than we already know?

Specifically, members of Congress ought to consider these four points before casting their votes.

Whatever moral judgments or domestic political imperatives may move individual members of Congress, the United States will appear to the rest of the world to have knifed in the back an embattled ally. And we will have done so after that ally had successfully held his own over the more than five years since American troop withdrawals began, accepting increased casualties, despite an American-negotiated truce settlement that has not been honored by Hanoi and on whose enforcement Washington has not insisted once our prisoners were home.

A part of that settlement was the understanding that we would supply the South Vietnamese with arms to match those mounted against them. There is no North Vietnamese weapon that does not come from its allies in Moscow and Peking. It is inevitable that an American cut-off of military supplies to Southeast Asia shakes our alliance in every part of the world. Our allies may differ in the weight they attach to events in Southeast Asia; but they are all vitally affected by the record of American reliability in honoring its treaty commitments and other promises

A loss of confidence in American reliability could lead to further nuclear proliferation. A good many countries have moved close to the threshhold of nuclear weapons production. One barrier that has thus far prevented their taking this fateful step is the greater advantage of explicit or implicit security ties with the United States than the development of independent nuclear capabilities can provide. An American foreign policy dominated by moods of a Congress prepared to alter unilaterally treaty relations as well as agreements made by the executive branch, is not likely to commend itself as the foundation for national security to a number of important nations in a world they perceive as still potentially dangerous. By several routes, nuclear proliferation increases the chances of nuclear war.

In Southeast Asia itself, the action of Congress may well lead to a larger war rather than to peace. That action will signal to other powers a definitive American abandonment of interest in Southeast Asia and set off a scramble for power to fill the vacuum.

The situation in the region differs in a number of ways from that in 1965. Thailand and Indonesia, for example, are stronger now and perhaps some of the other states as well. On the other hand, the long line of the Mekong still renders Thailand vulnerable to a Communist conquest of Indochina; and the fate of Burma runs with that of Thailand, as both parties have long recognized. Since independence, the Indian foreign policy has systematically regarded the independence of Burma (and Malayasia, too) as a direct vital interest. Thus, a congressional cut-off of military aid could set in motion a confrontation between India and China, as well as a Chinese-Russian confrontation. Both confrontations now carry the potentiality of nuclear war.

Finally, the resources of Southeast Asia, until recently a factor of negligible interest, have increased in importance to Japan and Western Europe as well as to the United States; that is, the oil of Indonesia and the potential deposits of the South China Sea. In a world enmeshed in a long-term energy crisis, the sea routes which Indochina dominates assume increased importance.

This is not the first time in our history that the Congress has exercised intimate control over foreign policy. The first time it happened, in the 1780s, it yielded such dangers to the republic that the nation reluctantly accepted the Constitution under which we have lived successfully for almost 190 years. The last time it happened, between 1918 and 1940, the policy of the United States contributed substantially to the coming of the Second World War.

The voices now dominant in the Congress, echoing their isolationist predecessors, are once again seeking to impose their vision of how the world ought to be as opposed to the way the world really is. Those who know better are mainly silent; cowed by the media, tired from a long enervating struggle, unwilling to say what they believe after the bruising battles of the past generation. But history is without pity—even for the United States. To quote Kennan again: "A nation which excuses its own failures by the sacred untouchableness of its own habits can excuse itself into complete disaster."

And this time the disaster could be nuclear war.

LITHUANIAN INDEPENDENCE DAY

Mr. RIBICOFF. Mr. President, February 16 marked the 57th anniversary of Lithuanian Independence Day. This day holds a special place in the hearts of all people who cherish human freedom because it reminds us of the struggle for freedom that has dominated Lithuanian history in our lifetimes.

The U.S. Government has maintained a policy of nonrecognition of the forcible incorporation of Lithuania and its neighboring Baltic States into the Soviet Union. This policy demonstrates our strong support for the Lithuanian people's just aspirations for freedom and independence. For despite having their sovereignty denied them, the Lithuanian people remain courageous and remind the world that they still long for the liberty that all people deserve.

It has taken gallant individuals like Alexander Solzhenitsyn to call our attention to the repressive nature of the Soviet society under which the Lithuanians are made to live. The Senate has responded to these dismaying accounts with legislation aimed at granting new freedoms to persons subjected to these conditions. It is my hope that the Senate will continue to support such measures which express the overwhelming sentiment of the American people toward these people. It is through such actions that the finest tradition of American humanitarian concern and love for individual freedom can be conveyed.

Perhaps as we approach our Bicentennial and recall the experience of gaining our own freedom and independence, we can sympathize with the plight of these people. They are a people deprived of the right of self-government in a free and open society—the very cornerstone upon which our own Nation was founded.

The Lithuanian people enjoyed an all-too-brief period of national self-determination as the Republic of Lithuania. This was cut short by the Soviet aggression. Let us hope that as we celebrate the 200th anniversary of our independence, the Lithuanians can gain their freedom again and continue to celebrate it without interruption.

STRIP MINING—THE WRINGING OF THE WEST

Mr. McGEE. Mr. President, I read with interest an article in yesterday's Washington Post by Helena Huntington Smith, a journalist well acquainted with Wyoming's coal-laden Powder River Basin. The story conveys the ever-mounting feelings and opinions regarding a matter well known to this Senate—strip mining.

As we once again begin the arduous task of developing a Federal strip mine bill, let us not forget that strip mining cannot be put on an island unto itself. Without controls, its effects on people and communities are frightening.

In addition to the information presented in the article—entitled "The Wringing of the West"—I submit we must look beyond the actual mining of coal in the Dakotas, Montana, and my State of Wyoming.

The President's proposals for strip mine legislation are not only near-sighted with regard to environmental dangers, but are also void of consideration for people. Outside the strip mine proposals, the administration is proposing recisions in appropriations for housing and hospitals, just to name a few. Thus, in more than one way, the President has failed to envision the societal impact of mining in launching a reckless course toward rapid coal development.

In effect, society would be stripped.

The people would be stripped of their say, stripped of the additional services they should be provided in these strip mine areas, and not to mention, stripped of their land.

The article I asked be placed in the RECORD reports on Colstrip, Mont., and other areas including many in my State.

I urge that we can act in a quick manner as to prevent the renaming of the Dakotas, Montana, and Wyoming: North and South Strip, Monstrip and Wyostrip.

"The Wringing of the West" points to industrial attitudes which say impact is the people's problem. I say strip mining control and preventive medicine against the illnesses caused by impact are the Government's problems.

I hope the article will leave a wringing in the ears of all concerned.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WRINGING OF THE WEST

(By Helena Huntington Smith)

"Montana does not intend to become a boiler room for the nation," says Lt. Gov. Bill Christiansen. This is his answer to plans announced by Interior Secretary Rogers C. B. Morton which would turn the eastern part of the state into a giant industrial complex. A great many Montanans agree with Christiansen, and the battle is on.

The strip mine control bill which was passed by the last Congress and vetoed by President Ford took several steps in the right direction; but this degree of control—reclamation requirements, even protecting the rights of the surface owner—barely scratches the surface of the problem. It will not ease the threat to the water supply imposed by massive coal development on states that have very little water; it will not relieve the industrial pollution caused by generating plants pouring their poisonous fumes into the air, nor their equally dreaded population impact. It will not help towns like Colstrip.

Forty miles south of the Yellowstone at Forsyth, Colstrip in 1972 was still just a friendly little western town of 200 people. (It took the name from a small, old Northern Pacific stripping and conversion operation.) Today two 350-megawatt generating plants are nearly completed; the influx of workers has raised the population to 3,000; the parade of thundering trucks on the narrow two-lane blacktop shoulders local cars off the road, and long-time local ranchers feel like strangers.

But Colstrip hasn't seen anything yet. In September, 1973, several large utility companies unveiled a plan to build two addi-

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tional generating plants of 700 megawatts each—twice the size of the present ones; plus two EHV (Extra High Voltage) transmisson lines cutting a swath across the state and shedding their often dangerous leakage on the ground to tie in with the Pacific Northwest electrical grid.

The announcement was made at a gala meeting, attended by state and federal officials, at the late Chet Huntley's Big Sky resort. J. H. Wright, director of the Westinghouse Environmental Systems Department, which had acted as consultant on the plans, picked up the tab and answered questions. A major concern of the people living in such threatened areas is the effect of the sudden population influx on water supply, roads and, above all, schools. What will happen, they ask, when a huge new financial burden is dumped on the fragile economy of these still-small towns?

The Westinghouse man told Colstrip it would need schools to accommodate 1,700 pupils by 1975. The questioner deplored that on that basis, the school district would be short some $800,000 because of its limited bonding capacity. The speaker replied suavely: "That's your problem, gentlemen." And again: "That is beyond the scope of our study. We cannot plan the whole world."

Today, after 17 months of the bitter debate, the showdown on Colstrip Nos. 3 and 4 is almost here; between Gov. Thomas L. Judge and other Montana officials and a powerful sector of public opinion on one side; and on the other a consortium made up of four giant West Coast utilities and the Montana Power Company, backed by the federal government. The state's Board of Natural Resources, an independent body, must start hearings on the question in a matter of weeks. Its answer will help to decide the big issue: Whether the Western coal-bearing states can escape the boiler room fate.

HOW MUCH COAL?

Montana, Wyoming and North and South Dakota, the four states known as the Northern Plains, are, or used to be, happy states, blessed with a small population and fond of their way of life. But now they are frightened about what is going to happen to them. For the first three sit on top of the vast Fort Union formation of strippable coal, largest in the United States.

How much coal is there? The guesses vary so crazily as to prove that no one knows. A Montana official estimates 42 billion tons underlying his state, while a South Dakota source gives 100 billion for the whole region. But the House Interior Committee last spring accepted a modest estimate of 32 billion tons for all strippable coal underlying the Western states, plus another 25 billion underlying Indian lands.

The information gap has been narrowed in the past year by the publication of two major studies. One, by a panel of the National Academy of Sciences, is called "Rehabilitation Potential of Western Coal Lands." The second was written by James Cannon for the Council on Economic Priorities, a New York-based public interest foundation. Entitled "Leased and Lost," it is, among many other things, a highly critical study of the giveaway leasing policies practiced by the Interior Department.

Ousted energy chief John C. Sawhill is one of many who have called for putting the brakes on demand to ease the energy crisis, but in the Western coal regions government policy is geared to all-out exploitation with all possible speed. This is not from motives of pure patriotism as the public has been led to believe. It is also because the companies fear that the rise of Eastern competition may endanger their profits.

In May, 1971, a partner in the Norsworthy and Reger consortium, owner of Westmoreland Resources, told a state official: "We are concerned with . . . establishing Montana as a coal-mining state, and in a hurry. Research is going on daily on how to lower the sulphur content of . . . Eastern coals . . . We feel that we have a limited number of years in which to develop the marketability of Montana coal." A year and a half later the president of Montana Power expressed the same thought: "If we don't act now the fellows who need the power in the East and Midwest won't wait. They'll be turning to other alternatives."

Until recently a 30-to-35-year period has been assumed to cover the boom-bust cycle of strip mining, which would bring the total depletion of the West to the year 2010. But there are signs this is being accelerated. The report of an Interior Department Coal Extraction Task Force, which surfaced last August, proposed a 15-foot speed-up in Western strip mining by 1985; and an alternate recommendation—not ruled out—called for a 23-fold increase by 1996, when it was anticipated that the coal reserves of the entire West would be exhausted. Lt. Gov. Christiansen, in a gloomy interview, feared that the plan could "break the back of Montana," and lead to "the massive destruction of the West."

NOT ENOUGH WATER

In the thick of all the power-boosting schemes is the regional arm of the Bureau of Reclamation—known as BuRec for short—and especially the regional planning engineer, Phil Q. Gibbs. In October, 1971, under the guiding hand of Gibbs, 35 public and private power suppliers in 14 states unveiled the North Central Power Study. This was two and a half years before "Project Independence" was heard of, so the justification of "national need" was lacking, and profit was the name of the game. The study called for 42 power plant complexes in five Western estates, headed by Montana with 21; then 15 in Wyoming and four in North Dakota. They would produce a gargantuan 10,000 megawatts apiece, compared to the modest 700 apiece for Colstrip Nos. 3 and 4. They would be producing 50,000 megawatts annually by 1980 and 200,000 by the year 2000, and would be cooled by upwards of 2.6 million acre-feet of water from the Yellowstone and its tributaries.

But the planners had overplayed their hand, and the Power Study backfired. Nearly the whole state of Montana was boiling mad. The legislature was alerted and started passing tough laws, a habit which it has kept up; and citizens' groups sprang into action like Committees of Correspondence during the American Revolution. One of them was the Northern Plains Resource Council, an organization of angry ranchers and young environmentalists, who have shown marked efficiency at giving the power companies a hard time.

A year after its launching, the Power Study was piously interred by pronouncement of its co-author, Gibbs. Actually it was very much alive. While its authors were playing possum for policy's sake, they were going right ahead, and the study is quietly accepted as a goal of "Project Independence."

Although the power advocates don't seem to have waked up to it, they may yet stub their toe on the great, central, inescapable fact of life in the Western states, the scarcity of water. "Far West's Shortage of Water May Block Energy Schemes," the Wall Street Journal headlined on Dec. 16. And the battle lines are forming for a showdown between agriculture and the coal interests over the issue.

The Yellowstone River has a normal annual flow of 8 to 9 million acre-feet at Miles City. (An acre-foot is the amount of water it takes to cover one acre to a depth of one foot.) But every four years or so the flow goes down to 2.6 million acre-feet, or just enough for agricultural use, and one year in 10 it may go as low as 1.2 million. If the predicted 50,000-megawatt capacity is reached in the Northern Plains by 1985 it will create a demand for a million acre-feet to cool the plants; and a call for 2 million acre-feet is projected for coal development in the five-state Upper Missouri Basin by 1990. The total water supply in the area averages 3 million acre-feet. And meanwhile the population influx brought in by the zooming labor demands brings growing needs for water. It is somehow frightening. "Whom the gods would destroy, they first make mad. . . ."

In the midst of it all the National Academy of Sciences has sounded a note of sanity: "Although we conclude that enough water is available for mining and rehabilitation at most sites, not enough water exists for large scale conversion of coal to other energy forms (e.g., gasification or steam electric power.)" And S. David Freeman, who directed the Ford Foundation's Energy Policy Project which commissioned the Academy report, was quoted as saying that it "raises a warning flag over industry's plan to transform the Rockies and the Great Plains into the nation's power house."

They were whistling down the wind.

The companies have their own answer to "not enough water." It is, very simply, to grab it all, and the devil take the hindmost, meaning the food producers. They have so far been successful.

The energy crisis has cast a retrospective glow of sanctity over the stampede for coal development in the West, now in its eighth year. But it was not until Oct. 18, 1973, that OPEC—the Organization of Petroleum Exporting Countries—declared its embargo of oil shipments to the United States in protest against this country's support of Israel.

The real story goes back to 1967, which was so long ago that Stewart Udall was Secretary of the Interior, and nobody had even thought of an energy shortage. It was so long ago that nobody but a few smart insiders had ever heard of coal in the West, while as for the West itself, every right-thinking Easterner knew that there was no such place—wasn't it all just a figment of John Wayne's imagination?

So the right-thinking East, including Congress and the press, was looking the other way when a coalition of energy companies and government forces put their heads together and engineered one of the neatest little ripoffs in modern memory. Known as the Industrial Water Marketing Program, it was set up under the Bureau of Reclamation to sell rights to the water in the Yellowstone River system and the water stored in the Boysen and Yellowtail reservoirs, by allowing the companies to purchase 10-year options for the water at the giveaway option price of 50 cents per acre-foot per year. It is said to have been a high-level decision. At any rate, its astounding import was that it enabled the energy companies, with the aid of the United States government, to corner the water supply.

Some of the water was contracted for irrigation, but this fact was ignored in the sale of options under the federal plan. It proceeded on the quiet, until local users woke up to find that their water rights were being sold out from under them. Meanwhile, all the water was not only committed but overcommitted; i.e., all the rivers and reservoirs were sold dry; and this opened the way to another of BuRec's grand designs, the Montana-Wyoming Aqueduct Study, published in the spring of 1972.

Authored by the ubiquitous Phil Q. Gibbs, it called for a system of 48 dams and reservoirs connected by 300 miles of pipeline. One of the dams proposed was the Allenspur unit south of Livingston, Mont., which would drown the scenic valley of the upper Yellowstone as far as the edge of the national park.

Meanwhile, irrigation, already raided by the option buyers, was being subjected to a clampdown by federal agencies.

"Irrigation is the bottom of the totem pole," a Bureau of Reclamation spokesman in Washington admits. Conspicuous at the top is industrial (coal-related) use. Indeed, hardly anything else is left. The National Academy of Sciences report notes a turning point: "Until recently, it has been tacitly assumed that the unappropriated water in the coal region would be used for some combination of irrigation, wildlife management, and municipal and industrial purposes including perhaps, lumber mills, paper and pulp plants, mineral or other processing plants, and assembly plants.

"In 1972–73 the use of this water became, as far as government reports are concerned, more importantly directed toward energy conversion, cooling of steam plants . . . and other aspects of coal development.

"Such a sharp reversal in government policy," the report adds drily, "came about with little or no public awareness."

LOSING THE LAND

In September, 1973, the Water Work Group (headed by Gibbs) of the Northern Great Plains Resource Program—a multi-agency task force set up by the Interior Department to study all aspects of coal development in the area—blew the whistle on irrigation in the following terms: "The policy of the national administration is not encouraging with respect to federal funding for additional irrigation development. . . . The outlook at this time for further irrigation development in the area is poor."

This was tantamount to giving the whole food-raising potential of the Northern Plains the kiss-off. It is still the official policy. The question is how far Congress and the public will acquiesce, once its implications are understood. For the history of collusion between the power interests and government forces raises questions that can scarcely be ignored.

There may be some recourse in the courts. The Sierra Club recently won a round in the U.S. Court of Appeals in Washington, opposing strip mine activity in the vicinity of Gilette, Wyo. And a group of ranchers and environmentalists has filed suit in the U.S. District Court in Billings, Mont., to outlaw the Industrial Water Marketing Program. They charge unlawful appropriation of water from the Boysen and Yellowtail reservoirs for the benefit of private industry, in violation of the Flood Control Act of 1944 and the Reclamation Act of 1902, and contrary to the purposes for which the reservoirs were authorized: irrigation, hydroelectric power, flood control and silt control. They also claim rights to irrigation water from the Yellowstone River system, in accordance with state and federal law. With this suit pending the book on Northern Plains water is not yet closed.

Meanwhile, Sen. James Abourezk of South Dakota, outstanding defender of his region's interests, has requested Chairman Henry M. Jackson to hold Senate Interior Committee hearings on the whole subject of water utilization in the Upper Missouri Basin, in view of the conflict between energy and food needs.

In order to justify their program and win public support, the energy interests have resorted to a time-honored tactic. "But the land isn't good for anything," the coal companies pretend. "Can't even run sheep on most of it." "They ought to've given it back to the Indians." So run the remarks heard in the spruced-up hotel lobbies of once cow, now coal towns.

The House Interior Committee, in a report last May, found otherwise: ". . . much of the nation's prime grazing and farming land is located in the band of Western states where these immense coal deposits are located."

The short, sun-cured, protein-rich grass that covers the "barren" rolling plains is the best natural cattle feed in the world. It sustains modern herds as before them it sustained millions of buffalo. Wheat yields, under irrigation, are among the highest per acre of any part of the country. The Northern Plains states are "good for" a cattle population of 12.6 million with a market value of $2 billion even at currently reduced prices.

There are mountains of statistics showing how many millions and billions of tons of coal the West is going to produce by the years X, Y or Z; what is needed now is a figure showing how much food-raising potential the government plans to sacrifice to "energy" in the same period, in the face of a growing agricultural crisis which is slower and less spectacular than the energy crisis, but just as real.

With headlines erupting daily about the world food crisis and the national food shortage, this country is losing farm land, due to urban sprawl, strip mining and other causes, at such a rate that president Tony Dechant of the National Farmers Union has predicted: "If this trend continues we will lose an area the size of Kansas in 15 years."

NATIONAL SACAIFICE AREA

The panel that issued the cautious and scholarly National Academy of Sciences report unwittingly touched off a verbal bombshell. Certain sites, it said, must be given up as impossible to reclaim or even rehabilitate, and for these hopeless areas ("Abandon the Spoils"), it coined the term "National Sacrifice Area."

The words exploded in the Western press overnight. Seized upon by a people who felt themselves being served up as "national sacrifices," they became a watchword and a rallying cry and the impression they left was supported by an unfortunate official utterance. On April 19, 1973, an officer of Gulf Mineral Resources in Denver wrote a letter to a man in Helena, in which he said: "The disposition of these deposits [of coal] will be determined by the economic and social implications of some 150 million megalopolitans located to the east . . . Providing we still have a representative form of government, then the West's minimal population, with their opinions, hopes, desires about certain tracts of real estate, will be of little or more probably of no consequence to the voting majority."

That did it. The excerpt was transmitted by means unknown to the Minneapolis Tribune, where it surfaced that December. Here was the "national sacrifice" theme in a nutshell, and it was seized upon and passed along until it became one of the most quoted utterances of its kind since Marie-Antoinette is alleged to have said: "Let them eat cake."

Bits and pieces of corroboration turned up to support the allegations. There were signs that one thrust of strip-mining policy was to *create* a demand for Plains-generated electricity on the Pacific Coast, and at the same time build up a surplus for export. And on Aug. 9, 1974, 12,000 tons of Montana coal were shipped out for Yokohama from a huge new port facility at Astoria, Ore. It was strip-mined coal from a Westmoreland mine on the Crow reservation, and was a sample designed for a "test burn." But there was every expectation that 100-car trains loaded with the coal would start rolling Japanwards twice a week, for a total of 3–4 million tons a year, indefinitely. Then New York Times reporter Ben A. Franklin got wind of it—and on Sept. 29, Montanans read that their coal was being sent to Japan.

A delegation of angry ranchers waited on Gov. Judge; the "sacrifice" of the state had been justified to them as a patriotic move to provide energy for their country. "But they are not going to tear up the landscape of Montana for coal to be sent to Japan," declared rancher leader Bob Tully. Surprised and upset by all the uproar, the embarrassed Japanese called off the deal.

YOUR PROBLEM, GENTLEMEN

Said a barber in Forsyth: "The coal has only raised taxes for most of us. The rich will get richer and the rest of us will get taxed."

A prediction attributed to the Bureau of Reclamation looks forward to a seven-fold population increase in the Northern Plains as a result of coal development; Montana, with a normal population of about 750,000, can expect an influx of 200,000 to 400,000 people in the eastern part of the state. The Northern Cheyennes may be outnumbered 10 to 1 by whites on their reservation.

Kaycee, Wyo., of Johnson County War fame, was until recently a wide place in the road surrounded by prosperous ranches; but Johnson County will grow 900 per cent in the next 15 years, according to telephone company planning projections.

Huge, mobile-home ghettos will be parked outside the towns, which will have to provide schools, hospitals, sewage treatment facilities. And, of course, a water supply.

In the jam-packed schools at Colstrip last year classes were being held in shower rooms, and such subjects as physics and foreign languages had been dropped because of the shortage of teachers.

There will have to be miles and miles of roads. Stephen C. Kologi, Montana state highway engineer, predicts that before the boom-bust cycle spends itself he will be building a network of roads leading to future ghost towns. "Chances are," he has said, "that by the time an adequate road system is provided, about all there will be left to serve is the mass evacuation of the area."

An oil industry representative, surprisingly, made the suggestion before a House subcommittee not long ago that the federal government ought to make a "major" contribution toward the funding of hospitals, police protection and so forth, to ease the burdens of exploding communities. This offbeat proposal was promptly squelched by a Federal Energy Administration official. It was "just not in the cards."

It's still "Your problem, gentlemen."

In the face of the coming socio-environmental cataclysm in the West, the emphasis on reclamation, in Congress and elsewhere, seems almost frivolous (or in Rep. Ken Hechler's classic phrase, 'like putting lipstick on a corpse.") But aside from all that, how feasible is it?

Restoring the land to its original contours and replacing the topsoil is a matter of elementary decency, like draping a sheet over the corpse. But full "restoration," in the sense of returning the land to its original state, is regarded as impossible.

The National Academy report on "Rehabilitation Potential" is in agreement with other authorities when it says: "There is no probability of complete restoration anywhere." The next choice is "reclamation"—i.e., revegetation. But the question is: With what?

In an effort to improve their public image some of the companies have been working hard to sell their revegetation programs—commendable as far as they go—but so far these have been largely confined to small experimental plots, like Western Energy's near Colstrip. The guide who shows visitors around says: "Having taken hundreds of people on a tour of Western Energy reclamation research plots, I found it difficult for anti-Colstrip people to argue against reclamation when they are standing waist-high in grass." To which a rancher replies: "Anyone with remote knowledge knows livestock don't do well on 'waist-high' vegetation."

WATER IS MINED

With every drop of surface water appropriated on paper, the power companies have turned to mining underground water. The move may have far-reaching consequences, since one state can disrupt another's underground water supply.

Geologists know that underground water and surface water are one indivisible system. In nature the underground waters are continually recharged by streams flowing on the surface. But when the recharging falls be-

cause of heavy withdrawals of surface water, the water table starts dropping and wells start going dry. By the same token, heavy withdrawals of underground water reduce the stream flow as nature tries to compensate. It is a vicious circle which can lead to even deep wells drying up hundreds of miles away.

The coal beds lying close to the surface, favored targets for strip mining, often double as aquifers, or water-bearing strata, and the shallow wells that yield enough for domestic use and livestock get their water from coal seams at depths of less than 500 feet. The alluvial valley floors are indispensable to ranchers because they form the lush, subirrigated hay meadows where winter feed is produced. Protecting them should be a top priority of new legislation.

South Dakota sits on top of an immense aquifer known as the Madison formation, which underlies the Dakotas, Montana, and parts of Wyoming and Nebraska. Early last year the Wyoming state legislature authorized Energy Transportation Systems Inc. to tap the underground formation and build a coal slurry pipeline to Arkansas, a distance of 1,000 miles. Slurry is a mixture of powdered coal and water, and the pipeline method is one of the heaviest water users known. If Wyoming goes through with it, the 10,000 gallons a minute pumped out of the Madison formation in that state will completely dry up Edgmont, S.D., and other communities which depend on deep wells tapping the Madison formation for their water supply. Negotiations now under way may lead to abandonment of the plan, but in the event that Wyoming does go through with it, South Dakota is prepared to take the case to the Supreme Court.

What is taking place here is a highly dangerous meddling with Unknowns, and South Dakota is only part of the story. Other corporations are planning to make large-scale withdrawals from the Madison formation, and the same thing is happening widely. West of Buffalo, Wyo., one company alone has applications on file to drill no less than 58 wells which would provide a quarter of a million acre-feet of underground water to cool its plants. It is obvious that underground water withdrawals on the scale contemplated could smash the ecosystem of the entire region. The companies are acting in a legal vacuum, since laws to meet the situation have yet to be passed. Which may in part account for the stampede.

ENERGY PARKS

In January, U.S. Energy Czar Morton, speaking through President Ford's State of the Union message as well as independently, disclosed a new and grandiose scheme for power development in the West. A warmed-over version of the 1971 North Central Power Study, it calls for 20 new generating plants by 1985. Coining the term "energy parks," Morton envisioned one of them in rhapsodical words: "A $450 million prototype of a total energy-system complex . . . 1,000 acres . . . crammed with machinery, gasifiers, converters and refineries. Every day it would combine coal with water to produce large supplies of pipeline gas, synthetic oil, butane or propane" and so forth.

Four West Coast utilities, with Montana Power, are the backers of Colstrip 3 and 4. The Pacific Coast is the heaviest user of electric power at the cheapest rates of any national region. And Gary J. Wicks, director of Montana's Department of Natural Resources, contends that these companies are seeking to promote use of energy rather than conservation.

Montana insists that it is already making a significant contribution to the nation's energy needs by shipping trainloads of coal out of the state to points where the need exists. By 1980 the State expects production to rise to somewhere in the neighborhood of 50 million tons annually, of which 97 per cent will be shipped, thus "exporting" not the power but the pollution. Gov. Judge contends that this can be done at least as cheaply as burning the coal in Montana's clean air.

But Montana Power and its allies are vehemently opposed to this scheme, on the ground, the Billings Gazette has charged, that the heavier their investment in minemouth industrial complexes and transmission lines, the higher they can boost their rates.

If the plans are permitted to go through, Morton's "energy parks" may be only the beginning of the story. For Montana could be tied into not one but two electrical grids, since it lies between the Pacific Northwest and Mid-Central systems. The Interior Department even now is said to be studying the feasibility of running EHV transmission lines from Colstrip, not only to the West Coast but to the Middle West as well. This building of two, three or even more EHV lines across the state would make so much electricity available as to stimulate the heaviest kind of industrial development within its borders: Anaconda and Johns-Manville are reported as already interested in coming in.

The plans are raising some eyebrows as the basic facts are contemplated. For the development explosion now brewing, it must be remembered, is to exploit a resource so shallow it can be stripped off in a mere matter of 20 years.

Here again are the overtones of a dementia reminiscent of the stock market craze of the Twenties, a perilous divorce from reality.

What can be done? Far broader solutions are required than any pending strip-mine control act. Old laws need to be amended and new ones passed. Legislation is a generation gap behind. Of current importance is the federal Coal Leasing Amendments Act of 1975, sponsored by Sen. Jackson, which passed the Senate unanimously last July only to fall afoul of Commerce Committee Chairman Harley O. Staggers in the House. The bill would put a stop to speculating in coal leases by providing that leases not developed within a given time would automatically revert to the public domain. Another bill that has passed the Senate twice is the Land Use Policy and Planning Assistance Act, which would strengthen the hand of the states in enacting tough power plant siting laws.

There is one important fact that is sometimes overlooked. Much of the threatened industrial development, including water allocations, exists only on paper—so far. There is still time for the nation to reconsider the destruction of the West

A SAFEGUARD AGAINST OVERPAYMENT OF INCOME TAXES BY THE ELDERLY

Mr. CHILES. Mr. President, the Senate Special Committee on Aging is concerned with the whole range of problems faced by older Americans: Income security, health care, housing, transportation, and energy needs just to mention several of the more pressing.

A significant problem in which the committee is interested, that is especially pertinent at this time of year, is the impact of taxation upon the elderly. As a member of the Committee on Aging, I see this as an important area of concern. While low income during retirement is perhaps the most serious difficulty confronting the elderly, a substantial number of older persons still have a sufficient amount of income to file a Federal income tax return. Unfortunately, many of these individuals may overpay their taxes, primarily because they are not aware of tax relief measures which can result in savings for them. In a hearing conducted by the committee some witnesses estimated that perhaps one-half of elderly taxpayers may be paying more income taxes than required by law.

The Internal Revenue Service has repeatedly emphasized that it wants no taxpayer to pay more taxes than are legally due. Since many senior citizens are overpaying their taxes, I think there is a definite need for some counseling assistance in the preparation of tax returns and I hope the Congress will act on legislation which I cosponsored in the past Congress and again in this Congress to provide a program of income tax counseling for elderly individuals. This program would provide training and technical support for volunteers to counsel other elderly taxpayers concerning sections in the tax law; assist when necessary in making a computation and advise regarding common deductions, credits, and exemptions which may be overlooked.

As part of its effort to protect the elderly from needless overpayment of their taxes, the Special Committee on Aging has for the past few years performed a most valuable service by putting together a checklist of possible deductions for individuals who itemize their expenditures—such as medical expenses, interest, charitable contributions, taxes, and others—on schedule A. This summary can prove very valuable to the individual taxpayer as many Floridians have told me from direct experience in using the checklist. Also the checklist can serve as a useful guide for determining whether it would be better to itemize, claim the standard deduction or the low-income allowance. I am delighted that the committee has continued to monitor changes and update the checklist of itemized deductions each year and as in the past this year's summary will prove a most helpful reference for the taxpayer.

LITHUANIAN INDEPENDENCE DAY

Mr. MCINTYRE. Mr. President, it is indeed an honor to join my colleagues in commemorating the 57th anniversary of Lithuanian independence. It was on February 16, 1918, that these proud people were granted their independence following the chaos of the First World War. But tragically, Lithuanian independence was to last less than two decades, as the small but prospering nation fell victim to the realities of political geography. For in June 1940, following the agreement between Hitler and Stalin, the Russian Army marched through Lithuania and annexed the nation to the Soviet Union.

In 18 years of independence, Lithuania proved herself a bright spot in Europe, with a flourishing culture and growing industry. The Lithuanian constitution of 1922, reflecting her people's love of liberty, recognized the freedoms of speech, assembly, religion, and communication. It is one of the great tragedies of the Second World War that this nation was not allowed to survive. It is fitting that the United States has never recognized the legality of the Soviet occupation of Lithuania.

The indomitable love of freedom and liberty was not killed by the war or by the Soviet occupation. The desire for freedom burns today as it did 57 years ago. Today, young Lithuanians are risking their lives in defiance of Soviet rule, seeking religious and political freedom for their homeland. We are reminded of the case of Simas Kudirka, the Lithuanian sailor who jumped a Soviet ship off the New England coast 4 years ago. Returned to the U.S.S.R., Kudirka pleaded for independence for his homeland, Lithuania. Sentenced to 10 years in a Soviet labor camp, Kudirk was finally released after he was declared to be an American citizen, as his mother had been born in Brooklyn. Just this past year, Kudirka was allowed to come to the United States, and freedom.

We are reminded of the self-immolation of 20-year-old Romas Kalanta in 1972. We are reminded of the petition of 17,000 Lithuanian Roman Catholics to the United States. Each case is especially touching for me for I represent a State whose motto is "Live Free or Die."

Mr. President, the spirit of liberty and the desire for self-determination lives on. Let us pause today to remember the plight of the people of Lithuania and to praise those who have kept alive the spirit of independence.

We must not forget the words of President John F. Kennedy:

The vital spark of freedom has not been extinguished among Lithuanians. Their cause remains our cause, and their hopes more than ever remain our responsibility.

CUBA

Mr. PELL. Mr. President, in our report, "The United States and Cuba: A Propitious Moment," which the senior Senator from New York (Senator JAVITS) and I submitted following our return from Cuba in September, we made a number of suggestions for beginning the process of normalizing United States-Cuban relations. One was that there be a relaxation of travel restrictions on Cuban representatives to the United Nations confining them to a 25-mile radius of the center of Manhattan. Another was that consideration should be given to relaxing restrictions concerning "third countries" affected by our embargo against Cuba. A third suggestion was that the United States signal its interest in progressing toward normalization by action at the OAS.

The United States has now taken three steps which encourage me to believe that at long last the administration also believes a propitious moment has arrived to embark upon a new policy direction for Cuba. I was very pleased, therefore, to receive confirmation from the Department of State of press reports that Cuban diplomats at the United Nations will now be permitted to travel within a 250-mile radius out of New York City, which gives them considerably more lebensraum than previously enjoyed; and that the Canadian subsidiary of Litton Industries has received a waiver which will permit them to make a large sale of office furniture to Cuba. In December, too, the United States agreed to a recommendation of a Special Committee of the OAS that questions such as the lifting of the Cuban sanctions be subject to a majority rather than a two-thirds vote. This recomendation, however, remains to be approved by the OAS as a whole.

The press has gone on to arrive at speculative conclusions as to what these actions signify. The State Department still insists that there has been no change of policy despite these developments. Perhaps all that can be said at this point is that something is blowing in the wind.

I would hope so, since it would confirm the conclusion I reached sometime ago that the United States can contribute to a reduction of world tensions and advance its own national interest by applying to its relations with Cuba what has already been done with respect to the Soviet Union and the People's Republic of China; namely, substituting negotiations for cold war confrontation.

QUORUM CALL

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

TEMPORARY INCREASE OF DEBT LIMITATION

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now proceed to the consideration of H.R. 2634, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The time for debate on this bill will be equally divided and controlled by the Senator from Louisiana (Mr. LONG) and the Senator from Nebraska (Mr. CURTIS) with a 30-minute time limitation on any amendment, debatable motions, or appeals.

At 4 p.m. the Senate will proceed to rollcall votes on amendments, if ordered; and immediately thereafter shall proceed to vote on final passage of the bill.

Mr. LONG. Mr. President, I ask unanimous consent that during the consideration of the pending measure, in addition to those who have already been granted consent to be on the Senate floor that the names of William Morris, Robert Best, Michael Rowny, Richard Rivers, George Pritts of the Finance Committee staff, and Messrs. Howard Silverstone, Arthur Fefferman, and Bernard Shapiro of the Joint Tax Committee staff be permitted the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, the increase in the debt limit before the Senate today is from $495 billion to $531 billion. This is an increase of $36 billion over the present limit. The bill also extends the period of time for which this temporary increase is available from March 31, 1975, to June 30, 1975. At that time, the debt limit, if not further changed, would revert to its permanent level of $400 billion.

The need for so large an increase in the debt limit reflects the effects of the recession. This recession is the most serious since the 1930's. The rate of unemployment of the labor force was 7.1 percent in December and rose to 8.2 percent in January. Forecasts now suggest that it will go well over 9 percent later this year.

The gross national product, in constant prices, fell throughout 1974 by an average of 2.2 percent, but the decline in the fourth quarter was at an annual rate of 9.1 percent. On the other hand, inflation increased. The GNP price index rose 10.2 percent in 1974, but also rose at an annual rate of 13.7 percent in the fourth quarter. The administration now expects the recession to continue past the middle of this year before there is even a leveling off or the start of a recovery.

Receipts and outlays in the Federal budget quickly reveal the effects of a recession. Falling receipts reduce corporation income taxes, as the corporations revise their quarterly estimated tax liabilities to reflect their most recent economic situations. Layoffs and shorter workweeks cut withholding of individual income taxes, and a falling stock market generates capital losses rather than capital gains. On the outlay side of the budget, recessions produce higher unemployment benefit payments and increase the number of retirees receiving benefits under the social security system.

The latest budget estimates demonstrate the impact of the economic decline. The latest estimates show a deficit of $35 billion for fiscal year 1975, as compared with an estimated $9 billion deficit just 2 months ago. The receipts estimates have been cut in this 2-month period by $14 billion, $9 billion of which reflects the economic decline. Outlay estimates have gone up by $11 billion in the same period, primarily reflecting increased expenditures for unemployment compensation and other programs to offset the effects of recession on individuals.

In addition, the President's programs for economic stimulation and energy conservation have an adverse effect on the estimates for the fiscal year 1975 budget.

UMI

The President proposes emergency and temporary tax cuts—a rebate to individuals based on 1974 tax liability and a temporary increase in the investment credit—that would reduce receipts by $6 billion.

To see the effect of the budget upon the requirements for public debt limitation, it is important to look at the deficit in Federal funds rather than the deficit in the unified budget. The estimated Federal funds deficit in fiscal year 1975 presently is $43 billion. This deficit reflects both the $35 billion deficit in the unified budget and an $8 billion surplus in the trust funds which must be invested in Federal obligations.

The administration requested an increase in the debt limit through June 30, 1976, of $604 billion. In hearings before the Ways and Means Committee, the administration pointed out that a $531 billion debt limit would be adequate for the remainder of fiscal 1975—that is, through June 30, 1975.

The $531 billion limit represents a net increase of $55 billion through fiscal year 1975. The Federal funds deficit of $43 billion accounts for all but $12 billion of this increase. The remaining debt increase represents the net amount of financing for the credit activities of various Federal agencies through the Federal Financing Bank. The administration decided to use the Federal Financing Bank as the means of acquiring funds for these credit activities, rather than permitting the agencies to issue their own obligations directly in the market, because it is able to reduce the rate of interest on these issues by one-half percentage point and save about $70 million in interest costs.

Although the administration asked for a debt limit increase that would meet its estimated requirements for a 17-month period through June 30, 1976, the committee decided that there were too many uncertainties to be resolved in the fiscal year 1976. As a result, the committee provided an increase that would be sufficient through the remainder of this fiscal year.

This means the administration will have to return to Congress again about the beginning of June for an increase in the debt limit to cover fiscal year 1976. We believe that there is a better chance at that time of having a reasonable estimate of fiscal year 1976 requirements.

While I, no more than any other Senator, like to see us increase our debt, it is essential that we keep our perspective in this matter. There are worse things than an increase in our debt. A substantial increase in unemployment is a much graver matter. Also more important is the lost production because of the present recession. In 1975, for example, it looks as if we will lose over $200 billion in production because the economy is operating so far below full employment levels.

It is also important to recognize that our debt—large as it is—really has not grown any faster than the economy. I have a series of tables which demonstrate this and related points. I ask unanimous consent to have the tables printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private			Federal				Percent Federal of total
	Individual	Corporate [1]	Total	State and local	Public	Agency	Total	
1929	$72.9	$107.0	$179.9	$17.8	$16.3	$1.2	$17.5	$215.2	8
1930	71.8	107.4	179.2	18.9	16.0	1.3	17.3	215.4	8
1931	64.9	100.3	165.2	19.5	17.8	1.3	19.1	203.8	9
1932	57.1	96.1	153.2	19.7	20.8	1.2	22.0	194.9	11
1933	51.0	92.4	143.4	19.5	23.8	1.5	25.3	188.2	13
1934	49.8	90.6	140.4	19.2	28.5	4.8	33.3	192.9	17
1935	49.7	89.8	139.5	19.6	30.6	5.6	36.2	195.3	19
1936	50.6	90.9	141.5	19.6	34.4	5.9	40.3	201.4	20
1937	51.1	90.2	141.3	19.6	37.3	5.8	43.1	204.0	21
1938	50.0	86.8	136.8	19.8	39.4	6.2	45.6	202.2	22
1939	50.8	86.8	137.6	20.1	41.9	6.9	48.8	206.5	24
1940	53.0	89.0	142.0	20.2	45.0	7.2	52.2	214.4	24
1941	55.6	97.5	153.1	20.0	57.9	7.7	65.6	238.7	27
1942	49.9	106.3	156.2	19.2	108.2	5.5	113.7	289.1	39
1943	48.8	110.3	159.1	18.1	165.9	5.1	171.0	348.2	49
1944	50.7	109.0	159.7	17.1	230.6	3.0	233.6	410.4	57
1945	54.7	99.5	154.2	16.0	278.1	1.5	279.6	449.8	62
1946	59.9	109.3	169.2	16.1	259.1	1.6	260.7	446.0	58
1947	79.4	128.9	198.3	17.5	256.9	.7	257.6	473.4	54
1948	80.6	139.4	220.0	19.6	252.8	1.0	253.8	493.4	51
1949	90.4	140.3	230.7	22.2	257.1	.8	257.9	510.8	50
1950	104.3	167.7	272.0	25.3	256.7	1.1	257.8	555.1	46
1951	114.3	191.9	306.2	28.0	259.4	.8	260.2	594.4	44
1952	129.4	202.9	332.3	31.0	267.4	.9	268.3	631.6	42
1953	143.2	212.9	356.1	35.0	275.2	.8	276.0	667.1	41
1954	157.2	217.6	374.8	40.2	278.8	.7	279.5	694.5	40
1955	180.1	253.9	434.9	46.3	280.8	1.4	282.2	763.4	37
1956	195.5	277.3	472.8	50.1	276.6	1.7	278.3	801.2	35
1957	207.6	295.8	503.4	54.7	274.9	3.2	278.1	836.2	33
1958	222.9	312.0	534.9	60.4	282.9	2.4	285.3	880.6	32
1959	245.0	341.4	586.4	66.6	290.8	5.7	296.5	949.5	31
1960	263.3	365.1	628.4	72.0	290.2	6.4	296.6	997.0	30
1961	284.8	391.5	676.3	77.6	296.2	6.8	303.0	1,056.9	29
1962	311.9	421.5	733.4	83.4	303.5	7.8	311.3	1,128.1	28
1963	345.8	457.1	802.2	89.5	309.3	8.1	317.4	1,209.1	26
1964	380.1	497.3	877.4	95.5	317.9	9.1	327.0	1,299.9	25
1965	415.7	551.9	967.6	103.1	320.9	9.8	330.7	1,401.4	24
1966	444.2	617.4	1,061.6	109.4	329.3	14.0	343.3	1,514.4	23
1967	476.2	672.9	1,149.1	117.9	344.7	20.1	364.9	1,631.8	22
1968	513.9	779.0	1,292.9	128.4	358.0	15.1	373.1	1,794.4	21
1969	548.7	912.7	1,461.4	137.9	368.2	13.8	382.0	1,981.3	19
1970	586.3	997.8	1,584.1	149.3	389.2	12.5	401.6	2,135.0	19
1971	648.3	1,084.9	1,733.2	166.3	424.1	11.0	435.2	2,334.6	19
1972	734.4	1,217.5	1,951.9	178.6	449.3	11.8	461.1	2,591.5	18
1973	821.3	1,395.4	2,216.7	187.4	469.9	11.6	481.5	2,885.6	17
1974	(2)	(2)	(2)	(2)	492.7	11.4	504.0	(2)	(2)

[1] Includes the debt of certain federally sponsored agencies in which there is no longer any Federal proprietary interest. The debt of the following agencies are included beginning these years: FLB's in 1947; FHLB's in 1951; FNMA-Secondary Market Operations, FICB's and BCOOP's in 1968. The total debt for these agencies amount to $700,000,000 on December 31, 1947, $3,500,000,000 on December 31, 1960, $38,800,000,000 on December 31, 1970 and $59,800,000,000 on December 31, 1973.

[2] Not available.

Source: Commerce and Treasury Departments.

TABLE 2.—GROSS GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

End of calendar year	Gross national product [4] (billions)	Ratios of debt to gross national product (percent)				
		Federal	State and local	Corporate	Individual and noncorporate	Total
1929	$96.7	18.1	18.4	110.7	75.4	222.5
1930	83.1	20.8	22.7	129.2	86.4	259.2
1931	66.9	28.6	29.1	149.9	97.0	304.6
1932	56.8	38.7	34.7	169.2	100.5	343.1
1933	60.3	42.0	32.3	153.2	84.6	312.1
1934	68.6	48.1	28.0	132.1	72.6	280.8
1935	77.4	46.8	25.3	116.0	64.2	252.3
1936	86.5	46.6	22.7	105.1	58.5	232.8
1937	87.6	49.2	22.4	103.0	58.3	232.9
1938	87.6	52.1	22.6	99.1	57.1	230.8
1939	94.8	51.5	21.2	91.6	53.6	217.8
1940	107.6	48.5	18.8	82.7	49.3	199.3
1941	138.8	47.3	14.4	70.2	40.1	172.0
1942	179.0	53.5	10.7	59.4	27.9	161.5
1943	202.4	84.5	8.9	54.5	24.1	172.0
1944	217.4	107.5	7.9	50.1	23.3	188.8
1945	196.0	142.6	8.2	50.8	27.9	229.5
1946	221.4	117.8	7.3	49.4	27.1	201.4
1947	245.0	105.1	7.1	52.6	28.3	193.2
1948	261.2	97.2	7.5	53.4	30.9	188.9
1949	260.5	99.0	8.5	53.9	34.7	196.1
1950	311.2	82.8	8.1	53.9	33.5	178.4
1951	338.2	76.9	8.3	56.7	33.8	175.8
1952	$361.0	74.3	8.6	56.2	35.8	175.0
1953	360.8	76.5	9.7	59.0	39.7	184.9
1954	379.8	73.6	10.6	57.3	41.4	182.9
1955	409.7	68.9	11.3	62.0	44.0	185.9
1956	433.2	64.2	11.6	64.0	45.1	184.9
1957	438.1	63.5	12.5	67.5	47.4	190.8
1958	468.2	60.8	12.9	66.5	47.5	187.6
1959	496.8	59.7	13.4	68.7	49.3	190.8
1960	503.4	58.9	14.3	72.5	52.3	197.7
1961	542.8	55.8	14.3	72.1	52.5	194.7
1962	574.7	54.2	14.5	73.3	54.3	196.6
1963	611.8	51.9	14.6	74.7	56.5	197.9
1964	654.0	50.0	14.6	76.0	58.1	199.1
1965	719.2	46.0	14.3	76.7	57.8	194.9
1966	772.6	44.4	14.2	79.9	57.5	196.0
1967	825.0	44.2	14.3	81.5	57.7	197.8
1968	898.6	41.5	14.3	86.7	57.2	199.7
1969	953.7	40.1	14.4	95.7	57.5	207.7
1970	1,009.8	39.8	14.8	98.6	57.2	210.6
1971	1,099.1	39.5	15.3	98.1	57.7	210.9
1972	1,226.8	37.5	14.8	97.2	58.6	208.4
1973	1,351.4	35.6	14.5	108.2	63.7	223.7
1974	1,440.0	35.0	(1)	(1)	(1)	(1)

[1] Not available

TABLE 3.—FEDERAL DEBT AND PRICES, 1929 TO PRESENT

End of year	Federal debt (billions)			Per capita Federal debt [4]			Real per capita Federal debt		
	Gross [1]	Net [2]	Privately held net [3]	Gross [1]	Net [3]	Privately held net [3]	Gross [1]	Net [2]	Privately held net [3]
1929	$17.5	$16.5	$16.0	$143	$135	$131	$431	$407	$395
1930	17.3	16.5	15.8	140	133	128	449	427	411
1931	19.1	18.5	17.7	153	149	142	543	528	504
1932	22.0	21.3	19.4	176	170	155	696	672	613
1933	25.3	24.3	21.9	201	193	174	791	759	685
1934	33.3	30.4	28.0	260	240	221	794	925	852
1935	36.2	34.4	32.0	283	269	250	1,060	1,007	936
1936	40.3	37.7	35.3	313	293	275	1,158	1,084	1,017
1937	43.1	39.2	36.6	333	303	283	1,195	1,027	1,015
1938	45.6	40.5	37.9	349	310	290	1,288	1,144	1,070
1939	48.8	42.6	40.1	371	324	305	1,376	1,201	1,131
1940	52.2	44.3	42.6	393	337	321	1,443	1,238	1,179
1941	55.6	56.3	54.0	489	420	402	1,637	1,406	1,346
1942	113.7	101.7	95.5	837	749	703	2,564	2,294	2,153
1943	171.0	154.4	142.9	1,242	1,122	1,038	3,688	3,326	3,082
1944	233.6	211.9	195.1	1,678	1,522	1,387	4,880	4,426	4,033
1945	279.6	252.5	228.2	1,967	1,795	1,622	5,651	5,105	4,613
1946	260.7	229.5	206.1	1,825	1,607	1,433	4,379	3,855	3,438
1947	257.6	221.7	193.1	1,771	1,524	1,369	3,910	3,365	3,023
1948	253.8	215.3	192.0	1,715	1,450	1,297	3,692	3,132	2,792
1949	257.9	217.6	197.7	1,713	1,445	1,313	3,756	3,168	2,879
1950	257.8	217.4	196.6	1,685	1,421	1,285	3,490	3,943	2,662
1951	260.2	216.9	193.1	1,671	1,393	1,240	3,267	2,723	2,424
1952	268.3	221.5	196.8	1,691	1,399	1,243	3,283	2,711	2,409
1953	276.0	226.8	200.9	1,714	1,408	1,247	3,300	2,711	2,401
1954	279.5	229.1	204.2	1,705	1,397	1,246	3,297	2,702	2,410
1955	282.2	229.6	204.8	1,691	1,376	1,227	3,258	2,651	2,364
1956	278.3	224.3	199.4	1,638	1,320	1,174	3,067	2,472	2,198
1957	278.1	223.0	198.8	1,609	1,290	1,150	2,925	2,345	2,090
1958	285.3	231.0	204.7	1,624	1,315	1,165	2,901	2,349	2,083
1959	296.5	241.4	214.8	1,653	1,346	1,197	2,910	2,369	2,107
1960	296.6	239.8	212.4	1,627	1,315	1,165	2,823	2,281	2,021
1961	303.0	246.7	217.8	1,635	1,331	1,175	2,819	2,294	2,026
1962	311.3	253.6	222.8	1,654	1,348	1,184	2,817	2,296	2,017
1963	317.4	257.5	223.9	1,663	1,349	1,173	2,787	2,260	1,966
1964	327.0	264.0	227.0	1,690	1,364	1,173	2,799	2,259	1,942
1965	330.7	266.4	225.6	1,688	1,360	1,152	2,742	2,209	1,872
1966	343.3	271.8	227.5	1,736	1,375	1,151	2,729	2,162	1,810
1967	364.9	280.4	237.3	1,827	1,435	1,188	2,788	2,189	1,813
1968	373.1	291.9	238.9	1,850	1,447	1,182	2,695	2,108	1,722
1969	382.0	289.3	232.1	1,874	1,420	1,140	2,573	1,949	1,565
1970	401.6	301.1	239.0	1,960	1,469	1,166	2,551	1,912	1,517
1971	435.2	325.9	255.1	2,101	1,574	1,232	2,645	1,982	1,551
1972	461.1	341.2	269.9	2,207	1,634	1,292	2,688	1,990	1,573
1973	481.5	349.1	268.6	2,289	1,659	1,277	2,562	1,857	1,429
1974	504.0	360.8	280.1	2,378	1,703	1,322	2,378	1,703	1,322

Total Federal securities outstanding, Unified Budget concept.

[2] Borrowing from the public, Unified Budget concept. Gross Federal debt less securities held by Government accounts.

[3] Borrowing from the public less Federal Reserve holdings.

[4] Debt divided by population of the coterminous U.S., and including Armed Forces overseas.

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TABLE 4—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT 1929 TO PRESENT

Calendar Year	Gross national product (billions of 1958 dollars)	GNP per capita (constant 1958 dollars)[1]	GNP per capita, change from year ago	
			Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,490	−$182	−10.9
1931	169.3	1,364	−126	−8.5
1932	144.2	1,154	−210	−15.4
1933	141.5	1,126	−28	−2.5
1934	154.3	1,220	+94	8.4
1935	169.5	1,331	+111	9.1
1936	193.0	1,506	+175	13.1
1937	203.2	1,576	+70	4.6
1938	192.9	1,484	−91	−5.8
1939	209.4	1,598	+114	7.7
1940	227.2	1,714	+115	7.2
1941	263.7	1,969	+256	14.9
1942	297.8	2,200	+231	11.7
1943	337.1	2,456	+256	11.6
1944	361.3	2,601	+148	5.9
1945	355.2	2,529	+72	2.8
1946	312.6	2,202	−326	−12.9
1947	309.9	2,142	−61	−2.8
1948	323.7	2,199	+57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	+170	7.8
1951	383.4	2,476	+142	6.1
1952	$395.1	$2,508	+$32	1.3
1953	412.8	2,577	+69	2.8
1954	407.0	2,497	−81	−3.1
1955	438.0	2,640	+143	5.7
1956	446.1	2,641	+2	*
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,676	+118	4.6
1960	487.7	2,699	+23	.9
1961	497.2	2,707	+7	.3
1962	529.8	2,840	+133	4.9
1963	551.0	2,912	+71	2.5
1964	581.1	3,028	+117	4.0
1965	617.8	3,180	+151	5.0
1966	658.1	3,348	+169	5.3
1967	675.2	3,398	+50	1.5
1968	706.6	3,521	+123	3.6
1969	725.6	3,580	+60	1.7
1970	722.5	3,527	−54	−1.5
1971	746.3	3,605	+77	2.2
1972	792.5	3,795	+190	5.3
1973	839.2	3,989	+194	5.1
1974	821.1	3,875	−114	−2.8

[1] Real Gross National Product divided by Population of the United States for July 1 of each year. Population figure includes Armed Forces overseas beginning 1940 and Alaska and Hawaii beginning 1940.

Mr. LONG. The first table shows that gross Federal debt as a percentage of total private and Government debt reached its highest level of 62 percent in 1945, and it has fallen steadily to 17 percent of the total at the end of 1973. In other words, Mr. President, the Federal debt has not increased nearly as fast as private debt.

Table 2 shows that Federal debt was 142.6 percent of gross national product in 1945, but only 35 percent of the gross national product in 1974. This is the point I was making earlier. The Federal debt for many years now has been growing slower than the economy. Of course, if we do not get out of this recession soon, this may not be the case much longer. But we hope by fiscal measures and other measures adopted this year to reverse the downward trend of the economy.

Similarly, one can see in table 3 that gross Federal debt per capita, expressed in constant prices, also has fallen from $5,651 in 1945 to $2,378 in 1974. In other words, on a per capita basis, and thinking in terms of constant dollars, which is the only fair way to think of it, the Federal debt per capita is far below half of what it was in 1945.

GNP per capita in constant prices, however, has continued to increase throughout the same period, except for recession years; as table 4 shows. A comparison of the tables reveals that real, per capita, GNP has been higher than real, per capita, gross Federal debt since 1962.

That, Mr. President, is a favorable sign.

Mr. President, I asked for and obtained a table showing a matter which, to me, is every bit as important as the precise amount of the Federal debt. In fact, in my judgment at this time and at any point in the foreseeable future, it is far more important to the decision we should be making here. I am referring to how well this Nation is doing in terms of providing goods and services for the American people, because if we are doing a good job every year we ought to have more income for the American people—more income for every citizen in this Nation than we had the year before. If we are doing a poor job, and I do not care whether it is the administration, the Federal Reserve Bank—which I agree with Senator HUMPHREY is the largest single culprit in all the mischief occurring in this Nation—or the President, if the gross national product on a per capita basis is declining, then that is bad for the country. The only fair way to look at that matter is to take into account both the population and the change in the purchasing power of the money.

Mr. President, the table I have been referring to is shown on page 16 of the committee report. It is table 11, and I ask unanimous consent that the table be printed in the RECORD in connection with my statement.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 11—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT, 1929 TO PRESENT

Calendar year	Gross national product (billions of 1958 dollars)	GNP per capita (constant 1958 dollars)[1]	GNP per capita, change from year ago—	
			Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,490	−$182	−10.9
1931	169.3	1,364	−126	−8.5
1932	144.2	1,154	−210	−15.4
1933	141.5	1,126	−28	−2.5
1934	154.3	1,220	+94	8.4
1935	169.5	1,331	+111	9.1
1936	193.0	1,506	+175	13.1
1937	203.2	1,576	+70	4.6
1938	192.9	1,484	−91	−5.8
1939	209.4	1,598	+114	7.7
1940	227.2	1,714	+115	7.2
1941	263.7	1,969	+256	14.9
1942	297.8	2,200	+231	11.7
1943	337.1	2,456	+256	11.6
1944	361.3	2,601	+148	5.9
1945	355.2	2,529	+72	2.8
1946	312.6	2,202	−326	−12.9
1947	309.9	2,142	−61	−2.8
1948	323.7	2,199	+57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	+170	7.8
1951	383.4	2,476	+142	6.1
1952	$395.1	$2,508	+$32	1.3
1953	412.8	2,577	+69	2.8
1954	407.0	2,497	−81	−3.1
1955	438.0	2,640	+143	5
1956	446.1	2,641	+2	*
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,676	+118	4.6
1960	487.7	2,699	+23	.9
1961	497.2	2,707	+7	.3
1962	529.8	2,840	+133	4.9
1963	551.0	2,912	+71	2.5
1964	581.1	3,028	+117	4.0
1965	617.8	3,180	+151	5.0
1966	658.1	3,348	+169	5.3
1967	675.2	3,398	+50	1.5
1968	706.6	3,521	+123	3.6
1969	725.6	3,580	+60	1.7
1970	722.5	3,527	−54	−1.5
1971	746.3	3,605	+77	2.2
1972	792.5	3,795	+190	5.3
1973	839.2	3,989	+194	5.1
1974	821.1	3,875	+114	−2.8

[1] Real gross national product divided by population of the United States for July 1, of each year. Population figure includes Armed Forces overseas beginning 1940 and Alaska and Hawaii beginning 1940

Note: Office of the Secretary of the Treasury, Office of Debt Analysis.

Mr. LONG. The table shows since 1929—and I regret that the Treasury, apparently, did not have all of the figures for that one year—what had been happening to our gross national product on a per capita basis and adjusted to be in constant dollars. There have been only a few years since World War II when there has been a decline in per capita GNP in constant dollars.

I hope I may be pardoned for saying that where there has been a decline this almost invariably occurred in years the White House was occupied by members of the Republican Party, not by those who have found their way to this side of the aisle.

An exception to this was the bad year in 1945, immediately after the termination of the war, when there was change-over from war production, and of course, that is explainable.

But even so, after that adjustment occurred, if one looks at what happened during the tenure of President Truman, by the time the period was out this Nation achieved an increase in per capita GNP. In fact we were doing rather well indeed, at a much higher level of production than we had at any time before World War II.

There was a recession during the Eisenhower years, but on the other hand I am inclined to think that one could look upon the period, starting the day President Kennedy took office and ending with the day President Johnson went out of office, as a period during which we had good economic advice from those trying to administer the affairs of this country. This is indicated by the fact that from 1960 through 1968 we had 8 years during which the economy moved steadily ahead, notwithstanding the burden of a war in Vietnam. This Nation, during that period, enjoyed unparalleled prosperity and an increase in per capita income.

Since that date, we have had a couple of bad years, one was 1970 and the other was 1974. In addition we will have a very bad year this year, I fear.

In considering this increase in the debt limit, I ask that the Senate consider this matter in perspective, realizing that what is most important is whether we are able to put our economy in such shape that it will generate more goods and services and full employment opportunities for our people. When that is done this Nation will be in surplus again, and again we will be able to reduce the debt of this great Nation.

When we have full production and employment of our resources, full opportunity for all to work, this Nation can provide very well for its citizens and it can reduce the obligations and debts it owes to all persons at the same time.

If no one else desires to speak at this moment, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M.

Mr. LONG. Mr. President, I have discussed this request with the leadership on the other side of the aisle. I ask unanimous consent that the Senate stand in recess from now until the hour of 2 p.m. and that the time be charged equally against both sides.

There being no objection, the Senate, at 12:50 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GARN).

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Louisiana yield me 30 seconds?

Mr. LONG. I yield.

ORDER FOR ADJOURNMENT TO 10:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HATFIELD AND FOR ROUTINE MORNING BUSINESS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. HATFIELD be recognized for not to exceed 15 minutes; that there then be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Nebraska yield me 30 seconds?

Mr. CURTIS. I yield the Senator as much time as he wishes.

Mr. ROBERT C. BYRD. I thank the Senator.

ORDER FOR ADJCURNMENT FROM TOMORROW TO 10:30 A.M. ON THURSDAY, FEBRUARY 20, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until 10:30 a.m. on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF MR. NELSON ON THURSDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday next, after the two leaders or their designees have been recognized under the standing order, Mr. NELSON be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT

The Senate continued with the consideration of the bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

Mr. CURTIS. Mr. President, the measure before the Senate deals with the so-called debt ceiling. I say "so-called" because in reality it is a misnomer. If we could have a real ceiling on expenditures, the junior Senator from Nebraska would be very much attracted to it. The majority of the people back home would like to see a ceiling on Government expenditures.

We refer to this measure as a debt ceiling. Actually, it does not hold down either the expenditures or the debts. Debts are created when we spend more money than we take in. So the debt is created when we here, day after day, vote for spending. When we have pay raises, we add to the expenditures. When we pass bills, whether for benefits to States or localities or individuals, we add to the spending. When new programs come along for health or education or any other subject and are implemented, that adds to the spending. It is those votes, week in and week out, that determine how much money we will spend. If not enough money comes in to pay all those bills, the debt goes up.

It would be a relief if we could have a two-page bill that would really stop the debt from going up. But there just is not any such bill. Well, what is this, then? This, in reality, is authority for the Treasury Department to borrow enough money to pay the bills already incurred.

We create spending by voting for good bills. Everybody believes in highways. But if we vote for more highways than we have tax coming coming in, we add to the debt. So it is with every program imaginable. Debts are created because we authorize too much spending.

If we were to refuse to pass this bill, what would be the effect? The effect would be that, because we do not have enough money coming in in taxes to pay the bills, we would limit the Executive's have tax money coming in, we add to the bills. It would be a rather dangerous step to stop the Government, to stop the Treasury from writing checks to pay for labor performed, to pay for contracts to carry out commitments made to States,

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to countries, and to cities, to have the money stopped to carry out our national defense and veterans' programs.

We are in the unhappy situation of having authorized so much spending that to pay for it exceeds the amount of taxes coming in. We would still owe those debts, whether or not we borrowed the money and issued bonds to pay for them.

Let us take the hypothetical case of a contractor who has built a Government building and has finished his work. It is about to be inspected, and he is expecting his last check. If we were to refuse to pass the bill authorizing the Treasury to borrow enough money to pay him, we would not lessen our debts. We would just be owing it to somebody else.

Mr. President, I do not say that it is a good thing to raise the so-called debt ceiling. I think it is very bad. Certainly, it is not a happy thing to have to do. It is something that is necessary because of past spending.

As for myself, I am in favor of a pay-as-you-go basis for this Government. I had pending in the last Congress—and I will introduce it again in a few days—a constitutional amendment that would require the budget to be balanced. That cannot be done by just saying that the Government cannot spend more than it takes in. It is not that easy; because if the money they take in is spent and there are a couple of more months of the year to run, are you going to stop everything, or are you going to try to write a list of priorities—we will pay this list but not that list?

We have worked out a self-enforcing method to compel a balanced budget, and this is how it would work: If this proposal were passed by a two-thirds vote of both Houses of Congress and ratified by three-fourths of the States, it would become part of the Constitution. This proposal provides that the President, in submitting his budget, shall submit a balanced budget. If he calls for more spending than anticipated revenue, he has to figure out how much surtax it would take to put it in balance. A surtax is a percentage tax on the regular tax. So if the President of the United States, in his budget message, called for more spending than expected revenue, he would have to calculate how big a surtax would be required to put it in balance—if it were 3 percent or 5 percent or 7 percent or 12 percent—and so declare it.

If Congress did nothing other than just pass his budget as he proposed and did not raise any other revenue, under this proposal the surtax would go into effect automatically.

However, Congress rightly has control over the purse strings and control over taxes and spending. Congress could reduce the President's budget.

Congress could find some other revenue. In either case, there would be no need for the surtax. Congress might, as it often does, authorize more spending than there is in the President's budget. In that case, they would either have to find some other revenue or an automatic surtax would go in.

This proposal provides that at a couple of times during the year, the Speaker of the House of Representatives would estimate the amount of revenue coming in, would estimate the amount of spending that Congress has authorized, and if the spending is more than the revenue, he would determine how much of a surtax it would take to put it in balance, so declare it, and if Congress did not do anything about it, either by reducing expenditures or some other kind of tax, the surtax would go in.

Mr. President, people have often asked why would a conservative like CARL CURTIS from Nebraska advocate more taxes? There is a twofold answer. If we are going to have high spending, we have to have high taxes. But the other part is this: If the politicians have to face the music and either cut spending or levy taxes, they will cut spending. Why, if the President advocates an unbalanced budget—and every budget that has been presented to this Congress since Eisenhower days has been an unbalanced budget—and the people are informed that this will put a surtax on of 5 percent or 7 percent or whatever it is, they will know it all across the land and they will get out their pencils and write their Congressman or Senator and say, cut that budget.

Or if Congress goes its merry way of spending and not collecting and the Speaker has to determine how much the surtax is, and if they do nothing about it and it goes in automatically, the people will know it. They will know what the facts are. They will become aroused and they will see to it that expenditures are cut.

I believe that the President and Congress have to face the issue—cut spending or there will be a tax increase—they will cut spending. But if I am wrong on that guess, the people will know about it and at the next election, they can turn the rascals out. And they should.

Now, the way it is, there is no accounting. A budget can be submitted and unbalanced. On one hand, we go ahead and vote for spending. On the other hand, we collect some taxes, but never quite enough. The debts go on. Inflation follows. And there is no direct accountability. Then it is possible for someone to vote for every increase, to vote for every raise, to vote for every new program under our present system, and then pick out some small matter where they voted on the economy side. They go back home and go up and down their State or district and talk about that time they voted to cut expenditures. People in the audience may say, "Well, Joe is not a bad fellow after all; he is really a conservative at heart." And they reelect him. Then he goes back to Washington and he votes for more spending and more programs.

This would provide a system that would fix responsibility. If those who hold office spend more than they had authorized in taxes, and a surtax would automatically go into effect, believe me, that will cause Congressmen and Senators to read the budget, to examine the hearings, to hesitate to vote for every new program that comes along, to hesitate to vote for increases of benefits across the board, because they cannot conceal it with oratory any more. We would go home and we would be guilty, collectively, of having people's taxes increased.

Mr. President, of course, the proposed constitutional amendment is not before us at this time. We have the very painful and unhappy task of considering the so-called debt ceiling, which, as I said a moment ago, is a misnomer. To refuse to pass it would create chaos, but it would not lessen our debts. If we spend the money, we have to pay, and if we have not collected enough in taxes, we have to authorize the Treasury to borrow the money.

It might be likened to a situation where a family bought everything they could think of on charge accounts and credit cards, and then, after they had ordered the merchandise and the services, they said, We are going to have a debt ceiling, so we are not going to pay these charge accounts or credit card accounts. The Congress of the United States has repeatedly spent more money than it has taken in and the debts are there. Either we are going to owe them in unpaid bills or we are going to have to borrow enough money to pay them. I wish it were otherwise.

Mr. President, I am not critical of anyone who votes against this measure. It is a protest against spending; it is a protest against increasing debt; it is a protest against deficit financing. If this is true, then if we all chose to protest, or a majority chose to protest, there would be chaos. We could not write any checks. The expenditures have been made; we have to borrow enough money to pay the bill.

Mr. LONG. Will the Senator yield on that point?

Mr. CURTIS. I am happy to yield.

Mr. LONG. I shall wait with interest to see how many Senators will vote against the debt limit to permit the Government to pay its legal outstanding obligations for expenditures made under appropriations of Congress and then, having voted against permitting the Government to pay its debts, proceed to vote for tax cuts when that quickie tax cut bill is on the floor of the Senate.

I do not see how one can defend a vote and say first that he is against the Government going into debt and then that he is in favor of a tax cut. Everybody knows that we are going to have a deficit this year whether we vote for the tax cut or against the tax cut. We will still have a deficit.

Mr. CURTIS. I thank my distinguished chairman for his contribution. That will apply to other things.

We will have before us a proposal to raise social security and attention will be called very eloquently to individuals in retirement who need the money very badly, who really need a raise. But at the same time, they will be voting for an across-the-board increase and give people who are well to do and wealthy, but who just happen to be over 65, a great increase.

That is something to think about. Ten years ago, the maximum social security tax to be imposed on one employee was $72. Today it is $842 or thereabouts, because we have passed a lot of bills here.

We used to have one every 2 years, just before election. Now we have one or two every year. And as I say, they are not based upon what the reserves say we could pay. They are based upon the plea made in behalf of people of low-income who need a raise, and perhaps we should find a way to deal with that particular group. They are entitled to our compassion and our generosity.

But instead of that, the various candidates for President have an option. When somebody suggests 5 percent across the board, someone else bids 10. Last time a gentleman on the other side of the Capitol raised his own bid to 20 percent. Do you know what that did for some people? A social security benefit is tax free, and a percentage increase of a small benefit is still a small amount, and gives a low benefit to the poor people who did not have a very high wage rate. Whether it is 5 percent, 10 percent, or 15 percent of a low benefit, it is still a small amount. But if we give a 20-percent increase to someone who gets a sizable benefit, and it is tax free, we have given him twice as much, and that is the way we have been voting on some of these things.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. CURTIS. I am happy to yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I am in general agreement with everything the distinguished Senator from Nebraska has said. I was interested in the statement by the distinguished chairman of the committee about some voting against this measure and at the same time voting for a tax cut. I think he might have gone farther and said that some of those who have voted for these large programs will also vote against raising the debt ceiling.

I have always voted against raising the debt ceiling. I never have voted for raising it, and do not intend to vote for it today. But I think there is a degree of consistency, even though recognizing it as a protest vote, as the Senator from Nebraska has said. I think if one does not vote for a large number of these programs, and they are still adopted, perhaps this is a way of protesting further spending; and as I look ahead and look at the proposed budget deficit the President has indicated, a deficit of $80 billion over a 2-year period, I am not going to support anything like that. It seems to me that when we feel the Government is spending beyond its means, and when we support a constitutional amendment such as the Senator from Nebraska has proposed—and I believe I am a cosponsor of that measure—a protest vote in a case of this kind is very much in order, and even though I recognize the futility of it, and that we would be in an economic crisis if the nays prevailed, perhaps a few days of that might be a good thing.

I thank the Senator for yielding.

Mr. CURTIS. I thank the Senator. I want it clearly understood that I am not at all critical of anyone's vote on this measure or any other. There will be many Senators who have a consistent record of voting for economy, who will want to follow through and vote against this so-called debt ceiling. I respect them in that. The opportunity, of course, exists for Senators to vote for every spending bill and then vote against the debt ceiling. But that is not for me to judge. Certainly in this body nothing is gained, we have no right to do so, and it could only lead to trouble if we ever attempted to judge the motives of others.

I assume that everyone who casts a vote here has a good and valid reason for doing so, and I shall not question their motives. I respect my distinguished friend from Virginia and his consistent record of voting for economy in Government. I am sure that if we had enough votes along those lines, we would not have to face this unpleasant task of considering a bill dealing with the debt limit.

There no doubt will be an amendment offered this afternoon proposing that we do away with this debt limit that we will have to vote on in 2 hours. I have mixed feelings about that. The debt ceiling certainly does not hold down the debt; something causes it to rise, and rise ever higher. On the other hand, no doubt there is much to be said for periodically considering it, so that the public may know where the debt is leading us, and who are the individuals who may have to take the responsibility.

I think it is important that everyone realize that debts are caused, not by voting for or against two pages of words on paper, but by excessive spending; and on that score Congress collectively is guilty.

Mr. President, I yield the floor.

Mr. LONG. Mr. President, I believe it would be well for the RECORD to contain a series of tables prepared by the Treasury Department at the suggestion of the Senator from Louisiana. If any of these tables are already in the RECORD, they need not be repeated here, but I believe any that are not already in the RECORD should be printed.

I have in mind that portion of the committee report starting on page 7, item III, "Relationship of Government and Private Debt and Economic Activity."

I would like to ask that the language explaining the tables as well as the tables themselves appear in the RECORD.

There being no objection, the explanation and tables were ordered to be printed in the RECORD, as follows:

III. RELATIONSHIP OF GOVERNMENT AND PRIVATE DEBT AND ECONOMIC ACTIVITY

Tables 9–16 show that the relative burden of the Federal Government debt has changed through the years but generally has been falling since the end of World War II, despite some years of large budget deficits.

Table 9 shows that gross Federal debt (outstanding Federal securities) relative to total gross government and private debt has fallen from its high at 62 percent in 1945 to 17 percent at the end of 1973. It has not been that low proportionately since 1934. The same type of information using data on net Federal debt (outstanding debt in the hands of the public) is shown in table 12. The peak ratio was 62 percent in 1945, and the ratio has fallen to 14 percent since then, the lowest since 1933 when it also was 14 percent.

In table 10, it can be seen that per capita gross Federal debt has increased from $1,825 in 1946 to $2,378 in 1974, about 30 percent. Over the 1946 to 1973 interval, private debt per capita has increased from $419 to $3,911, more than nine times. State and local government debt per capita has increased from $113 to $892, an increase of just less than 8 times. Total government and private debt per capita has risen from $3,123 to $13,741, that is, it increased 4.4 times.

Per capita net debt is shown in table 13. The overall proportions of the increases are much the same as shown in table 10, but the per capita, net Federal debt increased by only 6.0 percent, far below the proportionate increases in the other sectors (more than 9 times) or in the total (more than 4 times).

Tables 11 and 14 show that the level of total debt (both gross and net) relative to gross national product has not changed substantially from 1929 to 1945 to 1973. Federal debt relative to GNP has increased and decreased in that period, and although higher than in 1929 when it was 18 percent (gross) and 17 percent (net), the 1974 ratio of 35 percent (gross) is the lowest since 1931 and the net debt ratio of 25 percent is the lowest since 1930.

Real (December 1973 prices) per capita Federal debt is shown in the last 3 columns of table 15, where 3 measures of debt are shown—gross outstanding Federal debt, net outstanding Federal debt (outside of government accounts) and net privately held Federal debt (outside of government and Federal Reserve accounts). Lowest levels for each concept in the period shown were in 1929. In each of these series, the highest levels were reached in 1945 and have declined since then to their current lowest levels, as of the end of 1974. $2,378 for gross debt, $1,703 for net debt and $1,322 for net privately held debt.

In table 17, the data show that per capita real GNP (expressed in 1958 prices) fell from $1,672 in 1929 to $1,126 in 1933 and has risen to $3,875 in 1974. The rise has been sustained generally throughout the 41-year period since 1933, but the level fell in recession years and immediately after World War II: 1938, 1945–47, 1949, 1954, 1957–58, 1970 and 1974.

TABLE 9.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private			State and local	Federal			Total	Federal as a percent of total
	Individual	Corporate [1]	Total		Public	Agency	Total		
1929	$72.9	$107.0	$179.9	$17.8	$16.3	$1.2	$17.5	$215.2	8
1932	57.1	96.1	153.2	19.7	20.8	1.2	22.0	194.9	11
1933	51.0	92.4	143.4	19.5	23.8	1.5	25.3	188.2	13
1934	49.8	90.6	140.4	19.2	28.5	4.8	33.3	192.9	17
1939	50.8	86.8	137.6	20.1	41.9	6.9	48.8	206.5	24
1940	53.0	89.0	142.0	20.2	45.0	7.2	52.2	214.4	24

Footnotes at end of table.

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TABLE 9.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES—Continued

[Dollar amounts in billions]

Dec. 31	Private			Federal				Federal as a percent of total
	Individual	Corporate [1]	Total	State and local	Public	Agency	Total	
1941	$55.6	$97.5	$153.1	$20.0	$57.9	$7.7	$65.6	$238.7	27
1945	54.7	99.5	154.2	16.0	278.1	1.5	279.6	449.8	62
1946	59.9	109.3	169.2	16.1	259.1	1.6	260.7	446.0	58
1947	69.4	128.9	198.3	17.5	256.9	.7	257.6	473.4	54
1948	80.6	139.4	220.9	19.6	252.8	1.0	253.8	493.4	51
1949	90.4	140.3	230.7	22.2	257.1	.8	257.9	510.8	50
1950	104.3	167.7	272.0	25.3	256.7	1.1	257.8	555.1	46
1951	114.3	191.9	306.2	28.0	259.4	.8	260.2	594.4	44
1952	125.4	202.9	332.3	31.0	267.4	.9	268.3	631.6	4
1953	143.2	212.9	356.1	35.0	275.2	.8	276.0	667.1	41
1954	157.2	217.6	374.8	40.2	278.8	.7	279.5	694.5	40
1955	180.1	253.9	434.9	46.3	280.8	1.4	282.2	763.4	37
1956	195.5	277.3	472.8	50.1	276.6	1.7	278.3	801.2	35
1957	207.6	295.8	503.4	54.7	274.9	3.2	278.1	836.2	33
1958	222.9	312.0	534.9	60.4	282.9	2.4	285.3	880.6	32
1959	245.0	341.4	586.4	66.6	290.8	5.7	296.5	949.5	31
1960	263.3	365.1	628.4	72.0	290.2	6.4	296.6	997.0	30
1961	284.8	391.5	676.3	77.6	296.2	6.8	303.0	1,056.9	29
1962	311.9	421.5	733.4	83.4	303.5	7.8	311.3	1,128.1	28
1963	345.8	457.1	802.2	89.5	309.3	8.1	317.4	1,209.1	26
1964	380.1	497.3	877.4	95.5	317.9	9.1	327.0	1,299.0	25
1965	415.7	551.9	967.6	103.1	320.9	9.8	330.7	1,401.4	24
1966	444.2	617.4	1,061.6	109.4	329.3	14.0	343.3	1,514.3	23
1967	476.2	672.9	1,149.1	117.9	344.7	20.1	364.9	1,631.9	22
1968	513.9	779.0	1,292.9	128.4	358.0	15.1	373.1	1,794.4	21
1969	548.7	912.7	1,461.4	137.9	368.2	13.8	382.0	1,981.3	19
1970	586.3	997.8	1,584.1	149.3	389.2	12.5	401.6	2,135.0	19
1971	648.3	1,084.9	1,733.2	166.3	424.1	11.0	435.2	2,334.6	19
1972	734.4	1,217.5	1,951.9	178.6	449.3	11.8	461.1	2,591.5	18
1973	821.3	1,395.4	2,216.7	197.4	469.9	11.6	481.5	2,885.6	17
1974	(2)	(2)	(2)	(2)	492.7	11.4	504.0	(2)	(2)

[1] Includes debt of federally sponsored agencies excluded from the Budget which amounted to $700,000,000 on Dec. 31, 1947; $30,600,000,000 on Dec. 31, 1969; $38,800,000,000 on Dec. 31, 1970; $39,900,000,000 on Dec. 31, 1971; $41,400,000,000 on Dec. 31, 1972; and $59,800,000,000 on Dec. 31, 1973.

[2] Not available.

Source: Commerce and Treasury Departments.

TABLE 10.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT 1929 TO PRESENT

End of calendar year	Government debt						Private debt				Total Government and private debt	
	Amounts outstanding (billions)			Per capita [1]			Amounts outstanding (billions)		Per capita [1]			
	Federal [2]	State and local	Total	Federal	State and local	Total	Corporate business [3]	Individual and non-corporate business	Corporate business	Individual and non-corporate business	Amount outstanding (billions)	Per capita
1929	$17.5	$17.8	$35.3	$143	$145	$288	$107.0	$72.9	$874	$595	$215.2	$1,755
1932	22.0	19.7	41.7	176	157	333	96.1	57.1	767	456	194.9	1,553
1933	25.3	19.5	44.8	201	155	355	92.4	51.0	733	404	188.2	1,490
1934	33.0	19.2	52.2	260	151	411	90.6	49.8	714	392	192.9	1,529
1939	48.8	20.1	68.9	371	153	524	86.8	50.8	660	386	206.5	1,565
1940	52.2	20.2	72.4	393	152	545	89.0	53.0	670	399	214.4	1,619
1941	65.6	20.0	85.6	489	149	638	97.5	55.6	727	414	238.7	1,777
1945	279.6	16.0	295.6	1,987	114	2,101	99.5	54.7	707	389	449.8	3,193
1946	260.7	16.1	276.8	1,825	113	1,938	109.3	59.9	765	419	446.0	3,124
1947	257.6	17.5	275.1	1,771	120	1,891	128.9	69.4	886	477	473.4	3,254
1948	253.8	19.6	273.4	1,715	132	1,847	139.4	80.6	942	545	493.4	3,333
1949	257.9	22.2	280.1	1,713	147	1,850	140.3	90.4	932	600	510.8	3,397
1950	257.8	25.3	283.1	1,685	165	1,850	167.7	104.3	1,096	682	555.1	3,627
1951	260.2	28.0	288.2	1,671	180	1,851	191.9	114.3	1,232	734	594.4	3,818
1952	268.3	31.0	299.3	1,694	196	1,890	202.9	129.4	1,281	817	631.6	3,982
1953	276.0	35.0	311.0	1,714	217	1,931	212.9	143.2	1,322	889	667.1	4,146
1954	279.5	40.2	319.7	1,705	245	1,950	217.6	157.2	1,327	959	694.5	4,232
1955	282.2	46.3	328.5	1,691	276	1,961	253.9	180.1	1,522	1,079	762.5	4,550
1956	278.3	50.1	328.4	1,638	294	1,925	277.3	195.4	1,632	1,151	801.2	4,696
1957	278.1	54.7	332.8	1,609	315	1,918	295.8	207.6	1,712	1,201	836.2	4,820
1958	285.3	60.4	345.7	1,624	342	1,960	312.0	222.9	1,776	1,269	880.6	4,992
1959	296.5	66.6	363.1	1,653	371	2,024	341.4	245.0	1,903	1,366	949.5	5,293
1960	296.6	72.0	368.6	1,627	395	2,022	365.1	263.3	2,002	1,444	997.0	5,469
1961	303.0	77.6	380.6	1,635	419	2,054	391.5	284.8	2,112	1,537	1,056.9	5,704
1962	311.3	83.4	394.7	1,654	443	2,097	421.5	311.9	2,240	1,658	1,128.1	5,994
1963	317.4	89.5	406.9	1,663	469	2,131	457.1	345.8	2,395	1,812	1,209.8	6,337
1964	327.0	95.5	422.5	1,690	494	2,183	497.3	380.1	2,570	1,965	1,299.9	6,718
1965	330.7	103.1	433.8	1,688	526	2,214	551.9	415.7	2,818	2,124	1,401.8	7,156
1966	343.3	109.4	452.7	1,736	553	2,290	617.4	444.2	3,123	2,247	1,514.3	7,660
1967	364.9	117.9	482.8	1,827	590	2,417	672.9	476.2	3,370	2,385	1,631.9	8,172
1968	373.1	128.4	501.5	1,850	637	2,487	757.6	513.9	3,862	2,548	1,794.4	8,896
1969	382.0	137.9	519.9	1,875	673	2,547	882.1	548.7	4,478	2,691	1,981.3	9,716
1970	401.6	149.3	550.9	1,960	724	2,673	959.0	586.3	4,820	2,796	2,135.0	10,289
1971	435.2	166.3	601.5	2,101	804	2,895	1,045.0	648.3	5,155	3,032	2,334.6	11,083
1972	461.1	178.6	639.7	2,207	862	3,062	1,176.1	734.4	5,663	3,410	2,591.5	12,135
1973	481.5	187.4	668.9	2,289	892	3,185	1,335.6	821.3	6,360	3,911	2,885.6	13,741
1974	504.0	(4)	(4)	2,378	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)

[1] Debt divided by the population of the conterminous United States and including, Armed Forces overseas. Alaska is included beginning 1959 and Hawaii beginning in 1960.

[2] Total Federal securities, including public debt and Budget Agency securities.

[3] Includes debt of federally sponsored agencies excluded from the budget.

[4] Not available.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Details may not add to totals because of rounding.

TABLE 11.—GROSS GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

End of calendar year	Gross national product [1] (billions)	Ratios of debt to gross national product (percent)				
		Federal	State and local	Corporate	Individual and non-corporate	Total
1929	$96.7	18.1	18.4	110.7	75.4	222.5
1932	56.8	38.7	34.7	169.2	100.5	343.1
1933	60.3	42.0	32.3	153.2	84.6	312.1
1934	68.6	48.1	28.0	132.1	72.6	280.8
1939	94.8	51.5	21.2	91.6	53.6	217.8
1940	107.6	48.5	18.8	82.7	49.3	199.3
1941	138.8	47.3	14.4	70.2	40.1	172.0
1945	196.0	142.6	8.2	50.8	27.9	229.5
1946	221.4	117.8	7.3	49.4	27.1	201.4
1947	245.0	105.1	7.1	52.6	28.3	193.2
1948	261.2	97.2	7.5	53.4	30.9	188.9
1949	260.5	99.0	8.5	53.9	34.7	196.1
1950	311.2	82.8	8.1	53.9	33.5	178.4
1951	338.2	76.9	8.3	56.7	33.8	175.8
1952	361.0	74.3	8.6	56.2	35.8	175.0
1953	360.8	76.5	9.7	59.0	39.7	184.9
1954	379.8	73.6	10.6	57.3	41.4	182.9
1955	409.7	68.9	11.3	62.0	44.0	185.9
1956	433.2	64.2	11.6	64.0	45.1	184.3
1957	$438.1	63.5	12.5	67.5	47.4	190.8
1958	469.2	60.8	12.9	66.5	47.5	187.6
1959	496.8	59.7	13.4	68.7	49.3	190.8
1960	503.4	58.9	14.3	72.5	52.3	197.7
1961	542.8	55.8	14.3	72.1	52.5	194.7
1962	574.7	54.2	14.5	73.3	54.3	196.6
1963	611.8	51.9	14.6	74.7	56.5	197.9
1964	654.0	50.0	14.6	76.0	58.1	199.1
1965	719.2	46.0	14.3	76.7	57.8	194.9
1966	772.6	44.4	14.2	79.9	57.5	196.0
1967	825.0	44.2	14.3	81.5	57.7	197.8
1968	898.6	41.5	14.3	86.7	57.2	199.7
1969	953.7	40.1	14.4	95.7	57.5	207.7
1970	1,009.8	39.8	14.8	98.6	57.2	210.6
1971	1,099.1	39.5	15.3	98.1	57.7	210.9
1972	1,226.8	37.5	14.8	97.2	58.6	208.4
1973	1,351.4	35.6	14.5	108.2	63.7	223.7
1974	1,440.0	35.0	(2)	(2)	(2)	(2)

[1] Implied level end of year, calculated as the average of the 4th and 1st calendar quarters at seasonally adjusted annual rates for the years 1939 through present. Prior to 1939, averages of 2 calendar year figures are used as the best approximation of Dec. 31 levels.

[2] Not available.

Note: Details may not add to totals because of rounding.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

TABLE 12.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private			State and local	Federal	Total	Federal as a percent of total
	Individual	Corporate [1]	Total				
1916	$36.3	$40.2	$76.5	$4.5	$1.2	$82.2	1
1919	43.9	53.3	97.2	5.5	25.6	128.3	20
1929	72.9	88.9	161.8	13.6	16.5	191.9	9
1932	57.1	80.0	137.1	16.6	21.3	175.0	12
1933	51.0	76.9	127.9	16.3	24.3	168.5	14
1934	49.8	75.5	125.3	15.9	30.4	171.6	18
1939	50.8	73.5	124.3	16.4	42.6	183.3	23
1940	53.0	75.6	128.6	16.4	44.8	189.8	24
1941	55.6	83.4	139.0	16.1	56.3	211.4	27
1945	54.7	85.3	140.0	13.4	252.5	405.9	62
1946	59.9	93.5	153.4	13.7	229.5	396.6	58
1947	69.4	109.6	179.0	15.0	221.7	415.7	53
1948	80.6	118.4	199.0	17.0	215.3	431.3	50
1949	90.4	118.7	209.1	19.1	217.6	445.8	49
1950	104.3	142.8	247.1	21.7	217.4	486.2	45
1951	114.3	163.8	278.1	24.2	216.9	519.2	42
1952	129.4	172.3	310.7	27.0	221.5	550.2	40
1953	143.2	180.9	324.1	30.7	226.8	581.6	39
1954	157.2	184.1	341.3	35.5	292.1	605.9	38
1955	180.1	215.0	395.1	41.1	229.6	665.8	35
1956	$195.5	$234.1	$429.6	$44.5	$224.3	$698.4	32
1957	207.6	249.1	456.7	48.6	223.0	728.3	31
1958	222.9	262.0	484.9	53.7	231.0	769.6	30
1959	245.0	287.0	532.0	59.6	241.4	833.0	29
1960	263.3	306.3	569.6	64.9	239.8	874.2	27
1961	284.8	328.3	613.1	70.5	246.7	930.3	27
1962	311.9	353.5	665.4	77.0	253.6	996.0	25
1963	345.8	383.6	729.5	83.9	257.5	1,070.9	24
1964	380.1	417.1	797.2	90.4	264.0	1,151.6	23
1965	415.7	463.2	878.9	98.3	266.4	1,243.6	21
1966	444.2	517.8	962.0	104.8	271.8	1,338.6	20
1967	476.2	562.7	1,038.9	113.4	286.5	1,438.8	20
1968	513.9	652.9	1,166.8	123.9	291.9	1,582.5	18
1969	548.7	764.8	1,313.5	133.3	289.3	1,736.0	17
1970	586.3	836.5	1,422.8	145.0	301.1	1,868.9	16
1971	648.3	909.2	1,557.5	162.4	325.9	2,045.8	16
1972	734.4	1,019.7	1,759.1	175.0	341.2	2,270.2	15
1973	821.3	1,170.9	1,992.2	184.5	349.1	2,525.8	14
1974	(2)	(2)	(2)	(2)	360.8	(2)	(2)

[1] Includes debt of privately owned, federally sponsored agencies excluded from the Budget which amounted to $700,000,000 on Dec. 31, 1947; $30,600,000,000 on Dec. 31, 1969; $38,800,000,000 on Dec. 31, 1970; $39,900,000,000 on Dec. 31, 1971; $41,400,000,000 on Dec. 31, 1972; and $59,800,000,000 on Dec. 31, 1973.

[2] Not available.

Source: Commerce and Treasury Departments.

TABLE 13.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, 1916 TO PRESENT

End of calendar year	Government debt						Private debt				Total Government and private debt	
	Amounts outstanding (billions)			Per capita [2]			Amounts outstanding (billions)		Per capita [2]			
	Federal [1]	State and local	Total	Federal	State and local	Total	Corporate business [3]	Individual and non-corporate business	Corporate business	Individual and non-corporate business	Amount outstanding (billions)	Per capita
1916	$1.2	$4.5	$5.7	$12	$44	$56	$40.2	$36.3	$391	$353	$82.2	$80
1929	16.5	13.6	30.1	135	111	246	88.9	72.9	726	595	191.9	1,567
1932	21.3	16.6	37.9	170	132	302	80.0	57.1	638	456	175.0	1,396
1933	24.3	16.3	40.6	193	129	322	76.9	51.0	610	404	168.5	1,336
1934	30.4	15.9	46.3	240	125	365	75.5	49.8	595	392	171.6	1,352
1939	42.6	16.4	59.0	324	125	448	73.5	50.8	559	386	183.3	1,393
1940	44.8	16.4	61.2	337	123	461	75.6	53.0	569	399	189.8	1,429
1941	56.3	16.1	72.4	420	120	540	83.4	55.6	622	414	211.4	1,576
1945	252.5	13.4	265.9	1,795	95	1,890	85.3	54.7	606	389	405.9	2,885
1946	229.5	13.7	243.2	1,607	96	1,703	93.5	59.9	655	419	396.6	2,777
1947	221.7	15.0	236.7	1,524	103	1,627	109.6	69.4	753	477	415.7	2,858
1948	215.3	17.0	232.3	1,455	115	1,570	118.4	80.6	800	545	431.3	2,914
1949	217.6	19.1	236.7	1,445	127	1,572	118.7	90.4	788	600	445.8	2,961
1950	217.4	21.7	239.1	1,421	142	1,562	142.8	104.3	933	682	486.2	3,177
1951	216.9	24.2	241.1	1,393	155	1,548	163.8	114.3	1,052	734	519.2	3,334
1952	221.5	27.0	248.5	1,399	170	1,569	172.3	129.4	1,088	817	550.2	3,474

Footnotes at end of table.

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TABLE 13.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, 1916 TO PRESENT—Continued

End of calendar year	Government debt: Amounts outstanding (billions): Federal [1]	State and local	Total	Government debt: Per capita [2]: Federal	State and local	Total	Private debt: Amounts outstanding (billions): Corporate business [3]	Individual and non-corporate business	Private debt: Per capita [2]: Corporate business	Individual and non-corporate business	Total Government and private debt: Amount outstanding (billions)	Per capita
1953	$226.8	$30.7	$257.5	$1,408	$191	$1,599	$180.9	$143.2	$1,123	$889	$581.6	$3,611
1954	229.1	35.5	264.6	1,397	217	1,604	184.1	157.2	1,123	959	605.9	3,696
1955	229.6	41.1	270.7	1,376	245	1,616	215.0	180.1	1,289	1,079	665.8	2,975
1956	224.3	44.5	268.8	1,320	261	1,576	234.1	195.5	1,378	1,151	698.4	4,094
1957	223.0	48.6	271.6	1,290	280	1,565	249.1	207.6	1,441	1,201	728.3	4,198
1958	231.0	53.7	284.7	1,315	304	1,614	262.0	222.9	1,491	1,269	769.6	4,363
1959	241.4	59.6	301.0	1,346	332	1,678	287.0	245.0	1,600	1,366	833.0	4,643
1960	239.8	64.9	304.7	1,315	356	1,671	306.3	263.3	1,680	1,444	874.2	4,795
1961	246.7	70.5	317.2	1,331	380	1,712	328.3	284.8	1,771	1,537	930.3	5,021
1962	253.6	77.0	330.6	1,348	409	1,757	353.5	311.9	1,879	1,658	996.0	5,292
1963	257.5	83.9	341.4	1,349	439	1,788	383.6	345.8	2,010	1,812	1,070.9	5,610
1964	264.0	90.4	354.4	1,364	467	1,832	417.1	380.1	2,156	1,965	1,151.6	5,951
1965	266.4	98.3	364.7	1,360	502	1,862	463.2	415.7	2,365	2,123	1,243.6	6,350
1966	271.8	104.8	376.6	1,375	530	1,905	517.8	444.2	2,619	2,246	1,338.6	6,771
1967	286.5	113.4	399.9	1,434	568	2,001	562.7	476.2	2,818	2,383	1,439.8	7,205
1968	291.9	123.9	415.8	1,447	614	2,061	652.9	513.9	3,202	2,547	1,582.5	7,846
1969	289.3	133.3	422.6	1,419	654	2,073	764.8	548.7	3,791	2,692	1,736.0	8,514
1970	301.1	145.0	446.1	1,469	704	2,165	836.5	586.3	4,104	2,845	1,868.9	9,001
1971	325.9	162.4	488.3	1,579	780	2,347	909.2	648.3	4,369	3,116	2,045.8	9,703
1972	341.2	175.0	516.2	1,634	835	2,461	1,019.7	734.4	4,862	3,502	2,270.2	10,631
1973	349.1	184.5	533.6	1,659	879	2,526	1,170.9	821.3	5,544	3,911	2,525.8	11,958
1974	360.8	(4)	(4)	1,703	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)

[1] Debt divided by the population of the conterminous United States and including Armed Forces overseas. Alaska is included beginning 1959 and Hawaii beginning in 1960.
[2] Borrowing from the public.
[3] Includes debt of federally sponsored agencies excluded from the budget.
[4] Not available.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

TABLE 14.—NET GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

End of calendar year	Gross national product [1] (in billions)	Ratios of debt to gross national product (percent): Federal	State and local	Corporate	Individual and non-corporate	Total
1929	$96.7	17.1	14.1	91.9	75.4	198.4
1932	56.8	37.5	29.2	140.8	100.5	308.1
1933	60.3	40.3	27.0	127.5	84.6	279.4
1934	68.6	44.3	23.2	110.1	72.6	250.1
1939	94.8	44.9	17.3	77.5	53.6	193.4
1940	107.6	41.6	15.2	70.3	49.3	176.4
1941	138.8	40.6	11.6	60.1	40.1	152.3
1945	196.0	128.8	6.8	43.5	27.9	207.1
1946	221.4	103.7	6.2	42.2	27.1	179.1
1947	245.0	90.5	6.1	44.7	28.3	169.7
1948	261.2	82.4	6.5	45.2	30.9	165.1
1949	260.5	83.5	7.3	45.6	34.7	171.1
1950	311.2	69.9	7.0	45.9	33.5	156.2
1951	338.2	64.1	7.2	48.4	33.8	153.5
1952	361.0	61.4	7.5	47.7	35.8	152.4
1953	360.8	62.9	8.5	50.1	39.7	161.2
1954	379.8	60.3	9.3	48.5	41.4	159.5
1955	409.7	56.0	10.0	52.5	44.0	162.4
1956	433.2	51.8	10.3	54.0	45.1	161.1
1957	$438.1	50.9	11.1	56.9	47.4	166.0
1958	469.2	49.2	11.4	55.8	47.5	163.8
1959	496.8	48.6	12.0	57.8	49.3	167.5
1960	503.4	47.6	12.9	60.8	52.3	173.6
1961	542.8	45.4	13.0	60.5	52.5	171.3
1962	574.7	44.1	13.4	61.5	54.3	173.3
1963	611.8	42.1	13.7	62.7	56.5	175.0
1964	654.0	40.4	13.8	63.8	58.1	176.1
1965	719.2	37.0	13.7	64.4	57.8	172.9
1966	772.6	35.2	13.6	67.0	57.5	173.3
1967	825.0	35.7	13.7	68.2	57.7	174.8
1968	898.6	32.5	13.8	72.7	57.2	176.1
1969	953.7	30.3	13.9	80.2	57.5	182.0
1970	1,009.8	29.9	14.4	82.7	57.2	184.2
1971	1,099.1	29.8	14.9	82.2	57.7	184.6
1972	1,226.8	28.0	14.5	81.6	58.5	182.5
1973	1,351.4	27.1	14.3	90.8	63.6	195.8
1974	1,440.0	25.0	(*)	(*)	(*)	(*)

Implied level end of year, calculated, as the average of the 4th and 1st calendar quarters at sesonally adjusted annual rates for the years 1939 through present. Prior to 1939, averages of 2 calendar year figures are used as the best approximation of Dec. 31 levels.
*Not available.

Note: Detail may not add to total because of rounding

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

TABLE 15.—ESTIMATED FEDERAL DEBT RELATED TO POPULATION AND PRICES, 1929–73

Dec. 31	Federal debt (billions): Gross [1]	Net [2]	Privately held net [3]	Per capita Federal debt [4]: Gross [1]	Net [2]	Privately held net [3]	Real per capita Federal debt [5]: Gross [1]	Net [2]	Privately held net
1929	$17.5	$16.5	$16.0	$143	$135	$131	$431	$407	$395
1932	22.0	21.3	19.4	176	170	155	696	672	613
1933	25.3	24.3	21.9	201	193	174	791	759	685
1934	33.3	30.4	28.0	260	240	221	794	925	852
1939	48.8	42.6	40.1	371	324	305	1,376	1,201	1,131
1940	52.2	44.8	42.6	393	337	321	1,443	1,283	1,179
1941	65.6	56.3	54.0	489	420	402	1,637	1,406	1,346
1945	279.6	252.5	228.2	1,987	1,795	1,622	5,651	5,105	4,613
1946	260.7	229.5	206.1	1,825	1,607	1,433	4,379	3,855	3,438
1947	257.6	221.7	199.1	1,771	1,524	1,369	3,910	3,356	3,023
1948	253.8	215.3	192.0	1,715	1,455	1,297	3,692	3,132	2,792
1949	252.9	217.6	197.7	1,713	1,445	1,313	3,756	3,168	2,879
1950	257.8	217.4	196.6	1,685	1,421	1,285	3,490	2,943	2,662
1951	260.2	216.9	193.1	1,671	1,393	1,240	3,267	2,723	2,424
1952	268.3	221.5	196.8	1,694	1,399	1,243	3,283	2,711	2,409
1953	276.0	226.8	200.9	1,714	1,408	1,274	3,300	2,711	2,401
1954	279.5	229.1	204.2	1,705	1,397	1,246	3,297	2,702	2,410
1955	282.2	229.6	204.8	1,691	1,376	1,227	3,258	2,651	2,364
1956	278.3	224.3	199.4	1,638	1,320	1,174	3,067	2,472	2,198
1957	278.1	223.0	198.8	1,609	1,290	1,150	2,925	2,345	2,090
1958	285.3	231.0	204.7	1,624	1,315	1,165	2,901	2,349	2,081

Dec. 31	Federal debt (billions): Gross [1]	Net [2]	Privately held net [3]	Per capita Federal debt [4]: Gross [1]	Net [2]	Privately held net [3]	Real per capita Federal debt [5]: Gross [1]	Net [2]	Privately held net [3]
1959	$296.5	$241.4	$214.8	$1,653	$1,346	$1,197	$2,910	$2,369	$2,107
1960	296.6	239.8	212.4	1,627	1,315	1,165	2,823	2,281	2,021
1961	303.0	246.7	217.8	1,635	1,331	1,175	2,819	2,294	2,026
1962	311.3	253.6	222.8	1,654	1,348	1,184	2,817	2,296	2,017
1963	317.4	257.5	223.9	1,663	1,349	1,173	2,787	2,260	1,966
1964	327.0	264.0	227.0	1,690	1,364	1,173	2,799	2,259	1,942
1965	330.7	266.4	225.6	1,688	1,360	1,152	2,742	2,209	1,872
1966	343.3	271.8	227.5	1,736	1,375	1,151	2,729	2,162	1,810
1967	364.9	286.4	237.3	1,827	1,435	1,188	2,788	2,189	1,813
1968	373.1	291.9	238.9	1,850	1,447	1,182	2,695	2,108	1,722
1969	382.0	289.3	232.1	1,874	1,420	1,140	2,573	1,949	1,565
1970	401.6	301.1	239.0	1,960	1,469	1,166	2,551	1,912	1,517
1971	435.2	325.9	255.1	2,101	1,574	1,232	2,645	1,982	1,551
1972	461.1	341.2	269.9	2,207	1,634	1,292	2,688	1,990	1,573
1973	481.5	349.1	268.6	2,289	1,659	1,277	2,562	1,857	1,429
1974	504.0	360.8	280.1	2,378	1,703	1,322	2,378	1,703	1,322

[1] Total Federal securities outstanding, unified budget concept.
[2] Borrowing from the public, unified budget concept. Gross debt Federal less securities held by Government accounts.
[3] Borrowing from the public less Federal Reserve holdings.
[4] Debt divided by population of the coterminous United States, and including Armed Forces overseas.
[5] Per capita debt expressed in December 1973 prices (consumer price index for all items.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE 16.—PRIVATELY HELD FEDERAL DEBT RELATED TO GNP

[Dollar amounts in billions]

Dec. 31	Gross national product [1]	Privately held debt [2]	Ratio of debt to GNP (percent)	Year-to-year price changes (percent) [3]
1929	$96.7	$16.0	16.5	0.2
1932	56.8	19.4	34.2	−10.3
1933	60.3	21.9	36.3	.5
1934	68.6	28.0	40.8	2.0
1939	94.8	40.1	42.3	−.5
1940	107.6	42.6	39.6	1.0
1941	138.8	54.0	38.9	9.7
1945	196.0	228.2	116.4	2.3
1946	221.4	206.1	93.1	18.2
1947	245.0	199.1	81.3	9.0
1948	261.2	192.0	73.5	2.7
1949	260.5	197.7	75.9	−1.8
1950	311.2	196.6	63.2	5.8
1951	338.2	193.1	57.1	5.9
1952	361.0	196.8	54.5	.9
1953	360.8	200.9	55.7	.6
1954	379.8	204.2	53.8	−.5
1955	409.7	204.8	50.0	.4
1956	433.2	199.4	46.0	2.9
1957	$438.1	198.8	45.4	3.3
1958	469.2	204.7	43.6	1.8
1959	496.8	214.8	43.2	1.5
1960	503.4	212.4	42.2	1.5
1961	542.8	217.8	40.1	.7
1962	574.7	222.8	38.8	1.2
1963	611.8	223.9	36.6	1.6
1964	654.0	227.0	34.7	1.2
1965	719.2	225.6	31.4	1.9
1966	772.6	227.5	29.4	3.4
1967	825.0	237.3	28.8	3.0
1968	898.6	238.9	26.6	4.7
1969	953.7	232.1	24.3	6.1
1970	1,009.8	239.0	23.7	5.5
1971	1,099.1	255.1	23.2	3.4
1972	1,226.8	269.9	22.0	3.4
1973	1,351.4	268.6	19.9	8.8
1974	1,440.0	280.1	19.0	12.2

[1] Implied level of gross national product, Dec. 31.
[2] Borrowing from the pubic less Federal Reserve holdings, unified budget concept.
[3] Measured by the all-item Consumer Price Index, December-to-December basis.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE 17.—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT, 1929 TO PRESENT

Calendar year	Gross national product (billions of 1958 dollars)	GNP per capita (constant 1958 dollars) [1]	GNP per capita, change from year ago—: Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,490	−$182	−10.9
1931	169.3	1,364	−126	−8.5
1932	144.2	1,154	−210	−15.4
1933	141.5	1,126	−28	−2.5
1934	154.3	1,220	+94	8.4
1935	169.5	1,331	+111	9.1
1936	139.0	1,506	+175	13.1
1937	203.2	1,576	+70	4.6
1938	192.9	1,484	−91	−5.8
1939	209.4	1,598	+114	7.7
1940	227.2	1,714	+115	7.2
1941	263.7	1,969	+256	14.9
1942	297.8	2,200	+231	11.7
1943	337.1	2,456	+256	11.6
1944	361.3	2,601	+148	5.9
1945	355.2	2,529	+72	2.8
1946	312.6	2,202	−326	−12.9
1947	309.9	2,142	−61	−2.8
1948	323.7	2,199	+57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	+170	7.8
1951	383.4	2,476	+142	6.1
1952	$395.1	$2,508	+$32	1.3
1953	412.8	2,577	+69	2.8
1954	407.0	2,497	−81	−3.1
1955	438.0	2,640	+143	5.7
1956	446.1	2,641	+2	*
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,676	+118	4.6
1960	487.7	2,699	+23	.9
1961	497.2	2,707	+7	.3
1962	529.8	2,840	+133	4.9
1963	551.0	2,912	+71	2.5
1964	581.1	3,028	+117	4.0
1965	617.8	3,180	+151	5.0
1966	658.1	3,348	+169	5.3
1967	675.2	3,398	+50	1.5
1968	706.6	3,521	+123	3.6
1969	725.6	3,580	+60	1.7
1970	722.5	3,527	−54	−1.5
1971	746.3	3,605	+77	2.2
1972	792.5	3,795	+190	5.3
1973	839.2	3,989	+194	5.1
1974	821.1	3,875	−114	−2.8

[1] Real gross national product divided by population of the United States for July 1, of each year. Population figure includes Armed Forces overseas beginning 1940 and Alaska and Hawaii beginning 1940.

Note: Office of the Secretary of the Treasury, Office of Debt Analysis.

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Mr. LONG. For example, Mr. President, table 9 helps one to understand the relationship of various types of debts to each other. It shows what the amount of private, public, corporate debt as well as State and Federal debt is and has been down through the years.

It is interesting to note, for example, that this table demonstrates that Federal debt in 1973, the latest figure, represented 17 percent of total outstanding debt, even though in 1 year shown on this table it had been as high as 62 percent of outstanding debt.

It is worth noting that individual and corporate debt have increased, as have State and local debt, much more than Federal debt during the last 20 years.

Furthermore, Mr. President, it is interesting to note from table 11 that while in 1945 the debt of the Federal Government was 142 percent of our gross national product, in 1974, last year, it was only 35 percent.

So, speaking in relative terms, our debt today is only about one-quarter the burden on our economy that it was in the year 1945, not that we have reduced the number of dollars so much as the fact that our gross national product has increased and, of course, dollars today do not buy what they did back at that time. It is well that one be in position to view these things in perspective.

In addition, Mr. President, it is interesting to note on table 12 that, taking 2 years by contrast, if one goes back to about 1945 he would see that corporate debt was then about $85 billion, and the Federal debt was about $252 billion.

Now, today, one finds it the other way around. The latest figure given on corporate debt was $1.17 trillion in 1973 compared to a Federal debt of $349 billion.

Notice how the two have changed. In 1945, the corporate debt was about one-third of Federal debt, whereas today corporate debt is about three ane one-half times what the Federal debt is.

Looking at these things in perspective, one can find considerable cause for comfort in the fact that the debt of the Federal Government is not the real problem about which we should be worried nowadays, even though we should, of course, keep very much in mind what our debt is, and we should manage it carefully.

It is interesting to note from table 15, for example, that in 1945 the per capita privately held net debt—and that is how much is privately held and is owed by individuals—the net debt on a per capita basis at that time was $4,613 for the Federal Government; today that figure would be $1,322.

Note, Mr. President, that the $4,613 debt back at that time was in dollars that were worth about $3 today. So if one made the calculation to put that in terms of constant dollars, the net debt today would be about one-tenth of what it was in terms of purchasing power back at the last year of World War II.

When one looks at the debt the Federal Government owes, and looks at what the net debt is after subtracting the amount the Federal Government owes to the Federal Government, and also taking into account the amount of that debt that is being held by the Federal Reserve, which is an instrumentality of the Federal Government, keeping in mind the trend in purchasing power, one finds that the Federal debt is not as much to be worried about as it was in an earlier period in our history. In fact, it is not nearly so much a cause for concern as it would have been 30 years ago.

So, Mr. President, taking these things into account, I think one would find that the debt owed by the Federal Government is not the great cause for alarm that some might think it to be were they not aware of the other relative factors.

Mr. STENNIS. Mr. President, naturally I wish the national debt were a much lesser amount. Nevertheless, the money has been spent. Revenues received by the Treasury were considerably less than anticipated due to the slowdown of our economy. Excises were increased.

Since the money is owed and must be financed, or at least refinanced, we must raise our debt ceiling in order to meet the promises and obligations of the Federal Government. For this reason only I shall cast a vote in favor of raising the debt limit. We would have been far closer to a balanced budget during many fiscal years should my vote have been the controlling one as to total expenditures. At the same time, as individuals and as a group we must try harder to hold down the expenditures of the Federal Government in the months and years ahead. Our continual deficit financing is the cause of a great part, but not all, of our inflation which is robbing our people of their inheritance, their savings, and their earnings.

Too, I wish to express pride in the fact that from the time our Government was founded until this very moment, our Government never has been in default of payment of any of its obligations when properly presented for payment.

We can only maintain this record in the years ahead by a more prudent handling of our funds and our obligations. I hope we can recognize this writing on the wall and mend our ways.

Mr. CRANSTON. Mr. President, we are faced with a very serious situation. The Secretary of the Treasury has informed the Congress that unless it increases the amount of debt the Government can accrue, we will be unable to borrow enough money to pay our bills in the near future. It seems to me that we have no choice but to vote for such a measure. To do otherwise would only throw the operations of the Government—and ultimately our entire economy—into an extremely painful and unnecessary turmoil.

I do not take such action lightly, however. The combined temporary and permanent debt stands at $495 billion. H.R. 2634 proposes to increase the temporary debt limit from $95 billion to $131 billion, thereby raising the total debt limit from $495 billion to $531 billion—approximately 7.4 percent. These figures stagger the imagination of every American who tries to maintain some balance between income and expenditures in his own household.

Why is so large an increase in the debt ceiling necessary at this time? Without question, we are paying the price for the fiscal frivolities of both former administrations and former Congresses. More importantly, however, I believe we are seeing the dramatic effects of the recession on the Federal budget. Very simply, Federal revenues are down substantially—some $15.2 billion less than originally projected. Corporate income is lower. Stock sales have produced capital losses rather than capital gains. And revenues from personal income have declined dramatically as unemployment has increased. At the same time, outlays have increased sharply. Unemployment compensation for the current fiscal year is now anticipated to cost about $14.7 billion instead of the $7.1 billion projected originally. And these figures do not include moneys for food stamps or medical assistance which should also be available for those out of work.

The gross national product declined at an annual rate of 9.2 percent in the fourth quarter of 1974. Industrial production fell at an annual rate of 12.7 percent during the same period. Consumer spending is in the worst decline since World War II. Disposable, after-tax income fell by $26.7 billion last year. Business investment was flat. Housing starts were 1.4 million, down from 2 million in 1973 and 2.36 million in 1972. At the same time, we have witnessed the unprecedented situation in which consumer prices rose 12 percent while real output declined by 2 percent.

President Ford has—albeit belatedly—recognized the magnitude of the problem and supports stimulating the economy through tax cuts and temporary deficit spending. While I disagree with some aspects of the President's proposals, I am encouraged that he is tackling the problem with some vigor. We must obviously do everything in our power to revitalize the economy and to put the millions of unemployed back to work. Only then will we have a chance to balance our books and end once and for all the need for bills such as H.R. 2634.

In the coming years, our efforts to control the national debt will be assisted by the Congressional Budget Act, enacted last July and under which we are working—to a limited extent—for the first time this year. On April 15, the Senate Budget Committee will present to the Senate for its consent a First Concurrent Resolution outlining for fiscal year 1976 the appropriate levels and amounts of budget outlays, budget authority, total deficit and tax revenues. And—of particular interest to us today—it will also suggest the appropriate level of public debt. Ultimately, the new budgetary process should assist the Congress in bringing Federal expenditures under control, in managing our limited resources in accord with a better sense of national priorities, and in planning wisely for a fiscally sound future.

In conclusion, Mr. President, I plan to vote "yes" today on H.R. 2634. I do so with reluctance but with the unhappy knowledge that it is necessary. I also do so with the hope and optimism that the day will come when the public debt will not only be controlled, but diminish.

Mr. ROTH. Mr. President, we are today considering a bill to increase the national debt from $495 billion to $531 billion through June 30, 1975. This legislation will give the Federal Government the authority to borrow another $36 billion during the next 4 months to cover our debt needs for fiscal year 1975.

Although the announced Federal budget deficit for the fiscal year ending this June is $35 billion, the borrowing to finance current operations by the Federal Government during the entire fiscal year will amount to almost $55 billion. This is because the Government must borrow billions of dollars for agencies and activities not included in the unified budget. In addition, the Government must enter the private markets to refinance portions of the outstanding debt.

While these figures are deeply disturbing, they do not take into account the borrowing necessary to finance the announced $52 billion budget deficit for fiscal 1976. The Treasury Department has estimated that it will have to borrow another $75 billion to cover the current Government debt needs in fiscal 1976. This means that the national debt will have to be increased to more than $600 billion before June 30 of this year.

These figures are shocking, and they underscore the need for Congress to eliminate waste, reduce less urgent programs and postpone all new spending programs.

These figures, and their impact on our economy, also underscores the need for those advocates of increased Federal spending to reassess their thinking.

When the Federal Government spends more money than it takes in, the Treasury Department must go to the private markets and borrow funds to cover the deficits.

During fiscal 1976, the Treasury estimates that total Federal borrowing will account for 68 percent of the capital markets, and when State and local governments are included, total government borrowing will account for 80 percent of the capital markets.

This means that only 20 percent will be left for private industry.

The effects of this Government domination of the capital markets are obvious.

Interest rates are forced up to record levels as private industry bids for what little money is available.

The housing industry suffers as interest rates rise and the availability of mortgage money declines.

Small businesses and larger firms experiencing financial difficulties suffer as their ability to obtain reasonably priced loans declines.

But most importantly, our economy's ability to create jobs is severely eroded. Over the past 10 years, the increased Government spending and borrowing has eroded corporations' ability to attract or borrow funds for the capital investment necessary to create jobs.

During the 1960's and early 1970's the United States has had the lowest level of capital investment and the lowest level of productivity of any of the major industrialized nations.

Our deficit spending policies have deprived private industry of the capital required to meet our energy needs, to control pollution, and to build new plants and factories.

And instead of allowing industry to expand our economy, we have demanded that the Government get more and more involved in all of our daily decisions, and we have come to expect the Government to solve the very problems that the Government has created.

Although I believe that some degree of deficit spending is in order during times of recession and economic slowdown, there is no excuse to ignore the inflationary aspects of the expected massive budget deficits.

We can no longer afford indiscriminate spending on every conceivable program, and the Congress must take special care to examine the budget carefully and eliminate duplication and waste.

We are all going to have to make some tough decisions this year, and we must learn to say no to more and more Federal spending.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I call up an unprinted amendment that is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, strike all lines after line 2, and insert the following: "That section 21 of the Second Liberty Bond Act is repealed.".

Mr. BUCKLEY. Mr. President, today I am calling up my amendment on the debt ceiling bill. Hopefully it will be an amendment to end all debt ceiling bills.

My reasons for urging its elimination are fourfold:

One, the adoption of the Congressional Budget and Impoundment Control Act of 1974 provides machinery for a careful congressional review of Federal income and expenditures, and the impact of the latter on the economy. We, therefore, do not need the theoretical "discipline" of a debt ceiling.

I said "theoretical," Mr. President, because in point of fact, we have moved into a situation where we routinely adjust the ceiling to match the debt, rather than, as may once have been intended, create for ourselves a discipline that requires us to reconsider expenditures so as not to exceed the ceiling.

Two, whatever utility these ceilings may once have had, in recent years they have not in fact caused the Congress or the Executive to consider the need for either reduced expenditures or higher taxes.

We have, in effect, created for ourselves an attractive nuisance. Happily, and I think this is the first time in the 4 years since I have joined this body, this particular measure that seems to come up every 6 years has not been converted into a Christmas tree in order to adapt measures to a so-called veto proof piece of legislation.

In the past, as the distinguished chairman of the Committee on Finance knows better than others, we have had to fight off attempts to use the fiscal integrity of the United States as a means of trying to force a President to accept legislation that he would otherwise veto, and the veto of which would be sustained.

So that if we eliminate the periodic recourse to the fiction of imposing a new ceiling, we will also eliminate what in years past has become an important source of wasted congressional time and an important vehicle for circumventing the clear intent of the Constitution that provides a mechanism for a Presidential veto.

Third. The only real purpose now served by ceilings that must periodically be raised is to provide "veto-proof" vehicles on to which to attach measures that the President has announced he will disapprove. As such, they have become instruments for circumventing the plain intent of the Constitution in providing the President with the right of veto.

Fourth. The exercise has become a biannual legislative circus that wastes an appalling amount of time.

My amendment simply reflects the current reality of the de facto absence of a debt ceiling. The Congress in fact has routinely extended the debt ceiling on any occasion where the rise in the public debt threatened to pierce the threshold established by the existing debt ceiling is not a restraint to an increase in the volume of the public debt or to the magnitude of Federal deficits or to the level of Federal spending.

In fact, the debt ceiling is little more than a vehicle for the transmission of non-germane legislation to the President of whatever party to provide him with the uncomfortable choice of being forced to accept legislation. Making law in this manner will almost certainly lead to hastily contrived and ill-considered additions to our statute books.

By proposing this amendment, I do not in any way intend to abandon efforts to inhibit the practice of deficit spending and to decrease the overall size of the Federal budget. Abolishing the debt ceiling would serve to rid the statute books of a totally fictitious "restraint" on Federal expenditures and thereby placing the burden squarely on the shoulders of the Congress and the executive branch to arrive at responsible decisions affecting Federal fiscal policy and debt management to eliminate or reduce the otherwise adverse effects of the growing magnitude of the Federal debt.

Moreover, abolishing the debt ceiling would inject a greater degree of orderliness into congressional procedures. This would make it necessary for the Congress to employ established procedures for the proposal and review of legislative initiatives eliminating from

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the statute books the ever-tempting target of a veto-proof piece of legislation as a vehicle for new legislative initiatives.

It is time the Congress abolished the attractive nuisance of the debt ceiling and got on with more pressing substantive legislative issues.

I would like to add the following Senators as additional cosponsors of my amendment: Senator HATFIELD, Senator GARY W. HART, Senator PERCY, Senator FANNIN, and Senator HELMS.

I think really, Mr. President, that there is nothing more that need be said on this issue. Every Member of this body has gone through the ring enough times to understand that we are doing nothing substantive, but merely obeying a kind of tribal ritual.

As I say, with the adoption last year of the congressional budget machinery, we now have an alternative vehicle that, hopefully, will impose some sort of fiscal responsibility on this body and we might as well do away with the fiction.

Mr. President, I ask for the yeas and nays.

Mr. LONG. Mr. President, I will be glad to second the motion. If there are not enough Senators here to second it now, I suggest to the Senator that we wait until we are ready to vote on the bill itself. At that point I will be glad to join with the Senator in asking for the yeas and nays.

Mr. BUCKLEY. Very well.

Mr. LONG. I am glad to ask for the yeas and nays. but I do not see any point in bringing a quorum in at this time. We will have a quorum when we vote on the bill itself, and I will associate with the Senator's request then. I will be glad to help obtain the yeas and nays at that time.

Mr. BUCKLEY. That arrangement is perfectly satisfactory to me, and then I shall not proceed with any further debate of the matter.

Does the distinguished chairman care to comment on the proposal?

Mr. LONG. Mr. President, I do not favor the amendment. I believe it would be a mistake, and I wish to respond to what the Senator has said.

The Senator relies upon the recently passed Congressional Budget Act as a restraint on fiscal irresponsibility for the future.

Now, Mr. President, that act may work as he hopes, and then again it may not.

May I predict what may well happen? I predict our Budget Committee will come in and recommend a bigger deficit than the President himself recommended. So that far from that committee recommending a balanced budget. I believe that for reasons they think are right and completely consistent with their deep convictions, the majority of that committee will say that we ought to have a much bigger tax cut and a much bigger deficit than the administration is suggesting at this point.

Mr. BUCKLEY. Mr. President, if the chairman will yield, I am glad he said that the majority might come up with the recommendation.

Mr. LONG. That is what I said.

Mr. BUCKLEY. I am sure it will not be unanimous.

Mr. LONG. I understand. But when the Senator is referring to a committee, he is referring to what a majority of the committee recommends by majority vote. It is just like a bill that does not pass the Senate by unanimous vote. That does not prevent the bill from becoming a law.

There is no doubt in my mind, Mr. President, that the new budget process is in an experimental stage, and in some years that budget committee will recommend an even greater deficit than the President himself is proposing. They might be wrong, and then again, they might be right. All I am saying about the procedures set up by that new law is that no one can tell at this point whether that is going to result in bigger deficits or smaller deficits, more borrowing or less borrowing. Only time will tell.

That gets us to having a debt limit law. Mr. President, the history of this law goes back to the old, Liberty loan law where, when the Government wanted to borrow money because it did not have enough to pay for the current operations of the Government, it would issue bonds. The Treasury would request to issue these bonds, they would explain the need to the Congress, and the Congress, if in its wisdom it agreed, would authorize them. The Government would borrow the money for whatever purpose, be it to fight a war or depression, whatever purpose appealed to the Congress at that particular time.

Of course, since that time, we have proceeded on the basis that the Government would issue obligations as the circumstances required, and we would have a debt limit. Periodically, the Treasury would come before us, particularly if they found it necessary to go more deeply into debt, and they would then explain what their spending plans were, what their budgetary plans were, and why they felt it would be necessary to go more deeply into debt than the Government already was at that moment. They would seek the authorization of Congress.

This, Mr. President, does not appear to be a particularly useful device during a Republican administration for a very simple reason: Generally speaking, Democrats tend to be bigger spenders than Republicans. Democrats tend to subscribe to deficit financing even more frequently than Republicans, on the average.

I am not saying there are not exceptions, because there are. When a Republican administration finds that it is necessary in its judgment to go more deeply into debt, as we have in the case now, the Democrats not only are willing to agree to that, but they usually say, "You ought to be going more deeply into debt than you are because at this moment, for example, you are in a recession." They think deficit financing is very much justified at a time like this, and we ought to be having even more of it.

Mr. President, you do not find the same need for this type of restraint because you do not have the Democrats trying to prevent the Republican administration from spending money, the way you would find if the shoe was on the other foot. When you have a Democratic administration proposing a lot of new programs, as was the case with the so-called Great Society when President Johnson was pressing for a great number of new programs to be implemented by a large amount of additional Federal spending, there was considerable opposition on the other side of the aisle, and even on this side of the aisle, to some of those proposals. That will happen again.

It is only a matter of time before a Democrat occupies the White House with a major, ambitious program which will involve a lot of spending. That may be an annual income for not working—it could be a lot of things. Generally speaking, those kinds of programs which involve large amounts of new authorizations and new spendings, be they public works, welfare, health—you name it—it could be almost anything the mind of man can conceive—those who oppose vast additional spending programs are hard pressed to prevent those programs from being passed. Each of them has its own constituency, and spending programs generally tend to be popular, particularly among those who expect to get the benefit from them.

Those who oppose that sort of thing at that point find it very useful to resist an increase in the debt limit, which is one place that they can cast a vote that is a popular vote, against going any more deeply in debt when the administration is proposing to go into more and more spending programs, and to fund those spending programs.

They can insist that there either be a tax increase or there be a cutback in spending.

The Senator has mentioned a case when we have added amendments to a debt limit bill that have been totally irrelevant to the debt limit. That is right. Some of those have been good amendments. For example, maybe he did not agree with it, but I recall the proposal to expand the $1 tax checkoff to help elect a President in a way where he would be equally obligated toward all citizens and especially obligated toward none. It was a very good proposal. That found its way on to a debt limit bill.

There have been some provisions equally controversial in the past which have been added and have become law.

I would suggest one check, though. I think an analysis would indicate that most matters that have become law as amendments to the debt limit bill have been relatively good proposals.

I would point out that the Senate cannot initiate a revenue bill. It can only amend a revenue bill.

A good example of a Senate amendment to a House bill occurred a few years ago, and it concerned controlling Federal expenditures. The greatest forward stride that has been made in many, many years in controlling Federal expenditures was some years ago when the Senator from Delaware, Mr. Williams, joined forces with the Senator from Florida, Mr. Smathers. They put a provision into a House-passed bill both to increase taxes and to cut spending, all at the same time. That measure became law.

The result was that Federal expenditures were drastically cut and taxes were increased. That probably did more to stabilize this Nation's budgetary position than had occurred for many years prior to that time, or more than has occurred since that time, to put this Nation on a stable basis.

Frankly, the Senator may need a debt limit bill to serve as the horse to carry just the right kind of a rider again because the House does not like to initiate big tax increases. They love to initiate tax cuts. Everybody likes to do that. The Senator would be surprised how many times major tax increases have had to come from Senate amendments to measures that did not appear to be big tax increase bills when they left the House, debt limit bills, or minor revenue measures of no particular consequence. They were amended in the Senate, where Senators serving on longer terms could muster the statesmanship to insist that this Nation move toward fiscal solvency. They proceeded to add a major tax measure or a measure making a cut in Federal spending, as an amendment to some measure, a debt limit bill being one of the best examples.

For example, the Senator mentioned the potential and the hoped-for result of this law to establish congressional control over the budget. The provision setting up the Budget Study Committee which led to the new budget processes was itself an amendment to a debt limit bill.

So when we are really trying to get the Government's house in order, there is no better horse to carry a rider for fiscal responsibility than a debt limit bill, and we ought to have those kinds of bills.

It is both a restraint on the extent to which an administration can take us into debt, and an opportunity to move toward fiscal solvency and fiscal responsibility, if the Senate wants to do that.

It is also a measure on which the House will be forced to join us in legislating on those occasions when there is the will in the Senate, which may be sadly lacking in the House, to put this Nation's fiscal house in order.

So, Mr. President, I really think that it would very much defeat the Senator's purpose to have no statutory limit on the extent to which this Nation could go into debt. Admittedly, there would not be quite as much opportunity for someone to offer a rider which the President might be coerced to sign as on other measures. But even that problem has been brought under control.

The last two times we passed a debt limit bill, we passed the measure with no legislative rider whatever to it. It has been passed just as the House sent it to us, a pure debt limit bill.

I point out that if one cannot offer his tax amendments or his revenue amendments on a debt limit bill, he can always offer them on some other measure.

All things considered, unless and until experience under the budget procedure adopted in the previous Congress has been established and has proved itself, there is no case at this point to eliminate the restraints that are on the Government going more deeply into debt. I do not think Congress would want to permit this Nation willy-nilly to go overwhelmingly into debt without from time to time taking a good look at the direction in which it is headed. That is what we would be asking for if that were not the case.

Mr. BUCKLEY. Mr. President, I have very great respect for the Senator from Louisiana. However, first of all, I say that, in point of fact, at least in my limited observation of 4 years in this body, the existence of a debt ceiling has not created one iota of restraint. The Executive cannot spend money any faster than he has been authorized by Congress to do so.

Time and again we come to a point where there is a magical clock going around, and at midnight at such and such a date, the full faith and credit of the United States goes down the drain unless we adopt yet another temporary ceiling or raise the permanent ceiling. So I believe that we are dealing in fictions.

With respect to the argument that revenue measures must originate in the House and that, therefore, the debt limit has become a convenient vehicle for various major tax proposals in the Senate, all I can say is that we will continue, year in and year out, to have a stream of appropriate vehicles.

The one reason why this particular vehicle has been selected time after time is that the sheer necessity of being able to issue the next bond to pay for yesterday's bills has created unusual constraints on a President to sign a bill despite the fact that attached to it is highly distasteful legislation. I submit that the use of so-called veto-proof vehicles in this manner is an attempt to circumvent the restraints and restrictions of the Constitution of the United States when the veto power was bestowed upon a President.

So, while I respectfully understand the arguments advanced by the distinguished chairman of the Committee on Finance, I do urge my colleagues to vote for the adoption of my amendment.

Mr. President, I ask unanimous consent that it be in order at any time to order the yeas and nays on my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the names of Mr. HATFIELD, Mr. PHILIP A. HART, Mr. PERCY, Mr. FANNIN, and Mr. HELMS be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I yield myself 2 additional minutes.

The more I think about it, the more I am convinced that the Senator has a bad amendment and that it should not be agreed to.

Just to give a further example of what the Senator from Louisiana has been thinking about this subject, there may be times when an administration, if it is to be responsible at all, should be asking for a tax increase. If the Senator's amendment were law and there were no debt limit, an administration could simply take this country on with a deficit as long as it wanted to; and so far as it found itself in a deficit position, it could avoid asking for a tax cut.

The debt limit proposal causes an administration to make this choice: A President must either come before Congress or send his Secretary of the Treasury and Budget Director before us, asking for a tax increase, or he must be asking for a debt limit, or he must be asking for a cut in Federal spending. If he is urging that this Nation go more deeply into debt and he cannot get an increase in the debt limit, he is forced to do one of two things—either limit Federal spending, which he can do by impoundment or by not spending money, or by seeking to raise taxes.

It seems to me that with the law as it is at this moment, we have a better method of achieving fiscal responsibility, if the will is there, than we would have without the present law.

Furthermore, Mr. President, I point out that most of the fights that have achieved a constructive gain—and I am talking about controversial battles—toward fiscal responsibility in this Government have occurred in the management of debt limit bills. Sometimes they have been tax measures, sometimes expenditure limitations, sometimes a combination of the two.

On one occasion, the Budget Study Committee which led to the new budget process was actually created under an amendment to the debt limit bill.

So a limitation on the debt that any administration or any Congress can take us into, without further extension of that debt authorized by Congress, is a good restraining influence and a very strong weapon for fiscal responsibility, when there are those in Congress who want to use it.

I say, therefore, that it would be a bad mistake, in my judgment, to dispense with the debt limit as one of the requirements of law, if any administration or any Congress wants to take us more deeply into debt.

Furthermore, Mr. President, I should like to point out what some of the so-called Christmas tree amendments are that the Senator talks about on the debt limit bill. One was a measure to make this Government the government of the people, rather than the government of the big, wealthy campaign contributors. That found its way into law at least on one occasion. One measure which brought that about was an amendment to a debt limit bill. Some may not like it. It was strenuously opposed. I do not know of anything that is going to do more to correct what has been so severely criticized—the undue influence of large campaign contributions in this Government. I do not think that anyone, in point of history, is going to want to complain about the fact that a debt limit bill was once a vehicle that made it possible to make that stride toward more proper and correct campaign financing.

Some increases in social security benefits—much of them long overdue, for the most part, I may say—found their way into law on debt limit bills. A needed increase in the supplemental social security

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income for the aged, blind, and disabled was approved by the Senate as an amendment to the debt limit bill. Who wants to stand here and say that we made a mistake when we gave that needed increase to the aged, blind, and disabled as an amendment to a debt limit bill?

Unemployment compensation in States with especially high unemployment found its way into law as an amendment to a debt limit bill. Are we really against that? If one cannot find any other measure to move a proposal of that sort, when unemployment is rampant throughout this land, are we to complain that a debt limit bill offered us the opportunity to move a matter of that sort to the President's desk, in view of the fact that the Senate cannot initiate revenue bills? I hardly think so, Mr. President.

As a matter of fact, when the Senate and the House have agreed that a measure should go to the President for his signature on a debt limit bill, it has been the feeling of the conferees on both sides that that is a measure that is of such vital importance that we should be willing to face a confrontation of a serious nature with a President on that sort of measure. The President is not without weapons if he wants to veto a debt limit bill and face that kind of confrontation in which the Government might not be able to pay its bills. While Congress is blaming the President and the President is blaming Congress for the untoward results, each of them has its right; one in insisting on its legislative proposal and the other in insisting on vetoing it and striking it down. Why should not that type of confrontation occur on occasion in a great democratic country where, from time to time, the public should be called upon itself to pass judgment upon the issue?

In other words, should there not be occasions when Congress and the President have a right to take their point of view, at odds on that issue, to the people of the country and ask the people to express themselves on it? Usually, in situations like that, if there is to be a confrontation, the people will express themselves and decide, and if one viewpoint does not get public support, it will be compelled to yield.

Mr. President, I see nothing to be gained by the amendment. I see much to be lost. I, therefore, hope that the Senate will not be disposed to uphold the amendment.

Mr. BUCKLEY. Mr. President, I say to the Senator that we have outlined our respective arguments. He knows that I disagree with his; I know that he disagrees with mine. I do feel that this body can make up its mind on it, and I will relinquish my right to the floor on the understanding that at an appropriate time, the chairman will join with me in asking for the yeas and nays.

Mr. LONG. I certainly will.

RECESS UNTIL 3:55 P.M.

Mr. LONG. Mr. President, all Senators were told, I am informed, that there would be a vote at 4 o'clock. I do not think it would be fair to Senators, who were relying upon that assurance given them, to vote prior to that time. Therefore, Mr. President, unless there is objection, I ask unanimous consent that the Senate stand in recess until 3:55 p.m. so that we can meet and suggest the absence of a quorum and start voting at 4 p.m., after the yeas and nays have been ordered.

There being no objection, the Senate, at 3:14 p.m., recessed until 3:55 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GARN).

Mr. HUDDLESTON. Mr. President, I suggest the absence of a quorum.

Mr. HARRY F. BYRD, JR. Will the Senator withhold that, Mr. President?

Mr. HUDDLESTON. I withhold.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 2½ minutes.

Mr. President, may we have order?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. HARRY F. BYRD, JR. Mr. President, the pending legislation, which will increase the ceiling on the public debt by $36 billion, is just the first installment of the administration's proposal to increase the ceiling by $109 billion during the next 16 months.

The public debt now stands at $495 billion. The Treasury Department estimates that it will approximate $604 billion by June 30, 1976.

Thus, the administration proposes to spend during the next 16 months $100 billion more than it will receive in revenues. Undoubtedly, a free-spending Congress will add to this deficit.

I say such deficit spending is totally irresponsible.

The Federal funds budget has not once been in balance during the past 17 years.

The accumulated Federal funds deficit for the fiscal year 1971–76 will total $200 billion.

This means that in the short space of 6 years we will have incurred one-third of the entire national debt accumulated throughout our 200-year history.

The massive deficits proposed for this year and next will lead to more inflation—and higher interest rates.

They will cut the purchasing power and erode the value of every American worker's paycheck, and every housewife's grocery dollar.

I shall vote against the debt ceiling increase as a protest against what I regard as irresponsible handling of the public's business.

I ask unanimous consent to have printed at this point in the RECORD three tables: First, deficits in Federal funds and interest on the national debt 1957–76, inclusive; second, analysis of Federal receipts and expenditures; and, third, U.S. gold holdings, total reserve assets and liquid assets and liabilities to foreigners.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT 1957–76 INCLUSIVE

Prepared by Senator Harry F. Byrd, Jr., of Virginia

[Billions of dollars]

Year	Receipts	Outlays	Surplus (+) or deficit (−)	Debt interest[1]
1957	68.8	67.1	+1.7	7.3
1958	66.6	69.7	−3.1	7.8
1959	65.8	77.0	−11.2	7.8
1960	75.7	74.9	+0.8	9.5
1961	75.2	79.3	−4.1	9.3
1962	79.7	86.6	−6.9	9.5
1963	83.6	90.1	−6.5	10.3
1964	87.2	95.8	−8.6	11.0
1965	90.9	94.8	−3.9	11.8
1966	101.4	106.5	−5.1	12.6
1967	111.8	126.8	−15.0	14.2
1968	114.7	143.1	−28.4	15.6
1969	143.3	148.8	−5.5	17.7
1970	143.2	156.3	−13.1	20.0
1971	133.7	163.7	−30.0	21.6
1972	148.8	178.0	−29.2	22.5
1973	161.4	186.4	−25.0	24.2
1974	181.2	198.7	−17.5	29.3
1975[1]	186.0	229.0	−43.0	32.9
1976[1]	199.3	254.2	−54.9	36.0
20-year total	2,318.3	2,626.8	−308.5	330.9

[1] Treasury Department estimates.

Source: Office of Management and Budget, and Department of the Treasury, February 1975.

ANALYSIS OF FEDERAL RECEIPTS AND EXPENDITURES, FISCAL YEARS 1968–76[1]

[In billions of dollars]

	1968	1969	1970	1971	1972	1973	1974	1975[2]	1976[2]
Receipts:									
Individual income taxes	69	87	90	86	95	103	119	118	106
Corporate income taxes	29	37	33	27	32	36	39	39	48
Subtotal income taxes	98	124	123	113	126	136	158	157	154
Excise taxes (excluding highway)	10	11	11	10	11	10	10	12	25
Estate and gift	3	3	4	4	5	5	5	5	5
Customs	2	2	2	3	3	3	3	4	4
Miscellaneous	3	3	3	4	4	4	5	8	11
Total Federal fund receipts	116	143	143	134	149	161	181	186	199
Trust funds (social security and highway, less interfund transactions)	38	44	51	54	60	71	84	93	98
Total	154	188	194	188	209	232	265	279	297
Expenditures:									
Federal funds	143	149	156	164	178	186	199	229	254
Trust funds (less interfund transactions)	36	36	40	48	54	61	70	84	95
Total	179	185	196	212	232	247	269	313	349
Unified budget surplus (+) or deficit (−)	−25	+3	−2	−24	−23	−15	−4	−34	−52
Federal funds deficit	−27	−6	−13	−30	−29	−25	−18	−43	−55

[1] Prepared by Senator Harry F. Byrd, Jr., of Virginia, February 1975.

[2] Treasury Department estimate.

U.S. GOLD HOLDINGS, TOTAL RESERVE ASSETS AND LIQUID LIABILITIES TO FOREIGNERS

[Selected periods in billions of dollars]

	Gold holdings	Total assets	Liquid liabilities
End of World War II	20.1	20.1	6.9
Dec. 31, 1959	22.8	24.8	15.8
Dec. 31, 1970	10.7	14.5	47.0
Dec. 31, 1973	11.7	14.4	92.6
Sept. 30, 1974	11.7	15.9	110.4

Note: Prepared by U.S. Senator Harry F. Byrd, Jr., of Virginia.

Source: U.S. Treasury Department, November 1974.

Mr. LONG. Mr. President, I ask for the yeas and nays on the Buckley amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There are 2 minutes remaining. Who yields time?

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The hour of 4 o'clock having arrived, the Senate will now proceed to vote on the amendment of the Senator from New York. On this question the yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Mr. President, what is the question?

The PRESIDING OFFICER. The amendment of the Senator from New York.

Mr. ROBERT C. BYRD. What is the question on which the Senate is about to vote?

The PRESIDING OFFICER. On the amendment of the Senator from New York to do away with the debt ceiling limit.

Mr. ROBERT C. BYRD. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Indiana (Mr. BAYH), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I also announce that the Senator from California (Mr. TUNNEY) is absent on official business.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) and the Senator from Illinois (Mr. STEVENSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Hawaii (Mr. FONG) are necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

I further announce that, if present and voting, the Senator from Hawaii (Mr. FONG) and the Senator from Ohio (Mr. TAFT) would each vote "nay."

The result was announced—yeas 20, nays 70, as follows:

[Rollcall Vote No. 9 Leg.]

YEAS—20

Bartlett	Griffin	Metcalf
Bellmon	Hart, Philip A.	Packwood
Brock	Hatfield	Percy
Buckley	Helms	Thurmond
Cranston	Kennedy	Tower
Domenici	Laxalt	Weicker
Garn	McClure	

NAYS—70

Allen	Hansen	Moss
Beall	Hart, Gary W.	Muskie
Bentsen	Hartke	Nelson
Biden	Haskell	Nunn
Brooke	Hathaway	Pastore
Bumpers	Hollings	Pearson
Burdick	Hruska	Pell
Byrd, Harry F., Jr.	Huddleston	Proxmire
Byrd, Robert C.	Humphrey	Randolph
Cannon	Inouye	Ribicoff
Case	Jackson	Roth
Chiles	Javits	Schweiker
Church	Johnston	Scott, Hugh
Clark	Leahy	Scott, William L.
Culver	Long	Sparkman
Curtis	Magnuson	Stafford
Dole	Mansfield	Stennis
Eagleton	Mathias	Stevens
Eastland	McClellan	Stone
Ford	McGee	Symington
Glenn	McIntyre	Talmadge
Goldwater	Mondale	Williams
Gravel	Montoya	Young
	Morgan	

NOT VOTING—9

Abourezk	Fannin	Stevenson
Baker	Fong	Taft
Bayh	McGovern	Tunney

So Mr. BUCKLEY's amendment was rejected.

Mr. LONG. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There being no further amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Indiana (Mr. BAYH), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I also announce that the Senator from California (Mr. TUNNEY) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) and the Senator from California (Mr. TUNNEY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Hawaii (Mr. FONG) are necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

I further announce that, if present and voting, the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 70, nays 20, as follows:

[Rollcall Vote No. 10 Leg.]

YEAS—70

Beall	Hartke	Muskie
Bentsen	Haskell	Nelson
Biden	Hathaway	Packwood
Brooke	Hollings	Pastore
Buckley	Hruska	Pearson
Bumpers	Huddleston	Pell
Burdick	Humphrey	Percy
Case	Inouye	Randolph
Chiles	Jackson	Ribicoff
Church	Javits	Roth
Clark	Johnston	Schweiker
Cranston	Kennedy	Scott, Hugh
Culver	Laxalt	Sparkman
Curtis	Leahy	Stafford
Dole	Long	Stennis
Domenici	Magnuson	Stevens
Eagleton	Mathias	Stone
Eastland	McClellan	Symington
Glenn	McGee	Tower
Gravel	McIntyre	Weicker
Griffin	Metcalf	Williams
Hansen	Mondale	Young
Hart, Gary W.	Montoya	
Hart, Philip A.	Moss	

NAYS—20

Allen	Ford	Nunn
Bartlett	Garn	Proxmire
Bellmon	Goldwater	Scott, William L.
Brock	Hatfield	Talmadge
Byrd, Harry F., Jr.	Helms	Thurmond
Byrd, Robert C.	Mansfield	
Cannon	McClure	
	Morgan	

NOT VOTING—9

Abourezk	Fannin	Stevenson
Baker	Fong	Taft
Bayh	McGovern	Tunney

So the bill (H.R. 2634) was passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HANSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST PETROLEUM IMPORTS

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 1767, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962, and so forth, and for other purposes.

The Senate proceeded to consider the bill.

Mr. JAVITS. Mr. President, I yield to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that two members of my staff, John Bennison and Robert Jerome, may have the privileges of the floor during the pendency of the entire matter on the oil issue and in relation to any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I raise this question preliminarily because it does not relate to the merits of the bill. Of course, the chairman would have had the first word on that, but I raise it for this reason: the unanimous consent calls for a vote tomorrow at 5 o'clock. A number of us, including myself, who have what we considered to be very important amendments were asked to give our consent to an arrangement for terminating debate.

I did, saying that I wanted 2 hours on my amendment. But, as the thing worked out, I did not consent to voting at 5 o'clock. I am not going to contest that, but simply am going to leave the problem with the chairman, who is an old friend and, I know, will work it out.

But Members could be shut out and given no time if somebody imposed and put in a lot of amendments and happened to be around to jump up on his feet and get the floor, and so forth. I would suggest, respectfully, that the leadership on both sides work this out so that Members are not shut out by the sheer lapse of time because the time element is——

Mr. RIBICOFF. There would be no objection to that. The distinguished Senator will find me most cooperative, but I think it should be discussed tomorrow with the distinguished assistant minority leader and Senator ROBERT C. BYRD, and I am sure there will be no problem.

Mr. JAVITS. I leave it to the leadership.

Mr. RIBICOFF. My understanding is there are not too many amendments. We discussed it with all parties concerned yesterday, and if we have to go to 6 o'clock or 7 o'clock or 8 o'clock tomorrow night, I have no objection whatsoever.

Mr. JAVITS. All right, that is fine.

Mr. RIBICOFF. I am sure I speak for the distinguished Senator from Wyoming as well.

Mr. HANSEN. Yes.

Mr. GRIFFIN. Mr. President, will the Senator yield?

I might add to that, while we were not sure whether the distinguished Senator from New York might want the full 2 hours, we did get indications from some other sponsors that although they wanted 2 hours reserved, they did not expect to use anywhere near that amount of time.

Mr. RIBICOFF. That is correct. I believe we talked about coming in tomorrow morning at a time that would assure that all the Senators wishing to propose an amendment would have their 2 hours. But I do not know what the plans are between Senator BYRD and Senator GRIFFIN.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. RIBICOFF. Senator JAVITS has the floor.

Mr. JAVITS. As a practical matter, that is what disturbs me, coming in at 10:30, not getting to this business until 11 or later, and with a 5 o'clock vote, it is possible—I know it will not happen—but arrangements then can be just that Members could be shut out, and not accommodate their amendments.

But I leave it to the leadership and the managers on both sides.

Does the Senator from Virginia wish me to yield?

Mr. WILLIAM L. SCOTT. No, I was merely going to say that during the absence of the Senator from New York, there was a unanimous-consent agreement as to the time to come in and apparently he is aware of that.

Mr. JAVITS. Yes.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, will the Senator yield to me?

Mr. RIBICOFF. I am happy to yield to the Senator.

AMENDMENT NO. 13

Mr. STEVENS. Mr. President, I have an amendment at the desk to H.R. 1767, the effect of which would be to negate the tariffs put into effect by the President if the Congress enacts a law which involves a comprehensive energy program within 90 days.

I ask unanimous consent it be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 2, line 10, strike out "(1)".

On page 2, beginning in line 15, strike out "on the date of the enactment of this Act, and the entry or withdrawal of petroleum and any product derived therefrom on or after such date of enactment shall be duty free." and insert in lieu thereof the following: "on the date occurring 90 days after the date of enactment of this Act if—

"(1) the Congress by law provides an alternative plan of action the date of enactment of which occurs before such 90th day, and

"(2) the statute setting forth such alternative plan states explicitly that it is enacted in satisfaction of the condition set forth in subparagraph (A).".

On page 2, beginning with line 19, strike out through line 4 on page 3.

On page 3, line 5, strike out "(1)".

On page 3, beginning in line 13, strike out "on the date of enactment of this Act; and the tax or fee imposed on importation of petroleum or any product derived therefrom after such date of enactment shall be the tax or fee in effect on January 15, 1975." and insert in lieu thereof the following: "on the date occurring 90 days after the date of enactment of this Act if—

"(A) the Congress by law provides an alternative plan of action the date of enactment of which occurs before such 90th day, and

"(B) the statute setting forth such alternative plan states explicitly that it is enacted in satisfaction of the condition set forth in subparagraph (A).".

On page 3, beginning with line 17, strike out through line 2 on page 4.

Mr. RIBICOFF. Mr. President, I yield myself as much time as I may require.

Mr. President, I ask unanimous consent that Paul Hoff of the Government Operations Committee staff, Larry Woodworth and Al Buckberg of the Joint Taxation Committee staff, and Mark Sandstrom of the Finance Committee staff, be given the privilege of the floor during the consideration of H.R. 1767.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, H.R. 1767 is designed to achieve just one purpose. It gives Congress 90 days to consider the President's efforts to impose on his own authority new import fees of up to $3 a barrel on oil imports.

The bill makes no permanent change in the tariff laws. It makes no judgment whether the President acted legally when he acted on his own to impose the license fees. It simply suspends the President's authority to restrict imports under section 232 of the Trade Expansion Act for 90 days.

The bill thus says that imposition of the license fee is too important a step to be taken without Congress first reviewing all its implications.

The proposed rise in import fees is equivalent to the President imposing on his own authority a $5.4-billion-a-year direct tax on the American people. The Interior Committee further estimates that the license fees will cause the price of uncontrolled domestic oil and natural gas, and the price of coal, to also rise. The total direct cost to the consumer of the license fees could be as much as $14.5 billion a year, or $207 for every family of four in the country.

Under any circumstances the public and Congress should have an opportunity to assess such a major tax proposal in legislative committee rooms and on the floor before, not after, it goes into effect.

But in this case the license fees represent the first step in a complex series of measures the President has proposed to reduce our dependency on foreign oil. The Interior Committee has estimated that the President's entire energy package, if enacted in full, could directly cost the American public as much as $43.2 billion in higher fuel costs the first year. The Library of Congress concludes that because of the indirect, inflationary effect of these cost increases on the economy, the overall cost of the program would be 1½ to 2 times its initial impact. Thus, the $43.2 billion cost will really cost the public a minimum of $64.8 billion.

Almost all of these price increases will fall upon consumers. The $16.5 billion permanent reduction in personal income taxes that the President has proposed clearly is not adequate to offset these new costs.

I do not believe that either the import fees, or much of the President's entire energy program, would be either fair, effective, or good for the nation's economy.

The new license fees are inequitable because they impose an especially heavy burden on those sectors of the economy and those parts of the country which rely most on oil.

Hardest hit of all will be New England and Connecticut where oil accounts for 85 percent of the region's energy sources compared with 46 percent nationally. Per capita consumption of oil is 36.8 barrels a year in New England compared with 23.8 barrels a year in the rest of the country.

At the moment New England is paying 30 percent more for its energy than the rest of the country. The proposed oil tariff would drive up the cost of home heating oil and residual oil used in generating electricity, whose use is virtually fixed by 10.5 percent. At the proposed $1.80 per barrel increase, it is estimated that New England will pay an additional $800 million for fuel—or $66 per person.

Even before the increase, energy costs have gone up 139 percent in New England in the last year. The increase nationwide has been only 40 percent.

In Connecticut the proposed tariff will add $188.8 million to fuel bills; and an average family of four will pay an additional $240 a year—40 percent more than the national average.

The poor, the elderly, and the unemployed would be forced to pay the same high prices as the wealthiest. The Ford Foundation has estimated that the poor already spend 15 percent of their income on energy, while the well-to-do spends 4 percent. The President's proposals would make the unfair burden on the poor even worse.

The President's proposal is ineffective because the program may not even significantly reduce oil imports. The New England Economic Research Office estimates imposition of the license fees will increase the cost of heating oil by about 4 cents a gallon throughout the country. But people must still buy fuel oil to stay warm no matter how much it costs.

Simple reliance on across-the-board price hikes is, in short, a very inexact and inequitable way to reduce consumption.

The President's proposal is unwise because of the great strain it places on the economy.

The country is now suffering from perhaps its most serious economic difficulties since the end of World War II. The Federal Reserve Board has indicated that industrial output dropped 3.6 percent in January. This is the most widespread, and the steepest, 1-month slide since 1937. The unemployment rate in January was 8.2 percent. It may rise above 9 percent before the year is over.

By the Federal Energy Administration's own estimate, imposition of the license fees would cause the greatest reduction in the use of residual oil. This is the oil on which utilities and industries rely. The fees could thus hit the hardest industrial productivity, and the jobs and income which depend on such productivity. They would drive up further the utility rates which have already risen so sharply in the last year.

Implementation of the President's proposals could well mean even higher inflation and even higher unemployment.

This Nation must take a leading role in resolving the problems brought on by the quadrupling in the prices of foreign oil. For the next few years, conservation must be a key to reducing our oil imports. Congress can not play a negative role. It must enact effective and fair energy programs.

But this does not mean President Ford's proposals are the answer. Former Federal Energy Administrator, Mr. John Sawhill, has long advocated adopting more vigorous conservation measures.

Yet he has spoken out strongly against the President's economic-energy program.

In fact, the administration is almost alone in calling for an energy proposal in the form the President has proposed. About 3 weeks ago the Ways and Means Committee invited economists from industry, banking, private research, and universities to participate in panels discussing the administration's program. Almost the only favorable statement made about the energy program was that it was desirable to have a comprehensive program placed before the country. Not one of these economists, whose policy approaches range from liberal to conservative, would deny that this program imposed too heavy a tax burden on the economy at this time. Distinguished economists who testified before the Joint Economic Committee expressed similar doubts about the President's energy proposals.

Quite recently Dr. Arthur Burns, in appearances before congressional committees urging the Congress to proceed rapidly with consideration of the President's antirecession program, referred to the President's energy program as a very complex program. He said it was one on which Congress would be well advised to wait a while and consider carefully.

What this country needs are long-range solutions to our long-range problems. What this country does not need is a crash program to immediately reduce our consumption by some arbitrary amount, such as 1 million barrels a day, without any consideration of the danger such a crash program puts on the economy.

Others may support the President's energy plan. But we should all agree that it makes no sense to impose a tariff on imports until Congress decides whether higher prices or some other methods or combination of methods, should be used to reduce the Nation's consumption of oil. At this time I do not think anyone can say with certainty what approach would be the best. But until some of these basic questions are resolved, it makes no sense to impose a new tax just on oil imports.

I, therefore, urge the Senate to pass this bill by an overwhelming vote.

Mr. President, I ask unanimous consent that there be inserted at this point a brief description of H.R. 1767.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF H.R. 1767

The purpose of this bill is to suspend for 90 days the President's authority to impose new fees or to make other adjustments in the imports of petroleum or petroleum products. Section 1 suspends for 90 days, beginning on the date of the enactment, any authority that the President might otherwise have under Section 232 of the Trade Expansion Act of 1962 to adjust imports of petroleum and petroleum products through the use of duties, taxes, fees, quotas, or the like.

Section 2 negates any Presidential action to adjust petroleum imports through the imposition of any rate of duty, any tax, or any fee, where such action was taken after January 15, 1975, and before the date of enactment. The section also provides for a rebate of duties, taxes, or fees levied and collected under any Presidential action taken between January 15, 1975 and the date of the enactment of the bill.

Section 3 provides that the suspension of Presidential authority to adjust imports will cease if at any time during the 90-day period war is declared, a national emergency occurs, or certain situations involving the commitment of U.S. Armed Forces arise.

Section 4 provides that the act should not affect the import license fee system on petroleum and petroleum products which was in effect on January 15, 1975.

Mr. RIBICOFF. Mr. President, I reserve the remainder of my time.

IMPACT OF PRESIDENT'S OIL IMPORT TARIFF PROGRAM

Mr. JACKSON. Mr. President, the issue which is presented to the Congress by H.R. 1767 is the well-being of the economy.

If we fail to pass this bill, the way will be clear for the administration to implement, with no congressional participation or input, a set of energy price and tariff proposals which will directly drain over $30 billion on an annual basis from the pockets of individual American consumers.

The tariffs on imported oil will have an $8.7 billion impact on oil costs and will stimulate increases in the price of coal and unregulated natural gas.

The decontrol of all domestic crude oil production proposed by the President for April will add an enormous $19 billion to the annual cost of domestic oil.

Mr. President, the shock of this price increase is equal in magnitude to the shock administered by the OPEC cartel in 1974. The economy was scarcely in a position to absorb the shock then and it is certainly in no position to absorb it now.

In recent weeks, a number of distinguished economists have testified before congressional committees on the impact of the President's program on the prospects for economic recovery.

Mr. President, I ask unanimous consent to have printed in the RECORD excerpts of their testimony.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

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OVERALL ASSESSMENTS

Arthur Burns, Chairman of the Federal Reserve Board (testimony before the Joint Committee, February 7, 1974)—

"I find the President's (energy) program extremely complicated. There are some parts of it I think are hazardous at a time like this . . . I, for one, would want to phase in that kind of a program, and not concentrate it in the manner that the President has suggested."

In response to a query from Representative Brown, Dr. Burns said of the energy program: "It is so complicated, so intricate, and so inherently controversial a measure, I think the Congress should take its time about that program. I think you should hold very extensive hearings."

Arthur Okun, former Chairman of the Council of Economic Advisors (testimony before the House Ways and Means Committee, January 28, 1975)—

". . . one aspect of energy policy looms as a dire and imminent threat to our economy. If the President levies the indicated tariff on imported oil and all oil prices are decontrolled before any offsets to these measures are enacted, the President would be draining real income away from the American consumer at the enormous annual rate of nearly $30 billion. I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction. The Congress must ensure against any such ruinous action—if possible, by appealing to the President's good judgment; but, if necessary, by restricting his statutory powers over tariffs and mandating the extension of price ceilings."

Charles L. Schultze, the Brookings Institution and former Director of the Bureau of the Budget (testimony before the House Ways and Means Committee, January 27, 1975)—

"To expect the Congress to consider and to enact an energy program by April 1, while at the same time, developing and enacting the urgently needed economic recovery measures is, I think, unreasonable. But beyond this, for the President to put a gun to the head of Congress by unilaterally raising import fees on oil can only be described as unconscionable. It is playing with dynamite. In particular, it seriously threatens to nullify much of the effects of the stimulus which would be provided by the President's own tax rebate proposal and thereby promises to keep the nation in the throes of the most serious recession since the 1930s . . . By imposing an import fee on crude oil and refined imports, rising to $3 in April, the President will also bring about a similar increase in the price of that portion of the nation's domestic oil supply which is already decontrolled, so-called 'new' oil. Together these measures, by April, will be draining income out of consumers' pockets at the rate of $800 million per month. Between now and September 1, these measures would siphon $4.5 billion from the economy, almost equal to the $6 billion which the President's tax rebate plan would have put into the economy by that date.

"It seems to me not only reasonable, but extremely critical for the health of the economy, that the President's unilateral actions on oil be postponed for at least 3 months, to give the Congress a chance both to enact recovery measures and to debate and consider a balanced energy program."

Charles Owens, former Deputy Assistant Administrator for Policy, Planning and Regulation of the Federal Energy Administration (testimony before the Senate Interior Committee, February 6, 1975)—

"Fundamentally, we believe the President's program is based on several highly dubious assumptions. These include the assumption:

"That a viable recession recovery program can be financed by regressive oil and natural gas taxes.

"That demand elasticity for energy is significantly negative despite the contrary evidence over the entire post-World War II period. Even the past eighteen months, while admittedly exceptional, indicate almost zero elasticity.

"That U.S. domestic oil production can be quickly turned around, even though under the two-tier price system U.S. output still declined by 10 percent or 900 thousand barrels per day from December 1973 to December 1974.

"That exploration incentives would still be positive with the recommended excise taxes on oil, plus the excess profits tax."

John Sawhill, former Administrator of the Federal Energy Administration (testimony before the Senate Interior Committee, February 12, 1975)—

"Because of the critical condition of the economy, I am convinced that—important as our energy problems are—at this time our economic difficulties must come first. A balanced energy budget is an important national goal, but not if it is accompanied by economic dislocations that would largely obliterate its benefits. And this, I fear, might well be the case if the President's energy program were to be implemented exactly as presented.

"The impact of the proposed tariffs, excise taxes and price decontrols, as it would be felt in all sectors of our economy, has been estimated at $50 billion, and we simply cannot afford to drain $50 billion of consumer purchasing power out of the economy at a time when we must restore confidence, create more jobs, and get the economy turned around. . . ."

Eric Herr, Data Resources Incorporated (testimony before the Senate Interior Committee, February 12, 1975)—

"It is true that the goal of energy independence will impose macroeconomic costs on the U.S. economy whenever it is applied. However, the energy tax and price package is simply too big a bite for the economy to swallow in a year of deep recession and high inflation. Given our other inflationary problems, the enactment of the President's energy program would likely make 1975 another year of double-digit inflation. We have already seen that the economy cannot prosper under that condition, that consumer confidence is destroyed, and that ultimately, business suffers acutely. The Federal Reserve is not likely to accommodate double-digit inflation, and consequently, will not provide the financial conditions that make recovery possible. In other words, the extra inflation that a quick implementation of the President's energy package would imply, could well deepen the recession and keep the economy on the road to depression."

Walter W. Heller, former Chairman of the Council of Economic Advisors—(testimony before the House Ways and Means Committee, January 28, 1975)—

"President Ford's 30-30 energy program would deal a fourth blow to the economy—another double whammy that would boost inflation and worsen recession. Without the Ford program, the inflation rate is heading toward a manageable though still high rate of 5% by a year from now. But the President's taxes on oil and natural gas would boost the inflation rate, as measured by the rise in the Consumer Price Index, by over 50%—to a rate of 8% in the first half of 1976."

RIPPLE EFFECTS

Otto Eckstein, President of Data Resources, Inc., and former member of the Council of Economic Advisors—(testimony before the Subcommittee on Administrative Practice and Procedures of the Senate Judiciary Committee, February 3, 1975)—

"Senator KENNEDY. What is your estimate on the rippling effect of the President's $30 billion program?

"Dr. ECKSTEIN. We estimate the total rippling effect to be on the order of $25 to $30 billion additional, so the total is not two percent (increase on the cost of living index) but near four.

"Senator KENNEDY. That is the way we reach the $50 to $60 billion in total cost.

"Dr. ECKSTEIN. Right."

John Lichtblau, Director of the Petroleum Industry Research Foundation (testimony before the Senate Interior Committee, February 12, 1975)—

"That is precisely my point. I have not done the calculations, so I will accept Data Resources'. But obviously the $31 billion is a direct effect only, and there must be a ripple effect; the idea that there is no ripple effect is illogical. So whatever the ripple effect is, it must be in addition to the $31 billion. You can't have a program of this magnitude, of this nature, that does not have a ripple effect."

INFLATIONARY IMPACT

George L. Berry, Senior Fellow at the Brookings Institution (testimony before the Joint Economic Committee, January 29, 1975)—

". . . a substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate. It is doubtful that policies could be implemented to offset either the depressing effect or the inflationary effect of the price increases that would come from the Administration's energy proposals."

Paul A. Volcker, Senior Fellow at Princeton University's Woodrow Wilson School of Public and International Affairs (testimony before the House Ways & Means Committee, January 27, 1975)—

"The President's energy program could be another drag on business activity. . . ." He added, "Much clearer is the upward impact on the price indices, which I suspect the official 2% estimate understates significantly in seemingly accounting only for the direct price effects on oil and from the new taxes."

EFFECT ON UNEMPLOYMENT

Eric Herr, Data Resources, Inc. (testimony before the Senate Interior Committee, February 12, 1975)—

"Assuming that the Federal Reserve does not fully accommodate the President's program, but rather increases the money supply at only a 6% to 8% annual rate, the damage to the economy would be substantial. Short-term interest rates would rise later this year, though not to historic peaks. Housing starts would be cut by 280,000 units in 1976. Other categories of consumer spending would also be hurt by financial conditions. And the increased cost of capital would drive business fixed investment down by $2 billion in 1976. As a result, real GNP would be lower by $8.8 billion in 1975, and by $20.5 billion by the end of 1976. The unemployment rate would be raised by 0.3 percentage points by the end of this year and by 0.7 percentage points in 1976, increasing unemployment in the year by 660,000 persons. Even the possible price benefits of weaker demands are partially offset by productivity losses associated with lower real output that generate significantly higher unit labor costs than if monetary policy were fully accommodating."

Mr. JACKSON. The administration would present the contest over H.R. 1767 as a contest over the measures to decrease dependence on Arab oil imports or over the shape of a long-term energy program. It is neither. The issue is economic recovery, and the remarkable consensus of testimony before Congress to this fact only underlines the urgent need to create a responsible approach to energy policy which is consistent with as rapid an economic recovery as can be managed.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. RIBICOFF. I will at first yield to the Senator from Wyoming, and then to the Senator from Massachusetts.

Mr. HANSEN. I would be happy to hear from the Senator from Massachusetts first.

Mr. KENNEDY. I will be glad to wait. I think the ranking members of the committee should have the opportunity to speak and then I will be heard. I am in no hurry.

Mr. HANSEN. Mr. President, these minority views, made on behalf of Senators CURTIS, FANNIN, DOLE, PACKWOOD, BROCK, and myself, are limited to a discussion of the oil import fee imposed by the President which would be nullified by the enactment of H.R. 1767. The other proposals of the President relating to our energy problems can only be initiated by affirmative action of the Congress. Hence, any opinions about the President's other proposals relating to petroleum, their impact on our economy, their merits or demerits, and their costs to the consumers are not relevant to the issue raised by H.R. 1767.

In our opinion, H.R. 1767 is bad legislation which deals in a negative fashion with a major crisis facing our Nation.

H.R. 1767 would block the President's legal authority to impose import fees on crude oil for a period of 90 days. This is an authority which originated in the Senate Finance Committee as an amendment to the 1955 Trade Agreements Extension Act. During the intervening 20 years the Congress has reviewed this authority on a number of occasions and has consistently reaffirmed the President's mandate to take appropriate action against the importation of an article which threatens national security.

Despite this history, H.R. 1767 would negate the President's positive action without offering any alternative. We believe this is a cavalier and irresponsible way to deal with a legitimate crisis of national security which is daily growing worse, not better. Consider the following facts:

First. Petroleum is a unique commodity, entering into almost every facet of our economy, either as the fuel for transportation of goods and people or as the raw material for a myriad of products like fertilizer and petrochemicals. It is hardly an exaggeration to say that petroleum has become the lifeblood of our economy.

Second. Because our demands for energy have been outstripping the growth in domestic production, we have become increasingly reliant upon foreign sources of oil. We are now importing about 40 percent of our total petroleum consumption; by 1985, if present trends continue, we would be dependent on foreign nations for more than half of the oil we consume.

Third. Only a small portion of these imports can be deemed to be secure from interruption in the event of a political or military crisis, and recent history strongly indicates that such a crisis is by no means a remote possibility in an area where two-thirds of the world's known petroleum reserves are located.

Fourth. Most of the countries which export the oil that we import are organized into a cartel which has managed to raise international oil prices to a level four times above that which prevailed prior to the 1973–74 embargo.

Fifth. The outflow of U.S. funds to those oil-rich countries greatly enhances their economic and political power and weakens our own and that of our allies. In 1970 our total bill for foreign oil was $2.7 billion. In 1974, that figure shot up to approximately $24 billion. Unless we act to restrict imports, the bill will rise quickly to more than $30 billion a year.

Sixth. At the present time, we cannot safely stop the import of all petroleum to this country. We can, however, reduce our imports by about 350,000 barrels a day without significantly damaging our economy by use of the proposed tariff.

In the face of these facts and of our rapidly deteriorating international economic position, neither the executive branch nor the Congress, over the last year, has taken any action of more than marginal effect. Meanwhile, the problem is steadily growing more acute. The "fuse" of payments outflow, continued reliance upon insecure oil, and subjection to political blackmail is burning, and, unless extinguished, will result in an explosive crisis at some time. The only question is when.

The President has determined that we have waited long enough and must start to extinguish the fuse. No program designed to cut down use of a vital commodity will satisfy everyone. At a minimum, however, hopefully everyone can agree that the burden of increased costs for petroleum products would be geographically equalized. We believe that the basic program is well designed to achieve this equalization.[1]

We certainly do not believe that Congress should now tell the President: "We are not sure that the action taken is the best possible, so we would rather do nothing while an admittedly untenable situation is aggravated in order to see whether we can do any better." Nor should Congress delude itself or the Nation into believing that, by postponing a decision, the problem will go away.

We have here a situation where there is a congressional mandate that requires the President, after a finding of threatened national security resulting from an imported article, to take such action "as he deems necessary to adjust the imports of such article * * *" The President has taken such action. Now the majority of the committee, without seriously questioning the fact that our national security is threatened, want to tell the President that they do not like his taking independent action. Had the President taken less action than he was obligated to take, they could have criticized his failure to recognize the magnitude of the problem.

We would suggest that Congress, instead of playing politics while the fuse continues to burn, address itself to the remainder of the proposed energy program. If, in the course of doing so, a better solution appears, we will be the first to embrace it by supporting positive legislation, rather than the do-nothing approach which the majority now recommends. In the meantime, by supporting the present program, we have demonstrated to our allies the strength of our commitment and our capability to take necessary action to conserve petroleum and to free ourselves from dependency on petroleum imports.

We urge the defeat of H.R. 1767.

Mr. President, before yielding the floor, I would like to ask unanimous consent that my staffmen, Nolan McKean and David Stang, may be permitted the privilege of the floor during the debate on this bill and during the voting.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. I yield 10 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I ask unanimous consent that Mark Schneider be permitted the privilege of the floor during the discussion and vote on this particular measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I first of all want to express my very warm sense of appreciation to the chairman of the Finance Committee, Mr. LONG, to the members of the Finance Committee, and to Senator RIBICOFF for expediting the hearings on this particular resolution, H.R. 1767. I then also want to express my appreciation to the leadership for working out a consent agreement that will permit the Members of the Senate, like the Members of the House, the opportunity to express their will on a matter of, I believe, monumental importance and consequence to the people of this country. I think the expeditious action which took place in the Finance Committee, and the willingness to vote on this measure, reflects the leadership on committee and its chairman on this matter. And I am pleased that there was a 14-to-3 vote in favor of reporting this measure.

This resolution, H.R. 1767, is extremely close to the resolution which was introduced by myself and Senator JACKSON of Washington, which has some 52 cosponsors. Members of both sides of the aisle. The only difference is, H.R. 1767 does not include a restriction on the decontrol of old oil.

I wish that the House had included both provisions in H.R. 1767. The distinguished majority leader, Representative O'NEILL, introduced a companion bill to Senate Joint Resolution 12 which would have achieved both goals. However, the heart of the resolution we introduced is included in H.R. 1767, and that is the 90-day delay on oil import fees.

Mr. President, I plan to speak on this

[1] Assuming that the increased cost of the fees is passed through on a proportional basis the following retail pricing effects are anticipated, after equalization becomes effective:

Gasoline per gallon, distillate per gallon, and residual per barrel

	Cents
February	0
March	1.4
April	2.8
May	4.3

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measure tomorrow, but I should like to mention very briefly the principal reasons for my objection to the President's action. First of all, there are Members of the Senate as well as Members of the House who are prepared to work with the President in fashioning an energy program that does not jeopardize our economy. Good will exists in the House and in the Senate and it has been expressed in the general support of the President's program to provide a tax rebate to millions of Americans, to provide an increase in the business investment tax credit, and to restore the economic health of this Nation. While we may believe he has not provided a sufficiently stimulative proposal, the effort has been pursued in a cooperative manner.

There is broad support in Congress, as well, to work with the President on a variety of conservation matters. Many of the matters he has talked about actually were passed in the Senate last year, in the Omnibus Energy Act. A number of those measures appear to be lifted directly from the legislation which was vetoed by President Nixon, and included in the President's state of the Union message.

There is very substantial support in that area. I would think that any measure that would come from the White House and that would indicate gasoline conservation and an attempt to insure that there was greater gas mileage for the American automobile would receive substantial support and would be very much welcomed as would other efforts for moving this Nation closer to energy independence, such as the development of alternative sources of energy, various credits to both individuals and industries to do more in the area of insulation, the development of a strategic reserve, and the development of offshore drilling, even off my own State of Massachusetts, under very close environmental restrictions, after Federal exploration to insure we know what is available, and after full investigation with Coastal Zone Management Systems.

However, Mr. President, we are considering a different measure this afternoon. We are considering a measure which will continue to fuel the fires of recession, which is having a devastating impact not only in the Northeast part of this country but also, increasingly so, in other parts of this Nation—on the Eastern seaboard, in the northern Midwestern States, and in the Western States.

The greatest problems we are facing in this country at this time are the problems of recession. I think every American is sensitive to the fact that we have to develop an energy program, but not the kind of meat-ax approach that has been developed by the administration, which will threaten the economy.

In my own region of New England, we have 6 percent of the population. We consume three times more home heating oil, and four times more residual oil than the national average. I ask those who are going to rise in opposition to this program, how do you possibly justify, under the title "national security," a tax on fuel oil, home heating oil, which is essential to the life and well-being and welfare of the people of my State and other vast areas of this country? It is as vital as the food on their table, morning, noon, and evening; as vital as the clothes they wear on their backs or the shelter which guards them against the winter blast.

Important as gasoline is for the 80 percent of workers who drive to work, it is not the difference between life and death, as we have seen it in recent weeks in my own State of Massachusetts. Last week, I was in Fall River, Mass. Five homes there have had their home heating oil cut off completely. They happen to be homes of elderly people. These are the first homes in my State which have terminated the heating purely on the basis of price. They have not even yet begun to feel the impact of the President's program. They have not begun to even feel the impact of the increased cost of home heating oil.

So, Mr. President, first of all, I feel that the program of the President is a meat-ax approach, in the fact that instead of targetting just on gasoline, it affects home heating oil and it affects residual oil. These are fuels which cannot be reduced any further without devastating economic effects. Thus, the result of increased fees on imported oil which we rely on for 70 percent of our oil, will be to drive prices up without achieving any significant reduction in consumption.

New England is 85 percent dependent on oil and gas for its energy resources. The rest of the country is dependent only to the extent of 45 percent.

The PRESIDING OFFICER (Mr. FORD). The Senator's time has expired.

Mr. RIBICOFF. Mr. President, I yield the Senator 5 additional minutes.

Mr. KENNEDY. Mr President, this program singles out residual oil for the largest anticipated reduction in consumption. It is going to work an additional disadvantage not only on all those public institutions—hospitals and educational institutions—but also in terms of the industries of our section of the country. Again, we are talking about not only New England but also the eastern seaboard, and the Northern Midwestern States. Industries in these regions are going to have the competitive disadvantage of the increased cost of fuel. The result will be further unemployment and further economic distress.

However, Mr. President, beyond those particular questions there is a second, very fundamental and basic reason why this program does not make sense.

We have seen that testified to before the Joint Committee on Economics, before the Committee on Finance, before the Committee on the Interior. Some of the most distinguished economists, those who have served as counselors to Democratic and Republican Presidents alike, those who have served on the Council of Economic Advisers and in the Bureau of the Budget—they all view the President's energy program as a severe threat to the Nation's economy. There is one word to describe it and that is "devastation"—devastation to our economy, devastation to the workers who are trying to find jobs and finding it increasingly difficult, devastation even to those workers who have jobs today and are hopeful of being able to retain them by some upswing of the economy. This program makes no sense from an economic point of view. It is both deflationary in its effect on purchasing power and inflationary in its effect on prices.

Even using the administration's original $30-billion estimate and then assuming even a modest ripple effect, it is clear that this program will wreak havoc on the desire of our people for economic recovery.

Third, Mr. President, there are important procedural questions which have been raised by the Governors of a number of the States who are contesting this particular measure before the courts of law. I think they have a sound case. Basically, the case that they make, Mr. President, is to question the particular justification for the President's action under the 1962 Trade Expansion Act as amended last year in the 1974 Trade Reform Act.

Certainly the spirit of that law has been violated by the President in imposing this massive tariff program on one stroke of the pen—without any kind of hearing, without any kind of consultation with Congress or the Senate of the United States.

Mr. President, whatever happened to the National Environmental Policy Act? That measure was supposed to consider significant actions that were taken by the Government that have an impact on our environment. The implementation of the new system of fees by the Federal Energy Administration clearly falls within the range of NEPA. Yet we have absolutely no study that has been made available to the Members of Congress or the Senate that would indicate the other environmental concerns or implications of moving from oil or gasoline into coal or other alternative sources of energy. Nor are any alternatives for the reduction of imports discussed as NEPA clearly would require.

Mr. President, I think that this oil import tax falls from a procedural point of view and there is a most substantial case that indicates that it violates the spirit and the letter of the law.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to Senators on February 18, 1975, a summary of testimony before congressional committees on the economic impact of President Ford's energy price proposal, and a factsheet showing the costs of the program. I shall not make further comments this evening, but I shall look forward to making a more complete presentation tomorrow with my colleague, the distinguished Senator from Washington (Mr. JACKSON).

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
February 18, 1975.

DEAR COLLEAGUE: In recent weeks, a cross section of respected economists who have served past Republican and Democratic Presidents, the current Chairman of the Federal Reserve Board, and former members of the Ford Administration who have been directly involved in energy decisionmaking have testified before Committees of both the House and Senate on the economic impact of President Ford's energy tariff, tax and pricing proposals. The overwhelming consensus of this testimony is that the program the President proposes will substantially limit the chances for a recovery from the current recession, will insure growing levels of unemployment and, at the same time, will increase the rate of inflation.

The key to the implementation of these proposals is the President's decision to increase fees for imported oil over the months of February, March and April and to decontrol all domestic crude oil prices on April 1. With these actions, the President will present the Congress with a *fait accompli* by implementing through Executive order those portions of his program which produce the heaviest economic impact.

The President's tariff actions alone will increase the nation's energy costs by $14.5 billion if they are allowed to remain in effect for a full year, not counting further increases above direct energy costs due to "ripple" effects. If one examines the President's total energy program—which the Administration estimates at $30 billion in direct costs—and then adds the anticipated ripple effect of tens of billions of dollars, the total impact on the economy is awesome.

The magnitude of the impact would equal the increase in the cost of energy stimulated by the Arab oil embargo of 1973–74. A broad spectrum of the economic profession has warned that the President's energy program substantially threatens economic recovery.

In addition to national economic concerns, there are at least four obvious reasons to oppose the President's decision to impose oil import tariffs:

First, the program provides no assurance that it will have the desired effect in reducing consumption as it raises the prices of all fuels.

Second, the program has been put into place without public input in the decisionmaking process and without Congress being given an opportunity to consider the national consequences.

Third, the program impacts with greatest force on the poor and on individuals with fixed incomes who simply cannot absorb the increased fuel costs.

Finally, the economic consequences of the program for certain regions are more severe than for others.

H.R. 1767 would roll back the $1 per barrel tariff imposed on February 1, 1975 and delay for 90 days the imposition of new fees by Executive order. In the interim, we are convinced that an alternative energy policy can be developed in cooperation with the Administration which will meet the goal of reducing reliance on foreign oil imports without slowing progress toward what should be our foremost national goal: economic recovery.

We urge your support for approval of H.R. 1767 without amendment to insure its immediate enactment. A summary of key testimony on these proposals over the past weeks before several Congressional Committees is attached, along with a fact sheet detailing the economic impact of the President's energy proposals.

Sincerely,

EDWARD M. KENNEDY,
HENRY M. JACKSON,
U.S. Senators.

SUMMARY OF TESTIMONY BEFORE CONGRESSIONAL COMMITTEES ON THE ECONOMIC IMPACT OF PRESIDENT FORD'S ENERGY PRICE PROPOSALS

I. OVERALL ASSESSMENTS

Arthur Burns, Chairman of the Federal Reserve Board (testimony before the Joint Economic Committee, February 7, 1975).

Senator JAVITS. "Dr. Burns, I think that it is critically important, what you have said. Do I interpret it correctly to mean that the first priority must be given, therefore, in the Congress to whatever will put tax money back into the pockets of the consumer, and, of course, parallel with it, the relief of the problems of the unemployed through unemployment compensation and public service jobs, and the programs dealing with the energy problems must now follow that rather than proceed it or be joined with it?"

Dr. BURNS. "I agree entirely."

Dr. Burns also testified: ". . . I find the President's (energy) program extremely complicated. There are some parts of it I think are hazardous at a time like this . . . I, for one, would want to phase in that kind of a program, and not concentrate it in the manner that the President has suggested."

In response to a query from Representative Brown, Dr. Burns said of the energy program: "It is so complicated, so intricate, and so inherently controversial a measure, I think the Congress should take its time about that program. I think you should hold very extensive hearings."

Arthur Okun, Former Chairman of the Council of Economic Advisors (testimony before the House Ways and Means Committee, January 28, 1975).

". . . one aspect of energy policy looms as a dire and imminent threat to our economy. If the President levies the indicated tariff on imported oil and all oil prices are decontrolled before any offsets to these measures are enacted, the President would be draining real income away from the American consumer at the enormous annual rate of nearly $30 billion. I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction. The Congress must ensure against any such ruinous action—if possible, by appealing to the President's good judgment; but, if necessary, by restricting his statutory powers over tariffs and mandating the extension of price ceilings."

Charles L. Schultze, The Brookings Institution and former Director of the Bureau of the Budget (testimony before the House Ways and Means Committee, January 27, 1975).

"Reasonable men can and will differ about the President's legislative program to raise oil and gas prices to the tune of more than $30 billion through taxes and decontrol. But everyone recognizes that it is an exceedingly complicated proposal, with wide-ranging effects on national output and inflation, and that it has major consequences for the distribution of income among various economic groups and geographic regions. To expect the Congress to consider and to enact an energy program by April 1, while at the same time, developing and enacting the urgently needed economic recovery measures is, I think, unreasonable. But beyond this, for the President to put a gun to the head of Congress by unilaterally raising import fees on oil can only be described as unconscionable. It is playing with dynamite. In particular, it seriously threatens to nullify much of the effects of the stimulus which would be provided by the President's own tax rebate proposal and thereby promises to keep the nation in the throes of the most serious recession since the 1930s . . . By imposing an import fee on crude oil and refined imports, rising to $3 in April, the President will also bring about a similar increase in the price of that portion of the nation's domestic oil supply which is already decontrolled, so-called 'new' oil. Together these measures, by April, will be draining income out of consumers' pockets at the rate of $800 million per month. Between now and September 1, these measures would siphon $4.5 billion from the economy, almost equal to the $6 billion which the President's tax rebate plan would have put into the economy by that date.

"It seems to me not only reasonable, but extremely critical for the health of the economy, that the President's unilateral actions on oil be postponed for at least 3 months to give the Congress a chance both to enact recovery measures and to debate and consider a balanced energy program."

Charles Owens, former Deputy Assistant Administrator for Policy, Planning and Regulation of the Federal Energy Administration (testimony before the Senate Interior Committee, February 6, 1975).

"Fundamentally, we believe the President's program is based on several highly dubious assumptions. These include the assumption:

"That a viable recession recovery program can be financed by regressive oil and natural gas taxes.

"That demand elasticity for energy is significantly negative despite the contrary evidence over the entire post-World War II period. Even the past eighteen months, while admittedly exceptional, indicate almost zero elasticity.

"That U.S. domestic oil production can be quickly turned around, even through under the two-tier price system U.S. output still declined by 10 percent or 900 thousand barrels per day from December 1973 to December 1974.

"That exploration incentives would still be positive with the recommended excise taxes on oil, plus the excess profits tax.

"That the cake is really worth the candle. A makeshift tax package—both on the input side and on the rebate side—has been constructed to show OPEC that we mean business, to put economic pressure on foreign oil producers, despite the fact that the amounts involved are only a minor fraction of producing capacity, and to prove to our European and Japanese allies that we are willing to make sacrifices. We strongly suggest that the potential strategic benefits of these "bargaining chips" ought to be balanced against a rigorous assessment of their costs."

John Sawhill, former Administrator of the Federal Energy Administration (testimony before the Senate Interior Committee, February 12, 1975).

"Because of the critical condition of the economy, I am convinced that—important as our energy problems are—at this time our economic difficulties must come first. A balanced energy budget is an important national goal, but not if it is accompanied by economic dislocations that would largely obliterate its benefits. And this, I fear, might well be the case if the President's energy program were to be implemented exactly as presented.

"The impact of the proposed tariffs, excise taxes and price decontrols, as it would be felt in all sectors of our economy, has been estimated at $50 billion, and we simply cannot afford to drain $50 billion of consumer purchasing power out of the economy at a time when we must restore confidence, create more jobs, and get the economy turned around . . ."

"In conclusion, then, let me summarize my position. There are some who have argued that we should accept the President's proposals because the Congress has yet to come up with an acceptable alternative. The argument is that, if we fail to do so, Congress will lapse into inaction and the country will remain without a coherent, effective national energy policy. I reject this argument. The choice is not between the President's program and no program, but between the President's program and an energy policy more consistent with economic recovery."

Eric Herr, Data Resources Incorporated (testimony before the Senate Interior Committee, February 12, 1975).

UMI

"It is true that the goal of energy independence will impose macroeconomic costs on the U.S. economy whenever it is applied. However, the energy tax and price package is simply too big a bite for the economy to swallow in a year of deep recession and high inflation. Given our other inflationary problems, the enactment of the President's energy program would likely make 1975 another year of double-digit inflation. We have already seen that the economy cannot prosper under that condition, that consumer confidence is destroyed, and that ultimately, business suffers acutely. The Federal Reserve is not likely to accommodate double-digit inflation, and consequently, will not provide the financial conditions that make recovery possible. In other words, the extra inflation that a quick implementation of the President's energy package would imply, could well deepen the recession and keep the economy on the road to depression."

Walter W. Heller, Former Chairman of the Council of Economic Advisors (testimony before the House Ways and Means Committee, January 28, 1975).

"President Ford's 30–30 energy program would deal a fourth blow to the economy—another double whammy that would boost inflation and worsen recession. Without the Ford program, the inflation rate is heading toward a manageable though still high rate of 5% by a year from now. But the President's taxes on oil and natural gas would boost the inflation rate, as measured by the rise in the Consumer Price Index, by over 50%—to a rate of 8% in the first half of 1976.

"The further recessionary blow would arise from the $30 billion add-on to crude oil and natural gas costs, to which markups would undoubtedly add several billions more by the time the consumer pays the bill. The offsetting action under the President's program would bolster consumer buying power by perhaps $10 billion less than the increased bill for oil and gas. This would subdue rather than stimulate the economy."

II. RIPPLE EFFECTS

Otto Eckstein, President of Data Resources, Inc. and former member of the Council of Economic Advisors (testimony before the Subcommittee on Administrative Practice and Procedures of the Senate Judiciary Committee, February 3, 1975).

Senator KENNEDY. "What is your estimate on the rippling effect of the President's $30 billion program . . . ?"

Dr. ECKSTEIN. "We estimate the total rippling effect to be on the order of $25 to $30 billion additional, so the total is not two percent (increase on the cost of living index) but near four."

Senator KENNEDY. "That is the way we reach the $50 to $60 billion in total cost."

Dr. ECKSTEIN. "Right."

John Lichtblau, Director of the Petroleum Industry Research Foundation (testimony before the Senate Interior Committee, February 12, 1975).

The Chairman (Senator JACKSON). "I want the records to show they all agree that there are ripple effects. Let the record so show—not stipulating the amount, but that there are rippling effects."

Dr. LICHTBLAU. "That is precisely my point. I have not done the calculations, so I will accept Data Resources'. But obviously the $31 billion is a direct effect only, and there must be a ripple effect; the idea that there is no ripple effect is illogical. So whatever the ripple effect is, it must be in addition to the $31 billion. You can't have a program of this magnitude, of this nature, that does not have a ripple effect.

The number that has been issued, it would have an effect of $250 per family is only the direct impact on gasoline, heating oil and natural gas expenditures.

The real effect, even without the rippling effect, the $31 billion alone, distribute this per family and you come up with $500 per family before you even get to the $250. So the $250 is really a gross understatement of the impact of this program."

III. INFLATIONARY IMPACT

George L. Perry, Senator Fellow at the Brookings Institution (testimony before the Joint Economic Committee, January 29, 1975).

". . . a substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate. It is doubtful that policies could be implemented to offset either the depressing effect or the inflationary effect of the price increases that would come from the Administration's energy proposals."

Paul A. Volcker, Senator Fellow at Princeton University's Woodrow Wilson School of Public and International Affairs (testimony before the House Ways & Means Committee, January 27, 1975).

(the President's energy program) "could be another drag on business activity . . ." He added, "Much clearer is the upward impact on the price indices, which I suspect the official 2% estimate understates significantly in seemingly accounting only for the direct price effects on oil and from the new taxes."

Joseph A. Peckman, Director of Economic Studies, the Brookings Institution (testimony before the House Ways and Means Committee, January 27, 1975).

"The proposed taxes on petroleum are, unfortunately, an ill-advised approach to the energy problem. These taxes will be counter-productive in two respects: first, they will raise prices substantially—certainly more than the direct 2% effect to be felt initially—as the effect of the petroleum tax increase is pyramided through the economy; second, on balance, they will depress demand, because $6.5 billion of the $30 billion tax increase will be used to reduce the corporate tax rate, reduction that will have little effect on corporate spending at least in the short run. Thus, the energy program will be inflationary and deflationary at the same time."

Eric Herr, Data Resources, Inc. (testimony before the Senate Interior Committee, February 12, 1975).

"The impact of the President's energy program on the economy is considerable. The principal question, and the question that has stirred the greatest debate, is the size of the total inflationary effect of the energy cost increases. It is virtually definitional and agreed by all parties that $30 billion of increased energy costs in a $1.5 trillion economy will directly raise the price level by 2% above what it would have been in the absence of an energy program. Data Resources has developed refined price impact information for the Rees Committee by introducing the energy cost increases implied by the President's program into a stage of processing model. The results describe, in detail, both the timing and distribution of the expected direct 2% price level adjustment. The technique, however, does not attempt to capture the full ripple effects and hence, the total price effects of the President's energy program. But to assume that the $30 billion energy package will generate only a 2% price level increase is to assume away the fundamental interdependencies of our economy. The higher prices of petroleum products will shift the demand for other sources of energy, such ss coal, upward. Data Resources estimates that coal costs would rise by $2 to $3 billion were the President's energy package enacted. In addition, at least a portion of the extra price increases would drive wages upward through the mechanical translation of escalator clauses and the behavorial translation of wage negotiations. To an extent, the reductions in personal income taxes may temper the normal relation between consumer prices and wage claims. But the econometric evidence is very weak in support of this position, and one has to presume that much of the price increase will find its way into wages, into unit-labor costs, and back into prices through the wage-price spiral."

IV. EFFECT ON UNEMPLOYMENT

Eric Herr, Data Resources, Inc. (testimony before the Senate Interior Committee, February 12, 1975).

"A fully accommodating monetary policy, however, would require the Federal Reserve to raise the money supply by nearly 13% over the next year: the inflation without the energy package is likely to exceed 6%; economic recovery would require a rate of real growth in excess of 4% and the energy package would add an extra 3% to inflation, implying that nominal GNP would have to advance at a 13% rate or more. If such an advance in total demand is to be accomplished without a renewed burst of high interest rates, the money supply would have to fully accommodate these demands. It takes little imagination, however, to foresee that the Federal Reserve would lack enthusiasm for such rapid expansion of the money stock.

Assuming that the Federal Reserve does not fully accommodate the President's program, but rather increases the money supply at only a 6% to 8% annual rate, the damage to the economy would be substantial. Short-term interest rates would rise later this year, though not to historic peaks. Housing starts would be cut by 280,000 units in 1976. Other categories of consumer spending would also be hurt by financial conditions. And the increased cost of capital would drive business fixed investment down by $2 billion in 1976. As a result, real GNP would be lower by $8.8 billion in 1975, and by $20.5 billion by the end of 1976. The unemployment rate would be raised by 0.3 percentage points by the end of this year and by 0.7 percentage points in 1976, increasing unemployment in the year by 660,000 persons. Even the possible price benefits of weaker demands are partially offset by productivity losses associated with lower real output that generate significantly higher unit labor costs than if monetary policy were fully accommodating."

FACT SHEET—COSTS OF PRESIDENTIAL ENERGY PRICE PROPOSALS

I. PROGRAM TO BE IMPLEMENTED BY EXECUTIVE ACTION

A. H.R. 1767 and administration tariff program

This legislation would suspend the President's authority to increase tariffs on imported petroleum. The provisions the President claims he may now implement under this authority would cost U.S. consumers additional amounts as follows:

1. $844 million over the months of February, March, and April for imported oil as the program is phased in. (This estimate is based on imports of 3.9 million b/d of crude oil and 2.6 million b/d of refined products. The rebate on refined products over this period amounts to $236 million and has been subtracted).

2. If the tariff system is left in place after April, the added annual costs would be:

$8.7 billion in increased imported and uncontrolled domestic oil costs (composed of $7.1 billion for imported petroleum less $1.7 billion in rebates for refined products. The price of the 3.0 million b/d of domestic crude oil production would increase in price by $3/b adding $3.3 billion annually to energy costs).

$2.9 billion in increased coal costs and $2.9 billion in increased costs for unregulated natural gas.

3. Thus, the total additional direct cost of the tariff on an annual basis would be, $14.5 billion. If this direct energy cost is inflated by 50% to 100% by action of "ripple" effects as it spreads through the economy, the impact on consumers could be greater: $22 to $29 billion.

B. Decontrol of domestic crude oil production

The Kennedy-Jackson resolution, S.J. Res. 12, would prohibit the decontrol of all domestic crude oil prices planned by the Administration for April, in addition to halting the imposition of tariffs on imported oil. Since decontrolled oil would rise in price from $5.25/bbl to the sum of the current uncontrolled oil price of over $11/b and the $3/b tariff, and approximately 65% of domestic crude oil production is now under controls, the impact of decontrol would be substantial:

$19.0 billion annually assuming decontrol is implemented in April and the $3 tariff on imported crude oil is retained.

Magnified by ripple effects, $19 billion in direct energy costs becomes $29 to $38 billion.

C. Total: Program not requiring congressional action

The sum of the cost of the tariff and decontrol provisions which do not require further congressional authority is

$33.5 billion annually in direct costs assuming these provisions are left in place after April.

Ripple effects would expand the cost to consumers to $50 to $67 billion.

No Administration critique of this cost analysis has been published. The Administration prefers the enactment by Congress of a program which differs in many respects from the one analyzed above. The cost of this program is analyzed below.

II. ADMINISTRATION PROPOSAL FOR CONGRESSIONAL ACTION

A. Administration estimates of cost

The program which the Administration has proposed for Congressional action includes decontrol of domestic crude oil and new natural gas and excise taxes or tariffs equivalent to $2/bbl. on imported oil and domestic oil, natural gas and natural gas liquids. The FEA has estimated the cost of this program as follows:

Increased annual energy costs

[Source: FEA (Technical Report 75–3)]

	Billion
Oil and natural gas liquids	$24.2
Natural gas	7.8
Cosl	0.0
Total	32.0

The Administration assumes (1) that this cost will not be inflated by ripple effects; (2) that Federal, State and local governments will absorb a significant portion of the costs and (3) that industrial and commercial consumers of energy will reduce markups and not pass increased energy costs on to individual consumers.

The structure of the payments to be made to cover higher energy costs as estimated by the FEA is as follows:

Increased payments for energy absorbed by consumers

[Source: FEA (Technical Report 75–3)]

	Billion
Government	$5.0
Industry	7.8
Consumers	19.2
Total	32.0

B. Congressional estimates of cost

Administration cost estimates assume no substantial increase in uncontrolled natural gas prices, no increases in coal prices, and leave out proposed increases in electric utility rates which are a part of the President's program for Congressional action. Adding these costs, the result comes to over $43 billion.

Increased annual energy costs

[Source: Senate Interior Committee]

	Billion
Oil and natural gas liquids	$24.8
Natural gas [1]	13.1
Coal [2]	2.3
Electricity rates [3]	3.0
Total	43.2

[1] Includes effects of deregulation of "new" gas, increases in the price of unregulated intrastate natural gas and a $0.37/thousand cubic foot excise tax on all domestic marketed production.

[2] Assumes increase of approximately $8.50/ton on half of 540 million tons per year (the 1974 consumption rate for coal in the U.S.).

[3] Effect of including interest and other costs of construction work in progress in the electric utility rate base.

This analysis assumes that these increased costs will be passed through to and paid by consumers—either as consumers of fuels, of other goods and services, or as taxpayers.

C. Differences in cost estimates

1. Both analyses agree substantially on the increases in oil costs expected.

2. The disagreement on natural gas costs involves:

(a) lower Administration estimate of amount of new natural gas to be deregulated and lower Administration price ($1.11/mcf as compared to $2.00/mcf) for natural gas freed from controls; and

(b) Administration assertion that unregulated natural gas will not increase in price beyond the $.37 excise tax to be captured by the Government.

3. The Administration assumes coal prices will be unaffected by increases in oil and natural gas prices.

4. In technical paper 75–4, FEA states that $3.4 billion in electricity rate increases could be added under the President's program but declines to consider this a part of the cost of the President's short-term program.

D. Ripple effects

None of the analyses presented accounts for the "ripple" effects—additional dislocation costs and increased margins caused by markups based on a percentage of costs rather than dollar-for-dollar passthrough. These effects could transform $1.00 in basic energy costs into $1.50 to $2.00 in costs to consumers.

If the ripple effect operates, these estimates must all be increased:

For the program to be implemented by executive action: from $33.5 billion to $50 billion to $67 billion.

For the program proposed to Congress by the President: from $30 billion to $45 billion to $60 billion based on the Administration estimate and from $43 billion to $65 billion to $85 billion based on the Interior Committee estimate.

The Administration denies that any ripple effects will be observed in 1975.

III. COMPARISON WITH 1973–74 PRICE INCREASES

According to the Bureau of Mines, the cost at the import dock, mine or wellhead of fuels used in the U.S. increased during 1974 by $33 billion.

Increase in U.S. fuel costs:

[Source: Bureau of Mines]

	Billion
Imported oil	$17
Domestic oil and natural gas liquids	11
Natural gas	1
Coal	4
Total	33

None of these figures include any ripple effects.

Mr. KENNEDY. I wish again to thank the Senator from Connecticut for managing this measure and thank him for his leadership on a matter of great importance to us all.

Mr. PACKWOOD. Will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. I am delighted to. I have yielded the floor, but I shall be glad to answer a question.

Mr. PACKWOOD. I plan to debate this to some extent tomorrow, but I have found that as we go through these debates regarding the Committee on Finance hearings, the figures we get keep differing and changing. I want to make sure before we get into the debate tomorrow that I understand the assumptions that the Senator from Massachusetts is using in getting to his conclusions.

It is curious to note that, on page 1, paragraph 3, of the statement that he and the Senator from Washington (Mr. JACKSON) have handed in today, they are presuming a direct increase in energy costs this year from the tariff alone of $14.5 billion. I should like to know how he got to that conclusion.

Mr. KENNEDY. The factsheet on the desk of the Senator——

The PRESIDING OFFICER. Does the Senator from Wyoming yield time?

Mr. HANSEN. Mr. President, I yield such time as the Senator from Oregon may require.

The PRESIDING OFFICER. The Senator may proceed.

Mr. KENNEDY. In the factsheet, on item 2, there is the following statement:

2—If the tariff system is left in place after April, the added annual costs would be:

$8.7 billion in increased imported and uncontrolled domestic oil costs (composed of $7.1 billion for imported petroleum less $1.7 billion in rebates for refined products. The price of the $3.0 million b/d of domestic crude oil production would increase in price by $3/b adding $3.3 billion annually to energy costs).

$2.9 billion in increased coal costs and $2.9 billion in increased costs for unregulated natural gas.

Mr. PACKWOOD. At the moment, though, we are only talking about the tariff, are we not?

Mr. KENNEDY. Yes.

Mr. PACKWOOD. The Senator's statement here is that the President's tariff actions alone will increase the cost by $14.5 billion. I am curious as to where that figure comes from for the increased cost due to the tariff alone.

Mr. KENNEDY. The Senator will understand that not only do we talk about tariff policy, but we naturally draw reasonable inferences from the action that would be taken. Once we increase the price on imported crude oil by $3 per barrel, we are going to have an increase in the price of uncontrolled domestic crude oil. And the administration acknowledges that.

The $14.5 billion to which the Senator refers is composed of $5.4 billion in increased costs for imported oil due to the tariff and rebate proposed by the President, $3.3 billion in increased costs for

"new" domestic crude oil which is currently free of price controls, $2.9 billion in increased costs of coal and $2.9 billion in increased costs of unregulated intrastate natural gas.

The price of uncontrolled domestic crude oil will increase by $3 per barrel in response to the Presidentially imposed tariff on imported crude oil. Coal and intrastate natural gas are assumed to increase in price, to the extent existing contracts permit this, by amounts equivalent to the increase in the price of imported oil on a Btu basis.

Mr. PACKWOOD. That is all right, but I ask the Senator to repeat the figures to me. I do not understand the $14.5 billion. I look at the fact sheet that he and Senator JACKSON handed in to the Committee on Finance—and on the tariff alone, they are estimating about $7.2 billion. They are not counting the ripple effect here.

I just want to know how the Senator got to it, so that tomorrow, when we are debating this, I shall be able to understand.

Mr. KENNEDY. When we go over the numbers I will be glad to go over them in greater detail. When we go over the numbers, we will find that they add up to exactly $14.5 billion without assuming any ripple effects. We are using the figures, quite frankly, that have been supplied to us by the Treasury Department and the FEA and we are drawing the implications of those particular figures based upon the testimony of economists and energy experts.

The figures, I say quite frankly, are varied as far as the administration has provided them. We met 10 days ago with Secretary Morton and he told us that the total cost per family for New England would be $250 for a family of four. Then the next morning, in the Washington Post, the White House upgraded that to $345 for a family of four. That was last week.

On January 23, 1975, Secretary Simon testified that the administration's total program cost was $30 billion, now the FEA estimates its cost at $32 billion.

The administration prepared these figures and has been upgrading them and our fact sheet uses these figures and is based upon various testimony that we have had in the other committees.

Mr. RIBICOFF. If the Senator will yield, this particular staff analysis was prepared at the request of Senator JACKSON. Page 2 breaks down these figures. To help the Senator from Oregon tomorrow in his debate with the Senator from Washington, I would be more than pleased to let the Senator have a copy of this report.

Mr. PACKWOOD. Well, I think I am looking at it. Is that the one that was prepared by the Interior Committee?

Mr. RIBICOFF. Yes; it is entitled "Economic Analysis of President Ford's Energy Program."

Mr. PACKWOOD. Is that the one that presumes 6.5 million barrels a day imports, times 365 days, times $3, coming out to $7.2 billion?

Mr. RIBICOFF. Yes, but if you look at table 2 at the bottom of page 2, and look at the particular costs that will arise if the license fee is imposed, it comes to $14.5 billion.

Mr. KENNEDY. Mr. President, let me ask, what is the Senator—I do not understand. Does he question that the tariff is $8.7 billion, considering the import program as well as the increases in the price of uncontrolled domestic crude, or does he question the $2.9 billion on coal, or the $2.9 billion in unregulated natural gas? If he questions our figures, we will be glad to go over it.

Mr. PACKWOOD. No; all I want is consistent figures. We are not debating deregulation of natural gas or decontrol of old oil.

Mr. KENNEDY. Will the Senator tell us where, in the present program, he even talks about what will happen to coal costs? We put a figure on it, then the Senator questions our particular figures without supplying figures himself. He cannot have it both ways.

Mr. PACKWOOD. We are not even talking about the increases in coal costs.

Mr. KENNEDY. Well, then do not question what we consider to be a very reasonable estimate in terms of these particular costs. The administration assumes that regardless of a $3-per-barrel hike in the price of oil—which competes directly with coal—there will not be even a 1-cent increase in the price of coal. That is thought to be far more unreasonable by most observers including John Sawhill, who headed the FEA only a short time ago.

Mr. RIBICOFF. Mr. President, if I may supplement the statement of my distinguished colleague from Massachusetts, this table includes the cost of decontrol of old oil, which was $19 billion. Senator JACKSON and Senator KENNEDY omitted this figure in figuring what the license fee itself would cost. If you subtract this $19 billion figure from the total you get $14.5 billion. These figures are here, and I will be more than pleased to show them to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I can see what is going to happen tomorrow—we are going to get mixed up in debate as to the total energy package as suggested by the President and the oil tariff as proposed by the President, and we are going to stumble back and forth between the increased cost of coal, the deregulation of natural gas, and the deregulation of old oil, none of which is relevant to the debate tomorrow.

If the Senator from Connecticut will yield further, I want to make sure I understand the facts. On page 2, the second paragraph, he was referring to a proposed $1.80 per barrel increase, and if he is talking about residual oil and home heating oil, where does the $1.80 per barrel increase come from?

Mr. RIBICOFF. The license fee will be $3 a barrel by April 1. But when you average out the price of imported oil, the old oil, and the new oil you arrive at an average figure of $1.80 for all oil in the country, taking into account the fact that 60 percent of the oil in the country is uncontrolled oil; 60 percent of $3 is $1.80. The entitlement system should actually equalize the costs around the country so that all the oil companies will actually spend about $1.80 a barrel for their oil.

Mr. PACKWOOD. Let me ask the Senator from Connecticut one more question: Is he presuming, with the $3 a barrel tariff increase, any reduction in imports?

Mr. RIBICOFF. No.

Mr. PACKWOOD. None?

Mr. RIBICOFF. None at all.

Mr. PACKWOOD. So the figure that the FEA proposes of a 300,000- to 350,000-barrel reduction is a figure that is not accepted, at least for the purposes of his debate?

Mr. RIBICOFF. Well, there is no way of determining what will actually happen. I hope that whether the President's proposal is accepted or rejected, this country will be able to decrease substantially the amount of imported oil. There is no way of telling at the present moment whether this will happen. It is your guess, my guess, Mr. Zarb's guess, and President Ford's guess. There is no way of knowing at the present time.

Mr. PACKWOOD. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

ORDER FOR RECOGNITION OF SENATOR NELSON ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. HATFIELD is recognized on tomorrow, under the order previously entered, the distinguished Senator from Wisconsin (Mr. NELSON), be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 10:15 a.m.

After the two leaders or their designees have been recognized under the standing order, Mr. HATFIELD will be recognized for not to exceed 15 minutes, after which Mr. NELSON will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 3 minutes each.

At 11 a.m., the Senate will resume consideration of H.R. 1767, temporary suspension of Presidential authority to impose fees on, or otherwise adjust, petroleum imports, under a time agreement. Nongermane amendments will not be in order, there is a time limitation on any amendment of 2 hours, and the rollcall vote on final passage is scheduled for 5 p.m.

ADJOURNMENT UNTIL 10:15 A.M.

Mr. RIBICOFF. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:15 a.m. tomorrow.

The motion was agreed to; and at 5:28 p.m. the Senate adjourned until tomorrow, Wednesday, February 19, 1975, at 10:15 a.m.

NOMINATIONS

Executive nominations received by the Senate February 18, 1975:

DEPARTMENT OF LABOR

John T. Dunlop, of Massachusetts, to be Secretary of Labor, vice Peter J. Brennan, resigned.

DEPARTMENT OF DEFENSE

Victor V. Veysey, of California, to be an Assistant Secretary of the Army. (New position.)

DEPARTMENT OF COMMERCE

Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce, vice William W. Blunt, Jr., resigned.

DEPARTMENT OF STATE

Arthur Z. Gardiner, Jr., of the District of Columbia, to be an Assistant Administrator of the Agency for International Development, vice Donald G. MacDonald, resigned.

DEPARTMENT OF STATE

The following-named person for appointment as a Foreign Service officer of class 3, a consular officer, and a secretary in the diplomatic service of the United States of America:

David Llodric Crandall, of Arizona.

For appointment as a Foreign Service officer of class 4, a consular officer, and a secretary in the diplomatic service of the United States of America:

Michael H. Goldman, of Maryland.

For appointment as a Foreign Service information officer of class 4, a consular officer, and a secretary in the diplomatic service of the United States of America:

William T. Hines, of the District of Columbia.

For appointment as a Foreign Service officer of class 5, a consular officer, and a secretary in the diplomatic service of the United States of America:

Samuel Kenneth Brinson, of Florida.

For promotion from Foreign Service officer of class 6 to class 5:

Victor D. Comras, of Florida.
Melinda L. Kimble, of Arizona.

For reappointment in the Foreign Service as Foreign Service officers of class 6, consular officers, and secretaries in the diplomatic service of the United States of America:

Sandra Nelson Humphrey, of New Jersey.
Constance McCready Rush, of Rhode Island.

For reappointment in the Foreign Service as Foreign Service officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Helen Brady Lane, of Texas.
Phyllis Elliott Oakley, of Louisiana.
Eleanore McGroarty Raven, of California.
Mary C. Shoemaker, of Virginia.

For appointment as Foreign Service officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Frederick A. Becker, of Wisconsin.
Robert A. Benzinger, of Arizona.
Bruce G. Burton, of New York.
Edwina S. Campbell, of Massachusetts.
David Bryan Dlouhy, of Texas.
Thomas G. Dunn, of Texas.
Timberlake Foster, of California.
Ralph Frank, of Washington.
Donald E. Grabenstetter, of Ohio.
Roger L. Hart, of Tennessee.
Morton Joshua Holbrook III, of Kentucky.
Mary Virginia Kennedy, of Idaho.
Richard E. Kramer, of Massachusetts.
Eli N. Lauderdale, Jr., of Mississippi.
John C. Lefgren, of Utah.
Marisa R. Lino, of Oregon.
Dennis M. Linskey, of New York.
Edward McKeon, of the District of Columbia.
Margaret K. McMillion, of Pennsylvania.
Edmund F. McWilliams, Jr., of Rhode Island.
Clifford W. Mecklenburg, of Ohio.
Charles D. Mierzejewski, of New York.
Barbara R. Miller, of the District of Columbia.
John A. Millin III, of Texas.
Charles H. Morris, Jr., of California.
Stephen H. Muller, of the District of Columbia.
Jay Mark Neely, of Texas.
Andrea J. Nelson, of New York.
John M. O'Keeke, of Maryland.
Donald Edward Parker, of Wisconsin.
Frank S. Parker, of Colorado.
John Anthony Parker, of California.
John J. Pavoni, Jr., Connecticut.
Rudolf Vilem Perina, of New York.
Mary Ann Peters, of the District of Columbia.
William Pinckney Pope, of Virginia.
Gary V. Price, of Hawaii.
Michael E. Ranneberger, of Maryland.
Max Newton Robinson, of Washington.
Anita M. Shashy, of Florida.
John C. Spiegel, of Illinois.
Nicholas A. Stigliani, of Connecticut.
Hendrick F. van den Berg, of New York.
Leon Weintraub, of New York.
James H. Williamson, of Connecticut.

For appointment as Foreign Service information officers of class 7, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

Adrien D. Alstad, of Minnesota.
Francis K. Gilliland, of Virginia.
Albert J. Griffin, Jr., of Connecticut.
M. Lynne Martin, of Wisconsin.
Paula M. Neely, of New York.
Richard J. Nicholson, of Virginia.
James F. O'Callaghan, of Washington.
Arthur L. Skop, of Maine.

For appointment as Foreign Service officers of class 8, consular officers, and secretaries in the Diplomatic Service of the United States of America:

H. Jonathan Bemis, of Utah.
Deborah Anne Bolton, of Pennsylvania.
Alan W. Eastham, Jr., of Arkansas.
Thomas C. Ferguson, of Michigan.
James K. Gordon, of California.
Richard T. Heffern, of California.
Richard Charles Hermann, of Iowa.
Susan S. Jacobs, of Michigan.
Ann Kelly Korky, of New Jersey.
James Michael Lynch, of Ohio.
Sandra L. Mendyk, of California.
Alberto José Mora, of Florida.
John L. Moran, of New York.
John D. Morris, of Georgia.
Michael C. Mozur, of Virginia.
David Alan Nall, of Georgia.
Marc E. Nicholson, of California.
Dewey R. Pendergrass, of California.
Douglas K. Rasmussen, of California.
K. Dunlop Scott, of Pennsylvania.
Denise A. Silber, of New York.
Charles L. Skipper III, of Texas.
Curtis M. Stewart, of Colorado.
Carman C. Williams, of California.

For appointment as Foreign Service information officers of class 8, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Rose Susan Berstein, of Rhode Island.
Morgan Liddick, of Washington.

Foreign Service reserve officers to be consular Officers of the United States of America:

Elmer C. Lineberry, Jr., of Florida.
David L. Smock, of Florida.

Foreign Service reserve officres to be consular officers and secretaries in the Diplomatic Service of the United States of America:

Elias S. Barsoum, of Massachusetts.
Charles E. Behrens, of West Virginia.
Ruth L. Brooks, of Michigan.
Thomas E. Cairns, of Louisiana.
Robert Joseph Carlson, of Maryland.
John G. Cook, of Illinois.
Michael G. Cutter, of Arizona.
Alan F. Dahl, of the District of Columbia.
Patsy Lee Donegan, of California.
James E. Flynn, of California.
Robert H. Goeckermann, of Virginia.
Richard L. Griffin, of Virginia.
Eric J. Isenstead, of Maryland.
James H. Kirk, of California.
Ralph V. Korp, of Illinois.
Arnold Kramish, of Maryland.
Lisa R. Layne, of New Jersey.
Egon E. Loebner, of California.
John J. McCavitt, of Massachusetts.
Joseph B. Nowell, of Michigan.
Atherton Noyes III, of Virginia.
John G. O'Connell, of Virginia.
James R. Roach, of Texas.
Michael A. Scenna, of Maryland.
Warren S. West, Jr., of Virginia.

Foreign Service staff officers to be secretaries in the diplomatic service of the United States of America:

Mary E. McMullin, of Pennsylvania.
James E. Williams, of Washington.

Foreign Service staff officers to be consular officers of the United States of America:

John W. Ott, of Hawaii.
John E. Sorensen, of Pennsylvania.

DEPARTMENT OF STATE

The following-named Foreign Service officers for promotion in the Foreign Service to the classes indicated:

Foreign Service officers of class 1:

Nicholas G. Andrews, of Maryland.
Terrell E. Arnold, of California.
Robert E. Barbour, of Tennessee.
Maurice D. Bean, of Indiana.
Earl W. Bellinger, of Florida.
David A. Betts, of Maine.
Joel W. Biller, of Florida.
John Q. Blodgett, of Rhode Island.
C. Arthur Borg, of New York.
Edward T. Brennan, of Massachusetts.
Thompson R. Buchanan, of Maryland.
Michael Calingaert, of New York.
Edward R. Cheney, of New Hampshire.
Joan M. Clark, of New York.
John J. Crowley, Jr., of West Virginia.
John R. Davis, Jr., of Maryland.
Lois M. Day, of Ohio.
David Dean, of Florida.
Willard A. De Pree, of Michigan.
Francois M. Dickman, of Wyoming.
William B. Dozier, of South Carolina.
Morris Draper, of California.
John T. Dreyfuss, of California.
Arva C. Floyd, Jr., of Georgia.
Robert L. Funseth, of New York.
James E. Goodby, of New Hampshire.
Betty C. Gough, of Maryland.
Lindsey Grant, of Georgia.
Brandon H. Grove, Jr., of the District of Columbia.
William A. Hayne, of California.
Theodore J. C. Heavner, of Ohio.
Robert T. Hennemeyer, of Illinois.
Henry A. Holmes, of Kansas.
Paul H. Kreisberg, of Pennsylvania.
Nicholas S. Lakas, of Connecticut.
Lyle F. Lane, of Washington.
W. J. Lehmann, of Missouri.
Donald C. Leidel, of Wisconsin.
Ralph E. Lindstrom, of New Jersey.
Stephen Low, of Ohio.
William H. Luers, of Illinois.
Philip W. Manhard, of Florida.
Robert J. Martens, of Maryland.
Robert Marden Miller, of California.
James B. Moran, of Washington.
Herbert S. Okun, of New York.
Harry H. Pollak, of New Mexico.
Roger A. Provencher, of Colorado.
James F. Relph, Jr., of California.
Albert L. Seligmann, of Virginia.
Robert P. Smith, of Texas.

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Michael Sterner, of New York.
William N. Stokes, of North Carolina.
Jack A. Sulser, of Illinois.
David R. Thomson, of California.
Nicholas G. W. Thorne, of Connecticut.
Arthur T. Tienken, of Virginia.
Nicholas A. Veliotes, of California.
Robert E. White, of New Hampshire.

Foreign Service Officers of Class 2:

Dwight R. Ambach, of Rhode Island.
Helene A. Batjer, of Nevada.
Harry E. Bergold, Jr., of Florida.
J. Donald Blevins, of Florida.
Marvin E Brenner, of Pennsylvania.
Peter S. Bridges, of Louisiana.
Frederick Z. Brown, of Pennsylvania.
Robert A. Brown, of Illinois.
Pratt Byrd, of Kentucky.
Joseph D. Capri, of Florida.
John S. Connolly, Jr., of Virginia.
Maurine Crane, of Virginia.
Marion Gordon Daniels, of Texas.
Harland H. Eastman, of Maine.
Rudy V. Fimbres, of Arizona.
Richard D. Forster, of Colorado.
Gerald A. Friedman, of Florida.
Jack Friedman, of the District of Columbia.
Ronald A. Galduk, of Florida.
Wever Gim, of Utah.
Robert L. Gingles, of Florida.
Dirk Gleysteen, of Pennsylvania.
Arthur E. Goodwin, Jr., of Florida.
Roderick N. Grant, of Texas.
William B. Grant, of New Hampshire.
Allen S. Greenberg, of the District of Columbia.
Kenneth O. Harris, of West Virginia.
Roy T. Haverkamp, of Missouri.
Lucian Heichler, of Virginia.
Harold E. Horan, of Texas.
Lewis D. Junior, of Maryland.
Thomas F. Killoran, of New Hampshire.
Richard N. Kirby, of Ohio.
William E. Knepper, of Kansas.
P. Wesley Kriebel, of Maryland.
Henry A. Lagasse, of New Hampshire.
Clint A. Lauderdale, of California.
S. Douglas Martin, of Texas.
Francis Terry McNamara, of Vermont.
Francis J. McNeil III, of Florida.
Henry R. Mills, of Kansas.
John C. Monjo, of Maryland.
Beauveau B. Nalle, of Virginia.
Richard D. Nethercut, of Florida.
Daniel A. O'Donohue, of Maryland.
Grover W. Penberthy, of Maryland.
Donald K. Petterson, of California.
Lawrence Pezzullo, of New York.
Owen W. Roberts, of New Jersey.
Edward M. Rowell, of California.
Robert J. Ryan, Jr., of Massachusetts.
Paul Sadler, of Tennessee.
Roger C. Schrader, of Missouri.
Kenneth N. Skoug, Jr., of Virginia.
Richard W. Smith, of New York.
Paul K. Stahnke, of Illinois.
Edward O. Stellmacher, of Wisconsin.
William W. Thomas, Jr., of Michigan.
Frank G. Trinka, of New Jersey.
Frances A. Usenik, of the District of Columbia.
Julius W. Walker, Jr., of Texas.
Peter C. Walker, of the District of Columbia.
Melissa F. Wells, of New York.
Carlos M. Yordan, of the Commonwealth of Puerto Rico.

Foreign Service officers of class 3 and consular officers of the United States of America:

Thomas W. Ainsworth, of Maryland.
John C. Arnott, of New Jersey.
Robert F. Andrew, of the District of Columbia.
Alf E. Bergesen, of New York.
Robert W. Caldwell, of Georgia.
Walker A. Diamanti, of Utah.
Walter H. Drew, of Florida.
Raymond E. González, of California.
William A. Helseth, of Florida.
John A. Linehan, Jr., of Virginia.
Doyle V. Martin, of Oklahoma.
Walter M. McClelland, of Oklahoma.
Grant E. Mouser III, of Oregon.
Richard A. Poole, of Virginia.
Clifford J. Quinlan, of Minnesota.
Ralph W. Richardson, of California.
Arthur H. Rosen, of Maryland.
Robert A. Stein, of New Jersey.
William D. Wolle, of Iowa.

Foreign Service Officers of Class 3:

Richard W. Aherne, of Pennsylvania.
Donald M. Anderson, of the District of Columbia.
Charles E. Angevine, of Florida.
Merle E. Arp, of Iowa.
Bryan H. Baas, of Texas.
Brady G. Barr, of Texas.
William G. Barraclough, of Pennsylvania.
John D. Blacken, of Washington.
Felix S. Bloch, of North Carolina.
William Bodde, Jr., of the District of Columbia.
Donald W. Born, of Massachusetts.
Alfred P. Brainard, of Washington.
Hugh K. Campbell, of Virginia.
John A. Cantwell, of New York.
Donald D. Casteel, of Wyoming.
Glenn Richard Cella, of New York.
James Richard Cheek, of Arkansas.
Geryld B. Christianson, of Minnesota.
Carl John Clement, of Minnesota.
John Albert Collins, of New York.
Robert D. Collins, of Virginia.
John Condayan, of Virginia.
Edwin G. Corr, of Oklahoma.
Francis B. Corry, of Virginia.
Robert G. Deason, of California.
Peter Jon de Vos, of New Mexico.
Lawrence Dolgoff, of California.
Charles R. Doscher, of California.
Thomas P. H. Dunlop, of Washington.
Charles Edward Emmons, of California.
Paul L. Engle, of California.
Robert E. Ezelle, of California.
Marjory J. Fiebig, of Michigan.
Patrick E. FitzGerald, of Montana.
Robert A. Flaten, of Minnesota.
Alta F. Fowler, of Virginia.
Myles R. René Frechette, of Washington.
Norman H. Frisbie, of Massachusetts.
Stephen R. Gibson, of California.
Harry J. Gilmore, of Pennsylvania.
Ralph H. Graner, of New York.
Robert T. Grey, Jr., of Connecticut.
Kathryn J. Groot, of Maryland.
Samuel J. Hamrick, Jr., of Kentucky.
Paul J. Hare, of the District of Columbia.
Stephen J. Hayden, of Oregon.
Peter T. Higgins, of California.
Robert G. Houdek, of Illinois.
Marvin W. Humphreys, of the District of Columbia.
Kenneth C. Keller, of the District of Columbia.
George E. Knight, of Pennsylvania.
Thomas Robert Kresse, of Ohio.
David F. Lambertson, of Kansas.
Joe Lill, of Virginia.
Alan Logan, of California.
Arthur L. Lowrie, of Virginia.
Charles T. Magee, of Michigan.
Edward A. Mainland, of California.
Edward Marks, of California.
Robert A. Martin, of Pennsylvania.
Henry Ellis Mattox, of Mississippi.
James Richard Matz, of Texas.
Richard L. McCormack, of Florida.
William H. Mills, of California.
James M. Montgomery, of New Jersey.
Robert J. Montgomery, of Texas.
Edward G. Murphy, of Virginia.
David G. Newton, of Michigan.
E. Parks Olmon, of Texas.
John D. Perkins, of Indiana.
Chester F. Polley, Jr., of Illinois.
Jane M. Potter, of Maryland.
Dale M. Povenmire, of Ohio.
Datus C. Proper, of Pennsylvania.
William T. Pryce, of Pennsylvania.
Frank M. Ravndal, of Maryland.
Leo J. Reddy, of Massachusetts.
J. Brayton Redecker, of Connecticut.
Kenneth N. Rogers, of Florida.
Charles B. Salmon, Jr., of New York.
M. Virginia Schafer, of Washington.
Donald R. Schoeb, of Maryland.
Leonard J. Scioli, of Pennsylvania.
Leslie Andrew Scott, of Virginia.
Raymond W. Seefeldt, of Illinois.
Robert E. Service, of California.
Arthur P. Shankle, Jr., of Texas.
Robert Lee Shuler, of Nebraska.
William L. Simmons, of Florida.
Thomas W. Simons, Jr., of the District of Columbia.
Dudley G. Sipprelle, of California.
Clint E. Smith, of California.
Joseph L. Smith, of Indiana.
Wayne S. Smith, of California.
Joel S. Spiro, of Pennsylvania.
Walter E. Stadtler, of Maryland.
Franklyn E. Stevens, of California.
Roscoe S. Suddarth, of Tennessee.
Daniel P. Sullivan, of Virginia.
William L. Swing, of North Carolina.
Rush W. Taylor, Jr., of Texas.
T. Elkin Taylor, of Georgia.
Alan R. Thompson, of Alaska.
John B. Thompson, of Pennsylvania.
George F. Twohie, of Florida.
George Peter Varros, of Connecticut.
Paul V. Ward, of Florida.
Irene R. Welsh, of South Dakota.
Donald A. Wetherbee, of New York.
Alfred J. White, of New York.
William B. Whitman, Jr., of Florida.
Richard L. Williams, of Pennsylvania.
Thomas F. Wilson, of California.
Frank G. Wisner II, of the District of Columbia.
Rose P. Wong, of Hawaii.
David E. Zweifel, of Colorado.

Foreign Service Officers of Class three and Consular Officers of the United States of America:

Harold E. Grover, Jr., of Florida.
James A. Howell, of Texas.
Robert A. Jackson, of Florida.

Foreign Service Officers of Class 4:

John H. Adams, of California.
Charles A. Anderson, of California.
John K. Atchley, of Virginia.
Edwin L. Barber III, of Virginia.
Paul E. Barbian, of Wisconsin.
Nicholas S. Baskey, Jr., of Ohio.
Lee S. Bigelow, of Texas.
Dorothy Jean Black, of California.
David E. Brown, of Maryland.
David G. Brown, of Pennsylvania.
Stephen W. Buck, of New York.
Albert Peter Burleigh, of California.
William S. Butcher, of Ohio.
Michael Carpenter, of Florida.
Robert K. Carr, of California.
Richard Cecil Castrodale, of Pennsylvania.
Leo F. Cecchini, Jr., of California.
Bruce W. Clark, of California.
Herbert A. Cochran, of North Carolina.
James K. Connell, of Connecticut.
Elinor G. Constable, of New York.
James F. Creagan, of Ohio.
Dena-Kay W. Cunningham, of Virginia.
John H. Curry, of Michigan.
John R. Davis, of New York.
John S. Davison, of Michigan.
Timothy E. Deal, of California.
T. McAdams Deford, of Maryland.
Gerald de Santillana, of California.
Pasquale L. DiTanna, of New Jersey.
Felix Dorough, of Texas.
Conrad M. Drescher, of New York.
Robert S. Driscoll IV, of New York.
Herbert D. Dunhaver, of California.
William F. Eaton, of Maryland.
Marino S. Endrizzi, of Wisconsin.
Richard C. Faulk, of New Jersey.

Alan H. Flanigan, of Tennessee.
John David Forbes, of Pennsylvania.
Thomas Austin Forbord, of California.
Thomas P. Gallagher, of New Jersey.
William L. Gallagher, of Maryland.
Thomas Howard Gewecke, of Illinois.
Lewis Girdler, of Connecticut.
Michael J. Habib, of Virginia.
Scott S. Halliford, of Tennessee.
Hugh G. Hamilton, Jr., of Missouri.
Thomas P. Hamilton, of Hawaii.
F. Allen Harris, of Texas.
Ralph B. Hartwell, of New Hampshire.
Francis P. G. Hearne, of New Jersey.
Eleanor Hicks, of Ohio.
Irvin Hicks, of Maryland.
David L. Hobbs, of California.
Brooke C. Holmes, of California.
Michael M. Hornblow, of New York.
Arthur A. Houghton III, of the District of Columbia.
Thomas R. Hutson, of Nebraska.
Robert F. Illing, of California.
Alden H. Irons, of Virginia.
Darryl N. Johnson, of Washington.
Dolly Ann Johnson, of Missouri.
John M. Joyce, of Colorado.
Arma Jane Karaer, of Virginia.
Edmund H. Kelly, of Ohio.
Lewis A. Kert, of California.
Philip A. King, of Florida.
Brian S. Kirkpatrick, of Oklahoma.
Arthur L. Kobler, of New Jersey.
Robert Allan Kohn, of New York.
John C. Kornblum, of Michigan.
H. Alan Krause, of Illinois.
Charles E. Lahiguera, of Rhode Island.
Edward Gibson Lanpher, of Virginia.
Joseph E. Lee, of Utah.
Philip Thomas Lincoln, Jr., of Michigan.
Duane T. Linville, of Indiana.
Stuart H. Lippe, of California.
Walter B. Lockwood, Jr., of Connecticut.
David W. Loving, of Virginia.
Peter J. Lydon, of Massachusetts.
James F. Mack, of New York.
James H. Madden, of California.
Dorothy L. Magee, of Florida.
John F. Maisto, of Pennsylvania.
Gene B. Marshall, of New Hampshire.
John Linden Martin, of Oregon.
Thomas G. Martin, of Alabama.
Richard E. Masters, of Texas.
Alfred J. McGinness, of Ohio.
Howard L. McGowan, of Ohio.
James W. McGunnigle, of New York.
Richard Keller McKee, of Illinois.
Marilyn Ann Meyers, of Minnesota.
Robert Wesley Miller, of California.
William C. Mithoefer, Jr., of Ohio.
John P. Modderno, of Maryland.
Donald E. Mudd, of Florida.
James P. Murphy, of Oklahoma.
Sarah Louise Nathness, of Ohio.
Francis J. Nelson, of New York.
Jerome C. Ogden, of New York.
Shirley E. Panizza, of Virginia.
F. Coleman Parrott, of Alabama.
Donald K. Parsons, of California.
Robert Stephen Pastorino, of California.
Robert M. Perito, of Massachusetts.
Linda Margaret Pfeifle, of Maryland.
Paul P. Pilkauskas, of New York.
William B. Pogue, of California.
Joseph A. Presel, of Rhode Island.
Mark S. Ramee, of New York.
David M. Ransom, of the District of Columbia.
Arnold L. Raphel, of New Jersey.
Charles P. Reilly, of Washington.
Charles W. Reynolds, of California.
Erik S. Ronhovde, of Montana.
Cameron H. Sanders, Jr., of New York.
Eugene L. Scassa, of Pennsylvania.
Thomas A. Schlenker, of California.
C. Michael Schneider, of Ohio.
Raymond G. H. Seitz, of Texas.
Harrison B. Sherwood, of Minnesota.
James W. Shinn, of Maryland.
Lois I. Shipp, of Florida.
Robert S. Simpson, of California.
Alexander K. Sleght, of Connecticut.
Richard J. Slott, of Indiana.
Keith C. Smith, of California.
Peter G. Smith, of Michigan.
Richard B. Sorg, of Ohio.
Seton Stapleton, of New Jersey.
John D. Stempel, of Indiana.
Elizabeth A. Swift, of the District of Columbia.
Patrick N. Theros, of the District of Columbia.
W. Kenneth Thompson, of the District of Columbia.
Kenneth H. Torp, of Connecticut.
Timothy L. Towell, of Ohio.
Edmund van Gilder, of Pennsylvania.
Sandra Louise Vogelgesang, of Ohio.
Edward S. Walker, Jr., of Pennsylvania.
Anthony H. Wallace, of New York.
Stephen E. Ward, of New Jersey.
Donald B. Westmore, of Washington.
Peter D. Whitney, of New York.
Howard F. Williams, of Georgia.
James Alan Williams, of Virginia.
Richard LaVerne Williamson, Jr., of California.
Warren E. Wills, of Massachusetts.
Ralph Winstanley II, of Indiana.
Bernard J. Woerz, of New Jersey.
Wayne W. S. Wong, of Nevada.
Raymond Alexander Yuhasz, of New Jersey.

Foreign Service officer of class 4 and a consular officer of the United States of America:

Bernard A. Femminella, of Minnesota.

Foreign Service officers of class 5:

Robert S. Ayling, of Virginia.
Marc Allen Baas, of Michigan.
Michael T. Barry, of Texas.
R. Rand Beers, of the District of Columbia.
James P. Bell, Jr., of Alabama.
Randolph M. Bell, of Arkansas.
John E. Bennett, of Massachusetts.
Charles Henry Blum, of Texas.
Joseph J. Borich, of South Dakota.
Edward Brynn, of California.
Larry G. Butcher, of Oklahoma.
Suzanne S. Butcher, of Pennsylvania.
Marshall L. Casse III, of Georgia.
Geoffrey W. Chapman, of New Jersey.
Gene Burl Christy, of Texas.
Harry E. Cole, Jr., of Pennsylvania.
Haley D. Collums, of Tennessee.
James P. Covey, of New York.
Ann E. Darbyshire, of Hawaii.
John R. Dobrin, of Tennessee.
Gilbert J. Donahue, of Maryland.
Shaun Edward Donnelly, of Indiana.
Wesley W. Egan, Jr., of North Carolina.
Richard W. Erdman, of New Jersey.
John M. Evans, of Virginia.
George P. Fourier, of Oregon.
Edward F. Fugit, of New Jersey.
Richard M. Gibson, of California.
James Hogan Glenn, of Nebraska.
George A. Gowen III, of North Carolina.
Ann E. Griffin, of California.
Lawrence Marshall Grossman, of Nebraska.
James L. Halmo, of Washington.
Mark G. Hambley, of Idaho.
Alan Shaw Hegburg, of Florida.
Carolee Helleman, of Nebraska.
Judith M. Heimann, of Connecticut.
Dale Roy Herspring, of California.
Donald K. Holm, of Minnesota.
Joseph S. Hulings III, of South Carolina
Paul Andrew Inskeep, of Virginia.
Robert Leonard Jacobs, of Illinois.
Sandor A. Johnson, of California.
A. Elizabeth Jones, of Maryland.
George A. Kachmar, of New Jersey.
David H. Kaeuper, of Michigan.
Donald Willis Keyser, of Virginia.
Douglas S. Kinney, of Florida.
Jacques Paul Klein, of Illinois.
C. Michael Konner, of New York.
Nicholas R. Lang, of New York.
Douglas Langan, of New Jersey.
Gary E. Lee, of Ohio.
Wayne Stephen Leininger, of Florida.
Richard P. Livingston, of Tennessee.
Ronald Dean Lorton, of Virginia.
Michael M. Mahoney, of Massachusetts.
Ronald L. Main, of Oklahoma.
David Jordan Mangan, Jr., of Wisconsin.
Thomas H. Martin, of Illinois.
J. Richard Mason, of Colorado.
Drew Stephen May, of New Jersey.
Martin McLean, of New Jersey.
Phillip J. Metzler, of Kansas.
Michael A. Nayor, of New York.
John U. Nix, of Alabama.
Thomas Tondee Orum, of Michigan.
Terrell R. Otis, of Maryland.
Kenneth N. Peltier, of Texas.
Lauralee M. Peters, of Virginia.
Marilyn Ross Povenmire, of Virginia.
John A. Purnell, of Arkansas.
Ronald Benjamin Rabens, of Illinois.
Haywood Rankin, of North Carolina.
David P. Rawson, of Ohio.
Peter Robert Reams, of Nevada.
Donald A. Roberts, of Minnesota.
H. Clarke Rodgers, Jr., of Georgia.
Joseph B. Schreiber, of Michigan.
Joseph Monroe Segars, of Pennsylvania.
Louis D. Sell, of Kentucky.
Hugh V. Simon, Jr., of Tennessee.
LeRoy C. Simpkins, of California.
Joyce A. Smith, of Tennessee.
Charles R. Sten, of Washington.
Eric E. Svendsen, of Connecticut.
Philip Bates Taylor III, of Texas.
Alma Lucille Thomas, of North Carolina.
Marian L. Tipton, of Idaho.
John J. Tkacik, Jr., of Virginia.
David T. Toyryla, of Texas.
Xenia Vunovic, of New York.
James Donald Walsh, of Pennsylvania.
Eric R. Weaver, of the District of Columbia.
Lyn F. Wheeler, of New York.
Sharon P. Wilkinson, of New York.
John Hurd Willett, of New York.
Ruth Willow Winstanley, of Indiana.
Ira Wolf, of New York.
John Stern Wolf, of Pennsylvania.
Eugene C. Zajac, of Illinois.

Foreign Service officers of class 6:

Michael G. Anderson, of Illinois.
JoAnne Arzt, of New York.
Manuel Barrera, of Massachusetts.
Jane Ellen Becker, of Wisconsin.
Paul E. Behnke, of Illinois.
Lawrence Neal Benedict, of California.
Eric J. Boswell, of California.
Roger E. Burgess, Jr., of Massachusetts.
Robert C. Campbell, of Oregon.
Geraldeen G. Chester, of California.
Richard A. Christenson, of Wisconsin.
Steven P. Coffman, of Texas.
Robert L. Craven, of California.
Ryan Clark Crocker, of Washington.
Thomas P. Crowley, of Virginia.
Edwin P. Cubbison, of Florida.
Brian Dean Curran, of the District of Columbia.
Charles Gilman Currier, of New York.
Karl Imants Danga, of New York.
George Timothy Dempsey, of California.
Darla dePierre, of California.
Gary D. DeVight, of Hawaii.
H. Roy Eidem, of Virginia.
Theodore Minton Ford, of Massachusetts.
Susan Carey Fouts, of Texas.
James Michael Gagnon, of Virginia.
Michael F. Gallagher, of Pennsylvania.
Stephen Michael Geis III, of Missouri.
Michael Gelner, of Missouri.
Robert E. Gribbin III, of Alabama.
Michael J. Guignard, of Maine.
Jon Gundersen, of New York.
Paul Hacker, of New York.
Ruth E. Hansen, of Illinois.
Thomas R. Hanson, of Virginia.
Eileen M. Heaphy, of the District of Columbia.

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Michael J. Heilman, of Wisconsin.
James L. Hogan, of New Jersey.
J. Aubrey Hooks, of South Carolina.
John E. Hope, of California.
Marie T. Huhtala, of California.
Douglas Randall Hunter, of Illinois.
Daniel A. Johnson, of Florida.
Teresa Chin Jones, of Virginia.
Judith R. Kaufmann, of New Mexico.
Stephen H. Klemp, of Kansas.
Mary J. Kosheleff, of Ohio.
James A. Larocco, of Illinois.
Paul B. Larsen, of Hawaii.
Leonard Bruce Levine, of Maryland.
John W. Limbert, of Massachusetts.
John P. Londono, of Colorado.
Karen R. Longeteig, of Idaho.
John D. Maiers, of Iowa.
Judyt Landstein Mandel, of New York.
Dana M. Marshall, of New York.
Kenneth R. McKune, of North Carolina.
Douglas B. McNeal, of Hawaii.
Peter B. Morrissey, of Hawaii.
Gay William Mount, of Washington.
Ronald J. Neitzke, of Minnesota.
Jon Lane Noyes, of Wyoming.
Mark Robert Parris, of Virginia.
David Pfotenhauer, of Iowa.
David Catlin Pierce, of California.
John A. Polansky, Jr., of Texas.
Steven R. Pruett, of Hawaii.
Thomas L. Randall, Jr., of California.
Elizabeth Raspolic, of Arizona.
William R. Rosner, of Ohio.
Richard Allan Roth, of Michigan.
Eugene David Schmiel, of Pennsylvania.
John F. Scott, of Iowa.
Joseph T. Sikes, of Alabama.
Stephen R. Snow, of Tennessee.
Kent R. Steinkamp, of Illinois.
Bruce D. Strathearn, of Wisconsin.
Gregory Michael Suchan, of Ohio.
Gregory M. Talcott, of Hawaii.
John F. Tefft, of Wisconsin.
David K. Thompson, of the District of Columbia.
Richard J. Tierney, of Virginia.
Thomas C. Tighe, of Florida.
Eric D. Tunis, of California.
Gary S. Usrey, of Maryland.
Susan J. Walters, of Connecticut.
Helen Weinland, of the District of Columbia.
Carol E. Wheeler, of New York.
George MacDonald White, of Indiana.
James D. Whitten, of California.
Donald E. Willett, of Illinois.
David W. Williams, of California.

Foreign Service Officers of Class 7:

Marsha E. Barnes, of Kentucky.
Mary Ann Casey, of Colorado.
Gary W. Christian, of Missouri.
Laura A. Clerici, of South Carolina.
Georgia J. DeBell, of California.
George Anthony Dies III, of New York.
James R. Doyle, of Massachusetts.
Peter D. Eicher, of Connecticut.
Douglas V. Ellice, Jr., of Connecticut.
Mary Lee K. Garrison, of New Jersey.
Wayne G. Griffith, of New Jersey.
Donald S. Hays, of Virginia.
Margaret Teresa Kromhout, of the District of Columbia.
John R. Kunkel, of Missouri.
Christopher J. LaFleur, of New York.
MaryAnn Love, of Connecticut.
David L. Lyon, of Maryland.
Linda M. Mathews, of California.
Simeon L. Moats, of Pennsylvania.
Robert Allen Mosher, of Missouri.
James F. Schumaker, of California.
H. Richard Sindelar III, of Texas.
Paul H. Tyson, of New Jersey.
Richard H. Wallen, of Colorado.
Wayne Edward White, of Pennsylvania.
Anne Brevard Woods, of Arkansas.
Thomas Kenneth Wukitsch, of Illinois.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Howard Harrison Cooksey, 227-14-4706, U.S. Army.

IN THE NAVY

The following-named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

Samuel H. Packer II	Wayne E. Meyer
William L. Hinkle	William Nivison
Cabell S. Davis, Jr.	Francis F. Manganaro
Bruce Keener III	Edward F. Welch, Jr.
Thomas W. McNamara	Charles J. Youngblade
Robert M. Collins	John C. Barrow
James B. Morin	Thomas J. Kilcline
Henry D. Arnold	Paul H. Engel
John V. Josephson	Edward S. Briggs
William M. Callaghan, Jr.	Robert L. Walters
	Allen E. Hill
James H. Scott	William A. Gureck
Lee Baggett, Jr.	William B. Warwick
Paul C. Gibbons, Jr.	Thomas H. Replogle
Mark P. Frudden	William R. Smedberg IV
Stanley J. Anderson	
Gordon J. Schuller	Robert E. Morris
James A. Sagerholm	Ernest R. Seymour
William H. Rowden	Thomas L. Malone, Jr.
Ross N. Williams	

Capt. Maxine Conder, Nurse Corps, U.S. Navy, for appointment to the grade of rear admiral pursuant to title 10, United States Code, section 5767(c) while serving as Director of the Nurse Corps.

IN THE ARMY

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

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Ross, Glenn C., II, 411–96–2625.
Ross, Mark C., 228–68–3470.
Roundtree, William, 244–82–2870.
Russell, Bruce S., 452–84–8194.
Safren, Jonathan, 226–76–4449.
Sain, Todd G., 325–46–8972.
Sanders, David B., 409–78–4482.
Saunders, Olin E., Jr., 228–82–0564.
Schaeffer, James P., 187–38–3595.
Schilling, Charles, 302–42–7360.
Schmidt, Allen C., 513–48–6148.
Schmidt, Harold S., 175–44–5356.
Schoel, Randy J., 478–72–3651.
Schottelkorb, William R., 516–68–8356.
Schuckenbrock, Melvin M., 493–60–2429.
Schultz, Michael L., 504–66–1593.
Sears, Wayne R., 438–88–4446.
Selph, Barney E., 412–90–9025.
Sepp, Kalev I., 531–62–9281.
Sever, Darrell R., 560–94–5643.
Sexton, Laurence R., 135–42–7631.
Shafer, Jeffrey L., 232–86–3007.
Sherman, Norman A., 553–82–8115.
Sherwood, Richard J., 365–60–7787.
Shields, Larry W., 494–60–7114.
Shojinaga, Wayne M., 548–94–8312.
Shoquist, David A., 563–94–7670.
Shortsleeve, Dane W., 008–38–1774.
Shull, Patrick W., 410–94–5191.
Simpson, Bruce E., 585–50–6021.
Sinnott, Timothy J., 096–46–3130.
Siomacco, Edward M., 443–54–8992.
Siagel, Gerald A., 202–40–0813.
Slone, Has, Jr., 400–78–0087.
Smart, David A., 467–02–1890.
Smith, David R., 239–90–7675.
Smith, James M., 253–86–1961.
Smith, John B., 236–86–2850.
Smith, John T., II, 416–66–3116.
Smith, Ted R., 039–30–6161.
Smith, Walter R., 462–96–0665.
Snead, David J., 215–48–7305.
Snitker, James E., 540–66–2174.
Snyder, Richard H., 213–64–4174.
Soliz, Alfonso, Jr., 457–94–2754.
Sosnowski, Alan P., 010–44–5515.
Sowards, John A., 463–90–9640.
Sparks, Paul J., 234–88–0067.
Speshock, Vernon M., 312–64–5765.
Spires, Timothy D., 450–86–3202.
Stanley, Wayne G., 417–76–3470.
Stegner, James E., Jr., 212–62–0466.
Steiner, Lawrence, 471–60–0252.
Stephens, Jimmy D., 466–98–8230.
Stewart, Gene B., Jr., 462–02–2892.
Stewart, John S., 223–82–4751.
Straub, Robert J., 189–36–1760.
Street, Joseph G., 509–60–8012.
Stuck, Donald T., 585–46–9580.
Summers, Loule E., Jr., 195–42–5550.
Sutter, Robert L., Jr., 278–42–0359.
Swanson, Johnny, III, 423–72–1185.
Swanson, Steven G., 483–58–3369.
Sweeney, Dennis J., 347–46–5467.
Sydnor, Bruce A., 251–94–2672.
Sykes, Jerry L., 265–06–9636.
Tate, Stephen T., 414–90–5491.
Tate, Vaughn L., 430–06–5550.
Tatum, John S., 429–04–2190.
Terrell, Larry E., Jr., 439–86–6423.
Thigpen, Harry G., III, 230–70–4485.
Thomas, Daniel R., 274–44–6344.
Thomas, James H., 512–56–9456.
Thompson, David W., 497–60–6738.
Thompson, Michael L., 227–78–3000.
Thomson, Mark C., 001–38–6357.
Thomson, Robert L., 568–92–4644.
Thunker, Robert R., 507–68–4173.
Thurman, James D., 447–54–8182.
Tidwell, Michael A., 516–66–2082.
Townes, James E., III, 511–60–1404.
Traverzo, Luis A., 324–48–5831.
Treadway, Steven G., 414–92–1271.
Tremper, Edward G., 554–94–6128.
Treuting, David F., 437–86–0588.
Trice, James E., 262–11–2082.
Tucker, Eddie L., 228–80–8577.
Tucker, Edward D., 396–48–3567.
Tuggle, Roger D., 414–90–3791.
Turknett, Steven R., 465–04–3483.
Turner, James T., 158–48–9983.
Turner, Stanley D., 587–46–0424.
Van Dyke, John M., 225–76–8712.
Vanderlike, Robert, 263–17–3810.
Vanderneck, Richard, 169–46–6607.
Vasquez, Jose A., Jr., 450–86–5732.
Vaughn, Steve C., 429–86–6970.
Veach, William R., 411–90–7006.
Veldhouse, Lonnie, 483–66–9979.
Velez, Thomas W., 215–50–3666.
Verde, Leslie H., 359–46–4141.
Vertrees, Hugh W., 528–78–1560.
Vick, James E., 574–24–4605.
Villone, Earl S., 504–70–0385.
Vitale, Dale T., 287–44–9412.
Walker, Dana A., 224–82–9575.
Walker, William O., 587–70–2801.
Walley, James R., 332–50–4916.
Warburton, Robert P., 566–76–6472.
Waters, Calvin S., 375–58–9103.
Weaver, John M., 261–78–0203.
Weaverling, Ronald, 171–40–8038.
Webb, William H., 260–90–7643.
Weikle, Randel W., 522–66–4882.
Werner, Richard M., 129–46–7022.
Whitehead, Michael, 263–11–4032.
Wilbanks, James C., 459–96–0913.
Wiles, Bryan L., 408–92–9283.
Williams, Duke K., 587–72–9385.
Williams, Gary R., 024–44–6135.
Williamson, Timothy D., 216–58–9949.
Williford, John K. J., 240–80–8459.
Wilson, Henry L., Jr., 410–92–5930.
Wilson, Michael P., 051–48–5601.
Winfield, William M., 231–80–5342.
Wolkowitz, Felix H., 104–42–8019.
Womack, Dennis R., 450–02–1928.
Wong, Steven P. K., 576–64–8714.
Wright, James E., 128–42–0550.
Wright, Kevin V., 043–46–0871.
Wynarsky, Andrew E., 272–54–4479.
Wynn, John M., 267–17–0115.
Yakes, Wayne F., 463–98–9694.
Yakubik, John E., 284–42–7595.
Yamashita, John G., 023–46–4064.
Yates, Norman C., 555–94–7062.
Yeager, Jackie B., 431–11–8221.
Young, Dale C., 219–62–3735.
Young, Jeffrey M., 145–44–7250.
Young, Robert L., 445–54–8667.
Younger, Kenneth M., 231–78–1200.
Ziercher, Mark C., 158–42–8004.
Zimmer, Gregory G., 533–58–8432.

EXTENSIONS OF REMARKS

LITHUANIAN INDEPENDENCE DAY

HON. JOHN GLENN

OF OHIO

IN THE SENATE OF THE UNITED STATES

Tuesday, February 18, 1975

Mr. GLENN. Mr. President, on February 16, Americans of Lithuanian ancestry and freedom-loving people throughout the world noted Lithuanian Independence Day, honoring the 57th anniversary of that brave state's freedom after more than a century of Czarist domination. The Lithuanian state established in 1918 was independent and based on democratic principles. Land reform flourished and by 1939 there were more than 335,000 farming units. Industrialization gradually grew, also, until more than 30,000 Lithuanians held factory jobs by World War II.

The Lithuanian respect for education became abundantly apparent during this period of independence. The number of grammar schools doubled between 1930 and 1939; a university was established at Vytautas with 3,000 students.

This bright period of Lithuania's history was to be snuffed out—along with the independence of many other Eastern European lands—by the twin assaults of Hitler's Germany and Stalin's Russia. After a vain attempt at neutrality, Lithuania's strategic location made it a target for conquest. Soviet troops occupied the land and established a puppet regime, which continues to govern today.

Many thousands fled their homeland, particularly when the Russian troops vied with German invaders. Hitler occupied Lithuania in 1941, and nearly 5,000 Lithuanians lost their lives to the Nazi forces. By 1944 Russia retook this peace-loving country and exiled 60,000 natives to Siberia and East Germany. Another 200,000 were exiled after the war, as Stalin attempted to wreck Baltic national pride.

Our Government recognized Lithuania's independence in 1922 and has never acknowledged the Soviet incorporation of these democratic people. We continue to maintain diplomatic relations with the former independent government's representatives in Washington.

Ohio, which became the American home for millions of first and second generation Europeans, is proud of the contributions made by Lithuanians. They are characterized by strong family and religious ties. Their parishes in Cleveland and elsewhere reflect the respect for God and man that has characterized Lithuanians throughout their history, dating back to the 11th century.

Lithuanian Independence Day affords us the opportunity to mark these contributions and the history of a nationality that values freedom both in this land and overseas.

DR. JOSEPH MANCH TO RETIRE FROM BUFFALO SCHOOL SYSTEM

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NOWAK. Mr. Speaker, Dr. Joseph Manch, superintendent of the Buffalo public school system for the last 18 years, has announced his retirement effective June 30. As an educator for more than 35 years, Dr. Manch has established a reputation as an industrious, personable and able administrator. One would exhaust complimentary adjectives in describing his talents and accomplishments as a public servant and community leader. The dimensions of his achievements are such that he has become almost an institution within an institution.

As he guided the school system through nearly two decades, Dr. Manch exerted unflagging effort to make educational opportunity and quality education realities. Inscribed on the facade of an elementary school in Buffalo is the phrase: "The foundation of every State is the education of its youth." Thousands upon thousands of our citizens in the western New York area, who progressed through the Buffalo schools, can be thankful that Dr. Manch helped lay such a solid educational foundation for their futures.

Dr. Manch will be sorely missed but his example will serve as a continuing inspiration to our community. Following is an article from the February 12, 1975 Buffalo Evening News which details some of Dr. Manch's accomplishments:

SUPERINTENDENT REVEALS IN LETTER HE WILL RETIRE

Schools Supt. Joseph Manch announced today he will retire June 30.

The announcement was made in a letter which Dr. Manch gave to Joseph A. Murphy, president of the Board of Education, at a luncheon in the Montefiore Club.

Dr. Manch has discussed with friends his desire to retire but has been reluctant to do so as long as the school busing and desegregation matters are pending.

Friends have known that the Manch family has felt Dr. Manch should step down from the arduous job as superintendent which he has held since 1957.

The Board of Education will have the job of selecting a new superintendent and must have a certificate from the State Education Department attesting to his qualifications, based on training and experience, to assume the post. Common Council approval is not needed.

He need not be a present employee of the school district.

In his letter to Mr. Murphy, Dr. Manch said the period before his retirement "should give the Board of Education ample time to select a new superintendent so that there may be as smooth a transition as possible."

The letter continued:

"I have had the privilege and honor of serving the public schools of our city for many years as teacher and administrator and I am deeply grateful to you and many other board members during these years, to my close associates and other fellow administrators, to thousands of our teachers, nonprofessional employees, students, parents and other members of the community, to our excellent news media—to all of these for the help, encouragement and friendship you and they have given me."

Dr. Manch said he was retiring in June "in order to devote more of my time and energies to other interests."

He said he looks forward to his retirement "as the beginning of a new period of activity, in which, with the help of God, I shall continue to find life full of meaning and purpose."

Mr. Murphy's first knowledge of the retirement was when Dr. Manch presented him the letter at lunch today.

But Mr. Murphy did tell the Buffalo Evening News that he had been dissuading Dr. Manch from retirement "for the last six to eight months."

Mr. Murphy said he would distribute copies of the letter to the Board of Education tonight. It is possible the board will begin discussing procedures for naming a successor at that time.

Dr. Manch saw the Buffalo public schools through numerous controversies and periods of transition

Beginning in the early 1960s, racial integration was an increasingly important concern. A voluntary transfer plan, a middle-school program and the use of portable classrooms were steps taken under Dr. Manch's guidance in this field.

Numerous new schools were built during his tenure, including Woodlawn Junior High School, Genesee-Humboldt Junior High School, Southside Junior High School, West Hertel Middle School and McKinley High School.

Dr. Manch was the first Buffalo superintendent working with an elected Board of Education. After years of an appointed board, Buffalo switched to an elected panel last July 1.

Dr. Manch enjoyed showcasing the best of the Buffalo schools. He always took pride in the annual publication of students' work called "Our Best" and made sure the community was aware of outstanding programs.

A man of many talents, Dr. Manch wanted to be a teacher ever since his high school days at Hutchinson-Central High School.

He first got his foot in the door as a substitute teacher and then attained a permanent job in 1939, teaching English at Seneca Vocational.

Except for one year at a private boarding school in New York, his entire career has been in Buffalo schools.

He also taught public speaking at South Park, was guidance counselor at Kensington and then director of guidance for all the public schools.

After being associate superintendent under Supt. Parmer L. Ewing and assistant superintendent under Supt. Benjamin C. Willis, he became head of the school system in 1957.

Dr. Manch was a pioneer in the battle for recognition of the unique educational and financial problems of large-city school systems.

He was a frequent and eloquent visitor to Albany and Washington when the question of state funds for education were being discussed.

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A strong believer in the importance of reading, Dr. Manch early in his career as superintendent secured a Ford Foundation grant for Buffalo schools to develop a more effective program for teaching reading to children from underprivileged neighborhoods.

Buffalo schools also gained national acclaim for a student better-dress program he inaugurated at a time when sloppy attire was sweeping the country.

During his tenure as Buffalo's sixth superintendent of schools, the longest of any of his predecessors, he organized the citywide Inter High Student Council, firmly believing that students could and should govern themselves.

Dr. Manch also had a fine grasp of the needs and desires of teachers.

An active member of the Buffalo Teachers Federation for years, he was vice president of the BTF during the teacher's strike in 1947 and for years was a delegate to the House of Delegates of the New York State Teachers Association.

Among his hobbies were photography and poetry.

He was a prolific writer of verse, much of which had been published.

The walls of his office and home are covered with his framed photographs, many of which are treasured as gifts by his friends.

Dr. Manch, who is 65, was born in Poland and came to the United States with his parents at the age of six months.

He is a graduate of School 32, Hutchinson Central and the University of Buffalo.

He was class poet at UB at the same time he was making a reputation as a champion wrestler, boxer, as well as a track man and football player. He graduated with honors in 1932, took a master's degree in 1940 and his doctorate in 1955.

Dr. Manch received The Buffalo Evening News Citizen of the Year award 18 months after becoming superintendent.

The award was based on his "sound grasp of educational fundamentals, a thorough knowledge of the Buffalo school system and its many difficult problems and a thoroughly dedicated devotion to the welfare of both pupils and teachers . . . He has made teachers feel they are understood and appreciated."

THE 57TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Tuesday, February 18, 1975

Mr. GRIFFIN. Mr. President, February 16 was an important date in the history of mankind's struggle for freedom. It was on that day, 57 years ago, that the people of Lithuania proclaimed their independence.

For two decades, Lithuania remained a fully independent and sovereign nation. But in 1940, this freedom-loving country was invaded and occupied by a foreign power under whose rule its people remain today.

Yet the spirit which generated this all-too-brief experiment in freedom lives on in the hearts and minds of the people of Lithuania—a spirit which was made evident to Americans and the world recently by a courageous Lithuanian seaman, Simas Kudirka.

In 1970, Mr. Kudirka attracted world attention when he attempted to escape from a Soviet trawler onto an American Coast Guard vessel. Four long years later, he finally received an exit visa from the Soviet Government, which enabled him to realize his dream of living under freedom. His struggle has demonstrated anew the dedication and persistence which sparks the desire for freedom in so many hearts.

I met Mr. Kudirka when he came to Washington in December of last year to thank certain Members of the Congress for helping him to obtain his freedom. But I feel we owe him a debt of gratitude.

Simas Kudirka and many others of various nationalities who have come to America to find freedom have reminded us that America is, and must remain, a beacon of hope for those who still do not enjoy the blessings of liberty.

LITHUANIA—AN INVISIBLE NATION

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. DODD. Mr. Speaker, on February 16, the Republic of Lithuania celebrated the 57th anniversary of its founding. Or should I say that Lithuania would have celebrated such an anniversary if it were a free and independent country, for in 1940 the Soviet Union occupied Lithuania and stripped that nation of its independence and its freedoms.

Instead, Lithuanians around the world took the occasion to reaffirm their conviction to once again see their nation free of foreign domination.

I hope the United States will continue to withhold recognition of the forced annexation of Lithuania by the Soviet Union and I look forward to that day when Lithuania rejoins the free world.

I would like to introduce into the RECORD the following statement from the Lithuania-American Community of the U.S.A.

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

B'NAI TORAH INSTITUTE BUILDS FOR THE FUTURE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BADILLO. Mr. Speaker, I would like to thank Rabbi Pinter for his inspiring prayer in the House of Representatives this morning.

I would like, too, to take this opportunity to publicly commend the rabbi, a long-time friend, on the fine work to which he is so dedicated. Rabbi Pinter, as dean of the B'Nai Torah Institute, has consecrated his life to one of the most valuable tasks which any teacher or religious leader can undertake—the education of youth.

The B'Nai Torah Institute, whose theme for the current year is "Building for the Future," is dedicated to excellence in Jewish education. Not only is the institute involved in building the student's knowledge and academic skills, but in fostering his moral character and building leadership qualities. Through an intensive program of secular and Hebrew studies, B'Nai Torah not only gives the student a unique educational experience, it attempts to create the kind of individual who will insure the survival of the Jewish faith.

I congratulate Rabbi Pinter and the institute on their fine program and praiseworthy goals. May the excellence sought by B'Nai Torah always be a part of "Building for the Future."

WILLIAM H. MARRIOTT—A CREDIT TO THE FOURTH ESTATE

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NATCHER. Mr. Speaker, William H. Marriott was for many years editor-publisher of the Elizabethtown News. Mr. Marriott is a newspaperman in every best sense of the word and a gentleman of the highest caliber. To him his newspaper was far more than a profession, more than a trade, more than a business. It was a way of life and his way of living his life.

Shortly after Hardin County became a part of the Second Congressional District of Kentucky Mr. Marriott and I talked at length one afternoon about our country, our State, and our district. He was exceptionally well versed on every matter we discussed and I was impressed by his keen grasp of affairs. I was more impressed, however, by the way he saw himself and his newspaper in relation to the community. Mr. Marriott believed that a newspaper's primary function is to serve the public's interest and general welfare and he recognized that, to effectively serve, a newspaper must have confidence in and the confidence of the public.

Mr. Marriott sought and won the trust of his readers. In his articles, whether on the local or distant scene, he wrote with truth and objectivity. He gave his reading audience factual and accurate information as fully as he could develop it, so that they might perceive the meaning of the news and understand the public questions. He understood the influence that was his as editor-publisher and committed himself to serve, sustain, and promote the home community. Following the proven newspaper rule that the biggest news is the nearest news, Mr. Marriott developed his local reporting into a fine art. He was skilled in describing the ordinary, the familiar, in everyday life in a manner that enabled the people to better know themselves and their town.

He confined his own opinions, however, to the editorial page. Aggressive at times, moderate at others, his editorials were pure William H. Marriott, journalist and citizen. Fair-minded and decisive, as quick to commend and to criticize, he praised and he deplored.

The Elizabethtown News was a composite of news, opinion, humor, and human interest. It was a front page story with headlines and a society note of a wedding or tea. It was an item about a new business in town and a forecast of weather and crop conditions. It was a thought-provoking editorial and Mr. Marriott's column. The story of heroism and yes, of cowardice, of triumph and tragedy, the News was a mirror of Elizabethtown and Hardin County—a reflection of those who made the news and those who read it.

Mr. Marriott recently returned to Elizabethtown, the town he has known and loved all his life. It is here he was born, it is here he was educated. It is here he began and retired his long illustrious newspaper career.

Mr. Speaker, an article appeared in the News-Enquirer of Elizabethtown, Ky., entitled "William H. Marriott Returns Home To Be With Old Friends." At this time I would like to insert this article in the RECORD.

The article is as follows:

WILLIAM H. MARRIOTT RETURNS HOME TO BE WITH OLD FRIENDS

This is to be the most personal newspaper column I have ever written. My greatest regret as I begin is that I will be unable to do it justice.

William H. Marriott is now in Elizabethtown. He is in Room 48, National Health Enterprises, 1117 Woodland Dr. He entered there Monday and is being cared for by his devoted friend of the past several years, Leon Bland of Leitchfield.

You may ask why do I make this so personal? Well, William H. Marriott is one of the dearest friends I have had in my life. Had I ever been in any trouble he would have been one of the first upon whom I would have called. And he would have come to my rescue. There is no question in my mind about that. Mr. Marriott is not in trouble, but I feel it my duty to express the high regards I have for him.

William H. Marriott is the most brilliant man I have ever known. He had the sharpest mind, the quickest choice of words, the greatest knowledge of newspaper work, of what was news, and how to put that news in the fewest words that could be well understood.

How do I know? Early in 1938, which was a long, long time ago, a paper company salesman, James Pepper, called on me, then with The Crittenden Press in Marion, Ky., and asked if I would leave Marion. He told me Mr. Sommers, who had built The Elizabethtown News to one of the leading newspapers in the state, had just died and had left his paper to his nephew, William H. Marriott who had actually operated the newspaper for the past several years and that Mr. Marriott had asked him (Mr. Pepper) to find someone to come to Elizabethtown with The News. Mr. Pepper said that if I was interested I could come here with him and talk to Mr. Marriott. I came and Mr. Marriott and I had a conversation just about as long as I have been writing up to this sentence. We agreed on everything that was brought up, and to this date have never disagreed on anything.

I began work with The Elizabethtown News March 8, 1938. Mrs. Franklin and I soon moved here. We left one time for a few months but could not wait to return.

But, this was to be about William H. Marriott. He was born March 19, 1891 in the residence on West Dixie Avenue, where he lived until December 1967. He was the oldest son of William H. and Mrs. Mary Virginia (Sommers) Marriott. He graduated in 1906 at the age of 15, from Elizabethtown High School, and attended Hardin Community Institute in Elizabethtown the following year. He began work with The Elizabethtown News Sept. 30, 1907, under his uncle, who was the owner and editor.

One of the great times of Mr. Marriott's life was when he was secretary in Washington, D.C. to Senator J.C.W. Beckham for fourteen months in 1919–20. He frequently mentioned an experience of those days. He resigned voluntarily to return to his duties with The News and became editor upon the death of Mr. Sommers Dec. 14, 1937.

Mr. Marriott was "The Elizabethtown News" to practically everyone I met here, from the day I began work until he sold the paper to Leonard T. Bean, June 13, 1963. To the natives of Hardin County The News was "Mr. Marriott's paper." They read all his brief, well-worded news stories; his timely columns of editorials written twice each week; his one-column of latest News, selected each paper-day from daily newspapers; his full-column of humorous, pithy editorial comments that graced the left hand column of Page One. That was no doubt the first column in the edition that was read by most subscribers. Those who read The Elizabethtown News were either subscribers or bought the paper from a newsstand. He went over his mailing list every few days and was against sending copies to "deadbeats". His paragraphs were widely quoted by other newspapers, a few in national magazines.

One of his paragraphs said, "The sweet young thing thought bad language was used in a cursory examination." In line with that thought, no word was ever published in The Elizabethtown News that was off-color.

He said "If it is not incumbent upon us to publish an item that may hurt an individual, we do not publish it. Sometimes the temptation is great—and sometimes it is necessary to print things that will hurt someone."

He is a great man, and, during his active life was faithful every day, to his work, to his town, his state, his nation, his church and the Democratic Party.

I consider it a privilege to have been associated with such a gentleman.

And again why am I writing this? As I said at the beginning, Mr. Marriott returned Monday to National Health Enterprises in Elizabethtown. He returned from Medi-Center in Louisville where he had been for four years and eight months under the care of Dr. Frank Strickler. Dr. Strickler died recently. So Mr. Marriott has returned home where his many friends can visit him every few days for just a few minutes.

LITHUANIAN INDEPENDENCE DAY—57th ANNIVERSARY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. ADDABBO. Mr. Speaker, I am pleased to join with my colleagues in the House of Representatives in recognizing the 57th anniversary of the establishment of the Republic of Lithuania. The date of February 16, also marks the 724th anniversary of the founding of the Lithuanian State.

Each year people of Lithuanian origin and descent throughout America commemorate this event while Members of Congress take time to comment on the history and tragic denial of freedom to the Lithuanian people since the illegal occupation of that State. There are many troubled areas in the world but the basic international crime of oppression is one which must not go unprotested.

The Lithuanian experience is important today as we debate the issues of détente and as we use our best efforts to protect the right of self-determination so basic to freedom anywhere in the world. The Lithuanian people have not lost hope for a better society and we in the United States share their desire for freedom and the right to determine their own destiny.

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A TRIBUTE TO J. R. PARTEN

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BOLLING. Mr. Speaker, some of my colleagues will know of J. R. Parten, oilman and rancher from Madisonville, Tex., and friend of two well-known fellow Texans, the late Speaker Sam Rayburn and the late President Lyndon B. Johnson.

But few may know of Mr. Parten's lifetime dedication to public service and his devotion to defending and upholding the Bill of Rights. I had the privilege of working with Mr. Parten in the early 1950's when he was an organizer and leader in the Fund for the Republic in a mutual effort to halt the insidious spread of McCarthyism throughout our national life.

John Henry Faulk, writing in the Texas Observer's recent 20th anniversary issue, tells of this side of J. R. Parten in a richly deserved tribute which follows:

TRIBUTE TO J. R. PARTEN

(By John Henry Faulk)

MADISONVILLE.—When the Texas Observer set up shop back in 1954, J. R. Parten of Madisonville straight away pitched in and gave the Observer his enthusiastic support.

It was natural that he would. Natural for him, that is. Giving moral and financial support to worthy causes and institutions in Texas and elsewhere, has been a natural instinct with J. R. Parten for more than a half century now.

His name is not exactly a household word in Texas, but it ought to be. Mr. Parten is the kind of citizen that people should know about. It would be comforting and reassuring, in times like the present, for people to know that our society can produce the kind of personal integrity, civilized thinking, and informed, responsible citizenship that Mr. Parten epitomizes. It is not possible, of course, to do anything near a definitive portrait of him in this short piece. But I want to try to give you at least a notion of why I regard him as such an admirable and unique citizen.

Jubel Richard Parten was born in Madisonville, Tex., some 77 years ago. He got the habit rather early of making a success of whatever he undertook. Like when he was 15 years old and offered a bonus to any of the dozens of cotton pickers in his uncle's cotton patch who would pick as much cotton a day as he could. For the several weeks it took to get the crop in, Mr. Parten picked over 400 pounds a day. He never had to pay the bonus. Then just to top things off, he was valedictorian of his high school graduating class the following spring. Which might be a *non sequitur*, but it illustrates my point about his success habit.

After attending the University of Texas and studying law, then serving in World War I as a field artillery officer, he went into the oil business in 1919. He is still as active as ever in it, recognized as one of the most knowledgeable, successful independent oil producers in the United States.

In the 1950's he branched out into ranching. He bought several thousand acres of wooded Madison Country land, cleared and improved it, and concentrated on cattle breeding. Before long he was one of the top men in that line, a recognized authority on the Brahma breed. He has one of the finest herds in country. For the past few years, cattle breeders from all over the country and from places like South Africa and Australia have come beating a path to his ranches to inspect his herds and buy his bulls. Incidentally, as any of his foremen and cowboys, most of whom have spent their lives handling cattle, will readily tell you, J. R. Parten knows as much about the everyday care and handling of cattle as the most experienced man in his employ does.

During the years that he has been giving all this time and energy to making a success in the oil and cattle business, Mr. Parten has managed to give almost as much time to public service. He served as a member and later as chairman of the board of regents of the University of Texas. J. Frank Dobie and Walter Webb agreed that he was the best regents' chairman in its history. He has been called to Washington, off and on for the past 30 years, to serve the government in various directorial and advisory capacities, usually related to finance or the petroleum industry.

Although his successes in his professional career and in his public service career are impressive, his most distinguished achievement lies in yet another endeavor. This is his active, abiding concern with defending and upholding the basic principles of freedom and justice upon which this republic was founded.

He says that early in life, his parents, who were intelligent, egalitarian folk, imbued him with a profound sense of responsibility for the integrity of the Constitution, and particularly for the Bill of Rights and the guarantees of individual freedoms imbedded therein. He has also done a great deal of reading and thinking on the subject. He early perceived that the Bill of Rights was the *sine qua non* of our democratic republic. The First Amendment is not only first numerically, it is first in importance to J. R. Parten. This, of course, explains why it is a natural tendency with him to give freely of his time, thought, and resources to any cultural, political, or academic cause that promises to strengthen the force of the Bill of Rights. It also explains the alacrity and dedication with which he takes up his cudgel against forces in our society that would vitiate and erode our bahic freedoms.

J. R. Parten's approach to civil liberties is direct and uncomplicated. He understands with great clarity that the intent of our Constitution is to protect, not only those ideas we cherish, but those we despise. He believes quite devoutly that basic to all our liberties is the freedom of each citizen to speak, to write, and to publish his thoughts not merely without restraint, but without the possibility of restraint. He is in complete accord with James Madison, that "when we advert to the nature of republican government, we shall find that the censorial power is in the people over the government, and not in the government over the people."

Mr. Parten not only holds these opinions, he acts on them. One of the most effective blows he has struck for freedom has come through his helping organize and direct the Fund for the Republic back in Cold War days when McCarthyism was at flood stage. The Fund, composed of a group of distinguished and thoughtful citizens like Robert Hutchins, Elmo Roper, Dean Griswold of Harvard, and J. R. Parten, was organized and dedicated to preserving the democratic dialogue and the Bill of Rights, both then taking a terrible battering from the forcea of fear and repression that dominated that awful period. The studies the Fund sponsored and the positions it took earned it the enmity of every repressive force in and out of the government in the country. But the Fund never backed down before any of them. Today, its successor, the Center for the Study of Democratic Institutions, continues its good works with J. R. Parten one of its guiding lights.

J. Frank Dobie observed, when explaining to me why he considered Mr. Parten such an outstanding chairman of the Board of Regents, "Major Parten had the best informed, most spacious intellect of any man who ever served as a regent. He comprehended the real purpose of a university in a democratic society. He was a liberated mind."

NASHVILLE TENNESSEAN SAYS BUDGET, DEFICIT ADD UP TO DISMAL NEWS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Nashville Tennessean in a recent editorial takes sharp issue with the thrust of the President's budget, which the editorial defines as a shift from "people-oriented programs" to more emphasis on defense spending which would be increased by $9 billion under the President's budget.

The Tennessean questions these priorities and concludes that the response of the Congress will be critical for the country.

Because of the interest of my colleagues and the American people in this most important matter, I place the editorial from the Tennessean in the RECORD herewith.

The editorial follows:

BUDGET, DEFICIT BOTH ADD UP TO DISMAL NEWS

President Ford's $349.4 billion budget, with its anticipated $51.9 billion deficit is exceeded in shock value only by the gloomy assumptions on which the budget was based.

These are that unemployment will average 8.1% in 1975, that prices will rise by almost 12% and that the nation's gross national product will drop by 3.3%. When it is considered that this is expected to happen after Mr. Ford's tax cuts and other economic stimuli would be in effect, the whole thing seems to attest to the inadequacy of the administration program.

The short-run aim of the budget is to try to stem the tide of recession. The administration proposes to spend $12 billion to aid the unemployed. At the same time the tax cut proposals are supposed to pump more money into the consumer economy.

It seems quite likely that Mr. Ford's energy proposals will contribute so much to living costs that the "pump priming" by means of a tax cut may be counter-productive

Over the long range, Mr. Ford seems to be mounting an attack against what some conservatives see as a trend toward the "welfare state." The President communicates his concern over the growth of government payments to individuals for retirement or income security.

So he is asking the Congress to cut some $17 billion from the budget, much of it in areas of Social Security, Medicare and retirement programs. He would forego the idea of national health insurance, along with any other major spending programs.

In the meantime, defense spending is to be hiked by almost $9 billion, which the administration says is almost minimal in terms of security needs, what with the additional expense for manpower and retirement needs in the military.

It is evident Mr. Ford wants to turn the nation around in terms of people-oriented programs, and the administration's main pitch these days is that pressure must be put on Congress not to approve anything in the way of big, new programs.

Congress, of course, has a responsibility to be prudent. But it also has a duty to examine carefully Mr. Ford's "new direction" which is more backward-looking than forward-thinking.

The Congress also has a responsibility to look over the budget and the various projections very carefully. For the first time, the Congress now has its own budgetary machinery and it should be able, not only to set ceilings on spending, but to examine in close detail the proposed spending of the administration.

Whether the budget projections of the administration are close to the mark, or far off it, is something that will have to be determined. The projections for the economy are dismal enough to call into question the whole program that Mr. Ford has trundled out, and obviously the Congress has a greater burden than it has had before. How it responds will be critical for the country.

THE SEARCH FOR ENERGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. TEAGUE. Mr. Speaker, I wish to insert the following article concerning Dr. Edward Teller, sometimes called "the father of the H-bomb," which appeared in the January 24 issue of Women's Wear Daily:

DR. EDWARD TELLER: CONVERTING COAL INTO GAS

BERKELEY, CALIF.—"This is my chair, if you don't mind," Dr. Edward Teller begins, arching his wildly abundant eyebrows at the unfortunate photographer who had just dumped his paraphernalia in the wrong place.

Recognized as one of the nation's finest scientific minds, Teller is also still feared and bitterly opposed by some as the "father of the H-bomb." A black electronic gate surrounds the grounds of his two-story, wood-beamed home nestled in the hills overlooking this city. Push the intercom and he eventually answers with a slow, polite growl: "Who is it? Ah, yes. OK, I am opening the gate."

At the end of a long, winding, uphill path, Teller, who opens the front door himself, somehow suggests a bemused butler admitting unknowing guests to a long-since-deserted house. As if conscious of an ominous reputation, Teller jokes with exaggerated graciousness.

"Why are there no women on this assignment? What has happened to women's lib on your paper?" He insists his photos be taken with his mammoth pet dog. "Here, Shah, here Shah, come now. . . . He's a cross between a bear and a dog. Actually, he's a pure German shepherd—the only member of our family who has a pedigree."

Coffee and cookies on a sterling-silver tray are elegantly served at the living-room table as Teller politely inquires about cream and sugar. But when his guest begins to ask questions, he finally folds his arms across his ample midsection. "Now, look, what is this about? What do you want here?"

The interest is in his current work on the energy crisis, both as a professor of physics at the University of California and a member of the Commission on Critical Choices that was formed by Nelson Rockefeller, his old friend. Scientists at the Lawrence Radiation Laboratories in Livermore, near here are experimenting with a method to convert coal into gas, which Teller believes could significantly ease the country's difficulties.

Last May, Teller submitted this plan, among others, to the commission, where it is now under consideration. He also discussed his views with President Ford in a meeting in December.

"I did talk to the President, I cannot tell you if he was interested or just polite, but he seemed interested," Teller acknowledges. Agreeing to outline his proposals for W, he launches into a precise monolog, with the phrase "now—look" used regularly to punctuate transitions and key points.

"Conversion into gas and oil is usually very expensive, and requires water, which the West does not have. The solution is to convert the coal underground, at least 500 feet below the surface. Instead of bringing the coal up from the mine, you put normal explosives into the mine and turn the coal into rubble.

"Then you pump oxygen into the mine and put water over it. When you ignite this, the fire converts the coal into good gas. You need at least 500 feet of water for pressure, but you're not using up the water. It just sits there and can be used again, except for the bottom part, which is involved in the actual conversion process.

"What you get is good gas—really it's city gas, that type which fueled the old gas lights, except then it was done on the surface. On the surface, you need big steel vats, and these have to be cooled with enormous amounts of water. Underground, you don't use water for cooling."

A similar process, Teller believes, can be used to convert oil shale into an oil-like substance without using any water at all.

"You just explode the shale, pump in air and ignite. As it burns, what actually burns is the nonvolatile residue. The volatile part escapes and collects at the cooler bottom and condenses into oil."

The coal conversion is being tested at Livermore and the University of Texas, Teller says. The oil-shale conversion is being used by Occidental Petroleum, but "more people should be doing it. It cannot be done cheaply, but it still would be quite a bit less than $11 a barrel . . . maybe $5 to $7 a barrel."

Current proposals for transporting coal, by grinding it up with water and transporting the resulting slurry by pipeline, have been hampered by water shortages. But there would be no similar problem, Teller points out, in transporting gas via pipelines.

Why hasn't this process been used before?

"Now—look. It has been tried. Underground coal gasification is not new. It's been tried for decades in Russia and the United States, but it didn't work.

"Why not? First of all, until the current oil crisis and rising prices, it simply was not economically feasible to use the underground gasification process. Natural gas was too cheap, at about 18 cents per 1,000 cubic feet, and you just couldn't compete with that.

"Secondly, it was being tried incorrectly. They weren't doing it deeply enough. It must be at least 500 feet deep to get enough pressure.

"And thirdly, you cannot do it without thick coal formations of at least 50 feet. People would try it with thinner formations, but the fire wouldn't burn all the coal at the top before proceeding downward. It would eat out channels, leaving most of the coal behind. But there are plenty of places in Wyoming and Montana and elsewhere with good thick formations."

Believing this process is only a partial solution, Teller also advocates other plans, including increased strip mining and use of nuclear reactors. He dismisses the expected objections with a shrug.

"Sure, these two are the most controversial because when you talk about nuclear energy, people think of Hiroshima. In strip mining, wrong practices have occurred and people resent this—but it can be rectified.

"We need more surface coal mining, because it's less dangerous to miners and because there are very thick surface deposits in Wyoming and Montana, almost completely free of sulphur. If you do it on fairly flat land, with thick deposits, you can get $100,000 or more of coal per acre. For a small fraction of that—maybe $5,000—you can return the land to its original state or leave it in better condition than before. That should, and must, be done.

"As for nuclear reactors, I am advocating building reactors 200 feet underground. I think they're safe now, but I want to make them even safer."

But he acknowledges no economic feasibility study for such massive underground construction has yet been made: "This is a scandal. It should be studied."

Teller pauses to ask that a copy of the interview be sent to him at a hotel in Honolulu where he will be staying. A vacation?

"No, no. Now—look. I'll tell you a story. You know what I'm doing there? Energy—wind energy."

"Energy from wind is too expensive except in one place—the island of Oahu. It's a unique place. The effectiveness of a windmill increases rapidly with the wind velocity—when the velocity doubles, the power is multiplied by eight. But winds usually are not reliable, and then you must store the energy, which is expensive.

"In Oahu, though, you have very reliable trade winds of about 15 m.p.h. And on the windward side, Oahu has a rampart of hills. As the wind goes over the hills and through the valley, it becomes strong, just as if something were going through a constriction in a pipe. At a famous place called the Pali, the wind is notorious for its strength—up to 30 miles an hour. This could be converted into electrical energy and wouldn't have to be stored, because the customers are right there—Honolulu represents one-half of 1 percent of the United States population.

"If you can solve the energy crisis for that percentage of the American people in this way, it shows the two things I am trying to tell you: first, solutions can be found. Second, we shouldn't think any one solution will work for everyone. There are lots of little solutions and future solutions, but there is no one solution.

"Certainly, we should look to the future, to nuclear fusion and solar energy, but they should not be over-emphasized now. Things like fusion are very far in the future—we would all be dead by then.

"This energy crisis, which is exceedingly grave, is solvable, but not in a short time. The only immediate results can be obtained through conservation efforts.

"My hope is that we all drive small cars and more diesel cars. We should better insulate homes—40 percent of all new individual homes are mobile units with very little insulation. We should buy from those manufacturers who make things which last longer. These are major tools of energy conservation and are the ones most promptly effective. Of the various things I've told you, conservation is crucial."

Teller's underground gasification proposal and other plans are "being considered in all kinds of places. I should emphasize that I am working on the Commission for Critical Choices, but not speaking for the commission. My views are being debated and considered there."

How does vice-president Rockefeller view Teller's proposals?

"Now—look," Teller offers one final time, politely escorting his guest to the door, "Rockefeller knows of my ideas, yes. But it is not my business to tell you his opinions or thoughts."—BARRY SIEGEL.

UMI

WOMEN IN THE MILITARY SERVICES

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. DU PONT. Mr. Speaker, in the last decade or so, this Nation has made great strides in equalizing opportunities for all its citizens. Still, much more needs to be done.

One of the most glaring injustices which the Congress can and should eliminate immediately, is the continued prohibition against admitting women to the military service academies.

I have been advised by the Secretaries of the Navy, Air Force, and Army, that no matter how well qualified a female service academy applicant from my State or any other State may be, she will not be admitted to the service academies.

Discrimination based on sex is clearly wrong and particularly so when it affects one's opportunities for employment.

I believe that the basic elements of fairness as well as the U.S. Constitution guarantee women the right to be admitted to the service academies should they otherwise qualify.

I am introducing legislation today to change those sections of the United States Code which the military services have used as legal justification for their refusal to admit women.

If it takes amending the United States Code to open the academies to women, then let us change the laws. If it is really tradition that is stopping the admission of women, then I think we need to move the service academies into the 20th century.

Women, both officers and enlisted personnel, already play a vital role in the Armed Forces, and that role is expanding rapidly as the military moves toward its goal of all-volunteer services. All three branches of the military intend to substantially increase the number of women in the Armed Forces. By June of 1978, their total objective is to have some 45,000 enlisted women and officers.

The purpose of the service academies supposedly is to train highly skilled and motivated officers for the Armed Forces who will rise to top leadership positions in the services. Sex is irrelevant in meeting that goal.

Competition for service academy appointments would only be enhanced by expanding the eligibility requirements to allow women.

The modern military needs administrators, economists, computer specialists, communications experts, linguists, and many other specialists for careers which do not involve actual hand-to-hand combat.

Women's role in the Armed Forces is increasing, not only in terms of sheer numbers, but also in terms of occupational and career opportunities available to them.

The first eight women have recently begun service in the National Guard. In the Army, where four women have attained the rank of general, almost all occupational specialities, except those directly involving combat are open now to women.

The Air Force has announced that all but five combat associated job specialities have been opened up to women. Last August, the Air Force appointed Col. Norma Brown as the first woman commander of a major U.S. men's military unit.

The Navy plans to open all enlisted ratings to women and ROTC to female midshipmen. They plan to allow women officers to attend the National War College, the Armed Forces Staff College, and Industrial College of the Armed Forces. They are revising naval regulations to permit women officers to assume command of naval shore stations and permit women line officers to compete with men for promotion, including the rank of admiral.

In view of the changing facts on the role of women in the Armed Forces, it is rediculous, wasteful, and anachronistic to maintain that the best officer training our Nation has to offer should be limited to men only.

The Armed Forces would benefit just as much as women by making these opportunities available to the most qualified candidates of both sexes.

DARNELL M. WHITT

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. JONES of North Carolina. Mr. Speaker, in recent years we have become extremely conscious of the important matter of conservation of our natural resources. Yet, through the years there have been individuals who have devoted their entire career to conservation, but receive little or no notice or credit for their dedication.

Such a person is Darnell M. Whitt, who until December 31, 1974, had served with the Soil Conservation Service since August 1935, finally retiring as Deputy Administrator for Field Services. During his career he was a graduate from North Carolina State University, also has a Ph. D. from the University of Missouri and served nobly and well in World War II and is a retired Army lieutenant colonel.

He has had a most varied career—among other things, Mr. Whitt was one of the participants from the United States in the First Pan American Soil Conservation Congress held in Brazil in 1966, the XI International Grasslands Congress in Australia in 1970, and the Symposium on the Conservation of Nature in New Caledonia in 1971.

Mr. Whitt has served as a consultant to the Republic of Nauru and to the South Pacific Commission in New Caledonia on reclaiming surface-mined lands.

Mr. Whitt is listed in Dictionary of International Biography, American Men of Science, Who's Who in Ecology, Who's Who in the South and Southwest, and Who's Who in Government.

Mr. Speaker, I merely take this opportunity to pay tribute to one man who has contributed much to the conservation of natural resources of this Nation, and, of course, this applies to his counterparts both in and out of Government.

SUBJUGATED NATION

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NOWAK. Mr. Speaker, as we observe the awakening of self-determination by many nations and minorities, we are reminded by the 57th anniversary of the establishment of the Republic of Lithuania, that the yoke of repression still binds many peoples of the world.

This nation, caught in the vacuum created by the pre-World War II atmosphere, still finds itself enslaved. In 1966, the Congress passed House Concurrent Resolution 416 calling for freedom for this subjugated nation. This expression of support has demonstrated to the people of Lithuania that others maintain their ardent hopes for freedom and liberty.

People of the free world however, must not forget the undying spirit seeking Lithuanian independence. We join Lithuanians living in the United States in urging continuance of the fight against forceful territorial incorporation, and hereby submit statements from Joseph Gaila, president of the Lithuanian Club of Buffalo, and of Dr. Denis G. Mazeika, the immediate past president of that organization:

PRESENTS FACTS ABOUT LITHUANIA

(By Denis G. Mazeika, M.D.)

How much do the people of the United States know about the country of Lithuania?

Do they know that: 80 per cent of the world's amber is mined in Lithuania? The Lithuanian language is the oldest living Indo-European tongue and is directly related to Sanskrit. During the Fifteenth Century, Lithuania extended from the Baltic to the Black Sea.

In 1812, Napoleon marched into Vilnius, Lithuania, and established an independent Lithuanian government. Unfortunately, this was short-lived, since Imperial Russian troops re-occupied Lithuania after Napoleon's defeat.

The "Russian" authors Dostoevski and Tolstoi were of Lithuanian descent. By the efforts of its freedom fighters, Vilnius, the capital of Lithuania, was the only European capital saved from destruction during World War II.

There are many more interesting cultural and historical facts buried in history about Lithuania. Yet few people in the U.S. even know or care if she exists!

February 16th marks the 57th anniversary of her independence from occupation by Czarist Russia. Yet we can only commemorate this day in the Free World, since she was invaded by the Soviet Union in 1940.

We of Lithuanian descent can only hope that the small amount of interest and publicity kindled in the United States on this occasion will give the present population of Lithuania the courage to withstand the attempts at Russification and genocide they are enduring at the present time, and that we will discover that this is only one chapter in her continuing history.

LITHUANIAN-AMERICAN COMMUNITY OF THE U.S.A., INC.,
Philadelphia, Pa., January 31, 1975.

Hon. HENRY J. NOWAK,
House Office Building,
Washington, D.C.

DEAR MR. NOWAK: We invite you to join with Americans of Lithuanian origin and descent, throughout the nation, who, on February 16, 1975, will commemorate the 57th anniversary of the establishment of the Republic of Lithuania.

I and the National Executive Committee hope that you will manifest your own just concern for the oppressed people of Lithuania by taking an active part in the commemoration of Lithuanian Independence Day in the House of Representatives, and that you will insert and forward to us your remarks in the Congressional Record.

Sincerely,

JOSEPH GAILA,
President.

AN INVISIBLE NATION: A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronicle of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of détente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

PRESIDENT FORD PROPOSES BIGGEST BUDGET IN HISTORY

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. EVINS of Tennessee. Mr. Speaker, as you know, President Ford recently proposed a new $349 billion budget for the next fiscal year, the highest budget in our history with the highest built-in peacetime deficit in history.

Careful examination of the budget request raises critical questions of priority and I know that the appropriate committees of the Congress, including the Appropriations Committee, the Budget Committee, and others, will carefully examine the phases of the budget within their jurisdiction and make their own judgments and independent recommendations.

Because of the interest of my colleagues and the American people in this budget, I place my recent newsletter in the RECORD herewith.

The newsletter follows:

PRESIDENT FORD PROPOSES BIGGEST BUDGET IN HISTORY

Congress this week received President Ford's new $349 billion budget for the next fiscal year—the highest budget in the Nation's history. The proposal also calls for a $51.9 billion deficit for the next fiscal year—the highest peacetime deficit on record.

The budget is designed in part to stimulate the sluggish economy by greater infusions of Federal funds into the economy.

With reference to priorities it is interesting to note that while the Administration budget proposes to cut back on programs for our people at home, the President proposed substantial increases in foreign aid and for the Department of Defense.

The proposed budget would cut back by more than $1 billion health programs such as aid to schools of medicine, dentistry and nursing, community health centers, research on cancer, heart disease and a host of other dreaded diseases, and a number of other health programs.

The budget would cut back by $1 billion on education programs such as aid for Federally impacted areas, student aid, assistance to higher education, public libraries, education for the handicapped, vocational education and elementary and secondary education.

No new construction starts are recommended for public works projects for jobs and capital investments.

While the budget proposes cutting back funding in these domestic areas, the budget recommends substantial increases in foreign aid and overseas expenditures. Under the summary heading "International Aids", the budget recommends $9 billion 643 million. This is $2 billion 676 million over the level of spending for the current year. This overall figure of more than $9 billion includes outlays related to foreign assistance and the conduct of foreign affairs.

The major item—labeled "International assistance"—is for $6 billion 81 million. In addition to that item, a total of $975 million is earmarked for further military assistance to South Vietnam.

Although the Vietnam War has been over for several years, the military budget and expenditures have consistently increased to higher levels. Outlays of $90 billion 776 million are recommended in the President's budget for the Department of Defense for next fiscal year—an increase of more than $7 billion over the current year. The Department of Defense is noted for its excessive cost overruns and expenditures.

The Appropriations Committee will give careful consideration to the President's many excessive budget proposals. The Congress will make its own independent judgments, make some cuts and reductions and set its own priorities on items considered of the highest national importance in the public interest.

ECONOMIC CRISIS ON THE ELDERLY

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. RYAN. Mr. Speaker, the following is a letter I received from a constituent of mine in Pacifica, Calif. Although Pacifica is warmer than other cities in the United Sttes, I feel this is a perfect illustration of the impact of this whole economic crisis on the elderly in this country. At a time when this new Congress is restructuring our tax laws and assessing our economic difficulties, it is essential that we take in account those who were either forced to retire due to their age or are no longer in a capacity to work. What good is a tax rebate to them? It is with this in mind that I submit this letter in the RECORD with the hope that this new Congress will not ignore our obligation to our senior citizens.

MILLBRAE, CALIF.,
January 28, 1975.

DEAR CONGRESSMAN RYAN: Enclosed you will find a copy of my Pacific Gas and Electric Company bill. This is for one month.

Now my problem is that the amount of this bill is outrageous. I have told the Pacific Gas and Electric Company about it. I also complained about the November bill which was $42.17. When I made the check for November I wrote across the face of the bill that I thought this bill was too high. Especially when the Winter hadn't even started.

The girl at the office called me and she said she was very sorry but there wasn't anything she could do for me. Then when I received the December bill when I sent the check in I put a note in it and told them I was going to send a copy of the bill to the Governor and also to my Congressman.

Well when they received my check a man from the Pacific Gas and Electric Company came out to my house with two ledgers for 1972 and 1973 and he told me I was using less units now than I was in 1972 and 1973. Now I know they have had a lot of raises and of course the people are the ones that have to pay for them.

Now I have been turning the heat down every time I can and we have also been using the fireplace. I really don't know just what to do about it. The man that was out here said he was really very sorry that he couldn't help me.

Now my husband and I are retired and

really this hurts. It seems like it is the older people that has to suffer.

I am not sure what you or the Governor can do but I did have to tell it to somebody. Maybe if more people would complain you could do something.

I want to thank you very much for reading this.

Yours truly,
Mrs. DOROTHY E. MCLAUGHLIN.

HEW INTENTIONS RUN AMUCK

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BAUMAN. Mr. Speaker, in recent weeks it has come to my attention repeatedly that various Federal agencies including the Department of Health, Education, and Welfare are attempting to enforce government regulations on private nursing homes in a highly unreasonable manner.

In its bureaucratic zeal to solve every conceivable problem, HEW is defeating its own goal by imposing requirements on such nursing homes that go far beyond what is beneficial to the patients involved.

Recently, one of the leading nursing homes in my district, a thoroughly new and well equipped facility, Magnolia Hall in Chestertown, Md., declined to participate further in the medicaid program because of the inane multiple reporting requirements insisted upon by the Federal bureaucracy.

Now comes an example of two very elderly patients being driven out of a nursing home in Sudlersville, Md., because the home did not have a communal dining area. The truth of the matter is that many of the patients prefer eating by themselves because of their physical infirmities, but the Government said "no," and the patients had to leave in the absence of such a facility.

I include an editorial from the Queen Anne's Record Observer which sums up the problem which I am sure is repeated in many parts of the country. Certainly those of us in the Congress should act to prevent this. The article follows:

INTENTIONS RUN AMUCK

Small, private nursing homes have been under fire for several years now—first because they didn't meet federal safety regulations and now because they cannot provide the degree of care mandated by health programs like Medicaid.

The intent of these regulations is indeed commendable—everyone should be allowed to live out his declining years in a quality environment, regardless of financial worth, when the day comes that he or she must be institutionalized.

But even the best intentions, when too tightly structured, occasionally run amuck. News that two elderly men who have resided in recent years at Kitty's Nursing Home in Sudlersville, must be transferred to a distant part of the state because Kitty's does not meet the Intermediate A Medicaid requirements, is a bit disgusting.

The men, one 98-years-old and the other 96-years-old, will probably be transferred to Hagerstown, which is too far for the family of at least one of the men to travel. That he will have to spend whatever time he has left among strangers is indeed sad.

The government says the families may take these men back, but it's unlikely the families will be able to provide the kind of care they received at the Sudlersville nursing home and such a move is probably inadvisable.

The government has, in effect, regulated nursing homes according to the physical needs of their patients, but has paid little attention to their social and emotional needs.

People should not be treated like cattle. Perhaps the lawmakers will consider the problems faced by small communities, where large, multi-faceted facilities are not feasible, and tailor the regulations to accommodate our needs.

TRIBUTE TO MORRIS BERNSTEIN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. ANDERSON of California. Mr. Speaker, the San Francisco campus of the University of California has established a medal to honor those individuals who through their wisdom, vision, and dedication have contributed significantly to the university's mission in education, research, and public service.

I am extremely pleased and proud that one of the first recipients of this honor is a personal friend of mine, Mr. Morris Bernstein, a great individual who has selflessly dedicated his life to the betterment of his fellow man.

His commitment to those who are economically or educationally disadvantaged is illustrated through his efforts in the community as president of the San Francisco Board of Fire Commissioners; president of the Maimonides Hospital; chairman of the Maimonides Rehabilitation Institute, Mt. Zion; and board member of the Bayview-Hunter's Point Foundation for Community Improvement.

With the San Francisco Fire Department, Mo has worked diligently and persistently for the advancement of minorities. Specifically, he sought and gained educational assistance in order to help minorities qualify for positions, and for advancement.

As a member of the board of the Bayview-Hunter's Point Foundation for Community Improvement, Mo Bernstein was active in organizing youth groups in the area in order to give our young people direction, inspiration, and guidance.

In addition to his membership and leadership in these organizations, Mo Bernstein was board member and finance chairman of the Mexican-American Legal Defense and Educational Fund, and of the Spanish Speaking Foundation; president of the Hebrew Nursing Home; director of the Mt. Zion Hospital and Medical Center, the Jewish Welfare Federation, and the Beth Israel Congregation; board member and finance chairman of the Jewish Home for the Aged; and member of the Manpower Commission.

His efforts on behalf of the community and the people have also been recognized by the San Francisco Board of Supervisors who awarded him the Certificate of Merit; the Sun Reporter, which selected Mo "Citizen of the Year"; and the University of California School of Dentistry, which awarded him its Certificate of Merit.

A successful businessman, Mo is presently owner of the Smarty Party Shops and vice president of Modlin, Inc. He was formerly president and founder of GET of San Francisco; vice president of Kindel and Graham; vice president of Sloat Drug Co., Inc.; and president of San Francisco Knitting Mills. In addition, Mo has shared his knowledge of merchandising as a guest lecturer at San Francisco State College, San Jose State College, the University of California, KQED, Stanford University, and Santa Clara University.

Even with this long and impressive list of business and community activities, Mo Bernstein has found time to take an active leadership role in the Democratic Party. He served as an alternate in the California Democratic Delegation at the 1964 National Convention; as vice chairman of the California Democratic Delegation at the 1968 National Convention; and as the Northern California Treasurer of Senator Robert F. Kennedy's Presidential Campaign.

And working by his side and supporting his efforts through these years has been his lovely and talented wife, Rea.

Mr. Speaker, all too often we take people like Mo Bernstein for granted—we come to expect the long hours of hard work they give to their community. I am pleased, therefore, to have this opportunity to join with the University of California at San Francisco to honor my good friend, Morris Bernstein.

LITHUANIAN INDEPENDENCE DAY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BADILLO. Mr. Speaker, on February 16, 1975, Americans of Lithuanian descent commemorated the 57th anniversary of the establishment of the Republic of Lithuania. In remembrance of that event and also of the time, 724 years ago, when the Lithuanian State was founded, it is fitting that we renew our commitment to the oppressed people of Lithuania, which has been under the rule of the Soviet Union since June 15, 1940. On that day, a Soviet occupation army of 140,000 men was sent into Lithuania, and through the devices of staged elections, formally annexed that country.

But although the Soviets had taken over the nation of Lithuania, they could not control the free and patriotic hearts of these courageous people. Because of their nationalism and hostility to tyranny, Lithuanians have sacrificed many lives in the cause of freedom. On June 22, 1941, they revolted against their subjugation and proclaimed Lithuania to be a newly independent state. Almost 12,000 lives were lost in this valiant effort, but the newly established provisional government fell under the occupation of German forces en route to the Soviet Union.

In the current atmosphere of détente, it is important that we not forget these freedom-loving people. The United States must continue the policy of nonrecognition of the annexation by the Soviet Union of the Baltic States. I urge the Members of Congress to support House Concurrent Resolution 2, which states in part that—

The President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the questions of the forced incorporation of Latvia, Lithuania and Estonia into the Union of Soviet Socialist Republics.

TRIBUTE TO VIRGIL D. WATERS "DISTINGUISHED CITIZEN OF INDUSTRY"

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. DANIELSON. Mr. Speaker, I would like to share with my colleagues the truly outstanding work that my good friend and constituent, Virgil D. Waters, has accomplished in the San Gabriel Valley area—much of which is in my congressional district. On February 19, 1975, the community will be honoring Mr. Waters as "Distinguished Citizen of Industry" for his outstanding service to youth and to the community.

Virg is not a stranger to the limelight. He was named "Man of the Year" in Purchasing in 1955; "Man of the Year" in Industry in 1967; and was awarded an Honorary Doctor of Laws Degree in 1967 from Van Norman University. His work not only excels in his occupation, but also in his work in the community. During his 43 years of continuous service with the Utility Trailer Manufacturing Co., he served as director of purchases for 35 years, and was a member of the board of directors and corporate secretary of the company until his retirement in 1970.

Although his work kept him busy, Virg always found time to be active in community affairs. He appeared before many civic, professional and business groups, as well as before college and university students, spreading his enthusiasm.

The broad spectrum of his interest is shown in the various organizations he has served. He is serving as a member of the board of directors of the following organizations: Quarter Century Metals Club; American Cancer Society, Pasadena/San Gabriel; American Red Cross, San Gabriel Valley; Junior Achievement; Men's Club, Queen of the Valley Hospital; Men's Club, Inter-Community Hospital; United Crusade; San Gabriel Valley Boy Scout Council; After-Stroke Resocialization, Inc.; YMCA of Covina.

Additionally, Virg was honored to serve as president of the following: Quarter Century Metals Club, Football Hall of Fame, Pasadena/San Gabriel Valley Chapter; Industry Chamber of Commerce; La Puente Chamber of Commerce; Purchasing Agents Association of Los Angeles. He has served as vice president of the board of directors of La Puente United Way; vice chairman of the San Gabriel Valley/Pomona Valley Regional Lung Association; past chairman of the La Puente YMCA; and on the board of directors of East San Gabriel United Crusade. He is a past Noble Grand of the El Monte Odd Fellows Lodge.

He also serves as a member of the advisory board of Mount San Antonio College; La Puente Kiwanis Club; La Puente Historical Society; Town Hall; American Heritage Society; Junior Achievement Council, Northeast District; board of trustees, Southern California Transportation Action Committee; Statewide Economic Development Committee of the California Chamber of Commerce.

It is a pleasure for me to take this opportunity to recount the endless civic activities that have been undertaken by this man who is truly an outstanding American. I am proud to honor Virgil D. Waters, whose incredible energies have benefited so many people.

AMENDING THE SOCIAL SECURITY ACT

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. HOLLAND. Mr. Speaker, today, I am introducing legislation to amend title II of the Social Security Act, raising the limitation on the amount of outside income a person can earn while receiving social security benefits from $2,500 to $3,600. I feel that this amount, which would give the average social security recipient an additional $90 a month, is both humanly and fiscally responsible.

One hundred and thirty-one bills to amend title II of the Social Security Act have been introduced since the beginning of the 94th Congress. Those bills, which would raise the amount of outside income a social security recipient may earn and still receive benefits, range in magnitude from $4,200 to $8,000. Other bills would attach the amount of allowed outside earnings to automatic adjustment provisions so that benefits would rise annually with the cost of living.

Traveling throughout my district in recent weeks, I have become increasingly aware of the difficulties the present low-level earning limitation causes for the thousands of Americans who depend on social security payments to survive. However, I am also aware of the need for determined efforts to hold down the level of Federal spending.

Raising the outside income limitation for an individual to $3,600, from the present $2,520, would cost approximately $0.3 billion in the first year. The cost of raising the outside income limitation to $5,000 would be about $1 billion annually and the cost of eliminating the limitation entirely would be $4 to $4.5 billion annually requiring an increase in the already burdensome social security tax. The price the Government would pay to raise the earning limitation would rise dramatically with each increase above the present level. This is because of the increase in the number of persons who now receive partial benefits or no benefits at all who would then be eligible for full benefits. The cost of the increase would be borne by either a subsidy out of general revenues or another increase in social security taxes.

The American people are depending on Congress to provide responsible economic leadership. Present income limitations force many of our older citizens to live on poverty level incomes. We must insure that those persons who live on fixed incomes are allowed to earn an adequate living, and at the same time we must show the American people that this Congress recognizes the need to hold down Federal spending. I feel that this bill will demonstrate that the Congress is acting to balance the needs of all segments of our population.

I hope you will agree with me that a moderate increase in the outside income limitation is the most responsible method of assisting our older and disabled citizens and holding the Federal budget in check.

I respectfully urge early enactment of this legislation.

SUNY AT BUFFALO SURVEY ON PERSONAL IMPACT OF UNEMPLOYMENT FIGURES

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NOWAK. Mr. Speaker, I would like to call the attention of my colleagues to an article in the New York Times Magazine of February 9, 1975, entitled "Down and Out in America." Written by the members of the American Studies Program, State University of New York at Buffalo, it clearly describes the impact of the drastic unemployment facing the city of Buffalo, N.Y. With the national unemployment rate presently at 8.2 percent, this highly industrialized urban area has an unemployment rate exceeding 10.3 percent.

As stated in the article:

The people of Buffalo are themselves a leading human indicator of the national situation.

Buffalo's heavy systemic unemployment partly results from a high concentration of industrial manufacturing,

which has experienced a series of plant closing and layoffs.

Through the use of interviews, this magazine article traces the human dimensions of this problem. I hope that this article will provide useful background information and be a dramatic reminder of the urgent need to accelerate efforts here in Congress and in the White House to improve our Nation's economic health.

Following is an article from the State University of Buffalo newspaper which details the methodology of this study which resulted in the New York Times article.

UNIVERSITY DEPARTMENT STUDY TO BE IN TIMES

(By Fredda Cohen)

Buffalo now has the third highest unemployment rate on the East Coast.

How this has affected the lives of its citizens will be cover story of the Sunday *New York Times Magazine* on February 9. The article—known as the Hard Times Project—was researched and written by thirty students and faculty from the American Studies Department at this University.

The study was commissioned by Sunday *Times* editor Harvey Shapiro as an in-depth analysis of the unemployment situation. It was researched in the tradition of Studs Terkel, who is known to interview people in an easy-going, expressive manner, without questionnaires or statistics. The commission was, in fact, first offered to Mr. Terkel, who after declining it, referred the *Times* to the American Studies Department.

The article is based on "edited interviews that explore the nature of the unemployment situation in Buffalo, its human dimensions, and its implications for understanding the American economic growth," explained Michael Frisch, assistant professor of History.

The work was done both individually and collectively. When the group began the project in October 1974, it met weekly to discuss themes, economic statistics and methodology.

SAMPLED INTERVIEWS

There were a total of 80 interviews, done either randomly or with people familiar to the project members. Many members of the working class were questioned, including people on unemployment lines, middle-age people in fear of losing jobs, students with degrees who can't find jobs, old people, women, unemployed wives, social workers and unemployment officials.

An editing committee, consisting of two faculty members, three undergraduates and one graduate student, was then selected to determine how these interviews would be structured together in the article.

The committee learned that "some of the most oppressed people have strikingly clear and analytic understanding of current circumstances," Dr. Frisch explained.

"We discovered that it would be important to not only get across their pain," he went on, "but their perceptions and ideas as well. We think it's important that middle class readers will not only feel sorry for them, but understand what they have to face."

The people interviewed were described as angry and helpless. They were surprisingly articulate and directed their anger at labor unions, corporations and "major built-in injustices," Dr. Frisch said. He feels that "this points to major fundamental problems in the American system. Corporations can protect themselves by moving or laying people off."

"The working people are the tail end of the whole process, and Buffalo as a city can do very little to protect its jobs," he continued.

When asked if the people offered any solutions, Dr. Frisch responded, "Some people thought of changing unions, others threatened violence, but most just used their energies for survival. It's a day-to-day struggle to live. It's hard for people to think beyond that."

DECEPTIVE STATISTICS

Dr. Frisch also mentioned the deception of the statistics. Buffalo is slated at 10 percent unemployment, but this figure includes Erie and Niagara counties, which have many suburban areas and farms.

The unemployment rate in these areas are much lower and the 10 percent rate is actually an average of the entire area. "It's easily 25 percent in Buffalo, in black areas more," he said.

Many of the unemployed do not receive unemployment insurance the study found. This includes people whose unemployment benefits have run out, people who have never worked, senior citizens, the self-employed, certain civil service workers and people who are working but cannot live on their means.

The project members are awaiting the reception in Buffalo with curiosity. "Some people might think this is highlighting the local problems, but we feel it's a constructive piece. We found that there are few people who are down on Buffalo," said Dr. Firsch. "Most feel that this is their home, although many acknowledge a lack of leaders," he noted.

ONE LEVEL SURVEYED

Mayor Stanley Makowski and other high city officials were not interviewed. The article was geared at people whom unemployment directly affects. "We don't pretend it's a survey of all social levels," Dr. Frisch said. "It's been exciting for people to do, it's been an education, and it's an important community service," he added.

Commenting on the high rate of unemployment, one official said, "Things aren't so bad. If 10 percent of the people are unemployed, that means that 90 percent are employed, so somebody's flourishing. Besides, people are always dying."

The American Studies program is considering the possibility of expanding some of the materials into longer form and distributing it in Buffalo.

"We're concerned with returning this sort of work of the people who gave it to us, so that they can speak to each other as well as the readers of the Sunday *Times*," Dr. Feasch observed.

CHARLES J. HITCH, PRESIDENT OF THE UNIVERSITY OF CALIFORNIA, ANNOUNCES HIS RETIREMENT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. ANDERSON of California. Mr. Speaker, nearly a century ago Herbert Spencer wrote that education has for its object the formation of character. I am confident, therefore, that he would be pleased to see the actualization of these lofty words personified in the life of one of California's foremost educators, Charles J. Hitch, president of the University of California.

Much of the worldwide reputation which California has earned for her outstanding educational system belongs to people like Charles Hitch who contribute their time and talents to help their fellow man.

I had the good fortune to have worked with this dedicated individual nearly a decade ago when I served as a Regent to the University of California while he was vice president. Since 1968, he has served as president of one of our Nation's largest universities, having an enrollment of over 116,000 distributed throughout its nine campuses in the State of California.

In addition to his valuable contributions in the field of education, Charles Hitch has also earned a reputation as an outstanding author, having written several books on economics and military matters; as a researcher, having worked as the chairman of the Research Council for the RAND Corp., one of the Nation's best nonprofit research corporations; and as a professor, having taught at the Universities of San Paulo, Brazil, Yale, and the University of California at Los Angeles. Currently he holds an appointment as professor of economics at the Berkeley Campus.

During World War II, he actively involved himself in our war efforts in numerous assignments, including his participation on Averell Harriman's first lend-lease mission in London. Later, in 1961, President Kennedy appointed him to serve as Assistant Secretary of Defense as a Comptroller.

For his valuable contributions, Charles Hitch has won numerous honors and recognitions, among these include his receiving an honorary doctor of law degree from the Universities of Arizona, Missouri, and Pittsburgh; a doctor of science in commerce from Drexel University; a doctor of humane letters from the University of Judaism; and an honorary Fellow for Queen's College and Worcester College, Oxford.

Mr. Speaker, after many years of dedication to the improvement of the University of California, President Charles Hitch has announced his retirement effective July 1, 1975, in order to assume a new position as president of Resources for the Future, Inc. This is a nonprofit corporation dedicated to research and education for the development, conservation, and use of natural resources. At a time when we are becoming more aware of the need to conserve our valuable resources, we can be grateful that we will have a man of Charles Hitch's vast experience, knowledge, and dedication to work in our behalf.

My wife, Lee, joins me in wishing him, his lovely wife, Nancy, and their daughter, Caroline Winslow, our very best in their future endeavors.

SENATE—*Wednesday, February 19, 1975*

The Senate met at 10:15 a.m. and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord, Thou hast been our dwelling place in all generations. We thank Thee for sturdy warriors of the past who have gone ahead and for the singing youth who follow in the ranks of the future. We thank Thee for life and for our place in the life of today. Help us to live wisely and well in our day never scorning the past or fearing the future. So send us to our tasks this morning renewed and strengthened by Thy grace. Bring us to the evening with peace and joy in our hearts, and in the knowledge that in Thy strength we have advanced Thy kingdom on Earth.

We pray in the name of Him who walked this earthly way before us making known the fullness of Thy kingdom. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 19, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, February 18, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF STATE

The legislative clerk proceeded to read sundry nominations in the Department of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

INTERNATIONAL BANK POSTS

The second assistant legislative clerk read the nomination of Charles W. Robinson, of California, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination and the previous nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 18 and 19.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MUSIC IN OUR SCHOOLS DAY

The joint resolution (S.J. Res. 18) to designate March 13, 1975, as "Music in Our Schools Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

Whereas the enjoyment of music and the opportunity to participate in musical activities are basic needs of every child, and

Whereas such enjoyment and participation offer immeasurable potential for enriched adult living, and

Whereas the musical experience enhances understanding of our Nation and its culture, and

Whereas the lifelong benefits resulting from music education in the schools are recognized by audience and performers alike in the art, and our country's school music education program is recognized throughout the world for its involvement of millions of young people, and

Whereas the Music Educators National Conference, in cooperation with twenty-five national organizations, will sponsor a national "Music in Our Schools Day" on March 13, 1975, and urge all citizens to participate in this observance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 13, 1975, shall be designated "Music in Our Schools Day".

Mr. METCALF. Mr. President, I am pleased the Senate has passed Senate Joint Resolution 18 to designate March 13, 1975, as "Music in Our Schools Day." I ask unanimous consent that the following names of Members be added as cosponsors: the Senator from Kentucky (Mr. FORD), the Senator from Illinois (Mr. PERCY), the Senators from Indiana (Messrs. HARTKE and BAYH), the Senators from New Jersey (Messrs. CASE and WILLIAMS), the Senator from Georgia (Mr. NUNN), and the Senator from New York (Mr. JAVITS).

The PRESIDING OFFICER. Without objection, it is so ordered.

YOUTH ART MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 8) to authorize the President to issue annually a proclamation designating March of each year as "Youth Art Month," which had been reported from the Committee on the Judiciary with amendments.

On page 2, line 4, strike out the word "annually".

On page 2, line 5, strike out "of each year" and insert in lieu thereof "1975".

The amendments were agreed to.

The joint resolution, as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

Whereas children are our most priceless asset; and

Whereas childhood is the time to develop interests, skills, and aptitudes that will last a lifetime; and

Whereas, through meaningful school art activities, children develop initiative, self-expression, creative ability, self-evaluation, discipline, and a heightened appreciation of beauty; and

Whereas the importance of art in education is recognized as being necessary for the full development of all children; and

Whereas participation in school art programs develops perceptive qualities and sensitivity, thus producing a more enlightened citizenry; and

Whereas Youth Art Month has been observed nationally since 1961 and has gained wide acceptance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of March 1975 as "Youth Art Month", and calling upon the people of the United States and interested groups and organizations to become involved in and give their support to quality school art programs for children and youth.

UMI

The title was amended so as to read:

Joint resolution to authorize the President to issue a proclamation designating March 1975 as "Youth Art Month".

AN ALTERNATIVE ENERGY SOURCE

Mr. MANSFIELD. Mr. President, the rapidly increasing demands for clean fossil fuels in the United States have outstripped our domestic production and have seriously affected our balance of payments and international monetary posture. In order to achieve a goal of energy self-sufficiency within the decade of the 1980's, there is a clear necessity for major research and development programs oriented toward achieving that goal, including more efficient production and utilization of sulfur-bearing fossil fuels, particularly coal. Since the use of these fuels in existing systems is objectionable from an environmental emissions standpoint, new technologies are required to convert these sources to energy in an environmentally acceptable manner.

One approach to the problem is the generation of electrical power by means of magnetohydrodynamic—MHD—conversion systems. MHD electric power generation, which was first developed in the United States, promises operating efficiency 50 percent better than the most advanced steel turbine plants and twice that of nuclear plants. It will burn coal, our most abundant domestic fuel resource, but will result in the use of less coal than present less efficient processes.

MHD power generation plants will operate with greatly reduced stack emissions, well within the specified limits for pollution control. And it will require much less, or no, cooling water, thus greatly decreasing or eliminating thermal pollution. Experiments at Stanford University and the AVCO Everett Research Laboratory have shown that nitric-oxide concentrations, a serious air pollutant, can be reduced well below EPA standards. Similarly, the Bureau of Mines work has shown that sulfur dioxide removal can be readily accomplished in an MHD plant. In summary, MHD development over the last 2 years has yielded a greatly increased tempo of progress toward achieving a more reliable and efficient coal-burning powerplant having the lowest possible impact on the environment.

MHD is currently under development in other countries, particularly the Soviet Union which has built and operates an experimental 25 megawatt MHD powerplant. The United States is falling behind, and an aggressive national MHD program is needed.

With this in mind, I am concerned to note that the interim organizational chart of the Energy Research and Development Administration includes specific divisions for geothermal and solar research but does not so much as mention MHD. This is not a new field.

Since 1968, Senator METCALF and I have been urging a national program to develop MHD power generation. We have been the principal proponents for funding MHD in the Interior Department's Office of Coal Research's budget every year, including fiscal year 1970 when the first funds were provided.

On August 9, 1968, Mr. Cordell Moore, Assistant Secretary of the Interior, wrote me:

> We are convinced that a direct energy conversion system, such as MHD, holds considerable promise for the development of the vast energy resources of the Northern Great Plains.

On August 22, 1968, I wrote to the President urging him to include $10 million in the fiscal 1970 budget request to be utilized during a 4-year period for construction of a pilot plant to be in operation by 1975. I also asked that he consider Montana for such a plant.

On September 20, 1968, Senator METCALF and I wrote to the Secretary of the Interior, Stewart Udall, urging him to give serious consideration to the construction of an MHD pilot project near the vast coal fields in Montana. Secretary Udall responded and stated:

> I am personally sold on the MHD research project and I agree with you that it would make sense to have such a project based in Montana. Further, the several hours I have spent inquiring into this subject have convinced me that our country must undertake a major MHD research project within the next few years.

Note, this was September 1968.

On May 8, 1969, James R. Smith, Assistant Secretary of the Interior informed me that fiscal constraints under the fiscal year 1970 budget were not conducive to the undertaking of a new MHD pilot plant.

On May 23, 1969, I called the attention of the Senate to an article by Mr. Gene Smith entitled "The United States Trails Soviet in Exotic Power." I pointed out that it was a sad commentary on the attention this Nation is giving to advanced power generator techniques especially since it was an American scientist who developed the Nation's first MHD generator 10 years before. Senator METCALF and I again urged an immediate initiation of plans for a pilot plant in Montana to bring low-cost power to our growing population and to industry without the side effects of air and water pollution.

On November 6, 1969, Senator METCALF and I wrote to Secretary of the Interior Hickel again asking that funds be requested to get underway with an MHD research program. Secretary Hickel replied on December 18, 1969, stating:

> We are as enthusiastic as you are about this program and we, too, are aware of its great promise for eliminating thermal pollution.

But he also pointed out that no decision had been reached concerning MHD and the Office of Coal Research budget.

On April 1, 1970, I appeared before the Subcommittee on Interior Appropriations again asking for funds for this important project. Only $400,000 was included in the budget that year for MHD and the committee increased that amount by $200,000 for a total of $600,000 in fiscal year 1971. This was the first significant step in providing impetus to this important research.

On July 22, 1970, I asked on the Senate floor whether it was the intent of the committee that the Department should initiate research in the immediate future on MHD even in advance of a final report on an electric research council task force. I was assured that was the intent.

Nothing significant was achieved by the Office of Coal Research in this area, and, again, on May 9, 1973, after the onset of the worldwide energy crisis, I appeared before the Interior Appropriations Committee asking that the request of the administration for $3 million for MHD research be increased to $8 million. I pointed out that MHD technology had not gone along as far as I had hoped due to the inadequate interest and support of the administration.

Again, in 1974, I requested consideration for an appropriation in fiscal year 1975 to further develop MHD techniques and applications within the State of Montana. This resulted in the following language being adopted in the report supporting Public Law 93–322, the Energy Research and Development Appropriation bill:

> The net decrease below the amount proposed by the House includes an addition of $5,000,000 for MHD (magnetohydrodynamics) to initiate design and planning work on an engineering test facility and to provide for additional research on MHD technology techniques and applications at the Montana College of Mineral Science and Technology and other units of the Montana University System.

The Office of Coal Research has reluctantly spent any of the moneys appropriated and has consistently ignored the intent of the Congress that MHD development should be accelerated.

In past years, the MHD appropriations amendments which Senator METCALF and I authored were general in nature. Given the urgency of the current energy crisis and the past attitude of OCR, I believe it is now incumbent upon the Congress to strengthen MHD research and development activities. I have no doubt that the new Administrator of the Energy Research and Development Administration, Dr. Robert Seamans, who seems to be a very reasonable, understanding and eminently well qualified man, will give this matter his most serious consideration and will understand the intent of the Congress that an accelerated program will be initiated so as to make MHD commercially available in the 1985–90 period.

With this in mind, Senator METCALF and I are today introducing legislation which will provide ERDA with the direction and funds necessary to expand MHD research and development and to proceed immediately with the engineering test facility presently required by Public Law 93–404.

This legislation directs ERDA to establish a Division of MHD Research under the Assistant Administrator for Conservation. In addition, the bill provides ERDA with both the direction and the funds necessary to expand MHD research and development.

Unless this bill is passed soon by the Congress, it is obvious that MHD will not receive the attention it deserves and that existing law demands.

Mr. President, I ask unanimous consent, on behalf of my distinguished colleague, Senator METCALF, and myself, that the bill be printed at this point in the RECORD, and that it be appropriately referred.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 744

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "MHD (Magnetohydrodynamics) Research, Development, and Demonstration Act of 1975."

SEC. 2. (a) The Congress hereby finds that—

(1) the needs of a viable society depend on an ample supply of energy, with the minimum impact on the environment;

(2) the current imbalance between domestic supply and demand for fuels and energy is likely to persist for some time;

(3) MHD will utilize coal (or fuels derived therefrom), our most abundant domestic fuel resources, and thus the use of MHD (magnetohydrodynamics) will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;

(4) MHD is estimated to be 50% more efficient than present generation methods and thus will result in the use of less coal and therefore less surface mining of coal as well as less depletion of underground deposits;

(5) MHD electricity generation produces far less air pollution and far less thermal pollution than present generation methods;

(6) to date, the national effort in research, development, and demonstration activities relating to the utilization of MHD (magnetohydrodynamics) has been extremely limited; and

(7) the urgency of the Nation's critical energy shortages and the need to make clean energy alternatives commercially viable require that the Nation undertake an intensive research, development, and demonstration program with respect to MHD (magnetohydrodynamics).

(b) The Congress declares that it is the policy of the Federal Government to—

(1) pursue a vigorous and viable program of research and development of MHD (magnetohydrodynamics) as a major source of energy for our national needs; and

(2) provide for the development and demonstration of practicable means to employ MHD (magnetohydrodynamics) on a commercial scale.

SEC. 3. The Administrator of the Energy Research and Development Administration (hereinafter referred to as the "Administrator") shall have overall responsibility for the provision of effective management and coordination with respect to a national MHD (magnetohydrodynamics) energy research, development, and demonstration program, including—

(1) research and development of MHD energy technologies; and

(2) the demonstration of appropriate MHD energy technologies.

SEC. 4. (a) The Administrator shall initiate and carry out a research, development and demonstration program for the purpose of achieving commercial utilization of MHD energy in the United States by the mid-1980's.

(b) In connection with or as a part of such program, the Administration shall—

(1) Provide for the design, construction and operation of an appropriate MHD engineering test facility large enough so as to provide a legitimate engineering basis for a commercial scale MHD plant (500 MWe or above) for operation in the mid-1980's. Such engineering test facility shall be located in accordance with section 107 of the Act entitled "An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes", approved August 31, 1974.

(2) Initiate and carry out a program to design, construct, and operate a commercial size MHD (magnetohydrodynamics) demonstration plant (500 MWe or above) and to have such plant operational by the mid-1980's to demonstrate the technical and economic feasibility of utilizing MHD energy.

SEC. 5. There is hereby created in the Energy Research and Development Administration a Division of MHD Electric Power Generation under the Assistant Administrator for Conservation, and the Administration shall carry out all the research, development and demonstration activities regarding MHD through this Division, including the development and improvement of MHD power generators and all other equipment unique to MHD as would be required in an electric power generating station.

SEC. 6. The Administrator is authorized to enter into such contracts and grants as are necessary and appropriate to carry out the provisions of this Act. The Administrator shall, in providing for the research, development and demonstration programs under this Act, utilize to the maximum extent the resources of the private sector.

SEC. 7. (a) (1) In carrying out his functions under this Act, the Administrator, utilizing the capabilities of appropriate Federal agencies to the maximum extent possible, shall establish and operate an MHD Energy Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data on MHD energy technologies.

(2) Information and data compiled in the bank shall include—

(A) technical information (including reports, journal articles, dissertations, monographs, and project descriptions) on MHD energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of equipment utilizing MHD energy;

(C) physical and chemical properties of materials required for MHD energy activities and equipment; and

(D) engineering performance data on equipment and devices utilizing MHD energy.

(3) In accordance with regulations prescribed under section 10, the Administrator shall provide retrieval and dissemination services with respect to the information described under paragraph (2) for—

(A) Federal, State and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector.

(4) In carrying out its functions under this subsection, the Administrator shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base. The Administrator, acting through the appropriate division, shall coordinate or merge such data bank with other Federal energy information data banks as necessary to assure efficient and effective operation.

(b) In carrying out its functions under this Act the Administrator shall perform or cause to be performed studies and research or incentives to promote broader utilization and consumer acceptance of MHD energy technologies.

(c) The Administrator shall enter into such arrangements and take such other steps as may be necessary or appropriate to provide for the effective coordination of MHD energy technology utilization with all other technology utilization programs within the Federal Government.

SEC. 8. The Administrator, acting through the National Science Foundation, is authorized and directed to support programs of education in the sciences and engineering to provide the necessary trained personnel to perform the MHD energy research, development, and demonstration activities required under this Act. Such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

SEC. 9. (a) The Administrator, in furtherance of the objectives of this Act, is authorized to cooperate and participate jointly with other nations, especially those with agreements for scientific cooperation with the United States, in the following activities:

(1) interinstitutional, bilateral, or multilateral research projects in the field of MHD energy; and

(2) agreements and programs which will facilitate the exchange of information and data relating to MHD energy and MHD energy technologies.

(b) The National Science Foundation is authorized to encourage, to the maximum extent practicable and consistent with the other objectives of this Act, international participation and cooperation in the development and maimntenance of programs of education to carry out the policy set forth in section 7.

SEC. 10. The Administrator, in consultation with the heads of the Federal agencies having functions under this Act and with other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this Act promptly and efficiently. Each such officer or agency, in consultation with the Administrator, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular function under this Act promptly and efficiently.

SEC. 11. The Administrator shall report, on an annual basis, to the President and the Congress all actions taken under the provisions of this Act, all action planned for the ensuing year, and, to the extent practical, a projection of activities and funding requirements, for the ensuing five years. The Administrator also shall recommend, as he deems appropriate, any legislation which might further the purposes of this Act.

SEC. 12. Notwithstanding any other provision of law, the Administrator shall keep the appropriate committees of the House of Representatives and the Senate fully and currently informed with respect to all activities under this Act.

SEC. 13. Upon the request of the Administrator, the head of any Federal department or agency is authorized to detail to temporary duty with the Division of MHD Electric Power Generation on a reimbursable or non-reimbursable basis such personnel as the Division may require for carrying out its functions pursuant to this Act, each such detail to be without loss of seniority, pay or other employee status.

SEC. 14. (a) For the fiscal year ending June 30, 1976, there is authorized to be appropriated such sum, not to exceed $50,000,000, as may be necessary to carry out the provisions of this Act.

(b) For each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, there is authorized to be appropriated such sum, not to exceed $100,000,000, as may be necessary to carry out the provisions of this Act.

(c) Sums appropriated pursuant to this

section shall remain available until expended.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

NOMINATIONS IN THE DEPARTMENT OF STATE

Mr. HUGH SCOTT. Mr. President, we have just confirmed the nominations of a number of ambassadors this morning, four of whom are from the regular Foreign Service, all with distinguished backgrounds and highly creditable career service.

We have, in addition, confirmed the nomination as ambassador to Finland of Mr. Mark "Evans" Austad, of the District of Columbia, known to all of us as Mark Evans, a most distinguished commentator and communicator in the field of television and radio, whose own origins are Scandinavian.

We have also confirmed the nomination of the distinguished former Attorney General, Elliot L. Richardson, to be our Ambassador to the Court of St. James in Great Britain, an extremely lustrous appointment of a man whose courage and capacity have been proven, and in whom the public has demonstrated great confidence and for whom they evince great affection. He will be well received, I am certain, in Great Britain, and will represent us with dignity and with a certain flair for the interrelationships of people, which will be fortunate for us.

We have also confirmed the nomination of our former colleague, the Honorable Peter H. Dominick, of Colorado, to be our ambassador to Switzerland, and I am certain that he will bring to that office the same capacity for judgment and careful examination of the nature of his responsibilities as he exhibited so well in the Senate.

These are all very good nominations, and they show the wisdom of an intermix between the professional service and those who have contributed through public service and by reason of the acquisition of considerable experience in similar affairs and in matters not directly related to government.

I think we have done a good job in confirming the nominations of these very able persons to represent the United States and its interests abroad.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I am glad to yield to the majority leader.

Mr. MANSFIELD. I wish to join the distinguished Republican leader in the remarks he has just made, and especially to express my appreciation for the responsibilities now being undertaken by the Honorable Elliot L. Richardson, of Massachusetts, a man of integrity, courage, understanding, and wide knowledge, a man who has proved himself, I believe, as the head of three Cabinet departments in the Government, and a man of whom we can all be proud.

I would also like to say a kind word about Mr. Robert J. McCloskey, who will be the liaison man for the Department of State with Congress. He, too, is a man of wide knowledge, deep understanding, and great integrity, and I look forward to working with him and the others in that particular area, because it is important that a very close and intimate, so to speak, liaison, be in effect between the State Department and the Congress as a whole. It is especially important in this difficult era in which we live. I think that the administration is to be commended for forwarding the name of Ambassador McCloskey, and I am delighted that he will assume this new position.

Mr. HUGH SCOTT. I thank the distinguished majority leader. There is no question that Ambassador McCloskey, one of the most experienced members of the Foreign Service, brings tremendous qualifications to the office. I know of no one better able to relate the problems of the Department of State to the Members of Congress. I am sure that we will work with him most effectively, and we welcome his advent to this new position.

Mr. MANSFIELD. Mr. President, may I be recognized under the time of the Senator from Oregon?

Mr. HUGH SCOTT. Mr. President, I am glad to yield whatever time I have remaining to the majority leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 13, 14, and 15.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INCREASE IN THE AMOUNT OF ENRICHED URANIUM WHICH MAY BE DISTRIBUTED TO THE INTERNATIONAL ATOMIC ENERGY AGENCY—IAEA

The concurrent resolution (S. Con. Res. 13) expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the International Atomic Energy Agency pursuant to the provisions of section 54a of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975, letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

INCREASE IN THE AMOUNT OF ENRICHED URANIUM WHICH MAY BE DISTRIBUTED TO THE EUROPEAN ATOMIC ENERGY COMMUNITY—EURATOM

The concurrent resolution (S. Con. Res. 14) expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the European Atomic Energy Community pursuant to the provisions of section 54a of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975, letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

EXTENSION OF EXISTING RESEARCH AGREEMENT FOR COOPERATION BETWEEN THE UNITED STATES AND ISRAEL CONCERNING CIVIL USES OF ATOMIC ENERGY

The concurrent resolution (S. Con. Res. 15) expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" submitted in the January 14, 1975, letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, on the time of the distinguished Senator from Oregon (Mr. HATFIELD).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER VACATING TIME OF SENATOR HATFIELD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time allotted to the distinguished Senator from Oregon (Mr. HATFIELD) be vacated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Wisconsin (Mr. NELSON) is recognized for not to exceed 15 minutes.

NATIONAL SECURITY SURVEILLANCE ACT OF 1975

Mr. NELSON. Mr. President, I send to the desk a bill in my own behalf and in behalf of the Senator from Massachusetts (Mr. KENNEDY), a bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted for national security reasons, and for other purposes, and I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. NELSON. Mr. President, approximately 30 years ago Supreme Court Justice Felix Frankfurter observed that:

> The history of liberty has largely been the history of observance of procedural safeguards.

That observation is of obvious relevance in understanding the dangers which national security wiretaps pose to individual liberty. For there are virtually no procedural safeguards to govern the use of wiretaps conducted by the Government in the name of "national security." Such wiretaps do not have the prior approval of a judicial warrant.

Nor are these wiretaps subject to congressional oversight—either before or after their implementation. Instead the Government alone decides whom to tap and for how long. The Government alone decides whether the exercise of its powers conforms with constitutional limitations.

Not surprisingly, these so-called "national security" wiretaps have resulted in flagrant violations of constitutionally-protected freedoms. The most recent example is the CIA's concession that it used "national security" wiretaps in the 1960's against American citizens whose principal "crime" was to criticize Government policies.

These warrantless wiretaps and other uncontrolled Government snooping pose a dangerous threat to our constitutional system. Our society cannot be free and tolerate a government which can invade an individual's privacy at will.

Senator KENNEDY and I are therefore introducing today legislation which would prohibit the use of warrantless wiretaps for so-called "national security' reasons or for any other purpose. Under this proposal, the Government would have to obtain a court warrant meeting strict standards before it could wiretap for national security reasons or any other purpose. After the wiretap is terminated, moreover, the Government would have to inform citizens of the interception. This would enable each citizen to learn about the interception and provide him the opportunity to seek court relief for any violation of constitutional rights.

I first introduced this legislation in 1973. Both the House Judiciary Committee and the Senate Judiciary Committee held hearings on the bill last year, and Senator MCCLELLAN, as chairman of the Senate Judiciary Committee's Subcommittee on Criminal Laws and Procedures, has assured me that those hearings would be resumed early this year.

In examining the Government's use of national security wiretaps, Congress should first consider very carefully whether the use of any wiretaps can be squared with the fourth amendment. That amendment provides that:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

There is serious doubt whether wiretapping of any kind violates the "particularity" requirement of the amendment. In numerous cases, the Supreme Court has made clear that that requirement is to be interpreted literally and that the Government cannot obtain a warrant to seize something which is not specifically described in the warrant. As the Court stated in *Marron* v. *United States*, 275 U.S. 192, 196 (1927):

> The requirement that warrants shall particularly describe the things to be seized makes general searches under them impossible and prevents the seizure of one thing under a warrant describing another. As to what is to be taken, nothing is left to the discretion of the officer executing the warrant.

The problems raised by wiretapping are obvious. The Government, of course, can describe to a court the conversations it wishes to intercept, but there is virtually no way for the Government or a court to guarantee that no other conversations will be intercepted. A wiretap—even under the most restrictive safeguards—is a broad dragnet. It almost inevitably "seizes" conversations which are entirely irrelevant to the Government purpose justifying the installation of the wiretap in the first place.

The Supreme Court itself has recognized this problem. In *Berger* v. *New York*, 388 U.S. 41, (1967), the Court ruled that a New York wiretap statute was unconstitutional. In the course of its opinion, the Court stated that:

> The need for particularity and evidence of reliability in the showing required when judicial authorization of a search is sought is especially great in the case of eavesdropping. By its very nature, eavesdropping involves an intrusion on privacy that is broad in scope. As was said in *Osborn* v. *United States*, 385 U.S. 323 (1966), the "indiscriminate use of such devices in law enforcement raises grave constitutional questions under the Fourth and Fifth Amendment,' and imposes 'a heavier responsibility on this Court in its supervision of the fairness of procedures . . .' At 329, n. 7. (388 U.S. 41, 56, 59) [1967].)

The Court's concern here is well placed. Recent litigation has exposed numerous cases in which the use of wiretaps for otherwise legitimate purposes has resulted in the interception of vast numbers of irrelevant conversations. (See, for example, *United States* v. *La Gorga*, 336 F. Supp. 190, 195–97, (W.D. Pa. 1971); *United States* v. *Scott*, 331 F. Supp. 223 (D.D.C. 1971); *United States* v. *Sklaroff*, 323 F. Supp. 296 (C.D. Fla. 1971).) This means that an individual's most private conversations—with his spouse, his children, his friends, his business associates—often become a matter of record for anonymous Government investigators.

The interception of irrelevant conversation is especially great in cases involving so-called "national security" wiretaps. This is so because the danger of abuse is always present. To appreciate this fundamental danger, one need only consider some well publicized abuses of national security wiretaps:

The wiretap placed on the home telephone of newspaper columnist Joseph Kraft in 1969 because his columns apparently discussed some aspect of national security;

The wiretaps placed between 1969 and 1971 on the telephones of 17 newspapermen and government officials who were suspected of being involved in the "leak" and publication of purportedly sensitive information, despite the fact that some of the individuals did not even have access to such information;

The wiretaps placed on the telephones of four individuals in December 1972 who were thought to be friends of a Navy yeoman who in turn was suspected of passing sensitive information—not to a foreign power but to the Joint Chiefs of Staff; and

The wiretaps placed on the telephones of Martin Luther King, Jr., because he was wrongly suspected of being an unwitting Communist dupe.

These and other incidents demonstrate the flagrant abuses associated with so-called national security wiretaps. In none of these cases was there any involvement of a foreign power. In none of these cases was there a violation of the law by the individual tapped. And in none of these cases was there any review procedure to insure that the telephone conversations intercepted were confined to those relevant to the specific inquiry. In fact, in one case—that of former national security staff member Morton Halperin—the wiretap remained in place 17 months after he had left Government service and had joined the Presidential campaign staff of Senator MUSKIE.

These examples, as well as the whole series of Watergate scandals, make a mockery of the "particularity" requirement of the fourth amendment. And they strongly suggest that the danger of abuse—whether intentional or not—is so great that all wiretapping should be banned.

I realize, of course, that the courts have held on numerous occasions that wiretapping can be constitutional under properly controlled circumstances. These decisions, however, do not preclude a congressional study of the issue. Nor do these decisions preclude congressional

action. Congress always possesses the power to restrict wiretapping or ban it completely. This power exists even if the President has constitutional power to authorize warrantless wiretaps—although I do not believe that he does. In the Keith case, for example, the Government itself conceded that Congress has power to severely restrict whatever constitutional powers the President has to wiretap. See concurring opinion of Justice White.

If it should be decided that wiretapping would not be an inevitable violation of the particularity requirement, then I would urge the favorable consideration of the legislation we are introducing today to prohibit the use of warrantless wiretaps in so-called "national security" cases. The bill proposes four basic changes in the law.

First, before the Government could wiretap American citizens in national security cases, it would have to obtain a judicial warrant based on probable cause that a specific crime has been or is about to be committed.

This change would merely conform national security wiretaps to the fourth fourth amendment's command that all Government searches have the prior approval of a judicial warrant based on probable cause.

Second, before the Government could wiretap a foreign power or its agents, it would have to obtain a judicial warrant based on the belief that the tap is necessary to protect national security interests. The warrant standards for foreign powers and their agents would thus be less rigorous than those required for American citizens. This warrant requirement will not in any way undermine the Government's ability to protect against foreign attack or subversion; the Government will be able to wiretap foreign powers and their agents any time there is a need for such surveillance.

The justification for this warrant procedure is plain. The Government's desire to wiretap should be reviewed by a court. There should be no exceptions. Otherwise, the exceptions may be stretched to sanction an unreasonable invasion of a citizen's privacy—a situation which would violate the rights and liberties guaranteed to every individual under our Constitution.

Third, every American citizen wiretapped would be informed of the surveillance within 30 days after the last authorized interception. This change would assure every wiretapped American citizen the opportunity to protect against violations of his constitutional rights. The disclosure of the wiretap could be postponed, however, if the Government satisfies the court that the person wiretapped is engaged in a continuing criminal enterprise or that disclosure would endanger national security interests.

Fourth, the Justice Department would be required to report to Congress at least four times each year on the number and nature of national security wiretaps. These reports would be filed with the Senate Foreign Relations and Judiciary Committees and with the House Foreign Affairs and Judiciary Committees. Those committees, moreover, could obtain further information concerning the wiretap program whenever the committees thought it necessary. These reports to Congress will help insure a periodic review to determine whether the Government is complying fully with the law and whether the courts are exercising their review powers diligently.

In order to understand the importance of this legislation, it is necessary to keep in mind the purposes which the fourth amendment is designed to serve. The amendment protects each citizen's privacy from unreasonable invasion by the Government.

In his dissent in the 1928 Olmstead case Supreme Court Justice Louis Brandeis articulated the importance of the Fourth Amendment in our scheme of government:

> The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men. To protect that right, every unjustifiable intrusion by the Government upon the privacy of the individual, *whatever the means employed*, must be deemed a violation of the Fourth Amendment. (Emphasis added).

A right so vital to an individual's peace and happiness cannot and should not be entrusted to the guardianship of a government which can act in secret. This, in a word, is the message of the fourth amendment.

It is quite clear, moreover, that the fourth amendment's protections are not to be suspended in cases of national security. Certainly the language of the amendment does not allow for exceptions in "national security" cases or any other kind of case. The history of the adoption of the amendment demonstrates, moreover, that the absence of exceptions was intended. When the fourth amendment was adopted, our Nation was only 11 years old.

Foreign threats to the Nation's newly won independence remained ever present. Yet the fourth amendment provides for no exception to its application. The compelling conclusion is that the amendment should be applicable to all situations, including cases involving national security crimes. This conclusion is supported by innumerable constitutional scholars, including Justice William O. Douglas, who has stated:

> There is, so far as I understand constitutional history, no distinction under the Fourth Amendment between types of crimes. *Katz* v. *United States*, 389 U.S. 347, 360 (1967) (concurring opinion).

Our Founding Fathers, of course, did not contemplate the advent of telecommunications. Consequently, the amendment does not expressly include wiretaps of telephones within the ambit of its protection. But there is no question that the constitutional right to privacy is no less important in cases where the Government listens to a telephone conversation than when it physically enters an individual's home.

In the 1967 cases of Berger against New York and Katz against New York, the Supreme Court held that the fourth amendment's protections apply to wiretaps since they are searches which invade an individual's privacy. The Court reaffirmed here the basic proposition that Government wiretaps—like other Government searches—must have the prior approval of a judicial warrant based on probable cause.

The soundness of the Berger and Katz decisions has been reaffirmed repeatedly by the Supreme Court.

Most recently, in *United States* v. *United States District Court* (407 U.S. 297 [1972]), commonly referred to as the Keith case, the Court held that the Government could not wiretap American citizens without a judicial warrant—even when the citizens' activities threatened the domestic security of the Nation. Again, the Court made clear that wiretaps must adhere to the safeguards delineated by the fourth amendment:

> Though physical entry of the home is the chief evil against which the wording of the Fourth Amendment is directed, its broader spirit now shields private speech from unreasonable surveillance. 407 U.S. at 313.

The Supreme Court has not yet decided whether the fourth amendment's protections apply to cases involving foreign powers and their agents. I am confident, however, that the same considerations underlying the Keith decision will compel the Court to hold that even in those situations involving foreign agents there must be a judicial warrant based on probable cause before the Government can wiretap. Otherwise, there would be a gaping hole in the fourth amendment's protections. There would be no way for the Congress or the public to know whether the power to conduct warrantless wiretaps was being abused. In a word, warrantless wiretaps will probably not be sanctioned since they clearly violate a fundamental constitutional principle: the notion that all governmental powers are "fenced about."

Even the Justice Department recognizes that the Supreme Court will probably hold that warrantless wiretaps for foreign intelligence purposes are unconstitutional. One year after the Keith case was decided, Assistant Attorney General Robert Dixon wrote a memorandum for then Attorney General Richardson. After reviewing the Keith case and other judicial decisions, Mr. Dixon acknowledged that warrantless wiretaps for foreign intelligence purposes are probably unconstitutional. Because this memorandum clearly explains why they are unconstitutional, it merits quotation.

The memorandum begins with a discussion of the Government's case for warrantless wiretaps. It then states that:

> . . . the reasoning in the *Keith* case itself suggests that the Court may not be readily persuaded of the Government's case. Although it is true that the Court specifically reserved the foreign intelligence issue, at no point did it volunteer any reasons as to why, as a matter of constitutional law it might be willing to make this distinction when presented with a proper case. To the contrary, the reasoning in *Keith* seems to anticipate and reject arguments the Department is making at this time in the 'foreign intelligence' cases in the lower courts.

Because the Keith case is so important here, I would like to quote key portions of the Courts opinion. Most of these passages are also quoted in the Justice Department's memorandum to demonstrate that each of the Government's arguments was rejected by the Supreme Court:

As to secrecy:

> The investigation of criminal activity has long involved imparting sensitive information to judicial officers who have respected the confidentialities involved. Judges may be counted upon to be especially conscious of security requirements in national security cases. [The 1968 electronic surveillance statute] already has imposed this responsibility on the judiciary in connection with such crimes as espionage, sabotage, and treason . . . each of which may involve domestic as well as foreign security threats. Moreover, a warrant application involves no public or adversary proceedings: it is an *ex parte* request . . . Whatever security dangers clerical and secretarial personnel may pose can be minimized by proper administrative procedures, possibly to the point of allowing the Government itself to provide the necessary clerical assistance. 407 U.S. at 320–21.

As to complexity and the need for sophistication:

> We cannot accept the Government's argument that internal security matters are too subtle and complex for judicial evaluation. Courts regularly deal with the most difficult issues of our society. There is no reason to believe that federal judges will be insensitive to or uncomprehending of the issues involved in domestic security cases . . . . If the threat is too subtle or complex for our senior law enforcement officers to convey its significance to a court, one may question whether there is probable cause for surveillance. 407 U.S. at 320.

As to the need to trust the Government:

> . . . Fourth Amendment freedoms cannot properly be guaranteed if domestic security surveillances may be conducted solely within the discretion of the executive branch. The Fourth Amendment does not contemplate the executive officers of Government as neutral and disinterested magistrates. Their duty and responsibility is to enforce the laws, to investigate and to prosecute. But those charged with this investigative and prosecutorial duty should not be the sole judges as to when to utilize constitutionally sensitive means in pursuing their tasks. The historical judgment, which the Fourth Amendment accepts, is that unreviewed executive discretion may yield too readily to pressures to obtain incriminating evidence and overlook potential invasions of privacy and protected speech. 407 U.S. at 307.

Despite the clear implications that warrantless wiretaps are unconstitutional, the Justice Department memorandum suggests that such wiretaps be continued until the Supreme Court issues its final decision:

> As we noted earlier, we believe that the Department is justified in continuing to rely on the clear weight of the case law until the Supreme Court rules otherwise. However, close analysis of *Katz* and *Keith* suggests that the ultimate decision of the Court may be against the position the Department is now arguing.

Apparently, the Department accepted the memorandum's recommendation to continue the use of warrantless wiretaps. A representative of the Department testified at a recent congressional hearing that at any point in time approximately 100 warrantless wiretaps are operative. The representative stated that these wiretaps often include surveillances of American citizens. He testified moreover, that these wiretaps are needed to obtain foreign intelligence information and that that information could not be obtained if the Government had to first secure a judicial warrant based on a probable cause standard.

There are three essential answers to that argument.

First, there is still a serious question as to whether wiretaps are really valuable in obtaining foreign intelligence information. There is virtually no evidence available to the public to demonstrate the need for wiretaps. The only information available is the conclusory claims of selected Government officials. These claims, however, are amply refuted by the assertions of other knowledgeable sources.

For instance, on February 28, 1973, President Nixon discussed the national security wiretap program with John Dean. Some of the wiretaps installed under this program were operative for extensive periods of time—one for 21 months. President Nixon's evaluation of these wiretaps was this:

> They never helped us. Just gobs and gobs of material; gossip and [B. S.].

Attorney General Saxbe has likewise cast doubt on the utility of wiretaps for foreign intelligence purposes. In congressional testimony last May, he stated that if Congress banned all wiretapping it would put the Government at some disadvantage, but that the Government could live with the ban.

It is not difficult to understand why national security wiretaps are of limited value. As George Kennan, a seasoned diplomat, points out in his memoirs, most foreign agents and embassy officials automatically assume their telephones are tapped or their rooms bugged; accordingly, they are very careful about where and with whom they discuss sensitive matters.

Even assuming there is a need for national security wiretaps, there is a second reason why there should be no opposition to a prior court warrant based on probable cause: the Government officially already maintains a standard of criminality in deciding whether to authorize a national security wiretap. After the 1972 Keith case, a representative of the Justice Department testified before a subcommittee of the Senate Judiciary Committee. In that testimony, the representative stated that a national security wiretap would not be authorized,

> Without the presence of such factors as substantial financing, control by or active collaboration with a foreign government and agencies thereof in unlawful activities directed against the Government of the United States.

In his congressional testimony last May, Attorney General Saxbe confirmed that this official standard is still operative. This official standard, of course, makes eminent sense. For virtually every activity which threatens the Nation's security is a statutory crime, such as espionage, treason or sabotage. Therefore, if there is in fact a real need to wiretap for foreign intelligence purposes, the Government would be able to secure the court warrant.

There is, however, a final reason why the Government's wiretap needs—whatever they may be—cannot justify an exception to the constitutional requirement of a prior judicial warrant based on probable cause: our Constitution rejects the notion that the Government's needs alone define the limits of its powers. The reasoning here is epitomized by a debate which occurred in the English House of Commons in 1763. This debate concerned a proposal to give the King's agents the power to search people's private homes on the basis of general warrants. It was claimed that this broad power was necessary if the King were to protect the security of the nation. In opposing the proposal, William Pitt made an eloquent appeal based on history and the rights of citizens. Pitt stated.

> Necessity is the plea for every infringement of human freedom. It is the argument of tyrants; it is the creed of slaves.

Pitt's statement underlies the fundamental principles of our Constitution. Those constitutional principles make clear that the powers of government are limited—not to promote efficiency, but, as the Preamble of our Constitution declares, to "secure the Blessings of Liberty to ourselves and our Posterity." This course of action was not without risks. Our Founding Fathers understood that a government of limited powers might not be able to do all that it thought necessary to promote the Nation's welfare and defend the Nation's security. But our Founding Fathers believed that the benefits of a free society far outweighed that risk; they believed that a government which could violate an individual's liberty at will—whether for good purposes or evil purposes—was a government not worth having.

Time surely has confirmed the wisdom of the Founding Fathers' decision. The Watergate scandals and other recent events demonstrate the dangers of a society where Government officials can violate an individual's liberties at will.

We should not fail to heed the warning signs. Constitutional provisions empowering the Government to protect the Nation's security were never thought to justify the subversion of individual freedoms afforded by other constitutional provisions. As Judge Ferguson declared in United States against Smith, a case concerning the use of warrantless wiretaps for national security purposes:

> To guarantee political freedom, our forefathers agreed to take certain risks which are inherent in a free democracy. It is unthinkable that we should now be required to sacrifice these freedoms in order to defend them. 321 F.Supp. 424, 430 (C.D. Calif. 1971).

Congress cannot and should not tolerate governmental violations of the individual's constitutional rights to privacy by wiretaps or any other means. That right to privacy, as well as other constitutional liberties, are the cornerstone of our democratic system. If those rights and liberties are eroded, the very fabric of our constitutional system is endangered. Congress should, therefore, act now to protect

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our cherished rights and liberties from abusive national security wiretaps.

EXHIBIT 1

S. 743

A bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Security Surveillance Act of 1975".

SEC. 2. The Congress hereby finds and declares that:

(a) The conduct of electronic surveillance on grounds of national security has resulted in serious abuses and is subject to further abuse by persons acting under color of law.

(b) There are no adequate administrative, legislative, or judicial controls to govern the conduct of electronic surveillance on grounds of national security.

(c) Electronic surveillance conducted on grounds of national security and undertaken without court authorization violates the constitutional rights guaranteed to American citizens and foreigners in this country under the first, fourth, fifth, sixth, and ninth amendments to the Constitution of the United States.

(d) Electronic surveillance conducted on grounds of national security and undertaken without court authorization constitutes an unreasonable search and seizure and in any event should not take place.

(e) The ability of the President to fulfill any constitutional duties to protect the United States against foreign attack or other hostile acts of foreign powers or to conduct the foreign relations of the United States would not be hampered by a requirement of prior court authorization for any electronic surveillance undertaken on grounds of national security.

(f) It is the purpose of this Act to establish administrative practices, procedures, and standards under which prior court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground.

SEC. 3. (a) Section 2510(10) of title 18, United States Code, is amended by deleting after "Code;" the following: "and".

(b) Section 2510(11) of title 18, United States Code, is amended by deleting after "directed" the period (".") and adding the following: ";".

(c) Section 2510 of title 18, United States Code is amended by adding after subsection (11) thereof the following new subsections:

"(12) 'foreign agent' means any person who is not an American citizen or an alien lawfully admitted for permanent residence within the United States, and whose activities are intended to serve the interest of a foreign power and to undermine the military security or national defense of the United States;

"(13) 'foreign power' means a foreign principal as defined by subsection (b)(1) of the first section of the Foreign Agents Registration Act of 1938; and

"(14) 'target' means the individual or party whose wire or oral communications are sought to be or have been intercepted.".

SEC. 4. (a) Section 2511(2)(a)(ii) of title 18, United States Code, is amended by deleting the period at the end thereof and inserting the following:

": *Provided*, That except as provided for in section 2518(7) and section 2518A(10), a communication common carrier shall not install or assist in the installation of any device or mechanism to intercept a wire or oral communication, or otherwise allow its employees, facilities or resources to be used to assist in the interception of a wire or oral communication, unless the government officer requesting such installation or assistance provides a true and accurate copy of a court order authorizing the interception requested. Nor shall any communication common carrier assist in or allow the use of its employees, facilities or resources for the interception of wire or oral communications beyond the date authorized in the court order unless it receives from an appropriate government officer a true and accurate copy of a court order extending the time period during which such interception is authorized. In cases involving application of section 2518(7) and 2518A(10), the common carrier shall not assist in or allow the use of its employees, facilities, or resources for the interception of any wire or oral communication unless it receives from an appropriate government officer a true and accurate copy of the President's written authorization for such interception, and such interception shall not be continued for more than forty-eight hours unless the carrier receives a true and accurate copy of a court order authorizing the continuation of such interception: *Provided further*, That every communication common carrier shall maintain complete and accurate records of all interceptions of wire or oral communications in which the carrier or any one or more of its employees, officers or agents assists or is requested to assist in any way. Such records shall include—

"(i) the name of the government officer requesting the assistance of the common carrier or the use of its employees, facilities or resources,

"(ii) the name of the judge and the location of the court authorizing the interception,

"(iii) the dates for which the interception was authorized, and

"(iv) the dates during which the interception occurred.".

(b) Section 2511(2)(a) is amended by adding after paragraph (ii) thereof the following new paragraphs:

"(iii) Any willful violation of this section by a communication common carrier or one of its employees shall render the carrier liable for the civil damages provided for in section 2520(2) of this chapter.

"(iv) Upon learning of any violation of this section, the communication common carrier shall notify those individuals whose wire or oral communications have been wrongfully intercepted and the Attorney General of the United States of the facts known to it concerning the violation.".

SEC. 5. Section 2511(3) of title 18, United States Code, is repealed.

SEC. 6. Subsection (a) of section 2516 of title 18, United States Code, is repealed.

SEC. 7. Chapter 119 of title 18, United States Code, is amended by adding immediately after section 2516 thereof the following new section:

"§ 2516A. Authorization for interception of wire or oral communications relating to military security or national defense.

"(1) The Attorney General, or any Assistant Attorney General specially designated by the Attorney General, may authorize an application to a Federal judge of competent jurisdiction for, and such judge may grant, in conformity with section 2518A of this chapter, an order authorizing or approving the interception of wire or oral communications by the Federal Bureau of Investigation, or any Federal department, agency, or other unit having lawful responsibility for the investigation of the offense as to which application is made, when—

"(a) there is probable cause to believe that the target has committed or is about to commit an offense punishable by death or by imprisonment for more than one year under—

"(i) sections 2274 through 2277 of title 42 of the United States Code (relating to enforcement of the Atomic Energy Act of 1954), or

"(ii) one of the following chapters of this title: Chapter 37 (relating to espionage), Chapter 105 (relating to sabotage), and Chapter 115 (relating to treason); and

"(b) such interception will probably provide or has provided evidence concerning the commission of that offense.

"(2) Notwithstanding section (1) above, the President may, in advance and in writing, authorize the Attorney General to make an application to a judge of the United States District Court for the District of Columbia designated pursuant to section 2518A(1)(b) of this chapter for, and such judge may grant in conformity with section 2518A of this chapter, an order authorizing or approving the interception of wire or oral communications by the Federal Bureau of Investigation when such interception will not be inconsistent with the international obligations of the United States and when—

"(a) there is probable cause to believe that the target is a foreign agent or a foreign power; and

"(b) there is probable cause to believe that such interception is necessary—

"(i) to obtain information which is necessary to protect the Nation against an actual or potential attack or other hostile act of a foreign power,

"(ii) to obtain foreign intelligence information that is essential to the military security or national defense of the United States, or

"(iii) to obtain information which is necessary to prevent the disclosure of information that is essential to the military security or national defense of the United States to a foreign agent or a foreign power.

Authorization of each application to a judge provided for in this section shall be made by the President personally and shall not be delegated.".

SEC. 8. Chapter 119 of title 18, United States Code, is amended by inserting immediately after section 2518 thereof the following new section:

"§ 2518A. Procedure for interception of wire or oral communications relating to military security or national defense

"(1)(a) Each application for an order authorizing or approving the interception of a wire or oral communication made pursuant to section 2516A of this chapter shall be made in writing upon oath or affirmation and shall state the applicant's authority to make such application. In cases involving section 2516A(1), the application shall be made to a federal judge of competent jurisdiction. In cases involving section 2518A(2), the application shall be made to a judge of the United States District Court for the District of Columbia who shall be selected according to the procedures required by subsection (1)(b) of this section.

"(b) The United States District Court for the District of Columbia shall designate three judges of that court, each of whom shall be authorized to hear applications for an order authorizing or approving the interception of wire or oral communications made pursuant to section 2516A(2) of this chapter. The United States District Court for the District of Columbia shall establish procedures according to which each such application shall be heard by one of the three designated judges, chosen on a random basis and without advance notice to the applicant. Such procedures shall include provision for selecting an alternate judge at random from among the three designated judges if the judge originally selected according to the procedures is unavailable.

"(2) Each application made pursuant to subsection (1)(a) of this section shall include the following information:

"(a) the identity of the investigative or law enforcement officer making the application, and the officer authorizing the application;

"(b) a full and complete statement of the facts and circumstances relied upon by the applicant supporting his belief that an order should be issued, including—

"(i) a particular description of the nature and location of the facilities from which or the place where the communication is to be intercepted,

"(ii) a description, with as much particularity as is possible and practicable, of the communications sought to be intercepted, and

"(iii) the identity of the target, if known;

"(c) in cases involving section 2516A(1) of this chapter, details as to the particular offense that has been, is being, or is about to be committed;

"(d) in cases involving section 2516A(2)—

"(i) a full and complete description of the facts and circumstances supporting the applicant's belief that the target is a foreign agent or a foreign power,

"(ii) a full and complete description of the particular activity that has been conducted, is being conducted, or will be conducted by the target which necessitates the interception of wire or oral communications, and

"(iii) a true and accurate copy of the written authorization of the President of the United States;

"(e) a full and complete description, with as much particularity as possible, of the communications likely to be intercepted which are not of the type sought to be intercepted, and a full and complete statement of the procedures that will be taken to ensure that such communications will be intercepted, disclosed, and disseminated only to the minimum degree possible and practicable;

"(f) a full and complete statement as to whether or not other investigative procedures have been tried and failed or why they appear to be unlikely to succeed if tried or to be too dangerous;

"(g) a statement of the period of time for which the interception is required to be maintained. If the nature of the investigation is such that the authorization for interception should not automatically terminate when the described communications have been first obtained, a particular description of facts establishing probable cause to believe that additional communications of the type sought will occur thereafter;

"(h) a full and complete statement of the facts concerning all previous applications known to the individuals authorizing and making the application, made to any judge for authorization to intercept, or for approval of interceptions of, wire or oral communications involving any of the same persons, facilities, or places specified in the application, and the action taken by the judge on each such application;

"(i) a full and complete statement of the reasons supporting the applicant's belief that an order authorizing or approving the interception of wire or oral communications will not be inconsistent with the international obligations of the United States; and

"(j) where the application is for the extension of an order, a full and complete statement setting forth—

"(i) the information and results thus far obtained from the interception;

"(ii) the practices and procedures taken to minimize the interception and the disclosure or dissemination of communications not of the type authorized or approved to be intercepted;

"(iii) the communications not of the type authorized or approved to be intercepted that were intercepted and the persons and parties to whom such communications were disclosed or disseminated;

"(iv) the specific facts and circumstances relied upon by the applicant supporting his belief that a continuation of the interception for an additional period of time will yield information of the type sought to be obtained in the original application; and

"(v) if the interception has not yielded significant information of the type authorized or approved, the particular reasons why it has not yielded such information.

"(3) The judge may require the applicant to furnish additional testimony or documentary evidence in support of the application. But in no event may authorization or approval of any wire or oral communication be granted under this section unless the applicant furnishes evidence, independent of his and others' conclusory opinion, that such interception will serve one of the purposes set forth in section 2516A of this chapter.

"(4) Upon such application the judge may enter an *ex parte* order, as requested or as modified, authorizing or approving interception of wire or oral communications within the territorial jurisdiction of the court in which the judge is sitting, or, in cases involving section 2516A(2) when application has been made to a judge of the United States District Court for the District of Columbia under the procedures specified in subsection (1)(b) of this section, anywhere within the territorial jurisdiction of the United States, if the judge determines on the basis of the facts submitted by the applicant that—

"(a) there is probable cause for belief that such interception is necessary to obtain information serving one of the purposes set forth in section 2516A of this chapter;

"(b) there is probable cause for belief that particular communications yielding information serving one of the purposes set forth in section 2516A of this chapter will be obtained through such interception;

"(c) normal investigative procedures have been tried and have failed or appear to be unlikely to succeed if tried or to be too dangerous;

"(d) there is probable cause for belief that the facilities from which, or the place where, the wire or oral communications are to be intercepted are being used or are about to be used by the target;

"(e) specified procedures will be followed, and, in cases involving application for an extension of an order, have been followed, to ensure that wire or oral communications which are not of the type authorized or approved to be intercepted will be intercepted, disclosed, and disseminated only to the minimum degree possible and practicable;

"(f) such interception will not be inconsistent with the international obligations of the United States; and

"(g) in cases involving section 2516A(2)—

"(i) the President has provided written authorization for the interception, and

"(ii) the target is a foreign agent or a foreign power.

"(5) Each order authorizing or approving the interception of any wire or oral communication shall specify—

"(a) the identity of the target, if known;

"(b) the nature and location of the communications facilities as to which, or the place where, authority to intercept is granted;

"(c) a description, with as much particularity as is possible and practicable, of the type of communication authorized or approved to be intercepted;

"(d) the identity of the person authorizing the application;

"(e) the period of time during which such interception is authorized, including a statement as to whether or not the interception shall automatically terminate when the described communication has been first obtained; and

"(f) a particular description of the procedures to be followed to insure that the interception of communications not of the type authorized or approved to be intercepted, and the disclosure or dissemination of such communications, will be minimized as much as is possible and practicable.

"(6) No order entered under this section may authorize or approve the interception of any wire or oral communication for any period longer than is necessary to achieve the objective of the authorization, nor in any event longer than fifteen days. Extensions of an order may be granted, but only upon application for an extension made in accordance with subsection (2) of this section and upon the court's making anew the findings required by subsection (4) of this section. In making this new finding under subsection (4), the judge shall, in cases involving section 2516A(1) of this chapter, require the applicant to furnish additional evidence independent of that relied upon in granting the initial order and which, standing alone, would satisfy the requirements of subsection (4). The period of extension shall be no longer than the authorizing judge deems necessary to achieve the purposes for which it was granted and in no event for longer than fifteen days. Every order and extension thereof shall contain a provision that the authorization to intercept shall be executed as soon as practicable, shall be conducted in such a way as to minimize the interception of communications not otherwise subject to interception under this chapter, and must terminate upon attainment of the authorized objective, or in any event within fifteen days.

"(7) If the court has previously denied an application made pursuant to section 2516A of this chapter for an order or an extension of an order authorizing or approving the interception of wire or oral communications, the court may not enter an order directed against the same traget in response to a subsequent application made pursuant to section 2516A of this chapter unless, in addition to the other requirements of this section, the court makes a specific finding that significant new information in support of the application, which was unknown or unavailable to the applicant at the time the previous application was made, is contained in the application.

"(8) Whenever an order authorizing interception is entered pursuant to this chapter, the order may require reports to be made to the judge who issued the order showing what progress has been made toward achievement of the authorized objective and the need for continued interception. Such reports shall be made at such intervals as the judge may require.

"(9) The contents of any wire or oral communication intercepted by any means authorized by section 2518A shall be subject to the requirements of paragraphs (a) and (c) of section 2518(8) of this chapter. Applications made under section 2516A of this chapter and orders granted under this section shall be sealed by the judge, and custody of them shall be wherever the judge directs. They shall not be destroyed except on order of the issuing or denying judge, and in any event shall be kept for twenty years.

"(10) Notwithstanding any other provision of this chapter, if the President determines that—

"(a) an emergency situation exists—

"(i) with respect to activities of a foreign power or a foreign agent which pose a substantial threat to the military security or national defense of the United States, or

"(ii) with respect to criminal activities involving one of the offenses specified in section 2516A(1)(a) which pose a substantial threat to the military security or national defense of the United States,

"(b) such activities require a wire or oral communication to be intercepted before an order authorizing such interception can with due diligence be obtained, and

"(c) there is good reason to believe that an order could reasonably be entered under sections 2516A and 2518A of this chapter to authorize such interception,

the President may in advance and in writing authorize the interception of such wire or oral communication by the Federal Bureau of Investigation if an application for

an order approving the interception is made in accordance with this section and section 2516A of this chapter as soon as possible and in any event within forty-eight hours after the President authorizes the interception. Any such authorization to intercept shall be made by the President personally and shall not be delegated. In the absence of an order, such interception shall immediately terminate when the communication sought is obtained or when the application for the order is denied, whichever is earlier. In the event such application for approval is denied, or in any other case where the interception is terminated without an order having been issued, the contents of any wire or oral communication intercepted shall be treated as having been obtained in violation of this chapter, and an inventory shall be served as provided for in subsection (11) of this section on the target and on all identifiable persons and parties whose communications were intercepted.

"(11) Notwithstanding any other provision of this chapter, within a reasonable time but not later than thirty days after the filing of an application for an order of approval under section 2518A(10) of this chapter which is denied or the termination of the period of an order entered under this section or provisions thereof, the issuing or denying judge shall cause to be served, on the target and on all identifiable persons and parties whose communications were intercepted, an inventory which shall include notice of—

"(a) the fact of the entry of the order or the application;

"(b) the date of the entry and the period of authorized, approved or disapproved interception, or the denial of the application; and

"(c) the fact that during the period wire or oral communications of such person were or were not intercepted.

The judge, upon the filing of a motion, shall make available to such person or his counsel for inspection a copy of each court order, extension, and application under which such interception was authorized or approved, and a complete and accurate transcript or other record of the intercepted communications of such person and other parties to such communications: *Provided*, That upon application of the Attorney General, the judge who authorized or approved the interception may postpone the filing of an inventory and the disclosure of such interception for thirty days if the judge makes specific findings based upon specific facts—

"(a) that the target is engaged in a continuing criminal enterprise and there is probable cause to believe that disclosure of the interception—

"(i) would enable the suspected individual to escape prosecution for that particular crime,

"(ii) would result in the destruction or unavailability of evidence relating to the commission of that particular crime, or,

"(iii) would result in bodily harm to an individual, or

"(b) that disclosure of the interception will endanger the military security or national defense of the United States.

The judge may grant thirty-day extensions of the delay of disclosure of the interception if, after the initial thirty days, the judge makes new findings that one of the aforementioned conditions justifying delay still exists. Any interception disclosed pursuant to this subsection and which involves application of section 2516A(2) need not disclose any foreign power whose wire or oral communications were intended to be or were intercepted, nor those facilities at which the interception was intended to or did take place: *Provided further*, That, notwithstanding any other provision of this chapter, such filing of an inventory and disclosure of the interception must be made if an application for an order of approval for an interception conducted under section 2518A(10) of this chapter has been denied.

"(12)(a) The contents of any intercepted wire or oral communication or evidence derived therefrom shall not be received in evidence or otherwise disclosed in any trial, hearing or other proceeding in a Federal or State court unless each party, not less than ten days before the trial, hearing or proceeding, has been furnished with a copy of the court order, and accompanying application, under which the interception was authorized and approved.

"(b) Notwithstanding any other provision of this chapter or any other law, no part of the contents of any wire or oral communication intercepted pursuant to an order under this section granting an application made under section 2516A(2) of this chapter, and no evidence derived therefrom, may be received in evidence or otherwise disclosed in any trial, hearing or other proceeding in or before any court, grand jury, department, officer, agency, regulatory body, legislative committee or other legislative unit, or other authority of the United States, a State, or a political subdivision thereof, except in civil proceedings against a foreign agent or a foreign power or in proceedings pursuant to section 2520 of this chapter or pursuant to a request made under section 2519(5) of this chapter.

"(13)(a) Notwithstanding any other provision of this chapter, any aggrieved person in any trial, hearing, or proceeding in or before any court, grand jury, department, officer, agency, regulatory body, legislative committee or other legislative unit, or other authority of the United States, a State, or a political subdivision thereof, may move to suppress the contents of any intercepted wire or oral communication, or evidence derived therefrom, on the grounds that—

"(i) the communication was unlawfully intercepted;

"(ii) the order of authorization or approval under which it was intercepted is insufficient on its face;

"(iii) the interception was not made in conformity with the order of authorization or approval; or

"(iv) section 2518A(12)(b) requires such suppression.

Such motion shall be made before the trial, hearing, or proceeding unless there was no opportunity to make such motion or the person was not aware of the grounds of the motion. If the motion is granted, the contents of the intercepted wire or oral communication, or evidence derived therefrom shall be treated as having been obtained in violation of this chapter.

"(b) In addition to any other right to appeal, the United States shall have the right to appeal from an order granting a motion to suppress made under paragraph (a) of this subsection, or the denial of an application for an order of approval, if the United States attorney shall certify to the judge or other official granting such motion or denying such application that the appeal is not taken for purposes of delay. Such appeal shall be taken within thirty days after the date the order was entered and shall be prosecuted diligently.".

SEC. 9. (a) Section 2519 of title 18, United States Code, is amended by inserting immediately after "section 2518," the following: "or section 2518A when application has been made under section 2516A(1) of this chapter.".

(b) Section 2519 of title 18, United States Code is amended by inserting at the end thereof the following new subsections:

"(4) In January, April, July, and October of each year, the Attorney General shall report to the Committees on the Judiciary and on Foreign Relations of the Senate and the Committees on the Judiciary and on Foreign Affairs of the House of Representatives the following information with respect to interceptions of wire or oral communications made during the preceding three months pursuant to applications made under section 2516A and orders and extensions granted or denied under section 2518A of this chapter:

"(a) the number of such orders and such extensions applied for during the preceding three months;

"(b) the number of such orders and extensions granted;

"(c) the number of such orders and extensions denied;

"(d) the maximum and minimum numbers of such interceptions in place at any time during the preceding three months;

"(e) the number of such interceptions terminated during the preceding three months;

"(f) the duration of all such interceptions in place on the day of the report;

"(g) the duration of all such interceptions terminated during the preceding three months;

"(h) the status of all interceptions made under the provisions of section 2518A(10) of this chapter during the preceding three months; and

"(i) the monetary costs of all such interceptions during the preceding three months.

"(5) The President, the Attorney General, and all departments, agencies and other units of the Government shall supply to any of the committees named in subsection (4) of this section or any subcommittee thereof, upon request of such committee or subcommittee, any information regarding any interception of wire or oral communications made or applied for pursuant to section 2516A or section 2518A of this chapter, within thirty days of the receipt of such request: *Provided*, That such information shall not include either

"(a) the identity of the target or any other person whose wire or oral communications have been intercepted, or

"(b) the transcript of any wire or oral communication intercepted, except where such committee or subcommittee concludes that the information described in paragraphs (a) or (b) of this subsection is necessary in order for such committee or subcommittee to evaluate the justification for any interception or for any application for a court order authorizing or approving an interception, or to determine whether any interception has yielded information serving one of the purposes set forth in section 2516A of this chapter.".

SEC. 10. Chapter 119 of title 18, United States Code, is amended by inserting immediately after section 2520 thereof the following new section:

§ 2521. Standards for recordkeeping and dissemination

"Notwithstanding any other provision of law, within ninety days after the effective date of this section, the Attorney General shall issue and cause to be published in the Federal Register proposed regulations concerning:

"(1) the maintaining of records, files, and indexes regarding wire or oral communications intercepted pursuant to sections 2516A and 2518A of this chapter; and

"(2) the disclosure, distribution, or dissemination of information derived from wire or oral communications intercepted pursuant to sections 2516A and 2518A of this chapter among employees of departments and agencies of the Government, including—

"(a) to whom, by whom, and under what procedures such information may be disclosed, distributed, or disseminated;

"(b) what type of such information may be disclosed, distributed, or disseminated; and

"(c) what use may be made of such information.

Following public hearings, and within one hundred and eighty days after the effective date of this section, the Attorney General shall issue and cause to be published in the Federal Register regulations concerning the subjects described in subsections (1) and (2) of this section.".

SEC. 11. (a) The analysis of chapter 119 of title 18, United States Code, is amended by inserting immediately after the item "2516. Authorization for interception of wire or oral communications.", the following new item: "2516A. Authorization for interception of wire or oral communications relating to military security or national defense.".

(b) Such analysis is further amended by inserting immediately after the item "2518. Procedure for interception of wire and oral communications.", the following new item: "2518A. Procedure for interception of wire or oral communications relating to military security or national defense.".

(c) Such analysis is further amended by inserting immediately after the item "2520. Recovery of civil damages authorized.", the following new item: "2521. Standards for recordkeeping and dissemination.".

Mr. KENNEDY. Mr. President, I am pleased to join my colleague, the distinguished Senator from Wisconsin, in introducing the National Security Surveillance Act of 1975. This bill would require a court order to be obtained before any wiretapping or other electronic surveillance could be conducted on grounds of national security or any other ground.

In the last session of Congress, I introduced the Freedom from Surveillance Act of 1974, S. 4062. The bill we introduce today is a further development and refinement of that bill and of the Surveillance Practices and Procedures Act of 1973, S. 2820, introduced by Senator NELSON during the last Congress.

Mr. President, we are all aware of the serious abuses that have occurred through the use of warrantless electronic surveillance under the rubric of "national security." The 17 Government officials and newsmen wiretapped between May 1969 and February 1971 provide a case in point. One subject was tapped for 17 months after leaving Government service. Two had no access to classified information. Some were physically surveilled, in addition to being subjected to wiretapping. Normal procedures within the Justice Department and the FBI were not followed. At least one tap continued for 21 months without being reauthorized by the Attorney General, despite a Justice Department regulation requiring that every warrantless wiretap be reviewed and reauthorized every 90 days. Extraordinary secrecy was maintained, and an attempt was made to hide and deny the existence of the taps. The President himself was even overheard talking on the telephone to one of the persons tapped.

These abuses are not unique. Syndicated columnist Joseph Kraft had a wiretap placed in his home, and a "bug" placed in his hotel room abroad, at the instigation of the White House. American civilians in Germany were reportedly tapped by the Department of Defense. Even the President's brother, F. Donald Nixon, was wiretapped. Most recently, the CIA has revealed that it secretly wiretapped American citizens during the 1960's. And the testimony of former Attorneys General Elliot Richardson and William Saxbe before the Subcommittee on Administrative Practice and Procedure, which I chair, indicated that at least one Congressman and members of congressional staffs have been wiretapped.

These instances illustrate the potential for abuse that inevitably arises when one branch of Government claims the exclusive power to decide which persons will be subjected to electronic surveillance. As long as the executive branch alone asserts the power to decide who will be wiretapped, no American can be free of the fear of unrestrained Government surveillance. In order to remedy the abuses inherent in warrantless wiretapping, a court order must be required before any wiretapping or bugging—even in the so-called national security area—can be permitted. Effective congressional oversight is likewise required to insure that statutory and regulatory procedures are followed.

The bill which Senator NELSON and I introduce today attempts to prevent such abuses and to assure that the constitutional rights of every individual are protected. Under our bill, a court order would be required for all electronic surveillances, including those undertaken for national security purposes. American citizens could be wiretapped only if there were probable cause of a crime. National security electronic surveillances could not be authorized unless they were directed against foreign agents and unless they met strict criteria relating to military security or national defense. Moreover, such surveillances could only be performed by the FBI, with criminal penalties for others engaging in them.

Under our bill, the President could authorize a wiretap in case of a serious emergency threat to the military security or national defense, but would have to apply for a court order within 48 hours. The Attorney General would be required to report to the Committees on the Judiciary and on Foreign Relations of the Senate and the Committees on the Judiciary and on Foreign Affairs of the House of Representatives every 3 months as to the scope and nature of national security surveillances, and would also be directed to devise regulations to safeguard the right to privacy of persons overheard. With certain exceptions, the Government would be required to inform wiretapped individuals that their conversations have been overheard. In addition, the bill would establish new procedures to further regulate the activities of telephone companies and their employees in this area.

It is my belief that these safeguards are needed to reaffirm the rights guaranteed to every individual by the fourth amendment to the Constitution. That amendment provides that the Government cannot conduct a search unless it first obtains a judicial warrant based on probable cause. Ever since *Katz* v. *United States*, 389 U.S. 347 (1967), it has been recognized that wiretapping and bugging constitute searches and seizures within the meaning of the fourth amendment.

Electronic surveillance is a particularly intrusive type of search. The subject of the surveillance does not know that a search has taken place, as well he might if his house had been burglarized or his office broken into. The person conducting the search—the wiretapper or bugger—cannot readily restrict the search to certain conversations. He will inevitably listen to many innocent conversations that have nothing to do with the information or evidence sought. In addition, the wiretap or bug may intercept the conversations of innocent third parties who have no connection with the activity that is the subject of the surveillance.

Because of the particularly intrusive, secret, and indiscriminate nature of the invasion of privacy entailed, even more stringent safeguards should be placed upon the conduct of electronic surveillance than upon other searches and seizures. Among other provisions of our bill, we have included a requirement that all possible and practicable steps be taken to insure that any interception of communications not of the type authorized by the court to be overheard is minimized.

Mr. President, the Subcommittee on Administrative Practice and Procedure, which I chair, has closely examined warrantless wiretapping practices during extensive hearings in 1974 and 1972, continuing an active role begun in the 1960's with hearings into wiretapping and governmental invasions of privacy. Earlier this week, the subcommittee issued a report on warrantless wiretapping and electronic surveillance with the Foreign Relations Subcommittee on Surveillance, which was chaired by the distinguished Senator from Maine (Mr. MUSKIE). This report was based on 6 days of joint hearings held last year together with the Subcommittee on Constitutional Rights.

The report made several concrete recommendations for legislative and administrative changes in this area. It recommended that Congress enact legislation "to establish statutory guidelines for all electronic surveillance activities carried out in the United States for military security, national defense, or foreign intelligence gathering purposes." The report also suggested that congressional oversight in this area be strengthened, that the Attorney General develop written public regulations, that national security wiretapping be restricted to the FBI, and that new legislation be considered to further regulate the activities of telephone companies in this area. The bill which Senator NELSON and I introduce would implement these recommendations and others. I will ask that the complete findings and recommendations of this report be printed in the RECORD following my remarks.

In the Keith decision, *United States* v. *United States District Court*, 407 U.S. 297 (1972), Justice Powell, writing for a unanimous Court, declared:

> The price of lawful public dissent must not be a dread of subjection to an unchecked surveillance power. Nor must the fear of unauthorized official eavesdropping deter vigorous citizen dissent and discussion of Government action in private conversation. For private dissent, no less than open public discourse, is essential to our free society.

The great danger of secret Government wiretapping is not only the infringement of the constitutional rights of our citizens. It is not only the "chilling effect" upon the exercise of the first amendment rights of free speech, free

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assembly, and free dissent. It is not only the abridgement of the fourth amendment "right of the people to be secure against unreasonable searches and seizures." It is also the fear and suspicion instilled in our citizens. The knowledge that a few citizens are secretly wiretapped or bugged makes every person wonder whether his phone is tapped, or whether his room or his friend's or neighbor's is bugged.

Unchecked warrantless wiretapping has contributed to a crisis of confidence in our governmental institutions that is without parallel in recent times. A recent survey showed that three out of every four Americans feel that "wiretapping and spying under the excuse of national security is a serious threat to people's privacy." The time to respond to this concern is now.

I join the Senator from Wisconsin in calling upon my colleagues to speedily enact legislation to remedy the serious violations of constitutional rights that have taken place. I commend the distinguished Senator from Arkansas (Mr. McCLELLAN), chairman of the Subcommittee on Criminal Laws and Procedures, for holding legislative hearings on this subject last October jointly with the Subcommittee on Constitutional Rights, and for agreeing to expedite the consideration of legislation in this area this year. As chairman of the Subcommittee on Administrative Practice and Procedure and as a member of the Subcommittee on Criminal Laws and Procedures and on Constitutional Rights, I will work for the speedy enactment of this legislation.

Mr. President, I ask unanimous consent that the findings and recommendations of the report of the Subcommittees on Administrative Practice and Procedure and on Surveillance be printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

WARRANTLESS WIRETAPPING AND ELECTRONIC SURVEILLANCE

(Report by the Subcommittee on Surveillance of the Committee on Foreign Relations and the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary, February 1975)

FINDINGS

1. Congress has failed to exercise effective oversight of warrantless wiretapping and bugging.

2. There are not adequate written standards or criteria within the Executive Branch to govern the warrantless electronic surveillance of either Americans or foreigners. There is a gap in the statutes, the case law, and in administrative regulation on the use of warrantless wiretaps or bugs by Executive Branch agencies for alleged "national security" purposes.

The guidelines set forth in former Attorney General Elliot Richardson's letter of September 12, 1973, to the Committee on Foreign Relations are no more than a recitation of the items cited in Section 2511(3) of the 1968 Safe Streets Act, a negative statement neither conferring nor taking away Presidential power. As guidelines they are overly vague and general, and they are meaningless both as a standard for official action and as a safeguard for protecting the Fourth Amendment rights of the individual.

Former Attorney General Richardson and Deputy Attorney General Ruckelshaus initiated a study of warrantless wiretapping within the Justice Department and the FBI, with particular emphasis on developing internal guidelines and on devising warrant procedures appropriate to national security cases. However, these studies have been discontinued by Attorney General Saxbe.

3. The position of the Department of Justice in pending litigation concerning the extent of its authority to conduct wiretaps without a warrant under a national security rationale conflicts with recent testimony before the three Subcommittees by Attorney General Saxbe. The variance between the position taken by the Justice Department in pending litigation and Attorney General Saxbe's testimony before the Subcommittees underscores the need for written internal guidelines within the Justice Department and for improved legislative safeguards in this area.

4. Presidents have not given adequate supervision to wiretapping operations of Executive Branch departments and agencies, failing even to require compliance with the minimal requirement that the Attorney General approve in advance all warrantless wiretapping by Federal agencies.

Testimony before the Subcommittees indicated that while the FBI is supposed to be the only agency conducting warrantless wiretapping or bugging, several other agencies have done so. Moreover, much of this wiretapping has been done without the advance approval of the Attorney General, as required by President Johnson's 1965 memorandum, and there have been no effective measures to ensure compliance with that Presidential directive.

These wiretapping activities have been shrouded in secrecy by the government. For example, the Justice Department moved to dismiss the prosecution of Detroit Weathermen in *United States* v. *Ayres* rather than reveal which federal agency had conducted warrantless electronic surveillance.

However, the Attorney General has assured the joint Subcommittees that, insofar as he can determine, no U.S. government agencies other than the FBI are carrying out warrantless wiretapping or other electronic surveillances in the United States and that steps are being taken to make the FBI responsible for any electronic surveillance of Americans abroad. The Justice Department sent a questionnaire to other agencies on this subject.

5. The Justice Department promised to supply certain information regarding the nature and extent of warrantless electronic surveillance conducted by federal agencies, but has not done so. For this reason, the Subcommittees have been unable to make a detailed evaluation of the level and nature of recent wiretapping practices compared with those of the past.

6. No government-wide evaluation has been made of the value of the information gained from warrantless wiretapping weighed against the foreign policy and other risks involved and the costs incurred.

The need for such a detailed evaluation was highlighted by the testimony of several witnesses at the Subcommittee hearings. For example, Attorney General Saxbe testified that "you can just do away with all electronic surveillance and it would put us at some disadvantage but we would live with it." And former Secretary of State Dean Rusk testified that "at least 90 percent" of our intelligence comes from public sources.

7. The Subcommittee's study revealed new facts about the wiretapping of 17 government officials and newsmen that illustrate the dangers to constitutional rights than can take place under the rubric of "national security" in the absence of strict legislative and administrative measures to prevent abuses. Among the facts developed at the Subcommittee hearings are the following:

a. There was physical surveillance of some of the 17 subjects, as well as wiretapping.

b. Two subjects were tapped after they left government service. Two were tapped for 21 months, and two were tapped even though they had no access to classified information. In addition, taps on some subjects were taken off and then reinstituted.

c. The President himself was overheard talking on the telephone to one of the persons tapped.

d. Normal procedures were not followed within the Justice Department and the FBI. For example, at least one tap continued for 21 months without reauthorization by the Attorney General, despite a Justice Department requirement that taps be reviewed and reauthorized every 90 days.

e. Extraordinary secrecy was maintained, and an attempt was made to hide and deny the existence of the taps. Records of the taps were not entered in normal FBI indexes, including the Elsur index, and the records were secretly removed from the FBI and sent to the White House.

f. The major role played by the White House in initiating and maintaining these taps were without parallel.

g. According to Former Deputy Attorney General Ruckelshaus, there were "about four" additional taps of stem leaks after the 17 taps were discontinued. These facts illustrate the continued potential for infringement of rights that can occur under the guise of "national security" in the absence of firm legislative guidelines.

8. Congressmen and members of Congressional staffs have been wiretapped, according to Attorney General Saxbe and former Attorney General Richardson. Attorney General Saxbe was unable to identify the Congressman tapped or to ascertain how many there were.

9. While Title III of the 1968 Safe Streets Act authorized court-ordered wiretaps in cases of espionage, sabotage, treason and certain other security offenses, the government has generally conducted wiretaps in such cases without a court order, rather than under the warrant provisions of Title III.

10. The Department of State plays only a minor role in the initiation of warrantless wiretappings carried out ostensiby for foreign intelligence purposes. Apparently, at no point in the processing of requests for initiation of such wiretaps, or in the collection and evaluation of information gained from these wiretaps, is the judgment of senior foreign policy officials brought to bear.

RECOMMENDATIONS

1. Congress should enact legislation to establish statutory guidelines for all electronic surveillance activities carried out in the United States for military security, national defense or foreign intelligence gathering purposes.[1]

2. The President should initiate a thorough study of electronic surveillances for military security, national defense and foreign intelligence purposes to assess the benefits and costs of such operations, particularly with respect to the invasion of privacy, the effect on constitutional liberties, and the foreign policy risks involved.

3. Congressional oversight in this area should be strengthened. The Senate Committees on the Judiciary and on Foreign Relations and the House Committees on the Judiciary and on Foreign Affairs should be kept fully and currently informed concerning electronic surveillance operations carried out for foreign policy or foreign intelligence purposes.

4. The Attorney General should develop written public regulations establishing standards, guidelines, and procedures governing recordkeeping, filing and indexing of information derived from electronic surveillances and the disclosure or dissemination of such information within the government.

5. New legislation should be considered to further regulate the activities of telephone companies and their employees in the area of electronic surveillance.

6. Wiretapping for purposes of military security or national defense should be explicitly restricted to the FBI, with criminal penalties for other government employees or agents engaging in such activities.

7. The Department of State should evaluate the foreign policy implications of and make appropriate recommendations to the President on all requests for electronic surveillances involving foreign policy considerations.

8. The approval of the American Ambassador should be obtained prior to the initiation by any U.S. agency of any kind of surveillance of Americans abroad.

[1] Legislation to establish such statutory guidelines has been introduced by Senators Kennedy, Nelson, and Mathias (S. 4062, S. 2820, and S. 3440, respectively). Senators Muskie and Case are original cosponsors of S. 4062, 93d Cong., 2d Sess.

QUORUM CALL

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ECOLOGY AND ECONOMY

Mr. NELSON. Mr. President, during this period of economic turmoil everyone seems to be looking for someone else to blame for our present problems. Some have wrongly pointed the finger at environmentalists, claiming their efforts during the late 1960's and early 1970's to maintain a clean and healthful environment have been nonproductive and inflationary. In a recent speech, Administrator of the U.S. Environmental Protection Agency, Russell E. Train, set the record straight. Mr. Train correctly emphasizes the economic feasibility as well as the environmental necessity of continuing these programs as a vital component in our total economic program. I ask unanimous consent that the Administrator's speech be printed in the RECORD.

There being no objection. the speech was ordered to be printed in the RECORD, as follows:

ECOLOGY AND ECONOMY: TWO HOUSEHOLD WORDS

(An Address by Russell E. Train, Administrator, U.S. Environmental Protection Agency)

It was, if I am not mistaken, George Bernard Shaw who originally made the remark—so often repeated in recent weeks—that if all economists were laid end to end they still wouldn't reach a conclusion.

I think that Mr. Shaw was being both unkind and unfair.

The economic conferences of the past few weeks have demonstrated beyond any doubt that economists do not have the slightest difficulty in reaching a conclusion—they just never reach the same one.

And something would be seriously wrong if they ever did. For the really critical economic questions must inevitably and equally be political and social questions as well; and efforts to resolve those questions must, for that reason, reflect the wide divergence of views and values within our society, the different—even disparate—interests and aims of its various sectors.

The conferences culminating in the White House summit did not result in easy or overnight answers to our economic problems. They sought, instead—and they succeeded—in making the Nation more fully aware of the fact that the economic problems before us are in some fundamental ways unprecedented; that these problems cannot be appeased or alleviated, but only aggravated, by throwing scapegoats and simplistic solutions at them; and that it will take nothing less than a strong and sustained effort on the part of all of us to gradually bring them down to size.

The economic conferences represent, in my judgment, the highly welcome opening up of reasoned, responsible and democratic discussion and decision-making at the highest levels of our national government.

It is in that same spirit that I would like to explore some of the economic impacts and implications of the environmental effort—and in particular to address the view of some in the business and financial community that pollution control expenditures are inherently inflationary and nonproductive and that, in a time when inflation is high and capital hard to come by, those expenditures should be stretched out. I assure you of my personal concern over these economic problems and my determination that EPA contribute responsibly to their solutions.

Let me underscore, at the outset, some of the main points that I think must be made:

Environmental expenditures are not a significant factor in the present inflation and are not to any signficant degree responsible for the capital squeeze. Their impact in these areas will remain small for the foreseeable future:

Environmental expenditures are no more inherently inflationary or nonproductive than expenditures for national defense, or law enforcement, or health, or education. Their purpose is to protect the public health and welfare against some very serious hazards:

Like any other expenditures—public or private—environmental expenditures cannot be justified simply on the grounds that their goals are important, even essential. It must be demonstrated both that we get what we pay for with these expenditures, and that what we get is worth it.

All the available evidence is that the benefits of our pollution control expenditures far exceed their costs.

EPA must, and does, in the very process of putting together its regulations, analyze and assess the potential economic impacts of those regulations and do everything it reasonably and responsibly can to ease or avert any adverse impacts. We must constantly strive to improve this process.

The fundamental economic aim of the environmental effort is to improve the quality of growth in this country by encouraging the reduction or recovery of the enormous waste of energy and other resources within our economy—wastes that, in large measure, represent economic as well as environmental costs. To the degree that clean air and water, and indeed land itself, have become increasingly scarce and costly goods—and that energy and other materials, whose extraction production and consumption generate the pollution we are trying to clean up, have themselves become increasingly scare and costly—it makes both environmental and economic sense to make the conservation of energy and the reduction of recovery of waste a matter of the highest priority.

Our environmental, energy and economic interests converge to put a premium upon greater and greater efficiency in the industrial process—a new efficiency which can, at one and the same time, cut costs, conserve energy and curb pollution—a new efficiency which I am convinced can help attack our inflation problem.

By encouraging us to live within our energy and environmental means, environmental expenditures can help us achieve the kind of economic growth that will give us *real* gains both in our standard of living and in our quality of life.

Let me take up these points in more detail, if not necessarily in the same order.

To begin with, environmental expenditures are no more responsible for the inflation and capital squeeze that affect not only our economy, but the economies of the entire industrialized world, than they were for the Arab oil embargo or for the drought that has diminished our agricultural yield this year. The oil cartel, the world-wide adverse climate and resulting food shortages, the end of the two-price system in copper and a rise in U.S. copper prices, the U.S. devaluation and resulting rise in import prices—these are the factors mainly responsible for what some economists have called "the first commodity inflation in over two decades."

A study by Chase Econometrics Associates forecasts that pollution programs will case an average annual inflation rate of about 0.3 percent for the period 1973 through 1978, and an average annual rate of 0.2 percent for 1973 through 1982. These forecasts are consistent with the report of the Council on Environmental Quality that the environmental program was responsible for less than 0.5 percent of the 17 percent increase in the wholesale price index for the year ending in March 1974.

It can hardly be said, with price effects of this magnitude, that the environmental expenditures are a significant part of our inflationary problems. Even if we delayed or eliminated all pollution control expenditures, we would not make a dent in our inflation problem. We would, on the other hand, not only allow the buildup of pollutants that would do increasingly greater damage to public health and welfare, but insure that when the Nation once more took up the task of reducing or removing these pollutants, it would be far more costly.

It should be understood, as well, that price increases which reflect the true cost of pollution control should not really be treated as price increases at all. The increase in the monthly electric bill as a result of pollution controls is, to begin with, a cost that we would otherwise have to pay in the form of health hazards. That price increase, moreover, represents an increase in value in the product itself: we are getting cleaner electricity. Cleaner electricity costs more than dirty electricity just as high-quality chopped meat costs more than low-quality chopped meat. When a price rise thus reflects a rise in the value of a product or a service, it can hardly be regarded as inflationary. Of course, we cannot be insensitive to any price rise, particularly in an area such as electricity where the burden may fall disproportionately on the poor and others least able to assume that burden. At the same time, however, it has to be pointed out that pollution itself, when unabated, imposes severe costs on society and that the adverse health effects tend to fall with special severity on the poor and others who live in crowded urban centers.

The relative rise in prices as a result of pollution controls is, as you know, simply a means of putting the market mechanism to work to protect the public health and welfare. By allowing some industries to use our environmental resources for free, we have encouraged them to expand at the expense of those resources. An increase in relative prices, which both discourages the purchase of environmentally intensive goods and encourages the development of less polluting indus-

trial processes, must be a central part of an efficient environmental protection program.

If it could be demonstrated that the costs of pollution control exceeded its benefits, then it could legitimately be argued that pollution control expenditures should be delayed or diminished. But what we are really talking about, in such an instance, is not an inherent inflationary effect of pollution control expenditures, but rather a bad investment in pollution control. And we should not as a country support investments in pollution control, or any other public or private good, which do not give us what we pay for.

Like the consumer price index, our system of national accounts is thoroughly biased. It tells us what we spend when we clean up. But it does not tell us what we get for it, or what we spend when we fail to clean up. Indeed, a number of noted economists, including Paul Samuelson of MIT and James Tobin of Yale, contend that conventional measures of Gross National Product and inflation are inadequate because they do not account for improvements in the quality of life which are not priced by the market system. It is increasingly obvious that mere quantitative measures of production, whether of goods or services, provide very imperfect measures of the overall well-being of our society. Thus, the adverse health effects of sulfur emissions will increase the demand for medical services which in turn will go to increase GNP. Were GNP and the various inflation indices to adequately measure the beneficial outputs of pollution control, we would not have to deal with erroneous assertions that the costs of this control are non-productive or that they are inherently inflationary.

It is, as you know, far from a simple matter to work out the costs and benefits of an environmental program. The costs can be calculated with some precision; the benefits seldom can. A longer life span, the easing of pain from illness, the conservation of the beauty of our land, air and water—we can only use our best judgment in assigning dollar values to these things. We can, on the other hand, measure with far greater adequacy such benefits as decreased medical costs, decreased absenteeism and increased property values.

Simply on the basis of their quantifiable costs and benefits our environmental expenditures have been shown to be well worth the cost. The National Academy of Sciences (NAS), for example, has just completed a year-long study of our automotive emission standards which was widely expected to provide a basis for easing those standards. The NAS found, however, after weighing the quantifiable costs and benefits, that "the benefits in monetary terms that could reasonably be expected to accrue from implementing the Federal statutory emission control standards for automobiles are commensurate with the expected cost." The NAS did tentatively support an easing of automotive standards for nitrogen oxide emissions, a recommendation I made to Congress last year. In addition, EPA research has shown that measurable damages of $11.2 billion annually accrue from sulfur oxide and particulate pollution, compared with annual costs of less than half that amount to control it.

Environmental expenditures, like other expenditures, create jobs, markets and profit opportunities. These are positive opportunities which more and more companies should be taking advantage of, as Carl Gerstacker of Dow Chemical declared at one of the recent presummit economic meetings. Obviously environmental expenditures represent a demand for goods, which can bid up the price of scarce resources. But they are no more inflationary in this respect than spending to make our streets safe or our country secure, to build highways or hospitals or high rises. So far as demand-pull inflation is concerned, all expenditures are created equal.

It is not the nature of the expenditure that is critical in determining its inflationary impact, but rather the state of the economy at the time it is made. So-called "non-productive" defense expenditures have on some occasions helped lift the economy out of recessions just as they have helped fuel inflation at other times. It is interesting to note that when the construction industry was booming several years ago, some concern was expressed that EPA funding of municipal wastewater treatment plant construction would aggravate inflation in construction prices, now that the construction industry is having a rough time of it, some have suggested that EPA could help breathe some life into it by accelerating the funding of treatment plant construction. In short, it is the state of the economy and of the financial markets that determines whether environmental or any other expenditures are inflationary.

What we are talking about, then, is simply competing demands for goods. And the real question is: which should take precedence at a time when the control of inflation may require some easing of these demands? Do we cut expenditures on airplanes, or on school buildings, or on TV sets, or on pollution control? Pollution control may seem to be the easiest to cut, because—in relation to these others—it is a new kind of expenditure. But to put environmental needs last in line for this reason is like refusing to admit a critically ill man to an overcrowded hospital without first comparing his needs with those of the patients already in the hospital. And to single out environmental demands as inflationary for this reason is like blaming the last patient admitted for the fact that the hospital is overcrowded.

Moreover, we really do not have the option of not paying environmental costs at all. The question is really who shall bear the burden of these costs. If electric power is generated with inadequate controls over sulfur and particulate emissions, then the cost is borne by the general public through statistically demonstrable increases in mortality and morbidity. If those same emissions are effectively controlled, then the cost of that control is (or should be) passed on to the consumers of the electricity through the rates. It is, thus, a matter of equity and of cost-effectiveness.

There is, therefore, no inherent reason to cut environmental spending first, just as there is no justification for unquestioningly placing it first above all other priorities without considering the tradeoffs. As long as resources are scarce, we cannot avoid the necessity of choosing among many desirable ends, not all of which we will fully achieve. The reasonable man will ask: what will I get for what I'm giving up? And that is what we must ask when considering whether to cut environmental or other expenditures.

The evidence, as I have already indicated, is that the inflationary impact of environmental expenditures is negligible and that the benefits they bring substantially exceed their costs. The economic case *for* environmental expenditures is thus very strong.

Once we have said all this concerning the impact of environmental expenditures upon the overall economy, we need to address the argument that the capital requirements of environmental protection efforts place an undue burden upon our capital markets and upon particular industries—that environmental requirements siphon off scarce capital that, at a time when capacity is desperately needed and unemployment is high, could be put to far more productive use.

We should recognize, to begin with, that the slowdown in the growth of U.S. industrial capacity over recent years would have occurred *whether* or *not* there had been pollution control requirements. As a recent Economic Letter of the First National City Bank put it: "the question of pollution control seems somewhat academic. Most of the basic industries could not justify new investment—with or without pollution controls—with profits at the 1970–71 levels."

Capital requirements for environmental protection are, and will remain, very small in relation to the total flow of capital within our economy. Indeed, the amount required is, and will remain, well within the normal year-to-year fluctuations in the rate of capital formation. Over the next decade, pollution-related investment by industry is projected to equal only 2–3 percent of gross private domestic investment, and about 6 percent of private investment in plant and equipment—although those percentages will be considerably higher for certain industries. It is worth emphasizing, in this regard, the recent survey by the Bureau of Economic Analysis in the Department of Commerce, in which only 2 percent of the firms surveyed reported that pollution control investment had caused a reduction in expenditures for new plant and equipment made in 1973 or planned for 1974.

There is simply no evidence that environmental requirements have had or will have any marked adverse impact upon jobs or productive capacity, especially since—as I have said—investments in environmental protection create new markets, new jobs and new profit opportunities. Since January 1971, EPA has learned of only 69 plant closings, involving 12,000 jobs, for which pollution control was alleged to be a significant factor. Of these, only 14 plant closings involved Federal enforcement action; and in 5 of those 14 closings State action was involved as well. I am concerned about the impacts these closings have on the employees, their families and communities, and I am working to ensure that these people get the full benefit of the various assistance programs available to them. While the local impacts of these closings may be quite serious, it simply cannot be said that they have significantly affected the Nation's productive capacity or its employment problem. Reviews of the plants that have closed reveal that they have, for the most part, been small, old marginal plants whose demise may have been hastened slightly by pollution standards, but which probably would have been closed soon anyway for economic reasons.

I expect that, in the future, the impacts of our program on productive capacity will be noticeable, but not alarming. The Chase Econometrics Associates study I mentioned earlier forecasts that pollution control costs would result in a negligible average increase in the rate of unemployment between 1973 and 1982—the largest increase would be 0.2 percent in 1978. The study also projects a negligible reduction in the annual growth rate of GNP, *as currently measured*, over the same period. In 1982, GNP would be only 0.2 percent lower because of pollution controls. These impacts are far smaller than those of a number of other controllable and uncontrollable factors, and cannot legitimately be regarded as cause for concern.

One reason that I expect only moderate impacts on existing capacity and employment is that EPA specifically looks at these in the process of setting standards. We now perform or sponsor studies of costs and economic impacts as part of the regular process of developing each standard. Furthermore, each proposed standard is subjected to the critical review of the public and other federal agencies before final promulgation. I am particularly concerned that we be highly sensitive to job impacts of our regulatory activities.

I should point out two limitations to EPA's ability to incorporate economic impact concerns into its standard-setting process. One is the uncertainty involved in forecasting future impacts under changing economic conditions and with advancing technologies. In addition, EPA's governing legislation in some instances does not grant the Agency the authority to take economic impacts into account. An extreme example of this is the auto emissions standards, which are set by law in the Clean Air Act.

Let me cite just a few examples in which a balancing of environmental and economic concerns has influenced EPA's actions:

A number of effluent guideline limitations on industrial water pollution have been modified on the basis of EPA studies and public comments;

The steel industry effluent guidelines are currently under review to determine if industry projections of major impacts on the Mahoning Valley region of Ohio are valid. If they are, a separate set of guidelines may be issued for that region;

The thermal effluent guidelines for the electric utility industry have undergone a very thorough review of the practicability of alternative levels of control for the utility industry and its customers, with the final guidelines reflecting substantially lower costs commensurate with effective environmental protection;

A Clean Air Act amendment has been sought to ease the statutory nitrogen oxide standard now scheduled for imposition in 1978. The major factor in this decision was the likelihood that the required technology would not be available in time;

EPA has sought to persuade States whose sulfur oxides emissions standards are more stringent than required to meet health-related standards to eliminate the "overkill," thus allowing the continued use of available fuels until acceptable control is feasible;

Nondegradation regulations have, been structured to mesh with State economic development planning without posing unreasonable constraints on necessary development and at the same time fully protecting the integrity of Federal air quality standards; and

The low-lead gasoline regulations contain a delay in imposition upon small refiners who need more time to finance and arrange the installation of octane-boosting equipment.

These are just some examples of our effort to insure that impacts of environmental regulations on existing and new planta are warranted by the environmental improvement involved. In the current economic situation, we must also take a long, hard look at another potential impact—at the possibility that in capacity-short industries environmental requirements prevent firms from investing available capital in expansion of capacity which is sorely needed to eliminate demand-pull inflation. The evidence on this impact is exceedingly mixed. EPA is currently assessing the combined impact of its regulations upon key industries as well as examining the effects of its regulations upon capital markets and the costs of capital for specific industries.

One industry especially hard hit by the current capital squeeze is the utility industry. Over the past few years, its costs have drastically increased—primarily for reasons that have little or nothing to do with the environment. Its fuel, finance and construction costs have all gone up—mainly for non-environmental reasons. Delays have also raised costs, but these have, for the most part, been the result of labor or engineering problems or AEC actions related to safety. In addition, utilities could until recently count on an increase in thermal efficiency from new plants to provide them with a cost savings to compensate for other cost increases. The switch to nuclear capacity and slow down in the rate of improvement in thermal efficiency has deprived the utilities of this compensatory cushion. Since State public utility commissions have been slow to raise rates in the face of these cost increases, utility earnings have fallen, and so has their ability to attract capital.

It seems clear both that the utilities are sorely squeezed for capital and that they will continue to be squeezed until they are allowed to earn adequate rates of return. I have made emphatically clear my view that the costs of pollution control should be fully related in the prices utilities charge for electricity. As long ago as last April, I wrote the State utility commissions urging that they permit utilities to "pass through" the full costs of environmental control. I would urge, further, that the State commissions grant the utilities the higher rates of return they must have to finance orderly and essential expansion. I would also suggest that there are steps which utilities themselves can and should take to ease their capital problems. By establishing appropriate peakload prices, for example, for large industrial and commercial customers, they could move to measurably reduce the growth of peak demand, and thus reduce their capital needs as well as the amount of pollution they create and are required to control. They could, at one and the same time, save energy and cut capital needs and pollution costs.

It is more than an historical curiosity and coincidence that the words "ecology" and "economy" come from the same etymological root—from the Greek word meaning "household management."

In no small measure, our energy, environmental and economic problems reflect the fact that we are living beyond our means.

Pollution is waste, and to the extent that we can prevent that waste and put it to productive use we are serving both economic and environmental ends. In other words, as I said earlier, our energy, environmental and economic interests combine to put a very high premium on greater efficiency in the industrial process.

One expert has estimated that about 25 percent of the total U.S. energy use could be saved through efficiency. Another has observed that our production of waste energy is growing twice as fast as our production of useable energy and that if we could halt the growth of waste energy we could save enough energy to close the entire fuel gap by 1985. That wasted energy represents an economic as well as an environmental cost. And we can cut both of these costs to the degree that we can conserve energy through greater efficiency.

This is the point President Ford tried to hammer home in his address to the economic summit on Saturday, as again and again he urged Americans "to become Inflation Fighters and Energy Savers."

If, in 1972, the average efficiency of gasoline consumption in our automobiles had been 20 miles per gallon—instead of 13.5 miles per gallon—we could have saved more than 23 billion gallons and more than $14 billion worth of gas.

If, in 1972, the aggregate efficiency of electric power production had been 40 percent, instead of 29.5 percent, we could have saved the equivalent of 330 million barrels or $3.3 billion worth of oil.

It is easy enough to multiply these examples.

They all make the same point: environmental pollution is, in a very real sense, simply a sign of economic inefficiency and waste.

By making the conservation of energy and materials and the prevention of pollution an ordinary and integral part of our production process, we will become increasingly able to enjoy the benefits of economic growth and an improved quality of life.

The American free enterprise system has brought a higher degree of material well-being to a larger proportion of a society than ever before in history. We have led the world in producing a revolution which has made abundant goods and services available to the many at reasonable cost. It is a revolution which has spread around the globe, although obviously not equally everywhere.

It has been a revolution—indeed, often a seeming miracle—based upon abundant and relatively cheap energy and other natural resources together with an energetic and resourceful people. Thank God, we still have the latter. And we still have abundant—if not always cheap—resources. Our challenge today and in the years immediately ahead is to demonstrate our ability to sustain and strengthen the economic well-being of our people while at the same time improving and not degrading the quality of their lives. This is a challenge which the United States has a special responsibility to address. It is a challenge which cries aloud for the leadership of this country. No other nation can provide it. And the business community of the United States must and can help provide that leadership.

We must as a nation unite in a War on Waste.

We must make a national commitment to conserve resources, to save energy.

We must change course from a throwaway society to a reuse and recycling society. We should develop tax and other incentive systems to encourage recycling and the conversion of wastes to energy.

We should re-examine and revise those existing incentives in the tax system, freight rate structure, or otherwise, which encourage and subsidize use of virgin materials rather than recycling.

We must insist on far more energy-efficient automobiles. We must increasingly shift our national priorities toward mass transit.

We need, as a nation, to develop positive land use policies—not I assure you to permit more Federal intrusion into this area but to provide more effective operation of State and local planning and control—with enormous potential savings of energy and other resources.

We must make massive investments in research and development, especially in the area of clean energy.

Above all, we must develop new values which match the new needs of our times, values which recognize that growth simply for the sake of growth is no longer enough—that we must find ways to nourish our physical needs while promoting the quality of our lives.

These are objectives to which the economics profession should increasingly be directing its energies.

The need for aggressively pursuing environmental protection policies is a high priority need of our time, one which is essential to any sustained economic growth and development. The fact that we must pursue this objective at a time when inflation and other economic problems beset us only makes the task more complex and demanding.

On my part, I assure you that the Environmental Protection Agency will carry out its job with patience and with sensitivity to the problems which confront the businessmen and working people of the Nation. I ask your help and cooperation in a task which is difficult, but which is vital to our future. We will doubtless have many disagreements but let us not have misunderstandings. My door is always open to you. Let us work together.

FREE ENTERPRISE IN PETROLEUM ACT OF 1975

Mr. NELSON. Mr. President, I am joined today by Senators ABOUREZK, McINTYRE, CLARK, HATHAWAY, PACKWOOD, and LEAHY, in introducing the Free Enterprise in Petroleum Act of 1975. Senator ABOUREZK and I sponsored similar legislation last year.

Massive amounts of evidence accumulated over the past quarter century in-

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dicate that those major oil companies, engaged in the whole process of oil management and control from drilling to retailing, are in fact monopolistic, anticompetitive, and destructive of free enterprise in the oil industry. This legislation is designed to eliminate this kind of monopolistic control by requiring divestiture of vertically integrated oil companies.

The legislation contains three prohibitions. First, it forbids pipeline companies engaged in interstate commerce from transporting petroleum products which it produces or manufactures. Second, it prohibits oil refiners from engaging in development or production of petroleum products; and, third, it forbids refiners from marketing finished petroleum products. These prohibitions do not apply to "independent" refiners defined as those who buy three-fourths of their crude oil and sell most of their products at the refinery.

The problem of monopolistic practices in the oil industry is not new nor are the proposals to cure it. In July of 1937, Congressman Biermann introduced similar legislation and in every decade since Members of both Houses have proposed legislation aimed at the same problem. These proposals have borne the names of distinguished Members of both Houses such as Borah, Gillette, Nye, Harrington, and Roosevelt.

Mr. President, there can no longer be any doubt that a law of this kind is needed. There can be no doubt of the abuses caused by a petroleum industry which is vertically integrated and monopolistic. According to figures in a Government Operations Committee print entitled "Investigation of the Petroleum Industry," that industry has become even more concentrated and top-heavy in 1969 than it was in 1960. In 1969, the top 8 oil companies together accounted for 50 percent of the domestic net crude oil production while the top 20 companies had 70 percent. In 1960, those figures were 43 and 63 percent, respectively. All by themselves, four companies—Standard of New Jersey, Texaco, Gulf, and Shell—accounted for 31 percent in 1969 while in 1960 they shared 26 percent. In 1970, the top 20 companies accounted for 94 percent of proved domestic crude reserves, the top 8 had 64 percent and the top 4 had 37 percent. In 1970, the company shares of domestic crude oil and gasoline refining capacity were as follows: The top 4 had 33 percent, the top 8 had 57 percent, and the top 20 shared 86 percent.

In hearings before Congressman Roosevelt's committee in the mid-1950's, before Senator HART's Antitrust Subcommittee, and in a length study by my own staff, the same facts have been consistently brought out: The abuses include short leases for retailers, unwarranted cancellations, artificially induced price variances, forced trinket "giveaways" which are beneficial only to the oil companies, and on and on. Last year in a front page article in the Milwaukee Sentinel it was stated that 3,600 independent retail gasoline dealers had begun concerted efforts to effect State legislation of this sort. The retailers list additional abuses including being forced to purchase such things as batteries and accessories from the majors at prices dictated by the majors.

The oil industry monopoly has had a truly devastating effect on retail gasoline dealers. In testifying before the Senate Antitrust and Monopoly Subcommittee of the Judiciary Committee, Mr. H. C. Thompson, president of the National Congress of Petroleum Retailers, has described the retail dealers' position as "largely that of an economic serf rather than that of an independent businessman." In his July 14–15–16, 1970, testimony, Mr. Thompson estimated that the turnover in gasoline station operators is 25 to 35 percent each year, or about 50,000 to 70,000 dealers.

The legislature has not been the only branch to attempt to bring about competition in the oil industry. In his fine speech on this subject on July 12, 1973, the distinguished Senator from South Dakota (Mr. ABOUREZK) traced the history of Federal court cases in this area since the landmark case of *Standard Oil Company of New Jersey* v. *United States*, 221 U.S. 1, in 1911.

An exhaustive examination of this whole problem has been completed by the Federal Trade Commission. It is a 141-page document entitled "Complaint Counsel's Prediscovery Statement," dated February 22, 1974, and is in support of the Commission's complaint in, In the Matter of Exxon Corporation et al. This document is discussed in two recent newspaper articles.

The first is an article by Morton Mintz in the Washington Post, February 24, 1974, and the second is from the Wall Street Journal, February 25. Among the remedies it proposes, the FTC suggests refinery and pipeline divestiture.

Unfortunately, proceedings of this sort take a long time. Mr. Mintz suggests a final resolution is 8 to 10 years away. Given the present state of our petroleum supply and the state of the oil industry, I suggest that we cannot wait that long.

We can no longer put off legislation of this sort as being premature or ill-considered. Nor can we hide from the fact that there continues to be a petroleum crisis, even though its most immediate effects were eased when the oil embargo was lifted.

Mr. President, I ask unanimous consent that the bill and its summary be printed in the RECORD along with an excerpt of my remarks on this subject in 1971 and the three newspaper articles that I have just referred to.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 745

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the Free Enterprise in Petroleum Act of 1975.

FINDINGS

SEC. 2. (a) The Congress finds: (1) that Paragraph (8) of section (1) of the Interstate Commerce Act (49 U.S.C. 1 (8)) which divorces the business of transporting by railroad commodities in interstate commerce from their manufacture, thereby avoiding the tendency to discrimination, should be amended to apply to "pipeline companies", as that term is defined herein; (2) that the industrial organization of the petroluem industry in its present form does not serve the public interest; (3) that industry is characterized by aggregations of capital of tremendous size; (4) that these large companies are engaged in petroleum refining, but are interlocked at various levels of industry operation the the degree that the national policy of competitive free enterprise is frustrated; and (5) that by virtue of intercompany arrangements and vertical integration of refiners into the production of crude oil, the transportation of crude oil and finished products and the marketing of finished products, these large refiners have acquired and hold substantial monopoly power over interstate and foreign commerce in petroleum, adversely affecting the ability of the United States to establish a rational energy policy or conduct its foreign relations properly in important areas.

(b) The Congress further finds that an ample supply of energy at reasonable cost is essential to the national interest, and that petroleum hydrocarbons are a very significant portion of our energy supply. Current and projected levels of hydrocarbon imports from foreign sources entail serious consequences to the national defense and foreign policy of the United States, to the stability and health of the domestic economy, to the competitive position of this Nation in world trade, to the purchasing power of United States currency, and to the welfare of its citizens.

(c) It is therefore esential that action be taken on an emergency basis to reorganize the structure of the petroleum industry, to restore the free enterprise system in energy development, to assure an adequate flow of capital into exploration and development of secure and environmentally safeguarded sources, and to accord investors, consumers and taxpayers adequate protection in relation to energy development and the divestitures required hereunder.

DEFINITIONS

SEC. 3. (a) "Refinery" means a plant constructed or operated for the purpose of separating or converting liquid hydrocarbons to finished products or unfinished oils for further refining;

(b) "Finished products" means liquid hydrocarbon products used or useful without further processing other than mechanical blending for the production of energy for heating or as a source of mechanical power.

(c) "Crude oil" means a mixture of liquid or gaseous hydrocarbons that are produced from natural underground reservoirs, and which are liquid at atmospheric pressures after production.

(d) "Liquid hydrocarbons" means any liquid composed of hydrogen and carbon molecules, and includes such hydrocarbons derived from tar sands, oil shale or liquefaction of coal.

(e) "Company" means any business enterprise of any nature whatsoever, and shall include but not be limited to corporations, trusts, unincorporated associations, partnerships, and sole proprietorships.

(f) "Affiliate" means any company owned or controlled by another company, or which owns or controls another company, or is under common ownership or control with another company; where the terms "own" or "ownership" refer to ownership of a substantial interest, and the term "control" refers to control by stock interest, representation on the board of directors or similar governing body of the controlled company, or control by contract, agreement, or trust relationship with other stockholders, or otherwise.

(g) "Independent refiner" means a company operating a refinery of which not more than 25 per centum of the total input is derived from the crude oil produced by or on behalf of such company or any affiliate of such company; and which sells at least half of the total of finished products produced in its refinery or refineries to companies not affiliated with it for resale at wholesale or retail under brands not owned or controlled by such refinery company.

(h) "Pipeline Company" means a company engaged in any way in the transportation of oil by pipeline or partly by pipeline.

DIVESTITURE OF PIPELINE FACILITIES

SEC. 4. Paragraph (8) of section 1 of the Interstate Commerce Act (49 U.S.C. 1(8)) is amended—

(1) by adding "(a)" immediately after (8) in such paragraph; and

(2) by adding at the end of such paragraph the following subparagraph to read as follows:

"(b) (1) It shall be unlawful for any pipeline company subject to this chapter to transport to, from, or within any State, territory, or the District of Columbia any crude oil or other liquid hydrocarbon, or any finished product, which is produced or manufactured by such pipeline company or any company which is an affiliate of such pipeline company."

DIVESTITURE OF PRODUCING FACILITIES

SEC. 5. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the exploration for, development of, or production of crude oil or other liquid hydrocarbons.

DIVESTITURE OF MARKETING FACILITIES

SEC. 6. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the marketing of finished products: *Provided, however,* That any such company may maintain and operate facilities for the sale and delivery of such finished products directly from a refinery.

DIVESTMENT PLANS AND FINANCIAL ACCOUNTING

SEC. 7. (a) The Securities and Exchange Commission, in accordance with such rules, regulations, or orders as it may deem necessary to promulgate to carry out the purposes of this Act, shall require companies holding ownership interests in facilities which are prohibited by this Act, to submit, within one year from the date of enactment of this Act, plans for the divestment of such ownership interests, whether represented by securities, or otherwise. If, after notice and opportunity for hearing, the Commission shall find such plan, as submitted or as modified by Commission order, necessary to effectuate the provisions of this Act and fair and equitable to the persons affected by it, the Commission by order shall approve such plan and shall thereafter take such action, by application to a court for appointment of a trustee, or receiver, or for such other order as may be necessary, to enforce such plan: *Provided, however,* That the Commission shall not approve any plan which will not substantially accomplish the necessary divestment on or before January 1, 1978.

(b) The Commission shall immediately prescribe rules and regulations governing the financial accounting of companies subject to this Act, to insure careful segregation of operations of such companies in each level of industry operation, separately calculating and reporting capital and operating costs, and profits, for operations relating to crude oil production, operation of each refinery, operation of pipelines, and operation of marketing facilities.

OPERATIONS PENDING DIVESTMENT

SEC. 8. Any company required by the terms of this Act to divest property or interests may continue to operate such property or interests under this Act for a period not to exceed one year from the date of enactment of this Act without submission of a plan or plans for divestment, and thereafter during the period required for consideration and approval by the Commission of a plan submitted, as herein provided. Such company shall, however, in no event continue to operate or control such property and interests after January 1, 1978.

VIOLATIONS

SEC. 9. If any company shall violate any of the provisions of this Act or any rule, regulation, or order issued hereunder, upon application of any Federal court by the United States, or any customer or competitor of such company or any person affected by such violation, such court shall order the forfeiture to the United States of the sum of $5,000 for each day such violation shall be found to have continued, and for payment of the costs and expenses of suit, including, if a private enforcement action, an informer's fee to be calculated in like manner to those provided by law relating to the collection of import duties or other taxes.

EXCERPTS FROM SENATOR NELSON'S REMARKS ON EDUCATIONAL TELEVISION, OCTOBER 14, 1971, WHA TELEVISION, WISCONSIN

Prior to government placing new restrictions on the activities of any segment of our society, there must be overwhelming evidence supporting the need for such action. In my opinion, years of congressional study have constructed a case for drastic steps to be taken in the area of retail distribution of gasoline and related products.

When this industry was in its infancy, the Congress discerned the obvious detrimental public consequences of the one man control which then existed. In 1911, the Supreme court decided the Standard Oil case, which broke up the Standard Oil Trust. Since that time little has been done to insure that the benefits this action offered both to business and the public would remain effective.

Today the industry is one of the economic giants operating in this country. Some 225,000 retail outlets with annual sales in excess of $25 billion supply consumers with over 90 billion gallons of gasoline and other products. These figures represent staggering multiples of growth since 1911.

Through the years, as the demand for product increased, there has been a constant movement to a re-concentration of power within the industry. Today a mere handful of men representing 11 oil companies, control the industry from the wellheads to the consumer. The court decision of 1911 has been effectively nullified. I think it is time the interests of the public and the retailer were again considered and new legislation enacted to restore competitive balance within the industry.

The Roosevelt Committee of the mid-50's; the Hart Committee, plus, a study by my staff spanning 4 years have produced a sorry picture of this industry, which enjoys a captive market for its product. It exhibits little regard for the well-being of its retailers. . . .

Time will not permit a full statement of the abuses uncovered within this industry, such as, short leases for retailers, unwarranted cancellations, artificially induced price variances, forced trinket "give aways", which are only beneficial to the oil companies; and on and on.

I think there is an answer to this problem. I have prepared a Bill for introduction in the Senate which will prohibit producers of gasolines from owning and operating retail outlets. The public will benefit from a system which will then provide for the free operation of the retail gasoline market, and 225,000 retailers will become true independent businessmen, with the opportunity to decide their own destinies.

The oil companies will doubtlessly issue a unanimous cry that such legislation is a blow to the free enterprise system. To them I say—it is designed to make that system work, not for the privileged few, but for the many independent businessmen who are now victims of a powerful oligarchy.

[From the Milwaukee Sentinel, Feb. 19, 1974]

SEEK LAW ON GAS STATION OWNERSHIP

MADISON, WIS.—A newly formed coalition of Wisconsin's 3,600 independent retail gasoline dealers has hired lobbyists to push legislation that would outlaw station ownership by major oil companies.

The coalition hired three Milwaukee attorneys who registered Monday as lobbyists for the Wisconsin Gasoline Dealers Co-ordinating Committee.

They immediately sought bipartisan support for their draft bill that would make it illegal for a major oil firm to own a retail outlet.

The attorneys, and several independent dealers, spent Monday in Madison meeting with aides to Gov. Lucey, and with state energy advisor Stanley York. They were hoping to meet soon with Atty. Gen. Robert W. Warren.

York and Lucey's legal counsel, David Hase, agreed in principle with the coalition that preservation of the independent retailer is the goal of state government.

The coalition is seeking amendments to the state's antitrust laws to prohibit station ownership, and it wants new contract laws to protect independent dealers from what the coalition members call harassment by the major firms.

Atty. Raymond Krueger told Hase that independents are being squeezed out of business by major oil firms that "arbitrarily terminate contracts" with the dealer.

"If this continues much longer, the oil companies will have achieved their goal—running the independents out of business," said Atty. William E. Glassner, Jr., another representative of the coalition.

The coalition is comprised of the Wisco Retail Gasoline Dealers Association, the Clark Oil Dealers Association and unorganized independent dealers.

The dealers want more contractual protection through state laws. They maintain that present law permits major firms to force them to purchase batteries, tires and accessories from the major firms at the prices the majors demand.

If they don't abide by the major company's demands they don't get gasoline, or they are harassed by other company threats, the dealers told Hase.

Hase said Lucey supports the preservation of the independent oil retailers, but he said he is not certain whether forcing the major firms out of the retail market is the answer.

The independent dealers said that major firms have closed 20% to 52% of the retail outlets selling their brands and that none of those closed was a company owned station.

Arthur Johnson, vice president of the retail dealers group, said one major firm closed 9 of 13 outlets in Madison recently, all independent owner operated.

[From the Washington Post, Feb. 24, 1974]

REFINERY DIVESTITURE URGED

(By Morton Mintz)

Putting some of the blame for high fuel prices and inadequate refinery capacity on a lack of competition among the nation's eight largest oil companies, the Federal Trade Commission staff is seeking to force them to sell 40 to 60 percent of their refinery capacity.

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Ten to 13 new firms would be formed to buy the divested refineries, under a tentative proposal by the FTC's Bureau of Competition.

If the industry had been organized "to depend upon free markets, it is doubtful that the present shortage of refinery capacity would have arisen," the staff said.

In addition to the refinery divestiture, the bureau said, the newly formed firms also should acquire pipelines owned by the oil companies, as well as the joint-venture pipelines.

The proposal is the first specific disclosure of the relief sought by the bureau to satisfy the antitrust complaint it filed July 17 against the companies—Exxon, Texaco, Gulf, Mobil, Standard of California, Standard of Indiana, Shell and Atlantic Richfield.

All of the companies have said they are innocent of the FTC staff's charge that they have joined at least since 1950 to monopolize refining and to maintain a noncompetitive structure of refining in "the relevant market"—the East and Gulf coasts, and parts of the mid-continent.

The proposed remedies would bring consumers "significant benefits" by imposing competition "where it has been present only rarely," the staff contended.

Its recommendations are in a 141-page "pre-discovery statement" filed Friday with Administrative Law Judge Donald B. Moore, who will hold a hearing and make a recommendation to the commission.

The proceeding is certain to go into the courts. A final decision by the Supreme Court is believed to be eight to 10 years off.

The proposed divestitures would make the new refinery firms "viable and independent," because they would have the assured access to major pipelines needed in a competitive market, the staff statement said.

Moreover, the statement said, divestiture would encourage efficient independent marketers to expand because their sources of supply would be safe.

"If consumers choose to have more low-priced gasoline without amenities, their demand will encourage independents to buy more from a genuine market," the bureau said.

It also asked for a ban on future refinery acquisitions by the eight companies, in addition to a limit on their joint ventures and on their exchanges of crude oil and petroleum products.

Through "common courses of action," the defendants opposed the refinery that Occidental Petroleum wanted to build for New England in Machiasport, Maine, in 1960, the statement said.

The statement, signed by staff counsel Robert E. Liedquist, said the eight companies—each integrated from the wellhead to the gas pump—are so interdependent that "in virtually every facet of their operation, they have common rather than competitive interests."

For example, the staff said, all but ARCO and Standard of Indiana are partners in the Iranian Oil Consortium and in addition, are members of other joint international ventures in the Middle East. Thus, each is the others' "confidant" and has "a solid community of interest . . . which foster cooperation rather than competition," the statement said.

Moreover, the staff said, the eight firms are "to some extent . . . commonly rather than independently owned." The statement cited a "suggestive" example: "Chase Manhattan Bank, through various nominees, is both the largest shareholder in Atlantic Richfield and the second largest shareholder of Mobil. Clearly it is not in Chase Manhattan's interest to promote vigorous competition between them."

Ties between the banks and the eight companies are so strong that they "enjoy an identity of interest," the staff said. Competitors find it difficult to get financing for refineries because the major New York City banks do not want to "jeopardize" their own investments, the staff said. A refinery with a daily capacity of 250,000 barrels costs up to $600 million.

"Investment decisions are made together by firms in joint ventures," the staff continued. "Loans are sought from financial institutions on whose boards . . . there are representatives of other petroleum companies. Even in their political and public relations activities the major firms act in unison.

"In short," the staff concluded, "at no point in their operation do respondents engage in genuinely independent behavior. Rather, an intense awareness of a community of interest characterizes all of their activities and multiplies the impact of their concentration into monopoly power."

[From the Wall Street Journal, Feb. 25, 1974]

FTC STAFF URGES BIG OIL FIRM'S DIVESTITURE OF 40 TO 60 PERCENT OF REFINERIES, ALL PIPELINES

(By Mitchell C. Lynch)

WASHINGTON.—A special staff report by the Federal Trade Commission recommends that eight of the nation's largest oil companies be forced to divest themselves of 40% to 60% of their refining operations.

The report was filed by the FTC staff to buttress its complaint against the companies that they have monopoly control of the nation's oil industry. This stranglehold, the report says, is directly linked to the current fuel shortage and is causing higher prices for nearly all types of fuel, including gasoline.

Named in the original complaint issued last summer were Exxon Corp., New York; Texaco Inc., New York; Gulf Oil Corp., Pittsburgh; Mobil Oil Corp., New York; Standard Oil Co. of California, San Francisco; Standard Oil Co. (Indiana), Chicago; Shell Oil Co., Houston, and Atlantic Richfield Co., New York. All companies previously have denied the charges.

The 14-page report further recommends that these companies be forced to give up control of all their pipelines. The refining operations and pipeline facilities would be divested to 10 to 13 "new" companies that would be spun off from the oil companies, the report recommends. It adds that provision should be established to make sure the oil companies wouldn't have any control of the new pipeline companies.

INEFFICIENT, COSTLY OPERATIONS CITED

The report, for the first time, lists specifically what the FTC staff wants done to end what it say is a monopoly setup that for years has maintained strong barriers against any competition. Shielding themselves from outside interference, these companies have been able to operate both inefficiently and at unwarranted expense to consumers, the report charges.

The report was turned over to an FTC administrative law judge as part of legal proceedings that are expected to take years to complete. If the FTC judge agrees with the complaint, he would make a recommendation for action with the Federal Trade Commissioners. If the commissioners follow the administrative judge's ruling, the oil companies could take their appeals to the courts.

Not only do the companies work at close ranks with each other, the staff report continued, but they bring major financial institutions into their bailiwick to help their cause.

For example, the report says Chase Manhattan Bank "is both the largest shareholder in Atlantic Richfield and the second largest shareholder in Mobil." The upshot: "Clearly it isn't in Chase Manhattan's interest to promote vigorous competition between them," the report says. (Large banks have steadfastly denied they influence company policies through their trust-fund holdings.)

The chief way the companies block competition is to keep crude-oil prices "artificially high," the report says. To these companies, which control exploration, pumping, piping, refining and sales, high crude prices are "merely bookkeeping transfers" that are passed on to the consumer in the form of higher fuel prices.

However, to any independent company, higher crude prices mean "out of pocket costs," the report claims. "Consequently, refining has been rendered less attractive" to smaller companies thinking of getting into the oil-processing business.

ENERGY CRISIS AS AN EXAMPLE

The current fuel squeeze "dramatically illustrates" the "ills" of the oil-company setup, the report asserts. Forcing the companies to make the divestitures "will work to prevent the recurrence of the present shortage of refinery capacity," the report says.

What's more, the report says, "The consumer pays twice" because of the companies' market power, "both directly in the form of higher prices and indirectly in that society's resources aren't allocated in the most efficient manner."

The companies have full say on prices because they control production, pipelines and "international crude oil." This power is bolstered by "their exploitation of state and federal legislation, particularly state prorationing laws and the oil import quota." This enables companies to prevent any increase in supply from upsetting their posted prices.

An example of the companies' muscle, the report says, was their successful move to block construction of a refinery to be built by Occidental Petroleum Corp. in Machiasport, Maine, in 1960. That refinery was designed to provide petroleum products for the New England area, which currently is being hard hit by the fuel shortage.

SUMMARY OF FREE ENTERPRISE IN PETROLEUM ACT OF 1974

Section 1 contains the short title of the measure.

Section 2 recites detailed findings by the Congress concerning: the applicability of a section of the Interstate Commerce Act—which divorces the business of transporting by railroad, commodities in interstate commerce from their manufacture—to the petroleum industry; the present highly concentrated organization of the industry, its effect frustrating the national policy in several areas; the policy of competitive free enterprise capitalism generally; energy policy provisions for an ample supply of petroleum products at reasonable costs in interstate and foreign commerce; in carrying out foreign policy in important areas; and in maintaining the stability and purchasing power of the United States currency. This Section also finds that it is therefore essential to reorganize the petroleum industry in such a manner as to make possible effective policy decisions in these areas while at the same time protecting the interests of investors.

Section 2 defines the critical terms used in the legislation. Particularly, it defines the term "affiliate" of a company as including parents, subsidiaries or companies under common control with such companies, whether such relationship is established by ownership, direct or indirect interlocking directorates, by contract or by any other means. It also specifically defines an "independent refiner," a company excepted from the divestment provisions of other sections of the Act, as a company operating a refinery of which not more than 25% of the total input is derived from crude oil produced by or for such refiner or any affiliate, and which sells at least half of its total finished products through other than owned or controlled marketing facilities.

Section 4 prohibits integration into pipeline transportation. This is accomplished by an amendment to the Interstate Commerce Act to prohibit any common carrier pipeline from transporting crude oil, other liquid hydrocarbons, or finished products, if the commodity transported is owned by the pipeline or any affiliate. This provision is similar to the "commodities clause" provision of the Interstate Commerce Acts imposing limitations on railroads, and is in form an amendment to that provision.

Section 5 prohibits any company operating a refinery, other than an independent refiner, from owning or controlling any interest in exploration for, development of or production of crude oil or other liquid hydrocarbons, including synthetics.

Section 6 is a similar prohibition relating to marketing facilities, forbidding any company operating a refinery, other than an independent refiner, from owning, controlling or operating facilities for the sale of finished products, other than those facilities necessary for sale of product directly from the refinery.

Section 7 makes provision for procedures to accomplish the divestment of properties which would otherwise be held in violation of the provisions of the Act. As with public utility holding companies, the Securities and Exchange Commission is given authority to receive and consider divestment plans filed by integrated companies. If the Commission finds such plan as submitted, or as modified by the Commission, to be fair and equitable in its protection of investor interests, and to be in accord with the purposes of the Act, it is authorized to approve the plan and direct its implementation. Pending approval of any plan, however, the Commission is directed to prescribe rules and regulations for petroleum company accounting which will effectively segregate the costs, both capital and operating, and the profits, which are appropriately allocable to each level of company operation.

Section 8 makes necessary allowance for operations during the period before divestiture can be accomplished. It permits companies otherwise subject to the prohibitions of Section 5 and 6 of the Act to continue operations for one year prior to the filing of an appropriate divestment plan with the Securities and Exchange Commission, and thereafter during the period required for the consideration, approval and effectuation of such a plan by the Commission.

Section 9 imposes penalties for the violation of the Act, to consist of a forfeiture of $5,000 for each day a company is in violation. It also provides that this forfeiture can be declared by application to a United States District Court at the request of the United States or any customer or competitor of the company, or of any other person affected by the violation. In the event suit is brought by private interests, an appropriate informer's fee is to be paid, calculated as are those fees allowable in customs or tax matters. Costs and expenses of suit are also to be allowed a successful private party.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with statements therein limited to 3 minutes each.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HANSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—H.R. 1767

Mr. HANSEN. Mr. President, I ask unanimous consent that Tom Cantrell, a member of Senator HELMS' staff, shall be accorded the privilege of the floor during this debate and all votes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 11 a.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce with an amendment in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

The enrolled bill was subsequently signed by the President pro tempore.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, with an amendment:

S. 441. A bill to amend the Forest Pest Control Act of June 25, 1974 (Rept. No. 94–16).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 741. A bill to establish a program of Federal insurance against catastrophic disasters, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUGH SCOTT:

S. 742. A bill for the relief of Edward N. Deutschmann. Referred to the Committee on the Judiciary.

By Mr. NELSON (for himself and Mr. KENNEDY):

S. 743. A bill to establish administrative practices, procedures, and standards, under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 744. A bill to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of MHD (magnetohydrodynamics) to assist in meeting our national energy needs, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. NELSON (for himself, Mr. ABOUREZK, Mr. MCINTYRE, Mr. CLARK, Mr. HATHAWAY, Mr. PACKWOOD, and Mr. LEAHY):

S. 745. A bill to amend the Interstate Commerce Act and to provide for regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 746. A bill for the relief of Lovina C. Gibbs. Referred to the Committee on the Judiciary.

By Mr. BIDEN:

S. 747. A bill to eliminate the disability waiting period for individuals with terminal illnesses. Referred to the Committee on Finance.

By Mr. SPARKMAN (by request):

S. 748. A bill to alleviate massive unemployment in the housing and related industries, to provide homeownership opportunities not otherwise available because of excessive interest rates, and to assist in restoring the nation's economic health. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUDDLESTON (for himself and Mr. FORD):

S. 749. A bill to increase the number of judges for the United States District Court for the Eastern District of Kentucky. Referred to the Committee on the Judiciary.

By Mr. PHILIP A. HART:

S. 750. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs. Referred to the Committee on the Judiciary.

By Mr. TOWER for Mr. TAFT (for himself, Mr. TOWER, Mr. JAVITS, Mr. BEALL, Mr. HATFIELD, and Mr. TUNNEY):

S. 751. A bill to amend section 313 of the National Housing Act, as added by the Emergency Home Purchase Assistance Act of 1974, to authorize the Government National Mortgage Association, under the emergency program authorized by that section, to purchase certain mortgages covering multifamily rental, cooperative, or condominium housing. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. STAFFORD:

S. 752. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. Referred to the Committee on Public Works.

S. 753. A bill to amend the Internal Revenue Code of 1954 and the Highway Revenue Act of 1956, and for other purposes. Referred to the Committee on Finance.

By Mr. HUMPHREY:

S. 754. A bill to establish a Department of Education. Referred to the Committee on Government Operations.

By Mr. BURDICK:

S. 755. A bill to establish an arbitration board to settle disputes between supervisory organizations and the United States Postal Service. Referred to the Committee on Post Office and Civil Service.

By Mr. ABOUREZK (for himself, Mr. NELSON, Mr. MCGOVERN, and Mr. HATHAWAY):

S. 756. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

By Mr. THURMOND:

S. 757. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans. Referred to the Committee on Veterans' Affairs.

UMI

By Mr. HATFIELD:

S. 758. A bill to authorize and request the President to issue a proclamation designating August 22–28, 1975, as "National Deaf Awareness Week." Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself and Mr. CRANSTON):

S. 759. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND (for himself, Mr. HARTKE, and Mr. HANSEN):

S. 760. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. BELLMON:

S. 761. A bill to amend the National Environmental Policy Act of 1969 in order to encourage the establishment of, and to assist State and regional environmental centers. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 762. A bill for the relief of Paul Gestin. Referred to the Committee on the Judiciary.

By Mr. RANDOLPH:

S. 763. A bill for the relief of Marietta Dizon Pamintuan. Refered to the Committee on the Judiciary.

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 764. A bill to provide for the reclamation of abandoned coal mine lands and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. PERCY (for himself, Mr. RIBICOFF, Mr. NUNN, Mr. JAVITS, Mr. PROXMIRE, Mr. TOWER, Mr. JOHNSTON, Mr. MATHIAS, Mr. DOMENICI, Mr. BEALL, Mr. PHILIP A. HART, and Mr. ROTH):

S. 765. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Working Life; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and quality of working life; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes. Referred to the Committee on Government Operations.

By Mr. McINTYRE:

S.J. Res. 34. A joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day." Referred to the Committee on the Judiciary.

By Mr. RANDOLPH:

S.J. Res. 35. A joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Worker Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 741. A bill to establish a program of Federal insurance against catastrophic disasters, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

NATIONAL CATASTROPHIC DISASTER INSURANCE ACT OF 1975

Mr. HUGH SCOTT. Mr. President, I introduce for appropriate reference legislation to establish a national catastrophic disaster insurance program. I am pleased to be joined in this effort by my distinguished colleague, the junior Senator from Pennsylvania (Mr. SCHWEIKER).

Mr. President, the concept on which my bill is based grows from one of the hard lessons learned from Hurricane Agnes, the June 1972 tropical storm that became the worst natural disaster in the history of this country to date. Over a half million people suffered losses costing $3 billion as a result of severe flooding that covered more than 5,000 square acres of land, much of it in Pennsylvania. Although Federal flood insurance was available, only two persons in the Wilkes-Barre area, one of the hardest hit, had purchased it. In the State capital of Harrisburg, another hard-hit area, not one single person had flood insurance.

What was learned from this experience is that most people simply do not carry separate disaster insurance policies in their insurance portfolios, apparently for a number of reasons: for some kinds of disasters, insurance is not obtainable or the coverage offered is inadequate; for others, it is too costly; or perhaps, most Americans regard the likelihood of becoming a victim of natural disaster so remote as to not justify the purchase of this type of protection.

Recognizing these factors, my bill proposes a unique approach which would take advantage of the network of existing private insurance pools and the millions of standard property loss and liability insurance policies already in effect nationwide. Through a small premium surcharge, each of these policies—whether currently in force or purchased hereafter—would automatically be endorsed by the Federal Government to provide additional protection against catastrophic natural disasters of all kinds.

This is how the proposed program would work. First, my bill would create an Office of Federal Disaster Insurance within the Federal Insurance Administrator's Office in the Department of Housing and Urban Development. This Office would be headed by an Assistant Administrator for Disaster Insurance who, in coordination with the Secretary of HUD, would have the responsibility for implementing the provisions of this act.

Next, a National Disaster Insurance Fund would be created from the following: an initial $1 billion from the U.S. Treasury; a transfer to the fund by the Small Business Administration and the Farmers Home Administration of 1 percent of all moneys received by them as repayments on outstanding disaster recovery loans; and finally, the automatic premium surcharge already mentioned. The surcharge level would be set only after public hearings, and would be based on a sliding scale reflecting regional and geographical variations in elements of risk. In no event, however, would it exceed 5 percent of the basic premium on any given policy being endorsed. While the catastrophic coverage endorsement would become effective immediately, the first premium surcharge would not be payable until the next regular premium date. Thus, in order to guarantee adequate reserves for the fund at all times, the Secretary would also be authorized to issue notes or other obligations, as needed.

Once established, the National Disaster Insurance Fund would serve as the source from which the Secretary through his appointed Assistant Administrator could settle claims arising from catastrophic natural disasters. Again, public hearings would be held with participation by appropriate representatives of State insurance authorities and private insurance companies, this time to set guidelines for disbursements from the fund. Special emphasis would be placed on those kinds of natural disasters which are typically uninsured or uninsurable and which are of such a nature as to generate losses that are likely to result in a Federal disaster declaration.

The term "catastrophic disaster," as used in my bill, would mean any flood, high water, windstorm, hurricane, tornado, tidal wave, drought, snowstorm, blizzard, earthquake, or other catastrophe as defined by the Secretary of Housing and Urban Development. Should any such incident reach such magnitude that it was declared by the President, the Small Business Administration or the Department of Agriculture to be catastrophic, the new insurance program would become operational.

Moreover, and of extreme importance to Pennsylvania, a retroactive feature of this bill would allow damage claims to be filed for losses resulting from natural disasters dating back to June 1, 1972. The victims of Hurricane Agnes, in other words, would be covered.

Mr. President, a compilation furnished me by HUD's Federal Disaster Assistance Administration—formerly the Office of Emergency Preparedness—lists more than 100 occurrences since June of 1972 that have been officially declared by the Federal Government to be major disasters. Unfortunately, the existing framework of grants and loans to victims of natural disasters is entirely inadequate. What is needed is a swift response capability made possible through a program of Federal disaster insurance which covers all risks and is available to everyone.

This is the purpose of the National Catastrophic Disaster Insurance Act of 1975, which I introduce today. I commend my able colleague in the House of Representatives, Congressman DANIEL J. FLOOD, for his work in developing this bill and introducing it as H.R. 1677. I urge that this approach to protection against natural disaster be carefully considered by Congress and the administration.

Mr. President, I ask unanimous consent that the full text of the National Catastrophic Disaster Insurance Act of 1975 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 741

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Catastrophic Disaster Insurance Act of 1975".

PURPOSE

SEC. 2. It is the purpose of this Act to establish a program of Federal insurance against catastrophic natural disasters and other catastrophic disasters, utilizing the private insurance industry (particularly risk-sharing pools of insurance companies) and preserving State regulation, with the central objective of minimizing postdisaster governmental expense and maximizing the protection of those exposed to losses from catastrophe.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "catastrophic disaster" means any flood, high waters, windstorm, hurricane, tornado, tidal wave, drought, snowstorm, blizzard, earthquake, or other catastrophe as defined by the Secretary under this Act which constitutes—

(A) a major disaster (within the meaning of that term as determined by the President pursuant to the Act entitled "An Act to authorize Federal assistance to State and local governments in major disasters, and for other purposes", as amended (42 U.S.C. 1855–1855g)),

(B) a natural disaster, as determined by the Secretary of Agriculture pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), or

(C) a disaster with respect to which loans may be made under section 7(b) of the Small Business Act (15 U.S.C. 636(b)),

and which is declared by the President, the Secretary of Agriculture, or the Small Business Administration, as the case may be, to be a catastrophic disaster for purposes of this Act;

(2) the term "catastrophic disaster insurance" means insurance against losses and damage resulting from catastrophic disaster as provided in or specified under this Act;

(3) the term "property insurance" means all insurance issued by insurance companies in force in any State on any real property or personal property located in any State, other than insurance on motor vehicles;

(4) the term "insurance company" means any insurance company or group of companies under common ownership which is authorized to engage in the insurance business under the laws of any State, and also includes any pool or association of insurance companies formed, associated, or otherwise created for the purpose of sharing risks;

(5) the term "premium surcharge" means a percentage of property and liability insurance premiums, as specified by the Secretary under this Act, on all types of property and liability insurance except workmen's compensation, bonds, and health insurance;

(6) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Canal Zone;

(7) the term "jurisdiction" means the smallest unit of government in any State or political subdivision which the Secretary finds has the legal authority to adopt and effectively enforce local land use and control measures to reduce the potential for covered catastrophic disasters; and

(8) the term "Secretary" means the Secretary of Housing and Urban Development (acting through the Federal Disaster Insurance Administrator as provided in section 4).

FEDERAL DISASTER INSURANCE ADMINISTRATOR

SEC. 4. (a) There is hereby established within the office of the Federal Insurance Administrator, in the Department of Housing and Urban Development, the position of Assistant Insurance Administrator for Disaster Insurance. The Assistant Insurance Administrator for Disaster Insurance shall head an Office of Federal Disaster Insurance and shall be known as the Federal Disaster Insurance Administrator (hereinafter in this section referred to as the "Administrator").

(b) The Secretary shall carry out all of his functions and duties under this Act through the Administrator.

(c) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(132) Assistant Insurance Administrator for Disaster Insurance, Department of Housing and Urban Development."

ESTABLISHMENT OF FEDERAL CATASTROPHIC INSURANCE PROGRAM; FUNCTIONS AND POWERS OF THE SECRETARY

SEC. 5. (a) The Secretary shall establish and carry out a program of Federal catastrophic disaster insurance in accordance with the purpose and provisions of this Act.

(b) In carrying out the program under this Act, the Secretary shall—

(1) impose and collect a premium surcharge as provided in section 6, and take such other actions as may be necessary or appropriate to assure the provision of the funds required to fulfill the purpose of this Act;

(2) determine and prescribe the terms, conditions, and limitations of the catastrophic disaster insurance provided under this Act, and the extent of the coverage thereunder, as provided in section 7;

(3) purchase reinsurance to the extent deemed appropriate and available;

(4) make such disbursements (from the fund established by section 9) as may be necessary to reimburse insurance companies in full for claims paid by them on account of covered losses under the program and for other operating expenses incurred by such companies in the performance of functions under the program; and

(5) make such other disbursements, and take such other actions, as may be necessary or appropriate to carry out the purpose of this Act.

(c) In the performance of his functions under this Act, the Secretary shall have authority (1) to make and enforce such rules and regulations as may be necessary or appropriate to carry out the purpose or provisions of this Act; (2) to make and perform contracts, agreements, and commitments; (3) to prescribe and impose fees and charges for services by the Secretary; (4) to settle, adjust, and compromise, and with or without consideration or benefit to the Secretary to release or waive in whole or in part, in advance or otherwise, any claim, demand, or right of, by, or against the Secretary; (5) to sue and be sued, complain and defend, in any State, Federal, or other court; (6) to acquire, take, hold, and own, and to deal with and dispose of any property; and (7) to take any and all other actions necessary for the performance of such functions.

(d) The Secretary may appoint such special staff and technical experts, permanent or temporary, as he may consider necessary for the performance of his functions under this Act.

(e) The Secretary shall submit annually to the President for transmission to the Congress a full and complete report of his activities under this Act, together with any recommendations he may have for necessary additional legislation related to the purpose of this Act.

PREMIUM SURCHARGE

SEC. 6. (a) The Secretary shall from time to time, after a public hearing thereon, and after consideration of actuarial data and the financial requirements of the program under this Act, determine and specify the premium surcharge. The surcharge may not exceed 5 per centum, and may vary on a statewide basis, a regional basis, a countrywide basis, or any combination thereof in order partially to reflect variation in risk and control measures.

(b) Each insurance premium shall be surcharged, and the amount of the surcharge shall not be subject to agents' or brokers' commission or company expense but shall be paid in its entirety by the insurance companies to the Secretary (for deposit in the fund established by section 9) at such times as he shall specify.

TERMS, LIMITATIONS, AND COVERAGE OF INSURANCE

SEC. 7. (a) The Secretary shall from time to time, after consultation with appropriate representatives of the insurance authorities of the States and after reasonable notice and opportunity for hearing to all interested persons, specify—

(1) the particular kinds of catastrophic disasters (with emphasis upon those which are typically uninsured or uninsurable and of such a nature as to generate losses that are likely to result in a Federal disaster declaration) which are to be covered by insurance under this Act;

(2) the nature and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;

(3) the classification, limitation, and rejection of any risks which may be necessary;

(4) the extent to which such insurance shall be subject to deductibles or coinsurance provisions, or to other terms and conditions in order to achieve the purpose of this Act and the soundness of the financing arrangements; and

(5) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the purpose or provisions of this Act.

(b) The amount of catastrophic disaster insurance may be limited to a percentage of the property insurance in force for each owner. Such percent shall be established by the Secretary after consultation with representatives of State and local insurance authorities and representative of local consumer interests, and may later be increased or decreased as the Secretary deems appropriate.

MANDATORY COVERAGE

SEC. 8. Each property insurance policy now in effect or hereafter issued, other than a motor vehicle property insurance policy, shall be endorsed to extend coverage to catastrophic disasters as specified by the Secretary.

FINANCING

SEC. 9. (a) There is established in the Treasury of the United States a fund to be used by the Secretary for his operating and capital expenses under this Act.

(b) The fund established by subsection (a) shall be credited with—

(1) all premium surcharges imposed and collected under section 6;

(2) all amounts appropriated to the fund pursuant to subsection (c) of this section;

(3) all amounts transferred to the fund under subsection (d) of this section; and

(4) all amounts made available to the fund from the proceeds of obligations issued under subsection (e) of this section.

(c) There are authorized to be appropriated to the fund established by subsection (a), out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000,000 to provide the fund with initial capital, and such additional sums thereafter as may be necessary.

(d) There shall be transferred each fiscal year to the fund established by subsection (a), as authorized by appropriation Acts, an amount not exceeding 1 per centum of the aggregate of (1) the amounts received by the Secretary of Agriculture during such fiscal year as repayments of disaster loans made under the Consolidated Farmers Home Administration Act of 1961 and (2) the amounts received by the Small Business Administration during such year as repayments of disaster loans made under section 7(b) of the Small Business Act.

(e) To maintain the fund established under subsection (a) when the total of the amounts received by the fund under the preceding provisions of this section is insufficient, the Secretary may issue to the Secretary of the Treasury, to the extent authorized by appropriation Acts, notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized to purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act; and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations which shall be treated as public debt transactions of the United States.

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW; ELIGIBILITY FOR COVERAGE

SEC. 10. No new catastrophic disaster insurance coverage shall be provided under this Act for any property which the Secretary finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in disaster-prone areas.

(b) No catastrophic disaster insurance coverage shall be provided under this Act in any area which is determined by the Secretary to be an area of special catastrophic disaster risk unless the Secretary finds that reasonable efforts are being made by the appropriate public bodies in such area to improve local land use management so as to preclude excessive disaster losses at the time of catastrophe.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF BENEFITS

SEC. 11. (a) Notwithstanding the provisions of any other law, no Federal disaster assistance (as defined in subsection (b)) shall be made available to any person for the physical loss, destruction, or damage of real or personal property, to the extent that such loss, destruction, or damage is covered by a valid claim which may be adjusted and paid under catastrophic disaster insurance made available under the authority of this Act.

(b) For purposes of this section, the term "Federal disaster assistance" includes any Federal financial assistance which may be made available to any person as a result of a disaster referred to in clause (A), (B), or (C) of section 3(1).

EFFECTIVE DATE OF COVERAGE; RETROACTIVE PAYMENTS: TERMINATION OF PROGRAM UPON AVAILABILITY OF PRIVATE COVERAGE

SEC. 12. (a) Subject to subsections (b) and (c) of this section (and except as otherwise specifically provided in the preceding provisions of this Act), the program of catastrophic disaster insurance established by this Act shall apply with respect to claims for payment of losses and damage (from catastrophic disasters) incurred on and after the date of the enactment of this Act.

(b) The Secretary shall provide under the program established by this Act for payment of any losses (from a catastrophic disaster) which were incurred after June 1, 1972, and which led to a declaration of a major disaster area by the President. Such loss payments shall be made to all insured (and, to the greatest extent possible all noninsured) owners of real property and owners of household contents in accordance with loss settlement procedures normally employed by property insurance companies—to the extent of the owners' insurance coverage. The Secretary may request the insurance industry, government agencies, and any other public or private agencies or organizations to assist him in adjusting such claims. All such loss payments shall be reduced by any State or Federal disaster assistance grants paid or payable to such owners.

(c) If the Secretary finds and certifies to the President and the Congress no later than June 30, 1977, that catastrophic disaster insurance with coverage equal to or more extensive than the coverage provided under the program established by this Act is being made available on reasonable terms by private insurance companies throughout substantially all of the United States, he shall cease carrying out the program established by this Act; and this Act shall thereafter have no force or effect.

By Mr. NELSON (for himself and Mr. KENNEDY):

S. 743. A bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes. Referred to the Committee on the Judiciary.

(The remarks of Mr. NELSON and Mr. KENNEDY on the introduction of the National Security Surveillance Act of 1975 are printed earlier in today's RECORD.)

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 744. A bill to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of MHD—magnetohydrodynamics—to assist in meeting our national energy needs, and other purposes. Referred to the Committee on Interior and Insular Affairs.

(The remarks of Mr. MANSFIELD on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. NELSON (for himself, Mr. ABOUREZK, Mr. MCINTYRE, Mr. CLARK, Mr. HATHAWAY, Mr. PACKWOOD, and Mr. LEAHY):

S. 745. A bill to amend the Interstate Commerce Act and to provide for regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

(The remarks of Mr. NELSON on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. BIDEN:

S. 747. A bill to eliminate the disability waiting period for individuals with terminal illnesses. Referred to the Committee on Finance.

Mr. BIDEN. Mr. President, I am today introducing legislation which would eliminate the disability waiting period for individuals with terminal illnesses.

The present disability provisions under title II of the Social Security Act are stringent for everyone, and there have been many attempts to liberalize them. However, I am especially concerned about one group of individuals in particular—those with disabilities that can be expected to result in death within 1 year.

Under present law, there exists a 5-month waiting period which must be fulfilled before an individual may receive disability benefits. And even when those benefits do start, there is no guarantee that they will begin on the first month after the waiting period has elapsed. Backlogs in the Social Security Administration have caused disability determinations to take months beyond the initial waiting period.

Although such a waiting period may be justified in cases of individuals whose disabilities are of a long-term nature, the individual suffering from a terminal illness surely does not have the time or resources to fulfill this requirement. Mr. President, clearly this individual is one who will not have the benefit of the protection he has paid for—not because he is not sick enough, but because he is too sick.

It is unconscionable to ask one, who has 12 months to live, to wait out 5 months before he or she can collect disability benefits.

The legislation I am proposing is twofold. First, it would waive the 5-month waiting period for individuals with disabilities which are expected to result in death within 1 year. Second, it would place a priority on the determination of these disabilities and the payment of benefits. In this regard, within 1 month after an individual with a terminal illness files an application for disability benefits, the Secretary of Health, Education, and Welfare shall make a determination of disability, and within 1 month following the determination, disability benefits shall be paid retroactively from the date of application.

The mechanism for determining disability is already in effect, The provision states, in part, that mental or physical impairments must be "demonstrable by medically acceptable clinical and laboratory diagnostic techniques." In this regard, regulations already in force also require a medical judgment furnished by one or more physicians designated by the Secretary.

Mr. President, this legislation will not ease the emotional strain on a terminal patient or his family, but it will offer some financial relief. To do less would be cruel. To perpetuate the present law and do nothing would be ruthless.

I ask unanimous consent that the text of the legislation I am introducing be printed in the RECORD at this point in my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Section 223(c) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(3) The provisions of paragraph (2) shall not apply in the case of an individual with a disability which is anticipated to result in his death within twelve months. In the case of an individual to whom this paragraph applies, the Secretary shall make a determination of disability within thirty days of the date on which such individual's application is filed, and monthly payments shall begin thirty days following the date of such determination."

By Mr. HUDDLESTON (for himself and Mr. FORD):

S. 749. A bill to increase the number of judges for the U.S. District Court for the Eastern District of Kentucky. Referred to the Committee on the Judiciary.

Mr. HUDDLESTON. Mr. President, I am today introducing for myself and the junior Senator from Kentucky (Mr. FORD) a bill to increase from two to four the number of Federal district judges in the eastern district of Kentucky. The need for two additional judges in this district is pressing and is certain to grow significantly in the near future.

The results of this shortage of district judges can be seen in the massive judicial backlog of civil and criminal cases. In 1974, more than 70 civil cases had been on the docket for over 3 years. To continue to delay the speedy processing of these cases will surely cause a serious loss of faith in our judicial system.

Furthermore, since 1970, there has been a 51-percent increase in case filings in the eastern district. The number of judges has, however, remained constant. Our concern is even more urgent, because from all indications there will be substantial increases in the caseload due to Federal legislation which particularly affects the Appalachia region.

Eastern Kentucky is in the very heart of this Nation's coalfields, and the Coal Mine Health and Safety Act of 1969 is generating new cases at an expansive rate. The act provides for both civil and criminal penalties for violation of the mine safety standards. Naturally, as coal production increases to meet our expanding energy needs, new cases will arise. The problem will be further exacerbated by the increase in black lung claims which are subject to judicial review. We are rapidly approaching the stage where an avalanche of black lung cases will be processed through administrative denial and the claimants will turn to the courts for relief. On December 31, 1974, there were 244 black lung cases pending in the eastern district. This compares dramatically with the 92 pending on May 31.

These are special problems which face the eastern district. But, other cases, such as social security claims, are also substantially increasing.

Obviously, increases in case filings are not the only criteria to be considered in determining if additional judgeships are required. The actual performance of the judges must be taken into consideration. The current delay and backlog cannot be attributed in any respect to the judges of the eastern district. To the contrary, their record of working overtime to facilitate the movement of cases is evident to all who are familiar with their efforts. There were 530 filings per judge in 1974, which ranks them first in the circuit and 10th in the U.S. district court system. At the same time, their terminations were 546 per judge which places them fifth in the Nation. It is clear from this that the judges in the eastern district are putting forth a tremendous effort to meet the expectations of prompt judicial action.

Judge Frankfurter once said:

Mere speed is not a test of justice. Deliberate speed is. Deliberate speed takes time. But it is time well spent.

Unless there is a sufficient number of judges to allow deliberate speed, the judicial system and those who look to it for assistance will undoubtedly suffer.

The right to prompt judicial action without unnecessary and unreasonable delay is a basic principle of our democratic system of government. To fail to provide adequate judgeships is surely such a delay and must be remedied as soon as possible. The creation of two additional judgeships in the eastern district would provide immediate relief and assure adequate judicial review in the immediate future.

By Mr. PHILIP A. HART:

S. 750. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement, officials and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs. Referred to the Committee on the Judiciary.

HANDGUN CONTROL ACT OF 1975

Mr. PHILIP A. HART. Mr. President, I introduce today a bill which would limit handgun ownership to law enforcement officers and security guards.

Other handguns, with a few exceptions, would be bought at fair value by the Government and destroyed. Fair value can be generally interpreted to mean the price that a handgun would bring in the open market on the day before the bill is enacted. The measure would not affect rifles and shotguns.

The bill reflects my conclusion—and the conclusion of the 1969 National Commission on the Causes and Prevention of Violence—the Eisenhower Commission—of which I was a member, that the Nation has little chance of curbing violent crime until handguns are no longer readily available to all comers.

Handgun control is difficult to institute here simply because we are one of the few nations in the world with a great many handguns in circulation among people accustomed to having them.

One hundred years ago, handgun control would have been relatively easy. Few people owned them, even—despite what the cowboy movies tell us—in the wild West.

Sixty years ago, it would have been relatively easy to ban cigarettes. Few people smoked them. But now too many in the Nation are hooked. And, in the same sense, we are hooked on handguns.

There are now an estimated 40 to 50 million handguns in the country and that figure is nearly twice as great as the 25 million cited when this bill was first introduced in 1971.

Further, the number of people who were murdered by handguns each year continues to increase. The National Council for Control of Handguns says that in 1972 handguns were used in 9,750 murders. In 1973 that figure increased to 10,340.

There are two premises for my handgun bill.

First. We must eventually dry up the vast reservoir of handguns easily accessible to criminals through thefts, burglary, and cheap secondhand commercial traffic.

Second. Even to the extent that criminals would still have weapons, the hard facts indicate, contrary to common belief, that the rest of us are safer if we do not have handguns. The bulk of homicides committed each year—not to mention serious woundings or fatal accidents—do not involve criminals attacking strangers, but rather involve altercations between acquaintances.

DO THEY OFFER SOUND PROTECTION?

Most citizens owning handguns imagine these weapons to be sound home protection devices. But no serious study of handgun use—and there have been many—has concurred in this notion.

Only in a very, very tiny percentage of cases are they ever successfully used against burglars or home robbers—simply because burglars seldom enter an occupied house and bandits can easily get the drop on any householder who does not walk around the house with a gun in his hand.

If you open a door to a bandit's knock, then he will have you covered when he enters. If he sneaks in through an open door or window, the householder still has no chance to go for his weapon.

Conceivably, a householder might have time to arm himself if bandits take minutes to force their way in. But even in that unlikely circumstance, would not the householder be as well off with a shotgun in his hands as a pistol?

Studies in Detroit and Los Angeles show that only 2 percent of home robberies and 1 percent of home burglaries result in the intruder being shot by the householder. These studies are detailed in "Firearms and Violence in American Life," volume 7 of the staff reports to the National Commission on the Causes and Prevention of Violence.

For this minimal protection against intruders, Americans are paying a high price in the killing and wounding—both accidental and deliberate—of family members, friends, and acquaintances.

Most American homicides do occur in the home and the handgun is the usual instrument, because it is handy and is most often kept loaded.

Another study described in the Violence Commission staff report demonstrated that 71 percent of all killings in Chicago involved relatives, friends, and neighbors. Almost always, the attacks were generated by spontaneous rage and the attacker was not necessarily determined to kill.

We have all seen a headline about the homeowner or shopkeeper who shoots a robber. But, in fact, handguns are rarely used successfully by law-abiding citizens. They are far more likely to be used in a quarrel among friends or relatives—with tragic results.

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Almost every handgun ever used in a criminal act was at one time owned by an honest citizen.

Inescapably, we learn that those millions of "honest" handguns provide the reservoir that keeps the criminal arsenals full. The reason handguns are so easily available to criminals is simply because handguns are everywhere.

Handguns in honest hands get into the streets through burglaries, thefts, pawns, loans, and, sometimes, sales.

Contrary to popular belief, it is not the usual practice for a criminal to contemplate a crime and then go looking for a gun.

Far more often, offenders commit crimes only after they find themselves with the capacity to intimidate a victim. In other words, there is solid evidence that firearms generate violent crime.

The great pool of "honest" handguns is constantly leaking into the hands of those who have criminal tendencies, but lack the weapons to intimidate.

The last catch basin for these guns is the police, who are constantly confiscating and destroying criminal weapons but never fast enough to catch up with the new supply. Meanwhile, the new supply is inspiring new violence.

WHY JUST HANDGUNS?

Handguns represent the major threat to our society's safety.

The handgun is the favorite criminal weapon for the most obvious of reasons. It is light, cheap, readily concealable and can be easily whipped out of a coat pocket.

Long guns, on the other hand, meet none of these tests. True, they can represent a threat to safety but they have a great many wholesome purposes. And they are certainly not designed primarily for the killing and wounding of humans.

Since most long gun killings and woundings are accidental, probably the most effective way of making them more harmless would be State-sponsored safety training programs for young hunters similar to safety training programs we have for young drivers.

HOW LONG WOULD IT TAKE TO DRY UP HANDGUNS?

Even if the bill were to pass tomorrow, it would doubtless take many years to achieve the desired results.

Let us face it—success will depend heavily on citizen appreciation of the fact that handguns are an unacceptable element in our society.

The bill provides a moratorium period of 180 days for citizens to sell handguns to the Government. After that, any unauthorized person with a handgun in his possession would be subject to a jail term of 5 years and/or a maximum fine of $5,000.

But how quickly handguns can be collected will certainly depend heavily on whether citizens study all the facts and willingly reach the same conclusions that I have.

WHO WOULD GET EXEMPTIONS?

Handguns would be allowed to police and licensed security guards. Target shooting clubs would be allowed to own handguns if they were stored in a secure place or at a police station.

Antique guns—those manufactured before 1890—would be exempted along with some more modern weapons judged to be collectors' items.

Certainly the banning of handguns is not an issue without a vocal opposition.

From time to time, this bill is challenged as unconstitutional with someone, usually in a letter, citing the second amendment to the Constitution, which reads:

A well-regulated militia being necessary to the security of a free state, the right of the people to keep and bear arms shall not be infringed.

The right of the people to keep and bear arms has always been closely tied to the right of each State to maintain and arm a militia, now called the National Guard.

When the second amendment was drafted, the militia was made up of all our ablebodied men. When called for service, they were expected to provide their own weapons, something no longer required.

The Founding Fathers remembered that the British had stopped the colonial militias from arming themselves and wanted to make sure the Federal Government would not do the same thing.

The Supreme Court has held that firearms regulation is not unconstitutional unless it impairs the effectiveness of the militia.

In 1939, the Court found that the amendment was enacted with the "obvious purpose to assure the continuation and render possible the effectiveness of the militia. It must be interpreted and applied with that end in mind."

Now that is a strict interpretation of the Constitution. A "loose" interpretation of the second amendment, on the other hand, would prevent Congress from regulating even weapons such as machine-guns, bazookas, and grenades.

And if the "right to bear arms" were construed as an absolute individual right, then Congress would be unable to protect society by disarming insane persons and convicted mobsters.

So we might argue about how much "infringement" there should be, but I do not believe it is valid to claim that any infringement is unconstitutional.

WOULD AN EFFECTIVE HANDGUN BAN STOP KILLINGS?

Some of these who write in make the point that guns are harmless in themselves, that they are only harmless pieces of machinery until picked up by the hostile hand.

Very often, I see the phrase: "Guns do not kill people, people kill people."

This is occasionally followed by the statement:

If a man wants to kill someone, he will find a way to do it whether he has a gun or not. So why bother to take away guns?

It is true that people kill people but, I would have to add that handguns make the job a great deal easier—and possibly more tempting. And does not Government have some responsibility to make it as difficult as possible for people to kill each other?

Indeed, the fact remains that a handgun makes it easy to approach a victim without immediately alarming him and they allow deadly attacks to be made by persons who are unable physically or psychologically to overpower their victims through violent physical contact.

It is certainly not surprising that handguns are presently the favorite weapons for attacks on police.

The policeman himself is capable of defending against many forms of attack. He is trained and equipped to ward off attacks with blunt instruments, knives, or fists. And if surprised at close range, his firearm is usually enough to overcome an attacker.

Therefore, clearly it is the handgun's capacity to deal instant death from a distance that threatens police lives. And a handgun provides the attacker with the additional element of surprise.

From the beginning in 1971, we have said that the success of this handgun bill, or any other, would depend on citizen willingness to acknowledge that handguns are a totally unacceptable element in our society.

At an annual rate of about 10,000 a year, some 30,000 people have been murdered by handguns since this bill was first introduced in 1971.

Although those statistics are the obvious reason for continuing concern, we can point to a few small gains in public awareness and the focus of public attention on handguns.

In a press conference this morning two men who were the highest ranking police officials from two major U.S. cities repeated their concerns about handguns.

Patrick Murphy, former police commissioner of New York City and Detroit, and Jerry V. Wilson, former chief of police for the District of Columbia, explained their support of a national ban on handguns.

In that same press conference, the Honorable Abraham D. Beame, mayor of New York City, urged passage of Federal legislation. He noted that in spite of the toughest gun laws in the Nation, gun traffic in New York City could not be restricted as long as gun laws in other States made the weapons easily available.

Mayor Beame also reiterated the U.S. Conference of Mayors support of a Federal handgun control law.

There are others who believe private citizens should not own handguns. In 1972 the Chicago City Council and Mayor Daley endorsed this bill.

The list also includes Police Commissioner De Grazia of Boston, and Sheriff Peter J. Pitches of Los Angeles, who has served as an FBI firearms instructor and was Vice Chairman of the last Federal Crime Commission.

That Federal Commission, most often called the Peterson Commission, in its report said:

The private possession of handguns should be prohibited for all persons other than law enforcement and military personnel . . . Existing handguns should be acquired by government agencies . . .

This Commission established by the Justice Department included nationally recognized law enforcement and criminal justice experts.

Although the Commission did not recommend an immediate national ban on handguns, it did recommend that by

1984 that should be the goal on a State by State basis.

Their case was well stated in this remark:

All of the argument against prohibiting the private possession of handguns become, by comparison, subordinate to the death, tragedy and violence that abound in the absence of such legislation.

As public discussion of handguns continues, we can hope that beyond the statistics, more people will understand that a family's safety is, in fact, diminished by the presence of a gun in the household.

We can hope that more will come to understand that with a handgun in a household it is most likely to be used in a quarrel among friends, neighbors, or relatives with tragic consequences for normally law-abiding citizens—and that handguns are rarely successfully used by citizens as protection against criminals.

And finally we can hope for an understanding that safety is a relative thing and we will never be relatively safe as long as there are 40 to 50 million handguns out there waiting.

Mr. President, I ask unanimous consent that A Tale of Two Cities by Prof. Franklin E. Zimring be printed at the conclusion of my remarks as well as the statements of the Honorable Abraham D. Beame, Patrick B. Murphy, Jerry V. Wilson, and Edward O. Wells, executive director of the National Council to Control Handguns, made at this morning's press conference. Also, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Handgun Control Act of 1975."

SECTION 1. The Congress hereby finds and declares—

(a) that annual sales of handguns in the United States have risen sharply in the last decade, bringing the total number of handguns in private hands to approximately twenty-four million by the end of 1968; and

(b) that handguns play a major role, and a role disproportionate to their number in comparison with long guns, in the commission of homicide, aggravated assault, and armed robbery, and that the percentage of violent crimes in which handguns are used is increasing; and

(c) that most homicides are committed in altercations between relatives, neighbors, or other acquaintances, rather than in a confrontation between strangers; and

(d) that handguns in the home are of less value than is commonly thought in defending against intruders, and are more likely to increase the danger of a firearm fatality to the inhabitants than to enhance their personal safety; and

(e) that with few exceptions, handguns are not used for sporting or recreational purposes and that such purposes do not require keeping handguns in private homes; and

(f) that more than one-half of all handguns are acquired secondhand and that licensing and restrictions on sale of new handguns will not significantly reduce handgun crime and handgun violence; and

(g) that violent crimes perpetrated with handguns constitute a burden upon and interfere with interstate and foreign commerce and threaten the internal security and domestic tranquillity of the Nation; and

(h) that fear of firearms crimes discourages citizens from traveling between the States to conduct business or to visit the Nation's Capital; and

(i) that crimes committed with guns have disrupted our national political processes, and threaten the republican form of government within the States as guaranteed by article IV of the Constitution; and

(j) that a national firearms policy which restricts the availability of handguns for non-law-enforcement and non-military purposes will significantly reduce violent crime, reduce deaths from handguns, and reduce other handgun violence in the United States.

SEC. 2. Title 18, United States Code, is amended by inserting immediately after chapter 50 thereof the following new chapter:

"Chapter 50A—HANDGUNS

"Sec.
"1091. Unlawful acts.
"1092. Licensing.
"1093. Penalties.
"1094. Exceptions.
"1095. Voluntary delivery to law enforcement agency; reimbursement.
"1096. Rules and regulations.
"1097. Effect on State law.
"1098. Separability clause.
"1099. Appropriations.
"1100. Definitions.

"§ 1091. Unlawful acts

"(a) Except as provided in section 1094 of this chapter and in subsection (c) of this section, it shall be unlawful for any person to import, manufacture, sell, buy, transfer, receive, or transport any handgun and handgun ammunition.

"(b) Except as provided in section 1094 of this chapter and in subsection (c) of this section, it shall be unlawful after one hundred and eighty days from the effective date of this chapter, for any person to own or possess any handgun or handgun ammunition.

"(c) The Secretary may, consistent with public safety and necessity, exempt from the operation of subsection (a) and subsection (b) of this section such importation, manufacture, sale, purchase, transfer, receipt, possession, ownership, or transportation of handguns and handgun ammunition by importers, manufacturers, or dealers, licensed under chapter 44 of this title, and by pistol clubs licensed under this chapter, as may in his judgment be required for the operation of such pistol clubs or for purposes in section 1094 of this chapter.

"(d) It shall be unlawful for any licensed importer, manufacturer, or dealer to sell or otherwise transfer any handgun or handgun ammunition to any person, except another licensed importer, manufacturer, or dealer, without presentation by the purchaser or recipient of written verification that the receipt or purchase is being made by or on behalf of a person or government agency eligible to obtain and possess handguns under section 1094 of this chapter or a pistol club licensed under this chapter.

"(e) Every manufacturer, importer, and dealer who sells or otherwise transfers handguns or handgun ammunition shall maintain records of sale or transfer of handguns and handgun ammunition in such form as the Secretary may by regulations provide and shall permit the Secretary to enter the premises at reasonable times for the purpose of inspecting such records.

"§ 1092. Licensing

"(a) A pistol club desiring to be licensed under this chapter shall file an application for such license with the Secretary. The application shall be in such form and contain such information as the Secretary shall by regulation prescribe. The fee for such license shall be $25 per year.

"(b) Any importer, manufacturer, or dealer desiring to be licensed under this chapter shall apply as provided in chapter 44 of this title.

"(c) Any application submitted under subsection (a) shall be approved if—

"(1) no member of the pistol club is a person whose membership and participation in the club is in violation of any applicable State laws;

"(2) no member of the pistol club is prohibited from transporting, shipping, or receiving firearms or ammunition in interstate or foreign commerce under section 922 (g) or (h) of this title;

"(3) no member of the pistol club has willfully violated any of the provisions of this chapter or of chapter 44 of this title or any regulations issued thereunder;

"(4) the pistol club has not willfully failed to disclose any material information required, or has not made any false statement as to any material fact in connection with its application;

"(5) the club has been founded and operated for bona fide target or sport shooting and other legitimate recreational purposes; and

"(6) the pistol club has premises from which it operates and—

"(A) maintains possession and control of the handguns used by its members, and

"(B) (i) has procedures and facilities for keeping such handguns in a secure place, under the control of the club's chief officer, at all times when they are not being used for target shooting or other sporting or recreational purposes, or

"(ii) has effected arrangements for the storage of the members' handguns in a facility of the local police department or other nearby law enforcement agency.

"(d) (1) The Secretary must approve or deny an application for a license within the sixty-day period beginning on the date it is received. If the Secretary fails to act within such period, the applicant may file an action under section 1361 of title 28 to compel the Secretary to act. If the Secretary approves an applicant's application, such applicant shall be issued a license upon payment of the prescribed fee.

"(2) The Secretary may, after notice and opportunity for hearing, revoke any license issued under this section if the holder of such license has violated any provision of this chapter or of chapter 44 of this title or any rule or regulations prescribed by the Secretary under such chapters. The Secretary's action under this paragraph may be reviewed only as provided in subsection (e) of this section.

"(e) (1) Any person whose application for a license is denied and any holder of a license which is revoked shall receive a written notice from the Secretary stating specifically the grounds upon which the application was denied or upon which the license was revoked. Any notice of revocation of a license shall be given to the holder of such license before the effective date of the revocation.

"(2) If the Secretary denies an application for, or revokes, a license, he shall, upon request by the aggrieved party, promptly hold a hearing to review his denial or revocation. In the case of a revocation of a license, the Secretary shall upon the request of the holder of the license stay the effective date of the revocation. A hearing held under this paragraph shall be held at a location convenient to the aggrieved party.

"(3) If after a hearing held under paragraph (2) the Secretary decides not to reverse his decision to deny an application or revoke a license, the Secretary shall give notice of his decision to the aggrieved party. The aggrieved party may at any time within

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sixty days after the date notice was given under this paragraph file a petition with the United States district court for the district in which he resides or has his principal place of business for a judicial review of such denial or revocation. In a proceeding conducted under this subsection, the court may consider any evidence submitted by the parties to the proceeding. If the court decides that the Secretary was not authorized to deny the application or to revoke the license, the court shall order the Secretary to take such action as may be necessary to comply with the judgment of the court.

"(f) Each licensed pistol club shall maintain such records of receipt, sale, or other disposition, of handguns at such place, for such period, and in such form as the Secretary may by regulations prescribe. Such pistol clubs shall make such records available for inspection at all reasonable times, and shall submit to the Secretary such reports and information with respect to such records and the contents thereof as he shall by regulations prescribe. The Secretary may enter at reasonable times the premises (including places of storage) of any pistol club for the purpose of inspecting or examining: (1) any records of documents required to be kept by such pistol club under the provisions of this chapter or chapter 44 of this title and regulations issued under such chapters, and (2) any handguns or ammunition kept or stored by such pistol club at such premises.

"(g) Licenses issued under the provisions of subsection (c) of this section shall be kept posted and kept available for inspection on the premises covered by the license.

"(h) The loss or theft of any firearms shall be reported by the person from whose possession it was lost or stolen, within thirty days after such loss or theft is discovered, to the Secretary. Such report shall include such information as the Secretary by regulation shall prescribe, including, without limitation, the date and place of theft or loss.

"§ 1093. Penalties

"(a) Whoever violates any provision of section 1091 of this chapter shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine.

"(b) Whoever knowingly makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of an importer, manufacturer, dealer, or pistol club, licensed under this chapter, or in applying for a pistol club license under the provisions of this chapter, shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine.

"(c) Any handgun or handgun ammunition involved or used in, or intended to be used in, any violation of the provisions of this chapter or chapter 44 of this title or any rule or regulation promulgated thereunder, or any violation of any other criminal law of the United States, shall be subject to seizure and forfeiture and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter.

"(d) Except as provided in subsection (b), no information or evidence obtained from an application or certificate of registration required to be submitted or retained by a natural person in order to comply with any provision of this chapter or regulations issued by the Secretary shall be used, directly or indirectly, as evidence against that person in a criminal proceeding with respect to a violation of law occurring prior to or concurrently with the filing of the application for registration containing the information or evidence.

"§ 1094. Exceptions

"(a) The provisions of this chapter shall not apply with respect to the importation, manufacture, sale, purchase, transfer, receipt, or transportation of any handgun or handgun ammunition which the Secretary determines is being imported or manufactured for, sold, or transferred to, purchased, received, owned, possessed, or transported by, or issued for the use of—

"(1) a professional security guard service which is licensed by the State in which the handgun is to be used, and which is authorized to provide armed security guards for hire; or

"(2) the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof.

"(b) Every security guard service purchasing, receiving, owning, possessing, or transporting handguns under subsection (a) shall maintain records of receipt, sale, ownership, and possession of handguns in such form as the Secretary may provide and permit the Secretary to enter the premises at reasonable times for the purpose of inspecting such records.

"(c) The provisions of this chapter shall not apply with respect to the importation, sale, purchase, transfer, receipt, or transportation of a handgun manufactured before 1890, or any other handgun which the Secretary determines is unserviceable, not restorable to firing condition, and intended for use as a curio, museum piece, or collectors item.

"§ 1095. Voluntary delivery to law enforcement agency; reimbursement

"(a) A person may at any time deliver to any Federal, State, or local law enforcement agency designated by the Secretary a handgun owned or possessed by such person. The Secretary shall arrange with each agency designated to receive handguns for the transfer, destruction, or other disposition of all handguns delivered under this section.

"(b) Upon proof of lawful acquisition and ownership by a person delivering a handgun to a law enforcement agency under this section, within one hundred and eighty days of the effective date of this chapter, the owner of the handgun shall be entitled to receive from the United States a payment equal to the fair market value of the handgun or $25, whichever is more. The Secretary shall provide for the payment, directly or indirectly, through Federal State, and local law enforcement agencies, of the amounts to which owners of handguns delivered under this section are entitled.

"(c) The amounts authorized in subsection (b) of this section shall be paid out of the fees collected under section 1092(a) of this chapter to the extent that such fees are sufficient for this purpose. The remainder of amounts authorized in subsection (b) of this section shall be paid out of general revenues.

"§ 1096. Rules and regulations

"(a) The Secretary may prescribe such rules and regulations as he deems necessary to carry out the provisions of this chapter.

"§ 1097. Effect on State law

"No provision of this chapter shall be construed as indicating an intent on the part of the Congress to occupy the field in which such provision operates to the exclusion of the law of any State on the same subject, unless there is a direct and positive conflict between such provision and the law of the State so that the two cannot be reconciled or consistently stand together.

"§ 1098. Separability

"If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the remainder of the chapter and the application of such provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

"§ 1099. Assistance to the Secretary

"When requested by the Secretary, Federal departments and agencies shall assist the Secretary in the administration of this title.

"§ 1100. Appropriations

"There are authorized to be appropriated such sums as are necessary to carry out the purposes of this chapter.

"§ 1101. Definitions

"As used in this chapter—

"(1) The term 'person' and the term 'whoever' include any individual, corporation, company, association, firm partnership, club, society, or joint-stock company.

"(2) The term 'importer' means any person engaged in the business of importing or bringing handguns into the United States for purposes of sale or distribution; and the term 'licensed importer' means any such person licensed under the provisions of chapter 44 of this title.

"(3) The term 'manufacturer' means any person engaged in the manufacture or assembly of handguns for the purposes of sale or distribution; and the term 'licensed manufacturer' means any such person licensed under the provisions of chapter 44 of this title.

"(4) The term 'dealer' means (A) any person engaged in the business of selling handguns at wholesale or retail, (B) any person engaged in the business of repairing handguns or of making or fitting special barrels, or trigger mechanisms to handguns, or (C) any person who is a pawnbroker. The term 'licensed dealer' means any dealer who is licensed under the provisions of chapter 44 of this title.

"(5) The term 'fair market value' means the prevailing price on the open market for such weapons immediately prior to enactment or at the time of voluntary transfer under section 1095 of this chapter, whichever is higher, the method of establishing such prices to be prescribed by the Secretary in accordance with his authority under section 1096.

"(6) The term 'Secretary' or 'Secretary of the Treasury' means the Secretary of the Treasury or his delegate.

"(7) The term 'handgun' means any weapon—

"(A) designed or redesigned, or made or remade, and intended to be fired while held in one hand;

"(B) having a barrel less than ten inches in length; and

"(C) designed or redesigned, or made or remade, to use the energy of an explosive to expel a projectile or projectiles through a smooth or rifled bore.

"(8) The term 'handgun ammunition' means ammunition or cartridge cases, or bullets designed for use primarily in handguns.

"(9) The term 'pistol club' means a club organized for target shooting with handguns or to use handguns for sporting or other recreational purposes.

"(10) The term 'licensed pistol club' means a pistol club which is licensed under this chapter."

SEC. 3. The enforcement and administration of the amendment made by this Act shall be vested in the Secretary of the Treasury.

SEC. 4. Nothing in this Act or the amendment made thereby shall be construed as modifying or affecting any provision of—

(a) the National Firearms Act (chapter 53 of the Internal Revenue Code of 1954);

(b) section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934), as amended, relating to munitions control; or

(c) section 1715 of title 18, United States Code, relating to nonmailable firearms.

SEC. 5. The provisions of this Act shall take effect one hundred and eighty days following the date of enactment.

[From the Wall Street Journal, Dec. 20, 1974]

A TALE OF TWO CITIES

(By Franklin E. Zimring)

If you have a Detroit friend seeking a relatively safe vacation in a setting of near-civil war, the place for him to go is Belfast, Northern Ireland.

Not that it's dull in Northern Ireland. Since 1969 the rate of deaths from violence has increased more than twentyfold. In the peak year of 1972 a total of 476 persons were slain; 70% of the casualties were civilians. Since January 1969 more than 1,000 people were bombed or shot to death in that small country—a reign of terror sufficient to draw world attention to "bloody Ulster," and to require British military occupation and preventive detention.

But as the latest FBI reports show, your Detroit friend will be relatively safe in Northern Ireland, about four times as safe as at home. It happens that the city of Detroit (1,513,000) has almost exactly the same population as the whole of Northern Ireland (1,536,000). Yet in 1973 alone, Detroit police reported 751 deaths from criminal homicide, 24 more than the total number of civilians killed in Ulster during the five and a half years from the beginning of the "troubles" in 1969 through the end of this past June. In 1973 the rate of civilian deaths in Northern Ireland was about one quarter of that in Detroit. Northern Ireland's troubles continue; however, so far this year the death rate is lower there, but up in Detroit.

Of course, there are safer places to live than Northern Ireland but surprisingly few of them are major American cities. During the past decade, violent killing in American cities has more than doubled. In 1973 each of the 10 largest American cities had a homicide rate higher than that of Northern Ireland. We too have our "troubles."

AN INSTRUCTIVE CASE STUDY

This comparison is intended neither to belittle the sorry situation in Ulster nor to argue for the military occupation of Detroit. Is is instructive, however, as a case study in the comparative psychology of social problems. When do people perceive violence as a major social problem, and why? What kinds of antiviolence programs will they tolerate? How much do they care?

Detroit has more violence, but Belfast, judged by all measures of expressed social and governmental concern, has the more serious violence problem. There are three reasons why Ulster suffers more than Detroit: Detroit is used to high homicide rates; most of those killed in Detroit are ghetto dwellers; and killings in Detroit are not a direct threat to public political order as it is in Ulster, where soldiers and police are primary targets.

The first reason why Detroit (and her sister cities) can absorb so much violence without alarm is that Americans have had ample time to get used to high homicide rates. As Winston Churchill said: "Eels get used to skinning."

In 1967, when Northern Ireland experienced eight homicides, Detroit had 211; and the average urban homicide rate in the United States was 10 times as high as any European city experiencing what it would call a crime wave. The recent epidemic levels of violence in our city streets are thus borne with equanimity if not apathy; they are less of a surprise than the relatively benign carnage that has produced desperation in Ulster.

But how is it possible to adjust to such rates of violence? In an important sense it's easy. Because most of the urban body count in the United States involves the faceless young black male "non-citizens" who live and die without conspicuous outpourings of social concern. It is, in fact, misleading to talk of a single homicide rate in American cities, because ghetto-dwelling blacks kill and are killed at rates 10 times as high as big-city whites. Urban violence does, of course, affect a broader spectrum of society—small shopkeepers, street robbery victims, and men, women and children who just happen to be at the wrong place at the wrong time. But the great majority of victims are the black poor.

Finally, Detroit's brand of violence represents no direct threat to public political order. In Northern Ireland, for example, three hundred policemen and soldiers have been killed since 1969—30% of all fatalities. In the United States, while killings of police have increased substantially, they are still about one half of 1% of total homicide. To confirm the importance of this element, imagine the distress that would have ensued if 60 policemen had been killed in Detroit last year—and that would be less than 10% of the city's homicide!

So perhaps the moral of this story is that statistics are misleading, that Detroiters really shouldn't worry about their 750 killings a year. After all, the nation's homicide toll is only about 40% of our annual highway deaths, and highway safety is such a nonproblem that it takes a gas shortage to bring this country to a life-saving 55-mile-an-hour speed limit. And most of us are pretty safe, after all: protected by skin color, security precautions, and a largely unthreatened police. Perhaps it is better to contain our homicide epidemic by evacuating our cities at the cost of increasing social division than to experiment with all that soft-headed junk that came out of the National Commissions on Crime, Social Disorder and Violence? Perhaps it is better to hide behind handguns, tear gas pens, and German Shepherds than to take the first difficult steps toward handgun control? Perhaps we can protect ourselves and accept violence as an occupational hazard of urban life for the poor?

It seems that we are on the way to such an adjustment. In my local newspaper I find, on the same page, the story of a girl shot to death while waiting for a traffic light to turn green by the occupants of a second car and an account of a five-minute "shoot-out at the OK Corral" in a local gas station. The page, incidentally, was 57, the obituary page.

JOHN DONNE'S SUMMING-UP

Yet there are moral and practical problems with learning to live with violence, both summed up in poet John Donne's phrase "No man is an island."

The moral problems lie at the heart of the American dream: our national greatness is defined in large measure by what we can provide for the least-advantaged among us. The practical problem is that violence is difficult to contain. If we want to protect the small grocer or the local cop from random gunfire, we must also protect the rest of those who so casually become the statistics of our urban violence. The same desperate young who kill one another are also frightening the rest of us off the streets. As long as violence is an urban disease, no city dweller is immune from its contagion. And the steps we take to provide real security for ourselves must necessarily help our fellowmen.

Yet the prospects for constructive action are dim. So far, our political leaders have either ignored the real problems of urban violence or have concentrated on the quick, easy and cheap prescriptions that are worse than no remedy at all. This is not the place to detail the steps we could take to reduce violence in American urban life. But the reader can be assured that they will be slow, difficult and expensive. The political cant that passes for dialog on violence in this country is simply another symptom of failure to face up to our profoundly serious problems.

Even with the best of intentions, our urban body count will be hard to diminish. If we continue to adjust to bloodletting, and to view violence as a nonproblem, there is every chilling prospect we will get what we deserve.

STATEMENT BY MAYOR ABRAHAM D. BEAME AT A PRESS CONFERENCE WITH REPRESENTATIVE JONATHAN BINGHAM AND SENATOR PHILIP A. HART, SPONSORS OF NEW GUN CONTROL LEGISLATION, DIRKSEN SENATE OFFICE BUILDING, WASHINGTON, D.C.

New York City has a big stake in the enactment of long-overdue federal legislation to effectively control the deadly traffic in handguns.

Our City's experience is the best evidence I know of the need for national action. State legislation and local regulations provide the toughest gun laws on the books anywhere. Nevertheless, there are about one million illegal handguns in New York City. Obviously, our local restrictions haven't solved the problem.

Why not?

Part of the answer to that question can be found in a recent study of the weapons involved in gun cases for a six-month period. Fully 69% of those weapons—over 1,300 handguns—were traced to their original purchase in four Southern states—states where it is relatively easy to purchase handguns.

So the traffic in illegal guns is not just a New York City problem, nor even just an urban problem. It is a national tragedy, and the federal government most act to restrict the easy availability of handguns.

Some say that we must do more on the state and local levels. That's true. In New York City, I have just announced new restrictions which will reduce the number of municipal employees—not including peace officers—who can carry guns for work-related purposes. We have also stiffened local Police procedures in processing permit applications and renewals.

In addition, I have submitted a package of bills in the state capital to require mandatory prison sentences for those persons convicted of committing armed assault or armed robbery with a gun. Persons charged with these offenses would not be permitted to plea-bargain for a lesser crime. Other bills would stiffen the penalties for illegal possession of guns, ban the manufacture or distribution of so-called "Saturday Night Specials", tighten criteria for the issuance of any handgun permit in New York City, and achieve other reforms.

But the point I want to make here is that we have gone about as far as we can go in New York City and in New York State. We need help from the Congress.

I am encouraged by a definite shift in public attitudes. There can be no doubt that the American people overwhelmingly favor effective handgun control.

No one person has all the answers to this problem, but this legislation represents an important step forward in spurring the Congress to action.

The U.S. Conference of Mayors—which represents the nation's great cities of all regions—has asked me to reiterate today their wholehearted support for a federal handgun control law. The Conference has approved such a resolution three times since 1968. In fact, at its 43rd Midwinter Meeting held here in Washington just two weeks ago, the mayors began to develop their own strategy to urge that such a measure be adopted during this session of Congress.

We need agreement from the Congress that the wanton use of handguns in the commission of crimes is a nationwide problem that requires federal legislation. We need effective national handgun controls this year.

UMI

STATEMENT OF PATRICK V. MURPHY, NEWS CONFERENCE ON HANDGUN LEGISLATION, FEBRUARY 19, 1975

The nation faces the urgent task of halting a growing toll of handgun carnage that is threatening to turn our streets and homes into instant OK Corrals.

The ever increasing availability of handguns is making shootouts among citizens a daily occurrence.

A particular victim is the police officer. In 1961, 37 officers were killed in the line of duty. By last year that figure had jumped to 132. Many of these officers were killed with handguns.

In one year, as police commissioner in New York City, I helped to bury 11 brave and dedicated officers. All were felled by handguns.

We are frequently told to support our local police. As citizens, we could take no greater step in this direction than by working to eliminate the proliferation of handguns and their indiscriminate possession by persons who clearly have no need for them.

Very few persons need these weapons. Handguns should be considered dangerous substances which abet crimes of passion and property and cause thousands of accidents yearly.

To end the carnage, we must have gun control at the federal level to protect citizens from the misuse of handguns.

BIOGRAPHICAL SKETCH: PATRICK V. MURPHY

Patrick V. Murphy, President of the Police Foundation, has served as the top law enforcement official in New York City, Detroit, Washington, D.C. and Syracuse, New York, and was appointed by President Johnson as the first Administrator of the Law Enforcement Assistance Administration.

A career policeman, Murphy joined the New York City Police Department as a patrol officer in 1945 and moved quickly up through the ranks. A Deputy Inspector in 1963, he took a leave of absence to become Chief of Police in Syracuse, returning to New York City as Commanding Officer of the Police Academy in June 1964.

Murphy came to Washington, D.C. in 1965 where he served for two years as Assistant Director of the Office of Law Enforcement Assistance. In December 1967, he was appointed as the District of Columbia's Public Safety Director. A year later he was appointed as the first Administrator of the LEAA, and in 1970 he was named Commissioner of the Detroit Police Department. He left that position in late 1970 to become Commissioner of the New York City Police Department.

Murphy was named President of the Police Foundation in mid-1973. The Foundation is an independent institution dedicated to fostering improvement and innovation in policing.

[From the Washington Post, Jan. 17, 1975]

CONTROLLING HANDS—AND VIOLENCE

(By Jerry V. Wilson)

("The lingering suspicion is that advocacy of handgun control is more likely to lose than to gain votes. This hazard deters many political leaders from pressing for effective legislation.")

A succession of public opinion polls since 1938 has shown that a majority of Americans favor gun control. A 1972 poll showed 71 per cent of all persons and 61 per cent of gun owners in favor of some form of gun control. But their sentiments go unshown in either the ballot boxes or in mail response to the issue. A variety of political figures have lost elections after campaigning for handgun control. The lingering suspicion is that advocacy of handgun control is more likely to lose than to gain votes. This hazard deters many political leaders from pressing for effective legislation.

And constituent mail has a lot to do with how politicians act on hot subjects. Lobbyists against gun control reportedly can generate one-half million letters to the Congress.

After I wrote a column last month calling for stringent handgun control, the few letters I received were all opposed to the notion. I think it worthwhile to share some of them with you:

From Nevada: "Jerry V. Wilson . . . made me nauseous. To this imbecile . . . murder lies in the gun and not the man . . . ."

From Wisconsin: "(Gun manufacturers) could sell 10 times the number of handguns than they do . . . if they were the money hungry capitalists that you suggest. . . . What about the trapper who needs a pistol to make his living? What about the rancher out mending fence in snake country? . . . (What) about the competitive target shooter like myself? . . . (Register) the *owner* and not the weapon . . ."

From Idaho: "Do you realize how many (criminals) have been stopped because they are afraid of getting shot? . . ."

From Maryland, "I have been a hunter and collector of fine handguns since 1946 . . . and have a fine collection . . . valued at $50,000 . . . (their) value and authenticity would be destroyed if . . . made inoperable . . . (less) than ½ of 1 per cent of handgun owners are ever involved in any form of crime or of violence involving the use of a gun . . ."

Several of the issues mentioned above deserve response.

First, my own observation of handgun advertisements and displays indicates no holding back on production by manufacturers. Second, firearms obviously are needed in some instances, particularly in rural areas, for self defense against criminals, for protection against wild animals or snakes, and by hunters and trappers. But self protection and hunting needs can adequately be filled by rifles and shotguns, which are seldom used either in murders arising out of domestic or other quarrels or as weapons in other crimes.

The pleasures of handgun collectors and target shooters are another matter. Their need for handguns is harder to justify. But the National Council to Control Handguns does propose some accommodation of their desires with licensing ownership of handguns to be kept in secure places reasonably inaccessible during moments of passion or by burglars and thieves.

"Control the owner, not the weapon" arguments derive from the notion that the deaths are caused by people, not guns. Unfortunately, that is only half true. Each year in America about 9,000 people are murdered and about 10,000 people commit suicide by use of handguns. True, in each case some person pulled a trigger and in many cases an alternative weapon might have been used if no handgun were available. But experience demonstrates that other weapons are less likely to inflict fatal wounds. Indeed, the *handguns* did not kill those people, but the *availability of handguns* did. Limiting handguns availability to "respectable" people is not going to save those lives, unless the limitations are extraordinarily stringent.

As one correspondent noted, the approximately one-quarter million murders, robberies, assaults, and suicides involving handguns each year involve less than one per cent of the 30,000,000 handguns in America. But what do all those handguns contribute to our society to justify the deaths and crimes of which they are instruments? For example, by sharply reducing the availability of handguns, America can almost certainly match the life saving of the 55 mph speed limit.

Nothing is likely to happen, however, so long as handgun lovers write to their legislators, while handgun control advocates answer pollster's inquiries and otherwise are silent.

(Jerry Wilson is former police chief of Washington, D.C., and now a syndicated columnist. He joined the Washington Metropolitan Police Department in 1949, rose through the ranks to deputy chief in 1966 and was chief from 1969 to 1974. Mr. Wilson lectures at the Southern Police Institute, University of Louisville; and at the Southwestern Police Institute, Southern Methodist University. He serves on the Board of Directors of the Washington Urban Coalition, and on the Board of Directors of the D.C. area branch of the National Conference of Christians and Jews. He is a member of the International Association of Chiefs of Police, the American Society for Public Administration, and the D.C. Government Municipal Officers Club, of which he was President in 1968.)

THE NATIONAL COUNCIL TO CONTROL HANDGUNS

(By Edward O. Welles)

My name is Edward Welles. I am Executive Director of the National Council to Control Handguns, a newly formed national membership organization exclusively concerned with the handgun issue. We deeply appreciate the opportunity to participate in this press conference. We are established to support the passage of effective federal handgun control legislation and to strengthen enforcement of existing state and federal firearms laws.

The threat of the handgun to our society is well known. The losses we have suffered, are suffering and will suffer by the handgun are so well known established comment would have little if any purpose. The same applies if I were to recite the awesome set of well known statistics which clearly indicate that the handgun is a menace to our daily existence. The more handguns are around, the more they will be the instruments of death and destruction. Statistics indicate that and record personal tragedy but we must always remember that statistics don't bleed.

It is encouraging, however, that there is an awakened national concern on this issue and a growing determination to band together to achieve our goals in the near future. Distinguished individuals such as Dr. Milton Eisenhower, Patrick Murphy and Jerry Wilson know the problem and have long spoken in deadly earnest. But the new ingredient is a genuine well organized grass roots movement of aroused citizens, led in many cases by women, in cities such as Boston, Chicago, Cleveland, Detroit, Providence and Los Angeles. In these cities, and in others such as Dayton and Madison, in towns and suburbs citizens and their elected officials are no longer just wishing the problem would go away. Local groups exclusively concerned with the handgun problem are springing up and maturing. Soon they will be joined by broad membership organizations interested in many issues and this will increase our momentum. Simply put, action on the handgun issue is here to stay until strict federal controls are established to stop the senseless slaughter in this country.

I leave to your experience and judgment to imagine what a telling effect such a unified voice will have in the halls of a responsive new Congress and in our State Capitols. It will be a voice speaking to elected representatives who are being sent a serious message for legislative action. To delay would be to prolong our national tragedy.

By Mr. TOWER for Mr. TAFT (for himself, Mr. TOWER, Mr. JAVITS, Mr. BEALL, Mr. HATFIELD, and Mr. TUNNEY):

S. 751. A bill to amend section 313 of the National Housing Act, as added by the Emergency Home Purchase Assistance Act of 1974, to authorize the Government National Mortgage Association, under the emergency program authorized by that section, to purchase certain mortgages covering multifamily rental, cooperative, or condominium housing. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. TOWER. Mr. President, on behalf of the Senator from Ohio (Mr. TAFT), I introduce a bill and I ask unanimous consent that a statement prepared by him in connection with the bill, the text of the bill, and an editorial from the Dayton Journal Herald be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TAFT

Mr. President, today I am reintroducing legislation which would bring apartments, cooperatives, and condominiums not insured by FHA or VA into the emergency Government mortgage purchase program which Congress authorized in October.

This bill is similar to an amendment I offered when the emergency housing legislation was before the Senate. I withdrew the amendment at the request of the bill's managers at that time, in view of the necessity for prompt passage of the legislation and the lack of time for review of the ramifications of my amendment. Since that time, however, President Ford has requested Congress several times to pass legislation such as the bill I am introducing. I see no reason for failing to give the proposal our concentrated, immediate attention, in view of the importance of prompt action.

Congress and the public are all too familiar with the magnitude of the housing depression. The estimated number of housing starts for 1974 and 1975 combined is far more than 2 million starts lower than the estimated number necessary to fulfill housing needs. This situation has already led to unemployment more than twice the national average in the housing construction industry, which in turn has had unemployment effects upon related industries.

To a large extent, this situation developed as a result of the tight money policy used by the Government to fight inflation. It is incumbent upon the Government to take all reasonable action, within the bounds of fiscal prudence, to alleviate the situation.

Although the 200,000 units the emergency program is expected to supply obviously do not constitute the total answer to the housing depression, passage by Congress of that program was certainly a step in the right direction. Three billion dollars worth of credit had been funneled into mortgages through the program by the first week of January, and I am pleased at H.U.D.'s announcement that $3 billion more will be made available.

However, the exclusion of conventionally financed apartments and condominium units from the program diminishes its possible effectiveness considerably.

In terms of sheer numbers, 37 percent of the housing units started in 1973 were apartments, while the percentage of condominium units is expected to reach 16 percent of housing starts in 1975. Since only a small portion of these units were or will be insured by FHA or VA, the emergency program presently excludes entirely a major portion of the housing sector. This is even more true, with respect to condominiums, for Ohio than for the nation as a whole; 28.7 percent of all 1973 housing completions in Ohio were condominium units.

The exclusion of conventionally financed rental projects is particularly damaging, because activity in the multi-family sector has declined much more drastically than building of single family housing. While single family starts are estimated to have dropped 26 percent in 1974, multi-family starts were estimated to have dropped 42.5 percent. The proportion of rental units in the mix of housing started in 1975 is expected to decline to 26 percent. This percentage is the lowest apartment share of new housing starts in 14 years. It constitutes the lowest number of apartment units started in any year since 1961.

The weakness in the apartment portion of the housing sector is particularly acute in the north-central region of the country, which had only 30 percent of total starts in multi-family units in the first half of 1974 compared to 39 percent in 1973. Ohio's experience certainly reflected this. Thomas Phillips of the Ohio homebuilders' association was reported in a "Cleveland Plain Dealer" article of October 31, 1974, to have presented figures to a committee of the Ohio legislature which indicated that Cincinnati's total apartment housing starts were virtually zero. Cleveland, at that time, had reported no starts on apartment dwellings since August. Recent informal reports I have had from Ohio do not indicate any basic change in this situation.

Quite apart from the argument that inclusion of apartments and condominium units would allow the program to provide a greater overall number of housing units, I believe that there are extremely important reasons why these specific types of housing should be included. Recent studies have verified that multi-family structures are more economical in several ways than single family housing. They seem particularly suited to the present situation of land scarcity in many cities, energy shortages and rampant inflation. Condominium units often constitute a realtively cheap form of homeownership. They also provide a disproportionately large amount of housing for our elderly citizens.

There is no question that because of the higher individual mortgage amounts involved and the much greater number of variables which contribute to their financial soundness or lack thereof, multi-family projects involve a greater financing risk for the government than single-family housing. To help reduce that risk, this bill limits the maximum mortgage loan to appraised value ceiling for mortgages covering conventionally financed projects to 75 percent, rather than 80 percent as the program allows for FHA-insured projects. In addition to this step, HUD personnel have commented informally that the government might use the authority contained in my bill to purchase senior participations in project mortgages. In other words, rather than assuming the entire mortgage loan, the government might share the financing risk with the private sector by covering only a part of the mortgage loan amount needed.

This legislation recognizes that a significant increase in multi-family and condominium unit starts is not likely to be accomplished through the emergency program if developers must go through FHA as a condition for the emergency assistance. Whether FHA processing should be required is a more important question with respect to entire projects than to individual condominium units. In the case of the projects, the issue directly involves important concerns such as the necessity for a Federal environmental impact statement. However, in view of the emergency need for increased rental and condominium unit starts, the presence of local regulatory requirements in any event and the temporary nature of the emergency program, it is my judgment that the FHA insurance requirements must not remain a condition for project assistance under this program.

This legislation would bring apartments and condominium units into the program under the program rules basically used for similar types of housing now, with some minor exceptions. As I have explained, the maximum mortgage loan to appraised value ratio would be lower for conventional projects than for FHA-insured projects. In addition, HUD specifically would be given the authority to impose any further requirements needed to protect consumers or to protect the Government's financial interest. Conversion of existing apartments into condominiums would continue to be excluded from the emergency program.

S. 751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 313 of the National Housing Act is amended by adding at the end thereof a new subsection (h) as follows:

"(h) Notwithstanding the provisions of subsection (b), the Association may make commitments to purchase, and may service, sell (with or without recourse), or otherwise deal in, a mortgage which covers more than four-family residences (including residences in a cooperative or condominium), or a single-family unit in a condominium, and which is not insured under the National Housing Act or guaranteed under chapter 37 of title 38 of the United States Code if—

"(1) in the case of a project mortgage, the principal obligation of the mortgage does not exceed, for that part of the property attributable to dwelling use, the lesser of (i) the per unit amount specified in subsection (b)(B) or (ii) the per unit limitations specified in section 207 of this Act in the case of a mortgage covering a rental project, section 213 in the case of a cooperative project, or section 234 in the case of a condominium project;

"(2) in the case of a mortgage covering a housing project, the outstanding principal balance of the mortgage does not exceed 75 per centum of the value of the property securing such mortgage (or 80 per centum if such mortgage is insured by a qualified private insurer as determined by the Association);

"(3) in the case of a mortgage covering an individual condominium unit, the mortgage is insured by a qualified private insurer as determined by the Association or has an outstanding principal balance which does not exceed 80 per centum of the value of the property securing the mortgage;

"(4) the mortgage is not being used to finance the conversion of existing rental housing into a condominium or individual unit therein; and

"(5) the mortgage meets the requirements of subsection (b) except as modified by this subsection and any additional requirements the Secretary may prescribe to protect the interests of the United States or to protect consumers.".

[From the Dayton (Ohio) Journal-Herald, Oct. 10, 1974]

URBAN SPRAWL—FEDERAL CONTRADICTIONS ON GROWTH

Urban sprawl is not only bad aesthetics, a new federal study shows, it is bad economics. The report, which was done for the Dept. of Housing and Urban Development, the Council on Environmental Quality and the Environmental Protection Agency, says that planned growth can save up to 50 percent in land and construction costs, energy consumption and pollution.

Indeed, the single-family home on its own lot is so much more expensive to build and maintain that one wonders why new subdivisions continue to spring up like mushrooms.

One answer is that the government continues to subsidize the construction of new homes in new suburbs. Indeed, President

Ford just signed into a law a bill providing $3 billion for the purchase by the federal government of conventional home mortgages—it already buys FHA and VA mortgages. Government officials expect the funds will encourage the construction of about 100,000 new homes.

We should not want to curb free choice in the matter of lifestyle, including the kind of homes people buy. We do believe, however, that the government should not subsidize, and therefore make more attractive, the kind of wasteful growth characterized by subdivisions of single-family dwellings. And it is a little absurd to see the federal government doing this with one hand while the other hand is pointing the finger in rebuke.

By Mr. STAFFORD:

S. 752. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. Referred to the Committee on Public Works.

S. 753. A bill to amend the Internal Revenue Code of 1954 and the Highway Revenue Act of 1956, and for other purposes. Referred to the Committee on Finance.

FEDERAL-AID HIGHWAY ACT OF 1975

Mr. STAFFORD. Mr. President, I am sending to the desk a bill entitled the "Federal-Aid Highway Act of 1975" and a bill entitled the "Highway Trust Fund Extension Act of 1975." These bills are intended to serve as vehicles to lay before the Senate, the Committee on Public Works, and the Senate Committee on Finance, which has jurisdiction over the trust fund, one possible approach to Federal highway assistance over the next 3 years.

Substantial changes in the highway program have been proposed by the President. By the end of this calendar year Congress will have to answer some perplexing questions on what directions the program should take.

At this early stage, it is unlikely that any one proposal could fairly resolve all issues. Extensive hearings and other investigations are needed to provide a basis for setting an overall funding level and establishing an equitable means of distributing Interstate funds, for determining the funding source or sources for the highway program, and for deciding how much flexibility the States should have in administering their programs.

The proposals I make today are suggestions or starting points, not final solutions.

First. I propose to increase authorization for the Interstate System for fiscal years 1977, 1978, and 1979, from the present level of $3,250,000,000 per year to $4 billion in 1977, 1978, and 1979.

Inflation has so affected highway construction costs that under some analyses, at current expenditure levels, the Interstate will never be completed. While not basing his proposal solely on this conclusion, it is this Senator's belief that more rapid progress in filling in the gaps on the system is desirable.

In this connection, I am also proposing that the apportionment formula for Interstate Funds be changed to channel a larger portion of the money into high priority projects, that is, those with particularly high safety and traffic relief benefits.

The Secretary would be required to identify high priority Interstate projects and make annual apportionments, one-half on the basis of the cost to complete those segments and one-half on the usual formula of a States' share of the cost of completing the entire system.

Also the bill would continue the present one-half of 1-percent minimum apportionment of Interstate funds. States which complete the initial construction of their portion of the system during could use the one-half of 1-percent funds to reconstruct substandard or deteriorated segments of the Interstate, to maintain the system, or they could transfer funds to other Federal-aid systems which may have been neglected in the push to complete the Interstate.

This provision is only an interim answer to questions about the so-called post-Interstate era. I believe it is one which recognizes the Federal interest in assuring that the Interstate remain the efficient, functioning backbone of our national highway network.

Under my proposal, authorizations for non-Interstate roads would amount to $1.2 billion for Federal-aid systems in rural areas and $1.2 billion for urban areas, for each fiscal year 1977, 1978, and 1979. These funds could be spent by a State for any project eligible for Federal assistance in rural or urban areas, respectively. In this way, the number of highway categories the States must contend with, and thus the Federal redtape would be reduced.

Up to 5 percent of the funds apportioned to a State for construction of the Interstate System would be available for maintenance. While recognizing the need to hasten completion of the Interstate, one must also acknowledge that the existence of completed Interstate routes has greatly increased the States' maintenance burden. To insure that the goal of safe, efficient travel is continuously met, it is important to give a State the flexibility to use some Federal funds to cope with maintenance demands.

In order to provide for pressing needs not on Federal-aid routes, my highway bill authorizes $200 million annually to correct safety hazards on any public road, and provides $100 million per year to reconstruct and replace bridges, both on and off the Federal-aid system.

Because provision is made to correct some of the worst deficiencies on non-Federal-aid routes, the need for a separate category of "off-system roads" is greatly diminished. My bill, therefore, would repeal the off-system program created in 1974 legislation.

The approach to safety construction in this bill is to apportion funds to States on a formula basis and permit the States to spend money on whatever projects will have the highest safety benefits. Legislation passed in 1973 provided funds for safety construction but distributed the money in categories. These categories limited the States' ability to correct the worst hazards first. By giving States greater flexibility, I believe we will get a better return in terms of actual safety benefits.

Section 155 of the Federal-Aid Highway Act of 1973—Public Law 93-87—required that the Secretary of Transportation prepare a study on the magnitude of highway litter and possible methods to lessen this problem. The report to Congress, issued last year, came to this conclusion:

Roadside litter is a national eyesore and its collection on the 3.75 million miles of roads and streets in the United States represent $500 million expended by all levels of government."

We must find ways to reduce that cost. I am convinced, as the highway litter study shows, that opportunities exist through a concerted effort by States and the Department of Transportation. The Department can conduct research and demonstrations into more effective ways to prevent and clean up litter. For example, the study shows, opportunities exist to develop more effective machines to collect litter mechanically.

The language in the highway bill would provide for a modest but important new program to encourage a cooperative Federal-State antilitter effort.

Finally, the Federal-Aid Highway Act of 1975 provides that apportionments for the Interstate System will be made from funds in the Highway Trust Fund, while the Highway Trust Fund Extension Act of 1975 extends the Trust Fund, with revenues at the current levels, through 1980. Under current estimates, receipts in the trust fund at the end of 1980 should be sufficient to finance completion of the interstate, although, of course, actual construction will not be completed for several years after that.

It is my belief that there is a compelling national interest in insuring that the Interstate System becomes and remains an adequate, safe network to serve interstate commerce and defense needs of the country. It is not inconceivable to this Senator that we may retain some form of the Highway Trust Fund even after initial completion of designated interstate routes, in order to provide for necessary reconstruction of deteriorated segments and to maintain and upgrade routes where required.

With respect to other highways, however, a good case can be made that these serve purposes more local or intrastate in character and are of importance to the Nation in the same way as any program which contributes to social and economic well-being. Thus, funding levels for these roads should be weighed against needs for other Federal-support programs. The better way to conduct this balancing would be to finance all the programs from the same source, that is, the General Treasury, rather than segregate sources for highway funding in a separate trust fund.

Thus, my bill provides that beginning in 1977, all non-Interstate Federal-aid highway programs be financed from the General Treasury.

This Senator anticipates much hard work and consideration of alternative ideas by the Transportation Subcommittee and the full Committee on Public Works during 1975. He hopes that his Federal-Aid Highway Act of 1975 will contribute to the development of a balanced, forward-looking program.

And he is certain that under the able guidance of the Subcommittee chairman, the Senator from Texas (Mr. BENTSEN), the experienced and always constructive leadership of the chairman of the full committee (Mr. RANDOLPH), and the creative participation of the ranking Republican (Mr. BAKER) and other committee members, the committee will present the Senate with just such legislation.

By Mr. HUMPHREY:

S. 754. A bill to establish a Department of Education. Referred to the Committee on Government Operations.

A DEPARTMENT OF EDUCATION

Mr. HUMPHREY. Mr. President, I am introducing today a bill to create a Cabinet-level Department of Education, to establish a Federal Interagency Committee on Education, and to set up a National Advisory Commission on Education. By organizing the Federal education effort in this way, we can more effectively establish national education priorities and better administer our wide-ranging education programs.

This action is long overdue. Similar bills have been introduced in recent years—only to die. But now, in 1975, we cannot afford to delay any longer. Ineffective management of education programs could spell disaster for colleges and universities that depend on Federal resources for stability. Lack of coordination could deprive local and State education agencies of the level of support required to maintain the high standards of quality in education that we demand for our children. Restructuring and consolidation must be the bywords to strengthen the Federal education effort and to meet the needs of the future.

We are the only major nation in the world that lacks a Cabinet-level post in education. The present Department of Health, Education, and Welfare has outlived its usefulness in supervising education programs. Its mountainous bureaucracy serves only to impede rather than to expedite administration.

The need for a Department of Education has never been more pressing.

A full-time Secretary of Education would oversee all education efforts and speak with Cabinet level authority to the President, the Congress, the Office of Management and Budget, and the American people. He would provide expert insight into existing programs, proposed programs, and program changes. He could more effectively make the case for deserving but struggling programs. He would be the Nation's chief policy planner for education.

A Department of Education would consolidate existing Federal programs. The responsibility for education is now spread throughout the Federal Department structure. HUD looks after college housing. The Defense Department oversees its own school system. The Agriculture Department operates a graduate school. Even HEW conducts some education programs outside of its own Education Division.

Federal outlays for education are estimated at $7.4 billion for fiscal 1976. That is equal to the combined budgets of the Departments of Commerce, Interior, Justice, and State. But without a Department of Education there is no overall coordination or direction. There is no effective check on duplicated effort or wasted money. There is no way to properly fix responsibility.

Congress itself would benefit from the creation of a Department of Education. We could begin to deal with educational problem systematically, instead of piecemeal and haphazardly. Better information on education legislation would be available. We could more accurately determine whether a given program required strengthening, modification, or abolition. In short, we could expect a more responsible and more responsive execution of education policy.

Mr. President, the United States must reaffirm and strengthen its commitment to the quality education of our young people. We cannot simply pay lip service to the importance of preparing our children to live in a rapidly changing world: We must provide the institutional means to set and implement our goals.

The establishment of a Department of Education would represent a giant step toward these ends. We must take that step—and take it now.

Mr. President, I ask unanimous consent that a summary of my bill to establish a Department of Education, and the text of this legislation, be included in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education Reorganization Act of 1975".

DEPARTMENT ESTABLISHED

SEC. 2. There is established an executive department which shall be known as the Department of Education (hereinafter referred to as the "Department"). There shall be at the head of the Department a Secretary of Education (hereinafter referred to as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for level I of the Federal Executive Salary Schedule established under section 5312 of title 5, United States Code. The Department shall be administered under the supervision and direction of the Secretary.

FUNCTION AND PURPOSE

SEC. 3. The function and purpose of the Department shall be to promote the cause and advancement of education throughout the Nation. To that end the Secretary shall, among his responsibilities, (1) advise the President with respect to the progress of education; (2) develop and recommend to the President appropriate policies and programs to foster the orderly growth and development of the Nation's educational facilities and resources; (3) exercise leadership at the direction of the President in coordinating Federal activities affecting education; (4) conduct continuing comprehensive surveys, collect data, and make available findings, on the progress of education; (5) provide information and such other assistance as may be authorized by the Congress to aid in the maintenance of efficient school systems; and (6) encourage comprehensive planning by the State and local governments with a view to coordinating Federal, State, and community activities at the local level.

UNDER SECRETARY AND OTHER OFFICERS

SEC. 4. There shall be in the Department an Under Secretary, four Assistant Secretaries, and a General Counsel each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall perform such functions and duties as the Secretary may prescribe. The Under Secretary shall receive compensation at the rate prescribed for level III of the Federal Executive Salary Schedule established under section 5314 of title 5, United States Code, and the Assistant Secretaries and General Counsel shall receive compensation at the rate prescribed for level IV under section 5315 of such title. The Under Secretary (or during the absence or disability of the office of Under Secretary, an Assistant Secretary determined according to such order as the Secretary shall prescribe (shall act as Secretary during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary.

PROVISIONS OF LAW APPLICABLE TO THE DEPARTMENT

SEC. 5. Except to the extent inconsistent with this Act, all provisions of law applicable to the executive department generally shall apply to the Department.

SEAL

SEC. 6. The Secretary shall cause a seal of office to be made for the Department, of such design as the President shall approve, and judicial notice shall be taken thereof.

DELEGATION OF AUTHORITY

SEC. 7. The Secretary may, without being relieved of his responsibility therefor, and unless prohibited by some specific provision of law, perform any function vested in him through or with the aid of such officials or organizational entities of the Department as he may designate.

TRANSFERS TO DEPARTMENT

SEC. 8. (a) The Education Division of the Department of Health, Education, and Welfare, consisting of the Office of Education and the National Institute of Education, together with all of its functions, personnel, property, records, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds is transferred to the Department, and all functions of the Secretary of Health, Education, and Welfare being administered through such division, and all functions of the Secretary of Health, Education, and Welfare, and all functions of the Assistant Secretary of Health, Education, and Welfare for Education, and all functions of the Commissioner of Education with respect to such Division, Office, and Institute, are transferred to the Secretary.

(b) The following additional functions of the Secretary of Health, Education, and Welfare are transferred to the Secretary:

(1) With respect to and being administered by the Secretary of Health, Education, and Welfare through the Office of Child Development;

(2) With respect to all laws dealing with the relationship between Gallaudet College, Howard University, and American Printing House for the Blind, and the Department of Health, Education, and Welfare;

(3) Under section 394 of the Communications Act of 1934, relating to Federal grants for the construction of television broadcasting facilities to be used for educational purposes; and

(4) Under the Drug Abuse Education Act of 1970.

(c) There are transferred to the Secretary all functions of the Secretary of Defense with respect to the operation of schools for dependents of members of the Armed Forces.

(d) There are transferred to the Secretary all functions of the Secretary of Agriculture with respect to the operation of the Grad-

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uate School, United States Department of Agriculture.

(e) There are transferred to the Secretary all functions of the Secretary of Housing and Urban Development under title IV of the Housing Act of 1950 relating to college housing.

(f) There are transferred to the Secretary all functions of the National Science Foundation which the Director of the Office of Management and Budget determines relate to instructional personnel development programs, instructional program development, and programs in computer innovations designed for use in education.

(g) All personnel, property, leases, obligations, and commitments and unexpended balances of appropriations, allocations, and other funds which the Director of the Office of Management and Budget determines are to be used with respect to any office, agency, bureau, foundation, or function transferred under the provisions of this section, are transferred to the Department of Education.

ADDITIONAL TRANSFERS

SEC. 9. The President is authorized to transfer to the Department of Education, any other agency or instrumentality of the Federal Government which he determines has functions relating to education and should be transferred to the Department of Education to promote efficiency in Government and to carry out the purposes of this Act. Such transfers shall be completed within one hundred and eighty days after the date of enactment of this Act, and a report describing such transfers shall be submitted to the Congress not later than thirty days thereafter.

FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

SEC. 10. (a) There is hereby established a Federal Interagency Committee on Education (hereafter referred to as the "Committee").

(b) The Committee shall study and recommend, such actions as may be necessary to assure effective coordination of Federal programs affecting education, including—

(1) development of Federal programs in accordance with the educational goals and policies of the Nation;

(2) consistent administration of policies and practices among Federal agencies in the conduct of similar programs;

(3) full and effective communication among Federal agencies to avoid unnecessary duplication of activities;

(4) adequate procedures for the availability of information on educational matters requested by the Secretary; and

(5) full and effective cooperation with the Secretary on such studies and analyses as are necessary to carry out the purposes of this Act.

(c) The Committee shall, within ninety days of the enactment of this Act, advise the President with respect to his responsibilities under section 9.

(d) The Committee shall be composed of the Secretary, who shall be the Chairman, and one appropriate representative of each of the following: The Department of State, the Department of Defense, the Department of Agriculture, the Department of Labor, the Department of Health and Welfare, the Department of Housing and Urban Development, the National Science Foundation, the Energy Research and Development Administration, the National Aeronautics and Space Administration, the National Endowments for the Arts, and Humanities, and the Community Services Administration. Other members may be added by Executive order of the President as he determines may be necessary.

(e) The Chairman may invite Federal agencies in addition to agencies represented on the Committee under the provisions of subsection (d) of this section to designate representatives to participate in meetings of the Committee on matters of substantial interest to such agencies which are to be considered by the Committee.

(f) The Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Executive Director of the Domestic Council may each designate a member of his staff to attend meetings of the Committee as observers.

(g) Each Federal agency which is represented on the Committee under the provisions of subsection (d) of this section, shall furnish necessary assistance to the Committee in accordance with section 214 of the Act of May 3, 1945 (31 U.S.C. 691).

NATIONAL ADVISORY COMMISSION ON EDUCATION

SEC. 11. (a) There is hereby established a National Advisory Commission on Education (hereafter referred to as the "National Commission") composed of fifteen members appointed by the President, by and with the advice and consent of the Senate from among individuals—

(1) who are familiar with the educational needs and goals of the United States,

(2) who have competence in assessing the progress of educational agencies, institutions, and organizations in meeting those needs and achieving those goals,

(3) who are familiar with the administration of State and local educational agencies and of institutions of higher education, and

(4) who are representative of the mass media, industry and the general public.

Members shall be appointed for terms of three years, except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one-year each and one-third of the members shall be appointed for terms of two-years each, and (2) appointments to fill the unexpired portion of any terms shall be for such portion only.

(b) The National Commission shall—

(1) review the administration of, general regulations for, and operation of Federal education programs;

(2) advise the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of appropriate agencies, institutions, organizations of the Nation in order to meet those needs and achieve those goals;

(3) conduct objective evaluations of specific education programs and projects in order to ascertain the effectiveness of such programs and projects in achieving the purpose for which they are intended;

(4) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of Federal education programs;

(5) consult with Federal, State, and local and other educating agencies, institutions, and organizations with respect to assessing education in the United States and the improvement of the quality of education, including—

(A) areas of unmet needs in education and national goals and the means by which those areas of need may be met and those national goals may be achieved;

(B) determination of priorities among unmet needs and national goals; and

(C) specific means of improving the quality and effectiveness of teaching, curricula, and educational media and of raising standards of scholarship and levels of achievement;

(6) conduct national conferences on the assessment, improvement, and renewal of education, in which national and regional education associations and organizations, State and local education officers and administrators, and other education related organizations, institutions, and persons (including parents of children participating in Federal education programs) may exchange and disseminate information on the improvement of education;

(7) conduct, and report on, comparative studies and evaluations of education systems in foreign countries; and

(8) advise and assist in the coordination of all the advisory bodies to Federal education programs.

(c) The National Commission shall make an annual report and such other reports as it deems appropriate, concerning its findings, recommendations, and activities to the President for submission to the Congress once each year.

(d) In carrying out its responsibilities under this section, the National Commission shall take, together with the Secretary, whatever action is necessary to carry out section 448 of the General Education Provisions Act, to devise a manageable and effective advisory structure for the Department. The National Commission shall advise the Secretary on the number of advisory bodies that are necessary and the manner in which such bodies relate to one another. The National Commission shall consult with the National Advisory Council on the Education of Disadvantaged Children, the National Advisory Council on Supplementary Centers and Services, the National Advisory Council on Education Professions Development, the National Advisory Council on Educational Research and Development, and such other advisory councils and committees as may be appropriate to carry out its functions under this subsection. All Federal agencies are directed to cooperate with the National Commission in carrying out its functions under this subsection.

(e) The National Commission is authorized to engage such technical assistance as may be required to carry out its functions and the Secretary shall, in addition, make available to the National Commission such secretarial, clerical, and other assistance and such pertinent data prepared by the Department as the National Commission may require to carry out its functions.

(f) Members of the National Commission who are not in the regular full-time employ of the United States shall, while attending meetings of conferences of the National Commission or while otherwise engaged in the business of the National Commission, be entitled to receive compensation at a rate by the Secretary, but not exceeding the rate specified at the time of such service of grade GS–18 under section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the National Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(g) The President shall appoint the National Commission not later than thirty days after the date of enactment of this Act.

TRANSFER MATTERS

SEC. 112. All laws relating to any agency or function transferred under this Act shall, insofar as such laws are not inapplicable, remain in full force and effect. Any transfer of personnel pursuant to this Act shall be without change classification or compensation, except that this requirement shall not operate to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned. All orders, rules, regulations, permits, or other privileges made, issued, or granted by any agency or in connection with any functions transferred by this Act, and in effect at the time of the transfer, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed. No suit, action, or other proceeding lawfully commenced by or against any agency or any officer of the United States acting in his official capacity shall abate by reason of any transfer made pursuant to this Act, but the court, on motion or supplemental petition filed at any time within twelve months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the appropriate agency or officer of the United States.

ANNUAL REPORT

SEC. 13. The Secretary shall, as soon as practicable after the end of each calendar year, make a report to the President for the submission to the Congress on the activities of the Department during the preceding calendar year. Such report shall also contain objective data on enrollments, expenditures, numbers of teachers, administrative, supervisory, and auxiliary personnel, numbers of professionals who lack full qualifications, needs for classroom and other construction, special needs of critical areas such as urban and rural areas, and similar data.

CONFORMING AMENDMENTS

SEC. 14. (a) Section 19(d)(1) of title 3, United States Code, is amended by striking out "Secretary of Health, Education, and Welfare" at the end thereof and inserting the following: "Secretary of Health and Welfare, Secretary of Education,"

(b) Section 1 of title 5, United States Code, is amended by adding at the end thereof: "Eleventh. The Department of Education." and by striking out "Health, Education, and Welfare" and inserting "Health and Welfare."

(c) Any reference to the Office of Education or the Commissioner of Education, in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this Act shall be deemed to refer and apply to the Department of Education or the Secretary of Education, as may be appropriate.

(d) Any reference to the Department of Health, Education, and Welfare or the Secretary of Health, Education, and Welfare in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this Act shall be deemed to refer and apply to the Department of Health and Welfare and the Secretary of Health and Welfare, respectively.

EXPENDITURES AUTHORIZED

SEC. 15. The Secretary is authorized to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for law-books, books of reference and periodicals, and for printing and binding) as may be necessary to carry out the provisions of this Act, and as may be provided for by the Congress from time to time.

APPROPRIATIONS AUTHORIZED

SEC. 16. There are authorized to be appropriated such sums as may be necessary to enable the Department to carry out the provisions of this Act and to perform any other duties which may be imposed upon it by law.

EFFECTIVE DATE

SEC. 17. The provisions of this Act shall be effective on its date of enactment, except that section 8 shall be effective within ninety days following such date.

SUMMARY OF THE EDUCATION REORGANIZATION ACT OF 1975

Establishes a Department of Education headed by a Secretary at cabinet level, to promote the cause and advancement of education throughout the Nation. Provides for certain functions to be performed by the Secretary of Education and Assistance Secretaries in the fulfillment of this purpose. Transfers to the Department the Education Division of the Department of Health, Education, and Welfare, as well as specified functions in the area of education, of the Secretary of Health, Education, and Welfare, of the Secretary of Defense, of the Secretary of Agriculture, of the Secretary of Housing and Urban Development, and of the National Science Foundation. The President is authorized to transfer other Federal agency functions to the Department as he determines necessary to carry out the purposes of this act. Specified transfers and the establishment of the Department are made effective within 90 days of the date of enactment of this title. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

Provides for the creation of a Federal Interagency Committee on Education, to be composed of designated Federal agency officials, whose basic purpose shall be to assure effective coordination of all Federal programs affecting education.

Creates a National Advisory Commission on Education, composed of fifteen members appointed by the President, by and with the advice and consent of the Senate, from among those who have recognized expertise and direct involvement in the field of education, as well as representatives from the general public, industry, and the mass media. The Commission shall review the administration and operation of Federal education programs, conduct evaluations, and make recommendations for necessary improvements and new directions to be undertaken, including legislative recommendations—basically directed toward the determination and implementation of priorities among unmet needs and national goals in education. The Commission shall make annual reports to the President and to Congress. The Commission shall also recommend to the Secretary of Education necessary changes to achieve a manageable and effective advisory structure for the Department.

Provides for a comprehensive report on education to be made annually by the Secretary to the President for submission to the Congress.

By Mr. ABOUREZK (for himself, Mr. NELSON, Mr. MCGOVERN, and Mr. HATHAWAY):

S. 756. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

PETROLEUM INDUSTRY ANTITRUST ACT OF 1975

Mr. ABOUREZK. Mr. President, I introduce the Petroleum Industry Antitrust Act of 1975.

This legislation, Mr. President, will divest all vertically integrated oil companies limiting any single company to one of the four phases of the industry: Production, refining, transportation by pipeline, or marketing.

This legislation proposes restructuring of the oil industry to accomplish two major objectives:

First, to establish competition in the industry so that prices are determined by the free interplay of market forces of supply and demand—rather than by Executive decision, whether Government or private as is now the case.

Second, to reallocate the economic and political power of this industry so that this power will be dispersed among a great many small units instead of being concentrated in a few super giants who can and do use it to bend the Government to their collective will.

Translated into the simplest of terms, the effect of the proposed legislation will be to bring about fair market prices and make the oil industry governable in the public interest.

The legislation proposed is intended only to reorganize the petroleum industry into a form which would restore its competitive vigor, permitting businessmen in that industry to compete freely without restraint in the essential job of providing energy to our economy. Its purpose is to eliminate any heavy burden of regulation that would inhibit industry efficiency and to end any thought of further regulation or the threat of nationalization by restoring active markets that once existed in this industry—those particularly between crude oil production and refining, and between refining and product marketing. With this, all companies within each segment—production, transportation, refining, marketing—would be able to compete freely and openly in the marketplace, without the heavy restraints which integration now places on such markets.

Nor is this job to be accomplished without due care for those investors who have placed their savings into the securities issued by these companies. Ample time is allowed within which each of the integrated companies can formulate plans for careful and deliberate divestiture, and submit them for consideration by the Securities and Exchange Commission, and its approval when the interests of investors are equitably cared for.

The bill proposes that petroleum refining companies, other than independent refiners—those who buy nearly all of their crude oil and sell at the refinery most of their products—be prohibited from owning interests in crude oil production or marketing facilities. Pipelines, now a means of controlling markets in crude oil and refined products, would be compelled to be independent transportation facilities, prohibited from transporting commodities in which their affiliates had any ownership interest.

These prohibitions would, of course, require the larger integrated companies to divest themselves of substantial properties. Were this divestiture to occur immediately, obviously the investors in those companies would suffer grievous loss. Drawing on the historical precedent of the Public Utility Holding Company Act of the 1930's, however, this proposal would only require that they formulate and file plans with the Securities and Exchange Commission, as the utilities did. After consideration and hearing, when the Commission is satisfied that investor interests are properly protected, the plan would be implemented by actual divestiture. But, to prevent misuse of integration powers during the period that a plan is under consideration, the Commission is required to specify appropriate accounting rules segregating petroleum company costs and profits at each level of industry operation.

Enactment of this proposal, then, would reestablish the viability of competition at each level. No more would there be the immense leverage of crude oil profits to integrated companies which could be used to crush independent refiners, nor could the integrated companies use the power inherent in their interlocked control of crude oil pipeline

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transportation and the immense output of their refineries to control product markets and thus destroy their independent competitors. It would in summary, provide a basis not only for ending the present contrived energy crisis, but would eliminate the incentive to create new crises.

A CONTINUING CHALLENGE

The organization of the oil industry into competing units of manageable size has been a continuing challenge to the Federal Government ever since 1890 when the Sherman Act was passed. Early on, the Standard Oil trust was broken up into a number of units, many of which now far outstrip in size and financial strength the original trust itself. This was accomplished by a Government antitrust prosecution which was ultimately sustained by the Supreme Court in *Standard Oil Company of New Jersey* v. *United States*, 221 U.S. 1 (1911). These units today survive as Exxon, Standard of California, Atlantic Richfield, Standard Oil of Indiana, and Mobil—to name but a few.

Drastic though this divestiture appeared to be, it provided no long-range solution to the problem of keeping the power of the oil industry within Government limits, and maintaining effective competition within that industry. During the depression years under the National Recovery Administration and thereafter, the oil industry became more and more monopolistic in character, with control of production, refining, transportation and marketing being combined into giant integrated companies, international in scope and waxing ever more powerful. The NRA Codes shaped by these companies tended to suppress competition among them and to foster coordinated group action by them in the conduct of their ostensibly competing businesses. Following the termination of NRA, the oil companies persisted in their pattern of cooperation and combination to maintain prices. On the basis of such conduct, the government successfully brought a criminal antitrust prosecution against the major oil companies operating in the Midwest.

Based on price-fixing charges which involved a group-buying program to stabilize the mid continent gasoline market, the oil companies' conviction was sustained by the Supreme Court in *United States* v. *Socony Vacuum Oil Company*, 310 U.S. 150 (1940).

In the late 1930's the Temporary National Economic Committee gave its attention to the monopolistic power and market structure which characterized the oil industry. In the light of TNEC's work, and with the benefit of its own litigating experience in the Socony Vacuum price-fixing case, the antitrust division in 1940 undertook a major divestiture suit to reorganize the entire oil industry along nonintegrated lines so that competitive forces could freely operate within it. This case, United States against American Petroleum Institute, et al., named as parties-defendant virtually all of the domestic oil companies and their subsidiaries. Indeed, the defendants were so numerous that it became known as the "Mother Hubbard case."

While the U.S. Department of Justice was proceeding with its efforts to have the courts reorganize the oil industry along competitive lines, the legislative branch of the Government entertained a series of bills filed by Senator Gillette of Iowa which sought to accomplish the same end. Due to the preemptive demands of the war effort, neither the Mother Hubbard case nor Senator Gillette's legislative proposals were pressed.

At the conclusion of World War II, the Mother Hubbard case was dismissed by the Antitrust Division with the promise that the relief it sought in that case would be claimed by a series of smaller regional cases. Thereafter only one such case was filed—the so-called west coast oil case, United States against Standard Oil Company of California, et al. Limited to the principal oil companies operating in the far Western States, this case, like the Mother Hubbard case before it, sought to restructure the oil industry along competitive lines so as to secure divorcement of oil production from oil refining, from oil transportation, and from oil marketing. Ultimately this case was settled by consent decrees for relief falling far short of the industry organization which the case originally sought to achieve.

At about the time the west coast oil case was drawing to an unsuccessful and ineffectual close, a runaway Federal grand jury indicted the principal oil companies on price-fixing charges arising out of simultaneous and identical price increases they made to profiteer out of the Suez oil crisis. The indictment, originally returned in Alexandria, Va., was transferred at the behest of the oil company defendants to Tulsa, Okla. There, under sinister circumstances, it was ultimately dismissed by a Federal judge who shortly thereafter entered the employ of one of the defendants as its general counsel.

While all this was going on, the U.S. Department of Justice was attempting to press a cartel case against the major oil companies based upon their domination and control of international trade in petroleum and petroleum products. Again, this case was never brought to trial, but instead was settled by a consent decree along lines which did not disturb the defendants' monopoly power nor achieve the relief which the United States was claiming in the public interest. Simultaneously, the oil companies were defeating the Government's claim to recover overcharges for oil furnished the U.S. Navy which cost 25 to 40 cents to produce and for which the Navy paid $1.05 and up per barrel because of the price-manipulating ability of the international oil cartel. See, *United States* v. *Standard Oil Company of California*, 155 F. Supp. 121 (S.D. N.Y. 1957), affirmed 270 F. 2d 50 (2d Cir. 1959).

The failure of the Department of Justice effectively to prosecute the oil industry under the antitrust laws in the pattern of the Mother Hubbard case is strong testimony to the political power of the oil companies. The Mother Hubbard case was never brought to trial. No proper follow-up prosecutions have been effectively pressed. Even the indictment process has been subverted. It is in these circumstances that I propose a legislative solution to the problem of competition in the oil industry by this proposed legislation.

This legislation seeks the comprehensive change in the oil industry's structure as did the Mother Hubbard case proposed by the Department of Justice in 1940. Moreover, the industrial reorganization which this legislation seeks would be achieved by time-tested measures devised by the Congress in 1935 to deal with anticompetitive structures in the utilities industries, whereby the Securities and Exchange Commission supervises and controls the industrial reorganization in question.

Nor, Mr. President, is divestiture new to our economy. Legal precedents, other than the dissolution of Standard Oil previously mentioned, do exist for the use of the divestiture/divorcement remedy in industries where market power is gained by means of vertical integration and its abuse or its potential for abuse is shown.

The following are examples of such incidents:

The Hepburn Act of 1906 compelled railroads to divest themselves of their control over the coal companies which shipped coal over their lines, 49 U.S.C. 1(8) (1954).

In *United States* v. *Reading Co.*, 253 U.S. 26 (1920), the Court held that the combining of the largest single coal company in a field and the only railway over which its coal could find its way to market was illegal (The Court's holding was independent of the Hepburn Act).

The decree in *United States* v. *Swift & Co.*, 286 U.S. 106 (1932) compelled meatpackers to divest themselves of control over retail outlets.

The Banking Act of 1935 divorces the functions of banking from investment banking.

The Pullman Co. was required to separate its pullman service function from the manufacturing function [*U.S.* v. *Pullman Co.*, 53 F. Supp 908 (E.D. Pa. 1946); *U.S.* v. *Pullman Co.*, 50 F. Supp. 123 (W.D. Pa. 1943).]

The decree in *United States* v. *Paramount* 334 U.S. 131 (1968) required certain motion picture producers to divest themselves of their theater facilities. [Mandate interpreted and applied in *U.S.* v. *Paramount Pictures*, 85 F. Supp. 881 (S.D.N.Y. 1948).]

Mr. President, every 4 or 5 years or so over the past 50 years the Nation has had some oil and gas crisis that could only be solved, the industry told us, by higher prices.

The legislation I introduce today provides the alternative solution in the public interest and in the consumer interest by establishing competition in the industry and preserving the independent sector of the industry.

I ask unanimous consent that the Petroleum Industry Company Act of 1975 be printed in the RECORD following these remarks and that it be followed by a section-by-section analysis of the bill:

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. This Act may be cited as the Petroleum Industry Antitrust Act of 1975.

FINDINGS

SEC. 2. (a) The Congress finds: (1) that the industrial organization of the petroleum industry in its present form does not serve the public interest; (2) that industry is characterized by aggregations of capital of tremendous size; (3) that these large companies are engaged in petroleum refining, but are interlocked at various levels of industry operation to the degree that the national policy of competitive free enterprise is frustrated; and (4) that by virtue of intercompany arrangements and vertical integration of refiners into the production of crude oil, the transportation of crude oil and finished products and the marketing of finished products, these large refiners have acquired and hold substantial monopoly power over interstate and foreign commerce in petroleum, adversely affecting the ability of the United States to establish a rational energy policy or conduct its foreign relations properly in important areas.

(b) The Congress further finds: That an ample supply of energy at reasonable cost is essential to the national interest, and that petroleum hydrocarbons are a very significant portion of our energy supply. Current and projected levels of hydrocarbon imports from foreign sources entail serious consequences to the national defense and foreign policy of the United States, to the stability and health of the domestic economy, to the competitive position of this Nation in world trade, to the purchasing power of United States currency, and to the welfare of its citizens.

(c) It is therefore essential that action be taken on an emergency basis to reorganize the structure of the petroleum industry, to restore the free enterprise system in energy development, to assure an adequate flow of capital into exploration and development of secure and environmentally safeguarded sources, and to accord investors, consumers and taxpayers adequate protection in relation to energy development and the divestitures required hereunder.

DEFINITIONS

SEC. 3. (a) "Refinery" means a plant constructed or operated for the purpose of separating or converting liquid hydrocarbons to finished products or unfinished oils for further refining;

(b) "Finished Products" means liquid hydrocarbon products used or useful without further processing other than mechanical blending for the production of energy for heating or as a source of mechanical power.

(c) "Crude Oil" means a mixture of liquid or gaseous hydrocarbons that are produced from natural underground reservoirs, and which are liquid at atmospheric pressures after production.

(d) "Liquid hydrocarbons" means any liquid composed of hydrogen and carbon molecules, and includes such hydrocarbons derived from tar sands, oil shale or liquefaction of coal.

(e) "Company" means any business enterprise of any nature whatsoever, and shall include but not be limited to, corporations, trusts, unincorporated associations, partnerships, and sole proprietorships.

(f) "Affiliate" means any company owned or controlled by another company; or which owns a substantial interest in or controls another company by stock interest, representation on such company's board of directors or similar governing body, by contract or agreement or trust relationship with other stockholders, or otherwise; or any company which is under common ownership or control with such company.

(g) "Independent refiner" means a company operating a refinery of which not more than 25 percent of the total input is derived from crude oil produced by or on behalf of such company or any affiliate of such company; and which sells at least half of the total of finished products produced in its refinery or refineries to companies not affiliated with it for resale at wholesale or retail under brands not owned or controlled by such refinery company.

DIVESTITURE OF PRODUCING FACILITIES

SEC. 4. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the exploration for, development of, or production of, crude oil or other liquid hydrocarbons.

DIVESTITURE OF MARKETING FACILITIES

SEC. 5. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the marketing of finished products: *Provided, however*, any such company may maintain and operate facilities for the sale and delivery of such finished products directly from a refinery.

DIVESTITURE OF PIPELINE FACILITIES

SEC. 6. Paragraph (8) of section 1 of the Interstate Commerce Act (49 U.S.C. 1(8)) is amended—

(1) by adding "(a)" immediately after (8) in such paragraph; and

(2) by adding at the end of such paragraph the following subparagraph to read as follows:

(b)(1) It shall be unlawful for any pipeline company subject to this chapter to transport to, from, or within any State, Territory or the District of Columbia, any crude oil or other liquid hydrocarbon, or any finished product, which is produced or manufactured by such pipeline company or any company which is an affiliate of such pipeline company.

DIVESTMENT PLANS AND FINANCIAL ACCOUNTING

SEC. 7. (a) The Securities and Exchange Commission, in accordance with such rules, regulations or orders as it may deem necessary to carry out the purposes of this Act, shall require companies holding ownership interests in facilities which are prohibited by this Act, to submit within one year from the date of enactment of this Act, plans for the divestment of such ownership interests, whether represented by securities or otherwise. If, after notice and opportunity for hearing, the Commission shall find such plan, as submitted or as modified by Commission order, necessary to effectuate the provisions of this Act and fair and equitable to the persons affected by it, the Commission by order shall approve such plan and shall thereafter take such action, by application to a court for appointment of a trustee, or receiver, or for such other order as may be necessary, to enforce such plan: *Provided, however*, The Commission shall not approve any plan which will not substantially accomplish the necessary divestment on or before January 1, 1976.

(b) The Commission shall immediately prescribe rules and regulations governing the financial accounting of companies subject to this Act, to insure careful segregation of operations of such companies in each level of industry operation, separately calculating and reporting capital and operating costs and profits, for operations relating to crude oil production, operation of each refinery, operation of pipelines, and operation of marketing facilities.

OPERATIONS PENDING DIVESTMENT

SEC. 8. Any company required by the terms of this Act to divest property or interests may continue to operate such property or interests under this Act for a period not to exceed one year from the date of enactment of this Act without submission of a plan or plans for divestment, and thereafter during the period required for consideration and approval by the Commission of a plan submitted as herein provided. Such company shall, however, in no event continue to operate or control such property and interests after January 1, 1976.

VIOLATIONS

SEC. 9. If any company shall violate any of the provisions of this Act or any rule, regulation, or order issued hereunder, upon application of any Federal court by the United States, or any customer or competitor of such company or any person affected by such violation, such court shall order the forfeiture to the United States of the sum of $5,000 for each day such violation shall be found to have continued, and for payment of the costs and expenses of suit, including, if a private enforcement action, an informer's fee to be calculated in like manner to those provided by law relating to the collection of import duties or other taxes.

SUMMARY OF PETROLEUM INDUSTRY ANTITRUST ACT OF 1973

Section 1 contains the short title of the measure.

Section 2 recites detailed findings by the Congress concerning the present highly concentrated organization of the industry, its effects frustrating the national policy in several areas; the policy of competitive free enterprise capitalism generally; energy policy provisions for an ample supply of petroleum products at reasonable costs in interstate and foreign commerce; in carrying out foreign policy in important areas; and in maintaining the stability and purchasing power of the United States currency. This Section also finds that it is therefore essential to reorganize the petroleum industry in such a manner as to make possible effective policy decisions in these areas while at the same time protecting the interests of investors.

Section 3 defines the critical terms used in the legislation. Particularly, it defines the term "affiliate" of a company as including parents, subsidiaries or companies under common control with such companies, whether such relationship is established by ownership, direct or indirect interlocking directorates, by contract or by any other means. It also specifically defines an "independent refiner", a company excepted from the divestment provisions of other sections of the Act, as a company operating a refinery of which not more than 25% of the total input is derived from crude oil produced by or for such refiner or any affiliate, and which sells at least half of its total finished products through other than owned or controlled marketing facilities.

Section 4 prohibits any company operating a refinery, other than an independent refiner, from owning or controlling any interest in exploration for, development of or production of crude oil or other liquid hydrocarbons, including synthetics.

Section 5 is a similar prohibition relating to marketing facilities, forbidding any company operating a refinery, other than an independent refiner, from owning, controlling or operating facilities for the sale of finished products, other than those facilities neces-

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sary for sale of produce directly from the refinery.

Section 6 prohibits integration into pipeline transportation. This is accomplished by an amendment to the Interstate Commerce Act to prohibit any common carrier pipeline from transporting crude oil, other liquid hydrocarbons, or finished products, if the commodity transported is owned by the pipeline or any affiliate. This provision is similar to the "commodities clause" provision of the Interstate Commerce Act imposing limitations on railroads, and is in form an amendment to that provision.

Section 7 makes provision for procedures to accomplish the divestment of properties which would otherwise be held in violation of the provisions of the Act. As with public utility holding companies, the Securities and Exchange Commission is given authority to receive and consider divestment plans filed by integrated companies. If the Commission finds such plan as submitted, or as modified by the Commission, to be fair and equitable in its protection of investor interests, and to be in accord with the purposes of the Act, it is authorized to approve the plan and direct its implementation. Pending approval of any plan, however, the Commission is directed to prescribe rules and regulations for petroleum company accounting which will effectively segregate the costs, both capital and operating, and the profits, which are appropriately allocable to each level of company operation.

Section 8 makes necessary allowance for operations during the period before divestiture can be accomplished. It permits companies otherwise subject to the prohibitions of Section 4 and 5 of the Act to continue operations for one year prior to the filing of an appropriate divestment plan with the Securities and Exchange Commission, and thereafter during the period required for the consideration, approval and effectuation of such a plan by the Commission.

Section 9 imposes penalties for the violation of the Act, to consist of a forfeiture of $5,000 for each day a company is in violation. It also provides that this forfeiture can be declared by application to a United States District Court at the request of the United States or any customer or competitor of the company, or of any other person affected by the violation. In the event suit is brought by private interests, an appropriate informer's fee is to be paid, calculated as are those fees allowable in customs or tax matters. Costs and expenses of suit are also to be allowed a successful private party.

By Mr. THURMOND:

S. 757. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans. Referred to the Committee on Veterans' Affairs.

Mr. THURMOND. Mr. President, I am pleased to introduce today legislation to require congressional consideration of any change in the disability rating schedule used by the Veterans' Administration to award compensation to disabled veterans.

Rating schedules are used to determine the amount of benefits the veteran is entitled to receive as a result of being physically or mentally incapacitated in line of duty.

The rating schedule is figured according to the impairment to the earning capacity the veteran has sustained as a result of his service-connected disability.

This particular legislation would require the Administrator of Veterans' Affairs to submit changes in the rating schedule to Congress for 90 days. If either body of Congress passed a resolution which disapproved the proposed changes during that time, the changes could not take effect.

Mr. President, this legislation is similar to legislation which was introduced in the 93d Congress, and coauthored by the members of the Senate Veterans' Affairs Committee. I am hopeful the committee will give most careful consideration to this bill during the 94th Congress.

Mr. President, I ask unanimous consent that resolution 272 of the Disabled American Veterans, entitled "To impose a freeze on the VA rating schedule," be included in the RECORD at the conclusion of my remarks.

Mr. President, I send the bill to the desk for appropriate reference, and ask unanimous consent that the text appear in the RECORD at the end of my remarks.

There being no objection, the resolution and bill were ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 272: TO IMPOSE A "FREEZE" ON THE VA RATING SCHEDULE

Whereas, the disabled veterans of the United States of America have for 25 years received fair and just compensation for service-incurred injuries and diseases in accordance with the provisions of the 1945 Schedule for Rating Disabilities; and

Whereas, the 1945 Schedule for Rating Disabilities was implemented through the authority of the Congress of the United States; and

Whereas, the 1945 Schedule for Rating Disabilities has met with the approval of disabled veterans, veterans' organizations, and the general public; and

Whereas, the Veterans Administration has previously proposed a revision of the 1945 Schedule for Rating Disabilities, which was subsequently recalled for further study, and which could only be detrimental to the vast majority of disabled veterans; NOW

Therefore, be it resolved, by the Disabled American Veterans in National Convention assembled at New Orleans, Louisiana, August 5–9, 1974, that legislation be enacted by the Congress of the United States to maintain the percentage rates as are now outlined by the 1945 Schedule for Rating Disabilities; and

Be it further resolved, that no changes be made at any time without the approval of the Congress.

S. 757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 355 of title 38, United States Code, is amended by inserting before the period a comma and the following: "but no change or readjustment in this schedule of ratings may be made by the Administrator after December 31, 1972, unless (1) such proposed change or readjustment is first submitted to the Congress, and (2) neither House of Congress, prior to the expiration of ninety calendar days of continuous session of Congress following the date of submission of the proposed change or readjustment, has adopted a resolution stating in substance that that House does not favor the proposed change or readjustment. For the purpose of this section—

"(1) continuity of session is broken only by an adjournment of Congress sine die; and

"(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of ninety-day period."

By Mr. HATFIELD:

S. 758. A bill to authorize and request the President to issue a proclamation designating August 22–28, 1975, as "National Deaf Awareness Week." Referred to the Committee on the Judiciary.

NATIONAL DEAF AWARENESS WEEK

Mr. HATFIELD. Mr. President, during the 93d Congress, I introduced legislation authorizing and requesting the President to proclaim "National Deaf Awareness Week." In my remarks before the Senate, I stressed that such a proclamation would serve to better educate the public about deafness and would broaden the opportunities and vistas open to deaf Americans.

The societal prejudices against deafness are largely the consequence of public ignorance and the gross discrimination which they foster can leave an indelible impact on the lives of deaf persons. The deaf are made to feel different from childhood, often by members of their own family. In school, they are taught in a language that they cannot know well, by teachers who seldom understand the difficult conditions under which these children labor. When they finally leave school, they have, on the average, fifth grade level reading skills. They often speak in a manner that is difficult, if not impossible, for the person on the street to comprehend. Despite the fact that they possess normal physical strength, intelligence, and physical mobility, they will probably be placed in semiskilled or unskilled employment—if they are so fortunate as to find a job at all.

Mr. President, almost 236,000 Americans are totally deaf and some 1 in 10 Americans have experienced some degree of hearing loss. The proclamation which I propose would not only serve to honor them; it would be a vehicle by which the vast potential of deaf persons and the need for their social integration could be brought home to the nondeaf.

Mr. President, I am proud to send to the desk and commend to the attention of my colleagues a bill authorizing and requesting the President to proclaim August 22–28 as "National Deaf Awareness Week." I ask unanimous consent that the text of this legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating August 22–28, 1975, as "National Deaf Awareness Week," and calling upon the people of the United States and interested groups and organizations to observe such week with appropriate ceremonies and activities.

By Mr. TUNNEY (for himself and Mr. CRANSTON):

S. 759. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California. Referred to the Committee on Interior and Insular Affairs.

Mr. TUNNEY. Mr. President, today I am reintroducing legislation to establish a Santa Monica Mountain and Seashore Urban National Park. The bill, cosponsored by Senator CRANSTON, would create a major national urban park along the beaches of Santa Monica Bay and within the mountains and valleys of the Santa Monica Mountains in Los Angeles and Ventura Counties in California. A similar bill is being introduced today in the House by Congressman ALPHONZO BELL and cosponsored by Congressmen THOMAS REES and JAMES CORMAN.

Last year Senator J. BENNETT JOHNSTON, now chairman of the Senate Subcommittee on Parks and Recreation held 2 days of hearings on an earlier bill and it is my hope that this critical park area can be established this year.

The need to protect this region, by creation of a national park, is urgent. Never before in America has such a large, concentrated population suffered from such a scarcity of recreational resources. Although 10 million people live in metropolitan Los Angeles, they have less open space for public recreational and cultural uses than any other major city in the United States, including New York. This imbalance is intensified by the great yearly influx of visitors to the area—over 8 million annually in southern California. The strain on existing recreational resources is near the breaking point. Beaches are overcrowded. Camping for hundreds of miles around requires reservations long in advance, tens of thousands are turned away on many weekends. A county park in the Santa Monica Mountains is a case in point: Its facilities were consistently so overused that officials were forced to close the area to overnight campers.

The Santa Monica chain offers the only major open space in the entire area and it should be protected against encroaching urban sprawl.

The resource at stake in the area is unique. It is the only example of a Mediterranean climate in North America—with all the plant and animal life indigenous to that particular climate. Sage, sumac, and yucca cover the hillsides.

There are deer, coyote, bobcat, raccoon, rabbit, fox, grey squirrel, and quail. Marsh and water birds frequent the coastal area.

Also the mountains and coastlands are an archeological wonder: 600 sites have been identified, and one expert estimates that this is only one-tenth the number that await discovery in the mountain chain.

All residents, whether they hike in the mountains or simply enjoy their beauty, have a personal stake in their preservation as open space. Residents of the inner city stand to lose the most from overdevelopment of the mountains: Disappearance of the only major recreational area within their reach, increased overcrowding of the downtown city center, and an increased smog problem, as the Los Angeles basin loses its only large nonpolluting buffer between the ocean and the city.

Actually, the mountains and coastside are a precious national resource. Five percent of the Nation's population visits southern California every year.

A verbal commitment by the Federal Government to protect the region's resources already has been made: In 1970, the Secretary of the Interior, in announcing the urban recreation study program, said:

The Santa Monica Mountain range, together with adjoining beaches form the greatest untapped natural resource in the second largest metropolitan area in the nation. Considering the size, location and variety of the resources, the importance of this area in meeting the recreational needs of Los Angeles residents cannot be overemphasized.

The President supported this position in a mandate for open space planning and land acquisition, set forth in a February 1970 message to Congress on the environment:

Plain commonsense argues that we give greater priority to acquiring now the lands that will be so greatly needed in a few years.

Finally, the Department of the Interior's August 1972, study of the Santa Monica Mountains made the following findings:

First. The Santa Monica Mountains and adjacent coastline constitute the most significant large unprotected open space in the Los Angeles area.

Second, The mountains help dilute Los Angeles' seriously polluted airshed.

Third. Current urban expansion, particularly those of large-scale residential development, has severe impact on the remaining natural environments within the mountains. If it continues, the environmental values of the area will be forfeited.

Fourth. In view of the threat which continued urban expansion poses in the Santa Monica Mountains and along the adjacent coastline, measures need be taken to expand the existing parklands and regulate and control land uses to protect the significant portions of remaining natural environments in the public interest.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 759

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the Santa Monica Mountains and adjacent seashore areas of California include the most significant expanse of unurbanized and undeveloped open land adjacent to the Los Angeles supermetropolis; and that the Santa Monica Mountains are of great scenic, recreational, educational, scientific, natural, and public health value, as is the adjacent coastline.

Accordingly, in order to preserve and protect for public use and enjoyment, the natural, scenic, historic, archeological, and other values of the lands and waters of the Santa Monica Mountains and adjacent seashore areas, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall establish the Santa Monica Mountains and Seashore Urban National Park (hereinafter referred to as the "park") in the State of California. The park shall include the lands, waters, and interests therein within the area generally described as that area bounded on the west by a line from Mugu Lagoon generally northward to the Ventura Freeway, on the north by the Ventura Freeway, on the east by the San Diego Freeway, and on the south by Sunset Boulevard and a line parallel to and one mile offshore from the shoreline of the Pacific Ocean, all within Los Angeles and Ventura Counties, California. The Secretary shall, as soon as practicable, but not later than 18 months after the date of enactment of this Act, publish a map and a detailed description of the boundaries of the park in the Federal Register. Such map and description shall depict the particular areas within the boundaries that the Secretary determines ought to be acquired and held in public ownership for the critical purposes set forth in section 2(a).

The total area included within such acquisition shall not exceed eighty thousand acres and shall, at the time of establishment of the park by the Secretary, as provided herein, be not less than forty thousand acres, exclusive of units of the State park system. The Secretary may revise the boundaries of the park from time to time by publication in the Federal Register: *Provided,* That such revision does not reduce or expand the total acreage beyond the minimum and maximum limits specified in this section.

In the management of the park, the Secretary shall utilize the park area resources in a manner which will preserve its scenic, natural, and historic setting while providing for the recreational and educational needs of the visiting public.

SEC. 2. (a) In connection with his description of the boundaries of the park pursuant to the first section of this Act, the Secretary shall identify the areas within such boundaries which must be acquired and held in public ownership for the following critical purposes: Preservation of beaches and coastal uplands; protection of undeveloped inland stream drainage basins; protection of existing park roads and scenic corridors; and connecting existing State and local Government parks and other publicly owned lands to enhance their potential for public recreational use. The Secretary may from time to time revise his identification of such areas, which revisions shall become effective in the same manner as herein provided for revisions in the boundaries of the park.

(b) It is the express intent of the Congress that the Secretary shall substantially complete the acquisition of the lands, improvements, waters, or interests therein identified for the critical purposes referred to in subsection (c) within five years after the date of enactment of this Act, and during such five-year period funds appropriated for the acquisition of property within the park may be used only for acquisition of the lands, improvements, waters, and interests therein so identified.

SEC. 3. (a) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal agency, or exchange: lands, improvements, waters, or interests therein which are located within the boundaries of the parks: *Provided,* That any lands or waters or improvements or interests therein owned by the State of California or any political subdivision thereof may be acquired only by donation. Notwithstanding any other provisions of law, any Federally owned lands within the park shall, with the concurrence of the head of the administering agency, be transferred to the administrative jurisdiction of the Secretary for the purposes of this Act, without a transfer of funds.

(b) With respect to improved properties, as defined in this section, the Secretary may acquire scenic easements or such other interests as, in his judgment, are necessary for the purposes of the park. Fee title to such improved properties shall not be acquired

unless the Secretary finds that such lands are being used, or are threatened with uses, which are detrimental to the purposes of the park or unless such acquisition is necessary to fulfill the purposes of this Act.

(c) When any tract of land is only partly within the boundaries of the park, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severence costs. Land so acquired outside of the boundaries may be exchanged by the Secretary for non-Federal lands within the boundaries; any portion of the land acquired outside the boundaries and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949, as amended: *Provided*, That no disposal shall be for less than the fair market value of the lands involved.

(d) For the purposes of this Act, the term "improved property" means: (1) a detached single family dwelling, the construction of which was begun before January 1, 1975 (hereafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures necessary to the dwelling which are situated on the land so designated, or (ii) property developed for agricultural uses, together with any structures accessory thereto which were so used on or before January 1, 1975. In determining when and to what extent a property is to be considered an "improved property", the Secretary shall take into consideration the manner of use of such buildings and lands prior to January 1, 1975, and shall designate such lands as are reasonably necessary for the continued enjoyment of the property in the same manner and to the same extent as existed prior to such date.

(e) The owner of an improved property, as defined in this Act, on the date of its acquisition, as a condition of such acquisition, may retain for himself, his heirs and assigns, a right of use and occupancy of the improved property for noncommercial residential or agricultural purposes, as the case may be, for a definite term of not more than twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated, the Secretary shall pay to the owner the fair market value of the property on the date of its acquisition, less the fair market value of that right of use and occupancy on that date retained by the owner. A right retained by the owner pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon notification by the Secretary to the holder of the right of such determination and tendering to him the amount equal to the fair market value of that portion which remains unexpired.

(f) In exercising his authority to acquire property under this Act, the Secretary shall give prompt and careful consideration to any offer made by an individual owning property within the park to sell such property, if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in undue hardship.

Section 4. (a) As soon as practicable, but not later than one year after the enactment of this Act, the Secretary, after notice published at least fifteen days prior to the date thereof in at least one newspaper of general circulation in Los Angeles and one in the City of Ventura, shall hold a public hearing on the proposed park boundaries and shall, at least fifteen days prior to the hearing, publish in the Federal Register a map and other description of the proposed park.

(b) Commencing thirty days before the hearing referred to in subsection (a) the map and description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and in the offices of the General Services Administration in the Federal Office Building in West Los Angeles, California and in an appropriate building in the City of Ventura.

No alterations or amendments to park boundaries shall take effect until after a corresponding notice and public hearing and publication of such alteration or amendment in the Federal Register.

(c) Within 18 months after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committees on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed program which shall indicate:

(1) the lands and areas which he deems essential to the protection and public enjoyment of the park,

(2) the lands which he has previously acquired by purchase, donation, exchange, or transfer for the purpose of the park, and

(3) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

(b) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within five years after the date of its enactment.

Sec. 5. (a) The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he determines that lands, improvements, waters, and interests therein have been acquired in an amount sufficient to constitute an efficiently administerable unit for the purposes of this Act. Pending such establishment and thereafter, the Secretary shall administer property acquired for the purposes of this Act in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and he may use such other statutory authorities available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this Act.

(b) The authority of the Secretary of the Army to undertake or contribute to water resource development, including erosion control and flood control, on lands or waters within the park shall be exercised in accordance with plans which are mutually acceptable to the Secretary and the Secretary of the Army and which are consistent with both the purposes of this Act and the purposes of existing statutes dealing with water and related land resource development.

(c) Notwithstanding any other provision of law, the Secretary is authorized to accept donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of fund acquisition and providing services and facilities within the park.

(d) The Secretary may, on his own initiative, or at the request of any local government having jurisdiction over land located within or adjacent to the recreation area, assist and consult with the appropriate officers and employees of such local government in establishing zoning laws or ordinances which will assist in achieving the purposes of this Act. In providing assistance pursuant to this subsection, the Secretary shall endeavor to obtain provisions in such zoning laws or ordinances which—

(1) have the effect of limiting the non-compatible commercial and industrial use of all real property adjacent to the park;

(2) aid in preserving the character of the park by appropriate restrictions on the use of real property in the vicinity including, but not limited to, restrictions upon: building and construction of all types; signs and billboards; the burning of cover; significant modifications of natural habitat types; grading and removal of topsoil, sand, or gravel; dumping, storage, or piling of refuse; or any other use which would detract from the aesthetic character of the park; and

(3) have the effect of providing that the Secretary shall receive notice of any hearing for the purpose of granting a variance and any variance granted under, and of any exception made to, the application of such law or ordinance.

Sec. 6. (a) There is hereby established the Santa Monica Mountains and Seashores National Urban Park Advisory Commission (hereinafter referred to as the "Commission"). The Commission shall terminate ten years after the date of establishment of the park.

(b) The Commission shall be composed of fifteen members appointed by the Secretary for terms of three years each.

(c) Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) Members of the Commission shall serve without compensation, as such, but the Secretary may pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this Act.

(e) The Secretary, or his designee, shall, from time to time, but at least annually, meet and consult with the Commission on general policies and specific matters related to planning, administration and development affecting the park.

(f) The Commission shall act and advise by affirmative vote of a majority of the members thereof.

Section 7(a). The Secretary, in cooperation with the State of California and affected political subdivisions thereof, local and regional transportation agencies, relevant advisory groups, and the Secretary of Transportation, shall make a study for a coordinated public and private transportation system to and within the park and other units of the national park system in Los Angeles and Ventura Counties.

(b) The Secretary shall inventory and evaluate all sites and structures in the park having present and potential archeological, historical, cultural, or scientific significance and shall provide for appropriate programs for the preservation, restoration, interpretation, and utilization of them.

Sec. 8. (a) Subject to the provisions of subsection (b) of this section, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) For the development of essential public facilities there are authorized to be appropriated not more than $500,000. Within one year from the date of establishment of the park pursuant to this Act, the Secretary shall, after consulting with the Governor of the State of California, develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the development of the park consistent with the objectives of this Act, indicating:

(1) the facilities needed to accommodate the health, safety, and recreation needs of the visiting public;

(2) the location and estimated cost of all facilities; and

(3) the projected need for any additional facilities within the area.

By Mr. THURMOND (for himself, Mr. HARTKE, and Mr. HANSEN):

S. 760. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans Employment, and for other purposes. Referred to the Committee on Veterans' Affairs.

Mr. THURMOND. Mr. President, on behalf of the chairman of the Senate Veterans' Affairs Committee, Senator HARTKE, the ranking minority Member, Senator HANSEN, and myself, I am today introducing a bill to create the position of Assistant Secretary of Labor for Veterans Employment.

The magnitude of the current unemployment situation has hit the young and disabled veterans particularly hard. Priority in employment is one of the special benefits which the law provides for our veterans.

Unfortunately, the current rate of unemployment for veterans between the ages of 20–24 has reached 19.7 percent. I am deeply disturbed that the employment needs of veterans, particularly disabled and younger Vietnam veterans, have not been met.

The Veterans Employment Service is charged by law with the responsibility of implementing and administering an effective national program for job counseling, placement, and training of veterans. Substantial authority and staffing are required to continue to meet our obligations to these young men. Additional responsibilities for the Veterans Employment Service were contained in the recently enacted "GI bill" education amendments.

Mr. President, it is of great concern to me that the Director of Veterans Employment in the Manpower Administration is located at such a low level in the Department of Labor at the present time that it is impossible to carry out effectively the congressional mandates. I would hope that the institutional rank of this position would be commensurate with the great responsibility with which the office is charged. An Assistant Secretary of Labor for Veterans Employment would have a stronger, more effective hand in dealing with employment problems in governmental and private sectors.

Effective administrative implementation of the employment laws is one of the keys to a resolution of the employment problems. A stronger institutional role in Government policymaking for the Veterans Employment Service would help solve some of the employment problems which have beset our economy.

Mr. President, the economic security of America's 29 million living veterans is essential for our total economy to prosper. Together with their dependent survivors, they represent almost half of our population. The well-being of the veteran is interwoven with the economic prosperity for all.

This matter has been of great concern to the major veterans organizations for many years.

Mr. President, I ask unanimous consent that copies of the pertinent resolutions adopted at the national conventions of the American Legion, Veterans of Foreign Wars, and Disabled American Veterans be included in the RECORD at the end of my remarks. I strongly concur in these recommendations, and urge my colleagues to give most careful consideration to a course of action to create the position of Assistant Secretary of Labor for Veterans Employment.

Mr. President, I send the bill to the desk for appropriate reference, and ask unanimous consent that the text appear in the RECORD at the conclusion of my remarks.

There being no objection, the bill and material was ordered to be printed in the RECORD, as follows:

S. 760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of April 17, 1946 as amended (29 U.S.C. 553), is amended by—

(1) striking out "five" in the first sentence of such section and inserting in lieu thereof "six"; and

(2) adding at the end thereof a new sentence as follows: "One of such Assistant Secretaries shall be an Assistant Secretary of Labor for Veterans' Employment."

Sec. 2. There is hereby created within the Department of Labor a separate agency to be known as the Veterans' Employment Service which shall be headed by the Assistant Secretary of Labor for Veterans' Employment. Such Service shall be responsible for carrying out the policies and purposes of chapter 41 of title 38, United States Code, and such other functions as may be required by law.

Sec. 3. Paragraph (20) of section 5315 of title 5, United States Code, is amended by striking out "(5)" and inserting in lieu thereof "(6)".

[EXHIBIT 1.]

NATIONAL EXECUTIVE COMMITTEE MEETING OF THE AMERICAN LEGION HELD OCTOBER 9–10, 1974

RESOLUTION NO. 13

Commission: Economic.

Subject: Seek legislation to the effect that the Director of the Veterans Employment Service be an Assistant Secretary of Labor for Veterans Employment

Whereas, Approximately one-half million Vietnam era veterans are being discharged annually; and

Whereas, The rate of unemployment among Vietnam era veterans is higher than the rate of unemployment of non-veterans of the same age and educational level; and

Whereas, The American Legion is mandated by its constitution and by-laws to assist all veterans in their efforts to obtain gainful employment; and

Whereas, Over the years much legislation has been passed by the Congress expressing a belief in the importance and urgency of special efforts to assist veterans in job placement and training opportunities, setting up for this purpose a Veterans Employment Service in the Department of Labor; and

Whereas, The recent enactment by Congress of PL 92-540 has greatly increased the responsibilities and duties of the Veterans Employment Service; and

Whereas, Under the present organization of the Department of Labor, the director of the veterans employment program must direct and expend much energy in going through Department of Labor channels, as well as in directing and evaluating a nationwide Veterans Employment Service; now, therefore be it

Resolved, By the National Executive Committee of The American Legion, in regular meeting assembled in Indianapolis, Indiana on October 9–10, 1974, that The American Legion seek Federal legislation to the effect that:

(1) the position of Director of Veterans Employment Service be elevated to Assistant Secretary of Labor for Veterans Employment;

(2) the Veterans Employment Service shall be a separate organizational entity in the Department of Labor and shall be funded separately;

(3) the local Veterans Employment Representatives shall remain under the direct functional supervision of the State Veterans Employment Representative and shall not be delegated any duties other than those directly related to serving veterans;

(4) the Assistant Secretary of Labor for Veterans Employment shall encourage the states to prescribe the job qualifications and descriptions for the local Veterans Employment Representatives (who are state employees) in conformity with PL 92–540;

(5) it shall be the duty of the state Veterans Employment Representative to exercise all possible means necessary to promote the employment of veterans; and

(6) nothing contained in this Act shall in any way adversely affect any officer or employee of the Veterans Employment Service nationally or in the field.

[EXHIBIT 2]

RESOLUTION NO. 721

RECOMMEND APPOINTMENT OF DIRECTOR OF VETERANS EMPLOYMENT SERVICE AS ASSISTANT SECRETARY OF LABOR

Whereas, eleven million or more Vietnam veterans have been discharged; and

Whereas, the rate of unemployment among Vietnam veterans is greater than and significantly higher than the rate of unemployment of the same age and educational level of non-Vietnam veterans; and

Whereas, the Veterans of Foreign Wars are mandated by their Constitution and By-Laws to assist all veterans in their efforts to obtain gainful employment; and

Whereas, the Veterans Employment Service is charged by law with the responsibility of aiding veterans seeking and maintaining gainful employment; and

Whereas, the Veterans Employment Service should be staffed so that they adequately perform their statutory obligation; now, therefore be it

Resolved, by the 75th National Convention of the Veterans of Foreign Wars of the United States, that we seek Federal legislation and implementation of existing legislation to the effect that:

(1) the Director of Veterans Employment Service be assigned as an Assistant Secretary of Labor;

(2) the Veterans Employment Service shall be an autonomous division in the Department of Labor, and shall be separately funded;

(3) the local Veterans Employment Representatives shall be delegated no duties other than those directly related to serving veterans so far as is possible;

(4) the Assistant Secretary of Labor for Veterans' Services shall prescribe the job qualifications and descriptions for the local Veterans Employment Representatives;

(5) it shall be the duty of the Federal Veterans Employment Representatives to exercise all possible means necessary to promote the employment of veterans;

(6) nothing contained in this resolution shall in any way adversely affect any officer

or employee of the Veterans Employment Service nationally or locally, and they shall have priority of employment in the new Department established.

[EXHIBIT 3]

RESOLUTION 010

Whereas, seven million or more Vietnam veterans have been discharged, and

Whereas, the rate of unemployment among Vietnam veterans is greater than, and significantly higher than the rate of unemployment of the same age and educational level of non-Vietnam veteran, and

Whereas, the Disabled American Veterans are mandated by their Constitution and By-Laws to assist all veterans, especially disabled veteran, in their efforts to obtain gainful employment, and

Whereas, the Veterans Employment Service is charged by law with the responsibility of aiding Veterans seeking and maintaining gainful employment, and

Whereas, the Veterans Employment Service Headquarters and field operations should be staffed so that they can adequately perform their statutory obligation, now therefore, be it

Resolved, That we seek Federal legislation and implementation of existing legislation to the effect that:

(1) the Director of Veterans Employment Service be assigned as an Assistant Secretary of Labor,

(2) the Veterans Employment Service shall be an autonomous division in the Department of Labor, and shall be funded separately,

(3) the local Veterans Employment Representatives shall not be delegated duties other than those directly related to serving veterans so far as possible,

(4) the Assistant Secretary of Labor for Veterans' Services shall prescribe the job qualifications for the local Veterans Employment Representatives,

(5) it shall be the duty of the Federal Veterans Employment Representative to exercise all possible means necessary to promote the employment of veterans and to assist in the implementation of Mandatory Job Listing provisions for all federal contractors.

(6) nothing contained in this resolution shall in any way adversely affect any officer or employee of the Veterans Employment Service nationally or locally, and they shall have priority of employment in the new department established.

By Mr. BELLMON:

S. 761. A bill to amend the National Environmental Policy Act of 1969 in order to encourage the establishment of, and to assist State and regional environmental centers. Referred to the Committee on Interior and Insular Affairs.

ENVIRONMENTAL CENTERS ACT OF 1975

Mr. BELLMON. Mr. President, today I am introducing the Environmental Centers Act of 1975 to create a network of environmental centers to conduct research on and monitoring of environmental problems at the State or regional level. This bill was passed by the Senate on June 12, 1974. It was passed by the 92d Congress as part of a bill containing other legislative features, and it suffered a pocket veto.

Mr. President, Congress has been generous with the Federal Establishment in providing funds to conduct national research on the environment. Certainly Congress needs the best knowledge and data it can get on the standards which it is setting nationwide to clean up the air and water. State and local governments, faced with the need to make similar decisions, need the same facts relating to their States or communities. The Environmental Centers Act of 1975 will provide a way to get such information.

Too often, Federal authorities are requiring State and local governments as well as private groups to meet certain standards, but no effort has been made to provide the information as to how these requirements can be met. Also too often, States and localities have environmental problems that the Federal Establishment dismisses as of purely local concern. The sum of these local problems is of national significance.

Therefore, I believe it is essential that these jurisdictions be equipped, modestly, to address these problems in an informed manner on the basis of local concern.

Let us talk a little about what this measure will and will not do.

It will not provide a lot of money to build new buildings and research establishments. It will provide some money for the Governor of each State, or possibly several States together, to designate an existing educational institution or institutions to carry out research, train professionals and coordinate existing private and public research efforts in fields that are of prime environmental concern to the State or region. This bill in its emphasis on decisionmaking at the State and local level actually translates new federalism concepts into the research and development area.

Mr. President, I am most hopeful that this is a bill whose time has finally come. It is meritorious. We need it now. The States and localities need it now. The public deserves it now.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be ctied as the "Environmental Centers Act of 1975."

DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

(3) The term "educational institution" means a public or private institution of higher education, or a consortium of public or private institutions of higher education.

(4) The term "State enviromnental center" means an organization which, on a statewide basis, carries out and coordinates research, training, and information dissemination; assists State and local governments; and performs other functions described in section 6 of this Act related to the protection and improvement of the environment.

(5) The term "regional environmental center" means an organization which, on an interstate basis, undertakes and coordinates research, training, and information dissemination; assists State and local governments; and performs other functions described in section 6 of this Act related to the protection and improvement of the environment.

(6) The term "environmental center" means a State environmental center established pursuant to this Act.

(7) The term "other research facilities" means the research facilities of (A) any educational institution in which a State environmental center is not located and which does not directly participate in a regional environmental center, (B) public or private foundations and other institutions, or (C) private industry.

POLICY AND PURPOSES

SEC. 3. (a) It is the policy of the Congress to support basic and applied research, planning, management, education, and other activities necessary to maintain and improve the quality of the environment through the establishment of interdisciplinary environmental centers, in cooperation with and among the States, and thereby to achieve a more adequate program of environmental protection and improvement within the States, regions, and Nation. It is hereby recognized that research, planning, management, and education in environmental subjects are necessary to establish an environmental balance in local, State, and regional areas to assure the Nation of a quality environment.

(b) The purposes of this Act are to stimulate, sponsor, provide for, and supplement existing programs for the conduct of basic and applied research, investigations, and experiments relating to the environment; to provide for comprehensive study of environmental problems of particular importance to the several States; to provide for the widest dissemination of environmental information; to assist in the training of professionals in fields related to the protection and improvement of the Nation's environment; to provide for coordination of the above activities; and to authorize and direct the Administrator to cooperate with the several States for the purpose of encouraging and assisting them in carrying out the activities described above having due regard to the varying conditions and needs of the respective States.

DESIGNATION AND APPROVAL OF ENVIRONMENTAL CENTERS

SEC. 4. (a) The Administrator may provide financial assistance under this Act for the purpose of enabling any State, if such State does not participate in a regional environmental center receiving funds under this Act, to establish and operate one State environmental center if—

(1) such State environmental center is, or will be—

(A) located at any educational institution within the State; and

(B) administered by such educational institution;

(2) such educational institution is designated by the Governor of the State; and

(3) the Administrator determinea that such State environmental center—

(A) meets, or will meet, the requirements set forth in section 5 of this Act; and

(B) has, or will have, the capability to carry out the functions set forth in section 6 of this Act.

(b) The Administrator may provide financial assistance under this Act for the purpose of enabling two or more States, if none of such States has a State environmental center assisted under this Act, to establish and operate a regional environmental center if—

(1) such regional environmental center is, or will be—

(A) located at an educational institution within one of such States, or in educational institutions within two or more of such States if such institutions agree to operate jointly as the regional environmental center; and

(B) administered by such educational institution or institutions;

(2) such educational institution in each State is designated by the Governor of the State to participate in the regional environmental center; and

(3) the Administrator determines that such regional environmental center—

(A) meets, or will meet, the requirements set forth in section 5 of this Act; and

(B) has, or will have, the capability to carry out the functions set forth in section 6 of this Act.

(c) Each Governor, in designating an educational institution to be a State environmental center or to participate in a regional environmental center, shall take into account those institutions of higher education in the State which, at that time, are carrying out environmentally related research and education programs; and shall, insofar as possible, avoid duplication of such programs.

ELIGIBILITY REQUIREMENTS FOR ENVIRONMENTAL CENTERS

SEC. 5. Each environmental center shall—

(1) be organized and operated so as to coordinate, support, augment, and implement programs contributing to the protection and improvement of the local, State, regional, and national environment;

(2) have (A) a chief administrative officer, hereinafter referred to as the "Director: and (B) a treasurer who shall carry out the duties specified in section 11 of this Act, each of whom shall be appointed by the chief executive officers of the educational institutions concerned, in the case of a regional environmental center.

(3) have a nucleus of administrative, professional, scientific, technical, and other personnel capable of planning, coordinating, and directing interdisciplinary programs related to the protection and improvement of the local, State, regional, and national environment;

(4) be authorized to employ personnel to carry out appropriate research, planning, management, and education programs;

(5) be authorized to make contracts and other financial arrangements necessary to implement subsection (b) of section 6 of this Act; and

(6) make available to the public all data, publications, studies, reports, and other information which result from its programs and activities, except information related to matters described in section 552(b)(4) of title 5, United States Code.

FUNCTIONS OF ENVIRONMENTAL CENTERS

SEC. 6. (a) Each environmental center shall be responsible for the following functions—

(1) the planning and implementing of research, investigations, and experiments relating to the study and resolution of environmental pollution, natural resource management, environmental health, and other local, State, and regional environmental problems and opportunities;

(2) the training of environmental professionals through such research, investigations, and experiments, which training may include, but is not limited to, biological, ecological, geographic, geological, engineering, economic, legal, energy resource, natural resource, and land use planning, social, recreational, and other aspects of environmental problems;

(3) the establishment, operation, and maintenance of a comprehensive environmental education program directed at the widest possible segment of the population, which program may include, but is not limited to, public school curricula development, undergraduate degree programs, graduate programs, nondegree college level course work, professional training, short courses, workshops, and other educational activities directed toward professional training and general education;

(4) the widest possible dissemination of useful and practical information on subjects relating to the protection and enhancement of the Nation's environment and the establishment and maintenance of a reference service to facilitate the rapid identification, acquisition, retrieval, dissemination, and use of such information;

(5) the coordination of efforts in the several areas required to achieve the purposes and objectives of this Act; and

(6) the submission, on or before September 1 of each year, of a comprehensive report of its program and activities during the immediately preceding fiscal year to the relevant Governor or Governors, the Administrator, and the Environmental Centers Research Coordination Board established under section 9 of this Act.

(b)(1) Each environmental center is encouraged to contract with other environmental centers and with other research facilities to undertake any function listed in subsection (a) of this section in order to achieve the most efficient and effective use of institutional, financial, and human resources.

(2) Each environmental center is encouraged to make grants, contracts, and cooperative agreements through fund matching or other arrangements with—

(A) other environmental centers, research facilities, and individuals the training, experience, and qualifications of which or whom are, in the judgment of the Director, adequate for the conduct of specific projects to further the purposes of this Act; and

(B) local, State, and Federal agencies to undertake research, investigations, and experiments concerning any aspects of environmental problems related to the mission of the environmental center and the purposes of this Act.

(c) In the carrying out of the functions described in clauses (a) (3) and (4) of this section, the services of private enterprise firms active in the fields of information, technical services, publishing multimedia or educational materials, and broadcasting are to be utilized whenever feasible so as to avoid creating Government competition with private enterprise and to achieve the most efficient use of public funds in fulfilling the purposes of this Act.

AUTHORIZATION OF APPROPRIATIONS FOR GRANTS

SEC. 7. (a) There is authorized to be appropriated for grants to environmental centers for the purposes of this Act $7,000,000 the first full fiscal year following the enactment of this Act; $10,000,000 for the second full fiscal year following the enactment of this Act; $15,000,000 for the third full fiscal year following the enactment of this Act; and $20,000,000 for each of the next two fiscal years. The sums authorized for appropriation pursuant to this subsection shall be dispersed in equal shares to the environmental centers by the Administrator, except that each regional environmental center shall receive the number of shares equal to the number of States participating in such regional environmental center: *Provided*, That sums allocated under this subsection in each fiscal year after the third full fiscal year following the enactment of this Act shall be made available only to those environmental centers for which the participating States provide $1 for each $2 provided under this subsection.

(b) In addition to the sums authorized by subsection (a) of this section, there is further authorized to be appropriated $10,000,000 for each of the three full fiscal years following the enactment of this Act; and $15,000,000 for each of the two succeeding fiscal years, which shall be allocated by the Administrator, after consultation with the Environmental Centers Research Coordination Board, to the environmental centers on the following basis; one-fourth based on population using the most current decennial census, one-fourth based on the amount of each State's total land area, and one-half based on the assessment of the Administrator with respect to (1) the nature and relative severity of the environmental problems among the areas served by the several environmental centers, and (2) the ability and willingness of each center to address itself to such problems within its respective area; except that sums allocated under this subsection shall be made available only to those environmental centers for which the States concerned provide $1 for each $2 provided under this subsection.

(c) In addition to the sums authorized to be appropriated under subsections (a) and (b) of this section, there is authorized to be appropriated for each of the five full fiscal years following the enactment of this Act, such sums as may be necessary to provide to each regional environmental center during each of such fiscal years an amount of money to 10 per centum of the funds which will be disbursed and allocated to such center during that fiscal year by the Administrator under such subsections (a) and (b).

(d) Not less than 10 per centum of any sums allocated to an environmental center shall be expended only in support of work planned and conducted on interstate or regional programs.

AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATION

SEC. 8. There is authorized to be appropriated $1,000,000 for each of the five full fiscal years after the enactment of this Act, to be used by the Administrator solely for the administration of this Act and to carry out the purposes of section 9 of this Act.

ENVIRONMENTAL CENTERS RESEARCH COORDINATION BOARD

SEC. 9. (a) There is established the Environmental Centers Research Coordination Board (hereinafter referred to in this section as the "Board"), for the purposes of assisting the Administrator with program development and operation, consisting of the following sixteen members—

(1) a Chairman, who shall be the Administrator;

(2) one representative each from (A) the Council on Environmental Quality; (B) the National Science Foundation; (C) the Department of the Interior; (D) the Department of Agriculture; and (E) the National Institute of Health;

(3) five members, appointed by the Administrator, each of whom shall be the Director of a State or regional environmental center authorized in this Act, and who shall be selected to represent the widest possible geographic cross section of the Nation; and

(4) five members, appointed by the Administrator, who shall be appointed on the basis of their abilities to represent the views of (A) State government; (B) private industry; (C) the public academic community; (D) the private academic community; and (E) not-for-profit organizations the primary objective of which is the improvement of environmental quality.

(b) Selection of Board members pursuant to clause (a) (2) of this section shall be made by heads of the respective entities after consultation with the Administrator.

(c) The Chairman of the Board may designate one of the members of the Board as Acting Chairman to act during his absence.

(d) The Board shall undertake a continuing review of the programs and activities of all environmental centers assisted under this Act and make such recommendations as it deems appropriate to the Administrator and the relevant Governors with respect to the improvement of the programs and activities of the several centers. The Board shall, in

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conducting its review, give particular attention to finding any unnecessary duplication of programs and activities among the several environmental centers and shall include in its recommendations suggestions for minimizing such duplications. The Board shall also coordinate its activities under this section with all appropriate Federal agencies and may coordinate such activities with such State and local agencies and private individuals, institutions, and firms as it deems appropriate.

(e) The Board shall meet at least four times each year. The members of the Board who are not regular full-time officers or employees of the United States shall, while carrying out their duties as members, be entitled to receive compensation at a rate fixed by the Administrator, but not exceeding $100 per diem, including traveltime, and, while away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence as authorized by law for persons intermittently employed in Government service.

ENVIRONMENTAL CENTER ADVISORY BOARDS

SEC. 10. (a) The Governor of each State having a State environmental center assisted under this Act, and the Governors of States participating in each regional environmental center assisted under this Act, shall appoint, after consultation with the Director of the environmental center concerned, an advisory board which shall—

(1) advise such environmental center with respect to the activities and programs conducted by the center and the coordination of such activities and programs with the environmental protection and enhancement activities and programs of Federal, State, and local governments, of other educational institutions (whether or not directly participating in an environmental center assisted under this Act), and of private industry; and

(2) make such recommendations as it deems appropriate regarding—

(A) the implementation and improvement of the research, investigations, experiments, training, environmental education, information dissemination, and other activities and programs undertaken by the environmental center; and

(B) new activities and programs which the environmental center should undertake or support.

(b) All recommendations made by an advisory board pursuant to clause (a) (2) of this section shall be promptly transmitted to the Governor or Governors concerned, the Director of the environmental center, the chief executive officer of each educational institution in which the environmental center is located, and the Administrator.

(c) Any recommendations made by an advisory board pursuant to clause (a) (2) of this section shall be responded to, in writing, by the Director of the environmental center within one hundred and twenty days after such recommendations are received. In any case in which any such recommendation is not followed or adopted by the Director, he, in his response, shall state, in detail, the reason why the recommendation was not, or will be, followed or adopted.

(d) All recommendations made by an advisory board pursuant to clause (a) (2) of this section, and all responses by the Director thereto, shall be matters of public record and shall be available to the public at all reasonable times.

(e) (1) Each advisory board appointed pursuant to this section shall have not to exceed fifteen members consisting of representatives of—

(A) the agencies of the relevant State or States which administer laws and programs relating to environmental protection or enhancement;

(B) the educational institution or institutions in which the environmental center is located;

(C) the business and industrial community; and

(D) not-for-profit organizations, the primary objective of which is the improvement of environmental quality, and other public interest groups.

The Director of the environmental center shall be an ex officio member of the advisory board. Each advisory board shall elect a chairman from among its appointed members.

(2) The term of office of each member appointed to any advisory board shall be for three years; except that of the members initially appointed to any advisory, the term of office of one-third of the membership shall be for one year, the term of office of one-third of the membership shall be for two years, and the term of office of the remaining members shall be for three years.

(f) Each advisory board appointed pursuant to this section shall meet not less than once each year.

(g) Funds provided under section 7 of this Act may be used to pay the travel and such other related costs as shall be authorized by the Director of the environmental center which are incurred by the members of each advisory board incident to their attendance at meetings of the advisory board or its official committees; except that the amount of travel and related costs paid under this subsection to any member of an advisory board with respect to his attendance at any meeting of the Advisory Board may not exceed the amount which would be payable to such member if the law relating to travel expenses for persons intermittently employed in Government service applied to such member.

MISCELLANEOUS

SEC. 11. (a) Sums made available for allotment to the environmental centers under this Act shall be paid in quarterly installments during each fiscal year. Each treasurer appointed pursuant to clause (2) of section 5 of this Act shall receive an account for all funds paid to the environmental center under the provisions of the Act and shall transmit, with the approval of the Director, to the Administrator on or before the first day of September of each year, a detailed statement of the amount received under provisions of this Act during the preceding fiscal year and its disbursement, on schedules prescribed by the Administrator. If any of the moneys received by the authorized receiving officer of the environmental center under the provisions of this Act shall be found by the Administrator to have been improperly diminished, lost, or misapplied, they shall be replaced by the environmental center concerned and until so replaced no subsequent appropriations shall be allotted or paid pursuant to this Act to that environmental center.

(b) Moneys appropriated under this Act, in addition to being available for expenses incurred in research, investigations, experiments, education, and training conducted under authority of this Act, shall also be available for printing and publishing of the results thereof.

(c) Any environmental center which received assistance under this Act shall make available to the Administrator and the Comptroller General of the United States, or any of their authorized representatives, for purposes of audit and examination, any books, documents, papers, and records which are pertinent to the assistance received by such environmental center under this Act.

DUTIES OF ADMINISTRATOR

SEC. 12. The Administrator shall—

(1) prescribe such rules and regulations as may be necessary to carry out the provisions and purposes of this Act;

(2) indicate to the environmental centers from time to time such areas of research and investigation as to him seem most important, and encourage and assist in the establishment and maintenance of cooperation among the several environmental centers;

(3) report on or before January 1 of each year to the President and to Congress regarding the receipts and expenditures and work of all the environmental centers assisted under the provisions of this Act and also whether any portion of the appropriations available for allotment to any environmental center has been withheld, and, if so, the reason therefor; and

(4) undertake a continuing survey, and report thereon to Congress on or before January 1 of each year, with respect to—

(A) the interrelationship between the types of programs conducted by environmental centers pursuant to this Act; and

(B) ways in which the activities provided for in this Act for improving the Nation's environment may be integrated with other environmentally related Federal programs. The Administrator shall include in any report required under this paragraph any recommendations he deems appropriate to achieve the purposes of this Act.

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 764. A bill to provide for the reclamation of abandoned coal mine lands and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. HUGH SCOTT. Mr. President, there is a blight on our land today as a result of early strip mining practices. Over 2.5 million acres nationwide are nonproductive and useless because of past inattention to the need for reclamation. The Commonwealth of Pennsylvania has 478,000 acres of land which need to be rehabilitated.

I am delighted that Pennsylvania took the lead a number of years ago in State regulation. We now have the strongest surface mining laws in the Nation, and it is heartening that other States have used the Pennsylvania law as a model.

For these reasons, I have enthusiastically backed efforts to produce national strip mine legislation. I was sorry to see this bill vetoed at the end of the last Congress.

The House and Senate are now in the process of reviewing new legislation in this area. I strongly disagree with the portion of the legislation that would place a tax on each ton of coal to finance reclamation of old strip mined land.

There are three basic reasons why the proposed tax would be a mistake at this time. First, at a time of rising energy costs, it would place an additional burden on those who use coal. Clearly, the individual homeowner will have to pay more for the electricity produced by coal and higher prices on manufactured goods. Second, today's consumer of coal should not have to pay out of his pocket for the past 50 years of improper mining practices. And third, since coal as an energy source benefits all Americans, the cost of reclamation should be borne by everyone.

I am proposing a bill today to establish an abandoned coal mine reclamation fund. The trust fund, administered by the Secretary of the Interior, would receive money from the Treasury resulting from the sale and lease of Government land on the Outer Continental Shelf—OCR. The bill would appropriate $200 million each year for reclamation, and the fund would be similar to the existing land-water conservation fund. I believe this level of funding will be satisfactory to begin the job of reclaiming the 2.5 million acres that now lie unproductive.

I want to emphasize the idea was accepted as part of the House version of the strip mine legislation in the 93d Congress. It should, therefore, receive strong support this year. Congressman JOE MCDADE has already put the bill forward as H.R. 2827.

The coal tax in current proposals under study is not reasonable. It forces the small, individual consumer of coal to bear the burden of past mistakes. The Congress has an obligation to enact legislation that does not place undue hardships on individuals or groups.

I hope the Senate will accept my proposal as a viable alternative to the coal tax now under study.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ABANDONED COAL MINE RECLAMATION FUND

SECTION 1. (a) There is created on the books of the Treasury of the United States a trust fund to be known as the Abandoned Coal Mine Reclamation Fund (hereinafter referred to as the "fund") which shall be administered by the Secretary of the Interior.

(b) The fund shall consist of amounts deposited in the fund, from time to time, derived from—

(1) the sale, lease, or rental of land reclaimed pursuant to this Act;

(2) any user charge imposed on or for land reclaimed pursuant to this Act, after expenditures for maintenance have been deducted; and

(3) appropriations made to the fund, or amounts credited to the fund, under subsection (d).

(c) Amounts covered into the fund shall be available for the acquisition and reclamation of land under section 6, administration of the fund, acquisition, and filling of voids and sealing of tunnels, shafts, and entryways under section 7, and for use under section 5, by the Secretary of Agriculture, of up to one-fifth of the money deposited in the fund annually and transferred by the Secretary of the Interior to the Department of Agriculture for such purposes. Such amounts shall be available for such purposes only when appropriated therefor; and such appropriations may be made without fiscal year limitation.

(d) (1) In addition to the amounts deposited in the fund as specified in paragraphs (1) and (2) of subsection (b) there are authorized to be appropriated annually to the fund out of any money in the Treasury not otherwise appropriated, such amounts as are necessary to make the income of the fund not less than $200,000,000 for the fiscal year ending June 30, 1975, and for each fiscal year thereafter.

(2) To the extent that any such sums so appropriated are not sufficient to make the total annual income of the fund amount to $200,000,000 for each of such fiscal years, as provided in paragraph (1), an amount sufficient to cover the remainder thereof shall be credited to the fund from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act. Moneys covered into the fund under this paragraph shall remain in the fund until appropriated by the Congress to carry out the purposes of this Act.

OBJECTIVES OF FUND

SEC. 2. Objectives for the obligation of funds for the reclamation of previously mined areas shall reflect the following priorities in the order stated:

(a) the protection of health or safety of the public;

(b) protection of the environment from continued degradation and the conservation of land and water resources;

(c) the protection, construction, or enhancement of public facilities such as utilities, roads, recreation, and conservation facilities and their use;

(d) the improvement of lands and waters to a suitable condition useful in the economic and social development of the area affected; and

(e) research and demonstration projects relating to the development of surface mining reclamation and water quality control program methods and techniques in all areas of the United States.

ELIGIBLE LANDS

SEC. 3. The only land eligible for reclamation expenditures under this title are those which are mined for coal or which were affected by such mining, wastebanks, coal processing, or other mining processes, and abandoned or left in an inadequate reclamation status prior to the date of enactment of this Act, and for which there is no continuing reclamation responsibility under State or other Federal laws.

RECLAMATION RESPONSIBILITY

SEC. 4. (a) Mining operators shall eliminate continuing polluting discharges, mine or refuse bank fires, and conditions that present an imminent hazard to the environment or to the health or safety of the public, or mined lands where the mining operator has in the past conducted mining operations on or beneath the surface of the land, did adequately reclaim such land and, on or after the effective date of this Act, held the mineral or other rights to such land.

(b) After July 1, 1977, mining operators not in compliance with this section shall be subject to the procedures and penalties provided in title II of this Act.

RECLAMATION OF RURAL LANDS

SEC. 5. (a) In order to provide for the control and prevention of erosion and sediment damages from unreclaimed mined lands, and to promote the conservation and development of soil and water resources of unreclaimed mined lands and lands affected by mining, the Secretary of Agriculture is authorized to enter into agreements, of not more than ten years with landowners (including owners of water rights) residents and tenants, and individually or collectively, determined by him to have control for the period of the agreement of lands in question therein providing for land stabilization, erosion, and sediment control, and reclamation through conservation treatment, including measures for the conservation and development of soil, water (excluding stream channelization), woodland, wildlife, and recreation resources, of such lands. Such agreements shall be made by the Secretary with the owners, including owners of water rights, residents, or tenants (collectively or individually) of the lands in question.

(b) The landowners, including the owners of water rights, resident, or tenant shall furnish to the Secretary of Agriculture a conservation and development plan setting forth the proposed lands uses and conservation treatment which shall be mutually agreed by the Secretary of Agriculture and the landowner, including owner of water rights, resident, or tenant to be needed on the lands for which the plan was prepared. In those instances where it is determined that the water rights or water supply of a tenant, landowner, including owner of water rights, residents, or tenant have been adversely affected by a surface or underground coal mine operation which has removed or disturbed a stratum so as to significantly affect the hydrologic balance, such plan may include proposed measures to enhance water quality or quantity by means of joint action with other affected landowners, including owner of water rights, residents, or tenants in consultation with appropriate State and Federal agencies.

(c) Such plan shall be incorporated in an agreement under which the landowner, including owner of water rights, resident, or tenant shall agree with the Secretary of Agriculture to effect the land uses and conservation treatment provided for in such plan on the lands described in the agreement in accordance with the terms and conditions thereof.

(d) In return for such agreement by the landowner, including owner of water rights, resident, or tenant the Secretary of Agriculture is authorized to furnish financial and other assistance to such landowner, including owner of water rights, resident, or tenant in such amounts and subject to such conditions as the Secretary of Agriculture determines are appropriate and in the public interest for carrying out the land uses and conservation treatment set forth in the agreement. Grants made under this section shall not exceed 80 per centum of the cost of carrying out such land uses and conservation treatment on not more than thirty acres of land occupied by such owner including water rights owners, resident, or tenant, or on not more than thirty acres of land which has been purchased jointly by such land owners including water rights owners, residents, or tenant under an agreement for the enhancement of water quality or quantity or on land which has been acquired by an appropriate State or local agency for the purpose of implementing such agreement.

(e) The Secretary of Agriculture may terminate any agreement with a landowner including water rights owners, operator, or occupier by mutual agreement if the Secretary of Agriculture determines that such termination would be in the public interest, and may agree to such modification of agreements previously entered into hereunder as he deems desirable to carry out the purposes of this section or to facilitate the practical administration of the program authorized herein.

(f) Notwithstanding any other provision of law, the Secretary of Agriculture, to the extent he deems it desirable to carry out the purposes of this section, may provide in any agreement hereunder for (1) preservation for a period not to exceed the period covered by the agreement and an equal period thereafter of the cropland, crop acreage, and allotment history applicable to land covered by the agreement for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation on the production of such crop; or (2) surrender of any such history and allotments.

(g) The Secretary of Agriculture shall be authorized to issue such rules and regulations as he determines are necessary to carry out the provisions of this section.

(h) In carrying out the provisions of this section, the Secretary of Agriculture shall utilize the services of the Soil Conservation Service, and the State and local committees provided for in section 8(b) of the Soil Conservation and Domestic Allotment Act, and is authorized to utilize the facilities, services, and authorities of the Commodity Credit Corporation.

(1) Funds shall be made available to the Secretary of Agriculture for the purposes of this section, as provided in section 1(c).

ACQUISITION AND RECLAMATION OF ABANDONED AND UNRECLAIMED MINED LANDS

SEC. 6. (a)(1) The Congress hereby declares that the acquisition of any interest in land or mineral rights in order to eliminate hazards to the environment or to the health or safety of the public from mined lands, or to construct, operate, or manage reclamation facilities and projects constitutes acquisition for a public use or purpose, notwithstanding that the Secretary plans to hold the interest in land or mineral rights so acquired as an open space or for recreation, or to resell the land following completion of the reclamation facility or project.

(2) The Secretary may acquire by purchase, donation, or otherwise, land or any interest therein which has been affected by surface mining and has not been reclaimed to its approximate original condition. Prior to making any acquisition of land under this section, the Secretary shall make a thorough study with respect to those tracts of land which are available for acquisition under this section and based upon those findings he shall select lands for purchase according to the priorities established in section 2. Title to all lands or interests therein acquired shall be taken in the name of the United States. The price paid for land under this section shall take into account the unrestored condition of the land. Prior to any individual acquisition under this section, the Secretary shall specifically determine the cost of such acquisition and reclamation and the benefits to the public to be gained therefrom.

(3) For the purposes of this section, when the Secretary seeks to acquire an interest in land or mineral rights, and cannot negotiate an agreement with the owner of such interest or right he shall request the Attorney General to file a condemnation suit and take interest or right, following a tender or just compensation as awarded by a jury to such person. When the Secretary determines that time is of the essence because of the likelihood of continuing or increasingly harmful effects upon the environment which would substantially increase the cost or magnitude of reclamation or of continuing or increasingly serious threats to life, safety, or health, or to property, the Secretary may take such interest or rights immediately upon payment by the United States either to such person or into a court of competent jurisdiction of such amount as the Secretary shall estimate to be the fair market value of such interest or rights; except that the Secretary shall also pay to such person any further amount that may be subsequently awarded by a jury, with interest from the date of the taking.

(4) For the purposes of this section, when the Secretary takes action to acquire an interest in land and cannot determine which person or persons hold title to such interest or rights, the Secretary shall request the Attorney General to file a condemnation suit, and give notice, and may take such interest or rights immediately upon payment into court of such amount as the Secretary shall estimate to be the fair market value of such interest or rights. If a person or persons establishes title to such interest or rights within six years from the time of their taking, the court shall transfer the payment to such person or persons and the Secretary shall pay any further amount that may be agreed to pursuant to negotiations or awarded by a jury subsequent to the time of taking. If no person or persons establish title to the interest or rights within six years from the time of such taking, the payment shall revert to the Secretary and be deposited in the fund.

(5) States are encouraged to acquire abandoned and unreclaimed mined lands within their boundaries and to transfer such lands to the Secretary to be reclaimed under appropriate Federal regulations. The Secretary is authorized to make grants on a matching basis to States in such amounts as he deems appropriate for the purpose of carrying out the provisions of this title but in no event shall any grant exceed 90 per centum of the cost of acquisition of the lands for which the grant is made. When a State has made any such land available to the Federal Government under this title, such State shall have a preference right to purchase such lands after reclamation at fair market value less the State portion of the original acquisition price. Notwithstanding the provisions of paragraph (1) of this subsection, reclaimed land may be sold to the State or local government in which it is located at a price less than fair market value, which in no case shall be less than the cost to the United States of the purchase and reclamation of the land, as negotiated by the Secretary, to be used for a valid public purpose. If any land sold to a State or local government under this paragraph is not used for a valid public purpose as specified by the Secretary in the terms of the sales agreement then all right, title, and interest in such land shall revert to the United States. Money received from such sale shall be deposited in the fund.

(6) The Secretary shall prepare specifications for the reclamation of lands acquired under this section. In preparing these specifications, the Secretary shall utilize the specialized knowledge or experience of any Federal department or agency which can assist him in the development or implementation of the reclamation program required under this title and following the standards for reclamation set forth in this Act. The Secretary may, with the approval of the Administrator of the department or agency involved, call to his assistance temporarily any engineer or other personnel of any Federal department or agency. The engineers and employees shall not receive any additional compensation other than that which they receive from the department or agency by which they are employed, but they shall be reimbursed for their actual and necessary expenses incurred while working under the direction of the Secretary. The Secretary shall follow the consultation and notification procedures specified prior to the final approval of a reclamation plan.

(7) Any proposed reclamation contract shall be approved by the Secretary. Except as otherwise required by paragraph (8), the Secretary shall award each contract to the lowest qualified bidder after sealed bids are received, opened, and published at the time and place fixed by the Secretary and notice of the time and place at which the bids will be received, opened, and published, has been advertised at least once at least ten days before the opening of the bids, in a newspaper of general circulation in each county in which the area of land to be reclaimed under such contract is located. If no bids for the advertised contract are received at the time and place fixed for receiving them, the Secretary may advertise again, but he may, if he deems the public interest will be best served thereby, enter into a contract without further advertisement for bids. The Secretary may reject any or all bids received and may fix and publish again notice of the time and place at which new bids for the contract will be received, opened, and published.

(8) In selecting lands to be acquired pursuant to this section and in formulating regulations for the making of grants to the States to acquire lands pursuant to this title, the Secretary shall give priority to lands in this unreclaimed state which will meet the objectives as stated in section 402 above when reclaimed. For those lands which are reclaimed for public recreational use, the revenue derived from such lands shall be used first to assure proper maintenance of such funds and facilities thereon and any remaining moneys shall be deposited in the fund.

(9) Where land reclaimed pursuant to this section is deemed to be suitable for industrial, commercial, residential, or private recreational development, the Secretary may sell such land by public sale under a system of competitive bidding, at not less than fair market value and under other such regulations as he may promulgate to insure that such lands are put to a proper use, as determined by the Secretary. If any such land sold is not put to the use specified by the Secretary in the terms of the sales agreement, then all right, title, and interest in such land shall revert to the United States. Money received from such sale shall be deposited in the fund.

(10) The Secretary shall hold a public hearing, with the appropriate notice, in the county or counties or the appropriate subdivisions of the State in which lands acquired to be reclaimed pursuant to this title are located. The hearing shall be held at a time which shall afford local citizens and governments the maximum opportunity to participate in the decision concerning the use of the lands once reclaimed.

(b)(1) The Secretary is authorized to use money in the fund to acquire, reclaim, develop, and transfer land to any State, or any department, agency, or instrumentality of a State or of a political subdivision thereof, or to any person, firm, association, or corporation if he determines that such is an integral and necessary element of an economically feasible plan for a project to construct or rehabilitate housing for persons employed in mines or work incidental thereto, persons disabled as the result of such employment, persons displaced by governmental action, or persons, dislocated as the result of natural disasters or catastrophic failure from any cause. Such activities shall be accomplished under such terms and conditions as the Secretary shall require, which may include transfers of land with or without monetary consideration: *Provided*, That, to the extent that the consideration is below the fair market value of the land transferred, no portion of the difference between the fair market value and the consideration shall accrue as a profit to such person, firm, association, or corporation. Land development may include the construction of public facilities or other improvements including reasonable site work and offsite improvements such as sewer and water extensions which the Secretary determines necessary or appropriate to the economic feasibility of a project. No part of the funds provided under this title may be used to pay the actual construction costs of housing.

(2) The Secretary may carry out the purposes of this subsection directly or he may make grants and commitments for grants, and may advance money under such terms and conditions as he may require to any State, or any department, agency, or instrumentality of a State, or any public body or nonprofit organization designated by a State.

(3) The Secretary may provide, or contract with public and private organizations to provide information, advice, and technical assistance, including demonstrations, in furtherance of this subsection.

(4) The Secretary may make expenditures to carry out the purposes of this subsection, without regard to the provisions of section 403, in any area experiencing a rapid development of its coal resources which the Secretary has determined does not have adequate housing facilities.

FILLING VOIDS AND SEALING TUNNELS

SEC. 7. (a) The Congress declares that voids and open and abandoned tunnels, shafts, and entryways resulting from mining constitute a hazard to the public health or safety. The Secretary, at the request of the Governor of any State, is authorized to fill such voids and seal such abandoned tunnels, shafts, and entryways which the Secretary determines could endanger life and property or constitute a hazard to the public health or safety.

(b) In those instances where mine waste piles are being reworked for coal conservation purposes, the incremental costs of disposing of the wastes from such operations by filling voids and sealing tunnels may be eligible for funding providing that the disposal of these wastes meets the purposes of this section.

(c) The Secretary may acquire by purchase, donation, or otherwise such interest in land as he determines necessary to carry out the provisions of this section.

FUND REPORT

SEC. 8. Not later than January 1, 1976, and annually thereafter, the Secretary shall report to the Congress on operations under the fund together with his recommendations as to future uses of the fund.

By Mr. PERCY (for himself, Mr. RIBICOFF, Mr. NUNN, Mr. JAVITS, Mr. PROXMIRE, Mr. TOWER, Mr. JOHNSTON, Mr. MATHIAS, Mr. DOMENICI, Mr. BEALL, Mr. PHILIP A. HART, and Mr. ROTH):

S. 765. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Working Life; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and quality of working life; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes. Referred to the Committee on Government Operations.

NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE ACT

Mr. PERCY. Mr. President, the American economy is beset by distortions. Unemployment continues to rise. Inflation, while marginally declining, continues to sap our economic vitality, and tragically cut away at the incomes and well-being of all Americans.

One of the most disquieting economic trends I have observed, however, is the declining rate of America's productivity growth. Increasing output per man-hour is by definition the key to noninflationary real growth and a rising standard of living for all Americans. Yet, I must report that productivity statistics for the U.S. economy indicate a sharp drop in productivity during the past several quarters.

Since 1947 the average rate of productivity growth in the total private economy has been 3.2 percent. However, in the past 20 years, and for the past 10 and 5 years, the figures are 2.8 percent and 2.4 percent, respectively. In the past year—third quarter 1973 to third quarter 1974—the Nation's productivity has actually fallen by 2.5 percent.

Mr. President, these statistics send out a resoundingly clear message. American productivity is unacceptably low. As a result, the United States ranks ninth among all the industrialized nations in terms of its productivity gains. We must act now to improve our performance.

I have been encouraged by President Ford's pledge to revitalize the National Commission on Productivity and Work Quality in his major economic address to the Nation on October 8, particularly because I was an author of the legislation that gave the Productivity Commission its initial authorization in 1971, and again when the Commission was reauthorized in the 93d Congress.

The emphasis on productivity continues to be an important element of the national economic agenda. As Secretary William Simon testified on January 22 to the Ways and Means Committee:

> A most important tool in beating inflation is increased productivity. We need to encourage and facilitate conduct that will increase the supply of goods and services, so that the increased money supply that will surely flow from these deficits will be chasing an amount of goods and services that has also increased. Just getting back to pre-recession levels of goods and services is obviously not enough.

For these reasons I and other Members of the Senate have given a great deal of thought to ways in which to improve America's productivity performance as well as the quality of working life of the Nation's 87 million working men and women.

Even though I was an author of the legislation authorizing the existing National Commission on Productivity and Work Quality, legislation in which Senator JAVITS played a major role, I have come to the conclusion that the Commission is sadly lacking in statutory authority, and in funding. Operating on its current basis—only $2 million for this fiscal year—it has simply been unable to operate effectively to make inroads against the massive problem of boosting American productivity. It has almost of necessity been relegated to the role of funding studies, though it has done notable work in some key areas.

In December, the entire Republican Conference of the Senate recognized the importance of the Commission and its functions, and recommended that it be strengthened in the following terms:

> Increasing the productivity of American industry and labor is critical in order to raise output, combat inflation, and provide additional real purchasing power for the nation's workers. The National Commission on Productivity, which is now charged with promoting our productivity performance, must be revamped. It is at present inadequately funded to undertake the enormous task of reviewing the country's entire potential productivity capacity and removing the obstacles to improving it. Its funding should be increased to $10 million for fiscal year 1975. At the same time, the Commission should concentrate on creating joint labor/management committees in production and service facilities, and in state and local governments throughout the country, and seek such additional funds as are necessary to implement fully this objective. To achieve this, the Productivity Commission should establish a strong substructure of field offices in each Federal regional center.

For these reasons, I am today reintroducing, with important modifications, a bill to create a National Center for Productivity and Quality of Working Life. This Center would supersede the existing National Commission on Productivity and Work Quality, which is in the Executive Office of the President. This bill is therefore a successor to S. 4212, which I introduced in the last Congress with the cosponsorship of Senator NUNN, Senator RIBICOFF, Senator JAVITS, Senator MATHIAS, Senator DOMENICI, and Senator JOHNSTON.

This new bill, however, takes into account testimony received by the Committee on Government Operations on December 17 and 18, 1974. At that time, a number of witnesses representing business, labor, the Federal Government, State and local government, and universities and foundations gave strong testimony supporting the creation of the Center.

Deputy Secretary of the Treasury Gardner said that:

> The proposal for establishing a national productivity center, for setting up a program of capital grants and technical assistance delivered through existing educational and research institutions, and for identifying a positive national policy for stimulating productivity can all contribute to the national economic goals.

Comptroller General Staats pointed out that since 1970 the General Accounting Office has been a partner with the Office of Management and Budget, the Civil Service Commission, the Bureau of Labor Statistics, and more recently, the General Services Administration in fostering efforts to measure and enhance productivity in Federal activities. The present National Commission on Productivity and Work Quality has been very supportive, according to Mr. Staats, but a still stronger national organization would be of value in advancing these efforts.

The history of the National Commission on Productivity and Work Quality "has been one of constant struggle to maintain its identity and even minimal financial support for its efforts." Mr. Staats pointed out that the authorization of $2.5 million to the Commission by Congress "signifies a very minimal effort that can be pursued by this Commission."

The National Productivity Center should be an independent agency replacing the existing Productivity Commission and with direct and authoritative access to the Director of the Office of Management and Budget, the Council of Economic Advisers, "and to the heads of principal departments and agencies concerned."

"We—GAO—favor a small, but fully empowered Board of Directors, appointed by the President, confirmed by the Senate. Its membership as envisioned in S. 4212 should be representative of private sector management, public sector management, and labor."

The charter of mission of the Center should be broadly stated. The Comptroller General said that:

> We are particularly impressed with the definitions and mission goals presented in S. 4212 which stress the importance of equal emphasis on programs and projects designed to improve the utilization of technology on the one hand and those designed to achieve improvements in the utilization of human resources and work quality on the other hand.

With regard to our emphasis on quality of working life, Dwight Ink, Deputy Administrator of the General Services Administration, said:

> The work quality which is recognized by S. 4212 is exceedingly important. It is not just a useful relationship. It is essential. We believe the Committee is moving generally in the right direction, particularly with respect to S. 4212. We believe it is desirable to establish an independent agency, similar to that envisioned in S. 4212, either by revamping the existing Commission or a totally new organization.

At the committee's hearings, Mr. Peter Dicicco, vice president of the International Union of Electrical, Radio and Machine Workers, pointed out with eloquence and conviction that the goal of quality of work life should not be made subservient to the goal of productivity improvement. Mr. Dicicco suggested that:

> The benefits of quality of work life programs should not be solely contingent upon improved productivity. There is a great deal that shoud be done for the distinct purpose of improving the quality of work life simply because there is a need for that in itself.

We have modified the new bill to reflect Mr. Dicicco's important observations.

Another point must emphatically be made, in response to comments at the hearings by Mr. Bruce Thrasher to the effect that the new Federal productivity policy should be implemented by the now-existing National Commission on Productivity and Work Quality, and that creation of a new agency would only delay efforts "to come to grips with this vexing problem." We cannot too firmly assure that the Center this bill creates is only an effort to build upon the existing Commission. We are not extinguishing the Commission; we are transferring its activities and personnel to a new, stronger institution, with more adequate funding and a better organizational base with which to do the important work Mr. Thrasher described.

The bill does not, therefore, create still another new agency. It takes an existing agency and creates it in a new form, as an independent agency in the Executive Branch. The new Center would be administered by a board of 12 directors. The board members would include the Vice President, the Secretary of Commerce, the Secretary of Labor, the Secretary of the Treasury, three private members from industry, three private members representing labor, a representative of State and local government, and the Director of the Federal Mediation and Conciliation Service.

The function of the center would be to develop a national policy and to coordinate all efforts for the Federal Government that aim to increase productivity growth and improve the quality of working life in America. In line with President Ford's program to control inflation, the National Productivity and Work Quality Center is charged to study, examine, and identify all existing statutory and regulatory impairments to increased productivity growth and to recommend to Congress legislation which would remove such obstacles.

To carry out its functions, the center would have the authorization to make grants to private and public academic institutions, private industry, and labor unions to implement technological research programs, and to encourage programs for increased human resource utilization. Its fiscal year 1976 funding would be $5 million, increasing to $10 million in fiscal year 1977, $15 million in fiscal year 1978, and $20 million in fiscal years 1979 and 1080.

Thus, the new center would have several key missions. It would bend every effort toward creating labor/management cooperative efforts and increased quality of work in every plant across the country. It would promote productivity within Federal, State, and local governments, an area full of potential efficiency gains for the American people. It would identify structural obstacles to economic competition, thus carrying out one of the main elements of President Ford's economic summit message: that is, that we must begin a concerted, massive attack on the structural barriers to economic efficiency and competition that abound throughout the American economy.

Mr. President, I am delighted to be joined in this effort by the distinguished junior Senator from Georgia (Mr. NUNN), who also introduced a creative and important bill in the 93d Congress to improve the organization of the Nation's productivity effort, and by Senators RIBICOFF, MATHIAS, BEALL, JOHNSTON, TOWER, DOMENICI, HART of Michigan and JAVITS. Senator JAVITS has of course contributed with particular distinction in this field. I do not know of a stronger advocate for increased productivity through joint labor-management cooperation.

Mr. JAVITS. Mr. President, I am pleased to join today with the Senator from Illinois in cosponsoring this legislation. I believe that the establishment of an independent National Center on Productivity and Quality of Work Life is a most important endeavor.

Unlike other economic indicators in the United States which have only recently started to show a sharp downturn, the productivity of the American work force has been declining for the past 10 years. The United States ranks at the bottom of all the world's industrialized nations in our productivity performance since 1965. The decline in productivity is at least as responsible as continuing unchecked inflation for the erosion in the standard of living of the American worker.

The establishment of the center is a good step in the attempt to rejuvenate the vitality of the Government's efforts to increase productivity and to improve the work environment of American industry. With respect to the existing Commission, it is intended that the National Center for Productivity and Work Quality would have far greater statutory power to administer the Federal Government's effort to shore up the critical lag in American productivity growth. The center will be totally independent of all other governmental activities, but will have close links with the appropriate executive agencies by means of the membership on the Board of Directors of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce.

The Center will seek to maximize the activity and equal participation of American labor, industry and Federal, State and local governments, in an effort to develop a national policy for increased productivity growth and improved work quality. It would be my hope that the Center would serve as a national resource center, assisting in the establishment of a broad range of public and private initiatives to increase productivity and improve the quality of work life.

I laud the initiative taken here today by the Senator from Illinois, and it is my hope that the establishment of this Center will serve as but a first step in a continuing series of Federal activities to improve productivity and work quality. I am currently studying a variety of proposals which would establish specific Federal programs in such areas as profit sharing and employee stock ownership plans, skills development programs and continuing education programs which will serve to give the worker a tangible stake in his own output, and a rekindled interest in the environment of the workplace.

I am hopeful that the concept of local and regional productivity councils, in which labor and management engage in cooperative efforts to increase productivity to their mutual advantage will be incorporated into the basic framework of responsibility of the Center. I have introduced legislation calling for the establishment of 5,000 such councils. Two such joint ventures in my own State have proved most successful during the past 2 years. One project, in Jamestown, N.Y., is an areawide effort to coordinate activities aimed at improvement of the labor relations climate between private industries and local labor organizations. Several of the major local employers, and all of the unions representing employees in the area have been involved in the project. They have already made significant progress at upgrading the skill level of Jamestown workers, and in several cases have noted marked productivity increases through job redesign and scrap elimination programs.

In contrast to the private sector effort in Jamestown, government officials of Nassau County, N.Y., have established a multimunicipal productivity project involving the various local governmental units, and their employees in attempts at increasing worker efficiency. It is my great hope that successful projects such as these can and should be institutionalized on a broad basis.

The establishment of this national center is designed to coordinate such activities and to provide a resource center for participants in various projects to look to for technical assistance in implementing their work.

The fact of the matter is that this Nation's productivity performance is miserable. As I stated above, we rank at the bottom of the world's industrialized countries in productivity performance. Further, if you compare productivity increases in this country with our long term record, the blunt fact is that as we approach the present, our performance has been getting worse and worse. The establishment of this National Center for Productivity and Quality of Work Life is one step leading to improvement of our distressing performance.

By Mr. McINTYRE:

S.J. Res. 34. A joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day." Referred to the Committee on the Judiciary.

NATIONAL HUNTING AND FISHING DAY—1975

Mr. McINTYRE. Mr. President, I introduce for appropriate reference a joint resolution asking the President of the United States to declare the fourth Saturday of September—September 27, 1975—"National Hunting and Fishing Day."

I introduced the first National Hunting and Fishing Day resolution in 1972, the Congress passed it then and the President signed the legislation. The same occurred in 1973 and 1974.

The purpose of the proposal is simple, yet important. National Hunting and Fishing Day gives recognition to the responsible outdoorsmen in our Nation who help protect our natural resources, conserve our outdoors, promote proper respect for private as well as public property, practice courtesy in the field and forest and waterway, and preserve life and limb through boat and firearm safety.

Starting as just an idea in 1972, I am happy to report that National Hunting and Fishing Day has grown to significant proportions.

In 1974 an estimated 20,000,000 people either took part in or observed some NHF day program. Among the observances were some 3,000 activities across the Nation where sportsmen's clubs and conservation groups sponsored a multitude of demonstrations in everything from flytying and decoy carving to techniques of soil and water analysis; displays of wildlife art, the latest in sporting equipment to miniclinics in such outdoor sports as shooting, casting, backpacking, and archery.

From the Staten Island Mall in Staten Island, N.Y., to the Cerritos Shopping Center in Cerritos, Calif., and at some 450 centers in between, millions of Saturday shoppers became automatic visitors to NHF Day activities as well.

NHF Day was proclaimed by many of the Nation's mayors and by all 50 of our State Governors as they issued official proclamations and climbed into official helicopters on the morning of September 28 and devoted the entire day to visiting NHF Day programs.

At most programs, news photographers could be seen recording the day's activities on film for publication in the Sunday paper. At the larger programs, television and radio coverage was common, spreading the NHF Day message not only to the thousands who took part but to millions of people in their homes as well.

Mr. President, realizing that the Nation's 55 million outdoor sportsmen are seldom recognized as practicing conservationists, NHF Day will give them just the opportunity to be recognized as such.

There is a need for a broadening of understanding between the public at large and the country's sportsmen. Last year the interest was shown by both parties in many small towns and major cities throughout the Nation. Protection, preservation, and enhancement of our precious natural resources and irreplaceable wildlife is of major concern to all of us. I ask that once again NHF Day be proclaimed in an effort to reaffirm our determination to work harmoniously to achieve these goals.

By Mr. RANDOLPH:

S.J. Res. 35. A joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Worker Week." Referred to the Committee on the Judiciary.

NATIONAL EMPLOY THE OLDER WORKER WEEK

Mr. RANDOLPH. Mr. President, it is a privilege to introduce a resolution to designate the second full week in March as "National Employ the Older Worker Week."

This resolution takes on added importance now with our unemployment rate at 8.2 percent, the highest level since 1941.

All age groups, to be sure, have been adversely affected by the massive wave of layoffs throughout our country.

But the problems of older workers have frequently been overlooked or minimized because many Americans believe that the elderly have pensions to provide a "cushion."

The harsh reality, though, is that earlier retirement means actuarially reduced social security benefits. And, social security benefits are still very low in many cases: the average monthly benefit for a retired worker amounts to $183, which is below the poverty threshold.

Moreover, the vast majority of these individuals do not have private pensions to supplement their social security.

Over the years the American Legion has actively promoted programs to develop job opportunities for older workers.

In fact, since 1959 the American Legion has designated a particular week during each year as "Employ the Older Worker Week."

These commemorative weeks have helped to call national attention to the advantages of hiring middle-aged and older workers. Additionally, awards are presented to employers who demonstrate outstanding leadership in employing aged and aging Americans.

These efforts, I strongly believe, have proved to be effective in combatting many of the false stereotypes about the desirability of hiring mature workers. The American Legion deserves special commendation for its leadership in this area.

For these reasons, I have sponsored legislation in the past to designate a particular week in a year as "National Employ the Older Worker Week." These measures have received enthusiastic bipartisan support. And, on most occasions, these resolutions have been enacted into law.

The resolution that I introduce today is designed to implement this objective again in 1975. Specifically, my proposal would authorize the President to designate the second full week in March as "National Employ the Older Worker Week." This action would serve as a catalyst to encourage the private sector to observe this week with appropriate activities and programs designed to encourage employment opportunities for older workers.

Today many false stereotypes hinder the employment of middle-aged and older persons, despite some positive developments in recent years.

These attitudes, unfortunately, are leading to a greater and potentially dangerous dependency ratio of nonworkers to workers.

Educational efforts, though, can help to inform the public about the true capabilities of persons in their forties, fifties, and above.

As a group, mature workers have numerous characteristics to be excellent employees:

Their attendance is likely to be better than that of younger individuals;

They are less likely to change jobs;

Their productivity compares very favorably with younger Americans; and

They are less likely to be absent from work for trivial reasons.

With nearly 1.5 million unemployed persons in the 45-plus age category, this resolution becomes all the more crucial. Moreover, this joblessness level for middle aged and older persons has risen by an astonishing 75 percent since July 1974.

But these figures—depressing as they are—really represent only the tip of the iceberg because there is a substantial amount of hidden unemployment among this group.

Consequently, it seems to me that our Nation has much more to be gained by developing sound national policies to maximize job opportunities for all workers, the old as well as the young.

It is senseless to my way of thinking to play one age group against the other because the young and old alike need help urgently.

And my resolution can be helpful to create a more favorable climate for the employment of middle aged and older workers—as a means to complement our Nation's meritorious efforts to develop new job opportunities for younger workers.

Mr. President, I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES 35

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the second full calendar week in March of 1975 as "National Employ the Older Worker Week", and calling upon employer and employee organizations, other organizations officially concerned with employment, and upon all the people of the United States to observe

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auch week with appropriate ceremonies, activities, and programs designed to decrease employment discrimination because of age.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2

At the request of Mr. PROXMIRE, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 2, a bill to amend the Communications Act of 1934 in order to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment to radio and television broadcasting stations.

S. 13

At the request of Mr. MCGOVERN, the Senator from Nevada (Mr. CANNON) and the Senator from Kentucky (Mr. FORD) were added as cosponsors of S. 13, a bill to amend the Food Stamp Act of 1964.

S. 410

At the request of Mr. GOLDWATER, the Senator from Georgia (Mr. NUNN) and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 410, a bill to repeal the earnings limitation of the Social Security Act for all workers age 65 and over.

S. 421

At the request of Mr. CANNON, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 421, a bill to regulate commerce and assure the availability of air transportation at the lowest reasonable cost to consumers by defining inclusive tour charter trip and advance-booking charter trip; by authorizing reduced rate transportation for the handicapped, the elderly, and the young; and for other purposes

S. 483

At the request of Mr. BROCK, the Senator from South Carolina (Mr. THURMOND), the Senator from California (Mr. CRANSTON), the Senator from Washington (Mr. MAGNUSON), the Senator from Arizona (Mr. FANNIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Idaho (Mr. CHURCH), and the Senator from Colorado (Mr. GARY W. HART) were added as cosponsors of S. 483, a bill to amend the Consumer Credit Protection Act to prohibit discrimination on the basis of age in the granting of credit.

S. 490

At the request of Mr. ABOUREZK, the Senator from Minnesota (Mr. MONDALE) and the Senator from New Jersey (Mr. CASE) were added as cosponsors of S. 490, a bill to amend section 111 of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities.

S. 522

At the request of Mr. JACKSON, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 522, the Indian Health Care Improvement Act.

S. 544

At the request of Mr. CLARK, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of the bill (S. 544) to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems.

S. 545

At the request of Mr. MCGOVERN, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of S. 545, the proposed amendment to the Small Business Act to provide compensation to innocent victims of the Wounded Knee occupation of 1973.

S. 548

At the request of Mr. PROXMIRE, the Senator from New Mexico (Mr. MONTOYA), was added as a cosponsor of S. 548, a bill to prevent the Food and Drug Administration from regulating safe vitamins as dangerous drugs.

S. 561

At the request of Mr. KENNEDY, the Senator from Michigan (Mr. PHILIP A. HART) was added as a cosponsor of the bill (S. 561) to provide for the adjustment of status of certain aliens under the Immigration and Nationality Act, and for other purposes.

S. 565

At the request of Mr. TUNNEY, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 565, a bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in all district courts of the United States.

S. 566

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of the bill (S. 566) to provide authority for the District of Columbia to place two statues in Statuary Hall of the Capitol.

S. 584

At the request of Mr. BURDICK, the Senator from Georgia (Mr. TALMADGE) was added as a cosponsor of S. 584, the National Guard technicians bill.

S. 667

At the request of Mr. BEALL, the Senator from New Hampshire (Mr. MCINTYRE) and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 667, a bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes.

S. 668

At the request of Mr. BIDEN, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 668, a bill to provide a special payment to certain elderly and disabled social security recipients.

SENATE JOINT RESOLUTION 4

At the request of Mr. INOUYE, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of Senate Joint Resolution 4, the Constitution Day legislation.

SENATE JOINT RESOLUTION 18

At the request of Mr. METCALF, the Senator from Kentucky (Mr. FORD), the Senators from Indiana (Mr. HARTKE and Mr. BAYH), the Senator from Illinois (Mr. PERCY), the Senator from New Jersey (Mr. CASE and Mr. WILLIAMS), the Senator from New York (Mr. JAVITS), and the Senator from Georgia (Mr. NUNN) were added as cosponsors of Senate Joint Resolution 18, a joint resolution to designate March 13, 1975, as Music in Our Schools Day.

SENATE JOINT RESOLUTION 28

At the request of Mr. MCGOVERN, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of Senate Joint Resolution 28, a joint resolution concerning an emergency survival feeding operation.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. MCGOVERN) and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of the resolution (S. Con. Res. 10) to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

SENATE CONCURRENT RESOLUTION 12

At the request of Mr. BROCK, the Senator from New York (Mr. BUCKLEY) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors of Senate Concurrent Resolution 12, providing for a joint session of Congress to receive a State of the State message from the chairman of the National Governors' Conference.

SENATE RESOLUTION 82—SUBMISSION OF A RESOLUTION DISAPPROVING PROPOSED DEFERRAL OF BUDGET AUTHORITY OF AUTHORIZED RECLAMATION PROJECTS

(Referred to the Committee on Appropriations and the Committee on the Budget, under the order of January 30, 1975.)

Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. CHURCH, and Mr. HATFIELD) submitted the following resolution:

S. RES. 82

Resolved, That the Senate disapproves the proposed deferral of budget authority (Deferral No. D75–83) for the construction and rehabilitation of authorized reclamation projects or parts thereof, set forth in the special message transmitted by the President to the Congress on October 31, 1974, under section 1013 of the Impoundment Control Act of 1974.

Mr. JACKSON. Mr. President, today I am introducing for myself and the senior Senator from Washington (Mr. MAGNUSON), the senior Senator from Idaho (Mr. CHURCH), and the senior Senator from Oregon (Mr. HATFIELD), a resolution disapproving the proposed deferral by the administration of $17,955,000 appropriated by the Congress for the Department of the Interior's Bureau of Reclamation program for fiscal year 1975.

I am gravely concerned regarding the effect that this proposed budget deferral may have on the development of the hydroelectric generation resources of the Pacific Northwest. Two Bureau of Reclamation projects, the Third Powerhouse at Grand Coulee Dam in the State of Washington, and the Teton Basin project in Idaho are included in the proposed deferral. The amount of funding directly related to these two projects is $4,250,000 of which $3,250,000 would be cut from funds for the Third Powerhouse and $1,000,000 would be cut from the Teton Basin project.

Both of these projects are important steps in the orderly development of additional hydroelectric generating capacity in the Pacific Northwest. In the case of the Third Powerhouse, there has already been a delay of 3 years.

Originally, the first two generating units, amounting to 1,200 megawatts of generating capacity, were scheduled for on-line service in 1972. This target date has been set back to fiscal year 1976. It is essential that this latest target date be met as these additional 1,200 megawatts will go a long way toward meeting projected electric shortages in the Pacific Northwest. However, without the funds which the administration proposes to defer, there is serious question whether these dates can be realized.

In the case of the Teton project, the deferral of $1,000,000 may be a serious setback to the availability of 20,000 kilowatts of electrical generating capacity which is crucial to the local area which interconnects with the region-wide transmission system.

While our concern relates primarily to the $4.25 million appropriated for these two Pacific Northwest projects, the Impoundment Control Act of 1974 requires that any related impoundment resolution treats the entire amount included in the budget deferral message. We would strongly hope and urge that the administration would—as it is entirely free to do—immediately make the $4.25 million available for expenditure. That action would resolve the serious problem posed for the Pacific Northwest by the budget deferral and would, at the same time, make it unnecessary in our minds for the Congress to proceed further with this resolution.

With both projects, we face the possibility of unnecessary delays because of false economies. Frankly, I do not understand why, at this time when energy development is crucial, these two projects should be singled out by the administration for cuts in funding. Hydroelectric power generation is the most economical and environmentally sound method for the production of energy that we have available. It would be foolish to jeopardize the completion dates of these projects when we are so close to realizing their energy benefits.

Mr. President, I ask unanimous consent that the relevant portion of the President's budget deferral message of October 31, 1974 be inserted in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Deferral No.: D75–83]

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Sec. 1013 of Public Law 93–344

Department of the Interior

Reclamation

CONSTRUCTION AND REHABILITATION 14X5061

New budget authority (Public Law 93–393)	$244,123,000
Other budgetary resources	9,799,985
Total budgetary resources	253,922,985
Amount to be deferred part of year	
Amount to be deferred for entire year	17,955,000

JUSTIFICATION

The Public Works Appropriation Act of 1975 (P.L. 93–393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by $80 million and added:

After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessivly to inflationary government spending.

Though this deferral does not, by itself, constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is $253,922,985 including $31,789,000 in excess of the budget. Of this amount $17,955,000 has been withheld from obligations to meet the anti-inflation goals of the Federal government. An additional $1,055,000 has been deferred under a separate deferral report (D75–14). Presently $234,937,985 is available for obligation in this account.

This account was apportioned on September 27, 1974, to defer $23,670,000. Subsequently, the account was reapportioned to revise the amount deferred to $17,955,000.

ESTIMATED EFFECTS

The $17,955,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of $11,930,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to change in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

The full amount of funds appropriated for planning projects has been made available.

Projects for which the budgeted amount or less was cited in the report of the appropriation conference committee—the full amount is available for obligation in FY 1975.

Projects for which more than the budgeted amount was cited in the conference report, including new construction starts—all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

BUREAU OF RECLAMATION PROJECTS AFFECTED BY DEFERRALS

CONSTRUCTION AND REHABILITATION

Brantley, New Mexico.

Central Valley Project, California; Sacramento River Division; San Luis Unit; Auburn South Unit; Miscellaneous Central Valley Programs.

Central Valley Project, California San Felipe Division.

Chief Joseph Dam, Foster Creek Division, Washington.

Columbia Basin Irrigation Facilities, Washington.

Columbia Basin, Bacon Siphon & Tunnel number 2, Washington.

Columbia Basin, Grand Coulee Dam, third Powerplant, Washington.

Fryingpan Arkansas, Colorado.

Pick Sloan Missouri Basin; Garrison Diversion Unit, North Dakota; Oahe Project, South Dakota; Narrowa Unit Colorado.

Teton Basin—Lower Teton Division, Idaho.

Tualatin Project, Oregon.

Tumulo Irrigation District, Oregon.

SENATE RESOLUTION 83—SUBMISSION OF A RESOLUTION TO REFER A BILL TO THE COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. MATHIAS submitted the following resolution:

S. RES. 83

Resolved, That the bill (S. 762) entitled "A bill for the relief of Paul Gustin, now pending in the Senate, together with all the accompanying papers, is hereby referred to the chief commissioner of the United States Court of Claims; and the chief commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions theron as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant, taking into account the amount paid by the Secretary of the Treasury under Private Law 85–372.

AMENDMENTS SUBMITTED FOR PRINTING

AUTOMOBILE FUEL ECONOMY ACT OF 1975—S. 633

AMENDMENT NO. 15

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. HOLLINGS. Mr. President, with energy conservation assuming a major role in U.S. energy planning, and automobiles constituting the single largest end user of petroleum, it is essential that Americans drive the most fuel efficient cars possible. The amendment I am introducing today will further the fuel economy improvement goals of S. 633 by providing for Government rebates to purchasers of fuel efficient automobiles, and would impose penalties on purchasers of fuel inefficient vehicles. This program would provide a needed incentive to increase the turnover rate of the existing U.S. auto fleet, would direct new buyer attention to those vehicles which

are most energy efficient, and would aid the financial position of the automobile industry.

The rebate portion of the program would apply to all qualifying vehicles purchased after February 19, 1975, and would continue through model year 1980. Dealer certification would be required before payment to the purchaser by the Secretary of the Treasury, which must occur within 15 days of such certification. Up to $1,000,000,000 in rebates would be provided over the life of the program.

The penalty portion of the program would go into effect in model year 1977 and continue through model year 1980, with derived revenues designed to offset rebates in these 4 model years.

The Senate Commerce Committee has been considering fuel economy legislation for more than a year. On this particular issue. In light of my serious doubt that the automakers will voluntarily give the American consumer the kind of fuel efficient automobile that they are capable of producing, I offer this amendment with the hope that our necessary transition to a less energy wasteful society can thus be speeded up.

I ask unanimous consent that the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 15

At the end thereof:

"Section 3. (a) General.—(1) Any person who purchases a new automobile after February 19, 1975 is eligible for and entitled to, a cash rebate in accordance with Schedule I contained in subsection (b) of this section, if the fuel eccnomy of the automobile as set forth in Schedule I indicates that a rebate is due. The rebate shall be paid by the Treasurer of the United States for each automobile purchased by such person.

"(2) Any person who purchases a new automobile after the date of enactment of this Act shall be liable for a penalty in accordance with Schedule II contained in subsection (b) of this section, if the fuel economy of the automobile as set forth in Schedule II indicates that a cash penalty is due. Such person shall make the cash payment in the amount of the penalty to the Treasurer of the United States for each automobile purchased by such person.

"(b) SCHEDULES.—The cash rebates and penalties referred to in subsection (a) shall be set in accordance with the following schedules:

Fuel economy (miles per gallon)	Model year					
	1975	1976	1977	1978	1979	1980
Schedule I—Cash rebates:						
Less than 10	0	0	0	0	0	0
10 to 11.9	0	0	0	0	0	0
12 to 13.9	0	0	0	0	0	0
14 to 15.9	0	0	0	0	0	0
16 to 17.9	$200	0	0	0	0	0
18 to 19.9	200	$200	$150	0	0	0
20 to 21.9	200	200	150	$150	0	0
22 to 23.9	250	200	200	200	$200	$150
24 to 25.9	250	250	200	200	200	200
26 or greater	250	250	250	250	250	200

Fuel economy (miles per gallon)	Model year					
	1975	1976	1977	1978	1979	1980
Schedule II—Cash penalties:						
Less than 10	0	0	$1,000	$1,000	$1,000	$1,000
10 to 11.9	0	0	600	700	800	1,000
12 to 13.9	0	0	400	500	600	800
14 to 15.9	0	0	200	300	400	600
16 to 17.9	0	0	0	100	200	300
18 to 19.9	0	0	0	0	0	100
20 to 21.9	0	0	0	0	0	0
22 to 23.9	0	0	0	0	0	0
24 to 25.9	0	0	0	0	0	0
26 or greater	0	0	0	0	0	0

"(c) DEALER.—(1) Whenever a person concludes a transaction for the purchase of a new automobile for which such person is entitled to a cash payment in accordance with subsection (a)(1) of this section, the dealer from whom such automobile is purchased shall certify and notify the Secretary in writing of such purchase in accordance with procedures to be established by the Secretary.

"(2) Whenever a person concludes a transaction for the purchase of a new automobile for which a cash penalty is required in accordance with subsection (a)(2) of this section, the dealer from whom such automobile is purchased shall collect an appropriate penalty, certify as to its validity, and transmit such penalty to the Secretary of the Treasury and give notice to the Secretary of such transmittal.

"(d) PROCEDURES.—(1) The Secretary shall establish in accordance with the provisions of section 553 of title V, United States Code, procedures for certifications by dealers required by subsection (c) of this section and for verification of such certifications by the Secretary. Such procedures shall be designed—(A) to ensure prompt payment to eligible persons, including payments for eligible purchases made between February 18, 1975 and the time such procedures are issued, and (B) to prevent fraud. Such procedures shall utilize to the maximum extent practicable, existing procedures established and maintained by the Secretary under the National Traffic and Motor Vehicle Safety Act of 1966 or under any other law, in order to avoid duplication and to provide for the expeditious payment of entitlements. Cash penalty payments made to the Secretary of the Treasury in accordance with subsection (a)(2) of this section shall to the maximum extent practicable utilize existing procedures for the collection of taxes or other payments against the purchase of new automobiles.

"(e) AUTHORIZATION.—Whenever the Secretary determines that a person is entitled to a cash payment, as authorized in subsection (a)(1) of this section, he and she shall, as soon as practicable, but in any event no later than five days following receipt of such certification, authorize the Secretary of the Treasury to pay such person the amount of such entitlement.

"(f) PAYMENT.—On receipt of an authorization under subsection (e) of this section, the Secretary of the Treasury shall, as soon as practicable, but in any event no later than ten days following receipt of such authorization, cause to be made a cash payment in the amount authorized to such person in accordance with procedures which the Secretary is authorized to promulgate.

"(g) PENALTIES.—(a) Whoever knowingly or with intent to defraud, (1) misrepresents their eligibility or that of any other person with respect to an entitlement and authorization under this section or with respect to a cash penalty payment required under this section or, (2) if a dealer, fails to collect such cash penalty payment, shall be liable, upon conviction, to a fine not to exceed $2,500 or imprisonment not to exceed six months, for each such act, or both.

"(2) The Secretary is authorized to assess any manufacturer a civil penalty equal to any price increase instituted on any new automobile for which cash payments are authorized in accordance with this section if the Secretary determines that the manufacturer has failed to show that such increase was related to cost increases.

"(h) REPORTS.—The Secretary shall, at the end of each 120 days period after the effective date of this section, prepare and submit to the Congress and the President a report on the extent to which the fuel economy purchase rebates and penalties program has been effective in stimulating the purchase of energy efficient automobiles. Such reports shall include, but not be limited to, the impact, if any, of such program in reducing the nation's oil requirements; the relationship between any such savings and the cost of such program; and recommendations for any additional administrative and legislative action.

"(i) AUTHORIZATION FOR APPROPRIATION.—There is authorized to be appropriated for the purpose of carrying out the provisions of this section:

"(1) to the Secretary, such sums as are necessary, not to exceed $50,000 for the fiscal year ending on June 30, 1975, $100,000 for the fiscal year ending on June 30, 1976, $25,000 for the transitional fiscal quarter ending September 30, 1976, and $100,000 for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980.

"(2) to the Secretary of the Treasury, such sums as are necessary, not to exceed $300,000,000 for the fiscal year ending June 30, 1975, $600,000,000 for the fiscal year ending June 30, 1976, and $100,000,000 for the transitional fiscal quarter ending September 30, 1976.

"(j) DEFINITIONS.—The terms contained in this section shall be defined in the same manner as those contained in section 503 of the Motor Vehicle Information and Cost Savings Act, as amended by section 2 of this Act.

SECURITIES ACTS AMENDMENTS OF 1975—S. 249

AMENDMENT NO. 16

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

AMENDMENT CONCERNING FIDUCIARY PRINCIPLES

Mr. WILLIAMS. Mr. President, I am submitting today an amendment I intend to propose to S. 249, the Securities Acts Amendments of 1975. Today the Subcommittee on Securities of the Committee on Banking, Housing and Urban Affairs will begin consideration of S. 249. The purpose of my amendment to that omnibus bill is to clarify the fiduciary principles applicable to the use of brokerage commissions to pay for investment research.

For several years, institutional money managers have expressed concern over their ability to continue under competitive rates to obtain research for brokerage commissions, that is, "soft dollars." After careful study by the subcommittee in the last session, I introduced and the Senate passed S. 470, which would have permitted investment advisers and investment company managers to pay research firms commissions higher than those charged by other brokers. As introduced, S. 249 contains identical provisions. My amendment would expand the scope of these provisions to all investment managers while clarifying their application.

I believe there is now widespread recognition by investment managers, research firms, and the SEC of the need for legislation to authorize fiduciaries, under carefully defined circumstances, to use commissions from the accounts of their beneficiaries to obtain valuable brokerage and research services of benefit to these beneficiaries. This is the precise purpose of my amendment.

As I said at the outset, 3 full days of hearings on S. 249 are scheduled this week. Representatives of institutional money managers will appear at these hearings to comment on the problems I have outlined and the need for congressional action. By introducing this amendment today, I hope to insure a productive and frank dialog.

Mr. President, I request that the amendment be printed and referred to the appropriate committee. I also ask unanimous consent that the amendment appear at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 16

On page 15, after line 7, insert the following: ", (E) When used with respect to a person exercising investment discretion with respect to an account:

"(i) the Comptroller of the Currency, in the case of a national bank or a bank opening under the Code of Law for the District of Columbia;

"(ii) the Board of Governors of the Federal Reserve System in the case of any other member bank of the Federal Reserve System;

"(iii) the Federal Deposit Insurance Corporation, in the case of any other bank the deposits of which are insured in accordance with the Federal Deposit Insurance Act; and

"(iv) the Commission in the case of all other such persons.".

SEC. 2. On page 4, strike all of lines 11 and 12 and insert in lieu thereof the following:

"(c) Paragraphs (17), (18), and (19) of subsection (a) thereof are amended to read as follows:

"(17) The term 'interstate commerce' means trade, commerce, transportation, or communication among the several States, or between any foreign country and any State, or between any State and any place or ship outside thereof. The term includes intrastate use of (A) a facility of a national securities exchange or of an interstate telephone or other interstate means of electronic communication, or (B) any other interstate instrumentality.".

SEC. 3. On Page 156, line 24, strike out everything commencing with the words "Sec. 24." through and including the word "securities.'." on page 159, line 7, and insert in lieu thereof the following:

"SEC. 24. Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78t) is further amended by adding at the end thereof the following new subsection:

"'(d)(1) No person using the mails, or any means or instrumentality of interstate commerce, in the exercise of investment discretion with respect to an account shall be deemed to have acted unlawfully or to have breached a fiduciary duty under State or Federal law in effect on or enacted prior to the date of enactment of the Securities Acts Amendments of 1975 solely by reason of his having caused the account to pay a broker or dealer an amount of commission for effecting a securities transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if such person determined in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or his overall responsibilities with respect to the accounts as to which he exercises investment discretion. This subsection is exclusive and plenary insofar as conduct is covered by the foregoing, unless otherwise expressly provided by contract; *Provided, however*, That nothing in this subsection shall be construed to impair or limit the power of the Commission under any other provision of this title.

"'(2) A person exercising investment discretion with respect to an account shall make such disclosure of his policies and practices with respect to commissions that will be paid for effecting securities transactions, at such times and in such manner, as the appropriate regulatory agency, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors.

"'(3) For purposes of this subsection a person provides brokerage and research services insofar as he—

"'(A) furnishes advice, either directly or through publications or writings, as to the value of securities, the advisability of investing in, purchasing, or selling securities, and the availability of securities or purchasers or sellers of securities;

"'(B) furnishes analyses and reports concerning securities, economic factors and trends, and the performance of accounts; or

"'(C) effects securities transactions and performs functions incidental thereto (such as clearance, settlement, and custody) or required in connection therewith by rules of the Commission or a self-regulatory organization of which such person is a member or person associated with a member or in which such person is a participant.' ".

HEARINGS ON CHILD AND FAMILY SERVICES ACT

Mr. MONDALE. Mr. President, I would like to bring to the attention of my colleagues and the public the upcoming hearings on the Child and Family Services Act. The joint hearings held by my Subcommittee on Children and Youth, the House Select Subcommittee on Education, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor, will take place Thursday, February 20, in Room 4232 of the New Senate Office Building beginning at 9:30 a.m. and again Friday, February 21, in Room 2175 of the Rayburn House Office Building at 9:30 a.m. Unfortunately the hearing originally scheduled for Monday, February 24, in Chicago has been postponed.

The witnesses for Thursday's hearing will be:

Mrs. Wright Edelman, Washington Research Project Action Council.

Hon. Jerry Apodaca, Governor of New Mexico, chairman of the Early Childhood Task Force, Education Commission of the States.

Ms. Carmen Maymi, Director, Women's Bureau, U.S. Department of Labor.

Dr. Rowland L. Mindlin, American Academy of Pediatrics, chairman of the Commission on Infant and preschool Child.

Mrs. Dorothy Lasday, member of the national board of the National Council of Jewish Women, vice chairwoman of the National Affairs Committee, National Council of Jewish Women.

The witnesses for Friday's hearing include:

Mr. Joseph Reid, executive director, Child Welfare League, New York, N.Y.

Mrs. Jeanne H. Ellis, executive director, Child Care Center, Stamford, Conn.

Ms. Judith S. Helms, executive director, National Council of Organizations for Children and Youth.

Mr. President, I ask unanimous consent that a section-by-section analysis of the Child and Family Services Act be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

S. 626—CHILD AND FAMILY SERVICES ACT OF 1975

SECTION-BY-SECTION ANALYSIS

Section 1

Title.—Child and Family Services Act of 1975.

Section 2

Statement of Findings and Purpose.—Finds that the family is the primary and most fundamental influence on children; that child and family services must build upon and strengthen the role of the family; that such services must be provided on a voluntary basis to children whose parents request them with priority for preschool children with the greatest economic and human need; that there is a lack of adequate child and family services; and that there is a necessity for planning and operation of programs as partnership of parents, community, state and local governments, with appropriate federal supportive assistance.

Purpose is to establish and expand child and family service programs, build upon the experience of Headstart, give special emphasis to preschool children and families with the greatest needs, provide decision making with direct parent participation through a partnership of parents, State, local and Federal government.

Section 3

Authorization of Appropriations.—*Authorizes* $150 million for fiscal 1976 and $200 million for FY 1977 for training, planning, and technical assistance and $500 million in FY 1977 and $1 billion in FY 1978 for program operation. Headstart would be funded under separate authority, and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Headstart is funded at the level it received in FY 1975 or FY 1976, whichever is higher.

Forward funding is authorized.

TITLE I—CHILD AND FAMILY SERVICES PROGRAMS

Section 101

Establishes Office of Child and Family Services in HEW to assume the responsibilities of the Office of Child Development and serve as principal agency for administration of this Act; and Child and Family Services Coordinating Council with representatives from various federal agencies to assure coordination of federal programs in the field.

Section 102

Financial Assistance.—Defines purposes for which federal funds can be used: (1) planning and developing programs, including pilot programs; (2) establishing, maintaining, and operating programs, including part-day or full-day child care in the home. In

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group homes, or in other child care facilities; other specially designed programs such as after-school programs; family services, including in-home and in-school services; information and referral services to aid families in selecting child and family services; prenatal care; programs to meet special needs of minorities, Indians, migrants and bilingual children; food and nutrition services, diagnosis of handicaps or barriers to full participation in child and family services programs; special activities for handicapped children within regular programs; programs to extend child and family service gains, including parent participation, into the elementary schools; (3) rental, renovation, acquisition, or construction of facilities, including mobile facilities; (4) preservice and inservice training; (5) staff and administrative expenses of councils and committees required by the Act; and (6) dissemination of information to families.

Section 103

Allocation of Funds.—Reserves funds proportionately for migrant and Indian children, not less than 10% for services to handicapped children, and not less than 5% for monitoring and enforcement of standards.

Allocates the remainder among the states and within the states, 50% according to relative number of economically disadvantaged children, 25% according to relative number of children through age five, and 25% according to relative number of children of working mothers and single parents.

Allows use of up to 5% of a state's allocation for special state programs under Section 108.

Section 104

Prime Sponsors.—States, localities, combinations of localities or public and nonprofit organizations are eligible to serve as prime sponsors.

The bills current provisions establish performance criteria for prime sponsor; demonstrated interest in and capability of running comprehensive programs, including coordination of all services for children within the prime sponsorship area; assurances of nonfederal share; establishment of a Child and Family Services Council (CFSC) to administer and coordinate programs.

Public or private nonprofit organizations can serve as prime sponsors with priority on governmental units. Any locality or combination of localities which submits an application meeting the performance criteria may be designated prime sponsor if the Secretary determines it has the capacity to carry out comprehensive and effective programs. The state may be designated prime sponsor for all areas where local prime sponsors do not apply or cannot meet the performance criteria, provided that the state meets the performance criteria and divides its area of jurisdiction into local service areas with local child and family services councils, which approve the relevant portions of the state's plan and contracts for operation of programs within the local service areas.

The Secretary may fund directly an Indian tribe to carry out programs on a reservation. He may also fund public or private nonprofit agencies to operate migrant programs, model programs, or programs where no prime sponsor has been designated or where a designated prime sponsor is not meeting certain needs.

Directs the Secretary to designate an alternative to any prime sponsor discriminating against minority group children or economically disadvantaged children.

Provides opportunity for Governor to comment on prime sponsorship applications and provides appeal procedure for applicants who are disapproved.

The sponsors want to particularly emphasize that as the bill is considered they intend to invite the testimony of representatives of Federal, State, and local government, as well as other experts, with respect to the best allocation of responsibility among various levels of government which will insure parental involvement, local diversity to meet local needs and appropriate State involvement to assure coordination and maximum utilization of available resources.

Section 105

Child and Family Service Councils.—Sets forth composition, method of selection, and functions of councils. Half of members must be parents, selected by parents of children served by programs under the Act. The remaining members appointed by the prime sponsor in consultation with parent members, to be broadly representative of the general public, including representatives of private agencies in the prime sponsorship area operating programs of child and family services and at least one specialist in child and family services. At least one-third of the total council to be economically disadvantaged. The council selects its own chairperson.

A state prime sponsor must establish councils at the state level and for each local service area. Parent members of the state council to be selected by parent members of local councils.

Council approves goals, policies, action and procedures of prime sponsors, including planning, personnel, budgeting funding of projects, and monitoring and evaluation.

Section 106

Child and Family Service Plans.—Requires that prime sponsor submit plan before receiving funds. Plan must: provide services only for children whose families request them; identify needs and purposes for which funds will be used; give priority to children who have not reached six years of age; reserve 65% of the funds for economically disadvantaged children, and priority thereafter to children of single parents and working mothers; provide free services for children of families below the Bureau of Labor Statistics lower living standards budget and establish a sliding fee schedule based on ability to pay for families above that income level; include to the extent feasible, children from a range of socioeconomic backgrounds; meet the special needs of minority group, migrant, and bilingual children; provide for direct parent participation in programs, including employment of parents and others from the community with opportunity for career advancement; establish procedures for approval of project applications with priority considerations for ongoing programs and applications submitted by public and private non-profit organizations; provide for coordination with other prime sponsors and with other child care and related programs in the area; provide for monitoring and evaluation to assure programs meet federal standards; where possible, supplement funds provided by this Act with assistance from other sources.

Requires that the Governor, all local education agencies, Headstart and community action agencies have the opportunity to comment on the plan.

Establishes appeal procedures if plans are disapproved.

Section 107

Project Applications.—Provides for grants from prime sponsor to public or private organizations to carry out programs under the prime sponsor plan pursuant to a project application approved by the CFSC.

The project applicant must establish a parent policy committee (PPC), composed of at least 10 members with 50% parents of children served by the project, at least one child care specialist, and other representatives of the community approved by the parent members. The PPC must participate in the development of project applications and must approve basic goals, policies, action and procedures of the applicant, including personnel, budgeting, location of center, and evaluation of projects.

The application must: provide for training and administrative expenses of the PPC; guarantee free services for economically disadvantaged children with fees according to the fee schedule for other children; assure direct participation of parents and other family members, including employment opportunities; provide for dissemination of information on the project to parents and the community; and provide opportunities for the participation of children, regardless of participation in nonpublic school programs.

Section 108

Special Grants to States.—Authorizes special grants to the states, on approval of Secretary, to establish a child and family services information program to assess goals and needs in state; to coordinate all state child care and related services; to develop and enforce state licensing codes for child care facilities; and to assist public and private agencies in acquiring or improving such facilities. A state must establish a Child and Family Services Council to receive a special grant.

Section 109

Additional Conditions for Programs Including Construction or Acquisition.—Allows federal funding for construction or acquisition only where no alternatives are practicable, and provides federal funding for alteration, remodeling, and renovation. Provides that no more than 15% of a prime sponsor's funds may be used for construction; that no more than half of that may be in the form of grants rather than loans, limited to public and private non-profit agencies, organizations, and institutions.

Section 110

Use of Public Facilities for Child and Family Service Programs.—Requires that federal government and prime sponsors make available for child and family service programs facilities they own or lease, when they are not fully utilized for their usual purposes.

Section 111

Payments.—Provides 100% federal share for planning in FY 1976, 90% federal share for fiscal 1977 and 1978, 80% for subsequent fiscal years. Provides 100% federal share for programs for migrants and Indians, and allows waiver of part of all of non-federal share where necessary to meet needs of economically disadvantaged children.

Non-federal share may be in cash or in kind. Revenues generated by fees may not be used as non-federal share but must be used by prime sponsor to expand programs.

TITLE II—STANDARDS, ENFORCEMENT, AND EVALUATION

Section 201

Federal Standards for Child Care.—Authorizes a national committee on federal standards, with one-half parent participation, to establish standards for all child care services programs funded by this or any other federal act. The 1968 Interagency Day Care Requirements would continue to apply until such standards are promulgated, and any new standards must be consistent with the 1968 Requirements.

The Secretary must submit the proposed standards for approval to the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor. No prime sponsor or project applicant is allowed to reduce services below these standards.

Section 202

Development of Uniform Code for Facilities.—Requires a committee to develop a uniform minimum code dealing with health and safety of children and applicable to all facilities funded by this Act.

Section 203

Program Monitoring and Enforcement.—Requires the Secretary through The Office of Child and Family Services, to establish an adequately trained staff to periodically monitor programs to assure compliance with the child care standards and other requirements of the Act.

Section 204

Withholding of Grants.—Provides procedure for withholding of funds to programs which have failed to comply with standards or requirements of the Act.

Section 205

Criteria With Respect to Fee Schedule.—Requires Secretary to establish criteria for adoption of the schedule based on family size and ability to pay with considerations for regional differences of the cost of living. The criteria must be submitted for approval by the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor.

Section 206

Evaluation.—Requires the Secretary to make annual evaluations and report to Congress on federal child family services activities.

TITLE III—RESEARCH AND DEMONSTRATIONS

Section 301

Research and Demonstration.—Authorizes child and family services research and requires that the Office of Child and Family Services coordinate research by federal agencies.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

Section 401

Preservice and Inservice Training.—Provides for training of personnel, including volunteers, employed in programs assisted under this Act.

Section 402

Technical Assistance and Planning.—Provides technical assistance to child and family services programs.

TITLE V—GENERAL PROVISIONS

Section 501

Definitions.—Defines terms used in the Act.

Section 502

Nutrition Services.—Requires that procedures be established to assure adequate nutrition services in programs under the Act, including use of Section 13 (special food service programs) of the School Lunch Act and the Child Nutrition Act.

Section 503

Special Provisions.—Anti-discrimination provisions, including separate provisions on sex discrimination. Requires that programs meet the minimum wage. Prohibits use of funds for constructing, operating, or maintaining facilities for sectarian instruction or religious workshop.

Section 504

Special Prohibitions and Protections.—Provides that no child may be the subject of research or experimentation without parental approval, and that no child may be forced to undergo examination or treatment if parents object. Protects legal rights and responsibilities of parents with respect to the development of their children.

Section 505

Public Information.—Requires that all applications, plans, and written material pertaining thereto be made available to the public without charge.

Section 506

Repeal or Amendment of Existing Authority and Coordination.

Section 507

Acceptance of Funds.

HEARINGS SCHEDULED ON LEGISLATION TO ESTABLISH STRATEGIC RESERVES

Mr. JACKSON. Mr. President, on February 21 at 10 a.m., in room 3110 of the Dirksen Senate Office Building, the Senate Interior and Insular Affairs Committee will hold hearings on the administration's proposals to establish strategic energy reserves and S. 677, the Strategic Energy Reserves Act of 1975.

Testimony will be received from administration witnesses.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

John E. Clark, of Texas, to be U.S. attorney for the western district of Texas for the term of 4 years, vice William S. Sessions, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, February 26, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

THE A–10 PROGRAM

Mr. BEALL. Mr. President, more than 4 years ago, the U.S. Air Force started development of a new close air support aircraft to support and save the lives of our soldiers on the ground. New procurement concepts called design-to-price and fly-before-buy were introduced to control program costs and to prevent premature production decisions. More recently, following one of the most extensive competitive evaluations of a new weapons system ever conducted and the successful completion of development milestones, the Department of Defense authorized initial production of that aircraft—the A–10. The contractor is Fairchild Republic Co., a division of Fairchild Industries whose headquarters are located at Germantown, Md.

Fairchild's major effort at this time is to effect a smooth transition between the development/test phase and full production. The first of six A–10 development, test, and evaluation models of the A–10 successfully completed its first flight at Edwards AFB, Calif., only a few days ago. The Secretary of the Air Force has expressed confidence in the ability of Fairchild to produce the aircraft.

The A–10 program already is providing urgently needed employment stimulus at Fairchild Republic Co. facilities at Farmingdale, N.Y., and Hagerstown, Md. At Farmingdale, employment has increased over the past 2 years from 1,750 to approximately 3,500 and is projected to increase to 6,000 within the next 3 years. At Hagerstown, employment has increased from 800 to 1,200 and as many as 1,000 of the Hagerstown plant's total work force will be working on the A–10 at the peak of the program in 1978.

Aviation Week and Space Technology recently examined the actions taken by the Air Force and Fairchild Industries to assure the proper management of A–10 production. Mr. President, I ask unanimous consent that the article entitled "A–10 Program Approach Reshaped" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MANAGEMENT—A–10 PROGRAM APPROACH RESHAPED; USAF REPORT SPURS FAIRCHILD MANAGEMENT, ORGANIZATIONAL CHANGES, AS WELL AS REPLACEMENT OF OUTDATED EQUIPMENT

(By Warren C. Wetmore)

FARMINGDALE, L.I.—Fairchild Republic Co. of Fairchild Industries is making sweeping changes in management, organization and equipment in the wake of an Air Force investigation into the division's ability to produce in quantity the A–10A close-support aircraft.

Fairchild Republic Co. division president Charles Collis said that many modifications were in progress before a report by the Air Force Plant Representative Office (AFPRO) touched off a full-scale inquiry by a committee headed by Lt. Gen. Robert E. Halls. The AFPRO document criticized the division among other things for its lack of depth in experienced production management, the high average production workforce age, an organization in need of streamlining, and antiquated or insufficient plant machinery.

USAF has refused to release even the executive summary of the Halls committee report that was sent to the Congress, citing "proprietary" and "personal" information contained in the report as the reason. Notwithstanding, the thrust of the report's findings and recommendations can be determined from the changes under way.

A top Air Force officer in the A–10 program noted that Fairchild Republic has been "very responsive" to Air Force recommendations, adding that the company "has made certain organizational changes and certain personnel changes. The Air Force wants and expects more."

Fairchild Industries, the parent company, formed a corporate task force on its own initiative to identify and solve A–10 problems on an on-going basis. The A–10 is the corporation's biggest program.

The root of the problems now being cured, according to the Air Force officer, is in converting Fairchild Republic back to a prime contractor and weapon system integrator. A decade has passed since the last F–105 rolled off the line, and that was Republic's last major prime contract. The company has survived in the interim on subcontracts, and is still making McDonnell Douglas F–4 empennages and the movable surfaces for the wings of the Boeing 747 transport; it also is subcontractor to Rockwell International for the National Aeronautics and Space Administration space shuttle's verticle fin. The division was "not really optimally organized to manage and control a sophisticated production program," he said.

Collis, who also is executive vice president of the parent company, noted that being the prime contractor and integrator gave rise to more complex start-up problems, but that the major subcontractors also had their difficulties. "We needed more in-depth experience with weapons systems," he said.

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The economic climate of the past few years, with its high inflation rate, also has caused cost-control problems.

The organizational reshaping began at the top: an "office of the president" was established, comprising Collis, who is charged with overseeing the business side of the division, and Norman Grossman, who was promoted to the executive vice president from director of engineering. Grossman is responsible for all technical and production aspects of the A–10 and other programs. The two men have adjoining offices.

Because about 25% of the production work on the A–10 is planned to be done at the plant in Hagerstown, Md., the separate geographically oriented "facility" boxes on the organizational chart for that and the plant in Farmingdale were dissolved and the various functions under them were regrouped into principal functions reporting to the office of the president. "We centralized rather than decentralized," Collis said.

Essentially, for the A–10 the two plants were integrated. The key functional heads in Farmingdale will have jurisdiction over their opposite numbers in Hagerstown.

The Maryland plant has only manufacturing, while the Long Island plant has that and engineering.

This results in a fair amount of travel between the plants, and the corporate Swearingen Merlin 4 is used on a scheduled basis, "almost like an airline," according to Collis.

The line functions were horizontally realigned and their executives upgraded. Quality assurance was moved from under Manufacturing and made a separate group under a director reporting to the president's office. The USAF A–10 program officer noted that this would insure the independence of quality control and preclude any conflicts of interest. "That is very important," he said. The director is L. I. Medlock, formerly of General Dynamics.

Procurement, also formerly part of Manufacturing, was raised to report directly. The motive behind this was "basically a question of controlling so many dollars that we had to bring it up to the level of Manufacturing. There are good potential savings if procurement is done well, and of cost growth if it is done poorly," Collis said.

A new director has been selected. He will concentrate on improving all divisional procurement and will take over handling the A–10 vendors as soon as their contracts are signed. He also will negotiate any changes and cost increases from the subcontractors.

Integrated Logistics Support was divorced from Engineering and made a director-level function. This group will handle almost everything relative to operating the A–10—spares provisioning, ground support equipment, manuals, training, and so forth. The director is Donald J. Strait.

The director of Manufacturing is Ralph Bonafede, who was F–105 factory manager. His assistant, John Healey, was hired from Rockwell International and has "extensive experience," Collis said. He was recently elected a corporate vice president.

The Air Force officer also was pleased with Fairchild Republic's move to take on Healey, calling him "an old pro at production planning and control."

There is a separate A–10 program group reporting to the president's office; it is directed by Vincent Tizio. The assistant director, J. B. Shedlock, was moved in from elsewhere in the organization. Collis said Shedlock is "one of the best contracts men we've got." He will deal both with the customer and the major suppliers; for the latter, he is charged with organizing the subcontractors and drawing up their contracts.

Another new group, Programs, will be responsible for the major subcontracting efforts from McDonnell Douglas and Boeing.

Space shuttle is yet another new separate group: both report directly to the office of the president.

"These changes in organization are aimed at strengthening our major functional areas such as Procurement and Manufacturing," Collis said, "and to improve our capability of detecting and correcting the root causes of possible deficiencies in our operation."

The Air Force, for its part, has made changes in its own organization. Col. Jay R. Brill in November was appointed head of the Aeronautical Systems Div. A–10 SPO (system program office) at Wright-Patterson AFB, Ohio (AW&ST Nov. 18, 1974, p. 20).

Additionally, the manpower was raised in the production section of the SPO. The Air Force also sent "the best AFPRO we have" to Fairchild Republic, and boosted its staff from 34 to 114, the Air Force officer said. The AFPRO is headed by Col. Merton Baker.

Parallel to the reorganization and upgrading of management personnel in preparation for production is the facilities improvement program.

At the recommendation of the Air Force, Fairchild Republic is raising its make/buy ratio for major machined parts for the A–10 from 23:77 to about 55:45, the latter figure based on the maximum anticipated production rate of 20 aircraft per month (AW&ST Jan. 20, p. 9).

This, the Air Force officer said, will "reduce risk" and allow more of the critical machined parts to be made in-house under direct supervision and with better schedule and quality control than is possible with an independent job shop.

Collis said that it also is somewhat cheaper to do the machinings in-house, because the project will not be charged with duplicate general and administrative overhead or with the vendor's profit. And, with escalating prices, "It's not as easy any more to do machinings on the outside."

When the anticipated maximum production rate of 14–20 aircraft is achieved in 1977–78, Fairchild Republic will be doing as much of its own machining as any aerospace company does on a major contract, Collis maintains.

Increasing the machining capacity to this level will require about $20 million in new space and machine tools beyond the division's current $20-million, five-year capital budget. Some of the A–10 equipment will come through the Defense Industrial Plant Equipment Center (DIPEC) pool; Fairchild Republic will purchase the remainder with company funds. Collis pointed out that there would be no depreciation on the government-owned equipment chargeable to the contract, whereas with company-purchased equipment there would be.

Fairchild Republic plans to refurbish a 90,000-sq. ft. structure presently serving as a warehouse and convert it to a machine shop for the new equipment. Cost of the modernization program is $10 million, plus the cost of equipment.

The new equipment to be acquired includes:

Fifteen advanced numerically controlled (N/C) milling machines. These will include three-axis, three-spindle and five-axis, three-spindle mills, though the breakdown between the two types has not yet been established. The cost difference is significant—$800,000 for the three-axis units as compared with $1.2 million—so certain components of the A–10 are being redesigned for manufacture on the three-axis machines in order to reduce the number of five-axis machines that have to be bought. Collis doubted that DIPEC had any unused five-axis units in its inventory.

Four-five conventional mills, to back up the N/C machines.

Two to three tape-controlled drilling machines.

Three-four "machining centers," which do a variety of operations on the same piece automatically—drill, bore, machine and automatically changing the tool head as required.

Several single-operation machines, which the company might design itself in cooperation with a machine tool maker to do specialized cuttings. Such machines, Collis said, can be used on future projects beyond the A–10.

As things stood, the Air Force officer said, Fairchild Republic's capital equipment was at least 10 years outdated. Another officer noted that some of the equipment on the shop floor was used to produce the Republic P–47 Thunderbolt 30 years ago.

Fairchild Republic probably will sell all of its obsolescent numerically controlled machines using vacuum-tube electronics and dating from the 1950s, Collis said.

All of the new machine tools are for the Farmingdale plant.

The six development, test and engineering aircraft are being built, for the most part, on production tooling; this was about $30 million of the DT&E contract. Rate tooling will be made later and at a much lower cost, Collis said.

The workers to operate the old and new machines and to perform other production functions have been hired rapidly in the last year or so, when the Farmingdale roster rose from 1,750 to about 4,000, with 6,000 projected within three years. Employment at Hagerstown increased from 800 to 1,200; at the peak of the program about 1,000 people will be working on the A–10 alone.

WORKFORCE AGE

Air Force concern about the high average age of the workforce—presumably on the notion that they could not stand the high-pressure, full-scale production program—apparently has been assuaged. From a previous figure of 54, the average age has dropped substantially to somewhat above 45, which Collis said is not far from the industry average.

The drop is due in part to union rules, which specify layoffs are to be made on a last-in/first-out basis. Fairchild Republic has now called back all its available lower-seniority laid-off workers; the last 20% of the hires were "off the street."

Air Force was concerned about the higher age of middle management, but this, too, has been ameliorated by recruiting younger persons for slots created by the A–10 program. The division has not forced any retirements on the older middle managers, Collis said.

The sizable aerospace talent pool on Long Island made recruitment a relatively low-cost process.

The division has now reached an employment level that will be stable until mid-1976, and in fact may decline slightly during this year as contract employes are phased out.

Air Force has not yet asked Fairchild Republic to implement the new Defense Dept. philosophy of a constant workforce production rate (AW&ST Dec. 2, 1974, p. 13). The Pentagon believes this will provide an orderly production program by avoiding the early employment peaks and later massive layoffs that are almost traditional in the aerospace industry. Rather than piling on workers to achieve a desired production rate, the new approach would hold workers at a predetermined level and let the production rate rise as they moved up the learning curve. It would tend to stretch programs.

Fairchild Republic also is in the process of determining the minimum-cost production split between Farmingdale and Hagerstown when producing the A–10 at rate. Part of the DT&E aircraft is being made in Maryland, and it is probable that much of the production sheet-metal work will be done there.

Major subassemblies will be produced and checked out at Farmingdale and shipped to Hagerstown for final assembly and flight acceptance testing. The company said that lower overhead and taxes at Hagerstown will result in an $8-million saving. It also said Hagerstown is better suited to flight testing the aircraft.

On the corporate level, the A–10 task group was asked to look at longer-range questions, the Air Force officer said, although "they did have some immediate tires to patch" with the program.

TASK FORCE ACCOMPLISHMENTS

The task group, Collis said, is accomplishing the following:

Tracking the increase in production machinery.

Following the changes in the management control system, involving among other things the heavier use of computers, and efforts to make program areas more visible.

Setting up subcontract management procedures and also reviewing contract management vis-a-vis USAF.

Watching the cash requirements of the program.

Collis foresees no working capital problems. The company's long-term debt is in the form of bonds, not bank term loans. There is a revolving credit agreement with a consortium of banks led by Banker's Trust Co. of New York City, but there have been no takedowns recently.

Fairchild Industries has been in a cash surplus position since early last year, he said. Five years ago it had about $75 million in bank borrowings, but generated enough profits and liquidated commercial inventories to pay this off.

INTENSIFIED TESTS OF A–10S NEAR

WRIGHT-PATTERSON AFB, OHIO.—Total of 1,800 flight hours are planned for the fleet of six development, test and evaluation (DT&E) versions of the USAF/Fairchild A–10A close-support aircraft.

First DT&E aircraft was delivered to Edwards AFB, Calif., from Fairchild Republic's Farmingdale, L.I., facility in late January. It was airlifted in a USAF/Lockheed C–5A transport after the A–10's empennage and wings were removed, and is scheduled to fly around Feb. 15. The remaining five aircraft will fly to Edwards unassisted, according to present plans.

The two A–10 prototypes now flying will be used in the test program at least through March. They will be taken off active flight status, but stored in usable, airworthy condition until an adequate DT&E test fleet is flying. The prototypes together have amassed about 1,000 flight hours (AW&ST Feb. 3, p. 9).

Missions of the six DT&E aircraft include:

No. 1 aircraft—Highly instrumented for performance tests, handling tests, aerodynamic qualities, flutter and airloads demonstration. Aircraft will not have a General Electric GAU–8/A rotary-barrel 30-mm. gun.

No. 2 aircraft—Gun and ordnance stores testing and certification.

No. 3 aircraft—Systems evaluation and weapons delivery accuracy tests.

No. 4 aircraft—Bulk of the performance testing. As with No. 1, it will not have a gun.

No. 5 aircraft—Principal initial operational test and evaluation (IOT&E) vehicle, although other IOT&E will be done with some of the other aircraft.

No. 6 aircraft—Climatic test article. Plans call for it to go to Alaska for cold-weather testing, and to Panama for tropical conditions. Desert testing will be done at Edwards El Centro. It also will go through the climatic hangar at Edwards, which has a temperature range of −65 deg. to +135 deg. This, the last DT&E aircraft, is scheduled to fly in August.

Present complement of test pilots at Edwards includes three from Fairchild, four from Air Force Flight Test Center, and four from Air Force Test and Evaluation Center (AFTEC), Kirkland AFB. For the DT&E program, the contingent from AFTEC will be increased to five, while the strengths of the others will remain the same, though all of the same pilots will not necessarily be involved.

Planned completion date of DT&E in June, 1976. The first production aircraft for Tactical Air Command will be delivered for operational test and evaluation two months earlier. The A–10 initial operational capability is scheduled for January, 1978, with a squadron based at Davis Monthan AFB, Ariz.

In addition to the flight DT&E articles, there is one fatigue test airframe that will have undergone one equivalent lifetime—6,000 hr.—by October, and a static test airframe that will be completely tested by September.

"The program is in good technical shape," an Air Force officer in the A–10 SPO said. The most critical problem, that of secondary ignition of gas from the GAU–8/A gun forming a fireball in front of the aircraft, has been solved by the use of a potassium nitrate additive to the propellant (AW&ST Jan. 20, p. 9)—a technique that the Navy is said to have used for some time to suppress the huge tongues of flame from its large naval rifles. Essentially, the additional oxidizer permits a more stoichiometric combustion of the gun gases while they are still in the gun barrel, so that the gas is less propellant-rich as it exits the muzzle. Projectile velocity is increased slightly.

The armor-piercing incendiary rounds for the GAU–8/A will have depleted uranium penetrator rods designed to pierce the armor of the Soviet T–55 tank, though the officer would not specify whether this was the turret, deck or side armor.

The immediate main thrust of the SPO's efforts with the contractor were outlined by the officer:

Bedrock the schedule in the DT&E program, especially the delivery of the six aircraft.

Establish a total integrated schedule leading into production.

Monitor closely program and unit costs.

Execute total production planning for the first batch of 52 aircraft. The first production aircraft is expected off the line late this year.

KENTUCKY'S AGRICULTURAL PRODUCTION IN 1974

Mr. HUDDLESTON. Mr. President, my State of Kentucky is a great agricultural State. We have over 125,000 farms and some 16 million acres in farmland. We grow a variety of crops—tobacco, soybeans, feed grains, some wheat and a little cotton. We also have significant livestock operations—cattle and calves, hogs, dairy, poultry and eggs.

Last year, our State was particularly productive in corn and soybeans. The Kentucky corn yield was 85 bushels per acre, compared to a national average yield of 71.3 bushels; soybean yield was 25 bushels per acre, compared with a U.S. average of 23.5 bushels.

I am proud of this record, Mr. President, and I ask unanimous consent that an article from the January 17, Louisville Courier-Journal, outlining Kentucky agricultural production in 1974, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Louisville (Ky.) Courier-Journal, January 17, 1975]

KENTUCKY CORN, SOYBEANS TOP U.S. AVERAGE YIELD

(By James R. Russell)

Kentucky grain farmers won the bout with weather last year, harvesting corn and soybean crops that yielded above the national average and beating even the traditional corn- and soybean-growing states.

According to figures released yesterday by the Kentucky Crop and Livestock Reporting Service, Kentucky's 1974 corn crop averaged 85 bushels per acre. The national average is estimated to be 71.3 bushels.

Kentucky's soybean yield is estimated to be 25 bushels per acre, 1½ bushels above the national average.

A late, wet spring, followed by a mid-summer drought and record-early freezes, drastically cut yields in the Corn Belt states.

The Kentucky crops were subjected to the same adverse weather, but the state's longer growing season eased some of the ill effects, farm experts said.

The burley crop also suffered from the poor growng season. Yesterday's crop estimate for the eight-state Burley Belt, however, put the burley production at 583.8 million pounds, an increase of some 12 million pounds above the mid-December estimate.

With the state's 85-bushel-per-acre average—the same as 1973—from 1,120,000 acres, the corn harvest is expected to total 95,200,000 bushels, according to the report. The 1973 crop totaled 85,800,000 bushels from 1,010,000 acres.

Indiana's corn crop is estimated to be 387,660,000 bushels from 5,460,000 acres. This is well below the 1973 crop of 534,480,000 bushels from 5,240,000 acres—a smaller acreage than was planted last year.

Indiana's corn yield per acre nose-dived from 104 bushels per acre in 1972 and 102 bushels per acre in 1973 to 71 bushels per acre last year.

At West Lafayette, Ind., Earl Parr, agricultural statistician of Purdue University, said the latest figures updated previous estimates made in November, at which time Hoosier corn production for 1974 was forecast at 412.5 million bushels.

"Since November it was shown to be our poorer corn still in the field," Park said. "It was later maturing, of low test weight and high moisture content—all of these combined to pull the yield down."

Park also said the new estimates are a result of "just more accurate measuring. At that time (in November) a sizable portion of the crop had not been harvested due to late planting, slow development and the frost.

"In November we still had a third of the corn unharvested, although soybeans were 85 percent complete."

Park said yesterday's estimates were the final for the 1974 season.

Total U.S. corn production, which started out to be a record crop, is estimated to be 18 percent below the 1973 harvest.

Thus, an effort that government officials hoped would stem rising feed costs and ease the financial stress on livestock, dairy and poultry producers, was defeated by the weather, farm experts say.

Other major corn-producing states suffered the same fate as did Indiana. Iowa is expected to harvest an average of 80 bushels per acre from the 1974 crop. The figure was 108 bushels in 1973 and 116 bushels in 1972, Koepper said.

The 1974 corn crop in Illinois will yield 83 bushels per acre, compared with 103 in 1973 and 110 bushels per acre in 1972, Koepper said.

Kentucky's 1974 soybean crop is a record 29,250,000 bushels, according to the report. The state's 25-bushels-per-acre average yield is equal to Indiana's. However, the 1973 Indiana crop averaged 31.5 bushels per acre, according to government figures. Kentucky's average yield in 1973 was only half a bushel better than last year's.

Indiana farmers are expected to harvest 97,750,000 bushels of soybeans from 3,910,000 acres. In 1973, the crop amounted to 135,135,000 bushels from 4,290,000 acres.

The U.S. soybean crop is forecast at 1,233 million bushels, compared with 1,567 million bushels last year.

Kentucky's burley crop is placed at 402.2 million pounds, up 35 percent from the short 1973 crop. Yield per acre is expected to average 2,325 pounds.

Indiana's burley yield is a little heavier than Kentucky's, at 2,400 pounds per acre. Indiana farmers are expected to market 16,800,000 pounds.

Nearly 90 per cent of the crop in the eight-state Burley Belt has already been sold.

In addition to Kentucky and Indiana, Ohio, West Virginia, Virginia, North Carolina, Tennessee and Missouri are in the Burley Belt.

Production of dark fired-cured tobacco, type 22, is estimated to be 7,990,000 pounds in Kentucky. Total U.S. production is placed at 23,290,000 pounds, according to the government estimate.

Production of dark fired-cured tobacco, type 23, is estimated at 4,306,000 pounds in Kentucky and 4,981,000 pounds for all U.S. production.

Production of dark air-cured, type 35 or one sucker, tobacco in Kentucky is predicted to be 6,205,000 pounds. The U.S. One Sucker crop is estimated to be 8,185,000 pounds, the report said.

Production of Green River tobacco, type 36, is estimated at 3,870,000 pounds. The dark air-cured tobacco is grown only in Kentucky.

THE ECONOMISTS ARE CONFUSED, TOO

Mr. HATHAWAY. Mr. President, we in Congress are now trying to deal with one of the most difficult social problems there is—a sluggish and deteriorating economy. In pursuance of this task, we know that we must act quickly, because every day of inactivity means increasing hardship for many of our citizens. Yet, we also know that we must be cautious, for to make a misstep could spell disaster.

There are many, both inside and outside the Government, who feel that the Congress is not acting in good faith as it undertakes this task. They feel the Congress is dragging its feet intentionally in order to play our plight for political advantage.

I would like to remind those skeptics that economics is at best an imperfect art, that trying to chart a course based on that art is likely to produce different opinions as to what is the best direction to take, and that these good-faith differences cannot be easily reconciled. That this is true even for a group of energetic, committed leaders can perhaps be best understood by realizing that the economists themselves are not in agreement. One expression of this was an article in a recent issue of the New York Times about an economic conference. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ECONOMISTS ARE CONFUSED, TOO—A CONFERENCE HERE REVEALS SCHOLARS ARE AS UNSURE AS POLITICIANS ABOUT SLUMP

(By Lee Dembart)

A bevy of economists and social thinkers got together here yesterday at a conference on full employment, and one of the few things that emerged was that there is no more agreement in academe on what ought to be done than there is in government.

"I don't know why anybody listens to economists anymore," Prof. Robert Lekachman, an economist at Lehman College, cautioned his audience at the outset. That may have been the only thing that anyone was convinced of during the day-long affair.

Throughout the conference, the 150 high-minded scholars and students who gathered at the Hunter College School of Social Work on East 79th Street were confronted by eminent and reputable people examining the same data and drawing different, if not opposite, conclusions. For all the facts that were amassed by one side of an argument, an equally impressive side was used by the other.

DEFINITION AWAITED

In one workshop, Professor Lekachman said he thought that the National Bureau of Economic Research "may soon be constrained to invent a statistical definition of depression."

But a fellow panelist, Prof. Raymond J. Saulnier of Columbia University, who was chairman of the Council of Economic Advisers during the Eisenhower Administration, predicted that after three or four more bad months a recovery would begin that would peak by the end of 1976.

"We need a very big public-jobs program," said Professor Lekachman, arguing that at least two million jobs were necessary and three million would be better. He said it would take $50-billion—$25-billion in tax cuts and $25-billion in government spending—to put things right.

But Professor Saulnier had a different view. "A tax reduction at this time is likely to be absorbed in its effect on the economy," he said. "We ought to be depending more on monetary policy than on planned deficits in the Federal budget."

"The economy is currently in the process of correcting excesses and imbalances," he said.

ADMITS TO CONFUSION

Yet another panelist, Leon H. Keyserling, who was chairman of the Council of Economic Advisers in the Truman administration, argued at length against the conventional wisdom that low unemployment would bring high inflation. This seemed all right to Professors Lekachman and Saulnier, but yet a fourth expert, Prof. Lawrence S. Ritter of New York University, said he could never understand what Mr. Keyserling was talking about.

In Professor Ritter's view, full employment was a fine goal but inflation, income distribution, equal opportunity for minorities, assistance to democratic governments in underdeveloped countries and holding down defense spending were all more important.

"We may get full employment, and so what?" Professor Ritter asked. "We may be no better off than we are now."

To Professor Saulnier, price controls were a failure. But Mr. Keyserling said they had worked during World War II and the Korean conflict and had failed in the Nixon years only because the Government wanted them to.

At the start of the day's events, Mayor Beame welcomed everyone to the festivities. He urged them to go about their business forthrightly because: "We are being squeezed by a national recession whose cause was largely a Federal failure to act in time, whose repercussions are beyond our local control and whose solutions must come from Washington."

EMPLOYMENT BILL DISCUSSED

Then Representative Augustus F. Hawkins, a California Democrat, discussed "The Equal Opportunity and Full Employment Bill" that he has introduced in Congress. The bill would guarantee a job to everyone who wanted one.

After lunch, Michael Harrington, the Socialist, and Lieut. Gov. Mary Ann Krupsak delivered speeches on what's wrong with what's happening.

But it was in the workshops that the experts addressed themselves to one another as much as to the issues.

"And now you have heard the indisputable truth," Professor Lekachman said when he finished his presentation.

"I always wish that there were less disagreement," said Mr. Keyserling. "It comes from the remoteness of economists from the real world. They are inheritors of a tradition of economic teaching and study that is outmoded."

"That's economics," said Bill Bleyer, a graduate student in economics at Queens College. "The more you study the more you realize that no two people agree."

NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS RESOLUTION FOR 1974–75

Mr. SPARKMAN. Mr. President, as we look toward the 1975 legislative year, I think it appropriate that we begin now to consider what needs to be done to assure continued progress in housing and community development.

The National Association of Housing and Redevelopment Officials has, for a number of years, provided leadership nationally and locally in developing programs to improve our urban and nonmetropolitan living environment. The new Housing and Community Development Act of 1974 reflects a good deal of NAHRO thinking over the past several years. Accordingly, I read with considerable interest NAHRO's program policy resolution for 1974–75 adopted by the membership at their 35th national conference, and I ask unanimous consent that one part of this resolution be printed in the RECORD for the information of other Members of the Senate.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

NAHRO RESOLUTION

Evaluating 1975 housing and community development efforts in the light of the changing circumstances and requirements in order to formulate new, comprehensive policies for future action.

As concentrated attention is focused on expanding housing and community development action in 1975, in the framework of the new 1974 act, a fresh evaluation must be made as to how these efforts can be related to changing circumstances and requirements. NAHRO sees these evolving conditions as requiring special attention in the next year.

1—A Shifting Population and Economy: The conditions under which housing and community development programs have operated over the last 20 years have been characterized by widespread population movement of low-income families from rural areas to the cities, particularly from the rural south to the urban north, as well as out-migration of middle-income families from large central cities to outlying suburban areas. This movement has been complemented by large-scale industrial and commercial development in outlying metropolitan settings.

In 1974, there appears to be a shift in this pattern. Recent research indicates that the migration of low-income blacks from the south is reversing: there may be as many blacks moving south as there are moving north. Further, there appears to be at least a trickle of middle-income families, as well as office building and commercial development, back to the central city, spurred by a growing environmental protection movement in suburban areas, as well as by energy constraints. The press of population to the west cost is declining.

Shifts of this type have deep implications for housing and community development programs, for center-city redevelopment, for total metropolitan and regional development strategies, for a national growth policy.

2—New and Evolving Institutions: The 1974 act provides important evidence of new and evolving institutions in the housing and community development field. The role of general local and state government is being enhanced, with the greatest transformation manifesting itself in state involvement through the increasing number and capacity of *state housing finance agencies* directly initiating and carrying out housing activity and in the growing number of *state departments of community affairs* carrying out technical assistance and training activity. *General purpose local government* is assuming a new policy and managerial role over all housing and community development activity within its boundaries. In addition, a growing number of *local communities* are committing their own resources, including general revenue sharing funds, to housing and community development activities. *Metropolitan and regionwide entities* are also being created; they require encouragement and new attention. There should be additional emphasis on housing and community development agencies joining with metropolitan area planning agencies to initiate areawide housing assistance plans. Emerging as a major issue is the relationship between an expanded *rural* housing and community development program, including federal assistance for communities of up to 25,000 population, and an accelerated *urban* development activity that may overlap these same geographic areas. Also undergoing a continuing evolution is the relationship between public and private activity, the latest innovation being the creation of the *public-private development corporation*—general purpose as well as special purpose, statewide, regional, local, and neighborhood. Every effort should be exerted to encourage and aid the various states in the creation and implementation of public development corporations in order to expand both techniques and capacity for comprehensive community development.

The traditional institutions in the housing and community development field—the local housing authority, the local urban renewal agency, the local housing codes and conservation agency—are adjusting in many ways to encompass larger areas and expanded functions. But they are also operating in a new arena, with many new institutions.

3—Alternative Approaches and Program Interactions: There is more than one way to approach solutions to housing and community development problems. Nowhere is this more apparent than in the current dialogue surrounding alternative solutions to low-income housing needs: housing allowances vs. housing production. Most current judgment favors a balanced program of income support *and* housing production subsidies; but there should be a full and fair evaluation of housing allowances. There is no question that a broad federal assistance program of minimum income support is integrally related to housing needs. Further, at this time, income support and expanded educational and job opportunities may be more strategic levers for improving certain types of community areas than physical development activity, while, in other areas, physical development activity may be the first priority.

The balancing of alternative solutions to community improvement and the staging of priority action are likely to demand a far more intricate programming effort than in the past.

4—Evolving Housing and Community Development Practice: Over the past 40 years, a great deal has been learned about the function and procedures of housing production and management, community development and redevelopment, housing conservation and rehabilitation. For the most part, this knowledge pertains to well-defined, specific activities related to limited objectives, i.e., a single housing development or a small-scale renewal or conservation project. As the field has evolved, there are increasing insights into the diverse needs that must be served, as well as the array of skills and techniques required to cope with large-scale efforts and various stages of the urbanization cycle of growth, maturity, decline, and decay.

In 1975, the following specific areas require special attention:

(a) *The communitywide community development program:* The 1974 shift to block grant federal assistance in community development means that communities will be selecting the programs best directed to their over-all needs and then orchestrating the diverse elements of what will be a large, complex community improvement effort. In this new effort, a full utilization should be made of the experience and expertise of existing housing and redevelopment agencies. The initiation and refinement of this community-wide program will be a high priority function for the next three years, particularly in most medium-size and in *all* large-size communities. The skills and knowledge that have been developed by local housing and renewal agencies in past years to deal with housing development and the categorical renewal programs should not be lost. They will become the building blocks for community development.

(b) *The local housing assistance plan:* Where, in the past, assisted housing for low- and moderate-income families in a locality has been largely on a project-by-project basis (and may still be for many smaller-size communities), a new concept of programming housing activity closely related to community development activity is now required under the 1974 act for most communities and metropolitan areas. This new concept is the local housing assistance plan, which has flexibility to encompass concepts of "good housing" and "good environment" that extend beyond narrow definitions that focus on absence of dilapidation and presence of plumbing facilities, to encompass such concerns as ability to pay for housing, availability of services and facilities, and environmentally-pleasing surroundings. At the same time, the diversity of the housing needs among different household types—single persons, large families, handicapped, elderly—long noted by NAHRO, is increasingly being recognized. The provision in 1974 federal legislation that provides for construction demonstrations to meet "special housing needs" is only one indication of this trend. The needs of the handicapped, in particular, require increased attention, not only in basic housing requirements but in appropriate support services, elimination of physical barriers in public spaces and living areas, and selection of housing sites that provide maximum access to community facilities. The local housing assistance plan can become the device to achieve a new local housing function, incorporating all of these concerns, but it will require a comprehensive, ongoing process and skilled staff resources at the local level. Ultimately, local housing assistance plans can also be used as mechanisms to develop new, realistic national housing goals.

(c) *Management of assisted housing:* Housing management is rapidly evolving as a specialized and organized function, calling upon an increasingly skilled and well-trained body of housing managers for low-and moderate-income housing developments. NAHRO's certification program for on-site public housing managers is only one indication of this fact. A further indication is the requirement for a "management plan" for all new federally-assisted housing. Still another indication is the growing, successful experience of lower-income housing cooperatives; such cooperative ownership should be encouraged as a viable alternative to large corporate ownership and management in many rebuilt urban areas. For 1975, efforts should be made to evaluate and transfer experience and knowledge in housing management in the following public housing areas: the modernization program, the management improvement program (MIP), the target projects program (TPP). In addition, it appears likely that, in 1975, HUD will propose and seek to implement a final version of a formula for the allocation of operating subsidies in public housing; this formula has broad implications for the future and should be evaluated with great care. It is clear that the prototype operating formula will not yield adequate funding to meet social service needs; supplementary funds must be provided. Local communities have an opportunity through the local housing assistance plan to develop a system to monitor long-term management of assisted housing in order to assure ongoing health of these developments.

(d) *New housing assistance methods:* In 1975, the Administration will place major emphasis on the new Section 8 housing assistance payments (HAP) program as the major vehicle for federal housing assistance. The implementation of the Section 8 program should be evaluated with great care, on a continuing basis, to assure its workability and that it is responding to national housing goals. Also, the demonstrations on housing allowances (HUD designated "direct cash assistance") should be closely evaluated as the experience is released.

(e) *Preservation and management of the existing housing supply:* The fastest-evolving community development activity in local areas is that of housing and neighborhood conservation. The concept of over-all "neighborhood management" by a single responsible agency—public, private, or a combination of both—long advocated by NAHRO, appears to be taking hold. Local governments are beginning to define a comprehensive housing preservation function. It is to be noted that the 1974 act has added a new provision to national housing goals, emphasizing the importance of preservation of the existing housing stock. The 1974 act requirements for a local housing assistance plan provide new opportunities to strengthen local housing codes and conservation agencies to develop an adequate data base on the existing housing inventory, including the total environment—historical, architectural, and cultural qualities. Federal, state, and local communities must continue to search for alternatives or additions to existing methods for preserving the existing stock, including the possibility of federal insurance for state and local rehabilitation financing, as well as the use of limited local tax abatement to encourage rehabilitation. In supporting urban homesteading programs, however, caution should be exercised against any reliance on these efforts as a panacea in combatting housing and neighborhood abandonment, encouraging them only as part of a total neighborhood preservation strategy, backed by federal financial and technical assistance. An expansion of HUD-sponsored research, particularly in the area of costs and incentives for private investment in existing housing, should be undertaken. In this connection, the HUD and Federal Home Loan Bank Board project providing financial support of the neighborhood housing services concept is an important contribution to new approaches; these demonstrations should be undertaken with a minimum of program guidelines and there should be no implementation as a national program unless

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there can be assurance of substantial federal financing assistance.

(f) *Evolving social policy and practice:* The 1974 act further strengthens the requirements already in current federal law to involve local citizens in the preparation and implementation of community development programs; to provide housing opportunities for all citizens on the basis of equal opportunity without discrimination; and to discourage the concentration of low-income and minority families in housing or neighborhoods by themselves. The act reaffirms, particularly in the community development program, the development of employment opportunities for lower-income persons. The 1974 act also provides new recognition of the importance of supporting "human services" programs through its provisions for "supporting services" in the community development program; in the requirement for family counseling in the lower-income homeownership program; and in the restatement of the provisions for counseling and services, particularly for elderly, disabled, and handicapped, in all of the multi-family rental assistance programs. Community advisory councils should be considered for a major role in implementing the social objectives in the 1974 act. Local practices to implement statutory requirements have been steadily evolving and there is important evidence in both housing assistance and community development programs that progress is being made in developing the approaches and techniques to make these local practices fully effective. For 1975, the urgent need is to extend individual examples of progress to a full-scale, nationwide practice.

SECTION 223(f) OF THE HOUSING PROGRAM

Mr. TOWER. Mr. President, on behalf of the Senator from Ohio (Mr. TAFT), I ask unanimous consent that a statement by him on section 223(f) of the National Housing Act be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TAFT

As a coauthor with the Senator from California (Mr. CRANSTON) of section 223(f) of the National Housing Act, I was naturally pleased to hear the announcement this week that HUD is interested in using this authority extensively. This new provision of law allows the Federal Housing Administration to insure mortgages executed in connection with the purchase or refinancing of existing multifamily projects.

Section 223(f) was not highly publicized when the Housing and Community Development Act of 1974 was passed. Nevertheless, it could conceivably turn out to be the "sleeper" provision, involving billions of dollars' worth of FHA financing. Because of this situation and HUD's decision to utilize the new authority for significantly broader purposes than its authors contemplated, I feel that prompt congressional attention should be focused on several aspects of the proposed program.

In essence, HUD has announced the intention to implement two separate programs under section 223(f). The first, described as a one-shot program, would allow the FHA to insure financing for housing projects which were started before last June 30th and will be completed this year. Of course, these projects were not subject to the usual FHA insurance requirements during the construction process. The second, or "permanent" program, would allow FHA to guarantee mortgages on apartments at least three years old. It is proposed that this authority be used both for mortgages on apartments newly purchased and for situations in which an existing apartment owner wants to lengthen or otherwise recast his present mortgage, to reduce his monthly housing expenses or to obtain money for a moderate amount of housing rehabilitation.

The new "one-shot" program in particular unquestionably goes beyond the authors' perception of probable uses for section 223(f). The legislative history is clear that this section was advanced primarily as a valuable tool for preserving existing housing, rather than selling new apartments. However, I cannot condemn the use of this authority for assistance in the sale of new projects simply because it is an imaginative use of the statute. In today's housing market situation of extremely difficult project financing and considerable money tied up in completed projects as a result, this proposed use of FHA authority may be very beneficial. It will certainly help release construction funds, so that more money is available for relending and new projects.

On the other hand, the likely private benefits of the proposed large-scale bail-out should not be overestimated. Neither FHA nor Congress should overlook the fact that in the case of many of these newly constructed apartments, permanent financing has not been available because the project developed serious problems. For example, greater than anticipated increases in construction and interest costs have put the economic viability of many of these projects in jeopardy.

The FHA will have to consider each project carefully. It faces a difficult task in administering insurance standards leniently enough to be of any help in alleviating the present situation, yet toughly enough so that taxpayers' dollars are protected adequately. In many cases, prudent FHA involvement should be possible only after the developers have been required to swallow a sizeable financial loss.

It is also important that the use of section 223(f) authority in this manner remain emphatically a one-time occurrence. To help ensure that the Government's social and financial interests will be fulfilled, Congress generally has insisted upon FHA involvement from the preconstruction stage in projects which will receive Government insurance. Regular availability of FHA financing for projects just completed, without such an involvement obviously would undermine this important policy consideration.

The "permanent program", involving apartments at least three years old, also deserves careful monitoring. While Congress eventually decided to grant the administration the general authority it requested to guarantee financing for the purchase of existing apartments, there are important reasons why the congressional debate stressed the merits of guaranteed refinancing rather than of financing apartment sales. In property transfer situations, HUD does not have those safeguards that are built into refinancing transactions by the presence of an established record of owning the property. Property transfer situations also involve a greater possibility of damaging overappraisals. Furthermore, the risk factor must be of particular concern for these projects, because the Government would be putting its money on the line solely to foster a transfer of ownership and not directly to promote an increase in the housing supply.

There is also no question that FHA insurance involvement in either refinancing or financing a purchase of property in declining areas is generally risky. Of course, that is where the new authority could accomplish the most in terms of promoting housing preservation. FHA will have to exercise appropriate caution.

Despite these operational risks, however, the "permanent program" certainly coincides much more closely to the sections primary legislative intent of preserving existing housing than the one-short program. Facilitation of refinancing in particular can be a major tool for "moderate" housing rehabilitation and repair, because it will allow landlords and homeowners to obtain needed housing repair money without being forced to increase their monthly housing expenses. This can be done by stretching out an existing mortgage, so that the mortgagor pays the same amount or less per month but pays it over a longer time period. FHA insurance for refinancing can also provide a means of financing "balloon" payments, or lump sum payments due at the end of a mortgage term, particularly in areas where conventional financing has become difficult because of neighborhood decline. While the use of the new authority generally in the case of apartment sales was not foreseen, this use could foster housing preservation in some instances by facilitating the transfer of deteriorating housing to more "concerned" or more "competent" owners. I am pleased that HUD appears to recognize these possibilities and that the door has been left open for them.

However, leaving the door open is not the same as taking positive action. The administrators at HUD should clearly keep in mind that the primary legislative intent of this section was to boost the preservation of existing housing. While the problems and risks I have outlined are difficult, even as the one-shot program proceeds, the FHA should be doing its best to come to grips with them and to move the program on the housing preservation front.

To help accomplish this goal, FHA offices around the country should do what they can to spread the news of this new housing preservation tool to those who can use it beneficially. In particular, the tool can be valuable in resolving tenant-landlord disputes and allowing courts to require needed housing repairs, by providing a means for the landlord to repair his property while holding down his expenses and rents. It is a unique tool in this respect. Those who write the regulations should also help by considering changes to facilitate housing preservation actions. For example, a more liberal loan-to-value ratio determining the maximum mortgage principal might be provided in cases where the property is sold from a profit-making entity to an approved tenant cooperative. Other such adjustments in the regulations may have to be made.

The refinancing tool also should be promoted as a housing preservation mechanism for single-family housing. Section 223(f) only covers multifamily projects solely because other provisions of law permit FHA to guarantee a refinanced single-family mortgage. When section 223(f) was passed, the sponsors indicated that this should be a signal to HUD to promote and explore the possibilities for refinancing of single-family housing, as well as multifamily projects.

If the program is administered wisely, HUD's announced uses for section 223(f) should lead to progress in meeting our national housing goals. But if the program is directed to embrace the emphasis I am suggesting, it will make an even more significant contribution to alleviating the difficult problems of our older and declining urban areas.

CLEAN COAL THROUGH TECHNOLOGY

Mr. HUDDLESTON. Mr. President, there is no doubt in my mind that this country cannot meet its enregy needs in the years ahead without a strong commitment to coal utilization. It is a great tragedy that this country has waited so long to make that kind of commitment—and then only after we were in dire straits.

We will have to greatly increase our coal production—to perhaps two billion tons annually by 1985—if we are to meet our energy needs. And if we are to do that it will require a major effort in coal research to develop the best uses of coal that will not harm the environment.

Paul R. Jordan, a native Kentuckian who is chief of public information for the Office of Coal Research in the Energy Research and Development Administration, has written a very perceptive article for the Science Teacher entitled "Clean Coal Through Technology."

As Mr. Jordan points out,

Coal technology holds exciting promise for self-sufficiency in a nation accustomed to a high standard of living based on massive consumption of energy.

Mr. President, I ask unanimous consent that Mr. Jordan's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CLEAN COAL THROUGH TECHNOLOGY

(By Paul R. Jordan)

Overshadowed after World War II by oil and gas as a major energy source, coal is making a comeback as a technological answer to energy shortages in the United States.

The basic reason for this reversal in form is the fact that while the premium fuels now exist in limited domestic supply, coal remains the nation's most abundant fossil fuel. Meanwhile, the demand for energy continues its upward climb.

With 6 percent of the world's population, the United States consumes about 33 percent of its commercial energy supply—an average of about 10 to 1 when compared on a global per capita basis. Most of the nation's consumption involves the use of oil and natural gas—about 78 percent—while coal represents only 18 percent of the total.

To reverse this trend and maintain high environmental standards, the U.S. government has launched an accelerated program to convert coal into clean-burning energy forms. In so doing, the nation will in time reach a goal more nearly approaching energy self-sufficiency—the capacity to meet demands with native resources.

The big problems with coal are that it burns dirty, is expensive to mine and transport, and—largely because of strip mining—is considered anathema to strict environmentalists. Federal regulations limit emissions of sulfur dioxide to 1.2 pounds per million Btu of fuel burned. For bituminous coal, this is less than 1 percent sulfur and for lignite less than one-half percent.

The pros and cons of coal vs. the environment and other energy forms have been aired via former President Nixon's energy messages and by the continuing debates in congressional, governmental, industrial, and ecological circles. Mr. Nixon said, for example,

"Present and potential users who are able to choose among energy sources should consider the national interest as they make their choice. Each decision against coal increases petroleum or gas consumption, compromising our national self-sufficiency and raising the cost of meeting our energy needs."

Emphasizing the need for "Project Independence," Mr. Nixon set a goal of U.S. energy self-sufficiency by 1980 and established funding levels for a $10 billion program. Up to half that amount would be available for the Interior Department through fiscal year 1979. For the Office of Coal Research (OCR) alone, funding escalated from $123 million in fiscal year 1974 to more than double that amount in FY1975. From a staff of 40 plus, prior to the energy emergency, OCR is now almost five times larger after undergoing a major reorganization under the supervision of acting OCR director S. William Gouse. Personnel total is approximately 200 and further expansion is expected.

Coal's enlarged role will require greatly increased production—perhaps as much as two billion tons annually by 1985—or more than three times the approximately 600 million tons produced in 1973.

To help ease the emerging energy crisis, the OCR, working in concert with private industry, is developing new technology to ensure the full utilization of coal without polluting the environment.

There has been significant progress in the past 13 years, but the economic feasibility of coal conversion processes still must be achieved through the long hard, and expensive route of trial and error.

Apart from the political implications arising from the Arab oil embargo in 1973 and early 1974, coal's renaissance is tied inextricably to the knowledge that some 3 trillion tons of coal exist in 30 of the 50 states. At the 1973 rate of consumption, Interior scientists believe, proven coal reserves would not be exhausted for at least 600 years.

This coal, in turn, can be converted to a synthetic oil with a yield of two barrels or more per ton. Thus, we have more than 4 trillion barrels of oil in the form of coal—about 7 times the world's proven reserves. Similarly, the recovered coal may be converted to pipeline quality gas and yield about 32,000 trillion cubic feet, compared with potential recoverable national reserves of 2,390 trillion cubic feet of natural gas.

The demand for fossil fuel energy is expected to at least double by the year 2000, even with the use of nuclear power increasing enormously. While the domestic supply of crude oil and natural gas cannot keep pace with the energy demand, coal and its products can play a decisive role in filling such a gap and thus reduce the quantity of imported supplies of oil and gas between now and the year 2000.

SYNTHETIC GAS FROM COAL

Coal can be converted to sulfur-free synthetic gas. The gas can either be of pipeline quality (known as SNG) or industrial gas quality (low-Btu gas). The basic differences between the pipeline quality gas and the low-Btu gas are that the SNG must have a heating value of about 1,000 Btu per cubic foot and be essentially all methane; the low-Btu gas must be able to support combustion with a heating value generally between 150 and 350 Btu per cubic foot of gas.

Lurgi is the only gasification process commercially available today, but it is limited to noncaking coals (properties predominant in western coals) and cannot accept the coal fines. Tests are underway to determine whether the caking type coals could be gasified in a more efficient Lurgi process; presently this technique is relatively inefficient and expensive.

In order to improve the overall economics of coal gasification, in 1971 the OCR and the American Gas Association (AGA) signed an agreement for an accelerated pilot plant program which will cost an estimated $120 million over a 4-year period. OCR's share totals $80 million; AGA's, $40 million.

Currently, the pilot plants consist of the Institute of Gas Technology's HYGAS process at Chicago, Illinois, and the Consolidation Coal Co.'s CO_2 Acceptor process at Rapid City, South Dakota; a third plant, Bituminous Coal Research's BIGAS process, is under construction at Homer City, Pennsylvania, and scheduled to be completed in mid-1975.

For the first time, in 1973, the HYGAS plant demonstrated the large-scale conversion of coal to substitute natural gas. All essential parts of the plant were integrated during more than 100 hours of continuous operations, beginning with raw lignite and ending with purified gas with a heat content of 900 to 1,000 Btus. The process requires substantial amounts of hydrogen.

The CO_2 Acceptor process was designed to gasify lignite only, with the limitation due to temperatures associated within the system. The process utilizes air rather than oxygen as a source of heat, thereby resulting in a savings in investment and operating cost.

In addition to these high-Btu pilot plants, the Bureau of Mines is developing a synthane process with emphasis on producing more methane (the principal ingredient in natural gas) directly in the gasifier, thus reducing the load in the methanation step. A pilot plant is being built at Bruceton, Pennsylvania, with completion scheduled soon.

The Department of the Interior's pilot plant program is expected to yield the necessary information for design of a demonstration plant with confidence, perhaps by 1977. This larger plant, in turn, would supply operating data necessary for the design of a commercial-sized plant, probably by 1980.

The Office of Coal Research is also responsible for the development of processes to convert coal into low-Btu gas; low-sulfur liquid and solid fuels; and basic processes that produce electricity more efficiently; as well as to burn high-sulfur coal directly with minimum air pollution.

LOW-BTU GAS

A number of processes are being developed by private industries and governmental agencies. Basically all the processes being developed for pipeline-quality gas can be adapted to produce low-Btu gas. There are some which are specifically being developed for low-Btu gas and some in conjunction with the combined cycle approach utilizing gas turbines as an intermediate power recovery step.

Under OCR's sponsorship, a Westinghouse-led industry team is working toward the development of a low-Btu gas system. A 1200-pound-per-hour project development unit (smaller than a pilot plant) was completed earlier this year at Waltz Mill, Pennsylvania.

The Pittsburg and Midway Coal Mining Company is working on a conceptual design of a 1,200-ton-per-day demonstration plant for producing low-Btu gas. The firm expects to utilize data from other coal gasification projects.

The BCR pilot plant at Homer City will have built-in design capabilities to produce low-Btu gas, accomplished by injecting air in lieu of oxygen and eliminating carbon dioxide removal and methanation steps. This not only saves on the investment, but also improves thermal efficiency and thus reduces the gas cost by about 20 percent compared with the high-Btu processes.

The low-Btu gas has varying applications including:

1. It can be used as a fuel to utility boilers, thus eliminating the need for stack gas scrubbing systems on those boilers using high-sulfur coal.

2. It can be used locally as clean fuel for industrial uses and thus replace natural gas that can be used for other purposes.

3. It may be blended with natural gas in the transmission system, to a limited degree, to provide gas of intermediate heating value for industrial use.

SYNTHETIC LIQUIDS

Liquefaction technology, meanwhile, is moving from the pilot plant stage to the demonstration plant level—thereby laying the foundation for a brand new industry producing synthetic clean fuels from coal. Secretary of the Interior Rogers C. B. Morton called the project an encouraging milestone in the advancement of coal technology, as OCR sought competitive bids for bringing it to a successful conclusion over an eight-year period.

In a comprehensive request for proposal

(RFP) to industrial firms and others, OCR asked for specific details for a plan to analyze, design, construct, and operate a demonstration plant for converting high-sulfur coal into a clean liquid boiler fuel. The liquid fuel could be used in the generation of electric power, thereby releasing precious supplies of petroleum for more specialized purposes.

Generally, demonstration plants are considered as being one-third as large as commercial complexes envisioned in the 1980s. Commercial plants would process thousands of tons of coal daily and produce two or three barrels of synthetic oil per ton. Costs for a demonstration plant have been projected in the range of approximately $100 to $400 million, depending on size, with at least 50 percent funding required from nonfederal participants.

The COED (Char-Oil-Energy-Development) process is the most advanced coal-to-clean liquid fuel conversion technique at this time. The process converts coal to a highgrade synthetic crude oil, pipeline-quality gas, and char. Originally conceived by the FMC Corporation and funded by OCR since 1962, COED has been proven out in a pilot plant operation at Princeton, New Jersey for three years.

COED involves the pyrolysis of high-volatile bituminous coal (caking or noncaking) in a multistage fluidized-bed reactor—that is, breaking coal down into various products through the use of heat. The gas can be used either as an intermediate Btu fuel or further processed to become pipeline gas. When the coal-derived oil is hydro-treated in the presence of a catalyst, the oil becomes a valuable premium grade synthetic crude suitable for petroleum refinery feedstock.

The char product can be used as a direct boiler fuel for power generation, or as a feedstock for further gasification and additional processing into hydrogen or pipeline gas.

Under contractual agreement with Consolidation Coal Co., OCR sponsored "Project Gasoline" from 1962 through three years of pilot plant operations at Cresap, West Virginia. The project was terminated in 1970 because of process problems and recurring mechanical deficiencies.

Now, because of the critical need for utility fuels in the eastern United States, the Cresap facility is being reactivated and restructured for further testing of processes to produce low-sulfur fuel oil from eastern high-sulfur coals.

A promising concept now at the pilot plant stage is a process called Solvent Refined Coal, or SRC, developed by the Pittsburgh and Midway Coal Mining Co.

In this process, coal is first dissolved in a heavy aromatic solvent under moderate hydrogen pressure and temperature. The solution is filtered to remove ash and a small amount of insoluble organic material, leaving an end product (SRC) with a melting point of about 350°F and containing about 0.1 percent ash and less than 1 percent sulfur.

The SRC pilot plant was built in Tacoma (Fort Lewis), Washington. Completed at a cost of $17 million, the plant will process 50 tons of coal per day.

The SRC process was originally conceived as a method to produce a clean solid fuel. But now, further engineering studies have shown that with additional hydrogenation, the SRC process can produce clean liquids ranging from light to very heavy in whatever percentage is desired for market demands.

From these first-generation plants, OCR expects to evolve concepts for future plants that will operate efficiently and economically in the production of huge amounts of synthetic energy from coal.

POWER-GENERATION SYSTEMS

Despite present problems of utilizing high-sulfur coal in its conventional form, there will be incentives for large users to burn coal directly—provided a low-cost and pollution-free combustion technique becomes available on a commercial scale. OCR has taken the initial steps toward that end by awarding a $5.8 million contract for the design, construction, and operation of a 30-megawatt coal-fired, fluidized-bed boiler. The 4-year contract went to the engineering firm of Pope, Evans, and Robbins, whose earlier work for OCR developed the combustion and pollution control concepts to be tested in the 30-megawatt pilot unit.

The first high capacity, coal-fired, multicell fluidized-bed boiler is being built at the Rivesville, West Virginia, plant of the Monongahela Power Company. It is expected to demonstrate ability to burn high-sulfur coal well within the legal limits for pollution control.

At presently designed, the boiler will be an atmospheric pressure unit operating at gas flow rates from 10 to 15 feet per second and at bed temperatures of 1500° to 1600° F. Heat release rates of 300,000 to 400,000° Btu per hour per cubic foot of combustion space are expected; that is more than 10 times the rate in conventional pulverized coal boilers. Direct contact heat transfer rates are expected to be five times greater than those of conventional boilers.

Another method of producing power by burning coal directly with inherent pollution control is a fluidized-bed combustor-gas turbine system.

The OCR is operating a pilot plant for the combustion of high-sulfur coal—at 2,000 pounds per hour—in a pressurized fluidized bed by using limestone as an acid gas adsorber. These 1800° F pressurized gases operate a 1-megawatt gas turbine.

A full-sized plant would use a heat recovery system in a combined cycle and approach efficiencies of 50 percent—as opposed to the conventional boiler cycle of 36 percent.

A more advanced technological development, called magnetohydrodynamics (MHD), involves generation of electricity without rotating parts. Coal is fired at relatively high pressure, and the resulting gases are forced through a duct at high velocity. The gases move through a magnetic field surrounding the duct, resulting in generation of an electric current. Electrodes on the wall of the duct convey the current that is generated.

In MHD generation, the chemical energy in the coal is converted to heat in the gas, and the expanding gas provides mechanical energy. This, in turn, is converted to electrical energy as the gas flows through the duct. To be electrically conductive, the gases must attain very high temperatures—upward to 4,000°F. Conductivity of the gas is improved by the injection of "seed" materials such as potassium.

The OCR is cooperating with representatives of the U.S.S.R. for joint research on the MHD method of generating electricity.

While MHD is still in the systems stage of experimentation in the United States, the Soviet Union has a 25-megawatt pilot plant in Moscow that operates minimally. Both countries agreed that an exchange of scientific data would be mutually beneficial to achieve the primary objective of MHD commercialization—perhaps in 10 to 15 years.

MINING AND RECLAMATION

Contract have been awarded to study and seek solutions to environmental problems involved in the siting of coal-based industrial complexes. OCR will attempt to evaluate the best end uses of land, water, and other resources to achieve balanced industrial, economic, social, and environmental development at potential locations in Appalachia, Indiana, Illinois, and Western Kentucky, the Great Plains, and coal areas in the western United States.

Information will be developed for a number of refinery locations to define the relationship of geological, topographical, soil, meteorological, hydrological, and other characteristics with possible environmental effects. An evaluation will then be made of the approaches and techniques that can be used to lessen adverse environmental impacts during the construction and operation of the facilities.

All in all, coal technology holds exciting promise for self-sufficiency in a nation accustomed to a high standard of living based on massive consumption of energy.

HIGHWAY FINANCE EMERGENCY ACT OF 1975

Mr. MOSS. Mr. President, on February 13, 1975, I introduced S. 681, a bill which would amend the Highway Trust Fund Act to allow the use of previously impounded funds to be obligated to the States from the fund without requiring matching State or local contributions. This step is necessary to alleviate a long-standing problem and to eliminate the crucial catch in President Ford's release of $2 billion in previously impounded Federal highway funds.

Several States have been unable to use the trust fund moneys apportioned to them for lack of the matching funds. Their predicament, which was an outgrowth of gasoline shortages resulting in reduced gas tax revenues, is now compounded by the recession. In a period when State revenues are falling, deficits expanding, and layoffs and expenditure cutbacks increasing, it is likely that a growing number of States will simply not have the matching funds. Officials in some States have announced that it will be difficult, if not impossible, to transfer budget resources or raise taxes. Such States would lose the benefits of a share of the $2 billion, whose release is intended to boost the ailing economy.

Because the administration impounded highway trust funds over a long period when the States were better able to match them, it is now only equitable that the Federal Government make such moneys available without the matching requirement.

This amendment will not provide a windfall to the States. The bill specifies that the 100-percent Federal funding provision automatically expires in a State when the amount spent as a consequence of this provision equals the sum heretofore impounded or withheld from that State by the Federal Government.

TRUCK FRONT AXLE WEIGHT LIMITATION

Mr. STAFFORD. Mr. President, in the last Congress, during Senate consideration of S. 3934, the Federal-Aid Highway Amendments of 1974, the senior Senator from Michigan (Mr. PHILIP A. HART) proposed an amendment to limit the weight permitted on the steering axles of truck tractors using the interstate system. The Senate accepted the 10,000-pound limitation after being presented with information which indicated the great safety benefits to be gained.

The steering axle weight limitation was dropped in the conference on S. 3934. During Senate debate on the conference report, it was suggested that the Department of Transportation already had authority to impose such a limitation.

The distinguished Senator from Michigan and the Senator from Vermont wrote to Secretary Brinegar to inquire whether the Department did possess such authority and if it did, to urge the Secretary to impose the 10,000-pound limit.

The Secretary has replied that, in his opinion, he lacks authority to take the recommended action. While he can—and is—acting on another front to reduce safety hazards from front tire failures, he cannot deal directly with the problem of overloaded front axles.

Mr. President, the Secretary's response points up the fact that if the Congress is serious about wanting to improve the safety of big trucks on our highways in this case, it must enact the necessary legislation and not attempt to shift the burden to the executive branch.

I ask unanimous consent that the letter sent to Secretary Brinegar by Senator PHILIP A. HART and myself, and the Secretary's reply, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 20, 1974.

Hon. CLAUDE A. BRINEGAR,
Secretary of Transportation,
Washington, D.C.

DEAR MR. SECRETARY: During debate on adoption of the conference report on the Federal-Aid Highway Amendments of 1974, the Chairman of the Public Works Committee, Senator Randolph, suggested that you have the authority to impose weight limitations on the steering axles of truck tractors. Discretion to impose such a limit, it was stated, is derived from your authority to issue regulations dealing with all safety aspects of interstate truck operations.

We would appreciate it if you could affirm that such a regulation is within your discretion.

The version of the highway bill which passed the Senate included an amendment which limited the weight on truck tractor steering axles to 10,000 pounds for vehicles using the Interstate System. That restriction was deleted in conference.

We have had conversations with representatives of those who drive big, over-the-road trucks and have received information which convinces us that front axle loads in excess of 10,000 pounds constitute an undue safety hazard.

If it is within your authority, we urge you to impose steering axle load limitations not in excess of 10,000 pounds. We believe such a regulation would promote highway safety without significant adverse effects on transportation economy.

Sincerely,

PHILIP A. HART,
U.S. Senate.
ROBERT T. STAFFORD,
U.S. Senate.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., January 21, 1975.

Hon. ROBERT T. STAFFORD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STAFFORD: This responds to your letter of December 20, 1974, signed by you and Senator Philip A. Hart, in which you ask for an expression of the views of the U.S. Department of Transportation on the Department's legal authority to impose weight limitations on the steering axles of tractors used on the Nation's highways. Receipt of your letter was acknowledged by the Acting Executive Secretary of the Department on December 24.

The authority of the U.S. Department of Transportation to regulate commercial motor vehicle operations is derived from Part II of the Interstate Commerce Act, 49 U.S.C. 301 *et seq.* The provisions of Part II of the Interstate Commerce Act relating to qualifications and maximum hours of service of employees and safety of operation and equipment of motor carriers operating in interstate or foreign commerce (found in section 204 of the Interstate Commerce Act, 49 U.S.C. 304) were transferred to the U.S. Department of Transportation in section 6(e)(6) of the Department of Transportation Act, 49 U.S.C. 1655 (e)(6). In the same section of the Department of Transportation Act, Congress also transferred to the Department the Interstate Commerce Commission's power, under section 225 of the Interstate Commerce Act, 49 U.S.C. 325, to investigate and report to Congress on the need for Federal regulation of sizes and weights of commercial motor vehicles. The Department's authority under both section 204 and section 225 of the Interstate Commerce Act is now vested in the Federal Highway Administration.

In 1940, the Supreme Court construed both sections 204 and 225 together in the case of *Maurer* v. *Hamilton*, 309 U.S. 598, and held that the enactment of section 225 by implication ousted the Interstate Commerce Commission from exercising its authority to issue safety regulations for the motor carrier industry in a manner that would establish maximum motor vehicle sizes or weights. "It is evident," said the Court, "that the purport of § 225 is to reserve 'sizes and weight' from the regulatory power of the Commission, quite as much when related to safety as when related to highway construction, pending investigation and report by the Commission of the need for such regulation, and further consideration of the matter by Congress" (309 U.S. at 609).

Since the jurisdiction of the U.S. Department of Transportation is derivative, we have no greater power than the Interstate Commerce Commission had under the abovementioned statutes. In view of the Supreme Court's construction of the statutes in *Maurer* v. *Hamilton*, the institution of a regulation imposing a flat 10,000 pound limitation upon the weight carried on the steering axle of a tractor appears to be in excess of our statutory authority.

Our statutory authority does, however, authorize the Department to make substantial inroads into the safety hazards that may stem from overloaded steering axles, and we are on the verge of doing just that. As we read *Maurer* v. *Hamilton*, the court proscribed use of the authority to regulate safety of motor carrier equipment as the basis for absolute limitations on sizes and weights (whether axle weights or gross weights were involved), but the decision does not forbid the Department from requiring motor carriers to operate equipment having components that are designed to withstand the stresses imposed by the weights they carry.

Our studies have shown that the most critical component from this standpoint is tires. If a motor carrier overloads the steering axle of a tractor, one or more front tires is likely to fail before other components do. For this reason, the Federal Highway Administration's Bureau of Motor Carriers Safety has instituted a rulemaking proceeding looking towards the issuance of a regulation that will prohibit the operation of a commercial motor vehicle on tires that are overloaded or underinflated. A Notice of Proposed Rule Making were issued in April 1974 (39 FR 13785), and final action should be taken shortly.

Regulations governing tire overloading and underinflation, issued by the U.S. Department of Transportation, would not cover all commercial motor vehicles on the highway. This is the case again because of limitations on the Department's statutory authority under the Interstate Commerce Act: the statute authorizes the issuance of safety regulations applicable only to motor vehicles operated by commercial motor carriers in interstate or foreign commerce. There are, of course, a substantial number of commercial motor vehicles operated wholly in interstate commerce. Regulation of the safety of those motor vehicles is a function that Congress has left to the States.

We trust that the foregoing is responsive to your inquiry, and that you will feel free to call upon the Department for any further assistance you may need.

We are writing Senator Hart an identical letter.

Sincerely,

CLAUDE S. BRINEGAR.

SCIENCE CENTER: AN IDEA WORKS

Mr. HUGH SCOTT. Mr. President, Philadelphia's University City Science Center deserves special recognition as it enters its 11th year of service to Pennsylvania. The science center is living proof that diverse interests can be united behind a common goal, can respond affirmatively to a need and can accomplish a great deal. An editorial in the Philadelphia Inquirer sums it all up. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, Feb. 4, 1975]

SCIENCE CENTER: AN IDEA WORKS

The University City Science Center is celebrating its 10th anniversary at a dinner tonight with an impressive record of past achievement that is likely to be not only equaled but surpassed in the future.

There were skeptics in 1965 who couldn't grasp the unique Science Center concept of broad-based cooperation in non-profit research to improve the quality of life and to serve the needs of industry and government and participating institutions. Today, with a staff of 3,000 persons occupying six buildings on Market Street in West Philadelphia, the Science Center is flourishing proof that partnership pays off in scientific endeavors for the public good.

Jointly owned by 29 institutions—hospitals, medical schools, colleges and universities—the Science Center has a pool of talent capable of applying scientific knowledge to solution of problems of virtually any complexity or magnitude.

The range of research at the Science Center covers health, environment, energy and scores of other fields dealing not only with man and nature but in human relationships. Science is applied in its fullest meaning.

As an economic asset to Philadelphia, the Science Center is of enormous value in attracting to this area industries in need of its services. And it provides a wealth of scientific capability to area institutions that none could hope to match on its own.

The University City Science Center rates

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heartiest congratulations on completion of its first decade and the beginning of its second. As gratifying as the early years have been, the best should lie ahead.

THE POLICY PLANNERS

Mr. RIBICOFF. Mr. President, Secretary Kissinger has been surrounded by controversy almost from the day he arrived at the State Department. A man of great talent and great goals cannot escape critics who assail him as a one-man State Department, beholden to no one and dependent on no one.

Behind Mr. Kissinger and his diplomacy, however, is an organization which deserves both mention and praise. Obscure to most outside the State Department, his policy planning staff has flourished as a highly intelligent sounding board and advisory aid to Mr. Kissinger. Its director, Winston Lord, 37 years old, is a man of thorough experience and ability. To their credit, Mr. Kissinger and Mr. Lord at long last are inspiring and making critical use of a new generation at the State Department.

James Reston has written an enlightening column on Policy Planning and the new men being asked to define the problems and concepts of the future. I ask unanimous consent to have his column printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE POLICY PLANNERS

(By James Reston)

WASHINGTON, February 18.—There are three popular theories about how Henry Kissinger runs the State Department. The first is that he does it all by himself, having fired anybody intellectually inferior to himself, which means almost everybody. The second is that he still has a few staff members around but devours them, one by one, usually at breakfast time. And the third is that he doesn't run the State Department at all, but leaves the whole thing to his principal administrative assistant, a patient and driven man named Larry Eagleburger.

There is some truth in all this, but as in most of the Kissinger myths, not much. Actually, the more he is away, concentrating on one problem at a time, the more work the State Department has to do on all the other problems that pile up in his absence. State is not a one-man flying band, but probably the youngest and most talented foreign office in the world.

Mr. Kissinger has been so much in the limelight that he has obscured the achievements he has made in the dark. He is often an outrageous man but he has brought exceptional talent into the department. He has set a personal example of hard work and severe intellectual standards in the analysis of policy that have not been seen in Foggy Bottom since the days of Dean Acheson. He has not been kind or even considerate, but he has restored the pride of the department and the Foreign Service, and has even intimidated some members into writing plain and understandable English sentences, an astonishing achievement!

The Kissinger Policy Planning Staff illustrates the point. Maybe it distorts the point, for this is where he has cut across the State Department Establishment, brought in the young, given them the task of defining the problems and concepts of the future, and—a new role for Policy Planning—making the first drafts of his speeches.

The Director of Policy Planning now is Winston Lord, who was Kissinger's special assistant at the National Security Council in the White House, '69–73. Age 37, Yale, policy planning at Defense, '67–69, Foreign Service officer, senior adviser on China, adviser on Kissinger's public statements, married to a lovely intelligent iron butterfly, who was born in China.

Senior Deputy Director on Policy Planning is Samuel W. Lewis, 44, also Yale, also Foreign Service officer and former assistant to Kissinger on the NSC staff at the White House. Special responsibilities: South Asia, Latin America, Middle East and Africa.

Deputy Director: Reginald Batholomew, age 38, Dartmouth, former lecturer at Wesleyan University and University of Chicago, former director policy plans and NSC affairs Department of Defense. Special responsibilities: Europe, East Asia, political and military affairs.

Staff Director, NSC Under Secretaries Committee: Wreatham, E. Gathright, 49, Vanderbilt University, Special Assistant to Kissinger for Atomic Energy and Outer Space Affairs, science and technology in general, including technological relations abroad.

Also, Peter B. Swiers, age 36, Fordham University, Foreign Service officer, former Chief Consular Section Moscow embassy, former staff assistant to Averell Harriman. Also, staff assistant to Winston Lord, Daniel T. Hickey, age 34, St. Joseph's, Foreign Service officer, former economic officer in U.S. Embassy in Venezuela and Mexico.

There are, in addition to these, 24 other members of the Policy Planning Staff, ranging in age from Lawrence M. Mead, 28, from Amherst, who helps write Kissinger's speeches, poor man (they often go through more than twenty drafts before Kissinger rewrites the whole thing) to Richard B. Finn, age 57, an expert on East Asia, out of Harvard.

This is quite different Policy Planning Staff from the days of George Kennan. Like everything else now, it is much bigger—around thirty members as compared with Kennan's eight or ten—and dealing with many more things.

It has experts on air power (Lt. Col. B. Conn Anderson Jr., West Point, age 41, professor at the Air Force Academy and the National War College); advisors on science (Harry C. Blaney, age 36, Allegheny College, London School of Economics, former assistant to Pat Moynihan in the White House); information officers (Douglas Pike, age 50, California, former P. R. officer in Vietnam).

You name it and Policy Planning now has it, and it's so large that Mr. Kissinger, who hates big meetings, seldom meets with it. But he has changed in the last few months. He now has breakfast at the State Department at 7:30 in the morning, and has a staff meeting once or twice a week, when he's around, with his Under Secretaries and Assistant Secretaries, and Winston Lord, his Policy Planning Director.

The talent has been here at State for more than a generation, unused and uninspired. Mr. Kissinger has been very tough on it, but he has nourished it and brought it alive again, and in the end, this may be one of his most important achievements.

A PROPOSAL TO ASSIST THE HOUSING INDUSTRY—STATEMENT ON S. 587

Mr. HOLLINGS. Mr. President, although there are some indications that long-term interest rates may be leveling off and there is some hope that they may be falling in the near future, there is still a vital need to be concerned about the dampening effect of interest rates on the housing industry. Interest rates on conventional home mortgage loans in November 1974 were 9.27 percent on new homes and 9.58 percent on existing homes.

A brief look at the housing industry reflects the impact of a depressed economy—which is in the worst recession since World War II. The overall unemployment rate in January reached a high of 8.2 percent with more than 7½ million persons out of work in a labor force of 92 million. In the construction industry the recession has been even more pronounced: 15 percent of the workers in contract construction were unemployed in January 1975 with 634,000 construction workers unable to find jobs. Homebuilding, a major segment of the construction industry, was operating at less than half of capacity at the start of 1975.

Housing starts in December 1974 fell 12 percent to 868,000 from November's 990,000 unit seasonally adjusted annual rate, an 8-year low. Building permits plummeted sharply to 802,000 in December, possibly foreshadowing a still lower starts figure in the near future. Sales of new homes were at a 429,000 unit annual rate in November 1974 with approximately 405,000 units of unsold homes at the end of this period. This means that while housing starts are down, there is still a large backlog of homes needing permanent financing.

One reason for the large inventory of unsold homes and decrease in housing starts in addition to high interest rates is the high cost of new homes. Prices have skyrocketed in the last few years; the median price of a new home sold in 1974 was $36,000 compared with the median price of $27,000 for a home in 1972. Mortgages in the $30,000 range were beyond the means of four out of five families.

And finally, the withdrawal of Federal support from subsidized new construction has caused a further abatement in the housing industry. In calendar year 1974 fewer than 150,000 subsidized units for low- and moderate-income households were started compared with annual levels of more than 400,000 in 1970 and 1971.

Under these circumstances, S. 587, a bill to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources, was introduced by me on February 5, 1975. The bill would provide a Government subsidy for FHA and VA mortgages for a limited period of time to middle-income families who purchase homes. The subsidy would bring mortgage interest rates down to 7 percent from the going market rate for the first 3 years during which a family occupies a dwelling unit and up to one-half of such subsidy amount during the fourth and final year.

Eligible borrowers include families whose incomes do not exceed 120 percent of the median income for their areas or approximately $15,600 to $21,600 income with adjustments for smaller or larger families. At least 80 percent of the assistance would have to be for newly constructed or substantially rehabilitated units, the remainder for existing houses. One-family units in condominiums and units in cooperatives as well as single-family houses are eligible but the purchase price cannot be higher than $38,000. Preference for financial assistance is to be given to units possessing certain land and energy conservation characteristics. The bill also authorizes payments up to $650 million a year for 2 years subject to actual amounts approved in appropriation acts. The program would be administered by the Department of Housing and Urban Development.

In 1975 there are indications that mortgage interest rates are likely to range somewhere between 8½ and 9 percent. Under S. 587 the mortgage interest rates are subsidized down to 7 percent for the home buyer. It can be estimated that if one assumed a $33,000 mortgage with a repayment period of 30 years the monthly mortgage payment at an interest rate of 9 percent would be $265; at 8½ percent it would be $254. However, at the subsidized rate of 7 percent, the mortgage payment is reduced to $220 a month.

The interest subsidy would also have an impact by reducing the necessary income to purchase a home. If a family were to be paying 20 percent of its income for housing, under this program it would need an annual income of only $21,000 as compared to $23,700 at a 9-percent interest rate. With 25 percent of the family's income spent on housing it would need an income of $16,800 as compared to $18,960 at 9 percent. The subsidy reduces the required income by approximately $2,200 to $2,700 a year, since all other housing expenses would remain the same—see table 1. Thus, this program would enable millions of additional families to become income eligible to purchase homes.

Mr. President, I ask unanimous consent to have a table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—REQUIRED MONTHLY PAYMENTS AND INCOMES AT VARIOUS RATES OF INTEREST

[Price: $36,000; mortgage amount: $33,000; repayment period: 30 yrs]

Required payments (per month)	7 percent	8¼ percent	9 percent
Principal and interest	$220	$254	$265
Hazard insurance	10	10	10
Heat and utilities	50	50	50
Property taxes	50	50	50
Maintenance and repairs	20	20	20
Total	350	384	395
Required income at housing expense/income ratio of—			
20 percent	21,000	23,040	23,700
25 percent	16,800	18,432	18,960

Mr. HOLLINGS. Mr. President, the bill would also provide additional housing units. Assuming a 9-percent market rate, the required subsidy per year would be $540 per family. Under the proposed funding level for the bill—$650 million per year—1,204,000 families could be assisted. If the market rate were 8½ percent, some 1,593,000 families could be assisted. The cost of subsidizing each family would be $408.

The bill would make homeownership possible for many people who now cannot qualify for market rate mortgages. In addition, it would move a large part of the unsold housing inventory that is priced at $38,000 or less and meets the land and energy conservation objectives of the proposed bill. Finally, it is predicted that the program will create thousands of jobs in homebuilding, building supply manufacturing, home furnishing, and consumer durable goods.

There are some who argue that this program will help people with above average incomes rather than lower income families. In the first place, one of the major purposes of this bill is to provide additional assistance to help homebuilders and home buyers over a critical period of deepening recession and the threat of more inflation.

In the second place, this argument would have validity if there were no other programs of assistance for lower income families. One possibility that has been suggested is to reinstate the sections 235 and 236 programs which are directed to families with incomes between $5,000 and $10,000. H.R. 804, introduced by Congressman CLAUDE PEPPER, is a bill designed to reinstate these programs. Finally, the new section 8 leasing program authorized by the Housing and Community Development Act of 1974 is expected to be a major vehicle for additional subsidized housing for the next several years.

FORD IS ON THE RIGHT ROAD

Mr. HUGH SCOTT. Mr. President, an editorial from "Torch," the Standard Oil Co. bimonthly magazine, credits President Ford with taking the right steps in dealing with the energy crunch. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FORD IS ON THE RIGHT ROAD

President Ford's comprehensive energy package gives evidence that the nation at last has a plan that promises real progress toward the often-stated goal of energy self-sufficiency.

The President's proposed plan has its drawbacks, but considering the options available, it is the one that makes the most sense.

The key elements of Ford's plan are these:

Impose a three-step tariff on imported oil that will reach $3 per barrel by 1975;

Allow price-controlled domestic "old" oil to seek parity with "new" domestic and imported oil; and

Impose a tax on "windfall profits" that would accrue to oil companies as a result of higher prices.

What we like most about Ford's plan is that it courageously faces up to the fact that there are no easy, four-lane highways leading to self-sufficiency. All the roads leading there are bumpy ones. But we believe that the one chosen by the President is the most direct route, with the fewest bumps.

For example, if you accept the fact that we must reduce reliance on foreign oil, there are really only two routes that policy makers can choose from. The first is the one we've been following, and it has led us nowhere. It is a meandering course which ignores simple laws of supply and demand in an effort to attain the politically popular goal of keeping prices down through a plethora of controls, pricing mechanisms, entitlements, and other horrors. But economic reality suggests that if you keep prices down you also curb domestic production and sustain high demand—which means that road will never lead us to energy self-sufficiency.

The other road, the one that Ford has chosen, is also bumpy. It relies on the market mechanism to set the price of oil—which means that the price of oil will rise. But by letting the price rise, demand will shrink enough to hold imports down, while at the same time, incentives can be provided to produce more oil domestically. Eventually, that road will lead us to self-sufficiency.

But along the way there will be some painful chuckholes and dangerous curves. Rising prices will work a hardship on lower-income people, for one thing. Then, too, there is the matter of the so-called "windfall profits."

WINDFALL PROFITS AND TAX RELIEF

President Ford has correctly recognized that decontrol will result in a situation where some producers of "old" oil will have a potential of receiving close to $7 more per barrel. In view of the fact that the role of profits in a free-market economy seems little understood by the public, Ford is astute enough to know that such increases would result in the politically explosive charge that oil companies are realizing "windfall profits." Thus the President's program includes a proposal to impose a tax on these profits.

But in imposing this tax, the President and the Congress should also consider the need to improve incentives to increase domestic supplies. As now proposed, the tax also would apply to "new and released" domestic crude oil, now selling in the free marketplace at prices of $11 to $12 a barrel. The oil producer's tax bill on this fraction of his production would actually increase by close to $3 per barrel under the Administration plan, and his receipts would shrink by a corresponding amount.

So a "typical" oil producer with 40 per cent of his production now selling as "new and released" oil could find that his net revenues—after paying all his federal taxes—have dropped by some 60 cents to 70 cents a barrel. In effect it would penalize the oil producer who has been the most ambitious and successful in his efforts to expand domestic production. Which means, of course, that it would defeat a major objective of the President's bill—to increase domestic supplies.

There is a way around this, however. By including a "plowback" provision as part of the windfall profits tax, the necessary incentives could be provided to oil producers while, at the same time, true excess profits would be channeled back to the public treasury. This provision would give credits against the tax for expenditures made to expand exploration, production, refining, transportation, and other activities related to increasing domestic supplies. Credit would not be given for investments not directly intended to expand domestic supplies, nor would the credits add to a company's ability to pay higher dividends or divert cash to other activities.

In effect, the plowback provision would permit the petroleum industry to invest up to the maximum in the manpower, materials, and equipment needed to increase domestic supplies. All additional profits not committed to this end would be retained by the U.S. Treasury, which could, in turn, channel them into programs of tax relief for lower-income people hardest hit by rising energy prices.

TARIFF VS. INCREASED EXCISE TAXES

Among the alternate proposals to President Ford's plan to impose a three-step tariff

on oil imports—and an excess profits tax on domestic crude—is one to sharply increase the excise tax on motor gasoline. The problem we have with this proposal is that the burden of the tax would be borne mostly by passenger vehicles. Motor gasoline accounts for less than 40 per cent of the total U.S. petroleum demand, and passenger cars account for 70 per cent of this demand. We estimate that to achieve a million-barrel-a-day reduction in demand would require an additional tax on these motorists of the order of 50 cents a gallon.

Proponents of the gasoline tax seem to assume that most driving done in this country is purely for fun, and it is the higher-income people who do it. On the contrary, 80 per cent of current gasoline demand comes from motorists who must use their cars to reach places of employment, schools, hospitals, and similar destinations. Moreover, studies have shown that in many sections of the nation, lower-income people are more dependent on motor-vehicle transportation than are the wealthy. It's clear to us that increases in the excise tax on gasoline would weigh most heavily on those least able to afford it.

The President's proposed tax on crude oil would spread the burden over all users of petroleum products, including those using industrial fuels and the petrochemicals industry. Industrial fuels account for about 16 per cent of current petroleum usage. And unlike motorists, factories and other users of industrial fuels—in many instances—have the capability of switching to alternate fuels—such as coal—when given the incentive to do so.

We recognize that a tax on fuel oil could work a hardship on those whose homes are heated by oil. About a fourth of American homes use this fuel, accounting for roughly 9 per cent of total demand. But the President has already indicated the possibility of giving special allowances to those sections of the country (notably New England) that are particularly dependent upon this fuel.

The probability also exists that the broad-based crude-oil tax would have less of an adverse effect on the already depressed automobile industry than would a gasoline tax. And the goal of stimulating small-car (vs. large-car) sales could be accomplished more readily through the imposition of a "vehicle efficiency tax" that takes into account vehicle weight and engine displacement.

In short, the President's proposed three-step tariff on imported oil would be more equitable than a gasoline tax, it would be more easily administered and, perhaps most important, it would work almost immediately to cut demand.

WHAT ABOUT GASOLINE RATIONING?

Adopting gasoline rationing as an alternative to President Ford's program would be another journey down that road of government controls that leads to nowhere. Proponents of rationing contend that this measure will conserve energy by curbing discretionary driving and, at the same time, it will be an "equitable" solution to the energy shortage because it will keep gasoline prices low and thus will not impose an unfair burden on low-income people.

Restraining prices is, of course, a politically popular position. But it ignores the reality that prohibiting domestic prices from seeking world parity discourages domestic exploration and production efforts. This is hardly the route to follow if the nation is really serious about attaining energy self-sufficiency.

But laying the matter of self-sufficiency aside, there are serious flaws in the reasoning that gasoline rationing would be "equitable." Take the matter of discretionary driving, for example. Gasoline-rationing proponents—like those who propose a gasoline tax—are assuming that most of the driving done in this country is done by rich people in gasoline-eating monsters on their way to and from leisure-time activities.

As we've said before, this is simply not the case. Most of the driving in this country is to and from work or schools in areas where public transportation is not available. And a large percentage of the people who must drive to and from work are low-income people, who, by the way, are much more likely to be driving those gasoline-eating monsters.

But let's suppose that a system of rationing is imposed. This presumably can be done only in one of two ways: by issuing rationing coupons or tickets that are non-transferable—that is, each person receiving them would be stuck with his or her allotment (nine gallons a week has been proposed); or, the tickets can be transferable—that is, those who need extra tickets can buy them from those who don't need them. If the tickets were made non-transferable, millions of people who rely on their cars to get to work couldn't get there. If they were made transferable, these same people would be forced to dig into their pockets to buy additional tickets, which might well bring the total cost of rationed gasoline to a level equal to or exceeding unrationed gasoline.

One way around this problem, say the gasoline-rationing proponents, is to make the tickets non-transferable, but to parcel them out on the basis of need. This is a variation of the old World War II rationing system, where A stamps were issued to those who drove only for "fun," B stamps were issued to those who could prove more of a need, and so on down the line.

But how do you determine need? By setting up rationing boards all over the country. This, of course, is distressingly similar to the World War II setup which, even in a time of patriotic fervor, was conspicuous by its failure. Aside from the wholesale cheating, hoarding, and blackmarketing this program caused, the enormous federal bureaucracy that was created to administer the program and staff the rationing boards imposed a heavy tax burden on the citizenry.

And therein lies the final irony of gasoline rationing. Instead of shifting the burden of energy conservation from lower-income to higher-income people, the real income transfer would be, as the *Wall Street Journal* put it, "from the motorists to a new army of bureaucrats."

WHERE DO WE GO FROM HERE?

As these words are being written, President Ford's energy package has already run into heavy flak from Congress. By the time you read these words, much of the President's program may have been shot down or substantially altered. And there may indeed be other proposals that can do the job more efficiently and at lower cost.

But if there are better programs, we have not seen them. Most of the alternative proposals are rehashes of programs that take us down that meandering road of added government controls that lead to nowhere.

President Ford has offered us no painless solutions to the energy shortage because there are none. But he has proposed a total program which deals with the twin problems of energy conservation and increased supplies—a program in which individual components are logically and coherently meshed.

And if we ever attain the goal of self-sufficiency, it will be because we have traveled the bumpy, sometimes painful, but nonetheless certain road that a program such as President Ford's has put us on.

THE ROLE OF CONGRESS

Mr. BIDEN. Mr. President, it has been clear for some time now that the Congress is in the midst of a reassessing—and reaffirming—the proper role the legislative branch is meant to play in American Government.

The signs of this reaffirmation are all about us. To cite but a few examples:

The War Powers Act, now law, places limitations upon the President's authority to commit American forces abroad without the consent of Congress.

The Senate has passed, and will undoubtedly pass again this year, legislation imposing the first comprehensive limitations upon the President's use of statutory emergency powers in the wake of declarations of "national emergency."

To better cope with Federal spending priorities, Congress has now established its own Budget Committees, and a congressional budget office to provide those of us in the legislative branch with the same kind of expertise enjoyed by the Executive.

These are only a few examples of concrete efforts Congress has taken to better equip itself to deal with problems faced by this Nation.

Sad to say, however, much more needs to be done. I have long been a critic of congressional inaction, and I must confess that we in the legislative branch have had only ourselves to blame for the overwhelming growth of the Presidency. Despite the hopeful signs I listed above, Congress still has much to do before it can truly be said the legislative branch is a co-equal of the Presidency.

One of the things that I think needs to be done, as part of this long-range effort, is to educate the American public to what the Constitutional role of Congress really is under our Government. We have become so used to Presidential decisionmaking—with splashy headlines and the ever-present aura of immediacy—that we often forget that Congress is here to legislate, and good legislation involves deliberation, compromise and careful weighing and sifting of facts. Rarely is good legislation produced in a hurry.

Mr. President, I was pleased to read an article in the February 14 edition of the Washington Post by Spencer Rich which, in some detail, lists the many accomplishments of Congress. I think this is a pertinent analysis of the situation, and I ask unanimous consent, Mr. President, that Mr. Rich's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS HAS LED IN MAJOR PROGRAMS

(By Spencer Rich)

Although it is fashionable to declare that Congress by its very nature lacks the capacity for leadership on national issues, the fact is that many of the most important national programs and policies of recent years have been initiated on Capitol Hill and forced on an unwilling President.

In recent days President Ford has accused Congress of obstruction, of delaying presidential initiatives without developing programs of its own. And, to be sure, Congress moves slowly, possesses an unbelievable capacity for quibbling and political showboating, argues an issue and chews it over 100 times before digesting it, compromises on everything, makes backroom deals and takes numerous undeserved vacations.

But despite all these failings, it is Congress and not the White House that has initiated and nurtured:

Medicare.
Social Security disability insurance.
Pension reform.
The 18-year-old vote.
Political campaign reform.
Clean air and auto-pollution controls.
The Indochina war cutoff.
Key laws against dangerous chemical additives in foods.
Consumer product safety and warranty laws.
Much of the landmark civil rights legislation that Lyndon B. Johnson pushed to passage when he became President.
Major Social Security benefit increases.
Still-to-be-passed proposals for no-fault auto insurance and for a federal agency to argue the consumer position before rule-making agencies.
Mandatory auto safety standards.
Major investigations of gangsterism, labor racketeering, the drug industry and multinational corporations.
Recent improvements in food programs for the poor and in the minimum wage.

Congress leadership was demonstrated in the way the Senate Foreign Relations Committee, headed by then-Sen. J. W. Fulbright (D-Ark.), publicly took up the antiwar cause as early as 1965, gave it publicity and respectability through hearings, uncovered covert military operations elsewhere in Indochina and exposed the inconsistencies in the White House's reports on the Gulf of Tonkin incident.

The committee's activities played a large role in crystallizing public opinion against the war.

This, in turn, helped press both Johnson and Richard M. Nixon to seek a negotiated end, and to brake escalation of the U.S. military effort. In 1973 Congress legislated a flat cutoff of all U.S. military combat activities in Indochina.

The evolution of Medicare—federal medical insurance under Social Security for persons over 65—is another illustration of congressional initiative.

In 1957 a Rhode Island congressman on the Ways and Means Committee, Aime J. Forand (D), sponsored a Medicare bill with the backing of the AFL–CIO and medical and welfare groups. The Forand bill won Senate sponsorship from John F. Kennedy (D-Mass.), but was opposed by the Eisenhower administration and by the 1960 GOP presidential nominee, Nixon. Congressional Democrats pressed it, however, and Kennedy made it an issue in his 1960 presidential campaign. It was enacted in 1965.

Pension reform is another good example. It was pioneered in Congress by Chairman Harrison A. Williams (D-N.J.) and senior Republican Jacob K. Javits (R-N.Y.) of the Senate Labor Committee, faced strong opposition from the White House on many major safeguards, but finally was passed despite continued White House misgivings.

The 18-year-old vote had broad support, but the White House under President Nixon wanted it accomplished by a constitutional amendment, which would have taken years. Sen. Edward M. Kennedy (D-Mass.) had the idea of attaching it to a 1970 bill extending a major civil rights law. Majority Leader Mike Mansfield (D-Mont.) took up the thought and engineered a successful Senate vote, the House accepted it, and the President—after some hesitation finally signed it.

Kennedy and Senate Minority Leader Hugh Scott (R-Pa.) were also the chief advocates of public financing for presidential elections, enacted by the last Congress despite White House opposition. And it was Kennedy who, a year ago, initiated the drive for tax cuts to stimulate the economy, which has now been endorsed by everyone, including the White House.

The consumer protection agency bill, drawn from an idea first espoused by the late Sen. Estes Kefauver (D-Tenn.), became a serious proposal in 1969, when Rep. Ben Rosenthal (D-N.Y.) and Sens. Abraham A. Ribicoff (D-Conn.) and Warren G. Magnuson (D-Wash.) put the idea in its present form and started a campaign for passage. White House opposition and business-backed filibusters have killed it so far, but enactment by this Congress appears likely.

In sum, Congress was designed by the Founding Fathers to operate slowly, with deliberation and with compromise, and it is not structured to rush controversial proposals through smoothly. But it gets a lot of input from the public, and its stumbling, brooding deliberations often result in important new ideas and initiatives unconceived by a President, despite all his direct power and advisers.

PROPOSED PRISONER EXCHANGE WITH CUBA

Mr. HASKELL. Mr. President, as my colleagues may be aware, there have been several recent reports indicating that Cuba has offered to exchange Larry Lunt, who has been incarcerated in a Cuban prison since 1965, for Lucinda Lebron, a Puerto Rican nationalist who has been in jail in this country since 1954.

Dr. John Lunt, his brother, is a neighbor of mine in Colorado. Because of my personal friendship with the Lunt family and my high regard for them, I have been actively involved in attempts to convince the State Department to accept the terms of the prisoner exchange.

On January 23, I wrote Secretary of State Kissinger requesting his intervention in this matter. The Secretary has this matter under consideration at the present time. It is my sincere hope that my colleagues will join me in this humanitarian effort to effectuate the release of Mr. Lunt.

THE PROPOSED CHANGE IN RULE XXII

Mr. GOLDWATER. Mr. President, the Republicans have recently returned from their Lincoln Day recess across this country and I first would like to thank the leadership for having arranged this—although we cannot be very thankful to them for having rescinded it, when we were about to embark on long scheduled meetings. I can well understand the concern of the leadership about criticism coming from across this country relative to Congress not seeming to be working at the problems of the country. I really believe if we explained to the people how Congress works, especially a new Congress, they would better understand the reasons that we have periods of rest, like Lincoln Day, Easter, Fourth of July, and so forth.

While I am not certain, I believe that I speak for a good number of my colleagues who, in view of the recent cancellation of the announced Lincoln Day recess, are wondering just what will be done about the coming periods of nonlegislation. Are we to have an Easter recess, a Memorial Day recess, a Fourth of July recess and are we going to have the month off this summer that has been promised us? I do not think any of us are particularly demanding of these periods of rest, although they come as very welcomed gestures, because if there is work to be done we must stay here and do it. But I think in all fairness to the entire Senate that the leadership should immediately tell us what their new plans are for any possible recess changes.

Knowing that within a few days there will probably be filed a cloture petition to bring rule XXII to a vote, I have asked that a study be undertaken on this matter by the Republican policy committee. It is completed up to the Lincoln Day recess. All one has to do to get the up-to-date accurate figure is to add those few hours that we were in session during that period. As I mentioned on the floor last year, I recognize the legality of filing a petition for cloture at anytime, but I do think it would be in better keeping with the spirit of the Constitution and rules of the Senate if we at least had some debate before the cloture petition was filed. If there has been a filibuster on this rule XXII matter, there is a new meaning of the word, in as much as I have not noticed anything taking place that would fit the description of "filibuster" used in other Congresses that I have served in.

Mr. President, I ask unanimous consent that this study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
REPUBLICAN POLICY COMMITTEE,
Washington, D.C., February 19, 1975.

To: The Honorable BARRY GOLDWATER, 427 Russell Senate Office Building.

The following facts pertaining to Rule XXII are provided in question and answer form.

1. Q. When did the present proposed change to Rule XXII come up?

A. (1) Resolutions have been introduced in each of the past seven Congresses (87th–93rd) to reduce the number of Senators required for Cloture from two-thirds to three-fifths. Various other efforts to reduce the required two-thirds majority have also been made.

(2) The change to Rule XXII presently being considered was introduced on the first day of session of the 94th Congress Tuesday, January 14, 1975 (Temp. Record Page No. S–10).

2. Q. How many days and hours have we been in session since?

A. Twelve days, for a total of 51 hours and 4 minutes (January 14 through February 5).

3. Q. How many days and hours could we have been in session (assuming a norm of 5 hours)?

A. Excluding Saturdays, 17 days: 85 hours.

4. Q. How many days and hours have we spent on Rule XXII?

A. The subject has come up on the following days:

Day and approximate time spent:
January 14, 3 minutes.
January 16, 2 minutes.
January 17, 4 hours.
January 21, 4 hours.
January 23, 3 hours.
January 30, 5 minutes.
February 3, 15 minutes.
Total, 11 hours and 25 minutes.

Very respectfully,

EDWARD L. BEACH,
Staff Director.

UMI

EQUAL TIME REQUIREMENTS OF BROADCASTERS

Mr. HUDDLESTON. Mr. President, I am pleased to cosponsor with the distinguished Senator from Rhode Island (Mr. PASTORE) S. 608 which he introduced on Friday, February 7. As my colleague indicated, this legislation, if enacted into law, would relieve broadcasters of the equal time requirements of section 315 of the 1934 Federal Communications Act as these requirements apply to candidates for the offices of President and Vice President.

With the 1976 election year rapidly approaching, the need for this measure becomes more and more apparent.

If the public is to become aware of the views and positions of the candidates it is to choose from, it must have easy access to information on these candidates.

An enlightened electorate exercising its balloting rights and responsibilities lies at the heart of a democratic system. And, the failure to exercise those rights or to exercise them in an uninformed manner represent the greatest threats to that system. Thus, it would seem incumbent upon us to use the best means at hand to disseminate information and encourage a dialog over the pending issues, as the pending bill would do.

Another factor which must be taken into account is the likelihood that a number of splinter party candidates will participate in the upcoming Presidential race. If broadcasters are forced to comply with section 315 and grant all candidates equal time, they may simply not grant any time. As a result, majority candidates—those most likely to win—could be deprived of substantial amounts of air time in which they would be allowed to state and defend their positions on the issues of the day.

Finally, we cannot fail to consider the very happy prospect of reduced campaign expenditures for the candidates should S. 608 become law.

When a similar piece of legislation, Public Law 86–677 was enacted to suspend section 315 for the 1960 election, many contended that there would be risks to the Nation because of this law. Mr. Frank Stanton, the then president of the Columbia Broadcasting System, made the following statement regarding these contentions in oversight hearings held by the Senate Commerce Committee on the implementation of Public Law 86–677:

> The answer is, it seems to me, that the whole democratic idea—is shot through with risks. But democracy is not just a political system—it is an act of faith, a commitment to the proposition that, given enough interest and information, the people are better equipped to govern themselves than anyone is to rule over them.

An educated electorate is no less necessary now than in the past. In fact, with the wide-ranging questions we now face, it is more necessary.

As of late, we have heard much talk of an "open" government. Enactment of this legislation would certainly be another step toward that goal.

I urge the Senate to move expeditiously on this measure.

A NATIONAL FOOD AND AGRICULTURAL POLICY

Mr. HUMPHREY. Mr. President, in the last few weeks a number of significant articles have appeared in the press which together point out the need for the development of a sensible and coordinated food and agricultural policy.

"The New Politics of Food Aid," Washington Post; "London Conference To Discuss System of Grain Reserves," New York Times, February 9; "Agencies Critical of U.S. Food Aid," New York Times, February 16; and "Farmers 1975 Crop Decisions Anxiously Awaited," New York Times, February 11, discuss grain reserves, likely food supplies and food aid.

It is clear to me that these subjects should not be considered in isolation. However, to date this administration has refused to face up to the need for coherent planning. Decisions have been made on an ad hoc basis.

It is most unfortunate that the administration has not been willing to come to grips with the issue of domestic food reserves. And yet our representatives met in London to discuss an international reserve program.

Our food aid program was debated for over half of the fiscal year, and now it is unlikely that the target level can be met because of the large volume which must be moved in a short period of time.

Now the administration is beginning its annual game of guessing what farmer planting acreages will be, and, of course, the weather is another major unknown.

At the same time, we are told by Secretary Butz that target and loan prices should not be raised, so that if we have a bumper harvest prices will plummet and farmers will be ruined.

This is hardly a way to handle a national asset.

Mr. President, I ask unanimous consent that these informative articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From The Washington Post, Feb. 13, 1975]

THE NEW POLITICS OF FOOD AID

The Ford administration, often belabored as hard-hearted and stingy in the matter of food aid to foreign friends, is actually—almost despite itself—producing a record worthy of considerable praise. As recently as last November, a lot of people in and out of Congress were publicly excoriating the President for his reluctance to raise food aid this year from three million tons to four million tons. The difference was substantial when set against a world food deficit estimated at that time at 7.5 million tons. The figure of an extra million tons had also taken on an undeniable political and symbolic significance, as round numbers sometimes do. A million tons of food can provide 10 million people a subsistence diet if the local harvest has failed. In any event, Mr. Ford was saying no.

Now, however, a decision has been announced in the fine print of the new budget—to ship upwards of five million tons of food in fiscal 1975 under P.L. 480, commonly known as Food for Peace. By dollar value, the figure is to be $1.6 billion, as against $962 million in 1974. For 1976, the projected total is $1.3 billion.

The most interesting part of the increase from a Washington point of view is the last $178 million. It emerged from an executive-congressional grinding operation which has become the distinctive feature of the new politics of food. Only in the last year or two has Congress as a whole taken enough interest in issues of food to try to share policy control with what might be called the political-agricultural complex—the coalition of bureaucrats and producers who have determined the disposition of America's farm "surpluses" over the past generation.

Late in 1974 Congress decided that the administration was sending too much Food for Peace to political clients such as South Vietnam and Egypt and not enough to hungry people in such places as the African Sahel and South Asia. So it said, in legislation, that political favorites could receive no more than 30 percent of supplies distributed under that part of Food for Peace which was *sold* on easy terms. (The other and smaller part is *given* in dire emergencies.) That left the administration with not enough food, in its judgment, to meet political objectives. To make the 30 per cent political slice stretch farther, the administration agreed to increase the amount of the food available in the program as a whole.

This is obviously not a solution which can be emulated year after year. It probably only worked this year because the administration had other reasons—in particular, a desire to help prop up falling American farm prices—to buy additional food from American farmers to distribute cheap or free abroad. There is a large and so far unfilled need for the kind of improved government-wide planning and coordination that would give foreign consumers a better idea of what level of supplies they may expect. Still, it was a pretty neat political deal. The administration on one side and Sens. Hatfield and Humphrey on the other deserve credit for working it out.

The future of food aid, then, is far from assured. For one thing, Earl Butz remains Mr. Ford's Secretary of Agriculture, and he continues to fear that Food for Peace supplies, though they may feed hungry people, tend to depress local agricultural production and to distract governments from concentrating more sharply on growing more food of their own. Nor is the administration certain that hard-pressed American consumers will agree that the humanitarian and political values of food aid are sufficient to offset the inflationary impact of taking Food for Peace supplies off the American market to be sent abroad. Here, to be sure an administration also concerned with bolstering falling farm prices bumps into itself coming around the other way. This is only to say that food aid, while it may sound simple and "humanitarian," is a thoroughly political issue, indeed.

[From the New York Times, Feb. 16, 1975]

AGENCIES CRITICAL OF U.S. FOOD AID—RELIEF OFFICIALS SAY DELAY IN ADMINISTRATION'S PLAN JEOPARDIZES DELIVERIES

(By Kathleen Teltsch)

UNITED NATIONS, N.Y., February 15.—Spokesmen for private relief agencies say the Ford Administration took so long to decide on increased food aid to needy countries that delivery of a substantial share of the supplies is in jeopardy.

The bulk of the $1.8-billion food program announced in Washington on Feb. 4 is to be sold on reduced and easy payments to needy countries under Public Law 480, better known as the Food for Peace program.

However, a smaller but still substantial share, reported to be about $395-million, is to be donated to United Nations aid agencies and private voluntary organizations such as CARE and Catholic Relief Services.

SHIPPING AT ISSUE

Spokesmen for those private relief agencies say they now doubt they will be able to provide the shipping facilities needed to move the donated supplies before June 30, when the program budgeted for the fiscal year lapses. They also see problems in gearing up distribution networks abroad for the increased food offered, only to face uncertainty four or five months later about how they will keep up programs such as food for schools or food for work.

"We have been pounding on tables and shouting for months and even now we have not been advised how much and when we will be distributing supplies in the next few months," Leon Marion, executive director of the American Council for Voluntary Agencies, said in an interview.

CARE and Catholic Relief, two of the council members, usually handle 93 per cent of the supplies given for private distribution. In 1972, a peak year of distribution for the agencies, they handled most of the 1.7 million metric tons provided free by the United States Government, but with food supplies tighter in recent years they have scaled back to half their former levels and phased out a number of operations.

OFFICIALS SUPPORT COMPLAINTS

The complaints from the private agencies are supported by some officials in Washington and by Senator Hubert H. Humphrey, Democrat of Minnesota, and others who had criticized the Administration for not announcing its intentions at the time of the World Food Conference in Rome in November.

"Aso one of the authors of the Food for Peace legislation, I am concerned at the impact of the administration's late decision on food aid levels for this year," Senator Humphrey said. He also objected that the private agencies were being asked to make expanded efforts now without any certainty about commodity levels after June 30.

But Daniel E. Shaughnessy, associate coordinator of the Food for Peace program, termed the complaints of the private agencies somewhat exaggerated. He said that "anything programmed in the next 60 days will be moved easily by June 30." He estimated $195-million in food help would be distributed by the private groups.

LESS OPTIMISM ON SALES

No such optimistic forecasts were made, however, about the prospects of delivering wheat, rice and other commodities offered on concessional terms to Governments.

Under this part of the program the Administration had sought between $449-million and $516-million for a group of favored countries: South Korea, South Vietnam, Egypt, Syria, Jordan among them. In December Congress restricted such commitments so that 70 per cent of all food aid would go to countries on the United Nations' list of the 33 countries most seriously affected by economic crises.

Criticisms of the Administration's present policies on food aid will be heard Tuesday at hearings of the Senate Committee on Agriculture and Forestry, when administrators of the private agencies are due to testify. A number of them intend to argue for longer range programing, which will permit them to plan ahead for several years—a recommendation also made at the Rome conference.

[From the New York Times, Feb. 11, 1975]

FARMERS' 1975 CROP DECISIONS ANXIOUSLY AWAITED

(By H. J. Maidenberg)

These winter days may be a relatively easy time on the nation's farms, but it is also a time of critical choices for farmers, most of them smarting from rising operating costs and weakening commodity prices.

One choice farmers have made, according to a Government survey, is that they will again plant from fence to fence this year. There will be no payments for idle land as in the past.

Washington and the commodity trade still want to know what crops framers will sow this spring and how much they will spend on fertilizers, herbicides and insecticides.

The answers will directly affect consumer food costs even before spring plowing because planting intentions will raise or lower prices for existing supplies of farm products.

VEXATIOUS CHOICES

The choices confronting farmers are particularly vexing today because the first decision of the crop year—made by growers of the vital winter wheat crop—promises to be an economically disappointing one.

Last fall hard red winter wheat sold for $5.50 a 60-pound bushel, and growers invested heavily to expand output by 15 percent to a record 1.6 billion bushels by next July 4, the traditional end of the winter wheat season. By comparison, spring-sown wheat should yield 400 million bushels next fall, according to Government forecasts.

But last Friday the Chicago price for wheat deliverable next July was $3.85 a bushel. Unless domestic or foreign demand quickens or the weather damages the winter wheat crop this spring, the record volume of the bread grain may further reduce prices when the harvest starts in May in Texas and moves toward the Canadian border by late June.

As it is, prices received by farmers in the month ended Jan. 15 fell 1.7 percent from those of the preceding four weeks and 12 percent from the year-earlier levels, the Agriculture Department noted the other day.

At the same time, farmers paid 2 percentage points more for goods and services in January, which was 14 per cent more than in the 1974 month.

Given this situation, all those involved in food production are carefully monitoring farmers' planting intentions for the two major spring crops—corn and soybeans.

The latest Agriculture Department survey of planting intentions showed that many farmers planned to switch from corn to soybeans. Moreover, the survey also showed that many cotton planters also intended to switch to soybeans.

With 90 per cent of corn production fed to livestock and with exports of corn still strong, any drop in output could force up prices for beef, pork, poultry and scores of other foods that result from corn.

DEMAND ABROAD

An example of the export demand came to light when the Soviet Union canceled some relatively small orders for American wheat recently. At that time the Soviet Union stressed it was still interested in buying quantities of new-crop corn, which would be available next autumn, for 1975–76 feeding of its livestock.

The Agriculture Department's report on planting intentions also noted that farmers would give over more acreage to sorghums, which would also be at the expense of corn.

As for soybeans, which are processed into meal for supplemental animal feed and into oil for a multitude of edible and industrial uses, the Government said output this year would be about 8 per cent above the 1974 level.

However, commodity specialists appear dubious about the Government's report on planting intentions. For instance, Cargill Investor Services, Inc., a brokerage company whose parent is the huge grain trading organization of that name, said the other day:

"We conclude that corn is still king in the Corn Belt. We are therefore suspicious of the January acreage intention report, which reflected a decline in corn acreage and an increase in soybean acreage."

Cargill Investor Services pointed out that the average cost of producing a 56-pound bushel of corn was $2.20 and that of a 60-pound bushel of soybeans, $5.86.

The costs are calculated on the investment needed to plant, nourish and protect, and harvest the respective crops—not solely on the yields. For example, the harvest cost of a harvested acre of corn is $30 and that of soybeans, $17, based on 1974 experience.

Another example is fertilizer. An acre of corn requires $43 of nitrogen, phosphorus, potassium and lime. Soybean growers spent $19 an acre for such items last year.

Last Friday the September delivery of corn was quoted at $2.97 a bushel and soybeans at $6.01. Thus a corn farmer could sell his crop for future delivery today at a gross profit of 77 cents a bushel, while a soybean grower would only gain 15 cents if he did the same.

PROFIT DIVERSITY

There are vast differences in costs and potential profits between the two major spring crops.

Basically, an acre of wheat yields 31 bushels; corn, 90 bushels, and soybeans, 30 bushels. One advantage of soybean growers is that they need not use as much fertilizer as corn and wheat planters because soybeans tend to enrich the soil in which they grow. Soybeans may be grown on poorer land, too.

But the price of soybeans reflects both the meal and oil demand. And this demand often shows great variations.

If there is one point on which both Washington and the commodity trade agree in discussing planting intentions, it is that cotton growers in great numbers will switch to soybeans this spring.

This belief may seem strange in the light of superficial calculations on the market return from cotton and soybeans. But it is another example of the reckoning that farmers must make in the next few weeks.

An acre of cotton in the South will yield 480 pounds of lint now selling at 44 cents a pound, or a $211 return on an acre. Soybeans, at a return of roughly $180 on an acre, would appear to be less remunerative.

But new-crop cotton, for delivery next fall, is now quoted at 5 cents a pound below the cost of production, while Southern soybean growers can expect a gross profit of $1 a bushel ($30 an acre) at present prices.

Another factor that is dominating farmers' thinking at this time is the value of money. According to commodity experts, few competent farmers are worried about their ability to borrow for their needs.

"What does bother them," a Chicago banker observed the other day, "is that they are getting less value for their crops because of inflation and, at the same time, more flack from consumers paying higher prices at the supermarket.

"Farmers aren't stupid. They know that more than inflation is inflating prices between their farms and the consumer. After all, they are consumers themselves."

While farmers are working on their spring planting plans, Washington officials are also trying to reckon the consequences of their actions. The Administration must encourage farmers to invest money and effort to produce more to help fight inflation and at the same time struggle to keep the output from depressing export earnings.

Last year, for example, farm exports, at $22-billion, helped pay for agricultural imports of $11 billion—sugar, coffee and cocoa, among other things—as well as half the $18-billion increase in foreign oil imports.

With all this planning by farmers and Government officials, the weatherman may have the last word. A repetition of last year's uncommonly wet spring, dry summer and early frost would nullify the best laid plans of both farmer and bureaucrat.

[From the New York Times, Feb. 9, 1975]

LONDON CONFERENCE TO DISCUSS SYSTEM OF GRAIN RESERVES

WASHINGTON, February 8.—Thomas O. Enders, Assistant Secretary of State for Economic and Business Affairs, will head the

United States delegation to a meeting of major grain-producing and trading nations in London Monday and Tuesday to discuss the creation of a "effective worldwide system of grain reserves," the State Department announced today.

The State Department said that "the United States attaches particular importance to these discussions," since it will be the first time this group has met since last November's World Food Conference in Rome. That conference adopted a resolution calling for the convening of such a group.

Besides the United States, other nations to send delegations are Argentina, Australia, Brazil, Canada, Egypt, India, Japan, the Soviet Union, Thailand and the member of the European economic community.

The State Department said that the United States had taken the "initiative in proposing this ad hoc meeting" not only as a result of the World Food Conference resolution but also as a follow up to President Ford's statement at the United Nations General Assembly last fall. At the time, Mr. Ford committed the United States to negotiate an international system of food reserves.

The United States "will be seeking agreement with other major trading nations to attempt to negotiate such a system in future meetings," the State Department said. The United States also will "determine the major elements and problem areas which such negotiations are likely to involve, and to define the relationship of reserves negotiations to other ongoing international discussions, such as multilateral trade negotiations."

THE IMPOUNDMENT DECISION

Mr. BIDEN. Mr. President, for several years now, those of us in Congress and in the Nation have been concerned about the President's power to impound funds appropriated by Congress. Yesterday, we were given at least a partial answer to the question when the Supreme Court ruled unanimously that President Nixon had illegally impounded certain water pollution funds.

I commend the Court for its decision. The Court recognized the doctrine of separation of powers and the fact that Congress clearly intended that those funds be spent.

In a recent article in the Northwestern University Law Review, Congressman ABNOR J. MIKVA of Illinois and Michael F. Hertz analyze the problem of impoundment and its constitutionality. They also discuss the events leading up to yesterday's decision, both legal and political. They conclude, as the Court did yesterday, that there is little constitutional authority for impoundment, especially when done on the massive scale attempted by the Nixon administration.

Although the Supreme Court has ruled on one impoundment case, it would be unrealistic for us to assume that the issue will not come up again. The decision may, unfortunately, not stand as a bar to future impoundments. I think my colleagues and the President of the United States would do well to read the article.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered printed in the RECORD, as follows:

[From the Northwestern University Law Review, July-August 1974]

IMPOUNDMENT OF FUNDS—THE COURTS, THE CONGRESS, AND THE PRESIDENT: A CONSTITUTIONAL TRIANGLE

(By Abner J. Mikva* and Michael F. Hertz**)

If Congress is going to remain a viable institution it must not become a stepchild of the Executive, nor can it allow the President to assume the powers of a divine monarch.[1] No less was at stake than the future of Congress when former President Nixon asserted as "absolutely clear" his right to impound congressionally appropriated funds.[2]

IMPOUNDMENT: ITS NATURE AND ITS DANGERS

The practice of impoundment has affected the lives of millions of Americans.[3] Although impoundment has its roots in the earliest days of the Republic,[4] adverse reaction to the practice is of a more recent vintage. Not until 1971 did the enormity of the impoundment problem become apparent. Then efforts were begun to challenge the action.[5]

The fact that only minor objections were voiced previously is attributable to a number of factors. First, until recently the "impoundment power" has been rarely exercised. In the past few years, however, the Nixon Administration not only exercised the power with increasing frequency, but withheld far more funds than any previous administration.[6] Second, the types of federal programs and projects from which funds were recently withheld are of a different nature than those curtailed by earlier administrations. The vast majority of prior impoundments occurred in the areas of domestic programs, when the threat of war was imminent, and defense projects. It is fairly clear that in the areas related to foreign affairs the President has somewhat greater control than he has over peacetime domestic programs.[7] Furthermore, in regard to military projects, those affected by the cancellation of a project were members of the armed forces, and, as such, were subordinate to the orders of the President. Simply put, those affected by past presidential impoundments were not likely to register objections, whereas those affected by recent impoundments—in most cases beneficiaries of congressional domestic programs—have no obligation to refrain from protesting these actions. Finally, increased opposition to the practice has been aided by recent changes in the judicial attitudes toward the doctrines of justiciability, standing and sovereign immunity.[8] Previously, in those few cases where an individual plaintiff or a local public service agency was aggrieved by a presidential impoundment, there was little that could be done by way of legal action. This has changed dramatically.

Impoundment in its broadest sense includes any type of Executive action which effectively precludes the obligation or expenditure of any part of budget authority.[9] It does not include presidential action which is in strict compliance with discretion vested in the executive branch by the Congress.

Impoundment in any form holds substantial ramifications for our entire system of Government. The Founding Fathers recognized that occupants of public office were prone to abuse power.[10] They separated governmental powers so that each branch would preserve its integrity and resist the encroachment of other branches. This system of checks and balances has been threatened by the unbridled power now centered in the Executive.[11] Impoundment is a raw assertion of this power contravening not only the Constitution but our whole philosophy of government.[12]

In addition to general separation of power considerations, strong policy reasons argue for not allowing the President to impound funds. Despite the admonition that the President best represents the "general interests" of the nation in preventing inflation and keeping taxes down,[13] the appropriation and expenditure of funds must be left where the Constitution places it, namely, in the hands of Congress. Congress represents the people. Citizens aggrieved by the termination of federal programs will find their elected representatives prove more responsive to their protests than appointed officials from the executive branch.[14]

It is unfortunately true that Congress, to a large measure, has acted both irresponsibly and inefficiently as regards national fiscal policy.[15] Indeed, this irresponsibility was used by members of the Nixon Administration to emphasize the need for Executive control over budgetary expenditures.[16] A justification based on this ground is not persuasive either as to law or policy. It fails to consider the role the President's own programs play in the growth of federal expenditures.[17] Further, impoundment of funds does not provide the solution to congressional inefficiency. Good intentions to correct alleged inefficiencies by one branch of the government gives no excuse for extra-constitutional measures by another branch. As Mr. Justice Brandeis once wrote: [18]

"The doctrine of separation of powers was adopted by the Convention of 1787, not to promote efficiency but to preclude the exercise of arbitrary power. The purpose was, not to avoid friction, but, by means of the inevitable friction incident to the distribution of the governmental powers among three departments, to save the people from autocracy."

Recently, Congress has taken steps to modernize and to make more efficient its handling of budgetary matters.[19] Legislation of this nature houses the solution to increased budgetary efficiency. Not only will this legislation help prevent often wasteful impoundments,[20] but it will also shift planning responsibility back to Congress. The efficacy of long range congressional programs is seriously undermined if local agencies, relying on future funds, must question whether the funds will be forthcoming. It is clear that impoundment places intolerable burdens on the role Congress plays in budgetary planning.[21]

Not only do arguments attempting to justify impoundment lack credibility, but they are not the sole reason for such actions. Impoundment is merely a procedure whereby the President can give effect to social goals of his own choice.[22] There is a strong tendency for the President to impound funds appropriated by the Congress for objects that are not given high priority in his budget.[23] These policy impoundments [24] threaten the foundations of our system of government.

This article will examine impoundment from four perspectives. First, the precedent set by earlier impoundments will be reviewed. Second, the problems faced in an action to free impounded funds will be examined with special attention given to the issues now pending before the Supreme Court. Third, the constitutional provisions which question the validity of impoundment will be reviewed. Finally, recent congressional action with regard to impoundment will be noted.

IMPOUNDMENT PAST AND PRESENT

President Richard Nixon responded to criticism that his impoundment actions were illegal by citing numerous historical precedents.[25] Such precedents extend throughout our history. None, however, provide any justification for the recent high level of impoundments.

The practice of impoundment was first employed during Thomas Jefferson's presidency. President Jefferson impounded $50,000 which Congress had appropriated for the construction of a frigate. In 1803, he reported to the Congress that the war ship had not been built because the banks of the Mississippi had become peaceful.[26]

Although other examples of impoundment occurred prior to President Franklin Roosevelt's term,[27] President Roosevelt was the first to employ the practice extensively.[28] President Roosevelt's actions were designed to eliminate expenditures for public works and other non-essential New Deal projects,[29] to keep funds available for projects essential to the war effort and the nation's security.[30]

Every president since Franklin Roosevelt has impounded certain funds to varying degrees. In a highly celebrated incident, President Truman clashed with a Congress when it appropriated funds for a larger Air Force than the President had requested. President Truman did not veto the bill despite his disapproval of this particular provision. Instead he announced: [31]

"I am therefore directing the Secretary of Defense to place in reserve the amounts provided by the Congress . . . for increasing the structure of the Air Force."

Likewise, Presidents Eisenhower, Kennedy, and Johnson impounded funds during their terms. President Eisenhower withheld funds for the construction of superfort bombers,[32] and the ill-advised Nike-Zeus antimissile system.[33] President Kennedy's most notable example of impoundment concerned the RS-70 weapons system (the B-70 bomber). Although Congress authorized 491 million dollars for research, the Kennedy administration built only two prototypes.[34] Although President Johnson, while a senator, denounced presidential impoundment,[35] his administration also withheld appropriated funds.[36] During his tenure there were reductions of $1.1 billion in obligations under the Highway Trust Fund Act, $750 million from housing and urban development, along with cutbacks in agriculture and education.[37]

Whatever the extent of impoundment during previous administrations, however, the amount of funds withheld by the Nixon Administration reached unprecedented dimensions. On February 4, 1974, it claimed to have impounded or delayed expenditure of funds totaling over 11.8 billion dollars.[38] This figure include approximately 1.1 billion dollars for agriculture, 2.5 billion dollars for defense, 3.8 billion dollars for transportation, and 823 million dollars for housing and urban development.[39] The 11.8 billion dollar figure is deceptively low, since the Office of Management and Budget [40] did not include within this figure 6 billion dollars mandated to be allotted in the Federal Water Pollution Control Act Amendments of 1972.[41] With this amount included, the funds withheld total close to 18 billion dollars.[42]

The Nixon Administration argued that this series of precedents created a custom which legitimized the practice of impoundment.[43] This argument cannot stand any sharp scrutiny. All the "historical precedents" before the Nixon Administration's impoundments were of a substantially different nature than the Nixon Administration's actions. Further, as past practices they merely restate the question rather than provide a rationale for its answer: [44]

"Past practices themselves illegal, or of uncertain legality, cannot be presently used to justify the continuation of those very practices."

Statements of the Supreme Court provide little support for the position that questionable past actions legitimize present actions. Justice Frankfurter wrote in his concurring opinion in *Youngstown Sheet and Tube Co.* v. *Sawyer* that: [45]

"[A] systematic, unbroken, executive practice, long pursued to the knowledge of the Congress and *never before questioned*, engaged in by Presidents who have also sworn to uphold the Constitution, making as it were such exercise of power part of the structure of our government, may be treated as a gloss on "executive Power" vested in the President by § 1 of Art. II."

Assuming the validity of the statement, it can hardly be said that the practice of impoundment meets its criteria. Congress has not acquiesced to recent impoundments. Not only has there been much congressional activity directed at restricting the President's authority to impound,[46] but also, in at least one case before the courts, a number of congressmen filed an amicus brief in opposition to the claims of the Nixon Administration.[47] In addition, only recently has the nature of the types of programs from which funds have been withheld changed.[48] There has been no longstanding practice of deferring funds from domestic programs absent specific congressional authority to do so. Furthermore, from the tenor of Justice Frankfurter's statement, it seems apparent that any augmentation of Executive authority would only be recognized in the absence of congressional action on the particular matter.[49] This cannot arise in an impoundment controversy because impoundment by its very nature must violate a congressional action. Congress will have always expressed itself by passing the act from which funds are withheld. Thus, the prerequisites of Justice Frankfurter's statement are not met.

By the same reasoning, similar statements in *United States* v. *Midwest Oil Co.*, [50] and the *Pocket Veto Case*,[51] cannot be read as condoning impoundment. The assumption underlying such statements appears to be that, where there is ambiguity, long continued past actions may be used in resolving that ambiguity. Nowhere do such statements hold that past illegal actions, because of acquiescence or custom, reach the level of legality. Such a position would be extremely dangerous.[52]

COURT CASES INVOLVING IMPOUNDMENT

Introduction

No matter how Congress provides a long range solution to the impoundment problem, the Judiciary presently faces a number of cases involving executive withholding of funds. Although the Supreme Court has not decided any impoundment cases yet, there are indications that a definitive ruling may not be far off. To date the majority of cases decided by the lower federal courts favor the opponents of impoundment.[53]

Through a discussion of two recent cases it will be possible to focus on the issues involved in a court action concerning impoundment. On August 14, 1970, a suit was filed in the United States District Court for the Western District of Missouri by the Missouri State Highway Department against the Secretary of Transportation and the Director of the Office of Management and Budget.[54] The state alleged that the Nixon Administration's refusal to allow the full amount of contract authority authorized by the Congress [55] violated the statute because Congress had intended that a national highway system be completed as soon as possible [56] and had required that no funds be withheld from obligation.[57] The district court [58] and the Court of Appeals for the Eighth Circuit [59] agreed with the state. Both courts found that the statute did not permit the Executive to withhold authorized funds for "reasons allegedly related to the status of the economy and the need to control inflationary pressure." [60]

On December 12, 1972, the City of New York filed suit against the then director of the Environmental Protection Agency, William Ruckelshaus.[61] The suit alleged that Ruckelshaus' action allotting only 5 billion dollars through fiscal year 1974 for sewage treatment plants violated the command of the Federal Water Pollution Control Act Amendments of 1972.[62] The Amendments were passed over President Nixon's anti-inflationary veto.[63] They required the Administrator to allot among the states, by 1974, 11 billion dollars.[64] By regulation made effective on December 8, 1972,[65] the Environmental Protection Agency allotted only 5 billion dollars.[66] In 1973, a federal district court held these actions improper.[67] On January 23, 1974, the United States Court of Appeals for the District of Columbia Circuit affirmed the district court,[68] holding that ". . . the Act requires the Administrator to allot the sums authorized to be appropriated . . ." [69] The court made clear that it was not deciding any constitutional question [70] nor the question of the extent to which the Administrator could withhold funds at any stage subsequent to the allotment stage.[71] The United States Supreme Court has granted certiorari,[72] and the case will be heard during the October Term along with a similar case, *Campaign Clean Water, Inc.* v *Train*.[73]

Preliminary issues faced in impoundment suits

The Government in defending impoundment suits generally seeks to avoid a decision on the merits by arguing various preliminary issues. Although plaintiffs appear to have no trouble finding a basis for federal jurisdiction,[74] they face greater hurdles surmounting standing, political question, and sovereign immunity barriers.

Standing

At one time concern was expressed that plaintiffs would have difficulty establishing standing if the appropriations law in question did not mandate spending.[75] Now such fears are unwarranted. In *Missouri Highway*, the district court specifically found that a state agency had standing to seek contract obligational authority.[76] The Eighth Circuit did not question this result. Similarly, in numerous other impoundment cases plaintiff hurdled the standing issue.[77] Even in *Housing Authority of the City and County of San Francisco v. Department of Housing and Urban Development*,[78] although the court ruled against the city, it did not rest its decision upon a lack of standing.[79]

In recent years the requirements of standing have been vastly liberalized. In *Association of Data Processing Service Organizations, Inc. v. Camp*,[80] the Supreme Court laid down two requirements for standing in a suit brought to rectify alleged statutory violations in the administration of an act. First, the plaintiff must fall "arguably within the zone of interests to be protected . . . by the statute. . . ." [81] Second, the plaintiff must allege injury in fact resulting from the challenged action.[82] New York City and the Missouri Highway Department in their respective controversies meet both these requirements.

The first requirement is clearly met. Both plaintiffs are would-be beneficiaries of the acts. Both fall within the scope of their respective acts' interests. As such, they arguably fall within the acts' protection.

The second requirement proves less obvious. The Government has claimed in suits of this nature that the states have no "vested" interest in funds until contracts have been approved by the appropriate agency.[83] This contention misses the point. In *Missouri Highway*, for example, the injury in fact was the inevitable consequence of impoundments, i.e., loss of funds. Although no

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budget authority had been lost as of the hearing,[84] if authority were withheld from obligation at the same rate per year as withheld previously the states would suffer permanent loss of funds.[85] In *City of New York*, the Administrator's action in reducing allotments caused injury in fact.[86] Even if the city's proposals met statutory specifications, some of them could not have been approved solely because of the reduction in funds allotted.[87] Furthermore, when Congress passed the Water Pollution Control Bill, it took into acount the amount of funds which would be necessary to help local areas meet the emission standards set by the Act. Without sufficient funds, cities like New York would be unable to construct enough sewage treatment plants to bring their waterways into compliance with the standards set by the Act. As a result the city runs a higher risk of violating the new pollution standards.[88]

It may be technically true that potential plaintiffs have no "vested interest" in funds at the time they bring suit, but this is not the test of standing. Both New York City and the Missouri Highway Department have shown that their interests were to be protected by the particular act, and that they had been injured in fact by improper agency action. This being so, they have met the requisite tests for standing.

Political Question

Against the basic standard of *Baker v. Carr*,[89] the issues involved in impoundment cases are generally appropriate for judicial determination.[90] The Government in both *City of New York* and *Missouri Highway* asserted that the power to control the expenditure of funds is an executive function, and therefore political in nature.[91] The assertion is incorrect. The courts were not being asked to decide executive policy questions, but rather to decide only whether specific congressional acts grant discretion to the Executive. Such determinations of abuse of discretion are peculiarly within the judiciary's competence.[92] Numerous courts have so held,[93] including the Eighth Circuit in *Missouri Highway*.[94]

Indeed, the "political question" argument totally misconstrues the doctrine of separation of powers. While the Court should properly refuse to umpire disputes between the branches of government, it cannot refuse to support the rights of individuals or political entities where *either* the Executive or the legislative branch exceed or abuse their authority. Just as the Court could not continue to ignore apportionment problems as it first tried to do in *Colegrove v. Green*,[95] or the civil liberties questions created by the abuses of the House Un-American Activities Committee,[96] so it cannot evade its responsibility to decide whether the Executive is exceeding his authority under the laws passed by Congress.

Mississippi v. Johnson [97] offers little support for the Government in impoundment cases. The Supreme Court in that case held only that the judiciary cannot restrain the President from carrying out duties that are purely executive and political.[98] *Missouri Highway* and other recent cases clearly indicate that a suit brought to compel spending of authorized funds is neither purely an executive nor a political function.[99] One of the rationales behind the decision in *Mississippi v Johnson* was that, if the Court did in fact restrain the President, it would force him to violate the will of Congress.[100] Suits seeking orders that the President spend congressionally authorized funds do not run such a risk. Rather, they seek to bring the Executive's actions into line with congressional desires.[101]

The political question doctrine was devised by the Judiciary out of respect for the coordinate branches of government. It is inappropriate for the executive branch to rely on this doctrine to justify its actions which cavalierly disregard the will of Congress.[102] The Administration forgets that: [103]

"In our overall pattern of government the judicial branch has the function of requiring the executive (or administrative) branch to stay within the limits prescribed by the legislative branch."

Sovereign Immunity

While the purpose of this article is not to explore in detail the sovereign immunity doctrine, the issue has recently assumed great importance. The Supreme Court has granted certiorari in two cases [104] which present the question, inter alia, of whether an action to compel allotment of funds pursuant to the Federal Water Pollution Control Act Amendments of 1972 is barred by the doctrine of sovereign immunity.[105] Not only might these cases clear up the confusion that surrounds the doctrine, but also in defining the scope of the doctrine they may give clues as to how the Court will ultimately resolve the constitutionality of impoundment.

Exceptions to sovereign immunity

A suit is against the sovereign and cannot be maintained if: [106] "the judgment sought would expend itself on the public treasury or domain, or interfere with the public administration," . . . or if the effect of the judgment would be "to restrain the Government from acting, or to compel it to act."

There are three well recognized exceptions to this principle. First, the sovereign may waive the privilege and allow such suits. This will be discussed later. Second, suits against a governmental official concerning actions in excess of his authority are not barred. Finally, suits concerning actions performed in an unconstitutional manner or taken pursuant to an unconstitutional power are not barred.[107]

The basic determination that must be made in any impoundment case is resolving whether the statute in question has authorized the particular administrator to perform the challenged action.[108] This is essentially the same question that must be resolved to determine whether an exception to the sovereign immunity doctrine applies. Thus, to decide the preliminary issue of sovereign immunity, the merits of an impoundment controversy must be decided as well. Examined in this light, sovereign immunity should pose little hindrance to impoundment suits.

Not only must the statutory construction issue inherent in every impoundment case be decided to resolve the question of sovereign immunity, but also the constitutional questions must be resolved. If the court decides that no statutory discretion exists to perform the act complained of, it must further decide that the Executive does not inherently possess such discretion under the Constitution.[109] Although this issue may not be raised in *City of New York*, it is hard to imagine that a decision for the city would not imply the absence of such inherent discretion, and hence answer the question of the constitutionality of impoundment.

In cases challenging reduction of funds under the Water Pollution Control Act, the courts have almost consistently found that the doctrine does not bar suit. In *City of New York*, the district court found that the [110] "plaintiff's action falls squarely within the exception covering suits challenging actions by federal officers which go beyond the scope of their statutory powers."

In *Campaign Clean Water, Inc. v. Ruckelshaus*, the court said: [111]

"The complaint alleges that the defendant has exceeded his statutory authority in impounding funds. If sustained on the merits, plaintiff will come within the . . . exception to the [sovereign immunity] doctrine."

Despite the exceptions to the sovereign immunity doctrine, there is some language in *Larson v. Domestic & Foreign Commerce Corp.* indicating that the exceptions might not apply "if the relief requested . . . will require affirmative action by the sovereign or the disposition of unquestionably sovereign property." [112] A number of the Water Pollution Control Act Amendment cases have avoided this problem by pointing out that the plaintiff's action does not require any expenditure of funds but merely requests an order that the Administrator allot funds pursuant to the statute. Thus, in *City of New York* it was said: [113]

"[T]he relief sought by plaintiff in this action does not require the *expenditure* of unappropriated public funds (or indeed of any public funds at all), nor will it interfere with the lawful exercise of defendant's discretionary powers under the Act."

Although the dicta in *Larson* does not prevent suits seeking to force an administrator to allot funds,[114] it may serve to preclude plaintiffs in the Water Pollution Control Act cases from suing for obligational authority. It is conceivable that after the Administrator has allotted funds he could preclude the states from entering into contracts solely to reduce spending. Pursuant to the funding mechanism of the Water Pollution Control Act, Congress will not appropriate funds until after the contracts have been entered into.[115] Thus, a suit to compel the Administrator to allow obligational authority is one that may eventually require the disposition of unappropriated funds.

To the extent the funding mechanism of the Water Pollution Control Act Amendments is of a new type, the dicta in *Larson* may be inappropriate. In cases dealing with funds *already appropriated*, the *Larson* dicta has not precluded courts from requiring the government to expend the funds.[116] Under traditional methods of congressional funding, although a program would be created in an authorization act, the authority for an administrator to make contracts and commit funds to carry into effect the program would be provided in the appropriations act. In many modern programs, such as the Water Pollution Control Act Amendments, Congress provides for contractual authority in the authorizing act itself and performs the ministerial duty of appropriating the actual funds only after the contracts for the project have been completed.[117] Clearly, Congress intends that the amounts authorized for sewage treatment plants will be available to the states and, in due course, appropriated and spent. With regard to a similar funding mechanism, the court in *Missouri Highway* held that the "dicta" in *Larson* did not preclude relief. After quoting *Larson*, the court wrote: [118]

"Notwithstanding, we do not consider the court's decree in the instant case as being affirmative in nature. It requires only that the defendant officers cease unauthorized action . . . . The resultant release of funds is only to the extent that Congress has already authorized them to be appropriated and expended."

Similary, in *Minnesota v. Environmental Protection Agency*,[119] the court recognized that to bar suits until funds were actually appropriated would make little sense under this new type of funding mechanism. The court wrote: [120]

"[T]he relief sought in this matter will not result in the unauthorized expenditure of sovereign funds since the funds in question have been duly *authorized* by Congress."

Waiver of sovereign immunity

Another way for plaintiffs in impoundment actions to hurdle the sovereign immunity bar is to find a congressional act which waives the sovereign immunity doctrine.[121] Normally, plaintiffs will assert that section 10 of the Administrative Procedure Act [122] waives sovereign immunity.[123] In *City of New York*, the plaintiffs pressed this position with fruitful results in both the district court and the court of appeals.[124]

The holding that the Administrative Procedure Act waives sovereign immunity has been advocated most strenuously by the court that decided *City of New York*, the Court of Appeals for the District of Columbia. In *Scanwell Laboratories, Inc. v. Shaffer*, that court wrote: [125]

"It seems axiomatic to us that one must imply, from a statement by the Congress that judicial review of agency action will be granted, an intention on the part of Congress to waive the right to sovereign immunity; any other construction would make the review provisions illusory."

The *Scanwell* doctrine has been followed by three other circuits.[126] On the other hand, five circuits have expressly rejected the position.[127]

The courts which have held that the Administrative Procedure Act waives sovereign immunity have done so only after a determination that the judicial review sections of the Act applied to the particular case. The Act does not allow review if the statute in question "preclude[s] judicial review" or if "agency action is committed to agency discretion by law." [128] As the court said in *Littell v. Morton*: [129]

"[W]here sovereign immunity would normally seem appropriate, the "statutes preclude judicial review" and "committed to agency discretion by law" exceptions would prevent or limit judicial review under the APA."

Thus, the Administrative Procedure Act provides the same safeguards sovereign immunity provides. It protects the Government against suits which would greatly impair its ability to function effectively.

Finally, the doctrine of sovereign immunity should not be applied to impoundment suits since, in reality, such suits are against the executive branch and not the sovereign. The doctrine is one of sovereign immunity and not one of executive branch immunity. As the Supreme Court pointed out in *Dugan v. Rank*, when a law is called into question, the sovereign will of the United States is the congressional mandate behind the law.[130] When the executive branch withholds funds, it defies a congressional mandate. It seems inappropriate to extend immunity to such a violation of the sovereign will. As one court has said: [131]

"[T]he defendants here represent only the executive portion of the government. Only where executive officials act *pursuant to* valid congressional dictates—*i.e.* only where the Executive and the Legislative Branches act jointly—is the doctrine of sovereign immunity available as a defense."

Clearly, sovereign immunity should not protect executive actions unsupported by either a congressional act or the Constitution.[132]

Authorizing and appropriating statutes

In General

The central issue in an impoundment action is whether the Executive has discretion under the authorizing or appropriating statute in question to withhold funds. The Constitution makes it clear that an appropriations bill, passed by both houses and signed by the President, is a law.[133] The Nixon Administration argued that, in general, an appropriations bill was merely an authorization to spend, setting an upper, but not a lower, limit on spending.[134] Such an assertion is off point. It has no more logical force than its converse, that absent specific authority to withhold funds, all funds appropriated must be spent. The critical question lies in the intent of Congress when passing the statute involved. Did Congress intend to vest the Executive with discretion to withhold funds? If so, under what circumstances, and to what extent, should the discretion be allowed?

Often the intent behind congressional acts is not "crystal clear." To find such intent the overall language and legislative history of the particular act must be examined.[135] This provides a more viable means to determine whether an appropriation or an authorization bill contains broad discretionary powers than the fixed rules which the Nixon Administration urged.

It seems clear that, when Congress uses mandatory language such as "shall," there is no basis for Executive refusal to spend funds, and numerous recent cases have so held.[136] Even assuming that a general appropriations act does not use such mandatory language,[137] "this does not *a fortiori* endow [an administrator] with the authority to use the unfettered discretion as to when and how the monies may be used. The Act circumscribes that discretion and only an analysis of the statute itself can dictate the latitude of the questioned discretion."

An appropriations or an authorization act which is not specifically discretionary should be interpreted to prevent the termination of the program it supports.[138] At the very least, the act indicates a clear congressional intent that the program remain in existence.[139] Similarly, executive cutbacks which drastically diminish a program should not be allowed.

Obviously, Congress intended that the program exist in a viable form.[140] In cases where a lesser amount is impounded, the validity of the Executive action should be judged against the underlying policy of the act as a whole. For instance, in *Pennsylvania v. Lynn*,[141] a case in which the state brought suit because the Administrator had stopped processing applications for federal housing assistance, the court looked to the general purpose of the Housing and Urban Development Act to determine whether the Administrator had such discretion. The goals of the Act were to provide decent housing as rapidly as feasible. This made it apparent that *any* withholding of funds from the program would be inconsistent with congressional policy.[142]

Often times an act provides the administrator with large discretion in a particular area. For instance, in the Rural Electric Loan Program, as in many other programs, Congress gave the Administrator power to consider the feasibility or appropriateness of projects for which funds were sought.[143] When Congress gives this type of discretion and no other it should be construed as the exclusive discretion given to the administrator, and thus preclude a finding that discretion exists to withhold funds for general economic reasons. As the court in *Sioux Valley Electric Association v. Butz* wrote when considering the discretion granted under the Rural Electric Loan Program: [144]

"Congress has conferred a great deal of power upon the President . . . . But . . . Congress has not yet gone so far . . . to confer upon the President the power to reassess and reorder Congressional priorities in an attempt to effect Executive economic policies."

In many modern programs, such as water pollution control and highway development, Congress provides authority for the development of projects and the obligation of federal funds in the authorizing act and appropriates funds only later, as a matter of course, after contracts for the projects have been made.[145] In these situations, the language of the authorizing act rather than the appropriations act must be construed with regard to the considerations in the above paragraphs. One other factor must also be taken into account in relation to authorization acts. Under this type of funding, Congress can design and approve a long range project in total. The project can then be implemented to fulfill the congressional design and funded later, when necessary, through subsequent appropriations. This avoids the year-to-year interruptions and inefficiencies incident to planning programs each time an appropriation is made.[146] Given this procedure, it should be obvious that Congress, where it does not specifically provide broad discretion, does not intend to grant such discretion. Any implied discretion allowing impoundment would vitiate long range planning attempts and would frustrate the very purpose of such funding mechanisms.[147]

The Effect of Other Congressional Enactments

When the intent of Congress is not clear from the statute, other congressional mandates should be examined. Through the years, Congress has recognized that in certain respects its procedures for controlling federal funds are inflexible. As a result, Congress has provided legislation giving the Executive discretion in certain narrowly defined situations to avoid deficiencies and waste.

Congress first passed the Anti-Deficiency Acts in 1906.[148] These were promulgated to prevent various departments from using all their funds before the end of the period for which such funds were appropriated.[149] The Acts were amended by the General Appropriations Act of 1950 [150] to allow for the creation of "reserve accounts" under special circumstances.[151] The 1950 amendments were designed to provide a "statutory incentive to set aside surpluses as they develop;" [152] they were not added to give the Executive power to impound funds as was recently made even clearer by the Congressional Budget and Impoundment Control Act of 1974.[153]

Under the 1950 amendments, reserve accounts can be established to provide for contingencies which might arise. These contingencies, however, must be related to the project in question, and given the original intention of the Act, the creation of reserves must be done with an eye to avoiding deficiencies or waste. According to the statute, reserves may also be established when the requirements of a project have changed, or when a project can be accomplished in a more efficient and less expensive way, or when developments related to a project change *subsequent* to the enactment of the bill involved.[154]

The amended Anti-Deficiency Act does not allow the Executive to establish reserves based on factors which were in existence at the time the Congress passed the particular appropriation. Congress obviously considered the weight to be given such factors.[155] The legislative history of the Act makes it [156] abundantly clear that the Congress did not intend that [the] other development [provision] be used to hold up the project or cancel a project or lower a program level or cancel a program that had been approved.

Withholding funds for "anti-inflationary" reasons does not conform with the Act. Inflation is neither a contingency related to any particular project nor is it generally a factual development which arises subsequent to the passage of the law. Although the Congress may act unwisely at times, it can hardly be contended that it is not aware of, or does not consider, the inflationary impact of its programs.

If Congress does not make clear whether

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an act gives discretion to withhold funds, the court should limit such discretion to those circumstances which are spelled out in the Anti-Deficiency Act. This would give the Act a meaning otherwise lost if the Executive were free to impound funds. It would also provide a firm standard for Congress to use in considering the appropriateness of language used in a particular act.

Besides the Anti-Deficiency Act, only a few other congressional acts have been relied upon to justify impoundment.[157] The most notable of these are the debt and spending ceilings. Congressionally imposed ceilings on the public debt or on annual spending do not allow the President to ignore congressional appropriations or authorizations.[158] A ceiling is nothing more than a congressional enactment. It has no more weight than any other duly passed law. It would indeed be anomalous if the President could justify an impoundment practice, which by its very nature is carried out despite the wishes of the Congress, on the authority of another congressional law. The President should enforce all the laws; to the extent possible he should reconcile conflicting acts. The Congress, when it directs spending for a particular project, is aware of debt and spending ceilings. Congress intended *both* the ceiling and the appropriation to coexist, and the President must faithfully execute both acts.

The Chief Executive can deal with inconsistencies in a number of ways. The courts have developed rules to reconcile inconsistent statutes. These rules are applied to not only promote uniformity and predictability, but also to give effect to the intent of the legislature. Such rules should be considered by the President when faced with inconsistent congressional mandates.

In addition, the Constitution authorizes the President to recommend legislation to the Congress,[159] and in extraordinary situations to convene either or both houses of Congress.[160] Given this opportunity, it would seem appropriate for the President to request legislation resolving any conflicts. For example, he could ask the Congress to authorize proportional budget cuts.[161] This would be a far better way of giving effect to *all* the laws.[162]

Perhaps the most appropriate way for the Chief Executive to fulfill his obligations under the various ceilings is to use what discretion the Congress has given him. Rather than withhold funds from programs where Congress requires spending, he should exercise the discretion given him in other acts and withhold funds from those programs. As then Assistant Attorney General Rehnquist said: [163]

"[I]f the President may comply with the statutory budget limitation by controlling expenditures which Congress has permitted but not required, he would, in our view, probably be bound to do so, even though he regarded such expenditures as more necessary to the national interest than those he was compelled to make."

In sum, when construing an appropriations or authorizations bill, the legislative intent should be kept foremost in mind. Acts should be construed to mean what they say, that Congress intends the programs it creates to exist in viable forms. Discretion should never be implied and should be allowed only to the extent specifically granted. Debt or spending ceilings should not provide the discretion to impound which Congress has never specifically granted. Congressional acts allowing withholding of funds for *project* economy should not be confused to give congressional approval to impoundment for the sake of the *general* economy. Finally, long range funding mechanisms should not be frustrated by short range answers to inflation.

Interpretation of Specific Statutes

An analysis of the authorization bill construed in *City of New York* indicates that the Nixon Administration has no discretion to refuse allotment of any authorized funds.[164] Section 207 of the Water Pollution Control Bill states that "there is authorized to be appropriated" an amount "not to exceed" 11 billion dollars.[165] Section 205(a) of the Bill states, however, that "sums authorized to be appropriated pursuant to section [207] . . . *shall* be allotted by the Administrator. . . ." [166] The phrase "not to exceed" in section 207 does not imply that the Administrator has discretion to adjust the amount of funds allotted when viewed in light of section 205.[167] The phrase implies only that 11 billion dollars is the maximum amount which the states in *their* discretion can request. Thus, the allotment of funds is mandatory, while the obligation of funds is required only to the extent necessary to fund acceptable state proposals.[168]

These two sections were amended while being considered to give the Administrator some discretionary power to control the rate of spending.[169] The amendments were made to provide flexibility [170] and not, as some have suggested, to allow the Administrator to reduce total allotments.[171] If any doubt remained in this regard it was put to rest by the fact that Congress, by a substantial margin, overrode a presidential veto exercised specifically to reduce federal spending.[172] This expression of congressional will should not be disregarded by the courts.[173]

In a similar fashion, the Federal Aid Highway Act [174] gives the Executive no discretion to withhold funds. Neither the Act on its face nor the legislative history give any support to the Government's position in *Missouri Highway*. Section 101(c) of the 1968 amendments to the Act indicates the congressional understanding that impoundment of highway funds for any reason other than a narrow exception would be improper.[175] The section starts with the phrase: "It is the sense of Congress that . . . ." [176] The Nixon Administration argued that this phrase made what would otherwise be a mandatory spending requirement discretionary.[177]

The phrase is redundant, but without such an introductory expression the section would sound like a judicial pronouncement, not a legislative enactment.[178] Even with the phrase, the provision should be respected as a substantive enactment. However, if the phrase is interpreted to indicate that the section is only a congressional policy statement, it still does not vitiate its import. Such a pronouncement contributes significantly to the meaning of a statute.[179] If Congress had intended to give the Executive discretion to withhold funds it certainly would have chosen a less backhanded way to do so.[180]

Congress, however, did not let the matter rest there. It made the legislative history of the Act reflect its understanding: [181]

The withholding of highway trust funds as an anti-inflationary measure is a clear violation of the intent of the Congress as expressed in section 15 of the Federal Aid Highway Act of 1968. We again wish to emphasize the clear legislative intent that funds apportioned shall not be impounded or withheld from obligation.

Both the fact of the Highway Act and its legislative history make impoundment improper.

THE CONSTITUTION AND IMPOUNDMENT

Although the Constitution does not expressly condemn impoundment, it contains no support for the practice and many provisions cast serious doubt on the legality of the practice.

Examination of specific provisions

Article I, section 1 provides that "[a]ll legislative Powers herein granted shall be vested in a Congress . . . ." [182] The power to repeal or nullify a law is a legislative power. Since impoundment in effect repeals a law, the President violates this provision when he withholds funds. This is one of the few constitutional provisions that uses the word "all." It should be construed strictly against any attempts by the Executive to encroach on the legislative domain.[183]

The Necessary and Proper Clause [184] of the Constitution places on Congress the duty to pass all laws "necessary and proper" for carrying out its various powers, as well as powers vested in officers of the United States, of which group the President is clearly a member.[185] In addition, the Congress has the duty to make all laws necessary and proper for the general welfare of the United States.[186] To the extent that the President can negate congressional legislation by impounding funds he is able to deny the Congress power to fulfill its constitutional responsibilities. The President's duty to recommend legislation [187] and to veto measures [188] are the only express powers he has in the legislative process. This fact, coupled with the above provisions of article I, section 1, compels the conclusion that the express powers are the President's exclusive powers in regard to the legislative process. Any other conclusion would vitiate the role of Congress under the Constitution.

The Constitution provides that "[n]o Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law . . . ." [189] This provision was designed to limit the President's powers over the federal monies. It is clear that the President cannot make expenditures without congressional approval.[190] The purpose of the section is to give control of the purse strings to Congress. Consistent with this purpose, the provision should be interpreted to require spending when congressionally mandated.[191] Any interpretation that because the Executive has the power to withdraw appropriated funds from the Treasury he has the power not to withdraw such funds must be summarily rejected.[192]

The Constitution provides that the President "shall take Care that the Laws be faithfully executed." [193] An appropriations act constitutes a law [194] which the President must faithfully execute.[195] No argument can be made that this provision allows impoundment. In *Kendall v. United States ex rel. Stokes* the Supreme Court wrote: [196]

"To contend that the obligation imposed on the President to see the laws faithfully executed, implies a power to forbid their execution, is a novel construction of the constitution and entirely inadmissible."

Concerning this, Justice Rehnquist wrote, while serving as an Assistant Attorney General: [197]

"[T]he mere fact that a duty may be described as discretionary does not . . . make the principle of the *Kendall* case inapplicable, if the action of the federal officer is beyond the bounds of discretion permitted him by the law."

The Constitution does not require the President to be a mere clerk, and his power to execute the laws must necessarily involve some discretion.[198] However, to imply from this discretion a power as great as impoundment is to have the exception swallow the rule and to ignore the basic tenor of the Constitution.[199]

It is undoubted that "[t]he executive Power shall be vested in a President. . . ." [200] Despite recent assertions to the contrary,[201] this provision does not give the President the inherent power to withhold appropriated funds.[202] These assertions were definitively rejected in the Rehnquist memorandum: [203]

"With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that existence of such a broad power is supported by neither reason nor precedent."

One of the precedents supporting Mr. Rehnquist's conclusion is *Youngstown Sheet & Tube Co. v. Sawyer*.[204] The case repudiates the concept of inherent Executive powers.[205] Although some of the opinions in the *Youngstown* case suggest that the President has inherent powers to cope with an emergency,[206] it seems clear that an inflationary economy does not meet the requisite standard of crisis. Indeed, not only is excessive inflation not as great a peril as the war time conditions that the Court found insufficient in *Youngstown*, but also the power sought to be exercised through the mechanism of impoundment is "more all-encompassing than the power sought to be exercised in the *Steel Seizure* [*Youngstown*] case." [207]

Whatever the validity of "inherent powers" in other areas, the concept is not appropriate for impoundment cases.[208] When the Congress has considered an expenditure and approved it, any withholding of funds will conflict with the congressional consideration.[209] Furthermore, Congress has legislated to deal with inflation and governmental inefficiency in alternate ways.[210] Thus, in justifying impoundment, as Professor Philip Kurland has noted, reliance on inherent powers is misplaced: [211]

The Supreme Court of the United States in the *Youngstown* case, it seems to me, made it quite clear that the implied powers of the President are indeed minimal when they come in direct conflict with the expressed will of the national legislature.

Article I, section 7 of the Constitution provides that: [212]

"Every Bill . . . shall, before it becomes a Law, be presented to the President of the United States; If he approve he shall sign it, but if not he shall return it."

The President may either approve a bill or return it with his objections. He has no power to sever any parts he seeks to exclude. Impoundment, however, achieves this result indirectly. Funds for a congressionally approved project are in effect severed from the rest of the bill.[213] If the President does not have the power to sever a provision before he signs the bill into law, then it can hardly be contended that such a power accrues to him after the bill has become law.

An impoundment order represents a veto which Congress cannot override.[214] The Framers gave Congress the final word in the legislative process. They feared excessive Executive power and, as a result, did not give the President an absolute veto.[215] Article I, section 7 provides the exclusive method for the President to defeat the will of Congress.[216] Impoundment, to the extent it represents an absolute veto, is the epitome of what the Framers of the Constitution sought to avoid.

The implications of older impoundment cases

Although the Supreme Court has never decided a policy impoundment case, some general concepts concerning the constitutionality of impoundment can be gleaned from a few older cases. The Court has dealt with impoundment type questions only twice. Both times it affirmed the Executive's duty to spend funds when mandated by Congress. In *United States* v. *Price*,[217] an act required the Secretary of the Treasury to pay out funds to several named persons. The Court held that, if Congress required payment, the Secretary of the Treasury had no discretion to refuse to pay.[218] Similarly, in *Kendall* v. *United States ex rel. Stokes*,[219] a bill required the Postmaster General to credit certain individuals with specified sums. He refused. The Supreme Court explicitly rejected the contention that a congressional mandate need not be followed.[220]

More recently, two different administrations cited lower court cases to justify their impoundments. Neither case provides support for impoundment. The Nixon Administration cited *McKay v. Central Electric Power Cooperative* [221] for the proposition that an appropriation was merely permissive. In *McKay*, the Court of Appeals provided that funds "[n]ot to exceed $1,200,000 shall be available during the current fiscal year . . . ." [222] The plaintiff sued on a contract which expressly provided that it was to become binding only when Congress appropriated money for the project. Not only did the act fail to mention the contract upon which the plaintiff sued, but the history of the act appeared to show that no appropriation for the contract in question had been included.[223] Contrary to the assertion, the *McKay* case does not stand for the principle that an appropriation is merely permissive. If it stands for any principle, it stands for the principle that a general appropriations act not specifying a project does not compel spending for that project. As such it sheds no light on either *Missouri Highway* or *City of New York* for in those cases the authorization bills dealt specifically with the projects concerned.

Similarly, Attorney General Ramsey Clark relied upon *Hukill* v. *United States* [224] to support his contention that appropriations are of a "permissive nature and do not in themselves impose upon the Executive branch an affirmative duty to expend . . . funds." [225] In *Hukill* the plaintiff failed to recover because he did not show that he met the statutory prerequisites for recovery.[226] Contrary to the Attorney General's assertion, the case does not suggest that appropriations are permissive. Indeed, language in the opinion would support the opposite conclusion—that an appropriation is a "recognition by Congress [of a legitimate claim] and is equivalent to an express mandate to the Treasury officers to pay it." [227] Thus, neither case can be used to justify impoundment.

Perhaps the strongest statement against impoundment appears in *Spaulding v. Douglas Aircraft Co.*,[228] where the plaintiff was suing to recover funds withheld pursuant to the order of the Secretary of Defense. The court wrote: [229]

"The purpose of the appropriations, the terms and conditions under which said appropriations were made, is a matter solely in the hands of Congress and it is the plain and explicit duty of the executive branch of the government to comply with the same."

None of these cases provide any constitutional support for recent Executive impoundments. Some suggest that when an appropriations act is not explicit, or when a plaintiff fails to meet the act's requirements for recovery, then withholding of funds is permissible. None suggest that withholding is allowable when a statute explicitly provides for expenditure.

In the court cases recently litigated, the Government has not pressed any constitutional claims. It has relied mostly on interpretations of the particular statutes involved. We are confident that when the constitutional justifications for impoundment are raised the courts will find them unpersuasive.

RECENT CONGRESSIONAL ACTION AND IMPOUNDMENT

Although the courts have cast serious doubts on the practice of policy impoundments, they have not, to date, declared it unconstitutional. Until this is done, cases will have to be decided on the basis of an interpretation of the particular statute involved. Congress, however, can take affirmative action to limit the practice. It has done so in many ways.

Congress has used traditional political pressures to dissuade the President from continuing impoundment policies. For instance, the Congress threatened to cut off funds for favored presidential programs [230] and to obstruct swift approval of presidential appointees in the Senate.[231] If funds were not released. Although it is regrettable that Congress should be driven to sacrifice meritorious legislation or nominees in an effort to ensure the survival of its programs, such pressures have proven effective.[232]

At times, more direct congressional action has also been taken. After an impoundment order for a particular project, Congress passed special legislation requiring the funds be released.[233] Though such an act would not be lightly disregarded, the President could veto it and, in effect have his impoundment actions upheld by one-third of either house.[234] Alternatively, Congress can include language in an appropriations act which directs the President to spend the funds "notwithstanding any other law." Such a mandate would dictate the result of any court action.

The most effective solution to the impoundment problem is general legislation which would specifically prohibit impoundment except in strictly controlled situations. On July 12, 1974, such a plan became law.

The Congressional Budget and Impoundment Control Act of 1974 [235] begins with a disclaimer, making it clear that Congress is not conceding the constitutionality of impoundment, nor ratifying any impoundment that has occurred previously.[236] Thus, no claims or defenses in any litigation are affected. The Act also provides that it does not supersede any statutes which specifically forbid impoundment.[237] This leaves in force any extant, mandatory spending language.

The first substantive provision of the Impoundment Control Act amends the Anti-Deficiency Acts of 1905–06 to reduce the number of situations in which the Executive can create reserves. The amendment came in response to the Nixon Administration assertion that the phrase "or other developments" [238] justified policy impoundments.[239] The amendment eliminates the phrase.[240] The Anti-Deficiency Acts now permit reserves solely to provide for contingencies, or to effect savings made possible by changed requirements or more efficient operations.[241]

The Impoundment Control Act provides a mechanism for congressional control of impoundment. The Act draws a distinction between executive attempts to rescind budget authority and attempts to defer it. Rescission includes presidential determinations that all or part of any budget authority is not required to carry out the full objectives of a program. Also included within this purview are presidential determinations that budget authority should be rescinded for fiscal policy or other reasons (including the necessity of terminating authorized projects) and instances in which budget authority provided for only one fiscal year is to be reserved from obligation for such year.[242] In other words, rescission includes all decisions to withhold from expenditure funds necessary to fulfill objectives of a program. For any rescission, the President must send a special message to Congress stating his reasons for requesting the rescission.[243] Unless the proposed rescission is affirmatively approved by Congress within forty-five days, the rescission may not take effect.[244]

Deferral is treated differently. Whenever the President or any other executive department official proposes to defer use of any budget authority,[245] the President must send Congress a special message similar to the one

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required for rescission.[46] However, if *either* house of Congress passes a resolution disapproving the deferral, then the budget authority must be immediately used.[47] The provisions for deferral apply only if those for rescission do not.[48] No funds may be deferred past the end of a fiscal year.[49] Budget authority that would lapse if it were deferred may only be rescinded.[50] Multi-year authorizations may be deferred to the end of a fiscal year, but must be available for use the following year unless a new deferral message is sent.[51]

The new law takes large steps toward controlling the impoundment problem. The Act allows deferral on a limited basis, while precluding rescission unless Congress approves. As a result, if the President seeks a general reduction in the level of federal spending, he must request such of Congress. This leaves the final decision over budgetary priorities where it belongs—in the hands of Congress.[52]

CONCLUSION

Executive control over the budget has grown because of congressional inefficiency. Impoundment, however, is not the appropriate answer to such inefficiency. The proper response is increased congressional awareness and action. The fundamental change in the types of programs from which funds are being withheld has produced such action.

Even without congressional action, the Constitution of the United States does not permit absolute presidential control over the federal monies. The Constitution gives control of the purse strings to the Congress, and Congress has never relinquished that control.

It has become apparent that the lower federal courts, cognizant of their responsibility in keeping each branch within its proper bounds, have rejected the doctrine of impoundment. They have refused, for the most part, to be distracted by the preliminary hurdles inherent in justiciability and standing. They have not placed strained constructions on general authorization and appropriation acts. In all there have followed a commendable course consistent with the Constitution and the congressional will.

Impoundment is a dangerous proposition for it gives the Executive not only immense power to set national priorities, but also potential power to control the other branches of government. Only recently have the dangers of the practice become apparent. Clearly there is no justification for allowing them to grow. The practice is, and always has been, unconstitutional. The Supreme Court should exercise its authority to reestablish the balance between the Executive and the Congress. It should reject the doctrine of impoundment as it has rejected other usurpations of power in the past.

FOOTNOTES

*J.D., University of Chicago, 1951; member of the Illinois Bar; member, United States House of Representatives, Tenth District of Illinois; former member Illinois House of Representatives; former chairman, Illinois House Judiciary Committee; former chairman, Illinois Board of Ethics.

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[1] *See* Remarks of Senator Sam Ervin, in 119 CONG. REC. S. 636 (daily ed. Jan. 16, 1973). This assertion was recognized as well by President Herbert Hoover in 1934:

"The weakening of the legislative arm [leads] to encroachment by the Executive upon the legislative and judicial function and inevitably that encroachment is upon individual liberty. If we examine the fate of wrecked republics over the world we shall find first a weakening of the legislative arm."

Statement of President Herbert Hoover, quoted in *Joint Hearings on Impoundment of Appropriated Funds by the President Before the Ad Hoc Subcomm. on Impoundment of Funds of the Senate Comm. on Government Operations and the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. 151 (1973) [hereinafter cited as *1973 Hearings*].

[2] President Nixon, at a news conference on Jan. 31, 1973, stated:

"The constitutional right for the President of the United States to impound funds and that is not to spend money, when the spending of money would mean either increasing prices or increasing taxes for all the people, that right is absolutely clear."

New York Times, Feb. 1, 1973, at 20, col. 6.

[3] For some of the many programs from which funds have been withheld see note 38 and accompany text *infra*.

[4] *See* notes 25–27 and accompanying text *infra*.

[5] In the present Congress now fewer than 67 bills have been introduced to control the practice of impoundment. 1 CCH CONG. INDEX at 162, 232 (1974). For action recently taken by Congress see notes 230–52 and accompanying text *infra*.

[6] *See* notes 38–42 and accompanying text *infra*.

[7] *See generally* Note, *The Likely Law of Executive Impoundment*, 59 IOWA L. REV. 50, 62–84 (1973) [hereinafter cited as Iowa Note]; United States v. Curtiss-Wright Export Corp., 299 U.S. 304 (1936).

[8] *See* notes 75–132 and accompanying text *infra*.

[9] The Nixon Administration's definition of impounded funds was much narrower. It did not include funds or budget authority that have been merely delayed in expenditure or released in a smaller proportion than would be expected when compared with the amount available over the whole appropriations period. Such funds were considered to be in "reserve accounts." *See* Statement of OMB Deputy Director Casper Weinberger, in *Hearings on Executive Impoundment of Appropriated Funds Before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, 92d Cong., 1st Sess. 94–98 (1971) [hereinafter cited as *1971 Hearings*]. It should be noted that "reserve accounts" may evaporate if the funds are not released from these accounts within the time specified in the original appropriation bill. These so-called "reserve accounts" are not sufficiently different from impoundments as to be legal. Recent congressional action includes "reserve accounts" as part of prohibited impoundments if unauthorized. Congressional Budget and Impoundment Control Act of 1974, Pub. L. No. 93-344, § 1011(1)(A), 88 Stat. 297 (1974). [hereinafter cited as Impoundment Control Act of 1974]. For a more extended discussion of definitions of impoundment see Iowa Note, *supra* note 7, at 53–56.

[10] "[T]here are two passions which have a powerful influence on the affairs of men. **These are ambition and avarice; the love of** power, and the love of money. Separately each of these has great force in prompting men to action; but when united in view of the same object, they have in many minds **the most violent effects.**"

Remarks of Benjamin Franklin, in 1 The Records of the Federal Convention of 1787 82 (M. Farrand ed. 1911) [hereinafter cited as Farrand].

[11] There is a feeling that Congress must not allow to happen in the field of fiscal planning what happened in the field of foreign policy. *See* Statement of Senator Charles Mathias, in *1971 Hearings*, *supra* note 9, at 91–92. Senator Mathias said:

"The power of the purse—the power of Congress to determine the expenditure of public money, the money of America's taxpayers—must be preserved if we are to preserve the fundamental balance between the legislative and executive branches."

Id. at 92.

[12] Not only does this usurpation of power by the Executive do violence to the Constitution, it is inconsistent with the fundamental principles of democracy:

"If liberty and equality . . . are to be founded in democracy, they will be best attained when all [institutions] share in government to the utmost."

Aristotle, Politics, Book IV, Chapter 4.

"When the legislature and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty; because apprehensions may arise, lest the same monarch . . . should enact tyrannical laws, to execute them in a tyrannical manner."

Montesquieu, *The Spirit of the Laws on the Constitution of England*, quoted in 1973 *Hearings*, *supra* note 1, at 139.

"The accumulation of all powers, legislative, executive, and judiciary, in the same hands, whether of one, a few, or many, and whether hereditary, self-appointed, or elective, may justly be pronounced the very definition of tyranny."

The Federalist No. 47, at 245–46 (M. Beloff ed. 1948) (J. Madison).

[13] Presidential news conference of Jan. 31, 1973, in N.Y. Times, Feb. 1, 1973, at 20, col. 6. A Harris poll of February, 1973, refuted the idea that the public believed President Nixon best represented its interests concerning impounded funds. *See* Chicago Tribune, Mar. 1, 1973, at 14, col. 6.

[14] Although not technically applicable, the policy behind the right to petition for redress of grievances provides support for this position. U.S. CONST., amend. I:

"Congress shall make no law . . . abridging . . . the right of the people . . . to petition the Government for a redress of grievances."

[15] Interestingly, Alexander Hamilton thought that Congress would be quite effective in this regard:

"This power over the purse may in fact be regarded as the most complete and effectual weapon, with which any constitution can arm the immediate representatives of the people . . ." The Federalist No. 58, at 300 (M. Beloff ed. 1948) (A. Hamilton).

[16] President Nixon called this Congress "not responsible on money." Presidential news conference of Jan. 31, 1973, in N.Y. Times, Feb. 1, 1973, at 20, col. 6. President Nixon was supported by other administration officials. Caspar Weinberger, then deputy director of the Office of Management and Budget (hereinafter referred to as OMB), indicated that one reason for this congressional inefficiency was the supposed inability of Congress to take an overall look at the effect of its actions. *See 1971 Hearings*, *supra* note 9, at 135. Similarly, OMB Director Roy Ash echoed the same criticism. *See 1973 Hearings*, *supra* note 1, at 269.

[17] If the Congress has acted irresponsibly, this irresponsibility must be shared by the President. The six budgets submitted to the Congress by President Nixon were deficit budgets. The presidential fiction that three of those budgets were based on a premise of full employment hardly masked the bald reality that full employment did not exist and could not exist under the economic policies being promoted by the Administration. In short, no comfort can be given to an administration that seeks to impound funds because the Congress has chosen different priorities for which to go in the red than has the President. If a balanced budget is the desired end, both the Congress and the President must seek to achieve that end or accept the responsibility for the deficit.

[18] Myers v. United States, 272 U.S. 52, 293 (1926) (Brandeis, J., dissenting). *See also* Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D.S.D. 1973), where the court said:

"It may be true, as contended by the Government, that Congress, as presently organized, is incapable of achieving sound fiscal planning—that necessity demands that the President fill the void. Necessity might be the mother of invention, but it does not give birth to constitutional power." *Id.* at 698.

[19] Budget and Impoundment Act of 1974, Pub. L. No. 93-344, 88 Stat. 297 (1974). For a discussion of the provisions dealing specifically with impoundment, see notes 235–52 and accompanying text *infra*.

[20] Impoundments often prove wasteful. For example, the termination of a program mid-year not only disrupts the particular program, but also creates unexpected termination costs. Such costs were incurred when the Department of Health, Education and Welfare encouraged state officials to hire more teachers under a federal program designed to aid disadvantaged students. After the state of North Carolina had hired the teachers, the Nixon Administration suddenly impounded the funds. *See 1973 Hearings*, *supra* note 1, at 277.

[21] *See* notes 146–47 and accompanying text *infra*.

[22] Impoundment is not being used to avoid deficiencies, or to effect savings, or even to fight inflation but rather to shift the scale of priorities . . . .

S. Rep. No. 121, 93d Cong., 1st Sess. 10 (1973) [hereinafter cited as 1973 Comm. Rep.]

[23] *E.g.*, Rural Environmental Assistance, Rural Electrification Programs, Water Pollution Control and Federal Highway Program.

[24] "Under policy impoundment, funds are withheld not to effect savings, not as directed by Congress, not as Commander-in-Chief, but because the President has unilaterally decided to impound money for programs that are not his priorities. It is a method of substituting Executive will for congressional purpose."

Remarks of Senator Hubert Humphrey, in 119 CONG. REC. 2873 (daily ed. Feb. 20, 1973). One example of withholding of funds that clearly fell into the category of policy impoundments was Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973), where President Nixon ordered the dismantling of OEO prior to the end of the fiscal year because it was his intention not to recommend the continuation of the office in his new budget.

[25] Presidential news conference of Jan. 31, 1973, in N.Y. Times, Feb. 1, 1973, at 20, col. 6. For a more detailed discussion of historical examples of Executive withholding of funds see generally Stanton, *History and Practice of Executive Impoundment of Appropriated Funds*, 53 Neb. L. Rev. 1 (1974) [hereinafter cited as Stanton]; Stanton, *The Presidency and the Purse: Impoundment 1803–1973*, 45 U. Colo. L. Rev. 25 (1973).

[26] The sum of fifty thousand dollars appropriated by Congress for providing gun boats remains unexpended. The favorable and peaceable turn of affairs on the Mississippi rendered an immediate execution of that law unnecessary . . . Statement of President Thomas Jefferson, in 8 Annals of Cong. 14 (1803).

A curious sidelight to the Jefferson gun ship incident is that apparently a few years later the funds were used to build gunboats. 1973 Comm. Rep., *supra* note 22, at 12.

[27] In 1876, President Grant signed into law a bill appropriating funds for river and harbor improvements. 19 Stat. 132 (1876). His announced intention not to spend the full amount was based on policy considerations and a desire to maintain the nation's fiscal integrity. *See 1973 Hearings*, *supra* note 1, at 835–36. *See also* Stanton, *supra* note 25, at 6–9.

During President Warren G. Harding's administration, Congress passed an appropriation for rivers and harbors which was greater than the one recommended by the Bureau of the Budget. President Harding ordered the Administrator to expend only the amount originally fixed by the Bureau of the Budget. *See* Kranz, *A 20th Century Emancipation Proclamation: Presidential Power Permits Withholding of Federal Funds From Segregated Institutions*, 11 Am. U.L. Rev. 48, 65 n.122 (1962).

While Calvin Coolidge was President, Congress made an appropriation to the old Shipping Board to subsidize soft coal exports in response to pressures from Appalachian coal interests. Apparently, however, the Coolidge Administration was not as sympathetic, and refused to spend some of the appropriated money. *See 1971 Hearings*, *supra* note 9, at 170.

[28] Apparently President Roosevelt used the power of impoundment not solely as a device to achieve economic measures, but also as a "full-fledged policy tool." Church, *Impoundment of Appropriated Funds: The Decline of Congressional Control Over Executive Discretion*, 22 Stan. L. Rev. 1240, 1242 (1970) [hereinafter cited as Church].

[29] Late in 1941 the Roosevelt Administration impounded substantial portions of funds appropriated for various agencies including the Civilian Conservation Corps and the National Youth Administration. *See* 88 Cong. Rec. 38 (1942).

[30] In his budget message for fiscal year 1942, while the United States was preparing for a possible entry into World War II, President Roosevelt said: "I have requested that further contracts for the construction of public buildings . . . be held in abeyance for the present." Statement of President Franklin D. Roosevelt, in 87 Cong. Rec. 68 (1941). Similarly, the following year President Roosevelt refused to spend money which had been appropriated by Congress. He said in his budget message:

"Federal Aid for highways will be expended only for construction essential for strategic purposes. Other highway projects will be deferred until the post-war period. For all other Federal construction I am restricting expenditures to those active projects which cannot be discontinued without endangering the structural work now in progress."

Statement of President Franklin D. Roosevelt, in 88 CONG. REC. 38 (1942). For a detailed account of the extent of withholding of funds during the Roosevelt years, see Williams, *The Impounding of Funds by the Bureau of the Budget*, Inter-University Case Program No. 28 (1955), reproduced in *1971 Hearings*, *supra* note 9, at 378–94.

[31] Statement of President Truman, Oct. 29, 1949, quoted in *1971 Hearings*, *supra* note 9, at 525. President Truman, in a letter to the Secretary of Defense, justified his action in part as commander-in-chief. Letter from Harry S. Truman to Louis A. Johnson, Nov. 8, 1949, reproduced in *id.* President Truman withheld by his actions funds in excess of $615,000,000. *Id.*

In two less well known incidents, President Truman also withheld funds from other defense projects. In the first of these, after the keel laying ceremony, he cancelled the building of the aircraft carrier U.S.S. United States whose estimated costs ranged from 190 to 500 million dollars. Fisher, *The Politics of Impounded Funds*, found in *1971 Hearings*, *supra* note 9, at 109 [hereinafter cited as Fisher]. Similarly, in 1950 the aircraft carrier U.S.S. Forrestal was cancelled by the President after funds had been appropriated. Church, *supra* note 28, at 1243 n. 22.

[32] Miller, *Presidential Power to Impound Appropriated Funds: An Exercise in Constitutional Decision-Making*, 43 N.C.L. Rev. 502, 513 (1965). *See also 1971 Hearings*, *supra* note 9, at 526.

[33] Fisher, *supra* note 31, at 110. It was estimated that this cancellation amounted to a saving of 13–14 billion dollars of appropriated funds. *Id.* at 111.

[34] At one point Representative Carl Vinson, chairman of the House Armed Services Committee, intended to use the words "These funds are *directed* to be appropriated. . . ." (emphasis supplied). At the urging of President Kennedy the word "authorized" was substituted for "directed" in the bill. *See* Pub. L. No. 87-436, 76 Stat. 55 (1962). For a detailed discussion of the manned bomber controversy see Stassen, *Separation of Powers and the Uncommon Defense: The Case Against Impounding of Weapons System Appropriations*, 57 Geo. L. Rev. 1159, 1164–68 (1969) [hereinafter cited as Stassen].

For the most part, attempts to exercise the impoundment power during the Eisenhower and Kennedy Administrations were limited to military projects. There were, however, a few attempts to reduce domestic spending, despite the advice of special counsel. Stanton, *supra* note 25, at 13–14, nn. 77–80.

[35] "I had thought that we [Congress] had a responsibility to appropriate funds. I had the thought that once the Congress passed the appropriation bill the President approved it and signed and said to the country that "This has my approval" that the money would be used instead of sacked up and put down in the basement somewhere."

Statement of Senator Lyndon B. Johnson, in *Hearings on Major Defense Matters on Preparedness Investigation of the Senate Armed Services Committee*, 86th Cong., 1st Sess. 147–48 (1959).

[36] At one time the Johnson Administration appeared headed for its own RS-70 confrontation over a nuclear power frigate. Congress, however, softened the language in the bill, in effect giving President Johnson full discretion to build the ship or not. For this reason it does not appear that, in this instance, impoundment occurred. For a more detailed description of this controversy see Stassen, *supra* note 34, at 1166–76.

[37] Fisher, *supra* note 31, at 113. For a more complete list of funds permanently reserved by the Johnson Administration see *1971 Hearings*, *supra* note 9, at 402–04.

[38] 39 Fed. Reg. 7714 (1974). This was an increase of over 3 billion dollars from the amount claimed by the Administration to be in reserve as of Jan. 29, 1973. N.Y. Times, Feb. 8, 1973, at 7, col. 1.

[39] 39 Fed. Reg. 7714 (1974). These figures are from the OMB report of February, 1974, compiled pursuant to the provisions of the Federal Impoundment and Information Act, 31 U.S.C. § 581(c)–1 (Supp. II, 1973).

Other areas from which substantial amounts were withheld include: Funds Appropriated to the President, 2.5 billion; Department of Health, Education and Welfare, 381 million; Department of the Interior, 219 million; Environmental Protection Agency, 95 million.

[40] Hereinafter referred to as OMB.

[41] 33 U.S.C. § 1287 (Supp. II, 1973). In its February, 1974, report, OMB explains the exclusion by saying:

"[The Water Pollution Control Act] vests discretion in the Administrator of the Environmental Protection Agency to allot less than the maximum amounts authorized by the Act. Under the provisions of the Act, authority to make contracts does not exist until the allotment is made. Consequently, fund availability (budget authority) exists only when allotments are made and only allotments move through the apportionment process."

39 Fed Reg. 7708 (1974).

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[42] It should be noted that many of the reserve accounts are claimed to be created pursuant to the Anti-Deficiency Acts of 1906–07, ch. 1484, § 4, 33 Stat. 1257 (1905); ch. 510, § 3, 34 Stat. 48 (1906), *as amended*, 31 U.S.C. § 665(c)(2) (1971), discussed in notes 148–56 and accompanying text *infra*.

With regard to fiscal year 1975, as of the February, 1974 report 6.3 billion dollars of funds already authorized for that year were in budgetary reserve accounts. 39 Fed. Reg. 7715 (1974). To this would have to added another 3 billion dollars to reflect the fact that the Nixon Administration allotted only 4 billion dollars out of the 7 billion dollars authorized to be apropriated for fiscal year 1975 pursuant to the Federal Water Pollution Control Act of 1972. *Id.* at 7708.

[43] Deputy Attorney General Joseph Sneed said:

Such a long continued Executive practice, [impoundment] in which Congress has generally acquiesced, carries with it a strong presumption of legality. *1973 Hearings*, *supra* note 1, at 365.

[44] 1973 Comm. Rep., *supra* note 22, at 13.

[45] 343 U.S. 579, 610–11 (1952) (Frankfurter, J., concurring) (emphasis supplied).

[46] *See* note 5 *supra*.

[47] State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099 (8th Cir. 1973) [hereinafter cited in text as *Missouri Highway*].

[48] *See* text accompanying note 7 *supra*.

[49] The statement quoted in the text should be considered as the opinion of one Justice who believed only that *without specific congressional action* on a particular matter dealing with the President's power, the courts should defer to the President's judgment; thus the reference to "gloss" in the *Youngstown* statement.

[50] 236 U.S. 459 (1915).

But they [certain decisions] do clearly indicate that the long-continued practice, known to and acquiesced in by Congress, would raise a presumption that the withdrawals had been made in pursuance of its consent or of a recognized administrative power of the Executive . . . .

Id. at 474.

[51] 279 U.S. 655 (1929).

[A] practice of at least twenty years duration "on the part of the executive department, acquiesced in by the legislative department, while not absolutely binding on the judicial department, is entitled to great regard in determining the true construction of a constitutional provision the phraseology of which is in any respect of doubtful meaning."

Id. at 690.

[52] One need only consider the effect of such an argument to realize its dangers. The acquiescence argument, had it been made and accepted, would have prevented the Supreme Court from rendering many of its landmark decisions. *See* 1973 Comm. Rep., *supra* note 22, at 13.

[53] Campaign Clean Water, Inc. v. Ruckelshaus, 361 F. Supp. 689 (E.D. Va.), *remanded sum nom.*, Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted*, 94 S. Ct. 1991 (1974) (district court found refusal to make full allotments violative of the Water Pollution Control Act Amendments of 1972); City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), *aff'd sub nom.*, City of New York v. Train, 494 F.2d 1033 (D.C. Cir.), *cert. granted*, 94 S. Ct. 1991 (1974) [hereinafter cited in text as *City of New York*] (no discretion to refuse to make full allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972); National Treasury Employees Union v. Nixon, 492 F.2d 587 (D.C. Cir. 1974) (executive required to grant pay raise to federal workers authorized by the Congress); Maine v. Fri, 486 F.2d 713 (1st Cir. 1973) (plaintiff made a sufficient showing to obtain a preliminary injunction requiring allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972); State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099 (8th Cir. 1973) (funds may not be withheld from programs pursuant to the Federal Highway Act); Illinois *ex rel.* Bakalis v. Weinberger, 368 F. Supp. 721 (N.D. Ill. 1973) (action to prevent withholding of funds appropriated for education); Pennsylvania v. Weinberger, 367 F. Supp. 1378 (D. D.C. 1973) (impoundment of funds appropriated for state educational programs found improper); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D.S.D. 1973) (action challenging termination of low interest rural electric loan program); Community Action Prog. Exec. Dir. Ass'n of N.J., Inc. v. Ash, 365 F. Supp. 1355 (D.N.J. 1973) (action to release 270 million dollars appropriated in 1973 for the Neighborhood Youth Corps); Pennsylvania v. Lynn, 362 F. Supp. 1363 (D. D.C. 1973) (action to compel the Secretary of HUD to fund federal housing and rent supplement programs); Pealo v. Farmers Home Adm'n, 361 F. Supp. 1320 (D.D.C. 1973) (action to require implementation of the Farmers Home Administration's interest credit loan program); National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp. 897 (D.D.C. 1973) (action to require funding for community mental health centers and for children's mental health treatment centers); Oklahoma v. Weinberger, 360 F. Supp. 724 (W.D. Okla. 1973) (impoundment of funds under Library Services and Construction Act improper); Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973) (action to prevent premature closing of Office of Economic Opportunity); Berends v. Butz, 357 F. Supp. 143 (D. Minn. 1973) (action to prevent termination of Farmers Home Administration Emergency Loan Program); Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973) (no discretion to refuse to make full allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973) (no discretion to refuse to make full allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972).

The Government has prevailed in many fewer cases. Campaign Clean Water, Inc. v. Train, 489 F.2d (4th Cir. 1973) (refusal to make full allotment of funds pursuant to Water Pollution Control Act Amendments of 1972 not necessarily arbitrary); Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973) (plaintiffs had no standing due to failure to show injury; in dicta, the court concluded that discretion exists so that full allotment pursuant to Water Pollution Control Act Amendments of 1972 is not required); Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972) (discretion exists so as not to require full funding of Housing programs). This does not purport to be a complete list of cases in which the Government has prevailed.

[54] State Highway Comm'n of Missouri v. Volpe, 347 F. Supp. 950 (W.D. Mo. 1972), *aff'd*. 479 F.2d 1099 (8th Cir. 1973).

[55] The funding mechanism of the bill is slightly different from the traditional appropriations process. Usually, a program is authorized by an authorization bill and funds appropriated in an appropriation bill before the program takes effect. Here the program is set in motion before any appropriations are made. First, Congress passed an authorization bill which provides the program administrator with authority to pursue the next steps and authorize the funds to be appropriated. Second, the funds authorized for a given fiscal year are apportioned by the Secretary (the program administrator) among the states in accordance with the statute. *See* 23 U.S.C. § 104(b) (1971). The allotted funds then become available for expenditure. Third, the states submit project plans to the Secretary for approval. *See* 23 U.S.C. §§ 105, 106(a) (1971). The Secretary is to base his approval on standards set in 23 U.S.C. § 109. *See* 23 U.S.C. § 106(a) (1971). Fourth, the states let construction contracts and begin construction. Fifth, the Congress appropriates the actual funds to pay the federal share of the construction costs. *See* Brief for Amicus Curiae, State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, at 5–6 (8th Cir. 1973) [hereinafter cited as Amicus Brief].

[56] 23 U.S.C. § 101(b) (1971).

[57] *Id.* § 101(c).

[58] 347 F. Supp. 950 (W.D. Mo. 1972).

[59] 479 F.2d 1099 (8th Cir. 1973).

[60] *Id.* at 1118. Similarly, the district court said:

"The reasons advanced by the Secretary for the current and past withholding of obligational authority are foreign to the standards and purposes of the Act and the Fund. The reasons relied on are related to the prevention of inflation of wages and prices in the national economy. These reasons are impermissible reasons for action which frustrate the purposes and standards of the Act." 347 F. Supp. at 954.

[61] City of New York v. Ruckelshaus 358 F. Supp. 669 (D.D.C. 1973), *aff'd sub nom.*, City of New York v. Train, 494 F.2d 1033 (D.C. Cir.), *cert. granted*, 94 S. Ct. 1991 (1974). The City of Detroit was added as a plaintiff intervenor. *See also* other Water Pollution Control Act Amendments of 1972 cases listed in note 53 *supra*.

[62] 33 U.S.C. §§ 1285, 1287 (Supp. II, 1973). *See* Complaint, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973) at ¶¶ 14–16.

[63] *See* notes 172–73 *infra*.

[64] 33 U.S.C. §§ 1285, 1287 (Supp. II, 1973).

[65] The regulation, 37 Fed. Reg. 26,282, § 35, 910–1(a) (1972), was made pursuant to the order of President Nixon. In a letter from President Nixon to William D. Ruckelshaus of November 22, 1972, the President said:

"I direct that you not allot among the states the maximum amounts provided by Section 207 of the Federal Water Pollution Control Act Amendments of 1972. No more than $2 billion of the amount authorized for the fiscal year 1973, and no more than $3 billion of the amount authorized for the fiscal year 1974 should be allotted." Statement of President Richard Nixon, quoted in Complaint, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at ¶ 14.

[66] The funding mechanism under this act is quite similar to that under the highway bill. (*See* note 55 *supra*.) It involves basically six steps. First, a congressional authorization to appropriate funds; second, an allotment of authorized sums among the states; third, submission by the states of particular projects for approval pursuant to standards within the act; fourth, permission to let contracts (obligation state); fifth, a ministerial appropriation of funds to liquidate obligations; and sixth, disbursement of the funds. *See* Affidavit in Support of Motion for Summary Judgment, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at 6 [hereinafter cited as Plaintiff's Memo].

[67] City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973).

[68] City of New York v. Train, 494 F.2d 1033 (D.C. Cir. 1974).

[69] *Id.* at 1050.

[70] *Id.* at 1050, n.39.

[71] *Id.* at 1049, n.36. For a description of the various phases of the funding mechanism see note 66 *supra*.

[72] 94 S. Ct. 1991 (1974).

[73] Campaign Clean Water, Inc. v. Ruckelshaus, 361 F. Supp. 689 (E.D. Va.), *remanded sub nom.*, Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted*, 94 S. Ct. 1991 (1974).

The district court found that the action of the Administrator in allotting only 45% of the funds authorized to be appropriated was a "violation of the spirit, intent and letter of the Act and a flagrant abuse of executive discretion." 361 F. Supp. at 700. The court of appeals ordered a remand finding that the Administrator had some discretion under the Act and that the allotment of only 45% was not necessarily arbitrary. The question on remand was whether, considering all the evidence in the case, the Administrator's decision was arbitrary. 489 F.2d at 498–99.

[74] The various grounds asserted have been 28 U.S.C. § 1361 (1971) (to compel an officer or employees of the United States to perform a duty owed to the plaintiff), 28 U.S.C. § 1331(a) (1971) (the district courts shall have original jurisdiction of civil actions where the matter in controversy exceeds $10,000 and arises under the laws of the United States), 28 U.S.C. §§ 2201–02 (1971) (Declaratory Judgment Act), and 5 U.S.C. §§ 701–06 (1971) (Administrative Procedure Act's provisions for judicial review of administrative decisions).

[75] *See* Statement of Professor Alexander M. Bickel, in *1971 Hearings*, *supra* note 9, at 28; Statement of Assistant Attorney General William H. Rehnquist:

I think 20 years ago, one would have said there simply is not that right in any beneficiaries, but with the expansion of the doctrine of standing, I think you cannot be quite so confident of it now.

Id. at 239.

[76] 347 F. Supp. 950, 952 (W.D. Mo. 1972).

[77] 479 F.2d 1099, 1108 (8th Cir. 1973); *see* note 53 *supra*.

[78] 340 F. Supp. 654 (N.D. Cal. 1972) [hereinafter cited in text as *San Francisco Housing*].

[79] The Government argued lack of standing as one of its bases for its position that the court lacked subject matter jurisdiction. *Id.* at 655. The court sustained the Government on the sovereign immunity claim and the political question claim making no comment on the standing defense.

[80] 397 U.S. 150 (1970).

[81] *Id.* at 153.

[82] *Id.* at 152.

[83] 479 F.2d at 1108–09; Affidavit of Defendant in Opposition to Plaintiff's Motion for Summary Judgment, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at 9 [hereinafter cited as Defendant's Memo].

[84] Appellant's Brief, State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099 (8th Cir. 1973), at 44 [hereinafter cited as Appellant's Brief].

[85] *See* Statement of Federal Highway Administrator F. C. Turner, in *1971 Hearings*, *supra* note 9, at 82. Pursuant to the provisions of the Federal Highway Act, authorized funds remain available for greater than a one-year period, and this has prevented any lapse of funds to date.

It is interesting to note that on June 15, 1972, four days after the district court hearing in *Missouri Highway*, the state of Missouri was informed it would be allowed to obligate the full amount originally apportioned for fiscal year 1973. 479 F.2d 1099, 1104 n.5. On appeal, therefore, the action was moot as far as Missouri's request for mandamus was concerned but plaintiff's declaratory judgment action was properly maintained. *Id.* at 1104.

[86] The Government, in opposing New York City's motion for summary judgment in the district court, argued that the City had not been injured because,

"[U]ntil plaintiff makes application for grants which are rejected by the Administrator for the reasons complained of in this suit, the Complaint raises only hypothetical questions of legality of defendant's actions should they ever affect plaintiff."

Defendant's Memo, *supra* note 83, at 9.

[87] Plaintiff's Memo, *supra* note 66, at 11. Since the amount "allotted" to New York is less than it would have been if the full amount had been allotted, this reduces the total pool of funds from which New York may draw.

The city was further injured because it lost an option given in the Act. Section 205 (6)(1) provides that once funds have been allotted in the proper manner they shall be available for one year beyond the fiscal year for which they were authorized. 33 U.S.C. § 1285 (Supp. II, 1973). Thus, if New York City should not use its full allotted amount during the present year, they could, but for the Administrator's action, go beyond the amount allotted to them in the following year. The loss of this option to cities like New York is an injury. Because of this option in the following year, it might not be necessary to show actual existing plans for water sewage treatment plants to show an injury in fact. *But see* text in this note *infra*.

For other cases brought seeking to compel the Administrator to allot the full amount authorized to be appropriated, where proper standing of the plaintiff was found to exist, see note 53 *supra*.

The only Water Pollution Control Act case that has found that the plaintiff lacked standing was Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973). Neither the City of Los Angeles, nor Representative Brown, the two plaintiffs, filed any affidavits indicating that there existed proposed plans which would be frustrated by the Administrator's actions. The court pointed out that this differed from the other Water Pollution Control Act cases, where filed affidavits showed that plans for sewage treatment plants either existed or were being formulated, and that if the Administrator's reduced allotment were allowed to stand, these plans would be rejected for lack of funds. *Id.* at 263. The decision in *Brown*, therefore, finding a lack of standing, rests on an evidentiary rather than some constitutional principle related to the type of action brought.

[88] Complaint, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at ¶ 20.

[89] 369 U.S. 186 (1962), where the Court said:

"Prominent on the surface of any case held to involve a political question is found a textually demonstrable constitutional commitment of the issue of a coordinate political department; or a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of the respect due coordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question." *Id.* at 217.

[90] *But see* Statement of Deputy Attorney General Joseph T. Sneed:

"Decisions to impound inevitably involve policy judgments concerning changing national needs and highly technical predictions about their effect upon the economy. Significant impounding actions can rarely be taken to alleviate one problem, without aggravating another. These 'trade-offs' involve delicate adjustments peculiarly within the competence and constitutional authority of the Executive branch." *1973 Hearings*, *supra* note 1, at 365.

[91] In *Missouri Highway*, the Government asserted that:

"Because the relief sought by the Commission would require the courts to interfere in the relationship between the coordinate political branches, the case clearly involves a political question.

"The basic issue of the Executive's power to control the rate of expenditure of funds is a question which is "essentially political in nature". . . . There can be little doubt that the court is without any "judicially manageable" standards for determining whether apportioned highway funds shall be expended."

Appellant's Brief, *supra* note 84, at 49–50. Similarly, in *City of New York*, the Government argued:

"[w]hile spending controls are not "textually committed" by the Constitution to any of the three departments, it is clearly not a matter for the judiciary. Moreover, the grant of "executive power" in Article II comes very close to a "textually demonstrable" commitment of this responsibility to the President." Defendant's Memo, *supra* note 83, at 6.

The district court rejected the Government's assertion and its ruling on this point was not appealed. City of New York v. Train, 494 F.2d 1033, 1038 (D.C. Cir. 1974).

[92] In *City of New York*, the plaintiffs argued:

"This case raises an issue of statutory interpretation and it is to the Judicial branch, not the Executive branch, that the Constitution has committed the role of interpreter." Plaintiff's Memo, *supra* note 66, at 58. Similarly, the amicus brief field in *Missouri Highway* stated:

"This Court is not . . . being asked to decide the policy question "of whether these funds should be expended." This Court is being asked to decide whether Congress in the Federal Aid Highway Act of 1956, denied Defendants the discretion to withhold from plaintiff for anti-inflationary reasons the obligational authority provided for by Congress."

Amicus Brief, *supra* note 55, at 12.

[93] In Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted*, 94 S. Ct. 1991 (1974), the court of appeals said:

"When the executive exercises its responsibility under appropriation legislation in such a manner as to frustrate the Congressional purpose, either by absolute refusal to spend or by a withholding of so substantial an amount of the appropriation as to make impossible the attainment of the legislative goals, the executive trespasses beyond the range of its legal discretion and presents an issue of constitutional dimensions which is obviously open to judicial review."

Id. at 498. Even in Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973), which held for the Government, the court said:

"Our task here is exactly what the judiciary is supposed to do: interpret the law. There is no issue involving "executive power"; nor is the Court being asked to supervise the operations of the EPA, which concededly would muddle any judicially discoverable and manageable standards for resolving the issue."

Id. at 262. *See also* National Treasury Employees Union v. Nixon, 492 F.2d 587, 604 (D.C. Cir. 1974); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686, (D.S.D. 1973); National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp. 897, 900 (D.D.C. 1973). *See generally* Comment, *Presidential Impounding of Funds: The Judicial Response*, 40 U. CHI. L. REV. 328, 344–46 (1973).

[94] 479 F.2d 1099, 1106 (8th Cir. 1973).

[95] 328 U.S. 549 (1946).

[96] Barenblatt v. United States, 360 U.S. 109 (1959); Watkins v. United States, 354 U.S. 178 (1957).

The court in *Watkins* focused on the limits of a congressional committee's powers in conducting an investigation. Watkins was

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prosecuted for contempt of Congress for refusing to make certain disclosures to the House Un-American Activities Committee (HUAC). He asserted that these disclosures were beyond the power of the committee to demand. Chief Justice Warren, in the majority opinion, wrote that "there is no congressional power to expose for the sake of exposure." 354 U.S. at 200. The Court found that neither the resolution establishing HUAC nor the explanatory statement by the presiding officer at the hearing provided an adequate explanation of the legislative purpose behind the inquiry. Under these circumstances, the Court refused to sustain Watkins' conviction. *Id.* at 209, 214–15.

In *Barenblatt*, a later case involving HUAC, the Court once again faced the question of whether a particular investigation had a valid legislative purpose. Speaking for the Court, Justice Harlan concluded that, unlike *Watkins*, the objective of the inquiry had been clearly indicated by the committee (this being an investigation of Communist infiltration into the field of education). As had Chief Justice Warren in *Watkins*, Mr Justice Harlan found inquiry into legislative motive beyond the scope of judicial inquiry. 360 U.S. at 132.

[97] 71 U.S. (4 Wall.) 475 (1866) (Mississippi attempted to restrain President Andrew Johnson from enforcing the Reconstruction Acts).

[98] *Id.* at 499.

[99] *See* notes 93–94 *supra*.

[100] 71 U.S. (4 Wall.) at 501.

[101] In this regard, the decision in Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972), cannot be controlling insofar as it indicates that the issues involved are political questions. In that case the court interpreted the particular statute involved as giving the Administrator discretion to withhold spending. The court held that only Congress could determine whether such discretion had been abused. 340 F. Supp. at 656. Although the court indicated its decision rested upon the political question doctrine, basically the decision that nothing in the statute compelled spending was a decision on the merits. The court had not in truth restrained itself in accord with the political question doctrine.

[102] As a number of congressmen said in their amicus curiae brief filed before the Eighth Circuit in *Missouri Highway*:

[C]entral to the effective operation of the doctrine of separation of powers is the tradition that one branch acts as a check and balance to counteract the tendency of a coordinate branch to overstep its bounds." Amicus Brief, *supra* note 55, at 15.

[103] National Automatic Laundry & Cleaning Council v. Schultz, 443 F.2d 689, 695 (D.C. Cir. 1971).

[104] 94 S. Ct. 1991 (1974).

[105] *See* 42 U.S.L.W. 3606–07 (U.S. April 30, 1974).

[106] Dugan v. Rank, 372 U.S. 609, 620 (1963), *citing* Larson v. Domestic & Foreign Commerce Corp., 337 U.S. 682, 704 (1949), Land v. Dollar, 330 U.S. 731, 738 (1947); and *ex parte* New York, 256 U.S. 490, 502 (1921).

[107] Larson v. Domestic & Foreign Commerce Corp., 337 U.S. 682, 689–90 (1949). *See also* Malone v. Bowdoin, 369 U.S. 643, 647 (1962).

[108] The Supreme Court has suggested that an allegation that an officer has acted improperly "does not establish that the officer . . . is not exercising the powers delegated to him. . . ." 337 U.S. at 693. In other words, the Court suggested that an official can act erroneously and still remain within the bounds of his discretion. This, however, should not preclude a close examination of the statute involved. The relevant question is whether Congress intended to give the official such broad discretion. In this regard, see Cramton, *Nonstatutory Review of Federal Administrative Action: The Need for Statutory Reform of Sovereign Immunity, Subject Matter Jurisdiction, and Parties Defendant*, 68 Mich. L. Rev. 387, 406–07 (1970) [hereinafter cited as Cramton]. *See also* Byse, *Proposed Reforms in Federal "Nonstatutory" Judicial Review: Sovereign Immunity, Indispensible Parties, Mandamus*, 75 Harv. L. Rev. 1479 (1962):

"It is perfectly possible for a court to hold that an official has authority to make erroneous as well as correct determinations. Such a holding, of course, should rest on a reasoned determination that Congress intended to confer so broad a discretion. But under *Larson, Doehla, et al.*, the courts seem to interpret the statutes cursorily to authorize the defendant official to act in the "general" area in question; so long as the official remains within the "general" area, his erroneous acts are unreviewable whether or not the statute properly construed was intended to confer such an unreviewable discretion. This . . . is an abdication of judicial responsibility."
Id. at 1491.

[109] It is, of course, possible that, in any given impoundment case, the Government will not assert constitutional arguments in support of its position.

[110] 358 F. Supp. at 673. The court of appeals affirmed relying on the district court's reasoning in regard to sovereign immunity. 494 F. 2d at 1038–39 (D.C Cir. 1974). The issue of sovereign immunity was not heavily litigated at the court of appeals level because of the D.C. Circuit's position on the issue. *See* text accompanying notes 125–26 *infra*. Counsel for the Government, however, did raise the issue, so as to preserve it for review in the Supreme Court. *Id.* at 12, n. 12.

[111] 361 F. Supp. at 695. The court of appeals accepted the reasoning of the district court on the sovereign immunity issue. 489 F.2d at 495. For other cases dealing with the Water Pollution Control Act Amendments of 1972 which also reject the sovereign immunity defense see Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D Cal. 1973); Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973); *see also* Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D. S.D. 1973).

[112] 337 U.S. at 691 n.11.

[113] 358 F. Supp. at 673.

[114] Cramton calls the dicta troublesome. Cramton, *supra* note 108, at 414, 416–17.

[115] For a description of the funding mechanism under the Water Pollution Control Act Amendments of 1972, see note 55 *supra*.

[116] It is unclear how far the dicta in *Larson* extends, but in one recent impoundment case the court said that any order of the court:

"would go no further than to require the spending of *funds already appropriated* by Congress to achieve the declared purposes of the Act. Accordingly, there can be no effective assertion of sovereign immunity and the defendant's actions are reviewable by the courts."

National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp 897, 900 (D.D.C. 1973) (emphasis supplied). *Cf.* Kingsbrook Jewish Medical Center v. Richardson, 486 F.2d 663 (2d Cir. 1973). *See also* Washington v. Udall, 417 F.2d 1310, 1317–18 (9th Cir. 1969), in which the court similarly put a narrow interpretation on the *Larson* dicta.

[117] For a description of the funding mechanism under the Water Pollution Control Act Amendments of 1972 see note 55 *supra*.

[118] 479 F.2d at 1123.

[119] 5 E.R.C. 1586 (D. Minn. 1973).

[120] *Id.* at 1588 (emphasis supplied). This language is similar to that used in older cases except the word "authorized" is substituted for the word appropriated. *See, e.g.*, Pennsylvania v. Lynn, 362 F. Supp. 1363, 1368 (D.D.C. 1973) (impliedly recognizing the effect to be given to the type of funding mechanism provided for by the Water Pollution Control Act Amendments of 1972).

[121] Jurisdictional statutory provisions other than the Administrative Procedure Act that might be alleged to waive sovereign immunity in an impoundment case are 28 U.S.C. §§ 1331 (jurisdiction of district court in civil action arising under Constitution with claim exceeding $10,000), 1361 (jurisdiction of district court to issue writ of mandamus to compel federal official to perform duty) (1971).

With regard to 28 U.S.C. § 1361, the Government maintains that mandamus under this statute is only available when the duty amounts to a specific unequivocal command plainly prescribed so as to be free from doubt. ICC v. New York, N.H. & H. R.R., 287 U.S. 178, 204 (1932). Plaintiffs generally rely on Peoples v. Department of Agri., 427 F.2d 561, 565 (D.C. Cir. 1970) for the proposition that section 1361 was to allow the issuance of corrective orders against federal officials who are not acting within the area of their discretion.

The Eighth Circuit's opinion in *Missouri Highway* does not specifically hold that mandamus is appropriate but seems to distinguish between the case in which a statute gives no discretion, in which case mandamus would be proper, and the case in which limited discretion is alleged to be abused. State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 1104–05 n.6 (8th Cir. 1973). *See also* Udall v. Wisconsin, 306 F.2d 790, 793 (D.C. Cir. 1962), *cert. denied*, 371 U.S. 969 (1963).

On the other hand, some courts have found that 28 U.S.C. § 1361 does not provide an independent ground of jurisdiction and does not constitute a waiver of sovereign immunity. Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972), *relying on*, White v. GSA, 343 F.2d 444 (9th Cir. 1965). *See also* M.G. Davis & Co. v. SEC, 252 F. Supp. 402 (S.D. N.Y. 1966); Scholder v. United States, 428 F.2d 1123 (9th Cir. 1970). On this topic, see generally, Byse & Fiocca, *Section 1361 of the Mandamus and Venue Act of 1962 and "Nonstatutory" Judicial Review of Federal Administrative Action*, 81 Harv. L. Rev. 308, 336–42 (1967).

Similarly, the Government argues that 28 U.S.C. § 1331(a) does not constitute a waiver of sovereign immunity. *See* Anderson v. United States, 229 F.2d 675 (5th Cir. 1956); Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972). Despite this claim the court in *Missouri Highway* found that § 1331(a) was sufficient to confer jurisdiction. State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 110 (8th Cir. 1973).

[122] 5 U.S.C. §§ 701–06 (1971), in pertinent parts, provides:

A person suffering legal wrong because of agency action . . . within the meaning of a relevant statute, is entitled to judicial review thereof. *Id.* § 702.

[123] *See* Community Action Prog. Exec. Dir. Ass'n v. Ash, 365 F. Supp. 1355, 1361 (D.N.J. 1973), where the mere appropriation of funds for a particular program was held to constitute a waiver of the sovereign immunity doctrine. In addition, the court cited the doctrine of Scanwell Laboratories, Inc. v. Shaffer, 424 F.2d 859 (D.C. Cir. 1970), as the appropriate rule of law. *Id.* at 1362 n. 10.

[124] 358 F. Supp. at 673, *aff'd sub nom.*, City of New York v. Train, 494 F.2d 1033, 1038–39 (D.C. Cir. 1974). *See also* Campaign Clean Water, Inc. v. Ruckelshaus, 361 F. Supp. 689 (E.D. Va. 1973), *remanded sub nom.*, Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973).

[125] 424 F.2d 859, 874 (D.C. Cir. 1970).

[126] Kletschka v. Driver, 411 F.2d 436, 445 (2d Cir. 1969); Estrada v. Ahrens, 296 F.2d 690, 698 (5th Cir. 1961). A decision in the Fourth Circuit has suggested that two subsequent cases in the Fifth Circuit repudiated the *Estrada* rule. *See* Littell v. Morton, 445 F.2d 1207, 1212 (4th Cir. 1971). The cases cited by the Fourth Circuit, however, do not explicitly override the holding in *Estrada*. The Ninth Circuit concurs in the rule. *See* Adams v. Witmer, 271 F.2d 29, 34–35 (9th Cir. 1959). This case, however, appears to be somewhat limited by the later holding of Washington v. Udall, 417 F.2d 1310 (9th Cir. 1969), in which the Ninth Circuit held that, if the immunity doctrine is so transcendent as to require dismissal of the case, the Administrative Procedure Act will not provide a basis for review. *Id.* at 1320.

[127] Sierra Club v. Hickel, 467 F.2d 1048, 1054 (6th Cir. 1972); Littell v. Morton, 445 F.2d 1207, 1212 (4th Cir. 1971); Twin Cities Chippewa Tribal Council v. Minnesota Chippewa Tribe, 370 F.2d 529, 532 (8th Cir. 1967); Chournos v. United States, 335 F.2d 918, 919 (10th Cir. 1964); Cyrus v. United States, 226 F.2d 416, 417 (1st Cir. 1955).

The Fourth Circuit in *Littell* acknowledged the appeal of the waiver doctrine but felt constrained by prior Supreme Court holdings which failed to speak specifically to the issue, but which upheld claims of sovereign immunity in cases dealing with attempts to review administrative discretion. 445 F.2d at 1212. Similarly, the First Circuit in *Cyrus* felt constrained by the Supreme Court's holding in Blackmar v. Guerre, 342 U.S. 512, 516 (1952), although the case was not dispositive of the issue. 226 F.2d at 417. Finally, the Eighth Circuit, while acknowledging its holding in *Chippewa*, referred to recent trends in the Supreme Court which tended to look favorably upon construing "Section 10 as an affirmative grant of jurisdiction." State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 1105 n.7 (8th Cir. 1973).

[128] 5 U.S.C. § 701(a) (1971).

[129] 445 F.2d 1207, 1212 (4th Cir. 1971).

[130] [T]he decree would require the United States—contrary to the mandate of the Congress—to dispose of valuable irrigation water and deprive it of the full use and control of its reclamation facilities. It is therefore readily apparent that the relief granted operates against the United States. 372 U.S. 609, 621 (1963).

[131] Community Action Prog. Exec. Dir. Ass'n v. Ash, 365 F. Supp. 1355, 1362 (D.N.J. 1973).

[132] Although it is conceivable that the Supreme Court will find a waiver of sovereign immunity in the present actions to allot funds pursuant to the Water Pollution Control Act Amendments of 1972, the question remains will the doctrine be considered waived, if at a later point the plaintiffs are forced to bring suit in order to receive contract authority. The Fifth Circuit decision of Warner v. Cox, 487 F.2d 1301 (5th Cir. 1974), may indicate that the waiver in the Administrative Procedure Act does not extend to seeking actual funds. *Id.* at 1305. This, however, is undercut by a number of other cases. In Kingsbrook Jewish Medical Center v. Richardson, 486 F.2d 663 (2d Cir. 1973), an action by a hospital for reimbursement under the Medicare Act, the Second Circuit found immunity waived by the Administrative Procedure Act despite the fact that monetary relief was sought. *Id.* at 668. Similarly, two other cases found a waiver of sovereign immunity despite the fact that both actions sought the release of funds. Community Action Prog. Exec. Dir. Ass'n v. Ash, 365 F. Supp. 1355, 1361 (D.N.J. 1973); Pennsylvania v. Lynn, 362 F. Supp. 1363, 1368–69 (D.D.C. 1973).

[133] U.S. Const., art. I, § 9.

[134] *See, e.g.*, Appellant's Brief, *supra* note 84, at 27.

This view is based in part on the Government's reading of certain statutes, which it interprets as implicit authority for the proposition that appropriations bills are flexible in nature. These statutes include: Anti-Deficiency Acts, 31 U.S.C. § 665(c) (1971) (authorizing the executive branch to effectuate savings of appropriated funds); 31 U.S.C. § 701(a)(2) (1971) (unexpended funds shall revert to the treasury); Revenue and Expenditure Control Act of 1968, Pub. L. No. 90–364, tit. II, §§ 202, 203, 82 Stat. 251, 271–72 (1968) (directing the President to reduce expenditures without specifying the particular appropriation to be reduced); Supplemental Appropriations Act of 1970, Pub. L. No. 91–305, tits. IV, V, 84 Stat. 376, 405–07 (1970) (reducing expenditures for fiscal 1970–71). None of these statutes give the Executive such general authority.

The Government's assertion is clearly correct if Congress has given the Executive specific authority to impound funds. For examples when this has occurred see Comment, *The Limits of Executive Power: Impoundment of Funds*, 23 CATHOLIC U.L. REV. 359, 371 n.86 (1973); Note, *Jurisdictional and Constitutional Questions Concerning Judicial Relief From Impoundment: Eighth Circuit Holds Substantive Content of Appropriation Laws is the Dispositive Factor*, 27 Rutgers L. Rev. 201, 203 n.22 (1973).

To bolster its argument, the Government relies on numerous statements by various leaders, the most famous of which is:

"Economy neither begins nor ends in the Halls of Congress. The Congress . . . decides the maximum amounts which must be appropriated for . . . various activities, and the annual appropriation bill provides the sums so determined by the Congress.

"Appropriation of a given amount for a particular activity constitutes only a ceiling upon the amount which should be expended for that activity . . . [it is the responsibility of every government official] to so control and administer the activities under his jurisdiction as *to expend as little as possible* out of the funds appropriated."
Statement of Representative Clarence Cannon, H. REP. No. 1797, 81st Cong., 2d Sess. 9 (1950) (emphasis supplied). The following statements employed by the Government are to the same effect:

"[T]he weight of experience and practice bears out the general proposition that an appropriation does not constitute a mandate to spend every dollar appropriated. That is a generally accepted concept. It squares with the rule of common sense.

"I believe it is fundamentally desirable that the Executive have limited powers of impoundment in the interests of good management and constructive economy in public expenditures."
Remarks of Representative Mahon, Chairman of the House Appropriations Committee, in Appellant's Brief, *supra* note 84, at 26.

"[T]he mere fact that Congress, by the appropriation process, has made available specified sums for the various programs and functions of the Government is not a mandate that such funds be fully expended. Such a premise would take from the Chief Executive every incentive of good management and the practice of common-sense economy."
Statement of President Franklin Roosevelt, in *Hearings on H.R. 3598 Before the Subcomm. of the Senate Comm. on Appropriations*, 78th Cong., 1st Sess. 739 (1944).

"When the Congress appropriates funds it gives the executive branch an authority to incur obligations. Certainly none of us hold that we give a mandate to expend the funds appropriated. We expect the funds to be used only where needed, and not in excess of the amount appropriated to carry out some phase of law."
Statement of Senator Harry S. Truman, in 89 CONG. REC. 10,362 (1943).

The statements provide no support for the Government's conclusions. The references to "economy" and "expend as little as possible" makes it clear that the statements do not support the view that the President may reduce spending for independent policy reasons. Only where a project may be completed at a cost lower than the amount appropriated may the President reduce spending. An appropriation is a mandate to accomplish a specific project at the best price. *See 1973 Hearings*, *supra* note 1, at 475.

[135] Statement of Assistant Attorney General William H. Rehnquist, in *1971 Hearings*, *supra* note 9, at 234. It should be noted that Mr. Rehnquist believed that an apparently neutral authorizing or appropriating statute, without some basis for interpreting the statute otherwise, would not require spending and only set a ceiling as to the amount to be expended. *Id.* Mr. Rehnquist relied on Representative Cannon's statement and his conclusions are subject to the same criticisms already discussed. *See* note 134 *supra*.

[136] *See, e.g.*, Illinois *ex rel.* Bakalis v. Weinberger, 368 F. Supp. 721, 726 (N.D. Ill. 1973); Pennsylvania v. Weinberger, 367 F. Supp. 1378, 1381 (D.D.C. 1973); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 693–94 (D.S.D. 1973); National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp. 897, 902 (D.D.C. 1973).

[137] State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 1109 (8th Cir. 1973).

[138] For examples where the Administration had terminated whole programs, see Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D.S.D. 1973); Berends v. Butz, 357 F. Supp. 143 (D. Minn. 1973).

[139] Note, *Protecting the Fisc: Executive Impoundment and Congressional Power*, 82 Yale L.J. 1636, 1651 (1973).

[140] As the district court said in *Campaign Clean Water:*

[T]he Court is well-satisfied that the challenged impoundment policy, by which 55% of the allocated funds will be withheld is a violation of the spirit, intent and letter of the Act and a flagrant abuse of executive discretion.

361 F. Supp. 689, 700 (E.D. Va.), *remanded sub nom.*, Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973) *cert. granted*, 94 S. Ct. 1991 (1974).

[141] 362 F. Supp. 1363 (D.D.C. 1973).

[142] *Id.* at 1365, 1371–72.

[143] 7 U.S.C. § 903(d) (1971); *see* Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686, 694–95 (D.S.D. 1973).

[144] 367 F. Supp. 686, 697 (D.S.D. 1973).

[145] For a description of such a funding mechanism see note 55 *supra*.

[146] Referring to the statute involved in *Missouri Highway:*

"[W]hen Congress established the Federal-Aid Highway program, it sought to eliminate this kind of year-by-year planning. It purposefully set specific authorizations for the life of the program in the 1956 Act so that intelligent long-range planning could be undertaken."

Amicus Brief, *supra* note 55, at 19. Similarly, with regard to the Federal Water Pollution Control Act Amendments of 1972:

"[A] fixed amount was intended as an assurance and guarantee to the States and municipalities of the continued availability of federal funding assistance for waste treatment plant construction. This assurance and guarantee was further strengthened by the provision for contract authority, which ensures that the amounts authorized to be appropriated will not be subject to the vicissitudes and vagaries of the year-to-year appropriation process."

Plaintiff's Memo, *supra* note 66, at 39.

The courts have agreed with these statements. The district court in *City of New York* wrote:

"[T]he reduction in allotments has resulted in serious planning delays that will necessarily retard the development of sewage treatment facilities. . . . The seriousness of the planning problem was understood by Congress. It was one of the reasons for utilizing the device of allotment, thereby making funds available for obligation, in lieu of the ordinary appropriations procedure."
358 F. Supp. at 674.

In affirming that decision, the court of appeals said, "The Act was passed to insure that ultimate grantees could rely in advance on the amounts available." 494 F.2d at 1036–37 (D.C. Cir. 1974). Similarly, in Minnesota v. EPA the court said:

"The amount of funds allotted to the State of Minnesota drastically affects the expectations of the applicants and has a significant effect at the planning stage of these projects."
5 E.R.C. at 1588.

[147] The court in Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973) made the same point along similar lines when it said:

"The clear Congressional intent of the multiple year authorization was that the program continue." . . .
Id at 75.

[148] 33 Stat. 1257; 34 Stat. 48–49. The acts of 1905–06 were in fact based on the Act of July 12, 1870, ch. 251, § 7, 16 Stat. 251, the main purpose of which was: "to prevent executive officers from involving the government in expenditures or liabilities beyond those contemplated and authorized by the law-making power."
Public Work Contracts, 21 Op. Att'y Gen. 244, 248 (1895).

[149] 1973 Comm. Rep., *supra note* 22, at 5.

[150] Act of Sept. 6, 1950, ch. 896, 64 Stat. 595. Most recently the Act was amended again as part of the Congressional Budget and Impoundment Control Act of 1974, Pub. L. No. 93–344, 88 Stat. 297 (1974). *See* notes 238–41 and accompanying text *infra*.

[151] 31 U.S.C. § 665(c)(2) until recently stated:

"In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available."
Id. (emphasis supplied).

[152] 1973 Comm. Rep., *supra* note 22, at 6.

[153] Impoundment Control Act of 1974 § 1002. *See* notes 238–41 and accompanying text *infra*. The 1950 amendments were added shortly after President Truman had refused to spend all the funds appropriated by Congress for increasing the size of the Air Force. *See* note 31 and accompanying text *supra*.

As the committee report accompanying these 1950 amendments said:

"It is perfectly justifiable and proper for all possible economies to be effected and savings to be made, but there is no warrant or justification for the thwarting of a major policy of Congress by the impounding of funds."
H.R. Rep. No. 1797, 81st Cong., 2d Sess. 311 (1950).

[154] The Nixon Administration construed the phrase "other developments" as used in the statute, see note 151 *supra*, in a broad manner not requiring those "other developments" to be related to the project in question. The Office of Management and Budget in giving its interpretation of the Anti-Deficiency Acts said:

"Thus 'other developments' would encompass any circumstances which arise after an appropriation becomes available for use, which would reasonably justify the establishment of a reserve."
1973 Hearings, supra note 1, at 529. Because of this overly broad interpretation given to the phrase "other developments," many of the reserve accounts established by the OMB allegedly under the authority of the Anti-Deficiency Act are of questionable validity. *See* 39 Fed. Reg. 7713 (1974).

[155] Comptroller General Elmer B. Staats has said:

"These provisions do not confer any authority to take actions on the basis of circumstances existing at the time appropriations were made and which were, therefore, within the purview of congressional consideration. In other words, no authority is provided to reconsider, modify, or negate congressional determinations."
1973 Hearings, supra note 1, at 110. Similarly, an exchange between Comptroller General Staats and Senator Jacob Javits supports this proposition:

"Senator JAVITS. In short, you say the words 'other developments' means substantive good faith *post-appropriation* developments?

"Mr. STAATS. That is correct."
Id. at 120 (emphasis supplied).

[156] Statement of Comptroller General Elmer B. Staats, *Id.*

Clearly, the impoundment orders in *Missouri Highway* and *City of New York* cannot be justified by th Anti-Deficiency Acts. There has been no sudden reduction in the pollution of our waterways, which was the purpose of the Federal Water Pollution Control Act Amendments of 1972, or a completion of the interstate highway system, which was the purpose of the Federal Highway Act. Concerning the Anti-Deficiency Acts, Judge Lay of the Eighth Circuit wrote:

[T]he Act goes on to point out that the reserves may only be established when the funds *"will not be required to carry out the purposes of the appropriation concerned. . ."* (Emphasis ours). The legislative history is emphatic in noting that this power to withhold funds cannot be used if it would jeopardize the policy of the statute."
479 F.2d at 1118.

[157] In addition to the Anti-Deficiency Acts and congressionally imposed ceilings discussed in this section there are a number of other acts the Nixon Administration cited as authorizing the impoundment practice. First is the Employment Act of 1946, the relevant provision of which states:

"The Congress declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations of national policy . . . to promote maximum employment, production, and purchasing power."
15 U.S.C. § 1021 (1971). A number of Nixon Administration spokesmen cited this act to justify the practice of impoundment. *See* Statement of Deputy Attorney General Joseph T. Sneed, in *1973 Hearings, supra* note 1, at 366; Statement of OMB Deputy Director Caspar W. Weinberger, *1973 Hearings, supra* note 9, at 96, 156. The argument was made that

"[t]he reference to purchasing power permits the Administration to assert that it is only giving effect through impoundment to a congressionally declared policy of fighting inflation."
Note, *Protecting the Fisc: Executive Impoundment and Congressional Power*, 82 Yale L.J. 1636, 1655 (1973).

The Employment Act of 1946 does not justify impoundments for a number of reasons. First, the quoted portion is only part of a preamble to an act that sets up a specific mechanism to control inflation, a mechanism that does not include the practice of impoundment. Second, not only does the Act not grant a discretionary spending power to the President, but also the provision of the original bill which did grant such a discretion was deleted. 1973 COMM. REP., *supra* note 22, at 8. Third, the goal of achieving maximum employment and full production is the responsibility of the Federal government, not just the President. Allowing impoundment would not give effect to the responsibilities imposed by the Act on the other branches of government. *Id.* Finally, the Act was a move against possible post-war depression to achieve maximum purchasing power and employment. Impoundment does the opposite, cutting both employment and production. *Id.*

The second act sometimes relied on by the Nixon Administration was the Economic Stabilization Act of 1970, Pub. L. No. 91–379, tit. II, 84 Stat. 799, *as amended*, Pub. L. No. 92–210, 85 Stat. 743 (1971) (codified in note to 12 U.S.C. § 1904 (Supp. II, 1973)). The Act gives power to the President to fight inflation by "issu[ing] such orders . . . as he deems appropriate . . . [to] stabilize prices, rents, wages and salaries. . . ." *Id.* § 203(a). These provisions were cited by the Nixon Administration to justify impoundments. *See* Statement of Deputy Attorney General Joseph T. Sneed, in *1973 Hearings, supra* note 1, at 366.

The Act does appear to give broad powers to the President to help control inflation, but nowhere is there a specific provision that allows the President to impound funds. In addition, on April 30, 1973, Congress amended the Act to make clear that none of the provisions of the Act were to be taken to authorize impoundment of funds. Economic Stabilization Act Amendments of 1973, Pub. L. No. 93–28, § 4, 87 Stat. 27. For a more extended discussion of this Act as it relates to impoundment see Note, *Protecting the Fisc: Executive and Congressional Power*, 82 Yale L.J. 1636, 1655–56 (1973).

[158] It should be noted at the outset that any public debt limitation has no application to the facts of the *Missouri Highway* case. Money for the construction of interstate highways does not have to be borrowed for it has already been collected and placed in a special trust fund. *See 1973 Hearings, supra* note 1, at 502.

[159] U.S. Const., art. II, § 3.

[160] *Id.*

[161] *1973 Hearings, supra* note 1, at 278.

The whole argument that seeks to justify impoundment on the basis of a public debt ceiling may be more theoretical than real, Congress has in the past always raised the debt level when there was any danger that spending might cause the limit to be passed. Given this fact, it hardly seems appropriate for the OMB to justify creating reserve accounts early in the year on the President's duty to comply with the existing debt limit (see 39 Fed. Reg. 7713(6b) (1974)) when past experience indicates there is a strong likelihood the limit will be raised before it is reached. For a more extended discussion of this point see Note, *Impoundment of Funds*, 86 Harv. L. Rev. 1505, 1519–23 (1973).

[162] 1973 Comm. Rep., *supra* note 22, at 16.

[163] *1973 Hearings, supra* note 1, at 395.

[164] *See* 494 F.2d 1033 (D.C. Cir. 1974), *cert. granted*, 94 S. Ct. 1991 (1974). A number of other courts construing the same provisions have reached the same conclusion. Maine v. Fri, 486 F.2d 713 (1st Cir. 1973) (preliminary injunction granted in favor of the plaintiff); Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973).

At least one court has expressly found that the Water Pollution Control Act Amendments of 1972 did not require the full allotment of funds. Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973) (dicta). *See also* Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted*, 94 S. Ct. 1991 (1974).

[165] Section 207 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. § 1287 (Supp. II, 1973):

"There is authorized to be appropriated . . . [for fiscal 1973] *not to exceed* $5,000,000,000 [for fiscal 1974] *not to exceed* $6,000,000,000 . . ."
Id. (emphasis supplied).

[166] Federal Water Pollution Control Act Amendments of 1972, § 205, 33 U.S.C. § 1285 (Supp. II, 1973) states in relevant part:

"Sums authorized to be appropriated pursuant to section 1287 [207] . . . *shall* be allotted by the Administrator."
Id. (emphasis supplied).

[167] As the court of appeals said in *City of New York:*

"We [confront the Administrator's arguable discretion] in the belief that the legislative history . . . manifests an intent to create a procedure which would insure that the total authorized funds would be made available to the states. It is this goal which must guide us in interpreting the funding mechanism, for if discretion in allotment would make the achievement of this goal more difficult, it must be assumed that Congress intended no such authorization."
494 F.2d at 1042 (D.C. Cir. 1974).

[168] A number of the courts that have considered the question have relied heavily on the purported distinction between the allotment phase of funding and the obligational phase. Thus, in *City of New York*, while reserving the question of discretion to withhold obligational authority for a later time, the court said:

"We find that discretion in obligation is distinctly different than discretion in allotment, and that it was only the former which this legislation was intended to confer."
Id. at 1048–49 (D.C. Cir. 1974). *See also* Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973).

The distinction made by these courts may be a fairly arbitrary one. The Water Pollution Control Act Amendments of 1972 contain definite standards to be used by the administrator in evaluating proposed plans for water sewage treatment plants. 33 U.S.C. § 1284 (Supp. II, 1973). Nowhere among these detailed standards is a provision allowing the administrator to consider general fiscal policy in making his determination. Thus, when the funds are allotted and when the proposals submitted comply with section 1248, it is difficult to see how the administrator can refuse to grant obligational authority. President Nixon seemed to recognize that there would be little opportunity to prevent expenditures after the funds were actually allotted. Pt. 28, p. 36859. (daily ed. Oct. 17, 1972).

Similarly, the court in Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973), referred to the opinion of Mr. Ruckelshaus that:

[O]nce funds are allotted among the states, [the administrator] has no power to control expenditures by curtailing or deferring specific project approvals.
Id. at 266–67. It is undoubtedly because of this view held by the Nixon Administration that they defended so vigorously their right to reduce allotments.

The only remaining question is the meaning that should be ascribed to the phrase "not to exceed" in section 207. 33 U.S.C. § 1287 (Supp. II, 1973). As stated in the text above, the phrase should be construed only as a limit on how much the states may ask for in their discretion. This may not be precisely consistent with the views of Representative Harsha, see note 170 *infra*. It is, however, the only interpretation that gives effect to all parts of the act, while at the same time not violating the provisions of 33 U.S.C. § 1284 which purports to describe those factors to be considered by the administrator in deciding whether to approve a proposal.

[169] Senator Muskie, one of the sponsors of the bill, said:

"'[A]ll' sums authorized to be obligated need not be committed, *though they must be allocated*. These two provisions were suggested to give the administration some flexibility concerning the obligation of construction grant funds. The conferees do not expect these provisions to be used as an excuse in not making the commitments necessary to achieve the goals set forth in the act. At the same time, there may be instances in which the obligation of funds to a particular project in a particular State may be contrary to other public policies, such as the National Environmental Policy Act. In these cases the Congress would, of course, expect the administration to refuse to enter into contracts for construction."
118 Cong. Rec. S16871 (daily ed. Oct. 4, 1972). Senator Muskie's reference to flexibility in making obligations is consistent with the view that it may not be done for general economic policy reasons. *See also* Statement of Senator Muskie, in *1973 Hearings, supra* note 1, at 408. For other statements supporting the position that there must be a full allotment see City of New York v. Train, 494 F.2d 1033, 1039–50 (D.C. Cir. 1974).

It is interesting to note, as did the district court in *Campaign Clean Water*, that:

"[T]he Senate had originally chosen not to pass an administration bill (S. 1013) which would have authorized sums close to those slated for spending under the challenged impoundment policy."
361 F. Supp. at 699 n.4.

[170] Even the remarks of Congressman Harsha indicated that any flexibility that does exist was only at the obligation stage:

"Furthermore, I want to point out that the elimination of the word "all" before the word "sums" in section 205(c) and the insertion of the phrase "not to exceed" in section 207 was intended by the managers of the bill to emphasize the President's flexibility to control the rate of spending."
118 CONG. REC., pt. 25, p. 33755.

[171] Senator Muskie, in referring to the "not to exceed" language of section 207, said:

"[I]t would take up to 9 years to actually spend the money that was authorized in the 4 years covered by the authorization. Obviously the *Congress cannot predict the pace at which the administrative process of designing, applying for, and funding these projects can take place*. Obviously, we are not going to mandate the spending of money for contracts that have not been negotiated, and *it is for that reason that the "not to exceed" language appears in section 207."* . . .
1973 Hearings, supra note 1, at 375 (emphasis supplied).

[172] In the Senate the vote was 52 to 12 to override, 118 Cong. Rec., pt. 28, p. 36879; in the House the vote was 247 to 23, 118 Cong. Rec., pt. 28, p. 37060.

The President, in vetoing the Act, had said:

"I am compelled to withhold my approval from S. 2770, the Federal Water Pollution Control Act Amendments of 1972—a bill whose laudable intent is outweighed by its unconscionable $24 billion price tag."
118 CONG. REC., pt. 28, p. 36859.

[173] Executive construction of the phrase "not to exceed" also indicates that such phrase does not imply the discretion to withhold funds. In his message to Congress vetoing the Federal Water Pollution Control Act Amendments of 1972, President Nixon indicated he believed that any "spending discretion and flexibility" given to the Administration was limited and that "funds approaching the maximum authorized amount could ultimately be claimed and paid out. . . ." 118 Cong. Rec. pt. 28, p. 36399.) This is consistent with the view expressed by then Assistant Attorney General Rehnquist in interpreting similar language in the Vocational Education Act. 20 U.S.C. §§ 1241–1391 (1971) (discussed in *1971 Hearings, supra* note 9, at 285–91).

[174] 23 U.S.C. § 101(c) (1971) provides:

"It is the sense of Congress that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-aid system which has been apportioned pursuant to the provisions of this title shall be impounded or withheld from obligation, for purposes and projects as provided in this title, by any officer . . . in the executive branch . . . except such specific sums as may be . . . necessary to be withheld from obligation for specific periods of time to assure that sufficient amounts will be available in the Highway Trust Fund to defray the expenditures which will be required to be made from such fund."

[175] *Id.*

[176] Appellant's Brief, *supra* note 84, at 29–34.

[177] Amicus Brief, *supra* note 55, at 23.

[178] *See* Connecticut Light & Power Co. v. FPC, 324 U.S. 515, 527 (1945); 2 Sutherland, Statutory Construction § 4820 (3d ed. 1943).

[179] The Eighth Circuit refused to accept the Administration's interpretation of the "sense of Congress" language. 479 F.2d at 1111.

[180] H. Rep. No. 91–1554, 91st Cong., 2d Sess. (1970); *see also* H. Rep. No. 1799, 90th Cong., 2d Sess. (1968).

[181] U.S. Const. art. I, § 1.

[182] The contention that the President was to have limited powers in the legislative process is supported by a discussion at the Constitutional Convention in 1787:

"Mr. Wilson . . . did not consider the prerogatives of the British monarch as a proper guide in defining the executive powers. Some of these prerogatives were of a legislative nature . . . . The only powers he considered strictly executive were those of executing the laws . . ."
J. Madison, Journal of Constitutional Convention 86 (E.H. Scott ed. 1894).

"[Mr. Madison felt] "that a national Executive ought to be instituted" . . . "with power to carry into effect the national laws . . . and to execute such other powers 'not legislative nor judiciary in their nature,' as may from time to time be delegated by the national legislature." The words "not legislative nor judiciary in their nature," were added to the proposed amendment in consequence of a suggestion, by General Pickney, that improper powers might otherwise be delegated."
Id. at 87.

The words "not legislative nor judiciary in their nature" were struck out as unnecessary as they were subsumed in the words "power to carry into effect the national laws." *Id.*

[184] The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.
U.S. Const. art. I, § 8.

[185] *See 1973 Hearings, supra* note 1, at 371.

[186] U.S. Const. art. 1, § 8.

[187] U. S. Const. art. II, § 3.

"He shall . . . recommend to their [Congress'] Consideration and Measures as he shall judge necessary and expedient. . . ."

[188] U.S. Const. art. I, § 7. *See* notes 212–16 and accompanying text *infra*.

[189] U.S. Const. art. I, § 9, cl. 7.

[190] Cincinnati Soap Co. v. United States, 301 U.S. 308, 321 (1937); Reeside v. Walker, 52 U.S. (11 How.) 272, 291 (1850).

[191] *See* Hart. v. United States, 16 Ct. Cl. 459 (1880), *aff'd*, 118 U.S. 62 (1882). The *Hart* court said:

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"The *absolute* control of the moneys of the United States is in Congress, and Congress is responsible for its exercise of this great power only to the people."
16 Ct. Cl. at 484 (emphasis supplied).

[188] After quoting U.S. Const, art I, § 9, Mr. Weinberger said:

"It does not follow from this, however, that the expenditure of government funds involves an exclusively legislative function; in fact, the provision I have just quoted seems to assume that the expenditure of funds—as distinguished from the granting of authority to withdraw them from the Treasury—is an executive function. In any event, it has always been so regarded."
1971 Hearings, supra note 9, at 94. *See also 1973 Hearings, supra* note 1, at 839.

Indeed, one opinion appears to refute Mr. Weinberger's reasoning:

"The purpose of the appropriations, the terms and conditions under which said appropriations were made, is a matter solely in the hands of Congress and it is the plain and explicit duty of the executive branch of the government to comply with the same." Spaulding v. Douglas Aircraft Co., 60 F. Supp. 985, 988 (S.D. Cal. 1945), *aff'd*, 154 F.2d 419 (9th Cir. 1946).

[191] U.C. Const. art. II, § 3, cl. 3.

[192] *See* text accompanying note 189 *supra*.

[193] The word "execute" has several meanings. It is with some gratification that Senator Ervin remarked that the Nixon Administration had forgone a construction which would interpret the phrase to mean the President would "kill" various legislative acts. *See 1973 Hearings, supra* note 1, at 372.

[194] 37 U.S. (12 Pet.) 524, 613 (1838). For an extended discussion of the *Kendall* case see Iowa note, *supra* note 7, at 74–75.

[195] *1971 Hearings, supra* note 9, at 283.

[196] *See* Moyer v. Brownell, 137 F. Supp. 594 (E.D. Pa. 1956).

[197] *See* Goostree, *The Power of the President to Impound Funds: With Special Reference to Grants-In-Aid to Segregated Activities*, 11 AM. U.L. REV. 32, 37–38 (1962).

[198] U.S. Const. art. II, § 1, cl. 1.

[199] OMB deputy director Casper Weinberger stated:

"[A]uthority for the President to establish reserves is derived basically from the constitutional provisions which vest the executive power in the President.

"Returning now to the provisions of Article II, we believe the power to withhold appropriated funds is implicit in them."
1971 Hearings, supra note 9, at 95.

A more recent recent director of the OMB indicated that he believed that, despite a lack of explicit impoundment authority, President Nixon's refusal to spend appropriated funds is consistent with his constitutional duties. N.Y. Times, Feb. 6, 1973, at 16, col. 3.

Similarly, then Attorney General Richard Kleindienst argued that congressional attempts to reverse impoundments were unconstitutional because they "conflict with the allocation of executive power to the President made by Article II of the Constitution." N.Y. Times, Apr. 6, 1973, at 16, col. 3.

[200] The OMB has used as a basis for justifying some of the deferral of funds the general concept of inherent Executive powers. Thus funds were withheld from numerous projects, *see* 39 Fed. Reg. 7716–48 (1974), because of the "President's responsibility to help maintain economic stability without undue price and cost increases." *Id.* at 7713 (6)c.

[201] *1971 Hearings, supra* note 9, at 282. Professor Alexander Bickel was in substantial accord with this position when he said:

"[F]ew will now argue . . . that the President has some inherent power, even when ordered to spend the money, not to spend it . . ."
Id at 28.

The Nixon Administration found it necessary to substantially repudiate the statements of Mr. Rehnquist to maintain its position that Executive impoundments are constitutional. *See* Statement of Deputy Attorney General Joseph T. Sneed, in *1973 Hearings, supra* note 1, at 380–81.

[204] 343 U.S. 579 (1952).

[205] It should be noted that even funds withheld for reasons solely connected with the particular legislative act in question are done so pursuant to congressional authorization via the Anti-Deficiency Act, rather than through some inherent Executive power.

[206] *See e.g.*, Opinion of Justice Burton concurring:

"Does the President, in such a situation, have inherent constitutional power to seize private property which makes congressional action in relation thereto unnecessary? We find no such power available to him under the present circumstances . . . . We do not face the issue of what might be the President's constitutional power to meet such catastrophic situations [imminent invasion]." 343 U.S. at 659. *See also* Opinion of Justice Clark concurring:

"[T]he Constitution does grant to the President extensive authority in times of grave and imperative national emergency.

"[B]ut that in the absence of such action by Congress, the President's independent power to act depends upon the gravity of the situation."
Id. at 662.

[207] Sioux Valley Empire Elec. Assn. v. Butz, 367 F. Supp. 686, 698 (D.S.D. 1973) where the court went on to say:

"Indeed, it is by far the most dangerous abdication of legislative power in an age of Congressional acquiescence, for it vests in the executive the very essence of legislative power . . . . Should the power [to impound funds] be conceded to the President, the very nucleus of Congressional power would pass to the Executive sphere. The system of checks and balances would be emasculated."

[208] *See* Pennsylvania v. Lynn, 362 F. Supp. 1363 (D.D.C. 1973), where the court said:

"It is not true that the Executive has the authority to terminate or suspend indefinitely a statutory program . . . . Congress has mandated that the programs continue. It is not within the discretion of the Executive to refuse to execute laws passed by Congress but with which the Executive presently disagrees."
Id. at 1372. *See also* Community Action Programs Exec. Dir. Assn v. Ash, 365 F. Supp. 1355 (D.N.J. 1973), where the court said:

"The Executive Branch has no authority, even for motives such as the control of inflation, to decide for itself whether to obey a law after the President has signed a bill into law, or after Congress has overridden a Presidential veto."
Id. at 1360. The court continued:

"I conclude, therefore, that once Congress has appropriate funds for a specific program, the Executive Branch has a duty to spend them. It has no authority under the Constitution to refuse to spend these funds, and performs only a ministerial function."
Id. at 1361.

[209] This was one of the reasons for the rejection of the inherent powers argument in *Youngstown* As Justice Frankfurter said concurring:

"It is quite impossible, however, when Congress did specifically address itself to a problem, as Congress did to that of seizure, to find secreted in the interstices of legislation the very grant of power which Congress consciously withheld."
343 U.S. at 609. The Nixon Administration relied on the case of *In re* Neagle, 135 U.S. 1 (1889), for the proposition that the President may act without authority specifically given to him. In that case the President assigned a guard to a Supreme Court Justice traveling on circuit, despite the fact that no congressional law authorized such action. The case is distinguishable because there Congress never considered the question of assigning guards to a Justice who was endangered whereas, in every impoundment case, Congress has considered the specific amount authorized or appropriated. In this regard impoundment cases are much more parallel to the situation in *Youngstown* where the inherent power argument was rejected.

[210] Anti-Deficiency Acts, 31 U.S.C. § 665 (1971); Economic Stabilization Acts, Pub. L. No. 91–379, tit. II, 84 Stat. 799, *as amended*, Pub. L. No. 92–210, 85 Stat. 743 (1971). *See* Comment, *Presidential Impounding of Funds: The Judicial Response*, 40 U. CHI. L. REV. 328, 332–33, n.26 (1973); Note, *Protecting the Fisc: Executive Impoundment and Congressional Power*, 82 YALE L.J. 1636, 1641 (1973).

[211] *1973 Hearings, supra* note 1, at 401.

[212] U.S. Const. art. I § 7.

[213] Where less than the total funds are impounded there is, in effect, a rewriting of a congressional law rather than a mere removal of a provision. This, of course, is equally impermissible.

[214] U.S. Const. art I, § 7.

[215] *1973 Hearings, supra* note 1, at 328.

Benjamin Franklin was concerned that giving the President an absolute negative would put him in too strong a position to extract personal favors from the legislature. J. Madison, Journal of Constitutional Convention 102 (E.H. Scott ed. 1894). Similarly, another delegate expressed his reservation in granting an absolute veto to the President by saying "No one man could be found so far above all the rest in wisdom." *Id.* at 103. Even on the question of whether it should take three-fourths or only two-thirds of each house to override a veto it was said:

"that the states should not like to see [so] small a minority and the President prevailing over the general voice. In making laws regard should be had to the sense of the people who are to be bound by them, and it was more probable that a single man should mistake or betray this sense than the legislature."
2 Farrand, *supra* note 10, at 585.

[216] Statement of Professor Philip Kurland, in *1973 Hearings, supra* note 1, at 400.

[217] 116 U.S. 43 (1885).

[218] *See also* United States v. Louisville, 169 U.S. 249 (1898); United States v. Jordon, 113 U.S. 418 (1885).

Two attorney general opinions also lend support to the argument that, in the face of mandatory spending language, the President is required to spend:

"The appropriation of specific funds 'to be immediately available' ordinarily imposes the duty of expending them for the purposes named in the act."
Statutory Construction, 21 Op. Att'y Gen. 420, 421 (1895). *See also* Appropriations, 22 Op. Att'y Gen. 295 (1899).

[219] 37 U.S. (12 Pet.) 524 (1838).

[220] *Id.* at 612–13.

[221] 223 F.2d 623 (D.C. Cir. 1955).

[222] Pub. L. No. 83–172, 67 Stat. 261, 262 (1954).

[223] See Statement of Representative Bennett, in *1973 Hearings, supra* note 1, at 141.

[224] 16 Ct. Cl. 562 (1880).

[225] Op. of Att'y Gen., Feb. 25, 1967, at 4.

[226] The law involved in *Hukill's Case* was to pay postal employees for services rendered in the South during the Civil War. The burden, however, was on the claimant to show that he had not been previously paid by the Confederacy. Hukill failed to do this.

[227] 16 Ct. Cl. at 565. *See also* Campagna v. United States, 26 Ct. Cl. 316 (1891) where the court said:

An appropriation is per se nothing more than the legislative authorization prescribed by the Constitution that money may be paid out at the Treasury.
Id. at 317. This case is subject to the same limitations as *Hukill's Case*. *See also* Lovett v. United States, 104 Ct. Cl. 557 (1945).

[228] 60 F. Supp. 985 (S.D. Cal. 1945), *aff'd*, 154 F.2d 419 (9th Cir. 1946).

[229] *Id.* at 988.

[230] Senator Fulbright once threatened such action on foreign aid programs unless the President agreed to release funds appropriated for domestic programs. *See* N.Y. Times, Feb. 2, 1973, at 12, col. 5. Similarly, Senator McGee announced, at one point, that his appropriations subcommittee would not begin hearings on the Department of Agriculture budget unless previously impounded funds for agricultural programs were released. *See 1973 Hearings, supra* note 1, at 35.

[231] *See* N.Y. Times, Feb. 9, 1973, at 12, col 6.

[232] *See* Fisher, *Presidential Spending Discretion and Congressional Controls*, printed in *1973 Hearings, supra* note 1, at 683, where examples of other types of political pressure are discussed. *Id.* at 711.

[233] For example, in February, 1973 the House voted to require the Department of Agriculture to spend 210 million dollars which the Administration had refused to release for the Rural Environmental Assistance Program. *See* N.Y. Times, Feb. 8, 1973, at 1, col. 5.

[234] *See* N.Y. Times, Apr. 6, 1973, at 1, col. 1.

[235] Pub. L. 93–344, tit. 10, 88 Stat. 297 (1974) [formerly H.R. 7130]. H.R. 7130 originally passed the House on December 5, 1973, by a vote of 386–23. 119 CONG. REC., pt. 30, p. 39739. S. 4319, the Senate version of the bill, initially passed the Senate on March 22, 1974, by a vote of 80–0. 120 CONG. REC., pt. 6, p. 7913.

This Act represents the culmination of years of effort to control impoundment. On April 4, 1973, the Senate passed S. 929, 93d Cong., 1st Sess., which required the President to notify the Congress whenever any deferral of funds was made. Under its provisions, unless Congress specifically approved the deferral within sixty days, the deferral would have had to cease.

H.R. 8480, 93d Cong., 1st Sess. was the House counterpart of S. 929 and it passed the House on July 25, 1973. Its provisions were substantially similar, except that any impoundment ordered by the President did not have to cease, unless either house of Congress affirmatively disapproved the action. The difference in the two bills is reflected in the approach of the Act as approved. *See* text accompanying notes 241–51 *infra*.

Similarly, both bills contained a ceiling on the allowable national debt and authorized the President to comply with this ceiling only by making proportional cuts from each budget subfunctional category. This provision does not appear in the final version of the Act.

[236] Impoundment Control Act of 1974 § 1001.
§ 1001.

[237] *Id.*

[238] *See* note 151 *supra*.

[239] *See* note 154 *supra*.

[240] Impoundment Control Act of 1974 § 1002. The amendment also requires that any rescissions in accord with the provisions of the Anti-Deficiency Act must be approved by Congress as provided by the Impoundment Control Act. *Id.*

[241] S. Rep. No. 93–924, 93d Cong., 2d Sess. 76 (1974).

[242] Impoundment Control Act of 1974 § 1012(a).

[243] *Id.* The special message is required to include (1) the amount of budget authority proposed to be rescinded; (2) the specific projects, departments, and accounts from which funds are to be withheld; (3) the reasons why the budget authority is to be reserved; (4) the estimated fiscal, economic and budgetary effect of the proposed rescission; and (5) the estimated effect of the proposed rescission upon the programs for which the budget authority was provided. *Id.*

[244] *Id.* § 1012(b). A bill approving a rescission is called a rescission bill.

[245] It should be noted that "deferral of budget authority" is defined broadly so as to include "Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law." *Id.* § 1011(1)(B).

The last line of the above provision would make clear that the action of the Administrator in *City of New York*, in refusing to make allotments which had the effect of precluding obligational authority would be subject to congressional disapproval.

[246] *Id.* § 1013(a). For the requirements of the special message see note 243 *supra*. In addition, the message must specify any legal authority upon which the President relies to justify the proposed deferral and the length of time during which the deferral is proposed to last. *Id.* § 1013(a).

[247] A resolution disapproving a deferral is called an impoundment resolution. *Id.* § 1013(b). Essentially, the act provides for a legislative veto of executive action. Some have contended that a congressional resolution of this type, without submitting the resolution to the President for his approval, would be unconstitutional. *See e.g.*, Statement of Representative Eckhardt, 119 CONG. REC., pt. 30, p. 39725. A similar plan was provided in connection with the Executive Reorganization Act. 5 U.S.C. § 906 (1971). The Court of Appeals for the District of Columbia Circuit has referred to this type of legislative veto, without giving any hint that such a plan might be unconstitutional. Young v. United States, 212 F.2d 236, 239 n.12 (D.C. Cir. 1954), *cert. denied*, 347 U.S. 1015 (1954).

[248] Impoundment Control Act of 1974 § 1013(c).

[249] *Id.* § 1013(a).

[250] *See* Statement of Senator Ervin, 120 Cong. Rec. p. 20473 (daily ed. June 21, 1974). This holds true for deferrals of funds to the end of a fiscal year which would lapse that year. *Id.* at p. 20472. The same holds true for proposed deferrals in the last year of a multiyear appropriation.

[251] *See id.*

[252] There are a number of other provisions of the Congressional Budget and Impoundment Control Act of 1974 that aid in the implementation of the procedure to make available federal funds. The President is required to submit a cumulative report each month listing all budget authority for the fiscal year that has been the subject of either a rescission or deferral special message. Impoundment Control Act of 1974 § 1014(e). Also, if the President fails to send a special message to the Congress the Comptroller General is authorized to prepare a report containing the information which should have been transmitted. This report will be treated as the special message in all respects. *Id.* § 1015. Thus, in the case of deferred funds, either House can act to disapprove the deferral and thereby require that the particular funds or authority be obligated.

If under section 1012(b) or 1013(b) budget authority is required to be made available and it is not, the Comptroller General is authorized to bring suit in the District Court for the District of Columbia. *Id.* § 1016. Finally, extensive provisions are made for the handling of rescission bills and impoundment resolutions. Both are referred to committees, but provisions are made for discharge from the committees after 25 days. *Id.* § 1017(b)(1). In addition, the procedure for handling these bills and resolutions on the floor of the House and the Senate is provided. *Id.* §§ 1017(c), (d).

ANNIVERSARY OF REPUBLIC OF LITHUANIA

Mr. HASKELL. Mr. President, on Sunday, February 16, 1975, we celebrated the 57th anniversary of the establishment of the Republic of Lithuania.

Since the year 1251, the founding of the Lithuanian State, these people have struggled for religious freedom and basic human rights. Undaunted by the little notice and even less support from the free world, Lithuanians still fight for their onetime independence from the Soviet Union.

It is time to give these people our visible support. Their continued battle for their beliefs should be an inspiration to us all. The February 16 anniversary was an important one. Not only because of the making of the Republic of Lithuania; but because of the making of the steadfast determined people who make up this Republic.

I join all fellow Americans in paying tribute.

THE FISCAL PROBLEMS OF LOCAL GOVERNMENTS

Mr. HUMPHREY. Mr. President, on January 31, as part of its annual hearings on the state of the economy, the Joint Economic Committee received testimony about the financial problems of State and local governments. A panel of distinguished local government officials presented statements about the fiscal problems of their governments and the effect of the administration's energy and economic proposals on the economies of their jurisdictions.

Included on the panel were the Honorable Joseph Alioto, mayor of San Francisco and chairman of the U.S. Conference of Mayors; the Honorable Nicholas Panuzio, mayor of Bridgeport, Conn.; Mr. James M. Scott, supervisor of Fairfax County, Va.; and Mr. Samuel Turner, commissioner of Wayne County, Mich. The testimony presented to the Joint Economic Committee by this distinguished panel was so enlightening and so important to a balanced economic recovery, that I would like to summarize it for my colleagues.

The picture painted by the witnesses was one of severe hardship, both for the residents of their communities and for the governments themselves. The mayors and county officials presented data and testimony that clearly confirmed news accounts that have been appearing around the country exposing the severe financial problems of local governments. The witnesses clearly demonstrated that the national economy, particularly the deepening recession, is the prime cause of their current fiscal crisis.

Both State and local governments have been major victims of the everworsening economic situation. The witnesses pointed out that inflation has swelled expenditures by State and local governments for goods and services at a much faster rate than revenues have increased. Mr. Scott's statement pointed out that in the year and a half ending December 1974, the cost of petroleum products to his county had risen 81 percent; food products and food service supplies, 50 percent; paper products, 32 percent; maintenance and construction, 54 percent; and chemicals, 101 percent.

At the same time, the rate of increase

in tax receipts has fallen well below the rate of inflation, particularly revenues received from taxes that are levied by volume—gasoline, cigarette, and liquor—and from fees and licenses.

However, the witnesses were far more concerned about recession, for unemployment has an even more sinister effect on State and local government finance. They pointed out that the present recession has eroded receipts from all major sources of revenue. Income and sales tax receipts are most significantly affected, because receipts from these taxes are directly tied to the level of economic activity, specifically income and retail sales. However, the property tax is also affected, most severely by the decline in construction activity. The Joint Economic Committee staff has estimated that State and local governments would receive at least $20 billion in additional revenues, assuming constant tax rates, if the economy were operating at anywhere near full employment. That $20 billion alone would turn dangerous deficits into significant surpluses. Furthermore, recession increases the demand for certain services, particularly expenditures for public assistance and unemployment compensation.

Mayor Panuzio presented in his testimoney the results of a survey conducted by the National League of Cities. The survey showed that one-third of the cities surveyed had been forced to cut back the level of service they were providing; one-third had found it necessary to cut payrolls by laying off employees or through the combination of a hiring freeze and attrition; over one-half had postponed essential capital expenditures; two-thirds found that their revenues had fallen short of anticipated levels; and almost half expected to enact some form of tax increase in 1975. The severity and widespread incidence of this problem caused Mayor Alioto to remark:

Cities' *fiscal problems* have now risen to crisis proportions. Inflation and recession are cutting deeply into public budgets. Cities face a variety of steadily rising costs—inflated payrolls, more costly supplies and equipment, and capital improvements' financing at high interest rates. Revenues provided mainly through taxes fall short in times of recession and thus are inadequate to meet costs. . . . As a result, cities are faced with a variety of "belt-tightening" strategies, layoffs, hiring freezes, cut-backs in services, raising of local taxes and more.

Commissioner Turner of Wayne County, who possibly is confronted with the Nation's most serious economic crisis, spoke even stronger words:

Our basic position is that a crisis is already upon us. Unless there is immediate and sufficient help, the government of the County of Wayne will be required to cut back services already severely curtailed because of continuing restrictions.

This problem has been exacerbated by the unwillingness of the Federal Government to respond to the growing needs of State and local governments. In fact, the staff of the Joint Economic Committee has calculated that the real value of Federal assistance to State and local governments has actually declined in the last year by a full 2 percent. Mayor Alioto noted this point in his testimony.

Federal assistance to local governments has not kept pace with the inflationary spiral. In FY 75 we estimate that Federal assistance to state and local governments was, in real dollar terms, $600 million below the FY 74 level of assistance.

Perhaps the most enlightening point made by the witnesses concerned the perverse effect on the economy of the actions that State and local governments must take to keep their budgets in balance, a position required by State constitutions. Just at a time when the Federal Government is desperately trying to stimulate consumption, return purchasing power to consumers through tax cuts, and spur the economy toward recovery, State and local governments are required to take actions that could very well cancel the effect of Federal efforts to initiate a recovery.

At a time when the Federal Government is seeking to cut personal income taxes, focusing on low and moderate-income persons, the State and local governments are forced to raise their taxes, particularly the most regressive of all taxes, the property tax. Mayor Panuzio pointed out the severity of this problem in his statement:

Given the hard data we have uncovered through our survey of cities, it is our contention that local governments (and perhaps state governments) are being forced to take budgetary actions which are at cross-purposes with national economic recovery objectives. For example:

Local governments are being forced to increase taxes, while the federal government is attempting to stimulate the private sector through tax reduction.

Local governments are being forced to reduce essential public services, while the federal government is attempting to extend governmental services and individual relief programs.

Local governments are being forced to lay off their regular public employees, while the federal government is attempting to reduce private-sector unemployment through public service jobs.

Local governments are being forced to increase regressive property taxes, while the federal government is attempting to equitably distribute the economic burdens. Reductions in the federal income tax and increases in local property taxes will not achieve this federal objective.

This problem was also examined in a recent New York Times article by Lee Dembart. Dembart said:

As the Federal government prepared to put more money in their (the taxpayers) pockets by cutting taxes in an effort to prime the economy, state and local governments are planning to take it away in an effort to balance their budgets.

The mayors and county officials unanimously agreed that the most helpful policy that the Federal Government could undertake to assist State and local governments would be to get the economy moving toward full employment. In addition, the mayors and county officials offered several suggestions that would contribute to the swiftness and surety of economic recovery, and avoid the fiscal perversity of State and local government actions. Among the recommendations offered by the local government officials were:

First. Emergency financial assistance: A one-time counter-cyclical grant to State and local governments designed to cushion the adverse impact of the current recession on these governments. This grant would be designed to remove the necessity for State and local government actions that would have a perverse effect on the Federal Government's effort to stimulate an economic recovery. The grant could be targeted at those areas in the country that are experiencing the greatest hardship and could be designed to be phased out as the economy returns to full employment.

Second. Federally financed property tax circuit breaker: This program, which has already been enacted by several States, would provide property tax relief to individuals who spend an excessive percentage of their income on property tax payments. The Federal Government would agree to pay all property taxes in excess of a determined percentage of income for low-, moderate- and fixed-income individuals and families. The payment would be made in the form of reduced Federal tax obligations. In this manner, property tax relief could be afforded those most in need without seriously jeopardizing the revenue base of the local government.

Third. Expanded public service employment program: All of the witnesses agreed that a minimum of 500,000 additional jobs should be enacted immediately and that the program should be expanded as the recession deepens. The witnesses pointed out that there were presently 10 applicants for every public service job and that there are many important projects which offer opportunities for productive employment at the State and local government level.

Fourth. Community facility rehabilitation program: A 2-year program focusing on the rehabilitation and restoration of existing infrastructure. These projects would be required to be labor intensive—perhaps 75 percent of expenditures going for wages and salaries—and would make a significant contribution to upgrading the condition of existing infrastructure.

Fifth. Accelerated public works program: This program would appropriate the $500 million that has already been authorized for projects that are labor intensive, that make a positive contribution to economic development in high unemployment areas, and that can readily be accelerated to provide immediate stimulus to the economy.

Sixth. Expanded summer employment program: This program would employ over 1 million youths during the summer months. It should be designed to make an important contribution to reducing the unemployment rate among teenagers—presently hovering close to 20 percent—and also to provide much needed stimulus to the depressed economy.

Seventh. Direct financial assistance to the housing industry: The statements pointed out that the Nation's housing industry is currently in a depression, which is having an adverse impact on local government revenues and on the economy as a whole. Among the actions that were suggested were, first, a reduction in interest rates to make mortgage payments more affordable; second, increasing the supply of mortgage money available to housing; and third, stimulating the production of multifamily housing, particularly for low- and moderate-income families.

Eighth. Expanded economic development assistance: This program would provide loans and grants to depressed local economies for the purpose of attracting and developing new employment opportunities.

Mr. President, I would like to take this opportunity to commend the witnesses for their innovative policy proposals and suggest to my colleagues that all elements of this program merit prompt legislative consideration.

ALBERT SCHWEITZER CENTENNIAL WEEK

Mr. BROOKE. Mr. President, as the press of crisis upon crisis seems to push us toward a downward spiral of decay and cynicism, it is difficult for many to maintain the optimism necessary for worthwhile achievement. Yet, through the haze of despair, quiet voices of reason and hope continue to penetrate and strike a responsive chord. Such a voice was that of Albert Schweitzer, the great humanitarian whose memory has recently been honored during the centennial week celebration of his birthday.

Albert Schweitzer's contribution to the world and his message of hope is not as widely known in the United States as it should be. Therefore, I was pleased to receive notification that Washington University in St. Louis, Mo., has recently held a centennial celebration of Albert Schweitzer's 100th birthday.

The purpose of the celebration was as follows:

We do not want to put him on a pedestal. But we believe that today's mankind can ill afford to waste the moral capital of Schweitzer's humanitarianism . . .

In the belief that "moral capital" will be of benefit to us all, I ask unanimous consent that several short documents provided by Washington University be printed in the RECORD. They provide an impressive capsule summary of the primary import of Albert Schweitzer's message—a reverence for life.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ALBERT SCHWEITZER'S "MY MESSAGE FOR MANKIND"

I summon mankind to the ethics of reverence for life. . . . The most immediate fact in the consciousness of man is this: "I am life that wants to live, in the midst of life that wants to live." This universal affirmation of life is an act of the spirit in which man ceases to live blindly but rather begins to dedicate himself to his own life with reverence in order to give it its true worth. The man who has become thoughtful in this manner experiences at the same time the necessity of offering every will to live the same reverence for life that he offers to his own. Good, then, for him means to preserve and promote life, raise life capable of developing to its highest worth. Evil, for him, means harming or destroying life capable of developing in its development. This is the absolute fundamental principle necessary for ethical thinking. Through the ethics of reverence for life we enter into a spiritual relation with this world.

Every ordinary power in this world produces a limit for itself, for it creates an opposite power that sooner or later becomes equal or superior to it. Kindness, on the other hand, acts simply and persistently. It creates no tensions through which it neutralizes itself, but relaxes existing tensions, removes suspicion and misunderstandings. By awakening kindness, it gains new strength. For this reason it is the most practical and most effective force. Whatever by way of kindness a man sends out into the world affects people's hearts and thoughts. It is our stupid fault that we do not dare to make an earnest attempt at kindness. We always want the great load to move without making use of the lever that can multiply our strength a hundredfold. There is an immeasurably deep truth in the saying of Jesus: "Blessed are the meek, for they shall inherit the earth".

Reverence for life tells us to bring aid to the nations all over the world which are in need. Almost everywhere the fight against the diseases by which these nations are beset has started too late. When all is said and done, whatever good we do for the people of the former colonies is not charity, it is our atonement for the suffering which white people have inflicted on them from the very day when our ships first found the way to their shores. We must reach the point when white and coloured will meet in the ethical spirit. . . . Whoever has been saved from dire distress of disease must himself lend a hand, so that those who are in distress today may obtain a helper as he did. This is the brotherhood of those marked by pain. They are responsible for the human and medical humanitarian work in all nations.

Today we have the choice between two risks. The one consists in continuing the senseless armament race in atomic weapons, and in the implied danger of an atomic war; the other in renouncing atomic weapons, and in the hope that America, the Soviet Union and the nations connected with them will manage to live side by side in compatibility and peace. . . . The theory that peace can be preserved through deterring the opponent by atomic armament is impracticable in our time with its intensified danger of war. . . . I profess the conviction that we shall solve the problem of peace only when we reject war on ethical grounds, because it makes us guilty of inhumanity. I am certain that in our time the mind has the power to create an ethical spirit. . . . May those who hold in their hands the fortunes of the nations . . . endeavor to preserve peace with one another so that time may be given to the spirit of humanity and of reverence for all life to grow in strength and effectiveness.

Schweitzer prepared this text for a German phonograph record in September, 1964, one year before his death. It may therefore be considered his spiritual testament.

BRIEF CHRONICLE OF SCHWEITZER'S LIFE

January 14, 1875: Birth at Kayserberg, Alsace; childhood and youth in Gunsbach.

1893: Organ study with Charles Widor in Paris.

1893–1899: Studies of philosophy and theology at the Universities of Strassburg and Berlin.

1896: Resolution to give direct service to humanity after age 30.

1899: Doctorate in philosophy with book on Kant's Philosophy of Religion.

1900–1912: Licentiate degree, then Lecturer in theology at the University of Strassburg and vicar at St. Nikolaus Church.

1905–1912: Study of medicine; decision to go to Africa announced.

1912: Marriage with Helene Bresslau; birth of daughter Rhena 1919.

1913–1917: First sojourn in Lambarene.

1915: Conception of the principle of "Reverence for Life" on the Ogowe River.

1917–1918: Internment in France and return to Strassburg; again vicar at St. Nikolaus; first sermons on "reverence for life."

1920–1924: Lectures and organ recitals in Sweden, Switzerland and England to raise funds for the return to Lambarene.

1924–1927: Second sojourn in Lambarene; building of new hospital.

1929–1965: Twelve additional sojourns in Lambarene (1929–32, 1933–34, 1935, 1937–39, 1939–48, 1949–51, 1951, 1952, 1954, 1955, 1957, 1959–65); total, approximately 35 years.

During intervals, lectures on Goethe in Germany (Goethe prize) (1928 & 1932), England (Hibbert Lectures), Scotland (Gifford Lectures), U.S.A. (1949 Goethe Bicentennial speech in Aspen, Col. with stopover in Chicago for honorary degree (University of Chicago).

1952: Nobel Peace Award.

1954–1958: Appeals against nuclear testing and for banning of atomic weapons.

1965, September 5: Death in Lambarene.

Main Books

1905: Johann Sebastian Bach (French edition).

1908: The Quest of the Historical Jesus.

1912: First of six volumes of the Critical Edition of Bach's Preludes and Fugues for Organ.

1921: At the Edge of the Primeval Forest.

1923: Philosophy of Civilization, volumes I and II.

1923: Memoirs for Childhood and Youth.

1924: Christianity and the Religions of the World.

1930: The Mysticism of Paul the Apostle.

1931: Out of My Life and Thought.

1935: Indian Thought.

1958: Peace or Atomic War.

Posthumous Publications:

1965: The Teaching of the Reverence for Life.

1966: Strassburg Sermons on Reverence for Life.

1967: The Kingdom of God and Primitive Christianity. Five volumes of posthumous writings will be published by Lambert Schneider, Heidelberg, beginning in 1975.

Erich Fromm, who could not accept our invitation to speak at this conference, kindly wrote for us the following statement, expanding his reference to Albert Schweitzer in his latest book, The Anatomy of Destructiveness:

ALBERT SCHWEITZER

Albert Schweitzer was one of this century's great, and perhaps the last "universalist"; a theologian, a specialist on the history of religion, one of the greatest organists and experts on Bach music, a physician and a man who gave up pursuing these activities, his comfort and a great career to devote his life to helping sick Africans. Indeed, reason enough to celebrate the memory of a great, extraordinary man.

But beyond this lies another, more urgent, more profound reason: Schweitzer spoke the word, the keyword for man's survival; the word life. He could have spoken of love, of truth, of justice, values which formed the basis of his existence. By speaking of the "reverence for life" as the principle which ought to govern all human action, as the cornerstone of ethics, he challenged, criticized, denounced a society which has ceased to respect life, and for which things rank higher than life. When he made his call for reverence for life Schweitzer did not even know that this disrespect for life would soon manifest itself in the creation of nuclear weapons, a threat to all life on earth. But he did know the danger inherent in a life-hostile dominance of unbridled technique. Today many more people have recognized that not only physical life is threatened; man is transformed into an appendage to a machine; he himself becomes a thing; a consumption—and a "love machine." He is alive physically—but dead humanly. He does not

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care any more about living, but has become absorbed in techniques of producing things. He is unhappy, bored and hates life because it eludes him.

Schweitzer's call hits the very core of our predicament. It was a simple call and naive ones will think it a commonplace. They say: "Don't we all have respect for, and even love life?" They are naive because they don't see that this is not so, that most of our acts are hostile to life and tend to strangle it. Schweitzer was simple but he was not naive. He recognized that his principle was not commonplace but the most urgently needed message.

To celebrate Schweitzer's memory at this historical moment means to renew his call for the reverence for life; whether or not his principle will enter the hearts of men will determine the fate of the human race.

CONTINENTAL SHELF REGULATIONS

Mr. PELL. Mr. President, grave problems created by the presence of large foreign fishing fleets in New England coastal waters continue to confront the fishing industry of Rhode Island and the Northeast.

Particularly hurting have been the New England lobstermen. One problem has been lobster fishing by foreign fleets which reduced the stocks available to U.S. lobstermen. This problem has been eased to a degree by international agreement making lobsters creatures of the Continental Shelf and out of bounds for all but fishermen of the littoral country.

In December of 1974, the United States put into effect regulations for the more effective enforcement of the law prohibiting foreign taking of Continental Shelf fishery resources. Under the new procedures, the U.S. Coast Guard has the responsibility for enforcement of the regulations, with the right to board foreign vessels suspected of violations. Certainly this action has been helpful, although with such large areas to cover, the Coast Guard, even with the best of intentions, is handicapped in preventing illegal foreign operations.

But beneficial results of the new regulations are not lacking as evidenced by the recent seizure by the Coast Guard of the Italian trawler, *Totini Pesca*, for illegal lobster fishing on our Continental Sheif. A forfeiture of $25,000 has been assessed against the vessel pending prosecution of the case. Since then, another Italian trawler, the *Antoinetta Madre*, has been apprehended with an illegal lobster catch and is in New York for an adjudication of the case. These actions by the Coast Guard should serve as a warning to other foreign fishermen that the United States means business in its determination to protect the interests of our lobstermen.

An even more serious problem has been damage to and loss of our lobstermen's gear as the result of trawling by foreign fishermen where their fixed gear is located. Recently, for instance, what appears quite certain to have been Soviet trawlers caused upward to $250,000 damage to the gear of lobstermen fishing out of Newport, R.I.

What may seem to be small losses to the countries of the foreign fishing fleets are the difference for our fishermen between bankruptcy and the continued ability to earn an honorable, independent but difficult living. With their houses mortgaged and their gear destroyed, their future is bleak unless we can help them toward quick recompense for their losses.

Our lobstermen have my fullest sympathy and support, which I am expressing by cosponsoring and urging the passage of legislation recently introduced by the senior Senator from Massachusetts (Mr. KENNEDY) for prompt U.S. reimbursement of lobstermen who have legitimate claims for losses caused by foreign fleets, with the U.S. Government then seeking payment. In addition, I continue to support an interim extension of U.S. fisheries jurisdiction to a 200-mile limit, as called for by the Senate passage of S. 1988 in the 93d Congress.

Actually, there would have been no reimbursement problem in this latest incident had not President Ford vetoed the Maritime Commission authorization bill, because it contained a provision for helping our lobstermen out of financial plights due in no way to their fault.

In the absence of this vetoed legislation, the alternative is to expedite consideration by the United States-Soviet Claims Commission of these newest compensation claims. Prompt submission of reasonable proof of damage will hasten reimbursement for the claimants.

To offer an immediate measure of relief, I am delighted that the Economic Development Administration, spurred on by my senior colleague (Mr. PASTORE) is giving Newport a grant to permit the affected lobstermen to receive loans on easy terms for covering their losses and keeping them in business at a time when Rhode Island is suffering from one of the highest unemployment rates in the country.

These problems also offer a challenge to the new Bureau of Oceans and International Environmental and Scientific Affairs in the State Department to help in their solution by insisting that foreign fishing fleets take all possible measures to prevent damage in the first instance but to pay promptly for any losses they do cause. Having sponsored the establishment of the Bureau as a means of assuring the more effective handling of the key areas of its responsibility, I have a special interest in observing whether my hopes will be realized.

Mr. President, I ask unanimous consent that a Coast Guard announcement of its activities in enforcement of Continental Shelf regulations be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

F/V "TONTINI PESCA QUARTO" (IT)—CSFR VIOLATION—ATLANTIC

On Wednesday afternoon a forfeiture of $25,000.00 was assessed against this Italian fishing vessel for violation of the Continental Shelf Fishery Resources law, and, her master was provisionally released and prosecution deferred during a term of good behavior and satisfactory compliance with the terms of the probationary agreement for a period of one year. Upon payment of the $25,000 the warrant of attachment was removed from the *Tontini Pesca Quarto* and her master returned aboard. After fueling and provisioning this morning she is expected to depart for the offshore fishing grounds later this afternoon. Case pends.

NEWS RELEASE

On December 5, the Coast Guard began its strict enforcement of federal laws designed to protect certain "creatures" inhabiting the Continental Shelf region, according to Rear Admiral J. P. Stewart, Commander of the New England Coast Guard.

Title 16 USC (1081–1085) in part states that the taking of any fishery resource from the Continental Shelf, over which the United States claims jurisdiction, by any foreign vessel is prohibited. The Secretary of Commerce, in consultation with the Secretary of State, is authorized to publish a list of those living species coming under the protection of this law. Protected species off the New England coast include Lobster, Deep Sea Red Crab, Surf Clam and the Ocean Quahog.

Although the "Creatures of the Shelf" generally are inherent to that region, the law enables the Coast Guard to extend its protection to any area where they may be found. The now protected species are caught up to 200 miles off the coast.

The Creature of the Shelf law was enacted last January. State Department officials have used the interim period to inform concerned foreign governments that on December 5 the Coast Guard would effect strict law enforcement measures.

Penalties to foreign violators could total up to $100,000 and/or imprisonment for not more than one year. A vessel caught in violation is subject to seizure and forfeiture of the vessel or its monetary value. Any person, other than a federal law enforcement official, is entitled to a $5,000 reward for submitting information leading to any penalty or forfeiture incurred for violation of these laws.

$3 BILLION MORE IN "TAX EXPENDITURES" DISCLOSED

Mr. MONDALE. Mr. President, the Treasury has just provided me with estimates of the cost of three "tax expenditures" that were omitted from the tax expenditure budget which appeared in special analysis F in the fiscal year 1976 budget.

The three new tax expenditures will provide a total of $3 billion in tax relief to large corporations and wealthy individuals in 1976 by allowing them to depreciate business property at a faster than normal rate under the ADR system, $1.6 billion; escape U.S. taxes on their foreign earnings under the deferral provision, $620 million; and avoid paying capital gains on assets held at death, $1.8 billion.

Tax expenditures are defined by the new Congressional Budget Act as the revenue losses attributable to Federal tax provisions "which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability." (31 U.S.C. 1302)

The Senate Budget Committee, on which I serve, which is required by the new law "to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis."

It is time to begin examining these tax expenditures with the same critical eye that must be turned upon all Federal expenditures. The $95 billion in fiscal year 1976 tax expenditures totals more than the Pentagon budget, yet these provisions often receive less attention than the budget of the American Battle Monuments Commission.

The new tax expenditure budget makes it clear that the Federal Government spends money in more ways than we normally think of. Every time special forms of tax relief are granted to some taxpayers, it costs money that must be made up by higher taxes on others.

These special tax provisions are supposed to reward or encourage specific activities—oil drilling, exports, business investment, homebuilding or whatever—but too often we have not the faintest idea whether these incentives are working or not, and we almost never consider whether the same purpose could be served more efficiently and at less cost by direct Federal grants, loans, guarantees, or some other device. And once one of these special "tax expenditures" finds its way into the tax code, it is almost never removed. even after whatever justification it once had has long disappeared.

The three tax expenditures that the fiscal year 1976 budget omitted are a good starting point for critical analysis.

The asset depreciation range—ADR—system, which allows businesses to depreciate property 20 percent faster than it is actually wearing out, was instituted in 1971, and is now costing the Treasury $1.6 billion a year in lost revenue. The administration argues that it is not a tax expenditure because it is only a way of arriving at a "reasonable" allowance for depreciation. Yet the administration had no trouble classifying rapid depreciation for buildings and rental housing as a tax expenditure, and ADR has been on all earlier tax expenditure listings.

The provision which allows U.S. corporations to defer paying U.S. taxes on the earnings of controlled foreign corporations until they are returned to the United States as dividends has also been included in earlier compilations of tax expenditures, and its omission is difficult to defend.

Deferral of taxes too often turns into permanent avoidance, and this is especially true when the income can be kept in foreign countries and continually reinvested. The administration argues that failure to tax these earnings is not a tax expenditure because "the general principle is that dividends are taxed only when received." That is fine as long as the United States is taxing the earnings of the corporation anyway, and as long as there is a chance that the dividends will eventually be paid. But that normally does not happen in the case of controlled foreign corporations, and deferral becomes an engine of tax avoidance, providing in effect a $620 million a year incentive for corporations to set up operations abroad and transfer U.S. jobs overseas.

Finally, there is the provision that allows those who own property that has increased in value to pass it on to their heirs at death completely free of any capital gains tax on the increase in value. Normally, someone who buys property worth $100 and sells it 20 years later for $1,000 must pay a capital gains tax on the $900 increase in value. But if the property is held until death, no one—not the original owner and not the heirs—ever pays a penny in capital gains tax on that $900.

The administration says that the failure to tax this gain at death is not a tax expenditure because "no exchange or sale takes place." But there is no tax on the gain even if the heir later sells or exchanges it, and this omission at least ought to be considered a tax expenditure. Depending on the form of taxation of these gains that is assumed, the amount of the tax expenditure ranges from $2.3 billion down to a negligible amount. I have used the figure of $1.8 billion as a middle-range estimate.

GEORGE MEANY IS RIGHT—WE NEED A $30 BILLION TAX CUT—NOW

Mr. HUMPHREY. Mr. President, on Monday, George Meany, president of the AFL–CIO, called on the Congress to enact a $30 billion tax cut. Mr. Meany observed that the jumps in unemployment toward 10 percent and the precipitous slide toward depression warrant a substantially larger tax reduction than that proposed by the President or considered by the House Ways and Means Committee.

I believe that Mr. Meany's diagnosis of the seriousness of our economic decline, and his prescription to cure it, are, as usual, right on the mark.

Once again, Mr. Meany is providing the kind of imaginative and forthright leadership that America's workers have benefited from in the past.

Mr. Meany is not alone in his call for a stronger dose of economic medicine. In fact, virtually all nonadministration witnesses who testified before the Joint Economic Committee in the last month—economists, business leaders, local government officials, and others—have agreed that the tax cuts being proposed are too small.

Based on this testimony, and my own analysis of today's economic problems, I have been calling for a $30 billion tax cut for some time.

In the next few days, I will introduce legislation to provide the $30 billion tax reduction that is needed.

This legislation will include a $10 billion rebate on income earned in 1974. This rebate will be designed to assure that most of the money will go to families with incomes of $20,000 or less.

My proposal will also include approximately $2 billion in tax relief to businesses, through an increase in the investment tax credit from 7 to 10 percent.

The remaining $18 billion will be provided through a series of permanent tax reductions. These tax cuts will be reflected in reduced withholding from workers' paychecks. They will result in increased take-home pay each week. As with my tax rebate proposal, the benefits of the permanent tax cut will largely be provided to those who need this relief the most—our low- and middle-income taxpayers.

Last Friday, in testimony before the Joint Economic Committee, two of the Nation's most respected economic forecasting organizations—Chase Econometrics, Inc., and Wharton Economic Forecasting Associates—compared the impact of the Joint Economic Committee's $30 billion tax cut proposal with the President's program.

These forecasters found that the JEC proposal would result in an unemployment rate in 1976 that would be 1 percentage point lower than would be the case if the President's program were enacted.

They also concluded that our proposal would result in a rate of inflation that would be from 1.3 to 3.0 percentage points lower than would be true under the President's program.

At the same time, my proposal would provide us with a real GNP growth rate of from 1.3 to 2.2 percentage points higher than under the President's program, according to these experts.

Mr. President, George Meany is right. We need a substantially larger tax cut than those being proposed by the administration and the House Ways and Means Committee.

Failure to enact the needed economic remedy will cost our people millions of jobs, needless billions of lost income through inflation, and hundreds of billions in reduced production, in the next few years. We cannot afford to be timid at this time—the well-being of our citizens is at stake, and we dare not respond to this emergncy inadequately. We must have an adequate tax cut—$30 billion tax reduction.

Mr. President, I ask unanimous consent that a table comparing the impact of the JEC program and the Ford program, as presented by two leading economic forecasters, be printed in the RECORD.

I also ask unanimous consent that an article from the Washington Post of February 18, and one from the New York Times of the same date, both reporting Mr. Meany's call for a $30 billion tax cut, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I.—JEC ECONOMIC PROPOSAL VERSUS FORD ECONOMIC PROPOSAL

[In percent]

	Chase	Wharton
Unemployment rate at the end of 1976:		
Ford program	8.4	7.5
JEC alternative	7.5	6.7
Inflation during 1976:		
Ford program	9.5	7.5
JEC alternative	6.6	6.2
Real economic growth during 1976:		
Ford program	3.5	2.7
JEC alternative	5.7	4.0

MEANY ASKS HILL TO BOOST TAX CUT

(By Peter Milius)

BAL HARBOUR, FLA.—AFL–CIO President George Meany called on Congress today to increase the size of the anti-recession tax cut it is contemplating to $30 billion—$10 billion

more than the House Ways and Means Committee has approved and nearly twice the amount President Ford has proposed.

Sticking by his prediction that unemployment will rise to 10 per cent this year, Meany said he thought as recently as a month ago that a $20 billion tax cut would be enough to revive the economy, but "not now."

President Ford proposed a $16 billion, one-year-only tax cut. He has since indicated he would not seriously object to the somewhat larger $20 billion Ways and Means bill.

How he might feel about $30 billion is unclear. Before unemployment jumped last month, he was warning Congress not to go so far in fighting recession that it would rekindle inflation.

Meany made his prediction of 10 per cent unemployment after the unemployment rate jumped a full percentage point last month, from 7.2 to 8.2 per cent of the work force, the highest it has been since the Depression. The administration still says that the rate will peak at about 8.5 per cent this year.

The Ways and Means Committee will meet to give final approval to the tax cut bill this week. Barring procedural holdups, the bill will come up on the House floor next week, then go on to the Senate, where several leading Democrats have already proposed increasing its size.

Meany spoke at a news conference on the first day of the AFL–CIO executive council's regular quarterly meeting here.

While the labor federation wants a cut in income taxes now, it also wants a selective increase in Social Security taxes in the future.

The 35-member policy-setting executive council adopted a resolution calling on Congress to increase "gradually" the Social Security wage base—the part of a worker's income on which he and his employer both now pay the 5.85 per cent Social Security tax each year—from the current $14,100 to $28,000.

About 85 per cent of all workers now make $14,100 a year or less, and so already pay the Social Security tax on all their earnings.

The council set no timetable for the wage-base increase. The increase is one of several steps the council proposed to make sure that the Social Security system's income stays equal to its projected outlays 25 and 30 years from now, when population experts say there are likely to be relatively fewer taxpaying wage earners to support a rising number of elderly and retired workers.

A Social Security advisory council recently considered but rejected the idea of immediately raising the wage base to $24,000. The council will make alternative recommendations to Congress some time in the next several months. Congress, however, is unlikely to do much tinkering with Social Security for at least another year.

MEANY, CITING WORSENING UNEMPLOYMENT, CALLS FOR $30-BILLION TAX REDUCTION

(By Damon Stetson)

BAL HARBOUR, FLA.—George Meany, citing worsening unemployment, said today that he now thought a tax cut of $30-billion—$10-billion more than the A.F.L.–C.I.O. proposed last month—was necessary to stimulate the economy through increased purchasing power.

Mr. Meany, who is president of the American Federation of Labor and Congress of Industrial Organizations, was pessimistic, however, about the prospects of Congressional action soon enough to prevent the rate of unemployment from rising by summer from its present level of 8.2 per cent to 10 per cent.

As a result of the continuing high rate of joblessness in recent months, Mr. Meany said "Unemployment is now feeding on unemployment." Measures enacted since the Depression of the Nineteen-thirties to keep jobless consumers in the market place are becoming ineffective, he said, with some of the unemployed exhausting their benefits and also the supplementary benefits that their unions had negotiated in contracts. He expressed the view that unemployment benefits were needed for more than 52 weeks.

Mr. Meany made his comments during a news conference here, where the Executive Council of the A.F.L.–C.I.O. is holding its winter meetings this week.

ADVISES JOBLESS STUDY

Mr. Meany said that he would like to see Congressmen, who return to their home states during vacations or recesses, spend a lot of time in unemployment offices and find out what it means to be out of work. He said that he would also like to see President Ford get closer to the problems of America but that he hesitated to suggest that he expose himself to the risks involved.

Once Congress knows how serious the present unemployment situation is, he said, "I think we'll get action." But he made it clear that he did not think this action would come soon enough to avoid a further serious rise in unemployment in the months immediately ahead.

The labor organization has been pushing for a substantial cut in individual taxes, weighted on behalf of low-income and middle-income families, and also for a reduction in corporate taxes to creat jobs through an increase in the investment credit from the present 7 per cent to 12 per cent on business investment in equipment and machinery in the United States.

Asked what he thought the prospects would be for President Ford's reelection for another four years in 1976, Mr. Meany thought that his chances would be "very poor" if unemployment became as bad as projected or was worse next year.

The labor leader said that no prospective candidates for the Presidency had been invited to meet with the Executive Council. The federation does not encourage such visits, Mr. Meany said, but acknowledged that in the past some candidates had come anyway.

Asked whether he favored anyone as a Presidential prospect, he replied "no."

As he has before, Mr. Meany emphasized that the A.F.L.–C.I.O. was independent of both major parties, although he said it was politically active in supporting its friends But he said, "I do not have a preference between parties."

He reiterated that federation was opposed to any reimposition of wage and price controls. He said that the experience of 32 months under controls, while Richard M. Nixon was President, had shown that they were successful in controlling wages but not prices. He called that "grossly inequitable."

The Executive Council, which met for two hours today, adopted a series of statements outlining proposals for improving and extending unemployment insurance benefits, providing and extending unemployment insurance benefits, providing health insurance for the unemployed, and steps to alleviate long-run deficits in Social Security.

COVERAGE FOR ALL

Unemployment compensation protection, the council said, should be extended on a permanent basis to all wage and workers, domestic workers and all public employes. A weekly benefit standard, it said, should be established entitling a job-salary workers, including farm less worker to at least 66⅔ per cent of his or her former weekly earnings up to a maximum weekly benefit of at least 75 per cent of the average weekly wage for his or her state.

On Social Security, the council proposed that the taxable wage base should be gradually increased until the same proportion of workers have their full wages covered as when the law was enacted. The full wages of about 85 per cent of workers are now covered compared with 97 per cent when the program began, the statement said. This would require raising the base from the current $14,100 to $28,000, it said.

PRESIDENT FORD'S EDUCATION BUDGET

Mr. MONDALE. Mr. President, I wish to bring to the attention of my colleagues and the American public a Library of Congress study prepared at my request which I released on February 16. This study compares the administration's fiscal 1976 education budget request with the fiscal 1975 appropriations and the fiscal 1975 appropriations taking into account the impact of the 11 percent calendar year 1974 rise in the Consumer Price Index.

The analysis reveals that President Ford's fiscal 1976 budget request for education division programs is almost $400 million below the fiscal 1975 appropriations for such programs, and $1.1 billion below the 1975 appropriations in terms of real purchasing power when double digit inflation is considered.

Furthermore, in the elementary and secondary education programs alone—including education of the handicapped, emergency school aid, and school assistance in federally affected areas—the fiscal 1976 budget request is almost $600 million below the 1975 appropriations for the programs, and $959 million below the 1975 appropriations when the impact of inflation is counted.

Mr. President, the Library of Congress study indicates that the President's budget for education generally, and elementary and secondary education particularly, is simply intolerable. At a time when the need for increased Federal assistance to education is growing, this budget proposes decreases. As one Senator, I want to announce at this point that I will be doing all I can to turn this budget proposal around.

I believe it is important that the American public understand the real impact of this budget on education, and I am therefore asking unanimous consent that a copy of the study be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIBRARY OF CONGRESS ANALYSIS OF FISCAL YEAR 1976 EDUCATION BUDGET

The attached tables were prepared at the request of, and according to the instructions of, the Senate Subcommittee on Children and Youth. As illustrated by these tables, the FY 1976 Administration budget request for Education Division programs is $390,254,000 below the FY 1975 appropriations for such programs, and $1,254,000 below the FY 1975 appropriations for such programs, and $1,120,937,000 below the FY 1975 appropriations multiplied by the calendar year 1974 rise in the Consumer Price Index of 11.0%. For elementary and secondary education programs of the Education Division (including education of the handicapped, emergency school aid, and school assistance in Federally affected areas), the FY 1976 budget request is $591,304,000 below the FY 1975 appropriations for these programs, and $959,204,000 below the FY 1975 appropriations multiplied by the calendar year 1974 rise in the consumer price index (11.0%).

SELECTED STATISTICS REGARDING BUDGET PROPOSALS AND APPROPRIATIONS FOR EDUCATION DIVISION PROGRAMS, FISCAL YEARS 1975 AND 1976

[In thousands of dollars; all amounts represent new budget authority]

	1975 budget [1] (1)	Col. 1 times CPI [2] (2)	1975 appropriation [3] (3)	Col 3 times CPI [2] (4)	1976 budget [4] (5)	Col. 5 minus col 7 (6)	Col. 5 minus col. 4 (7)
Elementary and secondary education:							
Educationally deprived children	$1,885,000	$2,092,350	$1,876,000	$2,082,360	$1,900,000	−$192,350	−$182,360
Supplementary services	146,393	162,496	120,000	133,200	0	−162,496	−133,200
Strengthening State departments of education	39,425	43,762	39,425	43,761	0	−43,762	−43,761
Bilingual education	70,000	77,700	85,000	94,350	70,000	−7,700	−24,350
Right-to-read	12,000	13,320	12,000	13,320	12,000	−1,320	−1,320
Educational broadcasting projects [5]	14,000	15,540	19,000	21,090	14,000	−1,540	−7,090
Civil rights advisory services	26,700	29,637	26,700	29,637	27,000	−2,637	−2,637
Follow Through	35,000	38,850	53,000	58,830	42,000	3,150	−16,830
Equipment and minor remodelling	28,500	31,635	21,750	24,142	0	−31,635	−24,142
Drug abuse education	0	0	0	0	0	0	0
Environmental education	1,900	2,109	1,900	2,109	0	−2,109	−2,109
Nutrition and health	1,900	2,109	900	999	0	−2,109	−999
Support and innovation					173,000	173,000	173,000
Subtotal	2,260,818	2,509,508	2,255,675	2,503,799	2,238,000	−271,508	−265,798
School assistance in federally affected areas	340,300	377,733	656,016	728,177	266,000	−111,733	−462,177
Emergency school aid	75,000	83,250	[6] 234,004	259,744	75,000	−8,250	−184,744
Education of the handicapped	147,109	163,291	199,609	221,565	175,000	11,700	−46,565
Subtotal (of all above)	2,823,227	3,133,782	3,345,304	3,713,284	2,754,000	−379,782	−959,284
Occupational, vocational, and adult education (includes vocational, adult and career education, education personnel development; ethnic heritage studies)	659,595	732,150	681,676	756,660	644,000	−88,150	−112,660
Higher education (includes student aid, institutional aid, special programs for disadvantaged students)	2,110,023	2,342,126	2,131,271	2,365,710	2,213,000	−129,126	−152,710
Library resources (includes public, school and college library resources)	115,250	127,928	167,474	185,896	167,000	39,072	−18,896
Educational activities overseas (special foreign currency program)	2,000	2,220	1,000	1,110	2,000	−220	890
Salaries and expenses (includes administration, dissemination, but does not include the National Center for Education Statistics)	115,684	128,409	105,340	116,927	113,000	−15,409	−3,927
Student loan insurance fund	115,000	127,650	115,000	127,650	201,787	74,137	74,137
Higher education facilities loan and insurance fund	2,701	2,998	2,701	2,998	2,192	−806	−806
National Institute of Education	130,000	144,300	70,000	77,700	80,000	−64,300	2,300
Assistant Secretary for Education (includes the fund for the improvement of postsecondary education)	18,671	20,725	13,807	15,325	26,700	5,975	11,375
National Center for Education Statistics	11,600	12,876	9,060	10,056	16,700	3,824	6,644
Innovative and experimental programs [7]					32,000	32,000	32,000
Total Education Division	[8] 6,103,751	6,775,164	6,642,633	7,373,316	6,252,379	−522,785	−1,120,937

[1] These estimates are those proposed by the Administration in conjunction with congressional consideration of the 1975-Labor-HEW Appropriations (H.R. 15580, Public Law 93-517) and 1975 supplemental appropriations (H.R. 16900, Public Law 93-554) Bills; not the revised 1975 budget estimates which accompany the 1976 administration budget proposals.

[2] CPI: Consumer Price Index, calendar year 1974 (Source: Office of Management and Budget, "The Budget of the United States Government Fiscal Year 1976," p. 41) of 11 percent.

[3] Appropriations sources: 1975 Labor-HEW Appropriations (H.R. 15580, Public Law 93-517); 1975 supplemental appropriations (H.R. 16900, Public Law 93-554); and 1975 continuing appropriations (H.J. Res. 1062, Public Law 93-324, as amended).

[4] Source for 1976 Budget estimates: Department of HEW, Office of the Secretary, "The Fiscal Year 1976 Budget" (press release); with the exception of the estimates for the Student Loan Insurance Fund and the Higher Education Facilities Loan and Insurance Fund, both of which are from Office of Management and Budget, "The Budget of the United States Government Fiscal Year 1976," p. 242.

[5] Includes educational programing as well as facilities for both years.

[6] Under provisions of Public Law 93-324, as amended (1975 continuing appropriations).

[7] Educational programing request of $7,000,000 transferred to educational broadcasting projects under elementary and secondary education.

[8] Deflator: Implicit GNP Deflator (Source: same as for number [2] above) of 10.2 percent, calendar year 1974.

S. 490—TO INCREASE PAYMENTS TO CERTAIN VETERANS

Mr. HASKELL. Mr. President, I am pleased to be a cosponsor of S. 490, a bill introduced by my distinguished colleague from South Dakota (Mr. ABOUREZK). The purpose of this legislation is to increase payments to service-connected veterans traveling to and from Veterans' Administration facilities for medical purposes.

I feel these veterans deserve the added financial support, especially in light of the severe inflationary conditions plaguing our country today.

The current rate of reimbursement of 6 cents per mile or $12 per day is totally insufficient to cover actual costs resulting from increased gasoline and maintenance costs. The insufficiency of these low rates has been substantiated by Department of Transportation and American Automobile Association studies which indicate that the cost of operating a vehicle is 20 cents per mile—a figure far in excess of the present compensation rate.

We have a responsibility to insure that veterans are capable of obtaining qualified medical assistance. The reimbursement was designed to aid in meeting this responsibility and is no longer meeting that need.

I understand that discussions have been taking place with Veterans' Administration officials concerning the need for the legislation in an attempt to secure the administration's support of the bill. I am hopeful that support will be forthcoming and that favorable action will be taken on the bill in the very near future.

GENERAL ACCOUNTING OFFICE REPORTS

Mr. METCALF. Mr. President, the January 1975 issue of the Monthly List of GAO Reports contains a listing of information gathered in the course of investigations by GAO staff. Of current interest is a report on the Department of Labor's plan to publish in the Federal Register a list of applicants, businesses, and industries pending certification as required by the Consolidated Farm and Rural Development Act. The Department will seek comments from all interested parties within 2 weeks after publication in the Register. This and other reports may be obtained from the GAO office. In view of the interest in these reports, I ask unanimous consent that the full listing be printed in the RECORD.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

MONTHLY LIST OF GAO REPORTS

AGRICULTURE AND RURAL DEVELOPMENT

Observations on Evaluation of the Special Supplemental Food Program.

Food and Nutrition Service, Department of Agriculture. December 18. RED–75–310.

This is GAO's second report on the Child Nutrition Act of 1966, which authorizes a special program for women, infants, and children through fiscal year 1975.

Attempts to determine and evaluate medical benefits or nutritional assistance to humans are limited by certain inherent problems.

Although steps have been taken to deal with these problems, they cannot practicably be overcome and must be recognized as precluding a conclusive determination of the program's benefits.

Department of Labor's Practice of Obtaining Labor Union Comments in Making Certifications Required by the Consolidated Farm and Rural Development Act.

Department of Agriculture, Department of Labor. December 16, released December 20 by Senator Clifford P. Hansen. RED–75–292.

The Department suspended its practice of soliciting AFL–CIO comments in August 1974. Instead, it plans to publish in the Federal Register a list of applicants, businesses, and industries pending certification, asking for comments from all interested parties within 2 weeks.

Business and industrial loan and grant programs and the requirement for Labor's certifications were added to the Consolidated Act by the Rural Development Act of 1972.

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COMMERCE AND TRANSPORTATION

Costly Requirements for Certain Control Towers, Navigation Aids, and Airport Lights. Federal Aviation Administration, Department of Transportation. December 10, released December 11 by Representative H. R. Gross. RED–75–289.

GAO reviewed Federal Aviation Administration requirements and costs for equipment and facilities to determine whether the requirements were too stringent and caused associated costs to be unnecessarily high.

GAO found that:

Federal Aviation Administration air traffic control towers for low-activity airports are more costly than those constructed by local governments.

Although differences exist, both apparently perform the same basic functions satisfactorily.

Design and maintenance of Federal Aviation Administration omnirange facilities result in more than 99 percent availability. Although such high availability may be justified by safety considerations, in some cases, the associated cost is significant.

Generally, Federal Aviation Administration lighting requirements result in substantially more costly lighting systems than small airport sponsors can obtain without Federal financing.

EDUCATION AND MANPOWER

Federal Programs for Education of the Handicapped: Issues and Problems. Department of Health, Education, and Welfare. December 5. MWD–74–162.

HEW estimates that more than 2 million handicapped individuals have been afforded education and rehabilitation opportunities in the last 5 years. Despite this growth, approximately 60 percent of the estimated 7 million handicapped children in the United States do not receive appropriate educational services enabling them to have equality of opportunity.

Although about 90 percent of the cost is funded with State and local money, Federal funds increased from a negligible amount in fiscal year 1968 to several hundred million dollars in fiscal year 1973. These programs are administered by at least 14 separate organizational units in HEW.

Federal Library Support Programs: Progress and Problems. Office of Education, Department of Health, Education, and Welfare. December 30, MWD–75–4.

Library support programs have helped to improve library materials and services in school and public libraries nationwide.

Many States, however, have retained large portions of Library Services and Construction Act funds at the State level for administration, services, and statewide programs. This reduced funds available to provide new or improved library services to cities and towns where such services were lacking or inadequate.

GAO said the Congress should consider amending present legislation to specify a dollar amount or a percentage limit that the States may retain for administration, services, and statewide programs.

What is the Role of Federal Assistance Vocational Education? Office of Education: Department of Health, Education, and Welfare. December 31. MWD–75–31.

Use of Federal funds has not been evaluated adequately at Federal, State, or local levels. The Office of Education has not provided adequate guidance to help achieve purposes envisioned by Congress.

Federal funds often have been used to provide basic support for traditional local programs rather than vocational education.

GAO found that:

Large amounts of Federal funds have been retained at the State level for administrative purposes;

In some States the ratio of State and local support to Federal support has declined;

Persons with special needs for vocational opportunities have not been given a high priority; and

Increased funding has not necessarily resulted in proportionately increased enrollment.

GENERAL GOVERNMENT

Personnel Security Investigations: Inconsistent Standards and Practices. Civil Service Commission. (To the Chairman, CSC.) December 2, FPCD–75–113.

There is a need to consider centralizing Federal agencies' civilian personnel investigating to insure uniformity of scope of investigations and a more economical and efficient investigative program.

Currently, the Civil Service Commission and four agencies conduct personnel security investigations. Employing agencies differ greatly as to who will be investigated, the scope of the investigation, and how results will be used.

Public Involvement in Planning Public Works Projects Should Be Increased. Corps of Engineers, Federal Aviation Administration, Federal Highway Administration. December 6. RED–75–282.

This report discloses weaknesses in three of the major public works agencies in carrying out their public involvement activities.

It also points out the need for overall Federal guidance to assist all agencies in involving the public in their decisionmaking process and calls on the Office of Management and Budget to provide such guidance.

Problems Affecting Operations at the St. Louis Postal Data Center. United States Postal Service. (To the Postmaster General.) December 10. GGD–75–33.

New automatic data processing systems costing $10 million plus are being installed at four Postal Data Centers.

The Postal Service tentatively plans to spend $70 million more within 5 years for similar equipment.

Generally, the centers maintain accounting ledgers and provide other data processing services.

Unnecessary costs were incurred in procuring equipment for the St. Louis Postal Data Center. The equipment

Had been installed before the necessary preparations had been made to use it effectively, and

Could not handle an unexpectedly enlarged workload.

Long-Term Impact of Law Enforcement Assistance Grants Can be Improved. Law Enforcement Assistance Administration, Department of Justice. December 23, GGD–75–1.

As a result of inadequate Federal guidelines, States' policies regarding continuation of Law Enforcement Assistance Administration projects varied significantly. States' success rates on continuing worthwhile projects also varied.

This report gives detailed review of the continuation policies and practices in Alabama, California, Michigan, Ohio, Oregon, and Washington and is based on responses to a GAO questionnaire by 39 States and the District of Columbia.

Neither the Federal agency nor the six States emphasized sufficiently the problems of how to continue worthwhile projects, a matter that Congress may want to follow up.

Efforts to Stop Narcotics and Dangerous Drugs Coming From and Through Mexico and Central America. Drug Enforcement Administration, Department of Justice; Department of State. December 31. GGD–75–44.

The flow of narcotics and dangerous drugs from and through Mexico to the United States is increasing and the U.S. is trying to stop the flow by:

Forcibly preventing shipment of drugs to the United States (called interdiction.)

Eliminating illicit production in Mexico.

Assisting the Mexican Government's anti-drug efforts.

This report reviews efforts needed, and being taken, to reduce this flow of drugs into the U.S. from Mexico and Central America to assist those Congressional committees having oversight responsibilities in this area.

Management of Federal Supply Service Procurement Programs Can Be Improved. General Services Administration. December 31. PSAD–75–32.

The General Services Administration is responsible for providing procurement leadership to Federal executive agencies. In fulfilling its leadership responsibilities, the agency could be more effective in providing the management necessary to carry out its responsibility for operating an effective and economical supply system.

To accomplish this, the General Services Administration must increase its ability to—

Identify its customers;

Determine their needs and requirements, as well as problems; and

Monitor the buying habits of its customers.

Information on Unresolved Audit Exceptions with Federal Employees Health Benefit Carriers. Civil Service Commission. November 7, released December 17 by the Chairman, Subcomittee on Retirement and Employee Benefits, House Committee on Post Office and Civil Service. MWD–75–37.

This report provides information on unresolved audit exceptions resulting from audits conducted by the U.S. Civil Service Commission of the health insurance carriers for the Federal Employees Health Benefits Program.

The amount of unresolved audit exceptions as of August 31, 1974, totaling $10.8 million,

An indication of how long these exceptions as of August 31, 1974, totaling $10.8 million,

An indication of how long these exceptions have been unresolved, ranging from 1971 to 1974, and

The applicability of the Federal Procurement Regulations to the contract between the National Blue Cross and Blue Shield Associations and the Commission.

Administration of the Criminal Justice Act by U.S. Courts and the D.C. Superior Court. Judicial Branch. November 21, released December 3 by the Chairman, Subcommittee on Judicial Rights, Senate Committee on the Judiciary. GGD–75–32.

The Criminal Justice Act requires that each U.S. district court operate a plan to furnish legal representation to defendants who cannot afford an adequate defense.

GAO reviewed how this program was working in the D.C. Superior Court and 10 Federal district courts in Arizona, California, Maryland, Michigan, Missouri, Pennsylvania, Puerto Rico, and the Virgin Islands. In fiscal year 1973 these courts accounted for more than 53 percent of the 56,000 persons represented under the Act.

Agency Printing and Duplication Operations Need Management Improvements. November 1, released December 9 by the Chairman, Joint Committee on Printing. LCD–74–438.

This report discusses opportunities for improved use of Government printing resources, and the need to improve compliance with Joint Committee on Printing regulations.

Out-of-City Travel.

Department of Human Resources, Public School System, District of Columbia. December 4, released December 11 by Representative H. R. Gross. GGD–75–30.

Controls for out-of-city travel by the Department of Human Resources and public schools need strengthening so that

Travel vouchers are submitted promptly,

Employees' travel advances are recovered when need no longer exists.

Individuals authorized to attend the same meeting or convention are limited to those considered essential, and

Travel claims are approved by an official who has knowledge of the trip before reimbursing employees for claimed expenses.

NATIONAL DEFENSE

Independent Research and Development Allocations Should Not Absorb Costs of Commercial Development Work. Department of Defense, December 10. PSAD–75–5.

GAO questions DOD's acceptance of up to $87 million of JT9D development costs as IR&D from 1968 through 1973, because the development was sponsored by, or required in the performance of, contracts with commercial customers and therefore did not meet the Armed Services Procurement Regulation (ASPR) definition of IR&D.

Pratt & Whitney refused GAO access to its commercial agreements for JT9D engines; therefore, GAO could not verify how much of the JT9D development was sponsored by, or required in the performance of, these agreements.

Nevertheless, GAO thinks much of this development cost should not have been allowed as IR&D because the engines had not been developed when Pratt & Whitney contracted to deliver them to Boeing and McDonnell Douglas.

Stronger Controls Needed over Major Types of U.S. Equipment Provided to the Republic of Vietnam Armed Forces. Department of Defense. (Unclassified digest of a classified report.) December 18, LCD–74–221.

GAO and the Defense Audit Agency found major items of equipment stored at Vietnamese Army depots while the Attache's Office was requesting the same items from U.S. supply sources. Many items were not recorded in the accountability records, showing that an accountability system is needed quickly.

GAO recommended that until accurate inventory accounting is established, the Defense Attache's Office should approve requests for equipment only on the basis of probable need and in quantities the Vietnamese Armed Forces actually require.

Life Cycle Cost Estimating—Its Status and Potential Use in Major Weapon System Acquisitions. Department of Defense. December 30. PSAD–75–23.

Life cycle cost includes the cost to operate and maintain—as well as to purchase—a weapon over its useful life.

Decisions to proceed with a weapon system's development generally have been based on its acquisition cost, less attention having been focused on a system's estimated expense) of operation and maintenance, although these ultimately could amount to several times the cost of acquisition.

While life cycle cost estimates have been prepared by the military services, they have had limited application in decisions affecting acquisition of weapon systems. GAO suggested that the Secretary of Defense inform congressional committees periodically on improvements being made in estimating life cycle costs and provide estimates.

Review of the Operations of the Advisory Group on Electron Devices Sponsored by the Department of Defense. December 9. (To the Secretary of Defense.) PSAD–75–35.

The Advisory Group on Electron Devices reviews research and development projects in the field of electron devices and lasers proposed by military departments, to determine that the programs are sound economically, feasible technically, and are not duplicative.

The Advisory Group is valuable in determining the technical need and feasibility of projects. However, its effectiveness has been impaired because other Government agencies did not participate and because in-house research projects were not reviewed. If 1969 GAO recommendations had been implemented, better participation would have been achieved.

NATURAL RESOURCES AND ENVIRONMENT

Isolating High-Level Radioactive Wastes from the Environment: Achievements, Programs, and Uncertainties. Atomic Energy Commission. December 18. RED–75–309.

AEC has made considerable progress in insuring safe storage of its high-level waste. However, problems have been encountered in containing liquid waste in underground tanks.

Since the early 1940's, AEC has experienced a total of 26 leaks in underground tanks. Eighteen of these occurred at Richland, releasing about 430,000 gallons of high-level waste to surrounding soil. AEC has reported that none of this material migrated far enough from the leaks to be of any danger and has taken steps to improve its leak detection capability at Richland.

The commercial nuclear power industry has generated less than 600,000 gallons, but it is estimated that the industry will create 60 million gallons by the turn of the century and 238 million gallons by the year 2020.

Federal Environmental Data Systems. November 22, released December 12 by the Chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries. RED–75–281.

Although the Federal Government has no central focal point for exchanging or collecting environmental data, many systems are sharing data with other Federal agencies. Of 320 systems, 167 were providing environmental data and information to other agencies and 94 were receiving data from systems in other agencies.

It was noted that a basic problem of data exchange was lack of awareness of what data had been collected and by whom. The problem still exists, because managers expressed need for an overall directory of environmental data systems.

Congress Needs More Information on Plans for Constructing the Garrison Diversion Unit in North Dakota. Bureau of Reclamation, Department of the Interior. November 25, released December 15 by the Chairman, Conservation and Natural Resources Subcommittee, House Committee on Government Operations. RED–75–277.

GAO was asked to review the Bureau of Reclamation's planning and construction of this multipurpose water resources development project.

The Bureau's total estimated project cost, $362.8 million, probably was understated by $72.6 million. It exceeds the latest estimate of the adjusted authorized cost ceiling—$393.2 million—by about $41.2 million.

The Bureau needs to fully inform the appropriate congressional oversight and appropriation committees of the increases in total estimated cost which would cause the Garrison project to exceed its authorized cost ceiling.

Problems in the Federal Energy Administration's Compliance and Enforcement Effort. December 6, released December 7 by the Chairman, Subcommittee on Reorganization, Research, and International Organizations, Senate Committee on Government Operations. OSP–75–7.

Information on audits completed by the Federal Energy Administration at all levels of the oil industry revealed significant problems in compliance with price controls by crude oil producers, refiners of petroleum products, wholesalers, and retailers.

There was almost no direct audit of operations by crude oil producers;

FEA audits at the retail level showed numerous violations and there was evidence of large violations at the wholesale level;

Audits of refiner operations were not completed;

Substantive issues relating to the adequacy of regulations remain unsolved; and

Organizational disputes within FEA hindered its refinery audit work.

Federal Energy Administration officials estimated that the magnitude of refineries' potential violations could be between $1 and $2 billion.

FEA will have to strengthen its compliance and enforcement program at all levels if there is to be adequate assurance that firms are complying substantially with price regulations.

LETTER REPORTS

To the Speaker of the House and the President pro tempore of the Senate, commenting on proposed budget deferrals in the President's fifth special message, submitted November 13. December 11. ACG–75–4.

To the Speaker of the House and President pro tempore of the Senate, reclassifying the President's proposed deferral of Housing and Urban Development budget authority as a rescission, requiring approval or disapproval by the Congress. December 23. ACG–75–6.

To the Speaker of the House and President pro tempore of the Senate, commenting on rescission and deferrals actions proposed by the President in his sixth special message to the Congress, transmitted November 26, 1974. December 23. ACG–75–7.

To the Speaker of the House and President pro tempore of the Senate, commenting on the legal authority of each proposed budget deferral transmitted by the President's first four special messages to the Congress. December 31. ACG–75–8.

To Representative Roy A. Taylor, on costs and effects of consolidating the aerial photography laboratories of the Agricultural Stabilization and Conservation Service. December 2, released December 4. RED–75–297.

To Representative Charles B. Rangel, on legitimate sources of opium and research to develop synthetic alternatives. November 21, released December 2. GGD–75–46.

To Representative Patricia Schroeder, on procurement practices of the Air Force Academy. November 15, released December 2. FPCD–74–108.

To Representative John E. Moss, on costs to print "The Chiefs of Naval Operations." November 14, released December 4. LCD–75–412.

To the Chairman, House Committee on Appropriations, discussing DOD and industry objections to awarding a single contract at each major military installation for transporting household goods within the U.S. October 9, released December 2. LCD–75–202.

To Representative George E. Danielson, on the large backlog of employment discrimination cases in the San Francisco regional office of the Equal Employment Opportunity

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Commission. July 26, released December 16. MWD–75–5.

To Senator Robert Taft, Jr., commenting on problems in the Medicaid Management Information System. October 25, released December 12. MWD–75–6.

To Representative Mark Andrews, comparing Air Force and contractor costs for painting airfield pavement stripings. December 13, released December 20. LCD–74–331.

To the Administrator, General Services Administration, recommending expanding GSA's reconditioning program to include surplus vehicles it sells for other Government agencies. December 10. LCD–75–214.

To the Secretary of Housing and Urban Development, pointing out problems in accounting records of insurance operations of the Federal Housing Administration. December 11. RED–75–313.

To the Director, ACTION, pointing out problems in ACTION's accounting system December 13. FGMSD–75–13.

To the Postmaster General, on improvements in the Postal Service's Working Conditions Improvement Program. December 16. GGD–75–48.

To the Secretary of the Navy, recommending expanding the use of computers in preparing material and job orders for ship overhauls. December 17. LCD–75–414.

To the Secretary of the Interior, on the examination of financial statements for the Federal Columbia River Power System, fiscal year 1974. December 17. RED–75–312.

To the Secretary of Defense, pointing out possible savings by using ocean freight instead of airlifting personal fourth-class parcels mailed at Armed Forces post offices in the Far East. December 18. ID–75–21.

To the Secretary of Defense and the Chairman, Atomic Energy Commission, recommending steps to improve the safety of stockpiled nuclear weapons and the management procedures for developing future nuclear weapons. December 19. PSAD–75–46.

To the Administrator, National Aeronautics and Space Administration, pointing out advantages of using Air Force C–5A aircraft instead of purchasing a Boeing 747 for the space shuttle ferry and air launch missions. December 31. PSAD–75–50.

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LEGAL DECISIONS AND OPINIONS

In addition to the reports listed in this publication, the Comptroller General issues some 5,000 formal decisions and advisory opinions annually to the Congress, executive branch agencies, and, in some cases, the public, dealing with the legality of public fund expenditures by the Federal Government. The formal decisions are reported and published separately.

Besides an annual bound volume of the Decisions of the Comptroller General, available through the Government Printing Office, GAO issues monthly pamphlets of the published decisions and quarterly digests of "unpublished" decisions in the areas of Procurement Law, Personnel Law (both Civilian and Military), General Government Matters Law and Transportation Law. Manuals covering annotations of decisions in these areas are available. In addition, all published decisions of the Comptroller General, together with the digests of all "unpublished" ones, are available on the U.S. Air Force's computer research program, Project LITE.

For further information regarding decisions of the Comptroller General, call (202) 386–3056 or write to the General Counsel, U.S. General Accounting Office, Washington D.C. 20548.

INTERIOR COMMITTEE RESOLUTION ON LOAN FOR THE OCHOCO IRRIGATION DISTRICT IN OREGON

Mr. JACKSON. Mr. President, the Committee on Interior and Insular Affairs, today during open business meeting, unanimously approved a committee resolution waiving the 60-day waiting period for implementation of a loan under the terms of the Rehabilitation and Betterment Act of October 7, 1949, for the Ochoco Irrigation District in Oregon.

I ask unanimous consent that the text of the committee resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

COMMITTEE RESOLUTION

Whereas, Section 1 of the Rehabilitation and Betterment Act of 1949 (63 Stat. 724) as amended by the Act of March 3, 1950 (64 Stat. 11) provides that no determination of the Secretary of the Interior concerning return of rehabilitation and betterment costs of Federal reclamation projects shall become effective until the expiration of sixty days after submittal of said determination to the Committees on Interior and Insular Affairs of the Senate and House;

Whereas, said Section 1 further provides that any such determination may become effective prior to the expiration of such sixty days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval;

Whereas, the Ochoco Irrigation District, operating entity for the Crooked River Project, Oregon, has proposed a rehabilitation and betterment program for the improvement of the lateral and drainage systems of the Crooked River Project;

Whereas, such detrmination regarding the Ochoco Irrigation District, Crooked River Project, Oregon, was transmitted to the Committee on January 15, 1975; and

Whereas, waiver of the waiting period would enable the Ochoco Irrigation District to initiate rehabilitation and betterment efforts in a more timely manner;

Now, therefore, be it resolved by this committee that: Pursuant to such Section 1 the waiting period required by such section, upon approval of a similar resolution by the House of Representatives Committee on Interior and Insular Affairs, is waived for the determination described above.

Copies of the Resolution shall be transmitted to the Secretary of the Interior and the Chairmen of the House of Representatives Committee on Interior and Insular Affairs and be printed in the Congressional Record.

Adopted by the Committee on Interior and Insular Affairs of the United States Senate in meeting assembled this 19th day of February, 1975.

HENRY M. JACKSON,
Chairman.

Mr. HATFIELD. Mr. President, the Ochoco Irrigation District, associated with the Bureau of Reclamation's Crooked River project in Oregon, is about to embark upon a $600,000 program to rehabilitate certain features of the project. A Federal loan, under authority of the Rehabilitation and Betterment Act of 1949, will cover construction at this project, and $80,000 of this loan has already been appropriated by the Congress for release to the district in the present fiscal year. Today the Senate Interior Committee approved an early release of this money so that the district can accomplish replacement of several major features of the existing irrigation system before the next irrigation season begins this summer. I am grateful to my colleagues on the committee, and especially to the distinguished chairman of the Water Resources Subcommittee (Mr. CHURCH) and the distinguished chairman of the full committee (Mr. JACKSON), for their support in this matter. It means a great deal to the farmers of the Prineville area who are participants in the Ochoco irrigation project.

MOBILE OFFICES FOR SENATORS IN HOME STATES—S. 699

Mr. GARY W. HART. Mr. President, I have not asked for time to speak about one of the major issues of the day—yet the question which the Senator from Kansas and I have joined in bringing before the Senate is a part of our great task: To rebuild the confidence of the American people in their Government. Senator DOLE and I propose in S. 699 introduced on February 17, 1975, that each Senator be allowed to draw from the allotted funds for State offices for the payment of mobile offices if the total moneys spent do not exceed the existing allotment.

The use of such van would, in my State and elsewhere, represent a considerable reduction in the number of currently necessary regional offices. The proposal would save, in my judgment, as much time as money—and would involve the great added benefit of bringing full congressional services to all people we represent.

I trust that I do not give my wife offense when I tell you that she is tired of removing my handwritten notes from my suits when I return from my many visits to the outlying areas of Colorado. She would—as would I, and my constituents as well—greatly prefer my having a mobile office to a folder filled with hastily scribbled notes.

And in these distressed times there will be more problems, hence more notes. Even greater, then, is the need for an office in which to travel among the people I represent. Coloradans want their government back, at all levels. This proposal, by means of which the Senate can come to the smallest place reachable by road, is the most effective way I know to bring the Senate to the people when we are in recess, and, through our staffs, reaching the people even when we are in Washington.

I would add that, for those of you who have not had the pleasure of visiting Colorado, or visiting it recently, the popular picture of Colorado as a place where one is somehow propelled from one ski resort to the next is quite false.

Colorado is the eighth largest State in the Union. Its varied topography, like its diversified economy, has in the past spared the people I represent from the worst ravages of economic cycles—but Colorado is surely not free from the economic perils which threaten each and every American. That very diversity, in topography and economic base, coupled with the immensity of Colorado, make it necessary that an elected official, having Statewide responsibilities, have some means to keep in touch with the people of the State, its regions, its problems.

A mobile office would permit me to cover the 248 miles between Denver and Grand Junction with the facilities of an office. I could travel the 247 miles from Fort Collins to Alamosa—the front range of the Rocky Mountains where most of the people of my State live, giving what services a Senator may with greater efficiency, fewer referrals, and far less delay.

In a mobile van I could travel the 200 miles from Denver to the Piceance Creek Basin, where the Department of Interior has let two oil shale leases, both to check upon the progress of the technology—a technology of great interest to us all—and to help, as best I can, in resolving the problems of sudden growth that will surely attend the proposed oil shale boom.

So I join the Senator from Kansas in asking not for additional money, but for a heightened efficiency, for a new mode of bringing the services which we and our staffs can provide a troubled people. In the long run, mobile offices will be more efficient, and more helpful to the people, than the systems we have developed to this point.

And surely it is our responsibility, particularly at this time of high expectations of, yet low confidence in, Government, that we do all we can for the people who have sent each of us here, hoping that we would work together toward a common good.

It is for these reasons that Senator DOLE and I join in believing that Senators will regard this issue as a people's issue, an issue beyond partisanship.

PUBLICATION OF RULES OF PROCEDURE OF SELECT COMMITTEE ON STANDARDS AND CONDUCT

Mr. CANNON. Mr. President, as required by the Legislative Reorganization Act of 1970, I ask unanimous consent to have printed in the RECORD the Rules of Procedure adopted by the Select Committee on Standards and Conduct.

There being no objection, the Rules of Procedure were ordered to be printed in the RECORD, as follows:

Resolved, That the Select Committee on Standards and Conduct, United States Senate, adopt the following rules governing the procedure for the Committee:

1. Meeting time.—The meetings of the Committee shall be on the first Monday of each month at 10:30 a.m. or upon call of the Chairman.

2. Quorum.—A majority of the Members of the Committee shall constitute a quorum for the transaction of business, except that two Members shall constitute a quorum for the purpose of taking sworn testimony.

3. Proxies.—A Member may vote by special proxy on any issue which comes before the Committee for decision except as otherwise designated in these rules.

4. Jurisdiction.—The jurisdiction of the Committee is derived from the following sources of authority:

(a) Senate Resolution 338, 88th Congress, relating to improper conduct of Senators, or officers or employees of the Senate.

(b) Report of Special Committee of the Senate to Study Questions Related to Secret and Confidential Government Documents, 93d Congress, concerning disclosure of classified documents by Senators.

(c) Public Law 93–191 relating to the use of the mail franking privilege by Senators, officers of the Senate, and surviving spouses of Senators.

5. Complaints.—Any person may file a complaint with the Committee that any Senator, or officer or employee of the Senate, has violated proper conduct or any rule, regulation, or law within the jurisdiction of the Committee. The complaint must be in writing and should state essential facts constituting the violation.

6. Public hearings.—All hearings conducted by this Committee shall be open to the public, except executive sessions for voting or where the Chairman orders an executive session. The Committee, by a majority vote, may order a public session at any time. In making such determination, the Committee will take into account evidence which may tend to defame or otherwise adversely affect the reputation of any person.

7. Subpenas.—Subpenas may be issued by the Committee Chairman or any other Member designated by him, and may be served by any person designated by the Chairman or Member.

8. Swearing of witnesses.—All witnesses at public or executive hearings who testify to matters of fact shall be sworn unless the Chairman, for good cause, decides that a witness does not have to be sworn. The Chairman or any Member may administer oaths to witnesses.

9. Counsel for witnesses.—Any witness summoned to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted while the witness is testifying to advise him of his legal rights.

10. Interrogation of witnesses.—Interrogation of witnesses at Committee hearings shall be conducted on behalf of the Committee by Members and authorized Committee staff members only.

11. Right to cross-examine and call witnesses.—Any person who is the subject of an investigation in public hearings, personally and through counsel, may cross-examine witnesses called by the Committee and call witnesses in his own behalf.

12. Written witness statements.—Any witness desiring to read a prepared or written statement in executive or public hearings shall file a copy of such statement with the counsel or Chairman of the Committee 24 hours in advance of the hearings at which the statement is to be presented. The Committee shall determine whether such statement may be read or placed in the record of the hearing.

13. Right to testify.—Any person whose name is mentioned or who is specifically identified, and who believes that a public hearing, or comment made by a Committee Member or counsel, tends to defame him or otherwise adversely affect his reputation, may (a) request to appear personally before the Committee to testify in his own behalf, or, in the alternative, (b) file a sworn statement of facts relevant to the testimony or other evidence or comment complained of. Such request and such statement shall be submitted to the Committee for its consideration and action.

14. Prohibition of photographing or broadcasting hearings.—The taking of still, motion picture or television photographs in the hearing room during a hearing or radio broadcasting of the hearing shall not be permitted except by majority vote of the Committee.

15. Stenographic record of testimony.—An accurate stenographic record shall be kept of the testimony of all witnesses in executive or public hearings. The record, whether in public or executive session, shall be made available for inspection by a witness of his counsel under Committee supervision; a copy of any testimony given in public session, or that part of the testimony given by the witness in executive session and subsequently quoted or made part of the record in a public session, shall be made available to any witness at his expense if he so requests.

16. Secrecy of executive testimony.—All testimony taken in executive session shall be kept secret and will not be released for public information without the approval of a majority of the Committee.

17. Record of Committee action.—The Chief Counsel of the Committee shall keep a complete record of all Committee action. Such record shall include the votes on any question on which a record vote is demanded.

18. Release of reports to public.—No Committee report, document, or information shall be released to the public in whole or in part without the approval of a majority of the Committee. In case the Committee is unable to reach a unanimous decison, separate views or reports may be presented and printed by any Member or Members of the Committee.

19. Advisory Opinions.—Upon specific request from a Senator, or an officer of the Senate, the Committee may give an advisory opinion on any matter within its jurisdiction. An advisory opinion may be formal or informal, or written or oral, as the request warrants. All such opinions shall be advisory and declaratory only.

20. Changing rules.—These rules may be modified, amended, or repealed by a decision of the Committee, provided that a notice in writing of the proposed change has been given to each Member.

AID FOR VIETNAM

Mr. DOLE. Mr. President, an editorial appeared in the Washington Star-News to which I would invite the attention of those in the Senate who oppose the President's request for additional assistance for South Vietnam.

I have looked at this short article very carefully for two reasons. First, it was written by one more closely associated with those on the other side of the aisle, the author having been National Security Adviser to President Johnson.

Second, the American people some years hence might question the denial of additional aid that some in Congress are determined to force. The warnings made in this article should, in my opinion, be considered by all Senators before voting on the request for additional aid, just as I am considering them carefully.

UMI

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NUCLEAR STAKES IN SOUTHEAST ASIA

(By Walt W. Rostow)

From all accounts, a majority in the Congress appears seized of the idea that we should limit our military assistance to Cambodia and South Vietnam in the face of the military offensives they confront, despite the judgment of the executive branch that this may well lead to Communist victory in the area.

Those supporting this limtation are in the position of arguing that it would be better for the people of Southeast Asia to have peace than war, even if peace brings Communist control. They also say that the American people have had enough of Southeast Asia, and a majority of our citizens supports a cut-off of aid to the area.

It is understandable after all that has transpired over the last 30 years that the American political process should generate moods like these; but, as George Kennan wrote in another context: "History does not forgive us our national mistakes because they are explicable in terms of our domestic politics." What if the destruction of independent non-Communist states in Southeast Asia should irreversibly lead not to "peace" but to greater instability and conflict in the world than we already know?

Specifically, members of Congress ought to consider these four points before casting their votes.

Whatever moral judgments or domestic political imperatives may move individual members of Congress, the United States will appear to the rest of the world to have knifed in the back an embattled ally. And we will have done so after that ally had successfully held his own over the more than five years since American troop withdrawals began, accepting increased casualties, despite an American-negotiated truce settlement that has not been honored by Hanoi and on whose enforcement Washington has not insisted once our prisoners were home.

A part of that settlement was the understanding that we would supply the South Vietnamese with arms to match those mounted against them. There is no North Vietnamese weapon that does not come from its allies in Moscow and Peking. It is inevitable that an American cut-off of military supplies to Southeast Asia shakes our alliances in every part of the world. Our allies may differ in the weight they attach to events in Southeast Asia; but they are all vitally affected by the record of American reliability in honoring its treaty commitments and other promises.

A loss of confidence in American reliability could lead to further nuclear proliferation. A good many countries have moved close to the threshold of nuclear weapons production. One barrier that has thus far prevented their taking this fateful step is the greater advantage of explicit or implicit security ties with the United States than the development of independent nuclear capabilities can provide. An American foreign policy dominated by moods of a Congress prepared to alter unilaterally treaty relations as well as agreements made by the executive branch, is not likely to commend itself as the foundation for national security to a number of important nations in a world they perceive as still potentially dangerous. By several routes, nuclear proliferation increases the chances of nuclear war.

In Southeast Asia itself, the action of Congress may well lead to a larger war rather than to peace. That action will signal to other powers a definitive American abandonment of interest in Southeast Asia and set off a scramble for power to fill the vacuum.

The situation in the region differs in a number of ways from that in 1965. Thailand and Indochina, for example are stronger now, and perhaps some of the other states as well. On the other hand, the long line of the Mekong still renders Thailand vulnerable to a Communist conquest of Indochina; and the fate of Burma runs with that of Thailand, as both parties have long recognized. Since independence, the Indian foreign policy has systematically regarded the independence of Burma (and Malayasia, too) as a direct vital interest. Thus, a congressional cut-off of military aid could set in motion a confrontation between India and China, as well as a Chinese-Russian confrontation. Both confrontations now carry the potentiality of nuclear war.

Finally, the resources of Southeast Asia, until recently a factor of negligible interest, have increased in importance to Japan and Western Europe as well as to the United States; that is, the oil of Indonesia and the potential deposits of the South China Sea. In a world enmeshed in a long-term energy crisis, the sea routes which Indochina dominates assume increased importance.

This is not the first time in our history that the Congress has exercised intimate control over foreign policy. The first time it happened, in the 1780s, it yielded such dangers to the republic that the nation reluctantly accepted the Constitution under which we have lived successfully for almost 190 years. The last time it happened, between 1918 and 1940, the policy of the United States contributed substantially to the coming of the Second World War.

The voices now dominant in the Congress, echoing their isolationist predecessors, are once again seeking to impose their vision of how the world ought to be, as opposed to the way the world really is. Those who know better are mainly silent; cowed by the media, tired from a long enervating struggle, unwilling to say what they believe after the bruising battles of the past generation. But history is without pity—even for the United States. To quote Kennan again: "A nation which excuses its own failures by the sacred untouchableness of its own habits can excuse itself into complete disaster."

And this time the disaster could be nuclear war.

ARE WE TAXING TOO MUCH AND SPENDING TOO LITTLE?

Mr. HUMPHREY. Mr. President, the magnitude of the present economic downturn has taken almost everyone by surprise. Just prior to the submission of the budget, the administration found it necessary to revise its economic forecast and raise the estimate of the average unemployment rate this year to a startling 8.1 percent.

Now we find that even that gloomy estimate is probably too optimistic. Unemployment hit 8.2 percent in January and every indication is that the rise in unemployment will continue during most of this year. Expert witnesses testifying before the Joint Economic Committee last Friday agreed that if the President's program is adopted, unemployment will rise above 9 percent before the end of this year. The report last week that industrial production fell 3.6 percent in January, the sharpest 1-month drop since 1937, provides further evidence of the gravity of the economic situation.

Why is the recession proving so prolonged and so severe? What is it in the present situation which is postponing the beginning of an economic recovery, making this the longest and deepest recession of the entire postwar period?

An article by Robert Hartman in last Sunday's New York Times provides an important part of the answer. The Federal Government, says Dr. Hartman, is taxing too much and spending too little. The Federal budget is exerting a drag on the economy. If we accept the President's budget proposals for fiscal 1976 this drag will grow worse.

According to Mr. Hartman's analysis, the fiscal 1976 budget falls $25 to $30 billion short of the degree of economic support provided by the 1974 budget, a year in which fiscal policy was already tight. That is, $25 to $30 billion of tax cuts and spending increases beyond what the President has proposed are required just to keep the budget from being more restrictive in 1976 than it was in 1974.

A staff study prepared by the Joint Economic Committee and released a few days ago supports Dr. Hartman's conclusion that the budget has been growing more restrictive. Inflation has pushed taxpayers into higher and higher tax brackets. This is the only postwar recession in which average effective tax rates have increased. Is it really any wonder that consumer spending is falling and the recession is continuing? The rising tax bite is leaving the consumer with less and less real after-tax income to spend.

I know the proposed budget deficit is $52 billion. That is a large number, although as a percent of gross national product it is about the same size as the $13 billion deficit which occurred in 1959. The deficit, big as it is, is attributable entirely to the weakness of the economy. If we were anywhere close to full employment, the budget would be in surplus. The way to get rid of big deficits is not to cut back on necessary spending, but to restore full employment.

In the last few days President Ford has apparently begun to realize the correctness of Dr. Hartman's conclusion that we are spending too little. The President has released $2 billion in impounded highway funds.

I only hope the President will soon realize that spending on human resource programs can also help support the economy. It makes no sense to cut taxes with one hand and cut back on social security with the other. Both the tax and the spending side of the budget must be directed toward the urgent need to halt the recession and reduce unemployment.

Dr. Hartman is a distinguished economist and a senior fellow at the Brookings Institution. Every word of his article deserves careful study by every Member of Congress. Mr. President, I ask unanimous consent that the article "Federal Spending—Too Little?" by Robert Hartman, which appeared in the New York Times of February 9, 1975, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL SPENDING—TOO LITTLE?

(By Robert W. Hartman)

The dizzying heights reached by President Ford's budget proposal to the Congress last week threaten to blind us to the fact that it is not a very ambitious plan for economic stimulus. Even the official economic forecast acknowledges this.

We are promised an average unemployment rate for the calendar year 1975 of 8.1 per cent falling only to 7.9 per cent in the next year. Real output for the economy in 1976 is forecast at below the 1973 level, making the current slump the worst—by far—of the postwar era.

How is it that such a large budget with so much red ink produces such a mouse of a recovery—and are there any alternatives?

There are three reasons why Federal spending must grow each year (unless taxes are cut) just to maintain demand for goods and services and the availability of jobs.

The first is that the labor force grows and becomes more productive every year, by about 4 per cent. Unless real Federal spending rises proportionately, Uncle Sam is not doing his share to provide jobs for the growing labor power pool.

Secondly, when the price level rises, as it has recently by about 10 per cent a year, Federal spending must rise to meet the higher price tags or more labor will become idle.

Finally, it is growing more important than ever to recognize the need to offset "tax drag"—the tendency of the Federal income tax to take a larger bite of incomes as people move into higher average tax brackets. In the good old days, when inflation was 5 per cent, this effect could be ignored; with double-digit inflation, it cannot.

These three factors together imply that Federal outlays over the two years from the fiscal year 1974 to 1976 ought to grow by about 17 per cent a year, in the absence of a significant tax cut, just to keep up with growth, inflation and the tax drag.

The President's spending plans fall short of this standard and his tax-energy proposals provide, at best, a weak and temporary shot in the arm to the economy.

Federal spending for fiscal year 1976 is targeted at $349.4-billion, meaning the average annual increase from 1974 levels would be about 14 per cent. The 1975–76 increase is only 11 per cent, but since the President's program involves so many changes for both this year and next, a clearer idea of the plan is gained by taking the annual average over the two-years.

Two special factors, however, bloat proposed expenditures and must be removed to get an idea of what is actually happening in terms of permanent expenditures.

First, unemployment assistance payments—mostly unemployment compensation, plus a little public service employment—will have tripled between 1974 and 1976 to more than $18-billion. While these payments do cushing the recession, they will fade quickly when and if the economy expands, and cannot be counted as part of the long-term structure of Federal spending.

Second, the budget includes $7-billion for "energy-tax equalization payments" designed to compensate low-income people, state and local governments and Federal agencies for the higher cost of oil and oil products occasioned by the Administration's energy proposals. They should, thus, be counted as an offset to the energy-tax package.

After adjustment for these two factors, permanent outlays under the Administration's plan are shown to be growing at only an 11 per cent annual rate, about 6 per cent a year short of what is needed to undo the drag on the economy imposed by inflation, productivity growth and automatic tax hikes.

In large measure, with some help from the soaring price of oil and other commodities plus the tight credit stance of the Federal Reserve, this explains why we are headed downhill today.

Taken alone, without consideration of taxes, the President's proposed 1976 spending, far from being excessively large falls short by $25- to $30-billion of restoring fiscal policy even to its 1974 level, which was tight already.

In principle, this shortfall can be made up by a permanent tax cut of like amount. But although there is a large permanent tax cut in the President's plan, its effects are largely offset by massive new energy taxes.

Under the proposal, oil product and natural gas consumers would pay $19-billion more in excise taxes in 1976 while companies would pay $16-billion in a windfall profits tax on oil.

These almost entirely offset the Administration's plan for a $25-billion permanent income tax cut for individuals, a $7-billion cut in tax rates on corporate profits and the $7-billion in energy tax payments mentioned previously.

The combined tax program will probably be little more than self-canceling. More than likely, the corporate profits tax reduction will end up in hands that save, not spend, while a possible spread of oil and gas price increases to such items as coal could further cut into consumer demand, increasing the need for economic stimulus.

The only clear, net tax cuts proposed by the Administration are a $12-billion, one-shot income tax rebate, paid in dollars in May and September, and a temporary boost in the investment tax credit, saving companies about $4-billion.

This pump-priming, coupled with an optimistic view of the effects of the energy proposals and a prayer directed toward the Federal Reserve, constitute the economic stimulus package that is intended to get the economy to stop falling and begin a very gradual recovery.

The unemployment rate hardly falls at all in 1976, according to the estimates.

Even this grim outlook for the economy is by no means assured by the administration's proposals. One round of pump-priming, nearly all of it concentrated in the second half of this year, may not be able to raise the economy out of the deep well it is now in. In any event, by next year, as the effect of the tax rebate ebbs, we will go back to growing fiscal restraint.

If there is any economic stimulus in the President's plan, it is all on the tax side. Since his energy-tax package seems unlikely to be approved by Congress, alternative means of boostering the economy will have to be considered

President Ford has also proposed $17-billion in spending cuts to reach his spending goal. Some of the $25–$30-billion in gap-filling will undoubtedly come from Congress denying many of the requested cuts. In addition, Congress has already moved to reverse an earlier administration to raise the price of food stamps.

High on the list of restorations should be the $6-billion in savings resulting from a 5 per cent limitation on "automatic" cost-of-living increases for Social Security recipients, food stamp beneficiaries, the elderly poor and Federal workers and retirees.

Since we are going to be living with some inflation for a long time, even under the Administration's program, the first step in ameliorating its effects is to protect those unable to benefit from earnings gains and higher price markups. That is what cost-of-living escalators are supposed to do.

Ironically, the budget calls for more than $2-billion in new spending authority "for cost growth and escalation requirements on . . . shipbuilding programs" of the Navy, at the same time that it calls for the elderly to set a $2.5-billion example of restraint by limiting their Social Security checks.

Other real program cuts will be attacked by Congress in the course of time and it seems probable that spending will rise beyond the President's proposal.

At the same time, it is unlikely that all of the stimulus needed can be provided quickly enough on the spending side, so the time has come for a combination of permanent and temporary tax cuts, which, combined with the spending increases, would add up to at least $30-billion.

Why has the Administration put forth, in unprecedented candor, such a cautious proposal for economic expansion? The answer is fear of fanning inflation and a bigger budget deficit.

In the current state of the economy, the immediate threat of a worsening inflation is small.

Low capacity utilization, huge inventories and a growing pool of idle labor power, imply that added stimulus from Federal spending or a substantial tax cut would generate increased sales volume and, eventually, jobs—not higher prices.

That is not to say that inflation is no longer a threat, but rather that it is now of the price-wage-push variety, with both business and labor trying to make up for past losses. There is no convincing evidence that these pressures would be significantly worse if the economy really got moving again.

Part of the Administration's rationale for its budget cuts is to bring Federal spending under greater control in the future, thus inhibiting future inflation.

The budget proposes to accomplish this by reining in Social Security and other income transfer programs—the "uncontrollables"—and issuing dire warnings that if recent trends in these programs are not reversed, "government spending would grow to more than half our national output."

Much of the past growth in these programs has come from the Federalizing of state programs—aid to the blind, for example—from improvements in inefficient programs—as in the case of food stamps—and from filling out the rolls in Social Security so that most of the elderly are now covered.

Even if Congress wanted to, it is unlikely that these sources of growth could be matched in the future.

Finally, won't all the spending Congress is sure to add and the tax cuts it is sure to pass deepen the $52-billion deficit proposed by President Ford? Yes.

The $52-billion deficit is entirely attributable to the weakness of the economy which has reduced tax revenues and raised unemployment assistance. It is a passive deficit—a reaction to the economy—and it is large only because of the extent of the recession in a $1.5-trillion economy. Added spending and new tax cuts are active measures designed to turn the economy around. They would raise the recorded deficit initially, but as the results—higher incomes and more jobs—are realized, the passive deficit would be cut.

The budget proposed by President Ford is an integrated, consistent plan for the economy. As Congress tests out its new budget machinery under the Budget Reform Act of 1974, it is important that it keep its eyes on the right target.

That target is not to reduce the Federal deficit. It is to reverse the prospect that the recession will extend into its third full year.

Such a reversal will require an equally consistent and integrated Congressional plan. It won't just happen.

OREGON STUDENTS CONCERNED ABOUT WASTE AND HUNGER

Mr. HATFIELD. Mr. President, the issue of hunger—both here and abroad—continues to grow in the minds of the people as one of the greatest problems mankind faces. Recently an editorial entitled "Waste in the School" appeared in the Statesman, the newspaper of Wil-

son High School in Portland, Oreg. It was later reprinted in the Oregon Journal of February 12, 1975.

I am proud of this expression of concern by the students of Wilson High School and trust that they will be able to extend their concern through action in their school and community. I commend this article to my colleagues for it expresses a grass roots concern for the hungry and our own wasteful patterns of life.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASTE IN THE SCHOOL

America has often been referred to as "the land of plenty," but in light of recent discoveries, perhaps a more fitting description would be "the land that wastes plenty."

A group of researchers from the University of Arizona recently estimated that, on the whole, America discards approximately $4 billion worth of food each year, enough to feed a country such as Vietnam or Ethiopia for that amount of time. Often, they disclosed, the families they were investigating would either not use the food in time, before it spoiled, or they would fix too much and throw out the rest.

Many other commodities are also wasted. Paper, in the minds of many, is an endless resource. The "use it once and throw it away" concept is all too prevalent. America uses two-thirds of the world's total supply of energy, often needlessly.

The list could go on and on, but it seems more important to ask "why?" Perhaps it is because the United States has been overabundantly blessed with the quantities of natural resources needed for the country. As a result, many are spoiled, and now take luxuries for granted; things that are unheard of throughout the rest of the world.

Unfortunately, the students at Wilson seem to reflect the patterns currently in practice throughout the country. By simply looking at the cafeteria and halls, one cannot help but notice the gross amount of food that is wasted. Milk cartons splattered on the floor, leftover food thrown in the garbage and unfinished plate lunches lying on tables.

Granted, many at Wilson try to conserve food as well as other goods, and it is not the purpose of this editorial to tell students to clean up their plates, but if the shoe fits, wear it—don't discard it.—Statesman, Wilson High School, Jan 31.

HAROLD HUGHES

Mr. PERCY. Mr. President, at the end of the 93d Congress, the Senate said goodby to a giant of a man. By the example he has set in both his public and private life, Harold Hughes has touched all of us to a degree we are not likely to experience again.

He left the Senate by his own choice to answer a call higher and more demanding than any issued by an earthly political constituency. We admire and respect him for this decision, we wish him well, but we shall be diminished by his absence.

Mr. President, Harold Hughes is still a young man. There is still so much he is capable of giving to this country and our people; there is still so much that we need from him—the strength of his conscience, the depth of his thoughts, the compassion of his spirit, and the boundless generosity of his heart. I know that we can count on him for all of this, for his prayers, and for his advice and counsel.

Last year, as the Senate debated the difficult issue of capital punishment, the Senator from Iowa was a source of strength to me. I was moved by his eloquent statements against the restoration of the death penalty which made my own decision to oppose capital punishment a little bit easier. I am grateful to him for this and for all that he has given of himself to me and to the entire Senate.

In conclusion, I would like to leave with my colleagues some words said by Senator Hughes himself:

I have long believed that government will change for the better only when people change for the better in their hearts.

I myself, Mr. President, believe that many hearts will be changed because of the work the Senator from Iowa is setting out to do.

AIRCRAFT RETROFIT RULE NEEDED NOW TO COMBAT NOISE POLLUTION

Mr. TUNNEY. Mr. President, I have received hundreds of letters from citizens whose homes or offices are impacted by aircraft noise. Additionally, I have heard from numerous groups around the country, including the Sierra Club and Airport Operators Council International. All want to know what can be done to alleviate the din that, regrettably, has become a common part of their lives.

The noise of our jet fleet stood as one of my primary targets when I wrote the Noise Control Act of 1972. Now, over 2 years after the bill was signed into law, the noise is still with us, and, apparently, little or nothing has, in fact, been done. In the past I have questioned the Office of Noise Abatement about this delay. However, insofar as retrofit is concerned, some of the blame must be shouldered by the Federal Aviation Administration, notable for its inattentive posture toward aircraft noise pollution and abatement.

The FAA now has two proposed regulations before it to curb jet fleet noise by retrofitting the engine nacelles of JT-3D and JT-8D aircraft with sound absorbing material—SAM. The first proposal was drafted by the FAA almost a year ago, was subject to public hearings and two oversight hearings by Congress, and yet has not been promulgated in final form. The second proposal, in keeping with the Noise Control Act and forwarded by the Environmental Protection Agency to the FAA just 2 weeks ago, is substantially similar to the FAA regulation and, if anything, reinforces the urgency of this program.

Delay in the past has come as a result of industry pressure. Industry favors an alternative NASA refan program—costing five times that of retrofit and not technologically feasible until later this decade. Moreover, the NASA program cannot quiet the JT-3D aircraft—the 707's and DC-8's which comprise the noisiest one-fourth of our jet fleet. There is no need for the FAA to delay SAMming these aircraft since there is no present or future method available to quiet them. Either they are silenced with SAM, or we continue to bear the burden of their noise until they are retired from the jet fleet half a dozen years from now.

Last August, five of my colleagues and I sent a letter to Administrator Butterfield pointing our four major reasons why the SAM program merits promulgation. These same merits are true now:

SAM will provide meaningful relief to our citizens by bringing the noise levels of older jets down to those of the new wide-bodied aircraft.

The potential benefits from NASA's refan program do not justify waiting until the technology is available and a cost of five times that of the SAM program: SAM-ming is more fuel efficient and available to aircraft which cannot be refanned.

The cost of SAM retrofit now must be weighed against the environmental and health "costs" to airport neighbors, local communities, and airport operators which would accrue between now and when the refan technology becomes readily available.

Promulgation of either the FAA or EPA version of the retrofit rule would not prevent or inhibit the use of refan technology when available.

In my view, not only is currently available technology being sacrificed if the retrofit regulation is not promulgated with dispatch, but noise control of all jet aircraft now and in the future may well be on the line.

I believe that if the FAA is to prove responsible in the area of aircraft noise abatement, it cannot succumb to industry pressure against retrofit. It cannot stall promulgation of a retrofit regulation any longer. The data are in from Congress, from industry, from concerned environmental groups, and from the Environmental Protection Agency. Retrofit offers relief for 74 percent of those now impacted by aircraft noise. We should offer this relief now.

I urge the FAA to promulgate this regulation in final form at the first available opportunity.

COUNCIL OF LOCAL GOVERNMENTS CONCERNED WITH THE FEDERAL PROPOSAL FOR ACCELERATED OCS OIL AND GAS DEVELOPMENT

Mr. TUNNEY. Mr. President, I ask unanimous consent to have printed in the RECORD the testimony of Los Angeles Mayor Tom Bradley and City Attorney Burt Pines in behalf of the Southern California Council of Governments before the Interior Department hearing board in California on a proposed OCS leasing program. The testimony reflects many of my concerns over the program, particularly the fact that the Interior Department is prepared to give away public resources at a very low cost without any assurances that the petroleum would be developed and sold to the public at a reasonable price.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY BY MAYOR TOM BRADLEY, CITY OF LOS ANGELES

Mr. Chairman and members of the panel: I welcome you to southern California. We are pleased to have this opportunity to comment on the draft environmental impact statement covering the proposed nationwide increase in acreage to be offered for oil and gas leasing on the Outer Continental Shelf.

I should immediately point out that I am welcoming you not only on behalf of the City of Los Angeles, but, also on behalf of a remarkable consortium of southern California cities and counties. This group, which we have named the council of local officials concerned with Federal proposals for oil development on the Outer Continental Shelf, represents an unusual experiment in "adhocracy."

It formed spontaneously, in response to a visit to southern California last July, by Mr. Jared Carter, then Deputy Undersecretary of the Department of the Interior. Mr. Carter had come to Los Angeles to brief us on Federal plans to open large portions of the Outer Continental Shelf to lease bidding for oil development rights. That meeting represented the first contact between policy-level Federal officials and elected representatives at the local level. Various bits and pieces of information concerning Federal intentions had been coming to us, mainly through the press, for some time

Mr. Carter's visit confirmed, in our minds, our concern that the Department of the Interior had already decided on maximal exploitation of Southern California O.C.S. oil deposits, in a minimal period of time. We were startled by the schedule we were shown for preparation and review of materials properly required under the National Environmental Policy Act, prior to a leasing date then set for May 1975.

At that hearing, I offered my offices and facilities as a base for the many clearly alarmed officials present, to come together and examine the implications which the Federal proposals held for our communities and citizens. Since that time, the council has met regularly, probing these implications and hammering out an articulate response on behalf of local government. Forty-one cities and counties have participated—a list too long to read here. Meetings are conducted informally, questions are resolved by exhaustive discussion, and common positions are derived by democratic consensus.

At its first meeting, the group designated a working task force, and delegated to it the responsibility to draft a resolution for submission to the council. Ably chaired by Mayor Joe Barnett of Palos Verdes Estates, the task force developed a three-point resolution which, since adopted, has become the most widely endorsed position on the matter throughout the state, and has generated considerable interest in other parts of the nation. In brief, expressing deep concern for the precipitous nature of the proposed Federal program, and for its apparent disregard for state and local considerations, the resolution calls for opposition to the Federal proposal, until:

1. A comprehensive national, as well as regional, energy policy has been promulgated;

2. The Department of the Interior has submitted its proposed oil development program to appropriate, affected State, regional and local agencies for review—particularly the California Costal Zone Conservation Commission; and,

3. Congress has enacted new legislation strengthening existing laws relating to oil development on the Outer Continental Shelf.

Adopted by the Council of Local Officials, this resolution has subsequently been endorsed by the Southern California Association of Governments and the State League of California Cities.

I want to be very clear that we do not necessarily oppose the concept of development and use of the oil on the Outer Continental Shelf. We do oppose the haste with which it is being undertaken, particularly with regard to the lack of understanding of the true value of this resource—a value which can only be determined within the context of a comprehensive national energy policy.

Our concern for the manner of determining the ultimate value and use of this resource is only heightened by our acute sense of the gravity of the present international monetary imbalance.

The Council of Local Officials has mounted two additional efforts which we feel will help safeguard the interests of all Americans, not only those who live in our southern California communities:

First, in response to a request by Mr. Carter that we send local experts to work with the local office of the Bureau of Land Management in development of the forthcoming regional, site-specific environmental impact statement, we were disturbed to realize that we in local government had no such experts in matters concerning either the Outer Continental Shelf or oil exploration and development. We set to develop a mutual fund to commission an objective unimpeachable critique of the regional document within the context of the 10,000,000 acre programmatic environmental impact statement before us today, and also, because of the apparent need for comprehensive national energy policy, in the context of project independence blueprint. In this respect, the fund continues to grow, and we have contacted the National Academy of Sciences, as well as other distinguished authorities, to discuss requirements for such a critique of the Federal documents.

Just at that time, however, the Department of the Interior released the programmatic document, announcing a brief three-week period for review of the highly technological 1300-page draft, prior to public hearings scheduled for mid-November.

In response, our Los Angeles city attorney quickly brought together a group of city and county legal officers, comparable to our ad-hoc council of local elected officials. On behalf of this group, Mr. Pines succeeded in gaining a 60-day delay in the proposed hearing date, after discussing the matter with Secretary Morton, and Senators Cranston and Tunney.

Even this 60-day extension left us little time to spare in the great task we faced. The council of local officials quickly turned to scientists from southern California for assistance in performing expert analyses of the programmatic environmental impact statement. Working with the staffs of the Los Angeles and San Diego city attorneys, professors from several of our most prestigious universities have prepared the materials which will be presented to you today.

These materials weigh the programmatic environmental impact statement, in terms of its adequacy, in the light of:

Requirements of the National Environmental Policy Act;

Consideration of the proposed action in relation to a national energy policy;

Demonstration of need for the proposed action;

Consideration of conservation as a full or partial alternative;

Treatment of research and development;

Time constraints to perform the proposed action;

Consideration of relative environmental impacts;

Consideration of other oil sources, including existing shut-in wells, secondary and tertiary recovery;

Consideration of alternative use of existing onshore military reserves, such as Elk Hills;

Consideration of mitigation measures;

Sufficiency of data for environmental analysis;

Consideration of degradation of air quality;

Consideration of onshore land use impacts; and

Consideration of diminution of property values.

A presentation of the specific contents will follow. Suffice it to say that I consider the total effort, conceived and carried out in a very limited period of time, a new standard for local governmental contributions to the great national debate we are now entering.

I would now like to address a few major questions:

Foremost in my mind is the need for a comprehensive national energy policy, as a basis for judging all proposals such as the program environmental impact statement. Only development of such a policy can satisfy the basic thrust of the National Environmental Policy Act, bringing short- and long-term implications, and consideration of alternatives to bear on the judgement.

How adequate can Project Independence Blueprint be, for this purpose, if it only poses options, and does not supply answers? It is neither a policy nor a plan. The unanswered or unconsidered questions in the impact statement can often be traced to this fundamental lack of a plan.

What are our priorities, for instance, for alternative energy source development? Our analysis indicates that there has been no careful consideration of a balanced mix of new sources for exploitation which will benefit us most, at least cost to our people and our quality of life.

Have existing oil reserves, public and private, been adequately considered as full or partial alternatives? Again our experts say no. There is no consideration of developing Elk Hills Naval Petroleum reserves. Also, the House Subcommittee on Regulatory Agencies and a study by the Brookings Institution indicate that many shut-in wells could be producing profitably today. One specialist from our scientific advisory committee points to the potential for enhanced recovery from known reservoirs.

What are our priorities for exploitation of the Outer Continental Shelf, itself, nationwide? Our experts found that no analysis of the relative environmental impacts of drilling the various areas had been performed, as was done in the partial assessment performed by the council on environmental quality last year.

What are our priorities for sale or leases within any of the regions? Again, we found none, since these priorities are currently set by private industries' selection of areas of their choice, within the large areas nominated. Is this in the best public interest?

How adequate, and how available is the data—the information we should have before making this decision?

Several members of our scientific advisory committee participated in a recent conference here in southern California, conducted by the Department of the Interior, which raised enormous areas of need concerning the environmental propriety of proceeding with production.

What information do we have concerning the extent and value of the oil reserves on the O.C.S.? The present bidding system makes that information the proprietary right of the industry. What prudent businessman would sell his property without first getting his own appraisal of the value? Shouldn't the American people—the present owners—enjoy information of equal quality and adequacy, as that available to private indus-

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try? If our present bidding system does not permit this, let us change it accordingly.

Our advisors question whether adequate consideration has been given to alternative leasing plans. I am disturbed that once the leases are signed, the Nation would have little or no say as to where the oil is to go, and when. With this capability we could build public stockpiles for emergency allocation, and avoid panic circumstances such as we experienced during the Arab embargo.

This raises the question, "What is the adequacy of present Federal legislation covering O.C.S. exploration and development?"

Our local government task force specified updating of the Outer Continental Shelf Lands Act of 1953 as a cornerstone of its resolution on the Federal development proposal. That law was written at a time when oil was widely regarded as cheap and virtually unlimited. Enormous administrative power was centered in one man—The Secretary of the Interior—to maximize efficiency of resource development. We have learned much since those days—much about our resource limitations, much about shortage crises, much about what happens to prices at such times, and much about the concentration of administrative power. Revision of the outdated act is essential, and the proposal before us today must be subject to our new understanding. Legislation recently introduced by Senator Hollings represents a good beginning in this direction. Some form of partnership must be developed, so that we will retain enough control over allocation of the oil to insure its use in the public interest. This will be essential in building and implementing a national energy policy.

Our advisors raise serious questions concerning the availability of materials necessary to build drilling rigs and pipelines to handle production. Also, what is our capability to meet the massive new requirements for transportation, storage, and refining which would result, provided that full and timely production occurs?

What of the onshore impacts of these activities? Four of our scientific advisory committee members have found this aspect of the environmental impact statement severely inadequate. The implications for the State and local governments are enormous. How can we help feeling that the Department of the Interior has little concern?

What in this document demonstrates an understanding of our true conservation capability? Here in Los Angeles, as in a handful of other major urban areas, startling savings were realized during the Arab embargo, and were achieved without significant social or economic disruption. To our surprise, we managed an 18% reduction below the previous year's use of electrical power, even while we were consuming 25% less gasoline. Does the environmental impact statement consider energy conservation as an alternative on this scale? Or, even half this scale?

Finally, why all the rush? Our first contact with Federal officials came as a briefing in mid-July. The briefing strongly indicated that the decision to lease had been firmly taken. Then the document we are considering today was released on October 25th, with the announcement that hearings would be held in mid-November, three weeks later! This date was then changed to early December. Only after our city attorney went to Washington to petition Secretary Morton, were we allotted an additional 60 days. Now we are told that the regional draft statement will be released before this document is finalized. And yet, the Secretary, himself has said that actual production from the offshore areas cannot begin for several years. Surely this removes all credibility from the argument that granting leases this year is essential in order to meet the Arab challenge. As many have mentioned at these hearings, a program of Federal exploration could be conducted prior to leasing, and without loss of time should it prove necessary to proceed.

How can we conclude that the purposes of the national environmental policy act have been served—either in the letter, or in the spirit of the law—when such questions can be raised?

I have mentioned that we have approached the national academy of sciences with the intention to commission an objective study of the Federal work being performed as a basis for the proposed lease sales. Our member local governments have begun a substantial fund in this effort. The need for such a study is clear. Surely the Department of the Interior should assume, or at least share, in this finnacial burden.

To return to the most fundamental question, however, the answers will only find adequacy as they are derived in the context of a comprehensive national energy policy. It would be irresponsible to sell America's publicly owned oil resources without such a policy.

Thank you.

ANALYSIS OF DRAFT ENVIRONMENTAL IMPACT STATEMENT REGARDING "PROPOSED INCREASE IN ACREAGE TO BE OFFERED FOR OIL AND GAS LEASING ON THE OUTER CONTINENTAL SHELF"

(Presented on Behalf of the Southern California Council of Local Governments Concerned With the Federal Proposal for Accelerated OCS Oil and Gas Development)

The Southern California Council of Local Governments Concerned with the Federal Proposal for Accelerated OCS Oil and Gas Development was formed by a group of Mayors, Councilpersons and other governmental officials. The purpose of this Council was to discuss the proposals of the Department of the Interior in regard to expanded OCS development.

The members of the Council, each of which intend to testify as part of the testimony presented by the Council at the hearings, include:

City of Los Angeles, City of San Diego, County of San Diego, City of Beverly Hills, City of Santa Monica, City of Santa Barbara, County of Santa Barbara, City of Riverside.

City of Newport Beach, City of Torrance, City of Palos Verdes Estates, City of Rancho Palos Verdes, City of Laguna Beach, County of Orange, City of Huntington Beach, Southern California Association of Governments.

Due to the press of time, this Analysis could not be fully circulated to all members of the Council to receive formal ratification. As of the date of printing, however, the following jurisdictions have formally authorized submission of this Analysis on behalf of their jurisdictions:

City of Los Angeles, City of San Diego, City of Santa Monica, City of Riverside, City of Torrance, City of Palos Verdes Estates, City of Laguna Beach, County of San Diego.

The following is a summary of the detailed Analysis of the Draft Programmatic E.I.S. on expanded Outer Continental Shelf (O.C.S.) Drilling prepared by the Bureau of Land Management (B.L.M.). This Analysis has been prepared by and on behalf of the Council of Local Governments Concerned with O.C.S. Development, for presentation to B.L.M. as a portion of the comment and input to be given by the participating jurisdictions during the public hearing and review process.

The Analysis is based upon a comprehensive review of the E.I.S., the *Project Independence Blueprint*, and over sixty major documents dealing with energy and O.C.S. development. Included in the Analysis is a critique of the E.I.S. prepared by the Scientific Advisory Committee. That Committee was formed, at the request of the Council, to advise the participating jurisdictions as to the accuracy of the data included in the E.I.S., the additional data which should be provided, the additional scientific studies which should be undertaken, and related matters.

I. REQUIREMENTS FOR LEGALLY ADEQUATE E.I.S.

The specific requirements regulating the nature and content of the Draft E.I.S. are set forth and established by the National Environmental Policy Act (N.E.P.A.), the Guidelines for Implementation of N.E.P.A. promulgated by the President's Council on Environmental Quality (C.E.Q.), and by the case law interpreting these foregoing provisions. Having carefully reviewed the draft E.I.S. in light of these legal requirements, we have concluded that the draft E.I.S. is seriously inadequate and fails to fulfill the legal mandate that it set forth a "detailed statement of the environmental impact of a project and the project's alternatives."

Specifically, the E.I.S. fails to:

(1) Adequately discuss the relationship between the proposed O.C.S. development and the establishment of a comprehensive national energy policy, with proper reference to the *Project Independence Blueprint*, as required by law;

(2) Adequately discuss our principal energy alternatives, including most importantly the alternative of energy conservation;

(3) Develop the data on marine resources necessary to an intelligent analysis of the impact of O.C.S. development upon those resources;

(4) Provide a detailed analysis of the primary, secondary, and cumulative effects of O.C.S. development, supported by empirical data or scientific authorities; and

(5) Address the numerous major issues discussed in this Analysis.

II. INADEQUACIES OF THE E.I.S.

A. O.C.S. Development as an Integral Part of a National Energy Policy:

Any decision made in regard to O.C.S. development clearly must be made in the context of a comprehensive national energy policy. In that regard, the adequacy of the E.I.S. is severely impaired due to the fact that its completion preceded release of the *Project Independence Blueprint*. The failure of the E.I.S. to fully consider and weigh the alternatives suggested in the *Project Independence Blueprint*, and the failure of the E.I.S. to clearly measure the proposed O.C.S. development program in the context of a national energy program, is violative of both the spirit and express requirements of the law.

B. The Need for O.C.S. Development Has Not Been Adequately Demonstrated:

The E.I.S. only refers to the demand projections of the National Petroleum Council, the Ford Foundation Energy Report, and Department of the Interior's own demand projections. There is no reference to the *Project Independence Blueprint* demand projections. Further, the Department of the Interior's own projections of a 2% to 3% increase in energy growth over the next 25 years is little more than a rough guess of what future energy demands might be. It does not provide a valid basis for a decision regarding greatly expanded O.C.S. development.

We submit that the most useful demand projections are those in the Ford Foundation Energy Report. This Report projects three different scenarios: (1) a historical growth scenario, (2) a technical fix scenario, and (3) a zero energy growth scenario. Even under the historical growth scenario of a 3.4% energy growth rate, the greatly accelerated O.C.S. program now being contemplated by the Interior would not be necessary. Additionally, under either the technical fix scenario or the zero energy growth scenario, O.C.S. development would not be necessary in the time frame now being considered.

The *Project Independence Blueprint*, which the draft E.I.S. fails to consider, assumes that there will be no significant O.C.S. development in the Pacific, Atlantic or Gulf of Alaska areas. Moreover, a report from the House Committee on Interior and Insular Affairs, entitled *The Trans-Alaska Pipeline and West Coast Petroleum Supply*, 1977–1982, indicates that there will be a surplus of petroleum supplies during the period 1977–1982 in the Pacific region. These factors must be considered by the Department of Interior in making any decision to lease in the Pacific, Atlantic, or Gulf of Alaska.

C. The Alternative of Energy Conservation:

A mandatory energy conservation program offers a viable alternative to accelerated O.C.S. development. This alternative was not adequately evaluated by the E.I.S.

Accelerated development of all our energy sources will still not meet unrestrained demand. Economic as well as environmental factors mandate that we adopt a strong energy conservation plan. We suggest that serious consideration must be given in the E.I.S. to the following energy conservation alternatives discussed at much greater length in the Analysis:

1. Transportation

The *Project Independent Blueprint* suggests a number of means to greatly increase use of public transit, thereby reducing our national dependence upon the automobile. Additionally, it has been suggested that tax incentives should be developed to encourage automakers to produce more energy efficient cars which are lighter, and have better aerodynamic designs. A tax might be levied on cars not meeting improved fuel economy standards.

2. Building and urban design proposals

Space conditioning presently accounts for more than 60% of residential energy use. This use can be substantially reduced by requiring better insulation and by modifying building design. The nation's building codes must be updated. The Federal Housing Authority should revise their standards for issuing loans by requiring a life-cycle cost for building designs. Subsidies and guaranteed loans should be provided so that lower income families can increase the energy efficiency of their homes. Over the life-cycle of a house, the cost of improving the energy efficiency of the structure is far outweighed by savings on fuel costs. There are numerous tax incentive programs which can be suggested to improve construction practices.

3. Industry

Industry consumption accounts for 33% of the total U.S. energy demand. Energy efficiency can be increased in almost all industries by implementing a program designed to promote: (a) better maintenance of existing equipment; (b) recovery of process heat losses; (c) modifying product specification to minimize consumption patterns; (d) shifting from use of raw materials which require high energy consumption; (e) using natural fertilizers as substitutes for petroleum and natural gas intensive fertilizers; and (f) using recycled materials.

4. Natural gas

Continuous use of gas pilot-lights is responsible for consumption of an estimated 223-billion cubic feet of gas annually in the United States. A long-range cost/benefit analysis to the consumer indicates that substituting electric starters for gas pilots is economically justified and would result in substantial energy savings.

5. Lighting

Lighting accounts for 25% of U.S. electricity consumption. Much of that is used wastefully in decorative or advertising lighting or as a result of over-illumination and should be more stringently regulated.

6. Heating, cooling, and ventilating systems

Approximately 18% of the total national energy consumption is for heating buildings. Much of the energy used in adjusting internal temperatures would not be necessary if buildings were properly insulated and designed. Energy consumption in buildings may be reduced by: (a) use of solar or solar-assisted heating and cooling; (b) heat pumps; (c) rockbed regenerators; and (d) by adopting building codes requiring energy-conserving techniques.

7. Research and development

Our nation has failed to make a reasonable allocation of research and development funds between our various energy alternatives, including conservation. Substantial funds should be allotted for development of: (a) heat transfer technology; (b) low temperature heat applications; (c) energy savings in space conditioning; (d) industrial steam production technology; (e) integrated power generation; (f) improvements in efficiency of power generation; and (g) new manufacturing processes.

In summary, the Analysis points out that the E.I.S. completely fails to consider one of the principal alternatives to O.C.S. development—a mandatory national energy conservation program. The experience of the City of Los Angeles during last Fall's energy crisis proves the value of mandatory energy conservation programs. During the winter of 1973–74, the City of Los Angeles implemented a plan which resulted in a 17% reduction in energy use during the first two months the program was in effect. A study of the results of that plan by Rand Corporation indicates that: (1) lighting changes accounted for most of the reduced use; (2) most business establishments regarded 20% as a reasonable amount to cut without adverse consequences to business; and (3) most businesses are continuing to maintain the reductions they made during that period. The Analysis concludes that with economically and technologically feasible energy conservation practices, our energy growth rate can easily be reduced to 2% annually, and even zero energy growth is possible. Unfortunately, the E.I.S. fails to give this alternative the serious attention it warrants.

D. Other Energy Alternatives:

The E.I.S. discusses several suggested energy alternatives to O.C.S. drilling. However, the treatment of those discussed is clearly inadequate, while other significant alternatives are simply not discussed.

Among the alternatives cursorily examined in the E.I.S. and which are treated at much greater length in this Analysis are solar, geothermal, nuclear, oil shale, hydroelectric and oil importation. The alternatives not discussed in the E.I.S., but considered in this Analysis include bio-energy, wind, and secondary and tertiary recovery from existing wells. Bio-energy we especially feel is advantageous because it supplies energy while solving solid waste management problems. Secondary and tertiary recovery are also sound resource management tools which deserve greater attention. In summary, the treatment of other energy alternatives in the E.I.S. is seriously deficient.

E. Production of Shut-In Wells and Secondary and Tertiary Recovery as Alternatives to Expand O.C.S. Development:

No mention in the E.I.S. is made of the alternatives to O.C.S. development of production of wells now apparently "shut-in" in the Gulf of Mexico, nor is there an adequate consideration of the alternative of secondary and tertiary recovery from existing wells. The House Sub-Committee on Regulatory Agencies has found that a substantial number of tracts capable of production in the Gulf of Mexico have been classified as shut-ins by the U.S. Geological Survey upon the request of oil and gas companies. The Federal Power Commission has made similar findings regarding the production capacity of oil and gas fields. The question is whether or not classification of a tract as shut-in is appropriate. Substantial evidence seems to indicate that in many cases it is not.

The House Sub-Committee has found that the Department of the Interior has not demonstrated its capacity to efficiently administer the present leasing system. If this is true, what is the justification for greatly accelerated O.C.S. development under the same regulatory system? Whether shut-ins are the result of inadequate manpower and materials, or a desire of the oil companies to develop the areas in the future when prices are higher, the fact remains that the nation appears to have presently leased areas capable of production which are not now producing.

The same concern is applicable to the failure of the E.I.S. adequately to discuss the production capacity which would result in secondary and tertiary recovery. Such recovery is not being undertaken at this time because the oil companies apparently do not find it to be economically attractive. Nonetheless, these national resources which have already been tapped should not be left partially developed if they can be fully developed in an environmentally and economically sound manner.

F. The Elk Hills Example of Present Onshore Potential:

The E.I.S. entirely ignores one of the most feasible alternatives to accelerated O.C.S. development, that is the tapping of existing onshore petroleum reserves held by the military. One particular example not even mentioned in the E.I.S. is the Elk Hills Naval Petroleum Reserve. Within 18 months, 230,000 barrels-a-day could be produced from Elk Hills, with maximum production of 350,000 barrels-a-day being reached within 3 years—well ahead of what can reasonably be anticipated from newly leased O.C.S. areas.

The cost of developing Elk Hills, as opposed to O.C.S. development cost, is dramatic. While offshore wells cost approximately $2 million each to drill, with offshore platforms costing $200 million each, onshore wells drilled at Elk Hills would cost approximately $250,000 each.

Substantial evidence indicates that the Elk Hills Naval Reserve is not necessary for national defense. The President has now indicated that he supports opening this Naval Reserve for domestic consumption. Clearly, it is an example of a meaningful onshore alternative which should have been discussed in the E.I.S.

G. Substantial Evidence Indicates that O.C.S. Development Cannot be Undertaken Within the Time-Frame Proposed:

The E.I.S. only superficially discusses the serious problem of the ability of the oil industry to keep production abreast with the proposed increase in leasing due to the major shortages of drilling rigs, equipment and skilled manpower. The findings of two major federal Congressional reports, and the *Blueprint for Project Independence*, convincingly demonstrates that the leases now proposed for development could not be developed within the proposed time-frame. Further, both the report of the Ad Hoc Committee on the Domestic and International Monetary Effect of Energy and Other National Resources Pricing of the House Banking and Currency Committee, and the report from the National Oceans Policy Study on Outer Continental Shelf Oil and Gas Development in the Coastal Zones, raise serious questions about the viability of accelerated O.C.S. leasing in light of current shortages of equipment, construction materials, and trained

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personnel. The *Project Independence Blueprint* indicates that shortages in drilling rigs, tubular goods, and walking draglines cannot by overcome in the short-run period. Even a technical paper released by the Department of the Interior indicates a severe shortage of these necessary materials. In summary, the E.I.S. fails to deal with this significant issue, that is whether accelerated O.C.S. development is in fact a meaningful solution or viable alternative.

H. Mitigation Measures Not Adequately Considered:

The E.I.S. fails to consider measures which would mitigate the potential adverse environmental effects of O.C.S. development. The E.I.S. should at the very least consider the following possible mitigation measures:

1. Immediate exploration of the potential lease areas so we would know what is in fact available;

2. Establishing a priority system so that lease sales would first take place in the areas farthest offshore with the least potential environmental impacts;

3. Camouflaging rigs to preserve aesthetic values;

4. Requiring subsea completion of wells to preserve aesthetic values, and reduce navigational obstructions;

5. Establish more stringent drilling and production regulations.

I. Failure to Consider Relative Environmental Impacts:

The relative environmental impacts of drilling throughout the O.C.S. must be evaluated prior to any further lease sales. This evaluation was not provided for by the E.I.S.

A report entitled *O.C.S. Oil and Gas—An Environmental Assessment*, prepared by the President's Council on Environmental Quality, demonstrates that such an analysis is possible. Although limited to the Atlantic coast and the Gulf of Alaska, the C.E.Q. report resulted in a rating of various possible development areas according to environmental sensitivity and resource potential. Southern California has certain unique resources, as do other areas, and efforts must be made to evaluate the impact of O.C.S. development on those resources. In summary, in order for the E.I.S. to be legally adequate, it is submitted that the relative environmental impacts of drilling in various areas throughout the O.C.S. must be developed and discussed.

J. Insufficient Data for Environmental Analysis:

The E.I.S. is replete with admissions that sufficient data is not available regarding marine and coastal resources or the impact of O.C.S. development on those resources. The E.I.S. includes nineteen such major admissions of lack of data. Even though the drafters of this Analysis had extremely limited time and personnel, in all but five of the specific areas involved, we found literature sources providing the necessary analysis. In those areas where data is not now available, the Department of the Interior has an affirmative obligation to develop the necessary data.

One example of the need for additional data is provided by the report of the Southern California Academy of Sciences. This group is presently under contract with the Bureau of Land Management to provide baseline data on the Southern California marine resources. Although the Department of the Interior contends that this baseline data is only needed for monitoring of O.C.S. development, rather than for making the determination as to whether there should be such development in the first instance, it is important to note those specific areas where the scientific community believes additional data is necessary. Thus, the Southern California Academy of Sciences concluded:

1. Geological oceanography, especially in regard to seismic activities off Southern California, is inadequate. Recommendations for numerous studies were made.

2. Additional studies of vertebrate and invertebrate populations, habitats and sensitivity to oil pollution need to be studied.

3. A better understanding of physical oceanography, including oceanographic and surface meteorology, is needed.

4. A better understanding of chemical oceanography is needed.

K. Degradation of Air Quality:

The E.I.S. only provides a discussion of possible degradation of air quality in terms of the result of evaporation from oil spills. N.E.P.A., however, requires a discussion of both the primary and the secondary impact of a project. Obviously, the onshore activity which is the consequence of O.C.S. development will have a subtantial adverse effect on air quality.

Increased refinery capacity and operation will clearly result in substantial increases in sulfur dioxide, particulate matter, nitrogen dioxide, carbon monoxide and hydrocarbons. The air quality in Southern California is far from reaching primary ambient air quality standards set pursuant to the Federal Clean Air Act. Further degradation in air quality will result from increased refinery capacity. This issue should be fully addressed by the E.I.S.

L. The Onshore Land Use Impacts of O.C.S. Development:

The discussion of onshore impacts within the E.I.S. is wholly inadequate. Among the more notable onshore activities having significant primary land-use impacts are the following: (1) harbor and dock facilities; (2) equipment storing areas; (3) pipeline terminals and corridors; (4) tank farms and transportation facilities; and (5) refinery, petrochemical complexes, and supporting construction industries. The potential of these facilities for conflicting with other land-use values, and the resulting environmental impacts, must be fully discussed and considered by the E.I.S.

M. The Santa Barbara Oil Spill—An Impact Never Discussed:

The E.I.S. never discusses the Santa Barbara oil spill, despite the fact that it is an incident that exemplifies many of the economic and environmental consequences of O.C.S. development. The 1969 blowout from a major channel platform was the result of poor operating procedures and government regulations. Over 3,250,080 gallons of oil spilled into the ocean, resulting in a slick of over a thousand square miles. Over 80 miles of coastline were contaminated. Containment and recovery efforts were woefully inadequate.

Although long-term effects of the Santa Barbara spill on the marine and coastal environment are difficult to estimate, they clearly are substantial. As to short term damages, the cost of replacing dead organisms has been estimated to be over $10 million. Over $10 million was spent by the oil companies for control and cleanup, and approximately $640,000 by governmental agencies post spill operations. Indirect costs of the spill include diminution of property values and loss of tax revenues. Short term loss to the commercial fishing industry was over $800,000. Loss in recreational value has been estimated to be over $3 million.

The E.I.S. makes no attempt to estimate these very real costs which may result from O.C.S. development, nor is the entire subject of potential impacts from spills or accidents meaningfully developed.

N. Diminution of Property Values:

The E.I.S. fails to discuss the diminution of property values that will result from O.C.S. development. The potential adverse impact upon land values of the aesthetic blight of platforms and potential for oil spills is well demonstrated by the Santa Barbara case. Total diminution of property values resulting from the Santa Barbara oil spill ranged from a total of $6,885,000 to a high of $8,934,000. Potential adverse impacts of these magnitudes must be discussed by the E.I.S.

O. Economic and Resource Losses to State and Local Governments Resulting From O.C.S. Development:

The E.I.S. does not discuss possible adverse economic consequences to local governments resulting from O.C.S. development, nor does the E.I.S. discuss the loss to the public of visual amenities, beach and marine resources and recreational values. Studies from both Louisiana and Texas indicate that local government, in providing services to O.C.S.-related developments, bear substantial economic burdens. The public at the same time suffers a substantial loss of its beach and marine resources.

III. ECONOMIC ANALYSIS OF THE FEDERAL LEASING SYSTEM

The E.I.S. entirely fails to consider the relative economic merits of alternative leasing systems. This is contrary to the mandate of N.E.P.A. that environmental as well as economic and technical cost benefits analyses must be prepared. With the exception of one trial royalty-fixed cash bonus system, the federal government is now operating under a cash bonus-fixed royalty system which combines an initial substantial cash payment with a fixed royalty established by the Secretary of the Interior based upon the estimated value of leased lands.

The problems resulting from the current system include:

(1) A serious dampening effect on competition; and

(2) Huge vertically-integrated petroleum companies dominate the bidding.

Additionally, under the current system, it appears that the Department of the Interior's regulation of leasing schedules is inadequate. As a result, areas may be developed either too quickly or too slowly.

There are at least ten alternative leasing systems (4 royalty systems, 4 rental systems, and 2 profit sharing systems) which deserve serious examination and consideration, including:

1. Fixed royalty/bonus bidding;
2. Fixed bonus/royalty bidding;
3. Royalty schedule decreasing overtime;
4. Two-parameters royalty schedule;
5. Rental payments/bonus bidding;
6. Fixed bonus/rental bidding;
7. Oil pledge/bonus bidding;
8. Fixed bonus/oil pledge bidding;
9. Fixed profit share/bonus bidding;
10. Fixed bonus/profit share bidding.

In brief, the O.C.S. oil reserves belong to the American people. Before they are leased, it is essential that all principal leasing systems are fully evaluated and considered to ensure that the federal government provides for the most responsible and economically sound protection of our interests.

IV. PROCEDURES FOR EVALUATION

The procedures followed by the Department of the Interior for evaluation of lease sales does not ensure a systematic, reasoned decisionmaking process. The procedures for public participation in the hearing process hampers full public participation. The Department of Defense excludes areas from consideration for lease sales, on the basis of national security, in a manner that prevents review of the decisionmaking process. As a result of those exclusions, other areas may be selected for leasing which may be more environmentally sensitive.

V. SUBSTANTIAL EVIDENCE EXISTS TO INDICATE THAT A DETERMINATION TO DRILL HAS ALREADY BEEN MADE

Statements from high ranking officials in the Department of the Interior indicate a commitment to O.C.S. development. The refusal of the Department of the Interior to await establishment of a national energy policy, and the refusal to postpone designations until after an adequate final program E.I.S. is considered in the decision making process, indicates that the E.I.S. is only a post hoc rationalization for a decision which has already been made.

VI. THE FEDERAL COASTAL ZONE MANAGEMENT ACT

The Department of the Interior's plans to proceed with O.C.S. leasing prior to the completion of coastal zone management plans by impacted states circumvents the purposes of the 1972 Coastal Zone Management Act. O.C.S. leasing should be postponed until such time as the states have had an opportunity to adopt coastal zone management plans and have such plans approved by the U.S. Secretary of Commerce, as provided for in the Coastal Zone Management Act. Once such approval is obtained, any federal agency conducting or supporting an activity directly affecting the coastal zone shall, to the maximum extent practicable, conduct such activities consistent with approved management programs.

The Energy Element of California's Coastal Plan adopted by the Coastal Commission on January 23, 1975, proposes for California the policy that new offshore oil and gas development shall be permitted only after: (1) the need for petroleum has been clearly established in light of anticipated flows to California from the Alaska north slope and other production sources, and consideration is given to California's capacity to refine and store anticipated inflows; or (2) development of the O.C.S. off California has been clearly identified as an integral and priority part of a comprehensive balanced national energy conservation and development program. Other policies in the energy element adopted by the Coastal Commission include: (1) allowing offshore drilling only where safe; (2) encouraging consolidation of drilling production and processing sites; (3) requiring the use of submerged completion and production systems where feasible and environmentally safe; (4) minimizing the impact of onshore facilities; (5) establishing an oil spill liability fund; and (6) protecting against any adverse impact of O.C.S. development by seeking an agreement with the Department of the Interior that no federal leases be approved until the Department of the Interior makes a commitment to undertake a comprehensive environmental protection plan in regard to O.C.S. development. The policy recommendations of the California Coastal Zone Conservation Commission have evolved out of a long planning process. The Department of the Interior should not be allowed to circumvent the purposes of the Federal Coastal Zone Management Act by ignoring the position of the California Coastal Zone Conservation Commission in regard to O.C.S. development.

FOREIGN INVESTMENTS IN THE UNITED STATES

Mr. HUDDLESTON. Mr. President, over a year ago, when the Federal Energy Administration Act was being considered, the Senate adopted an amendment I offered directing the new FEA to conduct a preliminary study of foreign investment in U.S. energy sources and supplies and to monitor any new investments. Then, we were in the midst of the Arab oil embargo and painfully aware of the unreliability of foreign-controlled energy.

Now the embargo has been lifted, but our problems remain. They simply have taken a different slant. Last year, the Arab oil producers amassed a $60 billion capital surplus. That surplus is expected to escalate to $70 billion this year, $650 billion by 1985, and a staggering $1.2 trillion by 1995—enough to pay for all the goods and services produced here in the United States last year. This is money above and beyond what the World Bank estimates the Arab nations can rechannel into their own economies. So, this money is going to have to go abroad.

Consequently, the information contained in the "Report to Congress on Foreign Ownership Control and Influence on Domestic Energy Sources and Supply," just published by the Federal Energy Administration, is even more vital and relevant than when the study was mandated.

Two things stand out in the FEA report—first, existing data collection procedures are sorely inadequate. They fail to identify completely, much less allow any monitoring of those companies over which foreign interests exert influence. While data relating to foreign investment is collected by countless agencies and departments throughout the Government, there are no data collection activities oriented specifically toward foreign investment for its own sake. Even in compiling its report, FEA had to rely primarily on private publications as their principal source of information and to include the caveat that "there is no assurance that this report, or any other report for that matter, can present a comprehensive list of foreign ownership activities in the U.S. unless substantial efforts are made to improve data collection."

The Foreign Investment Study Act, enacted last year, directing the Secretary of the Treasury and the Secretary of Commerce to conduct a comprehensive, overall study of foreign direct and portfolio investments in the United States—the first such benchmark study in over 15 years—is a step in the right direction. But, we need a permanent monitoring mechanism, and I plan to work toward that goal.

Second, the FEA report points out that although foreign participation in our domestic energy industries is relatively small, it is growing, and at a faster rate than foreign investment in the rest of the economy. The report cites Department of Commerce figures indicating that the book value of foreign direct investment in U.S. energy is increasing at an annual rate of 14.3 percent, compared with a 10.2 percent annual growth for total FDI in the United States and, with the Arabs looking for investment opportunities for their excess capital, and Europe and Japan under pressure to reduce their dependence on OPEC, the United States could look more and more like a good landing spot.

Already, according to the report, 27 foreign companies control a little more than 10 percent of our oil and gas lease acreage, refinery capacity and refinery sales, branded service stations and gasoline sales. Nearly 9 percent of our petroleum production and over 4 percent of our natural gas production is controlled by foreign companies. Nineteen coal companies and mines, which accounted for 4.4 percent of our total coal production in 1973, are wholly owned or partly financed by foreign companies. Two producers of uranium are foreign controlled. And, I think that we can safely assume that even greater foreign investments in energy are masked by the data deficiencies described above.

I am not attempting here to build a case for or against foreign investment in the energy or any other sector of our economy. Undoubtedly, there is much to be gained from such investment—capital, of particular importance to the energy industries in view of their massive projected needs; new technology; and more jobs. But, foreign ownership or control of our natural energy resources could have very serious consequences in the not too distant future by leaving essential energy supplies in the hands of those whose foremost interests are not necessarily our own. It is imperative that the monitoring of foreign investment in energy be consolidated and intensified, and that the implications of such investment receive very careful attention and study in both the Congress and the Executive.

I ask unanimous consent that the executive summary of the FEA report be printed in the RECORD.

There being no objection the executive summary was ordered to be printed in the RECORD, as follows:

EXECUTIVE SUMMARY

In response to Section 26 of Public Law 93-275, the "Federal Energy Administration Act of 1974," this report is a "review of foreign ownership of, the influence on, and control of domestic energy sources and supplies," and makes recommendations that will permit the monitoring of such foreign ownership. The current foreign interest in domestic energy activities, expressed in relative and absolute terms, is highlighted in the Executive Summary.

I. FOREIGN COMPANIES AND INTEREST

A foreign company is understood to mean any company in which a foreign person(s), either as individuals or as affiliates, holds a controlling interest. The Bureau of Economic Analysts (BEA), Department of Commerce, requires foreign direct investments (FDI) to be reported by every company which is controlled 25 percent or more by a foreign interest.

This study has attempted to identify companies that meet not only the BEA criteria, but those which have lesser foreign interests as well. Specifically, such lesser interests include investments in US coal and uranium ventures. A number of foreign interests reported herein merely involve loans or advance payments.

II. PARAMETERS OF ENERGY CONTROL AND INFLUENCE

Specific energy production, sales, and financial data for the year 1973 were used to measure the control and influence of foreign involvement in US energy markets. Such quantifiable parameters were selected on the basis of availability and relevancy.

It is apparent that these parameters alone do not permit a precise measurement of foreign influence within the US energy market. The problem of measuring influence is one of identifying the flow of capital investment in new US companies and in existing companies; also in determining the extent to which leverage may be gained through external national energy policies.

On the basis of selected parameters, the foreign ownership control of most phases of US energy activities represents less than

12 percent of total US energy interests. The foreign participation in the US energy markets appears to be dominated by four foreign petroleum companies; the Shell Oil Company, the British Petroleum Company (including the Standard Oil Company of Ohio), American Petrofina, and the Signal Oil and Gas Company. These companies account for over 90 percent of the foreign ownership control.

Foreign Control of Petroleum and Natural Gas:

This study identifies 27 foreign companies, or subsidiaries of such companies, which control some segment of US petroleum and natural gas supply. In addition to these, there are a few companies with minor interests mainly in the form of joint ventures with US firms; the status of these interests are too numerous to detail, and not significant in the aggregate.

The BEA indicates that the book value of FDI in US energy in 1973, amounted to $4.4 billion. This value has increased at an average annual rate of 10.3 percent from 1960 through 1973, and more recently 14.3 percent from 1970 through 1973. In absolute terms, during the last three years, FDI increased $1.44 billion. On the other hand, US corporations' direct investment (DI) in foreign petroleum is approximately 7 times greater than FDI in US petroleum. In the most recent years, 1970 to 1973, US DI increased at an average annual rate of 7.3 percent; an absolute increase of $7.9 billion.

The leading source of FDI in the US are subsidiaries of companies incorporated in Western European nations; accounting for approximately 77 percent of the total FDI in petroleum in 1973.

Table I shows the parameters by which foreign control of domestic petroleum and natural gas for 1973 is measured as well as the relative importance of those energy values and volumes.

Based on public data sources, it is estimated herein that the 27 foreign petroleum companies control in a general sense slightly over 10 percent of US oil and gas lease-acreage, refinery capacity and refinery sales, branded service stations, and gasoline sales. Foreign ownership seems to be greater in downstream energy operations.

Nearly 9 percent of US petroleum production and over 4 percent of natural gas production is controlled by foreign companies, and such companies have a net interest in less than 3 percent of the nation's producible wells. The reserves of petroleum and natural gas reported for at least the leading foreign companies represent 11 and 5 percent of US total proved reserves as of year-end 1973, respectively. But the reserves stated by companies in Annual Reports may not be the same values as those reported by the American Petroleum Institute and the American Gas Association. The respective reserve classification criteria are different and therefore render such data unsuitable for comparative analysis.

TABLE I.— PARAMETERS OF FOREIGN CONTROL OF DOMESTIC PETROLEUM AND NATURAL GAS ACTIVITY [1]

	Top 4 foreign companies [2]	All foreign companies [3]	Percent of United States
Total assets (billions)	$8	$8.2–$8.4	[4] $7
Gross sales (billions)	$7	$7.3	[4] $7
Net income (millions)	$482	$500	[4] $6
Leaseholds [5] (million acres)	20	40	11
Net producible wells (thousands)	14.5	15	2.4
Production:			
Petroleum (million bbls)	276	289	8.6
Natural gas (billion CFT)	932	945	4.3
Refineries operating: [6]			
Number	13	[3] 20	8
Capacity (millions of barrels per day)	1.49	1.6	11
Sales (million of barrels)	582	607	10
Imports:			
Crude oil (thousands of barrels per day)	332.1	347.0	10
Products (thousands of barrels per day) [8]	48.2	55.4	6
Residual fuel (thousands of barrels per day)	95.3	103.8	5.7
Marketing:			
Service stations (thousands) [7]	24	25.5	11.7
Gasoline sales (billion gallons)	10.57	11.16	11.1

[1] See app. C for Occidental Petroleum Corp. interests in United States. The chairman reportedly indicated that a "Saudi Arabian businessman had acquired a large block—of stock." Reference: Los Angeles Times, Dec. 3, 1974.
[2] Shell Oil Co., BP—State of Ohio, American Petrofina, and Signal
[3] See app. B, pt. I.
[4] "Index Petroleum Companies"—The leading 20 U.S. petroleum companies excluding those identified as foreign-owned. Shown in app. D.
[5] Includes one reportedly shut-in with crude distillation capacity of 13,000 barrels per day.
[6] Including unfinished oils.
[7] Branded.

The total assets of the foreign petroleum companies are estimated to range from $8.2 to $8.4 billion, which is equivalent to 7 percent of the total assets of the "Index Petroleum Companies" which comprise the 20 leading companies in gross sales; they are used herein for relative comparison. The gross sales of the foreign companies amounted to approximately $7.3 billion and their net income was $0.5 billion; equivalent to 7 percent and 6 percent, respectively, of the "Index Petroleum Companies."

Control based on Census Petroleum and Natural Gas Data:

The Bureau of Census' aggregated 1972 data for these foreign companies tends to corroborate or show a greater value than the information collected from various public sources. A summary of the significant census parameters are shown in Table 2.

For purposes of monitoring foreign ownership, corroboration from this source is essential, although the data lags the availability of public data by one year. Even though the public and Census data universes are not identical, the elements are sufficiently similar to be useful for comparative purposes.

TABLE 2.—1972 BUREAU OF CENSUS, AGGREGATED FOREIGN OWNERSHIP DATA [1]

Item	Foreign companies [2]	Total United States [3]	Percent foreign
SIC–1311 [4] crude petroleum:			
Value of shipments (billion)	$1.15	$10.74	$10.7
Volume of shipments (billions of barrels)	.34	3.19	10.8
Natural gas:			
Value of shipments (billion)	$.23	$4.07	$4.8
Volume of shipments (trillion cubic feet)	1.11	20.63	4.2
Capital expenditures (billion)	$.29	$3.02	$9.7
SIC–2911 refining:			
Value of shipments (billion)	$3.12	$25.88	$12.0
Capital expenditures (billion)	$.09	$1.07	$7.6
Gross value of fixed assets (billion)	1.75	[5] 16.8	10.4
Product shipments (billion)	3.01	25.37	11.9
Gasoline (billion barrels)	.30	2.39	12.6
Jet fuel (billion barrels)	[6] 0.05–.10	.31	16–32.0
Distillate (billion barrels)	.11	1.04	10.4
Residual (billion barrels)	0.02–.05	.34	6–15.0
Gasoline service stations:			
Total sales (billion)	[7] $.28	$33.66	$8.3
Number of service stations (thousands)	1.78	226.47	7.9

[1] Task No. CG0375–025–0–4.
[2] See app. B pt. I.
[3] As published in respective 1972 Bureau of Census Series.
[4] Bureau of Census Standard Industrial Classification of Industries.
[5] Estimated, not Census data.
[6] Range used to avoid disclosure.
[7] Includes sales of fuel oil and LP gas retailers.

Foreign Control of Coal and Uranium:

There are 19 coal companies and mines which are partly financed or wholly-owned by 15 foreign companies. The coal properties' foreign capitalization is estimated at $400 million. The nature of the investments include equity acquisitions, joint venture agreements, and loans offered as advance payments. The foreign coal properties produced approximately 26 million tons of coal in 1973, or 4.4 percent of total US coal production.

The single largest foreign coal producer is the Old Ben Coal Company, owned by the Standard Oil Company of Ohio (itself partially owned by British Petroleum Company). In 1973, Old Ben produced 11.5 million tons, nearly 2 percent of the US total production and 45 percent of total foreign owned production. The Company's reserves are estimated to be 825 million tons, less than 0.5 percent of the US' estimated recoverable coal reserves of 197 billion tons.

There are two foreign controlled producers of uranium in the US; both Canadian. The Rio Algam mine in Utah provides 5 percent of total US production, or 675 short tons of uranium oxide. The capital investment in this operation is estimated to be $25 to $35 million. Canadian Hydrocarbons, Ltd. operates two uranium mines near Uravan, Colorado, with a production level approximating 511 thousand tons per year, of high grade uranium-vanadium ore. The company has 40% equity in the mines.

In addition, French and German companies are involved in uranium exploration. It has been reported that the German effort is funded by approximately $8 million.

III. ANALYSIS OF FOREIGN OWNERSHIP INFLUENCE

The analysis of foreign ownership of US energy activity indicates that direct foreign influence over US energy ranges from 2.4 to 12 percent. The greatest influence seems to be in petroleum downstream operations. Foreign interests in US refineries is equivalent to approximately 11 to 12 percent of such total activities. It is likely that foreign influence in domestic energy activities will increase. The thus far unsuccessful attempt by Olympia Oil Company to build a refinery along the New England coast is an example of this effort.

Recent price and supply actions by the OPEC countries have encouraged other major energy-consuming nations to seek to diversify their sources of energy supply. Having inadequate indigenous energy-resource bases of their own, by which to reduce their dependency upon the OPEC cartel, they will likely seek to participate in US attempts at expanded production. This is evident in the case of European and Japanese efforts to increase their nuclear power capacity.

Since sources of uranium, especially enriched uranium, are limited, the US will probably receive increased attention as a supplier of nuclear fuel. The Administration is supporting the position that additional enrichment capacity arising after 1984 should be supplied by private industry to meet US and foreign needs. Foreign interests will be encouraged to participate in the building of additional US capacity.

Along these lines, Royal Dutch/Shell has acquired 50 percent of General Atomic Corporation which produces nuclear power-generating systems. General Atomic supplies High Temperature Gas Reactors and reactor components to both foreign and domestic customers. Foreign sales, as of July 1974, have been limited to three reactors sold to South Korea.

The prospect of increased growth of foreign interest in US petroleum and natural gas may occur as the result of the downturn in drilling activity in Canada. Some Canadian companies view the Canadian government's tax and royalty levies on petroleum to be unreasonable, and consider its energy export policies too restrictive. The more favorable US economic and energy marketing climate thus will likely attract new capital from the North. A number of Canadian firms have already actively participated in the Federal Government's October 1974 OCS lease sale—particularly in the royalty bidding portion of the sale.

Beyond the likelihood of expanded European, Japanese and Canadian involvement in broader US energy market operations, there exists the possibility that large sums of OPEC petrodollars will find their way into the US energy market.

If the US deems itself to be threatened by foreign energy-related FDI, precedents exist for the restriction or outright prohibition of such investment. Notable examples of such exclusions involve the field of communications, transportation, defense, banking, insurance, and power. Of these examples, power generated by hydro or nuclear sources comes closest to an example of foreign ownership prohibition in US energy activities. Foreign owned corporations may develop hydroelectric facilities if chartered under US law, but are restricted from navigable rivers. Similarly, foreign-operated facilities for the production of nuclear fuels are expressly forbidden unless conducted as a joint venture with a US corporation.

In yet another area, it is forbidden for Federally-owned lands to be acquired or exploited by aliens. However, foreign-controlled corporations, as shown in the present study, may do so if the country of the parent company grants reciprocal rights to U.S. citizens.

Whether these and similar (state and local) restrictions should be extended to include a broader range of energy-related U.S. activities is judgmental and a very complex issue. In the past, most U.S. DI studies have analyzed the international investment flows of privately-owned companies whose transfers of wealth were predicated upon anticipated foreign market conditions. OPEC investment flows are largely under direct control of producer governments.

Under its industrial security regulations, the Department of Defense reviews the security clearances of facilities which are determined to have come under foreign "ownership, control, or influence." If the Department finds in the course of its review that a reasonable basis exists for concluding that compromise of classified information may result, the facility's security clearance may be revoked, thus making it impossible for the firm to continue its classified defense work.

It should be mentioned, however, the DISP approach toward assessing foreign influence is not fool-proof. One significant deficiency results from the procedural practice of disguising true ownership holdings through a street-name nominee to the company's Board of Directors. However, the DISP examiners maintain that so long as foreign influence through a "beneficiary owner" remains latent, U.S. security is not jeopardized.

IV. MONITORING OF FOREIGN INTERESTS IN U.S. ENERGY

The parameters used to identify apparent foreign ownership control may lack detailed accuracy. However, the magnitude of error is not likely to result in a substantially different conclusion.

It is possible that the largest error in estimating foreign control and influence over U.S. energy industries and activities may occur because of the inherent difficulties in identifying those companies over which foreign interests exert influence. The data collected by the Federal Government for the purpose of maintaining balance of payments accounts and for collecting corporate tax statements, and for the registration of corporation security acquisitions undoubtedly well serve their intended needs. Nevertheless, such data systems are not completely useful in their present form for monitoring foreign capital influence in U.S. energy activities.

V. MONITORING RECOMMENDATIONS

This report illustrates the extent to which the monitoring of foreign control and influence can be accomplished. The control parameters may be reasonably accurate; however, the identification of foreign companies lacks verification.

Improved reliability in monitoring foreign control and influence will require:

(1) Systematic identification of foreign-interest investments in specific sectors of US energy activities, including the amounts of such investments and the sources of capital; and

(2) Coordinated effort between all government data systems which collect and collate pertinent energy data, corporation equity interests, and foreign investments.

These objectives can be accomplished through the current programs of the IRS, the SEC, the BEA, and DOD, together with such other energy data sources as the Bureau of Land Management, the US Geological Survey, the US Bureau of Mines, the Federal Power Commission, and the Atomic Energy Commission. These respective data sources could develop a reasonable profile of foreign investments in US energy activities. However, despite such efforts, foreign investors may mask stock ownership through the use of US and/or foreign nominees.

Additional recommendations regarding monitoring of foreign investment should be forthcoming from the study being conducted by the Departments of Commerce and Treasury pursuant to Public Law 93–479 due to be completed in 1976. The law authorizes and directs those Departments to conduct a comprehensive overall study of foreign direct and portfolio investments in the United States. This is to be a benchmark study funded by $3 million; this is not a continuing effort. The provisions of the Public Law 93–479 do not call for the specific participation of the FEA.

PLIGHT OF THE CATTLEMAN AND BOON OF THE OILMAN

Mr. ABOUREZK. Mr. President, a humorous, but all-too-true, letter to the editor recently appeared in the Aberdeen American News, one of the daily newspapers in my home State.

So that my colleagues can share Andy Barondeau's view of the plight of the cattleman and the boon of the oilman, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER TO THE EDITOR,
Aberdeen (S. Dak.) American News,
February 18, 1975.

TO THE EDITOR: We have been hearing, for some time now, that due to the present cattle price disaster we will have a shortage of meat in the next two years.

After much careful study and close attention to the ideas of President Ford and Secretary of the Treasury William Simon, I have come up with an idea that will save the cattle industry and make the United States self-sufficient in the meat market.

My plan is simple. First, to combat the drain of dollars to foreign nations, we slap a $3 a barrel tax on all imported meat. Then we give the cattlemen the power to raise the price of domestic meat up to a point to discourage consumption, so that there will be enough meat to go around. Then we should give the consumer a rebate on his income tax so he can afford to buy meat.

Of course, it will take some time to get this plan into gear, so in order to expedite the matter, we should send troops into Argentina and Australia to see that our foreign supplies are not imperiled.

To those people who want more information on how this plan would work, I suggest they write the Esso Corporation in care if Vice President Rockefeller, and they can supply all the information you need.

A. J. BARONDEAU,
Onaka, S. Dak.

FEDERAL NO-FAULT LEGISLATION

Mr. BUCKLEY. Mr. President, I have recently been advised that if the "no-fault" insurance legislation that the Senate adopted last year had been enacted into law, automobile insurance rates in New York would have been increased 15 percent, thereby wiping out the savings that New Yorkers have enjoyed ever since our State adopted its own legislation: I also understand that if the Senate version is adopted, a number of small but reliable auto insurance companies may be put out of business.

It is for these reasons that I have written the distinguished chairman of the Commerce Committee, Mr. MAGNUSON, urging that new hearings be scheduled on the bill before it is again reported out. I ask unanimous consent that a copy of my letter be printed in the RECORD at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

UMI

Mr. BUCKLEY. Mr. President, I have mentioned these matters today in the hope that Senators from other States will inform themselves of the probable cost to their constituents of the bill we adopted last year. They, too, may find that it is not in the interests of their constituents.

EXHIBIT 1

HON. WARREN G. MAGNUSON,
Chairman, Commerce Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: Your announcement that no hearings will be held on federal no-fault auto insurance legislation in this Congress is unsettling. I am concerned that views on this important subject are merely to be forwarded by February 10 to a committee staff member, even though the legislation is substantially different from that which was before the committee in 1973 and the economic circumstances are also changed.

I hope that we are in agreement that any action taken by the full Commerce committee or the Subcommittee on Consumer, on which I am privileged to serve as Ranking Minority Member, will be: (1) helpful to the economy, (2) non-inflationary, (3) respectful of the serious problems facing small carriers, and (4) counter to the ever-increasing size and cost of the federal bureaucracy. I cannot urge strongly enough the need, particularly during these critical times, to exercise an extra degree of responsibility and caution.

While it is true that a bill similar to S. 354 was passed by the Senate last year, this measure is not the same as the one reported by the Commerce committee and considered by the Judiciary committee in the last Congress.

The Abourezk amendment removing the $2,500 deductible from any tort recovery is likely to increase the cost of insurance. A second Abourezk amendment reducing the tort threshold from 6 months to 90 days could run counter to one of the purposes of the bill by failing to produce any lessening of the congestion in the courts. These are matters which should be subject to analysis in public hearings.

The Mondale amendment making health insurance the primary source for medical benefits could result in duplication of efforts in accident investigation, or, in this period of high unemployment and continued layoffs, the loss of benefits to a worker who finds himself without a job. This is another question on which hearings could effectively assess the implications.

The Biden amendment in effect gives a 4-year moratorium on meeting federal no-fault standards to states which have existing no-fault laws while forcing the other states to accept much stronger laws.

The Percy amendment, requiring an annual report from the Secretary of Transportation on just about every aspect of the operation of the states' no-fault laws, amounts potentially to a total federal regulation of the insurance industry and should be studied carefully before it is implemented. The Secretary of Transportation certainly should be asked to testify on this amendment.

The Moss amendment, providing grants to the states to cover the cost of implementing no-fault laws and authorizing the appropriation of $10 million for this purpose, raises serious questions about the funding of a federal no-fault standards law and completely destroys the cost-savings argument.

In view of these and other changes made in S. 354 since it was last considered by the Commerce committee, I would urge that the committee hold full hearings on no-fault legislation.

The no-fault concept is as intriguing as it is controversial. My own state of New York, in keeping with its role as a great insurance state, has enacted a no-fault law. But as I understand the provisions of your bill, New York's no-fault law would not meet the federal standards established by S. 354. I believe we must be very careful in making proposals which would change existing state laws, especially laws so recently enacted. I am not at all convinced a standard dictated from Washington is better than one enacted at Albany, or any other state capital.

I note the Senator from Michigan, Mr. Hart, is a co-sponsor of your bill, S. 354, and that he took great pains to praise the Michigan no-fault law. I think this praise is most appropriate, and I am pleased that Michigan has experienced such great success with its no-fault law. So has New York. And yet the New York law is not the Michigan law. Both states have shown imagination and initiative in meeting the problem of automobile insurance reform, and both are to be commended. But does this mean that New York and Michigan should have identical laws? I do not think so. What is important is the fact that both states saw a need and faced it on their own ground with laws attempting to meet the needs of their own citizens.

Some 23 states representing 52 percent of the nation's population have no-fault automobile insurance laws. Other states are already working on additional laws, such as Virginia where one passed the Senate. I think it is important that this process of state experimentation be encouraged. To cut off this debate could be very harmful to the consumer. We should be looking at results in the states, not imposing a cure for a disease which the patient may not even have.

There seems to be a great deal of controversy about the cost of federal no-fault legislation. It is vital that we clear up any questions concerning the cost of this new program to the consumer. I have seen figures on both sides—some claiming a decrease in premium costs and others an increase.

According to information disclosed during the debate on S. 345 last year, premiums in New York state would probably not change too much from what they were under the old tort system. But the New York no-fault law directed a 15 percent reduction in premium rates; so, in effect, S. 354 could mean a 15 percent increase in rates in New York drivers since they are presently 15 percent below the old tort rate. I am advised that these estimates of increased costs to New Yorkers have since been confirmed. This alone suggests the desirability of hearings to determine the real cost of the bill, now that the industry has had the chance to calculate rates on a state-by-state basis. New cost studies should be run on S. 354 in view of the changes made in committee and by amendments on the Senate floor.

There is still a serious question as to the constitutionality of S. 354. In his often quoted speech before the Life Insurance Marketing and Research Association last November, then Attorney-General Saxbe said, "The Administration is concerned that as now written the Senate bill may be unconstitutional."

The Justice Department has never presented testimony on the constitutionality of S. 354 before the Commerce committee. Last year the department did submit a statement to the Judiciary committee after its hearings were completed in which the bill was viewed as unconstitutional.

The Justice Department should be asked to present testimony before the Commerce committee on this most critical question of constitutionality.

These times have been particularly difficult for small business, and it is important that we do all we can to help small business. We must be absolutely certain a federal no-fault insurance bill is not anti-small business. I have heard from presidents of small insurance companies that the standards proposed by S. 354 could force them out of business.

In the current economic situation, it would be tragic to take precipitous action resulting in the demise of some insurance companies with a resultant increase in unemployment, a lessening of competition, a disruption of the marketplace, fewer and more costly choices for the auto insurance consumer, and an inevitable federal bureaucracy to oversee this, leading to yet another case for regulatory reform.

I realize you and I may be viewing automobile accident reparation reform from different philosophical viewpoints, but I think we both share a concern for the consumer In view of the many unanswered questions concerning national no-fault legislation, and the need, dictated by present economic conditions, for a full and careful study of this matter, I reiterate my belief that full hearings are essential before any measure can be reported.

Sincerely,

JAMES L. BUCKLEY.

SAYING NO TO "ONE MORE TIME"

Mr. McGOVERN. Mr. President, one of the best informed and most thoughtful editors writing in America today is Mr. James Wall of the Christian Century. I always read his editorials with interest and profit.

The February 5–12 issue of the Christian Century carries an editorial entitled "Saying No to 'One More Time'." It is a fervent appeal for America to halt its military shipments to Southeast Asia.

I ask unanimous consent that this worthy editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SAYING NO TO "ONE MORE TIME"

The Speaker is Robert McNamara, computer genius from the automobile industry who became the master builder of the war in southeast Asia: "Every quantitative measure we have shows we're winning the war." The time was 1962—almost a decade and a half ago. Since then, military and political leaders have continued to speak of Vietnam in this same language of victory. Only a little more, and we can win it. Now, with a new Congress looking critically at his military budget, President Ford says it again: "If adequate dollars which are translated into arms and economic aid [were] made available . . ., within two or three years the South Vietnamese would be over the hump . . ."

Have we learned absolutely nothing from the agony of getting over humps, turning the tide of battle, or "defeating" a communist enemy in an unwinnable war? Thirteen years after Robert McNamara put the costs and results through the Pentagon computer and concluded that we were winning, President Ford is saying that still more dollars are needed to kill our way to the ultimate triumph. Soon, as the campaign to increase aid to President Thieu is stepped up, we will be hearing new versions of this 1967 claim by Walt Rostow: "It looks very good. The other side is near collapse. In my opinion, victory is very near. . . . I'll show you the charts. The charts are very good." These and similar statements, compiled by William G. Effros in Quotations Vietnam, have the virtue of consistency. The officials quoted by Effros assessed the situation and drew the wrong conclusions—but the inadequacy of their logic was not recognized until other lives had been lost, other resources wasted.

The long history of failure in southeast Asia is filled with short-term predictions of success based on shaky premises. These prognostications are somewhat akin to those made by stockholders who have a ready answer to explain why the market has bottomed out, or why a particular stock is still worth holding onto even after it plunges 75 per cent within three months' time. The truth is that the broker doesn't really know when the bottom is reached, and he can't really say why one stock plummets and another soars. He is gambling—predicting that because something has reacted one way in the past, it will react the same way in the future.

The various premises used to justify U.S. involvement in the Vietnam war have long been discredited, but still they are trotted out to suggest that we try it one more time. Perhaps it has been said best in the cartoonist's line: "In order for us to see the light at the end of the tunnel, we'll have to get back in the tunnel." The specific request to "re-enter the tunnel" comes in the form of a $300 million supplemental sum for military aid in South Vietnam and $222 million for Cambodia. Both of these requests are in addition to the already heavy commitment we have in southeast Asia. Opposition to the additional monies has been expressed by the usual antiwar congresspeople, but even Senator Henry Jackson (D., Wash.) has said he thinks enough is enough.

The Assembly to Save the Peace Agreement, held in Washington January 26, attracted little attention (in contrast to the major headlines reporting an unrelated bombing in the State Department), but the religious and secular participants at the assembly have helped remind us of the folly of addressing the Vietnam problem with additional military force. This assembly followed by one week the death of one of this country's major peace leaders—Harold Bosley, former pastor of Christ Church (United Methodist), New York City, and a member of the Christian Century Foundation board of trustees (see page 104). An article believed to be the last piece Dr. Bosley wrote—and which will appear in the March issue of Christian Ministry magazine—provides us with a premise that is not shaky, one that will stand firm as a guiding word to all who are tempted to believe that one more military victory will solve our problems. Discussing his ministery, Dr. Bosley recalled:

My "conversion" to pacifism and other forms of radical peace action came in my student days as a direct result of trying to make sense of Whitehead's insistence on the place of "eternal objects" in "process and reality." If love . . . is an alternate name for all these [objects], then it obviously must be a factor in life, thought, and resolution. . . . I could find no way whatsoever of relating the notion of love to the process of value in this universe without saying "no" to both the things that make for war and to war itself.

This country must insist that the war in southeast Asia be halted now and that the peace agreement be implemented. The armaments the United States supplied President Thieu just before the signing of the agreement two years ago have been in constant use and are now in need of replacement. But there is no point in continuing this charade of "just one more time." It is not a war that can be won, because it is a war we have already lost. Harold Bosley's final word to us must be heeded. We must say "'no' to both the things that make for war and to war itself."

REFORM OF RULE XXII

Mr. CLARK. Mr. President, shortly the Senate will resume consideration of Senate Resolution 4, which would amend rule XXII of the Standing Rules of the Senate regarding the limitation of debate. The resolution would require a vote of three-fifths—rather than the current two-thirds—of those present and voting to limit debate.

This proposal, of course, already has been extensively debated on the floor of the Senate. But three of Iowa's leading newspapers have recently commented on the need to reform rule XXII, and I would like to share their comments with my colleagues. Perhaps no other reform that could be made in this Congress would have greater impact and importance than changing the filibuster rule.

I ask unanimous consent that editorials from the Cedar Rapids Gazette, the Sioux City Journal, and the Des Moines Register be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Cedar Rapids Gazette, Jan. 26, 1975]

DEVALUING HOT AIR

Whether used for good ends or bad (depending on who does the judging) the filibuster is a sneaky means: a parliamentary device for preventing action by long talk. Once again, reformers in the U.S. Senate are trying to remove a little of the wallop from this legislative club. The way would be a change in Rule 22 to chop off filibusters by a three-fifths vote instead of by the two-thirds bulges now required.

Even though this would not fully beat the filibuster dodge on principle, it would remove at least a little of its weight. That is worth accomplishing for starters.

The Senate's central function is the same as any legislative body's: to pass or turn down changes in the public law after full consideration and debate. Good or bad, wise or stupid, any seriously-taken measure should be settled on its merits in an open vote: yes or no. The filibuster—endless oral repetition till the time for doing anything runs out—prevents fair settlement by rating subterfuge above decision.

Ideologically, the filibuster now is no one's special or exclusive guard against evil. Civil rights foes used it often in the past to fend off race-relations change. The liberal camp has used it more recently to fight such items as the SST, the draft, Vietnam war-funding and assorted weapons programs. Either way, the weapon gives small, stubborn factions veto-power over legitimate proposals which deserve to be disposed of one way or the other in a straightforward vote.

The common argument for keeping this device alive is that it blocks "dictatorship of the majority," protects minority rights, prevents majorities from ruling too casually and crimps too-hasty action. But other built-in checks and balances do that job better: Both houses have to render separate judgments on each bill. The President can veto any rammed-through follies. Vetoes can be overcome by two-thirds votes. Court tests and appeals can invalidate bad laws. Other votes on other days in congress always can undo what others did before.

In short, the filibuster generates a legislature's inability to legislate and thus a breakdown of the Constitution. It wastes great blocks of time that can be better spent. It interferes with other kinds of business needing work. And it is hypocritical in essence, vesting hot air with the garb of solid, forthright votes.

Shrinking down the windbag by a few percentage points may not cure all of what is wrong with filibusters, but it certainly can help.

[From the Sioux City Journal, Feb. 14, 1975]

FILIBUSTERS: GOOD OR BAD?

The U.S. Senate, where the filibuster has been used for generations to block bills by talking them to death, slowly is making strides toward reducing, or eliminating, the maneuver.

Proponents of the art, many of them from the deep south, continue to oppose any more tinkering with the filibuster, but they may well be waging a losing battle. The Senate now is looking at a proposal by Sens. Walter F. Mondale, D-Minn., and James B. Pearson, R-Kan., which would allow a filibuster to be stopped by a three-fifths majority of those voting instead of the present two-thirds. A southern senator, James B. Allen, D-Ala., promises to talk that rule change idea to death—under the filibuster system.

Allen's point is that debate has halted "hasty or ill-conceived action which could have wrought much mischief." Pearson agrees, but says the Senate could more fairly operate by striking a better balance between the right to debate and the right to vote.

Not too long ago, senators would talk for hours, eating candy bars for nourishment and reciting from books just to keep the filibuster going, generally performing to a virtually empty chamber. But now a member need not talk for hours on end. Instead, he merely threatens to, gives his colleagues a sample of what he means, and objects to a vote on the bill. The Senate then goes on to other business and the matter may be left hanging for weeks.

Filibustering suffered a body blow in 1959 when the rules were changed to impose cloture through a two-thirds majority of those voting instead of all 100 members. That step alone stripped the device of some of its invulnerability.

Now the Mondale-Pearson move would curtail the "talk-it-to-death" practice even further. The Senate would be wise to adopt the provision.

[From the Des Moines Register, Feb. 9 1975]

OIL FILIBUSTER

The U.S. House has voted by nearly a 3–1 margin to delay for 90 days the imposition of tariffs on imported oil proposed by President Ford. The delay is intended to give Congress time to work out its own energy-conservation program. If the Senate follows the House's lead, the $1-a-barrel tariff that went into effect Feb. 1 will be canceled.

The House was able to work its will on the oil issue simply by bringing it to a vote. The Senate may never have that opportunity. Backers of the President's oil policy are threatening to kill the House-passed bill by talking it to death. Critics of the President on the oil issue would have to amass a two-thirds vote—67 votes if all senators are present and voting—merely to have their votes recorded on the merits of a 90-day delay.

The filibuster threat ought to strengthen resolve in the Senate to reform the filibuster rule. Pending in the Senate is a resolution to modify the rule by making it possible to terminate debate by a three-fifths vote—60 votes if all senators are present and voting.

The 90-day delay proposal is responsible legislation. Congress ought to have at least the opportunity to develop an alternative to the President's widely-criticized program. Congress would be irresponsible if it sat idly by and permitted a program to go into effect

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which most experts believe would be inflationary, wasteful of U.S. resources and ineffective.

The Senate will mark itself a paper tiger if it growls about the President's program and then permits itself to be paralyzed by a determined minority. The Senate needs to break any filibuster mounted against the House bill, and to pass the bill. It ought then to prevent similar threats to worthwhile legislation by reforming the filibuster rule.

MEDICAL MALPRACTICE INSURANCE

Mr. INOUYE. Mr. President, with each passing day it becomes more apparent this Congress will have to act on the worsening crisis in medical malpractice insurance. An increasing number of journalists are turning their attention to an issue that only a year ago was largely confined to relatively obscure medical journals. Doctors in a growing number of States are facing loss of coverage this year. Those not on the verge of losing coverage are facing massive increases in their malpractice insurance premiums. The end result of this crisis will be higher medical bills for this Nation's already overburdened consumers.

Senator KENNEDY and I have introduced two bills to alleviate the malpractice crisis, and our colleague from Wisconsin (Mr. NELSON) has also offered legislation in this area. Senator KENNEDY's Health Subcommittee has scheduled hearings on malpractice to begin April 8. I hope these hearings will explore the problem and its possible solutions and will result in legislation that will solve this growing problem before it seriously damages our health care system.

Mr. President, I wish to call several recent newspaper and magazine articles, plus a letter of mine which appeared in the Washington Post, to the attention of my colleagues. I ask unanimous consent that the articles entitled "The Malpractice Insurance Emergency," from the February 1 edition of the Washington Post; "Malpractice—Scarcity of Insurance Could Lead to Scarcity of Doctors," from the February 15 issue of the National Observer; "The Doctors' New Dilemma," from the February 10 issue of Newsweek and my letter, "The Crisis in Malpractice Insurance," from the February 11 edition of the Washington Post, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From The Washington Post, Feb. 1, 1975]

THE MALPRACTICE INSURANCE EMERGENCY

(Clayton Fritchey)

President Ford may have effectively killed a new national health bill this year, but there are other badly needed improvements on the medical front that the 94th Congress can turn to, especially the pressing need to relieve the malpractice insurance crisis that is driving doctors out of business and also sharply driving up the cost of health care.

The Health, Education and Welfare Department has been discussing various plans to deal with the emergency, but meanwhile, fortunately, Sen. Gaylord Nelson (D-Wis.) is readying legislation that would establish a federally administered Medical Malpractice Reinsurance Fund, patterned after federal riot and flood reinsurance programs, to protect primary insurance companies against catastrophic claim losses.

Under the Nelson bill, companies selling malpractice protection could voluntarily pay into the reinsurance pool, which initially would pay liability claims above $25,000. (There have been jury awards exceeding $4 million recently.) The base figure would be readjusted in line with actual experience. No federal money would be used in the fund.

Faced with an increasing number of malpractice suits, as well as skyrocketing court awards, key insurance companies have been threatening to stop selling protection unless they are allowed to double or even triple their premiums.

As a result, Nelson says, physicians have increased their patients' fees, and many are now practicing "defensive medicine"—ordering unnecessary and costly procedures to protect themselves against the possibility of malpractice suits. Moreover, he adds, older physicians are being driven into premature retirement because of the high cost of practicing.

Pointing out that "this is counter to our efforts to expand medical care, particularly to under-served areas," the senator says, "clearly something must be done." His proposed reinsurance agency would be required to explore alternative methods of settling malpractice claims, such as no-fault insurances (like workmen's compensation), prelitigation arbitration and mediation.

As matters stand now, there is chaos for the insurance companies operating under different state laws. In his own state of Wisconsin, Nelson reports, the base rates for five categories of medical protection increased as much as 821 per cent between 1968 and 1974.

In New York, the company which insures 80 per cent of that state's doctors doubled its rates last July and then in December announced that the premium costs would be tripled this month. The premium for some specialists would rise to as much as $60,000 a year, all of which, of course, would be passed on to patients.

The company finally agreed to maintain existing rates until July 1, at which time it indicates it will withdraw from the market, leaving 27,000 physicians without protection unless some new arrangement can be worked out.

In California several weeks ago, physicians were stunned when two insurance companies suddenly decided to withdraw from the malpractice field. During the past seven months, California juries have given awards exceeding $1 million at the rate of one a month. In Maryland the company that insures three out of four of that state's doctors declares it won't sell any more policies after April 30. And so it goes.

Suits against physicians are increasing at the rate of 10 per cent a year. One doctor in three can now expect to be sued during his career. Contingency fees paid to attorneys are a major factor in the high cost of malpractice litigation and premiums.

Nationwide, total premium volume for medical liability insurance from practitioners and hospitals jumped from $61 million in 1960 to $370 million in 1970, and then soared to $500 million in 1973, with much higher costs in prospect for 1975.

Dr. Roger Egeberg, special assistant to the Secretary of HEW, says that fewer than a dozen companies now write at least 90 percent of malpractice insurance. "As the number of those willing to take the risk decreases," he says, "it scares the hell out of those that remain."

He notes that juries are "often carried away by the emotional appeals of trial lawyers." He shares Sen. Nelson's view that perhaps juries should be replaced with a system of arbitration and mediation or possibly some variation of no-fault insurance.

[From the National Observer, Feb. 15, 1975]

MALPRACTICE . . . SCARCITY OF INSURANCE COULD LEAD TO SCARCITY OF DOCTORS

(By John Peterson)

Last month Alaska's major medical center began flying all but emergency-surgery patients to the "South 48" for treatment. The reason is that five of the center's seven anesthesiologists no longer practice medicine because they—and 70 other Alaskan doctors—have lost their malpractice-liability insurance.

"If some means are not taken to protect physicians in Alaska in the next month and a half, the medical community here will be destroyed," says Dr. Arndt von Hippel, the Anchorage hospital's chief of surgery.

This loss of liability insurance threatens doctors across the country. For years physicians have talked of the crisis in health care created by malpractice-insurance rates, which cost some of them as much as $35,000 a year, but now insurance companies are concluding that even those huge premiums are not sufficient to cover the doctors' liability.

Indeed, the number of malpractice suits and the amounts of money that juries award injured patients or their heirs are skyrocketing. In California a jury awarded a 13-year-old boy $4,025,000 in 1973, and jury awards of over $1 million occur on the average of once a month in this state alone.

NOT MONEY MAKERS

By midsummer, physicians in Michigan, Maryland, New York, California, North Carolina, Alaska, and other states may be able to get malpractice coverage only if state legislative action requires insurers to offer policies as the price of doing any business at all in the state. Though malpractice-insurance premiums have been increasing by about 100 per cent annually for several years, nearly all insurance writers are deserting the business. The reason, says California's insurance commissioner, is that no insurance company has made money on medical-malpractice policies in the past 20 years.

This malpractice-insurance crisis is occurring basically because of the number of people suing doctors following treatment. A California assembly select committee on medical malpractice reported last year that the lawsuits reflect five major factors: the changing doctor-patient relationship, the legal-rights explosion, the impact of the media, the increased proficiency of trial lawyers, and changing legal doctrines.

And all proposed solutions revolve around those factors. Though the battle lines are still hazy, each of the proposed remedies reflect the interests of its sponsors. It is an intense debate because it involves all of the crucial health-care decisions that first surfaced with the Medicare issue in the 1960s. The next round is expected in April, when Sen. Edward Kennedy of Massachusetts is to conduct hearings on the malpractice issue before his Subcommittee on Health.

Proposed solutions came from many sources: Ralph Nader's health-research group, the American Medical Association, trial lawyers, officials such as California's insurance commissioner, the Ford Administration, and congressional Democrats, specifically Senator Kennedy and Sen. Daniel Inouye of Hawaii.

The Kennedy-Inouye proposal for a "national medical-injury compensation-insurance program" would create a no-fault injury-compensation mechanism that would be purchased by doctors from the Federal Government. Patients could use either a jury procedure or a faster administrative process for compensation from a benefits schedule. Lawyers would be compensated on a fee-schedule basis rather than a contingency-fee basis, which now allows them up to 50 per cent of a jury award.

Dr. Philip Caper, a member of Kennedy's health-subcommittee staff, explains that doctors would have to fulfil three requirements to qualify for the program. Their work would have to be reviewed by a professional standards review organization (PSRO), they would have to live in a state requiring licensing and periodic relicensing of doctors, and they would have to accept Medicare and Medicaid patients on an assignment basis.

THE AMA PLAN

The American Medical Association (AMA) and state medical societies endorse programs that would establish administrative tribunals to dispense awards based on fee schedules comparable to those in many state workmen's-compensation systems. The question of negligence by doctors—most often the key question in malpractice trials—would be replaced by a determination of whether a "medical accident" occurred.

Bernard Hirsh, the AMA's counsel, says the financing could come from Government licensing fees, perhaps an addition of 1 per cent to all medical bills, or even some system like flight insurance.

The Department of Health, Education, and Welfare contends that the malpractice issue should be resolved at the state level. HEW Secretary Caspar Weinberger recommends a Federal reinsurance fund to supplement state programs. The fund would operate much like the banking industry's Federal Deposit Insurance Corp. to support consortiums of insurance companies that provide malpractice policies.

A former California insurance commissioner, Gleeson Payne, suggests a system that would have a set schedule of payments for specific injuries, with payments to come from a malpractice pool formed by several insurance companies. He says a 50 per cent increase in the doctors' insurance premiums to an average of about $6,000 a year here would be necessary, and he says the system would work because it would eliminate the need to pay fees to lawyers and courts.

ARE LAWYERS THE SCAPEGOAT?

Dr. Sidney Wolfe, director of Nader's health-research group, likes none of the proposals. "They treat the symptoms, not the disease that creates the malpractice lawsuits," he says. "People sue because they are disenchanted with their lousy health care." He says basic reforms of the health-care-delivery system are necessary, reforms that would do such things as require the periodic relicensing of doctors, oversee the prescribing of drugs, and finally reduce malpractice lawsuits because people would be cared for in a reasonably humane health-care system.

Trial lawyers contend that they are being made the scapegoat. Nearly all of the proposals would eliminate the contingency-fee structure in malpractice suits, whereby plaintiffs' lawyers collect only if they win the case. Here, plaintiffs' lawyers normally receive 40 per cent of the payment if the case is settled before trial and 50 per cent if it comes from a jury award.

The lawyers' contingency fee provokes the ire of doctors, who contend it is partly responsible for the huge amounts of many jury awards. They cite an HEW finding that it's one of the principal reasons that only 16 or 17 cents of every malpractice-insurance-premium dollar paid by a doctor gets to injured patients.

"Lawyers do not establish the size of awards, juries do," says lawyer Robert Harlem. "People file lawsuits because they received poor medical treatment and because they now understand they're entitled to compensation for malpractice. The logic here should be that the doctors would realize the level of their health care is not sufficient, that it needs to be improved to reduce the number of malpractice claims."

Harlem says the current adversary system in the courts hurts the injured patient with a claim for only a few thousand dollars—or less.

"Those cases are as difficult to win," he says. "A lawyer's expenses can be awfully large. One case I tried cost me $25,000 out-of-pocket before the jury returned a verdict. Fortunately, we won that with a $125,000 settlement. But remember, of all the malpractice cases that go to a jury, the doctors win about 80 per cent. That means lawyers like myself receive no compensation for our efforts."

The HEW commission on malpractice determined that plaintiffs' lawyers received an average of about $63 an hour, and lawyers representing the doctors and their insurance companies usually work for $50 an hour.

Dr. Stanley Moore, president of the California Medical Association, says: "It's no longer just a problem for physicians. There's a growing realization among the public that many malpractice awards are really given to injured patients for less-than-perfect medical results. Many malpractice decisions now turn on such things as whether the doctor received the patient's informed consent before the medical procedure, rather than on whether the doctor was negligent in administering to him."

The association contends that the 37,000 doctors in the state can hardly compensate all patients who receive less-than-perfect treatment.

"You have a situation where only the sick or injured foot society's bill, society's decision that is made in the courtroom that the injured person deserves financial support, regardless of whether the physician was negligent," says an association spokesman. "The physician passes his malpractice-insurance premium on to his patients. It would make more sense to have all the state's 22 million people foot the bill rather than the already-hard-pressed percentage who are ill."

One California Medical Association proposal calls for the "medical error or accident" compensation to be added to the premium of all health-insurance plans. There appears to be growing agreement that some schedule of benefits for specific injuries must be initiated.

GOVERNMENT INTERVENTION

The greatest controversy is likely to revolve around whether doctors will continue to pay premiums or licensing fees to finance either a "medical accident" or "no fault" concept, and whether physicians will have to accept more stringent Government intervention in their practice, such as periodic relicensing.

Physicians generally contend the practice of medicine "is an inappropriate area for Government intervention," as the California Medical Association's Moore puts it. But physicians now must seek Government intervention to ensure that they will be able to continue their practice while protected by a form of liability insurance.

"One of the great criticisms of no-fault medical compensation," says Caper, "is that there then would be no one to watch over the doctor or to demand that he avoid negligent procedures." He adds that the PSRO role of checking the quality of physicians' treatment and the requirement that states periodically relicense physicians should at least work to maintain the current level of health care.

A COMPANY DROPS OUT

The malpractice crisis is most likely to spur these debates. But the immediate problem is to find ways for doctors to get liability coverage when most of the insurance companies want out.

There's been a flurry of meetings throughout the country. HEW Secretary Weinberger has been talking with state insurance commissioners, and the AMA's trustees have been meeting with insurance-company executives. And last week some doctors received encouraging if dismal news: The Argonaut Insurance Co. of Menlo Park, Calif., which underwrites some 4,000 northern California physicians and had announced it was discontinuing malpractice coverage, said it would continue to offer most doctors coverage but would boost premiums an average of 384 per cent.

Many state legislatures are being forced to act swiftly to force insurance companies to continue writing malpractice policies. But such legislative actions are necessarily interim, stop-gap moves. They do nothing to halt the spiraling cost of the insurance to doctors and hospitals. And these expenses are passed on to the patient. One Long Beach, Calif., hospital paid $14,000 for malpractice-liability coverage in 1965; its premium for 1975 is $820,000. Dr. Malcolm Todd, president of the American Medical Association, says this means the patient was paying 10 cents a day to cover the professional-liability premium in 1965. "This year each patient will pay $3.65 each day to cover those costs," he says.

Todd concluded his testimony before the New York State Select Committee on Insurance last month: "Unless a long-term solution is found relatively soon, the situation very likely will continue to deteriorate to the point of chaos. And while it is true that we physicians would suffer, it is the public that would suffer the most."

[From Newsweek magazine, Feb. 10, 1975]

THE DOCTORS' NEW DILEMMA

(By Matt Clark and Marina Gosnell)

Besides running the Children's Foot Clinic at New York's Columbia-Presbyterian Medical Center, Dr. Rosamond Kane has maintained a small orthopedic practice in suburban Rye, N.Y. But last month, she regretfully informed her private patients that she could no longer treat them. The reason, she said, is that her malpractice-insurance premiums are now so high that she would have to add $54 to each of her bills to cover them.

Over the past decade, the malpractice problem has become medicine's most serious crisis. The number of negligence suits against doctors has increased steadily and the size of malpractice awards has soared into the stratosphere. Since 1965, the average amount granted by a jury in a malpractice case has risen from $62,151 to nearly $350,000. In New York alone, the annual total paid in both jury awards and out-of-court settlements in malpractice cases rose from $1.4 million in 1963 to $17 million in 1973. Until six months ago, there had never been a judgment against a Chicago doctor that exceeded $250,000, but since then two have been made at $1 million or more, and one reached $2.5 million.

Because of the rising damage awards, the cost of malpractice insurance for physicians has increased sevenfold. In New York City, the average yearly premium for orthopedists—one of the specialties with the highest risk of malpractice action—rose from $5,000 in 1970 to nearly $15,000 last year. The premiums are considerably lower in other parts of the country, but they have doubled and trebled nonetheless. Chicago GP's with the lowest risk typically now pay $288 for protection, as compared with $120 four years ago.

OUT OF BUSINESS

As a result, many older doctors gradually phasing out of practice and young men just entering the profession find that they simply can't afford to stay in business. Dr. Frederick vom Saal, a prominent Yonkers, N.Y., orthopedist faced with a $29,000 premium this year, abruptly announced last month that he would take no more surgical patients.

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To make matters worse, many large malpractice-insurance companies are threatening to stop issuing policies altogether because of heavy losses. Early last month, Pacific Indemnity Co. of Los Angeles and Star Insurance Co. of Milwaukee dropped coverage for 2,000 Los Angeles physicians, most of whom were able to obtain coverage from their county medical society. The Argonaut Insurance Co. of California, which writes four-fifths of the malpractice policies for New York doctors, has declared it will pull out of the state in July. Doctors in Maryland, North Carolina, Florida, Michigan and Indiana face similar loss of malpractice coverage—or drastically increased premium rates.

The malpractice crisis has placed doctors, lawyers and the insurance industry at loggerheads, each profession blaming the other for contributing to the problem. Lawyers blame physicians for their increasingly impersonal way of handling patients, thus inviting suits when treatment results don't meet the patient's expectations. Doctors argue that trial lawyers have turned to malpractice litigation to make up for business lost to the trend toward no-fault automobile insurance in the U.S. They also criticize the "contingency fee" system often used in malpractice cases, wherein the lawyer takes up to half the award if he wins, but no fee if he loses: "Easily nine out of ten cases are frivolous," says vom Saal. "They're just bids to make money."

SUIT

The insurers blame their plight on the extraordinary time they are liable—the "tail" in industry parlance—under laws relating to malpractice. In most states, a suit can be brought within three years of the alleged wrongdoing. But in the case of a foreign object left in the body, the statute of limitations begins at the time the problem is discovered—possibly years after the operation. Because of the long tail period, therefore, insurance companies find it actuarially impossible to estimate what their future liability will be when setting a premium for a given year.

In the long run, of course, the malpractice muddle hurts the patient. Higher malpractice premiums mean higher doctor bills, as do the extra diagnostic tests physicians order up to cover themselves in case they are sued. Some doctors have stopped performing high-risk procedures. One New York specialist with a large practice treating the injuries of professional athletes refuses to do surgery on people with disk problems.

NEGLIGENCE

Alarmed by the magnitude of the problem, doctors and lawyers, along with the insurance industry, are looking for better ways to deal with malpractice. As a stopgap, the New York Legislature is considering a bill that would require every liability insurer in the state to pool its resources to continue malpractice insurance after July 1. U.S. Senators Edward M. Kennedy and Daniel K. Inouye have filed legislation that would set up a workmen's compensation-style malpractice program. Patients would be compensated for treatment-induced injuries—without having to prove negligence—according to a schedule of payments for medical expenses, physical suffering and loss of income. Many medical societies, including the American Medical Association, are urging the wider adoption of mediation committees of lawyers, doctors and judges to weigh cases before they go to court in the hope that such a procedure might discourage "frivolous" litigation and also cut costs.

[From the Washington Post, Feb. 11, 1975]

THE CRISIS IN MALPRACTICE INSURANCE

In a Post Column (Feb. 1), Clayton Fritchey did an excellent job describing the crisis in malpractice insurance this country's health care system now faces. As the number and size of malpractice claims rise rapidly, insurance companies are either dropping coverage or raising premiums drastically. In my State of Hawaii, premiums paid by hospitals will rise 300 per cent this year. In some states, doctors are threatened with loss of coverage. The added costs of insurance and the defensive medicine doctors practice to avoid negligence charges are, as Mr. Fritchey pointed out, only passed on to consumers.

Mr. Fritchey also noted that my good friend and colleague, Sen. Gaylord Nelson of Wisconsin, has introduced legislation to guarantee malpractice coverage will be available to competent doctors.

Sen. Edward Kennedy and I share Sen. Nelson's concern in this area, and we have introduced two bills we feel offer equally viable alternatives to the malpractice crisis. One of them, S. 215, would establish a federal, no-fault medical injury insurance program that would guarantee compensation to persons injured as a result of medical treatment. The other, S. 432, would provide federal insurance in states that establish an arbitration system for settling malpractice disputes. Sen. Kennedy and I recognize these are fundamentally different proposals, but we want all possible alternatives discussed when Sen. Kennedy's Health Subcommittee opens hearings on malpractice April 8.

Under our no-fault proposal, an injured party would be compensated automatically in a fashion similar to the Workmen's Compensation Program. Awards would cover costs of medical treatment, rehabilitation services, lost wages and non-economic losses such as pain, suffering and physical impairment. A person could collect without having to prove negligence by his physician. The program would be financed by premiums from doctors and would be designed to expel incompetent practitioners.

The average malpractice claim now takes nearly five years to settle. Sen. Kennedy and I believe it more important to care for the victim of medical injury than to spend five years haggling about blame. Under our plan, a person could elect to sue his doctor, but would forfeit the award he would otherwise receive through the no-fault system. Our bill would abolish the contingency fee system that encourages lawyers to seek huge settlements.

Adversaries in a malpractice dispute would submit to non-binding arbitration under our alternate plan. A dissatisfied claimant could initiate court action in which the arbiters' report would be admissiable as evidence. We would hope few people would find it necessary to initiate lawsuits.

The present malpractice system is unfair to everyone. The present malpractice crisis threatens to damage our nation's health care system and already is adding to the high cost of health care. This crisis must be dealt with at the national level, and it must be dealt with soon. Any of the plans now under discussion would be an improvement.

DANIEL K. INOUYE,
U.S. Senator (D-Hawaii).

DEAN WOLFMAN ON MORALITY, POLITICS, AND LAW

Mr. McGOVERN. Mr. President, the distinguished dean of the Law School of the University of Pennsylvania, Bernard Wolfman, delivered a most perceptive and thoughtful address to the Young Lawyers Section of the Philadelphia Bar Association on December 20, 1974.

I have found Dean Wolfman's address to be both inspirational and informative. He is obviously a man who thinks deeply about the moral, political, and legal principles on which our society rests.

Believing that his address will be of interest to Members of Congress, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TALK DELIVERED BY DEAN BERNARD WOLFMAN

Mr. Belsky, distinguished guests, members of the Young Lawyers Section of the Philadelphia Bar Association:

I am delighted to have this opportunity to be with you and I feel highly complimented that you have invited me to share some of my thoughts on current questions with you. It pains me to think of the number of years that have gone by since I was an active member of the Young Lawyers Section and of the fact that by your discriminatory methods of measuring youth I am no longer eligible for membership. But I delight in seeing so many of my former students among you and I remember warmly my pleasant associations in the Young Lawyers Section and the importance of its work, not the least of which is to provide an opportunity for capable young lawyers to demonstrate their leadership before the traditions of seniority in the Bar Association would otherwise permit. Thanks to the Young Lawyers Section, all of the Bar and those it serves have the benefit of the imagination and wisdom of young lawyers, to consider and to blend with those who are older, and we are all the richer for it.

Watergate and its aftermath have made all of us and all of thinking America look inward and reflect. I would like us today to be a bit reflective, and although my theme will not be one I am voicing for the first time today, I think it is worthy because it does not point to scapegoats nor to easy answers, and because all of you have to help find the hard answers.

Very often when we speak with each other about society and its structures we talk about "the system", its viability and its endurance. We do so as though there were a single, unitary system, and that that single system either fails or succeeds. In my view, the conception of a single system over-simplifies both our problems and our possibilities, and it understates the greatness and the potential which we call America. We do not have but a single system. We are rather dependent upon a complex of at least three major systems which are independent of each other while each sometimes feeds upon, sometimes nourishes, sometimes attacks the others. The extraordinary strength of our society shows in its resilience, in its ability to endure and recover from tragedy when one of the three major systems lets us down and, indeed, when even a second system fails to perform at optimal level, as long as the third system remains functional, dependable and credible.

We have a system of morality. It is the one which speaks to our fundamental values, to our concept of equality and to the rights of our fellows, the system which speaks to human decency and universal brotherhood.

The political system is the one which we rely upon for implementation of our day-to-day objectives, the system we depend upon to implement the ideals expressed in our moral system, and to provide us with a hospitable environment in which each person can seek fulfillment and peace.

The legal system is corollary to both the moral and political systems and without which neither of the others would have substantial continuity, stability and opportunity for development. The legal system assures us, or should assure us, that the reasonable expectations that grow out of our moral system and are given societal sanction in the political system, will be fulfilled. It guarantees that a remedy exists for the breach of the duties imposed on people by the politically selected government, one which should be seeking to achieve the ideals of the moral system. It guarantees that the law will prevail.

It was very easy after the early post-Watergate exposures, the impeachment hearing, and more recently during the trial of the Big Watergate Five for many people to lay the blame on the law and lawyers and the legal system. Indeed, many people found it easy and self-satisfying to accept the notion that but for the defalcations of the lawyers whom they always knew were not to be trusted, everything would be right and rosy.

I do not for a moment contend that the ethical level of every member of our profession is examplary. It is not. The ethical standards of many of those lawyers who held high political office in Washington is deplorable. But is it the legal system that failed, that produced the malaise, the lack of confidence in government, the pangs of conscience, and the growing worry which we all feel for America as we knew it and, more important, as we want it to be? I think not. Indeed, I think that the failure of our political system has been so great and the impairment of our moral system so severe that it is only because of the success of our legal system, its independence, its dependability and its credibility, that our society endures today, and that without revolution, without major upheaval, we may see our way through to the rebuilding of our political system and to the redevelopment and articulation, and perhaps even to the implementation of the values of our moral tradition.

Needless to say, I do not wish to appear partisan or narrowly political. But I think it is only partisan and political to ignore the fact that the failures in Washington, the loss of confidence in our leadership, the corruption, are all a product of the failure of our political system.

We had come to expect our elected President and Congress to act lawfully, to create a government that would set about to satisfy the yearnings of the nation. But we the people, lawyers and non-lawyers, seem to have made a mistake, a political mistake, in providing ourselves with an Executive Branch that placed itself above the law.

When the country first observed that the Executive Branch had let us down, where did it turn? Congress, a branch of our political system, was unable by its nature to take decisive action, even if it had been clear as to what that action should be. But a Senate committee, composed of lawyers, demanded that the officials of government be made to account to the law for their behavior, and the independent special prosecutor came to office almost entirely because of the Committee's insistent demand that the legal system perform, a system that had not been handmaiden to the Watergate perpetrators and concealors because a lawyer, John Sirica, serving as judge, would not sit by and allow the court to be used as a legal cover-up of illegal action, of political and moral betrayals. And so, while many were unwilling to accept their own responsibility for the political and moral failures of our Executive Branch, they were excoriating lawyers in general because of the Deans, the Mitchells, the Agnews, the Ehrlichmans, the Strachans, the Kalmbachs, and the others. Yet at the same time the nation was putting all of its faith, all of its hope for stability and for an opportunity at self-correction, in the legal system and in lawyers, in Sirica, in Gesell, in Ervin, in Dash, in Richardson, in Ruckelshaus, in Ruth, in Cox in Jaworski, and in the lawyers of the House Judiciary Committee. And today we have time to reassess, we have time for dialogue, we have time for hope and for rebuilding because one of our three fundamental systems has not failed, because the legal system, peopled by lawyers with the respect and confidence of the nation, is doing its job. This is possible only because the legal system has maintained an independence and a sense of purpose, because most people want it to work, and because most lawyers are honest and determined to have it work.

And so where do we go from here? Do I suggest that we just sit back and say, "The lawyers are great; America is fine, there are no worries for the future"? Quite the opposite is true; quite the opposite is my message. The legal system is a stabilizing force. Occasionally it provides forward movement and leadership. Occasionally, it is a drag. In the early 1930's it was the political system that saved our nation after the moral decay of the 20's and the economic collapse. The legal system, however, and the Supreme Court in particular, was doing everything it could to impede the effective implementation of the objectives which the people were seeking to express in a vital political process that was led by a group of idealistic and pragmatic leaders. But the political system was effective enough, clean enough, determined enough to win out.

Today the legal system cannot sustain the nation for long, by itself. That is not its role, and it cannot bear that burden. Our political and moral systems require regeneration. Hopefully, the legal system will give us the time to do the work which must be done. And it is only the people who can decide whether the time will be used effectively.

The country began coming apart at the seams in the 60's when the political leadership in both major parties determined to engage us in a war which lacked a moral base and popular support. The internal divisions widened when our extremes of wealth and income began to look to many as intolerable as they were and when the promises of racial equality were abandoned.

And yet, when we Americans saw that inequality, frustration, hopelessness, segregation, ghettos, and starvation produced violence at worst and unease and guilt at best, our reactions were not to do what we could, faster and more effectively than before, to achieve the ideals of our Constitution, but rather to use the political system to elect leaders who would dignify repression and maintain the status quo, who would assure privilege for some and deprivation for many.

We will have fewer Watergates, in my judgment, when we seek political leaders who will not salve our consciences but will prick them, who will come up with hairbrained ideas perhaps, but whose objectives will be humanity and decency. We will ourselves be more comfortable in dealing with our own failures in Watergate, when we recognize that too many of our most prestigious business and community leaders are themselves like those who were in and around the White House, people who like to see themselves and be seen as holders of special privilege and power, above the law, able to skirt the various restraints with which we must all contend in our daily activities. It is a pervasive moral failure in important people, non-lawyers and lawyers, who want to use pull, exercise influence, avoid the rules, receive preferential treatment, and then boast about it. They are not the people likely to see the danger in candidates for office whose principal claim to election are business-like efficiency, repression and the status quo.

I suggest that we need to reaffirm the moral principles of the United States Constitution, the principles of brotherhood, the principles of equality, the principles that eschew caste and privilege. I suggest that we need political leaders who, at the risk of being called mushy-headed, will speak to our ideals and will not use veiled disguises and slogans like "law and order" as their stepladder to success. And I also suggest that we recognize and give thanks that America has maintained against great odds a legal system and a cadre of lawyers, at the bar, on the bench, and in the law schools of America, whom we have been able to rely upon as no other country could have in times of unique stress, to give us the confidence that there is law, that the law will prevail, and that we will have yet another day to work out our political and moral destinies in light of the ideals of a society in which each man should be his brother's keeper.

Now in all of this, might there be a particular message for lawyers? I think so. But I do not think it lies alone in their urging that the law schools require courses in legal ethics, as important as such courses may be. It is doubtful that a course in ethics was necessary to tell Mr. Morgan that back-dating legal documents was wrong, or to tell Mr. Kleindienst that lying under oath is wrong, or to tell John Dean and Spiro Agnew the difference between right and wrong, or to tell Richard Nixon anything. And Ruckelshaus, Cox and Ruth are not what they are because of any course they had or did not have. Character is formed long before law school. And it is character, direction, and the needs of society that lawyers are able to discern, if they wish to, and it is to them that society so often looks for guidance. The condemnation of lawyers as a group, if it is justified at all, is justified by the massive failure of lawyers to speak out, to be courageous and bold, to be the conscience that their positions of leadership and trust call for. And this means a conscience in political and moral issues, in business and community issues. It means that we must set a tone; we must set goals; we must point out inequalities and the way to correct them; we must expose privilege and deprivations, and vindicate liberty; we must represent clients with fidelity, but we must not identify with the narrow interests of client groups in derogation of the broader interests of society. Failing this, we fail our calling. Failing this, we will not maintain the unique positions of leadership which have been the lawyers'. But we need not fail if we take the time and the trouble to speak out, if we show courage, if we support those who need help, and if we again come to symbolize, and be seen as the symbols of, the principles of liberty and equality that the Declaration of Independence and our Constitution embody.

SENATOR HATFIELD AND U.S. FOOD AID

Mr. CLARK. Mr. President, as a delegate to the World Food Conference in Rome last November, I took part in the discussions regarding U.S. involvement in food aid to the countries most seriously affected by the world food crisis. The request by the U.S. delegation to President Ford for additional aid from the United States was rejected, and by the end of December it looked as if the administration would not commit additional aid to the nations in question. But, through the efforts of several in the Senate, late in January the President announced an increase in food aid under the food for peace program.

Despite that welcome decision, many of us still are deeply concerned about the food situation which the world faces today. One of those most committed to finding answers to the problem has been the distinguished Senator from Oregon (Mr. HATFIELD). An article describing his involvement in this effort, and particularly his work to insure adherence to the law limiting the political uses of food

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aid, appeared in the Eugene, Oreg., Register-Guard recently.

I ask unanimous consent that this article by A. Robert Smith be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Eugene (Oreg.) Register-Guard, Feb. 12, 1975]

HATFIELD WINS A 13 MILLION PERSON VICTORY

(By A. Robert Smith)

WASHINGTON.—Behind the Ford administration's decision substantially increasing grain shipments to foreign countries for both humanitarian and political objectives an intensive struggle went on for weeks, climaxed by Secretary of State Henry Kissinger and Sen. Mark Hatfield, R-Oreg., talking about world hunger over a spartan breakfast of oatmeal.

Kissinger and Hatfield were the chief adversaries in this struggle, each maneuvering within his own respective political realm to counter the moves of the other. Each was trying to control for quite different purposes the manner in which the food for peace program is operated this year.

Food for peace is the euphemistic label attached to a program started in 1954 for delivering surplus American farm commodities to foreign countries. Some food is given away, under the CARE program or through other private relief agencies, and some is sold, either for cash or credit, usually in long-term loans with easy repayment terms. Annual value of U.S. shipments is over $1 billion.

There had been little controversy over the program for years until 1974 drought conditions in Africa and Asia created severe food shortages and widespread famine. The UN held a food conference at Rome in November at which Kissinger said: "The American people have a deep and enduring commitment to help feed the starving and the hungry. We will do everything humanly possible to assure that our future contribution will be responsive to the growing needs."

Hatfield, as one of the delegates, joined in cabling President Ford to request that the American government increase immediate shipments of food to countries suffering famine by one million tons over the 3.3 million tons programmed. The President declined.

Returning to Washington, Hatfield held a starvation luncheon—millet cakes, raw onion and cold tea—and called on all citizens to give to private campaigns to help feed the hungry. But he also went to work trying to persuade the administration and Congress to increase the government's contribution.

With the assistance of sympathetic administration sources, Hatfield met President Ford on Dec. 10 armed with all the figures Ford had been given by the State Department and the Office of Management and Budget as to his options.

Kissinger had suggested to Ford a program costing $1.3 billion. OMB's option would cost $1.2 billion—but there was a substantial difference in where the food would go.

As a dedicated practitioner of global power politics, Kissinger wanted to use up to 40 per cent of the food program for political purposes, giving it to those countries the State Department identified as most important for strategic reasons: South Vietnam, Cambodia, the Middle East, South Korea, Chile, Indonesia and Pakistan. The balance could go to those most seriously affected by famine. OMB tilted the program more toward the humanitarian side.

Hatfield tried to persuade Ford to choose the OMB option and noted that he and others in Congress were opposed to what the State Department had done in 1973, when it used nearly 70 per cent of food shipments for political objectives in Vietnam and Cambodia. He pointed out that the Senate on Nov. 24 had attached a rider to the agricultural appropriation bill calling on the administration to give priority to humanitarian considerations in food shipments, and the Senate had set a $350 million ceiling on political use of food in 1975.

The President listened but didn't commit himself to either alternative.

Lobbyists for the State Department meanwhile went to work on the House to eliminate the dollar ceiling from the foreign aid bill. They succeeded. But when the bill went to conference, Hatfield had given memos to members of the conference committee proposing a percentage limitation on political use of food.

This idea won approval: No more than 30 per cent of food aid should go to nations not listed by the UN as most seriously needy.

The State Department immediately interpreted that limit to apply to the whole food aid program. If the program were funded at $1.3 billion, State could use $390 million for political purposes.

Hatfield got wind of this before the conference report came up for Senate approval and deliberately raised it with Sen. Hubert Humphrey, D-Minn., floor manager of the foreign aid bill, so that they could make a record of congressional intent to counteract the State Department's interpretation. The 30 per cent limit, Humphrey and Hatfield said, applied only to Title I food sales of about $1 billion—hence, the ceiling on political usage was about $300 million. Rep. James Symington, D-Mo., did the same thing in the House.

Kissinger let it be known that he had already made verbal commitments to certain countries to give $500 million in political food aid and the State Department began a campaign to persuade Congress to relent. He also wanted aid to South Vietnam considered humanitarian, not political. A report in the New York Times Jan. 28 indicated that Humphrey might be wavering.

Hatfield got Sen. George McGovern, D-S.D., a member of the Foreign Relations Committee, to seek committee affirmation of the 30 per cent ceiling. The result was a letter from the committee to Kissinger directing State to stay within that limit, and a letter from Hatfield to Kissinger saying South Vietnam aid was strictly political because that country wasn't on the UN's most needy list.

On Wednesday, Jan. 29, Kissinger's assistant secretary for economic affairs, Tom Enders, called on Hatfield to ask him to relent on the 30 per cent ceiling if State urged Ford to increase the whole food program. That way there would be more for humanitarian as well as more for political aid, Enders argued.

He also claimed that the ceiling on political aid would hurt the humanitarian aspect of the program in this way: State had to move a million tons of rice which was surplus to U.S. needs; if rice couldn't go to South Vietnam, it would go to Bangladesh and India, which would prefer wheat because it is less than half the cost of rice.

Since there was no surplus wheat, Enders argued, the needy countries would get less grain per dollar because the U.S. would send them rice.

Whatever the logic of that argument, Hatfield countered by telling Enders he had just heard that noon that the Soviet Union had canceled an order for 100,000 tons of wheat and might cancel an additional 100,000-ton order. So, he pointed out, there would be surplus wheat after all. The senator rejected the deal offered by Kissinger's agent.

The next morning at the National Prayer Breakfast, an annual event attended by the President and 3,000 dignitaries at the Washington Hilton Hotel, the secretary and the senator found themselves seated next to one another without prior arrangement by either one.

Former Congressman John Dellenback of Oregon, one of the chief planners of the breakfast, had been instrumental in having Kissinger and Hatfield (and wives) assigned to the same table, along with a cabinet minister from Egypt. Dellenback also directed the hotel management not to serve a typical Hilton breakfast of bacon, eggs and sweet rolls but to make it simple—orange juice, hard roll, oatmeal, coffee or tea.

"Porridge!" exclaimed the secretary unenthusiastically. He preferred eggs, he admitted, but his pleasure at table was being hampered these days by his wife's insistence on his dieting.

Henry, explained Nancy Kissinger, likes his eggs fried in an inch of butter.

Hatfield didn't let the opportunity pass without expressing his zeal for dealing with world hunger conditions but the two men didn't come to terms on their different objectives in disbursing food.

Returning to his office, Hatfield dictated a letter to Ford and had it hand-delivered to the White House prior to a Friday meeting the President had scheduled to make his food budget decision. Hatfield outlined two options, one for $1.4 billion and the other for $1.3 billion.

"Each responds in adequate measure to the needs of those people faced with potential starvation, and each gives flexibility for using a reasonable portion of food aid for political purposes, as the administration wishes to do," Hatfield told the President.

Hatfield's options would have given either $285 million or $315 million for political purposes—but evidently neither sum was considered reasonable by Kissinger or Ford.

The President decided on an even higher option, $1.47 billion, presumably to accommodate Kissinger's demand for more political aid than the 30 per cent limit would otherwise allow.

But Kissinger had not been completely out-maneuvered by Congress. State announced that when applying the ceiling, it would exclude non-food commodities such as cotton and tobacco. The effect of this interpretation means that State will be able to distribute about $364 million instead of $315 million in "food for peace" commodities to South Vietnam and other allies.

The balance, over $1 billion, will have to be distributed for humanitarian purposes, under the law Hatfield engineered through Congress since November.

Philosophically, Hatfield feels that when there are acute food shortages and mass starvation in a number of countries all food should be dedicated to humanitarian purposes. But he recognizes that there would be no chance of eliminating all political use of food shipments.

What Hatfield accomplished was a stunning reversal of the Kissinger priorities. Compared to nearly 70 per cent of food aid going for political aid last year, this year nearly 70 per cent will go for humanitarian aid. Moreover, the formula adopted by Congress forced the administration to boost the quantity of grain it plans to ship from 3.3 million metric tons last year to 5.5 million tons this year.

If the senator's figures are accurate, that increment of 2.2 million tons will keep 13 million persons alive for another year.

EMERGENCY PUBLIC SERVICE EMPLOYMENT EXTENSION ACT OF 1975

Mr. JAVITS. Mr. President, on February 7, 1975, Senator WILLIAMS, the chairman of the Committee on Labor and Public Welfare, and I, joined by Senator NELSON, the chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, and 12 other Senators, introduced S. 609, the Emergency Public Service Employment Extension Act of 1975; cosponsors included Senators BROOKE, CASE, HATHAWAY, HUMPHREY, MATHIAS, MONDALE, MOSS, PELL, PERCY, RANDOLPH, HUGH SCOTT, and SCHWEIKER.

This measure extends the authorization of appropriations for the emergency jobs program under title VI of the Comprehensive Employment and Training Act of 1973—CETA—for 1 year beyond its expiration this June 30, 1975.

This bill would authorize "such sums as may be necessary" for fiscal year 1976 for public service employment programs conducted nationwide by State and local governmental prime sponsors; title VI, which provides for a nationwide program, was added to CETA under the Emergency Jobs and Unemployment Assistance Act of 1974—Public Law 93-567—signed into law by the President on December 31, 1974.

We stated as our objective an authorization for appropriations to maintain during fiscal year 1976 an aggregate of 1 million public service jobs, taking into account both title VI—the nationwide program—and title II of CETA— which is confined to areas of "substantial unemployment," that is areas with 6.5 percent unemployment or more for 3 consecutive months.

To provide 1 million jobs—at $7,800 per year per job—during fiscal year 1976 would call for Federal appropriations to State and local sponsors of an aggregate of $7.8 billion. This includes the $1.3 billion which the administration anticipates will be used in fiscal year 1976 from its request of $400 million for title II for fiscal year 1976 and fiscal year 1975 title VI funds. The administration seeks no authorization for appropriation for public service employment under title VI for fiscal year 1976 and makes no budgetary request for title VI for the remainder of fiscal year 1975 beyond the $1 billion already requested—out of a total authorization of $2.5 billion—of which $878 million has been appropriated.

Mr. President, just as we were introducing this measure on February 7, the Department of Labor's Bureau of Labor Statistics announced that the national unemployment rate for January was at 8.2 percent, with 7.5 million persons unemployed, compared with a rate of unemployment—unadjusted—for December of 7.1 percent, with 6.5 million Americans unemployed.

These figures—the highest rates and absolute numbers recorded in the postwar period—are shattering in economic terms, truly heartbreaking in individual terms, and seriously threatening in the sense of social stability.

The rate already surpasses the 8.1 percent average unemployment rate for this calendar year which President Ford projected in his budget and economic messages.

To see where we are headed one need only look at the very serious situation in my home State of New York.

The latest official figures for December show an unemployment rate of 7.6 percent for the State with 570,100 unemployed, and 8.5 percent for New York City with 269,700 unemployed.

But the latest prognosis, coming from the very highly respected New York State Industrial Commissioner Louis L. Levine—and reported in the New York Times of February 12—is that the State rate may soon reach 10 percent and the city rate reach 12 percent in the next 2 to 3 months. Figures for January will not be tabulated until the end of this month.

Commissioner Levine urges action both in respect to public service jobs and Federal extended unemployment insurance benefits.

Already in Buffalo, the December rate of unemployment was 10.3 percent with 56,500 persons unemployed.

How this affects individuals in the most human terms is brought home in an article entitled "Down and Out in America," by members of the American Studies Program, SUNY at Buffalo, which article consists basically of interviews with Americans from diverse backgrounds who are unemployed in Buffalo.

The introduction to the interviews states that even the 10.3 percent "fails to suggest the full measure of unemployment," noting that the official figure does not include many who are not counted, and that the rate, which is for the entire Buffalo Standard Metropolitan Statistical Area, does not reflect the much higher rates among minorities in the central city. Additionally, the article notes that the 10.3 percent rate does not include the underemployed.

The article concludes, on the basis of these factors, that actual unemployment and underemployment may total "well over 60 percent of the labor force, broadly defined."

The introduction to the interviews concludes:

Buffalo's working people are thus caught in a complex bind, exceptional only in that it illustrates in a concentrated way some fundamental problems in America's economic structure—problems once again assuming the form of heavy, systemic unemployment. In this sense, the people of Buffalo are themselves a leading human indicator of the national situation.

Mr. President, as I noted, in December last 56,500 persons were officially unemployed in Buffalo. To date Buffalo has received approximately $9.1 million in title II and title VI funds. At a cost of $7,800 per job, this will provide 1,160 jobs reaching only 2.1 percent of the unemployed. Clearly, much more should be done in Buffalo and for the unemployed in other areas.

Mr. President, I ask unanimous consent that the article entitled "Down and Out in America," which appeared in the New York Times Magazine on February 9, and a copy of an article by Linda Greenhouse, entitled "City Jobless Rate of 12 percent is Termed Conceivable," which appeared in the New York Times on February 12, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 12, 1975]

CITY JOBLESS RATE OF 12 PERCENT IS TERMED CONCEIVABLE

(By Linda Greenhouse)

ALBANY, February 11.—The unemployment rate in New York City could "conceivably" reach 12 per cent in the next two to three months, the head of the State Labor Department told the fiscal committees of the Legislature here today.

For the state as a whole, the jobless rate will probably soon exceed 10 per cent, Louis L. Levine, the State Industrial Commissioner, told the committees, "unless Congress acts expeditiously with money for housing construction and more public-service jobs."

Mr. Levine said he had received the New York City projection from Lucille Rose, the city's Commissioner of Employment. Reached by telephone, Commissioner Rose said she based the figure on "the lines we see daily" in unemployment offices and on "the large waiting lists" for jobs under the Comprehensive Employment and Training Act.

A SHARP RISE

The 12 per cent figure for New York City would be an increase of 3.5 percentage points over the December unemployment rate, the latest available figure. It would mean that an additional 110,000 New York City residents would lose their jobs, for a total of 380,700 people out of work.

Commissioner Levine told the Assembly Ways and Means Committee and the Senate Finance Committee that his department estimated that the statewide unemployment rate, 7.6 per cent in December, had climbed to over 9 per cent in January. Precise figures will not be available until the end of this month.

This month, he said, 680,000 people in the state have filed unemployment insurance claims, more than double the number who filed a year ago.

The Commissioner said that the "frightening prospect" of rapidly accelerating unemployment was compounded by the fact that on April 1 about 68,000 people in the state were expected to exhaust their 52 weeks of unemployment benefits, including the 13 weeks of supplemental benefits that the Federal Government put into effect in December.

Unless Congress further extends the benefits, Mr. Levine told the committees, people who have been out of work for a year will have no alternative to depleting their personal resources and going on welfare.

NO RECOURSE SEEN

"There is no recourse for these workers," Mr. Levine said.

He asked that the figure was significant because until recently most people collected unemployment insurance for no more than 13 to 15 weeks before they found new jobs.

But now, he said, the unemployed include "middle-aged workers, managers, production workers whose industries have closed down" and whose prospects of finding new jobs are very poor.

Mr. Levine recommended that the Legislative raise the maximum weekly unemployment benefit from $95 to $125, which would increase the benefit from one-half to two-thirds of the average weekly wage of workers in covered jobs.

The two-thirds figure is the Federal standard, he said, adding that the higher payment could be absorbed by the state's "healthy unemployment insurance fund" without a rise in the payroll tax.

Mr. Levine said the Govenor's office had authorized him to say that Governor Carey was "seriously" increase. For his own part, Mr. Levine said, "there is no question in my

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mind that we have to increase the maximum."

The Federal Government pays three-quarters of the final 26 weeks of unemployment benefits, he noted, so increasing the benefit would be "one way of getting more Federal dollars into our economy" without additional state expenditures.

Raymond T. Schuler, the Commissioner of Transportation, also testified today as the two fiscal committees continued their two-week series of departmental hearings on the budget.

Mr. Schuler said his department was "stretched dangerously thin" by the state's austerity drive. Governor Carey has recommended cutting $3.85-million from this year's transportation budget of $232.29-million." Mr. Schuler did not ask the Legislature for specific new financing.

Tomorrow the committees hold the first of two public hearings on the budget. Mayor Beame of New York City will be the first to testify.

[From The New York Times Magazine, Feb. 9, 1975]

DOWN AND OUT IN AMERICA

(By members of the American Studies Program, SUNY at Buffalo)

"I didn't realize it was this bad. . . ." "Poor people were people that you didn't know. . . ." "The Government don't give a damn. . . ." "Just a vicious circle of nothing. . . ." "I had seven different jobs . . . every plant closed . . . that's it. . . ." "And this country thinks it's so damn great!"

The voices are those of the unemployed in Buffalo, N.Y. With the national unemployment rate at 7.1 percent, this city on Lake Erie epitomizes the special problems of the country's industrial urban areas. Buffalo's official unemployment in December was 10.3 per cent, third highest in the East.

Even 10.3 per cent fails to suggest the full measure of unemployment. The official figure does not include many who, for bureaucratic reasons, are not counted in the eligible work force. Nor does it include the great number of underemployed who work full time but need another job to rise above the poverty level.

Further, the official figure is for the entire Standard Metropolitan Statistical Area—in Buffalo's case, a huge two-county tract that includes suburban, exurban and even rural areas. The over-all figure thus hides the true rate of the heavily populated central city, with its many working-class neighborhoods, including those of blacks, whose unemployment rate is double that of whites.

When these dimensions are added, one begins to see the extent of the problem. According to some Government statistics, in the urban areas most heavily affected, actual unemployment and underemployment may total well over 60 per cent of the labor force, broadly defined. Such a figure is probably closer to Buffalo's reality than the official 10.3 per cent.

Buffalo's past prosperity stemmed from transportation advantages—the lake, the Erie Canal, the railroads—and the heavy industry they generated, especially grain milling, steel and automobiles. In recent years, however, these locational advantages have more or less evaporated, and many companies have moved. Buffalo's business leaders have sought to shift the city's base away from factories, but the decline of manufacturing has left a large pool of industrial workers whose skills are unsuited to what new jobs can be generated.

In addition, Buffalo is vulnerable as a major supplier of small components for durable consumer goods such as automobiles, refrigerators and airconditioners. The market for such goods is notoriously sensitive to recessionary pressures. Local subcontractors find themselves whiplashed by rapid fluctuations in orders from primary producers.

Buffalo's working people are thus caught in a complex bind, exceptional only in that it illustrates in a concentrated way some fundamental problems in America's economic structure—problems once again assuming the form of heavy, systemic unemployment. In this sense, the people of Buffalo are themselves a "leading human indicator" of the national situation. In the following interviews, they speak of their own lives (some names have been omitted by request), their city's condition and their sense of the meaning of the current circumstances.

ROSIE WASHINGTON

(Unemployed and on welfare, 27; in the small apartment she shares with her daughter, 6, and another woman, from which they are about to be evicted.)

You look in the paper, see all these jobs in Cheektowaga, Williamsville; no way to get to them, bus don't even go that way. You go up and go looking for a job; the jobs they send you to, 50 percent of the time there's not a job anyway. "Well, we're not hiring now, but we'll take your application." Then they send you out to jobs that they know you're either overqualified for or underqualified for. I was an administrative assistant at a community center; I've been an employment coach on a Federal program, then a counselor. I've done all this, and I really like it. But my biggest problem is that I don't have that piece of paper that says I'm qualified, so now, well, I went to the restaurants, hotels, plants. I've said I never wanted to work in any plant. I wish I could get a plant job now—I have applications in at Bethlehem, Chevy, Ford. You can't get any answers, you can't get any services, just sit around and wait, just to be told to come back and go through it again. Honest to God.

And the welfare system. Isn't that a design, a design to fail? They just give you enough money so you don't starve to death, so you're always hungry. They don't give you enough to live, just to exist. You know, I think these clerks, they look at me as an imposition on their paychecks. They're paying for me: "If it wasn't for her, I might have a nickel or a dime more." But you know, they want us here. They always got to have somebody on the bottom, so they know they're closer to the top. A crummy welfare recipient chewing up their tax dollar, you dig it? With me here, I can make you feel better. . . .

I'm tired. I really am. I have a child, and she's part of me. She sees me doing nothing, never going out to work, depressed, worried, sometimes crying. I mean, I try. I try to play with her. When I have some money, we even go out together. We can't afford the movies, but I take her to Henry's and buy her a hamburger. I do love her. I do care, but with all the pressure, sometimes I can't even talk to her—you know. She comes home: "Hi, Mommy." "Hi, how was school today?" "Fine." She wants to play, but I can't. I think it's going to affect her emotionally. I went to school with her and the teacher said, "She's a good, bright child, but she's so sad. Why?" I said, "Because that's all we got in our home. Sadness. No hope, No future."

And this country thinks it's so damn great. It's not. It's hard to believe, but I really feel we're going to have a revolution, because this Government ain't doing it, not to say any other kind is better. What I'd like to know, really, is what am I supposed to do with my life? I had my goals, but no means to make them. I'm just at the breaking point. And when I break, what am I going to do? You're just never right for anything. At first you're too young; then you don't have experience; by the time you're 35 or 40 years, you're too old. So all through your life you were never right for anything. You know, it's everything—job and experience, no experience, no job. To get a job you gotta have money; you gotta have a job to get money. So it's just a vicious circle of nothing. And you're all locked up in this thing, crossed in it all your life. One circle that leads nowhere. That makes you pretty angry. Angry isn't even the word for it. I don't even know how to describe that feeling.

ADAM N. DOMANSKI

(A former bank vice president, currently Erie County program director of the 1971 Emergency Employment Act. The program—and his own job—expires March 31.)

Look, go to Toronto. It's amazing. There's so much employment possibility. But we are backward. Not because we're Polish; not because we're black; not because there are too many Jews; we're backward because we fall back on this parochial, oldtime thing that, you know, my grandfather did it; my father's doing it, so I'm doing it. But is this good for you? You're living today. But look at this little clipping, just unbelievable! Unemployment hits all-time high in Toronto—4 per cent! Isn't that an insult to American know-how and everything? Four per cent and it's an all-time high! With us, it's average. We're up to 12 per cent now, the legitimately registered ones. And really, it's well over 20 per cent. It's extremely high! And yet, it's predicted to get worse.

FLORIAN (PETE) HORVATH

(Wire cutter, 55, unemployed since 1972 when GTE Sylvania closed its Buffalo plant; he had been with Sylvania for 31 years.)

Whenever they had visitors they always took them right in our department. They were so proud of that. Big wheels would come in, and people from different parts of the country. Even foreigners. They would take them in and show them that machinery. Even the school kids: They had a tour like that, too, for the kids. I used to get a kick out of that. They'd all mill around you, and then you explain to them what's going on. The guy that brought them in there, he'd shut up, because to him it's a machine; he didn't know a thing about it, so he let me talk . . .

I was laid off just before they closed the plant. I had a feeling, anyway, like one guy said, "This place is going down." They had been threatening us for years that they would move, especially after they moved TV production out of Buffalo in 1952, to the plant in Batavia. That's on the way to Rochester. Now just before they finally closed down here, they were also threatening the people there. . . . They talked the people into taking a pay cut in Batavia. But when they were taking the cut, we were getting our raise. Just before we got the news of our pay raise, we had an idea they were moving out 'cause they were getting rid of a lot of odds and ends, like desks and cabinets and all sorts of things.

I think another reason why they closed up—all these people, including myself, were getting up in our years. It seemed like just about every week there was someone who was retiring, and as far as the company was concerned, that was running into a little bit of money. This group that was retiring about the same time they closed up were all the ones that started in the thirties, from way back in Colonial Radio days, even ahead of me . . . I feel as though we got the short end of the stick, let's put it that way.

WIDOW

(A grandmother, 52, unemployed after 13 years at Spaulding Fibre, a Buffalo plant that relocated in Rochester.)

"Couldn't the union do anything about the plant being closed?"

Well, let me answer you this way: There was a chief steward that was a real go-getter. I mean, he fought tooth and nail for everything. After they decided they were going to relocate, all of a sudden he became the personnel manager, and the personnel manager, who had been there about 22 years, was out. Now, if that answers your question. They did that with a lot of what you call troublemakers who stood behind the union: They'd take them out and make them management, make them foremen. And this guy was fighting them all the way. I'll tell you, he put in a grievance for me I didn't even know about, that's how good this guy was. . . . Now that he's a personnel manager, I expect he knew what he was doing, as far as his job was concerned.

RON AND BARBARA BLASZAK

(Barbara, 24, is a graduate student in history; Ron is 27.)

RON: I was born in Buffalo, went to the State University at Buffalo in aerospace engineering, class of '72. Then I got my M.S. I applied to about 50 engineering firms, and I was interviewed by only two. Since that time, I've been delivering furniture for a living.

BARBARA: If you look at it, overtime is really our grocery money. Without it, we'd still eat, but saving? That's nonexistent. They're saying people are sitting on their money, not spending anything now. It's not because it's in the bank; it's because they haven't got it. Christmas was usually the boom time because people are buying furniture; I can remember Ron coming home at 7 or 8 at night. . . . Not this year. Ron says the sales people aren't selling. The only person who came into the store all one week to buy anything was O. J. Simpson!

RON: I'm not too happy about the possibilities of belonging to the lower socioeconomic group, being poor. But something's got to come up: I'm not terribly worried. And Buffalo's a pretty good place to be. I've heard a lot of things said about Buffalo—armpit, etc.—but it's pretty good. It's comfortable, in general, and you've got the neighborhoods still intact, unassimilated, still having very individual flavors."

Ron was laid off from the furniture job soon after the interview.

CASEWORKER

(Erie County Welfare Department; 25.)

Certification, the intake division, is now handling 1,000 clients a month. That is a lot. I think it has gotten worse, a speed-up for me, a speed-up for certification workers. Your interviews become faster; I just ask them for what I need. I really don't want to hear how they can't survive. I heard it enough and I can't do anything. They tell me they're paying this much for food and this much for clothing and they can't survive on what they're getting. And I say, "Yeah, that's welfare." Almost in order to survive, you've got to harden yourself and not listen to the clients where it hurts them. I can't just sit with somebody face to face and they're telling me they can't buy food because that's the condition of being on welfare, and that's what their lives have been reduced to. I'm in the middle. There I am, the welfare examiner, the person who's giving them their money and checking up on them. But then, it's also, well, do they understand my empathy for them? I'm not there to—them up?

When you work here, the contradictions in society are very clear because you see who's poor and why, and you see who gets the money and why. You see how landlords are paid off. You see how clients are forced to wait because of red tape. It surprises me how people my age who work at the Welfare Department can so strongly take the side of the agency.

"Why do you think that is?"

It comes from being foils of the capitalists. [Laughs.] But it does, you know. They hate these poor blacks; they hate these poor whites a lot. They see them as parasites, that's the thing—they identify with the agency because it's their money that's paying the welfare clients. And they think,—them; they got $10 more of my money when they shouldn't have, and the state said it was O.K. That's their attitude, and there's no way I can counter that.

CHARLES (BILL) PHILLIPS

(Bethlehem Steel worker: 58:)

Well, I marvel, I have to marvel at the Establishment, because they can make a person believe they are at fault for not working. Now I don't know whether it is the mentality of the general population, or what it is. Me, I'm nothing, a mere cipher, that's what I call myself. But I don't buy the Establishment package. This is it—you have your one pull at the brass ring, and you can't do it without money in this society, you can't do it without a job. The young person who goes out, they're the hardest hit. For one thing, they've swallowed everything they've been taught. Then they go out and can't get the jobs. And yet they blame themselves. Just as everybody in my day blamed themselves, except me. I say, "You don't blame me, buddy, it's the system—the jobs aren't there." That's the part that makes me angry, because anyone with a little bit of common sense can see that there aren't the jobs, and there never were enough jobs.

JEAN MEGNA

(Married, four children; experience: nurse's aide, switchboard operator.)

All I know is, I have a very hard time finding a job up here. I went to all the hospitals and put an application in all the big hospitals. I went to the telephone company; they have an application. I went to New York State Employment; nothing there. Then I was looking in the paper, and I couldn't find anything but barmaid jobs. I checked those out and couldn't get any work there. I think it was prejudice. Couple of times, I told them over the phone I was black, and one guy said, "Well, it doesn't make any difference," but I could tell by the way he said it that it did. And he told me he'd wait; this was about 2 in the afternoon. He told me he would wait until 6; I got out there at 5:30 and he was gone. I filled in an application anyway, but never heard from him.

I worked for the veterans' hospital, and I worked for the Americana switchboard in New York City for six years. I was looking for part-time work, switchboard, evenings. The "X" Hotel ran an ad in The Buffalo News: "Weekends, part-time, evenings." I went down there. The thing about it was, I just stopped working for the Americana last year, so I went to the "X"—filled out an application. They said they would get in touch with me. I didn't hear anything. A week later, the same ad was back in the paper again. "Y" Hospital, they had an ad: "Switchboard operator, part-time." I went there, filled out an application, told them about the Americana, my six years there. They said they would call; they never did. Two weeks later, that same ad was in the paper again. I called them and told them about it, and she said, "Well, the operator that we had, she recommended someone else." I said, "But I was there two weeks ago." And she didn't say anything. So it was "Y" hospital, they were discriminating, like the "X" Hotel

I just don't know where to look anymore for work. I really don't. I've been checking the papers, trying to see if there's anything I could do. . . . And I could get a job in New York just like that. But here, God, this place! This place is terrible, I can't get anything here.

FRED KOESTER

(President, United Rubber Workers of America, Local 188 (more than 500 members of this local were laid off when Hewitt Robbins, a Litton Industries subsidiary, was closed last May in the midst of a strike; Litton held the union responsible; many observers felt this was a pretext for Litton's liquidating what it took to be an unfavorable position).)

I tried to run this union just like a family. And with the company, everybody's happy, picnics and the whole bit. There was a time when I knew everybody in the plant. But when Litton came in, in 1965, they loaded the plant with salaried workers; these out-of-towners would be walking around there and we couldn't even find out what their jobs were. . . .

Most people know that Litton is a holding company. They get in; they make a buck; they get out.

CHESTER MIDDER

(Baker, 48; in line at the state unemployment office.)

I worked at Loblaw's Supermarkets four and a half years. I'm a baker—bread, rolls, pies, cakes, according to what the desk calls for. I'm a mixer, too. I worked upstairs in the mixing part, Local 16 for the National Bakers Union. Can't do nothing else. I never did no construction work; even the construction workers are out.

"What are you going to do now?"

Get me a brick. Any time I see a meat market, break it in and get me some food. By the rock, sweetie; I don't have the money to buy nothing with. [Laughs.] Nah, I wouldn't do that. I don't work in that department, no, 'cause I'm healthy. I'm used to working; I worked all my life.

Now I could work a lot of places, at some small bakery, but they won't pay me my due. They want to give me $1.95. See, I'm a mixer and a baker; I was making $4.95 an hour, and I'm not going to make all that bread and stuff for those people and they're gonna give me $1.95. Up at Loblaw's, the lowest man would get $3.95, and he was only pushing a broom on the floor.

Why did they close the place where you worked?

Big business, you know, big business, big business. You know, chains. Loblaw's chain was in Canada. They open this one, they close that one. Man been there 30 years, they gave us a bonus pay, you know; you take the superintendents, they go with the company, but the workers out the door. And they didn't give us a party. You'd think about all them meats and that kind of stuff. They didn't give us a turkey, or a chicken, or nothing. . . .

STEELWORKER

(Recently laid off at Bethlehem Steel, where he had worked for two years, still active at the plant in a rank-and-file caucus that is trying to organize workers to oppose what is seen as a company-dominated union; 25.)

What's happened recently with the lay-offs where I work is that there is a stipulation in the new contract of last August saying that if the plants have to cut down and people are laid off due to a shortage of raw materials, like coal, then it alleviates the company's contract obligation to pay SUB pay. [SUB pay is the money paid by the company as a supplement to unemployment benefits, to bring the laid-off worker's pay up to about 95 percent of normal. The duration of SUB pay depends on seniority.] At this point it's pretty obvious the economy's down, that construction's down, that auto's down, so what they've done is to create the facade that the plant had to cut back because of the lack of coal, and the coal strike.

Theoretically, if a union was a union, and really worked as a fighting body representing the working people, it would fight back against this. But the United Steelworkers of America, in most cases the only response we've drawn from them is that you've got to look at the company's side of things. And

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with the no-strike clause we have right now, it's an illegal wildcat if we try to pull people off from inside ourselves. The union has sold us out so badly that there is nowhere to go.

BRUCE NOWAK

(Autoworker at Ford; 22.)

Well, I guess I'm a laborer. I don't know what you call it, automation-tender. I'm working a welding gun. I go all over, but mostly I've been working on the pan line, lately, for the Grenada, the new car. I feel like a robot.

"What will happen if you're laid off?"

I'll stay laid off. Well, like if it's starting to get close, then I'll start looking. Last time, I was at the bottom of the list, and you know I was one of the last to be called back, but now there are 500 guys under me. So I'll get laid off, but I don't think it would be too long. To me it doesn't matter. I'll work in my house and everything. I'm remodeling my cellar right now, and paneling.

Nowak was laid off soon after the interview.

LEWIS HAWKINS

(Concrete finisher, 28; in the unemployment line.)

There's going to be a lot of stealing, a lot of mugging and everything. . . . People are going to get tired, tired of coming down here and standing in line. . . . And when they finally get unemployment, a person who, say, only gets $45 or $50 a week might have three or four children; before a man's going to see his children and his family go hungry, it seems he's going to go out there and do something.

JOB COUNSELOR

(New York State Employment Service.)

I'm a Pollyanna, there's no getting around it. I gravitate to what looks like hope, and I do believe there is hope. The thing I want to stress is this: Even though there are 10 per cent unemployment, there are 90 per cent that are employed, so somebody is flourishing. And even if a plant is holding firm, someone is resigning, somebody is dying . . . Openings are there. No matter what the employment rate, there are some businesses that are flourishing. And identifying those is part of the job. And that's why I say to the job seeker, "Beat all the bushes. Go to the private agencies; read the want ads; talk to your neighbor, for Pete's sake—lookit, nothing drops in your lap anymore. The idea is to pursue and pursue."

DENISE GREEN

(Recent high-school graduate, 20.)

I'm going to a center where they evaluate you, you know, for different types of jobs you might qualify for. But that's all I'm doing. I'm not working because there's no places available as of yet, no places available. I don't know why there's not enough jobs here in Buffalo; maybe there's not enough funds, or it's not run right. There used to be a lot of training facilities that were open and now they're closed, you know, like Model Cities, I think, is one of them. They offered kids, students, a lot of jobs, and now they're closed down and those kids are doing the same thing I'm doing.

I'd like to go to college, you know, maybe in a few years. I really want to be a doctor, or a nurse; you'd meet all different kinds of people. I'd really want to work, like, with the public.

BUSINESSMAN

(Runs a third-generation family business; late 30's.)

I look at the Chamber of Commerce, and I say, the chamber cannot stimulate and elicit business when over the last generation it has been run by people in highly regulated businesses, bank presidents, heads of utilities—people who are not in a competitive situation. I don't think they understand what business is all about. They're not risk-oriented. Also, it's a very political thing. It's just crummy people in public office who are playing cozy and not taking chances.

I think what we have to do is develop a marriage. In Pittsburgh, a long time ago, the Committee of 100—Richard Mellon had vested interests in Pittsburgh. But here, the guys from Bethlehem, the guys from Chevrolet, the guys from Union Carbide do not have vested interests in Buffalo. Everybody around here spends time and energy; the giants of Buffalo industry have spent time, year after year, raising money for the Philharmonic. Which is fine, an admirable thing. But our priorities have been switched around for some reason—the generals do all the work. The president of XYZ Manufacturing Company who has some economic and political clout shouldn't be strong-arming his friends at the Saturn Club or the Buffalo Club or the Country Club for money for the Philharmonic; he should be strong-arming the Mayor, the County Executive; for something that would help him, help the community. Let the generals do what the Mellons and people like that did in Pittsburgh. I don't know if it's going to be clean the air, clean the water, hire more people, get tax abatements for new buildings. But now, for God's sake, they're fuddy-duddying around with Richard Wagner. And I've got to say, they're all my friends. I'm damning a lot of my friends, but I damn them to their faces. They know how I stand on this.

DELLA LOVE

(Does part-time house cleaning to supplement her pension; 65.)

"What's the problem with Buffalo? What do you think could help the city?"

It's something about the people. They got the wrong type of people for the wrong type jobs to make Buffalo come up. Buffalo could be Number 1; it could be done. If they put the right type people in, they'd see how Buffalo would bloom. You have to spend to make, that's all there is to it. In Buffalo, it seems like they don't want to put out money, they just want to hold money, and they're just killing it. If we could put our money in something good, why we could get something out of it. But we got to put it in first. . . . It looks like people, we pull against each other so much now. We're not like we used to be: more together. We're divided, and it looks like all we care for is: If I live I don't care what becomes of you. . . . But I feel like if we had the right leadership, and all, we could come on out. But we ain't got it, no kind of way.

GENE FAHEY

(Legislative aide to a Buffalo City Councilman; 23.)

I'm frustrated with the whole direction of our job policy. It wouldn't bother me, spending so much time on these manpower training programs, and manpower development, if I thought they were getting to the people that are the hard-core unemployed, filling their needs. That's not what we're doing; we're just filling slots. That's not the way to do it. These programs should be coupled with economic development, so that when these funds run out we'll have jobs to offer people. The way we do it now, if we cut unemployment down to 8 percent, when the funds expire it will be back up to 15 percent, because we really haven't done anything. . . . But at City Hall, what they want to do is spend the money, fill the jobs and pile up as many favors as they can.

ANNE E. CASEY

(Waitress 50, in the unemployment line.)

As I've said, I've always had a job, so I didn't realize it was this bad. I'm surprised, because usually in waitressing work you can go from one job to another, but it hasn't happened that way. Nowadays I don't think experience means much. I tell them I've been a waitress for 30 years and it doesn't make an impression. They're just not hiring. I've gone up and down Main Street. I've been to the Plaza Suite and Tiffany House; I've been to A.M.&A.'s, Hens and Kelly, and just any place that has a luncheonette or anything. There's just no hope. That's why I came down here. I figure it doesn't look like I'm going to get anything. I want to work; I like working; it's just a way of life for me. When I'm 90, maybe I'll stay home. [Laughs.] Until then, as long as I'm healthy, I'll work. Right now, I'd take anything, just to have a job, you know?

STEVEN KALLOW

(Vietnam veteran, worked in a toy factory, currently unemployed.)

The problem in Buffalo is not that the companies are leaving the city, and that there's no work or that the work is meaningless, but the critical factor is that the Government don't give a damn about its people. Like in Vietnam, I got out, that was it. Good-by. Nothing.

EILEEN STEFANIAK

(B.A., Rosary Hill College, currently holding three part-time jobs; 25. ("I would probably be described as a housewife but I'd rather be identified as a working person.")

When I was a kid, we had a nice house, and a nice backyard, and I always thought of myself as being maybe a little special. Poor people were people that you didn't know, and if you knew them, you didn't talk to them. It's the same attitude my father had towards my husband: If you're poor, it's your own fault because you're not trying. That's not true, that's not true! My father had a lot of criticism all along because my husband was unable to find a job, and to him, this was my husband's fault because he was not trying. But then suddenly, my father was in that situation at age 47, and he found that it does not depend on your past record, or how hard you work, or how hard you look for a job. There just aren't any jobs.

Before, I would never have believed I'd be in this situation. Especially now that I have my college degree. I thought that was going to be a magic thing, you know? I think my husband did too. It is terribly discouraging to him personally, after going to college for five years, to be loading trucks and things like that.

STANLEY LEWANDOWSKI

(Retired steelworker and former president of United Steelworkers Local 2603.)

To start off at the starting point, you have to come back to Dr. Townsend. [Francis Everett Townsend, 1867–1960, author, in the nineteen-thirties, of the Townsend pension plan.] He's an oldtimer. He originated a kind of social security. Hey, they called him a nut. I was amazed; I used to think he was the greatest man out, I really did. Laugh all you want, they said that Social Security would never work. So look, I think we ought to look at his proposal again. You give everybody $200 a month in money that becomes worthless at the end of the month, so you got to spend it. Things will be moving again; you can't be a miser. But the thing is, when you're on a guaranteed national income or something, you can't have Rockefeller, and Hughes and Del Webb. Because they'll have the money eventually, they'll take it away from you. To keep it, you'll have to distribute it evenly, and break it off every month. You want to save? You're a miser? You just lost some. Dr. Townsend? I don't know maybe you need somebody that's a so-called nut like that to come up with some solutions.

FRANK AND SALLY MARTINEZ

(Frank works at Chevrolet's Tonawanda complex, in the metal-casting plant; Sally teaches at a nursery school. They have four children, ages 7 to 14.)

FRANK: Myself, I'm practically in a state of financial bankruptcy. As of two years ago, when wage and price controls went into effect, since that time, Sally and I have withdrawn a sizable amount from our savings, and see no conceivable way we're going to put it back. . . .

Last week we had a layoff, they laid off a number of men; there were 22 in our department, the maintenance department, and three men from our shop, two sheetmetal workers and one apprentice-trainee. What the foreman said is, he had no idea there was a layoff at all, and he controls a lot of men. He thought if anyone should know about a layoff it would be him, but he wasn't expecting it. In fact, in our department, which is shorthanded, he thought they'd be hiring, and instead they laid off. They just sent the word out, with a list of names to lay off these people. Corporations have their way of operating. I have heard this is a big corporation and conglomerate scheme; in other words, they have made their profit, they can afford to give the workingman the business: Let him take a vacation, they could care less.

It looks hopeless, unless somebody really takes hold of the whole situation, reverses the trend, or at least stabilizes it. This is something I've recently read into, and it seemed to be the general thinking when Nixon got into office that we were going to have a lot of unemployment, because the philosophy is to take the money out of the working people and put in back in the hands of the rich and the corporations. Of course, this is a sure-fire way to do it. If a man is unemployed, and he doesn't have any money to live on, he's going to draw on any savings he has until it's finally gone. You do this to 100,000 Americans, multiply by $1,000 apiece, and you are talking about a lot of money. The experts say that unemployment is necessary. . . . Some of the people I work with, we discuss these things, we really don't know what it's all about because we're not intellectuals. Most fellas just throw up their arms in the air, curse, and walk away, saying, "I've heard enough; I don't want to talk about it anymore." It seems as though they feel hopeless; there's nothing they can do. They're just a cog in the wheel; the wheel's going to turn; the cog's going to go to the other side, and that's the way working fellas that I work with feel.

THE HOLY MAN OF HARLINGEN

Mr. McGOVERN. Mr. President, I recently came across an article in Grit describing the daily routine of Frank Ferree, the owner of perhaps the largest heart, smile, and unselfish spirit in America.

Mr. Ferree lives in a shack in Harlingen, a town on the Texas-Mexico border. His only income is a $90 a month pension. But without a thought to his own needs, Mr. Ferree combs the neighborhood every day, begging for food and medicine, every bit of which he delivers and distributes to poverty-stricken families on both sides of the border. Unaware of any personal sacrifices he may be making, Mr. Ferree sees to it that everyone he meets has enough food, warmth, shelter, and medical treatment. Only when he is sure of that will he tend to his own needs. Because of Mr. Ferree's generosity and total selflessness, life is brighter and better for many needy families in the Rio Grande Valley.

Mr. President, I ask unanimous consent that the article "Holy Man of Harlingen," from the January 26 issue of Grit, be printed in the RECORD, and I hope that everyone will take the time to read about Frank Ferree, a magnanimous human being.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOLY MAN OF HARLINGEN—THOUGH POOR HIMSELF, HE GIVES TO NEEDY

(By Bill Starr)

A person doesn't have to be rich to play Santa Claus, Frank Ferree, 77, of Harlingen, Tex., for 3 years has been helping those submerged in abject poverty along the Texas-Mexico border.

Yet Ferree has almost nothing himself. He lives in a shack that is barely adequate for shelter. The two trucks he uses to deliver foodstuffs to the poor barely pass safety standards and look as if they were found in a junkyard.

Yet he not only provides food, clothing, and shelter for hundreds of persons each month, but also has located and obtained medical attention for hundreds of children suffering from harelips, partial blindness, and facial defects.

This is how he does it: Each day he makes the rounds through back alleys of Harlingen, begging wilted fruit, day-old bread, and miscellaneous medicines from merchants.

Then he loads his two old vehicles with the merchandise—along with assorted cardboard boxes, end rolls from newsprint, and pieces of discarded lumber. He heads for Reynosa and Matamoros, Mexico, and half a dozen villages on the Texas side of the border. There, people who have lived in deep poverty all of their lives await his arrival six days a week.

Day after day, without ever taking a vacation, Ferree delivers to the poor, keeping them alive, furnishing them with scraps of lumber with which to build some sort of shelter.

During the last Christmas season, he delivered two tons of candy to poor children.

Each month, he begs and receives tons of bread, candy, and medicine from several grocery and medical chains in the United States. The managers of these firms have become convinced of the value of his work.

Whenever he finds persons who need operations, Ferree takes them to three or four wealthy benefactors whom he has located along the border and obtains funds for them.

During 1974, five children who were totally blind received their sight, and another dozen who were partially blind were enabled to see.

More than 100 hair-lipped children have received corrective operations, and dozens more with horrible facial defects have had plastic surgery which left them able to face the world.

Ferree keeps nothing for himself.

"All I need is three light meals a day and a place to sleep," he said. "I am a bachelor—I have no great needs."

He lives in a hovel, yet he shares even this with those who are less fortunate. Two children have been born in his house, with him acting as midwife. Any bum on the street on the coldest night has a place to sleep in Ferree's hovel, which is never locked.

A 50-gallon oil drum serves as a combination heater and cookstove. A hole cut in the floor serves as a drain when he bathes out of a bucket of water.

Valley businessmen call him the "Albert Schweitzer of the Rio Grande Valley." Ferree came to the valley 35 years ago, bought a 20-acre tract on the north side of town, then saw some Mexicans picking up banana peelings from the street and eating them.

"I thought something ought to be done about that," he said. "So I did something. One thing led to another, and now I'm into it over my head. It's a big job, but I just do what I can and try not to worry about the tremendous needs which I can't get to."

Ferree sold his 20-acre tract and gave the money away to help the poor. Once he was seen downtown on a cold winter day in an old army overcoat. Hours later he was seen wearing only a thin shirt and pants. When questioned, he explained simply that he had found a man who needed the overcoat, so he gave it to him.

"I don't try to be a big deal or anything like that," he said simply. "I know the teachings of the Bible and apply the teachings of Jesus. It's that simple."

Everything that he receives in the way of food, medicine, or money—including his $90-a-month First World War pension—he passes on to those who need it.

"The man is the nearest thing to a holy man that we've seen in these parts for a long time," commented a Harlingen businessman.

BIRMINGHAM CHAMBER OF COMMERCE ON INFLATION-RECESSION

Mr. SPARKMAN. Mr. President, the Birmingham Area Chamber of Commerce unanimously adopted, through its board of directors, on January 22, 1975, its policy statement on inflation-recession.

I read this statement with a great deal of interest and concern and I have commended the chamber on the study and thought that has gone into its statement. In order that other Members of Congress may have the benefits of the Birmingham chamber's views, I ask unanimous consent that the statement be printed in the RECORD. Furthermore, in view of the fact that we in the Congress need all the help and information we can get as we tackle the twin evils of inflation and recession, I urge my colleagues to read carefully the views of the Birmingham Area Chamber of Commerce.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

POLICY STATEMENT ON INFLATION-RECESSION BY THE BIRMINGHAM AREA CHAMBER OF COMMERCE

The United States economy is dominated by inflation, the most serious threat facing the nation today. Running at a rate which is intolerable to our economy and our society, inflation goes far beyond endangering our economic life. It is not moderate substantially in the immediate future, there is no way the nation can prevent the present economic decline from becoming a major recession. If these trends (inflation-recession) continue, it will be impossible to maintain our position of international leadership.

While Birmingham's economy does not yet seriously reflect all of the negative aspects of inflation, it will ultimately reflect national trends. Recognizing that the Birmingham Area, because of its heavy concentration of industry and minority population, could conceivably suffer more from prolonged inflation than other parts of the nation, it is necessary that an immediate effort be made to convince Congress that it must put politics aside and act in the best interest of the national economy.

While the Chamber favors self-restraint by business in its pricing policy and by labor in its wage demands, it continues to strongly oppose mandatory wage and price controls as well as specific federal wage and price guidelines. In keeping with its policy of direct political action in behalf of its membership in protecting the Free Enterprise System, and its belief that the competitive market system must be continued as the best method of allocating and directing goods and services—rather than reinstitu-

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tion of wage and price controls—the Birmingham Area Chamber of Commerce adopts the following as its statement of policy on inflation-recession and its recommendations for congressional action.

The Birmingham Area Chamber of Commerce calls upon the Congress to create an anti-inflationary policy and to set the example for the rest of the nation by:

(1) Reducing federal spending by at least $10-12 billion below the $305 billion budget figure, during fiscal year 1975.

More than $1,792,800,000 (Federal employee raises—$700 million; Railroad Retirement Act—$285 million; and Veterans' Benefits—$807.8 million) of the taxpayers' money could have been saved in the past few months alone if the Congress had not approved inflationary programs that could have been delayed until the economy has improved.

(2) Recognizing that not only must the federal budget be balanced, but that it must show a surplus for fiscal year 1976 in order to effect a reduction of the national debt.

(3) Recognizing that no federal agency or department should be exempt from mandatory budget cuts and that there must be a moratorium on new spending programs.

(4) Assuring that greatest budget-cutting attention is given to those programs which have increased at the fastest rate during recent years.

(5) Making every effort to implement the letter and the intent of the Congressional Budget Act of 1974, recognizing that it will not be enough to establish reduced budgetary ceilings, but that spending outside these ceilings must not be permitted.

(6) Making certain that savings from budget cuts, along with revenues produced by any additional taxes that might be levied, are used specifically for the reduction of the national debt rather than as funds available for expenditure.

(7) Assuring a continuing effort to improve the administration of the welfare system with a view toward getting people off the welfare rolls and into permanent employment.

(8) Encouraging the creation of more jobs within the private sector, rather than public employment programs, as the means of avoiding excessive unemployment. Specifically, this should be done by:

(a) Urging the nationwide adoption of career education and counseling in at least grades 7 through 12.

(b) Supporting the full implementation of existing work-study and cooperative education programs.

(c) Supporting the full implementation of the Comprehensive Employment and Training Act.

(d) Revising minimum wage legislation to insure that jobs for the young and unskilled are not curtailed by high wage rates that cannot be related to productivity.

(9) Considering programs providing for public employment only after the private sector has been given a full opportunity to function as the "creator of jobs" and then only within geographic areas known to be suffering from an unemployment rate of not less than 6.5% for at least three consecutive months, and where the individuals involved have been unemployed for a minimum of 26 weeks.

(10) Provide tax incentives as a means to escalating capital investment and increasing the supply of capital goods by:

(a) Retaining depletion allowances.

(b) Liberalizing allowable depreciation methods.

(c) Liberalizing the investment tax credit.

(d) Modifying the capital gains tax structure to encourage the movement of capital from stagnated investments to those with greater growth potential.

(11) Continuing support of the Federal Reserve Monetary Policy of moderate tightness as long as inflation and credit restraints are necessary.

(12) Extending the application of anti-trust laws to labor unions when their monopolistic powers tend to impede competition and raise consumer prices.

(13) Repealing the Davis-Bacon Act, in order to save taxpayers millions of dollars each year, where government-financed construction is concerned. This will insure that the labor cost involved will be in line with that for local construction projects, rather than based on a higher union scale rate applicable in another area.

(14) Encouraging individuals to save more by providing a tax exemption of up to $500 per individual on incomes derived from personal savings.

(15) Correcting balance of trade and balance of payment deficiencies by developing a selective foreign aid program that considers, first, our own national interest as opposed to the pouring of hundreds of millions of dollars into countries that perpetually delight in turning their backs when the United States needs their support.

(16) Providing a means of substantially lowering the interest rate the U.S. Government must pay on bonds by creating a government security convertible into gold.

(17) Revising the "Clean Air Act", "Water Pollution Control Act", and the "Occupational Safety and Health Act" to reduce the cost of implementation and achieve a better balance between environmental-safety objectives and job creation needed for continuing economic growth.

In adopting this statement, the Birmingham Area Chamber of Commerce expresses its continuing belief that *recession is a direct result of inflation*. While the actions necessary to effectively control inflation are politically unpopular, those in government service are fully capable of developing and implementing an effective control program when their constituents have made them aware that there is a voter mandate demanding immediate congressional action.

The first and most critical step toward stopping inflation is the balancing of the federal budget and reduction of the national debt, and the prime responsibility for correcting the nation's economic woes lies with the Congress.

The Board of Directors of the Birmingham Area Chamber of Commerce hereby directs that this policy statement be transmitted to:

Each member of the Alabama Congressional Delegation.

Selected Chambers of Commerce throughout the nation and to request that these Chambers encourage their memberships to demand action on the part of their Congressional Delegations.

And also that it be publicized locally and nationally, emphasizing our belief that irresponsible deficit spending on the part of the federal government is the major cause of inflation.

SENATOR ABOUREZK LEADS ON INDIAN ISSUES

Mr. McGOVERN. Mr. President, my colleague from South Dakota, Senator JIM ABOUREZK, has devoted a great deal of time and energy to resolving the thorny problem of legal jurisdiction on and around Indian reservations.

The Rapid City Journal recently published an article which discusses JIM ABOUREZK's work in this area and legislation which he has proposed. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JURISDICTIONAL PROBLEM BILL PLANNED BY ABOUREZK

(By Lyn Gladstone)

Sen. James Abourezk, D., S.D., told the Rapid City Journal Tuesday he plans to introduce measures to settle jurisdictional and law enforcement problems on Indian reservations.

These, he said, will "essentially define jurisdiction" and "vastly improve tribal law enforcement on reservations as well as tribal judiciary machinery."

The first bill, Sen. Abourezk said, would provide that "within the boundaries of a reservation on private (patented) land, tribal courts do not have jurisdiction over non-Indians and tribes will not have the power to tax non-Indians."

Should a non-Indian commit an offense on such land, Abourezk explained, tribal law enforcement authorities would turn the offender over to state authorities. The exception would be with felonies which, on reservations, are subject to federal jurisdiction.

"Non-Indian businesses operated on Indian trust or tribal lands," the Senator said, "will be handled differently because they are subject to tribal law and regulations. A person is aware of that when he establishes a business on or leases such land for other enterprises such as farming or grazing."

Sen. Abourezk said that tribal police "are understaffed and undertrained. Tribal courts do not have law-trained judges in most cases, and there is no appeal procedure. The legislation I am working on will attempt to remedy these problems."

The bill would provide for law-trained judges, he said, and appeals might be to a tribal circuit court. Details on both measures are yet to be worked out.

Sen. Abourezk said he had written Gov. Richard Kneip of his intentions because he was aware "that issues which concern our State's Indian population will be discussed during the current legislative session."

He said he was thus inviting the Governor's comments and "also seeking reaction from every member of the state legislature."

He said that, "As a result of several meetings held throughout the State during the last year or so, I have found that two major problem areas exist—a standard definition of which court should have legal jurisdiction on reservations, and the quality of reservation law enforcement and the judicial machinery."

He added, "It is important to remember, as this legislation works its way through the process, that when South Dakota became a State in 1889, the people disclaimed jurisdiction over Indian reservations. Since the 1968 Civil Rights Act, states cannot take jurisdiction over Indian reservations without the consent of a majority of the adult Indian population on each such reservation.

"Ever since tribal governments were formally organized in 1934, it has been important to the Indian people to retain some kind of control over their own reservations. I believe, if jurisdiction is defined along the lines I have indicated, then the concerns of the Indians regarding their own reservations, and of non-Indians regarding their rights, can be reconciled."

MESSAGE OF VIETNAM

Mr. McGOVERN. Mr. President, the Lawyers Committee on American Policy Towards Vietnam has just recently supplied Members of Congress with an extremely helpful analysis of the issues involved in the request for more than $500 million in supplemental aid to Vietnam and Cambodia.

The assessment of this committee is particularly timely now in light of administration claims that aid can be phased out over several years. In fact, as this analysis points out, even Ambassador Martin has predicted that we will be providing large sums to Vietnam 5 years hence. The World Bank has made dismal projections about the reliance of Vietnam on outside help well into the 1990's—a dependence that I regard as an inevitable consequence of the Thieu regime's refusal to accept the Paris Peace Agreement.

Mr. President, I ask unanimous consent that the message I have described be printed in the RECORD.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

MESSAGE FROM THE LAWYERS COMMITTEE ON AMERICAN POLICY TOWARDS VIETNAM TO THE MEMBERS OF THE 94TH CONGRESS

The 94th Congress, convening on the eve of the 25th Anniversary * of our initial involvement in Vietnam and the 2nd Anniversary of the Paris Agreement of January 27, 1973, faces a critical issue: shall the Congress yield to President Ford's request for $500 million in supplemental military assistance to Saigon and Cambodia at a time when millions of Americans are unemployed, ill-housed, ill-clad and ill-fed, and when the Administration is reducing food stamp aid to Americans and cutting social security adjustments for our senior citizens—or shall it terminate once and for all American intervention in Indochina? Will the Congress continue to underwrite a policy which means endless war in Vietnam and Cambodia or will it call a halt to presidential efforts to impose an American political solution upon Indochina and let the indigenous forces arrive at theirs? Will the 94h Congress, after 359,-899 American casualties and the expenditure of $140 billion, and literally millions of Vietnamese, Cambodian and Laotian casualties, accept the Administration's argument that more American weapons and more war will bring peace to Indochina? Or will the Congress, in light of our tragic experience covering 25 years of America's involvement in Indochina, put an end to the nightmarish obsession with Vietnam, terminating forthwith all assistance to the corrupt Saigon regime, and reaffirm in unequivocal terms existing legislation enacted in 1973 prohibiting any American combat role in, over or adjacent to Indochina?

Will the Congress resist the false appeal of the Administration that America's honor and prestige require the fueling of a brutal and destructive war whose purpose cannot be discerned, a war that has uprooted the society of South Vietnam and Cambodia, blasted its cities and countryside, slaughtered and made homeless its bewildered people by the hundreds of thousands, all in the name of saving Saigon's "way of life", as President Ford argued in his televised interview by NBC's John Chancellor and Tom Brokaw on January 23rd.

President Ford, in the interview, would have the American people and the Congress believe that we will see the "light at the end of the tunnel", if we give the Saigon regime an additional $300 million of military weapons. But Ambassador Martin, in his testimony before the Subcommittee on Asian and Pacific Affairs of the House in July 1974, prophesied that, if aid is continued at the requested levels, within five years we would see a South Vietnam to which we will be contributing no more than 50% of all aid coming in—that is to say, not only will the Saigon regime be unable, after five years, to stand on its own, but it will require twice whatever support we will then be providing. (It is not indicated who will contribute the rest.)

Vietnam is a bottomless pit and the Administration's appeal for $300 million additional military assistance to Saigon and $200 million supplemental military assistance to Cambodia is a devious stratagem to shift responsibility for the bankruptcy of the Administration's policy in Indochina to Congress. The American people have been promised "light at the end of the tunnel" for 25 years—but there is no light. In his NBC interview President Ford likens military assistance to Saigon to the money made available for the rehabilitation of Europe after World War II, and the aid given to Israel. But how can the humanitarian and economic aid made available to democratic governments for the rehabilitation of Europe after World War II be likened to the delivery of munitions and weapons of death to the Thieu regime which is the most repressive dictatorial and corrupt regime in the world today? The tiger cages, the total suppression of civil liberties, the unprecedented corruption have stamped the mark of Cain upon the Thieu regime. There is no parallel between the shipment of munitions of death to the Thieu regime and the aid made available for the rehabilitation of Europe after World War II or the aid made available to Israel.

Congress must reject the oft-repeated and totally discredited fiction that just one more dose of American aid will enable Saigon to stand on its own feet. Aid to Saigon has totaled $8.17 billion since the 1973 "cease-fire"—over $11 million a day, aid that has only prolonged the war.

In its attempt to justify its request for more aid to the Saigon regime, the Administration makes repeated charges of violations by the other side of the "Paris Agreement to End the War and Restore Peace to Vietnam". On January 14, 1975 a diplomatic note was sent by our government to the eight nations which were guarantors of the "cease-fire" and the Secretary General of the United Nations asking them to call upon the Hanoi government to halt its military offensive and join the Saigon government in seeking a political solution. In listing the violations by the other side, the note impliedly denies any violations by the United States or the Saigon government and assumes that the Saigon government would accept a political solution which is belied by its actions since the cease-fire.

The evidence is rather the other way on initial responsibility for the breakdown of the cease-fire. In the current issue of *Foreign Affairs*, Maynard Parker, Managing Editor of *Newsweek International*, writes:

"Apportioning blame for the breakdown of the truce is also difficult; two highly respected staff members of the U.S. Senate Foreign Relations Committee found it nearly impossible. In retrospect, I am inclined to conclude that the South Vietnamese were the more guilty party since their actions appear to demonstrate that they never really intended to implement the truce. * * *

"Almost from the moment the Agreement was signed, President Thieu took to the offensive in an attempt to eradicate the Communist ink spots and to confine the Communists to their sanctuaries. * * *

"The second phase, which began on January 4, 1974, with a speech by Thieu ordering the Army 'to hit them in their base areas' and ended in May, 1974, resulted in a marked increase in large-scale offensive operation. * * *"

Maynard Parker's observations on the facts cannot be dismissed as those of one biased in favor of the Hanoi government. His article supports more aid to Saigon because to deny it would mean the collapse of the Saigon government, "condemning the South Vietnamese people to a fate they obviously do not want." The desires of the South Vietnamese people may be subject to differing interpretations, depending on which South Vietnamese one is speaking of, but after all our experience in Vietnam that is hardly a basis upon which to base sound American policy.

It is important to recall that the United States, as a signatory to the Paris Agreement, covenanted that it would "not continue its military involvement or intervene in the internal affairs of South Vietnam" (Article 4), and that it would "not impose any political tendency or personality on the South Vietnamese people" (Article 9).

In presenting the Paris Agreement of 1973 on January 23, Henry Kissinger acknowledged that the arrangement left "open to negotiation, among the parties, the political evolution of South Vietnam and therefore, the definition of what ultimately will be considered by all South Vietnamese the legitimate ruler". Indeed, as Kissinger pointed out on the same ocassion, the identity of the legitimate ruler "is what the civil war has been all about".

It seems clear that the essence of the bargain negotiated at Paris was that the civil war would stop, to be replaced by negotiations between the Provisional Revolutionary Government of South Vietnam (PRG) and the government of the Republic of Vietnam (RVN), i.e., the administration of General Thieu. In this regard, the provisions of the Agreement are definite in their insistence that conditions be created to permit the subsitution of political struggle for military struggle. Article 4 prohibits U.S. intervention in South Vietnamese internal affairs. Articles 5 and 6 call for the "total withdrawal" of American advisers and paramilitary personnel and the "dismantlement" of U.S. military bases. Article 8(c) calls for negotiation looking toward the release of political prisoners within ninety days, which Protocol C declares shall not be denied or delayed for any reason. Article 11 establishes the necessary civil liberties for political competition, including freedom of speech, press, movement and assembly. Article 12 calls for the formation of a three-part National Council of National Reconciliation and Concord, and assigns it the responsibility to organize national elections deisgned to select a South Vietnamese Government that commands allegiance from the entire population. That should satisfy Kissinger's goal of finding out—by political, rather than military means—who is the legitimate ruler of South Vietnam.

These expectations embodied in the Paris Agreement have not been satisfied. The cease-fire has been persistently violated. According to reliable estimates, close to 10,000 U.S. personnel are helping Saigon stay in power. Political prisoners, estimated by the cautious Amnesty International to number 100,000 and placed by other qualified observes at 200,000 or more, have not been released. The Thieu regime has clamped down harder than ever on civil liberties of the sort guaranteed in Article 11. No National Council of National Reconciliation has been formed (blocked by Thieu) and general elections under impartial auspices are not in the offing. Thieu has never made any secret of his refusal to abide by the terms of the Paris Agreement; Saigon's violations have been flagrant, numerous and pervasive.

Nor can it be overemphasized that the Paris Agreement brought about the release of American prisoners of war. In addition to

* In 1950 the State Department, panicked by Senator Joseph McCarthy's invention that it was staffed by Communists, initiated our involvement which ultimately led to underwriting 80% of the French war effort in Indochina.

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the obligations assumed by the United States under the Paris Agreement previously mentioned, the United States covenanted that it "will contribute to healing the wounds of war and to postwar reconstruction of the Democratic Republic of Vietnam . . ." (Article 21).

Thus we see that obligations solemnly undertaken under the Paris Agreement have been dishonored by our government. We continue to intervene in the internal affairs of South Vietnam and our dollars, if not our soldiers, continue to be militarily involved. Our commitment to postwar reconstruction of North Vietnam and throughout Indochina has been wholly ignored although that obligation, solemnly undertaken, was the central provision of the Paris Agreement through which we obtained the release of our prisoners.

In recent weeks we have heard the Secretary of Defense warn Hanoi that the American people and the Congress "might well authorize the use of American force", and we have admitted the violation of North Vietnamese air space by reconnaisance flights. Remarks about "aggression" emanating from the Defense bureaucracy echo the war cries of ten years ago when our military intervention began to escalate. The Pentagon Papers have established how false that claim was then. The State Department has issued its diplomatic note about alleged truce violations and has erroneously cited the Vienna Convention on the Law or Treaties to bolster its argument; it has even objected to United Nations cooperation with the Provisional Revolutionary Government in South Vietnam, a party to the Paris Agreement, in attempting to aid children and refugees in the South.

Such orchestration has the obvious purpose of building a climate of opinion in the Congress and among the American people favorable to further military adventurism such as marked the breakdown of the Geneva Accords of 1954.

Yet the fundamental fallacy is the notion that more American intervention can bring peace. The tragic experience of twenty-five years should teach us that our involvement can only prolong the conflict. To escalate the American role now is to pursue the old delusion that we can impose our settlement on the Vietnamese.

The 94th Congress must confront the issue of whether we repeat the major blunders of the past twenty-five years, whether we continue on a course of lawlessness and disorder in the community of nations, whether we condemn the Vietnamese to another generation of bloodletting, bombing and barbarism, and, indeed, another generation of Americans to civil strife and protest—or do we end this obsession here and now.

EXTENSION OF THE NATIONAL FUELS AND ENERGY POLICY STUDY—PROPOSED AMENDMENT TO SENATE RESOLUTION 66

Mr. INOUYE. Mr. President, the ad hoc committee on coordinating energy legislation of the Democratic conference, which I have the honor to chair, has proposed amendment No. 10 to Senate Resolution 66. This amendment, which my friend and colleague, Senator RANDOLPH, submitted on our behalf would extend the life of the National Fuels and Energy Policy Study for an additional year, adding membership from the Committee on Aeronautical and Space Sciences.

The study group has been fortunate to have as its chairman, Senator HENRY M. JACKSON. Representation of the study panel from the Interior, Public Works, Commerce, Joint Atomic Energy, Finance, Foreign Relations, Government Operations, and Labor and Public Welfare Committees has assured inclusion in the study of the perspective of those committees which handle the bulk of energy legislation.

The addition of the Senate Committee on Aeronautical and Space Sciences to the study group makes eminent sense given the important role that solar energy can play in providing a new and economical source of nondepletable energy.

The need for prompt and effective congressional action in the energy field is disputed by no one. The Democratic conference task force on energy and the economy under the able leadership of Senator PASTORE is now developing a comprehensive energy program, which, unlike that proposed by President Ford, will be aimed at easing our dependence on foreign oil without doing irreparable damage to our teetering economy. The work that has been done in the past by the study group will ease the task of the PASTORE panel. In addition, the study group upon completion of proposals by Senator PASTORE's task force will provide a forum for limiting potential jurisdictional disputes that are inevitable in forging any comprehensive energy legislation and can assist in the day-to-day coordination of Senate consideration of energy bills.

The ad hoc committee recognizes the need to continue its deliberations regarding potential reorganization of the Senate committee structure and reform of Senate rules as they relate to the consideration of energy legislation. Accordingly, we shall continue in existence keeping open the prerogative of future recommendations in this area.

NICOTINE: PROFILE OF PERIL

Mr. MOSS. Mr. President, hopefully, sometime this year the Senate and the House will be given an opportunity to vote on elimination of subsidy payments for the growing of tobacco and the elimination of other advantages given to the tobacco industry in order to encourage more production, and consequently, more consumption of tobacco products. It seems incredible that the Federal Government continues to spend money to encourage the growing of a product which it has branded as a cause of disease and death among our people and for which large amounts of money are spent each year to teach the dangerous effects of cigarette smoking and to warn against the practice.

Because many continue to argue that there is "no proof" of the deleterious and even lethal effects of smoking tobacco, I ask unanimous consent to have printed in the RECORD following my remarks a copy of an article which appeared in the Reader's Digest of September 1973 entitled "Nicotine: Profile of Peril," by S. S. Field. I hope that this is the year when we can at least stop subsidizing tobacco and seriously undertake to educate our people not to smoke tobacco. Our national health demands this.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NICOTINE: PROFILE OF PERIL

(By S. S. Field)

At a glance, the mother of the two attractive teen-age girls might have been mistaken for either of them. That was yesterday. A glance today reveals a nightmare—a naked body on an autopsy table, its torso blood-smeared, its face a mask of horror. The scalp has been peeled back like the skin of a grapefruit, and there is only a cavity where a brain once functioned. Death, says the medical report, resulted from a cerebral tumor.

The man was a prominent lawyer in a large southern city. Now he is propped upright in a hospital bed, staring vacantly into space. Into eternity, in fact, for he is dead. "Heart-muscle failure," says the medical certificate.

The wife of the dean of a midwestern community college comes home from shopping, opens the door to her husband's study—and screams. The dean lies in a muck of blood, his once vital brain making a floral pattern across walls and ceiling. "Self-inflicted gunshot wound," says the coroner's report.

Three deaths, three certifications: cerebral tumor, heart attack, suicide. Yet behind these three seemingly unlike verdicts lies a frightening truth: each of the deaths, in greater or lesser degree, was caused by the same socially acceptable, legally sanctioned drug—a drug that is sold over the counter in 565 *billion* doses a year. The drug is called nicotine, and it comes in the cigarettes that so many of us consume so slavishly. *Had it not been for nicotine, these three deaths might not have occurred.*

In the case of the cerebral tumor, examination of the young mother's brain tissue identified the cancer as a cell type commonly originating in the bronchi of heavy cigarette smokers. From there it spreads easily into the bloodstream, from the lungs through the myriad capillaries of the body, to invade other organs—and the brain is a favorite killing ground. The mother, it should be noted, was a heavy smoker and, as expected, the primary lesion was found in her lung.

In the case of the heart-muscle failure, an autopsy revealed the lawyer's heart to be normal; there was no evidence of thrombosis (clotting). But the man had been ordered not to smoke, because he was under observation for a painful heart condition called angina pectoris. The order was meant to be absolute, for nicotine's "kick" is actually a chemical shock acting on the ganglia of the involuntary nervous system, including the nerves of the heart and arteries. But the lawyer couldn't resist, and had lighted up a forbidden cigarette. Because the man had been heavily addicted to cigarettes, his heart muscles had been sensitized by the nicotine. In this stage of hypersensitivity, an associated spasm of the coronary arteries, caused by nicotine, was sufficient to decrease the blood supply to the sensitized heart muscle and to cause a change from the heart's normal rhythmic beating to a twitching action (ventricular fibrillation). Death followed.

The suicide was an open-and-shut coroner's case. "Death was sudden . . . in ill health for some time," read the tactful obituary. But the dean's family and friends knew that his life had been destroyed by his pathological addiction to nicotine—that his habit had become a form of suicide, and that he had blown off the top of his head when the agony of smoker's emphysema had become too much to bear.

Clearly, nicotine is a dangerous substance. At a siminar on addiction, habituation and the pharmacology of tobacco, held during the 34-nation First World Conference on Smoking and Health in September 1967, there was general concurrence that the presumed action of nicotine "would link smoking dependence with other major forms of dependence, *such as heroin and alcohol.*"

Although most smokers of the 1½ billion cigarettes lighted each day in this country don't realize it, the stimulus they inhale is a volatile, poisonous alkaloid chemically known as $C_{10}H_{14}N_2$ and pharmacologically categorized as an organic nerve drug so powerful that a one-drop injection would cause instant death. In fact, it is believed that *the drug action of nicotine is a primary cause of more deaths each year than are caused by the most frightening of the hard drugs, heroin.*

The possible explanation for nicotine's deadliness is that it may chemically interact in such a way as to open the door to a whole battery of cancer-producing agents, poisons and lung-pollutants in cigarette smoke. On the basis of progressive increases in mortality from cigarette smoking, these substances are now the primary contributory causes of 360,000 *known* deaths a year—an average of 1,000 a day.

Among the potentially deadly emissions of cigarette tobacco are at least 7 known and a large number of suspected carcinogenic (cancer-producing) polycyclic hydrocarbons—listed as such by the National Cancer Institute. There are also 15 to 20 volatile substances which are either irritants or poisons, with parts-per-million (ppm) concentrations that are eye-popping. Hydrogen cyanide, for example—one of the deadliest poisons—is present in cigarette smoke in concentrations of 1,600 ppm (compared to a "safe" industrial level of 10 ppm). And carbon monoxide has a concentration in cigarette smoke that is at least *1,000 times greater* than the allowable environmental level.

Today the mortality from cigarette smoking is nearly seven times our annual death toll from highway accidents—a fatality rate that surpasses, in two months, our total loss of American lives during 12 years of the Vietnam war.

So much for the *known* deaths caused by cigarette smoking. What of the *unknown* deaths? Cardiovascular disease, for example, is responsible for more than a million fatalities a year in this country—better than half the total from all causes. According to Dr. Alton Ochsner, head of the famed Ochsner Clinic in New Orleans and one of the world's foremost lung-cancer surgeons, the number of cardiovascular deaths actually caused or provoked by cigarettes—but unrecorded as such—is shockingly high. Dr. Ochsner cites three medical conditions which contribute to this:

OXYGEN STARVATION

The bronchopulmonary diseases—in particular emphysema, which is almost exclusively a smoker's disease—place severe strains on the heart as a result of oxygen deficiency caused by the destruction or congestion of the lung's alveoli, those infinitesimal air sacs in which the carbon-dioxide wastes carried by the blood are replaced with oxygen. At one medical center, pathology reports showed that *30 percent* of the patients diagnosed for congestive heart failure also had emphysema.

RACING HEART

Nicotine stimulates an increase in heart rate of as many as 20 beats a minute. This increase may last for as long as 20 minutes after smoking—which for most smokers means as many as *10,000* extra beats a day. That's a punishing amount of extra work for a heart.

CIRCULATORY PROBLEMS

Nicotine's final blow to the heart is its vaso-constrictive effect. This potent drug causes a convulsive arterial occlusion—actual constriction of the blood vessels—which can produce drops in temperature of fingers and toes of as much as 10° F. with the inhalation of one cigarette.

How serious is the epidemic of death and disablement caused by cigarettes? In 1971, a report from Britain's Royal College of Physicians said: *"Cigarette smoking is now as important a cause of death as were the great epidemic diseases such as typhoid and cholera and tuberculosis that affected previous generations in this country."* Indeed:

All the epidemics of typhoid throughout Western Europe since the beginning of the 16th century have caused fewer estimated deaths than the total known to be caused by cigarettes in one year in the United States alone.

Cigarettes have accounted for more fatalities than were caused by TB epidemics in Europe throughout the 19th century.

The current annual cigarette mortality in this country surpasses the estimated total for all of the known epidemics of yellow fever in history.

What can be done?

First, the time has come to expose a legal absurdity. In 1965, in an alleged political trade involving support of the tobacco-state Congressmen for the Food and Drug Act of 1906, tobacco was removed from the U.S. Pharmacopoeia (listing of drugs), which in effect rendered it immune to control under the Act. Since then, however, several poisonous substances—which *are* controllable—have been found to exist in tobacco smoke in violation of environmental and consumer protection laws. Clearly, the "immunity" enjoyed by tobacco is illusory.

The facts are, as mentioned earlier, that at least 7 *known* cancer-producing agents and 15 to 20 *known* toxicants are going into the mouths of 56 million people at an average rate of 27 times a day and, 90 percent of the time, directly into their lungs. Tobacco's immunity should be withdrawn.

Second, we need a "completely safe" cigarette law similar to the hazardous-substance laws that ban unsafe ingredients from food, drugs, cosmetics, clothing, children's toys and other household products. In fact, a less hazardous, even perhaps safe cigarette is now entirely feasible. The use of tobacco strains containing little or no nicotine, combined with selective filtration technology, would almost entirely eliminate the dangers of smoking. But it would also eliminate the possible addiction factor which has made cigarette manufacturing so lucrative. The process therefore meets with stiff resistance from the powerful tobacco lobby.

The third action is a matter of individual conscience. The Talmud says that "He who saves one life, it is as though he has saved the entire world." Fifty-six million Americans have the opportunity to do just that—by putting out their last cigarette.

WOOD FOR THE FUTURE: OUR FORESTRY INCENTIVES PROGRAM

Mr. McGOVERN. Mr. President, just as this society must give greater attention to planning ahead for future sources of nonrenewable resources such as energy and mineral, so too must we give increased thought to our supplies of renewable resources such as food and timber.

Two initiatives of the Congress during the 93d Congress do just that in our forestry sector—the renewable resources management and planning program which the Forest Service is beginning to implement, and the forestry incentives program of the 1973 farm bill which the administration is seeking to kill.

An instructive and understandable article by Thomas McCarthy in the February issue of Mainliner magazine makes the point that fully 60 percent of America's commercial forest land is owned by individuals, primarily in blocks of 70 or fewer acres.

It is this great majority of our timberland that the forestry incentives program is designed to reach with its 50–50 cost-sharing programs. The program is so essential to the American future that it deserves better than the ax of the Office of Management and Budget.

My hope is that the Congress will not accede to unwise budget cutting any more than it should accede to excessive cutting of our timber stands. Mr. President, I ask unanimous consent that the article which I have described, entitled "Seeing Our Forests for the Trees," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEEING OUR FORESTS FOR THE TREES

(By Thomas McCarthy)

Brace yourself for some good news, America. Through a combination of advanced forestry practices and innovative manufacturing technology, we can have as much wood as we need to meet future demand.

And now the bad news. We aren't doing what we already know how to do and if we don't act soon there's a good chance we'll run short of wood before the turn of the century—25 years from now.

Part of the reason for the inaction is that a good many Americans seem to know things about the forest resource that aren't true. Simple things, such as where the forest grows, how big it is, who owns it and what difference that makes in this age of concrete and steel, glass and plastic.

According to the wood products industry, opinion surveys suggest there just isn't a solid fund of common knowledge about forests and the state of the resource among a broad cross section of the population. And what the public doesn't know in this case can really hurt.

Take forest location for openers. If those surveys are correct, most people think the American forest is out West somewhere, perhaps beyond Laramie. Not so. Without counting Hawaii and Alaska, more than 60 percent of the American forest is east of the Mississippi. New York state, for example, is 57 percent forest land, with about 17.4 million acres of trees. Georgia has more forestland than Colorado—about three million acres more.

Even New Jersey, one of the most densely populated states in the U.S., is more than half forest land.

If you missed the first question, chances are you'll miss this next one, too: How big is the American forest? About one-third of the total U.S. land area, approximately 754 million acres. Most people guess a far smaller figure. They also find it surprising that we still have about 70 percent as much forest as was here the day Columbus discovered the New World.

About two-thirds of today's forest is classed as "commercial forest land," a formal descriptive forestry term that means those acres are available for, and capable of, growing trees as a renewable crop. The remaining third is noncommercial in terms of timber use and includes the nation's parks, wilderness areas, primitive regions and other special-use areas not managed for timber production.

Almost nobody gets the next question right: Who owns the American forest? Most assume that industry owns the lion's share. But that's a bad guess.

Individuals own about 60 percent of the commercial forest land in America, mostly in blocks of 70 acres or less. Many of these small landowners are farmers, but an increasing number are absentee landlords who have purchased rural property for investment, recreation or retirement.

The next largest forest landlord is government: state, federal and local governments control about 28 percent of the commercial

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forest. The federal government is the biggest factor, by far, with 22 of the 28 percent. Industry comes in a somewhat distant last, owning 13 percent of the commercial forest land.

The list of misconceptions goes on and on. One of the most exasperating to industrial foresters is that most people think the term "wilderness" means about the same as park or even wooded area. Far from it. The legal definition is far more stringent, excluding roads, vehicles, permanent structures and more. The law tries to preserve the land in its wild state without evidence of the hand of man. Only two percent of the U.S. population has ever visited a wilderness area.

Then there's the redwood area, home of a dozen major misconceptions. A lot of people think the redwoods are gone, or going fast. But the Society of American Foresters' Northern California Section claims there are more redwoods growing today than a century ago—and in about the same growing range. The average annual yield and the average annual growth are in balance, with the yield at about 900 million board feet.

Then there's the assumption that because some redwoods live a long time they grow slowly. The fact is, the redwood is one of the fastest growing conifers, the only one that readily reproduces itself either by dropping seeds or sprouting from the established root system.

Then there's the old saw about substitute materials replacing wood products. That would be impossible. More wood is used annually (by weight) than all minerals combined according to the American Forest Institute. So there simply isn't enough of anything to replace wood.

Still, a lot of people imagine wood to be slightly old-fashioned, probably because wood is used in so many forms that don't look like wood.

The wood building materials in stores, offices, schools and churches are obvious enough—and since 80 percent of America's homes are built with wood, that's obvious too. But wood fiber, wood cellulose and wood chemicals are in a bewildering array of other products that don't look in the least like trees—including photographic film, perfumes, ice cream, pills, artificial blood plasma—hundreds of items that people want or use every day.

There's always paper. Most people quickly make the connection between wood pulp and newspapers, books, magazines and grocery sacks. But few remember there's paper in a thousand other places such as auto engine oil filters, electric cable, plasterboard walls—even in satellite communications equipment.

The hard and unavoidable fact is that wood is a primary building block of civilization. That's why wood products industry observers are increasingly concerned about the forest resource information gap. They see a wood shortage in the next 25 years if we don't act now to prevent it. Foresters indicate that we're going to need twice as much wood in 1998 as we needed in 1974, and right now we're not growing wood fast enough to meet that rate of growth in demand.

Since individual landowners and government combined control something like 87 percent of the commercial forest, it follows that broad public awareness is essential to any solution. Fortunately, there is a solution. We can grow more wood and faster in the future than we have in the past.

Industrial forestry has proved that intensive management can greatly increase wood growth compared with what unaided nature produces in a wild forest. Intensive management is part of the reason that industrial forest land today produces 62 percent more wood per acre than government lands and 42 percent more than individual landowners.

The practices used by industry would be familiar to any farmer in theory: rapid regeneration of the forest to keep the land in production; use of the best available seed stock; careful spacing of the growing crop to assure optimum sunlight, moisture and soil nutrients; fertilization to encourage rapid growth.

Professional foresters say that America's forests, if managed intensively, can meet the challenge of the future—that we can produce enough wood to meet a doubling in the demand. The stakes are high. America already has experienced temporary shortages of wood products—and corresponding increases in price.

Problems have ranged from merely uncomfortable—such as the toilet paper shortages that occurred in a few Eastern urban centers last year after panic buying diminished normal inventories—to some profound influences on the way people live in America—the increasing costs of land, money and building materials threaten to make this the last generation of homeowners.

According to the American Forest Institute, there are at least three steps that can be taken now to ensure an adequate wood supply in the future.

The first is to fund United States Forest Service programs intended to increase the level of commercial forest land management generally and to restock idle public lands that could be brought back to productive forests.

The second is to provide incentives for the millions of small landowners to institute some of the growth-enhancing practices perfected by industry.

Finally, the third is to protect the commercial forest from unnecessary or extravagant withdrawals of land for uses that exclude management of the forest for renewable crops of timber. The task is to balance the need for certain kinds of special use areas—such as wilderness and parks—with the need for wood products.

Three big, and important steps. But all three quite possible, at least from a technical standpoint. The technology exists to get on with the work right now. The professional skills are available. So is the source of funding—with the forest resource, wise investment now means higher return later. All that's left is to close the information gap.

CAMBODIA: A NATION OF HUNGER, WAR, AND DESPAIR

Mr. KENNEDY. Mr. President, last month, the Subcommittee on Refugees, of which I am chairman, released a preliminary subcommittee report on humanitarian conditions in Indochina on the second anniversary of the cease-fire agreement for Vietnam.

In that report, the subcommittee estimated that:

Well over 50 percent of Cambodia's 6,000,000 population are refugees—and there were 60,000 new refugees generated by the war since January 1, 1974.

By official count alone, civilian war casualties in Cambodia during 1974 averaged 7,000 per month for a total of 84,000.

And today in Cambodia, the high level of violence continues unabated. Each day of war brings another day of human suffering.

While the lingering war in Cambodia continues to rage on, we should not lose sight of those who have nothing to gain, but most to lose from the war—the civilian war victims and refugees of that nation.

Ammunition, rather than food, is reaching Phnom Penh today. The hungry and wounded of the city go unfed and uncared for as the siege tightens. Children are dying from malnutrition and disease, and medical assistance is in short supply. More than ever before, as life in Cambodia becomes more precarious, the administration is proving its commitment to armies—rather than to people.

What Cambodia needs today is not more ammunition—but rather our diplomacy to help end the war and bring relief to a desperate nation.

Mr. President, I ask unanimous consent that two articles which speak of the humanitarian problems of the Cambodian people be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 15, 1975]

HUNGER STALKS PHNOM PENH—UNDERNOURISHED CHILDREN DIE IN SQUALID CAMPS

(By H. D. S. Greenway)

PHNOM PENH, Feb. 14.—Although this capital has enough rice on hand to feed the population for several weeks in the event of a prolonged blockade, instances of severe malnutrition are already rising here, and children are dying of starvation.

The situation in the isolated garrison towns, such as Neak Luong on the Mekong River, is even worse.

The food may be here but prices are so inflated that the very poor cannot buy enough to feed their families adequately, and the new wave of refugees since the current dry season offensive began has swamped the meager relief system.

"Before the upsurge in fighting began in January we thought we were gaining on the malnutrition problem," the chief physician of the Catholic Relief Services mission here, Dr. Gay Alekander, said in a recent interview. "But now the refugee population is slipping downhill fast."

Cambodia has become a country of refugees. One sees them choking the dusty roads in ox carts and on foot, fleeing every time the war sweeps near their villages. The government estimates that 2.2 million people have been dislocated since the war began five years ago. The total population of the country is only seven million, but no one here knows the situation behind the rebel lines where at least one-third of the people live.

Unlike Bangladesh or India there is no great pressure of population on available resources here. Before the war, driving through what is now devastated and depopulated countryside, one used to be impressed with the abundance that even the poor enjoyed. Malnutrition and starvation here are the result of seemingly endless war.

Phnom Penh's population has grown from about 600,000 since the war began to more than 2 million. Efforts are made to keep refugees out of the city now, and in January barricades were put up outside of town. Many refugees are now settled in straw huts on the roads leading into the capital where they have very little clothing. Many gather around complaining that they have not enough to eat.

Most of the refugees melt into the local population and live with relatives and friends—getting on as best they can off the local economy. But about 70,000 are still in grim camps.

The unfinished Cambodiana Hotel, on the banks of the Mekong, was once Prince Sihanouk's dream for a modern first-class hotel.

Today the Cambodiana is a nightmare, with refugees living in squalor among the unfinished hallways and rooms designed for tourists and cooking fires in the cave-like lobby where steel rods stick through the gray cement.

World Vision, another relief agency here, operates a clinic in the Cambodiana where their medical team leader, Dr. Penelope Key, sees on an average 250 children a day. About 75 per cent of them nowadays are suffering from malnutrition, she said.

Forty of the children she examined today were suffering from malnutrition severe enough to warrant hospitalization, "but we had beds enough for only three," she said. One child died of malnutrition in the clinic this morning, she added, and three more died last night in the child nutrition center which World Vision runs.

The government has a program to give new refugees, who usually arrive with nothing but the clothes on their backs, 300 grams of rice a day about two small bowls. Refugees who have been in the camps longer get 150 grams a day.

The Americans in Vietnam once calculated that a Vietcong living in the forest needed a minimum of 700 grams of rice a day to keep fighting.

The relief rice is paid for mostly by the American aid program—14 million last year—and distributed by volunteer agencies such as CARE, World Vision, Catholic Relief Service and the Red Cross. The volunteer agencies try to supplement the rice diet with fish and vegetables, and they try to feed refugees soup here and in the provinces still under government control. The current increase in refugees has been too much for them to cope with, however.

The majority of the poor receive no aid at all and inflation has made it very difficult for families to get enough food.

For example, the price of rice has increased from 240 Cambodian riels per kilo (2.2 pounds) in December to about 340 riels today. A year ago rice cost 80 riels per kilo, and in 1970 a kilo of rice cost about 8 riels. The riel has been devalued several times since 1970 and now is set at 1650 to the dollar.

Cambodians used to supplement their diets with fruit and fish, but many people now "cannot afford even one banana for a child," Dr. Key said. "Even fisherman must sell their fish to buy rice and cannot give fish to their families and we are now beginning to see vitamin B deficiency among children as well as vitamin A, which leads to blindness."

Often the worst off, as far as malnutrition is concerned, are the wives and children of soldiers. Many of them travel with the troops. They are shifted about rapidly from one front to another and the pay is poor and irregular. The fighting men take priority as far as food is concerned and often there is not enough for the families.

I have seen soldiers refuse to be transferred to another front unless they could take their rice with them, but often there is not room in the helicopters.

Phnom Penh's Olympic Stadium, once the site of the Asian Games, now looks like a Calcutta refugee camp with the families of soldiers living in misery in makeshift leantos and tents cooking over small fires in the stands.

[From the Christian Science Monitor, Feb. 19, 1975]

CAMBODIA SUFFERING MOUNTS—MALNUTRITION SPREADS AMONG THE POOR

(By Daniel Southerland)

PHNOM, PENH, CAMBODIA. Growing signs of malnutrition among the poorer inhabitants of Phnom Penh have relief workers much more worried than the sporadic rocket fire which threatens this beleaguered Cambodian city.

The problem is one which ought to be worrying Phnom Penh military officers as well, because the indications are that the families of poorly paid government soldiers are being hit harder by food shortages than any other group.

The preliminary results of a survey supervised by CARE, the American relief organization, show that while malnutrition was already a problem among poor families a year ago it has now become a "severe" problem which is likely to get worse before it gets better.

The survey results will come as no surprise to the physicians and relief workers who have already have engaged for some time in a fight to combat malnutrition in the Cambodian capital.

FUND DRIVE LAUNCHED

The Catholic Relief Service, CARE; and World Vision, a Protestant organization, have been involved in a major American-funded refugee relief effort for more than a year now—with an emphasis on feeding children.

They have discovered that some of the people living in refugee camps are now a good deal better off than many of those living outside the camps. Along with the hardhit families of government soldiers, refugees living outside organized camps are among the main victims of malnutrition—and they far outnumber those who live in the camps.

One does not see a degree of malnutrition here as widespread as that which is in evidence in Bangladesh or some parts of India. But the contrast between the current situation in Cambodia and that of the pre-war days is striking.

Before the war, food was plentiful. Cambodia had a surplus of rice to export. Now, after nearly five years of war, this is a country which depends to a great extent on American-financed imports of rice.

INFLATION RATE STAGGERING

The war has also helped bring on a staggering rate of inflation. Prices rose, on the average, at least 250 percent over the past year. Last September, official rice prices tripled.

A United Nations expert has calculated that it would now take an income of about $38 a month to feed properly a family of five in Phnom Penh. But the average income of a teacher is around a third that amount, and some Cambodian workers barely make one sixth that amount.

This economic squeeze, and the growing malnutrition which has accompanied it, are not problems which just suddenly arose after the latest insurgent offensive began on New Years day. They have been building up over a period of years.

FOR THE ELDERLY: "HOMES" OR HOME CARE?

Mr. WILLIAMS. Mr. President, the Special Committee on Aging, on which I now serve as ranking member after having served as chairman, has given considerable attention to the need for greater use of home health services in the United States.

We who serve on the committee recognize that good institutions—hospitals, nursing homes, and so-called domiciliary facilities—are essential for those who need the services that are best provided in such settings.

But we also feel that quite often persons who could remain in their own homes—given help with housekeeping or certain forms of care—sometimes find themselves in institutions because more appropriate care is not available.

In short, the committee wants good institutions when institutional care is needed and it wants sound alternatives when those alternatives are better. It is not a matter of either/or.

For these reasons, I was impressed by an article which appeared in the January 15 issue of Justice a publication of the International Ladies Garment Workers Union. That article quite properly pays tribute to an excellent series of reports being issued by the Subcommittee on Long-Term Care of the Committee on Aging.

That subcommittee, so well led by Chairman FRANK MOSS of Utah, has called for better nursing home care while recognizing the need for adequate home health programs. Excerpts from the subcommittee's continuing report on "Nursing Home Care in the United States: Failure in Public Policy," are provided and they help make the case for a much better-balanced health care system than is now the case in this Nation. Furthermore, the article gives helpful information on home health care in Britain, Sweden, Denmark, and Norway.

Mr. President, I believe that the Justice article is worthy of widespread attention, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOME CARE OR "HOMES" FOR THE ELDERLY?

Within the lifetime of a 75-year-old American, medical science has made the biblical promise of three score and ten a reality for most Americans. The average life expectancy at birth is 70 years and those who reach their 65th birthday can, on the average, expect to live another 15 years. The over-75's are the fastest growing age group in the population.

But with a longer life come many problems: no longer able to work, the elderly must rely on social security and modest pensions (if any) to meet rising living costs; the need for medical attention increases as relentlessly as the cost of that attention; and eventually the ability to care for oneself diminishes and such care must be provided by others.

During the past decade, care of the elderly increasingly has been provided by nursing homes. This is due in part to the introduction of medicare and medicaid, which made this expensive solution accessible to all, and in part due to changing social and economic patterns which made care by relatives burdensome.

But nursing homes, whose total beds now outnumber those in general hospitals, have become the shame of the country, providing services which are at best cold and impersonal and at worst cruel and inhumane. A recent report by a congressional committee investigating the subject concluded: "To the average older American, nursing homes have become almost synonomous with death and protracted suffering before death."

Other countries, which also have large elderly populations, are facing the problem in another way. Great Britain, Sweden, Denmark and Norway, for example, have geared their public policy to providing as much supportive home care as necessary to enable elderly persons to remain in their own homes or specially constructed apartment and dormitory complexes.

In this country many have argued in favor of home care as an alternative to impersonal institutions. Congressman Edward Koch (D-N.Y.) points out that it will not only lead to more humane treatment of the elderly, but will result in substantial savings to the taxpayer.

In a recent letter to The New York Times, Koch estimates that, depending on the level and intensity of care, many elderly persons could be maintained in their own homes for between $3,000 and $9,000 a year compared to nursing home costs in New York City of

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$12,000 to $13,000 on the average. "Most important," Koch says, home care "allows the elderly to maintain the dignity and independence which is so often snatched from them in the impersonal and bleak halls of the nursing home."

A major document concerning nursing home conditions is the report issued in December by the Subcommittee on Long-Term Care of the Senate Special Committee on Aging, which will be followed up by supporting papers issued on a monthly basis. The committee is chaired by Senator Frank Church (D-Idaho) and the subcommittee chairman is Senator Frank E. Moss (D-Utah).

That report, while recognizing the need for a certain amount of intensive nursing home care, also is clearly in favor of reducing such care to a minimum and instead promoting home help programs which will allow many elderly people to remain in their own homes. An appendix in the committee's report details how such a home-help program in Minneapolis saved taxpayers' dollars.

The committee report noted that medicare payments for home health benefits (now strictly limited) have actually dropped in recent years to less than 1 percent of total expenditures. Some recommendations for reversing this situation are: elimination of the requirement of "skilled help" to allow reimbursement for homemaker services (housework, grocery shopping, cooking) as well as basic medical attention; federal grants to assist in the formation of home health agencies; and an experimental program to subsidize families to take care of their own elderly.

For the taxpayer, the cost of nursing home care has become huge. Medicaid pays about 60 percent of the total $7.5 billion nursing home bill and medicare kicks in another 7 percent. Thus, two out of every three dollars going to nursing home operators are contributed by taxpayers.

But the cost in human terms is even greater. At the very beginning of its report, the Senate subcommittee concludes:

". . . the subcommittee must reluctantly subscribe to the major finding of this survey: a coherent, constructive and progressive national policy has not yet been developed to meet the long-term care needs of the elderly.

"As a result, millions of older Americans who have already received care in nursing homes have not yet received maximum help. In many cases they have not even received humane treatment. And in an alarming number of known cases, they have actually encountered abuse and physical danger, including unsanitary conditions, fire hazards, poor or unwholesome food, infections, adverse drug reactions, overtranquilization and frequent medication errors. In addition, they have been exposed to negligence on the part of nursing home personnel. The net impact is that far too many patients have needlessly sustained injury and, in some cases, death."

The inadequate control of drugs was called by the committee "one of the most critical and far-reaching problems confronting the nursing home industry." Untrained personnel have administered the wrong medication or wrong dosage to unsuspecting patients. But the extensive use of sedatives to keep patients "out of the way" is by far the most prevalent and harmful practice.

(In fact, Peter H. Franklin, special assistant to the U.S. Secretary of Health, Education and Welfare, at a news conference last week cited a recent HEW study of more than 300 nursing homes across the country and observed that "one thing that did come to light was over-drugging of patients. The improper handling, overuse and misuse of drugs came out very clear.")

The committee was surprised by the breadth of the nursing home problem, sadly concluding that abuses are not limited to isolated cases or a few shady operators. "The appropriate question," the committee wrote, "is how many nursing homes have serious and life-threatening violations? Applying this analysis and on the weight of the evidence, the subcommittee concludes that over 50 percent of the nursing homes in the United States are substandard."

The number of people affected is also substantial: while only 5 percent of Americans over 65 are in nursing homes at any one time, the committee estimated that one in every five elderly persons will enter a nursing home sometime before they die.

Most old people and their families view the prospect of a nursing home with "despair and desperation," the committee concluded. And well they might, given the catalogue of horrors reported by the committee and other investigators.

It is significant that in its list of a dozen nursing home abuses, the committee provides one category for "Deliberate Physical Injury." Testimony was provided on case histories where a patient who was taking too long to die was suffocated by a nursing home operator so she could go shopping, where a 93-year-old patient was punched in the face for dropping a cup, and where patients were tied, gagged, beaten and choked.

Such deliberate acts are rare, but more common onea generated by carelessness or improper procedures are often just as fatal and cruel. Disabled patients are left in one place all day with no one taking them to the bathroom; senile patients with a tendency to wander are restrained by straitjackets or drugged; injuries are ignored; urine and feces are left uncleaned.

For the profit-minded operator, fixed government payments provide little incentive to improve facilities. So to boost profits, many nursing home operators "cut costs" by serving small portions or unwholesome food, hire a skeleton staff at the minimum wage and refuse to buy needed items of clothing for patients. The untrained, often hostile employee can be the worst danger, inflicting injuries through carelessness or intention, stealing money and possessions from patients, or just creating a cold, institutional environment.

Psychological damage can be done by cruel jokes such as laughing at patients who stumble or are incontinent. One case was reported where an orderly, who wanted to finish her rounds early, got an elderly woman to go to bed at 6 P.M. by telling her that her son was coming the next day to take her home.

The subcommittee, without reducing the culpability of nursing homes and their operators, concluded that the roots of the problem stem in large part from the public's attitude towards aging and the aged. Because we find old age and death repulsive, we want to keep those that remind us out of sight. Thus, as the committee said:

"In the final analysis, nursing homes are, and will be, what the American public insists they become."

IN BRITAIN

While all countries strive to be humane in their treatment of the elderly, Great Britain goes a step further and offers the human touch. In bungalows and "grouped flatlets" for the elderly, where medical and other services are available, officials always try to include personal gardens for the residents to grow their own flowers and plants. Even nursing homes allow the patients to have their own pets.

But the British realize that even the finest facilities are not as good as one's own home and their current policy is expressed in a booklet from their information office: "A number of personal social services are provided by statutory and voluntary bodies to help elderly people to live in their own homes as long as possible." Included in these social services are domestic help for cleaning, shopping and cooking, home adaptations and aids for the handicapped, "meals on wheels" delivered to the home or meals served in day centers and senior citizen clubs, and visiting volunteers who do almost anything from household work to just taking a walk with the old person.

A major advantage for the elderly in Britain is that like all citizens they have virtually free medical care through the National Health Service. In addition, those of pensionable age are entitled to free prescriptions and hearing aids; eyeglasses are provided at low cost. When necessary, nurses come to the home on a regular basis to provide injections and "health visitors" are trained to perform other medical tasks that don't require a doctor or nurse, but are beyond the competence of the elderly patient.

Despite the poor shape of the economy, Britain has not only maintained all services to the elderly, but has also increased pensions to help them meet inflation costs.

IN SWEDEN

Of the Scandinavian countries, Sweden has the longest commitment to a vigorous social welfare program. Back in 1957, the government tied its pension (similar to our social security) to the cost of living. Now based on 60 percent of a worker's average salary over the best 15 years, this payment alone to the elderly takes up 17 percent of the Swedish budget.

Although development of new types of housing for the elderly continues, the Swedes, too, have found that many old people prefer to stay in their own apartments and houses. For this reason, home nursing and home care services (cleaning, cooking, personal hygiene) are being more widely provided on an ability to pay basis (largely free for those living on just the basic old age pension). There are also special low-cost loans for improvement of pensioners' homes or apartments. Authorities in one Swedish home-help program estimate that it is cheaper to provide as much as 20 hours of help each week than to place a person in an old age home.

In Sweden there is a sharp dichotomy between so-called old age homes and nursing homes: nursing homes are limited and designed for those too sick to take care of themselves; old age homes are residences providing needed services. Such homes are designed for group and private living with residents allowed to bring their own furniture. Privacy is important to the Swedes and they provide for this in all their facilities for the elderly.

As the quality of old-age facilities improves, officials have found that the once fearful attitude towards such homes is changing. An example of the more advanced concept in residences being pursued is a new facility at Lotsjogarden which features:

A section for those with less mobility, comprised of apartments with bath, but no kitchen. Residents may take their meals downstairs or have them sent to their rooms.

A section for a pensioners hotel, containing apartments with kitchens. Residents may cook their own meals or eat downstairs.

A seniors' center on the ground floor open to both categories of residents as well as other elderly people living in their own housing in the district. Provided are the cafeteria, medical care, baths, massage, chiropody, hairdressing, physical education, craft shops, a theater and a library.

IN DENMARK

Officials in Denmark have long recognized the need to help the elderly remain in their own homes. Since 1968 all local authorities have provided extensive home help services and the larger cities have had such services for years.

In addition to medical care, these home services include cleaning, laundry, shopping, cooking, mending and personal hygiene. The elderly recipient continues to receive such help until he or she recovers or the need for institutionalization becomes insurmountable.

As in Sweden, the elderly in Denmark may bring their own furniture to old age homes which feature a form of self government by an elected committee of residents. Newer facilities are called "service flats" which have communal eating and social rooms but private apartment-style rooms. A section for nursing home care is often incorporated into the new facilities so there is a gradual transition from one's own home to a communal living arrangement and finally to the intensive care section.

Danes also enjoy government pensions adjusted frequently for the cost of living and essentially free medical care. Only the most affluent one-fifth of the populace in Denmark pay for medical care, and they get a 75 percent refund from the government; all others—including most pensioners—get free treatment. The government refunds half the cost of medications.

The government also gives rent subsidies to enable the elderly to remain in their apartments. These are based on need, as is access to special pensioners' flats. Elderly Danes also enjoy low-cost travel privileges and educational benefits.

IN NORWAY

The Norwegians have come to the conclusion that "the best solution for the majority of elderly persons is that they are allowed to remain in their own homes as long as possible." Backing up these words is some positive action by the government.

Home assistance—housekeeping, cooking, shopping etc.—has been introduced in almost all municipalities. About 35 percent of the expenditure on these services by the local authorities is now reimbursed by the federal government or National Insurance.

National Insurance payments for home nursing services have also been expanded so that now 75 percent of municipal expenditures in this area are covered. Administratively, home nursing has been separated from the less skilled home help services, indicating a realization that the need for help with daily chores is quite different than the need for medical care.

Norwegians also have strict standards for care in old age homes. All homes for the elderly must be officially approved and there is a maximum fee that they can charge. Greater training for the staffs of old age homes is now a government priority.

The national pension scheme is tied to the cost-of-living, providing some protection from inflation for the elderly.

IN MINNEAPOLIS: HOME CARE CUTS COSTS

In investigating alternatives to nursing homes, the Subcommittee on Long-Term Care of the Senate Special Committee on Aging received evidence of the dramatic savings to taxpayers from one home help program in Minneapolis. Below is one case from the files of the Minneapolis Age & Opportunity Center (M.A.O.) as presented to the senate committee.

Clients: Frank and Elizabeth P.
Ages: Frank (83); Elizabeth (72).
Income: $320/month from pension alone.

FRANK'S PROBLEM

Partial paralysis, urine incontinence, speech impairment. Nursing home placement versus home care.

Client's wife (Elizabeth) health appears good. She has miletus diabetes and this is under control through use of orenaese. She seems to be strong and fit. Her emotional state is static due to fears that her husband will be taken from her and placed in a nursing home.

When Frank was ready to leave the hospital to be transferred to a nursing home on recommendation of his doctor, Mrs. P. requested Social Service to help her find some way to take Frank home so that she could care for him.

A counselor from M.A.O. met with Mrs. P. to determine a "patient plan." It was decided that until the plan could be implemented, the counselor would come three times a week to assist Mrs. P. with her husband's personal care, and that a homemaker would also help her. Then the plan was implemented as follows:

1. M.A.O. handyman built a ramp and fixed the steps on their home to accommodate a wheelchair for Mr. P.

2. M.A.O. counselor assisted clients in obtaining medical assistance.

3. The M.A.O. counselor arranged for a patient lift from Courage Center to assist the client in and out of bed. This made it possible for Mrs. P. to handle and care for her husband without assistance and the M.A.O. counselor was no longer needed for this purpose.

4. Mrs. P. would handle the feeding, bathing, and cleaning of client.

5. An M.A.O. homemaker gave three services to the clients during the time of implementing the patient plan to help Mrs. P. "catch up" with the work left undone due to this emergency. When caught up, Mrs. P. managed.

6. After the above plan was implemented, Mrs. P. was independent of M.A.O. and able to take care of her husband for three months until he returned to the hospital where he died.

The total cost of care at home for Mr. P. during the three-month period, through the M.A.O. services, came to $279.35. Had he been confined in a nursing home for the same three months, the cost for its facilities would have come to $1,350. Assuming that Mr. P.'s pension of $118 a month would have gone toward the cost of his care in the nursing home, this would have left $998 to be paid by medicaid. But with the M.A.O.-provided home services totaling only $279.35, this resulted in a saving to taxpayers of $716.65—and an incalculable amount of greater comfort and happiness to Mr. P. and his wife for the last days of his life.

THE CIA

Mr. McGOVERN. Mr. President, we should doubtless await the findings of the Senate investigation before passing judgment on the future role of the CIA. One possibility that the Senate should consider, however, is that proposal by the respected journalist, I. F. Stone. Mr. Stone has suggested that the best solution is to abolish the CIA.

I ask unanimous consent that Mr. Stone's article, "A New Solution for the CIA" appearing in the February 20, 1975, New York Review, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NEW SOLUTION FOR THE CIA

(By I. F. Stone)

Stalin did establish one useful precedent. He made it a practice to bump off whoever served as head of his secret police. He never let anybody stay in the job too long. As a successful dictator, Stalin seems to have felt that anybody who had collected so many secrets would be a No. 1 menace to security if he ever went sour. Stalin thought it safer not to wait.

I think we ought to take Stalin's example one step further. I think we ought to get rid of the CIA altogether, lock, stock, and burglar's kit.

We know from recent revelations how J. Edgar Hoover in his lifetime tenure as FBI chief collected dossiers on the sexual and drinking habits of congressmen and high officials. The mere rumor that such secrets were in his files made Hoover the most feared man in the capital, the untouchable of U.S. politics. A similar character could build up a similar empire of fear in and through CIA.

Those who think it enough to establish new oversight committees should remember that there have been CIA committees in Congress since the agency's formation and they have invariably overlooked the abuses they were supposed to oversee. As for forbidding the agency to engage in "dirty tricks," how enforce such a restriction against an agency so secretive, so far-flung, and so habituated to doing-in political leaders of whom it disapproves? It is hard enough to keep a tight rein on public agencies right here in Washington. How to control, sometimes 10,000 miles away, the kind of adventurers, screwballs, and intriguers an agency like the CIA naturally attracts?

The US government is inundated daily by tidal waves of intelligence. We have a mysterious electronic NSA which taps and tapes all the communications systems of the world; its huge "ears" in Pakistan and Turkey record the slightest Kremlin sneeze. Even in remotest Siberia, no babushka can milk her cow without being caught on candid camera from US satellites on eternal patrol.

In the Pentagon are separate intelligence branches of the army, air force, and navy, each with its own military attachés abroad, and over all of them is a defense intelligence agency, a DIA. The State Department has its own intelligence and research division; the Foreign Service is its eyes and ears abroad. The Departments of Commerce, Labor, and Agriculture have attachés of their own in many US embassies. Businessmen and Washington correspondents who use their publicly available studies on countries and commodities know how much more reliable they are than the spooks.

The Treasury has its narcotics and other agents. Internal Revenue, Customs, and the Post Office have their own gumshoe men. There is the FBI and there is the Secret Service. Nobody seems to know how much all this costs or how many are employed. Congress does know that CIA expenditures hidden in certain crevices of the budget add up to several billions of dollars. The exact amount is unknown.

Originally we were told when the CIA was established by Truman in 1947 that it was necessary—as its name implied—to "centralize" all these intelligence activities and summarize for the White House the information flowing in from them. We were not told, and perhaps Truman never intended, that the CIA would soon be engaged in James Bond melodrama around the world, making and unmaking governments not to our liking, and in the process sentencing other nations' leaders like Mossaddeq of Iran and Allende of Chile to death. Watergate has already shown us that to practice such crime-as-politics abroad is to invite its application sooner or later to politics at home.

As an intelligence service the CIA has been a bust. The Bay of Pigs and the Vietnam war are only the most dramatic demonstrations that public officials would have been better informed—and adopted wiser policies—if they had simply read the newspapers and put all that "classified" information in the wastebasket. The CIA has made the U.S. look like the world's biggest Mafia while helping to trap it into one serious mistake after another. Never have so many billions been squandered on so much misinformation. In its twenty-seven years of existence—even at $2 billion a year—this giddy operation must have cost upward of $50 billion.

Why not get rid of it before it can do more damage?

Even when, occasionally, the CIA analyses were accurate they have gone into the bureaucratic wastebaskets because they conflicted with what officials higher up wanted to hear. One example is the four reports about the Vietnam war which turned up in the Pentagon Papers. Another example (see the exclusive in The Christian Science Monitor, January 23, 1975) was the studies showing there was "no evidence to suggest" that the anti-Vietnam war movement was instigated from abroad. The Nixon White House nonetheless ordered the agency to go ahead and compile a list of 10,000—no less—peaceniks suspected of being foreign agents.

A government, like an individual, hates to hear what it doesn't want to believe. This is why no intelligence agency in any society ever really understands—or can afford to let itself understand—what is going on. The bigger the intelligence agency the more powerfully its sheer inertial weight reinforces the misconceptions of the ruling class it serves. Hence the paradox: the more "intelligence" a government buys the less intelligently it operates. The CIA will go down in the books as a vain attempt to change history by institutionalizing assassination. It deserves a dose of its own favorite medicine.

SHOULD THE UNITED STATES GIVE MORE HELP TO SAIGON?

Mr. MATHIAS. Mr. President, the recent request by the Ford administration for an additional $522 million in U.S. military aid to the Governments of South Vietnam and Cambodia means that Congress will again be called upon to carefully weigh the wisdom of our further military involvement in Indochina. The senior Senator from Oregon (Mr. HATFIELD) has recently written an article for the Los Angeles Times which emphasizes the dangers surrounding any decision by Congress to agree to this request, and his hope that a peaceful solution to that tragic conflict can be achieved. I believe Senator HATFIELD's view deserves the thoughtful attention of my colleagues, and I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHOULD THE UNITED STATES GIVE MORE HELP TO SAIGON?—AID ONLY PERPETUATES A BANKRUPT POLICY

(By MARK O. HATFIELD)

The request by the Ford Administration for an additional $300 million in military aid to the government of South Vietnam and $222 million for Cambodia is the latest attempt to perpetuate an Indochina policy that is morally and politically bankrupt.

It is a policy grounded in the myth that we can intervene in any nation we choose, and that we are totally free to shape the world in our own image. For those who had rightly hoped that this myth had ended with Vietnam, the renewed request for funds comes as both sad and dangerous news.

Again we are asked to view fiction as fact. Again we are asked to commit ourselves materially in the name of creating a peaceful solution to the conflict. Again, as when the French were fighting in 1950, we are told that we are sending in military supplies to defeat "Communist aggression." Again, as in 1955, we are told that it is the Communist side alone which is responsible for the breakdown of the international agreement reached regarding Indochina. Again we are told that an increase in American military arms is necessary to insure the survival and freedom of South Vietnam.

The truth is that the Vietnamese people do well simply to survive Thieu's leadership; they are not being freed by it. Their land has been shattered by 25 years of war.

In the years 1965 to 1973 alone, over 3 million Vietnamese were killed or wounded. Over 11 million Vietnamese lost their original homes. Today, 20% of Vietnamese children are orphans.

South Vietnam is a country ruled by a political regime which continually practices the most basic denial of human rights. The Thieu government continues to use tactics of arrest and torture, it continues to hold thousands of political prisoners, and it refuses to allow countless refugees to return to their homes.

Last week, in predawn raids, some of Saigon's most influential journalists, publishers and editors were arrested in their homes and jailed. The press runs of nine daily newspapers were confiscated, and five more were shut down completely.

Yet, we are told by the Administration that we cannot abandon our "moral commitment" to the Vietnamese people. We are told, after 55,000 American lives have been lost, after 300,000 Americans have been claimed as casualties, after nearly $200 billion in U.S. treasure has been spent, that an additional $300 million will insure the ongoing business of the Thieu government. We are told that if the money is not forthcoming, then Congress, not the Administration, will be responsible for the collapse of the current Saigon regime.

We are told these things, but little else. The Administration spokesmen do not explain, for example, why our "moral commitment" is directed toward Thieu and his generals, rather than to the structure of international law and the achievement of a political settlement to the conflict.

We have no international legal obligation to support Thieu's continuing quest for power. In fact, it is the clear intent of Congress, by reducing the Administration's request, to disengage ourselves from a blanket underwriting of Thieu's power and encourage a negotiated end to this war.

Administration spokesmen do not emphasize the obvious: that any additional funds granted by Congress in addition to what has already been appropriated will set the most dangerous of precedents. If Congress agrees to any portion of the supplemental request, it will have committed itself to aiding the Thieu government beyond that which we have already deemed necessary this year.

This is far from the end. The new budget just presented to the Congress requests another $1.7 billion in military aid to Indochina, ($1.3 billion for South Vietnam, and $400 million for Cambodia) plus another billion for other purposes there.

And what progress has our military assistance brought toward establishing a final peace in Vietnam? Again, we are told little.

We are not reminded that since the Paris peace accords were signed barely two years ago, the United States has spent over $7 billion in Indochina. We are not reminded that 149,000 Vietnamese have lost their lives in those two years. It is not emphasized that last year the Administration vetoed a $550 million bill to aid the American veterans of Vietnam while simultaneously asking for $1 billion in additional military asisstance to the Thieu regime. We are not reminded that the $7 billion spent since the Paris accords were signed could have provided $5,000 each to 1.5 million unemployed workers.

We are told that the Thieu government is the victim of Communist aggression, that Thieu has acted defensively since the Paris peace accords to maintain his military position. But this fails to conform to the total truth.

The facts, documented by both independent observers and analysts in Saigon, show clearly that almost from the moment the Paris agreement was signed, President Thieu, with U.S. military assistance, launched a military offensive aimed at eliminating enemy sanctuaries. As a result of this drive the enemy lost 15% of the territory it controlled in January, 1973, while Saigon gained dominant control of an additional 6.2% of the population, which included about 770 hamlets.

We are told by the Department of State that the North Vietnamese and the Provisional Revolutionary Government have "built up the North Vietnamese main force army in the South through the illegal infiltration of over 160,000 troops; tripled the strength of their armor in the South by sending in over 400 new vehicles."

We are not told that, along with this infiltration of troops, the North has reportedly exfiltrated nearly 115,000 back to North Vietnam, and that the resulting increase in men accounts roughly for casualties and troop replacements. The image of a massive new troop buildup by the North is, then, largely myth.

Despite the fact that the Thieu government has received well over twice the military assistance that the North Vietnamese have received from China and the Soviet Union since the Paris accords, despite the fact that it has fired 10 times the ammunition as the opposing side, and despite the effective imposition of martial law in South Vietnam, Thieu's political power has eroded to the point of collapse.

The Administration's request at this time seems to be the waning attempt to save a Vietnam policy that should have been abandoned long before the first American soldiers set foot on Vietnamese soil. It also seems to be an effort to lay the ultimate blame of that policy on Congress, which might no longer choose to further the myth that has cost us so dearly in lives and honor.

Our intervention in Indochina has been a moral and diplomatic disaster from the beginning. It was wrong when we paid for 78% of the French military intervention in Indochina 20 years ago. It was wrong when we installed leaders of our own choosing and tried to create a sovereign state out of half of Vietnam. It then was a moral outrage when we used half a million Americans, and millions of tons of bombs, to try to achieve these same ends.

Now, it is no more moral, and no more diplomatically wise, to pursue these same ends through financing a war by proxy in that country. The fact that now it is simply our dollars and bullets, rather than U.S. soldiers, which carry out our policies in no way corrects the fundamental, tragic error we have made over the past two decades in Indochina. It is not the means or the strategy of our intervention in Vietnam which has been wrong, it has been the intervention itself.

The Administration's request is not made in order to bring the final chapter of a long effort to a close. Rather, it is being made to perpetuate a policy that has from the outset been strategically mistaken and morally disastrous.

Our best hope for ending this tragic intervention lies in refusing to sign Thieu's blank checks, and thereby creating the environment where the military conflict can be shifted to a political one, as intended by the Paris agreements signed two years ago.

By restraining our aid to the present government of South Vietnam, we will make it clear that this prolonged war must be brought to an end through a political accommodation. Either Thieu will realize this reality or he will be replaced by a coalition of South Vietnamese who are prepared to compete politically with their adversaries.

THE BLOODBATH ISSUE

Mr. MCGOVERN. Mr. President, in its pleas for more funds for Vietnam, the administration has begun to raise once again the specter of mass reprisals against those who fought on the Saigon government side during the war, or who were civil servants for the government.

I suggest that this is the same kind of propaganda tactic which was used throughout the latter half of the war to stave off U.S. military withdrawal. The Nixon administration was notorious for fabricating historical "bloodbaths" in North Vietnam to justify the continuing slaughter of innocents throughout Vietnam. Mr. Nixon spoke three different times on the subject between 1969 and 1972, and each time the number he claimed were killed in North Vietnam's land reform increased from 50,000 to 500,000 to 1 million.

Later, however, it was revealed that the main source of information on the land reform was a Vietnamese who had worked as a psychological warfare expert for Diem and later joined the U.S. Information Agency, and that he had fabricated quotations and otherwise falsified documentation to support his version of the land reform.

The Nixon administration also launched a major campaign to make the so-called Hue massacre the main atrocity of the Vietnam war. In conjunction with the Saigon government, U.S. propagandists put out the story that as many as 4,000 civilians were murdered in cold blood in Hue.

Now this story has been punctured as well. What was not told is that no reporter was ever allowed to verify the number of bodies or the cause of death; that a Canadian doctor who was in Hue at the time of the Tet offensive viewed the gravesites discovered in the city and said that Saigon had exaggerated the number of bodies by a factor of seven, and that most of the bodies which he saw were apparent victims of fighting in the area rather than of execution; that Saigon's Minister of Health, after visiting the burial sites found in April 1969, expressed the opinion that the bodies may have been those of NLF soldiers killed in battle: that even U.S. officers in Hue admitted that the women and children found among the bodies were probably killed in the fighting; that there was heavy American bombing not only of the city of Hue but of surrounding villages where mass graves were later uncovered; and that the original estimate of nearly 4,000 civilians in Hue killed in the battle for Hue—primarily from U.S. bombing—was later revised downward to less than 1,000 in order to attribute the remainder to Communist execution.

While the Nixon administration was trying to falsify these historical episodes to serve its own purposes, no one has bothered to look at the actual policy folment after its war against the French lowed by the North Vietnamese Governended in complete victory in North Vietnam. Were the civil servants and soldiers who remained in the North rounded up and shot? Were these mass reprisals?

Fortunately, the record is not obscure. We know that former enemies of the Communists were not killed or put in prison. On the contrary, those who worked for the French or the Bao Dai government in the cities were even permitted to keep their old jobs when the Communists took control of the cities. We do not have to rely on the word of the Communists to verify this. Anti-Communist publications from South Vietnam confirm the fact that civil servants stayed on the job. The book, "The Seventeenth Parallel," by Duong Dhau, published in Saigon in 1958, tells the following story of how the Communists persuaded civil servants, especially technical personnel, to stay on their jobs:

> The Vietnamese Communists spread propaganda on the generous policy of President Ho, of the Party and the Government. Many people stayed on, either because they did not want to leave their belongings, or for family reasons and also because they had trusted the Vietnamese Communists. When the Party had assigned enough cadres to fill the important positions, the civil servants were not given anything to do. They still received their previous salaries. For example, a 3,000 piaster salary was paid with 90,000 Vietnamese Communist piastres. When the Communists collected taxes on markets and shops and the people started to complain, they explained that the Party and the Government needed a lot of money to pay the salary of the inefficient civil servants who had stayed behind. Few people saw through the wicked schemes of the Reds and started to criticize the civil servants. Facing such a situation, these civil servants had to ask that their salary be reduced to the same level as that of cadres, i.e., 40 kilos of rice.

Mr. President, since the bloodbath issue has been raised once again, I hope each Member of Congress will make the effort to look behind these hysterical misinterpretations of history, and to project the possibilities for the future on more rational grounds. Toward that end, I ask unanimous consent to have printed in the RECORD a comprehensive study of the so-called Hue Massacre by D. Gareth Porter of the Indochina Resources Center.

There being no objection, the article was ordered to be printed in the RECORD as follows:

THE 1968 "HUE MASSACRE"

(By D. Gareth Porter)

Six years after the stunning communist Tet Offensive of 1968, one of the enduring myths of the Second Indochina War remains essentially unchallenged: the communist "massacre" at Hue. The official version of what happened in Hue has been that the National Liberation Front (NLF) and the North Vietnamese deliberately and systematically murdered not only responsible officials but religious figures, the educated elite and ordinary people, and that burial sites later found yielded some 3,000 bodies, the largest portion of the total of more than 4,700 victims of communist execution.

Although there is still much that is not known about what happened in Hue, there is sufficient evidence to conclude that the story conveyed to the American public by South Vietnamese and American propaganda agencies bore little resemblance to the truth, but was, on the contrary, the result of a political warfare campaign by the Saigon government, embellished by the U.S. government and accepted uncritically by the U.S. press. A careful study of the official story of the Hue "massacre" on the one hand, and of the evidence from independent or anti-communist sources on the other, provides a revealing glimpse into efforts by the U.S. press to keep alive for fears of a massive "bloodbath."[1] It is a myth which has served U.S. administration interests well in the past, and continues to influence public attitudes deeply today.

THE TENTH POLITICAL WARFARE BATALLION'S ROLE

To unravel the official story of Hue, one must go back to the source of the original information which was conveyed to the American public about the episode.

The agency of the Saigon government given overall responsibility for compiling data on the alleged "massacre" and publicizing the information was neither the Ministry of Social Welfare and Refugees nor the Ministry of Health, as one might have expected, but the Tenth Political Warfare Battalion of the Army of the Republic of Vietnam (ARVN). It is on the word of this body, whose specific mission is to discredit the National Liberation Front without regard to the truth, that the story of the "massacre" reported by the U.S. press in 1968 and 1969 was based. Neither the number of bodies found nor the causes of death were ever confirmed by independent sources. On the contrary, as we shall see, evidence from independent sources challenges the Tenth Political Warfare Battalion's version of the facts.

The official Saigon account of the alleged massacre surfaced on April 23, 1968 when the Political Warfare Battalion released a report that over one thousand people were executed by the communists in and around Hue. The battalion's report was repeated in detail by the United States Information Service but the U.S. media ignored it.[2] One week later the U.S. Mission released a report of its own which was essentially a restatement of the ARVN report. The U.S. Mission report was said to have been the result of an investigation "by the United States and South Vietnamese authorities."[3] But the role of the U.S. advisers in the report appears to have been secondary; according to the Saigon government news agency, Vietnam Press, the report was based on data supplied by the National Police in Hue, U.S. advisers, interviews with South Vietnamese Information and Refugee officials and "records of the Tenth Political Warfare Battalion," which supplied the basic statistics on alleged executions.[4] Vietnam Press further reported that "an officer of the Tenth Political Warfare Battalion involved in investigating the executions estimated that almost half of the victims were found buried alive."

During the months of March and April, when the alleged victims of communist execution were being uncovered, the Saigon government did not allow any journalists to view the grave sites or bodies, despite the fact that many foreign journalists were in Hue at the time. Province chief Col. Pham Van Khoa announced at the end of February that 300 civilian government workers had been executed by the communists and had been found in common graves southeast of the city.[5] But no journalist was ever taken to see the alleged graves. In fact, French photographer Marc Riboud, who demanded several times to see the graves, was repeatedly refused permission. When he was finally taken in a helicopter to travel to the alleged site the pilot refused to land, claiming that the area was "insecure."[6] Riboud never saw the site, and when the official chronology of discoveries and map coordinates of the grave sites were finally released, there was no site resembling the one described by Col Khoa.[7]

Footnotes at end of article.

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Stewart Harris of the London Times was in Hue to do a story on the alleged mass executions in late March, just at the time when, according to the official chronology, some 400 bodies were being uncovered in the area of the imperial tombs south of Hue. But instead of taking him to that site, the American political warfare officer took Harris to a village where there were no mass graves, while the Vietnamese political warfare officer took him to a grave site in Gia Hoi district, where the bodies had long since been reburied.[8] So he had to depend on the word of the Vietnamese and American officials concerning what was to be found at the grave sites.

Moreover, ARVN's Political Warfare Department issued contradictory reports on how many bodies were actually uncovered. At the Gia Hoi High School sites, for example, the official American report, based on information furnished by the Tenth Political Warfare Battalion, gave a total of 22 mass graves and 200 bodies, for an average of nine bodies per grave.[9] But when Stewart Harris was taken to the site, he was told by his Vietnamese escort officer that each of the 22 graves held from three to seven bodies, which would have put the total somewhere between 66 and 150.[10] At about the same time, the Tenth Political Warfare Battalion published a pamphlet for Vietnamese consumption which said there were 14 graves at the high school instead of 22, which would have reduced the total still further.[11]

A DOCTOR'S CONTRADICTORY FINDINGS

The elusiveness of Saigon's figures is significant in view of the testimony of Alje Vennema, a doctor working for a Canadian medical team at Quang Ngai Hospital, who happened to be in the Hue province hospital during the Tet Offensive and who made his own investigation of the grave sites.[12] Vennema agreed that there were 14 graves at Gia Hoi High School but said there was a total of only 20 bodies in those graves. Vennema also stated that the other two sites in Gia Hoi district of Hue held only 19 bodies rather than the 77 claimed by the government, and that those in the area of the imperial tombs southwest of Hue contained only 29 bodies rather than 201 as claimed in the official report.

According to Vennema, therefore, the total number of bodies at the four major sites discovered immediately after Tet was 68, instead of the officially claimed total of 477. Then, too, while he did not claim that none of these bodies was the victim of NLF execution, he said that the evidence indicated most of them were victims of fighting in the area, rather than of political killing. In the case of the sites in the imperial tombs area, he stated that most of the bodies were clothed in the threads of uniforms. He reported having talked with nearby villagers who said that from February 21 to 26 there had been heavy bombing, shelling and strafing in the immediate area. And, in contrast to government claims that many victims had been buried alive there, Vennema said all the bodies showed wounds.

The circumstances of the official version—its political warfare origins, the refusal to allow confirmation by the press from first-hand observation, the questionable statistics—and the conflicting testimony of a medical doctor who was present at the time all point to misrepresentation of the truth by the Saigon government in its April 1968 report. In fact, the evidence suggests that the Political Warfare Battalion may have inflated the number of actual executions by the NLF by a factor of ten or more.

THE 1969 EXHUMATIONS

During 1969, as more bodies were uncovered in the villages surrounding Hue, another phase of the Saigon government campaign was launched by ARVN's political warfare officers. The first bodies were found southeast of Hue, where digging was carried out under the supervision of a "Committee for Search and Burial of Communist Victims" headed by the district chief, Major Trung. Again newsmen were not invited to watch the work while it was going on, but were later summoned by Major Trung and told that the Committee had found 135 bodies in Vinh Luu hamlet of Phu Da village and 230 bodies in seven graves at Phu Xuan village.[13]

What the district chief did not tell the reporters was that the entire area in which the grave sites were found southeast of Hue had been a battleground for many weeks early in 1968. The NLF continued to hold many of the hamlets even after being driven out of the city, and some hamlets remained in their hands for months, as American fighter-bombers carried out heavy strikes against them.

One of the four sites discovered in late March 1969, which allegedly contained 22 bodies, was between Phu My and Tuy Van villages.[14] Phu My village, only three miles east of Hue, was one of the villages occupied by communist troops during the offensive, when many young men of military age were drafted into the Liberation Army. According to a later interview with one of its inhabitants, American planes bombed the village repeatedly, destroying hundreds of homes and killing civilians.

The three other burial sites uncovered in late March and early April, containing 357 bodies according to the Pentagon's chronology of discoveries, were located in Phu Xuan village and a short distance down the road in Phu Da village.[15] Again, Phu Xuan, 13 miles east of Hue, had been the scene of fierce fighting, including the heavy use of American air power, in the weeks after the offensive. In one all-day battle in which American air strikes were called in, some 250 communist soldiers were killed, according to an interview with the Phu Xuan village chief published in the Political Warfare Department's own newspaper, Tien Tuyen.[16]

The Saigon assertion that the bodies found were victims of communist execution were not convincing even to officials of the Saigon government. The Minister of Health, Tran Luu Y, after visiting the burial sites in April 1969, frankly informed the Thua Thien deputy province chief of his opinion that the bodies could be those of NLF soldiers killed in battle.[17] The Political Warfare Department's newspaper promptly denounced the minister for this skepticism.[18]

What little information was made available about the bodies discovered certainly supported the suspicion that very few were actually victims of communist execution. For one thing, Major Trung's own report on the bodies found in his district claimed only nine civil servants and 14 soldiers of the Saigon army out of a total of 365.[19] It was well known that a considerable number of the bodies were those of women and children. An American officer in Hue admitted to a Washington Post reporter at a mass funeral for the dead, "Some may have just gotten caught up [in the fighting]."[20] It would be surprising indeed if the NLF had not buried many women and children killed by air strikes or artillery fire in the hamlets which they controlled near Hue.

Another major discovery of bodies at Da Mai Creek, a heavily wooded area ten miles south of Hue, in September 1969 remains shrouded in vagueness and contradictions. Even the number of bodies found remains something of a mystery. The official Pentagon account of the discovery shows that the number was approximately 250.[21] But when Douglas Pike, the U.S. Information Agency's Vietnam specialist, reported the find a few months later, the figure had grown to 428.[22]

Moreover, the one "defector" produced by Saigon to testify on this alleged communist massacre told two very different and contradictory stories about the episode. In an interview arranged by the Saigon government for the Baltimore Sun late in 1969, the "defector" testified that a communist district chief who had been his friend had told him that nearly 600 people from Phu Cam and Tu Dam were turned over to pro-Communist hill tribesmen to be murdered. The reason, he explained to the Sun, was that they had been "traitors to the revolution."[23] But this same man, in an interview with the correspondent of Tien Tuyen a few days later said he had been told by the same district chief that 500 "tyrants" were being taken to the mountains, not to be killed but to be "reformed."[24]

Again, there is a major and direct conflict between Pike and the official Pentagon version on who the victims were and where they came from. Pike's version is that they were a group captured in a church in the Catholic district of Phu Cam in Hue on February 5, 1968 and marched five miles south, where 20 of them were executed by a people's court and then turned over to a local communist unit, which took them three and a half more miles away from Hue before being murdered.[25] But the Defense Department account shows that the group of civilians taken from the church in Phu Cam numbered only 80 to 100 people, not 400 as Pike suggests.[26] Moreover, an account originally published in the semi-official *Viet-Nam Magazine* and reprinted by the Saigon Embassy in Washington, asserts that all except the 20 people executed by the people's court were allowed to return to Hue with the warning that the NLF would some day return to Hue, and that the people should behave accordingly.[27]

These contradictions are important, given Pike's effort to argue that the skeletons at Da Mai had to be the victims of communist murder because they were a group which had been taken from Hue as prisoners. In fact, there is evidence that most of the people who left Phu Cam with the communists were not prisoners at all, but were pressed into service as stretcher-bearers, ammunition carriers, or even as soldiers of the NLF.[28] As Agence France Presse reported from Hue during the battle for the city, a number of young men, especially from the Phu Cam area, received guns or were used as stretcher-bearers to transport wounded soldiers toward the mountain camps.[29]

Again, circumstantial evidence strongly suggests that the 250 skeletons found at Da Mai Creek (not 400 as claimed by Pike) were also killed in battle or by American B–52 strikes. The *Viet-Nam Magazine* article notes in passing that the site was "in the vicinity where the communists fought their last big unit battle with the allies (April 30 to May 2, 1968)"[30]—a fact of which readers of the American press were never informed. The People's Liberation Armed Forces have always made a point of carrying as many of their war dead as possible from the battlefield to be buried, in order to deny their enemy tactical intelligence on casualties.

In short, the inconsistencies and other weaknesses of the various official documents, the lack of confirming evidence, and the evidence contradicting the official explanation all suggest that the overwhelming majority of the bodies discovered in 1969 were in fact the victims of American air power and of the ground fighting that raged in the hamlets.

DOUGLAS PIKE: MEDIA MANIPULATOR PAR EXCELLENCE

It was in large part due to the work of one man that the Hue "massacre" received significant press coverage and wide comment in 1969 and 1970. That man was the U.S. Information Agency's Douglas Pike. It was Pike who visited South Vietnam in November 1969, apparently at the suggestion of Ambassador Ellsworth Bunker, to prepare a report on Hue.[31]

Footnotes at end of article.

During the last two weeks of November, Pike inspired, either directly or indirectly, several different newspaper articles on both Hue and the "bloodbath" theme in general. Pike himself briefed several reporters on his version of the communist occupation of Hue and at the same time circulated a translation of a captured communist document which he had found in the files and which he argued was an open admission of the mass murder of innocent civilians during the occupation of Hue.

The document was the subject of several stories in the American press. The *Washington Post*, for example, carried the Associated Press article on the document with the headline, "Reds Killed 2,900 in Hue during Tet, according to Seized Enemy Document."[32] The *Christian Science Monitor* correspondent's article, under the headline, "Communists Admit Murder," began, "The Communist massacre in Hue in early 1968 represented the culmination of careful planning."[33] Both articles quoted as proof of the "admission" the following sentence from the translation: "We eliminated 1,892 administrative personnel, 39 policemen, 790 tyrants, 6 captains, 2 first lieutenants, 20 second lieutenants and many non-commissioned officers."

No reporter questioned the authenticity of the document or the accuracy of the translation they were given. Yet the original Vietnamese document, a copy of which I obtained from the U.S. Command in Vietnam in September 1972, shows that the anonymous author did not say what the press and public were led to believe he said.[34] In the original Vietnamese, the sentence quoted above does not support the official U.S. line that the communists admitted murdering more than 2,600 civilians in Hue. To begin with, the context in which this sentence was written was not a discussion of punishing those who were considered criminals or "enemies," but an overall account of the offensive in destroying the army and administration in Thua Thien. Two paragraphs earlier, the document refers to the establishment of a "political force whose mission was to propagandize and appeal for enemy soldiers to surrender with their weapons." It recalls that self-defense forces were so frightened when the Front's forces attacked that they tried to cross the river, with the result that 21 of them drowned. The section dealing with Phu Vang district notes the strength of the opposing forces and the locus of the attack, claiming the seizure of 12 trucks to transport food and 60 rolls of cloth for flags.

It is the next sentence which says, "We eliminated 1,892 administrative personnel" in the official translation. But the word *diet*, translated as "eliminate" here, must be understood to mean "destroy" or "neutralize" in a military sense, rather than to "kill" or "liquidate," as Pike and the press reports claimed. As used in communist military communiques, the term had previously been used to include killed, wounded or captured among enemy forces. For example, the Third Special Communique of the People's Liberation Armed Forces, issued at the end of the Tet Offensive, said, "We have destroyed [*diet*] a large part of the enemy's force; according to initial statistics, we have killed, wounded and captured more than 90,000 enemy. . . ."[35] It should be noted that *diet* does not mean to "kill" in any ordinary Vietnamese usage, and that the official translation is highly irregular.

Moreover, the word *te*, translated as "administrative personnel" in the version circulated to newsmen, actually has the broader meaning, according to a standard North Vietnamese dictionary, of "puppet personnel," including both civilian *and* military.[36] When the document does refer specifically to the Saigon government's administration, in fact, it uses a different term, nguy quyen. Both the context and the normal usage of the words in question, therefore, belie the meaning which Pike successfully urged on the press.

PIKE'S "ENEMIES OF THE PEOPLE" DOCUMENT

If the misrepresentation of the document may be explained by a combination of bad translation and Pike's own zeal to find evidence to support the official argument, Pike himself must take sole responsibility for a second such case which occurred about the same time. Pike gave to selected reporters a list of 15 categories of what he called—and were called in the press—"enemies of the people," which were said to be targeted by the communists for liquidation. The list included two categories which suggested that the communists were out to kill Catholic leaders and landlords or capitalists in particular: "leading and key members of religious organizations still deeply superstitious" and "members of the exploiting class." The document was given prominence in articles in the *Los Angeles Times* and *Washington Daily News* on alleged communist plans for a "bloodbath," and was again mentioned in stories dealing with Pike's own pamphlet.[37]

But again, although the document may have been authentic, the construction put on it was clearly deceptive. First of all, the document itself said nothing about "enemies of the people"[38]—a phrase introduced by Pike himself and repeated by the press as though it were in the original. And second, it did not say or imply that these 15 categories of people were to be punished, much less liquidated, as Pike suggested to reporters and later wrote in his own booklet on Hue.[39]

In fact, the document, which bore the title "Fifteen Criteria for Investigation," was simply one local cadre's notion of the kinds of people who should be carefully watched.[40] The categories of people who were marked for repression by the NLF were quite different from the ones on the list circulated by Pike, and included neither the "leading and key members of religious organizations" nor "members of the exploiting class." And Pike should have been well aware of this, since a separate document containing the categories of people to be punished was published by the U.S. Mission in October 1967.[41]

Yet another element of the press offensive inspired by Pike's presence in Saigon was the testimony of a "rallier," or defector, from the NLF on the bloodbath issue. The technique of displaying such defectors before press conferences had been used on many occasions by Saigon's Political Warfare Department in order to make a political point which could not otherwise be convincingly documented. Although the most experienced reporters in Saigon were always skeptical of statements made by defectors put on display by Saigon, there were always journalists who were fascinated by the idea of interviewing genuine ex-communists. Thus, it was arranged for Le Xuan Chuyen, who claimed to have been a lieutenant colonel in the Vietnam People's Army before defecting in August 1966, to be interviewed by Washington Daily News and Los Angeles Times correspondents in order to publicize his views on communist plans for a postwar bloodbath. Chuyen estimated that a communist "blood debt" list included some five million South Vietnamese, of whom some 500,000 would be killed.[42]

A brief note on Chuyen's background helps to put this testimony in proper perspective. Even in his initial interrogation, this self-proclaimed "lieutenant colonel" (a rank his interrogators were inclined to question) exhibited a notable sense of political opportunism.[43] He lost no time in praising Thieu and Ky as leaders who were "daring, patriotic and have a strong sense of nationalism," and he volunteered his desire to work for the Americans or the Saigon government even before he was asked.[44] Within a few months, Chuyen was nominated to be director of the government's Chieu Hoi Center for Saigon—a position which was never mentioned in news accounts of his statement on alleged communist policies.[45]

A second alleged high-ranking communist defector, Col. Tran Van Dac, was actually Planning Adviser to the General Directorate of Political Warfare of ARVN at the time and thus hardly a disinterested witness.[46] His 1969 statement that there were three million Vietnamese on the "blood debt" list continues to be relied on by U.S. administrative apologists, including Sir Robert Thompson and Pike himself.[47]

FEED THEM A NUMBER . . .

The major accomplishment of Pike's work was to launch the official "estimate" of 4,756 as the number of civilians killed by the NLF in and around Hue. This was no small feat because, in arriving at that figure, Pike had to statistically conjure away thousands of civilian victims of American air power in Hue. The undeniable fact was that American rockets and bombs, not communist assassination, caused the greatest carnage in Hue. The bloodshed and ruin shook even longtime supporters of the anti-communist effort. Robert Shaplen wrote at the time, "Nothing I saw during the Korean War, or in the Vietnam War so far has been as terrible, in terms of destruction and despair, as what I saw in Hue."[48] After the communist occupation had ended, Don Tate of Scripps-Howard Newspapers described bomb cratera 40 feet wide and 20 feet deep staggered in the streets near the walls of the citadel and "bodies stacked into graves by fives—one on top of another."[49] Nine thousand seven hundred and seventy-six of Hue's 17,134 houses were completely destroyed and 3,169 more officially classified as "seriously damaged." (In the rest of Thua Thien province another 8,000 homes were more than half destroyed.[50]) The initial South Vietnamese estimate of the number of civilians killed in the fighting of the bloody reconquest was 3,776.[51]

When ARVN's political warfare specialists went to work, however, this initial estimate, given in a March 1968 report of the office of the provincial chief of Social Services and Refugees, was somehow replaced by a new estimate of 944, published in the Tenth Political Warfare Battalion's booklets.[52] And this was all Douglas Pike needed to transform those thousands of civilian dead into victims of a "communist massacre."

In a chart which he calls a "recapitulation' of the dead and missing, Pike begins not by establishing the number of casualties from various causes, but with a total of 7,600, which he says is the Saigon government's "total estimated civilian casualties resulting from the Battle of Hue."[53] The original government estimate of civilian casualties, however, again supplied by the provincial Social Services Office, was just over 6,700—not 7,600—and it was based on the estimate of 3,776 civilians killed in the battle of Hue.[54] Instead of using the Social Services Office's figure, Pike employs the Political Warfare Battalion's 944 figure. Subtracting that number and another 1,900 hospitalized with war wounds, Pike gets the figure of 4,756, which he suggests is the total number of victims of communist massacre, including the 1,945 "unaccounted for" in this strange method of accounting. In short, the whole statistical exercise had the sole purpose of arriving at a fraudulent figure of 4,756 victims of a "massacre."

PIKE REWRITES POLICY FOR NLF

The substance of Pike's own analysis is what he calls a "hypothesis" concerning the policy of the NLF leadership in Hue during the occupation of the city. The gist of the "hypothesis" is as follows: NLF policy went through three distinct phases, corresponding to different phases of the occupation: in

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the first few days, the NLF expected to be in control only temporarily and its mission was not to establish its own government but to destroy the Saigon administrative structure. During this period, NLF cadres with blacklists executed not only civil servants and military officers but religious and social leaders as well. Then, after the third or fourth day, the communist leadership decided they could hold the city permanently, whereupon they launched a "period of social reconstruction," in Pike's words, and sought to kill all who were not proletarian in ideology and class background, in particular Buddhist, Catholic and intellectual leaders. Finally, as they prepared to leave the city late in February, they killed anyone who would be able to identify their cadres in the city.[55]

While Pike refers vaguely to various pieces of evidence which he claims support this hypothesis, he offers none of it in his published work. In any case, all the evidence available at present contradicts Pike's hypothesis from beginning to end. To begin with, captured NLF documents indicate that the Front had the mission not only of destroying the Saigon administration but of establishing a revolutionary government in Hue and planned to hold the city for as long as possible. In fact, the very document which Pike used to establish the communist admission of responsibility for mass murder of civilians specified that the Liberation Forces had the "mission of occupying Hue as long as possible so that a revolutionary administration could be established."[56]

As for the "blacklists" for execution, Pike's claim that the list was extensive and included lower-ranking officials and non-governmental figures is contradicted by none other than Hue's chief of secret police, Le Ngan, whose own name was on the list. In 1968, soon after the reoccupation of the city, Le Ngan told former International Voluntary Services worker Len Ackland, who had worked in Hue before the offensive, that the only names on the blacklist for Gia Hoi district were those of the officers of the secret police apparatus for the district.[57]

Other lists were of those selected not for summary execution but for capture on the one hand and for reeducation in place on the other. Those who were to be captured—although not necessarily executed, according to a document called "Plan for an Offensive and General Uprising of Mui A" given to me by the Joint U.S. Public Affairs Office in June 1971—were limited to a relatively small number of Vietnamese and American officials.[58] The document says, "With regard to the province chief, deputy province chief, officers from the rank of major up, American intelligence officers and chiefs of services, if things go to our advantage, at 12 o'clock on the day some of them are arrested, they must quickly persuade others not to hide and compel them to surrender . . . and then we must take them out of the city." The captives were to remain in prison outside the city, according to the plan, until their dossiers could be studied and a determination made on their individual cases. It emphasized that none of these higher U.S. or Vietnamese officials in Hue was to be killed unless the fighting in the first hours was unsuccessful and there was no way to conduct them out of the city—a circumstance which obviously did not arise.

The document further exempted lower-ranking officials from capture or retribution: "With regard to those ordinary civil servants working for the enemy because of their livelihood and who do not oppose the revolution, educate them and quickly give them responsibility to continue working to serve the revolution."

There was a third category of individual, those who were neither high-ranking officials nor ordinary civil servants but officials who had at one time or another been involved actively in the government's paramilitary apparatus. While these individuals were not to be given jobs, the evidence indicates that they were to be "reeducated" rather than executed as long as the NLF was assured of control of the city. They were ordered in the first days of the occupation to report to their local committees but were then allowed to return home.[59]

This does not mean that there were no executions in Hue during the initial period of the occupation. Len Ackland and Washington Post correspondent Don Oberdorfer have documented cases of individuals who were executed when they tried to hide from the Front or resisted the new government in some other way.[60] But these harsh measures, which may in many cases have reflected individual actions by soldiers or cadres rather than a policy decision by the Front (as when a person was shot resisting arrest), were distinct from the mass retribution for official position or political attitude claimed by Douglas Pike. And the number of executions was relatively small, according to Hue residents interviewed by Ackland.

CLERGY AND INTELLECTUALS EXECUTING THEMSELVES

Pike's argument that there was a period of "social reconstruction" marked by a purge of religious figures and intellectuals is contradicted not only by the logic of NLF political strategy in Hue but by the documentary evidence as well. As Pike himself pointed out in his book *"War, Peace and the Viet Cong,"* published in 1969, the revolutionary government in Hue during the occupation comprised a number of leaders of the 1966 Struggle Movement against the Ky government—precisely the Buddhist and intellectual leaders he later claimed the NLF wished to systematically eliminate in 1968.[61] These were not proletarian revolutionaries eager to take vengeance on the Buddhist hierarchy and the educated elite, as Pike intimates, but representatives of those groups in Hue who had actively opposed the Thieu-Ky government and the American military occupation. It was on these strata that the NLF had based its political strategy of the broadest possible united front in Hue.

Thus, the chairman of the Revolutionary Committee in Hue was Le Van Hao, the well-known Hue University ethnologist who had earlier edited the Struggle Movement's publication Vietnam, Vietnam. A deputy chairman was the senior Buddhist monk in Central Vietnam, Thich Don Hau. Other 1966 Struggle Movement leaders who returned as members of the Revolutionary Committee included Hoang Phu Ngoc Tuong, formerly a teacher at Quoc Hoc High School, who became secretary general of the new committee; Nguyen Dac Xuan, who had been dispatched by the Struggle Movement in Hue to organize "student commandos" in Danang in 1966; and Ton That Duong Ky, a Hue University professor.

These veterans of the Buddhist protest of 1966 were joined in the revolutionary regime by other well-known figures from educational institutions in Hue, such as Mrs. Nguyen Dinh Chi, former principal of the respectable Dong Khanh Girls' School, who was a deputy chairwoman of the "Alliance" group formed later in 1968. Ton That Duong Thien, a teacher at Nguyen Du High School, directed operations in Gia Hoi district, and many others from the Hue educated elite accepted positions of responsibility in the revolutionary administration.[62]

The "Plan for an Offensive" also confirms that the political strategy of the Front was to rely on Buddhist clergy and laity for support in Hue. In a section dealing specifically with religious groups, the document says, "We must seek by every means to struggle to unite with and win over the Buddhist masses and monks and nuns."

As for the Catholics of Hue, the evidence from both communist documents and eyewitness testimony shows that the NLF's policy was not directed against the Catholic Church. The captured "Plan for an Offensive" does refer to "isolating reactionaries who exploit Catholicism in Phu Cam." In Vietnamese communist terminology, however, "isolation" means to act to cut off the influence of the individual in question in community affairs. It does not mean execution or even imprisonment necessarily, contrary to what the American political warfare specialists may argue.

The document specifies that only those priests who were found to "hide the enemy" were subject to any form of punishment, and the specific treatment was to depend on the degree to which the individual had opposed the revolution in the past.

In Gia Hoi district, which the NLF controlled for 26 days, one Catholic priest told Len Ackland that not one of his parishioners was harmed by the Front.[63] The only two Catholic figures identified by the Saigon regime as having been killed by the NLF are two French Benedictine priests, Father Guy and Father Urbain. It was reported by sources from the Thien An Monastery, however, that NLF forces occupied the monastery for several days when Father Guy and Father Urbain were still present and that neither they nor any other priests were harmed. The two were reported by Agence France Presse to have fled from heavy American bombing of the monastery on February 25—two days after the NLF forces had withdrawn.[64] The spot where their bodies were found was in the area in which Dr. Vennema says villagers reported heavy American bombing at the time the two priests are said to have been killed.[65]

Moreover, the official Saigon government account is again marred by a major contradiction. The Political Warfare Battalion pamphlet claims that both Father Urbain and Father Guy were arrested and forced to remove their tunics before being taken to the area of the Dong Khanh tombs, where they were killed and buried. But the priest who recovered the body of Father Urbain is quoted in the same pamphlet as saying that he recognized it from the laundry number on his tunic!

Douglas Pike's notion of an NLF plan to purge Vietnamese society through mass executions is so bizarre and unrelated to the reality of NLF policy that it tells us more about Pike's own mind than it does about the movement he claims to be describing. Likewise, his suggesion that the Front tried to eliminate anyone who knew the identity of previously underground cadres in Hue appears to be based more on Pike's conception of how the Mafia operates than on an understanding of how the NLF operates. Obviously, cadres whose identities were well-known could not have remained in the city when the NLF evacuated it. Others, who did not reveal themselves even after the NLF takeover of Hue, no doubt remained behind.[66]

Pike apparently made no effort to inquire into what in fact did happen in the later period of the communist occupation. Saigon officials in Hue told Len Ackland in 1968 that those who were killed by the NLF when it prepared to leave the city in the face of Saigon and U.S. military pressure were officials and anti-communist political party leaders who had earlier been on the list for reeducation.[67] At that point, the NLF was faced with the choice of leaving those individuals to carry on their war against it, or eliminating them while the NLF was still in control of the city, or taking them out of the city for reeducation. There is no doubt that some of those previously marked for reeducation were executed during the latter part of the occupation, although the number appears to have been many times less than the Saigon government and Douglas Pike claim. Others who had been marked for reeducation were taken out of the city toward the mountains for that purpose. The charge that these prisoners were systematically killed is supported neither by evidence nor by logic.

Pike's "hypothesis," therefore, must be judged unworthy of serious consideration. It represents ill-informed speculation undisciplined by attention to the available documentary evidence, much less to the revolutionary strategy and tactics about which Pike claims to be an expert. Yet Pike's pamphlet must be considered a political warfare success, for his interpretation of events in Hue remains the dominant one for journalists and public figures.

CONCLUSION

The issue which historians must weigh in the NLF occupation of Hue is not whether executions took place but whether they were indiscriminate or the result of a prearranged "purge" of whole strata of society, as charged by political warfare specialists of the Saigon and U.S. governments. Equally important is the question of whether it was the NLF or U.S. bombing and artillery which caused the deaths of several thousand Hue civilians during the battle for the city.

The available evidence—not from NLF sources but from official U.S. and Saigon documents and from independent observers—indicates that the official story of an indiscriminate slaughter of those who were considered to be unsympathetic to the NLF is a complete fabrication. Not only is the number of bodies uncovered in and around Hue open to question, but more important, the cause of death appears to have been shifted from the fighting itself to NLF execution. And the most detailed and "authoritative" account of the alleged executions put together by either government does not stand up under examination.

Understanding the techniques of distortion and misrepresentation practiced by Saigon and U.S. propagandists in making a political warfare campaign out of the tragedy of Hue is as important today as it was when U.S. troops were still at war in Vietnam. It goes to the heart of the problem of facing the truth about the Vietnamese revolution and the American effort to repress it by force. The screen of falsehood which has been erected around the Tet Offensive in Hue was and is but another defense mechanism for the U.S. government and much of the American public as well to avoid dealing honestly with the real character of the struggle there.

(NOTE.—D. Gareth Porter is a fellow the International Relations of East Asia Project, Cornell University, and is concurrently a staff member of the Indochina Resource Center in Washington, D.C.)

FOOTNOTES

[1] For a study of the earlier underpinnings of this strategy, see D. Gareth Porter, "Bloodbath: Myth or Reality?" Indochina Chronicle No. 19, September 15, 1973.

[2] Joseph Dees, "Survivors Relate Communist Mass Murders of 1,000 in Hue," IPS (USIS) dispatch, April 23, 1968.

[3] New York Times, May 1, 1968; Washington Post, May 1, 1968.

[4] Vietnam Press. May 1, 1968. The UPI story on the report indicated that it was based solely on information supplied by the police, failing to mention the role of the Political Warfare Battalion. Washington Post, May 1, 1968. The New York Times did not mention the source of the information. It is safe to say, therefore, that no American newspaper reader learned that the ARVN Tenth Political Warfare Battalion played the key role in compiling the report.

[5] New York Times, February 29, 1968.

[6] Le Monde, April 13, 1968.

[7] "Chronology of Graves Discovered, Vicinity of Hue (Civilian Deaths in Tet 1968)," obtained from the Office of the Assistant Secretary of Defense for Public Affairs, February 1970.

[8] New York Times, March 28, 1968.

[9] "Chronology of Graves Discovered."

[10] New York Times, March 28, 1968.

[11] Vu Cong Sat cua Viet Cong tai Co Do Hue (Communist Murder in Hue). Tenth Political Warfare Battalion of ARVN, 1968, p. 13.

[12] Alje Vennema, "The Tragedy of Hue," unpublished manuscript, 1968, pp. 19–23.

[13] "Chronology of Graves Discovered," site 22.

[14] "Villagers Returning to Hue," UPI, in San Francisco Chronicle, December 8, 1968; "South Vietnamese Farmer Stoically Works Fields," Washington Post, January 4, 1970.

[15] "Chronology of Graves Discovered," sites 21, 13 and 14.

[16] Tien Tuyen, January 27, 1969.

[17] Tien Tuyen, May 3, 1969.

[18] Ibid.

[19] Vietnam Press, April 12, 1969.

[20] Washington Post, May 5, 1969.

[21] "Chronology of Graves Discovered," site 25.

[22] Douglas Pike, The Viet-Cong Strategy of Terror (Saigon: U.S. Mission, Vietnam, 1970), p. 29.

[23] Baltimore Sun, October 12, 1969.

[24] Tien Tuyen, October 17, 1969.

[25] Pike, op. cit., pp. 28–29.

[26] "Chronology of Graves Discovered."

[27] Embassy of Viet-Nam, Washington, D.C., Vietnam Bulletin, Viet-Nam Information Series, No. 2J, April, 1970, p. 6.

[28] Agence France-Presse dispatch, February 15, 1968, in L'Heure Décisive (Paris: Dossiers AFP-Laffont, 1968), p. 153.

[29] Ibid.

[30] Vietnam Bulletin, loc. cit.

[31] This is what Pike told Benedict Stavis of Cornell University in an interview on September 10, 1973. Letter from Stavis to the author, September 10, 1973.

[32] Washington Post, November 25, 1969.

[33] Christian Science Monitor, December 1, 1969.

[34] "Tien Chien Thang Hue tu Ngay 31.1, 23.3" (Information on the Victory in Hue from January 31 to March 23), xerox copy obtained from the Combined Documents Exploitation Center, Saigon. The document, it should be noted, is far from being a high-level report or analysis of the Tet Offensive in Hue. It is handwritten, sketchy, and clearly done at the local level for local consumption.

[35] Nhan Dan, February 28, 1968.

[36] Tu Dien Tieng Viet (Vietnamese Language Dictionary) (Hanoi: Nha Xuat Ban Khoa Hoc, 1967), p. 927.

[37] Los Angeles Times, November 20, 1969; Washington Daily News, November 25, 1969.

[38] Pike, op. cit., p. 16; news articles cited above.

[39] The paragraph immediately preceding Pike's mention of the document refers to a whole class of villagers being "wiped out." op. cit.

[40] "15 Tieu Chuan Cuu Tap" (Fifteen Criteria for Investigation), xerox copy obtained from U.S. Embassy, Saigon. This document is reproduced in Viet-Nam Documents and Research Notes, Document No. 97, August 1971, Part II.

[41] "Repressing Counterrevolutionaries: The Viet Cong System of Punishment," Viet-Nam Documents and Research Notes, Document No. 5, October 1967.

[42] Washington Daily News, November 25, 1969. Chuyen gave the figure of three million in the Los Angeles Times, November 20, 1969.

[43] In the report on the interrogation of Chuyen, the interrogator pointedly put question marks after the rank and past assignments in the VPA claimed by Chuyen. U.S. State Department, Captured Documents and Interrogation Reports (1968), item no 55, "Interrogation of Le Xuan Chuyen."

[44] Ibid.

[45] Speech by Tran Van Do, Troi Nam, No. 3, 1967, p. 13.

[46] Vo Van Chan, The Policy of Greater Unity of the People (Saigon: Minister of Chieu Hoi, Republic of Vietnam, 1971), p. 19.

[47] See Pike, op. cit., p. 18; Sir Robert Thompson, "Communist Atrocities in Vietnam," New York Times, June 15, 1972.

[48] "Letter from Vietnam," The New Yorker, March 23, 1968.

[49] Washington Daily News, March 1, 1968.

[50] "Status of Refugees," official report by Office of Refugees, U.S. Agency for International Development, May 2, 1968.

[51] Saigon Post, March 17, 1968.

[52] VC Carnage in Hue, Tenth Political Warfare Battalion, 1968, p. 8.

[53] Pike, op. cit., pp. 30–31.

[54] Saigon Post, Mar. 17, 1968.

[55] Pike, op. cit., pp. 33–39.

[56] "Information on the Victory in Hue."

[57] Len Ackland and D. Gareth Porter, "The Bloodbath Argument," Christian Century, Nov. 5, 1969. Reprinted in Paul Menzel, ed., Moral Argument and the War in Vietnam (Nashville: Aurora Publishers, 1971), pp. 141–46.

[58] "Ban Ke Hoach Con Kich va Khoi Nghia cua Mui A" (Plan for an Offensive and General Uprising of Mui A), xerox copy obtained from Office of Special Projects, JUSPAO, Saigon, June 1971.

[59] Len Ackland, "Resist and They Die, unpublished manuscript, 1968, pp. 5–6.

[60] Ibid., pp. 15–19; Washington Post, Dec. 7, 1969; and Don Oberdorfer, Tet (New York: Avon Books, 1971), pp. 216–53.

[61] Pike, War, Peace and the Viet Cong (Cambridge: MT Press, 1969).

[62] Ackland, op. cit., p. 8; Christian Science Monitor, May 8, 1968; Vennema, op. cit., p. 10; notes from interviews in Hue by Francois Sully of Newsweek, March, 1968.

[63] Ackland and Porter, op. cit., p. 145.

[64] Agence France-Press dispatch, March 3, 1968, in Vietnam Press Special Reports, March 5, 1968.

[65] Vennema, op. cit., p. 26.

[66] Vu Cuong Sat cua Viet Cong tai Co Do Hue, pp. 2, 18–21.

[67] The Chinese communists faced a similar situation in 1947, when they occupied a county seat and their shadow government and officials surfaced for the first time. David Galula tells of asking the political commissar what would happen when the Red Army had to leave the town. "They will leave, too, and resume their clandestine work," he replied. "Are you not afraid that they will lose their value now that they have revealed themselves?" Galula asked. The commissar said, "We have secret agents in this town who did not come out when we took it. We don't even know who they are. They will still be here when we go." Galula, Counter-insurgency Warfare: Theory and Practice (New York: Praeger, 1964), pp. 56–57.

Footnotes at end of article.

FORD TARIFF ON OIL: HIGH VOLTAGE SHOCK TO CONSUMERS' ELECTRIC BILLS

Mr. HUMPHREY. Mr. President, last month a story was printed in the Annapolis Evening Capital that points up the utter disaster which increased fuel prices over the last year have wreaked upon American families. The article entitled "Electric Bills Shock Tenants" highlights the danger in allowing President Ford to add further to these fuel prices with his proposed $3 per barrel tax on imported oil.

The story tells of a group of families of moderate income joined in coopera-

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tive ownership of homes built with Federal housing assistance. Each family paid $500 as a down payment on these all electric homes. Now the rising cost of electricity has made it impossible for them to remain in their homes. Either they pay their mortgage or they pay their electricity bills. Either they have shelter or they have heat and light.

They cannot, at these prices, have both. One family received a monthly electric bill of $201.67. Even the more affluent families in this country cannot afford such bills.

These families are suffering terribly. But the Federal Government, which is responsible for much of their plight by insisting on all electric utilities refuses to assist them. In fact, the administration's proposal threatens to make the situation worse.

In the first place, the Department of Housing and Urban Development should never have allowed the construction of all-electric homes. This decision was one of saving pennies at the cost of dollars and anguish for the cooperative homeowner. Well, the administration ought to face up to this mistake. The Congress has provided, in the 1974 housing law, a way for assistance to be given to these families, but the administration refuses to implement the program. We passed legislation last summer which would allow loans for operating deficits. The Department of Housing and Urban Development has refused to set up the program, saying they are still "studying" matters. The time for study is over. These families need help now.

In considering the Housing Act last summer, we also indicated here in the Senate, that a way should be found to provide improvement loans to projects at the same subsidized rates of interest that the original mortgage enjoys. At this project in Annapolis, a program like that could finance the conversion from electric furnaces to gas or oil. It could provide for installation of other energy saving devices and improvements. Unfortunately, we get no action from the Department of Housing and Urban Development or from the President.

What is most clear from this news story is that the administration should not act to drive these families from their homes. The Congress must make sure that the imposition of an additional tax on imported oil does not add further to the costs of daily living in these federally assisted projects.

Mr. President, I ask unanimous consent that the article from the Evening Capital, written by Gregg Forte, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELECTRIC BILLS SHOCK TENANTS

(By Gregg Forte)

Low and moderate-income families who invested almost $500 to live in the Bywater Mutual Homes townhouse development in Annapolis are now fleeing the all-electric project because of high electric bills.

Mrs. Barbara Riley, a divorced mother of six, says she moved out of Bywater in October because of the electric bills. "It got to where I couldn't buy food," she told the Evening Capital.

Her electric bills reached "$140 to $150" during the summer and the last bill she received before moving out was for "over $100."

Mrs. Riley commuted a total of 45 miles a day to her job with the Prince Georges County Health Department, spending "$25 to $30 a week" on gas. She also was paying $112.50 per month on her loan on her 1972 station wagon. Her salary then was $6,058 per year, she says.

She says her only other income during most of the time she lived in Bywater was a $57 monthly check from the county social services department.

Mrs. Riley found a buyer for her townhouse when she decided to move out. But the buyer moved into another unit in Bywater while waiting for Mrs. Riley to move, and stayed there. Mrs. Riley therefore does not get credit for the buyer's $495 "down payment," which all people who buy into the project must pay.

Mrs. Geraldine Stevens, who says her husband brings home $158 every two weeks from the Naval Research Laboratory, has had electric bills of $147, $136 and $201 for the last three months.

She says she and her husband avoided an eviction last month when they caught up on three months' back rent, but now her electric bills is three months behind.

The rent on the Stevens' three-bedroom townhouse went from $158 to $183 in November. "I can count at least nine families that have moved out of here because of the electric bills," says Mrs. Stevens. "We can't make these payments," she says, "but we've got nowhere to go." The Stevenses have five children, aged 5 to 13.

All the units at Bywater were provided with individual meters during construction. However, while those who moved into the first 76 units completed in 1971, had to pay their own electricity, the co-op tried to carry the electric charges on the 232 units that were completed in 1972.

The decision to have everyone pay for his own electricity was made because the "expense was getting out of hand," says Julius E. Washington, property manager for the co-op.

"We thought that individuals would exercise more judgment in using electricity if they had to pay for it themselves."

Washington concedes, however, that the bills are driving tenants out, forcing increased costs for those who remain.

And because of the declining occupancy, the federally subsidized co-op project has been forced to raise the mortgage payments its residents must pay and to appeal for help to the federal government.

There are about 60 renters in the 308-townhouse project off Forest Drive. Another 208 of the present residents there bought a share of the co-op by giving the project a $495 down payment when they moved in. Some 40 units are vacant.

Under the co-op plan, the $495 share was designed to grow in value after 1976. Because of the co-op's decision last spring to have homeowners pay their own electric bills in the all-electric project, however, many buyers have had to move out.

Since last April, when the individual electric billing began, 42 owners have moved out while only 16 have moved in. There was a net gain of 14 renters, but overall, there are 12 fewer families in the four-year-old project.

In November, "rent" at the project rose an average of $21 per month on the two-bedroom to four-bedroom units, putting the monthly charge at $165 to $213. A buyer's "rent" includes principal and interest payments on the project's mortgage.

The only residents who can sell their $495 share back to the co-op when they move are military families moving on orders. Other departing owners must sell their townhouses to other buyers before they can recover their $495 down payment.

Washington could not provide figures on how many of the departed owners were military, or had sold their share to another buyer.

The co-op has requested a one-year moratorium on the project's mortgage payments and a reduction in its interest rate. The request must go through the Federal National Mortgage Association, which holds Bywater's mortgage, and the Department of Housing and Urban Development (HUD).

Eugene Henderson, director of HUD's area housing maintenance office in Baltimore, told the Evening Capital this week that there will probably be a reduction of about $10,000 in the project's $28,000 monthly payment for "six months to a year." The total mortgage on the 308 units is $6.6 million.

"We'll have to make some arrangements for them to catch up once the grace period is over," Henderson said. However, the interest rate is not being reduced, he added.

Bywater Mutual Homes, Inc., is run by a four-member board of directors now made up of three tenants and one former tenant. The board is elected by the tenants.

The income limits for residents of Bywater now range from $6,210 per year for one person to $9,990 for a family of 10.

THE TORNADO AND THE TAXPAYER

Mr. HARTKE. Mr. President, on April 3, 1974, one of the greatest natural disasters in the history of this Nation struck many parts of the Midwest. A series of tornadoes swept across the region. In my home State of Indiana, some 60 tornadoes killed and injured over 800 Hoosiers and destroyed some 4,000 buildings causing property damage in excess of $100 million.

Within hours, emergency relief reached these victims from all branches of government—Federal, State, and local—and from many private sources. I or a member of my staff personally went to every one of the 39 counties in Indiana hit by these tornadoes offering the services of my office.

In the past 10 months, there has been much rebuilding of homes and lives in the communities that suffered from this tragedy. I still am impressed when I return to the State with the optimism and determined spirit that exists in the areas that felt the brunt of the tornado.

There are many ways for those affected by this tragedy to reduce the amount of their Federal and State income taxes for 1974. The Louisville Courier-Journal and Times recently published a most informative article stating some of the tax deductions that can be utilized by those hit by the April tornadoes to ease their losses.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TORNADO AND THE TAXPAYER

(By Ken Loomis)

If you were among the unfortunate thousands in Kentucky and Indiana who sustained property losses in the April 3, 1974, tornadoes, you may be able to turn the tables on the tax collector this year.

Depending on the size of your unreimbursed loss from the storms, you may qualify for a federal income tax refund, or at least a reduced tax bill.

And, if Congress adopts President Ford's proposal for a 12 per cent 1974 federal income tax rebate or a similar rebate plan, you could probably take best advantage of it by filing an amended 1973 return to reflect your disaster loss, rather than including it in your return for 1974.

In addition, Kentuckians who qualify for reduced federal income tax on the basis of casualty losses almost certainly will get a similar reduction in their state income tax.

But not residents of Indiana.

Finally, taxpayers on both sides of the Ohio River whose property is worth less now than it was before the tornadoes struck would be wise to make sure their local assessor (in Indiana) or property valuation administrator (in Kentucky) knows it. Otherwise, they are likely to be overbilled for 1975 property taxes.

These are some of the ways in which property losses from the April 3 storms—estimated at about $290 million in 70 counties in Kentucky and Indiana—will affect taxpayers.

Here are details:

FEDERAL INCOME TAXES

If your property loss was sustained as a result of the wave of tornadoes that struck the Midwest on April 3, 1974, you have the option, under the U.S. Disaster Relief Act, of either declaring it as part of your 1974 income tax return or amending your 1973 return. And you have until April 15, 1975 to make your choice.

Since Congress might adopt the Ford proposal to rebate a flat 12 per cent of 1974 taxes, or a similar plan, most taxpayers may find it to their advantage to amend their 1973 returns. Otherwise, the casualty loss deduction will only reduce the amount that would be rebated on 1974 taxes.

For example, someone who owes $2,000 in federal income tax for 1974 before deducting for example, $200 as a result of casualty loss could choose to file an amended 1973 return and receive a $200 refund check. In addition, if the President's tax rebate proposal becomes law, the taxpayer would later in the year receive a rebate for 12 per cent of his $2,000 tax, or $240. However, if he chooses instead to apply the casualty loss to his 1974 return, it would reduce his 1974 tax to $1,800, entitling him to a rebate of only $216. This advantage in filing an amended 1973 return might disappear if the individual's tax obligation for 1974 is $8,333 or greater because the Ford proposal sets a limit of $1,000 on the rebate. The necessary forms for filing an amended 1973 return are 1040X and 4684 (Casualties and Thefts), which are available from the Internal Revenue Service (IRS).

In any case, you must itemize deductions to take advantage of your casualty losses on your tax form. If you do not normally itemize, and if your loss is small, you might be better off taking the standard deduction.

But if you are in doubt, take the time to work it out both ways to be sure which is most advantageous to you.

If you decide to itemize your casualty losses, you will need the long form, 1040; the Schedule A included with it, on which to list the deduction; and Form 4684 mentioned above, on which you make the detailed calculations that determine what your loss it.

In addition, one other aid will prove valuable if your losses included any kind of property other than real estate (which can be handled on Form 4684 (alone). That is IRS Publication 584, entitled "Workbook for Determining Your Disaster Loss." It provides meticulous listings, room by room, for an inventory of household goods and other personal property damaged.

And the instructions are a model of simplicity.

More complicated cases (including the reporting of business casualty losses, which will not be covered here) are explained in Publication 547, "Tax Information on Disasters, Casualty Losses and Thefts," and by the standard IRS instruction book, Publication 17, which is also available at no cost.

With this formidable armful of paper, you are ready to tackle what seems to be—but is not—a simple job.

The chief problem in determining a casualty loss is that IRS will only allow the loss in "fair market value" of the damaged or destroyed property.

Even if the property is destroyed, the loss is almost never what it cost. The fair market value of real estate is often more than it cost, while the value of personal property like clothing or furniture is nearly always less than its cost.

For this reason, IRS officials strongly advise anyone with a substantial casualty loss to obtain an appraisal.

Without one, an IRS agent in the Louisville district's auditing department indicated, the deduction is not likely to be allowed if the return is questioned.

And the appraisal must be more than a mere eyeball estimate, added agent Charles Bauer. "If someone is going to do something like this, he better have a basis to back it up. If it is only a letter, the property owner should go back to him and ask for more.

One local official of the Society of Real Estate Appraisers said that appraisals of real estate damage performed by his firm after the April 3 tornado normally ran from 24 to 48 typewritten pages, at a cost of $200 to $250.

(The cost of appraisals or photographs to establish a casualty loss is a legitimate deduction, entered on line 33 of Schedule A of your return.)

It not only is not too late to get a real estate appraisal of homes rebuilt after the disaster, said the appraiser, but the job might even be easier than immediately after the storm.

"There may be more data available now," he said. "And now we're in a position to see what people did and wanted to do."

There are many factors that make it difficult for an untrained person to make an accurate appraisal of damage on a fair market basis, said Bauer. Among them is the general decline in a neighborhood's desirability as a result of overall damage—which is not an allowable loss—and difficulty in determining how much a property's value slipped as a result of landscaping damage.

What cost to repair a damaged building, or what it would cost to replace destroyed trees, does not determine fair market value, said Bauer, although the information might help.

"Reasonableness" is a key factor for the IRS in deciding whether to accept a casualty loss claim, said Bauer.

For instance, he said a loss of $5,000 for a huge tree would probably be disallowed, but a lesser claim, based on what it cost to remove the debris and plant a sapling in its place, would be reasonable.

It would not be reasonable to claim the cost of replacing such a tree, he said, since the fair market value of the whole property would not have decreased by that amount.

Similarly IRS does not allow claims based on so-called "sentimental" value.

Determining the loss of value of personal property is also difficult, said Bauer, but not if it was covered by insurance. Insurance appraisals in settlement of household goods losses "are close to being right" as far as the IRS is concerned, he said.

For persons who had no insurance and lost all of their property, the tax agency has to rely once again on the "reasonableness" concept.

Such a person "knows better than anyone else what the condition of his property was."

The property owner can only try to figure out what the fair market value of his goods was just before the storm hit, said Bauer. "If he makes reasonable judgments, and they would appear so to a disinterested party, they would probably be reasonable to us, too."

Figuring the fair market value of an automobile lost or damaged by the storm is the simplest of all, said Bauer. "You can always go to the Blue Book. And, if it wasn't covered by insurance, you could probably figure the cost of restoral as a fair guess at loss in fair market value."

The Blue Book is the guide to average retail prices for used automobiles, published by the National Automobile Dealers Association. Some credit unions, banks and local tax officials use it to determine a car's value and would probably make it available.

Once an accurate determination is made of fair market value immediately before the storm and of fair market value immediately after the storm, the rest is simple arithmetic.

The difference between the two figures is the loss in fair market value.

You must then subtract from that number any insurance proceeds you received to cover your loss and also any outright federal disaster grant you received.

Finally, you must subtract $100, since IRS requires you to absorb the first $100 of any casualty loss.

What is left is your allowable casualty loss deduction. It is entered on line 29 of Schedule A and is eventually used to reduce the amount of income on which your tax is based.

That is the basic formula used in figuring casualty loss, but there are a few other items that will need to be considered:

In no case can your loss in fair market value be greater than the cost of your property. This situation only occurs when property—such as real estate or antiques—appreciates in value over a period of time. For example, a man who lost a home that cost him $12,000 but was valued at $18,000 would be limited to a $12,000 loss—reduced by insurance and the $100 exclusion.

If you received food, food stamps, medical supplies or other emergency aid after the tornado, you don't have to declare them anywhere on your tax form.

If your insurance company reimbursed you for living expenses—food, hotel, transportation—while you were without your home, usually these only covered your actual excess expenses, and they need not be declared. If you got more than you needed, it is declarable income.

The $100 exclusion is applied only once to total losses of all kinds from a single disaster, and only once for husband and wife's joint return.

If you were one of the truly unfortunate few who had a greater casualty loss than the entire income for the year, you will qualify for additional tax refunds dating back to 1971. See page 12 of Publication 547 for instructions.

INDIANA INCOME TAXES

Unfortunately for the unfortunate, Indiana's income tax system makes no provision for declaring a casualty loss. After taking exemptions for his dependents, an Indiana resident pays a flat 2 per cent tax on his gross income.

The only glimmer in this otherwise gloomy situation, according to Douglas Wilcher, administrator of the State Revenue Department's income tax division, is that insurance payments Hoosier tornado victims received to offset their losses need not be declared as income—unless, of course, they were greater than the loss.

REAL ESTATE TAXES

Assessors in Indiana and property valuation administrators in Kentucky do the

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same job—they set a value on real estate on which taxes are based.

Unfortunately, that value is set as of Jan. 1 each year, not April 4. This means that even if your house was demolished by the tornado and has not been rebuilt, you were liable last year for taxes based on its value as of Jan. 1, 1974.

But if your rebuilt or repaired home is not worth as much as it was before the storm hit, check with your local assessing official to make sure he knows this.

He probably does, but you can save yourself trouble or even money by making sure now.

Field workers from the office of Jefferson County Property Evaluation Administrator Robert J. Butler, Jr., have spent a lot of time checking property in the areas hit by the storm, said Butler, and are still at work.

If they decide an assessment should be raised, the property owner will be notified by mail, beginning about March 1.

"We try to notify them when their assessment is lowered, too," said Butler, but that is not always done. And there is no notification if the assessment is unchanged.

You can check your property assessment, however, either by stopping at the office in the Fiscal Court Building or by calling 581-6380.

If you think the assessed valuation on your property is too high, it will be checked by a field worker, said Butler, even if it has already been checked since the storm.

Assessments are revised on the basis of building permits, said Butler, and someone who had a permit before Jan. 1 but has delayed the work should call the office to check the assessment.

If you are not satisfied with your assessment, you can appeal it, but that will require two trips to the courthouse. The appeal must be filed with the county clerk's office, then heard by the Board of Assessment Appeals, which convenes June 9.

Butler suggests that documents substantiating your claim, such as insurance estimates at the time of the damage and repair bills, might help your case.

And if the general property values in the neighborhood have declined as a result of storm damage to a row of trees along the street or similar loss, you might find a more sympathetic ear at the courthouse than at the Federal Building.

IRS Forms and Phone Numbers

Useful Internal Revenue Service (IRS) forms and publications referred to in the accompanying article include:

Publication 17, Your Federal Income Tax, the 192-page guide with complete general information on most tax problems.

Publication 547, special instructions for reporting disaster and theft losses.

Publication 584, a workbook for determining your casualty loss which is also useful in making an inventory of your property in case of future losses.

Form 1040, the basic individual income tax form, including Schedule A on which deductions are itemized.

Form 1040X, for filing on amended return for a previous year.

Form 4684, to report casualty losses in detail.

The forms and publications are available free, including the first copy of Publication 17. (Additional copies of it cost 75 cents each.)

They are available from IRS district offices, or they will be mailed if you request them from these tax information telephone numbers:

Louisville, 584-1361.
Lexington, 255-2333.
Northern Kentucky, 621-6281.
Elsewhere in Kentucky, 800-292-6570.
Evansville, 424-6481.
Elsewhere in Indiana, 800-382-9740.

Kentucky mail requests should be directed to: District Director, Internal Revenue Service, Box 1735, Louisville, 40201.

In Indiana, write: District Director, Internal Revenue Service, Box 44026, Indianapolis, 46244.

CDC'S—BATTLING POVERTY

Mr. KENNEDY. Mr. President, community development corporations have been working to rebuild the poverty areas of the Nation through self-help and community economic development programs for the past several years.

Originally funded by the OEO special impact program which was authorized by Senator Robert Kennedy and Senator Jacob Javits, this program has become one of the exemplary developments of the Federal poverty program.

Legislation I introduced with Senator Javits became title VII of the Economic Opportunity Act of 1972 and expanded the opportunities for assistance to community economic development programs. We have expanded the program even further in the recently enacted Community Services Administration. Unfortunately, the Administration has starved this program, denying it any increase in funds for the past 2 years.

In a recent public service advertisement sponsored by Mobil Oil Co., the benefits of CDC's are explained and its progress discussed.

I want to commend the Mobil Oil Co. for its action in urging support for CDC's around the country. I understand that the response from individuals, foundations and businesses has been very encouraging.

Mr. President, I ask unanimous consent that the Mobil advertisement published in the New York Times be printed in the Record.

There being no objection the advertisement was ordered to be printed in the Record, as follows:

"Anticipate Charity by Preventing Poverty"—Maimonides (1135–1204)

The American system of welfare has never really worked. But there is one solution to poverty that offers real hope. It is built on a partnership of business enterprise and the efforts of men and women who learn they can help themselves. It's called the Community Development Corporation. Thirty-six CDCs are now operating in large cities and in forgotten pockets of poorer rural areas.

The CDCs are not merely another anti-poverty project. They're a form of American capitalism. Residents of impoverished communities—black, Hispanic, Indian, white, urban or rural—form a corporation, usually nonprofit. The corporation shops for venture capital and seed funds from banks, businesses, and the federal government. Local businesses, big and small, are also tapped for technical assistance.

The pay-out? The community-formed corporations finance subsidiaries that often do make a profit—in dollars and cents and in benefits to the community. By providing training, ownership, employment opportunities for fellow residents. By bringing income into the community.

Only a seven-year-old concept, CDCs are now active in 30 states. They provide mortgage money for black homeowners and homebuyers in Brooklyn; health-care and job-training facilities for Mexican-Americans in East Los Angeles. One is manufacturing kitchen cabinets in the mountains of southwest Virginia. Another, run by Lummi Indians, "plants" salmon and oysters in the coastal and inland lake waters of remote Marietta, Wash., for harvest and sale to industrial markets.

Their product lines are as limitless as the economy itself. They manufacture toys, blue jeans, and electronic equipment. They develop shopping centers and farming cooperatives. They run motel franchises, industrial parks, pipe-bending plants, and restaurants. And many of the workers have never even held jobs before.

The granddaddy of the CDCs is the Bedford-Stuyvesant Restoration Corporation in Brooklyn. It serves the largest black community in New York City and is one of the most ambitious self-help programs in the United States. Since its birth in 1967, the corporation has invested more than $30 million in "Bed-Study." It is neither typical of the other 35 CDCs, nor a model for them. But it does prove what poverty-bred capitalism can achieve.

If you think you can help a CDC—with your expertise or with a market for good products—write the National Congress for Community Economic Development, 1126 16th Street, N.W., Washington, D.C. 20036. Its motto is the advice Maimonides handed down in the 12th Century: "Anticipate charity by preventing poverty; assist the reduced fellowman . . . by putting him in the way of business, so that he may earn an honest livelihood, and not be forced to the dreadful alternative of holding out his hand for charity." We believe that's still good advice.

CORPORATE TAXATION

Mr. HARTKE. Mr. President, the New Times magazine recently published an article on corporate taxes entitled the "Corporate Coverup." The theme of the article is that corporations can report virtually any level of profits and, therefore, taxable income, they chose by the use of deceptive accounting techniques. It is a very important lesson for us to remember as we approach the difficult issue of tax reform, that we must also be concerned with the accounting methods used by taxpayers to comply, or avoid compliance, with the tax laws. If we tighten up tax loopholes but allow accounting loopholes to persist, what have we accomplished?

I am not one who believes corporate taxes should be primative. I have in the recent past sponsored legislation to reduce the corporate tax rate, and I have long advocated increasing the investment tax credit. But I strongly oppose the reduction of tax liability by accounting chicanery, and I oppose tax laws which allow such practices. I hope that we will be able to investigate this issue when tax reform is studied by the Finance Committee later this year.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Corporate Cover-Up
(By Ann Crittenden)

In 17th-century France, according to the great historian Lavisse, when the king's tax collectors rode through the countryside, the natives were ready for them. Animals were driven into the forest, silver plate pitched into the basement, and furniture stashed in the harm. Raiment was out and rags were in. Overnight, Ptomkin villages in reverse sprang up to reveal a nation impoverished, with nothing to spare for the voracious monarch of Versailles.

As everyone knows, the old French peasant's dodge has become the national sport of the American rich, with Rockefeller's "office expenses" and "charitable donations" providing the Super Bowl performance of the year. But far less appreciated is the fast and fancy footwork of the nation's leading corporations, for theirs is an incredibly more complicated game—devoid of stars or glamour but full of tricky ground rules.

The most illiterate denizen of the body politic is aware by now that the innumerable tax breaks, benefits and loopholes bestowed on corporations by a compassionate Congress enable many top firms to get away with miniscule U.S. tax payments. But how many people, including congressmen sitting on Capitol Hill's foremost economic committees, can be bothered with the stupifying details of corporate accounting, or with grasping a fact that is Kindergarten I in financial circles: that the very profits on which those tax rates are levied are to a large extent fictions—rough bookkeeping estimates revealing more or less the income that a company wants to reveal in a given year. When you or I make $20,000, we know what it means, the government knows what it means, and the IRS claims its share. But when a company reports a $200 million income, it increasingly means that the company wants the world to *think* it earned that amount—and any resemblance to actual cash flow may be purely coincidental.

It doesn't take a mathematical genius to figure out what the implications are. If corporations are using accounting devices to understate their receipts, and therefore their tax obligations, by billions of dollars, the impact on the Treasury could be far greater than most of the loopholes and tax subsidies put together. And someone else will have to pay the price—either the beneficiaries of sorely needed social programs or the tax-paying public at large, in higher taxes to make up the difference.

Profit figures are so manipulable that Alan Greenspan, chairman of the President's Council of Economic Advisers, admitted recently that "... profits are only a product of the accountants ... you never really know what they are." What they seem to be right now is stratospheric, a state of affairs considered desirable until recently by companies eager to boost their image and their stock prices. But in the last few months, as industry after industry has reported record earnings, many executives have begun to worry that if things look *too* good, people may get strange ideas about who is profiting from inflation and who should perhaps submit to higher taxes or to controls. As a result, a number of leading companies are now scrambling to gear those earnings reports down, and to hide their record profits in a murky sea of ink that the most diligent revenue agent could not penetrate.

There is no doubt that the historic profits of recent days have been surprising—and embarrassing. Typically in a recession profits drop about 25 percent, and even in the mild dip of 1970, pre-tax profits fell by 13 percent. So far, the 1973–74 recession has been twice as severe as the 1969–70 slowdown, but profits have climbed off the charts. In 1973 the income of the Fortune 500 soared 39 percent. Median return in the oil industry was up 53.3 percent; in the paper industry, 49.4 percent; textiles, 45.4 percent and motor vehicles, 33.4 percent, to list just a few who are enjoying, as one accountant puts it, "fecundity beyond their wildest dreams of avarice."

Almost to a man, economists warned that 1974 would bring the crunch, and that business would be suffering by midyear, a prophecy that certainly came true for the auto industry and that had long been true for utilities and the bombed-out housing and brokerage businesses. But for industry as a whole, the good times continued to roll. Profits before taxes jumped at an annual rate of 45 percent in the first half of '74, and estimates are that they shot up another 14 percent in the third quarter. Basic materials industries in particular—oil, steel, mining, fertilizers, chemicals, paper—sailed through the year awash in historic sales and profits, with the oil and sugar industries—surprise, surprise—leading the breathtaking pace. Some of the smaller oil firms have increased their income by as much as 292.4 percent over 1973, and even mammoths like Texaco almost doubled their profits in the first half of 1974. This at a time when the GNP has been actually falling for a year, when unemployment is climbing over 6 percent, and the real take-home pay of the average worker is down by $5 a week in the last year alone. Indeed, the only thing going up, besides prices, has been profits.

It is all very awkward, and the response of many companies, aside from stepping up their image advertising, has been to switch to what maverick accountant Abe Briloff calls "Twiggy" accounting: to reduce published earnings to as lean and low a profile as possible. The traditional incentive for stressing high profits—to push up a company's stock—is no longer valid in a market as flaccid as last summer's beach ball, so companies have little to lose and much to gain by their new conservatism. Just how much was indicated by economist Walter Heller earlier this year when, after estimating that oil price increases would raise the industry's gross income by $20 billion, he noted that "petroleum accounting will very likely be inventive enough to keep a considerable part of this windfall from showing on the bottom line."

The accounting techniques for squirreling away the big nuts are almost limitless. In a good year, companies often take precipitous write-offs on such costs as oil drilling, plant remodeling or relocation, or payment of interest on borrowed money, instead of spreading the expense over a period of years. Another favorite device is to set aside reserves against expropriation, possible bad debts, losses on future contracts or other contingencies. These sums are simply subtracted from taxable earnings in a bookkeeping maneuver that only occasionally appears on the balance sheet. It is as if an individual could estimate his chances of being mugged, or of never being paid back that $500 he lent to Uncle Joe, and then deduct the amount from the income reported to the IRS.

The SEC's chief accountant, Sandy Burton, says he sees "no evidence that arbitrary reserves are being set up by the oil companies," although he admits that this conclusion is based on assertions of the companies themselves, and not an audit of their books. "I'm sure there's some of this going on," Burton adds, "but the magnitudes are hard to perceive." Maybe, but they aren't hard to guess if it is true, as reported, that Exxon salted away $400 million in a contingency reserve in 1974, and Texaco buried $42 million in the first quarter alone. And at least one executive vice-president of a $150-million-a-year firm freely admits that his outfit is booking greater reserves. "Even divisions and subsidiaries within our company are not reporting more than 60 percent of their earnings to the parent," he explains. "We want to show a nice 25–30 percent increase in profits for 1974, and if we booked it all we'd show 100 percent."

In their *embarras d'riches*, companies are also spending like an archduke on the eve of revolution, for the more they spend the less they have to report as taxable profits. This is the year of the "soft-dollar" expenditures—on advertising, sales promotion, consultants and new carpets. "The oil industry is a big mover," comments one Harvard Business School professor who knows. "They're spending on anything, to keep income from working its way down to the bottom line. It seems like all of my friends are consultants to the oil industry these days."

Accelerated depreciation—quickly deducting from pre-tax income the cost of buildings and equipment—is another favorite tax dodge that is on the increase. Total corporate depreciation almost doubled from 1965 to 1973, while after-tax profits rose only 51 percent. Yet the cry is going around now that even fast write-offs aren't enough, that depreciation should be based on *replacement* costs in order to reflect inflationary changes in the value of corporate assets. What is left unsaid is that such a shift would not only confer another special privilege on corporations (no one has suggested that individuals should be able to base their home deductions on current cost) but would also have the taxes in times of inflation, just when tax destabilizing effect of reducing corporate increases are most needed.

The swelling of corporate profits by inflation has stimulated companies to take advantage of what, in effect, is the most significant tax-avoidance opportunity of all—a perfectly legal accounting device that dwarfs in its impact all of the more familar tax loopholes like the oil depletion allowance. Here is the way this works: most companies base their inventory costs on the actual purchase price of existing inventory, working through inventory as it was acquired. This method is called FIFO—first in, first out—and in a time of rising prices, it will show low costs and high profits. It will reflect the actual jump in profits that a company will enjoy until old, cheaper inventory has to be replaced with new, more expensive stock. As much as 14 percent of last year's record profits, and fully 25 percent of this year's bonanza, are this type of inflationary inventory profits.

But the trick is that companies are perfectly free to figure their inventory profits differently, on the basis of current costs, or the last price paid for an addition to inventory. This is called LIFO—last in, first out. The LIFO approach, which is allowed in almost no other country in the world, obviously shows higher costs, less income and—eureka!—lower taxes. Not surprisingly, at the moment U.S. companies are falling all over themselves to make the switch to LIFO. Some 250 major corporations, including du Pont, Eastman Kodak, Coca-Cola, Firestone and Standard Oil (Ohio), and at least one sugar company, have already converted, and indications are that many more will shift at the end of this fiscal year.

The savings to companies, and losses to the U.S. Treasury, will be immense. Du Pont figures that LIFO will reduce its 1974 pre-tax earnings by some $300 million, and its taxes by almost $150 million. Kodak could pocket some $20 million in tax savings. Overall, estimates economist Henry Wallich, U.S. corporations would have paid some $8 billion less in federal income taxes last year if they had all been using LIFO, and $12 billion less if they had combined LIFO with inflation-adjusted depreciation. Corporations defend non-payment of taxes on this savings with the rationale that the money is needed to replace inventories. Moreover, as the economy grows weaker, and customers begin to defer their payments, the extra cash provides a nest egg that, as one corporate accountant puts it, "is better left in our pockets for a while than in the government's pocket."

This plea would be more valid if companies were indeed vulnerable to declining prices and to a dangerous price/cost squeeze in some rough-and-ready, laissez-faire future. But in today's tightly controlled markets, many companies can steadily raise prices to cover increasing inventory expenses, even, as in the case of the auto industry, in the face

of falling demand. For such industries, the non-payment of taxes on inventory profits amounts to a permanent tax deferral.

Worse, many corporations in these oligopolistic industries are going further, and under the guise of higher costs are hiking prices up a few extra notches for the road—a solution to the strange mystery of why so many industries are recording gargantuan profit margins in the midst of the worst economic slowdown in three decades.

Few would argue that they shouldn't do well, or that high profits per se are not a good thing. Above all, they have been essential for investment in industries plagued until recently with shortages in productive facilities.

But the current efforts to minimize taxable income pose another special danger. By pushing the already fuzzy picture of who earns what even further out of focus, the trend could obscure the fact that a real redistribution of income is taking place in the U.S. away from wage earners and certain sectors of the economy like housing, toward the wealthy and the oil industry, for example. At least when Texaco reports earnings are up 97.5 percent, the warning flags can go up. (There is no doubt that the redistribution is happening: between 1969 and 1972 almost $10 billion was taken from the bottom three-fifths of American families and transferred to the richest one-fifth, largely because inflation hits the poor hardest. Since 1972 that trend has accelerated.)

It would be nice to know that alarmed public officials are fighting this latest corporate tax dodge, but the fact is that Congress is too confused about the overall health of the economy to give questions of profit reporting a thought. And officials at the SEC, who have responsibility for all aspects of corporate financial disclosure, are more worried about the distorting effects of inflation on financial statements than the understatement of profits.

There is virtually no pressure, for example, for such a basic reform as a requirement that all companies use FIFO, even though that change alone would save the Treasury billions of dollars in lost revenues. Even tax reformers themselves don't fully realize yet that instead of worrying about excess profits, or the tax subsidies that produce them, they also have to be concerned about how those profit figures are calculated. For in the now-you-see-it, now-you-don't world of corporate accounting, one rule change can transform today's windfall gains into tomorrow's respectable increase in income, leaving all of the rest of us wondering, as prices and taxes keep rising, what on earth is going on.

We Pay Their Fair Share

Even on the income that they do report, major companies are as successful as the super rich in avoiding U.S. taxation. The statutory corporate income tax rate is 48 percent, but last year the actual rate paid was 35.6 percent, thanks to an armed guard of investment credits, depletion allowances, kickbacks for export sales and other special deductions standing between company coffers and the revenue agents.

Most impregnable are the vaults of the nation's 12 leading commercial banks, which last year paid an average of 3.6 percent of their income to the U.S. government. This wrist-tapping tithe results from the fact that banks can take advantage both of tax exempt municipal bond interest and the foreign tax credit, which permits U.S. firms to subtract income tax paid overseas directly from their U.S. tax bill, instead of treating it as a deductible business expense.

The foreign tax provision also comes in handy to the American oil companies, which years ago had their foreign royalties redefined as "taxes." Last year the top six companies paid a crushing 6.3 percent of their worldwide income in U.S. taxes. No one knows what percentage of their U.S. income is paid to the U.S. Treasury because exactly where they earn their money is one of the tightest-held secrets or all multinational firms.

Obviously, the multinationals pay lower U.S. taxes than American corporations in general, but according to Harvard economist Otto Eckstein, an increasing array of congressionally approved tax shelters is making it easier for all U.S. companies to dodge the IRS. His calculations show that back in 1961 corporations were paying an effective tax rate of 43.3 percent, versus the 35.6 percent in 1973. This year, largely because so many companies understated profits, the percentage of corporate income paid out in taxes probably fell to the lowest level in at least 20 years.

The result of all this is that you and I are being asked to bear a rapidly growing share of the burden. Work of the Washington-based Tax Reform Research Group, for example, shows that corporate taxes, as a percentage of federal receipts, fell from 33 percent to 14 percent between 1944 and 1974, although before-tax profits, as a percentage of gross corporate product, remained fairly constant. During the same period, individual income and payroll taxes rose from 48 percent to 73 percent of total federal tax receipts. In 1973, while industry struggled under such tax rates as 11.5 percent (oil companies excluding the top six), 17.3 percent (metals and mining), 22.1 percent (drug companies) and 28.4 percent (food processors), a family of four in the $20,000 bracket was paying 15 percent of its income in federal taxes. At the $30,000 level, the rate rose to 20 percent (for 1971, the last year for which figures are available).

Below is a list of the top 15 corporations in the country, as ranked by Fortune and their tax loads for 1973:

	Chrysler	Ford	GE	GM	IBM	ITT	United States Steel	Western Electric	Westinghouse	Exxon	Gulf	Mobil	Standard Oil of California	Standard Oil of Indiana	Texaco
U.S. tax rate on worldwide income	3.1	16.6	32.3	40.2	22.5	2.8	28.9	39.5	12.2	3.7	1.6	3.2	8.7	19.8	.9
Share to foreign government	16.0	15.9	7.1	6.2	24.0	32.5	11.7	----------	10.4	53.8	61.4	55.2	37.4	11.2	31.5
Worldwide rate on worldwide income	19.1	32.7	39.4	46.4	46.5	35.3	40.6	39.5	22.6	57.5	63.0	58.4	46.1	31.0	32.4

[1] All figures are percentages of 1973 pretax financial income.

Source: Tax Analysts and Advocates, based on material filed with the SEC.

THE FUTURE HOMEMAKERS OF AMERICA

Mr. HRUSKA. Mr. President, I have recently received a letter from Miss Laura Umberger, of Elwood, Nebr., treasurer of the Nebraska Association of the Future Homemakers of America.

Supporters and members of this fine organization are involved in an all-out campaign to explain the goals of the FHA and its role in today's world. I certainly want to add my support and good wishes to this endeavor.

Miss Umberger's letter has revealed to me that FHA is much more than the stereotyped image of "cooking, sewing, and other domestic activities." As Miss Umberger most aptly expresses it:

The whole idea behind FHA is to help prepare the individual for all aspects of home living and homemaking.

No one can better express the ideas and goals of FHA better than the author of this letter. I defer to her, and ask unanimous consent that Miss Umberger's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 7, 1975.

Hon. ROMAN HRUSKA,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HRUSKA: I am Treasurer of the Nebraska Association of Future Homemakers of America; I live in the small town of Elwood. We have approximately 80 kids in high school and our FHA chapter has an active membership of thirty.

Let me ask you, what comes into your mind when you hear "FHA"; cookie-makers, baby sitters, housecleaners? I would like to take this chance to tell you a little about FHA. By telling you some of the projects we are involved with in my own chapter, I can give you an idea of the ideals and goals of our whole organization.

In November, we had Ms. Gail Whitaker, from the University faculty, speak to us on self-defense. Her talk and demonstration were part of a project of awareness for our chapter. Here in Elwood, the chances of ever needing to use self-defense are very small, but the majority of us will, at some time, enter an environment where this knowledge could prove essential.

Later on that month, the Freshmen girls took a poll on if and what students and teachers ate for breakfast. The results were surprising in a negative sense. They started putting up displays around school telling how essential breakfast is. They showed films to the classes and climaxed their project by serving a breakfast of juice, pancakes, and sausage to each class, 7th–12th, and faculty members. Various local merchants and farmers donated the flour and meat. Besides being served a delicious and nutritious meal, each of us was made to realize the importance of a good breakfast and, hopefully, what we learned was applied in day-to-day living.

In Elwood, we have a child development center for preschool children who are mentally or physically handicapped to some degree. Four girls from our chapter, including myself, do volunteer work one hour a day there. Conflict with class schedule prevents many others from doing this. Out of all the projects I've worked on, this one is the one I've gained the most from. We are performing a helpful service and get a feeling of accomplishment by doing so, but more than that, the personal rewards are fantastic! I have gained more patience, understanding, and compassion towards people, especially the handicapped. It has also helped me to decide what career I would like to go into.

Like many other organizations, FHA is stereotyped. We sometimes suffer from lack of communication with the public. Cooking, sewing, and other domestic activities are definitely a part of homemaking. But making a house into a home and creating the right atmosphere for pleasant family living are things that can only be accomplished if, yourself, are prepared to meet responsibility. The whole idea behind FHA is to help prepare the individual for all aspects of home living and homemaking. This is why our organization is open to males, also.

I hope I have given you some useful information and I would like to offer you a challenge. If you feel as though you have learned something about FHA, please share it. As a public official, you have more of a chance to share ideas and knowledge. Next week, February 9–15, is National FHA Week. Public relations are always important to us, but during this week they are especially stressed. Anything you can pass on to others about FHA, during speeches, interviews, newsletters etc., will be greatly appreciated. Thank you for your time.

Very truly yours,

LAURA UMBERGER,
Treasurer, Nebraska Association, Future Homemakers of America.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST, PETROLEUM IMPORTS

The ACTING PRESIDENT pro tempore. Under the previous unanimous-consent agreement, the hour of 11 a.m. having arrived, the Senate will now resume consideration of H.R. 1767, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1767) to suspend for a ninety-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such ninety-day period; and for other purposes.

The ACTING PRESIDENT pro tempore. The time for debate on this bill will be equally divided between and controlled by the distinguished Senator from Connecticut (Mr. RIBICOFF) and the distinguished Senator from Nebraska (Mr. CURTIS), with 2 hours on any amendment, and with the vote thereon to occur at 5 p.m.

Mr. CURTIS. Mr. President, I ask unanimous consent that Mr. George Prince, a staff member of the Committee on Finance, be permitted the privilege of the floor during the deliberation of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum, with the time to be equally divided between the

time of the Senator from Nebraska and myself.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield me 2 minutes?

Mr. RIBICOFF. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Javits amendment be laid before the Senate and made the pending business, as previously agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 9

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes an amendment, numbered 9, in the nature of a substitute.

The amendment is as follows:

Strike all after enacting clause and insert the following:

That, during the period beginning on the date of the enactment of this Act and ending at the close of the sixtieth day thereafter, nothing in section 232(b) of the Trade Expansion Act of 1962 (U.S.C. 1862(b)) or in any other provision of law shall be deemed to grant to the President any authority to adjust fees, tariffs, or other charges on imports of petroleum or any product derived therefrom except in accordance with the provisions of this Act.

SEC. 2. (a)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a rate of duty on petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline shall cease to have effect on the date of the enactment of this Act.

(2) Upon appropriate request therefor filed with the customs officer concerned on or before the sixtieth day after the date of the enactment of this Act, the entry or withdrawal of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline to which a rate of duty imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) applies shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as if no duty applied to such entry or withdrawal.

(b)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a tax or fee on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which is higher than the tax or fee imposed on the importation of petroleum or any such product on January 15, 1975, shall cease to have effect on the date of the enactment of this Act; and the tax or fee imposed on the importation of petroleum or any such product derived therefrom after such date of enactment shall be the tax or fee in effect on January 15, 1975.

(2) Upon request therefor filed with the appropriate Federal agency on or before the sixtieth day after the date of the enactment of this Act, the amount of any tax or fee imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) and paid by any person on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which exceeds the tax or fee that was imposed with respect to the importation of petroleum or such products derived therefrom on January 15, 1975, shall be rebated to such person.

SEC. 3. If during the sixty-day period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces.

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)).

SEC. 4. Nothing in the first section and sections 2 and 3 of this Act shall be deemed to affect the validity of any proclamation or executive order issued before January 16, 1975, by the President under section 232(b) of the Trade Expansion Act of 1962.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a vote on the Javits amendment, if it does occur, take place at 3:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. To be followed by a vote on the Dole amendment, if such a vote is requested, as I anticipate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be charged against both sides equally.

Mr. CURTIS. Mr. President, reserving the right to object does that make provision for or does it in any way interfere with an amendment that may be offered by Mr. BUCKLEY?

Mr. MANSFIELD. Not at all.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is the amendment of the Senator from New York.

Mr. CURTIS. Is that on controlled time, and if so, by whom?

UMI

The PRESIDING OFFICER. There are 2 hours of debate on the amendment by the proponent of the amendment and the manager of the bill unless the manager is in favor of the amendment, in which case, the Senator from Nebraska has the control.

Mr. CURTIS. It is not my amendment.

Mr. President, I hope that the issues here can be developed clearly before we vote at 5 o'clock on the passage of this measure.

Mr. President, I am delighted that the distinguished Senator from New York is here to proceed with his amendment and I yield the floor.

Mr. JAVITS. Mr. President, are we on limited time?

The PRESIDING OFFICER. There are 2 hours on the amendment, 1 hour for the Senator from New York.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I understand that the unanimous consent request I am about to make is agreeable on both sides and it has been cleared on both sides with the leadership.

Mr. President, I ask unanimous consent that when whatever time is taken on my amendment is completed as far as those who wish to debate it this morning—and I shall start right now—the matter may then be laid aside until 3:10 this afternoon; that at 3:10, the amendment shall again be called before us; that at that time, I shall have 10 minutes in which to debate the amendment and the opponents shall have 10 minutes under the control of the Senator from Connecticut (Mr. RIBICOFF); and that at 3:30, there shall be a vote on my amendment as amended, if there be any amendment to it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I also ask unanimous consent that if there be any amendments to my amendment proposed before the hour of 3:30 which I do not incorporate in my amendment, and there should be a rollcall, that the rollcall vote also be held at 3:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I ask unanimous consent that Michael Bird and James Wetzler of the Joint Committee on Internal Revenue Taxation have the privilege of the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, do I understand correctly that my amendment has been called up and stated by the clerk?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I thank the President.

Mr. President, the amendment which I have proposed is designed to deal immediately with the situation which we face. It has no relationship or effect upon the long term program of the President or the program of the Democratic majority relating to energy or the economy, but only seeks to resolve our dilemma.

It only seeks to resolve our dilemma, at least the dilemma of some of us, in respect to the immediate situation.

The amendment proposes to shorten the 90-day period which has been specified in the resolution which is reported for suspending any action on the President's order regarding an import duty on crude oil and its products, and makes the period 60 days instead of 90, because we omit the need for the 90-day period, in that we are going to do something instead of not doing anything, so that the period can be shortened.

So we shorten the period, Mr. President, to 60 days, and within that 60 days we allow the President to go ahead with his $3 impost, but provided that it applies only to either imported gasoline or imported crude oil which is ultimately refined into gasoline, rather than allowing it to apply across the board to all petroleum products.

The reason for this amendment is that we believe—I and others who I hope will support me—that the fundamental objective of the President is to curtail the use of gasoline, which is a fuel with some immediate elasticity of demand, unlike home heating oil, residual fuel oil, and similar products like diesel oil, where because of existing conservation, there is no significant elasticity of demand that is remotely capable of bringing about the contraction of consumption which is possible as to gasoline. We all understand how wasteful we are of gasoline as a people.

Therefore, as the President's objectives are only two, first to get us off the ground with some program, and second to begin to make a measureable dent in the use of gasoline, toward the objective of cutting 1 million barrels a day of imports of oil, this is a targeted amendment, designed to do only—in view of this period of confrontation and difference as to what is to be done, which we hope will be resolved by agreement—that which will tide us over this time and enable something to be done which all can agree upon: to wit, the concentration of the tariff on a fuel as to which there is elasticity of demand, without committing anyone to a specific permanent program.

It seems to me that this is the ideal way to get out of the existing danger of a deadlock. Therefore, I have presented it for these reasons.

There may be an amendment or two offered to this substitute. I understand that one of our Members is desirous of being sure that it does not relate, for example, to gasoline being used by farmers, so-called off-the-road gasoline, which would be entirely agreeable to me. Another Senator wishes to be sure about the exclusiveness of the definition. Those proposals will come along in due course. But the fundamental point, as I see it, I have just made.

The estimate I have made, for which I am indebted to the Senator from Oregon (Mr. PACKWOOD)—and he will confirm whether I am right or wrong in my figures—is that if we do enact this amendment, we have a good chance to save about 300,000 to 350,000 barrels a day of imported fuel in terms of conservation, that that is its impact.

The impact on price which will result was estimated variously, between 4 cents per gallon as a minimum by way of increase to discourage use, and 10 cents per gallon, depending upon the following:

If we apply the President's tax figure—and, remember, the President may now make a new order, if my amendment is passed, which will adjust this $3, so we must take cognizance of that possibility—that if we apply the $3 solely to each barrel of gasoline or crude oil that will be refined into gasoline, it results in a price increase of around 4 cents a gallon at the pump, ultimately, if it is passed through, as it would require.

If, on the other hand, the President decides he has got to raise more than $6 billion for fiscal reasons—and that is a mighty good point, incidentally, because we are in such deep trouble about our deficits, and the side effect of this action is a good one in terms of governmental finance—if the President decides he wants to raise the greater revenues and lay the whole amount on gasoline, which in round figures represents about 45 percent of what we refine from our imports in the way of crude, then the price increase could, of course, be greater. There is no statutory dollar maximum on the President's authority to impose this tariff.

That is still in the hands of the President, but those are the parameters within which he may act.

But whether it is 4 cents or up to 10 cents, the important point is that the rise is not so inordinate as to have any drastic effect upon the standard of living of our people for the short term, until they get a tax rebate or in some other way accommodate their need for dealing with price in terms of gasoline. Thus it would not cause any social or economic dislocations.

At the same time, it is considered to be, and I think appropriately, a restraint on the amount of use and, therefore, would be the first measure of conservation in a direct way by law which our country will have adopted toward a long-term energy program.

Many of us, including myself, have deep feelings about another method, to wit, an allocation or quota method, which probably is a limiting factor to any idea of rationing as being a preferred way in which to conserve. I also have a deep belief in the voluntary method, which we used so very successfully when we had the oil embargo in 1974, and which very materially cut our imports in terms of demand by sheer restraint on the part of individual Americans, through appealing to their patriotism. But that is for future debate and consideration.

Right now we face a situation, not a theory or an optimum opportunity. We face a straight confrontation between a majority on the Democratic side who say, "Give us 90 days, and we will work out a program; in the meantime, even if we have to do nothing, it is better than what the President wants," and the strong feeling on the part of the President and many of his supporters on this side of the aisle that we have to do something, that even if it is not the right thing or the best thing we have to do something.

My amendment endeavors to draw a line between the two, to avoid confrontation and bring about some action at this time, and not action of a kind which would either imperil the cost of living or prejudice or jeopardize what might be the program for the future.

One thing which has impressed me very materially in this whole debate, and it even extends within the Presidential circle itself, is the idea that somehow or other we are debating the whole energy program today. The tendency is to assume that what we do upon this particular measure will determine what we do about the $2 excise tax, lifting the ceiling on old oil or taking it off altogether, deregulating natural gas, et cetera.

Nothing could be farther from the fact. No one knows—the President, we, or the country—what other measures will ensue. We do not know what the size of a tax cut or a tax rebate will be, whom it will go to, or how it will be divided.

We do not know whether Congress will act to allow the President to deregulate old oil or natural gas, or how Congress will feel about putting a $2 excise tax on domestic oil and a $2 import fee on imported oil. We know none of those things. All we know is what we face today.

It seems to me, therefore—and I have worried over this for a number of weeks now—that we ought to try to find our way by compromise out of this momentary impasse, in order to keep secure the concept for the country that whatever we do about an energy program will be nonpartisan.

It seems to me that by offering this compromise—and that is what it is—very frankly I am trying to serve that objective: to wit, not to prejudice anybody's position, to do pretty much what everybody could agree upon anyhow, which is that the fastest and quickest way to try to begin conservation is by some price effect and, in view of the financial situation of the country and the enormous deficit we face, that it certainly does no harm and considerable good to try to add some money to the Treasury in terms of the income which could come from this import fee or duty.

For all of these reasons, Mr. President, and especially, as I say, to do something instead of nothing, and to avoid, if we could, a confrontation with the President, I think it is important to act along these lines, and also to unravel our situation from confusion and complexity over the mistaken notion that we are legislating on a whole energy program, and rather confine our view to the fact that we are acting only upon this narrow specific situation.

Now, Mr. President, I feel that it deserves consideration by the Senate in connection with the resolution, and that, at the very least, it serves the very useful purpose of trying in our minds and in the mind of the country to separate a commitment to the whole energy program of the President, to which I am not committed—and I am not at this time for the deregulation of natural gas, and I am not at this time for precipitately taking the ceiling off old oil, and many other things. I have my views, and other Members have their views, and I think we ought to do our utmost to resolve them.

Toward this goal, the Joint Economic Committee, of which I am the ranking member, led by Senator HUMPHREY, by a majority of its members, has proposed to the President in writing that the President join with us—not just with our committee but with the whole Congress—in the development of a task force to consist of representatives of the House and Senate chosen by the respective majority leaderships, and representatives of the White House, to see if they can agree upon an energy program. This follows a practice which I and others have followed in resolving bills with the White House. Last year, for example, we resolved the public service employment bill with the White House in exactly that way. We also resolved the Legal Services Corporation bill in exactly the same way with the White House; and, under Senator KENNEDY's leadership, the older Americans bill of last year, which turned out to be a landmark piece of legislation, was similarly resolved between the White House and the Congress. There is no reason why that should not be done in the case of energy, and I hope very much that it will, and that the wisdom of that counsel will prevail.

In the meantime, in view of the fact that we are voting today, and we stand right at the threshold of decision, my amendment is offered in exactly that spirit, in the belief that confrontation is the least desirable from the point of view of all Americans, and that the amendment which I have proposed deals with conservation in a fair way, raises additional revenue for the Government, gets us out of this impasse at the moment between the majority in Congress and the President, and enables us then with that kind of a curtain raiser to proceed along the same lines of reasonableness in an effort to work out solutions as between the Congress and the President.

For those reasons, Mr. President, I believe the amendment should commend itself very highly to the Senate, looked at objectively and not in partisan terms, and I hope the Senate will consider it worthy of approval.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, will the Senator from New York yield 3 minutes?

Mr. JAVITS. I yield 3 minutes to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, it is my intention to support the amendment of the Senator from New York. It is my understanding also that the Senator from Illinois (Mr. PERCY) will be offering an amendment to this amendment, and I intend to support that proposal.

I think those from the New England States and from the Mid-Atlantic States have made a very compelling case that if we take this $3 a barrel tariff and simply pass it along equally at roughly a 4- to 4½-cent increase on heating oil, 4- to 4½-cent increase on heavy oil which the utilities buy, and which they simply pass along to their consumers, we are going to be hitting most hard those who are on fixed incomes, those who cannot lower their thermostats any more; and that, in fairness and equity, the place where this country can conserve or the place in the West where the country can conserve, and where the New England States can conserve, is in gasoline. We can achieve what we want to achieve, which is to start on a reduction of imports, start on a reduction of the outflow of dollars, because of the tremendous quantity of imports that we bring in by skewing this imported $3 a barrel tariff more heavily toward gasoline and less heavily toward home heating oil. I think the Senator from New York has taken the right step. The Senator is pointing us in the right direction and, as he has indicated, in a bipartisan spirit, I hope the Senate will accept his amendment this afternoon when we vote.

The PRESIDING OFFICER. Who yields time?

Mr. RIBICOFF. Mr. President, I yield myself 5 minutes.

It seems to me that the amendment offered by the distinguished Senator from New York represents a partial answer to a complex problem.

Just as the President should have consulted with Congress before acting, Congress should not adopt a different kind of licensing scheme without first working with the Executive and giving the divergent interests of different sections of the country a chance to comment.

Now, the amendment of the Senator from New York, as I read it, would reserve the President's ability to adjust imports of motor gasoline and of crude oil imported into this country for refining it into motor gasoline. I am somewhat puzzled administratively as to how do we determine when petroleum is imported for refining into gasoline when it goes to a refinery, and how do we make a determination when it comes into port as to whether that particular petroleum is going to be used as gasoline.

The President's authority to impose quotas on imports of any crude or petroleum products would be preserved in the Javits amendment, and it would suspend for 60 days the President's authority to impose tariffs or fees on imports of petroleum products other than gasoline, and on imports of crude oil which are not used to make gasoline.

I am sympathetic to what the Senator is trying to achieve. It seems to me a constructive amendment, and it significantly reduces the adverse economic consequences of the President's plan.

But it replaces a program that unfairly burdens some parts of the country, such as my own, with one that unfairly burdens other parts of the coun-

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try and other interests. Under this approach the price of gasoline would still increase 4.3 cents a gallon by May 1, in accordance with the figures in the minority views in the report on H.R. 1767 from the Committee on Finance. The added cost of gasoline would fall especially hard on those States in the Middle West and the Southwest which use proportionately higher amounts of gasoline, and it also would hit especially hard people who must commute long distances to their work and salesmen who drive extensively as part of their jobs.

But just raising the price of gasoline 4 cents a gallon would not save much oil by itself. I read in the paper just the other day that Mr. Zarb, who is one of the major spokesmen for the administration, believes that a plan only restricting the use of gasoline would be less equitable than the President's plan. Mr. Zarb is quoted in this article from the February 18, Washington Post, concerning a reduction of 1 million barrels a day, as follows:

> To reduce consumption by that amount by levying additional taxes only on gasoline would have increased the price of gasoline about 40 cents a gallon.

I cannot imagine there is anyone in Congress or in the country who would be advocating today that we increase the price of gasoline 40 cents a gallon, but that is what we would have to do, in accordance with Mr. Zarb's statement, if we were to cut down the consumption by 1 million barrels a day between now and the end of this year.

So, Mr. President, the Javits amendment gives the Senate only 60 days to act in those areas that the amendment protects from the President's import license fee. That is not long to go. What I think we are trying to achieve with this bill is to give Congress an opportunity for 90 days to come up with an alternative plan

The President is correct when he says, "I have a plan, what do you have?"

The suspension gives us a chance for 90 days to come up with a plan and it also gives us an opportunity for the Congress and the Executive during this period to compromise our differences, to come up with a program that is for the best interests of the country as a whole and that we can all agree with.

There is no question in my mind that the Congress and the President, for the good of the Nation, will have to come up with such a program. I do not believe it can be achieved in 60 days.

I do not want a partial solution and my understanding is that the President is not for a partial solution either. The Congress and the President are going to have to get together sometime during the 90 days to work out some reasonable, alternative proposals.

The suspension gives the various committees of Congress an opportunity to have full and complete hearings, listen to the country as a whole, get the different points of view, and come up with a well-balanced program.

Consequently, I would oppose the Javits amendment and all other amendments. The House having acted, the Senate should pass the House bill, and then avoid the delay of a conference. Speedy passage of the bill will force the President and the Congress to come together with a program that we can jointly agree upon for the benefit of the entire Nation.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. I yield myself——

Mr. RIBICOFF. How much time would the Senator like? I would be pleased to yield him time.

Mr. CURTIS. Five minutes.

Mr. RIBICOFF. I yield the Senator from Nebraska 5 minutes.

The PRESIDING OFFICER. The Senator from Connecticut has yielded the Senator from Nebraska 5 minutes.

Mr. CURTIS. Mr. President, I take the floor for the purpose of asking the distinguished Senator from New York a question or two about his amendment, if I might.

I understand the part of the distinguished Senator's amendment that reduces the time to 60 days, but I would like to ask this: What end products or end uses would the Senator exempt from the import fees application; and under the Senator's amendment, were it to become law, upon what end uses of petroleum and its derivatives would the tax fall?

Mr. JAVITS. It would fall upon gasoline or upon crude which is refined into gasoline ultimately, and the way in which to answer Senator RIBICOFF's question on how that could be ascertained is that it depends on the breakdown. In other words, the refiner's report, how much they use for gasoline and other products, and that part used for gasoline would be subject to the import duty.

In a sense, they would have the crude in bond, which is not an unusual practice in tariffs and trade, until they determined its end use, so that we could monitor that particular situation.

Now, what would be excluded would be home heating oil, residual fuel oil, diesel fuel, and probably fuel for aviation as, generally speaking, it is not gasoline, it is kerosene or some other derivative.

Now, I am told that there are two amendments, one by Senator BELLMON which would exclude gasoline used by the farm, or off the road as it is called—apparently, that is a word of art which obtains in many Western States—and we have the Percy amendment now.

As a matter of fact, Senator PERCY wants to be sure that the higher figure, 10 cents, is imposed upon gasoline through piling all of the import duty, to have $3 per barrel on gasoline, whereas under my amendment it would only be roughly 4½ cents, or it would be just its proportion of what is the total amount.

Mr. CURTIS. Is the Percy amendment offered as an amendment to the Senator's amendment?

Mr. JAVITS. Yes, it will be offered as an amendment to my amendment, and so will the Bellmon amendment.

Mr. CURTIS. Do I understand, then, that the purpose of the Senator's amendment is to confine the tax to gasoline?

Mr. JAVITS. To gasoline for road use, essentially.

Mr. CURTIS. Yes.

Well, now, would the Senator's proposal change the situation with respect to product used by a factory, by powerplants in generating electricity?

Mr. JAVITS. Yes, because that kind of oil would not be subject to the $3. Whereas, the President's order makes them subject to it.

Mr. CURTIS. Yes, but is it not correct that the only area that the Senator would exclude is the home heating oil?

Mr. JAVITS. No, no; it is all industrial uses of fuel which are not gasoline.

Mr. CURTIS. Does that create any problems of administration approaching it this way rather than a direct substitute to impose gasoline tax?

Mr. JAVITS. No, I do not think it creates any problems in view of the fact that the passthrough is now provided for by law and the Director of Price of the Allocation Policy of the FEA informs us there is no administrating difficulty in allocating the tariff to gasoline only or in insuring refiners pass on the tariff to our gasoline production only.

We have checked on that and that is their answer.

Mr. CURTIS. What is the general practice in the business? Certain crude oil is imported solely for the purpose of making gasoline or as the principal purpose. Is the crude oil imported for other purposes?

Mr. JAVITS. My understanding is that crude is crude and that how they refine it depends on its end use, so that we can end use it for gasoline or another purpose.

However, I understand also that residual fuel and home heating oil are generally imported in that form.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Who yields time?

Mr. CURTIS. I thank my distinguished colleague.

Mr. JAVITS. Mr. President, again I ask unanimous consent that I may suggest the absence of a quorum without its being charged to either side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment is not in order at this time except by unanimous consent.

Mr. CURTIS. Mr. President, will the Senator yield?

I believe it is necessary that we clarify the procedure.

It is true the Javits amendment is pending, but it is also true that a vote at a specific time has been agreed to for all the amendments, that they come after 3:30, and in the case of the Javits

amendment there was an additional unanimous-consent request that the last 20 minutes prior to 3:30 be reserved to conclude debate on the Javits amendment.

The PRESIDING OFFICER. At this time, the amendment would not be in order until the time has been used or yielded back on the Javits amendment, except by unanimous consent.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Is the amendment offered by the distinguished Senator from New York (Mr. BUCKLEY) an amendment to the Javits amendment?

Mr. BUCKLEY. No, it is not, Mr. President.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. CURTIS. Yes.

Mr. RIBICOFF. To expedite the business before us, could we, by unanimous consent, agree to temporarily put aside the Javits amendment so that we could entertain the Buckley amendment?

This would give other Senators an opportunity to present their amendments before 3:30 and then all the votes could occur after that.

The PRESIDING OFFICER. That can be done.

Mr. JAVITS. Mr. President, if the Senator will yield to me, I think that is exactly what I had in mind to do, except that I wish to protect the rights of the two Senators who wish to amend my amendment.

Therefore, if it is agreeable to all sides, I would make the following unanimous-consent request: That my amendment be laid aside until 2:45; that at that time my time on the amendment be deemed terminated, except that I may have 10 additional minutes to debate the amendment and 10 in opposition, saving 20 minutes; that the rest of the time from 2:45 to 3:30 may be devoted to debate on amendments to my amendment, and in that way preserving everybody's rights who wish to amend mine, and giving Senator BUCKLEY the opportunity to go ahead with his. Is that agreeable?

Mr. CURTIS. Reserving the right to object, and I shall not object, but I wish to clarify it, this would make it possible to consider other amendments, Senator BUCKLEY's as well as others, with the same understanding that if there is a rollcall on the amendment, on all amendments, it would be after 3:30.

Mr. JAVITS. Exactly. And if a contingency should arise when Senator BUCKLEY or some other Senator, wishes a few minutes to conclude his debate, I will work out something with whomever is concerned. It reserves 25 minutes to the 2 Senators who wish to amend my amendment.

Mr. CURTIS. I withdraw my reservation.

The PRESIDING OFFICER. The Chair understands that this unanimous-consent amendment, if effectuated, would vitiate the prior unanimous-consent amendment to return to the Senator's amendment at 3:10.

Mr. JAVITS. If effectuated.

Mr. DOLE. Do I understand the Senator from Nebraska correctly that there will be no votes on any amendments prior to 3:30?

Mr. RIBICOFF. It does not necessarily have to be the case.

Mr. DOLE. I thought that was the purport.

Mr. RIBICOFF. Was that the understanding between Senator GRIFFIN and Senator MANSFIELD? If that is the case, we should know that.

Mr. JAVITS. the attaché has informed me that this is Senator MANSFIELD's intention.

Mr. RIBICOFF. That debate could occur on all amendments and we could go seriatim and vote on all amendments if a rollcall is requested.

Mr. DOLE. Further, this would not prejudice the rights of the Senator from Kansas or others who have amendments to offer theirs at a suitable time.

Mr. CURTIS. And after 3:30.

Mr. JAVITS. And after 3:30.

The PRESIDING OFFICER. Is it the intent of the Senator from New York to resume debate on the Senator's amendment at 2:45 or 3:10?

Mr. JAVITS. At 2:45.

The PRESIDING OFFICER. And reserving 20 minutes for debate thereon?

Mr. JAVITS. And leaving the rest of the time for any Senators who wish to amend my amendment.

The PRESIDING OFFICER. When would the 20 minutes commence?

Mr. JAVITS. The 20 minutes can commence at 3:10.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield the floor to my colleague from New York.

Mr. BUCKLEY. Mr. President, I thank my senior colleague. It had been my understanding that the parliamentary situation was that discussion of his amendment would be interrupted, as it were, to allow other amendments to be presented. I have sent an amendment to the desk. It is, in many respects, similar to that introduced by my senior colleague.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> Wherever they appear in the Act, as indicated below, substitute the words, "any product derived from petroleum" from the words "petroleum and any product derived therefrom," "petroleum or any product derived therefrom;" "petroleum or any such product;" or "petroleum or products derived therefrom."

Mr. JAVITS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. BUCKLEY. Yes.

Mr. JAVITS. I ask unanimous consent that Geary Klein may have access to the floor during consideration of this bill and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. I believe, Mr. President, I can explain the reason, purpose, and effect of this amendment in very short order. Of course, many of the arguments that I will advance have already been advanced and answered, or at least attempted to be answered, in the case of the Javits amendment.

First of all, it is a fact that the Northeastern part of the United States has been particularly hard hit by the fourfold increase in the price of imported crude oil and imported petroleum products derived therefrom. This is true because this part of the country is uniquely dependent on petroleum for the generation of electricity and for the heating of homes.

Therefore, as I say, as a historic fact, there has been an extraordinary impact by the action taken by the OPEC states on this particular region of the country.

Secondly, there is great reason to believe, based on statistics of usage that have been compiled by electric utility companies and the distributors of heating oil, that, as a result of succeeding increases in prices to consumers, we have already taken most of the stretch out of the elasticity between price and demand. In other words, there is evidence to suggest that to increase the price still further will not result in comparable savings in the use of electricity or heating oil. Therefore, there is reason to believe that the price of energy that goes into these uses will not achieve the conservation which, of course, justifies the President's program in the first instance.

The effect of my amendment would be to leave intact the President's program insofar as it applies to the importation of crude oil, but to exempt the tax on products. It happens that the Eastern United States accounts for 80 percent of the total importation of petroleum products into the United States.

Furthermore, 80 percent of what these States import goes directly into heating or into the generation of electricity. In other words, suspending for 60 days that portion of the President's program that would put tariffs on imported products will have a highly targeted effect to cushion the impact of the increase in the price of energy on this particular group of States which has already been hard hit.

Generally speaking, the level of cost of crude oil would go up, and it would have that diffused impact across the economy in areas where I think there is good reason to believe that an increase in price will result in a decrease in consumption. But by suspending for 60 days the tariffs on products, we will give the administration the opportunity to refute the statistical evidence that I have seen that suggests that it will not, in fact, cut back on the use of these products because they so overwhelmingly go into a region where the elasticity has already been worked out of the equation.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. BUCKLEY. I yield.

Mr. CURTIS. I want to make sure I understand the amendment. Would the distinguished Senator's amendment postpone for 60 days the total impact of the President's import fee?

Mr. BUCKLEY. Only on petroleum products. Petroleum products represent

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about 45 percent of the total importation from abroad of petroleum or its derivatives. It would leave intact 55 percent of the President's program. Of course, the crude oil importation is what is going up as our domestic production of crude oil goes down.

Mr. CURTIS. Based upon the end use, what end uses would be subject to the tax and what would be exempt from the tax, were your amendment to be adopted?

Mr. BUCKLEY. My amendment, unlike the amendment of my senior colleague, does not trace through the refinery particular types of petroleum products. The impact of my proposal would be to suspend for 60 days an increase, the major portion of the increase, for residual fuels, distillate fuels, for heating fuels, in the Eastern United States, an area that has already had the brunt of the cost impact of a rise in international fuel.

Mr. CURTIS. With respect to distillate fuels, is the Senator referring to the ones used primarily by industry, including the electricity generating industry?

Mr. BUCKLEY. That is right.

Mr. CURTIS. So the effect of the Senator's amendment would be to relieve for 60 days the effect of the import fee on home heating oil and commercial uses?

Mr. BUCKLEY. That is right.

Mr. CURTIS. I thank the Senator.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. HANSEN. Mr. President, it is my understanding that at the present time we are importing—these are round figures—about 4 million barrels of crude a day and about 3 million barrels of product a day. It is my further understanding that the President's proposal has put an import fee of $1 per barrel on crude, to become effective February 1. If nothing is done by Congress, another dollar would be added on March 1, and a third dollar on April 1.

It is my futher understanding that, insofar as petroleum products are concerned, most of the products that are imported—or a major share of them, at least—go to the Northeastern part of the United States. Is that opinion shared by the Senator from New York?

Mr. BUCKLEY. Yes; the Senator from New York is advised that more than 80 percent of the imports go to that area.

Mr. HANSEN. It is my further understanding that the President's order specifically prohibited the passing on to customers of this first dollar tax or first dollar import fee that would be put on for 1 month. In other words, there will be no rise, there will be no ripple effect or add-on to anyone's costs during the month of February. That will have to be absorbed by the oil companies in reduced margins of profit, or whatever way they want to handle it. But they cannot pass that on to any consumer. Is that opinion shared by the Senator?

Mr. BUCKLEY. The Senator from New York is not aware as to that technical effect. Of course, if that is the effect, then it fails in its objective of decreasing consumption, because it is a price increase ultimately to the consumer.

It is my understanding that there would be no effect in the first month, because the fee would not be paid until the end of the month. In other words, the cost would not be incurred until the end of the month.

Mr. HANSEN. The information I have is that the statement I made is accurate.

It is my further understanding that no import fee will be imposed on products for the month of February. It is a balance out. The credits and the import fee balance out, so that there is no import fee on these products; that the first time the import fee on products applies will be March 1. Is that opinion shared by the Senator from New York?

Mr. BUCKLEY. That is correct.

Mr. HANSEN. And the next rise in import fee on product would occur April 1, when it would become $1.20 a barrel, having risen to that amount from the 60 cents which would become effective March 1.

Mr. BUCKLEY. That is correct.

Mr. HANSEN. We are all aware that the Northeastern part of the United States is dependent upon fuel oil and the middle distillates to a far greater extent than are other sections of the country, but the concern that the Senator has in trying to reduce the impact of that import fee at this time of year really is an expression of concern that, in effect, will not be reflected by the facts. What I am saying is that by the time the ultimate consumer gets around to paying that fee, we are going to be pretty well toward summertime. That is the information I have.

I ask the Senator from New York whether he has information contrary to what I have said.

Mr. BUCKLEY. I believe that what the Senator says is totally correct, but I think it is irrelevant, frankly, to the determination as to whether Congress is going to accept the total proposal or the total action of the President.

Personally, I feel that the administration's energy package is comprehensive; I believe it tries to hit every portion of the equation—conservation, production, and the rest. But I also believe that it is the duty of this body to question and concern itself about these things piece by piece, unless we have an alternative package to present.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. RIBICOFF. Mr. President, I will oppose the amendment of the Senator from New York. The Senator from Wyoming is correct in stating that in March, the first 60 cents fee on products will be passed on to buyers: in April, the next 60 cents will be passed on. In February, there is a loss of entitlement for products worth another 60 cents, to make the total $1.80.

The Northeast—New England, New York and the other States—depends to a great extent on imported residual oil for the production of electricity. The extra costs of the President's plan will burden the users of electric power throughout the Northeast, even though there may be a delay before electricity users feel the extra charges.

I just wanted to make that point clear. I know the point that is being made by the Senator from Wyoming, and I know the point being made by the Senator from New York.

My point in arguing against the Javits proposal and the Buckley proposal is that we need the 90 days to come together with the Executive on a definitive program. Unless we provide this 90-day period by suspending the tariffs, we are not going to be able to resolve the differences between the President and Congress. What I am pleading for is to suspend the tariff fees for 90 days, to put the responsibility on Congress—if they disagree with the President—to come up with an alternative program.

As I read the ticker this morning, at the breakfast held between some 11 Democratic Senators and the President, there was an indication of an understanding between the President and the sentiment of the Senate that there should be a compromise agreement worked out between the President and Congress. I believe this compromise will take place once this measure is disposed of, such a compromise will be for the best interests of the Nation as a whole.

Mr. BUCKLEY. Mr. President, I thank the Senator from Connecticut for this clarification of the exact impact of what the President proposes and for his concern that we end up with a compromise. One way or another, Congress will end up with such a compromise.

In terms of my own view of the matter, first of all, we need to cut back on the net importation of oil into this country, for self-evident security reasons, for self-evident questions of not allowing another group of countries to dictate our policy.

Second, I believe that among the options that are available, the price mechanism, far and away, is the most equitable in which to achieve this, especially if through other means one recycles into the economy and into the pockets of consumers the amount that is tacked on artificially to the price of oil.

Having gone that far, whereas I believe that there is a preponderance of evidence in support of the general proposition that increasing the price of crude oil will reflect itself in a cutting down of consumption of the products made, generally speaking, from crude oil, I believe that there is not that presumption in the case of petroleum products, because figures that I have seen suggest that there has been a leveling off in the decrease of demand in response to the increase in the cost of electricity and heating oil, which are the prime uses of imported products. It is for that reason that this Senator wishes to make this distinction and then to allow time within which to analyze the facts and to arrive at the kind of compromise or understanding that the Senator from Connecticut speaks of.

Where I disagree with the Senator from Connecticut is as to his degree of confidence that a delay in taking any action for 90 days will result in action being taken at the end of those 90 days. If I am somewhat pessimistic about that, it is a result of my having served for 2

years on the Committee on the Interior, and also as a member of the Senate National Fuels and Energy Policy Study, when we had masses of information brought in and as yet we have taken no really hard action to address the principal problems of the energy crisis, namely, conservation, and supply.

I believe that it is psychologically important, both internally and with relationship to the U.S. posture abroad, that we do something now. I believe, given the presumptions that the President's action with respect to crude oil will result in near-term savings, we should go forward with that part of his program. But I do not believe that I am in any way inconsistent in suggesting that the other part of his program, in terms of the imposition of import duties on petroleum products, requires further examination.

Mr. HANSEN. Mr. President, if the distinguished Senator from New York will yield further, I wish to make the point that it is not difficult at all to trace the origin of crude that comes into this country. What is more difficult and yet is of equal importance in the long run is trying to trace the product that comes into this country. That is true because the OPEC nations sell crude to other nations and that crude is refined and made into all sorts of products—gasoline, residual fuel oil, middle distillates, diesel fuel—everything. When that happens, it is more difficult to know where the oil came from.

I think we need to remind ourselves—I certainly do not mean to say to the distinguished Senator from New York or the Senator from Connecticut—that what this Nation needs to understand is that our concern stems from the fact that our reliance and our dependence upon foreign sources of supply are placing this country in a very vulnerable position—not only insofar as national security goes, which has to be of major concern to everybody, but as well in respect to what can happen to our economy.

We are an energy-intensive nation. With about 6 percent of the world's people, we consume between 30 and 35 percent of the world's energy, and roughly three-fourths of that, maybe slightly more than 75 percent of it, that we use in this country comes from oil and gas. Coal is about 18 percent, as I recall, and hydropower about 4 percent and nuclear about 1.

There is a growing concern that has been expressed in past administrations, by Democratic as well as Republican Presidents, that we are on a collision course. We know from the experience we have had in the Middle East that as our dependence upon foreign sources has grown, so, too, has grown the need to try to do something about lessening that dependence in order to give us the latitude and the flexibility we should have in staking out the kind of foreign policy that will serve the best interests of the United States first and almost exclusively.

Certainly, the Arab nations of the OPEC countries have demonstrated their desire and their ability to use this tool in trying to help shape or help focus on foreign policy as it develops in the United States.

Above that is the concern that stems from what can happen to our domestic economy. I know the distinguished senior Senator from New York is not on the floor, but there is a price-demand elasticity relationship that has been noted.

Mr. RIBICOFF. Will the Senator yield just on that point?

Mr. HANSEN. I am happy to yield.

Mr. RIBICOFF. Just this week, Federal Energy Administrator Frank Zarb, testifying before the House Committee on Commerce, trying to talk about how we save a million barrels per day—which seems to be the objective of the Senator from New York, the Senator from Wyoming, and myself—pointed out that if we try to do it by merely adding the tariff on gasoline, we would have to raise the price of gasoline 40 cents a gallon. I cannot imagine that there is any Senator in this Chamber, no matter how he feels on any part of this program, who today would be advocating an increase in the cost of gasoline at retail by 40 cents a gallon.

We are in a very complicated problem. I do not think anyone has the temerity to state that he has all the answers to the energy problem. I know of no one in the country, including the President, who thinks that way. That is why we are trying to work out, and we are going to have to work out, a compromise approach that meets our national goals.

The problem facing Senator BUCKLEY's amendment would be presenting the alternative to the people of this country that, if we want to save a million barrels a day of imported oil, we are going to have to raise the price by 40 cents a gallon; that is one of the significant difficulties with the Senator's amendment.

Mr. BUCKLEY. Mr. President, I do not think that there is any disagreement among us as to the need to cut back on imports. I agree with everything that the Senator from Wyoming said. But I get back to square one in my motivation in introducing this amendment. That is that I do not see how increasing still further the cost of the electricity and the heating oil that this country at the present time is supplied primarily by imported petroleum products, will result in any additional meaningful saving in consumption. There has already been a tremendous saving in consumption.

Mr. President, I believe that the arguments have been stated on both sides. My understanding is that we are proceeding on the basis that there will not be voting on amendments until later on in the afternoon. If this is in fact the procedure, I am ready to relinquish the floor.

Mr. HANSEN. Just before the distinguished Senator does that, will he yield to me for a couple or 3 more minutes? I did have a point to make.

Mr. BUCKLEY. I am happy to yield.

Mr. HANSEN. I was happy to have the observation made by the distinguished floor manager of the bill. The point I was trying to make is that it is hard to trace product. Yet what I am saying is that our dependence upon the OPEC countries and upon certain of those OPEC nations may be even greater than we suspect at this time, because while we can trace crude through from there, we cannot trace product through from there. I am saying that roughly, in round numbers, we are importing about 4 million barrels of crude a day and we know where that comes from; but we are also importing 3 million barrels of product. That is the point I want to make, and I hope it will be understood by everyone, that if we are able to accomplish the goals that the President has assigned for accomplishment this year, we have to help everywhere we can. That is exactly the reason that, while there will not be any phenomenal savings made—I grant that—it will all help. As we encourage power companies to get on more quickly with the job of converting to coal from residual fuel oil or the middle distillates, whatever they may happen to be burning, by that same amount, we have moved toward the President's objective.

I think that, on balance, it would be wrong to assume that we can relieve the impact that the Senator's amendment would have upon a particular section of the country and say that we shall hold that in abeyance for a while and put it on gasoline or something else.

Because if we are going to get to where we want to go, I think we have got to work all up and down the line, and I just say that the trouble with trying to find a painless way of getting from where we are now, where we are dependent upon foreign production to the point where our national security may indeed be threatened, to where we want to go, will require an all-out effort by everyone.

And to my good friend from New York I would have to say that it will be painful to the West. I represent a State which, together with Nevada, is the highest per capita consumer of gasoline. Wyoming and Nevada have a greater consumption per capita than any of the other 48 States, and the only way we can get from our homes to our jobs, to where we have to work, to do the things we have to do, is by automobile.

It will take an effort all up and down the line to get to where we have to go.

Mr. BUCKLEY. Mr. President, I agree with my friend from Wyoming that there is no painless way. I am not proposing a painless way. I am suggesting that the pain in our area is already so intense, because of the disproportionate burden already imposed, that all of the incentives to conservation are already in place, that all of the incentives to conversion are already there, and we see the utilities, the industrial users, and others in the Northeast moving as fast as is possible. We do not need that extra amount of pain.

Mr. President, I believe, as I say, that we have explored the arguments for and against my proposal. I also understand that we will be voting later on all amendments offered to this measure and, I therefore ask unanimous consent that I may reserve the right to call for the

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yeas and nays at a later time if I now relinquish the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. Does the Senator from New York ask that his amendment be temporarily laid aside?

Mr. BUCKLEY. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent, if we are under controlled time on either the Buckley amendment or the Javits amendment, that what I have to say not be charged to their time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, after listening to the debate yesterday and the comments this morning, I would like to put some facts into the RECORD, and I believe they are objective, as to where we have been in the past 5 years, where we are today, and what will happen in the next 5 to 10 years if we do take action and if we do not take that action now.

I think the turning point came about 1970. There are some who would disagree a year or 2 one way or the other, but up until 1970, the imports of oil to the United States, while amounting to a fair quantity of oil, were not significant in terms of our balance of payments or total costs. Most importantly they were not significant because the United States had extensive oil capacity in this country. Although we were importing oil, we had sufficient capacity in emergencies to take care of our own needs and we had sufficient capacity to take care of world needs, especially those of Europe.

The existence of that situation meant that we in this country controlled crude oil prices throughout the world, because if the rest of the producing countries in the world were to increase their prices too greatly, we stood in a position to act as a reserve for the world.

That situation changed, as I say, in about 1970. We no longer produced enough oil in this country to take care of our own needs. We became increasingly dependent upon imports and unfortunately we were no longer in a position to take care of any of the world's needs.

At that stage, the control of the world crude oil price moved from the Texas Gulf to the Persian Gulf. The Persian Gulf states, principally, the OPEC nations, began to realize that they were in a position to increase prices, increase prices, and increase prices again, and there was nothing that the world could do about it. We had literally become hooked on the narcotic of oil, and could not get off of it.

So, in 1970 the United States paid about $2.7 billion for imported oil. In 1974, that amount had risen to $25 billion for imported oil.

If we do nothing, the estimates are that in 1977 our total consumption of oil in this country will be around 18 million barrels of oil a day, of which 8 million barrels will be imported, at a cost of about $32 billion a year—$32 billion flowing out, adversely affecting our balance of payments, an increase in years from 1970 to 1977 of over $21 billion.

It is estimated that if we do nothing by 1985 to change this dependence, our total consumption in 1985 will be around 24 million barrels a day, of which 12.7 million barrels a day will be imported, at a cost of roughly $51 billion a year to this country, and that assumes that the OPEC countries do not increase their price from the present $11 a barrel. I think that presumption is very unlikely; I think they will increase the price.

We all say, "That is a deplorable situation, and something must be done." We all want to do something. The Senator from Connecticut (Mr. RIBICOFF), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. JACKSON), the Senator from New York (Mr. BUCKLEY)—all of us want to do something. We want to reduce our imports. We want to reduce our dependence, so that we are not in a situation where, if another embargo, occurs, we can literally be brought to our knees because we have no way to absorb the reduction.

But how do we go about doing it? I would like to read very briefly, from the Finance Committee hearings, a series of questions and answers between John Sawhill, the former Federal Energy Administrator, and myself. I quoted Senator JACKSON as saying:

The Interior Committee will soon begin working on legislation I (Jackson) shall introduce to reduce our Federal oil consumption and dependence on Middle Eastern oil without huge price increases.

That is what Senator JACKSON said the Interior Committee report would do. I asked Mr. Sawhill:

Can that be achieved without price increases or rationing or allocation?

Mr. SAWHILL. I do not think so.

Senator PACKWOOD. Do we agree that we need to reduce our consumption?

Mr. SAWHILL. I think that is the presumption that we ought to start with, frankly.

Senator PACKWOOD. There is no way that we will achieve that without price increases or allocation or rationing, or something of that nature, is that not right?

Mr. SAWHILL. Correct.

In a nutshell, we cannot do anything, and there is no palatable answer. Nobody likes rationing. We tried allocation a year ago during the embargo, and we all found that distasteful. And, of course, everyone is opposed to price increases; but there are no other alternatives. So which way are we going to go to achieve a reduction in imports, a reduction in foreign dependency?

Let us start first with the President's own energy program. I am only going to talk briefly about it here, because what we are going to vote on this afternoon is the oil tariff, which is a relatively small part of his total energy program. But if his total energy program was enacted, what is it he hopes to achieve?

Well, he hopes that by 1977 instead of importing the 8 million barrels a day that I estimated to be imported if we do nothing, we will cut our imports to 5.8 million barrels a day—a reduction of roughly 2.2 million barrels a day of imported oil, at a saving of approximately $11 billion a year.

That is if we cut 2.2 million barrels a day from imports.

The President's full energy program has been analyzed and, unfortunately, mistakenly.

I ask unanimous consent to insert the FEA's analysis of the Interior Committee's study of the President's program, and the FEA's analysis of the Library of Congress study of the President's program. Unfortunately both the Library of Congress and the Interior Committee's analyses are partially erroneous.

To give you an example of the kind of errors that are made in the Interior Committee's study of the President's program, rather than presuming his figures of 5.3 million barrels a day of imports in 1975, they presume 6.5 million barrels a day.

I am not here going to quarrel with whether their assessment of what we will import is correct or the President's. The report is allegedly an analysis of the President's program.

I ask unanimous consent that these two reports be printed in the RECORD so that at least the errors in the assessments of the President's program can be in the RECORD.

There being no objection, the analyses were ordered to be printed in the RECORD, as follows:

COMPARISON OF FEA FIGURES WITH INTERIOR COMMITTEE STAFF ANALYSIS OF THE PRESIDENT'S ENERGY PROGRAM

BACKGROUND

On Friday, January 17, an Interior Committee staff study prepared for Senator Henry M. Jackson was issued as a critique of President Ford's energy program. This critique estimated that the minimum direct cost to consumers of the President's program was over $43 billion and that producer profits would be at least $14 billion. The study's assumptions and analysis have been carefully reviewed and it appears that there is a substantial over estimate of the cost figures and that there are little or no increases in producer profits. This paper attempts to show where assumptions and conclusions differ from those of FEA analysis.

COMPARISON OF RESULTS

The staff study indicates that the tax revenues from the President's program will be $29 billion, substantially the same as the Administration estimate of approximately $30 billion. However, costs of the programs, as estimated by the Committee staff are $43 billion. Table 1 compares the total costs of the program as estimated by the Administration with the Interior Committee staff estimates. The portion of these additional costs that will be paid by the consumer is $19.2 billion. A detailed discussion of the underlying assumptions and support for these figures is presented below.

TABLE 1.—COMPARISON OF ALTERNATIVE COST ESTIMATES[1]

[In billions of dollars]

Action	Interior Committee staff study	FEA cost analysis
Oil:		
Petroleum import fee	4.8	3.97
Excise tax on domestic crude oil	6.4	7.22
Decontrol of old oil	12.6	13.01
Total	23.8	24.20
Natural gas:		
New interstate gas	4.5	1.09
Old interstate gas	3.8	4.38
Intrastate gas	8.9	2.33
Total	17.2	7.80
Coal: Price increase	2.3	0

[1] Calculations for both studies are contrasted in the section discussing the assumptions of the analyses.

The Treasury Department estimates that $5 billion of this cost increase applies to state and local governments. The FEA analysis of the macroeconomic effects indicates that approximately $7.8 billion will flow into capital goods investment or will be absorbed by reduced markups under forecasted market conditions. Therefore, the net first year costs at an annual rate are $19.2 billion for consumers.

Finally, the staff study's higher estimates of consumer costs were compounded when converted to average costs per household. The study assumes 53 million families of four when, in fact, there are about 70 million households in this country. Therefore, estimates per family are too high and ignore the important fact that the costs will vary substantially by income class and be as low as $85 per year for the lowest income group (0–$2,000 class). Table 2 illustrates this range of costs and contrasts these increased costs with estimates of expected tax relief.

TABLE 2.—ILLUSTRATIONS OF PERMANENT TAX RELIEF AND INCREASED ENERGY COSTS AT VARIOUS LEVELS OF HOUSEHOLD INCOME

Household income	Total increased energy costs	Permanent tax relief plus $80 special payments for adjusted gross incomes equal to household incomes shown: Single person	Family of 4 persons
$2,000	$85	−$80	−$160
$3,000	110	−120	−160
$5,000	150	−250	−178
$8,000	188	−297	−337
$10,000	228	−254	−349
$12,000	253	−190	−316
$15,000	296	−190	−221
$18,000	318	−190	−210
$25,000	393	−190	−192
$30,000	420	−148	−151

Source: Office of the Secretary of the Treasury, Office of Tax Analysis, Jan. 30, 1975.

DIFFERING ASSUMPTIONS

There are major differences in some of the assumptions used in each analysis. These are highlighted in this section along with the detailed cost calculations.

Oil

The mix between imported oil and domestic oil is different because FEA estimates assume that demand reductions and import savings occur. In addition, FEA's inclusion of Natural Gas Liquids is identified separately from aggregate crude oil. However, the total figures are quite similar.

The figures of the Committee Staff Study are repeated as:

Consumer cost

[In billion dollar/year]

1. Imported oil

Tariff: 6.5 MMBD×365×$2 ---------- $4.8

2. Presently controlled oil

a. Decontrol: 5.7 MMBD×365×$8.15 ---- 12.6

b. Excise tax: 5.7 MMBD×365×$2 ------- 4.2

3. Presently uncontrolled oil

Excise tax: 3.0 MMBD×365×$2 --------- 2.2

Total oil ---------- 23.8

The FEA Analysis is contrasted as:

Consumer cost

[In billion dollar/year]

1. Import fee

Uses estimate of 5.433 MMBD imports after implementation of President's program: $2×5.433 MMBD×365 ---------- $3.966

2. Excise tax on domestic oil

Production of 8.7 MMBD: $2×8.7 MMBD×365 ---------- 6.35

Equivalent tax of $1.43 per barrel of natural gas liquids (NGL) with 1.66 MMBD: $1.43×1.66 MMBD×365 -- 0.866

3. Decontrol of old oil

Assumes 60% old oil exclusive of Elk Hills (0.1 MMBD annual average), hence 5.16 MMBD of old oil rising from controlled price of $5.25 to uncontrolled price of $11: $5.75×5.16 MMBD×365 ---------- 10.83

Assumes NGL price rises equivalent amount of crude oil. Crude increase $4.56 less $1.43 due to NGL tax: $3.13×1.66 MMBD×365 ---------- 1.896

Adjustment of +$0.29 billion to account for rounding and refinery gain and to balance calculated increase of product prices of $4.10 and average consumption of 16.17 MMBD: ($4.10×16.17 MMBD×365=$24.2 billion) ---------- 0.29

24.198

Natural gas

The staff study assumes that there will be large windfall profits to natural gas producers (almost $10 billion). In fact, this argument overstates the natural gas impacts for the following reasons:

Approximately one trillion cubic feet of contracts for interstate gas would expire and be available for new contracts in 1975, even with decontrol. This is less than half of the staff study estimates. Without deregulation very little new gas is going to interstate sales.

The Committee staff estimates that intrastate natural gas prices will rise to $2.21 per MCF and that 60% of all intrastate gas contracts could be renegotiated to that price. This is inconsistent with current market conditions. Current spot prices for intrastate natural gas are about $1.50 per MCF, which is less than the BTU equivalent of oil at $11.40 (Interior staff figure) which would be $1.97. With a $.37 excise tax, the new intrastate price would be estimated at $1.87 or more, but not at $2.21. Present intrastate prices average about $.50 per MCF although new sales are at $1.50 per MCF. This indicates that only the equivalent of 20% of intrastate average prices reflect the current price of $1.50.

Deregulation would presumably bring up to .8 tcf of additional gas into the interstate market in 1975. If this occurs it would tend to replace an equivalent amount of imported oil which would have cost consumers as much or more as the new gas prices. The President's program would tend to shift this amount from oil imports to gas, but would only increase consumer costs by the amount of the excise tax.

The figures of the Committee Staff Study are:

Consumer cost

[In billion dollar/year]

1. New interstate gas

Decontrol: 2.3 tcf×($2.21–$0.45) ×1.11 ---------- $4.5

2. Old interstate gas

Excise tax: 9.2 tcf×$0.37×1.11 ------ 3.8

3. Intrastate gas

Price increase: 0.6×11.0×($2.21–$1.00)×1.11 ---------- 8.9

Total natural gas ---------- 17.2

The FEA Analysis is contrasted as:

1. New interstate gas

Estimated at 0.91 tcf with equilibrium price of $1.11 compared to average of $0.26 on old gas. Excise tax of $0.37: $1.20×0.91 tcf ---------- 1.092

2. Old interstate gas

Interstate estimated as two-thirds of total gas consumption of 19.1 tcf: $0.37 (19.1×0.66—0.91) ---------- 4.376

3. Intrastate gas

Excise tax on one-third of total consumption: $0.37×(19.1×0.33) ---- 2.332

Total natural gas ---------- 7.800

Coal

The Interior Committee analysis assumes that half of the total coal produced will rise in price by an equivalent of $2 per barrel. We estimate that 80% of all coal is under long-term contracts, where prices tend to reflect longrun coal production costs, which do not tend to rise in real terms. Further, our current estimate indicates that coal prices are limited by the inability of gas and oil consumers to convert to coal. As a result even the remaining 20% of coal sold in spot markets is likely to sell only at prices necessary to cover overtime pay and other costs of getting out the 1975 rate of production (about 35 MT more than 1974 because of production lost during the strike). Higher prices for oil would add very little to the amount of conversion to coal. Conversions to coal are estimated at 23 million tons in 1975 and 47 in 1976.

The figures of the Committee Staff Study are:

Consumer cost

[In billion dollar/year]

Price increase: 0.5×540 mmt X 4:27×$2 ---------- $2.3

The FEA analysis is contrasted as

FEA assumes no direct increase in coal due to the President's program ---------- 0.0

COMPARISON OF FEA FIGURES WITH THE LIBRARY OF CONGRESS CONGRESSIONAL RESEARCH SERVICE ANALYSIS OF THE PRESIDENT'S ENERGY PROGRAM

BACKGROUND

On January 23, 1975, the Congressional Research Service (CRS) of the Library of Congress, issued a critique of President Ford's energy program. This critique estimated that the direct costs to consumers of the President's program were in the range of $40–$50 billion and that the inflationary impact would be a 2.7 to 3.3 percentage point increase in the inflation rate. This study's assumptions and anayisis have been carefully reviewed, and it appears that there is a substantial overestimate of the cost figures and that the change in the Consumer Price Index (CPI) will be less than that stated in the CRS analysis. This paper documents where the Congressional Research Service's assumptions and conclusions differ from those of the FEA analysis.

COMPARISON OF RESULTS

Total costs

The Congressional Research Service estimates that the cost of the President's program could be as high as $50.3 billion in 1975. Table 1 presents the total cost of the program according to the Administration and to the Congressional Research Service. The portion of the total cost that will be paid by consumers is $19.2 billion. A detailed discussion of the underlying assumptions and support for these figures is presented below.

The Treasury Department estimates that $5 billion of this cost increase applies to

State and local governments. The FEA analysis of the macroeconomic effects demonstrates that approximately $7.8 billion will flow into capital goods investments or will be absorbed by reduced markups under forecasted market conditions. Therefore, the net first year costs at an annual rate are $19.2 billion for consumers.

TABLE 1.—COMPARISON OF ALTERNATIVE COST ESTIMATES[1]—Continued

[In billions]

Action	Congressional Research Service study	FEA cost analysis
Oil:		
Petroleum fees and excise taxes	$12.6	$11.19
Decontrol of old oil	11.0	13.01
Total	23.6	24.20
Natural gas:		
Excise tax	8.36	7.1
Deregulation of new gas	5.40	.7
Total	13.76	7.8
Coal: Price increase	5.2	0
Changes in utility accounting:		
Inclusion of construction work in progress (CWIP) in rate base	6.8	0
Inclusion of pollution control equipment in rate base	1.0	0
Total	7.8	0

[1] Calculations for both studies are contrasted in the section idscussing the assumptions of the analyses.

Impact on the consumer price index

The Congressional Research Service study further states that given a cost of $50.3 billion in 1975 and given an anticipated 1975 GNP of $1500 billion, the President's program could raise prices by 3 percentage points. A stage-of-processing model was used by FEA to forecast the effect that energy price changes have upon the Consumer Price Index and components of the CPI. The model requires two inputs: (1) forecasts of wholesale energy prices and (2) forecasts of the general wholesale and retail price indices prior to energy price changes. Price information is combined with historical information on the relationship between the stages-of-processing to forecast the effects that energy price changes will have on the prices of crude wholesale goods, intermediate wholesale goods, finished wholesale products, and finally, retail consumer goods and services.

Using this methodology, it is estimated that the CPI will increase 2 percentage points during the first full year of the program. Given the normal, unencumbered economy, the CPI would rise by approximately 2.5 percentage points during the first full year of the program in addition to the normally expected rise. These estimated increases tend to overestimate the effect of the program for two reasons:

(1) The energy price increases that were used as inputs to the model assume a full pass-through of the taxes and import fees. It is unlikely that this will occur because of the tax rebates to industry and because the economy is generally weak. Thus, excess supply would result if industry attempts to pass-through all of the costs.

(2) The stage-of-processing model is based upon historical markup relationships and these may not hold because of the currently poor market demand conditions. That is, demand is currently at such a low level that companies may not be willing to pass on increased costs for fear of further reducing their markets.

TABLE 2.—ILLUSTRATIONS OF PERMANENT TAX RELIEF AND INCREASED ENERGY COSTS AT VARIOUS LEVELS OF HOUSEHOLD INCOME

Household income	Total increased energy costs	Permanent tax relief plus $80 special payments for adjusted gross incomes equal to household incomes shown: Single person	Family of 4 persons
$2,000	$85	−$80	−$160
$3,000	110	−120	−160
$5,000	150	−250	−178
$8,000	188	−297	−337
$10,000	228	−254	−349
$12,000	253	−190	−316
$15,000	296	−190	−221
$18,000	318	−190	−210
$25,000	393	−190	−192
$30,000	420	−148	−151

Source: Office of the Secretary of the Treasury, Office of Tax Analysis, Jan. 30, 1975.

Consumer cost impacts

The consumer costs that will actually be incurred by households has been estimated by the Administration to be $19.2 billion for the first year at an annual rate. Table 2 illustrates the range of costs by income class and contrasts these increased costs with estimates of expected tax relief. No total estimate of the impact on consumers is presented on the CRS study.

DIFFERING ASSUMPTIONS BETWEEN ADMINISTRATION ANALYSES AND CRS STUDY

There are major differences in some of the assumptions used in each analysis. These are highlighted in this section along with the detail.

Oil

The mix between imported oil and domestic oil is different because our estimates assume that demand reductions and import savings occur. In addition, FEA's inclusion of Natural Gas Liquids is identified separately from aggregate crude oil. However, the total figures are quite similar.

The figures of the Congressional Research Service are repeated as:

Cost

[In billion dollar/year]

1. Excise tax	
17.3 MMBD×365×$2	$12.6
2. Presently controlled oil	
Decontrol: 5.22 MMBD×365×$5.75	11.0
Total oil	23.6
The FEA analysis is contrasted as:	
Cost	
[In billion dollars/year]	
1. Import fee	
Uses estimate of 5.433 MMBD imports after implementation of President's program: $2×5.433 MMDB×365	$3.966
2. Excise tax on domestic oil	
Production of 8.7 MMBD: $2×8.7 MMBD×365	6.35
Equivalent tax of $1.43 per barrel of natural gas liquids (NGL) with 1.66 MMBD: $1.43×1.66 MMBD×365	0.866
3. Decontrol of old oil	
Assumes 60% old oil exclusive of Elk Hills (0.1 MMBD annual average), hence 5.16 MMBD of old oil rising from controlled price of $5.25 to uncontrolled price of $11: $5.75×5.16 MMBD×365	10.83
Assumes NGL price rises equivalent amount of crude oil; crude increase $4.56 less $1.43 due to NGL tax: $3.13×1.66 MMBD×365	1.896
Adjustment of +$.29 billion to account for rounding and refinery gain and to balance calculated increase of product prices of $4.10 and average consumption of 16.17 MMBD: ($4.10×16.17 MMBD×365=$24.2 billion)	0.29
Total	24.198

Natural gas

The Congressional Research Service study assumes that 1975 natural gas production is 22.5 trillion cubic feet (tcf) and that the amount of new gas subject to deregulation in 1975 will be equivalent to a $5.4 billion initial cost for the first year. In fact, this argument overstates the natural gas impacts for the following reasons:

Approximately 1 trillion cubic feet of contracts for interstate gas would expire and be available for new contracts in 1975, even with decontrol. This is substantially less than that reflected by the CRS study in its $5.4 billion cost for the first year. Without deregulation, very little new gas is going to interstate sales.

The excise tax will be levied on net marketed production and not on total gas production. Hence, only 19.1 tcf will be affected by the excise tax of 37c. This will result in a much lower total cost attributed to the excise tax.

Deregulation could presumably bring up to .8 tcf of additional gas into the interstate market in 1975. If this occurs, it would tend to replace an equivalent amount of imported oil which would have cost as much, or more, as the new gas prices. The President's program would tend to shift this amount from imports to gas, but would only increase consumer costs by the amount of the excise tax.

The figures of the Congressional Research Service are:

Cost

[In billion dollars/year]

1. Excise tax: 22.5 tcf × 0.37	$8.3
2. Deregulation of new gas	5.4
	13.7
The FEA analysis is contrasted as:	
1. New interstate gas	
Estimated at 0.91 tcf with equilibrium price of $1.11 compared to average of $0.28 on old gas. Excise tax of $0.37: $1.20 × 0.91 tcf	1.092
2. Old interstate gas	
Interstate estimated as two-thirds of total gas consumption of 19.1 tcf: $0.37 (19.1 × 0.667 − 0.91)	4.376
3. Intrastate gas	
Excise tax on one-third of total consumption: $0.37 × (19.1 × 0.33)	2.322
Total natural gas	7.800

Coal

The Congressional Research Service analysis assumes that coal produced in 1975 will rise in price by an equivalent of $2 per barrel or approximately $8/ton. We estimate that 80 percent of all coal is under long-term contracts, where prices tend to reflect long-run coal production costs, which do not tend to rise in real terms. Further, our current estimate indicates that coal prices are limited by the inability of gas and oil consumers to convert to coal. As a result even the remaining 20 percent of coal sold in spot markets is likely to sell only at prices necessary to cover overtime pay and other costs of getting out the 1975 rate of production (about 35 mmt more than 1974 because of production lost during the strike). Higher prices for oil would add very little to the amount of conversion to coal. Conversions to coal are estimated at 23 million tons in 1975 and 47 in 1976.

The figures of the Congressional Research Service study are:

Cost

[In billion dollars/year]

Price increase: $8×650 mmt	$5.2
The FEA analysis is contrasted as: FEA assumes no direct increase in coal due to the President's program (see discussion of assumptions)	0.0

Changes in utility accounting

The above costs of the President's program as estimated by FEA consisted of the cost of imposing taxes and fees on petroleum and natural gas and the cost of decontrolling the price of old oil. The costs associated with changes in utility accounting procedures were not included for several reasons:

(1) The need for additional funds to finance electric utility expansion will require some form of rate change. This need for a rate change is independent of the President's energy program. Hence, the costs of any proposals, such as changes in the accounting procedures, should not be included in the costs of a program designed to achieve energy independence.

(2) The changes in accounting procedures presented by CRS allow for the addition of one billion dollars worth of pollution control equipment in addition to the expansion of plant and equipment. This clearly is not part of the cost of achieving energy independence and may not even be the appropriate amount of pollution control from a cost-effectiveness standpoint.

(3) The accounting changes are part of the long-term energy program and will have no effect on short-run energy supplies.

In addition to inappropriately including the utility accounting changes, the CRS has incorrectly estimated the impact of these changes. The Congressional Research Service estimates that the additional 1975 costs will be $6.8 billion by including construction work in progress in the rate base. This is based on an FPC/Office of Economic study, *An Analysis of the Electric Utility Industry's Financial Requirements, 1975–79*. This cost is incorrect in that the costs of including construction work in progress in the rate base as estimated using the FPC study are $3.4 billion.

Mr. PACKWOOD. Now let us get down to the tariff itself because that is all we are voting on today. That is all that the President has the power to impose. He does not have the power to impose windfall profits taxes. If he tries to decontrol the price of oil, either House of Congress has the right to veto it. All we are talking about today is the tariff.

Our imports right now are running between 6.8 million and 6.9 million barrels of crude and product a day. Let me define "product."

It is a simple definition: Product is anything refined from oil. Crude oil is unrefined oil.

If we impose the $3 tariff that the President seeks to impose as of the 1st of April of this year, our total imports will be reduced from the present 6.8 million or 6.9 million barrels a day to approximately 6.5 million barrels a day, and of that about 3.2 million will be product and about 3.3 million will be crude.

With a tariff of $3 a barrel, it will produce additional revenue to the Treasury of about $4,800,000,000, to $5 billion a year.

Now, that presents a problem. The President does not want to keep the money in the Treasury; his full energy program would rebate it, and would rebate it heavily, to low-income families.

But the President does not have the legal power to rebate the money received from the tariff. He literally has the power given to him by Congress to impose the tariff but not to rebate the money. Therefore, roughly $5 billion is going to come into the Treasury which, if it is going to be rebated, will have to be rebated by act of Congress.

As far as imports are concerned, there will be a reduction in imports of approximately 350,000 barrels a day, partially crude, partially product, and that will result in a saving to the United States of about $1,400,000,000 a year in money that we would otherwise pay for imported oil.

There will be those who will say that $1.4 billion is not a significant amount. I find it a significant amount. But, most importantly, it is a start toward the goal of reducing our dependency on foreign oil.

What is the effect of the tariff going to be on the Consumer Price Index? Less than half a percent, less than half a percent increase in the cost to the Consumer Price Index if the entire $3 is passed along to the consumers. There is serious question with present market conditions whether the entire cost would indeed be passed along.

What is the effect on unemployment? None. It does not cause any increase in unemployment.

I emphasize again it is just going to be a start, and the President is very clear when he says it is just a start, of what ought to be a long-term commitment of this Congress and this country toward reducing our overall dependence.

If the $3 tariff is imposed, the average increase in gasoline, in heating oil, in what we call heavy oil—that is a heavyweight oil that utilities use to burn to generate electricity—the average increase is about 4½ cents a gallon.

Again there is some slight disagreement. Some people would say 4.3 cents, but rounded off it is 4.5 cents a gallon. That is on everything, on the average, if the $3 tariff is passed along evenly on all kinds of products.

The President, under the existing law, has the power to change the incidence of that tariff. He has the power to tell the oil companies, as they pay the $3 tariff, "You are to pass along instead of 4.5 cents on all products, 6 cents, 7 cents, 8 cents, on gasoline per gallon, and only 1 cent or 2 cents on heating oil."

There are many in the Northeastern United States who are saying, "We should place a heavier incidence of this tariff on gasoline, less of an incidence on heating oil." The President has the power to do that without any change in the law.

What worries me is what Congress may do or, worse, what I think in all likelihood will not do, if the power of the President to impose this tariff is rescinded. I think it is very doubtful that Congress will do anything this year or next year.

I have been reading with interest the statements of Senator PASTORE from Rhode Island about the conclusions that at least his study group has come up with as to what should be done.

In summarizing them the thrust is that we should worry right now about the recession, right now about unemployment. We should not do anything in the energy field that might jeopardize reducing our unemployment to 6 percent, 5 percent, 4 percent; we should not take any steps which would increase the Consumer Price Index when we already have bad inflation. In short, do not do anything now until we have solved the problem of the recession.

Well, Mr. President, we cannot afford to wait. We cannot afford to wait until November or December of this year or March or April or May of next year to see if we want to decide on a program of reducing our imports. In 1977 this country will be in serious peril if there is another embargo.

Even with our dependence on imports, the Democrats are saying, "We are not sure it is worth the price to reduce our dependency. We are not sure it is worth it to increase the price of gasoline. We do not want to undertake rationing. We do not want to undertake allocation. We will run the risk of what might happen but pray that nothing will happen. We hope that somehow we find a genie in a bottle that will produce more energy from something, somehow, someplace."

You are running the same risk that you would if you make a conscious decision not to place fire insurance on your house. You may never need it, you may go your whole life and never pay a premium and never have a fire, but you are running a significant risk. You are accepting the possibility of a catastrophe, of being wiped out, but you made a conscious decision that you would run that risk.

I cannot in good conscience ask this country to run that risk as far as our dependence on oil is concerned.

I have been in this Congress a bit over 6 years. If there is any single tendency in this Congress, and it is continuing, it is to not do it today, do not face the problem today, put it off until tomorrow, put it off until next month. Do not do anything or say anything controversial, do not make any votes that might upset your constituents. If one is quiet and bland and does not rock the boat, one can probably be reelected.

But I will say once more in concluding, Congress must take some action to change our dependence on foreign imported oil. There is no action we can take, I will say again, there is no action we can take that will be popular. We will be criticized if we impose rationing, we will be criticized if we impose allocation, we will be criticized if we impose an increase in prices. I fear the natural tendency of this Congress will be to do nothing, to pass none of those alternatives, unless the President's tariff power is upheld and unless our feet are held to the fire to do something. The only pressure at the moment is on this Congress to do anything is the tariff the President has imposed.

I yield the floor.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the following members of the professional staff of the Committee on Interior and Insular Affairs be accorded the privilege of the floor during the consideration of H.R. 1767:

UMI

Bill Van Ness, Ben Cooper, Tom Platt, and Arlon Tussing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HANSEN. Mr. President, I yield myself, on the bill, such time as may be required.

I would like to thank the distinguished Senator from Oregon for his very appropriate remarks, in that in this morning's Washington Post, in case he has not seen it, there is a very interesting and enlightening report by Arthur Okun on his appearance before the Subcommittee on Multinational Corporations, chaired by Senator CHURCH of Idaho.

He underscores some of the points that are made by my good friend from Oregon. He states:

I would like to try to clear up two fallacies that seem to be quite popular in different quarters these days. There is a recognition which is an accurate recognition, that the rise in oil prices was a major cause of the severe recession that we are having. And it is then inferred, inaccurately inferred, that some major change in world energy markets is necessary for us to have an economic recovery.

The second fallacy goes the other way, that, since we must stop the recession, and that requires an urgent effort of public policy, we can't afford to be diverted into an energy effort.

Neither of these is right.

The costs of the oil price rise seem at the present time to be largely behind us and it is true that the United States could end this recession in the present oil environment.

On the other hand, I would emphasize that the fact that we have to stop a recession does not keep us from engaging in an initiative to curb our oil imports. We can have an energy program and economic recovery, and I offer that as a fully considered and confident professional judgment.

So I agree fundamentally with the President's judgment—energy must be taken seriously in '75 and the reason is that monopolized oil, the world oil market, has unacceptable long-term consequences for the United States.

I will not read more of the article in this morning's Washington Post.

I would observe that for those who may fail to recall, Arthur Okun is a senior fellow at the Brookings Institution now and Chairman of the Council of Economic Advisers of the Johnson administration. He is a very distinguished economist.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HANSEN. I am happy to yield to the Senator.

Mr. RIBICOFF. I agree completely with the quotation from this morning's article, and much that the Senator from Oregon has said, but I do want to point out that the same Arthur Okun in testifying on January 28, 1975, before the House Ways and Means Committee said:

One aspect of energy policy looms as a dire and imminent threat to our economy. If the President levies the indicated tariff on imported oil and all oil prices are decontrolled before any offsets to these measures are enacted, the President would be draining real income away from the American consumer at the enormous annual rate of nearly $30 billion. I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction. The Congress must ensure against any such ruinous action—if possible, by appealing to the President's good judgment; but, if necessary, by restricting his statutory powers over tariffs and mandating the extension of price ceilings.

Again, my personal feelings are that, with the discussion that has taken place during the last few weeks, the entire Nation, Congress, and the President realize the seriousness of the energy problems. I am in complete agreement that we must move to restrict the amount of imported oil.

The distinguished Senator from Oregon, for whom I have the highest respect, mentioned both Senator JACKSON, and reports of his Interior Committee, and Senator PASTORE.

The Senator from Washington (Mr. JACKSON) will be here to ask for some time at 2 o'clock. I am sure there will be an opportunity for the Senator from Oregon to discuss some of his doubts about the figures Senator JACKSON has been quoting at that time.

I attended a meeting yesterday of the various chairmen and the Policy Committee with Senator PASTORE. I think that the Senator from Oregon will appreciate, and here again, Senator PASTORE can best speak for himself, that the objective is to meet the recessionary problems first, but not to neglect the problems of energy. Senator PASTORE will have many suggestions and recommendations that have to do with energy.

It is my hope, and I so stated it yesterday, that before we vote at 5 o'clock the Senator from Rhode Island (Mr. PASTORE) will take the floor and give the Senate the benefit of his thinking concerning energy matters.

There is one thing of which I am convinced: During the next 90 days Congress will assume its responsibility of coming up with an alternate program. If it fails to do so, the President's program will become effective, regardless of the vote at 5 o'clock. But I am confident that Congress will assume this responsibility.

I also am positive that during a much shorter period than 90 days the President, and other members of the executive branch, and those Members of the Congress who have responsibility in this field will be working closely together.

I recall having had the responsibility for piloting through the Senate the Federal Energy Administration and the Energy Research and Development Administration. We met from the beginning right through the end with representatives in the executive branch and we found no difficulty in developing continuous and effective cooperation between the members of the Committee on Government Operations and the members of the executive branch.

There was complete harmony. Within a very short period of time we were able to work out a program that was adopted almost unanimously by the Senate and the Congress.

My feeling is that during this period of 90 days we will be able to work out a program in which there will be an input not only by the executive branch but by the Congress, and also by the people of this Nation.

Mr. BARTLETT. Will the distinguished Senator yield?

Mr. RIBICOFF. I am pleased to yield.

Mr. BARTLETT. I would like to ask the distinguished Senator from Connecticut what he favors on the supply side as a solution to the energy problem. I heard him just say that he did favor reducing imports, and this brings the supply and demand a little more closely into agreement. But I know he recognizes the huge importation of foreign crude. I believe he recognizes, too, the increase in demand that would take place and the great difficulty of conservation programs. I just wonder what kind of programs he favors, or he believes the Democrats will present, as far as increases in domestic supply.

Mr. RIBICOFF. May I say that Senator PASTORE will personally present the overall program. I would much prefer to see the President indicate what level of cuts he wants in imports. I believe it can be 1 million barrels a day.

I have followed with great interest writings and statements over the past week indicating a coming glut of oil on the international market. I find great interest in the fact that certain exporting countries find that they must decrease production. I find great interest in the fact that extensions of 60-day credits are now being given to major international oil companies by producers in order to encourage greater use of oil.

I believe we are reaching a state of equilibrium, where there has been, through general conservation programs across the world, a cut in the demand of oil and an overproduction of oil at the present time.

I agree with Professor Adelman, who suggests a program in which different oil producers bid on prices at which to sell this country the oil we need. I believe that if this was done, the price of oil would come down. I think this would be a step in the right direction. For my part I also feel that in the event this does not work, conservation programs must be put into effect across the board. In the final analysis, I do believe I would prefer rationing, personally, instead of having this large increased cost of oil and oil products.

The Senator asks me, and I am giving him my personal reaction.

I believe we should do everything we can to encourage the production of alternate sources of energy in this country. My feeling is there is much to be done, and I believe the distinguished Senator, coming from a State that produces oil, believes much more can be done, on the secondary and tertiary drilling for oil.

I further believe we have to go full speed ahead in a crash program in developing all alternate sources of energy.

This is a unified program.

May I say I do not have all the answers. I do not think there is a person in this country who has all the answers. But I do believe we should work together. I, for one, feel that we should have a Department of Energy and Natural Resources in which we would draw together all energy programs into one department to handle the problems that we have.

I just give the Senator some of my present thinking.

Mr. BARTLETT. If the Senator will yield further, I appreciate that very much.

Would it be correct to say that the Senator does favor increasing the domestic capability of supplying this Nation with energy?

Mr. RIBICOFF. I would hope we become self-sufficient in energy. I believe we have the capacity to do so. We are the only major oil-consuming nation in the world, in my opinion, which has this capacity. When we achieve it, we will be the most prosperous nation in the world. We will be in a position that is virtually unequaled anyplace in the world. This is what our ultimate objective should be. I, for one, would be willing to play any part to achieve this.

In the hearings we had while setting up the Energy Research and Development Administration, it became very obvious to us that we must move ahead in all alternate sources of energy. I believe we can do it.

Mr. BARTLETT. Could I explore one area with the Senator? The current pricing program is bringing some results in increased drilling. We are very much aware that the current production of this Nation continues to drop. That is all the more reason that we need to increase the current activity. But the rig activity is a very good indication of exploration activity and ultimate success in bringing on additional oil and gas.

The current rig activity is about 21 percent greater than the average in 1974, 49 percent greater than the average in 1973, and 84 percent greater than the all-time low in 1971.

Senator JACKSON recently had five economists before the Committee on Interior and Insular Affairs. I asked them what they thought about the present price structure, which, as the Senator knows, has controlled prices on roughly 6 percent of our domestic production, and the so-called free market price of $11 per barrel on the balance. I asked them whether they thought that the control prices should be lifted and, if so, in what way.

Mr. President, I ask unanimous consent to provide the five names later for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

NAMES OF ECONOMISTS

Dr. John Sawhill, Dr. William Janeway, Dr. John H. Lichtblau, Prof. Richard Cooper, and Dr. Eric B. Herr.

Mr. BARTLETT. Four of the five indicated that they did favor a lifting of the control prices on some kind of phase-out basis. Not being specific, one said 50 cents a jump and the other said in 2 or 3 years, something like that. The fifth one said he favors the present program just as it is.

I also asked the five if they favored deregulation of new natural gas, not in a compromise position of just deregulating new gas to be found, or the contracts as they would expire and come up. All five said that they did support that position.

I am wondering if the distinguished Senator from Connecticut would agree, in part or entirely, with these distinguished economists, or would he have other thoughts as to how we could bring on additional supplies as we do try to achieve, as he said, this energy sufficiency, which I think most of us agree is so vital to the future of this Nation.

Mr. RIBICOFF. May I respond that I do believe that the fact there is no price control on new oil provides a built-in incentive to increase production. But my feeling also is that we have to examine the oil depletion allowance. This subject comes within the purview of the Finance Committee when it comes to tax matters. I am against the oil depletion allowances. There are other substitutes to encourage drilling.

I believe maybe we should consider giving tax advantages for new exploration in the oil and gas field. The question that we have is, what is a fair allotment for drilling expenses?

My feeling is, too, that what we have to look into these problems. We must assure that no segment of the economy benefits by way of windfall profits. There was a time when the President suggested a windfall tax. I am uncertain at present, after the speech in Houston, whether he is still for a windfall tax or not. But I do not believe the American people will stand by for, and I, for one, am unwilling to go for, a program in which oil companies' profits keep going up and up and up, while the costs to the consumers are going higher and higher.

I do believe that the country expects an element of fairness and to try to work out a fair program to encourage the oil companies, coal companies, and anyone else in the field of energy to keep up their exploration, but at the same time assure that their profits should not be unlimited. When we talk about a 90-day period, these are some of the problems we hope to pursue during the next 90 days.

I concede that if the Democratic program is adopted or if this bill is passed and the President's veto is not sustained, there is an obligation on the part of the chairman of every Senate committee that has a part in energy to give energy the No. 1 priority of the committee immediately; hearings should start immediately on the energy program; the measures should be reported immediately, to provide an opportunity for Congress to debate them. Also, during this period there should be complete cooperation between the executive branch and Congress, to try to work out a program for energy. Personally, I believe this can happen.

With respect to any committee of which I am a member, or a committee which I chair, if we have any part of an energy program, I would be ready to give it the No. 1 priority with respect to

I do foresee a great opportunity, because of this debate, for Congress to assume its responsibility, as well as for the President to do so. I think Congress has that responsibility, and I am confident that it will be discharged.

(At this point, Mr. GLENN assumed the chair.)

Mr. BARTLETT. Mr. President, if the Senator will yield further, I want to thank him for this dialog. I appreciate it very much. I believe it is the kind of discussion we should have more often.

I have concern about the actions of Congress, based on past actions; because Senate Resolution 45 was passed nearly 4 years ago, and there has been very little activity since in the area of energy and fuel studies that has developed into active programs. But I am hoping that Congress will take action, and I want to stress with the distinguished Senator from Connecticut how important it is that Congress do that.

We need a consensus in this country for an energy program, an energy policy. The energy industry needs to know the rules of the game, so they can make the investments in the future—which are very sizable—and they need to know what to expect from those investments in the area of price and in the area of amortization.

So, first, I mention to the Senator that I have some concern there. Nonetheless, I hope Congress does act.

Second, the Senator from Connecticut mentioned a concern over the high profits of the oil companies and the higher prices.

The greatest boom period in the oil industry is taking place now, since the mid-fifties.

There was quite a decline, as I think the Senator is aware, in profits and in prices during the 1960's. The activity of the oil industry was reduced to about half. Capital spending is way up. Dividends have not been increased significantly. There are very few instances of any spending, except in the energy field; and I am aware that there are some examples of large companies making purchases outside the energy field.

I stress to the distinguished Senator that we are very fortunate that the profits have been high, so that there has been the opportunity to increase the drilling activity, as I mentioned earlier, which is up some 84 percent.

Mr. RIBICOFF. Mr. President, if the Senator will yield, one of the things that has always bothered me is that many of these companies have failed over a period of recent years to explore or drill in the United States. Their exploration and drilling was abroad, mostly in the Middle East, where the cost of production of oil was much lower. I can understand why it is much easier to invest where you get a barrel of oil for 12 cents than where it costs $2 or $2.50 to get a barrel of oil. Whether this was the result of company policy, American tax policy, or whatever the reason was, all of us together encouraged drilling and exploration and building of refineries abroad instead of building them at home.

Perhaps this is what Secretary Kissinger had in mind when he proposed that we try to get a policy putting a fairly high floor on the prices of oil and other energy, to encourage the heavy investments that are necessary to assure

those who do invest that they will receive a fair return for their investment in case the price of energy may go down.

I do not have the answers; but that is why I think it becomes very important for us to explore, and explore fast, across the spectrum of every committee of Congress, what the facts are, and then try to see if we can come up with some answers.

Mr. BARTLETT. Mr. President, I am happy that the distinguished Senator referred to the period in the 1960's when drilling activity moved from this country to foreign areas. This certainly took place. I think it was a response to the demand, particularly from Members of Congress and their constituents in the East, for more cheap foreign oil.

I know the distinguished Senator will recall that at that time, it was brought out clearly that the 2-million to 3-million barrel cushion of extra oil that was available in this country would be used up and that at some time in the future the cheap foreign oil would become the expensive foreign oil, and we would be dependent, as we are today. This resulted from the price controls on natural gas and from the mandatory import program which was supposed to be a support program for the domestic industry but which was used by administrations of both parties as a club to increase imports at any time that domestic prices were to be raised because of increased costs.

During this period, the price of oil was $3.09, in 1957, and it went down and did not come back up to $3.09 until 1969. In 1969, Congress reduced the depletion allowance, which had the effect of increasing taxes by $500 million and had the effect of increasing costs to the oil companies and decreasing profits. If one will look at any kind of graph of drilling activity during that period, he will see that it dropped very sharply. Then, in 1970, the price went up 9 cents a barrel. In 1971, it went up 21 cents a barrel, and then it was frozen.

My point is that the reasons given by the Senator are not substantiated by the facts.

I should like to continue, however, on the other point that the Senator spoke about—capital spending. In my opinion, it is essential that the oil industry accumulates profits in order to be able to drill the large number of additional wells which need to be drilled.

I should like to give the distinguished Senator my idea of a thumbnail sketch, in a rough way, of the drilling that is needed.

In 1955, there were approximately 2,700 active rotary rigs in the United States. An active rotary rig is a clear indicator of exploration activity. There were proved reserves of 30 billion barrels and there was a productive capacity in this country of about 8.9 million barrels per day.

In 1974, there were 1,475 active rigs, proved reserves less than in 1955, amounting to 24 billion barrels, and a productive capacity of almost the same—8.8 million barrels per day. However, during the interim, the consumption has increased to an almost double level, from 8.9 million to 17.1 million. So if we multiply the number of rigs in 1955 by a ratio to account for the increase in consumption, this would mean that we would, today, need almost 5,200 active rigs, almost double what there was in 1955 and nearly 4 times the amount of 1974. This means that there has to be a tremendous increase in activity.

I think the distinguished Senator will agree that during the last 20 years, the Federal policy has erred on the supply side of energy shortages. In other words, starting in the sixties with a surplus of some 3 million barrels, this has dwindled and, at the present time, we are importing close to 7 million barrels per day.

I wonder if the Senator will agree with me that our efforts should be to have sufficient capital to bring out sufficient supplies; and then if, by chance, in, say, a free market, the profits are too great for the oil companies or the capital accumulation too much, if it is not being reinvested in the ground as it is today—there is ample evidence today that the oil companies are spending not only their profits but additional borrowed capital on exploration, so they are putting the profit back in the ground or in alternate sources or in research and development.

I ask the Senator if he thinks it would be good policy for us to have a free market, a market that will make certain that we are going to maximize our exploratory efforts; then if there is too much profit or too much capital, it can be taken away by Congress in a few weeks during a session, periodically or continually, to bring it into balance; whereas, if we continue, as we have for 20 years, to err on the conservative side, creating more shortages, the leadtime to correct that is tremendous and it is increasing every day. Does it not make sense to adopt a policy of pricing that is going to bring on sufficient assurances of energy self-sufficiency to do away with the dependence on unreliable sources, and to know that at any time, we can correct excess profits or excess capital accumulation?

Mr. RIBICOFF. I cannot now give a yes or no answer on that. I should want to know the facts. I should not want to decide without the necessary facts.

In the first half of 1974 alone, Exxon made more in net profits, $1.55 billion, than it made in all of 1972, when it made $1.53 billion. The average profits of the 35 largest oil companies were 66 percent higher for the first 9 months than for the corresponding period in 1973, and 82 percent higher than the first 6 months of the year.

Occidental Petroleum Products' profits for the first 9 months were 360 percent higher than the previous period last year. The profits of Phillips Petroleum were 140 percent higher.

There is no question in my mind—and the Senator certainly knows a lot more about the oil business than I do—that almost all the major companies were making their major investments abroad, in the Middle East and Venezuela, and they were not making them in the United States. As a consequence, we were not developing our own resources. Here, I believe, all of us were to blame, the companies and maybe Federal policy.

What I am talking about is trying to get an overall program in which we will give preference to the expansion of energy in the United States as against the expansion of energy abroad. My feeling is that even in the Committee on Finance, which generally is very conservative in this field, there is sentiment for taking away the foreign oil depletion allowance. I have heard men in the Committee on Finance, who are dead set against doing anything about the oil depletion allowance in the United States, more than willing to support measures to take away oil depletion allowances for companies abroad.

I do not think that I have all the answers or that the Senator has all the answers during these 10 minutes. What I am talking about is a crash set of hearings and proposals in all of the committees to address ourselves to all of the problems of energy. This is why I am advocating at the present time, with an open mind, the elimination of special preferences for any phase of the energy business, whether it concerns taxes, drilling, pricing, or other controls. The Congress must try to come up with an overall program that will make the United States self-sufficient in energy. I, for one, will be more than willing to support an overall program, wherever that may lead, to make the United States self-sufficient in energy, and the sooner the better. I do not have all the answers at the present time. I would have deep suspicion of anyone who stood on this floor and said he had all the answers at the present time. I do not have them, and I do not think any of my colleagues has them, either.

Mr. BARTLETT. The distinguished Senator mentioned three general areas, including the final one about answers. Certainly, I do not know of anyone who has claimed that he has all the answers. Certainly I do not.

The Senator first mentioned the percentage of increase in profits of oil companies. That reminds me of the first quarter earnings of General Motors in 1974, which were off 85 percent. Then someone pointed out that if the second quarter were back to where the fourth quarter in 1973 was, so there would be no increase from the last quarter of 1973 to the second quarter of 1974, the increase of that second quarter over the first quarter would be 566 percent. My point is that percentage increases can be very misleading if the base year is a low figure. Of course, 1972, for most of the major oil companies, was not a good year for earnings.

Second, he talks about the large earnings of the oil companies and a lot of it, did come from foreign areas. I should think the Senator would say hurrah at this, especially if these companies invested more of their foreign earnings, a larger share of their foreign earnings, in this country than they did in the foreign areas. This last year industry investments in both foreign countries and in the United States were up. But, more importantly the larger percentage of investment was in this country and the industry borrowed additional amounts of money to do that. It is going to take about four times the drilling effort to reach the drilling effort of the mid-1950's, when we were at a very good level of exploration and development and when we had a cushion, an extra amount of domestic oil.

Mr. RIBICOFF. May I add, if the oil companies came before the Committee on Finance and gave us the proof of what was needed to achieve this, with an opportunity for full study and discussion from all sides, we would have something to go on. We do not have it now.

What I am trying to say, and one of the reasons I am for the passage of this bill, is to give Congress, as a partner with the President, the period of 90 days to come up with an alternate program. If we do not come up with an alternate program within 90 days, then the President's program goes into effect.

Again may I say, do not have all the answers on energy. I know what the objectives are. I want to try to reach them.

I think it will take the collective wisdom of the 100 of us here, who, coming from different points of view and different parts of the country, will eventually come to a consensus and adopt a program that we think is good for the country—not just what we think is good for Democrats or Republicans, or what President Ford wants, or what congressional Democrats want. I do not think that is good at all. If there was ever a time when the Nation wanted unity and not bickering, it is in the field of energy and the economy, because a good energy program and a good economic program would work for the benefit of all the people of this country.

Mr. BARTLETT. I certainly agree that the people are wanting a joint effort of both sides of the aisle in both parties, both the administration and Congress, and I think they are willing to pay what it takes to achieve self-sufficiency.

I appreciate the remarks of the Senator about goals, and what reasonable goals would be in terms of wells drilled, coal mined, the nuclear input that can be expected in the next few years, the total energy package.

One of the concerns that I have had is that in committee and elsewhere there has not been a real discussion of the basic problem, which is shortage, domestic shortage, the high cost of imported oil, and we have not talked about how we get from where we are to where we want to go. The Senator has indicated that——

Mr. RIBICOFF. I hope that the Senator will yield to the Senator from Rhode Island (Mr. PASTORE), who has done such a constructive job representing the Democratic Policy Committee and the committee chairman, and who, believe me, is deeply concerned for the welfare of the Nation in his efforts in this field.

Mr. BARTLETT. I would like to make just one other point. I think the Senator will agree that the oil companies, particularly in 1973, were not given much opportunity to answer questions about shortages and goals, but there were a lot of investigations by various committees, and we did not really get down to the problem of the shortage, which Senate Resolution 45 laid out as a challenge.

I think it is very important that we do that today, as we look forward, that we do work together and try to develop a program that will bring about substantial energy sufficiency for this Nation. We cannot afford the risk we are gambling with now of depending on others, and our dependency is going to go up before it starts to go down, no matter how big an effort we make tomorrow. We have been putting off and putting off, with no program at all, other than we do have, and I want to discuss that, a substantial momentum going in the energy business today. I think whatever we do should be supplemental to that, to expand it, and in no way turn it backward or take any of the steam out of it.

I think the distinguished Senator from Rhode Island knows that you have to know the rules of the game to play it, and I think that is what is needed for the domestic energy industry today, to know that future state, so that they can make the plans which are necessary.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BARTLETT. Yes.

Mr. PASTORE. The thing that has mystified me is that domestic oil is not under control, so it cannot be argued by the companies that they are being in any way thwarted in their attempts at exploration, for the simple reason that the price of domestic oil, new oil, is almost or in fact is at the OPEC price, which is the price for imported oil.

It has been admitted that should we decontrol the old oil, the price of the old oil will rise to the price of the imported oil. I asked that question directly of Mr. Greenspan when he appeared before the committee, and he nodded his head in the affirmative. I do not think you have to be a high school graduate to determine that.

My point is, why should we decontrol the old oil, which has already been discovered, on the grounds that they need an incentive to find new oil, when the new oil is not being controlled? Will the Senator answer that question?

Mr. BARTLETT. I certainly will. We have had controlled prices for some 20 years, which have produced an inadequate supply of energy. There has not been enough capital formation, enough profit, to bring on sufficient drilling. You can look at the drilling statistics, the number of active rigs, and measure it any way you want to.

The activity of 1971 was about half the number of wells drilled and half the number of active rigs as in 1956.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. PASTORE. Only 2 weeks ago it was published in the Washington Post that the Shell Co. made a profit of 165 percent over last year. What did they do with that profit? Did they just pay the executives a half million dollars a year salary? What do they do with it?

Mr. BARTLETT. Let me point out to the distinguished Senator from Rhode Island that there has been an increase in profit, and I think we can all say hurrah to that, for the simple reason that there has been an increase in investment.

Right now, there are 21 percent more active rigs than in 1974, and, turning it back, 49 percent more than in 1973—61 percent greater than in 1972, and 84 percent greater than in 1971.

We have a chance, for the first time, to bottom out, so that we will no longer be producing less energy every day, losing ground.

The Senator knows that it costs so much to drill a well, and if the companies are, as they have been, putting more than their profits into drilling, it is obvious that the greatest thing we can do to make sure that we are maximizing their efforts is to have a free market, such as all other areas have. The only industry today that has a controlled price is the one in shortest supply, the one most important to our national security, and the one most important to all the other industries.

If by chance the profits or the capital accumulation are too much, it would be a simple matter for Congress to remove that extra profit. Would it be prudent for us to continue to err on the side of shortages? If we are going to err, let us err on the side of self-sufficiency. Then, if there is too much money earned, if there is too much profit, and the dividends are too big, let us put a tax on the industry and take that away.

Mr. PASTORE. The Senator from Rhode Island would be for that, but would the Senator from Oklahoma be for that?

Mr. BARTLETT. Yes.

Mr. PASTORE. He would?

Mr. BARTLETT. Let me say, not at this point.

Mr. PASTORE. Of course not.

Mr. BARTLETT. We have no energy policy at all, and I am not in favor of an excess profits tax. But I do recognize this: I think that a workable and fair excess profits tax is going to be an essential part of any energy package such as the Senator from Connecticut is talking about. I recognize that. If that is fairly done, it would not be unfair to the industry.

The reason I did not support an excess profits tax at this time is that I think I can show the Senator with figures—I know I can—that there are no profits that are not being ploughed back into the ground in developing resources, or in research and development. So we do not need an excess profits tax at this point.

Mr. PASTORE. Mr. President, I do not want to be mysterious or devious in any way; the Senator, I am sure, realizes that. We have to address the State Governors on certain points in which they are interested on this so-called package, and therefore I must now leave the Chamber, but I wanted the Senator to know I was not leaving as any impertinence to him.

Mr. BARTLETT. I thank the distinguished Senator from Rhode Island and the distinguished Senator from Connecticut. I want each of them to know that I appreciate his contribution to the dialog very much. I would like to continue this at some later time, and perhaps the Senator can add to his contribution.

Mr. RIBICOFF. I thank the Senator. It is my feeling that this dialog will continue through this entire session.

I do believe that the start we have made in the last few weeks will give Con-

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gress the impetus to come up with alternative programs. We can have a general debate in each and every committee of Congress. I think each of us has a part to play. The sooner we get to it, the better off the country will be.

Mr. BARTLETT. Mr. President, I would like to make just a few more remarks and confine these remarks to the question before us, the 90-day tariff suspension.

I support the right of the President to exercise the powers he has been given, and I think to suspend the tariff at this time without having an alternate plan in force is no different than it has been for the past several years; in other words, essentially then, adopting a plan, not a program but a plan, of disagreeing with steps taken to make improvements.

I think there is no guarantee that we in Congress will come up with a plan, and I certainly hope we will, and I am going to give every bit of my time and what little ability I might have toward that.

I think to place a tariff on imported oil places the disincentive for increased consumption on the proper commodity, imported crude oil. This is the high-priced commodity set by the cartel nations, and I think this is where we should place the extra charge.

Using the price incentive to decrease imports and overall energy use is, I think, a fairer way to achieve conservation as compared to either allocation or rationing.

The tariff could be looked upon as a some measure of support for the domestic energy prices of oil, gas, coal, and all the alternate fuels.

Although not specified in the bill, the end result of passing the bill might mean that we would have mandatory rationing or allocation.

If the bill is passed, it could mean—if this bill is passed, the 90-day tariff suspension, it could mean—the end of the free market mechanisms or at least steps in that direction for years to come.

I would like my colleagues to know that I am not convinced that imports can be or should be significantly reduced, and reduced as quickly as the President has said and, therefore, I do not necessarily believe that the $2 or the $3 tariff may be necessary.

I do not believe that it is possible to decrease imports very much over the short term because consumption cannot be reduced significantly enough in the short term without causing significant disruptions in the economy.

The supply cannot be increased significantly enough in the short term to provide a more favorable supply-demand relationship. So I believe that the effect of the tariff will be not to reduce imports to any great extent but to encourage conservation, to remind the Americans that we do have a problem of high-cost imported oil, and that the effect of the additional price on oil would be to increase conservation. But I do not see it as a means of achieving or part of a means of achieving the goals of very significant reductions in total consumption.

All the curves that I have seen show very clearly that the demand in this country will continue upward, and that at most conservation is only going to change that curve and reduce it but not eliminate or not change its direction.

I am convinced that demand will continue upward and if it is not fulfilled, then the repercussions in the marketplace, unemployment, a lower standard of living, will be the result. It would also lead to very substantial reductions in our social programs.

So, Mr. President, I want to thank my colleagues, the Senators from Connecticut and Rhode Island, for joining in the colloquy earlier. I believe that we need to discuss the problem of energy shortage, what it costs to remedy it, how much we want to rely on ourselves as compared to other nations, how much we want and how much we are willing to pay for it. I am convinced the American people are wanting to be energy self-sufficient and are willing to pay for it.

I would like to remind my colleagues of what freeing up all of the controlled oil, now priced at $5.25 would cost according to the FEA. It would be 4.6 cents per gallon to have a completely free market, and to have the assurance that the market mechanisms would be maximized, to increase supplies and to deter demand. This, I believe, the Senator from Oregon indicated would be rather comparable to the total cost of the $3 tariff.

So I think the free market is the goal that we should definitely achieve in order to have the assurance that we are eventually no longer going to be dependent upon foreign sources, but it will take time. And just so someone does not think that I think it can be done tomorrow, I believe if we started today with the free market we would achieve energy sufficiency in about 13 years.

I yield the floor.

The PRESIDING OFFICER (Mr. GLENN). Who yields time?

Mr. WEICKER. Mr. President, will the distinguished Senator from Maine yield me some time?

Mr. HATHAWAY. I would be happy to yield some time to the Senator. How much time does the Senator want?

Mr. WEICKER. I would like about 10 minutes relative to this subject.

Mr. HATHAWAY. I will be happy to yield 10 minutes.

Mr. WEICKER. I thank the distinguished Senator from Maine.

Mr. President, I would like to make a few comments on the general subject under discussion and, more particularly, on those plans that have been proposed by the President of the United States and those plans that I have heard might be presented by Members from the other side of the aisle.

Any plan that I hear about, whether it is the President's plan or that which is being mulled over by the Democrats, relates to price.

I hear, on the one hand, the proposal for an increase in import tariffs, which is the specific subject matter before us here today. On the other hand, I hear the possibility of an increase in the gasoline tax which, apparently, is one of the solutions being contemplated by a number of Senators.

I can only come to the conclusion that apparently, regardless of whether it is a Republican plan or a Democratic plan, that we are going to engage in rationing by price and, to my way of thinking, that is the most unfair way of all. This really shows that, on part of both the Senate and the President, we have had a real failure to confront the crisis in energy in a truly honest and forthright manner. Politicians on both sides are attempting to carve out a solution which will cause the least discomfort to the fewest number of Americans. Of course, the only difficulty with this is that the fewest number of Americans are those who are the least able to make the type of sacrifice that is being asked.

Now, our present crisis is not a regional problem. It is not the New England problem, it is not the problem of the poor, it is not the problem of middle America; it is not the problem of the consumer States; it is not the problem of the oil-producing States. It is a problem that involves each and every American. It is a national problem.

The reason why everybody is twisting and turning is that no one has, as of yet, suggested a national solution. The solutions offered are either geared to considerations of location, income, or of any such particular bias. So invariably for every action there is a reaction, and somebody objects.

But it is a sad commentary, I think, on the U.S. Senate, that we have blocs of Senators, from New England, from the oil-producing States, from the Northeast, from the Southwest, forming to protect their immediate interests and at each other's throats because the solutions that have been recommended are not national in scope.

I think the time has come to devise a system that would be fair to all, a mandatory conservation system, one that would apply to every American, whether that American lives in the Northeast, lives in the Southwest, whether rich or poor—a mandatory system that is geared, as has been our tradition in the past, to a person's capability, rather than to a person's helplessness.

I have heard arguments to the effect that under no circumstances should we have rationing to achieve conservation, that we could not possibly, either from the point of money or equity, live with a World War II coupon rationing system.

My only question is, Who has mentioned a World War II coupon rationing system?

Those of us who have advocated gasoline rationing have not mentioned it. I see the constant reference to World War II rationing used as a fear mechanism to get around doing the right thing in this country, which is to have a rationing system that applies across the board, but a system that can and should be something other than a World War II coupon system.

Why is it that the President of the United States stands up and says, "Over my dead body rationing" and yet the very thing he advocates is rationing, it is rationing by price.

I hear from some Members on the Democratic side about gasoline taxes.

Why do they not also say that this is rationing? That it too is rationing by price?

Allocation? That is a rationing system and it is not a World War II system.

Odd-even days? That is a rationing system, that is not a World War II system.

Gas station closings on Sundays? That is a rationing system, it is not a World War II system.

The plan I have advocated is a stricter rationing plan. Each motor vehicle, excluding commercial and farm vehicles, would have a sticker, chosen by the owner and designating a day of the week during which that car is not to be operated.

Stickers would be obtained from the Post Office Department and would be displayed on the windshield of the cars. A person operating a car on the particular day with which the code of the sticker would be fined. In the case of two cars in the family, there would be 2 days in the week during which the second car could not be operated. Anything over two cars, 5 days in the week.

It is a very simple system requiring only the manufacture of the stamps and the issuance of those stamps by the Post Office Department. That is not a World War II system, it is not a coupon system, yet it would apply to all Americans right across the board.

Yes, those that have more cars are more restricted. Each person sacrifices according to his or her capability.

But every plan I have heard so far, whether it comes from down on Pennsylvania Avenue or from the political caucuses, talks about gasoline taxes, import tariffs, et cetera, all of which relate to the pricing mechanism. Nobody can tell me that the minute we step into that arena that we have not already decided there are going to be some Americans that are going to have to bear the burden to a far greater extent than others, that the rich and the powerful are going to be less affected than those on fixed income, the elderly and poor, and those of moderate income.

We have decided that at the moment we enter into the pricing mechanism. The pricing mechanism being a means of rationing.

So, I suppose the first thing I would ask for here is the recognition, not only by this body but by the country, that whether it is the President's plan for import tariffs or a plan for tax on gasoline, that all of these are rationing systems, rationing by price. The American people have been brainwashed into overlooking this fact. Whenever we have been confronted by a crisis mutual to all, then we have all shared in its solution, but that is not the case with rationing by price.

The second thing I would like to make clear is that this fear of rationing which has been instilled by reference to a World War II system is nonsense. Nobody has advocated World War II rationing except those that have desired to set up a straw man in order to blow him down. Nobody has advocated a World War II coupon rationing system except the President in order that it might be knocked down, or others who have tried to instill a fear in the minds of the American people. There are many other systems totally separate and distinct from World War II coupon rationing, without the huge bureaucracies and without the millions of dollars of front money associated with that system.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. WEICKER. I request an additional 5 minutes.

Mr. HATHAWAY. Mr. President, I am happy to yield the Senator an additional 5 minutes.

Mr. WEICKER. Mr. President, I ask unanimous consent that Mr. Tom Biery of Senator BARTLETT's staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Now, I would like to go back just one moment in time, if I might, to where we started all this business. I am talking now about the inflation and the recession.

This crisis started back in October 1973, with the first Arab oil embargo. Since October of 1973 the Congress—never mind the President—has made no legislative response. There has been no legislative response to the energy crisis which first confronted us in October of 1973.

This is not a matter that occurred after the first of the year, 1975. It has been well over a year.

When the embargo hit and the price of fuels and other items related to fuels went way up, that is when inflation took a big jump. I would say there were probably two principal factors for inflation. One, the lifting of wage and price controls in this country, and the other the rise in fuel costs. Inflation came not just with increased costs to the automobile driver, but with higher utility bills and with higher prices for everything associated with oil. Then when this inflation soared, that is really where the recession began. Costs of everything from automobiles to plastic straws went through the ceiling. Everything became too expensive, and was out of the reach of most Americans.

So, really, this is all one problem. It is not just a recession and an inflation and an energy crisis. It is an econ-energy crisis, an economic crisis born of energy, and until we crack the nut on energy, there is no way we can make permanent, realistic progress toward solving inflation.

We cannot compartmentalize these elements. We can arrive at no real solution until we crack the energy nut. The world is not going to tolerate 6 percent of its population consuming 35 percent of its energy, or it will allow us to do that, but at prices that will economically whip us.

That is the problem, pure and simple.

Now, just tell me, how are we going ahead to reduce consumption, how are we going to do it unless we enter into a program of conservation? We cannot.

Well, if we are going to have conservation, is it fair it be conservation on behalf of all Americans, or is it just a few that are going to be kicked out of their automobiles and will have to lower their heating, et cetera?

This is the problem which I believe confronts this body today. It is foolish and it is not right to tell the American people anything other than the fact that, yes, there is going to have to be rationing for at least 5 years, and maybe even longer, while we put the long-term solutions into place. Nobody argues, not the President, not the Congress, not the Republicans, not the Democrats, on the necessity for mass transportation. We need it. But we cannot build it tomorrow.

Nobody argues about the development of solar energy or nuclear energy, but it cannot happen tomorrow.

Nobody argues about more efficient automobiles, but that cannot happen tomorrow.

We are not arguing about the long-range solutions, as these are agreed upon by all, but, rather, about what is going to be done in the interim period, the short term. It means, at least as I see it, that all Americans are indeed going to have to go ahead and sacrifice. But if I am asked to sacrifice, or if my constituents are asked to sacrifice, then I think it only fair that we promise them something real at the end of the experience. We cannot just give symptomatic relief.

In order to achieve that something real, it is necessary that we go ahead and reduce our consumption of fuels; that we change our life styles. I have said it many times before and I will say it again: The United States is the world's biggest oil junky. What is involved here is withdrawal. Withdrawal is not an easy thing. I just do not know how to sugar coat it to make it palatable.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WEICKER. Will the Senator yield an additional 5 minutes?

Mr. CURTIS. I yield an additional 5 minutes to the distinguished Senator, Mr. President.

Mr. WEICKER. Rather, it seems to me, it is incumbent upon all Members of Congress to now tell the whole truth—not piece by piece—the solid truth, to the American people. Let them understand the depth of the problem and the extent of the sacrifice required. This essentially was the mistake of the President, going from WIN buttons to tariffs. Believe me, the Democrats are making the same mistake when they talk about oil taxes, and that we postpone or we gear such to a resumption of employment. Nothing can be achieved in the area of conservation except with a great deal of sacrifice and some substantial discomfort on the part of the American people.

Take a careful look at our energy consumption figures. FEA estimates total daily oil demand at 18.2 million barrels per day and rising. Gasoline consumption has risen by 300,000 barrels per day since September. It is business as usual. We have not done a thing, not a thing, since October of 1973.

As long as we want to hold on to this lifestyle, we cannot get this country out of its economic bind. We must pay the price and cut down on the demand. We must create new sources of energy, those systems such as mass transit, which re-

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quire less energy. But, as I say, that is in the long haul.

So, Mr. President, I serve notice now, that yes, I plan to vote against the oil import tariffs, not because I am a New Englander, but because it is rationing by price. I will fight just as hard against any plan that is brought to the floor of the Senate if it relates to gasoline taxes as, again, that is rationing by price. I am going to fight out here as hard as I can for a solution that is devised in the traditional American way, of sacrifice being fairly shouldered by all in achieving conservation. In this way, we can reduce inflation and participate substantially in once again getting this country on its feet, economically.

I repeat my call for a solution, a solution that is going to take a little bit of courage rather than the politics which seems to prevail here in the Capitol. It is not a matter as to whether the Democratic Party has the Republican Party on the ropes, or the Republican President is hardpressing the Democrats in order to make them look foolish. The fact is that there are people out of work. The fact is that the inflation continues. The fact is that the dollars by the billions go overseas—some $24 billion for oil alone in 1974.

Very frankly, it is not something that we can sit around for the next couple of months and hash over. As every day goes by, another person goes out of work, somebody else freezes, and that particular day drains another $75–$85 million from the shores of this country.

I would hope we would get right down to the business of reality and leave the business of politics behind. There is nothing we can do, I think, that would reestablish as much credibility in the Congress of the United States and in public officials.

I yield the floor.

Mr. PACKWOOD addressed the Chair.

Mr. CURTIS. I yield the Senator such time as he desires.

Mr. PACKWOOD. I wonder if the Senator from Connecticut will answer a few questions. I know he has yielded the floor.

During the embargo last year, Oregon initiated, and other States followed, every-other-day purchasing with closing on Sundays. What we discovered, after it was in effect for 3 or 4 months, was that it did not conserve gasoline, shorten the lines or even out the flow. It did not conserve gasoline. I am curious if we go to a rationing system, short of World War II books, specifically how the Senator would go about reducing the use of gasoline.

Mr. WEICKER. I respect the opinion of the distinguished Senator from Oregon as to the experience in Oregon. On the other hand, we have also had testimoney before the Commerce Committee by certain officials from the State of California that, indeed, the odd-even system, once all was smoothly in operation, was a conservation measure. Be that as it may, the Senator has asked for a specific and I will give him a specific.

As I indicated, I have my own plan relative to how this rationing should take place. I estimate it could achieve roughly anywhere betwen 15 and 20 percent savings in the consumption of gasoline.

That plan specifically goes as follows: You have one car in the family. You designate the day upon which that car will not be on the road. You go down to the post office and get a certain colored sticker and put it on your windshield. If that car is found on the road on that particular day, the driver is arrested and/or fined, by the local law enforcement authority. If in that family you have two cars, for the second car you would designate 2 days to be off the road, and you could coordinate plans with regard to your first car, if you want. You would get two stickers on the windshield. The car could not be on the road on those two days. Anything above two cars would be prohibited from going on the road 5 days during the week. I exempt agricultural and commercial vehicles from this plan.

Clearly, what is going to happen is, yes, there is going to be some inconvenience. But you are going to have cars off the road x number of days, and you are going to conserve gasoline. The only cost as far as I can see it is the cost that it takes to print up the sticker that goes on your windshield. Insofar as enforcement is concerned, let this be handled by local law enforcement officials. The localities can keep the fines. As far as any black market is concerned, there obviously would not be one. Stiff fines would be established for cheating—it would not be worth it to cheat.

Mr. PACKWOOD. There is no black market, if you are caught on the road the day your sticker says you should not be on the road. How does the Senator know it will save 15 or 20 percent?

Mr. WEICKER. We do not know. But I do know what happens when you start fooling around with the pricing mechanism. Somebody is being pushed off the road because they cannot afford to be on the road. This is a little different.

My own community in the State of Connecticut is a very fortunate community, rather on the affluent side, a town of about 70,000. I imagine that you would probably have to get close to over a dollar before people would stop driving their cars. But long before that, the people of Bridgeport, Hartford, and New Haven would stop driving their cars.

What is also important is that the thermostats will stay as they are in the Houses of Congress, at 70, 72, or whatever. But not in some homes. The thermostats will go down to 55, 56, and 58. That is important, too, in this overall problem.

So perhaps I do not know all the answers relative to my program, but I know that it applies to everybody; whereas, the pricing mechanism invariably comes down hardest on the shoulders of the few.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. RIBICOFF. I agree with my colleague from Connecticut. I think that his sticker system is simple and would work.

The Senator from Oregon says, "How do you know?" According to the law of averages, with 213 million people and with 100 million cars on the road, it would work out to a saving of about one-seventh each day. Generally, a person will pick a day that suits his own purposes. For each day we have a car out of use nationally, it would be a saving of between 6 and 7 percent. You would cut it down to the allocation you need. Everybody would choose his own day.

This would probably mean that those people who have to go to work would carpool with those who lived in the same neighborhood, worked in the same factory, the same office, or the same store.

This is an alternative. As I have said all during this debate, I do not know all the answers. I do not think anybody in this country has all the answers. But what is apparent is that we have not tried to determine what the alternatives are.

The main thrust of this bill, so far as I am concerned, is to give us the responsibility and to make sure that we exercise that responsibility within 90 days. In that time we must hold hearings and have discussions in order to bring out the facts and to bring forth the alternatives to Congress and to the people of this country.

I commend my colleague from Connecticut for giving as much thought as he has to this proposal.

(At this point, Mr. GOLDWATER assumed the chair.)

Mr. WEICKER. I thank the Senator.

I find the violent reaction against rationing is in direct relationship to a person's income. I mean that. I really get criticized most by my affluent friends. Then, as the affluence declines, believe me, the reaction against rationing declines also, because all of a sudden you are dealing with an element that fully understands where the rationing is taking place. Somehow, they feel that despite the fact they are the weak in this Nation and they have the least, they, too, are going to be stuck with the solution for a national problem.

Mr. PACKWOOD. In surveys in Oregon, we came down on the opposite side. Apart from Portland, which has minimal mass transportation, there is none in Oregon of any consequence. Greatest opposition to rationing is by the middle-income, blue-collar worker who drives 30 or 40 miles to work. He says that 9 gallons——

Mr. WEICKER. Who says 9 gallons a week?

Mr. PACKWOOD. That is the average. Some will get more and some less.

I was thinking of the 1-day and 2-day proposal. My wife and I have two cars. Hers is probably operated 5 days a week, sometimes 4. She does not use it every day. Mine is not operated on Sunday. The Senator's proposal, as far as we are concerned, would not save any gas in our family.

So it will have to go to 2 days or 3 days, whatever is necessary for conservation.

Mr. WEICKER. I am starting at the low end of the spectrum, because if we put this plan into effect, we can change it. Let us find out. The system would be in place.

Mr. PACKWOOD. At some stage, people literally would not be able to buy enough gas to get to their next buying time. At some stage, they would get to where they would have to conserve and could not drive. I have a hunch that 1 or 2 days would not do it. Two or 3 days might. It has possibilities.

Mr. WEICKER. I appreciate the comments of the distinguished Senator from Oregon.

For those people who feel that they really have not been affected by the energy crisis, what I am trying to say is that the joblessness we have in this country is directly related to the energy crisis. So it is not just a question of not being able to drive or having your thermostat lower. It could very well be that because the United States has not conserved, a person is out of a job—probably is, as a matter of fact, if we trace the history of this entire matter. So these things are not separate and apart, by any manner of means.

All I speak for here today is what has to be done, what everybody knows has to be done, which is conservation—conservation until we get these long-range solutions into place.

Last night, I had the good fortune to speak with the leadership of my party; and the statement was made again to try to throw the fear of God in anybody:

> If anybody wants to step out there and say that a rationing program would have to last 5 years or longer, let him say it.

Well, I am saying it.

Yes, Democrat or Republican, you are kidding the American people if you tell them this is going to last for 6 months or a year. There is no way, not until the exploration comes onstream or until the mass transit is built. Yes, it is a 5-year proposition.

But if we had put this type of plan into effect a year ago, the eventual solution would be a lot easier. We postpone and postpone, and eventually we are going to have a system that is going to be so darned tight that we will say, "My God, why did we not do this gradually 2 years ago?"

Mr. RIBICOFF. At the present time, there is a glut of oil on the world market. Everybody is trying to frighten everybody else with the possibility of rationing.

The surest way to bring down the price of gasoline and oil is to ration the amount of oil coming into this country. Many countries now are suffering because they have too much oil. Saudi Arabia does not need the money; Kuwait does not need the money. But other countries, such as Libya, need the oil revenues.

The great problem is that we in the consuming nations have not been as collectively and individually as smart as we should have been. If a consuming nation meant business, it need not roll over to the OPEC countries. It could find that it has the dominant role in the world with respect to energy, instead of the OPEC countries.

If we say, as a consuming people, that we are going to make sure that we will limit our imports by a million barrels a day, or 2 million barrels a day, or 3 million barrels a day, to protect our economy and balance of trade, we will find the price of oil going down, on the basis of supply and demand.

It is not likely that the Shah of Iran is going to join in any embargo—not because he has any love for us. The Shah of Iran is building up his economy, and diversifying it. The only way he can do this is to sell oil. That is the only thing he has to sell now.

Ecuador is in dire straits because of the drop in oil sales. Venezuela, Libya, and Algeria have made great commitments to build up the standard of living for their people, and they have more oil than they can possibly use. And now they produce more oil than they can sell at high prices.

They know that if these high prices continue, it will cause us in the United States to achieve self-sufficiency at an earlier date, by a crash program. We are the only consuming nation in the world that has the ability to be self-sufficient in oil. So if we were tough and we did not jump every time somebody else blinked, we would find that we are on top of this problem instead of at the bottom of the problem.

I think that if more of us thought the way my colleague from Connecticut is thinking, we would not be supinely abject to all other nations of the world, but we would be able to call the shots instead of reacting to those other people in other nations who have oil under their sands.

Mr. WEICKER. I associate myself with all the comments of my distinguished colleague from Connecticut.

I yield the floor.

Mr. HATHAWAY. Will the Senator yield?

Mr. RIBICOFF. I shall yield to the Senator from Washington after I yield to the Senator from Maine.

Mr. HATHAWAY. I thank the Senator for yielding.

Mr. President, I take just a moment to say to the junior Senator from Connecticut that I concur wholeheartedly in the principle which he has very clearly enunciated, that we need some kind of conservation program and not an additional tax. Hopefully, the bill before us today will pass and we shall be able to override a possible veto and get the 90-day period in which to determine just what kind of conservation program is the most equitable.

I wish to indicate, Mr. President, that such a program is absolutely necessary if we are going to do any equity at all toward the poor and the lower middle income people of this Nation. Statistics from a recent Ford Foundation survey, which was actually made prior to the embargo in October of 1973, indicate that the poor, for example, pay 4 percent of their income for gasoline, whereas those who are in the middle class pay 3.2 percent and those in the upper income classes pay only 2.2 percent. Of course, with the increase in prices since the time of this survey, the percentage differences are even greater.

I wish to go on record, Mr. President, at this time in support of some kind of conservation program, not necessarily the one that the junior Senator from Connecticut has advocated, although, perhaps, after I study that in more detail, I shall be willing to accept that. Certainly we need some kind of program in lieu of a tax, which is rationing but is rationing usually on a very inequitable basis, as the preferable road to follow.

I thank the senior Senator from Connecticut for yielding me this time.

Mr. RIBICOFF. I thank the Senator from Maine for taking over during this past hour.

Mr. President, I yield 10 minutes to the Senator from Washington.

Mr. JACKSON. Mr. President, 1 out of every 12 American workers is now out of work, and unemployment is growing by the week. Yet prices are also rising at a rate greater than half of the Americans now alive have ever experienced.

The increases in oil prices over the last 2 years—by the actions of OPEC and of the U.S. Government—are not the only cause of the inflation and unemployment we are now suffering, but they were, without question, the most conspicuous, the most influential contributor to each.

According to the Bureau of Mines, the price of primary fossil fuels increased $33 billion between 1973 and 1974. Without accounting for any magnification of price increases as these costs were passed along to the consumer, the higher prices for oil, gas, and coal alone increased the cost of living by 2 percent. There is no precise way to measure the so-called ripple effects, but the total impact of energy price increases on the general price level was somewhere between 3 and 5 percent.

Looked at from another angle, that $33 billion increase in our national fuel bill meant a direct 2-percent reduction in family incomes and in the real GNP. Multiplier effects from this direct reduction in purchasing power further depressed consumption and production throughout the economy.

In total, the energy price movements of 1973–74 resulted in negative growth in our economy of 3 to 4 percent, and the loss of at least 1 million jobs.

Higher prices for oil, gas, and coal did not initiate either the inflationary spiral, or the slide into recession. They did, however, turn one-digit inflation into two-digit inflation, and recession into depression.

The terrible thing about the contribution of last year's energy price rises to inflation and recession, is that they were largely unnecessary. Only about one-third of our oil and less than one-fifth of our total energy supply comes from abroad, yet we permitted OPEC to determine the price of 40 percent of our domestic oil production, and to have a profound influence on the prices of coal and intrastate natural gas.

The Members of the Senate know that this body attempted to roll back the price of new, released and stripper well oil to a level only twice—rather than three or four times—their preembargo levels. This effort to free our domestic prices from determination by the OPEC cartel was, of course, vetoed by President Nixon, and Congress was unable to override his veto.

Mr. President, last year the bill for primary fuels consumed in the United

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States increased by $33 billion, and turned recession into depression. Today, President Ford proposes and has initiated action to increase our primary fuel bill by another $33 billion. Yes, the measures the administration has announced—which do not require congressional review or legislation—will impart a shock to our already staggering economy fully equal to that imposed last year by OPEC.

The President's energy proposals mean more inflation and more unemployment. Administration spokesmen admit this—they admit that prices will increase by 2 percent. All independent estimates I have seen are considerably higher. The administration admits that the President's program will swell unemployment, but declines to estimate how much.

There are few major policy issues today on which broad agreement among economists can be found. The consensus on President Ford's energy program, however, is nearly unanimous: it is a disaster. The only economists who publicly support the program are Mr. Greenspan and the members of the Council of Economic Advisors.

Even Dr. Arthur Burns, Chairman of the Federal Reserve Board, who is so often a spokesman for the administration's economic policies, is frightened and dismayed by its energy proposals. Dr. Burns testified before the Joint Economic Committee on February 7, that—

I find the President's (energy) program extremely complicated. There are some parts of it I think are hazardous at a time like this . . . I, for one, would want to phase in that kind of a program, and not concentrate it in the manner that the President has suggested.

Dr. Eric Herr, representing Data Resources, Inc., which provided the Federal Energy Administration with the economic projection it is now using to support the Administration proposal, testified before the Committee on Interior and Insular affairs on February 12. He stated that—

The energy tax and price package is simply too big a bite for the economy to swallow in a year of deep recession and high inflation. Given our other inflationary problems, the enactment of the President's energy program would likely make 1975 another year of double-digit inflation.

The extra inflation that a quick implementation of the President's energy package would imply, could well deepen the recession and keep the economy on the road to depression.

Dr. Arthur Okun, a former Chairman of the Council of Economic Advisers, testified before the House Ways and Means Committee on January 28. He said:

I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction.

John Sawhill, former Administrator of the Federal Energy Administration, testified before the Interior Committee on February 12, as follows:

The impact of the proposed tariffs, excise taxes and price decontrols, as it would be felt in all sectors of our economy, has been estimated at $50 billion, and we simply cannot afford to drain $50 billion of consumer purchasing power out of the economy at a time when we must restore confidence, create more jobs, and get the economy turned around. . . .

Professor Walter Heller, a former Chairman of the Council of Economic Advisers, stated to Ways and Means on January 28,

President Ford's 30–30 energy program would deal a fourth blow to the economy—another double whammy that would boost inflation and worsen recession.

Dr. George L. Perry of the Brookings Institution told the Joint Economic Committee on January 29 that—

A substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate.

And Paul Volcker, former Deputy Secretary of the Treasury under President Nixon, advised Ways and Means on January 27 that the President's energy program "could be another drag on business activity."

He added:

Much clearer is the upward impact on the price indices, which I suspect the official 2% estimate understates significantly in seemingly accounting only for the direct price effects on oil and from the new taxes.

Mr. President, the actions of the administration will present the Congress with a fait accompli on energy and economic policy. The provisions of the President's program with the heaviest impact and most profound impact would be implemented without public input or consultation with Congress.

The Congress has no choice but to halt this rush toward what I believe would be another major economic blunder by the administration. The Congress stands ready to develop constructive programs in cooperation with the administration to deal on an urgent basis with the critical unemployment and economic recovery problems facing the Nation. The areas of potential agreement between the Congress and the administration on energy policy are substantial. They include commitments:

First, to reduce the danger of any future oil embargo by developing specific standby authority for responsible and coordinated programs to manage severe petroleum shortages;

Second, to develop a system of strategic petroleum reserves filled in part by increased production from Naval Petroleum Reserves Numbered 1, 2, and 3;

Third, to reduce the inflow of Arab oil and the outflow of U.S. dollars in a manner which will minimize adverse domestic economic impact of the resulting reduction in petroleum availability.

Fourth, to develop a comprehensive national conservation policy to reduce the growth in domestic energy consumption and build a more efficient utilization of energy into the fabric of the economy;

Fifth, to organize an accelerated and environmentally responsible development of domestic energy resources; and

Sixth, to bring to the stage of commercial demonstration technologies for the development of alternative energy sources utilizing coal, oil shale, and solar and geothermal energy, just to name some.

The choice facing the Nation, as John Sawhill said in testimony before the Interior Committee on February 12—

is not between the President's program and no program but between the President's program and an energy policy more consistent with economic recovery.

This is from the man who was running the Federal Energy Administration until just recently.

And as Dr. Burns testified about the energy program:

It is so complicated, so intricate, and so inherently controversial a measure, I think the Congress should take its time about that program. I think you should hold very extensive hearings.

Passage of H.R. 1767 sets the stage for real congressional participation in the development of energy and economic programs to deal with immediate as well as long-term problems. We should accept this challenge. A vote in favor of H.R. 1767 will signal the Congress intention to play its full constitutional role in addressing the most important issues that now face the Nation.

Mr. President, I ask unanimous consent that the economic analysis of President Ford's energy program which was prepared by the staff of the Committee on Interior and Insular Affairs be placed in the RECORD.

There being no objection, the staff analysis was ordered to be printed in the RECORD, as follows:

ECONOMIC ANALYSIS OF PRESIDENT FORD'S ENERGY PROGRAM

SUMMARY

The short-term impact on the economy of the President's energy proposals is tremendous. The cost of energy will rise in one year by over $40 billion, an amount greater than the steep increase initiated during the Arab embargo. The impact will be absorbed by an economy already facing recession and double digit inflation. Costs to low- and middle-income households will soak up 5 to 10 percent of before-tax income under either of the programs which the President has proposed: the one he can implement independent of Congress or the program which he has asked Congress to enact.

Both proposals have as their goal the reduction of energy consumption through a broad increase in energy prices which is being applied without regard for the degree of flexibility available to consumers to initiate conservation in the short run. The removal of energy prices from control insures that the price of all energy consumed in the United States will be affected directly by OPEC pricing policies.

Over the long run the impact of higher prices could be absorbed in normal economic growth and consumers would be able to adjust gradually to the signals which slowly rising prices would send by choosing not to consume energy and by increasing the efficiency of use for the energy which they do consume. The present administration proposal attempts to achieve long-term energy goals in the short run, and in doing so, threatens the quality of life of the large number of families for whom added energy costs and energy induced inflation mean substantially reduced purchasing power.

A number of economists feel that an increase in basic energy costs of $1.00 is transformed, as it "ripples" through the economy, into $1.50 to $2.00 in increased consumer costs. Thus, under this hypothesis, the ultimate cost of $30 billion annually which the administration itself ascribes to its program would be transformed into $45 to $60 billion by the time it reaches consumers. The analysis which follows does not include any estimate of ripple effects. Only a direct dollar-for-dollar passthrough of energy costs is assumed. The operation of a ripple effect would therefore increase each cost estimate which follows by at least 50 percent.

PROGRAM TO BE IMPLEMENTED BY EXECUTIVE ORDER

The energy pricing proposals announced in the State of the Union message which (1) can be implemented by the President without any additional grant of authority by the Congress and (2) do not require congressional approval, would cost the U.S. consumers an additional $33.5 billion on an annual basis. This cost includes (1) direct increases in the price of petroleum which result from Presidential action, and (2) induced increases in the prices of alternate fuels which compete, at the margin, with imported and uncontrolled oil.

This increase in the cost at the point of production or import of basic fossil energy is virtually equal to the increase in fossil energy costs experienced over the 1973–74 period. During that time, according to the Bureau of Mines, the cost of domestically produced fuels increased by $16.4 billion. According to the Department of Commerce the cost of imported fuels increased by $16.8 billion. The total of $33.2 billion amounted to an increase of 48 cents per million Btu on the average for all fossil energy consumed in the United States in 1974.

For the 3-month period beginning in February during which the program will be phased in, the cost of imported oil will increase by $844 million as shown in table I.

TABLE I.—3-MONTH PHASE-IN COST: IMPORTED OIL

[In millions of dollars]

Commodity	Cost			Grand total
	February	March	April	
Crude oil [1] (tariff)	109	242	351	702
Refined [2] (tariff)	73	161	234	468
Refined (rebate) [3]	(73)	(113)	(140)	(326)
Total	109	290	445	844

[1] Current import level of 3.9 mmbd assumed.
[2] Current import level of 2.6 mmbd assumed.
[3] Rebate is $1 per barrel in February, $1.40 per barrel in March and $1.80 per barrel in April.

The price of imported petroleum will increase under this proposal by 5.4 cents per gallon.

The costs calculated in table I apply only to imported oil. An import fee beginning at $1 per barrel on February 1 and rising to $3 per barrel on April 1 is assumed, along with partial rebates of fees on imported refined petroleum products such as fuel oil.

The President has announced that on April 1, he will act to decontrol the price of "old" oil, now selling for $5.25 per barrel. In calculating data for table II which follows, it is assumed that the program the President will place in effect on April 1 is permitted to go forward without alteration by Congressional action. The increases in the annual costs for imported oil, domestically produced oil, and competitive fossil fuels are summarized in table II.

TABLE II.—ANNUAL COST OF PRESIDENTIALLY IMPLEMENTED ENERGY PROGRAM

[Measures that do not require legislation]

	Annual cost (in billions)
Oil:	
Imported oil tariff ($3/bbl) 6.5 mmb/d×365×$3	$7.1
Rebate on imported refined products ($1.80/bbl) 2.6 mmb/d×365×$1.80	(1.7)
Increase in price of presently uncontrolled oil ($3/bbl) 3.0 mmb/d×365×$3	3.3
Increase in price of presently controlled oil ($5.25/bbl to $14.40/bbl) 5.7 mmb/d 365×$9.15	19.0
Total oil costs	27.7
Natural gas: Increase in the price of uncontrolled intrastate natural gas ($0.46/M Mcf) 10.4 tcf/y×0.6×$0.46	2.9
Coal: Increase in the price of coal ($10.71/ton) 0.540 bt/y×0.5×$10.71	2.9
Total all fuels	33.5

The calculations in table II utilize the levels of production and imports which prevailed in 1974 and assume that decontrolling oil prices will affect 5.7 million barrels per day, or 65 percent of current domestic production of crude oil and lease condensate. Imports of refined petroleum products in 1974 averaged 2.6 million barrels per day.

In the case of natural gas it is assumed that the commodity sold outside of FPC price controls—that is, intrastate natural gas—will respond in price on a Btu-equivalent basis to the net increase in price of imported and uncontrolled oil, which are the marginal competitors for uncontrolled natural gas. These categories of oil which are currently free from price controls encompass 9.5 million barrels per day (6.5 million barrels per day of imported oil and 3.0 million barrels per day of uncontrolled oil). The annual cost of this oil would increase by $8.7 billion (the sum of the first three entries in table II) under the President's program, or an average $2.51 per barrel. This figure is lower than $3 per barrel because of the $1.80 per barrel rebate on refined product imports contained in the President's program. Crude oil at $1 per barrel is equivalent, on a Btu basis, to dry natural gas at 18.4 cents per thousand cubic feet, so that the price increase for uncontrolled and imported oil would induce a 46 cents per thousand cubic feet increase in uncontrolled natural gas prices.

Coal competes with oil and natural gas for electricity generation and is assumed to adjust to the price increase of the marginal oil supply—uncontrolled and imported oil. Crude oil at $1 per barrel is equivalent on a Btu basis to bituminous coal and lignite (a weighted average reflecting 1974 consumption) at $4.27 per ton. Thus the $2.51 per barrel net price increase for imported and controlled oil would induce an increase in coal prices of $10.71 per ton.

The increases in the prices of alternate fossil fuels are contingent upon the expiration or renegotiability of existing contracts for these fuels so that higher prices can be implemented. Reliable data concerning these contracts are not available for the country as a whole, but rough estimates can be made. In computing coal and natural gas costs in table II it is assumed that 50 percent of coal and 60 percent of intrastate natural gas contracts will expire or be subject to renegotiation in 1975. It should be noted that these renegotiation rates are considerably higher than those used in administration projections of increases in coal and gas prices. The figure of 50 percent for coal was derived by dividing the 1973–74 increase in the average price per Btu of coal purchased by electric utilities by the increase in the average price of residual fuel oil.

The administration assumes that intrastate natural gas contracts will turn over at only 20 percent per year—a figure apparently derived from statistics of *interstate* pipelines. Our 60 percent figure reflects a typical intrastate contract term of 1–5 years in contrast to the 12–20 years required by the FPC in purchases by interstate pipelines, and the widespread existence in the former of "most favored nation" and other escalation clauses of types disallowed by the FPC. The rates of production, 10.4 trillion cubic feet (tcf) per year for intrastate natural gas and 0.540 billion tons per year for bituminous coal and lignite reflect 1974 production levels. (Interstate natural gas production in 1974 is estimated at 11.5 tcf.)

The total cost of this Presidentially implemented program on an annual basis amounts to over $33 billion, nearly $160 for each man, woman and child in the United States, or over $630 for a family of four. Spread over approximately 70 million households (of which nearly 13 million are one-person households) the cost comes to $480 per household.

This proposal, should it remain in effect, will raise the price of all oil consumed in the United States—uncontrolled, formerly controlled and imported oil—by an average of $5 per barrel. This translates into 12 cents per gallon on the average for all petroleum products, assuming a simple cost pass through. The economic impact will be as great as the impact of the price increases imposed for oil during the Arab embargo by the Organization of Petroleum Exporting Countries. These OPEC increases and domestic oil pricing decisions of the Nixon/Ford administration raised the price cost of all oil refined in the United States by just over $6 per barrel in a year, from $3.40 per barrel to $9.50 per barrel. During that period, gasoline and heating oil prices increased 15 cents per gallon and 18 cents per gallon respectively, reflecting more than a simple pass through of crude oil costs.

The cost of the approximately 69 quadrillion Btu of fossil energy which was consumed in the United States in 1974 would increase by nearly 50 cents per million Btu in 1975 under this program. The implied increase in average electricity rates amounts to 2.7 mills per kilowatt hour,[1] a 10-percent increase over the average of 27 mills per kilowatt hour for 1974.

One important effect of the President's proposal is to remove the insulation between the price policies of the OPEC cartel and a substantial portion of the fossil fuels which provide 95 percent of the energy consumed in the United States. Thus, if the President's proposal is implemented, the impact of a dollar increase in the price of oil on the world market would propagate rapidly throughout the U.S. energy supply system, affecting the prices of all domestic petroleum and substantial portions of domestic natural gas and coal. The impact would amount to $7.8 billion in added costs for

[1] On the average, electricity in the United States depends on energy sources as follows: Coal, 46 percent; oil 16 percent; natural gas, 17 percent; hydroelectricity, 13 percent; and nuclear, 7 percent. The average heat rate of steam electric plants is 10,500 Btu/kWh. Average price increases for fossil energy implied in table II are 89 cents/MBtu for oil, 13 cents/MBtu for natural gas, and 22 cents/MBtu for coal or 26 cents/MBtu for the average fossil input to electricity generation.

each dollar per barrel increase in OPEC prices. The calculation is illustrated in table III.

TABLE III.—*Impact of $1 per barrel OPEC price increase*

	Cost in billions
Oil: 15.2 mmb/d×$1×365	$5.5
Natural gas: 10.4 tcf/y×0.6×$0.184	1.1
Coal: 0.640 bt/y×0.5×$4.27	1.2
Total	$7.8

PROGRAM PROPOSED BY THE PRESIDENT TO CONGRESS

The energy price and tax proposals which the President is submitting to the Congress differ in significant respects from the import fee/rebate and decontrol program which is being implemented without congressional approval by Executive order. The Congress is asked to replace the fees on imported petroleum which the President has set by a comprehensive price and tax program, including the following provisions affecting energy prices:

(1) A tariff of $2 per barrel (without a rebate provision) on all imported petroleum;

(2) Excise taxes of $2 per barrel on all domestically produced crude oil, 37 cents per thousand cubic feet on natural gas, and $1.42 per barrel on natural gas liquids. These tariffs would increase the price of all domestically consumed petroleum liquids and natural gas by 36 cents per million Btu;

(3) A windfall profits tax on domestically produced crude oil would be imposed to capture rents earned through increases in the price paid to domestic producers;

(4) Deregulation of "new" natural gas, defined as gas produced from wells commencing operation in 1975 and gas covered by expired or expiring contracts. The deregulation of all domestically produced crude oil is also assumed; and

(5) Inclusion by electric utilities in the rate base for electricity prices of costs of construction and of the addition of pollution control equipment.

If the Congress accepts this program, the energy-related costs to U.S. consumers will increase by approximately $43 billion in 1975 and ultimately by over $50 billion annually as fuel supply contracts expire or are renegotiated to reflect higher prices. The impact of the program is summarized in table IV. In each case, the corporate revenues and Government tax collections are estimated.

TABLE IV.—ANNUAL COST OF PRESIDENTIALLY PROPOSED ENERGY PROGRAM

[Including measures requiring legislation]

Increased	Annual effect (billion dollars): Consumer costs	Corporate revenues	Tax collections
Oil:			
Imported oil tariff ($2/b) 6.5 mmb/d×365×$2	$4.7		$4.7
Presently controlled oil:			
Decontrol (price increases from $5.25/b to $11.40/b) 5.7 mmb/d×365×$6.15	12.8	$12.8	
Excise tax ($2/b) 5.7×365×$2	4.2		4.2
Presently uncontrolled oil excise tax ($2/b) 3.0 mmb/d×365×$2	2.2		2.2
Windfall profits tax (interpolated from administration formula)		(15.3)	14.0
Total oil	23.9	(2.5)	25.1
Natural gas liquids: (excise tax $1.42/b) 1.7 mmb/d×365×$1.42	.9		.9
Total natural gas liquids	.9	0	.9
Natural gas—New interstate gas:			
Decontrol (price rises from $0.50/mcf to $2) 2.3 tcf/y×$1.50	3.5	3.5	
Excise tax ($0.37/mcf) 2.3 tcf/y×$0.37		(.8)	.8
Intrastate gas—Influence of oil prices: (Price rises from $1 to $2 for 60 percent of contracts) 10.4 tcf/y×.6×$1	6.2	6.2	
Excise tax 10.4 tcf/y×$0.37		(3.9)	3.9
Controlled interstate gas: Excise tax ($.37/mcf) 9.2 tcf/y×$0.37	3.4		3.4
Total natural gas	13.1	5.0	8.1
Coal: Influence of oil price (price rises for 50 percent of contracts) 0.540 bt/y×.5×$4.27×2 (total coal)	2.3	2.3	0
Total all fuels	40.2	4.8	34.1
Electricity: Increase in electric utility rates from inclusion of construction and pollution equipment cost in rate base	3.0	3.0	0
Total costs	43.2	7.8	34.2

The calculations for table IV are in most cases similar to those employed in analyzing the Presidentially implemented program outlined in table II. The estimate of the capture of rents from the windfall profits tax on domestic oil is an interpolation which approximates result of the administration's more complex formula. Under that formula, revenues on a barrel of oil in excess of a base are taxed. The base escalates monthly from an initial level of $4.95 per barrel to $5.47 at the end of the first year. The effective tax rate for domestic oil during the first year would be $1.98 per barrel plus 90 percent of the difference between the excess over the base and $3. Initially, the windfall profits tax on a barrel of oil sold at $81.40 plus the excise tax would be $5.09; at the end of the year, the windfall tax would drop to $4.62. The annual revenues on 8.7 million barrels per day at these levels of tax are $16.1 billion and $14.6 billion respectively. In table IV, an interpolation between these values is used to estimate the first year's windfall profits tax at $15.3 billion.

The excise tax on natural gas liquids, which contributed 1.7 million barrels per day to the U.S. petroleum supply in 1974, is set at $1.42. On a Btu-basis, this tax is the equivalent of an increase of $2 per barrel in the price of crude oil. Natural gas liquids are currently under price controls, and no decontrol is assumed, although it seems likely that the competitive interaction of the same petroleum products derived on one hand from refinery operations and, on the other hand, from natural gas plants would lead to market distortions in the absence of this decontrol.

The decontrol of new natural gas is assumed to affect 2.3 trillion cubic feet of new gas and all gas under contracts which will have expired prior to the end of 1975. This includes contracts which expired in years previous to 1975, as well as those expected to expire in 1975. Some of this gas is now sold at $0.50 per thousand cubic feet; without the President's program it is assumed that it would all sell for $0.50 per thousand cubic feet during 1975. It is assumed that the price of this gas will rise to the current top price for intrastate uncontrolled gas of over $1.60 per thousand cubic feet plus the excise tax of $0.37 per thousand cubic feet, or, to a total of approximately $2 per thousand cubic feet. In the intrastate market the average price is now approximately $1 per thousand cubic feet. It is assumed that 60 percent of the contracts under which this gas is sold will expire or be subject to renegotiation in 1975, and that the new price will equal the price at which deregulated new gas sells—approximately $2 per thousand cubic feet. It should be recognized that under a climate of deregulation, a substantial reversal of the previous environment affecting gas prices can be expected. Currently interstate pipelines are forced to curtail interruptible customers. Under deregulation accelerated bidding for all gas can be expected as pipelines seek supplies to fill orders for previously threatened customers. This bidding will place considerably more pressure on all uncontrolled natural gas prices than would exist under the Presidentially implemented program which can by law contain no provision to deregulate interstate gas.

The program which the Congress has been asked to pass would raise the cost of energy consumed in the United States by over $43 billion, or $205 for each member of the resident population of approximately 210 million persons. Thus the bill for a family of four on the average will amount to over $800. These incremental energy costs will accumulate as they are passed through the economy to individual consumers in the form of increases in the prices of direct fuel purchases and as increases in the prices of all goods and services in proportion to the energy requirements of these goods and services. These added fuel costs represent an automatic 3 percent inflation in GNP before the impact of any dislocation costs which may be generated by higher fuel prices. According to the Bureau of Mines, U.S. energy costs increased by over $33 billion in 1974: $17 billion for imported oil, $11 billion for domestic oil, $1 billion for domestic natural gas, and $4 billion for domestic coal. These cost increases contributed to an inflation rate which is currently running at 12 percent per year.

During the 1973–74 period, fossil fuel prices for electricity generation increased as shown in table V. The last column shows the average increases in prices of individual fuels which the President's proposed program would produce.

TABLE V.—FOSSIL FUEL PRICES FOR ELECTRICITY GENERATION

[Cents per million British thermal units]

Fuel	September 1973	September 1974	Increase, 1973–74	Increase projected for Ford program
Oil	82	195	83	77
Natural gas	37	54	17	58
Coal	41	79	38	18

Source: FPC, data from table IV.

Based on the average fuel mix of U.S. steam electric generating plants, the price of a million Btu of fossil energy input will increase by 31 cents. This corresponds to an average increase in U.S. electricity prices of 3.3 mills per kilowatt hour, or 12 percent over 1974 average prices.

The automatic adjustment of electricity rates to pass through increases in fuel costs have caused electricity rates to rise much faster in many regions than this calculation of average figures would indicate. Thus in 1974 in many major Eastern metropolitan areas, the price of electricity has increased by 30 percent or more as increased fuel costs were transferred directly to consumers. These increases have just offset the utilities' fuel costs and have not resulted in increases in actual retained revenues. This failure to increase revenues occurs at a time when the utilities' nonfuel costs are also rising and the need to expand and improve capacity is widely recognized. High electricity prices, driven by fuel costs, have strongly stiffened consumer resistance to utility rate increases at a time when these rate increases are needed to fund utility construction programs. Further increases in fuel costs will only further solidify this resistance to the rate increases required to bring in the revenues which the financial viability and minimal growth of the industry requires.

A further increase in consumer costs for electricity which is unrelated to fuel has been proposed in an attempt to increase utility revenues. Part of the Presidential program to be submitted to Congress proposes that the State utility commissions, which regulate the major portion of retail electricity sales, permit the inclusion of construction costs for work in progress in the electricity rate base. This is not now common practice. Normally construction costs plus an allowance for interest on these costs may be passed on to customers only after the completion of work. This provision of the President's program, should it be enacted, could add $3 billion to the national electricity bill in 1975 depending on the construction undertaken and the amount of pollution control equipment installed. This would push the average increase in residential electricity prices to 20 percent—a jump equivalent to the national average for all 1974 increases. As in the case of the fuel cost adjustment effects, the impact of construction work on the rates individual consumers pay will vary widely with respect to local circumstances.

If $16 billion of construction work in progress were added to the utilities' rate base, and the State utility commissions allowed the utilities to earn 9 percent after taxes on their investments, after-tax income would be permitted to increase by $1.44 billion. Assuming a marginal Federal tax liability of 48 percent, the utilities would have to increase their revenues by $3 billion to retain $1.44 billion after taxes.

While this attempt to increase utility revenues increases consumer costs, it does produce needed revenues for utilities. Also, increases in electric rates generated by this provision now would be in part offset by lower rates later, because interest on construction costs would no longer be accumulated in the rate base. However, taken in the context of the entire Presidential program, which will substantially increase the rate of inflation, will substantially increase interest rates and will substantially increase consumer resistance to catch-up rate increases, the net effect on utilities may be negative in many regions of the country. In nearly all cases the net effect on utility customers will be increases in electricity prices comparable to the 1974 increases.

Because the program the President is sending to Congress would remove from price controls both new natural gas sales to pipelines and crude oil production, it would go further than the program implemented by executive order to link domestic energy prices to the prices set by the OPEC cartel. The effect of a $1-per-barrel increase in world oil prices on domestic energy costs will be larger than the estimate of table III because of the effect of decontrol of new natural gas. With this component of the U.S. energy supply also free to move with an OPEC price increase, the effect of a $1-per-barrel rise in the world oil price would cost consumers an additional $8.2 billion annually of which $2.4 billion would go to OPEC, $2.8 would be captured by the Federal Government in windfall profits taxes and $3 billion would accrue to energy producers.

IMPACT OF FORD ENERGY PROGRAM ON CONSUMERS IN VARIOUS INCOME GROUPS

Precise estimation of the detailed impact of the energy program proposed by the administration is complicated by the absence of reliable data describing the consumption of energy at the household level in American society. Calculations using average figures for the country as a whole ignore significant regional differences in energy use, such as the relatively heavy dependence of New England on imported fuel oil for electricity generation and home heating, the widespread use of unregulated natural gas in gas-producing States and the importance of relatively cheap hydroelectric power in the Northwest. Thus, national averages often substantially obscure catastrophic regional impacts of specific events or policies affecting energy.

When the average impact of a policy nationally is as large as that of the administration's present energy pricing proposals, truly substantial regional dislocations and other cost impacts are bound to occur. Thus, the figures quoted below will often significantly underestimate impacts in places where dependence on oil and unregulated natural gas is heavy.

Any projection of additional costs to U.S. consumers from the administration program depends on a variety of assumptions including those regarding levels of production, pricing decisions by sellers of alternate fuels, and the flexibility of contracts between producers and consumers. Moreover, the added costs to be expected in 1975 are surely less than those which will be imposed in later years as the producers free themselves from long-term agreements negotiated at pre-1974 prices, and dislocation costs and markups in excess of dollar-for-dollar fuel cost passthrough are reflected in prices to consumers.

Estimates of the annual impact of acceptance of the administration's program range from $40 billion to over $60 billion as the ultimate cost. An administration spokesman's estimate of $55 billion was quoted by the UPI wire service on January 14, 1975.

None of these estimates include the effect of a further price increase by the OPEC cartel in the future in response to the U.S. import tariff. Each such dollar per barrel increase is estimated to add approximately $8 billion more to the annual energy bill for U.S. consumers.

These energy costs, whether they amount to $40 billion per year, $50 billion per year or, ultimately much more, represents nothing less than a major escalation in the basic cost of all fossil fuels consumed in the United States. This escalation, moreover, is entirely comparable to the shock received only a year ago from OPEC; the major difference is that this second major quantum jump in the cost of energy for consumers arrives at a time when the United States economy is in a deepening recession.

In 1974, according to preliminary figures from the Bureau of Mines, the United States consumed some 69 quadrillion British thermal units (Btu) of fossil fuels, a drop of 2.4 percent from 1973. The increase of $40 billion in fossil fuel energy costs indicated in table IV would raise the price per unit of this basic fossil energy in the United States by nearly 60 cents per million Btu. An ultimate annual cost which reached $55 billion would amount to an increase of 80 cents per million Btu.

Under the assumptions associated with table IV, the price of the 15.2 million barrels per day of petroleum produced in the United States and imported would rise by approximately $24 billion. This is an average of 77 cents per million Btu: $4.30 per barrel, or 10 cents per gallon. The increase per gallon rises by 2.3 cents for each dollar per barrel of in future OPEC price increases; the effect of total decontrol is to cause any such increase to be passed through to all oil consumed in the United States. By comparison, the price of oil used in the United States increased by $6.10 per barrel from 1973 to 1974.

Under conservative assumptions, natural gas costs (excluding liquids) would rise by over $13 billion, equivalent to an average increase in natural gas prices of 60 cents per thousand cubic feet (58 cents per million Btu).

Finally, coal, which is a fuel which competes with oil and natural gas for electricity generation, would be pulled up in cost by at least $2.3 billion in total. This represents an average of 18 cents per million Btu or $4.27 per ton. By comparison, the increases in fuel prices which took place over the 1973–74 period are shown in table VI.

TABLE VI.—*Increase in fuel prices, 1973–74*

	Cents per million Btu
Oil:	
Domestic crude oil [1]	53
Imported crude oil [2]	160
Imported distillate fuel oil [2]	177
Imported residual fuel oil [2]	136
Natural gas:	
Interstate natural gas [3]	4
Intrastate natural gas [3]	14
Average for all natural gas [1]	8
Coal: Average for all coal [1]	27

[1] Bureau of Mines.
[2] Census Bureau.
[3] Inferred from Federal Power Commission and Bureau of Mines data.

These increases would impact the economy in a broadly based and fundamental manner. For example, nearly 80 percent of the electricity generated in the United States is derived from fossil energy sources. An average impact on electricity rates of approximately 3 mills per kilowatt-hour in fuel price increases and 2 mills per kilowatt-hour from inclusion of construction costs in the electricity rate base would amount to nearly a 20 percent total increase in the price of electricity. This would be identical to the experience of the United States on the average in 1974, when the Bureau of Labor Statistics index of retail electricity prices rose 20 percent over 1973. In areas where electric generation is dependent on expensive basic fuels—imported oil or intrastate natural gas—the cost of electricity is currently higher—over 40 mills per kilowatt-hour. In these areas, the price increase in electricity will correspond more closely to the oil and gas price increase, so that the cost of electricity may increase by 10 mills per kilowatt-hour, or nearly 25 percent.

Average costs represent the effect of direct household purchases of fuels and electricity plus the direct passthrough of energy costs in the prices of all other goods and services. The direct cost increases for fuels and electricity are relatively easy to estimate. In the case of home heating oil, the increase depends on the amount of the increased cost of crude oil allocation to heating oil. Under conservative assumptions, the impact of the direct cost associated with the administration program amounts to 10 cents per gallon. However, industry sources have indicated that the per gallon increase could be as high as 15 cents. Heating oil customers have less freedom to reduce consumption—especially since heating oil costs have already doubled during 1974. Thus, the added annual cost of 1,250 gallons of heating oil would be $125 to $185. A home heated with natural gas which used 150,000 cubic feet in 1975 would pay $90 more on the average.

The annual cost of 850 gallons of gasoline—16 gallons per week—could increase from $85 to $120. The price of 8,000 kilowatt-hours of electricity would increase by $40 on the average and as much as $80 in areas heavily dependent on oil and unregulated natural gas. These increases in the price of fuels and electricity purchased directly by households total to approximately the $250 which administration representatives have indicated is the average cost of their program to American households. However, this estimate is a clear misrepresentation of the real impact of the program on the American household. Using the total number of households in the United States, approximately 70 million, the total cost of the program, derived from this administration estimate amounts to only $17.5

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billion, much less than to other administration estimates of the total cost. Thus, $250 is only a third of the real cost of the program to an average American family. The difference is that this estimate includes only direct purchases of fuels and electricity by households. The additional impact of energy costs because of their passthrough in the price of all goods and services dependent on energy, is nearly three times as large as the direct purchases of fuels and electricity by households. These costs all reach the consumer; no one else pays them. Indirect energy costs arise from the increased prices for every item which must be transported before it is sold: food, clothing, construction materials, manufactured goods. Indirect energy costs rise from increases in the price of basic materials which are produced with a large energy input: glass, steel, cement, aluminum, petrochemicals.

Thus, the impact on the average American family of the administration energy pricing program is not $250 per year; it is at least three times that figure. This projection is an average for all families. Yet not all families consume the same amount of energy, nor do they possess similar abilities to pay for it. A study carried out by the Washington Center for Metropolitan studies for the Ford Foundation's energy policy project estimated direct and indirect energy use in families in different income categories for the year ending June 1975. These results are presented in table VII.

TABLE VII.—ENERGY USE BY HOUSEHOLDS

Category	Number of households (millions)	Average income (1972 dollars)	Million Btu/household: Direct purchase fuels and electricity	Indirect energy use	Total use[1]
Poor	11.8	2,500	207	353	560
Lower middle	27.6	8,000	294	549	843
Upper middle	12.6	14,000	403	843	1,246
Well off	13.4	24,500	478	1,095	1,573
Average			337	682	1,019

[1] Total energy use for this sample accounts for approximately 67 quadrillion Btu's, compared to 68 quadrillion Btu's based on fossil fuel consumed in 1972. Total fossil based energy consumption in 1974 was approximately 69 quadrillion Btu's.

Source: Ford Foundation energy policy project.

Table VIII shows the additional annual costs associated with an increase in the price of fossil-based energy of $0.60 per million Btu, assuming the consumption pattern of table VI. The income from which this energy must be purchased is expressed in 1975 dollars.

TABLE VIII.—INCREASED ENERGY COSTS FOR HOUSEHOLDS BY INCOME: DIRECT AND INDIRECT ENERGY PURCHASES

Category	Income[1] (1974 dollars)	Cost increase for direct energy purchases[2]	Cost increase for indirect energy purchases[3]	Total increase
Poor	$3,050	$124	$212	$336
lower middle income	9,770	176	329	505
Upper middle income	17,000	212	536	748
Well off	29,900	237	657	944

[1] Income adjusted by the ratio of consumer price indexes: December 1971/December 1972 = 1.221.

[2] Purchases of fuels and electricity for households; energy dcosts assumed to increase by 60¢/MMBtu.

Purchases of all products (food, automobiles, housing appliances, petrochemicals, services) dependent on energy; dollar-for-dollar passthrough of 60¢/MMBtu is assumed without any increase due to "ripple" effect.

Table VIII shows the significant effect of cost increases in the direct purchase of fuels and electricity and the even larger effect of indirect energy use on expenditures. Thus, for a poor family, approximately $125 in increased costs for direct energy purchases corresponds to nearly $340 in increased costs when purchases of nonfuel goods and services are accounted for. For middle-income families, $200 to $250 in increased costs for direct purchases of fuels and electricity become $500 to $700 in total cost increases per family when all purchases are considered. For well-off families the total cost will be in excess of the average cost.

This table also shows the disproportion between added energy costs and ability to pay. The poor must find extra cash to pay for a third as much energy as the well off, yet they must find this cash in an income which is on the average, only a 6th to a 10th as large. Thus, the basic requirements for food, shelter, heat, transportation, and essential clothing and manufactured goods place a floor on energy requirements which does not respect relative ability to pay. When basic energy prices increase, the burden falls much more heavily in proportion to ability to pay on the poor.

The table shows that added energy costs which the President's program would provide for will reduce the purchasing of the poor by over 11 percent while for the well off, only 3 percent of income will be affected.

Mr. JACKSON. I yield the remainder of my time back to the Senator from Connecticut (Mr. RIBICOFF).

Mr. KENNEDY. Mr. President, will the Senator from Connecticut yield me 4 or 5 minutes?

Mr. RIBICOFF. I yield 4 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I rise to urge adoption of H.R. 1767 by the Senate as an essential step to prevent the President's energy program from dragging the economy further down the road of recession.

At the outset, it should be emphasized that our efforts are not aimed at confrontation, but at permitting the Congress an opportunity to develop a cooperative approach to energy that does not endanger the economy.

Not since the depression have we had 8 million American men and women without jobs. Not since the depression have we had an adjusted unemployment rate of 8.2 percent. And not since the years of the late 1920's have we had executive decisionmaking that is so out of touch with the economic reality of America.

Our most critical problem today is ending the recession and putting Americans back to work. Yet the President's energy program will block economic recovery. It will assure that more Americans will be unemployed at the end of the year than at the beginning. And it will derail efforts to end double-digit inflation.

H.R. 1767 is an emergency measure to roll back the $1 per barrel fee on imported crude oil imposed by Presidential Proclamation 4341 and to delay the additional fees on imported crude oil and petroleum products slated to take effect on March 1 and April 1.

The House of Representatives adopted this measure 309 to 114. A majority of the Senate already is on record as favoring the 90-day delay since 52 Senators have joined as cosponsors of Senate Joint Resolution 12 which I introduced on January 23 with the distinguished chairman of the Senate Interior Committee, Senator JACKSON.

That measure contained a similar 90-day delay of import fees as well as a delay of any unilateral increase in the price of controlled oil. I have cosponsored S. 621 which Senator JACKSON has introduced to prevent a Presidentially imposed lifting of old oil prices.

However, the first wedge of the President's energy program is the $3 per barrel oil import fee program which the President proclaimed on January 23. The measure before us today is designed to remove that wedge and permit the Congress to consider alternatives that will meet the goal of reducing foreign dependence but without jeopardizing our economy. As import fees rise, the price of uncontrolled oil, coal, and unregulated natural gas will rise as well.

Economists who have served Republican and Democratic Presidents, former members of the Council of Economic Advisors, former high Ford administration energy policymakers and even the current Chairman of the Federal Reserve Board have pointed out the hazards of the Ford energy program.

They are virtually unanimous in condemning the energy program as questionable in its own right and indefensible at a time of economic crisis.

The administration program apparently was conceived in a cloistered tower where the long lines of the unemployed cannot be seen. It is inconceivable that a program that Arthur Burns, the Chairman of the Federal Reserve Board has termed "hazardous at a time like this," should be unilaterally imposed without congressional hearings, without public participation, and without its full impact being examined and alternatives explored.

The administration also has seriously understated the cost of its program to the American business community, to the American consumer, and to the American people.

The full Presidential program is estimated by the administration to cost $30 billion.

That total does not include a penny's worth of coal price increases.

That total does not include a penny's worth of price increase for unregulated natural gas.

That total does not include any increase in the price of electricity.

Economists and energy experts convincingly testified that coal and unregulated natural gas will seek the higher ceiling established by the new price of foreign oil plus the import fee.

Nor does the administration's $30 billion figure include any estimate of a ripple effect.

The ripple effect means that inevitably businessmen will adjust upward their final product price by more than the increase in the cost of production produced by the added cost of energy to maintain their margin of profit.

In turn, there will be wage increases which produce their own subsequent pressures for price rises. The new costs will double the administration estimate of price increases resulting from the Ford energy program.

The cost of all goods will rise and the value of the take-home pay of every American worker will decline.

Most economists estimate that ripple effect to be many billions of dollars.

Dr. Otto Eckstein, of Data Resources Inc., and a former member of the Council of Economic Advisers testified before the Senate Subcommittee on Administrative Practice and Procedure that the ripple effect would add $25 to $30 billion to raise the final cost of the administration's energy program to $55 to $60 billion. Library of Congress economists used a similar 1.5 to 2 ripple effect, estimating the total cost at $45 to $60 billion.

If the direct $30 billion administration estimate was adjusted to reflect likely increases in coal and natural gas prices, as the Interior Committee has calculated, the direct energy costs would be $43 billion. With the ripple effect, the total Ford energy program cost would be between $50 and $67 billion.

The overall impact of the program, therefore, is likely to be devastating to any hopes for economic recovery. The potential is for as many as 660,000 additional unemployed according to Data Resources, Inc., if the President's full program takes effect.

Not only will vast amounts of purchasing power be taken away from the consumer but the level of prices will continue to follow the sky is the limit pattern of the past several years.

No clearer statement of the administration's willing acceptance of these costs can be found than its own budget projections of double-digit inflation this year, its own expectation that our gross national product will decline again, and its own assumption that 7.5 million Americans will continue jobless this year, next year, and the year after as well.

It is a prescription for economic dislocation and social injustice and it is a prescription that the American people do not have to swallow.

Thus, the overwhelming reason for delaying the President's program is that it will devastate any chances for economic recovery.

However, there are additional reasons as well. First, I believe there are serious questions whether the tax and tariff program announced by the President will have the desired effect of reducing consumption. The price increases of the administration program strike at every product—home heating oil, residual oil for industrial and institutional use, and gasoline—and thereby dilute any hope of effectively reducing consumption.

New England homeowners have reduced their consumption of home heating oil already. Yet they are expected to reduce further. They cannot. Across the country there has been a reduction in residual oil use of some 300,000 barrels since 1973. Yet the administration actually plans to cut residual consumption by nearly 20 percent by the end of the year compared to a reduction of only 3 percent for gasoline.

There are grave doubts, therefore, about the effectiveness of the administration program as a vehicle for achieving a reduction of energy consumption.

Thus, the President's high tariff-high taxes energy policy is of doubtful utility in reducing reliance on foreign oil imports in the short run but is sure to block any attempt at economic recovery.

Second, it is inequitable. It will place the most severe burden on those least able to bear the burden—the poor, the elderly, and the unemployed and on those regions which already have suffered the most severe increases in the cost of their energy.

The poor cannot dip into savings to pay for the added energy costs of the President's program. There are no savings.

The elderly on fixed incomes cannot find available funds from their monthly social security check to pay for added electricity costs. There are no available funds.

And at a time of rising unemployment and continued inflation, a policy of this nature is even more burdensome to these individuals.

In addition, the program inevitably is discriminatory against high import regions such as New England, the east coast, upper Midwest and west coast. We in Massachusetts and New England now pay 30 percent more for energy than the rest of the Nation. Despite the efforts toward equalization there is a reality that we have learned over the years.

If the program begins as an inequitable program, it inevitably results in inequities despite all of the minor adjustments that are attempted.

We now rely for 85 percent of our energy on oil and for 70 percent of that oil we rely on imports. Those statistics explain why we in New England, with 5.8 percent of the population are expected to pay some 11 percent of the ultimate cost of the President's short-term program. The Upper Midwest also bears a heavier burden than the national average.

The delay for 90 days of the import fees will save the American consumers millions of dollars and will insure to the Congress an opportunity to examine a credible alternative to the President's program.

Finally, I believe it is inappropriate for a major policy decision—such as the increase in tariff fees of such magnitude and the lifting of price controls on old oil—to be taken without full congressional consultation and without any prior public participation in the decisionmaking process. I believe the procedure used by the President was inadequate and possibly illegal. In amending section 232 of the Trade Act, I believe we intended that only in the most dire emergencies would the opportunity for public participation be denied. Also, I believe there is a requirement for the Federal Energy Administration, prior to implementing the President's proclamation, to follow the National Environmental Policy Act procedures.

For these reasons, I believe it is essential that we adopt H.R. 1767 to provide the Congress with the opportunity to explore alternatives that will yield a steady reduction in our reliance on foreign oil imports without endangering our economy.

I also would be interested in knowing what response to this announcement I can get from the Senator from Washington and the Senator from Connecticut:

I understand that within the last few minutes, 32 Democratic Governors meeting in the Governors' conference have voted 32 to 0 in favor of the 90-day delay in the President's program. That includes Governors from oil-producing States, from consumer States, from the South, the Midwest, the West, and the East.

That seems to me an important indication that endorsement of this delay is not limited to broadly representative Senators who have expressed their views as either cosponsors of Senate Joint Resolution 12, or otherwise indicated that they will support this bill; but it has broad support among the State Governors from all over this country as well.

I think this is a matter for encouragement, and one of which the President should take notice. I am continuously reminded of the fact that those who support this resolution want to work with the President of the United States in developing an energy conservation program. I am mindful of the fact that many of those who support the bill, as the Senator from Washington has said, have been innovators in the development of creative ideas on how gasoline, primarily, can be conserved; I think many of us who are supporters of this bill feel deeply that that is the place where any energy conservation program should be started, not in home heating oil or residual oil which are so vital to the safety and well-being of the country and whose consumption reduction cannot be easily achieved. There also is broad support for a program similar to the President's which will stimulate the economy and bring it back to full growth and development.

I thought that Senators would want to know of this development, without a dissenting vote by this group of Governors. I think this is a clear indication and expression that this is not a regional issue, but an issue that stretches from the concerns of the Northeast to those of the Pacific Northwest, and from the North to the South. I also want to note that the Governor's Conference Committee on Natural Resources and Environmental Management comprised of Democrats and Republicans chaired by Governor Salmon also passed a resolution supporting a delay in import fees. Obviously, this is a further expression of sentiment for this measure. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

PROPOSED POLICY POSITION ON NATIONAL ENERGY POLICY

The Nation's Governors salute the President's initiative in stimulating a national debate on the need for America to reduce its dependence on foreign oil and the openess with which he has welcomed good faith analysis and counter-proposals.

After careful review of the implications of his proposals, we find several parts which are attractive. However, we do not agree with the central thrust of the short-range phases. We believe in a national energy policy with the following principles:

At this time in our nation's history, the goal of reducing use of energy should not be based on price rises through excise taxes and tariffs;

UMI

We support deferring any proposed tariffs while the national debate is in progress;

Conservation must be the central focus of the short-range program. This should be coordinated through all levels of government; should employ a mixture of mandatory, voluntary and tax incentive measures and should feature understandable, measurable objectives. Essential to the success of such an effort is an awareness of the need for the reduction by the American people developed with a common voice for all governments;

If severe shortages evolve or if there is inadequate progress towards meeting a national goal this year, it is better to use an allocation program than to use excise taxes and tariffs or coupon rationing;

If allocations are to be used, they should be prepared long in advance and mechanisms built in to provide the degree of flexibility required to minimize inequities;

A fuels policy must recognize that shortages in one type create needs for reasonable alternatives to prevent one part of the country or one sector of our economy from carrying unfair burdens;

Prices will inevitably rise as the result of an effort to increase supplies and to discourage wasteful uses of scarce resources—the increases should be phased in to provide an opportunity for adjustment;

Pre-emption of State responsibilities is not needed nationally and will inevitably stifle the initiative that has, and will, serve the nation.

Mr. RIBICOFF. Mr. President, will the Senator yield for clarification?

Mr. KENNEDY. I yield.

Mr. RIBICOFF. The Senator notes that this vote was 32 to 0. Did the other 18 Governors abstain, or were there just 32 Governors present?

Mr. KENNEDY. This was the vote of the 32 Democratic Governors meeting in caucus. As I mentioned earlier, a committee comprised of both Democrats and Republicans approved a similar resolution.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. JACKSON. I think the Senator's point is well taken, especially when placed side by side with the overwhelming vote in the House of Representatives, which was 309 to 114. That is an indication of the attitude of the people of this country. All 435 Members of the House of Representatives were elected in the last election.

The PRESIDING OFFICER (Mr. GOLDWATER). The Senator's 5 minutes have expired.

Mr. JACKSON. The fact that 32 Governors have voted unanimously further corroborates the overwhelming view of the American people that this particular proposal of the President, which is a part of a package, will set in motion recessionary and inflationary forces that will put people out of work and will take $800 per year out of pocketbooks of an average four-person family.

If the President wanted to target one area, gasoline, as the Senator has indicated, that is one thing. But what has been done by putting the tax or the tariff on a barrel of oil is affect the whole gross national product.

Now, it does tax gasoline, it does tax heating oil, it taxes everything, and it is incomprehensible that such a program would be offered in the name of energy conservation. The program the President would have the Congress enact is going to force an average four-person American family to take a deduction of $800 annually.

The PRESIDING OFFICER (Mr. GOLDWATER). The time of the Senator from Washington has expired.

The Senator from Nebraska has 16 minutes remaining.

Mr. CURTIS. Mr. President, I yield to the distinguished Senator from Wyoming such time as he desires.

Mr. HANSEN. I thank the Senator.

Mr. President, I do not argue at all with the fact, as has been pointed out by the distinguished chairman of the Committee on Interior and Insular Affairs that fossil fuel prices have risen $33 billion between 1973 and 1974.

I do not argue with some of the other statements he makes, but let me take them up one at a time.

First, anyone could have anticipated, and a number of us did anticipate, precisely what would happen if we did not take steps to reverse the trend we have been in for a long time, which has increased our dependency upon foreign energy supplies.

In the oil industry, Democrats, as well as Republicans, have been outspoken in this forum and in other forums in saying this is exactly what would happen. We were warned by the Arabs a long time ago that they did not find great favor in our Middle Eastern policy, that they would probably use oil as a weapon, and they have done just that.

Now the fact is that this is the reason why the President has expressed the concern which prompts him to want to do something about it.

I have the report filed by the House Committee on Ways and Means on January 30, and I want to read what the Democratic whip, Congressman DAN ROSTENKOWSKI, said in his individual views, and I quote:

> In conclusion, I believe that if we in the Congress are going to oppose the President's program at this most critical time, we should oppose it only if we are able to substitute a positive program of our own. We should not spend hours searching for a mere technicality to block his action, or days complaining about how unfair it is for him to take the initiative, using every discretionary tool available to him.

Those are not Republican words. Those are spoken by the Democratic whip, the distinguished Congressman from Illinois (Mr. ROSTENKOWSKI).

What is he talking about? This is what he is talking about. This is S. 594 introduced by Senator HUGH SCOTT, of Pennsylvania, at the request of the President. It contains many proposals, including what he proposes to do about taking steps to increase our domestic energy self-sufficiency and that, too, is part of the problem because, as has been pointed out by the distinguished floor manager of this bill, we do have the resources in this country, we can become energy self-sufficient. There is every reason why we should become energy self-sufficient. But, for too long, Mr. President, we have listened to the voices of politicians who do not want to bite the bullet, want to find the easy way out, who want to procrastinate and say, "Let us wait another 90 days."

I listened, as a member of the Interior Committee, to these sort of urgings for a long time. Now, it started out that we were going to have an energy policy bill, Senate Resolution 45, and that was about 4 years ago, I think, that we were talking about that.

Here we are 4 years later, and the best we can do, Mr. President, is to offer a 4-page bill that is couched entirely in the negative.

It says the President cannot do this; the President cannot do that; the President shall not do this or not do that. The whole thing is negative. It simply says that after 4 long years when we have become aware of the impact that we were certain would happen and, indeed, was happening 4 years ago, when we knew we were getting into a tougher bind every year, all we can say now, all the majority party in Congress can say now is, "Give us another 90 days and we will come up with a platform."

Well, I am proud of this man—I do not know this Congressman from Illinois—but I must say he is a man of courage. He is a man of courage because, first of all, he is the Democratic whip over there, and I imagine what he said was not very popular with some of his colleagues. But I suspect, although I do not know him, that he was concerned, as I believe down in our hearts most of us are, with, first, what is good for the country, and it is just that simple.

Now, I do not say that everything in the President's plan is good. I think a couple of points ought to be made. First of all, we hear these observations about rising unemployment. Sure, it has risen. I remember when we voted against the SST, unemployment escalated in the State of Washington, for a very good reason, Boeing had the contract, and we have not really gotten out of that jam either.

Other things have happened, but it is not fair at all to say that the President's program is the cause of these problems that are of such concern to us now, and it is not fair to quote a bunch of phony statistics trying to say that the situation is far worse than it really is.

Data Resources, Inc., was mentioned not long ago. Let me tell you about that. Paul Earl made a study for the Council on Wage and Price Stability that estimates the price impact at the consumer level at 1.9 percent. I repeat that. The price impact at the consumer level at 1.9 percent by the end of 1975, and 2.4 percent by the end of 1976, even assuming, as the administration estimates do not, a coal price increase equal to oil prices.

How does that come about? I can tell you how it came about. In a telephone interview Earl said that his forecast differed only marginally from the administration's, and that the press release by Representative LES ASPIN, a Democrat, to the effect that we would have an increase of 4.3 points was on an index of 178, not on an index of 100.

When we divide 4.3 by 178, we do not come up with 4.3, as anyone would know; we come up with 2.4 percent. But this is the impact that the President's program would have, as it has been estimated by some authorities, if everything here were done.

Now, I wish everything did not have to be done. I wish it just as ardently and just as fervently as anyone else because I, too, like to be the bearer of glad tidings. But we have had too much of that, and that is why we all have to face an extremely tough situation now. So, if we want to do something about domestic supply, we have got to give encouragement to the oil industry.

Senator JACKSON says he fails to understand or—let me quote him so I will be accurate. He says:

> The Members of the Senate know that this body attempted to roll back the price of new released and stripper well oil to a level only twice rather than three or four times their pre-embargo levels. This effort to free our domestic prices from determination by the OPEC cartel was, of course, vetoed by President Nixon, and the Congress was unable to override his veto.

That is all very true, and there are very good reasons why Congress did not override that veto, beginning with this basic one. If we want to have some leverage with the OPEC cartel, the way to do it is to increase our domestic supply, and the way to increase our domestic supply is to keep stripper wells pumping, and if we had rolled back the price of that oil, as many recommended, including Republicans, we would not be pumping as much oil today in this country as we are now pumping. We are pumping it because the price is up.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. HANSEN. Yes.

Mr. CURTIS. Mr. President, I commend my distinguished friend for his very profound statement on this subject.

We are not faced with some little temporary problem that we cannot get gasoline at a filling station for the next few weeks. I doubt that is going to happen. Whatever effect the import fee has upon heating oil, the winter is going to be over, pretty much.

We are faced with a very serious, long-range problem, and the distinguished Senator from Wyoming has for weeks and months made a contribution along that line.

I want to ask the Senator this question. It was stated here on the floor a few minutes ago that this program would cost the average family $800 a year. Now, for many families the only petroleum product they use is gasoline and that would be $66 a month increase in their gasoline bill.

I believe that there is a high percentage, or a substantial percentage, of the families that do not spend that much money on gasoline totally, including all the State taxes and the price of gasoline.

What is the Senator's comment on that?

Mr. HANSEN. My comment is that the $800 per family figure for an average family makes me wish I were an average family because the average family will not start to pay anything like that, and I challenge anyone to submit documentation that will support that figure.

Did the Senator say that the President's program would add this much to the cost of living for the average family?

Mr. CURTIS. I did not say that at all.

I heard in the debate here on the floor within the last half-hour that the program was going to cost the average family $800.

Well, the average family perhaps does not spend that much money on gasoline.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. CURTIS. I do not have the floor.

Mr. KENNEDY. On that point.

Mr. HANSEN. I am happy to yield for a question.

Mr. KENNEDY. Yes, just on that one particular question.

Mr. HANSEN. Yes, indeed, I am very happy to.

Mr. KENNEDY. It seems to me, even if we accept the figures that have been provided by the White House, revised figures that began at $250 per household and then were changed to $345 per household, we begin with a very high direct energy cost per household. Then if we take the ripple effect expected and double the impact on that family, we find a per household cost of about $700. The ripple effect has been testified to by Otto Eckstein, and other distinguished Republican and Democratic economists. And, if we add in a per household cost for coal and unregulated natural gas, then we reach the figure which Senator JACKSON mentioned, the $800 per household.

But a significant point, I think, is in the point made by the Senator from Nebraska is that some families in this country do not use oil or gasoline, so, therefore, they are not going to have to bear that burden. But this quite clearly indicates that those families who do use oil or gasoline are going to pay a great deal more, which makes the very point that many have suggested, that this program is ill conceived and poorly structured because basically it is inequitable. It depends upon the accident about where we live as to the percent one will pay.

I will be delighted to hear either the Senator from Nebraska or the Senator from Wyoming elaborate on that particular point.

Mr. HANSEN. I wish the Senator from Kansas were here.

Mr. KENNEDY. The Senator from Nebraska.

Mr. HANSEN. In the meantime, if the Senator from Nebraska would like to make that observation to the Senator from Massachusetts, perhaps that would be interesting also.

I would like to say, Mr. President, that Senator JACKSON spoke about these experts, and he mentioned, among others, Dr. Arthur Okun.

May I point out that in this morning's Washington Post, Dr. Arthur Okun was quoted in testimony he gave to a subcommittee chaired by Senator FRANK CHURCH on multinational corporations.

I call attention to one statement he made:

> So I agree fundamentally with the President's judgment—energy must be taken seriously in '75 and the reason is that monopolized oil, the world oil market, has unacceptable long-term consequences for the United States.

He could not be more right. I do not know what the figures might eventually be boiled down to when we consider exclusively the impact of the import fee.

The PRESIDING OFFICER. Will the Senator yield?

By authority of the Senate, there is an agreement that at 2:45 p.m. the Senate was to return to the discussion of the Javits amendment. The Senator is not here. The Chair sees nothing wrong with the Senator continuing his discussion.

Mr. HANSEN. May I infer that I speak with the permission and full approval of the Senator from New York (Mr. JAVITS)? Would that be presumptuous?

The PRESIDING OFFICER. The Chair cannot assume that, but in his absence the Chair would expect he would either do that or stay quiet and that would not be in the nature of the Senator.

Mr. HANSEN. Thank you, Mr. President. I shall watch, and I appreciate the courtesy of the Chair.

Let me say this. Dr. Alan Greenspan made the point that the impact of the import fee, considered by itself, has an adverse economic impact on our gross national product of less than one-half percent, and he says it has no effect at all on the unemployment in this country.

I note that the distinguished Senator from New York has arrived. I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, the time allotted beginning at 2:45 p.m. was intended to be devoted to certain amendments which were sought to be made to the amendment which I have proposed, and I am told that the Senators in question are en route, so I would suggest the absence of a quorum to give them an opportunity to get here.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. I ask unanimous consent that, notwithstanding the limitation on time, I may proceed out of order for 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING OUR MISSING-IN-ACTION

Mr. CURTIS. Mr. President, 2 years have passed since the Paris Peace Accord ending U.S. military involvement in Vietnam was signed. There are 1,300 Americans still listed as missing-in-action.

I do not believe we have been given sufficient indication that all reasonable actions have been taken to account for our MIA's.

UMI

I do not believe we have insisted enough.

I do not believe we can afford to forget.

As we approach the Bicentennial, celebrating the birth of a strong representative government guaranteeing its citizens the freedoms of life, liberty, and the pursuit of happiness, can we look askance at a black mark in our history—the failure to even account to their families the fate of 1,300 "safeguarded" American citizens?

Not without shame.

Not without a sense of outrage.

A former prisoner-of-war in Vietnam, Stephen A. Rudloff, still a lieutenant on active duty with the Navy, writes of the plight of our missing-in-action:

For the most part, American conscience lies dormant.

I believe if America is to prove it has a conscience, we will redouble all our efforts to obtain a valid accounting of our MIA's.

Mr. President, I ask unanimous consent that Lt. Rudloff's article, "Missing the Missing in Action," from the National Review, February 14, 1975, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MISSING THE MISSING IN ACTION

(By Stephen A. Rudloff)

ITEM: June 1962. Pomp and Circumstance. "The valedictorian of the graduating class will now address the student body."

Honored guests, faculty, parents, and fellow graduates:

Memories, as real as the day on which they occurred; once forgotten, but now recalled in a fleeting grasp at sanity. They are straws on a Lethean sea, the last connection with hopes and dreams, with love and joy, with life itself.

"Memories don't die, only men do; but a man lives so long as he is remembered. Who remembers me?"

ITEM: October 1969. Marching; no music, just the pain of pounding fists and slashing boots. Another village ahead; will it never end?

One man, stripped of the last vestige of human dignity; he lies huddled in a cell, lonely and afraid, while every movement of his body brings back the pain from seemingly endless beatings. For most Americans, life goes on as usual. It is a day at the office, Monday night football, or a trip to the beach. But for him, anxious moments are an eternity of fear; fear that the next sound he hears will be the unlocking of his cell, for the short march to yet another savage interrogation. Trembling, he may close his eyes in prayer, or stare at the ceiling, remembering a soft caress from a long departed night, or imagining the child he has never seen.

ITEM: Saturday, January 27, 1973. Peace accord signed! POWs coming home! Paris (UPI)—Delegates from the United States, South and North Vietnam, and the PRG [Provisional Revolutionary Government] signed a peace treaty in Paris today, bringing to an end the longest war in our nation's history.

When the Tonkin Gulf Resolution was passed, United States military forces were authorized to bomb strategic targets in North Vietnam, and to step up operations throughout the entire theater of war. In the decade that followed, thousands of young Americans shed their blood over Southeast Asia. Many came back with permanent disabilities.

After the fragile peace established in January 1973, over 1,300 Americans did not return. They are euphemistically referred to as MIAs (Missing in Action), but it would be more accurate to call them abandoned Americans; for in the 24 months that have passed since active U.S. military participation in Southeast Asia terminated, the list of MIAs remains tragically close to the 1,300 figure. For the most part, America's conscience lies dormant. The Congress is encumbered by one political crisis after another, and even the colloquialism MIA has begun to drift into that obscure graveyard reserved for expressions of a bygone era. And all the while, those 1,300 Americans remain shrouded in a grey mass of uncertainty, shapeless figures in a game of political expediency in which they were once knights and rooks, then pawns, and finally merely a fading blemish upon the integrity of a nation. January 27, 1973 passed them in the night.

"Today is like every other day."

ITEM: "I will never forget that I am an American fighting man, responsible for my actions, and dedicated to the principles which made my country free. I will trust in my God and in the United States of America."—Article VI, the U.S. Fighting Man's Code.

In signing the Executive Order that put the Code of Conduct for the Armed Forces into effect, the President of the United States declared: "No American prisoner of war will be forgotten by the United States. Every available means will be employed by our government to establish contact with, to support and obtain the release of all our prisoners of war." The late President, Lyndon Johnson, made no distinction between those POWs the enemy chose to release and those who were known to be held captive. He stated unequivocally, "all our prisoners of war." With all of America's fighting men, the President made a covenant of faith. But for America's MIAs in Southeast Asia the flame, if it still exists at all, has dwindled to a flicker.

"I will never forget . . . I will trust . . . I will never forget . . . I will trust . . ." The echo persists, but it is fading.

ITEM: Tuesday, August 20, 1974. VFW HEARS FORD PROPOSE LIMITED VIETNAM AMNESTY. Chicago (UPI)—In a dramatic, last-minute addition to his speech, President Ford yesterday shocked a Veterans of Foreign Wars convention by proposing limited amnesty for Vietnam-era draft evaders and deserters willing to work for it.

Impassioned pleas are made on behalf of those who deserted from the Armed Forces, or refused induction entirely. But what of those nearly 1,300 Americans who have already earned the right to come home? While the Communists cannot account for all of these men, to assume that they cannot account for any of them is absurd. Moreover, evidence exists to support the fact that many were captured alive, with no more than superficial injuries. These are the forgotten Americans, the men who sacrificed so much, and yet who ask for so little in return.

"My God, my God, why hast Thou forsaken me?"

ITEM: Tuesday, August 6, 1974. SMOKEY'S FUNERAL RITES PLANNED. Washington (UPI)—The House yesterday unanimously approved eventual funeral arrangements for Smokey the Bear. . . . After his death, he will be taken back to his birthplace near Capitan, N.M., for "proper disposition and a permanent memorial." The resolution now goes to the Senate.

Let the dead bury their dead. The MIA has been "properly disposed of" by Congress and the people. His memory makes a fitting bier for the coffin of American integrity. Let his epitaph read "BETRAYED."

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST, PETROLEUM IMPORTS

The Senate continued with the consideration of the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

Mr. PACKWOOD. Mr. President, I ask unanimous consent to proceed for 3 minutes without the time being chargeable to Senator JAVITS or Senator PERCY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President. there has been continual controversy over how much these different programs are going to cost; what the average household or the average taxpayer is going to pay. The figures vary widely when the same programs are analyzed, and they certainly vary widely when the President's entire energy program is analyzed, as opposed to just the impact of the tariff. I come back again to the statement that we are talking today only about the tariff. The President's entire energy package cannot and will not be imposed except by positive action of this Congress.

I would like to read into the record a statement prepared today by the Office of Economic Impact, at the Federal Energy Administration.

EFFECTS OF THE PRESIDENT'S PROGRAM ON INFLATION AND UNEMPLOYMENT

The Federal Energy Administration has analyzed the $3 tariff and has found that it will have a small effect on the CPI during 1975 if the program is continued throughout the year. The annual rate of change of the CPI would be increased by about one-half of one percentage point as a result of the $3 tariff program.

The President's total economic and energy program has been carefully analyzed by both the Federal Energy Administration and major forecasters in the private economy, and it has been found that it has very minimal effects on the rate of unemployment. Mike Evans of Chase Econometric has forecasted the impact of the total program and finds no unemployment effect. Data Resources, Inc. estimates of the effects show a very small increase in the rate of unemployment for the first year of the program of only .1 percentage point.

Those are the facts. That is what will happen, at the outside, if we put the tariff into effect.

The risk we run if we do nothing now, no tariff, no energy policy, no reduction of imports, is analyzed in another report by the Federal Energy Administration. I ask unanimous consent to have it printed in its entirety in the RECORD but I will read one paragraph right now.

If another Arab oil embargo were to be imposed in 1977, we could be faced with a cutoff of 4 million barrels per day which would have serious repercussions for our economy. If the embargo lasted 6 months or more there could be approximately a $40 billion drop in the GNP which would leave 2 million people unemployed.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PETROLEUM IMPORTS: THE NEED FOR IMMEDIATE ACTION

Last winter's oil embargo demonstrated the vulnerability of the United States to foreign supply cutoffs and the need for a national energy policy. The embargo was the result of years of energy neglect which left the United States' economy and its relationship with other nations subject to foreign influence and disruption. The United States must regain its energy independence if we are to have economic and national security as well as provide leadership in assuring the stability of world energy supply and price.

Since last winter, there has been widespread agreement that a comprehensive energy policy is needed. We have analyzed and debated the policy options. But, the time for study is now past and delay will only compound the problem.

The President has proposed a long-range program to achieve energy independence by 1985. To reach this goal, we must begin now. Our oil and gas supplies will continue to dissipate and imports will grow, unless we take immediate steps to reduce our consumption of oil and bring on new supplies. The President's mid-term program includes tough conservation and supply expansion measures. To cut demand, he has proposed mandatory thermal efficiency standards, a residential insulation tax credit, fuel efficiency and appliance efficiency goals, mandatory appliance and auto efficiency labeling, and a low-income conservation assistance program. To increase supply, the President proposed deregulation of new natural gas, increased offshore oil and gas development, amendments to the Energy Supply & Environmental Coordination Act, surface mining legislation, facility siting regulations, assistance to electric utilities, and a synthetic fuels program. Yet, even if all these actions were taken immediately, by the end of 1977, we will be importing about 8 million barrels of oil per day—25 percent more than at the time of the last embargo. There are long lead times to build new facilities, manpower and equipment constraints, capital availability problems, etc. At this level of imports:

Half of our imported oil could be coming from OPEC countries.

If another Arab oil embargo were to be imposed in 1977, we could be faced with a cutoff of 4 million barrels per day which would have serious repercussions for our economy. If the embargo lasted six months or more there could be approximately a $40 billion drop in the GNP which could leave 2 million people unemployed.

The immediate actions we can take to increase supply can only have a small effect. Development of the Elk Hills Naval Petroleum Reserve and coal conversion together can only reduce imports by about 300,000 barrels per day in 1975.

Unless we begin to cut consumption by 1 million barrels per day immediately our dollar outlay for petroleum will continue to increase dramatically:

In 1970, our dollar outlay was $2.7 billion;

Last year it rose to $24 billion,

And if no action is taken, by 1977, our dollar outlay could increase to $32 billion.

The net effect of the 1 and 2 million barrels per day goal is to stem any increase in U.S. vulnerability between now and 1977 when the longer range programs begin to have measurable impact. We must make sure we are not more vulnerable than we were at last year's embargo.

Natural gas curtailments have already left thousands of people out of work. President Ford's proposal for the deregulation of new natural gas and the natural gas excise tax will increase prices. The higher prices are needed to conserve our scarce gas supplies. If the erosion of our gas supply is not halted, more oil must be imported as a substitute. This will also eliminate these crippling curtailments.

Action now on the President's program is also imperative if the U.S. is to maintain its international leadership. We cannot expect other nations to tighten their belts without the U.S. doing the same. We cannot appear unwilling to take the unpleasant, but necessary steps to cure our energy and economic problems when other nations have already faced up to their own problems. The consuming nations must band together in this time of crisis in order to deal with this situation. The surplus of Arab dollars is already creating a financial crisis in Western Europe and concerted action is needed to break the cartel's prices.

Immediate joint reduction in use by U.S. and other consuming countries will also enhance our ability to withstand any future embargoes or other selective political action by OPEC countries, and this should deter such activities on their part. To this end it is important that the U.S. and other consuming countries put in place as soon as possible a program which materially reduces their dependence on OPEC's oil.

By 1985, if the U.S. plans to save 8 million barrels per day of imports from the 12.7 million barrels per day import requirements which would result if no actions were taken, we will have to reduce imports by almost 1 million barrels per day per year in each of the next 10 years. President Ford's program is a start. It offers the first comprehensive, integrated approach to our economic and energy problems ever assembled and will put the nation on the course towards energy independence by 1985. If we do not act now on the short term goals, there will be an unacceptable cost to the United States—both domestically and internationally. The costs of the President's program may be large, but are small when compared with the potential costs of doing nothing.

Mr. PACKWOOD. Mr. President, that is the risk we are running, Mr. President, if we do nothing. We may do nothing, and there may be no embargo. But we are leaving ourselves open to a vulnerability beyond good conscience if this Congress sits here through this year, through next year, frankly, through the next 6 months, and says we have time to fiddle.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Will the Senator from Oregon yield for a question?

Mr. PACKWOOD. Yes.

The PRESIDING OFFICER. On whose time?

Mr. JAVITS. Mr. President, Senator PERCY is here and we are ready. I will certainly yield a minute.

Mr. KENNEDY. I wonder if he has included the cost of uncontrolled oil rising to the price of the tariff-added oil and to coal costs as well. Also, I wonder if he has included in that the dollar figures for the various households of the country. We have seen figures we quoted before. The $345 was based upon the White House figures. I am wondering in this new study the Senator is putting into the record whether there is any new form or any revision upward. Every time we have seen a revision it has been upward. We have the latest documents from the Energy Office. I wonder if his is a revision that is upward or puts a dollar figure on household cost:

It is interesting to have these generalizations made by the Federal Energy Administration, even though they conflict with a number of administration spokesmen, like Arthur Burns, who, in testimony, says that he thinks the program is "hazardous"; or Charles Owens, the former Deputy Assistant Administrator for Policy Planning, and Regulation of the Federal Energy Administration. who says:

Fundamentally we think it is based on highly dubious assumptions.

John Sawhill, the former Administrator of the Federal Energy Administration, said he believes it is going to be accompanied by "economic dislocations which will largely obliterate the benefits."

Given all of these statements by those that have been involved in the development of the energy policy, I would be interested whether this last statement or study that has been put into the record either indicates what the cost is going to be per houschold, which would be of interest to all parts of the country, and, secondly, whether it reaches any of these accusations that have been made by either present high administration officials or former administration officials who were eminently involved in the development of an energy program.

Mr. PACKWOOD. Unless I am mistaken, are not all of those accusations leveled at the cost of the entire energy program as opposed to that of the President?

Mr. KENNEDY. Excuse me?

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. JAVITS. I will yield for an answer to the question.

Mr. KENNEDY. I missed the question.

Mr. PACKWOOD. Those accusations that the Senator read, are those not leveled at the entire program, not just the tariff—the entire excise tax, the entire windfall profits tax, the President's energy program?

Mr. KENNEDY. I think the Senator will find they are directed toward the oil import program as part of the total program that has begun to be implemented.

Mr. PACKWOOD. Not the $350 figure.

Mr. KENNEDY. The Senator is quite correct on the $350. I was referring to the statements of economists and administration spokesmen. The $350 figure is a White House figure directed toward every family household of four. That is what the President has estimated. So if the Senator has a revised figure upward, I would be interested to examine these as well, since we have seen the administration statistics changing over the past weeks.

Mr. PACKWOOD. I shall come back to this question when we have finished with the amendments of the Senators from Illinois and New York. I shall be glad to come back to the figures I have just put into the record, which relate solely to the tariff.

Mr. JAVITS. I yield 5 minutes to the Senator from Illinois.

Mr. PERCY. I ask unanimous consent that John Pearson, of the Committee on Government Operations, be granted the

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privilege of the floor during the debate and vote on H.R. 1767.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I am in accord with the purposes of the Javits substitute, which is to direct the cost effect of the import fee into the one petroleum product which will yield the greatest energy saving, namely, gasoline.

I do not favor the series of taxes and precipitate price decontrols that constitute the administration's energy program, because I fear they will be both inflationary and recessionary. I am concerned that the President's total energy program would have the effect of unduly raising the prices of hundreds of consumer products, including food and clothing, not just the price of fuel.

Although I do not favor the President's program, I cannot and will not be part of an effort to halt the implementation of the import fee he has proposed. I feel so strongly that we must take serious steps to conserve energy that until the Congress enacts a comprehensive alternative to the President's program I will not vote to stop him from exercising his Executive authority to impose an import fee.

This is, after all, the only authority we gave him, and he is using it, and I feel we should not stop him.

On February 7, in this Chamber, I introduced my own comprehensive alternative to the President's economy and energy program. This program would save as much fuel as the President's program but would avoid the enormous price increases. Through direct tax rebates and individual income tax rate cuts, my program avoids deepening the current recession without giving up the goal of energy conservation.

The keystone of the program I have introduced is a simple rebatable gasoline tax. By targeting on gasoline, we get the greatest energy conservation effect for the lowest cost to the consumer. The Javits substitute to H.R. 1767, which we are considering today, is consistent with the purpose of my gasoline tax proposal.

The Javits substitute would allow an import fee to be imposed only on imported gasoline and on that portion of imported crude oil which is to be refined into gasoline. In effect, the import fee would be about 40 cents on the dollar, compared to the President's proposal. This would avoid placing a heavy cost burden on heating oil and similar products, the consumption of which cannot be reduced appreciably regardless of the price. The burden of the import fee would fall on gasoline, and the effect would be a reduction in nonessential driving. To those who say that this would be an inequitable burden on those areas of the country where driving is essential, I would point out that the price of gasoline has risen much less rapidly than either heating oil or residual fuel over the last year.

Under the Javits substitute, revenues from the gasoline-related import fee would total nearly $3 billion on an annual basis when fully implemented. Although this is less than the $7 billion expected under the President's program from the import fee, it would still be sufficient to pay for the public service jobs program which the Congress has enacted to ease the burden of the current recession.

If the President found it necessary to gain additional revenues, he would not be precluded from raising the import fee to the amount of his original proposal; $1 for the first month, $2 for the second month, and $3 for the third month. The difference would be that the import fee would be only on gasoline imports and crude oil imports intended for gasoline, rather than on the entire barrel of imported crude oil.

I am concerned that, as presently drafted, the Javits substitute may not fully achieve its desired intent. This is because of the language in the Emergency Petroleum Allocation Act which requires a dollar-for-dollar passthrough of cost increases and equitable prices among all sectors of the petroleum industry. In order to make crystal clear the intent of the Javits substitute, I am offering an amendment which I have discussed with Senator JAVITS and I believe he supports.

Mr. President, I send my amendment to the desk and ask that it be read.

The PRESIDING OFFICER (Mr. PACKWOOD). The amendment will be stated.

The assistant legislative clerk read as follows:

Following section 2, insert a new section 3, as follows:

"SEC. 3. Notwithstanding those provisions of section 4 of the Emergency Petroleum Allocation Act of 1973 (87 Stat. 630) relating to a dollar-for-dollar passthrough of petroleum cost increases and equitable prices among all sectors of the petroleum industry, the Federal Energy Administration shall promulgate regulations, not later than 10 days after the date of enactment of this Act, providing for insuring that any fee, tax, or duty imposed on imported motor gasoline or petroleum imported for refining into motor gasoline be allocated in its entirety to the motor gasoline sold by the importer or the refiner purchasing the imported petroleum.";

and redesignate sections 3 and 4, as sections 4 and 5, respectively.

Mr. PERCY. Mr. President, my amendment requires the FEA to promulgate regulations which will insure that any import fee imposed under the Javits substitute must be "allocated in its entirety to motor gasoline." This means that importers or refiners which pay the import fee on imported gasoline or on crude oil imported for refining into gasoline may pass through their cost increases only to gasoline, and not to any other refined product.

I believe my good friend Senator JAVITS is in accord with this amendment, and I hope he will accept it as a perfecting amendment to his substitute. I support the Javits substitute to H.R. 1767, and I urge the Senate to adopt it, along with my perfecting amendment.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. PERCY. I yield.

Mr. CURTIS. Is the effect of the Senator's amendment to assure that the entire cost impact of the import fee be allocated to gasoline?

Mr. PERCY. Absolutely. It cannot be put on petrochemicals, fuel oil, or on any product but gasoline.

Mr. CURTIS. That is all?

Mr. PERCY. That is all.

Mr. JAVITS. I yield myself 2 minutes.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. GOLDWATER). The Senator will state it.

Mr. JAVITS. Am I free to modify my amendment?

The PRESIDING OFFICER. It will require unanimous consent.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may incorporate in my amendment the amendment of Senator PERCY.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I thank Senator PERCY for his fine cooperation.

I now yield 5 minutes to the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page , line , insert the following:

At the end of Section 3, add the following new section:

REBATES

SEC. 4(a) The Secretary of the Treasury shall provide by rule for the rebate of the tax or fee on that motor gasoline used for off-the-road agricultural use in the same manner as present federal gasoline taxes are rebated under the Internal Revenue Code.

(b) A similar system shall be devised by the Secretary of the Treasury for operators of commercial carrier trucking vehicles whose use of motor gasoline is in lieu of diesel fuel (which is not covered by the import tax or fee) in order to rebate from income tax that tax or fee collected under this Act.

Mr. BELLMON. Mr. President, the purpose of this amendment is to exempt motor fuel or both diesel and LP gas used for agricultural purposes from any increases in price due to the imposition of tariffs or other import duty.

The reason is that agricultural production is very heavily dependent upon energy. We are way past the time when we can feed this country with horsepower and oats or feed that the farmers produce. We must have fuel for our farm equipment, and the amount of fuel that agriculture uses is fairly inelastic. We do not waste any fuel on our farms and ranches.

If we raise the price of fuel or reduce the supply of fuel, we are going to limit the ability of this country to feed itself and to feed our customers abroad.

The purpose of the amendment is to make sure that the quantity of fuel available to agriculture and the price of that fuel is not changed by virtue of the passage of any additional import duties.

This matter has been discussed with the distinguished Senator from New York. I believe he may find it acceptable.

Mr. JAVITS. I thank my colleague.

Mr. President, I yield myself two minutes. I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, this amendment is acceptable to me, on the following basis: I am thoroughly satisfied with that part of it which relates to off-the-road agricultural use. There is no doubt about that being my intention.

As for the problem of commercial-carrier trucking vehicles using gasoline in lieu of diesel fuel, I am somewhat concerned about the ability to enforce that definition. But when we adopt my amendment, the fundamental thrust of what it seeks to accomplish is its basic purpose, and we can work out with concurrence of the House the necessary words of art. I am willing to accept the entire amendment as part of my own, and I ask unanimous consent that I may be permitted to modify my amendment to include Senator BELLMON's amendment thereto.

The PRESIDING OFFICER. Without objection, the amendment is modified.

Mr. JAVITS. I thank the Senator from Oklahoma for his cooperation and the thought he has put into this particular modification.

Mr. President, I think I have 10 minutes of debate.

I yield 5 minutes to my distinguished cosponsor the Senator from Maryland (Mr. MATHIAS).

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from New York for yielding me a few minutes to discuss the proposal which is now before the Senate.

Certainly, this country would not be well served by a divisive battle between the administration and the Congress on this particular issue. We need to meet in a sprit of compromise and I believe that Senator JAVITS and I have proposed an amendment to this legislation which will be in the public interest.

It will amend the bill by adding language which will limit the President's power to impose additional fees on all petroleum products other than motor gasoline and crude oil which will be refined into gasoline for a period of 60 days.

It is my view that imposing additional costs on all oil derivatives would have unfortunate effects. While it is desirable to cut petroleum consumption, trying to do that by imposing a levy on imported crude oil and all petroleum products is the wrong approach in present economic circumstances. It most definitely will raise the consumer price index by many points, raising costs for many manufactures, utilities, and commercial business, as well as for motorists, homeowners, and transportation companies. This is simply not the time to further raise prices and thereby put a further pinch on real personal income. It is also not the time to create additional uncertainties in important sectors of the business community and thereby retard business investment. Attention which the farm community has already received, I think is a good example of this very fact. The combined effect of these two factors could mean continued inflation and deepened recession.

I have spoken in the past about the great need for concentrating our conservation efforts on motor gasoline, the President's program concerns me in that it does not concentrate sufficiently in this area. While raising prices across the board, it may provide too little incentive for meaningful reduction of gasoline consumption.

We are in effect treating motor gasoline just as we treat home heating oil or petroleum for manufacturing and power generation, even though any number of studies have shown that the elasticities in these areas are far less than that of motor gasoline. While it is true—or I hope that it is true—that reductions can be made in nongasoline derivatives, we can only expect these changes to come in time as new manufacturing processes are brought on line and conversions are made from oil to coal. Without question, these alterations take time and entail capital costs.

The President's proposal is a complex one. We simply do not know the full ramifications of it and it would be irresponsible for Congress to allow this program to go ahead without the most thorough scrutiny. Over the past week the President has extended considerable relief to the farmers of America and I applaud that, because further increases in the cost of food to consumers would be intolerable at the present time, but I wonder, now that his program has lost its philosophical purity, whether additional exceptions are not in order

I should anticipate that there are elements in the economy, such as the aviation industry, that will seek and be granted these exemptions because of sound economic reasons; but there will also be exceptions based on who has the clout to prevail. These exceptions will not be granted because of sound economic reasons, but rather as a result of political pressure or who can yell the loudest. Certainly there will be many who can make a strong case for relief. What about private universities?

Nonprofit institutions receive no additional tax relief under the President's program, but will have to pay vastly increased costs for home heating oil. We all know the plight of private universities and hospitals today. I think we can certainly appreciate that these additional costs cannot be passed on to students or patients and their respective families. These institutions have little or no flexibility in meeting this new burden. How do we respond? Do we provide an additional exception? I hope we do, but I also recognize that once we begin down this road of granting exceptions to a rather complex program that we will severely jeopardize any chance of success the program may have. I hope Senators will bear in mind our experience with wage and price controls when considering this point.

Under these circumstances, I favor concentrating our efforts on gasoline where many of these problems do not arise. This is why I have been glad to join Senator JAVITS in amending the pending joint resolution to exempt nongasoline petroleum derivatives from additional fees. This will send a signal to the President as to where our efforts should be concentrated.

This is also why I intend to introduce in the very near future a comprehensive gas tax proposal which would substitute for the President's tariff plan. I believe there is much in the President's program that is good and in the public interest. I would suggest that the great majority of his proposals should be enacted in some form by the Congress. This fact has been somewhat obscured by the high visibility that the tariff has enjoyed.

Nevertheless, as with all programs, it is the constitutional responsibility of the Congress to pass on the merits of each program. The Congress has only had the benefit of the President's detailed thoughts on energy for a period of one month. I believe that Congress has responded well to the pressures for action that the President asserts and I expect that in the near future comprehensive proposals will be on the statute book to provide the necessary long-term conservation ethic that this country desperately needs.

Mr. President, I ask unanimous consent that at this point I may have printed in the RECORD editorials from the New York Times and Fortune magazine.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

TAXING GASOLINE AND AUTOS

The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health. Thus, President Ford insists on a tariff on all crude oil imports rather than a higher excise tax on gasoline alone.

Yet, essential though automobile transport has become in most parts of the country, many American families have already found that the gasoline to power inefficient cars, one driver at a time, over short urban and suburban distances is far easier to spare in their energy budget than, say, the fuel to provide basic 68-degree heat in the home.

On average, American motorists drove about 300 miles less per car last year as a result of the higher cost of gasoline forced by foreign oil producers' price increases. This is an indication of the elasticity in gasoline—optional consumption that falls off as the price rises.

Nor is it necessarily fairer, as the Administration contends, to spread out the costs of conserving energy across all petroleum users—which, one way or another, means everyone. It is surely fairer to let each American motorist make the decision for himself how much to drive, rather than to force every consumer to pay the higher costs passed along by utilities, industries and everyone else who uses petroleum in the production process.

The fourfold price increase that has already occurred in crude oil has forced gasoline prices up about 37 per cent, but far higher percentage increases hit other fuel prices: diesel fuel went up 49 per cent, home heating oil 66 per cent, aviation fuel 100 per cent and residual fuel oil, used in industry and electric utilities, a staggering 143 per cent.

Where is the equity, therefore, in "sparing" motorists the burdens of a sizable increase

in the cost of a gallon of gasoline in order to spread out the burden among all petroleum products when these other products have already risen so much more?

Undoubtedly, adjustment to higher gasoline prices would create hardships, particularly at the start and in localities where there may now be no practical alternative to the car for employment and communication. But designing a system of rebates and allowances for essential automobile uses would be far less complicated than any attempt to compensate for the gross inflationary damage from across-the-board petroleum price increases.

The social and economic judgment that underlies President Ford's abhorrence of a gasoline tax centers on an exaggerated pride of place which he assigns to the automobile industry. However, the unpalatable fact is that the directions pursued in car design and marketing over the past decade and the infrastructure of highways and community development that this trend has promoted have distorted the economic growth and social well-being of the Nation.

One current example is the impact on employment and energy consumption from highway construction, so long the symbol of this country's auto-based economy. In a recent issue of Science magazine, two researchers calculated the difference between spending $5 billion on construction of new highways or investing the same amount in railroads and other mass transit facilities. The energy consumed in the construction work alone would be 62 per cent less for railroads than for highways; such a shift in priorities, moreover, would provide more than 8,000 additional jobs.

Leaders of the automobile industry recognize the need for new directions. Chrysler has begun a long-term restructuring that cuts capital overhead by one-third and projects sales in the range of 6 million cars every year instead of 8.8 million sold in 1974. General Motors has announced a four-year research program, costing $3 billion, to make its models smaller and lighter.

Such steps are but a beginning. Dr. Edward Teller who knows something about advanced technology, believes that "except for the mental inertia in Detroit, we could have a fifty-mile-per-gallon car in perhaps as short a time as three years." Another critic of the automobile industry, Donald E. Weeden, president of the City Club of New York, has even proposed "massive government aid to Detroit to produce twenty million compact cars a year in order to get us out from under our existing inefficient fleet." A tax on horsepower or automobile weight would be a logical complement to a tax on gasoline; the goal is not to penalize motorists, but to reward efficient design and use of cars.

No energy policy that aims to protect the status quo of the automobile industry by preserving the relative cheapness of gasoline can make more than a dent in the profligacy of this country's energy consumption.

The undoubted hardships of a gasoline tax can only be measured against the alternative hardships foreshadowed by President Ford's tariff plan; these are becoming more extensive with each new economic analysis by the government itself. For the longer term, automobile and gasoline taxes would promote the necessary trend of American life away from the extravagances of the unfettered automotive economy.

A Dubious Maneuver in the Three-Front War

While there was plenty to find fault with in President Ford's economic proposals, some of the commentary on them indicated serious misconceptions in the minds of the commentators. One is the notion that the current economic mess is largely attributable to mistakes committed last summer and fall by the President, his economic counselors, and the Federal Reserve Board. In truth, the mess was in the making for ten years under Lyndon Johnson and Richard Nixon.

Partly as a result of economic blunders and evasions of responsibility during that span, Ford inherited an economy afflicted with (among other things) double-digit inflation, burdensome debt, inadequate profits, overtaxation, extensive transfer of income from people who work to people who don't, deeply eroded consumer morale, widespread pessimism about the future, and the pervasive strains of adjusting to a sudden quadrupling of oil prices.

In the face of all this, to be sure, Ford did not show great skill in either prognosis or prescription, but neither did most of the numerous economists whom he invited to give him the benefit of their wisdom. As for the Fed, it apparently tightened the screws too much during the late summer and the fall, but it did so in a valiant effort to restrain inflation that was running at a pace generally agreed to be intolerable.

Another misconception is the notion that, given enough goodwill, it is possible to devise a program that will rapidly restore the economy to robust health. Anybody who believes this is not yet even at square one.

DON'T THROW AWAY THE GAINS

Also mistaken is the view that with a recession on, we shouldn't let concern about inflation cramp our efforts to bring the unemployment rate down. This is a disturbing, even dangerous notion. At a painful cost in unemployment and lost production, we have in the last few months gained some ground against inflation. Recession is indeed having the classic effect on prices. Inflation has been decelerating and here and there prices have actually retreated. To give up prematurely and go for full-sail reflation would be to throw away the gains, and to assure that the people who lost their jobs in recent months have suffered in vain.

What's more, we don't have the option of trading a little more inflation for low unemployment and rapid growth. Inflation has been, and still is, a depressing influence on the economy, impairing consumer morale, eroding real profits, keeping interest rates high.

As President Ford recognized, economic policymaking is now in an unprecedented bind. In his words, "We must wage a simultaneous three-front campaign against recession, inflation, and energy dependence." The requirements pull in different directions. A course of action that seems appropriate on one front may have adverse effects on one or both of the other two fronts.

BAD MEDICINE FOR SLUMPFLATION

The President's own program provides a case in point. While it is desirable to cut petroleum consumption, trying to do that by imposing a levy on crude oil is the wrong approach in the present economic circumstances. It will have pervasive price-jacking effects, raising costs for many manufacturers, utilities, and commercial businesses, as well as for motorists, homeowners, and transportation companies. The combined, cumulative impact on consumer prices might amount to several times the revenues from the new levy.

So even if the revenues are returned to the private economy, the President's petroleum impost may result in a serious pinch on real personal income. And uncertainties about the effects of the measure will impose an additional inhibition on business investment. Thus an impost on crude oil will be both inflationary and depressant—bad medicine for slumpflation.

What's more, it is far from clear that, aside from gasoline, a levy on crude will reduce consumption of petroleum very much in the short run. There are pretty tight limits to how much petroleum can be saved in home heating, manufacturing, and power generation through simple economizing. Significant gains will have to come from more and better insulation, changes in manufacturing processes, and conversions from oil to coal. These alterations take time and entail capital costs.

In the present economic context, a large increase in the federal gasoline tax (20 cents a gallon, say) would be a much better way of curtailing dependence on imports. Effects on other prices would be less pervasive. And there are possibilities for quick and significant reductions in gasoline consumption through car pooling, increased use of public transportation, cutbacks in miles covered on weekend and vacation trips, etc.

We are familiar with arguments against putting heavy reliance on an increase in the gasoline tax. For one thing, gasoline accounts for less than 30 percent of all petroleum consumption in the U.S., so it would take quite a deep cut in the use of gasoline to bring about a substantial reduction in the overall use of petroleum. Moreover, a large increase in the gasoline tax would hit the already battered auto industry, whose troubles are exerting a serious drag on the whole economy.

What is mainly hurting new-car sales, however, is the sad erosion of consumer purchasing power and confidence. If a tax on crude has the predicted effects of fueling inflation and pinching real income, it will worsen the plight of consumers and so work against a recovery in auto sales. An increase in the gasoline tax, on the other hand, would tend to strengthen demand for cars with good fuel economy. It appears, then, that in favoring a tax on crude over a higher tax on gasoline, auto-industry executives may have misjudged where their best interests lie.

THE SCATTERGOOD APPROACH

To avoid depressing effects on demand, revenues from an added tax on gasoline (or a levy on crude) should be recycled into the economy. There is no obviously right way to do this, but it is clear that distributing the revenues to consumers in proportion to the petroleum tax they pay would defeat the purpose of the tax. President Ford's scattergood approach of giving out a bowlful here and a bowlful there in the form of income-tax reductions or cash payments is not so obviously wrong, but it does not seem the best approach either.

David Gordon Wilson, professor of mechanical engineering at M.I.T., has put forward a radically simple idea that at least merits consideration as an alternative approach for any tax to discourage petroleum consumption: distribute the revenues to all adults equally. Professor Wilson himself applies the concept more broadly, but it is applicable to a gasoline tax (or to revenues from a levy on crude oil).

If each adult got an equal share in the distribution of gasoline-tax revenues, the net cost of the tax to each would depend entirely on his or her (or the family unit's) direct and indirect consumption of gasoline. There would be income redistribution from heavy users to light users—which is the kind of redistribution appropriate to the case. The allocation of revenues from a tax designed to cut consumption of petroleum should not get tangled up with questions of social justice.

Mr. RIBICOFF. Mr. President, I yield myself 2 minutes.

I oppose the amendment of the senior Senator from New York.

The Senator from New York emphasizes the need to take some action immediately. I agree that Congress must act, but it should not act just for the sake of acting.

While raising the price of gasoline may be a part of the answer, it is not the whole answer. Until Congress has a fully balanced program, it should not act, even on an interim basis.

The Senator from New York estimates his plan will raise the price of gasoline about 4.3 cents a gallon. This is about an 8-percent price increase. The increase will impose additional direct costs on the consumer of about $4.2 billion a year.

Since December 1972 the price of gasoline, before taxes has gone up 65 percent. While other energy prices have risen as much or more, the higher gas prices have also hurt the poor and the elderly. Higher gasoline prices may in the end be necessary, but Congress should be careful before acting. It must first decide whether some other form of rationing or mandatory allocation is a more direct and effective approach than rationing by price.

Congress has not yet made even this basic decision.

The demand for gasoline is more elastic than for other products. But we should not place too much reliance on this fact.

FEA estimates that a 10-percent rise in the price of gasoline produces a 1.5-percent reduction in consumption. Imposing a license fee on gasoline as the Senator from New York suggests would produce a 1.3-percent reduction in gas consumption, or about 80,000 to 100,000 barrels a day.

In addition, Frank Zarb of the FEA, testifying before the Committee on Commerce of the House this week, pointed out that to save a million barrels of oil a day just on the gasoline tax would mean an additional increase of 40 cents per gallon of gas.

Reducing imports 80,000 to 100,000 barrels a day will not solve our balance-of-payment problems.

It will not resolve the national security concerns about unduly relying on foreign sources of oil.

As a practical matter, it will be very complicated administratively to impose a $3 license fee just on imports to be used for gasoline. Consequently, it will be difficult to even fully implement the license fee suggested by the Senator from New York before the 60-day life of the program expires.

If such a license fee on gasoline is not part of the Nation's final energy plan it will have to be dismantled almost as soon as it is put in place.

This plan has not been studied in the appropriate committees. We do not know what the executive branch thinks of it.

If the Senate adopts this amendment it would be committing itself to using the price mechanism to reduce consumption.

I suggest the Senate allow itself more time for study before making such an important decision.

I hope the Senate rejects this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. RIBICOFF. I yield the remainder of my time to the distinguished Senator from Nebraska.

Mr. CURTIS. I thank my distinguished friend.

Mr. President, I wish to commend the distinguished Senator from New York (Mr. JAVITS) for the thoughtful contribution he has made to this matter. I am sure it was done in the spirit of helpfulness. In these closing minutes, however, I wish to state, as I see it, the position of the administration.

We are faced with a long term problem. Three years ago, we were sending out of the country $3 billion for foreign oil. It is now near $25 billion. That outflow is continuing. The dependence of American agriculture, American commerce, American transportation, the dependence of our country, is upon petroleum and its derivatives.

The problem, if we do nothing, is going to get worse. We are 40 percent dependent on foreign oil. If we do nothing, that will soon reach 50 percent.

This problem must be approached from two angles. We must have a disincentive for importing foreign petroleum. We must also increase our own production.

We can conserve. We can burn less. We can close on this day or that. But that is not the answer. Full employment and a full-steam economy in this country require energy. We cannot have it otherwise; we have got to spend energy.

So the thing to do is to substitute other types of energy for petroleum. How do we get that done? We provide a disincentive to using petroleum.

Fifty percent of all the electricity used in the United States comes from petroleum, residual oil. Seventy-five percent of the electricity in the New England States is made by burning petroleum.

If we let the President's program work, with the import fee applying to that, and we mean business, decisions will be made by executives, by boards of directors, and by municipalities, and they will convert from petroleum, from the residual oil, to coal. We have enough coal for more than 700 years. That would release 2 million barrels of residual oil, from the east coast alone, per day.

I do not take too seriously these figures batted around here, because I know that if we buy 2 million barrels a day less of residual oil, that will lower the price of the foreign oil.

We must do two things: We must provide a disincentive for using the imported product, and then we must move full speed ahead to produce all the oil we can.

The tragedy of this Congress is that we spent 2 years talking about energy and petroleum, and we should have tested every bill by this one question: Will it increase the production of oil in the United States? We should weigh every tax proposal by that question. We should decide the issue of depletion on it. We should decide the question of intangible costs, we should decide what to do about offshore drilling, we should decide what to do about further development in Alaska, all on the question, Will it increase the production of oil?

We should be moving toward a situation where 50 percent of the needs of this country will not depend upon foreign imports. We do not need to do that. Most of our environmental laws will expire this June. Let us not postpone the reckoning for 60 days or 90 days or anything else. Let us let the President's program go into effect, so that right now the Congress, the committees, the businesses can make their decisions to substitute energy other than imported petroleum, and let us get about the business of producing more oil in this country—offshore, in Alaska, and elsewhere.

Mr. President, I appreciate the concern about home heating oil. But the amendment before us goes far beyond that. It wipes out all the incentives for commercial establishments to convert to something other than petroleum. Besides, if we let the President's program stand, before the tariff reaches $3 we are going to get together and work out a program that will allow for substitution of other forms of energy, not only coal, but nuclear power, solar power, and all the rest.

The PRESIDING OFFICER. All the time of the opponents has expired.

Mr. PACKWOOD. Mr. President, will the Senator from New York yield me 2 minutes?

Mr. JAVITS. Two minutes.

Mr. PACKWOOD. Mr. President, I support the amendment of the Senator from New York. I think the tariff should fall on gasoline. I am impressed with the arguments of the Senator from Nebraska, but I think that is a problem to which we can address ourselves when we get to the point of considering an energy package in this Congress, if we ever get to it, which I sometimes doubt.

Until we get to the point, it seems to me we should consider the question, are we going to squeeze further the person on social security, who now has his thermostat set at 68, as opposed to those of us who drive around in our pleasure cars?

I think that is where the emphasis ought to come, and I support the amendment.

Mr. JAVITS. I thank my colleague.

Mr. President, I yield myself the remainder of my time, 3 minutes.

There are two questions to be answered by the vote on this amendment: First, shall we do something instead of nothing, and second, as we stand at the threshold of an effort to deal with a great energy crisis, shall we have confrontation or cooperation?

I have offered a measure which, when you look under the arguments of both Senator RIBICOFF and Senator CURTIS, you still find is acceptable if you look at it as the one measure we are voting on today.

I do not know, they do not know, the President does not know what will happen to everything else, including a tax rebate, a $2 excise tax, a $2 import fee, or deregulation of old gas or old oil. We do not know what the outlines of the eventual program will be. We only know we face the issue of a standstill for 90 days, or to try to do something that is effective and equitable.

It seems to me to be elementary commonsense to try to do something on the broadest possible common denominator. Everyone agrees that this is the area, gasoline, where demand is most elastic—where cutbacks can be made with the least sacrifice—and therefore we can achieve the most savings in this area. It

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is admitted by a Democratic economic plan published in this morning's newspapers that price can have some effect on the amount of demand.

Therefore we are starting on the right road in trying to do something to bring the congressional and Presidential prerogatives together on something on which they implicitly come to the same point, instead of the confrontation this measure otherwise promises. We all know the President will veto this measure if the Democratic majority muscles it through, and then the issue will hang on one or two votes as to whether or not he is sustained, and then he can veto lots of other measures involving deep issues facing the country, with each side convinced that it is right and the other is wrong.

We look only upon what is before us today, and have tried to find a way out of the dilemma, on which we are faced with either confrontation or partnership. Mr. President, what I am doing by this amendment is choosing partnership, trying to arrive at the common denominator on which most of us can agree, hopeful that we will set the scene both in acceptability to the American people and in the temper of Congress for trying to get together on an energy program jointly, rather than by the first moves which are now being made, defined by this 90-day deferment on both sides.

For those reasons, Mr. President, I think it commends itself to us.

Now, as to limiting it to gasoline, it has already been stated to many in this Chamber that the greatest rises in price over the past year and one-half, have been on residual, distillates, industrial fuels, and so on; and the smallest rise has been in gasoline and, for that reason, and because of the elasticity of demand, which has also been stretched to the limit in most other fuels, we ought to zero in on gasoline today, which is precisely what this amendment does, and I hope very much the Senate will approve it.

Mr. President, I ask that the comments of the real estate board of the city of New York, demonstrating the price difficulties facing them, be included in the RECORD at this point.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

COMMENTS ON THE FEDERAL ENERGY ADMINISTRATION'S PROGRAM TO REDUCE IMPORTS OF FOREIGN CRUDE OIL AND PETROLEUM PRODUCTS

The Real Estate Board of New York has vividly described the economic hardships suffered by states along the Atlantic seaboard because of recent increases in the cost of fuel. When the Federal Energy Administration introduced the concept of equalization of oil prices through the issuance of entitlements, our organization advocated using such a mechanism to help reduce both the absolute and relative prices of petroleum products—especially residual fuels—in Eastern states and create a nationally "blended" price for these same products to equitably distribute the new burdens imposed on America's economy by changing geopolitical circumstances. Communities in the eastern sections of our country, which are almost exclusively dependent on imported residual products, have absorbed the maximum impact of these conditions, experiencing a fourfold rise in the price of imported fuel and petroleum products since October 1973. We have consistently argued against any policy or program that would further increase fuel oil costs in the East, and applauded the FEA decision in December to include residual fuel oil among the products to benefit from price blending. We were deeply disappointed, however, that provision was made for a limited sharing of 30% rather than a full proportionate price blending.

We are encouraged that President Ford's State of the Union Message accorded the energy situation the emphasis it deserves. The President correctly recognizes the need for mandatory rather than voluntary programs to reduce fuel consumption, foster development of domestic energy sources and stimulate the economy to help combat the most serious depression our country and the world have known since the 1930s. However, we must register our strongest objections to President Ford's specific energy policy proposals, especially the imposition of additional tariffs on imported crude oil and petroleum products. If enacted, this measure would produce disastrous effects on the nation's economy. Once again, the most grievous injury would befall localities that are more reliant on petroleum than other sources of fuel. Of course, areas dependent on imported energy supplies would be in particular economic peril. One can only be discouraged by the President's self-contradictory posture when he calls for a "comprehensive program" while moving to implement one or two of its components under his authority prior to obtaining the necessary Congressional approvals for the entire legislative package.

The FEA has suggested two changes in its pricing and allocation regulations to coordinate current regulations with the President's policy for reduction of oil imports. The first recommendation is to remove residual heating oil and #2 fuels from the old oil entitlements program. The second recommendation is to restrict refiners from placing more than a proportionate share of cost increases on products other than gasoline. We welcome the second proposal, which we believe reflects the FEA's awareness that gasoline is the fuel oil for which "demand appears to be most sensitive to price." Regarding our objection to the import fees President Ford is imposing on imported crude and petroleum products, we oppose the proposed alterations in the old oil entitlements program because they would result in additional price increases on imported residual fuel oils.

In brief, the FEA proposes, in return for removing imports of residual fuel oils and #2 heating oils from the entitlements program, to subtract $.60 from the total import fee after imposing a $.60 fee for every dollar in import fees placed on crude oil imports. These imports, because of continued reimbursement through the entitlements program, will experience price increases of only $.60 for each dollar in import fees. Thus, for foreign crude oil, import fees would increase prices $1.80 per barrel after 3 months; for foreign residual fuel oils and #2 heating oil, import fees would be only $1.20 after 3 months because of the subtraction of $.60 to compensate for elimination of entitlement benefits. Since the price of #2 and residual would increase by $.60 per barrel as a result of removal from the entitlements program, net price increases after 3 months would be the same $1.80 per barrel.

This policy that will once again raise the price of petroleum products, especially heating oils, will further encumber the Eastern states. Any additional reduction in consumption sought through pricing policy will be confiscatory and wreak havoc upon their economies and social orders. Unemployment in the Northeast is already at serious levels. In New York City, the official jobless rate climbed to 8.5% in December from 7.4% in November—a rise almost three times the national increase of from 6.7% to 7.1% in the same period. In Buffalo, unemployment increased from 8.8% in November to 10.3% in December, and in New Jersey, unemployment climbed to 10.3% in December from 9.5% in November. New price increases will result in further decreases in economic activity, widespread abandonment of housing, and severe job losses.

Our opposition to increases in the price of residual fuel oil and #2 heating oils is based on the distribution and magnitude of energy price increases in the United States in 1974 and on the historical pattern of energy consumption in this country. Energy price increases in 1974 varied among fuels. The largest price increases were in imported and non-price-controlled domestic petroleum products which respectively comprised 36% and 24% of United States petroleum consumption in the first nine months of 1974. Old oil under price controls, remained at $5.25 per barrel. Natural gas which also is under price controls did not experience these cost increases. Among petroleum products, the greatest price increases were experienced by residual heating oils, which more than doubled in price since October 1973 and by home heating fuels which increased by over 40% over this same period. Gasoline, in contrast, experienced price increases of only 30%.

The variation in energy prices is significant because of the pattern of energy consumption in the United States. Different states and regions rely in varying degrees on the several petroleum products and other sources of energy for industrial, commercial and residential uses. However, all parts of the nation rely predominantly on gasoline for transportation. For example, on a national basis, 43.5% of total U.S. energy consumption in 1972 was provided by petroleum products. In New York City it was 80%; in New York State, 77% and in New England 84.6%. Nationally, 33.5% of energy consumed is from natural gas. In New York City, 19%, in New York State, 19%, and in New England, 9%. Residual fuels nationally accounted for 8% of total energy consumption and 15% of total petroleum consumption; in New York City residual equalled 53% of total energy consumption and 66% of total petroleum consumption. About 90% of the residual fuel used in New York City is imported; nationally, 60% is imported.

The old oil entitlements program was designed in part to equalize the effects of unequal distribution of old oil on petroleum refiners and consumers of imported petroleum products. This program, however, is very limited in its ability to rectify the imbalance created by energy price differentials. First, only partial price blending was allowed for imported petroleum products, while technically a full blending was allowed for imported crude oil. Secondly, administrative decisions have reduced the price reductions accruing to imports of crude oil from a possible 61¢ to about 47¢. Consequently, not even imports of crude oil are experiencing full price blending. Thirdly, the entitlements program went into effect in 1975 and can do nothing to cushion the impact of 1974 price increases. Lastly, the entitlements program deals only with differentials in price of petroleum products while ignoring variations in energy costs among other fuels. The significance of these facts is that states and regions which rely most on petroleum products and residual fuel suffered most from the 1974 energy crisis and will suffer most from additional increases in fuel oil costs.

New York City's current housing crisis demonstrates the seriousness of relentlessly rising fuel costs. The NYC Public Housing Authority, which operates over 156,000 apartments, reports that heating oil, which cost 11¢ per gallon in 1973, increased to over 36¢ per gallon in 1974 and that its total fuel bill rose from $18 million in 1973 to $43.2 million (est.) in 1974. Each 1¢ per gallon increase in price costs the Authority $1.2 million annually. An additional increase of $1.80 per barrel would hike fuel costs by a minimum of 4.3¢ per gallon and raise total yearly heating charges by an additional $5.16 million. The average cost of heating a public housing apartment in 1973 was $116. In 1974 this expense increased by $153 to $269 (est.). An additional 4.3¢ per gallon would elevate these costs by a minimum of $33. Electricity and gas rates also rose from an average of $166 per apartment per year to $229 per year, an increase of $63. Together these changes amount to an annual increase in operating costs of $216.

The situation is no less critical in New York City's privately-owned homes and its 20,473 units of FHA-insured housing. In 1973 the average heating costs for different categories of apartments in New York City's rent-controlled inventory of over 1.2 million units ranged from $153 to $192; in 1974 average costs ranged from $310 to $357, with average increase of from $144 to $172 per apartment. We can say with assurance that cost increases in 1974 for heating oil, exclusive of increases in utility rates and other operating expenses amounted to over one month's rent in New York City's public and rent controlled housing, and that at least a 13th month's rent is now required each year. When other operating costs increases are considered, the necessary rent increases are even greater.

This precarious situation is reflected in a rapidly-rising rate of real-property tax arrears, the first signal of potential housing abandonment. In the first quarter of the 1974–1975 fiscal year, over 24%—almost 1 out of 4—apartment buildings were delinquent in their payment of real estate taxes. Total tax delinquencies for all properties in the second quarter totalled $76 million; in comparison, tax delinquencies for the 1973–1974 fiscal year totalled $148 or an average of $37 million per quarter.

A policy that would increase residual fuel costs is misguided for other reasons. Additional price hikes would penalize states which already have the lowest per capita rates of energy consumption in the nation. Of the 16 states with the lowest energy consumption per capita 13 are on the East coast or in New England; of the 16 with the highest energy consumption per capita only one is in this area. For example, national average energy consumption per capita in 1972 was 332+ million BTU. New England averaged 253 million BTU and New York State 192 million BTU. Any further price increases for these consumers would penalize those who consume the least but have already borne the greatest share of energy cost increases.

Furthermore, reductions in consumption of residual fuel have been greater than reductions in consumption of other energy sources. Consumption of residual fuel in the first nine months of 1974—equal to 15% of total U.S. petroleum consumption—was reduced 10.3% from the levels of the same period in 1973 even though the share of electricity production fueled by natural gas decreased and the share fueled by petroleum products increased. In comparison, demand for all petroleum products was reduced by 4.9% and demand for gasoline—which equalled 40% of petroleum consumption over this period—decreased by only 2.8%.

While the new FEA regulations are designed to shelter residual fuels from bearing the full impact of import fees, we cannot lend our support to any program whose net effect will increase rather than decrease the price of residual heating oils. The United States must reduce its consumption of energy, and pricing policy may be one method of achieving such reductions. Further increases in the price of residual fuels will force one section of the country to make economic sacrifices, not shared by the rest of America. This is a national policy in name only, and as such cannot be tolerated.

Source of Statistics: *Monthly Energy Review, November 1974*, Federal Energy Administration; *Fuel and Energy Data: United States by States and Regions, 1972*, Bureau of Mines.

TABLE 2—RANKING OF STATES IN TERMS OF ENERGY CONSUMPTION PER CAPITA (NET AND GROSS)—1972

State	Population (thousands)	Btu. per capita Net	Gross	Rank
Wyoming	346	684	985	1
Louisiana	3,738	644	716	2
Alaska	325	542	607	3
Texas	11,604	506	589	4
West Virginia	1,795	414	633	5
Indiana	5,286	399	477	6
New Mexico	1,076	390	571	7
Kansas	2,268	365	439	8
Montana	716	363	478	9
Utah	1,127	351	364	10
Alabama	3,521	314	414	11
Oklahoma	2,633	310	390	12
Ohio	10,722	306	359	13
Arkansas	2,008	297	325	14
Pennsylvania	11,905	291	346	15
Idaho	755	285	337	16
Nebraska	1,528	284	305	17
Nevada	533	283	509	18
Mississippi	2,256	279	305	19
Colorado	2,364	275	323	20
Maine	1,026	274	307	21
Delaware	571	272	289	22
Illinois	11,244	269	329	23
North Dakota	634	269	485	24
Iowa	2,884	268	314	25
Michigan	9,013	268	310	26
Kentucky	3,306	261	382	27
Minnesota	3,877	259	302	28
Oregon	2,185	250	374	29
Washington	3,418	247	425	30
Tennessee	4,072	243	316	31
Missouri	4,747	239	293	32
Wisconsin	4,526	231	280	33
Arizona	1,963	230	281	34
Georgia	4,733	222	290	35
New Jersey	7,349	220	252	36
South Dakota	680	220	323	37
Massachusetts	5,796	218	257	38
Virginia	4,765	218	254	39
Maryland and District of Columbia	4,800	215	262	40
South Carolina	2,688	210	273	41
California	20,411	215	252	42
New Hampshire	774	213	260	43
Rhode Island	969	207	208	44
North Carolina	5,221	198	268	45
New York	18,367	192	235	46
Vermont	460	189	190	47
Hawaii	816	185	228	48
Connecticut	3,080	181	248	49
Florida	7,347	165	217	50

Note: Some States include coal consumption from another State to avoid disclosing individual company data.

The PRESIDING OFFICER. I believe the Senator from Connecticut has yielded back his time.

The question is on agreeing to the amendment by Mr. JAVITS as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The clerk will suspend. Will the Senators please clear the well, and let us have it quiet in the Chamber?

The Senators will please clear the well. The call of the roll will be suspended until there is some order in the Chamber. The Senators will please take their seats.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate. I hope the Senators will sustain the request of the Chair who has the authority to enforce order in the Senate during the roll-call, and the Chair has asked for order. I hope the Chair will persist in getting order.

The PRESIDING OFFICER. The clerk may resume the call.

The assistant legislative clerk resumed the call of the roll.

Mr. NELSON. Mr. President, may we have order.

The PRESIDING OFFICER. The clerk will suspend. The Senate will be in order. There will be no resumption of the roll-call until the Senators have been seated and have ceased their talking. Let us have complete quiet here, please.

The clerk may resume.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) would vote "nay".

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. FANNIN), and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The result was announced—yeas 25, nays 69, as follows:

[Rollcall Vote No. 11 Leg.]

YEAS—25

Baker	Helms	Scott, Hugh
Beall	Javits	Scott, William L.
Bellmon	Laxalt	Stafford
Brock	Mathias	Stevens
Case	McClure	Thurmond
Dole	Packwood	Tower
Garn	Pearson	Young
Goldwater	Percy	
Griffin	Roth	

NAYS—69

Abourezk	Glenn	Metcalf
Allen	Hansen	Mondale
Bartlett	Hart, Gary W.	Morgan
Bentsen	Hart, Philip A.	Moss
Biden	Hartke	Muskie
Brooke	Haskell	Nelson
Buckley	Hatfield	Nunn
Bumpers	Hathaway	Pastore
Burdick	Hollings	Pell
Byrd, Harry F., Jr.	Hruska	Proxmire
Byrd, Robert C.	Huddleston	Randolph
Cannon	Humphrey	Ribicoff
Chiles	Inouye	Schweiker
Church	Jackson	Sparkman
Clark	Johnston	Stennis
Cranston	Kennedy	Stevenson
Culver	Leahy	Stone
Curtis	Long	Symington
Domenici	Magnuson	Talmadge
Eagleton	Mansfield	Tunney
Eastland	McClellan	Weicker
Fong	McGee	Williams
Ford	McGovern	
	McIntyre	

NOT VOTING—5

Bayh	Gravel	Taft
Fannin	Montoya	

So Mr. JAVITS' amendment, as modified, was rejected.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion to table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. By previous agreement, the Senator from Kansas (Mr. DOLE) is recognized.

Mr. DOLE. Mr. President, I yield to the Senator from New York.

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Mr. BUCKLEY. Mr. President, I have an amendment at the desk, and I ask for the yeas and nays.

The PRESIDING OFFICER. It takes unanimous consent for the motion to be in order.

Mr. BUCKLEY. Mr. President, I had a unanimous-consent agreement to be allowed to bring up a request for the yeas and nays at a later time.

The PRESIDING OFFICER. The Chair recognizes that, but to amend the amendment requires unanimous consent.

Mr. BUCKLEY. I am not amending my amendment. I believe my amendment is coming up for a vote.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, it is my understanding we will proceed with the yeas and nays and the Senator from Kansas will be recognized following the vote.

The PRESIDING OFFICER. That was the Chair's understanding.

Mr. CURTIS. Mr. President, is it in order to ask further unanimous consent that we might have the amendment stated?

Mr. BUCKLEY. I would be delighted, Mr. President. It is very simple.

Mr. CURTIS. I ask unanimous consent that the Senator from New York be recognized for 3 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. BUCKLEY. Mr. President, the effect of my amendment would be to suspend for 60 days only——

Mr. PASTORE. Mr. President, may we have order so that we can hear in these 3 minutes?

The PRESIDING OFFICER. May we have order in the Chamber?

Mr. BUCKLEY. Mr. President, my amendment has the effect of permitting the tariff to go forward on crude oil only. With respect to all other petroleum products, it would suspend the imposition of a tariff for 60 days.

The rationale behind my amendment is as follows:

First, the Northeastern States have borne by far the greatest brunt in the recent increases in the price of imported petroleum as most home heating and the generation of most electricity in the area is derived from petroleum product that is imported from overseas.

Second, there is good reason to believe that still further increases in the cost of electricity and heating in the Northeast will not result—I emphasize not result—in any further meaningful conservation in the use of these petroleum products. In other words, the rationale of the administration would not be applicable in this particular situation, and there seems no need to merely add to the cost without a commensurate benefit.

Third, the amendment is highly targeted because the Eastern States import approximately 80 percent of all petroleum products imported into the United States, and 80 percent of what they import is used for heating oil and for the generation of electricity.

Finally, the principal objective of the President's program would be preserved because 55 percent of our petroleum imports is in the form of crude oil, and it is, of course, this area that is increasing as we decrease domestic consumption.

As I say again, this affects only petroleum products.

Mr. PASTORE. Will the Senator yield for a question?

Mr. BUCKLEY. I am glad to yield.

Mr. PASTORE. Would the better answer not be to reject the entire tariff? That would help New England and the Northeast a lot better than his amendment.

Mr. BUCKLEY. The Senator from New York believes not for two reasons: No. 1, if you talk about the general spectrum of petroleum and petroleum products in the United States as a whole, I think the preponderance of the evidence supports the idea if you increase the price you decrease consumption, and we need to decrease consumption. I distinguish between petroleum products because there is evidence to the contrary, that an increase in price will not further decrease consumption. We have seen a leveling off in the rate of use of electricity and in the rate of use of heating oil as a result of price increases that have already taken place, with the burden particularly impacting on the Eastern States.

Mr. RIBICOFF. Mr. President, I have just one comment. The license fee under Senator BUCKLEY's amendment would only be on crude. Refined oil would be $3 a barrel cheaper than oil which was imported as crude and then refined in this country. As a result, refineries would be driven out of this country to the country's further detriment. We would have more refineries abroad, less here. If we want to build up the oil industry in the United States to make us self-sufficient, then we certainly should reject the amendment of the Senator from New York. His amendment gives a definite preference to oil being refined in the OPEC countries and elsewhere abroad, rather than in this country.

Mr. BUCKLEY. I would beg to differ, Mr. President. We will see equalization of these costs. What this does give us is a 60-day period within which to reexamine the basic premise under which the President would impose a duty on specific petroleum products. In point of fact we have a discrepancy in the prices on crude oil and the proposed price on product in any event. These are details that will have to be ironed out. I do not believe that what I have proposed will, in this initial period, have the effect of creating such a distortion of prices as to have the effect that the able Senator from Connecticut claims.

Mr. RIBICOFF. May I point out that what these amendments try to do is provide only a partial solution to a basic problem. The President unilaterally put into effect a tariff proposal. We are asking for a 90-day suspension in order to work, between the President and the Congress, other approaches. But by trying to solve these problems in a piecemeal way, we are not solving a comprehensive way the basic problem. I would hope that we would reject these amendments, approve H.R. 1767, and that Congress and the executive branch would then go on to work out a program that could unite the country and help solve the energy crisis that we now have.

Mr. CURTIS. Vote.

The PRESIDING OFFICER (Mr. GARN). Is all time yielded back?

Mr. RIBICOFF. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on the amendment. The yeas and nays have been ordered. The clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. FANNIN), and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The result was announced—yeas 18, nays 76, as follows:

[Rollcall Vote No. 12 Leg.]

YEAS—18

Baker	Javits	Scott, William L.
Beall	Laxalt	Stafford
Buckley	Mathias	Stevens
Garn	Packwood	Thurmond
Goldwater	Percy	
Griffin	Roth	
Helms	Scott, Hugh	

NAYS—76

Abourezk	Ford	Metcalf
Allen	Glenn	Mondale
Bartlett	Hansen	Morgan
Bellmon	Hart, Gary W.	Moss
Bentsen	Hart, Philip A.	Muskie
Biden	Hartke	Nelson
Brock	Haskell	Nunn
Brooke	Hatfield	Pastore
Bumpers	Hathaway	Pearson
Burdick	Hollings	Pell
Byrd, Harry F., Jr.	Hruska	Proxmire
Byrd, Robert C.	Huddleston	Randolph
Cannon	Humphrey	Ribicoff
Case	Inouye	Schweiker
Chiles	Jackson	Sparkman
Church	Johnston	Stennis
Clark	Kennedy	Stevenson
Cranston	Leahy	Stone
Culver	Long	Symington
Curtis	Magnuson	Talmadge
Dole	Mansfield	Tower
Domenici	McClellan	Tunney
Eagleton	McClure	Weicker
Eastland	McGee	Williams
Fong	McGovern	Young
	McIntyre	

NOT VOTING—5

Bayh	Gravel	Taft
Fannin	Montoya	

So Mr. BUCKLEY's amendment was rejected.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which that amendment was rejected.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, earlier in the afternoon, the Senator from Massachusetts was asking some specific figures of me. I think I shall include them, but I should like once more to go over what we are talking about today,

what we are going to vote on in about 45 minutes, so that we can clear up the misunderstanding that seems to exist between the total energy program of the President and what we are voting on, which is the tariff and what the effects are of voting for or against the tariff in terms of holding this Congress feet to the fire and what the effects are in terms of dollars. Whom does it cost; how much does it cost?

Let us take a look just at the background over the past 10 years so we can understand why I think, at least, that we need to have this tariff imposed.

The turning point came in about 1970, give or take a year. Up until that time, the United States was reasonably independent of foreign sources of oil. We imported oil from some of the OPEC countries, from Canada, from Venezuela. But we were reasonably independent. We could get by in emergencies.

More importantly, the bulk of the free world could depend upon the United States for a supply of oil in an emergency, which gave us the power to determine world crude oil prices because, if the OPEC countries tried to raise their prices too far, we could tide over our friends in an emergency. But in 1970, again give or take a year, we reached a turning point. We could no longer supply our own domestic needs without substantial imports, let alone be a supplier of last resort for the major countries in the world.

At that stage, the control of crude oil prices in the world passed from the Texas gulf to the Persian Gulf and has remained there ever since. Those countries have found that they can raise their prices and raise their prices again, and the world is stuck because we are hooked on oil and we cannot get out of it. We have not gotten out of it, at least at the moment.

Let us take a look at exactly what the United States has had to pay in the past years and why the situation has now become so critical. In 1970 we only paid $2.7 billion for imported oil. In 1974 that had risen to $25 billion. By 1977 if we do nothing, we will be using 16 million barrels of oil a day. Of that 16 million, we will be importing 8 million barrels a day at a cost of about $32 billion. By 1985, if we do nothing, we are going to be using almost 24 million barrels a day of oil and we will be importing 12.7 million barrels a day at a cost of $51 billion a year. And that assumes that the OPEC countries will keep their price at $11 and not raise it. I think that presumption is unlikely.

Everybody who has spoken here today has said that that is a deplorable situation. I have not heard a single Senator say that that is a desirable situation. Everybody, in one form or another, wants to reduce our imports to reduce our dependence on foreign oil. But how we go about doing it is the question.

In the hearings of the Committee on Finance about 10 days ago, when this issue was discussed, I asked a question of John Sawhill, the former Federal Energy Administrator. I quoted Senator JACKSON's statement that he would soon have a report from the Committee on the Interior and that report would show how we could decrease our dependence on imported oil, decrease our dependence on the Middle East without increasing prices. I asked Mr. Sawhill if that could be done without either rationing or allocation or price increase. He said "No."

I think that is a fair answer. If we are, indeed, going to reduce our imports, we are going to have to do it by rationing or by allocation or by a price increase. There are no other alternatives. In the President's total energy package, and this is the only time I shall refer to it—just to illustrate what goals he is attempting to achieve, the President hopes that by 1977, we can reduce our imports in this country to 5.8 million barrels of oil a day instead of 8 million barrels a day. If we were to achieve that, imported oil would cost us $21 billion instead of $32 billion, a saving of $11 billion.

I do not want to talk at length about the President's total energy package. He does not have the power to impose it, he does not have the power by administrative fiat to create it. There is going to be no energy package unless Congress enacts it. So let us bring ourselves right back to the tariff, the $3 a barrel on crude, the $1.20 a barrel on product, and see what it does.

We are now importing about 6.8 to 6.9 million barrels of oil a day, part of that is crude, part of it is product. Product, simply defined, is anything that is refined from crude oil. If we put a $3 a barrel tariff on imported crude oil and a $1.20 a barrel tariff on imported product, we expect that our imports will drop to roughly 6.5 million barrels of oil a day, 3.2 million of that will be product, 3.3 will be crude. Just the tariff on the imported crude oil and the imported product, will raise about $4.8 billion in increased revenue to the Federal Government.

The saving to this Government because we will have reduced our imports by about 350,000 barrels of oil a day is about $1,386,000,000.

What is the effect on the Consumer Price Index? What is the effect on employment? What is the effect on the average household? That is the question that the Senator from Massachusetts asks.

The effect of the tariff alone, at its full implementation and assuming that the entire cost of the tariff is passed along to the consumer—and I am not sure that that is an accurate assumption in today's depressed market—but if it were all passed along, it is less than a one-half of 1 percent increase in the Consumer Price Index.

What is the effect on employment? None. It does not cause any increased shutdowns; it does not cause anyone to be laid off.

What is the effect on the so-called average household? Here I am using the Interior Committee's definition of a household. They assume that there are 53 million households of four people each. That is a slightly different definition than the Census Department's definition, but do not worry about that. If we assume that there are 53 million households with four people apiece in them, then the tariff will result in an increase to the average household of an annual cost of approximately $80, and, to bring it down even more specifically, assuming the tariff is passed along evenly, on all products with the same increase, it comes along roughly to 4½ cents a gallon. So all families can add up how many gallons of gasoline they use, and how many gallons of heating oil, multiply it by 4½ cents, and come out with roughly what this will cost them.

The interesting thing is that if you assume the average household is going to pay about $80 more, a point that is overlooked is that the Government has raised by this tariff almost $5 billion; and if Congress wants to direct that that money be rebated to the average household in this country, the average rebate will be about $90 a household. So there is no reason why there has to be any increase on any household in this country, but Congress will have to act. The President has the power to impose the tariff, but the President does not have the power to rebate any of the money that is collected.

The President does have the power, and it has been debated here today, to skew the incidence of the tariff. If he chooses, instead of saying 4½ cents on the oil, 4½ cents on the gasoline, and 4½ cents on jet fuel, he can say that the cost will be passed along at a penny on heating oil and 6 cents on gasoline, and I am led to believe that he may announce that he will indeed be altering the incidence of the tariff, and that he will more heavily skew it toward gasoline and will have a much lower incidence on home-heating oil.

The thing that bothers me is that the only pressure causing this Congress to act is the fact that the President has taken action. As I look at the proposals that are offered, I have a great fear that we are going to dally. I have a great fear that our first concern is going to be the recession and unemployment, and that is not a problem to be overlooked. But the recession and the unemployment are not an excuse to put on the back burner the problem of energy and energy conservation.

If we put off until June, July, or August of this year or June, July, or August of next year facing up to whether or not we are going to try to undertake energy conservation, we are going to postpone the inevitable day when we must reduce our dependency on foreign imports.

We are running a grave risk. We do not have the capacity in this country to immensely increase our own domestic energy production, whether coal, solar, or nuclear, rapidly. When we get to 1976, 1977, and 1978, we are going to be heavily dependent on foreign imports unless we act now, and we are running the risk of an embargo. If we are importing 8 million barrels a day in 1977, and we face an embargo from the OAPEC countries that cuts off only half of that, and that embargo lasts for 6 months, we face a $40 billion reduction in the gross national product and 2 million people unemployed.

That is not a risk that I think we can

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run with abandon. But unless we act now, we are going to face that risk in 1977, no matter what we might do next year or the year after that.

There are those who would say we can run the risk, we can take the chance, there will not be an embargo. But that is like saying you can run the risk of not putting fire insurance on your house, there may never be a fire. You can save the premiums year after year, if you are willing to run the risk of a catastrophe. I think we should sustain the tariff——

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. Let me finish. I think we should sustain the President on his tariff. If we do not do so today, I think we should sustain his veto, and I think Congress should immediately start to work on an energy package, which can include an extension of the tariff.

I yield for a question.

Mr. PASTORE. The Senator brings up the specter of an embargo, which may be imminent or may not, depending on what may happen in the world situation, on what might happen in the Middle East.

What is there in the imposition of the $3 tax, which is a burden on top of a burden especially of the Northeast, especially in New England, that is going to take care of the embargo?

The point here is that we are not addressing ourselves courageously to what the situation actually is. We can actually take any statistics——

Mr. PACKWOOD. If we do not address ourselves to the tariff, we are not addressing ourselves to anything at all. The tariff is the only thing we are acting on.

Mr. PASTORE. All we are asking in this legislation, that was reported out of a committee of which the Senator is a member, all we are saying to the President of the United States is, "You unilaterally imposed this tax under the powers that you have under the Trade Expansion Act of 1962. You did it without consulting Congress; you did it without consulting any member of the public. You did it after consulting only that small coterie of people around you."

Mr. PACKWOOD. What is the Senator's question?

Mr. PASTORE. I will come to the question. This is the predicate to the question.

All we are saying here is, "We want a respite of 90 days to come up with this alternative that you have been challenging us to produce."

Mr. PACKWOOD. We have had a year and a half to come up with something.

Mr. PASTORE. Does the Senator want to hear me out?

Mr. PACKWOOD. I want to hear the question.

Mr. PASTORE. The question is this: When did the President of the United States first deliver his message to Congress on the tariff of $3?

Mr. PACKWOOD. About a month ago.

Mr. PASTORE. January 13.

Mr. PACKWOOD. All right.

Mr. PASTORE. When did Senator MANSFIELD appoint the ad hoc committee to come up with the alternative?

Mr. PACKWOOD. As soon as they were faced with the possibility of a tariff.

Mr. PASTORE. On January 24.

When did the President of the United States spell out the details of his plan? When he submitted his budget on February—here it is; February 19.

We are ready, in 2 weeks, to come up with an alternative plan. All we are saying to the President is, "Hold off on this tariff, which is adding insult to injury to the consumers of Rhode Island, for 2 weeks," when we expect to be able to have the President of the United States sit down with us on a plan, when we go to him with it.

My question to the Senator is, what is unfair about that?

Mr. PACKWOOD. All right, let us take them in order. One, he objected to the fact that the President has imposed this tariff without consulting anybody. So he says the President did consult. But, forget that. It is another example of Congress delegating power to the President, telling the President when he thinks it is necessary to impose this tariff to go ahead and do it. He does it, and Congress says, "We did not mean that."

Why did we give him the power if we did not mean it? Why come back here?

Mr. PASTORE. Did he consult the Senator?

Mr. PACKWOOD. He did not consult me personally. I do not talk with him every day.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. CURTIS. The imposition of the tariff has made a great contribution to the solution of this problem. For 18 months nothing happened to curtail imports or increase production here. Within 2 weeks we got an ad hoc committee over on the other side.

Mr. PASTORE. That is correct. If the Senator will yield, I can answer that.

Mr. PACKWOOD. What I fear is going to happen if this tariff is defeated, is that we will go right back to where we were, and consider all of the crisis problems, with energy being only one of them, and thus we will not have passed a program by September of this year.

Mr. CURTIS. If the tariff is sustained it will result in actions in Congress and among business leaders that will make more petroleum available, and it will trigger a solution to this problem.

Mr. PACKWOOD. I agree.

Mr. CURTIS. If it does nothing more than force a conversion of all electrical production to coal, and it is over 2 million barrels a day to be imported, and that alone will force the world price of oil down.

Mr. PASTORE. Mr. President, will the Senator yield so that I can make an observation——

Mr. PACKWOOD. Yes.

Mr. PASTORE (continuing). To my good friend?

Jerry Ford was a Member of Congress. He has not been mandated by the people of the United States. I am not saying that he is not lawfully the President. He is under the 25th amendment.

He was appointed the Vice President. Nobody at that time ever thought that Nixon was going to resign, but finally he did resign, so Henry—Jerry Ford becomes [laughter]—I will talk about Henry Ford, too. I understand he appeared before a committee, and he rebuked the President's program as being inflationary and as causing an acceleration of unemployment.

But let me finish what I was saying, so he was a Member of the House of Representatives. When he entered that Chamber I remember everybody stood up and gave him a tremendous ovation; he was one of the boys.

Do you know what his colleagues did? They repudiated his plan, and they passed this bill by a vote of 309 to 114. Now, can all of those friends of his be wrong?

All we are saying here in the Senate is give us 90 days' time, give us 90 days' time so that we can come up with an alternative plan and produce it to the Senate, and if it is no good the President can do what he wants, and we will do what we want.

Mr. PACKWOOD. How does the imposition of the tariff in any way restrict the Senator from coming up with a plan? Is it going to prohibit the Senator's meeting and coming up with a program which is going to repeal the tariff?

Mr. PASTORE. The only thing wrong with that is that the Senator first takes the baseball bat out of my hands and then he says, "Now hit a home run".

The whole purpose of the plan, Mr. President, is the rejection of this tariff.

Mr. PACKWOOD. Come up with a bill that rejects it, and that is all the Senator is going to do.

Mr. PASTORE. That is what we are going to do.

Mr. PACKWOOD. That is what I understand.

After we postpone it for 90 days——

Mr. PASTORE. If we sustain this, we will come up with a program to reject it.

Mr. PACKWOOD. I can see what is going to happen. We are going to postpone a program for 90 days, and when we get to the end of 90 days, we will then ask for another 90 days.

Mr. PASTORE. This is only to show the President the courtesy——

Mr. PACKWOOD. If this tariff stays in effect, there is nothing to prohibit the Senator from coming up with an alternative plan.

Mr. PASTORE. By that time the damage will have been done.

Mr. PACKWOOD. I want to yield to the Senator from Kansas because I am using his time.

I yield to the Senator from Wyoming.

Mr. HANSEN. I thank the Senator from Oregon for yielding.

I was deeply interested in what the Senator from Rhode Island said when he spoke about the other body. He said how they repudiated the President by a vote of three to one or about that.

Let me quote from one person who did not repudiate the President of the United States, a Member of the other body, a distinguished gentleman from Illinois, Congressman DAN ROSTENKOWSKI. He happens to be the Democratic whip.

Do you know what he said when this bill was passed by the House over there and sent to this body? He said many things, but I think one thing he said is very noteworthy, and I want to read it again, because there are Members here now who were not present earlier in the day when I read it before. These are the words of the Democratic whip less than a month ago:

> In conclusion, I believe that if we in Congress are going to oppose the President's program at this most critical time, we should oppose it only if we are able to substitute a positive program of our own. We should not spend hours searching for a mere technicality to block his action, or days complaining how unfair it is for him to take the initiative, using every discretionary tool available to him.

What have we done? I can tell you what we have done. Senator HUGH SCOTT of Pennsylvania introduced the President's program. It is a comprehensive program. It deals not only with those steps which will lessen the impact that a reimposition of the oil embargo could have on the United States, but it spells out other conservation efforts as well, and it includes also steps that will assure a greater domestic effort in order to make sure that we do not have to go through this traumatic experience again. It is 167 pages long.

What have the Democrats done? They have come up with a four-page bill. What does it say? It says, "You cannot do it. Cease and desist. Stop. Do not take this action. Give us another 90 days."

Well, we have had 90 days multiplied by a good many times that factor, because, as a member of the Interior Committee, where I have been since 1967, and as a member of the Finance Committee of the Senate, I have listened to this rhetoric about, "We are going to do something about this. We are going to come forward with a program."

We passed S. Res. 45 and 4 years ago. We were going to spell out a complete energy platform that would make us self-sufficient. Four years later the best we have from the other side is, "Give us another 90 days."

I thank the Senator.

Mr. PASTORE. Now, after that speech, Mr. President, will the Senator yield, so that I may have a word to say?

Mr. PACKWOOD. Mr. President, I believe I have the floor. Who has the floor?

The PRESIDING OFFICER (Mr. ROTH). The Senator from Oregon.

Mr. PACKWOOD. I yield to the Senator from Kansas.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired. The Senator from Connecticut has the remaining time.

Mr. CURTIS. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Mr. President, parliamentary inquiry, who has the time?

The PRESIDING OFFICER. The Senator from Connecticut has the time.

Mr. CURTIS. Mr. President, parliamentary injuiry.

Mr. RIBICOFF. I yield 1 minute to the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 1 minute.

Mr. RANDOLPH. Mr. President, I respect the able Senator from Oregon (Mr. PACKWOOD) and the able Senator from Nebraska (Mr. CURTIS).

I wish to comment on their colloquy which mentioned coal conversion.

I remind my colleagues that early last year we acted on coal conversion legislation.

On June 26, 1974, almost 8 months ago, the President signed the Energy Supply and Environmental Coordination Act. On several occasions since then I have been assured by representatives of the executive branch that the provisions of this act would be implemented in a timely manner. Even today the Federal Energy Administration is holding hearings on proposed regulation to implement this statute.

Successful implementation of this program by the Federal Energy Administration in concert with the Environmental Protection Agency will represent a significant first step in our national quest for increased energy self-sufficiency; it will facilitate the use of domestic coal supplies while providing for the protection of public health with minimum modification of applicable Federal and State clean air compliance schedules.

I again remind my two distinguished colleagues that the Chief Executive in his state of the Union address on January 15, 1975, supported coal conversion and proposed changes in this law to expand this program. However, I also must note that it was not until February 5, 1975, that the Federal Energy Administration even proposed regulations, although the Environmental Protection Agency proposed their complementary regulations last September.

The Federal Energy Administration estimates that energy savings equivalent to 100,000 barrels of oil per day can be achieved by the end of 1975 from this program, with savings on the order of 300,000 barrels per day by the end of 1977.

A strategy with the potential of saving 1 million barrels of oil per day in the electric utility industry by 1980 also has been developed. These reductions in oil imports are possible under legislation enacted last year.

There is no reason why energy savings equivalent to some 100,000 barrels of oil per day could not have been affected by this time had this coal conversion legislation been implemented in a timely manner.

While the Congress does not always act in an expeditious manner it did in the case of this legislation.

The failure has been in the implementation of this positive congressional action by the executive branch. Such actions by the Congress are of little value to the American people if they are not also expeditiously implemented by the Administration.

The able Senator from Wyoming (Mr. HANSEN) noted that 4 years ago we approved Senate Resolution 45 authorizing the National Fuels and Energy Policy Study. The Senator suggests that the best we can say after 4 years is, "Give us another 90 days."

Yet, Mr. President, it is precisely because we have 4 years experience under S. Res. 45 that we can realistically consider formulating an alternative energy and economic program to that of the President's within 90 days. An ad hoc committee of the Democratic Caucus is even now meeting on such a proposal under the chairmanship of the Senator from Rhode Island (Mr. PASTORE).

What is not generally understood is that the 93d Congress considered some 421 energy related bills in the Senate alone. Final congressional action was completed on some 48 of these measures. Forty-three were signed by the President and 5 vetoed at the White House.

Among the new laws enacted were the Emergency Highway Energy Conservation Act; the Deepwater Port Act; and the Energy Supply and Environmental Coordination Act. Many of these measures when fully implemented will contribute to energy savings for the benefit of our economy.

I repeat, the later measure when fully implemented can achieve oil and gas savings equivalent to some 1 million barrels of oil per day through coal conversion. Yet the final regulations for this program have yet to be promulgated.

Mr. President, this is not the time for partisan polarization on energy and economic matters. It is not a time for throwing rocks from one branch of Government over to the other.

It is a time for factual information to be a part of the record.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Kansas is recognized.

Mr. RIBICOFF. Mr. President, a parliamentary inquiry. Who has the time?

The PRESIDING OFFICER. The Senator from Connecticut has the time, but the Senator from Kansas can offer an amendment under the agreement, and the Chair has recognized the Senator from Kansas.

Mr. DOLE. A parliamentary inquiry. I can also discuss the amendment, is that correct?

The PRESIDING OFFICER. Up until 5 o'clock.

Mr. DOLE. That will oe sufficient.

Mr. PASTORE. Mr. President, parliamentary inquiry.

Mr. RIBICOFF. Mr. President, I did not hear the response of the Presiding Officer. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The remainder of the time is under the control—the remainder of the time on the bill is under the control—of the Senator from Connecticut. But the Senator from Kansas, having been recognized, under the agreement the remainder of the

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amount of time on that amendment comes out of the time on the bill.

Mr. RIBICOFF. Do I understand the parliamentary situation to be that the Senator from Kansas has the remaining 20 minutes?

The PRESIDING OFFICER. If it is all used.

Mr. KENNEDY. Mr. President, parliamentary inquiry. Has the Senator from Kansas submitted an amendment?

The PRESIDING OFFICER. He is about to.

Mr. DOLE. I ask for consideration of it.

The PRESIDING OFFICER. The clerk will report.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) during the period beginning on February 1, 1975, and ending on April 30, 1975, the President may not take any action under section 232(b) of the Trade Expansion Act of 1962 (19 U.S.C. 1862(b)) or any other provision of law to adjust imports of petroleum or its derivatives into the United States.

(b) Except as specifically provided in subsection (c), any action taken after January 22, 1975, and before the date of enactment of this Act by the President under such section 232(b), or any other provision of law, for the purpose of adjusting imports of petroleum and petroleum products into the United States, shall cease to have effect on the date of enactment of this Act.

(c) Any fees and supplemental fees for allocation and licenses imposed by action taken by the President for the purpose of adjusting imports of petroleum and petroleum products under section 232, and in effect on the date of enactment of this Act, shall continue in effect to the extent that the sum of such fees and supplemental fees imposed per barrel does not exceed—

(1) $1.21, with respect to imports of crude oil and natural gas products, and

(2) $0.63, with respect to imports of motor gasoline, unfinished oils, and all other unfinished products (except ethane, propane, butanes, and asphalt).

SEC. 2. The first section of this Act ceases to apply if, during the period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces,

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)), or

(5) there is a substantial change in the conditions of trade with respect to petroleum and petroleum products which has an adverse effect on the United States and is caused by—

(A) an increase in the average per barrel price in excess of 25 percent, determined (over a one-week period, of imports of petroleum and petroleum products into the United States, or

(B) a decrease in the average barrel volume in excess of 25 percent, determined on the basis of a one-week period, of imports of petroleum and petroleum products into the United States.

Mr. DOLE. Mr. President, I will try to accommodate other Senators who wish to speak before 5 o'clock, but I would like to discuss this amendment first. Then I will be happy to share time with anyone who wants to discuss or respond.

Let me say at the outset that the junior Senator from Kansas has been discussing the possibility of compromise with the President and with other Members of Congress for some time. It was my hope that we might agree on a 90-day suspension of the President's authority to impose anything higher than a $1 tariff, as my amendment would do. But I can detect an atmosphere in the Senate that is not conducive to compromise. In the opinion of the junior Senator from Kansas, the issue has become so politicized because both sides believe they are going to win.

Mr. PASTORE. Will the Senator yield for a moment?

Would the Senator be willing to allocate 5 minutes to this side of the remaining 20 minutes?

I understand the unanimous-consent agreement is that we have to vote at 5 o'clock; in other words, the Senator will preclude the rest of us from answering the dialog that went over on the other side. I think we ought to be given an opportunity for an answer.

Mr. DOLE. I agree. I will allocate 5 minutes after we complete consideration of this amendment.

Mr. PASTORE. I thank the Senator.

Mr. DOLE. In my opinion, it is regretable that the Senate would not make an affirmative vote on my amendment. But I do want to express my conviction that sooner or later the Congress and the Executive must find a middle ground if we are to have any meaningful solution to our economic and energy problems.

There is no doubt about the vote today on H.R. 1767. This is only a preliminary bout prior to the main event which may come, as I understand it, next week, or the next week after that. The issue then is going to be leadership. Who is going to provide the leadership in this country, the President of the United States or the Democratic Congress?

Now, I read the plans that the Democrats have proposed and some of them have great merit. I would agree that they might come up with another Presidential candidate in 30 days, but I doubt they will come up with a meaningful energy plan in even 60 days or 90 days.

There will be only one loser in this delay, delay and delay, and that will be the American people, who seek direction and resolution of this problem.

There are some parts of the President's program that Congress will disagree with. The junior Senator from Kansas recognizes that, as most others have.

The distinguished Senator from Nebraska said a few moments ago that one thing the imposition of the tariff did was start some action—action among Republicans, and action among Democrats. I do not criticize the Democrats. The distinguished Senator from Rhode Island has been working hard on a plan. It is doubtful that all the Republicans in the Congress could sit down and come up with one plan. Some Republicans have different views than the Senator from Kansas, House Members have differing views than Senators, and so on, and yet we have a few who want to run in 1976 and they may have individual plans.

So the problem is very difficult. The one person who can provide the plan and provide the leadership is the President of the United States, whether on our side or yours. The junior Senator from Kansas believes he is providing leadership for the American people and that we should accept that leadership and pass most of his plan.

So the vote today is important. It is the opinion of the junior Senator from Kansas that if we can muster 30 votes today, there is a good chance the President's veto will be sustained, but if the President's veto is overridden, then the responsibility clearly moves to the Democrats who control the Congress, not just for 90 days but probably for a much, much longer time.

So it is my hope, regardless of the vote today, that between now and the time the Senate votes on sustaining or overriding the veto, that reasonable men in the Congress and a reasonable President can sit down together, work out some compromise, and then get on with the work at hand.

The junior Senator from Kansas visited with the President twice this week. It was highly significant that the President discussed for 3 or 4 hours the necessity of action, not action for the Republican Party, not action for a Republican President, not action against the Democratic Congress, but action for the American people.

I believe the distinguished Senator from Rhode Island has great respect for President Ford. I do not believe anyone questions the right or authority the President has to impose a tariff. That authority is there. He exercised it. We would agree with his authority.

Some disagree with his action. They have that right. But there is much more at stake than just the import tariff.

The tariff, in itself, has become symbolic, and there are some who may not oppose the tariff who will vote no because they are opposed to part of President Ford's energy program. Some may have no strong feelings on the tariff but will support it because they want some plan and some action.

I do not know anyone in this Chamber who has a complete answer. I know many in this Chamber who would like to have answers, including the junior Senator from Kansas, not on a partisan basis, but on the basis of what is good for the people in my State, and the people in other States in this country, and in countries around the world.

The arguments have been made and the junior Senator from Kansas will not repeat the arguments because the distinguished Senator from Oregon, the distinguished Senator from Wyoming, the distinguished Senator from Tennessee, the distinguished Senator from Nebraska, and other Senators on this side of the aisle have attempted, in a very effective way, emphasized the need for the program.

Now, having stated that and having offered my amendment, knowing that it would be soundly defeated, I see no reason to subject the Senate to another rollcall. So at this time I yield 5 minutes to the Senator from Rhode Island and request 1 minute back following that and then I will yield the rest to the Senator from Connecticut.

Mr. PASTORE. I thank the Senator.

Mr. KENNEDY. Would the Senator have a minute or two?

Mr. RIBICOFF. I am pleased to yield to the Senator from Massachusetts on my time.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PASTORE. Now, Mr. President, what we are saying here is nothing to impugn the integrity and the character of President Ford. No one presumes that; no one pretends that.

What we are saying here is that the President not too long ago said, "I want a marriage with the Congress," and on January 15 he asked for a divorce.

No one questions the fact that under the law he had the authority to do it, but the fact still remains that the Congress and the people of the United States knew nothing about his plans until January 13.

We came back on January 14—and the Senator from Rhode Island does not ski, I was back home listening to the complaints. So what did the majority leader do? On January 24, he appointed this ad hoc committee, and he admonished us to come up with a plan, a comprehensive plan.

Now, had we, instead of this bill to postpone, proposed a bill to reject the tax, then it could have been argued that here we are acting precipitately without a plan to suggest.

So when the President said that if we did not like his plan to come up with another plan, we accepted the challenge, and we have been working at it ever since.

We have a plan, we have a Senate plan so far. It was approved unanimously by the policy committee, approved unanimously by the joint committee of the policy and the chairman of the various legislative committees, and then we agreed to meet with the steering committee of the House, and we met this morning, we are going to meet again next Tuesday, and we announced to the press and we announced to the media that we were not far apart; that we could consolidate and compromise our difference and come up with a plan. We also said at that time—we also said at that time—that we would ask for an audience with the President to submit the plan to him before we took any action on it, so that we could prove to the country that both the Congress of the United States and the executive department could act together in a marriage and not a separation.

Now it is being said here that we have to do this in order to help the balance of payments.

We agree with that.

We have to do something about bringing about independence from foreign influence.

We agree with that.

The big question here is how do you do it? We have over 8 million people out of work in the United States today. If you put this tax on in Rhode Island, as they have already done by putting on the $1, before we know it, it will be March 1 and it will be $2, and before we know it, it will be April 1 and it will be $3. You will begin to close down all the mills in Rhode Island. We already have 10-percent unemployment. We have 14-percent unemployment in Newport.

All we are saying is you have to take this slow and easy. This is bigger than any one man. This involves the future of the country.

George Meany was on the television only last Sunday and he said, "Don't kid yourself. The unemployment is not 8.5; it is over 10."

George Meany says the reduction is going to be even bigger. These things have to be talked about.

That is all we are saying here.

Give us a chance. We are not repudiating the President. All we are saying to the President is "Give us 90 days' respite to come before you and say this is what we have done; this is our part of the marriage. Now, let us get together and do something for the country."

That is the trouble today. People are losing confidence and faith not only in the executive but also in the legislative department. Why? Because we cannot seem to act together. The only time you ever hear any applause is when the President of the United States walks into the Chamber in a joint session. Outside of that, I am telling you, Mr. President, they closet themselves up. They listen only to the people they want to listen to.

Who said that we have to save 1 million barrels in 1975? I know who said it. Henry Kissinger. He had to go to Europe. He had a plan to sell. But what did the Japanese tell him? What did the French tell him? What did the rest of our friends tell him?

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. PASTORE. That is only too bad.

The PRESIDING OFFICER. The Chair reminds spectators in the galleries that it is against the rules to applaud.

The Senator from Kansas.

OPPOSE OIL TARIFF DELAY

Mr. DOLE. Mr. President, I oppose passage of H.R. 1767. The main points I want to make are, first, the President has taken an initiative to reduce our dependence on foreign oil. The purely negative response of H.R. 1767 without an alternative solution is dangerous and unacceptable. Second, we cannot afford to delay a response to the economic and national security threat of oil imports. Finally, H.R. 1767 produces a confrontation between the executive and legislative branches. I believe Congress and the President must show a willingness to compromise with actual legislation before any comprehensive solution to our economic and energy problems can begin and H.R. 1767 does not do that.

SUPPORT INITIATIVE

I support the President's initiative in taking action to reduce our dependence on foreign oil. Few people, if any, agree with all the President's proposals and I am not among them.

But it has been over 500 days since the oil embargo demonstrated the threat of overdependence on foreign oil to our national security. Yet previous to the President's initiative, there was no action either by executive branch or the Congress to reduce our dependence.

It is widely recognized that the $24 billion paid for foreign oil last year contributed greatly to the recession we are now in. It is widely known that the outflow of U.S. dollars for oil imports is disastrous to our balance of payments, and we are facing an even more severe drain of our national wealth for oil imports unless some action is taken promptly to achieve independence in energy.

OUTFLOW COSTS JOBS

Every additional dollar of that outflow affects an American job. If Americans average $10,000 for annual income, then each additional $10,000 of the balance-of-payments deficit means a potential loss of one American job.

The Federal Energy Administration predicts our imported oil bill could increase to $32 billion annually by 1977 if no action is taken. That would be up $8 billion from 1974. So inaction could mean a potential loss of 800,000 jobs.

For these reasons, I support the President's initiative in ordering the imported oil duty.

KEEPS CHALLENGE BEFORE CONGRESS

There is another very important reason for supporting the President's initiative. For each $1 per barrel increase in the tariff, the price of gasoline is expected to rise about 1.2 cents per gallon. So at the highest duty of $3 per barrel, as proposed by the President, gasoline prices could be expected to rise about 4.3 cents per gallon. That 4.3 cents per gallon would cause a small but substantial amount of economic incentive to conserve.

This economic impact would keep pressure on the Congress to provide a better solution. The President's imported oil duty is a challenge to the Congress to find a better solution. The concern generated by the President's order has already generated a great deal of debate and work in the Senate to create a better solution. That activity is good. I agree with the imported oil duty in this regard. It keeps before Congress the challenge to come up with a better solution promptly. For this reason, I hope enactment of H.R. 1767 can be defeated.

My feelings in this matter are not isolated. On February 11, the senior Senator from Louisiana (Mr. LONG) expressed his support for this in the Senate when he said:

One thing that appears to me about the President's action is that at least it puts the pressure on Congress to do something, and I am hopeful that, with the result of what the President has done, the debates occurring, and the matters being considered by both sides of the aisle, we will wind up making a

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constructive contribution towards solving the energy problem.

So I intend to vote against H.R. 1767 and I hope that enough Senators will join me that we can sustain the President's action and prevent enactment of H.R. 1767.

DELAY UNACCEPTABLE

As I mentioned before, it has been nearly 500 days since the oil embargo. I believe the American people are looking for leadership in overcoming our economic and energy problems. We will be shirking our responsibility of providing that leadership if we further delay action to resolve these problems. And H.R. 1767 is exactly that—a delay.

The deterioration of our economy must be reversed. Several economists have testified before committees of the Senate, including the Committee on Finance, that the outflow of dollars for oil imports has contributed and is contributing to that deterioration. I noted with interest this morning the remarks of Mr. Arthur Okun, a senior fellow of the Brookings Institution. His remarks were particularly noteworthy since he is more closely identified with those on the other side of the aisle, as the former chairman of the Council of Economic Advisers under President Johnson. The statement printed in the Washington Post this morning was excerpted from Mr. Okun's remarks before the Senate Subcommittee on Multinational Corporations, in which he stated:

On the other hand, I would emphasize that the fact that we have to stop a recession does not keep us from engaging in an initiative to curb our oil imports. We can have an energy program and economic recovery, and I offer that as a fully considered and confident professional judgment.

In his other remarks, Mr. Okun dispelled other fallacies that have risen about President Ford's tariff order.

CLEAR POLICY NEEDED

Delaying our response to the oil import problem has another very detrimental impact on our economy. It creates uncertainty.

Many businessmen from Kansas have contacted me to explain the difficulty they are having in making any future plans for their operations. Among those businessmen are the independent oil producers who do a vast majority of the oil exploration in this country and who produce a very substantial amount of our petroleum output. Because of the uncertainty about what energy policy the Congress will finally decide upon, businessmen are afraid to go ahead with expansion plans or to make investments for expanded output or exploration when they are afraid that those decisions might be undermined by policies instituted by the Congress.

We cannot make an economic recovery if businessmen cannot increase their output and expand their operations. We cannot achieve energy independence unless oil producers know what rules they will have to operate by. In other words, we must have a stable energy policy before we can make economic progress.

Because the import oil duty is a clear policy initiative and because it keeps the challenge before Congress to expeditiously come up with a better solution, I oppose H.R. 1767.

EFFECTIVE STEP

There is no painless remedy to our over-dependence on foreign oil. That conclusion has become more and more clear as we have heard testimony in the Senate Finance Committee. Rationing and allocation programs would likely be even more recessionary than the tariff and energy tax proposals put forward by the President.

As any basic economics course teaches, the marketplace mechanism is the most efficient manner of striking a balance between supply and demand. The marketplace mechanism has been successful throughout the centuries. The tariff order incorporates the marketplace mechanism and for that reason I believe it deserves support.

The import duty permits each individual to decide if he can reduce his consumption of petroleum. The alternative of a rationing, allocation or import ceiling program is that the Government forces each individual to curtail his energy consumption. Furthermore, those programs would put Federal employees in the position of telling which businesses could obtain additional fuel to expand or start new operations. The imported oil duty provides an incentive for Americans to reduce their petroleum consumption but it leaves the decision of how and how much each individual can cut back up to the individual himself. That course of action is much more acceptable to the American tradition of freedom of choice than any alternative I have seen.

For that reason, I oppose H.R. 1767.

COMPROMISE NECESSARY

The passage of H.R. 1767 will create a confrontation between the executive and legislative branches over a minor portion of President Ford's energy program, when the American people fervently hope that their elected representatives will work together to solve the serious economic and energy problems facing our Nation. H.R. 1767 does exactly the opposite.

We can achieve no solutions to our economic and energy problems without making compromises. I oppose H.R. 1767, because it makes no effort to reach a meaningful solution to compromise, but simply avoids any solution at all.

If the Congress overrides the President's veto of this measure, it will delay any oil tariff increase for 90 days. It has now been over 30 days since the President's energy proposals were made public on January 15 and it has been nearly a month H.R. 1767 and Senate Joint Resolution 12 were introduced on January 23, 1975. By the time the veto process and override vote is completed, a very large portion of the 90 days sought for due consideration will have passed. Instead of delaying any response to the problem at all, we could have used that time to work out a middle ground on the basic problem.

In order to reach a middle ground, the Congress and the Executive must each give a little. Several Members of Congress, Democrats and Republicans, have expressed a desire to work with the administration to formulate energy policy and similar sentiments have come from the executive branch.

The President has invited Congress to examine his program and offer modifications or improvements, which it deems advisable. But rejecting his proposals without an alternative solution, as H.R. 1767 does with his initial step, is not an appropriate modification.

The Secretary of the Treasury and the Administrator of the Federal Energy Administration, during their appearances before the Senate Committee on Finance last week, reiterated the President's desire to work out a reasonable accommodation with Congress.

Both the majority and minority leaders of the Senate—Mr. MANSFIELD and Mr. HUGH SCOTT—have expressed the need for cooperation in seeking workable solutions. Other Members of the Senate who have spoken of the desirability of a compromise include the chairman of the Senate Finance Committee, Mr. LONG, the senior Senator from Minnesota (Mr. MONDALE), both of the distinguished Senators from New York (Mr. JAVITS and Mr. BUCKLEY), and the senior Senator from Massachusetts (Mr. KENNEDY).

Yet the rhetorical support for compromise and cooperation has not been reflected in legislation. The majority appears insistent upon sending legislation to the White House that the President will veto.

We cannot expect to achieve a comprehensive solution to our economic and energy problems in this manner. As the senior Senator from Louisiana pointed out recently in a Finance Committee hearing, the Congress has followed a practice of sending to the White House legislation that is likely to be vetoed and then subsequent to the veto, has failed to send back to the White House legislation that both the Congress and the President can agree on. I hope we can do better than this in the future. I am hopeful that whether the President's veto or H.R. 1767 is sustained or overridden, we can then move on to finding a solution that the legislative and executive branches can agree on.

Only then can the Congress and the President begin to cooperate in finding effective and equitable solutions to our urgent economic and energy problems.

Mr. President, I ask unanimous consent that a story in the Washington Post this morning, reporting the purported Democratic plan, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEMOCRATS EYE TAX ON GASOLINE USE

(By Hobart Rowen)

The chairman of a House Democratic task force on energy yesterday said congressional Democrats lean toward "selective measures" designed to place most of the burden of energy conservation on "non-essential, discretionary use of gasoline."

Rep. James C. Wright Jr. (D-Tex.) said that such a plan "would not necessarily involve coupon rationing" and would be preferable to President Ford's proposal to cut consumption by raising oil and gas prices and tariffs.

Wright spoke before the New York Society of Security Analysts, the same group to which President Ford brought a defense of his energy plan last week. A text of Rep. Wright's speech was released here.

Wright said that the President's plan to impose an oil import tariff of $3 a barrel would cost consumers $7.6 billion on top of $30 billion "in proposed new taxes on domestic production."

According to one analysis cited by Wright, an average family "might receive $125 in this year's tax rebate only to be confronted with a $740 increase in its annual cost of living. By any reasonable analysis, the median family's purchasing power would be cruelly diminished by the Administration's plan. Both inflation and recession would be critically exacerbated."

A cost of $740 would be nearly three times the Administration estimate of $250 to $275 in the average cost of living per family traceable to the energy program.

The Administration's estimate is the equivalent of a 2 per cent increase in the consumer price index over what it otherwise would be. The Federal Energy Administration also has conceded that, counting "all of the ripple effects," the cost to an average family might go as high as $345, or a 2.5 per cent increase in the CPI.

Wright's figure implies an increase of at least 5 per cent in the CPI, higher than any figure heretofore mentioned. He did not explain how it was derived.

The Texas Democrat said that if the President's primary aim is to reduce imports, an import quota would be better than a tariff.

"We are convinced," he told the Wall Street group, "that this approach is basically wrong and peculiarly ill-timed. . . . Furthermore, we have seen no evidence whatever to support the conclusion that it would save one million barrels of oil per day."

He outlined two possible alternate approaches that he said were being studied by Democrats, with a view to presentation of a coordinated Senate-House program by early March.

The first is a retail tax on gasoline, with the extra charges on the first 40 gallons a month rebated to all. Thus, those who drive more would pay more, with no further rebates, unless they qualified under a hardship clause.

Another plan would place a tax-and-rebate excise tax structure on new cars, according to their expected gasoline consumption.

"The biggest gas guzzlers might carry, in addition to their sales price, an excise tax of $600," Wright said. "At the other end, the American-built car with the best mileage performance might qualify its purchaser for a $400 rebate."

Wright said the Democrats were opposed to the Ford program because it would assure high prices "with depressive effects" without guaranteeing lower consumption of energy.

Meanwhile, a spokesman for Rep. Les Aspin (D-Wis.) admitted that the congressman had made an error in a press release issued yesterday reporting that a private study by Data Resources, Inc., had estimated the Ford energy program price impact at 4.3 per cent.

The study, by Paul H. Earl, actually estimates the price impact at the consumer level at 1.9 per cent by the end of 1975 and 2.4 per cent by the end of 1976, even assuming—as the Administration estimates did not—a coal price increase equal to oil price increases.

Aspin's press release said the Earl study had been done for the Council on Wage and Price Stability which "originally refused to release the study, but relented when Aspin protested treating economic forecasts as secrets."

In a telephone interview, Earl said that his forecast differed only marginally from the Administration's, and that the Aspin press release was in error. Apparently, an increase of 4.3 points on an index of 178 (which works out to 2.4 per cent) was misinterpreted to be 4.3 per cent.

Mr. DOLE. Mr. President, I would only say in answer to the distinguished Senator from Rhode Island that I hope the accommodations he speaks of can be made. Certainly, this should not become a partisan debate. I do not know of any partisan statements that have been made on the floor today but there may have been some in my absence.

If we are concerned about what the Senator from Rhode Island and other Senators on this side of the aisle have said then we have an obligation to try to come together.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. DOLE. I will just take another minute then.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 1 additional minute.

Mr. DOLE. It seems to the Senator from Kansas that we are in the ball park. There is a possibility for a meaningful solution. The President has indicated, through his Secretary of the Treasury, the Secretary of the Interior, the Federal Energy Administrator, and by his own statements, a willingness to compromise.

We have had the chairman of the Senate Ad Hoc Committee on Energy stand on this floor and indicate his willingness to compromise. So I assume we can take that at face value.

We have great respect for the Senator from Rhode Island. We have great respect for, even though we may have disagreement with, the President of the United States. Whatever happens today, perhaps there will be enough time to reach an accommodation between now and the vote to override or sustain the veto. Perhaps if we could move quickly we would not have to take up the veto. I assume the bill will be vetoed. The President said he would veto it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOLE. I yield the remainder of my time to the Senator from Connecticut. If the Senator from Connecticut has a minute, I promised the Senator from Utah earlier that I would yield a minute. I failed to do that.

Mr. RIBICOFF. I yield 3 minutes to the Senator from Massachusetts and the remaining minute to the Senator from Utah.

Mr. KENNEDY. I thank the Senator from Connecticut.

Mr. President, those who support this bill have indicated broad support for other aspects of the President's program. We support tax rebates and tax cuts to individuals to provide needed purchasing power for the American people. We have also indicated strong support for the conservation measures which the President has supported. As a matter of fact, most of those measures had already been passed in the Senate and the Congress of the United States last year and were actually vetoed by the President of the United States. I ask unanimous consent to place in the RECORD a Library of Congress study of the 93d Congress action on energy matters.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

ENERGY-RELATED LEGISLATION HIGHLIGHTS OF THE 93D CONGRESS

The 93rd Congress has involved itself in energy-related legislation on an unprecedented scale. More than 2000 bills have been introduced, and more than 30 standing congressional committees have collectively held over 1000 days of hearings on nearly every aspect of energy policy programs and problems. Nearly forty energy-related laws were enacted; another five were passed but were vetoed. An additional twenty were passed by either the House or the Senate. It seems likely that several of these may receive further action early in the 94th Congress.

Major Accomplishments: Although several important issues are still pending, the record shows major accomplishments in many key energy areas:

Measures which encourage conservation of supply and use of energy: Emergency Petroleum Allocation Act (P.L. 93–159); and P.L. 93–511); encouragement of increased railroad and other mass transit facilities to conserve gasoline (P.L. 93–87, P.L. 93–146, P.L. 93–236 and P.L. 93–503); lowered speed limits (P.L. 93–239 and P.L. 93–643); and extension of the Defense Production Act through June 30, 1975. (P.L. 93–426).

Measures to manage and expand production of energy supplies: Trans-Alaska Pipeline (P.L. 93–153); Coal Conversion and Clean Air Act Amendments (P.L. 93–319); a consolidated energy research and development appropriations act providing $2.2 billion for FY 1975 (P.L. 93–322); and a new ten-year research and development program, administered by ERDA, mandating higher priorities for non nuclear sources (P.L. 93–577).

New initiatives to develop commercial application of solar and geothermal energy technology: Housing and Community Development Act, promotes energy conservation and use of solar energy in building (P.L. 93–383); Geothermal Energy Act (P.L. 93–410); Solar Heating and Cooling Demonstration Act (P.L. 93–409), and a Solar Energy Research and Development Program (P.L. 93–473).

Several organizational changes which provide a beginning for reducing the fragmented pattern of U.S. energy policy formulation and program administration: Federal Energy Administration (P.L. 93–275) and legislation to create a more permanent Energy Research and Development Administration and a Nuclear Regulatory Commission (P.L. 93–438). An Energy Resources Council to coordinate existing programs and recommended new policies was also authorized by P.L. 93–438.

MAJOR ISSUES STILL PENDING

End use rationing and mandatory conservation. The President's veto of the Energy Emergency Act (S. 2589) left the Executive Branch without specific authority to institute mandatory end use rationing and other energy conservation measures. A revised version of S. 3267, reported in the Senate on December 5, 1974, would provide standby emergency authority for these purposes.

Revisions in oil and gas depletion allowances and other long standing petroleum production incentives. The issue is complicated by the fact that domestic production of oil and gas has been plateauing so the question of whether continued incentives would produce more than marginal increases in output is an open one.

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Deregulation of natural gas. Similar problems arise as between proponents who wish deregulation as an incentive to increased production and/or to encourage further conservation of use.

Petroleum pricing problems. Current issues center on the effect of escalating prices on domestic inflation, but higher prices are also being promoted as incentives to increased production from marginal fields.

Petroleum import policy. To what degree should we depend on foreign imports to meet current demand, even if prices should become lower in the future? If imports continue, how should the country protect itself against interruptions in supply? What form should strategic reserves take and in what volume?

The crisis atmosphere and accompanying legislative activity of the fall and winter of 1973/74 appear to have been replaced by growing Congressional recognition that the basic energy issues have no easy short term solutions. Intermediate and long term solutions require and are receiving widening Congressional involvement, continuing legislative action and increasingly informed concern.

STATUS OF MAJOR ENERGY LEGISLATION ENACTED BY THE 93D CONGRESS: 1973–74

I. ENACTED AND PUBLIC LAW

Economic Stabilization Act Amendments (Authority for Fuel Allocation) ---------- 93–28
Rural Electrification Act---------- 93–32
Federal Aid Highway Act (Allows use of Highway trust fund for mass transit) ---------- 93–87
Amend EURATOM Cooperation Act-- 93–88
Rail Passenger Corporation---------- 93–146
Trans-Alaska Pipeline---------- 93–153
Emergency Petroleum Allocation Act ---------- 93–159
Daylight Saving Time---------- 93–182
Northeast Rail Service Act---------- 93–236
Highway Speed Limits---------- 93–239
Funding Appropriation to Explore and Develop NPR's (Naval Petroleum Reserves)---------- 93–245
Fuel Cost Pass-through for Truckers ---------- 93–249
Federal Energy Administration---- 93–275
NASA Authorization (Includes solar satellite power station study)---- 93–316
Energy Supply and Environmental Coordination (Coal Conversion and Clean Air Amendments)---------- 93–319
Energy Research and Development Appropriations ---------- 93–322
Housing and Community Development Act (Promotes energy conservation and use of solar energy in housing) ---------- 93–383
Aid Energy-Affected Small Business- 93–386
Natural Gas Pipeline Safety Act, additional appropriations---------- 93–403
Solar Heating and Cooling Demonstration Act---------- 93–409
Geothermal Energy Act---------- 93–410
Public Works and Economic Development Act: Title IX Special Economic Adjustment Aid, Special Aid for energy affected areas and industries ---------- 93–423
Defense Production Act of 1950, extend for one year. Includes materials and fuels allocation authorities and provisions of S. 3523 to establish a temporary National Commission on Shortages and Supplies ---------- 93–426
Amend Daylight Savings Time---- 93–434
Energy Research and Development Administration and a Nuclear Regulation Commission---------- 93–438
Federal Columbia River Transmission System ---------- 93–454
Solar Energy Research and Development Act---------- 93–473
Foreign Investment Study Act (to investigate foreign investment in the U.S., particularly in coal and other natural resources)---------- 93–479
Suspend duty on methanol---------- 93–482
International Nuclear Cooperation, Congressional Approval of-------- 93–485
Export Control (requires Commerce—FEA consultation to determine whether monitoring of exports of oil production equipment is needed) ---------- 93–500
Urban Mass Transportation Act (S. 388) ---------- 93–503
Extend the Emergency Petroleum Allocation Act until August 15, 1974- 93–511
Energy Research and Development--- 93–577
Deep Water Ports Act---------- 93–627
Extend 55 mph Speed limit indefinitely, allow greater truck weights (in Federal Highway Act)-------- 93–643
Export-Import Bank Act, Amend. (Restrict Ex-Im assistance for Soviet Union Energy Projects)--- 93–646

II. VETOED

Energy Emergency Act (S. 2589, H.R. 11450).

Atomic Energy Act, Price-Anderson provisions (H.R. 15323).

TVA Pollution Control Cost Credit (H.R. 11929, S. 3057).

Energy Transportation Security Act (H.R. 8193).

Surface Mining Control and Reclamation Act (S. 425, H.R. 11500).

III. SELECTED ENERGY BILLS PENDING ON THE CALENDARS AT ADJOURNMENT

Council on Energy Policy (S. 70).

National Land Use Policy (S. 268, H.R. 10294).

National Resource Lands Management (S. 424).

Oil Shale Revenues (S. 3009).

Outer Continental Shelf Supply Act (S. 3221).

Elk Hills and Naval Petroleum Reserves (S.J. Res. 176).

Federal Coal Leasing Policy (S. 3528).

Construct Coal Slurry Pipelines (S. 3879).

Aid for Independent Oil Refiners (S. 2743).

Protect Franchised Dealers in Petroleum Products (S. 1694).

Aid to Utility Cooperatives Serving Food Producers (S. 2150).

Oil and Gas Energy Tax Act (H.R. 14462).

Energy Tax and Individual Relief Act (H.R. 17488).

Standby Energy Emergency Authorities (S. 3267, H.R. 13834).

Energy Conservation and Greater Efficiencies in Electrical Energy (S. 2532).

Resource Conservation and Energy Recovery Act (S. 3954).

Energy Conservation in Federal Facilities (H.R. 1565).

Promote Efficient Use of Energy, Establish Architectural Guidelines (H.R. 11714).

Federal Mass Transportation Act (H.R. 12859).

Mr. KENNEDY. I would remind my good friends from Wyoming, Kansas, Nebraska, or Oregon that the concerns for the economic consequences of the President's energy program that have been expressed by those who are supporting this bill are not limited to the members of the Democratic Party. Arthur Burns has stated before the Joint Economic Committee, with regard to the energy program, there are parts, "I think are hazardous at a time like this * * *."

Here is the former Deputy Assistant Administrator for Policy and Planning, Charles Owens:

Fundamentally we believe the President's program is based on several highly dubious assumptions.

John Sawhill, former Administrator, said:

A balanced energy budget is an important national goal, but not if it is accompanied by economic dislocations that would largely obliterate its benefits. And this, I fear, might well be the case with the President's program.

These are not Members of the Congress or the Senate. These are people who contributed to the development of the President's program who have stated their reservations and their concerns.

All we are asking, as the Senator from Rhode Island is asking, is for 90 days for the development of alternatives. Yet we hear those who say, "It really is not the energy tariff. That is not the issue. It is the question of leadership."

But I do not hear those who are asking for a rejection of this bill standing on the floor this afternoon and repeating recent statements of the Secretary of Interior concerning the President's program. He said that the program could mean 75 cents a gallon for gas by this summertime. I do not hear them saying that the homeowners of this country are going to be paying anywhere from $700 to $800 additional for direct energy costs from the President's program. I do not hear those opposing this bill standing to say that they want to enact and impose these higher costs on the American family.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Just 15 seconds more.

Mr. President, the one thing that H. L. Mencken, the writer, said was that for every complex problem there is an easy, simple answer, and it is wrong.

That is just what we have with the President's program. It is ill-conceived. It is ill-advised. It is wrong for the country. I hope those who feel that way will support this measure.

Mr. RIBICOFF. I yield the remainder of my time to the Senator from Utah.

Mr. GARN. As everyone else knows, Mr. President, I was not in the Senate last year. I was mayor of a city. As an outsider looking in, we were all disturbed in the National League of Cities at the lack of action, the lack of addressing the Congress to the energy problem. Fifteen months have gone by with this Congress not showing any leadership, in my opinion, on either side in coming up with an energy package.

I do not happen to agree with the $3 import tax of the President. However, I will vote against this 90-day delay. That might surprise you, Mr. President. Saying I am against it should indicate that I should vote with the majority. But I have sat here as a Senator now for 4 weeks hearing a lot of rhetoric, a lot of talk, and rather than spending that month or 5 weeks talking about delay, why have we not been debating the President's program, rejecting it, amending it, throwing it out, or coming up with alternatives?

A month has passed with that. Rather than the rhetoric on delay, the impact on heating oil and other products will not take effect at the retail level for

weeks. So the Democrats, the majority, have their delay of 90 days.

The VICE PRESIDENT. The time on the bill has expired.

Mr. GARN. I say it is time for action, to get down to the business of solving the energy crisis of this country and not more delay.

The VICE PRESIDENT. The Senator from Kansas.

Mr. DOLE. Mr. President, I ask unanimous consent to withdraw my amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

NO TARIFF ON OIL

Mr. HUMPHREY. Mr. President, I have repeatedly criticized the administration's energy-economic package. It is inequitable, inadequate, and ill-conceived. It will not stimulate the economy this year; and next year the program will actually be a drag on the economy. As a result, it will not cut unemployment. Rather, it could boost unemployment by over 400,000 persons and push the unemployment rate above 10 percent this fall.

The administration's package is also inflationary. As the Congressional Research Service of the Library of Congress noted, the energy package alone would boost prices of energy by $50 billion directly. Additional billions would be added as the cost of everything from fertilizer to plastics to drugs are indirectly raised. The tariff on oil alone will add over $6 billion to energy costs. The package would raise prices this year by 3 or 4 percent—pushing all prices up at an 11-percent rate.

Put simply, the administration's energy proposal is not acceptable. Congress should not approve it. This opinion is shared by essentially all professional economists who have testified before the Joint Economic Committee. I will note several comments on the administration's energy package in concluding my remarks.

It is vitally important that the Congress and the administration jointly develop a reasonable energy program. The constant name calling and bickering between us must stop. With this thought in mind, I and 13 fellow members of the Joint Economic Committee sent a letter on January 29 to President Ford proposing establishment of a joint energy task force. This joint congressional-Executive task force should serve as the vehicle to develop within 60 days a national energy policy.

It is my hope and the hope of my colleagues that the administration will accept our offer to jointly develop an energy policy. That is the primary reason why we are postponing the proposed tariff hike on imported oil. If we are to have an energy program, Congress and the President must act in unison to piece it together. Unilateral action on either side simply delays the date when we will have that program.

Mr. President, I ask unanimous consent that the Joint Economic Committee's letter urging establishment of a congressional-Executive energy task force, and brief extracts from the testimony of the Nation's experts on the impact of the administration's energy proposal, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 29, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The undersigned members of the Joint House-Senate Economic Committee commend your attempt to cope with the current problems of energy and the economy in a comprehensive fashion. We agree that our economy cannot attain, much less maintain, steady and healthy growth in the absence of a just and effective national energy program. It is equally clear that a reduction in the level of oil imports is essential in meeting this goal. In short, we share your long-term goals and we support many of your energy proposals designed to accomplish these ends.

But we are writing to express our grave concern that the growing confrontation in Congress over your specific energy proposals will prevent the prompt and cooperative action on a tax reduction and energy program that is vital to achieving renewed economic growth.

Our first priority must be putting America's capital and human resources back to work. Congressional leaders of both parties recognize this fact and they are committed to passing a mutually acceptable tax relief bill.

We regret that similar agreement does not exist in regard to your energy proposals. There is agreement that your energy proposals will be inflationary, but little agreement as to how inflationary. Your own advisors have estimated two percent and others have suggested four percent. The Congress is naturally reluctant to enter on such a course until alternative proposals have been fully explored.

There is disagreement about the impact of your energy proposals on the standard of living of American consumers. Specifically, there are questions as to whether proposed tax reductions will balance off the average increases in energy costs which consumers will be obliged to pay. Estimates of the net outflow of funds from the economy due to higher energy costs vary from $3 billion to $25 billion. There are also differences of view on the reductions in energy consumption that will result from higher prices, the effectiveness of an excess profits tax in stimulating new domestic oil production and the amount of reduction in imports which is immediately necessary.

In light of these questions, Congress is seeking additional time to address your energy proposals in an informed and responsible way. Since our energy problems cannot be solved immediately in any event, we would propose that you defer imposing further increases in import fees on petroleum products. We would urge that the next 60 days be used to bring together a task force on energy policy made up of representatives in that field from your Administration and a bipartisan group of members of the House and Senate selected by the majority and minority leadership of both bodies. It would be charged with developing a mutually agreeable energy policy upon which prompt congressional action might be taken.

If you see merit in this course of action, Congress might move more swiftly to passage of critical tax legislation while continuing a responsible evaluation of your far-reaching energy proposals. It would be our hope that our proposal would result in the most prompt and effective agreement possible on both tax and energy proposals and obtain the maximum support from the American people.

Sincerely,

Hubert H. Humphrey, William Proxmire, Jacob K. Javits, Edward M. Kennedy, Lloyd Bentsen, Clarence J. Brown, Richard Bolling, William S. Moorhead, Lee Hamilton, Abraham Ribicoff, Henry S. Reuss, John Sparkman, Gillis W. Long, and Margaret M. Heckler.

Testimony on President Ford's energy program before the Joint Economic Committee

BY GEORGE L. PERRY, SENIOR FELLOW, BROOKINGS

"A substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate.

"While bringing down the international price of oil is a very desirable goal, increasing energy prices in the United States is an extremely costly and unpromising way of trying to achieve it.

"In view of the state of the economy and the need for massive measures to reverse its decline, it is alarming that the Administration has proposed adding the burden of sharply higher fuel prices. The President's proposals would add more than $30 billion to the nation's bill for fuel and other petrochemical products, most of it to be paid by consumers: Releasing 'old' oil prices would add $12 billion and the $2.00 excise tax on oil and gas $20 billion more. If one believed coal prices would rise in response to oil prices, or that industry unit margins would expand in response to any decline in volume that would accompany higher prices, the total bill would rise even more.

"We should avoid crusades to deliberately reduce the amount of oil available to our country or needlessly to raise its prices. Such policies can only worsen our economic problems."

BY HENDRICK S. HOUTHAKKER, PROFESSOR OF ECONOMICS, HARVARD UNIVERSITY

"Finally, I wish to restate the main message of my testimony: Let us save our attention for essentials, namely the turning around of the recession and control of future inflation."

BY CHARLES L. SCHULTZE, THE BROOKINGS INSTITUTION

"Let me start by urging the Congress to separate the problem of economic recovery from the problem of energy conservation, and to concentrate initially on the former. If I put the current economic troubles of the country on an index of 100, I would count the problems of recession and inflation as 95 and the problem of oil conservation as 5.

"I think the urgency of measures to promote economic recovery is so great that they should get immediate attention and not be delayed by what will inevitably be a very difficult economic and political struggle over what to do about oil.

"The first needed action is for the Congress to remove or at least postpone, by legislation, the President's power to impose the oil import fee administratively. This would give the Congress time to consider alternatives to the President's program."

Mr. HATFIELD. Mr. President, in his state of the Union address, President Ford declared his central energy objective to be the reduction of oil imports by 1 million barrels per day by the end of this year, and 2 million barrels per day by the end of 1977. The components of his near-term program are designed to meet these goals. If one accepts these goals as wise and realistic, then the de-

bate narrows to a consideration of the two major alternatives that could meet these goals: oil price increases or allocation/rationing. If one does not accept the import reduction goals of the President as realistic in this time of economic chaos, and I, for one, do not, then other alternatives become possible.

Beyond the next couple of years there are many more acceptable options available that can have a large impact on our total demand for energy. These options would include such objectives as increasing automobile mileage, establishing building thermal regulations, providing tax credits and subsidies for thermal improvements in residences, setting standards for electrical appliance efficiency, recycling of materials, establishing a national strategy for freight transport that emphasizes the energy efficiency of rail and water, moving to high end block rate structures for energy utilities—the more blocks of electrical power or natural gas you use, the higher the rates you pay for the additional blocks, stopping the flaring or natural gas at oil wellheads, and stimulating energy savings in major industrial processes.

The hardships we would bring upon ourselves by rationing or by inflicting sharp price increases over the next 2 years would amount to a self-imposed Arab oil embargo or an infliction of cartel prices, or both. Out in the West, in my State of Oregon, we depend upon relatively large quantities of gasoline just to accomplish the necessities of day-to-day living and working. Today, with the economic picture as bleak as it is in my State, we just cannot stand another large dose of energy inflation with a ripple effect that will be felt in every enterprise and every household in every corner of our broadly oil-based economy.

In our frenzy to do something about the energy situation, let us not turn our backs on the people we represent, who, almost unanimously are saying, "Please, no more inflation, no more taxes right now."

Mr. MUSKIE. Mr. President, I am casting my vote for H.R. 1767, to prohibit the President of the United States from imposing a $3 per barrel tariff on imported oil.

I cast this vote to lift a burden of enormous magnitude from the people of Maine and 49 other States. It is a vote for a return to policymaking that recognizes human needs—that recognizes our national priorities.

The President would have Americans believe that their only salvation from Arab oil blackmail is to raise oil prices ourselves—to make oil cost so dearly that people will use less. His goal is to save 1 million barrel per day.

It is a desirable goal, but the method is unthinkable at a time when the endurance of people has already been sapped by recession, inflation, and doubled energy costs.

The President has proposed a tariff that would sap at least 30 billion consumer dollars from every part of our ailing economy. It is as if all the debate, all the careful study, all the hard experience of the past 18 months have been ignored.

I cannot accept that this oil tariff is the only path to energy conservation.

I cannot accept the idea we must impose a policy that will force higher prices on every American family—not just for fuel, but for electricity, for food, for clothing, for virtually every service and product.

In Maine, direct costs alone of the President's tariff would be over $150 million, and indirect costs would be several times more. For the average Maine family, it means that a winter heating bill that has nearly tripled to $700 in 2 years will cost $178 more.

Think of it—nearly $900 to heat an average home for one winter.

I cannot accept the joblessness that the President's tariff would cause.

I cannot accept that the Government can simply return the oil tariff revenues to consumers with rebates. There are simply too many people and too much room for error to avoid widespread inequities.

In short, I cannot accept the reasoning that imposes such indiscriminate suffering on people.

The President's tariff is a textbook solution—simply raise the price of something and consumption will go down. But this is no textbook problem. Our energy problem is much too complex and human.

That is why we need a comprehensive energy program consistent with our economic and human problems. We must have a program that does not throw people out of work and does not guarantee more double-digit inflation. We must have a program to reach a realistic savings of imported oil in an orderly manner.

There is such a program. There is a better way. The outlines of a congressional alternative are now taking shape.

This program proposes a gradual decrease in imports—roughly 2 percent per year—until by 1985 we import no more than 10 percent of our oil requirements. We can do this without disrupting our economy further, without causing widespread suffering, and with the same results as the President proposes.

As I cast my vote, I think back to last month, when I held hearings in Maine on the impact of oil prices there.

One witness reminded me that we could impose a tax of $150 a barrel, and people would still need to heat their homes.

Another witness told me that the poor—who will be hit hardest—have already conserved. Conservation has been a necessity for them for years already. They are doing the best they can.

Another man tearfully related how he was forced out of business because of fuel cost increases, and for the first time in his life applied for food stamps.

In only one day of hearing, I heard scores of people relate their personal experiences of coping with high oil costs. I cannot ignore their suffering.

Yet, I had the overwhelming feeling that these people have been ignored in the President's energy program.

But they certainly can—and will—be included in our Nation's energy program. I and others in Congress are working to insure that.

SUSPENSION OF FEES ON PETROLEUM IMPORTS

Mr. WILLIAMS. Mr. President, I am very alarmed by the potential impact on our economy of the President's proposal to increase the cost of petroleum imports. I am convinced that the cost to our economy will far exceed the benefits which might be derived. In reviewing the testimony which has been given on the administration program, I have concluded that the President's decision will only aggravate our serious economic decline. It is especially disturbing to realize the disproportionate impact which the proposal will have in the northeastern part of our Nation.

As chairman of the Committee on Labor and Public Welfare, I have been holding hearings on the ever-worsening unemployment situation. It is clear to me that our first priority must be to reverse the worse recession since the 1930's.

A study prepared for the Chase Manhattan Bank indicated that it will cost this country $10 billion in economic production and increase the number of Americans on unemployment by half a million in 1976. The President's energy proposals will also add at least 3 percent to the inflation rate we are now experiencing.

I do not challenge the need to reduce our reliance on foreign sources of petroleum. That reliance is draining our wealth, threatening our national security, and interfering with our financial markets. The question is not whether we will reduce our foreign dependency, but how quickly, by what means, and at what expense.

I am unwilling to act in a way that will needlessly aggravate the short-term crisis facing our citizens throughout our Nation. The specter of unemployment is haunting our citizens in a way most of them have never experienced, and the rest of us hoped we would never experience again. The problems of feeding and clothing families, meeting health costs and keeping up rents and mortgages are beginning to overwhelm our people. We cannot aggravate the short-term economic crisis in the delusion that, by doing so, we will solve the long-term energy shortages confronting us. Our economic crisis must be met now. The energy crisis has been developing for many years, and will require many more years to solve.

We must act to meet our immediate need of increasing economic production while initiating programs to meet our long-term goal of reducing energy consumption. The mandatory conservation measures which we adopt must be phased-in in such a way that they will permit economic recovery while minimizing inflationary pressures. Unfortunately, under the President's proposal the benefits of reduced energy consumption will be outweighed by the tremendous sacrifices being required of the American people.

Congress should have no difficulty in opposing a measure which increases inflation, aggravates the recession, will result in more unemployment, and discriminates against consumers in the Northeast.

THE WRONG WAY AT THE WRONG TIME

Mr. NUNN. Mr. President, I support the legislation now before the Senate to delay the imposition of import duties on crude oil. I couple this support with the fervent hope that we will develop a reasonable program to reduce energy consumption by all Americans.

In my estimation, President Ford's implementation of a tariff on imported crude oil is the wrong way at the wrong time. I say this for these major reasons.

First, a tax on imported crude oil inevitably will result in higher prices for almost every item made from petroleum at a time when inflation already is rampant. Our homes will cost more, our schools will cost more, our clothes will cost more, our food will cost more. Rather than bringing about economic recovery, the import tax will add to the inflationary spiral which is one of our chief economic enemies.

Second, such a tax and the resulting inflation will impose economic hardships on those least able to bear them, such as the poor and those on fixed incomes. Wasteful consumption must be our target—not the necessities of life which the poor and the old already find too expensive.

Third, the oil-producing countries could take the oil import duties as an excuse to raise prices even higher, which will result in our sending many more billions of dollars abroad.

Mr. President, I fully agree that we must reduce our energy consumption, and I applaud the President for forcing us to consider this matter with the urgency it deserves.

In devising a plan, however, we must be wary of short-term, ill-conceived solutions. We must have a long-term energy savings program, which will entail some tough decisions affecting the life of every American citizen.

A comprehensive plan must result in a drastic reduction in the unnecessary use of automobiles. In addition, the automobile manufacturers must be served with the message that our national policy henceforth is more efficient cars that will conserve fuel.

We also must develop and implement vigorously a voluntary program of energy reduction. Voluntary programs have been talked about for a year, but there has been little action since the gasoline lines at service stations disappeared last spring. I know of no vigorous efforts by the Federal Energy Administration or the Commerce Department to encourage voluntary programs, although Administrator Zarb and Secretary Dent have assured me that they are anxious to spur this effort in the very near future.

I have instructed the staff of the Government Operations Subcommittee on Oversight Procedures, of which I am honored to serve as chairman, to begin a review of what efforts can be made to encourage voluntary reductions in energy consumption. Within the next few weeks I hope that hearings can be conducted by the Government Operations Committee to point out how voluntary efforts can be successful.

When I was in the Far East recently on Armed Services Committee business, I found that the corridors of large buildings in Japan are no longer heated. If this were done voluntarily in this country, the energy savings would be enormous.

While we must continue to develop every new possible source of energy right here at home, we must not overlook a resource that already is available. That resource is the vast amount of energy that we waste every day. Research and development must go forth to put this wasted energy to effective use.

If such voluntary efforts are to be undertaken, the full force of the Federal Government must be exerted. Every Federal employee, especially those who come into contact every day with the public, should be charged with constantly reminding their fellow citizens to reduce the amount of energy they consume.

We Americans are a people of courage, determination, and discipline. I believe we will rally to a well-conceived voluntary program just as we have rallied to meet grace national needs in the past. But we must be led and inspired in this endeavor, and that leadership must orginate right here in the Congress.

The Congress faces some very difficult decisions over the next few months, and we must act responsibly to deal with our energy problem over the long term. We must endeavor to reduce our energy consumption without doing further damage to our economy. President Ford's program fails to meet this basic criteria, and it should be delayed for 90 days. During this period, we must find a reasonable solution.

Mr. President, I stand ready to do my part.

Mr. PHILIP A. HART. Mr. President, the Senate should revoke the President's authority to impose without congressional approval a $3-a-barrel tax on oil imports for two reasons:

First, if a cutback of 1 million barrels a day in the amount of oil the Nation imports is a valid goal, the President's proposal is neither an effective nor fair way to reach that goal.

Second, given the condition of the economy and reductions in fuel use already achieved, the administration has not made a case for cutting back our oil imports by 1 million barrels a day. Should we someday again have a healthy economy—how will we fuel our industries?

Unhappily, but not surprisingly in light of the way arguments too often are framed in Washington, too little public attention has been paid the second reason.

Rather, supporters of the Presidents' program argue that Congress should not delay or reject the program unless it has one of its own to recommend. And further, Congress should be criticized for not having its own program ready to go right now.

That is a curious rationale.

Each of us, I am sure, has some pet idea which we believe crucial to the well-being of the Nation—if not to our own reelection—and would be pleased to have the program slide through because opponents had no alternative to offer. I suggest we would do well to continue to endorse the practice of putting the burden of proof on those who propose a course of action.

The wisdom of that approach was demonstrated this past fall when Congress refused to be hurried into passing a tax increase which President Ford said should be enacted immediately. Most people would agree that Congress was right not to follow that advice, and I find it difficult to understand the logic which suggests we should enact this administration's latest proposal without question.

The attraction of an accept-or-alternate argument is, of course, that it seeks to limit the debate on the means to achieve a goal rather than on the goal itself.

Not only is the means to the President's goal faulty, but the goal is, too.

As I and others have pointed out before and in debate today, the means will inflate all energy prices and impede chances of an economic upswing. If we agree that it is critically important to reduce our oil imports by 1 million barrels a day, we ought to find a better way to achieve the goal—and the argument that Congress should have that better way ready to present now might have some merit.

But, back to that troublesome goal—where did it come from?

When pressed to explain the reason for cutting back oil imports by 1 million barrels a day, it appears the figure was selected for its public relations value rather than as the result of an analysis of our economic and energy needs.

Certainly Members of Congress understand the value of presenting complex problems in simplified terms, but in setting a national policy which can affect tens of millions of people, the PR concerns should come second.

Let us take a look at what a 1-million-barrel reduction in foreign oil might mean.

In 1973, this country used 17.5 million barrels of oil a day, including natural gas. In 1974, because of conservation and reductions in industrial output, we used about 17 million barrels a day. Of that amount, about 6 million barrels came from foreign sources. The import figure has since jumped to about 6.8 million.

It can be agreed that an economic upswing in 1975 will mean an increase in the amount of energy used by industry over 1974 consumption. However, unless we can offset the loss through further conservation efforts and increased domestic production, a cut of 1 million barrels in oil imports will leave us short of even our reduced 1974 consumption level.

And when you place the possible short-run economic effects against the long-range energy problem, the rationale for a 1-million reduction, if there ever was one, disappears.

Let me explain.

Two years ago, the staff of the Joint Atomic Energy Committee put together a presentation entitled, "The Energy Dilemma."

The message of that study was clear.

UMI

Even with optimistic projections for conservation efforts and for development of alternative sources of energy, the gap between the Nation's energy demands and domestic energy production would grow to the equivalent of 10 million barrels of oil a day by 1980 and by 18 million barrels by 1990.

Those figures suggest:

First, that promises of self-sufficiency, energy independence and reductions in the number of barrels of oil imported are misleading.

Second, that we indeed must cut the rate of growth in our consumption of energy and work to develop alternate sources of fuel so that we can narrow the large shortfalls projected for the future.

Third, that even if we narrow the gap, we will still have to import more oil in the future than we do now, which means that a determined effort to cut the costs of imports may be more important than a reduction in the volume of imports.

Fourth, that an immediate reduction in oil imports will have little effect on our long-range energy dilemma and should be rejected for its adverse effects on our depressed economy.

Fifth, and finally, that in setting an energy policy for the decades ahead, we must realize that a significant reduction in energy consumption will also mean a significant reduction in energy consumption will also mean a slowdown in economic growth. That, in turn, raises serious questions for a society based on a system in which the promise of self-improvement and upward mobility has depended on an ever-expanding financial pie.

So the actions the Federal Government takes on energy in the months ahead will have important ramifications for future generations. Given the seriousness of those ramifications, the prudent course is to take a good look at the many options open to us before choosing the path we will follow.

Democrats in Congress, any more than the Republicans in the White House, cannot promise we will come up with the right answers, but we ought to be able to assure people that we took ample time to come up with our best effort.

Mr. President, in November 1973, I wrote a newsletter on "The Energy Dilemma" staff study. In hopes of encouraging others to read the entire report, I ask unanimous consent that my newsletter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE ENERGY DILEMMA

(By Philip A. Hart)

The harder you look at our energy dilemma, the more you realize the full-out extends beyond economic questions to foreign policy, trade, food production, and perhaps even to the political atmosphere of the nation.

Here I hope to outline the dimension of the energy dilemma, some of the choices and the possible effects we face. Unhappy, I have no definitive answers, but I do have some suggestions on how to proceed.

The staff of the Joint Committee on Atomic Energy has put together a graphic presentation which states the problem clearly. And I'll use their framework to explain the dilemma, which put simply is an imbalance between demand and supply.

For its presentation, the joint committee's staff converted the energy from each source into the equivalent of a million barrels per day of oil. For example, the committee calculated how many tons of coal were burned for a specific purpose, and then determined how many barrels of oil were required to accomplish the same.

Thus, a single measurement can be used for all energy sources.

Using these measurements, energy flow charts were developed for the years 1950, 1960, 1970, 1980 and 1990. The charts break down the amount of each fuel consumed; for what activities the energy was used, and the overall "end use" efficiency—how much was wasted, how much used. For example, some light bulbs give off more energy in used heat than in light.

The charts then give us this kind of information. The United States used the equivalent of 19.5 million barrels of oil a day (MBD) in 1960. (From this point, I will substitute the word "units" or the abbreviation "MBD" for a million barrels of oil a day.)

The uses broke down this way:

Residential and Commercial, 5 MBD; industrial, 7.1 units; manufactured goods, 1.1 units; and transportation, 5.3 units.

Of the 19.5 units used, 9.9—or more than half—were "wasted" through inefficient use. Unhappily, for a Senator from Michigan, transportation was the single most inefficient user with 75 percent of its energy "wasted."

While the "breakdown" figures give more detailed understanding of the energy flow, the important figures to retain are those that show increases in total consumption and the amount of that total wasted.

By 1970 the amount of energy used in this country jumped to 29.7 units. While the efficiency rating improved slightly, 14.7 units of that total were still wasted. And not surprisingly, the biggest single source of waste in 1970 was transportation. A close second was the waste from converting fuel to electrical energy, for it was during the 1960's that the use of electricity began its steep increase.

The staff study projects that by 1980 we will consume about 44 million barrels of oil a day, and waste 23. Transportation alone will waste 9 MBDs; conversion to electric energy, 8.1 units.

These figures, it is argued, are firm because we've already made most of the decisions which will affect energy consumption in the years immediately ahead.

Projections into the future are, of course, less firm, but the study estimates that in the 40 years between 1960 and 2000, our rate of energy consumption will have grown from about 20 MBDs to more than 100 MBDs.

That's the demand side of the equation. Now let's look at the supply side.

Even with optimistic projections for development of alternative sources of energy such as hydroelectric, geothermal, nuclear and solar, we will fall short of our demand needs by 10 million barrels per day of oil by 1980 and by 18 million barrels by 1990.

If we cut back projected demand to a conservative figure of 87 units in the year 2000, we will be short 20 MBDs.

To reach these optimistic projections on alternative sources of energy could mean:

Increasing offshore drilling activities;

Tripling strip-mining of coal and increasing underground mining by 50 percent;

Developing geothermal energy to match the output of more than 100 Hoover Dams;

Increasing our hydroelectric capacity on a massive scale which would require building dams in places such as the Grand Canyon;

Continuing to build many nuclear power plants.

Even with optimistic projections, if indeed we would be willing to accept such developments, we will not be self-sufficient.

So, the ramifications of this dilemma are indeed broad.

How much can we afford to pay for foreign oil . . . $20 billion a year; $30 billion?

What effect will our need to import oil have on foreign policy, not only in the Mid-East, but as it affects our ability to maintain a credible defense posture or to transport an adequate share of our exports and imports?

Obviously, we must consider balance of payment problems and not just because of oil imports. In the years ahead, food may continue to be one of our major exports, but a shortage of natural gas needed to produce fertilizer threatens to limit a needed increase in farm production.

How do we meet our responsibility not to destroy the environment for the generations to come while meeting the basic needs of today?

At what point, if any, must those who would bar any damage to the environment compromise lest public opinion swing back so far as to reject all environmental concerns?

What does the dilemma mean to efforts to alleviate poverty at home and upgrade the standard of living for the poor nations of the world?

And what if an energy crisis meant lost jobs, food shortages, higher prices?

Those are a few of the tough questions, some of the competing claims which must be balanced when we talk of the long-range problems.

In the short run, it would appear that our only immediate solution will be mandatory allocation. That is a difficult and unpleasant prospect, but the only one I can see which will be able to meet this nation's needs.

And, because of that, it is all the more important that we look now at what we will have to do in the future.

How do we begin? First, dilemma should be spelled out. Only if there is widespread understanding of the problem will policy makers focus on the questions, and will the public accept some of the disagreeable decisions which must come.

The Atomic Energy Committee's presentation needs to be publicized if for no other reason than to discourage politicians from offering simple solutions where none exist.

Next we should create in Congress and in the Executive Branch focal points to draw together the varied strands of policy needed to make up a national strategy.

Then we must develop a national strategy which recognizes that efforts must be made to curb demand as well as increase supply.

Specifically, Congress should establish a broadly representative joint committee on energy in which all the competing claims and strategies could be weighed side by side. Today, concern for the energy dilemma is split among countless committees and subcommittees.

Similarly, such a focal point should be created in the Executive Branch, though an energy department should be separated from agencies charged with protecting the environment. I favor that separation because any debate on balancing environmental and energy concerns should be inter-department and public rather than intra-agency and private.

Recognizing that motor vehicles are a major "waster" of fuel, any national strategy must be concerned with incentives to greatly increase the fuel efficiency of the transportation segment of our economy perhaps through minimum standards or taxing provisions on engine horsepower.

We must take these steps now, if we hope to have them affect the future. Lead time is most important, and while we must make some short-range decisions for the immediate future, our strategic concerns must be for 1980 and beyond.

Mr. BIDEN. Mr. President, the energy problems facing this country are most serious. Effective and equitable solutions must be found. One area in which I agree with the President is that the problem cannot be attacked on a piecemeal basis. A comprehensive approach is required. While the energy-economic plan submitted by the President is comprehensive, it fails miserably in that it "programs in" or targets unacceptable economic conditions. By his own admission, the consequences of President Ford's program are a rate of unemployment of 8 percent for 4 years and the continuance of a high rate of inflation. What is even more alarming is that the economic experts are suggesting that the President has underestimated the unemployment and inflation that would result from the administration program.

Senators who are considering supporting the President today should try to conjure up in their minds what a 4-year average of 8 percent unemployment means and just how they think this Government is going to alleviate the hardships of the long-term unemployed. Are we going to extend unemployment benefits 3½ years? We are having all of the problems we will ever want handling the problems of unemployment in the short term.

The unilateral action that the President has taken with respect to the oil import tax and is proposing to take on the decontrol of old oil contradicts his charge to Congress that they come up with a comprehensive program of their own.

I just cannot understand the logic of taking these two devastating actions without congressional assurance on the rest of his program and then arguing the need for a comprehensive program.

Since congressional approval is required for the remainder of the program, by making these two decisions is not the President acting on a piecemeal basis?

Our rapidly deteriorating economy cannot now withstand the shock of drastic solutions to the energy problem. With a national rate of unemployment of 8.2 percent and climbing, with the problem of rising prices hardly considered under control, and with business and consumer's future economic expectations becoming increasingly pessimistic, it is my opinion that the drastic energy solutions proposed by the President and others will just serve to undercut the present efforts of the Congress and the Federal Reserve to stop the current economic slide.

The imposition of the import tax on oil is the first step in the administration blueprint for economic disaster. Congress must assert itself. By passage of H.R. 1767 we can bring a halt to the President's unilateral energy program. This will allow Congress the time to come up with an economically safe and equitable program.

Mr. ROTH. Mr. President, after considerable study and careful deliberation, I have decided to support legislation suspending for 90 days President Ford's authority to impose import fees on crude oil. I appreciate the President's efforts in presenting a comprehensive and action-oriented energy package; however, I believe that the risks involved in immediate implementation of the import tariff features of his program outweigh the possible benefits.

I support the President's goals to reduce our dependence on imported oil and to increase our domestic energy production. However, the first priority must be to get the economy moving again without unleashing the new round of inflationary-recessionary pressures which I believe are inherent in the President's tariff program as it is now designed.

While I agree with the President that tough measures are needed to solve our energy problems, I am fearful that the significant changes he has proposed could cause too great a shock to our already weak economy.

The most immediate and demanding issues facing our Nation are recession and inflation. It is my belief at this time that we must first concentrate on these problems while phasing in policies to cope with the energy situation.

The energy crisis is complicated and complex, and we cannot ignore the possibly adverse impact that the President's program could have on economic recovery.

There have been serious questions raised, by virtually every economist who has testified before Congress in the last 3 weeks, about the impact of the energy program on the economy, and I do not think that it is unreasonable for the Congress to insist upon a 90-day period to further review and study our energy options.

I am not saying that I will not ultimately support the President's program particularly if the Congress does not take effective action. But I do believe that the Congress must have a chance to determine the program's impact on economic growth, on unemployment, and on inflation, and to explore the full range of options available to deal with our energy problems.

Congress must not allow the energy program to keep it from enacting an immediate economic recovery program. I believe that a tax cut is the best way to get the economy moving again, but the oil tariff could have the effect of taking more out of the economy than the tax cuts put in, with the ultimate effect being one of fiscal restraint.

Unemployment has increased at a shocking rate during the last few months, and the possible loss of consumer purchasing power due to increased energy prices could have an additional impact on the job situation.

There is a definite relationship between jobs and energy, and our first priority in energy conservation must be to cut back on energy waste, not on job-producing energy use.

I am also concerned about the inflationary impact of the energy program, which could translate into an additional 2- to 4-percent increase in the Consumer Price Index. These price increases would occur in products which cannot be easily cut back on or conserved.

I personally have very serious reservations about the tariff's impact on the east coast, particularly on my home State of Delaware in terms of jobs and prices.

Delaware relies heavily on sources of imported crude oil and petroleum products for its energy requirements in homes, businesses, and agriculture. Some 70 percent of the homes in Delaware use heating oil, a large portion of which is an imported product. Farming, a major aspect of our State's economy, relies heavily on imported products for heating, processing, and transportation.

Additionally, the impact on Delaware's petrochemical industry, which is the largest employer in the State, would also be substantial. The tariff will add costs directly to the industry's most important basic material, petrochemical feedstocks, a substantial portion of which is imported. This, in turn, would impact both jobs and prices.

In general, there is a great deal of merit to many of the short- and long-term features of the President's total energy program. He has called for stricter conservation standards for homes and buildings, and increased funding for energy research and mass transportation.

And the President has justifiably rejected the short-term expediency of a rationing program, which would do nothing to provide a long-term solution for our energy problems.

Valid solutions to our energy problems will not be developed easily, and will undoubtedly require sacrifices from all of our citizens.

The President and the Congress must share a willingness to compromise and to make accommodations in order to come up with a consensus program.

This is not a time for confrontation politics. We must not seek a Democratic or a Republican program, or a congressional or a Presidential program but an American program that all citizens can understand and support.

Mr. President, I would make one point clear in supporting this legislation. That is, that I do not consider this action in any way to relieve the Congress of the responsibility it has undertaken to work with the President to develop a totally responsive national energy program. If I become persuaded at any time that Congress is not willing to assume this responsibility, I will not hesitate to support the President in his efforts to compel congressional action.

Mr. TUNNEY. Mr. President, I would like to take this opportunity to explain why I will vote to delay the President's plan to increase oil tariffs and decontrol the price of domestic petroleum.

The President has portrayed his drastic program as necessary, not only for its own sake, but to awaken a sleeping Congress to the need for action to conserve energy and increase development of domestic supplies. But, it is a program which ignores the reality that we are in a recession twice as deep as any since

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1941, and getting deeper. It is a program which ignores the reality of the worst inflation in our national experience. It is a program which exploits the oil problem as an excuse to foul the air and to ruin the beaches. Finally, it is a program which falsely pretends that Congress has been blind to the energy situation and which masquerades as the Nation's only salvation from the threat of oil blackmail.

Mr. President, last month the national unemployment rate reached 8.2 percent. Many economists now fear that it will rise above 9 percent before the year is out. George Meany of the AFL–CIO has predicted 10 percent. The people of my State have no trouble believing Mr. Meany. Unemployment has exceeded 10 percent in several major California communities for the last several months. We are, in short, facing an economic emergency against which the problem of oil-dependency pales by comparison.

The President's package of energy proposals would have a terrible impact on employment. Already, city, county and State governments are cutting services and laying off thousands of employees in a desperate effort to balance their budgets. Imagine what would happen if, as a result of the Ford proposals, Government's energy costs leaped 20 to 30 percent. How many more would be out on the street with no prospect of alternative employment? Nobody knows, not even the President has an estimate of the full unemployment effect of his program.

We have no idea how many more people would lose their jobs in the transportation industry, but we know it would be a substantial number. Increasing the overall average price of a barrel of petroleum from $8.50 to somewhere between $13 and $14, as the President proposes, would force major increases in bus, railroad and airline fares. Ridership would decline and thousands of transportation workers would be on the streets. Joining the ranks of today's 7.5 million unemployed would soon thereafter be additional thousands of workers in the hotel, restaurant and tourism industries. Millions of workers are today employed in petrochemical and petrochemical-related industries. What is to happen to them when the President's plan prices their products out of the market? What is to become of employees at hospitals and colleges which must reduce services in order to meet steep energy cost increases?

Mr. President, as I discuss this matter with businessmen, economists, bankers and government officials in my State, I become increasingly convinced that we allow Mr. Ford his druthers only at great peril. As the Nation focuses its efforts on reversing the worst economic tailspin in 3½ decades, nothing could be more inappropriate and less useful than the President's proposal to overnight more than double the average cost of domestic energy.

Mr. President, a short 4 years ago President Nixon imposed general wage and price controls. There was then much concern over the corrosive effect of inflation and general agreement on the urgency of strong action to restore price stability. The 1971 economy was inflating at the rate of 3½ percent a year. Controls did not work. In fact, they made things worse. Last year the cost of living rose 12 percent and along with it went the savings, the purchasing power, the standard of living and the jobs of tens of millions. Until the President announced his program, there was some hope for relief. Now we are confronted with a deliberate Presidential policy which could ensure that 1975 inflation is at least as bad as that of 1974.

If we adopt the President's budget and energy proposals, his advisors, say, confiscatory rates of inflation are sure to be with us not only this year but through the rest of this decade. Mr. President, there is simply no justification for a policy that will unnecessarily add 3 to 4 percent to the cost of living this year and for several years thereafter—particularly not when most of the sacrifice will come from the hides of the working, the poor, and the elderly men and women of America. Two years ago representatives of the major oil companies came before committees of the Congress and testified that, at the "right" price, they could and would drill out every drop of oil in the United States. That price was $5 per barrel. Today, the President says that the price of "old" oil must increase from $5.25 to $11 per barrel, not counting additional taxes, if we are to encourage new exploration. Never mind double-digit inflation. Never mind crisis-level unemployment. Who cares if the people breath contaminated air or lose their beaches to oil slicks. Nothing matters but drill, drill, drill. I do not believe in these priorities, and I know few who do.

The administration has submitted several proposals which should be closely examined by the Congress. These include the following:

A proposal allowing a massive giveaway of precious oil and gas resources in the Outer Continental Shelf while at the same time wreaking environmental degradation along our coastlines.

A proposed 5-year delay in the Clean Air Act while relying on voluntary assurances of improved fuel economy.

A proposed increase in coal leasing in the West under weakened strip mining controls in an area where 20 to 30 years of coal production has already been leased but not developed.

A proposed energy facilities siting bill which may have the effect of overriding State environmental protection safeguards.

Mr. President, as you and I and every other Member of this body knows, whatever his pretentions, Mr. Ford was not the first to recognize our dangerous dependence on foreign energy nor was he the first to propose needed conservation measures. I note, for instance, that the tax incentive for home insulation which the President offered in his package of energy proposals was successfully originated by the Senator from Utah (Mr. Moss) as long ago as November, 1973, when Mr. Ford was still a Member of the House of Representatives. The Senate also passed a number of important energy conservation measures which I introduced. Among those was the Automotive Research and Development Act, authorizing $340 million in grants and loans for intensive research into the development of a new energy efficient automobile engine, and the Truth in Energy Act.

This legislation requires that major energy consuming products and systems-air conditioners, stoves, refrigerators and the like-be labeled with clearly understandable operating cost information. Expert witnesses testified at Commerce Committee hearings that my bill will stimulate manufacturers to produce appliances that consume up to 50 percent less energy than present models. In addition, I supported and cosponsored a series of other major energy-saving measures that passed the Senate in the 93d Congress. No, Mr. President, the Senate has not been asleep at the switch. We have passed major energy legislation and we will pass more.

But it should be emphasized that this Nation faces the triple threat of recession, inflation and growing dependency on foreign oil. No one of these great problems should be ignored or worsened in order to deal with any other. My objection to the President's plan is that it would increase unemployment and worsen inflation when we are in the midst of the worst economic straits since the early 1930's.

Energy conservation and development need not come at the expense of jobs, higher prices and environmental devastation. There are, I believe, a variety of noninflationary, proemployment measures that could be taken without significant delay. I intend shortly to introduce legislation which will utilize the $2½ billion of gasoline tax revenues now going annually into the highway trust fund to finance a tax credit for commuters using public transportation and increased operating and capital subsidies for mass transit. I am studying the merits of a recent proposal to subsidize the price of energy-efficient automobiles through taxes on inefficient cars, with both subsidies and taxes graduated according to efficiency and inefficiency.

As a member of the Commerce Committee, I look forward to hearings on proposals to alter Federal and State regulatory policies so as to eliminate energy waste. I think it is a crime that State regulatory bodies have often designed rates so that big industrial users pay less and less per unit as their energy consumption increases. We can protect jobs and safely excise large amounts of "energy fat" in industrial usage simply by eliminating existing subsidies of profligate consumption. Policies of the Civil Aeronautics Board and the Interstate Commerce Commission which discourage low-cost travel and efficient use of shipping capacity are now under intensive congressional scrutiny. Reforms in these areas can do much to protect jobs in the recreational industries and to lower food and other costs, to say nothing of their contribution to energy conservation. The Internal Revenue Code should be reviewed and revised so as to encourage energy-efficient styles of building design and to put renovation of existing structures on the same tax footing as new construction. The President has proposed several billions for research into improved energy technologies. This proposal will surely meet with broad congressional favor.

Mr. President, I could go on at some length in this vain, but I think my point is quite clear—Congress can and will move on wide-ranging fronts to deal with the energy problem in ways that will put people back to work and reduce inflationary pressures. We can and will provide safeguards and priorities for development of new energy resources that do not imperil our fragile environment. We will compromise and negotiate with the President and we will develop a constructive approach to the great problems which confront this country.

Mr. HANSEN. Mr. President, I would like to reiterate the supplemental views of several minority members of the Committee on Finance in opposing the House-passed bill, H.R. 1767, which would suspend the President's authority to adjust imports of petroleum and petroleum products into the United States.

These supplemental views are in the committee report on the bill. Also in the supplemental views are part of the separate views in the House report on the bill of Democratic majority whip, DAN ROSTENKOWSKI, a member of the Ways and Means Committee. Our respected colleague from the other body made it plain that he had no doubts about the President's authority to impose the import fee that this legislation attempts to rescind. He said he had no doubt that the President did all that was necessary to comply with the requirements of the law.

In other minority views on the proposed 90-day suspension of the President's authority, both in the Finance Committee report and the Ways and Means Committee report, the history of the national security section of the Trade Reform Act and in preceding trade acts was traced.

As the Democratic whip of the other body made so clear, the President acted entirely within his legal authority as recently extended in the Trade Reform Act.

The cry for delay was only a smokescreen for the inaction of Congress for the past 5, 10, even 20 years in halting a suicidal course toward dependence on insecure foreign oil.

The distinguished majority whip of the other body was honest and candid in attempting to reason with his colleagues. He said:

> In conclusion I believe that if we in Congress are going to oppose the President's program at this most critical time, we should oppose it only if we are able to substitute a positive program of our own. We should not spend hours searching for a mere technicality to block his action, or days complaining how unfair it is for him to take the initiative, using every discretionary tool available to him.

Mr. President, those of us on the Commerce on Finance who filed our supplemental views fully agree with the House majority whip's conclusions and recommend that the Senate reject the 90-day suspension of the President's authority to adjust imports of petroleum and petroleum products so that Congress may get on with the job of amending or changing the other parts of his energy program as it sees fit.

Each day lost means $10 million less in rebates to achieve the objectives.

Prefacing the House majority whip's remarks, we said in the committee report that we would vote against the bill in its present form for the following reasons:

First. It will delay consideration by the appropriate committees of the House and Senate of the major parts of the President's energy program;

Second. It will preempt the President's authority to take even the first step toward freeing the domestic petroleum industry from the stifling effects of Federal regulation and price controls;

Third. With imports now running at the rate of almost 7 million barrels a day—4 million crude and 3 million refined products—a 90-day delay would cost the President's program over $900 million;

Fourth. The effect of a $1 tariff on domestic gasoline prices will be only about 1 cent per gallon according to FEA—rather than the added recessionary effects predicted by some. All other taxes and other provisions of the President's program except the tariff on imports are subject to congressional approval or amendment;

Fifth. Most experts believe in the concept of price elasticity and the marketplace as the most effective way to reduce demand through encouragement of conservation. Any quantitative cutback in imports, without the other provisions of the President's program, would result in continuation of mandatory allocation or rationing; and

Sixth. Suspension or revocation of the $1 tariff might well encourage the OPEC bloc to add that much on to their already quadrupled prices.

While we do not fully agree with all of the specifics of the President's program and will propose some changes, the tariff plan is a central part of the whole carefully integrated program and should be retained intact.

To those who say the U.S. economy cannot stand the sudden shock of the import cutbacks envisioned in the President's program, we say we cannot afford the continued outpouring of U.S. dollars—more than $2 billion per month last year and steadily increasing.

Those dollars are taking jobs out of this country. For each barrel of oil we import, we commit ourselves to exchange more of our goods and services. The average American will have to work longer and produce more to acquire the same amount of petroleum. Anyway you look at it, this translates into a lower standard of living.

Other parts of the President's plan will require legislation. Moving from foreign dependency to domestic sufficiency and security is an urgent national goal.

The most attractive part of the President's plan is the promise of increased domestic energy through decontrol of oil and gas. Congress will spell out the terms by which this is accomplished. They should include plowback allowances for reinvestment of profits in domestic exploration and development.

We agree that Congress should determine by legislation when the funds are to be returned to the economy, how the funds are to be returned, and to whom the funds will be returned.

The President's tariff plan is an integral part of the means of raising those funds and moving ahead as fast as possible in development of our abundant energy resources. This bill will be paid by Americans to America. It will be far less than the compounding costs of the mounting dollar drain going to other countries so long as we do nothing. We cannot afford 3 more months of doing nothing.

There is no painless way to cure our misery of energy dependence. The President has acted.

He has used the power Congress mandated him to employ in protecting our national security.

Mr. RIBICOFF. Mr. President, H.R. 1767 is not intended to ratify or confirm the technical legality of the attempt by the President to impose a schedule of fees on imported petroleum and petroleum products by invoking the authority of section 232(b) of the trade expansion bill. That attempt has been challenged in a suit brought in the District Court for the District of Columbia by the Governors of nine States and certain gas and electric public utilities. This bill should have no effect on that suit. It would only suspend the effect of the President's attempt for 90 days. It would not determine the legality of the President's decision.

It would be in the best interest of clarifying the President's powers under the Trade Expansion Act that the courts have a chance to delinate the limits of the President's powers under the Trade Expansion Act so that, when the 90-day moratorium is over, the President will be certain whether he has the power to reimpose such license fees without specific Congressional action.

I trust that our action here today will not be misinterpreted as rendering that opinion unnecessary or useless.

Mr. HANSEN. Mr. President, the able and distinguished chairman of the Committee on Finance (Mr. LONG) deserves the gratitude of all members of the committee for the fair and unbiased manner in which he handled this legislation.

He said the committee would act as soon as the bill came over from the House and the committee did act.

He called hearings and then during the week of the canceled Lincoln Day recess managed to muster a quorum to report the bill out even though he announced that he did not support the bill.

I have the greatest admiration for my good friend and colleague from Louisiana for the evenhanded way in which all legislation is handled in his committee.

He is especially knowledgeable in the field of energy and knows how vitally important self-sufficiency in energy is to the United States. He has spoken often on the need to decontrol the price of natural gas in order to conserve our cleanest as well as cheapest fuel and encourage exploration for new supplies.

He recently expressed his views on what he called the harum-scarum congressional response to President Ford's

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economic and energy policies. Most Members of Congress refuse to recognize the seriousness of the situation, the Senator said.

The chairman was quoted as saying:

Every day, some different Democrat is announcing what the Democratic program is. It's fine to have all these ideas, but who's running the store? What about the Committee chairmen who actually have to pass some of this legislation?

Mr. President, since the middle of 1969 when I was fortunate enough to join the Finance Committee, I have heard most of the arguments against oil and gas depletion allowance, oil company profits, and the need to develop our own energy resources and lessen our dangerous dependence on foreign oil. But I have not seen anything done about it.

And it is not only the Democrats who are to blame. Republicans either in Congress or the White House have done very little toward facing up to the hard facts of our growing and now dangerous energy problem.

One would have thought after the Arab oil embargo of last year that Congress could have hammered together a comprehensive energy program. After all, the Senate Interior Committee had been authorized almost 4 years ago to conduct a study on national fuels and energy policy and to come up with some recommendations.

After more than a hundred days of hearings and volumes of the transcripts of those hearings, the committee has not even made an interim report. But it wants more time to continue its study. And I think it should have more time but why delay the President's program while that committee studies the problem another 4 years? And I happen to be on that committee, too.

We have about as many energy experts in the Congress now as we have Congressmen. But up until the Arab oil embargo, few if any of us were really doing anything about the energy problem.

We were amply warned especially during the past few years. Even the Arabs had told us that oil might be used as a political weapon and they did not hesitate to use it when the latest Arab-Israeli conflict erupted.

We found out then just how dependent we had become on Arab oil. But the long gasoline station lines will be a small part of the devastating impact of another embargo unless we begin immediately to cut back on foreign oil.

By 1977, unless we have reduced our imports substantially by then, half of our oil could be coming from OPEC countries and an Arab embargo would cut off 4 million barrels per day. We lost only about 1 million in last year's embargo.

The U.S. industrial machine and transportation system would ground to a crawl and there could be a $40 billion drop in the GNP with 2 million people unemployed. An Assistant Secretary of State said the shock effect would be equivalent to an atomic bomb.

As a nation more dependent on energy—particularly oil and gas—than any other country in the world, how did we get into this predicament? We are still the largest producer of oil and gas in the world with the possible exception of the Soviet Union. We are also by far the largest consumer.

Until last year, the U.S. consumption rate of energy, particularly oil and gas, was increasing each year at a rate of about 5 percent.

But our production rate has been on the decline for the last several years.

In 1959, President Eisenhower by Executive order initiated the mandatory oil import program. The stated purpose was to insure the national security of this Nation by safeguarding and maintaining a vigorous and healthy domestic petroleum industry.

A voluntary import program had been put into effect 2 years before on the recommendations of a special cabinet committee to investigate crude oil imports. But the Director of the Office of Civil and Defense Mobilization reported to the President that—

The present rate of imports is a major contributing factor to the decline in drilling operations both for exploration and development in the search for new oil reserves.

That statutory authority for the mandatory oil import program was section 232 of the Trade Agreements Act of 1954 as amended by section 8 of the Trade Agreements Extension Act of 1958:

Section 232 (a) provides that no action is to be taken pursuant to the bill or section 350 of the Tariff Act of 1930 to decrease or eliminate the duty or to decrease any other import restriction on any article if the President determines that the reduction of elimination would threaten to impair the national security.

Section 232 (b) provides that upon request, application, or notice from specified sources, the Director of the Office of Emergency Planning (OEP) must undertake an investigation to determine whether the article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. If he so finds, he is required to so advise the President, who is required to take such action as he deems necessary to adjust imports unless he determines that the article is not being imported in such quantities or under such circumstances as to threaten to impair the national security.

Section 232(c) enumerates various factors to which the President and the Director of the OEP are to give consideration in carrying out their functions.

Section 232(d) requires a report to be made and published on each final disposition of any request for investigation under section 232(b). It also requires the Director of the OEP to publish procedural regulations governing the exercise of the authority vested in him by section 232(b).

The proclamation as amended was continued under authority of section 232 of the Trade Expansion Act of 1962 and more recently under section 127 of the Trade Reform Act of 1974.

In hearings before the Senate Finance Committee on October 18, 1967, Secretary of the Interior Stewart L. Udall, testified on oil imports as follows:

I would like to state here my firm view that, in the present world petroleum situation, oil imports should be controlled in the interests of our National security. I think there has always been a strong case for this and there is today. This is the paramount, the only reason why such imports are controlled. In no sense does this position alter my views with respect to opposing trade barriers generally. But in the case of oil, our security would be jeopardized unless we have a strong, healthy, domestic oil industry, capable of meeting the demands of any conceivable emergency. One only has to look at the Middle East and what happened there a few months ago; Israel had to win or lose a war in a matter of days because of the fact that the mobility of their machines rested on very limited supplies of petroleum and I just use this to underscore what I mean.

This we could not do if low-cost oil from petroleum-exporting countries were to flood this country, with consequent damage to our own energy-producing industries.

The relationship between our national security and adequate supplies of oil is clear. On this score, it suffices to point out that oil is practically the sole source of energy for transportation—both civilian and military, and we are a highly mobile Nation.

Adequate domestic supplies depend upon exploration and discoveries and these activities will not be carried on in the absence of an adequate market for domestic production.

In August of 1968, the House Interior Committee conducted hearings on the mandatory oil import program and issued a report.

Among its findings and recommendations were:

The need for control of foreign crude and unfinished oils in order to assure a healthy U.S. petroleum industry is as great today, from the standpoint of national security, as when the plan was conceived originally. The steady decline in the industry's exploratory effort over recent years and demonstrable inadequacy of known petroleum reserves accumulated have rather alarming implications from the standpoint of the Nation's security in times of emergency.

While the voluntary and mandatory oil import program has been helpful, its stated objective of preserving a "vigorous and healthy domestic petroleum industry for purposes of national security" has not been achieved. U.S. exploration and development has been declining for the past 10 or 11 years and even more alarming are the indications that unless steps are soon taken to reverse this trend it will continue at an accelerating rate. Instead of finding more than 4.5 billion barrels per year, which the Department of the Interior indicated are needed to meet future demands and maintain a stable reserve-production ratio, only 2.6 billion barrels per year have been found and developed during the past 7 years.

There is substantial evidence that the import program is weakened by the injection into the program of special treatment provisions, particularly since 1965. The profusion of these special treatment provisions threatens to undermine the program by destroying confidence in its administration and by creating special situations which permit imports both within and without the controlled levels.

The program is plagued by instability and frequent changes which create uncertainty and lack of a sense of direction. This makes it extremely difficult for segments of the industry to arrange their long-term expansion programs or to develop long-range plans.

The import program legally has only one basis for its existence; i.e. to protect the Nation's security by promoting a strong domestic oil industry capable of dealing with unforeseen emergencies. We find that the program is being used for many alien purposes. Many of these are undeniably worthwhile, yet all of them should be accomplished by means other than the oil import program. These include such activities as (a) economic aid to insular possessions and territories; (b) improvement in the Nation's exports; (c) enhancement of the competitive capabilities of the Petrochemical industry; and (d) abatement of air pollution.

The mandatory oil import program must not be weakened by use for purposes unrelated to the preservation of national security, regardless of the merits of the alien objectives. This includes projects such as improvement of the economic conditions in any particular geographic area, improvement of competitive conditions for any industry, alleviation of air pollution, economic hardships, or any other unrelated purposes.

But even before this Congress was looking into the prospects of energy and materials shortages.

The Materials Policy Commission, known as the Paley Commission, was appointed by President Truman to look into the country's basic resources. That Commission warned of coming shortages if the Nation failed to act to assure future supplies.

Edward R. Murrow broadcast the findings and warnings of the Paley Commission and then asked for guidance from Bernard Baruch, one of America's most respected elder statesmen:

"In the next 25 years," Baruch estimated, "the population of this country will be about 200 million, one third bigger than it is now. That means more goods, more services . . . Do we have, or can we get, these vast supplies? The answer is yes, because it must be yes," he said.

The commissioners pointed out that in 1954, the average American consumed goods and materials weighing a total of 18 tons. "There's no consumption like it anywhere in the world," Murrow said. "The United States has only 10 percent of the world's population but we chew up half the free world's raw materials. On an average, we use six times more of them than we did when this century was beginning . . . all the way from six times more copper to 30 times more crude oil. In the lifetime of a young man or woman 35 years old, the United States alone has used up more minerals than the entire world did from the dawn of history down to World War I."

The commissioners erred only in underestimating the size of the future's appetite. For example, instead of doubling, demand for liquid fuels tripled. Instead of tripling, demand for electrical power has increased five times. The commissioners were about right in their estimates on demand growth for timber products, agricultural products, and minerals.

The country's resources remain the same, but more people use them. Bernard Baruch's 1954 estimate of a 200 million population in 25 years was surpassed in 1968, and is estimated in 1974 at 210 million.

So it is not a problem that has suddenly erupted.

We had ample warning. But few were listening.

We have dallied for more than 20 years with a Federal natural gas policy that encouraged use through underpricing and discouraged development of new supplies.

And now that President Ford has come up with a comprehensive plan to implement Project Independence, the Congress wants more time to implement a plan of its own.

But considering the foregoing record of Congress, can we afford to wait?

The only real program to assure a healthy U.S. petroleum industry was implemented by the Executive and not the Congress.

As the House Interior Committee report pointed out, the weakness of the program was not in the program itself but by injection into the program of special treatment provisions, instability, and frequent changes.

That program needs to be fortified now with the President's proposal to impose an additional import fee to protect the Nation's security by promoting a strong domestic oil industry capable of dealing with unforeseen emergencies.

Any further delay can only jeopardize the Nation's welfare.

Another prominent Democrat has also supported the President's initiative to curb oil imports by raising prices. In a Washington Post article today titled "Energy: Fallacies, Future Costs", Arthur Okun said that the fact that we have to stop a recession does not keep us from engaging in an initiative to curb our oil imports.

Okun said:

We can have an energy program and economic recovery, and I offer that as a fully considered and confident professional judgment.

Arthur Okun was, as you will remember, President Johnson's Chairman of the Council of Economic Advisers and is now a senior fellow at the Brookings Institution.

His comments were taken from his recent testimony before Senator FRANK CHURCH's Subcommittee on Multinational Corporations on the President's energy program.

He commented on the potential cost of further price increases:

If the oil consuming nations continue to respond passively, if private forces of supply and demand remain relatively sluggish and unresponsive, the cartel will clearly be emboldened to raise its prices again and again.

I emphasize this because there has been frequent criticism of President Ford's program that by raising the price of oil to ourselves we would provide justification for OPEC to raise its price further. I have got lots of criticism of President Ford's program but that one is totally unfounded.

OPEC isn't looking for justifications; it is looking for maximum profits, and if we show a greater response by cutting the demand in response to the high prices, we will put downward and not upward pressure on OPEC prices. It is doing nothing that encourages high oil prices.

In another Washington Post article today, an error was admitted by another Democrat, Representative LES ASPIN, in a press release reporting that a private study by Data Resources, Inc., had estimated the Ford energy program price impact at 4.3 percent.

The study, by Paul H. Earl, actually estimates the price impact at the consumer level at 1.9 percent by the end of 1975 and 2.4 percent by the end of 1976, even assuming—as the administration estimates did not—a coal price increase equal to oil price increases.

ASPIN's press release said the Earl study had been done for the Council on Wage and Price Stability which "originally refused to release the study, but relented when ASPIN protested treating economic forecasts as secrets."

In a telephone interview, Earl said that his forecast differed only marginally from the administration's, and that the ASPIN press release was in error. Apparently, an increase of 4.3 points on an index of 178—which works out to 2.4 percent—was misinterpreted to be 4.3 percent.

I believe this may be indicative of other studies and cost comparisons by the Senate Interior Committee and the Library of Congress.

I suppose a staff study can come up with about what those who requested the study wanted the answers to be.

It is interesting that an outside professional data processing organization came up with about the same cost figures as those used by the President.

All of the varying and conflicting figures may lend some credence to the old saw that there are lies, damn lies and statistics.

Mr. MONDALE. Mr. President, I rise in support of H.R. 1767.

I hope that the Senate will pass this vital piece of legislation by a margin which will indicate to the President of the United States our desire to implement a national energy policy in a rational, well-planned and noninflationary manner.

The $3 per barrel tariff which the President seeks to impose on foreign oil has been greeted with virtually unanimous skepticism by independent economists and analysts. Its effects are a uniquely unfortunate blend of increasing inflation, further drag on an already staggering economy, and regional dislocation in many areas of the country. It must be stopped.

If it is not, we will take over $7 billion per year out of an economy which needs additional stimulation, not additional loss of purchasing power. The $7 billion would virtually wipe out half of the President's proposed $16 billion 1974 tax cut. It would cost consumers in my State of Minnesota alone between $100 and $200 million per year. It would mean loss of jobs by the thousands, and further hardship to those affected by the downturn in economic activity which it would bring about.

Mr. President, if there were some well-defined and reasonable policy goal which this $3 per barrel tariff sought to implement, the negative effects which this tariff will inevitably cause might be sustainable. But even a brief examination of the goals of the tariff—and the energy program of which it is an integral part—reveals a lack of sound planning and the absence of any real framework for the President's program.

The tariff, we are told, is going to aid us in cutting foreign oil consumption by 1 million barrels per day this year and 2 million barrels per day by the end of 1977. Yet economists seem to agree that the short-term elasticity of demand for petroleum products is not great enough to enable the type of tariff the President would impose to have much effect at all on petroleum demand.

And imposition of a tariff of this type—as opposed to an outright quota on the levels of imported oil—offers no guarantee that any savings which might re-

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sult would come from imports, rather than domestic production. Production of "new," nonprice controlled oil domestically fell by 30 percent in the August to October 1974 period from the levels of the first quarter of 1974. And I am frankly skeptical about the willingness of the American major petroleum producing companies to assure us that any reductions in demand will result in an actual decrease in petroleum imports. Even, therefore, in meeting the stated goals of the President, this tariff will likely fall short.

But beyond that, those goals of the President are themselves open to question. There is a growing consensus that while we must cut energy consumption, the manner in which the President has sought to do it will further cripple our economy. I have yet to see a sound rationale for the 1 million barrel per day figure which administration has adopted as its goal for this year. I have yet to see any administration official provide a consistent rationale for the 2 million barrel per day savings goal by the end of 1977. All I have seen are a variety of sometimes contradictory explanations, which seem to suggest the absence of a policy, rather than a sound conceptual basis for that policy.

And the legal underpinnings for this proposed Administration action are, I believe, as shaky as the economic underpinnings. As merely one example, the President invoked a national security rationale in imposing unilaterally the initial $1 per barrel import fee, and in promulgating the entire tariff proposal. Yet part of that oil which will be affected by this tariff is oil which comes from Canada, and on which my State of Minnesota is very heavily reliant.

I have seen no analysis which justifies classification of Canadian oil as a threat to American national security. I am aware of no imminent plans for invasion by the Canadian Army across the United States-Canadian border. And even placing "national security" in a broader context, I am aware of no reason why oil which fuels industry in numerous States of the Northern Tier, and for which we have no available replacement, can be classified as in any way threatening the vital interests of the United States. The President, in discussions with Canadian Prime Minister Trudeau last last year, reportedly urged greater oil exports from Canada to the United States. Two months later, his imposition of a tariff on Canadian oil seems to indicate that in fact we do not wish increased amounts of that oil coming into our country. The absence of a clear and consistent policy is evident.

Mr. President, we in the Congress have a heavy responsibility to come up with an alternative energy program to that presented to us by the President. Much progress is being made on the Democratic sides in both the Senate and House in this direction, and I am confident that we will arrive at a program which the Congress can pass and which will provide a more realistic method of dealing with the energy problems we face.

Time is short, and our responsibility is heavy. We need the 90 days which this legislation would give us in order to develop that alternative. But we must not be mislead by the cries for action now, action at any price, or action without a sound rationale behind it. This type of action is worse than no action at all. It would add to our inflation, deepen our recession, and make economic recovery more difficult. We in the Congress can develop an alternative program which will curb wasteful energy consumption, develop new energy sources, and deal effectively with our international energy problems. And I deeply hope that passage of H.R. 1767 will signal the President that the Congress is determined to protect the pocketbook of the American consumer and the job of the American worker as we work on this congressional alternative.

Mr. HASKELL. Mr. President, on February 9, 1975, the Boston Globe published an editorial concerning gasoline rationing which was written by my distinguished colleague from Connecticut (Mr. WEICKER).

The article is excellent and thoughtful and outlines the need for mandatory energy conservation measures, including gasoline rationing, in order to curb our ever-increasing appetite for energy. The junior Senator from Connecticut has been a leader in the Senate in advocating immediate conservation measures and I commend him for it.

I ask unanimous consent that the text of his article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WEICKER

I recently prepared for the Boston Globe an article that articulates my position with regard to mandatory gasoline rationing as an energy policy. For over a year I have urged the adoption of a nationwide gasoline rationing system. On January 23, 1975 I introduced a bill, along with the Distinguished Majority Leader Mr. Mansfield, that would mandate the President to establish within 60 days a nationwide program for the end-use rationing of motor gasoline.

I strongly believe that if recent experience has taught us anything it is that as a nation we can not afford to continue our extravagant and wasteful consumption of limited energy supplies. The lack of emphasis upon energy conservation within the Administration's program is very disturbing.

Obviously, gasoline rationing in and of itself is not the answer to our current problems. However, while this country pursues a course of energy self-sufficiency through expanded programs of exploration and development of indigenous energy sources, an overall program of mandatory fuel conservation coupled with an effective oil import quota system and mandatory allocation seems to me the best answer to gradual "withdrawal" from foreign oil. The backbone of a mandatory fuel conservation program would be a scheme for rationing motor gasoline.

Those who have attacked the idea of rationing through analogies to the World War II system have not fairly examined the essential differences entailed in rationing during 1975 and rationing during World War II. Rationing at a time of peace with an end goal of 15–20% reduction in consumption is hardly the same thing as rationing during a period of world war with the necessity for up to 65% reduction in consumption. Gasoline rationing, if implemented now, need not mean coupon rationing, but any of a number of alternative schemes—a sticker system, odd-even day sales, Sunday gas station closings, etc.

Recent criticism of rationing as a viable alternative in energy policy has served to confuse the public as to the consequences of rationing through misleading associations and through an inaccurate barrage of facts and figures. Such criticism is based upon the fallacious assumption that rationing in 1975 would be similar to rationing during World War II—that there would be a coupon system involving extenuating bureaucratic problems and very real hardship.

Mr. President, I reiterate my unequivocable support for mandatory fuel conservation, specifically gasoline rationing.

SPECIAL TO THE BOSTON GLOBE

On January 15, 1975, President Ford stood before Congress in television view of millions of Americans and candidly spoke of the state of the Union as not being good. He then proceeded to outline a program to deal with the current crises in the economy and energy. I admired the verity of his analysis. I'm surprised at the faintness of response to that analysis. Let the record show I also harbor a similar evaluation of Congressional initiative to date. And "to date" doesn't mean since January 1, 1975 but since October of 1973, the date the first embargo occurred.

My concern arises principally from the minimal conservation content of the President's program. It is not conservation thinking that dominates when an Administration unqualifiedly rules out rationing as an alternative to the energy crisis but doesn't similarly rule out war. "Economic strangulation" in the energy sense is possible only if we don't push away from the oil table. The Ford-Kissinger statements of the past weeks show clearly that the Administration's energy policies, far from being innovative, are a moving around of the same elements within the same parameters. Only when conservation becomes the dominant element will it be a "whole new ball game."

And a new ball game it has to be. The world is no longer going to tolerate a United States with 6% of the population using 35% of the energy. Or if it does tolerate such an inequity, it will be at prices that will wipe America out.

All of us, President Ford included, know what needs to be done in the long haul. Mass transit bus and rail—solar and nuclear energy—greater use of coal—exploration—buildings that use nature, not just central air conditioning—cars that are more efficient mileage-wise and so on. There is no argument on eventual solutions. It is what goes on in the interim while those solutions are being brought on stream that deserves analysis.

In blunt terms I am saying that the United States is the world's biggest oil junkie and withdrawal is going to be painful. But withdrawal rather than symptomatic treatment will make the sacrifices worthwhile. Worthwhile economically—worthwhile as to energy use and independence. In other words, if we're going to have our oil drums rattled, at least let's have something to show for it.

Though a New England Senator, I plead not for special accommodations for my section of the country but for a plan designed to meet a national challenge in a national way.

Here are the facts of the challenge:

At the present OPEC price of oil ($10–$12 per barrel) increasing reliance upon foreign supplies of petroleum will result in disastrous economic consequences for the United States—both in terms of the balance of trade and in terms of inflation. In 1974, imports of foreign oil cost this country $25 billion and were directly attributable to a trade deficit that exceeded $5 billion (as compared to a $5 billion surplus in 1973). As we start into 1975, overall demand for oil products is once again on the rise. The Federal Energy Administration estimates that present demand for oil in the United States is 18.2 million barrels per day—a figure that is gradually increasing. In the absence of additional domestic supplies this year, or smaller more efficient cars this year, or mass transit this year, or massive solar energy use this year, or any of the other long-term solutions this year, there exists the inevitability of a continuing and increasing reliance upon foreign sources—in particular the OPEC nations—for our supplies of oil. Thus the outflow of U.S. dollars will be in direct proportion to the inflow of oil.

Price has failed to achieve the type of reduction in the consumption of oil that is urgently needed. In the case of gasoline, since late 1973 we have experienced an increase in the base price of gasoline of over 50% with corresponding decrease in consumption of less than 4%. The question now is whether an additional 10 cents price increase at the gas pump (the increase the Administration expects from enactment of its proposals) will do the trick? From past experience, the answer seems to be no. And if the answer is "no," one more year, billions of dollars gone, and tougher solutions are the result.

The simple and inescapable logic of rationing is that it provides the means with which to directly limit consumption to acceptable levels. Gasoline rationing is designed to effect major reductions in the total use of oil by restricting the daily use of nearly 7 million barrels of motor gasoline. It seems only reasonable that within an overall plan for conservation the major burden shall fall upon an area of consumption that represents more than a third of our daily use of oil and in priority must rank behind jobs and economic strength. A 15% reduction in the consumption of gasoline could save this country about a million barrels of oil per day.

The fear talk relative to rationing started by President Nixon and continued by President Ford is predicated on a World War II need and a World War II system. The need was to cut gasoline consumption by 65% and the system was a bureaucratic nightmare.

Our need, if we don't wait too long, is in the area of a 15–20% cut in gasoline usage. Other simpler rationing schemes abound. For example, gas station closings or self-determined days when cars appropriately stickered cannot be on the road. We've already gone from WIN buttons to tariffs. I think America would prefer the hard truth, all of it, now.

The truth is rationing for 5 years. The truth is sacrifice in this country according to one's capability, not according to one's helplessness. The truth is less consumption, less inflation. The truth is taxes, not rebate for mass transit. Such truths are solutions. Anything less, problems for our children.

Mr. BROOKE. Mr. President, the Senate is about to work its will on a matter of crucial import to both New England and our Nation. At stake is far more than simple delay of the implementation of the President's proposed oil import tariffs. At stake is preserving what little balance remains in our beleaguered economy.

The principal problem facing this country is our economic recession. Of this there can be no doubt. With over 7.5 million Americans out of work, we are in the worse recession since the Great Depression. And things could well get worse before they get better.

At the same time we are in the throes of a crippling energy crisis. Not a short-term crisis, but one which will be with us for many years. Moreover, this energy crisis has been a strong stimulant for the inflation which has fueled our recession.

To his credit the President has acted forthrightly in trying to come to grips with our energy crisis. He has been both honest and frank in telling the American citizenry that there is no easy, painless solution to it. But unfortunately the specific programs he has devised will only worsen our economic situation, increasing both our inflation and our unemployment.

In my own State of Massachusetts, the President's energy proposals will increase consumer electric bills by $155 million and home heating costs by $38 million. These kinds of massive increases cannot possibly be absorbed by our citizenry which already suffers over 10 percent unemployment and double-digit inflation.

Moreover, there is no indication that such enormous price increases will stimulate conservation. New England has already cut back its heating oil demand by 20 percent. It has already cut back its residual oil demand by 13 percent. That there is much fat left before we got deep into the bone is very, very doubtful.

Where there is fat, however, is in our gasoline consumption. In New England our gasoline consumption decreased by only 2 percent in the last year and I suspect that this is true throughout the Nation. Yet the President's program does not take the necessary measures to promote further conservation of this fuel.

I have then come to the conclusion that the President's program will lead to increased prices for, but no increased conservation of, the critical fuels which heat our homes and generate our electricity. Furthermore, it does not deal directly with the prime manifestation of our energy crisis: gasoline. For these reasons we need an alternative. A clear, thoughtful alternative which can come to grips with our voracious energy appetite without further contributing to our vicious recessionary tailspin.

Whether or not we wish to work toward such an alternative will be in part resolved by today's vote. A 90-day delay in the President's proposal will give Congress the necessary time to work out a fair, reasoned energy program.

I believe I came forth with a positive alternative last year, and I believe I know only too well of the great sacrifices which Congress must ask of our citizens, if we are to deal successfully with our energy crisis. No option, no alternative will be painless. Every step we take to reduce energy consumption will entail sacrifice, perhaps even hardship.

Our task as Senators and as leaders is to devise a plan which will minimize the sacrifice and the hardship while achieving real energy savings. The President's energy program does not fit this bill. It must therefore be delayed and the Congress must come forth quickly with a better alternative.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to be read a third time.

The bill was read the third time.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on final passage.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) and the Senator from Alaska (Mr. GRAVEL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

On this vote, the Senator from Arizona (Mr. FANNIN) is paired with the Senator from Ohio (Mr. TAFT). If present and voting, the Senator from Ohio would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 66, nays 28, as follows:

[Rollcall Vote No. 13 Leg.]

YEAS—66

Abourezk	Hartke	Moss
Allen	Haskell	Muskie
Beall	Hatfield	Nelson
Bentsen	Hathaway	Nunn
Biden	Hollings	Pastore
Brooke	Huddleston	Pell
Bumpers	Humphrey	Proxmire
Burdick	Inouye	Randolph
Byrd, Harry F., Jr.	Jackson	Ribicoff
	Javits	Roth
Byrd, Robert C.	Johnston	Schweiker
Case	Kennedy	Sparkman
Chiles	Leahy	Stafford
Church	Magnuson	Stennis
Clark	Mansfield	Stevenson
Cranston	Mathias	Stone
Culver	McClellan	Symington
Eagleton	McGee	Talmadge
Eastland	McGovern	Tunney
Ford	McIntyre	Weicker
Glenn	Metcalf	Williams
Hart, Gary W.	Mondale	
Hart, Philip A.	Morgan	

NAYS—28

Baker	Garn	Pearson
Bartlett	Goldwater	Percy
Bellmon	Griffin	Scott, Hugh
Brock	Hansen	Scott, William L.
Buckley	Helms	
Cannon	Hruska	Stevens
Curtis	Laxalt	Thurmond
Dole	Long	Tower
Domenici	McClure	Young
Fong	Packwood	

NOT VOTING—5

Bayh	Gravel	Taft
Fannin	Montoya	

So the bill (H.R. 1767) was passed.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which that bill was passed.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

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The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

CHANGE OF REFERENCE—S. 111

Mr. HARTKE. Mr. President, on January 15, the Senator from Hawaii (Mr. INOUYE) introduced S. 111, to authorize the widows of certain former members of the Armed Forces to use post exchanges and commissaries. The bill, as it was last Congress, was referred to the Committee on Veterans' Affairs.

I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of S. 111, and that it be referred to the Committee on Armed Services.

The PRESIDING OFFICER (Mr. CULVER). Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. CULVER). The Chair, on behalf of the Vice President, pursuant to Public Law 91–452, appoints the Senator from South Dakota (Mr. McGOVERN) to the National Commission on Individual Rights, in lieu of the Senator from North Carolina (Mr. ERVIN), resigned.

The Chair, on behalf of the Vice President, pursuant to Public Law 93–579, appoints Mr. Robert J. Tennessen and Mr. William Dickinson to the Privacy Protection Study Commission.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS EAGLETON, ALLEN, AND BARTLETT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. EAGLETON, Mr. ALLEN, and Mr. BARTLETT.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER VACATING RECOGNITION OF SENATOR NELSON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order which was entered on yesterday for the recognition of Mr. NELSON for not to exceed 15 minutes on tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 4

Mr. CLARK. Mr. President, I ask unanimous consent that during the consideration of the debate tomorrow on Senate Resolution 4, two members of my staff, Mr. Andy Loewi and Mr. Brady Williamson, be granted the privilege of the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

QUORUM CALL

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW, AND FOR RECOGNITION OF SENATOR PEARSON

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the orders for the recognition of the three Senators—which orders have been previously entered—are consummated on tomorrow, there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with statements limited therein to 3 minutes each; and that at the hour of 12 noon Mr. PEARSON be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet at 11 o'clock tomorrow morning. After the two leaders or their designees have been recognized under the standing order, Mr. EAGLETON, Mr. ALLEN, and Mr. BARTLETT will be recognized each for not to exceed 15 minutes, and in the order stated.

There will then ensue a period for the transaction of routine morning business, with statements limited therein to 3 minutes each, such period not to extend beyond the hour of 12 o'clock noon.

At the close of morning business, at no later than the hour of 12 o'clock noon tomorrow, the Senator from Kansas (Mr. PEARSON) will then be recognized.

Rollcall votes are anticipated. It is anticipated that there will be some action in relation to Senate Resolution 4, a resolution amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 11 a.m. tomorrow.

The motion was agreed to; and at 5:37 p.m., the Senate adjourned until tomorrow, Thursday, February 20, 1975, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 19, 1975:

DEPARTMENT OF STATE

Robert J. McCloskey, of Maryland, a Foreign Service officer of the class of Career Minister, now Ambassador at Large, to be also an Assistant Secretary of State.

Arthur W. Hummel, Jr., of Maryland, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

Mark "Evans" Austad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

Holsey G. Handyside, of Ohio, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

Wells Stabler, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

Peter H. Dominick, of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Elliot L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

INTERNATIONAL BANK POSTS

Charles W. Robinson, of California, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years and until his successor has been appointed; and U.S. Alternate Governor of the Asian Development Bank.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, February 19, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He has showed you, O man, what is good; and what does the Lord require of you but to do justly, to love mercy, and to walk humbly with your God.—Micah 6: 8.

Eternal God, our Father, through these days of Lent keep us conscious of Thy presence as we respond to the challenge to find solutions for the problems that confront us and our Nation. Grant unto us new ventures of faith and new visions of hope as we seek to find our way in these troubled times. May we minister faithfully and fully to the needs of our people as they look for light to illumine their way and for life along the way.

May no interest in party politics mar the unity of spirit and the cooperation we must have to work together for the welfare of our Nation and the well being of the nations of our world.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

The message also announced that the Vice President, pursuant to Public Law 86–417, appointed Mr. ALLEN as a member, on the part of the Senate, of the James Madison Memorial Commission.

And that the Vice President, pursuant to Public Law 93–556, appointed Mr. MCINTYRE and Mr. BROCK as members, on the part of the Senate, of the Commission on Federal Paperwork.

And that the Vice President, pursuant to Public Law 86–380, appointed Mr. MUSKIE, Mr. HOLLINGS, and Mr. ROTH as members, on the part of the Senate, of the Advisory Commission on Intergovernmental Relations.

And that the Vice President, pursuant to title 14, section 194(a) of the United States Code, appointed Mr. MORGAN as a member, on the part of the Senate, of the Board of Visitors to the U.S. Coast Guard Academy; and the chairman of the Committee on Commerce appointed Mr. PASTORE and Mr. WEICKER as members of the same Board of Visitors.

RETURNING MEMORIAL DAY TO MAY 30 AND VETERANS DAY TO NOVEMBER 11

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, almost 44 million Americans have served in the Armed Forces in all the wars in which the United States has participated, from the War of Independence through Vietnam. Some 29 million of them are still living.

Both the living and the dead are honored on two national holidays. Memorial Day pays tribute to those who gave their lives in the service of their country. Veterans Day honors all men and women who have proudly worn the uniforms of the military forces of the United States.

Until a few years ago, Memorial Day was observed on May 30 and Veterans Day, originally Armistice Day, on November 11. I propose, and have introduced a bill to this effect, that the Nation return to those dates for these deeply meaningful observances.

It is not appropriate for these days to be designated, as they are now, as "the last Monday" in May and November. Our veterans, those still living and those no longer among us, deserve more than such a vague setting of dates on which we pause to honor them.

Memorial Day and Veterans Day are times to show that we remember and care—days of rededication by Americans to the principles on which our country was built and which we have fought to defend. They should not be haphazard floating holidays.

BUDGET COMMITTEE HEARINGS ON THE FISCAL YEAR 1976 BUDGET AND THE ECONOMY

(Mr. ADAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADAMS. Mr. Speaker, on behalf of the Committee on the Budget, I am happy to announce that the committee will begin hearings this week on the President's fiscal year 1976 budget and the economy. The hearings will begin Thursday, February 20, and continue through Friday, March 7.

These hearings will deal primarily with the impact of the Federal budget on the economy, and particularly its role in addressing the current recession. Accordingly, the committee will receive testimony on such major budget issues as the appropriate levels of total revenues and expenditures, the appropriate amount of budget deficit, and the impact of alternative budget levels on the balance of payments, housing and credit markets, and unemployment and prices.

Testimony this week will deal with the economic outlook. On Thursday, February 20, the committee will hear testimony from Prof. Saul Hymans of the University of Michigan, Prof. Raymond Fair of Yale University, and Prof. Otto Eckstein of Harvard University. On Friday, February 21, the committee will hear Robert Nathan of Robert Nathan Associates, Prof. Murray Weidenbaum of Washington University, and Richard Everett of the Chase Manhattan Bank.

In subsequent weeks, the committee will receive testimony from administration officials—the Director of the Office of Management and Budget, the Secretaries of the Treasury, Interior, Defense, and Health, Education, and Welfare, the Chairman of the Council of Economic Advisers, and the Chairman of the Board of Governors of the Federal Reserve Board; economists dealing with special subjects such as oil and the balance of payments, housing and credit markets, and unemployment and prices; and Members of Congress.

The committee has reserved February 28 for testimony from Members of Congress. Any Member wishing to testify should contact George Gross, extension 57200, the committee's general counsel, to reserve a time for his testimony. I hope as many Members of the House as possible take this opportunity to testify before the committee this year.

Unfortunately, the committee's relatively late organization makes it impossible to hear testimony at these hearings from public and private interest organizations. However, all interested groups are invited to submit written statements which will be printed in the hearing record to the extent practicable. The committee may also hold hearings later this year to hear oral testimony from public and private interest groups.

Hearings will begin at 9:30 a.m. each day. This week's hearings will be held in room 2167 of the Rayburn Building. Please check the Daily Digest for the names of specific witnesses and the hearing rooms for subsequent hearing days.

BLACKMAIL BY ECUADOR

(Mr. KETCHUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KETCHUM. Mr. Speaker, I rise to protest what I consider to be nothing short of blackmail on the part of the Government of Ecuador, and to condemn an act which has trampled U.S. prestige to an all-time low.

I am referring to the recent seizure of seven American tuna fishing vessels by Ecuador, using the thin excuse that these boats were within a 200-mile limit. In the first place, the 200-mile limit is ridiculous. Our fishermen have paid a total of $1.6 million in fines to the Ecuadorean Government, and have been forced to surrender their tuna catch, worth an additional $1 million or more.

There was a time when, if necessary, these fishermen would have had their rights protected by our own naval fleet. But times have changed. Now it is possible for Ecuador to intercept and regulate American fishing vessels with gunboats acquired from the United States.

It seems to me that it is time for our State Department to look more closely at our international image. Perhaps that Department might address some of its attention south, to Ecuador, instead of flitting back and forth to the Middle East.

APPOINTMENT AS MEMBERS OF HOUSE COMMISSION ON INFORMATION AND FACILITIES

The SPEAKER. Pursuant to the provisions of section 204(a), House Resolution 988, 93d Congress, as enacted into permanent law by Public Law 93–554. The Chair appoints as members of the House Commission on Information and Facilities the following Members of the House: Mr. BROOKS, Mr. GIAIMO, Mr. O'HARA, Mr. FUQUA, Ms. HOLTZMAN, Mr. CLEVELAND, Mr. ASHBROOK, Mr. WHALEN, and Mr. CRANE.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

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The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 15]

Abzug	Eckhardt	Pike
Ambro	Evins, Tenn.	Rhodes
Andrews, N.C.	Fenwick	Riegle
Ashley	Fish	Schauer
Barrett	Hagedorn	Schroeder
Buchanan	Harsha	Simon
Burke, Calif.	Hébert	Sisk
Chappell	Heckler, Mass.	Spellman
Chisholm	Jarman	Steed
Clawson, Del	Jones, Okla.	Steiger, Ariz.
Conyers	Long, Md.	Stuckey
Daniels, Dominick V.	McCormack	Talcott
	McKinney	Taylor, Mo.
Diggs	Mills	Teague
Downing	Moffett	Udall
Drinan	Moorhead, Calif.	Wilson, Bob
Early	O'Hara	

The SPEAKER. On this rollcall 383 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TOO MUCH BUREAUCRACY AND FORM FILLING

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, President Ford's Council of Economic Advisers has called for substantial reductions of Federal regulations in the transportation, natural gas, and financial industries. They might well have said also that there are too many regulations and too much form filling everywhere. In fact, they could well have said there are too many Federal agencies, commissions, and so forth.

Mr. Ford, who is a product of the Congress, should know, even better than the Council of Economic Advisers, that everybody outside the Government feels there is too much bureaucracy, too much form filling, too many regulations which hamstring business. We have long been accustomed to the creation of new commissions and new agencies which grow bigger and bigger each year. It is, by contrast, an epochal achievement when one is abolished or dies a natural death.

Some highly placed officials have stated that there are Government agencies in Washington which could operate better with half their present personnel. In other words, there are too many people at some levels doing unnecessary things, particularly in the field of regulations and form filling.

In budget hearings in Washington I have queried the Director of the Office of Management and Budget, the Secretary of the Treasury, and the Chairman of the Council of Economic Advisers about the Government's plans to give relief to business and the taxpayer on these matters. I find that, despite apparent good intentions, very little is being done to reduce regulations, form filling, unnecessary forms, or to eliminate nonessential agencies or commissions as an economic measure.

The stock answer to queries of this nature is that the matter is being studied. Generally, that means more people doing the same thing that already is being done at more cost to the taxpayer and no prospect of improvement.

I expect to continue to press for facts on what, if anything, is being done at any level of government to abolish unnecessary paperwork, form filling, and to eliminate nonessential activities. In addition to saving time for business and industry, I am confident many millions of dollars can be saved for the taxpayer.

I shall seek to enlist the aid of the proper committees of Congress in obtaining factual information and in insisting that action be taken. In the meantime, I am seeking to determine what disposition actually is made of the multiple forms which are sent to businessmen to fill out and who screens them to determine the need for them. I am certain it will be found that there are many tons of forms that have been filled out by harassed businessmen, mailed back to Government agencies, then stocked on shelves, some of them unopened, to gather dust.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2051, TO AMEND REGIONAL RAIL REORGANIZATION ACT OF 1973

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 173 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 173

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2051) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 2051, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 281, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 2051 as passed by the House.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority to the distinguished gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 173 provides for an open rule with 1 hour of general debate on H.R. 2051, a bill to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under sections 213 and 215 of the act.

House Resolution 173 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule.

House Resolution 173 also provides that after the passage of H.R. 2051, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 281, and it shall then be in order in the House to move to strike out all after the enacting clause of S. 281, and insert in lieu thereof the provisions contained in H.R. 2051 as passed by the House.

H.R. 2051 authorizes $347 million in new financial assistance to keep the railroads which are presently in reorganization operating at least at 1974 levels until the new Consolidated Rail Corporation assumes their operation. Of the $347 million to be authorized, $197 million will be in Federal grants and $150 million will be in Government-backed loans. Approximately $222 million will be allocated for cash assistance to the Penn Central, $25 million for other railroads in reorganization, $25 million for improvements on Northeast Corridor facilities, $20 to $25 million for Erie-Lackawanna and $50 million in revenue which the railroads would possibly receive but for a suspension of tariff increases by the Interstate Commerce Commission.

Mr. Speaker, it is with some misgivings that the Committee on Rules granted a rule on H.R. 2051. The Regional Rail Reorganization Act Amendments of 1975. The reasons for our misgivings have nothing to do with the excellent presentation made before the Committee on Rules yesterday by Mr. STAGGERS the distinguished chairman of the Committee on Interstate and Foreign Commerce, and the ranking minority member of that committee, the gentleman from Ohio (Mr. DEVINE). I sincerely believe that these gentlemen and the members of their committee have done an outstanding job given the ultimatum with which they were faced. They inform us it was not until December 31 of 1974 that the trustees of Penn Central informed the Department of Transportation that they would have to curtail services unless the railroad received additional financial assistance. Not until January 17 did the Secretary of Transportation, Mr. Brinegar, notify the House of the need for new funds. And not until February 5 did the trustees of Penn Central inform the Committee on Interstate and Foreign Commerce that unless the railroad received additional aid it would cease operations altogether around February 25 of this year.

We all realize the dire consequences that a shutdown of Penn Central would have for an already serious economic crisis which this country faces, but holding a gun to the head of the Congress is certainly a most undesirable way to achieve results.

At a time when we in the Congress hear so much criticism of the failure of Government to plan for and react to problems which our society faces, and we are regularly reminded of the efficiency and ability of business, it seems ironic that we have in recent years been faced with last minute requests to save major segments of private enterprise. This is not the first time for Penn Central, and one does not have to stretch one's memory too far to recall Lockheed and Pan Am. I for one am becoming more and more reluctant to support such legislation when the Congress is not given adequate time to investigate these problems thoroughly.

As the distinguished gentleman from Ohio pointed out in the hearing of the Committee on Rules yesterday and I must agree with him, this is one we have to hold our noses on and pass.

With these reservations I urge the adoption of the rule of House Resolution 173 in order that we may discuss, debate, and pass H.R. 2051.

Mr. Speaker, I urge the adoption of House Resolution 173 in order that we may discuss, debate, and pass H.R. 2051.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with everything the gentleman from Louisiana has said concerning this bill, but I for one am not going to hold my nose and vote for either the rule or the bill. I think the time has come for this Congress and for this country to face up to the issue that we have before us again today, and do something about it. It is a disgrace to ask the taxpayers of this Nation to come up with millions of dollars year after year to keep these railroads operating when they don't seem to be doing anything to improve their own condition. How can you justify it?

You cannot do it by merely saying we need the railroads, that the economy would suffer if we did not pour money into their coffers every time they requested it, and that we have no choice. We do have a choice and that choice is to tell their management to make them self-sufficient or to turn their jobs over to those who can.

Yesterday, when this matter was before the Committee on Rules, I asked the chairman of the committee to tell me what the trustees in bankruptcy of Penn Central have been doing about disposing of some of the nonrailroad property owned by Penn Central, and I could not get an answer. He did not know. I think this Congres and our taxpayers deserve to know what they are doing with this unneeded and expensive nonrailroad property before they come in for another handout. As I understand it, much of Penn Central's troubles come from giving too much attention to nonrailroad-related property and not enough time to running the railroads. They have had years to dispose of this property and it is past time that it be done.

I think the trustees in bankruptcy on Penn Central ought to proceed forthwith to dispose of that property and if they need additional legislation to do so, they should come in and request it. How can you explain a "yes" vote today? I cannot. It seems like every time Congress is asked for money by these various corporations like Penn Central, it just doles it out without asking any questions. Today I think the Members of this House ought to be asking questions.

There are not only guaranteed loans provided for in this bill but an outright gift—an outright gift of the taxpayers' money to a private corporation of $197 million. There have been over $85,000,000 in previous grants and they are asking for $197 million more today, plus $150 million more in guaranteed loans. If we are going to continue to use taxpayers' money to keep Penn Central running, why should the other railroads of the Nation even try to be self-sufficient?

It was pointed out yesterday before the Committee on Rules, there are railroads in this country operating at a profit and are not asking the Government to continually bail them out. Should we not at least be exploring how this is being done before paying out more tax dollars to keep Penn Central running in the same old way?

This Congress must face up to this problem and do something about it. Here is one Member who is not going to vote to bail them out. Sooner or later a majority of this House will join me and then—and only then—we will force them to come to grips with their own problems.

Before concluding my statement let me put forth a suggestion which has come my way from my district. Since we have people out of work and looking for jobs why not hire some of these people to rebuild these roadbeds which the railroads have permitted to deteriorate beyond belief in some sections of the country? Hopefully, the administration and the railroads will give this suggestion some consideration.

Mr. Speaker, I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHN BURTON).

Mr. JOHN L. BURTON. Mr. Speaker, I just am going to say something on the rule because that will not take time from the limited hour to debate a very important issue. We are told if we do not bail out Penn Central and the people there, the whole economy of that part of the Nation could go belly-up, and it could have a rippling effect even out on the west coast. I do not know if that is a fact or not, but I think it is something that really should be talked about for more than an hour, if we are going to do it.

I do not know how I am going to vote on the bill itself. I will vote for the rule, but I really think it is time to fish or cut bait, and rather than bailing out these industries that really should be utilities, it is my humble opinion—and I know there might be a slight amount of disagreement, especially from some of my Republican colleagues—that we ought to nationalize the railroads. Instead of bailing them out, we ought to take them over, including the properties that they have because they are pretty wealthy out in our States; I know that.

I just wanted to take this time on the rule, because I think the bill is too important to bring that up during the limited hour. I really wish we had more time to talk about it because there is a lot of money involved and it is an important issue.

Mr. LATTA. Mr. Speaker, just so the record is eminently clear on this point, this Member is not for nationalization.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF HOUSE COMMITTEE ON SCIENCE AND TECHNOLOGY

The SPEAKER laid before the House the following resignation as a member of the House Committee on Science and Technology:

FEBRUARY 19, 1975.

Hon. CARL ALBERT,
Speaker of the House, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation, effective today, from the Committee on Science and Technology.

Sincerely,

BOB BERGLAND.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF HOUSE COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER laid before the House the following resignation as a member of the House Committee on Veterans' Affairs:

WASHINGTON, D.C.,
February 17, 1975.

Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the action taken by the Democratic Policy and Steering Committee on February 6, 1975, as regards committee assignments, I am hereby officially resigning from the House Veterans' Affairs Committee. I do so with some reluctance, for as you know, like you I too am con-

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cerned about our veterans and wish to do my part to provide for their proper care, education, training, housing, and compensation. However, as I have indicated earlier, I feel that I can better serve my constituents and better use my professional and academic background by serving on the House Committee on Science and Technology.

Sincerely,

TIMOTHY E. WIRTH.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBERS TO COMMITTEES

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 175

Resolution designating membership on certain standing committees of the House

Resolved, That Les Aspin of Wisconsin be, and he is hereby, elected a member of the Committee on Government Operations;

That Timothy E. Wirth of Colorado be, and he is hereby, elected a member of the Committee on Science and Technology; and,

That Herman Badillo of New York and Jack Hightower of Texas be, and they are hereby, elected members of the Committee on Small Business.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2051) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE HOUSE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 2051, with Mr. FLOWERS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. SKUBITZ) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I ask for consideration of H.R. 2051.

As chairman of the Interstate and Foreign Commerce Committee, it is a sad task for me to bring such a bill to the floor. It seems as if we open each new Congress with an emergency bill to assist the Penn Central. I believe every Congress since 1970 has had to act immediately on some type of Penn Central bill—be it a strike bill or a Federal grant program.

We have little choice in the matter. The downturn in the economy last fall severely affected the operations of the Penn Central. They have been in bankruptcy since 1970, and are really on a month-to-month basis, awaiting the final reorganization under the Regional Rail Reorganization Act passed by the 93d Congress in 1973. That act would create a new profitable railroad out of the ashes of the Penn Central and seven other bankrupt carriers in the Northeast and Midwest. Hopefully, ConRail will assume operations in early 1976.

But the Penn Central cannot wait until 1976. The some $235 million in interim financing we supplied in the 1973 rail act has been exhausted. The Penn Central cannot meet their payroll expenses for the end of this month. The coal strike last fall had a drastic impact on the carrier's cash flow situation. The sudden decline in automobile production had an equally severe impact. New wage agreements with the rail unions have caused new cash problems—since the agreement calls for a retroactive lump sum payment to workers back to the first of the year.

We had the Interstate Commerce Commission, the U.S. Railway Association, and the Department of Transportation all before us 2 weeks ago in our hearings. They verify this cash problem, and all support passage of this legislation.

Our committee tried to fashion the bill as close to the Senate bill as possible, in hopes that our brothers in the other body will not force a conference on the two bills, but will accept H.R. 2051 and let it be signed into law before the end of this week. Otherwise, we have a very real problem with time.

Penn Central had originally scheduled to announce an embargo on February 14, to take effect on February 24. This would amount to a de facto shutdown, having serious economic consequences for the entire Nation. Many of us pleaded with the trustees to hold off the embargo, and in good faith, they have announced that they will suspend any such embargo notice indefinitely. This does not remove the urgency—because they still must have have these funds in order to meet their payroll the last of this month.

Now what would happen if the Penn Central and the other bankrupt carriers shut down?

Unemployment in the Nation would go up at least by 3 percent. The railroads alone employ over 100,000 workers. The some 20,000 miles of track services thousands of shippers and communities. In fact, the areas served by the bankrupt carriers service 55 percent of the Nation's manufacturing plants. Such leading commodities as steel, automobiles, coal, and chemicals would be directly affected. In addition, 55 military installations of strategic importance to this Nation are serviced by the Penn Central alone.

The economic impact of a shutdown has been estimated by the Interstate Commerce Commission to result in a 3- to 5-percent drop in the Nation's gross national product in only 8 weeks' time.

Clearly we cannot allow this to happen.

And yet I share with each one of you the frustration of having to act on such a matter in so little time. We are asking to authorize the appropriation of almost a half-billion dollars of the taxpayer's moneys, and it certainly is not a pleasant chore. I for one will be glad to have Penn Central merge into the new ConRail—for I am sure all of us are sick to death of hearing the words, Penn Central.

We have made other changes in the 1973 act through H.R. 2051, all designed hopefully to promote the reorganization process. We provided a mechanism for the Erie Lackawanna Railroad to reorganize under the 1973 Rail Act, if their court decides to allow it. Some were bothered about the Supreme Court's December 1974 decision which would expose the U.S. Government to a possible Tucker Act claim in in regard to the 1973 Rail Act. We do not believe that any such claim will be upheld in any courts of claim, and secondly, we do not feel that by allowing the reorganization court overseeing the Erie-Lackawanna reorganization to change their mind and allow the E–L to come under the 1973 act provisions will further expose the Treasury to potential losses. The Supreme Court ruled only that interested parties have a right to sue under the Tucker Act—they did not say, nor did they prophesy whether the claims courts would indeed honor those claims. Our committee under no circumstances would ever have amended the 1973 act in any fashion to include the Erie-Lackawanna if we for a moment felt that this adds an additional liability for the Government. The intent was simply to: First, help bankrupt carriers in the region which are vital to achieving the overall profitability of the new ConRail; and second, make the planning process for the new ConRail much easier.

Again, I regret having to bring this emergency bill before you, but I feel you will agree with me that it is necessary we act, and act now without further delay.

Mr. Chairman, in closing I wish to call the attention of the House to the fact that Members soon will have an opportunity to present their views on the progress being made under the Regional Rail turing the Penn Central and six other bankrupt railroads.

Beginning on March 17, the Rail Services Planing Office of the Interstate Commerce Commission will hold 23 public hearings throughout the Midwest and Northeast regions of our land to receive feedback on a preliminary system plan to be published February 26 by the U.S. Railway Association.

As some of you will recall, it was almost 1 year ago that more than 3,800 persons, including many Members of this body, appeared at similar hearings to discuss a proposal by the Department of Transportation to abandon 25 percent of the total rail mileage in 17 States.

All Members who wish to reserve time to testify at the upcoming RSPO hearings should have their staffs contact either Larry Lesser or Jean Losure of the RSPO on (202) 254–3287 before March 1.

The public hearings scheduled by the RSPO include:

SCHEDULE OF PUBLIC HEARINGS

MONDAY, MARCH 17–FRIDAY, MARCH 21, 1975

Albany, New York—Hearing Room A, at the New Legislative Office Building, South Swan and State Streets, Albany, New York.

Contact: Marjorie Maxwell, c/o ICC Office, 518 New Federal Building, Maiden Lane and Broadway, Albany, New York 12207. Phone: 518—472–2273

Buffalo, New York—John Lord O'Brian Hall, University of Buffalo, Amherst Campus, Amherst, New York.

Contact: Anne Siler, c/o ICC Office, 612 Federal Building 111 West Huron Street, Buffalo, New York 14203, Phone: 716—842–2008.

Hartford, Connecticut—Rooms 148 and 149, State Department of Transportation Building, 24 Wolcott Hill Road, Wethersfield, Connecticut.

Contact: Diane Seavey, c/o ICC Office, 324 U.S. Post Office, 135 High Street, Hartford, Connecticut 06101. Phone: 203—244–2560.

Trenton, New Jersey—Labor and Industry Building, Room 1203, John Fitch Plaza, Trenton, New Jersey 08625.

Contact: Elizabeth Guttenberger, c/o ICC Office, 204 Carroll Building, 428 East State Street, Trenton, New Jersey 08608. Phone: 609—599–3511.

Harrisburg, Pennsylvania—Holiday Inn Town, 2nd and Chestnut Streets, Harrisburg, Pennsylvania.

Contact: Sandra R. Diehl, c/o ICC Office, 278 Federal Building, 228 Walnut Street, Harrisburg, Pennsylvania 17108. Phone: 717—782–4437.

Pittsburgh, Pennsylvania—Courtroom #2, 8th Floor, U.S. Post Office and Courthouse Building, 7th and Grant Streets, Pittsburgh, Pennsylvania.

Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412—644–2929.

Columbus, Ohio—Ohio Departments Building, 65 South Front Street, Columbus, Ohio.

Contact: Mary A. White, c/o ICC Office, 220 Federal Building and U.S. Courthouse, 85 Marconi Boulevard, Columbus, Ohio 43215. Phone: 614—469–5620.

Lansing, Michigan—City Council Chambers, Lansing City Hall, Capitol and Michigan Streets, Lansing, Michigan.

Contact: Mary Brown, c/o ICC Office, 225 Federal Building, 325 West Allegan Street, Lansing, Michigan 48933. Phone: 517—372–1910.

Indianapolis, Indiana—Indiana Convention and Exposition Center, 100 South Capitol Avenue, Indianapolis, Indiana.

Contact: Frances Sterling, c/o ICC Office, Century Building, 8th Floor, 36 South Pennsylvania Street, Indianapolis, Indiana 46204. Phone: 317—269–7701.

Springfield, Illinois—Hotel St. Nicholas, 4th and Jefferson Streets, Springfield, Illinois.

Contact: Janice Livingston, c/o ICC Office, 414 Leland Office Building, 527 East Capitol Avenue, Springfield, Illinois 62701. Phone: 217—525–4075.

TUESDAY, MARCH 18–FRIDAY, MARCH 21, 1975

Boston, Massachusetts—Minnehan Auditorium, Massachusetts Division of Employment Security and Government Center, Causeway Street, Boston, Massachusetts.

Contact: Elaine Spencer, c/o ICC Office, 150 Causeway Street, Room 501, Boston, Massachusetts 02114. Phone: 617–223–2372.

MONDAY, MARCH 17–WEDNESDAY, MARCH 19, 1975

Montpelier, Vermont—Auditorium, Pavilion Office Building, Montpelier, Vermont.

Contact: Carol Perry, c/o ICC Office, 87 State Street, Room 303, Montpelier, Vermont 05602. Phone: 802—223–8435.

Providence, Rhode Island—Hearing Room, 2nd Floor, Division of Public Utilities and Carriers, 169 Weybosset Street, Providence, Rhode Island.

Contact: Josephine M. Long, c/o ICC Office, 187 Westminster Street, Room 402, Providence, Rhode Island 02903. Phone: 401—528–4306.

Salisbury, Maryland—Auditorium, Delmarva Power and Light Company, Route 13 and Naylor Mill Road, Salisbury, Maryland.

Contact: Essie Cooper, Rail Services Planning Office, ICC, 12th and Constitution Avenue, N.W., Washington, D.C. 20423. Phone: 202—254–3294.

Washington, D.C.—Hearing Room A, Interstate Commerce Commission, 12th and Constitution Avenue, N.W., Washington, D.C. 20423.

Contact: Essie Cooper, Rail Services Planning Office, ICC, 12th and Constitution Avenue, N.W., Washington, D.C. 20423. Phone: 202—254–3294.

Charleston, West Virginia—Rooms A and B, 2nd Floor, State Office Building, 1900 Washington Street E., Charleston, West Virginia.

Contact: Margaret C. Thompson, c/o ICC Office, 3108 Federal Building, 500 Quarrier Street, Charleston, West Virginia 25301. Phone: 304—343–6181 Ext. 354 or 355.

Chicago, Illinois—Everett McKinley Dirksen Building, Courtroom 2503, 219 South Dearborn Street, Chicago, Illinois.

Contact: Nancy Clawson, c/o ICC Office, Everett McKinley Dirksen Building, Room 1086, 219 South Dearborn Street, Chicago, Illinois 60604. Phone: 312—353–7275.

FRIDAY, MARCH 21, 1975

Green Bay, Wisconsin—Room 201, City Hall, 100 North Jefferson Street, Green Bay, Wisconsin.

Contact: Gail Dougherty, c/o ICC Office, 135 West Wells Street, Room 807, Milwaukee, Wisconsin 53203. Phone: 414—224–3183.

MONDAY, MARCH 24–WEDNESDAY, MARCH 26, 1975

Syracuse, New York—Onondaga County War Memorial Auditorium, 515 Montgomery Street, Syracuse, New York.

Contact: Eleanor Ivanoff, c/o ICC Office, O'Donnell Building, Room 104, 301 Erie Boulevard W. Syracuse, New York. Phone 315—473–3440.

Scranton, Pennsylvania—U.S. Naval Reserve Center (Wilkes-Barre/Scranton Airport) Spruce Street, Avoca, Pennsylvania.

Contact: Mildred A. McDonough, c/o ICC Office, 309 U.S. Post Office, North Washington Avenue and Linden Street, Scranton, Pennsylvania 18503. Phone 717—344–7111, Ext. 324.

Akron, Ohio—Akron Public Library, 55 South Main Street, Akron, Ohio.

Contact: Carolyn E. Halloran, c/o ICC Office, 181 Federal Building, 1240 East 9th Street, Cleveland, Ohio 44199. Phone 216—522–4000.

Erie, Pennsylvania—Federal Building and Courthouse, Courtroom A, 2nd Floor, 6th and State Street, Erie, Pennsylvania.

Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412—644–2929.

Fort Wayne, Indiana—Room 265, Federal Building, 1300 S. Harrison Street, Fort Wayne, Indiana.

Contact: Cassandra Forbes, c/o ICC Office, 345 West Wayne Street, Room 204, Fort Wayne, Indiana 46802. Phone 219—422–6131.

I yield to the gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding. I would like to discuss for a moment page 12 of the report, where there is a section concerning express study, which states that the reported bill includes express companies in studies made by the association in developing to the final system plan.

I believe this is in relation to section 2 (a) and (b) of the bill before us at this time.

I do agree with the report and the chairman, that express companies have been closely related to adequate rail service needs in this region.

I would like to bring to the gentleman's attention that due to reorganization of jurisdictions of committees of the House, the jurisdiction over the express companies and the ICC in relation thercto has been transferred to the Committee on Public Works and Transportation.

Is it the gentleman's understanding that when this entire study is completed that it will be returned to the House, so that it would be jointly referred to both the Committee on Commerce and Health and the Committee on Public Works and Transportation.

Mr. STAGGERS. It will be just the portion that would belong to it and certainly not the entire final system plan. I think that is the intention of the committee. You can study the REA provision.

Mr. HOWARD. Mr. Chairman, I thank the chairman very much.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I have grave reservations about this bill which pours another $197 million of our taxpayers money down the seemingly bottomless pit of Penn Central insolvency. I tend to agree with my colleague, Mr. Collins, that as long as we burden our railroads with the necessity of maintaining thousands of miles of money-losing track, and featherbedding labor practices, these emergency bills are going to become annual affairs. While I realize this measure is necessary now to keep the Penn Central in operation, I strongly urge the House to come up with a more intelligent long-term plan for the railroads.

There is an additional point which I feel must be made. I anticipate that this bill will pass and that a conference will be necessary with the Senate. I want to call the Members' attention to a provision of the Senate bill that increases the salary limit for top executives of Amtrak from $60,000 to $90,000. In the strongest possible terms, I want to urge the possible conferees not to accept this amendment. It is totally out of step with the economic conditions of Amtrak, and of the country, to allow the big brass a whopping $30,000 raise. I wonder if anyone down at Amtrak or in the Senate is aware that we have both double digit inflation and a recession? I also wonder how the Amtrak executives, who are constantly marching up here with hat in hands for more funds, can justify a raise for themselves when their operation continues to lose money?

Amtrak's riders have just suffered another fare increase. It is unconscionable that we allow this increase to be used to line the pockets of the top manage-

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ment. I hope that the chairman of the committee goes on record here in opposition to this amendment.

Mr. Chairman, having taken a cursory look at the Senate bill regarding this same subject, I notice that there is a provision in that bill that increases the payroll limit for top executives of Amtrak from $60,000 to $90,000.

In view of the fact that we all know that Amtrak is losing money, it would seem absolutely ridiculous to give them that sort of raise. I wonder if we might understand, if this bill passes, that as the committee goes into conference, the chairman can assure the House that this provision will be stricken from the bill?

Mr. STAGGERS. Mr. Chairman, as I said, to start with I hope that it was the intention of our committee and its understanding that if this bill passes this afternoon, it will go to the Senate and be passed. That provision is not in our bill, and the other body would take our bill. We have had no hearings on this whatsoever.

Mr. KETCHUM. I thank the gentleman.

Mr. SKUBITZ. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it would be far easier for me to stand here today and bitterly denounce those who managed the Penn Central Railroad in years gone by and are largely responsible for that railroad being in bankruptcy today.

Perhaps it would be politically wise for me to talk about the national debt, inflation, the budget deficit we face next year—and raise the question why—why give to the Penn Central Railroad a dime?

Let it go on the rocks—let it go to the auction block—but the facts are that—

All the railroads, with the exception of one, are now in the hands of receiverships;

Those who are now managing them are trustees who were appointed by the courts and are in no way responsible for the problem; and

Unless we want to bring the transportation system of this country into utter chaos.

And unless we want to destroy commerce between the States west of the Mississippi and those east of the Mississippi then this Congress has no alternative except to pass this piece of legislation. And so I rise in support of H.R. 2051, a bill to amend the Regional Rail Reorganization Act of 1973.

For a few moments permit me to review the problem that the Congress faced 1 year ago—where we are today—and what we plan to do in the future. Only by understanding what has transpired in the past can we understand what we must do today.

More than 1 year ago this body overwhelmingly passed the Regional Rail Reorganization Act. Under the act we took steps to stop the Northeast Railroad from stopping operation—from being placed on the auction block—and in short, we stopped the collapse of the Northeast railway system—and devised a plan to consolidate and create a new viable railroad that might stand a chance of succeeding.

First, we created a U.S. Railway Association to act as a planning and financing entity. Its job was to keep the railroad in operation while it devised a consolidated system.

Second, we established a Consolidated Rail Corporation called ConRail—for short—which after the U.S. Railway Association completed its job—would acquire, rehabilitate, and operate rail properties of the railroads in reorganization.

The act also provided two sources of interim financing to assist railroads in reorganization from the time the act became law—January 2, 1974—through the time when the properties would be transferred to ConRail—early in 1976.

The financing was in two forms:

First, $85 million was provided in the form of grants from the Department of Transportation to the bankrupt railroads for operational; that is, wage payments—purposes only; and

Second, $150 million in USRA loan obligations was made available to the railroads to be used to improve property that would be in the final system plan.

Now the $85 million which was provided to the bankrupt railroads for operation expense—that is wages and like—is gone—not a dime left.

The basic purpose of the bill under consideration today is twofold.

First, it would make some increases in the interim provisions of the act to prevent a potential shutdown of the Penn Central before the end of this month.

Second, it would expand the act to allow another bankrupt northeast railroad, the Erie-Lackawanna, to be fully included in the act's reorganization process.

Now, in committee, there was objection to the inclusion of the Erie-Lackawanna Railroad. However, it was the feeling of the USRA—which has been designated to draw up the final system plan—that since the Erie-Lackawanna would have to be sold on the auction block sooner or later—it made more sense to include it in the act at this time rather than provide $25 to $50 million to carry on its operations until the final system plan was completed and then pull the rug out from under that railroad—and I agreed with that position.

With respect to the first purpose—the Department of Transportation told your committee that of the $85 million in grant funds only $4.5 million remains—with the ConRail takeover at least 1 year away—with regards to the $150 million which was to go to the railroads to improve properties—none of this has been spent and possibly should not be spent until the final system plan comes into operation.

Now H.R. 2051 would increase the $85 million grant money to $282 million and $150 million in loan obligations to $300 million.

With respect to the second purpose of H.R. 205 when the Regional Rail Act was enacted there were eight railroads that were in bankruptcy under section 77, a 33-year-old statute which provides for a mechanism for the reorganization of a bankrupt railroad through sale of assets and rearrangement of creditors' claims into a viable company.

Under Regional Rail Reorganization Act the judges having jurisdiction over the bankruptcy proceedings of each of these railroads had the choice of deciding for each road whether it would be reorganizable under section 77 or whether the railroad should come under the Regional Rail Reorganization Act and be subject to a mandatory conveyance of its properties to the new federally supported Consolidated Rail Corporation.

This decision had to be made within 120 days after enactment of the Regional Rail Act.

The judges having jurisdiction over Penn Central and several of the other roads chose to come under the Regional Rail Act rather than remain under section 77.

The judge having jurisdiction over the Erie-Lackawanna, which is the second largest bankrupt railroad in the Northeast, however, decided that the railroad was in fact reorganizable under section 77 and could emerge as a viable private company without having to come under the Regional Rail Act.

Subsequent developments, however, including the general economic downswing and the related drop in shipping business have put the Erie-Lackawanna into a much more serious financial position so that they now feel that they have to come under the plan. H.R. 2051 amends the act so that the reorganization judge can within 10 days reconsider the question of whether the Erie-Lackawanna should be included and modify accordingly his original order to exclude them.

The House did not, in fact, make all the improvements in the bill—particularly with respect to a very expensive labor protection package that I considered necessary. Nevertheless, I supported the enactment of the Regional Rail Organization Act in the 93d Congress and I favor these necessary amendments that are before us today.

My support is based on the fact that I have come to recognize just how important a viable rail system in the Northeast is—not only to that region but to the entire United States. The area served by the Penn Central and these other railroads includes 55 percent of the Nation's manufacturing plants and 60 percent of its manufacturing employees.

More importantly, over 20 percent of the freight cars loaded in the United States passes over the Penn Central and any interruption of rail service in the Northeast would have extreme nationwide implications—it has been estimated that an 8-week shutdown by the Penn Central would cut the Nation's GNP by as much as 5 percent, something that we can hardly afford in the present economic climate.

Thus, I must emphasize how important it is not only for the Northeast, but for the whole country that we enact these amendments to keep the Northeast rail system operating until ConRail can take over.

I urge enactment of H.R. 2051.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield for a question?

Mr. SKUBITZ. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. The gentleman referred to mismanagement by the previous management of the Penn Central Railroad. Would the gentleman not agree that the major part of the problem that we face today stems in large measure from Government mismanagement through overregulation and misregulation of our railroads?

Mr. SKUBITZ. I admit everything the gentleman has said, the problem is still with us. Unless money is authorized today, these railroads are going to close down.

Mr. SHUSTER. Mr. Chairman, I agree completely with the gentleman that we cannot let the railroad close down, so I vigorously support this legislation.

Mr. STAGGERS. Mr. Chairman, I yield 5 minutes to the distinguished majority leader (Mr. O'NEILL).

Mr. O'NEILL. Mr. Chairman, I am more than grateful for the time allotted to me by the chairman, and I am more than appreciative for his remarks and the remarks of the gentleman from Kansas (Mr. SKUBITZ).

The legislation today is of terrific importance not only to us in the Northeast corridor, but to the entire Nation.

Unemployment, initially, is 8.1 percent, but in the New England area, and particularly Massachusetts, it is 9.9 percent at this particular time. The economy is already staggering. What would happen to this country if we were to close this railroad would be earth shattering, just believe me.

As I understand it, the Penn Central had already sent out notices to those that it did traffic with, as far as freight was concerned, that they would be accepting no more freight, I believe somewhere around February 8, and that they were going to close the railroad down completely on February 26 because of lack of funds.

Because the bill had passed the Senate and because of the fact that they had talked to the gentleman from West Virginia (Mr. STAGGERS) and members of his committee, and they knew that this legislation was coming along, they brought the matter back to the court and the court advised them to discontinue what they said they were going to do and continue on with the regular program that they had.

What the Penn Central means to the economy of the Northeast is this: Rhode Island would be bankrupt in 4 days; New England would go down the drain in about 8 days; New York City and the east coast could last about 2 weeks, economically.

Interestingly enough, every bit of the steel that goes into Detroit goes through Penn Central. The automotive industry would be on its knees within 30 days.

This would happen all over the east coast.

For example, lumber from the Far West, 19 percent of that lumber comes to the eastern section of the country. So far as the coal shipments, closing the railroads would drastically push up our imports on foreign oil and would have an adverse impact on the steelmakers. The great bulk of this coal is used in the eastern section of the country.

For example, there would be layoffs in the California aerospace industry.

It would have an impact on everything in every section of the country. Some 5,300 carloads of oranges alone come up from Florida through the Northeast corridor every year. It would affect the Nation in such a way that the unemployment rate we have today would double in a period of 60 days.

Mr. Chairman, there is no question in my mind that there has been mismanagement, and I have to agree with the gentleman about that. But those are the sins of the past, and we have to pay for them.

The truth of the matter is that right at this particular time the Penn Central is in bankruptcy. The trustees were appointed by the court, and they have been working on this problem for some time. The trustees at the present time have appointed a realty outfit to rid the railroad of all those properties that are not connected with the railroads themselves. This has been ratified, I understand, by the judge. All of the railroad property that is not needed is to be disposed of. This has been put in the hands of an individual, and they are in the process of hiring teams to make studies across the lines of the Penn Central.

It is my understanding, for the benefit of those Members who are unaware of this, that not only is Penn Central involved, but Penn Central has also the controlling interests in 114 other railroads. In other words, practically every shortline in this area is under the control of Penn Central, and so when Penn Central goes down the drain, they all go down together.

We need this $100 million in order to keep the economy of the area flowing. When the properties have been disposed of, as we know, this is going into ConRail.

Mr. Chairman, actually what I think we ought to do in the time of crisis we are in now is this: We ought to have an authorization and an appropriation of some $3 billion to $5 billion, with the urgency of the situation, and straighten out the railroads of America. That is a project that we could put into effect, and in that way we could use the money of the American people to great advantage in order to help the economy of the Nation.

Mr. SKUBITZ. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. HASTINGS).

Mr. HASTINGS. Mr. Chairman, I thank the gentleman for yielding this time to me.

I think the remarks of the majority leader have made rather clear the necessity for this House to pass this legislation and to pass it as quickly as possible. I think the House should understand that as we consider this legislation, we must also bear in mind that it is against the background of the Northeast Railroad Reorganization Act that we are required now to bail out the Penn Central and the other lines mentioned.

That reorganization is in process by the USRA, which will on February 26 of this year submit its preliminary assistance plan for the reorganization of the Northeast Corridor railroads. It is hoped that by October this Congress will in fact adopt whatever the final plan may be, as has been determined by the hearing structure that is built into the reorganization act.

So, Mr. Chairman, this Congress has already acted to try to treat the problems of the railroads in the Northeast. We recognize the problems of mismanagement; we recognize the problems of the economy which relate to the state in which the railroads find themselves in today.

As the majority leader has quite properly pointed out, as have others, including the gentleman from Kansas (Mr. SKUBITZ), there is no alternative as we meet today except that we pass this bill to allow this money to go to the Penn Central and to the Erie-Lackawanna, which is now included, prior to the reorganization of the complete system, which, as I mentioned, should be accomplished by the end of October of this year.

The economical problems that would be created if we do not do this, not just in the Northeast but throughout the country, have again been pointed out by the majority leader. And these problems do relate to other parts of the country, not just to the Northeast.

The unemployment of just railroad workers themselves would be serious enough, but there would be great impact upon all the industries in the Northeast. That is something this Congress, I do not believe, can allow to happen.

It is, rather onerous, quite frankly, to stand up here and have once again to ask the Members to pump money into private enterprise.

I might say, in response to the remarks made by the gentleman from California (JOHN L. BURTON) during consideration of the rule, that if in his judgment the answer to the problem of the railroads is nationalization and that the railroads be run by the Federal Government, I would point out what a magnificent job we do in running the Postal Service of this country. Therefore, I certainly do not advocate nationalization as the answer. If it is the answer, it will have to come after the reorganization has been tried to see whether or not we can create a profitable rail system in the Northeast. We will never get to that point, I will say to the Members, unless we pass this bill today.

It is of the utmost urgency that this body consider this measure so that we can get together with the Senate and relate to the world our concern and show that we indeed will take this step that will save the railroads from shutting down their operation within the next 30 days.

I can assure the Members that failure to pass this bill will result in precisely that. These railroads will cease to op-

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erate. I do not believe that this body can allow that to happen. As difficult and as onerous as the decision may be on the part of each individual in this Chamber to continue to pour money into these bankrupt facilities, the alternatives are clearly somewhat less than acceptable.

We must proceed, and I would ask the House that we do successfully pass this measure today.

Mr. STAGGERS. Mr. Chairman, we have no further requests for time.

Mr. SKUBITZ. Mr. Chairman, I yield 5 minutes to that great dissenter, the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, I thank very much the distinguished ranking minority member of our committee from Kansas (Mr. SKUBITZ).

Mr. Chairman, the Penn Central is in trouble, and I have heard Members during year-in-and-year-out debate take the expedient political position and blame it on poor management. But it is not management. We absolutely tie their hands. We prevent any type of action in any and every way.

The history of the Northeast regional rail reorganization demonstrates the futility of fighting symptoms instead of the basic disease.

When the original act was approved and the tortuous planning process launched, it was evident that the provision of the act intended to keep the bankrupt railroads in operation until ConRail could take over the desirable parts was inadequate and it was unrealistic. It sidestepped the root causes of bankrupt railroads.

To demonstrate how futile this present effort is, look at the figures which have been presented to the committee. They show the greatest rate of inflation in the history of our Government. The bill presented by the Department of Transportation indicated that $250 million would carry the bankrupt railroads through March of 1976, at which time ConRail should be ready to roll. The Penn Central then came forth and said that the figures had been right when they were made up, but things were changed so that now $371 million would be necessary. That is about 70 percent inflation in just that 1 week for which we figured out the rate.

If Congress did not have the inclination to strike at the heart of the problem in the Regional Rail Reorganization Act, the present situation should be enough to demonstrate the necessity. As long as thousands of miles of marginal and uneconomic track are maintained and serviced, deficits will continue to grow. As long as the Federal Government stands by and allows outmoded and burdensome labor practices to be imposed upon the railroads, no intricate schemes of quasi-governmental corporations will save the railroads. The errors of the present approach are only too evident to even a casual observer, and it behooves Congress to scrap this useless effort and move out in new directions.

This is the third time that Congress has acted on this emergency legislation to keep the Penn Central operating, and still it does not get to the cure. In fact, every year Penn Central keeps losing more and more.

The trustees in bankruptcy proposed to abandon the track. One hundred and ninety-three applications affecting 2,445 miles of track were filed with the Interstate Commerce Commission, and they still languish there.

The trustees proposed the elimination of 4,500 jobs. The Department of Transportation urged and pursuaded them not to do that.

The trustees proposed deferring the 1975 pay increases. Again, they were urged and dissuaded not to do so.

We need to do something about these duplications of facilities, these old, inefficient work habits.

If I could, I would like to ask the chairman of our committee, the gentleman from West Virginia (Mr. STAGGERS) one thing: We have been having hearings on the Penn Central since 1970. We have talked about the Penn Central and their problems.

Could the gentleman tell me at this time what they have done during these 5 years in the way of improving their work practices? What have they done to get more production, to obtain more efficiency from labor, during the 5 years that we have worked on it?

Mr. STAGGERS. That would be pretty hard to determine. I could not tell the gentleman the answer because there are agreements with the labor unions on what they should do.

Mr. COLLINS of Texas. Mr. Chairman, I would like to ask the chairman one further question.

I understood that there was a proposal by trustees to eliminate 4,500 jobs, but I also understand that the trustees have no power or authority to eliminate any jobs involving labor union people, and that they cannot even ask to abolish labor union jobs. Is that correct?

Mr. STAGGERS. The gentleman from Texas is asking a pretty broad question, but I would say that any railroad has the right to furlough personnel when they need to furlough them.

Mr. COLLINS of Texas. I understand that the Department of Transportation and the ICC asked the trustees to terminate no one, and that there have been no terminations or layoffs; is that right?

Mr. STAGGERS. The administration did request this.

Mr. COLLINS of Texas. Here is a railroad that is bankrupt, and yet has not reduced its staff in any way.

May I ask the gentleman from West Virginia one other question? I understand that the railroad practices in this area have been based on the work traditions established 50 to 100 years ago, such as when a railroad crew would run about 150 miles, or something such as that. Working men expect 8 hours pay for an 8-hour-day's work, but that today under today's conditions this takes them only some 4 hours, but they still get paid for an 8-hour day.

Is that still the system that is practiced on the railroads?

Mr. STAGGERS. I do not know where the gentleman from Texas got his information, but I think that he should have gotten his anwsers there also. I do not have the answer to that.

Mr. SHUSTER. Mr. Chairman, if the gentleman will yield, I would like to add with reference to the operation of the Penn Central Railroad that it is indeed a very substantial operation, and that there is a portion of that operation which has been modernized and made much more efficient in the past 5 years. I believe the gentleman asked the question as to where had the railroads become more efficient. I would just like to point out that at the Altoona shops on the Penn Central Railroad, they have not had the funds with which to purchase new railroad cars and accordingly, have developed a very modernized and efficient system to take old worn-out railroad cars and for every two cars they are able to produce an essentially good-as-new car, one that is competitive with any new car that can be bought anywhere in the world.

Mr. COLLINS of Texas. I appreciate the remarks of the gentleman from Pennsylvania.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SKUBITZ. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New Jersey (Mr. RINALDO).

Mr. RINALDO. Mr. Chairman, I rise in support of this bill. I listened attentively to the comments of my distinguished colleague from Texas, and I must say that probably everybody in this Congress agrees with the gentleman when he says that once again the Congress is being, in effect, called upon to bail out the crippled Penn Central, and other Northeast and Midwest rail lines. I think that most of us have to agree with the gentleman when, in effect, he says that once again the Congress has had to act with a gun pointed at its head, with dire warnings that the railroads would collapse, and with it the economy of the Northeast States, unless we approve this measure which includes $347 million in grants and loans.

I share the gentleman's grave reservations about giving more Federal aid to the Penn Central, which has been so poorly managed in the past. Yet, as a member of the Committee on Interstate and Foreign Commerce, the hearings we held convinced me that rejecting this measure would spell economic disaster not just for the Northeast and the Midwest, but for the entire Nation.

It is evident that the recession and the sharp reduction in industrial activity have seriously aggravated an already desperate financial situation for the Penn Central. The railroad trustees have estimated that the Penn Central has lost $1 billion since 1970, and that the situation has reached the stage of near collapse. If Penn Central were to close down, thousands of factory and office workers would join the already long unemployment lines. With the implementation of the Consolidated Rail Corporation next year, I hope Congress and this body will never again have to be coerced into saving the rail lines.

The bill contains $150 million in guaranteed loans that will be used for improvements to the lines to assure that the new ConRail system becomes a viable rail system.

During the deliberations on the bill, the committee adopted my amendment to prevent the Penn Central, and other lines, from pocketing money that is paid to them by tenants specifically for local property taxes. Under questioning, both the Acting Secretary of Transportation and the trustees for the Penn Central said this practice was wrong and should be stopped.

As our Nation moves toward energy self-sufficiency, railroads are going to have to, and must, play a larger role in our transportation system. Railroads are an energy-efficient form of transportation. The passage of this bill is vital to our economic well-being in this Nation. The passage of this bill is necessary to prevent the unemployment lines from getting longer. It is necessary to prevent additional economic hardship, and I urge the Members' support of this vitally needed measure.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. RINALDO. I yield to the gentleman from Idaho.

Mr. SYMMS. I appreciate the gentleman's yielding.

I recall when we were debating the meat producers loan, the gentleman in the well and I were both opposing the loan to cattle producers on the basis that it was all wrong for the Government to be intervening in private enterprise. I was wondering how he can justify that the northeast railroad is all right but it is not all right to offer a guaranteed loan to cattlemen.

Mr. RINALDO. I would be glad to respond to the gentleman's question. I can justify it with two reasons. No. 1, when we debated that bill, the economic conditions in this country were completely different. Second, and more importantly——

Mr. SYMMS. Not the cattlemen.

Mr. RINALDO. I felt at that time, and I still feel now, that the subsidy was unwarranted, that it was a completely different situation. It was a case of people raising cattle and asking the taxpayers to subsidize it, which would have resulted, in my opinion, at that time in a higher cost to the consumer.

Mr. SYMMS. Will the gentleman agree——

Mr. RINALDO. I am not going to yield further at this point.

Here we have a completely different situation. Here we have a situation where if we do not subsidize the railroads and continue operation, we will suffer more economic hardship.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SKUBITZ. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I rise in support of H.R. 2051 and urge its passage by the House even though I feel further major adjustment of our method of resolving the problems of the railroads in the Northeast and elsewhere in the United States will be necessary. I hope to introduce such legislation in the near future.

But, I am particularly interested in section 4 of the legislation which will allow one of the major railroads in the Northeast—the Erie-Lackawanna—to be included in the planning process now taking place. Without this legislation Erie-Lackawanna is not eligible for the financial assistance which it requires immediately in order to continue its operations because of the cash shortage it now faces. And without this legislation there is no assurance that there will be a continuance of operation of the Erie-Lackawanna properties in the railroad system for the Northeast and Midwest now being planned under the Regional Rail Reorganization Act of 1973. To lose the service of the Erie and its employees in those communities it and they now serve would be a severe economic loss to those communities and many thousands of employees of factories there.

The inclusion of Erie has been vigorously supported by the U.S. Railway Association, the agency charged by Congress with planning a new system for the Northeast. It also received the support of the Chairman of the Interstate Commerce Commission when he testified before our committee. In order to allow coordinated planning of the new council system now and to maintain service in the Erie area until then, we need section 4 of this act.

The Erie is a railroad of major importance running from eastern Pennsylvania to Chicago, and it is clear that its inclusion is necessary for an effective railroad system in the Northeast.

I urge the passage of this legislation.

Mr. STAGGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, much of our attention in New England recently has been focused on opposing the economically devastating Presidential energy program. Now, however, we are confronted by another severe crisis. I am referring to the railroads and the imminent possibility that many of our branch lines will be proposed for abandonment by the U.S. Railway Association.

I cannot believe that when Congress enacted the Rail Reorganization Act of 1973, it intended to cause widespread economic dislocation and unemployment as well as dramatically higher costs to consumers. I cannot believe that the Members, in creating the USRA, anticipated that the agency and its leadership would administer the act by adopting only one of the eight goals set out in legislation while ignoring or directly contradicting the others.

Yet that is exactly what has happened. In the course of the recent hearings on the Penn Central emergency, I questioned the heads of the USRA, the U.S. Department of Transportation, and the Chairman of the Interstate Commerce Commission regarding this matter. I asked each of them for their reaction to criticism from the Railway Services Planning Office—the unit that Congress created within the ICC to represent the interests of rail line users and communities in the reorganization process—and from Members of Congress asserting that the USRA and the DOT had too narrowly construed certain parts of the legislation and had ignored others completely. I pointed specifically to the attitude that "nonprofitable" branch lines automatically be abandoned. I suggested that their definition of "profitability" was terribly limited and related only to whether a line paid for the costs incurred in operating and maintaining it.

Many of us believe that the notion of whether a line is profitable should be interpreted more broadly. The lines' social profitability should be taken into consideration, along with the fact that many lines serve industry, thereby creating and sustaining employment. These reasons should substantiate and support the need for preservation of these lines.

The USRA and DOT people were totally unsympathetic to these views. In reply to my question on the possible economic repercussions of rail abandonment for many communities and regions in the country, they pointed weakly to the State subsidy program. Given the financial condition of my State and most others, there is virtually no hope that the States will be able to utilize the subsidy-sharing program, even with the mandated 70 percent Federal, 30 percent State provision.

But the problem extends even beyond these grave impending economic consequences. There is not the prospect of termination of the Office of Public Counsel within the RSPO. I have been told by community leaders, local officials, and industrial rail users that the RSPO attorneys have been extremely helpful in the reorganization process thus far, that this is one Federal program that is working.

I offered an amendment in committee to the Rail Reorganization Act Amendments of 1975 to continue the work of the Office of Public Counsel. We cannot afford to allow this program to terminate. The weeks and months ahead promise to be the most difficult for the people who might be victimized by certain aspects of this legislation. We cannot allow our people to be left in the midst of a complicated process without adequate legal advice.

The Congress certainly did not intend for that to happen. Nor did the Congress intend for another heavy economic burden to be placed on so many communities in the midst of what is at least a severe recession.

Many of the areas in my district suffer double-digit unemployment. Many of the firms that use these rail lines are adamant in their contention that they will have to close down or move should the USRA proceed with its narrow interpretation of the act.

That very real prospect as well as the picture of bumper-to-bumper trailer trucks hauling freight on our secondary highways and the higher consumer prices that will surely develop should be enough for us to pass this bill and my included amendment; then in the very near future, when the final system comes before us, we have the option to reject that plan

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unless and until the USRA and DOT broaden their definition of profitability.

Mr. SKUBITZ. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, the rail reorganization amendments we are considering today are vital not only to the success of the northeast rail reorganization plan and the survival of two of our Nation's largest and most important railroad companies but also to the entire rail transportation system of our Nation.

Two weeks ago, the House recessed with the threat of a Penn Central and Erie Railroad shutdown looming on the horizon. Fortunately the recess passed without the threatened catastrophes having taken place. Now, it is time for Congress to act to prevent any such contingencies from arising again.

Congress acted last session to preserve and improve our Nation's rail system. The Rail Reorganization Act is a milestone in that effort.

The Consolidated Rail Corporation created by that act is scheduled to begin operating its streamlined rail system about a year from now. But if we fail to act today, there may be no rail system left for ConRail to operate.

Penn Central states the need for this money is desperate, to insure continued operations through the date on which its properties will be conveyed to ConRail.

The Erie is now seeking readmission to the ConRail system. Erie initially tried to reorganize under the bankruptcy laws, with the Federal court's approval. But Erie soon found that our Nation's deteriorating economic condition made that course of action impractical, and is now seeking to get back into the northeast rail plan and is servicing emergency funding.

While I am distressed about Erie's dilatory action in first seeking to go it alone and then belatedly confronting Congress with an ultimatum of emergency funding, I urge my colleagues to take the practical course—to realize that, however badly the rail systems have been permitted to deteriorate, they will deteriorate still further unless we act expeditiously.

During the course of today's debate I will offer an amendment to condition Penn Central's emergency funding upon completion of the repair of the vital rail bridge at Poughkeepsie, N.Y.

I will also seek to amend this measure to enable public hearings to be conducted subsequent to Erie becoming a part of ConRail.

Accordingly, I urge my colleagues to support this important rail measure.

Mr. SKUBITZ. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, I thank the gentleman from Kansas for yielding.

I think it is a drastic mistake to believe our whole economy is hostage to the passage of this bill. I share the concern others have expressed about the effect on the GNP and on employment if the eastern railroads are shut down; but I do not think this is the only alternative.

If we defeat this bill now, we could, perhaps today or within a day or two, pass a bill containing the kind of reforms the gentleman from Texas (Mr. COLLINS) and others have called for.

Let us think about what caused this railroad and other railroads to go bankrupt. It is archaic work rules of the railroads and the failure of the ICC to permit closure of unproductive rail lines. Until Congress is ready to cope with those underlying problems, we are just wasting money trying to shore up failing railroads.

Mr. SKUBITZ. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, earlier in the debate the gentleman from Texas (Mr. COLLINS) brought out a question that I do not think was satisfactorily answered. I wonder if anyone can answer the question. They still use the work rules of 120 miles a day constitutes a day's work running a train, when it takes only a 4-hour trip. Could the gentleman from Kansas (Mr. SKUBITZ) answer that?

Mr. SKUBITZ. Mr. Chairman, I assume that any of the rules in effect heretofore are still in effect.

Anyway, my answer is, "So what?" Suppose we try to do what the gentleman wants to do. These railroads are going to shut down. As much as I would like to change some of the work rules, this is not the time or place. We do an injustice to this legislation by attempting to put such arguments to defeat the bill.

Mr. SYMMS. I thank the gentleman from Kansas for his answer, but that is the point and the gentleman from Kansas says, "So what?"

This bill is putting vaseline on a cancer. Until we solve this problem and get the Government out of the way, we can dump many millions of dollars down this railroad rathole. We can do it from now on. As long as we have the printing press, we can continue dumping it down the rathole until it becomes worthless.

I think this bill ought to be voted down and we should address ourselves to the real problem, Government intervention. The ICC gave the railroads the land 200 years ago and now they want to run the train schedule, the times and the rates, and how much to charge the passengers, and what to pay the help. This is what is wrong with the railroads and trying to reorganize this plan really never will be successful and the sooner this Congress faces reality, the better off we will be.

Mr. SKUBITZ. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I thank the gentleman.

I would point out that while there are many imperfections in this approach and, indeed, many theoretical solutions which have been proposed, the fact is that the House already worked its will on a comprehensive reorganization plan. For my friends in this House who consider themselves believers in the private enterprise system, I would point out that if we believe in the private enterprise system, then we should support this bill, because the alternative is to let the railroads close down and we will then have nationalization of our railroads.

Let us not lose sight of the fact that ConRail is a for-profit railroad and it is the last hope we have for a private enterprise operation by our railroads in the Northeast. All we are doing here today is buying time so ConRail has a chance for survival. If we do not give it that chance to survive, then we most surely are going to find ourselves faced with nationalization of our railroads. I urge passage of this emergency rail legislation.

Mr. SARASIN. Mr. Chairman, the legislation which we are considering at this time is vitally important to the Northeast and to my State of Connecticut in terms of its future economic growth and to further the creation of a balanced transportation system. For these reasons, I rise in support of H.R. 2051, a bill to provide $347 million in new financial assistance to keep the railroads in reorganization, operating at the same level which they operated at in 1974, until the new Consolidated Rail Corporation assumes their operation.

I do so with a certain amount of apprehension because I do not like the approach of having our national transportation program put together in a piecemeal approach with no overall guidance or plan. We are being called upon today to vote for a bill on which we have very little choice, for if we do not vote aye, we are voting for the economic disruption of not only the Northeast but the whole country which relies on the Penn Central to either deliver raw materials and food to the Northeast and to return with finished products.

America's rapidly deteriorating rail situation will never improve unless there is some cohesive, concerted effort by the Congress to remove the prohibitive regulatory barriers which continue to prevent the railroads from moving out from under their current depression.

We, in the House, took a significant step in that direction in the 93d Congress when we passed the Surface Transportation Act of 1974. This measure, however, was not resolved by the other body and it now looks rather unlikely that a piece of legislation as comprehensive as the Surface Transportation Act can ever be reported in light of the division of jurisdiction for transportation modes established during the committee reorganization process.

Mr. Chairman, I would also like, at this time, to bring to my colleagues attention the fact that the National Rail Passenger Corporation, or Amtrak as it is more commonly referred to, is planning to stop passenger service between Springfield and Boston due to a contract dispute over the funding schedule for service on that line. This action denies rail passengers an option of taking the inland route and forces Connecticut residents to travel south so that they can eventually travel north to Boston. I think it is hardly advisable for Amtrak to encourage and allow the energy waste and to punish the residents of Connecticut for their dispute with Massachusetts.

Mr. DRINAN. Mr. Chairman, I rise in strong support of H.R. 2051, the Regional Rail Reorganization Act Amendments of 1975. This legislation authorizes emergency financial relief to the Penn Central and other bankrupt railroads which are in the process of reorganizing into a new rail system, the Consolidated Rail Corporation—ConRail.

H.R. 2051 provides emergency moneys for the northeast railroads which could not otherwise continue operations. A total of $347 million is authorized, $197 million in Federal grants and $150 million in Government-backed loans. While the funds are not specifically targeted, it is anticipated that the largest amount, approximately $222 million, will go to the Penn Central Railroad in order to maintain its existing services.

I am afraid, Mr. Chairman, that if the Congress fails to pass this legislation, providing operating capital to the Penn Central, that railroad shutdowns will probably begin in the weeks ahead. This would amount to a disaster for the entire Nation, not just the Northeast which would be most seriously affected. For example, over 50 percent of all the U.S. industrial shipping is done by way of the Penn Central. As far as freight traffic, 41 percent is handled by this railroal system at some point during shipment. From an energy standpoint, it should also be remembered that the railroads are the largest shippers of coal, and a rail shutdown could only have negative results in this regard.

While the country as a whole would be adversely affected by a rail shutdown, New England would be even more hard hit. It has been estimated that a rail shutdown would result in a 4-percent decrease in the rate of economic activity in the Nation. However, the rate of economic activity would decrease by 5.2 percent in the Northeast. New England has already been harmed by the energy crisis; if a rail shutdown were to occur, it could only result in further economic stagnation for our region.

Mr. Chairman, my district is highly representative in indicating why this legislation should be speedily enacted by the Congress. Local businesses and industries such as plastics and paper companies, stores and retail outlets, are highly dependent on the railroads. Supplies of raw materials such as petrochemical feedstocks for the plastic industry are shipped in by rail, while goods and products are shipped out via the same rail transportation. To lose the railroads at this critical time would present an insurmountable obstacle to these business concerns.

In speaking in terms of economic stagnation for New England, I am, of course, referring to our jobs picture as well. My own State of Massachusetts has one of the highest unemployment rates in the country, latest figures showing unemployment to be approximately 10 percent. Unless we can provide a stable transportation system for our businesses, it is possible that our present joblessness rate could go even higher yet. Not only will more individuals lose their jobs, but our companies could become less competitive with other regions and countries.

It might be asked at this point, Mr. Chairman, whether it is really necessary for the Congress to authorize further operating subsidies for the Penn Central System. Unfortunately, however, after looking at the balance sheet, it becomes quite apparent that immediate financial help is required. By the last week in February, all grant moneys available to Penn Central under section 213 of the Rail Reorganization Act of 1973 will be exhausted. Penn Central will be unable to meet a $14 million payroll which falls due in the last days of this month. Thus, unless Congress appropriates additional funds, we can only look forward to a steady shutdown of railroad operations for lack of operating cash. The foreseeable consequences from the shutdowns are not pleasant to contemplate.

In supporting the legislation presently under consideration, I would also like to urge my colleagues to act favorably upon an amendment which would allow States to use Federal subsidy money to purchase lines not included in the ConRail system. At the moment, States may only use Federal funds for rail operating subsidies, which makes capital improvements difficult. This amendment would permit a modernization program to be undertaken, so that presently bankrupt railroads can eventually become self-supporting enterprises.

Mr. Chairman, there can be little question that the Northeast and the Nation as a whole need the enactment of this legislation. At a time when the economic recession and an energy crisis cast a double shadow across this country, we must not add to our difficulties by bringing on transportation shortages as well. Hopefully, we will see the day when these rail subsidies are no longer necessary, but for the present, we cannot allow a shutdown of the railroads.

Mr. OBERSTAR. Mr. Chairman, this body once again has before it legislation to provide grants and loans to keep afloat the Penn Central and other bankrupt railroads in the Northeast. Regionally, the consequences of shutting down such a critical transportation artery as the Penn Central would be catastrophic. I would no more wish such a tragedy upon the people of the Northeast region of the United States, than I would want to see it happen to those of us in the Midwest.

I deplore the mismanagement that has forced us to this legislation. I deplore the structural inadequacies of our entire transportation system, which this legislation does not even touch.

But, because the bargaining pawns are the jobs, the people, the economy of an entire region, all of which are condemned to economic disaster if we do not act now, I, reluctantly, will support the bill. To do otherwise would endanger over 100,000 jobs and risk the disruption of a significant portion of our economy at a time when it cannot tolerate any more disruptions.

But I also believe that we must recognize that one of the reasons we are here today, passing this legislation, is that we, as a body, have not faced up to the very difficult and divisive issue of establishing a comprehensive and effective transportation policy.

We have, unfortunately, over the years, made our transportation system a showcase of how poorly the legislative process can work by establishing a hodgepodge, helter-skelter, every-industry-for-itself transportation system that serves only a few interests well, and the American taxpayer and consumer very poorly.

I believe we all recognize that our transportation system is not efficient, that it is not going to work effectively until some fundamental changes are made. We can and we must have a coordinated and interlocking transportation system in which all the parts work together to serve the public, in a unified national transportation policy, which this country desperately needs.

Mr. Speaker, I will support H.R. 2051 because I feel we cannot by our inaction throw another 100,000 men on the already swollen unemployment rolls, and further aggravate the national economic picture. I can only voice my hope that those whom we help today will not forget the energy and economic needs of the farmers, the small businessmen, the miners, the building tradesmen of our Midwest region when they cry out for help on accelerated public works, multistate regional commissions, dairy imports, emergency crop disaster loans, winter navigation on the Great Lakes, and other needs directly affecting our regional and national economies.

In the final analysis, I feel that we must not back away from our obligation to address the structural problems of our transportation system that have led us to this point. The failures of the past, and the problems of the present, must not be perpetuated, when the solutions are recognizable and well within our reach.

Mr. KELLY. Mr. Chairman, I intend to vote against the pending bill authorizing $347 million in further assistance to the Penn Central. This is the third time the Congress has been called upon to bail out this railroad with taxpayers' money. I am aware of the immediate consequences should this bill be defeated, but the survival of this Nation and its institutions cannot be insured by stop-gap Government going from crisis to crisis.

This railroad is in trouble because management and labor have mismanaged and bilked it and because Government has hog-tied it with regulations designed to protect special interests rather than free enterprise and the American taxpayer.

It is necessary that we charged with responsibility of leadership live in a real world and recognize that tomorrow will come the first thing in the morning.

If we continue to bail out one industry after another, we will have one essential sector of our economy after another falling victim to the same scenario represented by the Penn Central.

Yesterday's tomorrow has arrived today, and I urge my colleagues to vote against this bill and cause everyone to recognize that bad management, special interests, and inept Government have only disaster as a product.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute, printed in the reported bill as an original bill for the purpose of amendment.

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The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

SEC. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. (a)(1)) is amended by inserting "and express" immediately after "rail".

SEC. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which, for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

SEC. 4. Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (1) affirm its previous order or (11) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

SEC. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

SEC. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

SEC. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"SEC. 215. (a) PURPOSES.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) CONDITIONS.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) the Corporation shall not be required under title III of this Act to compensate a railroad in reorganization for any portion of the value of the properties subject to the agreement and designated under the final system plan for transfer to the Corporation which is attributable to the maintenance or improvement performed pursuant to the agreement. The Association and the special court shall, in determining value pursuant to section 303 of this Act, take into account the physical condition as of the effective date of the agreement; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) OBLIGATIONS.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) CONVEYANCE.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

SEC. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215(a) (1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

SEC. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"SEC. 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, I merely make this reservation of objection because on a number of occasions I have been in the position, as other Members have, of offering amendments and then there is a limitation of time.

I would ask the gentleman from West Virginia if he has any intention of closing off debate and cutting out the opportunity many of us would like to have to offer amendments and discuss this bill.

Mr. STAGGERS. Mr. Chairman, I would say, in answer to the gentleman, that I want to get those amendments up as soon as possible and to take as much time as we need for them.

Mr. ASHBROOK. Mr. Chairman, further reserving the right to object, I understand that the gentleman cannot say absolutely in every situation that he will not move to close debate, but talking about it in general, the number of times that I have been on this floor and we get down to the end, we have amendments with no time allowed for discussion.

That is not a very good practice, and I would hope that the gentleman from West Virginia would be able to leave debate open as long as possible.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

AMENDMENT OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Page 10, strike out lines 15 through 24 and insert in lieu thereof the following:

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties subject to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and".

Mr. STAGGERS. Mr. Chairman, the administration originally proposed language amending section 215 of the Regional Rail Reorganization Act of 1973 which was designated to ensure that, after Government assistance was used for improvements or program maintenance to the property of railroads in reorganization, payment would not have to be made to the estates of those railroads under the final system plan for the value added to the rail properties involved by those improvements or that maintenance.

The trustees of the Penn Central objected to that language on the ground that it would prohibit a railroad in reorganization from obtaining compensation for increases in the value of rail properties occurring after the date of a section 215 agreement which were attributable to such factors as inflation or the improvement of adjacent properties.

Our committee adopted the Senate language on this section. It provides that ConRail shall not be required to pay for the value attributable to maintenance or improvements performed under a section 215 agreement. The administration opposed that language because it is very difficult to devise an analytical formula which would fairly measure what portion of the value of given rail property is attributable to the effectuation of given improvements in its physical condition. They contend that the language would proliferate litigation and cause uncertainty as to whether there would be adequate protection for the Government.

The administration has therefore come up with new language which, while alleviating the concern expressed by the trustees and avoiding the vagueness of the value attributable concept, insures that, in the valuation of properties subject to section 215 agreements, their physical condition prior to the work done under the agreements shall be used. This language is acceptable to the Penn Central trustees and I believe the Senate would approve the language without forcing a conference. I believe it is an improvement over the language which we now have, and therefore urge its adoption.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from New York.

Mr. HASTINGS. Mr. Chairman, I have a question relating to this section and to the language on page 12 of the report.

Would this amendment clarify that the intent of the committee was to eliminate from the consideration for rail properties transferred under the final system plan any element of value of any kind attributable to the maintenance or improvement accomplished with such loans or grants?

Mr. STAGGERS. Yes.

Mr. HASTINGS. I thank the Chairman for his reply.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COLLINS OF TEXAS

Mr. COLLINS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS of Texas. On page 8, beginning on line 13, strike section 6.

Mr. COLLINS of Texas. Mr. Chairman, the net effect of this amendment is simply to eliminate most of the money from the bill. I want to say something additional about this bill, to go back to the basic issue that is involved.

We have been before Congress three times on this Penn Central, and every time many Members prefer to lay it on management's sore back. Some blame it all on management and all the management mistakes, but I have watched for 5 years, and I have seen management trying often to do something about it. But I never have seen Congress do one single thing about it except pour more money in as a subsidy.

I have not seen us move. In fact, when I asked on the floor about what have the labor unions done to improve matters, the answer is they have not done anything.

So, the Members should recall that we have not only been here three times already, but it was said in our committee that the Penn Central would be back in 6 months. What we are doing is going from disaster to disaster, month by month by month.

In these discussions, it sounds like running a railroad is a hopeless job, but there are a lot of good railroads in this country. The reason many are sound today is that they went through bankruptcy at one time, and when they did that, they reorganized and got on an efficient basis so they could continue to operate. We have a lot of railroads in our area doing a good job moving freight, heavy freight. They are well run, good equipment, good manpower, and they have good roadbeds to go with it.

During this whole discussion and in this entire bill, there has never been one single item pointed out where they have reorganizing, or where they are making this railroad more efficient.

In fact, they talked about ConRail, and they said ConRail will take over. I want to tell the Members that ConRail does not have a chance to survive unless we can get these work schedules adjusted and dead routes abandoned.

I would like to go back and emphasize this once again. Is the gentleman here who mentioned the Altoona shops?

Mr. SHUSTER. Yes.

Mr. COLLINS of Texas. I would like to ask the gentleman to clarify the thought the gentleman mentioned on behalf of his fine friends in the district of Altoona.

As I understand it, in that shop they work 40 hours a week, is that correct, the men who operate the shops?

Mr. SHUSTER. Forty hours is a normal week.

Mr. COLLINS of Texas. That is what the men in the shops work. When these engineers get on the train and the crews ride out, we hear they work 20 hours. Would the gentleman explain why the shop people work 40 hours a week while the members of the traincrew work 20 hours?

Mr. SHUSTER. First of all, several traincrews work 40 hours a week. Second, in many instances they work much longer than that. I do know that in the Altoona car and locomotive shops they are the most efficient in the world and, indeed, they have reduced the cost of rebuilding both cars and locomotives in the past 5 years to the point where they can compete favorably against any other facility in the world.

In this operation they have not been able to build one new car, even though there is a real car shortage in this country. They have not been able to build one new car because they do not have the funds to do it. The shortage is exacerbated by the lack of capital. If we can keep these operations functioning until ConRail can go into operation, America will be able to get railroad cars and locomotives, at economical prices from the Altoona shops, and that will be a benefit to our entire Nation.

Mr. COLLINS of Texas. Mr. Chairman, I appreciate the remarks of my good friend from Pennsylvania about the conditions in Altoona, and I want to add this: I am interested in the Altoona shop. I am interested in the train crews. I commend Altoona for their great work in the shops, but I understand when the trains roll, they have a four-man crew, when they ride on the train, and the basic question is raised as to why they have four- instead of two-man crews.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. Yes, I yield to the gentleman.

Mr. SHUSTER. I agree completely with the gentleman that there are changes that are very seriously needed, and I would support constructive changes. But we are not faced with that kind of a choice here today. We are faced with a choice of either letting the railroads go down the drain or keeping them alive until the ConRail system can begin to function. I know the gentleman from Texas is a champion of the free

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enterprise system and I would remind him that without this legislation there is little hope of keeping our railroads in that system. The alternative is nationalization.

Mr. COLLINS of Texas. Mr. Chairman, I thank the gentleman very much.

I appreciate what has been said about Altoona, and I hope the good people in Altoona hear about it.

I want to say this about the size of train crews. So far as the railroad business is concerned, I would emphasize how important its profitable operation is to America, but it cannot make it unless they begin to operate on an efficient, businesslike basis. Everybody who borrows money from the bank knows that at the time they borrow money that at this time they get the tough operating terms. If we cannot put in any financially realistic operating terms, they are not going to be put in there at all. In fact, back in February 1973, the trustees of this bankrupt railroad said, "We are going to make the Penn Central more efficient, we are going to require more labor efficiency and we are going to abandon dead tracks."

That is what they ought to have done.

This brought on a railroad strike threat. We had an emergency, and the next thing we know, Congress gave them money. For 5 years the trustees have been wanting to make improvements in operating efficiencies and we have never let them do one thing because of our bureaucratic intervention from Washington.

Mr. SYMMS. Mr. Chairman, I move to strike the last word and continue the colloquy with the gentleman from Texas, because I think a very important point that is being overlooked by Members of this body is the one the gentleman from Altoona, Pa., pointed out, that we cannot let this railroad go down the drain.

In the first place, if we let it go, the stock is going to get so low that maybe some people from the western railroads who are operating for a profit can come in and pick up this stock today, get a new management, and run it for a profit.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I will not yield at this time.

Mr. Chairman, I would just like to point out that we operate under a profit and loss system, and if we do not let an economic system run through its catharsis, it will not work. It seems that we will not let anybody fail.

Mr. Chairman, in the West we have the Union Pacific Railroad, which goes out and hustles for business. They make up trains which haul onions, potatoes, apples, lumber products, minerals, et cetera, and they have to compete with the trucking companies for this business. They are out selling their services in order to get this business. They ship these products East; they route it to the Midwest, through Milwaukee and through Chicago, to the Penn Central. The Penn Central does not have to do anything, but all of a sudden the Penn Central gets the haul, and yet it loses money, while Union Pacific is making a profit.

Mr. Chairman, I think the gentleman from Texas has put his finger on the problem of the railroads. They are still operating under antiquated work rules and under antiquated rate rules, because of intervention and interference from the Government. That is the problem—too much government.

Mr. COLLINS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Texas.

Mr. COLLINS of Texas. Mr. Chairman, I appreciate the gentleman from Idaho yielding.

I am impressed with the efficiency of the Altoona shop but we want here to talk about the rest of the railroad.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield? I will have an answer to this problem.

Mr. SYMMS. Mr. Chairman, I have yielded to the gentleman from Texas, and I will yield later to the gentleman from Pennsylvania.

Mr. COLLINS of Texas. Mr. Chairman, let me answer this question.

The basic differences boil down to two areas. To start with the work rules are not modern, and the fact is the regulations are not fully comprehensive and crews are not efficient.

There is another side to this. They have had a merger of several railroads, and as a result they have a duplication of services and facilities in many areas; therefore, they have old, dead tracks that should be abandoned. I have heard that they have asked for as much as 6,000 miles of track to be abandoned. There has been application after application filed, but the ICC will never act on abandoning these tracks.

Before ConRail ever takes it over, they ought to abandon those dead tracks. They ought to have them discontinued, and they should be replaced with trucks. That is the way we do it down our way on short or infrequent hauls.

For instance, I heard of one situation where they had need of the railroad for transport for maybe 1 month out of the year. When there is a need for train service in only 1 month out of the year, one cannot maintain a railroad all year long for a 1-month haul. What we must do is abandon all these dead tracks.

Mr. Chairman, I have also heard it said that they are not allowed to touch any man in railroad union labor; they cannot replace him, any member of railroad union labor. They cannot relieve any of them. We have to be realistic. People who do not longer have a job to perform will have to be separated. They will have to go into another line of work where they can add to productivity.

Down home the other day I heard a typical story. I talked to a fellow who has been a lumber broker and who traded lumber by mill shipments. They do not have any work now as lumber sales are down because homebuliding is halted. As a result, this man's wife is out selling tile, and he is selling homes in a development. If people do not have work in their present field, they must transfer to different jobs.

Mr. Chairman, if this railroad simply does not have enough jobs for everyone, railroaders are going to have to go into other trades and vocations.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. Mr. Chairman, I have the time, and I will yield later.

I would like to say that I favor the amendment offered by the gentleman from Texas, and I hope it is adopted.

I now yield to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I will point out to the gentleman from Idaho that there is a way to solve this problem, and that is to deal with it when the system report comes from the U.S. Rail Association to the Congress this year, and at that time we can approve, amend or defeat the overall proposed ConRail system. But today is not the day to do that. This is emergency legislation.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for his comment.

In other words, the gentleman is saying to me that this really is not the solution; this is merely giving aspirin for the relief of a cancerous situation.

Mr. SHUSTER. No. If the gentleman will yield further, this is keeping alive the patient so we may have a chance and an opportunity to save his life.

Mr. SYMMS. In other words, we are giving plasma to a patient in the arm who has one foot off and the blood running out a leg.

Mr. SHUSTER. No, we are giving plasma to a patient who needs blood.

Mr. COLLINS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Texas.

Mr. COLLINS of Texas. Mr. Chairman, what we should bring out here and repeat again and again is this bill paid with borrowed money. Congress does not have this money. we are talking about a minimum of a $52 billion deficit this year and when we get through spending in Congress it will probably be over a $100 billion deficit.

When I was last down in my district, all the people were talking about inflation, inflation, inflation. And we all know inflation is due to the Government's spending money which we do not have. That is the bill before us, we are spending and borrowing more money which we do not have.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, I want to make two inquiries in connection with this discussion that we are having here. and see whether we will have a satisfactory answer—at least one which is satisfactory to me.

Mr. Chairman, I wish to ask if someone can tell me what percentage of the freight haul in this Nation originates within the Penn Central Railroad territory?

The CHAIRMAN. The time of the gentleman from Idaho (Mr. SYMMS) has expired.

Mr. LANDRUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, to continue the discussion. I will ask this question:

Can some Member tell me what percentage of the freight haul in this Nation originates in the areas served by the Pennsylvania Railroad or the Penn Central Railroad?

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the distinguished gentleman from West Virginia for the purpose of a reply to my question.

Mr. STAGGERS. Mr. Chairman, I can only make an estimate, and the estimate is that it is about one-third. I have heard that figure.

Mr. LANDRUM. About 30 to 35 percent?

Mr. STAGGERS. That is right.

Mr. LANDRUM. Of the Nation's freight haul originates in the area served by the Penn Central Railroad?

Mr. STAGGERS. Yes.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. Yes, I yield to the gentleman from Massachusetts.

Mr. O'NEILL. May I say to the gentleman that apparently he was not on the floor when I was making my remarks because I was giving a few statistics. For example, the automobile industry would go out of existence in Detroit in 1 month because of all the steel that must be moved.

Mr. LANDRUM. Mr. Chairman, I do not yield to the gentleman any further. I was not referring to the automobile industry.

Mr. O'NEILL. If the gentleman will yield further, I also made reference to the fact, of course, that 5,300 carloads of oranges come from Florida through Georgia up to Philadelphia, New York, and Boston alone: and we could go into all of the products of Georgia that have come into this particular Northeast section of the country.

I wonder how long the crops and the farmers of Georgia would exist if it were not for the fact that we had the Penn Central Railroad.

Mr. LANDRUM. Mr. Chairman, I thank the gentleman, but I do not yield any further.

I think I got the answer that is approximately correct, that about 30 to 35 percent of the freight hauled in this Nation originates in the area served by the Penn Central Railroad.

Now I want to ask another question, and that is, Why can a rail line such as the Southern Railroad operating over a much longer haul area, and primarily in an area that has had traditionally lower incomes than the area which this line serves, operate and make money all the time?

I say to the Members that it must be the result of something that we are overlooking here. I wonder if it is not about time that we took advantage of the expertise, the sound judgment, and commonsense that some people have in the management of other railroads and see if we could let them help get this business on a paying basis rather than to continue to soak the taxpayers and continue to carry this deficit, digging deeper and deeper into the taxpayers' pockets.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield on the point about which he is asking a question?

Mr. LANDRUM. Yes; I yield to the gentleman from Texas.

Mr. ECKHARDT. I have often thought that myself, but I suppose that is one of the benefits we in the South got by losing the Civil War. We never got those rail lines running to the little mill towns, so that we did not have to continue to operate them later and go broke in operating railroads with too much inefficient trackage.

Mr. LANDRUM. Thank you Mr. ECKHARDT for that timely observation. But I think we have the talent, we have the intelligence, and we have the business capacity to manage railroads, and it is being demonstrated day by day with the Southern Railroad, which operates in this country at a profit every year. It is time to use it and stop pouring taxpayers' money down the drain.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.

This goes to the very heart of the bill; if we adopt this, the only alternative is nationalization. If we cut out the money and do not do anything about it, the Government would have to take over and nationalize the railroad in this section of the country.

Therefore, Mr. Chairman, with that statement, I just urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. COLLINS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SYMMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. M'HUGH

Mr. McHUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McHUGH: Page 6, line 22, insert "(a)" immediately after "Sec. 4.".

Page 7, after line 24, insert the following new subsection:

"(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: 'The Office is authorized and directed to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.'"

Mr. McHUGH. Mr. Chairman, this amendment would do nothing more than simply expressly require that the public hearings be held on any supplement to the preliminary system plan.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I understood that the gentleman has offered an amendment—and I do not have it in front of me—wherein he authorizes and directs that public hearings be held. Did the gentleman put that in?

Mr. McHUGH. Yes, I did.

Mr. STAGGERS. This is completely different from the Senate language. If the gentleman from New York would take out the words "and directed", then I would, on this side, accept the amendment.

Mr. McHUGH. Mr. Chairman, I would be glad to do so if the gentleman from West Virginia would explain to me why we should not have public hearings on the supplement.

Mr. STAGGERS. If the gentleman will yield further, the answer is that there may not be a supplemental plan, and we do not want to direct them to do something that is not necessary. This would be completely different from the Senate language, and would necessitate that we go to a conference with the other body.

Mr. McHUGH. The gentleman from West Virginia would accept the amendment if those words were deleted?

Mr. STAGGERS. That is correct.

Mr. HASTINGS. Mr. Chairman, if the gentleman will yield, I might say that we are in accord with the gentleman from West Virginia on this side of the aisle; that we would accept the amendment with those words removed, so that we would not be directing them to do so when they might not have to.

I wonder if the gentleman in the well would ask unanimous consent to remove those words, and if he would do so then we could go along with the gentleman's amendment.

Mr. McHUGH. Mr. Chairman, I will do so. I would ask unanimous consent to resubmit the amendment, deleting the words "and directed" with the understanding that there would be no objection from either side of the aisle.

The CHAIRMAN. The gentleman from New York (Mr. McHUGH) has asked unanimous consent to modify his amendment by deleting the words "authorized and directed"; is that correct?

Mr. McHUGH. No; Mr. Chairman, my unanimous-consent request is to delete the words "and directed", so that the amendment would then read, that portion of it,

The Office is authorized to hold public hearings. . . .

So as to conform the language of the amendment to the language in the Senate version of the bill.

The CHAIRMAN. The Clerk will report the amendment in conformance with the unanimous-consent request to modify the amendment.

The Clerk read as follows:

Amendment offered by Mr. McHUGH: Page 6, line 22, insert "(a)" immediately after "SEC. 4.".

Page 7, after line 24, insert the following new subsection:

(b) Section 201(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

The CHAIRMAN. Is there objection to the unanimous consent request of the

gentleman from New York to modify his amendment as just read by the Clerk?

There was no objection.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from New York for yielding to me. This amendment is similar to one I submitted at the desk. I wish to call my colleague's attention to the fact that if a supplementary report is issued by the USRA to cover the Erie trackage included in the national rail network that such a report will almost certainly be issued subsequent to the March public hearings being held by the Rail Service Planning Agency.

Erie's lines are a vital component of the national rail system, and in many localities, including my own district, Erie lines form a major part of the rail service that keeps our businesses going. The public certainly should have the opportunity to be heard on any proposed changes in any of Erie's routings, and I support the amendment.

Mr. McHUGH. I thank the gentleman from New York.

I should like to reemphasize, insofar as our district is concerned, that in our area there can be no overstatement of the importance of the Erie-Lackawanna to our people, and it is imperative that we have the opportunity to have the input of our people on any supplement affecting the Erie-Lackawanna.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. McHUGH), as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 7 after line 24 insert a new section 5 (and number the succeeding Sections accordingly).

SEC. 5. (a) Section 208(a) of the Regional Rail Reorganization Act of 1973. The sentence "The final system plan shall be deemed approved at the end of the first period of 60 calendar days of continuous session of Congress after such date of transmittal unless either the House of Representatives or the Senate passes a resolution during such period stating that it does not favor the final system." is amended by deleting the language after "shall" and inserting in lieu thereof "be voted by each House of Congress within the period of 60 calendar days of continuous session of Congress after such date of transmittal."

(b) Section 208(b) of the Regional Rail Reorganization Act of 1973, is amended—

(1) by striking out the words "passes a resolution of disapproval" and inserting in lieu thereof "rejects the final system plan."

(2) by striking out the word "review" in the second sentence and inserting in lieu thereof "a vote."

Mr. DINGELL. Mr. Chairman, I reserve a point of order.

Mr. ASHBROOK. Mr. Chairman, I think it is rather interesting that this Congress, supposedly being known as a reform Congress and an open Congress, is once again going down the old worn track of letting inaction rather than direct action rule us.

The purpose of my amendment is very simple. It does not get into the intricacies of the financial problems of the railroads. This amendment is simply one of policy. It is to allow the people of the United States to know how their elected Representatives stand on the finalized railroad system plan. As the legislation now stands, the finalized system plan can be approved without any congressional action. All Congress has to do is to allow 60 continuous days when it is in session to go by, and the final plan will become law.

Railroad reorganization of the Northeastern States is too important an issue for this type of inaction—and I stress the word "inaction." We should not legislate by inaction. We should have a definite "yes" or "no," an up or down vote.

The railroads under consideration over an area that plays a vital role in our commerce and manufacturing and thereby in our whole national economic life. My amendment would allow—indeed, I should change the word "allow" to "require" the Members of Congress to definitely show their constituents how they stand on the final plan. It is so easy to pass it on to someone else and say, "Oh, I do not like what they came up with, but my hands were tied."

I think we ought to have the final plan before us and consistent with our constitutional and proper responsibility, vote "yes" or "no," vote up or down our proposal, and not allow our inaction to legislate.

Mr. Chairman, I yield back the remainder of my time.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on his point of order?

Mr. DINGELL. Mr. Chairman, I make the point of order on two bases, the first of which is that under the rules of the House the proponent must have made copies of the amendment available to the cloakroom of the majority and the minority. They must have made the necessary number of copies available both to the reading clerk and to the two committee desks. I have checked with both of the committee desks and find that this rule has not properly been complied with.

The second point of order, Mr. Chairman, is that the amendment goes beyond the scope of the legislation before us. It deals with sections of the statute not currently before the House, and as such it seeks to go to matters on which Members of this body could not, in the exercise of reasonable prudence and care, have been forewarned as to the existence of the pendency of this particular amendment, and that therefore the amendment is violative of the rule of germaneness and is not properly before the body at this time.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. ASHBROOK. Yes, Mr. Chairman.

I would say for the first point, my friend, the gentleman from Michigan has raised, that copies of the amendment were not placed at both desks and delivered to the Clerk's desk, if that falls short I guess that point of order would have to be upheld.

As for the second part, it is very clear that the entire matter is before us. We are talking about the bill as it now stands, referring to a prospective date of 60 days when the plan would go into operation. All my amendment does is to change that, to make it affirmative action rather than negative action of the House that is required. I think it is consistent with the precedents and the point of order should be overruled.

The CHAIRMAN (Mr. FLOWERS). The Chair is prepared to rule.

On the first point of order as raised by the gentleman from Michigan, it is not the immediate responsibility of the Member under the rule to see that the distribution of the copies is made and consideration of the amendment cannot be prevented for that reason. Therefore the first point of order is overruled.

As to the second point made by the gentleman from Michigan, the Chair has examined the amendment as well as the "Ramseyer" in the report on the bill under consideration and, in the opinion of the Chair, the bill under consideration amends several sections of the act, and is so comprehensive an amendment as to permit germane amendments to any portion of the law. The amendment offered by the gentleman from Ohio is germane to the section 208 of the act which provides for review by Congress. Therefore the Chair overrules the point of order raised by the gentleman from Michigan.

Mr. HASTINGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I share, frankly, the viewpoint of the gentleman from Ohio, but I have no hesitation at all about voting positively on this when the matter comes before the Congress. I can assure the gentleman that as a practical consideration someone in this body of 435 Members is going to demand a vote. It must come before the Committee on Interstate and Foreign Commerce, the appropriate committee, and be reviewed, and it will have to be referred back to the floor.

But I would like to point out to the Members that the more we add to this bill that is different from the Senate bill—and we are talking today here about the necessity of getting a bill out and of getting approval—the more we add on a series of amendments, the more we can assure ourselves of the possibility that we will not have a successful conference with the Senate. So I would ask the Members of the House not to approve this amendment, and the House should be aware at the same time that we will have a general review of the final system plan as it will be presented.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, the gentleman says we will have a vote on the final system plan. Can the gentleman explain?

Mr. HASTINGS. Of course, the reorganization bill requires the final system plan to be referred to the appropriate committee, the Interstate and Foreign Commerce Committee. That committee must come up with a final system plan which must be reported to the Congress, and Congress can take negative action or, failing that, the plan will be approved.

But I can assure the gentleman that in the final plan there will be some plans recommended for elimination and many Members will insist that we vote on this measure.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield further?

Mr. HASTINGS. I yield to the gentleman.

Mr. ASHBROOK. Is it accurate to say but when he indicated we would have that rail report before us that he was talking about "we in the Committee on Interstate Commerce" and not we as 435 Members of Congress?

Mr. HASTINGS. I am confident that the measure will come before the House for its consideration.

Mr. ASHBROOK. But the gentleman cannot say with any assurance that there will be a bill before the House?

Mr. HASTINGS. I cannot assure the gentleman that I will even be here tomorrow; but the best of my understanding is that we will have that opportunity.

Mr. ASHBROOK. I appreciate the gentleman's honesty and candor. I only can say I strongly disagree with him in one respect and that is again putting the burden of hasty action on what will happen in the Senate. How many times do we hear that? We hear that so many times from the conference Members and we have to accept something that we do not like because we cannot go back to conference.

Mr. HASTINGS. I might say the time for this amendment would have been when we passed the Railroad Reorganization Act in its original form back in 1973. I would have supported it at that time.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Does the gentleman actually believe that the final systems plan will not be subject to vigorous attack by those Members who find themselves with no railroad service, with tracks abandoned? That they will not come forward and make their voice heard—loud and clear.

Mr. ASHBROOK. Let me say to my good friend, the gentleman from Kansas, that without this amendment we are confronted with the situation that the 435 Members would be in the position of having the opportunity to or not act on the basis of what the leadership wants to do in the Congress, on the other hand, if my amendment is passed, then we are assured that we will have a vote. There would be no stalling, no in between. There is a great difference between saying we think we are going to have the vote and having an absolute right to vote. Let us not be inaction allow this important reorganization to go into effect without a straight vote.

If the gentleman thinks that way, he had better make sure we have that vote, lest we are left to the tender mercies of the leadership and they say that they will not bring it before the Membership.

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, that is an obnoxious bill. I gravely doubt if there is any Member of this body who likes the idea of anteing up this amount of money because the railroads have been poorly managed and poorly administered, not only by its operators in its life as an independent corporation and now by the trustees during the period of time that it has been turned over to their questionable handling. The hard fact of the matter is that the bill, the alternative to this legislation properly passed, is a shutdown on the Penn Central.

The committee that has brought the bill to us has gone into this with some care. We sought to see to it that the public interest is safeguarded, that the railroad gets as little as possible as is necessary under the law to assure that it shall continue functioning until such time as the reorganization can be recommended to the Congress by the U.S. Railroad Association and we can begin the reorganization of the railroad under that proposal.

Now, it is great fun to offer amendments to this proposal on the floor today. I have no doubt that every Member sincerely thinks that the original Northcast Railroad Organization can be or could be or should be perfected and, like most of my colleagues, I can show places where that statute should be improved, but again the hard fact of the matter is that that choice is really not before us today, because the Penn Central is going to begin to be embargoed on the 18th of this month. We would have found ourselves at this particular time with an embargo on our hands if we could not show that this proposal was going forward and that the money would be available to meet its payroll and other obligations when they become due.

It is fairly easy to carp the railroad for its work rules, its insufficient management and that sort of thing, but that is not before us. The real question is that the gentleman from Ohio and others who have offered amendments want to see the Penn Central closed down, with all the accompanying effects. I have mentioned this to the gentleman from Ohio, and I will yield to him, not at this particular time, but I intend to.

We have a situation here where, unless the money is forthcoming and we do not get bogged down in a conference with the other body, that we may yet see Penn Central close down. It may be that the amendment offered by the gentleman from Ohio has a great deal of merit. I am not satisfied that it does and I am not satisfied that it does not.

It essentially changes the way the House is going to approve or disapprove Penn Central. It is the thesis of my friend from Ohio that this proposal will require a vote. I would very gravely doubt if there is any way that this body, given the circumstances it is going to find itself in when Penn Central comes back before us, is going to be able to avoid a vote. That, again, is not really the question before us. The Commerce Committee is open for business. If the gentleman has an amendment he would like to offer to the statute, he can present it. The committee, I am sure, will consider the amendment and we will be making a continuing review of the circumstances affecting it.

Again, I want to tell my friend from Ohio that I am dissatisfied with the way the trustees have functioned; I am dissatisfied with the way the court has proceeded; I am dissatisfied with the way the Department of Transportation has functioned. But, that again is not the question.

The question is, are we going to do things that are going to complicate this legislation to the point where we could get confusion and cause the railroad to go under? Let us look at the situation. If Penn Central goes down by reason of complication of this legislation, by reason of this body in a great burst of enthusiasm adopting a lot of amendments of greater or lesser merit, we are going to see within a week the auto plants shut; within 2 weeks, the steel mills may be down, and freight of all kinds such as perishable foodstuffs and coal for the generation of electricity will be stopped.

If we want to gamble with legislation that has been carefully considered; if we want to gamble on whether or not we can come forth with a quick agreement, then just persist with the amending of this bill, and very shortly we will find that the situation will have come about to the point where we are going to have a confrontation with the other body. We might be able to arrive at an agreement in getting the money into the hands of Penn Central to prevent the unconstitutional erosion of the creditors' rights as the court has said, and close down the disaster which now threatens our country.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. ASHBROOK. Mr. Chairman, will the gentleman now yield to me?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I would simply ask my friend from Michigan, who indicated that the issue was not management and not, of course, reorganization, but rather a continuation of the rail operations. I agree that continuation of the rail system is necessary and may, with some reluctance, support this very imperfect legislation, but I happen to think the question here is how this Congress operates. I certainly cannot understand my friend from Michigan, with his record over the years, thinking there would be anything wrong or dangerous with the concept of the Members of this body having the final say of not letting something this impor-

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tant go into effect without a straight vote. Now, everybody has agreed the gentleman from Kansas, the gentleman in the well, and they have indicated that there will probably be a vote. The gentleman says, "I do not see how we can escape it."

What is wrong with positively saying that we will have a vote?

Mr. DINGELL. I am sure the gentleman offers his amendment in good faith, and I am satisfied that my other colleagues who have offered amendments did offer them in good faith. I think there is real merit in the gentleman's thesis that we should see to it that the House and Senate vote on this particular proposal. I have no difficulty in casting a vote for or against it when I have had a chance to go over it.

I would assure the gentleman that we are going to vote, but my comments are not only in opposition to this amendment, but more importantly, they are in opposition to the whole idea of adopting a sequence of amendments to this proposal which may have great merit and may have no merit, without study under circumstances where they might prevent speedy enactment of the proposal before this body to keep Penn Central going. That is the real objection to this. The collateral objection is the fact that the committee has not studied the gentleman's amendment.

Mr. ASHBROOK. Mr. Chairman, if the gentleman will yield further, I can understand the gentleman has a certain great pride of authorship——

Mr. DINGELL. I have no pride of authorship in this. I think it is a miserable piece of legislation.

Mr. ASHBROOK. Having been a member of the Committee on Education and Labor for 14 years, about every bill we have that comes out of that committee, we have instant experts on every phase of education and labor, and I never feel like anybody is challenging any particular area of my expertise. When we find ourselves in a different position and in another committee's bill it is like a personal invasion.

Mr. DINGELL. The gentleman is in error on that. That is not my comment at all. I am not prepared to say whether the gentleman has done this correctly or not. I have not studied the amendment. As the gentleman well knows, copies were not made available on this side in time to study the amendment. The gentleman is a capable legislator. I do not quarrel with that or his ability to draft labor legislation. But this railroad legislation is another matter at hand.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(On request of Mr. BOLAND and by unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. DINGELL. I thank the gentleman, and I yield to my friend from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I want to commend the gentleman for his statement. I think he states the issue precisely. The important thing is that the Penn Central continue to operate.

The gentleman has said shippers on the Penn Central Railroad have been informed of an embargo of cargo by the railroad if financial assistance is not approved. That will happen, there is no doubt about it. If grant money is not made available to the Penn Central I know the Northeast will be facing dire results.

Mr. Chairman, H.R. 2051, the Regional Rail Reorganization Amendments of 1975, has often been described during its short life, as one in a series of fruitless attempts to fill the proverbial bottomless pit. The Penn Central Railroad, at once the Nation's largest rail carrier and the most debt-ridden, threatens to collapse once again. This time, however, complete cessation of all freight haulage will occur unless immediate and massive amounts of Federal assistance are provided within a matter of days.

This situation, of course, is not a new one. Members are accustomed to hearing this sort of appeal on a regular basis. The consistently unfortunate aspect of it all is that the alternative, up until recently, was for Congress to pay up or face the swift rendering of the Northeast from a populous, business theater into an economic wasteland.

Mr. Chairman, this bill provides $347 million in additional assistance to the Penn Central and certain other bankrupt lines in the Northeast. It does not however, do so within the framework of hopeless irresolution concerning a final, recuperative solution for the rail service in the region. In 1973, Congress passed the Regional Rail Reorganization Act which proposed at last to restore some orderly and viable form to the railroads in the Northeast crippled by bad management and sinking revenues. The Act established the U.S. Railway Association to plan and present to the Congress a plan for rail reorganization in the Northeast which could guarantee a profitable, competitive private system for rail traffic. This system was to be acquired from the bankrupt roads and operated by ConRail, the Consolidated Rail Corporation, with the help of massive amounts of Federal grants and loans.

USRA's preliminary system plan, appropriately enough, is due to be presented to this body on February 26, scant days away. The day before and the 2 days following are the payroll dates on which the Penn Central trustees assert that they will be unable to pay their employees without this new Federal assistance. I believe that the House should provide the grants and loans which the Interstate and Foreign Commerce Committee has recommended for the very reason that these funds will not go down the drain. They will supply the needed funds to keep operating these various lines, and in particular the Penn Central, for the few months that remain until ConRail can commence operation of a reorganized—and soon to be rejuvenated—rail system in the Northeast. Approval of $197 million in new grants and $150 million in federally guaranteed loans makes sense because the end to bankruptcy, uncertainty, and unprofitability is close at hand.

Only a healthy railroad system can aid this country, and particularly the industrial Northeast, to return to the economic prosperity of which recession has so recently robbed us.

Mr. Chairman, my commitment to the reorganization of rail service is a long-standing one. I had the great privilege to work closely with the most principal author of the Rail Reorganization Act, the distinguished gentleman from Washington, Mr. BROCK ADAMS. The 25-member New England Congressional Caucus, of which I am the cochairman, labored long and hard to insure that key elements of the legislation protected all railroad users, large and small. The caucus, under my leadership, continues this concern in the shaping of a final systems plan for ConRail. We continue to meet with and exchange views with the USRA on the developing issues involved in rail reorganization, particularly that of branch line abandonments. I myself have maintained a constant barrage upon USRA officials of comments and informational statistics so as to insure that important feeder lines, such as the one which serves the East Longmeadow Industrial Park outside of Springfield, Mass., in my congressional district, are maintained and eventually included in ConRail's operations.

Because of my involvement in the enactment and implementation of this legislation, I urge this body's approval of the amendments before us today. The amounts, it is true, are large—much larger, obviously, then we had anticipated would be necessary to support these railroads until the final system was finalized. What was not foreseen by the Congress, of course, was the economic slump which now characterizes our economy. This hurt the railroads in terms of freight hauled, particularly the drop in auto shipments. The coal strike and doubled fuel bills also dealt severe blows.

My message to those Members who hesitate at the principle or shrink at the amounts of this bailout is simply that we are not off track in bringing the dream of a healthy rail system in the Northeast to reality. A coherent proposal is being worked out of the chaos that now confronts us. It would be tragic to stop now in our attempt to restructure these railroads. The alternative, after all, is merely more of the same kind of last minute pleas for assistance that this legislation before us might otherwise be, if it were not for the Regional Rail Reorganization Act and the promise that it offers us. Too much is at stake. Any gains would be worth rejoicing, but we have in sight a permanent revitalization. I believe we must seize it as the only feasible permanent solution.

I was one of the members of the Appropriations Committee, which yesterday voted to tentatively approve $100 million of the $197 million figure in this bill for direct Federal grants to the railroads. The committee is willing to move as swiftly as possible after this bill has been approved. I urge its immediate passage.

Mr. DINGELL. I thank the gentleman. I want to say one thing for the benefit of my colleagues in the Chamber, and that is this: This bill, as it is drawn and presented in the House, would almost have been accepted by the Senate without conference. The more we tinker with this bill, the more probability there is of compelling the House to go to conference with the Senate. The Members know that a conference with the other body is always chancey. There is, as my friend from Ohio well knows, enormous pride of authorship in the other body. So if we want to jeopardize this legislation, jeopardize the continued operation of the Penn Central, then keep on amending this legislation and give the Senate another shot at it and we will get into questions like the salary of the head of Amtrak and a lot of other things that do not properly belong in this legislation and that will create problems and will make legislation more obnoxious for the majority of this body.

I urge the Members to reject this amendment and all other amendments to the legislation.

Mr. COLLINS of Texas. Mr. Chairman, I move to strike the requisite number of words.

Because of the serious nature of the future economic implications of this bill, I want to review the finances. The Penn Central Railroad loses money every year, but it is losing more this year. Congress has been working on Penn Central, and this will be the sixth year. We have not done anything in a constructive way to improve the system; to help them attain profitable operation.

In 1973, according to my figures, they lost $189 million. In 1974, the Penn Central lost $200 million. But in 1975, the first estimate is they will lose $341 million, and they believe it will be more than that. In other words, they will probably lose $400 million. This will be twice as bad as last year.

Everybody here is interested in working labor of all types of employment.

Mr. Chairman, we have a habit in Congress of treating railroad people as favored employees. For instance, last year we passed a big bill for railroad people; in that legislation we allowed railroad workers to retire with full benefits at age 60.

That does not apply to other industries. People who work for a cotton mill, for instance, cannot retire at age 60 with full benefits, they retire at age 65.

The railroad worker will pay in 5 years less than other workers, but railroaders will draw full benefits at age 60.

We have men in the automobile industry who do not receive those benefits, and that industry is hurting real bad right now. They are about to run out of their layoff reserves, and they have used up their unemployment insurance. When they run out, they have had it, whereas in the railroad industry, the economy of the railroad lines is such that they no longer need a full crew and yet they have more people working for the railroad than we can justify economically. We do not let management separate from service any number of surplus personnel; we do not let them put those people in other lines of gainful occupation.

Mr. Chairman, we are going to have to act here and face up to the economic facts of life. With regard to Penn Central or any other railroad line, whether it goes into ConRail or however it operates, these railroads have got to abandon those dead tracks, and they have got to let people get into other lines of work when they are no longer needed as crews on the Penn Central or any other railroad.

This amendment, as it has been brought out, is a very sound one.

Mr. Chairman, I will ask the Members in this hall to keep remembering this: When you go back to your districts, you will find that your constituents are talking about inflation, they are worried about inflation and the reason we have inflation in this country is because here in Congress we are spending money which we do not have.

This money we are talking about for Penn Central will have to be borrowed. This is money that is going to be borrowed, is going to increase the national debt. We must stop this deficit financing, and this is a good place and a good time to stop congressional deficit spending.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I understand the gentleman's position. He has spoken about the work rules with respect to the labor force and the effect it has had on the cost of doing business.

We have two amendments before us today which are coming up for consideration and relating to rail abandonment. The roads have already been discontinued, but these amendments would put them back in operation.

We have one amendment that seeks to stop any abandonment proceedings until December of 1976.

We just cannot have our cake and eat it. We cannot continue providing service on railroads that are unprofitable and then criticize the railroads for not cutting costs, so it is not labor costs that are responsible for high industry costs.

Mr. STAGGERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I will speak only briefly. In regard to the amendment as offered by the gentleman from Ohio, I think he has offered it in good faith, thinking it would be helpful to the bill.

However, I wish to say to the gentleman and to the Members of the House that the amendment would be a hindrance at this time. We are hoping to get this bill passed this afternoon, and then it will be passed by the Senate.

I might say that we have set up the USRA to do this planning, and if this amendment were adopted, the matter would come back here and we would have to rewrite the whole plan here on the floor. There would be pressures from every section of the country and from every segment of society.

These are professional planners whom we have set up to do the job. We will have to make a decision when it comes back here.

So, Mr. Chairman, I ask that the amendment be voted down.

Mr. VIGORITO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to urge my colleagues to adopt legislation to amend the Regional Railroad Reorganization Act which is being considered today.

This desperately needed legislation would authorize emergency financial relief to the Penn Central and other bankrupt northeast railroads, in addition to providing the mechanism for the Erie-Lackawanna Railroad to be included into the rail reorganization.

I would urge my colleagues to consider the following points of this legislation. First, there are the legal considerations involved in the proposed amendments to section 207(b) of the 1973 act. Second, is the urgent cash needs of the northeast railroads. Third, is the realization of the possible human suffering if the northeast railroads are forced to liquidate.

Mr. Chairman, as you are aware, there are several legal issues which have been raised about the proposed amendments to the 1973 Rail Reorganization Act. It is my understanding that the Erie-Lackawanna Railway Co. attempted to reorganize under section 77 of the Bankruptcy Act. However, because of serious cash flow problems caused by deepening recession, Erie-Lackawanna has found it no longer possible to reorganize under section 77 of the Bankruptcy Act. Consequently, the Erie-Lackawanna has only two alternatives: First, it can close down operations; or second, it can be incorporated under the Rail Reorganization Act. I believe the only acceptable alternative is the second, which, however, requires that the Congress amend section 207(b) of the 1973 law so that the Erie-Lackawanna can be restored to the status of a "railroad in reorganization" which is necessary for the continued operation of essential transportation services. From the facts, it is clear that the Erie-Lackawanna is no longer a profitable railroad and should not be expected to operate as one, and indeed cannot continue to long function as one.

Another critical reason for this legislation is to help ease the urgent need for cash to continue the basic function of a railroad delivery system. For example, at present the Erie-Lackawanna is only making such repairs that are absolutely necessary to keep the rail cars operating. In the last year Erie-Lackawanna's percentage of main line under "slow orders" has increased from 3 percent to more than 20 percent, which means that Erie-Lackawanna is in imminent danger of falling into total disrepair. We, in Congress, must insure adequate delivery systems of our marketable goods. One way to insure this in the Northeast is by upgrading the Erie-Lackawanna into a truly serviceable railroad once again.

Finally, I believe that we in Congress must consider the human suffering that will occur if we do not take the action presently before this Congress. The Interstate Commerce Commission estimates a shutdown of the Penn Central would result in a 5.2-percent decrease in the rate of economic activity in the Northeast, a 4-percent decrease in other regions of this Nation. The ICC also

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projects that an 8-week shutdown would result in the real GNP falling by an additional 3 to 5 percent. It is my understanding that, if the Erie-Lackawanna collapses, 10,000 of its employees would be added to the unemployment rolls. If these workers become unemployed, we must remember that the maximum railroad employees receive in unemployment compensation is $63.50. It is further projected that within a few days following dissolvement of the railroad, additional layoffs would occur affecting the employees of shippers who formerly used the Erie-Lackawanna. Surely, we, in Congress, have a public responsibility to the people who work for and are served by these northeast railroads to avert the tragic impact of the tremendous job loss which would occur if these railroads fail.

In closing, I would like to relate that my district has been greatly impacted by the present curtailment of Erie-Lackawanna services. Erie-Lackawanna has closed its principal car repair facility at Meadville, Pa., which has created extreme economic suffering in this community. As a result, I rise to seek your expeditious and positive consideration of the legislation presently on the floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

The amendment was rejected.

AMENDMENT OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GILMAN: Page 10, line 12, strike out the period and insert in lieu thereof", including a provision that the Poughkeepsie Bridge maintenance be undertaken pursuant to the agreement between the Secretary and the trustees of Penn Central that the Poughkeepsie Bridge shall be completed pursuant to the terms of the agreement.".

Mr. DINGELL. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) reserves a point of order on the amendment.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I am offering this amendment to H.R. 2051 to condition payment of these emergency funds for railroad property maintenance under section 215 upon the prompt and expeditious repair by Penn Central, of the Poughkeepsie Rail Bridge over the Hudson River in New York.

The Poughkeepsie Rail Bridge, which is the major connection to New England by rail, was severely damaged by fire last May, making it inoperable. Since then, despite continued avowals by Penn Central, by the State, and by the Federal Department of Transportation that they see wholeheartedly desire to repair the bridge, not one spike has been driven, not one hour of repair work has been accomplished.

Despite the fact that the Penn Central has been ordered to repair this bridge by both the State of New York and the Federal Government, no progress has been made to date.

The survival of another railway, the Lehigh and Hudson River Railway, an important North-South link that skirts around the Metropolitan New York area is dependent upon its being able to utilize this bridge.

This rail bridge has been recommended for inclusion in the ConRail system because of its vital importance to the national rail network. But conveyance of the property to ConRail will not come about for at least another year, and that will be much too late for the ailing Lehigh and Hudson River, a bankrupt carrier whose financial problems are being compounded daily by the additional costs of shipping freight by roundabout routes rather than the direct route crossing the Poughkeepsie Bridge.

It leads us all to question, after the delay and obstruction we have witnessed from Penn Central, whether the railroad's trustees, left to their own devices, really are concerned about public service and whether they intend to repair this bridge at all. Since this is such an important link between New England and the rest of the Nation, and because of the disastrous financial consequences being suffered by the Lehigh and Hudson River Railroad, I urge my colleagues to support this amendment. The cost of repairing the bridge comes to about $1 million, a small fraction of the total funding committed by this bill.

Moreover, the State of New York has set forth its willingness to pay one-half of the total cost of the bridge repair. Since the Federal Department of Transportation has also indicated its willingness to contribute to the bridge repair, the actual amount of funding required from this emergency appropriation is approximately $350,000. Favorable action on this amendment will result in saving the ConRail money a year from now, and will enhance more effective rail service for the Northeast.

I urge my colleagues to support this amendment.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from New York.

Mr. HASTINGS. I thank the gentleman for yielding.

I am very aware of the problem of the bridge that the gentleman is referring to. Although it is not close to my district, it is in the State of New York.

I have been made aware of the verbal agreement that has been reached, as I understand, among the Department of Transportation, the State of New York, and the Penn Central Railroad, with a breakdown of the costs included for the repair of that bridge.

It is my understanding further that there is contemplated the reconstruction of that bridge at an early date. With that matter drawn to my attention by the Department of Transportation and for the reason that the gentleman from Michigan (Mr. DINGELL) outlined, encumbering this bill so that when it goes over to the Senate for a conference, it will have all varieties and types of amendments, would not be desirable. Therefore, I would hope that the gentleman could reconsider and withdraw the amendment, with the assurance that there will be continued interest in this committee and by this gentleman as to the problem relating to that bridge at Poughkeepsie.

Mr. GILMAN. Mr. Chairman, while the gentleman is absolutely correct that there have been negotiations going on about the bridge, and that there is an apparent agreement, what I am concerned about is that such agreement reach fruition and be expeditiously implemented. At this point there has been no indication, either from the railroad or from the agencies, that this will occur in the near future.

What is of grave concern is the preservation of the Lehigh and Hudson River railroad, which could go under if this repair is not made expeditiously.

May I ask the gentleman from New York (Mr. HASTINGS) if he would yield.

Mr. HASTINGS. Certainly, I yield to my colleague, the gentleman from New York.

Mr. GILMAN. Does the gentleman have some assurance that this bridge repair would be implemented promptly?

Mr. HASTINGS. I always hate to speak for somebody else, I might say to the gentleman, but just as a matter of fact, I have had indications from the Department that they are interested and concerned.

Again, for the reasons I have stated with respect to this type of amendment relating to a specific project, if we were to continue consideration of this bill and then take up every section of every line that is impacted, which an individual Member would like to amend in this act, which is primarily to save the railroad, I think it would amount to a destruction of the bill.

With that limited assurance, and I personally cannot tell the gentleman more, although I can give him references to the people who have talked to me about it and who would be most happy to cooperate with the gentleman in assisting him in getting expeditious action on this Poughkeepsie Bridge, I would urge him to withdraw his amendment.

(By unanimous consent, Mr. GILMAN was allowed to proceed for 2 additional minutes.)

Mr. GILMAN. Mr. Chairman, I would like to direct a question to the chairman of the committee.

Mr. Chairman, will the chairman, the gentleman from West Virginia (Mr. STAGGERS) assure us that there will be some assistance forthcoming from his committee in making certain that this important rail bridge is repaired within a reasonable time?

Mr. STAGGERS. Mr. Chairman, if the gentleman will yield, let me say to the gentleman from New York that we could not under the law assure the gentleman that this is going to be done. But let me say to the gentleman from New York that there is money enough in there to repair the bridge, and we would hope that this will be done. We would also try to do whatever we could so that it will be done. And I want to assure the gentleman from New York that the interest and the need for this being done is there.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for his statement.

Mr. Chairman, based upon these assurances and the statements that have been made, I ask unanimous consent that I may be permitted to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. KEMP

Mr. KEMP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEMP: Page 8, line 15, strike out " 'Where the Secretary" and insert in lieu thereof " 'Such an agreement to maintain and provide such service shall provide that, notwithstanding any other provision of law, rail properties on which rail service was discontinued within the three year period prior to the enactment of this Act will not be abandoned unless the Secretary determines that future rail service on such property is not required by the public convenience and necessity Where the Secretary".

Page 10, line 12, strike out the period and insert in lieu thereof ", including a provision that, notwithstanding any other provision of law, rail properties on which rail service was discontinued within the three year period prior to the enactment of this Act will not be abandoned unless the Secretary determines that future rail service on such property is not required by the public convenience and necessity.".

Mr. KEMP (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DINGELL. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) reserves a point of order on the amendment.

Mr. KEMP. Mr. Chairman, the purpose of my amendment is to assure the taxpayers and users of our railroads that no rail right-of-way which may be of future benefit to our transportation system be abandoned without such abandonment being first considered by the Secretary of Transportation.

More specifically, the approval of this amendment is vital for the best, most efficient and safe routing of Amtrak's Boston-to-Chicago rail passenger trains via Buffalo.

Early in 1972, Mr. Roger Lewis of Amtrak assured officials that Amtrak was requiring Penn Central to maintain continuity of tracks between Boston and Rensselaer, N.Y. I should point out that during this time many of us in Congress, from the States of Massachusetts west to Michigan, were appealing to the Department of Transportation for approval of service for more than 20 million Americans in the densely populated water level route.

Despite Mr. Lewis' assurances, the rails were removed from a 12-mile right-of-way in 1972.

If the right-of-way is allowed to be abandoned, soon-to-be initiated Boston-to-Chicago passenger service will require trains to use a bypass which poses a number of serious problems.

The bypass will require trains to back up several miles, including a stretch across the Hudson River over a bridge of questionable safety.

We who fought for approval of this service were assured it would be first class service.

We do not think that passengers will appreciate a long backup. We do not think passengers will appreciate a delay of as much as 45 minutes.

And we would hope we can prevent abandonment of a right-of-way which, if reacquired in years to come, could be extremely costly in comparison to the comparatively nominal cost of replacing rails and ties on the 12-mile segment between Rensselaer and Post Road Crossing.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I am happy to yield to my friend and colleague from New York.

Mr. HANLEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the very reasonable amendment offered by the distinguished gentleman from New York (Mr. KEMP), which, if adopted, will have the effect of precluding what happened in 1972, wherein an overture was made during the divestiture which ultimately could have proven very costly. So in concurrence with the overall plan for ConRail, it would be well that we preserve this right-of-way, and the best way to do it is through the adoption of the amendment offered by the gentleman from New York.

I commend the gentleman.

Mr. KEMP. I appreciate my colleague's comments and support.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Kansas.

Mr. SKUBITZ. I thank the gentleman for yielding.

This is a rather unusual case, it seems, because if I understand my colleague correctly, he is suggesting that if the rail service has been discontinued, it cannot be abandoned. But really is it not true that there are no tracks to abandon? The rails have already been removed.

Mr. KEMP. That is true, but the matter is still pending in the courts.

Mr. SKUBITZ. There is not any railroad to abandon, is there?

Mr. KEMP. Yes; but the case is still pending, and we want them rebuilt.

Mr. SKUBITZ. What the gentleman is suggesting is that it has been discontinued; the rails have been taken up. So we would have the railroad build a new track; is that what the gentleman is saying?

Mr. KEMP. The track would have to be restored. That is exactly it, but since the case has not yet been decided, it is not retroactive to the extent that the gentleman mentions. It would be a small investment but yield great dividends in service to the people of the Northeast.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I will be glad to yield to my colleague, the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding to me. I do not think it is quite clear just what this situation is. This is a case where what we are trying to do is bring a decision of the Interstate Commerce Commission into line with another decision of Amtrak. At present they are at cross-purposes. The ICC gave the Penn Central railroad in 1973 the right to abandon 12 miles of track just east of Albany, which is in my district. And then in 1974 Amtrak announced that they were instituting a brand new passenger train going all the way from Boston to Chicago. But after Amtrak made that announcement, they discovered that 12 miles of the track this new train was going to use had been torn up and there was no track at all.

The attorney general of the State of New York took this matter into court, and got an injunction against the Penn Central Railroad to prevent them from selling the 12 miles of right-of-way.

I appreciate the position of the chairman of the Commerce Committee. We New Yorkers do not want to delay this bill or complicate it in any way. All of us know how important the Penn Central is, and we want to keep it going. But at the same time, if Congress and the American taxpayers are going to give the Penn Central another $250 million, is there not some way that we can get their attention to do some of the things that need to be done to promote better rail service in the Northeast? I do not know whether this amendment is the best way to do it or not. But this is the only way we can get their attention on this floor today.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, what the Kemp amendment will do, if I understand it correctly, will not cost a nickel to anybody; but it will get the attention of the Penn Central Railroad and it will tell them they ought to make this vital right-of-way available to Amtrak so that the purposes of Amtrak and the purposes of the Railroad Reorganization Act can both go on together rather than continue to operate at cross-purposes. If something along this line is not done, whether incorporated in this bill or somewhere else, what is going to happen is that this great, new, express rail service between the great city of Boston and the great city of Chicago, when it reaches Albany, the capital of New York State will have to back up down the Hudson River, go across an old trestle and then go back up to Albany, thereby delaying the whole procedure for an hour or more. Obviously, nobody is going to patronize a rail service that cumbersome, and so if we cannot correct this absurd situation by means of this amendment, perhaps the chairman of the full committee Mr. STAGGERS can tell us some other way we might get this done, because it certainly needs to be done in the interest of real railroad efficiency across virtually half of this country.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the distinguished chairman.

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Mr. STAGGERS. I thank the gentleman for yielding.

First, I would like to say that this added new agency for the determination of the abandonment and discontinuance in the Department of Transportation would be completely unacceptable to the committee, to the Congress, and to the Senate. This would force us into a conference and might delay this.

I would say to the gentleman I understand what he and the other gentlemen from New York are trying to do, which is to see that Amtrak proceeds from Boston on through Buffalo in the most expeditious manner. We are going to have a bill up within the next 2 months, and I just put it in the hopper today, which has to do with Amtrak. That will be the proper place for us to take care of this.

I would say to the gentlemen the purpose of Amtrak was to increase the passenger service across America. We need that more now than ever before because of the fuel situation. I will do everything I can as chairman of the committee to see that this is completed and carried out as they promised and we will emplace it in the Amtrak bill, but this is not the place for it.

I will ask the gentleman from New York and the other gentlemen if they will not withdraw their amendment and in the Amtrak bill we will try to see that it is done at that time.

Mr. STRATTON. Mr. Chairman, I would certainly have no objection to that procedure. But let me just say, the attorney general of the State of New York tells us that there is a February 27 deadline on this matter in the courts, and somehow we have to get the message across to the Penn Central not to sell this particular 12 miles of vital right-of-way. If the chairman can get that message across, then maybe as he suggests, we can put the proper kind of amendment in the new Amtrak bill. I would assume that the concern of this House and especially of the distinguished chairman of the Committee on Interstate and Foreign Commerce ought to be enough to get the message across effectively to the Penn Central, especially since we are giving them $250 million in this bill.

Mr. STAGGERS. I would think by this colloquy they would get the message because undoubtedly they have somebody here to get the message on this legislation. I would say the matter of pursuing this track from Boston on through should be one of first preference not only by Amtrak but also by Penn Central. I can say if they can get the message that way, I will be glad to give it to them.

Mr. STRATTON. I thank the gentleman.

Mr. STAGGERS. But I would say to the gentleman I would have to oppose the amendment completely as it is to apply to this bill because it would be disrupting everything and I hope the authors of this amendment will withdraw it. I will say we are trying to get this message to the railroads and I think they have gotten it by now.

Mr. STRATTON. I thank the gentleman for his remarks.

Mr. PATTISON of New York. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. Mr. Chairman, I see that the gentleman from New York (Mr. PATTISON), in whose district the track exists, or rather does not exist, is asking me to yield and I am glad to yield to the distinguished gentleman.

Mr. PATTISON of New York. Mr. Chairman, I thank the gentleman for yielding.

I also rise in support of this amendment.

Mr. Chairman, I do not want to oppose or to hold up the Penn Central money because we know how important that is. However this is a situation we have. This is not some sideline track. It is really right in the middle. It is outrageous how we have to go 20 miles out of the way and actually have to back up 8½ miles to get to Albany. However, in light of Chairman STAGGERS' remarks, and with the understanding of the necessity of passing this legislation without amendment, so that a House-Senate conference will be unnecessary, I am satisfied with a withdrawal of the amendment and dealing with this particular problem in future legislation.

The CHAIRMAN. The time of the gentleman from New York (Mr. STRATTON) has expired.

Mr. DINGELL. Mr. Chairman, I still have a reservation of a point of order.

The CHAIRMAN. The Chair will protect the gentleman.

(By unanimous consent, Mr. STRATTON was allowed to proceed for 1 additional minute.)

Mr. STRATTON. Mr. Chairman, if the gentleman from Michigan will withhold for a moment I believe the gentleman from New York (Mr. KEMP) will have some interesting information and I yield to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I thank my colleague, the gentleman from New York, for yielding.

Mr. Chairman, with the assurances received on the floor here today from the distinguished gentleman, I ask unanimous consent that I may withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York (Mr. KEMP)?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from New York (Mr. KEMP) is withdrawn.

AMENDMENT OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUDDS: At the end of the bill add the following new section:

SEC. 10. Section 402(b)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 762(b)(1)) is amended by adding the following at the end thereof: "A State may use part or all of its entitlement under this section for the purposes enumerated in section 403 of this title."

Mr. STUDDS. Mr. Chairman, I am well aware of the urgent need not to complicate this bill with amendments and of the critical nature of the timing that we face and the need to get conformity with the Senate version of the bill and to proceed into law without protracted conferences. I offer this amendment in the hope that it is noncontroversial and in the knowledge that it is simply to clarify the intent of the Congress in enacting the Rail Reorganization Act originally.

Mr. Chairman, many Members received yesterday their advance notification from the U.S. Railway Association, USRA, of its decisions on inclusion or exclusion of particular branch lines in the preliminary system plan which will be released to the public on February 26. Section 402 of the Regional Rail Reorganization Act of 1973 authorizes money for States to use to continue rail service on branch lines which the USRA does not include in the final system plan to be operated by ConRail. The funds are authorized for only 2 years.

Half of the funds are allocated to the affected States by formula; the other half of the funds can be used for discretionary grants by the Secretary of Transportation. The Secretary's discretionary grants can be used either for purchase and modernization of branch lines, or for operating subsidies to keep ConRail operating rail service on these lines, However, when the Federal Railroad Administration issued its guidelines for continuation of local rail service on January 28 of this year, it interpreted the act to mean that the half of the funds allocated to the States by formula can be used only for operating subsidies.

Mr. Chairman, my amendment would reverse this interpretation by the FRA, and allow States to use the funds they receive under the formula allocation either for operating subsidies—as the act now allows—or for purchase and modernization of branch lines. My amendment does not cost any additional money, but merely gives the States flexibility in using money which they are already slated to receive. My amendment would not alter the requirement in the act that this Federal money can be used for no more than 70 percent of the cost.

Mr. Chairman, after talking with several members of the subcommittee which originally drafted the Regional Rail Reorganization Act, I am convinced that the FRA has misread the intent of the Congress, and made an erroneous interpretation in issuing its regulations. My amendment would make the intent of the Congress crystal clear, and reverse the mistaken administrative interpretation.

This amendment was requested by a unanimous vote of the Conference of States on Regional Rail Reorganization, which consists of the designees of the Governors of each of the 18 affected Northeastern and Midwestern States. As a member of the commission which is planning rail service in Massachusetts, I strongly believe the states should be allowed the flexibility originally intended by the Congress in the use of these funds.

Since the operating subsidy provisions of the Regional Rail Reorganization Act last for only 2 years, some States will prefer to purchase and modernize their branch lines, and arrange for operation of service on them by a short-line railroad. This will result in long-term continuation of rail service on those branch lines. I understand that New Hampshire and Rhode Island are considering use of this strategy for all branch lines excluded from ConRail's system in their States. In Massachusetts, we will probably purchase some lines and give operating subsidies to others. The key point, Mr. Chairman, is that we need the flexibility originally intended by the Congress.

If a State does not purchase and modernize a branch line, but merely uses its share of the Federal money to pay ConRail an operating subsidy for continuing service on the line, then when the Federal money runs out in 2 years, the State will have to decide whether to purchase the line, pay 100 percent of the operating subsidy out of its own funds, or allow service to be completely discontinued. Thus, my amendment will give States the freedom—at no additional Federal expense—to make a permanent solution to their branch line problems now instead of 2 years hence.

Mr. Chairman, I urge the adoption of my amendment.

Mr. HASTINGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment, first for the reasons that have been articulated by the gentleman from Michigan, that the more we add on to the bill the less chance we have to get a bill approved in the Senate House conference. That argument has been made before. We are changing here, however, with this amendment the basic Reorganization Act as it relates to the subsidy provisions, section 402–403, and it takes away from the DOT the right to make some judgment as to how this money should be used. The grants are partially for operating subsidies and partially for purchasing subsidies. This amendment does change that basic formula. I do not see the wisdom at this point to make the requested changes that have been recommended by the gentleman from Massachusetts, so I would oppose the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. STUDDS).

The question was taken; and on a division (demanded by Mr. STUDDS) there were—ayes 7; noes 19.

So the amendment was rejected.

Mr. HANLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, our colloquy today, I believe, would be somewhat incomplete if we did not make reference to one of the fundamental reasons that the Penn Central is in the dilemma it is in. I have endured much in the way of frustration with regard to the inactivity on the part of the Department of Justice with regard to alleged misconduct on the part of a number of its interlocking directors.

Mr. Chairman, today the Congress meets to consider legislation authorizing an additional $300 million in emergency aid to the Penn Central and Erie-Lackawanna Railroads. This action is necessary because of the continued deterioration of the cash position of these railroads resulting from the current recession. As such, it is vital and needed legislation, required to maintain these railroads under trusteeship until the Consolidated Railroad Corporation can assume operation early next year under the Regional Railroad Reorganization Act of 1973. I intend to vote for this legislation but not without first stating, as clearly as possible, that one of the primary reasons we stand here debating this measure today is the criminal malfeasance and irresponsible management of the board and principal officers of the Penn Central Railroad. Indeed, the bankruptcy of the Penn Central is not confined to this regrettable need to make available additional operating moneys to the trusteeship. Recent developments indicate it flies in the face of one of the most cherished concepts of American constitutional jurisprudence: the concept of equal justice for all under the law.

On February 10, I received the latest in a 3-year-long series of communications with the Justice Department concerning that agency's investigation of allegations of criminal activity associated with the Penn Central bankruptcy. The Justice Department investigation was a reluctant and belated response to direct congressional pressure and outrage over the analysis and conclusions contained in a January 1972 Banking and Currency Committee report entitled "The Penn Central Failure and the Role of Financial Institutions." In 10 years in Congress I have never read or participated in a more thoroughgoing, professional, and detailed analysis of a significant public event.

In clear, concise, and exhaustively researched terms, the Banking and Currency study details page after page of shoddy management practices, inside selling of stock, the illegal application of interlocking directorships, stock fraud, pension manipulation, dummy corporations, misrepresentation, and a virtual shopping list of doubtful legal practices too long for even the liberal discourse of full congressional debate. For example, the Banking and Currency study found 82 director interlocks with other major corporations, 31 of the major interlocking directorships holding 31.8 percent of all Penn Central common stock. Of these institutions, five of them alone traded more than 28 percent of all Penn Central stock sold during the 2½ months prior to the bankruptcy of the Penn Central. Between May 19 and May 27, 1970, Chase Manhattan, the Allegheny Corp. group and five other institutional investors accounted for 53 percent of the sales recorded on the stock exchanges. On May 19, 77 percent of all the sales recorded in Penn Central stock, over 142,000 shares, were made by these institutions. On May 27, at 11 a.m., the board of directors of the Penn Central received the news that the corporation was unable to market $100 million in debentures vital to the continued operation of the railroad. The failure of this offering assured the bankruptcy of the Penn Central. However, no announcement of the failure of the debenture offering was made until 1:20 p.m., May 28. Believe it or not, on May 27, the day before there was any public inkling of the failure of the debenture, the previously mentioned financial institutions accounted for all sales of Penn Central stock on that date: 372,400 shares.

Despite this evidence, the Acting Assistant Attorney General, John C. Keeney, has informed me that the Justice Department "contemplates no criminal action" in regard to the selling of Penn Central stock. The Department based this incredible decision on what it terms as the evidentiary problems created by the "existence of contemporaneous public adverse information at the time of the trades."

I am not an attorney, but from reading the Assistant Attorney General's letter, "contemporaneous public adverse information" seems to be little more than stock tips and rumors, and certainly we can doubt the validity of any institution the size of the Chase Manhattan unloading valuable stock on the basis of market tips. Indeed, the Banking and Currency Committee report in commenting on these massive sales stated that they were conducted "on the basis of either great clairvoyance or inside information."

Mr. Chairman, in the last 2 years I have written to Assistant Attorney General Henry Peterson, twice to Attorney General Elliot Richardson, and twice to Attorney General William Saxbe concerning the Justice Department's lack of action on the Penn Central case. During February of last year, I was forced to call on Chairman WRIGHT PATMAN to hold an investigation into Justice Department intransigence in this matter. The resultant pressure brought to bear by Chairman PATMAN finally elicited a meaningful response from the Department, and I am convinced it was his willingness to call hearings into their conduct of the investigation that brought about a series of 23 indictments of 6 individuals for diverting $4.2 million in railroad funds in the Berliner Bank loan affair—a mere sideshow when we consider that the bankruptcy of the Penn Central was the largest corporate bankruptcy in American history until recently.

It was the bankruptcy of the Penn Central that brought about the dire need for the Regional Rail Reorganization Act. It was primarily the bankruptcy of the Penn Central that created a need for $2 billion in taxpayer-backed loan guarantees and now a total of $385 million in direct taxpayer moneys to clean up the mess left behind by the corrupt and irresponsible management of the Penn Central.

It is the taxpayer who suffers by the loss of tax moneys and by a threatened economic collapse should the Penn Central stop operating. In very real terms, we witness once again the powerful, the wealthy, and the well-connected escaping the just and fair application of the law.

The American system of justice serves no one if it does not serve all. Therefore, I have today called on Chairman REUSS to hold a full-scale hearing into the Department of Justice's conduct of the Penn Central investigation. The new Attorney General has indicated that he

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desires to restore the Justice Department to its former position of respect and trustworthiness. I feel that he can help to demonstrate this by indicating his desire to go before such a hearing and either satisfy my misgivings on the conduct of this affair or open an investigation of his own to assure a vigorous prosecution of this case. The time is short, for after 5 years of delays, the statute of limitations for virtually all of the questionable practices detailed in the Banking and Currency report will expire in either May or June of this year. I urge my colleagues who are familiar with this case to support my request for hearings and if you are not totally conversant with the implications and principles involved with the Penn Central case, I urge that you examine the record. I am sure that upon such an examination you will share my justifiable anger and press for an open accounting of the Justice Department's conduct of their investigation.

The CHAIRMAN. The time of the gentleman has expired.

(On the request of Mr. DINGELL and by unanimous consent, Mr. HANLEY was allowed to proceed for 3 additional minutes.)

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. HANLEY. I yield to the gentleman from Michigan.

Mr. DINGELL. I would like to commend the gentleman for his comments and his concern. I would like to add to the comment he is making and point out there is an additional matter the House ought to be aware of and that is that, traditionally, the ICC has regulated railroad stock issues, prospectuses, truth in statements of offerings, and all of the other matters relating to inside trading, and so forth, by the officers of the corporation, including such knowledge that they might have.

Under the law, the ICC has taken no actions to see to it that these matters are properly superintended, nor is there anything in the law which allows rescission where insiders, such as officers of Penn Central, would be engaged in the kinds of matters to which my friend alludes.

Legislation pending before this House has passed this House in times past which would have transferred jurisdiction and made all matters of this sort subject to the Securities and Exchange Commission, where there is strong statutory law available.

I again commend the gentleman and I thank him for yielding.

Mr. HANLEY. Mr. Chairman, I thank the gentleman from Michigan for his input.

Again it is my feeling that some action will be taken. In fact, today I have prevailed upon the chairman of the committee, the gentleman from Wisconsin (Mr. REUSS), to initiate a series of hearings with the Department of Justice so that it may have a chance to rationalize its position.

Mr. ROONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to compliment the chairman of our committee and the members of the committee for the expeditious manner in which they have brought this bill before the Congress today. I have one question which I would like to ask of the chairman of the committee.

The report of the committee indicates that roughly $25 million in cash assistance will be available to the railroads in reorganization other than the Penn Central, which will receive $222 million, and the Erie-Lackawana, which will receive $20 to 25 million. Am I correct in assuming that the Reading Railroad, one of the other railroads in reorganization, but one that has not yet submitted a request for cash assistance, will also be eligible for a part of the emergency cash assistance of $25 million if their financial situation should necessitate such assistance?

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the chairman of the committee.

Mr. STAGGERS. Mr. Chairman, I would like to answer the gentleman's question in this way: that if the Reading Railroad can convince the Secretary that it is in need of money, it certainly is eligible and would and should receive help, because this is the reason the extra money was put into the bill.

Mr. ROONEY. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 9, after line 12, add a new subsection (3) to SEC. 6(b).

SEC. 6(b)(3) No railroad accepting funds under this Act shall discontinue service or abandon railroad lines prior to December 31, 1976.

Mr. ASHBROOK. Mr. Chairman, I would like to say at the outset that I am not going to apologize for offering this amendment or any other amendment.

It is amazing to see how we are gradually developing the feeling or the sentiment that somehow or other we are holding up progress or we are preventing something important from happening if we offer an amendment or have a discussion on basic issues. I could not help but recall that over the past 6 months this urgency game was played a number of times. We were told that we needed the immediate passage of the Export-Import Bank. We weren't supposed to amend that bill, we were told. Then we were told not to amend a trade bill to in any way affect our trade with the Soviet Union. It seems that if this House discharges its duty by offering amendments, somehow or other we are told that ominous results loom on the horizon.

Then an energy package was put together, and we got the feeling that if the Members offered amendments, somehow or other this would throw the program off course.

We even hear it said that now if we do not come up immediately with several hundred million dollars, probably Vietnam will go down the drain.

Mr. Chairman, I happen to think that we have a responsibility. I happen to think that those of us who try to discharge our responsibility should reject the argument that we are impeding progress or preventing a package from being put together or preventing something over in the Senate from happening if we work our will here on the floor. We should not be hoodwinked, nor should we be intimidated. Rather, we should face up to our responsibilities or what we feel are the responsibilities of this body to legislate.

This amendment is perhaps a complicated amendment. It is predicated on one basic assumption.

We have not formulated a national transportation policy as it relates to railroads. All the discussion I hear clearly indicates that we are in the formative stage. We do not know whether some railroads are going to go out of business; we do not know whether we are going to have to spin some off from my area and give these lines to ajoining profitable lines, or whether we are going to have a successful national corporation or not.

The point is very simple. Until such time as a fundamental national transportation policy has been evolved and clearly understood, and we know what our tax money responsibilities are, what the cost is, and what the likelihood of success will be, it is simply not proper for the railroads existing at the present time, perhaps heavily in debt, to point their fingers at some area and say, "We are going to abandon you. We are going to abandon this one. We are going to abandon that one."

Mr. Chairman, I believe in the marketplace. I believe in free enterprise, and if something is not profitable, it should be abandoned. Until such time as a basic policy has been formulated, I think it is improper to abandon railroad lines.

I offer this amendment only for that purpose, again with no apologies, and certainly I do not mean to complicate this already thorny bill. I suggest this is a reasonable amendment.

Mr. Chairman, I simply point out, for the benefit of those who are going to say they are opposed to it, that it might cost some money. But where are their concerns when it comes to title V of the old bill?

Under the present law, a worker with 5 years or more, a person who is not given another job, is guaranteed his regular wage until he reaches the age of 65.

Yet the same philosophy and principle will not be applied to localities and to people. If we are to apply title V to unnecessary labor costs, I think we certainly can baptise some areas for a few months, anyway, and say, "We are not going to abandon your service until such time as a policy is formulated."

Mr. ROONEY. Mr. Chairman, I rise in opposition to the amendment.

This amendment is not necessary because at the present time, the Rail Reorganization Act of 1973 prohibits such abandonments unless they are authorized by the USRA.

Further, a few abandonments have occurred, but they were unopposed by either the USRA or the State or regional transportation authority in which the abandonments occurred.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment and have one brief statement.

I agree with the statements of the gentleman from Pennsylvania, and I would like to say that he is the new chairman of the Transportation Committee on Interstate and Foreign Commerce and is going to speak with some authority in the future. I congratulate him.

To give this right to the USRA and to deny all right to discontinuance of abandonments might be a Government confirmation of the process and would be a violation of due process.

Therefore, Mr. Chairman, I urge that the amendment be defeated; I urge a "no" vote.

Mr. SIMON. Mr. Chairman, I rise in support of the amendment.

I have not discussed this with the sponsor of the amendment and knew nothing about it until it was presented here, but it seems to me that we ought to be moving in the direction of preserving and improving railroad service in the United States rather than permitting its continued deterioration.

Without this amendment, we can, with the USRA approval, continue down the road of deterioration.

This amendment will cause some problems, but it will also, I hope, cause us to take a good, hard look at what we are doing and where we are going.

I think it is an excellent amendment. I think it makes sense. I hope it will receive the "yes" vote of a majority of the people on this floor right now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 14; noes 35.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the committee rose; and the Speaker having resumed the Chair, Mr. FLOWERS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2051) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, pursuant to House Resolution 173, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. COLLINS of Texas. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 270, nays 137, answered "present" 1, not voting 24, as follows:

[Roll No. 16]

YEAS—270

Abdnor	Evans, Colo.	Metcalfe	Solarz	Thompson	Weaver
Abzug	Evins, Tenn.	Meyner	Spence	Thornton	Whalen
Addabbo	Fenwick	Mezvinsky	Staggers	Traxler	Whitehurst
Ambro	Fish	Michel	Stanton,	Tsongas	Wiggins
Anderson, Ill.	Fisher	Mineta	J. William	Udall	Wirth
Annunzio	Fithian	Minish	Stanton,	Ullman	Wolff
Ashley	Flood	Mink	James V.	Van Deerlin	Wydler
AuCoin	Florio	Mitchell, Md.	Steelman	Vander Jagt	Wylie
Badillo	Flowers	Mitchell, N.Y.	Stephens	Vander Veen	Yates
Baldus	Foley	Moakley	Stokes	Vanik	Yatron
Baucus	Ford, Mich.	Moffett	Stratton	Vigorito	Young, Ga.
Bauman	Forsythe	Mollohan	Stuckey	Waggonner	Young, Tex.
Beard, R.I.	Fraser	Moorhead, Pa.	Studds	Walsh	Zablocki
Bedell	Frenzel	Morgan	Sullivan	Waxman	Zeferetti
Bell	Fulton	Mosher			
Bergland	Gaydos	Moss		NAYS—137	
Biaggi	Giaimo	Murphy, Ill.			
Biester	Gilman	Murphy, N.Y.	Anderson,	Goldwater	Milford
Bingham	Ginn	Murtha	Calif.	Gonzalez	Miller, Calif.
Blanchard	Goodling	Myers, Ind.	Andrews, N.C.	Gradison	Miller, Ohio
Blouin	Green	Myers, Pa.	Andrews,	Grassley	Montgomery
Boggs	Gude	Natcher	N. Dak.	Hagedorn	Moore
Boland	Guyer	Nedzi	Archer	Hammer-	Mottl
Bolling	Haley	Nix	Armstrong	schmidt	Neal
Breckinridge	Hall	Nowak	Ashbrook	Harkin	Nichols
Brodhead	Hamilton	Oberstar	Aspin	Harsha	Nolan
Brown, Calif.	Hanley	Obey	Bafalis	Hechler, W. Va.	Poage
Brown, Mich.	Hannaford	O'Brien	Beard, Tenn.	Hicks	Pressler
Brown, Ohio	Harrington	O'Hara	Bennett	Hightower	Pritchard
Burgener	Harris	O'Neill	Bevill	Hinshaw	Randall
Burke, Calif.	Hastings	Ottinger	Bonker	Holland	Risenhoover
Burke, Fla.	Hawkins	Passman	Bowen	Holt	Roberts
Burke, Mass.	Hayes, Ind.	Patman	Breaux	Hubbard	Robinson
Burton, Phillip	Hays, Ohio	Patten	Brinkley	Hungate	Rousselot
Butler	Hébert	Patterson,	Brooks	Hutchinson	Roybal
Byron	Heckler, Mass.	Calif.	Broomfield	Hyde	Runnels
Carney	Hefner	Pattison, N.Y.	Broyhill	Ichord	Ryan
Carr	Heinz	Pepper	Buchanan	Jacobs	Satterfield
Carter	Helstoski	Perkins	Burleson, Tex.	Jenrette	Schroeder
Cederberg	Henderson	Peyser	Burlison, Mo.	Johnson, Colo.	Sebelius
Chisholm	Hillis	Pickle	Burton, John L.	Jones, N.C.	Shriver
Clausen,	Holtzman	Pike	Casey	Jones, Okla.	Sikes
Don H.	Horton	Preyer	Clancy	Jones, Tenn.	Slack
Clay	Howard	Price	Cochran	Kasten	Smith, Nebr.
Cleveland	Howe	Quie	Collins, Tex.	Kastenmeier	Snyder
Cohen	Hughes	Quillen	Conlan	Kazen	Stark
Collins, Ill.	Jeffords	Railsback	Crane	Kelly	Steiger, Ariz.
Conable	Johnson, Calif.	Rangel	Daniel, Dan	Keys	Steiger, Wis.
Conte	Johnson, Pa.	Rees	de la Garza	Krebs	Symms
Conyers	Jones, Ala.	Regula	Dellums	Lagomarsino	Taylor, N.C.
Corman	Jordan	Rhodes	Derwinski	Landrum	Teague
Cornell	Karth	Richmond	Dickinson	Latta	Thone
Cotter	Kemp	Rinaldo	Duncan, Tenn.	Lehman	Treen
Coughlin	Ketchum	Rodino	Edwards, Ala.	Levitas	Wampler
D'Amours	Kindness	Roe	English	Litton	White
Daniel, Robert	Koch	Rogers	Erlenborn	Lloyd, Tenn.	Whitten
W., Jr.	LaFalce	Roncalio	Evans, Ind.	Long, Md.	Wilson,
Daniels,	Leggett	Rooney	Fascell	Lott	Charles H.,
Dominick V.	Lent	Rosenthal	Findley	Lujan	Calif.
Danielson	Lloyd, Calif.	Rostenkowski	Flynt	McDonald	Wilson,
Davis	Long, La.	Roush	Ford, Tenn.	Martin	Charles, Tex.
Delaney	McClory	Ruppe	Fountain	Mathis	Winn
Dent	McCloskey	Russo	Frey	Mazzoli	Young, Alaska
Derrick	McCollister	St Germain	Fuqua	Melcher	Young, Fla.
Devine	McCormack	Santini	Gibbons	Mikva	
Dingell	McDade	Sarasin			
Dodd	McEwen	Sarbanes		ANSWERED "PRESENT"—1	
Downey	McHugh	Scheuer			
Drinan	McKay	Schneebeli		Krueger	
Duncan, Oreg.	McKinney	Schulze			
du Pont	Macdonald	Seiberling		NOT VOTING—24	
Early	Madden	Sharp			
Eckhardt	Madigan	Shipley	Adams	Hansen	Spellman
Edgar	Maguire	Shuster	Alexander	Jarman	Steed
Edwards, Calif.	Mahon	Simon	Barrett	McFall	Symington
Ellberg	Mann	Sisk	Brademas	Mills	Talcott
Emery	Matsunaga	Skubitz	Chappell	Moorhead,	Taylor, Mo.
Eshleman	Meeds	Smith, Iowa	Clawson, Del	Calif.	Wilson, Bob
			Diggs	Reuss	Wright
			Downing	Riegle	
			Esch	Rose	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Diggs with Mr. Symington.
Mr. Roe with Mr. Mills.
Mr. Barrett with Mr. Alexander.
Mr. Adams with Mr. Reuss.
Mr. McFall with Mr. Jarman.
Mr. Riegle with Mr. Del Clawson.
Mr. Steed with Mr. Talcott.
Mr. Wright with Mr. Esch.
Mr. Downing with Mr. Taylor of Missouri.
Mr. Brademas with Mr. Hansen.
Mr. Chappell with Mr. Bob Wilson.
Mrs. Spellman with Mr. Moorhead of California.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the pro-

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visions of House Resolution 173, the Committee on Interstate and Foreign Commerce is discharged from the further consideration of the Senate bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of the Senate bill, S. 281, and insert in lieu thereof the provisions of the House bill, H.R. 2051, as passed as follows:

That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

SEC. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716(a)(1)) is amended by inserting "and express" immediately after "rail".

SEC. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which, for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

SEC. 4. (a) Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (1) affirm its previous order or (ii) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

SEC. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

SEC. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

SEC. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"SEC. 215. (a) PURPOSES.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) CONDITIONS.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties subject to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) OBLIGATIONS.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) CONVEYANCE.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

SEC. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215(a)(1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

SEC. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"SEC 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2051) was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ESTABLISHING A SELECT COMMITTEE ON INTELLIGENCE

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 174 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 174

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 138) establishing a Select Committee on Intelligence. After general debate, which shall be confined to the resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 174 provides for an open rule with 1 hour of general debate on House Resolution 138, a resolution establishing a Select Committee on Intelligence.

House Resolution 138 authorizes the Select Commitee on Intelligence to conduct an inquiry into the collection and use of intelligence information and allegations of improper and illegal activities of intelligence agencies in the United States and abroad.

House Resoluton 138 also authorizes the Select Committee to inquire into the activities of certain government agencies in furtherance of their study.

Mr. Speaker, I urge the adoption of House Resolution 174 in order that we may discuss, debate, and pass House Resolution 138.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I think the distinguished gentleman from Illinois (Mr. MURPHY), my colleague on the Committee on Rules, has explained the purpose of this resolution. I would merely add that it makes in order House Resolution 138, which involves the original jurisdiction of the House Committee on Rules because it would establish a Select Committee on Intelligence.

It would have, of course, been possible under the rules of the House to bring that matter before this body as a privileged matter, not subject to amendment, in which case it would have been necessary for me, or someone on this side of the aisle, when the previous question was moved, to urge the defeat of the previous question in order to submit a resolution which would be open to amendment.

Mr. Speaker, I am grateful to my colleague on the committee, the gentleman from Missouri (Mr. BOLLING), who offered in the Committee on Rules a motion for an open rule, a resolution making this matter subject to debate under a completely open rule, which I think is proper procedure in view of the very important issues involved and the fact that I have four amendments that I wish to offer to the resolution. There may be, of course, others who have other amendments in addition to the four that I have to offer, but I will not take the time now under the rule to discuss those amendments. We will have an hour to do so under general debate, and at that time I will undertake to explain those particulars in which I differ with the drafters of House Resolution 138 and think that their product could be improved upon.

Mr. Speaker, I would join my colleague from Illinois in urging the adoption of the rule so that we can proceed with the debate on this resolution.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would like to ask the gentleman from Illinois to give me his opinion on this set of circumstances: We have a Presidential Commission headed by the Vice President devoting itself to a complete investigation of the issues this select committee would consider.

We have a committee of the other body, which will do the same thing. Now we are creating a third independent body which may or may not cooperate with these other groups which will go over the same ground. We have just abolished the House Internal Security Committee, and one of the arguments was that it was the duty of other agencies to investigate subversion and that committee was not needed. How, in times when we are faced with economic problems and the need to cut back on the budget, can we justify creating still another committee to go over this same ground? Will the gentleman address himself to that?

Mr. ANDERSON of Illinois. I think there are some very relevant and justifiable concerns about the possibility of duplication, and those have been expressed by many Members of this body. The Presidential Commission, to which the gentleman refers, I believe is scheduled to report on or about the 4th of April 1975, and I think there are seven other members on that Commission. It was felt, and I think with some justification, that in addition to having the executive branch review this matter, that Congress, with its independent authority and with its independent responsibility for oversight, should undertake a similar investigation. My preference, frankly, would have been for a joint committee.

I introduced, along with the gentleman from Pennsylvania (Mr. BIESTER), earlier this year a resolution—we had some cosponsors, as I recall it—with the idea of a joint Senate-House committee to conduct oversight on this whole question. Unfortunately, the Senate chose to go ahead rather quickly and establish their own Senate select committee. I think that pretty well preempts any action on the part of the House to set up a joint committee. It would be rather futile for us to proceed with that idea because there is little likelihood the Senate will rescind its earlier action. However, I think that was certainly the best idea originally.

We are now confronted with the fact that the Senate has gone ahead. I heard this morning that on yesterday the senior Senator from Idaho, the chairman of that committee, has announced he will undertake to coordinate the work of his committee with the work of any committee suggested by this House to avoid the duplication which the gentleman fears. If he carries out that pledge—and I have no reason to doubt that he will—perhaps some of the duplications and the needless expense that might be incurred can be avoided.

I will have, however, some amendments, I point out to the gentlemen, to eliminate the expense, to take out of the resolution we have the open-ended authorization and replace it with the ceiling, and a subceiling, as well, on outside consultants, and I think, also, change the reporting date, to try to compress into a shorter time scale the work of the committee, so that they would not be encouraged to endlessly go on delving into these matters and they would finish their work quickly and expeditiously.

So I am going to try in these amendments to answer some of the various questions the gentleman has expressed.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was ageed to.

A motion to reconsider was laid on the table.

Mr. MURPHY of Illinois. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 138) establishing a Select Committee on Intelligence.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. MURPHY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Resolution 138, with Mr. FLYNT in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. MURPHY)

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will be recognized for 30 minutes, and the gentleman from Illinois (Mr. ANDERSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. MURPHY).

Mr. MURPHY of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, House Resolution 138 establishes a House Select Committee on Intelligence, to be composed of 10 members, to be appointed by the Speaker, who shall designate one of the members as chairman.

House Resolution 138, as reported by the Committee on Rules, includes four committee amendments which strengthen the resolution.

House Resolution 138 authorizes the Select Committee on Intelligence to conduct an inquiry into the collection and use of intelligence information and allegations of improper and illegal activities of intelligence agencies in the United States and abroad. The resolution authorizes the select committee to review the procedures and effectiveness of coordination between the various intelligence components of the U.S. Government. The committee shall also determine whether or not there is a need for improved or reorganized oversight by the Congress of U.S. intelligence activities.

House Resolution 138 also authorizes the select committee to inquire into the activities of certain governmental agencies in furtherance of their study.

These agencies include, among others, the National Security Council; the Central Intelligence Agency; the intelligence components of the Departments of the Army, Navy, and Air Force; the Intelligence and Research Bureau of the Department of State; the Federal Bureau of Investigation; the Department of the Treasury; and the Department of Justice.

Mr. Chairman, I think this resolution is long overdue. Earlier one of the Members questioned the idea of why the House is engaging in the same activity that the Presidential Commission and the Senate is already engaged in. I would like to answer that question in this way:

As far as the Presidential Commission is concerned, we have the executive department investigating itself, investigating an executive agency. As far as the Senate is concerned, I agree with my colleague, the gentleman from Illinois (Mr. ANDERSON), that possibly this should have been a joint committee. However, the Senate committee is already well on the road in its investigation, and I think the House is justified in pursuing its own investigation.

Mr. Chairman, yesterday the Committee on Rules adopted four amendments to this resolution of original jurisdiction and I understand the gentleman from Illinois (Mr. ANDERSON) has some further amendments he intends to offer today.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as I indicated in the brief colloquy I had with the gentleman from Maryland (Mr. BAUMAN) moments ago, certainly my preference would have been for the creation of a joint committee in order to eliminate the possibilities of duplication abotu domestic break-ins and wire- and waste that are inherent, I think, when we have two committees functioning in the same area.

However, I think we have passed that point, as my colleague has just pointed out.

I want to start by saying that I certainly begin with the conviction that in view of the controversy that has arisen over the domestic activities of the CIA, in view of the report that that organization had been conducting a widespread and illegal operation in the late 1960's and in the early 1970's and that it had been keeping files on 10,000 Americans by each unit reporting to the Director, we should exercise our oversight authority in this matter.

And there were the other reports that were given great currency and circulation about domestic break-ins and wire tappings and covert mail inspections. Certainly I think that this entitles us—more than entitles us; I think it mandates our concern—to exercise our supervisory role, our oversight authority in this area.

I cannot help but recall for the Members of this body, as I did for the members of my committee, that it was 12 years ago, in the 88th Congress, that I sponsored a resolution for a joint committee. Our now absent colleague, at that time the gentleman from New York, Mr. Lindsay being the principal sponsor, I felt then and I feel now that a committee specifically devoted and charged with the responsibility of oversight in this area is necessary and is important.

But having said all of that, it seems to me, as I read this particular resolution, that it grants the most sweeping authority imaginable. There is literally no Federal agency, as I read this legislation, that would be entirely immune from a probe because it gives no definition of "intelligence."

In section 3 it lists all of the agencies that were mentioned a moment ago by the gentleman from Illinois (Mr. MURPHY). These include all great departments of the Government like the Department of Justice and the Department of the Treasury, even the Energy, Research and Development Administration, as well as those intelligence agencies with which we are more familiar, the CIA, the FBI, the Defense Intelligence Agency, and all of the defense intelligence components of the Departments of the Army, the Navy, and the Air Force.

This is sweeping authority indeed, and it seems to me that we have to be very careful that we do, therefore, make the terms of the investigative effort so broad and so all-encompassing, without any boundaries whatsoever, that we get into this mire and this morass of investigative activity that would cost untold hundreds of thousands, even millions, of dollars and yet not be productive of the kind of recommendations that we hope will come out of this committee if it is created and out of the committee in the Senate as well.

It is for that reason, not because I oppose the idea that we have a legitimate oversight function with which we ought to be concerned, that I have circulated these four amendments and commended them to the membership of this body, with the hope that they would adopt them today as amendments to House Resolution 138.

First of all, I want to refer to the one that would provide for a five and five membership on the committee. This resolution will follow otherwise the rule of the Democratic caucus, which provides for two-thirds plus one as the ratio of Democrats to Republicans on this committee.

This is not a legislative committee. Whatever justification the Members on this side of the aisle may have for such a rule in the House caucus as it applies to legislative committees, it should not apply to a select committee investigating one of the most delicate, sensitive areas that could possibly be encompassed within the scope of any congressional investigation.

I make no blind, blatant charges of partisanship over here. I make no charges that anyone is out on a fishing expedition designed to embarrass the past administration or the present administration, because this problem extends back for many years into administrations both Democrat and Republican.

At least since the time, I believe, of John F. Kennedy there has been increasing involvement, apparently, on the part of the CIA particularly and perhaps other intelligence agencies of the Federal Government as well, in some of these activities, both covert and overt, that have stirred recent alarms. Therefore, I think that it is a bipartisan problem. It ought to be approached in a bipartisan fashion, and I would hope, therefore, that in establishing ratios on this committee, we would not be bound by some standard rule as it deals with the ordinary legislative committee.

Let me point out one specific example. In the last Congress, when we set out to investigate the operations of this Congress—and what could be nearer and dearer to our hearts than that? And more sensitive, really, to our individual role as legislators, than the operations of this body? We did not establish that committee with a partisan ratio. We established it under the chairmanship—and the very able chairmanship—of the gentleman from Missouri (Mr. BOLLING) on a 5-to-5 ratio, 5 Democrats and 5 Republicans. They went very thoroughly, for almost 18 months, into all of the ramifications and operations of this House and its committees, and came up with a very excellent report.

I think a bipartisan committee can do the same kind of job if they are allowed to function in a truly bipartisan manner, as I have suggested.

Second, I think that the fact that there is no price tag on this resolution makes it defective; that, just as the Senate did in its resolution, it provided $750,000 as an expense budget, and a $100,000 subceiling budget for outside consultants. It makes good sense to do that in this resolution. If the committee finds that it is going to have to expend more funds then it can come back and get an additional authorization, I am sure, for additional expenditures. But let us not start out with what the gentleman from Maryland was worried about a few minutes ago so that we get into the kind of boundless investigation that just proliferates in all directions at once, because there is absolutely no ceiling at all on the expenditure of funds. I hope that amendment when it is offered will have your support.

Third, instead of waiting until next year, until the end of January, let us give it a September 1 reporting date. Let us coordinate our activities with the activities of the other body. The senior Senator from Idaho, as I said a few minutes ago, said that he is willing to coordinate his efforts and give their report by September 1. So it makes sense to me that we have a similar reporting date so that we can work in tandem with that committee, then, and better coordinate the activities of the two Houses in this area.

Finally, I will offer an amendment dealing with the very important matter of specific safeguards for protecting classified materials.

There is some very general language in the resolution dealing with this subject, and it merely says that the committee shall establish rules as they deem necessary to prevent unauthorized disclosures of information and testimony. I would suggest that better language would be language identical to that in the Senate resolution. I have taken that language exactly as it was passed in the other body, providing that the committee shall set up specific procedures to clear individuals, to provide them with the necessary security clearances before they deal with these very sensitive and, I am sure, highly classified materials.

There is nothing very radical about the proposals I have made. I think they will give us the sense in this House that we are moving in a bipartisan and very orderly fashion in coordination with the activities of the other body so as to get on with the needed business of deciding what went wrong, if it did go wrong and, more importantly, what we can now do to recommend a better and more continuing type of oversight of the intelligence community in the future.

So I hope the Members will support the amendments that I have described when they are offered, when we debate this under the 5-minute rule, and with those amendments I think we will be able to get on with the very important task that has to be dealt with.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman I think no one would disagree about the oversight authority and responsibility this House has, so far as that oversight pertains to amendments and changes in the law and in the statutes, and also so far as responsibility as to how funds appropriated by this Congress are spent as respects various activities, but I am not at all sure that it is intended by the oversight responsibility to limit them to that.

Does the gentleman foresee the possibility that this oversight select committee might get into the policymaking duties of the various agencies?

Mr. ANDERSON of Illinois. No, I do not think it would attempt to do that. We would have to physically decry any effort to interfere with the legitimate intelligence-gathering functions.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 3 additional minutes.

I do not think there is any disagreement—or I hope there is not any widespread disagreement—with the proposition that we need an intelligence service in this country to properly guarantee our national security. Agencies of the kind that are listed in this resolution—the Defense Intelligence Agency, the FBI, the CIA—all are needed. It is a question, however, of making sure that they carry out that intelligence function in a way that does not unconstitutionally violate individual rights of Americans here at home, and also, I think, does not involve them in activities that are really nongermane and alien to the true intelligence function.

Mr. MYERS of Indiana. Will the gentleman yield further?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I thank the gentleman for yielding.

If I understand his response, there is absolutely no intent to give this select committee the authority to influence policymaking by any of the agencies, that they will have the responsibility overall, but it is simply to limit the authority to oversight as to Americans and funds used; is that correct?

Mr. ANDERSON of Illinois. I want to be very candid with the gentleman. I cannot assure him that they will not make recommendations that in effect would deal in the policy area or with the policymaking function of these agencies, but let me remind him that this committee has no legislative authority. They cannot pass on anything. All they can do is report to us, I hope, by September 1, 1975, and make recommendations which we as a full House would then act upon.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

There are at least seven different standing committees that have some sort of jurisdiction over intelligence activities in the House. I have heard rumors that, regardless of what the House may do in creating a select committee, some of these committees or the subcommittee chairmen will proceed with collateral investigations of the same issue.

Does the gentleman have any information about any plans to at least try to consolidate all of these investigations, or are we going to go off in all different directions at once for whatever purposes the individual committees involved may have?

Mr. ANDERSON of Illinois. My personal hope would certainly be that during the period that this select committee is functioning, if it is established, there would be a moratorium on a lot of investigative activity by these other subcommittees. Obviously, I am not in a position to speak, however, for the gentlemen who might be in a position to continue to assert that jurisdiction.

Mr. BAUMAN. If the gentleman will yield further, there is, however, nothing in this resolution that says so?

Mr. ANDERSON of Illinois. No. There is nothing in here that specifically says there is a moratorium.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the gentleman for yielding.

This legislation is not designed to prohibit in any way any existing legislative committee or any other committee which has jurisdiction in this area from conducting its work. The gentleman is right. There are about seven committees or subcommittees that do have an involvement or a partial involvement. Possibly only one could have the overall jurisdiction to cover all aspects.

For example, some have jurisdiction over the FBI, others have jurisdiction over the CIA, et cetera. It is designed that these committees will continue to do what they are empowered to do under the existing rules of the House.

This committee is designed to look at several factors primarily: Is there substance to the allegations of wrongdoing?

Should there be recommendations for changes in the methods in which the various intelligence services are conducting their activities—things of that type? It would not be to usurp the powers of the existing committees or subcommittees.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MURPHY of Illinois. Mr. Chairman, I yield 7 minutes to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, let me explain to the Members why we are appearing here today on this resolution to establish a Select Committee on Intelligence. There has been a growing belief among the Members of Congress and among the public at large that all is not well with the intelligence agencies of the United States or that all may not be well and a growing concern that Congress should exercise to a greater degree than it has its oversight function.

We are intending to maintain a good and adequate intelligence service for the United States. We are equally determined to assure the rights of the citizens of the United States so that these rights will not be infringed in any way by anyone, and particularly by Federal intelligence agencies.

There have been very serious allegations of possible wrongdoing on the part of some intelligence agencies. We do not know whether these allegations are true in fact or not, but we certainly feel that Congress has the absolute obligation and duty to the American people to look into it and to exercise its oversight function

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to determine whether there is any merit to these allegations of wrongdoing.

Beyond that, many of these intelligence agencies have been in existence for many, many years, some from before World War II, and some of our major ones certainly came into prominence right after World War II. Their means of conducting their activities developed in those years, particularly in the late 1940's and early 1950's. Are these activities still proper ones? Are they still wise ones in which those agencies should be involved? Should we, for example, conduct covert operations in the same way in which we have been doing? This is another area of investigation by this select committee.

Therefore, it was the feeling of the overwhelming majority of those Members of the majority party in their caucus that a committee of the Congress should look into this entire matter of activities of the intelligence agencies. We do not deny to the Executive the right to set up the Commission which they have to look into the allegations of impropriety, nor do we intend to prejudge the work and the recommendations of that Commission. But certainly as the executive branch has the right to oversee those actions, very clearly the Congress also does, and this is what we intend to do today.

We have many committees which have jurisdiction. For instance, the Committee on the Judiciary has jurisdiction over the FBI, and the Committee on Armed Services has jurisdiction over the CIA, and the Committee on Banking and Currency has jurisdiction over the Treasury and Internal Revenue. There are many committees. The Appropriations Committee also has a function here. But I doubt whether there is any one committee that has overall jurisdiction and can look at all the intelligence branches of the U.S. Government, with the possible exception, and I say with the possible exception, of the Government Operations Committee. It may have.

Be that as it may, there has been a growing feeling among the overwhelming majority of Members that there should be a per se Intelligence Committee to look into these allegations of wrongdoing.

I myself would have preferred a joint committee. I am sure that many of us would have, and I am sure the gentleman from Illinois (Mr. ANDERSON) recognizes that as a practical matter the other body has already begun with its select committee and there is very little hope of having a joint committee. Incidentally, it may well be that one of the recommendations of this committee might be to recommend a permanent joint committee with the other body.

We deliberately set a termination date of January 31, 1976, because we did not want to make this select committee a permanent committee or to carry on its activities year after year.

Because of the overwhelming feeling of so many Members of the majority of this House that there was need for a select committee, this matter was referred by the caucus of the Democratic Party in the House to the Steering and Policy Committee, so that we could properly study this matter and come up with recommendations.

We met in the Steering and Policy Committee with all the interested committee chairmen and discussed the matter with them and then, because of the complexity of the matter, it was referred to a task force of the Steering and Policy Committee and other Members to make further recommendations. The task force consisted of myself, the gentleman from Michigan (Mr. NEDZI), the gentleman from California (Mr. MOSS), the gentleman from New York (Mr. BINGHAM), the gentleman from Massachusetts (Mr. HARRINGTON), and the gentleman from South Carolina (Mr. DAVIS). After additional meetings and considerations we proposed the resolution which is before us today, urging that it be adopted and that we get on with this work. This committee then would have the function to look into the allegations of impropriety as one of its primary goals.

Second, it was to look into whether or not there is adequate oversight, both by the executive branch and by the Congress, of the intelligence activities.

Third, it would study the necessity, the nature, and the extent of overt and covert intelligence activities by U.S. intelligence instrumentalities here and abroad, and whether or not there should be some changes, for example, in the basic laws which apply to them.

This would be the function of this committee. It would be limited in duration. It would report back to the House by the end of this year. I doubt that the date that the other body has is a realistic one. I suspect that that September date will be extended to the end of the year.

I urge adoption of the resolution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MURPHY of Illinois. I yield 2 additional minutes to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I yield to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I want to propound a question to the gentleman from Connecticut.

First of all, let me say, that I think this resolution and the creation of this select committee is most necessary and important at this time. If for no other reason than to dispel the fears and concerns that so many of our citizens have all over the country today.

My problem is that we deal with a number of governmental agencies; however, we do not deal at all with the matter of local police. I raise this question because the inspectional services division of the Baltimore City Police Department kept dossiers on black elected officials, black clergymen, and black community leaders. These dossiers or reports were forwarded to the Federal Bureau of Investigation, the Army Intelligence Agency, and to other governmental agencies.

Is that not also an important link that should be looked at?

Mr. GIAIMO. Mr. Chairman, I do not think that we should put into this legislation any authority empowering us to look into the activities of State or local government; however, to take the example that the gentleman propounds where there was an involvement of the local police force and the Federal Bureau of Investigation or the LEAA, for example, there is no question but that we have the authority to look into the activities of the FBI or the LEAA as far as it relates to police departments.

Mr. MITCHELL of Maryland. Mr. Chairman, if the gentleman will yield further, am I right in assuming that we are not considering the local police department sacrosanct and, therefore, not at this time involved in this question of espionage?

Mr. GIAIMO. This is not a question of being sacrosanct. We think we have a big enough job to look into the Federal agencies and whether or not they have been involved in any wrongdoing.

Incidentally, I think that is of paramount concern and if we can look into that and address ourselves to that problem, the other problems can then be resolved also.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MURPHY of Illinois. I yield 1 additional minute to the gentleman from Connecticut.

Mr. GIAIMO. I yield to the gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman for yielding.

I was wondering if the gentleman would answer two questions. The resolution, although it does not state it as such, is broad enough that there would be an inquiry into the type of activities such as the destabilization of Chile or interfering with the internal affairs of other nations.

Mr. GIAIMO. The question of destabilization of the Chilean Government would come under any study of covert intelligence activities by the U.S. intelligence services abroad. That is within the committee's jurisdiction.

Mr. JOHN L. BURTON. Last, the passage of this legislation and the creation of this committee in no way would put a moratorium on any legislative committee of this House from holding hearings on substantive legislation dealing with codes that we are informed concern themselves with the Central Intelligence Agency.

Mr. GIAIMO. Does the gentleman mean the standing committees which have jurisdiction?

Mr. JOHN L. BURTON. Legislation dealing with matters on the part of the Central Intelligence Agency and the creation of this committee does not mean, in fact, a moratorium on any others.

Mr. GIAIMO. I think it is the opposite of that. In fact, I think the establishment of this legislation is going to give an impetus and encouragement to these other existing committees to play a greater role in oversight and legislation in these areas than they have in the past.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. MURPHY of Illinois. Mr. Chairman, I yield 1 additional minute to the gentleman from Connecticut (Mr. GIAIMO).

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from South Carolina.

Mr. DAVIS. Mr. Chairman, I would just like to associate myself with the remarks of the gentleman from Connecticut. I believe he has very ably expressed my concerns in detail on this task force.

I would urge the adoption of the resolution as it is presented and not amended.

Mr. MURPHY of Illinois. Mr. Chairman, I have no further requests for time.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois (Mr. MCCLORY).

Mr. MCCLORY. Mr. Chairman, I want to express myself in general support of this legislation. It seems to me, however, that the focus of our attention should be on the illegal, the unethical, and the immoral acts, or alleged acts, conducted by the CIA, FBI, and other intelligence-gathering agencies.

It seems to me that the broader mandate which is involved in House Resolution 138 is so all-encompassing that the work of the proposed select committee could go on for years. The minority leader, the gentleman from Arizona (Mr. RHODES), introduced House Resolution 121, and it seems to me that that proposal directs its attention at the principal problem with which we are concerned: namely, the problem of jeopardizing the rights of individual American citizens by misuse of our intelligence agencies.

That is a subject over which the House Judiciary Committee, and now specifically the Subcommittee on Civil Rights, has general jurisdiction, and it is something with which that subcommittee is vitally concerned on a continuing basis.

The broader mandate which we have here, it seems to me, is going to involve us in much more than that, as the earlier colloquies have indicated. I intend to support the amendments to be offered by the gentleman from Illinois (Mr. ANDERSON). It seems to me that all of those amendments are essential if we are to have the kind of objective, the kind of bipartisan select committee which it seems to me this body should provide for and which the American people deserve.

Mr. Chairman, in expressing my support for this general proposal, let me emphasize again that such action by the House should be of a truly bipartisan and objective nature. Accordingly, I am hopeful that the action which we will take here today will reflect the kind of balance and objectivity which this subject deserves and which this House acting responsibly in the national interests should take.

Mr. Chairman, I am aware of the contents of House Resolution 121, introduced by our distinguished Republican leader, the gentleman from Arizona (Mr. RHODES), which, in my opinion, sets forth more precisely the steps which this House should take. In other words, I believe the select committee should focus its attention on the abuses which may have been practiced by our intelligence-gathering agencies. At the same time, we should avoid jeopardizing any and all legitimate intelligence-gathering activities which are important to our national security—perhaps even to our survival as a nation in a world in which many hostile and aggressive elements exist and where we must be alert to the danger of global holocaust.

Mr. Chairman, in addition to the provisions of House Resolution 121, I am aware also of the amendments which I understand will be proposed by my colleague from Illinois (Mr. ANDERSON). In my opinion, these proposed amendments to the measure before us—House Resolution 138—more accurately carry out the objectives which I feel are essential to a truly bipartisan and objective investigation.

Mr. Chairman, it is important, first of all, that the composition of any such select committee should be evenly divided between Republicans and Democrats. A proposed 10-member committee evenly divided between Republicans and Democrats would carry out this goal. This is a matter of great concern to both Republicans and Democrats alike—and this inquiry will necessarily involve investigations of both Republican and Democratic administrations. A balanced bipartisan committee with equal representation of both parties would clearly be best equipped to deal with these important and sensitive matters in a responsible manner.

Our colleague (Mr. ANDERSON) also will offer an amendment to require the select committee to take the necessary steps to guard the confidentiality of the extremely sensitive material and information with which it will be dealing. Adoption of this amendment is absolutely necessary if the inquiry is to avoid leaks which could seriously jeopardize national security.

Mr. Speaker, this amendment goes in tandem with another amendment to be offered by my friend from Illinois which would require appropriate security clearances for the select committee's staff. Furthermore, section (C) of this amendment insures that no member of the staff may use the classified information which he or she receives in the course of the inquiry for later monetary gain—further minimizing the risk of security breaches after the filing of the select committee's report and the completion of its work.

Mr. Chairman, the concept of a single comprehensive bipartisan inquiry, embodied in this resolution, enjoys widespread support. Because of the problems of overlapping jurisdiction which exist in our committee structure with respect to oversight of Federal intelligence activities, it is my feeling that this select committee ought to preempt the separate inquiries by the standing committees of the House. To do an adequate job, however, the select committee deserves the set authorization of $750,000 which is provided by Mr. ANDERSON's third amendment. This amendment should be supported if we are serious in our desire to have a single intensive investigation in the place of several duplicative, noncomprehensive inquiries.

Finally, the fourth Anderson amendment—which sets a September 1, 1975, deadline for the select committee's report—makes sense and ought to be supported. We know that the Senate's select committee will report on that date—and I believe that the House should also—in the interests of a coordinated congressional approach to these important issues. No responsible Member would oppose an extension of this deadline if it were warranted by further revelations—but for now, it is most important to strive for an expeditious and coordinated inquiry into the disturbing allegations which have been made.

In conclusion, Mr. Chairman, this resolution, if strengthened by the adoption of my colleague's amendments, is worthy of the support of every Member who wants a truly professional and bipartisan inquiry—in which the American people can justifiably place their trust. A country which has had its confidence shaken in the integrity of its intelligence agencies and which is concerned about the constitutional rights of its citizens being abridged, is in precarious condition indeed. Let us act today, in the highest tradition of this House, to show the American people that we are prepared to deal with the serious problems which go to the heart of our form of government by adopting my colleague from Illinois' amendments and passing this important resolution.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, I want to thank the gentleman from Illinois, my colleague, Mr. MCCLORY, for offering his support for the amendments that I described earlier. They are going to be offered, as I suggested, not with any desire to frustrate the very important aims of this select committee when it is established, but rather, I think, to undergird it with a kind of guarantee against partisanship that I think would be disastrous, so far as public confidence is concerned, or as far as any meaningful results that, hopefully, would otherwise flow from its adoption.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. BAUMAN. I note in section 6 the committee is authorized to establish its own rules of procedure with regard to release of information which may come before this committee. If the gentleman will recall, in the impeachment inquiry of the Committee on the Judiciary, they voted to close certain sessions, which they had the right to do. The next morning, in the metropolitan press the entire contents of those hearings were on the front page in great detail, without any names being revealed as to whom the sources were. This committee will be dealing with highly sensitive information in this investigation. Was there any testimony before the Committee on Rules or has anyone offered any recommendations which will protect the secrecy of these investigations?

Mr. ANDERSON of Illinois. I would say to the gentleman that I will offer an amendment on the subject he has raised and specify that rules and procedures must be adopted by the committee that are designed to prevent the disclosure

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outside of the committee of information that is not authorized to be disclosed, and, furthermore, to establish security clearance requirements for individuals who will be handling the sensitive materials.

I would agree that they are more sensitive, perhaps, than some of the materials that were before the Committee on the Judiciary in the recent impeachment inquiry. But all kinds of materials will be dealt with in this committee.

Mr. Chairman, it is essential that we tighten up the language of this resolution and guard against the unauthorized dissemination of information on matters which are necessarily secret.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, would the gentleman's amendment apply also to Members of the House as well?

Mr. ANDERSON of Illinois. Mr. Chairman, as written, the amendment applies to staff; it does not specifically apply to Members. I think in those instances we will have to have faith in the qualifications of the Members who will be selected to serve on that committee, and we will have to have faith that they will observe the kind of circumspection that will be required of the members of that committee.

Mr. BAUMAN. Mr. Chairman, the gentleman has a large measure of faith.

Mr. BIESTER. Mr. Chairman, as a sponsor of legislation in both the previous and present Congress to create a Joint Committee on Intelligence, I rise in support of House Resolution 138 establishing a Select Committee on Intelligence.

I will vote for this bill with some misgivings as I do not feel it is the most preferable way to approach the problem. Few would deny that the reports and allegations involving illegal CIA and other foreign intelligence activities demand the closest examination. It is questionable, I feel, whether the House should undertake to duplicate much of the same investigative inquiry which is already being done by the President's commission and the Senate panel. The proper course for Congress to have taken in this matter would have been to create a joint House-Senate committee rather than the two separate efforts we will have should House Resolution 138 pass. The House should be involved firsthand in an examination of what has been done, and for this reason the bill before us should pass.

The need for some form of on-going oversight mechanism is not satisfied by the existence of these several groups, as important as their immediate objectives are. I believe we will still need to have a permanent body with the authority to monitor what is happening in the area of foreign intelligence operations. Right now that authority is fragmented and, for practical purposes, nonexistent. By bringing together in one committee Members from both Houses—specifically including those who serve on Foreign Affairs and Foreign Relations, Armed Services and Appropriations—we will be better able to follow on a continuing basis what is being done by our foreign intelligence apparatus.

Mr. ANDERSON of Illinois has joined me in introducing H.R. 261, creating a Joint Committee on Intelligence, and I hope consideration of such legislation will be forthcoming during this session. Unless we have a permanent vehicle institutionalizing supervision over this aspect of governmental activity, the problem will return to trouble us in the future.

Mr. KASTENMEIER. Mr. Chairman, I rise in support of House Resolution 138, to create a Select Committee on Intelligence.

While I have indicated, through my sponsorship of House Concurrent Resolution 18, the long-range congressional need for a permanent joint House-Senate oversight committee on intelligence activities, I believe it is essential that we immediately begin an investigation of the costly and little known segments of the Federal Government, our intelligence agencies, and measure their activities against their respective charters.

The creation of a select committee to examine the specific agencies, as well as the overall conduct and responsibilities of the entire intelligence community is an important undertaking. Such an inquiry is long overdue. The demands that the House assume its responsibility for overseeing the intelligence agencies, which operate largely in secrecy, can no longer be ignored.

Obviously the Nation needs effective criminal surveillance programs. No one seriously disputes this, and there is no one in the Congess who would work toward undermining the effectiveness of our intelligence agencies in the performance of their necessary and legitimate functions.

However, it is the responsibility of the Congress to define the legitimate intelligence activities, establish guidelines for the conduct of such operations and insure that such guidelines are enforced. We have evidence of military agents spying on civilians. It has been acknowledged that the CIA became involved in domestic surveillance. Testimony before various congressional committees indicates that intelligence agencies have withheld information from the Congress and have engaged in serious abuses and misuses of authority. These are matters which must be fully and thoroughly explored.

As recent testimony before the House Judiciary Subcommittee of which I am chairman indicates, the surveillance techniques of domestic intelligence agencies are equally worthy of scrutiny.

We have evidence that warrantless wiretaps were conducted for as long as 25 years. We have admissions that the FBI monitored some 40 phone calls between one Detroit lawyer and his clients. We have evidence that the Secret Service had access without legal process to very revealing telephone toll records. We have information that the FBI used private bank and credit records without any legal authority. We have reports of FBI spying on Members of Congress and domestic political groups including actual disruption of political associations.

Mr. Chairman, we have reached a point where the public's confidence in the Nation's law enforcement agencies is legitimately shaken. A thorough housecleaning of the intelligence community will go a long way toward restoring that confidence.

I urge adoption of House Resolution 138 and the speedy selection of the House Select Committee on Intelligence.

Mr. HARRINGTON. Mr. Chairman, the resolution to create a House Select Committee on Intelligence represents a vital first step toward making this Nation's intelligence community accountable to the Congress for the first time since the Central Intelligence Agency was created in 1947, signaling the uncontrolled growth of secret intelligence activities in the executive branch, the House will have established an effective mechanism to scrutinize questionable intelligence operations.

As one of the original sponsors of the Select Committee proposal, as well as a member of the ad hoc committee which unanimously recommended this resolution, I wish to summarize my understanding of the nature and scope of the proposed select committee's authority.

The committee's major task will be to recommend whatever new legislation and oversight structures are needed to insure that intelligence agencies are operating within the law and are accountable to Congress. This necessarily requires a reconsideration of the policies and assumptions underlying present intelligence practice. It requires careful investigation into all intellegence activities, particularly those that have resulted in the illegal political operations abroad or in violations of the civil liberties of American citizens. Finally, it requires an evaluation of the past effectiveness of House intelligence oversight committees in keeping these agencies within legal bounds. The select committee proposed today would have authority to accomplish these tasks.

My support for the select committee stems in large part from my belief that existing controls on intelligence activities, particularly on the CIA, have been wholly inadequate. Specifically, the CIA's secret program in Chile to destabilize the Allende government have yet to be subjected to searching congressional inquiry. Likewise, the extent of CIA domestic surveillance has not been fully examined. The House Select Committee on Intelligence would be impowered, along with its more general investigations, to explore these particular intelligence activities.

It is important to realize that intelligence policies and covert operations are not established without official actions at the highest levels of the executive branch. Any complete study of the intelligence community must probe the mechanisms within the executive branch, especially the National Security Council, for initiating and controlling intelligence operations. These matters will surely concern the Select Committee on Intelligence with its subpena power, the committee would be able to obtain valuable testimony from all executive branch officials who deal with intelligence policy.

It has been warned in debate over this proposal that care should be taken to protect the "national security" interests of the United States. I agree. However, this country's security depends just as much on the maintenance of a rule of law as it does on the preservation of diplomatic secrets. It is threatened just as seriously by a misguided covert intervention abroad as it is by insufficient intelligence gathering and analysis. "National security" means much more than mere acquiesence by Congress to asserted claims of necessity by intelligence officials. Such an abdication of congressional responsibility and control over the intelligence community will, in the long run, undermine the security of this Nation and its citizens.

The Select Committee on Intelligence can play a major role in the preservation of our "national security" in this broad sense. While I regret that it has taken the House so long to recognize the need for this committee, I commend the Democratic leadership for finally supporting this much needed reform. I urge passage of this resolution so that the select committee can begin its long-overdue investigation of the intelligence community.

Mr. MURPHY of Illinois. Mr. Chairman, I have no further requests for time.

Mr. ANDERSON of Illinois. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved, That (a) there is hereby established in the House of Representatives a Select Committee on Intelligence to conduct an inquiry into the organization, operations, and oversight of the intelligence community of the United States Government.

(b) The select committee shall be composed of ten Members of the House of Representatives to be appointed by the Speaker, in consultation with the chairmen of those standing committees having current jurisdiction over intelligence matters. The Speaker shall designate one of the Members as chairman.

(c) For the purposes of this resolution the select committee is authorized to sit during sessions of the House and during the present Congress whether or not the House has recessed or adjourned. A majority of the members of the select committee shall constitute a quorum for the transaction of business except that the select committee may designate a lesser number as a quorum for the purpose of taking testimony.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, line 8, after the word "Speaker" insert a period and strike out all after the period through the word "matters." on page 1, line 10.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 1, strike lines 6 through 11 and insert in lieu thereof the following:

"(b) The select committee shall be composed of ten Members of the House of Representatives to be appointed by the Speaker as follows: (1) five from the majority party, and (2) five from the minority party after consultation with the minority leader of the House. The Speaker shall designate one of the Members as chairman."

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment specifies that the composition of the select committee shall be completely bipartisan, with five Members from the majority party and five from the minority party. The resolution as reported contains no specific reference to the partisan makeup of the committee, but it was made clear in our Rules Committee hearings that the Democratic Caucus rule of 2 to 1 plus 1 would apply to the select committee as well. That would mean, on a 10-member committee such as this, there would be 7 Democrats and only 3 Republicans.

Mr. Chairman, I think it is especially important that this committee—having such broad authority to probe such sensitive areas spanning Republican and Democratic administrations alike—that this committee be completely bipartisan so that there is not one hint of partisanship. I think we should recall that in the last Congress we created a bipartisan select committee of five Democrats and five Republicans to investigate this House and its committees. That committee worked quite well together, and unanimously reported a comprehensive and constructive product. It put partisanship aside and acted in what it considered to be the best interests of the House. It would seem doubly important that we adopt this nonpartisan approach to investigating the intelligence community so that the committee will act in the best interests of the country.

I would also point out that our own House Committee on Standards of Official Conduct is completely bipartisan, with six Democrats and six Republicans. If we feel we should be nonpartisan in investigating and policing the conduct of House Members, it should follow that we would want to be nonpartisan in investigating and policing our domestic and foreign intelligence communities—an even more delicate and sensitive area.

The Senate select committee on intelligence has a nearly bipartisan composition, with six Democrats and five Republicans, despite the fact that the majority party has a 3-to-2 ratio in that body.

I have reviewed the numerous resolutions referred to our Rules Committee which would establish either House select or joint committees on intelligence. Almost all of them, introduced by Republicans and Democrats alike, would have either a bipartisan or nearly bipartisan composition.

And yet, here we have a resolution drafted in the Democratic Steering and Policy Committee which would revert to the old partisan ratio of 2 to 1 plus one. I can understand that such a proposal is to be expected from one of the partisan organs in the House. But we are now acting as an institution—not as Republicans or Democrats—but as Members of Congress interested in doing what is right for the country and in doing it the right way. And I would suggest that we must act on a matter of this importance and sensitivity in such a way that there not even be the appearance of partisanship connected with this investigation. I urge adoption of my amendment.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, actually the resolution before us does not provide for any ratio; it provides for a 10-member committee, and it could be 9 to 1 or 10 to 0 unless we spell out the ratio as to the members of the committee; is that correct?

Mr. ANDERSON of Illinois. Mr. Chairman, the gentleman is quite correct. But in fairness to the other side, I want to say that they made it quite clear in their testimony in the Committee on Rules that a 7 to 3 ratio is what they intended.

This was the decision of the task force appointed by the Democratic Policy Steering Committee after it had been referred to that group by the Democratic Caucus. Therefore, I am satisfied that it is going to be 7 and 3 unless we adopt this amendment.

I think, nevertheless, that the reasons I have given are good and sufficient reasons why we ought to specify an even division in the membership of the committee.

Mr. GIAIMO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me associate myself with the remarks of the gentleman from Illinois by saying that we, too, want to see a bipartisan effort in this area which concerns the rights and freedoms of the American people, and that is, whether or not the intelligence agencies in any way are infringing on those rights.

I hope that there will be a bipartisan effort in this committee. Certainly there should be no Republican or Democratic position in this area. They should be merged into the correct and proper bipartisan position.

However, let me say this, that we in the majority in the Congress have a responsibility and an obligation to lead and to propose recommendations, legislation, all kinds of activities designed to remedy the ills which beset us.

All one has to do is read the newspapers or listen to radio and television any day. We hear from the executive branch statements that Congress has the obligation to do this, Congress has the obligation to do that, and Congress must stand up and take positive steps and make positive decisions and resolutions.

I submit to the gentleman that from experience, as he and I well know, it is very difficult to establish policy in this august body with a five and five split. As we have the responsibility as the majority party in this body, we must insist on the regular rule and ratio for other committees, and this is one of the reasons.

The executive branch has created a board and a commission to look into this matter, and certainly we in the Congress have not told or advised the President as to what the makeup of that board should be or what the membership should be.

I do not think that we can properly exercise our function here as the majority party with the responsibility to come forth with recommendations, and I do not think we can properly exercise our

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responsibility unless we have a 7 and 3 ratio.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

As to this idea, however, when the gentleman says that we must insist on the normal rule as it applies to ratios on committees, he ignores completely the distinction that should be drawn between a legislative committee and an investigative committee. This is not a legislative committee, as we said earlier. The gentleman agrees, I am sure, that this committee cannot legislate; it can only recommend.

With investigative materials as sensitive as these, it is important that we convey to the public, which is concerned and rightfully so about these issues, that we will not simply take partisan potshots and that we will not make points for one party or in the defense of the other, but in a serious, determined, nonpartisan manner, we are proceeding to lay the ghost to these charges, either determining their truth and validity or not.

Mr. GIAIMO. I do not think we intend to take potshots. Certainly I know that members of the majority are not, and members of the minority are not either. However, the fact is that the majority does bear the responsibility to take positive action and make positive suggestions.

I submit, Mr. Chairman, that we cannot do that with a five and five committee, and I oppose the amendment.

Mr. McCLORY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. McCLORY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

Mr. McCLORY. Mr. Chairman, it seems to me that if the majority party wants to act in a responsible and a bipartisan manner, they can achieve that end through the acceptance of this amendment. I might say that in supporting the general thrust of this resolution and the establishment of a Select Committee, I am just as interested in the activities of such a select committee as any Member on the other side of the aisle. I think there is the suggestion or the implication in this 7 to 3 ratio which suggests this is going to be a partisan attack and a partisan effort. Certainly partisan control of this activity should not be patterned after a legislative function. I think the integrity of this institution, the House of Representatives, is involved in this very amendment, because this institution is the one which is going to establish a select committee. It is this institution which is going to conduct the oversight and the investigation of the alleged impairment of the rights of individual citizens, by reason of illegal, immoral, and unethical activities alleged to have been carried out by the intelligence-gathering agencies and, consequently, it seems to me that we should do this in a responsible, objective manner through the establishment of a select committee which will be even balanced between the majority and the minority parties.

I want to assure those who are opposing this amendment on the other side of the aisle of our sincere interest on this side of the aisle of doing the kind of thorough job, not only with respect to this administration, but with respect to prior administrations, and we do not want to have any coverup of any earlier activities, which certainly could result, if the control is there and the political interest is there, to protect and to cover up with respect to an earlier administration. Consequently, I believe that if we are to be truly bipartisan and truly objective and truly responsible to the American people in connection with this select committee, we should support overwhelmingly the amendment offered by my colleague, the gentleman from Illinois (Mr. ANDERSON).

I hope the House will give that kind of support to this amendment.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Illinois (Mr. ANDERSON) has offered four amendments, all of which I think would be a great improvement to this bill. I am particularly interested in the amendment which would change the composition of the committee so that it would be equal between the parties.

Select committees, without legislative authority, should be bipartisan. They are customarily evenly, or nearly evenly divided between the parties and I think this precedent followed in both Houses should not be abandoned.

I recognize the ability of the Democratic side, and of the Democratic caucus, to impose its will upon the House. It has the votes to do it, and if it wants to do it, it certainly can, but I ask the Members on my right to think ahead to the possible time when the majorities might be different, and I ask them if they think it would be a good idea for a select committee to be set up by this body which would be seven to three.

I also ask them if they think it is a good idea to change precedent so that the majority party is in complete control of something which is as sensitive as the investigation of the intelligence divisions of our Government today. It seems to me that this is such a sensitive operation, such a sensitive area, that the Members of the majority party would be well served if a committee to perform this very delicate task were to be just as bipartisan as anybody could possibly make it.

I understand partisanship is quite the vogue in this Congress, and again that is the prerogative of the majority party to make it so if it desires to do so. But I also suggest that this investigation is necessary. I agree that it is. I am pleased that it is going to be done by a select committee instead of by various other committees in which there would be overlapping investigations made. That part of it I agree with completely. But it seems to me the people, the citizens of the Republic, would feel much better about the whole thing and would feel much more confident about the findings of this committee—that there would not be a witch hunt—if the members of the committee were evenly divided between the parties.

So, Mr. Chairman, I speak for all of the amendments offered by the gentleman from Illinois, and I particularly address myself to the one involving the content of the committee.

Mr. BRODHEAD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, it seems to me that the amendment to make this committee evenly divided between the two parties would have the effect of to be trying to reverse the results of the last election. If the people wanted the responsibilities to be divided 50–50 between the two parties they would have voted that way. They did not. They voted two-thirds for one party and one-third for the other. I do not understand why the minority is trying to obstruct the work of this House by offering such an amendment with respect to this committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ANDERSON of Illinois. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 141, noes 265, not voting 26, as follows:

[Roll No. 17]

AYES—141

Abdnor	Carter	Erlenborn
Abzug	Cederberg	Esch
Anderson, Ill.	Clancy	Eshleman
Andrews, N. Dak.	Clausen, Don H.	Fenwick
Archer	Cleveland	Fish
Armstrong	Cochran	Forsythe
Ashbrook	Cohen	Frenzel
Bafalis	Collins, Tex.	Frey
Bauman	Conable	Gilman
Beard, Tenn.	Conlan	Goldwater
Bell	Conte	Goodling
Bennett	Coughlin	Gradison
Biester	Crane	Grassley
Breckinridge	Daniel, Robert W., Jr.	Gude
Broomfield	Derwinski	Guyer
Brown, Mich.	Devine	Hagedorn
Brown, Ohio	Dickinson	Hammer-schmidt
Broyhill	Duncan, Tenn.	Hansen
Buchanan	du Pont	Harsha
Burgener	Edwards, Ala.	Hastings
Burke, Fla.	Emery	Hébert
Butler		

Heckler, Mass.	McKinney	Shriver
Heinz	Madigan	Shuster
Hillis	Martin	Sikes
Hinshaw	Michel	Smith, Nebr.
Holt	Miller, Ohio	Snyder
Horton	Mitchell, N.Y.	Spence
Hutchinson	Moore	Stanton, J. William
Hyde	Mosher	Steelman
Jeffords	Myers, Ind.	Steiger, Ariz.
Johnson, Colo.	Myers, Pa.	Steiger, Wis.
Johnson, Pa.	O'Brien	Symms
Kasten	Peyser	Thone
Kelly	Pressler	Treen
Ketchum	Pritchard	Vander Jagt
Kindness	Quie	Walsh
Lagomarsino	Quillen	Wampler
Latta	Railsback	Whalen
Lent	Regula	Whitehurst
Lott	Rhodes	Wiggins
Lujan	Rinaldo	Winn
McClory	Robinson	Wydler
McCloskey	Rousselot	Wylie
McCollister	Ruppe	Young, Alaska
McDade	Sarasin	Young, Fla.
McDonald	Schneebeli	
McEwen	Sebelius	

NOES—265

Adams	Florio	Melcher
Addabbo	Flowers	Metcalfe
Alexander	Flynt	Meyner
Ambro	Ford, Mich.	Mezvinsky
Anderson, Calif.	Fountain	Mikva
Andrews, N.C.	Fraser	Milford
Annunzio	Fuqua	Miller, Calif.
Ashley	Gaydos	Mineta
Aspin	Giaimo	Minish
AuCoin	Gibbons	Mink
Badillo	Ginn	Mitchell, Md.
Baldus	Gonzalez	Moakley
Baucus	Green	Moffett
Bedell	Haley	Mollohan
Bevill	Hall	Montgomery
Bingham	Hamilton	Moorhead, Pa.
Blanchard	Hanley	Morgan
Blouin	Hannaford	Moss
Boggs	Harkin	Mottl
Boland	Harrington	Murphy, Ill.
Bolling	Harris	Murphy, N.Y.
Bonker	Hawkins	Murtha
Bowen	Hayes, Ind.	Natcher
Brademas	Hays, Ohio	Neal
Breaux	Hechler, W. Va.	Nedzi
Brinkley	Hefner	Nichols
Brodhead	Helstoski	Nix
Brooks	Henderson	Nolan
Brown, Calif.	Hicks	Nowak
Burke, Calif.	Hightower	Oberstar
Burke, Mass.	Holland	Obey
Burleson, Tex.	Holtzman	O'Hara
Burlison, Mo.	Howard	O'Neill
Burton, John L.	Howe	Ottinger
Burton, Phillip	Hubbard	Patman
Byron	Hughes	Patten
Carney	Hungate	Patterson, Calif.
Carr	Ichord	Pattison, N.Y.
Casey	Jacobs	Pepper
Chisholm	Jenrette	Perkins
Clay	Johnson, Calif.	Pickle
Collins, Ill.	Jones, Ala.	Pike
Conyers	Jones, N.C.	Poage
Corman	Jones, Okla.	Preyer
Cornell	Jones, Tenn.	Price
Cotter	Jordan	Randall
D'Amours	Karth	Rangel
Daniel, Dan	Kastenmeier	Rees
Daniels, Dominick V.	Kazen	Reuss
Danielson	Keys	Richmond
Davis	Koch	Risenhoover
de la Garza	Krebs	Roberts
Delaney	Krueger	Rodino
Dellums	LaFalce	Roe
Dent	Landrum	Rogers
Derrick	Lehman	Roncalio
Dingell	Levitas	Rooney
Dodd	Litton	Rosenthal
Downey	Lloyd, Calif.	Rostenkowski
Drinan	Lloyd, Tenn.	Roush
Duncan, Oreg.	Long, La.	Roybal
Early	Long, Md.	Runnels
Eckhardt	McCormack	Russo
Edgar	McFall	Ryan
Edwards, Calif.	McHugh	St Germain
English	McKay	Santini
Evans, Colo.	Macdonald	Sarbanes
Evans, Ind.	Maguire	Satterfield
Evins, Tenn.	Mahon	Scheuer
Fascell	Mann	Schroeder
Fisher	Mathis	Seiberling
Fithian	Matsunaga	Sharp
Flood	Mazzoli	Shipley
	Meeds	Simon
		Sisk
Slack	Teague	Wilson, Charles H., Calif.
Smith, Iowa	Thompson	Wilson, Charles, Tex.
Solarz	Thornton	Wirth
Spellman	Traxler	Wolff
Staggers	Tsongas	Wright
Stanton, James V.	Udall	Yates
Stark	Ullman	Yatron
Stephens	Van Deerlin	Young, Ga.
Stokes	Vander Veen	Young, Tex.
Stratton	Vanik	Zablocki
Stuckey	Vigorito	Zeferetti
Studds	Waggonner	
Sullivan	Waxman	
Symington	Weaver	
Taylor, N.C.	White	
	Whitten	

NOT VOTING—26

Barrett	Foley	Passman
Beard, R.I.	Ford, Tenn.	Riegle
Bergland	Fulton	Rose
Biaggi	Jarman	Schulze
Chappell	Kemp	Skubitz
Clawson, Del	Leggett	Steed
Diggs	Mills	Talcott
Downing	Moorhead, Calif.	Taylor, Mo.
Eilberg		Wilson, Bob

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. The select committee is authorized and directed to conduct an inquiry into—

(1) the collection, analysis, use, and cost of intelligence information and allegations of improper activities of intelligence agencies in the United States and abroad;

(2) the procedures and effectiveness of coordination among and between the various intelligence components of the United States Government;

(3) the nature and extent of executive branch oversight and control of United States intelligence activities;

(4) the need for improved or reorganized oversight by the Congress of United States intelligence activities;

(5) the necessity, nature, and extent of overt and covert intelligence activities by United States intelligence instrumentalities in the United States and abroad;

(6) the procedures for and means of the protection of sensitive intelligence information; and

(7) such other related matters as the select committee shall deem necessary to carry out the purposes of this resolution.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 12, after the word "of" insert the words "illegal or".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 2, strike out the word "and" and insert the following:

"(7) procedures for and means of the protection of rights and privileges of citizens of the United States from illegal or improper intelligence activities; and"

And renumber the next paragraph accordingly.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. In carrying out the purposes of this resolution, the select committee is authorized to inquire into the activities of the following:

(1) the National Security Council;

(2) the United States Intelligence Board;

(3) the President's Foreign Intelligence Advisory Board;

(4) the Central Intelligence Agency;

(5) the Defense Intelligence Agency;

(6) the intelligence components of the Departments of the Army, Navy, and Air Force;

(7) the National Security Agency;

(8) the Intelligence and Research Bureau of the Department of State;

(9) the Federal Bureau of Investigation;

(10) the Department of the Treasury;

(11) the Energy Research and Development Administration; and

(12) any other instrumentalities of the United States Government engaged in or otherwise responsible for intelligence operations in the United States and abroad.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: page 4, line 1, strike out the semicolon and add the following: "and the Department of Justice;"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. The select committee may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the chairman of the select committee or any member designated by him, and may be served by any person designated by the chairman or such member. The chairman of the select committee, or any member designated by him, may administer oaths to any witness.

SEC. 5. To enable the select committee to carry out the purposes of this resolution, it is authorized to employ investigators, attorneys, consultants, or organizations thereof, and clerical, stenographic, and other assistance.

SEC. 6. The select committee shall establish and implement such rules and procedures as it may deem necessary to prevent the unauthorized disclosure of information and testimony taken in executive session or obtained by other means.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 4, strike lines 23 through 24 and on page 5 strike lines 1 and 2 and insert in lieu thereof the following:

"SEC. 6. (a) The select committee shall institute and carry out such rules and procedures as it may deem necessary to prevent (1) the disclosure, outside the select committee, of any information relating to the activities of the Central Intelligence Agency or any other department or agency of the Federal Government engaged in intelligence activities, obtained by the select committee during the course of its study and investigation, not authorized by the select committee to be disclosed; and (2) the disclosure, outside the select committee, of any information which would adversely affect the intelligence activities of the Central Intelligence Agency in foreign countries or the intelligence activities in foreign countries of any other department or agency of the Federal Government;

"(b) No employee of the select committee or any person engaged by contract or otherwise to perform services for the select committee shall be given access to any classified information by the select committee unless such employee or person has received an ap-

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propriate security clearance as determined by the select committee. The type of security clearance to be required in the case of any such employee or person shall, within the determination of the select committee, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by the select committee.

"(c) As a condition for employment as described in section 5 of this resolution, each person shall agree not to accept any honorarium, royalty, or other payment for a speaking engagement, magazine article, book, or other endeavor connected with the investigation and study undertaken by this committee."

Mr. ANDERSON of Illinois (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois.

There was no objection.

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment is aimed at detailing and strengthening the provisions of the resolution designed to protect classified materials and national secrets. I would stress at the outset that this language is identical to that contained in Senate Resolution 21 as adopted, establishing the Senate select committee on intelligence. As the resolution before us reads, the committee shall establish whatever rules and procedures it deems appropriate to protect such information.

My amendment simply elaborates on this by specifying that such rules and procedures should be designed to prevent the disclosure outside the committee of any information not authorized to be disclosed by the committee, and to prevent the disclosure of information which would adversely affect any of our foreign intelligence activities.

Moreover, the amendment requires that the committee establish security clearance requirements for staff people having access to classified materials, as the committee determines is commensurate with the sensitivity of the information.

Finally, my amendment requires that, as a condition of employment, staff people assigned to the committee, as well as outside consultants working with the committee, agree not to accept any payment, royalty or honorarium for speaking engagement, book, article or other endeavor in connection with his or her work on the committee. Again, I would stress, this language is identical to that contained in the Senate-passed resolution.

Mr. Chairman, while I do not doubt that any such committee would establish necessary safeguards to protect sensitive information, I think it is important that we in the House impose some minimal guidelines and requirements from the very outset in order to give guidance to the committee. There is certainly nothing in this amendment which would preclude the committee from adopting other rules in this area, and I am sure they will. But as a bare minimum, I think these safeguards should be clearly stated by the full House. Given the nature of the investigation, we cannot abide any leaks springing from this committee. Recent past experiences with staff leaks should be sufficient in impressing on us the need for this body to make the concerns and desires of the full House membership explicit in this regard.

The conduct of this investigation will be a reflection on the entire House, and as such, we must accept full responsibility now for insuring that the investigation does not become either a Roman circus or a sieve for national secrets. I urge adoption of my amendment.

Mr. MURPHY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I am pleased to yield to the gentleman from Illinois (Mr. MURPHY).

Mr. MURPHY of Illinois. Mr. Chairman, in a spirit of democratic cooperation, our side will accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 5, after line 2, insert the following new section and redesignate sections 7 and 8 as sections 8 and 9, respectively:

"SEC. 7. The expenses of the select committee under this resolution shall not exceed $750,000 of which amount not to exceed $100,000 shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the House upon vouchers signed by the chairman of the select committee and approved by the Speaker."

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment simply sets an expense ceiling of $750,000 for the select committee, along with a subceiling of $100,000 for outside consultants and services. As such, it is identical to the language in the Senate-passed resolution.

In questioning witnesses on this matter yesterday in Rules, no estimate was given on what the select committee might cost. The gentleman from Michigan, (Mr. NEDZI) said he didn't think it would cost as much as the Senate investigation, despite the fact that this is due to run 4 months more than the Senate inquiry. It was also stated that the amount would be negotiated with the House Administration Committee.

Well I do not like the idea of jumping into something without having any idea how much it will cost. In the last Congress, when we established the Select Committee on Committee Reform, the resolution creating that committee, as reported from the Rules Committee, contained an authorization level.

There is no reason whatsoever why we cannot set such a ceiling in this resolution. Moreover, given the potential scope of this investigation, covering as it does every agency of the Federal Government having anything to do with intelligence—and broadly defined, "intelligence" simply means information gathering—I think it is important at the outset that we establish an overall dollar ceiling so that the committee will be forced to set its priorities immediately and get on with the most important aspects of such an investigation. I suspect that if the committee did everything he could do under its authority in this resolution, the investigation could run for years and cost the taxpayers millions. As I mentioned in the Rules Committee, this could turn out to be the biggest fishing expedition since Moby Dick. I do not think that is what most Members of this body want. We are primarily concerned with the more glaring and disturbing allegations of illegal and improper intelligence activities and operations. And we want this committee to report back as soon as possible on what steps the executive and legislative branches might take to strengthen their control and oversight over the intelligence community.

Mr. Chairman, just as other committees are required to report the expected cost of programs they recommend, I think we have an obligation to require the same of our own in-house activities by setting such cost parameters. I urge adoption of my amendment.

Mr. MURPHY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I am delighted to yield to the gentleman from Illinois.

Mr. MURPHY of Illinois. Mr. Chairman, in a further demonstration of that same spirit of conciliation and cooperation, we will accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. The select committee is authorized and directed to report to the House with respect to the matters covered by this resolution as soon as practicable but no later than January 31, 1976.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 5, strike all of line 6 and insert in lieu thereof the following: "September 1, 1975."

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment would change the reporting deadline for the select committee from January 31, 1976 to September 1, 1975. Again, the deadline contained in my amendment is identical to that of the Senate committee. And I think for a very obvious and practical reason. If both of these committees will be making recommendations as to how the Congress might improve and strengthen its oversight of the intelligence communities, then we should act together as soon as possible on doing this. There can be no excuse for dragging out the House investigation 4 months beyond that of the Senate, and in the meantime delaying necessary and possibly joint action on this problem. I would add, parenthetically, that I suspect a recommendation may be made to establish a Joint Committee on Intelligence Oversight, and, for that reason, it is imperative that we act promptly and jointly.

Mr. Chairman, I know that argument will be made that there is no way our committee can carry out its assignment under this resolution in just 6 months. I have no doubt that it could take from now until doomsday to do a thorough job of implementing its mandate. But of supreme importance, it seems to me, is that this committee address itself to the most glaring and immediate allegations before it, and then turn over the rest to a more permanent mechanism of the Congress to continue with. This is what we should have been doing all along, and I do not think we have to wait 11 months for a select committee to tell us that. We should move as soon as possible to establishing such a permanent mechanism and get on with the job.

In conclusion, Mr. Chairman, I think this reporting deadline is in the best interests of the Congress and the Nation in establishing within the Congress a permanent mechanism for conducting continuing review and oversight of the intelligence community. Let us move together with the other body, on the same timetable and deadline in accomplishing that larger end.

I urge adoption of my amendment.

Mr. Chairman, I do not see the gentleman from Illinois, my colleague on the committee, rising, asking me to yield, so I must assume that the same spirit of conciliation and cooperation does not prevail on this fourth and final amendment that I offer to House Resolution 138, but I now yield to the gentleman from Illinois in the hope that the gentleman has changed his mind after listening to my remarks.

Mr. MURPHY of Illinois. Mr. Chairman, I must say to my colleague, the gentleman from Illinois (Mr. ANDERSON) that the same spirit of concliation and cooperation that prevailed with regard to the other amendments does not prevail in regard to this amendment.

Mr. ANDERSON of Illinois. Mr. Chairman, I regret that the gentleman from Illinois does not have the same feeling of conciliation and cooperation with respect to this amendment, but, regardless of where we stand on the political aisle, I would invite the support of the gentleman for the amendment because I consider that it is in the interest of getting the kind of an investigation that we want on both sides of the political aisle.

Mr. GIAIMO. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

Mr. Chairman, I should like to point out to the members of the Committee that we have taken precautions here to see to it that the select committee is limited in duration to the end of this year, January 31, 1976. It is not our intention nor our desire to perpetuate the Select Committee on Intelligence year after year after year. At the same time—and I am sure that my good friend, the gentleman from Illinois, will agree with me—we want to assure the committee sufficient time to do a creditable job and proper investigation in this area of intelligence activities. We think that the September deadline mentioned in the amendment of the gentleman is not realistic. It gives very little time.

I recognize the fact that the other body has selected that date. However, I would say that the other body has already passed its legislation. It has a head start of some weeks on this body and, quite frankly, it is our opinion and that of the cosponsors of this legislation that the deadline date which the other body has incorporated into this legislation will not be sufficient to do a proper job, and my guess will be that they will be extending theirs.

I do not think it is unreasonable to limit the duration of this select committee until January 31, 1976, and I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The amendment was rejected.

Mrs. FENWICK. Mr. Chairman, I move to strike the last word.

Ishould like to appeal, Mr. Chairman, to the Members of this House and most particularly to my friends on the other side of the aisle. I think we all know that patriotism rather than partisanship is what must guide us if we are to respond to what the people told us to do in the last election. There is more to it. I think an investigatory body has to not only do justice but be seen to do justice. I think that we should rise to it. I hope very much, since the section does not describe the membership of the committee, but leaves it entirely to the generosity and the spirit of bipartisanship of the Speaker and of the leadership and of the great majority of Democrats in this House, that perhaps it could be at least 6-to-4, if not 5-to-5.

I know that my friends on the other side of the aisle know that I speak in no partisan spirit, but I think it would convince the people of this Nation that we can rise above party, that we are earnestly seeking the truth, that we are not trying to go on witch hunts or hurt people, but that we are trying to protect the integrity of our institutions and the urgent and necessary fact that the institutions of government cannot be used for personal or political reasons. All this needs to be driven home, and I hope that the composition of the committee will effect it.

I thank the Chairman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 8. The authority granted herein shall expire three months after the filing of the report with the House of Representatives.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLYNT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 138) establishing a Select Committee on Intelligence, pursuant to House Resolution 174, he reported the resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the resolution.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 286, nays 120, not voting 26, as follows:

[Roll No. 18]

YEAS—288

Abzug	Fish	Mahon
Adams	Fisher	Mann
Addabbo	Fithian	Matsunaga
Alexander	Flood	Mazzoli
Ambro	Florio	Meeds
Anderson, Calif.	Flowers	Melcher
	Flynt	Metcalfe
Anderson, Ill.	Foley	Meyner
Andrews, N.C.	Ford, Mich.	Mezvinsky
Andrews, N. Dak.	Ford, Tenn.	Mikva
	Fraser	Miller, Calif.
Annunzio	Frenzel	Mineta
Armstrong	Frey	Minish
Ashley	Fuqua	Mink
Aspin	Gaydos	Mitchell, Md.
Badillo	Giaimo	Mitchell, N.Y.
Baldus	Gibbons	Moakley
Baucus	Gilman	Moffett
Beard, R.I.	Gonzalez	Mollohan
Bedell	Gradison	Moorhead, Pa.
Bell	Grassley	Morgan
Bennett	Green	Mosher
Biaggi	Gude	Moss
Biester	Haley	Mottl
Bingham	Hall	Murphy, Ill.
Blanchard	Hamilton	Murphy, N.Y.
Blouin	Hanley	Murtha
Boggs	Hannaford	Natcher
Boland	Harkin	Neal
Bolling	Harrington	Nedzi
Bonker	Harris	Nix
Bowen	Hastings	Nowak
Brademas	Hawkins	Oberstar
Breaux	Hayes, Ind.	Obey
Breckinridge	Hays, Ohio	O'Brien
Brodhead	Hébert	O'Hara
Brooks	Hechler, W. Va.	O'Neill
Broomfield	Heckler, Mass.	Ottinger
Brown, Calif.	Hefner	Patman
Brown, Ohio	Heinz	Patterson, Calif.
Broyhill	Helstoski	Pattison, N.Y.
Burke, Calif.	Henderson	Pepper
Burke, Mass.	Hightower	Perkins
Burlison, Mo.	Hillis	Peyser
Burton, John L.	Holland	Pickle
Burton, Phillip	Holtzman	Pike
Carney	Howard	Pressler
Carr	Howe	Preyer
Chisholm	Hughes	Price
Clay	Hungate	Pritchard
Cohen	Ichord	Quie
Collins, Ill.	Jacobs	Railsback
Conte	Johnson, Calif.	Randall
Conyers	Johnson, Colo.	Rangel
Corman	Jones, Ala.	Rees
Cotter	Jones, N.C.	Regula
Daniels, Dominick V.	Jones, Okla.	Reuss
	Jones, Tenn.	Richmond
Danielson	Jordan	Rinaldo
Davis	Karth	Risenhoover
de la Garza	Kasten	Rodino
Delaney	Kastenmeier	Roe
Dellums	Kazen	Rogers
Dent	Keys	Roncalio
Derwinski	Koch	Rooney
Dingell	Krebs	Rosenthal
Dodd	Lehman	Rostenkowski
Downey	Litton	Roush
Drinan	Lloyd, Tenn.	Roybal
du Pont	Long, La.	Runnels
Early	Long, Md.	Ruppe
Eckhardt	Lujan	Russo
Edgar	McClory	Ryan
Edwards, Calif.	McCloskey	St Germain
Emery	McCormack	Sarasin
English	McDade	Sarbanes
Erlenborn	McFall	Scheuer
Esch	McHugh	Schroeder
Evans, Colo.	McKay	Selberling
Evans, Ind.	McKinney	Sharp
Evins, Tenn.	Macdonald	Shipley
Fascell	Madden	Shriver
Fenwick	Madigan	Simon
Findley	Maguire	Sisk

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Slack	Symington	Wilson,
Smith, Iowa	Thompson	Charles H.,
Solarz	Thornton	Calif.
Spellman	Treen	Wilson,
Staggers	Tsongas	Charles, Tex.
Stanton,	Udall	Wirth
J. William	Ullman	Wolff
Stanton,	Vander Veen	Wright
James V.	Vanik	Yates
Stark	Vigorito	Yatron
Steelman	Wampler	Young, Alaska
Stokes	Waxman	Young, Ga.
Studds	Weaver	Zablocki
Sullivan	Whalen	Zeferetti

NAYS—120

Abdnor	Forsythe	Nichols
Archer	Fountain	Nolan
Ashbrook	Ginn	Passman
AuCoin	Goodling	Patten
Bafalis	Guyer	Poage
Bauman	Hagedorn	Quillen
Beard, Tenn.	Hammer-	Rhodes
Bevill	schmidt	Roberts
Brinkley	Hansen	Robinson
Brown, Mich.	Harsha	Rousselot
Buchanan	Hicks	Santini
Burgener	Hinshaw	Satterfield
Burke, Fla.	Holt	Schneebeli
Burleson, Tex.	Hubbard	Sebelius
Butler	Hutchinson	Shuster
Byron	Jenrette	Sikes
Carter	Johnson, Pa.	Stubitz
Casey	Kelly	Smith, Nebr.
Cederberg	Kemp	Snyder
Clancy	Ketchum	Spence
Clausen,	Kindness	Steiger, Ariz.
Don H.	Krueger	Steiger, Wis.
Cleveland	LaFalce	Stephens
Cochran	Lagomarsino	Stuckey
Collins, Tex.	Landrum	Symms
Conable	Latta	Taylor, N.C.
Conlan	Lent	Teague
Cornell	Levitas	Thone
Coughlin	Lloyd, Calif.	Van Deerlin
Crane	Lott	Vander Jagt
D'Amours	McCollister	Waggonner
Daniel, Dan	McDonald	Walsh
Daniel, Robert	McEwen	White
W., Jr.	Martin	Whitehurst
Derrick	Mathis	Whitten
Devine	Milford	Wiggins
Dickinson	Miller, Ohio	Winn
Duncan, Oreg.	Montgomery	Wydler
Duncan, Tenn.	Moore	Wylie
Edwards, Ala.	Myers, Ind.	Young, Fla.
Eshleman	Myers, Pa.	Young, Tex.

NOT VOTING—26

Barrett	Horton	Riegle
Bergland	Hyde	Rose
Chappell	Jarman	Schulze
Clawson, Del	Jeffords	Steed
Diggs	Leggett	Stratton
Downing	Michel	Talcott
Eilberg	Mills	Taylor, Mo.
Fulton	Moorhead,	Traxler
Goldwater	Calif.	Wilson, Bob

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Diggs for, with Mr. Schulze against.

Mr. Eilberg for, with Mr. Del Clawson against.

Mr. Barrett for, with Mr. Taylor of Missouri against.

Until further notice:

Mr. Bergland with Mr. Michel.

Mr. Chappell with Mr. Moorhead of California.

Mr. Leggett with Mr. Hyde.

Mr. Riegle with Mr. Bob Wilson.

Mr. Rose with Mr. Traxler.

Mr. Horton with Mr. Mills.

Mr. Downing with Mr. Jarman.

Mr. Fulton with Mr. Goldwater.

Mr. Jeffords with Mr. Stratton.

Mr. Steed with Mr. Talcott.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER. Pursuant to House Resolution 138, the Chair appoints the following Members to the Select Committee on Intelligence: Mr. NEDZI, chairman; Mr. GIAIMO; Mr. EDWARDS of California; Mr. JAMES V. STANTON; Mr. HARRINGTON; Mr. DELLUMS; Mr. MURPHY of Illinois; Mr. MCCLORY; Mr. TREEN; and Mr. KASTEN.

FLOOD INSURANCE

(Mr. CASEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CASEY. Mr. Speaker, today I am introducing a bill that I believe will be of interest to each and every colleague in the House, since it concerns the Flood Disaster Protection Act of 1973.

I know that we all fully recognize the need for flood insurance and the protection that it affords our constituents in the event of disastrous flooding. There is an urgent necessity for its continued availability and at the subsidized rates provided under Public Law 93–234.

The law has my full support in its purpose and I would like to compliment the Flood Insurance Administration for the conscientious work it has done to implement the law.

However, there are some provisions of the law which can have disastrous effects in themselves if implemented as scheduled on July 1, 1975. These effects, which I know were not foreseen by those of us who ardently supported the law at its passage, could be even more harmful than no law at all in some communities.

Fortunately we still have the time to make the necessary corrections, which the bill I introduce today would accomplish.

Unless we do make these adjustments in the act, we can expect to see many of our areas suffer unnecessarily through declining property values, an inability to refinance existing housing and a virtual ban on future construction. These factors hold true even in areas in which there is no history of flooding and in which the likelihood of future flooding is remote indeed.

Under the present law, after July 1, residential lending will be prohibited in communities which have failed to become eligible for flood insurance.

The reason is that the Federal Housing Administration, the Veterans' Administration, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, and any federally supervised bank and savings and loan association will be prohibited from assisting in, making or approving loans secured by properties located in specially designated flood areas unless the community in which the property is located in participating in the national flood insurance program.

The spirit of this provision would seem most desirable, but let us consider the practical effects, which I believe we will see will bring severe injustice to property owners in communities which have not complied with the law, or for some reason cannot comply. I know that a recent count in just my area of Texas, showed that 44 communities are still not under the program.

Now let us look at what will happen in these communities after provisions of the Flood Disaster Protection Act go into effect on July 1:

Property values will fall sharply because construction financing will not be available. A homeowner, for example, gets transferred to another city by his employer. He tries to sell his home, where he has lived for 15 or 20 years. He finds that under the law we have written that there is no way he can get the house refinanced in order to sell the property. It does not matter that his home has never been flooded or that it will never be in danger of flooding. He is stuck from now on with that house unless he wants to virtually give it away.

Foreclosures will increase. As an example, say a homeowner is transferred after buying a house on VA financing 2 years earlier. He cannot sell the house, so he just defaults on his loan. He only loses the small downpayment. I fear such examples would become common.

Financing banks and savings and loan institutions would suffer because of the growing number of loan defaults.

The Federal Government will suffer because there will be a large number of FHA and VA loans involved. Those are the loans with the smallest down payments and thus the more likely to go into default. Then, under the law, the VA and FHA will pay off the mortgages and be stuck with the properties.

Property owners, the families who have worked and saved for years in order to own their homes, will suffer the most. Because no matter what they decide to do, the circumstances are beyond their control. Their lifetime investment can be completely wiped out.

We obviously went a little bit too strong in attempting to write this law and the need for corrective action should be obvious.

My bill would take that corrective action by:

Repealing the prohibition against federally assisted lending. The individual Government agency which underwrites a loan would make the determination of whether the property complies with flood insurance requirements that it deems necessary to protect the property. The application would be in the same manner as the FHA and the VA now set minimum property standards for each loan approved. Each piece of property would be judged on its own merits.

The law would apply only to housing built after the effective date of the flood insurance act. We should not penalize property owners who purchased homes in good faith years before we even considered flood insurance laws.

Regulation of federally assisted financing in areas where the elevation is above the 100-year flood plain would not include the prohibition against federally assisted financing, regardless of whether a flood insurance program was in effect in the community. The elevation of a piece of property could easily be established through maps already in existence and certified by an engineer's certificate. Thus a property owner in a nonparticipating community could still get flood insurance by certification of his property as being above the established 100-year flood plain.

Mr. Speaker, I hope all of my colleagues will study this law carefully. I can give full assurance that the problem that now exists is not one unique to my district or to my State. There have been numerous newspaper articles written throughout the Nation regarding the hardships that the flood insurance law as now written will bring.

If my colleagues have not yet heard from their constituents about the matter, I am sure they will as soon as the law goes into effect July 1. By that time, however, many of our citizens will have suffered needlessly.

There may be some who will argue that the only people who will be hurt are land developers. I wish that were the case, but the fact is that it will be the homeowner, not the developer who will be hurt.

My bill to make corrections in the Flood Disaster Act has been drafted after consultations with and recommendations from mortgage bankers, title company officials, local citizen groups, and with representatives from the Federal National Mortgage Association.

Mr. Speaker, we do need a sound program to provide Federal flood disaster insurance and such a program will continue to have my full support. We need every community to participate in such a program. But we also must have a law that provides more help than harm.

The last thing I want to do is risk the public's money needlessly.

But in the process, we must not invoke a program that does severe economic harm to property owners throughout the Nation.

I would be glad to discuss my bill with any of my colleagues, or my staff will be glad to assist in providing further information about it. I will also welcome any of my colleagues who desire as cosponsors to my amendments, which I believe will allow the Flood Disaster Protection Act to be implemented in the manner in which we originally intended.

SELECT COMMITTEE TO INVESTIGATE ASSASSINATIONS AND ATTEMPTED ASSASSINATIONS

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, today I am introducing a House resolution calling for you to name seven Members of the House to a select committee of seven Members of the House, one of whom you shall designate as chairman, to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, and the attempted assassination of George Wallace.

Under the terms of the resolution the committee is authorized and directed to conduct a full and complete investigation and study of the circumstances surrounding the deaths of these men—a President of the United States, a U.S. Senator seeking the Presidency, a civil rights leader of international prominence, and the attempted murder of the Alabama Governor as he was seeking the Presidency.

For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, at it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

The committee, under the terms of this resolution, shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

Mr. Speaker, I have introduced this resolution after much consideration. It has not been a decision I have made hastily.

It is time that we study all this in retrospect, and with calmness and dispassion.

There are questions to be resolved. I was at Dallas the day that President Kennedy was killed, and I suspended judgment on the questions that arose then and shortly thereafter until Watergate, August 1973, revealed possibilities heretofore considered not possible.

I feel there is a congressional responsibility, and make no mistake about it, there is a great mass of American people and citizens in the world who are greatly concerned. And, I believe that since the national psyche has been traumatized by all of these shocking crimes there is a clear and impelling responsibility for the Congress to discharge.

Congress has never before studied the assassination of any President, but as the elected representatives of the people, I feel that it is clearly our responsibility to do so if there is any indication or reason to suspect that the truth of the circumstances resulting in the murder of a President have not been revealed, and any parties responsible and not previously known have not yet been brought to justice.

No similar period—the assassination of other nationally politically prominent people—has ever followed the deaths of the other assassinated American Presidents prior to John F. Kennedy, and there is a large body of knowledge done by committees and organizations involved in the study of the assassinations and independent researchers—scholars, journalists, pathologists, and others in forensic medicine—which warrants our attention and at least our attempt to verify.

During the past several months I have become increasingly sensitive to the need to conduct such an investigation because I have become a rallying point for people from throughout the country who are unsatisfied with the findings of the Warren Commission about the death of President Kennedy.

There has long been a need for further study of this death alone because, as the Gallup poll taken in January 1967 revealed, some 64 percent of the American public believed that more than one man was involved in the assassination.

Study of this assassination or any of the others is not something which I alone, or even one small select committee can do. It will take support of a majority of this legislative body, and I hereby call for that support.

We must settle for once and for all in the interest of the welfare of our country and the future of its people the truth of what happened at Dallas on November 22, 1963 and what Lee Harvey Oswald carried to his grave before he had his day in court, and perhaps what Oswald did not know.

We must find out if the President's death was in retaliation to the Bay of Pigs invasion against Cuba, and what connection did Oswald's murderer, Jack Ruby, also dead, have with all of this.

We must find out if there is any connection with the deaths of Senator Robert Kennedy and Dr. Martin Luther King, and why there is any reason for cases of their two assassins to be back in the courts.

There is reason to subpena E. Howard Hunt and Charles W. Colson, the Nixon assistant, who, according to the Washington Post, called Hunt following the attempted assassination of Governor Wallace to order him immediately to Milwaukee and to break into the apartment of Wallace's suspected assailant.

There are many more disquieting questions to be resolved—so many as to boggle the mind—but they must be answered—with calmness, objectivity, dispassion, and fairness.

A NATIONAL HOLIDAY BILL IN HONOR OF DR. MARTIN LUTHER KING, JR.

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the

House, the gentleman from Michigan (Mr. CONYERS) is recognized for 60 minutes.

Mr. CONYERS. Mr. Speaker, I rise today to speak in honor of the late Dr. Martin Luther King, Jr., a man of humility whose life and work have had a profound impact on the conscience of America and the world. I take this opportunity with the hope that recalling his principles will stimulate us all to reflect them in our own lives and in the actions we take as servants of the people.

On January 23, 94 of our colleagues—both Democrats and Republicans—joined me in introducing legislation to make January 15, Dr. King's birthday, a national holiday. At that time, I expressed my belief that "establishing January 15 as a national holiday will insure that there will be at least 1 day each year when we collectively stop to consider how far we have progressed toward brotherhood and equality, and how much further we still have to go." I first introduced this legislation shortly after Dr. King's tragic assassination in April 1968. In each succeeding Congress, more Members have joined me in this effort; this year, I am confident we shall succeed.

No American more fully deserves such commemoration than Dr. King. No person ever dedicated his life so fully and tirelessly to the pursuit of equal rights for all Americans. Martin Luther King, Jr., gave his life for this struggle, and it remains for us to complete his work. Today, nearly 7 years after his death, "liberty and justice for all" have yet to become realities. In his best remembered speech, Dr. King eloquently described his dream for America's future. His vision remains as a guide for us today and as a measure of just how far we still have to go before we can rest.

By commemorating Dr. King's birthday, we would do more than honor a man; we would honor the spirit of love and hope which guided his life and which should inspire our efforts on behalf of the people we serve. I realize that 1 day cannot do justice to Dr. King's years of selfless dedication to the struggle for human rights. Yet, if on January 15 of each year, all Americans—in Dr. King's words, "sons of former slaves and sons of former slave owners on the red hills of Georgia; farmers on the prodigious hilltops of New Hampshire and the mighty mountains of New York"—stop to reflect upon Dr. King's life and efforts, we will preserve his great vision which is too often obscured by the daily demands of our own lives.

We must honor this great man of peace, and learn from the tragedy of his violent death. We must take Dr. King's boundless compassion as an example to be emulated in our own lives and give voice to his call: "Let freedom ring from every hill and molehill; let freedom ring from every mountain side."

Injustice, no matter where, no matter how, was intolerable to Martin Luther King as it should be to all of us. Black Americans, denied their inalienable right to register and vote in Alabama, were inextricably tied in his conscience to the people of Indochina, the helpless victims of American devastation.

Recognizing that injustice anywhere is a threat to justice everywhere, Dr. King spoke out for freedom throughout the world, and the world loved him. In 1964, he received the Nobel Peace Prize—a recognition that his vision of man's potential transcended national boundaries and the differences of race, religion, and belief which divide us from our brothers. With characteristic humility, Dr. King accepted the coveted award, although he realized better than anyone else that his dream had yet to become reality. But his hopes were still aflame. The struggle would not be easy, but man's better instincts would prevail, not through death and destruction but through a nonviolent appeal to the sense of right which we may sometimes suppress but never fully forget.

In moving, measured cadence, Dr. King addressed his Stockholm audience, and his words deserve recalling today:

> I am mindful that only yesterday in Birmingham, Alabama, our children, crying out for brotherhood, were answered with fire hoses, snarling dogs, and even death. I am mindful that only yesterday in Philadelphia, Mississippi, young people seeking to secure the right to vote were brutalized and murdered.
>
> Therefore, I must ask why this prize is awarded to a movement which is beleaguered and committed to unrelenting struggle, to a movement which has not won the very peace and brotherhood which is the essence of the Nobel Prize. After contemplation, I conclude that this award which I receive on behalf of the movement is profound recognition that non-violence is the answer to the crucial political and moral question of our time—the need for man to overcome oppression and violence without resorting to violence and oppression.
>
> I accept this award today with an abiding faith in America and an audacious faith in the future of mankind. I refuse to accept the idea that mankind is so tragically bound to the starless midnight of racism and war that the bright daylight of peace and brotherhood can never become a reality.

Dr. King rightly recognized that achieving freedom in America was incompatible with a foreign policy of oppression and war. He condemned the senseless, merciless slaughter in Vietnam, not because he calculated that the costs were too great, but because he recognized that the war was an immoral outrage which was corroding the soul of America and its people. He appreciated the inestimable damage of wasting America's most valuable and precious resource—our youth—who were sent to kill or be killed in order to deny the people of Indochina the opportunity to design their own future.

Martin Luther King was rightly sensitive to the impact of the Indochina war on black America. Exactly 1 year before he died, he explained why he abhorred and opposed the war so intransigently and why he denounced it so vehemently:

> Perhaps the most tragic recognition of reality took place when it became clear to me that the war was doing far more than devastating the hopes of the poor at home. It was sending their sons and brothers and husbands to fight and to die in extraordinarily high proportions relative to the rest of the population. We were taking the black young men who had been crippled by our society and sending them 8,000 miles away to guarantee liberties in Southeast Asia which they had not found in Southwest Georgia and East Harlem. So we have been repeatedly faced with the cruel irony of watching Negro and white boys on TV screens as they kill and die together for a nation that has been unable to seat them together in the same schools. So we watch them in brutal solidarity burning the huts of a poor village but we realize that they would never live on the same block in Detroit. I could not be silent in the face of such cruel manipulation of the poor.

He himself fell victim to violence before he could see an end to his country's involvement in Indochina. And, in a real sense, it has never ended. While American men are no longer dying needlessly, America's military presence remains in the form of hardware of destruction.

It has been more than 2 years since the Paris peace accords, yet President Ford now exhorts us to maintain the American war machine in Southeast Asia by feeding it an additional $522 million.

If we agree to this request, especially at a time of spreading depression at home, we shall demonstrate that we have learned nothing from more than 10 years in Indochina. And we shall mock the ideals for which Martin Luther King, Jr., lived and died.

Dr. King's commitment to nonviolence was more than an effective strategy to achieve civil rights for the millions of blacks. It demonstrated an unshakable belief in the ultimate decency of men, and the possibility that they could come to understand that oppression exacts a greater spiritual toll from the oppressors than the oppressed. It meant to him that violence begets only violence and that men cannot be forced to love one another, but must freely come to recognize their common humanity.

Before his dream can be fulfilled, nonviolence must become the basis for relations among nations, as well as among individual men and women. So long as the spirit of violence pervades our foreign relations, it will inevitably corrupt our domestic affairs. Nonviolence provides the link between equality among Americans and eventual disarmament among nations, and offers the vision of an international society in which precious resources are no longer devoted to purposes which tear down, rather than build human lives.

By establishing Martin Luther King, Jr.'s, birthday as a national holiday, we shall be providing all people, here and abroad, the opportunity to honor his memory and ideals in their own way. As Members of the Congress, we must accept the opportunity and responsibility to do what we can to embody his ideals in law. Surely this means a searching examination of the defense budget and a reallocation of our resources from military to human needs. This also means that we must protect and extend the fundamental political rights upon which the preservation of our liberties depend. This year, we shall be called upon to confirm the right of blacks and other minorities to vote, as provided by the Voting Rights

Act of 1965. Dr. King's efforts were based on the belief that people could change their own lives if they would join together in pursuit of their common goal. The right to vote, therefore, is basic to making his dream come alive.

Finally, and most critically today, is the need to extend our conception of fundamental rights to include the right of every man and woman to build constructive and self-fulfilling lives for themselves and their families. With unemployment among blacks at or near the national levels of unemployment during the depression of the 1930s, we must recognize the importance of the opportunity to work and the obligation of the Government to become the employer of last resort to all those willing but unable to find work in the private sector. Dr. King's vision of America was of a self-reliant nation whose people are strong and secure enough to love and not to hate. It is our obligation—to ourselves as well as to Dr. King's memory—to enable all the American people to provide for themselves and find the freedom to discover their brotherhood.

Mr. Speaker, at this point I would like to yield to our distinguished colleague, the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. Mr. Speaker, I thank the gentleman for yielding to me, and I commend him for moving forward with the proposal to designate a national holiday in honor of Martin Luther King.

The Martin Luther Kings of this world are not duplicated in succeeding generations. A Martin Luther King is a once-in-a-lifetime experience, and we experienced him in the fullness of his impact on the lives of all of us.

There is little that we can do to honor his memory, but the little that we can do is to move ahead and see that the designation of a national holiday in his honor, in his memory, is accomplished. It is not much, but it is all we can do. We cannot resurrect him. We cannot duplicate him. We can only remember him fondly and try to incorporate into everything we say and everything we do the life he lived—the life of justice and peace and dignity and nonviolence and lack of agitation.

We can do that by approving the kind of legislation, which the gentleman has introduced and which I have cosponsored, which designates his birthday as a national holiday.

Mr. CONYERS. Mr. Speaker, I appreciate the remarks of my colleague, the gentlewoman from Texas (Miss JORDAN), who herself comes from a family that has deep religious roots.

I want to say to her that I am asking for hearings before the appropriate subcommittee, and I think we have every assurance that, with the new groundswell of support that has accumulated as each session has gone by, we may be able to do that which the gentlewoman has so eloquently urged us on to do. I deeply appreciate her remarks.

I yield now to the gentleman from Florida, a former Senator and a Member of this body (Mr. PEPPER).

Mr. PEPPER. Mr. Speaker, I thank the able gentleman, our distinguished friend from Michigan in the well (Mr. CONYERS), for yielding to me so that I might join him and my other distinguished colleagues in signifying my assent to and support for the legislation establishing a national holiday that bears the honorable name of Martin Luther King, Jr.

I am very much pleased to join in sponsorship of that legislation. I was born and raised about 40 miles from Montgomery, Ala., where Dr. Martin Luther King, Jr., first came into national prominence by leading a nonviolent crusade on the part of black people to protest against the discrimination of which they were the victims in that capital city of my native State.

From that point on, Dr. Martin Luther King, Jr., became a national figure, and a symbol of protest when we were treating Americans of our country—in an un-American way.

I shall never forget the first time I came to a vivid visualization of Dr. King, which was when he spoke at the Lincoln Memorial, and gave one of the most eloquent addresses I have ever heard, and in which he echoed again and again that theme for which he became so famous, and which came to be repeated throughout the country by his people, "We shall overcome."

Although dastardly assassins have taken the material life of Dr. Martin Luther King, Jr., his spirit has overcome much of the discrimination against which he originally protested. He has opened up wider and better horizons of life to his fellow citizens which never should have been denied them. He has also, through his hopes and his aspirations, been able to give many people the ability to enjoy, in the fullest measure, the richness of the life of this great America.

So, Mr. Speaker, I am proud to take part in this special order today, and I hope that we will be able to let the name of Dr. Martin Luther King, Jr., symbolize the new spirit of America that Dr. Martin Luther King, Jr., has brought into the beings and the hearts of our people.

Mr. CONYERS. Mr. Speaker, I am proud of the fact that the gentleman from Florida (Mr. PEPPER) has chosen to again associate himself with these kinds of causes which have distinguished his career in both the U.S. Senate and in this body, and I am indeed happy and privileged to be able to share his support for this measure.

I am now happy to yield to the distinguished gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. Mr. Speaker, I am proud to be a cosponsor with the gentleman from Michigan (Mr. CONYERS) of the bill to create a national holiday of Dr. King's birthday, and to appear with the gentleman from Michigan on his special order.

I feel this evening a strong sense of the continuity of the progress in the affairs of humankind. As my friend, the distinguished gentleman from Florida (Mr. PEPPER), referred to in his remarks, a few years ago in this Capital City occurred the scene of a remarkable phenomenon as hundreds of thousands of citizens of all ages, persuasions, and origins walked together through the streets of this city. These people came together joining hands, hearts, and voices, in peaceful protest, petitioning long overdue redress of a sad and shameful imbalance in our society. My teenage son and daughter were a part of the crowd that gathered to hear the words of the unique person whose belief in ultimate justice and peaceful protest as a means to that end brought about the unforgettable march on Washington of August 28, 1963—Dr. Martin Luther King, Jr.

The words he said on that day have become immortal, not only because of their ringing persuasion and timeliness, but because of their truth and promise. "We shall overcome," he cried; and the cry was taken up by the thousands massed on the Mall, and millions more all over this land. And a movement became a crusade.

Martin Luther King, Jr., was joined in his great crusade by two Presidents of the United States—John F. Kennedy and Lyndon B. Johnson. Proposals were made and bills were drawn; and in 1964, the historic 89th Congress acted upon the rightful demand of its black constituents for first-class citizenship.

I am proud to have been a Member of that body and to have supported the Civil Rights Act of 1964, as I sponsored and supported similar legislation in Oregon several years before.

Now all three of these memorable leaders are gone from us—President Kennedy and Dr. King in untimely and tragic fashion. But their common achievement, and that of all the other Americans who marched that day and other days, and who suffered and even died in that cause, as did Dr. King—this achievement, written into law as the civil rights legislation of 1964, lives on. Imperfectly, too slowly, but surely and inevitably these laws are working to effect deep and permanent change in our society.

Much still remains to be done before prejudice and discrimination are banished. Equality of education and opportunity do not yet exist to the extent we desire. Our black colleagues feel and know this to a greater degree than can we of a lighter complexion. But men and women of good will of whatever race can here resolve to join together to insure that upward progress of our minority citizens continues, and is accelerated to the point where the statement of that great Scot poet, Bobby Burns, "A mon's a mon for a' that", becomes a reality and we need no longer worry about affirmative action, about black neighborhoods, busing, and similar devices, because such shall no longer be necessary.

There will be names engraved forever on the consciousness and conscience of America. Martin Luther King, Jr., is very near the top of the list. He is an authentic American hero of an age, supposedly, of antiheroes. It is time we recognized him as such.

Therefore, I am privileged to join in this special order to honor him and to advance the cause of brotherhood and good will toward all men and women of all races.

Mr. CONYERS. May I say to my friend,

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the gentleman from Oregon, with whom I have not had the pleasure of working extremely closely on too many bills, and whom I have never heard make remarks about the nature of improved race relations and their importance before, that I am very deeply moved by the statement that he has just made, in which he has, in a very graphic way, shown how his family has brought him—and in some ways all of us—to an appreciation that we are not going through a sentimental exercise here today, speaking eulogistically of a great but deceased American.

From his remarks, I just had the vivid recollection of my coming to Washington to participate in that march on that day in 1963. Somehow, the gentleman's articulation of this event in a personal way brought back those memories, and I am very, very pleased to hear him say what perhaps could be said best by him, better by him than perhaps even the distinguished gentlewoman from Texas or myself.

I think he adds a strength to our purpose. I think that he helped make most of us feel that in this 94th Congress we will finally do what we have said ought to have been done so much earlier, in earlier sessions.

I thank the gentleman from Oregon for those very obviously sincere remarks.

Mr. Speaker, I now yield to the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. I thank the gentleman for yielding.

Mr. Speaker, I am pleased the gentleman from Michigan has yielded to me. If I may join in personal reflection first of all, I recall very, very vividly the first time I met Dr. Martin Luther King, Jr. A good friend of mine by the name of Robert Graetz was a Lutheran pastor in Montgomery, Ala., who stood up for the rights of all citizens in that community. Feelings in that day and age, unfortunately, were not what they should be, as too often they still are not today. Bob Graetz had his home bombed three times.

I was then a member of the Illinois House of Representatives, sponsoring some civil rights legislation. I was invited by Dr. King to go down to Montgomery to speak on the second anniversary of the bus boycott in Montgomery. Dr. King happened to be in Chicago. I met him at the St. Louis Airport. We flew together down to Atlanta first, where we met his parents, Dr. and Mrs. King, Sr., and then on to Montgomery where I had a chance to spend 2 days visiting with Dr. King and his family in their small, white frame home, and to get a bit of the flavor and the breadth and the depth of the man. Through the years, we kept in touch.

I think the gentleman's resolution is important, not because of a personality but because of what he stood for and stands for. In a world of oppression he stood for justice; in a world of violence, he stood for nonviolence; in a world mired in discord, he gave us dreams and hope, and he was practical. Those are the things we need today. We still have oppression; we still have violence; we still are mired in discord.

Too often when we have dreams we do not know how to put legs on those dreams. No man who was not practical could have gotten a quarter million people in this city on that eventful day in 1963.

I commend the gentleman for his resolution. I am proud to join in it. I think it can be a significant thing for our Nation and literally for the world, too.

Mr. CONYERS. I am very pleased to hear the gentleman make these observations. He brings to this session of Congress a personal relationship on which he predicates his support of the national holiday legislation that is now moving forward, I think, at such a rapid rate. There is a continuing ground swell that to me is extremely significant—that even though the number of years increases since the time Dr. King walked among us, more and more people, on honest reflection and reevaluation, realize that this is indeed an appropriate man to be the first Black American to be so distinguished by having a national holiday established in his honor.

I deeply and sincerely appreciate the vigor and the perception which the gentleman brings in supporting and cosponsoring this legislation.

Mrs. BURKE of California. Mr. Speaker, there is a crying need in the country today for positive signs, for inspirational actions. In these times of economic hardship and moral aimlessness, we need to reflect and draw upon all possible sources of strength.

For many Americans, the spirit and work of Dr. Martin Luther King, Jr., provides a beacon in life's otherwise dark and uncertain pathway. For millions of us, Dr. King's memory keeps alive a resolve to work for the humanitarian principles that gave strength and direction to his efforts.

It would admirably serve our need for examples of greatness if we designated the birthday of Martin Luther King, Jr., a national holiday. This would but formalize a national pride and emotion that still stirs in those of us who rejoiced in his work to secure freedom and justice for all. Through H.R. 2265, the Congress of the United States has an appropriate vehicle to keep alive the values and ideals for which Dr. King lived and died.

It is well that the Congress accept a leadership role in this spiritual effort and show a collective concern for the heroes America acknowledges and embraces. This choice is a fine one and I urge my colleagues to purposefully decide to adopt this commemorative resolution.

Mr. FORD of Tennessee. Mr. Speaker, I rise today to urge my distinguished colleagues on the Census and Population Subcommittee of the Committee on Post Office and Civil Service to give swift and favorable consideration to a bill which has for too long gone unattended. I refer to a bill introduced by the gentleman from Michigan (Mr. CONYERS) and cosponsored by myself and 93 Members of this body, to designate the birthday of Martin Luther King, Jr., as a legal public holiday.

In his address at the Lincoln Memorial during the historic march on Washington 12 years ago, Dr. King said:

> 1963 is not an end but a beginning. Those who hope the Negro needed to blow off steam and will now be content will have a rude awakening if the nation returns to business as usual.

Mr. Speaker, I say here today that Dr. King's assasination was not an end but a beginning. It sounded a call to each and every citizen of this country—black or white—to carry on the struggle for human dignity to which he dedicated and eventually sacrificed his life.

As a black man, I have personally experienced the bigotry and hatred of discrimination. At an early age, I endured the insults and injuries caused by unthinking and unfeeling people. But thanks to the leadership of Dr. King, both by his writings and the example of his life, I refused to adopt an outlook tainted by vengence and loathing. As he once admonished,

> Let us not seek to satisfy our thirst for freedom by drinking from the crys of bitterness and hatred. . . . The marvelous new militancy which has engulfed the Negro community must not lead us to distrust all white people. . . . They have come to realize that their freedom is inextricably bound to our freedom. We cannot walk alone.

As a consequence of Dr. King's guidance, I directed my time and energies to positive activities—activities designed to bring all of the citizens of my community regardless of the color of their skin, closer together. It is in large measure because of his philosophy and teachings that I stand in this Chamber today as a Member of Congress representing the will of all of the good people of the Eighth Congressional District of Tennessee.

Dr. King's tireless efforts and numerous accomplishments are known to all of us. He was the chief architect and executioner of the plan to attain justice and equality in modern America through peace and brotherhood. Indeed, he was instrumental in securing the enactment of landmark civil rights legislation—the Civil Rights Act of 1964 and 1968 and the Voting Rights Act of 1965. In recognition of his dedication to the principles of universal human dignity and nonviolent action he was awarded the Nobel Prize for Peace.

However, the job he set out to do is by no means completed. Racial strife has again broken out over school desegregation, this time in the city of Boston. Unemployment among minorities is in excess of 30 percent and rising. Crime and violence still ravage innocent citizens in our streets.

We must again embrace his vision of equal justice for all men. A day commemorating these ideals and Dr. King's great life as well as providing all of us the opportunity to reexamine our commitment to these goals is what I am seeking today. A national observance of his birthday will serve as a reaffirmation of our intent to continue his unfinished work for peace and unity.

Mr. Speaker, I should like to close these remarks by leaving with my colleagues what was the very essence of Martin Luther King, Jr.'s life and his legacy to every man and woman of this country:

> I have a dream . . . it is a dream deeply rooted in the American dream. I have a dream that one day this nation will rise up, live out the true meaning of its creed: "We hold these truths to be self-evident, that all men are created equal."

Mr. STARK. Mr. Speaker, I join many of my colleagues today to support the resolution establishing the date of Martin Luther King, Jr.'s birth as a national holiday.

The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy. Martin Luther King's life stood as a challenge to a country too long in the shadow of racial injustice, too dilatory in abandoning its prejudices, too late in fulfilling its constitutional legacy. The nature of his cause embroiled him in controversy.

On December 1, 1955, a tired Mrs. Rosa Parks refused to give up her bus seat to a white person in Montgomery, Ala. A young black minister was soon surprised to find himself elected to lead the bus boycott protesting the racial inequity in the city.

The boycott's success catapulted Martin Luther King to the front of the civil rights movement. He followed the boycott with an action to desegregate the lunch counters and restrooms of Birmingham and later went on to lead marches and protests in Washington, D.C., Selma, Chicago, and Memphis.

Throughout his short life, Martin Luther King was forced continually to test has capacity for self-restraint and for restraining others. He was arrested 15 times or more, harassed, beaten, stabbed, and finally killed by an assassin's bullet. Both sides criticized him—either as an "Uncle Tom" out of touch with the harsh realities of white racism or as a lawbreaker and agitator.

What motivated this man to leave a comfortable life? And in the face of the constant threat of violence and death, to press on from Birmingham to Selma to Memphis? How did he channel years of repressed aggression, bitterness, and hate in his followers into constructive, nonviolent action? How was Martin Luther King militant and yet nonviolent, revolutionary, but moderate?

The memory of Martin Luther King arouses these questions in my mind. I think it proper and necessary that all Americans be reminded on the date of this great man's birth to stop and ponder such questions and their answers.

Martin Luther King taught America great lessons. He did not fear her problems but, rather, preferred to face them and make others face them. He was known as the master of civil disobedience. But more than that, he knew the distinction between unjust and just laws, and he knew the highest respect for just laws, as well as a moral responsibility to disobey the unjust.

I support this resolution because I believe Martin Luther King is a model for all Americans. Like the great frontiersmen in our history, he was a revolutionary because he dared to tread on unknown territory and because his dreams were rooted in the American horizon.

In closing, I want to use once again Martin Luther King's own words when he said:

> I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character.

Martin Luther King's children are grown today, but the American character still must work on perfecting this dream into a reality. The observance of Martin Luther King's birthday will serve as a steady reminder.

Mr. SOLARZ. Mr. Speaker, I am pleased to join with our colleagues this afternoon in paying tribute to a man who dedicated his life to correcting gross social, racial, and economic inequities among his fellow man, both here and overseas. Clergyman, teacher, husband, father, social activist, and Nobel laureate, Dr. Martin Luther King Jr. was a courageous and effective spokesman, not only for the Nation's black community but also for all other Americans who are disadvantaged, underprivileged, and relegated to a second-class status by the country's establishment.

Martin Luther King Jr. had a dream, a beautiful one in which he envisioned that all citizens would enjoy the same rights and privileges, that they would be judged not on the basis of their color but on the basis of their own inherent worth and capabilities. Dr. King, however, was no ordinary dreamer as he had a unique way of translating many of his dreams into living realities.

With unquestioned courage, dignity, a single-mindness of purpose and deep faith, Dr. King struggled for his entire adult life to achieve justice and equality for all Americans—whether blacks in the South or urban ghettoes, the Spanish-speaking in the Southwest or Northeast, or poor whites in Appalachia. He ignored his own safety and well-being. He was vilified, he was beaten, he spent many days in Southern jails and, finally, he was gunned down in cold blood.

As the leader of a great moral crusade, Martin Luther King Jr. devoted himself to removing all vestiges of racism, discrimination, and inequality wherever they may exist. He enlisted all elements of American society in a great effort to redirect the country's distorted national priorities—most particularly our ill-conceived involvement in a military misadventure in Southeast Asia and the gross imbalance in terms of failing to meet urgent domestic needs.

Mr. Speaker, I have joined with our colleague from Michigan, Mr. CONYERS, in sponsoring legislation to designate Dr. King's birthday as a national public holiday. Action on such a proposal is long overdue. Not only would it serve as a fitting and well-deserved tribute to a great person and humanist, but it would also stand as a reminder of the continuing efforts which must be made to carry forward the important work initiated by Dr. King to fully achieve that dream of which he so eloquently spoke on the steps of the Lincoln Memorial over a decade ago.

Mr. RICHMOND. Mr. Speaker, in April of 1968, an assassin's bullet stilled the voice of one of our country's most eloquent and diligent fighters for the cause of human rights—Dr. Martin Luther King, Jr.

From the beginning when he led the bus boycott in Birmingham to the end when he tried to negotiate dignity for the lowly sanitation workers in Memphis—Dr. King dedicated himself to the belief that injustice was not to be tolerated.

During the history of our great country, we have seen fit to declare a national holiday for many good and noble reasons but what better reason could there be than to pay our lasting respect to the memory of so noble a countryman?

At a time when the poor, the elderly, and the other powerless citizens of our country are fighting to be heard—what better way to begin to answer than to honor the memory of their greatest spokesman?

For if we believe as he did that injustice is intolerable—that it is our duty "to feed the hungry," "clothe the naked," and "heal the sick" then I submit that we have a duty to declare Dr. Martin Luther King, Jr. Day a national holiday.

Mr. CLAY. Mr. Speaker, I join my distinguished colleague from Michigan in paying tribute to the Reverend Dr. Martin Luther King, Jr. and in urging that prompt and favorable consideration by the Congress of legislation which would make Dr. King's birthday a national holiday.

The murder of Dr. King in 1969 deprived mankind of one of its greatest leaders. Dr. King was a prophet who contributed immeasurably to efforts to unite all people, black, brown, yellow and white—to make the American dream a reality—to expose the cruel injustice of racism and inequality wherever it existed.

The greatness of Martin Luther King was his selflessness. From Montgomery to St. Augustine, to Chicago to Memphis he demonstrated his unyielding commitment to improve the lot of all Americans. Dr. King recognized that, so long as a single individual was a victim of inequality and injustice, so were all people deprived of their own dignity and self worth. For example, people realize that the financial gifts which accompanied the Nobel Peace Prize were not kept for either himself or his family, they were distributed among civil rights groups.

Martin Luther King's life was taken from him as he gave to others. He was not being honored in these distinguished chambers. He was not consulting with the corporate leaders of this great Nation. He was not receiving the adulation of Americans. Instead, notwithstanding some Americans who questioned the long range effectiveness of his tactics, Dr. King was sharing the struggle of garbage men who in turn were seeking a decent wage.

Mr. Speaker, in previous years, I have been privileged to join my distinguished colleagues in cosponsoring legislation which would make Dr. King's birthday a national holiday. It was our hope that, by this time, favorable action would have been taken.

Now, however, this proposed legislation is before the Committee on Post Office and Civil Service which, in turn, has established a subcommittee whose concerns include national holiday. I am, therefore, hopeful that Dr. King's birthday will be memorialized for all

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Americans with the same prominence as that accorded to others who have made such enduring contributions to the development of America.

Passage of this legislation will make it resoundingly clear to all people that the future of all Americans, black, white, brown and yellow, is inextricably interrelated; that we cannot and will not be separated by such artificial barriers of race, class and personal belief; that such restrictions serve only to weaken the fabric of our Nation.

I call upon all Americans to hear the words and the spirit of Dr. King. Let us join together in reaffirming our commitment to truth and equality of opportunity for all Americans. Let us do so not because it is popular, easy or timely. Let us do so because it is the right thing to do.

Ms. HOLTZMAN. Mr. Speaker, as one who worked on civil rights cases in the South in the early 1960's, the cause of the late Dr. Martin Luther King, Jr. has a special meaning to me. His tireless, well-organized, and inspiring campaigns to obtain equal rights for black Americans and to eliminate poverty and social injustice should serve as a model to all of us in our search for peace and harmony among ourselves and among people of all nations.

He brought concerned Americans together to work side by side for social reform, and was instrumental in the passage of the Voting Rights Act of 1965 and the Civil Rights Acts of 1964 and 1968.

Dr. King's life serves as a testimonial to the significant goals that can be achieved by peaceful and aggressive nonviolent action in reforming political and social institutions.

I join wholeheartedly with my colleagues in supporting this resolution to pay tribute to Dr. Martin Luther King, Jr., by making his birthday a national holiday. Such a commemorative day would serve as a reminder of his dream so that one day we truly can say not that we shall overcome, but that we have overcome.

Mr. DRINAN. Mr. Speaker, my distinguished colleague from Michigan (Mr. CONYERS) has graciously secured this time so that we might reflect upon the works of Dr. Martin Luther King, Jr., who called for an America free of racial prejudice and economic injustice. As a cosponsor of Mr. CONYERS' resolution to make Dr. King's birthday a national holiday, I am pleased to speak of his enormous contribution to the further democratization of our society.

Reflecting upon the matter, I am constantly overwhelmed by the integrity and moral rectitude with which Dr. King led the civil rights movement. The greatness of his leadership lay in his unswerving commitment to nonviolent, civil disobedience as the vehicle for achieving legal and social change.

Dr. King firmly believed that social injustice and racial discrimination would only be eliminated by confronting the political and economic strength of the powerful with the moral and ethical strength of the powerless. In his "Letter from Birmingham Jail," he wrote:

> We know through painful experience that freedom is never voluntarily given by the oppressor; it must be demanded by the oppressed.

In placing the moral principle of equality above the legal premises of segregation, Dr. King reasserted the timeless doctrine which refuse sto subjugate the individual to the state in matters of conscience. In the tradition of Antigone, Thoreau, and Gandhi, he chose to accept temporal punishment to remove the bonds of segregation, rather than remain chained to it.

During his lifetime, Martin Luther King was vilified as a "lawbreaker," a "common criminal," and a "felon." These accusations have always amazed me because they misperceive the nature of civil disobedience. Dr. King stated it well:

> I submit that an individual who breaks a law that conscience tells him is unjust, and who willingly accepts the penalty of imprisonment in order to arouse the conscience of the community over its injustice, is in reality expressing the highest respect for law.

In addition many of the laws which made illegal the acts of Dr. King and his compatriots were later declared unconstitutional by the courts. That process by which Americans challenge invalid statutes is part of the great legal tradition of this Nation.

The Supreme Court reports are replete with instances of individuals who deliberately disobeyed a statutory command so that its constitutionality could be challenged in the enforcement proceedings which followed. Examples may be found in all areas of the law: antitrust, tax, and labor relations, to name a few.

That process is rightly a cornerstone of our constitutional foundation. If we were to ask our citizens to obey every law, government would be free to do as it pleases for its judgments would never be called into question. Such docile submission to authority is surely the path to oppression.

And so it is with great reverence that we speak of Dr. Martin Luther King, Jr. Hopefully his legacy to America will be the constant recollection of the principles of civil disobedience, without which we would never have begun the long struggle to remove the ancient scourges of poverty and racism.

Our sorrow at the passing of Dr. King is assuaged only by the knowledge of the extraordinary things which his widow, Mrs. Coretta Scott King, continues to accomplish. The words of the Bible, so beloved by Dr. King, are applicable: One sows but another reaps.

Mr. METCALFE. Mr. Speaker, Dr. Martin Luther King, Jr., died fighting for justice and liberty. He represented the best this Nation had to offer. He fought for the high principles which he believed in, but he refused to fight with violence or hate. That is the legacy that Dr. King left us and while the battle is yet to be won, the dream is with us still.

Dr. King gave rise to a movement which exhibited the basic principles of freedom, justice and peace. When a man gives his life for the dreams, hopes and aspirations of a nation, his name should be inscribed upon the history of that nation. His birthday should be a symbol of rebirth for this Nation and its people should dedicate themselves to the ideals for which he lived and died.

Our children and grandchildren must remember that a man can strive for justice and liberty and can achieve these goals through peaceful means.

Dr. King was a symbol of these goals. Designating his birthday a national holiday is the least we can do to honor and remember a man who did so much to improve the lives of so many Americans.

Mr. Speaker, I strongly urge that the Congress act now to officially designate the birthday of Dr. Martin Luther King, Jr., a national holiday.

Mr. RANGEL. Mr. Speaker, I rise in support of commemorating as a national holiday the birthday of the late Rev. Dr. Martin Luther King, Jr. He was born in Atlanta on January 15, 1929. After completing an outstanding academic career in Morehouse College and in universities in Pennsylvania and Massachusetts, he returned to the South to pastor the Dexter Avenue Baptist Church in Montgomery, Ala. It was from here that he first launched himself into national prominence. His mobilization of the Montgomery bus boycott, the formation of the Southern Christian Leadership Conference, the march on Birmingham and Washington, helped lift Dr. King into the forefront of the emerging civil rights movement.

For his efforts, Dr. King received numerous honorary degrees, Time Magazine's Man of the Year, and the Nobel Peace Prize, but he was not satisfied with personal rewards. He continued to press his movement onward, as he brought his nonviolent teachings northward. He found himself physically attacked and jailed in cities all across the Nation. Yet he clung to his undying conviction in the Ghandian ethic of passive resistance and civil disobedience.

He was finally called to Memphis in April 1968 to support a sanitation worker's strike. It was a call from which he would never return. Struck by an assassin's bullet, he died almost immediately. It was cruelly ironic that such a man, dedicated to nonviolence would meet such an end, but despite his death his work and teachings pressed onward.

Not all men revered Dr. King. Some called him a cowardly Uncle Tom, others called him the Black Messiah, but whatever their opinion all men agreed that Dr. King ignited in the black man a consciousness that will burn forever. His strong belief in the unalienable rights coupled with his dedication to nonviolence awoke in the hearts and souls of his fellow black man a feeling of purpose, pride, and unextinguishable desire to fight for the rights that are lawfully theirs.

In America we commemorate our national heroes by declaring their birthday a national holiday. Such great Americans as Lincoln and Washington are honored in such a way. These two great men served their country well but by commemorating them we recognize them as more than just great statesmen; but as symbols of ideals that we hold dear. Dr. King was also a great statesman and yet he too was a symbol, a symbol of the emerging black consciousness and self-awareness. I therefore urge that his spirit be preserved by marking his date of birth as a national holiday.

Mr. EDGAR. Mr. Speaker, we are approaching the 200th anniversary of the birth of this Nation. In these days we sometimes look at ourselves as if in a mirror to see if we have lost the vigor and commitments that have instilled in our history the quality of greatness. Many ask apprehensively if America has not lost its momentum, if there will be a full third century of American history.

Martin Luther King, Jr., gazed into that same mirror. He was aware, much more than most, of each blemish on our collective face. But Martin Luther King still saw the image of what America was yet to be. In that mirror, he perceived a dream, and he called on each of us to fulfill it, an America molded to the specifications of its own Constitution and its own ideals.

His vision was not limited to his hopes for the black people of America. The quality of universal compassion pressed him to speak for all Americans and for all people who suffered from injustice in any form. During the brief years which were ours to hear him, Dr. King became to us a national conscience, calling on America to become what was best in its very soul.

Every people needs heroes who become to it the embodiment of its own hopes for itself. Therefore, I am proud to join my colleagues in support of the bill, H.R. 1811, to declare the birthday of Dr. Martin Luther King, Jr., a national holiday. Dr. King surely stands to the American people as a symbol of what a great American can do, even in a short lifetime.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I am proud to join my esteemed colleague, Congressman CONYERS, in sponsoring legislation to honor the late Dr. Martin Luther King, Jr. by declaring his birthday a national holiday.

Almost 7 years have passed since Martin Luther King was felled by an assassin's bullet. Since that time, how far have we come in realizing Dr. King's "dream" of an America where "people will not be judged by the color of their skin but by the content of their character"?

Certainly, the continuing magnificance of our country depends on maintenance of the individual's rights, liberties, and opportunities. And, in the sixty's and seventy's, our Nation has acted to mitigate the division and frustration of our society by moving toward equal employment, housing, and educational opportunities for all.

However, our declining economy is now hurting those minority groups who have just begun to feel assimilated into the mainstream of American life. Black men and women, who are often the last hired, are the first fired during an economic emergency. The overall employment figures are grim enough, but for blacks and other minorities they are devastating. Consequently, the proportion of middle-class black families is decreasing.

Another byproduct of these economically imperiled times is an increase in violence as an expression of frustration and anxiety. Since the blacks are most hard hit by the economic crisis—and could possibly feel that traditional methods are no longer viable in easing their plight—it is not improbable that we will see a rebirth of the turbulence that marked the 1960's.

So the time is certainly opportune for our Nation to remember the voice of reason and conciliation that was Martin Luther King's. I remember the words I spoke on the floor of the House in April of 1968:

> We must resolve that Martin Luther King did not die a prophet without honor in his own country.

Now, if we vote to commemorate Martin Luther King's birthday as a national holiday, every January people will be reminded of the ideals embodied by this great man who, while he lived, was the single and most important bridge between the Negro and the white community.

His philosophy echoed that of his namesake, Martin Luther, who said, "Nothing good ever comes of violence." In this troubled time, it is ever more important to remember that we must solve our problems without senseless divisiveness and keep the vision of Martin Luther King ever before us.

Mr. STOKES. Mr. Speaker, I want to commend the gentleman from Michigan (Mr. CONYERS) for taking this special order to introduce legislation which I and others have cosponsored, which would commemorate the life of Dr. Martin Luther King, Jr.

Forty-six years ago a rare human being came into a world torn by violence, racism, and injustice. Eight years ago that same young man left our world, a victim of the very forces he sought to exorcise. The world he left will never see his like again. No life in modern history has had more meaning for black America. No death has had more impact than the untimely one of Martin Luther King. To commemorate his noble life and to preserve his honored memory for the benefit of future generations, it is our duty to enact legislation to declare his birthday, January 15, a national, legal public holiday.

The lessons of his life and death will never cease to be relevant. The message will always be clear and applicable to men and women of all races, religions, and nationalities. But it is especially incumbent upon us to preserve that message. Dr. King came into our lives and changed them for all eternity. How can we fail then to remember him eternally for showing us the path to universal brotherhood, even if we never really achieve that goal, never climb the mountaintop without him?

My own friendship with Dr. Martin Luther King was without question the highest privilege of my life. I treasure the memory of his trip to Cleveland in 1967 as head of the largest voter registration drive ever to be conducted in our city. That was the year my brother, Carl Stokes won his election as mayor of Cleveland and thereby became the first black mayor of a major American city. The night of Carl's victory Dr. King and I sat together discussing what this meant to America. That was 8 years ago. Today the atmosphere is much different for black political progress. Today, largely due to the herculean efforts of Dr. Martin Luther King, there are 108 black mayors in America and over 3,000 black elected official. Dr. King was assassinated in 1968 while I was running for Congress. At that time there were six black men serving in this body. Today there are 17 of us, including 4 black women.

Incidentally 2 of the 17 members of the Congressional Black Caucus, my distinguished colleagues WALTER FAUNTROY and ANDREW YOUNG, were two of Dr. Martin Luther King's top lieutenants in the Southern Christian Leadership Conference. I am sure he would have been proud and happy to see two of his stauchest supporters serving our country in this body. These two, remarkable black leaders in their own right, will forever remember Dr. King's inspirational example. My respected colleague ANDREW YOUNG also bears the painful memory of the day Dr. King was taken from us, for he was present in Memphis on the tragic day of the assassination.

If we fail to honor Dr. King, how will future historians view us? We would surely appear to have abused the rare privilege of having him in our midst. This American hero was known and loved throughout the world. He received international acclaim in his own lifetime when he became the 12th American and the youngest man to ever win the Nobel Peace Prize. Yet today, 12 years after his brutal assassination we Americans have yet to pay even a posthumous debt of gratitude to one of our finest citizens.

Other groups in this country have been allowed the privilege of honoring leaders who were sources of inspiration to them. A recent publication of the Democratic National Committee entitled "1975 Guide to Nationality Observances" lists 100 observances as follows:

1975 GUIDE TO NATIONALITY OBSERVANCES

JANUARY

1—New Year's Day.
6—Russian and Eastern Orthodox Christmas.
22—Ukrainian Independence Day.
22—Anniversary of 1863 Polish Insurrection.
26—Indian Republic Day.

FEBRUARY

11—Chinese New Year.
12—General Thadeus Kosciuszko Day.
12—Ash Wednesday.
12—Lincoln't Birthday.
15—American Sokol Founding.
16—Lithuanian Independence Day.
17—Washington's Birthday.
24—Estonian Independence Day.
25—Purim.

MARCH

1—St. David's Day.
3—Bulgarian Independence Day.
7—Birthday of Thomas G. Masaryk.
9—Taras Shevchenko Day.
15—Kossuth Day.
17—St. Patrick's Day.
22—Emancipation Day.
25—Greek Independence Day.
27—Passover.
28—Good Friday.
30—Easter Sunday.

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APRIL

2—Birthday of Hans Christian Anderson.
13—Huguenot Day.
14—Pan American Day.
17—Verrazano Day.
19—Warsaw Ghetto Uprising.
29—Japanese National Holiday.

MAY

1—Law Day.
3—Anniversary of the Polish Constitution.
4—Greek and Eastern Ortodox Easter.
5—Cinco de Mayo.
7—Israel Independence Day.
8—V-E Day.
9—Rumanian Independence Day.
16—Shavuos.
17—Norwegian Independence Day.
20—Cuban Independence Day.
24—Sts. Cyril and Methodius Day.
26—Memorial Day.
28—Armenian Independence Day.

JUNE

5—Danish Constitution Day.
6—Swedish Flag Day.
15—Baltic States Freedom Day.
17—Anniversary of the East Berlin Worker's Revolt.
24—Midsummer's Day.
28—Anniversary of Paznan Worker's Revolt.
28—Vidovan (St. Vitus Day)

JULY

1—Canadian Dominion Day.
4—American Independence Day.
4—Philippine-American Friendship Day.
6—Jan Hus Day.
14—Bastille Day.
21—National Holiday of Belgium.
25—Puerto Rico Constitution Day.

AUGUST

1—Swiss National Day.
1—Warsaw Uprising Day.
13—Thirteenth Anniversary of the Berlin Wall.
15—The Feast of the Assumption.
20—St. Stephen's Day.
28—Goethe Day.

SEPTEMBER

1—Anniversary of the Nazi Invasion of Poland.
6—Labor Day.
6—Jewish New Year's Day.
7—Brazilian Independence Day.
15—Yom Kippur.
16—Mexican Independence Day.
17—Von Steuben Day.
17—Citizenship Day.
23—Anniversary of the Execution of Nikola Petkov.
26—Succoth.
27—American Indian Day.

OCTOBER

6—Hungarian National Day of Mourning.
6—German-American Day.
6—Leif Ericson Day.
10—Chinese "Double Ten" Celebration.
11—Pulaski Day.
13—Columbus Day.
23—The Anniversary of the Hungarian Revolt.
24—United Nations Day.
27—Veterans Day.
28—Czechoslovak Independence Day.
30—Reformation Day.

NOVEMBER

4—General Election Day.
11—Polish Independence Day.
22—Lebanese Independence Day.
27—Thanksgiving Day.
28—Albanian Independence Day.
28—Hanukkah.
30—St. Andrew's Day.

DECEMBER

1—Portuguese Independence Day.
6—Finnish Independence Day.
12—Our Lady of Guadaloupe Day.
25—Christmas.
26—St. Stephen's Day.

If all of these various nationalities are entitled to have special days to commemorate the lives of their heroes, black Americans are equally entitled to that right.

In his own country this prince of peace was arrested 30 times. His home in Montgomery was burned to the ground. A motel in Birmingham where he was staying was bombed. He was stabbed in a New York department store, struck by a hurled rock in Chicago, and finally killed in Memphis. No amount of legislation can undo the suffering of Dr. King and his family. But we can still redeem ourselves before future generations who will judge our treatment of Dr. King if we pass the legislation reintroduced by the gentleman from Michigan (Mr. CONYERS) today.

If we are to rededicate ourselves to the goals of brotherhood and justice which he so courageously pursued, we must initiate an enduring public commemoration of his life and philosophy. We must do all we can to perpetuate his spirit and example. To declare January 15 a national holiday would be only the smallest recompense for his enormous contribution, but we are able to do this much, and conscience dictates that we must do at least this much.

It is especially incumbent on this body to honor Dr. King. His work paved the way for our own best work in this Chamber. Out of the intensity of his crusade sprang the Voting Rights Act of 1965, and the civil rights bills of 1957, 1960, and 1964.

Dr. King played the most eloquent role in the effort to finally consolidate the black American's right to participate in the politics of the Nation. If this body wishes to take any credit for that accomplishment, it cannot fail to honor the real messiah of the civil rights movement.

I realize that no black has ever been included in the small fraternity of patriots to receive this tribute. I also realize that legislation to make Dr. King's birthday a national holiday has been introduced and reintroduced since his death in 1963. But the 94th Congress has already shown some important differences from previous Congresses who considered this bill. This is a body committed to promoting the American ideals of equality and to combating the problems of poverty and discrimination. Martin Luther King's life is a monument to those same goals and principles. Nothing could be more fitting than for this to be the Congress to set aside a day to remember the reasons why Dr. Martin Luther King lived and died.

Mr. YOUNG of Georgia. Mr. Speaker, today we are honoring Dr. Martin Luther King, Jr., and renewing the call to make his birthday, January 15, an annual national holiday.

Dr. King's leadership still addresses national and international issues, and I would like to recall some of his words on two very crucial issues: the national question of voting rights, and the international question of peace.

Ten years ago this month, the voting rights movement was building in Selma, Ala., toward the crisis which resulted in passage of the Voting Rights Act of 1965—a monumental statute which must be renewed and strengthened this year.

Dr. King for years had been working for a guarantee of voting rights for all citizens. For example, on May 17, 1957, at the Lincoln Memorial in Washington he said:

> All types of conniving methods are still being used to prevent Negroes from becoming registered voters. The denial of this sacred right is a tragic betrayal of the highest mandates of our democratic traditions. . . .
>
> So our most urgent request to the President of the United States and every member of Congress is to give us the right to vote. Give us the ballot and we will no longer plead to the federal government for passage of an anti-lynching law. We will by the power of our vote write the law on the statute books of the Southern states and bring to an end the dastardly acts of hooded perpetrators of violence.
>
> Give us the ballot and we will transform the salient misdeeds of bloodthirsty mobs into the calculated good deeds of orderly citizens. Give us the ballot and we will fill the legislative halls with men of good will and send to Congress men who will not sign a Southern Manifesto because their devotion is to the manifesto of justice.
>
> Give us the ballot and we will place judges on the benches of the South who will do justly and love mercy and we will place at the head of the Southern states governors who have felt not only the pang of the human but also the glow of the devine. Give us the ballot and we will, quietly and nonviolently, without rancor or bitterness, implement the Supreme Court's decision of May 17, 1954.

Mr. Speaker, in the field of foreign policy, Dr. King's warnings about the American involvement in Indochina are relevant today. We are asked to keep on pouring millions and millions of dollars of military aid into Southeast Asia. We hear talk of possible military intervention in the Middle East. We see points of tension with the potential for war throughout the world. So let us remember some of the things Dr. King said on April 4, 1967, in an address sponsored by Clergy and Laymen Concerned About Vietnam at the Riverside Church in New York City:

> Over the past two years, as I have moved to break the betrayal of my own silences and to speak from the burnings of my own heart, as I have called for radical departures from the destruction of Vietnam, many persons have questioned me about the wisdom of my path. At the heart of their concerns this query has often loomed large and loud: Why are you speaking about the war, Dr. King? Why are you joining the voices of dissent? Peace and civil rights don't mix, they say. Aren't you hurting the cause of your people, they ask? And when I hear them, though I often understand the sources of their concern, I am nevertheless greatly saddened, for such questions mean that the inquires have not really known me, my commitment or my calling. Indeed, their questions suggest that they do not know the world in which they live.
>
> In the light of such tragic misunderstanding, I deem it of signal importance to try to state clearly, and I trust concisely, why I believe that the path from Dexter Avenue Baptist Church—the church in Montgomery, Alabama where I began my pastorate—leads clearly to this sanctuary tonight.
>
> I come to this platform tonight to make a passionate plea to my beloved nation. This speech is not addressed to Hanoi or to the National Liberation Front. It is not addressed to China or to Russia.
>
> Nor is it an attempt to overlook the ambiguity of the total situation and the need for a collective solution to the tragedy of Vietnam. Neither is it an attempt to make North Vietnam or the National Liberation Front paragons of virtue, nor to overlook the role they can play in a successful resolution of the problem. While they both may have justifiable reason to be suspicious of the good faith of the United States, life and history give eloquent testimony to the fact that conflicts are never resolved without trustful give and take on both sides.
>
> Tonight, however, I wish not to speak with Hanoi and the NLF, but rather to my fellow Americans who, with me, bear the greatest responsibility in ending a conflict that has exacted a heavy price on both continents.
>
> Since I am a preacher by trade, I suppose it is not surprising that I have several reasons for bringing Vietnam into the field of my moral vision. There is at the outset a very obvious and almost facile connection between the war in Vietnam and the struggle I, and others, have been waging in America. A few years ago there was a shining moment in that struggle. It seemed as if there was a real promise of hope for the poor—both black and white—through the Poverty Program. There were experiments, hopes, new beginnings. Then came the build-up in Vietnam and I watched the program broken and eviscerated as if it were some idle political plaything of a society gone mad on war, and I knew that America would never invest the necessary funds or energies in rehabilitation of its poor so long as adventures like Vietnam continued to draw men and skills and money like some demoniacal destructive suction tube. So I was increasingly compelled to see the war as an enemy of the poor and to attack it as such.
>
> Perhaps the more tragic recognition of reality took place when it became clear to me that the war was doing far more than devastating the hopes of the poor at home. It was sending their sons and their brothers extraordinarily high proportions relative to the rest of the population. We were taking the black young men who had been crippled by our society and sending them 8,000 miles away to guarantee liberties in Southeast Asia which they had not found in Southwest Georgia and East Harlem. So we have been repeatedly faced with the cruel irony of watching Negro and white boys on TV screens as they kill and die together for a nation that has been unable to seat them together in the same schools. So we watch them in brutal solidarity burning the huts of a poor village but we realize that they would never live on the same block in Detroit. I could not be silent in the face of such cruel manipulation of the poor.
>
> My third reason moves to an even deeper level of awareness, for it grows out of my experience in the ghettos of the north over the last three years—especially the last three summers. As I have walked among the desperate, rejected and angry young men I have told them that Molotov cocktails and rifles would not solve their problems. I have tried to offer them my deepest compassion while maintaining my conviction that social change comes most meaningfully through non-violent action. But they asked—and rightly so—what about Vietnam? They asked if our own nation wasn't using massive doses of violence to solve its problems, to bring about the changes it wanted. Their questions hit home, and I knew that I could never again raise my voice against the violence of the oppressed in the ghettos without having first spoken clearly to the greatest purveyor of violence in the world today—my own government. For the sake of those boys, for the sake of this government, for the sake of the hundreds of thousands trembling under our violence, I cannot be silent.
>
> For those who ask the question, "Aren't you a Civil Rights leader?" and thereby mean to exclude me from the movement for peace, I have this further answer. In 1957 when a group of us formed the Southern Christian Leadership Conference, we chose as our motto: "To save the soul of America." We were convinced that we could not limit our vision to certain rights for black people, but instead affirmed the conviction that America would never be free or saved from itself unless the descendents of its slaves were loosed completely from the shackles they still wear. In a way we were agreeing with Langston Hughes, that black bard of Harlem, who had written earlier:
>
> O, yes,
> I say it plain,
> America never was America to me,
> And yet I swear this oath—
> America will be!
>
> Now, it should be incandescently clear that no one who has any concern for the integrity and life of America today can ignore the present war. If America's soul becomes totally poisoned, part of the autopsy must read Vietnam. It can never be saved so long as it destroys the deepest hopes of men the world over. So it is that those of us who are yet determined that America will be are led down the path of protest and dissent, working for the health of our land.
>
> As if the weight of such a commitment to the life and health of America were not enough, another burden of responsibility was placed upon me in 1964; and I cannot forget that the Nobel Prize for Peace was also a commission—a commission to work harder than I had ever worked before for "the brotherhood of man."
>
> Finally, as I try to delineate for you and for myself the road that leads from Montgomery to this place I would have offered all that was most valid if I simply said that I must be true to my conviction that I share with all men the calling to be a son of the Living God. Beyond the calling of race or nation or creed is this vocation of sonship and brotherhood, and because I believe that the Father is deeply concerned especially for his suffering and helpless and outcast children, I come tonight to speak for them.
>
> This I believe to be the privilege and the burden of all of us who deem ourselves bound by allegiances and loyalties which are broader and deeper than nationalism and which go beyond our nation's self-defined goals and positions. We are called to speak for the weak, for the voiceless, for victims of our nation and for those it calls enemy, for no document from human hands can make these humans any less our brothers.
>
> And as I ponder the madness of Vietnam and search within myself for ways to understand and respond in compassion my mind goes constantly to the people of that peninsula. I speak now not of the soldiers of each side, not of the junta in Saigon, but simply of the people who have been living under the curse of war for almost three continuous decades now. I think of them too because it is clear to me that there will be no meaningful solution there until some attempt is made to know them and hear their broken cries.
>
> We have destroyed their two most cherished institutions: the family and the village. We have destroyed their land and their crops. We have cooperated in the crushing of the nation's only non-communist revolutionary political force—the unified Buddhist Church. We have supported the enemies of the peasants of Saigon. We have corrupted their women and children and killed their men. What liberators!
>
> At this point I should make it clear that while I have tried in these last few minutes to give a voice to the voiceless on Vietnam and to understand the arguments of those who are called enemy, I am as deeply concerned about our own troops there as anything else. For it occurs to me that what we are submitting them to in Vietnam is not simply the brutalizing process that goes on in any war where armies face each other and seek to destroy. We are adding cynicism to the process of death, for they must know after a short period there that none of the things we claim to be fighting for are really involved. Before long they must know that their government has sent them into a struggle among Vietnamese, and the more sophisticated surely realize that we are on the side of the wealthy and the secure while we create a hell for the poor.
>
> In order to atone for our sins and errors in Vietnam, we should take the initiative in bringing a halt to this tragic war. I would like to suggest five concrete things that our government should do immediately to begin the long and difficult process of extricating ourselves from this nightmarish conflict:
>
> 1. End all bombing in North and South Vietnam.
>
> 2. Declare a unilateral cease-fire in the hope that such action will create the atmosphere for negotiation.
>
> 3. Take immediate steps to prevent other battlegrounds in Southeast Asia by curtailing our military build-up in Thailand and our interference in Laos.
>
> 4. Realistically accept the fact that the National Liberation Front has substantial support in South Vietnam and must thereby play a role in any meaningful negotiations and in any future Vietnam government.
>
> 5. Set a date that we will remove all foreign troops from Vietnam in accordance with the 1954 Geneva Agreement.
>
> These are revolutionary times. All over the globe men are revolting against old systems of exploitation and oppression and out of the wombs of a frail world new systems of justice and equality are being born. The shirtless and barefoot people of the land are rising up as never before. "The people who sat in darkness have seen a great light." We in the West must support these revolutions. It is a sad fact that, because of comfort, complacency, a morbid fear of Communism, and our proneness to adjust to injustice, the Western nations that initiated so much of the revolutionary spirit of the modern world have now become the arch anti-revolutionaries. This has driven many to feel that only Marxism has the revolutionary spirit. Therefore, Communism is a judgment against our failure to make democracy real and follow through on the revolutions that we initiated. Our only hope today lies in our ability to recapture the revolutionary spirit and go out into a sometimes hostile world declaring eternal hostility to poverty, racism, and militarism. With this powerful commitment we shall boldly challenge the status-quo and unjust mores and thereby speed the day when "every valley shall be exalted, and every mountain and hill shall be made low, and the crooked shall be made straight and the rough places plain."
>
> A genuine revolution of values means in the final analysis that our loyalties must become ecumenical rather than sectional. Every nation must now develop an overriding loyalty to mankind as a whole in order to preserve the best in their individual societies.
>
> We must move past indecision to action. We must find new ways to speak for peace in Vietnam and justice throughout the developing world—a world that borders on our doors. If we do not act we shall surely be dragged down the long dark and shameful corridors of time reserved for those who possess power without compassion, might without morality, and strength without sight.
>
> Now let us begin. Now let us re-dedicate

ourselves to the long and bitter—but beautiful—struggle for a new world. This is the calling of the sons of God, and our brothers wait eagerly for our response. Shall we say the odds are too great? Shall we tell them the struggle is too hard? Will our message be that the forces of American life militate against their arrival as full men, and we send our deepest regrets? Or will there be another message, of longing, of hope, of solidarity with their yearnings, of commitment to their cause, whatever the cost? The choice is ours, and though we might prefer it otherwise we must choose in this crucial moment of human history.

Ms. JORDAN. Mr. Speaker, 12 years ago the largest single demonstration in the history of these United States occurred in this city when over 200,000 Americans of all races, colors, and creeds gathered before the Lincoln Memorial, united and inspired by that hunger for justice which found its most eloquent expression in the leadership of Dr. Martin Luther King. Today, 8 years after Dr. King's tragic death, we as a Nation are confronted by the unfinished tasks for which Dr. King gave his very lifeblood. The theme of the 1963 march—probably the greatest peaceful demonstration in support of racial equality the world has ever witnessed—was the demand of the black community—and, indeed, of all Americans—for jobs and freedom. These are still the chief concerns of our people in this year of 1975, concerns to which the 94th Congress must address itself with vigor and despatch.

In 1957 Dr. King's first march on Washington dramatized the urgency of full, free, unimpeded access by blacks to participation in the democratic process. Today the Nation recognizes, however belatedly, the right of blacks to register and to vote. But this recognition has been won by struggle and suffering. The great decisions of the Supreme Court in the last two decades in behalf of an open, desegregated society were matched in the Congress by the Civil Rights Acts passed during those same years and, above all, by the Voting Rights Act of 1965, which did more than any other single development to invest the Federal Government with responsibility for aiding blacks whose voting rights had been denied or abridged.

Extended in 1970 for a 5-year period, the Voting Rights Act of 1965, a historic step forward in the continuing movement by blacks toward full equality, now confronts this Congress with a decision for renewal, a decision crucial to the rights and interests of black Americans.

In 1963 Dr. King, speaking to America and to the world, described in unforgettable language his and our vision of this Nation as one society, the "beloved community" of the American dream. Ours is the task—and the privilege—of furthering that vision, of shaping American life in accord with the ideals of the Constitution, the Declaration of Independence, and our Judaeo-Christian faith, ideals of justice, and brotherhood.

Moreover, in these troubled times, marked by grave economic strain and rising unemployment, whose burden falls with special severity upon the black community, the issues which Dr. King stated so clearly as "jobs and freedom" are unchanged. Full employment—a meaningful job at a living wage—is the right of every citizen able and willing to work, and it is our responsibility to do all in our power to make it possible.

During his long and eventful life, Dr. King assailed and aroused the conscience of the Nation, increasing the pace of action on civil rights and advancing a truly national commitment to social justice. The finest tribute we could render his memory would be a recommitment of ourselves to the goals of jobs and freedom, of economic security and political liberty. Dr. King spoke of a bill of rights for the disadvantaged, which would provide "an adequate education, income, home, and recreation" for all our people. Never was there greater need than today for the implementing of that vision as the tides of recession and inflation beat against our land. May we find continuing inspiration in Dr. King's legacy to this generation: "We will win," he wrote, "because the sacred heritage of our Nation and the eternal will of God are embodied in our echoing demands."

Let January 15 become a national day of remembrance and recommitment to his goals, to our goals for a better America.

Mr. UDALL. Mr. Speaker, I rise to join my colleagues in urging the House to proclaim the birthday of Dr. Martin Luther King a national holiday.

Few of our national leaders have the long-range impact on the Nation's views, hopes and goals that Dr. King has had.

His energy, his dreams and his unselfish quest for peace and freedom have served as his legacy to all Americans. It is fitting that we who represent all Americans set aside one day each year to honor his memory, to honor his dreams.

Mr. Speaker, as a Nation, we still are far from the goals Dr. King worked toward. But each new year, each new Congress offers cause for hope. Establishing Dr. King's birthday as a national holiday would not only pay tribute to this great man and greatly missed leader, but it also would serve to remind us of the work he did and of the work that is left for us to do.

His tragic death cannot be erased from the pages of our history. But his compassionate life can be emblazoned into our national heritage by a simple act of this Congress.

Mr. Speaker, as we approach the 200th birthday of America and prepare to pay tribute to the great men of our country, I urge this Congress to take that simple action and honor Dr. Martin Luther King.

Mr. MILLER of California. Mr. Speaker, it gives me great pleasure to join with the Honorable JOHN CONYERS and my other distinguished colleagues in cosponsoring legislation to commemorate as a national holiday the birthday of the Reverend Dr. Martin Luther King, Jr.

Dr. King will live forever in history as one of the great humanitarians of our time. He will be remembered as a superb tactician in the civil rights struggle. His ability to organize the downtrodden into effective cohorts against the forces of oppression and injustice will never be forgotten. His passionate concern for the working people of this Nation lives in the memory of that last trip to Memphis.

In paying tribute to this great man, however, I believe we would be doing a disservice to generations to come if we were to overlook Dr. King's contributions to this world as a philosopher, a theologian and a preacher. He was indeed spiritual leader to many thousands of people in this country and his teachings from the pulpit provided the bedrock foundation for the nonviolent civil rights movement which he led.

Therefore, Mr. Speaker, I would like to take this opportunity to quote briefly from a few of Dr. King's sermons, several of which were written while he was in jail:

THE NATURE OF GOD

I am thankful that we worship a God who is both toughminded and tenderhearted. If God were only toughminded, he would be a cold, passionless despot sitting in some far-off heaven "contemplating all," as Tennyson puts it in "The Palace of Art." He would be Aristotle's "unmoved mover," self-knowing, but not other-loving. But if God were only tenderhearted, he would be too soft and sentimental to function when things go wrong and incapable of controlling what he has made. He would be like J. G. Wells' lovable God in *God, the Invisible King*, who is strongly desirous of making a good world, but finds himself helpless before the surging powers of evil. God is neither hardhearted nor softminded. He is toughminded enough enough to live in it. He does not leave us to transcend the world; he is tenderhearted enough to live in it. He does not leave us alone in our agonies and struggles. He seeks us is dark places and suffers with us and for us in our tragic prodigality.

At times we need to know that the Lord is a God of justice. When slumbering giants of injustice emerge in the earth, we need to know that there is a God of power who can cut them down like the grass and leave them withering like the green herb. When our most tireless efforts fail to stop the surging sweep of oppression, we need to know that in this universe is a God whose matchless strength is a fit contrast to the sordid weakness of man. But there are also times when we need to know that God possesses love and mercy. When we are staggered by the chilly winds of adversity and battered by the raging storms of disappointment and when through our folly and sin we stray into some destructive far country and are frustrated because of a strange feeling of homesickness, we need to know that there is Someone who lives us, cares for us, understands us, and will give us another chance. When days grow dark and nights grow dreary, we can be thankful that our God combines in his nature a creative synthesis of love and justice which will lead us through life's dark valleys and into sunlit pathways of hope and fulfillment.

ON BEING A GOOD NEIGHBOR

The real tragedy of . . . narrow provincialism is that we see people as entities or merely as things. Too seldom do we see people in their true humanness. A spiritual myopia limits our vision to external accidents. We see men as Jews or Gentiles, Catholics or Protestants, Chinese or American, Negroes or Whites. We fail to think of them as fellow human beings made from the same basic stuff as we, molded in the same divine image. The priest and the Levite saw only a bleeding body, not a human being like themselves. But the good Samaritan will always remind us to remove the cataracts of provincialism from our spiritual eyes and see men as men. If the Samaritan had considered the wounded man as a Jew first, he would not have stopped, for the Jews and the Samaritans had no dealings. He saw him as a human being first, who was a Jew only by accident. The good neighbor looks beyond the external accidents and discerns those inner qualities that make all men human and, therefore, brothers."

ON INTELLIGENCE

As the chief moral guardian of the community, the church must implore men to be good and well-intentioned and must extol the virtues of kindheartedness and conscientiousness. But somewhere along the way the church must remind men the devoid of intelligence, goodness and conscientiousness will become brutal forces leading to shameful crucifixions. Never must the church tire of reminding men that they have a moral responsibility to be intelligent. If we are to call ourselves Christians, we had better avoid intellectual and moral blindness. Throughout the New Testament we are reminded of the need for enlightenment. We are commanded to love God, not only with our hearts and souls, but also with our minds. When the Apostle Paul noticed the blindness of many of his opponents, he said, "I bear them record that they have a zeal for God, but not according to knowledge." Over and again the Bible reminds of of the danger of zeal without knowledge and sincerity without intelligence."

ON LOVE

Love is the only force capable of transforming an enemy into a friend. We never get rid of an enemy by meeting hate with hate; we get rid of an enemy by getting rid of enmity. By its vary nature, hate destroys and tears down; by its very nature, love creates and builds up. Love transforms with redemptive power.

Finally, Mr. Speaker, I would like to share with you Dr. King's words of hope for this world. Keep in mind, if you please, that this was the hope of a man who had been jailed a dozen times in his struggle for justice. Almost daily he and his courageous wife, Coretta, were subjected to threats against their lives and their children's lives. Twice their home was bombed. Dr. King was the victim of a near-fatal stabbing. Yet, of the future he had this to say:

In spite of the tensions and uncertainties of this period something profoundly meaningful is taking place. Old systems of exploitation and oppression are passing away; new systems of justice and equality are being born. In a real sense this is a great time to be alive. Therefore, I am not yet discouraged about the future. Granted that the easygoing optimism of yesterday is impossible. Granted that we face a world crisis which leaves us standing so often amid the surging murmur of life's restless sea. But every crisis has both its dangers and its opportunities. It can spell either salvation or doom. In a dark, confused world the Kingdom of God may yet reign in the hearts of men.

Mr. ROYBAL. Mr. Speaker, I am privileged to join my colleagues in proposing that January 15, the birthdate of Martin Luther King, Jr., be made a national holiday.

Today, in 1975, we are still far from the "promised land" of freedom and equality that Martin Luther King envisioned in the year of his assassination. Yet, the truths that Dr. King preached are more salient than ever. Martin Luther King's personal crusade was a crusade of justice and mercy. He sought to right the evils of discrimination by employing nonviolence as a method of protest. Influenced by religious and philosophical thinkers, and his mentor, Mahatma Gandhi, he said:

When evil men would seek to perpetuate an unjust status quo, good men must seek to bring into being a real order of justice.

During the numerous civil rights demonstrations he led throughout the South and across the country, he urged angry men and women to put away the weapons of violence.

Get the weapon of nonviolence, the breastplate of righteousness, the armor of truth, and just keep marching.

Martin Luther King did not have to place himself at the forefront of a movement which was both all-consuming and personally perilous to him. His father was the pastor of the prestigious Ebenezer Baptist Church in Atlanta, Ga. His scholastic capacity won him recognition in the academic world from Morehouse College, which he entered at the age of 15, to his doctoral studies in philosophy at Boston University Theological School. His wife Coretta was anxious to pursue a musical career in the North where opportunity beckoned. Yet, after completing his doctoral studies he returned to the South, burdened with racial problems, to assume the pulpit of the Dexter Avenue Baptist Church in Montgomery, Ala.

In 1955, a black seamstress named Rosa Parks refused to give up her seat on a crowded bus to a white person and was fined for violation of a Montgomery city ordinance. It was Martin Luther King who assumed the leadership of the Montgomery Improvement Association and masterminded a successful 11-month boycott of public transportation in response to this incident. Thus began the fight for human rights that was to continue until his death.

In Montgomery, Birmingham, Selma, and throughout the country, Dr. King preached and practiced physical restraint and the use of orderly peaceful resistance. Nevertheless, he was sensitive to on-paper promises and unenforceable laws. Most of all, he recognized "the capacity of society to remain complacent in the midst of injustice." He urged negotiation between blacks and whites, forcing the confronting of an issue too easily overlooked by an apathetic government. His travels were far-flung, for he acknowledged "the interrelatedness of all communities—injustice anywhere is a threat to justice everywhere."

In the late 1950's Dr. King was elected the first president of the Southern Christian Leadership Conference. It was he who requested, was denied, and was finally granted the first White House Conference on Civil Rights. In 1961 he was appointed chairman of the Freedom Ride Coordinating Committee. In 1963, during a convergence of 200,000 persons, white and black, on Washington, to dramatize a shameful condition, he delivered a speech acclaimed by all as a landmark in the civil rights crusade. In this speech, Dr. King spoke of "the urgency of now" for the attainment of his goal of equality for all races. He counseled:

Let us not seek to satisfy our thirst for freedom by drinking from the cup of bitterness and hatred. We must forever conduct our struggle on the high plane of dignity and discipline.

In 1964, Dr. Martin Luther King, Jr., was awarded the Nobel Peace Prize, becoming the third black and the youngest person, at age 35, to be so honored. Four years later, while in Memphis to participate in a strike of black sanitation workers, he was slain by an assassin.

By commemorating the date of his birth, we as a nation, may both memorialize and mourn Dr. Martin Luther King, a man martyred in the cause of freedom upon which this country was founded.

Mr. LEGGETT. Mr. Speaker, I would like to take this opportunity to compliment the distinguished gentleman from Michigan (Mr. CONYERS) for reintroducing this legislation which I have cosponsored.

These troublesome times breed much apathy and cynicism. The Reverend Dr. Martin Luther King, Jr., had the rare ability to cogently penetrate the thoughts and emotions of so many with his carefully articulated ideals.

Dr. King's heroic energy and strength significantly contributed to the newest levels of social equality to which blacks, the poverty stricken, and other oppressed minorities have risen. He shocked our consciences into realizing that our Constitution and Bill of Rights lacked certain necessary provisions to eliminate the discrimination of two centuries.

Yet the steps taken have been few, when viewed in light of what must be done. Although 20 years have passed since the Supreme Court upheld the inherent inequality of segregation, the obstacles which eventually cost Dr. King his life remain. The devastating consequences of his death must be avoided by pursuing those very dreams which Dr. King so eloquently related to us. Instead of recognizing the mortality of the man, we must acknowledge the immorality of his dreams, for only then can we see a true renaissance of human rights in this country.

These fine words of praise which we give today, however, will never adequately commemorate this selfless man who stood for and accomplished so much. We must, at long last, show our most sincere gratitude. A national holiday marking the birth of Dr. King, will at least assure, for ourselves and our posterity, that his vision of a peaceful and content society will never be forgotten. Surely it must never be forgotten.

Mrs. MINK. Mr. Speaker, I am honored to be counted among those many dozens of Members of this House of Representatives who have been officially listed as cosponsors of legislation to designate January 15 each year as a national holiday in tribute to Dr. Martin Luther King, Jr.

The civil rights movement and the dramatic progress which it has meant to this country will be much on our minds during this first session of the 94th Congress as we are asked to extend provisions of the 1965 Voting Rights Act. Certainly our deliberations will recall the great agonies through which the country moved in the 1960's in pursuit of genuine

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equality for all our citizens. Many of those here in this Chamber were present in Washington nearly a dozen years ago when thousands upon thousands of Americans gathered at the Lincoln Memorial to hear Dr. King speak of his dream for our people and our Nation—his dream that one day we would put aside the bitterness and hatred, that one day we would live up to the highest principles of our democracy and reaffirm the dignity of the individual.

Looking ahead to the 200th anniversary of our declaration of those principles, honoring the memory of those great patriots who dedicated their lives to the pursuit of their dreams for America will also be much on our minds. How fitting it would be for us to be able to count among those patriots the late Dr. King. We have the opportunity to honor this immensely important figure in our recent history by designating the anniversary of his birth as a day of rededication to the principles for which he worked.

I do not need to remind you that Dr. King's work remains unfinished. Minority peoples in this country still suffer abuses simply because they are minority peoples. The strife of the sixties is behind us, and a degree of complacency has crept upon us. I find this disturbing. We cannot allow abuses to continue simply because there is no dynamic Dr. King pricking our consciences as he did so persistently and effectively not so many years ago.

We need this day of reflection, this day of rededication, and I urge my colleagues to take the necessary action to pass this legislation now to honor a great American.

Mr. HORTON. Mr. Speaker, I commend the gentleman from Michigan (Mr. CONYERS) for taking this special order today. Our purpose is to urge congressional action on legislation designating the birthday of the late Dr. Martin Luther King, Jr., a legal public holiday. Support for this effort continues to grow and I share the hope that we can achieve our goal in this Congress.

Mr. Speaker, many great Americans have made their mark in our Nation's history. Very few indeed have been afforded the highest tribute which we as a people can bestow, that of setting aside a day each year to honor their individual accomplishments. I believe Dr. Martin Luther King is worthy of this high honor. His life was devoted to the quest for freedom, equality and social justice, principles on which our country was founded. By establishing Dr. King's birthday as a national holiday, we as a Nation will say that we are still committed to these goals and we will remind ourselves that we must continue to work for them.

Mr. Speaker, Dr. King's unrelenting efforts had many positive results, including the enactment of the landmark Voting Rights Act of 1965. This Congress must turn its attention to a renewal of that statute and I hope that effort will coincide with the designation of Dr. King's birthday as a national observance.

Mr. CORMAN. Mr. Speaker, January 15 is the birthday of Dr. Martin Luther King, Jr., who epitomizes the values of nonviolence, peace, and racial equality. Dr. King is the man who had a dream "that one day little children will live in a nation where they will not be judged by the color of their skin but by the content of their character." He is the man who believed that the dream was not unrealistic. He is the man who dedicated his life toward the goal of brotherhood among all people.

His successes during the late 1950's and 1960's through peaceful, nonviolent marches and sit-ins are well known. Selma, Montgomery, and Little Rock are clear visions in the minds of those who were part of the massive civil rights movement and helped to pave the way for a Nation which has hopefully learned from the long battle for racial justice. It was Dr. King who led all people, white and black, in a style of struggle that required nerve and discipline—actions which should constantly remind us that nonviolent tactics do work if executed with the same dedication, discipline, and courage which he employed.

It was Dr. King who rekindled a new pride of culture and heritage in all Americans, particularly blacks, who adopted a new appreciation of their roots and values. A new respect and understanding for all people was the cornerstone of his activity, his style and his actions.

What Dr. King did for human rights cannot be overly emphasized. His efforts to encourage others to pursue the battle for racial equality and world peace are well known. As a recipient of the coveted Nobel Peace Prize, Dr. King gained the respect of a world audience. We in this country have yet to officially recognize his long range contributions to this Nation.

In a personal sense, I feel very honored and privileged to have known Dr. King, to have worked with him. He was sensitive, direct, resourceful, and persevered in circumstances which would have deterred many, many others. He continues to be a great source of pride to us all.

Dr. King once said:

> In the final analysis all humanity is involved in a single process, and all men are brothers.

As brothers, we in this body should unite in thought and spirit and create January 15 as a national holiday to commemorate the work and memory of this great American. We should not ignore the importance of this annual tribute to a man who gave so much to all of us.

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the Martin Luther King, Jr., holiday bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

IMPACT OF MEDICAL MALPRACTICE ON HEALTH CARE PROVIDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 15 minutes.

Mr. HASTINGS. Mr. Speaker, on February 4, I announced I was sponsoring a National Conference on Medical Malpractice, in cooperation with the American Group Practice Association to be held on March 20–21 in Arlington, Va. As I stated at that time, I consider this conference an essential step in developing a rational approach to the problem of medical malpractice. I also announced that I planned to insert background papers on medical malpractice in the CONGRESSIONAL RECORD prior to the conference, with the hope that they will be of some assistance to my colleagues in the House in achieving a fuller understanding of the problem.

Between now and the end of the second week in March I plan to insert five background papers into the CONGRESSIONAL RECORD concerning medical malpractice as it relates to health service providers, patients, trial lawyers, and insurers, and to discuss both existing and proposed approaches to dealing with the problem of medical malpractice. The first background paper, which I am inserting today, is concerned with the impact of medical malpractice on health care professionals and institutions.

BRIEF STATEMENT OF PRINCIPAL MEDICAL MALPRACTICE PROBLEMS

In 1960, the Secretary's Medical Malpractice Commission estimated the cost of professional liability coverage at $60 million. In 1970, the figure was approximately $300 million. We do not know precisely what the figure is today, but some estimates are as high as a billion dollars or more.

Between 1960 and 1970, malpractice insurance premiums for dentists rose 115 percent; for hospitals, 262 percent; for physicians other than surgeons, 540.8 percent; and for surgeons, 949.2 percent. Available evidence since 1970 shows malpractice insurance rates continuing to climb. In early 1974, physicians in New York State had to pay 93.5 percent more for their malpractice insurance than for the previous rating period. The insurer in that State recently proposed an additional increase of almost 200 percent, raising the rates for some specialists as high as $45,000. In Maryland, St. Paul Cos., which insures 85 percent of the State's doctors, had requested a rate increase of 48 percent, after receiving an increase of 46 percent only a few months before their new request. The company is currently insuring the State's doctors under a court ruling requiring them to continue insurance. They are appealing the ruling. The California Medical Association claims their medical malpractice insurance rates have increased 400 percent since 1971.

Hospitals are also experiencing extraordinary increases with rates doubling, tripling, and sometimes increasing as much as 700 percent. Argonaut Insurance Co., the major hospital malpractice insurer, has recently announced it will no longer cover hospitals in at least 14 States.

According to an article in the November 4, 1974, issue of the American Medical News, the number of malpractice claims filed has increased 8 to 9 percent per year. The Insurance Services Office, an independent rating organization, reported in 1966 that 1.7 physicians per 100 were sued; by 1972, 3 physicians per 100 were sued. In 1970, the average settlement of malpractice claims was $5,000; by 1973, the figure had increased to $8,000. Prior to 1971, there were three settlements for over $1 million in California; since 1971, there have been nine.

Only a small portion of these medical malpractice premiums actually goes to the injured patient or his legal representative. The amount of each premium dollar actually awarded to the patient or his legal representative may range from 16 to 38 cents, depending upon which estimate is accepted. The remainder goes to lawyers for the plaintiff and the defendant, and for costs and profits of insurers. Settlements are seldom prompt; the average time for cases heard by a jury is 5 years. It takes over 10 years to settle all medical malpractice claims made in any one year.

A major problem from several standpoints is the contingent fee system for paying the claimant's lawyer; the most common charge is one-third of the recovery amount, with rates as high as 50 percent. In a very large settlement, the injured patient or his legal representative may have to pay the attorney hundreds of thousands of dollars. Contingent fees can also result in cases being rejected by lawyers because the potential return is too small to justify their investment of time. A study for the Secretary's Commission on Medical Malpractice, sponsored by the U.S. Department of Health, Education, and Welfare, reported that 23 percent of the claims rejected by lawyers specializing in medical malpractice were rejected because the potential dollar settlements were too small. For lawyers surveyed who had ever closed a medical malpractice case, there was a 10-percent rejection rate.

An unanswered question is the extent of medical injuries caused by the negligence of health care providers which do not result in malpractice claims. One study, again commissioned by the Secretary's Commission on Medical Malpractice, found that of 23,750 discharges from two hospitals studied, 517 patients had received medical injuries during treatment which were caused by negligence. The investigators found that only 3 malpractice claims would be filed during the year in which the study was made. Since there were only 12,600 claims asserted in 1970 throughout the Nation, and over 30 million hospital admissions a year—according to the National Center for Health Statistics—it appears that malpractice claims are instituted in only a small fraction of cases where medical injuries through negligence have occurred.

Medical malpractice, and claims that result from alleged malpractice can create additional problems regarding the delivery of medical services. Physicians, because of their great concern for avoiding malpractice suits, frequently practice defensive medicine. Defensive medicine is defined as medical practices undertaken to avoid a malpractice claim or to provide protection in the event a claim is instituted. There is some evidence that defensive medicine is practiced, and that it results in higher health service costs and overutilization of scarce medical resources. The fear of charges of medical malpractice may also jeopardize the relationship between the physician and his patient, because each patient is viewed as a potential adversary in a medical malpractice lawsuit.

Perhaps the overriding concern of health care providers is the real threat that they will be unable to purchase medical malpractice insurance because insurers will no longer be willing to offer it. The number of insurers who offer malpractice insurance appears to be decreasing. According to Gene Cudworth, secretary of Hartford Insurance:

> The current malpractice situation represents probably the most serious problem faced by the insurance industry at any time in its history. Almost every carrier in the business is either restricting its business or getting out altogether.
>
> The number of companies involved in malpractice has always been small compared to the total number of insurance companies, but today there are only a half a dozen who handle the majority of malpractice business.

Congress must look carefully at this problem not only because of the cost of professional liability insurance and the threat that doctors and hospitals may not be able to obtain coverage but because of our need to determine the extent of medical injuries and their impact on patients who receive them. We need to examine the impact this problem of medical malpractice has on the way medical care is delivered, and conversely, the impact of the way medical care is delivered on the medical malpractice problem.

IMPACT OF MEDICAL MALPRACTICE ON HEALTH CARE PROVIDERS: AN ISSUE PAPER

Physicians and other health professionals have been both observers and participants in dramatic changes in medicine. New scientific discoveries, new drugs, and new procedures have greatly improved the effectiveness of medicine in curing disease and easing pain. Pneumonia, a major cause of death as recently as the 1930's, became a relatively minor problem with the discovery of sulfa drugs. Science and medicine combined to more effectively treat kidney disease through transplants and hemodialysis, heart problems through improved drugs and surgical procedures, as well as to effect other improvements in providing health care too numerous to mention.

But such advances have both limitations and risks. In its report on the limitations of medicine, the Secretary's Medical Malpractice Commission stated:

> The science of medicine has come so far that many people tend to forget how far it has yet to go. Cancer and heart diseases still kill thousands each year; stroke victims may be partially rehabilitated but not cured; multiple sclerosis is a deadly enigma; and countless patients continue to succumb to infectious disease in spite of all the antibiotics.

Medical advances generally benefit the sick, but such advances have attendant risks. New drugs, equipment, and procedures make treatment far more complex. In some cases, these risks relate to the patient's inability to deal with the trauma associated with a particular treatment, such as heart failure during a serious operation, and in others risks result from the errors that health professionals make.

These advances, too, have understandably led to greater specialization, in an effort to assure greater competence of health professionals, and better performance of the health services industry. We are far removed from the situation where the person the patient saw virtually all the time when sick was the family doctor.

What we find as we examine the characteristics of our medical system described above is a system of care which has made great advances, but has created patient expectations which are often beyond the capacity of the system to fulfill, a system with risks associated both with the nature of the treatment itself and the possibility of human error, and a system which is more impersonal than that which existed 30 or 40 years ago. When a patient experiences an unfavorable outcome of his treatment in this climate, the stage is set for a malpractice claim.

Coping with medical malpractice in this climate places great demands upon health practitioners. They must possess the necessary knowledge and skills to be at least as capable as their peers in the same community. They must understand the implications of their actions as they relate to medical malpractice, such as the essentiality of obtaining informed consent to the treatment they prescribe and perform. They must be able to work well with fellow practitioners, and be able to communicate with and relate to their patients.

The growing seriousness of medical malpractice, understandably, has elicited a loud outcry from the health community, particularly from physicians. It is the physicians who are most vulnerable to large increases in medical malpractice premiums and are frequently faced with the loss of insurance coverage. It is not surprising that many physicians do not see the quality of their practice as the cause of the increases in claims, awards, and premiums. Dr. Charles A. Hoffman, a member of the Secretary's Medical Malpractice Commission, and past president of the American Medical Association, in criticizing the commission's report stated that the rise in medical malpractice claims—

> . . . are an integral part of the much greater problems of general liability claims and litigation. . . .
>
> General litigation is stimulated by the clearly apparent trend in the courts and the legal system toward imposing greater risks of liability in virtually every aspect of human activity. The courts are continually establishing new rules of liability, new rules of evidence, and new rules of procedure to make it easier for any injured person to re-

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cover substantial damages from someone for virtually any injury he suffers. If this trend continues to its logical conclusion, anyone who engages in any activity will have to pay full damages to any other person who is injured in any way even remotely associated with that activity, regardless of what caused the injury.

Frederick O. Field, legal counsel for the Los Angeles County Medical Association, in an interview reported in the New York Times, commented on the ability of juries to decide medical malpractice cases:

Juries often do not know how to evaluate the medical results. A lawyer that can present a deformed child to a jury and argue that the obstetrician made a mistake in prescribing a drug for the mother has a strong emotional argument going for him.

Even if the physician can bring in 15 specialists who say that the obstetrician did the right thing (the jury favors the plaintiff) . . . because of the powerful emotional argument generated by the sight of the deformed baby.

Physicians also blame the growth of malpractice claims on lawyers who stand to gain huge payments because of the contingent fee system commonly applied in medical malpractice claims. These fees most commonly are 30 percent of the award but may be as high as 50 percent. They also blame lawyers for their tactics in the courtroom, which are designed to discredit the competence of the physician and play upon the emotions of the jury.

Physicians, too, see the system by which malpractice claims are settled as wasteful and expensive both to them, because they pay the medical malpractice insurance premiums, and to the patients, who ultimately pay the bill. Dr. Malcolm C. Todd, president of the American Medical Association, recently stated that only 16 cents of each insurance premium dollar ever gets to the insured patient. Estimates of the amount which is awarded to the patient vary considerably, from a low of 16 cents on each dollar to a high of 38 cents. This is an area which should be examined more carefully since an accurate estimate is essential to properly defining the problem. Not all physicians, however, look exclusively outside the medical profession for the medical malpractice problem. Dr. Arthur Eisenbrey, a Detroit neurosurgeon and founder of a high risk group of physicians in Michigan called the Physicians Crisis Committee, stated in an interview with American Medical News that the first target of the group would be the Medical Practice Board. The committee feels that the board should exercise more authority in controlling the quality of medicine. Dr. Eisenbrey stated:

Some doctors are not doing their job and they should have their licenses revoked or suspended. So far the Board has done nothing along these lines.

According to Dr. Robert Johnson, M.D., J.D., who is chairman of the insurance committee of the Colorado Medical Society:

Screening panels, arbitration, and other similar plans just don't seem to be the answer. They don't offer any kind of relief. Instead we must have a system of internal criticism and control of the medical profession.

Claims are the result of unexpected injury. Some are not preventable, some are. We must examine the ones we can prevent and eliminate them. It is as simple as that.

I think a fair assessment of physician attitudes is that they are both angered and hurt by the medical malpractice problem. Theirs is a profession which depends upon the trust and confidence of their patients, and they fear that medical malpractice is eroding this relationship. Dr. George Northrup, former president of the American Osteopathic Society and a member of the Secretary's Medical Malpractice Commission, attempted to convey the feelings many physicians have of medical malpractice:

As a physician I live in an aura of fear—fear of suit. And fear contributes to hostility and rarely contributes to constructive action.

It may be hard to believe, but we are a frightened profession. The doctor feels put upon. He feels nude on the corner of the Main Street of life. He often tries to cover himself with pride and even occasional arrogance, only to find himself being castrated. He really doesn't understand or want to believe the hostility he feels, and often interprets it as being greater than it is.

More revealing than selected quotes from physicians were the results of a survey performed by the magazine Medical Opinion in December 1971. Both physicians who had been sued or threatened with suit and those who were not were surveyed as to their perceptions of the cause of medical malpractice suits. Both responded that the major cause of medical malpractice suits was the poor communication between the patient and the physician. The second most common cause was aggressive lawyers. Seventy-seven percent of the doctors who had been sued and 66 percent of the doctors who had not, listed these two factors as the major causes of suits. Only 2 percent of both groups listed "bad medicine" as the most important reason for malpractice suits.

This survey, perhaps as much as any information we have, provides some insight into the views physicians have of the medical malpractice problem. These attitudes are a critical variable in developing an effective approach to the medical malpractice problem.

The crisis that doctors see has another dimension—referred to as defensive medicine. Defensive medicine is defined as those actions which are taken by health practitioners to protect themselves against medical malpractice claims and to defend themselves in the event a malpractice claim is instituted. The Secretary's Medical Malpractice Commission noted that defensive medicine may take the form of additional tests and procedures or declining to do certain tests and procedures because there is a risk of medical injury involved. Most physicians acknowledge that they do practice defensive medicine. According to a survey by the American Medical Association, 70 percent of the physicians surveyed were ordering additional tests because of concern for medical malpractice. The American College of Surgeons report that 63 percent of surgeons were ordering X-rays for defensive purposes. Dr. James Potchen, dean of management resources and professor of radiology at the Johns Hopkins School of Medicine, looked extensively at the use of radiology for defensive purposes and found the following:

The total magnitude of the use of radiology in the United States in 1970 is currently running at approximately 4 billion dollars and a suggestive figure of up to 25 percent is motivated by a basis other than true efficacy. Therefore, approximately one billion dollars may be spent for protection against an actual threat of perhaps only 5–10 million dollars.

The latter figure of $5 to $10 million was Dr. Potchen's estimate of the value of malpractice claims which might be prevented by increased use of radiology.

Although the case for demonstrating that defensive medicine is practiced appears persuasive, all the evidence available does not support the contention. A study reported in 1971 in the Duke Law Journal of the practices of doctors in North Carolina and California found that the doctors in North Carolina behaved as if they practiced a greater amount of defensive medicine than the doctors in California. Since the cost of medical malpractice insurance was over six times greater in California than in North Carolina, the results are surprising. In a study by Nathan Hershey reported in the Milbank Memorial Quarterly in 1972, increases in the cost of delivering care resulting from defensive medicine were minimal.

The difficulty of measuring the cost impact of defensive medicine is that other factors contribute to the ordering of excessive tests and treatment. Physicians, for example, are encouraged to reduce the likelihood of error by additional testing in order to provide better medical care. Additional tests and treatment mean additional income for those in the health industry. The number of practitioners providing health services has increased markedly in the last decade and a half, increasing the capacity to do more for patients. Nathan Hershey, in the aforementioned article stated:

Drawing the line between medically induced medical care practices that would generally be deemed an improvement over what otherwise would take place, and medical care rendered contrary to the physician's best judgment and at least in that sense poor care, is evidently very difficult to do.

George Annas, director of law and health sciences at Boston University, is even more critical of the medical profession's contention that they must order more tests and provide more therapy than is necessary. Physicians are held to the standard of what the average practitioner does in particular cases. According to Mr. Annas, the law should not affect the practice of an average or above average physician, but only raise the standard of the less than average one. For physicians to state that they must do more tests and provide more therapy than their best judgment would indicate is to raise questions about their judgment.

From the foregoing discussion about defensive medicine and medical malpractice, few safe conclusions can be made. One is that physicians clearly feel that they practice defensive medicine because of the threat of medical malpractice. Two, that there is evidence that more tests are ordered than necessary and probably more therapy or more expensive therapy than might be necessary in many cases. It is virtually impossible, however, to attribute all the excessive tests and treatment to defensive medicine with any degree of confidence.

A second major concern about the medical malpractice problem is that it will discourage delegation of responsibilities and duties to other members of the health care team, such as the increasing number of nurse practitioners and physicians assistants, who are being trained principally with Federal financial assistance. This issue was dealt with extensively by the Medical Malpractice Commission, because of the importance of these personnel to improving the health care system. The commission found that those persons who were trained as physicians' assistants did not have problems in finding employment as physicians' assistants. They noted that physicians' assistants found positions in 44 States, most of the positions calling for direct patient contact. The commission found further that physicians as employers were able to obtain medical malpractice coverage for physicians' assistants, with the cost of insurance for the physicians assistants' insurance amounting to one-half the amount paid to cover the acts of the physician-employer.

Although the Medical Malpractice Commission did note that persons trained as physicians' assistants did find employment, the concern for medical malpractice apparently does have some effect on physicians' willingness to delegate duties to other members of the health team. The Medical Economics Co. surveyed physicians to determine the impact of medical malpractice on the physicians' approach to their practices. Fourteen percent of those physicians who responded indicated that they delegated fewer procedures because of their concern that delegation might increase the risk of a medical malpractice claim. In the opinion of the American Medical Association the physician does incur greater risks of malpractice claims if he employs physicians' assistants. According to the American College of Obstetricians and Gynecologists the need for such personnel exists but obstetrician-gynecologists are reluctant to use them because of increased medical malpractice risks. After examining the issue in some detail, Eli Bernzweig, executive director of the Medical Malpractice Commission, concluded that there was no significant or unique malpractice liability imposed upon the physician who employs a physicians' assistant, nor any greater liability imposed upon the physicians' assistant himself. He stated that the alleged concerns that physicians' assistants are not being effectively integrated into the health care system because of malpractice problems are without foundation.

Like the issue relating to defensive medicine, opinions as to whether the threat of medical malpractice is a barrier to the use of physicians' assistants are contradictory. The finding by the Medical Malpractice Commission that physicians' assistants did not have trouble finding positions would appear to lend some credence to their conclusion that the risk of medical malpractice did not stop physicians from hiring physicians' assistants. Over two years have passed since the commision reviewed the situation regarding physicians' assistants and medical malpractice. During the last 2 years, there have been substantial changes in the medical malpractice situation overall. This vital area needs to be reexamined in the light of those changes.

Most of the outcry regarding medical malpractice has come from the medical profession, and most of the initiative privately and through legislation has been taken by the medical profession. But the hospitals appear to be facing equally serious problems with professional liability coverage, forcing hospitals to consider alternatives to their present means of obtaining insurance coverage. Although the data is admittedly imprecise, some reports claim that professional liability coverage may exceed one-half billion dollars. Hospital professional liability premiums are doubling, tripling, and sometimes increasing as much as 700 percent, according to the American Hospital Association. Argonaut Insurance Company has announced that it will no longer cover hospitals in 14 States. The dimensions of the hospital medical malpractice insurance crisis has prompted the American Hospital Association to consider the establishment of a reinsurance company to assure hospitals that such insurance will continue to be available.

The sudden emergence of the hospital medical malpractice crisis has resulted in a situation where little data is available describing the characteristics of the crisis. The Medical Malpractice Commission, while dealing extensively with the problems of physicians with medical malpractice, touched only lightly on the medical malpractice problem in hospitals. This is perhaps understandable because the hospitals were not experiencing the same rapid increases in premiums, according to data provided to the Medical Malpractice Commission by the American Hospital Association nor were hospitals threatened with nonavailability of coverage, as were physicians. It is nevertheless now part of the overall medical malpractice crisis that must be dealt with along with the crisis faced by physicians.

According to the Medical Malpractice Commission, 74 percent of the medical malpractice claims resulted from medical injuries sustained by persons while in the hospital. Thirty-nine percent of the injuries sustained occurred in the operating room while 34 percent occurred in the patient's room. It would appear reasonable that the greatest impact on the prevention of medical injuries caused by negligence could be made by the hospital's management working with the physicians who admit and treat patients. We all know that hospitals are no longer merely the workshops of the physicians but are directly involved and accountable for a great deal of the care provided within the hospital. For example, hospitals hire doctors, and are providing more and more outpatient services. At one time the doctrine of charitable immunity protected the hospitals from liability. This is no longer true except in a handful of States.

The courts, increasingly, are holding the hospitals accountable for the treatment provided within their institutions. It is in hospitals where the most sophisticated equipment and the most complex procedures are performed, and where the greatest dangers of medical accidents exist. The Medical Malpractice Commission took note of this and recommended that institutions do two essential things: investigate and analyze the frequency and causes of general categories and specific types of adverse incidents causing injuries to patients and develop appropriate measures to minimize the risk of injuries and adverse incidents to patients through cooperative efforts of all persons involved. Mr. James E. Ludlam, a member of the Medical Malpractice Commission and a hospital attorney, in commenting on the commission's report, saw the need for cooperation of the American Hospital Association, the American Medical Association, and the American Osteopathic Association. He stated in his commentary that—

The AHA, AMA, and AOA cannot be effective without a far greater commitment by their respective constituents to an overall solution involving sacrifice of individual prerogatives for the common good.

At this point in time, the other health professions and institutions have not expressed great concern for the costs or availability of professional liability coverage. I think, however, given the dynamic quality of the medical malpractice crisis that it would be presumptious to assume that their present situation will persist.

NATIONAL HEALTH EDUCATION POLICY AND DEVELOPMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. COHEN) is recognized for 5 minutes.

Mr. COHEN. Mr. Speaker, I am pleased to join with Congressman HASTINGS, member of the House Public Health Subcommittee, in reintroducing the National Health Education Policy and Development Act. Senator JAVITS, the ranking member of the Senate Labor and Public Welfare Committee, will introduce a companion bill in the other body. Since this legislation was first introduced last year, many events of significant interest to the Members of the House have transpired which impact on health education.

Acting upon the recommendations of a Presidential report, the administration has established a Bureau of Health Education in the Center for Disease Control in Atlanta, Georgia.

The Assistant Secretary for Health has made prevention the No. 1 priority of the Government in the creation of a national health policy.

HEW has contracted with the National Health Council to prepare plans for the establishment of a National Center for Health Education.

Final regulations on HMO benefits authorize a program of preventive medicine to serve the Nation's 11 million welfare children.

The Fogarty International Center of

the National Institutes of Health, in connection with the American College of Preventive Medicine, is gearing up to convene a National Conference on Preventive Medicine in June of this year.

While the list of initiatives continues and is growing, history may well show that the most noteworthy achievement of the past year was the enactment of health planning legislation, which makes health education one of the nine priorities in the formulation of a national health policy and in the development and operation of Federal, State, and area health planning and resource development program.

The Federal Government's contribution to personal health care has risen 15.9 percent from $3.3 billion to $20.1 billion since the beginning of the medicare program. Despite this vast increase in health care expenditures, the rates of illness, disability, and premature death have shown little signs of improvement. More importantly, what improvement we have achieved has not kept pace with the other western industrialized nations. When we look at such social indicators as infant mortality and crude death rates, we find that the United States in the decade from 1963 to 1972 fell from 10th to 15th place for infant mortality, and from 7th to 8th place for the crude death rate.

The relationship between lifestyle, health status, and death rates is becoming increasingly clear. In the past, the Nation's No. 1 health problem was acute infectious disease. Afflicted with such diseases as polio, smallpox and diptheria, a patient had virtually no role in his own care. Instead, the responsibility for prevention and control was left to medical research. Through extensive and concentrated efforts the ravages of many of these diseases have been effectively eliminated as national health problems. Infectious disease, however, has been replaced by other health problems which are now the leading causes of disability and death in this country. The problems are in large part chronic or behavioral conditions, such as heart and respiratory diseases, cancer, obesity, alcoholism, accidents, and suicide. Effective control of these conditions is impossible without the active cooperation of an informed population.

The tragedy is that a great many individuals are still unaware of their own role in the prevention and relief of these ills or accidents, and lack the knowledge needed to utilize the health care industry itself. We persist in lifestyles which threaten our well-being. The principal cause of death for persons through age 44 is accidents. Only 60 percent of young children have been immunized against polio, a 3 percent decrease since 1972. Venereal disease has become America's new epidemic. The No. 1 health problem in my own State of Maine is dental caries.

Preventive health care is not a bold new concept. The attractiveness of prevention is that it makes fewer demands on time and money than the alternative of treating the person after he becomes sick. Health care is the second largest expenditure in the United States. Yet, with this tremendous amount of money we are still surrounded by evidence of inaccessible, inadequate, and poor quality medical care. Our citizens are being denied access to the health care system because of rising costs and the maldistribution of health resources. This is particularly true in rural areas. Statistics indicate that even though rural populations will expand, they will continue to be short of physicians and health care facilities. Limited income compounds the problem. Survey researchers found in one rural county in my State, for example, that more than 30 percent of the families had incomes of less than $3,000 a year and more than 60 percent earned less than $6,000 per family. Yet 67 percent of those same respondents told the research teams that they believed that they needed immediate medical attention, but were not in a position to seek it.

The public's growing impatience with the overemphasis on the technology of medicine and the neglect of the patient as a responsible agent in the treatment of illness can be remedied through an effective program of health education. Health education is seen by experts as the most cost-effective means to recruit the consumer as an active member of the health care team. My bill takes several significant steps toward achieving that goal.

It establishes a National Health Education Administration as the focal point for health education under the direction of the Secretary of Health, Education, and Welfare. By placing the Administration directly under the Secretary, it will be in a position to draw successfully from the resources of the Office of Education and the Public Health Service. My legislation also establishes an advisory council to advise, consult with, and make recommendations to the Administration. This council, composed of the Assistant Secretaries of Education and Health, the Director of the Office of Consumer Affairs, and other persons involved with health education, public health, health care, health insurance and the consumer, will greatly contribute to a balance of emphasis in the activities of the Administration.

After conducting studies into the current status of health education in the Nation, including factors which motivate the consumer to preserve his own health and utilize health care services, the Administration will begin to develop and evaluate specific cost-effective educational and informational mechanisms, aids and systems which will have the greatest potential impact for health education, particularly as it relates to personal health care motivation and resource utilization.

Following the identification of successful health education mechanisms, the Administration will use them not only for the education of our school-aged population, but will make grants for the development of comprehensive health education programs. The programs will draw upon the available resources in a community or area to serve all its citizens and will give particular attention to the various cultural health needs of specific ethnic, economic, and geographic populations.

The bill that we are introducing today embodies the main thrust of the recommendations in the Presidential Report on Health Education, as well as those made by officials of HEW, committee staff, and interested private concerns. Therefore, I believe that this bill provides an important step toward the goal sought by the Administration, the Congress and the health consumer—a healthier life at a lower cost.

FINANCIAL DISCLOSURE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, today I have joined with BOB KASTENMEIER and 46 other colleagues in introducing the Financial Disclosure Act.

The disclosure requirement would apply equally to all elected Federal officials, candidates for Federal office, everyone in the legislative and judicial branches who is compensated at an annual rate of $25,000, those persons who perform duties of a kind generally assigned to an individual holding grade GS–15 or higher in the general schedule and to all generals and admirals in the military. The bill will require a detailed statement of the sources of each item of income, reimbursement or gifts, the value of assets and liabilities, and all dealings in securities, commodities, or real estate.

Mr. Speaker, the public disclosure of income from sources other than one's Government salary or of transactions in stocks, bonds, or other securities is almost nonexistent. The executive branch has a Presidential Executive order which is more of an administrative directive than a disclosure measure. No laws now require the President and Vice President to disclose their finances. The Federal courts subscribe to canons of ethics but do not require any reporting of financial or business activities. In the Congress, each body has a code of ethics but these codes call for public reporting only with respect to contributions, gifts, or honorariums. Reports of outside income, activities, and holdings are filed on a confidential basis and are not open to the public.

In the post-Watergate era complete and public disclosure by all officials in policymaking positions in all branches of Government is needed to help dispel the prevalent suspicion and cynicism of the workings of the Government even though the vast majority of public officials abide by the laws they make and administer. The principle of this legislation is to require full financial disclosure by all those in positions whose decisions could generate potential conflicts of interest and thereby convince the public that it can trust its representatives.

We must act positively to restore the public's confidence in Government officials, and by requiring full financial disclosure we are making a strong commitment toward open government.

MILITARY DISCHARGE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 5 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, just before the recess, I joined Congressman BENNETT and several other of my distinguished colleagues in introducing H.R. 52, a discharge reform bill which recognizes the legitimate military need for expeditious discharge, while protecting the individual from arbitrary action.

Under our legislation, reintroduced as H.R. 2964, the general and undesirable discharges will be abolished. A soldier facing administrative separation will be awarded either an honorable discharge or an uncharacterized discharge from service.

The award of an honorable discharge will be free from any derogatory qualification. A plain discharge from service may be issued only if procedural safeguards are followed—right to counsel, adherence to evidentiary rules, supervision by a military judge and review by military appellate tribunals and the Court of Military Appeals.

So that my colleagues and all who read the RECORD can have a better understanding of the legislation, I will now include a copy of the bill in the RECORD and will follow tomorrow with a section-by-section analysis of it:

H.R. 2964

A bill to amend title 10, United States Code, to regulate the issuance of discharge certificates to members of the armed forces, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10, United States Code, is amended as follows:

(1) Chapter 59 is amended as follows:

(A) Section 1161 is amended to read as follows, and the analysis item for that section is amended to correspond with the revised catchline:

"§ 1161. Members: characterization of discharge certificate on separation from service

"(a) The certificate of discharge issued to members of the armed forces pursuant to section 1168 of this chapter may be characterized only as—

"(1) an Honorable Discharge, when separated from service, except where a lesser form of discharge certificate is expressly authorized under this title;

"(2) a Discharge from Service, when issued pursuant to subsection (b) of this section;

"(3) a Bad-Conduct Discharge or a Dishonorable Discharge, when issued according to an approved finding of a court-martial pursuant to chapter 47 of this title.

"(b) Under regulations prescribed by the Secretary of Defense, a member of an armed force may be separated with a Discharge from Service as a result of—

"(1) an approved recommendation of a board of officers upon a finding based on preponderance of the evidence of record—

"(i) of misconduct (in the case of enlisted members),

"(ii) of misconduct or moral or professional dereliction (in the case of officers, cadets, and midshipmen),

"(iii) that the member's retention would not be clearly consistent with the interests of national security,

"(iv) that the member's retention is not warranted when there has been a final conviction by a civilian court, or adjudication as a juvenile offender, of an offense the punishment for which under chapter 47 of this title is death or imprisonment for more than one year,

"(v) that the member's retention is not warranted when the member has received an aggregate of three separate final convictions during a three-year period (the three-year period next preceding the date of conviction of the last offense) by separate courts-martial, or civilian courts, or both of offenses the punishment for each of which under chapter 47 of this title is confinement for three months or more;

"(2) resignation or request for discharge in lieu of board action under clause (1) or trial by court-martial, submitted after opportunity to consult counsel having the professional qualifications prescribed by section 827(b) of this title;

"(3) absence without authority for one year.

"(c) Under regulations prescribed by the Secretary of Defense, which shall be uniform for all of the armed forces—

"(1) the board of officers appointed under subsection (b)(1), and the member, shall have equal opportunity to obtain witnesses and other evidence; and

"(2) the board shall have power to issue process to compel the attendance of witnesses and production of evidence coextensive with the power accorded courts-martial under section 846 of this title.

The Secretary of Defense shall prescribe rules of evidence, including rules as to the taking and use of depositions and ex parte statements, which shall be uniform for all of the armed forces, and shall so far as he considers practicable, apply the principles of law and rules of evidence contained in the regulations issued pursuant to section 836 of this title.

"(d) Under regulations prescribed by the Secretary concerned, a board of officers appointed under subsection (b)(1) is required to conduct a hearing which affords the member concerned an opportunity to—

"(1) appear before the board and present evidence in his own behalf;

"(2) be represented by counsel having the professional qualifications prescribed by section 827(b) of this title, unless counsel having those qualifications cannot be obtained because of physical conditions or military exigencies, and if such counsel cannot be obtained because of physical conditions or military exigencies, the board proceedings may be held, but separation with a certificate of Discharge from Service may not be recommended or approved.

"(3) subject to exceptions prescribed in the rules of evidence, confront the witnesses against him; and

"(4) examine the documentary and real evidence against him.

That member shall be notified in writing reasonably in advance of the proposed hearing of the specific reasons therefor. If the member is confined in a civilian jail or penal institution at the time of the hearing, and he is represented by counsel qualified under section 827(b) of this title, it may be conducted out of his presence, when a reasonable effort has been made to obtain the presence of the member.

"(e) Except where he cannot be obtained on account of physical conditions or military exigencies, one nonvoting member of the board prescribed under subsection (b)(1) who has the professional qualifications prescribed by section 826(b) of this title shall act, as legal adviser and rule on all interlocutory questions which rulings shall be final, and if such legal adviser cannot be obtained because of physical conditions or military exigencies, the board proceedings may be held but separation with a certificate of Discharge from Service may not be recommended or approved.

"(f) Except where he cannot be obtained on account of physical conditions or military exigencies, a legal adviser who has the professional qualifications prescribed by section 826(b) of this title shall review the resignation or request for discharge prescribed by subsection (b)(2) and shall approve the issuance of a certificate of Discharge from Service only in accordance with regulations prescribed by the Secretary of Defense, which shall be uniform for all of the armed forces, and shall so far as the Secretary considers practicable, apply the standards prescribed for a plea of guilt pursuant to chapter 47 of this title. If such legal adviser cannot be obtained because of physical conditions or military exigencies, the resignation or request for discharge may be accepted, but separation with a certificate of Discharge from Service may not be recommended or approved.

"(g) Under regulations prescribed by the Secretary concerned, the recommendation of a board of officers appointed under subsection (b)(1) for separation with a certificate of Discharge from Service may be appealed by the member to an appeal board established by the Judge Advocate General concerned, or the General Counsel of the Department of Transportation, as appropriate. Each appeal board shall be composed of not less than three officers having the professional qualifications prescribed by section 826(b) of this title and, unless it cannot be avoided, each such officer shall be senior to, and outrank, the member. The appeal board shall determine whether the proceedings before the board of officers appointed under subsection (b)(1) is correct in law and may direct a rehearing. The appeal board is limited in its consideration to—

"(1) the record of proceedings of the board of officers which, in cases of appeal only, must be a verbatim record; and

"(2) written arguments of counsel based upon those proceedings.

An appeal board may not recommend that the member be separated under conditions less favorable than those recommended by the board of officers, but it may recommend mitigation of adverse board recommendations. The action of the appeal board is binding on the authority empowered to separate the member with respect to matters of law. With respect to other matters, the action of the appeal board is advisory in nature with the final decision, except as to matters of law, being exercised by the authority empowered to separate the member. An officer whose case is reviewable under section 1184 (b) of this title, or section 323 of title 14, is not entitled to an appeal under this section.

"(h) When a certificate of Discharge from Service has been issued, the Court of Military Appeals shall review the record in all cases which the Judge Advocate General orders sent to the Court of Military Appeals for review and in all cases in which, upon petition of the member and on good cause, the Court of Military Appeals has granted a review. The court, in its sound discretion, may request the Secretary concerned to appoint appellate counsel for the member.

"(i) Each member issued a certificate of Discharge from Service shall be advised that he has three months from the date of separation to petition the Court of Military Appeals for review.

"(j) In any case reviewed by it, the Court of Military Appeals may act only with respect to the findings and recommendation as approved by the authority empowered to separate the member. In a case which the Judge Advocate General orders sent to the Court of Military Appeals, that action need be taken only with respect to the issues raised by him. In a case reviewed upon petition of the accused, that action need be taken only with respect to issues specified in the grant of review. The Court of Military Appeals shall take action only with respect to matters of law.

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"(3) If the Court of Military Appeals sets aside the findings and recommendation, it may, except where the setting aside is based on lack of sufficient evidence in the record to support the findings, retain jurisdiction and refer the matter to a board of review convened pursuant to section 1553 of this title. If it sets aside the findings and recommendation and does not refer the matter to a board of review, it shall order that the Secretary concerned issue an Honorable Discharge certificate.

"(i) Except where the findings or recommendations of a board of officers or a court-martial convened under chapter 47 of this title are determined to have been obtained by fraud or collusion, a member who has been retained as a result of such proceedings may not be required to appear before another board of officers convened under this section for purposes of imposing a discharge under other than honorable conditions for conduct in whole or in part which was the subject of previous proceedings, except as provided in subsection (b)(1)(v).

"(j) Except as provided in this chapter, chapter 47, and chapter 60 of this title, or chapter 11 of title 14, a member may not be separated from an armed force under conditions other than honorable.

"(k) Under regulations prescribed by the Secretary of Defense, a narrative statement concerning separation from service may be furnished a member upon written request at any time following separation from service. Such statement may contain a concise description of—

"(1) rank at time of discharge;

"(2) dates of service;

"(3) any occupational or educational training completed;

"(4) military occupational specialty assignments;

"(5) any awards, merit, or proficiency attained;

"(6) character of discharge certificate;

"(7) a summary—

"(i) the approved findings of a court-martial when a Bad-Conduct or Dishonorable Discharge has been approved pursuant to chapter 47 of this title;

"(ii) the approved findings of a board of officers when a Discharge from Service has been approved pursuant to subsection (b)(1);

"(iii) the approved findings of a legal adviser upon review of resignation or request for discharge when a Discharge from Service has been approved pursuant to subsection (b)(2);

"(iv) the specific circumstances leading to separation when a Discharge from Service has been approved pursuant to subsection (b)(3).

"(l) Notwithstanding any other provision of law, a commissioned or warrant officer of an armed force, other than a regular component of that armed force, is entitled to the safeguards provided for regular officers under section 1182 of title 10 whenever he is being considered for separation from active duty because of misconduct, moral or professional dereliction, or because his retention is not clearly consistent with the interests of national security.

"(m) A verbatim transcript of the discharge proceeding and the member's personnel file shall be made available upon request when any appeal is taken under this section, or under sections 1552, 1553 of this title.".

(B) Section 1163 is amended—

(i) by amending the second sentence of subsection (a) to read as follows: "This subsection does not apply to a separation under section 1003, or a transfer under section 3352 or 8352, of this title.";

(ii) by repealing subsection (b); and

(iii) by striking out "except under subsection (b)," in subsection (c).

(2) The chapter analysis of subtitle A and the chapter analysis of part II of subtitle A are each amended by inserting the following new item:

"60. Separation of Regular Officers for various reasons.".

(3) Part II of subtitle A is amended by inserting the following new chapter after chapter 59:

"Chapter 60.—SEPARATION OF REGULAR OFFICERS FOR VARIOUS REASONS

"Sec.

"1181. Boards of officers: substandard performance of duty; authority to convene.

"1182. Boards of officers: other than substandard performance of duty; authority to convene.

"1183. Boards of inquiry: composition; duties.

"1184. Boards of review: composition; duties.

"1185. Removal of officer: action by Secretary upon recommendation.

"1186. Rights and procedures.

"1187. Officers considered for removal: voluntary retirement or discharge; severance benefits.

"1188. Officers eligible to serve on boards.

"§ 1181. Boards of officers: substandard performance of duty; authority to convene

"The Secretary of the military department concerned may at any time convene a board of officers to review the record of any commissioned or warrant officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps, as the case may be, to determine whether he shall be required, because his performance of duty has fallen below standards prescribed by the Secretary, to show cause for his retention on active duty.

"§ 1182. Boards of officers: other than substandard performance of duty; authority to convene

"The Secretary of the military department concerned may at any time convene a board of officers to review the record of any commissioned or warrant officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps, as the case may be, to determine whether action should be taken in accordance with section 1161 of this title to remove him from active duty because of misconduct, moral or professional dereliction, or because his retention is not clearly consistent with the interests of national security.

"§ 1183. Boards of inquiry: composition; duties

"(a) Boards of inquiry, each composed of three or more officers, shall be convened, at such places as the Secretary of the military department concerned may prescribe, to receive evidence and make findings and recommendations whether an officer who is required to show cause for retention under section 1181 of this title should be retained on active duty.

"(b) A fair and impartial hearing before a board of inquiry shall be given to each officer so required to show cause for retention.

"(c) If a board of inquiry determines that the officer has failed to establish that he should be retained, it shall send the record of its proceedings to a board of review.

"(d) If a board of inquiry determines that the officer has established that he should be retained, his case is closed. However, at any time after one year from the date of that determination, an officer who is required to show cause for retention under section 1181 of this title may again be required to show cause for retention.

"§ 1184. Boards of review: composition; duties

"(a) Boards of review, each composed of three or more officers shall be convened by the Secretary of the military department concerned, at such time as he may prescribe, to review the records of cases of regular commissioned or warrant officers recommended for removal by a board of inquiry under section 1183 of this title. If after reviewing the record of the case, a board of review determines that the officer—

"(1) has failed to establish that he should be retained, it shall send its recommendation to the Secretary for his action; or

"(2) has established that he should be retained on active duty, his case is closed; however, at any time after one year from the date of that determination, he may be again required to show cause for retention in those cases reviewed under section 1181 of this title.

"(b) Boards of review shall be convened in accordance with section 1161(g) of this title to review the proceedings of a board of officers convened under section 1161 of this title in which that board has recommended the removal of a regular commissioned or warrant officer from active duty. It shall send its recommendation to the Secretary of the military department concerned for his action.

"§ 1185. Removal of officer: action by Secretary upon recommendation

"The Secretary of the military department concerned may remove an officer from active duty in the regular component of an armed force if his removal is recommended by a board of review under this chapter. The Secretary's action in such a case is final and conclusive.

"§ 1186. Rights and procedures

"Each officer under consideration for removal by a board convened under section 1183 of this title shall be—

"(1) notified in writing of the reasons, at least thirty days before the hearing of the case by a board of inquiry, for which the officer is being required to show cause for retention;

"(2) allowed reasonable time, as determined by the board of inquiry under regulations of the Secretary of the military department concerned, to prepare his defense;

"(3) allowed to appear in person and by counsel at proceedings before a board of inquiry; and

"(4) allowed full access to, and furnished copies of, records relevant to the case at all stages of the proceedings.

"§ 1187. Officer considered for removal: voluntary retirement or discharge; severance benefits

"(a) At any time during proceedings under this chapter and before the removal of an officer, the Secretary of the military department concerned may grant a request—

"(1) for voluntary retirement, if the officer is otherwise qualified therefor;

"(2) for honorable discharge under subsection (b) in those cases brought under section 1181 of this title, or

"(3) for discharge under subsection (b) in those cases brought under section 1182 of this title.

"(b) Each officer removed from active duty or a regular component of the armed forces under this chapter shall—

"(1) if he is eligible for voluntary retirement under any law on the date of his removal, be retired in the grade and with the pay for which he would be eligible if retired at his request;

"(2) if he is ineligible for voluntary retirement under any law on the date of his removal, be honorably discharged in the grade then held with severance pay computed by multiplying his years of active commissioned or warrant service, as the case may be, but not more than twelve, by one month's basic pay of that grade in those cases brought under section 1181 of this title; or

"(3) if on that date the officer is ineligible for voluntary retirement under any law, be discharged in the grade then held with severance pay computed by multiplying his years of active commissioned or warrant service, as the case may be, but not more than twelve, by one month's basic pay of that grade in those cases brought under section 1182 of this title.

"§ 1188. Officers eligible to serve on boards

"(a) No officer may serve on a board under this chapter unless, with respect to the Army and Air Force, he holds a regular or temporary grade above lieutenant colonel, and is senior in regular grade to, and outranks, any officer considered by that board. No officer may serve on a board under this chapter unless, with respect to the Navy and Marine Corps, he is serving in a grade above commander in the Navy or lieutenant colonel in the Marine Corps, and is senior in grade to any officer considered by that board.

"(b) No person may be a member of more than one board convened under this chapter for the same officer.".

(4) Subtitle B is amended by repealing chapters 359 and 360.

(5) The chapter analysis of subtitle B and the chapter analysis of part II of subtitle B are each amended by striking out the items relating to chapters 359 and 360.

(6) Subtitle D is amended by repealing chapters 859 and 860.

(7) The chapter analysis for subtitle D and the chapter analysis of part II of subtitle D are each amended by striking out the items relating to chapters 859 and 860.

SEC. 2. Notwithstanding any other provision of law, the separation of any commissioned or warrant officer of the Coast Guard under clause (2) of section 321 of title 14, United States Code, shall be in accordance with the applicable procedures and safeguards set forth in section 1 of this Act.

SEC. 3. This Act shall become effective on the first day of the sixth month following the month in which it is enacted.

CAMPAIGN REPORTING PROCEDURES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. HANSEN) is recognized for 10 minutes.

Mr. HANSEN. Mr. Speaker, today I appeared in Federal court in Washington, D.C., and admitted to deficiencies in my campaign reporting procedures which resulted in my acknowledgment of two misdemeanor violations of the Federal Election Campaign Act of 1971. I was charged with filing a late report of receipts and expenditures and with reporting some campaign contributions on my committee report form rather than on my personal report form.

I chose to acknowledge these deficiencies because of my longstanding belief in the principle that an individual is responsible for his actions and should accept the consequences of those actions. However, let me make it clear that I have undergone an extensive and exhaustive investigation into my campaign and my personal finances. Before and during this investigation, my campaign records were an open book and at no time was anything concealed or hidden.

The Justice Department went into my case thoroughly with the FBI spending weeks in the field and I was cleared of all allegations of felony recklessly made by political partisans. However, the investigation did reveal the two technical violations of the Campaign Act as explained above. Putting a campaign together with volunteers and inexperienced people to cope with ever-increasingly complex reporting laws is very difficult, but we managed to get the job done and all funds received and expended were fully reported.

I feel that I made an honest effort to comply with the law and that there were reasonable answers for the deficiencies noted. The late filing of a report was unintentional and unavoidable under the circumstances we faced. Problems involving bookkeeping technicalities arose through misunderstands and early lack of adequate staff and committee assistance and resulted in some lack of adequate detail and with certain items being carried on the wrong report form. Circumstances and complications also arose during the early stages of my campaign which seriously delayed the formation of a functional campaign committee and caused me to act as interim agent for the unformed committee in handling receipts and expenditures. This caused me to use personal accounts for depositing and disbursing campaign money until a committee account could be established. However, all funds have been properly accounted for.

While I have no quarrel with the Justice Department, I still maintain that during the election campaign, I was made the object of a vicious smear effort and political witch hunt. This effort was given credibility by the chairman of the Democrat Congressional Campaign Committee who continually thundered, from his position as chairman of the House Administration Committee, damning and libelous statements to the press. It is indeed a matter of public record that I was singled out to be a test case for his purposes regarding campaign law reform, an inexpensive experiment for him perhaps but a very expensive one for the taxpayers who paid for the investigation and for me to cope with it in terms of time, money and personal sacrifice. My out-of-pocket expenses currently amount to some $40,000.

It should be further noted that I was subjected to an apparent conspiracy to violate my civil rights and invade my privacy with such illegal activities as the "burglarizing" of my credit report. Although final disposition of this matter remains to be determined by decisions of the Justice Department and the pending lawsuit, it is now general knowledge that many prominent public figures have been identified as being involved. There is now, in fact, every reason to believe that the illegally secured credit report resides in the files of the House Administration Committee, or its chairman, WAYNE HAYS.

I believe that my staff and I dealt with this investigation and harassment as well as anyone could have. The results should now vindicate the confidence my constituents placed in me in August and again in November.

One thing should be noted in light of this unfortunate singling out and overplayed sensationalism my case received. No one should be above the law but the law should be applied with an even hand and without passion to all alike. Nearly every Idaho candidate for Federal office in this past election had apparent violations which also could have been investigated. To prevent having mockery made of the law, all reported violations, not just a certain few, should be looked into for proper resolution and at an early date. The fact that thousands of apparent campaign reporting violations have been identified by authorities without action since the 1971 law was passed suggests that either more assistance needs be given to our law enforcement officials or that unrealistic laws should be repealed.

BUREAUCRACY AND REDTAPE IN AMNESTY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 5 minutes.

Mr. MOAKLEY. Mr. Speaker, it seems almost axiomatic that whenever a new Federal program is announced it becomes shrouded instantly in bureaucracy and redtape.

I was stunned to learn that even the new amnesty program was not exempt. If ever there was a program we might have hoped would operate with humanity and compassion, this was it.

Yet, Stephen Milanese, of West Roxbury, Mass., who returned to this country to participate in the amnesty program and accept aiternative service sits today in a Navy brig. The Bureau of Naval Personnel and the Secretary of the Navy have denied amnesty to Mr. Milanese based on a questionable and purely technical point.

Mr. Milanese, a member of the Naval Reserves, could not reconcile his continued participation in the wake of our country's involvement in Vietnam. He stopped attending meetings in January 1973 and was, in consequence, called to active duty May 2, 1973. He refused induction and fled to Canada.

When President Ford announced an amnesty, Mr. Milanese accepted the offer to return to this country and rejoin our society.

But even in a program that demands flexibility, the Navy turned to the rulebook and found, they believe, a loophole. While Mr. Milanese stopped participating in the military 3 months before the March 29, 1973 cutoff eligibility, the Navy has chosen to use the May 2 date he was ordered to report for active duty as the operative date for determining his eligibility.

I have written to the President to request his intervention in this case. If the Navy is successful in its effort to imprison a young man who returned to this country under the amnesty program, how many more would ever return?

PROPOSED EQUAL PAY LEGISLATION

Ms. HOLTZMAN. Mr. Speaker, a recent court decision now allows unjustifiable wage discrimination against women. I am introducing legislation today to eliminate this injustice.

The Third Circuit Court of Appeals in Hodgson against Robert Hall Clothes has

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construed the Equal Pay Act to permit an employer to pay different salaries to men and women even though they perform the same services. In that case, the court allowed salesmen who sold men's clothes to be paid higher salaries than saleswomen who sold women's clothes in the same store.

In permitting this discrimination, the court relied on an exception to the Equal Pay Act which allows wage differentials when "based on any other factor other than sex." The "other factor" here was the claim that the sale of men's clothing was more profitable than the sale of women's clothing. The Supreme Court refused to review this case.

I believe that this interpretation of the "other factors" clause is an unwarranted departure from the purpose of the Equal Pay Act: to require equal pay for equal work. It will allow wholesale sex discrimination in wages simply on the assertion of vague, hard to ascertain "business reasons."

I, therefore, propose in my bill to narrow the "any other factor provision" by specifically excluding economic profitability as a factor upon which employers can base a wage differential between employees. My bill would, however, retain the other exceptions to the Equal Pay Act which permit wage differentials based on merit or seniority systems, measures of quantity and quality of production, or other factors—other than sex. Thus, employers would remain free to establish reasonable, work-related or seniority based pay scales.

The importance of plugging up this loophole is plain. Encouraged by the Robert Hall decision, other employers are attempting to use the same "profitability" argument. In a case now being litigated, Northwest Airlines is claiming that certain of its flights—those using predominantly male cabin attendants as opposed to female cabin attendants—are more profitable, and, therefore, the airline is justified in paying its male employees higher wages.

Discrimination in wage practices is one of the fundamental abuses that must be ended in order to secure equal treatment for women in this country. Women now make up 40 percent of the work force. Yet in the retail sales industry, for example, female retail sales workers earned only 48.1 percent of what male retail sales workers made, as of May 1974. By limiting the "other factor" provision in the Equal Pay Act, we can help these women achieve the economic equality that is long overdue.

I urge my colleagues to support this important legislation.

UNEMPLOYMENT IN DETROIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

Mr. DIGGS. Mr. Speaker, the national problems of the economy have become a crisis of enormous proportions in the city of Detroit. While the national unemployment figure for December was 7.1 percent, the unemployment rate in Detroit was 18 percent! With the continuing problems of high crime rates, inflation, housing, education, and health, Detroit has become a near-disaster area.

New Detroit, Inc., the Nation's first urban coalition which incorporates leaders of business, labor, city and State government, as well as grassroots community organizations, has formed an ad hoc group to consider solutions to this situation. I am most pleased to present their recommendations to my colleagues for their careful study and review.

FEDERAL ACTIONS TO PULL THE ECONOMY OUT OF THE RECESSION—PROPOSALS OF NEW DETROIT, INC.

JANUARY 10, 1975.

The United States is in a serious recession. Unemployment is high and rising, affecting many areas of the country. Real personal income has been declining for some time and is now affecting almost every sector of the economy. As a result, many states and local governments, particularly the State of Michigan and the City of Detroit, are experiencing a significant decline in tax revenues, while the need for expenditures on social welfare is increasing.

The national unemployment rate in mid-December was 7.1%, representing 6.5 million persons unemployed, and it is generally believed it will go substantially higher. In many states and cities the unemployment rate already is substantially higher. In Michigan it was 11.2 percent in December. In the six-county Detroit Metropolitan Area* it was 12.4 percent. The State of Michigan forecasts that in the first quarter of this year the unemployment rate will average 12.5 percent in Michigan and 16 percent in the six-county Detroit Metropolitan area.

In the City of Detroit the December rate of unemployment was approximately 18 percent. It likely will average about 23 percent in the first quarter of this year, and in the most depressed areas of the city and for minority groups it will be substantially higher, perhaps double. A 23 percent unemployment rate in Detroit means 126,000 persons are out of work—one out of every four in the city's work force.

It seems clear that additional action by the federal government is critical to deal with the problems of recession that plague our economy. Additional actions to deal with the plight of the unemployed and to stimulate consumer and business purchases, thus providing jobs, are immediately necessary.

We recognize that measures to pull the economy out of the recession must not be such that they cause excessive inflation after he economy begins to recover. We therefore are recommending some measures that would be operative only in 1975. Also, we are not suggesting specific dollar amounts, believing that the administration and the Congress must decide on the over-all size of the anti-recession package as more up-to-date economic data become available.

Our purpose is to recommend the kinds of actions that will be most effective both in helping the individuals and industries that are being hurt most by the present recession and in stimulating the over-all economic recovery. Our proposals recognize that it is important to avoid creating long-term inflationary pressures, but we believe that inflationary pressures are diminishing and the nation's principal concern must now be the recession.

New Detroit, therefore, recommends the following federal actions:

1. *Expand Public Service and Public Works Employment.*—In December the Congress passed, and the President approved, legislation to temporarily extend the duration and coverage of unemployment benefits and to provide additional public service and public works employment. We believe these measures are vitally important. They will provide help to people who are in real need, and by maintaining their purchasing power will help dampen the downward spiral of the economy.

The $2.5 billion for public service employment and the $500 million for public works authorized in the recent legislation plus approximately $1 billion authorized earlier in 1974 will only provide about 500,000 jobs for a year. Unless there is a decrease in the level of unemployment (which currently exceeds 6.5 million) a significant expansion of these programs will be required.

2. *Release Deferred Federal Funds.*—The administration has deferred the expenditure of over $23 billion that have been appropriated by the Congress. A large portion of these funds could be used to finance projects for which plans exist and the states and local agencies are ready to award contracts rapidly. Release of all or part of these funds could have an early and significant impact on employment in construction and allied industries and could be accomplished through action by either the President or the Congress.

3. *Provide Immediate Tax Relief for Individuals.*—Congress should immediately enact tax relief for individuals. The actions should be designed primarily to restore the purchasing power of lower and middle income groups. Possible actions include (a) short-term (for 1975 only) reductions in income tax rates and/or the provision of income tax credits and (b) long-term adjustments of the personal exemption allowance and tax brackets to reflect inflation.

These actions would provide immediate relief for many of the people who have been most severely affected by recession and inflation. It would put additional money into the pockets of people who would be most likely to spend it, and thus would help to stimulate the economy.

4. *Increase the Availability of Money and Credit Through Action of the Federal Reserve System.*—Many believe the rein on monetary growth imposed by the Federal Reserve lasted too long and has been a principal cause of the economic downturn. The money supply increased at an annual rate of 1.6 percent from June to September, much less than the rate of inflation. Between September and December it increased at a rate of 5.0 percent, but this is still not enough. A more substantial increase is necessary in order to reduce interest rates and stimulate the economy.

5. *Remove the Federal Excise Tax on Medium and Heavy-Duty Trucks.*—The excise tax on cars and light trucks was removed several years ago. The tax that remains is discriminatory. Its removal would help stimulate sales of medium and heavy-duty trucks and reduce costs to users.

6. *Do not Impose any New Motor Vehicle Standards Until Congress has Examined All of the Interrelated Social and Economic Costs and Benefits of Current, Future and Proposed Federal Standards for Automobiles.*—No new motor vehicle standards, whether for safety, damageability, emissions, noise or fuel economy, should be imposed until Congress has examined all of the interrelated social and economic costs and benefits of current, future and proposed standards. This re-examination should include effects on employment and energy consumption as well as direct costs and benefits to the public. New standards should not be imposed until such a re-examination has been conducted.

7. *Determine and Implement a National Energy Program.*—We believe that concern over energy has contributed to the decline in consumer confidence in the economy. A quick decision on, and an early start to implement, a comprehensive national energy program is needed. Such a program should balance conservation measures with measures to increase supply, and should provide for extensive research into both conservation and production technologies.

8. *Consider Other Programs to Stimulate Consumer and Business Expenditures.*—Congress also should consider new programs such as a temporary increase in the investment tax credit and tax credits or deductions for individual purchasers of consumers durable goods. Programs of this nature would have to be carefully structured to avoid administrative complexity, "windfalls" and excessive impacts on federal revenues, and to confine their stimulus to expenditures that would otherwise be deferred or not made at all.

* Wayne, Oakland, Macomb, Livingston, Lapeer and St. Clair counties.

A CITY BETRAYED—VII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, one of the interesting things about San Antonio's gas supply problem is that it is very difficult to determine who was on what team. The affairs and interests of the principal persons involved were so intertwined that it is virtually impossible for an outsider to penetrate the maze.

For example, I have shown that Alamo Gas Supply Co. was in reality under the control of a supposed competitor, Coastal States. Within Alamo, one partner, Glen Martin, had a very special relationship with Oscar Wyatt and Coastal States. It was such a special deal that the other partners sometimes felt that Martin was working against the interests of his own employer, Alamo. But, of course, they could do nothing about this, since Martin and Coastal controlled Alamo through a voting trust.

Not long after the San Antonio gas contract was won, Coastal moved in and acquired all of Alamo. It appears that this was accomplished by means of a tax free stock trade, wherein all the Alamo partners made money—but Glen Martin made more than anybody else. It is not clear today just what happened, but a certain memorandum suggests that Martin's partners got something like $8 for their shares, but Martin himself got $18—all payable in Coastal State stocks, of course.

Martin also had other deals going with Coastal. He was on Coastal's payroll at about $1,500 a month. That was small potatoes, of course. In a series of mysterious transactions, a gas stripping plant known as the Junction plant had been envisioned as a joint venture between Alamo and Coastal. After Alamo disappeared into the arms of Coastal, Martin bought a half interest in this processing plant, and gave Coastal a note in the amount of $500,000 as payment. Coastal's auditors questioned the deal, according to the notes of Norman Davis. On September 9, 1964, Davis noted:

> Auditors still feel we gave away to Glen M. a half interest in the plant (worth $3 million) in exchange for $500,000 note. So, this was "gift" of corporate assets w.o. adequate consideration. So, they assume there must have been a deal to give this to Martin to get him to swing the stock deal—

Whatever it was, it looks as if Glen Martin has a sure means of paying off his note to Coastal. Beginning on October 31, 1963, Coastal made a deal to buy gas from Glen Martin for a period of 10 years, or, according to a handwritten note by Davis, "until Glen recovers approximately $425,000 plus interest."

It may be that all these deals can be explained. In any case, they do not look like arm's-length transactions. They look like some very special favors made by Oscar Wyatt to Glen Martin, the man who made it possible for Wyatt to make the one big breakthrough that he had to have in order to become a big man in the Texas gas industry.

Martin's partners might have had a hard time figuring out whether he was working with them or merely using them. Everybody made money, of course—but Martin made much more than his backers did.

Then, too, it is hard to tell how well represented the City Public Service Board itself was. It seems that 3 years after the board went into its contract with Martin and his friends, the board's own attorney, Wilbur Matthews, turned up as a partner in land deals with Glen Martin. Martin and Matthews might have had other deals, but records show that they started buying land in the San Antonio suburbs early in 1966—first, 40 acres, another 450 acres a couple of weeks later, and another 240 acres within the next 11 months or so.

I wonder about this. No doubt Wilbur Matthews is a good and honest man, who has represented his client well. But how well can one represent a client, when one is engaged in a partnership with that client's duplicitous supplier? I do not suggest that Mr. Matthews did less than his best; I simply wonder how hard a man goes after his own partner, in case of a disagreement. And by 1966, it was beginning to appear that Glen Martin, Coastal's San Antonio representative and consultant, was working for an outfit that had hoodwinked its customer. The suspicions that something was wrong were beginning to appear in 1966. And oddly enough, that is when Glen Martin started a new partnership, this time with the lawyer that represented his company's biggest customer.

THE HONORABLE JERRY L. PETTIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. NATCHER) is recognized for 5 minutes.

Mr. NATCHER. Mr. Speaker, the tragic and sudden death of our friend and able colleague, Jerry L. Pettis, has shocked and saddened those of us who were privileged to serve with him in the House of Representatives.

Jerry Pettis was an outstanding Member of Congress. He possessed a certain quality, a character, that destined him to become not only a leader of his party but of men. His background as a businessman, his expertise as a former professor of economics, his experience in aviation, were recognized and respected. These abilities combined with sincere concern enabled him to serve his people effectively and in a manner in which they should be represented. He, Jerry L. Pettis, was a man of good will, of energy, and of dedication.

A good Member and a good man is gone now from this body and we are the better for having had him as our colleague.

For Mrs. Pettis and his children, to whom he was devoted, I have the deepest sympathy and offer them as comfort the knowledge that their husband and father in all that he did, was an honorable and just man.

HEARINGS ON ILLEGAL ALIENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that the Subcommittee on Immigration, Citizenship, and International Law has scheduled one day of public hearings on Wednesday, February 26, to receive testimony from Members of Congress concerning H.R. 982, a bill which would make it unlawful to knowingly hire illegal aliens. These hearings will be held in room 2141 at 10 a.m.

Several Members of Congress have expressed their interest in appearing before the subcommittee to testify on this urgently needed legislation.

One day of hearings was held on February 4, at which time the subcommittee received testimony from various officials of the Departments of Justice and Labor.

Any Member wishing to testify before the subcommittee, or who is desirous of inserting a statement into the hearing record should address their request to the Subcommittee on Immigration, Citizenship, and International Law, room 2139, Rayburn Building.

ADMINISTRATION HALF MEASURES SCORED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I rise today to call attention to what I feel is a grevious failure in the administration's attempt to help the taxpayers of our country.

The economic proposals of the administration, while announced with great fanfare and not a little criticism of the Congress, are, I am sorry to say, half measures at best, and betray a failure to appreciate many of the basic financial problems besetting the vast majority of the working men and women whose taxes fund our great Nation.

When named chairman of the House Subcommittee on Future Foreign Policy Planning for the Committee on Foreign Affairs I announced plans to investigate the multinational corporations to see what effects they have on the working men and women of our Nation.

In the meantime, we must push the administration to offer every possible bit of tax relief to the working men and women of this country instead of the half measures now proposed.

Mr. Speaker, to move immediately to specific instances—where in the Presi-

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dent's program is there any mention of the financial sacrifice made by the parents of our Nation in educating our children? Education is a keystone of democracy, yet nowhere do we see any help for those footing the bill.

Similarly, where in the President's program is there any hint that the Federal Government appreciates the money spent by our States for public elementary and secondary education?

Let us turn to another basic area totally ignored by the administration, despite its sincere desire to get our economy moving again. Surely if it is important that we encourage people to work, then it is equally important that we help those fortunate enough to have jobs to actually get themselves to work.

Yet nowhere in the administration's program do we see a direct, specific proposal to help the working men and women of this country offset the expense of getting to and from work every day.

These expenses are considerable, Mr. Speaker, and the administration's vague endorsement of mass transportation for some indefinite time in the future does little to help those who must pay increasingly expensive bus and train fares today—if they are lucky enough to have public transportation available to them.

One possible solution to cutting travel costs is to encourage people to live near their working place, but with the present economic situation millions of people are forced to take any job they can get, regardless of the difficulties of transportation involved.

Further, Mr. Speaker, with the present depression condition crippling our building and construction industry—which itself calls for immediate and massive Federal attention—great numbers of our people must abandon their dream of owning their own home and settle for renting a house or an apartment.

But despite the 24 million Americans who now rent their dwelling place, our Government continues to treat renters as second-class citizens at tax time.

Finally, while the administration issues long statements on how it wants to stimulate thrift and savings in order to get the building and construction industry moving again, to name one example, we have yet to see a really meaningful stimulus suggested.

The proposed tax rebates, while welcome on the theory that "every little bit helps," are a classic case of "too little, too late." The rebates can do no more than give some people a little bit of extra cash to pay off pressing debts and current expenses.

Mr. Speaker, we are faced with a litany of failure by an administration apparently unable offer specific aid and comfort to the working men and women of our country.

Let me now offer a series of suggestions which do not in themselves constitute a program by any means, but which, if enacted either individually or together, will go a long way toward helping a sizable percentage of the American people in very direct ways:

I have introduced a series of bills which I feel would put back into the pocketbooks of taxpaying men and women meaningful amounts of spendable income, and which would, if enacted, have the result of stimulating our economy in exactly the manner in which the half measures of the administration conspicuously fail.

Let me briefly enumerate the bills for the record, in hopes that many of my colleagues will wish to join with me and others in urging their favorable consideration.

H.R. 3068 is a bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education, and has been referred to the Committee on Ways and Means.

H.R. 3069 would amend the Internal Revenue Code to provide an additional itemized deduction for individuals who rent their principal residence, and is also in Ways and Means.

H.R. 3070 would amend the Internal Revenue Code to allow an individual tax deduction for the expenses of traveling to and from work by means of mass transportation facilities.

H.R. 3071 would amend the Internal Revenue Code to provide an additional deduction for taxicab fares paid by disabled individuals, and like the above bill, has been sent to Ways and Means.

H.R. 3074 would amend the Internal Revenue Code to permit an exemption of the first $5,000 of retirement income received by a taxpayer if the taxpayer is at least 54 years of age.

H.R. 3075 would amend the Internal Revenue Code to exclude from gross income the interest on deposits in certain savings institutions. This measure, referred to Ways and Means, was endorsed by half a million New Yorkers in a signed petition campaign last year, Mr. Speaker, and has the support of all major savings and loan associations familiar with it.

Finally, I have introduced H.R. 3076, which would provide payments to the States for public elementary and secondary education to allow a credit against individual income tax for tuition paid for elementary or secondary education of dependents. It has been referred jointly to Ways and Means, and to the Committee on Education and Labor.

Mr. Speaker, no one is more aware than I that if all of these bills are enacted, the resulting gain to the workingmen and women of our Nation would mean a corresponding loss of revenue for our Government. However, I should hope that both the Congress and the American people would welcome the opportunity for government austerity the bills would represent.

We would have a built-in imperative to trim nonessential programs—particularly from the bloated Defense budget—and it is my hope that in view of our present economic situation, my few suggestions will be seen as a step toward bringing our country to its economic senses while at the same time helping directly those who bear the burden of its taxes.

HEALTH ASSISTANCE FOR THE UNEMPLOYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I am introducing today a bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families.

I am pleased to be joining with Senator BENTSEN who has introduced a similar bill in the Senate.

Current economic conditions—inflation and recession—have amplified the inadequacies in the existing methods of receiving and paying for health care. The need for a comprehensive and universal national health insurance program has never been more apparent.

It is becoming increasingly difficult for families to afford needed medical care. And, in the next few months, millions of laid-off workers will lose the private health insurance coverage that is contingent upon their employment. Most of them will be joining the 40 million Americans who have never been able to obtain or afford private health insurance.

When a worker is laid off, he is not forced to withdraw his children from public school. He does not forgo police protection or give up his basic civil rights. And, he and his family should not be forced to go without needed health care.

Access to medical care should not be contingent upon income, location, and employment status as it is under present arrangements. A program assuring all families equal access to comprehensive and catastrophic health needs is long overdue.

Because we do not have national health insurance, and because it will take 2 to 4 years to begin operating a comprehensive health system once it becomes law, some emergency, interim health measures are necessary. These measures are not a substitute for national health insurance. In fact, the conditions that necessitate these stopgap measures require us to accelerate the process that will lead to enactment of comprehensive, national health insurance legislation.

Today I am introducing a bill that will assist laid-off workers who have lost their private hospital insurance coverage. My objectives are to provide a feasible and fair way to help the unemployed meet their major medical expenses, with the least amount of administrative cost and complication.

As presently drafted, this bill would provide that, upon hospitalization, an individual without private insurance coverage, who is entitled to weekly benefits under a Federal or State unemployment compensation plan, would be eligible for the same hospital insurance coverage provided under part A of the medicare program. A dependent spouse and dependent children would also be entitled to this hospital coverage.

The deductibles, co-payments and limitations that are contained in medicare would apply to the covered unemployed and their families. The Secretary of HEW, however, would be authorized to waive cost-sharing provisions and limitations, particularly for childbirth and treatment of children.

General revenue funds would be appropriated to the Federal hospital insurance trust fund in the amount necessary to cover benefits paid out and administrative expenses incurred under this program.

Benefits under the program would be paid out on a retroactive basis. The eligible unemployed would not pre-enroll. Only if they or a member of their family enter a hospital would they have any contact with the program. It would be up to the hospital to determine: First, that the family does not have adequate private insurance coverage, and second, that a member of the family is receiving unemployment compensation benefits. The hospital would then treat the charges as it does bills of other patients payable under medicare.

This legislation obviously is not the perfect solution to the problem. The only equitable and adequate solution would be a universal national insurance program. However, this does seem to be the best way to help the unemployed on an emergency and temporary basis.

I do have several specific concerns that I hope will be considered in the deliberations and any hearings on this bill and the problem it addresses. First, I want to be assured that the program outlined in the bill can begin operating within a reasonably short period of time and that administrative procedures are as streamlined and simplified as possible.

I am concerned that this bill does not cover the unemployed who are not eligible for unemployment compensation, either because they work in uncovered occupations or have exhausted their benefits. We should consider expanding coverage to these individuals.

The bill as drafted covers only hospitalization. We should examine the feasibility of adding physician services as under part B of medicare.

Also, this legislation maintains the medicare deductibles and copayments. Consideration should be given to waivers of the deductibles and other limitations under certain conditions, such as childbirth and treatment of children. On February 6, I introduced a bill, H.R. 2988, along with Senator RIBICOFF in the Senate, that would freeze at their 1974 levels the deductibles and copayments patients have to pay under part A—hospital coverage—of the medicare program. I hope this bill freezing medicare cost-sharing provisions will be considered in conjunction with the bill I am introducing today to assist the unemployed.

I hope the House will give immediate attention to the problems of the unemployed in obtaining needed medical care, and that an adequate solution will be found.

Whatever we do on an emergency and interim basis, however, must not deflect nor detract from the process leading to enactment of a national health insurance program.

THE PANAMA CANAL: QUESTIONS WHICH MUST BE ANSWERED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, like most Americans I have, to this time, been willing to sit on the sidelines viewing with interest the debate pertaining to our Nation's position as it may be affected by a change of the status of the Panama Canal as an international waterway. But, Secretary of State Kissinger's declaration of a policy of the administration which will ultimately terminate the U.S. interests in the canal brings me to the realization that I must become involved, actively, in these discussions.

Having been recently elected to the House Appropriations Subcommittee on Transportation having jurisdiction over the Panama Canal Company, I am now in a position to come off the bench and get onto the playing field. My first effort as a member of that subcommittee was made last week when I visited the Panama Canal Zone. I am convinced now that the previous debate, as I have viewed it, leaves certain major questions unanswered.

Accordingly, Mr. Speaker, I have asked the chairman of my subcommittee to proceed in an official capacity with a congressional inquiry designed to provide answers for the American people, and our allies on these important issues. I submit a copy of my formal request to the subcommittee for the RECORD:

Hon. JOHN J. MCFALL,
Chairman, Subcommittee on Transportation, Washington, D.C.

DEAR MR. CHAIRMAN: On February 12–13 I visited numerous civilian and military personnel and facilities in the Panama Canal Zone.

The purpose of this trip was to probe our military and civilian personnel concerning the strategic importance of the Canal Zone to the Americas, question U.S. defense capability for defending the Canal against direct or insurgent attack from guerrilla warfare and political unrest, and to investigate the Canal's economic importance to the United States, to our allies, and to the Communist bloc countries.

The execution of a declaration of principles last year by Secretary of State Kissinger has charted a course which will result in:

1. the abrogation of the 1903 treaty establishing the Panama Canal Zone;
2. the substitution of a new treaty with a fixed termination date;
3. an end of all U.S. jurisdiction over the Panama Canal Zone;
4. the imposition of Panamanian law governing the people and property in the Zone with the law to be administered by Panamanian officials who will have free access to U.S. properties and installations;
5. increasing the income flowing from the Panama Canal Company to the Panamanians;
6. Panamanian participation in the administration of the Canal;
7. Panamanian participation with the U.S. forces in defense of the Canal; and,
8. a commitment by the United States to enlarge the Canal in order to accommodate larger vessels.

A first inspection of the Panama Canal Zone produces the obvious conclusion that the Canal is fragile physically, economically and politically. Among other things, the inner-oceanic facility is subject to eroding mud slides of the soft, spongy soil constituting its banks. Incidentally, it was this condition which defeated the French in the 19th Century and led to U.S. involvement with the Canal. And, it is this condition which requires huge capital investments and constant maintenance of the U.S. Army Corps of Engineers. The multinational economics of international commerce is complex and requires administration by highly skilled personnel in order to function properly. The Panamanian Provisional Government which assumed power by coup d'etat in October, 1968, cannot be considered to enjoy universal support from Panamanians nor permanency among the family of Nations.

The treaty proposed by Secretary Kissinger would terminate the current U.S. position with the Panamanian Canal leading to the gradual displacement of Americans by Panamanians in the operation, maintenance of defense of the intercoastal waterway. Inasmuch as the continuous operation of the Canal could no longer be assumed, I believe that it is important at this stage of the treaty negotiations to ask a few questions that have not previously been raised.

Setting aside, for the moment, the questions relating to the strategic and military importance of the Panama Canal to the defense of the United States and our allies in the Western Hemisphere as well as the value of the Canal to the Communist bloc nations, I believe it is important for the House Committee on Appropriations Subcommittee on Transportation to deal directly and thoroughly with the economic implications for our Nation, and Communist bloc countries when and if a disassociation by the United States with the Panama Canal became a reality.

Currently 70 percent of the commerce moving through the Panama Canal comes from or goes to U.S. ports. There is an urgent need for examining and evaluating the economic implications for American consumers and producers of agricultural and manufactured products, for our allies, and for Communist bloc countries should the canal be lost to our transportation system or should the costs for use of the Canal rise.

As of this time, I have begun some inquiry into the economic impact to regions on the West Coast from a loss of accessibility of the Canal to consumers of the Gulf and East Coast regions, as well as the economic impact of a loss of the Canal to East and Gulf Coast shippers and West Coast consumers.

At present most of the timber from the Pacific Northwest that is consumed on the East Coast of the United States travels from West Coast ports through the Panama Canal to the East Coast to be used in construction along the Atlantic Seaboard. Also a considerable portion of the rice and soybean exports of the expanding food industry in the Lower Mississippi Valley moves down the Mississippi River to Gulf Coast ports then through the Panama Canal to customers in Japan, Indonesia, South Korea and other points of contact in Asia. These are only two examples of the domestic and international importance of the Panama Canal to our transportation system.

Accordingly, I herewith request that the House Appropriations Subcommittee on Transportation conduct an immediate comprehensive and complete examination of this issue and report to the Congress at the earliest possible time.

The following are some of the questions which I believe must be examined:

1. What kind of price increase in products

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shipped through the Panama Canal can the American consumer, and consumers of allied Nations, expect should the cost of using the Canal rise 10, 50, 100, 2,500 percent above present costs?

2. What is the probability that fees for use of the Canal will rise, and to what degree will they rise, should operation of the Canal be in the hands of the Panamanians?

3. Assuming the loss of the Panama Canal to the P.S. transportation system, what alternatives are now available for transporting goods which currently are being shipped, or can be expected to be shipped, through the Panama Canal? Given the present, and anticipated 1980, rail, truck, air freight, and inland waterways capacities within the United States, is there sufficient slack in these transportation elements to pick up the additional burden of transporting products now moving through the Panama Canal?

4. Assuming that a transportation mode which does not make use of the Canal must be employed to move products now being transported through the Canal, what will be the differences in transportation costs? The analysis of this question should include oceanic shipping routes which do not include the Canal, as well as transporting the products to the Coastal regions involved via truck, rail, inland waterways, air freight or some combination of these modes.

5. What will be the differences in costs to U.S. consumers of products which formerly moved through the Panama Canal when those products must be transported without the use of the Canal?

6. What effect will loss of the use of the Canal have on the marketability of U.S. products in international trade?

Thank you for any consideration you may give my request. With kindest regards, I am

Sincerely,

BILL ALEXANDER,
Member of Congress.

BROTHERHOOD WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 10 minutes.

Mr. ADDABBO. Mr. Speaker, the sponsorship of Brotherhood Week by the National Conference of Christians and Jews is a most important occasion as recognized by Queens Borough President Donald R. Manes in a recent proclamation. The celebration of Brotherhood Week from February 16 to 23 in Queens is coupled with the proclamation of February 23, 1975, as "Betty and Jack Banks Brotherhood Sunday," to express our community appreciation for their efforts and service for more than 50 years.

Mr. Speaker, in order to advise my colleagues of the substance of these important executive actions, I am placing the text of both proclamations in the RECORD at this point:

PROCLAMATION

Greeting:

Whereas, the President of the United States and high officials of other countries throughout the world have warned the American people and the peoples of the world of increasing international tensions and the very serious dangers of yet another war; and

Whereas, every man, woman and child, in fact, the whole of mankind would be thus threatened with physical extinction; and

Whereas, human compassion, instincts of self-preservation and reason itself, cry out against such a horrible possibility; and

Whereas, Brotherhood is the foundation of Peace, and the National Conference of Christians and Jews, for almost half a century, has been the relentless advocate of Brotherhood and, consequently, the fighter for Peace on Earth for all men;

Now, therefore, I, Donald R. Manes, President of the Borough of Queens, the City of New York, proclaim the week of February 16–23, 1975 as Brotherhood week in Queens and call upon all my fellow citizens, regardless of race, religion, nationality, age or sex, to band together in unbreakable solidarity and make ours a community of Peace and cooperation while, at the same time, lending their support to NCCJ and other such peacemakers to lay and maintain the foundations of peace throughout the world.

PROCLAMATION

Greeting:

Whereas, Love is the highest and most moving of all human virtues; and

Whereas, Betty and Jack Banks, through the beauty of their long lives, especially through their devotion to each other in more than fifty years of marriage have demonstrated that the enduring qualities of Love easily triumph over the differences of faith and origin; and

Whereas, both have extended this Love in sympathy and generosity to the people of Queens, and the peoples of the world; and

Whereas, not only tolerance, enlightenment and humanism—but kindness, gentleness and loving concern have characterized their relationships to their fellow men; and

Whereas, their simple and genuine goodness is proverbial throughout the community and their very lives are the embodiment of Brotherhood;

Now, therefore, I, Donald R. Manes, President of the Borough of Queens, the City of New York, do hereby proclaim Brotherhood Week Sunday, February 23, 1975, as Betty and Jack Banks Day in Queens, and urge all of my fellow citizens to take cognizance of the marvel of their lives, the benevolence of their deeds and the warmth of their personalities and that all men and women of good will pay them their well-deserved tribute of respect and love on this, their day of honor.

OVERSIGHT SUBCOMMITTEE OF WAYS AND MEANS ORGANIZED: HEARING SUGGESTIONS WELCOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, Monday, February 3, the Oversight Subcommittee of the Ways and Means Committee held its organizational meeting.

We would like to invite all the Members of the House and the general public to suggest areas where hearings and inquiries would be appropriate. The subcommitee is dedicated to eliminating waste and inefficient procedures, guarding against illegal actions, and improving the level of day-to-day service in the administration of programs under the jurisdiction of the Ways and Means Committee. Included in this jurisdiction are the operations of such agencies as—

First, the Social Security Administration, including the administration of social security, disability insurance, supplemental security income, medicare, parts A & B, and the black lung program;

Second, Social and Rehabilitation Service of HEW and the welfare programs included in the various social security titles;

Third, Treasury Department operations, such as Customs Service, and most importantly, the IRS and the Tax Court;

Fourth, trade, including the International Trade Commission, trade adjustment assistance programs, and the Office of the Special Representative for Trade Negotiations; and

Fifth, the administration of other tax collection procedures and trust funds financed programs such as the Bureau of Alcohol, Tobacco, and Firearms, and the highway and airport trust funds.

BINGHAM REINTRODUCES ANTIHANDGUN BILL WITH COSPONSORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, today I have reintroduced my bill to ban the handgun from American society with 15 cosponsors. I am very pleased to note that there is a growing national consciousness that the time has come to do something fundamental about the easy availability of handguns and the grim toll of handgun deaths in this country. The increasing realization that we have waited long enough is evidenced by the proliferation of editorial comments and documentary news pieces on the issue. It is evidenced also by the formation of new local and national organizations dedicated to obtaining legislative action to control handguns, and by the distinguished list of individuals and organizations who have come out for strict Federal legislation.

More and more Americans are becoming aware that there is a way to reduce the number of murders and deaths that we read about in the papers each day, or hear on the news in the evening. They are becoming angry that Congress has not moved to do anything substantial about the situation. They know that we should not tolerate 10,000 handgun murders a year. We should not tolerate all the robberies and assaults committed with handguns. We should not tolerate the accidental deaths and injuries, the crimes of passion, the losses of mothers, fathers, and children, which happen because somewhere in the house there is a family pistol. That pistol is nearly useless for self-defense—in fact, it is six times as likely to be used against a family member as it is to be used against an intruder. It is a target for criminals. There is not one good reason for it to be there, and I propose that we remove it.

The bill I have reintroduced today will do just that. This bill is identical to Senator HART's bill, and it is the strongest of all the handgun control bills which have been introduced. In addition to prohibiting manufacture and sale, it prohibits possession of handguns, except by law enforcement officials, military personnel, and members of licensed pistol clubs, who would be required to keep their handguns on the club premises. The bill provides for a cash reimbursement for any handgun owner who turns in his gun voluntarily to the police within the first 6 months that the law is in effect.

Tomorrow I will testify before the Subcommittee on Crime of the House Judiciary Committee on behalf of this legislation. These hearings are being held because of that growing movement to do something now. I will urge that my bill be the vehicle chosen by the subcommittee to attack this problem, because the other bills which have been introduced simply are not strong enough. They are halfway measures, and those of us who are serious about ending handgun slaughter will not settle for such inadequate remedies.

The point I want to emphasize is this: Nothing short of a complete ban on the possession of handguns by private citizens will do the job. A "Saturday night special" bill will not do it; a prohibition on sale, transfer, and so on will not do it. Only if we make it illegal to possess a handgun at all will we begin to reduce either the supply of handguns available to hardened criminals or the thousands of killings which occur because of the easy availability of a gun.

This is because the toll of human life taken by handguns is not related to their price or quality, or to their sale or movement. It results directly from the fact that there are about 40 million handguns in private hands. Most of these handgun owners are decent, law-abiding citizens, but their homes represent a vast warehouse for criminals. As long as those guns remain in private hands, criminals will be able to steal them and use them to rob and murder. Our job is to close down the warehouse, not just to stop deliveries to it or to upgrade the quality of its inventory.

Furthermore, most of the handgun deaths each year are not the result of criminal activity. They occur in the heat of argument, usually between people who know each other, and often between members of the same family. The pistol on the mantel, in the dresser drawer, or in the closet all too often has the final word in these disputes. Our job is to put that handgun out of reach. Even if another weapon is substituted, it is far less likely to kill than a handgun. If we really want to cut down on these tragic killings, we will get those handguns out of American homes.

I also want to emphasize the need for Federal legislation. States and localities cannot do this job on their own. New York City, with one of the strictest handgun laws in the Nation, is still beset with handgun problems not because the statute is weak, but because it can not be effectively enforced in view of the absence of similar laws in nearby jurisdictions. A tough statute, uniform across the Nation, is the only tool that will give law enforcement officials the means to attack the problem of handgun violence.

In order to document the assertion that a handgun ban will drastically reduce violent crime, we need only look at other countries where such laws are already in effect. In 1973, England and Wales combined had 35 gun murders while the United States had 13,072, of which 10,340 were with handguns. New York City, with one-fourth the population of England and Wales, had 23 times as many murders with handguns alone. Our gun homicide rate is five times Canada's, 20 times Denmark's, 67 times Japan's, and 90 times the Netherlands'.

I do not claim that if we passed my bill today handgun violence would end tomorrow. It would be wonderful if we could eliminate private possession of handguns tomorrow, but of course we cannot. Over time, however, with reasonable compliance and intelligent enforcement, the handgun supply will fall and the associated crime and death abate. We must make a start down the long road to a society free of death by handgun.

There is not a shred of evidence to suggest that any valid reason exists for a private citizen to possess a working handgun. So it is time to move from academic discussion to legislative action. This is the Congress that can do it. Prohandgun legislators were defeated and antihandgun candidates elected in convincing numbers in the last election. Those of us who have been working on this issue for years are convinced that we can enact strict handgun controls in the 94th Congress, and the public is demanding that we do so. I pledge my best efforts to meet that demand.

The names of my cosponsors follow:

Bella Abzug, Democrat of New York.
Herman Badillo, Democrat of New York.
Shirley Chisholm, Democrat of New York.
Dominick V. Daniels, Democrat of New Jersey.
Don Edwards, Democrat of California.
Elizabeth Holtzman, Democrat of New York.
Edward Koch, Democrat of New York.
Parren Mitchell, Democrat of Maryland.
Joe Moakley, Democrat of Massachusetts.
Charles Rangel, Democrat of New York.
Frederick Richmond, Democrat of New York.
Benjamin Rosenthal, Democrat of New York.
Richard Vander Veen, Democrat of Michigan.
Henry Waxman, Democrat of California.
Antonio Won Pat (Guam).
Sidney Yates, Democrat of Illinois.
Pete Stark, Democrat of California.

LEGISLATION TO SPUR AUTOMOBILE AND HOUSING INDUSTRY INTRODUCED BY ANNUNZIO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today I im introducing two bills designed to stimulate the lagging automobile and housing industries in our country.

Both of these measures were sponsored in the other body by Senator HARTKE and I am happy to be the House author of the legislation.

Basically, the bills would provide tax credits which could be claimed either as immediate rebates or as credits against Federal income tax liability for individuals who purchase homes or automobiles.

The first bill would allow a tax credit or rebate of 10 percent of the purchase of a new, domestically produced automobile in 1975— retroactive to January 1— and 5 percent in 1976. A rebate could be claimed immediately by providing proof of purchase and sales price to the Internal Revenue Service, and the IRS would send a special tax rebate check, or the credit could be claimed at the time of filing the taxpayer's next income tax return.

The second bill would provide a tax credit or rebate of 5 percent of the purchase price of a new residence in 1975— retroactive to January 1— and 2.5 percent in maximum of $1,250 in 1975 and $625 in 1976. This credit could also be claimed immediately as a rebate or as a credit at the time of filing the annual tax return.

The United States since 1962 has, except for brief periods of time, allowed business firms to claim investment tax credits for their investments in plants and equipment. The purpose of the investment tax credit is to stimulate investment, be a stimulus for the economy, and to increase production and economic efficiency through planned modernization.

Under my legislation the investment tax credit would be extended to individuals thus stimulating the economy by providing direct incentives to the two most depressed industrial sectors of our economy—housing and automobile.

Both the automobile and housing industries are important factors in our economy. If these industries suffer a downward trend, the general economy traditionally follows suit. Both industries are in a general state of depression even with the recent upsurge in automobile sales due to the factory rebates. Unemployment in the automobile industry has reached nearly one-third of a million people and could reach the million mark by the end of the summer. At present there are more automobile plants closed than are open.

The housing industry is as bad if not worse. The level of homebuilding in December 1974 was the lowest in 8 years, and rather than being on the upswing it appears that the darkest days are still ahead of the housing industry.

It has been estimated that a tax credit for automobile purchases would increase car sales by as much as 900,000 during 1975, while a tax credit on homebuilding could add an approximate 200,000 new housing starts.

Mr. Speaker, while these are, of course, estimates, it should be pointed out that these estimates are backed by a considerable amount of research. The important point is that we must start somewhere to revive our economy—and we must use as many means as possible to pull our country out of the recession which it now faces. While mine may be an imaginative program, we have already seen that the traditional methods will not solve the problem and it is time to look at a new approach rather than struggle on with an unworkable program.

STATEMENT BY CONGRESSMAN JOSEPH M. GAYDOS ON THE INCREASING UNEMPLOYMENT IN THE SPECIALTY STEEL INDUSTRY CAUSED BY INCREASING IMPORTS FROM FOREIGN PRODUCERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 10 minutes.

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Mr. GAYDOS. Mr. Speaker, I rise today to point out the serious unemployment problem faced by specialty steelworkers because of the substantial increase in imports from foreign producers.

We are all concerned with the very serious unemployment situation that exists throughout the country today and the very grim forecast for some time to come. We are also concerned with the serious problem in our balance of payments and how it has contributed to our current accelerating inflation and unemployment.

In our efforts to remedy these problems, we must be ever vigilant to the impact of foreign imports other than energy which seriously affect both the American worker and American industry.

The statistics for the last 4 months of 1974 show a substantial increase in the penetration of foreign imports in all categories of stainless steel products. Already domestic producers have been forced to curtail production and to lay off hundreds of employees. If the current trend is not arrested, upward of 30 percent to 50 percent of American specialty steelworkers will become unemployed.

Have we not learned our lesson from the current energy problem of the dangers of depending on foreign producers or must we stand idly by and watch the domestic specialty steel industry destroyed by the increasing penetration of foreign imports with the prospect that our future supply of specialty steel products will be dependent on the whim or caprice of foreign producers?

Mr. R. P. Simmons, president of Allegheny Ludlum Steel Corp., points out the seriousness of this problem in his letter, with attachments, to me of February 12, 1975, as follows:

ALLEGHENY LUDLUM STEEL CORP.,
Pittsburgh, Pa., February 12, 1975.

Hon. JOSEPH M. GAYDOS,
Longworth House Office Building,
Washington, D.C.

DEAR MR. GAYDOS: I am sure that we all share a common concern for the decline of the U.S. economy and the substantial unemployment which has resulted. I would like to bring to your attention the serious problem of imports of foreign specialty steel which has grown with amazing speed in the last four months of 1974.

As you may remember, imports of foreign specialty steel became a problem of crisis proportions in 1970–71, with foreign producers capturing as much as 60% of the domestic market for certain specialty steel products. As the world demand for steel increased and world prices for specialty steel exceeded U.S. levels, imports declined sharply in 1973 and the first six months of 1974.

With world economies declining sharply, imports once again are flooding the U.S. market at a time when U.S. producers' shipments are declining sharply. U.S. producers of specialty steel have been forced to curtail their output since December forcing hundreds of employees out of work at the same time that foreign producers are flooding our markets, selling their products at prices substantially below ours.

Enclosed is a chart which illustrates graphically the magnitude of the problem and the rapidity with which it has occurred.

Operations for domestic producers of specialty steel will continue to decline for at least several more months putting additional hundreds and perhaps thousands of specialty steelworkers out of work.

Our firm, one of the largest producers of specialty steel in the U.S., has reduced prices of two of its major products, stainless steel sheet and stainless steel strip, back to the levels that were in effect prior to August, 1974. This was done even though costs have continued to increase during that period particularly in the area of chromium which must be imported from other nations.

The purpose of this letter is to alert you to this rapidly developing and most serious problem. Should such imports continue in the face of a sharply declining U.S. market, 30% to 50% of American specialty steelworkers may be out of work.

Yours very truly,

R. P. SIMMONS.

SPECIALTY STEEL IMPORTS AS A PERCENT OF THE DOMESTIC MARKET

[In percent]

Stainless	Year 1971	1974, months of January	September	October	November	December
Strip	6.7	3.8	2.7	3.8	3.9	3.9
Sheet, cold rolled	32.9	5.3	10.2	14.1	21.1	28.3
Plates	17.1	5.5	11.1	10.7	16.6	14.4
Bars, hot rolled	14.2	13.5	18.3	12.0	21.3	31.5
Bars, cold finished	12.7	10.9	9.9	13.0	16.5	22.7
Tubes, seamless	22.4	11.1	17.1	16.1	16.8	20.9
Wire	48.3	31.8	42.4	43.3	55.8	57.8
Wire rod	56.3	44.5	43.5	46.3	52.5	56.9
Total, stainless	21.4	9.3	11.6	13.9	17.8	22.5
Total, alloy silicon	[1] 9.3	6.6	5.9	6.1	13.3	(2)
Total, tool steel	14.6	24.2	14.7	21.3	22.9	(2)

[1] 1972 was the 1st year alloy silicon imports were available.

[2] Not available on Feb. 10, 1975.

THE IRANIAN BAILOUT OF PAN AM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 5 minutes.

Mr. DENT. Mr. Speaker, I have been greatly distressed by recent news that the Government of Iran is interested in bailing Pan American World Airways out of severe financial problems through a loan and stock agreement between the two parties. Nowhere have the particulars of the proposal been explained fully enough, however, to give us a clear understanding of what will be entailed in the agreement, if and when it is reached.

For this reason I have sent the following telegram to William Seawell, the president of Pan Am, in hopes not only of discerning the possible repercussions involved, but also in hopes that we in Congress might be reminded of a primary responsibility that we have to examine this situation. Perhaps when such an examination is made we might then analyze the alternatives to such an agreement as well.

[Telegram]

FEBRUARY 18, 1975.

Mr. WILLIAM T. SEAWELL,
Chairman, president and chief executive officer, Pan American World Airways Inc., Pan Am Building, New York, N.Y.:

As a citizen and as a Member of Congress, I respectfully request detailed information on the particulars of the reported approval of the Iranian agreement on the stock transfer of Pan Am stock, the loan conditions and the controlling interest of what appears to be the only money-maker in the Pan Am portfolio.

Specifically, the details must show the option price for Pan Am stock in the agreement. The so-called market of 15% of Pan Am stock to be given to Iran certainly ignores the fact that at the price of Pan Am even as of this moment, and with the number of shares floating in the marketplace, what is to stop any group of American buyers under the direction of Pan Am to buy another 15% or more? All of us know that, in a company as large as Pan Am, with the number of shares issued, 15% can dictate a great deal of policy, regardless of what the contents of the Iran-Pan Am agreement might say to the contrary.

I feel that Congress, which is being urged by the President to come up $½ billion more than is already being spent in Indochina this year, could certainly come up with something to save the only exclusive international airline we have. I blame the rules and regulations which are promulgated to the detriment of Pan Am stockholders' benefits for the entire fiasco we are now facing in selling off our international lifeline. When this deal goes through, and it appears that it will because we are so desperate over our balance of payments, if we get the proper bid we will probably sell the Statute of Liberty.

I repeat, when this deal goes through, the $10–20 billion the Shah of Iran promised to put into American agribusiness will be only a drop in the bucket as to the start of what could be a practical takeover of American agribusiness. We must remind ourselves that the Iranians represent only a part of the enormous fortunes being amassed in the oil-producing countries. Pan Am would have no trouble on its own if the American government would give it the consideration that foreign governments demand of us for their airlines.

Testimony before my subcommittee in the early 1960s prophesied exactly what is happening today because of privileges granted to foreign airlines by the United States Government. They are and were being denied

to Pan Am. These include high-cost landing lines in the matter of rates paid for foreign mail delivery, high service fees and embargo against Pan Am initiating group and charter trips from foreign countries to the United States. You could not make much money flying a party trip to Acapulco, flying back empty, and at the end of the tour flying empty to pick up the passengers for the return flight, while Mexican and other airlines can schedule special fare considerations, charters, and otherwise indirect competition with Pan Am and now with TWA.

We must realize that this is one of the real tragedies of our times. There are those among us in government who can spell "reciprocal" but do not seem to know what it means.

JOHN H. DENT, M.C.

THE WONDERFUL WORLD OF CRISIS, CONGESTION AND CRUNCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. STAGGERS) is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, my attention has been called to the following remarks, "The Wonderful World of Crisis, Congestion, and Crunch," by Constance Gleason. I believe my colleagues here in the House may find this informative article very interesting.

THE WONDERFUL WORLD OF CRISIS, CONGESTION AND CRUNCH

(By Constance Gleason)

In selecting a title for these remarks I had decided to call my talk "The Industrial World Ahead" based on a recent National Industrial Conference Board study, prepared for the White House, which stated the United States economy is on the verge of even swifter growth over the next two decades than during the last two. Further analysis of what this added growth could mean, to the country and to its people, convinced me to change my original selection to the Disney-like title "The Wonderful World of Crisis, Congestion and Crunch" or "If it costs this much to live, how much longer can we afford it?"

The economy is expected to grow at a rate of 4.2% a year during the Seventies and Eighties, up from 3.9% over the last 20 years. The Gross National Product is projected at $2.4 trillion by 1990. With the economy growing faster than the population over the next 20 years, U.S. consumption will rise steadily. Economic authorities also predict continued erosion in the value of the dollar.

Currently, each American spends an average of $3,300 a year. This will jump to nearly $6,000, in today's dollars, by the end of the Eighties. Less than 25% of all families now have incomes of $15,000 a year, but this figure will hit 60% by 1990 and while only 5% now earn over $25,000 a year, 20% will be in this category, by the end of the Eighties.

Methods of government financing, taxation, and subsidization, the implications of defense, poverty, space programs, and private developments in areas of cost-plus contacts—all suggest that inflation will continue for the foreseeable future. The "New Economics" and fiscal sensitivity to the slightest recessionary tendency point further to continued loss of purchasing power.

The Government, at the present time, is carrying out a deliberate policy of currency deflation which has served to puncture a ballooning speculation. No matter how successful it may be, and I am sure every responsible citizen hopes it will attain its objective, it is still a short-term weapon. The shrinkage in the value of established currencies has been going on since the dawn of history. Governments have demonstrated time and again that they lack the self-discipline to stabilize purchasing power, and the present policy can be pursued only as long as it does not aggravate social upheavals.

The erosion of the dollar, over the last seventy years, has approximated 3% per year. Over the past ten years, the cost-of-living index increased 19.2% and the value of the dollar declined 16.1%.

Figures recently released by the National Industrial Conference Board revealed that the breadwinner, who earned $10,000 a year in 1939, must now earn $27,288 to stay equal, owing to the rise in taxes and social security payments, plus the inroads of inflation.

Those who retired on a fixed-dollar income in 1940 have taken a 62% cut in the purchasing power of their fixed-dollar benefits. The person who retired in 1920, on the basis of a traditional retirement fund accumulated over a thirty year working life, saw the purchasing power of his fixed pension cut in half, even before his first year of retirement. During the years of his retirement, he experienced a further sharp deterioration in his ability to buy.

As the cost-of-living rises and inflation consumes a greater share of the dollar, the average citizen becomes increasingly concerned about how far his dollar will stretch, and if his income will continue to meet his needs, especially after retirement. The variable annuity may well be the answer to these concerns.

Many individuals, with whom I have talked, have made the statement that they really don't understand what a variable annuity is, and how it works. Theoretically, a variable annuity is designed to be an inflation-proof annuity. It guarantees to pay an income for as long as the Annuitant lives. The size of the income is not fixed, as with a conventional annuity, but it is designed to follow the investment results of the underlying portfolio of securities and thus provide an annuity that would tend to follow the cost-of-living.

The actual dollar payments, provided by the variable annuity, will vary upward or downward each month, depending on the investment results of the common stocks in the variable account portfolio. When there is a recession and stock prices decline, it is expected that the variable annuity payments will also decline. It therefore makes good sense for a retired person to have some basic fixed-dollar income from social security, savings, fixed-dollar pension, as he should not rely wholly on fluctuating income for retirement payments.

ORIGIN OF THE VARIABLE ANNUITY IN THE UNITED STATES

The principle behind variable annuities has been well tested. One of the first variable annuity plans in this country was developed by the Teachers Insurance and Annuity Association.

TIAA was chartered in 1918, by a special act of the New York State Legislature, to provide retirement incomes to college professors. It was backed by the Carnegie Foundation and, since that time, has installed retirement annuity programs in over 1,500 universities and colleges across America.

Since TIAA annuities were designed to pay a guaranteed income in fixed-dollar amounts, many retired professors were accepting a reduced standard of living, or were going back to work because inflation had eroded the purchasing power of their retirement annuities. In 1947, concern was expressed by the Treasurer of one of these universities; he observed that the principle of investment diversification, which was being taught to students, was not being applied in TIAA, as the organization was investing money for retirement heavily in debt-type securities (bonds and mortgages) to the almost total exclusion of equities (common stocks, preferred stocks, etc.). TIAA immediately began a study to determine whether a "cost-of-living" type of annuity could be developed.

The study revealed a long-term correlation between the market value of common stocks and the cost-of-living. It was found that over a long period of time, prices of a portfolio of common stocks tended to parallel the cost of living. There were brief periods of time when prices of stocks went down and the cost-of-living went up, but these periods were far apart and of brief duration. TIAA's conclusion was that an annuity based on a portfolio of common stocks had an excellent chance of giving a retired person an income which bore some relationship to the cost-of-living.

Consequently, in 1952, TIAA formed a companion organization, the College Retirement Equities Fund (CREF), with an initial capitalization of $50,000 and began to issue variable annuities through this Fund.

At the end of 1971, CREF's variable annuity fund had grown to almost $2 billion; 90% of new TIAA participants were joining CREF (9 out of 10 of whom were placing the maximum (75%) of their contributions in the variable annuity).

KINDS OF VARIABLE ANNUITIES AND HOW THEY WORK

Variable annuities are issued, generally, in the same form as fixed-dollar annuities. They may be divided into two main classes:

1. Immediate.
2. Deferred.

An *Immediate Annuity* is purchased with a lump sum of money and the annuity benefit payments commence right away.

In a *Deferred Annuity*, the purchase price is accumulated over a number of years; at retirement the total accumulation is converted into an annuity. For instance, a person, aged 40, may decide to invest $1,000 a year until age 65. His periodic payments, less charges, are invested in the Separate Variable Annuity Account and are allowed to accumulate until age 65. Assuming at 65, the individual has a total accumulation of $60,000—this amount is then converted into monthly annuity payments.

Since most variable annuities are purchased on a deferred basis, there are two distinct periods to consider:

1. The accumulation period.
2. The distribution or payout period.

ACCUMULATION SHARES

During the accumulation period, payments made under a variable annuity contract are recorded in terms of accumulation shares. The number of shares purchased by an individual will depend upon the amount of money invested and the current value of a share. A share value may vary daily, based on the investment income (gains and losses) of the Separate Account portfolio. When the accumulation share value declines, the individual's investment buys more shares, and when it increases, his investment buys less shares.

DISTRIBUTION OR PAYOUT PERIOD

When our hypothetical individual reaches 65, let us assume his periodic contributions have built up a number of accumulation shares in his account. Assume the total is 60,000 shares. These shares are converted into dollars by multiplying the number of shares by the current value of an accumulation share. If the share value is $2.00, the individual would have $120,000 available for his variable annuity.

When this individual began his investment at age 40, we guaranteed that at 65 we would

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convert whatever cash was available at 65 into a monthly income at a guaranteed rate per $1,000. A typical rate would be $6.40 per $1,000; therefore, his $120,000 would give him a first month's income of $768. (6.40×120=$768)

DEATH BENEFIT PRIOR TO RETIREMENT

Most variable annuity contracts provide minimum guaranteed death benefits. For example: if an individual purchased a variable annuity contract, at age 43, and made periodic payments of $1,000 per year and then died ten years later, before the maturity date of the contract, his beneficiary would receive 100% of the payments made under the contract or the value of his account, whichever was greater. Assume this individual died on the day there was a severe drop in the stock market. If his payments had been invested in individual securities or mutual funds, for example, the value of his account might drop considerably just as the market dropped; but the guaranteed death benefit provision built into the variable annuity contract protects the beneficiary from this type of calamity.

OTHER FEATURES OF THE VARIABLE ANNUITY

1. A greater fear of older people today is that they will outlive their money. A variable annuity guarantees annuity payments upon retirement for the lifetime of an individual. A retired person must have a plan which guarantees an income which he cannot outlive, and stocks just don't do this.

2. The capital gains and dividends, which are earned on the variable contract account, are tax-deferred during the accumulation period, unlike owning shares of a mutual fund where taxes must be paid currently on the earnings of the fund, even though the earnings may be automatically reinvested for the shareholder. In conjunction with the tax advanages afforded by the law, it is the ideal way for the supplemental accumulatalon of funds for individuals and for retirement plans approved by Internal Revenue Service.

3. Stop and Go provisions are included in the typical contract without penalty to the owner. This is very important in a Profit-Sharing Plan, for example, where the Employer simply ends his year without a profit and thus cannot contribute to the plan. The contributions previously paid, however, continue to participate in the earnings of the variable annuity account. Similarly, increases and decreases in premium payments are permitted and can be handled administratively in a very simple manner.

4. Mortality and expense charges are guaranteed at the time of purchase and can never be increased on an issued contract.

CONCLUSION

The financial goal next in importance to earning money is tax shelter. What matters is not only how much we earn, but how much we have left to spend and to save—after taxes. It has been said "the love of money is the root of all evil"; so is the lack of it. One basic fact which must always be kept in mind—no one with money can afford to lose it.

Today, we are constantly faced with the increased cost-of-living, high taxes, greater costs of education and longer life expectancy. Changing times require new methods and new approaches to financial planning. Safety of purchasing power is just as important as safety of principal! The variable annuity strives to provide a life income that preserves purchasing power at all times. The variable annuity theory may ultimately usher in a new age in investment thinking and retirement planning.

If we accept the thesis that a degree of longterm inflation is a part of our heritage, the concept of the variable annuity is an entirely correct one, and it will offer great appeal to the individual wage earner who buys units of purchasing power, rather than units of fixed income.

Some years ago a retired college professor gave his philosophy of life as follows: "During the first third of your life you get your education, during the next third you work, and during the last third you do what you want to do."

With wise planning, those who retire in the future will have the necessary funds to turn these years into truly "golden years"—years in which there is no longer any worry about the pressures of business or the problems of obtaining an adequate income. Will you be in this fortunate group? The choice is up to you.

DEPARTMENT OF DEFENSE RECRUITING RESULTS

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, in keeping with my past practice, I would like to have included in the RECORD the December recruiting results of the Department of Defense. Preliminary figures show that the total strength of the four military services at the end of November was about 2,152,000, or 99.6 percent of their November target of 2,161,000. Strengths by service are compared with their June 1975 authorizations in the table below:

ACTIVE MILITARY STRENGTH

[In thousands]

	November 1974 (preliminary)	June 1975 (authorization)
Army	780	785
Navy	551	540
Marine Corps	192	196
Air Force	630	628
Total DOD	2,152	2,149

The total of 23,100 men and women recruited in December was 105 percent of the total objective of 22,000. In the first half of fiscal year 1975 the four military services recruited over 246,000 men and women, or 101 percent of their objective of 243,600. This total was more than 41,000 or 20 percent above the 204,800 men and women recruited in the first half of fiscal year 1974. Increases in recruiting were obtained by each of the four Military Services, with the largest proportionate increases occurring in the Navy—plus 28 percent—and the Marine Corps—plus 28 percent.

ENLISTED ACCESSIONS, ALL SOURCES

[To nearest 100]

Service	December 1974 Objective	December 1974 Actual	December 1974 Percent	Fiscal year 1st half 1975	Fiscal year 1st half 1974	Percent change 1975 from 1974
Army	8,100	8,200	101	112,600	92,900	+21
Navy	5,900	6,700	114	63,100	49,300	+28
Marine Corps	3,900	4,000	103	31,900	25,000	+28
Air Force	4,100	4,200	101	38,400	37,500	+2
Total DOD	22,000	23,100	105	246,000	204,800	+20

In December of 1974, 96 percent of all the nonprior service enlistees were in mental categories I–III which are the average and above average mental groups. The December proportion exceeded November 1974 by 1 percent and is the highest proportion for a single month since the Department of Defense began keeping statistics on the mental ability of its accessions in May, 1951. For the first half of fiscal year 1975, 92 percent of the enlistees were in categories I–III, compared with 89 percent for the same period the year before. Sixty-four percent of the December nonprior service enlistees were high school graduates. For the first half of fiscal year 1975, high school graduates were 66 percent of the total—about the same as the 67 percent attained a year earlier. Women accounted for 9 percent of new enlistees, with 1,800 enlisting in December and 20,500 during the first half of fiscal year 1975. Black enlistments accounted for 16 percent of the December total. December was the fourth consecutive month that the proportion of black enlistments declined.

BLACKS AS A COMPONENT OF ENLISTMENTS AND STRENGTHS

	Percent of total enlistments for the 1st half fiscal year 1975 (July–December)	Percent of total enlisted strength as of September 1974
Army	26	22
Navy	13	9
Marine Corps	21	18
Air Force	17	14
Total DOD	20	16

SELECTED RESERVE STRENGTHS

[In thousands]

	End strength November 1974 (preliminary)	End strength October 1974 (actual)	Average strengths (fiscal year) 1975 through November	Average strengths (fiscal year) 1975 authorized
Army National Guard	393.1	391.2	393.7	400.0
Army Reserve	230.0	231.7	231.9	225.0
Navy Reserve	108.8	111.1	111.8	117.0
Marine Corps Reserve	32.4	32.0	31.7	36.7
Air National Guard	93.8	93.9	93.7	95.0
Air Force Reserve	45.6	45.5	45.4	51.3
Total DOD	903.7	905.4	908.2	925.0

The total selected Reserve strengths declined slightly during November.

KEEP THE PRESENT AUTO EMISSION STANDARDS

(Mr. EDGAR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDGAR. Mr. Speaker, President Ford addressed this body on January 15 of this year and requested that automobile emission standards be relaxed 5 years in order to maximize fuel economy. While I commend the Chief Executive for setting the worthly goal of increasing fuel efficiency 40 percent by 1980, I must protest that delaying the implementation of the Clean Air Act amendments for 5 years will seriously damage the quality of our air. We have already delayed these standards for 2 years and there is little evidence that the major automakers could not achieve both the 40-percent increase in fuel economy as well as the emission standards.

Although there is a lack of conclusive evidence that nitrogen oxide standards can be completely met, the National Academy of Sciences has concluded that meeting the remaining standards and concurrently accomplishing Mr. Ford's fuel economy goal are technically feasible.

I recognize the importance of obtaining maximum utilization from each gallon of gasoline. However, I must raise a strong objection to any policy that trades off public health for fuel economy. The atmospheric equilibrium has already been upset and the increased tons of poisonous gases that would be emitted as a result of relaxed standards can only exacerbate the situation.

Adding more pollution control devices may increase the cost and weight of autos, the former having an impact upon sales and the latter affecting fuel economy. But the long term effects of continuing the present standards will make our sacrifice worthwhile. Foreign manufacturers have had little difficulty meeting our standards while maintaining a miles per gallon ratio that far exceeds the best that Detroit has offered to the American consumer. It appears to me that the American industry has not done all it can to market a product that is the most efficient, pollution free, durable and safe.

Mr. Speaker, the chairman of General Motors, Mr. T. A. Murphy, has written to every stockholder of that corporation requesting that they write to their Congressmen asking for a 5-year delay in these emission standards. I submit for the RECORD and the benefit of my colleagues a copy of Mr. Murphy's letter, a letter that I received from Dr. Elmer H. Funk, Jr., and my reply to constituents who write identifying themselves as recipients of the letter from Mr. Murphy:

LETTER FROM MR. T. A. MURPHY, CHAIRMAN OF GENERAL MOTORS TO STOCKHOLDERS

DEAR STOCKHOLDER: President Ford has set forth proposals to stimulate our economy and to reduce our national dependence on imported oil even while we remain alert to the dangers of inflation. Because the interests of our Corporation—as well as those of our customers, employes, dealers and suppliers—are deeply involved in the success of these proposals, I am writing to recommend that you encourage prompt action by your representatives in Congress.

We favor the basic reliance in the President's program on the free-market mechanism as a means of conserving energy and augmenting domestic supply. While there is room for modification, we believe there is no time for delay in enacting a coherent and constructive program which will help the entire economy, including General Motors.

Of particular importance to General Motors is the President's request that Congress continue substantially the present auto emission standards for five years. General Motors believes the current emission controls strike the balance between cleaner air and the industry's ability to achieve the national goal of a 40% improvement in gas mileage by 1980 with due regard for the cost to our customers. We have assured the Administration that GM will make an all-out effort to meet these objectives.

We point out, however, that the goal can be achieved at less cost in gasoline and in dollars if the present emission controls are not tightened, and if there is a production pause in other regulations which add weight and cost to our cars and trucks. If you agree, I wish you would urge your representatives in Congress to continue the 1975 auto emission-control requirements, and to defer for five years other federal regulations which would add weight and cost to our vehicles.

We believe that economic recovery and energy independence are not narrow issues for partisan debate, but rather they touch upon the interest of the entire nation. We all, therefore, have an obligation to make our views known, and I hope that you as an individual will join in this effort.

Sincerely,

T. A. MURPHY.

P.S.—Another primary aim of the President's program is to restore consumer confidence—a vital ingredient for improved sales for our Corporation. I therefore would like to point out the exceptional values represented by our 1975 cars now in our dealers' showrooms, and suggest that you might wish to cast your own vote of confidence in our future by buying a 1975 General Motors car.

Following is a letter to me from Dr. Elmer H. Funk, February 5, 1975:

DEAR REPRESENTATIVE EDGAR: I recently received a letter as a stockholder of the General Motors Corporation urging me to write my representative in the Congress to support relaxation of emission control standards for automobiles.

I do *not* want federal regulations and standards relaxed or deferred. Foreign manufacturers, I understand, will be able to meet more stringent regulations even though some also include advanced engine design which American manufacturers have said they could not produce now. Much formerly optional equipment is now standard in automobiles and increases the basic cost of them. I support measures which make such equipment, in fact, optional again.

Please act to maintain existing legislation and regulations to increase control of auto emissions.

Most Sincerely,

ELMER H. FUNK, Jr., M.D.

Following is my letter to stockholders who write to me asking for a relaxation of standards:

DEAR STOCKHOLDER IN GENERAL MOTORS: Thank you very much for your letter asking me to support legislation that will relax federal emission standards for five years.

When I was a candidate for the 7th Congressional seat of Pennsylvania, I pledged to represent all the people of the district. I want you to feel that I represent you. The problems that America faces cannot always be dismissed with the stroke of a pen. Sometimes, solutions to these problems require a concerted effort, not only by lawmakers on Capital Hill, but by every American. Because of your position as a stockholder in General Motors, I wish to enlist your support as a concerned citizen who can be effective in helping to reverse the trends of corporate decision-making which I feel have often been insensitive to the best interests of this country.

We all breathe the air.

When poisonous, noxious emissions from automobiles far exceed the ability of the ecosystem to cleanse itself, everyone suffers. A statistic such as "excess deaths" cannot begin to describe the human cost in suffering caused by deteriorated air quality. Although nitrogen oxide standards may need to be adjusted, I understand that Detroit auto manufacturers have the technology, but obviously lack the motivation, to maintain the standards promulgated by the Clean Air Act Amendments while meeting President Ford's goal of increasing fuel efficiency 40%. Instead of recognizing that the private sector often has the means and power to build a stronger America, those in the boardroom of the nation's automakers have chosen to take the easy road.

We are faced with a difficult challenge.

I support the right of all businesses in this country to receive an adequate profit return on their investment dollar. I also believe that you as a stockholder deserve a dividend that encourages your participation in the free market, a participation that is part of the

foundation of the American way of life. But as a stockholder, you are also a citizen. I'm sure that you share with me the hope that the crucial decisions made by the corporate hierarchy will be made not to serve the interests of a few, but to also respect the needs of all Americans. Perhaps the thousands of dollars which corporations have spent to circumvent needed reforms would have been invested more wisely in implementing those reforms.

I believe that if you make it known to Mr. T. A. Murphy, the Chairman of General Motors, that you demand that the corporation utilize all of its resources to help America recover from this tragic quandary, it may have an impact upon our chances to survive.

Cordially,

ROBERT W. EDGAR.

REBUILDING OF ROCK ISLAND RAILROAD

(Mr. SMITH of Iowa asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, I was pleased to learn last week that the U.S. Railway Association has acted positively with regard to one of the most critical sections of the Regional Rail Reorganization Act of 1973. The association has endorsed the proposition that the Rock Island Railroad should be rebuilt, and has tacitly agreed that at this time the only way such a rebuilding will come about is through Government loans. Since a merger involving the Rock Island has been pending for 11 years and the ICC has still not resolved all the questions involved, the loan route represents the only method of upgrading its deteriorating facilities and providing enough capital to keep it running.

As my colleagues will recall, the Congress—in passing the Rail Reorganization Act—gave the USRA the authority to provide loans to railroads in financial difficulty that connect with bankrupt railroads in the 17-State Northeast region. The stated intent of this provision in the act was to prevent future Penn Central-type disasters in other parts of the Nation. As a promoter of that provision, I felt it would indeed be wrong to assume that the only serious rail transportation problems are in the Northeast. The big producing area which moves products is in the Midwest and the health of railroads there is absolutely necessary. I think the Congress acted wisely in that we not only addressed an immediate crisis in one part of the Nation, we also moved to forestall similar crises from breaking out elsewhere in the future.

The Rock Island Railroad, as a result of a number of circumstances but primarily because of the Interstate Commerce Commission's 1-year delay in approving a merger with the Union Pacific, has been in a financial nosedive for several years. The upshot of its financial difficulties has been deteriorating track and equipment, an increasing concern over service reliability, a number of personnel layoffs—all of which contribute to even further cuts in revenue.

Meanwhile, the farms and factories of Iowa—in an economic pinch along with the rest of the Nation—have never had a more pronounced need for reliable and low-priced transportation. Iowans want to work and produce the goods and the grains that are needed by the Nation and the world, and we want to be able to take advantage of our central location and ship our products expeditiously and competitively. This we cannot do if the major rail system in the State of Iowa—the Rock Island—is not provided with the capital needed for a massive rebuilding task.

The Rock Island has not camped on the doorsteps of Congress seeking handouts; it wants to borrow the money so badly needed. It seeks no cash grants to meet a pending payroll; it wants only the access to capital that will enable it to be a profitable asset to the 13 States in which it is physically located and to the whole Nation which is affected by its ability to serve.

I have been told that 10 years of labor-intensive work will be needed to make the Rock Island a top-of-the-line railroad throughout its entire 7,500-mile system. This will cost an estimated $762 million.

Yet the Rock Island has not asked to borrow $762 million. Rather, they seek $100 million in interest-paying loans from the U.S. Treasury in order to turn the financial corner and be in a position to generate further cash needs in the private sector. They have applied for $100 million from the U.S. Railway Association, in keeping with both the spirit and the letter of the law. The application was submitted in September of 1974. Now, after 5 months, the USRA has voted to lend the Rock Island $9.1 million.

Obviously this is not enough. But it is a start. While $9.1 million is not sufficient to restore the railroad to profitability, it is encouraging to me, to the people of Iowa, and to the men and women of the Rock Island to know that the process has been started.

Workers are being recalled to car-repair shops in three States, and recruiting is underway for two 100-man track gangs to work this summer in Illinois, Iowa, and Kansas.

Meanwhile, the USRA is in the final phases of preparing a preliminary system plan for the restructuring of the bankrupt lines in the Northeast. Congress has given the staff at the Association an admittedly immense task, and I wish them well. Through the spring and summer the preliminary system plan will be discussed and modified, and later this year a final system plan will be prepared for congressional approval. If all goes well, the rail crisis in the Northeast will have been met.

At the same time, it should be clearly understood by my colleagues that those of us from outside the 17-State Northeast region cannot stand idly by and see the Northeast rail system given exclusive attention at the expense of vitally needed railroads in other parts of the Nation. USRA has stated that they will reconsider the remaining $90.9 million of the Rock Island's loan request "at a later date." I hope, for the sake of the farmers, the shippers, the workers, and the taxpayers of Iowa and the Nation, that USRA's "later date" is "sooner" rather than "later." The need is now, the chance is now. The Rock Island is suffering and a mere $9.1 million will not do the trick. They need the $100 million and the Midwest and the Nation needs that railroad. They should be able to pay it back with interest and once again become a productive and vital part of our society and our economy.

NEED TO REINTRODUCE NURSE TRAINING ACT

(Mr. SMITH of Iowa asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, I have recently been receiving letters from nurses in my State telling how the Nurse Training Act of 1971 has benefited nursing education and expressing grave concern about the President's recent pocket veto of an extension of that legislation which the 93d Congress passed just before adjournment. They strongly urge that the legislation be reintroduced.

The dean of the College of Nursing at the University of Iowa points out in her letter that Nurse Training Act funds provided that school with $152,652 in "capitation"—funding support based on the number of students—in 1972–73 and an additional $525,952 for training grants and traineeships, plus additional funds for special projects.

Now, if those funds were cut off, I wonder about the future of that school. Could it continue? Would it have to seriously cut enrollment? The school is very important to the State of Iowa.

I am sure that this kind of a situation is not unique to Iowa, and schools in other States could find themselves in a similar crisis if this legislation for support to nursing schools and students is not extended.

The dean's letter also stressed the grave shortage of nurses who are prepared to teach, administer, do research, and practice more independently especially in the ghetto and rural areas. These are the nurses who require advanced education and in my State of Iowa this is the only school providing a master's program in nursing. Where would we be in meeting Iowa's needs without support to this college?

In addition and to quote from her letter:

> With National Health Insurance forthcoming, professionally prepared nurses will be even more essential than in the past as the increased emphasis will be to keep people healthy—not just care for them once they are ill or injured.

I urge my colleagues to consider the need for nurses in their States. I believe we must move promptly to enact legislation to assure that schools of nursing can continue and that the nurses will be available to meet the health care needs of our States.

FEDERAL COAL LEASING AMENDMENTS OF 1975

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, today I have introduced legislation, the Federal Coal Leasing Amendments of 1975, which would remedy the outstanding deficiencies which exist in the Mineral Leasing Act of 1920 with respect to coal.

The Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs held hearings and markup sessions on this legislation during the 93d Congress. However, due to the press of legislation and the lack of time at the conclusion of the session, we were not able to report the bill.

The bill which I am introducing today represents the combined thinking of several members of my subcommittee, as expressed during five markup sessions.

The need for such legislation is apparent. In response to the rising costs of imported petroleum, the administration has advocated increased use of coal to replace oil consumption. Much of this coal will come from the Western States, which are said to contain large deposits of low-sulfur coal. The wisdom of shifting the coal mining industry to the western strip mines is not clear to me. However, if western coal is to be developed rapidly, in preference to other energy sources, much of it will come from the public lands, since over 60 percent of the coal reserves in the West lie on Federal lands.

The past record of the Department of the Interior in obtaining a fair return to the public from the sale of its resources, monitoring leased lands to assure the diligent development of the coal, and assuring adequate protection for the environment and consideration of the social and economic impacts of coal development has been totally inadequate. It is my intention in introducing this bill to remedy these problems.

This legislation would alter the Mineral Leasing Act of 1920 in the following ways:

First. Leasing procedure. The bill mandates that all future leasing of Federal coal be on a competitive bidding basis, with a sealed bidding procedure. It requires that 50 percent of all lands leased by the Secretary of the Interior within any year be on a deferred bonus bidding basis, to facilitate entry onto Federal lands by small coal operators. The bonus would be payable over a 10-year period. The bill provides that prior to any Federal leasing, the public shall be afforded the opportunity for public comment on the assessment of the coal involved. No bid is to be accepted for less than the fair market value as determined by the Secretary.

No coal lease is to be issued unless the lands containing the coal deposits have been included in a comprehensive land use plan prepared by the Secretary of the Interior or the Secretary of Agriculture where National Forest Systems lands are included. Such a plan shall include a public hearing if requested by anyone who is or may be adversely affected by adoption of the plan. The land use plan will include an assessment of the amount of coal which is recoverable by various mining methods and the impact of recovery of coal by one method on recovery by another method. The consent of the Administrator of the Environmental Protection Agency with respect to the air and water quality aspects of the plan is also required.

Prior to issuance of any coal lease, the Secretary shall consider the impacts which such leasing will have upon the communities or areas involved. Adequate public hearings are required before any lease is issued.

No coal lease may be issued until public notice has been given in the local newspapers once a week for 3 consecutive weeks. No coal lease may be approved or issued without satisfactory assurances of compliance with the provisions of the Surface Mining Control and Reclamation Act of 1975.

Second. Exploration licenses. Exploration licenses may be issued under provisions of this bill for exploration within any State. An exploration license shall confer no right to lease under this act. Each applicant for a license shall present the Secretary an exploration plan for his approval. All data collected by the licensee shall be furnished to the Secretary to be kept on a proprietary basis until the land involved is leased or until the competitive position of the licensee would no longer be jeopardized by publication of the data.

Third. Terms of lease. A coal lease shall be for 10 years or for so long thereafter as production is occurring in paying quantities. Leases not producing in paying quantities at the end of 10 years are to be terminated. The leases are subject to a royalty of not less than 10 percent of the sale price of the coal. Readjustment of the terms of a lease shall occur after 10 year initial term and at 5-year intervals thereafter.

Leases shall be subject to the conditions of diligent development and continued operation, such conditions shall not be satisfied by advance royalties payments except in the case of strikes, elements or casualties not attributable to the lessee.

Fourth. Moneys to the States. Section 35 of the Mineral Leasing Act of 1920 is amended to provide that the moneys returned to the States for development of Federal coal and oil shale may be spent for planning, construction and maintenance of public facilities and provision of public services, with priority being given to those areas impacted by the development of the resource involved.

Fifth. Study. The Office of Technology Assessment is directed to conduct a study of all coal leases entered into by the United States. The study is to include an analysis of mining activities, receipts of the Federal Government and recommendations as to the feasibility of using deep mining recovery practices on said leases.

Sixth. Acreage limitation. A maximum of 100,000 acres in the United States is set for the control of any Federal lands, whether by lease or permit by any one person, association, or corporation.

LIST OF ORGANIZATIONS AND INDIVIDUALS SUPPORTING NEW AMERICANS BILL

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matters.)

Mrs. MINK. Mr. Speaker, I have again introduced legislation for the consideration of this Congress, H.R. 2522, which seeks to provide Federal assistance to States and cities with significant numbers of newly arrived immigrants. The New Americans Education and Employment Assistance Act is designed to ease the burden on these so-called gateway cities which oftentimes find themselves met with requirements for health, education, employment, and counseling services beyond their means because of the uneven pattern of immigrant settlement in this country.

It is expected that hearings on this important legislation will be scheduled for the near future. For the present, Mr. Speaker, I would ask permission to append to these brief remarks a list of those organizations and individuals who have already indicated their strong support for this legislation. It represents, I think, an interesting cross section of our national community, and I offer it for the information of my colleagues in this distinguished body:

HAWAII

American Lung Association of Hawaii, Donald R. Ford, Executive Director, 245 North Kukui Street, Honolulu 96817.

Community Relations Committee of the Leeward Community College Faculty Senate, Fay C. Ala'ilima, Chairman, 96–045 Ala Ike, Pearl City, 96782.

Dye, Robert P., Director, Office of Human Resources, City and County of Honolulu, City Hall Annex, Honolulu 96813.

Family Services Center, Karen Oshiro, Director, 2319 Rose Street, Honolulu 96819.

Filipino Chamber of Commerce, Gene A. Albano, President, P.O. Box 3169, Honolulu 96802.

Group of Chinese Immigrants in Hawaii; on behalf of by Yip-wang Law, 369 Waiopua Place, Honolulu 96825.

Hawaii Association of Asian and Pacific Peoples, Paige Kawelo Barber, President, 427-C Manono Street, Kailua 96734.

Hawaii Chapter of the National Association of Social Workers, Inc., Richard Kato, President, 250 South Vineyard Street, Honolulu 96813.

Hawaii, State of, Governor George R. Ariyoshi, Capitol Building, Honolulu 96813.

Hawaii, State of, Commission on Manpower & Full Employment, William C. Kea, Chairman; George K. Ikeda, Executive Secretary; Bienevido L. Junasa, Director of the State Immigration Service Center; State Capitol Building, Honolulu 96813.

Health & Community Services Council of Hawaii Social Services Division, Myron R. Chevlin, Chairman; Health Services Division, John M. Hayakawa, Associate Director and James Swenson, Chairman; 200 N. Vineyard Boulevard, Honolulu 96817.

Honolulu, City & County of, Honorable Frank Loo, Councilman, City Hall, Honolulu 96813.

Immigrant Affairs Subcommittee of the Committee on Community Relations of the Faculty Senate of Leeward Community College, Zenaida E. Griffith, Chairman, 96–045 Ala Ike, Pearl City 96782.

Io Lane Neighborhood Group, Virginia Garce, President; 1536 Io Lane, Honolulu 96817.

Kalihi-Palama Immigrant Service Center, Gregorio Aczon, Chairman, 2119 North King Street, Room 206–207, Honolulu 96819.

Kalihi-Palama Interagency Council for Immigrant Services, Noboru Yonamine,

UMI

Chairperson, 1117 Kaili Street, Honolulu 96819.

Korean Neighborhood Group, O-Mun Kwon, President, Kuhio Park Terrace, 1475 Linapuni Street, Honolulu 96819.

Legislative Coalition, 838 South Beretania Street, Honolulu 96813.

Maiu, County of, Honorable Elmer F. Cravalho, Mayor, Wailuku, Maui, Hawaii 96793.

Oahu Association of the United Church of Christ, Robert C. Loveless, Program Executive, 2103 Nuuanu Avenue, Honolulu 96817.

Oahu Filipino Community Council, Mel Europa, President & Annie Guron Corpuz, Secretary, 2011 Ulana Street, Honolulu 96819.

Operation Manong, Amy Cahill, Director, Belinda A. Aquino, Coordinator, Melinda Triakerkoliet, Volunter Leader; Merle Stetsel, Volunteer Leader, Rose Ballaloe, Volunteer Leader, Lilia N. Espiritu, Volunteer Leader; c/o Social Science Institute, East-West Road 4, Honolulu, Hawaii 96822.

Parent and Child Center of Kalihi, Inc., Lola Martin, Chairman of the Board of Directors, 1475 Linaquni Street, Room 117A, Honolulu 96819.

Quisenberry, Walter B., M.D., Director of Health, State Department of Health, P.O. Box 3378, Honolulu 96801.

Retired Senior Volunteer Program of Honolulu, Bernadette Ledesma, 200 North Vineyard, Room 603, Honolulu 96817.

Samoan Church of Hawaii (Nanakuli), Reverend S. Su'esu'e Lutu, Minister, 87-118 Kahau Place, Nanakuli, HI 96792.

Samoan Neighborhood Group, Sa' Fiatoa, President, 1521 Singley Lane, Honolulu 96817.

Susannah Wesley Community Center, Noboru Yonamine, Executive Director, 1117 Kaili Street, Honolulu 96817.

Susing Pilipinas Club of Leeward Community College, Daniel Dagdagan, President, 96-045 Ala Ike, Pearl City 96782.

United Filipino Council of Hawaii, Dr. Henry Manayan, President and Herita Y. Agmata, M.D., M.P.H., Chairman of the Health and Welfare Committee, P.O. Box 3169, Honolulu, 96802.

Uno, Ernest, Branch Executive, West Oahu Branch of the Young Men's Christian Association of Honolulu, P.O. Box 1176, 1106 Kilani Avenue, Wahiawa, HI 96786.

Young Buddhist Association of Honolulu, Thomas I. Yamamoto, President & Mineo Yamagata, Executive Administrator, 1710 Pali Highway, Honolulu 96813.

Young Women's Christian Association of Oahu, Mrs. Bette Takahashi, President of the Board of Directors, P.O. Box 337, Honolulu 96809.

CALIFORNIA

Arriba Juntos Center, Leandro P. Soto, Executive Director, 2940 16th Street, Room 104, San Francisco 94103.

Asian-American Caucus of the Western Jurisdiction, the United Methodist Church, Rev. Jonah J. Chang, Director of Asian-American Ministries, 281 Santa Clara Avenue, Oakland 94610.

Asian-American Community Mental Health Training Center, Royal F. Morales, Project Director, 1300 W. Olympic Blvd., Suite 410, Los Angeles 90015.

Asian Americans for Community Involvement, Allan Seid, M.D., Chairperson, 230 South California, Suite 205, Palo Alto 94306.

Asian Law Caucus, Inc., Dale Minami and Tani Takagi, 3408 Park Blvd., Oakland 94610.

Asian Presbyterian Caucus of the United Presbyterian Church, U.S.A., Lester E. Kim, Chairman, P.O. Box 2769, Rolling Hills Estates, 90274.

Chinatown Family Outreach Center, Loretta Huahn, A.C.S.W., 257 Eighth Street, 2nd Floor, Oakland 94607.

Chinatown-North Beach District Council, Christina Chen, Chairwoman, 511 Columbus Avenue, San Francisco 94133.

Chinese Newcomers Service Center, Po Wong, Director and Lambert Chor, President of the Board of Directors, 816 Sacramento Street, San Francisco 94108.

Hata, Nadine Ishitani, 1126 Magnolia Avenue, Gardena, 90247.

Human Relations Commission of the City of Palo Alto, Marty Cottrell, Chairperson, Palo Alto 94301.

International Institute of San Francisco, Mrs. Audrey K. Doughty, Program Director, 2209 Van Ness Avenue, San Francisco 94109.

Jade Magazine, Gerald Jann, Editor/Publisher, 8240 Beverly Blvd., Los Angeles 90048.

Japanese-American Citizens League, Gail Nishioka, Acting Washington Representative, 22 Peace Plaza, Suite 203, San Francisco 94115.

Pacific/Asian Coalition, Paige Kawelo Barber, Chairperson and Lemuel F. Ignacio, Executive Director, 150 Eighth Street, San Francisco 94103.

Filipino Organizing Committee, Antonio A. Grafilo, Coordinator, 1201 Howard Street, San Francisco 94103.

Sandigan, Filipino Newcomers Service Center, Rod Estrada, Former Director, 79 Ninth Street, San Francisco 94103.

San Francisco Center for Japanese American Studies, Clifford I. Uyeda, M.D., P.O. Box 99345, San Francisco 94109.

San Francisco, City & County of, Jack Casford, Human Relations Representative representing the Office of the Mayor, City Hall, San Francisco.

San Francisco Community College District, Louis F. Batmale, Chancellor/Superintendent, 33 Gough Street, San Francisco 94103.

Santa Ana, Cora, 2270 Miramar Avenue No. 6, San Leandro 94578.

Synod of the Pacific Golden Gate Mission Area, Bruce T. Coleman, Chairperson, 330 Ellis Street, San Francisco 94102.

Union of Pan Asian Communities of San Diego County, Vernon T. Yoshioka, Chairman, 2952 Market Street, Suite F, San Diego 92102.

NEW YORK

American Council for Nationalities Service, Wells C. Klein, Executive Director, 20 W. 40th Street, New York 10018.

Asian American Caucus of Greater New York, Tino Calabia, Chairman, 491 Third Street, Brooklyn, 11215.

Asian Americans for a Fair Media, Johan Lee, c/o United Asian Community Center, 43 W. 28th Street, New York 10001.

Chinatown Planning Council, Inc., Allen B. Cohen, Executive Director, 45 E. Broadway, New York 10002.

Church World Service Immigration and Refugee Program, John W. Schauer, Director, 475 Riverside Drive, New York 10027.

Congress of Italian-American Organizations, Inc., Mary Sansone, Executive Director, 15 Park Row, New York 10038

Episcopal Asiamerican Ministry, The Reverend Winston W. Ching, Executive Officer, 815 Second Avenue, New York 10017.

Institute on Pluralism and Group Identity, Judith Herman, Director of Planning and Research, 165 East 56th Street, New York 10022.

Shin, Ty K., A.C.S.W., Associate for Social Welfare Ministries of the United Presbyterian Church in the United States of America (Health and Human Development Unit), 475 Riverside Drive, Room 1268, New York 10027.

STATE OF WASHINGTON

Asian American Alliance, Bart Alford, President, 1311 South M Street, Tacoma 98405.

Demonstration Project for Asian American Planning and Technical Assistance, Sil D. Kim, Project Director and Dorothy L. Cordova, Associate Project Director, 1608 East Jefferson, Seattle 98122.

International District Improvement Association, Robert N. Santos, Executive Director, 627 South Jackson Street, Seattle 98104.

International District Youth Council, Inc., Michael Kozu, Director, 310 Sixth Avenue South, Seattle 98104.

Tacoma Community House, Arthur C. Wang, Chairperson, Pacific Northwest Region, Pacific/Asian Coalition, 1311 South M Street, Tacoma 98405.

Washington State Commission on Asian American Affairs, Martin M. Matsudaira, Executive Director, Office of the Governor, Olympia 98504.

METROPOLITAN WASHINGTON, D.C. AREA

Fuimaono, Asuemu, Delegate-at-Large, Territory of American Samoa, 425 13th Street, N.W. Suite 926, Washington, D.C. 20004.

Inter-Group Council and Asian-American Workshop, Tuei Doong, c/ I.G.C. Community Resources Center, A.A.W., Box 21045, Washington, D.C. 20009.

Pian, Canta C. & Fuentes, David A., c/o R.J. Associates, 1018 Wilson Blvd., Arlington, Virginia 22209.

ILLINOIS

Ahn, Matthew Y., Vicar, St. Mary's Episcopal Church, Chicago.

Asian American Educators Association, Walter C. Moy, President, 936 Gunnison Street, Chicago 60640.

Asian Forum, Howard Kang, President, 608 South Ashland Blvd., Chicago 60607.

Kim, Bok-Lim C., Assistant Professor, the Jane Addams Graduate School of Social Work, University of Illinois, 1207 West Oregon Street, Urbana, Illinois 61801.

PENNSYLVANIA

Nationalities Service Center, Michael C. Rainone, Esq., President, 1300 Spruce Street, Philadelphia 19107.

Watanabe, Mary I., Ph.D., Vice President of the Pacific/Asian Coalition, 2218 Locust Street, Philadelphia 19103.

TEXAS

Chinese-Americans Citizens Alliance, Albert Gee, Grand National President, 5424 Holly Street, Bellaire, Texas 77401.

MASSACHUSETTS

Miyakawa, T. Scott, Professor of Sociology, Department of Sociology, Boston University, 96 Cummington Street, Boston 02215.

CREATION OF THE KALAUPAPA NATIONAL HISTORICAL PARK

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I am introducing a House joint resolution today to establish a new National Historic Park under the National Park Service in the State of Hawaii. The new park would be at Kalaupapa, on the island of Molokai, the colony established more than a century ago for the care and treatment of the victims of leprosy.

Kalaupapa may be known to the Members of this House through the long and dedicated service to the colony by the Belgian priest, Father Damien, who is so highly revered for his untiring dedication to his task of caring for the diseased that he was one of the two subjects in all of Hawaii's history chosen to be honored by placement of his statue in the halls of this Capitol.

Father Damien, 1840–89, left a legacy of selfless service which made him a venerated figure worldwide and led to proceedings for his beatification by the Catholic Church. All of this focused unprecedented attention on the disease of leprosy and stimulated charity and significant scientific research toward its cure. Indeed, such progress in the treatment of the disease has been made in recent years that the Department of Health in the State of Hawaii notified the residents that there is no longer any reason why any of them may not come and go from Kalaupapa as he wishes. New drugs not only control the effects of the disease, they kill the bacteria within 3 days and prevent contagion. No one requires hospitalization from leprosy any longer.

The promontory on which the site is located is among the most remote locations in all Hawaii. It is the scene of much dedicated service in the tradition of Father Damien, but as these modern methods for treatment of leprosy have been developed, the patient population has dwindled to no more than 150, most of whom currently live there by choice. In the foreseeable future, the settlement will have no one there. There is growing concern about the future of the area, two options for which present themselves: To permit its development, possibly by commercial interests, or to preserve the area for its unique historic significance, as a treasure for the entire Nation.

In his book, "Holy Man," about Father Damien, Hawaiian historian Gavan Daws describes how the Island of Molokai looked in Damien's time:

> At a distance, Molokai was gorgeous. Seen as the English lady traveler Isabella Bird saw it, from the tranquil deck of a passing steamer on a shimmering sunny day, the mountainous land floated "like a great blue morning glory on the yet bluer sea". Closer to, it was still an impressive sight, but of a less uncomplicatedly lyrical kind. Robert Louis Stevenson, coasting the north side of his way to visit the leprosy settlement found the scenery "grand, gloomy and bleak. Mighty mountain walls descending sheer along the whole face of the island into a sea unusually deep; the front of the mountain ivied and furred with clinging forest; one viridescent cliff"; and midway along the coast, "a low, bare, stony promontory edged in between the cliff and the sea". The "promontory" was Kalawao.

At Kalawao, the center of activity on the 4 square mile area separated by a 1,500-foot cliff from the rest of Molokai, Father Damien spent most of his last 16 years. His church was there, as is his tomb. After his death the settlement gradually moved to Kalaupapa, by the coast, and today the whole promontory is referred to as Kalaupapa. The legacy of Father Damien is immortal: It is part of our history and must be cherished in memory. Our dedication of Kalaupapa as a national historic park would help serve this objective.

I am pleased, Mr. Speaker, to note that this proposal has the support of citizen groups in Hawaii and, most important, of the current resident population of the settlement, which will in no way be forced to move from the area of the Park when it is established.

Under this resolution, which is similar to H.R. 12012 introduced in the 93d Congress, the Secretary of the Interior would be authorized to designate the appropriate areas of the leprosy settlement as the Kalaupapa National Historic Park, and to acquire by donation, purchase or exchange the lands, waters and interests determined necessary to establishment of the park. Proper planning for restoration and development of the park area would be required. Publication of the official establishment of the park in the Federal Register is directed.

Mr. Speaker, the future of this historic area of our Nation can be assured by the actions of this House. I urge early consideration of my resolution.

THE ENERGY-MATERIALS CONSERVATION EDUCATION ACT

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, late in our last session I introduced legislation entitled "the Energy-Materials Conservation Education Act." The bill, H.R. 16950, was designed to attack our continuing and ever more urgent problem of energy conservation at a basic level, essentially to begin a concentrated program of education at all levels to promote a thorough understanding of conservation issues and to provide support on a long-range basis for our national commitment to conservation.

I have introduced this legislation again this year, as H.R. 1708, in the expectation that in this time of intense debate on energy resources some attention can be given to a basic approach to a situation which is nearing crisis proportions. We saw America rise to the challenge of sputnik in the late 1950's and in the 1960's to a point where our preeminence in technological achievements now knows no equal. I say the same kind of approach to our energy resources crisis is essential to reform America's attitudes, our habits, which have become so wasteful and counterproductive that we have become our own worse enemies.

While the stated thrust of national policy regarding energy clearly encompasses a commitment to conservation, most of our actions seem aimed at permitting the American people to continue in the expanding usage patterns of the last three decades, substituting one energy source for another, making systems more efficient, and minimizing institutional wastage.

The issue is more fundamental than this. We cannot maintain the current rate of consumption—certainly it cannot increase further—and, more important, our consumption rate relative to other nations must diminish.

How are Americans to be prepared for these changes which, although they may occur over a period of generations, will affect them profoundly? The slow process of education of the entire citizenry from schoolchildren to senior citizens must be started now, if the people are to be adequately prepared to maintain a high quality of life even as the dependence on, and usage of, scarce energy and materials diminishes.

We have seen a great deal of attention lavished on new technological schemes and concommitant programs of technical research into scientifically oriented energy related legislation before us. The Congress wisely enacted a $20 billion, 10-year program of research into development of nonnuclear energy resources last year. But with this approach must go new avenues of attack: programs to educate the citizenry to curtail their use of energy and materials.

We note that although conservation is a national goal, the fact remains that in a free enterprise society, all market forces are inherently expansionist, and hence, anticonservationist by their very nature. Historically here, as elsewhere, our American system of checks and balances has been operative. This free enterprise, expansionism had, traditionally, a countervailing force in the puritan heritage transmitted by our national ethos and our religious institutions. The postwar period has seen an enormous diminution of the power of both these latter forces. Hence, the expansionist free market forces have no checks as the educational and ethical forces which work on the citizen to conserve or minimize his use of energy and materials are no longer able, unaided, to help in achieving the national goal.

The need is, therefore, obvious for a continuous, long-range program of education, to encourage conservation and nonuse of energy and materials as a permanent component in our system of checks and balances in achieving a healthy conservation policy.

Mr. Speaker, I ask for a maximum effort in this direction and urge consideration of what will seem in decades ahead a minimal investment in future uncounted savings that cannot help but result from our actions. Let us make that investment now.

The text of my bill follows:

H.R. 1708

A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials, and for other related educational purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Energy-Materials Conservation Education Act of 1975".

SEC. 2. (a) The Congress hereby finds and declares that present educational programs in the United States are inadequate as they relate to providing full information on the advantages and benefits of the conservation and nonuse of energy and materials as a means of meeting the present energy shortage and the long-range energy-materials demands of the Nation; and that educational programs to enhance the level of such information should link the conservation of energy and materials in recognition of their interconvertibility and interrelations as recommended by the Commission on National Materials Policy.

(b) It is the purpose of this Act, in order to provide adequate education concerning conservation and nonuse of energy-materials in this country, to provide support for the initiation and maintenance of programs concerning the conservation and nonuse of energy-materials at all levels of education (preschool through adult education); to disseminate instructional materials and other information for use in educational programs throughout the Nation; to provide for the planning of energy-materials conservation and nonuse resource centers; to provide improved career, vocational, and tech-

nical education programs; to provide for community education programs; to provide programs on the need for conservation and nonuse of energy-materials in this society; to provide for the preparation and dissemination of materials for use of the mass communications media and the information systems of community and national private organizations such as service clubs, and labor, religious, and other organizations; to provide training programs for parents, teachers, other educational personnel, youth and guidance counselors, community leaders, labor leaders, industrial and business leaders, government employees at the State, Federal, and local level, and all other users of energy; to encourage the development of new and improved courses and curriculums; to demonstrate the use of such courses and curriculums in model educational programs, and to evaluate the effectiveness thereof.

SEC. 3. (a) There is hereby established within the Office of Education a Council on the Conservation and Nonuse of Energy-Materials (hereinafter referred to as the "Council") consisting of twenty-one members appointed by the President. The Council shall consist of persons broadly representative of the public and private sectors with due regard to their knowledge and experience relating to the need for conservation and nonuse of energy-materials and with due consideration being given to geographical representation. The Director of the Federal Energy Administration, and the Administrator of the Environmental Protection Agency shall serve as ex officio members of the Council. The Council shall be provided with adequate staff and facilities to carry out its duties as prescribed by this Act.

(b) The President shall appoint one member of the Council to serve as its Chairman. The Chairman shall be compensated at a rate not to exceed the maximum rate prescribed for grade GS–17 in section 5332 of title 5, United States Code.

(c) The remaining twenty members of the Council shall serve without compensation, except that they shall be allowed travel and subsistence expenses while actually engaged in the business of the Council as authorized by section 5703 of title 5, United States Code.

(d) The members of the Council shall serve for terms of three years each, except that the initial appointments shall be made in accordance with procedures designed to allow for staggering of appointments so that the member or members whose terms expire in any year will be approximately the same as the number of members whose terms expire in any other year.

(e) The Council shall—

(1) advise the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") concerning the administration of, preparation of, general regulations for, and operations of, programs assisted under this Act;

(2) make recommendations to the Secretary with respect to the allocation of any funds pursuant to this Act, with due respect to the criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(3) develop criteria for the establishment of program priorities;

(4) develop programs and procedures for review of projects assisted under this Act annually; and

(5) develop and disseminate an annual independent report of the programs and activities authorized under this Act.

SEC. 4. (a) The Council shall advise, review, and make recommendations for the administration of the programs authorized by this Act, and the coordination of activities within the Federal Government which are related to energy-materials conservation and nonuse educational programs.

(b) The Secretary shall annually present to the Council a design for a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, regional research organizations, and other public and private nonprofit agencies, organizations, and institutions (including libraries and museums) to support educational, research, demonstration, and pilot projects designed to fulfill the purposes of this Act; and shall carry out a program of grants and contracts for such purposes in accordance with the policies of the Council; except that no grant may be made other than to a public or private nonprofit agency, organization, or institution.

(c) Funds appropriated for grants and contracts under this section shall be available for (but not limited to) such activities as—

(1) the support of energy-materials conservation and nonuse educational programs at all educational levels including the development of new and expanded programs;

(2) planning and operation of energy-materials conservation and nonuse resource centers;

(3) community education programs concerning the conservation and nonuse of energy and materials, including special programs for adults;

(4) dissemination of information to public and private nonprofit preschool, elementary, secondary, higher, adult, and community education programs;

(5) the development of curriculum;

(6) preservice and inservice training programs;

(7) projects including courses of study, fellowship programs, conferences, institutes, workshops, symposiums, and seminars;

(8) research, development, and dissemination of curriculums, texts and materials, tests, and programs for adequate and vocational and technical education and career counseling for persons in the field of energy-materials conservation and nonuse;

(9) preparation and distribution of materials;

(10) programs and projects to recruit, train, organize, and employ professional and other persons, and to organize and participate in energy-materials conservation and nonuse educational programs;

(11) research and evaluation of the effectiveness of such programs;

(12) research and development of programs aimed at increasing the number of experts in the field of energy-materials conservation and nonuse in administrative positions at all levels in institutions of education;

(13) research and development of programs aimed at obtaining and maintaining an adequate distribution of instructors, counselors, and other professionals trained in energy-materials conservation and nonuse in educational institutions;

(14) training, educational, and employment programs for persons in the field of energy-materials conservation and nonuse; and

(15) research and development of programs aimed at increasing the proportion of persons trained in energy-materials conservation and nonuse in fields in which they have not traditionally participated.

(d) In addition to the activities specified in this section, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this Act.

(e) Financial assistance under this section may be made available only upon application to the Secretary. Any such application shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

(1) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(2) describes a program for carrying out one or more of the purposes of this Act which holds promise of making a substantial contribution toward attaining such purposes;

(3) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be used so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in this section, and in no case supplant such funds;

(4) sets forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application;

(5) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this Act; and

(6) provide for making an annual report, and such other reports, in such form and containing such information, as the Secretary may reasonably require, and for keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(f) For the purposes of this section, the Secretary shall require evidence that an organization or group seeking funds shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report to the Secretary on Federal funds expended. The Secretary may waive such one-year existence requirement for just cause under regulations he shall prescribe, provided that such organization or group meets eligibility standards in other respects.

(g) Recognizing that education is a long-range process, the Secretary shall require evidence that an organization or institution receiving financial assistance shall be committed to continuing its program for a minimum of three, and preferably five years. Preference shall be given to applications for such long-term assistance with a commensurate degree of commitment.

(h) Amendments of an application shall, except as the Secretary may otherwise provide by regulation, be subject to approval in the same manner as the original application.

SEC. 5. The Secretary, in cooperation with the heads of other agencies with relevant jurisdiction, shall, insofar as practicable, upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, institutions at all levels of education, agencies of State, local, and Federal governments and other agencies deemed by the Secretary to affect the conservation and nonuse of energy materials in this society. Such technical assistance shall be designed to enable the recipient agency or institution to carry on education and related programs concerning the conservation and nonuse of energy materials.

SEC. 6. The Secretary is authorized to make grants to, or enter into contracts with, public or private nonprofit agencies, organizations, and other institutions for planning and carrying out community-oriented education programs or projects on the conservation and nonuse of energy materials in American society for the benefit of interested and concerned adults, young persons, ethnic and cultural groups, community, labor and business leaders, and other individuals and groups within a community. Such programs or projects may include, among other things, seminars, workshops, conferences, counseling, and information services to provide advice, information, or assistance to individuals with respect to energy materials conservation and nonuse practices, and will include information centers designed to serve individuals and groups seeking to obtain or disseminate information, advice, or assistance with respect to the purposes and intent of this Act.

SEC. 7. (a) In addition to the grants authorized under section 4, the Secretary, from the sums appropriated therefor, shall have the authority to make grants, not to exceed $20,000 annually per grant, for innovative approaches to energy-materials conservation and nonuse educational programs: *Provided*, That the total of such grants shall not exceed 10 per centum of the total authorized funds.

(b) Information required in proposals and applications submitted by organizations and institutions under this section shall be limited to that need to evaluate such proposals or applications, unless the organization or institution shall voluntarily provide additional information.

SEC. 8. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Secretary shall publish annually a list and description of projects supported under this Act, and shall distribute such list and description to interested educational institutions, citizens' groups, associations, and other institutions, organizations, and individuals involved in the conservation and nonuse of energy materials.

SEC. 9. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of previously made overpayments or underpayments.

SEC. 10. As used in this Act, the term "State" includes (in addition to the several States of the Union) the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 11. There is authorized to be appropriated not to exceed $25,000,000 for the fiscal year ending June 30, 1976, $40,000,000 for the fiscal year ending June 30, 1977, and $60,000,000 for the fiscal year ending June 1978 and each succeeding fiscal year for carrying out the purposes of this Act.

EULOGY FOR DR. HOWARD BROWN

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on Monday, February 17, I attended a eulogy service for Dr. Howard Brown who had formerly served as the health administrator of the city of New York. His service to the city was exceptional and highly regarded by everyone conversant with the problems of health service delivery.

But Howard Brown made an additional contribution that transcended everything in his life and which undoubtedly affected the lives of tens of thousands of young men and women. After leaving public service, he announced publicly that he was a homosexual and would lead the battle still being waged for equal rights for all without regard to one's sexual preferences. With others he founded the National Gay Task Force. Monday's eulogy service included readings from materials which he had written and which I believe will appear in his autobiography shortly to be published. They were very moving and must have given heart to those people who have lived in fear because of society's refusal to accept them as they are.

Howard Brown's life demonstrated that one's contribution to society is not dependent on one's sexuality but rather on one's ability to give the best of oneself in a common effort to make a better society for all.

Recently 19 Members of the House introduced H.R. 166 which would ban all discrimination now practiced against homosexuals and end discrimination that now exists in housing, employment, and public accommodations. The cosponsors are: ABZUG, JOHN BURTON, FAUNTROY, DELLUMS, HARRINGTON, KOCH, MCCLOSKEY, NIX, STARK, SOLARZ, RICHMOND, BINGHAM, ROSENTHAL, PARREN MITCHELL, FRASER, GEORGE BROWN, MINETA, WAXMAN, and BADILLO.

The expeditious passage of that bill would be the greatest tribute this country could pay to Howard Brown. And more important than this personal tribute would be its freeing a substantial sector of our population—people who comprise the remaining yet to be fully acknowledged minority.

I am appending the New York Times obituary on Dr. Howard Brown.

The obituary follows:

[From the New York Times, Feb. 3, 1975]

DR. HOWARD J. BROWN, 50, DIES; FIRST CITY HEALTH SERVICES CHIEF

Dr. Howard J. Brown, New York City's first Health Services Administrator during Mayor John V. Lindsay's Administration, died Saturday of a heart ailment at his home, 225 West 11th Street. He was 50 years old.

In October, 1973, Dr. Brown made Page 1 news when he announced publicly that he was a homosexual in an endeavor to end the prejudices that homosexuals faced in obtaining jobs. In the same month, he helped found the National Gay Task Force, a civil-rights clearinghouse for homosexuals, becoming board chairman.

During his 17 months as Health Services Administrator, Dr. Brown sought to reshape the city's health-care system from one that he criticized as physician-oriented into one that he felt would serve the needs of patients first.

CRITICIZED HOSPITAL CLINICS

He argued, as he had in earlier public-health efforts, that traditional methods of providing medical services were inadequate. But when he resigned, after having served as head of one of the first of the Lindsay Administration's superagencies from mid-1966 until the end of 1967, Dr. Brown expressed a sense of deep frustration at having been unable materially to change the health bureaucracy.

Looking back, he later remarked that hospital clinics epitomized the problem. "They are geared to the professional needs of physicians, not to the medical needs of patients," he said.

He observed, for example, that when dermatologists examined clinic patients it was their custom not to look for any symptoms other than those indicating skin trouble. As a result, a patient, if he had other complaints, would have to make several different clinic visits to have his health needs covered.

Dr. Brown's grounding in innovative public health care began not long after he was out of medical school and culminated in nearly five years of service as head of the Gouverneur Ambulatory Care Unit he ran on the Lower East Side just before he was named Health Services Administrator.

When Dr. Brown announced that he was a homosexual, he expressed the hope that others in high positions would follow his example, but he declined to name physicians or city officials who were homosexuals.

"They are still terrified," he said.

Dr. Brown said that there was no evidence "conclusively establishing homosexuality as a disease that can be treated."

Of his speaking to groups for the National Gay Task Force, he said: "It still astounds them to have a doctor stand up and say he is. I only wish I could have done it much earlier."

Howard Junior Brown was born in Peoria, Ill., on April 15, 1924, the son of a civil engineer. After high school he won a scholarship to Hiram College in Ohio, from which he graduated in 1954. His studies had been interrupted by service as an enlisted man in the Army in World War II.

He went to Western Reserve Medical School in Cleveland, and received his M.D. degree in 1948. During his internship, he took time out to serve as a staff physician at the United Auto Workers clinic in Detroit, his first contact with community medicine.

In 1954, Dr. Brown came here to serve as director of professional services for the Health Insurance Plan, then struggling to gain acceptance in group medical care. Seven years later he took over the ambulatory care unit at Gouverneur.

PERSONAL MEDICAL CARE

Although Dr. Brown was practically unknown to the public, he established a reputation in the public-health field, both at H.I.P. and in directing the Gouverneur unit, for seeking to combine personal attention with high-quality medical care.

When he was chosen to run the city's health services, Dr. Brown envisioned a complete re-ordering of public-health care, putting the patient's interest first. In essence it was to be an extension of the group-practice principles that, while controversial at H.I.P., were gradually becoming more accepted. These would be blended with the neighborhood-style health care he had perfected at Gouverneur.

But the task was more difficult than he imagined, and Dr. Brown left the city's medical-service system not much changed from the way he had found it.

Ill health was a factor in Dr. Brown's leaving city service. He suffered from a coronary ailment, and at the time he resigned he was himself undergoing a hospital siege.

In 1968 Dr. Brown became director of community medicine for Fortham Hospital. Later he began a career of full-time teaching at New York University's School of Public Administration and at its School of Medicine. He held professorships at both schools at his death.

A bachelor, Dr. Brown lived in Greenwich Village, on the top floors of a 200-year-old brick house he had bought in 1963. He is survived by a sister, Mrs. John Sibley, widow of a reporter for The New York Times.

TAX EQUITY FOR THE SINGLE TAXPAYERS AND WORKING MARRIED COUPLES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am reintroducing legislation today cosponsored by 93 Members of the House which would remove the tax inequities between single and married persons. My bill, H.R. 850, would grant all unmarried persons the full tax benefits of income splitting now enjoyed by married persons filing joint returns on a single income. The legislation would also assist working married

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couples filing jointly on two incomes who in some cases are more highly taxed than two single persons earning the same income and living together.

The 16th amendment to the Constitution gives Congress the right to levy income taxes. But Congress has never passed a law saying that single people shall be taxed just because they are single. Nor has Congress passed legislation saying that married people, both of whom work, shall be penalized by higher rates of taxes. But this is precisely what is happening today.

The actual cost to the single taxpayer and working married couple can best be illustrated by a few examples. A single taxpayer whose taxable income is $12,000 pays $2,630 in taxes; if he or she were married and the sole wage earner in the family and files a joint return, he or she would pay $2,260—a difference of $370. And, of course, the rate on any income in excess of $12,000 and before the $14,000 level is higher: 29 percent for the single return as opposed to only 25 percent for the joint return. The tax penalty for being single at $8,000 is $210; at $14,000 is $450; at $16,000 is $570; at $20,000, $850; at $50,000, an incredible $3,130.

If a woman goes to work to supplement her husband's $6,000 income, and if, for example, her income is also $6,000, the couple will pay $156 in taxes more than if they were two single people filing their individual returns. This is a 10-percent surtax on the amount they would be paying if single. Take another example: should the husband earn $20,000 and the wife $10,000, the couple will pay $780 extra in tax than if they were two single individuals filing separately.

Unfairly penalized too are singles filing as heads of household. A widowed, divorced, or single parent earning $8,000 pays $1,480—$100 more a year in taxes than the married couple with one income. At a $16,000 income, the penalty is $280; at $44,000 the penalty is $1,280.

In considering tax cut proposals, we must seek to remove the tax inequities for unmarried persons and married persons where both the husband and wife work. The purpose of a tax cut is to add purchasing power and, therefore, this is one certain area in which the inequity would be removed and the goal of assisting a recessionary economy accomplished.

I do want to mention the death of Miss Vivien Kellems, a fiesty proponent of tax equity. She combined tenacity with commonsense. Her energy and persistence was invaluable in my efforts to gain tax equity for single taxpayers. I am sorry that we will not have her help in completing the final leg of the fight; but I am confident that because of the foundation she set down we will be victorious. Vivien Kellems' mark will remain on our tax laws and her battles with the IRS will be remembered, as will many of her singular fights based on principle. She will be remembered fondly by many of us who will miss her.

The following Members are cosponsors of the legislation:

Bella Abzug (D-NY), Thomas Ashley (D-Ohio), Joseph Addabbo (D-NY), L. A. Bafalis (R-Fla), John Breaux (D-La), Garry Brown (R-Mich), Yvonne Burke (D-Calif), James Burke (D-Mass), John Burton (D-Calif), Shirley Chisholm (D-NY), James Cleveland (R-N.H.), Thad Cochran (R-Miss), William Cohen (R-Maine), John Conlan (R-Ariz), Silvio Conte (R-Mass), John Conyers (D-Mich), Lawrence Coughlin (R-Pa), Philip Crane (R-Ill), Dominick Daniels (D-NJ), Charles Diggs (D-Mich), Thomas Downing (D-Va), Robert Drinan (D-Mass), Joshua Eilberg (D-Pa), Dante Fascell (D-Fla), Millicent Fenwick (R-N.J.), Paul Findley (R-Ill), Hamilton Fish (R-NY), Daniel Flood (D-Pa), Bill Frenzel (R-Minn), and Edwin B. Forsythe (R-NJ).

Don Fraser (D-Minn), Harold Ford (D-Tenn), Robert Giaimo (D-Conn), Gilbert Gude (R-Md), Tennyson Guyer (R-Ohio), Michael Harrington (D-Mass), James Hastings (R-NY), John Heinz (R-Pa), Henry Helstoski (D-NJ), Andrew Hinshaw (R-Calif), Elizabeth Holtzman (D-NY), Frank Horton (R-NY), William Hungate (D-Mo), John Jenrette (D-SC), Albert Johnson (R-Pa), Robert Kastenmeier (D-Wis), Norman Lent (R-NY), Clarence Long (D-Md), Robert McClory (R-Ill), Paul McCloskey (R-Calif), John McCollister (R-Nebr), Mike McCormick (D-Wash), Larry McDonald (D-Ga), John Melcher (D-Mont), Edward Mezvinsky (D-Iowa), Abner Mikva (D-Ill), George Miller (D-Calif), and Joseph Minish (D-NJ).

Joe Moakley (D-Mass), Robert Mollohan (D-W. Va), W. Henson Moore (R-La), Morgan Murphy (D-Ill), Robert Nix (D-Pa), James Oberstar (D-Minn), Claude Pepper (D-Fla), Charles Rangel (D-NY), Thomas Rees (D-Calif), Frederick Richmond (D-NY), Don Riegle (D-Mich), Peter Rodino (D-NJ), John Rousselot (R-Calif), Edward Roybal (D-Calif), Harold Runnels (D-N. Mex), Fernand St Germain (D-RI), Ronald Sarasin (R-Conn), Paul Sarbanes (D-Md), James Scheuer (D-NY), Patricia Schroeder (D-Colo), Paul Simmon (D-Ill), James Stanton (D-Ohio), Alan Steelman (R-Texas), Louis Stokes (D-Ohio), Samuel Stratton (D-NY), Gerry Studds (D-Mass), James Symington (D-Mo), Charles Thone (R-Nebr), Lionel Van Deerlin (D-Calif), Henry Waxman (D-Calif), G. William Whitehurst (R-Va), Larry Winn (R-Kans), Lester Wolff (D-NY), Gus Yatron (D-Pa), and Leo Zeferetti (D-NY).

AMERICANS RAISING SERIOUS QUESTIONS ABOUT SOCIAL SECURITY SYSTEM

(Mr. NEAL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. NEAL. Mr. Speaker, in these times of economic uncertainty, a growing number of Americans are asking serious questions about the social security system.

They are valid questions pertaining to the basic soundness of the system; to its ability to provide, in future years, a dependable cushion against destitution; to its ability to avoid bankruptcy and sustain itself at reasonable tax levels; to its return on investment.

Unfortunately, the middle-aged and elderly Americans and others who ask these valid questions do not always receive reasonable answers. Contradictions abound. Confusion, rather than clarification, often is the reward of those who inquire into the prospectus of social security.

The Washington Star-News of Sunday, February 16, published in its editorials section an excellent article in response to the critics of social security. It offers nonpartisan explanations and, I believe, answers honestly most if not all the questions being raised about the soundness of our social security system. I commend it to the attention of all Americans:

SOCIAL SECURITY IS NOT FRAUDULENT OR BANKRUPT

(NOTE.—This article is excerpted from a "white paper" published last week by a bipartisan group of former officials, in response to recent criticism of the Social Security system. Signatories included former HEW secretaries Elliot L. Richardson, John W. Gardner, Wilbur Cohen, Robert Finch and Arthur Flemming, and former Social Security commissioners Robert M. Ball, William L. Mitchell and Charles I. Schottland.)

Nearly every American has a personal stake in the Social Security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social Security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and conditions. Public discussion addressed to improvement of the system is both necessary and helpful.

But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have no more foundation now than they had when first made nearly 40 years ago.

RELIABILITY

The most vicious of these attacks is the one charging that promised Social Security benefits may not be paid when they fall due 20 or 30 or 40 years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law. A claim to Social Security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However one may define a "legal right," it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of Social Security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by labelling the system "insurance," by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the Social Security commitment will be honored.

The Social Security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the

Congress' 40-year record of responsible action on Social Security.

Doubters among us should be reminded that a member of Congress who hopes for reelection will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress ever will do so.

RESERVES

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of Social Security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the Social Security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds.

Charges that reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by major studies of the system.

A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession.

As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be regarded as gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased, derive in the main from this year's contributions by workers and their employers.

As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern over the fact that his contributions are used to pay today's beneficiaries, or that his future benefits will be paid from future contributions.

REGRESSIVE?

It is said that Social Security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages.

If Social Security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. But the issue here is not whether Social Security *taxes* are regressive but whether the Social Security *system*, taking into account both benefits and contributions, is open to this charge.

The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high. While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent.

It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in Social Security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by Social Security than they are charged for the general support of government.

No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for Social Security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOUNDNESS

Congress keeps a watchful eye on the actuarial balance of the system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10 to 15 percent. Much less than this will be needed in the early part of this period and more in the latter part.

The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate, or it could come from general revenues. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 on, the active labor force in the United States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time.

If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from Social Security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people, reduce the burden of support for children. Thus active workers, on the average, will not have to support any more non-workers than they do today as a result of these changed fertility rates, but they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be, too, that over the long run productivity increases in the United States will help meet the problem.

BENEFIT LEVELS

The 1972 amendments provided for the automatic adjustment of benefits in accordance with increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed.

The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. Such a change in the formula would result in a substantially lower long-range cost than is shown by the current estimates.

NO 'MEANS' TEST

Mechanisms for preventing destitution in old age or in the event of the death or disability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for Social Security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into Social Security, could offer no comparable assurance to working people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency.

Designing such a system, moreover, would raise many thorny questions in specifying who should receive benefits, how large they should be, and how, if at all, their amounts should be varied. There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contributions to their own insurance protection?

The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing to provide noncontributory benefits without a means test and at a comparable level of adequacy to the 30 million people who now receive Social Se-

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curity benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The ultimate question posed by current attacks on Social Security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

"The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been to largely fulfilled to make for tolerance of those who would now destroy it.

THE ENERGY CRISIS

(Mr. OBERSTAR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OBERSTAR. Mr. Speaker, the recently concluded congressional recess gave me the opportunity both to report to the people of Minnesota's Eighth Congressional District on the actions of Congress in these first 4 weeks of the session, and to sample public reaction to and opinion on the President's energy, economic, and budget proposals to Congress.

In public meetings I held at various locations throughout this vast district, from Koochiching County on the Canadian border to Anoka County on the fringe of the Twin Cities metropolitan area and in a session with State legislators, I heard time and again that Minnesotans want a congressional alternative to the President's program.

The energy crisis is the No. 1, overriding concern expressed in every one of these meetings, for which I traveled 1,000 miles and directly contacted some 2,000 people.

What they told me was that—

They flatly reject a tax increase as a means to control either foreign oil imports or domestic consumption;

They are virtually unanimous in rejecting rationing as a means of controlling the distribution of gas and home heating fuel;

They are willing to accept a reasonable and practicable, mandatory, allocation program;

They reject the President's tax rebate proposal as being too little, and too generous to the wealthy while worsening the lot of those in the lowest income brackets;

They were shocked at the President's plan to increase the price of food stamps, while decreasing social security cost-of-living benefit increases, and at his budget proposals which shortchange human service needs while vastly increasing the already swollen military budget; and

They are firm in their rejection of continued U.S. financial assistance to Vietnam, and equally firm in insisting that our limited financial resources be used to strengthen the domestic economy.

No single need was cited more frequently than that of housing—the need to selectively lower interest and mortgage rates to stimulate construction in the housing sector of the economy.

Mr. Speaker, the people are dissatisfied and disappointed in the President's budget.

They are looking instead to Congress for answers to our economic and energy problems. We have become, in effect, the "Court of Last Appeal" against the inequitable, ineffective, and potentially disastrous proposals of the administration.

It is incumbent upon us to respond, with comprehensive plans, not merely with modifications of the President's proposals.

This must be our foremost goal in the weeks ahead.

At public "listening sessions" in Duluth and Superior, which Congressman DAVE OBEY and I jointly chaired, the most comprehensive, thoughtful statement was presented by Peter Benzoni, the able, hard-working director of District 33, United Steelworkers of America.

What Mr. Benzoni says in his statement sums up the feelings and reactions of virtually all those I contacted over this week-long recess.

I, therefore, submit it for the RECORD, to be considered by my colleagues in Congress:

STATEMENT OF UNITED STEELWORKERS OF AMERICA, DISTRICT NO. 33 TO CONGRESSMAN JAMES OBERSTAR OF MINNESOTA AND DAVID OBEY OF WISCONSIN BY PETER J. BENZONI, DIRECTOR, DISTRICT 33

America is in an economic emergency. The recession, which began more than a year ago, is already the most prolonged and the deepest since the 1930s. There is no end in sight.

The downward spiral is gathering momentum. In December, industrial production tumbled 2.8 percent, on top of a 4.6 percent decline in the previous 12 months. Public confidence in the government's ability to manage the economy continues to erode from one record low-point to another.

The country is on the brink of depression. Immediate, massive, emergency measures are required to turn the economy from the edge of disaster.

Without this emergency action, unemployment will feed on unemployment. Production cutbacks will spread further. The threat of widespread bankruptcies of businesses and banks will become reality.

The President's energy program represents an attempt to blackmail the Congress into adopting his inequitable tax rebate proposals. But while rebating little or nothing to low- and middle-income tax payers, the proposal would result in higher petroleum-related costs of up to $345 for the average American family. The $345 per family cost reflects only the Administration's estimate of the impact of the oil tax increases the President is seeking. The President's program would also deregulate natural gas and decontrol oil prices. If the price increases resulting from these deregulation proposals were included, the calculated costs to the average family would be much higher. By raising oil taxes and at the same time deregulating natural gas and oil prices, the program represents a rip-off in favor of the petroleum companies and a disaster to the low- and middle-income groups who will have to pay dearly for higher-priced fuel and petroleum by-products. The President is using the price mechanism as the means of controlling fuel consumption instead of a mandatory rationing system. A more aggressive and equitable program for stimulating the economy and curbing energy consumption must be adopted by the Congress.

We, therefore, recommend that you give utmost consideration to the following: Congress should enact—

An immediate tax cut of at least $20 billion, primarily for low- and middle-income taxpayers, to stimulate the economy through added purchasing power. Cut of individual income taxes, effective January 1, 1975, through reduced withholding from paychecks, heavily weighted on behalf of low- and middle-income families, by means of a $70 tax credit per exemption and a 5 percent cut in the tax remaining after the exemption credit, with a maximum cut of $375 per return; and

The President's proposed 12 percent tax rebate, up to a maximum of $1,000 would amount to less than $12 for a family of four earning $5,000. Twenty-five percent of American workers are in this bracket. A family of four with a taxable income of $10,000 would receive a rebate of $112.00. Only $157 for a similar sized family earning $12,500 a year. By contrast, a family would have to have an income of more than $41,000 (about 2 percent of U.S. families) to receive the maximum $1,000 rebate.

The President's proposal would not stimulate the economy, because it gives the bulk of its benefits to those income groups who don't need it. Low- and middle-income families, those hardest hit by inflation and recession, need a tax cut in order to purchase consumer goods and they need it every week, not just in two pitifully small lump sums. Therefore, we oppose the President's lopsided rebate proposal.

In addition, we will support enactment of a program to give relief to those working poor who pay no income taxes because their earnings are too low. Such a program will also stimulate the economy by giving added purchasing power to those who need it the most.

Following enactment of the needed emergency tax-cut stimulus for the economy, we urge the appropriate committees of the Congress to promptly begin work on closing the loopholes of special tax privilege for the wealthy and corporations. Only through tax justice will the government's needs for tax revenue he met by a fair and equitable tax structure.

Immediate reduction of interest rates and allocation of credit for high-priority social and economic activities.

Under the Credit Control Act of 1969, the President has the authority to direct the Federal Reserve Board to reduce interest rates and allocate credit. If he continues to refuse to use this authority, the Congress must enact legislation mandating the Federal Reserve Board to take these actions.

Significantly lower interest rates are essential to restore the health of the home-building industry and to encourage the general expansion of sales, production and employment. In addition, available credit must be allocated for housing, local government facilities and basic industrial expansion. Curbs must be placed on the extension of credit to speculators, gambling casino operators and foreign borrowers.

There is only one solution to unemployment, and that is jobs. Therefore, we urge emergency action on the following job-creating programs:

1. Immediate release of a substantial portion of the $19 billion in appropriated funds impounded by the President. Priority should be given to releasing those funds that would create jobs. Specifically:

(a) $9 billion of the impounded funds for construction grants for sewers and waste treatment plants.

(b) Nearly $4.4 billion for federal aid to highways.

(c) $372.5 million for hospital construction and modernization.

In addition, we urge the President not to carry out his announced intention to impound about $6 billion more in highway funds for Fiscal Year 1976.

Release of these funds could immediately result in order for building materials and the hiring of workers for on-site construction.

2. Immediate Congressional action on an Accelerated Public Works program providing a minimum of $2 billion in grants to communities with high unemployment to enable them to step up short-term construction and repairs of public facilities.

3. Full funding by the Congress and full implementation by the Labor Department and state and local governments of the Public Service Employment Program adopted by the Congress in December.

For unemployment workers, the government must:

1. Substantially improve the nation's unemployment insurance system by:

(a) Making extended unemployment compensation benefits available to jobless workers recently covered by the Emergency Jobs and Unemployment Assistance Act of 1974 for the same duration as for jobless workers covered by the permanent program.

(b) Eliminating the "waiting week" requirement in state programs which delays the payment of benefits for the jobless.

(c) Increasing the individual's weekly benefit amount to 75% of the former weekly wage up to 75% of the statewide average weekly wage, with the increased costs paid by the federal government during this emergency period.

(d) Requiring Employment Security Offices in those areas of substantial unemployment to remain open longer hours all week long, hiring enough additional staff to process claims without the demeaning and unnecessary delays to which the unemployed are presently subjected.

2. Provide health care to the millions of workers who lose their health insurance coverage under employer-employee plans when they become unemployed. The health care crisis facing the unemployed—who are denied Medicaid and stripped of their group coverage—is further evidence of the need for urgent congressional enactment of National Health Security. Therefore, we also call upon the House Ways and Means Committee to quickly hold subcommittee hearings and begin work on the long-neglected problem of an adequate health care system for America.

The President's proposal to place a 5 percent ceiling on mandated cost-of-living adjustments for Social Security, Railroad Retirement and civil service and military retirement benefits, and a similar 5 percent ceiling on pay increases for federal employees required under the Federal Pay Comparability Act is unfair and inequitable. On the one hand the President proposes higher prices for just about everything people must buy and, on the other, attempts to deny retirees and federal employees that to which they are legally entitled.

CONCLUSION

We call for immediate action on each and all of these points.

We pledge to our members, our fellow workers and our fellow citizens that we will not relent in our support of this program to put our economy in order and to improve our position in Notheastern Minnesta and Northern Wisconsin.

FREE THE TUNA BOATS

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, Washington this week has some visitors with a poignant cause: the plight of American fishermen held in Ecuador in the latest chapter of the "tuna war."

These visitors, who are seeing many Members of Congress as well as officials of the executive branch, are wives of the captive crew members. They are seeking some hard answers about the extent of our Government's commitment to their men. As most of our colleagues know, the difficulties of our fishermen stem from the extravagant territorial waters claims made by Ecuador and other Latin American countries.

A cogent editorial published Saturday, February 15, in the San Diego Evening Tribune urges that our Government demonstrate some spine for a change in dealing with the Ecuadorians. Unlike ourselves, the Ecuadorians always seem to know which way they are headed in this ongoing dispute over access to "territorial zones."

The editorial correctly notes that gunboat diplomacy would be "unrealistic" in our dealings with Ecuador. But it goes on to say—and this I fully concur—that—

It is not unreasonable • • • to expect our Government to advise Ecuadorian officials they are flirting with a prompt cut-off of American aid and a ban on Ecuadorian imports.

Our military assistance approaches $14 million a year, and we are buying some $18 million in Ecuadorian fishing products. Under the circumstances, these seem like dubious investments.

The aforementioned editorial follows:

FREE THE TUNA BOATS NOW

The ultimate solution to the frightening—and costly—conflict over fishing rights claimed by Latin-American nations is a workable international law-of-the-sea treaty defining the limits of territorial waters.

But the immediate problem of seven U.S. tunaboats held hostage by the courts in Ecuador must be faced right now by our government in Washington.

The explosive situation at the Ecuadorian port of Salinas has been prefaced by a continued State Department subsidy of fines levied against boat owners for violation of the claims of the Central and South American countries to a 200-mile territorial zone. The merit of the U.S. resistance to the unilateral definition is not at issue in the justified demands of the tuna industry and of the families of San Diego skippers and crews for positive government action.

Government policy fostered the tense situation, however, and the seizures call for a prompt and decisive government response.

Emotional pleas to assign U.S. Marines to the captive boats or to send armed Navy ships to escort them home emphasize domestic anxieties, but obviously are unrealistic.

It is not unreasonable, however, to expect our government to advise Ecuadorian officials forcefully that they are flirting with a prompt cut-off of American aid and a ban on Ecuadorian imports.

Neither is it unreasonable to believe that the threat should be carried out if the reply is unsatisfactory.

The estimated $13 million in military assistance in this year's foreign aid program and the reported $18 million market in the United States for Ecuadorian fishery products may be insignificant in comparison with our largesse to other nations.

But it exceeds by far the potential of $1.5 million in fines anticipated by Ecuador and the $1 million catch which Ecuador proposes to confiscate.

More than the personal safety of the tuna crews and the value of catch for which they have labored is at stake. The enforced idleness at the height of the tuna season could be a disaster to the industry and to the processors who distribute the catch.

The long-range objectives of a continuing United Nations conference to bring peace to the seas are admirable, but what is needed today is some hard-nosed determination in Washington.

ENDING DISCRIMINATION AGAINST WORKING WIDOWS UNDER THE SOCIAL SECURITY LAWS

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, I am introducing today an amendment to the social security laws to remedy present discrimination against widows who have worked.

At present a widow who has worked is faced with a difficult problem: She may receive either her own old-age benefit or a widow's benefit based on her husband's earnings—but not both. Since the widow's benefit is usually the larger, she will ordinarily receive that benefit and thereby lose her own contributions to the social security trust fund. As a result, most working widows collect exactly the same benefit as widows who have never worked.

The unfairness inherent in the law is clear: Not only does the working widow collect no more than the widow who did not work, but she also loses everything she has contributed to the trust fund over the years. I think this law is an unfair restriction on the working spouse's right to receive social security benefits he or she has paid for through the payroll tax.

Under my bill, the working woman would be entitled to collect both her own old-age benefit and her widow's benefit when her husband dies. The bill would apply with the same force to men, allowing those eligible to collect a widower's benefit also to collect an old-age benefit.

My bill would reward those who have been a productive part of the economy and supply additional income at a time when it is most urgently needed. It would provide security for many widows since they would know that the death of their spouse would not signal a sharp reduction in social security benefits.

In recent years we have witnessed a number of significant changes in the social security laws designed to end discriminatory treatment of women. The need for continued improvement is underscored by the shocking fact that 6 out of 10 elderly women who live alone have incomes below the poverty line. My bill would be an important step toward providing a decent standard of living for widows and eliminating inequities by recognizing that the working woman should collect benefits she has earned in her own right as well as those the law provides her as a surviving spouse.

I hope my colleagues will join me in supporting this important legislation.

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ELIMINATING SOCIAL SECURITY EARNINGS LIMITATION

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, the present social security laws penalize those senior citizens who must work to supplement their income. If they earn over $2,520 a year in wages, their social security benefits are reduced.

The time has come to do away with this harsh provision which denies to many senior citizens not only the benefits they may have worked 40 years to earn, but the dignity of working for a living. I am, therefore, introducing today legislation which will eliminate any limitation on retirement income. My bill will allow senior citizens to work without receiving reduced social security benefits.

For many of our elderly, the income they earn to supplement their meager social security benefits means the difference between bare subsistence and a decent standard of living. In a time of crippling inflation it is criminal that our social security laws penalize those persons who most need additional income.

In addition, many people approach age 62 or 65 in vigorous health, willing and able to continue working. It seems pointless for the social security laws, through the earnings limitation, to discourage these experienced people from continuing to be active and productive.

Finally, the earnings limitation is discriminatory. While wage earners are penalized, persons with unearned incomes are not. There can be no rational justification for taking away all social security benefits from someone who makes a salary, for example, of $8,500 a year, while allowing another, who may receive $50,000 a year in stock dividends, to get full benefits.

Many of my elderly constituents have told me of their despair and fear in the face of rapidly rising prices, and their anger at a Government which seems not to care. Passage of my bill to remove the social security earnings limitation will help to correct this intolerable situation by insuring at least that working senior citizens will not be denied a decent standard of living by their Government.

MARKING 300TH ANNIVERSARY OF JOHN FENWICK'S LANDING IN SALEM

(Mr. HUGHES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HUGHES. Mr. Speaker, this year marks the 300th anniversary of John Fenwick's landing at Salem and the beginning of the first English settlement in the Delaware Valley.

This important event occurred in my native State of New Jersey. This occasion is deserving of recognition. It is my belief that this event can best be remembered through the issuance of a commemorative stamp by the Postal Service, an honor John Fenwick's landing richly deserves.

In many ways the history of New Jersey is a microcosm of our national history. Initially, there were both internal and external problems.

The Dutch invaded New Jersey from 1673–74. When the English recaptured Jersey, James II tried to usurp the proprietors' claim to the colonies. In 1681 the proprietors' claim was finally acknowledged by the Crown—but the heretofore unthinkable thoughts of disloyalty and rebellion had been considered.

Internal difficulties revolved around the disputes between the large, absentee landlords and the small local farmers. Land ownership went hand in hand with control of the colonies; small landholders and residents were justifiably incensed by the power of absentee landlords over the conduct of their affairs.

In 1702 the cycle that lead to independence began. In that year the rule of the proprietors was limited and replaced by royal rule. Holders of huge parcels of land who spent their entire lives in England could no longer dictate to the settlers in America. But, alas, this form of bondage was replaced by another: Political submission to England. Release from this second menace was brought about by the concerted action of New Jersey and her 12 sister colonies which culminated in an independent United States of America.

New Jersey's leadership in colonial and revolutionary events can be traced to the courage and tenacity of her settlers. John Fenwick was the first of these settlers in the Delaware Valley. He, and those that followed him, might be appropriately honored by a commemorative stamp on the 300th anniversary of his landing.

LET US REVIVE THE CIVILIAN CONSERVATION CORPS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I recently came across a letter in the New York Times regarding the Civilian Conservation Corps, which operated so successfully during the 1930's and which continues to function on a very small scale still today.

The writer of this article is Kenneth Holland of Bronxville, N.Y., a personal friend and retired director of the Institute for International Education. He is one of the persons who testified in favor of establishing the CCC in congressional hearings in 1932. With our present level of unemployment and renewed awareness of the need to preserve our natural resources, I believe Mr. Holland's remarks are especially appropriate today and I wish to insert them into the RECORD for the benefit of my colleagues:

[From the New York Times, Jan. 24, 1975]

JOBS FOR YOUTHS: AN IDEA FROM THE 1930's

TO THE EDITOR:

Remember the Civilian Conservation Corps?

At a time when large sums of money are being made available to assist the millions of unemployed we should not overlook the successful experience of the United States during the early thirties when the Roosevelt Administration established work camps for the unemployed youth, known as the C.C.C. camps.

At their peak they enrolled some 500,000 young men between the ages of 18 and 25 and a few veterans from the First World War in some 2,500 camps scattered throughout all the states. The young men were selected by social workers working under the auspices of the Department of Labor. The camps were built and administered by the U.S. Army. The work projects were under the supervision of the Department of Agriculture using especially the Forest Service and the Soil Conservation Service, and the Interior Department using the experience of the National Park Service. The Office of Education developed an educational program that was related to the work the men did on their projects.

The camps provided three good meals a day, a warm bunk to sleep in, an educational and recreational program, medical and dental care and real work in our great out-of-doors building roads, trails, firebreaks, cabins and recreation centers in state and national parks; they worked on flood control projects, they installed soil erosion barriers, planted trees and grass. They generally carried on nationwide, constructive conservation programs.

The participants were paid a small monthly wage, some of which was allocated to their families. Besides doing manual labor, the young men learned trades as they acted as apprentices to electricians, carpenters, plumbers and painters on the construction projects in state and national parks. They learned to drive and maintain trucks and bulldozers; they operated drag lines, worked in the camps as cooks, bakers, medical orderlies, clerks and assistant camp educational advisers. Industry and governmental agencies that later hired these enrollees testified to the sound basic training they received from this experience.

The camps, I believe, achieved their objectives—to conserve and develop human and natural resources. The camps in a sense achieved the objectives of William James in his essay "The Moral Equivalent of War." He advocated the conscription of the youthful population to work out of doors. In this way they would develop the "ideals of hardihood and discipline; they would not remain blind to man's real relations to the globe he lives on . . . they would come back to society with healthier sympathies and soberer ideas . . . they would tread the earth more proudly."

KENNETH HOLLAND.

BRONXVILLE, N.Y., January 12, 1975.

(The writer spent five years with the American Youth Commission of the American Council on Education evaluating the camp projects.)

THE SAME RESOLUTION 100 YEARS AGO AND TODAY

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, I hope that the Members will not mind if I turn the attention of this body to some national history that, I believe, would mean a great deal back home to our constituents and to the Nation at large.

We are in the midst of making preparations for celebrating this Nation's second hundred years of birth. This is a time when as a nation and a people we should be looking back to our past to reinforce our convictions, to relearn the great truths embodied in the Declaration of Independence and a number of other important documents associated with the founding of this Nation.

It is a time for celebration of the beliefs and virtues that led a small group of men representing a handful of States to meet in Philadelphia to draw up a document, the Constitution, which has become a model for emerging nations all over the world.

There is something else we can and should do. This Nation is, after all, a Federal Republic and our roots and strength as a nation derive from that excellent balance of power which has enabled us to be a Union of States as well as a nation of people.

I would not have us overlook the importance of local history as we celebrate the Bicentennial.

Evidently there was someone else who felt this way, and he preceded me in this body.

On January 5, 1876, Congressman Augustus A. Hardenbergh of New Jersey introduced a joint resolution which called upon the countries and towns throughout the States to construct their own histories and then deposit a copy with the county clerk and with the Library of Congress—as a fitting tribute to the first Centennial and a record of what had actually been accomplished. He expected the people from an area to come together and with probably a fitting ceremony deliver or receive the finished document. This would be an occasion, a celebration of people who lived within reasonable close distance of one another.

I am today reintroducing that legislation, in the exact language that emerged from the Senate and House of Representatives on March 13, 1876—changing the word "Centennial" to "Bicentennial" only—and which was then brought to the attention of the American people through a Presidential proclamation signed by President Grant on May 25, 1876.

Congressman Hardenbergh had some valuable observations to make when he discussed his resolution that I would like to quote from now. He said that—

I presume, Mr. Speaker, it will scarcely be considered necessary to encroach upon the time of the House in the advocacy of a resolution so simple and yet so just as this, and yet it is one whereby it is designed to add a most interesting feature in the celebration of our centennial year. While our people will flock in crowds to Philadelphia, it will be impossible for the vast majority of American citizens, scattered as they are over our immense domain, to attend at Philadelphia, who yet are anxious to revive the proper feelings of pride and patriotism which our centennial year evokes.

Mr. Hardenbergh's remarks are equally true today. We need to take the Bicentennial to the people. Even though transportation has become more rapid and comfortable over this past century, we now are faced with an energy crisis and high transportation costs when people are short on money. These facts point to the same conclusion of that resolution of a hundred years ago. Let us provide some proper celebration "to revive the proper feelings of pride and patriotism" which our, in this case, Bicentennial year evokes and let us go to the people, rather than their coming to us.

Local Bicentennial committees are working on a variety of projects to adequately celebrate our second national birthday. But I believe with Mr. Hardenbergh that passage of his resolution has a special value. As he spoke to the Congress regarding his resolution:

It affords a fitting opportunity by request of the National Legislature, to assemble within their own counties and towns, and in this manner to secure a more perfect history of our country than would otherwise be possibly secured.

He also offered as a selling point for his resolution the fact that it "appeals to no prejudice, it comprehends every section, and is without expense to the Government."

Some 250 historical memorials were received by the Library of Congress as a result of this resolution. There are pamphlets, books, sketches of local history to 1876, Centennial orations. As historical accounts of the first Centennial, as revelations of how local communities celebrated the Centennial and its meaning to them, they are invaluable.

When former President Lyndon B. Johnson issued the proclamation setting November 22, 1964, the first anniversary of the assassination of John F. Kennedy, as "a day of national rededication" he made some remarks about history that would certainly have accorded with the ideas of the former President he was honoring and that are pertinent to this resolution I introduce today. Said former President Johnson—

History is more than the record of man's conflict with nature and himself. It is the knowledge which gives dimension to the present, direction to the future, and humility to the leaders of men. A nation, like a person, not conscious of its own past is adrift without purpose or protection against the contending forces of dissolution.

I think these remarks bear much thought. I hope we take them to heart.

Thus it is my hope, Mr. Speaker, that this body and the other body will have completed action on this joint resolution before Memorial Day of this year and that a Presidential proclamation will be forthcoming.

Congressman Hardenbergh's resolution came in the actual year of celebration of the Centennial. Mine is 1 year in advance with the hope that this will encourage local Bicentennial enthusiasts to turn their attention and perhaps some of their funding to projects involving local history, or that local civic groups will take this upon themselves, with the idea of then sharing the information that is discovered and celebrating the Bicentennial together as local communities proud of their part in our national development.

VOCATIONAL, OCCUPATIONAL, AND CAREER EDUCATION

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, today I am introducing with the cosponsorship of AL QUIE the Career Guidance and Counseling Act of 1975 on behalf of the American Personnel and Guidance Association. The APGA is the only professional organization representing guidance counselors throughout the country. An important part of the work of its 37,000 members is the provision of career guidance and counseling for people of all ages.

I would like to note two important facets of the Career Guidance and Counseling Act. First, that act mandates the implementation and coordination of services in and among existing community programs dealing with career guidance, such as the public schools, manpower, prime sponsors, the U.S. Employment Service, vocational rehabilitation programs, and community colleges. The second aspect is that the bill emphasizes the urgency of providing career development services for groups with special needs—minorities, the handicapped, women, and second careerists.

Mr. Speaker, with our present high unemployment and serious economic distress we can no longer afford people making critical educational and vocational decisions on a haphazard basis. The merit I see in the bill I am introducing today is that it would provide for an effective program of career guidance to help people make sound decisions on training and jobs.

I will send, at the end of this week, a letter to the membership of the House asking if any Members care to cosponsor this bill. Then I will reintroduce the bill next week with consponsorship.

In addition to introducing the Career Guidance and Counseling Act today, I am reintroducing with cosponsors two bills I introduced on February 6. Those bills are the Vocational Education Act of 1975 prepared by the American Vocational Association and the Postsecondary Vocational Act of 1975 prepared by the American Association of Community and Junior Colleges.

It is my general purpose in introducing all these bills to get the views of these national organizations on record so that the Congress can have the benefit of their thinking as we write our own legislation in the field of vocational, occupational, and career education.

UMI

EDGAR INTRODUCES RESOLUTION TO SPEED ECONOMIC AND ENERGY LEGISLATION

(Mr. EDGAR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDGAR. Mr. Speaker, the news media heaped scorn upon Congress last week for its failure to continue work on a desperately needed economic and energy program through the Lincoln's Birthday recess. The question we must ask ourselves is, "Was that scorn justified?" Congressmen generally do not "play" during recess. They meet diligently with constituents and organizations. But this is not the time to do what Congress "generally" does. We cannot maintain business as usual when the country is not functioning as usual. We must admit the public has lost confidence in Congress ability to make a difference in high food prices and low fuel supplies. And we must counteract this by demonstrating that Congress can rise to our Nation's emergency. As a step toward restoring confidence and resolving critical issues I am today introducing a resolution. The text of the resolution follows:

H.R. —

Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems

Whereas our Nation is currently faced with economic problems of crisis proportions, with severe inflation accompanied by unemployment at a rate unmatched since before World War II;

Whereas those economic problems are compounded by our Nation's rate of consumption of petroleum in general and foreign petroleum in particular;

Whereas the American people are daily suffering the consequences of these economic and energy problems and are justifiably demanding that the leaders of our country, both in the legislative and executive branches, develop and enact comprehensive and equitable solutions to these problems;

Whereas the Congress has asked the American people to allow it a ninety-day period in which to work on and accomplish this goal; and

Whereas the Congress can earn the trust and respect of the American people only by working diligently, unceasingly, and in a spirit of bipartisan cooperation to achieve this goal; Now, therefore, be it

Resolved, That—

(1) the committees of the House of Representatives should assign top priority to bills within their jurisdiction which deal with solutions to the Nation's economic and energy problems;

(2) the committees of the House should work at least five days each week on these top priority bills in order to report them to the House for its consideration within the ninety-day period the Congress has reserved for its deliberations;

(3) the Committee on Rules and the leadership of the House should assign top priority to consideration and action on bills dealing with solutions to the Nation's economic and energy problems;

(4) the House should meet at least five days each week to consider and act on such bills; and

(5) the House should take no further recesses until it has completed all necessary action on such bills.

STATEMENT OF CHAIRMAN ULLMAN CONCERNING THE RULE TO BE REQUESTED BY THE COMMITTEE ON WAYS AND MEANS ON H.R. 2166, AS AMENDED

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, I take this means of advising our Democratic colleagues in the House of Representatives as to the type of rule the Committee on Ways and Means has instructed me to request from the Rules Committee on H.R. 2166, as amended, the tax rebate bill. I am making this announcement in order to comply with the requirements of the Democratic Caucus concerning notice to the Democratic Members as to requests for closed rules on legislation.

I have been directed by the Committee on Ways and Means to request a modified closed rule on H.R. 2166. The rule is to provide for one amendment in the nature of a substitute to be offered by Mr. CONABLE; to provide for committee amendments; 4 hours of general debate to be equally divided; waiving points of order; and with the usual one motion to recommit.

It is our hope that this bill can be scheduled by the Rules Committee for a hearing at the earliest possible time within the requirements of the caucus, and that it can be scheduled for floor action as soon as possible following the issuance of a rule, if a rule is granted. Thus, it is my hope that we can obtain a rule some time next week and that the leadership will schedule the bill for consideration as soon as possible after the rule is granted.

I attach herewith a brief summary of the principal provisions of the bill, as amended:

BRIEF SUMMARY OF THE TAX REDUCTION ACT OF 1975

TITLE I. REFUND OF 1974 INDIVIDUAL INCOME TAXES

In general, a 10 percent rebate of 1974 income taxes would be provided to individual taxpayers. The minimum rebate would equal the lesser of $100 or the taxpayer's 1974 income tax liability. The maximum rebate would be $200 and would be reduced by $1 for every $100 of adjusted gross income between $20,000 and $30,000. Taxpayers with adjusted gross incomes in excess of $30,000 would receive a rebate of $100. The rebate would be paid by the Treasury Department in one installment.

NOTE.—The $100 minimum rebate may be reduced to the extent necessary to confine the revenue loss of this provision to $8.0 billion.

TITLE II. INDIVIDUAL INCOME TAX REDUCTIONS

A. Increase in low-income allowance

The low-income allowance or minimum standard deduction would be increased from $1,300 to $1,900 for single persons and from $1,300 to $2,500 for married couples who file a joint return. The low-income allowance would be increased from $650 to $1,250 for married persons who file separately. The increase in the low-income allowance would apply to taxable years beginning after December 31, 1974 and before January 1, 1976.

B. Increase in percentage standard deduction

The percentage standard deduction would be increased from 15 percent of adjusted gross income with a maximum of $2,000 to 16 percent of adjusted gross income with a maximum of $2,500 for single persons and with a maximum of $3,000 for married couples who file a joint return. The standard deduction would be increased from $1,000 to $1,500 for married persons who file separately. The increase in the percentage standard deduction would apply to taxable years beginning after December 31, 1974 and before January 1, 1976.

The revenue loss associated with the increase in the low-income allowance and the increase in the percentage standard deduction is estimated to be $5.07 billion.

C. Withholding adjustments

Withholding taxes would be reduced to reflect the increase in the low-income allowance and the percentage standard deduction. Lower withholding would begin on May 1, 1975.

D. Earned income credit

A 5 percent refundable tax credit on earned income (wages and self-employment income) with a maximum credit of $200 would be provided for low-income individuals. The credit would be reduced by $1 for each $10 of adjusted income in excess of $4,000. Thus, the credit would be completely phased out at an income level of $6,000. The credit would apply to taxable years beginning after December 31, 1974 and before January 1, 1976.

The revenue loss associated with the earned income credit is estimated to be $3.3 billion.

TITLE III. CORPORATE INCOME TAX REDUCTIONS

1. Temporary adjustments in the investment tax credit

A. Increase in Investment Tax Credit

The investment tax credit would be increased generally from 7 percent to 10 percent and from 4 percent to 10 percent for most public utilities. However, the increment in the credit could not exceed $100 million for any one company or affiliated group. The effective date for the increase in the investment tax credit is January 22, 1975.

B. Progress Payments

Under present law, the investment tax credit may be applied against tax liabilities only when property is placed in service. Under the bill, the investment tax credit would be allowed sooner than under present law with respect to long lead-time property that requires in exceess of 2 years to construct. The credit would be permitted to the extent of the lesser of (a) the cost of construction or (b) payments expended by the taxpayer. This rule would be phased in ratably over 5 years.

C. Public Utilities

In the case of most public utilities, the limitation on the amount of the investment credit that may be taken in a year would be increased from 50 percent of tax liability in excess of $25,000 to 100 percent for 1975 and 1976. Thereafter, the limitation would decrease by 10 percentage points a year until it reached the general 50 percent limitation in 1981.

D. Investment in Used Property

Present law places a limit of $50,000 on the amount of used property investment which is eligible for the investment tax credit. Under the bill, the $50,000 limitation would be increased to $75,000.

E. Revenue Effects

The revenue loss associated with the provisions of Title III relative to the investment tax credit is estimated to be $2.585 billion.

2. Temporary adjustment in the corporate surtax exemption

The corporate surtax exemption would be increased from $25,000 to $50,000. Thus, the first $50,000 of taxable income would be taxed at the normal tax rate of 22 percent. Taxable income in excess of $50,000 would be taxed at 48 percent.

The revenue loss associated with the increase in the corporate surtax exemption is estimated to be $1.2 billion.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BOB WILSON (at the request of Mr. MICHEL), for today, on account of illness.

Mr. BARRETT (at the request of Mr. EILBERG), for today and tomorrow, Thursday, February 20, on account of a necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 60 minutes, today.

(The following Members (at the request of Mr. KETCHUM) to revise and extend their remarks and include extraneous material:)

Mr. COHEN, for 5 minutes, today.

Mr. CLEVELAND, for 5 minutes, today.

Mr. STEELMAN, for 5 minutes, today.

Mr. STEIGER of Wisconsin, for 5 minutes, today.

Mr. HANSEN, for 10 minutes, today.

(The following Members (at the request of Mr. EDGAR) to revise and extend their remarks and include extraneous material:)

Mr. MOAKLEY, for 5 minutes, today.

Ms. HOLTZMAN, for 10 minutes, today.

Mr. DIGGS, for 10 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. NATCHER, for 5 minutes, today.

Mr. O'NEILL, for 30 minutes, today.

Mr. EILBERG, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. CORMAN, for 5 minutes, today.

Mr. FORD of Tennessee, for 10 minutes, today.

Mr. ALEXANDER, for 30 minutes, today.

Mr. ADDABBO, for 10 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GAYDOS, for 10 minutes, today.

Mr. DENT, for 5 minutes, today.

Mr. STAGGERS, for 5 minutes, today.

Mr. GAYDOS, for 15 minutes, February 20.

Mr. SIMON, for 10 minutes, February 24.

Mr. ROSTENKOWSKI, for 60 minutes, March 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SMITH of Iowa.

(The following Members (at the request of Mr. KETCHUM) and to include extraneous matter:)

Mr. WINN.

Mrs. HECKLER of Massachusetts.

Mr. SARASIN.

Mr. DERWINSKI in two instances.

Mr. MICHEL in two instances.

Mr. KASTEN in three instances.

Mr. BELL.

Mr. FREY.

Mr. KEMP.

Mr. HEINZ.

Mr. CRANE.

Mr. GUDE.

Mr. GRADISON.

Mr. COUGHLIN.

Mr. VANDER JAGT.

Mr. ERLENBORN.

Mr. GILMAN.

Mr. REGULA.

Mr. HAMMERSCHMIDT.

Mr. SHRIVER.

Mr. PRESSLER.

Mr. JEFFORDS in two instances.

Mr. BAUMAN in 10 instances.

Mr. FRENZEL in five instances.

Mr. SYMMS in two instances.

Mrs. FENWICK.

Mr. COHEN.

Mr. TREEN.

Mr. WYLIE.

Mr. ANDERSON of Illinois in two instances.

Mr. SKUBITZ in three instances.

Mr. WHALEN.

Mr. WALSH.

Mr. ARMSTRONG in two instances.

Mr. COLLINS of Texas in four instances.

(The following Members (at the request of Mr. EDGAR) and to include extraneous matter:)

Mr. MCDONALD of Georgia in six instances.

Mr. MILFORD.

Mr. SCHEUER in 10 instances.

Mr. ALEXANDER in 10 instances.

Mr. JACOBS in two instances.

Mr. YATRON.

Mr. MAZZOLI in two instances.

Mr. BYRON in 10 instances.

Mr. RICHMOND.

Mr. WOLFF in 10 instances.

Mrs. SPELLMAN.

Mr. ST GERMAIN.

Mr. RIEGLE in two instances.

Mr. HÉBERT in two instances.

Mr. REUSS in five instances.

Ms. JORDAN in two instances.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in four instances.

Mr. ROGERS in five instances.

Mr. HARRINGTON.

Mr. DELANEY.

Mr. TEAGUE.

Mr. PATTEN in two instances.

Mr. EVINS of Tennessee.

Mr. ASHLEY in four instances.

Mr. SIMON.

Mr. RISENHOOVER in two instances.

Mr. HUNGATE.

Mr. DRINAN.

Mr. MCCORMACK in 10 instances.

Mr. ROSENTHAL.

Mr. ZEFERETTI.

Mr. SOLARZ.

Mr. OTTINGER.

Mr. HAMILTON.

Mr. MINETA.

Mr. NIX.

Mr. COTTER.

Mr. MCHUGH in two instances.

Ms. HOLTZMAN.

Mr. BROWN of California.

Mr. RANGEL.

Mr. CARR in 10 instances.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ADJOURNMENT

Mr. EDGAR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 3 minutes p.m.), the House adjourned until tomorrow, Thursday, February 20, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

359. A letter from the President of the United States, transmitting a proposed amendment to a supplemental appropriation for fiscal year 1975 for the Department of Transportation (H. Doc. No. 94–53); to the Committee on Appropriations and ordered to be printed.

360. A letter from the President of the United States, transmitting a draft of proposed legislation to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization of appropriations, and for other purposes (H. Doc. No. 94–54); to the Committee on Foreign Affairs and ordered to be printed.

361. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting the Defense manpower requirements report for fiscal year 1976 and the 3-month transition period ending September 30, 1976, pursuant to 10 U.S.C. 138(c)(3); to the Committee on Armed Services.

362. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations and guidelines governing supplementary educational centers and services (guidance, counseling, and testing), pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

363. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations governing parts A and C through G of the Education of the Handicapped Act, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

364. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations for the State vocational education programs under the Vocational Education Act of 1963, as amended, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

365. A letter from the Executive Secretary of the Department of Health, Education, and Welfare, transmitting notice of proposed amended regulations governing the operation of the guaranteed student loan program, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

366. A letter from the Director, Bureau of

Land Management, Department of the Interior, transmitting the semiannual report on negotiated sales contracts made by the Bureau for the disposal of materials during the period ended December 31, 1974, pursuant to Public Law 87–689; to the Committee on Interior and Insular Affairs.

367. A letter from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to amend section 404 of title 23, United States Code, to revise the procedure for appointing the Chairman of the National Highway Safety Advisory Committee; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

368. A letter from the Comptroller General of the United States, transmitting a report on premium pay for Federal inspectors at U.S. ports of entry; jointly to the Committees on Government Operations and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MATSUNAGA: Committee on Rules. House Resolution 223. Resolution waiving certain points of order against House Joint Resolution 210. Joint Resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 94–15). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 3189. A bill to amend the Internal Revenue Code of 1954 to allow farmers to defer certain payments received for losses to crops caused by natural disasters until the taxable year in which the income from the crops have been reported; to the Committee on Ways and Means.

By Mr. ANDERSON of California (for himself, Mr. COTTER, Mr. BURGENER, and Mr. WOLFF):

H.R. 3190. A bill to amend the Public Health Service Act to provide for the screening and counseling of Americans with respect to Tay-Sachs disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H.R. 3191. A bill to amend title 2 of the United States Code, to provide for the consideration and adoption of the Rules of the House of Representatives for the 95th and each succeeding Congress; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BELL, Mr. BROOMFIELD, Mr. BROYHILL, Mr. DEL CLAWSON, Mr. COCHRAN, Mr. COHEN, Mr. du PONT, Mr. FINDLEY, Mr. FORSYTHE, Mr. GUYER, Mrs. HOLT, Mr. JOHNSON of Pennsylvania, Mr. KINDNESS, Mr. LATTA, Mr. LENT, Mr. LOTT, Mr. MARTIN, Mr. MICHEL, Mr. MITCHELL of New York, Mr. MOORE, Mr. RUPPE, Mr. SPENCE, and Mr. TALCOTT):

H.R. 3192. A bill to amend title 2 of the United States Code to provide for the consideration and adoption of the Rules of the House of Representatives for the 95th and each succeeding Congress; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. TREEN, Mr. WHITEHURST, Mr. BOB WILSON, Mr. YOUNG of Florida, Mr. WINN, Mr. JEFFORDS, Mr. SHRIVER, Mr. MOSHER, and Mr. CONABLE):

H.R. 3193. A bill to amend title 2 of the United States Code to provide for the consideration and adoption of the Rules of the House of Representatives for the 95th and each succeeding Congress; to the Committee on Rules.

By Mr. ANNUNZIO:

H.R. 3194. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

H.R. 3195. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax related to the purchase of certain new motor vehicles during 1975 and 1976; to the Committee on Ways and Means.

H.R. 3196. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax related to the purchase of houses; to the Committee on Ways and Means.

By Mr. ASHLEY (for himself, Mrs. HECKLER of Massachusetts, Mr. SCHEUER, Mr. WHITTEN, and Mr. WOLFF):

H.R. 3197. A bill to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or whose incomes have been significantly reduced as the result of adverse economic conditions; to the Committee on Banking, Currency and Housing.

By Mr. ASPIN:

H.R. 3198. A bill to create the position of ombudsman, and for other purposes; to the Committee on House Administration.

By Mr. BADILLO:

H.R. 3199. A bill to assure opportunities for employment to unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

H.R. 3200. A bill to amend title 18 of the United States Code to provide rules for the treatment of prisoners in Federal correctional institutions; to the Committee on the Judiciary.

By Mr. BELL (for himself, Mr. REES, and Mr. CORMAN):

H.R. 3201. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM (for himself, Ms. ABZUG, Mr. BADILLO, Ms. CHISHOLM, Mr. DOMINICK V. DANIELS, Mr. EDWARDS of California, Ms. HOLTZMAN, Mr. KOCH, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. RANGEL, Mr. RICHMOND, Mr. ROSENTHAL, Mr. STARK, Mr. VANDER VEEN, Mr. WAXMAN, Mr. WON PAT and Mr. YATES):

H.R. 3202. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs; to the Committee on the Judiciary.

By Mr. CASEY (for himself and Mr. BROOKS):

H.R. 3203. A bill to amend the Flood Disaster Protection Act of 1973 to make compliance with its provisions voluntary; to the Committee on Banking, Currency, and Housing.

By Mr. DON H. CLAUSEN:

H.R. 3204. A bill designating the Luther Burbank shasta daisy as the national flower of the United States; to the Committee on House Administration.

By Mr. COHEN (for himself and Mr. HASTINGS):

H.R. 3205. A bill to amend the Public Health Service Act to establish a Health Education Administration within the Department of Health, Education, and Welfare and to provide for the development and implementation of a national health education program; to the Committee on Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 3206. A bill to amend section 104 of the Federal Water Pollution Control Act relating to training grants and projects; to the Committee on Public Works and Transportation.

By Mr. CORMAN:

H.R. 3207. A bill to provide for emergency relief for small business concerns in connection with fixed-price Government contracts; to the Committee on Small Business.

H.R. 3208. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. OTTINGER, Mr. SCHEUER, and Mr. TSONGAS):

H.R. 3209. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 3210. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. DENT (for himself and Mr. HAYS of Ohio):

H.R. 3211. A bill to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens outside the United States; to the Committee on House Administration.

By Mr. DENT (for himself, Mr. MOAKLEY, and Mr. O'HARA):

H.R. 3212. A bill to establish a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

By Mr. DRINAN:

H.R. 3213. A bill to require the submission of reports to the Congress prior to the issuance of a license for the export of certain arms, ammunition, or implements of war; to the Committee on Foreign Affairs.

By Mr. DUNCAN of Tennessee:

H.R. 3214. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, to raise the contribution base, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3215. A bill to amend the Railroad Unemployment Insurance Act; to the Committee on Interstate and Foreign Commerce.

H.R. 3216. A bill to amend title 5, United States Code, to credit, in computing length of service for retention purposes in Federal reductions in force, former service performed for agricultural stabilization county committees and associations of producers by Federal employees in any executive department or agency of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3217. A bill to amend the Internal Revenue Code to encourage development of processes to convert coal to low-pollutant synthetic fuels; to the Committee on Ways and Means.

H.R. 3218. A bill to amend title II of the Social Security Act to establish more effective procedures for the conduct of hearings, and the appointment of hearing examiners, with respect to claims under such title or title XVIII of such act; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama:

H.R. 3219. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to recognize the difference in hazards to employees between the heavy construction industry and the light residential construction industry; to the Committee on Education and Labor.

H.R. 3220. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Education and Labor.

H.R. 3221. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Government Operations.

H.R. 3222. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3223. A bill to make the use of a firearm to commit certain felonies a Federal crime where that use violates State law, and for other purposes; to the Committee on the Judiciary.

H.R. 3224. A bill to amend the act of August 13, 1946, to increase the Federal contribution to 90 percent of the cost of shore restoration and protection projects; to the Committee on Public Works and Transportation.

H.R. 3225. A bill to amend the Internal Revenue Code of 1954 with respect to the tax-exempt status of, and the deductibility of contributions to, certain private schools; to the Committee on Ways and Means.

H.R. 3226. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly to the Committees on Interstate and Foreign Commerce and Ways and Means.

By Mr. ESHLEMAN:

H.R. 3227. A bill to amend the Food Stamp Act of 1964, to exclude from coverage by the act every household which has a member who is on strike, and for other purposes; to the Committee on Agriculture.

By Mr. FRASER:

H.R. 3228. A bill to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENZEL (for himself, Mr. DUNCAN of Tennessee, Ms. SCHROEDER, Mr. ARCHER, Mr. STEELMAN, Mr. EDWARDS of California, Mr. VANDER JAGT, Mr. DELLUMS, Mr. SYMMS, Mr. MCCLOSKEY, Mrs. HECKLER of Massachusetts, Mr. MOSHER, Mr. BEDELL, Mrs. HOLT, Mr. COLLINS of Texas, Mr. CLEVELAND, and Mr. KEMP):

H.R. 3229. A bill to provide for accelerated capital formation; to the Committee on Ways and Means.

By Mr. FREY:

H.R. 3230. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of certain increases in monthly benefits under the Social Security Act and other Federal retirement programs; to the Committee on Veterans' Affairs.

H.R. 3231. A bill to provide for a Veterans' Administration hospital in Brevard County, Fla.; to the Committee on Veterans' Affairs.

By Mr. FREY (for himself, Mr. ADDABBO, Mr. ANDREWS of North Dakota, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BURGENER, Mr. COCHRAN, Mr. CONYERS, Mr. DUNCAN of Tennessee, Mr. EVANS of Indiana, Mr. FASCELL, Mr. FLOOD, Mr. HECHLER of West Virginia, Mr. MCCLOSKEY, Mr. MCKINNEY, Mr. MARTIN, Mr. MURPHY of New York, Mr. ROE, Mr. SIKES, Mr. SIMON, Mr. SOLARZ, Mr. WON PAT, and Mr. YATRON):

H.R. 3232. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GOLDWATER:

H.R. 3233. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

H.R. 3234. A bill to amend the Social Security Act to provide that future increases in retirement or disability benefits under Federal programs shall not be taken into consideration in determining a person's need for aid or assistance under any of the Federal-State public assistance programs; to the Committee on Ways and Means.

By Mr. GOLDWATER (for himself, Mr. KOCH, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BOLAND, Mr. CARR, Ms. CHISHOLM, Mr. CONABLE, Mr. CONYERS, Mr. D'AMOURS, Mr. DAVIS, Mr. DELLUMS, Mr. DE LUGO, Mr. DRINAN, Mr. DUNCAN of Tennessee, Mr. EDGAR, Mr. EDWARDS of California, Mr. FINDLEY, Mr. FISH, Mr. GAYDOS, Mr. GIAIMO, Mr. GUYER, Mr. HARRINGTON, Mr. HICKS, and Mr. HINSHAW):

H.R. 3235. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself, Mr. KOCH, Mrs. HOLT, Mr. HORTON, Mr. LENT, Mr. LONG of Maryland, Mr. MCKINNEY, Mr. MELCHER, Mr. MILLER of California, Mr. MITCHELL of New York, Mr. MOORHEAD of California, Mr. MURTHA, Mr. NIX, Mr. OBEY, Mr. O'HARA, Mr. PATTISON of New York, Mr. RANGEL, Mr. REES, Mr. RICHMOND, Mr. RINALDO, Mr. ROYBAL, Mr. RYAN, Mr. SARASIN, Ms. SCHROEDER, and Mr. SOLARZ):

H.R. 3236. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself, Mr. KOCH, Mr. SPENCE, Mr. STARK, Mr. STUDDS, Mr. TRAXLER, Mr. TSONGAS, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, and Mr. WON PAT):

H.R. 3237. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 3238. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3239. A bill to amend title 5 of the United States Code to provide that supergrade employees (and certain other Federal employees) whose pay is subject to a special statutory limitation shall be credited, for civil service retirement purposes, with the full amount of the basic pay they would be entitled to receive in the absence of such limitation: to the Committee on Post Office and Civil Service.

By Mr. HAWKINS:

H.R. 3240. A bill to provide education equalization incentive grants to the States; to the Committee on Education and Labor.

By Ms. HOLTZMAN:

H.R. 3241. A bill to amend the Fair Labor Standards Act of 1938 to narrow the circumstances under which an employer employing employees subject to that act may have wage differentials based on sex of the employees; to the Committee on Education and Labor.

H.R. 3242. A bill to amend title II of the Social Security Act to provide that an individual may simultaneously receive (without any reduction or offset) both an old-age or disability insurance benefit and a widow's or widower's insurance benefit; to the Committee on Ways and Means.

H.R. 3243. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. HUBBARD:

H.R. 3244. A bill to amend title II of the Social Security Act to reduce from 9 to 6 months the period for which the surviving spouse of an insured individual (not otherwise qualified) must have been married to such individual in order to qualify as such individual's widow or widower; to the Committee on Ways and Means.

By Mr. JEFFORDS (for himself and Mrs. LLOYD of Tennessee):

H.R. 3245. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. JEFFORDS (for himself, Mr. AUCOIN, Mr. DUNCAN of Oregon, Mr. PRESSLER, Mr. WEAVER, Ms. ABZUG, Mr. BUCHANAN, Mr. BURLISON of Missouri, Mr. CARTER, Mr. CONYERS, Mr. EDGAR, Mr. FISHER, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mr. HORTON, Mr. MOORHEAD of Pennsylvania, Mr. SCHEUER, Mr. STUDDS, Mr. TSONGAS, Mr. UDALL, and Mr. DELLUMS):

H.R. 3246. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Ms. JORDAN:

H.R. 3247. A bill to amend the Voting Rights Act of 1965 to extend its coverage; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 3248. A bill to amend title 38, United States Code, in order to entitle veterans to 45 months of educational assistance for all educational programs under chapter 34 of this title; to the Committee on Veterans' Affairs.

By Mr. KASTENMEIER (for himself, Mr. STEELMAN, Mr. BADILLO, Mr. BENNETT, Mr. COHEN, Mr. DOWNEY, Mr. DRINAN, Mr. EDWARDS of California, Mr. GILMAN, Mr. GUDE, Mr. HORTON, Mrs. LLOYD of Tennessee, Mr. MAZZOLI, Mr. MIKVA, Mr. MOSHER, Mr. OTTINGER, Mr. PATTISON of New York, Mr. QUIE, Mr. RAILSBACK, Mr. REUSS, Mr. SEIBERLING, Mr. SIMON, Mr. VANDER JAGT, Mr. CHARLES WILSON of Texas, and Mr. WINN):

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H.R. 3249. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. KASTENMEIER (for himself, Mr. STEELMAN, Mr. ANDERSON of California, Mr. AUCOIN, Mr. BALDUS, Mr. BAUCUS, Mr. BELL, Mrs. BURKE of California, Mr. BLOUIN, Mr. BRODHEAD, Mr. CORNELL, Mr. DODD, Mr. EDGAR, Mr. HARRINGTON, Mr. KOCH, Mr. MCCLOSKEY, Mr. MILLER of California, Mr. MITCHELL of Maryland, Mr. NEAL, Mr. NIX, Mr. PRESSLER, Mr. ROSENTHAL, Mr. SOLARZ, Mr. STARK, and Mr. WON PAT):

H.R. 3250. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. KETCHUM:

H.R. 3251. A bill to amend title 5, United States Code, to provide that excess annual leave lost by a Federal employee because of an unjustified or unwarranted personnel action shall be restored to such employee in the same manner as if lost because of administrative error; to the Committee on Post Office and Civil Service.

By Mr. KETCHUM (for himself and Mr. LAGOMARSINO):

H.R. 3252. A bill to provide for the establishment of a National Voluntary Medical and Hospital Services Insurance Act; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH (for himself and Mr. HINSHAW):

H.R. 3253. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. CLEVELAND, Mr. COHEN, Mr. CONTE, Mr. DOMINICK V. DANIELS, Mr. GIAIMO, Mr. HASTINGS, Mr. HORTON, Mr. LENT, Mr. ST GERMAIN, Mr. SCHEUER, Mr. STUDDS, Mr. WHITEHURST, and Mr. WOLFF):

H.R. 3254. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LEGGETT:

H.R. 3255. A bill to amend title II of the Social Security Act to permit a State, under its section 218 agreement, to terminate social security coverage for State or local policemen or firemen without affecting the coverage of other public employees who may be members of the same coverage group (and to permit the reinstatement of coverage for such other employees in certain cases where the group's coverage has previously been terminated); to the Committee on Ways and Means.

By Mr. LEGGETT (for himself and Mr. QUIE):

H.R. 3256. A bill to provide for the establishment of an Agricultural Labor Relations Board for the purpose of regulating the agricultural industry and agricultural labor, and for other puposes; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mrs. FENWICK, Mr. BUCHANAN, Mr. CHARLES WILSON of Texas, Mr. DERWINSKI, Mr. WINN, Mr. HECHLER of West Virginia, Mr. BROWN of Ohio, and Mr. ULLMAN):

H.R. 3257. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

By Mr. LITTON (for himself, Mr. FINDLEY, Mr. FORD of Tennessee, Mr. RICHMOND, Mr. WINN, Mr. FASCELL, Mr. RIEGLE, Mr. LAGOMARSINO, Mr. CARTER, Mr. HORTON, and Ms. HOLTZMAN):

H.R. 3258. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Ms. ABZUG, Mr. ANDREWS of North Carolina, Mr. BADILLO, Mr. BOWEN, Mr. BREAUX, Mr. BROWN of California, Mr. DE LUGO, Mr. FLOOD, Mr. FRENZEL, Mr. GINN, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KEMP, Mr. KETCHUM, Mr. LONG of Maryland, Mr. MELCHER, Mr. MEZVINSKY, Mr. MOORHEAD of California, Mr. MITCHELL of Maryland, Mr. ROE, Mr. CHARLES WILSON of Texas, Mr. WON PAT, Mr. UDALL, and Mr. ULLMAN):

H.R. 3259. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars to freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

By Mr. MAHON:

H.R. 3260. A bill to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93-398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93-391), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MATSUNAGA:

H.R. 3261. A bill to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER:

H.R. 3262. A bill providing that certain privately owned irrigable lands in Milk River project in Montana shall be deemed to be excess lands; to the Committee on Interior and Insular Affairs.

H.R. 3263. A bill to authorize the Secretary of the Interior to designate the Beartooth Highway, Montana and Wyoming, as the "James E. Murray Memorial Parkway," and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER (for himself, Mr. ABDNOR, Mr. BERGLAND, and Mr. WEAVER):

H.R. 3264. A bill to amend the Internal Revenue Code of 1954 to allow farmers to defer certain payments received for losses to crops caused by natural disasters until the taxable year in which the income from the crops would have been reported; to the Committee on Ways and Means.

By Mrs. MINK:

H.R. 3265. A bill to amend the Mineral Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOLLOHAN:

H.R. 3266. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide that a unit of general local government having a population of 50,000 or more shall be eligible to be a prime sponsor; to the Committee on Education and Labor.

By Mr. OBERSTAR:

H.R. 3267. A bill to provide relief from shore damages attributable to high water levels in the Great Lakes, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. PATTEN:

H.R. 3268. A bill to amend title XIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. THOMPSON, Mr. DOMINICK V. DANIELS, Mr. MITCHELL of Maryland, Mrs. SULLIVAN, Mr. RAILSBACK, Mr. RODINO, Mr. SCHEUER, Mr. BALDUS, Mr. DRINAN, Mr. WAMPLER, Mr. CARNEY, Mr. EVANS of Indiana, Mr. STEELMAN, Mr. FLOOD, Mr. CHARLES H. WILSON of California, Mr. RANGEL, Mr. HUBBARD, Mr. STAGGERS, Mr. KAZEN, Mr. VAN DEERLIN, and Mr. BRECKINRIDGE):

H.R. 3269. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself and Mr. QUIE):

H.R. 3270. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. THOMPSON, Mr. DOMINICK V. DANIELS, Mrs. SPELLMAN, Mr. STEIGER of Wisconsin, Mrs. SULLIVAN, Mr. RODINO, Mr. SCHEUER, Mr. STAGGERS, Mr. DRINAN, Mr. CARNEY, Mr. EVANS of Indiana, Mr. VAN DEERLIN, Mr. BALDUS, Mr. FLOOD, Mr. CHARLES H. WILSON of California, Mr. RANGEL, Mr. HUBBARD, Mr. MITCHELL of Maryland, and Mr. BRECKINRIDGE):

H.R. 3271. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes; to the Committee on Education and Labor.

By Mr. PRESSLER:

H.R. 3272. A bill to provide for continuing earth resources satellite experimentation; to the Committee on Science and Technology.

By Mr. PREYER (for himself, Mr. ASHLEY, Mr. CARTER, Mr. COUGHLIN, Mr. DAVIS, Mr. DEVINE, Mr. DODD, Mr. GOODLING, Mr. HELSTOSKI, Mr. HUBBARD, Mr. REGULA, Mr. ROE, Mr. SEIBERLING, Mr. SCHNEEBELI, Mr. TREEN, and Mr. YATRON):

H.R. 3273. A bill to give greater assurance that national and regional needs are satisfied in times of shortage of natural gas and petroleum and its products; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE (by request):

H.R. 3274. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes; to the Joint Committee on Atomic Energy.

H.R. 3275. A bill to authorize supplemental appropriations to the Nuclear Regulatory Commission for fiscal year 1975; to the Joint Committee on Atomic Energy.

By Mr. QUIE (for himself, Mr. ANDERSON of California, Mr. AUCOIN, Mr. BENITEZ, Mr. BERGLAND, Mr. CARR, Mr. DOWNEY, Mr. FAUNTROY, Mrs. FENWICK, Mr. GILMAN, Mr. GUDE, Mrs. HECKLER of Massachusetts, Mr. HOWARD, Mr. HUNGATE, Mrs. LLOYD of Tennessee, Mr. LONG of Louisiana, Mr. METCALFE, Mrs. MEYNER, Mr. PATTEN, Mr. PATTISON of New York, Mr. PRESSLER, Mr. RONCALIO, Mr. SOLARZ, Mr. STARK, and Mr. SYMINGTON):

H.R. 3276. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, Mr. BELL, Mr. CARR, Mr. LAFALCE, Mr. GILMAN, Mr. UDALL, Mr. PATMAN, Mr. CLEVELAND, Mr. MCKINNEY, and Mr. HOWE):

H.R. 3277. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. ROBINSON (for himself, Mr. LENT, and Mr. MOORE):

H.R. 3278. A bill to provide further for uniform annual observances of certain legal public holidays on Monday, and for other purposes: to the Committee on Post Office and Civil Service.

By Mr. ROGERS (by request):

H.R. 3279. A bill to amend the Public Health Service Act to revise and extend the program of assistance under title VII for training in the health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SLACK:

H.R. 3280. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H.R. 3281. A bill to amend the Commodity Exchange Act to require public disclosure of certain information relating to sales of commodities for export, and for other purposes; to the Committee on Agriculture.

By Mr. STAGGERS (for himself and Mr. DEVINE):

H.R. 3282. A bill to amend the Rail Passenger Service Act of 1970 to authorize additional appropriations; to the Committee on Interstate and Foreign Commerce.

H.R. 3283. A bill to amend the Railroad Retirement Act of 1974 to provide for the continuing annual credit to the railroad retirement account and the railroad retirement supplemental account of the taxes collected under the Railroad Retirement Tax Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELMAN (for himself, Mr. GOLDWATER, Mr. HORTON, Mr. GUDE, Mr. TSONGAS, Mr. HARRINGTON, Mr. PATTISON of New York, Mr. OBEY, Mr. COUGHLIN, Mr. QUIE, Mr. RIEGLE, Mr. LENT, Mr. LEGGETT, Mr. HANNAFORD, Mr. BIESTER, Mr. MATSUNAGA, Ms. CHISHOLM, and Mr. BUCHANAN):

H.R. 3284. A bill to enforce the first amendment and fourth amendment to the Constitution and the constitutional right of privacy by prohibiting any civil officer of the United States or any member of the Armed Forces of the United States from using the Armed Forces of the United States to exercise surveillance of civilians or to execute the civil laws, and for other purposes; to the Committee on the Judiciary.

By Mr. VANDER JAGT:

H.R. 3285. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. BOB WILSON:

H.R. 3286. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. WINN:

H.R. 3287. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 3288. A bill to require the Board of Governors of the Federal Reserve System to make certain reports to the Congress to facilitate coordination of fiscal policy with monetary and credit policies; to the Committee on Banking, Currency and Housing.

By Mr. ASHLEY:

H.R. 3289. A bill to promote economic stabilization by maximizing the availability of credit for national priority uses and by diverting funds from speculative and nonproductive uses; to the Committee on Banking, Currency and Housing.

By Mr. BIAGGI:

H.R. 3290. A bill to prohibit Federal assistance to rental housing projects where tenants are not allowed to have pets, or to local governments which do not permit pets in rental housing; to the Committee on Banking, Currency and Housing.

By Mr. BIAGGI:

H.R. 3291. A bill to amend the Fair Labor Standards Act of 1938 to reduce and then repeal the credit against the minimum wage which is based on tips received by tipped employees; to the Committee on Education and Labor.

By Mr. BOWEN:

H.R. 3292. A bill to exclude from gross income the first $500 of interest or dividends on savings deposits or withdrawable accounts in savings and loan associations, banks, credit unions, and other thrift institutions; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3293. A bill to amend the Internal Revenue Code of 1954 to allow an individual a credit for certain household and dependent care expenses necessary for gainful employment; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. BENNETT, Mrs. BOGGS, Mr. BROOKS, Mr. EDWARDS of Alabama, Mr. FASCELL, Mr. FUQUA, Mr. JONES of North Carolina, Mr. LOTT, Mr. ROSE, Mr. SIKES, Mr. WAGGONNER, and Mr. CHARLES WILSON of Texas):

H.R. 3294. A bill to amend section 4 of the Fish and Wildlife Act of 1965, to provide short-term relief to those portions of the fishing industry which have suffered economic dislocation; to the Committee on Merchant Marine and Fisheries.

By Mr. BREAUX (for himself, Mr. BROWN of California, Mr. CARR, Mr. DAVIS, Mr. DE LUGO, Mr. FAUNTROY, Mr. FINDLEY, Mr. FREY, Mr. GOODLING, Mr. HÉBERT, Mr. HUNTGATE, Mr. JONES of North Carolina, Mr. LEHMAN, Mr. LOTT, Mr. MITCHELL of Maryland, Mr. ROE, Mr. CHARLES WILSON of Texas, Mr. WINN, and Mr. WON PAT):

H.R. 3295. A bill to amend the Internal Revenue Code of 1954 to provide an individual tax credit for disaster evacuation expenses; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. BROWN of California, Mr. CARR, Mr. DAVIS, Mr. DE LUGO, Mr. FAUNTROY, Mr. FREY, Mr. GOODLING, Mr. HÉBERT, Mr. HUNGATE, Mr. JONES of North Carolina, Mr. LEHMAN, Mr. LOTT, Mr. MITCHELL of Maryland, Mr. ROE, Mr. CHARLES WILSON of Texas, and Mr. WON PAT):

H.R. 3296. A bill to amend the Internal Revenue Code of 1954 to provide an individual tax credit for disaster preparation expenses; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. BENNETT, Mrs. BOGGS, Mr. EDWARDS of Alabama, Mr. FASCELL, Mr. FUQUA, Mr. JENRETTE, Mr. JONES of North Carolina, Mr. LOTT, Mr. ROSE, Mr. SIKES, Mr. WAGGONNER, and Mr. CHARLES WILSON of Texas):

H.R. 3297. A bill to impose quantitative limitations on the importation of shrimp into the United States during calendar years 1975 and 1976, and to impose a duty on imported shrimp; to the Committee on Ways and Means.

By Mr. BURGENER:

H.R. 3298. A bill to transfer jurisdiction over the food stamp program to the Secretary of Health, Education, and Welfare; to the Committee on Agriculture.

By Mr. BURGENER (for himself, Mr. PRESSLER, Mr. SCHULZE, and Mr. PATTISON of New York):

H.R. 3299. A bill to amend title 5, United States Code, to provide for a reduced retirement annuity for a Member of Congress who remains in office after becoming 70 years of age; jointly to the Committees on Post Office and Civil Service and House Administration.

By Mr. DANIELSON:

H.R. 3300. A bill to amend section 410(a) of title 38, United States Code, to provide a statutory presumption of service-connected death of any veteran who has been rated totally disabled by reason of service-connected disability; to the Committee on Veterans' Affairs.

By Mr. DUNCAN of Tennessee:

H.R. 3301. A bill to provide reduced retirement benefits for Members of Congress who remain in office after attaining 65 years of age; jointly to the Committees on Post Office and Civil Service and House Administration.

By Mr. FISH (for himself, Mr. ABDNOR, Ms. ABZUG, Mr. BROWN of California, Mr. BUCHANAN, Mrs. BURKE of California, Mr. CARR, Mr. CARTER, Mr. CLEVELAND, Mr. COLLINS of Texas, Mr. CONYERS, Mr. CORNELL, Mr. EDGAR, Mr. EILBERG, Mr. FLOOD, Mr. FORD of Tennessee, Mr. FRASER, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mrs. HOLT, Mr. HORTON, Ms. JORDAN, Mr. KREBS, Mr. MILLER of California, and Mrs. MINK):

H.R. 3302. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal and related expenses incurred with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. FISH (for himself, Mr. MOORHEAD of California, Mr. MURPHY of Illinois, Mr. OBERSTAR, Mr. OTTINGER, Mr. PREYER, Mr. RAILSBACK, Mr. RANGEL, Mr. RICHMOND, Mr. RIEGLE, Mr. ROBINSON, Mr. RONCALIO, Mr. ROSE, Mr. SARBANES, Mr. SCHNEEBELI, Mr. STEIGER of Arizona, Mr. WHITEHURST, and Mr. YOUNG of Georgia):

H.R. 3303. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 3304. A bill to provide that pay adjustments for Members of Congress take effect in the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

H.R. 3305. A bill to amend title 18, United

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States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. FRASER:

H.R. 3306. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States; jointly, to the Committee on Ways and Means and Interstate and Foreign Commerce.

By Mr. FRENZEL:

H.R. 3307. A bill to amend the Export-Import Bank Act and the Trade Reform Act of 1974 to ease restrictive limitations on credits to be made available for export sales of American goods to the Union of Soviet Socialist Republics; to the Committee on Banking, Currency and Housing.

By Mr. GRASSLEY:

H.R. 3308. A bill to provide for a 10 per centum reduction in the compensation of Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. HARSHA:

H.R. 3309. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income; to the Committee on Ways and Means.

By Mr. HENDERSON:

H.R. 3310. A bill to amend title 5, United States Code, to revise the method of determining cost-of-living increases payable to civil service annuitants; to the Committee on Post Office and Civil Service.

By Mr. HENDERSON (for himself, Ms. ABZUG, Mr. ADDABBO, Mr. ANDERSON of California, Mr. BADILLO, Mr. BALDUS, Mr. BEVILL, Mr. BROWN of California, Mr. BOWEN, Mr. CLAY, Mr. COCHRAN, Mr. CORMAN, Mr. DANIELSON, Mr. DAVIS, Mr. EDGAR, Mr. EDWARDS of California, Mr. EILBERG, Mr. ENGLISH, Mr. EVANS of Indiana, Mr. FLOOD, Mr. FOUNTAIN, Mr. FULTON, Mr. GAYDOS, Mr. GUDE, and Mr. HALL):

H.R. 3311. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself, Mr. BERGLAND, Mrs. BOGGS, Mr. BUCHANAN, Mr. CLEVELAND, Mr. DODD, Mr. DUNCAN of Oregon, Mr. FORD of Tennessee, Mr. FRASER, Mrs. HECKLER of Massachusetts, Mr. GONZALEZ, Ms. HOLTZMAN, Mr. KINDNESS, Mr. MAGUIRE, Mr. MURPHY of New York, Mr. TREEN, Mr. TSONGAS, Mr. WAXMAN, Mr. WHITEHURST, Mr. WHITTEN, Mr. CHARLES WILSON of Texas, Mr. WINN, Mr. WON PAT, Mr. YATRON, and Mr. ZEFERETTI):

H.R. 3312. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself, Mr. HARRINGTON, Mr. HEFNER, Mr. HELSTOSKI, Mr. HOLLAND, Mrs. HOLT, Mr. HYDE, Mr. JEFFORDS, Mr. JENRETTE, Mr. JOHNSON of Pennsylvania, Mr. JOHNSON of California, Mr. JONES of North Carolina, Mr. KREUGER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEHMAN, Mrs. LLOYD of Tennessee, Mr. MCCORMACK, Mr. MADDEN, Mr. MELCHER, Mr. MITCHELL of Maryland, Mr. MOORHEAD of California, and Mr. MORGAN):

H.R. 3313. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commerical life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself, Mr. HANNAFORD, Mr. MOTTL, Mr. NEAL, Mr. NIX, Mr. OBEY, Mr. O'BRIEN, Mr. PEPPER, Mr. PEYSER, Mr. PREYER, Mr. REUSS, Mr. RICHMOND, Mr. RODINO, Mr. ROE, Mr. ROSE, Mr. RYAN, Mr. SARBANES, Mr. SEBELIUS, Mr. SIMON, Mr. SOLARZ, Mrs. SPELLMAN, Mr. STOKES and Mr. TALCOTT):

H.R. 3314. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Ms. HOLTZMAN (for herself, Ms. ABZUG, Mr. BROWN of California, Mr. CARR, Mr. CONYERS, Mr. EDGAR, Mr. EVANS of Indiana, Mr. FLOOD, Mr. FRASER, Mr. HARRINGTON, Mr. KOCH, Mrs. LLOYD of Tennessee, Mr. MCKINNEY, Mr. MITCHELL of Maryland, Mr. RICHMOND, Mr. ROE, Mr. RONCALIO, Mr. ROSENTHAL, Mr. SCHEUER, Mr. JAMES V. STANTON, Mr. THOMPSON, Mr. TRAXLER, Mr. CHARLES H. WILSON of California, Mr. WON PAT, and Mr. YATRON):

H.R. 3315. A bill to provide joint and survivors' annuity benefits under private pension plans based upon the participant's vested benefit; jointly to the Committees on Education and Labor and Ways and Means.

By Mr. JENRETTE:

H.R. 3316. A bill to prohibit changes in the missing status classification of members of the uniformed services unless certain requirements are complied with; to the Committee on Armed Services.

By Mr. KASTEN:

H.R. 3317. A bill to provide price support for milk at not less than 90 per centum of the parity price, and to provide that such price support shall be adjusted quarterly; to the Committee on Agriculture.

By Mr. LITTON:

H.R. 3318. A bill to adjust loan levels and target prices on the 1975, 1976, and 1977 crops of wheat, feed grains, and cotton; to the Committee on Agriculture.

H.R. 3319. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. LITTON (for himself, Mr. WHITEHURST, Mr. RUNNELS, Mr. CLEVELAND, Mr. JEFFORDS, Mr. RIEGLE, and Mr. LAFALCE):

H.R. 3320. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

By Mr. LITTON (for himself, Mr. MCCLORY, Mr. EVINS of Tennessee, Mr. SIKES, Mr. CHARLES WILSON of Texas, Mr. FRASER, Mr. JOHNSON of California, Mr. BREAUX, Mr. TRAXLER, and Mr. ULLMAN):

H.R. 3321. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. MCCLOSKEY, Mr. REES, Ms. SCHROEDER, Mr. ADDABBO, Mr. LAFALCE, Mr. MCCORMACK, Ms. HOLTZMAN, Mr. HARRINGTON, Mr. RYAN, Mr. KREBS, Mr. LENT, Mr. CHARLES WILSON of Texas, Mr. FORD of Tennessee, Mr. ANDERSON of Illinois, Mrs. SPELLMAN, Mr. MOORHEAD of California, Ms. ABZUG, Mr. BEARD of Rhode Island, Mr. GUDE, Mr. GAYDOS, Mr. MITCHELL of Maryland, Mr. BURGENER, Mr. DOWNEY, and Mr. STOKES):

H.R. 3322. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. STEIGER of Wisconsin, Mr. ROE, Mr. RONCALIO, Mr. AUCOIN, Mr. EVANS of Indiana, Mr. MCKINNEY, Mr. MURTHA, Mr. SIMON, Mr. FASCELL, Mr. HAYS of Ohio, Mr. CORMAN, Mr. RICHMOND, Mr. THOMPSON, Mr. STARK, Mr. EDWARDS of California, Mr. EILBERG, Mrs. BOGGS, Mr. STUDDS, Mr. HECHLER of West Virginia, Mr. ZEFERETTI, Mr. SARBANES, Mr. FRASER, Mr. KETCHUM, and Mr. COUGHLIN):

H.R. 3323. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. BIESTER, Mr. PEYSER, Mr. NEAL, Mr. SARASIN, and Mr. JEFFORDS):

H.R. 3324. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. McDONALD of Georgia:

H.R. 3325. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any Federal felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

H.R. 3326. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. McKINNEY:

H.R. 3327. A bill to amend the Clean Air Act to provide certain motor vehicle emission standards for the model years 1977 through 1981 and to amend the Internal Revenue Code of 1954 to impose an excise tax for model years 1979 through 1981 on the sale of passenger automobiles based on fuel efficiency, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce and Ways and Means.

By Mr. MARTIN (for himself, and Mr. JONES of Oklahoma):

H.R. 3328. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for medical expenses, and for other purposes; to the Committee on Ways and Means.

By Mr. MAZZOLI:

H.R. 3329. A bill to amend the Vocational Education Act of 1963; to the Committee on Education and Labor.

By Mr. MICHEL:

H.R. 3330. A bill to modify labeling and packaging requirements for colored oleomargarine or colored margarine under the Federal Food, Drug, and Cosmetic Act; to the Committee on Interstate and Foreign Commerce.

H.R. 3331. A bill to amend title 5 of the United States Code with respect to the observance of Memorial Day and Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. MITCHELL of Maryland:

H.R. 3332. A bill to establish the Federal Protective Service police force within the General Services Administration, provide minimum trainng, pay, and other benefits for such police force, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. PERKINS:

H.R. 3333. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 3334. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to increase safety on the Nation's highways; to the Committee on Public Works and Transportation.

By Mr. PICKLE:

H.R. 3335. A bill to amend the Age Discrimination in Employment Act of 1967 to provide for the nondiscrimination on account of age in government employment, and in Federal Government employment; to the Committee on Education and Labor.

By Mr. PRESSLER:

H.R. 3336. A bill to amend the Revised Statutes of the United States to permit any Federal officer or employee to waive the receipt of any portion of his/her compensation; to the Committee on Post Office and Civil Service.

By Mr. RANDALL:

H.R. 3337. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RISENHOOVER:

H.R. 3338. A bill to amend title 38 of the United States Code in order to extend the entitlement of veterans to educational assistance from 36 to 45 months; to the Committee on Veterans' Affairs.

By Mr. ROBINSON:

H.R. 3339. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

H.R. 3340. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

By Mr. ROBINSON:

H.R. 3341. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. RODINO (for himself, Mr. REUSS, Mr. NIX, Mr. BROWN of California, Mr. ADDABBO, Mr. UDALL, Mr. ROSENTHAL, Mr. JOHN L. BURTON, Mr. CHARLES H. WILSON of California, Mr. CONYERS, Mr. AUCOIN, Mr. EILBERG, Mr. RIEGLE, Mr. ULLMAN, Mr. MITCHELL of Maryland, Mr. STARK, Mr. SEIBERLING, Mr. OBEY, Mr. CORMAN, Mr. THOMPSON, Mr. PATTISON of New York, Mr. REES, Mr. MAZZOLI, Mr. HARRINGTON, and Mr. WON PAT):

H.R. 3342. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. JACOBS, Ms. JORDAN, Mr. YATES, Mr. MILLER of California, Mr. LAFALACE, Mr. MOAKLEY, Mr. MOORHEAD of Pennsylvania, Mr. GAYDOS, Mr. ESCH, Ms. BURKE of California, Mr. MURPHY of New York, Mr. ASHLEY, Mr. BOLLING, Mr. FAUNTROY, Mr. KOCH, Mr. CLAY, Mr. RONCALIO, Mr. FORD of Tennessee, Mr. FRASER, Mr. FASCELL, Mr. RICHMOND, Ms. CHISHOLM, Mr. BOLAND, and Mr. D'AMOURS):

H.R. 3343. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. ROE, Mrs. LLOYD of Tennessee, Mr. MEZVINSKY, Mr. TSONGAS, Ms. ABZUG, Mr. COTTER, Mr. CARR, Mr. OTTINGER, Mr. FORD of Michigan, Mr. CORNELL, Mr. STUDDS, Mr. EDGAR, Mr. WIRTH, Mr. BRODHEAD, Mr. MIKVA, Mr. KASTENMEIER, Mr. MINETA, Mr. SARBANES, Mr. BALDUS, Mr. RANGEL, Ms. HOLTZMAN, Mr. HICKS, and Mr. VANDER VEEN):

H.R. 3344. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. SATTERFIELD:

H.R. 3345. A bill to amend title 10, United States Code, to establish a new center for research regarding prisoner-of-war health problems; to the Committee on Armed Services.

By Mr. SATTERFIELD:

H.R. 3346. A bill to amend title 38 of the United States Code to establish a priority for the furnishing of outpatient medical treatment to veterans with service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 3347. A bill to amend title 38 of the United States Code in order to revise the eligibility requirements and the medical benefits provided to eligible veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3348. A bill to amend title 38, United States Code, in order to extend and improve the program of exchange of medical information between the Veterans' Administration and the medical community, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SATTERFIELD (for himself, Mr. TEAGUE, and Mr. ROBERTS):

H.R. 3349. A bill to amend title 38 of the United States Code to permit veterans to determine how certain drugs and medicines will be supplied to them; to the Committee on Veterans' Affairs.

By Mr. SATTERFIELD (for himself and Mr. ROBERTS):

H.R. 3350. A bill to amend title 38 of the United States Code in order to make certain technical corrections therein, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. SCHROEDER:

H.R. 3351. A bill to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SEIBERLING (for himself, Mr. BEARD of Rhode Island, Mr. BOLAND, Mr. COHEN, Mr. CONYERS, Mr. CORNELL, Mr. D'AMOURS, Mr. DELLUMS, Mr. DE LUGO, Mr. DOWNEY, Mr. DU PONT, Mr. EILBERG, Mr. FULTON, Mr. HICKS, Mr. HINSHAW, Mr. HORTON, Mr. ICHORD, Mr. JACOBS, Mrs. LLOYD of Tennessee, Mr. LLOYD of California, Mr. MCCORMACK, Mr. MAGUIRE, Mr. MATSUNAGA, and Mr. KREUGER):

H.R. 3352. A bill to amend the Federal Deposit Insurance Act to terminate the insurance of any bank which fails to pay a certain rate of interest on all tax and loan accounts; to the Committee on Banking, Currency and Housing.

By Mr. SEIBERLING (for himself, Mr. MEEDS, Mrs. MEYNER, Mr. MOAHER, Mr. Moss, Mr. NIX, Mr. NOLAN, Mr. PATTISON of New York, Mr. RIEGLE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. ST GERMAIN, Mr. SARASIN, Mr. SCHEUER, Mr. TAYLOR of North Carolina, Mr. THOMPSON, Mr. TSONGAS, Mr. VANDER VEEN, Mr. CHARLES H. WILSON of California, Mr. CHARLES WILSON of Texas, Mr. WOLFF, Mr. OTTINGER, Mr. LA FALCE, Mr. WIRTH, and Mr. MEZVINSKY):

H.R. 3353. A bill to amend the Federal Deposit Insurance Act to terminate the insurance of any bank which fails to pay a certain rate of interest on all tax and loan accounts; to the Committee on Banking, Currency and Housing.

By Mr. SKUBITZ:

H.R. 3354. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. STARK (for himself, Mr. DE LUGO, Ms. BOGGS, and Mr. PATTISON of New York):

H.R. 3355. A bill to authorize the Secretary of the Interior to study the feasibility of a national park, recreational area, or wilderness area in the Ridgelands East of the San Francisco Bay in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEIGER of Wisconsin (for himself, Mr. BIESTER, Mr. RAILSBACK, and Mr. FREY):

H.R. 3356. A bill to establish a Youth Council in the Executive Office of the President; to the Committee on Education and Labor.

By Mr. STEPHENS (for himself and Mr. LANDRUM):

H.R. 3357. A bill to suspend until June 30, 1976, the duty on catalysts of platinum and carbon used in producing caprolactam; to the Committee on Ways and Means.

By Mr. SYMINGTON (for himself, Ms. ABZUG, Mr. BROWN of California, Mrs. BURKE of California, Mr. CORMAN, Mr. ROBERT W. DANIEL, Jr., Mr. FAUNTROY, Mr. FLOOD, Mr. FRASER, Mr. GILMAN, Mr. HARRINGTON, Mr. JACOBS, Mr. JOHNSON of Pennsylvania, Ms. JORDAN, Mr. LENT, Mrs. MEYNER, Mrs. MINK, Mr. MITCHELL of New York, Mr. PEYSER, Mr. ROE, Mr. RYAN, Mr. SARASIN, Mr. SCHEUER, Ms. SCHROEDER, and Mr. STARK):

H.R. 3356. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. SYMINGTON (for himself, Mr. FORD of Tennessee, Ms. HOLTZMAN, Mr. LONG of Maryland, Mr. STOKES, Mr. WAXMAN, Mr. CHARLES WILSON of Texas, Mr. CHARLES H. WILSON of California, and Mr. WINN):

H.R. 3359. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON:

H.R. 3360. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. WALSH:

H.R. 3361. A bill to suspend the duty on open-top hopper cars exported for repairs or alteration on or before June 30, 1975; to the Committee on Ways and Means.

By Mr. WHALEN:

H.R. 3362. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITEHURST:

H.R. 3363. A bill to direct the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the

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Department of Defense; to the Committee on Armed Services.

By Mr. WHITEHURST:

H.R. 3364. A bill to amend the Merchant Marine Act, 1920, to establish a grant program to enable public ports to comply with certain Federal standards, to direct the Secretary of Commerce to undertake a comprehensive study of the present and future needs of public ports in the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CHARLES H. WILSON of California:

H.R. 3365. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WINN (for himself, Mr. FORD of Tennessee, Mr. RIEGLE, Mr. GAYDOS, Mrs. SPELLMAN, Mr. HINSHAW, Mr. BIESTER, Mr. MATSUNAGA, and Mr. BUCHANAN):

H.R. 3366. A bill to amend the Internal Revenue Code of 1954 to treat the amounts paid for custodial care by institutions of certain dependents as amounts paid for medical care; to the Committee on Ways and Means.

By Mr. WON PAT:

H.R. 3367. A bill to provide for the extension of credit to Guam for the development of community facilities on Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ADDABBO:

H.J. Res. 211. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mrs. BURKE of California (for herself, Ms. ABZUG, Mr. BROWN of California, Mr. CARTER, Mr. CORMAN, Mr. DELLUMS, Mr. EDGAR, Mr. FLOOD, Mr. FRASER, Mr. FRENZEL, Mr. HARRINGTON, Mrs. HECKLER of Massachusetts, Mrs. HOLT, Ms. HOLTZMAN, Mrs. KEYS, Mr. KOCH, Mr. LEGGETT, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. PATTISON of New York, Mr. RANGEL, Mr. RIEGLE, Mr. RYAN, Mr. SIMON, and Mr. SOLARZ):

H.J. Res. 212. Joint resolution providing for a study by the Commission on Civil Rights of certain aspects of the local, State, and Federal criminal justice systems as they affect women; to the Committee on the Judiciary.

By Mrs. BURKE of California (for herself, Mrs. SPELLMAN, Mr. STARK, Mr. SYMINGTON, Mr. VAN DEERLIN, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, Mr. YATES, Mr. BADILLO, Mr. YOUNG of Georgia, and Mr. STOKES):

H.J. Res. 213. Joint resolution providing for a study by the Commission on Civil Rights of certain aspects of the local, State and Federal criminal justice systems as they affect women; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.J. Res. 214. Joint resolution proposing an amendment to the Constitution of the United States relative to force and effect of treaties; to the Committee on the Judiciary.

H.J. Res. 215. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. FORSYTHE:

H.R. Res. 216. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. FREY:

H.J. Res. 217. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. HARSHA:

H.J. Res. 218. Joint resolution authorizing increased production of petroleum from the Elk Hills Naval Petroleum Reserve for national defense purposes; to the Committee on Armed Services.

By Mr. MAHON:

H.J. Res. 219. Joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes; to the Committee on Appropriations.

By Mrs. MINK:

H.J. Res. 220. Joint resolution to provide for the creation of the Kalaupapa National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. QUIE (for himself, Mr. WRIGHT, Mr. ANDREWS of North Dakota, Mr. GOLDWATER, Mr. SEBELIUS, and Mr. MOLLOHAN):

H.J. Res. 221. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons; to the Committee on the Judiciary.

By Mr. ROBINSON (for himself, Mr. KINDNESS, Mr. LENT, Mr. MOORE, and Mr. SEBELIUS):

H.J. Res. 222. Joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day"; to the Committee on Post Office and Civil Service.

By Mr. ROUSH:

H.J. Res. 223. Joint resolution relative to the bicentennial celebration in the several counties or towns of the several States; to the Committee on Post Office and Civil Service.

By Mr. SEBELIUS (for himself, Mr. BEARD of Rhode Island, Mr. ANDREWS of North Dakota, Mr. ASPIN, Mr. BALDUS, Mr. DAVIS, Mr. DEVINE, Mr. ESCH, Mr. FASCELL, Mr. FORD of Tennessee, Mr. GUYER, Mr. HECHLER of West Virginia, Mr. JOHNSON of California, Mr. JONES of North Carolina, Mr. MORGAN, Mr. POAGE, Mr. REGULA, Mr. RISENHOOVER, Mr. SIKES, Mr. THOMPSON, Mr. WAGGONNER, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, Mr. WINN, and Mr. WOLFF):

H.J. Res. 224. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. SEBELIUS (for himself, Mr. ANDERSON of California, Mr. ARMSTRONG, Mr. BEVILL, Mr. CLEVELAND, Mr. DENT, Mr. EVANS of Indiana, Mr. FINDLEY, Mr. FLOOD, Mr. GOODLING, Miss HOLTZMAN, Mr. HORTON, Mr. MCKINNEY, Mr. LUJAN, Mr. CARTER, Mr. SARBANES, Mr. MAGUIRE, and Mr. YOUNG of Florida):

H.J. Res. 225. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.J. Res. 226. Joint resolution asking the President of the United States to declare the 13th day of October 1975, and the 13th day of October of each succeeding year as "Animal Welfare Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 227. Joint resolution requesting the President to proclaim the second week of May as "Municipal Clerks' Week"; to the Committee on Post Office and Civil Service.

By Mr. REES:

H. Con. Res. 124. Concurrent resolution expressing the sense of Congress with respect to the conduct of monetary policy; to the Committee on Banking, Currency and Housing.

By Mr. ANDERSON of California (for himself, Mr. FLORIO, and Mr. WOLFF):

H. Con. Res. 125. Concurrent resolution that an imposition of a ceiling on social security cost-of-living benefit increases not be enacted; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Mr. NOLAN, Mr. OTTINGER, Ms. SPELLMAN, Mr. JACOBS, Mr. DOWNEY, Mr. COTTER, and Mr. SCHEUER):

H. Con. Res. 126. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. ESHLEMAN:

H. Con. Res. 127. Concurrent resolution expressing the sense of Congress with respect to certain patents, which, if utilized, could result in energy savings; to the Committee on the Judiciary.

By Mr. GILMAN (for himself, Mrs. BOGGS, Mr. PRESSLER, Mr. ADDABBO, Mr. CRANE, Mrs. HOLT, Mr. CONTE, Mr. BOWEN, Mr. PERKINS, Mr. JOHNSON of California, Mr. WAXMAN, Mr. GUYER, Mr. RINALDO, Mr. LAFALCE, Mr. BOB WILSON, Mr. KINDNESS, Mr. LENT, Mr. CLEVELAND, Mr. BALDUS, and Mr. DUNCAN of Oregon):

H. Con. Res. 128. Concurrent resolution requesting the establishment of a Presidential task force on the missing in action; to the Committee on Armed Services.

By Mr. LONG of Maryland:

H. Con. Res. 129. Concurrent resolution urging the telephone and hearing aid industries to provide full access to telephone communications for hearing aid users; to the Committee on Interstate and Foreign Commerce.

By Mr. MAZZOLI:

H. Con. Res. 130. Concurrent resolution that an imposition of a ceiling on social security cost-of-living benefit increases not be enacted; to the Committee on Ways and Means.

By Mr. PRITCHARD:

H. Con. Res. 131. Concurrent resolution expressing the sense of the Congress with respect to the banning of the high seas netting for salmon; to the Committee on Merchant Marine and Fisheries.

H. Con. Res. 132. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 176. Resolution authorizing and directing the Speaker of the House of Representatives to take immediate action to implement a plan for the audio and video broadcasting of House floor proceedings; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BELL, Mr. BROOMFIELD, Mr. BROYHILL, Mr. DU PONT, Mr. FINDLEY, Mr. GUYER, Mrs. HOLT, Mr. KINDNESS, Mr. LATTA, Mr. LENT, Mr. LOTT, Mr. MITCHELL of New York, Mr. MOORE, Mr. REGULA, Mr. RUPPE, Mr. SHRIVER, and Mr. JEFFORDS):

H. Res. 177. Resolution authorizing and directing the Speaker of the House of Representatives to take immediate action to implement a plan for the audio and video broadcasting of House floor proceedings; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 178. Resolution to amend rule VIII of the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes, and to permit any Member so bound to raise a point of order; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BELL, Mr. BROOMFIELD, Mr. BROYHILL, Mr. DEL CLAWSON, Mr. COHEN, Mr. FINDLEY, Mr. FORSYTHE, Mr. GUYER, Mrs. HOLT, Mr. JOHNSON of Pennsylvania, Mr. LATTA, Mr. LENT, Mr. LOTT, Mr. MCEWEN, Mr. MARTIN, Mr. MICHEL, Mr. MITCHELL of New York, Mr. MOORE, Mr. REGULA, Mr. RUPPE, Mr. SNYDER, Mr. SPENCE, and Mr. TALCOTT):

H. Res. 179. Resolution to amend rule VIII of the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes, and to permit any Member so bound to raise a point of order; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. TREEN, Mr. WHITEHURST, Mr. BOB WILSON, Mr. YOUNG of Florida, Mr. WINN, Mr. SHRIVER, Mr. JEFFORDS, Mr. MOSHER, and Mr. CONABLE):

H. Res. 180. Resolution to amend rule VIII of the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes, and to permit any Member so bound to raise a point of order; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 181. Resolution to amend rule XI of the Rules of the House of Representatives to require that the record of committee action be made available for public inspection, with certain exceptions; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BELL, Mr. BROOMFIELD, Mr. BROYHILL, Mr. COCHRAN, Mr. COHEN, Mr. DU PONT, Mr. FINDLEY, Mr. FORSYTHE, Mr. GUYER, Mrs. HOLT, Mr. KINDNESS, Mr. LATTA, Mr. LENT, Mr. LOTT, Mr. MITCHELL of New York, Mr. MOORE, Mr. REGULA, Mr. RUPPE, Mr. BOB WILSON, Mr. YOUNG of Florida, Mr. WINN, Mr. SHRIVER, Mr. JEFFORDS, and Mr. MOSHER):

H. Res. 182. Resolution to amend rule XI of the Rules of the House of Representatives to require that the record of committee action be made available for public inspection, with certain exceptions; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 183. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BROOMFIELD, Mr. BROYHILL, Mr. DEL CLAWSON, Mr. COCHRAN, Mr. COHEN, Mr. DUPONT, Mr. FINDLEY, Mr. FORSYTHE, Mr. GUYER, Mrs. HOLT, Mr. JOHNSON of Pennsylvania, Mr. KINDNESS, Mr. LATTA, Mr. LENT, Mr. LOTT, Mr. MCEWEN, Mr. MARTIN, Mr. MICHEL, Mr. MITCHELL of New York, Mr. MOORE, Mr. REGULA, Mr. RUPPE, and Mr. SNYDER):

H. Res. 184. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. SPENCE, Mr. TALCOTT, Mr. TREEN, Mr. WHITEHURST, Mr. BOB WILSON, Mr. YOUNG of Florida, Mr. WINN, Mr. SHRIVER, Mr. JEFFORDS, Mr. MOSHER, and Mr. CONABLE):

H. Res. 185. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 186. Resolution to amend rule XI of the Rules of the House of Representatives to require that all committee meetings, with only limited exceptions, shall be open to the public; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BELL, Mr. BROOMFIELD, Mr. BROYHILL, Mr. COCHRAN, Mr. COHEN, Mr. DU PONT, Mr. FINDLEY, Mr. FORSYTHE, Mr. GUYER, Mrs. HOLT, Mr. JOHNSON of Pennsylvania, Mr. KINDNESS, Mr. LATTA, Mr. LOTT, Mr. MARTIN, Mr. MICHEL, Mr. MITCHELL of New York, Mr. MOORE, Mr. REGULA, Mr. RUPPE, Mr. BOB WILSON, Mr. YOUNG of Florida, and Mr. WINN):

H. Res. 187. Resolution to amend rule XI of the Rules of the House of Representatives to require that all committee meetings, with only limited exceptions, shall be open to the public; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. SHRIVER, Mr. JEFFORDS, Mr. MOSHER, and Mr. CONABLE):

H. Res. 188. Resolution to amend rule XI of the Rules of the House of Representatives to require that all committee meetings, with only limited exceptions, shall be open to the public; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 189. Resolution to amend rule XI of the Rules of the House of Representatives to provide that any Member in committee may demand a rollcall vote on any matter, and that a rollcall vote shall be required on any motion to report a bill or resolution from committee; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BELL, Mr. BROOMFIELD, Mr. COCHRAN, Mr. COHEN, Mr. DU PONT, Mr. FORSYTHE, Mr. GUYER, Mrs. HOLT, Mr. KINDNESS, Mr. LATTA, Mr. LOTT, Mr. MICHEL, Mr. MITCHELL of New York, Mr. MOORE, Mr. REGULA, Mr. SPENCE, Mr. TREEN, Mr. BOB WILSON, Mr. YOUNG of Florida, Mr. WINN, Mr. SHRIVER, Mr. JEFFORDS, and Mr. MOSHER):

H. Res. 190. Resolution to amend rule XI of the Rules of the House of Representatives to provide that any Member in committee may demand a rollcall vote on any matter, and that a rollcall vote shall be required on any motion to report a bill or resolution from committee; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself and Mr. CONABLE):

H. Res. 191. Resolution to amend rule XI of the Rules of the House of Representatives to provide that any Member in committee may demand a rollcall vote on any matter, and that a rollcall vote shall be required on any motion to report a bill or resolution from committee; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EMERY, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PRITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 192. Resolution to amend rule XXVII of the Rules of the House of Representatives to prescribe procedures whereby a committee may request that a matter reported should be considered under a suspension of the rules; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BROOMFIELD, Mr. BROYHILL, Mr. DEL CLAWSON, Mr. COHEN, Mr. FINDLEY, Mr. FORSYTHE, Mr. GUYER, Mrs. HOLT, Mr. JOHNSON of Pennsylvania, Mr. KINDNESS, Mr. LATTA, Mr. LENT, Mr. LOTT, Mr. MCEWEN, Mr. MICHEL, Mr. MITCHELL of New York, Mr. REGULA, Mr. RUPPE, Mr. SNYDER, Mr. SPENCE, Mr. TALCOTT, Mr. TREEN, and Mr. BOB WILSON):

H. Res. 193. Resolution to amend rule XXVII of the Rules of the House of Representatives to prescribe procedures whereby a committee may request that a matter reported should be considered under a suspension of the rules; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. WINN, Mr. JEFFORDS, Mr. SHRIVER, Mr. MOSHER, and Mr. CONABLE):

H. Res. 194. Resolution to amend rule XXVII of the Rules of the House of Representatives to prescribe procedures whereby a committee may request that a matter reported should be considered under a suspension of the rules; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. FRENZEL, Mr. RHODES, Mr. BAFALIS, Mr. BIESTER, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. COUGHLIN, Mr. EM-

ERT, Mrs. FENWICK, Mr. GOODLING, Mr. HAGEDORN, Mr. HORTON, Mr. GUDE, Mr. JOHNSON of Colorado, Mr. KEMP, Mr. MCKINNEY, Mr. PITCHARD, Mr. SARASIN, Mr. STEELMAN, Mr. J. WILLIAM STANTON, Mr. THONE, and Mr. MCCLORY):

H. Res. 195. Resolution to amend rule XXVIII of the Rules of the House of Representatives to require that all House-Senate conferences shall be open to the public and that no conference report shall be in order for consideration unless all conference sessions were open; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. BAUMAN, Mr. BELL, Mr. BROYHILL, Mr. COCHRAN, Mr. COHEN, Mr. DU PONT, Mrs. HOLT, Mr. KINDNESS, Mr. LATTA, Mr. LENT, Mr. MARTIN, Mr. REGULA, Mr. RUPPE, Mr. WINN, Mr. JEFFORDS, Mr. SHRIVER, and Mr. MOSHER):

H. Res. 196. Resolution to amend rule XXVIII of the Rules of the House of Representatives to require that all House-Senate conferences shall be open to the public and that no conference report shall be in order for consideration unless all conference sessions were open; to the Committee on Rules.

By Mr. BINGHAM (for himself, Mr. ZABLOCKI, and Mr. ASPIN):

H. Res. 197. Resolution expressing support for the Vladivostok agreement on strategic arms and providing the advice of the House on follow-on strategic arms control measures; to the Committee on Foreign Affairs.

By Mr. BRADEMAS:

H. Res. 198. Resolution providing for the printing of the booklet entitled "The History and Operation of the House Majority Whip Organization (94th Congress)"; to the Committee on House Administration.

By Mr. PHILLIP BURTON:

H. Res. 199. Resolution to provide funds for certain expenses of the Democratic caucus and the Republican conference of the House of Representatives; to the Committee on House Administration.

By Mr. EDGAR:

H. Res. 200. Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems; to the Committee on Rules.

By Mr. EVINS of Tennessee:

H. Res. 201. Resolution to provide funds for the expenses of the investigations and studies of the Committee on Small Business pursuant to rules X and XI of the Rules of the House of Representatives; to the Committee on House Administration.

By Mr. FLOOD (for himself, Mrs. SULLIVAN, Mr. ANDERSON of California, Mr. BENNETT, Mr. BREAUX, Mr. BURLESON of Texas, Mr. CARNEY, Mr. DEL CLAWSON, Mr. CRANE, Mr. ROBERT W. DANIEL, Jr., Mr. DUNCAN of Tennessee, Mr. FLYNT, Mr. FOUNTAIN, Mr. FUQUA, Mr. HARSHA, Mr. HALEY, Mr. KETCHUM, Mr. KINDNESS, Mr. KRUEGER, Mr. LAGOMARSINO, Mr. LONG of Maryland, Mr. MANN, Mr. MATHIS, Mr. MITCHELL of New York, and Mr. MONTGOMERY):

H. Res. 202. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. FLOOD (for himself, Mr. ADDABBO, Mr. CASEY, Mr. DOWNING, Mr. JOHNSON of Pennsylvania, Mr. JONES of North Carolina, Mr. NEAL, Mr. NIX, Mr. POAGE, Mr. ROGERS, Mr. ROBERTS, Mr. RUNNELS, Mr. SATTERFIELD, Mr. SHRIVER, Mr. SIKES, Mr. SPENCE, Mr. SYMMS, Mr. TAYLOR of Missouri, Mr. TAYLOR of North Carolina, Mr. THONE, Mr. WAGGONNER, Mr. WHITEHURST, Mr. CHARLES H. WILSON of California, Mr. YATRON, and Mr. YOUNG of Florida):

H. Res. 203. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. GONZALEZ:

H. Res. 204. Resolution creating a select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, and the attempted assassination of George Wallace; to the Committee on Rules.

By Mr. HARRINGTON:

H. Res. 205. Resolution directing the Secretary of Defense to provide information, and answer certain questions, relating to American policy toward Chile between 1964 and 1973; to the Committee on Armed Services.

H. Res. 206. Resolution directing the Secretary of State to provide information, and answer certain questions, relating to American policy toward Chile between 1964 and 1973; to the Committee on Foreign Affairs.

H. Res. 207. Resolution directing the President of the United States to provide information, and answer certain questions, relating to American policy toward Chile between 1964 and 1973; to the Committee on Foreign Affairs.

By Mr. HAYS of Ohio:

H. Res. 208. Resolution to provide additional parking facilities for the employees of the House of Representatives; to the Committee on House Administration.

By Mr. MURPHY of Illinois:

H. Res. 209. Resolution expressing the sense of the House that the provisions of title XII of the Organized Crime Control Act of 1970, Public Law 91–452, creating a National Commission on Individual Rights, be immediately implemented; to the Committee on the Judiciary.

By Mr. PRICE:

H. Res. 210. Resolution disapproving the deferral of certain budget authority (D75–111) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 211. Resolution disapproving the deferral of certain budget authority (D75–112) relating to atomic energy which was proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 212. Resolution disapproving the deferral of certain budget authority (D75–113) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 213. Resolution disapproving the deferral of certain budget authority (D75–114) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 214. Resolution disaproving the deferral of certain budget authority (D75–116) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 215 Resolution disapproving the deferral of certain budget authority (D75–117) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 216. Resolution disapproving the deferral of certain budget authority (D75–119) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 217. Resolution disapproving the deferral of certain budget authority (D75–121) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. PRITCHARD (for himself and Mr. AUCOIN):

H. Res. 218. Resolution expressing the disapproval of the House with respect to the President's proposed deferral of budget authority for State-Federal fisheries management grants; to the Committee on Appropriations.

By Mr. ROBINSON:

H. Res. 219. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. SYMINGTON (for himself, Mr. BROWN of California, Mr. EILBERG, Mr. STEIGER of Wisconsin, and Mr. WHITEHURST):

H. Res. 220. Resolution requesting that each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, American Samoa, and the Trust Territory of the Pacific Islands conduct a survey or study to determine the views of their citizens with respect to abortion laws; to the Committee on the Judiciary.

By Mr. TREEN (for himself and Mr. LOTT):

H. Res. 221. Resolution disapproving the deferral of budget authority for State-Federal fisheries management grants (deferral No. D75–94), which was proposed by the President in his special message transmitted to the Congress on November 26, 1974, under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII,

30. The SPEAKER presented a memorial of the Legislature of the Commonwealth of Massachusetts, relative to food stamps; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 3368. A bill for the relief of Frank Cappuccio; to the Committee on the Judiciary.

By Mr. BIESTER:

H.R. 3369. A bill for the relief of Sun Yang Kim and Sun Mi Kim; to the Committee on the Judiciary.

By Mr. BOLAND:

H.R. 3370. A bill for the relief of Sunshine Art Studios, Inc.; to the Committee on the Judiciary.

By Mrs. BURKE of California:

H.R. 3371. A bill for the relief of Dea Lay-Hong; to the Committee on the Judiciary.

H.R. 3372. A bill for the relief of Tze Tsun Li; to the Committee on the Judiciary.

By Mr. DOWNEY:

H.R. 3373. A bill for the relief of James Lennon; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 3374. A bill for the relief of John J. Egan; to the Committee on the Judiciary.

By Mr. HIGHTOWER:

H.R. 3375. A bill for the relief of Antoinette L. M. Smith; to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 3376. A bill for the relief of Natividad Casing and Myrna Casing; to the Committee on the Judiciary.

By Mr. NEDZI:

H.R. 3377. A bill for the relief of Mrs. Helen Wolski, Michael Wolski, and Steven Wolski; to the Committee on the Judiciary.

By Mr. PERKINS:

H.R. 3378. A bill for the relief of Dr. Jose A. Sanchez and Mrs. Yolanda Sanchez; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 3379. A bill for the relief of Patricio Pantaleon Perez-Perez and Maria Castro de Perez; to the Committee on the Judiciary.

By Mr. SCHNEEBELI:

H.R. 3380. A bill for the relief of M. Sgt. Thomas J. Reid, Jr., U.S. Air Force (retired); to the Committee on the Judiciary

By Mr. SKUBITZ:

H.R. 3381. A bill for the relief of Thomas Warren Ralston; to the Committee on the Judiciary.

By Mr. WINN:

H.R. 3382. A bill for the relief of Raymond Monroe; to the Committee on the Judiciary.

By Mr. GIAIMO:

H. Res. 222. Resolution referring the bill (H.R. 3374) for the relief of John J. Egan to the Chief Commissioner of the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

26. By the SPEAKER: Petition of Tran Van-Lam, President of the Senate of the Republic of Vietnam, and 41 Members of the Vietnamese Senate, Saigon, relative to U.S. aid to Vietnam; to the Committee on Foreign Affairs.

27. Also, petition of the City Council, Waynoka, Okla., relative to the application of copyright laws to cable television; to the Committee on the Judiciary.

28. Also, petition of Alice Beatrice McCloud, Houston, Tex., relative to redress of grievances; to the Committee on the Judiciary.

29. Also, petition of Gaymond Eugene Milligan, Houston, Tex., relative to redress of grievances; to the Committee on the Judiciary.

30. Also, petition of the Tribal Council, Red Lake Band of Chippewa Indians, Red Lake, Minn., relative to the crediting of certain service in Civilian Conservation Corps Indian Department camps toward civil service retirement; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

ENLARGED AND EXPANDED HOUSE SMALL BUSINESS COMMITTEE ORGANIZED

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. EVINS of Tennessee. Mr. Speaker, recently the House Small Business Committee was organized in a productive and harmonious meeting.

This committee has been provided legislative authority, and the membership expanded from 19 to 37.

At the opening meeting on February 6 last, as chairman I was privileged to make some remarks with respect to the historical trend, growth, development, and work of the committee, and I include herewith excerpts from this opening statement together with a list of the membership and subcommittee assignments for the 94th Congress, as follows:

We meet here today for the purpose of organizing our Committee for the 94th Congress. I want to welcome all of the former Members—and all of the new Members.

We have an enlarged Committee of 37 Members this year. We have now been increased in number and responsibility. We want to make the Committee work—we want to make the Committee function—to be a Committee of which we all can be proud—proud to be a Member and proud of its accomplishments during the 94th Congress.

First, I want to introduce the new Members—besides our former Members, we have:

Henry B. Gonzalez, a great gentleman from Texas.

James M. Hanley, a great legislator from New York—both have served on the Small Business Subcommittee of the Banking Committee.

Gus Yatron of Pennsylvania—he is new to this Committee, but an oldtimer around Congress.

And the same for John Breckinridge of Kentucky. He is a Kentucky Colonel and a gentleman.

John LaFalce of New York, who was a New York State Assemblyman.

John Krebs of California—California County Supervisor.

Berkley Bedell of Iowa—a businessman and recipient of the first Small Businessman of the Year Award a few years ago.

Frederick Richmond of New York—Councilman.

David Evans—educator and teacher from Indiana.

Martin Russo—an attorney from Chicago, Illinois.

Alvin Baldus of Wisconsin—a State Assemblyman with legislative experience—and

Richard Nolan—former State Representative from Minnesota.

My distinguished and genial Colleague, the Ranking Minority Member of the Committee, Mr. Conte, will present our Republican Colleagues on the Committee.

Mr. CONTE. We may be short in quantity but we certainly have a lot of quality on our side. We have:

Hamilton Fish, Jr., of New York, who is also on the Judiciary Committee and a well-known personality, and who will be an outstanding Member of this Committee.

Tim Lee Carter of Kentucky, a very valuable Member of the Interstate and Foreign Commerce Committee.

William S. Cohen of Maine, who also comes from the Judiciary Committee:

Thomas N. Kindness of Ohio, a new Member of the Congress with a fine record of past performance and we know he will be a very valuable Member of this Committee.

William F. Goodling of Pennsylvania, whose revered and respected father served in the Congress for many years, and I am sure he will follow in the footsteps of his Dad.

Mrs. Millicent Fenwick from the great State of New Jersey who will also be an outstanding Member of this Committee.

Mr. EVINS. In all of these new Members, certainly we have lots of experience and lots of talent. I might add that Mrs. Fenwick makes history today as she becames the first woman Member of this Committee.

This Committee was first created in 1941 by special resolution. This was during an emergency period of World War II when small business was experiencing a shortage of critical materials.

Today we are again in an emergency period and facing shortages of critical materials, so the problems are ever with us.

Over the years, the Committee solved many problems and served the membership, served our constituencies, and served the country. Many select committees fade and go out of business, but this one has been so useful that it has been recreated time and time again. It is no longer a temporary or select committee—but a permanent committee with legislative authority.

In the 92nd Congress, this Committee was made a Permanent Committee—and now in the 94th Congress it has been increased from 19 to 37 in membership and has been given legislative authority.

We have come a long way. I can remember the time when the Committee met in the basement of the Cannon Building.

Now we have permanent quarters assigned by former Speaker McCormack, and the prestige and standing of the Committee are high.

Membership on the Committee is actively sought by many who cannot be assigned. It is interesting to note that the Committee Membership in the 77th Congress was seven—four Democrats, three Republicans. During that Congress only two hearings were held and no reports issued.

In the 93rd Congress the Committee held hearings on about 24 different subjects—28 volumes containing 10,000 pages of testimony were published—and 17 reports and 5 Committee prints were issued.

Copies of a History of the Committee and other publications are available to all of you.

We are proud of the accomplishments of the Committee over the years.

This Committee has demonstrated its usefulness and so it has been repeatedly recreated—time and time again.

Now beginning the 94th Congress—another period of crisis—critical materials shortages—and we have a job before us to do.

Let me quote from one of our recent reports:

"Chain stores, joint ventures, exodus to suburbia, urban renewal dislocations, discount houses, big business shopping centers, automation, electronic computers, and the general trend toward giantism remind us that the competitive status of the small business segment of our economy must be constantly observed in order to maintain a truly competitive free enterprise system."

Today there are 8.8 million small businesses throughout the Nation—approaching 9 million, or over 95% of all of the Nation's businesses. These small businesses produce 45% of the Gross National Product—$450 billion GNP.

Small business provides over 50% of the Nation's jobs. Small business provides a livelihood for over 100 million Americans.

In 1972 the small business sector alone accounted for a greater share of the GNP than the *entire* GNP did 20 years ago.

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I just wanted to throw out these figures to us all for our information—to consider.

Congress has declared—on a number of occasions—that it shall be National policy to aid, counsel, assist, promote and protect, insofar as possible, the interests of American small business. The Committee's concern is to carry out this mandate.

Let me say further that this Committee has been a service Committee—it has worked as a bi-partisan and nonpartisan Committee.

The Small Business Committee serves our Colleagues, our constituents, the small business sector of the economy, and our country.

We supervise the ongoing operations of the Small Business Administration, a permanent agency of the Government with over $7 billion in loan authority.

Limitations on outstanding loans authorized by law include:

Business Loans, including Equal Opportunity Loans—$6 billion.

SBIC Loans and Advances—$725 million.

State and Local Development Loans—$525 million.

This makes a total of $7.25 billion in loan authority over which this Committee has jurisdiction.

Again, I want to welcome all of you and to urge all of you to be active and participate in your Subcommittees and Committee work.

Under the rules of the House of Representatives and the Caucus, we are authorized six Subcommittees—and we will now proceed with the selection of Subcommittee Chairman and Members.

We have just recently lost a distinguished and genial Subcommittee Chairman, John C. Kluczynski, and in his memory we will have a moment of silent prayer.

The following are the Subcommittees and Members of the Subcommittees of the House Small Business Committee for the 94th Congress.

Subcommittee on Energy and Environment. Majority: Representatives Dingell, Chairman, Steed, St Germain, LaFalce, Krebs, Evans, Russo; Minority: Representatives Conte, Fish, Cohen, Butler.

Subcommittee on SBA and SBIC Legislation. Majority: Representatives Smith, Chairman, Bergland, Gonzalez, Corman, Mitchell, Hanley, Yatron, Breckinridge; Minority: Representatives Stanton, Fenwick, Goodling.

Subcommittee on Government Procurement and International Trade. Majority: Representatives Corman, Chairman, Steed, Addabbo, Carney, Nolan, Krebs, Hightower, Hungate; Minority: Representatives McDade, Kindness, Broomfield.

Subcommittee on SBA Oversight and Minority Enterprise. Majority: Representatives Addabbo, Chairman, Mitchell, Hanley, St Germain, Gonzalez, Richmond, Baldus, Breckinridge; Minority: Representatives Carter, Goodling, Fish.

Subcommittee on Activities of Regulatory Agencies. Majority: Representatives Hungate, Chairman, Bedell, LaFalce, Russo, Baldus, Hightower, Dingell; Minority: Representatives McCollister, Cohen, Fenwick.

Subcommittee on Commodities and Services. Majority: Representatives Carney, Chairman, Bergland, Yatron, Bedell, Richmond, Evans, Nolan, Smith; Minority: Representatives Broomfield, Butler, Kindness.

LET'S STOP PLAYING DUMB ABOUT INFLATION

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BAUMAN. Mr. Speaker, recently I read an article in Politics, published by the Business-Industry Political Action Committee—BIPAC—and written by Edward I. Maher. In the article Mr. Maher comments on the change in attitude which has occurred in the minds of many American citizens regarding obligations once considered to be family duties but now considered by many to be an obligation of the Federal Government. Mr. Maher properly notes that everyone curses inflation but also wants the direct benefits of costly programs operated by the Federal Government and funded out of our tax moneys.

I include at this point in my remarks Mr. Maher's article which certainly offers us a subject for thoughtful consideration.

LET'S STOP PLAYING DUMB ABOUT INFLATION
(By Edward I. Maher)

In February, 1934, Marge Wilson's husband died. She was left, at 28, with boys 6 and 2 and a girl 4. Her husband's life insurance yielded barely enough for funeral expenses and medical bills.

Without relatives to turn to, Marge would have been in desperate straits. As it was, she and her children were able to move in with her parents. Her father still was actively at work and, although 4 additional mouths to feed created a problem; he and his wife accepted it as a matter of course. In due time, Marge got a job as a stenographer at $18.75 a week. Publicly-funded day care centers were unheard of in those days and to grandmother fell the responsibility of looking after the children while their mother was at work. Planned expenditures and a vacation trip had to be postponed indefinitely.

Down the street, a block away, Joe Walker was laid off that summer, for the last time ever. At 68, it was unlikely he would be called back to his long-time job. A little money had been put aside over the years, but not much. Joe and his wife held to the theory that children were a form of insurance against want in old age and had raised six. All were grown, of course, and had families of their own. Although it meant sacrifice, providing for their parents was recognized as a primary family responsibility and they all chipped-in to the best of their respective abilities.

Such examples could have been multiplied endlessly in 1934—not only involving widows like Marge or older folks like Joe Walker and his wife, but virtually every one singled out for "the slings and arrows of outrageous fortune." But in those days most families took care of their own when trouble came. If Brother Jack lost his job or Sister Anne had to go to a sanitarium, the family rallied round and shared the burden.

Things are different now. Forty years have gone by and Marge Wilson's daughter has become a widow like her mother. But her financial status is far different than her mother's had been. She will receive Social Security Benefits for herself and her children until the youngest reaches 18, at least. Her husband's group life insurance, provided by his employer, yielded a nice nest egg of two-year's salary. His medical and hospital bills were taken care of by Blue Cross, Blue Shield, all paid for by his employer.

Marge is now retired from her $225-a-week job as secretary to the president of the company She enjoys a nice income from her pension, provided by the company. Social Security, half paid for by the company, and her own savings. There is no need for her to spend any of this income to provide for her daughter or grandchildren, although she would do so, of course, if the need arose.

Marge's chief complaint these days is about rising prices. The inflation everyone talks about—and for which scores of erudite economists have been trying to find the cause and a cure—has all of us complaining about high prices. Yet, few of us make the connection between rising prices and taxes and the benefits we have come to expect from government and the companies we work for.

Over the past 40 years there has been a veritable explosion of social programs designed for the laudable purpose of helping people to help themselves. We have witnessed the advent of Social Security, unemployment compensation, Blue Cross, Blue Shield, major medical insurance, Medicare, Medicaid, welfare, aid to dependent children, income supplements, free food stamps, free legal services, subsidized student loans, aid to education, crop supports, foreign aid and numerous other programs intended to alleviate the ills which beset the human race.

No widespread movement seems to have developed for the curtailment or discontinuance of any of these programs, even among those who complain the loudest about inflation. Most people, it seems, are glad to be relieved of the responsibility of caring for the sick, the old, the unfortunate and the improvident among their relatives and are quite willing to let government do it. And surely no one objects to the steadily rising pensions, insurances and other benefits provided for employees by private business and government agencies.

However, these things cost money. Government can relieve individuals of the bother of caring for their own or themselves, it cannot relieve society as a whole of the cost. Government social programs must be paid for either in higher taxes or through borrowing—"printing press money" which is the classic cause of inflation.

Fortunately, concurrent with the proliferation of social programs there has been rapid growth and application of technology in the factory and on the farm. This has tended to offset a large part of the cost of such programs, but what is not offset by increased productivity must be reflected in higher prices.

So, there really is nothing mysterious about the inflation everyone complains about. But even as the complaints about high prices and high taxes reach a crescendo the seeds are being sown for more of the same.

Proposals are under consideration for subsidized transit fares, universal health insurance, day care centers, etc., and scarcely a week goes by without some new proposals. Seldom does the public link these programs to the rising cost of living—or the rising cost of living to the politicians who promote such programs.

Probably we all would feel somewhat better about inflation if we stopped to consider that what we pay in higher taxes and prices we don't have to pay to take care of family obligations and to protect ourselves against ill health, joblessness and poverty in old age. To that extent, at least, the inflation we complain about is an illusion.

VIETNAM VETERANS BIBLIOGRAPHY

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 18, 1975

Mr. HARTKE. Mr. President, as chairman of the Senate Veterans' Affairs Committee, I have been extremely concerned that not enough research has been done on the particular problems facing Vietnam-era veterans. I am particularly pleased that a fellow Hoosier, Dr. Charles R. Figley, of Purdue University, has begun in-depth research on the interpersonal adjustment and family life among Vietnam veterans. I ask unanimous consent that the general bibliography on this subject prepared by Dr. Figley be printed in the Extension of Remarks so that other researchers will be able to use it for reference.

There being no objection, the bibliography was ordered to be printed in the RECORD, as follows:

INTERPERSONAL ADJUSTMENT AND FAMILY LIFE AMONG VIETNAM VETERANS—A GENERAL BIBLIOGRAPHY

(By Charles R. Figley)

The following bibliography attempts to bring together references from the behavioral sciences which focus on the Vietnam veteran experience. Of special importance are manuscripts which deal with (a) the development and maintenance of intimate relationships during and after military service, (b) the relationship between combat experience and interpersonal competence, and (c) the relationship between the American family system and interpersonal violence. The primary purpose of this bibliography is to stimulate and facilitate research in the area of interpersonal adjustment and family life among Vietnam veterans toward greater understanding of and solutions to the adjustment problems among veterans.

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LITHUANIAN INDEPENDENCE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PATTEN. Mr. Speaker,. February 16 marked the 57th anniversary of the independence of the small Baltic nation of Lithuania. It was on that date in 1918 that the 20 member national council declared Lithuania to be a free state and an independent state which was to be based on democratic principles.

The people of Lithuania enjoyed their independence for 22 years. But, in 1940, the Soviet Union invaded the territory and occupied not only Lithuania, but also Latvia and Estonia and these countries were forced to annex into the Soviet Union. When one has tasted freedom, however, one does not forget it, and the people of Lithuania are still unbroken in spirit in their fight for freedom and independence. One cannot forget the daring leap by the Lithuanian sailor, Simas Kudirka, when he sought freedom in 1970 and in the past year he was subsequently released to America. There are other examples of the strength and courage of these Lithuanian people who so desperately want their freedom and will go to such great lengths to achieve it.

It is hard for me to understand why a country must force a people to be subservient and to withhold freedom from those who want it. We must all live by laws and rules so that we can exist together side by side in this world. I do not understand, however, ruling another country and another people with an iron hand so that the people of the country are so desperate that they must take actions such as risking their own lives to leap for freedom. There is something very wrong with this.

We will not forget the Lithuanian people and their fight for freedom. Americans, especially, know just how precious it is to be free.

LEGISLATIVE VOTING PERFORMANCE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FRENZEL. Mr. Speaker, with a growing knowledge by the public of the work that we do here. I have received a number of inquiries from constituents interested in my voting record and legislative performance. In past years I have submitted the entire package into the RECORD for public consumption. However the increased cost of printing the information, roughly $6,000 has, in my mind, become prohibitive. Therefore I am submitting an abbreviated listing of a few votes which I believe will be most interesting to my constituents. The total voting record for the 93d Congress, as well as the 92d, will, of course, remain available in any one of my Minnesota offices to anyone interested.

Attendance is not the primary criteria for measuring congressional performance but it is of interest. I answered 1,340 of 1,453 quorum and rollcall votes or 92.2 percent in the 93d Congress.

The issue listings follow:

LEGISLATIVE VOTING PERFORMANCE

Date	Number	Issue	House vote	Frenzel position
Feb. 28, 1974	H.R. 2	Employee Benefit Security Act of 1973—A bill setting minimum standards for funding private company pension plans and providing more generous treatment for self-employed private pension plans.	Adopted, 376–4	Yes.
Dec. 11, 1973	H.R. 10710	Trade Reform Act—The act renews the President's authority to negotiate tariffs and authorizes agreements dealing with nontariff trade barriers.	Adopted, 272–140	Yes.
Dec. 11, 1973	H.R. 10710	Vanik Amendment to Trade Reform Act—The amendment prohibits extension of government-backed credits to countries that impose inordinate fees and taxes on those who seek to emigrate.	Adopted, 319–80	Yes.
Aug. 13, 1974	H.R. 15264	Export Administration Act Amendments of 1974—Provides a 2 year extension of the Commerce Secretary's authority to regulate exports and amends the act establishing a U.S. policy of export control retaliation against nations who have embargoed the supply of a particular commodity to the United States.	Adopted, 379–6	Yes.

Date	Number	Issue	House vote	Frenzel position
Apr. 16, 1973	H.R. 6168	Economic Stabilization—A bill to extend the President's authority to set wage and price controls	Adopted, 293–114	Yes.
Mar. 20, 1974	H.R. 12435	Fair Labor Standards Amendments of 1974—A bill to raise the hourly minimum wage for most nonfarm workers, gradually by installments, and extend coverage to approximately 7,000,000 workers.	Adopted, 375–37	Yes.
Dec. 12, 1974	H.R. 16596	Emergency Public Service Jobs—A bill to authorize $2,000,000,000 to provide public service jobs to the unemployed and sums necessary to extend unemployment compensation coverage to about 12,000,000 workers.	Adopted, 322–53	Yes.
Mar. 26, 1974	H.R. 69	Elementary and Secondary Education Act of 1974—An amendment to the Federal Aid to Education Act to prohibit busing students to any school but the next closest to the students home.	Adopted, 293–117	No.
May 22, 1974	H.R. 14592	Military Procurement Authorization for 1975—An amendment offered by Representative Aspin of Wisconsin to cut $733,100,000 from defense funding by lowering ceiling to 1974 level plus 7.4 percent inflation adjustment.	Rejected, 209–185	Yes.
Apr. 4, 1974	H.R. 12565	Defense Department Supplemental Authorization—Authorized $1,142,500,000 for military procurement, research and development, and construction; aid to South Viet Nam was not increased.	Adopted, voice vote	Yes.
May 1, 1974	H.R. 14368	Energy Supply and Environmental Coordination Act of 1974—A bill to significantly ease certain clean air standards and deadlines in attempt to conserve energy.	Adopted, 349–43	Yes.
May 21, 1974	H.R. 13834	Standby Energy Emergency Authorities—A bill to give the President authority to ration fuel and control the price of oil products. The vote occurred on a procedural motion to suspend the rules.	Rejected, 191–207	Yes.
June 11, 1974	H.R. 10294	Land-Use Planning (H. Res. 1110)—This was one of the major conservation issues of the 93d Cong., intended to provide Federal grants to States to help in drafting land use plans. It was defeated in a vote to bring it to debate on the floor.	Rejected, 204–211	Yes.
July 25, 1974	H.R. 11500	Strip Mining—A bill to provide stringent provisions for Federal and State regulation of strip mining.	Adopted, 291–81	Yes.
Apr. 3, 1974	H.R. 13163	Consumer Protection Act of 1974—This bill established an independent Consumer Protection Agency (CPA) to represent American consumers, serve as a clearinghouse for consumer complaints, advise the Congress and President on consumer-interest related matters and recommend Federal legislation.	Adopted, 293–94	Yes.
Aug. 15, 1974	H.R.12859	Federal Mass Transportation Act of 1974—An amendment to remove from a mass transit bill, funds subsidizing operating expenses for existing mass transit systems. A direct subsidization from the fare box may harm local incentive to raise revenue and encourage excessive wage demands by transit workers.	Rejected, 197–202	Yes.
Aug. 20, 1974	H.R. 12859	Federal Mass Transportation Act of 1974—The House passed the final version of the bill authorizing $11,374,000,000 for the construction and operation of local mass transit systems.	Adopted, 324–92	Yes.
Aug. 15, 1974	S. 3060	Housing and Community Development Act of 1974—The 1st comprehensive housing bill since 1968. The bill will authorize funds for Federal housing assistance programs and community development block grants and also to encourage greater availability of mortgage credit.	Adopted, 377–21	Yes.
June 18, 1974	H.R. 7130	Congressional Budget and Impoundment Control Act of 1974—A momentous step toward a more orderly and conscientious consideration of the Federal budget. The bill revises congressional procedures for considering the Federal budget, sets deadlines for consideration of authorization and appropriations bills and provides procedures to limit impoundment of funds by the President.	Adopted, 401–6	Yes.
Aug. 8, 1974	H.R. 16090	Federal Election Campaign Act Amendments of 1974—An amendment that would provide partial public financing of congressional general election campaigns by providing for matching federal funds	Rejected, 187–228	No.
Aug. 8, 1974	H.R. 16090	Federal Election Campaign Act Amendments—The bill set contribution and expenditures limits for Federal elections. It also provides for Federal financing of presidential general elections and party national conventions and some Federal funding of presidential primaries.	Adopted, 355–48	Yes.
July 18, 1973	H.J. Res. 542	War Powers—A resolution requiring a Presidential report to Congress within 72 hours following a commitment or troop increase; requiring termination of such action within 120 days unless approved by Congress and allows Congress to end such action by a veto-proof resolution.	Adopted, 244–170	Yes.
Dec. 19, 1973	H.R. 11510	Energy Reorganization Act of 1974—This bill establishes an Energy Research and Development Administration (ERDA) which consolidates existing Federal programs under one administrative structure to implement mid- and long-range research and development of existing and potential energy sources.	Adopted, 355–25	Yes.
Aug. 20, 1974	H. Res. 1333	Impeachment Report—Motion to suspend the rules and adopt the resolution to take formal notice of the action of the House Judiciary Committee in recommending the impeachment of President Nixon; and after Nixon's resignation, to accept the report of the committee on impeachment and authorize its' printing.	Adopted, 412–3	Yes.
Dec. 19, 1974		House approval (thus confirming the nomination) as provided for by the 25th amendment, of Nelson A. Rockefeller to be Vice President.	Confirmed, 287–128	Yes.
June 21, 1974	H.R. 15472	Agricultural, Environmental, and Consumer Protection, Fiscal 1975—A bill appropriating $13,400,000,000 for agricultural, environmental and consumer protection programs for 1975. (An increase of $2,817,300,000 over 1974.)	Adopted, 278–16	No.
Aug. 6, 1974	H.R. 16243	Department of Defense Appropriations, Fiscal 1975—A bill appropriating $82,983,500,000 in new appropriations for the military functions of the Department of Defense, including military assistance for South Vietnam. The new appropriation total is $1,516,100,000 more than that of 1974.	Adopted, 350–43	No.
June 26, 1974	H.R. 15572	HUD, Space, Science, and Veterans Appropriations, Fiscal 1975—An appropriation of $20,800,000,000 for HUD, NASA, the National Science Foundation, the Veterans' Administration and various related agencies.	Adopted, 407–7	Yes.
June 27, 1974	H.R. 15580	Labor-HEW Appropriations—A bill to appropriate $33,160,000,000 for 1975 which includes money for the Department of Labor, HEW and other related agencies.	Adopted, 329–43	Yes.
June 18, 1974	H.R. 15404	State-Justice-Commerce Appropriations, Fiscal 1975—An appropriation of $5,553,106,000, divided among 4 executive departments and 13 related agencies for 1975. This request is $587,000,000 higher than that of 1974.	Adopted, 365–36	No.
Apr. 9, 1974	H.R. 14012	Legislative Branch Appropriations, 1975—The House passed this bill appropriating $603,200,000 for Congress and related agencies for Fiscal 1975; this was approximately an $80,000,000 increase over 1974.	Adopted, 373–17	No.
June 19, 1974	H.R. 15405	Transportation Appropriations, Fiscal 1975—A bill appropriating $3,182,200,000 for the Transportation Department and related agencies for 1975. The Administration requested $3,545,000,000.	Adopted, 392–4	Yes.

FRENZEL VOTES ON VETOES FOR THE 92D AND 93D CONGRESSES

Bill	Title	Vote	Explanation	President
92 H.R. 15417	Labor HEW Appropriations	No	Sustain	Nixon.
92 H.R. 15927	Increase R.R. Retirement	Yes	Override	Nixon.
92 S. 2770	Water pollution	Yes	Override	Nixon.
93 H.R. 3928	Rural Water and Sewer	No	Sustain	Nixon.
93 H.R. 7447	Supplemental Appropriations	Yes	Override	Nixon.
93 S. 518	Confirm OMB Director	No	Sustain	Nixon.
93 S. 504	Emergency Medical Services	No	Sustain	Nixon.
93 H.R. 7935	Minimum Wage	No	Sustain	Nixon.
93 H.J. Res. 542	War Powers	Yes	Override	Nixon.
93 H.J. Res. 1131	Continuing Resolution (Turkey)	No	Sustain	Ford.
93 H.R. 15301	R.R. Retirement	Yes	Override	Ford.
93 H.J. Res. 1163	Continuing Resolution (Turkey)	Yes	Override	Ford.

Note: The Nixon score is 5 sustain and 4 override. The Ford score is 1 sustain and 2 override. The total is 6 of each.

LITHUANIAN INDEPENDENCE DAY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RINALDO. Mr. Speaker, the people of Lithuania, honored and respected around the world for their love of freedom and independence, have endured almost 35 years of domination and repression by a foreign nation when they celebrated the anniversary of their independence this year.

The Republic of Lithuania existed for 22 years, from February 16, 1918, until its takeover by the Soviet Union in the summer of 1940. Prior to the creation of the free Republic, Lithuania, for more than a thousand years was known worldwide as a center for education and religious tolerance. As a result, her people have grown strong in both spirit and determination, enabling them to survive as a culture through long periods of foreign control.

Last Sunday, Lithuanian Americans recognized the 57th anniversary of their freedom with the sad knowledge that their homeland is no longer a free and self-governing entity.

On February 16, the Americans of Lithuanian extraction stood tall and proud for the glorious history of their homeland. These citizens can also be proud of their present home, for the United States, along with the citizens of Lithuania has never recognized the Soviet takeover.

Yet, the Soviet invasion, during World

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War II, affected Lithuanian culture severely. Today, the citizens of that beleaguered and downtrodden state possess almost no civil and political rights and are restricted to only the most basic privileges and rights. A quarter of the population has been forced to flee or were deported and exiled and subsequently were repopulated to other areas of the Soviet Union such as Siberia and elsewhere. Yet the saddest fact of all remains that the Lithuanian language, the oldest living language in Europe, is spoken only by half of the citizens and now faces extinction along with the entire Lithuanian culture as a result of the iron fisted Soviet policy that prohibits religious and cultural affairs.

Mr. Speaker, although we face severe problems at home and abroad, we must not forget the other freedom loving nations of the world. We must support and aid the endeavors of all nations who strive and hunger to join the ranks of the free.

ADVICE FOR A SOUND ECONOMY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on February 6, 1975, I placed in the RECORD under Extensions of Remarks a letter to President Ford from four professors of economics at Grove City College. The letter advised the President of a four point program to end inflation and stabilize the U.S. dollar. Since the President and most Members of Congress are at odds over mere variants of the same policy—debating over such things as whether we should have a $50 billion or $100 billion budget deficit—I thought it important again to call the fundamental alternative presented by the Grove City economics professors to the attention of my colleagues.

Following is the original letter as well as President Ford's rely and the professors' further reply:

OCTOBER 1, 1974.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: With all the economic advice you received at the Summit Conference you may not mind hearing from the Economics Department of Grove City College which, as you may recall, conferred the degree of Doctor of Laws on you at our commencement of June 8, 1968. We feel especially moved to proffer our advice as the gold school we represent was conspicuously absent at the Summit Conference.

To end inflation and to stabilize the U.S. dollar the following steps need to be taken immediately:

1. The Federal budget must be balanced now, next year, and every year thereafter.
2. Your engine of inflation, the Federal Reserve System, must be inactivated, or better yet, abolished.
3. The Federal Reserve money now in circulation must stay in circulation and be made fully redeemable in gold.
4. With these steps you will have achieved monetary stability. But you will face a recession which past deficit spending and credit expansion have made unavoidable. Without an engine of inflation to accommodate new deficit spending and credit expansion, you will need to cut federal spending even further as federal revenue declines. And to facilitate speedy recovery from the recession business taxes should be cut. We are confident that in a year or two the American economy will resume full speed again, with stable prices and a sound monetary system.

We realize that our advice may not be popular with the economics fraternity, which since the 1930's has preferred the "new economics" of easy money and deficit spending. We are proud to represent the great tradition of classical economics and the gold standard that gave the world natural money rather than depreciating political paper.

Mr. President, the choice is yours. Proceeding on the present road you will preside over an accelerating depreciation of the dollar and all the economic and social evils thereof. Or, you may embark upon the road to gold money which is hard money. There are no alternatives.

Yours respectfully,

WILLIAM H. BURDICK,
PAUL J. FAIR,
CHARLES J. GUILER,
HANS F. SENNHOLZ,
Professors of Economics,
Grove City College.

THE WHITE HOUSE,
Washington, December 2, 1974.

Prof. WILLIAM H. BURDICK,
Department of Economics, Grove City College, Grove City, Pa.

DEAR PROFESSOR BURDICK: Thank you and Professors Fair, Guiler and Sennholz for your thoughtful letter expressing your concerns for our Nation's economic problems.

As you know, I consider inflation public enemy number one. It is my intention to bring about a moderation of inflationary pressures. A wide range of consequences implied by our current economic policies was explored during the Conference on Inflation.

I am encouraged by the responses received so far and particularly welcome opinions such as yours as an invaluable source of information that can only improve the formation of our economic policy. Accordingly, I have forwarded your letter to Mr. L. William Seidman of my team of economic advisers for his full consideration in conjunction with the other views we have received.

With hard work, sacrifice and cooperation, I am optimistic of our chances for promoting stabilization in our economy once again.

With best wishes.

Sincerely,

GERALD R. FORD.

GROVE CITY COLLEGE,
Grove City, Pa., January 17, 1975.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The professors of economics at Grove City College appreciate your letter of December 2. It encourages them to confess their great disappointment in your State of the Union Message. You are making recommendations that are diametrically opposed to our own.

We advised that the Federal budget "be balanced now, next year, and every year thereafter." You are projecting deficits of at least $32 billion this fiscal year and $45 billion in the next. The massive budget deficits will do incalculable harm to capital markets, greatly raise interest rates, prolong and aggravate the economic stagnation, and precipitate an inflationary growth in the money supply. They are providing the fuel for the depreciation of the U.S. dollar at ever faster rates.

We recommended that the quantity of money and credit be stabilized. Your proposals are designed to bring about a rapid expansion. In fact, since you took office on August 9, 1974, the Federal Reserve System has already expanded its credit, which constitutes the national money base, from $90.479 billion to $96 billion on January 1, 1975. That is an expansion of 6.1 per cent in less than five months. In our economics classes we call this "inflation" and soaring prices the "inevitable consequences."

We recommended that business taxes be cut in order to facilitate speedy recovery from the recession. You are proposing a temporary increase of investment tax credits yielding $4 billion, and a reduction in the corporate tax rate to 42 per cent from 48 per cent, or $6 billion this year, provided $30 billion are collected each year from new energy taxes. This is an important increase in business taxation.

Your energy plan, in our considered judgment, will raise the costs of living of all Americans and lower their standards of living. If the reduction of U.S. oil imports is an urgent defense objective the domestic energy industry should be liberated from stifling controls and encouraged to expand through tax cuts. But instead, you are proposing new excise taxes and a "windfall profits tax" of up to 75 per cent of net income. $8 billion of new excise taxes on natural gas and $12 billion of new taxes on the oil industry do not promote exploration and production, but rather impede them. The new taxes on domestic industry are bound to prolong our dependence on foreign oil.

The economics professors of Grove City College are sad and disappointed about the economic road you are traveling. In the footsteps of your predecessors you are following the sign posts of the "new economics" of deficit spending and inflation. It is unfortunate that on this road that leads to monetary destruction and social disorder you cannot find the turn-off to classical economics that assures stable money and economic stability.

Yours respectfully,

PAUL J. FAIR,
CHARLES J. GUILER,
HANS F. SENNHOLZ,
WILLIAM H. BURDICK,
Professors of Economics.

LITHUANIA'S 57TH ANNIVERSARY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DELANEY. Mr. Speaker, the 16th of February is a very significant date in modern history. It marks the 724th anniversary of the founding of the Lithuanian State, and the 57th anniversary of the establishment of the modern Republic of Lithuania.

The Lithuanians are a great and courageous people. They share our profound belief in the idea that all men have a right to be free, and a right to freely determine their own destiny. We have had to fight but once for our independence, the Lithuanian people have struggled for centuries against foreign domination.

Today, like her sister States, Latvia and Estonia, Lithuania is held captive by the Communists. Time, however, will never rest their intense desire for freedom or devotion to liberty. I join with my colleagues and freemen everywhere in the hope and prayer that one day, true freedom, as well as independence will become a reality for Lithuania and its people.

SCENARIO FOR CATASTROPHE

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HÉBERT. Mr. Speaker, Ernest A. Carrere, Jr., who is a dear friend and president of the Navy League of the United States, has written an enlightening article on the explosive Middle East situation.

The article, which appeared as the "President's Message" in the December 1974 issue of Seapower magazine, is of interest to all of us, and I insert it at this point in the RECORD:

SCENARIO FOR CATASTROPHE

Certainly the most chilling forecast on the world scene today is the prediction of another war in the Middle East within six months. It was only slightly more than a year ago that tomorrow's antagonists were pried apart in the midst of their last struggle. Yet, despite the terrible loss of life on both sides, the vast expenditures for guns and tanks and aircraft that neither side can afford, the austere living conditions that have resulted from this past war and those which preceded it, the players in this bizarre game of life and death seem resigned to the harsh reality that one side must fight for its life against those who would eliminate a country from the map. Man's inhumanity to man is unbelievable.

But almost as disturbing as this prospect is the apparent indifference of Americans to a situation which in all likelihood will impact directly upon all in this country. With inflation rampant, and unemployment rising, and a coal strike underway which will cause hardship for hundreds of thousands, one can understand that there might be some indifference to what goes on beyond our shores. But when almost every re-elected or newly elected Senator or Congressman seems to want to sharply reduce defense spending as the quickest and best means of improving our economic situation, one wonders if they have given any consideration at all to the likelihood that these already inflation-weakened armed forces of ours might have to be called upon to once again fight to maintain some kind of status quo in the world as we know it now.

A year ago the diplomatic achievements of the indefatigable Mr. Kissinger—combined with a massive air and sea lift of weapons and equipment and the resilience, daring, fighting spirit, and sound organization of Israeli forces—brought about a cease-fire. The Soviets elected not to become involved other than to provide logistic support to the Arabs and eventually to bring pressure to bear for a cease-fire. The countries of Europe, all either our NATO allies or military partners outside that organization, stood by; however, despite their non-involvement, most were directly affected by the oil embargo imposed by the oil-producing nations.

Today the aircraft, tanks and other equipment destroyed during last year's war have been replaced. More ammunition has been stockpiled. Measures to improve readiness have been invoked by all the forces likely to be involved. And—most important to those nations of the world dependent upon Arab oil to sustain not just their economies, but their livelihood as well—the Arabs have threatened another embargo if war breaks out again.

That is a grim picture. But there is unlimited potential for it to become far, far grimmer. Suppose, for example, the winter about to descend upon us is, as has been widely predicted, harsh and severe. Suppose a western world unused now to hardships which war imposed upon it 30 years ago, or which famine now has brought to parts of Africa and the Far East, sees them return in part because people cannot afford to buy oil at its present artificially-high prices. Suppose a well-coordinated Arab military effort threatens to bring Israel to its knees. Suppose then an all-out embargo is imposed, and Europe's oil supply is reduced to a trickle. And suppose, amidst this potential chaos, the Soviet Union, the only major power in the world now still steadily and alarmingly strengthening its armed forces, warns against military action either to support Israel or to start the oil flowing again, and threatens use of its own formidable military might.

What then? Do we go to Israel's aid, come hell or high water? Do we count on diplomacy to bring peace? Do our allies choose to rely upon bargaining-table sessions to save their economies and their governments? Or does a free-for-all ensue that could rapidly become a holocaust?

This is *not* an improbable scenario. Part of it already happened once, and is threatened again. Meanwhile, the entire economic structure of the free world has been undermined by the determination of the oil-producing countries to maintain oil prices at a high level regardless of the consequences. The stage is set for potential catastrophe. And, as we have read time and time again in our history books, wars have started for far lesser causes than those which exist today.

All of which means to us that this is a good time to keep our powder dry, and our armed forces as strong as possible given today's financial limitations. The one country in the world today dedicated to bringing about peace in the Middle East *and* strong enough to have credibility in this quest is the United States. If we reduce our military capability, whether we like it or not, we will lose some of our credibility. Further, we represent the one western nation that could for a while at least, stand alone in the event of a strict oil embargo; European armed forces would face the problem of being hamstrung quickly if Mideast oil were cut off.

This is not to say that our armed forces should not do all within their power to reduce their expenditures in this inflationary period. They must bite the bullet just like the rest of our society. But in those areas wherein fat has long been stripped away and muscle is now exposed, it would behoove both the old and the new Congresses to be extremely cautious in their avowed intent to reduce military spending. For we cannot become an isolationst nation now and go our own way. Our future is inextricably interwoven with that of the rest of the world, and the rest of the world is irrevocably dependent upon us to remain strong and able to carry out our commitments to peace.

REPUBLIC OF LITHUANIA

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WOLFF. Mr. Speaker, I would like to take this time to remind my colleagues that on February 16, 1918, the Republic of Lithuania was established. A short 22 years later, this thriving Republic was invaded and occupied by the Soviet Union. Today's maps only show this proud nation as a part of the Soviet Union.

It is very popular to speak of détente. While we must pursue an easing of international tensions and increased understanding, we must not forget that there are a significant number of people in the world that cannot be described as free, that do not enjoy the basic human rights. In our quest for détente, we cannot forget these people.

ALL THE COMMISSAR'S MEN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DERWINSKI. Mr. Speaker, we are living in an age of neoisolationism which is evident here in the Congress. This is coupled with a constant attack on U.S. intelligence-gathering agencies. Too many Members are willing to ignore the realism of Soviet espionage activities.

Charles Moser's book review, appearing in the February issue of the Alternative, presents an objective critique of John Barron's novel, "KGB: The Secret Work of Soviet Secret Agents." The commentary, which follows, points out that the reader of the novel will gain a clearer outlook on the nature of the KGB and its methods:

ALL THE COMMISSAR'S MEN

(A book review by Charles A. Moser. "KGB: The Secret Work of Soviet Secret Agents," by John Barron.)

In early 1969 the president of *Reader's Digest* accepted a proposal by John Barron, now a senior editor, for a detailed investigation of the KGB, the Soviet state security police, designed for the general Western reader. Several years and many interviews later Barron's effort were presented to the world in the form of the present book. In addition to the logistic support of the *Reader's Digest*'s worldwide research facilities, Barron had a knowledge of Russian, some background in intelligence work, and—most importantly—a thorough comprehension of the importance of a secret police system for Communist regimes generally. Such a vast and necessarily shadowy subject cannot be treated exhaustively in a single volume, even one of over 450 pages, but Barron has done an excellent job of gathering information on the history of the Soviet secret police, its organizational structure, the methods it utilizes within the Soviet Union itself to maintain the Communist leadership's control over the Soviet people, and most especially its clandestine offensive against the outside world.

That offensive is conducted on various levels: by working through secret police of "fraternal" Communist countries who can occasionally perform missions more easily than Soviet agents, by disseminating "disinformation" and disorienting foreign opponents, by murdering prominent anti-Communist figures abroad with highly sophisticated devices, by gathering extensive military and political intelligence, by subverting host countries through the use of "diplomatic personnel" who are really KGB agents (the author comments that China presents an "exceedingly difficult target" for Soviet subversion, which is logical since the Chinese have surpassed their Soviet tutors in many aspects of state security.) Some of the espionage accounts read like spy stories, which they are, and they supply much of the book's narrative interest. Occasional Soviet espionage failures demonstrate that Western counterintelligence can sometimes be defensively bril-

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liant, but a good offensive is hard to block all the time, and the Soviets make frequent gains in this concealed warfare. Barron is not completely successful in systematizing the information he has gathered: it remains fragmentary at times, especially when he describes the careers of particular Soviet agents. This slight disjointedness does not, however, detract overmuch from the book's interest.

In the 1780s a Russian aristocrat and intellectual wrote a utopian novel (one of the few in the history of Russian literature) in which he described a model society on a distant island in which religion and the observation of religious rites were the responsibility of the police. Nearly a century and a half later a Russian middle-class intellectual, Vladimir Lenin by name, actually brought such a social order into being in Russia. For if a government does not rest upon the freely given assent of the governed, it must depend instead upon force and the compulsion and manipulation of assent.

The KGB is no incidental excrescence on the Soviet body politic: it is central to its being. Barron quotes Lenin as saying in 1920 that "the scientific concept of [utopian] dictatorship means neither more nor less than unlimited power resting directly on force, not limited by anything, nor restrained by any laws or any absolute rules. Nothing else but that." The Soviet security police was organized very quickly after the October Revolution, and its founder, the Polish intellectual Feliks Dzerzhinsky, spoke frankly of the necessity for "organized terror," at least in the early stages of the regime's history. And Dzerzhinsky was no monster from whom the regime now recoils in horror. On the contrary, an elaborate Moscow subway station is named in his honor, and Nikita Khrushchev during his premiership ordered a monument erected to him outside the Lyubyanka prison. Thus the explicit aim of the Soviet state apparatus is the manipulation of the population under 'ts control by force, terror, and fraud; these elements are at the core of the entire Soviet state system. A recent Soviet emigre has wisely counseled all Western statesmen who deal with Soviet leaders to recall constantly that the latter are, literally, killers. One sometimes has to deal with killers, but one adopts quite a different approach to them than to ordinary men with the customary moral scruples. Dzerzhinsky, Lenin, Stalin, and Khrushchev were all men who did not hesitate to kill, and the KGB is the formalized instrument of their control.

The very fact that Barron's book has been published in an age so given to the exposure of the American intelligence system and its putative crimes, is important. In *The Gulag Archipelago*, that remarkable effort at generalization on the domestic system which the KGB maintains within the Soviet Union, Solzhenitsyn points out in his very first chapter (on the arrest) that the task of the Soviet security police is made easier by the fact that their victims almost never resist, take evasive action, or even protest. They simply submit. The power of the secret police could be whittled down immediately, he implies, if more victims would cease to submit, as Solzhenitsyn himself and the Soviet dissidents have done. By refusing to go quietly these dissidents have caused their captors much discomfort. We who are the victims of the KGB's foreign operations must do the same if we are to shackle its power.

In his final chapter Barron offers a number of cogent suggestions for combating the KGB abroad, all of which finally reduce to a variant of the rule "Let us not submit." The advocates of silence often advance numerous sophisticated and superficially convincing reasons for maintaining silence on the outrages of the Soviet secret police, but they are all meretricious. Barron's book itself helps bring the entire subject into the light of day: he tells the world of the KGB's guilt without glossing over its crimes, for, unlike State Department adepts, he is not paralyzed by fear of "embarrassing" the Soviet government. There is no earthly reason, he points out, for Western countries to permit the swollen diplomatic representations which the Soviets regularly dispatch abroad: only a few are legitimate diplomats, while the rest are KGB agents there to subvert the host country. Sometimes the disproportion becomes ludicrous: in 1971 Mexico needed five diplomats to conduct its business in Moscow, but the Soviet Union had sixty accredited to Mexico City. Any Western country solicitous of its own internal stability can easily and logically limit Soviet diplomatic personnel in its capital to approximately the same number it maintains in Moscow. Adherence to this simple rule in itself would make the KGB's work abroad measurably more difficult. Then too, Barron recommends, Western governments should prosecute any KGB agents they uncover who are not protected by diplomatic immunity, and expel those who are covered by such immunity; they should in addition refuse to accept as a "diplomat" any individual already identified as such an agent. Barron furnishes a thirty-five page list of such individuals as an appendix to his book. The main thing, however, as he says, is to comprehend the nature of the KGB and its place in the Soviet System. The Soviets, to do them justice, have never really concealed their aims, or even their methods, for the most part. Instead, the West has deluded itself about the Soviet system for nearly sixty years, Barron asks us to see things clearly, and helps us in that task.

INTRODUCTION OF MEDICAL SCHOOLS' MANPOWER LEGISLATION

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ROGERS. Mr. Speaker, I have today introduced, at the request of the Association of American Medical Colleges, a measure which would revise and extend existing health manpower programs, which provide assistants to schools and students of the health professions. On February 6, 1975, I, and most of the other members of the Subcommittee on Public Health and Environment, introduced H.R. 2956, the Health Manpower Act of 1975, and at that time announced that hearings would be held on that bill and all other similar or identical measures on Thursday and Friday, February 20 and 21. H.R. 2956 is identical to a bill which passed the House last year. The bill which I have introduced today reflects the views of many of this Nation's medical schools both as to what level of Federal support is necessary as well as the methods by which that support should be given. In introducing this bill by request, I do not mean to imply that I am in support of every provision it contains. In fact, in some areas, the bill conflicts substantially with the provisions of H.R. 2956. However, in my view, it is important to consider every approach carefully. Thus, the Subcommittee on Public Health and Environment will very carefully consider this bill as well as other proposals which would revise and extend health manpower authorities during hearings and executive sessions.

MARINA TIEMKIN: THE STRUGGLE OF A SOVIET JEWISH TEENAGER

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Ms. HOLTZMAN. Mr. Speaker, in a continuing effort to expose the plight of the many individuals in the Soviet Union who are being denied basic human rights and who are subjected to constant harassment and persecution, I would like to bring to your attention the case of Marina Tiemkin, a 15-year-old Jewish girl from Moscow.

This young woman, who did nothing more than request an exit visa to emigrate to Israel, found herself ostracized, incarcerated in a mental institution, and then confined to a so-called "youth camp." Marina's father has been forced to leave the country without her, after being threatened with arrest, and Marina is presently being kept by her mother, who will not permit her to have contact with anyone or anything Jewish.

Marina Tiemkin's story has been retold by the Student Struggle for Soviet Jewry in the following article which I commend to my colleagues:

MARINA TIEMKIN: THE STRUGGLE OF A SOVIET JEWISH TEENAGER

On a cold day in February 1973, 14 year-old Marina Tiemkin was forcibly kidnapped from her home by Moscow police. While her father protested angrily, Marina was taken kicking and screaming, without hat or coat, to a waiting car. Her captors beat her as they dragged her down the stairs.

For some time no one knew where Marina was. Soviet authorities refused to tell. Though her parents lived in the same apartment, they are divorced, and her mother refused to have anything to do with Marina because Marina wanted to go to Israel.

Finally, at the end of March, Marina called her father, Alexander Tiemkin. She'd been flown to Orlenok, a "Pioneer" youth camp near the Black Sea for "re-education". She had succeeded in slipping away from the group for a few minutes and managed to phone. Alexander, who is a PhD in physics and mathematics, traveled immediately down to the camp and succeeded in seeing her alone for a few minutes before being discovered by camp officials. Marina was amazed to hear that her eight letters to her father had all been stopped. "They didn't allow me to phone," she said. "They told me the mail was working normally."

Marina staged a four-day hunger strike when she arrived at the camp, but was forced to carry on with camp activities nevertheless. "If you suffer a little, it's nothing," the camp director told her. "He's a real sadist," Marina told her father. Marina was the only Jew in the camp, which specializes in Soviet doctrine and military-type activities. "G-d forbid what an attitude to Jews they have here," she declared.

Alexander went to ask for help from the principal of the special French school Marina attended in Moscow, and was told that "Marina is being saved from your influence so that she should be brought up as a Soviet girl". In the camp Marina was constantly watched; her letters were intercepted; and she was under great pressure to forget her Jewish heritage and desire to go to Israel.

Marina's problems began in April 1972 when her father applied for permission to emigrate to Israel. Her mother, Maya Markovna Raiskaya, a child psychiatrist, agreed reluctantly at first, but later felt that her job as a senior scientific worker at a branch of the Moscow Academy of Educational Sciences would be jeopardized if her daughter left for Israel. Her threats and insults against her daughter grew more serious and at one point a district department of education suggested that she give her daughter to the State since she could not cope with her.

In May 1972, despite her mother's wishes, permission was granted to Marina and her father to leave for Israel on October 19th. When they went to pick up their visas, however, they were told a visa had been issued only for her father. Three weeks later, Marina and her father were snatched from the street by the Moscow police and detained for seven hours. During this time, they were told a hearing was set for November 9th, and that the court had decided to return Marina to her mother's custody. The court wished to "restrict Tiemkin's participating in the upbringing of his daughter" because he is "a bad influence".

Alexander appealed this decision, but on January 17, 1973 lost. The judge stated that there was no doubt that Alexander was a loving father, but that his Zionist activities and efforts to emigrate to Israel proved he was an anti-social influence. The judge based her decision on three points of "evidence": that Marina ate matzah on Passover, that she refused to wear her Pioneer tie to school, and that she considers herself an Israeli citizen.

In September 1973, Prof. Tiemkin was given a choice by the KGB: either be sentenced to a labor camp on the trumped-up charge of "parasitism" or leave the U.S.S.R. Since arriving in Israel, he has continued his vigorous campaign for Marina's release. Tiemkin has learned from eyewitnesses that after his expulsion from the Soviet Union, Marina was brought back to Moscow and was put into a psychiatric hospital for a time, where she was treated with drugs to break her will.

Marina is now kept by her mother. Dr. Tiemkin has written to the Student Struggle for Soviet Jewry stating: "Each morning Marina is accompanied by her mother to school. After school she is accompanied home by her mother's mother, who guards her until Raiskaya returns. No doubt in school teachers and maybe children spy on Marina. Marina can't even phone our friends, or my mother, and can't meet with them. It is absolutely impossible to isolate Marina without the help of the KGB."

Marina herself has written, "I want to live in my Homeland, to speak Hebrew, to study our history . . . I am a Jewess and cannot live without Israel. Please help me!"

LITHUANIAN INDEPENDENCE DAY

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. VANDER JAGT. Mr. Speaker, I urge my colleagues to join with me in commemorating Lithuanian Independence Day and the 57th anniversary of the establishment of the Republic of Lithuania.

While the Republic of Lithuania remained independent for only 22 years, the heritage and spirit of its people demand continued recognition of their right to self-determination. We must continue to support the Lithuanian people to discourage Russification and effective absorption of the Baltic States into the Soviet Union.

I urge my colleagues to act in the spirit of détente and reaffirm the principles of House Concurrent Resolution 416 of the 89th Congress, adopted in support of the Lithuanian people.

SANTA MONICA MOUNTAIN RANGE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BELL. Mr. Speaker, I am today introducing legislation, along with my distinguished California colleagues, Mr. REES and Mr. CORMAN, to establish the Santa Monica Mountains and Seashore Urban National Park in the State of California.

The Los Angeles metropolitan area, with a population of well over 10 million people, is the second largest metropolitan area in the United States, yet there are no national parks in southern California available to these millions of residents. The Santa Monica Mountains and Seashore Urban National Park, as envisioned in this legislation, would provide a badly needed recreational area of unique beauty and natural splendor within 1 hour's drive for these 10 million people.

The Santa Monica Mountain Range and its adjacent seashore area constitute the greatest and most beautiful natural resource in the vicinity of Los Angeles. This last remaining open space in such an intensely urbanized region has the potential for being one of the great parks of our Nation.

A park there would offer relief to millions from the pressures of nearby city life, would protect that spectacular area against further environmental degradation and developmental encroachments, and would provide a source of recreation for all people of this Nation.

The unique topographical qualities of the Santa Monica Mountains rivals those of many of our existing national parks, and I strongly believe preservation of this area in its natural state for future generations of Americans to be very much consistent with the public interest of the people of the United States. Further, such a guarantee of preservation can only adequately be accomplished through the resources of the Federal Government.

Initially, the concepts embodied in this bill were introduced by me during the first session of the 92d Congress. While progress has been made since then toward the realization of this much needed park and conservation facility, the Federal Government has been delinquent in its responsibility to the citizens of southern California in failing to insure that the currently undeveloped portions of the Santa Monica Mountains and seashore areas will be preserved for the enjoyment of this and future generations.

No one can seriously challenge the fact that there exists a great need throughout the country and, in particular, in southern California, for additional recreation and park facilities. Each year thousands of individuals are precluded from enjoying the pleasures of the outdoors because of the overcrowded conditions that prevail in the few parks that do exist. This legislation, while it focuses its attention on the serious needs of California, will represent, if implemented, an increased awareness by the Federal Government of the especially acute needs of urban dwellers to experience nature in its most natural and splendid state.

I am strongly committed to making the Santa Monica Mountain and Seashore National Urban Parks, as envisioned in this legislation, a reality. The enthusiasm displayed by the residents of the Greater Los Angeles area in support of this concept has been overwhelming.

If you have visited the area, you know of the natural beauty that abounds there. I would consider it an unpardonable sin were we to permit by inaction or delay, further development of the mountain area there.

Consequently, I urge speedy and favorable consideration by the 94th Congress of this legislation.

Mr. Speaker, I include the complete text of our bill in the RECORD at this point:

H.R. 3201

A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the Santa Monica Mountains and adjacent seashore of California include the most significant expanse of unurbanized and undeveloped open land adjacent to the Los Angeles supermetropolis; and that the Santa Monica Mountains are of great scenic, recreational, educational, scientific, natural, and public health value, as is the adjacent coastline. Accordingly, in order to preserve and protect for public use and enjoyment, the natural, scenic, historic, archeological, and other values of the lands and waters of the Santa Monica Mountains and adjacent seashore areas, the Secretary of the Interior (hereinafter referred to as the "Secretary") shal establish the Santa Monica Mountains and Seashore Urban National Park (hereinafter referred to as the "park") in the State of California. The park shall include the lands, waters, and interests therein within the area generally described as that area bounded on the west by a line from Mugu Lagoon generally northward to the Ventura Freeway, on the north by the Ventura Freeway, on the east by the San Diego Freeway, and on the south by Sunset Boulevard and a line parallel to and one mile offshore from the shoreline of the Pacific Ocean, all within Los Angeles and Ventura Counties, California. The Secretary shall, as soon as practicable, but not later than 18 months after the date of enactment of this Act, publish a map and a detailed description of the boundaries of the park in the Federal Register. Such map and description shall depict the particular areas within the boundaries that the Secretary determines ought to be acquired and held in public ownership for the critical purposes set forth in section 2(a). The total area included within such acquisition shall not exceed eighty thousand acres and shall, at the time of establishment of the park by the Secretary, as provided herein, be not less than forty thousand acres, exclusive of units of the State Park system. The Secretary

may revise the boundaries of the park from time to time by publication in the Federal Register: *Provided*, That such revision does not reduce or expand the total acreage beyond the minimum and maximum limits specified in this section. In the management of the park, the Secretary shall utilize the park area resources in a manner which will preserve its scenic, natural, and historic setting while providing for the recreational and educational needs of the visiting public.

SEC. 2. (a) In connection with his description of the boundaries of the park pursuant to the first section of this Act, the Secretary shall identify the areas within such boundaries which must be acquired and held in public ownership for the following critical purposes: Preservation of beaches and coastal uplands; protection of undeveloped inland stream drainage basins; protection of existing park roads and scenic corridors; and connection of existing State and local Government parks and other publicly owned lands to enhance their potential for public recreational use. The Secretary may from time to time revise his identification of such areas, and any such revisions shall become effective in the same manner as herein provided for revisions in the boundaries of the park.

(b) It is the express intent of the Congress that the Secretary shall substantially complete the acquisition of the lands, improvements, waters, or interests therein identified for the critical purposes referred to in subsection (a) within five years after the date of enactment of this Act, and during such five-year period funds appropriated for the acquisition of property within the park may be used only for acquisition of the lands, improvements, waters, and interests therein so identified.

SEC. 3. (a) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal agency, or exchange lands, improvements, waters, or interests therein which are located within the boundaries of the park: *Provided*, That any lands or waters or improvements or interests therein owned by the State of California or any political subdivision thereof may be acquired only by donation. Notwithstanding any other provisions of law, any Federally owned lands within the park shall, with the concurrence of the head of the administering agency, be transferred to the administrative jurisdiction of the Secretary for the purposes of this Act, without a transfer of funds.

(b) With respect to improved properties, as defined in this section, the Secretary may acquire scenic easements or such other interests as, in his judgment, are necessary for the purposes of the park. Fee title to such improved properties shall not be acquired unless the Secretary finds that such lands are being used, or are threatened with uses, which are detrimental to the purposes of the park, or unless such acquisition is necessary to fulfill the purposes of this Act.

(c) When any tract of land is only partially within the boundaries of the park, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severance costs. Land so acquired outside of the boundaries may be exchanged by the Secretary for non-Federal lands within the boundaries; any portion of the land so acquired outside the boundaries and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949, as amended: *Provided*, That no disposal shall be for less than the fair market value of the lands involved.

(d) For the purposes of this Act, the term "improved property" means: (1) a detached single family dwelling, the construction of which was begun prior to January 1, 1975 (hereinafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures necessary to the dwelling which are situated on the land so designated, or (ii) property developed for agricultural uses, together with any structures accessory thereto which were so used on or before January 1, 1975. In determining when and to what extent a property is to be considered an "improved property", the Secretary shall take into consideration the manner of use of such buildings and lands prior to January 1, 1975, and shall designate such lands as are reasonably necessary for the continued enjoyment of the property in the same manner and to the same extent as existed prior to such date.

(e) The owner of an improved property, as defined in this Act, on the date of its acquisition pursuant to this Act, as a condition of such acquisition, may retain for himself or herself, his or her heirs and assigns, a right of use and occupancy of the improved property for noncommercial residential or agricultural purposes, as the case may be, for a definite term of not more than twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or the death of the owner's spouse, whichever is later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated, the Secretary shall pay to the owner the fair market value of the property on the date of its acquisition, less the fair market value of such right of use and occupancy as may be retained by the owner on that date. Any right retained by the owner pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and shall terminate by operation of law upon notification by the Secretary to the holder of the right of such determination and the tendering to such person of an amount equal to the fair market value of that portion which remains unexpired.

(f) In exercising his authority to acquire property under this Act, the Secretary shall give prompt and careful consideration to any offer made by an individual owning property within the park to sell such property, if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in undue hardship.

SEC. 4. (a) As soon as practicable, but not later than one year after the date of enactment of this Act, the Secretary, after notice has been duly published at least fifteen days prior to the date thereof in at least one newspaper of general circulation in Los Angeles and one in the City of Ventura, shall hold a public hearing on the proposed park boundaries. At least thirty days prior to the date of such hearing, the Secretary shall publish in the Federal Register a map and other description of the proposed park.

(b) Commencing thirty days before the hearing referred to in subsection (a), the map and description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and in the offices of the General Services Administration in the Federal Office Building in West Los Angeles, California, and in an appropriate building in the City of Ventura.

(c) No alternatives or amendments to park boundaries shall take effect until after a notice corresponding to those of subsections (a) and (b) and public hearings and publication of such alteration or amendment in the Federal Register.

(d) Within 18 months after the date of the enactment of this Act, the Secretary shall submit in writing to the Committees on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed program which shall indicate:

(1) the lands and areas which he deems essential to the protection and public enjoyment of the park,

(2) the lands which he has previously acquired by purchase, donation, exchange, or transfer for the purposes of the park; and

(3) the annual acquisition program (including the levels of funding) which he recommends for the ensuing five fiscal years.

(e) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within five years after the date of its enactment.

SEC. 5. (a) The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he determines that lands, improvements, waters, and interests therein have been acquired in an amount sufficient to constitute an efficiently administerable unit for the purposes of this Act. Pending such establishment, and thereafter, the Secretary shall administer property acquired for the purposes of this Act in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and he may use such other statutory authorities available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this Act.

(b) The authority of the Secretary of the Army to undertake or contribute to water resource development, including erosion control and flood control, on lands or waters within the park shall be exercised in accordance with plans which are mutually acceptable to the Secretary and the Secretary of the Army and which are consistent with both the purposes of this Act and the purposes of existing statutes dealing with water and related land resource development.

(c) Notwithstanding any other provision of law, the Secretary is authorized to accept donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of land acquisition and providing services and facilities within the park.

(d) The Secretary may, on his own initiative, or at the request of any local or State government having jurisdiction over land located within or adjacent to the park, assist and consult with the appropriate officers and employees of such government in establishing zoning laws or ordinances which will assist in achieving the purposes of this Act. In providing assistance pursuant to this subsection, the Secretary shall endeavor to obtain provisions in such zoning laws or ordinances which—

(1) have the effect or limiting the noncompatible commercial and industrial use of all real property adjacent to the park;

(2) aid in preserving the character of the park by appropriate restrictions on the use of real property in the vicinity including, but not limited to, restrictions upon: building and construction of all types; signs and billboards; the burning of cover; significant modifications of natural habitat types; grading and removal of topsoil, sand, or gravel; dumping storage, or piling of refuse; or any other use which would have the effect of detracting from the aesthetic character of the park; and

(3) have the effect of providing that the Secretary shall receive notice of any hearing for the purpose of granting a variance, and any variance granted under, and of any exception made to, the application of such law or ordinance.

SEC. 6. (a) There is hereby established the Santa Monica Mountains and Seashore Urban National Park Advisory Commission (hereinafter referred to as the "Commission"). The Commission shall terminate ten years after the date of establishment of the park.

(b) The Commission shall be composed of fifteen members appointed by the Secretary for terms of three years each.

(c) Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) Members of the Commission shall serve without compensation, as such, but the Secretary may pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this Act.

(e) The Secretary, or his designee, shall, from time to time, but at least annually, meet and consult with the Commission on general policies and specific matters related to planning, administration, and development affecting the park.

(f) The Commission shall act and advise by affirmative vote of a majority of the members thereof.

SEC. 7. (a) The Secretary, in cooperation with the State of California and the affected political subdivisions thereof, local and regional transportation agencies, relevant advisory gorups, and the Secretary of Transportation, shall make a study for a coordinated public and private transportation system to and within the park and other units of the national park system in Los Angeles and Ventura Counties.

(b) The Secretary shall inventory and evaluate all sites and structures in the park having present and potential archeological, historical, cultural, or scientific significance and shall provide for appropriate programs for the preservation, restoration, interpretation, and utilization thereof.

SEC. 8. (a) Subject to the provisions of subsection (b) of this section, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) For the development of essential public facilities within the park, there are authorized to be appropriated not more than $500,000. Within one year from the date of establishment of the park pursuant to this Act, the Secretary shall, after consulting with the Governor of the State of California, develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the development of the park consistent with the objectives of this Act, indicating:

(1) the facilities needed to accomodate the health, safety, and recreation needs of the visiting public;

(2) the location and estimated costs of all facilities; and

(3) the projected need for any additional facilities within the area.

ARKANSAN ELECTED NATIONAL COTTON COUNCIL PRESIDENT

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ALEXANDER. Mr. Speaker, C. L. Denton, Jr., cotton producer of Denwood, Ark., in the First Congressional District, was recently elected the 24th president of the National Cotton Council at its annual meeting in Phoenix February 3–4.

Chauncey Denton has established himself as a leader in agriculture, having served as president of the Agricultural Council of Arkansas for 2 years and a member of the Arkansas ASCS Committee for 5 years. Previous national recognition has come with his selection to the Department of Agriculture's National Advisory Committee on Safety in Agriculture.

Owner and operator of a cotton farm and a gin at Denwood, Denton is a former council director and past chairman of its producer steering committee.

I urge my colleagues to join me in congratulating Chauncey and the National Cotton Council for its wise choice of a spokesman for the cotton industry.

SMACNA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MINETA. Mr. Speaker, public officials, indeed the entire governmental structure, are often negligent in recognizing the contributions made to our society by the business community in general, and specific industries in particular.

I want to take this occasion to recognize one important segment of the construction industry in Santa Clara County, Calif. I am referring to the sheet metal, heating, and air conditioning industry.

The Santa Clara district chapter of the Sheet Metal and Air Conditioning Contractors National Association—SMACNA—composed of 30 members and represents approximately three-fourths of all work done in this field in Santa Clara, Santa Cruz, and San Benito Counties.

Nationally, SMACNA is an organization dedicated to furthering the goals of the industry in areas such as legislative affairs, research and development, continuity of standards, standards organization, and maintenance of services.

The Santa Clara district chapter has been involved in numerous activities including the following:

Training of more than 100 apprentices in 1974 under the local apprentice training committee;

Conducting CAL/OSHA self-compliance and total loss control programs;

Conducting a regional sheet metal apprentice contest in San Jose;

Holding an estate planning seminar;

Sponsoring an employee buy-out program;

Promoting continuing in-plant safety inspections, and

Participating in numerous high school career days.

I have chosen to recognize this deserving industry, Mr. Speaker, for many reasons, but two among those require special attention.

First of all, the Nation's economic ills, which have been magnified in Santa Clara County, have dealt a crunching blow to the entire construction industry. Those of us in positions of leadership must take advantage of every opportunity to assist this vital element of the economy, and restore public confidence in our ability to do something positive to achieve necessary changes.

Second, the crying need to implement energy conservation measures will necessarily result in increased research activities in the heating, air conditioning, sheet metal, and insulation industries. I am confident SMACNA will be working with the Congress as we seek to find effective and fair solutions to the critical problem of energy conservation.

THE STEPS TO TAKE WHEN A PURCHASE DOESN'T SATISFY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HAMILTON. Mr. Speaker, many of my constituents have written to me asking for advice on consumer problems. They may be having difficulties with anything from product safety to a merchant who refuses to honor a warranty, and they need to know where to turn for assistance.

The 1974 Yearbook of Agriculture contains a good summary of steps consumers can take if a product or service is unsatisfactory. I recommend it to my constituents:

THE STEPS TO TAKE WHEN A PURCHASE DOESN'T SATISFY

When a purchase doesn't live up to its billing . . . doesn't last as long as it should . . . gives you service and maintenance problems . . . or tastes terrible, you perform a public service by telling the manufacturer and the retailer exactly what you think of it and why.

Strangely encugh, surveys have shown that only one out of four consumers bothera to complain about unsatisfactory merchandise, possibly because most people

Don't know where to write.

Aren't sure how to describe the problem.

Aren't sure complaining is worth the effort.

With the growth of the consumer movement over the last ten years or so, this negative attitude is changing. More consumers are stating their problems loud and clear. With this chapter I hope to help you complain effectively.

Reputable retailers and manufacturers, as well as consumers, are equally interested in consumer satisfaction. Hearing about your reaction to problems with a product will help concerned and responsible business and industry to improve their products.

There has been a noticeable response to the active consumer movement from business in the establishment of specialized departments which handle consumer complaints and provide consumer information.

Of course, sometimes the consumer service departments in business don't measure up to our expectations, and sometimes consumer information is inadequate. Again, this is a reasonable basis for complaints by consumers, individually and collectively.

The consumer's first line of defense is information. Before you buy any product—especially before you make a major purchase

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of any kind—get all the information you can about various styles and models, degrees of difference between products, and the manufacturer's guarantee or warranty provisions.

Check the reputation of the local dealer with your Better Business Bureau. If Merchant X has a file full of unresolved complaints, protect yourself by taking your purchasing power elsewhere.

Advance preparation for major and even minor investments can save you a lot of time, money and trouble.

Once you've decided on the kind of product you want, and which retailer to buy from, think further about the model that's best for you.

If you're in the market for a new washer, the shocking pink superwasher with seven temperature selections and four forward speeds may be just what you're after. Then again, perhaps it isn't, and you would prefer the simpler model.

Once your decision is made, stay with it. Don't let an aggressive salesman talk you out of the simple washer and into the superwasher.

Don't wait until the product needs service to find out how good the guarantee or warranty (interchangeable terms) may be. The time to ask questions about the warranty and service is before you buy the product. If the salesman cannot answer your questions satisfactorily, ask to speak to someone who can.

Remember, a guarantee is a statement by the manufacturer or vendor that he stands behind his product or service. Guarantees and warranties usually have limitations or conditions, so be sure you know what isn't covered under the circumstances as well as what is covered.

I suggest immediate suspicion of so-called "unconditional" guarantees. Conditions are almost inevitable, so get all promises in writing. Any businessman who is unwilling to put his promises in writing is not the one to deal with.

Before you buy any product or service covered by a guarantee or warranty, make sure you resolve these questions:

What, exactly, is covered? The entire product? Only certain parts? How about labor costs?

Whom should you call when you need repairs under the warranty? The manufacturer? The retailer? A service agency?

Must repairs be made at the factory or by an "authorized service representative" to keep the warranty in effect? If so, where is the nearest service representative? He'd better be close by for good service!

Who pays for parts, for labor, for shipping charges?

How long does the warranty last on the entire product? On parts and assemblies?

If pro-rata reimbursement is provided, what is the basis for it? Length of ownership? Usage? Original cost?

If the warranty provides for reimbursement, is it in cash or credit toward a replacement?

Before you use the product, be sure to read the owner's manual or instruction sheet. Follow the operating instructions and make sure that any routine maintenance or service is completed as suggested or required by the manufacturer. Otherwise you may find you've cancelled your warranty.

Keep the warranty and sales receipt for future reference.

A great place to keep them is in a recipe file. Write down the date of purchase and date of installation. Register appliances with the card provided for that purpose by the manufacturer. And it's a good idea to record any service or repair work done after purchase.

If you have a complaint about merchandise that has not lived up to your expectations, the first place to register your complaint is with the store where it was purchased. Many complaints can be settled as simply as that.

If you can't return the merchandise, if your problem can't be solved at the retail level, or if the problem seems to drag on for an unreasonable length of time, write to the manufacturer. If you don't have his address, your local Better Business Bureau or Chamber of Commerce may be able to secure it for you.

Or you may wish to invest 50 cents in a booklet called *Information for Consumers* which lists the names, addresses and phone numbers of key executives of major U.S. manufacturers and retailers. Order it from *Everybody's Money*, Dept. SS, Box 431, Madison, Wis. 53701, and keep it on file with your warranties.

Before you write your letter, put the facts in order so that your communication will be clear, concise and to the point. Be sure to include:

Your full name and address (You'd be amazed at the number of people whose letters can't be answered because their addresses are illegible or incomplete!)

What you bought. Include the model number, serial number, etc., to assist the manufacturer's identification of the product.

Where you bought it.

Date of purchase and amount you paid.

The problem—the appliance doesn't work, the carpet shows wear, the jeans came apart in the wash, or non-delivery of ordered merchandise.

Warranty dates, if applicable.

Your preferred resolution of the problem: adequate repair, refund, replacement, or whatever.

Keep a copy of your letter for future reference.

If you don't have an answer to your original letter at the end of three weeks, write again, enclosing a copy of the original letter.

If there's still no answer after a reasonable period of time, report your experience to the local Better Business Bureau, state or county Consumer Protection Agency, to the local newspaper's Action Line, to the appropriate federal regulatory agency (for their records), or to one of the recently-developed Consumer Action Panels.

In response to consumer complaints about products, service and warranties, complaint-handling mechanisms have been set up by four major industries. They are called Consumer Action Panels (CAPS) and they constitute a major step forward for consumers and for the industries as well. They 1) receive comments and complaints from consumers, 2) study industry practices, 3) advise the respective manufacturers of ways to improve their consumer services, and 4) provide consumer information materials.

Their names and addresses are: Carpet and Rug Industry Consumer Action Panel (CRICAP), Box 1568, Dalton, Ga., 30720.

Furniture Industry Consumer Action Panel (FICAP), Box 951, High Point, N.C. 27261.

Major Appliance Consumer Action Panel (MACAP), 20 North Wacker Drive, Chicago, Ill. 60606.

These three CAPS maintain central offices to which complaints and inquiries can be referred. The fourth, AutoCAP, uses local and state panels organized under auspices of the National Automobile Dealers Association. As of February 1974, pilot panels have been established in Colorado, the District of Columbia, Florida, Idaho, Kentucky, Ohio, Oklahoma, Oregon, Pennsylvania, Utah, and Washington.

For complete information on AutoCAPS and their locations, write to the National Automobile Dealers Association, 2000 K Street N.W., Washington, D.C. 20006.

As of February 1974, some 44 states have enacted the so-called "Little FTC Act" to prevent deceptive and unfair trade practices. At that time, the states without such laws were Alabama, Georgia, Mississippi, Nebraska, Tennessee and West Virginia.

Consumer protection in 40 states is the responsibility of the State Attorney General. In the remaining states, consumer protection agencies have been set up within the governor's office or within a designated state department—such as agriculture, commerce, or labor.

If a State Consumer Protection Bureau is not listed in your local telephone book, contact the Office of the Attorney General in your state capitol for information on your state's consumer protection services.

Other sources for assistance with your complaints are city and county consumer offices. Responsibilities and powers of these agencies vary. Consumers are well advised to keep themselves informed on the status and functions of local agencies.

Although federal agencies do not act upon individual consumer complaints, such complaints are valuable background information for regulatory agencies as well as for the President's Office of Consumer Affairs.

Their addresses and functions are:

Federal Trade Commission (FTC), Washington, D.C. 20580.

FTC has jurisdiction over restraint of trade and unfair business practices, false and deceptive advertising, product labeling, and flammable fabrics.

Food and Drug Administration (FDA), 5600 Fishers Lane, Rockville, Md. 20852.

FDA is responsible for overseeing the marketing of food, drugs, cosmetics, and medical devices.

Consumer complaints concerning these areas should be directed to this agency. Though FDA does not attempt to resolve individual complaints, such communications will help keep the agency informed of current problem areas.

U.S. Postal Inspection Service, Washington, D.C. 20230.

This is the oldest, least known law enforcement agency in the United States. The Chief Inspector's Office processes more than 100,000 complaints of fraudulent use of the mails each year, and conducts more than 10,000 full field investigations annually. It maintains liaison with other federal agencies, and with state and municipal authorities.

Consumer Product Safety Commission (CPSC), 1750 K Street NW., Washington, D.C. 20036.

This agency is relatively new. It has power to:

Set safety standards for all common household and recreational products;

Seize and bar hazardous products from the marketplace;

Ban from the market any product that presents an unreasonable risk of injury; and

Order manufacturers, distributors, or retailers to notify purchasers about hazardous products and to repair, replace or refund the cost of such products.

CPSC maintains a toll-free hotline for consumer questions and complaints. The number to call with questions concerning possibly hazardous products is 800–638–2666 for residents of the continental United States. In Maryland only, call 800–492–2937. You may also report suspected product safety defects on this line.

Obviously, there are more sources for consumer assistance than can reasonably be summarized in a single chapter. Books can be and have been written on this subject. What's more important to remember is: *Complaining is a public service.*

Consumers should be able to make their voices heard in the marketplace. Your voice counts.

VOTING RIGHTS EXTENSION ACT

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Ms. JORDAN. Mr. Speaker, today I have introduced legislation which extends the provisions of the Voting Rights Act of 1965 to jurisdictions in which Mexican American voters reside—principally Texas, New Mexico, Arizona, and parts of Colorado, and California. In addition, my bill would extend coverage of the act for jurisdictions currently covered by its provisions for an additional 10 years, and also place a permanent national ban on the use of literacy tests.

Beginning on February 25, the Subcommittee on Civil Rights and Constitutional Rights of the House Judiciary Committee will hold hearings on extension of the Voting Rights Act. Without congressional action, the act will expire on August 7, 1975. I have joined Chairman PETER RODINO and DON EDWARDS in cosponsoring a simple extension of the act for additional 10 years. Passage of the Rodino-Edwards bill is vital. Nothing should impede the Conrgess from this task. In addition to the testimony which will be heard by the subcommittee justifying simple extension of the Voting Rights Act, witnesses will testify and affidavits will be submitted supporting extension of the act's provisions to areas of the country in which Mexican American voters reside.

Nearly all the forms of discriminatory voting practices suffered by blacks in the South are being suffered by Mexican Americans in the Southwest. When Mexican Americans tried to register in one town they were told the registrar ran out of printed forms. Polling places have been located in places where only whites normally congregate. There have been instances where Mexican American ballots have been consistently challenged, causing voters to appear in court and attempt to recognize their ballot among many thousands cast. Jurisdictions have apportioned themselves to minimize the effect of the Mexican American vote. These and other specific instances of voting discrimination against Mexican Americans will be presented to the subcommittee. The legislation I have introduced today is designed to apply the remedies of the Voting Rights Act to these jurisdictions.

Under my proposal a jurisdiction would be covered by the Voting Rights Act if, first, less than 50 percent of the eligible voters were registered to vote or less than 50 percent of the eligible voters actually voted during the Presidential election of 1972 and, second, if the jurisdiction printed election or registration materials only in the English language when more than 5 percent of the eligible voters are of a single mother tongue other than English. The current definition of test or device includes any requirement "that a person as a prerequisite for voting or registration for voting demonstrate the ability to read, write, understand, or interpret any matter." My amendment would make explicit that the failure to provide bilingual registration forms and ballots when a substantial number of voters do not read fluent English constitutes the use of a "test or device." The Bureau of the Census collects, on a county by county basis, statistics on the mother tongue of residents. It is possible, therefore, to utilize the mother tongue of residents as a measure of the difficulty eligible voters confront when presented with election materials printed only in English.

Jurisdictions covered by the act would be required, as are jurisdictions currently covered, to submit to the Attorney General for his concurrence any changes made in voting laws or procedures. This means that changes in voting laws or procedures cannot be implemented in covered jurisdictions unless the Attorney General determines that the proposed changes would not have a discriminatory effect. In addition, the Attorney General may send Federal registrars and poll watchers into covered jurisdictions to assist eligible voters to exercise their franchise under the guarantees of the 15th amendment. Enactment of this bill, therefore, would charge the Attorney General with protecting the voting rights of Mexican-Americans residing in the Southwest.

In its just released report on the effectiveness of the Voting Rights Act, the U.S. Civil Rights Commission voted to study the voting rights of residents located in jurisdictions not covered by the Act. However, the Commission recommended "that the Congress not await the Commission's forthcoming report before giving serious consideration to including an amendment to the extension of the Voting Rights Act to cover those language minorities as well as other minorities who, according to preliminary information require the protection of this law."

Mr. Speaker, my bill implements the preliminary recommendation of the Civil Rights Commission by extending the protections of the Voting Rights Act to Mexican-Americans residing in the Southwest. The disenfranchised voters of this country must be enfranchised. They must know they are part of the citizenry of this country. Their rights, their privileges and their votes must be protected. An open and free society can do no less. The legislation I have introduced today will accomplish this goal.

AT A FUNDRAISING DINNER

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. JACOBS. Mr. Speaker, this past weekend at a fundraising dinner for Vice President ROCKEFELLER, President Ford said it is easier to negotiate with our country's adversaries than to negotiate with the Congress.

The audience howled its delight.

Me, too.

I mean, after all, this is the administration that negotiated the Russian wheat deal.

Speaking of Congress, is not a fundraiser for a Rockefeller somewhat incongruous?

CONSTITUENT SERVICE FUND

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SARASIN. Mr. Speaker, a little over 1 year ago I entered in the CONGRESSIONAL RECORD a lengthy discussion of my intention to establish a constituent service fund to help underwrite the costs of providing my Fifth District Connecticut constituency with the kind of communications and services which I feel they deserve. I also feel strongly that they have a right to a full disclosure of this fund and how it is used.

I placed before my colleagues and the public a detailed explanation of the type of expenses I believe could properly be covered by such a fund, the method by which I intended to raise the money and a lengthy opinion from the Internal Revenue Service which I solicited to make sure the fund met every legal and ethical requirement.

Last August, I placed in the CONGRESSIONAL RECORD a complete accounting of the operation of the funds for the first 6 months. I would now like to offer to my colleagues and the public a report on the first full year of this constituent service fund. It has been of tremendous value in enabling me to maintain the kind of service and communications I feel are my responsibility as a representative of the people of my district and I also wish to express my gratitude to the many contributors who have made the program a success.

The basic structure of the fund is based on a maximum $200 subscription from any individual and also benefits from miscellaneous contributions ranging from $1 upward. The following represents a full accounting of the operations of my constituent service fund from January 1, 1974 to December 31, 1974:

RECEIPTS

Miscellaneous receipts from constituents ranging from $1.00 to $100.00	$178.00
Thirty-five members at $200.00 fully paid	7,000.00
Four (one-half year paid at $100.00) second one-half year balance due	400.00
Total	7,578.00

EXPENDITURES

Additional staff and expense	428.20
Rental of meeting rooms and janitor expenses	67.20
Sarasin mobile office and travel expenses	384.42
Printing of newsletters, questionnaires, senior citizen handbooks	6,327.61
Bank charges	11.78
Fifth District club functions	260.02
Coordinator meetings—expenses and refreshments	12.36

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Advisory board luncheons	81.01
Post Office box rental	5.40
Total	7,578.00

I shall continue to publish regular reports on the operation of this fund.

OVER 100 MEMBERS COSPONSOR TAX AND LOAN ACCOUNT INTEREST ACT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SEIBERLING. Mr. Speaker, I am today introducing the Tax and Loan Account Interest Act of 1975 with an additional 47 cosponsors. This brings to 101 the number of Members who have joined in introducing this legislation. If enacted, the bill would save the U.S. Government between $350 and $400 million a year by requiring the payment of interest on deposits of the taxpayers' money in "tax and loan accounts" in commercial banks throughout the country.

In recent years, the average balance in the accounts has averaged around $4 billion. That money sits in the banks without earning 1 cent of interest for the taxpayers until the Government withdraws it. Instead of investing that money to help pay off the national debt or making it available to the taxpayers, the Government allows the banks to invest it and reap high rates of interest, not for the taxpayers but for the banks.

In recent months, the Treasury has drawn down its accounts in commercial banks more quickly, possibly in response to mounting criticism of the tax and loan account system. But certainly we still need some kind of clear-cut rules to prevent this careless management of the taxpayers' money.

I am very pleased to note that, in the past several weeks, bills similar to the Tax and Loan Account Interest Act have been introduced by the chairman of the House Banking and Currency Committee (Mr. REUSS), the former chairman of that committee (Mr. PATMAN), and by the chairman of the Senate Banking, Housing and Urban Affairs Committee (Mr. PROXMIRE). I hope that this strong show of support means that we will see some action to end this waste of the taxpayers' money this year.

A list of the 101 Members who have cosponsored the Tax and Loan Account Interest Act of 1975 follows:

LIST OF COSPONSORS

Abzug, Bella (N.Y.).
Anderson, Glenn (Cal.).
Badillo, Herman (N.Y.).
Beard, Edward (R.I.).
Boland, Edward (Mass.).
Bonker, Don (Wash.).
Brodhead, William (Mich.).
Brown, George (Cal.).
Burke, Yvonne (Cal.).
Carney, Charles (Ohio).
Carr, Bob (Mich.).
Cohen, William (Maine).
Conyers, John (Mich.).
Cornell, Robert (Wisc.).
D'Amours, Norman (N.H.).
Danielson, George (Cal.).
Delluma, Ron (Cal.).
de Lugo, Ron (V.I.).
Dodd, Christopher (Conn.).
Downey, Thomas (N.Y.).
Drinan, Robert (Mass.).
Duncan, Robert (Ore.).
du Pont, Pierre (Del.).
Eckhardt, Bob (Texas).
Edgar, Robert (Pa.).
Edwards, Don (Cal.).
Eilberg, Joshua (Pa.).
Fish, Hamilton (N.Y.).
Ford, Harold (Tenn.).
Fraser, Donald (Minn.).
Fulton, Richard (Tenn.).
Gude, Gilbert (Md.).
Harrington, Michael (Mass.).
Hawkins, Augustus (Cal.).
Hechler, Ken (W. Va.).
Helstoski, Henry (N.J.).
Hicks, Floyd (Wash.).
Hinshaw, Andrew (Cal.).
Holtzman, Elizabeth (N.Y.).
Horton, Frank (N.Y.).
Howe, Allan (Utah).
Jacobs, Andrew (Ind.).
Jenrette, John (S.C.).
Ichord, Richard (Mo.).
Leggett, Robert (Cal.).
Lehman, William (Fla.).
Long, Clarence (Md.).
Lloyd, Marilyn (Tenn.).
Lloyd, Jim (Cal.).
McCormack, Mike (Wash.).
Mann, James (S.C.).
Mathis, Dawson (Ga.).
Matsunaga, Spark (Hawaii).
Maguire, Andrew (N.J.).
McKinney, Stewart (Conn.).
Meeds, Lloyd (Wash.).
Meyner, Helen (N.J.).
Mezvinsky, Edward (Iowa).
Melcher, John (Mont.).
Miller, George (Cal.).
Mitchell, Parren (Md.).
Mosher, Charles (Ohio).
Moss, John (Cal.).
Mottl, Ronald (Ohio).
Murtha, John (Pa.).
Nix, Robert (Pa.).
Nolan, Richard (Minn.).
O'Hara, James (Mich.).
Pattison, Edward (N.Y.).
Regula, Ralph (Ohio).
Richmond, Frederick (N.Y.).
Riegle, Don (Mich.).
Rodino, Peter (N.J.).
Roe, Robert (N.J.).
Rosenthal, Benjamin (N.Y.).
Roybal, Edward (Cal.).
Sarbanes, Paul (Md.).
Schroeder, Pat (Colo.).
Sarasin, Ronald (Conn.).
Scheuer, James (N.Y.).
Simon, Paul (Ill.).
Spellman, Gladys (Md.).
St Germain, Fernand (R.I.).
Stokes, Lou (Ohio).
Studds, Gerry (Mass.).
Symington, James (Mo.).
Traxler, Bob (Mich.).
Taylor, Roy (N.C.).
Thompson, Frank (N.J.).
Tsongas, Paul (Mass.).
Van Deerlin, Lionel (Cal.).
Vander Veen, Richard (Mich.)
Waxman, Henry (Cal.).
Wilson, Charles (Cal.).
Wilson, Charles (Texas).
Wolff, Lester (N.Y.).
Won Pat, Antonio Borja (Guam).
Wirth, Timothy (Colo.).
LaFalce, John (N.Y.).
Ottinger, Richard (N.Y.).
Krueger, Robert (Texas).

WIDE EXPANSION IN COMMUNICATIONS SATELLITES

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. TEAGUE. Mr. Speaker, Mr. Victor K. McElheny in the January 21, 1975 edition of the New York Times outlines in an informative article the extensive effort occurring in communication satellites throughout the world today. Only a few short years ago when the National Aeronautics and Space Administration—NASA—undertook the research and development for future communications satellites, few people realized that this area would grow to be an essential part of our national and international life. Mr. McElheny's article describes the great progress not only in entertainment and business communications but also the opportunities being explored to use satellites for education and medical services. Because of the importance of this effort, I am including this article in the RECORD for the benefit of my colleagues:

WIDE EXPANSION OF EARTH SATELLITE NETWORK PLANNED TO IMPROVE DOMESTIC COMMUNICATIONS FOR MANY NATIONS

(By Victor K. McElheny)

EL SEGUNDO, CALIF., Jan. 19.—In a huge, high-ceilinged, windowless building here, engineers are assembling and testing some of the satellites that, when positioned 22,000 miles above the Equator, will significantly expand within two years the use of satellites for domestic communications.

This expansion will involve Canada and the United States, the first two nations to use domestic communications satellites stationed above the Equator, and many others, including Indonesia, Japan, Algeria and Brazil.

Much of the contemplated domestic service is intended to overcome special problems.

Norway, for instance, seeks reliable links to North Sea oil platforms and coal mines in Spitzbergen, and Japan wants to reduce the expense of bringing television programs to hilly regions.

Part of the expansion will be accomplished with satellites going exclusively to domestic traffic. The rest will involve the leasing of spare channels on the satellites operated by the International Telecommunications Satellite Organization (Intelsat), which connects ground antennas in about 60 nations.

The first of these satellites, orbiting at the so-called "synchronous" altitude where they stay above one point on the Equator as the earth rotates, went into service in 1965. Since then they have become the work horse of global communication and now carry more traffic than the rapidly expanding network of ocean floor cables.

FEBRUARY LAUNCHING SET

The last of a series of Intelsat 4 satellites built in the windowless "high bay" building of Hughes Aircraft Company here, is scheduled to go on station above the Indian Ocean next month. There it will join six others.

In the high bay building, the first of the next generation of international satellites, the Intelsat 4–A series, with twice the capacity of the Intelsat 4's, is being tested before being shipped to Florida this summer for launching by the end of the year.

Also being built here is a series of four large Comstar satellites, the first of which is scheduled to go into space late this year. They are owned by the Communications Satellite Corporation's subsidiary, Comsat General, and will be leased to the American Telephone and Telegraph Company for domestic service. Three of the four satellites will be placed in orbit. One of those in orbit and one on the ground will be spares. General Telephone and Electronics would operate some of the system's channels.

A parallel system is being built by RCA Corp., which will operate the satellites.

The next step in the domestic communications satellite field is scheduled for March 6, when a third Canadian domestic satellite will be launched from Florida. This will add to the capacity rapidly being used up, of the first two satellites, launched in November, 1972, and April, 1973.

FIRST INSTALLMENT PAID

On Jan. 2, the Indonesian communications agency, Perumtel, paid the U.S. National Aeronautics and Space Administration $570,000 as a first installment on a launching fee, expected to be $11.4-million, for its first domestic satellite, to be built here at Hughes Aircraft Company. The launching might come as early as August 1976.

The Indonesian satellite and a spare to be held in reserve on the ground will be similar in design to the three Canadian satellites, called Anik, and to three others built here for Western Union in the United States.

When two of the so-called Westars were launched last year, they began the first full fledged communications satellite service in the United States.

Japan has already paid NASA $300,000 for coordinating efforts toward launching two different communications satellites.

One of these, to be built by Toshiba and General Electric Company, is designed to broadcast television programs to community antennas for local distribution. The other, to be built by Mitsubishi and Philco-Ford, is for telephone and other communications.

These satellites and a weather satellite being built for Japan by Hughes, were to have been launched in 1976–77. The Japanese recently requested a delay to 1977–78.

AUSTRALIA ALSO INTERESTED

Among the nations studying the possibility of buying their own communications satellite systems are Australia and Iran.

In Iran the leading agency on communications satellites is the Iranian Air Force, which is consulting with the United States Air Force about plans.

Last December, ministers representing 17 Arab League nations agreed in principle to set up a regional communications satellite system for the Arab world.

None of the contemplated systems will resemble the first domestic system, established in the Soviet Union in 1965. This Orbita system uses a series of molniya, or "lightning" satellites placed in orbits that carry them up to 24,000 miles above the Arctic, putting them in view of Soviet ground stations for hours at a stretch.

According to Dr. Harold Rosen of Hughes Aircraft, who led the development of the first "synchronous" communications satellite, launched in 1963, and of many others, the capacity of the Soviet system is less than that of the 12 channels aboard each Canadian or Westar satellite.

EARLY LINK TO HAWAII

The domestic use of the Intelsat satellites began with the leasing of one channel for service between the mainland United States and Hawaii.

According to a spokesman for the Communications Satellite Corporation, the United States entity that manages the Intelsat satellites, Mexico and Spain share half a channel for television and Brazil has rented a full channel, which was used once for television coverage of a World Cup soccer match.

Algeria is building 14 ground stations that will use capacity aboard a spare Intelsat 4 held in reserve above the Atlantic Ocean. Because this service can be interrupted in case of need, Algeria has been able to rent one channel for 9-million a year. This is less than a third the usual annual rate of $3.5-million. One channel carries a television program or hundreds of telephone circuits.

Other nations making proposals to rent capacity on Intelsat craft include Norway, the Philippines, Malaysia, and Zaire, the former Belgian Congo.

Another important step in domestic communications satellite service will be taken this year when the American A.T.S. 6 satellite is moved to a location above East Africa for one year to relay Indian-produced television programs to small antennas in several thousand villages.

In a move toward a European regional system, a French-German experimental communications satellite called Symphonie was launched by NASA, and took up a station above the Equator on Jan. 13.

MINUTEMAN MONTH

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WOLFF. Mr. Speaker, I would like to alert my colleagues to the fact that March is Minuteman Month, a time for recognition and increased public awareness of the activities and contributions made by our "citizen servicemen," our National Guardsmen. During Minuteman Month, National Guard stations across the country will be encouraging the public to visit their facilities and get to know the National Guardsmen servicing their area. It is also a time when we as a nation can pay special tribute to our National Guard for its constant readiness and vigilance to protect our security during times of need.

In line with observing Minuteman Month, I had the pleasure recently to visit an Air National Guard Station in my district, in Roslyn, N.Y. The Roslyn Air National Guard Station presently serves as a communications and electronic training site. Indeed, it is perhaps the largest and finest nonflying base in the Air National Guard. I was especially impressed by the excellence of the Roslyn Station's facilities and by the high calibre of the personnel stationed there. The Roslyn base has, for instance, a highly sophisticated system for tracking aircraft; in the event of an air raid, the base would be ready in an instant to protect the community and its security.

During World War II, the base was used as an air defense post of the First Fighter Command. Later, from 1948 until 1959, the site was the home of the 26th Air Division's Air Defense Control Center, which controlled the air defense of the entire Northeast.

Today, the Roslyn Air National Guard Station carries on a tradition of service to the country; it performs vital functions of which the surrounding communities and we as a nation can be proud.

On the occasion of Minuteman Month I would like to extend my own gratitude to the Roslyn Air National Guard Station for a job well done. I know my colleagues will want to join me during the month of March in paying justly deserved tribute to our National Guardsmen around the country.

THE ATTACKS ON THE U.S. SECURITY PROGRAMS: THE SOCIALIST WORKERS PARTY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD. Mr. Speaker, perhaps the most vocal critic of the FBI internal security and counterintelligence programs in recent years has been the Socialist Workers Party—SWP. Because of its 12-year involvement with the anti-war movement, many people have been misled into believing that the SWP is a pacific Socialist organization working within the American system for peaceful social change. This image was enhanced by the SWP's tactical decision to involve itself extensively in electoral politics.

It is clear that under the guise of being "mere Socialists" the SWP is trying to create for itself among people either ignorant or uncaring that the SWP is a totalitarian Communist Party which takes a leading role in the operations of an international revolutionary organization, the Fourth International, which is actively supporting urban and rural guerrillas in several South American countries, in the Middle East, and in several Western European countries including Ireland, England, and Spain.

The Socialist Workers Party, the oldest and largest Trotskyist Communist Party in the United States, evolved in 1938 from the Communist League of America, formed by James Cannon in 1929 to support Leon Trotsky in his fight against the Soviet leadership and Josef Stalin in particular.

In 1924, after Lenin's death, Trotsky was unable to prevent Stalin's bid for power. Although he had been a leading figure in the Russian revolution and founded the Red army, Trotsky was expelled from the Soviet Communist Party and its Central Committee. Deported from Russia in 1929. Trotsky eventually made his home in Mexico where he was assassinated by Stalinist agents in 1940. In 1938, Trotsky formed the Fourth International to coordinate the activities of those parties, groups, and factions supporting his views.

In order to avoid violation of the Voorhis Act (1940) which required registration of "every organization subject to foreign control which engages in political activity," the SWP resigned its formal status as "the American section of the Fourth International" for "sympathizing" status.

However, this technical withdrawal from the Fourth International has not prevented the SWP from exercising a major influence in the workings of the United Secretariat of the Fourth Inter-

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national—USec, from providing the major financial support for its activities, from publishing and distributing propaganda materials for the organization, nor from exercising full voting powers at the international congresses of the United Secretariat.

The SWP adopted the following resolution defining itself at its Third National Conference in 1943. The founding resolutions were republished in 1970 by the SWP founder and then National Chairman James Cannon in "The Struggle for a Proletarian Party." The resolution states:

The Socialist Workers Party as a revolutionary workers' party is based on the doctrines of scientific socialism as embodied in the principal works of Marx, Engles, Lenin and Trotsky and incorporated in the basic documents and resolutions of the first four congresses of the Communist International [3rd] and of the conferences and congresses of the Fourth International.

James Cannon wrote in Thesis 15 of his "Theses on the American Revolution":

The hopeless contradictions of American capitalism inextricably tied up with the death agony of world capitalism, are bound to lead to a social crisis of such catastrophic proportions as will place the proletarian revolution on the order of the day.

* * * * *

The revolutionary vanguard party, destined to lead this tumultuous revolutionary movement in the U.S., does not have to be created. It already exists, and its name is the Socialist Workers Party.

It is the sole legitimate heir and continuator of pioneer American Communism and the revolutionary movements of the American workers from which it springs.

In a discussion with Maceo Dixon, a member of both the SWP and Young Socialist Alliance national committees, and Omari Musa a few weeks before his death in 1974, James Cannon spoke of the SWP's involvement in minority and women's liberation issues in terms of pure opportunism. He said:

I'm more convinced than ever that there is no solution to the social problems in this country and Western Europe short of a thoroughgoing revolution. And that will require cooperation of all the varied elements who are oppressed by this society.

That doesn't stop us from supporting movements of a special kind, like the women's liberation movement, the Black movement for self-determination, the Puerto Rican movement, and all sections who are especially oppressed. But these struggles should be pushed toward the goal of cooperation for the elimination of the capitalist system.

And as for the Socialist Workers Party claim to be a political party just like any other, the SWP's chief theoretician, James Cannon, explained his party's true purpose in participating in the electoral process in the October 29, 1973 issue of Intercontinental Press, the SWP's weekly international news journal:

It's a proper and correct procedure to exploit every possibility to utilize what cracks there are in the bourgeois-democratic system to advance our ideas. It's like taking part in their elections. It's wise to utilize a situation like this to explain our ideas to a wider audience.

I wish to remind my colleagues that a former member of the Young Socialist Alliance, youth arm of the Socialist Workers Party, testified before the House Committee on Internal Security that YSA leaders indoctrinated the young Trotskyists "that YSA must be prepared to go underground and become an illegal party," and that during an uprising in the United States "violence will be necessary. There is nothing wrong with assassination and destroying buildings if that accomplishes our purposes."

It is noted that the SWP/YSA last year expelled some members of a terrorist faction, the Internationalist Tendency, from their ranks. However some members of the IT faction are in the process of being readmitted, and others were not expelled at all.

The SWP/YSA anti-police surveillance campaign is designed to force law enforcement agencies to open their files for inspection by the SWP. Thus the Trotskyist Communists can discover the extent of surveillance of its activities and identify the undercover agents within the group—an action which could lead to violent reprisals against them.

In a preconvention YSA Discussion Bulletin entitled "Black Struggle Report" published in November 1974, Malik Miah, the new national chairman of YSA clearly stated the aims of the group:

We are not for reforming of the capitalist police force. We stand for its complete dismantling and abolition.

In the Dixon/Musa interview, published in the September 27, 1974, issue of the Militant, the SWP's weekly tabloid, national chairman emeritus Cannon summed up the strategy against law enforcement surveillance:

I think that what the *Militant* has done, and the suit against the government that the SWP is waging, demonstrate the correctness of utilizing all democratic processes that are available.

* * * * *

But the fact is that we live under a bourgeois democracy. It's pretty badly tarnished lately by the Watergate news, but we're correctly using the courts to force them to make more of these revelations, * * *.

I think it's very good propaganda and should evoke wide interest in the Black community. We can show them, look what the government's been doing against the Black movement, and the SWP has brought a suit against them and is forcing them to reveal more.

Cannon concluded:

I think we have to convince a few thousand Black workers that socialism and revolution and liberation are all the same thing and that it's on the agenda, and that it's possible and necessary for survival to have a socialist society in their lifetime * * *.

I hope that my colleagues will ask themselves, as new legislation appears to restrict the various U.S. internal security programs, who stands to benefit by it and will remember that, in the words of a former U.S. Supreme Court Justice:

The Constitution of the United States is not a suicide pact. The Nation has the right and duty to protect itself from acts of espionage and sabotage, and attempts to overthrow the government by force.

HUMAN EVENTS SAYS PRESIDENT FORD LACKS PLAN TO CURB RUNAWAY SPENDING

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. EVINS of Tennessee. Mr. Speaker, Human Events in its current issue contains a very thoughtful article including an analysis of the President's budget which has reached a phenomenal peacetime height.

This article points out that in a number of instances the President's budget recommendations are in excess of the appropriation for the same program last fiscal year and that the President lacks a plan to curb runaway inflation.

The article points out further that it took 186 years for this country to achieve a $100 billion budget—just another 9 years for this budget to double, and only 3 more years for the budget to reach the $300 billion mark, which President Ford has now surpassed in his current budget recommendation.

I place this article in the RECORD herewith because of its interest to my colleagues and the American people.

The article follows:

FORD LACKS PLAN TO CURB RUNAWAY SPENDING

President Ford unveiled his spending plans last week, but they were hardly fashioned for the thrifty. As promised, there are no new programs in the 1976 budget, but there are plenty of expensive and expansive old ones. And fresh, huge spending projects are hinted at for the future. The deficits will reach phenomenal peacetime heights, and so the capital markets—where business must borrow to keep afloat or expand—threaten to be overwhelmed by government fund-raising.

Spending is clearly in vogue under this Administration. The budget in fiscal 1975—which ends June 30—is $349.4 billion, or $45 billion more than a year ago. In fiscal 1976, spending will soar another $36 billion. This is not exactly the work of Silas Marner, as the Democrats would picture it.

There is no serious evidence that the President is determined to reverse the explosive growth of government spending. Community and regional development programs, which have been steadily declining in costs since the peak year of 1973, are going to a new high, $5.9 billion, in fiscal '76. Total income security payments will rise $12 billion. Revenue sharing is up $200 million; health, $2.5 billion; commerce and transportation, $2 billion. Full-time permanent civilian employment in the executive branch will go up another 1,300. Even the proposed budget for the National Endowment for the Arts and Humanities climbs to $16.4 million, some $14 million more than Congress appropriated a year ago. Interest on the national debt, alone, will top $30 billion.

It took 186 years for this country to reach a $100-billion budget. In just nine more years the budget doubled. In three more years—that's fiscal '74—it crashed through the $300-billion barrier, and now Ford is reaching for the $400-billion mark.

Nor is the Ford Administration slouching when it comes to piling up deficits. To the deficits in the unified budget (used by the President in his calculations), there must be added borrowing from the trust funds in amounts of $8.3 billion in 1975 and $3.1 billion in 1976. Additionally, a huge increase in borrowing is needed to finance the "off budget" agencies—the Postal Service fund, the Rural Telephone Bank, the Environmental Financing Authority fund and the like—in the whopping amounts of $13.7 billion in 1975 and $10.4 billion in 1976.

Instead of a $34.7-billion deficit in 1975, as President Ford contends, the real debt, then, will rise to $52.8 billion. In 1976, the debt shoots upward another $67.6 billion. "So for the two-year period," notes Rep. George Mahon (D.-Tex.), chairman of the House Appropriations Committee, "we have the shocking debt increase of $120.4 billion."

Yet even these astronomical sums probably understate the deficits by a wide margin. If President Ford's cost cuts aren't accepted by Congress—and the House's and Senate's overwhelming rejection last week of curbing food stamp subsidies (see story, page 3) suggests they won't be—then another $23 billion must be added to the debt. Certain other likely actions by Congress on taxes, etc., may add $20 billion more. Indeed, as Mahon figures it, it is possible that red ink figures "would total over $170 billion in the next year and a half." The gross federal debt, the sum of debt held by the public and that held by the government (such as Social Security trust fund investments in Treasury bonds), is expected to have risen at least $120 billion by June 30, 1976—to a grand total of $605.9 billion.

So huge is the spending, so high are the deficits that conservative Republicans, who were normally mute about the big spending budgets of the Nixon years, are now voicing sharp criticisms of the Ford plans. Sen. Barry Goldwater (R.-Ariz.) has said he can see "nothing but complete disaster" in President Ford's budget proposals.

The consequences of the Ford spending program could have disastrous effects on the economy, not only because they might rekindle inflation—now roaring along at 11.2 per cent per year—but also because they might dry up the capital needed for the health of the business community.

By its own estimates, the Treasury during this calendar year, 1975, will be coming into the capital markets for almost $70 billion of "net new financing." The best way to grasp the "enormity" of these requirements, says Treasury Secretary Bill Simon, "is to note that this year the federal government will be raising more net new money in the capital markets than raised by all borrowers, public and private, last year or any other year in the past."

Indeed, the government's most important financial advisers—in the Office of Management and Budget, the Treasury, the Council of Economic Advisers and the Federal Reserve—have publicly and privately expressed their great concern over the peril to business posed by the elephantine deficits in the Ford spending program.

In fiscal years 1955 through 1959, the federal government accounted for 20 per cent of net funds raised in the debt capital markets; in fiscal years 1970 and 1974 the federal share grew to 45 per cent. In fiscal year 1976, even with the moratorium on new spending, total federal borrowing will account for 66 per cent of the capital markets. Add to this the anticipated borrowing by state and local governments, total government borrowing during the coming fiscal year will be 80 per cent of the capital markets.

"This will leave," says Secretary Simon, "only 20 per cent left to private industry in a financial market that has always been the centerpiece of our free enterprise system. This is an alarming situation, reflecting the even more alarming growth of government in this country."

Yet the budget reveals no plan to halt this spending locomotive. Despite his steadfast cries that he is as "horrified" as anyone else by these deficits, the President, even in this budget, is planning for revolutionary new spending programs in the years ahead.

In his budget message, for instance, the President states, quite baldly, "We should begin plans for a comprehensive national health insurance system" and uses language that could well be interpreted to mean he still favors the huge, guaranteed annual income program developed by Secretary of Health, Education and Welfare Caspar Weinberger.

Furthermore, the President has not recommended that a single program, with one possible exception, be eliminated.

In checking with the OMB last week, Human Events was told by a spokesman that Ford had not proposed the termination of any programs. When questioned on this point by another, somewhat surprised OMB official, the spokesman rechecked his information. He came back bearing the news that the proposed cuts eliminated "an airport program in Appalachia."

In point of fact, Ford's proposed cuts are nowhere near as major as those proposed by President Nixon in fiscal 1974. During that year, known in budget circles as the "termination" budget, the President proposed virtual elimination of the best-known Democratic social programs, including categorical aid to elementary and secondary schools, Hill-Burton hospital funds, the Economic Development Administration, etc. But Ford, apparently, at least as yet, isn't willing to actually abolish federal programs. And until he comes up with a reform along these lines, the American people can expect, as Charles Dickens might have said, the worst of times.

RAY FINE AND VOL ODOM—TWO GREAT OKLAHOMA CITIZENS

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RISENHOOVER. Mr. Speaker, within a span of hours last week, two veteran and legendary lawmakers of the Oklahoma Legislature died after extended illnesses. They were Ray Fine of Gore, he served in both the State Senate and House, and State Representative Vol Odom of Wagoner, chairman of the Revenue and Taxation Committee.

Speaker Bill Willis called these men "two great citizens with a lifetime of public service." Both were men of the people—concerned with problems facing the ordinary citizen. Both were sensitive. Both were devoted. Both were tough. Both were able.

Frank Spence, editor of the Wagoner Record-Democrat, wrote about Odom:

Wagoner County has suffered a severe loss in the death of Representative Vol Odom because he worked tirelessly for anything that would benefit Wagoner. Many of his weekends were devoted to help the little people who were in need. Praise came from the people of every walk of life. He was especially helpful to education and to the senior citizens.

Jerry Fink, news editor of the Sequoyah County Times, said:

Fine was a self-proclaimed representative of those who are often overlooked . . . His honesty and sincere concern for the rural people of his district made him a formidable opponent to all ambitious politicians who sought his chair. He never lost an election.

Fink noted that Fine's early life was a "struggle for existence." He skinned rabbits, possums, skunks, and coons, picked strawberries and cotton, served as a hotel porter and janitor and raised hogs. He also was a World War II prisoner of war. He was a teacher and a rancher and finally served 30 years in the Oklahoma Legislature.

Mr. Speaker, Ray Fine and Vol Odom were great men who added courage to the Oklahoma Legislature and fought for a better life for all common people. They were, themselves, both common and decidedly uncommon.

HARTFORD FOUNDATION FOR PUBLIC GIVING CELEBRATES 50TH ANNIVERSARY

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. COTTER. Mr. Speaker, the Hartford Foundation for Public Giving will celebrate its 50th anniversary this year. Chartered by the State in 1925, it was the first community foundation established in Connecticut. By 1975, its many years of hard work have made the Hartford Foundation one of the 10 largest community foundations in the United States in terms of annual aid distribution, even though Hartford ranks just 85th in population.

All the organizations and individuals involved in the foundation's programs over the past 50 years deserve recognition and thanks for their work. The growth of the foundation has been remarkable—from assets just over $7,000 in 1935 to nearly $25,000,000 in 1974—and the concomitant growth of aid to our community has been a lifesaver to many public groups.

It would take a large book to record the many contributions of the Hartford Foundation; but there are a few I would like to note. Since 1946, the foundation has supported the Inter-Racial Scholarship Committee in its efforts to offer supplemental aid to inner-city youths pursuing a post-secondary education. Since the mid 1950's many Hartford area towns have received funding from the foundation to broaden their recreation and conservation programs. The foundation played a significant role in funding the early development of Connecticut Public Television—CPTV. This commitment is still part of its efforts—in 1974 it contributed toward CPTV's coverage of that year's session of the general asembly.

The medical and public health needs of greater Hartford have long been a major concern of the foundation. Since 1957 a special trust has made annual grants to hospitals and visiting nurse associations to help defray the medical costs of the aged and those suffering from "incurable" diseases who had no other means of support. Over 135 individuals were aided under this grant program in 1974. Last year a number of local hospitals received grants which

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enabled them to purchase costly medical equipment.

In fiscal 1974, the Hartford Foundation distributed a total of over $1.4 million in grants to public service groups. These contributions aided such diverse groups as the Wadsworth Atheneum and the Legal Aid Society; they affected problems as different as elderly transportation and nonjail alternatives for troubled youths. The foundation has been imaginative and creative; many of the programs it has helped were new and unusual undertakings. And worthy of special praise, as the Hartford Times pointed out in a 1974 editorial, is the foundation's policy to make a high percentage of its grants without imposing restrictions on the receiving organization.

I believe that the Hartford Foundation for Public Giving has compiled a unique record in the field of community service. It was established by members of the Hartford community 50 years ago; it has been run by a community board of directors, and it has served the interests of the Greater Hartford community well during these past years. The nature of the foundation's work has enabled it to have a beneficial impact in countless areas and to meet many challenges to local resources. It has not sat on the sidelines—instead, it has stepped forward to help form regional organizations to meet public needs ranging from alcoholism treatment to a council on the arts.

The efforts of the people behind the foundation have created a community organization which makes me proud to be a resident of Greater Hartford. The work of the Hartford Foundation for Public Giving is exemplary of the noblest of all human characteristics—the voluntary effort of individuals to make their community a better place for all to live.

Mr. Speaker, I take pleasure in saluting the golden anniversary of the Hartford Foundation for Public Giving.

HON. THOMAS N. DOWNING TO RECEIVE NCOA AWARD

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HÉBERT. Mr. Speaker, the "L. Mendel Rivers Award for Legislative Action" is presented annually to a Member of Congress by the Non-Commissioned Officers Association. In 1973 I was privileged to be the recipient of this award. Today I am happy to be able to announce that one of our colleagues, the Honorable THOMAS N. DOWNING, has been selected as the 1974 recipient. The presentation will be made at the NCOA Annual Convention Banquet, April 4, 1975, in Houston, Tex.

NCOA has made an outstanding choice. The gentleman from Virginia is most worthy of this recognition.

The gentleman from Virginia served this Nation as a combat troop commander with Gen. George S. Patton's Third U.S. Army and received the Silver Star Medal for gallantry in combat in France. He has been and continues to be a friend of the military forces of this great Nation.

On behalf of his colleagues and friends, I congratulate Congressman DOWNING on being selected to receive this award.

FOOD STAMP COSTS AND OIL IMPORT FEE—EXPLANATION OF POSITION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SOLARZ. Mr. Speaker, I have recently returned from an 18-day fact-finding mission to the Middle East during which I had an opportunity to talk in-depth with a wide variety of leaders in Israel, Egypt, Syria, and Jordan. I will shortly make a detailed report to our colleagues and to my fellow members of the Foreign Affairs Committee on my meetings and observations.

Because of my trip to this troubled area of the world I was unable to cast my vote on two critically important measures—H.R. 1589, prohibiting increases in food stamp costs, and H.R. 1767, delaying for 90 days the President's authority to increase the tariff on imported oil.

There can be no question that the administration's attempts to increase the food stamp purchase requirements were poorly conceived and that they would have created an undue and unnecessary hardship on many Americans, especially the elderly. It seems that the administration was only looking at raw numbers and failed to consider the situation in human terms. An elderly person with a net income of $146 per month, for example, would have had to pay an additional $13 for food under the Ford proposal. Under current rules—which will remain in effect at least until the end of the year—such a person's cost for $46 worth of food stamps is $30. Under the rules which were blocked, the cost would have risen to $43 and the total benefit would be only $3 per month.

The administration attempted to support its proposal by claiming there would be an estimated $215 million reduction in the current fiscal year. What USDA officials failed to take into account, however, is the administrative burden which would have occurred in recalculating purchase requirements for some 5 million households.

I was pleased to join in cosponsoring a number of measures which barred any food stamp cost increases and I commend the Agriculture Committee for the prompt and affirmative action taken on this legislation.

I insert herewith, for inclusion in the RECORD, a copy of a letter I sent to the USDA last month in which I urged that the proposed food stamp purchase requirements regulations be reconsidered and that the Agriculture Department cease attempting to restrict participation in this essential program.

Equally ill-considered was the President's attempt to impose oil import fees—up to $3 per barrel by April 1. Substantial evidence has been presented that such a move would have a severe inflationary impact and would do nothing more than further exacerbate our already difficult economic situation. A $3 per barrel tax on all crude oil would end up costing consumers between $12 and $15 billion this year alone and the Ford proposal could result in a $40 billion increase in consumer prices for those items requiring petroleum to manufacture or transport.

Especially hard hit would be the Northeastern States which depend to a great deal on imported fuel oil. Any increase in import fees would adversely affect the Northeastern States more seriously than any other region in the country.

While the severity and importance of the energy crisis cannot be doubted, I believe Mr. Ford's action was precipitous and that he failed to fully and thoughtfully consider other alternatives. I believe that viable alternatives do exist and that they must be given the most careful attention in view of the general inflationary effects of the administration's action on all energy costs.

Mr. Speaker, had I been present on February 4 and 5 I would have voted in favor of both H.R. 1589 and H.R. 1767.

The letter to the USDA follows:

JANUARY 10, 1975.

Mr. EDWARD J. HEKMAN,
Administrator, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. HEKMAN: I am writing to express my very deep concern over—and strong opposition to—the ill-conceived decision to increase the food stamp purchase requirements.

While I understand that the primary intent of this move is to save money, estimated at a $215 million reduction in the current fiscal year, I believe this represents a false economy, particularly when you consider the administrative burden which will certainly occur in recalculating purchase requirements for some 5 million households.

Beyond the question of economics, however, I believe it is imperative that the USDA consider the fact that the heaviest burden of the higher purchase requirements will be borne by elderly poor households. Some 1.5 million elderly poor currently participate in the food stamp program and I find it totally unacceptable that the USDA should expect their already meager resources to be further eaten away in order to secure at least one decent and nutritious meal a day.

In addition, because minimum monthly benefits would be eliminated from the food stamp program, there will be much less of an incentive to participate in it. This, too, is not acceptable in light of the millions of Americans who are thought to be eligible but are not presently participating in the program because of the failure of governmental agencies to advise them of their eligibility.

In light of these facts, I urge in the strongest possible terms that you promptly and thoroughly review and reconsider the proposed revision in the regulations and cease attempts to restrict the participation of so many needy persons in the food stamp program.

I trust you and other appropriate USDA officials will give this matter your fullest and most careful consideration. I will look forward to hearing from you shortly.

Sincerely,

STEPHEN J. SOLARZ,
Member of Congress.

VOICE OF AMERICA CONTEST

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PRESSLER. Mr. Speaker, as you know, the Veterans of Foreign Wars and its ladies auxiliary conducts an annual Voice of Democracy contest. The contest is conducted in the Nation's secondary schools, and it gives 10th-, 11th-, and 12th-grade students in our public, private, and parochial schools a chance to write and speak out on freedom and democracy.

Each State has its own winner. Today, I have received notification of South Dakota's winner—Kelli Hanley of Sioux Falls, S. Dak. Kelli is the daughter of Mr. and Mrs. Robert Hanley of Sioux Falls. She is a senior at Washington High School, and hopes to pursue a career in either journalism or government.

I wish to insert a copy of Kelli's speech in the CONGRESSIONAL RECORD. To me, it is a symbol of the respect and regard that our Nation's youth have for the principles that made us great. I think we should all take the time to read and reflect on these words. We need it. The speech follows:

MY RESPONSIBILITY AS A CITIZEN

Not too long ago I was walking through a local book store when a certain poster caught my eye. In the center of the collage was a portrait of Doctor Martin Luther King shortly before his assassination, and underneath was the inscription, "Almost always it has been the creative, dedicated minority that has made the world a better place to live."

The more I thought of the poster, the more I wondered what we, the creative, dedicated minority, by virtue of education, experience, or awareness owe to our nation. What are our responsibilities as citizens?

It would seem to me that our first responsibility is to ourselves, a responsibility to keep learning, growing, and expanding our horizons. Each of us is an integral part of our country, and it is necessary that we make ourselves the best we can be.

But going beyond ourselves, we have the responsibility to be informed. The average citizen on whom democratic theory is predicated and for whom its institutions are designed rarely makes the effort to inform himself about matters which should be his concern.

It's a sad commentary on our society when afternoon game shows or soap operas are preferred to network coverage of historic events such as the Watergate trials or Nelson Rockefeller's confirmation hearings.

Just as important as being informed, is our responsibility to believe in democracy and to support our Nation's laws. It's impossible to preserve the ideals of a free democracy unless we regard it as more than just a phrase to be repeated in Fourth of July orations. Our faith in democracy must be carried out from July 4th through the rest of the days of each year. And we must show our faith.

Many years ago Walt Whitman wandered along the Atlantic seaboard celebrating America with his classic pen. He told his countrymen of the great strength and vigor and beauty of America. He sang of a stout and powerful land. Mr. Whitman shouted to the universe that this was the greatest country ever heard of. That was true then and it is still true now.

I wish Walt Whitman were alive today to continue his immortal song, for in this time of disillusionment and apathy we need badly to talk about the beauty of this land and the gratitude we feel for being privileged to be its citizens.

But inherent in our privilge as citizenry, lies our responsibility of showing our gratitude by taking part in politics and that includes voting, paying taxes and by being prepared to serve in the Nation's armed forces. It is our responsibility to be proud of our America and to carry this pride to all ends of the world.

Recently I've become aware of the ideas of Jerry Reuben. He believes that to heal a nation, you tear it down to the ground and then, starting at the ground, you build it up again.

What I'm impressed with is not Mr. Reuben's ideas, but rather, the manner in which they are received. For you see, he hasn't been well received by many young people.

The youth of our Nation have come to the realization that you don't build a nation by first tearing it down, but you build a nation by coming together and working together.

Many people today believe in a term called Santeagra. Santeagra means "truth first", the belief that if you say something, and it is right enough and you say it often enough, it will come true just because it is right enough. This was the philosophy of King and Ghandi, and it worked for them. Not tearing down, but coming together is how we remain a great nation. I think it can work for us today, even considering Watergate.

Adlai Stevenson said essentially the same thing. As he put it and as I conclude, "The power of this nation lies not in its armed forces, but in the power of its people to work together to solve the problems of the nation." And *that* is our responsibility.

SEEKS TERMINATION OF MONITORING PROGRAM

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FINDLEY. Mr. Speaker, USDA's "voluntary" prior approval requirement on farm export sales has been responsible for the cancellation of several contracts. This monitoring program can cripple our Nation's agriculture just as thoroughly as mandatory price controls or a formal export embargo.

While the precise effect of the requirement can never be gaged, farmers across the country believe the effect on prices is substantial and are making plans to cut back on production this year.

The result of lower production will be higher prices.

I am drafting a bill for introduction next week to terminate the monitoring program and once again allow agricultural exports without departmental restriction. I invite all my colleagues to join me in this legislation.

Termination of the monitoring program will serve the interests of the American people in two vital ways:

First. It will reopen export markets which are needed to reduce our serious deficit in balance-of-payments. In the last fiscal year, U.S. agricultural exports exceeded $22 billion.

Second. It will help assure to U.S. consumers adequate food supplies at fair prices. Farmers will not produce at maximum levels unless they are assured full access to expanding world markets.

OSHA A REDTAPE BOONDOGGLE

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WINN. Mr. Speaker, I think many would agree that the Occupational Safety and Health Act of 1970 is one of the most controversial pieces of legislation to be passed in recent years. Its purpose no one would find fault with: To insure to the extent possible that every working man and woman in the United States is provided safe and healthful working conditions. While on the one hand, it is praised as being the most meaningful piece of labor legislation since the Fair Labor Standards Act, on the other, the law is criticized as being harshly punitive and as giving the Department of Labor the power to put a company out of business. I believe the act is basically in the long-term best interests of the workingman, but threatens to do incalculable harm to business and industry.

I am concerned about the hardships which are placed on the small businessman by OSHA in its present form. The law has so bound many businesses as to make it impossible for them to operate at a profit. This could lead to the shutting down of many businesses, higher employment, and lower production—none of which we need at this time in our country.

In my opinion, many of the requirements seem unnecessary for small businesses. I feel changes in OSHA regulations and procedures should be made. As it is now, the totality of OSHA regulations is so great that it is difficult for one, however well-intentioned, to know and comply with every section and clause of this law.

I would like to share with my colleagues the following article which once again illustrates some of the problems the Occupational Safety and Health Act has caused and the need for Congress to amend it so that it truly deals with the real hazards to health and safety that exist and less with nonessentials:

OSHA A RED-TAPE BOONDOGGLE

(By John D. Lofton, Jr.)

WASHINGTON.—For American business, particularly small business, the Occupational Safety and Health Act has been about as helpful as the Lilliputians were to Gulliver.

Since it went into effect in April of 1971, OSHA, as the law is commonly referred to, has come under fire from businessmen, employees and consumers.

The degree of dissatisfaction is indicated

by the fact that in the four years since OSHA went on the books, approximately 100 bills have been introduced in Congress to amend it.

Among the complaints about the miles of new OSHA red tape have been that the rules and regulations are highly technical, making them impossible for small businesses to decipher without expert help, and that the standards are often too expensive to meet.

A survey by McGraw-Hill publications estimates that OSHA cost business $2.5 billion in 1972 and $3.1 billion in 1974. It has been reported that proposed OSHA noise-control standards could cost business anywhere from $13 billion to $31 billion, depending on how strict the rules are actually made.

To illustrate just how much red tape OSHA seeks to impose on American business, in June of last year, an entire edition of the Federal Register—342 pages long—was devoted to new OSHA rules and regulations. But this was not all. This particular publication represented only part 2 of the new standards.

Now, despite all the hell being raised, OSHA's head man, John Stender, assistant secretary of labor, says he doesn't understand why anybody questions the need for this new law. He says he doesn't know what all the furor is about.

Well, assuming Mr. Stender is expressing sincere ignorance, I'd suggest he take a look at the recent variance that OSHA granted the Caterpillar Tractor Company of Peoria, Ill.

The Caterpillar people ran afoul of OSHA because they had the crazy idea that they know best how to mount their own fire extinguishers. They mount them on retractable boards suspended from the warehouse superstructure.

In the stored position, the bottom of these boards is 8 feet from the floor. When a 2-foot nylon rope attached to the bottom of the board is pulled, presto! The board springs downward to a position about 2½ feet from the floor and the extinguisher is within easy reach of the employees.

This sounds safe enough, right? To you maybe. But not to OSHA.

You see OSHA has thought of everything and specifies not only the kinds of mountings allowable for fire extinguishers, but also sets the permissible height of the top of extinguishers at 5 feet for those under 40 pounds and 3½ feet for those over 40 pounds. So, as any ignoramus can see, in mounting their extinguishers the way they did, the Caterpillar people were in gross violation of OSHA safety standards prescribed in 29 CFR 1910.157(a) sections (5) and (6).

Anyway, to make a long story short, and I mean a long story, earlier this month, after a year of unexplained bureaucratic paper shuffling at OSHA by God only knows how many GS-whatevers, OSHA not only okayed the way the folks at Caterpillar hang their fire extinguishers but Jim Concannon, chief of the division of variances, tells me that OSHA thinks it is such an "excellent idea" that they'll probably modify their standards and adopt Caterpillar's.

Now, what's so incredible about this whole ridiculous, time-consuming idiocy is that in the good old days, before there was an OSHA, the Caterpillar Company hung its fire extinguishers just as OSHA now recommends they be hung.

But, as the company's assistant safety manager, Bob Keller, explained to me, Caterpillar spent $60,000 in their Decatur, Ill., plant to rip this system out and install their own.

Why? Because fork-lift drivers kept smashing into the extinguishers and damaging them. They were simply too low to the ground.

So here we see government in action. Big Brother in Washington makes a law, already found to be unworkable years ago by private industry, then after a year of consideration, ends up scrapping and adopting the heretofore illegal standard as its own, in a ruling which should never have been any of the government's business in the first place.

It's this sort of stupidity which makes the arguments for anarchy not entirely unappealing.

THE PLIGHT OF MIKHAIL LEVIEV

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DRINAN. Mr. Speaker, I would like to bring to the attention of my colleagues a copy of a legal memorandum prepared by the Jewish Community Council of Boston on behalf of Mikhail Leviev, a Soviet Jew who has been sentenced to death after having been convicted of the charges of bribery and the illegal sale of gold.

These charges were brought against Mr. Leviev shortly after he had applied for an exit visa to Israel and was preparing to emigrate from the Soviet Union. He was detained for 2 years and 7 months in a Soviet prison, before being afforded a trial. He, along with three alleged coconspirators, were convicted of the charges, yet only Leviev was sentenced to death. The other three alleged accomplices, all non-Jews, were sentenced to prison terms of 5, 8, and 9 years respectively.

The purpose of this brief is to present to the Procurator General of the Soviet Union, Roman Rudenko, a legal analysis as to why the imposition of the death sentence upon Leviev is illegal, inappropriate, and inhumane. It is the hope of the writers of this brief that the Supreme Court will commute his death sentence, and instead impose a prison term commensurate with the terms given to his three alleged accomplices.

I would urge my colleagues to study this three-part document most carefully:

[Supreme Court of the Union of Soviet Socialist Republics]

UNION OF SOVIET SOCIALIST REPUBLICS, PLAINTIFF VS. MIKHAIL Y. LEVIEV, DEFENDANT—CRIMINAL ACTION NO.—

(Amicus brief of the Commonwealth of Massachusetts, United States of America, in opposition to the death sentence imposed herein and in support of the defendant's motion to commute said sentence)

I. FACTS

The Defendant, Mikhail Y. Leviev ("Leviev"), is a citizen of the Soviet Union who was born in Bukhara in or about the year 1912. Leviev was accepted as a member of the Bar of the Soviet Union in or about 1936 and, during World War II, served as a Judge in the Soviet Union's Military Court.

Between 1947 and 1950, Leviev was unemployed because of his strong interest in the establishment of the State of Israel. In 1950, in Moscow, after offering a toast to Golda Meir, then Israel's Ambassador to the Soviet Union, Leviev was sentenced to ten years in prison for "anti-Soviet conduct." He served four years of said sentence and was released shortly after the death of Joseph Stalin.

Upon his release, Leviev became engaged in private business and was not the subject of any criminal charges during the next eighteen years. In 1972, after he had applied for an exist visa to Israel and was preparing to emigrate the Soviet Union, Leviev was arrested and charged with bribery and having been an intermediary in the illegal sale of gold. Thereafter, he was detained for two years and seven months in a Soviet prison prior to being afforded a trial.

In or about September 1974, Leviev, along with three alleged co-conspirators, were tried in a criminal court in Moscow and, in December 1974, were convicted of the charges of bribery and the illegal sale of gold. The punishment imposed upon Leviev was the death penalty while the three alleged accomplices, Binyayov, Kulikova and Selivanov, all of whom were non-Jews, received sentences of five, eight and nine years, respectively. All three non-Jewish defendants are ethnic Tadzhiks or Russians.

Thereafter, Leviev's appeal for clemency was rejected by the Supreme Court of the Soviet Union. At the present time, a further appeal is pending before said Court asserting that serious legal errors were made during the course of Leviev's trial and that, therefore, Leviev should be afforded a new trial. In the alternative, Leviev has urged the Supreme Court to commute his death sentence and to assess upon him a prison term commensurate with the terms given to his three accomplices.

II. PURPOSE OF THIS MEMORANDUM

The purpose of this legal memorandum is to present to the Procurator General of the Soviet Union, Roman Rudenko, a legal analysis as to why the imposition of the death sentence upon Leviev is illegal, inappropriate and inhumane. Since the writers of this memorandum are not conversant in the Russian language, and have been informed that Soviet judicial decisions, in general, and those relating to the death penalty in particular, have not been the subject of English translations to date, most of the legal precedents contained herein will be drawn from judicial decisions rendered by the United States Supreme Court and scholarly articles written in the United States and elsewhere. Wherever possible, Soviet statutory law will be cited.

It is the writers' intent to demonstrate the inhumanity in the imposition of the death sentence with regard to a non-violent economic crime. The writers believe that the Soviet Union is a civilized society and, being such, the Soviet Union cannot condone the execution of such a penalty upon Mr. Leviev.

III. ARGUMENTS

A. The death penalty decreed against Leviev must be commuted and the case against him dismissed because of the illegal pre-trial detention suffered by him and the failure of the Soviet prosecutor to afford Leviev a speedy trial.

B. The death penalty decreed upon Leviev must be commuted because such punishment is inhumane, immoral, and shocks the conscience of mankind.

C. The death penalty decreed upon Leviev must be commuted because the imposition of such penalty with regard to the alleged perpetration of an economic non-violent, crime shocks the conscience of mankind.

D. The death penalty decreed upon Leviev must be commuted because such penalty has been utilized selectively against Jews, in general, and more specifically, against those Jews who have applied for exit visas to Israel.

IV. LAW

A. The death penalty decreed against Leviev must be commuted and the case against him dismissed because of the illegal pre-trial detention suffered by him and the failure of the Soviet proseutor to afford Leviev a speedy trial.

1. SOVIET LAW

Article 97 of the Code of Criminal Procedure of the Russian Socialist Federated Soviet Republic ("RSFSR") provides for the "confinement under guard" (pre-trial detention) of the accused by the RSFSR procurator for a period of up to six months.

Further prolongation of a period of confinement under guard may be carried out only in exceptional instances by the USSR Procurator General for a period of not more than an additional three months. *Id.*

Leviev was incarcerated for an approximate period of two years and seven months prior to receiving a trial with regard to the charges brought against him, thereby violating his rights under Soviet law.

Article 2 of the 1955 Statute on Procuracy Supervision in the USSR provides as follows:

"The Procurator General of the USSR and his subordinate procurators shall be obliged to watch out for (*Sledit'za*) the correct and uniform applications of the laws of the USSR and of union and autonomous republics, despite any kind of local differences and against any kinds of local influences." *

Thus, it is for the Procurator General to prevent the wrongs suffered by Leviev from occuring. In addition, once the procuracy has verified illegal acts, it must protest such illegalities, either to the offending party or to his superiors.

See, generally, Articles 11 and 14 of the 1955 Statute on Procuracy Supervision. Article 13 of said Statute requires that a Procurator's protest should be acted upon within ten days, and that the Procurator who made the protest shall be informed of the ruling body's decision. Similarly, Article 17 requires the procuracy . . . to strictly watch out that not a single citizen is subjected to illegal or unfounded criminal prosecution or to any other unlawful restriction of rights. . . .

Given the illegal pre-trial detention of Leviev described above, it is urged that the Procurator General of the Soviet Union, as provided for in Article 27, suspend the execution of the protested judgment pending his further supervision and review of this matter; in accordance with Article 23 of said Statute, protest the illegal judgment entered therein; and, pursuant to the rights afforded him under Article 19 of the 1955 Statute, terminate the criminal case against Leviev.

2. *Law of the United States*

In the United States, there is no duty imposed upon a Defendant to bring himself to trial. As Mr. Chief Justice Warren Burger wrote for the Supreme Court in *Dickey v. Florida*, 398 U.S. 30, 37–38 (1970):

. . . the right to a prompt inquiry into criminal charges is fundamental and the duty of the charging authority is to provide a prompt trial.

Also see *Hodges v. United States*, 408 F. 2d 543, 551 (8 Cir. 1969) (Blackmun, J.) ("the Government and, for that matter, the trial court are not without responsibility for the expeditious trial of criminal cases").

Courts in the United States look to the length of the delay as a "triggering mechanism" for the inquiry into whether or not a defendant's rights have been improperly prejudiced by the failure of the State to afford him a speedy trial. *Barker v. Wingo*, 407 U.S. 514, 530 (1972). Once such mechanism is triggered, the Court must look to the reason assigned by the government to justify the delay and ascertain whether or not the defendant has fulfilled his responsibility to assert his right to a speedy trial.

In the case at bar, the Soviet Government cannot justify the delay of two years and seven months which took place prior to Leviev's trial. It appears that, if anything, the government deliberately delayed the trial in order to hamper the defense. In addition, Leviev continuously asserted his right to a speedy trial but said demand was repeatedly denied.

An additional factor which Courts in the United States view in assessing the harm to the defendant who has been deprived of a speedy trial is the prejudice imposed upon said defendant by the delay in question. The Supreme Court of the United States highlights three interests of the defendant which the speedy trial right was designed to protect: 1) to prevent oppressive pre-trial incarceration; 2) to minimize anxiety and concern of the accused; and 3) to limit the possibility that the defense would be impaired. *Barker v. Wingo, supra*, at 532. Clearly the last is the most serious because "the inability of a defendant adequately to prepare his case skews the fairness of the entire system." *Id.*

If witnesses die or disappear during a delay, the prejudice is obvious. There is also prejudice if defense witnesses are unable to recall accurately events of the distance past. Loss of memory, . . . is not always reflected in the record because what has been forgotten can rarely be shown. *Id.*

There is little doubt of the detrimental impact upon the individual of the time spent in jail awaiting trial. Clearly, such incarceration means that the individual has lost his job. His family life has been disrupted and he has been relegated to idleness. In addition, more often than not, he is exposed to no recreational or rehabilitative programs. Finally, there is statistical evidence that persons who are detained between arrest and trial are more likely to receive prison sentences than those who obtain a pretrial release (although other factors bear upon this correlation). See Wald, "Pre-Trial Detention and Ultimate Freedom: A Statistical Study," 39 N.Y.U.L. Rev. 631 (1964).

One need not look solely to Russian or American law to observe the historical importance of the accused's right to a speedy trial. Such right is found in the Assize of Clarendon (1166), where it was noted:

4. And when a robber or murderer or thief or receiver of them has been arrested through the aforesaid oath, if the justices are not about to come speedily enough into the country where they have been taken, let the sheriffs send word to the nearest justice by well-informed person that they have arrested such men, and the justices shall send back word to the sheriffs informing them where they desire the men to be brought before them; and let the sheriffs bring them before the justices. 2 English Historical Documents 408 (1953).

Similarly, Sir Edward Coke, in his explication of Chapter 29 of the Magna Carta, wrote that the words "We will sell to no man, we will not deny or defer to any man either justice or right" had the following effect:

And therefore, every subject of this realme for injury done to him in bonis, terris, vel pesona, by any other subject, be he eccelesiasticall, or temporall, free, or bond, man, or woman, old or young or be he outlawed, excommunicated, or any other without exception, may take his remedy by the course of the law, and have justice, and right for the injury done to him, freely without sale, freely without any deniall, *and speedily without delay.* [Emphasis added] Coke, *The Second Part of the Institutes of the Law of England*, 45 Brooke, 5th ed. 1797.

Just as the demands of criminal justice require that the accused be afforded a speedy trial, *Klopfer v. North Carolina*, 386 U.S. 213, 223 (1968), societal interests, as well, are protected through the preservation of said right.

The public is concerned with the effective prosecution of criminal cases, both to restrain those guilty of crime and to deter those contemplating it. Just as delay may impair the ability of the accused to defend himself, so it may reduce the capacity of the government to prove its case [citations omitted] . . . Moreover, while awaiting trial, an accused who is at large may become a fugitive from justice or commit other criminal acts. *United States v. Marion*, 404 U.S. 307, 330 (1971).

Similarly, it is in the interest of the Soviet Union that all individuals charged with crimes receive a speedy trial.

What remedy should be afforded a person who has suffered pre-trial detention of the length endured by Leviev? In *Strunk v. United States*, 412 U.S. 434 (1973), the Supreme Court was faced with the questioned legality of a ten-month delay to which an accused was subjected before being tried. In reviewing the lower court's decision, which found the ten-month delay to be a denial of the accused's rights, the Supreme Court did not hesitate to declare that the only possible remedy for the state's failure in this regard was a dismissal of the action against the Defendant. *Id.*, at 439–440.

Similarly, the Procurator General, upon reviewing the evidence before him and verifying the illegal detention of Leviev, said detention in violation of Article 97 as aforesaid, must dismiss the charges against Leviev and allow him to go free. Such a result is required due to the illegal and unconscionably attenuated pre-trial detention suffered by Leviev and his consequent inability to prepare, now or in the future, an adequate defense on his own behalf.

*As Professor Harold J. Berman notes in his book entitled *Soviet Criminal Law and Procedure*, Harvard University Press: Cambridge, Massachusetts (1972), page 100, this language in the 1955 Statute "goes back to Lenin, who established the Soviet Procuracy in 1922. See V. I. Lenin, "O dvoinom podchinenii i zakonnosti," in *V. I. Lenin o gosudarstev i prave* (Moscow, 1958), II 720–724. In addition to the power of *"protest"* in Russia, supervision by the Procuracy includes the power to make "proposals" (*predstavlenita*) to state or social organizations concerning the elimination of offenses and of their causes. Harold J. Berman, *Soviet Criminal Law and Procedure. Supra*, at 101.

FRANK R. WOLF NAMED DEPUTY ASSISTANT SECRETARY FOR CONGRESSIONAL AND LEGISLATIVE AFFAIRS

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. REGULA. Mr. Speaker, Frank R. Wolf who has assisted many of us in our work with the Department of the Interior was recently appointed to the newly created position of Deputy Assistant Secretary for Congressional and Legislative Affairs. Since 1971, Frank has done exceptional work in enhancing relations between Congress and the Department. His elevation to this new position is most welcome news and is well deserved.

Since I have been in Congress, I have turned to Frank for assistance and information many times. Without fail, he has always delivered aid in a conscientious, exemplary fashion.

Prior to joining the Department, Frank was Legislative Assistant to Congressman Edward G. Biester, Jr., Republican of Pennsylvania, from 1968 to 1971. Before that he served for 5 years as assistant director for government-industry relations with the National Canners Association in Washington, D.C.

Frank's new position places him as the second-ranking congressional affairs official in the Department, under Assistant Secretary John A. Kyl.

UMI

I am sure that Frank's background as the son of a policeman in Philadelphia, Pa., and his experiences as a member of the Army Signal Corps have, among other experiences, played a big part in making him a well-rounded, pleasant individual, with a balanced view of the necessary relationship between the Congress and the administration.

Frank graduated from Penn State and from the Georgetown University School of Law. He, his wife, Carolyn and their five children live near Reston, Va.

LITHUANIA—INVISIBLE NATION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, 57 years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the U.S. Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present—spirit of détente—in which to give visible support to the Lithuanian people.

The U.S. Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored. If, in fact, we are the civilized people we say we are, then people, the Lithuanian people and every other enslaved nationality in the Communist countries are of paramount importance. Détente, trade agreements, and SALT are of no avail if we ignore the systematic repression of the fundamental rights of men in one half of our planet. To proceed with negotiations while such things exist is hypocrisy of the worst order.

THE 57TH ANNIVERSARY OF LITHUANIA'S DECLARATION OF INDEPENDENCE

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. GUDE. Mr. Speaker, once again I join many of my colleagues in saluting the brave nation of Lithuania on the 57th anniversary of its declaration of independence. I regret exceedingly that, in recognizing Lithuania's independence, so many Lithuanians are unable to join us in celebration because they, in fact, are not independent but rather are under the yoke of Russian servitude. While this has not dampened the spirit of the Lithuanian people, as evidence by the actions of Simas Kudirka and Romas Kalanta, it is a tragedy of history that we must commemorate a spiritual independence in the face of a denial of physical independence.

I think it is important to note the growing attention in the Congress to problems of human rights throughout the world, but particularly in the Soviet Union. The Jackson-Vanik-Mills amendment to the trade bill last year tying most favored nation status for the U.S.S.R. to changes in that country's emigration policies applies not only to the Jewish Soviet citizens but to all those peoples held in the U.S.S.R. against their will. This amendment confirms the concern of the Congress over violations of human rights and subsequent discussions several other Members of Congress and I have had with the Secretary of State suggest a renewed concern on his part for similar violations. Perhaps it will someday be possible to salute Lithuanian independence in fact as well as in spirit.

At this point I would like to bring to my colleagues' attention a statement issued by the Lithuanian-American Community of the U.S.A. Inc.:

AN INVISIBLE NATION, A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

NEW JERSEY TO THEE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PATTEN. Mr. Speaker, one of my talented constituents, Mrs. Marie L. Chiasson, of Morgan, N.J., has written the words and music to a song I like, "New Jersey To Thee." Its popularity is growing all the time.

New Jersey is a fine State, but it is hard to express the feelings our people have for it. However, I believe that Marie Chiasson has succeeded in describing those proud feelings, so I am inserting the words in the CONGRESSIONAL RECORD in order that my colleagues will know more about the attributes of New Jersey—a small, but outstanding State:

NEW JERSEY TO THEE

(Music and Lyrics by Marie L. Chiasson)

It's a state to be proud of the state of New Jersey,
Founded in sixteen sixty four
Made famous in history, her heros are many
and Washington fought for her shores.

To thee. To thee. New Jersey, New Jersey to thee,
There's many a story that's told of her glory,
one state of the land which is free,
We'll progress together for ever and ever,
New Jersey, New Jersey to thee!

CHORUS

To thee. To thee. New Jersey, New Jersey to thee,
With love for one other, We'll share with our brother,
And help keep America Free.

MRS. DOROTHY GLISSON

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FREY. Mr. Speaker, in reading the CONGRESSIONAL RECORD during the waning days of the 93d Congress, I noticed that the distinguished gentleman from Florida (Mr. FUQUA) had inserted some very kind remarks about our mutual good friend, Mrs. Dorothy Glisson. I commend my colleague for his initiative in honoring one of Florida's first citizens and one of the finest people I have been privileged to know.

Dorothy Glisson has served our State for over 30 years and has been director of the division of elections for 20 years. She is the one to call when you have a question, when the maze of election laws seems overwhelming, when you want to "double-check just once more." And each time, every time, Mrs. Glisson responds quickly, accurately, patiently and cheerfully.

As she has pointed out:

Elections work is a real challenge. When an election is running smoothly, you don't hear a word about it. But when a candidate's name is left off the ballot or something goes wrong, you hear plenty.

Working with the 67 county supervisors of elections, city clerks and the numerous candidates for public office, Dorothy Glisson oversees and is responsible for a tremendously important aspect of our State government.

But Mrs. Glisson has not only served as director of the elections division, she was also Florida's first woman cabinet member. In July, 1974, after the resignation of the Secretary of State—now U.S. Senator—DICK STONE, "Dot" Glisson was sworn in as his successor. It was a position for which she was well qualified; it was a position she deserved; it was a job she performed with her usual efficiency and grace. And—like all Floridians—I was very pleased with her appointment.

Since Dorothy Glisson chose not to seek election to a full term of the office to which she had been appointed, she returned in January to her former job—that of director of the division of elections. Now she will have more time to devote to her nieces and nephews, her Pekinese, and her hobbies of gardening, golfing, and playing the organ.

That is, she hopes to have more free time. But with people like me, like my distinguished colleagues from Florida, like all the candidates and officeholders in the State—she will be very busy. We all rely on her tremendously and appreciate all she has done for us and our State. Her years of service, her ability and responsiveness are matched only by her dedication and kindness. Dorothy Glisson, thank you.

GEOPOLITICAL ASPECTS OF THE EXPANDING SOVIET NAVAL POWER

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DERWINSKI. Mr. Speaker, I would like to call the attention of the Members to an article in the Daily American by Prof. M. K. Dziewanowski, an associate at the Russian Research Center at Harvard University.

I believe this editorial is especially significant following the recent request by Secretary Schlesinger for support of necessary funding of the Department of Defense, especially the Navy.

The editorial follows:

GEOPOLITICAL ASPECTS OF THE EXPANDING SOVIET NAVAL POWER

(By M. K. Dziewanowski)

There is a lot of controversy about the relative strength of the Soviet and the United States navies. The editors of Jane's Fighting Ships, for example, claim that the Russians have achieved superiority in a variety of ships—submarines and heavy cruisers, for instance—and have begun to challenge the U.S. in a number of naval weapons.

But Jane's stresses largely the quantitative aspect of the problem. Leaving aside the issue that American ships are on the average much larger, technologically more advanced and hence much more effective than the Russian ones, it is worth focusing on the geopolitical aspects of Soviet naval power.

The amazingly fast expansion of the Soviet navy, as well as merchant marine, has overshadowed the fact that the USSR is suffering from several handicaps that hamper its maritime potentialities. One of the disadvantages is a relatively short useful and easily accessible coastline.

Although it has some 35,000 miles of coastline (the largest in the world), the USSR is the most landlocked country on the globe. The farthest point from the ocean, Semirechye in Kazakhstan, is about 1,600 miles from the seacoast.

ICEBOUND PORTS A HANDICAP

Moreover, most of the USSR lies as far north as Canada. Moscow is situated north of Edmonton, Alberta; Leningrad lies as far north as Anchorage, Alaska; the Crimean port of Sevastopol is as far north as Bangor, Maine. It is a severe strategic and economic handicap that most of the Russian ports are icebound for a considerable part of the year. Paradoxically, Murmansk, the northern most Soviet harbor, is an exception, being usually accessible throughout the year.

On the other hand, the Gulf of Finland, with its ports of Leningrad, Kronstadt, and Reval, is frozen around the shores from November to April. The harbors of the Black Sea are as a rule ice-blocked throughout January and February. Vladivostok in the Far East is icebound for four months in the winter, is precariously suspended at the end of a long line of communications, and is situated in a region claimed by China.

The stretches where Russia has access to the moderate Baltic and Black Seas are inhabited by non-Russian people: the Finns, Estonians, Latvians and Ukrainians. The outlet of the Black Sea is held by the Turks, while the outlets the Baltic are held by the Danes and the Germans. The access to the Atlantic leads through the remote Murmansk and the Kola peninsula. The Pacific coast is separated from the main centers by a formidable distance of up to 4,000 miles.

All of this has greatly inhibited the development of naval forces as well as maritime trade, and made Soviet expansion a painstaking proposition. Only the development of jet planes has diminished somewhat the isolation of the Soviet far eastern region from the bulk of the country.

One has also to bear in mind that the seacoast of the Soviet Union is split into four main sectors: the Black Sea, the Baltic, the Artic, with its subsidiary, the White Sea, and the Pacific Ocean. The Arctic Ocean and the White Sea have played a negligible role both politically and economically. Maritime communications between the Black Sea and the Baltic are difficult enough, much less the journey from either the Black or Biatic Sea to the Pacific. The Imperial Fleet learned this fact first hand in 1905 during the war against Japan, when its Baltic squadron tried to rush to the Far East to rescue its comrades-in-arms in the Pacific.

CANAL ROUTES

Even the canal routes between the Baltic and the White Seas do not permit the passage of seafaring craft. The route from the White Sea to the Far Eastern waters along the northern shores of Siberia, some 4,000 miles long, also involves considerable hardship, despite the new technological developments, including the atomic icebreaker.

One of the handicaps of the Soviet naval position is the distance separating the two island seas, the Baltic and the Black Seas, from the three oceans. This compels the Soviet Union to maintain four separate fleets: the Baltic, the Black Sea, the Arctic, and the Pacific.

Only in the Far East does the USSR enjoy true "blue water capabilities." One has to remember, however, that the access to its bases there is precarious both geographically and politically because of the Sino-Soviet dispute. It is enough to look at the map to realize that in case of a Sino-Soviet war, the Port Arthur and Dalny harbors would be the first targets of Chinese missiles and bombs, as well as of a land attack.

Adding to this the fact that the Soviet Black Sea bases are situated on a southern fringe of the volatile Ukraine, "the soft underbelly" of the Soviet empire, one realizes that the geopolitical factors underlying Moscow's actual naval position are not too solid.

This should be compared with the broad and varied "blue power" capabilities of the U.S. Navy, able to deploy large and highly experienced forces throughout the world. Moreover, the Soviet navy has yet to master a strategy of large-scale distant naval operations. This is the result not only of a lack of experience but of the disadvantageous geopolitical situation of the USSR.

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REPRESENTATIVE ASPIN'S RAILROAD TRACK REHABILITATION PROPOSAL

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. REUSS. Mr. Speaker, increasingly large demands are being put on the railroads—passenger and freight—because of the energy shortage. As our colleague Representative LES ASPIN points out, we must rehabilitate our track systems to gain the full benefits of this energy-cheap transportation. The February 12, 1975, New York Times' "Revive Railroads" editorial explains the importance of Representative ASPIN's proposal:

REVIVE RAILROADS

Congress and the Ford Administration cannot much longer postpone a fundamental decision about the restoration of adequate railroad service. The trustees of the bankrupt Penn Central have just cancelled another in a long series of melodramatic threats to shut down all service after getting assurance that the $275 million in new cash and loan guarantees already voted by the Senate will arrive soon enough to permit them to meet their next payroll.

Within two weeks the United States railway association, a new entity created by Congress last year, is scheduled to present its tentative plan for restructuring the Penn Central and other bankrupt Northeastern railroads into an economically viable pattern. A final plan has to be submitted to Congress by June for its approval.

There is a huge financial time-bomb ticking away under this proposed reorganization that the Administration and Congress cannot safely ignore much longer. In upholding the constitutionality of the Rail Reorganization Act last December, the Supreme Court also held that the bondholders, stockholders, and creditors could sue in the Court of Claims for higher compensation than the new system decides to offer them.

In enacting the rail act, Congress pretended that these private claims would be wiped out in exchange for stock in the new road, dubbed ConRail. But inasmuch as the Penn Central ran up total losses of $851 million between June, 1970, and December, 1973, and there is no certainty that ConRail can do significantly better, its stock may have limited appeal. In that eventuality, law suits in the Court of Claims are inevitable and judgments against the Government may run into the billions.

In the Northeast and in other regions as well, rail traffic has soared in recent years, especially since the gasoline shortages of a year ago and the steeply higher prices that now prevail. But as traffic has increased, so have the accidents. There were 3,800 railroad accidents in 1973. Accidents attributable to poor track maintenance have more than tripled in the last dozen years. Representative Les Aspin, Wisconsin Democrat, proposes that the Federal Government establish a public corporation to take over tracks and roadbeds, restore and maintain them, and lease them to private railroad companies.

The recurring Penn Central cash crises, the unresolved issue of the Northeast railroad creditors, the growth in passenger and freight traffic because of the energy crises and the rise in dangerous rail accidents, all point to the need for a more comprehensive approach to the nation's railroads.

Full nationalization of the railroads is unnecessary because some major private systems continue to be well-managed and profitable. But the urgently needed overhaul of the railroads cannot be accomplished without a sizable investment of public capital and adequate controls to guarantee its effective utilization.

The Government in recent years has been edging toward vastly increased involvement through its creation of Amtrak and ConRail. The time has come to formulate a straightforward and complete program for revival of the nation's most essential mode of transportation—the railroads.

THE COMMUNITY EFFORT IN CANCER

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SMITH of Iowa. Mr. Speaker, the distinguished chairman of the HEW Appropriations Subcommittee, upon which I am privileged to serve, Mr. FLOOD of Pennsylvania recently made a speech to the Association of Community Cancer Centers on February 2.

The gentleman from Pennsylvania has had a long and distinguished career in the House of Representatives and is nationally known for his concern and work in the field of cancer research.

It is important that the Congress keep a close watch on the Nation's cancer work so that the largest current biomedical research and disease control program funded by the Federal Government is operating at the highest level of productivity that can be mustered.

My colleague told the cancer research and control administrators from all over the country that he was not suggesting to them, he was warning them that they had better strain every administrative muscle to help the American cancer patient and the citizen concerned with whether he or she has cancer, to get the best kind of diagnosis or screening, and the best possible kind of therapy.

He said that members of the new association would eventually get National Cancer Institute awards of one kind or another to help them expand their work, but meanwhile they should take extraordinary measures, operate screening programs nights and weekends, for instance, to serve those people who are concerned that they might have cancer.

I think the words of the chairman might interest those Members who are keenly interested in the conquest of cancer and offer them for the RECORD:

THE COMMUNITY EFFORT IN CANCER

(By Hon. DANIEL J. FLOOD)

I want to congratulate the Association of Community Cancer Centers. You have come through the difficult organizing period which every new organization undergoes.

The message I want to bring you today is about cancer politics. Cancer politics as it is.

There are those who question whether I've retired from my acting career. Never mind. Drawing on that experience I can say authoritatively that cancer has made a great entrance. Mrs. Lasker and the cancer community outdid themselves with the National Cancer Law of 1971, which was extended last year, as you know.

The third act we all hope for is not in sight, but I am confident that it will involve a stunning denouement for the great bulk of cancers, the solid tumors, and we shall have that villian, the "dread" disease, on the run as the curtain falls.

Meanwhile, in case you don't know it, you are standing there with your script hanging out while the curtain is rising on the second act. The audience, the whole country, is waiting to see the usual second act development of real power and dynamic, the leave 'em gripping-the-arms-of-their-chair-with-knuckles-act. If you don't kill 'em in the second act you might lose your audience to the late show.

In politics it is always opening night. Every critic is there. Rarely is a comeback possible after an initial flop.

You will flop if you don't get together and impress the people of this country that you are not just a bunch of selfish doctors cashing in on the misery of others; that you are not just an organization that threw itself together when the big money began to flow.

I know and you know that the people in this organization want grants and contracts. Self-interest makes the world go around. It is healthy.

But your self-interest will be served best if you steadfastly determine in your hunt for contracts that you will do the best job for the community even if it means a sharing of responsibilities and maybe even a sharing of dollars.

You know, this is the third big push in our lifetimes that this country has made against cancer. Some of you may remember and others may not, but first there was the National Center for Chronic Disease Control. Then there was Regional Medical Programs.

The first, Chronic Disease Control, was never vigorously pushed by any Administration though it was modeled on the work done by the highly successful National Center for Disease Control.

The second, Regional Medical Programs, in its original form was really allowed to die on the vine by the National Institutes of Health.

I'm one of the authors of Regional Medical Programs, now legislated out of existence, and I note that, despite all of the wraggling and Administration in-fighting, that RMP was so successful in cancer that for every dollar of RMP money put into cancer work, RMP raised another $4.51 from the communities in which it operated. That's real community acceptance. Though the money was raised on a voluntary basis it went far beyond any ordinary federal matching requirement. I wish you well in gaining similar community acceptance.

What these two past efforts mean politically is this: There are hundreds of medical care personnel out there who have now been through the mill twice. They have in many cases re-directed their careers when new legislation beckoned toward expanding opportunities. Some moved their families to new cities.

You'd better not disappoint these community-wise people again. They've chosen to devote their lives to something other than lucrative office practices. They've enlisted in the early battles of the War Against Cancer. But they've seen two programs go down the drain. Don't disappoint them again or you won't have the troops to make the Conquest of Cancer.

Support and join with successful local programs. Don't ditch your best friends.

So far, with the first act just finished, the larger audience, the public, is not disillusioned. The National Cancer Program has done well. But you'd better watch this second act. Don't muff it.

My political judgment is that you in the Association of Community Cancer Centers had better work very, very carefully to preserve the good people and good programs that are in place, left over from the two prior government-funded cancer drives this country has seen. And remember that throughout all the ups and downs of government funding the American Cancer Society has been there. In many places they may need the stimulation of a bit of competition. But they've been building for years and they might be your strongest resources in some areas.

You cannot allow the Conquest of Cancer program to lead to a third disappointment. You'll set cancer back 50 years. And that's not some wild statement lifted from a civic club speech. You will set cancer therapy back 50 years if you don't maximize community cooperation in this second act.

My political wisdom also tells me that if I dropped a hint about the money picture you wouldn't be sorry you invited me to speak.

The money picture is directly tied to the rest of what I have said. You can be sure that Dan Flood will give you the maximum amount of money for cancer that can be squeezed out of the 94th Congress. I had my own post-operative, annual cancer check-up just before the end of the year. I want the best research and treatment this country can buy.

But I won't be able to give it to you unless you make this second act a real humdinger; bring down the house; let loose a burst of applause.

I don't know how you are going to do it, but I do know that you agree with me that there are tremendous gains to be built on the basis of current knowledge.

If you apply what you now know cancer deaths will drop precipitously in coming years. The country has faith in you; has invested in you; and deserves that benefit.

Yet you and I know that breast cancer detection centers in this country are booked up through July in most cases. Broad-scale cervical screening is years and years behind its potential. First you tell the patient to get a check-up fast. Early detection is the by-word. Then you set up a system where the woman is forced to wait six to eight months. That's not early detection.

I am not a medical administrator. I don't know how you are going to make a breakthrough on that service demand. But I do know that your political life-blood is running down the gutter, to the river to be lost at sea if you don't solve that one.

I am fully aware that your association has not been given the responsibility for all of this work and is not responsible for all of the delays. But the public doesn't know and doesn't care. When you lift up your banner, they'll say, "Where were you?"

I want to give you more money. But you'll never get it unless you stir yourselves to the present opportunities and rearrange resources, do whatever is necessary to serve those patients you have motivated. Open up at night, week-ends. Go to on-going programs and offer your help. Your political life blood is simply not healthy enough to overcome the anemia that will follow if you disappoint these women. I'm not suggesting. I'm warning you.

Months will go by before the necessarily careful doling out of public money by the National Cancer Institute.

Meanwhile, each of you who works in a cancer institution had better get moving with whatever resources are at hand so you don't waste the talent that's already out there and so that you don't disappoint the public that has been activated to think about cancer, to hope about it, and to take part in screening and other community programs.

Look around you.

Tens of millions of dollars worth of community programs are in action at this moment.

While you are waiting for government money I suggest that you see what can be done immediately in the community to enhance existing programs. Find the optimum place for your skills and your talents. Build your local political fences. Run hard. With the campaign for acceptance.

Then you'll win the campaign for government money.

You will succeed with the doctor and the patient.

And that's the way you will succeed with me and my appropriations subcommittee. I cannot give you any more than my political judgment tells me the people want to give you. Oh, yes, we can twist and dodge and do some open field running at mark-up time.

But we have given the National Cancer Institute $691 mil. this year. Of course OMB doesn't know how to read. They read $691 mil. to mean $569 mil., which is their interpretation of what we appropriated for fiscal 1975.

I hope we can teach them to read when the President sends down a rescission or deferral message. But it will take political power. This is a new Congress, remember. New pathways and new lines of control are being hacked out of the jungle. We can only deliver if you deliver.

Good luck to you.

DEMAND FOR NURSES REMAINS HIGH

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SHRIVER. Mr. Speaker, by request I am inserting in the RECORD an article which appeared in the January 30, 1975, edition of the Kansas City Times regarding the continuing high demand for professional nurses in our State of Kansas and surrounding States:

DEMAND FOR NURSES SOARS DESPITE ECONOMIC TAILSPIN

(By John A. Dvorak)

The unemployment upswing is bypassing at least one profession: The demand for nurses in Kansas City, strong since the 1960s, shows no sign of letting up.

"We don't have anybody who doesn't get employment if they're looking for it," said Mrs. Hester Thurston, dean of the University of Kansas Medical Center's nursing school. Graduates of the K.U. program can expect a "great diversity of opportunities," Mrs. Thurston said.

A shortage of nurses has existed for at least a decade, Mrs. Thurston said. With increasingly sophisticated nurses in demand, new graduates have a bright future, she said.

Other representatives of the medical community here agree there is a shortage of nurses in Kansas City, although it is not a recent development, they point out. Skyrocketing unemployment in other industries has not affected the need for nurses, they say.

Last week 15 of about 40 Kansas City area hospitals were advertising for at least one nurse. A company that provides temporary nurses complained it cannot recruit enough employees.

Yet nursing schools report they must turn away applicants because enrollments already are at capacity and in Kansas and Missouri as well as across the nation the number of nurses is growing yearly.

Hospitals have consistently added to their nursing staffs, but not fast enough to keep up with their needs, said Dell Nyland, executive vice-president of the Kansas City Area Hospital Association.

On the average, hospitals here operate with 10 to 13 per cent fewer nurses than budgets call for, he said. The shortage has existed for several years, he added.

Spurring the demand for nurses, he said, is the construction of more hospital rooms, the new fields opening to health workers and the "more intensive" services offered by hospitals.

In the nursing profession, he said, "demands and opportunities are greater."

The director of one of Kansas City's biggest nursing schools agreed. "They'll all have jobs long before they graduate," Mrs. Rose Marie Hilker said of the students who will receive diplomas this spring at St. Luke's Hospital nursing school. "They can be very choosy."

The hospital will hire about 60 per cent of the graduates, and most of the rest will find employment elsewhere in Kansas City, she said. A few graduates of the school take jobs outside the metropolitan area, she added.

"The demand is very great in this part of the country," Mrs. Hilker said. "It's been an increasingly growing problem." And, she said, bigger shortages may come in the future.

Earlier this month President Gerald Ford, citing his desire to prevent "excessive" federal spending, pocket vetoed a $654-million nurse training bill.

"If the students do not have this source of funding (first established by Congress in 1964) it will undoubtedly restrict all future students who want to attend a school of nursing," Mrs. Hilker said. "There simply are no other adequate funding sources."

New medical insurance programs now under consideration in Washington would, if approved, increase the need for nurses, she said. "If National Health Insurance is passed in 1975 the demand for health care could escalate dramatically," she said.

Even now the number of nurses licensed by state boards in Missouri and Kansas has steadily risen, latest statistics show.

Kansas has 18,115 registered nurses (R.N.s) and 5,394 licensed practical nurses (L.P.N.s). The totals have increased an average of more than 400 a year since the mid-1960s.

Missouri has 24,590 R.N.s, a 50 percent jump in the last 10 years. The state also has 12,411 L.P.N.s, compared with 7,598 a decade ago.

Not all of those nurses, however, are employed. For example, in 1974 Wyandotte County has 778 R.N.s, but 158 were classified as "inactive." The county also had 452 L.P.N.s, but almost 20 percent were inactive.

Many women leave their nursing jobs for marital and family responsibilities, said Mrs. Isabelle Headley, president of the Kansas City chapter of the Missouri Association of Licensed Practical Nurses.

With economic pressures increasing at home, some of those are likely to resume their careers, she predicted.

"That is what I thought would happen," said Mrs. Grace Cox, nursing director at Bethany Medical Center.

"But I haven't seen it yet."

Bethany would like to hire four nurses for the evening shift and four to six more for its overnight shift, she said. There are sufficient applicants for daytime work at the hospital, but nurses are not anxious to work nights, Mrs. Cox said.

The Kansas City office of Medical Personnel Pool, a nationwide firm that employs nurses and then contracts their services to hospitals and nursing homes needing temporary help, also lacks applicants.

Most needed are nurses who can work part time, said Mel Chrisco, director. Even a nurse willing to work just one day a month would be hired, he said.

"We would love to have those persons call us," he said. "We'll place them."

Chrisco, who is increasing his recruiting efforts, said he is unsure if there is a shortage of nurses in Kansas City. They may just temporarily be out of the job market, he said.

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Also beefing up recruiting efforts is the General Hospital, which is planning a recruiting film to show the benefits of the institution and scheduling a "recruiting tea" next month for area nursing students.

Mrs. Carol Taggart, an employment representative, said General has 12 openings for R.N.s and six positions available for L.P.N.s. To attract applicants she is advertising in Missouri, Kansas, Nebraska, Arkansas and Colorado.

Salaries for beginning nurses at General, she said, are competitive with other hospitals: $6,000, for L.P.N.s, $8,800 for R.N.s An official at another hospital estimated that RNs here can expect starting salaries of $6,500 to $8,000. L.P.N.s make about two or three thousand dollars less than R.N.s, who have more training.

Salaries, fringe benefits and working conditions contribute to nursing shortages in particular regions, the director of the American Nurses' Association statistics department said.

If incentives are not high enough nurses may not be attracted to jobs, Ms. Aleda Roth said.

"There really isn't a shortage of nurses nationwide," Ms. Roth said. Maldistribution, however, is a problem, she added.

Statistics compiled by the association show the varing distribution state by state of R.N.s. Massachusetts, for example, has 849 per 100,000 persons but Arkansas has just 190. Kansas has 400 R.N.s per 100,000 persons, about the national average, but Missouri has 312.

The association estimates there were 857,000. R.N.s employed nationally last year, up from 582,000 a decade earlier.

Nursing school enrollments are also up across the country. In Kansas City both St. Luke's and K.U. Medical Center turn away qualified applicants. The program run by the Kansas City School District had 50 to 60 applicants for a class that began recently. Only 25 could be selected.

"We have a large number of applicants (who must have at least the equivalent of a high school diploma) at all times," said Mrs. Mary Ann Thompson, co-ordinator of health occupations education for the school district.

About 200 students complete the program each year they have little difficulty finding jobs, Mrs. Thompson said.

"We need more," she said. "We still are not meeting the demand."

B'NAI TORAH INSTITUTE

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ROYBAL. Mr. Speaker, I am pleased to offer a few remarks in behalf of the B'nai Torah Institute of Brooklyn, N.Y. B'nai Torah offers its students both a secular and religous education. It concentrates both on the student as an individual and as a member of society. Students for the institute are chosen according to intellectual capacity, leadership qualities and conduct. Tuition is paid in accordance with what the individual family is able to afford.

Students of the institute devote 13 hours a day to their studies, study 12 months a year, and graduate high school in 3 years. The institute often provides a stipend for study after marriage. Bais Hamidrash—the House of Study—is also sponsored by the institute to provide a further education in Hebrew studies after the completion of high school. The "kollel" program for married students provides support for an additional 3 years of study.

B'nai Torah Institute, of which Rabbi Leib Pinter is dean, transmits both the ideals and concepts of the Orthodox Jewish faith, and a deep commitment to work in the Jewish community and the community at large. Rabbi Pinter is to be commended for his role in this highly valuable, unique academic institution.

OPEN HOUSE AMENDMENTS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, I am today introducing a package of nine House reform measures known as the Open House Amendments of 1975. I am joined by the distinguished minority leader (Mr. RHODES), the chairman of our Republican Task Force on House Reform (Mr. FRENZEL), and 58 other Members from this side of the aisle who have cosponsored all or some of these reform resolutions.

I first introduced this package back on January 29, 1975, and the text of my remarks along with a summary of each of the resolutions and their texts may be found in the CONGRESSIONAL RECORD of that date beginning on page 1682. I, therefore, will not take further space in the RECORD at this time to detail each of these measures, but instead will briefly summarize them.

The open house amendments are designed principally to further open up our proceedings, make them more democratic and our Members more accountable to the public. Heading the list of reforms is one to require the radio and television broadcasting of our House floor proceedings, beginning as soon as possible. This measure has 34 cosponsors.

Next on the list is a resolution to prohibit party caucuses from issuing binding instructions on Members' committee or floor votes—58 cosponsors.

Next are five rules changes relating to our committees: the first would insure that the public has access to the records of committee actions—49 cosponsors; the second would completely abolish proxy voting in committees—60 cosponsors; the third would require that committee meetings be open to the public at all times, with only very limited exceptions—53 cosponsors; the fourth, would permit any Member in committee to demand a rollcall vote on any matter, and would also require that the committee take a rollcall vote on any motion to report a bill—50 cosponsors, and the fifth, would require that, for a measure to be brought up under the suspension procedure, it must be with the concurrence of the ranking minority member or at the direction of a majority of the committee—54 cosponsors.

Finally, I have offered a rule change which would require that all House-Senate conferences be open to the public without exception—42 cosponsors—and a bill to require that the House, at the beginning of each Congress, take up to 10 hours of debate on the proposed House rules and that amendments may be offered to the proposed rules—58 cosponsors.

Mr. Speaker, I am gratified by this strong show of support for these House reform amendments from this side of the aisle. I have even received inquiries from the other side of the aisle about cosponsoring some of these. I will, therefore, be circulating a Housewide solicitation for cosponsors in the very near future. In the meantime, I am urging the Rules Committee, of which I am a member, to convene hearings on these and other proposed rules changes which have been referred to our committee. I do not think we should conclude that we have somehow finished the job of reform with the adoption of the Hansen amendments in the last Congress and the adoption of our rules here in January. Much remains to be done to open the House to the public and invite its careful scrutiny and constructive comments on our actions. While opening the House in and of itself will not insure a spurt in our popularity rating, it will begin to bring about a greater understanding of this institution and hopefully bring legitimate pressures to bear on us to do a better job. This is as it should be in a democracy such as ours.

RABBI LEIB PINTER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SCHEUER. Mr. Speaker, Rabbi Leib Pinter, who delivered the moving invocation in the House on Tuesday, February 18, is dean of the B'nai B'rith Institute in New York, a relatively new arrival on the academic scene.

Under the dynamic leadership of Rabbi Pinter, the institute has been able to attract some of the foremost young scholars and they have already made a significant impact on the study of Jewish education and Talmud.

The B'nai Torah Institute has rapidly earned a high reputation as a center for secondary, college level, and postgraduate Jewish education.

The institute serves a dual role: To develop the fullest potential of each individual student and to respond to its many concentric communities, the country, the Jewish people, the world.

The Jewish instinct for survival, both physical and spiritual, is legendary. Jews are able to survive by transmitting their heritage to the coming generations. By educating gifted children in excellence in intellectual capacity and excellence in moral capacity, the B'nai Torah Institute is preparing the future generation for leadership and responsibility.

LITHUANIA'S SPIRIT OF INDEPENDENCE IS MORE THAN A MEMORY

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. COUGHLIN. Mr. Speaker, as the 200th anniversary of our Nation's independence approaches, it is proper for all Americans to reflect upon the diverse traditions and heritages that have contributed to our unique form of government. It is also appropriate that we reaffirm our dedication to the principles of personal liberty and freedom of choice.

For the millions of people who suffer under the shadow of tyranny, we must continue to provide the inspiration and hope so vital to their struggle for the basic human rights that belongs to all.

It is especially fitting at this time that we recognize the quest of others for the right of self-determination. For February 18 marked the 57th anniversary of the establishment of the Republic of Lithuania. Americans of Lithuanian origin and descent, however, have little cause for celebration.

After only 22 years of independence, their homeland was stripped of its autonomy, and forcibly annexed by the Soviet Union. Although the sovereignty of this nation was a victim of oppression, the proud spirit of its people has never succumbed, and the dream of independence continues to flourish.

As the watchtower of freedom, America must see that this spirit is never broken, nor this dream ever lost. As a nation which acquired and sustained its independence with the lives of many sons and daughters, America must never compromise its commitment to freedom. As a people who cherish liberty as much as we, the gallant Lithuanians have suffered untold hardship and loss in their struggle to determine their own destiny. Their just cause must not be abandoned.

Today, I call upon my colleagues of the Congress and Americans everywhere to join in commemoration of the establishment of the Republic of Lithuania. Let us also reaffirm our efforts to bring about the independence of this valiant people. In so doing, perhaps one day Lithuanians everywhere will again be able to truly celebrate the autonomy of their homeland.

HOUSE OF REPRESENTATIVES—*Thursday, February 20, 1975*

The House met at 12 o'clock noon.

Rev. Charles W. Hoemig, Holy Trinity Lutheran Church, Littleton, Colo., offered the following prayer:

We thank You, O God, for the opportunities of a new day. As we gather here to determine the future course of our Nation, make us mindful of Your promise that "Blessed is the nation whose God is the Lord."

Guided by Your Spirit, may we be high in purpose, wise in counsel, and unwavering in duty. In the administration of our solemn charge, may we serve Your will, uphold the honor of our Nation, secure the protection of Your people, and set forward every righteous cause.

Grant that we may recognize not only the rights of the individual, but also our responsibility to do justly, to love mercy, and to walk humbly with our God. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On February 19, 1975:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

On February 20, 1975:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions, became law without signature by the President. The 10th day of consideration by the President under the Constitution was February 19, 1975.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

The message also announced that the Senate had passed joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 8. Joint resolution to authorize the President to issue a proclamation designating March 1975 as "Youth Art Month";

S.J. Res. 18. Joint resolution to designate March 13, 1975, as "Music in Our Schools Day";

S. Con. Res. 13. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975;

S. Con. Res. 14. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975; and

S. Con. Res. 15. Concurrent resolution expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975.

The message also announced that the Vice President, pursuant to Public Law 91–452, appointed Mr. MCGOVERN as a member, on the part of the Senate, of the National Commission on Individual Rights in lieu of Mr. Ervin, resigned.

And that the Vice President, pursuant to Public Law 93–579, appointed Mr. Robert J. Tennessen and Mr. William Dickinson to the Privacy Protection Study Commission.

THE REVEREND CHARLES W. HOEMIG

(Mr. ARMSTRONG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMSTRONG. Mr. Speaker, I am pleased to welcome a distinguished constituent of mine—and a minister truly concerned with people—Pastor Charles Hoemig.

Pastor Hoemig guides the Holy Trinity Lutheran Church of Littleton, Colo., and has had the kindness to stop on his return from missionary work in Bangladesh and to offer today's opening prayer. He has also spent time working with missions in Burma and India in the past several years.

A graduate of Indiana University and the Lutheran School of Theology in Chicago, Pastor Hoemig has lived 15 of the last 17 years in Colorado and spent the last 10 years at Holy Trinity Lutheran Church.

In addition to being a man of God devoted to people and to his beliefs, Pastor Hoemig has shouldered an additional load of civic concern and involvement. He is an outstanding citizen of Colorado and I am proud to welcome him today.

THE "911" EMERGENCY TELEPHONE NUMBER

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, several weeks ago I introduced legislation to support the concept of and assist in the funding of the "911" emergency telephone number. A recent incident in Fort Wayne, Ind., in my congressional district once more confirms to me the importance of "911" in emergencies.

The Rosemarie Hotel in Fort Wayne

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suffered a serious fire 2 weeks ago. The woman who first smelled the smoke and alerted the fire department was Mrs. Irene Shaw, also a night desk clerk at the Rosemarie.

Mrs. Shaw smelled the smoke, sought the source and rushed to call the fire department. She has since complimented them on their quick arrival at the scene of the fire. However, she also said that she had had to dial the operator because "I couldn't remember the emergency number." That is a refrain we hear over and over again when people talk about emergencies they have experienced. Who has time to hunt the appropriate number in the phone book? And who carries them around in their head?

So this is not a unique case. While the firemen who put out the blaze are to be commended for quick thinking and fast action, who knows how much property might have been saved had Mrs. Shaw been able to directly dial "911" and report the fire herself? We will never know. This is only one more example of why I keep urging the adoption of the "911" emergency number for police, fire and medical emergencies throughout the United States.

PERMISSION FOR SUBCOMMITTEE ON MANPOWER, COMPENSATION AND HEALTH AND SAFETY OF COMMITTEE ON EDUCATION AND LABOR TO SIT THIS AFTERNOON

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Manpower, Compensation, and Health and Safety of the House Committee on Education and Labor have permission to sit this afternoon to hear testimony from the Governors of various States.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO THE U.S. AIR FORCE ACADEMY

The SPEAKER. Pursuant to the provisions of 10, U.S.C. 9355(a), the Chair appoints as members of the Board of Visitors to the U.S. Air Force Academy the following Members on the part of the House: the gentleman from Georgia, Mr. FLYNT; the gentleman from New York, Mr. STRATTON; the gentleman from Colorado, Mr. ARMSTRONG; and the gentleman from Louisiana, Mr. TREEN.

ELECTION OF MEMBER TO COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 224) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 224

Resolved, That CHARLES W. WHALEN, JR., of Ohio be, and is hereby, elected a member of the Committee on the District of Columbia.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a bill rescinding certain budget authority recommended by the President and transmitted pursuant to the Impoundment Control Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAKING IN ORDER ON TUESDAY NEXT CONSIDERATION OF JOINT RESOLUTION MAKING FURTHER CONTINUING APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday next, or any day thereafter, to consider a joint resolution making further continuing appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 210, FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 223 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 223

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 2(1)(6) of rule XI and clause 7 of rule XXI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, and all points of order against said joint resolution for failure to comply with the provisions of clause 2, rule XXI, are hereby waived.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 19]

Addabbo	Fulton	Pritchard
Aspin	Gibbons	Rangel
Barrett	Goldwater	Rees
Brown, Mich.	Harsha	Riegle
Chisholm	Hébert	Rosenthal
Clawson, Del	Hefner	Rousselot
Conyers	Holland	Runnels
Dellums	Jarman	Scheuer
Diggs	Jones, Okla.	Selberling
Dingell	Kastenmeier	Steed
Downing	Leggett	Stuckey
Drinan	Levitas	Taylor, Mo.
Edwards, Calif.	McCormack	Teague
Esch	Macdonald	Traxler
Eshleman	Milford	Ullman
Florio	Mills	Waxman
Foley	Moakley	Wiggins
Fountain	Moorhead, Calif.	
Fraser		

The SPEAKER. On this rollcall 378 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MAKING FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975

The SPEAKER. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. MATSUNAGA. Mr. Speaker, House Resolution 223 provides for consideration of House Joint Resolution 210, which, as reported by our Committee on Appropriations, would make further urgent supplemental appropriations in the amount of $117,175,000 for the fiscal year ending June 30, 1975. House Resolution 223 waives all points of order under clause 2(1)(6) of rule XI and clause 7 of rule XXI of the Rules of the House of Representatives relating to the 3-day filing requirement for the bill and report. House Resolution 223 also provides for a waiver of all points of order against the joint resolution for the failure to comply with the provisions of clause 2, rule XXI, prohibiting legislation in an appropriation measure and prohibiting unauthorized appropriations. These waivers are necessary to enable the Committee on Appropriations to bring this urgent joint resolution to the floor today.

Mr. Speaker, the reason for the waiver of points of order with respect to clause 2, rule XXI, is that certain sections of chapter I of the joint resolution contain language which are legislative in character, and that the appropriation for the Federal Railroad Administration in chapter II has not yet been authorized by law, although the necessary legislation has passed both the House and Senate.

Mr. Speaker, of the total supplemental appropriations of $117,175,000, the sum of $17,175,000 is provided under chapter I of the joint resolution to meet the critical need of the House of Representatives for additional space. The balance of $100,000,000 is provided under chapter II for interim operating assistance for the Penn Central and certain other railroads under reorganization in the Northeast and Midwest regions of the country.

Under chapter I of the joint resolution, the sum of $15 million would be used to convert the building located on square 581 in the District of Columbia into office space for the House of Representatives. In terms of a more familiar description, the building is an old FBI warehouse at the corner of Second and D Streets SW., which has housed fingerprint files. The $15 million appropriation for this purpose includes $1.5 million for furnishings in the converted building.

Mr. Speaker, the proposed additional House office building would help to relieve the present overcrowding both in committees' and Members' offices. Based on requests from committees received in 1973 by the Committee on Committees and requests received from Members by the House Office Building Commission, present estimated needs for additional space total 1,037,500 square feet. The old FBI warehouse, if converted into an office building, would provide an estimated 432,840 net usable square feet, and therefore would meet nearly 50 percent of present House needs for additional space.

The remainder of chapter I funds would be used to meet the expenses of the House of Representatives in various other categories.

Mr. Speaker, chapter II appropriations are provided because of impending cessation of certain rail operations this month. The sum of $100 million, under an authorization measure passed by the House only yesterday, would be made available through the Federal Railroad Administration to bankrupt railroads in the Midwest and Northeast regions, particularly the Penn Central. The joint resolution, as in the case of the authorization bill which was passed by this body yesterday, does not specifically allocate the funds among the railroads.

The appropriation for $100 million would help to insure the continuance of essential rail services until the Consolidated Rail Corporation can take over the rail system in 1976. The bankrupt railroads have experienced a significant decline in traffic as a result of the recent coal strike and the current recession, creating a critical cash shortage.

Mr. Speaker, I urge the adoption of House Resolution 223 in order that House Joint Resolution 210 may be considered.

Mr. QUILLEN. Mr. Speaker, I yield myself so much time as I may use.

The distinguished gentleman from Hawaii (Mr. MATSUNAGA) has ably explained the provisions of the resolution bringing this bill to the floor of the House. Whatever our feelings might be on final passage of the supplemental, I would think that it is only proper for this House to debate the appropriation for the Penn Central and other railroads, as well as the appropriation for the renovation of additional office space.

I know a number of us have certain reservations on one item or the other, but I think it is only proper that this House debate the measure fully and work its will.

Mr. Speaker, yesterday when this measure was before the House Committee on Rules, I asked those presenting the measure to us if they had considered using space in the new Library of Congress Annex and they explained that under the measure that was passed, there was a phrase in the law which said that no space in that building could be used for office space other than for use by the Library of Congress, and whereas the House might work its will on correcting that measure, that there might be some difficulty in the Senate.

Mr. Speaker, I reserve the balance of my time, but I do have one request from the gentleman from Maryland.

Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I am opposed to this bill in its present form. I will offer an amendment to strike out the section dealing with further funding for the new House of Representatives office building.

First of all, I would like to point out, and I am not going to make a point of order because I doubt that it would be sustained, that particular rule waives points of order in two areas. One waiver is in the case of the emergency railroad appropriation, since the authorization bill has not yet passed the Congress. In the other case, a waiver is permitted since this bill contains legislation on an appropriation bill which is usually against the rule.

Those of you who have read this particular report will note on page 7 an attempt to comply with clause 2(1)(4) of rule XI of the rules of the House. This rule says we must include in all our reports an inflationary impact statement showing what the legislation would do in the way of creating more inflation.

If you have read the ludicrous explanation in the report which purports to show the inflation impact, it is obvious that this rule has not been complied with, since we are told, incredibly, that there is no inflationary impact.

I believe that those in the House of Representatives who talked so grandly of cutting back the budget and reducing spending ought to start out with saving money on our own housekeeping chores. There is no justification for this increased office space. There is no reason to divert $17 million of the taxpayers' money without proper hearings, without proper legislation by the committee and with a rule waiving all points of order.

Mr. Speaker, we all know that the American people feel that the Congress of the United States neither cares about their problems nor acts in a proper manner on the issues before them. I think we ought to set an example today by knocking out this expensive provision. We should defeat the rule or amend the bill. We have that chance. Let us see if we mean what we say or whether, as most of the American people believe, we are just giving lip service to economy in Government.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour and that the time be divided equally between the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 210) with Mr. MURPHY of New York in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, the urgent joint resolution we bring before the House today appropriates a total of $117 million. Of this sum, $100 million is urgently needed to insure that essential rail services will be continued in the Midwest and Northeast regions. The House passed the necessary authorizing legislation yesterday. If this appropriation is not promptly enacted, several railroads, particularly the Penn Central, will cease rail operations next week.

The other $17 million in the resolution is for the legislative branch to provide relief to the critical space requirements of the House of Representatives. The major item here is for the renovation and alteration of the old FBI Identification Building at Second and D Streets SW.

These items were handled by the Appropriation Subcommittees headed by the gentleman from California (Mr. MCFALL) and the gentleman from Texas (Mr. CASEY).

LEGISLATIVE BRANCH

Mr. Chairman, as I indicated the resolution now before the House would appropriate $17,175,000 to provide immediate relief to the critical space requirements of the House of Representatives, including alterations to an existing building located at Second and D Streets SW.—the old FBI Identification Building—and related costs of furnishings, maintenance, and protection of the building.

The appropriation includes $14,500,000 for alterations, $1,500,000 for furnishings, $500,000 for maintenance, and

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$375,000 for police protection at the building.

The resolution also includes $300,000 for alterations in committee rooms and other areas in the Capitol and House Office Buildings to better meet space requirements, including needs of the new Ways and Means Subcommittees.

Assignment of space in the new facility, as well as reassignment of space in the existing buildings, is under the jurisdiction of the House Office Building Commission. It is contemplated that activities whose functions do not require direct and immediate access by Members and their staffs could be moved to the new building, including such support activities as computer and payroll operations, some shop facilities of the Superintendent of the House Office Buildings and the Clerk of the House, the Architect's Construction Management Division, employee organizations, printing services, ad hoc groups, certain Capitol Police facilities, and others.

FEDERAL RAILROAD ADMINISTRATION

Mr. Chairman, the resolution also includes the full budget estimate of $100 million to insure continuation of essential rail services in the Midwest and Northeast regions. Unless additional funds are promptly made available, several railroads, particularly the Penn Central, will cease rail operations this month. These railroads have experienced significant declines in traffic due to the general economic downturn and the recent coal strike. This has resulted in revenue losses and immediate cash shortages.

Funds are not earmarked by railroad. Although it is anticipated that the largest portion of the funds will go to the Penn Central, the funds recommended are available for all railroads determined to be in reorganization under the Regional Rail Reorganization Act. The amount is also available for maintenance efforts for passenger service in the Northeast corridor.

Mr. Chairman, the Appropriations Committee reported this measure on Tuesday and appeared before the Rules Committee yesterday. Also on yesterday the President transmitted a further supplemental appropriation for $25 million for interim operating expenses under the Department of Transportation. At the proper time when we are under the 5-minute rule, it is anticipated that an amendment will be offered to add that $25 million to the resolution. This further request has been anticipated by the committee and was taken under consideration during the recent hearings on this matter. This additional $25 million has the support of a majority of the committee.

Mr. BAUMAN. Mr. Chairman, will the distinguished chairman yield?

Mr. MAHON. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, would the distinguished chairman of the Appropriations Committee tell me whether or not, in his opinion, there was any compelling evidence presented to his committee regarding the need for this House of Representatives additional office space on an urgent supplemental basis, or is this something that can wait for due consideration?

Mr. MAHON. Additional space is urgently needed if we are to carry out the activities which the House of Representatives is undertaking. The Speaker of the House came to me, as chairman of the Committee on Appropriations, during the last session of Congress and expressed the desire that we formulate legislation to take over and use this well-constructed building, the old FBI Identification Building, so that it would be available for use for a field office for the Architect of the Capitol and for various functions that can be handled acceptably at some distance from the Capitol itself.

As the gentleman knows, we have a new Select Committee on Intelligence; we have expanded the number of subcommittees, increased minority staffing, and made a number of other staff increases. We really are desperately in need of additional space if we are to acceptably perform our duties as representatives of the American people.

So, in my opinion, it is an urgent matter, and it is unfortunate that it could not be taken care of at an earlier date.

It may be that in perhaps 2 or 3 years the House may be able to use the so-called South Portal Building, which is adjacent to the Botanical Gardens and is still under construction. But we need space now in order to carry on our work as Members of the House and as members of the various committees.

We do not now need all of the space that is available in the old FBI Building, and I hope we would never need all of it. But it will be available and other agencies will be able to use the space we do not need. The building must be updated. It is a wonderfully constructed building. It is a reinforced concrete building, and it will be improved, regardless of whether we do it for the legislative or for the executive branch. So it is well that we appropriate the necessary funds, provide the jobs, and also get the space that is so urgently needed.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. Yes, I yield to the gentleman.

Mr. BAUMAN. Do I understand the chairman to say that this building may only be used temporarily, that these funds will be expended for a temporary restructuring and we may move elsewhere in the future?

Mr. MAHON. The space that we may use could be used temporarily, say over a period of 2 or 3 years. But the General Services Administration proposes to modernize and repair this building, regardless of whether we use it or not. And if we do not use the space, then some other agency of Government will. Some of this space I think can be made available in a couple of months, and as the present occupants move into other space. So it is needed, and urgently needed.

Mr. BAUMAN. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, we have before us today two items in this urgent supplemental, one having to do with the railroad situation. We are faced with the very fact that unless we take some action and take it in a very prompt manner, we are going to find ourselves without railroad service, which will have a very serious economic impact upon many, many areas of the country.

I understand and I realize that there are some differences of opinion regarding the requirements and the request for the new space for the House of Representatives and the question of taking over the building that is being vacated by the FBI. I should say, as has been stated by the chairman of the committee, that this is a matter that we have discussed with the Building Commission, which is made up of the Speaker, the majority leader, and the minority leader. The Speaker and this committee have been under very tremendous pressure because of space requirements that we have in the House of Representatives.

These space requirements come about because of the actions that have been taken in the Congress. Some of the actions have been taken recently, I guess in the Democratic Caucus, which requires the addition of new subcommittees and all kinds of other activities; and, of course, this requires additional space.

I do not want to take too much time to discuss this because the gentleman from Texas, the chairman of the subcommittee, and the gentleman from Pennsylvania, the ranking minority member, will have the time to do that. I only want to say this, as ranking member of the committee: After looking into the matter, after discussing it with those who are involved, I really do not see where we have any effective options other than to do what we are doing.

A question comes about as to why we are spending so much money. I think it has already been pointed out that this building is being vacated by the FBI. It is going to be renovated whether or not it becomes a part of the House of Representatives complex. The General Services Administration already has plans to do that.

As a matter of fact, the estimates that the Architect of the Capitol received were based upon the actions that were contemplated by the General Services Administration in preparing this building for occupancy by HEW. So as to what was done, after looking for space, they came up with this particular proposal, and this was the most feasible answer that we could arrive at in this emergency situation.

Mr. Chairman, in closing I would like to emphasize again that our current space problems result from actions which we in the Congress have taken over the years. We have created various organizations, which of course require additional staff, and now we have to find space.

Yesterday, I asked the Congressional Research Service to prepare a list of congressional actions which have been taken during the past few years, which have added staff, and which are largely responsible for our current shortage of space.

The list is not complete, but I think the Members of the House will find it instructive.

AGENCIES, BOARDS, COMMITTEES, COMMISSIONS, AND OFFICES CREATED IN THE LEGISLATIVE BRANCH (1970 TO 1975)
SELECTED STATISTICS ON STAFFING

Agency, Committee, Commission, Office or Board	Authority	Initial staff authorization	Present staff (based on latest source)
Cost Accounting Standards Board	Public Law 91-379, Aug. 15, 1970, sec. 719, 84 Stat. 796.	No limit in act. (Act provides specifically for 2 staff members for executive secretary.)	42 (Budget message, fiscal year 1976, 1975 estimate).
Select Committee on Committees (House) [1]	H. Res. 132, passed Jan. 31, 1973	No limit in resolution	18 (Report of Clerk, January-July, 1974).
Legislative Classification Office (House)	H. Res. 988, passed Oct. 8, 1974 (sec. 203)	No limit in resolution	Not organized.
House Commission on Information and Facilities	H. Res. 988, passed Oct. 8, 1974 (sec. 204)	No limit in resolution, Sec. 204(9) requires utilization of staff of Joint Committee on Congressional Operations in addition.	Not organized.
Office of Law Revision Counsel (House)	H. Res. 988, passed Oct. 8, 1974 (sec. 205)	No limit in resolution	Not organized.
Office of Technology Assessment	Public Law 92-484, Oct. 13, 1972, sec. 3, 86 Stat. 797.	No limit in act	56 (Budget message, fiscal year 1976, 1975 estimate).
Congressional Budget Office (House and Senate)	Public Law 93-344, July 12, 1974, sec. 201, 88 Stat. 302.	No limit in act	Not organized.
House Information System Office	Created under House Administration in April, 1971. First funding resolution passed in November, 1971 (H. Res. 601).	134 (H. Res. 1003, Apr. 1, 1974)	128 (Telephone call Feb. 20, 1975).
Permanent Select Committee on Aging	H. Res. 988, passed Oct. 8, 1974	No provisions for staffing	Not organized. (Telephone call Feb. 20, 1975.)
Committee on Small Business (replaces Permanent Select Committee on).	H. Res. 988, passed Oct. 8, 1974 (sec. 2(i))	18 professional, 12 clerical (H. Res. 988, Oct. 8, 1974).	17 (as of Jan. 21, 1975) (Telephone call Feb. 20, 1975).
Senate Committee on the Budget	Public Law 93-344, July 12, 1974, sec. 102, 88 Stat. 102.	Staffing limitations of 1970 Legislative Reorganization Act waived. Estimate: 60 (telephone call Feb. 20, 1975).	50 (Telephone call Feb. 20, 1975).
House Committee on the Budget	Public Law 93-344, July 12, 1974, sec. 101, 88 Stat. 299.	Staffing limitations of 1970 Legislative Reorganization Act and H. Res. 988 (Oct. 8, 1974) waived. Estimate: 60 (telephone call Feb. 20, 1975).	36 (Telephone call Feb. 20, 1975).
Legislative Counsel Office (House)	Public Law 91-510, Oct. 26, 1970, sec. 501, 84 Stat. 1201.	No limit on staffing	46 Legislative Branch Appropriations Act, 1975, p. 305.
Commission on Congressional Mailing Standards	Public Law 93-191, Dec. 18, 1973, sec. 5(a)	No limit in act, sec. 5(a) authorizes staff assistance from Committee on Post Office and Civil Service.	3 (telephone call, Feb. 20, 1975).
Office of Placement and Management	Public Law 91-510, Oct. 26, 1970, sec. 406, 84 Stat. 1189.	No limit in act	42 (Report of Clerk, January-July, 1974).
Joint Committee on Congressional Operations	Public Law 91-510, Oct. 26, 1970, sec. 401, 84 Stat. 1187.	6 professional, 6 clerical (Public Law 91-510, Oct. 26, 1970).	9 (Report of Clerk, January-July, 1974).
Office of Federal Elections, in General Accounting Office.	Public Law 92-225, Feb. 7, 1972, sec. 308(c), 86 Stat. 17 [2] (gave authority to GAO to study administration of elections).	No limit in act	5 (telephone call, Feb. 20, 1975).
Special Commission on Modernization of House Galleries.	Public Law 91-510, Oct. 26, 1970, sec. 499, 84 Stat. 1200.	No provisions for staffing	1 (telephone call, Feb. 20, 1975).

[1] Other select and special committees created since 1970 include: Senate Select Committee on Nutrition and Human Needs; Senate Select Committee on Presidential Campaign Activities; Senate Special Committee on Termination of the National Emergency; Senate Select Committee on Equal Educational Opportunities; House Select Committee on Crime.

[2] Public Law 92-225 also gave additional authority over campaign law enforcement to the Clerk of the House and the Secretary of the Senate. No provisions were made for staffing, with determination of needs to be made by the two offices.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I must say to the gentleman, who is my friend, that I hate to be here on the floor opposing the position of my friend, the distinguished ranking Republican on this committee, on this point, but the question that seems to me to be the one that needs to be asked is this:

First off, just what is the point of this? Is the building not good enough to work in under the present conditions? Are they not using it now?

Mr. CEDERBERG. Yes, they are using it now. Much of it is being used for warehouse space and for the FBI Fingerprint Division, and so forth. But it is not practical to continue using it as it has been used.

The building is structurally sound, but it does require some modifications, regardless of who takes it over. A new roof has to be put on the building; there will have to be a new sprinkler system installed; air-conditioning will have to be put in; and windows will have to be replaced. This is going to be done whether or not it comes under the jurisdiction of the House of Representatives.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for his answer.

If the gentleman will yield further, the other question is this:

Just what is there that this House and this Congress, considering the control it has been under for the last 25 years, have done that is so wonderful for the American people—and particularly, this new Congress, including all the new reformers—to justify our coming in and telling our constituents we need more people?

Mr. CEDERBERG. Mr. Chairman, it does not make much difference whether we think we are going to need them or not; they have been mandated. If the gentleman will look at the report, he will find the number of people involved—and I am just giving round figures—and the fact is that the staff and the employees of Members, from 1960 until, I believe, 1974, went up from something like 3,800 to just under 10,000.

With some of the other things that have come along, for instance, with respect to the Budget Committee—and I am sure the gentleman voted for the Budget Committee—there are great staff requirements that have not been met. They all require space.

There are other actions that have been taken, including computerizing the House of Representatives, which seems to be the modern thing to do. That has taken up substantial space on the top floor of the Rayburn Building, and that space could be vacated and they could be moved over to this other area. These are actions that have been taken in the past, and whether the gentleman agrees or not, the fact is they are there.

Mr. SYMMS. Mr. Chairman, I appreciate the gentleman's explanation, but the point I am trying to get at is this:

We keep passing one law on top of another law, on top of still another law, and then we have to bring in these minions of people to proliferate the Government, just for the purpose of bringing more rules for the public to follow.

Mr. Chairman, I might even vote for the bill if it could be guaranteed that this is the end, but I do not think we have any such guarantee.

Mr. CEDERBERG. I certainly could not guarantee that.

Mr. SYMMS. Mr. Chairman, we simply expand these programs, and then we say we are going to have to get more people.

Mr. CEDERBERG. Mr. Chairman, I certainly cannot guarantee this would be the end, because almost everything today is a Federal problem. That is what happens these days.

When I came here 23 years ago, that was not the case. Local communities took care of local problems, and States took care of the problems within States. Today, however, the Federal Government is involved in almost all these things.

Mr. SYMMS. Why is it that everything must be a Federal problem?

Mr. CEDERBERG. Mr. Chairman, I am not saying everything should be a Federal problem, but it is a fact. It is a fact of life under which we are living.

Mr. SYMMS. Mr. Chairman, if the gentleman will yield further, I wish to point out that I am not being critical of the gentleman in the well.

Mr. CEDERBERG. I know that.

Mr. SYMMS. But the point is this: Is it not a fact that it is as a result of what has happened here in this Congress that everything has become a Federal problem, and that would not be true if the Congress had not voted for some of these programs?

Mr. CEDERBERG. Mr. Chairman, the answer is obvious. The gentleman does not need an answer to that question, because he knows what the answer is. Obviously, the answer is "Yes."

Mr. SYMMS. Mr. Chairman, I think

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the gentleman shares the same point of view that I have.

Mr. CEDERBERG. Of course, I share the same point of view.

Mr. SYMMS. Mr. Chairman, if the gentleman will yield further, I still cannot see any reason why it would help my constituents to expand the minions of people that work now in the Government, and I cannot see how it would help to pass more laws than we have.

Thank God, the people do not get all the government they pay for or everybody would be out of business.

Mr. CEDERBERG. These are the objections that have been made long before, but apparently not enough people have paid attention to the objections that the gentleman and others have made. That is the problem.

Mr. SYMMS. Mr. Chairman, I think the gentleman recognizes that it is not for lack of respect for the gentleman that I have to oppose this bill.

Mr. CEDERBERG. Mr. Chairman, I have no objection to the gentleman's opposing the bill at all, but I hope he does not come around asking us for extra space, because there simply will not be any.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

I am aware of the fact that the exrising rather astronomically. Although I have a high respect for all of these penditures for the Capitol Police are people, it seems that we are getting an awfully large increase for these costs.

How much is it going to cost for police protection for this extra space?

Mr. CEDERBERG. Mr. Chairman, if the gentleman will look at the report, he will find the answer. We have to have a substantial number of police personnel, no matter where we are and no matter where we wind up. It is also true that we will also have to have space for the computers over there, and all of these other things have to be taken into consideration.

Not only do we have to have police over there; we will have to have charwomen and other people to clean up the building. We have to have those things.

Mr. KETCHUM. I thank the gentleman.

Mr. CEDERBERG. That will occur whether we have the building or not.

Mr. KETCHUM. I see in the report here that we are talking in terms of almost $1 million for police protection.

Mr. CEDERBERG. I think so, and probably what we are protecting is worth much more than $1 million.

Mr. MICHEL. Mr. Chairman, will the gentleman yield for one quick question.

Mr. CEDERBERG. I yield to the gentleman from Illinois.

Mr. MICHEL. If we move to provide additional office space for Members of the House, am I to understand that maybe there will be some office space freed up here in the Capitol? For example, take the minority whip office. We are supposed to be content with some ceremonial office off the second floor. That is, we have a whip organization with 16 people.

I would like to know what kind of job we think ought to be done. It seems to me that there is no more deserving office space in the Capitol than adequate space for the leadership on both sides and that some of these extraneous kind of things taking up valuable space here in the Capitol could very well be diverted some place other than here in the Capitol.

Mr. CEDERBERG. I agree with the gentleman.

Mr. MICHEL. I would like to have some degree of assurance, for heaven's sake, that if we do this, we will have some sense of priorities about how that allocation goes here in the Capitol itself.

Mr. CEDERBERG. I agree with the gentleman. Of course, I am not in a position to do anything about that. That is a matter that comes before the Building Commission, which is controlled by the majority on the other side. I am sure that if the approach were made, the minority leader would give all the cooperation he possibly could.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. With reference to this question, has there ever been a list made that shows what select committees of other agencies that have something to do with the Congress but are not really, directly subcommittees of the Congress or at least part of the subcommittees, would be moved? I think most of us could say that we need additional space for a particular resource or something like this, but right now there are a number of these that are taking prime space in the three House office buildings. It seems to me that many of those could be moved three blocks away without any discomfort.

Mr. CEDERBERG. That is what is contemplated, moving some of those people over there.

Mr. MYERS of Indiana. If the gentleman will yield further, is there a list that has been made up of who probably would be moved?

Mr. CEDERBERG. No, there is not a list made up of who probably would be moved. I suppose that probably a good reason for that is that if we had a list of who is going to be moved, then all the lobbying efforts would be to move somebody else, and they would say, "Don't move me."

I think the wise thing to do is to say that when the building is available, you move, and that is it.

Mr. MYERS of Indiana. The other way it might save a little time.

Mr. CASEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Chairman, chapter II of this resolution would provide $100 million in interim operating assistance for the Penn Central and certain other railroads in reorganization in the Midwest and Northeast regions. This will insure that all of these railroads—the Penn Central, Erie-Lackawanna, and all the others—will have sufficient funds to meet their current operations and to meet their needs for the next several months.

These railroads serve an area in which over 40 percent of the country's population live in and which approximately 50 percent of the Nation's industrial goods are produced. The Penn Central alone, operating in 13 States, provides exclusive rail service to 47 counties populated by over 6 million people. The Penn Central employs about 80,000 people and operates a total rail system in excess of 19,000 miles.

Railroad service is so intertwined with the Nation's industrial production that it was estimated that a 1-month disruption of service in one State—Indiana—would result in an unemployment rate in that State approaching 25 percent. An 8-week shutdown of rail service in the Midwest and Northeast regions would reduce the gross national product by almost 3 percent and reduce the Nation's overall economic activity by about 4 percent.

The adverse economic impact of such a cessation of rail service would not be confined to the Midwest and the Northeast. The affected railroads are part of an integrated rail network which links the country. The northeast railroads, for example, receive over 300 cars daily from Alabama, over 640 cars a day from California, and over 520 cars a day from Minnesota. In return, the same railroads dispatch over 680 cars a day to Texas, over 200 daily to Washington, and over 550 cars a day to Tennessee.

If financial aid is not forthcoming, the Penn Central and the Erie-Lackawanna will be unable to meet their payrolls next week. This would require an embargo of all traffic and would set in motion a chain of events that could bring industry in the Midwest and Northeast to a virtual standstill and prolong and intensify the current recession.

In addition, I believe that a termination of service would jeopardize all efforts to create a more energy efficient national transportation system at a time when the country is beginning to seek ways to reduce its dependence on costly imported oil. A shutdown would cripple attempts to get shippers to reverse the flow of freight away from the railroads. Finally, termination of service in the Midwest and Northeast would disrupt the flow of vitally needed coal and would hinder any chance for an economic upturn by severely restricting the amount of transportation available for the shipment of industrial goods.

Mr. CONTE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of House Joint Resolution 210. The need for additional operating and maintenance subsidies for the bankrupt Northeast railroads is as critical as it is unpleasant.

Eight railroads in the Northeast—virtually the entire rail network—are in bankruptcy. Each is unable to operate on a profitable basis without cutbacks in service which would strip all but major population centers of rail service.

In enacting the Rail Reorganization Act of 1973, the Congress has provided a means of restructuring six of the eight bankrupt railroads into a single, coordinated network capable of providing adequate rail service for the Northeast and Midwest portion of the country. Restructuring is proceeding smoothly under the guidelines laid down by the act. The U.S. Railway Association will make its preliminary recommendations for a new consolidated rail corporation network to consolidate the bankrupt systems into a single rail network capable of operating on a for-profit basis. Public comment on the preliminary recommendations will be heard and evaluated by the U.S. Railway Association planning office. Following their recommendations, the U.S. Railway Association will make a final recommendation to the Congress on July 26, with Congress having until October 26 to approve the plan. ConRail will then take over Northeast rail operations shortly after the first of the year.

To maintain service during the reorganization process, the Congress last year appropriated $85 million in grants for the continuation of rail service, backed by $150 million in loan guarantees.

Increased fuel costs, the November-December coal strike, materials costs increased by inflation, and the effects of the current recession have exhausted these funds. During the coal strike, for example, the Penn Central estimated its operating losses at $5 million per day. The recession has caused severe cutbacks in the shipment of automobiles and basic materials such as steel. With the decline in operating revenues, cash flow is approaching a standstill.

The legislation before the House today will provide an additional $75 million in emergency operating assistance and $25 million for track maintenance. H.R. 2051, passed by the House yesterday, authorized an additional $150 million in loan guarantees. With the possible exception of the deteriorating situation with the Erie-Lackawanna, the committee is hopeful this assistance will carry the railroads through to the establishment of ConRail.

In recommending passage of this bill, I want to make it clear that I do not condone the poor management of the northeast railroads. The railroads have been on the downgrade since 1900 because of faulty management. Required maintenance has not been performed, the cream of the railroads' assets has been skimmed leaving only skimmed milk in the railroad itself. We are left with a stark choice between cash infusions or no rail service.

I also have serious reservations as to the effectiveness of the ICC. It is an old, antiquated, outmoded bureaucratic agency incapable of making a timely decision. They seem to be living back 75 years ago. Hopefully, this year will see the Congress review this agency and restructure it to bring it up to the needs of the times. Pehaps we should simply abolish the ICC and start all over.

Frankly, Mr. Chairman, the Congress has a gun to its head. We either approve this assistance or the Penn Central, followed by the other railroads, will cease operations. That would bring not only a catastrophe to the East, but would bring on one of the worst depressions that this country has ever seen. Automobiles could not be shipped from Detroit, steel would sit in Pittsburgh, coal would remain in the Appalachians. The entire economy would be locked up.

The assistance requested today is temporary and would allow the continuation of the orderly transition to an integrated, efficient, and self-supporting rail system for the Northeast. Despite the unpleasantness of the need, I urge my colleagues to adopt House Joint Resolution 210.

Mr. COLLINS of Texas. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Texas.

Mr. COLLINS of Texas. I thank the gentleman for yielding.

I heard the reference of the gentleman from Massachusetts to management inefficiency. Could he be more specific as to how he thinks management has done an inefficient job in operating the Penn Central Railroad?

Mr. CONTE. The record just speaks for itself. The Penn Central Railroad has been going downhill for the last three decades, maybe even longer. They have had some management there waxing fat on big salaries, and not tending to their work, and letting the railroad deteriorate.

As I said here, they are skimming the cream off the railroad, buying expensive properties down in Florida and elsewhere, places like the Boca Raton Club, for example.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CASEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, of course we have been placed on notice that amendments are going to be offered to strike the funds providing for additional House office space. I want all the Members to know that by striking these funds, we cannot go back home and say, "Well, I saved you $15 million," because that $15 million is going to be spent anyway. It will be spent by the General Services Administration to remodel the building for use by the Department of Health, Education, and Welfare. Fifteen million dollars is a lot of money, but it cannot be avoided due to the type of activities for which the building has been used in the past. It has been used primarily to house files, and in order to convert it to general office space it is going to cost this money. It is not centrally air conditioned. The estimate to make these alterations was obtained from the General Services Administration based on what they were going to do to convert it to general office space for HEW and it follows the same pattern of use that we anticipate.

Some say, Why do we need this space? Space needs have been accumulating for several years. Just look at the action of this body this past year as well as this year. I will say to the gentleman on the other side of the aisle, the minority has insisted on more staff being allocated to the minority, and we have got to have places to put these additional people. The Committee on Ways and Means is now going to have six subcommittees, where before they had no subcommittees. Other committees are required to establish subcommittees. We have the new Budget Committee, and new responsibilities have been given to existing committees. So these additional space requirements all build up. Practically every Member could probably use a little more space of some sort, especially for functions that do not necessarily have to take place right in his immediate office, such as mail-outs—we have got to have space for that type of activity—our mimeograph machines and business machines do not have to be right at our office doors.

The Speaker has requests from at least 85 Members for additional space. If we can move operations that are not essential to be up here "on the Hill," we can let some of our new Members have this good space. Frankly, one of my colleagues from Texas, a new Member from Texas, is on the fifth floor of the Cannon Building. Trying to find the fifth floor of the Cannon Building is a little difficult; one will soon learn that all elevators do not go to the fifth floor, and after you get there you will see that the offices are not too desirable.

I think the Members of the House should have the good space first, instead, for instance, of having a computer operation or some of the operations of the Clerk of the House in prime space in the House Office Buildings. Some of the activities such as these can be moved out, as can some of the departments under the Architect of the Capitol.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I appreciate the gentleman's yielding.

I do realize that there certainly is a requirement here on Capitol Hill for additional space. It is true we have created a monster; now we have to house it some place.

But if we are speaking about priority location, and the gentleman mentioned the Cannon Building as an example, I just made a count on the first floor of the Cannon Building, probably one of the choicest space portions of the Cannon across the street facing Independence Avenue. The choice spots are all taken by agencies or by a committee, the Special Select Committee. There are 34 offices off the first floor alone in the Cannon Building, that is only the first floor, 34 offices are occupied by other than Members of Congress; 22 of them are by legal counsel, and secondly, the Republican Study Group, for example, has office space there and the Committee on Elections. All of these could well be moved two blocks away without affecting their efficiency.

How do we have any assurance that these people will be moved, so that there is more space for Members, so they can better serve their constituency?

Mr. CASEY. Mr. Chairman, I can only assure the gentleman that, based on discussions I have had with the members of the House Office Building Commission, and these have been general

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discussions as to what activities would be moved, is that they would be nonessential offices and so forth, and when I say "nonessential" I mean that it is not essential for them to be on the Hill.

Mr. MYERS of Indiana. That is the key.

The CHAIRMAN. The gentleman from Texas has consumed 5 minutes.

Mr. CASEY. Mr. Chairman, I yield myself 2 additional minutes.

Mr. CASEY. Mr. Chairman, I want to say to the gentleman that I have not inquired too closely of the Building Commission as to their plans, because they might turn around and say, "OK, you make the space assignments."

I do not want that job. I want to leave it with the House Office Building Commission. They have the jurisdiction and responsibility. I am sure they have had the pressure on them so strongly and so many demands from both committee chairmen and the individual Members, that they are going to move everything off this Hill that they can and make the space available for the actual necessary operations of the House.

Mr. MYERS of Indiana. If the gentleman will yield for one further question.

Mr. CASEY. I yield to the gentleman.

Mr. MYERS of Indiana. There has been no commitment made by this Building Commission about whom will be moved and when?

Mr. CASEY. I think the gentleman from Michigan (Mr. CEDERBERG) answered that very properly earlier. They do not want to advertise in advance who they are going to ask to move, because they have enough pressure from people who want additional space, without building up heat from the people they feel should move.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Michigan.

Mr. CEDERBERG. We will take care of that problem.

Mr. MYERS. That does give me a lot of encouragement.

Mr. CEDERBERG. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Chairman, with the increased demands that the public is making on Congress, the need for additional space is apparent, at least to this Member. I have supported the appropriations for this purpose with, however, two major reservations.

First, I do not know how many of you have seen the building, which is known as FOB No. 1. It is a mammoth building. It is about the size of the Cannon House Office Building. The FBI, its present occupant, has had as many as 4,000 employees in that building.

I just hope that we as the Congress do not let our need to expand to fill the space, because the space that was indicated for which there is a real present need, was 147,500 square feet. This building has 585,000 square feet.

I would hope we would let other committees of Government use the space that we do not urgently need.

Second, we have also looked at the building now under construction, called the South Portal Building, which is just across the street from Independence Avenue, and in our opinion any move to FOB No. 1 should be only temporary until space in the South Portal Building might be available to us and we could take such space as necessary there. That building is more accessible to the other House office buildings and to the Capitol and in my judgment would be of much better use to the Congress.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I notice one item missing from this supplemental which I consider an important appropriation. That is an appropriation for the Federal Elections Commission. That hardly surprises me, because the Commission at the moment has not been appointed. However, future supplementals may be few and far between.

I certainly hope that when the Office of Management and Budget and the new Commission comes forward with its request, as it will, that the gentleman's subcommittee and his committee will give it very prompt attention.

Mr. COUGHLIN. There has been a request for $2 million, and I am sure it will receive the attention of the committee.

I might add that such a thing as the Elections Commission helps create the need for additional space, and that is one of reasons for the requests.

Mr. FRENZEL. I appreciate the problem, and the gentleman may have picked up an extra vote.

Mr. CEDERBERG. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. MAHON. Mr. Chairman, we have no further request for time.

Mr. CEDERBERG. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, yesterday, during debate on H.R. 2051, the authorization for the emergency rail appropriation, I offered an amendment to make payment of these railroad preservation funds contingent upon the Penn Central Railroad abiding by its agreement to repair the vital Poughkeepsie Bridge over the Hudson River in New York. That bridge was destroyed by fire last year.

While I withdrew that amendment without seeking a vote on it, I emphasized—and I want to make it clear today—that the Penn Central Railroad has a public responsibility which is not erased by its bankruptcy or by its role in the national railroad reorganization. That responsibility is underscored by Penn Central's repeated appeals for aid from the American taxpayers. The fact that Penn Central has asked for and will be receiving so much of the people's money, and is about to receive at least another $100 million, makes it imperative that we emphasize to the trustees that they are expected to act in a prudent, responsible manner in return for such emergency funding.

The Penn Central's lethargic, neglectful approach to repairing the all-important Poughkeepsie rail bridge has raised serious questions about its willingness to improve its service despite its frequent assertions that it desires to do so. The Lehigh & Hudson River Railway, the smallest of the bankrupt carriers covered by the 1973 Rail Reorganization Act, continues to sink deeper and deeper into a financial quagmire, mostly compounded by this rail bridge not being opened for service.

As a part of the ConRail system plan, the Poughkeepsie Bridge is clearly a key to the smooth, efficient movement of freight from the mid-Atlantic States into New England. There is no doubt that it will have to be repaired when the final system plan becomes effective, but that is over a year away, and in that time span, severe damage will be done to the Lehigh & Hudson Railroad and to a substantial portion of our local economy.

Mr. Chairman, in rising in support of this emergency rail funding measure, I again appeal to the trustees of the Penn Central of the urgent necessity for them to act in the public's interest, abiding by their agreement with the State of New York and their commitments in repeated public statements to repair this bridge expeditiously. Our troubled region, and our suffering national railroad system, cannot stand any further delay and neglect.

Mr. CEDERBERG. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, I thank the gentleman for yielding.

Yesterday, the House, in adopting the authorizing legislation, avoided the opportunity to provide the reforms that would put the Penn Central and other affected railroads on a paying basis. Today, we are going to go ahead and spend money we authorized yesterday, and there is no sense in repeating yesterday's arguments. So I merely rise in opposition to this legislation and call it to the attention of the Members, in the hope there will be those who vote against it. While I do not expect we will prevail today, at some later time, when the consequences of our actions are clear to the rest of the Members and the general public, at last, we will be in a position to make the underlying changes to restore sound operations to the rail industry.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I am in strong support of the gentleman's position. I think it should be said for the record that the ICC, the union monopolies, not only the mismanagement as many would have us believe, caused many of the problems for the Penn Central. This money is only giving a transfusion in the arm of a man with one leg blown off and the blood is running down to the bottom of the trench, and we are never going to solve the problem, until we get to the root of the Penn Central problem, which is Government intervention.

Mr. ARMSTRONG. The gentleman is correct. I thank him for his colorful explanation of the problem.

Mr. BOLAND. Mr. Chairman, the urgent supplemental appropriations now before us contains one absolutely essential item; $100 million in additional Federal assistance to the Penn Central is crucial if the transportation system of the country, and in particular, the Northeast, is to continue in operation. That amount is not the entire sum that will be necessary to assure continued rail service until the new Consolidated Rail Corporation can take over the operation of the Penn Central and the other bankrupt rails, but it will prevent the freight embargo which Penn Central trustees have threatened and a complete shutdown in this giant line's operations by the end of the month.

I have labored long and hard along with other members of the New England Congressional Caucus to develop the Regional Rail Reorganization Act of 1973. The goal of that legislation—an independent, competitive for profit system of rail lines that can vastly improve rail service in our area—is now in sight. Unfortunately, the sins of previous Penn Central administrations are also upon us. The burden is an odious one, I know, but we literally have no choice. As my good friend and colleague from Massachusetts, the distinguished majority leader (Mr. O'NEILL) said yesterday, a Penn Central shutdown could bankrupt the entire east coast in 2 weeks and double the national unemployment level in 2 months.

Despite the mismanagement for which we must now pay, I voted as a member of the Appropriations Committee to support the $100 million first payment which is in this bill. An additional $97 million will be necessary before we are finished. This price, however, cannot be too high when the consequences of a failure to provide it are fully considered. It should also be pointed out that the ConRail system, when it becomes operational, will require very much greater sums before its lines are fully rejuvenated and restructured. The investment, however, is a far healthier economy and a more productive one. Those are goals against which no one of us will argue.

Mr. GIAIMO. Mr. Chairman, yesterday the House gave its overwhelming approval to H.R. 2051, the Regional Rail Reorganization Act Amendments of 1975. That bill authorizes new grants for railroad operations and new rehabilitation loans for the Penn Central and other bankrupt railroads operating in the Northeast and Midwest.

Today, we consider complementary legislation. I urge my colleagues to express similar support for House Joint Resolution 210, the further urgent supplemental appropriations bill for 1975, with its $100 million appropriations for railroad operating grants.

When the 93d Congress gave its approval to the original Regional Rail Reorganization Act (Public Law 93-236), those of us who supported the legislation knew that reorganizing the rail system in the Northeast and Midwest after years of neglect would not be an easy task. The U.S. Railway Association has been investigating rail service in these parts of the country, and on February 26 it is scheduled to issue a preliminary system plan which would contain recommendations for restructuring the bankrupt railroads in the Northeast and Midwest and for discontinuing service on certain lightly traveled lines.

However, the Penn Central may not be able to continue operations until the implementation of the final system plan unless the Congress appropriates the $100 million contained in this joint resolution. On February 5, the Penn Central informed the Committee on Interstate and Foreign Commerce that, because of its inability to meet payrolls at the end of this month, the railroad would have to impose an embargo on all new shipments effective February 24. Fortunately, on February 11, the Penn Central announced that because of favorable developments in the Congress—not the least of which was the assurance of the funds contained in this joint resolution—it would defer its scheduled embargo on freight shipments.

Since the Penn Central has shown its confidence in the Congress, I believe that we must reaffirm our commitment to the future of rail transportation and approve this $100 million grant for operating expenses—a large portion of which would be made available to the Penn Central.

You are undoubtedly aware of the catastrophic consequences of a Penn Central shutdown, particularly in light of the present state of our national economy. The Penn Central services a 16-State area and the District of Columbia which includes 55 percent of our manufacturing plants and 60 percent of our manufacturing work force. Each day more than a million tons of freight and 300,000 passengers travel over Penn Central lines.

The Interstate Commerce Commission has estimated that a complete and sudden shutdown by the Penn Central would lead to a 5.2-percent decrease in economic activity in the Northeast and a 4-percent decrease in the rest of the Nation. The real gross national product could, during an 8-week shutdown, fall between 9.3 and 9.6 percent on an annual rate.

The ripple effect through the Nation at a time of 8.2 percent unemployment would be devastating. Our primary metals industries would be crippled. Manufactured goods would be unable to move to market. For certain commodities alternative means of transportation, whether water or motor, either do not exist or cannot possibly carry the necessary tonnage. Commuters to our major cities would jam our highways burning precious gasoline in their efforts to get to and from their jobs. In short, we could face the possibility of economic and social chaos.

Mr. Chairman, the Nation is committed to a revitalized rail system in the Northeast and Midwest—a system essential to our continued economic prosperity. If we are to achieve that new system, then the Penn Central must continue operations pending the implementation of the final reorganization plan. Without the operating grants contained in House Joint Resolution 210, the Penn Central will have to discontinue service.

These are the facts, and the choice is ours. I support this proposal and urge my colleagues to do likewise.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1975, namely:

CHAPTER I

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

For an additional amount for "Salaries, Officers and employees, Office of the Sergeant at Arms", $296,000.

AMENDMENTS OFFERED BY MR. ROUSH

Mr. ROUSH. Mr. Chairman, I offer amendments to chapter I, and I ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. ROUSH: Page 1, strike out lines 7 through 10.

Page 2, strike out lines 1 through 10 and lines 15 through 24.

Page 3, strike out lines 1 through 14.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The gentleman from Indiana (Mr. ROUSH) is recognized for 5 minutes.

Mr. ROUSH. Mr. Chairman, I take no joy in opposing my subcommittee chairman, my full committee chairman, and the request of the Speaker of the House. My amendment does this: It strikes out those moneys which would be used for the renovation of the FBI building and those moneys which relate to the maintenance and operation of that building. It retains the $300,000 under the section entitled "Architect of the Capitol—for an additional amount of 'Contingent Expenses'." It retains that money in the bill because there is need for renovation of certain areas here in the present Capitol complex.

My arguments certainly do not go to the fact that we do not need the space, because I am fully aware of the fact that the Speaker is beset with problems and that there are demands made for space which he cannot meet. My argument simply goes to this, Mr. Chairman: The proposal which is before us today is too expensive for what we are receiving, that the facility that we are attempting to acquire, or the facility which we will be given and which we will renovate, simply will not serve the purposes for which it is intended.

Many questions have been raised. First of all, what is the hurry?

I know there is a pressing need, but surely in the interim period here we can

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find facilities which would help us through this emergency period prior to the construction of another office building.

This question has been raised: What will it be used for?

The subcommittee pressed the Architect and pressed the Building Commission for detailed information as to who might move into that building, and the only answer we are given is this: There will be additional offices for Congressmen, up to a maximum of 439 at 500 square feet per person. That amounts to 219,500 square feet—only 85 Members have asked for additional office space; 80,000 square feet would be designated for committee hearing rooms, 200,000 square feet for committee staff spaces and 367,000 square feet for support space.

Mr. Chairman, I will ask the Members: What Member is going to move any portion of his operation across that highway complex into this rather remote building? I doubt if any would.

There is also the matter of transporting people back and forth, there is the question of the use of a cafeteria which presently exists in that building, and there is the need for people who are housed there to go back and forth, for not only personal reasons such as eating their lunch, but for the purpose of performing other official functions.

How about page service back and forth? How about communications?

We have been told there is parking space. We were told first that there were 70 parking spaces in the garage in the building, but apparently this just simply is not so. The garage will house no more than 50 cars, and they would have to be crammed in at that. There is no space in which to park around the building.

Mr. Chairman, it seems to me this in itself is a compelling argument.

There is the matter of police protection. It is going to cost annually approximately $900,000 for police protection alone.

The operation and maintenance of that building is estimated to cost $1,788,600 a year. It is going to cost an additional $1,500,000 a year just to cover the cost of furnishings and carpet for the building.

We are not getting enough for the money we are spending, and I think this should be looked at carefully. I think it should be looked at more carefully than it has been. I ask that the amendment be approved.

Mr. Chairman, this matter of acquiring this particular building was brought up in a very hurried manner in the subcommittee. I am a member of that subcommittee. As a matter of fact, it was hoped that we would act on it in one afternoon after having been notified of the subcommittee meeting at noon. This was no fault of the chairman of my committee, but we were notified at noon of the fact that we were having a hearing in the afternoon. Some of us pressed for more information, and it was just 3 or 4 days later that we got what I consider to be adequate information to sustain a request of this sort.

I would hope, Mr. Chairman, that my colleagues will accede to this amendment, and that this amendment would be accepted, and then that we might proceed in an orderly manner to acquire the space needed by the House of Representatives to carry on its functions.

Mr. CASEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have just heard a plea for us to do what we are criticized daily for doing, and that is delaying with talk, talk, and more talk.

The gentleman wants to study this matter some more and talk about it some more. He admits that we need the space. He wants to know about alternatives.

Alternatives were explored. We looked into the matter. The Architect of the Capitol was instructed to look into it, and he looked at privately owned buildings in this area to see if we could rent some space that would be suitable.

The gentleman evidently has no faith, or at least not full faith, in the Building Commission to make the decisions as to who is going to move into this other building.

I admit this is not a prime building for us to have, out it is all that is available, and it is as close as we can get. I do not take any delight in coming up here and asking for $15 million to renovate the building for use by the House of Representatives.

Some Members have even suggested this: Why do we not let the GSA do it and then we can take it over, and in that way nobody would know that we spent this money? Why, sure, they would know we spent the money. Sure, they will know. But we want it remodeled in a way so that we can use it, and we want the type of space, the type of configuration, and the partitions necessary for our use, and we know where we want them. So we are going to do it.

We are not going to keep all that building for our own use now. There is no question about it. It is a huge building. Look at the language in the bill, at line 5, page 3, and I quote:

> Prior to occupancy of the entire building by the House of Representatives, to permit the temporary occupancy by other governmental activities of any part of such building not so occupied, under such terms and conditions as such Commission may authorize.

The Committee has instructed the Architect of the Capitol not to spend any more money than he has to on the alterations to this building. We said, "Only spend such money on the portion that we may use. Try to hold off spending much money. Then if some other agency is permitted by the House Building Commission to move into the building, let them spend their money on developing the type of space they need."

Some Members can probably make a pretty good case for an economy vote, but actually we would not be saving a dime. We would be continuing our space problem, and GSA would be spending a similar amount of money making alterations for HEW.

Let us not study it any more. I do not want to study it any more. I have perfect faith in the Building Commission, in the Speaker, the minority leader, and the majority leader, to handle this both as to the amount of space needed and the allocation of space as they see fit.

I ask that the Members vote down this amendment and any other amendments that might be offered.

Mr. BAUMAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment is essentially the same amendment that I had intended to offer, and I compliment the gentleman from Indiana for offering it. Certainly he has my full support.

I think the issue here is what might be termed another manifestation of the "congressional edifice complex." We have to keep building and we have to keep expanding and we have to keep aggrandizing ourselves here on Capitol Hill until the point is reached where, I am sure, as all Members have noticed, our mail is filled with clippings from the newspapers and bitter complaints about the turkish baths, the handball courts, the chauffeurs and the limousines, and so on. At the bottom of such articles is a little remark from the constituent saying, "How can you justify this when I am out of a job and when my taxes have gone up x percent last year? Please answer this, Congressman."

It is difficult for some Members to respond to such charges, but today we get a chance to answer when we have a rollcall on this particular amendment.

We have all these ornate buildings around us on the Hill. We have the Cannon Building, the Longworth Building, and the Rayburn Building. Now, I assume, we are about to have the Albert Warehouse, and we are being asked today to rebuild this to get even more additional space.

In ancient days, as I have noted in the National Geographic to which my son subscribes, imperial rulers built pyramids in Egypt, and the scientists never have figured out how they got all those stones set together so carefully, with no levers to lift the weights. I suggest, if our experience in the United States is any indication, that it was probably done by the bent backs of the Egyptian taxpayers, who had, perhaps, not only to pay the freight but to haul the stones as well. The weight in this country today is just as much on the backs of our taxpayers. We have come a long way from the days when adequate staffing consisted of our desks in this Chamber, or the one down the hall where Lincoln served and John Quincy Adams, with quill pens and inkwells. Yes, our life is more complicated. However, we do not need all these sugarplumbs, such as the other body tried to slip through the other day; $35 a day expenses to go home and visit their constituents. Maybe the constituents would be better off because they would not be here; I am not sure about that, but I think we have to realize precisely what the issue is because, folks, this one strikes close to home. This is a sensitive nerve.

If we get a rollcall on this one, people are going to be watching, and all of the new Members who have come here to represent the people and to bring about change and to bring new life into Washington have a chance to strike a blow for all those good things, and at the same time mercifully save their taxpayers $17 million, more than most of the people in my district could contemplate in a lifetime of thinking.

I hope the Members will adopt this amendment, and do so overwhelmingly. Set the type of example right here on Capitol Hill that some of us will be demanding to be set downtown in our future votes on spending in this Congress.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I would like to join the gentleman from Maryland (Mr. BAUMAN), in his support of the amendment to delete the funds for the congressional office building. I think this vote is one of the easiest ways we will have to evict a rattlesnake or a rat from the box of apples—the apples are bad enough, giving millions of taxpayers' dollars to a bankrupt railroad. Even if the building request was justified—and it is not—there is absolutely no excuse or justification for joining them.

Mr. BAUMAN. I thank the gentleman.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

The complexity of this Congress and the workload of the Congress grow year by year.

This is an action that has to be taken. Of course we can decide whether or not we want to contract it, but we are not going to do so because we have responsibilities, and those responsibilities are continuing to grow. This Nation is growing.

I suppose if we want to go back we can take a look at past history, and we can see where the House of Representatives met at one time in what we now call Statuary Hall. But that was at a time when the country was much smaller than it is now, and the issues were not as complex as they are now.

Maybe some of the Members want to go back to the good old days, but I am not much interested in going back to the good old days.

I think we are trying to do all that we can in the best interest of the American people. We have had to take on more employees. I might add that I have voted against many of these programs that have required some of this expansion. But the simple facts are that the Speaker and the members of the Housing Commission are receiving a tremendous number of requests for more space.

I do not think that we ought to handle this situation by adopting an amendment that would curtail more space.

If the Members want to do this then they should repeal some of the actions that we have taken that have required the additional space—but I do not think that will happen.

I do not see any other way in which we can carry out the committees that we have here, and the responsibilities that we have, unless this new space is provided.

I am sure the Members will recall that we went through all of this when we built the new Rayburn Building.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield, the gentleman has mentioned my longing for the good old days, and the gentleman is right. I do. I really long for the good old days. And, as I am sure the gentleman will recall, some of the great speeches he once made about budget-busting, as a junior member of the Committee on Appropriations. Along with the gentleman, I am for economy in government and against deficit spending. The gentleman I am sure remembers Charlie Halleck who would stand in this Well and lead us in the battle against the "budget busters."

But I remind the gentleman from Michigan that my responsibility is not to the House Office Building, or my colleagues, but my responsibility is to my taxpaying constituents, and that, I think, really is the issue.

Mr. CEDERBERG. Of course, that is exactly right. The gentleman can interpret that any way he wants. But the responsibility of the Housing Commission is to the Members of this body and to the proper functioning of this Congress. That is what is involved here.

Surely, I have the same constituents that the gentleman does. It is hard for me to explain sometimes that we need more space down here, but I have very few of my constituents writing me on some of the Federal programs that we have here so we would not need as much space.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

I do not want to fight my side; I want to fight the other side. Is there someone over there who has been involved in this who would have the courage to answer me truthfully? Was there any thought given when we lump these two together that the one would not pass without the other?

Mr. CEDERBERG. Let me answer that. The simple facts are the one will not pass without the other if this amendment is approved.

There is nothing new about presenting a supplemental appropriation bill with separate titles. If we brought every separate supplemental appropriation bill with one title at a time, then we would never get anything done around here. That is a procedure we have to have. The gentleman can make his point very clear by voting the way he wants on this amendment.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

If we bring less lump-sum bill, then we would not pass laws as fast and need all that office space; would we?

Mr. CEDERBERG. No; we would need more office space.

Mr. McFALL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think the choices are rather simple here. One is that we need this space, we have to have the space. We have to go somewhere. The Architect of the Capitol made a survey. There are only two buildings available that are suitable. One is the South Portal Building which is directly south of the Rayburn Building. That is a brand new building, and it would be ideal. However it will not be ready for over a year. We need the space now. We cannot move into it now. Perhaps in the future we will be able to utilize it.

The other building that is available is this so-called old FBI Building. It is a structurally sound building. As soon as the FBI moves out, the General Services Administration has plans—and these are the plans that we are using in our estimate under consideration today—to completely renovate this building to put in all the things needed, air conditioning, and so forth to make it usable for office space. Then they were going to alter the building for use by the Department of Health, Education, and Welfare. We are not going to do anything more than the GSA intended to do for other Government purposes. What we will be doing is taking over a building for our own use. We will not be spending any more money than the Federal Government would have spent out of another pocket.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

The question I want to ask is; it says:

> Prior to occupancy of the entire building by the House of Representatives, to permit the temporary occupancy by other governmental activities of any part of such building not so occupied, under such terms and conditions. . . .

Is it our intention—and there have been others here who have mentioned we will not use all this space—is there any way we will have a guarantee we will not use all this space?

Mr. McFALL. I will yield to the gentleman from Texas (Mr. CASEY), who is the chairman of the subcommittee.

Mr. CASEY. I thank the gentleman for yielding.

The purpose of putting that language in the bill is to make it possible for us to let other Government agencies to use space that is in excess to our needs. This building has over 400,000 net usable square feet. We are not going to use all of that space immediately, if we ever use all of it. Right now it is estimated that we would use approximately 177,000 square feet, just as soon as the building is renovated. Then we would let HEW or some other Federal agency use part of it. In that case, instead of our paying GSA for space, GSA would be paying us.

Mr. SYMMS. If the gentleman will yield further, then if we are going to use 177,000 square feet this year, then maybe we will get another class of reformers next year who will take another 177,000 square feet.

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Mr. CASEY. That could be, the way this Congress creates boards and committees.

Mr. SYMMS. So then we will have a place to keep expanding without being moved out of here?

Mr. CASEY. I do not expect that to happen. I think what we will find is that when we get the opportunity, we will build a new office building on the Hill.

Mr. SYMMS. It will take another building?

Mr. CASEY. One of these days it will take another building.

Mr. SYMMS. If the gentleman from California (Mr. McFALL) will yield, is there any way to get the leadership, the Democratic and Republican leadership, together over there in that building, to run their offices from there? Some of us might vote for that.

Mr. McFALL. Mr. Chairman, if the gentleman will allow me to reply to that, I think the simplest method is for you to run for the leadership on your side. The gentleman could move over there himself.

Mr. SYMMS. I am worried about the taxpayers. It seems to me we have both sides trying to push through this bill, which in my opinion adds to the already overburdened taxpayer, they have to pay $17 million for this and $17 million for that and no one seems to be concerned about the poor taxpayer.

Mr. McFALL. I am concerned about the taxpayer also. In this particular instance, if HEW uses the building the $17 million will be spent by the General Services Administration to provide space for the HEW.

Instead the legislative branch will provide the same amount of money for the same thing. We will use 144,000 square feet of the building ourselves and the rest of it, about three-quarters of the total square footage will be used by HEW. The work that will be done is substantially the same as what the GSA would do for HEW. I cannot see any difference in the impact on the taxpayer between what I propose and what the gentleman is proposing.

Mr. SYMMS. That is the problem. We have both sides pushing for the same thing. My suggestion is to give it back to the taxpayers and not do either one.

Mr. McFALL. I am sure the gentleman is not suggesting that we allow a structurally sound building, a very fine building, owned by the Government, to lay there unused and unrenovated while we are renting space throughout the metropolitan area and paying three or four times as much for it as it will cost to renovate this building. If the gentleman is suggesting that, then he is suggesting putting a larger burden on the taxpayers than what is proposed in this bill.

Mr. O'NEILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the majority leader, I am a member of the Building Commission and at the present time we have letters from 85 Members who have requested more space. I know that there are many other senior Members, who, if they thought that they could get more space, they would have requests in at the same time.

The question was asked, what are we going to do with the building, what are we going to put down there? Well, we have not really set apart what is going to be done until the legislation is passed. The Building Commission, comprised of the Speaker as chairman, the gentleman from Arizona (Mr. RHODES), the minority leader, and myself, are the three members of the Commission.

We have in the office buildings, Longworth, Rayburn, and Cannon Buildings, we have the House Information Service, the Computer Service, the Budget Office, the Democratic Campaign Committee, the Republican Campaign Committee, various ad hoc committees, the Roosevelt Commission, the shop functions, Police Headquarters, Architect's offices, Office of Technical Assistance, the Printing Services, Mailing Services, and then we would have rooms for Members and committees that wanted to go down there. It would relieve a tremendous amount of extra space that is now being used in the buildings in which the Members are requesting space.

I think it is absolutely necessary that we do it at this particular time. I have to agree with the gentleman, that as we go over and look at what has happened around here through the years, the planning has been absolutely atrocious. I cannot understand why many years ago we were not more farsighted to acquire the land to the north of us and the land to the south of us to protect us when the price was right when we could buy the property around here.

There is no question that with time we are going to have to have another office building; there is no question about it. We ought to be preparing now for 1990.

I have seen prices, in the 20 years since I have come to Washington, continuously rise. In my own apartment house, an apartment that used to be $87 a month is now $240 a month. The homes I looked at when I first came to Washington in 1953 were $25,000, and are now selling in the neighborhood of $75,000.

We could have bought all the property in this area. It was terrible planning, no question about it. Who is responsible for it? The previous Members of Congress, because any time any proposal of this type ever came before the House, there were Members who batted it down because they were thinking of the taxpayer at home. Who did they hurt? They hurt the children of the taxpayers at home. Those are the ones they hurt.

Let us look, for example, at the record. The gentleman who was on his feet has been in Congress some 10 to 12 years. When he came to Congress about a dozen years ago, let me say to him, there were 3,500 clerks hired in the offices of Congressmen. Today, as of December, there were 6,313 clerks. We have practically doubled, in the 10 years the gentleman has been here, our employees.

I remember when I came to Congress, I had three employees in my Boston office and three employees in my Washington office. Now, we have 16 employees. Every Member of Congress is entitled to 16 employees.

Only this year, in the rules of the House, we gave to every subcommittee chairman—and there are 140 subcommittee chairmen—a new employee. We gave to every ranking minority Member on a subcommittee a new employee. That is 280 new employees. Where are we going to put all the bodies, plus the fact that the Members are looking for space themselves?

In a period from 1964 to the present time, we went from 4,900 employees working on the Hill to over 10,000 employees associated with the House of Representatives. We cannot do those things without getting more space. There is no other answer, as far as I can see.

We have looked everywhere. We have looked everywhere as to every type of survey we could think of, as to where we are going to put these bodies that the Members pass along the line. I would say yes, there has been faulty planning in the past. There is no question about it. I think it is necessary that we take this FBI Building. I think it is necessary to take this list of committees I have named to it. I do not think they should be functioning in the Rayburn Building or in the Cannon Building or in the Longworth Building. I think they all ought to be isolated downtown, or down in the FBI Building.

It is not going to be a question of each Member of Congress running down to an office down there, because for the most part the Members will not be down there. Rarely will there be an occasion to go down there.

Mr. KETCHUM. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, my colleagues, I have listened with a great deal of interest to this somewhat spirited debate over this expenditure of some $17 million. I think the distinguished majority leader has really put his finger on it. This space is not going to be for us, it is going to be for more staff.

Now, I think staff is fine. It is great that they can help us answer our mail and handle our constituents' problems, and great that we have some professional staff which can help us with our committee work, but staff is proliferating at a geometric progression to the point that pretty soon we are not going to know what we are doing on these bills.

Staff is going to write the bills; staff is going to tell us how to vote, and the people of the United States will be governed by staff, not by Members of Congress, because we will not even be able to go home and tell the people what in the world we have been voting on.

Last year, we had a great reform around here—and I point this out to our new reformers over here—last year we said, "No proxy voting."

Your Members said, "Yes, let us have it again." That means a Member can be absent and is able to vote.

Last year, when the Bolling committee came in, it said Members can only serve on one major committee, and that was an excellent idea because there is not a Member of this House who can serve on more than one committee and the

three or four subcommittees he has to serve on and know what he is doing.

Where does he get his record? He gets it from staff.

The reason that the Members are asking for this additional space is for staff, and for no other reason. There are only 435 Members of Congress, plus our four individuals from the District of Columbia, the Virgin Islands, Puerto Rico, and Guam.

We have 16 staff members, each one of us. I have not heard any of my employees complain. They are just awfully happy to have a job.

If every legislative body in the United States keeps this up, California will look at New York, New York will look at Florida, and all of the rest of them will say, "Gee, we have to have more staff."

California just last year had to go out and take over the Montgomery Ward building in Sacramento for more staff. The people in California do not know what they are paying for.

If the Members can go home and justify to their people that they have spent $17 million, that they are going to have an annual expenditure for police protection, $1.5 million for furniture, $1,788,000 for maintenance and operation, plus a mere $14.5 million for alterations, if they can tell them that that bought them one little bit better Government, come back and tell me about that.

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Indiana.

Mr. ROUSH. Mr. Chairman, I would like to point out to the Members on the floor that I think the majority leader was just somewhat unfair in the statement that the reason we are in this dilemma is that the older Members voted against proposals similar to this.

I do not recall a time when we have had a proposal similar to this. We are being asked to pay approximately $37 a square foot for 400,000 square feet of space for renovation only, for temporary use, and I simply think that is too much.

I do not follow the argument of many of my conservative friends on the other side. I think we need the space. I know we need the space. I will vote for a new office building, but I am not going to vote for this because I think it is a waste of money.

I thank the gentleman for yielding.

Mr. KETCHUM. I quite agree with the gentleman up to the point where he says we do need more space.

We do not need any more space, and we can stop hiring all of the staff people we do not need, and who are writing the legislation.

I could vote for this legislation. I think it is very important we take care of this Penn Central Railroad problem. But it has nothing to do with more space.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as I indicated in the general debate, I myself have some reservations about unrestricted growth of Congress and about unrestricted access to this building. But the need for space is indeed urgent. I would remind some of those who are opposing this amendment to take note of a few of the new arms of Congress we have created since 1970. Let me mention some of them: The Select Committee on Committees; the Cost Accounting Standards Board; the House Commission on Information and Facilities; the Office of Law Revision; the Office of Technology Assessment; the Congressional Budget Office; the Committee on Small Business; the Committee on the House Budget; the Technology Assessment Board.

All of these things we have created. I suggest that many of the Members who are indicating their support of this amendment voted for these things. We created them in order to respond to the needs of the public. We created them in order to try to cut down on expenditures, to try to have a better grasp by the Congress over our expenditures. If we are going to do that, then we have to have the space so these organizations can continue to function properly.

For these reasons, among others, the amendment should be defeated.

Mr. MYERS of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would like to point out that I support the amendment to provide for separate consideration of the $100 million appropriation for the Penn Central and the $17 million appropriation for another building for the House of Representatives. I think it is ethically right that we remove the provision for this extra office building and consider it separately from the major provision of this bill, the appropriation for the Penn Central. It appears that there are considerable reservations about this expenditure for additional office space for Congress. I understand the stated purpose of coupling these provisions together was to save some legislative time.

If there was considerable agreement that the funds should be appropriated without reservations for both purposes, then this amendment would not be necessary, but with the reservations about the appropriation for the office building that we have seen expressed here on the floor, I think it would be ethically right to ask for a separate vote on these issues.

There also has been great criticism of the other aspects of this bill. There has been criticism of the management of the Penn Central for mismanagement of its facilities. I think that what we are doing here on the floor of the House amounts to an act of mismanagement in itself. I think we would have great criticism of the managers of the Penn Central if they were to appropriate $117 million without considering separately whether $17 million of the total appropriation had merit.

So, Mr. Chairman, it appears that mismanagement is the issue. The other thing that concerns me about this $17 million is that one would get the opinion by listening to the Committee on Appropriations that all we have to do is to put more green ink in the printing press in order to pay our bills. Maybe the Penn Central's problem is that it cannot resort to this same approach to pay its bills.

Mr. DANIELSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I am a little bit distressed to hear of the opposition to this bill. If there is anything we need around this House of Representatives, it is more space and more facilities so that we can better serve our constituents and our country.

I was particularly interested a little bit ago in the very eloquent argument made by my colleague, the gentleman from California (Mr. KETCHUM). I have had the honor of working with the gentleman and knowing the gentleman for many years, and ordinarily he is really up to date on this sort of legislation.

However, I am at a loss to understand how he could be so misinformed.

If we are to bring this into focus, what we really need here is this: We need more space that we can use as Members of Congress, to do our jobs. Those of us who, like myself, are officed in the Cannon Building, for example, have oftentimes walked down these corridors to our offices, and we find staff rooms on the right of us, we find staff rooms on the left of us, and we find staff rooms in front of us but no room for our own work.

I am sure that is repeated in the Longworth Building, and I am informed by reliable sources that the Rayburn Building is crowded with computers and clerks and files and staff and what have you, and there is scarcely enough room for the Members to do their legislative work.

This is a good opportunity to open up some space that already belongs to the Government, some space which is already scheduled for remodeling and refurbishing, and moving some of the staff out so that we can get to work and do our own work.

So, Mr. Chairman, I am certainly going to ask every Member to vote against this amendment and support the bill.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman very much for yielding.

I would suggest to the gentleman from California that my friend and colleague, the gentleman from California (Mr. KETCHUM), is not misinformed. My friend and colleague just does not like staff infection, and that is exactly what we have here.

Mr. DANIELSON. Mr. Chairman, the gentleman speaks for himself, and I am glad to see him doing that.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank my dear colleague, the gentleman from California, for yielding.

We have worked together for a number of years, and I, too, consider that an honor.

I have an office in the Cannon Build-

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ing, just as my friend, the gentleman from California, does. But this is what is amazing to me: I have just as many constituents as the gentleman does, and I probably serve an area which is much larger than his, an area encompassing some 16,000 square miles, and I have never had one of my constituents complain about a lack of privacy when they came to see me.

I also know from the last election, and recalling the tremendous majority by which my friend, the gentleman from California, won, that he has been serving his constituents in a magnificent fashion, and I do not believe that he needs any more room.

Mr. DANIELSON. Mr. Chairman, I thank my friend for his comments.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I am indeed surprised, as the gentleman from California was, to find any Member opposing this measure.

The Speaker tells me that the number of requests from the Members add up to more than a million square feet, and the FBI warehouse building will mean only 432,000 square feet, less than half of the present requirements.

If the gentleman from California, on the opposite side of the aisle, will come to my office, I will tell him this, that the business people who have visited me from Hawaii all say, "We would never permit this condition in private industry."

I thank the gentleman.

Mr. DANIELSON. I thank the gentleman from Hawaii for putting his finger right on the point, as he usually does.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Indiana (Mr. ROUSH).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BAUMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 170, noes 236 not voting 26, as follows:

[Roll No. 20]

AYES—170

Abdnor	Byron	Evans, Colo.
Ambro	Carr	Evans, Ind.
Anderson, Calif.	Ciancy	Fenwick
Archer	Clausen, Don H.	Fish
Armstrong	Cleveland	Flynt
Ashbrook	Cochran	Ford, Tenn.
AuCoin	Cohen	Frenzel
Bafalis	Collins, Tex.	Frey
Baldus	Conable	Gilman
Bauman	Conlan	Ginn
Beard, R.I.	Crane	Goodling
Beard, Tenn.	D'Amours	Gradison
Bedell	Daniel, Dan	Grassley
Bell	Daniel, Robert W., Jr.	Gude
Bennett	Davis	Guyer
Bevill	Dent	Hagedorn
Biester	Derwinski	Haley
Blouin	Devine	Hammer-schmidt
Bonker	Dickinson	Hansen
Brinkley	Duncan, Oreg.	Harkin
Brown, Ohio	Duncan, Tenn.	Harsha
Broyhill	Early	Hayes, Ind.
Buchanan	Edwards, Ala.	Hechler, W. Va.
Burgener	Emery	Heckler, Mass.
Burke, Fla.	Erlenborn	Hefner
Butler		
Heinz	McDonald	Schulze
Hinshaw	Maguire	Sebelius
Holland	Mann	Selberling
Holt	Martin	Sharp
Hubbard	Mazzoli	Shriver
Hughes	Miller, Ohio	Shuster
Hungate	Montgomery	Sikes
Hyde	Moore	Skubitz
Jacobs	Mottl	Smith, Nebr.
Jarman	Myers, Ind.	Snyder
Jeffords	Myers, Pa.	Spence
Johnson, Colo.	Neal	Steelman
Jones, N.C.	Nichols	Steiger, Ariz.
Kasten	Peyser	Steiger, Wis.
Kastenmeier	Pickle	Stephens
Kelly	Pike	Symms
Kemp	Pressler	Talcott
Ketchum	Pritchard	Taylor, N.C.
Kindness	Quillen	Thone
Lagomarsino	Railsback	Treen
Landrum	Rees	Vander Jagt
Latta	Rinaldo	Waggonner
Lent	Robinson	Wampler
Levitas	Roush	Weaver
Lloyd, Tenn.	Rousselot	Whalen
Lott	Roybal	Whitehurst
Lujan	Runnels	Winn
McClory	St Germain	Wylie
McCloskey	Sarasin	Yates
McCollister	Satterfield	Young, Alaska
McDade	Schneebeli	Young, Fla.

NOES—236

Abzug	Flowers	Moffett
Adams	Foley	Mollohan
Addabbo	Ford, Mich.	Moorhead, Pa.
Alexander	Forsythe	Morgan
Anderson, Ill.	Fraser	Mosher
Andrews, N.C.	Fuqua	Moss
Andrews, N. Dak.	Gaydos	Murphy, Ill.
Annunzio	Giaimo	Murphy, N.Y.
Ashley	Gibbons	Murtha
Aspin	Gonzalez	Natcher
Badillo	Green	Nedzi
Baucus	Hall	Nix
Bergland	Hamilton	Nolan
Blaggi	Hanley	Nowak
Bingham	Hannaford	Oberstar
Blanchard	Harrington	Obey
Boggs	Harris	O'Hara
Boland	Hastings	O'Neill
Bolling	Hawkins	Ottinger
Bowen	Hays, Ohio	Passman
Brademas	Hébert	Patman
Breaux	Helstoski	Patten
Breckinridge	Henderson	Patterson, Calif.
Brodhead	Hicks	Pattison, N.Y.
Brooks	Hightower	Pepper
Broomfield	Hillis	Perkins
Brown, Calif.	Holtzman	Poage
Brown, Mich.	Horton	Preyer
Burke, Calif.	Howard	Price
Burke, Mass.	Howe	Quie
Burleson, Tex.	Hutchinson	Randall
Burlison, Mo.	Ichord	Rangel
Burton, John	Jenrette	Regula
Burton, Phillip	Johnson, Calif.	Reuss
Carney	Johnson, Pa.	Rhodes
Carter	Jones, Tenn.	Richmond
Casey	Jordan	Risenhoover
Cederberg	Karth	Roberts
Chappell	Kazen	Rodino
Chisholm	Keys	Roe
Clay	Koch	Rogers
Collins, Ill.	Krebs	Roncalio
Conte	Krueger	Rooney
Conyers	LaFalce	Rose
Corman	Lehman	Rosenthal
Cornell	Litton	Rostenkowski
Cotter	Lloyd, Calif.	Ruppe
Coughlin	Long, La.	Russo
Daniels, Dominick V.	Long, Md.	Ryan
Danielson	McCormack	Sarbanes
de la Garza	McEwen	Scheuer
Delaney	McFall	Schroeder
Dellums	McHugh	Shipley
Derrick	McKay	Simon
Dodd	McKinney	Sisk
Downey	Madden	Slack
Drinan	Mahon	Smith, Iowa
du Pont	Mathis	Solarz
Eckhardt	Matsunaga	Spellman
Edgar	Meeds	Staggers
Edwards, Calif.	Melcher	Stanton, J. William
Eilberg	Metcalfe	Stanton, James V.
English	Meyner	Stark
Esch	Mezvinsky	Steed
Evins, Tenn.	Mikva	Stokes
Fascell	Milford	Stratton
Findley	Miller, Calif.	Studds
Fisher	Mineta	Sullivan
Flood	Minish	Symington
Florio	Mink	Teague
	Mitchell, Md.	
Thompson	White	Wirth
Thornton	Whitten	Wolff
Tsongas	Wiggins	Wright
Ullman	Wilson, Bob	Wydler
Van Deerlin	Wilson, Charles H., Calif.	Yatron
Vander Veen	Wilson, Charles, Tex.	Young, Ga.
Vanik	Zablocki	Young, Tex.
Vigorito	Zeferetti	
Walsh		

NOT VOTING—26

Barrett	Jones, Okla.	Riegle
Clawson, Del	Leggett	Santini
Diggs	Macdonald	Stuckey
Dingell	Madigan	Taylor, Mo.
Downing	Mills	Traxler
Eshleman	Mitchell, N.Y.	Udall
Fountain	Moakley	Waxman
Fulton	Moorhead, Calif.	
Goldwater	O'Brien	
Jones, Ala.		

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF TRANSPORTATION

FEDERAL RAILROAD ADMINISTRATION

INTERIM OPERATING ASSISTANCE

For an additional amount for "Interim operating assistance", $100,000,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment of authorizing legislation.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 3, line 20, strike out $100,000,000 and insert in lieu thereof, $125,000,000.

Mr. CONTE. Mr. Chairman, this amendment would increase the interim operating assistance appropriation by $25 million. These funds are required to insure that the Erie-Lackawanna Railroad will receive sufficient financial assistance to avoid a shutdown of its operations prior to implementation of the final system plan in calendar year 1976. The trustees of the Erie-Lackawanna recently announced that the railroad cannot be reorganized under section 77 of the Bankruptcy Act.

The Erie-Lackawanna has nearly 3,000 miles of track and serves 20,000 customers. It is the second largest—next to the Penn Central—of the railroads being reorganized under the Regional Rail Reorganization Act.

As indicated on page 6 of the committee's report, this matter was discussed during our hearings. We did not, however, receive a budget request for this item until yesterday.

I believe these funds are required to insure that the Erie-Lackawanna can be provided sufficient financial assistance to avoid a shutdown of its operations.

Mr. Chairman, I urge the adoption of the amendment.

Mr. Chairman, at the proper moment I will ask for permission to insert a letter from the President of the United States to the Speaker of the House of Representatives and a further letter from Mr. Lynn of the Office of Management and Budget.

The letters are as follows:

THE WHITE HOUSE,
Washington, February 19, 1975.

The SPEAKER,
House of Representatives.

SIR: I ask the Congress to consider a proposed amendment to a supplemental appropriation for the fiscal year 1975 amounting to $25,000,000 for the Department of Transportation.

Details of this proposal are outlined in the enclosed letter from the Director of the Office of Management and Budget, and I concur with his comments and observations.

Respectfully,

GERALD R. FORD.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., February 19, 1975.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration an amendment to the request for appropriations transmitted in the budget for the fiscal year 1975, involving an increase in the amount of $25,000,000 for the Department of Transportation as follows:

1976 Budget appendix pages: 709 and 1036.

Headings: Federal Railroad Administration
Interim operating assistance:

1975 supplemental request pending	$100,000,000
1975 proposed amendment	25,000,000
1975 revised request	125,000,000

The proposed budget amendment would extend the provision of cash assistance to all bankrupt railroads in the Midwest and Northeast, in order to insure continued rail service, pending restructuring of the railroads into a new system. Previously, only six railroads were eligible for such assistance. However, as a result of the recent economic downturn, amendments to the Regional Rail Reorganization Act of 1973 have been proposed, allowing the Act to meet the emergency cash needs of all bankrupt lines in the region, including those reorganizing on a conventional basis. One of these lines, Erie-Lackawanna, would be forced to close down in the absence of such assistance.

A supplemental request of $100,000,000 for fiscal year 1975 is currently included in the 1976 Budget, to cover the estimated needs of the six railroads originally eligible for assistance. This proposal amends that request. The need for offering assistance to other railroads was not anticipated when the annual budget was being prepared.

I have carefully reviewed the proposal for appropriations contained in this document and am satisfied that this request is necessary at this time. I recommend, therefore, that this proposal be transmitted to the Congress.

Respectfully,

JAMES L. LYNN,
Director.

Mr. McFALL. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from California.

Mr. McFALL. Mr. Chairman, I concur with the gentleman as to his amendment. We would have put it in the bill if we had received the budget amendment in time. We did not, and I think it is reasonable that we should provide this money at this time for the Erie-Lackawanna Railroad.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I want to commend the gentleman from Massachusetts for offering this amendment. It is, in my judgment, absolutely essential. It has my full support. I think it is essential to the economic recovery of the country.

Mr. Chairman, I rise in strong support of House Joint Resolution 210, the urgent supplemental appropriations bill and to urge its quick passage in the House.

This resolution will provide financial assistance to the Penn Central and the Erie-Lackawanna Railroads, thereby allowing both lines to continue service for the remainder of the current year while they both await final inclusion in the proposed Consolidated Rail Corporation. To say that these funds are urgently needed is an understatement of the problem. These funds are absolutely vital to the continuance of both railroads. And these railroads must remain viable to prevent an economic collapse in the Northeast section of our country.

Mr. Chairman, this resolution appropriates $100 million to the Penn Central Railroad with a committee amendment to be offered to appropriate another $25 million to the Erie-Lackawanna Railroad to provide interim operating assistance for the remainder of the calendar year. Both lines need this money to meet monthly payrolls. Without such assistance, a shipping embargo will take place, followed shortly by a shutdown. Such a shutdown in my district and in our Nation given the current state of the economy would be catastrophic.

The Erie-Lackawanna Railroad is a major carrier through my congressional district in northeastern Pennsylvania. Its 2,800 miles of lines stretch from New York through the Midwest. Its shutdown, even if only temporary, would entail the loss of jobs for 10,000 employees, not to mention the 20,000 additional customers who depend upon it. These include shippers, farmers, major industrial suppliers, and indeed the entire spectrum of the Nation's economy. A similar situation, only on a larger scale, exists with the Penn Central which serves to carry large quantities of coal for use in coal-fired utilities.

The entire northeastern part of our country relies upon the EL. Many of the shippers along the Erie-Lackawanna lines have no alternative transportation available to them should the EL suspend operations. In addition, the EL supplies a payroll of $157 million and another $50 million in supply purchase to enhance the region's economy. This substantial investment is at stake here today unless this bill passes.

I know many of the Members of this House will view this action as one more chapter in the long, sad history of federally supported subsidies to bail out bankrupt lines. Yet, we are moving on another front to restructure these lines through the activities of the U.S. Railroad Association in conjunction with the ICC's Rail Service Planning Office and the Congress. We are proceeding down the orderly path established last year when Congress passed the Rail Reorganization Act to attempt to get the bankrupt lines in the Northeast and Midwest back on their feet. None of us can promise that we have the cure-all for the railroads' woes with the creation of Con-Rail. However, we must provide assistance to keep these railroads running until ConRail becomes operational.

On more than one occasion, the railroads have been called economic lifelines. These lifelines have been impaired by faulty management, inflation, and changes in marketing and economic trends that many of us could not prevent or foresee. We in the Congress are obliged to keep these lines moving. That is what we are doing here today.

The Appropriations Committee, in concert with the House Commerce Committee, has acted with great dispatch in producing this bill and H.R. 2051 which we passed yesterday. I believe the Congress will act postively today to approve the moneys to keep these rail lines alive, and I urge my colleagues to vote for the resolution before us.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The amendment was agreed to.

Mr. KOCH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, during the course of the committee's consideration of this legislation, I raised the matter we are faced with in New York City with Grand Central Terminal owned by a subsidiary of Penn Central Transportation Co. Since 1968, the city of New York and Penn Central have engaged in a dispute over Penn Central's proposal to lease the airspace over the terminal to a British real estate developer—UGP Properties, Inc.—for the construction of a 55-story building. In 1967 the city designated the terminal as a landmark; the city maintains that this project would destroy the terminal as a landmark. The question of the terminal's designation as a city landmark is presently being litigated in the New York courts.

Grand Central is a handsome structure built in the early part of this century under the direction of William K. Vanderbilt, then chairman of the New York Central Corp. Vanderbilt had a personal interest in art and this interest is reflected in the grand proportions of the structure, its clerestory windows, arched ceilings painted by the French artist Paul Helleu, three monumental arched bays set between doric columns, and its parapet sculptural group of Mercury flanked by Minerva and Hercules.

In January of this year, the terminal was added to the National Register of Historic Places.

Mercury, Minerva, and Hercules are mighty figures, but they will not be able to withstand the assault on the esthetic integrity of the terminal of a 55-story office building. As the well-known architect Philip Johnson said, such a structure over Grand Central would be "comparable to building an office tower over the apse of Notre Dame Cathedral."

New York City has determined that Grand Central should be preserved. And, it has offered to permit Penn Central to transfer the air rights over the terminal to one or more of Penn Central properties in the Grand Central area, and enacted special zoning provisions to do so.

In view of the amount of public funds that have been funneled into Grand Central Terminal in particular, and the Penn Central Railroad in general, it is not unreasonable to ask Penn Central to respect the public's interests.

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Presently, the Metropolitan Transportation Authority of New York State manages the terminal and in doing so absorbs millions of dollars in operating costs that would otherwise have to be borne by Penn Central. Furthermore, the city of New York has foregone over $11 million in the form of real estate tax abatements for Grand Central Terminal. And, with the enactment of this legislation and the pending authorization bill, the Penn Central will have had over $600 million in Federal funds made available to it since 1970.

In view of the Nation's interest in preserving historic structures, the 1971 Executive order concerning protection and enhancement of the cultural environment, and the 1974 Amtrak Improvement Act's provisions directing the Secretary to aid in the preservation of the architectural integrity of passenger terminals on the National Register of Historic Places and those with intermodal capabilities, the Congress can be justifiably concerned that while the Penn Central receives millions in Federal funds, it does not consent to construction plans that are contrary to the public's wishes. Technically, the Penn Central may be a private company. But in view of its state of bankruptcy and continued demand for subsidies from all levels of government, it cannot expect to act with the same independence as a private company and pursue proposals that fly in the face of the public's wishes. Construction of a 55-story office tower would be contrary to the interests of the city of New York and violative of the Nation's interests in historic sites.

Mr. Chairman, am I not correct that the committee shares my concern that the public's interests be respected by the Penn Central and that an effort should be made by the trustees to come to an agreement with respect to the use of the air rights that complies with the intent of the Amtrak Act of 1974, the National Historic Preservation Act, and Executive Order No. 11593 of May 15, 1971?

Mr. McFALL. Yes; we share your concern and have included appropriate language in the committee report in this regard.

Mr. KOCH. Mr. Chairman, in the committee report, the committee expresses its position that the trustees should not take any action or consent to any action which would affect adversely the exterior or the architectural integrity of the Grand Central Terminal until the pending legal matter in New York is finally adjudicated. Is it not further the intent of the committee that apart from the pending court case, the trustees, because of the sums received by the Federal Government, have a special obligation to respect the public's interests and should attempt to negotiate in good faith with the city of New York an agreement that will preserve the architectural and historic integrity of the terminal?

Mr. McFALL. I would hope they would negotiate in good faith.

Mr. KOCH. Furthermore, Mr. Chairman, am I not correct that our committee, while concerned that the operations of the Penn Central should continue, we will not stand by and simply continue to provide aid to the Penn Central if it undertakes policies which are contrary to the public's interests? It is my understanding that we are all in accord that with each request for additional grants or loan authority, the total spectrum of the public's interests will be weighed and balanced against the financial costs of continuing the present management relationship of the Penn Central. Is this not correct?

Mr. McFALL. Certainly, we will not continue to provide funds to the Penn Central if they act contrary to the public interest.

Mr. KOCH. Finally, Mr. Chairman, is it not the committee's position that the Secretary of Transportation should endeavor to assist in this matter, working with the Penn Central Corp. and the city of New York, providing what aid the Department can pursuant to the provisions of the Amtrak Improvement Act of 1974 cited above?

Mr. McFALL. I agree that the Secretary should look into this matter.

Mr. KOCH. Thank you, Mr. Chairman.

Mr. McFALL. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MURPHY of New York, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, had directed him to report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 273, nays 134, answered "present" 1, not voting 24, as follows:

[Roll No. 21]

YEAS—273

Abzug	Ambro	Armstrong
Adams	Anderson, Ill.	Ashley
Addabbo	Annunzio	Aspin
Badillo	Hannaford	Peyser
Baldus	Harrington	Pickle
Baucus	Harris	Pike
Beard, R.I.	Hastings	Preyer
Bedell	Hawkins	Price
Bell	Hayes, Ind.	Quillen
Bergland	Hays, Ohio	Rangel
Biaggi	Hébert	Rees
Biester	Heckler, Mass.	Regula
Bingham	Hefner	Reuss
Blanchard	Heinz	Rhodes
Blouin	Helstoski	Richmond
Boggs	Henderson	Rinaldo
Boland	Hightower	Risenhoover
Bolling	Hillis	Rodino
Bowen	Holtzman	Roe
Brademas	Horton	Rogers
Breckinridge	Howard	Roncalio
Brodhead	Howe	Rooney
Brooks	Hughes	Rosenthal
Brown, Calif.	Jacobs	Rostenkowski
Brown, Mich.	Jeffords	Roush
Brown, Ohio	Jenrette	Roybal
Burke, Calif.	Johnson, Calif.	Ruppe
Burke, Mass.	Johnson, Pa.	Russo
Burton, Phillip	Jordan	Ryan
Butler	Karth	St Germain
Carney	Kemp	Sarasin
Carr	Keys	Sarbanes
Carter	Kindness	Scheuer
Casey	Koch	Schneebeli
Cederberg	LaFalce	Schulze
Chisholm	Lent	Seiberling
Clausen, Don H.	Litton	Sharp
Clay	Lloyd, Calif.	Shipley
Cohen	Long, La.	Shuster
Conable	Long, Md.	Simon
Conte	McClory	Sisk
Conyers	McCloskey	Skubitz
Corman	McCollister	Slack
Cornell	McCormack	Smith, Iowa
Cotter	McDade	Solarz
Coughlin	McEwen	Spellman
D'Amours	McFall	Staggers
Daniels, Dominick V.	McHugh	Stanton, J. William
Danielson	McKay	Stanton, James V.
Davis	McKinney	Stark
Delaney	Madden	Steed
Dellums	Madigan	Steelman
Dent	Maguire	Stephens
Derrick	Mahon	Stokes
Dingell	Matsunaga	Stratton
Dodd	Meeds	Stuckey
Downey	Metcalfe	Studds
Drinan	Meyner	Sullivan
Duncan, Oreg.	Mezvinsky	Symington
du Pont	Michel	Teague
Early	Milford	Thompson
Eckhardt	Mineta	Thornton
Edgar	Minish	Tsongas
Edwards, Calif.	Mink	Ullman
Eilberg	Mitchell, Md.	Van Deerlin
Erlenborn	Moakley	Vander Jagt
Esch	Moffett	Vander Veen
Evans, Colo.	Mollohan	Vanik
Evins, Tenn.	Moorhead, Pa.	Vigorito
Fenwick	Morgan	Waggonner
Fish	Mosher	Walsh
Fisher	Moss	Waxman
Fithian	Murphy, Ill.	Weaver
Flood	Murphy, N.Y.	Whalen
Florio	Murtha	White
Flowers	Myers, Ind.	Whitehurst
Foley	Myers, Pa.	Wiggins
Forsythe	Natcher	Wilson, Bob
Fraser	Nedzi	Wilson, Charles H., Calif.
Frenzel	Nix	Wirth
Gaydos	Nowak	Wolff
Giaimo	Oberstar	Wright
Gilman	Obey	Wydler
Goodling	O'Hara	Yates
Green	O'Neill	Yatron
Gude	Ottinger	Young, Ga.
Guyer	Passman	Young, Tex.
Haley	Patman	Zablocki
Hall	Patten	Zeferetti
Hamilton	Patterson, Calif.	
Hanley	Pattison, N.Y.	
	Pepper	
	Perkins	

NAYS—134

Abdnor	Bevill	Chappell
Alexander	Bonker	Clancy
Anderson, Calif.	Breaux	Cleveland
Andrews, N.C.	Brinkley	Cochran
Andrews, N. Dak.	Broomfield	Collins, Tex.
Archer	Broyhill	Conlan
Ashbrook	Buchanan	Crane
Bafalis	Burgener	Daniel, Dan
Bauman	Burke, Fla.	Daniel, Robert W., Jr.
Beard, Tenn.	Burleson, Tex.	de la Garza
Bennett	Burlison, Mo.	Derwinski
	Burton, John	Devine
	Byron	

Dickinson	Johnson, Colo.	Pritchard
Duncan, Tenn.	Jones, N.C.	Quie
Edwards, Ala.	Jones, Tenn.	Railsback
Emery	Kasten	Randall
English	Kastenmeier	Roberts
Evans, Ind.	Kazen	Robinson
Fascell	Kelly	Rose
Findley	Ketchum	Rousselot
Flynt	Krebs	Runnels
Ford, Tenn.	Lagomarsino	Satterfield
Frey	Landrum	Schroeder
Fuqua	Latta	Sebelius
Gibbons	Lehman	Shriver
Ginn	Levitas	Sikes
Gonzalez	Lloyd, Tenn.	Smith, Nebr.
Gradison	Lott	Snyder
Grassley	Lujan	Spence
Hagedorn	McDonald	Steiger, Ariz.
Hammer-schmidt	Mann	Steiger, Wis.
Hansen	Martin	Symms
Harkin	Mathis	Talcott
Harsha	Mazzoli	Taylor, N.C.
Hechler, W. Va.	Melcher	Thone
Hicks	Miller, Calif.	Treen
Hinshaw	Miller, Ohio	Wampler
Holland	Montgomery	Whitten
Holt	Moore	Wilson, Charles, Tex.
Hubbard	Mottl	Winn
Hungate	Neal	Wylie
Hutchinson	Nichols	Young, Alaska
Hyde	Nolan	Young, Fla.
Ichord	O'Brien	
Jarman	Poage	
	Pressler	

ANSWERED "PRESENT"—1

Krueger

NOT VOTING—24

AuCoin	Fulton	Moorhead, Calif.
Barrett	Goldwater	Riegle
Clawson, Del	Jones, Ala.	Santini
Collins, Ill.	Jones, Okla.	Taylor, Mo.
Diggs	Leggett	Traxler
Downing	Macdonald	Udall
Eshleman	Mikva	
Ford, Mich.	Mills	
Fountain	Mitchell, N.Y.	

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Downing with Mr. Fountain.
Mr. Barrett with Mr. Del Clawson.
Mr. Diggs with Mr. Mikva.
Mr. Fulton with Mr. Ford of Michigan.
Mr. Riegle with Mr. Goldwater.
Mr. Traxler with Mr. Macdonald.
Mr. Udall with Mr. Eshleman.
Mr. Leggett with Mr. Mills.
Mr. AuCoin with Mr. Taylor of Missouri.
Mr. Jones of Alabama with Mr. Moorhead of California.
Mr. Santini with Mrs. Collins of Illinois.
Mr. Jones of Oklahoma with Mr. Mitchell of New York.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

RESIGNATION FROM COMMITTTEE ON GOVERNMENT OPERATIONS

The SPEAKER laid before the House the following resignation from the Committee on Government Operations:

FEBRUARY 19, 1975.

HON. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation, effective today, from the Committee on Government Operations.

Sincerely yours,

HENRY S. REUSS.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

FIFTH REPORT TO CONGRESS ON PROGRESS TOWARD OFFSETTING BALANCE-OF-PAYMENTS DEFICIT RESULTING FROM DEPLOYMENT OF U.S. FORCES IN NATO EUROPE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 55)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Armed Services and ordered to be printed:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93-155), I am pleased to submit a fifth report to the Congress on our progress toward offsetting the balance of payments deficit resulting from the deployment of U.S. forces in NATO Europe.

As required by Section 812, the Department of Commerce has been working in consultation with the Department of Defense and the General Accounting Office to define the U.S. balance of payments deficit on military transactions incurred in Fiscal Year 1974 as a result of our NATO commitments. In my November report, I provided to the Congress tentative figures developed by the Commerce Department which estimated our FY 74 expenditures at $1.983 billion. This has now been confirmed as the final FY 74 expenditure figure.

The Commerce Department is now in the process of identifying U.S. FY 74 balance of payments receipts reflecting military-related sales and exports to our European NATO allies, through both official U.S. Foreign Military Sales (FMS) and commercial channels. Once total receipts have been identified, they will be subtracted from the $1.983 billion in expenditures to establish the FY 74 deficit. While the Department has been able to confirm Allied purchases through FMS channels, it has been unable to settle on a figure for commercial receipts. The Commerce Department's balance of payments accounting procedures are not in sufficient detail to permit it to isolate all of these purchases. Using information provided by our Allies through the NATO Economic Directorate, the Commerce Department is making an effort to identify as many of these transactions as possible and to include them in its calculation of the balance of payments deficit.

An interagency committee within the Executive Branch has been working to identify other transactions which serve to offset this balance of payments deficit. Of major importance is the FY 74-75 US/FRG Offset Agreement, which was described in some detail in the May 1974 report. We have since been working in cooperation with our Allies to identify additional categories of offsets. These will include Allied purchases of U.S. military-related equipment which cannot be extracted from the U.S. balance of payments accounting system. I will provide details on these offset categories in my May 1975 report to the Congress.

Once our analysis has been completed and the FY 74 military balance of payments deficit has been established, I am confident that this deficit will be offset by the items we have identified and that the requirements of Section 812 will be met.

GERALD R. FORD.

THE WHITE HOUSE, *February 20, 1975.*

ANNOUNCEMENT OF SESSION TOMORROW

(Mr. McFALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McFALL. Mr. Speaker, I would just like to announce that the House will meet tomorrow in a pro forma session.

PERSONAL EXPLANATION

Mr. MIKVA. Mr. Speaker, I was inadvertently detained in the Senate on business and missed the final vote on House Joint Resolution 210. Had I been present, I would have voted "aye."

INTRODUCTION OF BILLS AUTHORIZING MERCHANT MARINE ACADEMY NOMINATIONS

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, as you well know, the sea is the economic lifelife for Guam and the U.S. Virgin Islands. Because of our remoteness from the U.S. mainland, much of what these two areas consume is brought in by merchant vessels. This is particularly true for Guam. The sea also has other special meanings for those who live on an island. Many of our young people are eager to follow the ancient path of the mariner in search of new experiences and adventure.

For the young people of Guam, following a career at sea can take two different routes. They may join the Navy which has played a major role in Guam since 1898. Or, they can attempt to become a merchant marine sailor. Should they decide to follow a career with the Navy, potential officer candidates may choose to attend the U.S. Naval Academy at Annapolis, Md. Thanks to the generous support of our colleagues in the 93d Congress, my good friend and fellow delegate from the Virgin Islands RON DE LUGO and I were each granted the authority to nominate candidates to the various military academies.

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The only exception is the Merchant Marine Academy, which is not, of course, considered a military academy and thus was excluded from the provisions of the legislation governing academy appointments for the territorial delegates. It is my belief that there exist many young men on Guam who are interested in a career in the merchant marine. Were Delegate DE LUGO and I provided with the authority to appoint candidates to the Merchant Marine Academy, those young men in the territories who did desire to work on merchant vessels would have the opportunity to make their hopes come true.

Accordingly, Delegate DE LUGO and I have been joined by Delegate WALTER FAUNTROY and Resident Commissioner JAIME BENITEZ in sponsorship of a bill to amend section 216(b) of the Merchant Marine Act of 1936 so as to entitle the Delegates in Congress from Guam and the Virgin Islands to make nominations for appointments which were previously granted to all Members of Congress from the various States, the Resident Commissioner from Puerto Rico, and the Delegate from the District of Columbia. The legislation we introduce today would in no way infringe on the rights of our colleagues in Congress and would only correct a gap in the present law to include the Delegates from the Virgin Islands and Guam.

I am particularly proud to add the names of Mr. BENITEZ and Mr. FAUNTROY to this bill. Their support is most welcome and adds to the union of common interest which our respective peoples have with one another as we work to increase our share of the American way of life.

I trust that this measure, which is identical to H.R. 13434 which we jointly introduced in the 93d Congress on March 12, 1974, will merit the full consideration of the Committee on Merchant Marine and Fisheries and the entire Congress as well. Their support will be of great value to the young men of the Virgin Islands and Guam and will add to the reservoir of talent which this Nation will need in the years to come to operate this country's merchant marine.

INTRODUCTION OF THE FOREIGN INVESTORS LIMITATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 15 minutes.

Mr. GAYDOS. Mr. Speaker, today I am again introducing the Foreign Investors Limitation Act, the provisions of which would prevent foreign investors from acquiring more than 5 percent of the voting securities or 35 percent of the nonvoting securities of any American corporation whose securities are listed with the Securities and Exchange Commission.

This bill was originally introduced on June 25, 1974, along with my good friend and colleague, the Honorable JOHN H. DENT. Subsequently, other bills of a similar nature were introduced by other Members of the House.

On February 5, 1974, I addressed the Members of this House concerning the activities of foreign investors' attempts to obtain control of American corporations through the tender-offer route. Additionally, I expressed my serious concern over the tremendous amounts of capital that would be flowing to the Mideast oil-producing countries and the fact that the most attractive outlet for this capital would be the American economy, which could lead to takeovers of American companies.

Unfortunately, my remarks went unheeded and no action was taken in the 93d Congress on the various bills which sought to prevent foreign takeover of American corporations.

The 93d Congress did, however, pass the Foreign Investment Study Act of 1974 (Public Law 93-479, October 26, 1974), which directed the Secretary of Commerce and the Secretary of the Treasury "to conduct a comprehensive, overall study of foreign direct and portfolio investments in the United States."

On August 21, 1974, during debate in the House, I rose in opposition to the bill, because "in my opinion, this bill, if enacted, would be a 'copout' by the Congress on a developing problem that holds serious prospects for the American economy." I made an urgent plea to my colleagues to vote against the bill and to allow the proper committees of Congress to hold hearings on the many bills that were introduced rather than wait for 2½ years when the final report would be available. The bill as enacted into law, provided for the final report to be submitted to Congress 1½ years after enactment.

Since that time, the following has transpired:

Newsweek magazine of October 7, 1974, reported on an interview conducted by Senior Editor Arnaud de Borghgrave with the leaders of Syria, Saudi Arabia, Egypt, and Jordan. He reported that a private Arab corporation had just been set up and backed by the most influential men in Saudi Arabia, Abu Dhabi, and Egypt to purchase stock in American companies with the intention to obtain majority control.

The December 2, 1974, edition of the Washington Star reported on an abortive attempt by Arab business interests to invest $1 million in Lockheed. This would have amounted to 41 percent of Lockheed stock.

The December 4, 1974, edition of the Wall Street Journal reported that the attempt by Standard Oil Co. of Indiana to absorb Occidental Petroleum Corp. was hastened by the purchase of 1 million shares of Occidental by an Arab investor.

During the month of January of this year, there were three occasions where Arab investors attempted to take over control of American banks. In two of these, thanks to the foresight of the American stockholders, the takeover was not consummated. These involved banks in Pontiac, Mich., and in San Jose, Calif. But a Saudi Arabian investor was successful in acquiring the Bank of Commonwealth in Detroit, Mich., the sixth largest bank in that State.

While the banking and business communities' reaction to the original introduction of this bill was that a significant takeover of American companies could not happen, it is interesting to note that Federal Reserve Chairman, Arthur F. Burns, testifying before a Senate committee in December 1974, stated that while he would not mind a takeover of Coca-Cola or Quaker Oats, he would be concerned by takeovers of more basic industries.

Industry Week magazine in its January 13, 1975, edition reported on a survey it had recently conducted on the attitude of American business managers to foreign investment. Of 300 responses to the survey, 64 percent were opposed to foreign investment in their companies and 69 percent were opposed to Arab investment in their companies.

The February 3, 1975, edition of Business Week included an interview with Treasury Secretary William E. Simon. In responding to a question as to whether there should be additional curbs on Arab investment in the United States, Simon replied:

> I believe in the free flow of trade and investment in the world. But there are industries in the U.S. that are protected from foreign investment for national security considerations. I believe the definition of national security now includes economic and financial considerations. Allowing a producing nation to be allowed to purchase one of our major oil producers, for instance, would be in conflict with our future policy of becoming self-sufficient. There are many areas that we must take a fresh look at.

While these comments certainly reflect a substantial change from the previous position of the administration and the banking and business communities that we had nothing to fear from foreign investments in American companies, I submit that it is necessary for Congress to enact legislation in this area and not rely on the day-to-day decisions of the administration taken without any congressional guidelines.

Evidence of the administration's indifference in this area is abundantly clear in the current attempt by Iran to purchase approximately 13 percent of the stock of Pan American Airways. While an interest of 10 percent or more in an airline's ownership is considered "presumptive control," and the CAB must then determine whether control actually exists with such ownership, it appears that the administration has already given its approval to the Iranian investment, so the CAB investigation can well be an exercise in futility.

The acquisition-happy nouveaux riche oil-producing countries will not be deterred by the few rebuffs they have already experienced. Their extorted gains will continue to increase in the future and they will continue to prey upon American industry and be an ever-increasing threat to take it over. According to the Economist of London, OPEC at its current rate of capital accumulations could buy out all companies on the world's major stock exchanges in 15.6 years, all companies on the New York Stock Exchange in 9.2 years, all Central Bank's gold—at $170 an ounce—

in 3.2 years, all U.S. direct investments abroad in 1.8 years, all IBM stock in 143 days, all Exxon stock in 79 days, and the Rockefeller family's wealth in 6 days.

I submit that these statistics are indeed frightening, and the threat they pose to American industry and the American economy can only be eliminated by congressional action in passing legislation limiting foreign ownership in American corporations. I strongly urge my colleagues to support such legislation.

A CITY BETRAYED

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, day after day for about 9 consecutive legislative days I have taken the privilege of the floor in order to address myself in some discussions I have entitled "A City Betrayed," painfully and sadly describing a truly pathetic situation involving my loved native city of San Antonio, Tex., which has been victimized. It has been defrauded. It has been shockingly deprived of the protection that the basic laws of the city and the State of Texas should afford the citizens of the city.

I have pointed out in the case of the pressing natural gas crisis victimizing the citizens of San Antonio and the consuming public in the surrounding area, which, incidentally, also affects two substantial municipalities besides San Antonio, the city of Austin, Tex., the capital of the State, and Corpus Christi, a thriving, growing community to the south of San Antonio on the gulf coast.

I have pointed out diligently and in great detail the convolutions, the conspiracies, all of the cunning and intrigue, selfishness, self-seeking, that crosses social, economic, and political lines in the community.

It is very difficult to attack any situation where we have members of society from the highest to the lowest. I am reminded of a situation that existed many years ago, about 50 to be exact, in the great city of Chicago in Cook County, Ill., which at that time those of you who are old enough to recall was beset by the shadow and the menace of Al Capone and the likes of Capone.

So, some of the reform groups in Chicago decided to do something about it. They banded themselves into a committee. They raised funds and they invited a famous British criminologist to come and study the situation and advise and recommend. The famous Englishman did not stay 2 weeks in Chicago before he said, "Gentlemen, I must earn my money, and I will tell you that there is no use for me to waste your time nor your money because that situation, as I see it, will be of such kind of nature that in order for me to give you the benefit of my expertise, you must first remove the baneful tie-in and association between politics and crime."

And, he departed, took only the cost of his trip, and went back to England. This shocked the Americans, but what he said has been so true all along.

In the meanwhile, as in the case of the city of San Antonio, the Nation as a whole has also been inundated with what has been described as a wave of crime. It seems to pollute the entire national existence. We had one national political campaign based on an attempt to restore law and order, only to see those spokesmen for law and order themselves barely escape the clutches of incarceration in the penitentiaries. For the first time in our national existence, we have the tragic story of a Vice President quitting in order to keep from going to jail; a President resigning in order to avoid the same fate, and a host of top echelon executives in the national Government either under indictment or the threat of indictment, or indictment and conviction.

This seems to reflect a national malaise. It raises a question about how can we talk about rooting out crime anywhere when there is such an intricate and intimate tie-in between the highest levels of our society, both governmental as well as business, with the criminal element? Nowhere has this been better illustrated than in my hometown of San Antonio, Tex., and for precisely the same reasons.

I had read of such things in books. Some I had never really felt were really factual, but just like in the case of our national tragedy involving a Vice President and a President, which I never dreamed would happen in my lifetime, and I am sorry to say it has happened and deplore it and feel saddened and grieved, the same thing has happened in my own native city involving councilmen elected to the city council; legislators elected to the State senate and the State house of representatives; the business community, some of them pillars of the business community and society; there is an intricate web and interconnection between the wrongful pattern of behavior, the pattern of self-seeking fraud imposed upon the public and that inextricable link between crime and the government, or the ruling establishment, as that word is so commonly referred to nowadays.

What hope is there? What can be done? Well, to a certain extent exposure, if nothing else, is one thing that will help. But, exposure is not easy to come by. Again referring to the San Antonio case, it has reached the point where a Congressman had to come back, come to the county and go before the local grand jury in order to, as the critics have said, stir up trouble, in order to initiate the basic process without which it would be impossible to even begin to extricate the honest citizen from the clutches of the dishonest.

I think that none of us who presumes to hold a public office or trust can truly say he or she is earning his or her money or serving that trust well who is not dedicated, if nothing else, to establishing the truth and preaching the truth and hollering it from the highest rooftop of the community or the Nation as the opportunity may present itself.

In the case of San Antonio, that grand jury, much to my surprise, was hampered, obstructed and almost prevented totally from continuing in the initial investigation by the district judge, who was in charge of convening the grand jury.

This district judge, to my surprise, for he seemed to reflect youth, he seemed to reflect candor, at least at the time he was seeking office—it was quite surprising to see the role that the judge was displaying and, actually, at first, attempting to intimidate the district attorney; and, secondly, trying to put a stop to the grand jury itself.

Subsequently, the grand jury then decided that, in order to establish and ferret out the truth, it would subpena certain individuals. One of these individuals was a man I referred to before, one Glen Martin, a man who made over $10 million in the malodorous deal initiated some 12 years ago that resulted in the defrauding of the consuming public that has to live by the utilities furnished by what is known as the San Antonio City Public Service Board.

This man hired himself the most able "criminal lawyer" in the community, to wit: one Anthony (Tony) Nicholas, Esq. He has a well-earned reputation as being the best lawyer a criminal can have. In fact, in certain segments of that society in my city, he is known as the St. Jude of lawyers because he is the patron saint of lost or hopeless cases involving some of the miscreants who happen to find themselves crosswise with the law.

So this gentleman hired himself a lawyer, went before this particular judge, who had done everything he could to try to obstruct the grand jury, in order to say, "I do not think I ought to be forced or compelled to go before the grand jury."

And lo and behold, the judge issued an order preventing the grand jury from hearing this one individual, Glen Martin, to this date.

Why did this Judge Preston Dial do such a thing?

There is a lot of conjecture, a lot of questions. The truth sooner or later, I am sure, will come out. In the meanwhile, those who have been disturbed by what I have said on this floor say that I should not seek the privilege of the floor because it creates immunity, although what I have said I have said off and on the floor, I have said it high in the sky in a plane, I have said it low on the ground on buses and subways, and the truth is just as available to those that I have mentioned, and the means of establishing the truth and communicating it, in fact, are far more available than they are to me.

But the trouble is—and it disturbs me greatly, it causes me to fret, it worries me daily, for after all, I was born in the city.

My children and my grandchildren unquestionably will continue to live in the city, and it is for their future and for the future of those in their generation that I think I and others who are similarly situated have a most solemn responsibility to discharge. Cost what it will, difficult as it may be, it must be done, for there are connections between these factions. The highest levels of syndicated crime in this Nation and the gas crisis of San Antonio are interlocked, believe it or not.

UMI

Mr. Speaker, I went the first time before the grand jury in 1970. One of the newspapers mocked me for my appearance, and that newspaper said:

We cannot conceive why the Congressman would come all the way from Washington to appear before our local county grand jury. There is no crime here. There is certainly no organized crime.

The newspaper said:

We will not use the word, "Mafia," we do not want to antagonize anybody.

However, I had good reason for doing what I did. I did it reluctantly, really. I had good reasons that compelled me to go before the grand jury.

The newspapers were reporting mysterious deaths. A certain individual was found dead; he had been stabbed a multiple number of times, and his body was found in a creekbed upon the north side of the city. There was no clue to his death. However, the police said the individual had had some history of having brushed with the law as a result of the drug business, dealing in illegal drugs.

Within a day or two after that, another body was found, this time in the southernmost portion of the city or county. This individual had also been stabbed to death.

Then a third individual was found dead. He had been shot several times, and then, to make sure he died, he had been run over by an automobile at least two or three times, according to the estimates of the police.

Mr. Speaker, I pride myself on returning to my city every weekend, as I intend to do in a few minutes, and by that means I attempt to stay in the most intimate of contact as is humanly possible with as many of my constituents as I can. As a result, it was not long before I had information that was offered to me by constituents whom in one way or another I had contacted in the past. These constituents included some who had been inmates of the penitentiary, some who had been released on parole, and others who had sought some help in one way or another from the local office. This information was quite important, and it had a lot to do with the speculation about the bodies that had been found around the city.

Therefore, I felt impelled to be before the grand jury. In fact, as I said, one of the local papers laughed and mocked and scoffed at me for this.

Without in any way violating the oath of secrecy that I took when I appeared before the grand jury, I can state that in answer to a direct question asked of me, I said this:

As much as I hate to say so, I am afraid our city is the site of more than just casual or happenstance crime.

The truth of the matter is that headlines appeared a year later saying that in fact, with the closing of the Turkish heroin trade, the South American and the Mexican heroin trade had increased and the brown heroin was coming in in droves from south of the border, and San Antonio was being used as a way station.

Again, at the same time, again through happenstance and through communication with my constituents—this time from people on a higher echelon of society, the business community—I discovered that one of the most prominent men in national crime—in fact, he was from the New Orleans area—was involved and had connections in the city of San Antonio. It was corroborated that he had come there and that he has continued to come to the city on various occasions.

Mr. Speaker, this was not happenstance. It was soon revealed that one of the most prominent businessmen in the city had intimate and yet to be established extensive business connections there also. The same figure had also been moving toward the border area and south of the border area.

All of the national law enforcement bodies clearly identify him as one of the top lieutenants in the so-called Mafia or organized crime.

It is hard to tell the community that there is a connection and to give the reason why the city of San Antonio is fated to confront the most serious crisis in its entire history since the founding of the city by the Spanish garrison and the Spanish missionaries in 1718; but I say, Mr. Speaker, by way of conclusion, that I will continue to speak from this floor and further describe for the benefit not only of the city of San Antonio and my constituents of the 20th district, but the citizens of the Nation as a whole, further and in greater detail these connections, insidious in nature but steeped in fact, until they are rooted lock, stock, and barrel out of the community.

The community will never solve its basic problems of crime, of good government, and responsible service to the people in the basic necessities of life which are today light, gas, and water. All of these elements imperil the future development of a city that I was born into, that I have consecrated my whole life to serving, that I have had the great pleasure and privilege of representing in this body for 13 years and several months, and have had the help of this body in bringing to San Antonio such historical and epic events as the first world's fair south of Chicago and St. Louis in the Nation's history.

I feel that no matter how difficult, no matter how politically dangerous it might be—these are not the first times I confront these dangers—that there is a must about the continuation of this fight.

The local district attorney of Bexar County, thank God, is an honest man. Unfortunately, he finds himself in very lonely company. I find that I must do everything in my power to help him. I must help those citizens who will act honestly and soberly as future members of the grand juries to be convened yet in their endeavor to help the city.

I find that had it not been for my rising on this floor, these truths would not have been established and that these revelations would not have been set in a clear, in an irrebuttable, and in a succinct manner such as I think I have done.

Therefore, Mr. Speaker, I fully intend to continue the fight. It is a big fight with a little stick. Even the law enforcement agencies of the Federal Government, the State government, and the local government agree with me that it is impossible for them to stem the crime level and the wave of criminal activity until at least we root this nefarious intertwining of the political with the criminal, and above all, when that thread intertwines further between the political, the economic, the business, and the criminal element, which is what we are confronted with today.

I feel in my heart and soul that whereas I address myself to a purely local situation, it is not local at all, but national in scope, and that this pattern can be repeated in community after community from Puget Sound clear over to Maine.

LITHUANIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 10 minutes.

Mr. CLEVELAND. Mr. Speaker, this past Sunday, February 16, Americans of Lithuanian origin joined with Lithuanians throughout the world in commemorating the 57th anniversary of the establishment of the Republic of Lithuania. As we approach the 200th anniversary of the founding of our own Nation, we should take a moment to reflect on the principles that are the foundation of our country and on the relation of these principles to oppressed people throughout the world.

The United States of America was created because a group of individuals could no longer tolerate living under the oppressive yoke of a distant despot. Our Founding Fathers desired to live in peace and freedom in a land where no individual would be afraid to speak his or her views, openly worship his or her god, or freely practice his or her chosen profession or vocation. Over the past 200 years, many U.S. citizens have given their lives to preserve these principles, not only in the United States, but also in Europe, Asia, and other parts of the world.

In a time of increasing world cooperation and movement toward a true détente with former enemies—a movement which, incidentally, I applaud—it is important to remember that there are people in the world today who desperately desire to have the basic freedoms which we in this country have had for almost 200 years, but are denied them by foreign oppressors.

The history of the Lithuanian people has been one of struggle to defeat those who would subjugate them and deprive them of their religious and political freedoms. For over 100 years, Lithuania was tyrannized and ruled by czarist Russia.

In 1918 the overthrow of this dictator gave the Lithuanians the opportunity to proclaim their independence and establish a model democracy. For 22 years these brave people worked hard to build up their homeland and preserve their freedoms. In 1940 a new Russian despot, Joseph Stalin, again brought about a political takeover of the Lithuanian people and an annexation to a super-Russian state. This latest political and moral subjugation has continued to the present day.

Despite their physical domination by a greater power, the spirit of the Lithuanian people has remained strong. The Lithuanian culture has continued and the hopes of a return to the freedoms of earlier years have never waned. To our credit, the United States has never recognized the Communist takeover of Lithuania and has shown itself willing to accept Lithuanian refugees, most recently in the dramatic case of the Lithuanian sailor, Simas Kudirka. It was an honor for me to have met this gallant man here in the Capitol last year.

In this age of international cooperation and negotiation, we must never forget the principles which have made our country great and which stand as a symbol of hope and inspiration for oppressed peoples all over the world. We must not bargain away the freedoms of other nations to further our own aims. By reaffirming the right of Lithuania and other captive nations to self-government and independence we are reaffirming our heritage. In good conscience, we can do no less.

HIGHWAY CONSTRUCTION FREEZE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WALSH) is recognized for 5 minutes.

Mr. WALSH. Mr. Speaker, I am today introducing an amendment to the Federal Aid Highway Act to rectify a serious problem brought about by a recent court decision. It would permit the States to prepare environmental impact statements on Federal aid highway projects proposed by the State, subject to evaluation and approval by the Federal Highway Administration.

On December 11, 1974, the U.S. Court of Appeals, 2d Circuit in Conservation Society of Southern Vermont, Inc. against Volpe, ruled that environmental impact statements required under the National Environmental Policy Act must be prepared by the Federal Highway Administration and not by State transportation agencies.

The court affirmed an injunction against further Federal participation in Route 7 in Vermont for this reason, even though the court found that the substance of the impact statement as prepared by the State was in full compliance with NEPA.

In January of this year, the Federal Highway Administration imposed a freeze on project approvals for the Federal aid highway program in New York, Vermont, and Connecticut, except for minor projects such as safety improvements. These three States comprise the jurisdiction of the 2d circuit court.

The Highway Administration specified it will not act on requests for approval of preliminary engineering authorizations or plans, specifications or estimates of right-of-way acquisitions nor any other step in the process of developing a highway project.

In the three States involved, the freeze affects 147 Federal aid highway projects on which construction would begin in 1975 and 1976. In addition, the freeze halts the development of hundreds of projects on which construction would commence in the period 1977–1980.

The dollar value of the projects afected is in the billions and every type of Federal highway is on the list—interstate urban extensions, city arterials, rural primary, and rural secondary.

Although the court decision does not enjoin any construction other than the one route in Vermont, it did serve notice that any Federal highway project in the three States might be enjoined if someone wants to bring suit because the impact statement was not prepared by the Highway Administration. The freeze was imposed by the FHWA because it presumably does not want to risk wide-scale interruption of projects by lawsuits based on the decision.

An appeal of the decision will undoubtedly be filed, but it could take as much as two terms for the Supreme Court to decide it. In the meantime, without some other solution the highway systems in the affected States would suffer enormous deterioration since much of the work involves the reconstruction of existing roads.

Mr. Speaker, my amendment offers a solution to this problem by providing that the impact statement, in any instance, can be prepared by the State agency, subject to approval by the Federal administrator. The amendment in no way changes the substantive requirements of Federal law.

I sincerely urge the support of all my colleagues in this most serious matter. The construction of these arterials is essential to upgrading the safety factor, to save money by starting as early as possible, and even to provide jobs for the construction industry which will be severely affected by the freeze on construction.

Mr. Speaker, for the benefit of all of the Members of the House, I would also submit for the RECORD a copy of my amendment and a copy of the court decision from the 2d Circuit Court of Appeals.

THE VOLUNTEER ARMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. STEIGER) is recognized for 10 minutes.

Mr. STEIGER of Arizona. Mr. Speaker, a recent editorial in the New York Times infers that the Army's success in recruiting volunteers is primarily due to recession and high unemployment rates. Further, the editorial pictures the Army as rapidly becoming a predominantly black force, especially in the ground combat arms of infantry, armor, and field artillery. I was concerned by these allegations, and have asked the Army for precise data on them.

Unemployment has undoubtedly increased the number of applicants volunteering for service recently, thus enabling the Army to increase quality standards. However, it is also a fact that the Army ended the first full fiscal year without draft in June 1974 at 100.6 percent of its authorized strength. Over 199,000 young men and women—all volunteers—enlisted in the Army between July 1973 and June 1974. That was well before onset of serious recession and high unemployment rates.

Some people relate military pay raises granted in recent years to the cost of the Volunteer Army. It is well to remember, however, we are asking these people to bear more than their fair share of the Nation's defense program by providing them salaries of only about 60 percent of what their civilian contemporaries were earning. The 1971 pay raise was deserved in the interest of fairness and equity, whether or not we moved to an all-volunteer force. If the draft were reimposed, it is doubtful the military raises would be reversed. In any case, we would certainly not want to emulate Soviet military wage scales, as the Times seems to imply might be desirable.

As far as the Army becoming all black is concerned, let us look at the facts. The Army's total black enlisted content is currently at about 22.5 percent. As of December 1974, there were about 149,000 black soldiers in the Army, of which only about 29,000 were in the infantry, armor, or field artillery. There are certain technical skills in which black representation is low, I am informed, but the Army is aware of these and is directing vigorous efforts to correct this imbalance.

The New York Times comment that first-term blacks are reenlisting at a rate of 52 percent while the Caucasian first-term reenlistment rate is 31 percent—not 35 percent—ignores the fact that black reenlistments comprise only 23.4 percent of the total. Likewise, it should be noted that 75 percent of all black reenlistments are in skills other than infantry, armor, and field artillery, and most of these other skills are directly related to civilian jobs.

Since the annual accession rate of non-prior-service blacks entering the Army in fiscal year 1975 is expected to be about 23 percent, the present black content of the Army, the reenlistment rate, and the new volunteer rates are all about even. This means that percentages of black content in the Army have probably leveled off.

There does not appear to be a basis to allegations that the Army is becoming all black or that it has cynically pushed blacks into the combat arms. While black content of the Army is higher than in the general population, this more probably reflects that group's awareness of the strenuous efforts being made to assure fairness and equal opportunity for them.

On balance, the Army's recruiting, retention of volunteers and racial composition appear to be in good shape, and not on the brink of disaster, as the New York Times would suggest.

MILITARY DISCHARGE REFORM LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 5 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, in yesterday's RECORD, I inserted a copy of military discharge reform legislation I have joined in cosponsoring. Following is a section-by-section

analysis of that legislation that I hope will be helpful in giving a better understanding of both the provisions and intent of the bill:

H.R. 52—MILITARY DISCHARGE REFORM LEGISLATION

The following is a comparison between H.R. 86 (which passed the House as H.R. 10422 during the 92d Congress) and the proposed legislation. A comparison between H.R. 86 and current law, and a more detailed description of the mechanics of H.R. 86, may be found in H.R. Rep. No. 92-496.

1. H.R. 86: covered discharge "under other than honorable conditions," but did not specify the character of the discharge certificate. Presumably, this would continue to be labeled an "undesirable discharge." The bill did not cover the General Discharge.

Proposal: subsec. (a) specifies the character of the discharge certificate: Honorable Discharge, except where a lesser form is warranted; Discharge from Service, in accordance with procedures in this bill; Bad-Conduct or Dishonorable Discharge, in accordance with current procedures under the UCMJ.

Comment:

(a) Until 1893, an administrative discharge in a legal sense was considered honorable. In that year, without any change in the statutory authority, the Army created the Discharge "Without Honor". In 1913, this became the "unclassified" discharge, which soon thereafter became known as the "blue" discharge. During the World War II era, the Navy developed the General and Undesirable Discharges, which were adopted by all services in 1947. None of these designations were authorized by express statutory authority.

(b) Any discharge other than an Honorable Discharge severely stigmatizes the veteran. To label an individual "undesirable" is to impose a punishment as severe as a punitive discharge by court-martial but without the accompanying safeguards. In a society which believes in rehabilitation and a second chance, the permanent label as "undesirable" is too severe a punishment when a court-martial conviction has not been obtained. If military discipline requires that soldiers be administratively deprived of an Honorable Discharge, that purpose can be achieved by issuing these individuals a plain certificate of Discharge from Service.

(c) The General Discharge is considered to be issued under honorable conditions, fully entitling the member to benefits administered by the VA. However, such a discharge carries severe negative connotations and leads to substantial discrimination by prospective employers. The individual who is deemed to have served honorably sould not be put at such a serious disadvantage in the job market as opposed to his civilian peers who never entered military service. A discharge under honorable conditions should be labeled an Honorable Discharge. Where a lesser certificate is warranted, this bill provides the military with ample means to achieve that end.

2. H.R. 86: subsec. (a) provided for discharge under less than honorable conditions: (1) after a hearing by a board of officers; (2) upon resignation or request for discharge in lieu of board action or court-martial; (3) AWOL for a year; (4) civilian conviction where the parallel UCMJ offense could lead to a year's confinement; (5) three court-martial or civilian convictions where the UCMJ offense could lead to three months confinement; (6) in time of war by order of the President.

Proposal: subsec. (b) provides for the same reasons for discharge under less than honorable conditions, except for part (5). The sections covering civilian convictions and three court-martial convictions are included under the provisions which require board hearings.

Comment:

(a) A board hearing is necessary, except where a resignation is tendered or a year's AWOL passes. In many cases, of course, civilian convictions or 3 UCMJ offenses will clearly warrant discharge under less than honorable conditions. However, this determination should result from deliberations by a board of officers, not from automatic operation of law. For example, what of the individual with a long period of honorable service who receives a civilian conviction which carries a potential year's sentence under the UCMJ, but is awarded probation or a very light sentence by the civilian court? Similarly, what if the three convictions are rendered by an inferior court-maritial, are the result of minor infractions, and are spread over a three year period of otherwise unblemished service? Such examples could be multiplied. The proper function for the sections on civilian convictions and three-time offenders is to establish the legislative intent that such circumstances may warrant discharge under other than honorable conditions, but this should not preclude a showing that retention or separation with an Honorable Discharge is appropriate under a given set of facts. Since subsection (d) permits a board hearing without the member's presence when he is confined to a civilian institution, the requirement of a hearing in these cases will not preclude the expeditious processing of a member with a discharge under other than honorable conditions where such a punishment is warranted by the circumstances.

(b) In time of war, the President will have far more important things to do than to ponder the characterization of a particular GI's discharge certificate. This is a broad, open-ended power, which could be used to defeat the purpose of the legislation. During the Vietnam War, the task of adjudicating less than honorable discharges was performed by boards of officers. There is no reason to create an exception to this allocation of responsibilities simply because there has been a declaration of war.

3. H.R. 86: subsec. (b) (1st paragraph) provided for uniform regulations to be issued by the service secretaries concerning the subpoena power.

Proposal: subsec. (c) (1st paragraph) is substantially similar, but provides for the regulations to be issued by the Secretary of Defense.

Comment: sound administration of the Department of Defense requires that where uniform regulations are mandated, the responsibility for coordination should be vested at the DOD level.

4. H.R. 86: subsec. (b) (2d paragraph) provided for uniform rules of evidence, including rules on depositions and ex parte statements, to be promulgated by the services, and to be reported to Congress.

Proposal: subsec. (c) (2d paragraph) provides for uniform rules of evidence, including rules on depositions and ex parte statements, to be promulgated by the Secretary of Defense, and to apply, so far as practicable, the rules of evidence in the Manual for Courts-Martial.

Comments:

(a) As noted in point 3 above, uniform rules should be promulgated at the DOD level.

(b) It is necessary for the legislation to set a standard for the evidentiary rules. The rules in the Manual for Courts-Martial represent executive judgment as to the manner in which such rules should comport with the requirements of military discipline and justice. The proposal provides ample flexibility, by permitting the Secretary to deviate from those rules where necessary, but has the virtue of creating a touchstone from which such necessity can be measured.

5. H.R. 86 subsec. (c) (1st paragraph) permitted the service secretaries to establish regulations for the board hearing which permit the member to: (1) appear personally and present evidence: (2) be represented by counsel; (3) confront witnesses; and (4) examine the evidence against him.

Proposal: subsec. (d) (1st paragraph) substantially similar, providing the Secretary of Defense with authority to issue the regulations.

6. H.R. 86: subsec. (c) (2d paragraph, 1st sentence) entitled the member to notice of the reasons for the hearing.

Proposal: subsec. (d) (2d paragraph, 1st sentence) is similar, adding the word "specific" before "reasons".

Comment: there have been occasions where commanders have interpreted the current notice requirements to be satisfied by general charges such as "unfitness". The word specific would comport more closely with preferred DoD practice.

7. H.R. 86: subsec. (c) (2d paragraph, 2d sentence) provided that if the individual is confined to a civilian institution, the hearing may be conducted out of his presence so long as he is represented by counsel.

Proposal: subsec. (d) (2d paragraph, 2d sentence). Similar, but adds the provision that a reasonable attempt be made to obtain the present of the member.

Comment: where an individual has committed an offense and is confined to an institution near the base, the civilian authorities may be willing to permit the individual to be temporarily released to military custody for purposes of a discharge hearing. This provision simply requires the military to make the request, it does not preclude the hearing from going forward when the request is denied.

8. H.R. 86: subsec. (d) provided for a military judge to act as legal advisor to the hearing board.

Proposal: subsec. (e) is identical, with changes in the language to conform to the rest of the bill.

9. H.R. 86: made no provision for review of the matter contained in the resignation or request for discharge in lieu of board action or court-martial.

Proposal: subsec. (f) provides for a legal advisor to review the request for discharge or resignation in accordance with regulations which shall apply, so far as practicable, the UCMJ standards for a guilty plea.

Comment: The overwhelming majority of Undesirable Discharges are issued in lieu of trial by court-martial. These are simply pleas of guilt, without the standards prescribed by the UCMJ. While most are undoubtedly issued under just circumstances, the procedure has lent itself to abuse. An individual may be charged with an "offense" that is not legally cognizable by a court-martial, may be overcharged with offenses that are not supported by the evidence, or may be coerced into issuing a confession—all with the object of inducing a plea of guilty in the form of a request for resignation or discharge under less than honorable conditions. The UCMJ and the Court of Military Appeals require that in courts-martial, such pleas be examined to ensure that they are voluntary, legally sound, and supported by the evidence. Experience has demonstrated that the mere provision of appointed counsel (as per H.R. 86) is no substitute for the requisite examination of the accused by a military judge. The review by a legal adviser of a "guilty plea" (as contained in a request for resignation or discharge) provides an expeditious means of ensuring that this power is exercised in accordance with law.

10. H.R. 86: subsec. (f) provided for review of recommendations for discharges under other than honorable conditions by panels to be established by the Judge Advocates General.

Proposal: Identical, with changes in the language to conform to the rest of the bill.

11. H.R. 86: did not grant jurisdiction over less than honorable discharges to the Court of Military Appeals, the highest court under the UCMJ and the only civilian tribunal in the military justice system.

Proposal: subsec. (g) provides the Court of Military Appeals with jurisdiction to review discharges under other than honorable conditions. Such review would be very limited. The court could consider cases only if referred to it by the Judge Advocates General, or on petition of the member if made within three months of separation. Petitions need only be accepted at the discretion of the court. Appellate counsel would be provided only where the court deemed it necessary. Review would be confined to matters of law. So as to not burden the armed services, review would take place after separation, and the court would be limited to considering the character of discharge and could not order reinstatement.

Comment:

(a) Members of the Court of Military Appeals, in congressional testimony and judicial opinions, have expressed concern over the administration of the military discharge program, especially its impact on the UCMJ, and have requested jurisdiction to review these proceedings.

(b) The proper functioning of an administrative body depends upon adequate provision for judicial review. The issuance of rules and regulations, their operation in practice, and the interrelationship with similar bodies of law (e.g. the UCMJ) must be subjected to judicial supervision. The federal courts are not equipped to fulfill this role. To date, federal court consideration of discharge questions has been haphazard and confused. It is an ad hoc approach which varies from court to court and circuit to circuit. This function properly belongs with a body that was constituted to review military justice and discipline. Consideration by the Court of Military Appeals, properly limited to cases selected in its sound discretion, will provide the oversight and expertise that heretofore has been missing from the administration of the discharge program.

12. H.R. 86: subsec. (f) provided that a member cannot be required to submit to a second board proceeding solely for conduct that was considered by a previous board.

Proposal: subsec. (i) substitutes the words "in whole or in part" for "solely"; it also adds that previous consideration by a court-martial will bar action by a subsequent discharge board, except under the three-time offender provision of subsection (b) (1).

Comment:

(a) The word "solely" vitiates the effect of the former jeopardy provision of H.R. 86. An individual could be completely vindicated at a board hearing for an alleged act of misconduct, and then could be required to submit to a second proceeding for the same act, so long as an additional act was alleged. The insertion of the words "in whole or in part" will preclude this possibility.

(b) If an individual has been tried by a court-martial but has not been convicted, he should not be subjected to the risk of a discharge under other than honorable conditions for the same alleged act of misconduct. Even though the technical rules of the two proceedings may differ, it undermines the principle of fairness to impose such a punishment in a second proceeding when the earlier tribunal did not render a conviction. Similarly, if a court-martial has been held and conviction obtained—but a punitive discharge was not imposed—then an administrative board should not be permitted to impose a less than honorable discharge when the court-martial chose not to do so for the same misconduct. It should be recalled that the frequent offender provision of subsection (b) (1) specifically permits 3 convictions to form the basis of a less than honorable discharge. Also, after a board of officers has made a finding that a specific act of misconduct (not the subject of previous proceedings) warrants separation from service, it would be proper for the board to consider previous convictions in determining the character of discharge, just as a court-martial may consider previous offenses in imposing a sentence once it has reached a determination of guilt in the case before it. Conversely, the proposal makes it clear that the former jeopardy provision does not preclude separation from service, so long as a less than honorable discharge is not imposed.

13. H.R. 86: subsec. (g) listed the provisions of law which cover less than honorable discharges.

Proposal: identical.

14. H.R. 86 did not address the question of other discharge papers which may disclose the character or conditions of discharge.

Proposal: subsec. (k) provides that the member, following discharge, may request a form which gives information as to his rank, time of service, training completed, MOS assignments, awards, character of discharge, and specific findings when a less than honorable discharge has been awarded.

Comment: Although the controversial SPN numbers have been abolished, they have been replaced by a practice which may produce even greater problems for the honorably discharged veteran. The member may now be furnished a narrative description of reason for discharge. This narrative simply contains the language represented by the old SPN codes; e.g. homosexual tendencies, drug abuse, etc. Thus, an honorably discharged veteran may be labeled in an adverse manner without ever having the allegation determined in an administrative proceeding.

Clearly, there is a need for veterans to have certain information about their period of service to be used in seeking employment. But it is not clear that military personnel who have been honorably discharged should be stigmatized by broad generalizations which have not been the subject of formal administrative findings. Therefore, the proposal seeks to specify the information which a veteran would need to obtain employment, and to permit the armed forces to record an accurate description of an approved set of findings when a less than honorable discharge has been awarded.

15. H.R. 86: subsec. (h) cross-referenced to provisions covering commissioned and warrant officers.

Proposal: subsec. (l) is identical.

16. H.R. 86. In subsec. (g) (1) there was mention of a verbatim transcript of the discharge hearing when an appeal is taken.

Proposal: Creates a new subsection (m) to clarify that the verbatim transcript and service record is to be made available for appeal to the Court of Military Appeals and for appeals currently permitted to the Discharge Review Boards and the Boards for Correction of Military Records.

Comment: transcripts and records are essential for the processing of a meaningful appeal and review at both the pre- and post-discharge stages.

17. H.R. 86: repealed and modified various sections of title 10 to conform to the rest of the bill.

Proposal: identical.

18. H.R. 86: recodifies and modifies various sections of title 10 dealing with separation of officers, to modernize procedures, and to conform to the rest of the bill.

Proposal: identical.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 20 minutes.

Mr. FRENZEL. Mr. Speaker, today, I am introducing a bill to further reform our system of campaign financing, the Federal Election Campaign Act Amendments of 1975.

The 93d Congress passed landmark legislation in this area, the Federal Election Campaign Act Amendments of 1974. This law, signed by President Ford on October 15, should have historic, far-reaching effects on our political process. In particular, the establishment of an independent Federal Election Commission should help assure vigorous and judicious enforcement of the new law.

SPECIAL INTEREST MONEY

The 93d Congress, however, did not finish the job. Most importantly, it did not effectively regulate special interest committees. While special interest committees were limited as to how much they could give a particular candidate—$5,000—the 1974 act did not go nearly far enough.

During the 1974 elections, special interest committees gave more than ever to candidates and their political committees. There are, as of yet, no final totals, but it is likely that special interest giving totaled around $20 million. If campaign contributions are ever used for leverage in the political system, then surely special interest groups head the list of those who may give with the purpose of influencing candidates. These contributions are questionable for several reasons:

First. "Special interests" are exactly what the name implies. Each of these groups has its own special and particular interests which it attempts to promote in the legislative and political process. Oftimes, these interests may be at odds with the public interest. By giving contributions, these special interests hope to increase their political muscle and gain passage of legislation favorable to their interests, or kill legislation that is unfavorable.

Second. Most of this money goes to incumbents, who are already too well entrenched in office. On the average, over 90 percent of incumbents win in congressional races. Challengers are frequently unable to wage effective campaigns, because they cannot raise sufficient funds to wage an effective campaign. At other times, they raise sufficient funds, but still find themselves far outspent by incumbents with gigantic war chests. The latest figures I have seen indicate that special interest groups gave four times as much money to incumbents as to challengers. Some of the contributions were made after the election was over. This situation is clearly unhealthy, because much of the money is given to incumbents with the knowledge that they will probably win and be in a position to help the special interest groups further their legislative objectives.

Third. Special interest money gives a handful of people disproportionate influence over the political process. In the case of some special interest committees, a handful of people decide where the contributions of thousands of people are to be spent. Many thousands of dollars from thousands of contributors may be collected in these pools, but only an elite few decide where the money is going

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Ofttimes, these are the same people who will, in the next Congress, be lobbying on behalf of the special interest group's legislative program.

A key provision of the 1974 act prohibits an individual from giving more than $25,000 to all Federal candidates and political committees in a calendar year. We should not limit what each individual can give from his personal funds to $25,000, but then allow some individuals to allocate hundreds of thousands of dollars of special interest campaign contributions.

Mr. Speaker, the legislation I am introducing today has three provisions which would strictly regulate special interest giving:

First. Since it can be argued that a ban on special interest giving would be unconstitutional, I strongly favor, instead, another approach which would drastically curtail the capabilities of special interests to gain influence through contributions. This proposal would prohibit the pooling of funds and require all contributions made through special interest groups to identify the original donor. In addition, each individual contributor must designate the intended recipient. Special interest groups would only be allowed to act as the agents of individual contributors, thereby reducing considerably whatever influence they gain through campaign contributions.

Second. The second proposal would be to reduce the amount a special interest committee can give to any candidate from $5,000 to $2,500. Special interest groups should not be allowed to contribute five times as much as individuals.

Third. In the past, special interest groups have avoided full disclosure or the gift tax by proliferating the number of their political committees. This same activity could be used to circumvent contribution limitations. Some special interest groups set up 10, 15, or 20 political committees to channel funds to candidates in anticipation of the passage of the 1974 contribution limitations. While the legislative history of the law clearly prohibits such activity, I feel that it is necessary to include specific language in the law banning the proliferation of political committees to circumvent the limitations in order to insure that the courts and administrators have absolutely no latitude in interpreting the law.

DIRTY TRICKS

The 1974 act also failed to include provisions which would specifically outlaw many of the dirty tricks carried out in the 1972 campaign. The Ervin committee made several important recommendations on dirty tricks, many of which are incorporated in this bill. My legislation would:

First. Prohibit Federal and State and local employees from using their official authority in connection with any activity which is financed by subsidies, contract payments, or other payments of the Federal Government to interfere or affect any Federal election. Present law limits this prohibition only to activities involving loans and grants.

Second. Prohibit election campaign espionage.

Third. Prohibit employees of a candidate or political committee from concealing any campaign abuses or violations of election laws.

Fourth. Forbid the unlawful use of campaign materials, including the embezzlement and stealing of materials from any candidate.

Fifth. Prohibit the infiltration of Federal election campaigns for espionage and sabotage purposes.

Sixth. Prohibit the use of funds to finance violations of any Federal election laws.

Seventh. Make it a separate offense to commit a violation of the criminal code with the intent of interfering with or affecting the outcome of a Federal election.

Eighth. Forbid any personnel of the Executive Office of the President from engaging in investigative or intelligence gathering activity not specifically authorized by statute.

Ninth. Increase penalties for violation of dirty trick provisions from $1,000 to $25,000.

The bill also strikes two provisions of title 18. The prohibition on the polling of memebrs of the Armed Forces is eliminated, because this provision has been used to curb the first amendment rights of military personnel and to harrass reporters and other persons who attempt to engage in discussion and debate with members of the Armed Forces.

Section 604, which prohibits solicitation from persons on relief, is also eliminated. This provision discriminates against those who are on relief—including the unemployed—and has never been enforced. Flagrant abuses, such as coercing persons on relief to give contributions, are still covered by sections 598, 600, and 602.

EXPENDITURE LIMITATIONS

The expenditure limitations in the new law are far too low and help to further entrench incumbents. They have the further effect of limiting political debate and preventing candidates from more fully presenting their views and ideas to the public. The present law also distinguishes between House races, House races in States with only one Representative, and Senate races. Such distinctions are arbitrary and unnecessary. My bill increases the expenditure limitation to $150,000 or 25 cents times the voting age population, whichever is greater, per election for both House and Senate races.

TAX RETURNS

The Federal Election Campaign Act Amendments of 1975 would require full disclosure of any White House request for a tax audit. A report disclosing any such requests must be made annually to the Congress and include the name and office of each officer or employee who makes the request, the name of the taxpayer who is the subject of the request, and a description of any action which the Secretary of the Treasury of his delegate took with respect to the request. Any request made by the President or an officer or employee of the Executive Office of the President, must be made in writing and be maintained on file.

The President, Vice President, and any other officer and employee of the Executive Office of the President are barred from having any access to tax returns

REPEAL OF SECTION 315

Section 315 of the Communications Act, which requires broadcasting stations to grant candidates equal time, is repealed for all Federal elections. Repeal of section 315 will help give challengers greater exposure to the electorate. Presently incumbents are given considerable coverage between elections, but are able to reduce the visibility of challengers by claiming that television coverage or debate would require the participation of many frivolous, nonserious candidates, because of the requirements of section 315. The discretion of the broadcasting stations, under my proposal, to grant free time would still be limited by the fairness doctrine. Candidates would not have to worry about broadcasting stations excluding them from the air arbitrarily.

VETO OF REGULATIONS

The 1974 act allowed both Houses of Congress to veto any regulation proposed by the Federal Election Commission. While the intent of this provision is to insure that the Commission follows the intent of Congress, it makes the Commission much less independent and allows incumbents to indirectly police their own elections. My bill repeals this provision. By the time any modification of campaign law can be passed, Congress will have enjoyed its veto for at least a year and can be presumed to have rendered valuable initial guidance to the Commission, and provided a good foundation for independent work by the Commission.

LOOPHOLES

The 1974 act made several exceptions to the definitions of contribution and expenditure, thus creating loopholes in the disclosure requirements and contribution and expenditure limitations. Most of these exceptions are unnecessary and are covered by the provisions which allow any person to make up to $1,000 in expenditures independently of a candidate. The legislation I am introducing today would eliminate these loopholes.

DISQUALIFICATION FOR FAILURE TO FILE

Under the 1974 law, candidates will be disqualified from running for Federal office in the next election for failing to file disclosure reports. This section is probably unconstitutional and is an unreasonable penalty that may be used arbitrarily. The bill I am introducing today would eliminate this section.

APPROVAL OF EXPENDITURES BY NATIONAL COMMITTEE

The 1974 Senate version of the bill adopted an amendment by former Senator Marlow Cook which would require the national committee of each political party to approve all expenditures made by its Presidential candidate in excess of $1,000. This requirement would give national parties effective control of groups such as CREEP. Unfortunately, it was dropped in conference. However, I have included it in my package of proposals.

DUTIES OF COMMISSION

The 1974 law eliminated certain duties of the supervisory officers, including those which allow them to publish an annual report and require them to encourage public dissemination of disclosure information. My bill will restore these duties and assign them to the Commission.

Mr. Speaker, despite our excellent bill of last year, total reform of our election campaign law is still an unfinished task. The proposals I have presented today will be another important step forward. They are not the only changes I shall propose. Additional improvements will be introduced later. I urge the Congress, particularly the House Administration Committee and Senate Rules Committee, to hold hearings on this bill. Adoption of these proposals will help to further cleanse our political process and prevent future Watergates.

LAND USE PLANNING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 10 minutes.

Mr. STEELMAN. Mr. Speaker, today I am introducing, together with Congressman UDALL, a new land use bill. The bill is quite similar to last year's bill reported by the Committee on Interior and Insular Affairs, but we have made some changes in order to clarify and streamline the legislation. The bill still represents a State and local government approach to land use planning. The role of the Federal Government remains one of administrator of a grant program for the States. We have reduced the amount of money authorized for the grant program and have cut down on the number of required elements in State land use programs.

I wish to state to my colleagues that despite the obvious urgency of economic and energy legislation, I believe that the land use bill remains as one of the most important bills that will come before this Chamber this session. In the first place, the need to deal with problems of the effects of large-scale development, food and fiber supply, and protection of natural areas has not diminished regardless of the state of our economy.

Although in the middle of the storm of rhetoric about crude oil tariffs or rate of inflation it may seem that the environmental movement has lost its priority, I can tell you that, at the State and local level, it is gaining in strength. That is because, as we are sometimes prone to be blinded by the issue of the moment, our constituents keep focused on long-term problems, such as those the land use bill is designed to help solve.

Nevertheless, if I for the moment believed that either this country could not afford a land use bill at this time or that such legislation were inflationary or likely to be prohibitive of energy development in some way, I would be inclined to put the land use bill on the back burner for the time being. However, those of us who have been close to the legislation over the last few years know that precisely the opposite is true. The land use legislation we introduced last year and in somewhat different form this year is designed to introduce some badly needed rationality to major land use decisions in the States so that all people with an interest in such decisions are given the chance to participate in an open process. Our great desire and hope is that such an open process will put an end to expensive delays to necessary development as well as afford some protection for areas that really should be protected. In our new bill we explicitly include procedures requiring the States to consider energy conservation and supply in actions taken pursuant to a land use program funded by our bill. Furthermore, we require that States develop methods to expedite processing of applications for development.

Our bill is balanced legislation designed to end lengthy procedures which only add cost to our market economy system. I urge my colleagues to study our new bill carefully. I am open to any and all comments on the legislation.

THE SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 60 minutes.

Mr. HARRINGTON. Mr. Speaker, I will not use the entire 60 minutes I have requested because I did not realize that we would consume this much time with regular business.

I have taken this special order so as to address myself to the creation by this body of a select committee to provide an overview—which in my opinion is long overdue—of the intelligence community in this country.

First, I wish to express my appreciation for this favorable action. More importantly, however, I wish to raise the question of whether or not in the choice of its chairman, who formerly and presently exercises the chief oversight function that is usually associated with the House in dealing with the intelligence community, we have not, perhaps, fatally flawed the likelihood that this select committee will be successful.

Already, there is public skepticism in having Nelson Rockefeller, a member of the President's Foreign Intelligence Advisory Board and thus clearly identified with the preexisting civilian review facet of the National Security Council, chairman of the so-called blue ribbon investigating committee. And, we see efforts made in the Senate on the part of the present chairman of the CIA Oversight Committee, Senator STENNIS, to, unsuccessfully, have himself continue in that function. I think that by the appointment of Congressman NEDZI to the chairmanship of the House Select Committee we have inevitably further contributed to the problem of skeptical public perception of how serious our intention is to conduct the careful, independent inquiry that is long overdue.

I think in having to overcome the awkwardness of not knowing whether we are going to have an effort to defend, legitimatize, and rationalize the prior stewardship of the CIA Oversight Committee that is chaired by the gentleman from Michigan (Mr. NEDZI) we have also created the most awkward of human relationships.

While I do not, for the moment, as I indicated to the gentleman in our conversation this noontime in explaining my intention to pursue this subject publicly, doubt Chairman NEDZI's sincerity or good intentions, I think that the record of his oversight subcommittee in dealing with both foreign and domestic covert operations speaks for itself.

It was not until repeated evidence became public, largely as the result of events which initiated outside that subcommittee resulted in a belated and overdue recognition of the need to undertake the more intensive that a select committee represents.

So, Mr. Speaker, I take the floor this afternoon to express my misgivings, which I have discussed previously with both the Speaker and Chairman NEDZI. I would suggest that these misgivings are shared by people who legitimately want to preserve the integrity of these institutions, but at the same time have some appreciation for the need for a select committee of both the House and Senate and to raise the question whether or not we will damage, in a fashion that may be difficult to repair, to the objectives which I think should be associated with the issue that is before the House and the Senate.

The Senate has very wisely chosen to bar from its Intelligence Select Committee those who had been closely identified with earlier oversight activities, including its oversight chairman, Senator STENNIS.

I only wish that the House had, in the selection of the chairman of the Select Committee, done likewise.

I think that this selection has contributed to the already pervasive public cynicism about the seriousness of Congress in this and many other endeavors. Criticism of Congress will continue to increase unless we demonstrate that we are not interested only in addressing the essential politics of the issues before us in avoid criticism.

It is for that reason that I think it appropriate and important, on the day following the announcement of the selection and the make-up of that committee, to at least raise this question and hope that it might be reflected upon in the conduct of the committee, in the use of its resources in its willingness to deal with the awkward situation and do what it can to overcome an unnecessarily imposed question as to whether it can fulfill its essential functions.

Mr. Speaker, I yield back the remainder of my time.

PARLIAMENTARY INQUIRY

Mr. SYMMS. Mr. Speaker, I should like to make a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SYMMS. It has just been brought to my attention that the House is going to be coming in at noon tomorrow. My parliamentary inquiry is, can a unanimous-consent request be made that the House not come in until noon on Monday?

The SPEAKER pro tempore. The leadership has already announced that we

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would be in session tomorrow at noon. That inquiry should be addressed more properly to the Speaker tomorrow.

Mr. SYMMS. I thank the Speaker.

INQUIRY CONCERNING THE SESSION TOMORROW

(Mr. SYMMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYMMS. Mr. Speaker, can someone on the other side tell me why it is we are coming in tomorrow?

The SPEAKER pro tempore. The Chair will request that the gentleman pose that question to the Speaker tomorrow.

Mr. SYMMS. I thank the Speaker.

PROHIBITING DISCRIMINATION AGAINST THE ELDERLY IN THE ISSUANCE OF CREDIT CARDS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, today I am introducing legislation to prohibit age discrimination in the issuance, renewal, or terms of any credit card.

This legislation is needed to remedy situations in which senior citizens, who have good credit ratings, have nevertheless been denied credit cards or have encountered difficulties while attempting to obtain them. In such instances, the elderly have been evaluated on the basis of their age, rather than their actual credit rating. They have been the victims of a highly discriminatory and insulting practice which must be abolished.

An end to age discrimination is reason enough in itself to pass this legislation.

However, there is another reason to justify its passage. The elderly are exceptionally vulnerable to muggings and street robberies. Without credit cards, they are obliged to carry cash and thereby become easy prey for the unscrupulous.

It should be noted that this legislation does not cause credit card issuers to ignore a person's credit rating. It merely insures that the credit evaluation process will not be altered because of an applicant's age.

I invite my colleagues to join with me in remedying another example of discrimination against older Americans.

RULES OF THE COMMITTEE ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, the rules of the Committee on the Budget for the 94th Congress were adopted by the committee by majority vote, a quorum being present, at its organizational meeting on Tuesday, February 18, 1975. In accordance with clause 2 of rule XI of the Rules of the House of Representatives, I submit the rules as adopted for publication in the RECORD:

RULES OF PROCEDURE OF THE COMMITTEE ON THE BUDGET

MEETINGS

1. Regular meetings*

The regular meeting day of the Committee shall be the 2nd Monday of each month at 11:00 a.m., while the House is in session.

The Chairman is authorized to dispense with a regular meeting when he determines there is no business to be considered by the Committee, provided that he gives written notice to that effect to each member of the Committee as far in advance of the regular meeting day as the circumstances permit.

Regular meetings shall be cancelled when they conflict with meetings of either party's caucus or conference.

2. Additional and special meetings

The Chairman may call and convene additional meetings of the Committee as he considers necessary, or special meetings at the request of a majority of the members of the Committee in accordance with House Rule XI, clause 2.

In the absence of exceptional circumstances, the Chairman shall provide written or verbal notice of additional meetings to the office of each member at least 24 hours in advance while Congress is in session, and at least 3 days in advance when Congress is not in session.

3. Open business meetings

Each meeting for the transaction of Committee business, including the markup of measures, shall be open to the public except when the Committee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than members of the Committee and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This rule shall not apply to any meeting that relates solely to matters concerning the internal administration of the Committee.

4. Quorums

A majority of the Committee shall constitute a quorum. No business shall be transacted and no measure or recommendation shall be reported unless a quorum is actually present.

5. Recognition

Any member, when recognized by the Chairman, may address the Committee on any bill, motion, or other matter under consideration before the Committee. The time of such member shall be limited to 5 minutes until all members present have been afforded an opportunity to comment.

6. Consideration of business

Measures or matters may be placed before the Committee, for its consideration, by the Chairman or by a majority vote of the members of the Committee, a quorum being present.

7. Rollcall votes

A rollcall of the members may be had upon the request of at least 20% of those present.

8. Proxies *

Any member of the Committee may vote by special proxy if the proxy authorization is in writing, asserts that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

* Written rule required by House Rules.

9. Announcement of hearings

The Chairman shall publicly announce the date, place, and subject matter of any Committee hearing at least one week before the commencement of that hearing, unless he determines there is good cause to begin such hearing at an earlier date, in which case public announcement shall be made at the earliest possible date.

10. Open hearings

Each hearing conducted by the Committee shall be open to the public except when the Committee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. The Committee may by the same procedure vote to close one subsequent day of hearing.

11. Quorums*

For the purpose of hearing testimony, not less than two members of the Committee shall constitute a quorum, one of whom shall be from the majority and one from the minority.

12. Time for questioning witnesses

Committee members shall have not to exceed five minutes to interrogate each witness until such time as each member who so desires has had an opportunity to interrogate such witness.

After all members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

In questioning witnesses under the five minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the Chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recognition for questioning in such a manner as not to disadvantage the members of the majority.

13. Subpoenas and oaths

In accordance with House Rule XI, clause 2(m), subpoenas authorized by a majority of the Committee may be issued over the signature of the Chairman or of any member of the Committee designated by him, and may be served by any person designated by the Chairman or such member.

The Chairman, or any member of the Committee, may administer oaths to witnesses.

14. Witnesses' statements

So far as practicable, any prepared statement to be presented by a witness shall be submitted to the Committee at least 24 hours in advance of presentation, and shall be distributed to all members of the Committee in advance of delivery.

BROADCASTING

15. Committee prints

All Committee prints and other materials prepared for public distribution shall be approved by the Committee prior to any distribution, unless such print or other material shows clearly on its face that it has not been approved by the Committee.

16. Broadcasting of meetings and hearings

It shall be the policy of the Committee to give all news media access to open hearings of the Committee, subject to the requirements and limitations set forth in House Rule XI, clause 3.

Whenever any Committee business meeting is open to the public, that meeting may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, in accordance with House Rule XI, clause 3. However, a majority of the Committee may decide at any time to exclude radio, television, and still camera equipment from the Committee room.

STAFF

17. Committee staff.

Subject to approval by the Committee, and to the provisions of the following paragraphs, the professional and clerical staff of the Committee shall be appointed, and may be removed, by the Chairman.

In addition to the staff referred to in the above paragraph, the Chairman shall appoint four professional staff consultants and four clerical staff, recommended by the majority members of the Committee, who shall provide additional staff assistance to the majority members, and two professional staff consultants and two clerical staff, recommended by the minority members, who shall provide additional staff assistance to the minority members, and such other staff as may be from time to time required. The remuneration of such majority and minority professional consultants and clerical staff shall be determined by the Committee.

Committee staff, and consultants, shall not be assigned any duties other than those pertaining to Committee business, and shall be selected without regard to race, creed, sex or age, and solely on the basis of fitness to perform the duties of their respective positions.

All Committee staff, including the majority and minority professional consultants and clerical staff, shall be entitled to equitable treatment, including comparable salaries, facilities, access to official Committee records, leave, and hours of work.

18. Staff supervision.

Staff shall be under the general supervision and direction of the Chairman, who shall establish and assign their duties and responsibilities, delegate such authority as he deems appropriate, fix and adjust staff salaries (in accordance with House Rule XI, clause 6(c)) and job titles, and, in his discretion, arrange for their specialized training.

Staff assigned to the minority shall be under the general supervision and direction of the minority members of the Committee, who may delegate such authority as they deem appropriate.

COMMITTEE RECORDS

19. Preparation and maintenance of committee records.

An accurate stenographic record shall be made of all hearings.

The proceedings of the Committee shall be recorded in a journal which shall, among other things, include a record of the votes on any question on which a record vote is demanded.

Members of the Committee shall correct and return transcripts of hearings as soon as practicable after receipt thereof.

Any witness may examine the transcript of his own testimony and make grammatical or technical changes that do not substantially alter the record of testimony.

The Chairman may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a reasonable time for corrections, and that further delay would seriously impede the Committee's responsibility for meeting its deadlines under the Congressional Budget Act of 1974.

Transcripts of hearings and meetings may be printed if the Chairman decides it is appropriate, or if a majority of the members so request.

20. Access to committee records

The Chairman shall promulgate regulations to provide for public inspection of rollcall votes and to provide access by members to Committee records (in accordance with House Rule XI, clause 2(e)).

Access to classified testimony and information, and to information, data, estimates, and statistics received from the Congressional Budget Office that are subject to the provisions of section 203(c) of the Congressional Budget Act of 1974, shall be limited to members of the Committee, and to Committee staff and stenographic reporters who have appropriate security clearance.

Notice of the receipt of such information shall be sent to the Committee members. Such information shall be kept in the Committee safe, and shall be available to members in the Committee office.

APPLICABILITY OF HOUSE RULES

21. Applicability of house rules

Except as otherwise specified herein, the Rules of the House are the rules of the Committee so far as applicable, except that a motion to recess from day to day is a motion of high privilege.

CONFEREES

22. Appointment of conferees

Majority party members recommended to the Speaker as conferees shall be recommended by the Chairman subject to the approval of the majority party members of the Committee. The Chairman shall recommend such minority party members as conferees as shall be determined by the minority party, provided that the recommended party representation shall be in approximately the same proportion as that in the Committee.

IMPROVING THE INDEPENDENCE OF THE REGULATORY COMMISSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Moss) is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, I have today introduced the Independent Regulatory Agencies Reform Act on behalf of myself, Mr. DINGELL, Mr. ROONEY, Mr. ECKHARDT, Mr. CARNEY, Mr. METCALFE, Mr. SCHEUER, Mr. BRODHEAD, Mr. FLORIO, Mr. OTTINGER, and Mr. SANTINI. The purpose of this legislation is to give the independent regulatory agencies the authority they need, free of political pressure, to adequately serve the public interest.

Over the past 35 years, the executive branch has gained extensive control of the regulatory agencies. In each case, these administrative controls have been achieved by the Executive with the acquiescence or express permission of the Congress in the interest of economy and organization.

One of the most highly respected men to serve on a regulatory agency, former ICC Commissioner Joseph Eastman, once observed:

That to be successful (the Regulatory Commissions) must be masters of their own souls, and known to be such.

We sincerely believe that the erosion of regulatory independence of the agencies has now progressed to the point where no agency is seriously regarded as the "master of its own soul." And today many doubt whether these agencies are any longer able to faithfully and vigorously carry out assigned legislative and judicial functions within general statutory standards of legislative policy. Great care was taken in the enabling statutes to create agencies which would be as far removed as possible from partisan politics or political influence. From the first day of their creation, however, every President who has held office—whether Republican or Democratic—has attempted to subject the regulatory agencies to executive control and dominance.

We believe that the time has come—and is perhaps long overdue—for Congress to act affirmatively to return to the legislative branch the influence over these regulatory commissions which through the years we have permitted the executive department to acquire and abuse. We are today, therefore, introducing legislation designed to restore to these agencies the regulatory freedom which the Congress originally intended them to have.

Reduced to its barest terms, this legislation would break the influence of the executive branch by narrowly limiting its exercise of administrative control over the independent agencies and, in some cases, by revoking existing authority. To briefly summarize its basic provisions, this legislation would—

First. Require Senate confirmation for appointments of agency chairmen. Today the Senate only examines the appointment of chairman, if a Commissioner is designated as chairman at the time he is appointed to the Commission;

Second. Require that chairmen, once designated, shall continue to serve as such for the duration of their terms as members of the Commission;

Third. Prevent removal of agency chairmen or Commissioners except for neglect of duty or malfeasence in office;

Fourth. Permit the regulatory commissions to control civil litigation to which they are a party and to appeal lower court decisions of their own motion and on their own behalf;

Fifth. Direct the agencies to submit legislative recommendations or comments on pending bills directly to Congress and not to seek or obtain prior clearance or review of such submissions by any department of the executive branch;

Sixth. Require the agencies when submitting budgets to the Executive, to simultaneously submit all estimates or requests to Congress and to support those budget requests in testimony before Congress, so that we may have a clear understanding of what resources the agencies themselves believe are necessary to carry out their assigned duties;

Seventh. To assure that congressional committees and subcommittees have access to the records of independent regulatory agencies for the purpose of legislation and oversight;

Eighth. To prohibit the political clearance by the White House of any employees of the independent regulatory agencies, while requiring that those employees meet the standards of the civil service laws; and

Ninth. To require each agency to publish revised conflict of interest regulations designed to insure its independence from the economic interests it is established to regulate.

We should note, parenthetically, that—except for the Civil Aeronautics Board—this legislation deals only with the regulatory commissions subject to the jurisdiction of the Committee on Interstate and Foreign Commerce, of which we are members. Thus, its terms will relate to the Federal Communications Commission, the Federal Trade Commission, the Federal Power Commission, the Interstate Commerce Commission, the Se-

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curities and Exchange Commission, the Consumer Product Safety Commission, as well as the Civil Aeronautics Board. It does not attempt to restore the regulatory freedom of the Federal Maritime Commission which is subject to the jurisdiction of the Committee on Merchant Marine and Fisheries; nor does it deal with the National Labor Relations Board which has a different cross-industry function and a peculiar status among the regulatory commissions.

We will not take the time to discuss the merits of each of these proposals today: In passing, however, we would like to make one point with respect to the suggestion that the budgetary process be amended to provide greater visibility of the agencies' determination of need. As we all know, the independent agencies are vested with enormous powers to regulate the essential industries of land and air transportation, gas and electric power, communications, and the securities markets and to improve consumer protection and the competitive practices employed by all business enterprises.

As one commentator has noted:

> The decisions of these agencies directly affect the national economy and influence the quality, service and prices paid by consumers in well-nigh every category of trade and commerce.

Yet, in a total budget for fiscal year 1973, of $271 billion, only $159 million was requested for these agencies—or less than one-tenth of 1 percent of the Federal budget. Perhaps no other single fact than the failure of the executive branch to request adequate funding for these vital agencies argues more strongly for this legislation.

We have incorporated in this bill what we believe to be a workable plan to restore the independence of the regulatory commissions. Hopefully, it will serve also to restore public confidence in the ability of these agencies to fairly and impartially administer their regulatory responsibilities.

In the words of Mr. Justice Jackson, while the power to legislate belongs to the Congress—

> Only Congress itself can prevent power from slipping through its fingers.

This we have allowed to happen. Accordingly, we now must act to return that power to the Congress, to clarify the role of the regulatory agencies, to provide them with the direction which they need and which the President now seeks to give them in the place of the Congress, and to greatly improve and augment our means of legislative investigation and oversight over these agencies so that they may more properly carry out their functions as arms of the legislative department. This legislation is an important first step in that direction.

INTRODUCTION OF LEGISLATION TO AMEND THE EQUAL CREDIT OPPORTUNITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today, along with eight other Members of the House, I have introduced legislation to amend the Equal Credit Opportunity Act to prohibit discrimination in lending based on race, color, creed, religion, age, or national origin.

As chairman of the Consumer Affairs Subcommittee I feel it is important that action be taken on this legislation as quickly as possible. I am pleased that a vast majority of my subcommittee members have joined me in sponsoring the legislation. The other cosponsors are Mrs. SULLIVAN of Missouri, Mrs. SPELLMAN of Maryland, Mr. BARRETT of Pennsylvania, Mr. GONZALEZ of Texas, Mr. FAUNTROY of the District of Columbia, Mr. NEAL of North Carolina, Mrs. FENWICK of New Jersey, and the chairman of the full Banking, Currency and Housing Committee, Mr. REUSS of Wisconsin. The Equal Credit Opportunity Act was passed during the 93d Congress. It prohibits discrimination in the granting of credit based on sex or marital status. Although the Consumer Affairs Subcommittee of the House had reported a bill to the full committee precluding discrimination on sex, marital status, plus the other categories enumerated in my legislation introduced today, there was not enough time during the closing days of the Congress to push through the House version of the bill. It was necessary to accept the limited discrimination bill proposed by the Senate.

Mr. Speaker, there is far too much discrimination in the granting of credit in today's economic marketplace. And this discrimination must be eliminated. Why should a man 65 years of age be denied credit solely because of his age or why should a woman be denied the opportunity to open a charge account solely because she is black. Of course, the problem is even more acute when a person happens to fall within two or more categories of discrimination.

In testifying before the Consumer Affairs Subcommittee last year, John H. Powell, Jr., Chairman of the Equal Opportunity Commission, perhaps best summarized up the feeling found in this legislation when he said:

> No inquiry should be permitted into the applicant's sex, race, religion or national origin because there is not a relationship between an individual's credit worthiness (whether he will and can repay a loan) nor should such an inquiry be relevant to ascertain the creditors' rights and remedies in the event of default.

I would add that the same remarks hold true in the question of age.

In far too many cases, however, lenders merely reject or place great negative weight on factors such as age, race, color, creed, religion, or national origin of credit applicants. Some financial institutions even set quotas, particularly in the minority lending field. It is difficult to pinpoint precise discrimination because of the mysteries which surround credit granting decisions. It is my feeling that if every financial institution used a similar set of criteria for establishing the credit worthiness of individuals, more favorable credit decisions would be rendered. In addition, if the institutions were required to keep written records of each stage of the credit process, applicants who felt they were discriminated against would have specific recourse to the courts. While I am not suggesting that creditors keep detailed records, there should be some type of standard procedure that would enable a perspective borrower to learn for himself whether or not there was discrimination. Mr. Speaker, it is my intent to hold hearings on this legislation in the near future so that the discrimination in credit granting can be eliminated. Credit should be granted on one basis alone—the ability of the borrower to repay. And that in very simple terms is what the legislation being introduced today seeks to accomplish.

MAKING DR. MARTIN LUTHER KING, JR.'S BIRTHDAY A NATIONAL HOLIDAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 5 minutes.

Mr. COTTER. Mr. Speaker, we honor men as much for what they represent as for what they did in their lives. The examples of strong character and determination set by George Washington and Abraham Lincoln have long been honored by our Nation. This legacy of outstanding personal qualities even rivals their historic contributions to this land. Over the past two decades one man stands out in the same way. Martin Luther King accomplished much for this country; but more than that, he left an enduring example of compassion and a willingness to stand up for justice that can inspire all Americans.

The Reverend Martin Luther King brought home to everyone in this country the differences remaining between the American reality and the American dream. He saw families hungry, children uneducated, and citizens treated unequally—in a rich land that promised "liberty and justice for all." King could not tolerate complacency in the face of these conditions, so he dedicated his life to the peaceful attainment of justice and equality of opportunity for every person. His commitment stands today as the best example of one man's determination to call forth from his fellow countrymen the will to put our historic ideals into practice.

To make January 15, the birthday of this great man, a national holiday would be a symbolic step toward renewing that quest which seemed to end so abruptly in the spring of 1968. The Reverend Martin Luther King can represent for every American the dedication needed to work for our personal and national goals in a wise and peaceful manner. It was this kind of dedication which won him the 1964 Nobel Peace Prize; and it is this kind of commitment to which we all should aspire. A national holiday would be a fitting memorial to this man and to those personal qualities he exemplifies.

I hope my colleagues will concur in this sentiment. And more than that, I fervently hope that all Americans will commit themselves to those beliefs for which Martin Luther King stood and died.

TOWARD A BARRIER-FREE ENVIRONMENT FOR ALL HANDICAPPED AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 15 minutes.

Mr. BRADEMAS. Mr. Speaker, among the many problems facing handicapped Americans, one of the most frustrating is that the physical environment many of us take for granted can pose difficult and, indeed, insurmountable obstacles to them.

A wheelchair-bound person, for example, cannot negotiate a flight of stairs, and, without elevators, may be denied access to many buildings or their upper floors.

Mounting a bus, reaching a water fountain or a telephone or gaining access to restroom facilities may be equally out of the question for a man or woman in a wheelchair unless special arrangements have been made for them.

Mr. Speaker, I am sure that many of my colleagues are also aware of the disgraceful insensitivity of many major American commercial airlines to the problem of people in wheelchairs and on crutches.

Over the Christmas holidays, a wheelchair-bound member of the staff of the Senate Labor and Public Welfare Committee was arrested and physically removed from an airplane because the company did not wish to transport her. After she had been removed from the airplane, no charges were placed against her. I regret to say that the Federal Aviation Administration has been of little or no help to handicapped citizens wishing to take advantage of airflight.

Mr. Speaker, some limited progress has been made to remove architectural and transportation barriers to the handicapped.

I cite in particular the Architectural Barriers Act of 1968, which was amended in 1970 by Public Law 91-205, requiring barrier-free access to buildings built with Federal funds.

This new awareness of the need for special arrangements for the handicapped can be seen in the buildings here on Capitol Hill. Although we clearly still have much to do, toilet facilities, telephones, water fountains and ramps are beginning to be made available in the buildings of the House and the Senate for our disabled fellow citizens.

But, Mr. Speaker, because the provisions of the Architectural Barriers Act of 1970 are not being fully met, Congress in 1973 created the Architectural and Transportation Barriers Compliance Board in the Rehabilitation Act.

It is the purpose of this Board to see that the legislative mandates of Congress are being met, and the board has already held several hearings around the country.

Mr. Speaker, because barrier-free access to buildings and transportation systems is absolutely essential to the well-being of millions of disabled Americans, I believe it is high time that Congress restated its commitment to this concept.

I am today, therefore, introducing a resolution stating the sense of Congress "that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment."

An identical measure has been introduced in the other body by our distinguished colleague from West Virginia, Senator JENNINGS RANDOLPH, who has for many years been a vigorous and effective voice for America's handicapped persons.

CONCURRENT RESOLUTION

Whereas it is estimated that one out of ten persons in the United States today has limited mobility due to a temporary or a permanent physical handicap; and

Whereas improved medical techniques and an expanding population of older persons is increasing the number of persons with limited mobility every year; and

Whereas the physical environment of our Nation's communities continues to be designed to accommodate the able-bodied, thereby increasing the isolation and dependence of disabled persons, and to break this pattern requires a national commitment; Now therefore, be it

Resolved by the House of Representatives (Senate concurring), That it is the sense of Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their communities.

STUDENT FINANCIAL AID ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. O'HARA) is recognized for 30 minutes.

Mr. O'HARA. Mr. Speaker, I have today introduced a bill, H.R. 3471, to amend title IV of the Higher Education Act of 1965 and otherwise to amend and extend this basic statutory authority for the general Federal student financial assistance programs. At the same time, I am announcing the opening of hearings before the Subcommittee on Postsecondary Education on student financial assistance proposals, including H.R. 3471. These hearings will begin on March 10, and will, I hope, be fairly quickly brought to a close so that we can bring a student assistance bill to the House floor quite early this year. When that task is completed, it is my further intention to move into immediate hearings on legislation to amend and extend the rest of the Higher Education Act. I hope, Mr. Speaker, that the House can complete its work on all of the Higher Education Act during 1975.

I will, in these remarks, describe in some detail what H.R. 3471 does to existing student assistance programs, but I would like to preface that explanation with a few observations about the basis upon which the legislation has been built.

In the 92d Congress, the subcommittee, then known as the Special Subcommittee on Education, under the chairmanship of Representative Edith Green of Oregon, brought forth a major revision of the Higher Education Act, with particular emphasis on the student assistance provisions. This was enacted in June of 1972 as Public Law 92-318. At the beginning of the 93d Congress, Mrs. Green transferred to the Committee on Appropriations, and I succeeded to the chair she had held so long.

With tireless help and cooperation from the other members of the subcommittee, I scheduled an extensive series of hearings designed to examine existing programs in detail. We held 26 days of oversight hearings on these programs. We heard from 120 witnesses—from students, from educators, from college presidents and deans, from Federal, State, local, and institutional student financial assistance administrators, and from others whose expertise was lavished upon the subcommittee.

When the hearings were concluded, we then called in 30 of these experts, gave them the anonymity of closed seminars, allowed them to shed their institutional and associational identities, and asked them to tell us what they, individually, thought would be the ideal student financial aid system.

From these hearings and seminars, from the bushels of correspondence I have received from other experts and practitioners, and above all from students and their families, H.R. 3471 has emerged. No one of the witnesses or correspondents would recognize in this bill his or her prescription. But I think that literally thousands of people will be able to see in this subsection or that clause an idea that they have fed into the legislative process.

I will take the full responsibility for H.R. 3471 and for its manifold imperfections. I hope and trust that during the course of our concluding hearings and our mark-ups the normal working of the legislative process will identify those imperfections and help us improve the product. But the final legislation will not be the work of any one legislator, or any one group. It will be the best kind of combination of hard thinking, hard work and hard bargaining, in a free and open forum.

There are no revealed truths and there are no straw men in H.R. 3471. I am by no means ashamed of the present draft and I would vote for it now if it were before the House for final passage just as it is. But neither do I believe that any part of it is exempt from discussion and amendment. I am neither ashamed of my ideas nor unduly impressed with their brilliance. I shall welcome the contributions of the same kinds of people who have brought the bill this far—students, their families, the education community and my colleagues in the Subcommittee, the parents Committee and the whole House. Together I think we can write a new student assistance bill which will help us cope with the new problems that have arisen since 1972.

Let me continue, Mr. Speaker, by outlining the provisions of the bill in some detail.

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BASIC GRANTS

First, the bill continues the Basic Educational Opportunity Grant program created by the 1972 amendments. But some fairly significant changes are proposed. Under present law, for example, a student is entitled to a basic grant in the amount of $1,400, minus an expected family contribution, but his grant may not exceed one-half of his cost of education. My bill would strike that half-cost limitation, but would reduce the overall dollar ceiling to the maximum grant payable under the Basic Grant program in the academic year 1975–76. Frankly, to the student who is attending a high-price school away from home, this change in the law has relatively little meaning. The cost of tuition at private institutions averages $2,300, so the top basic grant receivable would still be well under half of the tuition cost. In those school situations, in short, the basic grant under this bill will do about what it is doing today—provide a small grant to which the student or his family must add if the student is actually to be able to attend the school of his choice.

But this bill will make it possible for the student who lives at home and commutes to a public, low-tuition institution, to get a grant that meets his whole out-of-pocket cost. It is not a "neutral" proposal as between kinds of schools. It does not pretend to be. I propose this measure quite openly as one way to utilize the leverage of Federal student aid in such a way as to encourage the creation and utilization of low-cost educational opportunities.

A second change in the basic grant sections of the new bill is in the field of need analysis. Based on the extensive hearings we held last year, not only in our survey of financial assistance generally, but on the three separate occasions when the Subcommittee had to review family contribution schedules under existing BOG legislation, I have come to the conclusion that it is simply not realistic to tax assets as part of the process of determining who is eligible for a basic grant. In so many families, an equity in a home or a farm or a small business property represents an "asset" that simply is not available to help finance a child's education. It is unfair in the extreme to count such assets as though they were as negotiable as so many dollar bills. The State of New York, in operating its TAP program has found the deletion of assets from need analysis to be highly feasible. While New York State is not the Nation in microcosm, its experiences are not without national value.

I recognize, of course, that though rare, there will be cases of students qualifying for basic grants whose parents have little or no cash income, but who have huge resources in the form of readily negotiable assets—stocks, bonds, jewels, or gold bars. I am easier in my mind about such a student occasionally getting a basic grant than I am with a system which denies grants to students from truly low income families who happen to own a drafty, ill-heated house in which to live on their social security check.

There are other changes in the mechanics of the Basic Grant program, but those listed are the major ones. The level of funding required should be very close to current levels.

SUPPLEMENTAL GRANTS

The new bill proposes to continue the Supplemental Educational Opportunity Grant program by that name, but under a substantially different form. Where the current program involves need-based grants by the schools, this bill proposes grants, directly by the Commissioner, to students who first qualify, on a basis of need, for the actual payment of a basic grant, and second, who qualify on the basis of academic promise as indicated by a national list of students who demonstrate high academic promise. While the bill does not so specify, I had the National Merit Scholarship List in mind as one possibility.

The principle involved in this section is based on my belief that there ought to be some consideration of merit in the award of Federal student aid; that there is a national interest involved in seeing that students who have demonstrable need, but who also have demonstrable academic promise, should be able to receive more than just the basic grant which the BOG program gives to everyone who can show financial need. The SEOG program proposed in this bill would provide to those who qualify for it, a full cost postsecondary education, full tuition, fees and books, and a grant covering average cost of living or commuting, as appropriate. The bill would authorize an annual appropriation of $200 million for SEOG, and, by the use of the threshhold device which has preserved the existing SEOG program from the depredations of the budgeters for the past 3 years, would in fact require that full appropriation as a condition of carrying out the basic grant program.

STATE INCENTIVE GRANTS

A major upgrading of an existing program is involved in the bill's proposal for a 10-fold increase in the amount of money expended on the State student incentive program. Authorized for this program is $200 million, which this year received slightly under $20 million in appropriated funds. States which must now utilize those funds solely for grants, may, under the new bill, utilize them for grants, work-study, or in providing additional facilities for students at zero-tuition public institutions. The States, aside from being required to match the Federal contribution, dollar for dollar, are not limited in the choices they may make among these three alternatives, and the Commissioner of Education is expressly forbidden from trying to limit or influence their choice by regulation or any other means. It is my belief that if a State is to be given funds to carry out a student aid program, it should be given some real flexibility in designing and carrying out that program. The more time I have spent in working with education legislation, the less convinced I become that the Office of Education is able to make decisions better than, or as well as, State and local agencies.

The allocation formula for this program is one which was suggested to the subcommittee last year by Dr. Ben Lawrence, who had earlier served as Executive Secretary of the National Commission on the Financing of Postsecondary Education. It was, however, originally developed by Dr. Wayne Kirschling and the late Dr. Ruby Postweiler.

Here, as elsewhere in the bill, I assume full responsibility for any inadequate translation of the Lawrence-Kirschling-Postweiler technique into the language of legislation, and I expect that the formula for the distribution of these funds will be subject to very serious discussion and refinement in committee, but let me summarize the present formulation in this way.

For each State a State effort index is computed by adding the total of State and local expenditures for institutions of higher education to the total of State and local expenditure for student assistance less the amount received by the State in the form of tuition. This resultant figure is then divided by the total personal income for the State. This figure is then multiplied by the ratio of students to the State's total population.

Each State's effort index is then converted to a percentage of the State effort index for the State having the highest State effort index. A maximum per student award is computed for the State with the highest effort index.

Each State's student award is then computed and multiplied by the number of students in the State, to determine the total allocation for the State.

The States would still be required to match the money allocated. If they do not, the Commissioner could reallocate the funds among the States according to their State effort.

I am not sure, Mr. Speaker, that this prose description of a mathematical function has clarified what the bill seeks to do. But let me try to sum up the policy implicit in this formula by saying that it does seek to refrain from influencing a State in its choice between putting its money into student aid or into institutional aid, and to reward a State in terms of its effort, measured against its ability to make that effort. I have examined other formulas and each of them seems to have some flaw that I do not perceive in this plan. Formulas which rely solely on state aggregate effort forever favor the wealthier States. Formulas which rely on inverse ratios to State income, or on demonstrable need forever favor those States which have the least, even if they are, as they sometimes are, those which make the smallest effort. Formulas which rely on increases in State effort may reward past penury and penalize early State initiatives. This plan no doubt has built-in biases and I hope that rigorous examination will bring them to light. But it does have one virtue, which I consider very important—it does not seek by allocation legerdemain to force the kinds of substantive program choices upon the States which the program description language in the bill seeks to forbid.

TRIO

The next program the bill authorizes is the existing four-part set of special programs for disadvantaged students which is called the TRIO program. Veterans are added to the target population eligible for these programs, and the $25 million currently being appropriated for the veterans' cost-of-instruction program is transferred to the TRIO authorization.

COST OF INSTRUCTION

The programs I have just described constitute part A of the new title. There is one part of the existing part A which does not appear in the new part A, nor in the rewritten title at all. Those are sections 419 and 420 which set up two institutional aid programs. Section 419 created in 1972, an institutional aid program, tied to the amounts allocated to each school for student aid programs. It is based on the concept that each additional student a school receives costs that school more than his tuition, and that the operation of a Federal aid program which brings new young people to a college door and gives them enough to pay their tuition ought to provide the school with something to bear that added cost. As adopted in 1972, the section was a frank and undisguised effort to compromise the disagreement between those who believed that we should aid institutions and those who believed we should aid students—or, at the very least, who looked upon student aid as a means of channeling aid to institutions. I have been advised by people whose opinions I value very highly that to leave this section out of the student aid title, even though I plan to introduce it in another place in the Act when we take up the other titles, will be to reopen that old discussion and to jeopardize what they consider the achievement of 1972.

I have been moved by this argument, and by the enormous respect I have for those who advance it, but I think it fails on two counts. First, the argument in fact remains open, and there is no way of papering it over by putting it in one part or another part of a given bill. But secondly, and even more significantly, the victory of 1972 has proven to be a wholly empty one. As with many other parts of the 1972 amendments, the Nixon-Ford administration has simply refused to carry out the law. Grants to which the law says institutions are entitled have never been budgeted by the administration. And, before I cast too much scorn on the administration for its unwillingness to carry out the law, let me remind my colleagues that we in the Congress have made no serious effort to fund section 419, either. So the victory of 1972 has been emptied of its content by the joint inaction of the Congress and the executive branch ever since the cheering ended 3 years ago. It seems to me that if we are to demand respect on the part of the executive branch for its duty to carry out all of the law, whether it likes it or not, we must be willing to test our own commitment to every part of that law. If we have not the will to fund institutional aid, let us stop pretending we do by enacting what we know to be empty words. If we have the will, but do not believe we have the money, which I think is closer to the fact, then let us authorize what we can fund, and keep our promises until a better day. And if we have both the will to fund it and to either add to our postsecondary educational outlay or refocus them so that the money is available, then let us do that. But I do not believe we ought to take what seems to be the easy way and pretend that there is an institutional aid program in being, if only we do not scare it away by talking about it.

Those may seem like harsh words, Mr. Speaker, but I know my old friends will not hear them that way. I have never departed from my belief in the full funding of education programs on the statute books. But I have come to the conclusion, particularly in the past 2 years, that when we authorize more than we are able or willing to fund, we give to the executive branch a hunting license. We invite the budgeteers and the makers of law-by-regulation to pick and choose which law they will obey and which they will treat with the contempt that has been all too evident below the foot of Capitol Hill in these difficult years. We in the Congress have a dual responsibility to our legislative function. We must exercise it vigorously when we have laws we want to see carried out. But we must not exercise it casually when we are only exercising pious hopes. Section 419, I regret to say, has thus far been only a pious hope. If it is to be re-enacted, modified or dropped, we should do so knowingly and without confusing ourselves about what we are doing.

For these reasons, I have left section 419 out of the present draft. I am also introducing a bill to extend, without major substantive change, the other titles of the Higher Education Act. That bill H.R. 3470 will constitute a starting point for our next effort, the consideration of the rest of the act. I am putting section 419 into that bill as a new title of the Higher Education Act. And I can promise all those who are concerned, that if title IV is considered and acted upon without an institutional aid provision put back in it, the issue will nevertheless be discussed at great length, on its own merits, when we take up the second bill.

LOANS

The next major program in the bill before us is part B—the Guaranteed Student Loan Program. This is a controversial and highly complex program already, and one that is enormously misunderstood. The present law provides for two guaranteed loan programs. In about half of the States, students borrow money they need to go to college, and the lender is guaranteed against student default by State agencies, which are in turn, reinsured by the Federal Government for 80 percent of their losses. In the other States, where for one reason or another the State has not seen fit to create a guarantee agency, there is a direct Federal guarantee of 100 percent of each individual loan. There are a number of other complexities in this program, such as the special allowance—now 3 percent—paid to lenders above and beyond the interest paid by the student, and the payment by the Government of the student's share of the interest while the student is in school—if the student meets certain need standards. Part B is the longest part of the present title, and of the proposed amended title, and I will not try to outline all the details of the amendments at this time. But the broad outlines of what I propose to do are simple enough.

First, Mr. Speaker, I propose to phase out the direct Federal insurance program—FISL—altogether. The insured loan program has already been plagued by problems, including a mounting default rate, and the testimony before my own subcommittee has convinced me that most of the problems stem from the flaws, perhaps statutory, perhaps administrative, perhaps merely flaws of scale, in the Federal program. It is among schools and lenders primarily insured by the Federal program, that we find the major default problem. Perhaps it is merely a question of the greater ability of State agencies to deal each with a small number of lenders and students than of the Federal Government to deal with vast hordes of both. But whatever the reason, I have concluded that the States can do a better job than the Federal Government in this area; the distinguished ranking minority member of the Education and Labor Committee, the gentleman from Minnesota (Mr. QUIE) has publicly indicated that he, too, believes this and our experienced and perceptive counterpart in the other body, the Chairman of the Education Subcommittee of that body indicated feelings of this sort last year when he held hearings on the default problem. I think it is time for us to consider whether we really think we can do everything better in Washington than in the State capitals. My bill will terminate the Federal program after a reasonable interim period during which the States may take up the slack and create State guarantee agencies.

My bill would continue the present 80 percent of loss reinsurance, adding interest and late fees to what we will reinsure. It is my judgment that this minor increase in what we pay out to the State agencies will be scarcely noticeable when contrasted to the enormous amounts we will not be spending on defaulted Federal insured loans.

I am offering one other new provision which I think will help with the default problem. And it reminds me of a sign in a pizza parlor not far from this very Chamber. On the walls of the pizzeria, it says:

We have an agreement with the bank. We won't cash checks, if they won't sell pizzas.

One of the problems with the present program, Mr. Speaker, is that we are confused about the proper roles of various kinds of institutions and organizations. Colleges and universities are well equipped to teach things to people. State governments are well organized to govern and regulate. And banks and savings institutions and credit unions are accustomed to being in the lending business. I propose in this bill to encourage each to do what it can best do. I am proposing to limit the definition of "eligible lender" under this program to banks, savings and loan institutions, credit unions, and

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other commercial lenders. I do not believe we should be in the business of guaranteeing loans made by institutions which are not in the business of lending and collecting money.

This, too, will be a controversial provision, Mr. Speaker, and some of my friends in the academic community will not agree with me. They will say—and they will be right—that this provision may make it harder for some people to get loans—especially, they will say, it will be harder for students who come from poverty and disadvantage to get loans.

Mr. Speaker, that is one of the best arguments I have heard for this change.

I am willing to have a loan component in the student assistance program, but I am deeply opposed to the currently fashionable effort to put most student financial aid on a loan basis. And I believe that asking those students to borrow who have come from the most economically deprived groups and who are going to have, whatever their education, a tougher time than most to find gainful and stable employment when they get out of school, is not offering them "assistance." It is offering them an anaesthetic to take away the pain of increased tuition. It is offering them the least defensible and least helpful kind of "assistance." It is adding to their burdens at a time when we should be trying to lighten those burdens.

I very much hope that those who predict that such an amendment will mean that fewer students will get loans are right. I hope that fewer students will get loans because more students can get grants and work opportunities, and there will be more inducement for the States to use their resources to reduce the inflationary trend in tuitions and fees.

I shall pass, temporarily over parts C and D of the new title IV and turn to part E—the national direct student loan program, where the same considerations that moved me to do what I have done in part B have convinced me that this program should be phased out within a year. I propose that the funds now administered by participating institutions should be transferred to those institutions to be used by them for their own student lending programs, if they wish to engage in this business; that there be authorized an annual appropriation of $75 million to reimburse these schools for outstanding loans which have been cancelled or forgiven under the law and that the over $235 million additional we are now appropriating to those programs yearly be turned to other and better ways of assisting students. It is no coincidence, Mr. Speaker, that I propose to reduce the NDSL authorization and increase the amount to go to State incentive grants by just about the same amount. I think it is a better way to spend that money.

In addition to the rewriting of the loan provisions in title IV, the bill as introduced makes two other changes in existing law relating to loans. The "special allowance" which is now payable to lenders over and above the 7-percent interest which a student borrower pays on the guaranteed loan is, under existing law, fixed quarterly by the Secretary of HEW, who works very closely with the Secretary of the Treasury in deciding how much that allowance will be. The Emergency Insured Student Loan Act of 1969 is the basis for this procedure, and gives the Secretary substantial leeway within the 3-percent ceiling.

Section 2 of H.R. 3471 repeals the Emergency Insured Student Loan Act, and adds to the body of part B itself a provision automatically tying the special allowance to the rate payable during each quarter on 90-day Treasury bills. The allowance itself will be the difference between the 7-precent interest ceiling and the 90-day Treasury bill rate for that quarter. What is now a regulatory function, involving substantial uncertainty and frequent long delays, will become an automatic process, and the lenders will know without going further than the morning's paper what the amount of the special allowance will be.

WORK PROGRAMS

Part C is the justly popular work-study program, I propose to increase the authorization for work-study along the same curve it has been increasing these past several years, though I suggest increasing the actual appropriation, once again by using the threshold device—this time making full funding of work-study a condition of the operation of BOG. If this bill is enacted, the fiscal year 1977 figure will be $480 million. I am also proposing that rigid need requirements be eliminated from the work-study program, and that we recognize, as student witnesses before our subcommittee have uniformly recognized, that a student's own perception of his need to work to pay the costs of his education are a more sensitive and more accurate indicator of true need than the most sophisticated combination of questionnaire and computer.

Two other suggestions were frequently commented upon during the hearings last year, and both of them have been dealt with in this bill.

The first was the suggestion, sometimes made by educators, but firmly opposed by spokesmen for both labor and management, that subsidized work-study jobs be made available in the private sector of the economy. The bill does not authorize this, nor do I believe it should. But it does provide authority to reimburse schools for their costs in working with local employers and labor organizations to create nonsubsidized jobs for students. There is language in the bill to assure that students will not be used to displace other workers, and I have a section in this bill which would say to an employer that as long as Uncle Sam is subsidizing an employer's wage by 80 percent the employer may not at the same time enjoy the further subsidy of the subminimum wage which the Fair Labor Standards Act now authorizes for employers of students.

Another idea that was mentioned before the subcommittee last year, and which had both its supporters and its detractors, was the idea that the legislation should somehow encourage or even require some degree of curricular relation in a work-study job.

My conclusion, and it is touched upon in the bill, Mr. Speaker, is that it is a good thing and a delightful bonus if a work-study job can have a curricular relationship, an educational component, but that it is not necessary, it is in many situations not possible and should not be mandated. The most telling quote on the subject was from a letter which was introduced into the hearing record by Ms. Patricia Keegan, student financial aid officer at Simmons College in Massachusetts. Ms. Keegan, an enthusiastic supporter of work-study gave us a report from one of the students for whom she had arranged a work-study job. The student said:

> During the upcoming semester I will be starting my second work-study job. It will be at the Beth Israel Hospital, again doing chiefly secretarial work. I have begun training there, and can safely say that again the work will not leave me uncontrollably stimulated. But since my main objective has not changed in the past two years, I am merely grateful to have been allotted the funds.
>
> It would be nice if, in the future, my work-study jobs related more to my major. However, since my major is philosophy, I cannot think of any job experience which would truly relate to it, short of being able to work for a company which would want me to sit on a mushroom all day and act as its chief philosopher. If you hear of such a job, I would be grateful if you would contact me immediately. Seriously, I think the work-study program is a very worthwhile program and I hope you both continue in your efforts to keep it going smoothly. (Signed) Junior Philosophy Major.

Mr. Speaker, that letter convinced me. I think a philosophy major is as much entitled to a work-study job as a business or political science or social work major, and like Ms. Keegan's student, I do not think there are a lot of philosophy-related work-study opportunities.

However, the bill does clarify the right of a school to offer credit for work performed on a work-study opportunity as long as that credit is not offered in lieu of wages.

Students, Mr. Speaker, do want to work. They are fully possessed of the work ethic, and, if the hundreds of students I have spoken to are any indication, they are possessed of a real zest for work as for the rest of life. They would rather earn their education than be given it or borrow to pay for it. H.R. 3471 will accept that challenge with enthusiasm.

The present law, Mr. Speaker, authorizes what it calls a community-service learning program under which local governments can provide work-study opportunities as they can now do under the rest of part C. Here again, we have a provision of law which has been enacted and then left to wither on the vine without the nourishment of the first dollar of appropriations. As with section 419, Mr. Speaker, I believe we should not re-enact programs we do not intend to fund. It is not contained in H.R. 3471.

Part D of the new bill reauthorizes the existing program of assistance to institutions which have cooperative education programs. Without enlarging the authorization, I have substantially increased the amount that can be given to any one institution or consortium of institutions under this program for the purpose of developing cooperative education programs. I have done this because I think we should not fritter away this very important seed money with small projects. Cooperative education is worth large investments by schools who are willing to make a major commitment to a continuing cooperative education program in fields where coop works. Co-op education is not every profession's cup of tea, it is not every school's way of life, nor every student's ideal learning environment. Where the profession, the school and the student meet, I think we should encourage the experiment. The new dollar limits and new language in part D of this bill serve that objective.

DEFINITIONS AND GENERAL PROVISIONS

Part F of the new bill contains general provisions which seek to make more generally applicable some of the specialized definitions of eligible student and eligible institution found in various parts of the existing law. Put simply, the new part F removes some ambiguities which have called into question the eligibility for student assistance under title IV of students at certain postsecondary vocational schools, and open-admissions colleges and universities, where completion of secondary school is not a requirement for admission. Because I believe that open admissions is an experiment of very great importance, I do not believe we should discourage the experiment by providing eligibility language which is capable of an interpretation barring students at such schools from aid programs.

The new part F continues the eligibility of students at postsecondary schools, but terminates the eligibility of students at schools which are essentially home-study institutions. An exception is made for situations where a student cannot participate in a classroom situation because of his geographical isolation or physcal handicap. Such a student may obtain a guaranteed loan to cover the costs of correspondence study.

The exception explains the rule in this case. It seems to me that home-study is a legitimate means of postsecondary education, but that those who need it are either those who simply cannot physically get to a classroom—and they are permitted assistance under section 496 of the new bill—or those who are already working full-time and should therefore not be in financial need.

Part F also seeks to meet some very serious and legitimate criticisms that have been levied against some of the institutions participating in the Guaranteed Loan program by adopting in broad outline some of the regulations which have been recently proposed by the Office of Education to govern eligibility for such participation. However, part F goes further and makes these requirements criteria for eligibility to participate in any of the student aid programs.

It seems to me that a school should indeed establish a fair and equitable refund policy that provides for the return of unearned tuition and fees; that students should be fully apprised of such policies before they enroll; and that schools at the very least should let prospective students know about what their education is going to cost them, what their chances are of completing their course of study and, where the school makes claims regarding employment of its students, what employment and earning experience that school's students have had.

It seems to me, Mr. Speaker, that these requirements should not be limited to a particular class of schools or to a single student assistance program. Truth-in-advertising is as appropriate in the catalogue of a distinguished university of ancient lineage as it is in the television advertising of a trade school. I would hope that these requirements would not be burdensome to any schools save those which have not enough to offer to deserve to survive.

The concluding section of the bill authorizes a program under which the National Institute of Education will work with public and private institutions and with State and local educational agencies to examine the impact upon tuition and upon student access and choice and upon institutional viability of low or zero-tuition policies, of open-admission policies, and of the use of private or proprietary institutions under contract to provide educational services to students as a possible alternative to the expansion of enrollment at public institutions. It also authorizes NIE to work with private nonprofit agencies to examine feasibility of, and to test techniques of measuring academic promise or scholastic aptitude, which are full of cultural, socioeconomic, racial, religious, sexual, or ethnic bias. Many of us, the sponsor of this bill not least among them, have strong feelings on these subjects, but I think we must all admit we need to know more about how they would work in practice. I, for one, am weary of building policy and programs on the foundation of theoretical models. I think $50 million expended on controlled experimentation would be a very valuable investment.

COST LEVELS

Mr. Speaker, the question of cost inevitably and properly arises whenever a new program is introduced. The Student Financial Aid Act of 1975 does not represent a major increase in actual spending levels, even though the use of the threshold device in connection with work-study and State incentive grants is intended to increase the amount appropriated for those programs. I have prepared the following table which contains what I admit are educated guesses as to the cost of the new bill, as compared with present cost estimates.

The table follows:

[In thousands of dollars]

Fiscal year 1975 Appropriation under present law:	
BOG	660,000
SEOG	240,300
SSIG	20,000
CWS	300,200
NDSL	329,440
TRIO	70,331
VCOI	23,750
Co-op	10,750
Section 4	0
Total	1,654,771
Fiscal year 1977 authorization under H.R. 3471:	
BOG	660,000
SEOG	200,000
SSIG	200,000
CWS	480,000
NDSL	75,000
TRIO	125,000
VCOI	0
Co-op	10,750
Section 4	50,000
Total	1,850,750

NOTE.—Under present law, the 1975 appropriation for GSL defaults and subsidies was $315,000,000. The proposal will decrease these figures, but at this point, it is difficult to indicate by how much. Under either proposal, then, the total appropriated for student financial assistance will be slightly in excess of $2 billion each year.

TO REMOVE UNNECESSARY RESTRICTIONS ON .22 AMMUNITION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 5 minutes.

Mr. SIKES. Mr. Speaker, I am introducing a bill today which is intended to remove the remaining restrictions on the sale of .22-caliber rimfire ammunition. These restrictions were imposed as a part of the 1968 gun control law and a great many law-abiding sportsmen and businessmen want to see them removed. The principal effect of the restrictions has been exhaustive recordkeeping and the fact that the restrictions are a general nuisance. A bill to eliminate this problem passed the House in the 91st Congress but action on it was not completed by the Senate. An identical bill was reported by the Ways and Means Committee in 1972 but was not considered by the House. The proviso to remove the recordkeeping requirement on the sale of .22-caliber ammunition was included in the Bayh bill on handguns which passed the Senate in 1972 but was not taken up in the House. Certainly, it is time to complete action on this very simple measure and I urge my colleagues to support it and to join me as a cosponsor.

The bill follows:

H.R. —

A bill to modify ammunition recordkeeping requirements

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 4182(c) of the Internal Revenue Code of 1954 is amended by inserting ".22-caliber rimfire ammunition," after "rifles generally available in commerce,".

POSTAL SERVICE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, the U.S. Postal Service last year recorded a deficit of $438 million, an increase of 3,281.4 percent over the previous year's deficit. Next year my sources lead me to believe we will be talking in terms of a deficit of $1 billion.

How in the world can we justify this type of spending at a time when we are looking at a proposed national budget

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which will result in a deficit of over $50 billion? The performance of USPS certainly does not make a case for funneling millions of dollars into an agency which Congress now has little control over.

A survey of postal patrons in my congressional district shows that 45.1 percent of these people believe that USPS service has deteriorated in the past 3 years while only 11.6 percent believe that it has improved. That is not a very good track record.

We established the U.S. Postal Service 4 years ago as a quasi-independent corporation. Under this framework it was to employ good business principles and eventually become self-sustaining. I contend that we cannot afford these good business principles much longer. If things continue at the present rate, the country will be bankrupt before the Postal Service is self-sustaining.

It is time for us to recognize that the policies being instituted by the Postal Service are simply not working. Facts and figures bear this out.

The Postal Service began to mechanize in order to speed mail deliveries, increase productivity, and reduce costs. But costs have risen. It now costs 13.3 cents per piece of mail as opposed to 6.1 cents in 1970. As to productivity and speed, a recent GAO report states that mechanization has increased the quantity of missent mail. Investments in new modern equipment, cost overruns on new buildings and expensive advertising campaigns have all meant a decrease in service to the rural areas of our country.

A random sample of 10,000 completed questionnaires returned by the citizens of the First Congressional District of Arkansas shows that 45.1 percent of the people believe their mail service has deteriorated in the last 3 years; 33.6 percent would prefer to use other services such as UPS, American Airlines, and Greyhound if available; 33 percent believe their first-class mail generally arrives late and 33.6 percent say their magazines and newspapers are not delivered on time.

The Postal Service has set commendable goals for itself in the delivery of first-class mail—1-day delivery of mail within designated service areas, 2-day delivery with a 600-mile radius and 3-day delivery of all other first-class mail. The USPS standards call for meeting these goals 95 percent of the time. Their own statistics show that they are meeting overnight delivery standards 90 percent of the time; 2-day delivery standards 80 percent of the time and hitting the 3-day goal 81 percent of the time. The citizens in my congressional district do not believe they are getting quite this service. Their responses to my questionnaire indicate local overnight 52.6 percent of the time; and out-of-town mail taking over 3 days 20.2 percent of the time.

Mr. Speaker, as you well know, I am particularly interested in the detrimental effect poor postal service has on the development of our Nation's countryside. I am convinced that the discriminatory practices of the Postal Service in rural areas causes commerce to slow in States like Arkansas and is counterproductive to our efforts to achieve a balanced economic growth in this Nation. When budget cuts are ordered and man-hours are reduced the postal patrons of the countryside always seem to be the hardest hit.

In my own 21-county district in Arkansas, the Postal Service eliminated 450,675 work hours per year between June 30, 1971, and June 30, 1974—a reduction of 21 percent. At the same time, the dollars spent in this area increased by almost 6 million—an increase of 48 percent.

Even in these inflationary times, a reduction of 21 percent of the work hours coupled with an increase in expenditures of 48 percent seems to be an incredible waste of the taxpayers' money since there is no doubt that the service in these areas has certainly not improved proportionately.

At a time when unemployment continues to rise, the elimination of man-hours can only further depress the job situation and consequently harm the entire economy of these regions.

Today I am reintroducing my postal reform bill which was drawn up as the result of efforts on the part of a citizens advisory committee I formed in Arkansas, and hearings in Arkansas and Washington held jointly by the Subcommittee on Postal Service and my Subcommittee on Rural Development.

I am firmly convinced that the poor record of the Postal Service during these last few years has been due to insensitivity, disregard, and ignorance of the needs of all citizens demonstrated at the top levels of postal management. I am hopeful that a change in Postmasters General will signal an about-face in this attitude and will halt the infiltration of this callous attitude down through the ranks.

It is impossible to legislate attitude. However, my bill will return certain authorities to the Congress, making the Postal Service responsive to our wishes and the needs of the citizens we represent, without once again putting us in the business of hiring and firing postmasters.

The main thrust of this bill is to funnel all revenues of the Postal Service into the General Treasury of the United States. The Congress will then each year authorize and appropriate those funds which it deems necessary for postal operations. Currently all postal revenues automatically go into a postal fund and the Postal Service need come to the Congress to request only the additional appropriations.

Other sections of this legislation deal with:

First. Construction of Postal Service facilities. This provides for a method of consultation with agencies of State or local government which might be affected by postal construction. It establishes a public hearing procedure which would be mandatory before a new postal building could be erected.

Second. Employment and personnel policies. This section provides that promotions shall be based on merit rather than solely on seniority; allows postmasters more discretion in handling of employees; deemphasizes the importance of present civil service exams given to employees; and states that the Postal Service shall give preference to persons who reside in the community in which the Postal Service facility involved is located when appointing officers and employees for postal positions.

Third. Mail sorting and distribution. The last portion of the bill deals with the problem of routing. It provides for the establishment of sectional centers for sorting and distribution of mail in each county of the United States located at the trading center of the county involved as far as practicable. This provision is aimed at establishing a routing center which will eliminate the carting of mail miles out of the way to a metropolitan area for sorting only to be sent back to its destination—a town 10 miles down the road from its origination.

In conclusion, I would like to make it clear that I do not object to a certain amount of subsidy for postal service—as long as service is provided.

To quote an 1876 report of Postmaster James N. Tyner:

> . . . Whatever theories may be advanced to relieve it (the Post Office Department) from chronic deficiencies, they must yield to the ever-present necessity for supplying abundant mail for the whole country by liberal appropriations and reasonable expenditures. . . . So long as the Post Office Department must follow the pioneer to the remotest settlements and put him in communications with the centers of trade and business, and also carry the mail to towns and cities in the first years of their existence as frequently as they are conveyed to those of larger populations and more matured growth, so long the General Treasury will probably have to bear a part of the cost.

One hundred years later we have few settlements which can still be termed "remote," yet there is no doubt in my mind that the need for a postal system that allows fast, reliable, and efficient communication between all sections of our Nation is more important than ever. It is up to the Congress to take action necessary to insure that the citizens of the countryside are not once again isolated from the other sections of the Nation because of poor postal service.

Satellites can provide communications between Moscow and Washington instantaneously. Why can't the Postal Service provide communication between Black Rock and Portia in 2 days?

THE LAND USE AND RESOURCE CONSERVATION ACT OF 1975

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, I am today, along with Mr. STEELMAN and a number of other cosponsors, introducing H.R. 3510, the Land Use and Resource Conservation Act of 1975. It is a modified and refined version of the land use legislation I sponsored in the 93d Congress.

The bill that has been introduced today builds on those earlier proposals but contains a number of significant changes and refinements which I think will make it far more acceptable to the 94th Congress.

Let me say, at the outset, that I recognize that we in the Congress have a good deal of work to do immediately to address the most serious energy and economic problems that have faced this country in over four decades. The problems are critical and in need of urgent attention and I think that the Congress is responding to the problems of unemployment, of stimulating economic growth, and of dealing with energy conservation and the development of an overall energy program.

It is also true, however, that this Congress must address a multitude of other issues as well. And it is my firm belief that our land use problems are closely interrelated to many of our domestic energy problems. Moreover, we cannot neglect or ignore environmental considerations as we concentrate on the economy and energy.

The President has sent us an energy package which includes a proposal for Federal energy facility siting legislation. We are told that the next several years are critical in terms of lead time if we are to plan and begin to construct the new powerplants, the coal fired generating plants, oil refineries and associated terminal, storage, transportation facilities, and other major projects associated with the administration's ambitious energy proposals. We do need new energy facilities, but there are going to be significant land use problems that accompany such developments. Indeed, the economic, environmental, and social implications of what we do in the next several decades in terms of energy development will have a significant influence on the quality of life in this country for a long time to come.

It is for this reason that I believe we must not continue with the same emphasis on single focus, mission-oriented Federal programs but instead make a serious commitment to some sensible land use planning on the State and local level. Although some States are now moving in this direction with encouraging momentum, there is a real need for Federal legislation and Federal funds to provide the broad policy and financial incentives and also put the Federal Government's house in order.

We are using land in this country more intensively than ever before. Although we are not running out of land, there is no escaping the fact that some of our best land is gone and there are increasing conflicts over how the remaining resources are to be utilized. There is also an increasing recognition of the fact that land use is perhaps the key to solving our problems of air and water pollution, solid waste disposal, and urban sprawl which has proven to be so terribly wasteful in terms of energy. By the year 2000, we are told, as much as 15 million acres of our land may be converted to other uses, for a multitude of recreational, urban and industrial uses. History will reflect, I think, that we have not done a very good job of balancing our economic, social and environmental needs in this country in the first 200 years. Our cities are in decay, our suburbs congested and polluted, our highways and airports often misplaced or in turn swallowed by developments, our mountainsides have been strip mined, and major developments in flood plains and other areas susceptible to natural disasters have proved costly. The costs in both economic and social and environmental terms are beyond any estimate. Frustrations of uncontrolled growth have in turn led to an overreaction in many areas with movements to stop all growth, to put a moratorium on building and increasing local resistance to necessary facilities such as oil refineries, powerplants and new housing.

Moreover, we continue to see the serious degradation of our rural environmental by the trend in subdivision and recreational land sales which, in my own State of Arizona, has resulted in enough lots being subdivided to accommodate the entire projected population of Arizona for the year 2000.

I think it is of vital importance for this Nation to begin to develop national land use policies, but I also recognize that under our Federal system it is the States and local governments that have the primary responsibility in the field of land use planning.

There is, in my opinion, a viable alternative to no growth. We can instead control growth, with some vision and direction to avoid the mistakes of the past. There is no reason we cannot develop the planning and procedures to make land use decisions in a rational manner so we can build the kind of future society we all want to see in this country.

Moreover, sensible land use planning is now more important than ever as we look for ways to meet our energy needs and turn to our own untapped domestic resources. We cannot develop our Western coal resources, our oil shale, our nuclear capacity, build coal slurry lines or new refineries, powerplants, transmission lines and water projects—all of which in turn induce growth and the need for new housing, schools, roads, bridges, and other governmental services—without some better mechanisms for determining where all of this is going to go.

The problems with land use are well documented. We have a proliferation of governmental entities at all levels with land use authority and a myriad of single-focus, mission-oriented governmental programs affecting land use. The States that have traditionally delegated land use controls to the local governments are now recognizing the need to reassert some authority over land use decisions which have impacts beyond the immediate local jurisdiction and which affect regional, State and sometimes national interests. And, we have begun to realize that aquifers, watersheds, wetlands, and other important resource areas and the impacts of many developments do not stop at man-made jurisdictional boundaries.

There is, therefore, a very real need for some State leadership in formulating land use policies and for State overview of land use decisions affecting critical areas and critical activities. This can be done without disrupting the traditional role of local governments in the majority of land use decisions, most of which will continue to be local in nature and can continue to be made at the local level.

We need to develop procedures to assure that all interested parties and the public can participate in the process, yet assure that development decisions are not unduly delayed—that there is also some due process for developers who now must go through a maze of requirements and duplicative proceedings before a decision is finally made. Planning is one answer, but more importantly, State and local governments must develop a process in which land use decisions can be made in reference to established policies and regulations and with some finality.

There is no claim that this bill will bring with it a panacea to our problems overnight, but it is an attempt to set a broad framework within which States can develop land use programs. The legislation provides such a framework but is not a Federal blueprint.

The Land Use and Resource Conservation Act of 1975 does the following:

Establishes a 6-year Federal grant program within the Department of Interior to assist States in developing and administering land use programs. Grant would be authorized for 6 years—$50 million for the first year, $75 million for the second and third years, and $100 million for the remaining 3 years. Participating States would have 3 years to develop a program and would receive additional grants for 3 years once the program was approved by the Secretary.

The State program would focus on four key land use activities and areas which are of more than local concern, including the environmental, economic, and social implications of developments of regional impact, large-scale subdivision projects, and key facilities. The States would identify and designate areas of critical State concern where uncontrolled or incompatible development could result in significant damage to life, property, the environment, or the long-term public interest. The State would first inventory its significant land and water resources and then designate those areas which are "critical" pursuant to the above criteria, developing policies and procedures to regulate what kinds of development would be permitted in such areas.

In developing State policies, future needs for food and fiber production, energy and commercial needs, housing, transportation, and recreation and open space would be considered.

The State program would also include:

Policies and procedures concerning prime food and fiber producing lands—as distinguished from critical areas—to promote their continued use and pro-

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ductivity to meet our long-range requirements;

Provisions to insure that local government and the public are involved in the development and implementation of the State land use program including an advisory council made up of local government officials and representatives of agricultural districts, where applicable. States could implement the program through local government; and

Provisions for establishing fair administrative procedures for the consideration of proposals for development, including provisions for fair hearings and a sufficient record to avoid multiple of duplicative hearings on a single proposal.

Other elements of the State program would include:

First, an emphasis on energy conservation and consideration of regional, State, and national needs for adequate and secure energy sources; second, methods for coordinating State program administered pursuant to other Federal assistance programs; third, the consideration of the impacts of the land use program on the rights of property owners; fourth, methods for the timely resolution of conflicts including an appeals procedure; fifth, an adequate data base; and sixth, a State agency which would be responsible for the development and implementation of the State program.

Federal lands and Federal activities. The bill does not provide for Federal review of local and State land use decisions. On the contrary, it provides States with the authority to assure that, once a State land use program is functioning, all major Federal activities and programs affecting land use in the State must be consistent with State programs.

This provision is similar to the Coastal Zone Management Act, requiring all applications for Federal licenses or permits to be certified as consistent with the State's land use program. It will provide the States with an extremely important means to influence Federal programs affecting land use within the States.

In addition, the bill provides land use planning directives for the public land management agencies for developing land use plans for the public lands, requiring public involvement and coordination with State and local government in the development and implementation of land use plans for the public lands.

The bill would also establish an Office of Land Use Administration within the Department of the Interior. The Secretary would, through the Office, administer the grant-in-aid program, conduct studies and analyses of land resources of the United States, develop and maintain a Federal Land Use Information Center, conduct studies concerning the problem of delays and conflicting requirements for Federal licenses and other decisions associated with Federal programs, and study the impact of Federal programs on the development and implementation of State land use programs.

The Secretary will be required to coordinate with other Federal agencies, to seek the advice and participation of State and local governments, and to consult with the Department of Agriculture to assure that the expertise and resource of the Department of Agriculture, including the Soil Conservation Service and Extension Service, were utilized in developing land use programs.

The Executive Office of the President would be designated to issue guidelines to other Federal departments and agencies to carry out the purposes of the act and to assure that Federal activities are coordinated. The Secretary of the Interior would promulgate regulations to assist in administering the grant program after adequate notice and an opportunity for public hearings. Guidelines would first be submitted to the Congress for review.

The bill would also establish a task force to study the problem of land use planning on tribal lands and to make recommendations concerning the need for such planning. The task force would report to the Secretary who would report to the Congress within 1 year with his recommendations.

In summary, the bill contains two main objectives. One, to provide the financial incentives and policy directions for States who wish to develop State land use programs. Second, the bill would provide for more coordination between Federal agencies and between Federal agencies and the States concerning Federal activities that significantly affect land use. The Federal Government would put its own house in order at the same time it asks the States to develop better techniques for making land use decisions.

This bill is a logical and important extension to the Coastal Zone Management Act of 1972 under which coastal States are developing land use programs for their coastal zones. The proposed leasing of the Outer Continental Shelf has focused attention on the necessity of comprehensive planning prior to major energy development to deal with the social, economic, and environmental impacts of such development.

There is a very real need for developing a similar program in the interior States. This need is particularly evident in light of the ambitious energy plans the administration is considering. We need to turn to our domestic resources to meet our future energy needs, but this should only be done if comprehensive land use planning is developed, along with some assurances that Federal programs and policies will be consistent with State and local policies.

Land use is still the most fundamental and unaddressed environmental problem in this Nation. We must do something about the costs of sprawl, the continuing loss of our prime farmland and the waste of energy which results from inadequate land use planning. It is good economics. This bill is an important beginning, and I urge all Members to give it their careful consideration.

I am pleased to report that the following Members have joined with Mr. STEELMAN and me in the initial introduction of this legislation: Mr. BINGHAM, Mr. BOLLING, Mr. PHILLIP BURTON, Mr. CORMAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. FOLEY, Mr. FRASER, Mr. HORTON, Mr. KASTENMEIER, Mr. MCCLOSKEY, Mr. MARTIN, Mr. MILLER of California, Mr. PRITCHARD, Mr. REGULA, Mr. REUSS, Mr. SEIBERLING, Mr. THOMPSON, Mr. TSONGAS, Mr. VANIK, Mr. WEAVER, Mr. WHALEN, and Mr. YATES.

HEALTH PROGRAMS MUST NOT BE RESCINDED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I submitted testimony today to the Labor-HEW Appropriations Subcommittee asking that funds for maternal and child health programs not be rescinded and that the 314d Public Health Service programs continue to be funded. These proposed reductions would severely affect the delivery of health care to low- and no-income families in the country. The statement follows:

STATEMENT TO THE LABOR-HEW APPROPRIATIONS SUBCOMMITTEE ON RESCISSIONS RECOMMENDED BY THE PRESIDENT SUBMITTED BY REPRESENTATIVE EDWARD I. KOCH

Mr. Chairman, despite overwhelming expressions by this Subcommittee, the full Appropriations Committee, and the House and Senate last fall to increase the appropriations for maternal and child health programs, the President who signed this increase into law has now informed the Congress of his rescission proposal to reduce the maternal and child health funds by $24.4 million. This budgetary action will have very serious implications for maternal and child health programs and crippled children's services.

Under P.L. 93–53, the authorizing statute for these maternal and child health programs, the states are to receive funds for maternal and child health programs in fiscal year 1975 for an amount equal to that which they received in 1973. These programs are operating in this time of inflation on funding barely adequate 2 years ago.

The President's budget message explaining the rescission has in it a gross misstatement that the $24.4 million to be rescinded is additional money for these programs. This is absolutely untrue. This money is needed to make 20 states whole for the programs that they are already carrying out. This proposed rescission means a $3,600,000 loss for New York State alone for programs already operating in ghetto areas of Brooklyn, Manhattan and the Bronx to provide pre-natal and pediatric care to low and no-income families.

Over 40 Members of the House joined with me in signing a letter to the President last month advising him that we would protest any request for a rescission of the funds approved by the Congress for fiscal year 1975 for health services under Title 5 of the Social Security Act.

I would hope that this Committee would agree that such a request for a reduction in these needed funds is unacceptable. The full amount appropriated by the Congress for these health services for mothers and children for fiscal year 1975 must be paid to the states to keep these programs viable.

In the HEW appropriations bill there are slotted 58 HEW staff positions for maternal and child health and 10 staff positions for sudden infant death syndrome. It is the position of HEW that these positions be allocated to the Department of HEW. If this is permitted to happen, the maternal and child health and sudden infant death syndrome programs would not get any benefit from the personnel since HEW does not intend to provide full staffing for these areas. This Committee must ensure that the 58 maternal and child health positions be allocated to the maternal and child health division, and the 10 positions to the sudden infant death syndrome division so that this money appropriated by the Congress for these areas be used for the purpose for which they are intended.

In response to my letter of January 24th to the President protesting any rescission of maternal and child health funds, I received the enclosed letter from the Office of Management and Budget. I think it is important to note that the maternal and child health rescission message is intended "to restrain discretionary spending in order to hold total outlays down" because of a $1.7 billion increase in medicaid and other public assistance programs.

I am sure you are aware that as a result of the recent nursing home scandals there has come to light instances of gross mismanagement, unlawful payments, and corruption in the medicaid program. Allegations of fraud have not been pursued. What this means is that the federal government has not done an adequate job in policing the use of medicaid funds which of course not only allows fraud to go unchecked, but actually encourages fraud.

It is outrageous that these maternal and child health programs, which have been so closely scrutinized and have been the subject of cost-benefit studies which have shown in this time of inflation a reduction in the cost of patient care, should be the victim of a budgetary process which gives increased funds to medicaid programs for which the federal government has required or received little accountability.

It is my understanding that it is HEW's intention to recommend the assessment of patient fees for the maternal and child health programs. The people who are given health care by these programs are persons who traditionally do not obtain any preventive health care. If services, such as prenatal care are charged for these low and no-income women just will not obtain the care, but will return to the emergency room and catastrophic type of care. It was the intent of the Congress when these programs were created to provide health care for those populations who could not afford it and otherwise would not obtain it.

I am appending for your information a copy of a letter sent to President Ford protesting these budgetary cut-backs by the American Medical Association, the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists.

I would also like to bring to your attention the 314d Public Health Service programs which provide block grant funding to the states. I support continued funding for these programs which provide so many critical services to health programs in the states—as tuberculosis care, milk and food regulation, health manpower needs, inspection of public water supplies, regulation of x-ray equipment and epidemiological studies in the area of cancer control. I am appending a letter from our former colleague, Governor of New York Hugh Carey, regarding these programs.

Mr. Chairman, if this Committee finds, as I hope it does, that the maternal and child health funds should not be rescinded and the 314d programs should continue, I would recommend that in any report on the rescissions and deferrals, you include strong language to the effect that the Congress will not accept and will not tolerate further deferral and rescission messages on these programs and that attempts by the White House to continue submitting to the Congress further deferrals or rescissions on which definitive action has already been taken by the Congress will not be accepted. The President must abide by the intent of Congress and any attempt to subvert its intent by other tactics would clearly be unacceptable.

The President's January 30 rescission message also has disturbing implications for the funding of medical and dental school education, particularly here in the District of Columbia. Among the Congressional appropriations the Administration would rescind are: $10 million for the National Health Scholarship Program; $3 million for the Health Professions Loan Program and $7.5 million for the financially hard-pressed medical and dental school of the District of Columbia.

The former two appropriations are essential if a medical school education is to be accessible to any student, irrespective of socio-economic status. The latter rescission of our $7.5 million appropriations for schools here in the District is particularly objectionable coming as it does at a time when the future role of the federal government in the funding of medical education is in question. The financial problems of the District's medical and dental schools are already acute because they do not enjoy the support of State governments as do most other medical schools in the country, public or private. Unfortunately, the students will bear the primary burden of the loss of this additional support. One medical school in the district has already advised its students of an increase in tuition costs alone to $5,000 next year. Unless the funding picture improves, the medical school expects tuition costs to rise to $12,500 the following year. Clearly, medical students must be expected to bear a major responsibility for the cost of their training—but these tuition costs defy reason and will rightfully be considered intolerable by most students.

I believe the Congress has a special responsibility to provide supplementary assistance to these schools. Their unique position as medical colleges in the District requires it—and as national medical schools drawing students from across the nation, they merit such support.

Mr. Chairman, I respectfully urge my colleagues on the Committee to reject these rescissions, contrary as they are to one of the central health care needs of the nation: well-trained physicians.

AMERICAN MEDICAL ASSOCIATION,
Chicago, Ill., January 20, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is our understanding that there is now under consideration a budget rescission proposal which would affect funds presently approved for Title V of the Social Security Act, Maternal and Child Health and Crippled Children's Services. It is of vital importance to the medical profession and to the community to maintain the adequacy and availability of health care services to mothers, infants, and children dependent upon federally supported programs. The State maternal and child health programs authorized under Title V have had a substantial favorable impact upon infant and maternal mortality and morbidity in areas where such rates have been traditionally highest.

Medical care for mothers and children has a special significance in the total health picture. Early and comprehensive medical care to high risk women and follow-up treatment for mothers and infants is one of the most humane and economically sound expenditures of federal health dollars. Through the provision of preventive health services, early identification and correction of health defects in children help assure that they will have a more healthful foundation for a lifetime of productive activity. These services have been demonstrated to be economical and cost effective, and their impact reflects the benefits to be derived from keeping mothers and children healthy.

Your awareness of the importance of these programs of prevention and early treatment was apparent in the Presidential Proclamation in October, 1974 in which you committed your Administration to the challenge "to continue steadfastly in reducing the health hazards to children through adequate programs which will assure their continuing good health throughout childhood."

Mr. President, your intercession is earnestly solicited so that maternal and child health might truly be among our national priorities. The commitment of your Administration to programs which will enhance the quality of life for children can be demonstrated by the allocation of Congressionally appropriated funds for fiscal 1975, and the development and approval of a fiscal 1976 budget request which will assure the continued viability of these programs.

Sincerely yours,
AMERICAN ACADEMY OF PEDIATRICS,
ROBERT G. FRAZIER, M.D.,
Executive Director.
AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS,
ERVIN E. NICHOLS, M.D.,
Director—Practice Activities.
AMERICAN MEDICAL ASSOCIATION,
JAMES H. SAMMONS, M.D.,
Executive Vice President.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., Feb. 18, 1975.

HON. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: This is in further response to your letter of January 24, 1975, concerning funding for health services through the maternal and child health program.

The President submitted a proposed rescission to Congress under Section 1012 of P.L. 93–344, the "Impoundment Control Act of 1974," for $24 million from the congressional appropriation level of $305 million for maternal and child health activities. The rescission is for the amount appropriated by Congress in excess of the President's 1975 Budget. Even at the proposed rescission level, however, grants to States will be about $11 million higher than in 1974.

The rescissions proposed by the President must be considered in the context of understandings on H.R. 15580, the 1975 HEW-Labor Appropriations Act. In his signing statement on H.R. 15580, the President commended Congress for the responsible approach it took with respect to controlling Fderal spending. In the Conference Report, the Congress indicated a strong commitment to hold spending below the President's 1975 Budget request for these programs.

The final appropriation in the bill was $485 million below the President's request for 1975. Moreover, the Conference Report on H.R. 15580 indicated the willingness of Congress to consider deferrals and rescissions of enacted appropriations to the extent necessary to hold total spending to the level in the bill, if mandatory spending programs exceed the amount included in H.R. 15580. These mandatory spending programs, e.g., Medicaid and other public assistance programs, are currently estimated to require $1.7 billion more than the Congress included in H.R. 15580. Accordingly, the President has submitted deferrals and rescissions to restrain discretionary spending in order to hold the total outlays down.

The level initially requested in the President's 1975 Budget is sufficient to achieve program priorities. Under the formula grant program, of course, States will have the option of determining individual projects. Moreover, the Federal Government will spend

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$7.2 billion through Medicaid in 1975 to finance health services, including the same types of services provided to individuals through more narrow categorical maternal and child health programs. States and localities will spend an additional $6.9 billion in 1974 for health services under Medicaid.

I hope this information is helpful.

Sincerely,

ROBERT F. BONITATI,
Assistant to the Director for Congressional Relations.

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, January 15, 1975.

Hon. EDWARD I. KOCH,
House Office Building,
Washington, D.C.

DEAR MR. KOCH: I am writing to advise you of the difficulties facing New York State as a result of the Presidential veto of the Health Services Act, H.R. 14214, and the proposed recommendations of the President to rescind fourth quarter funding of Block Grants (section 314d of the Public Health Services Act) to the State.

Congressional authorization for 314d funding expired on June 30, 1974, and the programs have been extended through a continuing resolution. Last session Congress passed H.R. 14214, Health Services Act, but the legislation was vetoed by President Ford on December 21, 1974. Another continuing resolution, House Joint Resolution 1178, was passed to continue funding through February 28, 1975.

The New York State Department of Health had received informal notification that its third quarter allotment would cover any programs through March 31, 1975. However, a letter received from H.E.W. on December 26, 1974, states the Agency's intention to recommend rescission of funds for the fourth quarter. I have relayed my concern to the President and asked him not to recommend either rescission or deferral of the Block Grants.

The elimination of Block Grant funding would cost in jobs alone approximately 230 positions, totalling nearly $3 million plus an additional $2.7 million in nonpersonal services. The following programs would have to be completely eliminated if Congress does not act:

1. Provision of Tuberculosis care in nine communities of New York where the incidence of this disease is the highest.
2. Surveillance and intervention regarding insect-borne diseases.
3. Provision of direct health sanitation services in communities not represented by county health departments, and direction and coordination of this activity, and public health nursing in other communities.
4. Health guidance services provided for our Indian citizens residing on Reservations in New York State.
5. Central Departmental and Regional Office direction and coordination of Community Health Programs.
6. Provision of labor relation services.
7. Provision of regulatory activities in the area of milk and food production and distribution.

In addition, these eight programs would be substantially reduced:

1. Provision of adequate medical, nursing and special health manpower throughout New York State.
2. Consultation to localities regarding the operation and inspection of public water supplies and inspectional activities of these supplies through contract with the United States Geological Survey.
3. Physical therapy consultation to New York State hospitals.
4. Provision of professional and public education services.
5. Regulation of the sanitary aspects of migrant labor camps.
6. Regulation of the use of x-rays and ionizing and non-ionizing radiation sources for the protection of public health.
7. Conduct of Epidemiological studies in the area of cancer control.
8. Direction and coordination of the statewide emergency health services program.

I urge you to introduce, co-sponsor and support legislation as soon as possible that will provide authorization and appropriations to continue funding of Block Grants to New York State. I also ask that you defeat any rescission or deferral message from the President regarding 314d funding.

Sincerely,

HUGH L. CAREY.

COUNTRYWIDE SUPPORT FOR REDUCTION OF TRUCK WEIGHTS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on January 20, together with 30 cosponsors, I introduced legislation to repeal interstate highway truck weight increases that were voted late in the last Congress as part of the Federal Aid Highway Act of 1974, a multipurpose highway bill that could not be amended under suspension of the rules.

Because of safety hazards caused by the increased weight, and an estimated multibillion-dollar cost the weight increase will mean in highway maintenance, the increase is opposed by the American Automobile Association, the National Society of Professional Engineers, the National Highway Safety Advisory Committee—chartered by Congress to advise the Secretary of Transportation—the National Association of Counties, the Professional Drivers' Council, the Brotherhood of Teamsters, and the General Federation of Women's Clubs.

I urge the support of more of our colleagues for this legislation to repeal the dangerous and costly truck weight increases. On January 20 and January 23 of this year, I included in the RECORD a number of editorials from throughout the country. Since the last date, numerous additional columns and editorials have come to my attention, including a splendid piece by James J. Kilpatrick, editorials in the New York Times, and the Cleveland Plain Dealer, and others. A sampling of these articles is enclosed for the information of my colleagues:

[From the Washington Star-News, Feb. 19, 1975]

THE INTERSTATE LOAD

(By James J. Kilpatrick)

New York's Congressman Edward I. Koch introduced a little bill the other day that merits the support of those who cling to the old ideal of government "of the people, by the people, and for the people." That democratic proposition is so indifferently respected these days that Koch's bill probably will fail, but he deserves an A for effort anyhow.

The bill would repeal the permissible increase in truck load limits approved by Congress in December.

If it had not been for a piece of parliamentary razzle-dazzle superbly executed by friends of the truckers' lobby, American motorists might not be faced with the grim prospect of 40-ton monsters grinding down the interstate highways. The taxpayers might not be faced with providing billions of dollars for the additional repairs and maintenance the higher limits may demand.

What happened in this affair was a stroke of oneupsmanship in the grand tradition. A majority of the House was outwitted and outflanked. Those who favored the higher limits won their war without really engaging in battle.

Consider the sequence of events. The Senate early last year approved a transportation bill authorizing an increase of 2,000 pounds in permissible single and tandem axle weights, and an increase from 73,280 to 90,000 pounds in the maximum gross weight. On Aug. 20, the House had an opportunity to vote directly and specifically for that proposition. The vote was overwhelmingly against it, 252 to 159. This was an emphatic expression, if you please, of the "will of the House." It was as clear a manifestation as one could ask of government of the people and by the people.

The vote was a reflection, moreover, of convincing arguments "for the people." The higher limits were opposed by ordinary motorists and by professional engineers alike. It was the truckers' position that because of lower speed limits and higher operating costs, they could not operate profitably without the increased loads approved by the Senate. Koch and others contended, to the contrary, that the truckers already had been assured compensating hikes in income. The Senate increases in weight were struck from the bill.

That should have ended the matter. But on Dec. 16, in the last whirlwind hours of the 93rd Congress, the transportation act returned to the floor of the House under suspension of rules. The parliamentary question turned on the instructions to be given a committee of conference. Koch struggled vainly for an opportunity to let the House vote once again, up or down, on the issue of load limits. He never had a chance.

Under the rules of the House, the committee in charge of a bill has the right to move for the instruction of conferees. Republican William H. Harsha of Ohio, ranking minority member of the Public Works Committee, showed the form of a Superbowl star in a two-mintue drill. By making a preemptive motion to instruct the conferees on an innocuous point, he flattened the opposition. Koch said he felt as if he had been hit by a Mack truck. That was about the size of it.

In the end, the conferees agreed on an increase to 80,000 pounds, instead of 90,000 pounds. President Ford could not have vetoed the higher load limits without vetoing the bill as a whole, and there were sound reasons for enacting the rest of the bill. The jubilant truckers now have a clear shot at pressuring the state legislatures into falling in line.

Meeting in Tucson a month ago, the National Society of Professional Engineers, through its board of directors, urged repeal of the higher limits. Heavier trucks, said the NSPE, will create problems of safety, road and bridge repair, and "an earlier obsolescence of the highway system with increased ultimate cost to the consuming public." The higher but intangible cost lies in the damage done to responsible government. The House in August expressed its will. The House in December saw that will destroyed.

[From the New York Times, Jan. 25, 1975]

FORTY-TON TERRORS

Three Representatives—Koch of New York, Gude of Maryland and Hechler of West Virginia—have lost no time in moving to undo a mischievous act of the preceding Congress. The three legislators have introduced a bill to repeal a sneaked-in provision of the new Federal Aid Highway Act of 1974 allowing much heavier trucks on interstate highways—as though they have not been monstrous enough.

The stretching of the former weight limitation was slipped through in the last week of the session by making it part of an omnibus bill which under a procedural formula could not be amended, and which contained a variety of projects that might be lost if the entire bill were defeated. What even this promise of pork-for-all might not have assured in the way of support was secured by the trucking industry's pre-election generosity in the distribution of campaign gifts.

The procedure was as effective as it was raw and as harmful as it was effective. The House had earlier gone on record opposing an increase in allowable truck weights. The American Automobile Association was against it for the threat that these road hogs already pose to the safety of ordinary motorists. The Brotherhood of Teamsters opposed it as a danger to its drivers. Other groups, including the National Association of Counties and the General Federation of Women's Clubs, were against it for the heavy additional burden it would put on taxpayers to maintain and renew the highways that would be rutted and wrecked by these forty-ton terrors.

Given the widespread public opposition and the true feeling of the House in the old Congress, it should not be hard to round up sponsors in support of the bipartisan trio of Representatives who are now calling for a second look. A mandatory return to the old truck-weight limitations would save millions of dollars and an unpredictable number of lives. According to the Department of Transportation, the most frequent type of fatal accident on interstate highways involves collisions between trucks and passenger cars. A defeat for the truckers would have the further advantage of serving notice on a particularly insidious lobby that campaign largesse is, after all, a risky investment.

[From the Plain Dealer, Feb. 15, 1975]

HEAVY-TAUCK LOAD ON CONGRESS

If resistance in key committees can be overcome, the new 94th Congress will have a chance to reconsider the hasty action of its predecessor 93d Congress allowing heavier trucks on the nation's interstate highways.

The opportunity should be welcomed for two very good reasons.

First, a considerable body of safety and engineering opinion continues to hold that heavier trucks will cause additional damage to roadways and to human life. Secondly, the Congress—and especially the House of Representatives—is under a cloud because of a turn of events accompanying last-minute approval of the heavy-truck section in the Federal Highway Act of 1974.

The latter is an unsavory point. The House reversed itself and accepted the heavy-truck provision near the end of its session in December. This was about a month after a November election in which it was later revealed the trucking industry donated $61,250 to campaign funds for 117 House members.

Six Ohio congressmen were among recipients of the trucking industry's money, and five of them voted in favor of the highway act and its heavy-truck provision. About half the members of House public works and rules committees, which influenced the course of the drive to allow increased truck weights, were beneficiaries of trucking industry generosity.

It is a healthier sign today that the move to repeal has begun, and that it has started under bipartisan sponsorship. Veteran Reps. Edward I. Koch, D-N.Y., Gilbert Gude, R-Md., and Ken Hechler, D-W. Va., initiated the effort on Jan. 23. They have since been joined by 30 other House members including Rep. Ronald M. Motti, D-23, of Parma.

Several in the group of 30 are newcomers to Congress who are troubled by "old politics" customs in handling the nation's political affairs and legislative business. Already they have helped effect changes in House procedures. They should add strength to the movement now to get the 94th Congress to undo the 93d's heavy-truck wrong.

[From the Fresno Bee, Jan. 2, 1975]

ALLOWABLE TRUCK WEIGHTS

In the waning hours of nearly every session of Congress a "sleeper" manages to slip past the watchdogs at the height of the rush for adjournment.

All too often it is a piece of special interest legislation hitched to an important measure for a free and unnoticed ride through the Congress.

This year's free rider slept quietly in the cab of a heavy truck that roared through the capital at 55 miles an hour.

The main vehicle was the federal highway authorization bill. Among its provisions for interstate highway and safety and beautification is one to make the 55 mile an hour speed limit permanent. Getting aboard at the last moment was a rider which would permit a 10 per cent weight limit increase for big trucks. This means the highway giants can add another ton to axle weights and raise gross truck weights on the interstate system to 80,000 pounds.

Your bewildered congressman also should want an explanation. The House twice beat back efforts to increase truck weight on these identical amounts—once decisively on the floor and later in committee. Yet after Congress adjourned, there it was on President Ford's desk, the $752 million highway bill with just what the trucking lobby ordered—the increased weight limits.

So, as the Washington Star-News noted editorially, "The trucking industry has made its biggest haul yet, in the halls of Congress, and if nothing is done to upset this action the public will have suffered a bitter loss."

The American Automobile Association, which has been fighting since 1968 to hold down truck weights and sizes, is warning motorists about the impact of these heavier weights, not only in the dollars and cents of higher maintenance costs through increased road and bridge damage but in terms of highway safety.

Allowing heavier rigs on the interstate system, moreover, will not end there. Less ruggedly constructed county roads and city streets also will take a pounding at the end of the long haul runs.

Despite the desirable other features of the highway bill, the increased truck weights cannot be allowed to stand. President Ford should not hesitate to veto the bill in the public's interest and as an affront to the legislative process.

But with or without a veto, the new Congress should get to work early to repair the damage allowed by its largely lame-duck predecessors.

[From the Akron Beacon Journal, Jan. 29, 1975]

SAFETY STANDARDS IMPORTANT

When the Ohio General Assembly gets around to considering an increase in truck weight limits to comply with the federally authorized increase from 73,280 pounds to 80,000 pounds, it should also consider some safety factors.

The federal law, pushed by the major trucking companies and by independent truckers who are paid according to how much they haul, was largely discretionary. It permits states to go up to the federal standard on weights, but it does not require them to do so.

That means that the push will be on, as it was in Congress at the end of the last session, to get the weights up. And the arguments, undoubtedly, will be the same—that the greater weights should have the energy-saving advantage of car pooling with the added inflation-fighting bonus of increasing productivity.

These are persuasive arguments when there is an urgent economic need to get things perking again. We find no fault with them. But a longer look at what the federal government did also shows a worrisome lack of concern over the safety aspects of the weight decision.

When the weight bill was still before Congress, the Teamsters lobbied for some safety requirements to be written into it. Sen. Philip Hart (D-Mich.) won approval in the Senate for a limit of 10,000 pounds on the front axle, the steering axle, of tractor-trailer rigs. The limitation was rejected in conference committee. The Professional Drivers Council for Safety and Health (PROD) is carrying on that fight.

As the law stands, the same weight is permitted on the two front tires of a tractor as on the four rear tires. The placement of the coupling device that fastens the trailer to the tractor may throw additional weight to the front, putting added strain on the tires, steering and suspension systems.

PROD believes this can contribute to equipment breakdown and driver fatigue because the rigs become harder to handle.

Statistics from the Department of Transportation and the National Highway Safety Advisory Committee give reason to consider the PROD fears.

Transportation department field inspectors checked only half of one percent of the trucks on the road according to 1972 figures, but they put 36.5 percent of the trucks they checked "out of service" for safety hazards—mostly faulty brakes and tires.

Of the 429 cases of tire failures reported in accidents, 361, or 85 percent, were front tire failures. These were responsible for all but one of the 30 fatalities in this category and for more than half of the total deaths resulting from any type of truck mechanical failure.

With added weight on the front, and these statistics to look at, it is no wonder that PROD is still campaigning to have standards set for a maximum weight on each tire and for relocation of the coupling devices to redistribute the weight. It is also seeking minimum horsepower requirements for the heavier loads to help reduce the chances for rear-end collisions when trucks are unable to maintain speed going up hills.

Federal standards, of course, would be most effective because the trucks travel in interstate commerce. The same standard for every state make sense.

Ohio, however, has a chance to set some of these requirements for trucks operating in the state when the legislature considers the weight increase. It shouldn't miss the opportunity to protect the safety of the truckers and the public.

[From the Roanoke Times, Feb. 2, 1975]

ROLL BACK TRUCKS' LOAD LIMIT

Like everybody else, Congress makes mistakes. If it moves briskly enough, it can correct some of them. An effort is under way now in the House of Representatives to roll back the ill-advised increase in interstate highway load limit granted to trucks by the 93rd Congress.

Reps. Koch, D-N.Y., Gude, R-Md., and Hechler, D-W. Va., have introduced a bill to repeal a provision of the 1974 Federal Aid Highway Act. That provision hiked the load limit for trucks on interstates from 73,280 pounds to 80,000 pounds per axle group.

Truckers who sought this kind of increase for several years, argued that allowing

trucks to carry bigger loads would be an offset to inflation and to the longer hauls drivers must put in because of the 55-mile-an-hour limit. There's no sign, however, that truck drivers observe that limit any more carefully than most other motorists; and any braking of transportation costs caused by bigger loads would be more than made up for by the added maintenance expense for the super-highways.

The load limit increase also adds to road hazards. Auto-big truck accidents are the most likely to kill or maim people—usually people in the smaller vehicles. This year the federal government is requiring all new trucks to have better brakes. Meantime, however, big rigs already in use could carry the full 80,000 pounds with no more effective brakes than they already have.

The truckers' breakthrough is likely to be only the first step toward trucks even more huge than now ply the highways; some would like to see the standard pushed to 50 tons or more. Now is the time to stop that by reinstating the earlier, saner, safer limit.

[From the News American, Jan. 30, 1975]

HIGHWAY MONSTERS

After years of expensive lobbying, climaxed by a bonanza of carefully chosen campaign contributions, the trucking industry last December finally achieved its most important legislative goal—legal authority to operate much heavier trucks on interstate highways.

Easement of the former weight limitations was achieved by nothing less than trickery. In the last week of the last Congress, lawmaker friends of the trucking industry sneaked the measure through by inserting it as a provision of the omnibus federal aid Highway Act.

If the measure had been tacked on as an amendment, as would have been customary, it almost certainly would have been defeated. The House previously had expressed its opposition to any weight increase in the huge rigs which already pose a grim threat to the ordinary motorist. Yet passage of the omnibus bill, despite its slipped-in proviso, was imperative because of the many vital projects it contained.

The Hearst Newspapers have long and vigorously battled the trucking industry goal of permission to operate rigs with a total loaded weight of 40 tons, the goal now attained. Such behemoths will greatly increase what already has been the commonest type of fatal accident on interstate highways—collisions between passenger cars and trucks. In addition, taxpayers will have to get up many more millions to pay for greatly increased highway damage the heavier monsters are sure to cause.

We were far from alone in our opposition. The American Automobile Association fought the measure, in behalf of its millions of members. The Brotherhood of Teamsters was against it as a dangerous new threat to its own drivers. Among many other groups in opposition were the General Federation of Women's Clubs and the National Association of Counties.

Now, happily, a bi-partisan group of congressmen have introduced a bill in the House to cancel the heavier truck weight allowance and reinstitute the previous limitations. It can and should be adopted as soon as possible, and not only to save lives and taxpayers' money. The trucking industry and its stooges in the last Congress should not be allowed to get away with the raw legislative hocus-pocus they engineered in December.

[From the Miami News, Jan. 21, 1975]

REPEAL TRUCK WEIGHTS

The same friendly people who appropriated $109 million to rebuild the Florida Keys bridges have also awarded the national trucking industry the privilege of running heavier trucks over our highways.

The trucking lobby has been petitioning Congress for years for this profitable relaxation from the weight laws, but the measure has never had a chance on its merits. Heavier trucks are such an obvious safety hazard and so patently destructive of highway surfaces that Congress always turned them down.

This year, however, after sowing much goodwill in the form of hefty campaign contributions to 117 House members, the industry managed to get its measure adopted as an amendment to the Federal Highway Assistance Act. The act itself was certain of passage because it contained goodies for so many districts, a prime example being the bridge money for the Keys.

The trucking amendment increases permissible weight from 73,280 pounds to 80,000 pounds on the Interstate highways system, but that's merely the beginning. Trucks cannot get from here to there solely by way of interstate highways, so the heavier weights will be crushing the surface of state and local roads as well, including, we'll wager, the Keys bridges.

The normally restrained New York Times, commenting on the maneuvering employed to get the measure passed, called it a "disgusting, shabby, dishonest performance." That says it well enough.

But denouncing it is not enough. The American Automobile Association, which has been successful until now in opposing higher truck weights, thinks the measure should be repealed, and so do we. Perhaps the consumer oriented members among those celebrated newcomers to the House could make repeal of higher truck weights one of their special projects.

RETIREMENT OF DR. ERIC RACKHAM

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, in July of this year Dr. Eric N. Rackham of McKendree College in Lebanon, Ill., will retire. Dr. Rackham's retirement from academic life after a distinguished career of 43 years will be a day of happiness for him and regret at his leaving to residents of my district and indeed to McKendree alumni throughout the country.

Dr. Rackham became head of McKendree in 1968 after serving as dean of the College of Arts and Sciences at Kent State University and assistant dean at the University of Colorado. In the 7 years of Dr. Rackham's presidency he has achieved goals which have made McKendree a viable member of the national academic community. Operational debts have been cleared away, endowment holdings have doubled, the college has been accredited and enrollment has risen for the past 3 years.

Because of the time and efforts of Dr. Rackham, McKendree College faces a bright future in a time of trouble for small private colleges. As he leaves, Dr. Rackham will take with him the thanks of all those who have known him as president, administrator, educator, and friend. I am proud to have known such a man, and as an example of the esteem in which he is held, I would like to include in the RECORD the text of an article published in the McKendree College Bulletin:

DR. RACKHAM TO RETIRE

Dr. Eric N. Rackham, president of McKendree College since 1968, has announced that he will retire at the end of the current fiscal year.

A native of Nova Scotia, Canada, Dr. Rackham has had a distinguished 43-year career in education, serving 15 years at the University of Colorado and 16 years at Kent State University before coming to McKendree.

In announcing his retirement, Dr. Rackham said that he felt that all of the four goals he set out to accomplish when he became president of McKendree had been met.

Upon assuming his office seven years ago, Dr. Rackham immediately set forth the goals of stabilizing the student enrollment above 500, enlarging the College's endowment holdings to at least $1 million, wiping out the College's operating indebtedness and completing the requirements for accreditation by the North Central Association of Colleges.

McKendree was accredited in 1970.

The College has virtually wiped out all of past debts.

McKendree's endowment funds are now over $2 million.

Enrollment for Fall, 1974 was over 650 students, the third rise in three years.

Dr. Rackham assured the McKendree faculty and staff his choice was not a hasty decision. "Mrs. Rackham and I plan to retire to our home in Nova Scotia. I have been serving as a teacher and administrator for more than 40 years and we are anxious to carry out certain personal plans which have long been postponed.

"The thing most satisfying to me during my term at McKendree was the wonderful spirit of cooperation among the faculty, staff, and students. McKendree is a happy place and it is a joy to me to belong to such a family," Dr. Rackham said.

"The people here don't sit and mark time, they have a desire to move forward. Such long-range vision is the prime reason for McKendree's constant success," he added.

The president has enjoyed an illustrious career in the educational field, serving as dean of the College of Arts and Sciences at Kent State University until 1963 and then as executive dean of educational and student services at that university.

Prior to his position at Kent State Dr. Rackham spent 15 years (1937–52) at the University of Colorado, starting as an instructor and rising to assistant dean of the College of Arts and Sciences. He also served as director of admissions and records and assistant to the president at Colorado.

Dr. Rackham succeeded Dr. Edwin E. Voigt as president of McKendree in 1968 as the College's 28th president. He came to Lebanon with numerous recommendations as an administrator, educator, churchman, lecturer and qualified manager of fiscal affairs.

The early 1960s had been troubled times for McKendree when on occasions there had been talk of closing the school. Dr. Rackham continued what Dr. Voigt had initiated, helping the College back on its feet. Dr. Rackham was the driving force in getting McKendree accredited in 1970.

"It's both a pain and a relief that I announce my retirement," Dr. Rackham said. "It hurts to leave my many friends here but it is a relief that I can turn to less pressing things like writing and gardening."

"I can never express my appreciation enough for the cooperation and understanding of the surrounding communities, especially the town of Lebanon. The Southern United Methodist Conference, the alumni, all have been most cooperative," Dr. Rackham said.

"When I came to McKendree in 1968 I told myself that when I leave, I don't want to leave the College in a mess. I dare say that McKendree's future has never been brighter."

RESOLUTIONS DISAPPROVING ENERGY RESEARCH AND DEVELOPMENT DEFERRALS

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, last December 13, I introduced, with the support of the membership of the Joint Committee on Atomic Energy, resolutions disapproving eight deferrals of energy research and development efforts of the Atomic Energy Commission proposed by the President in his rescission and deferral message to the Congress on November 26. The Committee on Appropriations was unable to act on those resolutions in the few days left in the session at that time. I am introducing those same resolutions today for the consideration of the 94th Congress.

I take this action today to emphasize the importance of these efforts to the new Energy Research and Development Administration, which began its official existence on January 19, 1975. I hope the Congress will reassert its support for a vigorous energy development effort by overriding these ill-advised deferrals in programs that represent some of our best hopes for a self-sufficient energy future.

For the information of new Members of Congress in particular, I will repeat the reasons I gave last December for the committee's conclusions that each of these deferrals should be disapproved.

The recent economic statistics add to these considerations a serious question as to whether useful and important efforts such as these should be curtailed at a time when we are desperately trying to stimulate employment for millions of jobless Americans.

D75–111: $8 million, liquid metal fast breeder reactor research and development: This deferral would result in delay in development work on LMFBR technology needed for the Clinch River Demonstration Plant. The result would be a stretchout of the schedule for Clinch River—and additional costs due to inflation. The deferral of funds for this program is inconsistent with the Administration's selection of the breeder reactor as the Nation's highest priority energy research and development program.

D75–112: $6.7 million, gas-cooled fast reactor (GCFR) and gas cooled direct cycle work: The deferral of $2.7 million for the GCFR would delay the experimental program by 3 months and result in termination of 20 design team personnel. The work that would be affected is core design and associated engineering, including termination of fuels and material work at General Atomic and delay of materials and cladding work and safety experiments at Argonne and General Atomic. The deferral of $4 million for gas-cooled direct cycle work would cause a delay of 6 months in component design and safety studies for the reactor plant and the Helium Component Test Facility—HCTF. Twenty people would be terminated. Also affected would be design of the 1,500° fossil-fired helium heater, an essential component of HCTF, which cannot now be started in fiscal year 1975 if this money is deferred. These deferrals would seriously hamper the development of these important alternatives for energy production.

D75–113: $2.7 million, physical research: This deferral would delay the startup of a number of planned efforts in fundamental research areas which have broad application to energy generation, storage, transmission, and conservation. On-going research efforts would also be reduced. The hiring of 100 scientists, engineers, technicians, and support personnel would be delayed. The major research areas that would be affected include high temperature materials applicable to fusion, MHD, the LMFBR, and several fossil fuel concepts; superconductivity; radiation effects on materials; corrosion and catalysis research, combustion processes; and geosciences. In addition, the startup of the Clinton P. Anderson Meson Physics Facility—LAMPF—following a major shutdown, would be delayed by 1 month, to August 1975.

This facility, when operated, will be involved in medical research, including cancer research. These research areas in the molecular and materials sciences areas provide basic information that is essential for the fossil, nuclear, solar, and geothermal energy programs of the newly established Energy Research and Development Administration.

D75–114: $8 million, controlled thermonuclear research: The three categories of the CTR program—confinement systems, development and technology, and research—have been programatically established to insure a synergistic outcome from integrating individual results. This deferral would result in delays of up to 6 months and cost increases of up $1 million on various components of the CTR program. These delays can be expected to impact throughout the program and significantly retard its progress.

D75–116: $4.7 million, weapons program, laser fusion: This deferral would delay contracting with industrial and research organizations to develop basic information on various aspects of this program. It would also delay the high energy laser facility at Los Alamos by about a year, thereby introducing an unacceptable delay in the entire program.

D75–117: $12 million, nuclear materials, CIP and CUP: This deferral would stretch out the work on improving and upgrading the existing gaseous diffusion plants. This would result in a one-time loss of one-half million units of separative work from these plants with a value of $27 million in 1981 revenues. The justification for moving forward with this program has been repeatedly stated by the Congress. This reduction will be counterproductive in that it will inevitably result in increased total costs for the CIP/CUP efforts due to inflationary increases.

D75–119: $10 million, fast flux test facility (FFTF): This deferral of funds for the FFTF could result in further schedule slippages for this facility—which is needed for testing fuels and materials for the advanced reactors. It is also a key element for developing fast breeder components and systems—such as pumps and valves. Any reduction in support of the FFTF is inconsistent with the administration's selection of the breeder reactor as the Nation's highest priority energy R. & D. program.

D75–121: $12.1 million, high-temperature gas reactor fuel reprocessing facility, Idaho, and high temperature gas reactor fuel refabrication plant, ORNL, Tenn.: The deferral of $9.6 million for the reprocessing facility would cause a 4-month delay in title I and II design. The deferral of $2.5 million for the refabrication facility would cause a similar delay in title I and II design. The Commission wrote to the committee on September 16, 1974 stating:

> These two projects represent much more complex processes and systems than had been conceived in earlier assessments.

Thus the conceptual design will take longer, the $30 million estimate for the reprocessing facility has increased to $70 million, and the $10 million estimate for the refabrication facility has increased to $45 million. It is recognized that the Commission may not have been in a position to obligate the full amount of this authority. Thus a partial deferral of these funds would have been acceptable. But this proposal goes too deep, in that it provides for deferral of funds that will be needed. These facilities must go forward if the high temperature gas reactor is to be a viable system.

These projects have all been carefully reviewed in the authorization and appropriation reviews. The retreat from the commitment to a serious effort on the energy program that these deferrals would amount to would be an unfortunate mistake. This House has it in its power to keep the administration moving on the energy problem. I hope that we will do so.

SOCIAL SECURITY: BIG GOVERNMENT'S GREATEST ACHIEVEMENT

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, it has begun to dawn on many people that the social security system is a time bomb that is going to blow up in our faces one of these days unless some drastic changes are made. In order to bring about changes of the magnitude required, the Congress is going to have to do some very creative and ambitious legislating, and is going to be forced to some hard decisions indeed.

But something else is needed, too. Before any problem can be solved, it must be recognized; there must be agreement that there is, in fact, a problem. I think

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real progress toward that goal is being made as regards social security, but I suggest that all Members of Congress and others who recognize the problem have a duty to escalate the national debate, to take the lead in bringing to the public consciousness an increased awareness of the magnitude of the calamity that will come, sooner or later, if we do not act.

In that regard, I would like to offer for the consideration of this body, an editorial which appeared recently in my hometown newspaper, the Peoria Journal-Star, which states the case with particular clarity. I therefore insert this editorial to be printed in the RECORD:

THEIR GREATEST ACHIEVEMENT

Those who are eager to turn to the government for anything more than a temporary emergency action in economic matters would do well to examine the greatest achievement of our lifetimes by the "liberal" political philosophers—Social Security.

The social security system as run by your government is a flat out *fraud* under federal and state laws—if it were not exempt from the laws for all other such funds.

The nice paragraph in the pamphlet about a "trust fund" is simply not true for starters. Current claims are simply paid out of current taxes, in fact.

Meanwhile, the payroll tax to support the system has increased eight hundred per cent—while benefits have been increased only three hundred per cent.

But the classic failure lies in the simple math which shows that the same payments to Social Security would buy from twice as much in benefits up to almost three times as much under routine private insurance programs paying off every day at the same time.

In short, Uncle takes a high premium compared to standard private plans, does not pay back even as much money as you paid in—and far less than you are legally entitled to under any legal private plan—and even with this giant rip-off is in a bankrupt condition by any normal bookkeeping standard!

It has disguised its lack of a financial base and trust fund by two devices. (1) The payroll tax keeps going up faster by far than the benefits, and is programed to do just that for years ahead. (2) The payroll taxes collected from a steady influx of young workers during the great population explosion was used to pay the benefits of the retiring few.

It fed off the peak years of population swell—and used it up as fast as it came.

But compounding the other miscalcations of the system, we now see that population growth from which it fed first leveling off, and then plunging downward.

There are going to be clearly fewer and fewer new "paying-inners" for more and more "pay-outs."

In short, government manipulation has glossed over the otherwise normal bankruptcy of the system, but a crisis is closing in to smash that little piece of financial juggling.

While Congress thunders along with all its latest colorful promises and bright new ideas on how to spend more and more of the people's money, facing that problem is still neglected.

It cannot be neglected too long.

Ultimately, it must be faced, and some new arrangement made. There is no way any government can simply default on this obligation.

People have paid for it, and paid in excess. They are cheated as it is. To cheat them out of the whole life-time of supposed "trust fund" payments would not only be disastrous for millions of Americans—but assuredly for the government and politicians involved.

They will have to meet this obligation when the finances do break down, or anticipate it.

And the longer they wait, the bigger the shock will have to be to other government activities and programs.

Meanwhile, the eager authoritarian-liberal clique swept into office in the blind anger at Watergate are blithely going along whistling in the dark, and proposing new give-away programs on top of the give-back program that is going broke!

A fellow wouldn't believe it if the facts were not there staring us in the face.

The final rude joke on the American people in this system is that Social Security grabs, perhaps as much as $1,000 of your money from your pay check, before you ever see it—and then includes it as "income" and requires you to pay taxes on the tax they already took!

(They pretend they are just saving it for you, so it's income and not a tax!)

PUBLIC SERVICE EMPLOYMENT FUNDS

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I want to conclude today the list of final allocations of public service employment funds under title VI of the Comprehensive Employment and Training Act—CETA. These funds are allocated to prime sponsors in order to provide job opportunities for unemployed persons.

Following is the list of final allotments to Iowa, Kansas, Missouri, Nebraska, Colorado, Montana, North Dakota, South Dakota, Wyoming, Utah, Arizona, California, Hawaii, Nevada, Alaska, Idaho, Oregon, and Washington:

CETA, TITLE VI—FINAL ALLOCATIONS

Region VII	$17,770,610
Iowa	2,603,957
Des Moines Consrt	483,627
Des Moines City	80,112
Bal Polk County	80,642
Story County	46,318
Cedar Rapids Consr	119,734
Cedar Rapids Cty	86,463
Balance of Linn County	33,220
Blackhawk County	133,886
Waterloo Cty	82,574
Woodbury County	106,385
Sioux City	99,034
Scott County	128,791
Davenport	95,947
Balance of Iowa	1,631,535
Clinton County	53,268
Council Bluffs Cty	255,853
Dubuque Cty	80,567
Balance of Dubuque County	26,596
Johnson County	48,049
Balance of Pottawattamie	34,977
Kansas	2,774,458
Kansas City Consrt	448,474
Kansas Cty	284,800
Balance of Wyandotte County	163,675
Topeka	298,491
Johnson County Csrt	274,118
Balance of of Johnson County	149,818
Leavenworth County	42,077
Overland Park	82,223
Wichita Cty	341,211
Balance of Kansas	1,412,164
Douglas County	65,813
Reno County	54,198
Riley County	35,202
Balance of Sedgewick County	74,018
Balance of Shawnee County	25,693
Missouri	9,847,828
Kansas City Csrt	1,389,289
Kansas Cty	1,056,509
Independence	$132,103
Balance of Clay County	94,919
Jefferson Consrt	972,421
Jefferson County	625,433
Franklin County	346,989
Springfield	164,420
St. Louis City	2,481,390
St. Louis County	2,034,333
Florissant	116,935
Balance of Jackson County	136,018
Balance of Missouri	2,669,957
Balance of Boone County	18,693
Columbia	67,996
Balance Buchanan County	14,452
St. Joseph	98,632
Jasper County	103,174
St. Charles County	550,545
Pulaski County	29,858
Balance of Greene County	35,002
Nebraska	2,544,367
Omaha Consrt	1,444,057
Omaha	1,320,236
Balance of Douglas County	33,195
Sarpy County	90,626
Lincoln City	220,875
Balance of Nebraska	879,435
Bal Lancaster Cnty	14,477
Region VIII	12,866,369
Colorado	3,779,956
Arapahoe County	187,103
Aurora Cty	58,286
Jefferson County	289,097
Lakewood Cty	116,196
Col Springs Consrt	548,079
Colorado Springs	359,009
Denver Consrt	1,464,009
Denver Cty/Cnty	921,186
Aurora Cty	42,981
Bal Adams Cnty	231,714
Boulder Cty	162,295
Bal Boulder Cnty	105,833
Pueblo Cnty	245,009
Pueblo Cty	200,045
Bal of Colorado	1,046,659
Larimer Cnty	129,444
Mesa County	73,817
Weld County	217,683
Montana	4,639,129
Rural Cep	299,619
Bal of Montana	4,339,510
Billings Cty	234,665
Bal Cascade Cnty	67,225
Great Falls Cty	255,289
Missoula Cnty	439,404
Bal Yellowstone Cn	69,178
North Dakota	737,471
Balance of N.D	737,471
Cass Cnty	20,449
Fargo	70,229
Ward Cnty	51,637
South Dakota	725,603
Balance S.D	725,603
Sioux Falls Cty	93,539
Bal Minnehaha Cnty	24,087
Pennington Cnty	79,839
Wyoming	424,362
Balance of Wyoming	424,362
Laramie Cnty	68,774
Natrona Cnty	57,508
Utah	2,559,848
Statewide Consrt	2,559,848
Bal Salt Lake Cty	560,576
Salt Lake Cnty	429,857
Davis Cnty	152,973
Ogden Cty	508,869
Bal Weber Cnty	146,144
Provo Cty	111,183
Bal Utah Cnty	174,291
Region IX	141,860,993
Arizona	7,824,062
Phoenix/Maricopa	5,323,167
Phoenix	3,236,415
Maricopa Cnty	1,295,443
Mesa	403,253
Scottsdale	181,032
Tempe	207,025
Tucson-Pima County	764,684
Tucson	639,254
Pima County	1,736,211
Balance of Arizona	1,736,211
Cochise County	168,783
Pinal County	163,529

Yuma County	$264,967
California	124,698,677
Berkeley	1,426,303
Glendale	321,843
Long Beach	2,213,907
Los Angeles	21,495,294
Oakland	3,634,002
Pasadena	434,077
San Francisco	6,262,390
Torrance	398,005
Butte County	765,371
Contra Costa County	2,653,306
Concord	285,924
Kern County	1,243,001
Bakersfield	151,999
Los Angeles County	17,138,776
Alhambra	103,475
Bellflower	266,674
Burbank	562,355
Carson	451,811
Compton	715,975
Downey	265,905
El Monte	333,442
Hawthorne	369,174
Inglewood	483,191
Lakewood	401,212
Norwalk	556,685
Pico Rivera	248,554
Pomona	656,186
Redondo Beach	381,155
Santa Monica	627,886
South Gate	223,625
West Covina	142,169
Whittier	149,970
Marin County	696,509
Merced County	599,659
Monterey County	494,541
Salinas City	179,846
San Luis Obispo	330,849
San Mateo County	1,635,696
Daly City	217,026
Redwood City	226,131
San Mateo City	289,780
Santa Barbara County	864,585
Santa Barbara	204,680
Santa Cruz County	654,662
Solano County	398,829
Vallejo	97,102
Sonoma County	1,444,617
Santa Rosa	308,568
Stanislaus County	1,491,959
Modesto	292,442
Ventura County	1,842,943
Oxnard City	414,480
Simi Valley	373,387
Ventura	135,449
San Diego Retc	13,104,946
San Diego Cty	7,387,022
San Diego Cnty	4,447,028
Chula Vista	705,007
El Cajon	565,889
Orange Cnty Manp	6,727,501
Orange Cnty	1,606,908
Anaheim	958,718
Garden Grove	631,327
Huntington Beach	532,323
Santa Ana	1,078,707
Buena Park	451,073
Costa Mesa	428,347
Fullerton	484,834
Orange City	267,922
Westminster City	287,338
Inland Manp. Assoc	7,434,143
Riverside City	832,474
Riverside Cnty	1,996,146
San Bernardino	759,923
San Bernardino Cn	3,265,280
Ontario	580,225
Fresno Cnty/Cty	1,827,251
Fresno Cty	736,317
Fresno Cnty	1,090,933
Tulare/Kings Cnty	1,056,545
Tulare County	940,206
Kings County	116,338
Sacramento/Yolo	2,842,081
Sacramento	1,243,827
Sacramento Cnty	1,237,150
Yolo County	361,105
San Joaquin Csrt	1,149,905
Stockton	377,817
San Joaquin Cnty	587,832
Santa Clara Valley	$3,865,754
San Jose	2,109,067
Santa Clara Cnty	942,602
Mountain View	111,027
Palo Alto	96,926
Santa Clara Cty	312,296
Sunnyvale	293,835
Cnty of Alameda	3,405,475
Fremont	479,583
Alameda Cnty	1,470,430
Alameda City	326,587
San Leandro	391,196
Hayward	737,678
Richmond	711,622
Imperial County	969,548
Humbolt Cnty	1,119,699
Bal of California	12,043,083
Mendocino Cnty	442,286
Napa Cnty	175,635
Placer Cnty	520,840
Shasta Cnty	946,736
Hawaii	5,320,207
Honolulu Cty/Cnty	4,081,561
Balance of Hawaii	1,238,646
Hawaii Cnty	562,839
Nevada	4,018,047
Las Vegas Csrt	2,581,982
Las Vegas	1,374,674
Clark Cnty	1,207,307
Washoe County	602,781
Reno	363,054
Balance of Nevada	833,284
Region X	32,323,745
Alaska	2,000,877
Anchorage Borough	603,942
Anchorage City	262,651
Balance of Alaska	1,396,935
Idaho	1,657,829
Statewide Consrt	1,657,829
Boise City	121,540
Balance Ada County	55,350
Bannock County	55,702
Bonneville County	120,483
Canyon County	99,862
Oregon	8,530,994
Portland City	1,523,258
Clackamas County	394,514
Multnomah/Washington Crt	689,858
Washington County	263,881
Balance Multnomah County	425,977
Lane County	1,576,121
Eugene City	464,119
M-Wilm Val Mpr Cst	735,616
Salem City	214,714
Balance Marion County	252,200
Balance of Oregon	3,611,627
Benton County	149,559
Coos County	429,911
Douglas County	617,994
Jackson County	482,379
Klamath County	222,355
Linn County	328,927
Washington	20,134,045
King Sno. Consrt	7,054,598
Seattle	3,312,042
Balance Snohomish County	1,110,950
Balance King County	2,156,299
Bellevue City	87,969
Everett City	387,338
Tacoma City	1,234,689
Pierce County	1,320,169
Spokane Consrt	1,493,222
Spokane City	1,145,641
Balance Spokane County	347,582
Clark County	340,289
Kitsap County	645,426
Yakima County	1,025,753
Balance of Washington	7,019,899
Benton County	533,942
Cowlitz County	482,397
Grays Harbor County	648,695
Skagit County	583,891
Thurston County	552,460
Whatcom County	1,029,273

TWO NEEDED EXCEPTIONS TO TITLE XVIII OF UNITED STATES CODE

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing a bill to permit two exceptions to title XVIII of the United States Code, which provides criminal penalties for anyone who inserts anything not bearing a stamp in a mailbox.

My bill would exempt daily and weekly newspapers from the law, so that American newspaper subscribers can enjoy the convenience of their newspaper being placed in their mailbox where it can be protected from inclement weather.

Second, my bill would permit political campaign workers to deposit campaign literature in mailboxes. This provision would enable more candidates to get their message across to the voters at a lower cost.

Mr. Speaker, I have found that most people are amazed to discover that their newspaper delivery boy or girl is liable for criminal penalties if they are thoughtful enough to deposit newspapers in subscribers' mailboxes.

At a time when public charges about Government overregulation are being heard with increasing frequency, I believe it is time to concede to commonsense and allow the American people to use their personally owned mailboxes for the receipt of materials not bearing a postage stamp.

STOPPING THE RUNAWAYS

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, it is a sad reflection on the way Americans do business when jobs have become one of our main "exports." Many desperately needed jobs are being farmed out by U.S. manufacturers who are able and eager to take advantage of some glaring loopholes in the U.S. tariff schedules.

At one plant in my district—Rohr Industries of Chula Vista, Calif.—at least 560 workers have been displaced as a result of subplants established across the Mexican border. It is estimated that more than 100,000 Mexicans owe their present employment directly to the twin plants program.

I am introducing two bills which would repeal or modify the provisions of the tariff schedules—section 806.30 and 807.00—which exempt U.S.-made products which are assembled abroad from paying a duty tax except on the added value which is often a minute amount. One of the bills would strike both of these sections, while the other would nullify them insofar as they apply to federally funded contracts. I frankly prefer the first approach, since it would completely close the loophole, and regard the second measure primarily as a fallback position in case the first bill proves not acceptable. It would seem especially unconscionable to permit work ordered by our Government to be performed in this fashion, at such cost to the American workingman.

The twin plants clauses are supported by both the Commerce and State Depart-

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ments. The program is very popular in Mexico. And the American firms point out that by utilizing low-pay labor across the border, they can cut their own costs and bid successfully on contracts which might go elsewhere.

No one can say exactly what this loophole in the Tariff Code is costing American labor, other than a substantial amount. But the value of twin plant imports from Mexico has been roughly doubling every 2 years after a very modest start. In fiscal year 1967, such imports were valued at less than $20 million; this year the total is expected to exceed $1 billion.

The system began innocently enough, as a legitimate way for American exporters to supply foreign manufacturers with scarce components, like automotive parts.

Through a series of trade acts and administrative rulings in the 1960's, the original provision was broadened to cover just about any corporation wishing to utilize cheap foreign labor, and not just in Mexico. Thus workers in Taiwan, Korea, and parts of Indochina made clothing for the American market—clothing which otherwise would carry a "Made in the U.S.A." label.

In San Diego County, unemployment is now officially measured at 10.6 percent. In that portion of the county which I represent, the jobless rate is even higher. Unemployed people have a hard time understanding how we can continue to justify the exporting of scarce jobs—and so do I. It is time we end the basis for this practice, and I shall work with the Committee on Ways and Means to see that this is done.

AN ANSWER TO THE CHARGES ABOUT THE VITALITY OF THE SOCIAL SECURITY SYSTEM

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am sure many of my colleagues have been concerned about the recent claims made in some quarters that the social security system is going bankrupt. These public charges have generated even further concern among millions of Americans who have a personal stake in the success of this system. In response to these charges, a bipartisan group of former officials have prepared a "white paper" that answers this criticism on a point-by-point basis. The former officials who collaborated on this "white paper" are former HEW Secretaries Elliot L. Richardson, John W. Gardner, Wilbur Cohen, Robert Finch, and Arthur Flemming, and former Social Security Commissioners Robert M. Ball, William L. Mitchell, and Charles I. Schottland.

On Sunday, February 16, the Washington Star printed an excerpt from this white paper which I found most informative.

Mr. Speaker, I am sure my colleagues would benefit from the information contained in this excellent article. As they will discover, the charges about the faltering state of the social security system have no more foundation today than when they were first made nearly 40 years ago.

The article from the Washington Star follows:

SOCIAL SECURITY IS NOT FRAUDULENT OR BANKRUPT

(NOTE.—This article is excerpted from a "white paper" published last week by a bipartisan group of former officials, in response to recent criticism of the Social Security system. Signatories included former HEW secretaries Elliot L. Richardson, John W. Gardner, Wilbur Cohen, Robert Finch and Arthur Flemming, and former Social Security commissioners Robert M. Ball, William L. Mitchell and Charles I. Schottland.)

Nearly every American has a personal stake in the Social Security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social Security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and conditions. Public discussion addressed to improvement of the system is both necessary and helpful.

But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have no more foundation now than they had when first made nearly 40 years ago.

RELIABILITY

The most vicious of these attacks is the one charging that promised Social Security benefits may not be paid when they fall due 20 or 30 or 40 years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law. A claim to Social Security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However one may define a "legal right," it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of Social Security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by labelling the system "insurance," by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the Social Security commitment will be honored.

The Social Security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the Congress's 40-year record of responsible action on Social Security.

Doubters among us should be reminded that a member of Congress who hopes for re-election will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress ever will do so.

RESERVES

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of Social Security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the Social Security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds.

Charges that reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by major studies of the system.

A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession.

As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be regarded as gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased, derive in the main from this year's contributions by workers and their employers.

As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern over the fact that his contributions are used to pay today's beneficiaries, or that his future benefits will be paid from future contributions.

REGRESSIVE?

It is said that Social Security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages.

If Social Security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. But the issue here is not whether Social Security taxes are regressive but whether the Social Security system, taking into account both benefits and contributions, is open to this charge.

The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high. While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent.

It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in Social Security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by Social Security than they are charged for the general support of government.

No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for Social Security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOUNDNESS

Congress keeps a watchful eye on the actuarial balance of the system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10 to 15 percent. Much less than this will be needed in the early part of this period and more in the latter part.

The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate, or it could come from general revenues. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 on, the active labor force in the United States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time.

If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from Social Security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people reduce the burden of support for children. Thus active workers, on the average, will not have to support any more nonworkers than they do today as a result of these changed fertility rates, but they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be, too, that over the long run productivity increases in the United States will help meet the problem.

BENEFIT LEVELS

The 1972 amendments provided for the automatic adjustment of benefits in accordance with increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed.

The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used, current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. Such a change in the formula would result in a substantially lower long-range cost than is shown by the current estimates.

NO "MEANS" TEST

Mechanisms for preventing destitution in old age or in the event of the death or disability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for Social Security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into Social Security, could offer no comparable assurance to working people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency.

Designing such a system, moreover, would raise many thorny questions in specifying who should receive benefits, how large they should be, and how, if at all, their amounts should be varied. There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contributions to their own insurance protection?

The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing to provide noncontributory benefits without a means test and at a comparable level of adequacy to the 30 million people who now receive Social Security benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The ultimate question posed by current attacks on Social Security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

"The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been too largely fulfilled to make for tolerance of those who would now destroy it.

TARIFFS ON IMPORTED OIL QUESTIONED

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, the February 16 edition of the Washington Star contained a very informative article by George McGhee concerning the President's oil import strategy. As my colleagues may be aware, Mr. McGhee has a background as an oilman, in addition to his distinguished career in public service.

This Congress has been criticized by the administration for its failure to support the President's oil import tariff plan. When the House voted to temporarily suspend the President's authority to impose such tariffs, it did so in a spirit of concern about the economic implications of such arbitrarily applied fees. Serious questions have been raised about the wisdom of the President's tariff plan, and I believe such questions should be answered before we adopt any long-range fuel conservation policies. To the list of distinguished critics of the administration's proposal, we can now add an experienced oilman and statesman. In this thoughtful article, Mr. McGhee has explored the economic implications of the proposed tariff plan, and has suggested several alternatives which deserve consideration.

Mr. Speaker, I commend this thought-provoking article to my colleagues, and hope that it will be of value to them in their continuing study of the various options that are open to the United States as we seek to restore stability to our international payments position and to reduce our oil dependence on the Organization of Petroleum Exporting Countries.

The article from the Washington Star follows:

FORD'S PROGRAM MISSES THE MARK—OPEC'S OIL PRICE MUST BE CUT

(By George C. McGhee)

The country is in the throes of a massive debate on the President's anti-recession and energy proposals. With unemployment at 7 percent and rising, and production still falling, a "shot in the arm" through tax relief is generally agreed to have the highest priority.

The energy question, however, is more complex. The great national urge to "do something" about oil stems from the traumatic experience, triggered by the 1973 Arab-

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Israeli War, of a quadrupling of the oil price by OPEC and the Arab oil embargo.

In our national helplessness and frustration over these shocks we determined to reduce sharply our oil demand and our dependence on foreign oil. President Nixon announced an unrealisitc program of independence of oil imports by 1980. There were overtones of wanting to "show" those who had embargoed us that we could, as George Kennan proposed at the time, get along without their oil.

Although oil presents to us today quite a separate problem from that posed by the recession, the approach taken by President Ford on energy would, in my judgment, cancel out the benefits from his anti-recessionary program. In doing so he does not, moreover, get at the "real" oil problem. This as I and others have argued and I believe can be demonstrated, is to bring about a drastic reduction in the OPEC oil price. The President's proposal would not only fail to achieve this, indeed, it would foreclose the possibility of solving the price problem altogether.

Accepting the popular view that "something must be done" about oil and energy, the President addressed his efforts to obtaining a reduction in oil demand—initially 1 million barrels a day but rising to 2 million by 1977. His objectives are presumably to

Save the foreign exchange bill of $4 billion for each million-barrel reduction.

Reduce our "dependence" on imported oil, and

Pay for his anti-recession program. This the President seeks to accomplish through oil production and a corresponding tax on gas, plus a decontrolling of the present $5.25 price of "old" oil permitting it to rise to the "new" oil price of about $11 with a corresponding "windfall profit" tax on oil companies.

It is estimated that the total resulting bill of some $30 billion could have an ultimate impact on oil consumers of up to $55 billion. This contrasts with the President's promise of a $16 billion rebate for 1974 taxes and a $16.5 billion reduction in 1975 taxes. With the addition of other "revenue sharing" this will aggregate an estimated $48 billion—leaving a net withdrawal from our already depressed economy. Even if the President gave back all his new returns from oil he could not avert an immediate hardship on the lower income groups through increased cost of gasoline and heating oil: There will be no assurance that the money will get into the hands of those hurt by the high prices or who will spend it and create jobs.

In any case, there is no real hope offered in Ford's program either for alleviating the recession or the real oil problem. We would have a better shot at achieving a reduction in price if we recognized frankly our oil needs and our dependence on overseas sources, and then used our diplomatic efforts to bargain within the framework of that understanding.

Let's first consider the possible foreign-exchange saving in the Ford program. Although we have in recent months run modest balance-of-payments deficits, this is not a major problem for us. Arab investments have helped offset our swollen $25 billion annual oil bill.

If we must save foreign exchange by slashing imports, we should select carefully so as to minimize damage to our economy. We have quite a choice as to what we lop off of our annual $100 billion import list. This runs from scotch whisky which would cost us few jobs, to automobiles, which would give us back many.

Clearly, too much of a cut in oil imports is not a good answer. Although some decrease in oil imports can be accepted without crippling our domestic economy, it is estimated that the 1973 Arab oil embargo of 2 million barrels a day, which by coincidence is the same as the President's ultimate reduction goal, cost us 600,000 jobs and a substantial loss of GNP. Could we accept that now on top of a full-blown recession? (It is estimated that our consumption is already down 1 million barrels a day as a result of the price increases.)

Let's look now at the second goal, reduced dependence.

We have our ration cards in storage and know from our 1973 experience that we can accommodate a 2 million-barrel reduction if we have to. Our stocks are at all-time high, which would facilitate the transition. Indeed, we have always known from our wartime experience that our real safety valve in oil was our liberal private use of gasoline, which can be reduced at will through sacrifice of little more than convenience.

But why should we "practice" at a denial that goes further—involving a real loss of jobs and GNP—unless we have to? We may go for years without another embargo. Why embargo ourselves?

A forced decrease in demand, even at the inconvenience level, is not worth the candle if it has to be achieved by a massive price increase. The impact from increased prices alone, which must be added to the losses from denial of oil and products, will be to deepen the recession.

If we want to experiment with a decrease in oil imports, let's do it *directly* by setting import quotas, as a few years ago at the urging of the oil companies. If the cut taken hurts the economy it can be let up. If not, it can be increased. It would probably involve reductions no greater than we have proven can be handled by industry allocations, voluntary restraints and conservation measures. If not, we have a choice of gasoline taxes or rationing.

But what in my view is the greatest objection to the President's energy proposal, as the Shah of Iran was quick to point out, is that it would make it much more difficult for us to persuade OPEC that their oil price is too high. If we raise by $6 a barrel the price of our "old" oil, now comprising 60 percent of our daily 10-million barrel production, we would make it virtually impossible to prevail upon OPEC to lower its price by $6 a barrel—which I believe should be our highest-priority objective.

Let's keep the present incentive to find new oil with our $11 price for "new" oil, and selectively increase the price for secondary recovery and other high-cost "old" oil to prevent premature abandonment of wells. A full decontrol of "old" oil would not, however, add significant supplies.

What about the impact of a substantial reduction in U.S. demand on the producing countries themselves? Would this lead to more respect for us, to an eventual decrease in price?

In my view, no. I don't believe that Saudi Arabia, the principal country involved, could care less. They undoubtedly consider that they are doing us a favor by selling us their oil. They do not need the money, which only increases their problem of what to do with their dollar surplus. They know they can eventually sell whatever they wish—some day at even higher prices. Keeping it in the ground is like keeping money in the bank.

Even if Secretary Kissinger succeeds in his goal of reducing world demand by 3 million barrels a day, this would represent only a 10 percent cutback for OPEC. The international oil industry has always had greater excess productive capacity than would result after such a cut.

Yes, a marginal reduction in demand by us would be no great trauma for the producers. Contrary to popular belief it is quite easy, from an engineering standpoint, to cut back oil production. A great oil field in its prime is not thereby injured: Indeed, it is improved through pressure buildup. And Saudi Arabia could easily absorb any decreased demand for the other OPEC countries.

So I do not believe that market forces alone can induce a price reduction. And this applies equally to countries like Algeria and Venezuela, who really need their oil income. Why should they voluntarily desert such a successful cartel? Their first move would be to ask the wealthier OPEC countries to reduce production.

So strategies relating to Project Independence have little to offer us. The President should shift his attention instead to devising means of persuading OPEC to reduce its oil prices, however this can be done.

Happily, a redirection of the President's energy goals to a reduction in world price would help overcome, rather than exacerbate, our recession.

MY RESPONSIBILITY AS A CITIZEN

(Mr. BURLISON of Missouri asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURLISON of Missouri. Mr. Speaker, as the Members of the House know, the Veterans of Foreign Wars each year sponsors a Voice of Democracy Essay and Speech Contest for our young people. VFW is to be commended for generously giving of its financial resources to fund the prizes for the young people. Perhaps even more important is the time that individual members of the VFW devote to properly administering the program. The program is oriented toward our youth and carries the exemplary objective of focusing attention on our free and democratic system of government and way of life.

An outstanding young man from my congressional district has just captured first place in the Missouri State competition and will represent Missouri in the national competition to be conducted here in Washington as a part of the Veterans of Foreign Wars annual convention. I take pleasure in submitting to the House the provocative words and thoughts of Michael D. Renfro, 2504 Albert Rasche, Cape Girardeau, Mo., said remarks being taken from his speech entitled, "My Responsibility as a Citizen."

The remarks follow:

1974–75 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM MISSOURI WINNER MICHAEL D. RENFRO

Haldeman, Ehrlichman, Mitchell, Colson, Dean and Nixon. All, important names. All, important people. All, defendants involved in a scandal which has shocked the nation.

212 million Americans. They, too, are important people. They, too, are defendants. But, unlike Nixon and the accused members of his staff, these 212 million Americans are not on trial for their action, but for their inaction. They, too, are guilty of crippling the government and the principles behind it. Possibly, the citizens of the United States are the true cause of such a scandal. Possibly, we are to blame.

By our own apathy, we have wounded our own concept of democracy. We have literally begun our own death march. Abraham Lincoln once warned, "If destruction be our lot, we must ourselves be its author and finisher. As a nation of freemen, we must live through all time, or die by suicide."

So you see, mistrust in our institutions and our leadership is actually mistrust in ourselves. The world is a large mirror, and

everything we see, good or bad, right or wrong, is a reflection of ourselves.

The person who says, "I'm fed up with this government of ours! Who elected that guy, anyhow!?" That person is the same one who didn't vote last November because he didn't like anyone on the ticket, or he had to take his St. Bernard to the vet, or any other excuse which kept him from the polls, from voicing his opinion and from fulfilling his responsibility as a citizen. As it was once said, "Bad officials are elected by good people who don't vote."

Our government is like a clock. In order to function properly, the government must be set in motion and occasionally wound. It must be made and moved by men, by the citizens of the United States. We may not be satisfied with the way the clock is now running, but we, as citizens, must accept the responsibility of repairing that clock, of pointing the hands of our government in the right direction. We must prepare for the future. As Charles F. Kettering urged, "We should all be concerned about the future, because we will have to spend the rest of our lives there."

So, we as Americans, must repair the faulty mechanism of our clock and prepare for the future, for the future of America and the future generations of Americans to follow. We must utilize our voice in government.

But how can I utilize my voice? How can I, as one citizen, be heard? The answer is simple: by voting in every election, by writing letters to my congressmen, by keeping in touch with current events, by literally getting involved.

According to Clare Booth Luce, "A great many Americans, especially young Americans, aren't particularly proud of America just now. It all goes back to the fact that America isn't living up to our historical and traditional expectations."

But, how can America live up to our expectations? The answer is by us living up to America's expectations. We must accept the responsibility created by our forefathers. We must accept the responsibility created by our citizenship. We must respect our government and the country in which we live. We must be proud that we are American citizens. As Hugo Munsterberg commented about the American philosophy, "Neither race, nor tradition, nor the actual past binds the American to his countrymen, but rather the future which together they are building."

The future we build together depends upon every American. Remember, we are on trial here: we are the defendants. We are the witnesses, the judge and the jury. Yes, the verdict is in our hands. Hopefully, we will make the right decision. We have met the enemy and he is us.

In time, if the medicine of citizenship is applied, the wounds of apathy and mistrust will heal. With the aid of every citizen's involvement, we will again become a nation of the people, by the people, and for the people which shall not perish from the earth.

SENATOR HUMPHREY CALLS FOR ACTION ON THE FEDERAL RESERVE

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, last Sunday on "Meet the Press" Senator HUBERT HUMPHREY called attention to the crying need to light a fire under the Federal Reserve and get interest rates down where the little people of America can afford to buy homes, automobiles, and the necessities of life.

We have got to have some quick changes at the Federal Reserve if there is to be any meaningful relief from the twin evils of inflation and recession. We are not going to be able to put people back to work unless we do have plentiful credit and lower interest rates.

Mr. Speaker, I want to quote this excerpt from Senator HUMPHREY's remarks on NBC:

Senator HUMPHREY. I also propose that we get a hold of this Federal Reserve Board situation before they take us down the drain. The Federal Reserve Board is in effect promoting economic strangulation in this country. We are never going to get out of this recession with just tax cuts and jobs and public service jobs which I would also include in my program. You have got to have credit and you have to have a lower interest rate and that comes from the Federal Reserve Board and I want to say again, Mr. Rowen, that unless the Federal Reserve Board joins the team, unless it gets out of its ivory tower over here in this sanitized institution that it has and joins the team, this country is going to go into a depression and I call on Dr. Burns and the Federal Reserve Board to join up and to quit playing the bankers' game and start playing the game to help the American people, get some jobs, get some economic recovery.

I say again they have been tightening the noose around this economy and they have got to loosen up on it and give you a chance to breathe and to grow.

Mr. Speaker, I hope that other Members of Congress will join in this effort to gain understanding of just how badly the Federal Reserve has handled its end of the job. The people want action and they do not want more congressional pussyfooting with the Federal Reserve.

Mr. Speaker, I place in the RECORD a copy of the transcript of the "Meet the Press" program on which Senator HUMPHREY appeared:

MEET THE PRESS

Produced by Lawrence E. Spivak, Sunday, February 16, 1975.

Guest: Senator HUBERT H. HUMPHREY, Chairman, Joint Economic Committee.

Moderator: Lawrence E. Spivak.

Panel: Hobart Rowen, Washington Post; Edward Cowan, New York Times; George F. Will, National Review; Bill Monroe, NBC News.

Mr. SPIVAK. Our guest today on MEET THE PRESS is the new Chairman of the Joint Economic Committee of Congress, Senator HUBERT H. HUMPHREY of Minnesota. Senator HUMPHREY also serves on the Foreign Relations and the Agricultural Committees. He was Vice President from 1965 to '69 and was the Democratic presidential candidate in 1968.

We will have the first question now from Bill Monroe of NBC News.

Mr. MONROE. Senator, isn't President Ford right that in the middle of February, months after the economic and energy crises came into view, the Democrats are blocking his program but don't have an agreed-on program of their own?

Senator HUMPHREY. No, and if the Democrats are blocking his program it is a great public service because the President's program, I believe most respectfully, is ill-conceived; it is inadequate and I think it is inequitable. I think it would add to inflation. I believe it would expand recession and it surely would increase unemployment and therefore that program needs to be scrutinized with meticulous care.

In the meantime, Mr. Monroe, the President presented his energy program to the Congress on February 5th. He still hasn't put a tax bill to the Congress. He has been busy running around talking to Wall Street analysts and Governors and other meetings, but it is in Washington that legislation takes place and I say most respectfully to the President: Come home and work with the Congress and see if we can't get something done.

Mr. MONROE. Senate Democrats are talking about a tax on gasoline that would start at one cent a gallon, which would not discourage many people from buying gasoline. Doesn't that amount to what the Energy Administrator calls a "Let's not do anything" policy?

Senator HUMPHREY. Not at all. The Senate Democrats and the House Democrats will have an energy program which will move into conservation, that will reduce our dependence upon foreign imports, will promote alternative sources of fuel and will provide for the kind of direction of the energy program that is really needed.

The one cent will go into an energy trust fund. We need a National Energy Board like we had a War Production Board in World War II, to coordinate all these efforts and to get going.

The President's energy program would lead this country into great trouble.

Mr. MONROE. Will a one cent tax on gasoline discourage anybody from buying gasoline, Senator?

Senator HUMPHREY. Not a bit. It will not discourage and that is not what it is there for. It is there to add funds into the trust fund so we can do research, so we can find alternative sources of fuel. The way that you discourage the use of gasoline is to have, for example, the automobile industry build engines that get more mileage. That is the way you get it done, and you enforce the speed limit at 55 miles an hour and you do other things which we can go into that will discourage the use of gasoline and save and conserve fuel.

Mr. ROWEN. Senator Humphrey, we have been witnessing an astonishing acceleration in the rate of unemployment and a decline in output, the increase over the last five months in unemployment has been 2.6 million, which is unprecedented, and these statistics may be even understating what is really the case.

Do you think we are heading into a depression?

Senator HUMPHREY. Unless we take some very concrete and effective action, and very quickly, within the next 60 to 90 days, I think we would be approaching what you would call the dimensions of a depression, and Mr. Rowen, let me say what you have cited here is just further indication of the precipitous decline of this economy, and the Administration's program is too lackadaisical. It has no real economic stimulous. It has some very negative effects and I think that unless the Administration gets with it, unless it begins to understand what you have just said, Mr. Rowen, that we will go into a depression. Now, we don't need to go into a depression, and we must not go into one, but we have got to have affirmative action and it has got to be now and it has got to be big.

Mr. ROWEN. Well, all right. Senator, would you spell out for us in concrete terms what that program should encompass in terms of a tax cut? I assume we would want a bigger tax cut in terms of spending programs and what else?

Senator HUMPHREY. Let me first of all say what we have got before us from the President, if you don't mind. Number one, the program on tax cuts really adds little or no stimulous. Every expert we have had before our committee tells us that. Secondly, the program on energy will add three percent to

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the cost of living and it will undoubtedly cause another 400,000 or more loss of jobs and it will build in price increased into this economy that will be very, very severe. Now, we can't have that.

Now, what do I propose? I propose a tax cut of $30 billion, No. 1. That will give you some economic stimulus. $10 billion on rebate, $20 billion on what we call the individual tax cut so that the take home pay will be larger and that is what counts: What is the take home pay.

I also propose a job program, getting at jobs, and that means getting at housing; that means getting the money released that the President has tied up in this budget. That means getting that water and sewer project, highways, hospitals. Those are the things we need to do.

I also propose that we get ahold of this Federal Reserve Board situation before they take us down the drain. The Federal Reserve Board is in effect promoting economic strangulation in this country. We are never going to get out of this recession with just tax cuts and jobs and public service jobs which I would also include in my program. You have got to have credit and you have to have a lower interest rate and that comes from the Federal Reserve Board and I want to say again, Mr. Rowen, that unless the Federal Reserve Board joins the team, unless it gets out of its ivory tower over here in this sanitized institution that it has and joins the team, this country is going to go into a depression and I call on Dr. Burns and the Federal Reserve Board to join up and to quit playing the bankers' game and start playing the game to help the American people, get some jobs, get some economic recovery.

I say again they have been tightening the noose around this economy and they have got to loosen up on it and give you a chance to breathe and to grow.

Mr. COWAN. Senator, you and other members of Congress have lashed the Federal Reserve Board, blamed the Federal Reserve Board for economic problems for many, many years, but you haven't made any changes in the way the Federal Reserve Board is constituted or what its statutory authority is.

Do you have any in mind? Do you propose to do anything about the Federal Reserve Board or are you just going to go on blaming it?

Senator HUMPHREY. I don't believe that the institution of the Federal Reserve Board is particularly wrong. However, it is always subject, may I say, to critical examination and we will surely give it just that and I want to say to the Federal Reserve Board, unless they shape up and start to do something about this economy, they will be subject to congressional action.

Now, the Federal Reserve Board is what Paul Douglas once said of it, bless his heart, Paul Douglas told McChesney Martin one time, "I want you to take a look in the mirror every morning and I want you to write on that mirror, 'I am a creature of the Congress,'" and that is what the Federal Reserve Board is. It was established to help the Congress in the management of money, in the coining and the money and the value thereof under the terms of the Constitution.

And all the Federal Reserve Board needs to do is to get out of its pristine tower and innocence there and go on out and take a look at what is happening in this country. That is all it needs to do. Take a look at the 7.5 million people that are unemployed. Take a look at the 3,800,000 that are part-time employment. Take a look at the millions, the 25 million people in this country that are poverty-stricken.

Mr. COWAN. Now, this is a debate that has been going on for years and years and perhaps decades. You seem to think the Federal Reserve Board has too much authority and latitude to act independently of Congress. Do you think so and do you propose to change that authority?

Senator HUMPHREY. I don't want the Congress to set money supply rates. I don't believe in that. I think the Federal Reserve Board just needs to be brought to an understanding by the President and the Congress, by constant pressure, and contact, that they are a part of the team for economic recovery.

There is no presidential program on taxes or budget that will get this country out of the recession. There is nothing that the Congress can do alone that will get this country out of the recession unless the supply of credit at reasonable interest rates is there and that is where the Federal Reserve Board comes in and we are not going to kid the American people any longer about Congress and the President. Unless this three-legged stool of the American economy—Congress, the White House, and the Federal Reserve Board—is in balance, somebody is going to fall on a certain part of their anatomy and you know what I mean. That short leg of the Federal Reserve Board has got this economy of ours in a tailspin and it is time to stop it and I use this program today to serve notice on the Federal Reserve Board that those of us in the Congress are going to see that something is done about it unless you shape up and it is about time that the American people understood where the problem is.

Mr. WILL. Senator, speaking of interest rates, there are those who say that Senator Humphrey and his friends in Congress are the problem here. They say—and George Mahon of the House Appropriations Committee—says that the government is going to have to borrow in the next 18 months between 150 and 170 billion dollars to finance this operation, which is going to dry up job-creating capital and send interest rates soaring.

Can you see any way to finance this government, this deficit, and off-budget activities without sending interest rates back up and absorbing any recovery that might start?

Senator HUMPHREY. Mr. Will, I have listended for the last three weeks to the outstanding experts of this country in the fields of finance and monetary and fiscal policy and I haven't found a single one outside of the Secretary of the Treasury, Mr. Simon, who is giving the President some rather bad advice, who doesn't believe that we can finance without any adverse effect upon interest rates or without any inflationary rekindling of inflation, the deficit that is contemplated in this budget.

I repeat that that is the report and the testimony of everyone that has been before us. Now, what is wrong with the budget?

First of all, it isn't government spending. I will tell you what the deficit is about. The deficit is due to the fact that revenues are down. Why are the revenues down? Because the gross national product is down, 9.6 per cent in the last quarter.

Why are the revenues down? Because you have huge unemployment in this country. People don't have any income, and then why is the deficit? Because of the shortage of revenues and what else? Because of $18 billion we are having to spend on unemployment compensation and things that go along with that.

Now, all you need to do is get this country back to work, Mr. Will. Listen. If we had an unemployment rate of five per cent, we would have the budget in balance. If we had an unemployment rate of four per cent, we would have a $12 billion surplus. What is wrong with the budget is the economic program of this Administration. That is what is wrong with it.

Mr. WILL. Senator Humphrey, some of your colleagues, Chairman Reuss of the House Banking Committee being one of them, are so alarmed at the pressure on the capital markets in this country that they want credit allocation, which, as I understand it, would be the politicians and the bureaucrats allocating credit in a credit scarce economy. Are you for or against that?

Senator HUMPHREY. Mr. Will, I don't put credit allocation at the head of my list, but let me tell you we have had credit allocation and the Federal Reserve Board has allocated credit, for example, loans to foreigners.

Dr. Bremmer, former member of the Federal Reserve Board, testified that credit allocation will work. But I will tell you what works better. Tell the Federal Reserve Board to quit playing Simon Legree and Shylock. Tell them to start to loosen up. Tell them to start to get the available credit out here. Now, everybody knows around this town, that studies economics at all, that it takes about a 6 percent money rate growth to have a normal kind of economy, a normal kind of development. Now when you have a recession, listen to what Dr. Paul McCracken, former Chairman of the Council of Economic Advisers said. Eight to ten percent for a period of time, possibly 12 percent, increase in money supply. And what has been happening in the last month, what has been happening in this month of January in the Federal Reserve Board? Tightening up again. They must be lovers. They keep embracing all the time. They never open up their arms or their heart, they keep tightening up and the contraction, may I say, in these last few months in the money supply by the Federal Reserve Board has precipitated this country into a dangerous recession, and I tell you again that tax reductions, yes, I am for them, I outlined that. Public service jobs, yes. The release of impounded money, yes. The President's program on taxes, if he wants it, yes, but all of that together will not do the job until people can get credit. You are never going to build a house, my friend, at ten percent interest on mortgage money and that is what the people are——

Mr. SPIVAK. Senator, you have blamed the President; you have blamed the Federal Reserve. Why don't you put some of the blame on Congress, or are you not blaming Congress because so many of them are off on vacation?

Senator HUMPHREY. Well, I am opposed to * * * off on vacation. I wasn't off on vacation. I have been here every day.

Mr. SPIVAK. You have been here every day, but you can't do everything alone.

Senator HUMPHREY. I can do my share.

Mr. SPIVAK. Now, why hasn't Congress been doing its share and who—if the President is wrong, the Federal Reserve is wrong, who is going to do this job, an absent Congress?

Senator HUMPHREY. Let's just take a good look at that.

Mr. SPIVAK. Let's take a look.

Senator HUMPHREY. All right. First of all, the President sent his energy program to the Congress.

Mr. SPIVAK. Let's talk about Congress.

Senator HUMPHREY. Wait a minute. Wait a minute. Congress, after all, needs to get a program before it. The President sent his energy program down there February 5th. That is about ten days, a little over ten days ago. That is No. 1 since he has been on the radio and the television. Now, look, we don't legislate by radio and television. We legislate on the basis of when does a bill come to the Congress and the committee. In the meantime——

Mr. SPIVAK. I thought Congress was a legislative body though.

Senator HUMPHREY. Now, the legislative body is that the House Ways and Means Committee has already reported out a tax bill, and thank God we haven't accepted the energy program of the President.

I am not about to vote for a program, No. 1, that levies new taxes upon energy the way he wants to, that it will increase the cost of living according to the Library of Congress objective study by three per cent.

Mr. SPIVAK. Why doesn't Congress do something about the bill that the House Ways and Means got out?

Senator HUMPHREY. Larry, it will be done. You know and I know——

Mr. SPIVAK. When?

Senator HUMPHREY. I would say within the next thirty days. I would say within the next thirty days. And may I say you would be the first one to complain if we did things precipitously without careful examination.

I repeat, the job of the Congress is to scrutinize and to analyze and then to act and not to be a rubber stamp for a President.

How many times have I heard you men of the press and others say, "Oh, Congress is nothing but a rubber stamp."

Now when we want to take a look at it, you say, "Well, you are hanging back; you are holding back."

All I can say is, the American people who use fuel oil to heat their homes should thank this Congress for holding back because it would increase the price of gasoline and fuel oil to every consumer in this country at rates that are unconscionable, the President's economic program.

This is no—we are not playing games here on this program. I am here to tell you. I am deadly serious about what I am saying. I am saying the President's program will lead this country into further recession, increased inflation, and rising more unemployment. I will not buy it and if it is going to take a little time to fight it out, we are going to fight it out.

Mr. MONROE. Senator Humphrey, isn't it a fact the program the Democrats are shaping up on energy, talking about such things as more efficient automobiles which may happen several years from now, will not save the one million barrels a day the President is trying to save for several years?

Senator HUMPHREY. Mr. Monroe, one million barrels a day, where did that come from? Dr. Kissinger needed a figure one day and he pulled it out of thin air. There is no one that has ever said one million barrels a day was a magic figure at all. As a matter of fact, one million barrels a day may be very disastrous for this country because it is said that for every ten barrels of oil there are four jobs and at the time of recession—and we have a recession which can approach the dimensions of a depression unless we watch out—it is no time to be fooling around cutting back on production, cutting back on the things that provide jobs in this country. Let's get it straight.

What this country needs today is work, not WIN buttons.

Plain work. What this country needs is some action, not speeches. What it needs is a program of jobs and employment.

Mr. MONROE. You are willing to put the matter of saving imported oil in terms of substantial savings on the back burner?

Senator HUMPHREY. I am willing to put it within what I call a time frame which gives us an opportunity to work out a program that is a good deal more sensible and let me say we can put incentives, for example, for people to buy smaller cars that use less gasoline. The problem is gasoline, as you know. Forty-five percent of our crude oil goes into gasoline and we can put a tax on the big old guzzlers so that people don't want to buy so many of those. We can enforce the 55-mile an hour speed limit.

We can insulate buildings. We can take part of the President's program—do you know what we have done with the President? I got a letter signed by 14 members of the Joint Economic Committee, Mr. Monroe, and members of this panel, sent it to the President and do you know what we asked him?

We said, "Mr. President, look, your energy program is going nowhere except into trouble. Why don't we sit down, you appoint a task force from the the Executive Branch and the leaders of the Congress from the House and Senate, and we will sit down with you and we will work out with you a national energy program, a national economic program."

Not a Democratic program, and we will work it out so that the American people can get some action.

But this confrontation politics, the take-off supposedly on the campaign of Mr. Truman—but Mr. Ford is not Mr. Truman—I consider irresponsible. What this country needs is cooperation.

Mr. SPIVAK. Mr. Rowen.

Mr. ROWEN. Senator Humphrey, you have been pretty rough here on the Federal Reserve Board, Simon Legree and all of that, but let's be fair about it. Isn't it true that the contraction of the money supply lately has been due as much to the fact that business doesn't want to borrow and consumers are afraid to spend as it is the policy of the FED which has been pumping more reserves into the economy?

Senator HUMPHREY. Partly so. You are right. But in the last half of 1974 the FED pursued a policy of tight money as we call it, and high interest rates that I think was disastrous and you can tell what the FED is doing by what the interest rate is.

I am not talking about the interest rate that they call the discount rate or something like that; I am talking about Mr. and Mrs. Jones that want to buy a home. Do you know what that interest rate is today? You do, above all, Mr. Rowen. Ten per cent if they can get it.

Do you know what the average guy is paying, or a small businessman, for interest today? Twelve to thirteen percent. That simply tells me one thing. That tells me that the Federal Reserve Board is still not facing up to the realities of the money situation.

Mr. COWAN. Senator, let me slip in a little political question here. A number of Democrats are running for the presidency in 1976 now. How would you feel about being the Democratic candidate for President in 1976?

Senator HUMPHREY. Mr. Cowan, we can handle this one right quickly. I am not a candidate. I don't intend to be a candidate. I will enter no primaries. I will not permit any committee to sponsor me. I have set up no committee. We will collect no monies and I haven't the slightest idea that I will be a candidate of the Democratic party.

Mr. COWAN. Would you accept or refuse the nomination?

Senator HUMPHREY. Well now, if you can arrange it, it is going to be handed over to me, Mr. Cowan, which generally is not the case, the people don't get what they ordinarily—they don't get something until, unless they work for it—if the party turned to me at the convention and said, "Mr. Humphrey, we want you," I would obviously give that—I would accept it. Indeed, I would accept it.

If my health was good—and I think it is—if I felt I could serve this country. But I am not a candidate. I guess maybe I am the freest man I have ever been in my life. I seek nothing, want nothing except one thing: I am going to tell it like it is and that is what I am trying to do on this program.

Mr. COWAN. And you think you would make a good President?

Senator HUMPHREY. I think I would do well at the job, but I am not a candidate. I don't want to be a candidate. I seek no nomination.

Mr. SPIVAK. Gentleman, we have only three minutes left.

Mr. WILL. Senator Humphrey, there is something striking about the gap between the ferocity with which you denounce the Federal Reserve Board, and the timidity with which you propose solutions. If they are wrecking the economy, as you say, why don't you do something about it and specifically what do you have against the Reuss bill to in effect draw the Federal Reserve Board under the control of the politicians?

Senator HUMPHREY. First of all, Mr. Reuss' bill sets it at six percent. I don't believe the Congress should set the money supply at any particular rate. I think that the Federal Reserve Board ought to have the intelligence and the competence to be able to adjust those rates. You need rates that are adjustable, and I understand that. Secondly, Senator Proxmire and I have introduced a resolution calling upon the Federal Reserve Board to have the money supply at such a volume in rate as will promote the full potential of our economy, and may I say the full potential is important.

Do you know what we are doing? This year we waste $106 billion of our potential because of unemployment. Next year, 75. That is in '75 we will waste $240 billion, in 1976, $250 billion. In three years we will have lost $600 billion of potential production, even if we had four percent unemployment.

Gentlemen, that is unacceptable. The President's program projects for the end of this decade, to 1980, six percent unemployment. That is unacceptable, politically, morally and economically. I listened to Mr. Meany on a program not too long ago. It was on this show, wasn't it?

Mr. SPIVAK. No.

Senator HUMPHREY. He said we would have an unemployment rate of ten percent. Let me tell you what I think. Today the unemployment rate is 8.2 by official figures, but the real unemployment rate today is much larger than that. It runs to about 11 percent.

Mr. SPIVAK. Senator, may I take you away from Mr. Meany and from the President and from the Federal Reserve back to Congress. In December of 1974 you wrote a letter to Speaker Albert and urged him to get the House and Senate leadership together for the purpose of designing an overall program. Why do you think so little has happened? Is it because the Democrats are leaderless, despite the fact that they have such a huge majority? Why hasn't Congress done more?

Senator HUMPHREY. We could do better, and I have been a critic, but I do say that Mr. Speaker put together the task force under Congressman James Wright. We have a similar task force under the chairmanship of Senator Pastore in the Senate. We will have our program that will be announced within the next week. The House program has been announced. In the meantime the committees are at work. It is a much easier job for a man in the White House to announce a program than it is to get 535 Members, or even a two-thirds majority of those together on a program. Congress will give this nation a program, but may I say this as we come to the end—

Mr. SPIVAK. I am sorry I have to interrupt, our time is up. Thank you, Senator Humphrey for being with us today on Meet the Press.

THE MAKING OF A RECESSION

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, this Nation is in the midst of its worst economic crisis since the Great Depression.

Last month, more than 7½ million Americans who wanted to work were jobless. The unemployment figure for January passed 8 percent, and some knowledgeable individuals have predicted that figure will reach the 10-percent mark this year.

The very survival of this Nation is at stake.

We must devote our full energies to solving this crisis. It is important, in our efforts, that we understand how this crisis came about. By identifying the causes of this crisis, we will be better able to formulate the proper strategies by which we can restore our Nation to a healthy economic state.

The Gallagher President's Report, a highly respected business newsletter, recently published a summary of the policies responsible for our troubled economic state. Mr. Speaker, I commend the text of that publication to interested citizens so that they might better understand how the current economic crisis came about, and thus be better equipped in our fight against economic disaster:

THE MAKING OF A RECESSION

(Highlights from 4 years of GPR coverage on the decline of the U.S. economy)

AUGUST 18, 1971

Nixon faces up to reality. New economic game plan two years late. Eight-point program based on crisis decision. Overall recommendations good despite delay in unveiling plan. Private sector primary beneficiary. U.S. President follows GPR advice. Calls for 1) Reduction in government spending. . . . 2) Wage, price freeze. . . . 3) "Floating" U.S. dollar in world markets. . . . 4) Reinstatement of investment tax credit. . . . 5) Prosperity without war. . . . 6) Speed-up in income tax cuts. . . . Major weaknesses of program: Banks not included in price freeze. . . . Need for long-range economic policy overlooked.

NOVEMBER 10, 1971

Nation faces economic crisis. U.S. headed for economic hangover after 1972 Presidential election as result of Nixon manipulation of economy. Major problem: Phase II program geared to produce short-term results, reassure reelection. . . . Not enough to sustain prolonged economic recovery. Consumer confidence clouded by 1) continuation of wage restraints under Phase II; 2) threat of continued high unemployment (GPR predicts 6% annual rate in 1972); 3) lack of government long-range planning; 4) estimated $27 billion Federal budget deficit in fiscal 1972 ($30 billion forecast for fiscal 1973).

JANUARY 12, 1972

Freeze on public sector wages, prices, taxes. . . . GPR predicts failure of Phase II policies due to 1) discriminatory practices; 2) unwillingness of Federal, state, local government officials to increase productivity; 3) inflationary public sector programs; 4) preferential treatment of quasi-public corporations. . . . Rash of state, local tax increases reflect rise in cost of public sector services. Added headache: hike in excise taxes on gasoline, tobacco, liquor. Higher levies tantamount to price increases granted by public sector without Price Commission authorization. Taxes to increase cost of doing business. Affect private sector's ability to price products to achieve reasonable profit.

MARCH 22, 1972

Nixon program of selective controls boomerangs. . . . U.S. Senators from New England states score [Nixon's] failure to 1) impose price curbs on agricultural products (now exempt from controls); 2) adopt export quotas on agricultural commodities in short domestic supply. Imposition of export quotas requires approval of [Commerce Secretary Peter] Peterson, Secretary of State Bill Rogers, Agriculture Secretary Earl Butz. Peterson, Rogers unable to convince Butz of need for quotas. Agriculture Secretary opposed price controls on farm products, mandatory export quotas on agricultural commodities. Claims job is to keep nation's 2.9 million farmer constituency happy under orders from U.S. President.

DECEMBER 5, 1972

Phase II economic policy loses muscle. Nixon game plan runs into trouble. Program of wage, price controls fails to meet Administration's target of minimum 2% annual inflation rate by yearend. Current growth rate 4%. Price rollbacks almost nonexistent.

JANUARY 17, 1973

Nixon's Phase III program poorly timed. President falls prey to "free economy" theoreticians. . . . Nixon should have waited until after Labor Day to lift wage/price lid. Pragmatic company president recognizes controls best way to contain labor demands. . . . GPR predicts Nixon to seek reinstatement of controls. Current let-up in controls program viewed as concession to Big Business.

APRIL 10, 1973

Across-the-board controls essential. Must include freeze on food, meat prices. 2.2% rise in wholesale prices last month largest in 22 years. Growth of wholesale price index now at annual rate of 21.5%. Nation can't afford free-wheeling agricultural sector to go unchecked. . . . Farming, ranching now big business. Major U.S. corporations like Harold Shaub's Campbell Soup, Al Eames' Del Monte, Eli Black's United Brands become food conglomerates. Have substantial investment in farming. Nixon claim—lack of controls on food prices essential to protect nation's farmers—fatuous. Farmers, farm workers account for mere 3.9% of total labor force (down from 7.0% decade ago). GPR estimates one-fourth of nation's farm managers now corporate giants and produce 75% of commercial crops.

MAY 30, 1973

Crisis of confidence grips U.S. economy. Nation in throes of economic illness similar to Great Depression of 1930s. Malaise result of leadership void in business, government. Symptoms rampant. E.g., U.S. dollar shaky in world markets; domestic rate of inflation goes unchecked; private sector faces critical shortages of vital raw materials; housing starts begin to slump. Fever spreads as business community feels backlash of Watergate affair. . . . Crisis point near. Current climate conducive to stock market crash. Odds 50/50 in favor of major economic depression within next 12 months.

JULY 10, 1973

Phase IV doomed to failure. 60-day wage/price freeze announced June 13 not long enough for Nixon Administration to formulate meaningful new controls program. GPR predicts Phase IV to be mere rehash of Phase II. Changes will be cosmetic in nature, won't produce desired results.

AUGUST 7, 1973

Slowdown in store for second half. Retardation in earnings growth to follow in wake of "inflated" earnings generated in first half by Phase III economic policy. . . . Tight money combined with dead equity markets, skilled labor shortage to force curtailment of expansion plans. Full effect to be felt by second quarter next year.

NOVEMBER 13, 1973

Government-created recession in the works. GPR warned readers of urgent need to accelerate transition from oil-based to nuclear-based economy two years ago. . . . Business community to pay price for neglect via upcoming drop in industrial output, reduction in wages, increase in unemployment. . . . Low-employment industries, small business, retailing, entertainment, pleasure travel to be most affected.

FEBRUARY 12, 1974

U.S. headed on road toward economic suicide. Big Business "takeover" of U.S. economy motivated by self-interests. . . . GPR predicts freewheeling economic policies of Big Business power structure to plunge nation into recession and/or depression in 12 months. Lack of mandatory controls on prices, lifting of curbs on export of capital enables Big Business to raise prices at will, play international money game by "chasing" interest rates on global scale.

Nixon responsible for economic chaos. Administration's lack of leadership, failure to challenge Big Business power structure results in current economic turmoil. . . . Nixon now pawn of Big Business. Inability to govern nation to accelerate resignation decision as nation feels effects of Administration's leadership void.

APRIL 9, 1974

Business community faces consumer revolt. Look for slowdown in consumer spending over next six months. Cutback to come in wake of Cost of Living Council's removal last week of wage, price controls over three-fourths of U.S. economy. Action to 1) force upward pressure on prices, wages; 2) accelerate consumer buying resistance. GPR predicts "double-digit" inflation. . . .

MAY 21, 1974

U.S. economy headed for depression. Downturn to come with release of second quarter profit figures in late July. Could last minimum two years (until 1976 Presidential elections). Depression to be triggered by combination of factors. *Lower earnings.* Look for continued decline into third, fourth quarters this year. *Unmanageable public debt.* . . . *Record Federal budget.* . . . *Uneasy money markets.* . . . *Anticipated surge in unemployment.* . . .

JUNE 11, 1974

Nixon chief architect of U.S. economic crisis. Foundation for today's domestic economic turmoil laid by Administration's permissiveness during first term. Trouble began with Nixon's failure to control mounting greed of banks. . . . Spread to Big Business with President's velvet glove approach toward antitrust. . . . Crisis heightened by ill-conceived policy of wage/price controls (e.g., reimposition of 60-day "freeze in June 1973 after premature easing of Phase II programs). Resulting disruption of domestic economy led to gains by special interest groups—farmers (wheat), ranchers (meat), oil monopoly (heat).

JULY 16, 1974

Midyear outlook for U.S. economy—more of the same. Last week's White House meeting called by Nixon to discuss domestic economy with 25 selected corporate chiefs, economists major disappointment. Gathering revealed company presidents can expect no significant improvement in domestic economic climate under current Administration. Look for tight money to continue through remainder of year. Economy to pay price in 1975 via increased unemployment as corporate heads delay and/or scale down expansion programs.

AUGUST 27, 1974

Outlook dim for small, medium business. GPR predicts Ford-Rockefeller Administration to continue Nixon's "old-time religion" economic policy. Interests of Rockefeller dynasty—oil, banks, real estate, airlines, autos—too far-flung to permit objective action on nation's economic ills. . . . Small, medium businesses to be left to own devices. Result: acceleration of corporate takeovers as asset hungry blue chip raiders eye irresistible bargains in companies with stocks selling below book value.

SEPTEMBER 10, 1974

Presidents demand action on U.S. economy. Ford under pressure to formulate forceful domestic economic policy as follow-up to summit conference late this month. Topics scheduled for discussion center primarily on inflation. Must include programs to combat recession and/or depression. . . . Immediate action needed on: (1) *Across-the-board wage, price controls.* Establishment of guidelines with severe penalties imposed on violators. (2) *Excess profits tax.* Particularly for companies with monopolistic market positions (e.g., oil). (3) *Aid to small, medium business.* In form of graduated corporate income tax. Include hike in allowable surplus to minimum $200,000.

SEPTEMBER 24, 1974

Nation needs blueprint for survival. . . . Banks must receive top priority. Estimated 160 banks on "sick" list in U.S. Rise in Federal Deposit Insurance Corp. coverage from present $20,000 per account to $40,000 essential to protect against potential panic.

Wage, price controls due in 1975. Look for Ford to resort to controls program within next 16 months. . . . Current economic policy enables chosen few (banks, oil companies) to make money, manipulate economy. Discourages competition. Encourages economic annihilation of small business.

OCTOBER 29, 1974

Business community faces "sick" economy over next five years. GPR predicts failure in attempts by nation's political leaders to solve nation's current economic ills. Major reasons: current malaise result of five years of neglect; dearth of qualified executives in key government policymaking jobs. . . . Look for depression to hit by 1976 unless immediate corrective action taken. Signs already evident. E.g., 94% drop in General Motors' third quarter profits (leads to layoff of 6000 workers at four GM plants). . . . Additional layoffs by major U.S. corporations inevitable.

NOVEMBER 12, 1974

Presidents gear up for "managed" U.S. economy. Look for failure of President Jerry Ford's "Whip Inflation Now" program to result in establishment of permanent system of wage, price controls. Nation's economy now out of control. Lack of national leadership forces private sector to play business game without rules. Situation chaotic. . . . Price pass-alongs initiated to "catch up" with inequities of Nixon's poorly constructed wage/price program now force layoffs as major U.S. corporations scramble to keep heads above water.

DECEMBER 10, 1974

Rising unemployment threatens U.S. "credit economy." . . . Current economic recession shows signs of developing into deep-rooted depression. Major difference between 1929, 1975: nearly $600 billion currently outstanding in consumer credit, small-home mortgages.

JANUARY 21, 1975

Prospects fade for economic recovery. Ford proposals to stimulate economy doomed to failure. Major reason: recommendations merely short-term solutions. Lack teeth. Conceived in climate of crisis. Avoid cures for basic economic ills.

Cure calls for strong economic medicine. . . . Major disruptions to result, e.g., total elimination of depletion allowances, overhaul of private sector work force (switch to part-time help vs. full-time), increased government regulation of basic industries (particularly banks). National survival at stake.

TRIBUTE TO JOSEPH McCAFFREY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I wish to commend one of this Nation's top broadcast journalists, who recently celebrated a milestone in his illustrious career. Last month marked Joseph McCaffrey's 20th year as a Capitol Hill news correspondent for WMAL television and radio. As a knowledgeable expert on congressional affairs, Mr. McCaffrey has consistently produced new reports that inform his audiences as to the operations of their Congress. Such an informed public is necessary to a strong, vital democracy.

I salute Joe's excellent work and congratulate him on the occasion of his 20th anniversary as a congressional news correspondent for WMAL television and radio.

The Washington Star-News recently published an informative article covering the highlights of Joe's career. The text of that article follows:

[From the Washington Star-News, Feb. 9, 1975]

McCAFFREY, WHO KNOWS CONGRESS

(By Frank Getlein)

A couple of weeks ago Joseph McCaffrey celebrated his 20th anniversary as Capitol Hill correspondent for WMAL on both radio and television. He is the dean of broadcast journalists on the hill, but that kind of staying power in local broadcast news is even more remarkable these days, with the whole industry in a continent-wide game of musical mikes and the search for journalistic jollies in full cry.

McCaffrey has based his career on qualities more valued in print journalism than on the air. He has the gift of honest-to-God humor, as distinct from forced chuckles, for one thing. He expresses himself easily and naturally in good English grammar and syntax. Above all, perhaps, he knows his chosen field—Congress—inside out, upside down and backwards, which, of course, are the ways it operates a lot of the time.

He knows the people of Congress, members and staffs, the systems, both formal and informal, and the issues as, often enough, they build up over years before erupting like the revolution of the Democratic caucus just completed, or at least fairly begun.

Out of that normal journalistic knowledge, he produces penetrating analysis and common sense commentary of what goes on beneath the dome on the hill.

It was his habit of hanging around the place that brought him his most spectacular broadcast scoop and that, as a direct result, got him unemployed and, after a few years of that, into the job at WMAL he has occupied ever since.

He started in journalism as a kid in his native Poughkeepsie under Emmett Lavery, later the successful playwright, then a local editor. McCaffrey joined the Air Corps, as it was then called, in World War II, got ganged about a bit, and came to Washington afterwards, starting with CBS, then becoming Washington editor for Mutual's "Newsreel of the Air."

He was in the broadcast gallery with a live mike on the day the Puerto Rican independentistas began shooting up the House of Representatives, a direct action form of protest many have thought of but only the PR's have had the follow-through on.

McCaffrey, even as he described what was going on, thoughtfully organized a line-up of Congressmen as they scurried off the floor, so to speak, and you heard it first on Mutual.

Another thing you heard in those days was Col. Robert M. McCormick, offering thoughts on the state of the world and of the British and or Communist conspiracies against America's heartland. Normally, these thoughts were offered between the acts of broadcast opera on the colonel's own station in Chicago, WGN, for "World's Greatest Newspaper," namely the Tribune.

On occasion, however, the colonel thought it well to slip in to Washington to pass the word directly to the government as to what ought to be done. When he did, he used McCaffrey's studio as his point of origin for the homily. It became the function of staffers in rotation to accompany the colonel from the home of Frank C. Waldrop, where he usually stayed, to the studio, to sit in the studio while the words of wisdom went forth, and to ride back with the great man, all the time saying nothing.

The Saturday after his big scoop, McCaffrey drew his turn in the escort service. Still floating from the praise of his peers, he told the bureau in clear terms what they could do with the car, the chauffeur, the colonel and, naturally, the job.

After a few years free-lancing, he signed on with WMAL and the rest is some of the best Washington broadcast history there is.

From the perspective of a quarter century in Washington broadcast political journalism, McCaffrey feels that both ends of his professional life—the studio and the Capitol—are going to hell, partly at least from their mutual influence.

Politics, he says, has been trivialized by television. The felt needs of the American politician in the electronic era are different from what they used to be and almost every change is a bad one from the point of view of thoughtful government. The television politician has to be good looking with a good presence on the tube. He has to be able to latch on to a few simple ideas—the fewer the better, the simpler the better, because the television mind has been shaped by people selling dog food with simple slogans for simple dogs.

Television itself, he says, is being ruined by consultants, men who tirelessly inform broadcast management that the people demand the trivial, the ephemeral, the fragmented and the phony.

He is right, of course, on both counts, as you can see by turning on the commercial tube almost any hour of the day or night.

REMARKS OF CONGRESSMAN NORMAN Y. MINETA AT INSTALLATION DINNER OF JAPANESE-AMERICAN CITIZENS LEAGUE

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, recently our distinguished colleague from California, the Honorable NORMAN Y. MINETA spoke about recently highlighted security activities of the CIA, FBI, and other Government offices from the viewpoint of a Japanese American citizen whose civil liberties were most forcefully violated during World War II, when he and 110,000 other Americans of Japanese descent were "relocated" from their homes and lives to detention camps under the influence of a national hysteria, never substantiated, that they posed a threat to the defense of the United States. Mr. MINETA also addressed himself to the problems of Federal employees, who in many ways are relegated to "second-class citizenship."

I would therefore like to have Mr. MINETA's remarks printed in the RECORD. They provide a unique perspective on issues before the Congress today. His remarks follow:

REMARKS OF CONGRESSMAN NORMAN Y. MINETA

It is indeed a great pleasure to be here this evening, both as a Member of Congress and as a member and past President of the San Jose Chapter of the JACL.

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During my term as Mayor of San Jose and my campaign for Congress, the assistance of the JACL and our distinguished Hawaiian delegation was truly invaluable.

In fact, to a large degree, you share a large portion of the responsibility for bringing me and my family from the warm and sunny clime of the Santa Clara Valley to the cold and snowy banks of the Potomac.

During the past several weeks, I have been repeatedly asked by inquiring reporters and interested constituents what I could contribute as a freshman Representative in the 94th Congress.

While my first 21 days have not exactly been conducive to the ponderance of this somewhat philosophic question, given important and virtually non-stop House organizational meetings, policy briefings, and housekeeping activities, there is one area to which, based on my heritage and experiences as a Japanese American, I feel a deep and ceaseless commitment.

It is on this crucial topic—civil liberties—that I will speak this evening. My choice of subject is obviously not coincidental, for the Japanese American Citizens League has, since its founding as a national organization in 1930, been engaged in an unending struggle for the human and civil rights of all people.

Your efforts to guarantee the constitutional rights of all Americans, regardless of race, nationality, color, or birth, constitute a record of which you should be proud.

With regard to the timeliness of such a discussion, I do not think there can be any room for doubt—not when we are presented with possible infringements of our own civil liberties by the Central Intelligence Agency, the FBI, and the military almost daily; which, when taken together, seem to perpetuate the unanswered constitutional questions raised during the past two years by Watergate.

As Japanese Americans, we share a historic commitment to, and a unique responsibility for, the protection of the civil and human rights of all Americans.

In deference to our heritage and experience, we must, to paraphrase the words of Senator Sam Ervin, play an active role in ensuring that the government does not tip the scales against the fundamental principles of limited government and the freedom of the individual.

As you are well aware, there is much to be done by the 94th Congress to defend our liberties. We will need your advice and assistance to get the job accomplished.

An important first step was taken by the House Democratic Caucus on January 14th. On that date, the caucus voted overwhelmingly to transfer the jurisdiction of the House Internal Security Committee, successor to the UnAmerican Activities Committee, to the more broadly-based House Judiciary Committee.

In view of the past tactics and treatment of witnesses by the Internal Security Committee, not to mention that Committee's file of an estimated 750,000 data cards on American citizens across the country, or the role of HUAC in the evacuation and war-time detention of 110,000 Japanese Americans, this transfer can only be regarded as a significant advancement in the area of protection of our civil liberties.

Building on this momentum, there are several additional areas which I would like to highlight where Congressional action should be focused in the next two years.

The first of these concerns the present status of Federal employees, who, under existing law, are afforded "second class citizenship".

Specific legislative proposals worthy of action in the 94th Congress which would further the Constitutional rights of Federal civil servants include—

(1) The Federal Employees Political Activities Act, which would amend the outdated and discriminatory provisions of the Hatch Act by allowing Federal employees to take part in political campaigns as private citizens, while providing adequate protection for the integrity of the civil service system;

(2) A measure soon to be reintroduced by Congresswoman Pat Schroeder of Colorado which would clearly guarantee the right to an impartial pre-determination hearing of Federal employees completing their probationary or trial periods of Federal service, thereby protecting Federal employees against arbitrary and capricious dismissal for speaking out in the public interest; and

(3) Congressman Dominic Daniels' bill to guarantee employees of the executive branch the right to have the counsel or a representative of their choice present during interrogations that could lead to disciplinary actions, and to prevent unwarranted reports from employees concerning their private lives.

The measures which I have just mentioned represent only a small portion of the actions needed to ensure the protection of every American's constitutional rights.

Obviously, they deal only with the rights of Federal employees. However, they are important measures—actions which are required for us to put our own house in order and to set an example for the rest of the nation.

The critical need for expanded action by Congress to guarantee our civil liberties continues to be most dramatically highlighted by the almost daily reporting of new and deeper infringements of the Central Intelligence Agency and the Federal Bureau of Investigation on civil and constitutional rights.

As recently reported in the *Washington Post* and confirmed by Director Clarence Kelly, the FBI maintains files containing information on the personal lives of Members of Congress, and Federal employees, as well as other private citizens.

In response to the well-justified indignation of Congress on the existence of these files, which include reports on our loyalty, character, and reputation, we have been informed by Kelly that, and I quote:

"Unsolicited information is received from time to time making allegations concerning Members of Congress as well as other individuals in public and private life . . . When information is received concerning employees of the Federal government or those serving as government officers in any of the three branches of government, as a matter of *practice* it would be submitted to FBI headquarters in Washington so that it would be available *in the event* a check of our records is necessary."

I find it difficult to condone the maintenance of such files—files whose very existence makes possible a type of political blackmail which would make the abuses of Watergate look pale by comparison—on the basis that allegations by FBI sources *might* be researched at some future date in connection with a government appointment.

As if these FBI intrusions into the sacred realm of civil rights were not enough of a reason to take strong and effective actions to protect the constitutional rights of individuals from the $6.2 billion a year "intelligence establishment", we are also being presented with a veritable laundry list of highly questionable activities on the part of the Central Intelligence Agency.

A few which were cited in CIA Director Colby's report to the Senate Appropriations Subcommittee on Intelligence as possible violations of that agency's charter include:

The planting of ten undercover agents in 1967 and '68 in so-called dissident groups in the Washington, D.C. area to gather intelligence about "demonstrations, pickets, protests, or break-ins" that might endanger CIA employees, facilities, and information, and the sharing of their reports with the FBI, Secret Service, and local police departments;

The surveillance of four journalists during 1971 and 1972 aimed at finding out who was giving these reporters allegedly classified information;

The establishment of files on some 10,000 U.S. citizens, including a former Congressman; and

Between 1953 and February 1973, the surveying and opening of mail from New York and San Francisco to China and the Soviet Union for the purpose of identifying "individuals in active correspondence with Communist countries" and determining "the nature and extent of censorship techniques".

In the case of the CIA, we are supposed to be comforted by Director Colby's statement that all these activities have ended and that, and I quote, "Certainly, at this time, it is my firm belief that no activity of the Agency exceeds the limits of its authority."

Whatever the level of Mr. Colby's good intentions, when it comes to our civil liberties, his "belief", however "firm", is not sufficient.

Rather, we need the type of in-depth investigation that is now being undertaken by both the House and the Senate.

In addition, based on the findings of these investigations, we need to quickly and effectively ensure through legislation that such abuses of the inherent civil and human rights of every American will not reoccur.

To conclude my comments, I would like to quote from the epilogue of the California Historical Society's photographic publication, *Executive Order 9066*, written by former Supreme Court Justice Tom Clark:

"Those who cherish liberty may learn much, now that the racial hatred and fear of conquest of thirty years have passed. Let us determine to abide by the lessons that Executive Order 9066 teaches us—first, that the mere existence of a legal right is no more protection to individual liberty that the parchment upon which it is written, and second, that mutual love, respect, and understanding of one another are stronger bonds than constitutions."

While our recollections, individual and collective, may not be pleasant, we must avoid the ever-present temptation to erase the memories of the detention of 110,000 Japanese Americans—our relatives, our parents and ourselves.

Moreover, we must take a lesson from the detention camps that goes beyond any bitterness or rancor that may remain.

We must rededicate ourselves to the efforts the Japanese American Citizens League so nobly started in 1930, and afford to all Americans through legislation as well as mutual love, respect, and understanding, the cherished tradition of equality and constitutional protection which we were denied some 30 years ago.

Thank you.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. FOUNTAIN (at the request of Mr. O'NEILL), from today through February 28, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GONZALEZ, for 30 minutes, today.

(The following Members (at the request of Mr. KINDNESS), to revise and extend their remarks, and to include extraneous matter:)

Mr. CLEVELAND, for 10 minutes, today.

Mr. WALSH, for 5 minutes, today.

Mr. STEIGER of Arizona, for 10 minutes, today.

Mr. STEIGER of Wisconsin, for 5 minutes, today.

Mr. FRENZEL, for 20 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. STEELMAN, for 10 minutes, today.

(The following Members (at the request of Mrs. SPELLMAN), to revise and extend their remarks, and to include extraneous matter:)

Mr. HARRINGTON, for 60 minutes, today.

Mrs. COLLINS of Illinois, for 5 minutes, today.

Mr. ADAMS, for 5 minutes, today.

Mr. MOSS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today

Mr. COTTER, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. O'HARA, for 30 minutes, today.

Mr. SIKES, for 5 minutes, today.

Mr. ALEXANDER, for 30 minutes, today.

Mr. MOAKLEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PATMAN, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD, and is estimated by the Public Printer to cost $834.

(The following Members (at the request of Mr. KINDNESS) and to include extraneous matter:)

Mr. HEINZ.

Mr. MCCLORY.

Mr. O'BRIEN.

Mr. GILMAN.

Mr. KASTEN.

Mr. MICHEL in two instances.

Mr. DON H. CLAUSEN.

Mr. ASHBROOK in two instances.

Mr. COHEN in two instances.

Mr. ROUSSELOT.

Mr. JEFFORDS in three instances.

(The following Members (as the request of Mrs. SPELLMAN), and to include extraneous matter:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mrs. COLLINS of Illinois.

Mr. MINISH in two instances.

Mr. HOWARD in two instances.

Mr. MAZZOLI.

Mr. DOMINICK V. DANIELS in two instances.

Mr. BADILLO in two instances.

Mr. MCDONALD of Georgia in two instances.

Mr. FRASER in two instances.

Mr. HUBBARD.

Mr. BIAGGI in 10 instances.

Mr. CARNEY in two instances.

Mr. BRINKLEY.

Mr. EDWARDS of California in two instances.

Mr. STARK.

Mr. BOLAND.

Mr. CHARLES H. WILSON of California.

Mrs. SULLIVAN in two instances.

Mr. EILBERG.

Mr. ANNUNZIO in two instances.

Ms. ABZUG.

Mrs. MINK.

Mr. ROE.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 8. Joint resolution to authorize the President to issue a proclamation designating March 1975 as "Youth Art Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 18. Joint resolution to designate March 13, 1975, as "Music in Our School Day"; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1767. An act to suspend for a ninety-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such ninety-day period; and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 19, 1975, present to the President, for his approval a bill of the House of the following title:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ADJOURNMENT

Mrs. SPELLMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 27 minutes p.m.), the House adjourned until tomorrow, Friday, February 21, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

369. A letter from the President of the United States, transmitting a draft of proposed legislation to authorize appropriations for the period July 1, 1976, through September 30, 1976 (H. Doc. No. 94–56); to the Committee on Government Operations and ordered to be printed.

370. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to authorize certain payments to States from national forest receipts during the period July 1, 1976, through September 30, 1976, and for other purposes; to the Committee on Agriculture.

371. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 8d(2) of the Agricultural Adjustment Act of 1933, reenacted, amended and supplemented by the Agricultural Marketing Agreement Act of 1937, as amended, to provide authority to grant certified public accountants access to confidential records for purposes of making an audit; to the Committee on Agriculture.

372. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to further amend the Agricultural Marketing Act of 1946; to the Committee on Agriculture.

373. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Health, Education, and Welfare for "Public Assistance, Social and Rehabilitation Service," has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation for fiscal year 1975, pursuant to section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

374. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation for the Veterans' Administration for "Compensation and Pensions" has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation for fiscal year 1975, pursuant to section 3679 of the Revised Statutes, as amended [31 U.S.C. 665]; to the Committee on Appropriations.

375. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed rules governing the supplemental educational opportunity grants program, college work-study program, and national direct student loan program, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

376. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles to the Government of Tunisia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

377. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting reports on recommendations, and actions related thereto, contained in the reports of the President's Advisory Council on Management Improvement entitled "Managing the New Federalism" and "The Control of Health Care Costs" and in the report of the Advisory Committee on Federal Pay entitled "The Fiscal 1974 Adjustment in Federal Pay September 21, 1973," pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–57); to the Committee on Government Operations and ordered to be printed.

378. A letter from the Secretary, Railroad Retirement Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

379. A letter from the Executive Director, Emergency Loan Guarantee Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

380. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to revise and extend the program authorized by the Developmental Disabilities Services and Construction Act; to the Committee on Interstate and Foreign Commerce.

381. A letter from the Administrator, Federal Energy Administration, transmitting a report covering the period October-December 1974, on imports of crude oil, residual fuel oil, refined petroleum products, natural gas and coal; domestic reserves and production of crude oil, natural gas, and coal; refinery activities, and inventories, pursuant to section

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11(c)(2) of Public Law 93-319; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. House Joint Resolution 219. Joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes (Rept. No. 94–16). Referred to the Committee of the Whole House on the State of the Union.

M. MAHON: Committee on Appropriations. H.R. 3260. A bill to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974 (Rept. No. 94–17). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 3383. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Pollock-Herreid unit, South Dakota pumping division, Pick-Sloan Missouri Basin program, South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ALEXANDER:

H.R. 3384. A bill to amend title 39, United States Code, to change the method of appropriating funds to the U.S. Postal Service, to provide for certain consultations and hearings with respect to the construction of Postal Service facilities, to establish certain rules with respect to employment and personnel policies of the Postal Service and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. AMBRO:

H.R. 3385. A bill to amend the Housing and Community Development Act of 1974 with regard to the definition of the term "city" as it is used in that act; to the Committee on Banking, Currency and Housing.

By ANNUNZIO (for himself, Mrs. SULLIVAN, Mrs. SPELLMAN, Mr. BARRETT, Mr. GONZALEZ, Mr. FAUNTROY, Mr. NEAL, Mrs. FENWICK, and Mr. REUSS):

H.R. 3386. A bill to amend the Equal Credit Opportunity Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. ARCHER:

H.R. 3387. A bill to repeal the Davis-Bacon Act; to the Committee on Education and Labor.

By Mr. ARCHER (for himself, Mr. BROWN of Michigan, Mr. CLEVELAND, Mr. COCHRAN, Mr. COUGHLIN, Mr. CRANE, Mr. FRENZEL, Mr. GAYDOS, Mr. GUDE, Mr. HARRINGTON, Mrs. HOLT, Mr. HICKS, Mr. JOHNSON of Pennsylvania, Mr. JONES of Oklahoma, and Mr. LOTT):

H.R. 3388. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. ARCHER (for himself, Mr. LLOYD of Tennessee, Mr. MARTIN of North Carolina, Mr. MELCHER, Mr. MITCHELL of New York, Mr. MOORHEAD of California, Mr. MURTHA, Mr. O'HARA, Mr. REES, Mr. SCHNEEBELI, Mr. SEBELIUS, Mr. STEIGER of Wisconsin, Mr. TREEN, Mr. WAGGONNER, and Mr. WINN):

H.R. 3389. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. ARCHER (for himself, Mr. BAUMAN, Mrs. BOGGS, Mr. BROWN of Michigan, Mr. COLLINS of Texas, Mr. COUGHLIN, Mr. CRANE, Mr. GOLDWATER, Mr. GUYER, Mr. HICKS, Mrs. HOLT, Mr. JEFFORDS, Mr. KEMP, Mr. MARTIN of North Carolina, Mr. MCCLORY, Mr. MONTGOMERY, Mr. MOORHEAD of California, Mr. MURTHA, Mr. ROE, Mrs. SCHROEDER, Mr. TREEN, and Mr. WINN):

H.R. 3390. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 3391. A bill to provide additional penalties for the use of firearms or destructive devices in the commission of certain crimes of violence; to the Committee on the Judiciary.

By Mr. BAFALIS:

H.R. 3392. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 per centum of its tax contribution to the highway trust fund; to the Committee on Public Works and Transportation.

By Mr. BEDELL (for himself, Mr. BLOUIN, Mr. BOLAND, Mr. CARR, Mr. CLEVELAND, Mr. COHNELL, Mr. EDGAR, Mr. FORD of Tennessee, Mr. FRASER, Mr. JEFFORDS, Mr. LONG of Louisiana, Mrs. LLOYD of Tennessee, Mr. MOSHER, Mr. MURPHY of Illinois, Mr. NEAL, Mr. OTTINGER, Mr. RICHMOND, Mr. SARBANES, Mr. SCHEUER, Mr. SMITH of Iowa, Mr. STOKES, Mr. SYMINGTON, Mr. THOMPSON, Mr. TSONGAS, and Mr. WHITEHURST):

H.R. 3393. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. BEDELL (for himself and Ms. ABZUG):

H.R. 3395. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. OTTINGER, Mr. PATTISON of New York, Mr. WOLFF, Mr. DEVINE, Mr. ZEFERETTI, Mr. CHARLES WILSON of Texas, Mr. ADDABBO, Mr. YATRON, Mr. LAFALCE, Mrs. BURKE of California, Mr. HICKS, and Mr. LENT):

H.R. 3396. A bill to amend the Immigration and Nationality Act to provide penalties for certain persons who employ, or who refer for employment, aliens who are in the United States illegally, and for other purposes; to the Committee on the Judiciary.

By BROOMFIELD:

H.R. 3397. A bill to authorize the disposal of cadmium from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

H.R. 3398. A bill to establish a National Foreign Investment Control Commission to prohibit or restrict foreign ownership control or management control, through direct purchase, in whole or part; from acquiring securities of certain domestic issuers of securities; from acquiring certain domestic issuers of securities, by merger, tender offer, or any other means; control of certain domestic corporations or industries, real estate, or other natural resources deemed to be vital to the economic security and national defense of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 3399. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

H.R. 3400. A bill to change Veterans Day to November 11; to the Committee on Post Office and Civil Service.

H.R. 3401. A bill to create a Joint Congressional Committee on Foreign Investment Control in the United States; to the Committee on Rules.

By Mr. BURKE of Massachusetts:

H.R. 3402. A bill to amend title II of the Social Security Act to provide that the entitlement of an insured individual to old-age or disability insurance benefits (and the entitlement of his or her dependents) shall generally continue through the month of such individual's death instead of terminating with the preceding month; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois:

H.R. 3403. A bill to amend the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions; to the Committee on Banking, Currency and Housing.

H.R. 3404. A bill to make it an unfair practice for any retailer to increase the price of certain consumer commodities once he marks the price on any such consumer commodity, and to permit the Federal Trade Commission to order any such retailer to refund any amounts of money obtained by so increasing the price of such consumer commodity; to the Committee on Interstate and Foreign Commerce.

By Mr. COHEN (for himself, Mr. BURKE of Massachusetts, Mr. RAILSBACK, Mr. MCCLORY, Mrs. BOGGS, Mr. BUCHANAN, Mr. WOLFF, Mr. SCHEUER, Mr. KINDNESS, Mr. SARBANES, and Mr. CHARLES H. WILSON of California)

H.R. 3405. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the elderly and handicapped; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS:

H.R. 3406. A bill to amend title 18, United States Code, to permit the deposit of newspapers and political campaign literature in letter boxes without the payment of postage; to the Committee on the Judiciary.

By Mr. DOMINICK V. DANIELS (for himself, Mr. BEARD of Rhode Island, Mr. BENITEZ, Mr. BIAGGI, Mr. BRADEMAS, Mrs. CHISHOLM, Mr. CLAY, Mr. CORNELL, Mr. FORD of Michigan, Mr. GAYDOS, Mr. HALL, Mr. HAWKINS, Mr. LEHMAN, Mr. MEEDS, Mr. MILLER of California, Mr. MOTTL, Mr. O'HARA, Mr. PERKINS, Mr. PEYSER, Mr. RISENHOOVER, Mr. SARASIN, Mr. SIMON, Mr. THOMPSON, and Mr. ZEFERETTI):

H.R. 3407. A bill to authorize appropriations for fiscal year 1976 for carrying out title VI of the Comprehensive Employment and Training Act of 1973; to the Committee on Education and Labor.

By Mr. DOMINICK V. DANIELS (for himself, Mr. ESCH, Mr. PEYSER, Mr. JOHN L. BURTON, Mr. OBERSTAR, Mr. MCCORMACK, Mr. FULTON, Mr. EDWARDS of California, Mr. NOLAN, Mr. DELLUMS, Mr. MURPHY of New York, Mr. HANNAFORD, Mr. GIAIMO, Mr. MOFFETT, Mrs. CHISHOLM, Mr. MCDADE, Mr. SANTINI, Mr. LITTON, Mr. BONKER, Mr. SEIBERLING, Mr. VANIK, Mr. HEINZ, Mr. JENRETTE, Mr. HOLLAND, and Mr. TRAXLER):

H.R. 3408. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

By Mr. DOMINICK V. DANIELS (for himself, Mr. OBERSTAR, Mr. RIEGLE, and Mr. UDALL):

H.R. 3409. A bill to authorize appropriations for fiscal year 1976 for carrying out title VI of the Comprehensive Employment and Training Act of 1973; to the Committee on Education and Labor.

By Mr. DENT (for himself, Mrs. SPELLMAN, Mr. SNYDER, Mr. BOWEN, Mr. WHITE, Mr. BEARD of Rhode Island, Mr. STOKES, Mr. GOODLING, Mr. SARASIN, Mr. KRUEGER, Mr. FORD of Michigan, and Mr. STEELMAN):

H.R. 3410. A bill to provide an income tax credit for savings for the payment of post-secondary educational expenses; to the Committee on Ways and Means.

By Mr. DEVINE:

H.R. 3411. A bill to repeal exemptions in the antitrust laws relating to fair trade laws; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. TREEN, Mr. YATRON, Mr. ADDABBO, Mr. SOLARZ, Mr. WALSH, and Mr. VANDER VEEN):

H.R. 3412. A bill to extend the fisheries management responsibility and authority of the United States over fish in certain ocean areas in order to conserve and protect such fish from depletion, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DUNCAN of Tennessee:

H.R. 3413. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

H.R. 3414. A bill to amend the tax treatment of moving expenses; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 3415. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for cooperative housing corporations and condominium housing associations; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. HINSHAW, Mr. HYDE, Mr. ENGLISH, and Mr. WOLFF):

H.R. 3416. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. FINDLEY (for himself, Mr. RAILSBACK, Mr. JOHNSON of California, Mr. CONTE, and Mr. MCCLORY):

H.R. 3417. A bill to prevent famine and establish freedom from hunger by increasing world food production through the development of land-grant type universities in agriculturally developing nations; to the Committee on Foreign Affairs.

By Mr. FISH:

H.R. 3418. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. FRENZEL:

H.R. 3419. A bill to amend the Federal Election Campaign Act of 1971, as amended; to repeal section 315; to prohibit certain campaign practices; to provide for stricter regulation of special interest committees; and for other purposes; to the Committee on House Administration.

By Mr. FREY:

H.R. 3420. A bill to establish the Controlled Substances Administration to administer all Federal programs relating to the regulation of narcotic and other dangerous drugs, the treatment and rehabilitation of abusers of such drugs, and education and training respecting such drugs; to the Committee on Interstate and Foreign Commerce.

H.R. 3421. A bill to amend the Controlled Substances Act to provide increased penalties for distribution of heroin by certain persons, and to provide for pretrial detention of such persons; to the Committee on Interstate and Foreign Commerce.

H.R. 3422. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Ms. ABZUG, and Ms. HOLTZMAN):

H.R. 3423. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GAYDOS:

H.R. 3424. A bill to amend the Securities Exchange Act of 1934 to restrict persons who are not citizens of the United States from acquiring more than 35 percent of the nonvoting securities or more than 5 percent of the voting securities of any issuer whose securities are registered under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3425. A bill to amend title II of the Social Security Act to increase to $4,000 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 3426. A bill to establish the National Commission for the Preservation of Language Resources; to the Committee on Education and Labor.

By Mr. GUDE:

H.R. 3427. A bill to provide for the striking of medals in commemoration of the 200th anniversary of the signing of the Declaration of Independence by Charles Carroll of Carrollton; to the Committee on Banking, Currency and Housing.

H.R. 3428. A bill to grant the consent of Congress for the State of Maryland, the Commonwealth of Virginia, and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact to authorize the Washington Metropolitan Area Transit Authority to establish and maintain a Metro Transit police force, to authorize the Washington Metropolitan Area Transit Authority to enter into mutual aid agreements with the various jurisdictions within the transit zone, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAMMERSCHMIDT:

H.R. 3429. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3430. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. HECHLER of West Virginia:

H.R. 3431. A bill to amend the Federal Metal and Nonmetallic Mine Safety Act of 1966 for the purpose of terminating the Federal Metal and Nonmetallic Mine Safety Board of Review; to the Committee on Education and Labor.

By Mr. HELSTOSKI:

H.R. 3432. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mrs. HOLT:

H.R. 3433. A bill to reestablish November 11 as Veterans Day; to the Committee on Post Office and Civil Service.

By Ms. HOLTZMAN (for herself, Mr. ADDABBO, Mr. BAUCUS, Mr. BRODHEAD, Mrs. BURKE of California, Ms. CHISHOLM, Mr. DANIELSON, Mr. EILBERG, Mr. HECHLER of West Virginia, Mr. HICKS, Mr. LAFALCE, Mr. MURPHY of Illinois, Mr. RANGEL, Mr. RIEGLE, Mr. RODINO, Mr. ROYBAL, Mr. RYAN, Mr. SARBANES, Mr. SEIBERLING, Mr. SOLARZ, Mr. STARK, Mr. STUDDS, Mr. TSONGAS, Mr. WHITEHURST, and Mr. WIRTH):

H.R. 3434. A bill to provide joint and survivors' annuity benefits under private pension plans based upon the participant's vested benefit; jointly to the Committees on Education and Labor and Ways and Means.

By Mr. HOWARD:

H.R. 3435. A bill to amend the Emergency Home Purchase Assistance Act of 1974 by extending and expanding the authority of the Government National Mortgage Association to purchase certain mortgages, and for other purposes; to the Committee on Banking, Currency and Housing.

H.R. 3436. A bill to provide for the implementation of a full employment policy through the establishment of a Federal Full Employment Board; to the Committee on Education and Labor.

H.R. 3437. A bill to amend the Public Health Service Act to provide for a national program of medical malpractice insurance and arbitration of medical malpractice claims; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of California (for himself, and Mr. SKUBITZ):

H.R. 3438. A bill to amend the Water Resources Planning Act to increase the rate of compensation for experts and consultants and to provide continuing authorization for

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appropriations without limitation; to the Committee on Interior and Insular Affairs.

Mr. JOHNSON of Colorado:

H.R. 3439. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, may be used for purposes other than public roads and schools; to the Committee on Interior and Insular Affairs.

H.R. 3440. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the exchange of a portion of real property conveyed to the city of Grand Junction, Colo., for airport purposes; to the Committee on Public Works and Transportation.

By Mr. KARTH:

H.R. 3441. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. AuCOIN, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BUCHANAN, Mr. CARR, Mr. COUGHLIN, Mr. EDGAR, Mr. EDWARDS of California, Mr. EVANS of Indiana, Mr. GIAIMO, Mr. GILMAN, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mr. LONG of Maryland, Mr. MIKVA, Mr. PATTISON of New York, Mr. RANGEL, Mr. RICHMOND, Mr. SOLARZ, Mr. WAXMAN, and Mr. CHARLES H. WILSON of California):

H.R. 3442. A bill to require Federal employees to file with the Office of the Federal Register a statement with respect to certain gifts made or received by such employees; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. LAGOMARSINO:

H.R. 3443. A bill to extend from 1 year to 2 years the maximum period which may elapse between the sale of a residence and the purchase of another in order that gain from such sale will not be recognized for Federal income tax purposes; to the Committee on Ways and Means.

By Mr. MELCHER (for himself, Mr. ENGLISH, Mr. OBEY, Mr. RICHMOND, and Mr. CHARLES WILSON of Texas):

H.R. 3444. A bill to provide for the purchase of animals and animal food for use in foreign and domestic food relief programs, and for other purposes; to the Committee on Agriculture.

By Ms. MINK:

H.R. 3445. A bill to amend title II of the Social Security Act to increase to $1,000 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 3446. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BALDUS, Mr. BREAUX, Mr. BROWN of California, Mr. JOHN L. BURTON, Mr. CARR, Ms. CHISHOLM, Mr. CONYERS, Mr. DAVIS, Mr. DELLUMS, Mr. EDGAR, Mr. EILBERG, Mr. FAUNTROY, Mr. FLOOD, Mr. FORD of Tennessee, Mr. HARRINGTON, Mr. HICKS, Mr. HOWARD, Mr. JONES of North Carolina):

H.R. 3447. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption where a taxpayer, his spouse, or any dependent of the taxpayer is handicapped; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland (for himself, Mr. LONG of Maryland, Mr. MATHIS, Mr. MURPHY of New York, Mr. MURPHY of Illinois, Mr. NIX, Mr. OTTINGER, Mr. RANGEL, Mr. REGULA, Mr. ROE, Mr. ROYBAL, Mr. SARBANES, Mr. SOLARZ, Ms. SPELLMAN, Mr. STOKES, Mr. TRAXLER, Mr. TREEN, Mr. WAXMAN, Mr. WON PAT, Mr. CHARLES H. WILSON of California, and Mr. YATRON):

H.R. 3448. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption where a taxpayer, his spouse, or any dependent of the taxpayer is handicapped; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 3449. A bill to provide for the monthly publication of a Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries, for use by the Congress in the determination of benefit increases under title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. MONTGOMERY:

H.R. 3450. A bill to amend section 410 of title 38, United States Code, to provide a statutory presumption of service-connected death of any veteran who has been rated totally disabled by reason of service-connected disability for 10 or more years; to the Committee on Veterans' Affairs.

H.R. 3451. A bill to amend title 38 of the United States Code in order to provide for the concurrent payment of disability compensation and pension in certain cases; to the Committee on Veterans' Affairs.

H.R. 3452. A bill to amend title 38 of the United States Code to provide increased awards of service-connected compensation to certain blinded veterans who are suffering from additional disabilities; to the Committee on Veterans' Affairs.

H.R. 3453. A bill to provide for the payment of aid and attendance benefits to certain totally disabled veterans; to the Committee on Veterans' Affairs.

H.R. 3454. A bill to amend title 38, United States Code, to provide that payments made to a hospitalized incompetent veteran will not be terminated unless his estate exceeds $2,000, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3455. A bill to amend chapter 15 of title 38, United States Code, to authorize payment of non-service-connected pension to veterans of certain peacetime service and their widows and children; to the Committee on Veterans' Affairs.

H.R. 3456. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

H.R. 3457. A bill to amend title 38 of the United States Code to provide that progressive muscular atrophy developing a 10 per centum or more degree of disability within 7 years after separation from active service during a period of war shall be presumed to be service connected; to the Committee on Veterans' Affairs.

H.R. 3458. A bill to amend title 38 of the United States Code to provide for additional compensation for any veterans who have suffered loss or loss of use of one lung or one kidney; to the Committee on Veterans' Affairs.

H.R. 3459. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; of the Committee on Veterans' Affairs.

H.R. 3460. A bill to amend title 38 of the United States Code in order to exclude certain social security payments in determining annual income for purposes of paying nonservice-connected death pension to widows of World War I veterans; to the Committee on Veterans' Affairs.

H.R. 3461. A bill to provide that veterans of World War I shall be entitled to the same automobile assistance allowance as is now provided for veterans of World War II and the Korean conflict; to the Committee on Veterans' Affairs.

H.R. 3462. A bill to amend title 38 of the United States Code to provide certain persons insured under servicemen's group life insurance (SGLI) with the choice of conversion either to an individual policy or veterans' group life insurance (VGLI) upon expiration of their SGLI coverage; to the Committee on Veterans' Affairs.

By Mr. MOORHEAD of Pennsylvania:

H.R. 3463. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3464. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. MOSHER:

H.R. 3465. A bill to authorize the disposal by the U.S. Government of certain sperm oil from the national stockpile, and the subsequent regulated commercial disposal; to the Committee on Armed Services.

H.R. 3466. A bill to amend the Merchant Marine Act of 1936 to establish a nuclear vessel construction program; to the Committee on Merchant Marine and Fisheries.

By Mr. MOSHER (for himself, Mr. BALDUS, Mr. FAUNTROY, Mr. HOWE, Mr. JEFFORDS, Mr. MATSUNAGA, Mrs. SPELLMAN, Mr. STEELMAN, and Mr. STOKES):

H.R. 3467. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. MOSS (for himself, Mr. DINGELL, Mr. ROONEY, Mr. ECKHARDT, Mr. CARNEY, Mr. METCALFE, Mr. SCHEUER, Mr. BRODHEAD, Mr. FLORIO, Mr. OTTINGER, and Mr. SANTINI):

H.R. 3468. A bill to insure the independence of the Federal Communications Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission, and the Civil Aeronautics Board, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NIX:

H.R. 3469. A bill to amend the Sherman Antitrust Act to clarify the intent of the Congress with respect to marketing cooperatives; to the Committee on the Judiciary.

By Mr. O'HARA:

H.R. 3470. A bill to extend and amend the Higher Education Act of 1965, as amended, and for other purposes; to the Committee on Education and Labor.

H.R. 3471. A bill to amend title IV of the Higher Education Act of 1965, as amended, and for other purposes; to the Committee on Education and Labor.

By Mr. PATTISON of New York:

H.R. 3472. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

H.R. 3473. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PRICE (for himself and Mr. TEAGUE) (by request):

H.R. 3474. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; jointly, to the Joint Committee on Atomic Energy and the Committee on Science and Technology.

By Mr. RAILSBACK:

H.R. 3475. A bill to amend title 3 of the United States Code in order to entitle veterans to 45 months of educational assistance for undergraduate or any other authorized programs of education; to the Committee on Veterans' Affairs.

By Mr. ROE:

H.R. 3476. A bill to authorize a national summer youth sports program; to the Committee on Education and Labor.

H.R. 3477. A bill to amend title III of the Act of March 3, 1933, commonly referred to as the "Buy American Act," with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials, and supplies have been mined, produced, or manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use; and for other purposes; to the Committee on Government Operations.

H.R. 3478. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions, agencies, and instrumentalities for economic development purposes; to the Committee on Government Operations.

H.R. 3479. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers including policemen, firemen, volunteer firemen, and members of volunteer ambulance teams or rescue squads who die in the performance of duty; to the Committee on the Judiciary.

H.R. 3480. A bill to permit collective negotiation by professional retail pharmacists with third party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

H.R. 3481. A bill to amend the Coastal Zone Management Act of 1972 to authorize financial assistance to coastal States to enable them to study, assess, and plan the effects of offshore energy-related facilities and activities in or on the Outer Continental Shelf on their coastal zones, and to provide for needed public facilities and services; to provide assistance to the coastal States for coordinating coastal zone planning, policies, and programs in contiguous interstate areas; and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 3482. A bill to amend the Small Business Act to provide that a small business concern shall include a nonprofit organization providing economic benefit or valuable service to its members; to the Committee on Small Business.

H.R. 3483. A bill to amend the Small Business Act to expand the definition of small business concern to include agribusinesses; to the Committee on Small Business.

H.R. 3484. A bill to extend the number of months of educational benefits for veterans and certain other eligible persons and to include graduate study; to the Committee on Veterans' Affairs.

By Mr. ROE (for himself, Ms. ABZUG, Mr. BOLAND, Mr. BROWN of Michigan, Mr. CLEVELAND, Mr. EDGAR, Mr. FORD, of Tennessee, Mr. GAYDOS, Mr. GIAIMO, Ms. HOLTZMAN, Mr. MADIGAN, Mr. MAZZOLI, Mr. MINISH, Mr. MITCHELL of Maryland, Mr. MOLLOHAN, Mr. PATTEN, Mr. RODINO, Mr. ROYBAL, Mr. SARBANES, Mr. STARK, Mr. STOKES, Mr. TSONGAS, Mr. WAXMAN, Mr. WHITEHURST, and Mr. WINN):

H.R. 3485. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS:

H.R. 3486. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI:

H.R. 3487. A bill to allow the investment tax credit with respect to certain leased commuter cars; to the Committee on Ways and Means.

By Mr. ROUSSELOT (for himself and Mr. LOTT):

H.R. 3488. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $1,000 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

H.R. 3489. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 3490. A bill to amend the Elementary and Secondary Education Act of 1965 to assist school districts to carry out locally approved school security plans to reduce crime against children, employees, and facilities of their schools; to the Committee on Education and Labor.

H.R. 3491. A bill to authorize the U.S. Commissioner of Education to make grants to elementary and secondary schools and other educational institutions for the conduct of special educational programs and activities concerning the use of drugs and for other related educational purposes; to the Committee on Education and Labor.

H.R. 3492. A bill to amend the Education of the Handicapped Act to provide tutorial and related instructional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped; to the Committee on Education and Labor.

H.R. 3493. A bill to provide for public ownership of all objects and materials prepared for or by the President or Vice President of the United States in connection with public business; to the Committee on House Administration.

H.R. 3494. A bill to reduce pollution which is caused by litter composed of soft drink and beer containers, and to eliminate the threat to the Nation's health, safety, and welfare which is caused by such litter by banning such containers when they are sold in interstate commerce on a no-deposit, no-return basis; to the Committee on Interstate and Foreign Commerce.

H.R. 3495. A bill to ban aerosol cans in commerce unless they conform to safety standards set by the Consumer Product Safety Commission; to the Committee on Interstate and Foreign Commerce.

H.R. 3496. A bill to confer U.S. citizenship on certain Vietnamese children and to provide for the adoption of such children by American families; to the Committee on the Judiciary.

H.R. 3497. A bill to amend the Civil Rights Act of 1964 in order to prohibit discrimination on the basis of physical or mental handicap in federally assisted programs; to the Committee on the Judiciary.

H.R. 3498. A bill to terminate the airlines mutual aid agreement; to the Committee on Public Works and Transportation.

H.R. 3499. A bill to amend section 582 of the Tariff Act of 1930 to require search warrants in connection with certain body search procedures conducted with respect to persons entering the United States from foreign countries, and for other purposes; to the Committee on Ways and Means.

H.R. 3500. A bill to amend the Internal Revenue Code of 1954 to impose a retailers excise tax on certain nonreturnable bottles and cans, and to provide that the collections of such tax shall be paid over to the municipalities in which such bottles or cans were sold; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, and Mr. BADILLO):

H.R. 3501. A bill to amend the Voting Rights Act of 1965 to protect the right to vote of persons of Spanish origin under the 14th and 15th amendments, and for the other purposes; to the Committee on the Judiciary.

By Mr. SHRIVER (for himself, Mr. BURGENER, and Mr. KETCHUM):

H.R. 3502. A bill to amend the Postal Revenue and Federal Salary Act of 1967 to abolish the Commission on Executive, Legislative, and Judicial Salaries; to the Committee on Post Office and Civil Service.

By Mr. SIKES (for himself, Mr. MEEDS, Mr. WEAVER, Mr. BREAUX, Mr. CHAPPELL, Mr. MELCHER, Mr. DERWINSKI, Mr. MCCORMACK, Mr. HALEY, Mr. CHARLES WILSON, of Texas, Mr. DAVIS, Mr. JOHNSON of California, Mr. HARRINGTON, Mr. CARTER, Mr. NICHOLS and Mr. AUCOIN):

H.R. 3503. A bill to amend the Agricultural Act of 1970 to increase the amount authorized to be appropriated for the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

By Mr. STARK:

H.R. 3504. A bill to amend title 18 of the United States Code to prohibit the manufacture, sale, purchase, transfer, receipt, or transportation of handguns and handgun ammunition, in or affecting interstate and foreign commerce, except for, to, or by, certain pistol clubs, law enforcement officers, and members of the military; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. MEEDS, Mr. WEAVER, Mr. BREAUX, Mr. CHAPPELL, Mr. MELCHER, Mr. DERWINSKI, Mr. MCCORMACK, Mr. HALEY, Mr. CHARLES WILSON of Texas, Mr. DAVIS, Mr. JOHNSON of California, Mr. HARRINGTON, Mr. CARTER, Mr. NICHOLS and Mr. AUCOIN):

H.R. 3505. A bill to amend the Agricultural Act of 1970 to increase the size of a tract which may be affected by the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

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By Mr. SIKES (for himself, Mr. MELCHER, Mr. CHARLES WILSON of Texas, Mr. MILFORD, Mr. ULLMAN, Mr. MATHIS, Mr. JOHNSON of California, Mr. HALEY, Mr. RONCALIO, Mr. QUIE, Mrs. LLOYD of Tennessee, Mr. SNYDER, Mr. RUNNELS, Mr. KEMP, Mr. ANDREWS of North Dakota, Mr. NICHOLS, Mr. HOWE, Mr. KETCHUM, Mr. HENDERSON, Mr. GAYDOS, Mr. FLOWERS, and Mr. WALSH):

H.R. 3506. A bill to amend section 4182 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. STEIGER of Arizona (for himself, Mr. BYRON, Mr. SEBELIUS, and Mr. SKUBITZ):

H.R. 3507. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 3508. A bill to designate certain lands as wilderness, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STUDDS (for himself, Mr. ADDABBO, Mr. BAUMAN, Mr. DAN DANIEL, Mr. DERWINSKI, Mr. FISH, Mr. FORD of Michigan, Mr. GIAIMO, Mr. GINN, Mr. LONG of Maryland, Mr. MCCORMACK, Mr. MCKINNEY, Mr. MATHIS, Mr. MONTGOMERY, Mr. NEDZI, Mr. PATTEN, Mr. PATTISON of New York, Mr. PRITCHARD, Mr. RONCALIO, Mr. SIKES, Mr. JAMES V. STANTON, Mr. STOKES, Mr. VANDER VEEN, Mr. WEAVER, and Mr. YATES):

H.R. 3509. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. UDALL (for himself, Mr. STEELMAN, Mr. BINGHAM, Mr. BOLLING, Mr. PHILLIP BURTON, Mr. CORMAN, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. FOLEY, Mr. FRASER, Mr. HORTON, Mr. KASTENMEIER, Mr. MCCLOSKEY, Mr. MARTIN, Mr. MILLER of California, Mr. PRITCHARD, Mr. REGULA, Mr. REUSS, Mr. SEIBERLING, Mr. THOMPSON, Mr. TSONGAS, Mr. VANIK, Mr. WEAVER, Mr. WHALEN, and Mr. YATES):

H.R. 3510. A bill to encourage conservation of natural resources, to authorize grants to the States for land use programs, to coordinate Federal actions concerning land use, to require land use planning for the public lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN DEERLIN:

H.R. 3511. A bill to amend the Tariff Schedules of the United States to repeal the tariff treatment applied to articles of metal exported for processing and returned for further processing in the United States and to articles assembled abroad from U.S. products; to the Committee on Ways and Means.

H.R. 3512. A bill to amend the Tariff Schedules of the United States in order to apply the existing tariff treatment of articles of metal exported for processing and returned for further processing in the United States, and to articles assembled abroad from United States products, only to articles which are to be sold to U.S. agencies under procurement contracts entered into before such articles are exported for processing or assembly; to the Committee on Ways and Means.

By Mr. VANDER VEEN:

H.R. 3513. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39 the maximum number of weeks for which an individual may receive unemployment assistance under the special unemployment assistance program established by title II of such act; to the Committee on Education and Labor.

H.R. 3514. A bill to amend the Internal Revenue Code of 1954 to include certain joint hospital laundry ventures among the cooperative hospital service organizations entitled to tax exemption thereunder; to the Committee on Ways and Means.

H.R. 3515. A bill to amend the Emergency Unemployment Compensation Act of 1974 so as to increase from 13 to 26 the maximum number of weeks for which an individual may receive emergency compensation thereunder; to the Committee on Ways and Means.

By Mr. WALSH:

H.R. 3516. A bill to permit the States to prepare environmental impact statements on Federal aid highway projects proposed by the State; to the Committee on Public Works and Transportation.

By Mr. BOB WILSON (for himself, Mr. ANDERSON of California, Mr. ANDREWS of North Dakota, Mr. BEARD of Rhode Island, Mr. BELL, Mr. CARTER, Mr. CEDERBERG, Mr. CHAPPELL, Mr. CRANE, Mr. DEVINE, Mr. ESCH, Mr. FASCELL, Mr. FLOOD, Mr. GIAIMO, Mr. HECHLER of West Virginia, Mr. HOLLAND, Mr. HORTON, Mr. HYDE, Mr. JOHNSON of California, Mr. KASTEN, Mr. KETCHUM, Mr. KREBS, Mrs. LLOYD of Tennessee, and Mr. LAGOMARSINO):

H.R. 3517. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

By Mr. BOB WILSON (for himself, Mr. MARTIN, Mr. MATHIS, Mr. MCDONALD of Georgia, Mr. MITCHELL of New York, Mr. PATTEN, Mr. PERKINS, Mr. QUIE, Mr. RAILSBACK, Mr. REES, Mr. RINALDO, Mr. ROBINSON, Mr. ROE, Mr. ROSE, Mr. SEBELIUS, Mr. SIKES, Mr. SOLARZ, Mr. THONE, Mr. WALSH, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, Mr. WINN, and Mr. YATRON):

H.R. 3518. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

By Mr. CHARLES H. WILSON of California:

H.R. 3519. A bill to restore to Federal civilian employees their rights to participate as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WON PAT (for himself, Mr. BENITEZ, Mr. DE LUGO, and Mr. FAUNTROY):

H.R. 3520. A bill to amend section 216(b) of the Merchant Marine Act, 1936, to entitle the Delegates in Congress from Guam and the Virgin Islands to make nominations for appointments to the Merchant Marine Academy; to the Committee on Merchant Marine and Fisheries.

By Mr. YATRON:

H.R. 3521. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. YOUNG of Florida:

H.R. 3522. A bill to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States; to the Committee on Post Office and Civil Services.

By Mr. HEINZ:

H.R. 3523. A bill to encourage States to provide real property tax relief to low and moderate income individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. BELL (for himself, Mr. TAYLOR of North Carolina, Mr. JOHNSON of Colorado, and Mr. SEBELIUS):

H.J. Res. 228. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRINKLEY:

H.J. Res. 229. Joint resolution to designate the third week of September of each year as National Medical Assistants' Week; to the Committee on Post Office and Civil Service.

By Mr. GAYDOS:

H.J. Res. 230. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. HAMMERSCHMIDT:

H.J. Res. 231. Joint resolution authorizing the President to proclaim the week beginning on the last Monday in October of each year as National Magic Week; to the Committee on Post Office and Civil Service.

By Ms. HOLTZMAN (for herself, Mr. BEARD of Rhode Island, Mr. BROWN of California, Mrs. BURKE of California, Mr. CARR, Mr. CONYERS, Mr. EILBERG, Mr. HECHLER of West Virginia, Mr. MITCHELL of Maryland, Mr. ROSENTHAL, Mr. WIRTH, and Mr. WON PAT):

H.J. Res. 232. Joint resolution proposing an amendment to the Constitution of the United States with respect to the pardon power; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. PATMAN, Mr. MEEDS, Mr. WON PAT, Mr. WEAVER, Mr. BREAUX, Mr. VANDER JAGT, Mr. CHAPPELL, Mr. MELCHER, Mr. GIBBONS, Mr. MILFORD, Mr. DEVINE, Mr. FORD of Michigan, Mr. HALEY, Mr. CHARLES WILSON of Texas, Mr. YATRON, Mr. ULLMAN, Mr. ROE, Mr. DAVIS, Mr. BAUMAN, Mr. CARNEY, Mr. LAFALCE, Mr. JOHNSON of California, Mr. DINGELL, and Mr. WHITEHURST):

H.J. Res. 233. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. SIKES (for himself, Mr. FISH, Mr. STAGGERS, Mr. FRENZEL, Mr. MITCHELL of New York, Mr. ANDERSON of California, Mr. SNYDER, Mr. CARTER, Mr. JEFFORDS, Mr. KEMP, Mr. ADDABBO, Mr. STUCKEY, Mr. NICHOLS, Mr. YOUNG of Florida, Mr. ANDREWS of North Dakota, Mr. SEBELIUS, Mr. HOWE, Mr. KETCHUM, Mr. MOORHEAD of California, Mr. HENDERSON, Mr. FOLEY, Mr. MURTHA, Mrs. HOLT, Mr. JOHN L. BURTON, and Mr. BALDUS):

H.J. Res. 234. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. SIKES (for himself, Mr. FUQUA, Mr. FLOWERS, Mr. ABDNOR, Mr. EILBERG, Mr. WALSH, and Mr. ARCHER):

H.J. Res. 235. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. STRATTON:

H.J. Res. 236. Joint resolution authorizing the President to designate the 29th day in May of each year as John Fitzgerald Kennedy Memorial Day; to the Committee on Post Office and Civil Service.

By Mr. REES:

H Con. Res. 133. Concurrent resolution to lower interest rates; to the Committee on Banking, Currency and Housing.

By Mr. BRADEMAS:

H. Con. Res. 134. Concurrent resolution toward a barrier-free environment for all handicapped Americans; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. O'NEILL, Mr. BURKE of Massachusetts, Mr. BOLAND, Mr. SCHEUER, and Mr. VANDER VEEN):

H. Con. Res. 135. Concurrent resolution expressing the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefit increases be enacted; to the Committee on Ways and Means.

By Mr. HARKIN:

H. Con. Res. 136. Concurrent resolution relating to the World Food Conference of 1976 in Ames, Iowa; to the Committee on Foreign Affairs.

By Mr. LAGOMARSINO:

H. Con. Res. 137. Concurrent resolution expressing the policy of the Congress that the performance of the functions of the Federal Government should be attained by use of its own manpower and not by means of contracts with the private sector; to the Committee on Post Office and Civil Service.

By Mr. MITCHELL of Maryland (for himself, Mr. WON PAT, Mr. OTTINGER, Mr. MOAKLEY, Mr. ROSENTHAL, Mr. RODINO, Mr. CONYERS, Mr. RICHMOND, Mr. HARRINGTON, Mr. SIMON, Mr. BRODHEAD, Mr. RANGEL, Ms. HOLTZMAN, Mr. DELLUMS, Mr. KOCH, Mr. CHARLES H. WILSON of California, Mr. SYMINGTON, Mr. HAWKINS, Ms. SCHROEDER, Mr. LEGGETT, Ms. CHISHOLM, Ms. ABZUG, and Mr. SOLARZ):

H. Con. Res. 138. Concurrent resolution expressing appreciation to Mr. Frank Wills; to the Committee on the Judiciary.

By Mr. PATTISON of New York:

H. Con. Res. 139. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. ROE:

H. Con. Res. 140. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

H. Con. Res. 141. Concurrent resolution expressing the sense of the Congress with respect to the incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

By Mr. GAYDOS:

H. Res. 225. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on Foreign Affairs.

By Mr. JONES of Alabama (for himself and Mr. HARSHA):

H. Res. 226. Resolution to provide funds for the expenses of investigations and studies authorized by the Committee on Public Works and Transportation; to the Committee on House Administration.

By Mr. MORGAN (for himself, Mr. BEVILL, Mrs. BOGGS, Mr. BURGENER, Mr. BURLESON of Texas, Mr. COHEN, Mr. DOWNEY, Mr. DU PONT, Mr. ESCH, Mr. FORD of Tennessee, Mr. FRENZEL, Mr. HALL, Mr. HENDERSON, Mr. KETCHUM, Mr. KINDNESS, Mr. MAZZOLI, Mr. MURTHA, Mr. RIEGLE, Mr. RINALDO, Mr. RODINO, Mr. ROONEY, Mr. TREEN, Mr. WAGGONNER, Mr. WAXMAN, and Mr. CHARLES WILSON of Texas):

H. Res. 227. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

31. The SPEAKER presented a memorial of the House of Representatives of the State of Hawaii, relative to national health insurance; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 3524. A bill for the relief of Antonio Mendoza Jimenez; to the Committee on the Judiciary.

H.R. 3525. A bill for the relief of Candida Menes Maliolot; to the Committee on the Judiciary.

By Mrs. HOLT:

3526. A bill for the relief of Randall L. Talbot; to the Committee on the Judiciary.

By Mr. MEZVINSKY:

H.R. 3527. A bill for the relief of William M. Kornman; to the Committee on the Judiciary.

By Mr. SCHULZE:

H.R. 3525. A bill for the relief of Maria Elena San Agustin; to the Committee on the Judiciary.

By Mr. STOKES:

H.R. 3529. A bill for the relief of Noel Abueg Ende; to the Committee on the Judiciary.

H.R. 3530. A bill for the relief of Slobodanka Petrovic; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3. By the SPEAKER: Petition of Aline Beatrice McCloud, Houston, Tex., relative to redress of grievances; to the Committee on the Judiciary.

32. Also, petition of Roy D. Vinson, Covina, Calif., relative to a magnetically levitated vehicle; to the Committee on Public Works and Transportation.

SENATE—*Thursday, February 20, 1975*

The Senate met at 11 a.m. and was called to order by Hon. THOMAS F. EAGLETON, a Senator from the State of Missouri.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, who alone knows what this day may bring, grant that in every hour of it we may stay close to Thee. We would test our thoughts and deeds and words not by our faulty standards but with our eyes upon the transparent glory of One who went about doing good. In these dangerous days sober us with the knowledge that our greatest gift to this age is a life that is clean, strong, honest, trustworthy, and serviceable. We pray that we may not fail our generation and Thee—that injustice may be redeemed by justice, indecency by decency, hate by love, until Thy kingdom unfolds for all men. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 19, 1975, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

PROHIBITION AGAINST IMPOSITION OF TARIFFS ON OIL—SENATE JOINT RESOLUTION 12

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 3, Senate Joint Resolution 12, Prohibition Against Imposition of Tariffs on Oil, be placed under "Subjects on the Table."

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

THE EDELIN CASE

Mr. MANSFIELD. Mr. President, I have noted with interest the situation which has developed in Boston with respect to the so-called Dr. Edelin case. I very rarely comment on judicial decisions, but I will let the words of an outstanding conservative journalist—in my opinion, the most fair-minded of conservative journalists—Mr. George F. Will, in a commentary entitled "There's No Justice in Edelin Case," speak for my feelings on this matter.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THERE'S NO JUSTICE IN EDELIN CASE

(By George F. Will)

WASHINGTON.—The verdict in the Boston "abortion trial" is that the trial was not about abortion.

The jury decided that it was considering a case of manslaughter, of negligence that caused the death of a baby boy after an attempted abortion. The defense had argued that no such "person" existed, so no such person was killed.

October 3, 1973, there was no Massachusetts law restricting abortions. On that day Dr. Kenneth C. Edelin, chief resident in obstetrics and gynecology at Boston City Hospital, performed an abortion by hysterotomy

on an unmarried 17-year-old who was between 20 and 28 weeks pregnant. Actually, the jury's verdict was that Dr. Edelin did not abort a fetus; he was negligently responsible for the death of a baby.

A hysterotomy is like a cesarean-section delivery: a fetus is removed from the woman through an incision in the abdomen and uterus. Dr. Edelin performed the hysterotomy after there were several unsuccessful attempts to destroy the fetus with infusions of a saline solution into the uterus.

The prosecution acknowledged that the fetus did not leave the woman's body alive. But the prosecution charged that the fetus was alive, and became a person, at the moment when, during the hysterotomy, Dr. Edelin detached the placenta from the uterus.

As proof of life, the prosecution said that an autopsy of the fetus revealed that its lungs were partially expanded, indicating "respiratory activity," albeit brief.

The prosecution argued, in effect, that the abortion ended and a birth took place at the instant when the fetus, capable of respiratory activity, was detached from the woman. The prosecution charged that Dr. Edelin held the fetus in the woman for three minutes until it suffocated. Dr. Edelin adamantly denied this. The jury accepted the prosecution's assertion that Dr. Edelin was negligent in not trying to sustain the life indicated by the "respiratory activity."

The jury accepted the view that when the fetus was detached from the woman's life-support system, and tried to breathe, it was a person, however briefly, even though still in her body, and even though it did not emerge from her body alive.

The defense argued that the hysterotomy, and hence the abortion, did not end until all the "products of conception" were removed from the woman's body, and that Dr. Edelin performed that operation at a normal pace in the normal method.

The defense emphasized, and the prosecution conceded, that the fetus was dead when removed. And the defense insisted that the 1.5-pound fetus had no realistic chance of surviving the abortion process that had as its legal purpose extinguishing the life of the fetus.

Anti-abortion militants are celebrating this manslaughter conviction. They may not understand it.

Militants argue that all abortions are "murder" because a "person" exists from the moment of conception. But when instructing the jury, the judge stipulated that no manslaughter occurred unless the fetus was born alive:

"A fetus is not a person and therefore not a subject for an indictment for manslaughter."

The jury evidently accepted the prosecution's view that at some point during the hysterotomy a baby suffocated as a result of Dr. Edelin's negligence. The decision will be appealed.

Perhaps until appeals are finished some obstetricians will be reluctant to perform "late" abortions. What else did this six-week trial accomplish?

It convicted a physician who, acting within the law, in accordance with standard gynecological practice, and in response to a patient's wishes, terminated the life of a fetus. Whether he offended some abstract canon of justice by doing this, his trial offended the common sense of justice; he could not have known that his conduct was subject to a manslaughter indictment.

It is said that hard cases make bad law. But as regards the hard issue of abortion, this Boston case made no lasting law.

APPOINTMENTS TO THE FEDERAL ELECTION COMMISSION

Mr. MANSFIELD. Mr. President, there has been a good deal of talk about experience, knowledge, national prominence, and the like relative to appointments made by the President and the majority and minority leaders within the concept of the law.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that my 5 minutes be yielded to the distinguished majority leader.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. I point out, Mr. President, that, so far as the majority of the Members of this body are concerned, very few of us, if any, had national exposure or national experience or national recognition before we were fortunate enough, lucky enough, to be elected to a Congress of the United States.

In that respect, may I say that it is my intention at this time to vote for Mrs. Carla Hills, on the basis of my knowledge today, when her nomination is presented to the Senate for confirmation to be Secretary of HUD, because I think on-the-job training is not a bad way to become experienced and certainly to do so on a basis of a more open mind.

Prior to the adjournment of the 93d Congress, the distinguished Republican leader (Mr. HUGH SCOTT) and I, pursuant to the Federal Elections Campaign Act of 1974, selected our respective appointees to the Federal Election Commission. As the Senate knows, these two designees, together with those of the House leaders and the President, are subject to hearings and confirmation not only by the Senate but also by the House.

However, no sooner had the designees of the Senate leadership been announced when a hue and cry was raised against them. Ignored was the fact that the appointments were subject to confirmation so that any flaws might be aired at that time. Forgotten was the fact that Senator HUGH SCOTT had been a leader in the effort to enact campaign reform legislation. Forgotten, too, was the fact that I have been an advocate of the reform of political campaign practices, including public financing, for more than a decade. So anguished were the complaints that one would have thought that the two Senate leaders were bent on sabotaging campaign financing by their appointments.

What was so appalling in our choices? Why were they subject to this barrage of criticism?

I know the distinguished Republican leader very well and I know, therefore, that his appointee to the Federal Elections Commission needs no defense from me. Nor, may I add, does mine. Nevertheless, for the benefit of those who do not know Mr. Joseph Meglen, of Billings, Mont., I want to say a few words about my appointee. I address my remarks especially to those denizens of this city who believe that the borders of political wisdom and competence are coterminal with the coterie of elitists in the Washington metropolitan area, reinforced occasionally from nearby cities—New York, Boston, Chicago, and perhaps as far west as Minneapolis and Albuquerque once in a while. Yes, I had the temerity to propose for the Federal Elections Commission, a citizen of Montana, and a campaign manager in several elections, not only of my campaign but also others, such as the distinguished Senator from Montana (Mr. METCALF) who can also be regarded as a parent of Federal campaign reform. Yes, I had the temerity to make this appointment, moreover, without consulting any of those groups or persons who appear to have developed a vested interest in criticism of Congress.

Joseph Meglen is not my "crony"; he is a friend and fellow Montanan, and I am honored to know him in both relationships. Neither consideration, however, was controlling in my naming him for the Federal Election Commission. He has other qualities which, in my judgment, warranted proposing his name. His integrity is without flaw. His reputation in his own community—his own grassroots Montana community—is of the highest. He is an ordinary American from a small city in the Far West. And what, may I ask, is wrong with that for starters?

Joseph Meglen is also a highly competent lawyer who has served the Federal Government as a U.S. assistant district attorney and a a member of the President's Commission To Study Executive Pay Schedules.

He was and is a strong advocate of the Federal regulation of campaign financing. He did not come by this position lightly or lately. On the contrary, he has done the hard and, often, thankless volunteer work for American politics. As I have already noted, he has managed several political campaigns and taken the responsibility for reporting finances in connection therewith which, under Montana law, is very strict. The honesty and integrity of his participation in these campaigns has never been challenged or otherwise subject to censure.

Joseph Meglen does not come self-sealed in the cellophane robes of defender of the public weal. He is too modest and too unassuming for that mandarin role. He is, rather, a private American who happens to have a deep sense of public service, an experienced awareness of the complexities of the American political process and a passion for wanting to keep alive in this Nation, representative and egalitarian government, responsive to the people through honest elections.

Joseph Meglen was educated in Montana and Washington, D.C. He is a graduate of Georgetown University and he has worked here in the past. Nevertheless, he is not well known in this city. His name has no snob appeal. Certainly, he is not known at all to the vestal virgins—those self-designated guardians of the purity of the Federal electoral process—who were agonized by his designation to the Federal Election Commission.

Without taking the time to find out about him, without waiting for hearings in either House, without weighing his qualities and his competences, Mr. Meglen was dismissed, at best, as a "crony" appointment. Even worse, he was seen as merely an ordinary American, an obscure Montanan, without "prestige" or "stature" who obviously could not provide luster to the Federal Election Commission.

Well, Mr. President, I fear for the future of the Commission or any other branch of this Government if its operations come to depend on the prestige of its members as defined by the in circles of Washington. Indeed, I think it is high time that we paid a little less attention to big names and showed a little more concern for bringing into this Government new names, new faces, and above all, a new dedication to the welfare of the people who live outside this city as well as within.

I regret, deeply, that Mr. Meglen, through no fault of his own, through my effort to bring a new voice into the administration of this new law, has been pilloried by the snobs of this city. In their zeal to put their particular brand on the Federal Election Commission they may have done to a most desirable law a great disservice.

I regret to have to announce that despite my repeated urgings to the contrary, Mr. Meglen has requested that his nomination be withdrawn. After the treatment to which he has been subjected, I cannot in good conscience blame him for his decision. Even as I reiterate my regret to him, however, I cannot, also in good conscience, restrain my anger at the arrant behavior which has prompted it. If, in the name of reform, we cannot entrust the administration of the Federal Campaign Contributions Act to Americans of the caliber of Joseph Meglen, I fear that we are headed for the further isolation of the electoral process and the Federal Government from its popular roots.

I now read a letter from Joseph Meglen.

J. F. MEGLEN,
ATTORNEY-AT-LAW,
207 Behner Building,
2822 3rd Ave., North Billings, Mont., 59103.

Just an ordinary address for an ordinary American—

DECEMBER 23, 1974.

Hon. MIKE MANSFIELD,
Majority Leader, U.S. Senate, Office of the Majority Leader, Washington, D.C.

DEAR SENATOR MANSFIELD: After considering the matter thoroughly, I request that you withdraw my nomination to serve on the new Federal Election Commission.

I shall always appreciate the nomination and your confidence that I could render a service in the post, but there are dual reasons to decline. It would mean a considerable sacrifice to completely close out my law business and move to Washington. In addition, I love Montana and like very much living out here.

Also, the hostile reception of the appointment of an "unknown" and a "crony" makes me fear that, regardless of how well I might perform in the job, criticism would continue if for no other reason than to justify those original appraisals. I would be confronted with an uphill job to prove your wisdom, as well as my own.

Elections in Montana are conducted like elections all over the Nation. Perhaps more money is spent on them in the East and a few states like California, but the law and reporting requirements are the same throughout the United States. I do feel that my experience in your campaigns and the campaigns of Lee Metcalf and John Melcher, in which compliance with law has never been questioned, did qualify me to make some contribution to the effort to make our elections reflect the will of our citizens rather than the results of expensive public relation blitzes, or worse, financed by special interests.

I also feel it is unjust to rule citizens ineligible for positions of responsibility because they have not previously attained a national reputation and are therefore not already well known to people unwilling to take the time and trouble to look into their qualifications. There are probably a number of fine citizens of America who have never come to the attention of Common Cause, the editors of The Washington Post, and others critical of my nomination for this reason.

Perhaps I should regard the early criticism of the appointment as a challenge, but I have accumulated too many years to embark on Quixotic adventures to slay the dragons of unjust or ill-advised criticism.

I am sure that you can find a nominee fully as capable as I am who can enter on the duties of the office without two strikes on him—the charge of obscurity and cronyism—and can therefore start without any handicap.

For both the personal and public reasons, I request you withdraw my name. I shall always take great pride that Mike Mansfield felt I could do a service in the post, as well as in the charge that I was one of his close longtime friends!

My warmest best wishes.

Sincerely,

J. F. MEGLEN.

Mr. President, I truly regret that Joe Meglen has asked me to withdraw his name. I hope that Senator SCOTT's designee, Joan Aikens, will not yield to the kind of pressure that has been coming in. Everything I know about Mrs. Aikens tells me that she is a professional businesswoman with an intimate knowledge of election and campaign laws. She has worked in local, State, and National politics for more than 15 years and recently served as president of the Pennsylvania Council of Republican Women.

Even though Mrs. Aikens does not possess the "star quality" so much desired by some pressure groups, I believe that she is otherwise qualified for the job and deserves a fair chance. Let us have the hearings on her nomination to see what she is like. Let us not be led around by the nose by those who are irritated because they cannot have it their own way all of the time.

I send to the desk the name of a nominee to replace Mr. Meglen under the Federal Elections Campaign Act of 1974 and ask that the clerk report the name.

Mr. HUGH SCOTT. And, if the Senator will yield, I will now resubmit the nomination, to the Federal Elections Commission, of Joan D. Aikens, of Pennsylvania.

The PRESIDING OFFICER (Mr. MONDALE). The clerk will report the names.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MANSFIELD) submits the names of Thomas E. Harris to be a member of the Federal Elections Commission.

The Senator from Pennsylvania (Mr. HUGH SCOTT) resubmits the name of Joan D. Aikens, of Pennsylvania, to be a member of the Federal Elections Commission.

Mr. MANSFIELD. Mr. President, Mr. Thomas E. Harris is equally "unknown" but I trust that there will be, in the consideration of this designee, on the part of sundry self-anointed Cromwellians, the constraints of decency and balance which were totally lacking in the case of Mr. Meglen.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a background résumé on Thomas E. Harris, and also, out of the Larousse Encyclopedia of Mythology, Prometheus Press, N.Y., 1963, the definition of the word "Vesta," especially in relation to the use of the appellation "vestal virgins." I also ask unanimous consent to have printed in the RECORD a news article entitled "Billings Man Defends Appointment by Mike," written by Frank Adams, and published in the Great Falls Tribune of Monday, January 20, 1975.

There being no objections, the material was ordered to be printed in the RECORD, as follows:

THOMAS E. HARRIS

BORN

Little Rock, Arkansas, May 25, 1912.

EDUCATION

Little Rock public schools; University of Arkansas (B.A. 1932); Columbia Law School (LL.B. 1935); Kent Scholar; and Law Review.

PROFESSIONAL EXPERIENCE

1935–6—Law Clerk to Justice Harlan Fiske Stone.

1936—7—Associate, Covington & Burling (Washington, D.C.)

1937–9—Attorney, Lands Division, Department of Justice.

1939–41—Office of Solicitor General, Department of Justice.

1941–2—Associate General Counsel, Federal Communications Commission.

1942–3—Associate General Counsel, O.P.A.

1943—Board of Economic Warfare (North Africa).

1943–5—Associate, Cahill, Gordon, Zachry & Parlin (New York City).

1945–6—Military Government, Germany.

1946–7—Partner, Alvord and Alvord (Washington, D.C.).

1947–8—Special Assistant to Attorney General, Alien Property Division, Department of Justice.

1948–55—Associate General Counsel, Congress of Industrial Organizations.

1955 to date—Associate General Counsel, American Federation of Labor and Congress of Industrial Organizations.

ARGUED THE FOLLOWING CASES IN SUPREME COURT

U.S. v. *American Trucking Association*, 310 U.S. 534 (1940).

Republic Steel Corporation v. *NLRB*, 311 U.S. 7 (1940).

Helvering v. *Janney*, 311 U.S. 189 (1940).

Taft v. *Helbering*, 311 U.S. 195 (1940).

**Phelps Dodge Corp.* v. *NLRB*, 313 U.S. 177 (1941).

Scripps Howard Radio v. *F.C.C.*, 316 U.S. 4 (1942).

Cole v. *Arkansas*, 338 U.S. 345 (1949).

**American Communications Association* v. *Douds*, 339 U.S. 382 (1950).

Smith v. *Evening News Association*, 371 U.S. 195 (1962).

Wiley & Sons, Inc. v. *Livingston*, 376 U.S. 543 (1964).

*Important constitutional law cases.

[From Larousse Encyclopedia of Mythology, Prometheus Press, N.Y., 1963]

VESTA

Vesta is the most beautiful of Roman divinities, bright and pure like the flame which is her symbol. Her name derives—like the name Hestia—from a Sanskrit root, *vas*, which expresses the idea of "shining".

The Latins had made Vesta a goddess who personified the earth and fire. The Romans kept only the second of these personifications. Nor was Vesta the goddess of fire in its broad-

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est sense, but only of fire required for domestic use or in religious ceremonial.

In the beginning Vesta was associated with Janus Pater and Tellus Mater, and was the protectress of sown fields. She was also a symbol of idealised maternity—although she was a virgin—because fire nourishes.

As a goddess of fire she received both a private and public cult.

Every hearth had its Vesta. With Jupiter Dapalis she presided over the preparation of meals; she was offered the first food and drink. With the Lares and the Penates she held a pre-eminent position in the house.

At Rome the centre of her cult, which was said to have been originated by Romulus, was in the Regia. It lasted almost all the year, being interrupted only during the months of January and November. The chief festivals of Vesta were the Vestalia which were celebrated on the seventh of June. On that day her sanctuary (which normally no one except her priestesses, the Vestal Virgins, entered) was accessible to mothers of families who brought plates of food. The Vestals officiated. The ceremonies were simple and unsanguinary. The objects of the cult were essentially the hearth fire and pure water drawn into a clay vase, handmade, and narrow at the base so that it could not stand on the ground.

The Vestals, who played a role of first importance in Roman liturgy, enjoyed exceptional prestige. When Numa first instituted them they were two in number; Servius increased them to six. They were chosen by lot from patrician families and entered the college between the ages of six to ten. They remained there for thirty years. During the first ten years they received instruction in their duties which they exercised for the following ten years. Then, in their turn, they taught the younger Vestals.

They took their vows of absolute chastity. Those who broke their vows were punished by death. Originally they were whipped to death, but the Elder Tarquin modified this torture: they were then whipped and walled-up alive in a tomb which was sealed after a few provisions had been deposited in it. Vestals accused of impurity sometimes managed to clear their reputation. It was told how Tuccia proved her virginity by bringing back water from the Tiber in the sacred sieve. The accomplice of the guilty Vestal was whipped to death in the Forum Boarium. During the course of eleven centuries only twenty Vestals broke their vow and suffered punishment.

If a Vestal let the sacred fire go out she was whipped by order of Pontifex Maximus.

When the Vestals had finished thirty years of their engagement they could marry. They rarely took advantage of this right, however, preferring to maintain the privileges of their position.

[From the Great Falls (Mont.) Tribune, Jan. 20, 1975]

BILLINGS MAN DEFENDS APPOINTMENT BY MIKE

(By Frank Adams)

BILLINGS.—Joseph Meglen has been treasurer and manager of half a dozen congressional campaigns.

So he figures he knows something about the problems and potential abuses and could make a contribution toward enforcing the new National Campaign Reform Act.

But Meglen's selection by Sen. Mike Mansfield as a member of the new law's enforcement commission has been labled by Common Cause "disappointing, smacking of political cronyism."

"I guess because I don't have a national reputation I'm a crony," says the Billings lawyer.

Meglen, 64, was born and reared in Butte. That's where he became acquainted with Mansfield, who worked in the Anaconda Co. mine. "Mike has been a friend of mine for many, many years," says Meglen. "He's in my opinion one of the real great senators that Montana has had."

Meglen was Mansfield's treasurer and campaign manager in 1958, 1964, and 1970. He was also treasurer of congressman John Melcher's campaigns except in 1970 when Mansfield was running.

"And certainly all of the campaign reports were accepted and they never found any fault with them," he says. "And I thought I could make a contribution, and I'm in favor of the objectives of the Campaign Reform act."

The act was signed last October and hailed as an answer to the election abuses that came to light in the Watergate scandal. It sets limits on how much candidates can collect and spend, and controls who may give and how much.

Senate leaders Mansfield and Hugh Scott nominated their choices for the enforcement commission, and both were approved by the Senate in October. But the action was rescinded after complaints that neither Meglen nor Scott's appointee had been subject to committee hearings.

President Ford has not named his two appointments to the commission, nor have House leaders.

Meglen says he has had no indication when the rules committee will hold hearings on his nomination for the $38,000 a year, full-time job.

A source in Sen. Mansfield's office says the allegations of cronyism originated because a couple of organizations pushing for campaign reform had a couple of nationally known people they wanted to get on the commission. Because Meglen and Scott's choice weren't known by the organizations, "they started stories of cronyism," says the spokesman.

Mansfield's administrative assistant, Peggy DeMichele, says Mansfield picked Meglen because "he's known him and he knew how involved he's been in campaigns and figured he would be qualified."

"And he thought somebody from Montana who hadn't been involved in any difficulties could do a better job," she says.

Meglen is no stranger to Washington. He graduated from Georgetown Law School and worked in the Justice Department before and after the war.

He was assistant U.S. attorney in Montana from 1947 until the Republicans came into power with the election of Eisenhower in 1952. He has practiced law in Billings since.

Meglen was appointed by Mansfield to the salary commission set up during the Johnson administration to make pay recommendations for top government officials. The commission finished its work last June.

"Edward Foley and myself, two Democrats, voted against pay raises," he notes. "We didn't think they were justified. President Nixon was talking continuously about holding the line and so on. The rest of the commissioners were up to about a 32 per cent increase. We couldn't see where that would be justified with the congressmen making $42,500 and the cabinet members were making more than that."

His salary commission job was of a part-time advisory nature, involving about five trips to Washington. Meglen would have to move to Washington as a member of the Campaign Enforcement Commission.

Mr. MANSFIELD. Mr. President, I hope that what I have said will be taken to heart, not only by these self-appointed trustees of congressional appointments, these bosses, and the like; but I hope that the Members of the Senate will continue to be aware of the fact that most of us became Senators or Members of Congress on the basis of on-the-job training; that we are all ordinary Americans; that we have been the recipients of public honors and public respect well beyond our ability, know-how, and even integrity; and that hopefully we shall never accept the principle that people have to have national prominence and stature to be appointed to a commission, a bureau, or a department of the Government of the United States.

President Lincoln did not forget the one Declaration of Independence, that this is a government of the people, by the people, and for the people; and if I might add—not a government run for the benefit of a self-anointed few.

The PRESIDING OFFICER (Mr. ALLEN). The nominations submitted by the distinguished majority leader and the distinguished Republican leader will be received and appropriately referred.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that I may proceed for 10 minutes, and yield to the distinguished Senator from Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I want to say to the majority leader that I was impressed by what he had to say about on-the-job training. Of course, as he says—and this applies to the majority leader, too—those of us who served in the House of Representatives before coming to the Senate did have to have a lot of on-the-job training. But I want to call attention to a nomination that the President has sent up here, that is to be considered by the Committee on Banking, Housing, and Urban Affairs next Monday. I refer to Mrs. Hills, who had been nominated to become Secretary of Housing and Urban Development.

The objection has been made that she knows nothing about housing, and has had no experience in housing. But my attitude has been this, and I so told the representative from the White House and Mrs. Hills personally: She has had a brilliant record in the Justice Department. I am told that she is one of the most qualified, generally, of persons who could be found, and I am supporting her nomination as head of the Department of Housing and Urban Development because I am confident that with her fine grasp of things generally, the good mind which she has, and the fact that she will have experts in the housing field who have been there for years, she will make an excellent Secretary of Housing and Urban Development, and I support her nomination on that basis.

Mr. HUGH SCOTT. I would like to say, Mr. President, that I endorse everything the distinguished Senator from Alabama has said, and I endorse very strongly indeed the entire statement of the distinguished majority leader.

What we have seen here is the activity of people who themselves are largely obscure. The staffer from one of these virtue groups, whom I personally may have seen but certainly never heard of, and whose judgment has no weight with me, undertook to publicize for the benefit of the local press and the press of my State the fact that he did not know my appointee.

Well, that is just too bad. He found a couple of things wrong with her. I know he has embarrassed the head of his organization, but it is just too bad that he does not know her. It is too bad that he objects because he has stated that she is my friend. I had not known that was a disability.

Further, his objection seems to be that she is in retail trade. Well, I might add, so was Harry Truman, and I do not find anything wrong in being in retail trade.

She is a businesswoman; she is extremely well qualified, as the majority leader has said. I resubmit her name in full confidence, and I resent the attack by this small group of arrogant know-it-alls who spend most of their time manufacturing halos for each other.

These are the kind of critics who did not even wait to examine the qualifications of these appointees. They certainly could not and did not wait for the hearings. They made no reference to the fact, for example, that Common Cause, in numerous advertisements in newspapers, paid tribute to me as one of the authors of the campaign reform bill, and as the specific author of the amendment creating the Federal Elections Commission, which I fought for in two Congresses.

Having created that Commission, would I attempt to slaughter my own child? And I certainly would not engage in the kind of sabotage that these saboteurs are so busy at, simply because they have access to press outlets. They try their case unilaterally. They withhold the essential facts. They deliberately deceive the public, and it is done to aggrandize themselves.

I know what this particular staffer is getting at: he believes that Senator MANSFIELD and I should have consulted him, and perhaps named him, but certainly named someone of his choice. Well, he will live a long time before he has any favor with me.

I am not and never have been dominated or dictated to by anyone, and I am not going to start now.

I would like to say, Mr. President, that I have named here a woman who has been honored by an organization of thousands of other women for the presidency of that organization; who has been a successful businesswoman in the communications field. She is an account executive with the Lew Hodges organization in King of Prussia, Pa.

Well, just like Billings, Mont., King of Prussia, Pa., does not carry a whole lot of weight with these characters and types who infest the Washington scene, who seem to think that unless you are from Washington or New York City, unless you can get the endorsement of the newspapers of those cities, you cannot possibly amount to much.

Well, I think they have got something to learn. They have got to learn that the Congress of the United States is not going to be run by pressure groups, no matter how many halos they erect over their own heads, and no matter how noble they contend that their aspirations are.

Had they had nominees to suggest they should have come to Senator MANSFIELD and myself. Had they had nominees to suggest, they should go to the House Members and to the President. They had done none of that. They have tried their case in the papers.

I may add, Mr. President, that I do not know what they expected, whom they expected me to name. They say I named a friend. Did they expect I would name an enemy?

Mr. President, I have never named anybody who was not a friend, and I have observed that most of them are better friends right after I name them, and I see nothing wrong with that.

This is not a patronage position. This is a full-time job. Mrs. Aikens knows she has to call them as she sees them, that she has to be tough and she has to be upright, that she has to be incorruptible, and I have no doubt that she can do precisely that.

She will have to exercise her duties in the full light of publicity, and I am satisfied that that does not deter her.

Therefore, I have resubmitted her name, and I will do all I can to see that the nominees submitted by all the parties having the nomination power are confirmed in the Senate.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly?

Mr. HUGH SCOTT. Yes.

Mr. MANSFIELD. I would just like to say briefly that Joseph Meglen, of Billings, Mont., was appointed to the Presidential Pay Commission 3 years ago. He served for about 7 months. He attended five meetings in Washington on a per diem basis, and he was one of only two members out of a Commission of seven who recommended against a pay increase for Members of Congress and members of the judiciary and members of the executive branch.

ORDER FOR STAR PRINT—S. 445

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that a star print be made of S. 445, a bill I introduced on behalf of myself and numerous cosponsors, to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

The star print is necessary, because two references to dates in the bill are inaccurate.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri (Mr. EAGLETON) is recognized for not to exceed 15 minutes.

EXECUTIVE-CONGRESSIONAL RELATIONS IN FOREIGN POLICY

Mr. EAGLETON. Mr. President, in recent days both President Ford and Secretary of State Kissinger have addressed the important question of Executive-congressional relations in foreign policy. First, Dr. Kissinger, in a major speech before the Los Angeles World Affairs Council, proposed a "new national partnership" in the formulation of our Nation's foreign policy. Then, in a speech at a fundraising dinner for the New York State Republican Party, President Ford asked for a return to the Vandenburg era and appealed for "an openminded spirit of enlightened national concern to transcend any partisan or internal party politics that threaten to bring our successful foreign policy to a standstill."

While both speeches advanced a common theme—a return to an era of clear Executive dominance in foreign affairs—Secretary Kissinger's initiative was clearly the more serious attempt to address constructively our contemporary situation.

It is now obvious that our Government is in the throes of institutional change. I believe that the return to shared power is a healthy one, but I recognize that the struggle to find balance may dangerously preoccupy our Nation with institutional parochialism. Dr. Kissinger has opened a dialog which I hope will carry us beyond petty conflict to a greater understanding of the contribution Congress and the Executive can make together in shaping a creative and effective foreign policy.

It is first important to define the terms of this new partnership in a way that will meet the demands of today's world. We must realize, for example, that there is no turning the clock back to the institutional relationships of the cold war era. That period was characterized by a clear understanding of common goals, the acceptance of a common enemy, and the total subordination, largely self-imposed, of the legislative branch.

As we pursued active internationalist policies after World War II, it seemed natural to acquiesce to the efficiency and the dynamism of the Presidency. The United States was thrust suddenly into a position of world leadership. A Congress previously identified as overwhelmingly isolationist seemed incapable of contributing to our Nation's pell mell rush to internationalism. Senator Vandenberg, chairman of the Foreign Relations Committee and a reformed isolationist, was ideally suited to whip the Senate into line as it considered and approved such Presidential initiatives as the creation of the United Nations and the Marshall plan.

These creative, internationalist initiatives quickly gave way to the static policies of the cold war era. The ease with which we identified the enemy during the cold war made policy formulation relatively simple. The American people readily embraced the concept of "containment," and a politician who questioned the President would do so only at great risk. The congressional role in foreign policy soon eroded away and the legislative branch became a rubber stamp for Executive initiatives.

Were it not for Vietnam, we might conclude, as has President Ford, that the Congresses of the post-war era served their Nation well. But Vietnam became the ultimate tragedy of a decisionmaking process which had gradually become de-

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void of checks and balances. In our search for a new partnership in foreign affairs, we cannot afford to ignore the lessons of that devastating experience.

Today the confidence and dedication with which we earlier pursued a policy of containment have been replaced by uncertainty and cynicism. We face a complex world in which the United States may no longer be capable alone of controlling its own destiny. As Dr. Kissinger recognized in his Los Angeles speech:

> Old international patterns are crumbling; old slogans are uninstructive; old solutions are unavailing.

Today's constantly changing world patterns have confused the American public. And as a consequence, the job of the policymaker has become infinitely more complicated. In the public's mind our relations with foreign governments are colored by a mask of suspicion. And the most discernible mood is the overwhelming desire to withdraw.

If the United States is to compete successfully in the highly complex international arena of today, we need both a strong and flexible President and a legislature which is institutionally equipped to make the people's will felt. At a time of transition and uncertainty, the congressional responsibility as described by Jefferson "to represent all opinions, argue all options, and raise all objections to any suggested course of action" becomes a vitally important ingredient in policy formulation.

I believe that Secretary Kissinger has come to realize that the reappraisal of America's world role must go on, despite his belief that it is having a negative impact on the day-to-day business of diplomacy. And I believe that he has come to realize that this reappraisal can only be accomplished through a close partnership, with Congress and the President working together to determine the nature and the extent of America's foreign commitments.

It is not easy to be at the helm during a period of transition. This is especially true in the conduct of foreign relations, where the swiftly changing currents of American political thought are not easily comprehended by those with whom we negotiate. In this sense, I can sympathize with the concerns Secretary Kissinger has expressed over our current lack of a foreign policy consensus.

But it is vital that opposing views be joined in a rational debate rather than in a debilitating power struggle. The future course of our society will not be set by appeals for unity for unity's sake—it will be set by the collective wisdom we derive from open debate. We cannot return to the Vandenberg era and still pay heed to the lessons of Vietnam.

The real dichotomy in today's debate over foreign policy is not partisanship, as President Ford implied in his New York speech. It is, rather, a fundamental disagreement over the general approach we should adopt as a nation in conducting our relations with the rest of the world. I believe it is still valid to say that partisan politics stops at the water's edge. Ideas, however, do not.

Dr. Kissinger's approach to foreign affairs has brought our Nation dramatic success. It has brought some failure as well. And for those who have involved themselves in the foreign policy debate, the Kissinger approach has, in itself, become a central issue.

To many his pragmatism has come to mean, rightly or wrongly, a search for solidarity and stability to the exclusion of other important considerations. His traditional use of diplomatic, military, and monetary devices is seen by his critics as unseemly manipulation.

Dr. Kissinger's greatest triumphs—his initiative toward China and his détente with the Soviet Union—have, for example, opened him to the criticism that his diplomacy ignored old allies. His preoccupation with the superpowers led many to question whether his success was worth the deterioration of our relations with nations in Africa, South Asia, and Latin America.

In an effort to highlight the weaknesses rather than the strengths of this record, Dr. Kissinger's critics seem to be offering a totally opposite approach to world affairs. This approach minimizes the importance of contemporary power relationships. It emphasizes instead the need for social change. Such change is seen as holding the promise of relief for those oppressed peoples who, it is said, are losing ground under the status quo Dr. Kissinger's policies seek to preserve. Advocates of this approach concern themselves with such worldwide problems as human rights, food distribution, ecology, and the proliferation of conventional arms.

This is perhaps an oversimplified analysis, but I present these apparently polarized positions because I see them as the main obstacle to consensus. It is not partisanship, in other words, so much as it is ideas which keep us from a common approach to the foreign affairs of our Nation.

If we are to move toward consensus, we must understand that these divergent views are not irreconcilable. We need not, in my view, abandon the search for balance and stability, especially among the superpowers. Nor can we afford to ignore the needs of the developing world or the plight of those whose inalienable rights are denied by oppressive governments.

But if our foreign policy is to contain the proper mix of pragmatic and human considerations, we will have to assure that the most important decisions affecting that policy receive, to use Justice Joseph Story's words:

> The utmost deliberation, and the successive review of all the councils of the nation.

Mr. President, the most grievous errors of American policy in the past decade can be traced to a decisionmaking process which has not benefited from institutional balance. The American people were too often presented with fait accomplis in foreign policy, because Congress was unaware of important commitments being undertaken by the executive branch. From Vietnam to the India-Pakistan dispute, to Chile, to our current Cyprus policy, initiatives were taken in the name of the American people without the advice and consent of their elected representatives in Congress.

Secretary Kissinger has acknowledged "the indispensable contribution of Congress to the general direction of national policy." He has recognized that "the separation of powers produces healthy and potentially creative tension * * *." I believe he sees the need for consultation and compromise. But his rhetoric too often dwells on the limitations of Congress and his actions confuse the initiative toward cooperation he has commendably begun.

When "national policy" was set by statute in the case of our military assistance laws, for example, the law was circumvented to accommodate an attitude that there exists a higher order of interest.

It is no longer in our national interest, it was argued, to insist that a recipient of American arms refrain from using those arms to commit aggression. It is not in our interest, it was said, to stop the arms flow to a nation which used our weapons to invade and occupy a friendly nation.

These arguments formed the basis for the administration's refusal last fall to follow the law and cut off military assistance to Turkey. Regrettably, Congress had to act to reaffirm the Nation's policy on military assistance. It was a confrontation that could have been avoided if both the letter and spirit of the law had been initially applied.

The Secretary of State has expressed concern over the breakdown of authority in the Western world and has appealed for a return to order. But there can be no greater "crisis of authority" than that which is characterized by public officials who rationalize placing themselves above the dictates of law. The new national partnership must accept that fundamental principle.

The revitalization of Congress as a meaningful participant in the shaping of foreign policy must be largely our own undertaking. While Dr. Kissinger is correct in saying that a legislative body is not "well-suited to the detailed supervision of the day-to-day conduct of diplomacy," Congress must vigorously impose itself as a check over Executive action through proper oversight. And we must participate in the setting of the proper legal parameters within which our diplomats can operate, always mindful of the benefits of flexibility in the conduct of negotiations.

Secretary Kissinger has taken an important step toward a new partnership by offering support as Congress seeks to fulfill its constitutional obligations. I can personally attest to his willingness to consult with Members who are concerned about particular aspects of foreign policy. But whether meaningful support is forthcoming or not, I believe Congress will insist, through legislation if necessary, that the following actions be taken:

First. That information necessary in fulfilling constitutional responsibilities be provided by the executive branch to appropriate committees and individual Members of Congress. Claims of an alleged right of executive privilege have, in themselves, resulted in a usurpation of legitimate legislative power and have been used primarily to protect erroneous judgments. Congress cannot be an effective check if it is denied the information it needs to fulfill its role.

Second. That the treaty power of the Senate be honored. The Executive has seriously distorted the "advice and consent" clause of the Constitution by negotiating executive agreements in lieu of treaties which are subject to ratification by two-thirds of the Senate. If Congress permits the most important international commitments to be made wtihout its advice and consent, then it is abdicating its responsibility in favor of an arrangement which is not even acknowledged by our Constitution.

Third. That laws concerning foreign policy be faithfully executed. If there are statutes on the books affecting foreign policy which, in the view of the State Department, are no longer appropriate, they should be brought immediately to the attention of Congress and either reaffirmed or changed. When events require the implementation of a law, it is too late to argue that the law is not in the national interest.

Mr. President if these minimal actions are taken with the support of the executive branch, we can go far toward restoring the institutional balance our system requires.

I agree with Secretary Kissinger that consensus is a desirable goal, but we should realize that the institutional arrangements which characterized the cold-war era are now unacceptable. Consensus cannot be achieved by submission of Congress; rather it must be the product of active consultation and open debate.

In a world where policy formulation is complicated by the understandable uncertainty and cynicism of our people, and in a world where each policy option vitally affects their lives, the ideas of this democratic society cannot be restricted, even by the water's edge.

Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama (Mr. ALLEN) is recognized for not to exceed 15 minutes.

Mr. ALLEN. Mr. President, I thank the Chair for recognizing me at this time.

THE PROPOSED AMENDMENT OF RULE XXII

Mr. ALLEN. Mr. President, the purpose of my remarks at this time is to explain for the record, and, it is hoped, for the Vice President, had he been present in the Chamber presiding over the Senate, the parliamentary situation that we may expect to have later on in the day. The reason the Senator from Alabama is speaking at this time is because, under the parliamentary procedure that he understands is to be pursued, a motion to table a point of order is expected to be made to a motion to be made by the proponents of Senate Resolution 4, a motion to be made to table that point of order, and that would cut off debate.

So, Mr. President, that makes it incumbent on the Senator from Alabama at this time to explain just what is involved.

The distinguished majority leader requested the proponents of Senate Resolution 4 to advise those of us who oppose any effort to amend rule XXII as to the procedure that they plan to follow to raise this question here in the Senate. I commend the distinguished majority leader for his fairness and for his arms-length dealing with the opposing side in this controversy.

The Senator from Alabama has been advised that at 12 o'clock, or shortly thereafter, the distinguished Senator from Kansas (Mr. PEARSON) will be recognized for the purpose of making a motion that the Senate proceed to the consideration of Senate Resolution 4, appearing first on the calendar.

That motion, of course, is debatable and has been debated.

It is the understanding of the Senator from Alabama that a motion will then be made in what I call the McGovern-Humphrey plan of 1967, that some 2 hours, or another length of time—it was 2 hours in the McGovern situation in 1967—be allowed for debating the motion that is to be filed.

It would provide that at the end of 2 hours the Presiding Officer would put the question on whether or not we should proceed to consider Senate Resolution 4. It is planned that a point of order will be made against that motion, which, of course, would suspend the rules, would evade rule XXII, and would seek to amend the Senate rules by a majority vote.

That point of order, of course, would be a point well taken. But without waiting on the Presiding Officer of the Senate to rule on that point of order, a motion will be made to table the point of order, cutting off debate.

The point the Senator from Alabama wishes to make is that even if the point of order to the motion to be filed to proceed to a vote on the motion at the end of 2 hours is made and it is tabled, all that would decide is that the motion to have a vote after 2 hours is properly before the Senate. It would not decide the question of the passage of the motion. It would still be there, and it would still be subject to debate.

The Senator from Alabama wants to call that to the attention of the Presiding Officer of the Senate because he does not know what the advocates of Senate Resolution 4 have been doing about advising the Presiding Officer, the Vice President, of their views on this matter. The Senator from Alabama long ago said he would have no private conversations with the Vice President. Anything he had to say he would say here on the Senate floor.

In the first place, Mr. President, this motion that the Senate, after 2 hours, vote on the motion of the Senator from Kansas (Mr. PEARSON), a motion to proceed with Senate Resolution No. 4, is only a unanimous-consent request. The Senator from Alabama points that out. How many times have we heard the distinguished majority leader get up and say, "I ask unanimous consent that there be 2 hours of debate" on an issue "and at the end of that time there will be a vote"? That is all this motion does. Assuming that the Chair thinks otherwise, it is certainly a motion to suspend the rules which takes a two-thirds vote.

Mr. President, this McGovern-Humphrey route that was followed in 1967 was so thoroughly discredited by the Senate at that time that, until now it has never been used since. Can you imagine the picture: the Senator from Minnesota (Mr. HUMPHREY), then-Vice President, presiding over the Senate, and then the Senator from South Dakota Mr. McGOVERN) getting up and making this motion. The distinguished then-Vice President (Mr. HUMPHREY) said, when the point of order was made by Senator Dirksen, that this motion was out of order and a tabling motion was made on the point of order, that he was going to let that be a test vote, and if they tabled the point of order, then he was going to put this resolution to a vote without any further debate.

Well, you cannot decide one question by deciding how you vote on another question. That is a mistake the Vice President made at that time.

But the point of order was not tabled by the Senate; it was sustained.

(At this point the Vice President assumed the chair.)

Mr. ALLEN (continuing). Much is to be said about the action of Vice President HUMPHREY at that time.

The Senator from Minnesota (Mr. HUMPHREY) as Vice President made two rulings. One was not a ruling but it was a statement of what he was going to do. In 1969 he made a ruling that a majority, a simple majority, fewer than the two-thirds majority, can invoke cloture.

I have been saying in 1969 his ruling lasted only 15 minutes, when Vice President HUMPHREY said that a simple majority could invoke cloture. I have been saying that that stood for 15 minutes, until the Senate could overrule the Vice President. I was mistaken on that, Mr. President. I want to correct that. Back in 1969, rollcall votes lasted for 20 minutes, not 15 minutes. So the ruling by the distinguished Vice President, Mr. HUMPHREY, was a ruling that lasted not for 15 minutes but for 20 minutes. That was how long it lasted. As soon as the Senate had an opportunity to vote on it, the Senate overruled the Vice President.

In 1967, this route of throwing the rule book out of the window was used, trying to invoke cloture by force of numbers, without regard to the rules. It is an effort that ill becomes the advocates of this rules change.

Mr. President, if a motion to table is made with respect to the point of order, I will not have an opportunity to discuss the matter further, and I should like to capsule what is going to be at issue.

The Senator from Kansas is to make a motion that the Senate proceed to the consideration of Senate Resolution No. 4, the resolution seeking to change rule XXII. Thereafter, I understand that

the Senator from Minnesota (Mr. MONDALE) is going to make a motion that at the end of a certain length of time, following the McGovern script, 2 hours, the Chair put the question. A point of order will be made that this motion is an evasion of rule XXII and is not in order.

Then a motion will be made by the proponents of Senate Resolution No. 4 to table the point of order, taking the question away from the distinguished Presiding Officer. If the point of order is tabled, the point that the Senator from Alabama wants to make to the Presiding Officer is that all that is decided is that the motion to proceed to a vote on the Pearson motion at the end of a stated length of time—perhaps 2 hours—is properly before the Senate. It does not rule out subsequent debate with respect to the Mondale motion. That is up for debate because it has not been adopted. It has to be adopted by the Senate and would be subject to debate.

The Senator from Alabama contends, further, that all that the motion to be made by the Senator from Minnesota (Mr. MONDALE) constitutes is a simple unanimous-consent request, and the Senator from Alabama expects to object to that.

If that objection is not felt to be proper, then the Senator from Alabama is going to point out that if this motion ever comes to a vote, since it is a suspension of the rules and the precedents of the Senate, not the written rule, require a two-thirds vote to suspend the rules, it will require a two-thirds vote. This effort that is being made is a back door approach.

Back in 1971, the distinguished majority leader moved to table an appeal by the Senator from New York to the ruling of the Chair that it took a two-thirds vote to invoke cloture. Senator MANSFIELD had this to say, and I read from the RECORD, on page 5486, of March 9, 1971:

> I have said time and time and time again that I am against a mere majority vote to bring about a change in the rules, because I think to do so would alter the position of the Senate in our scheme of Government.

So, Mr. President, what they are trying to do is to change the rules by majority vote—pure and simple.

The VICE PRESIDENT. The Senator's time has expired.

Mr. ALLEN. I thank the Chair.

(The following order was entered during the foregoing remarks of Senator ALLEN and is printed at this point in the RECORD by unanimous consent.)

ORDER FOR ROUTINE MORNING BUSINESS AND FOR RECOGNITION OF SENATORS

Mr. MANSFIELD. Mr. President, the hour of 12 o'clock has arrived. Because of an unusual situation which was developed, in fact, by the majority leader, I ask unanimous consent that after the distinguished Senator from Alabama completes the time allocated to him, the distinguished Senator from Oklahoma (Mr. BARTLETT) be recognized for not to exceed 15 minutes; that there be a morning hour for the conduct of morning business, for not to extend beyond 12:30; that at that time, the distinguished Senator from Kansas (Mr. PEARSON), who was supposed to have achieved recognition at 12 o'clock, be recognized instead.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER OF BUSINESS

The VICE PRESIDENT. Under the previous order, the Senator from Oklahoma is recognized for not to exceed 15 minutes.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 4

Mr. JAVITS. Mr. President, I ask unanimous consent that Charles Warren and Patricia Shakow, of my office, have the privilege of the floor during the consideration of the proceedings on rule XXII.

The VICE PRESIDENT. Without objection, it is so ordered.

HAZARDS OF NUCLEAR OPERATIONS

Mr. BARTLETT. Mr. President, this country faces widening shortages of domestically produced hydrocarbon fuels. All alternate economic sources must be developed to the fullest. Nuclear energy, although still in its infancy, is certainly the bright spot on the horizon and has the promise of becoming a most significant energy source in the future—perhaps the most.

The Kerr-McGee Corp. has a facility in Oklahoma which is one of only two existing plants in the United States which manufacture fuel for the AEC's FFTF breeder reactor program. This fuel will be used in Westinghouse's breeder reactor test facility at Hanover, Wash., which is under construction and scheduled for completion in 1977. This testing program for the breeder reactor is an essential element not only in this country's nuclear program but in its total energy program.

Industrial firms associated with the development of nuclear energy are obviously in a precarious position from a public opinion standpoint. We are aware of honest expressions of concern by many citizens and organizations about the hazards of nuclear operations. Although I personally believe much of the criticism is not well founded, I recognize that it does exist and also the right of those concerned citizens to express their feelings.

An honest debate is beneficial. With greater public awareness, more experience, and improved technology, I am confident nuclear energy will be developed safely and will contribute significantly to this country's energy supplies in the years to come.

Mr. President, I became very concerned, however, when I learned of a series of very unusual events which occurred at the Kerr-McGee facility in Oklahoma and which, quite frankly, appear to be an improper effort to discredit both Kerr-McGee's operation in particular and nuclear operations in general.

Since last November Kerr-McGee's Cimarron facility has been the subject of a nationwide hostile publicity campaign by some press and media, in which various allegations concerning the facility were reported in a very sensationalized manner. These charges apparently originated from several local Kerr-McGee employees and appear to be fomented by legislative representatives of the Oil, Chemical & Atomic Workers—OCAW—Union, Mr. Steven Wodka and his superior, Mr. Anthony Mazzocchi, claimed violations of AEC health and safety regulations and deliberate falsification of quality control records on the plutonium fuel pins being produced at the plant. It was even implied that Kerr-McGee may have been involved in the unfortunate death in a one-car accident of Ms. Karen Silkwood, a laboratory technician who figured prominently in the allegations against the facility.

At least six different investigating teams from State and Federal agencies, including three from the AEC, have investigated various aspects of the charges. These extensive investigations revealed only three minor occurrences which technically amounted to deficiencies in the facility's compliance with AEC regulations and also that one employee, without the knowledge or sanction of his supervisor or of the management, did alter certain photographic negatives of test welds to shortcut his work. The AEC reported that not one of the three deficiencies found constituted a health or safety hazard to employees or to the public. The AEC has not yet determined that the altering of the negatives by the one employee did affect the quality of the product involved, although the AEC is reportedly still investigating this.

This very unusual series of events concerning Kerr-McGee's facility in Oklahoma began early last September when a petition was filed with the NLRB calling for an election to decertify OCAW as bargaining representative at the facility. Ms. Silkwood and two other members of the OCAW local came to Washington 3 weeks later to consult with union leaders, including Mr. Mazzocchi and Mr. Wodka. Union personnel accompanied them the next day when they met with AEC representatives at Bethesda and presented a list of 39 allegations concerning working conditions at the Kerr-McGee plant. The AEC apparently considered the allegations minor and planned to handle them in the course of one of its routine inspections of the facility. Thus, investigation into these allegations was not initiated until almost 2 months had elapsed.

Oddly enough, Kerr-McGee had not been informed of the allegations until that time, although its collective-bargaining agreement with the union requires employees to report all safety hazards to their supervisors promptly. Clearly the secretive manner in which these allegations were made could not have been motivated by any sincere concern over the welfare of the employees at the facility.

The decertification election was held in October 16. Two days before the election, a local union meeting featured two critics of the nuclear industry who spoke on hazards of plutonium. OCAW won continued representation by the narrow margin of 80 to 61.

An interesting series of events beginning on November 5 preceded the death of Ms. Silkwood. On two successive days she was discovered to be contaminated with radioactivity while working in the laboratory at the plant. No source for the contamination could be detected, but on each occasion she was thoroughly decontaminated.

On the following day she was examined upon reporting to work and was discovered to have again become contaminated with a higher degree of contamination than before. She also brought urine samples to work that day, as is required, and they were found to have high levels of contamination. This indicated that the source of her contamination was not in the plant.

After being decontaminated, she was accompanied by Kerr-McGee health physics personnel to her apartment which she shared with another Kerr-McGee lab analyst. The roommate was contaminated on two areas of her body and the apartment was also contaminated, particularly in the bathroom and kitchen.

On November 8, Mr. Wodka was in Oklahoma City when Ms. Silkwood made herself unavailable for medical examination which had been recommended by Kerr-McGee's consulting physician. On November 9 Mr. Wodka accompanied Ms. Silkwood while she was seen by AEC and Kerr-McGee consulting physicians. On November 10 Ms. Silkwood, her boyfriend, and her roommate were sent to AEC's Los Alamos laboratory for tests to determine whether radioactive materials were present in their bodies.

None of the three had received sufficient exposure to constitute a hazard to their health.

Ms. Silkwood returned to work on November 13, participated in union management negotiations, and was interviewed by AEC representatives. That evening she attended a union meeting in Crescent, Okla., and after the meeting, was killed when her car left the road. Reportedly, she was on her way to Oklahoma City to meet with Steven Wodka and David Burnham, a New York Times reporter.

The Oklahoma Highway Patrol investigation of the accident revealed that Ms. Silkwood had been under the influence of drugs which impaired her ability to drive. An autopsy established that her death was unrelated to her contamination.

On November 18, Anthony Mazzocchi sent a telegram to Attorney General Saxbe and advised that the OCAW had hired a private investigator who had evidence to suggest that Ms. Silkwood's car was hit from behind by another vehicle forcing her off the road. He requested an immediate investigation into Ms. Silkwood's death.

This is when the hostile publicity campaign began. An article in the New York Times on November 19, written by David Burnham, quoted Mr. Mazzocchi as saying:

> I am not accusing any particular person with murder. Based on an independent investigation, however, it is apparent that someone forced Karen Silkwood from the road, thereby causing her death. I'll leave it to the Federal authorities to determine who and why.

The Washington Star-News headlined Mr. Burnham's article "Murder Hinted in Death of Atom Peril Witness." In an interview with an Oklahoma City TV station the union's investigation was described as "conclusive" by a spokesman for OCAW.

Dr. A. J. Chapman, the Oklahoma State medical examiner, conducted an autopsy and reported there was "more than a therapeutic dose" of a hypnotic sedative present in her body which was enough to "unquestionably" impair her driving. Steve Wodka expertly commented to the press that the union did not believe the drug level found by the Oklahoma State medical examiner would have greatly affected Ms. Silkwood.

The FBI is reportedly conducting an investigation of the accident but has not yet published any results indicating any criminal activity. In the Oklahoma Highway Patrol's reinvestigation of the accident, the accident was reconstructed to test the union investigator's theories. At a new conference on January 10 in Oklahoma, the patrol presented its findings and concluded the union investigator's theories were "without foundation." The patrol further went on to say that the union investigator's construction of the path by which the car left the road and came to rest in the culvert "defies all laws of physics."

A dent which appeared in the left rear of the car, and alleged by the union investigator as evidence the car had been struck from behind, was actually caused by the wrecker which removed the car from the culvert.

The OCAW has continued to ignore the painstaking and exhaustive investigations and reinvestigations by the Federal and State agencies of jurisdiction. Just several weeks ago—on January 22—another attempt was made to revive the controversy through Mr. Burnham of the New York Times. In this article four investigators are now quoted, but the story is essentially the same. The union again implicated Kerr-McGee's involvement by saying that "some unknown person might have deliberately contaminated Ms. Silkwood."

As to the degree and cause for Ms. Silkwood's repeated contaminations, the AEC conducted an extensive investigation beginning the day following the discovery of the apartment contamination in early November, and lasting into early January. This included participation by experts from Los Alamos in Ms. Silkwood's autopsy and intensive testing of her organs for contamination. From this and other tests, the AEC concluded that radioactive material had been added to two of Ms. Silkwood's urine samples. Furthermore, the AEC report of Ms. Silkwood's contamination concluded that her contamination in November probably did not result from an accident or an incident within the plant. Quoting from the AEC report—

> Two urine samples submitted . . . contained plutonium which was not present in the urine when it was excreted.

Mr. President, theft of plutonium, a highly radioactive material, is a Federal crime. Clearly, if the AEC's conclusion is correct that some plutonium was added to two of Ms. Silkwood's urine samples, some plutonium must have been stolen, and adding the plutonium must have been an overt act.

Furthermore, I think it is fair to say, based on these facts, that this act was committed with some purpose in mind. Whether that be the discrediting of Kerr-McGee's facilities of nuclear operations in general, or for some other reason, remains to be determined. The effort to capitalize on the death of Ms. Silkwood may be part of a larger publicity campaign, orchestrated by the legislative representatives of the OCAW with the aid of a reporter at the New York Times. If their common purpose is to undermine the development of nuclear energy in this country, these actions have grave implications, indeed. Certainly they have not been motivated by a genuine concern for the welfare of the OCAW members working at Kerr-McGee's plant.

Mr. President, the development of nuclear energy is extremely important for this country. Honest expressions of concern about the potential hazards of nuclear operations can be a constructive contribution to this development. However, sensationalized reporting of unsubstantiated allegations like the death of Ms. Silkwood have certainly not been a positive contribution. Damage has been done and the negative publicity has been made. This is unfortunate.

There are important questions which have not been answered. It certainly appears to me, Mr. President, that some plutonium was stolen; and it is very strange that someone would deliberately contaminate himself. In as much as theft of plutonium is a Federal crime, I have requested the Attorney General and the Department of Justice to further investigate this matter along these lines. First, who stole the plutonium? And, secondly, what or who motivated the theft? Did Ms. Silkwood contaminate herself? If so, why?

The Department of Justice has indicated their intention to proceed with this investigation.

The VICE PRESIDENT. The Senator's 15 minutes have expired.

Mr. BARTLETT. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The VICE PRESIDENT. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 12:30 p.m., with statements therein limited to 3 minutes.

UMI

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 4

Mr. MONDALE. Mr. President, I ask unanimous consent that Barbara Dixon of Senator BAYH's staff and Burton Wides of Senator PHILIP A. HART's staff be accorded the privilege of the floor during the consideration of Senate Resolution 4.

The VICE PRESIDENT. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I did not hear the Senator's request.

Mr. MONDALE. We are asking for privileges of the floor during the consideration of the modification of rule XXII.

Mr. ROBERT C. BYRD. For whom?

Mr. MONDALE. Barbara Dixon of Senator BAYH's staff and Burton Wides of Senator PHILIP A. HART's staff.

Mr. ROBERT C. BYRD. Just two persons?

Mr. MONDALE. That is correct.

Mr. ROBERT C. BYRD. I thank the Senator.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED AMENDMENT OF RULE XXII

Mr. MONDALE. Mr. President, we hope today to deal with the question of the change in rule XXII, the so-called filibuster rule. I think the circumstances in which we now find ourselves show how absurd the present two-thirds rule is, in paralyzing, frustrating, and delaying the deliberations of the Senate on essential matters bearing upon national needs.

Just the question of the consideration of a change in the rules and making that the pending business has taken from January 14 until February 19. Although it may seem strange to my colleagues, what we are trying to do today is not to adopt rule XXII, not to consider the merits of rule XXII, but 1 month after it was introduced, we are still trying to get it raised as the pending business of the Senate.

We estimate that in the last Congress over 6 months of the time of that Congress was used intermittently, and sometimes on a full-time basis, by various filibusters involving various issues.

We saw the filibuster raised against campaign finance reform. We saw it raised against the effort to register Americans so that it might be easier for them to vote.

The VICE PRESIDENT. The Senator's 3 minutes have expired.

Mr. ALLEN. Mr. President, I ask that I may be recognized, so that I might yield my time to the Senator from Minnesota.

The VICE PRESIDENT. The Senator from Alabama is recognized.

Mr. MONDALE. I thank the Senator from Alabama for his courtesy.

The filibuster took its toll during the 93d Congress. The voter registration program was delayed for several weeks. The filibuster forced the modification of the campaign reform measure. Two measures were killed by the filibuster, the Consumer Protection Agency bill, and the tax reform package, which we attempted to attach to the debt ceiling bill in June 1974.

I predict that if we fail to reform rule XXII, this Congress will be known as the "filibuster Congress." Every one of the crucial issues we face, including tax reform, energy priorities, and broad economic policies, every one of them a crucial issue, will be delayed. We have never had a session of Congress, perhaps, since the Great Depression, in which so many crucial issues were involved. It is necessary for this Congress, in cooperation with the President, to serve the national needs during this crisis.

If we fail to revise this rule, to reduce the cloture requirement to three-fifths, I predict that on every fundamental issue we will be held hostage by a third of the Senate. We will be unable to serve the national needs. I think we will be subject to tremendous criticism.

For that reason, I hope today we can at least make S. Res. 4 the pending business, so that we might be able to get down to responsible debate and consideration of this crucial matter.

Mr. MATHIAS. Mr. President, as we approach the time when we will finally grapple in a serious way with rule XXII, I have been sitting here and looking at the busts of two distinguished Americans who presided over the Senate, John Adams, our first Vice President, and Thomas Jefferson, one of our most distinguished Vice Presidents and Presidents of the Senate.

I wonder how they would feel about rule XXII. There is a misconception which is broadly believed in this country that rule XXII is one of the hallowed traditions of the Senate. That is a misconception. Rule XXII is really a very modern invention, and I think it would have outraged John Adams, the great civil libertarian, or Thomas Jefferson, one of the apostles of freedom, to think that a majority of the Senate could not control the activities of the Senate.

Rule XXII is, as I say, a modern invention. It is an invention of the year 1917. I think it represents a retreat from the great ideals of the American Revolution, rather than progress toward greater freedom, which has been the American goal. I think if the spirits of John Adams and Thomas Jefferson say anything to us today, they say to us that it is time to return to the democratic concepts that led to the esablishment of the Senate. They say to us, "Give to the Members of the Senate a greater opportunity to control the direction of the policies of the Senate by simple majority rule."

That is all that we ask, as we bring this serious question of the amendment of rule XXII to a decision by the Members of the Senate, and I hope by a majority of the Members of the Senate.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILL

A message from the President of the United States announced that on February 18, 1975, he had approved and signed the enrolled bill (S. 58) relating to the compensation and other emoluments attached to the Office of the Attorney General.

REPORT ON BALANCE-OF-PAYMENTS DEFICIT RESULTING FROM U.S. FORCES IN NATO—MESSAGE FROM THE PRESIDENT

The Vice President laid before the Senate the following message from the President of the United States which was referred to the Committee on Armed Services:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93–155), I am pleased to submit a fifth report to the Congress on our progress toward offsetting the balance of payments deficit resulting from the deployment of U.S. forces in NATO Europe.

As required by Section 812, the Department of Commerce has been working in consultation with the Department of Defense and the General Accounting Office to define the U.S. balance of payments deficit on military transactions incurred in Fiscal Year 1974 as a result of our NATO commitments. In my November report, I provided to the Congress tentative figures developed by the Commerce Department which estimated our FY 74 expenditures at $1.983 billion. This has now been confirmed as the final FY 74 expenditure figure.

The Commerce Department is now in the process of identifying U.S. FY 74 balance of payments receipts reflecting military-related sales and exports to our European NATO allies, through both official U.S. Foreign Military Sales (FMS) and commercial channels. Once total receipts have been identified, they will be subtracted from the $1.983 billion in expenditures to establish the FY 74 deficit. While the Department has been able to confirm Allied purchases through FMS channels, it has been unable to settle on a figure for commercial receipts. The Commerce Department's balance of payments accounting procedures are not in sufficient detail to permit it to isolate all of these purchases. Using information provided by our Allies through the NATO Economic Directorate, the Commerce Department is making an effort to identify as many of these transactions as possible and to include them in its calculation of the balance of payments deficit.

An interagency committee within the Executive Branch has been working to identify other transactions which serve to offset this balance of payments deficit. Of major importance is the FY 74–75 US/FRG Offset Agreement, which was described in some detail in the May 1974 report. We have since been working in cooperation with our Allies to identify additional categories of offsets. These will include Allied purchases of U.S. military-related equipment which cannot be extracted from the U.S. balance of payments accounting system. I will provide details on these offset categories in my May 1975 report to the Congress.

Once our analysis has been completed and the FY 74 military balance of payments deficit has been established, I am confident that this deficit will be offset by the items we have identified and that the requirements of Section 812 will be met.

GERALD R. FORD.

THE WHITE HOUSE, *February 20, 1975.*

MESSAGE FROM THE HOUSE

At 11:34 a.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the Speaker has signed the enrolled bill H.R. 1767, an act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

At 3 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has appointed Mr. FLYNT, Mr. STRATTON, Mr. ARMSTRONG, and Mr. TREEN members of the Board of Visitors to the U.S. Air Force Academy on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE CIVIL SERVICE COMMISSION

A letter from the Chairman of the Civil Service Commission reporting, pursuant to law, with respect to positions in grades GS–16, GS–17, and GS–18 (with accompanying papers); to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. Res. 84. An original resolution authorizing additional expenditures by the Committee on Foreign Relations for a study of matters pertaining to the foreign policy of the United States (Rept. No. 94–17).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

S. Con. Res. 9. A concurrent resolution relating to the establishment of the naval and maritime museum in Charleston, S.C. (Rept. No. 94–16).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS (for himself, Mr. RIBICOFF, Mr. WILLIAMS, Mr. GRIFFIN, Mr. PHILIP A. HART, Mr. HUGH SCOTT, Mr. SCHWEIKER, Mr. CRANSTON, Mr. RANDOLPH, Mr. BROOKE, Mr. KENNEDY, Mr. STAFFORD, Mr. PELL, Mr. CASE, and Mr. LEAHY):

S. 766. A bill to amend the Emergency Unemployment Compensation Act of 1974 so as to increase from 13 to 26 the maximum number of weeks for which an individual may receive emergency compensation thereunder. Referred to the Committee on Finance.

S. 767. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39 the maximum number of weeks for which an individual may receive unemployment assistance under the special unemployment assistance program established by title II of such act. Referred to the Committee on Labor and Public Welfare.

By Mr. SPARKMAN:

S. 768. A bill to exempt small independent oil products from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN (by request):

S. 769. A bill to authorize appropriations for fiscal years 1976 and 1977 for carrying out the Board for International Broadcasting Act of 1973. Referred to the Committee on Foreign Relations.

By Mr. INOUYE:

S. 770. A bill to amend title 38, United States Code, to increase the statutory rates for anatomical loss or loss of use. Referred to the Committee on Veterans' Affairs.

By Mr. McGEE:

S. 771. A bill to assist certain employees of the United States in finding other employment in the civil service. Referred to the Committee on Post Office and Civil Service.

By Mr. TALMADGE (for himself, Mr. DOLE, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BUCKLEY, Mr. CHILES, Mr. CHURCH, Mr. CURTIS, Mr. EASTLAND, Mr. FANNIN, Mr. FONG, Mr. FORD, Mr. GARN, Mr. HANSEN, Mr. HRUSKA, Mr. HUMPHREY, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. McCLURE, Mr. McGEE, Mr. McGOVERN, Mr. MATHIAS, Mr. MONTOYA, Mr. NUNN, Mr. PACKWOOD, Mr. PEARSON, Mr. HUGH SCOTT, Mr. SYMINGTON, Mr. TOWER, Mr. THURMOND, Mr. TUNNEY, and Mr. YOUNG):

S. 772. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products. Referred to the Committee on Agriculture and Forestry.

By Mr. PROXMIRE:

S. 773. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle-income homebuyers. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. PERCY (for himself and Mr. RIBICOFF):

S. 774. A bill to regulate lobbying and related activities. Referred to the Committee on Government Operations.

By Mr. CHILES:

S. 775. A bill to limit the categories of questions which may be asked in decennial censuses. Referred to the Committee on Post Office and Civil Service.

By Mr. TUNNEY (for himself, Mr. MAGNUSON, and Mr. PHILIP A. HART):

S. 776. A bill to regulate commerce and protect human health and the environment by requiring testing and necessary use restrictions on certain chemical substances, and for other purposes. Referred to the Committee on Commerce.

By Mr. HOLLINGS:

S. 777. A bill for the relief of Alexandra Graham. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 778. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to individuals with respect to high mortgage interest rates. Referred to the Committee on Finance.

S. 779. A bill to amend the Internal Revenue Code of 1954 to allow rapid amortization of certain new multiple dwelling units. Referred to the Committee on Finance.

By Mr. BENTSEN:

S. 780. A bill to provide education equalization incentive grants to the States. Referred to the Committee on Labor and Public Welfare.

By Mr. SYMINGTON (for himself and Mr. RANDOLPH):

S. 781. A bill to reduce the salaries of Senators, Members of the House of Representatives, and other Federal officers and employees. Referred to the Committee on Post Office and Civil Service.

By Mr. BAYH:

S. 782. A bill to provide for the establishment of a Foreign Service grievance procedure. Referred to the Committee on Foreign Relations.

By Mr. DOMENICI (for himself, Mr. BAKER, and Mr. GLENN):

S. 783. A bill to authorize a Federal program of research, and demonstration in connection with ground propulsion systems. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. RIBICOFF, Mr. WILLIAMS, Mr. GRIFFIN, Mr. PHILIP A. HART, Mr. HUGH SCOTT, Mr. SCHWEIKER, Mr. CRANSTON, Mr. RANDOLPH, Mr. BROOKE, Mr. KENNEDY, Mr. STAFFORD, Mr. PELL, Mr. CASE, and Mr. LEAHY):

S. 766. A bill to amend the Emergency Unemployment Compensation Act of 1974 so as to increase from 13 to 26 the maximum number of weeks for which an individual may receive emergency compensation thereunder. Referred to the Committee on Finance.

S. 767. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39

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the maximum number of weeks for which an individual may receive unemployment assistance under the Special Unemployment Assistance Program established by title II of such act. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I am today introducing two bills, S. 766, the Special Unemployment Assistance Extension Act of 1975, and S. 767, the Emergency Unemployment Compensation Extension Act of 1975, designed to provide critically needed economic aid for the unemployed. These bills would provide an additional 13 weeks of unemployment assistance benefits for the more than 2 million unemployed Americans who are expected completely to exhaust their unemployment compensation benefits under existing law this year. The fact that more than 1 million Americans joined the rolls of the unemployed in January, bringing nationwide unemployment to 7.5 million workers, dramatizes the critical need for continuing Federal programs of emergency assistance to the unemployed. Until this Nation begins its recovery from the current recession it is our responsibility to see to it that those Americans who are bearing the brunt of the recession—unemployed workers and their families—are provided with this basic measure of economic security. I am pleased to be joined on these bills by Senators WILLIAMS, RIBICOFF, HART, GRIFFIN, and NELSON, and invite my other colleagues to join us.

The bills that we are proposing here today will bolster our first line of defense in this war against unemployment—the provision of unemployment compensation payments for those who have lost their jobs through no fault of their own, and who are unable, because of the economic crisis, to find new employment.

These bills build upon two emergency measures I sponsored last November, which were enacted into law in December. The first measure provides for the payment of up to 26 weeks of unemployment assistance to unemployed workers who had not previously been employed at a job covered by the Federal-State unemployment insurance system. The second provides that those workers who had been working in covered employment, but who had exhausted their entitlement under the permanent legislation to regular unemployment insurance and extended unemployment insurance benefits, are entitled to receive up to 13 additional weeks of unemployment assistance—bringing their total compensable period up to 52 weeks.

We hoped that these extensions would be sufficient to meet the needs of the unemployed in this recessionary period. Unfortunately, however, we now know that they are inadequate to the unemployment crisis we are likely to face for many months to come. Not only has total unemployment been spiraling, but equally distressing, is the indication that the average duration of periods of unemployment—a figure that has over the past year remained relatively stationary—has now begun to rise sharply. Estimates are that the average duration of period of unemployment may exceed 20 weeks by late spring. Not only are more and more Americans finding themselves out of a job, they are remaining unemployed for longer and longer periods of time.

To address this problem, the bills we are introducing today would provide an additional period of unemployment compensation for all workers who had exhausted their full entitlements to unemployment compensation. This would provide unemployed workers in "covered employment" with up to 65 weeks of unemployment assistance, and those workers who were newly covered under the Emergency Jobs and Unemployment Assistance Act of 1974 with up to 39 weeks of benefits.

Without the benefit of this legislation thousands and thousands of American workers will be exhausting their unemployment assistance benefits in the coming months, as many as 2 million by the end of the year. Many of these workers will not be able to find jobs before they exhaust benefits, as they have been unable to find them over the past year. At that point, increasingly large numbers of unemployed workers will be forced to apply for public assistance in order to provide the necessities of life for their families. We already know of the distressing accounts of the desperate economic status of overburdened State and local governments. To add to that burden now, by forcing them to assume responsibility for income maintenance payments for the unemployed, would be intolerable.

These bills represent the third and fourth pieces of legislation that I have introduced in this Congress to provide emergency relief for the unemployed. The first such bill, S. 609, would expand and extend the public service jobs provisions of the Emergency Jobs and Unemployment Assistance Act passed last session, to provide for the establishment of up to an aggregate of 1 million public service jobs under titles II and VI of the Comprehensive Employment and Training Act. The second bill, S. 625, which I have cosponsored with the Chairman of the Labor and Public Welfare Committee, Senator WILLIAMS, the chairman of the Health Subcommittee, Senator KENNEDY, and the subcommittee's ranking minority member, Senator SCHWEIKER, would provide health insurance benefits for the unemployed.

Barring unexpected economic changes in the coming year, one in four working Americans will lose their jobs and find themselves forced to apply for unemployment assistance. The plight of these workers and their families, the people upon whom the burden of the recession will invariably fall hardest, must be the No. 1 priority of this Congress. I urge that all four of these measures receive the most prompt attention from the Senate.

By Mr. SPARKMAN:

S. 768. A bill to exempt small independent oil producers from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

Mr. SPARKMAN. Mr. President, last fall, I introduced S. 4001. This legislation was designed to provide a clear and concise distinction between the truly independent oil producers of this country and the major oil companies. S. 4001 died with the adjournment sine die of the last Congress.

I am reintroducing this legislation today because it seems to me to be rather urgent from the standpoint of small independent producers of this country that with all of the proposed tax legislation applicable to the industry, they be carefully identified and then separated from the giant integrated, multinational major oil companies.

The last time Congress failed to distinguish between the independents and the majors, the Tax Reform Act of 1969 became law. The majors passed their additional tax loss on to the consuming public and the nonintegrated producers who have traditionally found 80 percent of the domestic reserves of oil and natural gas in this country were penalized.

In discussing the merits of this bill in this Chamber during the last Congress, I analogized the capital structures of the major oil companies as opposed to the economic posture of the independent producers as reminiscent of David and Goliath. I characterized our previous attempts to limit the size of the Goliaths as having only succeeded in taking away pebbles from the Davids of the oil industry.

My overriding reason for preserving and protecting the small independent oil sector of the oil industry is because they are and have been the traditional sources of new domestic exploration and drilling.

It is my fervent hope, Mr. President, that this legislation will be a building block upon which we can move closer to true energy independence. We must take a long view in preserving and encouraging the sector of the oil industry that has consistently stood at the frontier of energy exploration and development. The problem is squarely before us. The time to answer is now.

By Mr. SPARKMAN (by request):

S. 769. A bill to authorize appropriations for fiscal years 1976 and 1977 for carrying out the Board for International Broadcasting Act of 1975. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to amend the Board for International Broadcasting Act of 1973, as amended, to provide authorization for appropriations for fiscal years 1976 and 1977.

The bill has been requested by the Board for International Broadcasting and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Chairman of the Board for International Broadcasting to the President of the Senate dated February 4, 1975.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 769

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 8(a) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877 (a)) is amended—

(1) by striking out "$49,990,000 for fiscal year 1975, of which not less than $75,000 shall be available solely to initiate broadcasts in the Estonian language and not less than $75,000 shall be available solely to initiate broadcasts in the Latvian language" in the first sentence and inserting in lieu thereof "$65,640,000 for fiscal year 1976 and such sums as may be necessary for fiscal year 1977"; and

(2) by striking out "fiscal year 1975" in the second sentence and inserting in lieu thereof "fiscal year 1976."

BOARD FOR INTERNATIONAL BROADCASTING,
Washington, D.C., February 4, 1975.

HON. NELSON A. ROCKEFELLER,
Vice President of the United States and President of the Senate, U.S. Capitol, Washington, D.C.

DEAR MR. PRESIDENT: The Board for International Broadcasting encloses and recommends for your consideration proposed legislation to amend the Board for International Broadcasting Act of 1973, as amended, to provide authorization for appropriations for fiscal years 1976 and 1977.

The authorization sought by this bill will provide for the operations of the Board for International Broadcasting in fiscal year 1976 through 1977 and for the continuation of grant assistance to Radio Free Europe and Radio Liberty. It continues to be the position of this Administration that the broadcasts of these Radios to Eastern Europe and the Soviet Union contribute significantly to international peace and serve the interests of the United States.

The Office of Management and Budget advises that enactment of the proposed legislation would be in accord with the President's program.

A letter similar in content is being sent to the Speaker of the House of Representatives.

Sincerely yours,

DAVID M. ABSHIRE,
Chairman.

By Mr. INOUYE:

S. 770. A bill to amend title 38, United States Code, to increase the statutory rates for anatomical loss or loss of use. Referred to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, as a disabled veteran, I have firsthand knowledge of many of the problems and difficulties facing those who have been injured while in the service. I have been more fortunate than many other veterans in both professional and financial terms, for which I am grateful. Still, those less fortunate veterans, many of whom rely on veterans' assistance programs for necessary financial support, have suffered as the continued rise in the cost of living has eaten away the purchasing power of their assistance dollars.

The periodic congressional review and restructuring of disability compensation programs have been designed to keep payments to the 2,206,496 veterans who have service-connected disabilities in line with their needs. For most veterans this has been successful, but for 85,645 who receive section 314(K) awards, it has not been.

The "K" award is paid to veterans who have suffered anatomical loss or loss of use of one foot, one hand or one eye. This award is independent of other compensation provided to veterans.

In 1946, Public Law 79–662 set the "K" award at $42 per month. In 1952, Public Law 82–427 increased it to $47 per month. And the 93d Congress increased the award an additional $5 per month to $52 with Public Law 93–295. The report of the Senate Committee on Veterans' Affairs to accompany S. 3072 stated:

The "K" award while a minor portion of the total award of compensation is nonetheless a compensatory award for anatomical loss. Thus in the light of the extraordinary inflation disabled veterans are experiencing, the Committee is of the opinion that a 10 per cent increase in the "K" awards is warranted.

Thus between the years 1946 and 1974 when the cost of living has increased more than 152 percent, the "K" award has risen only 24 percent.

Therefore, I am introducing today, for appropriate reference, a bill that will increase the statutory award from the present $52 to $80 per month.

This increase is necessary in light of the "extraordinary inflation disabled veterans are experiencing" that the Veterans' Affairs Committee cites. It is essential in those rare cases where the statutory award is all the assistance a veteran receives. This reasonable and overdue increase is the least we can do for these dedicated veterans who have sacrificed so greatly on our behalf. I hope that Congress will take expeditious action to correct this grave inequity.

By Mr. McGEE:

S. 771. A bill to assist certain employees of the United States in finding other employment in the civil service. Referred to the Committee on Post Office and Civil Service.

Mr. McGEE. Mr. President, implementation of section 12 of the Indian Reorganization Act, giving preference to American Indians for positions involved in the administration of Indian affairs, has created a quandary for many nonpreference employees of the Bureau of Indian Affairs and the Indian Health Service.

By far, most of these employees who have either spoken or corresponded with me concerning their problem support the principle of self-determination and firmly believe that qualified Indians should be handling Indian Affairs. Yet, the implementation of that policy creates a dead-end situation for the career employee who does not enjoy preference under the law. For some, who have sufficient service and age, the option of retirement is available. For others, though, the prospect is, at present, quite bleak. Legislation has been proposed to revise retirement benefits for these personnel and thus create more opportunity for Indian advancement and employment in the affected agencies.

There are many who desire to remain in the civil service and who hope for greater assistance in their efforts to obtain employment offering an opportunity for advancement. These employees have been told that the Department of the Interior is working on a placement assistance program. And while most BIA and Indian Health Service employees do seem to have applications out, I have a thick file of letters from employees caught in this situation which casts great doubt on the progress of any out-placement program for these people, whose position, if not unique, certainly approaches that status. Public policy has, to a considerable degree, resulted in their opportunities being limited by the principle of Indian preference.

Today, I am introducing a bill which I trust can be the vehicle for a thorough consideration of the plight of these people and, at the same time, help facilitate the progress toward Indian self-determination by increasing opportunities for Indian people.

By Mr. TALMADGE (for himself, Mr. DOLE, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BUCKLEY, Mr. CHILES, Mr. CHURCH, Mr. CURTIS, Mr. EASTLAND, Mr. FANNIN, Mr. FONG, Mr. FORD, Mr. GARN, Mr. HANSEN, Mr. HRUSKA, Mr. HUMPHREY, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. MCCLURE, Mr. MCGEE, Mr. MCGOVERN, Mr. MATHIAS, Mr. MONTOYA, Mr. NUNN, Mr. PACKWOOD, Mr. PEARSON, Mr. HUGH SCOTT, Mr. STONE, Mr. SYMINGTON, Mr. TOWER, Mr. THURMOND, Mr. TUNNEY, and Mr. YOUNG):

S. 772. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products. Referred to the Committee on Agriculture and Forestry.

BEEF RESEARCH AND CONSUMER INFORMATION ACT

Mr. TALMADGE. Mr. President, the beef producers of America, in the face of the most severe economic crisis in the history of the cattle industry, have proposed a far-reaching program for self-help. Their program is aimed at: First, improving the efficiency of production and marketing of beef; second, improving the general viability of the industry; third, assuring adequate supplies of beef at reasonable prices for all Americans; and fourth, providing consumers with better information about the quality factors of beef and how to more efficiently utilize all beef products. They propose to do these things through basic research and dissemination of better information to all persons. And most admirably they will do all of this through self-assessment at no cost to the Federal Government.

This plan is incorporated into the Beef Research and Consumer Information Act, which I am pleased to introduce with the ranking minority member of the Agriculture Committee, Senator DOLE.

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Before explaining some high points of the act, let me briefly review the status of the beef industry and some recent developments that make the passage of this act imperative.

The cattle industry is the largest segment of American agriculture. Cash receipts for cattle and calves in 1973 totaled $22.1 billion. On January 1, 1975, there were nearly 1.9 million farms and ranches with cattle—131.8 million head valued at $21.8 billion. In addition to these producers, there are several million more Americans who are directly dependent upon the beef industry for their livelihood—the farmers who grow the grain and other feed for cattle; factory workers who manufacture machinery, pharmaceuticals and related items used by cattlemen; meat processors who slaughter, pack, and transport beef; retail clerks who handle and sell beef in retail stores, and many more.

In addition, beef is a vital source of protein so necessary to good nutrition. Cattle can convert raw materials, which are not palatable to people, into a palatable meat for people. Without cattle and other ruminant animals, about 890 million acres of pasture, grass, and grazing land—39 percent of the total land area of the United States—would not be utilized. This would be a terrible waste. But through cattle, the forages on these grasslands are converted to high quality protein.

But of even greater importance is the place of beef in the life styles of the American people. Beef is truly the premier food item for Americans and has assumed an ever more central role in the American diet. It is enjoyed by nearly all of the 68 million households in the United States.

Just how important beef is to Americans is illustrated by the fact that per capita consumption has more than doubled in a little over two decades.

In 1974 per capita consumption of beef reached 117 pounds. However, the ongoing supply of beef is currently endangered by the economic crisis beef producers face. This problem endangers the quality of life for every American.

Beef producers are in the midst of an unprecedented economic crisis. Average prices received for fed cattle dropped from $53.25 per hundredweight in August 1973 to $47.28 in August 1974, and to about $35 this month. The result is that cattle feeders have lost $50 to $200 on every animal fed, adding up to total losses of over $2 billion. Some cattlemen already are bankrupt and many more, faced with predictions that it will take 2 years to work out of this depressed cattle cycle, are selling their herds and switching to other enterprises. The economic repercussions of these losses are now being felt by financial institutions, allied industries, and the entire economies of many communities.

It will also cause severe impact on consumers when beef supplies dry up and as a result, prices shoot upward.

The problem is an outgrowth of several well intended but ill advised efforts over the past couple of years to control the normal market adjustments of beef prices. These include the beef boycotts of early 1973 and the especially pervasive impact of phase IV on beef markets in July and August of 1973.

In addition, the crop shortfalls of last year and the general economic recession of today are further deepening the problem.

There is not enough awareness in our society of the complexity of agricultural production, nor of the workings of free markets in which beef and other agricultural products operate. While beef prices have risen, the increase for the past 20 years is only 98 percent compared to a 165 percent increase in disposable income for the same period.

And last year, consumers spent about 2.6 percent of their incomes on beef, the same percentage as in 1950, but they received nearly twice as much beef and better beef.

It is against this backdrop and toward the proposition of lessening these problems that the beef industry is asking for the Beef Research and Consumer Information Act. They are not asking for Government money or Government aid—only for permissive legislation that will permit a self-help program. And the way they propose to help themselves is to help their customers—the consumers.

Under this program, the cattlemen will spend their own money on research projects relating to nutrition, human health, new beef products, marketing, and distribution. Progress in any of these areas will help consumers and thus create better markets for beef.

Under this program, the cattlemen will spend their own money on consumer information and education programs—youth education in our schools as well as adult education. They propose education programs on the economics of buying, how to get more for your food dollar, how to select and prepare the most economical beef cuts, et cetera. Likewise, they will attempt to provide the best possible information about beef and human health based on reliable research.

Under this program, the cattlemen will spend their own money on market information programs—on the supply and demand for beef, on production cycles, et cetera—aimed at leveling out the extreme fluctuations in supply. Relative price and market stability is, in the long run, advantageous to both producers and consumers.

From the endorsements by many State and national cattlemens' associations, it is obvious that most cattlemen favor this self-help approach to solving their problems. However, in the best tradition of the free enterprise system, any individual cattleman who does not wish to participate may request a refund of his deduction. In this way, the program is truly voluntary and democratic.

Again, I emphasize that this program will cost the Government nothing. The act even calls for cattlemen to reimburse the Government for the cost of conducting the referendum and for any administrative cost in auditing or other miscellaneous expenses.

Mr. President, for all these reasons, I am pleased to introduce the Beef Research and Consumer Information Act.

I ask unanimous consent that an explanation of this legislation, together with the bill itself, be printed at this point in the RECORD.

There being no objection, the explanation and bill were ordered to be printed in the RECORD, as follows:

SUMMARY OF BEEF RESEARCH AND CONSUMER INFORMATION ACT

NOTE.—The final implementation of a national uniform collection plan will require three separate documents which are integrated to provide the whole cloth of the program. They are as follows:

1. Enabling Legislation. An Act must be passed by the U.S. Congress, setting up the basic mechanism of the assessment, enforcement, and administration.

2. Beef Research and Promotion Order. The enabling legislation once enacted by Congress, will call for the Secretary of Agriculture to issue "Orders", after published notice and hearings, which will flesh out the working details. This Order must be approved by the producers in a nationwide referendum election.

3. Regulations. The internal technical details of everyday enforcement, such as forms, audit procedures, voting, etc., will be worked out by the Beef Board and the Secretary of Agriculture, consistent with the Enabling Act and the Order.

Since the Act and the Order are both necessary to a complete understanding of the program, this memorandum will summarize the principles rather than section by section, with appropriate references to the Act and the Order.

PURPOSE

To enable cattle producers to establish, finance, and carry out a coordinated program of research, produce and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef and beef products, and to provide an adequate, steady supply of high quality beef and beef products readily available to the consumers of the Nation at reasonable prices.

ENACTMENT

To effectuate the declared policy of the Act once passed, the Secretary of Agriculture will issue beef research and promotion orders. Such orders will be issued only after due notice and opportunity for hearing shall have been given to producers and producer organizations, and after the Secretary shall have determined that the issuance of such an order will effectuate the declared policy of the Act.

The Secretary will then conduct a referendum election among cattle producers who, during a representative period have engaged in the production of cattle. No Order issued by the Secretary will take effect until approved by referendum.

THE ORDER—APPROVAL, SUSPENSION OR TERMINATION

Any proposed order must be approved by not less than two-thirds of the producers voting in the referendum, or by a majority of the producers voting in such referendum if such majority produced not less than two-thirds of the cattle owned by producers voting in the referendum.

The Secretary shall suspend or terminate the Order at any time he finds that Order or any provisions of the Order do not effectuate the declared purpose of the Act.

The Secretary may conduct a referendum at any time, and shall hold a referendum on request of 10 percentum or more of the number of producers voting in the referendum approving the Order. Such Order shall be terminated six months after it is determined that suspension or termination of the Order is approved or favored by a majority of the cattle producers voting in such referendum who produced more than 50 percentum of the cattle produced by the cattle producers voting in the referendum.

BEEF BOARD

A Beef Board is established to administer the Order in accordance with its terms and provisions, to make rules and regulations to effectuate the terms and provisions of the Order, to receive, investigate and report complaints of violations of the Order, and to recommend to the Secretary amendments to the Order.

The Beef Board will be made up of 68 members, all cattle producers appointed from nominations submitted by eligible cattle producer organizations. The members of the Beef Board shall represent the proportion of cattle produced in each geographic area of the United States. The Beef Board members will serve for six year staggered terms.

Any plans for advertising, sales promotion, consumer education, producer education, research, and the annual budget shall be developed by the Beef Board and submitted to the Secretary of Agriculture for approval. The Beef Board shall have power to enter into contracts or agreements for the development and carrying out of the activities authorized under the Order.

BEEF PRODUCER ORGANIZATIONS

In order to nominate persons for selection to the Beef Board, beef producer organizations must be certified by the Secretary of Agriculture. Certification shall be based, in addition to other available information, upon a factual report including:

(a) Geographic territory covered by the organization's active membership.

(b) Proportion of active membership accounted for by producers of cattle.

(c) The extent to which the cattle producer membership is represented in setting the organization's policies.

(d) Evidence of stability and permanency of the organization.

(e) Sources from which the organization's operating funds are derived.

(f) Functions of the organization.

(g) The organization's ability and willingness to further the aims and objectives of the Act.

Where more than one organization is certified in any geographic area, such organizations may caucus to determine the area's nominations. If joint agreement is not reached with respect to the nominees for any such position, each organization may make nominations from which the Secretary shall choose an appointee.

ASSESSMENT AND COLLECTION

The producer (seller) of all cattle shall be assessed at a specific rate to be determined as follows:

(a) The initial rate specified in the Order, is three-tenths of one percent (.3%) of the sale price of the cattle sold.

(b) After the first year, the rate may be set anywhere from one-tenth of one percent (.1%) to five-tenths of one percent (.5%) by the Beef Board with the approval of the Secretary.

(c) The assessment rate can be raised above five-tenths of one percent (.5%) only with the approval of the producers in a new referendum election.

Each time cattle are sold, the cattle producer (seller) shall pay to the purchaser the amount assessed, based upon the sale price of the cattle. The purchaser shall hold that assessment, and pay the same to any person to whom he subsequently sells the cattle, along with the added assessment resulting from the increase in value of the cattle under his ownership. The purchaser at the point of slaughter shall receive from the seller at that point the total assessment, based upon the sale price of the cattle at the point of slaughter, and shall remit that assessment to the Beef Board.

The sale of breeding cattle shall be exempt from assessment until the final sale at slaughter, and the final assessment at point of slaughter shall be at one half the rate for the first six months of operation.

PRODUCER REFUNDS

Any cattle producer against whose cattle or beef any assessment is made and collected from him shall have the right to demand and receive from the Beef Board a refund of such assessment. The producer must furnish proof that he paid the assessment for which the refund is sought. Demand for a refund must be made not more than thirty days after the end of the month in which the sale of said cattle occurred and any such refund shall be made within sixty days after demand is received.

STATE BEEF BOARDS

Nothing in the program shall be construed to pre-empt or interfere with the workings of any beef board, beef council, or other beef promotion entity organized and operating within and by authority of any of the several states.

The Beef Board shall, with the approval of the Secretary of Agriculture, return to each state where a request is made by a qualified state beef council, beef board or other beef promotion entity operating within and by authority of said state, an amount up to the proportion which cash receipts for cattle sales for the previous three years within said state is to total cash receipts for cattle sales for the previous three years within the United States, of ten (10) percent of the collections by the Beef Board for the given year, after administrative costs and refunds from the given state have been deducted. Approval of such requests shall be based upon the apparent ability of the programs to further the purposes of the Act and Order and complement the national research and promotion efforts. Nothing in this provision shall prevent the Beef Board from entering into further contracts or agreements with any state beef promotion entity to carry out purposes or projects to implement the Act.

To qualify for the funds described in this provision, a state beef board, beef council or other beef promotional entity shall be organized pursuant to legislative authority within the state, or by charter with goals and purposes complementary to the goals and purposes of the Act and Order, and demonstrate ability to provide research, promotion and education within the state consistent with the Act and Order. In no event shall more than one entity qualify within a state. If more than one entity applies for qualification within a state, they should attempt to merge or combine, and if no such merger or consolidation is possible, the Secretary shall choose the one most qualified to fulfill the purposes of the Act and Order.

REPORTS, BOOKS AND RECORDS

Each purchaser, handler or agent thereof, may be required to report to the Beef Board periodically concerning number of cattle handled, amount assessed, sale price of cattle on which assessment was collected, and other information necessary for the enforcement of this Act.

Each handler of cattle subject to the Act shall make available for inspection by the Beef Board and the Secretary such books and records as are necessary to carry out the provisions of the Act. Any information obtained from such books, records or reports shall be kept confidential under penalty of law.

ENFORCEMENT

The Act and Order may be enforced in the District Courts of the U.S. with the U.S. Attorney General having authority to bring any Civil suits authorized under the Act.

Any person who willfully violates any provision of the Act, Order, or regulations issued thereunder, or who willfully fails or refuses to collect or remit any assessment or fee duly required of him, shall be liable to a penalty of not more than $1,000 for each such offense.

FUNDS NOT TO BE USED TO INFLUENCE GOVERNMENTAL ACTION

No funds collected by the Beef Board shall in any manner be used for the purpose of influencing governmental policy or action.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Beef Research and Consumer Information Act".

LEGISLATIVE FINDINGS AND DECLARATION OF POLICY

SEC. 2. Beef constitutes one of the basic natural foods in the diet. It is produced by many individual cattle producers throughout the United States. Beef products move in interstate and foreign commerce and those which do not move in such channels of commerce directly burden or affect interstate commerce of beef products. The maintenance and expansion of existing markets and the development of new or improved markets and uses are vital to the welfare of cattle producers and those concerned with marketing, using, and processing beef as well as the general economy of the Nation. The production and marketing of beef products by numerous individual cattle producers have prevented the development and carrying out of adequate and coordinated programs of research and promotion necessary for the maintenance of markets and the development of new products of, and markets for, cattle, beef, or beef products. Without an effective and coordinated method for assuring cooperative and collective action in providing for and financing such programs, individual cattle producers are unable to provide, obtain, or carry out the research, consumer and producer information, and promotion necessary to maintain and improve markets for any or all beef products.

It has long been recognized that it is in the public interest to provide an adequate, steady supply of high quality beef and beef products readily available to the consumers of the Nation. Maintenance of markets and the development of new markets, both domestic and foreign, are essential to the cattle industry if the consumers of beef and beef products are to be assured of an adequate, steady supply of such products at reasonable prices.

It is therefore declared to be the policy of the Congress and the purpose of this Act that it is essential and in the public interest, through the exercise of the powers provided herein, to authorize and enable the establishment of an orderly procedure for the development and the financing, through an adequate assessment, of an effective and continuous coordinated program of research, consumer and producer education, and promotion designed to strengthen the beef industry's position in the marketplace, and maintain and expand domestic and foreign markets and uses for United States beef. Nothing in this Act shall be construed to mean, or provide for, control of production or otherwise limit the right of individual cattle producers to produce cattle or beef.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "Secretary" means the Secretary of Agriculture or any other officer or employee of the Department of Agriculture to whom there has heretofore been delegated, or to whom there may hereafter be delegated, the authority to act in his stead.

(b) The term "person" means any individual, group of individuals, partnership, corporation, association, cooperative, or any other entity.

(c) The term "cattle" means domesticated bovine quadrupeds.

(d) The term "beef" means the flesh of cattle.

(e) The term "beef products" means products produced, in whole or in part, from cattle.

(f) The term "producer" means any person who sells any cattle or shares in the proceeds of the sale of any cattle, or who sells or shares in the proceeds of the sale of any beef or beef products which comes from cat-

tle of his own production: *Provided*, That a person shall not be considered to be a producer if his only share in the proceeds of a sale of cattle or beef is a sales commission, handling fee, or other service fee.

(g) The term "United States" means the forty-eight contiguous States of the United States of America, Alaska and Hawaii, and the District of Columbia.

(h) The term "promotion" means any action, including paid advertising, to advance the image or desirability of beef and beef products.

(i) The term "research" means any type of research to advance the image, desirability, marketability, production, or quality of beef and beef products.

(j) The term "consumer education" means any action to advance the image or desirability of beef.

(k) The term "marketing" means the sale or other disposition of cattle, beef, or beef products, in any channel of commerce.

(l) The term "commerce" means interstate, foreign, or intrastate commerce.

(m) The term "purchaser" means any person specified in the order or the rules and regulations issued thereunder, who receives or otherwise acquires ownership of cattle or beef from a producer.

(n) The term "handler" means any person, specified in the order or the rules and regulations issued thereunder, who receives or otherwise acquires cattle or beef from a producer, and processes, prepares for marketing, or markets, such beef or beef product including cattle of his own production.

BEEF RESEARCH AND PROMOTION ORDERS

SEC. 4. To effectuate the declared policy of this Act, the Secretary shall, subject to the provisions of this Act, issue and from time to time amend, an order applicable to persons engaged in the production or sale of cattle (or both), persons who receive or otherwise acquire cattle or beef from such persons and who process, prepare for market, or market such beef, including cattle of their own production, and persons engaged in the purchase, sale or processing of beef for beef products. Such order shall be applicable to all production or marketing areas, or both, in the United States.

NOTICE AND HEARING

SEC. 5. Whenever the Secretary has reason to believe that the issuance of an order will tend to effectuate the declared policy of this Act he shall give due notice, and opportunity for hearing upon a proposed order. Such hearing may be requested and proposal for an order submitted by an organization certified pursuant to section 16 of this Act, or by any interested person affected by the provisions of this Act, including the Secretary.

FINDING AND ISSUANCE OF AN ORDER

SEC. 6. After notice and opportunity for hearing as provided in section 5, the Secretary shall issue an order if he finds, and sets forth in such order, upon the evidence introduced at such hearing, that the issuance of such order and all the terms and conditions thereof will tend to effectuate the declared policy of this Act.

PERMISSIVE TERMS IN ORDERS

SEC. 7. An order issued pursuant to this Act shall contain one or more of the following terms and conditions, and except as provided in section 8, no others:

(a) Providing for the establishment, issuance, effectuation, and administration of appropriate plans or projects for advertising, sales promotion, and consumer education with respect to the use of cattle, beef, or beef products and for the disbursement of necessary funds for such purposes. Any such plan or project shall be directed toward increasing the general demand for cattle, beef, or beef products. No reference to a private brand or trade name shall be made if the Secretary determines that such reference will result in undue discrimination against the cattle, beef, or beef products of other persons. No such advertising, consumer education, or sales promotion programs shall make use of false or misleading claims in behalf of cattle, beef, or beef products, or false or misleading statements with respect to quality, value, or use of any competing product.

(b) Providing for, establishing, and carrying on research, marketing, and development projects, and studies with respect to sale, distribution, marketing, utilization, or production of cattle, beef, or beef products, and the creation of new products thereof, to the end that the marketing and utilization of cattle, beef, or beef products may be encouraged, expanded, improved, or made more acceptable, and the information collected by such activities may be disseminated and for the disbursement of necessary funds for such purposes.

(c) Providing that persons engaged in the sale of cattle or beef, persons engaged in the production of cattle or beef, and persons who receive or otherwise acquire cattle, beef, or beef products from such persons and who process, prepare for market, or market such cattle, beef, or beef products, including cattle of their own production, maintain and make available for inspection such books and records as may be required by any order issued pursuant to this Act and file reports at the time, in the manner, and having content prescribed by the order, to the end that information shall be made available to the Beef Board and to the Secretary which is appropriate or necessary to the effectuation, administration, or enforcement of the Act, or of any order or regulation issued pursuant to this Act: *Provided*, That all information so obtained shall be kept confidential by all officers and employees of the Department of Agriculture, the Beef Board, and by all officers and employees of contracting agencies having access to such information, and only such information so furnished or acquired as the Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing brought at the direction, or upon the request, of the Secretary, or to which he or any officer of the United States is a party, and involving the order with reference to which the information so to be disclosed was furnished or acquired. Nothing in this section shall be deemed to prohibit (1) the issuance of general statements based upon the reports of the number of persons subject to an order or statistical data collected therefrom, which statements do not identify the information furnished by any person, (2) the publication, by direction of the Secretary, of general statements relating to refunds made by the Beef Board during any specific period, or (3) the publication, by direction of the Secretary, of the name of any person violating any order, together with a statement of the particular provisions of the order violated by such person. Any such officer or employee violating the provision of this subsection shall, upon conviction, be subjected to a fine of not more than $1,000 or to imprisonment for not more than one year, or to both, and if an officer or employee of the Beef Board or Department of Agriculture, he shall be removed from office.

(d) Terms and conditions incidental to and not inconsistent with the terms and conditions specified in this Act and necessary to effectuate the other provisions of such order.

REQUIRED TERMS IN ORDER

SEC. 8. The order issued pursuant to this Act shall contain the following conditions: (a) Providing for the establishment and appointment, by the Secretary, of a Beef Board which shall consist of not more than sixty-eight members, and alternates therefor, and defining its powers and duties which shall include only the powers (1) to administer such order in accordance with its terms and provisions, (2) to make rules and regulations to effectuate the terms and provisions of such order, (3) to receive, investigate, and report to the Secretary complaints of violations of such order, (4) to recommend to the Secretary amendments to such order. The term of an appointment to the Beef Board shall be for three years with no member serving more than six consecutive years, except that initial appointment shall be proportionately for one, two and three years.

(b) Providing that the Beef Board, and alternates therefor, shall be composed of cattle producers appointed by the Secretary from nominations submitted by eligible organizations, associations, or cooperatives, and certified pursuant to section 16, so that the representation of cattle producers on the Board shall reflect, to the extent practicable, the proportion of cattle produced in each geographic area of the United States as defined by the Secretary: *Provided*, That each such beef producing geographic area shall be entitled to at least one representative on the Beef Board.

(c) Providing that the Beef Board shall, subject to the provisions of subsection (g) of this section, develop and submit to the Secretary for his approval any advertising, sales promotion, consumer education, producer education, research, and development plans or projects, and that any such plan or project must be approved by the Secretary before becoming effective.

(d) Providing that the Beef Board shall subject to the provisions of subsection (g) of this section, submit to the Secretary for his approval budgets on a fiscal period basis of its anticipated expenses and disbursements in the administration of the order, including probable costs of advertising, promotion, consumer education, research, and development projects.

(e) Providing that each cattle producer shall pay to the purchaser or handler of beef designated by the Beef Board pursuant to regulations issued under the order, an assessment based upon the value of cattle, beef or beef products handled for the account of such producer, and in the manner as prescribed by the order, for such expenses and expenditures—including provisions for a reasonable reserve and those administrative costs incurred by the Secretary after an order has been promulgated under this Act—as the Secretary finds are reasonable and likely to be incurred by the Beef Board under the order during any period specified by him. Such purchaser or handler shall collect such assessment from the producer and shall in the case of a purchaser, pay the same to any person to whom he later sells the cattle, provided that any cattle sold solely for breeding purposes shall be exempt from said assessment until sale at point of slaughter. In the case of a handler who receives the cattle at the point of slaughter, he shall pay the same to the Beef Board in the manner prescribed by the order or regulations: *Provided*, That any handler collecting any assessment at the point of slaughter during the first six months after the effective date of this Act shall pay to the Beef Board one half of the applicable rate. In the event that no live action transaction occurs at the point of slaughter, a fair value shall be attributed to the animal at time of slaughter. The rate of assessment shall be as prescribed by the order. To facilitate the collection of such assessments, the Beef Board may designate different purchasers or handlers or classes of purchasers or handlers to recognize differences in marketing practices or procedures utilized in the industry. The Secretary may maintain a suit against any person subject to the order for the collection of such assessment, and the several district courts of the United States are hereby vested with jurisdiction to entertain such suits regardless of the amount in controversy.

(f) Providing that the Beef Board shall maintain such books and records and prepare and submit such reports from time to time, to the Secretary as he may prescribe, and for appropriate accounting by the Beef Board with respect to the receipt and disbursement of all funds entrusted to it.

(g) Providing that the Beef Board, with the approval of the Secretary, may enter into contracts or agreements for development and carrying out of the activities authorized under the order pursuant to section 7 (a) and (b) and for the payment of the cost thereof with funds collected pursuant to the order. Any such contract or agreement shall provide that such contractors shall develop and submit to the Beef Board a plan or project together with a budget or budgets which shall show estimated costs to be incurred for such plan or project, and that any such plan or project shall become effective upon the approval of the Secretary, and further, shall provide that the contracting parties shall keep accurate records of all of its transactions and make periodic reports to the Beef Board of activities carried out and an accounting for funds received and expended, and such other reports as the Secretary may require.

(h) Providing that no funds collected by the Beef Board under the order shall in any manner be used for the purpose of influencing governmental policy or action, except as provided by subsection (a) (4) of this section.

(i) Providing the Beef Board members, and alternates therefor, shall serve without compensation, but shall be reimbursed for their reasonable expenses incurred in performing their duties as members of the Beef Board.

REQUIREMENT OF REFERENDUM AND CATTLE PRODUCER APPROVAL

SEC. 9. The Secretary shall conduct a referendum among cattle producers who, during a representative period determined by the Secretary, have been engaged in the production of cattle for the purpose of ascertaining whether the issuance of an order is approved or favored by such producers. No order issued pursuant to this Act shall be effective unless the Secretary determines that the issuance of such order is approved or favored by not less than two-thirds of the producers voting in such referendum, or by a majority of the producers voting in such referendum if such majority produced not less than two-thirds of the cattle owned by producers voting in the referendum.

SUSPENSION AND TERMINATION OF ORDERS

SEC. 10 (a) The Secretary shall, whenever he finds that any order issued under this Act, or any provision thereof, obstructs or does not tend to effectuate the declared policy of this Act, terminate or suspend the operation of such order or such provisions thereof.

(b) The Secretary may conduct a referendum at any time, and shall hold a referendum on request of 10 per centum or more of the number of cattle producers, voting in the referendum approving the order, to determine whether such producers favor the termination or suspension of the order, and he shall suspend or terminate such order six months after he determines that suspension or termination of the order is approved or favored by a majority of the cattle producers voting in such referendum who, during a representative period determined by the Secretary, have been engaged in the production of cattle, and who produced more than 50 per centum of the volume of cattle produced by the cattle producers voting in the referendum.

(c) The termination or suspension of any order, or any provision thereof, shall not be considered an order within the meaning of this Act.

PROVISIONS APPLICABLE TO AMENDMENTS

SEC. 11. The provisions of this Act applicable to orders shall be applicable to amendments to orders.

PRODUCER REFUND

SEC. 12. Notwithstanding any other provisions of this Act, any cattle producer against whose cattle or beef any assessment is made and collected from him under authority of this Act and who is not in favor of supporting the programs as provided for herein shall have the right to demand and receive from the Beef Board a refund of such assessment: *Provided*, That such demand shall be made in accordance with regulations on a form and within a time period prescribed by the Board and approved by the Secretary but in no event more than thirty days after the end of the month in which the sale of said cattle occurred and upon submission of proof satisfactory to the Board that the producer paid the assessment for which refund is sought, and any such refund shall be made within sixty days after demand is received therefor.

PETITION AND REVIEW

SEC. 13. (a) Any person subject to any order may file a written petition with the Secretary, stating that any such order or any provisions of such order or any obligations imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. He shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the Secretary. After such hearing, the Secretary shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

(b) The district courts of the United States in any district in which such person is an inhabitant, or has his principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within twenty days from the date of the entry of such ruling. Service of process in such proceedings may be had upon the Secretary by delivering to him a copy of the complaint. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the Secretary with directions either (1) to make such ruling as the court shall determine to be in accordance with the law, or (2) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to subsection (a) of this section shall not impede, hinder, or delay the United States or the Secretary from obtaining relief pursuant to section 15(a) of this Act.

ENFORCEMENT

SEC. 14. (a) The several district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating any order or regulation made or issued pursuant to this Act. Any civil action authorized to be brought under this Act shall be referred to the Attorney General for appropriate action.

(b) Any cattle producer, purchaser, handler, or other person who willfully violates any provision of any order issued by the Secretary under this Act, or who willfully fails or refuses to collect or remit any assessment or fee duly required of him thereunder, shall be liable to a penalty of not more than $1,000 for each such offense which shall accrue to the United States and may be recovered in a civil suit brought by the United States: *Provided*, That subsections (a) and (b) of this section shall be in addition to, and not exclusive of, the remedies provided now or hereafter existing at law or in equity.

CERTIFICATION OF ORGANIZATIONS

SEC. 15. The eligibility of any organization to represent cattle producers of any cattle producing area of the United States to request the issuance of an order under section 5, and to participate in the making of nominations under section 8 (b) shall be certified by the Secretary. Certification shall be based, in addition to other available information, upon a factual report submitted by the organization which shall contain information deemed relevant and specified by the Secretary for the making of such determination, including, but not limited to, the following:

(a) Geographic territory covered by the organization's active membership,

(b) Nature and size of the organization's active membership, proportion of total of such active membership accounted for by producers of cattle, a chart showing the cattle production by State in which the organization has members, and the volume of cattle produced by the organization's active membership in each such State,

(c) The extent to which the cattle producer membership of such organization is represented in setting the organization's policies,

(d) Evidence of stability and permanency of the organization,

(e) Sources from which the organization's operating funds are derived,

(f) Functions of the organization, and

(g) The organization's ability and willingness to further the aims and objectives of this Act: *Provided*, That the primary consideration in determining the eligibility, of an organization shall be whether its cattle producer membership consists of a substantial volume of cattle. The Secretary shall certify any organization which he finds to be eligible under this section and his determination as to eligibility shall be final. Where more than one organization is certified in any geographic area, such organizations may caucus to determine the area's nominations under section 8 (b).

PATENTS, COPYRIGHTS, INVENTIONS, OR PUBLICATIONS

SEC. 16. Any patents, copyrights, inventions, or publications developed through the use of funds collected under the provisions of this Act shall be the property of the Beef Board, and shall, along with any rents, royalties, residual payments, or other income from the rental, sale, leasing, franchising, or other uses, of such patents, copyrights, inventions, or publications, inure to the benefit of the cattle industry.

STATE BEEF BOARDS

SEC. 17. Nothing in this Act shall be construed to preempt or interfere with the workings of any beef board, beef council, or other beef promotion entity organized and operating within and by authority of any of the several states.

REGULATIONS

SEC. 18. The Secretary is authorized to issue regulations with the force and effect of law as may be necessary to carry out the provisions of this Act and the powers vested in him by this Act. The Secretary shall appoint an advisory committee representing a broad spectrum of producers to assist in the initial formulation of regulations: *Provided*, That upon the initial appointment of the Beef Board, the advisory committee shall no longer continue to exist.

INVESTIGATIONS; POWER TO SUBPENA AND TAKE OATHS AND AFFIRMATIONS; AID OF COURTS

SEC. 19. The Secretary may make such investigations as he deems necessary for the effective carrying out of his responsibilities under this Act or to determine whether a cattle producer, processor, or other seller of cattle, beef, or beef products or any other person has engaged or is about to engage in any acts or practice which constitute or will constitute a violation of any provisions of this Act, or of any order, or rule or regulation issued under this Act. For the purpose of

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such investigation, the Secretary is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents which are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpena to, any person, including a cattle producer, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Secretary, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.

SEPARABILITY

SEC. 20. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

AUTHORIZATION

SEC. 21. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated such funds as are necessary to carry out the provisions of this Act. The funds so appropriated shall not be available for payment of the expenses or expenditures of the Beef Board in administering any provisions of any order issued pursuant to the terms of this Act.

EFFECTIVE DATE

SEC. 22. This Act shall take effect upon enactment.

Mr. DOLE. Mr. President, I am pleased to join with the chairman of the Agriculture and Forestry Committee in the introduction of this important legislation. Throughout the history of America, the beef cattlemen of this country have been an admired group of rugged individuals, known for their spirit of free enterprise, their self-reliance, and their abilities to fight adversities—all without the temptation of asking for Government help.

At the same time, they have continued to produce one of the most desired food items in the world—beef—in abundance and at a price that most consumers could afford.

During the past 2 years, however, there have been attacks and discrimination against the product beef and against the producers of beef which they never before have experienced. I refer to the Government price controls in 1973 which, under phase IV, singled out beef and triggered unprecedented economic losses for cattle feeders and producers: to expanding beef imports into the United States, which have depressed prices and continue to threaten the markets for our domestic beef; to the increasing number of regulations, by State and Federal regulatory agencies, which could undermine and demoralize this largest sector of our agricultural economy; to beef boycotts and "eat less meat" campaigns—by groups that admittedly used beef as a symbol of their protest against inflation, without realizing that beef cattle prices actually have come down more than any other major consumer item.

To meet these problems, which surfaced during the past 2 years and which are likely to reoccur in the future, cattle industry leaders have come up with a self-help plan which the chairman of the Agriculture Committee and I are introducing today, along with 26 other Senators, that can: First, strengthen the beef industry; second, assure consumers of more beef at prices they can afford; and third, cost the Government nothing. I commend the cattlemen for this, because self-help programs with characteristics like these are needed in many of our industries today.

I believe that this type of program is the best example of bootstrap operation. It would be a case of producers helping themselves by working in a united manner to improve the market. We are working with the various livestock and trade groups on this legislation and hopefully we can move quickly in the Congress to enact it.

In the past, this type of program has met with a great deal of success in the wheat and grain industries. Our export markets represent a very important part of those industries. Agricultural exports have also become a very beneficial part of the national economy. They have helped to improve our trade balance tremendously and have strengthened the overall health of the economy. I am hopeful that a market development organization for beef will be beneficial in expanding our foreign markets for American beef as well as improving market conditions here at home.

The Beef Research and Consumer Information Act would help consumers in many ways. It would provide for expanded research on nutrition, health, new beef products, marketing, and distribution. Likewise, it would expand research on reduced cost of production and marketing of beef cattle—to assure a stable and adequate supply at reasonable prices. Then it would permit more consumer education programs—youth education in our schools as well as adult education—on purchasing economics; on how to get more for your food dollar; on how to select and prepare the most economical beef cuts; et cetera.

Mr. President, when this legislation was being drafted we considered broadening it to include pork and other meats. It seems these other meats are produced and marketed in such a way that at present there is not the same unified desire among producers and processors to participate in such a program for hogs and pork. The following letter was received from the American Pork Congress regarding this legislation:

DEAR SENATOR DOLE: I was contacted today concerning the Senate and House bills that are now being prepared for introduction that pertain to a beef market development board and legislative funding program.

I have been informed that you questioned whether the pork industry might oppose this bill or would be interested in similar legislation introduced in their behalf. Our structure in the pork industry is quite a bit different than that of the beef industry in that our National Pork Producers Council is more of a promotional arm for the industry than it is for legislative and other purposes. We have 35 member states at the present time, 30 of which are on a voluntary funding system and, according to polls of the producers that we conduct each year, our 14 main pork production states of the Midwest area still believe that they would rather function under the voluntary funding system rather than pursue the legislative route.

However, they have expressed no opposition to whatever program the beef industry seeks. Therefore, I'm sure there will be no organized opposition to the proposed beef legislative program, and I can assure you that the pork industry will not be perturbed because they are not included at this time in similar legislation.

If this tone changes as to the desires of the pork industry, I'm sure that they would be most pleased to have you working in their behalf if and when that occasion should arise. Thank you for your consideration of our thoughts on this matter and if we can be of service at any time we hope that you will call on us.

Sincerely yours,

J. MARVIN GARNER,
Executive Vice President.

I am sure the chairman joins me in pledging our cooperation in working with these producers on similar legislation if these groups can organize the unified support that has been generated in the cattle industry for this legislation.

Mr. President, it appears to me that everyone—beef producers, consumers, and the Government—would benefit from this plan. That is why I am pleased to introduce the Beef Research and Consumer Information Act.

Mr. THURMOND. Mr. President, I am pleased to cosponsor legislation introduced today by Senators TALMADGE and DOLE to provide a program for our cattle farmers to help themselves out of their current economic dilemma and maintain the beef industry on a viable basis in the future. Termed the Beef Research and Consumer Information Act, the bill was developed under the leadership of cattle farmers themselves and enjoys wide support throughout the beef industry.

The program they have put together is a comprehensive and attractive approach to product research, market development, and problem solving. It will benefit not only the cattlemen who will finance it with their own money, but also consumers, who will receive educational information about the beef industry and products available at the retail level.

Most of us are aware that the past year has been literally disastrous for cattle farmers. Their feed costs and the cost of other production inputs have rapidly increased, while the prices of cattle brought to market have plummeted. On an average, slaughter steers were selling at only 51 percent of parity in the middle of January 1975, and feeder calves were bringing relatively less at 36 percent of parity. There is just no way that cattle farmers can survive and produce beef for the dinner tables of American consumers under such unprofitable conditions.

The beef research and market development plan authorized under this legislation is certainly not an instant panacea to the cattlemen's problems. However, it does provide a workable mechanism for a more healthy beef industry in the long run. It should be emphasized that the program it engenders is entirely financed by the beef industry itself, with no cost to the taxpayers. This is the kind of approach to problems that relies on the very best principles in our American free enterprise system. I congratulate all of those who have had the foresight and the wisdom to design this plan, and I am especially pleased to join the principal sponsors in support of it.

By Mr. PROXMIRE:

S. 773. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle-income home buyers. Referred to the Committee on Banking, Housing and Urban Affairs.

THE ENERGENCY HOUSING AND ECONOMIC RECOVERY ACT

Mr. PROXMIRE. Mr. President, our country is facing its deepest depression in 40 years. In January, the unemployment rate reached 8.2 percent—the highest rate since 1941 when we were still recovering from the great depression. Seven and a half million people are out of a job, the highest number since 1940. Economic forecasts predict that the unemployment rate will get worse before it gets better. The President's budget message projects an 8-percent unemployment rate through 1975 and 1976 and even these gloomy estimates may prove optimistic unless decisive action is taken and taken soon. As President Ford himself belatedly acknowledged, the economy is collapsing much faster than anyone in the administration had thought possible just a few short weeks ago.

The industry that has been hit the hardest by inflation, tight money, and recession is the homebuilding industry. The rate of unemployment among construction workers is 22.6 percent, or nearly triple the national average. In the first 8 months of 1974, over 1,100 construction firms with total liabilities of $270 million went out of business. New housing starts have skidded to an annual rate of 868,000, the lowest rate since the disastrous credit crunch of 1966. This is about one-third of the 2.6 million units we should be building each year to meet our national housing goals as outlined in the Housing Act of 1968. In short, the homebuilding industry is on the verge of collapse.

Those who have also been hurt by the housing recession are home buyers and especially middle-income families who have been priced out of the market because of high interest rates and the lack of mortgage credit. And here is the bitter irony. Unlike the recession in the auto industry, the depression in homebuilding is not the result of reduced buyer demand. The demand is there. Many families have the money to buy homes; many families want to buy homes. What they do not have is mortgage credit at rates they can afford, and in many cases they cannot get mortgage loans at all.

To make matters even worse, the staggering Federal budget deficits projected for 1975 and 1976 threaten to block any recovery in homebuilding. Given the slowdown in the demand for credit by large corporations, more money might have been available in the mortgage market. However, the dropoff in business credit demand is more than offset by increased Treasury borrowing. The result is that less money than ever will be available for housing. Thus the combination of a tight monetary policy followed by a loose fiscal policy has dealt the housing industry a devastating and perhaps lethal one-two punch.

Last week, President Ford, with much fanfare, released some $2 billion in impounded highway construction money. And while this will undoubtedly generate some jobs, it seems to me that at a time when Americans are painfully trying to reduce their energy dependence on private automobiles, there are more important priorities than highway construction.

Mr. President, if we really want to get our economy moving again, we need to stimulate the homebuilding industry. One of our great, unmet social needs is for more and better housing. There are vast unemployed resources in the construction industry so we need not fear that more homebuilding will fuel inflation. Putting people back to work in homebuilding creates needed jobs in the private sector and not make-work jobs in the public sector.

I believe we can put people back to work in homebuilding at a very small initial cost and in fact at no net cost if we count the added tax revenue flowing from the increase in employment. All we need is a stable supply of mortgage credit at rates which the average family can afford to pay. Therefore, I am introducing a bill to do just that—to provide a stable source of mortgage credit at a rate of 6 percent. The Government would pay the difference between 7 percent and its cost of borrowing. Thus if interest rates decline, the need for a continued subsidy is eliminated.

I call this bill the Emergency Housing and Economic Recovery Act. Here is how it works.

HOW THE BILL WORKS

The program would be activated and deactivated automatically by a formula tied to the rate of unemployment and housing starts. The program would be activated whenever the rate of unemployment exceeded 6 percent and the level of housing starts dropped below 1.75 million for 3 consecutive months. Once activated, the program would continue until the rate of unemployment dropped below 6 percent or the level of housing starts exceeded 1.75 million for 3 consecutive months. This automatic trigger mechanism assures that the program will actually be used when it is needed the most and is not perpetuated when the need for an emergency program has expired. Perhaps the trigger formula can be improved; however, I believe the concept of an automatic trigger is absolutely essential given the tendency of recent administrations, both Democratic and Republican, to ignore the laws passed by Congress.

Once the trigger is activated, private mortgage lenders would be able to make 6-percent mortgage loans on homes costing less than $40,000, or up to $50,000 in high cost areas. These loans would then be sold to the Department of Housing and Urban Development under an arrangement where the lender could continue servicing the loan at the customary fee which would be paid out of the 6 percent. The bill prohibits any additional points from being assessed against the buyer or seller, hence the rate of interest paid by the borrower is limited to a true 6 percent.

HUD would carry out its operations through a special revolving fund financed through Treasury borrowing authority. In order to avoid any substantial impact on the budget, HUD is required to sell the mortgages it buys before the end of the fiscal year. The mortgages must be sold at par to private investors, or, if there are no takers, to the Federal Financing Bank, an agency outside the budget and recently established by Congress to assist in the financing of Federal credit programs. HUD would be authorized to compensate the Bank for any difference between the net yield on the mortgages it sells the Bank and the current Government borrowing rate. At present rates, this would amount to about 1 percent.

The payments by HUD to the Federal Financing Bank would rise or fall in future years depending upon changes in the rate on Treasury obligations. In order to place a reasonable upper limit on the cost of the program, the bill authorizes the Secretary of HUD to increase the rate of interest paid by the homebuyer after 3 years up to a maximum of 9 percent; however, any single increase must be in 6 month intervals and could not exceed one-half of 1 percent.

The bill authorizes an appropriation to HUD in order to reimburse the Department for the cost of making any interest adjustment payments to the Federal Financing Bank as well as for any other losses sustained under the program. Not more than 1 million mortgages can be purchased by HUD under the program in any one fiscal year. Assuming an average mortgage loan of $30,000 and an interest rate subsidy of 1 percent, an appropriation of $300 million would be needed.

GENERAL BENEFITS

Of course in the final analysis, the cost of any program must be assessed in terms of its benefits. The general benefits of the Emergency Housing and Economic Recovery Act are substantial.

First and foremost is the job creation potential of the bill. If the program were fully utilized during the next fiscal year, it could generate 1 million new housing starts, 2 million additional jobs, an additional $20 billion in GNP, and at least $7 billion in additional tax revenue or lower welfare payments resulting from the increase in GNP. Thus the benefit to the U.S. Treasury alone far exceeds the likely cost of the program even under the most pessimistic of assumptions about the future direction of interest rates.

Second, the program will help to end the boom and bust pattern of the homebuilding industry which has borne a disproportionate share of the cost of fighting inflation. It is wasteful and inefficient to be constantly moving resources into and out of the homebuilding industry

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with every episode of tight money. The cost of this instability is inevitably passed on to the general public in the form of higher housing prices.

Third, the program will make it possible for middle income families who have been priced out of the housing market because of high interest rates and tight money, to obtain a mortgage loan on terms they can afford. These families did not cause inflation. And yet they have been called upon to shoulder almost the entire burden which tight money has inflicted upon the economy. Under the bill, opportunities for homeownership will be distributed more equitably throughout the economy.

ADVANTAGES OF BILL

In addition to these general benefits, there are particular advantages to the Emergency Housing and Economic Recovery Act compared to other emergency housing bills which have been introduced or discussed.

First, my bill has an automatic trigger mechanism for activating the program. Once the trigger conditions are satisfied, the program becomes operational. This provision is essential given the sorry record of hostility shown by this and previous administrations toward congressional initiatives in the field of housing.

Second, my bill can be activated quickly without advance appropriations. Once the trigger conditions are met, the program can commence operations through Treasury and Federal Financing Bank borrowing authority. Of course, the Secretary of HUD must ultimately come to Congress for an appropriation to cover any losses incurred. But in the meantime, the Secretary has adequate authority to begin the program.

Third, by relying on lower cost Treasury-FFB financing, my bill requires less of a subsidy compared to bills which would pay the subsidy directly to a private mortgage lender. For example, mortgage interest rates charged by private lenders currently average about 9 percent whereas the average cost of borrowing by the Government is about 7 percent. Thus the cost of a program to subsidize the rate of interest on mortgage loans to 6 percent would be about 3 percent if private financing is used and only 1 percent if Treasury financing is used.

Also, interest subsidies to private lenders tend to maintain rates at artificially high levels since the borrower has little incentive to bargain for a lower rate as long as Uncle Sam is picking up the tab.

Fourth, the provision for adjusting the rate of interest paid by the borrower after 3 years protects the Treasury in the event interest rates remain at their present abnormally high levels. In such cases, the authority to increase the rate would be phased in gradually and any increased monthly payments should be in line with the increased market value of the house and the normal increase in income which can be expected of most borrowers.

Mr. President, I ask unanimous consent that the text of the Emergency Housing and Economic Recovery Act be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Housing and Economic Recovery Act of 1975."

FINDINGS AND PURPOSE

SEC. 2. The Congress finds and declares that:

(1) The economic recession combined with severe inflation and tight mortgage credit conditions have drastically restricted residential housing construction;

(2) Diminished construction and sale of homes, in turn, has intensified the economic slump, and increased unemployment; and

(3) Recessions in the housing construction industry occur cyclically, and this problem requires a permanent program of emergency mortgage credit that can be activated periodically in order to counteract the credit cycle, and as a means of promoting economic recovery and easing hardship for millions of middle-income Americans who wish to purchase or sell homes, but are unable to do so because of market conditions.

ACTIVATION AND DEACTIVATION OF PROGRAM

SEC. 3. (a)(1) The emergency housing and economic recovery program authorized in this act shall be activated whenever: (i) the national rate of unemployment (seasonally adjusted) as determined by the Chief of the Bureau of Labor Statistics exceeds six percent for three consecutive months; and (ii) the annual rate of housing starts (seasonally adjusted and exclusive of mobile homes) as determined by the Secretary of the Department of Housing and Urban Development (hereinafter referred to as "The Secretary") is less than 1,750,000 units for the same three consecutive month period. If the requirements of this subsection are satisfied by the experience in the three months immediately preceding the month in which this act is enacted into law, the emergency housing and economic recovery program shall be deemed to be activated as of the date of enactment of this act.

(2) Notwithstanding paragraph (1), the emergency housing and economic recovery program may be activated by The Secretary if he or she determines that the rate of unemployment is substantially in excess of six percent, or that the annual rate of housing starts is substantially lower than 1,750,000 units, and that an activation of the program is necessary to achieve the purposes of this act.

The Secretary shall promptly provide a detailed explanation to the Congress of any determinations under this paragraph.

(b) The program activated pursuant to subsection (a)(1) shall be terminated whenever: (1) the national rate of unemployment (seasonally adjusted) as determined by the Chief of the Bureau of Labor Statistics is six percent or less for three consecutive months; or (ii) the annual rate of housing starts (seasonally adjusted and exclusive of mobile homes) as determined by The Secretary is 1,750,000 or more units for three consecutive months.

EMERGENCY HOUSING AND ECONOMIC RECOVERY FUND

SEC. 4. (a) There is hereby established within the Department of Housing and Urban Development an Emergency Housing and Economic Recovery Fund (hereinafter referred to as the "Fund") to enable The Secretary to discharge his or her responsibilities under this Act. Whenever the emergency housing and economic recovery program is activated pursuant to Section 3 (a), The Secretary is authorized and directed, within the limits under Section 8 (a), to utilize the Fund to make commitments to purchase and to purchase mortgage loans offered for sale to the Secretary and which meet the requirements of Section 6.

(b)(1) The Secretary shall issue to the Secretary of the Treasury obligations of the Fund in an amount outstanding at any one time sufficient to enable The Secretary to discharge his or her responsibilities under this act. The proceeds from the issuance of such obligations shall be deposited in the Fund. Each such obligation shall have such maturity as determined by The Secretary and bear interest at a rate equal to the current average yield on all outstanding marketable obligations of the United States of comparable maturity.

(2) The Secretary of the Treasury is authorized and directed to purchase any obligations of the Fund to be issued under this subsection, and for such purposes the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which such securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the Fund's obligations hereunder. (c) The Secretary is authorized to—

(1) charge a fee for making commitments to purchase mortgage loans under this section and for incurring other administrative expenses, but the aggregate of all such fees, regardless of on whom imposed, shall not exceed two percentum of the amount of such commitment;

(2) deposit the proceeds from such fees into the Fund;

(3) use monies in the Fund to purchase eligible mortgage loans at a price not greater than 101 percentum of the unpaid principal at the time of purchase with adjustments for interest and any comparable items;

(4) contract with mortgagees or other persons to service mortgage loans purchased under this act;

(5) sell such mortgage loans at a price not less than the unpaid principal at the time of sale;

(6) deposit the proceeds from such sales into the Fund;

(7) make quarterly interest adjustment payments to the Federal Financing Bank. Such payments shall be equal to the difference between the net interest received by the Bank in connection with all mortgage loans purchased by the Bank pursuant to section 5 and held by the Bank during each quarter of the fiscal year and a sum equal to the average amount of such mortgage loans held by the Bank during that quarter multiplied by a rate equal to the quarterly equivalent of the average annual yield on all outstanding marketable obligations of the United States during that quarter plus one eighth of one percent.

(8) invest any excess moneys in the Fund in obligations of the United States.

SALE OF MORTGAGES

SEC. 5. (a) The Secretary shall, in accordance with the requirements of Sec. 4(c)(5), sell each mortgage loan purchased under this act and such sale shall occur prior to the expiration of the fiscal year during which such mortgage loan is purchased. In the event it is not possible to sell a mortgage loan to a private investor at a price equal to or greater than its unpaid principal, such loan shall be sold at par to the Federal Financing Bank pursuant to an agreement to make quarterly interest adjustment payments as defined under section 4(c)(7).

(b) The Federal Financing Bank is authorized and directed to purchase all mortgage loans offered to it by the Secretary under subsection (a) and to receive quarterly interest adjustment payments as defined under Section 4(c)(7). Any aggregate limitation on the Bank's total borrowing authority or authority to require the Secretary of the Treasury to purchase the Bank's obligations heretofore or hereinafter enacted is increased by an amount equal to the outstanding principal amount of all mortgage loans purchased by the Bank under this section.

MORTGAGES ELIGIBLE FOR PURCHASE

SEC. 6. To be eligible for purchase under this Act, a mortgage loan shall—

(a) involve an initial interest rate of six percent per annum;

(b) be accompanied by a certification by the mortgagee that no points, discounts, loan origination fees, or similar charges have been or will be assessed against the prospective buyer or seller in connection with the mortgage loan;

(c) have been executed to finance the acquisition of a residential dwelling to be used as the principal residence of the mortgagor (including newly constructed condominium or cooperative units) at a sales price not in excess of $40,000, or in the case of a residence located in Alaska, Hawaii, Guam or any other high cost area as determined by the Secretary, $50,000;

(d) permit the mortgagee to prepay at any time without penalty;

(e) contain appropriate provisions for the interest rate adjustments authorized under section 7.; and

(f) be otherwise eligible for purchase by the Federal National Mortgage Association.

INTEREST RATE ADJUSTMENTS

SEC. 7. (a) A mortgage loan eligible for purchase under this act shall contain provisions satisfactory to the Secretary that, upon the expiration of three years after the execution of the mortgage, the interest rate involved may be adjusted by the Secretary if such mortgage loan is held by the Federal Financing Bank. Such adjustments may not

(1) be made more often than once each six months;

(2) increase the rate of interest by more than one half of one percent; and

(3) cause the interest rate to exceed nine percentum per annum.

(b) The interest rate adjustments authorized under this section may be made by the Secretary when and to the extent necessary to minimize the need for appropriations under section 9.

PROGRAM LIMITATIONS

SEC. 8. (a) The Secretary may not purchase more than one million mortgage loans under this act during any single fiscal year.

(b) At least 75 percentum of the mortgage loans purchased under this act shall involve residences which have been constructed within the twelve months preceding the date of purchase.

(c) The Secretary shall insure that each State receives its fair and reasonable share of the assistance authorized under this act.

APPROPRIATIONS

SEC. 9. There is hereby authorized to be appropriated to the Fund such sums as may be necessary to reimburse the Fund for any net losses incurred in discharging the Secretary's responsibilities under this act.

By Mr. PERCY (for himself and Mr. RIBICOFF):

S. 774. A bill to regulate lobbying and related activities. Referred to the Committee on Government Operations.

LOBBYING DISCLOSURE OR "SUNSHINE" LEGISLATION

Mr. PERCY. Mr. President, the more accountable we can make Congress and the executive branch to the American people and the less subject to purely special interests, the better the public interest will be served. We have taken notable strides in the past couple of years to open up the processes of Government with passage of the Freedom of Information Act and opening up more congressional committee meetings to the public.

But there is one vast area of activity in the executive and legislative branches that remains shrouded in a veil of secrecy that the American people are only dimly aware of at best. That is the area of lobbying and special interest contacts with the Congress and executive branches. Current law, the 1946 Regulation of Lobbying Act, is deficient in that it narrowly defines what a lobbyist is; it does not cover lobbying activities unless the Member of Congress is contacted directly by the lobbyist; it does not cover those who lobby the executive branch; and, from what I can see, there is virtually no enforcement of the law. Senator ROBERT STAFFORD of Vermont has long pointed out the abuses in this area and suggested legislation that I have supported and so has my distinguished colleague Senator KENNEDY of Massachusetts.

I am today introducing legislation with Senator RIBICOFF to bring lobbying of Congress and the executive branches out in the open by requiring full disclosure of lobbying activities in those branches.

The purpose of this legislation is not to prohibit lobbying, as, indeed, lobbyists do on many occasions perform extremely useful functions in the national interest. They can be tapped for expert information on problems, they can analyze the impact of proposed legislation on their areas of concern, and they are an effective vehicle for representation of the interest group that they represent. They perform effectively and well in the spirit envisioned by one of our Founding Fathers, James Madison, in his discussion of "factions" in the Federalist Papers. This legislation also is not directed against any particular type of lobbyist. It would cover all types of lobbyists—business, labor, public interest groups, and all others who wish to represent their views to Congress and the executive branch.

The legislation has one simple purpose—to bring those activities out in the open. It is not designed or intended to in any way discourage legitimate lobbying activities that we all consider constructive and even vital to the operation of the Congress.

The legislation defines lobbying broadly and covers most attempts to influence either legislation or executive actions. It calls for comprehensive disclosure requirements on the activities and finances of lobbyists, of those who employ lobbyists, and of those who solicit others to lobby. It provides for reports from lobbyists on the source and amount of their income, their expenditures, the name of officials in the Government they have contacted, the bills or activities they have tried to influence, and any contributions or loans they have made to public officials.

In addition, officials of the executive branch would log their contacts with lobbyists and make those logs available for public inspection.

To make the bill meaningful, the Federal Election Commission is empowered to monitor the law and criminal sanctions are provided for willful falsification of any reports.

Mr. President, this bill has already been introduced in the House by Congressmen RAILSBACK and KASTENMEIER and already has approximately 100 cosponsors.

Senator RIBICOFF and I are introducing this legislation today for the purposes of discussion and we certainly solicit and welcome our colleagues' contributions and legislative ideas. Early hearings will enable us to have opposing views presented and determine only after that deliberative process what final legislation is advisable and necessary in this field. I shall keep an open mind until that hearing has been completed.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 774

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Public Disclosure of Lobbying Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act, the term—

(1) "person" includes a corporation, company, association, firm, partnership, society, or joint stock company, as well as an individual;

(2) "the policymaking process" means any action taken by a Federal officer or employee with respect to any bill, resolution, or other measure in Congress, or with respect to any rule, adjudication, or other policy matter in the executive branch;

(3) "Federal officer or employee" means any officer or employee in the legislative or executive branch, and includes a Member of Congress, Delegate to Congress, or the Resident Commissioner from Puerto Rico;

(4) "income" means the receipt or promise of any consideration, whether or not legally enforceable;

(5) "expenditure" means the transfer or promise of any consideration, whether or not legally enforceable;

(6) "quarterly filing period" means any calendar quarter;

(7) "voluntary membership organization" means an organization composed of individuals who are members thereof on a voluntary basis and who, as a condition of membership, are required to make regular payments to the organization;

(8) "identification" means in the case of an individual, the name, address, occupation, principal place of business, and position held in that business, of the individual, and in the case of a person other than an individual, its name, address, principal officers, and board of directors, if any;

(9) "lobbying" means a communication or the solicitation or employment of another to make a communication with a Federal officer or employee in order to influence the policymaking process, but does not include—

(A) an appearance before a congressional committee, subcommittee, or joint committee or the submission of a written statement thereto or to any Federal executive department, agency, or entity at the request of such department, agency, or entity;

(B) any communication or solicitation by a Federal officer or employee; or

(C) except with respect to a publication of a voluntary membership organization, any communication or solicitation through the distribution in the normal course of business of any news, editorial view, letter to an editor, advertising, or like matter by—

(1) a periodical distribution to the general public:

(2) radio or television broadcast; or

(3) a book publisher;

(10) "lobbyist" means, with respect to any quarterly filing period, any person who engages in lobbying during that period and who—

(A) receives income of $250 or more for such lobbying during that period, whether such income is the prorated portion of total income attributable to that lobbying, or is received specifically for the lobbying;

(B) receives an income of $500 or more for such lobbying during a total of four consecutive quarterly filing periods, in each period of those four which begins after that total of $500 has been received;

(C) makes an expenditure of $250 or more, except for the personal travel expenses of the lobbyist, for lobbying during that period; or

(D) makes an expenditure of $500 or more for lobbying during a total of four consecutive quarterly filing periods, in each period of those four which begins after that total of $500 has been expended;

(11) "Commission" means the Federal Election Commission.

NOTICES OF REPRESENTATION

SEC. 3. Each lobbyist shall file a notice of representation with the Commission not later than fifteen days after first becoming a lobbyist, and each lobbyist who has filed such a notice and has been inactive as a lobbyist for three consecutive quarterly filing periods shall also file a notice of representation when that lobbyist again becomes a lobbyist. The notice of representation shall be in such form and contain such information as the Commission shall prescribe, including—

(1) an identification of the lobbyist;

(2) an identification, so far as possible, of each person on whose behalf the lobbyist expects to perform services as a lobbyist;

(3) a description of the financial terms and conditions on which any lobbyist who is an individual is retained by any person, and the identification of that person;

(4) each aspect of the policymaking process which the lobbyist expects to seek to influence, including any Government agency, committee, or Federal officer or employee, with which contact is to be made, the form of communication used, and whether for or against a particular measure;

(5) an identification of each person who, as of the date of filing, is expected to be acting for such lobbyist and to be engaged in lobbying including—

(A) any financial terms or conditions of such person's so acting; and

(B) the aspects of the policymaking process such person is expected to work at influencing; and

(6) in the case of a voluntary membership organization, the approximate number of members and a description of the methods by which the decision to engage in lobbying is made.

RECORDS

SEC. 4. Each lobbyist shall maintain for not less than two years after the date of recording records which shall be available to the Commission for inspection and which contain the following information:

(1) The total income received by the lobbyist, and the amount of such income attributable to lobbying.

(2) The identification of each person from whom income is received and the amount received, but in the case of a voluntary membership organization a contribution during any quarterly filing period from a member need be recorded only if the contributions to such organization from such member are more than $100 during that quarterly filing period, or during that quarterly filing period combined with the three immediately preceding such periods.

(3) The total expenditures of such lobbyist for lobbying, itemizing any expenditure made—

(A) to employ lobbyists (and the amount received by each lobbyist so employed); and

(B) for research, advertising, staff, offices, travels, mailings, and publications.

(4) Each expenditure made directly or indirectly to or for any Federal officer or employee.

REPORTS

SEC. 5. Each lobbyist shall not later than fifteen days after the last day of a quarterly filing period file a report with the Commission covering that lobbyist's activities during that quarterly filing period. Each such report shall be in such form and contain such information as the Commission shall prescribe, including—

(1) an identification of the reporting lobbyist;

(2) an identification of each person on whose behalf the reporting lobbyist performed services as a lobbyist during the covered period, but not including any member of any voluntary membership organization on whose behalf the lobbyist performed such services, if the member contributed not more than $100 to the organization during the covered period or during that period combined with the three immediately preceding quarterly filing periods;

(3) an identification of each person who acted as a lobbyist on behalf of the reporting lobbyist during the covered period;

(4) each decision of the policymaking process the reporting lobbyist sought to influence during the covered period, including bill numbers where relevant;

(5) an identification of each Federal officer or employee with whom the reporting lobbyist communicated during the covered period in order to influence the policymaking process;

(6) a copy of any written communication used by the reporting lobbyist during the covered period to solicit other persons to lobby, and an estimate of the number of persons to whom such written communication was made; and

(7) copies of the records required to be kept by the reporting lobbyist under section 4, to the extent such records pertain to the covered period.

EFFECT OF FILING ON CERTAIN DETERMINATIONS UNDER THE INTERNAL REVENUE CODE OF 1954

SEC. 6. Compliance with the filing requirements of this Act shall not be taken into consideration in determining, for purposes of the Internal Revenue Code of 1954, whether a substantial part of the activities of an organization is carrying on propaganda, or otherwise attempting to influence legislation.

RECORDS OF OUTSIDE CONTACTS

SEC. 7. (a) All officials and employees of the executive branch in grades GS–15 or above in the General Schedule, or in any of the executive levels under title 5 of the United States Code, or who are designated by any person to whom this subsection otherwise applies as being responsible for making or recommending decisions affecting the policymaking process in the executive branch, shall prepare a record of each oral or written communication received directly or by referral from outside parties expressing an opinion or containing information with respect to such process. The records shall be in such form and contain such information as the Commission shall prescribe, including—

(1) the name and position of the official or employee who received the communication;

(2) the date upon which the communication was received;

(3) an identification, so far as possible, of the person from whom the communication was received and of the person on whose behalf such person was acting in making the communication;

(4) a brief summary of the subject matter or matters of the communication, including relevant docket numbers if known;

(5) in the case of communications through letters, documents, briefs, and other written material, copies of such material in its original form; and

(6) a brief description, when applicable, of any action taken by the official or employee in response to the communication.

(b) Each agency in the executive branch shall assure that records prepared pursuant to subsection (a) of this section shall be placed, within two working days of the date when such communication was received, in the case file of the rulemaking or adjudication to which the communication related. If the communication related to matters for which there was no such case file, the records of such communication shall be placed in a public file which shall be maintained in the same location as the case files.

(c) Each agency in the executive branch shall assure that records filed pursuant to subsection (b) of this section shall be made available for public inspection in a convenient location within the agency. A comprehensive index of such records by subject matter and, when applicable, docket number shall be maintained and made available for public inspection in such location.

POWERS OF COMMISSION

SEC. 8. (a) The Commission has the power for the purposes of this Act—

(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

(2) to administer oaths,

(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the producton of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to initiate (through civil proceedings for injunctive relief and through presentation to Federal grand juries), prosecute, defend, or appeal any civil or criminal action in the name of the Commission for the purpose of enforcing the provisions of the Act through its General Counsel;

(6) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission; and

(7) to make, amend, and repeal such rules as are necessary to carry out the provisions of this Act.

(b) Any United States district court within the jurisdiction of which any inquiry is carried on may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this Act. Any violations of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

DUTIES OF THE COMMISSION

SEC. 9. It shall be the duty of the Commission—

(1) to develop forms for the filing of notices of representation, and reports pursuant to sections 3 and 5 of this Act and to furnish such forms to lobbyists upon request;

(2) to develop forms for the filing of records of outside contacts under section 7;

(3) to prepare a manual setting forth recommended uniform methods of bookkeeping and reporting to furnish such manual to lobbyists upon request;

(4) to develop a filing, coding, and cross-indexing system consonant with the purpose of this Act;

(5) to make the notices of representation and reports filed with it available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person, provided that the charge does not exceed actual marginal cost, but not information copied from such reports and statements shall be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(6) to preserve the originals or copies of such notices and reports for a period of ten years from date of receipt;

(7) to compile and summarize, with respect to each filing period, the information contained in such notices, and reports in a manner reflective of the disclosure intent of this Act and in specific relation to—

(A) the lobbying activities and expenditures pertaining to specific legislative or executive actions, including the identity of the lobbyists involved and of the persons in whose behalf they are acting; and

(B) the lobbying activities and expenditures of persons who share an economic, business, or professional interest in the legislative or executive actions which they have sought to influence;

(8) to have such information, as so compiled and summarized, published in the Federal Register within fifteen days after the close of each filing period;

(9) to have each notice of representation which is filed by any lobbyist published in the Federal Register within three days after each such notice was received by the Commission;

(10) to ascertain whether any lobbyist has failed to comply fully and accurately with the disclosure requirements of this Act and promptly notify such person to file such notices and reports as are necessary to satisfy the requirements of this Act or regulations prescribed by the Commission under this Act;

(11) to make audits and field investigations with respect to the notices, and reports filed under the provisions of this Act, and with respect to alleged failures to file any statement or reports required under the provisions of this Act, and, upon complaint by any individual, with respect to alleged violations of any part of this Act.

(12) to prepare a special study or report upon the request of any Member of the House of Representatives or the Senate from information in the records of the Commission; or, if such records do not contain the necessary information, but the information would fall under the scope of information required by this Act, the Commission may inspect the records of the appropriate parties and prepare the report, but only if such special inspection can be completed in a reasonable time before the information would normally be filed;

(13) to prepare and publish such other reports as it may deem appropriate;

(14) to prescribe suitable rules and regulations to carry out the provisions of this Act; and

(15) to recommend legislation to carry out the purposes of this Act.

SANCTIONS

SEC. 10. (a) Any lobbyist who knowingly and willfully violates section 3 of this Act shall be fined not more than $5,000 or imprisoned for not more than two years.

(b) Any person who knowingly and willfully falsifies all or part of any notice of representation or report which he files with the Commision under this Act shall be fined not more than $5,000 or imprisoned for not more than two years, or both.

(c) Any person who knowingly and willfully falsifies or forges all or part of any communication to influence legislative or executive action shall be fined not more than $5,000 or imprisoned for not more than two years, or both.

(d) Any Federal officer or employee of the executive branch to whom section 7 applies who knowingly and willfully falsifies, forges, or fails to file any record as required by such section shall be fined not more than $5,000, or imprisoned not more than two years, or both.

REPEAL OF FEDERAL REGULATION OF LOBBYING ACT

SEC. 11. The Federal Regulation of Lobbying Act (60 Stat. 839–842; 2 U.S.C. 261 et seq.) and that part of the table of contents of the Legislative Reorganization Act of 1946 which pertains to title III, also known as the Federal Regulation of Lobbying Act (60 Stat. 813), are repealed, effective on the date on which the regulations to carry out this Act first become effective.

EFFECTIVE DATE

SEC. 12. The provisions of this Act shall take effect upon the date of its enactment, except that any person required by section 5(a) to maintain records shall not have any duties or obligations under this Act to maintain such records until the date on which the regulations to carry out this Act first becomes effective.

By Mr. CHILES:

S. 775. A bill to limit the categories of questions which may be asked in decennial censuses. Referred to the Committee on Post Office and Civil Service.

Mr. CHILES. Mr. President, the right of privacy is one right few, if any, of our citizens would be willing to surrender. Today I wish to introduce a piece of legislation which would help to protect the right of privacy. This bill would limit the decennial census to six basic questions.

According to my proposal, each person would be asked their name and address, relationship to the head of their household, sex, date of birth, race or color, and visitors in the home at the time of the census. As you can see, none of these are the prying sort of information asked in the current census questionnaires.

Many of the questions asked in the 1970 census, such as requests for information on previous marriages, value of property, number of children borne by a woman including stillbirths, touch upon personal matters and should not be the subjects of a national survey. To require persons to answer them constitutes a violation of the constitutional right of privacy. Such a wide-ranging census increases the Government's power to conduct a regular, computerized surveillance of a citizen's every move, thought, word, and deed and represents a gratuitous intrusion by Government into the everyday lives of its citizens.

The Constitution provides for a census to be taken in order to determine the population for purposes of congressional districting. None of the personal questions currently asked in the census, such as the number of bathrooms in a given residence, is relevant to this purpose. Therefore, those questions are not within the constitutional intent of the census.

There is yet another argument for a simplified census procedure, an argument beyond the problem of the right of privacy. The 1970 form was too complex to be answered by the more than 30 million adults with less than an eighth grade education. When the Government says it needs census data in order to properly plan adequate health and welfare programs, it most importantly needs information on the poor and the minorities. These are often the very people who are not well enough educated to respond to the complex questionnaires they receive.

In addition, the complexity and volume of forms that must be completed by businessmen greatly burdens them with additional bookkeeping and accounting problems. The citizens' hostility is aroused when they face long and complex forms to be completed. Responses are likely to be more reliable and the number of responses greater if responding is easy. A short census form better meets Congress' need for a complete count. A short, simple form will get maximum results completely and promptly.

And, most importantly, the limited census questionnaire which I propose would not pry into the private lives of our citizens. The Government's desire to collect information should never be allowed to intrude on a citizen's right of privacy.

By Mr. TUNNEY (for himself, Mr. MAGNUSON, and Mr. PHILIP A. HART):

S. 776. A bill to regulate commerce and protect human health and the environment by requiring testing and necessary use restrictions on certain chemical substances, and for other purposes. Referred to the Committee on Commerce.

TOXIC SUBSTANCE CONTROL ACT

Mr. TUNNEY. Mr. President, I am pleased to join today with the distinguished senior Senator from Washington, Chairman MAGNUSON, and the distinguished senior Senator from Michigan, PHILIP HART in introducing the Toxic Substances Control Act.

The urgency of instituting this type of regulatory program has never been greater. The number of new human health and environmental threats that have been discovered in recent months argue strongly for a new regulatory program to deal, not only with the environ-

mental hazards associated with consumer products, but with industrial use of chemicals as well. The hazards to workers, consumers, and the environment from products like vinyl chloride and the threats to the atmospheric ultraviolet shield that might be posed by the freon contained in aerosol cans and in refrigeration units are indicative of the need to act quickly and responsively.

I, however, find it discouraging that the Congress must once again address these kinds of problems. This is the third Congress in which toxic substance legislation has been introduced and considered. In each of the two previous Congresses legislation passed both the Senate and the House of Representatives only to be stalled when agreement could not be reached. Obviously, the positions of the two bodies were strongly felt. While the conference committee did meet on numerous occasions and a tremendous amount of staff work was expended in trying to reach agreement, the divisions in the past were insurmountable.

We can no longer afford further delay which subjects the American public to incredible hazards of increased risks of cancer, birth defects, and permanent genetic damage.

The primary purpose of the Toxic Substances Control Act is to provide a means of regulating chemical substances that appear in consumer and industrial products in this country. Perhaps the most important aspect of this program is the absolute necessity of giving regulatory officials the opportunity to review toxicity and use data prior to the manufacture of the chemical. Our experience in the past has amply shown that our failure to adequately test and screen new chemicals and new uses of chemicals prior to their introduction has had disastrous consequences. There have been approximately 20 deaths associated with the manufacture of vinyl chloride. In addition, this chemical has been suspected of causing injury through emissions in industrial environments. In fact, the full extent of health threats that may be present in its use in consumer products has not been fully researched.

Our hearings last year also demonstrated that asbestos in consumer and industrial products, mercury contamination in sponges, paint and floor wax, PCB in industrial uses, also may present serious hazards in certain circumstances and combinations. These types of health dangers cry out for further regulation. It is essential that we provide the means of detecting dangers from chemicals at a far earlier time than we have in the past. This bill, I believe, will provide that protection in a reasonable manner. It requires that certain chemicals be tested if EPA makes a determination that further examination is necessary due to potential health or environmental threats.

The results of these tests then must be furnished to EPA 90 days in advance of manufacture.

In addition, for all other new chemicals for which EPA cannot make a prior determination that testing is necessary, manufacturers must give notice of their impending intention to market the product. Armed with this type of information, EPA could, where necessary, then take action to impose restrictions or conclude that further tests must be conducted.

The premarket screening provisions of this bill go to the very heart of a proper toxic substances control program. Without it, or with a limited review, there is virtually no way that vinyl chloride-like experiences might be avoided on a timely basis in the future.

The legislation introduced today reflects important changes over last year's version relating to the submission of test data by the chemical industry. Hearings before the Commerce Committee in the last Congress raised substantial doubt that certain members of the chemical industry had released critical health data to regulatory agencies, to their own workers, or to the public in a timely fashion. This data might have revealed the carcinogenic potential of vinyl chloride. By its very nature, scientific data of this kind is subject to different conclusions. Resolution of questions like these should not be left to industry, which has a financial stake in the outcome of the studies. Their financial interests may temper their judgment and, therefore, these facts must be made available to regulatory officials.

The bill we introduce today contains a provision which requires manufacturers to keep the Environmental Protection Agency abreast of all studies it has conducted and is conducting. EPA would have the authority to require the submission of test results both on a preliminary and final basis. Had this provision been in effect in the past, the early industry-sponsored studies on vinyl chloride which indicated its cancer-causing potential might well have come to light at a much earlier date.

The bill contains a number of other changes over last year's version which should enable the statute to be administered in a more orderly fashion and without contributing to the bureaucratic lethargy which so many of us fear. The chemical industry, for example, will now have a voice in fashioning the exact kinds of tests that would be conducted. EPA, however, will closely scrutinize these tests and set standards of quality for the testing procedures and their results. Innovation in the development of testing methods would be encouraged to the benefit not only of regulatory decisionmakers, but to consumers who must ultimately pay for the costs of these tests.

Another change is that the advisory committee procedures of last year's bill have been removed. It is our feeling that these procedures could well have served as a delaying tactic to slow implementation of this act.

The Senate Commerce Committee will shortly holding hearings on this bill. It is important that we thoroughly investigate the new provisions contained in this legislation. I believe that a record needs to be built on each of these new provisions so the Congress can act quickly on this crucial legislation.

I introduce the bill for appropriate reference and ask unanimous consent that the text of the bill as introduced be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Toxic Substances Control Act".

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DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) Human beings and the environment are exposed each year to a large number of chemical substances.

(2) Some of the many chemical substances which are constantly being developed and produced are substances whose manufacture, distribution, use, or disposal may pose an unreasonable risk to health or the environment.

(3) The effective regulation of commerce in the interest of protecting human beings and the environment necessitates the regulation of such chemical substances.

(b) POLICY.—It is therefore declared to be the policy of the Congress in this Act that—

(1) chemical substances should be adequately tested with respect to their effect on health and the environment;

(2) such testing including the development of test protocols should be the responsibility of the persons who manufacture, import, or process such chemical substances;

(3) adequate authority should exist in the Environmental Protection Agency to regulate the distribution and use of, and to take protective action with respect to chemical substances which are found to pose an unreasonable risk to human health or the environment; and

(4) such authority should be exercised in such a manner as to assure that technological innovation and commerce in chemical substances are not unduly impeded while assuring that the manufacturing or distribution of such substances do not pose an unreasonable risk to human health or the environment.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "category of chemical substances" means a group of chemical substances which are similar in molecular structure, physical or chemical properties, use, mode of entrance to the human body or the environment, or in some other way suitable for formation of a group for the purposes of this Act, except that such term does not mean all new chemical substances within the meaning of section 5 of this Act;

(3) "chemical substance" means (A) any organic or inorganic substance of a particular molecular identity; (B) any uncombined radical or element; or (C) any mixture;

(4) "commerce" means trade, traffic, transportation, or exchange (A) between a place in a State, and any place outside of such State, or (B) which affects trade, traffic, transportation, or exchange described in subparagraph (A) of this paragraph;

(5) "distribute in commerce" or "distribution in commerce" means to sell in commerce, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce, including use and disposal thereafter, importation, and reimportation;

(6) "environment" includes man and the human environment, water, air, land, all living things therein, and the interrelationships which exist among and between these;

(7) "health and safety data" means any data which relates to the effects on human health or the environment of a chemical substance, including data developed pursuant to health and safety studies. Such data shall include consumer or other individual correspondence regarding alleged adverse effects on human health or the environment due to a chemical substance, reports of worker illness or injury allegedly related thereto, and complaints or other notices of judicial or administrative proceedings initiated by local, State, or Federal authorities relating to injury to human health or the environment alleged to have been caused by a chemical substance;

(8) "health and safety studies" means any study of any effects of a chemical substance on human health or the environment. Such studies shall include epidemiological studies, studies of occupational exposure to a chemical substance, toxicological studies, clinical studies, ecological studies, and all tests performed pursuant to this Act;

(9) "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth;

(10) "import" and "reimport" mean to cause a chemical substance to be transported from a place outside the United States to a place within the United States;

(11) "importer" means any person (A) who imports a chemical substance for distribution in commerce for commercial purpose; or (B) who reimports a chemical substance, which was manufactured or processed in whole or in part in the United States for distribution in commerce;

(12) "manufacture" means to produce or manufacture;

(13) "manufacturer" means any person who manufactures a chemical substance;

(14) "mixture" means any mixture (A) which occurs naturally; or (B) which is produced by an industrial chemical process and which is marketed or used without separation into its constituents;

(15) "process" means to prepare a chemical substance for distribution in commerce (A) in the same or different form or physical state; or (B) as part of another product;

(16) "processor" means any person who processes a chemical substance;

(17) "standards for test protocols" means standards prescribing the quality of test protocols, such quality to be measured by—

(A) the reliability of test results;

(B) the amount of time necessary to complete a protocol; and

(C) the degree to which the protocol conforms to or advances the current state of the art of testing and thereby minimizes costs to ultimate consumers.

(18) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, or American Samoa;

(19) "test protocol" means a specific method or procedure to be followed in a test or tests to determine the effects of the manufacture, processing, or distribution in commerce of a chemical substance;

(20) "test results" or "test data" means results or data obtained from the performance of a test protocol; and

(21) "United States" means all of the States.

STANDARDS FOR TEST PROTOCOLS

SEC. 4. (a) GENERAL.—If the Administrator determines that—

(1) a chemical substance may present an unreasonable risk to health or the environment;

(2) there is insufficient data upon which to conclude that such a risk does in fact exist or not exist; and

(3) testing of such substance would assist in making such a determination,

then he shall, by rule, prescribe standards for a test protocol for such substance. Whenever such standards are prescribed, the Administrator shall require, in accordance with subsection (b) (3) of this section, that one or more persons formulate a test protocol for such substance, in accordance with such standards, and perform the tests required by such protocol.

(b) STANDARDS.—(1) In prescribing the standards for test protocols, the Administrator shall require that information pertaining to all relevant factors with respect to the applicable chemical substance be developed. Such factors include—

(A) the effects of such substance on human health, and the magnitude of human exposure; and

(B) the effects of such substance on the environment, and the magnitude of environmental exposure.

(2) Standards for test protocols shall require that such protocols be formulated in accordance with those standards and may require that tests be performed, in accordance with those protocols, for carcinogenicity, mutagenicity, teratogenicity, acute toxicity, subacute toxicity, chronic toxicity, cumulative properties, synergistic properties, clinical effects, epidemiological effects, ecological effects, and any other effects of such substance which might cause unreasonable risk to human health or the environment.

(3) A rule prescribing standards for a test protocol for a chemical substance shall require that any test contained in a test protocol for such substance which is formulated in accordance with such standards shall be performed by any person or governmental entity which is a manufacturer, processor, or importer of such chemical substance.

(c) PERFORMANCE OF TESTS.—(1) The Administrator may by rule permit two or more persons, who are required to test under a test protocol formulated in accordance with standards prescribed by him, to designate one such person or a qualified and independent third party to perform such testing pursuant to a cost-sharing arrangement. If the persons required to test are not able to agree upon a designee within a reasonable time, or if the agreed-upon designee is not acceptable to the Administrator, the Administrator may order one or more of such persons, or may designate a qualified and independent third party, to perform the required testing. If the Administrator issues such an order, he shall direct the persons who are thus exempted from the obligation to perform tests to provide fair and equitable contribution for the full cost of such testing, and of the cost, if any, of formulating any test protocol, in an amount determined under rules of the Administrator.

(2) Whenever the Administrator exempts a person from the obligation to perform tests, he shall, if such exemption takes effect during the reimbursement period for such data, order such exempt person to provide reimbursement in the same manner as if an exemption had been granted under section 5(g) of this Act (unless the parties agree on the amount and method of reimbursement).

(3) In any case in which a person provides contribution or reimbursment in accordance with paragraph (1) or (2) of this subsection or of section 5(g) of this Act, section 15 of this Act shall not be construed to prevent such person from having access to any data submitted as a result of the testing as to which such contribution or reimbursement was provided.

(d) REPORTING.—A person required to perform any test required by an applicable test protocol shall submit the test data developed pursuant to such test protocol and such protocol to the Administrator promptly upon completion of such test. The Administrator may provide for the submission of preliminary and other reports during the course of such testing.

(f) NOTICE.—Upon the receipt of test protocol and test data developed pursuant to it under this section, and subject to section 15 of this Act, the Administrator shall promptly publish a notice of such receipt in the Fed-

on of American States. In fact, the

eral Register. Each such notice shall (1) identify the chemical substance for which test data have been received, (2) list the uses or intended uses of such substance, and other information specified by the Administrator by rule, and (3) describe the nature of the test performed and the data which were developed. Such data shall be made available by the Administrator for examination by any person, except as otherwise provided in section 15 of this Act.

(g) PROCEDURE.—Rules issued under this section (and amendments thereto or repeals thereof) shall be promulgated pursuant to section 553 of title 5, United States Code. In promulgating, amending, or repealing any standard or other rule under this section, (1) the Administrator shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions, and (2) a transcript shall be made of any oral presentation.

PREMARKET SCREENING OF CHEMICAL SUBSTANCES

SEC. 5. (a) GENERAL.—Commencing 180 days after the date of enactment of this Act, a manufacturer or importer of a new chemical substance (other than a mixture or a chemical substance covered by subsection (b) of this section) shall notify the Administrator of the planned manufacture or importation of such substance at least 90 days in advance thereof. When providing such notice, such manufacturer or importer shall submit to the Administrator the information referred to in section 8 of this Act insofar as it pertains to such substance. If, in the judgment of the Administrator, such a substance does not present an unreasonable environmental or human health risk, he may reduce the number of days after submission of such information during which manufacture or importataion may not occur. The Administrator shall give priority attention to a chemical substance with respect to which information is received indicating that serious economic or other hardships are likely to result if there is any unnecessary postponement of manufacture or importation.

(b) SUBMISSION OF DATA.—(1) After the effective date of test standards issued under section 4 of this Act, any manufacturer or importer of a new chemical substance which is covered by such standards, and who first manufactures or imports such substance after such date, shall submit to the Administrator (in lieu of the information required in subsection (a) of this section), at least 90 days prior to such manufacture or importation, the test data developed in accordance with such standards, and the applicable information referred to in section 8 of this Act which pertains to the intended use or distribution of such substance.

(2) The Administrator shall promptly publish (subject to section 15 of this Act) in the Federal Register the identity of each such chemical substance, the use or distribu-

tion intended, and a statement of the availability of any test data or other information submitted.

(c) RULE.—If warranted by data available to him, or by the absence of data, the Administrator may propose a rule under section 6 of this Act with respect to a new chemical substance. If such rule is proposed prior to the expiration of the 90-day period referred to in subsection (a) or (b) of this section, or during the extension provided for in subsection (d) of this section, such proposed rule shall apply (pending the outcome of administrative proceedings on such proposal) to any subsequent manufacture or distribution in commerce of such new chemical substance as if such proposed rule were final.

(d) EXTENSION.—The Administrator may extend, for an additional period beyond the 90-day period from the submission of required information under this section, the date after which a new chemical substance may be manufactured or imported for any particular use or distribution. Such additional period may not exceed 90 days and shall not be granted except for good cause shown. Notice of any such extension, and the reasons therefor, shall be published in the Federal Register. Such an extension shall constitute a final action for purposes of judicial review.

(e) CLEARANCE.—Unless the Administrator proposes a rule with respect to a new chemical substance, under section 6 of this Act, within 90 days after the submission of information or data under subsection (a) or (b) (or in the case of information submitted under subsection (a) within such shorter period as the Administrator may consider appropriate) or within such period as extended under subsection (e), manufacture or importation of such new chemical substance may commence. Nothing herein shall be construed to prohibit the Administrator from promulgating a rule pursuant to section 6 of this Act with respect to any chemical substance after manufacture or importation has commenced, or from taking action against any substance which is found to be an imminent hazard pursuant to section 7 of this Act.

(f) EXEMPTION.—(1) The Administrator may exempt any person from the obligation to submit test data under this section, if he determines that the submission of test data by such person would be duplicative of data previously received. Such an exempt person shall not manufacture or import such new chemical substance prior to the date of termination of the premarket screening period for which test data were submitted under this section. Any chemical substance, or any manufacturer or importer thereof referred to under the preceding sentence, shall be subject to all the other provisions of this Act.

(2) If the Administrator, under paragraph (1), exempts any person from submitting data under this section because of the existence of previously submitted test data, and if such exemption takes effect during the reimbursement period for such data (defined in paragraph (3)), then, unless the parties can agree on the amount and method of reimbursement, the Administrator shall order the person granted the exemption to provide fair and equitable reimbursement (in an amount and subject to conditions determined under rules of the Administrator)—

(A) to any person who previously submitted test data on which the exemption was based, for a portion of the costs incurred by him in complying with the requirement under this section to submit such data, and

(B) to any other person who has been required under this paragraph to contribute with respect to such data.

An order under this paragraph shall be considered final agency action, for purposes of judicial review.

(3) For purposes of paragraph (2), the reimbursement period for any previously submitted test data is a period—

(A) beginning on the earliest date (after submission of such data) on which a person who previously submitted test data on which the exemption was based was no longer prohibited from proceeding with the manufacture and distribution in commerce of a chemical substance to which such data applied, and

(B) ending two years after such date (or, if later, at the expiration of a period after such date equal in length to the period which the Administrator determines was necessary to develop the previously submitted test data).

(g) SIGNIFICANT NEW USE.—(a) A chemical substance may not be manufactured or imported for a use which is identified by the Administrator in a rule as a significant new distribution in commerce of such substance, unless, at least 90 days prior to such manufacture or importation, the person intending to manufacture or import such substance for such use submits a notice of his intention to do so to the Administrator. Any such substance shall be subject to all other provisions of this section.

(2) Any manufacturer or importer who proposes to distribute in commerce a chemical substance for which notice may be required under this subsection, shall attempt to ascertain from the person to whom he distributes such substance (hereafter in this paragraph referred to as "distributee") whether such distributee proposes to distribute such substance for a use which would be a significant new use. If the distributee refuses or is unable to inform such manufacturer or importer whether the proposed use would be a significant new distribution in commerce, the manufacturer or importer shall so inform the Administrator and shall inform the distributee that such substance may be subject to this section. Such distributee shall thereafter be treated, for purposes of this section (including this paragraph), as the manufacturer of such substance.

HAZARDOUS CHEMICAL SUBSTANCES

SEC. 6. (a) GENERAL.—If the Administrator determines that a rule with respect to a chemical substance is necessary to protect against an unreasonable risk to human health or the environment, he may prescribe such a rule under this section. Such a rule may consist of one or more of any of the following types of requirements:

(1) Requirements (A) prohibiting the manufacture, processing or distribution in commerce of such chemical substance or (B) limiting the amount of such chemical substance which may be manufactured or distributed in commerce.

(2) Requirements (A) prohibiting the manufacture or distribution in commerce of such chemical substance for a particular use or (B) limiting the amount of such substance which, or regulating the condition under which such substances, may be manufactured or distributed in commerce for such uses.

(3) Requirements mandating that such chemical substance, or an article containing such substance, be marked with or accompanied by clear and adequate warnings and instructions with respect to its use or disposal, in such form and bearing such content as the administrator determines to be appropriate.

(4) Requirements (A) that persons subject to requirements prescribed under paragraphs (1), (2), or (3), make and retain records and monitor or conduct tests necessary to assure their compliance with such requirements; (B) that manufacturers and processors of a chemical substance make and retain records of the processes used to manufacture or process such substance; and (C) that manufacturers and processors monitor or conduct tests necessary to determine whether chemical substances manufactured or processed by them are adulterated (within the meaning of subsection (e)(2)), and retain records of such tests. Any records or data required under this paragraph shall not be considered research data or process technology for purposes of section 13(b) of this Act.

The Administrator shall select the least stringent requirement practicable consistent with the protection of human health and the environment against unreasonable risks.

(b) APPLICABILITY.—(1) The applicability of any rule issued under this section may be limited to specified geographic areas.

(2) The authority of the Administrator, under subsection (a)(2) of this section, to prescribe a rule prohibiting the manufacture, processing, or distribution in commerce of a chemical substance for a particular use includes the authority to prohibit the distribution in commerce of a chemical substance for a particular use in a concentration in excess of a level specified in such rule.

(3) Rules limiting the amount of a chemical substance which may be manufactured, processed or distributed in commerce or limiting the quantity of such substance which may be manufactured, processed or distributed for a particular use, shall provide for assigning production, processing and distribution quotas to the extent necessary, with respect to the chemical substance whose manufacture, processing or distribution is limited thereby. The permissible quota for each person who applies to manufacture or process such substance or to engage in its distribution in commerce shall be determined in accordance with criteria which the Administrator shall prescribe by rule. Such criteria shall take into account all relevant factors, including (A) effects on competition, (B) the market shares, productive capacity, and product and raw material inventories of the precursors of the chemical substance of persons applying for quotas, (C) emergency conditions, such as fires or strikes, and (D) effects on technological innovation.

(c) FACTORS.—In promulgating rules under subsection (a) of this section, the Administrator shall consider all relevant factors, including—

(1) the effects of the substance on health and the magnitude and duration of human exposure to it;

(2) the effects of the substance on the environment and the magnitude and duration of environmental exposure to it; and

(3) the benefits of the substance for a given use or uses and the availability of less hazardous substances for the same uses.

(d) EFFECTIVE DATE.—The Administrator shall specify the effective date of any rule proposed under subsection (a) of this section. Such date shall be as soon as feasible.

(e) QUALITY CONTROL.—(1) If the Administrator has good cause to believe that a particular manufacturer, importer, or processor is manufacturing, importing, or processing a chemical substance in a manner which permits or causes the adulteration of such chemical substance—

(A) he may require such manufacturer or processor to submit a description of the relevant quality control procedures followed in the manufacturing or processing of such chemical substance and he shall take such other actions as authorized by this Act; and

(B) if he thereafter determines by rule that such quality control procedures are inadequate to prevent the adulteration of such substance, the Administrator may order the manufacturer, importer, or processor to revise such quality control procedures to the extent which the Administrator finds necessary to remedy such inadequacy.

(2) For purposes of this subsection, a chemical substance is adulterated if it or any precursor substance used or produced in its manufacture or processing bears or contains any other chemical substance or contaminant which itself or, in combination with the chemical substance, poses or is likely to pose an unreasonable risk to human health or the environment.

(f) PROCEDURE.—Rules issued under subsection (a) of this section (and amendments thereto or repeals thereof) shall be promulgated pursuant to section 553 of title 5 of the United States Code; except that in promulgating any such rule, amendment, or repeal (A) the Administrator shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions; (B) a transcript shall be made of any oral presentation; and (C) the Administrator shall provide for cross-examination to such extent and in such manner as in his discretion he determines is necessary and appropriate in view of the nature of the issue involved, the number of the participants and the nature of the interests of such participants.

IMMINENT HAZARD

SEC. 7. An imminent hazard shall be considered to exist when the evidence is sufficient to show that the manufacture, processing, or distribution in commerce of a chemical substance or product containing such substance will result in any unreasonable threat to human health or the environment, prior to the completion of an administrative hearing or other formal proceeding held pursuant to this Act. If the Administrator has reason to believe that an imminent hazard exists he may petition an appropriate district court of the United States, or he may request the United States attorney for such district to do so, to restrict the manufacture, processing, or distribution in commerce of the chemical substance or product responsible for the hazard, or to take such other action as is appropriate. The Administrator shall simultaneously, if he has not done so, propose any regulation which may be warranted under section 6 of this Act.

REPORTS

SEC. 8. (a) GENERAL.—(1) The Administrator may, by rule, require any manufacturer, importer, or processor of any chemical substance to maintain such records, and to submit such reports to him annually, and at such more frequent time as he may reasonably require. Reports which the Administrator by rule requires may include the following information:

(A) the common or trade name, the chemical identity, and the molecular structure of each chemical substance for which such report is required, insofar as known to the person making the report or insofar as reasonably ascertainable;

(B) the categories or proposed categories of use of each such substance, insofar as known to the person making the report, or insofar as such are reasonably ascertainable;

(C) reasonable estimates of the amounts of each substance manufactured, imported, or processed for each such use; and

(D) a description of any byproducts resulting from the manufacture, processing, distribution in commerce of each such substance, insofar as known to the person making the report or insofar as reasonably ascertainable.

(2) For purposes of this subsection, the term "byproduct" means a chemical substance which is produced or results as a consequence of the manufacture, importation, processing, or distribution in commerce of some other chemical substance.

(b) INVENTORY.—The Administrator shall compile and publish a listing of each chemical substance which any manufacturer, processor or importer reports (under this section) is manufactured, processed or imported into the United States. A chemical substance shall be included in such listing as of the earliest date (as determined by the Administrator) on which such substance was manufactured in or imported into the United States.

(c) Submission.—Any test data or other information required to be developed pursuant to this Act shall be submitted to the Administrator promptly. The Administrator may require the submission of preliminary and other reports during the course of any monitoring or testing.

(d) RECORDS.—Any person who manufactures, processes, or distributes in commerce any chemical substance shall maintain records of adverse reactions to human health or the environment alleged to have been caused by the chemical substance. Such records may consist of, but not be limited to, consumer allegations of personal injury, and reports or complaints of injury to the environment submitted to the manufacturer, processor, or distributor in commerce by individuals or governmental agencies.

(e) HEALTH AND SAFETY STUDIES.—Any person who manufactures, processes, or distributes in commerce any chemical substance shall report to the Administrator—

(1) all health and safety studies in progress on or initiated after the date of enactment of this Act, conducted by or for the person; and

(2) a list of all health and safety studies conducted by or for such person 40 years prior to the date of enactment of this Act. Such list shall be submitted to the Administrator within 180 days after the date of enactment of this Act. The Administrator, on the basis of the lists submitted, may request submission of any study appearing on such list.

(f) COMMENTS.—Whenever the Administrator determines that such action would be necessary to assist him to carry out his responsibilities and authorities under this Act, he may, by publishing a notice in the Federal Register, invite and afford all interested persons an opportunity to provide information and comment in writing respecting the health or environmental effects of a chemical substance. Such an invitation and opportunity shall not be deemed a proceeding for purposes of section 15(a)(2) of this Act.

EXEMPTIONS AND RELATIONSHIP TO OTHER FEDERAL LAWS

SEC. 9. (a) EXEMPTIONS.—This Act shall not apply to—

(1) any pesticide (as defined in the Federal Insecticide, Fungicide, and Rodenticide Act) when manufactured or distributed in commerce for use as a pesticide; or

(2) drugs (as such term is defined in section 201(g) of the Federal Food, Drug, and Cosmetic Act) and food (as defined in section 201(f) of the Federal Food, Drug, and Cosmetic Act, including poultry and poultry products (as defined in section 4 (e) and (f) of the Poultry Products Inspection Act), meat and meat food products (as defined in section 1(j) of the Federal Meat Inspection Act) and egg and egg products (as defined in section 4 of the Egg Products Inspection Act)).

(b) ABSENCE OF AUTHORITY.—The Administrator shall have no authority under section 6 and 7 of this Act to take action to prevent or reduce an unreasonable risk to health or the environment associated with the manufacture, processing, or distribution in commerce of a chemical substance or an article containing such substance—

(1) to the extent that the Administrator in his discretion determines the risk associated with such substance or article may be prevented or reduced to a sufficient extent under any Federal law administered, in whole or in part by the Administrator, unless he finds that the risk associated with such substance or such article cannot be prevented or reduced as effectively by his action under such other Federal law;

(2)(A) if the entirety of risk to human health and the environment associated with such substance or article is designed to be protected against under other Federal law (other than the National Environmental Policy Act of 1969) not administered in whole or in part, by the Administrator; and

(B) if the entirety of such risk could be prevented or reduced to a sufficient extent by action taken under such other Federal law as determined by the Administrator in his discretion.

(c) NOTICE.—If it appears to the Administrator that any chemical substance may pose an unreasonable risk to human health or the environment which could be prevented or reduced to a sufficient extent by actions taken under other Federal laws, he shall transmit, and give public notice thereof, any data received from manufacturers, importers, or processors, or data otherwise in his possession which is relevant to such risk to the Federal executive department or agency, independent regulatory agency or other authority of the Federal Government with authority to take legal action.

(d) COORDINATION.—In administering the provisions of this Act, the Administrator shall consult and coordinate with the Secretary of Health, Education, and Welfare and the heads of any other appropriate Federal executive department or agency, any relevant independent regulatory agency, and any applicable instrumentality of the Federal Government. The Administrator shall report annually to the Congress on actions taken to coordinate with such other Federal agencies, and on actions taken to coordinate the authority under this Act with the authority granted under other Acts referred to in subsection (b) of this section.

OTHER PROVISIONS

SEC. 10. (a) ASSISTANT ADMINISTRATOR.—The President, by and with the advice and consent of the Senate, shall appoint an Assistant Administrator for Toxic Substances from among individuals who, by reason of their background and experience, are especially qualified to direct a program concerning the effects of chemicals on human health and the environment. Such person shall be responsible for collection of data, preparation of studies, and recommendations to the Administrator for regulatory and other actions to carry out the purposes of this Act.

(b) ANNUAL REPORT.—Each January 1st, an annual report shall be transmitted to Congress by the Administrator describing his activities under this Act. Such report shall include detailed short- and long-range plans for future activities by the Administrator to further the purposes of this Act.

(c) CATEGORIES.—Any action which may be taken, by the Administrator under any provision of this Act, with respect to a chemical substance, may be taken with respect to a category of chemical substances or to classes of uses of chemical substances. Whenever the Administrator takes an action with respect to a category of chemical substances or to under any provision of this Act, any reference in this Act to a chemical substance (insofar as such reference relates to such action) shall be deemed to be a reference to each chemical substance in any such category.

RESEARCH, COLLECTION, DISSEMINATION AND UTILIZATION OF DATA

SEC. 11. (a) AUTHORITY.—The Administrator shall, in consultation and cooperation with the Secretary of Health, Education, and Welfare, and other agency or agencies, conduct such research and monitoring as is necessary to carry out the purposes of this Act. Responsibility for conduct of research shall be assigned to the Environmental Protection Agency, agencies of the Department of Health, Education, and Welfare, or such other agencies as would be appropriate, as determined by the Administrator and the Secretary of Health, Education, and Welfare. The Administrator, in consultation with the Secretary of Health, Education, and Welfare,

is authorized to make contracts and grants for research and monitoring as necessary to carry out the purposes of this Act.

(b) INTERAGENCY COMMITTEE.—(1) The Administrator shall establish and be responsible for the continuing activities of an interagency committee which will design and coordinate an efficient and effective system, within the Environmental Protection Agency, for the collection, dissemination to other Federal agencies, and utilization of data submitted to the Environmental Protection Agency under the terms of this Act.

(2) The Administrator shall, in consultation with the Secretary of Health, Education, and Welfare and other appropriate agencies, design and coordinate an efficient and effective system for the retrieval of toxicological and other scientific data which could be useful to the Administrator in carrying out the purposes of this Act. Systematized retrieval shall be developed for use by all Federal and other agencies with responsibilities in the area of regulation or study of toxic substances, including chemicals, on the health of human beings or the environment.

(3) The Administrator is authorized to make contracts and grants for the development of a data renewal system suitable for carrying out the purposes of this Act, as described above, in consultation with the Secretary of Health, Education, and Welfare.

ADMINISTRATIVE INSPECTIONS

SEC. 12. The Administrator may authorize any officer, employee, or agent to enter upon, inspect, and examine at reasonable times and in a reasonable manner the records and properties of persons to the extent that such records and properties relate to the manufacture, processing, or distribution in commerce of chemical substances subject to this Act. Any such officer, employee, or agent shall, upon request, display proper credentials. Unless the owner, operator, or agent in charge of such records and properties so consents in writing, no inspection authorized by this section shall extend to (1) financial data; (2) sales data other than shipments data; (3) pricing data; (4) personnel data; (5) research data (other than data required by this Act); or (6) process technology (other than those data related to the chemical composition, synthesis information, or the industrial use of a chemical substance).

EXPORTS

SEC. 13. (a) GENERAL.—This Act shall not apply to any chemical substance, or to any article containing such substance, if (1) it can be shown that such substance or article is manufactured, processed, sold, or held for sale for export from the United States (or that such substance was imported for export), unless such substance or article is, in fact, manufactured, processed, or distributed in commerce for use in the United States, and (2) such chemical substance or article containing such substance when distributed in commerce, or any container in which it is enclosed when so distributed, bears a stamp or label stating that such chemical substance or article is intended for export; except that (A) any manufacturer, processor, or exporter of such chemical substance who, but for this section, would be subject to section 8 of this Act shall be subject to the reporting requirements of such section 8; and (B) this subsection shall not apply to any such substance or article if the Administrator finds that it will, directly or indirectly, pose an unreasonable risk to health within the United States or to the environment of the United States and such chemical shall be subject to section 5 of this Act.

(b) FOREIGN GOVERNMENT.—If the submission of test data is required for a chemical substance under section 4 or 5 of this Act, or if rules applicable to such substance or an article containing such substance have been prescribed or proposed under section 5 or 6 of this Act, the Administrator shall (except as otherwise provided in section 15 of this Act) furnish to the governments of the foreign nations to which he knows such chemical substance is exported, or is intended to be exported, notice of the availability of the data submitted to the Administrator under section 4 or 5 concerning such chemical substance and may require warning labels to be affixed to any package containing such chemical substance; and shall make available to such government upon request, notice of any rule applicable to such substance or an article containing such substance which has been prescribed or proposed by the Administrator under this Act.

ENTRY INTO CUSTOMS TERRITORY OF THE UNITED STATES

SEC. 14. The Secretary of the Treasury shall refuse entry into the customs territory of the United States (as defined in general headnote 2 to the Tariff Schedules of the United States) of any chemical substances, or any article containing such substance, offered for entry if it fails to conform with rules in effect under this Act, or if it is otherwise prohibited pursuant to this Act from being distributed in commerce. If a chemical substance or article is refused entry, hereunder, the Secretary of the Treasury shall (1) refuse delivery to the consignee and (2) cause the disposal or storage thereof if it is not exported by the consignee within three months from the date of receipt of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe. Notwithstanding the foregoing the Secretary of the Treasury may deliver such substance or article to the consignee pending examination and decision in the matter, upon execution by the consignee of a bond for the amount of the full invoice value of such substance or article, together with the duty thereon, and providing for forfeiture of the full amount of such bond by the consignee on refusal to return such substance or article to the custody of such Secretary, when demanded for any cause, or for any other purpose. All charges for storage, cartage, and labor on substances or articles which are refused admission or delivery under this section shall be paid by the owner or consignee. In default of payment of such charges, then shall constitute a lien against any future entry into the United States made by such owner or consignee. The Secretary of the Treasury, after consultation with the Administrator, shall issue regulations for the administration and enforcement of subsection (a) of this section.

CONFIDENTIALITY

SEC. 15. (a) GENERAL.—All information reported to, or otherwise obtained by, the Administrator or his representative under this Act, which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, shall be considered confidential and shall not be disclosed; except that such information may be disclosed—

(1) to officers or employees of the United States;

(2) when relevant in any proceeding under this Act, except that disclosure in such a proceeding shall be made in such manner as to preserve confidentiality to the extent practicable without impairing the proceeding, or

(3) to the extent that the Administrator determines it is necessary to protect health or the environment.

(b) ACCESS BY QUALIFIED SCIENTISTS.—Notwithstanding any limitations contained in subsection (a) or any other provision of law, all information reported to or otherwise obtained by the Administrator or his representative shall be made available, upon request of qualified scientists to the extent that release of such information will not result in significant competitive damage to the originator of the information.

(c) ACCESS BY CONGRESS.—Notwithstanding any limitation contained in subsection (a) or any other provision of law, all information reported to or otherwise obtained by the Administrator or his representative shall be made available upon request of any duly authorized committee of the Congress.

(d) NAMES OF INDIVIDUALS.—Names of individuals maintained in records pertaining to health and safety data shall only be made public after written permission is obtained by the Administrator from the individuals in question. The confidentiality of medical records shall be maintained insofar as is reasonable and appropriate for the purposes of this Act.

PROHIBITED ACTS

SEC. 16. It shall be unlawful for any person to—

(1) fail or refuse to comply with any provision of sections 4, 5, or 6 of this Act, any rule or order prescribed under any of those sections;

(2) fail or refuse to comply with section 8 of this Act or any rule or order under that section;

(3) fail or refuse to permit access to or copying of records, fail or refuse to permit entry or inspection, or fail to take any other action required under section 12 of this Act;

(4) fail or refuse to comply with instructions with respect to the use or disposal of a chemical substance where such instructions are required by rule prescribed under section 6(a)(3) of this Act; or

(5) distribute in commerce or use for commercial purpose a chemical substance which such person knew or had reason to know was manufactured or distributed in commerce in violation of section 5 or 6 of this Act.

PENALTIES

SEC. 17. (a) CIVIL.—(1) Any person who violates a provision of section 16 of this Act shall be liable to the United States for a civil penalty. Each day of a continuing violation is a separate violation for purposes of this subsection. The amount of such civil penalty shall be assessed by the Administrator by written notice. In determining the amount of such penalty, the Administrator shall take into account the nature, circumstances, extent, and gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require: *Provided*, That the amount of each penalty shall not exceed $25,000 for each such violation.

(2) Any person who is aggrieved by the assessment of a civil penalty under this subsection may appeal such decision of the Administrator by bringing a civil action against the Administrator for rescission or modification of such penalty, in the district court of the United States for the District of Columbia or for any judicial district in which he resides or transacts business, within 30 days from the date on which he is notified of such decision by certified mail. In any such judicial proceeding, the factual findings of the Administrator shall be sustained if supported by substantial evidence on the record considered as a whole.

(3) The Administrator may, in his discretion, compromise, modify, or remit, with or without conditions, any civil penalty imposed or subject to imposition under this subsection. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

(4) If any person fails to pay as assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount assessed (plus interest at currently prevailing rates from such date) in any appropriate district court of the United States. In such action, the validity, amount, and

appropriateness of such penalty shall not be subject to review.

(b) CRIMINAL.—Any person who knowingly or willfully violates any provision of section 16 shall, in addition to or in lieu of a civil penalty imposed under subsection (a) of this section, be liable, upon conviction, to a fine of not more than $25,000 for each day of violation, or to imprisonment for not more than one year, or both.

(c) The term "knowingly" means (1) having actual knowledge, or (2) the presumed knowledge based upon knowledge a reasonable man would have in the circumstances, including knowledge obtainable upon the exercise of due care to ascertain the truth of representations.

SPECIFIC ENFORCEMENT

SEC. 18. (a) INJUNCTIONS.—Upon application by the Administrator or the Attorney General, the district courts of the United States shall have jurisdiction to restrain any violation of section 17 of this Act or to compel the taking of any action required by this Act or any rule issued thereunder. In any action under this subsection, process may be served on a defendant in any other judicial district in which the defendant resides or may be found, and subpenas for witnesses may run into any other district.

(b) RELIEF AUTHORIZED.—(1) The district court in which an action under subsection (a) of this section, or under section 7 of this Act, is filed to grant such temporary or permanent relief as may be necessary to protect health or the environment from an unreasonable risk associated with the substance or article involved in such action. Such relief may require (in the case of an action under subsection (a) of this section or under section 7 of this Act a mandatory order requiring (A) notification of such risk to those purchasers of such substance or article who are known to the defendant; (B) public notice; (C) recall; and (D) the replacement or refund of such substance or article. An order issued under this subsection may require any person who is a manufacturer, processor, or distributor in commerce of such substance or article to reimburse any other person for such other person's expenses in connection with carrying out the order, if the court determines such reimbursement to be in the public interest.

(2) An action under subsection (a) of this section, or under section 7 of this Act may be brought in the United States District Court for the District of Columbia or in the district court of the United States for any judicial district in which any of the defendants is found, resides, or transacts business. In any such action, process may be served on a defendant in any other district in which such defendant resides or may be found. Subpenas requiring attendance of witnesses in such an action may run into any other judicial district. The court shall take into account the convenience of the parties in determining the appropriate judicial district for an action under this subsection which may otherwise be brought in more than one judicial district.

(c) SEIZURE.—Any chemical substance or article containing such substance which was manufactured or distributed in commerce in violation of this Act, or which is the subject of an action under section 7 of this Act, shall be liable to be proceeded against, by process of libel for the seizure and condemnation of such substance or such article in any United States district court within the jurisdiction of which such substance or article is found. Such proceedings shall conform as nearly as possible to proceedings in rem in admiralty.

COOPERATION OF FEDERAL AGENCIES

SEC. 19. Upon request by the Administrator, each Federal agency is authorized—

(1) to make its services, personnel, and facilities available (with or without reimbursement) to the Administrator to assist him in the performance of his function; and

(2) to furnish to the Administrator such information, data, estimates, and statistics, and to allow the Administrator access to all information in its possession as the Administrator may reasonably determine to be necessary for the performance of his functions as provided by this Act.

STATE REGULATION

SEC. 20. (a) EFFECT ON STATE LAW.—Nothing in this Act shall affect the authority of any State or local government to regulate any chemical substance, or to establish and enforce standards for test protocols for chemical substances to protect health or the environment, except that—

(1) if the Administrator prescribes a rule under section 6 of this Act applicable to a chemical substance, a State or local government may not, after the effective date of such rule, establish or continue to enforce any different restriction of its own on manufacture, processing or distribution in commerce of such substance for purposes similar to those set forth in such rule, other than a total prohibition on the use or distribution of such substance within the territorial jurisdiction of such government; and

(2) if the Administrator prescribes a rule under section 4 of this Act applicable to a chemical substance, a State or local government may not, after the effective date of such rule impose requirements of its own applicable to such substance for purposes similar to those set forth in a rule under section 4 of this Act.

(b) EXEMPTION.—The Administrator may, by rule, upon the petition of any State or local government or upon his own initiative, exempt any State or local government from a prohibition in subsection (a) of this section with respect to a chemical substance, if such exemption will not, through difficulties in marketing, distribution, or other factors, result in placing an unreasonable burden upon commerce or lessen the protection accorded human health and the environment.

JUDICIAL REVIEW

SEC. 21. (a) GENERAL.—Not later than 60 days following the promulgation of a rule under section 4, 5, or 6 of this Act, any person adversely affected by such rule, or any interested person, may file a petition for judicial review of such rule with the United States Court of Appeals for the District of Columbia, or for the circuit in which such person resides or has his principal place of business. Copies of the petition shall be forthwith transmitted by the clerk of such court to the Administrator and to the Attorney General. The Administrator shall transmit to the Attorney General, who shall file in the court, the record of the proceedings on which the Administrator based his rule as provided in section 2112 of title 28, United States Code, and shall include the transcript of any oral presentation of data, views, or arguments required under the applicable provision of this Act. For purposes of this section, the term "record" means such rule; any transcript required of any oral presentation; any written submission of interested parties; and any other information which the Administrator considers relevant to such rule.

(b) ADDITIONAL DATA.—If the petitioner applies to the court for leave to adduce additional data, views, or arguments, and shows to the satisfaction of the court that such additional data, views, or arguments are material and that there are reasonable grounds for the petitioner's failure to adduce such data, views, or arguments in the proceeding before the Administrator, the court may order the Administrator to provide additional opportunity for oral presentation of data, views, or arguments and for written submissions. The Administrator may modify his findings, or make new findings by reason of the additional data, views, or arguments so taken and shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original rule, with the return of such additional data, views, or arguments.

(c) AUTHORITY AND REVIEW STANDARD.—(1) Upon the filing of a petition under subsection (a), the court shall have jurisdiction (i) to review the rule involved, in accordance with chapter 7 of title 5, United States Code, and (ii) to grant appropriate relief, including interim relief, as provided in such chapter. Any rule promulgated by the Administrator under section 4, 5, or 6 of this Act and reviewed under this section shall be affirmed, unless the findings required to be made under the applicable section are not supported by substantial evidence on the record as required to be developed in this Act.

(2) The judgment of the court affirming or setting aside, in whole or in part, any rule reviewed in accordance with this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, the United States Code.

CITIZEN'S CIVIL ACTION

SEC. 22. (a) GENERAL.—Except as provided in subsection (b), any interested person may commence a civil action for injunctive relief on his own behalf—

(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any rule, order, or restriction prescribed under section 4, 5, or 6 of this Act, or

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act whether or not discretionary and a likelihood as determined by the court that such allegation can be supported by a preponderance of the evidence in the judicial proceeding.

Any action under paragraph (1) shall be brought in the district court of the United States for the district in which the alleged violation occurred. Any action brought under paragraph (2) shall be brought in such district court for the District of Columbia, or in such district court for the judicial district in which the plaintiff domiciled. The district courts shall have jurisdiction over suits brought under this section, without regard to the amount in controversy or the citizenship of the parties.

(b) LIMITATION.—No civil action may be commenced—

(1) under subsection (a)(1)—

(A) prior to 60 days after the plaintiff has given notice of the violation (i) to the Administrator, and (ii) to any alleged violator of the rule, or

(B) if the Administrator (or Attorney General on his behalf) has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with the rule, but if such action is commenced after the giving of notice any such person giving such notice may intervene as a matter of right in such action; or

(2) under subsection (a)(2) prior to 60 days after the plaintiff has given notice of such action to the Administrator, except that such action may be brought 10 days after such notification in the case of an action under this section for the failure of the Administrator to act under section 7 of this Act.

Notice under this subsection shall be given in such manner as the Administrator shall prescribe by rule.

(c) GENERAL.—(1) In any action under this section, the Administrator, if not a party, may intervene as a matter of right.

(2) the court, in issuing any final order in any action brought pursuant to subsection (a), may award reasonable fees for attorneys and expert witnesses, whenever the court determines that such an award is appropriate.

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(3) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any rule or order or to seek any other relief.

(4) For purposes of this section, the term "person" means an individual, corporation, partnership, association, State, municipality, or political subdivision of a State.

(d) CONSOLIDATION.—When actions brought under subsection (a)(1) involving the same defendant and the same issues or violations are pending in two or more jurisdictions, such pending proceedings, upon application of the defendant reasonably made to the court of one such jurisdiction, may, if the court in its discretion so decides, be consolidated for trial by order of such court, and tried in (1) any district selected by the defendant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the defendant may apply to the court of one such jurisdiction, and such court (after giving all parties reasonable notice and opportunity to be heard) may by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the applicant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

NATIONAL DEFENSE WAIVER

SEC. 23. The Administrator shall waive compliance with any provision of this Act upon request of the Secretary of Defense, and upon a determination by the President that the requested waiver is necessary in the interest of national defense. The Administrator shall maintain a written record of the basis upon which such waiver was granted and make such record available for in camera examination when relevant in a judicial proceeding under this Act. Upon the issuance of such a waiver, the Administrator shall publish in the Federal Register a notice that the waiver was granted for national defense purposes, unless, upon the request of the Secretary of Defense, the Administrator determines to omit such publication because the publication itself would be contrary to the interests of national defense, in which event the Administrator shall submit notice thereof to the Armed Services Committees of the Senate and the House of Representatives.

EMPLOYEE PROTECTION

SEC. 24. (a) GENERAL.—No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

(1) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this Act;

(2) testified or is about to testify in any such proceeding; or

(3) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this Act.

(b) REMEDY.—(1) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section may, within 30 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the "Secretary") alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

(2)(A) Upon receipt of a complaint filed under paragraph (1), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within 30 days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this paragraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by subparagraph (B) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for agency hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

(B) If in response to a complaint filed under paragraph (1) the Secretary determines that a violation of subsection (a) of this section has occurred, the Secretary shall order (i) the person who committed such violation to take affirmative action to abate the violation, (ii) such person to reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, (iii) compensatory damages, and (iv) where appropriate, exemplary damages. If such an order is issued, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorney's fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complainant upon which the order was issued.

(c) REVIEW.—(1) Any person adversely affected or aggrieved by an order issued under subsection (b) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within 60 days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

(2) An order of the Secretary, with respect to which review could have been obtained under paragraph (1), shall not be subject to judicial review in any criminal or other civil proceeding.

(d) ENFORCEMENT.—(1) Whenever a person has failed to comply with an order issued under subsection (b)(2), the Secretary shall file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages. Civil actions filed under this subsection shall be heard and decided expeditiously.

(2) Any nondiscretionary duty imposed by this section is enforceable in mandamus proceeding brought under section 1361 of title 28, the United States Code.

(e) EXCLUSION.—Subsection (a) of this section shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately caused a violation of any requirement of this Act.

STUDY

SEC. 25. Notwithstanding the provisions of section 9 of this Act, the Administrator shall, by contract or other arrangement, commission a study of all Federal laws administered by the Environmental Protection Agency for the purpose of determining whether and under what conditions, if any, indemnification should be accorded any person as a result of any action taken by the Administrator under any law administered by such agency. This study shall—

(1) be conducted outside of the Environmental Protection Agency under the direction of a university or recognized research center by an interdisciplinary group, none of the members of which may have a financial interest or conflict of interest (other than any fee paid by the Administrator for serving as a member of such group) with respect to the findings and conclusions of such study;

(2) include an estimate of the probable cost of any indemnification programs which may be recommended;

(3) include an examination of all viable means of financing the cost of any recommended indemnification;

(4) be completed no less than two years from the date of enactment of this Act; and

(5) be submitted, upon completion, simultaneously to the Administrator and to the appropriate committees of the Congress without prior clearance or review by the executive branch.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 26. (a) There is authorized to be appropriated to the Administrator, for purposes of carrying out this Act, not to exceed $11,100,000 for the fiscal year ending June 30, 1976, not to exceed $2,600,000 for the transitional quarter ending September 30, 1976, and not to exceed $10,100,000 for the fiscal year ending September 30, 1977. No part of the funds so authorized to be appropriated shall be used to construct any research laboratories.

(b) The Administrator may, by rule, require the payment of a reasonable fee from any person required to submit test data under sections 4 and 5 of this Act to defray the cost of administering this Act. Such rules shall not provide for any fee in excess of $2,500. In setting such a fee, the Administrator shall take into account the ability to pay of the person required to submit the data and the cost of the Administrator of reviewing such data. Such rules may provide for sharing such a fee, in any case in which the expenses of testing are shared under section 4(d) of this Act.

(c) Whenever the Administrator submits, in connection with this Act, any budget requests, supplemental budget estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation to the President or to the Office of Management and Budget, he shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Administrator to submit budget requests or estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation relating to this Act to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

Mr. MAGNUSON. Mr. President, I am very happy to join my distinguished colleagues on the Committee on Commerce, Senators HART and TUNNEY, in introducing the Toxic Substances Control Act.

The time has never been more appropriate to enact legislation of this sort. In the last 4 years, the Committee on Commerce has conducted 11 days of hearings on similar legislation. Those hearings have demonstrated time and time again that the threats associated with chemicals in consumer products and in industrial processes must not be allowed to continue. The hazards of vinyl chloride, mercury, freon, PCB's and a wealth of other chemicals have all demonstrated that we must have a better means of regulating chemicals and determining what kinds of threats are in store for us prior to their first manufacture.

On February 16, the Washington Post carried a story describing the results of a National Cancer Institute study on the extent to which environmental factors cause cancer. The study indicates that 60 to 90 percent of all human cancers are caused by environmental factors, including many organic chemicals. It is these types of hazards which are designed to be controlled by the Toxic Substances Control Act.

Existing statutory authorities do not fully cover the types of hazards presented by these chemicals. We have the authority to control air pollution emissions and water pollution effluents. But we have no authority to prevent the use of chemicals before they get to the effluent or emission stage or before they present environmental hazards when used in products. The bill we introduce today would provide that needed authority.

The Committee on Commerce has placed a high priority on moving the Toxic Substances Control Act. Hearings will be scheduled in the very near future and it is my hope that the committee will act favorably very soon thereafter.

By Mr. MOSS:

S. 778. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to individuals with respect to high mortgage interest rates. Referred to the Committee on Finance.

S. 779. A bill to amend the Internal Revenue Code of 1954 to allow rapid amortization of certain new multiple dwelling units. Referred to the Committee on Finance.

Mr. MOSS. Mr. President, I am introducing today two bills to help stimulate the very depressed housing sales and construction industry. I ask that they be printed in the RECORD at the conclusion of my remarks.

These bills separate the housing market into two divisions: the single family residential dwelling, which is the owner's principal residence, and the commercial multiple unit rental market.

The bill which will stimulate single family residential dwelling construction and sales provides that the Internal Revenue Code be amended to provide a tax deduction for the annual interest paid to the lending institution by a mortgagee, as the code presently allows, but in addition all mortgagees who hold a mortgage contract with an interest rate higher than 7 percent will take a dollar for dollar credit on all interest above 7 percent. The credit can be taken only for that amount from 7 percent to an amount of interest 1 percent above the prime rate at the time the buyer entered into the mortgage contract. This last provision will prevent usurious interest being charged as a result of this legislation.

The Nation has suffered a reduction in housing starts from 2.4 million to less than 1 million during the last 18 months. The principal reason for the reduction in starts can be credited more to the rapid rise in interest rates than to the rise in the cost of housing itself. The increase in interest rates ultimately requires a larger monthly payment than many homeowners can afford. This legislation will provide a rebate to the homeowner through his taxes to be paid annually.

A homeowner has two major concerns when he is anticipating the purchase of a home. The first is the base price of the home which he can qualify for and the second is the amount of monthly payment which is determined by base price plus the interest rate. Of course, when the interest rate is excessively high the base price of the home must be lower in order for a purchaser to qualify with modest annual income. The legislation will provide significant stimulus by allowing those people who have been waiting for interest to come down to purchase now. It will also have a second economic stimulus by providing greater monetary flow through the market.

Mr. President, the second bill will allow owners of newly constructed multiple unit rental dwellings to amortize a straight-line depreciation over a 5-year period; in other words to write off the entire cost of construction and purchase in 5 years when interest on the contract is above 7.5 percent. This will be allowed only on newly constructed first trust dwelling units. The attraction of the housing market to investors will be multiplied manifold. These investors will divert funds which are presently stagnant to the construction of new housing because of its attractiveness. The stimulus to the economy and to the sale and construction of multiple-unit dwellings should be immediately noticeable by allowing for short-term recapitalization.

These two bills will cost the Federal Government an estimated $800 million per year. However, the generated revenue could be as much as $25 billion per year. Tax revenue from this would greatly offset the Treasury loss. The revenue would, of course, be generated by restimulating the housing industry.

Mr. President, this bill has the additional effect of stimulating other industries and should help lead us out of the recession by providing stimulus to an economy which presently has the highest unemployment since the depression of the thirties.

By Mr. BENTSEN:

S. 780. A bill to provide education equalization incentive grants to the States. Referred to the Committee on Labor and Public Welfare.

THE EDUCATION EQUALIZATION ACT OF 1975

Mr. BENTSEN. Mr. President, I am today reintroducing the Education Equalization Act of 1975, a measure I introduced last year as an amendment to the Elementary and Secondary Education Act and later as a separate measure. It is being introduced simultaneously in the House today by Congressman AUGUSTUS HAWKINS of California.

In my view, the paramount issue confronting American education today is the question of school finance. Indeed, there is no more fundamental question in education than the right of a child to have a quality education, wherever he may happen to live.

As long as our school systems depend primarily on the local property tax for their support, there will be more money to educate children in wealthy school districts and less money to educate children in poor districts, where the need is far greater.

The Supreme Court handed down a landmark ruling on school finance in the Rodriguez case, which affected my own State of Texas. And while I agree with that part of the Court's decision declaring that education is primarily a State function, I must also agree with Justice Potter Stewart, that "the method of financing public schools in Texas, as in almost every other State, has resulted in a system of public education that can best be described as chaotic and unjust."

There are those who say the Rodriguez decision only guarantees that the system will continue to be "chaotic and unjust," and that a child's education will be determined by how many wealthy taxpayers there are in his school district.

But it is my belief that the Rodriguez decision is not a cause for despair. It is an incentive to seek justice and equality through new avenues—to wage the battle with creative legislation.

As a result of the wide publicity given to the Rodriguez case in Texas, the Serrano case in California, and cases in New Jersey and other States, public consciousness has been awakened to the issue of equality in the financing of public education.

Several States are now wrestling with the problem, which has been aggravated by increasing school costs in a period of unparalleled inflation, decreasing revenues for education, and fluctuations and delays in Federal support.

The purpose of this legislation is to provide incentives and rewards for those States which either proceed with equalization plans or maintain the plans they presently have.

I do not believe that movements to equalization can be provided by Federal subsidy alone.

But I do believe that it is a Federal responsibility to assist the States who make the effort to adopt workable plans to improve educational opportunities for children in poorer school districts, through a more equitable method of school finance.

It is quite simply unfair to the children in poorer school districts, which cannot match their wealthy sister districts in teachers' salaries, quality of material, and the freedom which adequate funds can provide to experiment in education. The problem is a severe one; in my own State of Texas the variations in taxing ability between the richest and the poorest district ranges as high as 84 to 1; in Louisiana, 52 to 1; in Michigan 30 to 1. The problem is not limited to one section of the country, or to the heavily urbanized or rural States; it is a national problem.

Essentially, this legislation would provide reward incentives to States which move to adopt statewide plans for pub-

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lic school financing. To qualify, a State would have to demonstrate to the Commissioner of Education that it has a strategy to insure that State wealth, not local school district wealth, will determine educational quality; that children with greater educational needs, such as the handicapped, receive funds commensurate with their needs; that it will take into account the higher costs of educating children in areas with higher living costs and other factors contributing to increased educational expenditures.

The bill purposefully does not mandate a single method of achieving equalization. That would be counterproductive, since several of the States are now moving in different ways to achieve the same result. Moreover, the Serrano decision in California specifically indicates that there may be several means to achieve the same end. The important factor will be whether there is a statewide strategy and whether that strategy makes a serious effort to upgrade support for the poorer school districts and takes into account the specific criteria listed in the bill.

For too long, we have penalized the child who happens to have been born in a poor school district by giving him an unequal chance for a quality education. The buildings he studies in may be dilapidated and run down; the teaching he receives, despite exceptions, tends to be of lower quality than that in wealthier school districts; the textbooks and supplemental materials he uses may be meager and outdated. All of these inequities must be corrected.

It is a job at which all levels of government—State, Federal, and local—must direct their best efforts.

At this point, I ask unanimous consent to have printed in the RECORD the text of the Educational Equalization Opportunities Act of 1975.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 780

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the Federal Government has an obligation to provide incentives for each State to assist them in equalizing the resources available within that State so that an opportunity to obtain an education appropriate to individual need will be available to all children regardless of their place of residence within the State. It is, therefore, the purpose of this Act to provide financial assistance in the form of incentives to the States to encourage them to equalize educational opportunity.

SEC. 2. (a) The Commissioner is authorized to make grants to States in accordance with the provisions of this Act. Incentive grants received under this Act may be used to improve the quality of elementary and secondary education among the local educational agencies within each State, in such areas as the State deems vital.

(b) A State is eligible to receive a grant under this Act only if the State educational agency provides assurance that—

(1) the quality of education provided to a child within that State is not the result of the wealth of the school district of the local educational agency in which the child attends school, but reflects the wealth of the State as a whole;

(2) amounts commensurate with their needs are expended on children with greater educational needs, including, but not limited to, educationally disadvantaged, gifted, talented, handicapped, and vocational educational education students; and

(3) amounts commensurate with the education costs are expended in local educational agencies within the State with greater costs, including cost attributable to sparsity of population, high density of population, and high living costs.

(c) The Commissioner is authorized to establish general guidelines for defining the principles set forth in subsection (b) of this section. No guidelines established under this subsection shall be based upon a formula requiring a mathematical equality of educational expenditures among school districts.

SEC. 3. (a) Any State desiring to receive a grant under this Act shall submit an application to the Commissioner at such time, in such manner, and accompanied by such information as the Commissioner may reasonably require. Each such application shall—

(1)(A) describe the State equalization program that meets the requirements of section 2;

(B) describe, in the case of a State equalization program already in effect, a description of that program which meets the requirements of section 2;

(2) provide assurances that the State will make substantial progress to carry out the State equalization program or will maintain its present equalization program; and

(3) provide for making periodic reports to the Commissioner evaluating the effectiveness of the State equalization program assisted under this Act and such other reports as the Commissioner may reasonably require to perform his functions under this Act.

(b) The Commissioner shall approve an application which meets the requirements of subsection (a). The Commissioner shall not finally disapprove an application of a State except after reasonable notice and opportunity for a hearing to a State.

(c) Whenever the Commission, after reasonable notice and opportunity for a hearing to any State, finds that there is a failure to meet the requirements of this Act, the Commissioner shall notify the State that further payments will not be made to the State until he is satisfied that the requirements have been met.

SEC. 4. Unless inconsistent with the purposes of this Act, the General Education Provisions Act shall apply to the equalization incentive grant program authorized by this Act.

SEC. 5. (a) There are authorized to be appropriated to carry out the provisions of this Act $50,000,000 for the fiscal year ending June 30, 1976, $75,000,000 for the fiscal year ending June 30, 1977, and $100,000,000 for the fiscal year ending June 30, 1978.

(b)(1) No State may receive more than 10 per centum of the funds available for making grants under this Act for any fiscal year. In making distributions under this Act the Commissioner shall consider an equitable geographical distribution.

(2) Funds appropriated to carry out the provisions of this Act shall remain available for the succeeding fiscal year after the year in which they were appropriated.

By Mr. SYMINGTON (for himself and Mr. RANDOLPH):

S. 781. A bill to reduce the salaries of Senators, Members of the House of Representatives, and other Federal officers and employees. Referred to the Committee on Post Office and Civil Service.

Mr. SYMINGTON. Mr. President, I am today proposing legislation providing salary reductions for Senators, Representatives, and other top Government officials to set an example as the Nation focuses on the economic problems of inflation and recession.

This measure, similar to a bill I introduced in the last session, provides that the salaries of all Government officers and employees of the legislative and executive branches earning $40,000 or more be reduced by 10 percent.

To give the President an opportunity to join other officials in setting this example, without violating the Constitution, the bill includes a section calling on him to return a portion of his salary voluntarily to the Treasury. A 10 percent reduction in Presidential pay would become mandatory January 20, 1977, when the next term begins.

The Congress has been presented with the largest budget in the Nation's history, with the second highest projected deficit. On this floor, we have done a lot of talking about reducing Federal expenditures. Here would seem a place we might well begin.

The American people are looking to their representatives for leadership. This proposal can point up our recognition of the increasingly grave economic problems we face today and constitutes a symbol of our determination to act on these problems.

I ask unanimous consent that this bill be printed in full at this point in the RECORD and referred to the proper committee.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 781

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective on the first day of the first pay period beginning after the date of enactment of this Act, the annual rate of basic pay or compensation for Senators, Representatives in Congress, Delegates to Congress, the Resident Commissioner from Puerto Rico, and all other elected or appointed officers and employees of the legislative and executive branches of the United States Government whose annual basic pay or compensation is $40,000 or more, is reduced by 10 percent. This section does not apply to the President.

SEC. 2. (a) It is the sense of the Congress that the President should voluntarily return 10 percent of his annual salary to the Treasury of the United States.

(b) The Secretary of the Treasury is authorized to receive from the President such remittances of his salary as he may return to the Treasury.

SEC. 3. (a) Section 102 of title 3, United States Code, is amended by striking out "$200,000" and inserting in lieu thereof "$180,000".

(b) The amendment made by subsection (a) of this section shall take effect on noon on January 20, 1977.

By Mr. BAYH:

S. 782. A bill to provide for the establishment of a Foreign Service grievance procedure. Referred to the Committee on Foreign Relations.

THE FOREIGN SERVICE GRIEVANCE BILL

Mr. BAYH. Mr. President, I am today introducing a bill to provide a grievance system for all employees of the Foreign Service. This bill is nearly identical to a bill I introduced in the 92d Congress, and I would like to take a moment, Mr. President, to explain its history.

In 1971, I became aware of the longstanding practice of the State Department to deny due process to employees in employee-management disputes.

There was no recourse, no chance for a hearing or appeal, for an employee who had been injured by arbitrary personnel action. The tragic case of Charles Thomas, a brilliant Foreign Service Officer from Indiana, who was dismissed from the Foreign Service for too much time in grade and later committed suicide, underscored the need to provide a regularized appeals process in the State Department for complaints concerning personnel decisions just as in every other agency.

On June 8, 1971, I introduced a bill to provide basic rights for Foreign Service employees. From the start, the attitude of the State Department toward this legislation was delay. After waiting months for an alternative proposal from the State Department which never came, our highly respected former colleague, Senator John Sherman Cooper, and I drafted a new bill to reflect the interests of all parties involved. Our staffs met with representatives of the State Department, representatives of all employee groups, lawyers working on pending grievance cases, and the chairman of the Department's Interim Grievance Board, a temporary panel which had been established as a result of our prodding.

The compromise measure was then incorporated into the State Department authorization bill and passed by the Senate only to be lost in conference. We then reintroduced our proposal as a separate bill, and that bill was passed overwhelmingly in the Senate, but it died in committee in the House due to the opposition of Congressman WAYNE HAYS.

I reintroduced the bill in the 93d Congress where it was again overwhelmingly passed as an amendment to the State Department authorization bill, but unfortunately it was again dropped by a House-Senate conference committee.

Throughout this period, the State Department has asked Congress to wait for the Department's own legislative proposal or to wait until it negotiated a grievance procedure with the employees' association. But after nearly 4 years, Mr. President, there is still no permanent procedure to provide Foreign Service employees with right of due process of law.

The need for such a process was pointed out for us again in late 1973 by Judge Gerhard Gesell in the case of Lindsay against Kissinger. In that case, Judge Gesell ruled that the Department of State's "selection-out" process violates the basic guarantee of due process to which all Americans are entitled. The issue was not, ruled the Judge, whether an agency of Government had a right to dismiss unwanted or unneeded employees. The issue, rather, was whether the agency could dismiss employees without any hearing or right of appeal or even access to the facts on which the decision was based.

It is indicative of the Department's obstinance that despite the Gesell ruling, there remains no permanent appeals procedure in the Department. In fact, the special panel appointed to hear Lindsay's appeal subsequent to the Court's decision performed its task so improperly that the Department's own Office of Legal Adviser counseled that the panel's review could not be considered impartial and should be overturned.

There is no question, Mr. President, that the time has come for a Foreign Service grievance law. There is no longer any excuse for delay.

The bill I introduce today is nearly identical to the bill that Senator Cooper and I drafted in 1972 and which has passed the Senate three times. It does not propose a rigid system for grievances, but a framework to guarantee certain basic rights. It provides ample room for flexibility.

Let me briefly explain what this legislation would do.

The bill would institute a method for convening an impartial Grievance Board to hear and to act upon a grievance brought to it by an employee of the Department. There would be a three-member board, one member appointed by the Secretary of State, one by the employees' bargaining unit, the American Foreign Service Association, and the third appointed by agreement of the first two from a slate of 12 previously selected by the Secretary and the AFSA. No officer or employee of the Department, the Foreign Service, the Agency for International Development, or the U.S. Information Agency would be eligible for membership on the Board.

The Board would be required to conduct a hearing on any case filed with it, and such hearings would be open unless the Board determined otherwise.

Any grievant, witness or other person involved in a proceeding before the Board would, in the bill's language, "be free from any restraint, interference, coercion, discrimination or reprisal." Grievants would be assured hearings, the right to be represented at such hearings, access to necessary information and other fundamental rights to guarantee the equity of the proceedings.

In considering a grievance, the Board would have access to "any document or information considered by the Board to be relevant," including security records "under appropriate security measures."

In cases not relating to promotion, duty assignment, or selection-out of an officer or employee, the Board's determination would be final and binding on all parties. In cases directly involving promotion, assignment, or selection-out, the Board would certify its resolution to the Secretary of State together with its recommendations for relief.

Those recommendations would then be final and binding on all parties, except that the Secretary would retain the power to reject a recommendation "if he determines that the foreign policy or security of the United States will be adversely affected" and fully documents his reasons for that determination.

Any action taken by the Secretary or the Board would be subject to judicial review. The Secretary would be required to promulgate and to put into effect implementing regulations and to establish and to appoint members of the Board not later than 90 days after enactment of the pending bill.

Mr. President, those are the major provisions of the bill I introduce. As every member of this body will recognize, they are largely a compilation of basic rights tions, including separation for cause, denial to be represented at all stages of the proceeding, to have access to relevant documents, to be able to subpoena and cross-examine witnesses, to be free from interference or coercion while presenting a grievance, and finally, to have confidence that after a fair hearing the Board's recommendations will be carried out.

These are by no means unusual or unprecedented rights for Federal employees who have serious grievances. The wonder is that any Americans are still denied them. And indeed it is noteworthy that the employees of State, USIA, and AID are the only civilian career employees who do not now have such rights. Surely the time has come to correct that deficiency.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection the bill was ordered to be printed in the RECORD, as follows:

S. 782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title VI of the Foreign Service Act of 1946 (22 U.S.C. 981) is amended by adding at the end thereof the following new part:

"PART J—FOREIGN SERVICE GRIEVANCES

"STATEMENT OF PURPOSE

"SEC. 691. It is the purpose of this part to provide officers and employees of the Service and their survivors, a grievance procedure to insure the fullest measure of due process, and to provide for the just consideration and resolution of grievances of such officers, employees, and survivors.

"REGULATIONS OF THE SECRETARY

"SEC. 692. The Secretary shall, consistent with the purposes stated in section 691 of this Act, implement this part by promulgating regulations, and revising those regulations when necessary, to provide for the consideration and resolution of grievances by a board. No such regulation promulgated by the Secretary shall in any manner alter or amend the provisions for due process established by this section for grievants. The regulations shall include, but not be limited to, the following:

"(1) Informal procedures for the resolution of grievances in accordance with the purposes of this part shall be established by agreement between the Secretary and the organization accorded recognition as the exclusive representative of the officers and employees of the Service. If a grievance is not resolved under such procedures within sixty days, a grievant shall be entitled to file a grievance with the board for its consideration and resolution. For the purposes of the regulations—

"(A) 'grievant' shall mean any officer or employe of the Service, or any such officer or employee separated from the Service, who is a citizen of the United States, or in the case of death of the officer or employee, a surviving spouse or dependent family member of the officer or employee; and

"(B) 'grievance' shall mean a complaint against any claim of injustice or unfair treatment of such officer or employee arising from his employment or career status, or from any actions, documents, or records, which could result in career impairment or damage, monetary loss to the officer or employee, or deprivation of basic due process, and shall include, but not be limited to, actions in the nature of reprisals and discrimination, actions related to promotion or selection out, the contents of any efficiency report, related records, or security records, and actions in the nature of adverse personel acof due process: the right to a hearing,

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of a salary increase within a class, written reprimand placed in a personnel file, or denial of allowances.

"(2)(A) The board considering and resolving grievances shall be composed of independent, distinguished citizens of the United States well known for their integrity, who are not officers or employees of the Department, the Service, the Agency for International Development, or the United States Information Agency. The board shall consist of a panel of three members, one of whom shall be appointed by the Secretary, one of whom shall be appointed by the organization accorded recognition as the exclusive representative of the officers and employees of the Service, and one who shall be appointed by the other two members from a roster of twelve independent, distinguished citizens of the United States well known for their integrity who are not officers or employees of the Department, the Service, or either such agency, agreed to by the Secretary and such organization. Such roster shall be maintained and kept current at all times. If no organization is accorded such recognition at any time during which there is a position on the board to be filled by appointment by such organization or when there is no such roster since no such organization has been so recognized, the Secretary shall make any such appointment in agreement with organizations representing officers and employees of the Service. If members of the board (including members of additional panels, if any) find that additional panels of three members are necessary to consider and resolve expeditiously grievances filed with the board, the board shall determine the number of such additional panels necessary, and appointments to each such panel shall be made in the same manner as the original panel. Members shall (i) serve for two-year terms, and (ii) receive compensation, for each day they are performing their duties as members of the board (including travel time), at the daily rate paid an individual at GS–18 of the General Schedule under section 5332 of title 5, United States Code. Whenever there are two or more panels, grievances shall be referred to the panels on a rotating basis. Except in the case of duties, powers, and responsibilities under this paragraph (2), each panel is authorized to exercise all duties, powers, and responsibilities of the board. The members of the board shall elect, by a majority of those members present and voting, a chairman from among the members for a term of two years.

"(B) In accordance with this part, the board may adopt regulations governing the organization of the board and such regulations as may be necessary to govern its proceedings. The board may obtain such facilities and supplies through the general administrative services of the Department, and appoint and fix the compensation of such officers and employees as the board considers necessary to carry out its functions. The officers and employees so appointed shall be responsible solely to the board. All expenses of the board shall be paid out of funds appropriated to the Department for obligation and expenditure by the board. The records of the board shall be maintained by the board and shall be separate from all other records of the Department.

"(3) A grievance under such regulations is forever barred, and the board shall not consider or resolve the grievance, unless the grievance is filed within a period of three years after the occurrence or occurrences giving rise to the grievance, except that if the grievance arose prior to the date the regulations are first promulgated or placed into effect, the grievance shall be so barred, and not so considered and resolved, unless it is filed within a period of five years after the date of enactment of this part. There shall be excluded from the computation of any such period any time during which the grievant was unaware of the grounds which are the basis of the grievance and could not have discovered such grounds if it had exercised, as determined by the board, reasonable diligence.

"(4) The board shall conduct a hearing in any case filed with it. A hearing shall be open unless the board for good cause determines otherwise. The grievant and, as the grievant may determine, his representative or representatives are entitled to be present at the hearing. Testimony at a hearing shall be given by oath or affirmation, which any board member shall have authority to administer (and this paragraph so authorizes). Each party (A) shall be entitled to examine and cross-examine witnesses at the hearing or by deposition, and (B) shall be entitled to serve interrogatories upon another party and have such interrogatories answered by the other party unless the board finds such interrogatory irrelevant or immaterial. Upon request of the board or grievant, the Department shall promptly make available at the hearing or by deposition any witness under the control, supervision, or responsibility of the Department, except that if the board determines that the presence of such witness at the hearing would be of material importance, then the witness shall be made available at the hearing. If the witness is not made available in person or by deposition within a reasonable time as determined by the board, the facts at issue shall be construed in favor of the grievant. Depositions of witnesses (which are hereby authorized, and may be taken before any official of the United States authorized to administer an oath or affirmation, or, in the case of witnesses overseas, by deposition on notice before an American consular officer) and hearings shall be recorded and transcribed verbatim.

"(5) Any grievant filing a grievance, and any witness or other person involved in a proceeding before the board, shall be free from any restraint, interference, coercion, discrimination, or reprisal. The grievant has the right to a representative of his own choosing at every stage of the proceedings. The grievant and his representatives who are under the control, supervision, or responsibility of the Department shall be granted reasonable periods of administrative leave to prepare, to be present, and to present the grievance of such grievant. Any witness under the control, supervision, or responsibility of the Department shall be granted reasonable periods of administrative leave to appear and testify at any such proceeding.

"(6) In considering the validity of a grievance, the board shall have access to any document or information considered by the board to be relevant, including, but not limited to, the personnel and, under appropriate security measures, security records of such officer or employee, and of any rating or reviewing officer (if the subject matter of the grievance relates to that rating or reviewing officer). Any document or information requested shall be provided promptly by the Department. A rating officer or reviewing officer shall be informed by the board if any report for which he is responsible is being examined.

"(7) The Department shall promptly furnish the grievant any such document or information (other than any security record or the personnel or security records of any other officer or employee of the Government) which the grievant requests to substantiate his grievance and which the board determines is relevant and material to the proceeding.

"(8) The Department shall expedite any security clearance whenever necessary to insure a fair and prompt investigation and hearing.

"(9) The board may consider any relevant evidence or information coming to its attention and which shall be made a part of the records of the proceeding.

"(10) If the board determines that (A) the Department is considering any action (including, but not limited to, separation or termination) which is related to, or may affect, a grievance pending before the board, and (B) the action should be suspended, the Department shall suspend such action until the board has ruled upon such grievance.

"(11) Upon completion of the proceedings, if the board resolves that the grievance is meritorious—

"(A) and determines that relief should be provided that does not directly relate to the promotion, assignment, or selection out of such officer or employee, it shall direct the Secretary to grant such relief as the board deems proper under the circumstances, and the resolution and relief granted by the board shall be final and binding upon all parties; or

"(B) and determines that relief should be granted that directly relates to any such promotion, assignment, or selection out, it shall certify such resolution to the Secretary, together with such recommendations for relief as it deems appropriate and the entire record of the board's proceedings, including the transcript of the hearing, if any. The board's recommendations are final and binding on all parties, except that the Secretary may reject any such recommendation only if he determines that the foreign policy or security of the United States will be adversely affected. Any such determination shall be fully documented with the reasons therefor and shall be signed personally by the Secretary, with a copy thereof furnished the grievant. After completing his review of the resolution, recommendation, and record of proceedings of the board, the Secretary shall return the entire record of the case to the board for its retention. No officer or employee of the Department participating in a proceeding on behalf of the Department shall, in any manner, prepare, assist in preparing, advise, inform, or otherwise participate in, any review or determination of the Secretary with respect to that proceeding.

"(12) The board shall have authority to insure that no copy of the Secretary's determination to reject a board's recommendation, no notation of the failure of the board to find for the grievant, and no notation that a proceeding is pending or has been held, shall be entered in the personnel records of such officer or employee to whom the grievance relates or anywhere else in the records of the Department, other than in the records of the board.

"(13) A grievant whose grievance is found not to be meritorious by the board may obtain reconsideration by the board only upon presenting newly discovered relevant evidence not previously considered by the board and then only upon approval of the board.

"(14) The board shall promptly notify the Secretary, with recommendations for appropriate disciplinary action, of any contravention by any person of any of the rights, remedies, or procedures contained in this part or in regulations promulgated under this part.

"RELATIONSHIP TO OTHER REMEDIES

"SEC. 693. If a grievant files a grievance under this part, and if, prior to filing such grievance, he has not formally requested that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, then such matter or matters may only be considered and resolved, and relief provided, under this part. A grievant may not file a grievance under this part if he has formally requested, prior to filing a grievance, that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, and the matter has been carried to final adjudication thereunder on its merits.

"JUDICIAL REVIEW

"SEC. 694. Notwithstanding any other provision of law, regulations promulgated by the Secretary under section 692 of this Act, revisions of such regulations, and actions of the Secretary or the board pursuant to such section, may be judicially reviewed in accordance with the provisions of chapter 7 of title 5, United States Code."

(b) The Secretary of State shall promulgate and place into effect the regulations provided by section 692 of the Foreign Service Act of 1946 (as added by subsection (a) of this section), and establish the board and appoint the member of the board which he is authorized to appoint under, as provided by such section 692, not later than 90 days after the date of enactment of this Act.

By Mr. DOMENICI (for himself, Mr. BAKER, and Mr. GLENN):

S. 783. A bill to authorize a Federal program of research, and demonstration in connection with ground propulsion systems. Referred to the Committee on Commerce.

Mr. DOMENICI. Mr. President, today I am introducing legislation entitled the "Ground Propulsion Systems Research and Demonstration Act of 1975." This bill would authorize the creation of a Division within the Energy Research and Development Administration to research means for the improvement and verifying of both existing and alternative ground propulsion systems with emphasis on efficiency, performance, and usefulness.

Our Nation is facing a grave energy crisis which, if examined as to the energy requirements of the transportation sector, clearly shows a need to improve the existing system and to develop a more efficient ground propulsion system in general, and the automobile in particular.

Let me briefly point out some very important factors regarding our present automotive transportation system:

First. The transportation sector accounts for 25 percent of the total U.S. energy consumption. Motor vehicles consume about 77 percent of the transportation energy, or almost one-fifth of all U.S. energy consumption. Passenger cars alone use almost 14 percent of this energy, 4.7 million barrels per day. This figure represents an increase of 50 percent since 1950.

Second. There were approximately 90 million cars in operation in 1974. Eight of every ten households in the United States owns an automobile and one of every three owns two or more. This comes out to well over a 140-percent increase in the size of the passenger car population since 1950.

Third. The use of today's automobile has exceeded the 1950 model by 170 percent. This same automobile has decreased by 10 percent in fuel economy compared to those manufactured in 1950.

In essence, therefore, we have dramatically increased our dependence on the automobile, manufacturing cars that consume more energy and that operate less efficiently than those in 1950.

I am not here to attempt to place the blame for this on any one sector but instead to offer a comprehensive solution to the problem. If, as we must, accept the premise that the American public has and will continue to be dependent on the automobile for his mode of transportation, then it is vital that we address the problems involved in improving the efficiency of this or alternative systems.

I do not think many people would argue that the auto manufactures have the resources or desire to substantially improve the design of the combustion engine. The facts exist that for a variety of reasons, including the economy and Government imposed standards, the auto manufactures are not spending the time or money for research and development for alternative propulsion systems. My recent conversations with representatives of auto manufactures indicate that their primary concentration is that of meeting emission and energy consumption standards as prescribed by the Federal Government.

As for the energy consumption objectives; this will be accomplished by decreasing the total weight and size of the car, improving transmissions and eliminating some undesirable accessories.

In other words, these goals are to be met not by improving the propulsion system but by less costly and time consuming means as mentioned above. We have reached the impasse where industries efforts are designed to meet short-term Government goals with the least possible cost factor.

In conjunction with this, I must refer to a very informative article written by Dr. John R. Pierce in the most recent article of the Scientific American. As pointed out by Dr. Pierce:

> The biggest target for energy conservation is the poor fuel economy of American cars.

Included in his article are various recommendations as to how the efficiency of the American automobile can be increased at least 40 percent by 1980.

Mr. President, I am convinced that the remarks of Dr. Pierce are most noteworthy and illustrate the need for an increase in the level of research on the ground propulsion system.

Let us now briefly examine the role of the Federal Government in ground propulsion systems. It is very apparent that up until the energy crisis, automotive research and development by the Government was carried out at a very low level. In 1973, the first sign of change appeared with the increased budget for energy R. & D. requested by the White House. At that time, President Nixon proposed a $10 billion energy R.& D. program, with $6 million allocated for identifying new automotive power systems with an emphasis on developing a more efficient energy consumption system.

In checking the most recent role of the Federal Government in ground propulsion R. & D. there appear to be five agencies participating.

First. The Environmental Protection Agency established an alternative automotive power systems program. This project which was so able headed by John Bragon has since been transferred to ERDA with a budget of approximately $6 million for fiscal year 1975.

Second. The National Aeronautics and Space Administration at the Lewis Research Center has done supportive work for EPA under an automotive turbine program with a $2.5 million budget for fiscal year 1975.

Third. The National Science Foundation was being authorized $1.7 million for various R. & D. projects including advanced battery system during the fiscal year 1974 period.

Fourth. The Department of Transportation with a budget of approximately $3 million is currently exploring the technology required to achieve a 30-percent improvement in automotive fuel consumption.

Fifth. The Department of Defense under its Army tank-automotive command program is exploring new engines and vehicle systems to meet DOD military requirements. Funding for fiscal year 1975 is projected to be $4.2 million.

Mr. President, in the comprehensive report submitted to President Nixon entitled "The Nations Energy Future," Dr. Dixy Lee Ray, Chairman of the Atomic Energy Commission recommended $53 million in fiscal year 1975 and a total of $300 million for fiscal years 1975–79 for R. & D. in advanced auto propulsion systems. In her recommendations a consolidation of all R. & D. programs under the direction of ERDA was considered vital in meeting our future transportation needs.

As you can plainly see from adding the total expenditures under separate existing programs the 17 million is for less than the recommended 50 million for fiscal year 1975. It is also important to note that this 17 million is spread over five agencies and is the case of DOD, the goals of the military vehicle are not consistent with the general public needs. The point I wish to make very clear is that Congress and the White House have not given the proper priority to the need for improving our ground propulsion systems.

The purpose of my bill is quite simple in that it would consolidate existing R. & D. programs, under the direction of the Administrator of ERDA, at the required funding levels to meet the demand for a more efficient ground propulsion system. Funding for this program shall be based on a bell curve allowing for initial expenditures to be quite low with the later program years at a higher level. Using estimates for both R. & D. on the present combustion engine and alternative systems the funding shall be 20 million fiscal year 1976, 40 million fiscal year 1977, 100 million fiscal year 1978, 100 million fiscal year 1979, and 100 million for fiscal year 1980.

A good illustration of how such a division would perform can be taken from the joint efforts of private industry and NASA in developing new and improved aeronautical systems. NASA has shown an outstanding record of achievement in offering a central R. & D. center where both private industry and Government officials examine aeronautical problems. Many of my colleagues will recall the benefits of being able to turn to NASA and get the necessary technical expertise prior to enacting noise abatement legislation.

I think many of us today would have gotten a clearer picture of the effects of the present auto emission standards had we had the technical expertise necessary to project the production problems.

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This new division will have no regulatory powers but will for the first time afford the legislative and administrative branches of Government a central body of technical expertise. I would hope that the auto manufacturers would also support this measure because of the potential benefits to be gained by such a R. & D. program and the possibility of a more appreciative ear as to the technical problems involved in meeting new legislative goals.

It is my sincerest belief that had such a division been created 5 years ago the auto manufacturers would not be in the position of being forced to improve energy efficiency, while at the same time meeting the present emission standards.

Mr. President, I call upon all branches of Government and the private sector to support this measure because now more than ever the investments of today will dictate our future. If we are to have the necessary transportation systems of the future it will require a comprehensive R. & D. program of today. Let us not allow ourselves to be the victims of our own shortsightedness but instead, let us build tomorrow's future on the research and development of today.

Mr. President, I ask unanimous consent that the full text of my remarks and bill be printed in the RECORD along with the text of Dr. Pierce's article.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 783

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ground Propulsion Systems Research, Development, and Demonstration Act of 1975".

SEC. 2. The Congress hereby declares that it is the policy of the United States to carry out a program of research, development, and demonstration directed toward ground propulsion systems.

SEC. 3. (a) There is hereby created in the Energy Research and Development Administration (hereinafter referred to in this Act as the "Administration") a Division of Ground Propulsion Systems, and the Administration shall carry out all the research, development, and demonstration activities regarding ground propulsion systems through such Division.

(b) Such activities shall be conducted so as to contribute to the following objectives—

1. the improvement of and verifying of ground propulsion systems with emphasis on efficiency, performance, and usefulness;

2. the development of energy conserving ground propulsion systems;

3. the development of ground propulsion systems with clean emission characteristics, economical per unit cost, and low per mile energy consumption;

4. the most effective utilization of the scientific and engineering resources of the United States already in existence, with close cooperation among all interested agencies of the United States in order to avoid unnecessary duplication and waste of effort, facilities, and equipment.

SEC. 4. (a) The Administrator of Energy Research and Development (hereinafter referred to as the "Administrator") shall have the overall responsibility for providing effective management and coordination in connection with ground propulsion systems research, development, and demonstration, including the initiation and carrying out of research, development, and demonstration programs for the purpose of developing ground propulsion systems which are energy conserving, have clean emission characteristics, and are capable of being produced in large numbers at a reasonable mass production per unit cost. Such ground propulsion systems shall be required to meet or better all air quality standards set by or under the National Emission Standards Act, the Clean Air Act, and the Air Quality Act of 1967, which substantially reduce per mile energy consumption.

(b) The Administrator shall conduct research in alternative energy sources for use in the ground propulsion systems developed pursuant to subsection (a) and shall develop such alternative energy sources for use in those systems.

(c) In carrying out his functions under this Act and the Energy Reorganization Act of 1974, the Administrator shall evaluate and make a continuing comparative assessment of all ground propulsion systems presently in use, or in a conceptual or development stage.

SEC. 5. The Administrator is authorized to enter into contracts and other agreements or arrangements, and to make such grants, as he may determine necessary and appropriate in carrying out his functions under this Act. The Administrator shall, in carrying out such functions, utilize, to the maximum extent, the resources and cooperation of the private sector.

SEC. 6. The Administrator shall, on or before January 31 of each year, report to the President and the Congress with respect to all actions taken under the provisions of this Act during the prior calendar year, and all action planned for the ensuing year.

SEC. 7. The Administrator, utilizing his authority under section 106(g) of the Energy Reorganization Act of 1974, shall establish an advisory board for the purpose, among others, of encouraging the private sector to participate in the research, development, and demonstration carried out pursuant to this Act.

SEC. 8. As used in this Act, the term "ground propulsion systems" means the engine, transmission, or drive, and associated controls, necessary to power automobiles, trucks, trains, buses, and selected light marine vehicles.

SEC. 9. For the purpose of carrying out the provisions of this Act, there are authorized to be appropriated for the fiscal year ending June 30, 1976, the sum of $20,000,000; for the fiscal year ending September 30, 1977, the sum of $40,000,000; for the fiscal year ending September 30, 1978, the sum of $100,000,000; for the fiscal year ending September 30, 1979, the sum of $100,000,000; and for the fiscal year ending September 30, 1980, the sum of $100,000,000.

THE FUEL CONSUMPTION OF AUTOMOBILES

(By John R. Pierce)

(Charts and graphs mentioned in text not printed in RECORD)

A fourth of all the energy used in the U.S. is devoted to transportation, and of that fraction close to 60 percent is supplied in the form of gasoline to roughly 100 million automobiles and small personal trucks. Americans use more energy to fuel their cars than they do for any other single purpose. At the current price of some 55 cents per gallon, the average family is obliged to spend more than $600 a year just on gasoline. The fuel used by American cars and personal trucks would approximately fill all the energy needs of Japan, a nation of 108 million and the world's largest consumer of energy after the U.S. and the U.S.S.R. In the urgent effort to reduce U.S. consumption of an increasingly costly fuel whose chief reserves lie overseas, the American automobile and current habits of its utilization are a prime target.

One does not have to be a partisan of the automobile to recognize that virtually every aspect of American life—industrial, commercial, cultural and recreational—is now organized around the existence of motor vehicles. Whether or not they provide the most rational means of transportation in an advanced technological society is, of course, a matter of debate. In order to illuminate that debate a colleague and I organized a series of six two-day seminars on the subject "Energy Consumption in private Transportation." The series, supported by the U.S. Department of Transportation, was held at the California Institute of Technology between December, 1973, and April, 1974, a period that coincided with the Arab oil embargo, with President Nixon's call for "Project Independence 1980" ("To ensure that by the end of this decade Americans will not have to rely on any source of energy beyond our own") and with the quadrupling of oil prices after the embargo was lifted.

The seminar participants addressed themselves to the following questions (among others): In any rational energy program what role will the private automobile play? Can it be replaced by more economical forms of transportation? To what extent can communication replace transportation? Will our pattern of life change in such a manner that we simply do not travel as much?

Although many fascinating and even plausible alternatives to the gasoline-powered automobile were discussed, it became evident to the participants that no dramatic change in transportation methods or habits can be expected or effectuated in the short run, say before 1990. In this article, therefore, I shall deal only with existing or readily foreseeable technologies for improving the fuel economy of automobiles as we know them.

In President Ford's address before a joint session of Congress last fall he announced his determination to obtain "either by agreement or by law a firm program aimed at achieving a 40 percent increase in [automobile] gasoline mileage within a four-year development deadline." Subsequently, in late October, the Department of Transportation (DOT) and the Environmental Protection Agency (EPA) submitted a report to Congress ("Potential for Motor Vehicle Fuel Economy Improvement") that provided a careful review of feasible engineering changes that should make it possible for 1980-model cars to go 40 percent farther on a gallon of gasoline than the average 1974 model did.

According to the DOT-EPA report, the average 1974 model, adjusted for the sales of different brands and models, achieved 14 miles per gallon on a "composite" fuel-economy cycle based on EPA dynamometer tests that simulate city driving conditions and highway driving conditions in a 55:45 ratio (a ratio chosen as being typical of American car use). The new 1975 models, on a projected sales-weighted basis, achieve 15.9 m.p.g., an improvement of 13.5 percent. The improvement is chiefly attributable to engineering changes that regained much of the efficiency previously lost in adjusting engines to meet Federal exhaust-emission standards. Many of the 1975 models have catalytic converters to clean up exhaust emissions, making it possible for the engine to be returned for higher efficiency. Partly because of emission controls and partly because of vehicle weight and other factors, the fuel economy of American cars dropped about 12 percent between 1967 and 1974, climaxing a long, steady decline that began as early as 1951.

If the performance of 1974 models is taken as the base line, as the DOT-EPA report recommends, the industry has already moved a third of the way to the 40 percent improvement asked by President Ford. A 40 percent improvement would mean that the average car built in the 1980-model year would have to achieve a minimum fuel economy of 19.6 m.p.g. (Bills that are now being drafted for presentation to Congress will undoubtedly pick a round number for minimum 1980 performance, probably 20 or 21 m.p.g.)

Manufacturer	Fuel economy (miles per gallon) 1974	1975	Change (percent)
General motors	10.60	13.30	+25.5
Ford	12.16	11.92	−2.0
Chrysler	11.56	12.45	+7.7
American motors	14.64	17.05	+16.5
Volkswagen	22.11	21.95	−.7
Toyota	16.89	16.37	−3.1
Nissan	20.63	22.04	+6.8
volvo	16.55	15.61	−5.7
Audi	19.14	20.17	+5.3
Peugeot	17.33	19.09	+10.2
Saab	17.28	21.41	+23.9
Daimler-Benz	10.93	11.80	+8.0
BMW	17.44	15.47	−11.3
Fleet	11.95	13.33	+11.5

Note: Fuel-economy results by manufacturer for 1974 and 1975 automobiles, assuming the 1974 sales-weighting for various models for both years, appear in a paper by Thomas C. Austin and Karl H. Hellman of the EPA. The mpg values are for the suburban-urban cycle only and reflect the changes in the 2 model years that can be attributed solely to engineering "system" changes (for example changes due to engine emission-control-system calibrations and changes in transmission and axle ratios). The table thus omits the effect of new engine sizes and new engine-vehicle combinations that contributed to a total improvement of 13.8 percent in the performance of the 1975 fleet over the 1974 fleet in the suburban-urban test cycle. (The gain is 13.5 percent when the highway cycle is included.)

According to the DOT-EPA report, the 40 percent improvement by 1980 should be attainable with the present Otto-cycle (four-stroke) gasoline engine, in combination with improved transmissions, reduced weight and aerodynamic drag and improved accessories. If the composition of sales can also be altered to include a much higher proportion of compact and subcompact models than it does at present, it may even be possible for the 1980 "fleet" of new cars to exceed 22 m.p.g., an improvement of nearly 60 percent over 1974.

To achieve still greater advances in fuel economy for 1985 and beyond, it will probably be necessary to introduce new types of engines. The DOT-EPA report suggests the use of diesel engines in medium-size and large cars and, for smaller cars, gasoline engines designed to operate on a "stratified charge," engines in which the air-fuel mixture is made intentionally nonhomogeneous to provide an average lean mixture, with a consequent improvement in efficiency.

The present Otto-cycle automobile engine typically achieves a thermal efficiency of between 22 and 27 percent. Under the normal range of driving conditions, however, the net efficiency of power delivered to the wheels is only about 10 percent. Gasoline-fueled aircraft engines attain efficiencies of about 30 percent. The efficiencies of diesel engines range from 35 percent to as high as 38 percent. (In EPA tests the 1975 Mercedes-Benz 300D, which has a five-cylinder, 77-horsepower diesel engine, gets 24 m.p.g. in the simulated city-driving cycle and 31 m.p.g. in the highway-driving cycle, yielding a composite fuel economy of 27.2 m.p.g. These values are 50 percent higher than those of the comparable gasoline-engine model of the Mercedes: the four-cylinder, 93 horsepower Model 230. It should be noted, however, that diesel fuel contains about 10 percent more energy than ordinary gasoline.)

Those who are as old as I am can remember a time when mass transit dominated urban life in the U.S. In St. Paul toward the end of World War I my parents did not own an automobile. The roads between towns were unmarked and often badly rutted, making travel unattractive for those who did drive. Everything was within easy walking distance of the streetcar or interurban line, even the cottage at White Bear Lake where we stayed during the summer. Small stores and shops were within easy walking distance of our home, and in St. Paul itself the stores and offices in the central business district were accessible by streetcar.

Between 1920 and 1930 the number of passenger cars registered in the U.S. nearly tripled, from eight million to 23 million. In spite of the Great Depression the public desire for private transportation continued to grow (even though most streetcar lines were still running), until by 1940 there were more than 27 million automobiles registered in the U.S., or one car for every 1.3 families. When the production of automobiles resumed after World War II, automobile registrations climbed swiftly to 40 million in 1950, to 61.7 million in 1960 (approaching 1.2 per family), to 89 million in 1970 (1.4 per family) and to an estimated 105 million in 1974 (1.5 per family). Today more than eight families in 10 own automobiles, and one family in three has two or more vehicles, if small personal trucks are included.

Nationwide studies show that automobiles are used primarily for short trips: about half of all trips are five miles or less and three-fourths are less than 10 miles. These short trips account for nearly a third of all vehicle miles traveled and for a substantially larger fraction of the total gasoline consumption. Moreover, about 40 percent of all automobile travel is work-related, chiefly commuting trips (with an average occupancy of 1.2 per car) at hours of high traffic density and resulting low efficiency of operation.

Except for the special case of Manhattan Island, where 79 percent of all workers reach their jobs by public transit, the automobile provides the principal means for getting to work. According to the 1970 census, 60 million Americans commute by private automobiles (51 million travel alone and nine million in car pools); 4.2 million use a bus or streetcar; 1.8 million use a subway or an elevated-railway line; 500,000 use railroads; 300,000 use taxis and 5.7 million live close enough to their jobs to walk to them.

Clearly an enormous national effort, extending over several decades and costing many billions of dollars, would be required to provide public-transit facilities attractive, convenient and extensive enough to persuade a large number of Americans to leave their cars at home. In the absence of such a commitment any substantial reduction of gasoline in automobile usage can come only through changing the efficiency of the use of private automobiles or changing the efficiency of the automobiles themselves. National statistics show that if automobiles could achieve 25 to 30 miles per gallon, they would be about as efficient in moving people, at least thermodynamically, as present-day bus transit systems are.

The efficiency of the use of automobiles of a given construction and state of repair is chiefly affected by freeways and traffic-control systems. Our suburban pattern of living preceded the construction of freeways and it exists where freeways are few or absent. Once freeways have been built, however, they frequently lead to the creation of new locations of work and residence. Thus it is not clear weather in the long run freeways increase distances to and from work or decrease them.

Apart from (usually) reducing the travel time between two points, freeways have other important consequences. They have lower accident rates than country roads or city streets. The number of fatal accidents per million vehicle miles are: city streets, 2.47; country roads, 1.64; urban streets, 1.63, and urban freeways, .44. In addition the stop-and-go character of city-street traffic causes high gasoline consumption. For an equivalent trip it is usually more economical of gasoline to travel by freeway. It is doubtful, however, that construction of freeways can be justified as a way of reducing the energy demand. Such construction should be decided on other grounds.

Like freeways, traffic control can affect energy consumption as well as safety and convenience. Repeated starting and stopping wastes fuel. Although traffic lights are old, computer-controlled signal systems designed to facilitate the flow of traffic are fairly new. Computerized traffic control can reduce the number of starts and stops. Clogged freeways are wasteful of energy. Ramp control can reduce the congestion and increase the traffic flow on freeways. Indeed, it is estimated that fuel consumption can be reduced by about 10 percent in the controlled area.

The cost of computerized traffic control is considerable. Its principal benefits are reductions in travel time, increased traffic flow without the construction of additional roads and reduction in accidents. Fuel savings are an attractive added benefit. The fact remains that computer control of traffic must be justified by its overall benefits and not solely as a means of saving fuel.

Apart from a reduction in automobile usage (and a strict enforcement of the 55-mile-per-hour speed limit), more efficient automobiles seem the only sure way to achieve substantial savings in petroleum consumption in any future we can now foresee and make plans for. Fortunately there are many opportunities for making the private car more efficient.

As the Federal figures show, there are already large differences in gas mileage among current automobiles, ranging in economy tests of 1975 models from 27 m.p.g. in simulated city driving for the subcompact Datsun B–210 in the 2,250-pound inertia-weight class to 12 m.p.g. for typical American cars in the 4,500-pound inertia-weight class down to 10 m.p.g. or less for the largest models in the 5,500-pound inertia-weight class. ("Inertia weight" is curb weight plus an allowance of 300 pounds for occupants.) In simulated highway driving the performance in the three weight categories rises to between 33 and 39 m.p.g., 15 and 18 m.p.g. and 14 and 16 m.p.g.

If one compares the average fuel economy of the lighest cars with that of the heaviest, one finds that each additional 100 pounds of car weight requires an extra 15 to 17 gallons of gasoline per year of average driving (10,000 miles). This does not mean, however, that simply by removing 100 pounds of weight from a heavy car one can achieve a comparable fuel saving. What it does mean is that the owner of one of the smaller, more economical cars will need to buy 500 to 550 fewer gallons of gasoline in the course of a year than the driver of a big car. Looked at another way, if all the automobiles now on the road averaged 23.5 m.p.g. instead of the estimated 13.5, U.S. gasoline consumption would drop more than 40 percent, or some two million barrels of gasoline per day below the current demand of about five million barrels. With crude oil at $11 per barrel, this would translate into an annual saving of more than $8 billion.

The most obvious way, therefore, to save energy is to cut the weight of the average car sold. At low speeds, where aerodynamic drag is not a major factor, rolling resistance and the energy needed to overcome it are proportional to weight. On the EPA composite cycle of city and highway driving, rolling resistance and aerodynamic drag each absorb 24.7 percent of the useful power delivered by the engine of the typical American car. Existing cars, American as well as foreign, show that lighter cars can be as quiet, easy-riding, roomy and comfortable as heavier cars, but to attain these qualities in a lighter car requires good engineering.

Although lighter cars tend to have less rolling resistance per unit of weight than heavier cars, the rolling resistance depends on the nature of the tire and its pressure. The energy loss in rubber tires is caused by the flexing of rubber; because of hysteresis the tire does not give back all the energy that went into deforming it. At the same pressure radial tires offer significantly less rolling resistance than conventional bias-ply tires. In mixed city and highway driving existing cars equipped with steel-belted radials will go about 2.5 percent farther on a gallon of gasoline than a car with bias-ply tires. In a car with less air resistance than current cars, the percentage gain in going to radial tires would be even larger. With either kind of tire the rolling resistance can be cut about a

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fourth by raising the tire pressure from 20 pounds per square inch to 40 pounds.

Beyond that a worn tire toward the end of its life has only a little more than half the rolling resistance of the same tire when it was new. Perhaps we have incorporated too much rubber in tires in seeking long tire life rather than good gasoline mileage.

Shock absorbers absorb energy only in going over bumps. Tires absorb energy in rolling on a smooth surface. Lighter wheels combined with suspension systems carrying less unsprung weight would make it possible to mount harder, lower-loss tires. Thus it appears that substantial energy savings could be attained through better suspensions and smaller, harder tires, particularly if a rubber could be developed with lower hysteresis at ambient temperatures than present rubbers have.

Next to building (and persuading Americans to buy) smaller and lighter cars, important gains in fuel economy can be made in cars of every size category by improving the performance of present engines, by reducing transmission losses, by reducing weight (without sacrificing safety or passenger comfort) and, not least important, by reducing aerodynamic drag. With 1974 car performance as a base line, the DOT-EPA report to Congress estimates that engine improvements should yield economy gains of between 15 and 25 percent, depending on car size.

The adoption of four-speed transmissions that would eliminate slippage losses at cruising speed by "locking up" at high gear ratios should yield gains of about 9 percent in each size class. Reductions in curb weight, air resistance, rolling resistance and the power required by accessories would provide another fuel-economy gain of at least 12 percent for large and medium-size cars and 5 percent for small vehicles. In addition the fuel economy of medium-size and large cars could be raised another 10 to 15 percent by reducing engine size so that their power-to-weight ratio is brought into line with the ratio of current small cars.

It is somewhat surprising that the single factor of aerodynamic drag has received so little attention from American automobile makers. As we have seen, overcoming air resistance absorbs about 25 percent of the engine's output in present-day cars in city-highway driving. Between the late 1930's, when most cars were still shaped like boxes, and the late 1940's the drag coefficient of American cars was reduced about 25 percent, from .70 to .52. (A drag-coefficient of 1 corresponds roughly to the air resistance of a rectangular block.) Twenty-five years later the drag coefficient of the typical American car has declined only another 10 percent, to .47. The Citroën, perhaps the most highly streamlined car in large-scale production, has a drag coefficient of about .33.

Since air drag increases as the square of vehicle speed, it has substantial importance at speeds above 45 m.p.h. In the speed range between 45 and 65 m.p.h. each additional 10 m.p.h. above 45 m.p.h. subtracts between 1.5 and two miles per gallon from fuel economy. We can look at a reduction in air drag either as saving energy or as enabling us to go faster with the same expenditure of energy.

It should be possible to reduce the air resistance of present-day large cars by 40 to 50 percent and of compacts by about a third. Such reductions can be achieved by designing cars to have a sloping front, smooth contours, a fairly flat back and a "dam" extending below the front bumper. For cars of roughly the current weight, size and construction but with an engine appropriately reduced in size to hold performance constant, a one-third reduction in aerodynamic drag should yield an improvement of about 10 percent in fuel economy under typical city-highway driving conditions. The percent improvement could be larger in a car with reduced rolling resistance.

There are various power drains in addition to the energy required to propel the car. Air conditioning, now installed in about 75 percent of all new cars, takes about six horsepower in a car traveling at 55 m.p.h. when the air temperature is 100 degrees F. Other accessories such as the engine fan, water pump, air pump and power steering will collectively absorb another five to 15 horsepower, depending on engine speed. Such accesories have to be designed to operate satisfactorily when the automobile is operating at low speeds, and commonly no provision is made to avoid unnecessary power consumption when it is operating at high speeds. A few cars now have electrically driven fans that operate only when the coolant temperature is high. Avoidance of unnecessary power loss at high speeds would cost something in design and complexity but would save energy.

One matter brought up during our Cal Tech seminars is the surprising inefficiency of cars for short trips without warm-up. Starting from an ambient temperature of 70 degrees F., a car gets an average of only 50 percent of its warmed-up gasoline mileage in a one-mile trip and only about 60 percent in a two-mile trip. In very cold weather the efficiency is much worse. For full gasoline mileage the tires, the grease in the differential-gear box and the oil in the transmission system as well as in the engine must all be warmed up.

Thus substantial savings in fuel consumption could be achieved by reducing vehicle weight and air resistance, by using better and harder tires together with better suspensions, by cutting the waste of energy by accessories at high speeds, by designing better transmissions and, if possible, by achieving efficient operation with a shorter warm-up period. Beyond these possibilities we must consider engine efficiency.

In the past engines have been chosen on the basis of cost and performance rather than efficiency. The diesel engine, as we have seen, is at least 40 percent more efficient than comparable gasoline engines and gives proportionately better fuel economy. Diesel engines, however, are heavy, costly and tend to be somewhat noisy. Moreover, the acceleration of diesel cars is below that of gasoline cars in the same price range. Thus for all their advantages diesel cars have not been notably popular.

The diesel engine is efficient partly because of its high compression ratio (21:1 in the Mercedes-Benz diesel) and partly because it operates with a lean fuel mixture (that is, with an excess of air). Power is controlled not by throttling, as it is in most gasoline engines, but by varying the amount of fuel injected into the combustion chambers. When a diesel engine is idling, it consumes only about 15 percent as much fuel as an idling gasoline engine. Operation with a lean mixture has the added advantage of reducing the emissions of hydrocarbons and carbon monoxide. Indeed, if the mixture is lean enough, the oxides of nitrogen are reduced as well. Ideally one could meet emission standards without costly emission-control devices and with high engine efficiency.

The advantages of lean burning have been sought in a modified form of the present gasoline engine that is receiving much attention. This is the stratified-charge engine in which the air-fuel mixture is made intentionally nonhomogeneous. Near the spark plug it is initially rich enough for ignition, but on the average the mixture is lean, with a resulting improvement in efficiency and reduction in emissions. The charge can be stratified in a single combustion chamber by injection of the fuel, as in a diesel. In the Honda engine it is stratified by using an auxiliary combustion chamber in which the mixture is rich. Ignition by means of a special spark plug allows operation at a lower compression ratio than in a diesel engine and gives good starting in cold weather.

One form of stratified-charge engine, developed by Texaco, employs what is called the Texaco controlled-combustion system. A converted 1950 Plymouth using the Texaco system showed a 37 percent improvement in miles per gallon, as compared with the original engine, at speeds between 40 and 60 m.p.h.

More recently a converted four-cylinder engine for a military jeep has shown improvements in fuel economy ranging between 40 and 70 percent in road tests. Texaco is now trying to see how much of this gain can be retained while meeting the 1977 emission standards. The Texaco engines operate equally well on gasoline, diesel fuel or jet fuel. Potential disadvantages of the Texaco system include the need for specially shaped pistons and a fuel injector and the tendency of the engine to produce particulate emissions under some conditions.

Another form of stratified-charge engine, the PROCO engine (for programmed combustion process), has been under development by the Ford Motor Company. It is stated that the PROCO engine would improve fuel economy about 25 percent in medium-size and large cars and 15 percent in small cars.

Although very lean nonstratified mixtures of gasoline and air cannot be ignited, mixtures of hydrogen and air can be ignited even at an air-hydrogen ratio of 40:1, which is about twice as lean as the leanest air-gasoline ratio. Such ratios suggest the addition of hydrogen to the fuel mixture as a way of achieving lean burning both to raise efficiency and reduce emissions. This strategem has been demonstrated in a Chevrolet V-8 engine in work at the Jet Propulsion Laboratory of Cal Tech. In dynamometer tests, using a fuel consisting of gasoline and bottled hydrogen, the equivalent miles per gallon increased from 9.4 for the unmodified engine to 12 for the modified engine, or more than 27 percent. A generator to produce hydrogen from gasoline has been built and operated, but not in an automobile.

All three approaches—diesel, stratified charge, hydrogen admixture—achieve higher efficiency through use of a leaner air-fuel mixture. As we have seen, they also reduce emissions of hydrocarbons and carbon monoxide in the exhaust, perhaps to the point of meeting present emission standards: Proposed standards on emission of oxides of nitrogen, however, are difficult to meet. The production of oxides of nitrogen can be reduced only if the mixture is made lean enough to lower the temperature of combustion substantially. It may be that the proposed standards on emission of oxides of nitrogen are unrealistically stringent.

To sum up, reductions in fuel consumption ranging from 20 to 40 percent have been claimed for lean-mixture engines under the most efficient operating conditions. Much of the improvement in the past has been lost, however, in adjustments for meeting emission standards. One can hope that further development will lead to a lean-mixture engine with both high efficiency and low exhaust emissions.

Federal emission standards have indirectly had the effect of blocking efficiency improvements that could be achieved with conventional automobile engines simply by raising their compression ratio. Before 1970, when the first Federal standards went into effect, the engines in many American cars had compression ratios as high as 10:1 and in a few cases even 10.5:1. For efficient antiknock performance an engine with a 10:1 compression ratio needs a gasoline with a research octane number of about 100. Oil companies have traditionally added lead alkyl compounds (such as tetraethyl lead) to raise by some five to seven points the octane number of gasoline as it is produced at the refinery; thus a gasoline of 93 to 95 research octane can be raised to 100 octane by adding "lead."

With the adoption several years ago of emission standards that would probably require the use of catalytic converters on 1975-model cars it was recognized that gasoline containing lead would poison the catalyst. As a result car makers began to lower compression ratios to between 8:1 and 8.5:1 in order to make it possible for 1975 models to run on unleaded fuel of 91 research octane.

Exxon engineers have calculated that for a typical engine of 350 cubic inches displacement in a 4,000-pound automobile traveling at 40 m.p.h., raising the compression ratio from 8:1 to 10:1 would yield a 10 percent improvement in fuel economy; at a ratio of 12:1 the improvement would be about 18 percent. The Exxon study shows, however, that since the cost of producing unleaded gasoline rises steeply with octane number (about three cents per gallon to go from 95 octane to 100 at the time the study was made in 1971), the lowest transportation cost to the consumer is achieved with a research octane number of 97, which corresponds to an engine compression ratio of about 9.75:1. (The Exxon study assumes that three grades of gasoline, with an average octane number of 97, would be made available at the pumps.)

Although cars with power plants other than the internal-combustion engine have often been suggested, most of the power plants proposed (steam, gas-turbine, Stirling-cycle) would still need fuel from petroleum. In principle an electric car could get its energy from central power stations running on coal or on nuclear fuels. Electric vans powered by conventional lead-acid batteries have been operated in the U.S. and in other countries for many years. As a private car, however, an electric vehicle with lead-acid batteries seems only marginally promising. A Datsun converted by a Los Angeles engineer, Wally Rippel, gives some idea of the attainable performance.

The car has a range of 70 miles and a top speed of 61 m.p.h. The original transmission is retained, and acceleration is reasonable at the lower gear ratios. By using regenerative braking to recharge the batteries when the vehicle is slowing down or going downhill, electric consumption is reduced 15 percent for a mixture of city-street and freeway driving and as much as 25 percent when the route is a hilly one. The car will travel 3.5 miles per kilowatt-hour of charging power. When this performance is converted to equivalent miles per gallon, it is seen to be quite remarkable: about 52 m.p.g., assuming an efficiency of conversion of fuel to electricity of 40 percent at the power plant. (The energy in a gallon of gasoline is about 125,000 British thermal units, or 37 times the energy in a kilowatt hour; 37 times 3.5 times .40 is 52.)

Even though energy in the form of electricity is considerably more expensive than energy in the form of gasoline, the Rippel car still gets about 38.5 miles for the price of a gallon of gasoline, assuming five cents per kilowatt-hour and 55 cents a gallon for gasoline. (It is true, of course, that gasoline carries Federal and state taxes ranging from nine cents to 14 cents per gallon, which should be taken into account in such a calculation, either by subtracting the tax from the price of gasoline or by adding an equivalent tax to the price of electricity.

Fundamentally the efficiency of an electric automobile will depend on the efficiency of electric generating plants (about 40 percent for the best present fossil-fuel plants) minus losses involved in power distribution and the charging of batteries. The batteries in the Rippel car weigh about 1,400 pounds and have a retail value of about $1,200.

An improvement of 2:1 in power-to-weight ratio of batteries would make electric cars more attractive. The nickel-zinc battery or some other kind of battery may provide such an improvement. A more revolutionary regime that might do even better is to store energy in a composite flywheel made of lightweight materials, as has been proposed by Richard F. Post and Stephen F. Post [see "Flywheels," by Richard F. Post and Stephen F. Post; SCIENTIFIC AMERICAN, December, 1973].

There is a formidable obstacle to the production of a satisfactory electric car. Any gasoline-driven vehicle can be given acceptable performance by putting in a big enough engine. Fuel economy can then be improved gradually by reducing rolling resistance through low weight, hard tires and low unsprung weight, low-friction bearings and good streamlining. If an electric car is to perform satisfactorily, the engineering must be first-class right from the start; a low-loss control system, perhaps with regenerative braking and a high-efficiency motor, must be used.

Such sophisticated engineering design is contrary to the tradition of American automobile manufacturing. Commercial success is not assured even if the engineering is good. Who will take the chance? If we do have electric cars, they may come first as government-purchased vehicles, as high-cost novelties (such as sports cars) or as low-performance vehicles for special uses.

If we continue to use internal-combustion engines rather than electric power, we are faced with an inherent but remediable inefficiency. Cars are overpowered for driving on the level in order to provide satisfactory acceleration. Thus the engine operates far below its most efficient power level most of the time. The remedy for this inefficiency is to provide some way of storing energy for use during acceleration. If this were done, a very modest engine could provide a lively performance, at least on a level road. Early steam cars attained such performance with steam stored in a boiler.

In the 1930's Robert C. Burt installed a pneumatic transmission in a Plymouth. The gasoline engine pumped air into a tank; the compressed air drove the wheels by means of a converted steam engine. Energy stored in the air tank provided acceleration; the gasoline engine provided steady power. Such a drive system allows regenerative braking (through use of the air engine to compress air in deceleration) and the utilization of waste (exhaust) heat in heating the compressed air.

Recently tests have been made on vans where a small gasoline engine serves to charge batteries. The batteries provide extra power for acceleration; the gasoline engine provides sufficient power to propel the van on the level. A group at the Technical University at Aachen in Germany has constructed a power system in which energy for acceleration is stored in a flywheel; a small gasoline engine drives the flywheel and propels the van during constant-speed driving. The system has been installed in a Volkswagen Microbus. Acceleration better than that of a standard Microbus and a 60 percent fuel saving have been reported.

Vehicles combining a low-power internal-combustion engine and some means for storing energy are generally called hybrid vehicles. Perhaps they are the wave of the future. Perhaps they are too complex for private cars. Perhaps effective means for storing energy, either improved batteries or flywheels, will take us all the way to vehicles driven by electric power. It is sometimes overlooked, however, that all-electric private transportation would impose an enormous new load on the electric-utility industry. Today the nation's 100-odd-million private cars and small trucks consume nearly 60 percent as many energy units as all the nation's electric-power plants. To increase the capacity of the electric-power system between now and, say, the year 2000, to provide power for a national fleet of vehicles swollen to perhaps 160 million—in addition to expanding generating capacity 5 or 6 percent per year for all other purposes—would be an immensely costly undertaking.

Our view of the future is full of perhapses. What we do know with certainty is that in the near future private cars will continue to consume a great deal of gasoline and that there are many ways in which they could be made more efficient. Plausible projections by the Department of Transportation indicate that automobile fuel consumption could be stopped from growing before 1980 and thereafter even reduced. Whether or not cars become more efficient will depend not only on technical ingenuity and enterprise but also on the economic pressure of the price of gasoline, and on any other pressure that may come into being.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 5

At the request of Mr. CHILES, the Senator from South Dakota (Mr. ABOUREZK), the Senator from New Jersey (Mr. CASE), the Senator from Vermont (Mr. LEAHY), and the Senator from Idaho (Mr. CHURCH) were added as cosponsors of S. 5, the Federal Government in the Sunshine Act.

S. 216

At the request of Mr. DOMENICI, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 216, a bill to amend the Gun Control Act of 1963.

S. 227

At the request of Mr. BAYH, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Oklahoma (Mr. BELLMON), the Senator from New York (Mr. BUCKLEY), the Senator from Arkansas (Mr. BUMPERS), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. CLARK), the Senator from New Mexico (Mr. DOMENICI), the Senator from Kentucky (Mr. FORD), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. HANSEN), the Senator from Colorado (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Oregon (Mr. HATFIELD), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from Utah (Mr. MOSS), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Florida (Mr. STONE), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of the bill (S. 227) to amend the Internal Revenue Code to encourage the continuation of family farms, and for other purposes.

At the request of Mr. BAYH, the Senator from Arkansas (Mr. BUMPERS), the Senator from New Jersey (Mr. CASE), the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. LEAHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of the bill (S. 357) to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings permitted each year without deductions from benefits thereunder.

S. 362

At the request of Mr. BAYH, the Senator from California (Mr. TUNNEY) and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of

S. 362, a bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to discharge obligations under the Convention of Psychotropic Substances relating to regulatory controls on manufacture, distribution, importation, and exportation of psychotropic substances in order to curb illicit international traffic and abuse of such dangerous drugs, and for other purposes.

S. 388

At the request of Mr. CHURCH, the Senator from Oregon (Mr. HATFIELD) and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 388, a bill to amend titles II, VII, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes.

S. 389

At the request of Mr. CHURCH, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 389, a bill to amend the Internal Revenue Code of 1954 to revise the retirement income credit and to increase the amount of such credit.

S. 390

At the request of Mr. CHURCH, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 390, a bill to provide a program of income tax counseling for elderly individuals.

S. 445

At the request of Mr. HUGH SCOTT, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 445, a bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 451

At the request of Mr. BAYH, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Arkansas (Mr. BUMPERS), the Senator from Iowa (Mr. CLARK), the Senator from Iowa (Mr. CULVER), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New York (Mr. JAVITS), the Senator from Vermont (Mr. LEAHY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Utah (Mr. Moss), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from California (Mr. TUNNEY) were added as cosponsors of the bill (S. 451) to amend title XVIII of the Social Security Act to provide for the coverage under part B of medicare for routine exfoliative cytology tests for diagnosis of uterine cancer.

S. 551

At the request of Mr. DOMENICI, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 551, a bill to provide for the recycling of used oil, and for other purposes.

S. 568

At the request of Mr. CHURCH, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 568, to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax.

S. 560

At the request of Mr. CHURCH, the Senator from North Dakota (Mr. BURDICK) and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 560, a bill to amend title II of the Social Security Act to increase the amount which individuals may earn without suffering deductions from benefits on account of excess earnings, and for other purposes.

S. 585

At the request of Mr. CHILES, the Senator from Maine (Mr. HATHAWAY), the Senator from Wyoming (Mr. HANSEN), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Vermont (Mr. STAFFORD), the Senator from Delaware (Mr. BIDEN), the Senator from Illinois (Mr. PERCY), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), and the Senator from New York (Mr. BUCKLEY) were added as cosponsors of S. 585, a bill to prohibit travel at Government expense outside the United States by Members of Congress who are not reelected to the succeeding Congress.

S. 699

At the request of Mr. DOLE, the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 699, a bill to permit Senators to use mobile offices in their home States.

S. 765

At the request of Mr. HUGH SCOTT (for Mr. PERCY), the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 765, a bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Working Life.

SENATE JOINT RESOLUTION 1

At the request of Mr. BAYH, the Senator from Missouri (Mr. SYMINGTON), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of (S.J. Res. 1) proposing an amendment to the Constitution to provide for the direct election of the President and Vice President of the United States.

SENATE JOINT RESOLUTION 35

At the request of Mr. RANDOLPH, the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Illinois (Mr. PERCY) the Senator from Maine (Mr. MUSKIE), and the Senator from California (Mr. CRANSTON) were added as cosponsors of Senate Joint Resolution 35, a joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Workers Week."

SENATE RESOLUTION 20

At the request of Mr. KENNEDY, the Senator from Connecticut (Mr. RIBICOFF), the Senator from Michigan (Mr. GRIFFIN), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of Senate Resolution 20, relating to the negotiation of a final treaty, based on the Vladivostok agreement, and promoting further arms control measures.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. HUMPHREY, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Rhode Island (Mr. PELL) were added as cosponsor, of Senate Concurrent Resolution 10, to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

SENATE CONCURRENT RESOLUTION 18

At the request of Mr. PROXMIRE, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of Senate Concurrent Resolution 18, to direct the Federal Reserve to follow certain money supply guidelines in conducting monetary policy and providing for semi-annual hearings on monetary policy targets.

SENATE RESOLUTION 84—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

(Referred to the Committee on Rules and Administration.)

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following resolution:

S. RES. 84

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The Committee on Foreign Relations is authorized from March 1, 1975, through February 29, 1976, (1) to expend not to exceed $60,000 for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed $1,522,000 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

SEC. 4. Not to exceed $885,000 shall be available for a study of matters pertaining to the foreign policy of the United States, of which amount not to exceed $25,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed $390,000 shall be available for a study or investigation of multinational corporations and their effect on United States foreign policy, of which amount not to exceed $20,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed $247,000 shall be available for a study or investigation of foreign assistance and economic policy, of which amount not to exceed $15,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 8. Expenses of the committee under this resolution, which shall not exceed in the aggregate $1,522,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AMENDMENTS SUBMITTED FOR PRINTING

TRAVEL EXPENSES TO AND FROM VETERANS' ADMINISTRATION FACILITIES—S. 490

AMENDMENT NO. 17

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. ABOUREZK (for himself, Mr. CRANSTON, Mr. HARTKE, Mr. MCGOVERN, Mr. MCGEE, Mr. YOUNG, Mr. HASKELL, Mr. HUMPHREY, Mr. RANDOLPH, Mr. STONE, and Mr. STAFFORD) submitted the following amendment in the nature of a substitute intended to be proposed by them to the bill (S. 490) to amend section 111(a) of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities.

Mr. ABOUREZK. Mr. President, today I am joining with Senator CRANSTON, the distinguished chairman of the Health and Hospitals Subcommittee of the Committee on Veterans' Affairs, to introduce a substitute amendment to the veterans travel per diem bill, S. 490.

Senator CRANSTON has given me his personal assurance that the amended bill will move along expeditiously in the Senate committees and that positive and final action will be taken on the measure before the end of this session of the Congress.

I know the Senator to be a man of high personal integrity and one who shares my concern over the serious deficiency which now exists in reimbursement rates for veterans travel. I am sure that he is as adamant as I in our resolve to rectify this problem in the very near future.

Before discussing the specifics of this amendment, however, I would like to address the position of the Veterans' Administration on the original version of S. 490. The VA claims that the total cost of the proposed reimbursement rates would run into a figure of over $25 million. I do not believe that this figure is accurate and I would challenge the VA to come up with the substantial statistical data needed to support their estimate. They also claim that the Office of Management and Budget will direct that any increases in the mileage and per diem reimbursement rates must be absorbed by the VA.

If this is true, I find this a most peculiar and inconsistent order. Why has not OMB ordered the Air Force to absorb the expense of the massive cost overruns in the B-1 if this is the order of the day? Instead of requesting a $300 million supplemental aid bonanza for South Vietnam, why have they not told that Government to absorb the cost of running their own Government for the next couple of months until the United States doles out additional billions during the next fiscal year? Why has not OMB told the Government employees that the new hike in travel allowances, something which is sorely needed I might add, not be absorbed by the different agencies of Government? My feeling is that if the VA is made to absorb the cost of an important program, then every other agency, including the Pentagon, ought to be required to do the same.

I was particularly interested in many of the VA's arguments in its opposition to the original version travel and per diem bill. They state:

To determine the adequacy of beneficiary travel allowance, we periodically make studies into the matter.

This method provides the flexibility needed to permit rapid adjustment in the mileage reimbursement rate if found warranted and, we believe, represents a sound procedure.

I am interested in that statement, because it was only after 30 long years and a 75-percent increase in the cost of gasoline did the VA find the need for "rapid adjustment"—to the mileage reimbursement rate. And at a time when most experts estimate the cost of driving an automobile at 25 cents a mile, the VA generously agreed to increasing the rate from 6 to 8 cents a mile—a mere third of the actual cost.

The VA also stated that there are "vast differences" in the travel situations of Veterans' Administration beneficiaries and Government employees. They claim, for instance, that the average distance traveled by veterans is around 50 miles. I would like to see their statistics on that claim, Mr. President, because I am convinced that whatever they are, they could not possibly include any consideration for States west of the Mississippi. With the two VA facilities over 350 miles apart, the average distance traveled in South Dakota is far greater than that. In Wyoming, in Colorado, in Alaska, in Montana, in North Dakota, in Minnesota, and in numerous other States of the West, the VA position that there is a VA facility just around the corner is totally inaccurate.

While I would agree with the VA that differences between Government employees and veterans traveling on governmental business exist, I would add that differences also exist between veterans and Government employees when it comes to their present status. By definition, Government employees have jobs. They also have a sense of security knowing that the Government will provide the necessary funds for them to accomplish their tasks. A veteran, however, especially a disabled veteran, may not have a job or an ample income to make ends meet. While they may not have to travel far in relation to Government employees, the distance they do have to travel may require far more sacrifice. Furthermore, when they do have jobs they are ofttimes forced to lose a day's pay to travel to the VA facility.

One letter which I received last year from a man in Yankton, S. Dak., explains the problem far more graphically than I ever could. He writes:

We are expected to report to the VA Regional Medical Center by 8:00 a.m. on a given date. This entails leaving by 4:00 a.m. in the early morning hours where, if an emergency arose, there would be no travelers to assist the disabled Veteran. Because of the financial burden, with only 6 cents a mile, no per diem and only eight dollars for a night's lodging, this veteran is forced to return home, often times without a new prosthetic device. He has lost a day's pay.

There is one other point to be made in regard to the differences and similarities between Government employees and veterans. The VA claims that—

The per diem rate of $12 is to cover any necessary meals and lodgings the beneficiary may need enroute for treatment or care and return.

This statement renewed my earlier interest in the most recent per diem costs of lodging and meals around the country. In its report to accompany H.R. 2302, the House Committee on Government Operations included a study which sheds a great deal of light on how far the $12 actually goes. Mr. President, I ask unanimous consent that the table be inserted into the RECORD.

There being no objection, the table was ordered to be printed in the RECORD as follows:

Most recent per diem costs of lodging and meals

Over 1 million population type cities:	
1. Atlanta, Ga	$28.60
2. Baltimore, Md	29.35
3. Boston, Mass	36.45
4. Buffalo, N.Y	26.90
5. Chicago, Ill	36.50
6. Cincinnati, Ohio	28.30

Most recent per diem costs of lodging and meals—Continued

Over 1 million population—Continued	
7. Cleveland, Ohio	$30.05
8. Dallas, Tex	30.55
9. Denver, Colo	28.05
10. Detroit, Mich	31.20
11. Houston, Tex	30.05
12. Kansas City, Mo	27.55
13. Los Angeles, Calif	33.90
14. Miami, Fla	32.70
15. Milwaukee, Wis	25.60
16. Minneapolis, Minn	32.80
17. Newark, N.J	33.00
18. New York, N.Y	48.50
19. Philadelphia, Pa	33.40
20. Pittsburgh, Pa	28.55
21. St. Louis, Mo	29.45
22. San Diego, Calif	29.30
23. San Francisco, Calif	37.70
24. Seattle, Wash	29.85
25. Washington, D.C	40.05
From 500,000 to 1 million type cities:	
1. Akron, Ohio	25.25
2. Albany, N.Y	28.50
3. Birmingham, Ala	23.30
4. Bridgeport, Conn	31.75
5. Columbus, Ohio	26.50
6. Dayton, Ohio	24.10
7. Hartford, Conn	28.75
8. Honolulu, Hawaii	34.25
9. Indianapolis, Ind	26.65
10. Jacksonville, Fla	32.00
11. Louisville, Ky	27.25
12. Memphis, Tenn	29.20
13. New Haven, Conn	28.20
14. New Orleans, La	32.90
15. Norfolk, Va	25.50
16. Oklahoma City, Okla	25.20
17. Omaha, Nebr	24.90
18. Phoenix, Ariz	27.30
19. Portland, Oreg	25.35
20. Providence, R.I	26.45
21. Richmond, Va	24.90
22. Rochester, N.Y	27.25
23. Sacramento, Calif	24.80
24. San Antonio, Tex	24.40
25. San Jose, Calif	26.70
26. Springfield, Mass	26.65
27. Syracuse, N.Y	26.75
28. Tampa, Fla	26.55
29. Worcester, Mass	27.15
From 100,000 to 500,000 type cities:	
1. Albuquerque, N. Mex	23.50
2. Amarillo, Tex	20.15
3. Asheville, N.C	30.35
4. Atlantic City, N.J	35.50
5. Austin, Tex	23.90
6. Baton Rouge, La	22.05
7. Charleston, S.C	22.00
8. Charlotte, N.C	22.55
9. Des Moines, Iowa	24.40
10. El Paso, Tex	22.45
11. Fort Wayne, Ind	23.30
12. Fresno, Calif	25.75
13. Harrisburg, Pa	25.55
14. Huntsville, Ala	23.55
15. Jackson, Miss	25.50
16. Kalamazoo, Mich	25.15
17. Las Vegas, Nev	32.25
18. Lexington, Ky	24.60
19. Little Rock, Ark	23.25
20. Madison, Wis	27.45
21. Nashville, Tenn	23.15
22. Orlando, Fla	25.25
23. Pittsfield, Mass	29.70
24. Portland, Maine	27.30
25. Raleigh, N.C	24.80
26. Rockford, Ill	21.60
27. Salt Lake City, Utah	27.35
28. Santa Barbara, Calif	29.80
29. Spokane, Wash	27.05
30. Springfield, Ill	24.50
31. Springfield, Mo	19.00
32. Toledo, Ohio	19.60
33. Tucson, Ariz	25.20
34. Wichita, Kans	21.55
35. Wilmington, Del	24.30
36. York, Pa	23.65
Under 100,000 population type cities:	
1. Albany, Ga	$20.40
2. Anchorage, Alaska	35.70
3. Boise, Idaho	23.20
4. Burlington, Vt	25.95
5. Charleston, W. Va	25.75
6. Cheyenne, Wyo	23.55
7. Great Falls, Mont	23.10
8. Manchester, N.H	21.45
9. Roanoke, Va	25.05
10. Sioux Falls, S. Dak	23.00

Mr. ABOUREZK. Mr. President, our purpose today is not to dwell on points of disagreement, because it is precisely because of disagreements—not on the need but on the implementation—of more practical reimbursement rates, that progress has been impeded thus far.

After working with the distinguished chairman of the Veterans' Affairs Subcommittees on Health and Hospitals and Government Operation's Budgeting and Management, we have decided that the most acceptable way to insure that this legislation becomes law is to forgo an attempt to attach it to S. 172, the Government employees per diem bill and to offer a substitute amendment to S. 490, the veterans travel and per diem bill, currently pending action in the Veterans' Affairs Committee.

The amendment would require that the VA Administrator conduct at least an annual investigation of the cost of travel and the operation of privately owned vehicles to veterans while traveling to or from a VA facility. Specifically, the Administrator will be required to analyze depreciation costs, gasoline and oil costs, automobile maintenance, insurance, State and Federal taxes, and the per diem rates and expenses of travel authorized for Government employees.

Before determining rates of allowances or reimbursements, the Administrator will submit to the Veterans' Affairs Committee in both Houses of Congress a report containing the rates he proposes to establish.

I have two clarifications I would like to make on this provision:

My interpretation of this provision is that if the Veterans' Affairs Committee disagrees with the proposal made by the Administrator, they have the right and the responsibility to confer with the Administrator on the points of disagreement and offer constructive suggestions.

It is also my belief that the information provided the distinguished members of the Veterans' Affairs Committee on this matter should be made available to all Members upon their request. Since it is possible that the VA Administrator would suggest differing rates for different States, based on the hardship placed upon the veteran in a particular area, it would behoove the Members of the respective States to know what the rates are and what the proposed changes would be.

I would appreciate having the view of the distinguished chairman of the Veterans' Affairs Subcommittee on these two points.

Mr. President, I am encouraged by the show of unity on this particular problem. It is significant to note the determination on the part of so many Senators, including the distinguished Senators participating in this exchange today, to bring more equitable and practical treatment to veterans needing to travel to receive care or examinations at VA medical facilities.

I am delighted to be joined in this amendment by the distinguished chairman of the Committee on Veterans' Affairs, Mr. HARTKE, and other members of that committee, Senators RANDOLPH, STONE, and STAFFORD, as well as the original cosponsors of S. 490, Senators MCGOVERN, MCGEE, YOUNG, HASKELL, and HUMPHREY.

I am also encouraged by the action of the leadership of the House Veterans' Affairs Committee which recently introduced similar legislation in the House of Representatives. This action, paired with our action today, ought to insure that rapid progress toward enactment of this measure is made.

Perhaps most encouraging of all, however, is the knowledge that the distinguished Senator from California (Mr. CRANSTON), the chairman of the Veterans' Affairs Subcommittee on Health and Hospitals, has demonstrated the same conviction and determination to see that action on this problem is taken. He is a man of remarkable legislative skill and accomplishment. His support and cooperation has greatly expedited what I trust will be a successful legislative resolution of this matter.

Mr. President, I ask unanimous consent that the text of the amendment be inserted in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 17

Strike out all after the enacting clause and insert in lieu thereof the following: "That section 111(a) of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

"(e)(1) In carrying out the purposes of this section, the Administrator, in consultation with the Administrator of General Services, the Secretary of Transportation, the Comptroller General of the United States, and representatives of organizations of veterans, shall conduct periodic investigations of the cost of travel (including lodging and subsistence) and the operation of privately-owned vehicles to beneficiaries while traveling to or from a Veterans' Administration facility or other place pursuant to the provisions of this section. He shall conduct such investigations not less often than annually and immediately following any alteration in the rates described in clause (F) of this paragraph, and, based thereon, shall determine rates of allowances or reimbursement to be paid under this section. In conducting these investigations and determining such rates, the Administrator shall promptly review and analyze among other factors—

"(A) depreciation of original vehicle costs;

"(B) gasoline and oil costs;

"(C) maintenance, accessories, parts, and tires;

"(D) insurance;

"(E) State and Federal taxes; and

"(F) the per diem rates, mileage allowances, and expenses of travel authorized under sections 5702 and 5704 of title 5, for employees of the United States traveling on official business.

"(2) Before determining rates of allowances or reimbursement provided for in this section, and not later than 60 days after any alteration in the rates described in clause (F) of paragraph (1) of this subsection, the Administrator shall—

"(A) submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing the rates he proposes to establish or continue with a full justification therefor in terms of the factors set forth in paragraph (1) of this subsection; and

"(B) proceed with a notice of proposed rulemaking in accordance with the procedures set forth in section 553 of title 5, without regard to the exceptions set forth in subsection (d) of such section, including publication in the Federal Register of the proposed rates and the full justification therefor required under clause (A) of this paragraph.

The justification provided under this paragraph shall specify the extent to which and the full reasons why the proposed rates would differ from the rates then in effect under sections 5702 and 5704 of title 5 for employees of the United States traveling on official business."

Mr. CRANSTON. Mr. President, I have listened with great interest to the remarks of the able Senator from South Dakota (Mr. ABOUREZK) in explanation of the substitute amendment which we are joining in submitting to his bill, S. 490, to improve veterans' beneficiary travel and per diem reimbursement rates. I am delighted to be joining with Senator ABOUREZK and other sponsors of his bill, as well as the chairman of the Committee on Veterans' Affairs, Mr. HARTKE, and three other members of that committee, in cosponsoring this substitute amendment. It has been a great pleasure to work with the Senator from South Dakota and his staff on this matter, and I believe that the resulting measure will bring about a significant improvement in the provisions for reimbursing veterans for their travel to VA medical facilities for care or examinations.

Mr. President, I greatly appreciate the leadership and cooperation of the Senator in agreeing not to proceed to attach the veterans' beneficiary travel amendment to S. 172, the Government employees per diem bill, as he did at the close of the last Congress. His decision instead to work closely with the committee members to develop a suitable legislative proposal in this area to be dealt with within the committee with jurisdiction over veterans' affairs and title 38 of the United States Code generally, should bring about two very desirable results. First, it should facilitate the passage and presidential signature of S. 172 since the President stated in his pocket-veto message on the predecessor measure that the reason for his veto was the veterans beneficiary provision which had been added to that bill. Second, it will insure prompt consideration and effective action on an amendment to title 38 to bring about an overall improvement in the rates of travel and per diem reimbursement presently paid by the Veterans' Administration to veteran beneficiaries under section 111 of title 38.

Before proceeding further, I also want to express my deep appreciation to the chairman of the Senate committee, the distinguished Senator from Indiana (Mr. HARTKE), for his support and contributions throughout our discussions and negotiations on this question. Also, I am most grateful to the leadership of the Committee on Veterans' Affairs in the other body, particularly the gentleman from Texas (Mr. ROBERTS), the chairman of that committee, and the gentleman from Virginia (Mr. SATTERFIELD), the chairman of the companion subcommittee to the Subcommittee on Health and Hospitals which I am privileged to chair in the Senate. As always, they have exhibited the utmost cooperation and made a most substantial contribution to our ability to move forward as we are today. Their discussions and work with the Committee on Government Operations in the House were instrumental throughout this process.

Finally, I am grateful to the chairman of the Senate Committee on Government Operations, Mr. RIBICOFF, and the appropriate subcommittee chairman on that committee, Mr. METCALF, for their help and insight.

Mr. President, throughout this process, various staff members were most helpful to me and my staff, and I particularly want to thank the following: in the Senate, Dick Wegman, Eli Nobleman, Tom Daschle, and Guy McMichael; and in the House, Oliver Meadows, Gene Howard, and Mac Fleming.

Mr. President, in the course of his remarks, the Senator from South Dakota indicated he would like my reaction to two matters he raised. I am in agreement with him on both. First, there is no question that if the Committee on Veterans' Affairs in either body is dissatisfied with the proposal for continuing or changing travel and per diem reimbursement rates as submitted by the Administrator, it is their clear responsibility to discuss this with the Administrator and to present recommendations for improvements.

Second, Mr. President, it would certainly be the intention of the committee to make available immediately to any Member who requests it the information which is submitted by the Administrator in justification of his rate proposals.

Mr. President, I do not intend to discuss in substance at this time the legislative provisions which we are submitting. As the Senator from South Dakota has indicated, we have given him our assurances that this matter will be considered expeditiously in the subcommittee and full committee in connection with some comprehensive VA health legislation which are now preparing, and that we certainly foresee final action on beneficiary travel provisions in this first session of the 94th Congress. I certainly am in agreement with the sponsor of this measure that there is a serious deficiency in the present VA rate schedule which needs to be rectified in the near future.

I am also hopeful, Mr. President, that the Veterans' Administration will reconsider its prior position of opposition to the provisions of Senator ABOUREZK's original bill, and will find it possible to support the more flexible, but yet responsive provisions in the substitute amendment submitted today.

Mr. President, I thank the Senator from South Dakota for his generous remarks and for his spirit of conciliation and cooperation throughout our discussions on this legislation. I congratulate him for the outstanding contribution he has made to mobilizing legislative action in this field and for his characteristic dedication and compassion in pursuing just and equitable treatment and services for individuals. I look forward to continuing to work with him and his staff very closely as the committee deals with the veterans beneficiary travel and per diem question.

AMENDMENT OF RULE XXII—SENATE RESOLUTION 4

AMENDMENT NO. 18

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for Mr. PROXMIRE) submitted an amendment intended to be proposed to the resolution (S. Res. 4) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

NOTICE OF POSTPONEMENT OF HEARINGS ON FEDERAL COAL AMENDMENTS ACT OF 1975, S. 391

Mr. METCALF. Mr. President, I wish to announce that the hearings scheduled by the Subcommittee on Minerals, Materials and Fuels for February 25, 27, and 28 on S. 391, the Federal Coal Leasing Amendments Act of 1975, have been postponed until further notice.

This postponement will enable the committee to continue and complete markup on S. 622, the Standby Energy Authorities Act, and S. 7, the Surface Mining Control and Reclamation Act of 1975.

I will announce the new dates for the coal leasing policy hearings when they have been rescheduled.

NOTICE OF NOMINATION HEARING

Mr. WILLIAMS. Mr. President, I wish to announce that the Committee on Labor and Public Welfare has scheduled a hearing on Tuesday, February 25, at 9:30 a.m., in room 4232, Dirksen Senate Office Building, on the nomination of John T. Dunlop, of Massachusetts, to be Secretary of Labor.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Senate Committee on Interior and Insular Affairs.

The hearing will begin at 2 p.m. on February 26, 1975, regarding S. 621, a bill to prohibit for a period of 90 days the lifting of all price controls on domestic oil and to thereafter require the submission to, and the right of review and disapproval of the Congress of such action within 30 days. The hearing will be held in room 3110, Dirksen Senate Office Building.

UMI

ANNOUNCEMENT OF A PUBLIC HEARING BEFORE THE ENERGY RESEARCH AND WATER RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. CHURCH. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Energy Research and Water Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for April 17, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding one bill, which is presently before the subcommittee. The measure is S. 151, legislation to authorize the Secretary of the Interior to construct, operate, and maintain the Polecat Bench area of the Shoshone extension unit, Pick-Sloan Missouri Basin program, Wyoming.

For further information regarding the hearing, you may wish to contact Mr. Russell Brown of the subcommittee staff on extension 41076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Energy Research and Water Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Ralph B. Guy, Jr., of Michigan, to be U.S. attorney for the eastern district of Michigan for the term of 4 years—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Thursday, February 27, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATMENTS

THE DIFFICULT ISSUE OF ABORTION

Mr. BARTLETT. Mr. President, as a result of recent events, it is important that the attention of the Senate again be directed toward the difficult issue of abortion.

On Saturday, February 15, a jury in Boston, Mass., found a young doctor guilty of "wanton and reckless conduct resulting in the death of a person;" after having performed a supposedly "legal" abortion.

The important thing about this case, Mr. President, is that the "person" in this manslaughter case was a 6-month-old fetus.

A jury of 9 men and 3 women found unanimously and beyond a reasonable doubt that the life of a person, a human being, was extinguished.

Surprisingly, much of the debate concerning the propriety of abortion has centered on the issue of "when life begins." As a matter of fact, shortly after the decision in Boston, Dr. Henry Fineberg, vice chairman of the American Medical Association's Judicial Council, said:

> The whole question is when does life begin?

The Supreme Court in their landmark decision approving of abortion sidestepped this issue by saying:

> When those trained in the respective disciplines of medicine, philosophy and theology are unable to arrive at any concensus, the judiciary, at this point in the development of man's knowledge, is not in a position to speculate as to the answer . . . we need not resolve the difficult question of when life begins.

Now, although the Supreme Court may have originally found that question difficult to answer, as a matter of fact there is virtual unanimous agreement among scientists, biologists, philosophers, and theologians as to when life does begin. Life begins at the moment of conception, when the ovum is fertilized by the sperm, forming that unique genetic organism called the zygote or the fetus. From that moment forward, new life, the product of the two human beings, is in existence.

A biological illustration is perhaps the best example of the beginning of that life cycle.

There now exists a process called the "bovine embryo implant," whereby female cattle in one country, Canada, for example, are impregnated. The fertilized eggs are then removed from the cow and are placed in the womb of a rabbit and are transported into the United States where they are removed from the rabbit and implanted in several cows. Nine months later, these cows will give birth to a baby calf. Obviously, the calves' lives "began" in Canada, continued in the rabbit, and ultimately in their adopted mothers.

The same thesis holds true for the successful experiments which have been concluded with test tube babies. They are called test tube babies because that is where their lives began.

The point is, Mr. President, we do know when life begins. The real question in this great debate is whether the life of the smallest of human beings—the human fetus—will continue to be dependent upon the whim, comfort, or well-being of the mother in consultation with her doctor or will the human fetus receive the same Supreme Court guarantee and protection of life enjoyed by all other human beings. Because the word "human being" and "person" are synonomous, the Court has already answered this question when it said in Roe against Wade:

> If this suggestion of personhood is established, the appellant's case, of course, collapses, for the fetus' right to life is then guaranteed specifically by the Fourteenth Amendment.

The question of personhood and when life begins are clearly established. The Supreme Court should find that the human fetus is also entitled to the equal protection provisions of the 14th amendment.

I find myself feeling compassion for the doctor convicted in the Boston manslaughter case. Apparently, and unfortunately, he was acting in reliance on the wisdom of the majority of the U.S. Supreme Court.

However, I feel more compassion for the thousands of unborn lives which are now daily extinguished in the United States.

Those responsible for the majority opinion should accept the blame for setting a legal booby trap for the medical profession. The Supreme Court should remove that trap by correcting this gross injustice to the smallest of human beings at the earliest possible moment.

However, I am given new spirit and encouragement by the 12 Americans sitting in a jury box in Boston, Mass., who looked at pictures of a 6-month-old fetus and concluded that this tiny infant was worthy of protection by our legal process.

Their decision reaffirms the confidence which I have in the American people—confidence I regrettably cannot bestow on the majority members of our U.S. Supreme Court, who refused to be so venturesome or courageous as to say when life begins.

Mr. President, the decision should mandate this body to early action to place clearly in our law protection of human life at every stage of its development so that one human being no longer has the legal control over the life of the smallest human being—the human fetus.

Despite the decision of the 12 jurors in Boston, if we do not take action, abortion and related activities will continue to proliferate. As late as last Sunday, the Washington Post was reporting that research on living aborted fetuses has taken a "quantum jump" in recent years. The newspaper reports that in one study, the heads of eight fetuses were separated and injected with radioactive compounds to study brain metabolism. The study used "fresh, live fetuses less than 12 weeks old."

Mr. President, I am convinced our country morally believes in the sanctity and inviolability of human life. But this is not enough; we must declare legislatively that life is not the gift of a State, a Supreme Court or any other organization or individual. I believe that life comes from God and the right to life is innate in the nature of man.

We must reaffirm what our forefathers said in the Declaration of Independence when they state in the most powerful terms that the individual is supreme and above the State—not secondary to it.

As President Lincoln said, our ultimate defense is "the preservation of the spirit which prizes life as the heritage of all men."

FPC STAFF SUPPORTS NATURAL GAS RELIEF FOR ALABAMA FERTILIZER PLANT

Mr. ALLEN. Mr. President, the staff of the Federal Power Commission in the last few weeks has issued two briefs relating to the petition filed with the Commission by the North Alabama Gas District and United States Steel to obtain emergency natural gas relief for United States Steel's Cherokee, Ala., nitrogen fertilizer plant.

Both of these briefs, Mr. President, strongly support North Alabama and United States Steel's petition for obtaining emergency supplies of natural gas from Texas Eastern Transmission Corp.—TETCO. In their February 3, 1975, brief, the Federal Power Commission staff came to the following general conclusions:

1. The Commission should require TETCO to supply North Alabama with sufficient volumes to enable USS to meet its Feedstock requirements.
2. USS should be required to convert the Cherokee plant to allow the use of No. 2 fuel oil as process fuel.
3. The Commission should provide temporary relief to USS for its process requirements pending the completion of the plant's conversion.
4. Relief should be limited to reflect the volumes USS has failed to seek from its other suppliers.
5. USS should be required to pay back relief volumes taken whenever it can otherwise meet its minimum requirements for natural gas.
6. The Commission should frame relief in such a manner as will protect priority one requirements and will, at the same time permit relief to continue until Texas Eastern is actually curtailing into priority one.

And then in its February 10, 1975, brief the Commission staff made the following additional points with respect to the general availability of fertilizer for the coming year—the importance of the Commission considering the social utility of an end product in making its relief decisions—and, other points concerning providing relief to United States Steel's Cherokee, Ala. fertilizer plant:

1. The record demonstrates that there will be a shortage of fertilizer for at least the coming year.
2. Staff believes, that in the context of an extraordinary relief proceeding, the Commission should consider the social utility of the end product.
3. The record clearly demonstrates that the USS Cherokee plant can be converted to permit the use of No. 2 fuel oil as process fuel.
4. North Alabama and USS should not be penalized for the failure of their suppliers to make long term projections of curtailments.

And in both of these briefs, the Commission staff recommends that the Commission grant relief to North Alabama and United States Steel, for use in United States Steel's fertilizer plant at Cherokee.

In view of these two FPC staff briefs and recommendations, Mr. President, I would hope that the Commission would waste no further time in granting the relief requested by these particular petitioning parties. Every day lost in granting such relief, means further losses of needed nitrogen fertilizer.

Farmers in Alabama, Georgia, and throughout the Southeast are now beginning to prepare their ground for spring planting of food and fiber crops. And as Mr. Dawson Ahalt of the U.S. Department of Agriculture pointed out in hearings before the Commission with respect to these petitions, a 100,000-ton loss of fertilizer production in the Southeast represents 10 percent of that region's use of fertilizer, which would in turn, result in a 23-percent reduction in corn production and a 2-percent reduction in both cotton and tobacco in that region. Under current levels of natural gas curtailment, the United States Steel Cherokee plant expects to lose about 44,000 more tons of ammonia for nitrogen production than they lost last year.

Mr. President. I wish to urge the Federal Power Commission to act promptly in granting the natural gas relief required by this particular fertilizer plant to get back into full production. I hope my Senate colleagues will join with me in this request. The future food and fiber supply of all of our constituents, whether rural or urban, is very much involved.

Mr. President, I ask unanimous consent that the FPC staff briefs I have referred to be printed in the RECORD.

There being no objection, the briefs were ordered to be printed in the RECORD, as follows:

INITIAL BRIEF OF THE COMMISSION STAFF FOLLOWING REHEARING

ABSTRACT OF THE EVIDENCE

North Alabama presented six witnesses to prove its need for relief. One witness appeared on behalf of the Department of Agriculture. The testimony of these witnesses is summarized below:

The fertilizer shortage

Three of the witnesses, Ahalt, Douglas and Henderson testified that there is a shortage in this country and in the world of nitrogen fertilizers. Mr. Ahalt, representing the United States Department of Agriculture, testified that in fiscal year 1974 (12 months ending June 30, 1974), demand probably exceeded supply in this country by more than five percent, the shortfall projected by USDA last Spring (Tr. 525). USDA does not know the exact magnitude of last year's shortfall because it does not know how the unavailability of fertilizer affected farmers' demand (Tr. 524). USDA has not yet made an official projection on the magnitude of the shortfall for • • • Mr. Ahalt declined to • • • prediction of the shortfall for 1975 because of the as yet uncertain impact of natural gas curtailment (Tr. 525). He does believe that it will be as severe in 1975 as it was in 1974 (Tr. 540).

Mr. Ahalt's uncertainty about the magnitude of this coming year's shortage stems from the fact that many variable factors influence the supply of and demand for fertilizer (Tr. 526, 527). These uncertainties were shared by Dr. John Douglas, of the Tennessee Valley Authority, appearing on behalf of North Alabama. Dr. Douglas stated that TVA does not know, and never will know, the exact magnitude of the fertilizer shortage in fiscal 1974 (Tr. 569). He estimates that in corn and wheat alone, demand for fertilizer exceeded supply by 578,000 tons nationwide (Tr. 569). Dr. Douglas also expects that the shortage in fiscal 1975 will exceed that of fiscal 1974 (Tr. 570).

Mr. C. M. Henderson of USS appeared for North Alabama. In earlier hearings last May Mr. Henderson had predicted a shortage three or four times as severe as Mr. Ahalt, who at that time had appeared as a Staff witness. Mr. Henderson outlined three reasons for the differences in his latest prepared testimony:

(1) USDA's forecast was based only on the shortage of Ammonia for Agriculture uses; Mr. Henderson's on the shortage of ammonia for all uses, including industrial applications (Tr. 665).

(2) Mr. Henderson considered current inventories on hand as well as current production; USDA did not consider the decrease in inventories (Tr. 665).

(3) USDA based its projections on crop acres harvested; Mr. Henderson on crop acres planted (Tr. 666).

Mr. Henderson did not attempt an independent projection of shortfall for 1975, but is relying on TVA's estimated figures (Tr. 666).

Cross examination of Witnesses Ahalt and Douglas explored the reasons for their uncertainties of the magnitude of past and future shortages and uncovered many factors which make accurate prediction difficult. Several reasons are given below:

(1) The severity of future natural gas curtailments is unknown. Curtailments may dramatically lower supply of fertilizers (Tr. 528, 541, 571, 581, 493), but production capacity has otherwise increased (Tr. 495, 670).

(2) Application rates for fertilizers have tended to rise as farmers have become more knowledgeable in their use (Tr. 569, 572) and because national policies have favored increased food production (Tr. 570). The application rates are also affected by the price of grains (Tr. 498), the specific crops grown (Tr. 618–19, 877, 537), grain inventories (Tr. 876), the price of fertilizer (Tr. 527), and the type of soil (Tr. 500).

(3) Acres of food planted have increased (Tr. 670).

(4) Exports of fertilizer have decreased (Tr. 495).

It appears that many of the factors listed above tend to cancel each other out. For example, nitrogen fertilizers are used on cotton. Cotton acreage will be lower in 1975, than in 1974, but farmers will shift to more profitable crops instead. In the South many farmers will grow soybeans which use little nitrogen (Tr. 618–19), and other farmers in other areas will switch to corn, wheat (Tr. 507) and sorghum, a crop which uses twice as much nitrogen as cotton (Tr. 537).

Extensive cross examination was aimed at Witness Douglas to explore the effects on fertilizer demand of price fluctuations in grains and ammonia. Mr. Ahalt stated that although the prices of wheat and corn have declined from their highs of several months ago (Tr. 499, Exhibit No. 7) to lower prices today, they are still high enough for farmers to cover their variable costs (Tr. 500). Dr. Douglas cited a study he made to show the relationship in the price of grains and the price of fertilizers (Tr. 585). In the 1950's and early 60's farmers were trading the value of 70 to 80 bushels of corn for one ton of fertilizer (Tr. 585). In this period, during the late 60's, fertilizer manufacturers were making little or no profits (Tr. 587,599), and many producers had to close down their plants because inventories were piling up (Tr. 601). With the price relationship, as it existed in 1974, the farmer was trading 60 bushels of corn and was still in a better position than he had been in the early 60's. Dr. Douglas stated that if farmers had to pay a price equivalent to 70–80 bushels of corn for one ton of ammonia, application rates would decline, but he could not state quantitatively how large the decline would be. (Tr. 586, 592).

Fertilizer prices have more than doubled since price controls were removed in October, 1973 (Exhibit No. 7). USS sells ammonia produced at Cherokee to distributors for $185 per ton (Tr. 670). USDA shows that the farmer pays an average of $229 per ton (Exhibit No. 7).

Prices of grains on the Chicago Commodity

Exchange were quoted from the January 21, 1975, edition of The Wall Street Journal. On January 20 prices were as follows:

No. 2 Kansas City wheat: March futures $3.77½ per Bu.; cash price $3.94 per Bu.

No. 2 Dark Northern (14 percent wheat); price $4.32 per Bu.

No. 2 Soft Red wheat: ? price $3.74 per Bu.; March corn $3.02 per Bu.; Chicago No. 2 corn $2.87½ per Bu. (Tr. 546).

Both Mr. Ahalt and Dr. Douglas agreed that the fertilizer shortage would be more severe in the South than in many other areas of the country (Tr. 494, 571), and both witnesses attribute this to the fact that there are fewer ammonia plants in that region than in other areas (Tr. 571) and to deepening curtailments of natural gas (Tr. 528, 571–72).

The United States was a net importer of fertilizer in 1974 (Tr. 572), and this trend is likely to continue (Tr. 495).

Mr. Ahalt testified that many of our exports of fertilizer are, in reality, only exchanges with Canada. Traditionally Eastern Canada buys fertilizer from the U.S. and Western Canada sells to the U.S. (Tr. 536). The U.S. is a net importer of potash fertilizers from Canada (Tr. 536).

Dr. Douglas states that 98 or 99% of this country's ammonia is manufactured from natural gas (Tr. 568). Ninety-five percent of the nitrogenous fertilizer used in this country is manufactured from anhydrous ammonia (Tr. 4–2).

Mr. Ahalt stated he does not believe that the U.S. should attempt to make up for domestic fertilizer shortages by increasing fertilizer imports (Tr. 531–2). He states that this country is already being criticized for not exporting more fertilizer to the world market (Tr. 532–3). By increasing imports, we would take fertilizer from other, less developed countries, and might cause serious worldwide dislocations (Tr. 532). Dr. Douglas believes that if there is a reduction in U.S. fertilizer output, U.S. farmers may be unable to purchase fertilizer at any price (Tr. 573).

Finally, a great deal of concern was expressed by several of the participants about the non-agricultural uses of fertilizer and their use on fiber crops and tobacco. Mr. Ahalt stated that approximately 5 to 7 per cent of fertilizers are used in non-agricultural applications, and that on a nutrient basis, that amount is lower because non-agricultural fertilizers are not high analysis fertilizers (Tr. 509).

Many non-agricultural uses of fertilizer are highly essential. Major users of non-agricultural fertilizers are airports and the interstate highway system where grass is used to prevent erosion (Tr. 535). These demands are inelastic with respect to price (Tr. 535). On the other hand, home lawn and garden products are price elastic (Tr. 535), and Mr. Ahalt suspects that there will be a decrease in homeowner consumption causing manufacturers to produce more agricultural grade products and less of the low analysis product (Tr. 535).

Mr. Ahalt believes that if a policy decision were made to limit production of non-agricultural fertilizers in order to make more nitrogen available to farmers, it would not solve the farmers problems, but would cause frustration (Tr. 523).

In fiscal 1974, 4.7% of the total U.S. nitrogen fertilizer use was for cotton. 0.5% was for tobacco (Exhibit No. 7). Mr. Ahalt projects a 32% drop in cotton acreage for fiscal 1975 (Tr. 506). Mr. Ahalt further testified that he understood the principal sources of nitrogen fertilizer in tobacco were sodium and calcium nitrate, two imported products (Tr. 538).

The effect of the fertilizer shortage

Both Mr. Ahalt and Dr. Douglas stated that there is a shortage of fertilizer (Tr. 525, 635). Mr. Ahalt states that, barring bad weather in 1975, America's needs for food will be met in the coming year in spite of the fertilizer shortage (Tr. 529), although the twenty percent reduction in feed supplies last year (caused largely by bad weather) have raised prices of feed and have caused people in the livestock business to liquidate (Tr. 528). Any additional losses in food production could lead to rising food prices (Tr. 572).

Under current levels of curtailment, USS–Cherokee expects to lose 44,000 more tons of ammonia production than they lost last year (Tr. 644). Mr. Ahalt states that a 100,000 ton loss of fertilizer production in the Southeast U.S. represents 10% of that region's use of fertilizer (Tr. 494), and would result in a 23% reduction in corn production in the region and a 2% reduction in both cotton and tobacco (Tr. 495). Nationally a loss of 100,000 tons of nitrogen translates into 50 to 75 million bushels of corn (Tr. 495), about one quarter of a billion dollars worth of corn at the price of $3.60 per Bu. (Tr. 495), or about one fifth of a billion dollars at current prices.

If the nationwide shortfall of fertilizer reaches 500,000 tons, the minimum projection of Witnesses Ahalt and Douglas, it could affect corn production nationwide by 5 percent (Tr. 495). Dr. Douglas states that one ton of anhydrous ammonia will lead to an increase yield of eight tons of grain (Tr. 568).

Mr. Ahalt pointed out that exports of fertilizer and of the crops they help to produce helped to reduce this country's trade deficit in 1974, by $10.9 to $2.7 billion (Tr. 497). He fears that a further loss of fertilizer production would exacerbate already difficult trade, inflation and energy problems which we are trying to solve (Tr. 497).

Distribution and end use of USS–Cherokee's end product

Mr. Henderson stated that in 1974 USS produced 163,800 tons of ammonia at Cherokee, which together with the 6570 tons of opening inventory meant that 170,370 tons were available for shipment (Tr. 663). Of that amount 165,015 tons of ammonia were used in end products or for direct shipments. The 165,015 tons of ammonia permitted USS–Cherokee to ship 487,096 tons of end product to market (Tr. 663, Exhibit No. 9, page 1).

The 165,015 tons of ammonia shipped from Cherokee as various end products wound up as follows:

End use	Tons	Percent of total
Turf and garden	715	0.4
Export (as diammonium phosphate)	5,300	3.2
Industrial sales	7,388	4.5
Fertilizer sales	151,612	91.9
Total	165,015	100.0

Breakdowns of the industrial and agricultural uses of ammonia produced at Cherokee were given in Exhibit No. 9 at pages 3 and 5 respectively. They are given below:

Ammonia industrial uses—Cherokee shipments

End use category	*Tons*
Curing Agent—Fiberglass and Rubber	103
Corrosion Resistant Additive	75
Refrigeration	1,776
Ph Control for Ore Processing	995
Waste Treatment	417
Develop Engineering Blueprints	224
Flameproofing	345
Metal Treating	1,185
Firing Ceramics for Auto Emission Divs	157
Nuclear Fuel Refining	336
Synthetic Textiles Production	300
Health Product Manufacturing	554
Municipal Water Treatment	13
Cable, Electronics Communications	908
Total	7,388

CHEROKEE AMMONIA: ESTIMATED NITROGEN FERTILIZER USE BY CROPS—1974

[Tons of anhydrous ammonia]

Crop	Amount	Percent of total
Corn	69,604	46
Cotton	9,730	6
Soybeans	5,108	3
Wheat	9,537	6
Tobacco	3,354	2
Peanuts	1,089	1
Pasture and hay	20,833	14
Potatoes	1,699	1
Small grains	6,561	4
Fruits and vegetables	5,458	4
Onions	176	0
Others	1,107	1
Rice	2,515	2
Sugar beets	923	1
Milo	6,350	4
Crops unknown (wholesale)	7,532	5
Total	151,612	100

Page 4 of Exhibit No. 9 contains a map of the Continental attached hereto as appendix A. Mr. Henderson testified that ammonia produced at Cherokee is sold in every sales district except Salt Lake City (all of the U.S. west of the Great Plains). He further stated that most of the agricultural products are sold in the nearby (to Cherokee) districts of Columbus, Albany, Columbia, Greensboro, Nashville, Memphis and Jeffersonville in the South, Southeastern and Midwestern United States (Tr. 664).

Curtailments of natural gas

USS has contracts for the following volumes of natural gas:

North Alabama (from TETCO): 14,800 Mcf/day firm.

North Alabama (from Tennessee Gas Pipeline Company): 2,000 Mcf/day firm.

Alabama-Tennessee Natural Gas Company: 1,500 Mcf/day firm.

Total firm contracts: 18,300 Mcf/day firm.

Alabama-Tennessee Natural Gas Company: 3,500 Mcf/day interruptible.

Total contract: 21,800 Mcf/day (Tr. 814).

On a daily basis USS is receiving and expects to receive the following volumes:

Month	North Alabama TGP MCF	North Alabama Tex. ea. MCF	Alabama-Tennessee Firm MCF	Alabama-Tennessee Int. MCF	Total MCF
January	2,000	2,784	1,123	0	5,907
February	2,000	2,915	1,139	0	6,054
March	0	7,222	1,259	0	8,481
April	2,000	9,590	1,500	731	13,821
May	2,000	12,588	1,500	805	16,893
June	2,000	12,688	1,500	784	16,972
July	2,000	13,220	1,500	810	17,530
August	2,000	13,488	1,500	821	17,729
September	2,000	-------	1,500	780	-------
October	2,000	-------	1,500	746	-------

USS-Cherokee requirements for natural gas

USS claims that it requires 17,623 Mcf per day for feedstock and process use to achieve the plant's maximum output of 530 tons per day of ammonia (Tr. 814, 856). Output is at its maximum during the Winter when ambient air and water temperatures are coldest (Tr. 857, 860). Thus peak production and peak requirements occur when gas is least available (Tr. 860). Witness Cramer claims the plant can operate at peak output about 30 days a year (Tr. 856). The rest of the time, the plant can operate with less than 17,623 Mcf per day (Tr. 857).

Mr. Cramer stated that average output of the plant, assuming available natural gas, is between 515 and 520 Mcf per day (Tr. 857). The plant operates seven days a week and about 345 days per year (Tr. 859), allowing for 20 days of lost time for various reasons (Tr. 859).

The feasibility of constructing storage facilities or of obtaining alternate gas supply

Based on the projected natural gas supply to the plant, shown above, and on the requirements of the plant, Mr. Cramer stated that USS will receive virtually no gas which it could store for later use. Some excess gas would be available during May through August, but that excess would amount, in total, to only three days' supply (Tr. 817). USS has no natural gas available to it from any sources which it could store (Tr. 820), and knows of no gas available for purchase (Tr. 820). Mr. Cramer stated that if the company finds available storage, it will arrange to store any available quantities, and that if no storage is available, it will use whatever excess gas can be found and back off on its takes from TETCO (Tr. 820).

An LNG facility for Cherokee would cost several million dollars, and without an assured source of gas supply USS would not undertake to construct such facilities (Tr. 820). USS states that it has contacted many companies in the hopes of procuring LNG or SNG, but has been unable to contract for any supplies (Tr. 820). It would be impractical to store significant volumes of natural gas without a liquifaction plant (Tr. 820).

USS-Cherokee is supplied by both Tennessee Gas Pipeline Company and Alabama-Tennessee Natural Gas Company in addition to Texas Eastern, but it has only petitioned for relief from Texas Eastern even though it is being curtailed by all three of its suppliers. USS has not yet decided whether to petition Tennessee or Alabama-Tennessee (Tr. 698).

Conversion of process use to fuel oil

It is possible to convert the reformer section of the USS plant at Cherokee in order to burn No. 2 fuel oil instead of natural gas. Mr. James Finneran of M. W. Kellog Company, designers of the Cherokee plant, appearing on behalf of North Alabama, stated that the conversion would be more difficult than he had earlier anticipated, but that it could be done (Tr. 734). Mr. Finneran stated in his prepared direct testimony that only low sulfur oil having a sulfur content of less than .1% could be used (Tr. 733). He stated that if oil containing a higher concentration of sulfur were used, the SO_2 and SO_3 in the combustion gases would combine with water vapor in the combustion gases to form sulfurous and sulfuric acids, which would then condense on and corrode steel tubes (coils) in the convection banks where energy is transferred to other parts of the plant (Tr. 733–4). The acids condense on the steel coils because water, the heat transfer medium, inside the coils is at 200°F when it enters the reformer (Tr. 733–4).

On cross examination, Mr. Finneran stated that the condensation and corrosion problems could be eliminated if the temperature of the water in the convection coils were raised from 200° to 300°F (Tr. 736). This could be done by preheating the water in the coils with a supplemental source of energy which would require the Btu equivalent of 550 Mcf per day (Tr. 756, 765, 767). This would allow typical No. 2 fuel oil, as opposed to low sulfur oil, to be used for process requirements. The supplemental energy could be provided by No. 2 fuel oil (Tr. 767).

No. 2 fuel oil in the Southeastern U.S. has a sulfur content ranging between .15 and .49% (Tr. 930). Mr. Calvin Showalter, testifying for North Alabama, believes USS can probably obtain sufficient quantities of No. 2 fuel oil to operate at full capacity if a conversion of process use to fuel oil is made (Tr. 927).

Mr. Finneran stated that nickel and vanadium concentrations in No. 2 fuel oil would not cause problems should the Cherokee plant be converted. Concentrations of these metals are low in U.S. crude oil, and the process of manufacturing No. 2 fuel oil removes these metals even if they are present in the crude oil (Tr. 791–2).

In his prepared testimony, Mr. Finneran states that the feasibility of converting the plant at Cherokee to use fuel oil for process purposes was lessened by the fact that the plant had a remaining useful life of only six to seven years (Tr. 736). Based on cross examination it was learned that the life of the Cherokee plant was only a statistical estimate based on the life of similar plant (Tr. 788).

No studies have been made of the Cherokee plant to reach an estimate of remaining useful life (Tr. 788). Mr. Finneran stated that the lifetime of a plant is determined primarily by economic considerations, not because they fall apart (Tr. 790). It is "the general forces of competition" which eventually force a plant to close as newer and more efficient plants are designed (Tr. 788). Mr. Finneran stated that high fertilizer prices, such as presently exist, would tend to extend the life of a plant so long as the high prices were not simply the result of higher costs (Tr. 791).

Mr. Cramer presented as Exhibit No. 11 an estimate of increased operating costs USS would encounter if the process use at Cherokee were converted to oil. The exhibit indicated that the total increase in annual operating expenses would be $4,133,000.

Staff attempted to explore the impact of conversion on the profitability of the Cherokee plant with Witnesses Henderson and Cramer in order to see how burdensome the conversion would be, but the witnesses and their counsel declined to respond to any detailed questions along those lines. (Tr. 716–889), and the Presiding Judge did not direct the witnesses to answer (Tr. 720, 889). Mr. Henderson cheerfully volunteered that profits would be lowered by the amount of the increased costs (Tr. 720), but neither Mr. Henderson nor Mr. Cramer could say whether the Cherokee plant could operate at a profit if it converted process use from natural gas to No. 2 fuel oil (Tr. 722–23, 892). Mr. Henderson stated that the market situation one to two years from now, when conversion was completed, would determine the profitability of operating with oil, and that USS has not yet made an evaluation of the market prospects for 1977 (Tr. 722–23).

Mr. Cramer agreed that, using his figures for increased operating expenses, it would cost about $24 more to make one ton of ammonia using fuel oil for process fuel than it would cost using natural gas (Tr. 893). Mr. Cramer and Mr. Douglas had no opinion on whether USS could pass the extra costs on to its customers (Tr. 894, 636); Mr. Henderson stated that USS could not pass on those costs (Tr. 895). He said that although there is a shortage of fertilizer now, a company that raised its prices to non-competitive levels would, in the long term, lose its customers (Tr. 895).

Other ammonia plants may have to ultimately convert to oil, however, since interstate pipelines supply 45.1% of the firm gas used by ammonia plants and 74.8% of their interruptible volumes (Tr. 896).

Mr. Ahalt stated that the price of fertilizer both domestically and on the world market, would probably not drop over the next several years (Tr. 878). Mr. Douglas believes that the price may continue to rise, at least for the next year, but at a slower rate than in the past (Tr. 635).

Texas Eastern's curtailment plan

Counsel for North Alabama and Texas Eastern stipulated that the total volumes shown in end use data on which Texas Eastern relies to implement its curtailment plan are 94,766,630 dekatherms less than the total annual entitlements shown in Texas Eastern's tariff (Tr. 555). Thus on an annual basis, 94,766,630 dekatherms are not listed under any of Texas Eastern's 9 priorities (Tr. 555).

DISCUSSION AND CONCLUSIONS OF FACT

It is clear that demand for fertilizer in the United States and in the world exceeds supply. Mr. Ahalt and Dr. Douglas are two of the leading experts in Government on the fertilizer situation. Although both men confess that the many complicated factors of supply and demand make accurate estimates of the shortfall for fiscal 1975 difficult, they both agree that the shortage will be severe. Cross examination of both men illuminated the many interrelated factors which could alleviate or exacerbate the shortage, and it seems clear to Staff that the best projection which can be made at this time is for a continued shortage of fertilizer.

The fertilizer shortage will probably not result in starvation for the American people, but it will result in higher prices for grain and beef, aggravating inflation at home and hurting producers of livestock. The fertilizer shortage also means that America will have to import more fertilizer than it now does while it exports less. Exports of grains will also decrease, worsening this country's trade deficit.

Almost 92 percent of the ammonia produced at Cherokee is used in agriculture, and more than 90 per cent of that amount is used on food crops.

In order to operate at peak capacity, the Cherokee plant requires up to 17,623 Mcf per day for feedstock and process use alone. This figure is slightly lower in warm weather when the plant's capacity is reduced.

The current projections of natural gas supply furnished by Texas Eastern, Tennessee and Alabama-Tennessee indicate that, at least for the coming year, USS will not receive, at any time, significantly more gas than it needs to meet full feedstock and process requirements. Only during the period May through August will the plant receive enough to operate at full capacity. There is no reason to believe, based on the record in this proceeding, that the natural gas supply situation will improve in the next several years.[3] Texas Eastern did not present a witness at the hearing.

There is no doubt that the Cherokee plant can be converted to use No. 2 oil for process fuel. There is no technical bar to this conversion, and No. 2 oil should be available in sufficient quantities to permit the plant to operate at capacity.

The Commission should focus on two issues regarding conversion. First, it involves a rather large initial expenditure, and high operating expenses thereafter, for a plant which may be nearing the end of its useful life. Second, it probably requires that the plant use additional energy to preheat the water in the convection coils. The increase required would represent about 3 percent of the energy presently consumed at the plant.

On the first point, Staff believes that USS should be required to convert its Cherokee plant to use No. 2 fuel oil as process fuel because the present high price for fertilizer (2½ times what it was 15 months ago)

[3] Mr. Cramer indicated that in December, 1974, he was told by officials of TETCO that the gas supply situation next year would probably not be much worse than this year, but he couldn't be sure what TETCO may have told him about the next several years (Tr. 868).

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would easily support such a conversion. If USS installs dual fuel burners when it converts the plant, operating costs should be less than those estimated by Mr. Cramer, since natural gas could be used when it was available (Tr. 846). USS presented no evidence to show that it could not operate profitably even using Mr. Cramer's estimate of expenses. In addition, the high price of fertilizer should operate to extend the useful life of the plant.

With regard to the second point raised above, conversion of the process use should be required even though it may lead to an increase in the energy consumed at the plant. Staff reaches this conclusion because the supply situation of Texas Eastern, USS-Cherokee's major supplier is very bad.

Texas Eastern calculates its level of curtailment from end-use data submitted by its customers between May and September, 1973, for the 12 months ending April, 1973. These data are compiled in Exhibit No. 5–G in Docket Nos. RP71–130, *et al.*, which is Item A by Reference in this proceeding.

Texas Eastern is currently curtailing at a rate of 700,000 Dth per day. To calculate the level of end-use curtailment on its system, TETCO goes to Item by Reference A. Looking at January, 1975, we would turn to page 22 of 56 of that document. TETCO adds the volumes on the last line of the page, starting with priority 9 until it reaches 21,700,000 Dth (31×700,000 Dth). This takes TETCO into 3.95% of priority one. If all of the sales made by TETCO's customers during the base year were listed in Item by Reference A, TETCO's calculated curtailment might actually represent its true curtailment, but that is not the case. TETCO was curtailing during the base period, and, therefore, not all of its customers' requirements are reflected in the end use data, because many customers passed on TETCO's curtailment. TETCO curtails its customers by subtracting its calculated daily curtailments from the contract Maximum Daily Quantity (MDQ) of each customer. The MDQ level of service exceeds, on a monthly basis, the level of sales reported in the end-use data by the amount of curtailment passed on to customers during the base year.

One effect of TETCO's curtailment implementation is easy to see. Even though TETCO is calculating curtailment into priority one, North Alabama, which reports only priority two volumes, is still receving 2784 Mcf per day from TETCO. This is because the sales reported by North Alabama on Item by Reference A do not represent its requirements. North Alabama was curtailed by 2784 Mcf per day by TETCO in January, 1973. Now TETCO deducts all of North Alabama's *reported* sales for January, 1973 from North Alabama's MDQ and it leaves North Alabama with 2784 Mcf per day. This is not only true of North Alabama, but of many other customers on the system who may serve any of the lower priorities.[4]

Because TETCO calculates curtailment from incomplete data, and because volumes are available for lower priorities, TETCO is calculating curtailment deeper than it has to. TETCO has enough gas to serve all priority one, and some lower priority gas even though it is calculating curtailment into priority one.

This leaves the Commission with a serious problem of drafting relief in such a fashion as to avoid cutting off relief unnecessarily when *calculated, but not actual*, curtailment reaches priority one.

Staff tried to point out these problems for the Commission in its briefs of May 20 and June 28, 1974, filed in Docket Nos. RP71–130, *et al.*, but in its Opinion No. 714, the Commission took no steps to remedy the situation. Staff now requests the Commission to give renewed consideration to its suggestions made in those briefs.

North Alabama has altered its position from that stated in its initial pleadings. It now requests that the Commission order Texas Eastern to deliver sufficient volumes to allow NAGD to serve USS with up to 17,623 Mcf per day, but in no event should TETCO be required to deliver more than 14,800 Mcf per day, its contract volumes, to NAGD. USS requests the relief for an indefinite length of time.

ARGUMENT

1. *The Commission Should Require TETCO to Supply North Alabama With Sufficient Volumes to Enable USS to Meet its Feedstock Requirements.*

North Alabama, USS and Mr. Ahalt have shown that fertilizer is in short supply and that it is in the national interest to alleviate the shortage to the fullest extent possible. Since it has been shown, in the earlier hearings, that the plant cannot be converted to use any feedstock other than propane, USS should receive sufficient gas to meet its feedstock requirements for the production of ammonia.

2. *USS Should Be Required to Convert the Cherokee Plant to Allow the Use of No. 2 Fuel Oil as Process Fuel.*

The record shows that converting the Cherokee Plant to use oil as a process fuel is feasible, and that sufficient No. 2 fuel oil is probably available.

Only economic considerations have prevented USS from making these conversions until now. USS has failed to prove that the economic burden of conversion is too heavy. It withheld evidence which might have permitted that conclusion to be reached. In view of the supply situation of TETCO's system, USS should be required to convert within 13 months of a Commission order.[5] The Commission should require North Alabama to file monthly reports describing the progress made in converting the plant.

3. *The Commission Should Provide Temporary Relief to USS for its Process Requirements Pending the Completion of the Plant's Conversion.*

The need for fertilizer is great enough to warrant this temporary relief for USS, so that they can produce fertilizer at full capacity while the conversion of the plant is being carried out. Of course, once the plant is converted, relief for process requirements should be halted, and USS should receive relief volumes only for its feedstock requirements.

4. *Relief Should Be Limited to Reflect the Volumes USS Has Failed to Seek From its Other Suppliers.*

In order to reduce Texas Eastern's exposure and protect its customers, the Commission should reduce the maximum relief available to USS by the volumes which USS' other pipeline suppliers are curtailing USS. This reduction should be made from North Alabama's contract level of service with TETCO. Thus the maximum relief TETCO should supply would not be 14,800 Mcf per day, but a lower figure whenever USS' other suppliers are curtailing.

5. *USS Should Be Required to Pay Back Relief Volumes Taken Whenever it Can Otherwise Meet its Minimum Requirements for Natural Gas*

USS should be required to pay back to TETCO all relief volumes taken whenever it obtains, from all its suppliers, volumes of natural gas in excess of its minimum requirements. For these purposes, minimum requirements should be defined as feedstock requirements and, prior to conversion process requirements also. Of course, all relief should be halted when the plant is not operating.

6. *The Commission Should Frame Relief in Such a Manner as Will Protect Priority One Requirements and Will, at the Same Time Permit Relief to Continue until Texas Eastern Is Actually Curtailing into Priority One.*

As we noted above, inherent flaws in Texas Eastern's implementation of curtailment make framing relief difficult. Texas Eastern calculates curtailment into priority one even though lower priority loads are definitely being served. To cut off relief whenever Texas Eastern calculates curtailment into priority one is to cut off relief unnecessarily (Texas Eastern has calculated curtailment into priority one during December, 1974, and January, 1975. It is now doing so in February, 1975) and nullify the relief granted on an arbitrary basis. The Commission should place the burden on TETCO to show when it is actually curtailing into priority one on a daily basis before relief is cut off.

Staff suggests, in the alternative, that the Commission order TETCO to implement its curtailment on the basis of the new data collected in the proceedings in Docket Nos. RP71–130, *et al.* which should fill the data gap, that is, those volumes actually curtailed during the base period. As a further alternative, the Commission may wish to reconsider Staff's suggestion to order TETCO to file a study showing the impact of implementing curtailment in the manner suggested by Columbia Gas Transmission Corporation in its motion of November 9, 1973 filed in Docket Nos. RP71–130, *et al.*

CONCLUSION

For the reasons stated above, the Commission should grant North Alabama's petition with the limitations and conditions suggested by Staff.

Respectfully submited.

LOREN I. GLASSMAN,
Commission Staff Counsel.

WASHINGTON, D.C., *February 3, 1975.*

[Before the Federal Power Commission,
Docket No. RP74–39–8]

TEXAS EASTERN TRANSMISSION CORPORATION (NORTH ALABAMA GAS DISTRICT)—REPLY BRIEF OF THE COMMISSION STAFF FOLLOWING REHEARING

INTRODUCTION

This brief is submitted pursuant to Ordering Paragraph G of the Commission's order, issued in these proceedings on December 20, 1974. In that order, the Commission directed that reply briefs be filed within seventeen days of the completion of the hearing.

Staff replies, herein, to the arguments advanced by the other parties in the proceeding.

ARGUMENT

(1) *The Record Demonstrates That There Will Be a Shortage of Fertilizer for at Least the Coming Year.*

Con Edison focuses in its initial brief on North Alabama Gas District's (North Alabama) claim that fertilizer is in short supply, and that it is in the national interest to maximize fertilizer production.

Witnesses Ahalt and Douglas both stated that the fertilizer shortage would be as severe or more severe in fiscal year 1975 than it was in fiscal 1974. (Tr. 540, 570) Con Edison attacks the testimony of both men by choosing carefully among the facts developed in the hearing record, stating only those which support its position and, at the same time, ignoring many of the relevant facts which must be considered.

Con Edison cites Mr. Ahalt's testimony (Tr. 495) that fertilizer production was expected to rise by 6% this year. It ignores the witness' later testimony that the 6% figure was reached assuming no curtailments of natural gas, and that curtailments would lower his projection. (Tr. 541) Mr. Ahalt testified that at least three ammonia plants were operating at reduced loads or were entirely inoperative due to curtailments. (Tr. 490, 493) Con Edison also ignores Mr. Ahalt's projection that acres in agricultural production in 1975 are expected to increase by 2.5–3% over last year.

Con Edison stated that a discussion of the relationship between fertilizer application rates and the prices of fertilizer and crops was "strikingly absent" from the direct testimony of Mr. Ahalt and Dr. Douglas. Con Edison fails to state that both men underwent extensive cross examination on the subject (largely at the hands of its own attorney). What emerged from that cross examination is not fully represented in Con Edison's brief. Mr. Ahalt stated that a fall in the price of grain, assuming no change in the price of fertilizer, would represent a weakening in demand. (Tr. 498) Two pages later he stated that grain prices have declined (from past highs), but are still high enough to cover variable costs in 1975. He went on to state that "In the short run, farmers will plant these commodities as long as they can cover their variable costs." (Tr. 500)

Con Edison next discusses Dr. Douglas' testimony in order to show that fertilizer application rates will drop in 1975. Dr. Douglas stated that in 1974, farmers had to trade 60 bushels of corn for one ton of fertilizer. (Tr. 585) He stated that application rates would decline if the farmer had to pay 70–80 bushels of corn per ton of ammonium nitrate fertilizer. (Tr. 586) At current prices, $3.00 per bushel for corn (Tr. 546) and about $195 per ton of ammonium nitrate to the farmer (TR. 587), the farmer is currently trading 65 bushels of corn for one ton of ammonium nitrate. This is not likely to cause a serious decline in application rates according to Dr. Douglas.

Con Edison next addresses the elasticity of demand for fertilizer as a function of the nation's economy. It shows that fertilizer application rates dipped slightly (about 4%) in 1971, during a mild recession, and then increased in 1972, during better times. What these figures show is uncertain, at best. In 1971, this country had a large surplus of grains. Now reserves are the lowest since World War II. In 1971, farmers were still being encouraged not to grow crops. The Russian wheat deal in 1972 changed this nation's policies on agricultural production. Now farmers are encouraged to grow as much as they can, to reach full production.

Finally Con Edison asks the Commission to take judicial notice of the "Heard on the Street" column in The Wall Street Journal of January 31, 1975. Con Edison is hereby making a last-minute attempt to introduce evidence that demand for fertilizer may decline.

Staff vigorously objects to Con Edison's request that judicial notice of the "Heard on the Street" column be taken by this Commission. Con Edison's assertion that "This concern is a matter of general knowledge," clearly misses the mark. Conceding, arguendo, that the "concern" is general, it can be safely stated that the contents of the article and the conclusions reached therein are not even arguably general knowledge. In *U.S.* v. *Ricciardi*, 357 F. 2d 91, 97 (2d Cir. 1966), cited by Con Edison, the court stated that judges, as a matter of law, may take notice of matters which are "obvious and indisputable." Clearly a reporter's speculation about future fertilizer shortfall is neither obvious nor indisputable.

If Con Edison wanted to present evidence that fertilizer will be in short supply in 1975, they should have presented a witness to testify to that effect so that he, like Mr. Ahalt and Dr. Douglas could be cross examined by the parties. Staff urges the Commission to ignore the article tendered by Con Edison.

Con Edison shows that if relief is denied, and if USS-Agri-Chemicals (USS) closes its Cherokee plant for its annual turnaround in March, it will only lose 15,000 tons of ammonia production this Spring. It fails to account for the lost production suffered since November 26, 1974, when temporary relief ended. Nor does Con Edison mention that losses in production will occur again next year.

Staff agrees with Con Edison that the financial integrity of the country may not hinge on the USS operations at Cherokee. We think, however, that Con Edison's arguments, however long and elaborate they may be, are unconvincing with regard to the nature of the fertilizer shortage. Staff repeats its own argument that, while accurate projections are difficult, the record indicates that fertilizer will continue to be in short supply.

Algonquin Gas Transmission Company (Algonquin) argues that the fertilizer shortage could be cured, or at least alleviated, if only Americans wouldn't waste fertilizers on non-agricultural applications. Algonquin states:

"If the Commission is concerned that the curtailment of natural gas may have a detrimental effect on food production in this country, as such curtailment affects the production of nitrogen fertilizer, it should be concerned with the fact that 5 to 7 per cent of that fertilizer is used, not for food production, but for lawn and turf care." (Br. 11)

Algonquin goes on to characterize the "lawn and turf care" as a "cosmetic" use of fertilizer. (Br. 12)

Staff is incredulous that Algonquin could make this utterly nonsensical argument after having attended the same hearing we did. Algonquin took the 5 to 7 per cent figure from Mr. Ahalt and then, apparently, ignored everything else he said while on the witness stand. Algonquin ignored Mr. Ahalt's explanation that fertilizers used for lawn care were low analysis fertilizers, containing much less nitrogen than agricultural fertilizers. (Tr. 509) So while 5 to 7 per cent of the nation's fertilizers may be used on non-agricultural products, a much smaller amount of the nation's nitrogen is so used.

Algonquin's assertion that lawn care is merely cosmetic is misleading and false. Many non-agricultural uses are highly essential, Large amounts of non-agricultural fertilizers are used in highway median strips and between airport runways to prevent erosion. (Tr. 535) Can Algonquin mean to suggest that we should permit our interstate highway system to erode away or that we should turn our airports into dust bowls? (Tr. 535) As further evidence of how essential these uses are, Mr. Ahalt cited that demand for these products is inelastic with respect to price. (Tr. 535). He stated that "you cannot cut back on [highway] usage for very long."

Mr. Ahalt stated on several occasions that if a policy decision were made to divert fertilizer from non-agricultural uses to agricultural uses, it would not cure the fertilizer shortage, but would probably cause frustration. (Tr. 523)

Bay State, *et al.*, tells the Commission that "North Alabama's almost total reliance on the additional testimony on the social utility of Ag-Chem's product as a basis for extraordinary relief is misplaced and of little value in this proceeding." Bay State relies, for its conclusion, on the text of the last full paragraph on page 4 of the Commission's order of December 20, 1974, in these proceedings. If Bay State had read just two paragraphs further down the page (page 5) it would have seen that the Commission directed North Alabama to produce evidence on five issues. The second and third issues are, respectively, "The use of Ag-Chem's end product . . ." and "available evidence on the current and projected fertilizer shortage." See also Ordering Paragraph D of the same order.

(2) *Staff Believes, That In The Context Of An Extraordinary Relief Proceeding, The Commission Should Consider The Social Utility Of The End Product.*

Bay State and General Motors both argue that the Commission should not consider the social utility of end products, e.g., fertilizer, in considering a petition for extraordinary relief. Staff believes that Bay State and GM are asking the Commission to blind itself to an important factor in deciding whether or not to grant relief. Furthermore, the Commission has recognized, in many cases, that the social utility of a product is a major factor in a relief proceeding.[1]

Staff recognizes that the social utility of the end product should not be a consideration in the design of a pipeline's curtailment program. The Commission has, of course, adopted this position in its Statements of Policy issued in Docket No. R–469. It did so once again in its "Findings and Order After Rule Making" issued in Docket No. RM74–14 on July 16, 1974, in which it declined to create a special priority for fertilizer producers. If special priorities were created in pipelines' curtailment plans on the basis of the social utility of end products, the Commission would have to sit in judgment on every product produced in this country.

In the context of an extraordinary relief proceeding, however, the Commission should not ignore social utility considerations. Staff is not saying that social utility of the end product is necessarily the most important factor, or the only factor, but it is a major element to be considered. In these cases, where the Commission may exercise a great deal of discretion, it need not entangle itself in a mass evaluation of American industrial production. But it may take notice of an acute shortage of a particular product, and act to remedy that shortage where it appears that failure to do so would have severe social or economic impact. Insofar as the Natural Gas Act requires the Commission to regulate in the public interest, the Commission should not ignore social utility considerations.

(3) *The Record Clearly Demonstrates That The USS Cherokee Plant Can Be Converted To Permit The Use of No. 2 Fuel Oil As Process Fuel*

North Alabama and USS continue to take the position, wholly contrary to the record, that it is infeasible to convert the Cherokee Plant to permit the use of No. 2 fuel oil as process fuel. Staff has discussed this issue extensively in its Initial Brief Following Rehearing (Br. 12–14) and will discuss this point only briefly at this time.

The record shows that the reformer section of the plant can be converted to use No. 2 fuel oil as process fuel. (Tr. 734) If the plant is further modified to raise the temperature of water in the convection coils, the use of regular No. 2 fuel oil, as opposed to low sulfur oil, is permissible for process fuel. (Tr. 736) The water could be heated with No. 2 fuel oil, and would require that an additional amount of energy (equivalent to 550 Mcf per day) be consumed at the plant. (Tr. 756, 765, 767)

Frankly, Staff is not sure what North Ala-

[1] Carnegie Natural Gas Company is experiencing similar problems in Docket No. RP74–39–3.

[5] Witness Showalter testified that an oil storage tank could be installed in thirteen months (Tr. 914). This is the longest lead time involved in the conversion.

[1] See *Florida Gas Transmission Company*, Docket No. RP74–50–1 *et al.*, Order on Petitions for Relief from Curtailment, issued December 9, 1974; *Panhandle Eastern Pipe Line Company*, Docket Nos. RP71–119 and RP74–31–22, Order Denying Motion to Amend Order, issued January 10, 1975; *Alabama-Tennessee Natural Gas Company (Tennessee Valley Authority)*, Docket No. RP75–44–2, orders of January 17, 1975 and February 3, 1975; *United Gas Pipeline Company (Vicksburg Chemical Company)*, Docket No. RP74–37–2, order issued October 17, 1974.

bama and USS mean when they say that conversion is infeasible. Certainly conversion is possible, and though conversion may reduce USS' profits, *there is no evidence on this record to indicate that USS could not operate profitably following conversion.* USS was asked to produce evidence of profitability, but declined, on at least three occasions, to do so. (Tr. 671, 716, 889).

Staff concedes that preheating water in the convection banks may require the consumption of 3% additional energy at the plant. But this modification will permit the plant to reduce its takes of natural gas by about 40%, its full process requirements. Staff believes that the serious and ever deepening curtailments by Texas Eastern require that the conversion be made.

GM argues (at Br. 16) that USS should receive no relief volumes other than those required for feedstock because of USS' "unreasonable delay" in converting the plant. Staff disagrees with GM. North Alabama has a right to seek relief from this Commission, and has a right to have the Commission determine whether conversion of the plant will be required as a condition of that relief. Based on the record, Staff does not believe that North Alabama or USS have been frivolous or unreasonably dilatory. USS should not be penalized for seeking its "day in court."

(4) *North Alabama And USS Should Not Be Penalized For The Failure Of Their Suppliers To Make Long Term Projections Of Curtailments*

Bay State asserts that because USS and North Alabama failed to show projections of natural gas deliveries beyond August 1975, relief beyond that date cannot be considered. Texas Eastern's current Form 16 includes projections only through August 31, 1975. It would not be proper to penalize USS for its failure to show figures that it cannot obtain.

The Commission may wish to provide that the record be reopened periodically to receive information relating to future gas supply.

GM questions the wisdom of granting relief for periods of more than one year. They claim that the supply situation of the TETCO system is so uncertain that relief should terminate at 12:01 a.m., on November 16, 1975, the beginning of the 1975–1976 winter heating season.

Staff believes that relief for feedstock volumes should be permanent, *i.e.*, for the life of the plant. Relief for process use should be terminated upon conversion of the primary reformer. The Commission can guard against the hazards noted by GM periodically reopening the record to receive gas supply information.

CONCLUSION

For the reasons stated above, the Commission should adopt the positions taken by Staff in its Initial Brief Following Rehearing. North Alabama's petition for extraordinary relief should be conditionally granted as proposed by the Staff.

Respectfully submitted.

LOREN I. GLASSMAN,
Commission Staff Counsel.

WASHINGTON, D.C., *February 10, 1975.*

ESTABLISHING A TWO-PARTY SYSTEM

Mr. MCCLURE. Mr. President, February 14 was Valentine's Day, and the senior Senator from North Carolina (Mr. HELMS) had something special to give the Nation. It came in the form of a speech that night before the Conservative Political Action Conference.

His theme was an old one—freedom, responsibility, and the two-party system—but his thoughts were refreshingly new. It is Senator HELMS' contention that the two major parties no longer stand for well-defined principles as they once did. Of the Republicans, he remarks:

The Party is out of tune with the rank and file membership and out of tune with the growing conservative majority.

That is really a very important point and I think it is a far better explanation than Watergate for the continual decline in the number of those who go to the polls. As I recall, we were told that the 27 million who supported Senator GOLDWATER in 1964 constituted "a disaster," whereas 10 years later the 24 million who supported liberal Democrat candidates are considered a mandate.

The explanation more logically lies in the fact those those who believe in less Government interference in their lives feel they have no real political home anymore. There is a strong need for reaffirmation of those conservative principles within the Republican Party. Or, as Senator HELMS put it:

Let's go back to the two-party system.

I guess both parties have been going through some soul-searching in recent weeks. For all of us, regardless of the philosophy that guides us, Senator HELMS' speech cuts through all of the rhetoric and goes to the heart of the matter. The scholarly analysis of political trends should be studied carefully by every person interested in our body politic. His statement is as timely as any news story of the day, and as timeless as any political document in recent memory. It is a privilege to ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

LET'S GO BACK TO THE TWO-PARTY SYSTEM

Almost a year ago, I had the privilege of speaking at a gathering similar to this—a gathering of men and women dedicated to the future of this nation and the principles that made it great. Some of you, I know, were at that meeting to join in paying tribute to the distinguished American patriot, Dean Clarence Manion. At that time, I raised a question—I raised it in a tentative way for comment and discussion. I asked whether it was not time for a realignment of our political parties into a liberal party and a conservative party.

I was, of course, using a lower case "l" and a lower case "c." I do not know—in fact, it is not of primary importance—what these parties would be called. They might continue to be called Republican and Democrat, or new names might arise. But what I was talking about was the injection of new life into our political system through the realignment of political action into philosophically consistent parties.

Some people have inferred that I was proposing the organization of a third party—or, at least, an additional party inasmuch as the American Party is very much a political force in our nation today. Certainly, I am not one to discount the dedicated efforts and remarkable impact of those who march under that banner.

My view of political parties, and how many there are, raises the question of whether they should not be constructed around principles and philosophies. In that light, I think that what I am am really proposing is that we go back to the two-party system.

Historically, it has always been considered that the Republican Party began as a third party movement. But we know that changing conditions had already brought about the demise of the Whig Party long before the Whigs had ceased to elect candidates to office. The Whig Party was dead, even though it was still winning elections. When the Republican Party arrived on the scene, the Whig Party disappeared. Most of the Whig politicians who remained active, became Republicans.

I am reminded of the accounts we received some years ago of the archeologists who opened an ancient tomb in Outer Mongolia to find a body, thousands of years old, in an apparent perfect state of preservation. But as they stood there around the richly gilded corpse, the fresh air poured into the open tomb and they watched in horror as the mummy disintegrated into dust before their very eyes.

As we look back at the 1974 elections, I think it's a fair question to consider honestly and objectively: Is it time to open the tomb and let in some fresh air?

I acknowledge that the metaphor is perhaps overdrawn. On the other hand, what if it isn't? In any event, let us look at some truths about American politics.

Traditionally, our parties were based on sectional interests—interests that were not merely economic, but philosophical as well. The party candidates which a voter selected were more often correlated with the voter's geographic location than with any other factor. Because of this homogeneity of the social systems in the various sections, the voters did not have to think about issues very deeply to get a man and a party generally representative of their interests.

But as we know, economic issues became a major factor with the advent of the great depression. Franklin Delano Roosevelt, by using the economic issue in the north and the West, and combining it with the geographic tradition of the South, was able to put together a social coalition that has had a profound impact upon modern life ever since.

The success of the philosophy of offering a helping hand to those who deserved help quickly led politicians to see the potential of also giving hand-outs to those who didn't need help. The result was to pull the Democratic Party further and further to the left. Naturally, the competition also drew the Republican Party to the left, almost always keeping a respectful distance.

But in 1964, the geographic element in the coalition began to break up. People began to be aware that their personal interests and the interests promoted by the politicians were beginning to diverge. People began to get interested in issues. They looked around for a candidate who was speaking the things that were in their hearts. We know that 27 million people found him, but it was not enough.

In 1968, an overwhelmingly conservative Republican Convention nominated Richard Nixon. The Democrats nominated an old-fashioned candidate depending upon the social coalition. Between the combined onslaught of Nixon and Wallace, the old-fashioned social coalition began to disintegrate. Both Nixon and Wallace attracted voters because of their stands on specific issues; the Democratic candidate was a creature of party structure and organization, and that structure could no longer deliver. I am therefore putting forth what may seem to be a novel thesis. Although Nixon was nominated by party machinery, he was elected not because he was a Republican but because he articulated views that appealed to a majority of voters without reference to party affiliation. What I am saying is that neither party, Republican or Democrat, was able to

elect a President through party loyalty and organization. The national party, as an umbrella for state organizations, was becoming meaningless.

The ineffectualness of both parties was further revealed in 1972. The President abandoned the Republican Party for all practical purposes and ran as the candidate of the Committee to Re-elect the President, with separate funding, separate strategy, and, to say the least, some rather unorthodox campaign practices. The President ran as a national candidate who was pleased to accept support from any source, including Republicans. In the end, he got 61% of the vote, even though polls early in 1972 had showed that the majority of the electorate considered the Democratic Party better equipped to handle the problems facing the nation.

But the Democrats, as we know, had fractured badly. The liberal Democrats seized the national party structure and adopted rules guaranteeing that the convention would be unrepresentative of the local party structure. They nominated a candidate who was perceived as adhering to a radical ideological platform, thus destroying the social-geographical coalition. All that the Republican candidate had to do—or perhaps I should say all that the candidate of the Committee to Re-elect the President had to do—was to adopt the positions on social issues held by the majority of the people. He was thus perceived as the conservative candidate. His views were not perceived as Republican views, although, as a matter of fact, they were the views held by most Republicans.

In point of fact, the ideological gap between the right-wing and left-wing Democrats was far greater than between right-wing Democrats and Republicans. A very elaborate study was done on the 72 elections by a group of political scientists using modern tools of survey research and statistical analysis. One conclusion of the study was that the more conservative a voter was on issues, the more apt he was to vote for Nixon. This does not appear to be a remarkable conclusion until you reflect that it confirms the thesis that issues emerged as more important than party, in 1972. It proves that the voters were voting for something in 1972, and were not merely anti-McGovern.

Then in 1974, the voters stayed home. They stayed home in droves—Republicans, Democrats, and Independents. Only 38% came out to vote, and they were angry. The hopes of 1972 had not been vindicated. The image of rectitude had been shattered and the issues which had influenced the voters to vote for Nixon in 1972 never found fulfillment. They felt twice-cheated—and they either became disillusioned and stayed home, or they took revenge by voting with those who never wanted Nixon anyway.

Does this not indicate the final collapse of the two-party system? With no "issues-candidate" in a national forum, the voters stayed away in droves, disappointed with both parties, with broken promises, and with broken illusions. Only the left-wing Democrats came out in substantial numbers, confirming that the Democratic Party, by and large, was operating largely as a cohesive liberal faction—a liberal party, as it were—while the regular Democrats, the Democrats by geography, joined the Republicans and Independents in apathy. The national control by the minority liberal faction was again demonstrated in Kansas City, and by the inability of the Democrats in Congress to come up with a coherent set of policies.

The Republicans, however, are in no shape to rejoice over Democratic difficulties.

In a survey taken after the election for the Republican National Committee, 70% said they favored the party system, but 50% could find no difference between the two parties.

There was a dramatic increase in alienation from the political system for the past 10 years.

For the first time, a majority felt that the average person didn't have any say about what the government does.

For the first time, the feeling that the people running the government didn't know what they were doing exactly equaled the feeling that they did.

For the first time, the feeling that quite a lot of the people running the government were crooked surpassed the feeling that not many were crooked, and the belief that a few big interests were running the government went as high as 70%.

In fact, nearly 60% of the sample thought that public officials didn't care what the people thought, and that the government could not be trusted.

Indeed, all of this is very discouraging to those of us who are Republicans, and who want to think of the Republican Party as the party of principle.

Who are Republicans, anyway?

Well, they are 18% of the voters, for one thing.

The Democrats are 42%, and the independents 40%.

Is the Republican Party the party of the rich, the middle-aged, and the special interests?

It definitely is not. The scientific survey showed a fairly unvarying percentage of Republicans in every age group and every income bracket.

But while Republicans are a constant and small percentage, the same survey showed that the older you are, the more apt you are to be a Democrat. Conversely, the younger you are, the more apt you are to be an independent. And, of course, there are many, many more Democrats and independents.

And as for wealth, if your income is over $35,000, the more apt you are to be an independent or a Democrat. Indeed, among the wealthy, Republicans are outnumbered over 2 to 1.

The Republican National Committee's survey is dark enough. But I have seen some other figures that are more disturbing yet. According to this study, 61% of the people think that the Republican Party favors the rich.

I joined the Republican Party, after 28 years of being a registered Democrat, because I believed that it stood most clearly for our heritage of individual freedom and national strength.

Yet only 12% of the people think the Republican Party is patriotic.

I joined the Republican Party because I felt that it stood for free enterprise, competition, and hard work.

Yet only 17% of the people think the Republican Party stands for hard work.

I joined the Republican Party because I believed in fiscal responsibility and honesty; yet, as I already indicated, 60% of the people look on the Republican administrations and see nothing but waste and corruption.

Was I wrong in joining the Republican Party? I do not think so, because I look around and I see the rank and file of my fellow Republicans who believe as I do. The vast majority of Republicans are conservative. They are not rich. They are not unpatriotic. They believe in honesty, frugality and hard work.

If the Republican Party cannot stand for these principles, then it stands for nothing at all, and cannot long survive. Its members will desert or simply stay home, or they will look for those who do articulate those principles. The party which is based on geographic or social division is dead.

The Republican Party today carries with it the burden of a total misunderstanding of the feelings of its members by the majority of the American people. And the Republicans cannot blame all this misunderstanding upon the press or a lack of communication. The people all too often correctly understand what the leadership of the Republican Party is doing.

No amount of communication specialists can hide the soaring Federal deficit, or the failure of the Republican administration to respond to the social issues upon which we were elected.

We cannot preach honest economics, and then bring forth a budget proposal calling for a $52 billion deficit, that optimistically assumes spending cuts of $17 billion that a Democrat-controlled Congress will never approve—a budget that fails to mention another $10.6 billion in agencies that are separately funded—for a total deficit of $75.5 billion.

We cannot hide what is going to happen when the government goes into the money market to borrow this money—a sum that is greater than will be raised by all borrowers, public and private, in the current year.

We cannot counteract the public's distrust of the government and suspicion of mismanagement when we fail to point out that the social security system is bankrupt, even though at present more than half of the wage-earners are paying more in social security taxes than in income taxes.

We cannot build confidence in our national leadership when we continue headlong in our national giveaway policy that threatens our strategic security, that undermines our dollar, and destroys our international leadership.

Is there any reason why, under a Republican Administration, foreign aid is projected to rise from $3.6 billion in FY 74 to $6.3 billion in FY 76? If ever foreign aid had validity, the United States should be receiving foreign aid in our present economic crisis, not giving it.

Is there any reason why, under a Republican Administration, food stamps are presently costing $4 billion a year and are projected to go up to $8 billion a year?

Is there any reason why, under a Republican Administration, we should be negotiating to give away strategic U.S. territory in the Canal Zone to a country that has less population than metropolitan Washington?

Is there any reason why we should be proposing billions to develop energy resources in Siberia when we cannot even agree on unleashing private enterprise to develop our own resources?

I know that we have a Congress that is opposed to the President's program. But too often the President's program is so bad that even Republicans have difficulty supporting it.

Under the Republican Party's present course, the Party is out of tune with its own rank and file membership, and out of tune with the growing conservative majority. It is out of tune with the majority that is fed up with both parties, and is looking for politicians who will stand on issues and deliver what they promise.

Is there such a majority?

Of course there is.

Polls show that 31% of the people would support a conservative party. We have half those people already in the Republican Party.

19% of the people would support a liberal party. They have their party already. Let them have their mini-conventions and let them have their mini-impact upon the country.

The rest of our majority must be put together from the 16% who reported that their support would depend on future decisions, the 19% who reported that they were fed up with parties, and the 14% who just didn't know. If we get just half these three undecided categories we have an overwhelming majority approaching the 61% who voted for the image of a conservative candidate in 1972.

We will not convince them that our con-

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servative party, by whatever name, is not the party of the rich, by putting up candidates whose very names are associated with unsavory privilege, monopoly, and manipulation of wealth.

We will not get them by promising more handouts when inflation is taking the handouts back faster than we can give them out.

We will not overcome their fear of government waste, mismanagement and control of their lives by promising more government regulation and bureaucracy.

It is no coincidence that the 60 or 61% of the voters who have lost faith in government is exactly equal to the percentage of the voters who supported Richard Nixon in 1972.

I think we will find our majority by presenting our views in terms that are easily understood by persons who are worried about what is happening to them, but are outside of active political participation.

We will find them in families where parents are worried about state interference in their right to educate their children according to their own values, whether it be the values of their own community, their own neighborhood, their own religious beliefs.

We will find them among the people who can no longer make ends meet because government interference with the economy and ideological vendettas in the name of the environment have robbed their localities of economic growth.

We will find them among people who are disturbed because they no longer have the freedom to arrange their own lives according to their own means, who are alarmed over governmental interference with their own privacy, and the privacy of their families.

Yes, even the right to life itself has been called into question by an uncontrolled judiciary that has constantly asserted more and more control over people's lives.

I have studied the polls which show the deepest concerns of people. They are worried most about money, about their health, and about their relationship with God. Conservatives don't need polls to tell us that. Economic, physical, and spiritual security are needs that are innate in human nature. Too often we fail to think of the spiritual dimension in politics, yet it is from the spiritual dimension that our concept of freedom comes. Politics can't establish programs to improve man's relationship with God, but we can make sure that we maintain the moral freedom to choose that brings about spiritual growth.

If we do not have a majority for a program of freedom, then this nation is faced with very dark days indeed, and political organization is useless.

I have not answered the question of whether conservatives should organize another party or not. I say that we need two parties, a liberal party and a conservative party by whatever name. To get to that point, we need to organize conservatives into a more coherent structure—and I mean not only our trusty band of ideological conservatives, but non-political people who are grappling in their own communities with issues such as pornography, the right to life, school textbooks, community control of schools, as well as those who are affected by economy issues such as inflation, soaring social security taxes, and loss of jobs.

We must stop talking to ourselves in our own code words, and talk to people in language they understand.

Last year, I asked whether perhaps the time had come for issue-oriented conservatives to join together in a platform convention to articulate the issues in a way that will appeal to those who are distrustful of present politics and parties. Since then, we have seen our government fail, and an unelected government take its place.

Is not 1976, the bicentennial year of our national independence, an appropriate year to issue a second Declaration of Independence?

If we want such a convention, we must begin working now—and we must work in different ways, with different groups, with different constituencies. No one organization has the base that we need, and some of the organizations that will help us are not even in political action at present. We can ill afford the luxury of turning away any individual, any group of individuals—whether a State party organization or a national party organization—or any other body sharing the same basic principles that we believe in.

We must not forget that the most fertile grounds for political action lies with the millions who are completely disgusted with both major parties. We must give them a solid alternative.

What kind of alternative do I mean? I mean first of all a group that is organized on practical political grounds. It must be constructed State-by-State, Congressional district-by-Congressional district, county-by-county, precinct-by-precinct. Unless we organize on this basis, we have no viable political force, and we have no means of fulfilling the mandate of the people.

And there's more. We must develop a program of principle, so that the American people wil know what we stand for. They must know not only what we stand for, but that we will stand by our principles, without hesitation, without quibbling, without forgetting our promises. In the final analysis, we must place our trust in principle, not personality. I say to you tonight that the political structure of this nation has deteriorated far past the point where it can be saved by an empty personality conjured up by the image-makers.

And that is why we must have a platform convention—not only to lay out the program that we intend to present to the American people, bu also to demonstrate the soundness of our political organization.

Is this platform convention the convention of a new political party? It may be. Frankly, it is what we make of it. And what we make of it is only as limited as our vision.

I can foresee elected members of both political parties embracing this platform as their standard of action.

I can foresee independent candidates setting themselves up as forceful challengers to incumbents who refuse to embrace this platform.

It is entirely possible that the party conventions may not accept the challenge of this platform. But I believe that any party which ignores this platform will be foreordained to defeat at the polls.

I may be wrong in my belief. But every test of public opinion—either through candidates running for election on the issues, or through scientific public opinion surveys—gives convincing argument to the contrary.

Therefore, we must be prepared long before the filing dates have passed, long before it is too late for us to get on the ballot in each State, to have acceptable candidates ready and able to run for office, not excluding the Presidency itself, in the event that major parties continue in the direction they are now going.

Thus, there will be no new party—unless one is necessary. And if we see that a new party is necessary, then we will be ready.

This will be hard work. But independence was hard work for the patriots of 1776. If we leave this conference this weekend without a strong determination to create this concrete political structure, then we do not deserve the trust of the American people to which we now aspire.

The time for waiting is past. The time for action is now. Shall we stand together in this fight?

RULES FOR COMMITTEE PROCEDURE OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. McGEE. Mr. President, at its organizational meeting on January 29, 1975, the Committee on Post Office and Civil Service adopted its rules of procedure. In accordance with section 133B of the Legislative Reorganization Act of 1946, as amended, which requires the rules of each committee to be published in the CONGRESSIONAL RECORD no later than March 1 of each year, I ask unanimous consent that the rules of the committee be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES FOR COMMITTEE PROCEDURE

Rule 1. Five members of the Committee shall constitute a quorum for the transaction of such business as may be considered at any regular or special meeting of the Committee, except that, for the sole purpose of taking testimony, sworn to or otherwise, a quorum of the Committee, or a subcommittee thereof, shall be one or more Senators. No members of the Committee shall, for the purpose of determining the existence of a quorum of the Committee, be deemed to be present unless he be personally present.

Rule 2. Unless otherwise ordered and notice given, the Committee shall meet for the transaction of its business while the Congress is in session as follows: The second and fourth Thursdays of the month at 10:00 a.m. Additional meetings may be called by the Chairman as he may deem necessary.

Rule 3. The Committee shall keep a complete record of all Committee actions. Such record shall include a record of the votes on any question on which a record vote is demanded.

Rule 4. It shall be the duty of the Chairman to report or cause to be reported promptly to the Senate any measure or recommendation approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote.

Rule 5. The Committee shall, as far as practicable, require all witnesses appearing before it to file in advance written statements of their proposed testimony at least 24 hours before hearing, and to limit their oral presentations to brief summaries of their argument. The Committee staff shall prepare digests of such statements for the use of Committee members.

Rule 6. When a nomination for an appointment is referred to the Committee, the name of the nominee shall be referred to both Senators from the State in which the nominee resides. If no objection is made by either Senator within 30 days of the date of referral or if no response is received during that period, the nomination shall be considered as not having been contested.

Rule 7. Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be reported to the whole Committee by a subcommitttee, there shall be placed before the whole Committee a print of the statute to be amended or the part thereof to be repealed (together with the citation thereof), showing by stricken-through type the portion or parts to be omitted, and in italics the matter proposed to be added.

Rule 8. The Chairman may name standing or special subcommittees to which a bill, resolution, or nomination may be referred, which subcommittee shall consist of not less than three members, one of whom shall be of the minority; if the subcommittee consists of five members, two shall be of the minority; if the subcommittee consists of seven members, three shall be of the minority.

Rule 9. Whenever a subcommittee delays in reporting more than 30 days (except when time is extended by the Committee), the matter may be withdrawn by the Chairman and submitted to another subcommittee, or considered by the whole Committee.

Rule 10. Subject to statutory requirements imposed on the Committee with respect to its procedure, the Rules of the Committee may be changed or suspended at any time; provided, however, that not less than two-thirds of the entire membership so determine, at a regular meeting with notice of the nature of the change proposed or meeting called for that purpose.

Rule 11. The Chairman of the Committee and the ranking minority member shall be ex-officio members of all subcommittees with full right to participate in all proceedings thereof, and shall be allowed to vote as members of any subcommittee.

Rule 12. No vote cast in the Committee or any subcommittee by proxy shall be counted; but a written communication from an absent member, giving a clear statement of position on the specific subject, shall be counted as a vote.

Rule 13. The Chairman shall be given authority to appoint the staff members and clerical assistants to assist the Committee in its work; provided, that the ranking minority member of the Committee shall be given authority to select one professional staff member and one clerical assistant. The Chairman shall select the official reporter or reporters to serve the Committee.

Rule 14. The Committee supports the principle of open meetings.

LANDON'S ENERGY CONSERVATION PROGRAM

Mr. PEARSON. Mr. President, Mr. Alf Landon has proposed a four-step program for reducing energy consumption. It seems to me that his proposal has considerable merit and I want to bring it to the attention of my colleagues. Therefore, I ask unanimous consent that a copy of the AP article describing Mr. Landon's program be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LANDON LISTS ENERGY-SAVING STEPS
(By Lew Ferguson)

With President Ford and Congress at loggerheads over the best way to conserve energy and make this nation less dependent upon imported oil, Alf Landon believes he has a simple alternative solution.

"Perhaps this is the time to consider something else," said Landon, former Kansas governor and 1936 Republican presidential nominee.

Landon believes the U.S. could save more than a million barrels of oil a day by taking four steps he regards as less complicated than rationing, as the congressional majority appears to prefer, and potentially more effective than President Ford's tax proposals, which would send the cost of energy soaring.

Landon called in an interview for taking these steps:

Close all service stations from 6 p.m. Friday until 6 a.m. Monday. This will mean changing Americans' weekend driving habits, Landon said, but has the potential of conserving 400,000 barrels of crude oil daily;

Strictly enforce the present 55-mile-per-hour speed limit, which could save another 200,000 barrels daily;

Achieve better motor vehicle efficiency by requiring tires to carry greater air pressure than recommended, requiring improved engine tuning and getting people to drive with "energy consciousness." This could save another 400,000 barrels daily; and

Require airlines to consolidate some domestic airline flights to insure fuller passenger loads and avoid duplication of service, which could save another 80,000 barrels of oil daily. This would require changes in antitrust regulations, Landon conceded.

Landon has the support of one of the state's energy experts in his suggestions. Dr. Robert J. Robel, Kansas State University professor and chairman of the Governor's Advisory Council on Energy and Natural Resources, helped Landon compute the potential oil savings and endorses the proposals.

Robel will represent Gov. Robert Bennett at a Federal Energy Administration hearing Thursday in Washington on Ford's proposals. He said he feels Landon's estimates may be conservative on the potential savings.

"The President can be complimented for his vigorous policies to meet our critical fuel energy demands," Landon said. "But his plan has stalled.

"The Congress, so far, is opposed to the President's proposals. Congress' alternative is apparently the rationing of gasoline, or quotas on gasoline.

"Either way is costly to the people, or cumbersome to keep track of, both to the national administration and to the thousands of filling stations involved.

"I suggest this simpler way. It totally fulfills the goal of the President in cutting down on our purchase of foreign oil.

"It is an opportunity for the congressional Democrats who are not impressed with the glib talk of unworkable and costly rationing, allocating or quotas to accept a workable solution that fits the President's objectives."

Robel said he doesn't think Ford's plan will work, simply because people apparently will pay the cost for energy whatever it is.

"I feel very strongly on this," Robel said. "The increase in price is not going to reduce consumption at all. The President's program is more anti-recessionary than an energy conservation program."

Robel said U.S. importation of crude oil increased 1 per cent after the Arab oil embargo of 1973–74 than what it was before the embargo was imposed. He said this means people are prepared to pay the price for energy.

"Unless we get increased domestic production, we're not going to be able to reduce our imports," he said. "Our domestic production has been going down."

Robel said he doesn't think the public will buy Landon's proposed Saturday-Sunday closing of service stations, but agrees if it could be accomplished it would produce a significant oil savings.

He said a major potential saving of oil in this country involves home heating, which accounts for 26 percent of the U.S. oil consumption.

Getting people to keep their thermostats at 68 degrees and improving insulation, especially in the Northeast U.S. which relies heavily on heating oil, would effect a great saving, Robel believes.

He says it might be possible to impose savings in the home heating area by allotting heating oil users so much per month and making adjustments for unusually cold weather. Kansans should turn their thermostats down, he added.

"But the emphasis should be on what the average citizen can do to reduce the home consumption of oil," Robel said.

WYOMING BUSINESSMAN COMMENTS ON THE FUTURE

Mr. HANSEN. Mr. President, a longtime friend of mine, Don Thorson of Newcastle, Wyo., was in Washington recently for a meeting on the energy situation, and upon returning to Wyoming wrote me with some impressions that are so compelling that I wanted to share them with my colleagues.

Mr. President, I have the feeling that Don Thorson's comments reflect the feelings of a great many people. What he has to say is down to earth and to the point.

Therefore, I ask unanimous consent that his comments be printed in the RECORD.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

COMMENTS
(By Don Thorson)

There are so many problems facing Americans that it becomes discouraging even to think about them.

I think the most disastrous thing to have happened is the nearly uniform lack of respect for and confidence in our government. Our representatives and politicians, with notable exceptions, are classed as a "bunch of crooks". This is a frightening indictment for our leaders by the people, but much of it is earned. We hear of many things such as three-workday weeks in Congress, junkets, pork-barreling, and general waste of our money. We see incompetent government officials enforcing regulations which are authorized by acts written by bureaucrats who strive to fit all industry into a uniform pattern. I am probably more aware of the political process; but when I see a study of aborigine armpit odor, I began to doubt some people's intelligence.

The Senate, in particular, seems to have become a breeding ground for Presidential aspirants. Surely these men could do the country more good by running their office than running for President while being paid by the taxpayers.

Why can Congress react with such blinding speed to a blackout of pro football or social security and federal wage increases and vacillate for a whole year on crucial issues? It seems that many representatives become infected with a thought that their re-election is more important than serving the country. There are many issues which come up that the wishes of the people should not be granted—just as children are not always given what they want. But how many people have the guts to vote against a popular measure even if they know it is wrong. Some do and some have lost; but some remain, and their stature is increased. Barry Goldwater is a good example.

Crime has become increasingly important because of its direct effect on people. Our laws have been so watered down by concern for the criminal that the victims are forgotten. If a person violates another's rights, the violator should lose his privileges. Penologists admit they do not know how to reform criminals, so the courts seem to be releasing them instead of even trying to restrain them. The pattern of criminals out on bail being rearrested for successive crimes becomes very discouraging for the police and public. Leniency has been tried and crime has gone up, so maybe it is time for more severity—including enactment of the death penalty even to the extent of purposeful intent to murder.

Our increasing population can no doubt be blamed for many of our shortages and our moral decline. We have long contended that energy is cheap and manpower is dear; but we may have to revert until technology provides new energy sources. Even then we are faced with increasing material shortages which makes us even more dependent on foreign countries. We have been imbued with the idea that our standard of living must be

continually increased, and are now afraid to stand still. We should think about it while there is still time. Our tax laws have been written so that continual expansion is the only way a business can retain any earnings.

I hope that someday responsible people will stand up and tell the people that there may be some dark days ahead.

We have built the greatest country on earth, but it would be tragic if we are consumed by our own excesses as past empires have been. Someday man must start learning from history instead of merely studying it.

This is not intended as a personal indictment, but is mostly a compilation of comments I have heard with some of my own ideas.

LITHUANIAN INDEPENDENCE

Mr. BAYH. Mr. President, February 16 marked the 57th anniversary of Lithuanian independence. It is most appropriate that we take a moment now to review the struggles of a gallant people, whose quest for independence, human dignity, and the basic right of self-determination goes on today, in the face of tremendous odds.

As possessors of uniquely rich literary, linguistic, and cultural traditions, the Lithuanian people have had a great and meaningful history. Lithuania dates from the 11th century, and was once an expansive and powerful state in the Baltic region. Invasions by Germans, Mongols, and Tartars, attempting to gain strategic advantage, were frequent. Yet the Lithuanian people repelled all attempts at subjugation, until Tsarist Russia finally gained control of the territory in the 19th century. Still, these noble people would not bend to Tsarist pressures for cultural assimilation, and managed through never-ending struggle to preserve their religion, language, and culture. Finally freed from economic and political repression at the close of the First World War, Lithuanian independence was again triumphantly proclaimed on February 16, 1918. When, on July 19, 1920, the Soviet Government announced it "voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and their territory," it seemed that overweening Russian ambition for control of Lithuania was finally thwarted. Time, however, would prove these words insufficient to meet the challenge of the long-standing historical animosity between these two peoples.

During the period between the wars, Lithuania underwent a great cultural reawakening. But peace was to be short-lived, and the political maneuvers preparatory to the Second World War conspired to steal from the Lithuanians the independence that they had fought so hard to regain. Eight months after an initial Soviet demand for bases for her troops, a full-scale Soviet intervention robbed Lithuania of her sovereignty. Following a period of Nazi occupation, Lithuania was incorporated into the Soviet Union in 1944.

Today, it is easy to see in geopolitical terms the tragic result of the Soviet takeover of Lithuania—a free state has been reduced to a Baltic Republic of the Soviet Union. We have reports, as well, which attest to the enormous cost in human terms of the Soviet policies. Acts of desperation by Lithuanian citizens, willing to make the ultimate sacrifice to rid their country of Soviet overlordship, are symbolic of the continuing demand of the Lithuanian people for the freedom they once knew. Free men around the world take heart in knowing that these people will continue to resist pressures to abandon their language and religion, despite ever-increasing hardships. Through their conviction to the principles of liberty and justice, the Lithuanian people will remain forever free, in spite of the outward bondage of their homeland.

Mr. President, the Lithuanian people are truly indomitable. They will never surrender to Soviet rule. They will never give up the fight to return freedom to their nation. They have endured, and will endure until they are once again able to express their feelings and views without fear of reprisal. Those of us in this great country must accept the responsibility to speak out against the blatant violation of the fundamental rights of the Lithuanian people by the Soviets, as we admire the example this nation has provided for us. We must never license by silence the dehumanizing and repressive policies of the Soviet Government. We must maintain our commitment to a free Lithuania.

HELP IN EMERGENCIES FOR THE HEARING IMPAIRED

Mr. PERCY. Mr. President, 804 persons were killed and 12,000 persons were injured in 962 weather, fire, explosion, and transportation disasters that involved 5 families or more in the United States in fiscal 1974. Nearly 90,000 families suffered property losses in these disasters.

When disaster threatens or strikes a community, radio and television stations often broadcast emergency warnings to assist people in their efforts to protect themselves and their property. Emergency warnings broadcast by radio are of little or no value to the 13.4 million Americans who suffer from some degree of hearing loss. Warnings broadcast by television also are relatively worthless, because most television stations use only audio announcements. We must do more to urge television stations to broadcast visual as well as audio emergency warning announcements.

Of the 13.4 million Americans who suffer from some degree of hearing loss, nearly 2 million are totally deaf. The incidence of hearing loss has increased at such a rate that hearing impairment is now a more widespread affliction than heart disease, cancer, blindness, tuberculosis, and kidney disease combined. And over 70 percent of the hearing-impaired population do not use hearing aids, because of severe hearing loss, dissatisfaction with hearing aids, or low-income status.

Many broadcasters contend that hearing-impaired individuals do not watch television. But this contention has been refuted by a recent survey that showed that 71 percent of hearing-impaired persons who responded said they usually watch television.

In 1970 the Federal Communications Commission issued a public notice suggesting the use of visual emergency messages by all television stations. But a recent survey of 700 commercial television stations revealed that only 38 percent of those that responded indicated that they provide either "captioned" or "interpreted" emergency bulletins. It is apparent, Mr. President, that the FCC's public notice, which does not have the weight of law, is inadequate.

On January 20, 1975, four organizations petitioned the FCC to initiate rulemaking proceedings for the adoption of standards to require visual emergency warnings on television. Those organizations are Deafwatch—Demanding Equal Access to Facts and Warnings Aired on Television for Citizens Who Are Hearing-Impaired; the National Association for the Deaf; Deaf-Pride, Inc.; and the Alexander Graham Bell Association for the Deaf.

I endorse this petition and urge my colleagues to join me. Statistical tables indicate that each Member of the Senate has a sizable constituency that needs visual television emergency bulletins. Few States are free of disasters that necessitate such warnings.

Mr. President, I have written the FCC to urge adoption of the rule proposed in the petition and to urge extension of the 30-day comment period which ends February 24. I encourage my colleagues to do the same.

I ask unanimous consent that the tables I have mentioned, as well as the text of rulemaking petition RM 2502, be printed in the RECORD. Further information on the petition can be obtained from Deafwatch, 2000 H Street NW., Washington, D.C. 20006.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PREVALENCE AND PREVALENCE RATES FOR HEARING IMPAIRMENTS IN THE CIVILIAN NONINSTITUTIONALIZED POPULATION, BY DEGREE AND AGE AT ONSET: UNITED STATES 1971

Degree	Age at onset	Number	Rate per 100 000
All hearing impairment	(1)	13, 362, 842	6, 603
Significant bilateral	(1)	6, 548, 842	3, 236
Deafness	(1)	1, 767, 046	873
	(2)	410, 522	203
	(3)	201, 626	100

[1] All ages.
[2] Prevocational prior to 19 years of age.
[3] Prelingual prior to 3 years of age.

DISTRIBUTION OF THE HEARING IMPAIRED POPULATION BY STATES: UNITED STATES, 1971

State	Hearing impaired	Deaf	Prevocationally deaf
Alabama	234, 498	30, 832	6, 750
Alaska	20, 480	2, 664	553
Arizona	130, 613	16, 986	3, 533
Arkansas	131, 577	17, 299	3, 789
California	1, 427, 928	185, 708	38, 595
Colorado	160, 902	20, 926	4, 349
Connecticut	179, 486	20, 921	5, 209
Delaware	37, 506	4, 931	1, 080
District of Columbia	49, 350	6, 489	1, 421
Florida	472, 263	62, 093	13, 600
Georgia	312, 096	41, 035	8, 988

State	Hearing impaired	Deaf	Prevocationally deaf
Hawaii	52, 990	6, 891	1, 432
Idaho	52, 274	6, 798	1, 413
Illinois	719, 792	105, 815	26, 510
Indiana	340, 011	49, 985	12, 522
Iowa	184, 017	27, 052	6, 778
Kansas	143, 395	21, 080	5, 281
Kentucky	220, 203	28, 952	6, 342
Louisiana	247, 499	32, 541	7, 128
Maine	58, 036	6, 765	1, 685
Maryland	267, 783	35, 208	7, 712
Massachusetts	335, 432	39, 097	9, 734
Michigan	579, 614	85, 208	21, 347
Minnesota	250, 234	36, 786	9, 216
Mississippi	150, 024	19, 725	4, 320
Missouri	303, 982	44, 688	11, 196
Montana	53, 706	6, 566	1, 364
Nebraska	96, 799	14, 231	3, 565
Nevada	35, 732	4, 647	966
New Hampshire	44, 408	5, 177	1, 288
New Jersey	423, 821	49, 401	12, 299
New Mexico	72, 753	9, 462	1, 966
New York	1, 074, 764	125, 275	31, 190
North Carolina	343, 204	45, 124	9, 883
North Dakota	39, 507	5, 808	1, 455
Ohio	694, 198	102, 053	25, 567
Oklahoma	175, 209	23, 036	5, 046
Oregon	154, 815	20, 174	4, 184
Pennsylvania	694, 455	80, 946	20, 153
Rhode Island	54, 151	6, 312	1, 571
South Carolina	173, 440	22, 804	4, 995
South Dakota	42, 854	6, 299	1, 579
Tennessee	269, 825	35, 477	7, 770
Texas	767, 887	100, 961	22, 113
Utah	78, 626	10, 225	2, 126
Vermont	26, 836	3, 128	780
Virginia	308, 692	40, 587	8, 890
Washington	243, 036	31, 608	6, 568
West Virginia	119, 121	15, 662	3, 430
Wisconsin	288, 823	42, 460	10, 637
Wyoming	24, 204	3, 148	654

THE AMERICAN NATIONAL RED CROSS, SELECTED DATA FOR DISASTER RELIEF OPERATIONS INVOLVING MORE THAN 5 FAMILIES, FISCAL YEAR 1973–74

State	Number of disaster operations		All disaster operations [2]		
	Weather caused	All other [1]	Families suffering loss	Persons killed	Persons injured
Alabama	7	2	3, 919	88	1, 015
Alaska	1	1	96		1
Arizona	1	2	154	2	32
Arkansas	11	3	2, 928	19	188
California	3	18	1, 948	34	103
Colorado		2	111	4	12
Connecticut	1	15	535	2	8
Delaware					
District of Columbia					
Florida	6	9	518	10	142
Georgia	7		838	22	210
Hawaii	2		369	10	12
Idaho	1	2	870	1	20
Illinois	11	50	3, 516	13	81
Indiana	8	2	5, 637	47	935
Iowa	5	1	3, 791	3	91
Kansas	6	2	2, 207	13	294
Kentucky	12	1	6, 393	80	932
Louisiana	6	1	2, 217	2	28
Maine	2	7	109	4	8
Maryland		20	216		15
Massachusetts	1	47	757	30	110
Michigan	3	11	1, 071	14	50
Minnesota	2	2	382	4	25
Mississippi	12	3	6, 091	3	33
Missouri	6	6	1, 726	4	37
Montana	2	1	330		1
Nebraska	4	3	829		152
Nevada	1		56		
New Hampshire		4	57		5
New Jersey	1	60	4, 443	22	75
New Mexico	2	2	139		1
New York	1	332	3, 329	133	391
North Carolina	5	3	418	7	54
North Dakota	1	2	806		6
Ohio	13	11	11, 428	47	5, 432
Oklahoma	10	2	7, 129	41	490
Oregon	1	3	1, 507	18	179
Pennsylvania	4	94	624	34	51
Rhode Island					
South Carolina	4	1	398	3	41
South Dakota	5		413		13
Tennessee	13	2	3, 074	54	673
Texas	13	8	1, 840	22	74
Utah					
Vermont	1	1	81		1
Virginia	2	3	389	2	18
Washington	2	10	1, 639	5	15
West Virginia	6	1	1, 890	5	44
Wisconsin	1	4	440	2	45
Wyoming	1	1	232		1
Total	207	755	87, 890	804	12, 144

[1] "All other" include: fires, explosions, transportation mishaps, et cetera.

[2] State by State data for families suffering loss, persons killed and persons injured are consolidated for all types of disasters, i.e. "weather caused" and "all other."

DEAFWATCH PETITION FOR RULEMAKING

I. INTRODUCTION

During a particularly devastating week in 1970, California was struck by wideranging fires. Scores of people died. Hundreds of thousands of dollars' worth of property was destroyed. Local officials attempted to reach and evacuate the residents of the area through the use of loudspeakers and radio and television announcements. As a result of these efforts many potential casualties escaped with their lives even though they lost their homes.

Others never had a chance. Many hearing impaired persons residing in the area between San Francisco and Los Angeles perished in the blazing fires. Of course, they had been oblivious to the loudspeakers and radio announcements. And the television announcements were not visual and were therefore useless in notifying the large numbers of hearing impaired Californians of the impending disaster.

That such deaths occurred is a sobering commentary on the failure of some public officials and television broadcasters to recognize and confront the special problems of the hearing impaired. That televised visual messages could have quickly reached those persons with minimal effort by a few persons, and that no such effort was made, is a blot on the public service record of the television industry.

The hearing impaired themselves, decades ago, hailed television as a miraculous invention. Finally, they thought, those who had been denied access to the benefits of the telephone, radio, and talkies could have access to mass communication through television.

But television did not remain teleVISION very long. Television today is little more visual, and no more accessible, to this nation's 13.4 million hearing impaired than radio. Instead, it is characterized by a heavy dependence on dialogue and as a result is simply "radio with pictures."

While this visual deficiency is often disappointing to the hearing impaired community craving news and entertainment, it may prove disastrous for them in the eventuality of certain types of emergencies requiring the immediate and complete notification of all citizens, including the hearing impaired.

The California fire is only one blistering example of a daily occurrence in this country: emergencies threatening thousands of persons and striking the hearing impaired with little or no warning. While these thousands rely on television to warn them of impending danger, television has, for the most part, breached its precautionary duties to the hearing impaired.

The two following situations provide additional examples of how the inaction of television broadcasters can produce devastating results.

On March 31, 1973, the citizens of Atlanta, Georgia, were suddenly confronted with a tornado and severe weather alert. Television stations in the area presented no emergency warnings in visual form. Hearing impaired people in the area " . . . had no way of knowing the extent or severity of the warnings, or the exact location of the sighted tornadoes." That there was a "Severe Weather Warning," was the extent of their awareness, since this was all that was presented visually by television broadcasters. Most of the citizens of Atlanta were fully informed about, and prepared for, the devastation that was to strike. All that the hearing impaired citizens of Atlanta really knew, however, was the presence of some unknown danger, and the terror and pains such ignorance can cause.

The insensitivity of some broadcasters was demonstrated by another, all too true, situation. Atlanta, Georgia, was threatened by a tornado, by torrential rains and flood warnings, plus massive man-hunt for an escaped and dangerous convict. Panicked viewers were cautioned by a weatherman on one television station to listen to their transistor radios in order to stay informed of fast-break developments on all these crisis fronts. They were told that no one had any excuse for not keeping informed on the facts. Did this weatherman or his station stop to consider the needs of the thousands of hearing impaired people in his audience? The answer is self-evident—as is the frustration and fear that the hearing impaired endure when confronted by an emergency in the absence of visual emergency bulletins.

Imagine the fright of a person who cannot hear, when confronted with a printed message on the television screen which reads only: Emergency Bulletin! The message remains on the screen for what seems to be an interminable period of time while an off-camera announcer reads the details to the hearing audience. No visual information follows for the hearing impaired person. He panics, frantically wondering what the emergency is and what he should do to save his life, his family, and his property.

Television broadcasters could end this needless panic by simply adding visual messages to their aural emergency notifications.

It is submitted that broadcasters who have abdicated by their inaction any entitlement to regulatory abstention, must be required by the Commission to act affirmatively to relieve this terrible situation.

The technology for visual emergency notifications has long been available. Now this technology must be implemented to serve the needs and to preserve the emotional and physiological security, of millions of hearing impaired viewers. In light of the potential for saving lives and the simplicity and low cost with which the petitioners' proposals can be implemented, there is no excuse for Federal Communications Commission (hereinafter, "Commission") inaction in this matter.

A 1970 Public Notice (FCC 70–1328) issued by the Commission, entitled "The Use of Telecasts to Inform and Alert Viewers with Impaired Hearing," suggested to television stations that when broadcasting emergency information which concerns the safety of life or property they might present such notices visually as well as aurally. The Commission noted that "there can be little argument about the need of all citizens *including the deaf and hard of hearing*, for information concerning *emergency situations*."

Yet, after four years, this need still has not been fulfilled and, consequently, the lives, property, and psychological security of the hearing impaired remain jeopardized. Those who are hearing impaired should have the same chances of survival in an emergency as those without this handicap, and only the Commission by its regulation of television broadcasters can even the odds.

The Commission warned in its Public Notice that if broadcasters failed to take appropriate steps in this direction it might be necessary to begin rule making procedures to adopt minimum requirements. Broadcasters have unfortunately failed to so act, and there is now no question about the appropriateness or timeliness of the Commission initiating rule making proceedings. The time is now ripe to use the medium of television to its fullest extent both aurally and visually. To do this, the Commission must establish rules requiring all television stations to present visual emergency bulletins. The petitioners respectfully submit that the Commission must fulfill its promise of four years ago. It is the hope of the petitioners and deaf individuals and organizations across the country that the necessary rule making proceedings will be instituted in order to solve one of the major problems confronting the deaf and hearing impaired in today's world.

II. THE LIVES AND PROPERTY OF MILLIONS OF HEARING IMPAIRED AMERICANS ARE BEING JEOPARDIZED

A. Hearing impairedness is the most common physical disability in the United States

The numbers of hearing impaired who may be threatened in natural or man-made disasters are astounding. One out of every fifteen persons in the United States suffers some degree of hearing loss. Of the at least 13.4 million Americans afflicted with a hearing loss, 1.8 million are suffering from total deafness.

The incidence of hearing loss in the general population is increasing yearly, due to two factors. First, improved medical care and scientific discoveries have allowed those with hearing impairments to survive other major disabilities and diseases and therefore live longer. Second, the gradual urbanization of our population, and the resulting exposure to greatly increased noise levels, inflicts many urban dwellings with hearing impairments.

Hearing impairedness is the most common, yet least recognized, physical disability in the United States. The incidence of impaired hearing is greater than that of heart disease, cancer, blindness, tuberculosis and kidney disease combined. For example, the ratio of hearing impaired to blind Americans is thirty to one. Those Americans totally deaf outnumber blind persons by more than three to one. Yet, hearing impairedness is a disability which has been largely neglected by both public and private sectors of our society.

Not only is the affliction of hearing impairedness of wide-ranging and increasing frequency, but the affliction presents several unique problems and misconceptions which compound its seriousness. Contrary to popular belief, for example, the adverse consequences of hearing impairments outweigh those of visual impairments, since hearing, the main avenue of communication, is the foundation of learning. Helen Keller, afflicted by both deafness and blindness, made the following assessment of the relative burdens of both of these disabilities:

"The problems of deafness are more complex, if not more important, than those of blindness. Deafness is a much worse misfortune because of the loss of the most vital stimulus—the sound of the voice that brings language, sets thought astir, and helps us in the intellectual company of man."

Like Helen Keller, many individuals suffer from other handicaps in addition to their hearing loss. The number of multiple handicapped has been placed at one out of three deaf persons, by the recent National Survey of the Deaf. These handicaps include asthma, arthritis, heart trouble and cerebral palsy. Because of their deafness and these other afflictions, many of the multiple handicapped are forced to be homebound. They become even more dependent on their limited sources of communication, relying on television as the prime means of receiving communication from the outside world.

Another common misconception is that most deafness may be corrected through the use of hearing aids. In fact, only limited types of deafness may be corrected in this manner. Over seventy percent of the hearing impaired population is unable to use hearing aids as a result of severe hearing loss, dissatisfaction with hearing aids, or low income status. The result of this disability is an increasing dependence on visual stimuli, such as television.

Many of those who are hearing impaired are elderly citizens, and would certainly benefit from visual warnings. Their helplessness is aggravated by increased age, fear, inability to drive, run, or move quickly, along with the fact that many have additional handicaps. Thus the sooner they obtain emergency information, the better their chances of survival. They should not have to depend on others to inform them of an emergency.

It is obvious that even in normal times, the disabilities resulting from hearing impairments are burdensome, but in emergency situations these disabilities become especially onerous.

Emergencies pose a deadly threat to the hearing impaired because of their unique handicap. Compounding the seriousness of communicating warnings to the hearing impaired is the frequency and variety of emergencies.

B. Widespread emergencies threaten the hearing impaired

Natural emergencies may result from earthquakes, tidal waves, hurricanes, tornadoes, ice storms, heavy snows, widespread fires, and a host of other disasters. Other emergency situations are man-made, arising from the discharge of toxic gases, air pollution, power failures, industrial explosions, and civil disorders.

No area of the country is immune from these disasters, which every day threaten the safety and life of thousands of individuals. In 1973, a natural disaster hit one out of every four counties in the United States. The occurrence of flash floods, tornadoes, hurricanes, and earthquakes resulted in 46 presidential disaster declarations in 31 states. A major disaster struck some part of America almost once a week, resulting in hundreds of deaths and over a billion dollars in property damage. In 1972, the United States was ravaged by 48 major disasters. Two hundred people were killed by flash floods in South Dakota, while Hurricane Agnes left hundreds dead, and inflicted damage estimated at over three billion dollars. In 1974, there were a record number of disasters. On April 3, more than 300 people were killed and over a thousand hospitalized by tornadoes that caused over 500 million dollars worth of property damage to the southern and midwestern United States.

In 1973–1974, 963 disasters involving more than five families resulted in 330,471 persons being given mass care by the Red Cross. This figure does not include the 28,890 disasters affecting a relatively small number of families. In 1971–1972, 722,947 people were given mass care as a result of 633 disasters involving more than five families.

These figures are at once horrifying and compelling. That such a large number of disasters occurs annually is frightening. That they strike with no warning to the hearing impaired compounds the horror. Seconds of advance notice and preparation can often mean the difference between life and death. With adequate warning there are a number of safety precautions which a person may follow to avoid the danger, death and destruction that lurks behind every disaster. Such warnings are presently unavailble to the hearing impaired.

In light of the number of these disasters and the enormity of their effects, especially upon the hearing impaired, the need for governmental action is self-evident. The question remaining is how can the hearing impaired best be aided in preparing for such emergencies? How can they be informed so that they can escape the imminent danger?

III. THE HEARING IMPAIRED CAN BE AIDED BY TELEVISION

A. Only television can adequately warn viewers of impending danger

The medium of television is uniquely suited to warn citizens of impending emergencies. Its immediacy causes it to be more effective than the reading of a newspaper. Televisions' combination of both visual and aural means of communication allows it to reach a larger segment of the population than either radio or any other mass medium. Tele*VISION*, by its very name, implies the use of visual means of communication. It must live up not only to its name, but to its potential as well, when transmitting emergency information to the public.

The nation's 1.8 million viewers who are totally deaf cannot receive any information given orally—including emergency information. The 11.6 million people with lesser degrees of hearing loss often cannot understand such messages clearly. Indeed, even persons with normal hearing often misinterpret the spoken word on television. Thus visual emergency notifications will benefit not only the minority of hearing impaired, but also many of the normal hearing population.

Several members of the broadcasting industry have attempted to justify their failure to transmit visual warnings with the claim that such messages would not reach the hearing impaired since they do not watch television. This analysis has been proven unfounded on many occasions, most recently in a survey of deaf individuals. Seventy-one per cent of the respondents stated that they "usually watch television." Sixty-five per cent of the total said they watch "six or more hours on weekends."

With television's unique capabilities established, along with the fact that it has been conclusively established that the hearing impaired do watch television, what is the response of the industry at large to the needs of the hearing impaired?

B. Television broadcasters have failed to follow the suggestions of the Federal Communications Commission

The responsiveness of the television industry to the needs of the hearing impaired must be considered in light of the past actions of the Commission. After the concerted effort of concerned individuals, the Federal Communications Commission took notice of the problems of the deaf and hearing impaired four years ago. On December 17, 1970, the Commission issued a Public Notice (FCC 70–1328) entitled "The Use of Telecasts to Inform and Alert Viewers with Impaired Hearing."

The Commission observed,

"As AM and FM radio are ideally suited to bring news, informational material and entertainment to the blind, so the video segment of telecasts are ideally suited to alert, assist and entertain persons with impaired hearing. Therefore, the capability of television to present visual material should be used to its fullest extent, i.e., while oral announcements of news bulletins, sports scores, weather conditions, etc., are being made on a telecast that the same material be presented, when feasible, visually . . . In respect to the need of all citizens *including the deaf and hard of hearing* for information concerning *emergency situations*, we are convinced there can be little argument. We suggest to TV broadcasters that they make use of visual announcements along with oral announcements when presenting bulletins of an emergency nature, such as approaching tornadoes, accidents, health hazards and other community dangers. These visual announcements would not only provide an alert to persons with impaired hearing, but would also emphasize the importance of the announcement to all viewers." (Emphasis in original)

The notice was purely advisory, in that no formal legal requirements were imposed on broadcasters. Although the Commission made no threats of license non-renewal should broadcasters fail to comply with the Commission's suggestions, the Commission concluded:

"We hope that this Public Notice will alert licensees to the importance of making television a truly valuable medium for the hard of hearing, and of our concern about the matter. We will observe developments in the future, and if the situation does not develop satisfactorily it may be necessary to begin rule making looking toward the adoption of minimum requirements."

While the 1970 Public Notice was a progressive and commendable step forward, the lack of any force or sanction power behind it rendered it ineffective. The majority of television stations act as if no such Notice had ever been issued. The whim of each station determines its policy in visually broadcasting emergency messages.

Notwithstanding the Commission's statement with respect to the need for visual emergency notification on television for the benefit of the hearing impaired, only a small minority of stations have complied with the suggestion, and even their compliance has been largely marginal. A recent survey of 700 commercial television stations across the country attempted to ascertain the number of stations which have programming directed toward the hearing impaired. Only 269 or 38 per cent said they provided either "captioned" or "interpreted" emergency bulletins. Captioned bulletins present the written words on the television screen at the same time the oral announcement is being made, while interpreted bulletins feature a person or camera using sign language.

Yet, even this 38% figure is not a true indication of the number of stations presenting visual emergency notifications. Upon contacting one of the stations which responded affirmatively in the survey, petitioners were told that no such captioning practice was in existence at that station. If this discrepancy applies to other television stations as well, the true figure of the number of stations which caption might even be lower than 38 per cent. Even the most optimistic estimates demonstrate that the majority of stations are shirking their responsibilities to the hearing impaired population. Human lives are continually jeopardized by this inaction. Obviously, television broadcasters will not present visual messages voluntarily.

The burden for individual action should not be placed on deaf persons who are at such a great disadvantage with respect to communication skills. Several persons who have sought to have the Commission require that television stations present visual warnings have been told by the Commission "to consider dealing directly with television stations in their communities concerning their needs for emergency information . . ." Because the hearing impaired often lack the self-organization necessary to bring about such action, and because they are not familiar with the broadcasting industry, they should not have to be the ones to attempt regulation or reconstruction of the television industry. Television stations should be required by the Commission, the most appropriate governmental regulator, to present this service to the hearing impaired, with standardized regulations in the case of all emergencies. It is respectfully submitted that the Commission must fulfill its affirmative obligation to the hearing impaired community by requiring appropriate steps by broadcasters.

C. Federal Communication Commission regulation of emergency notifications is necessary

The prevalence of hearing impaired individuals, their peculiar nature of their disabilities, the frequency and severity of natural disasters and civil disorders, the potential effectiveness of television as a communication source, and the television industry's continued footdragging, all compel one conclusion: Television broadcasters must be required to utilize their unique medium in order to protect the lives and property of the hearing impaired by presenting visual emergency warnings.

The National Association of Broadcasters has claimed, "People depend on broadcasters. And because broadcasters have an excellent record of public service in times of emergency, people trust them." The hearing impaired should be able to rely on television in emergencies as do other people. For television to fulfill this trust, it is incumbent upon individual stations to provide their *entire* audience with reliable, visual information in times of emergencies. Since the sobering lesson of the past four years is that individual stations will not provide this emergency information on their own initiative, the Commission must promulgate regulations prescribing such visual notices.

IV. PROPOSED AMENDMENTS FOR THE REQUIREMENT OF VISUAL EMERGENCY NOTIFICATIONS

A. Emergency information transmission originating from broadcast stations

Petitioners propose an addition of a new subsection (b) to the Federal Communications Commission Rules and Regulations, 47 C.F.R. § 73.675. Section (a) and the proposed new section (b) would then read as follows (with subsequent sections being relettered):

(a) When necessary to the safety of life and property and in response to dangerous conditions of a general nature, television broadcast stations may, at the discretion of the licensee and without further Commission authority, transmit emergency weather warnings and other emergency information. Examples of emergency situations which may warrant either an immediate or delayed response by the licensee are: Tornadoes, hurricanes, floods, tidal waves, earthquakes, icing conditions, heavy snows, widespread fires, discharge of toxic gases, widespread power failures, industrial explosions, and civil disorders. Transmission of information concerning school closings and changes in schoolbus schedules resulting from any of these conditions, is appropriate. In addition, and if requested by responsible public officials, emergency point-to-point messages may be transmitted for the purpose of requesting or dispatching aid and assisting in rescue operations.

(b) Any emergency information transmitted in accordance with this section shall be transmitted both aurally and visually. The broadcast station may use any method which results in a message being easily readable on the receiver's television screen and conveying the same essential information contained in the aural bulletin. Illustrative, but not exhaustive of, methods which may be used are the following: teletypewriter, titling camera, captions, slides, scroll of paper with typed words, typewritten messages on index cards, previously prepared charts to be filled out with data at the time of notification, chalk on blackboard, white writing on black vinyl backing, or a felt marker on oak tag.

Broadcast stations shall at all times be prepared to utilize one suitable method and at least one back-up method. The methods and procedures to be used shall be predetermined, included in the operator's manual, and available for public inspection. They shall be posted prominently, both in the control room and in at least one newsroom, and all persons authorized to transmit emergency bulletins shall be informed of these procedures. An emergency drill of these procedures shall be held periodically to insure technical operability.

All emergency notifications shall include the following announcement, both aurally and visually: "If you have a hearing impaired or blind friend or neighbor, please pass this information on to him or her."

B. Transmissions pursuant to emergency broadcasting system procedures

The following changes are proposed as amendments to 47 C.F.R. § 73.933, Emergency Broadcast System (EBS) Operation During a National-Level Emergency:

1. 47 C.F.R. § 73.933(a)(4): After the word "announcement" insert the following: "in both aural and visual form."

Thus, 47 C.F.R. § 73.933(a)(4) will read as follows:

"Discontinue normal program and broadcast the following announcement *in both aural and visual form:* We interrupt this program. This is a National Emergency. Important Instructions will follow." (Italicized portion indicates proposed amendment).

2. 47 C.F.R. § 73.933(b)(8)(i): After "Standby Script" in line 2, insert the following: "and appropriate visual messages."

Thus, 47 C.F.R. § 73.933(b)(8)(i) will read as follows:

"Upon completion of the EAN message the Standby Script *and appropriate visual messages* shall be used only by Primary Stations (or stations required to assume that responsibility) until program material is available. The text of the Standby Script is contained in the EBS Checklists for Primary and Alternate Stations and for Primary Relay and Alternate Relay Stations."

3. Such further amendments to Title 47 of C.F.R. as may be appropriate and necessary to effect the policy of visual notification of emergencies.

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C. Additional actions requested of the Commission

It is further proposed that the Commission should initiate the following measures to allow the Emergency Broadcast System to conform to these proposed regulations:

1. Preparation of slides containing in printed form the announcement required by 47 C.F.R. § 73.933(a)(4). Reference should be made to these slides in the EBS Checklist, which contains simplified instructions for every station to follow in various situations. All stations should be required to use these slides.

2. Preparation of appropriate means for transmitting visually the same information contained in the "Standby Script" referred to in 47 C.F.R. § 73.933(b)(8)(1). The Standby Script consists of general information provided by the individual television station until emergency programming becomes available. The EBS Checklist should include reference to this visual information, and there should be a requirement of its use by all EBS stations.

3. Immediate initiation of a means of transmitting visually all information transmitted aurally through EBS.

In addition, the Commission should direct all state and local EBS authorities to initiate similar procedures for state and local emergencies.

V. EXPLANATION OF PROPOSED AMENDMENTS

A. Emergency information transmission originating from broadcast stations

Most emergencies do not have a nationwide impact. Natural and man-made emergencies are usually local and, as previously mentioned, strike one out of every four counties in the United States each year. Thus, the responsibility for warning the public about emergencies lies primarily with individual local television stations, and the amendment to 47 C.F.R. § 73.675 is directed towards them.

B. Requirement of printed messages as opposed to other means of communication with the hearing impaired

The printed word has been chosen as the best method to be used in communicating to the hearing impaired because it reaches the largest number of people. A significantly smaller proportion of the hearing impaired population reads lips or understands the language of signs.

Although there are no precise statistics available on what percentage of the hearing impaired would prefer and benefit from printed messages, there are a few indicators. In a recent study by the New York University Deafness and Research Training Center, which attempted to ascertain the reactions of hearing impaired individuals to a certain captioned and signed television program, 84 percent said they "always understood captions" while only 34 percent "always understood signs." When the participants were asked whether they would like future programs to be captioned, signed, or both, a majority, 53 percent, requested both captioned and signed, while 44 percent preferred captioned, and only 3 percent asked for signed. While this survey may not accurately depict the desires of the entire hearing impaired population, it does indicate their preferences as to what means of communication television should utilize. The conclusion that may be logically drawn from these studies is that more of the hearing impaired population prefer and understand captions than signs.

One must also keep in mind the distinction between the hearing impaired and the deaf. The understanding of signs is generally limited to people who became deaf or severely hearing impaired early in life and have had special training in signing. The leaves a substantial number of people who are hearing impaired but not deaf or who became so late in life, have not learned sign language, and would not benefit from signs. The logical means of reaching all, then, is the printed word.

Although the number of those who can understand lips and signs is limited, it may be assumed that the hearing impaired's reading ability approximates that of the rest of the population. Overall, the deaf population of the United States is only one year below the national educational level in highest grade obtained. Therefore, printed messages would be of benefit to a much higher percentage of the hearing impaired population than other methods of communication.

There are several other serious limitations precluding the use of lipreading and signs. Lipreading has limited value as a means of communication. Even for those individuals who primarily rely on lipreading, only 25 per cent of spoken English can be ascertained from the lips; the other 75 per cent must be guessed from the context of the conversation. A practical problem of signing is that it is highly unlikely that a station would be able to obtain a signer quickly in an emergency. In addition, signing is hard to understand when reduced to the size of a normal television screen. Because the language of signs is three dimensional, it is not well suited to the two dimensional television screen. Therefore, it is obvious that the printed word is the most effective and expedient means of reaching the hearing impaired in an emergency.

C. Explanation of various methods of presenting visual messages

Suggested methods which may be used to transmit a printed message are listed in the proposed rule. The purpose of the list is to suggest specific ways of meeting the required standards, while at the same time allowing for flexibility according to the needs and capabilities of individual stations. Some stations will be able to produce simple and effective messages quickly and easily with a teletypewriter. Others, who may not have even this relatively inexpensive equipment, will be able to easily meet the specifications with minimum effort by hand printing or typing a message on an index card and focusing a camera on the card. It does not matter which method is used in broadcasting the visual message, so long as the message is easily readable and understood by the viewer.

D. Suggestions for implementation

Individual stations are urged to use the most suitable method of transmitting the essential information in printed form in the shortest amount of time possible.

As an aid to broadcasters, the National Weather Service, through its Council on Community Preparedness, has offered to make low-cost slides available to broadcasters. These slides would not include sufficient information to cover specific emergency situations but would, instead, inform the public of the general nature of natural emergencies, e.g., tornado, hurricane, flood. It is suggested that broadcasters use these slides, or similar ones which they might produce, for initial notification, and then follow this up with a more specific printed message. This method would permit the public to be alerted immediately, giving the broadcaster time to transmit the specific details a short time later.

Another method of saving time when disaster strikes is to have on hand previously prepared charts which could be filled in with the essential details at the time of an emergency, for example:

Channel 10 WOWW
Tornado Warning
Area ----------
Duration ----------
Specific information----------

Stations might also choose to broadcast a map of their coverage area with the warning. One station reported to the National Association of Broadcasters that to make identification of particular trouble spots easier, it uses a map with detachable counties in different colors which is then filmed by a preset studio camera.

The use of a preset camera is a technique which would be advantageous for all stations to adopt. A camera might be focused on an easel with a black vinyl backing, for example, on which a message could easily be written in white, or upon which a previously prepared printed poster could be placed. This allows for simple visual notification of emergencies as well as the notification of technical difficulties at the station.

Stations should keep materials for the transmission of visual emergency notifications in a clearly marked container. The location of these materials and procedures for using them should be made known to all employees who might potentially be responsible for broadcasting an emergency notification. One way of insuring this knowledge would be to hold an emergency drill periodically. In addition, broadcasters are urged to consult the National Association of *Broadcaster's A Guide to Planning for a Natural Disaster* (NAB 1974) for general suggestions for dealing with emergencies. The above methods are only suggestions which the Commission might choose to require by rule.

E. Requirement of audio tag

The purpose of requiring the audio tag (oral request for viewers to inform any deaf or blind persons about an emergency) with all notifications is to reach hearing impaired or blind individuals who might not be watching television, when an emergency strikes and therefore would be unable to receive a warning message. Hearing persons are often alerted to potential emergencies by the sound of sirens, wind, or rain pounding on the roof, and they are then prompted to turn on a television or radio to get additional information. But deaf people are completely oblivious to such clues, being informed only through the sense of sight. They must therefore depend on other persons to initially alert them to threatening conditions.

F. Transmissions pursuant to Emergency Broadcast System—EBS—Procedures

1. Emergency Broadcast System—EBS

The Emergency Broadcast System is an operation through which the public is informed of national emergencies and instructed as to what actions to take. The EBS permits selected television stations to broadcast at normal power on their assigned frequencies during national emergencies, in order that the President may address the nation and that Federal, state, and local agencies may provide supplementary information. The EBS stations are required to follow the procedures set forth in 47 C.F.R. § 73.675 through 47 C.F.R. § 73.962. An EBS Checklist (see 47 C.F.R. § 73.910) summarizes the actions that must be taken by EBS stations in a national emergency upon receipt of an Emergency Action Notification (EAN), Termination or Test Message.

Three steps of the EBS procedure concern us as petitioners on behalf of the hearing impaired:

1. The initial public announcement of a national emergency (EAN Message; 47 C.F.R. § 73.933(b)(4) and 47 C.F.R. § 73.933(b)(6)).

2. The Standby Script used between the completion of the EAN message and the program material from EBS (47 C.F.R. § 73.933(7))

3. The common emergency program originating from the EBS control point.

2. Current procedures and proposed changes

(a) *EAN Message:* Upon receipt of an EAN message, the EBS stations are currently directed to broadcast the following announcement:

"We interrupt this program. This is a National Emergency. Important instructions will follow."

The EBS Checklist then requires that the following announcement be broadcast on primary stations:

"This is an Emergency Action Notification. All stations shall broadcast this Emergency Action Notification Message. This station has interrupted its regular program at the request of the White House to participate in the Emergency Broadcast System. During this emergency, some stations will remain on the air broadcasting news and official information to the public in assigned areas. This is station (call letters). We will remain on the air to serve the (operational area name) area. If you are not in this area, you should tune to other stations until you hear one broadcasting news and information for your area. You are listening to the Emergency Broadcast System serving the (operational area name) area. Do not use your telephone. The telephone lines should be kept open for emergency use. The Emergency Broadcast System has been activated to keep you informed. I repeat . . ." (Repeat announcement)

Other stations are required to broadcast a similar announcement stating their role in the emergency. The proposed amendment would require the display of a slide with the identical message in printed form being presented at the same time as the audiotransmission of the message required by 47 C.F.R. § 73.933(b)(4). The EBS should prepare a slide to be distributed to all EBS stations and filled in with the station's call letters and operational area name.

(b) *Standby Script:* Upon completion of the EAM message, EBS primary stations use a Standby Script, the text of which is contained in the EBS Checklist and which is broadcast until the program material is available. The Standby Script in current use reads as follows:

"We interrupt our program at the request of the White House. This is the Emergency Broadcast System. All normal broadcasting has been discontinued during this emergency. This is station (call letters). This station will continue to broadcast, furnishing news, official information and instructions, as soon as possible, for the (operational area name) area. If you are not in the (operational area name) area, tune to a station furnishing information for your area. I repeat—We interrupt our program at the request of the White House. This is the Emergency Broadcast System. All normal broadcasting has been discontinued during this emergency. This station will continue to broadcast furnishing news, official information and instructions, as soon as possible, for the (operational area name) area. If you are not in the (operational area name) area, tune to a station furnishing information for your area. Do not use your telephone. The telephone lines should be kept open for official use. The Emergency Broadcast System has been activated to keep you informed. To repeat—This is station (call letters). This station will broadcast news, official information and instruction for the (operational area name) area. If you are in the (operational area name) area, keep tuned to this station for further emergency information. It is important that you listen carefully to announcements only on the station broadcasting information for your area." (Repeat as needed)

The proposed amendments would require the transmission of prepared slides containing in visual form the material content of the Standby Script.

(c) *Common Emergency Program:* Many EBS broadcasts originate from a central control point rather than from individual stations, and therefore the content and form is beyond the control of local stations. Any visual message must, accordingly, be transmitted by EBS officials. The proposal directs the EBS to immediately initiate procedures for transmitting visually the same information that is transmitted aurally. The Emergency Communications Division of the Commission is currently developing, in cooperation with the National Industry Advisory Committee, a "crawl" device (whereby printed information runs across the screen) to be used on all EBS broadcasts. The Commission should stress the immediacy of the need for such a device and call for its use as soon as possible.

(d) *Local and state emergencies:* The proposal directs state and local EBS officials to also broadcast in visual form all information that is transmitted aurally, whether as a result of rule making or internal decision of the EBS.

VI. ECONOMIC AND TECHNICAL FEASIBILITY

There are no theoretical or technical reasons for the exclusion of the hearing impaired from the many benefits of television. Some television stations are making use of captioning equipment without any apparent difficulty. Possible techniques range from the use of a teletype machine providing a running crawl to typewritten index cards propped up on an easel. Whether large or small, a television station has many options to choose from, according to its capabilities. Since most television stations already have the appropriate equipment to provide for visual warnings, the various techniques previously mentioned can be utilized without any great expense.

Video titlers, or character generators, are one simple yet effective technique for captioning on television. Some models may be obtained for under $2,000. (e.g. DATAVISION, INC., Model D–1032), a relatively minimal amount in comparison to a television station's total production costs. Titling cameras, which almost every station owns, cost from $1,000 to $1,500, and are another basic method of captioning. Rather than being required to buy the most expensive equipment if such regulations were to be placed upon them, television stations would only have to use the means already available to them. They should realize that these and more basic methods are of relatively low cost, and will present no major burden on their budget.

Stations can utilize extremely simple and inexpensive methods for the transmission of visual emergency notifications. Blackboards may be purchased for only $2.50 while poster board retails for 39¢ a sheet. These costs are insignificant when compared to over-all television station operating budgets. If one life is saved through the use of visual emergency warnings on television, then there can be no question as to the necessity and feasibility of making visual notifications mandatory.

VII. AUTHORITY AND PRECEDENT

A. The petitioners are interested persons

Petitioners present this petition as interested persons, pursuant to statutory and Commission authority.

The statutory authority, 5 U.S.C. § 553(e), the Administrative Procedures Act, provides that "Each agency shall give an interested person the right to petition for the issuance, amendment, or repeal of a rule."

The petitioners are D.E.A.F.W.A.T.C.H. (Demanding Equal Access to Facts and Warnings Aired on Television for Citizens who are Hearing Impaired); the National Association of the Deaf (N.A.D.); the Alexander Graham Bell Association for the Deaf; and DEAF-PRIDE, Inc.

D.E.A.F.W.A.T.C.H. is a legal action group composed of students attending the National Law Center at the George Washington University in Washington, D.C. They are persons interested in the problems of the hearing impaired and are presently attempting to establish a Center for Law and the Deaf/Hearing Impaired which would deal in a coordinated and concentrated manner with the unique problems of the deaf and hearing impaired through legal and law related means. DEAFWATCH's close association with members of the hearing impaired community and its continuing interest in the problems of the hearing impaired, particularly with regard to telecommunications, brings it to the Commission to seek relief.

N.A.D. is one of the leading organizations of and for the deaf in the United States. Its general objectives are to unite deaf Americans and to open channels of communication between them; to deliberate on the needs of the deaf as a class; and to take such action as is necessary to fulfill these needs: to promote the unique needs of the deaf by legislation, education, communication, research, and rehabilitation. N.A.D. will host the next World Congress of the Deaf in Washington, D.C. in the summer of 1975.

The Alexander Graham Bell Association for the Deaf is a national and international organization which has been dedicated, since 1890, to promoting the interests of the hearing impaired and to promoting excellence in the education of deaf children.

DEAF-PRIDE, Inc., is a local organization of deaf persons, parents of deaf persons and interested members of the community.

B. Authority for the Commission to act is provided by statute

The Communications Act of 1934 (47 U.S.C. §§ 151 et seq.) (herein-after, "The Act") established the Federal Communications Commission and gave it sweeping rulemaking authority to regulate and control radio communications. This grant of authority has been held to include the authority to regulate television, since 47 U.S.C. §§ 303 defines "radio communication" as "the transmission by radio of writing, signs, signals, pictures and sounds of all kinds."

Section 303(r) of the Act authorizes the Commission to adopt rules to effectuate the provisions of the Act. Section 303(g) of the Act gives the Commission the power to "encourage the larger and more effective use of radio in the public interest. Section 303(b) specifically requires the Commission to "prescribe the nature of the services to be rendered" by stations. Congress intended by this section to encourage and empower the Commission to take the initiative in exploring the public interest service possibilities of radio. In complying with this mandate the Commission has wide discretion in determining questions both of public and procedural policy, and in making and applying appropriate rules.

Given the specific powers granted to the Commission by section 303 of the Act, petitioners contend that it is clearly within the Commission's power to require more effective use of television emergency broadcasts by the addition of visual messages to aural bulletins.

The Commission is granted specific authority to deal with the subject matter of this petition, the safety of life and property. One of the purposes of the creation of the Commission is stated as "the purpose of promoting safety of life and property through the use of wire and radio communication. (47 USC § 151). More specifically, 47 USC § 154 (a) states: "For the purpose of obtaining maximum effectiveness from the use of radio and wire communications in connection with the safety of life and property, the Commission shall investigate and study all phases of the problem and the best methods of obtaining the cooperation and coordination of these systems.

The Commission has in fact exercised its power to promote the safety of life and property by authorizing individual broadcast stations to depart from standardized procedures in order to transmit emergency information. Prescribing specific regulations, 47 C.F.R. § 73.675 informs broadcasters of the types of situations under which they shall be authorized to present an emergency format.

The Commission also provides for and regulates the Emergency Broadcast System (EBS) (47 C.F.R. §§ 73–98–73.962) described on page 19, *supra*. EBS is composed of AM,

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FM, and TV broadcast stations and non-government industry entities operating on voluntary, organized basis during emergencies of National, State or Operational (Local) levels. (§§73.903).

It is under the specific authority of 47 C.F.R. § 73.675 and 47 C.F.R. § 73.933 (EBS) that petitioners contend the Commission has the power to initiate rule making proceedings. By the amendment of these two sections to require television broadcasters to present visual messages along with their aural bulletins, the Commission would increase the effectiveness of radio communications by promoting the safety of life and property of even more millions of Americans—those who are hearing impaired.

That the Commission has the power to serve specific classes of people has been demonstrated by their mandated responsibility to serve minorities. Title 47 USC § 202 imposes an affirmative responsibility on the Commission to provide for these minorities:

"It shall be unlawful for any common carrier to make or give any undue or unreasonable preference or advantage to any particular person, class of persons, or locality, or to subject any particular person, class of persons, or locality to any undue or unreasonable prejudice or disadvantage."

While this provision applies to common carriers, which does not include broadcasters, there is an obligation to apply this practice to the hearing impaired. The present practice by the majority of television stations of presenting emergency notifications which can only be received by the hearing majority of their viewers gives an unreasonable preference to those persons and subjects the nonhearing viewers, who could only benefit from visual messages, to an unreasonable disadvantage. The Commission's statutory responsibility to provide for the safety of life and property, coupled with its affirmative obligation to insure relief to the substantial minority of hearing impaired, means, petitioners respectfully submit, that the Commission must take positive steps to insure equal access to warnings for the deaf and hearing impaired through rule making proceedings.

The Commission's responsibility to serve minorities is especially evident when it is in the public interest to provide for them. The D.C. Court of Appeals in 1970 found discrimination against a certain minority class (those who prefer classical music) in regard to radio programming balance in a community. The court reversed the Commission's refusal to hold a hearing on the question of whether a proposed assignment which would eliminate the only classical music station in Atlanta served the public interest. The court stated:

"It is surely in the public interest, as that was conceived of by a Congress representative of all the people, for all major aspects of contemporary culture to be accommodated by the commonly-owned public resources whenever that is technically and economically feasible . . . devotees of classical music . . . (are) a not insignificant portion of the people who make up Atlanta, and their minority position does not exclude them from consideration in such matters as the allocation of radio channels for the greatest good of the greatest number."

If classical music is in the public interest, then what about the preservation of life itself? Surely, life, above all else, should be held sacred. Anything which can be done to save this precious resource should be done now, with no further delay. The "greatest good" now is to give the hearing impaired what they need, and thus put them on the positive side of the balance between life and death.

In the *Citizens Committee* case, *infra*, the court clarified the meaning of "serving the public interest," which the Commission has been directed to do by Congress. The Commission itself has also recognized the necessity of considering all aspects of a community by requiring that each commercial licensee keep in touch with the needs and interests of the community it serves. Each license application requires a description of the needs and interests which the station will serve in the license period under consideration.

Two types of programming which the Commission has recognized as necessary to meet the "public interest" of the community are weather reports and service to minority groups. With this in mind, it is obvious that the proposals for rule making fit exactly in this framework. The hearing impaired are clearly a minority group, and weather information is the major material being requested. Thus, providing visual emergency bulletins to the hearing impaired is exactly along the lines of serving the public interest which the Commission has already recognized. Almost all communities contain hearing impaired persons, and no community is immune from emergencies. The requirements which petitioners seek to have imposed by the Commission would be at least a first step in insuring consideration of the minority interests of the various communities.

The Commission has already recognized the interests of the hearing impaired minority in other ways. For example, 47 C.F.R. § 15.331 allows for the operation of an auditory training system in instituting programs for auricular instruction of persons having speech or hearing handicaps. Also, the Commission has granted approval for a Public Broadcasting System experimental program of captioning the ABC News for rebroadcast several hours later and for captioning entertainment programs. These provisions, along with the 1970 Public Notice, show not only the Commission's authority to act but also its previous recognition of the need for action in this area.

The blind, as well, have been identified by the Commission as a minority in need of special services. Most recently, radio station WETA–FM in Washington, D.C., was granted a Subsidiary Communications Authorization for special programming to serve the blind. The Washington Ear, Radio Service for the Blind and Physically Handicapped, Inc., a nonprofit organization, provides a special sub-carrier radio receiver for blind persons so that they may hear special WETA–FM broadcasts. The broadcasts are readings of articles, feature stories, editorials, and advertisements from selected newspapers.

Clearly, the proposed amendments are in the "public interest" as meeting the needs of a minority group—the hearing impaired.

VIII. BROADCASTERS' FIRST AMENDMENT FREEDOMS WILL NOT BE ABRIDGED BY THE PROPOSED REGULATIONS

Although requiring visual emergency messages would serve the public interest, by fulfilling the needs of handicapped minorities, some observers have suggested that this would entail unwarranted government regulation in the precious arena of First Amendment freedoms. The Communications Act provides that "no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication." However, such a regulation as the petitioners propose does not at all interfere with *what* information or ideas are transmitted by broadcasters, but concerns only *how* they are transmitted. The proposed regulation does not require the transmission of any messages originating at the local level, nor does it limit what may be transmitted. Rather, it simply requires that once a station chooses to aurally transmit an emergency notification, it must transmit the same message visually. The EBS regulations already prescribe the content of aural EBS messages; the proposed regulation of EBS would simply require the same messages to be presented visually. There would be no chilling effect upon the artistic value of the programming, nor any regulation of the broadcaster's judgment.

Moreover, despite the prohibition of government censorship by both the First Amendment and the Communications Act, there are already a variety of Commission actions which constrain the broadcaster's freedoms and flexibility in utilizing a station for communications. For example, the Commission requires that the programming of a licensee be in the "public interest" and has indicated a preference for certain types of programming. The Commission also regulates network domination of television programming by restricting prime time access.

When television stations fail to serve the needs of the public by not voluntarily implementing techniques which can save many human lives, the Commission is not only permitted, but obliged, to impose such techniques on the stations.

IX. THERE HAVE BEEN MANY REQUESTS FOR COMMISSION ACTION

Other government agencies have also recognized the needs of the hearing impaired. One early call for improvements in television for the hearing impaired was voiced in December 1971, at the first National Conference on Television for the Hearing Impaired, sponsored by HEW. In attendance were representatives of the deaf and hard of hearing, television stations, broadcasters, engineers, educators, advertisers, and the Federal Government. The Conference entailed a pooling of resources in order to bring about the development of captioned television programs to serve the needs of the hearing impaired population. Participants highlighted existing problems and recommended numerous remedial strategies. The Conference ended on a hope for "a new dimension in the lives of the hearing impaired."

At the National Conference, Capt. L. R. Raish, of the Office of Telecommunications Policy (hereinafter OTP) in the executive branch, offered the following words: "There is interest and encouragement on the part of persons high in the Administration in seeing that technology, particularly telecommunications technology, is applied to aid the handicapped.

The former director of OTP himself, Clay T. Whitehead, encouraged the Commission on December 2, 1971, to expand the use of captions in television broadcasting, stating, "the Administration strongly supports . . . actions which foster the interest of the broadcast industry, such as was done by the Commission's Public Notice (FCC 70–1328), in offering telecasts that provide a means whereby warnings and emergency bulletins and other services could be made available to viewers with impaired hearing.

An August 1, 1973, letter from former Commission Chairman Dean Burch to Mr. Whitehead discussed the comparative advantages of two types of captioning methods which present printed words on the television screen in addition to the information provided aurally. One of these methods is closed captioning, which can only be seen on a television screen if there is a special decoding device attached to the television set. The other is open captioning, which is received by all television sets turned on to a particular station which employs a captioning device. Chairman Burch closed his letter to Mr. Whitehead by stating that closed captioning was not feasible for emergency notification:

"It seems apparent that *captions* providing such information *should be available to all persons of impaired hearing*—not just to those whose receivers are especially equipped to display encoded captions." (emphasis added)

Yet, four years after the Commission's Notice, and despite these various statements of support, no substantial progress has been made toward presenting visual emergency notifications. More than encouragement appears necessary to meet the pressing needs of a substantial segment of the population.

Many deaf organizations have been actively involved in efforts to change the existing procedures which most television stations follow in broadcasting emergency notifications. The Council of Organizations Serving the Deaf (COSD) in August, 1972, wrote to the National Association of Broadcasters, asking that they include in their standards a requirement that aural Emergency Broadcasting System messages be accompanied by visual messages. Although NAB failed to institute such standards, EBS is now developing a "crawl," where words cross the screen at the same time the oral announcements are being made.

Because of the failure of television stations to regulate themselves in the manner called for by the Commission, other government agencies, and deaf organizations, the hearing impaired continue to be deprived of the right to emergency notifications. This blatant disregard to the Commission's Notice has prompted numerous letters from individuals and organizations to the Commission urging the adoption of more stringent regulations. The response has been that the situation has been under active consideration by the Broadcast Services Subcommittee, National Industry Advisory Committee.

Still, no action has been taken by this Committee. Therefore, in view of the unsatisfactory developments in this area, it is now the Commission's obligation to "begin rule making looking toward the adoption of minimum requirements."

X. THE COMMISSION SHOULD FOLLOW OTHER GOVERNMENT ACTIONS IN SERVING THE NEEDS OF HEARING IMPAIRED

By requiring visual emergency bulletins to serve the needs of the hearing impaired, the Commission would be following the example set by other bodies of the Federal Government in providing for the special needs of the handicapped. Congress has shown its concern with these needs by establishing a comprehensive program for the handicapped through the Vocational Rehabilitation Act (87 Stat. 355). The purpose of the act is to:

"Provide a statutory basis for the Rehabilitation Services Administration and to authorize programs to develop new and innovative methods of providing rehabilitation services to handicapped individuals through research, special projects, and demonstrations; . . . conduct various studies and experiments to focus on long neglected problem areas; . . . enforce statutory and regulatory standards and requirements regarding barrier-free construction of public facilities and study and develop solutions to existing architectural and transportation barriers impeding handicapped individuals."

The Act also establishes a National Center for Deaf-Blind Youths and Adults to, among other purposes, "aid in the conduct of . . . activities which will expand or improve public understanding of the problems of deaf-blind individuals."

Title 45 USC part 150, under the authority of HEW, provides for the production and distribution of captioned films for the deaf, to provide them with enriched experiences so that they may be brought in better touch with the realities of their environment.

In addition, Congress funds Gallaudet College, in Washington, D.C., the only accredited four year college for the deaf in the world.

Although not specifically directed towards providing visual emergency messages, concentrated efforts are being made by the Bureau of Rehabilitation Services of HEW, Public Broadcasting System and the National Bureau of Standards, to perfect a closed captioning system. Such commendable efforts demonstrate a growing awareness of a dedication to the potentialities of television for the hearing impaired. But, the Commission cannot wait for these methods to be developed before it acts. It has the authority, and television stations have the ability, to immediately offer relief to the hearing impaired population by providing them with the necessary visual information in times of emergencies.

It is respectfully submitted that the Commission has had adequate time to consider the situation. The moment is ripe for the Commission to impose standards on television stations to insure all hearing impaired individuals their right to receive visual emergency notifications on television.

XI. CONCLUSION

The shocking failure of television to perform its duty to the hearing impaired population is self-evident. These millions of Americans are denied a life of security while television's neglect continues. The multitude of hearing impaired, the array of potential emergencies, and the culpability of television broadcasters are presently producing profoundly devastating results. Unless broadcasters provide the missing link—visual emergency bulletins—the hearing impaired will remain physically and psychologically vulnerable to disasters.

The time for talk has passed. The Commission must now act on its promises and help the hearing impaired, who in this case cannot help themselves. The simple procedures and low cost involved in implementing the petitioner's proposals for visual notifications in emergencies, require only minimal effort by broadcasters. In view of the lives that visual notifications would save, is there any question as to the proper path of action? Must the hearing impaired continually be discriminated against in the field of telecommunications?

The sacrifice of lives must stop now. Since television broadcasters will not voluntarily do their part, the Commission must, we submit, step in and initiate rule making proceedings requiring television stations to add visual messages to their emergency notifications.

For these reasons, the petitioners respectfully request the Federal Communications Commission to adopt, as part of its Rules and Regulations, the proposed standards for the visual transmission of emergency notifications.

ENERGY SURVEY

Mr. DOLE. Mr. President, recently I received an energy use survey conducted by the eighth grade science class of Burr Oak, Kans. I believe it is a useful indicator of feeling about the energy problem in Kansas.

Burr Oak is a community of 473 people, most of whom are engaged in farming or farm-related business. As such, it is representative of a large portion of my constituency in Kansas.

I find this survey to be useful in two respects. In the first place, it demonstrates the concern which Kansans of all ages feel about our current energy problem. Certainly, the many hours which these students spent in gathering and compiling this data indicate Kansas youth's desire to take positive action toward meeting the problems of our day. I find it encouraging to note that students are thinking seriously about our energy supply.

CONCERNED ABOUT ENERGY

Second, this survey reflects the comments I have been hearing from many Kansans on the energy problem. I note the serious doubt about the President's energy program.

The sentiment against gasoline rationing—73.9 percent—is even stronger and I have strongly advocated alternative measures to save fuel resources so that rationing will not be necessary.

My own efforts in the Senate—particularly in the Senate Finance Committee—have been directed toward meeting these concerns. But I am more and more convinced after hearing testimony in the committee that no meaningful program to reduce energy consumption can be painless.

DISCRIMINATION UNWANTED

The discriminatory 55-mile-per-hour speed limit registers strong opposition, as I would expect. In Kansas and other Western and Midwestern States, we are expected to reduce our speed by about 20 percent while new Englanders and other easterners by and large have not been required to reduce their speed at all. The Congress and administration seem to be saying to Westerners and Midwesterners, "you slow down and save gasoline so that Easterners can drive at the speed they have been in the past."

That is why I have attempted to make the 55-mile-per-hour speed limit more equitable, keeping in mind both the needs and desires of Kansans who must travel much longer distances in order to carry on their businesses than those living in urban areas.

Not surprisingly we now see New England officials and representatives protesting about discrimination against them because of the oil import duty program. This seems especially ironic to the junior Senator from Kansas since testimony in the Finance Committee clearly shows that the New England area would suffer less from the oil tariff than other parts of the Nation. That is because New England imports mostly refined petroleum products for which there is no tariff and because the Federal Energy Administration has previously had a subsidy for imported refined product under the entitlement program which has now been ended.

And all these protests are even harder to understand when easterners have been getting natural gas from Kansas and other Midwestern States that has been held at artificially low prices for the past 20 years.

But the dialog going on in Congress now is good and I hope we will be successful in finding a program to reduce our dependence on imported oil as soon as possible at the minimum level of economic pain.

Because I feel that the work of the Burr Oak science class has a meaningful significance, I ask unanimous consent that their survey be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

UMI

REPORT ON BURR OAK ENERGY USE SURVEY

Conducted by the eighth grade science class, winter 1975.

Number of people surveyed 110.

Burr Oak Population 473, Occupation: Farm or farm related.

Age: Under 13 (21), 19.1 percent; 13–21 (56), 50.9 percent; 22–45 (21), 19.1 percent; 46–65 (12), 10.9 percent; over 65 (0).

Sex: (50), 46.3%, male; (58) 53.7% female.

Average number of vehicles per family (includes cars, trucks, and tractors): 7.

How home is heated:

	Percent
Wood (17)	13.0
Coal (1)	0.1
Natural gas (51)	39.2
Propane (38)	29.2
Electricity (19)	14.6
Fuel oil (4)	3.1

QUESTIONS ASKED

[Percent]

3. Are you favorable to President Ford's energy proposal?

Yes (36)	33.6
No (71)	66.4

4. Do you think the 55 mph speed limit should remain in effect?

Yes (40)	36.7
No (69)	63.3

5. Are you favorable to gas rationing to save energy?

Yes (28)	26.1
No (79)	73.9

6. Do you think they should store atomic waste in Kansas?

Yes (10)	9.1
No (100)	90.9

7. Who do you think should have energy priority in winter?

	Percent
Home (74)	68.8
Industry (8)	9.9
Transportation (12)	10.3
Agriculture (21)	18.1
Government (1)	0.9

8. Should the use of spacecraft and aircraft be limited to save energy?

	Percent
Yes (89)	82.4
No (19)	17.6

9. Would you still drive the same distances if gas was $1 per gallon or more?

	Percent
Yes (48)	44.4
No (60)	55.6

10. Are you favorable to the use of lead-free gas?

	Percent
Yes (45)	40.1
No (67)	59.9

11. Do you think we should have day-light saving time 12 months a year?

	Percent
Yes (41)	38.3
No (66)	61.7

Not all samples answered all questions and some, a few more than once.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the United States record of ratification of human rights treaties is appalling. There are a number of treaties awaiting action by the Senate: 14 United Nations Conventions, 6 International Labor Organization Conventions, 1 UNESCO Convention, and 9 Conventions of the Organization of American States. In fact, the United States has only ratified 3 United Nations conventions and 4 OAS treaties in the area of human rights.

In examining this dismal record, Congressman FRASER's Subcommittee on International Organization and Movements commented:

The United States, through its failure to become a party to all but a few of the human rights treaties, has become increasingly isolated from the development of international human rights law. This failure impairs both our participation in the U.N. work in human rights, and our bilateral efforts to persuade governments to respect international human rights standards.

Mr. President, we cannot permit this tragic anomaly to continue. This country has long been recognized as a leader in the area of civil and human rights within its own borders. It is time that we apply the same high standards to international affairs.

The Senate has the opportunity to reverse this policy of malign neglect by acting affirmatively on the human rights conventions now before the Committee on Foreign Relations. Foremost among these is the Genocide Convention, which has languished before the Senate for 25 years.

Prompt action in this 94th Congress will clearly demonstrate the tenor that the Senate expects our foreign policy to reflect.

Mr. President, I urge my colleagues to join me and encourage the Foreign Relations Committee to report this treaty to the floor once again.

HONOR AND PRESTIGE IN VIETNAM

Mr. MOSS. Mr. President, for more than a score of years, the United States has been involved in the conflict in Vietnam. That involvement was generally passive until the decade of the 1960's; at that time we became physically engaged in the war until our withdrawal, which began in 1973 and is still continuing. For some time now, it has been the express desire of a vast majority of the people of this Nation that the United States disassociate itself as rapidly as possible from a conflict which seems never ending. The turmoil of the war in Vietnam almost tore our Nation apart.

After more than 350,000 American casualties and the expenditure of $140 billion, along with many thousands of Asians who have lost their lives during these many years, it is strange that the administration continues to insist on increased U.S. involvement through additional appropriations. How can more than 20 years of tragic involvement fail to impress upon the administration and upon this Congress the futility of again increasing involvement in the Vietnam conflict?

It was my impression that in the last session of Congress, during the appropriations debate on assistance for continuing that war effort, Congress made itself clearly heard and represented the feeling of the people of this Nation. The vote of Congress during that session was to reduce aid to Vietnam from more than $1 billion requested to $700 million, and now the administration has asked for supplemental military assistance to bring that amount almost equal to the original request.

Mr. President, I should think that we would have learned by now that you do not uphold American honor and prestige by financing a futile war and a corrupt regime. Our past involvement in Vietnam has done more serious damage to the honor and prestige of this Nation than any other act in our history. The administration seems to have failed to recognize this fact by asking for additional aid to Vietnam which is an indirect act of continuing or again increasing our involvement there, and which will only inflict further damage to U.S. honor and prestige.

Mr. President, the United States, at the direction of Congress, has entered into a planned withdrawal of active involvement in the Vietnam conflict and we must continue with that plan. We must reaffirm in unequivocal terms our legislative prohibition against any combatant role of Americans in that conflict and, in addition, continue planned reduction of military assistance until our only involvement in Vietnam is once again passive. The request by the administration for additional appropriations must be rejected.

THE VLADIVOSTOK RESOLUTION

Mr. KENNEDY. Mr. President, on January 17, I joined with the distinguished Senators from Maryland (Mr. MATHIAS) and Minnesota (Mr. MONDALE) in submitting the Vladivostok resolution, Senate Resolution 20. If passed, this resolution would put the Senate on record in three main areas:

First, it accepts the broad outlines of the agreement reached at Vladivostok last November 24, between President Ford and General Secretary Brezhnev. This agreement, still to be worked out in detail, would establish the principle of parity between the United States and the Soviet Union in numbers of missiles and long-range bombers, and in numbers of missiles with multiple independently targetable, re-entry vehicles, MIRV's: 2,400 missiles and long-range bombers for each side, with a sublimit of 1,320 MIRV's.

Second, the resolution expresses the understanding of the Senate that the Vladivostok numbers are ceilings, but that U.S. decisions about deploying strategic weapons systems should be based solely on the grounds of national security. Thus there is no commitment implicit in the Vladivostok agreement to build up to the numbers specified for either category.

Third, the resolution expresses the advice of the Senate—not just the sense of the Senate—that further negotiations with the Soviet Union should begin "as soon as possible" in three distinct areas: Securing mutual restraints on the pace and character of both development and deployment of strategic weapons systems; securing agreement to negotiate lower numbers than those contained in the Vladivostok agreement; and securing agreement to negotiate arms control on other systems not yet covered by the 1972 or the 1974 strategic arms control agreements.

In submitting the Vladivostok resolution to the Senate for its consideration, we indicated that we expected some negotiations to these ends would begin during the current phase of talks at Geneva; but in any event, negotiations on all these areas should begin no later than ratification of the final Vladivostok accords.

In addition, the resolution expresses the sense of the Senate that the final Vladivostok accords should be submitted to the Senate for its advice and consent.

In this way, we believe that we are firmly relating the current negotiations on the Vladivostok agreement to further negotiations on strategic arms control. I strongly believe that this agreement will have merit only if it is but one step in efforts to bring the nuclear arms race under control, not the end of such efforts.

Mr. President, this resolution was drafted after long and thorough consultation with the Department of State, and with Secretary Kissinger himself. We believe that this was an important course to take, on a matter of such grave consequence for the future of the Nation. Furthermore, by expressing the advice of the Senate in the critical passage of the resolution, we believe that the Senate would be exercising its proper constitutional role in treatymaking, in setting guidelines for the administration even before a treaty is submitted to the Senate for ratification.

We are pleased that the Secretary of State has indicated his support for the Vladivostok resolution, and I ask unanimous consent that the text of Secretary Kissinger's statement of January 17 be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATE DEPARTMENT RELEASE

Secretary of State Kissinger welcomes the statements of Senators Kennedy, Mathias, and Mondale, and the resolution issued by these three Senators. He believes that this constructive action will help achieve the provisions and purposes of the Vladivostok Agreement, and that upon completion of that agreement, it will serve as a guideline for further negotiations on arms control.

This is an excellent example of how cooperation between the Congress and the executive branch can further the national interest without touching on each other's prerogatives.

Mr. KENNEDY. Mr. President, in Los Angeles recently, Dr. Kissinger challenged the Congress to work effectively with him in a new partnership designed to build American foreign policy for the future. We believe that the Vladivostok resolution demonstrates the Senate's willingness to play a constructive role. And we welcome the Secretary of State's positive response to our initiative.

At the same time, I believe that it is important for the Senate to be firmly on record in support of the need to improve relations with the Soviet Union in the critical area of strategic arms control. There should be no doubt in Soviet minds that our Vladivostok resolution is designed to promote the attainment of this goal.

To be sure, there are real difficulties in overall United States-Soviet relations, as indicated most clearly by the Soviet abrogation of the 1972 Trade Agreement. There are many areas in which United States and Soviet interests are not compatible. That will undoubtedly continue to be so.

But the essence of détente is not the resolution of all problems, but rather the seeking of areas of common interest, where the alternative would be to jeopardize the security of both countries.

Most clearly, this relates to the nuclear arms race, where there is no escape from the need of the two superpowers to work together to prevent mankind's final war.

Accordingly, after consulting with the State Department, I wrote to the Soviet Ambassador, His Excellency Anatoly F. Dobrynin, expressing the intent of the Vladivostok resolution. I ask unanimous consent that the texts of my letter, and of Ambassador Dobrynin's reply, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., January 17, 1975.

His Excellency ANATOLY F. DOBRYNIN,
Ambassador of the Union of Soviet Socialist Republics, Washington, D.C.

DEAR MR. AMBASSADOR: This morning, Senators Mathias, Mondale and I introduced a Senate Resolution, relating to further arms control efforts based on the Vladivostok Agreement. I am enclosing a copy of that Resolution for your information.

We are very much concerned in this resolution to express our support, and that of the Senate, for *detente* and the continued development of relations between our two countries. Particularly, at this uncertain time, we believe it is important to put the Senate of the United States firmly on record in support of better U.S.-Soviet relations, and particularly further arms control agreements.

The Resolution commends the Vladivostok Agreement, and urges the President to join with your government in concluding final accords based upon it.

Furthermore, it looks to the future, in seeking to promote further arms control negotiations, in areas of our two countries' mutual interest. In particular, we believe there could usefully be negotiations to achieve mutual restraints on the pace and character of development and deployments of strategic arms; to gain lower limits than those provided for in the Vladivostok Agreement; and to seek further mutual limitations with regard to forces and armaments not presently limited.

When negotiations along these lines should take place is, of course, a matter of judgment that can best be decided by leaders of the two governments involved. It is our hope, however, that both countries will make an early demonstration of their commitment to pursue further arms control efforts to the ends foreseen by the resolution.

We understand that your government shares our concern that what has been achieved so far in arms control be the basis for further constructive efforts, so that the threat of nuclear war will be ended for all time.

Again, please be assured of our desire to promote mutual understanding between our two governments and peoples, and to contribute to progress in *detente*.

With best regards,

Sincerely,

EDWARD M. KENNEDY.

EMBASSY OF THE UNION OF SOVIET SOCIALIST REPUBLICS,
Washington, D.C., January 21, 1975.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: Thank you for your letter of January 17, 1975, concerning a Senate Resolution introduced by you, Senators Mathias and Mondale. You indicated that the Resolution was intended to further arms control efforts based on the Vladivostok Agreement.

I share your opinion, that the support of the U.S. Senate for better U.S.-Soviet relations would be very important. I wish you and your colleagues all success in such endeavour. Indeed, the Congress, if so desired, can play a more constructive part in promoting understanding and cooperation between our two countries. And this is an important factor in keeping peace on the globe.

We, in the Soviet Union, know that you, Senator, are genuinely interested in contributing to progress in relaxation of tensions in Soviet-American relations. Please, be assured that your efforts are highly appreciated because they are in the interests of our both peoples and peace in the world. We all are hopeful that the threat of nuclear war will be ended in our days, in the foreseeable future. We are working in that direction.

With best regards,

Sincerely,

ANATOLY F. DOBRYNIN,
Ambassador.

Mr. KENNEDY. Mr. President, it is my fervent hope that the Vladivostok agreement, and the steps proposed by Senator MATHIAS, Senator MONDALE, and me, will help us to achieve the critical goal of ending the nuclear arms race once and for all. There is no greater legacy that we could leave to future generations of Americans—and to people of other lands—than to reduce the threat of nuclear war and, hopefully, to end it for all time.

I request that the following Senators be added as cosponsors of Senate Resolution 20, bringing the total number of cosponsors to 31: The Senator from Connecticut (Mr. RIBICOFF); the Senator from Michigan (Mr. GRIFFIN); the Senator from South Dakota (Mr. ABOUREZK); the Senator from Texas (Mr. BENTSEN); and the Senator from West Virginia (Mr. RANDOLPH).

RULES OF PROCEDURE OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, as required by the Legislative Reorganization Act of 1970, I ask unanimous consent to have printed in the RECORD the rules of procedure adopted by the Committee on the District of Columbia.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES AND PROCEDURES OF THE SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA

Rule 1. Unless the Senate is meeting at the time, or it is otherwise ordered, and notice given the Committee shall meet regularly at 10:30 a.m. on the second Friday of each month. The Chairman may, upon proper notice, call such additional

meetings as he may deem necessary, or at such time as a quorum of the Committee may request in writing, with adequate advance notice provided to all members of the Committee. Subcommittee meetings shall not be held when the full Committee is meeting.

Rule 2. The rules of the Senate and the provisions of the Legislative Reorganization Act of 1970, insofar as they are applicable, shall govern the Committee and its Subcommittees. The rules of the Committee shall be the rules of any Subcommittee of the Committee.

Rule 3. The Chairman of the Committee, or if the Chairman is not present, the ranking majority member present, shall preside at all meetings. A majority of the members of the Committee shall constitute a quorum of the Committee. However, the Committee may authorize a quorum of one Senator for the purpose of taking testimony.

Rule 4. Unless otherwise determined by a majority of the Committee, written proxies may be used for all Committee business, except that proxies shall not be permitted for the purpose of obtaining a quorum to do business. Committee business may be conducted by a written poll of the Committee, unless a member requests that a meeting of the Committee be held on the matter.

Rule 5. There shall be kept a complete record of all Committee action. Such records shall contain the vote cast by each member of the Committee on any question on which a yea and nay vote is demanded. The record of each yea and nay vote shall be released by the Committee either at the end of the executive session on a bill or upon the filing of the report on that bill as a majority of the Committee shall determine. The clerk of the Committee, or his assistant, shall act as recording secretary on all proceedings before the Committee.

Rule 6. All hearings conducted by the Committee or its Subcommittee shall be open to the public, except where the Committee or the Subcommittee, as the case may be, by a majority vote, orders an executive session.

Rule 7. The Committee shall, so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least 72 hours before a hearing and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee.

Rule 8. Should a Subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such Subcommittee and report that fact to the full Committee for further disposition.

Rule 9. Attendance at executive sessions of the Committee shall be limited to members of the Committee and of the Committee staff. Other persons whose presence is requested or consented to by the Committee may be admitted to such sessions.

Rule 10. The Chairman of the Committee shall be empowered to adjourn any meeting of the Committee if a quorum is not present within 15 minutes of the time scheduled for such meeting.

Rule. 11. Subpoenas for attendance of witnesses and for the production of memoranda, documents, and records may be issued by the Chairman or by any other member designated by him. The subpoena shall briefly state the matter to which the witness is expected to testify or the documents to be produced. All witnesses subpoenaed before the Committee who are to testify as to matters of fact shall be sworn by the Chairman or another member.

Rule 12. Accurate stenographic records shall be kept of the testimony of all witnesses in executive and public hearings. The record of a witness' own testimony, whether in public or executive session, shall be made available for inspection by witnesses or by their counsel under Committee supervision; a copy of any testimony given in public session or that part of the testimony given by a witness in executive session and subsequently quoted or made part of the record of a public session shall be made available to any witness at his expense, if he so requests. Witnesses not testifying under oath may be given a transcript of their testimony for the purpose of making minor grammatical corrections and editing, but not for the purpose of changing the substance of the testimony. Any question arising with respect to such editing shall be decided by the Chairman.

Rule 13. Subject to statutory requirements imposed on the Committee with respect to procedure, the rules of the Committee may be changed, modified, amended, or suspended at any time, provided, however, that not less than a quorum of the Committee so determines in a regular meeting with due notice, or at a meeting specifically called for that purpose.

REACTION OF BUSINESS AND LABOR TO THE PRESIDENT'S STATE OF THE UNION MESSAGE

Mr. NUNN. Mr. President, on January 15, 1975, Mr. Robert S. Hatfield, chairman of the board of the Continental Can Co., was part of a three-member panel representing the U.S. business community in a far-ranking television discussion of the President's state of the Union message. The program was produced by the National Public Affairs Center for Television and gave the American people a good opportunity to hear the reaction of some major business and labor leaders, leading economists as well as ordinary consumer to the President's proposals.

I ask unanimous consent that the comments which he made on this television program, "Public Affairs Television," be printed in the RECORD for the review of my colleagues.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

HATFIELD DISCUSSES AMERICA'S BUSINESS SYSTEM, ECONOMY ON NATIONAL TELEVISION

FREE ENTERPRISE

The private enterprise, free market system has proved itself to be the most effective of any known to man at any time in history. I would ask those who would change our system of operating to perhaps publicly-regulated industries or publicly-managed industries to simply look at the experience that is before us.

The regulated industries—utilities and transportation—have been mentioned as being in very serious difficulties in terms of trying to accumulate the money to expand, because the rates which they have been permitted (to charge) under regulation are not adequate to form capital.

A good deal of our railroad system is in severe difficulty. It's regulated. And so are our airlines. They're coming into difficulty. So that public regulation certainly isn't the answer and we have those examples before us.

When you come to public management of business, all we have to do is look at the test tube that is the United Kingdom. There, we see the coal and steel industries in a state of disarray. Their plants are not modern and their products are unable to compete in the world market.

The thing that worries us all is, that while most people do not wish to change our system, we're going to lose it by default if we don't fight for it. Planning at the government level has been proposed and I think that's necessary. But when it comes to a centrally-planned economy, I'm sure most Americans will be quick to realize that this is precisely the system that is used in the Communist countries.

There is also the issue of whether we wish to retain in America the freedom to choose. I feel that is one of the fundamental freedoms of the individual. You want to choose what products you buy. You want to choose where you work. But, if you have a totally centrally-planned economy you won't have these privileges.

Speaking in the broader sense: if the American people cherish freedom, as I think they do, then they will be very jealous of any encroachment on the private enterprise, free market system, because the fundamental of that, is the freedom to choose.

PROFITS AND LAYOFFS

There is a popular misconception about the profits of American business. It is thought, by survey, by a great many Americans that the profits made by corporations is in the area of 25–28 cents on every doller of sales. The fact of the matter is that the profit per dollar of sales for American business is something less than 5 cents for every dollar of sales. And so the extent of profits is really not fully understood.

An example of this is the American steel industry which has been said to have made exorbitant profits. Perhaps the impression that this is so comes from seeing increases in profits from year to year.

What perhaps is not apparent, is that the profit level in the steel industry was, as recently as 1972, so low that it could not generate enough capital to keep plants modern and be competitive with the other steel industries in the world. It thus had to raise prices in order to accumulate the capital to keep its plants modern and to expand. American steel industry profits, by any measure, at this point, are not exorbitant. They are higher than they were, but that is relative to a very low base.

On the statement that business would rather lay off people than take a cut in profits, I might make the point that it is this very income which provides funds for a reserve which most businesses set aside to sustain people that are laid off.

These benefits, called supplemental unemployment benefits, in a good many cases, last for a year or, depending upon the length of service, as long as two years. In other words, most businesses are not simply laying off people with the idea that they have no sustenance whatsoever.

Also profits allow business to protect jobs that might otherwise be cut and to grow, creating new ones.

FUNDS FOR EXPANSION

Mr. Hatfield was asked whether a provision in the President's message increasing the corporate investment tax credit would actually help business.

I am confident it will. One of our real problems in the United States economy is the availability of capital with which to expand our facilities and keep our plants modern.

It is very difficult with today's equity markets being as low as they are—the New York Stock Exchange, for example—to gain capital by selling shares of stock. That market is in such a depressed situation at the moment that it is really no place for a corporation to go to try to raise capital.

Also business is fairly highly leveraged today—and when I say highly leveraged I mean, that it has borrowed to the extent that prudence would say it should.

So where else can business go for capital accumulation but to raise prices in order to keep companies strong, provide jobs for people, supply re-investment capital and to grow with the markets, not only of this country, but the world.

With this very difficult situation in raising capital, the proposed increased investment tax credit, which gives you a quicker capital recovery on the money that is spent and thus generates additional capital funds, will help greatly.

OIL AND PRICING

One of our problems today is that we have been operating on the premise that oil was completely available and it was sold to us at a price that was very low in comparison to its value and the state of the reserves.

I think it's important that the oil market govern the day. I think it's important that the price of petroleum and in fact, all materials, reflect true cost (with an appropriate profit).

STATE OF THE ECONOMY

There's no question about the President's assessment of the economy being valid. We had negative real growth in the year 1974 and most of the economists that you listen to these days are forecasting a negative growth again in 1975.

When unemployment goes through 7 percent, I think you have to say, that taking these two things alone, that you are in a recession. I think the situation is such that the recession could deepen into a depression. The President was very forthright in facing up to the issues. I think he was right in calling upon the support not only of Congress, but of the American people themselves. I believe in the tremendous strength of this country and its resiliency, but he correctly highlighted the situation in the country now as being a critical one. And I think his objectives are absolutely sound.

NASA AERONAUTICAL RESEARCH AND DEVELOPMENT—A BIG RETURN ON INVESTMENT

Mr. MOSS. Mr. President, it seems to me that those who tend to wring their hands about economics and/or energy problems should stand back and take a look at the decline that has been taking place in our Nation's expenditures for research and development. The facts are that, in constant dollars, the research and development expenditures of U.S. industry and Government combined have declined over 10 percent since 1968. I strongly suspect that there is a relationship between some of our problems of today and the erosion that has been permitted to take place in our Nation's advanced technology base. I know, and it should be apparent to all, that we are now suffering the consequences of our long-term lack of research into and development of alternative sources of energy.

Government must assume a significant role not only in technology policy and the encouragement of technological advance but also in sponsorship and funding of critical research and development. In a number of areas Government has done just that, but in one field—aeronautical research and development—it would appear that successive administrations and Congress may have been far too miserly.

To be specific, on March 11, the Senate Committee on Aeronautical and Space Sciences will be considering the NASA fiscal year 1976 budget request for aeronautical research and development. The request is for $175.7 million, and I cannot help but relate and compare this 1-year Federal investment to the dynamic economic performance last year in the U.S. aerospace industry. I refer to commercial aerospace sales—heavily in jet transports—of $7.5 billion, 43 times the 1976 NASA investment in aeronautics R. & D. Total U.S. aerospace exports last year were $6.8 billion, a year when the United States suffered a trade deficit of $3.1 billion. When one realizes that these records were made almost wholly on yesterday's technology, he logically begins to speculate on the state of tomorrow's technology. In terms of that $175 million NASA request for next year's research and development, one has to ask if this is a sufficient Federal investment in a field so vital to our economy and our posture in the world arena.

This 1-year comparison led me to make an identical one over a longer term. NASA's outlays for aeronautical R. & D. from fiscal year 1970 through fiscal year 1975 total approximately $707 million; the U.S. aerospace industry's contribution to the economy through the sales of commercial aviation products from calendar years 1969 through 1974 totals $31.3 billion. U.S. total aerospace exports for these same years were valued at $26.5 billion of which $19.4 billion were civil aviation products.

The objective of NASA in aeronautics is the preservation of the United States as a leader in aeronautical science and technology. The point of my remarks is that money to support this objective translates into jobs and other economic benefits for a large number of our people.

CHANGE OF ANNOUNCEMENT ON VOTES ON H.R. 2634

Mr. TUNNEY. Mr. President, on Tuesday, February 18, it was my sad duty to attend the funeral of my friend and colleague Jerry Pettis. Under the provisions of Senate Resolution 81, I was appointed the Senate's official representative at the funeral.

There were two votes on H.R. 2634, the debt ceiling bill, in my absence. The RECORD states that I was necessarily absent for those votes. I would like the RECORD to show that I was absent on official business of the Senate when the roll was called for those votes.

UTILIZATION OF FUNDS FOR DEVELOPMENT OF HYDROELECTRIC RESOURCES IN PACIFIC NORTHWEST—SENATE RESOLUTION 82

Mr. CHURCH. Mr. President, I am pleased to cosponsor, with the distinguished Senator from Washington (Mr. JACKSON), a Senate resolution (S. Res. 82) to require the President to utilize funds appropriated by Congress for the timely development of hydroelectric resources in the Pacific Northwest.

The President has proposed the deferral until fiscal year 1976 of $1,000,000 for the Teton Basin project in Idaho. These moneys were appropriated to the Bureau of Reclamation for this fiscal year 1975. While the administration has claimed that deferral of these funds would not jeopardize anticipated online target dates, the unstable economy, accompanied by few prospects for immediate improvement, lead me to believe that target dates will be missed unless the commitment to use these funds is maintained.

Construction of the Teton Basin project is well underday with initial storage of water behind Teton Dam scheduled to begin in October 1975. Project plans call for the installation of two 10,000-kilowatt generating units; the first unit is expected to go on-line in June 1976. Ultimately, the project could supply 30,000 kilowatts to the electrical energy supply for Idaho. Further, these moneys could be used to complete early acquisition for right-of-ways, to assure uninterrupted construction on fish and wildlife mitigation facilities, and to initiate the drilling of water replacement wells and the installation of pumps, motors, and recreation facilities.

The proposal to defer $1,000,000 from the Teton Basin project may be just enough to prevent this additional generating capacity from going on-line in this coming year. The dam is there, the storage capacity is there, and now the administration proposes a funding cutback which would prevent the generation of the power. Such a step would be untimely.

SOCIAL SECURITY: A SOUND AND DURABLE INSTITUTION OF GREAT VALUE

Mr. CHURCH. Mr. President, in recent months critics of the social security system have launched attacks on many fronts.

These charges, unfortunately, have cast serious doubts about the value and worth of social security, a program which now affects almost every American family in one way or another.

This is not to suggest—and I want to underscore this point—that social security cannot be improved.

Quite clearly, there are several features which merit immediate and close attention, such as improving the financing, the treatment of women, and others.

But charges which are based upon misleading, false, or inaccurate information serve only to undermine public confidence in this vital institution.

And, these groundless attacks constitute a serious disservice for today's retirees and workers.

Many of these arguments have surfaced in the past and have proved to be baseless. And they have no more ap-

plicability or creditability today than when they were dismissed years ago.

Recently, a bipartisan Ad Hoc Advisory Committee on Social Security—composed of five former Secretaries of the Department of Health, Education, and Welfare and the three surviving Social Security Commissioners—responded to the attacks challenging the soundness of the system.

Their paper—entitled "Social Security: A Sound and Durable Institution of Great Value"—is the product of several of the most knowledgeable authorities in our entire Nation.

This publication, it seems to me, is must reading for every Member in the Senate. And, it deserves the close scrutiny of citizens from all walks of life.

Mr. President, I ask unanimous consent that this publication, "Social Security: A Sound and Durable Institution of Great Value," be printed in the RECORD.

There being no objection, the publication was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY: A SOUND AND DURABLE INSTITUTION OF GREAT VALUE

Nearly every American has a personal stake in the social security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and changing conditions. Public discussion addressed to improvement of the system is both necessary and helpful. But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have recurrently been made in the past, and as often have been found baseless. They have no more foundation now than they had when first made nearly forty years ago.

Social security has been probably the most thoroughly and continuously studied, both within and outside government circles, of any program ever enacted by Congress. On five occasions, from 1938 to 1971, the system has been exhaustively reviewed by advisory councils established under congressional auspices and composed of economists and other social scientists and leaders of labor and business, including distinguished actuaries and leaders of the insurance industry. In each instance, the integrity of the system has been vigorously reaffirmed. This history, if it does nothing more, should foster a healthy skepticism toward the current destructive attacks.

The conclusions of these councils have carried much weight and have been an influential factor in bringing about the improvements that have been made in the system over the years. The current statutory advisory council will soon issue a report. Like its predecessors, it has a broad assignment—to review the entire social security program and advise how to make it best serve the public interest. We may well await the recommendations of this council and ensuing congressional hearings on substantive changes in the system which are being widely debated. But we should not wait to deal with irresponsible attacks on the soundness of the structure.

THE ASSURANCE OF FUTURE BENEFIT PAYMENTS

The most vicious of these attacks is the one charging that promised social security benefits may not be paid when they fall due twenty or thirty or forty years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law of the land. A claim to social security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However one may define a "legal right", it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of social security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by entitling the system insurance, by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the social security commitment will be honored.

The social security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the Congress's 40-year record of responsible action on social security. If there are doubters among us, they should be reminded that a member of Congress who hopes for reelection will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress will ever do so.

THE NATURE OF THE CONGRESSIONAL COMMITMENT TO CONTRIBUTORS

The social security commitment differs in an important respect from that of a private insurance company, which in writing a policy fixes its terms in every detail for the life of the policy. Congress, by contrast, has of necessity built an element of flexibility into the national social insurance system. Thus, when Congress has amended the law to improve the benefit structure it has generally given the advantage of the change to those already on the benefit rolls as well as to those who are still contributing. Occasionally, improvement of the structure involves substitution of one benefit for another, as when a provision in the original Act for refund of certain contributions was replaced by the far more valuable provision of dependents' and survivors' benefits. One cannot say that under no circumstances will any individual in this massive system suffer some loss in some future contingency as a result of overall improvements in the system. Such adjustments must, of necessity, fall within the range of flexibility that has been reserved to Congress. What one can say with confidence is that the congressional sense of fair play, reflecting that of the public, gives assurance that the power of amendment will not be abused.

SOCIAL SECURITY IS PROPERLY DESCRIBED AS INSURANCE

It is occasionally asserted that social security is not in fact insurance, that so describing it is misleading, and that its trust funds are grossly inadequate. These assertions have been used by some to foster doubt that the promised benefits will be paid. All these assertions are unfounded.

Although the propriety of its use is a semantic question, the term "insurance" is not without significance to either the congressional or the public perception of social security. Social insurance is a concept long and well recognized across the world, and is one into which social security fits neatly. For good reasons, social insurance differs in important respects from private insurance, but it embodies the central element of financial protection against defined hazards, through a pooling of contributions and a sharing of risks, with benefits payable as a matter of legal right on the happening of stated events. It is fallacious to argue, as some persons do, that the workers' payments are not insurance contributions because they are taxes—all taxes are compulsory contributions, either for the general support of government or for some particular governmental activity, and these payments are none the less contributions to an insurance system because they are also taxes. Congress used the word "insurance" in the statute as one indication of the character of the commitment it was undertaking, and the Supreme Court of the United States has stated that the term "social insurance" accurately describes the program. While anyone has the privilege of dissent, the Court's approval should have put an end to charges that the nomenclature is deceptive.

THE ADEQUACY AND INTEGRITY OF THE TRUST FUNDS

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of social security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the social security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds. Charges that social security reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by every one of the advisory councils, and they were rejected unanimously as early as 1945 by the social security committee of the insurance industry. A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession. As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased derive in the main from this year's contributions by workers and their employers. As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern because his contributions are used to pay today's beneficiaries, or because his future benefits will be paid from future contributions.

OFT-REFUTED CHARGES

The charges thus far considered are, in their main outlines, repetition of earlier efforts to discredit the social security program, and they are no more valid now than they have been in the past. Repeatedly and consistently, Congress, after extended study by its responsible committees as well as the distinguished advisory councils, has found these charges to be without merit.

Other charges, though not new in themselves, have acquired a new emphasis because of the steady rise over recent years in the contribution rate and in the ceiling on taxable earnings, and these charges deserve consideration. The increase in the amount of contributions, of course, must be heavily discounted if one thinks in terms of purchasing power rather than of dollars, and in terms of the increase in personal incomes. But whatever the value of the dollar, providing a decent measure of economic security to the retired, to the disabled, and to widows and orphans is a hugely expensive undertaking. The questions that demand serious thought relate not so much to the total sum which the system raises by taxation as they do to the manner in which the burden is distributed.

THE SOCIAL SECURITY SYSTEM IS NOT REGRESSIVE

It is said, for one thing, that social security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages. If social security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. This charge illustrates, indeed, the fallacy of looking at the two parts of social security in isolation from each other, an approach which inevitably distorts the issues and loads the argument. The issue here is not whether social security taxes are regressive but whether the social security system, taking into account both benefits and contributions, is open to this charge. The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high.

While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent. It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding the benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in social security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by social security than they are charged for the general support of government. No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for social security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOCIAL SECURITY GIVES CONTRIBUTORS A GOOD BARGAIN

Statements have been broadly disseminated that social security gives the contributor a poor bargain, and that he could do far better by investing the amount of his contributions in the private markets. This is not true. If we exclude speculative investments (including investment in the erstwhile "ever-rising stock market"), which can always yield some individual a windfall but can also yield a terrible loss, the individual under the social security system receives better value from the government than he could obtain elsewhere. With the automatic escalation of workers' benefit rights as wages rise, and the automatic cost-of-living increase for those already on the benefit rolls, there is no question at all that the worker receives protection worth more than his total contributions with interest. This is true even if all or most of the employer contribution is assumed to rest on the employee in final incidence (either in the form of lower wages or in terms of higher prices to him as a consumer). As long as protection for current workers is kept up to date via automatic escalation provisions there is no way for the social security contributor to get better protection for his or her money.

IMPROVING SOCIAL SECURITY FINANCING

Congress keeps a watchful eye on the acturial balance of the social security system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10% to 15%. Much less than this will be needed in the early part of this period and more in the latter part. The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate or it could come from general revenues rather than from either. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 on, the active labor force in the United States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time. If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from social security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people reduce the burden of support for children. Thus active workers will not have to support any more non-workers than they do today as a result of these changed fertility rates, but under the assumptions they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be true, too, that over the long run productivity increases in the United States will help meet the problem of supporting an increasing number of older people.

The 1972 amendments provided for the automatic adjustment of benefits in accordance with increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed. The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used, current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. If in the future it seemed desirable for benefits to be increaesd even more, this could be done by legislation. Such a change in the formula would have two results: One, it would provide workers with a greater certainty that benefits would reflect their level of living at the time of retirement, or disability, or death; and, two, it would result in a substantially lower long-range cost than is shown by the current estimates.

WEIGHING THE ALTERNATIVES AND THEIR COSTS

Congress in the years ahead will by no means confine its attention to the problem of financing, but will examine a wide range of issues about particulars of the system. These particulars reflect past judgments of the best use to which available funds can be put, but those judgments have always been and are now open to reassessment. Some of these issues, however, have been seized upon by current critics of the system with the assertion that present provisions of the law are manifestly unjust and that this supposed injustice somehow affords a reason to abandon social security altogether or to change its basic characteristics as a contributory, earnings-related system. Neither part of this assertion holds water: each of these provisions is the product of a considered

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weighing of the equities, the costs, and of the arguments pro and con; each of them is subject to change, without disruption of the present system, if change of conditions or change of opinion is found to make that desirable.

THE RETIREMENT TEST

One of the provisions most frequently under attack is the test of retirement. This test, indeed, has been a bone of contention for many years with much support for its abandonment and for the automatic payment of benefits upon attainment of age 65. Basically, social security has been designed as insurance against loss of earnings, and loss of earnings does not occur automatically at age 65. The retirement test is the mechanism that is used to determine whether such a loss has taken place, its effect being reduction or suspension of benefits for periods in which earnings are above stated amounts. The amounts will be increased to keep up to date with rising earnings by the automatic adjustment provisions in present law and, of course, as in the past they may be further increased by amendments to the law, but the present structure of the test is probably as fair a method as can be devised if we are not to abandon retirement altogether as a condition of eligibility.

Some people believe, however, that this condition of eligibility is basically unfair in depriving people of benefits for continuing to work after reaching 65, and that it is undesirable because it stands in the way of people on the benefit roll who wish to supplement their social security income as much as they can. Those who support the retirement test point out that its abolition would cost in the equivalent of a one-half-of-1% increase in the combined employer-employee contribution rate and would benefit less than one-tenth of the people over 65 who are otherwise eligible for benefits. They ask whether funds in this amount are better used to supplement the incomes of those who still have substantial earning power or by spreading the funds among the nine-tenths who do not, or cannot, earn enough to bring them within the ambit of the retirement test.

Arguments such as these have persisted over the years, but they have no bearing on the soundness or durability of the social security system; abolition of the retirement test would aggravate somewhat the problem of financing, but it would no more spell the doom of the program than does retention of the test. Congress has repeatedly considered this issue and has repeatedly concluded that adaptation of the test in response to rising levels of earnings is preferable to its repeal.

A different attack on the retirement test, however, does have destructive implications. This is the contention that if benefits are withheld on account of earnings, they should also be withheld on account of the receipt of private pension payments, dividends, interest, or other unearned income—in other words, that the payment of benefits should be conditioned on a means test. This change would deprive the program of one of its major strengths, its encouragement of people in their working years to supplement their social security protection through savings and private pension plans. The change, indeed, would in all likelihood mean the end of contributory social insurance, since the masses of self-supporting people would hardly put up with paying social security contributions if they knew they would get nothing in return unless they should ultimately fall into the ranks of the indigent.

SOCIAL INSURANCE—NOT A MEANS-TEST PROGRAM

Mechanisms for preventing destitution in old age or in the event of the death or disability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for social security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into social securtiy, could offer no comparable assurance to working people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency. Designing such a system, moreover, would raise many thorny questions in specifing who should receive benefits, how large they should be, and how, if at all, their amounts should be varied.

There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until after poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contribution to their own insurance protection? The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing or that Congress would be willing to compel them to provide noncontributory benefits without a means test and at a comparable level of adequacy to the thirty million people who now receive social security benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The benefits these people now receive are earned rights based on their past work and contributions, or on those of family members, thus reflecting their previous standards of living and serving in some measure as a reward for diligence. The benefits are payable without scrutiny of individual means and needs and so permit supplementation by anything the recipients have been able to save. Because they are payable as an earned right, the benefits accord with the self-respect of people accustomed to providing for themselves. It is small wonder that Congress and the people have preferred contributory social insurance to a system benefiting only those who can show themselves to be destitute.

The working portion of our population must, in one way or another, support that portion that is not working and does not have enough resources to meet the cost of living. Most non-working wives and children are supported, in normal course, by family breadwinners. The retired and the disabled, the widows and orphans, on the other hand, commonly have neither family support nor savings sufficient to maintain them, and some governmental mechanism is essential if they are not to be allowed to go hungry.

The ultimate question posed by current attacks on social security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

Critics who say that social security is nothing but a "welfare" program probably intend the remark to be pejorative. If so, in using this word they speak more truly than they know. Social security is indeed "welfare" in the true sense of the word, which is the sense also in which the Constitution uses it. The system was created by an exercise of the power of Congress to raise and spend money to "provide for the . . . general welfare of the United States"—the welfare of all the millions of people who, though now self-supporting, would without social security quickly face destitution if or when earnings cease because of old age or disability, or support ceases because of death of a family breadwinner; as well, of course, as the welfare of the other millions who have already suffered one of these deprivations. "The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been too largely fulfilled to make for tolerance of those who would now destroy it.

SENATOR FRANK CHURCH: A DISTINGUISHED RECORD OF ACHIEVEMENT FOR OLDER AMERICANS

Mr. MANSFIELD. Mr. President, the Senate Committee on Aging was created in 1961 to be a focal point and advocate in the Senate on behalf of the Nation's elderly.

Over the years the committee has provided valuable service to aged and aging Americans, as well as our Nation as a whole.

In large part, this is because of outstanding leadership during its 14 years of existence.

The present chairman—Senator FRANK CHURCH—exemplifies this quality.

During his 4 years as chairman, he has consistently been in the forefront on everyday issues of direct concern to the elderly.

Above all, he has been an extraordinarily effective advocate for older Americans, with numerous legislative accomplishments including:

Enactment of a 20-percent social security increase, the largest dollar raise by far in the history of the program;

Establishment of a cost-of-living adjustment mechanism to make social security benefits inflation-proof for the elderly;

Strengthening of the Age Discrimination in Employment Act to open the door to new job opportunities now denied older workers; and

Approval of last year's two-step, 11 percent social security increase.

Senator CHURCH has never lost a floor amendment on an issue affecting the elderly since being named committee chairman. And, most of his Senate-passed amendments have been enacted into law.

A few weeks ago he won the support of a clearcut majority for his proposal—Senate Concurrent Resolution 2—to express congressional opposition to any reduction is the July social security cost-of-living increase, such as the administration's proposed 5-percent ceiling. With such backing the Nation's elderly can be more confident that they will receive the full amount of the cost-of-living raise.

Now, he is also leading the way on other legislation of direct concern for the aged, including an independent, nonpolitical Social Security Administration; an Older Americans Tax Counseling Assistance Act; modernization of the retirement income credit; and extension of medicare coverage to include essential out-of-hospital prescription drugs.

All of these proposals have generated strong bipartisan support.

The Senate is, indeed, fortunate to have an individual with his capabilities and integrity.

And, I wish to pay special tribute to his effective leadership on behalf of older Americans.

TIME TO GET OUT OF KOREA

Mr. CHURCH. Mr. President, for several years the United States has been struggling to aline its foreign policy with its real national interests. The Nixon doctrine was propounded to reduce our commitments in Asia while allowing friends and allies to provide for their own defense. And, while rhetoric has outstripped deeds, there has been progress—with two or three notable exceptions.

The most notable of these exceptions is South Korea where the United States still maintains 38,000 troops at a cost of $1 billion, more than 20 years after the Korean war. How can this commitment be squared with the fact that South Korea possesses the world's fifth largest army—625,000 men under arms—and some of the most sophisticated weaponry in existence? Retired Adm. Gene LaRocque, director of the Center for Defense Information in Washington, argues that our continued deployment of troops in Korea imperils our security rather than enhances it.

In an article printed in the December 18 edition of the Los Angeles Times, Admiral LaRocque points out that our troops are actually being used as hostages in order to require the reentry of a large American ground force in the event of future hostilities. Moreover, our weapons are vulnerable to capture by enemy forces and our presence helps to maintain in power an oppressive political regime.

President Ford has recently offered indefinite support for President Park in the form of our hostage troops, but the President does not alone make foreign policy. Congress should move this year to reduce our expensive involvement in South Korea and Admiral LaRocque's article should help us to understand the reasons why.

I ask unanimous consent that the article "United States Should Leave Korea—For Money, Security," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SHOULD LEAVE KOREA—FOR MONEY, SECURITY

(By Gene LaRocque)

In between his recent visits to Japan and Vladivostok President Ford squeezed in a short stop in South Korea to perpetuate American support for the military dictatorship of that country. Specifically, Mr. Ford promised to keep 38,000 U.S. troops in South Korea indefinitely and to give more millions of dollars to support the Korean military.

As President Ford, faced with a worsening U.S. economy, seeks ways to ameliorate hardship at home without contributing to inflation, he would be wise to reverse signals about South Korea. That is one area of the world where our military budget could be cut—with positive advantages to U.S. national security. Savings and security could be combined—simply by withdrawing all American soldiers from South Korea.

Prompt withdrawal could save more than $1 billion in the Defense Department budget. Since the end of the Korean war, we have poured $11 billion into maintaining U.S. troops in South Korea. What we have bought for our money is the regime of Gen. Park Chung Hee whose despotism is embarrassing us diplomatically and hurting us strategically.

Militarily, we have done more than enough. The South Koreans simply don't need us any more. They have a powerful force of 625,000 men equipped with modern aircraft, tanks and surface-to-air missiles. South Korea, with a population twice that of North Korea and a gross national product three times greater, has the fifth-largest military force in the world. Even Secretary of Defense James R. Schlesinger conceded recently that "South Korea has the manpower, firepower and defensive position to repulse a North Korean attack without U.S. ground support."

In no way does our presence contribute to the defense of the United States. In fact, stationing troops in South Korea weakens our national security. Just by being there, they could cause our automatic involvement in another costly land war on the Asian mainland, whether triggered by President Park or the North Koreans. Our 38,000 troops, in short, would be hostages requiring help from other U.S. forces to prevent their capture.

The largest U.S. contingent now deployed there is the 2nd Infantry Division, which has been stationed near the North Korean border for more, than 20 years. If fighting flared, this division would certainly be the first unit to become involved regardless of who attacked first—and regardless, too, of military problems that might be arising elsewhere in the world. (Danger of this kind would become particularly acute as our oil stores diminish.)

The presence of a great number of U.S. weapons in South Korea—many of which can be armed with nuclear warheads—also presents a problem of enormous gravity. These weapons are vulnerable to capture by enemy forces in time of war or by various groups, perhaps terrorists, in South Korea itself. Beyond that, their withdrawal would save us the expense of storing and protecting them on Korean soil.

Given the potential for political turmoil in South Korea, U.S. nuclear weapons could become political weapons in efforts to involve this country in war against the north. Thus the withdrawal of such weapons—they are now deployed in forward areas—would enhance, not weaken, U.S. security. (Indeed, we should reexamine our general policy of stationing nuclear weapons in many parts of the world.)

The military rationale for U.S. troops in Korea no longer makes sense—and I am not alone in holding this view. Let me once again quote Secretary Schlesinger, who told a congressional committee this year that "The justification for those forces is no longer primarily a military one—the political purpose is primary now."

Yet, unless the United States recognizes the negative political consequence of its close identification with President Park's oppressive political regime, we may repeat in South Korea our experience in Greece where, in order to hold onto military bases, we supported a military dictatorship, lost the goodwill of the people—and, in the bargain, probably weakened our long-term security interests in the area.

A stepping down of our military involvement in Korea, accompanied by diminished support for Park's dictatorship, would permit the political situation in South Korea to evolve in a more democratic and stable direction, benefiting both that country and our own.

One specific benefit to the United States—in addition to a saving of about $1 billion—is that we would regain our option of whether to go to war again in Korea if war were to break out there. Our withdrawal, in fact, might well ameliorate hostility between North and South Korea, for once their forces have achieved relative parity, they might learn to live with one another.

Thus, if President Ford means what he says about budget reductions, one place to start is South Korea. It is, of course, in the best interest of the United States to maintain a strong national defense, but this does not mean that the proposed military budget should be swallowed whole. Far from contributing to our defense posture, the presence of U.S. troops and weaponry in South Korea is as counterproductive as it is wasteful.

FISCAL 1976 BUDGET: MORE "BAD NEWS" FOR THE ELDERLY

Mr. CHURCH. Mr. President, in recent weeks the administration has described the "bad news" for the American public on several fronts:

An 8.2 percent unemployment level, the highest since 1941;

A 12.2 percent inflationary rate in 1974, representing the greatest jump in prices since 1946; and

The ominous prospect of increased gasoline costs and fuel shortages in the months ahead.

A few days ago the President had more bad news—especially for older Americans—when he submitted his fiscal 1976 budget to the Congress.

His new budget calls for $349.4 billion in Federal spending and a $51.9 billion deficit, a peacetime record.

And the spending request for the Pentagon is also at an all time high—$106.34 billion, or $15.58 billion more than was appropriated for the present fiscal year.

But the recent budgetary recommendations provide a clear signal that the administration has given the elderly a low priority on the list of groups to be helped.

Such actions can only aggravate an already serious—and even critical—situation for persons struggling on limited incomes in a period of unacceptably high inflation.

In terms of discretionary spending for programs serving aged and aging Americans, the administration's budget reflects retrenchment and an almost total insensitivity to the needs of the elderly.

Perhaps even worse, the administration shows a willingness to tamper with the social security trust funds.

The administration has, for example, proposed a 5-percent ceiling for the July social security and supplemental security income cost-of-living raises.

However, 53 Senators have joined me in sponsoring Senate Concurrent Resolution 2 which puts the Congress on record in opposition to any reduction in the cost-of-living increase. With such strong bipartisan support, social security and supplementary security income benefici-

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aries can hope that they will, in fact, receive the full automatic adjustment as provided by law.

The administration also proposes a cutback in the food stamp program.

One Department of Agriculture official informed the Community Nutrition Institute that conceivably one-half of all aged individuals and couples might be forced to leave the program because of the administration's proposed increased charges.

Fortunately, Congress has overwhelmingly approved legislation, H.R. 1589, to prohibit an increase in charges for food stamps for 1975. This action can provide welcome relief for low-income persons who find their purchasing power eroded with each passing day.

President Ford recently announced that he would allow H.R. 1589 to become law, although without his signature.

On other fronts, the administration has launched a systematic attack to reduce Federal expenditures for services for the aged, at a time when inflationary pressures are driving up the costs of these programs.

A $42.4 million cutback in funding for programs under the Older Americans Act is recommended in the new budget: the largest dollar and percentage reduction in the entire history of the act.

No funding is requested for the third consecutive year for the Older American Community Service Employment Act, although unemployment for persons 55 and above has increased by 52 percent since July 1974.

The administration has also requested no funding—again for the third consecutive year—for the senior opportunities and services program. Yet, 1 million low-income elderly persons receive valuable services which can help them to live independently in their own communities.

No additional lending authority is requested for the section 202 housing for the elderly and handicapped program, although many older Americans live in dilapidated, deteriorating, or unsuitable housing.

A $1.8 million reduction is also proposed for ACTION'S aging programs—Foster Grandparents, the Retired Senior Volunteer program, Service Corps of Retired Executives, and Active Corps of Executives.

There are, however, a few encouraging notes in the administration's budget.

First, a proposed funding increase for the National Institute on Aging would allow it to support 157 grants and projects relating to the biological, social, and behavioral aspects of the aging process. This compares with a projected level of 147 for the present fiscal year.

Second, the administration is calling for only $150,000 more in funding for enforcement activities under the Age Discrimination in Employment Act. This amount would support the same number of positions as projected for this year, even though more are dearly needed.

Third, about one-third of estimated expenditures for social services under title XX of the Social Security Act is projected for aged, blind, and disabled persons.

During the months ahead, each Member of Congress must give close attention to the Federal budget in terms of making difficult decisions about spending priorities.

As the chairman of the Senate Committee on Aging, I have called upon the staff to make an analysis of the impact of the new budget upon older Americans. A detailed summary should be available within the next few days.

In the interim, the staff has prepared a brief memorandum describing the highlights in the 1976 budget.

Mr. President, I commend this document to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

IMPACT OF FISCAL 1976 BUDGET UPON ELDERLY: A PRELIMINARY REPORT

President Ford's proposed $349.4 billion budget for fiscal 1976, submitted to the Congress on February 3, includes several recommendations of direct importance to older Americans.

A detailed analysis of these budget proposals will soon be mailed to those who regularly receive the memorandum.

In the interim, the Committee on Aging has prepared this brief summary of the budget highlights:

Older Americans Act: A $42.4 million cutback from the fiscal 1975 appropriation is proposed for AoA program. $202.6 million total: $96 million for Title III, $7 million for Title IV Research, and $99.6 million for Title VII Nutrition. Miscellaneous funding requests: (1) $10.2 million for AoA salaries and expenses, the National Information and Research Clearing House, and staff for the Federal Council on the Aging and (2) approximately $500,000 for the Federal Council on the Aging. (For further information, see "Rescissions for Fiscal 1975 Expenditures.")

Social security: Projected retirement, survivor, and disability benefit payments: $72 billion for 33.5 million persons (incorporates Administration proposed freeze of cost-of-living increase at 5 percent; see p. 2 for discussion of Congressional response).

Medicare: Estimated at $15.5 billion for hospitalization and medical protection for nearly 24 million aged and disabled beneficiaries.

Supplemental security income: Projected at $5.5 billion for fiscal 1976, about $600 million above the estimated fiscal 1975 level.

Housing: No additional lending authority requested for section 202 housing for the elderly and handicapped. No additional authority for conventional public housing. $662.3 million in contract authority requested for section 8 housing assistance payments.

ACTION'S aging programs: Fiscal 1976 request is about $1.8 million below the fiscal 1975 appropriations: $25.93 million for Foster Grandparents, $1.64 million for Senior Companions, $17.5 million for RSVP, and $400,000 for SCORE and ACE.

Food stamps: $3.85 billion requested for fiscal 1976, assuming Administration's proposal to raise the price of food stamps (see discussion below) becomes effective. If Congress blocks this measure, projected spending is $4.5 billion.

Nursing home care: Projected at $239 million under Medicare and $2 billion in Federal funds under Medicaid.

Home health care: Total Medicare home health reimbursement estimated at $148 million ($98 million under Part A and $50 million under Part B), or less than 1 percent of Medicare's projected outlays.

National Institute on Aging: Budget recommendation $16.19 million for fiscal 1976, compared with $15.74 million for fiscal 1975. Fiscal 1976 request expected to support 157 grants and projects, up slightly from the fiscal 1975 level of 147.

Aging research at NIMH: Only about 0.4 percent of the National Institute of Mental Health's funding request for fiscal 1976 ($306 million) would be specifically targeted for aging research ($1.32 million).

Age discrimination in employment: $2,168,000 for enforcement activities. Would support 81 positions, the same number assigned in fiscal 1975.

Senior opportunities and services: No appropriations requested for third consecutive year. SOS now operates under a continuing resolution. For fiscal 1975, $7.5 million is allocated to SOS to continue operations through March 31, 1975.

Social services for adults: $608 million for aged, blind, and disabled, or about one-third of proposed $1.95 billion total estimate for fiscal 1976. However, total Federal outlays would be reduced by $488 million if Administration's recommendation to reduce Federal match (from 75 to 65 percent in fiscal 1976 and to 50 percent in 1977) is adopted.

Older American Community Service Employment Act: No funding requested for the third consecutive year. Congress appropriated $12 million for current fiscal year.

Railroad retirement annuities: Payments for retirement, disability, spouse, and survivor benefits projected at $3.3 billion in fiscal 1976, nearly $300 million above fiscal 1975 estimate.

Community education: $4 million request—$13 million below $17 million fiscal 1976 authorization ($12 million for program grants and $5 million for training).

RESCISSIONS FOR FISCAL 1975 EXPENDITURES

On January 30 the Administration called for rescissions in appropriations already made by the Congress for fiscal 1975. Among the major rescissions for aging programs: (1) A $9 million cutback for the Title III State and Community Programs under the Older Americans Act, from the Congressional appropriation of $105 million to the Administration's budget request of $96 million; (2) Elimination of the $8 million appropriation for Title IV Training; (3) a $25.4 million funding reduction for the elderly nutrition program, from $125 million to $99.6 million; (4) Impoundment of the entire $12 million appropriation for the Older American Community Service Employment Act; and (5) A reduction in the budgeted amount for the National Institute on Aging, from $15.74 million to $14.1 million. Under the new Budget the Impoundment Control Act, both the House and Senate must pass a rescission bill within 45 days of the President's proposal to ratify the recommended reduction in funding. Otherwise, the funds must be spent by the Administration.

OPPOSITION TO 5 PERCENT CEILING ON COST-OF-LIVING INCREASE

Fifty-three Senators have joined Senator Church in sponsoring S. Con. Res. 2 which expresses Congressional opposition to any proposed reduction in Social Security benefits. In his State of the Union message, President Ford called for a 5 percent ceiling for the July cost-of-living raise. Based on present estimates, the cost-of-living increase is expected to be about 8.7 percent for nearly 31 million beneficiaries. The strong bipartisan support for S. Con. Res. 2 virtually assures Social Security beneficiaries that they will receive the full amount of the cost-of-living adjustment, as authorized by law. S. Con. Res. 2 would also have the effect of nullifying the proposed 5 percent lid on increases in the Supplemental Security Income standards this July, since the SSI automatic escalator provision is pegged to the Social Security automatic adjustment mechanism. (For more information, see January 21, 1975 Cong. Rec., pp. 889–891.)

CONGRESS VOTES PROHIBITION ON INCREASED FOOD STAMP CHARGES

The House of Representatives (by 374 to 39 on February 4) and the Senate (by 76 to 8 on February 5) passed H.R. 1589, which would prohibit an increase in charges for food stamps for 1975. The Administration proposed to require nearly all Food Stamp households (except those not required to pay because they have little or no income) to pay 30 percent of their income to purchase food stamps. (For more detailed information about the Administration's proposal, see 12/20/74 MEMORANDUM.) President Ford announced on February 13 that he would allow H.R. 1589 to become law without his signature.

SPEAKER NAMES RANDALL CHAIRMAN OF HOUSE AGING COMMITTEE

House Speaker Carl Albert named Representative William J. Randall (Mo.) as the Chairman of the House Select Committee on Aging on February 6. Other new members of the Committee include Representatives Pepper (Fla.), Matsunaga (Ha.), Roybal (Ca.), Rooney (Pa.), Biaggi (N.Y.), Flowers (Ala.), Andrews (N.C.), John Burton (Ca.), Beard (R.I.), Blouin (Ia.), Bonker (Wash.), Downey (N.Y.), Florio (N.J.), Ford (Tenn.), Hughes (N.J.), Lloyd (Tenn.), Santini (Nev.), Wilson (Ca.), Wampler (Va.), Hammerschmidt (Ark.), Heinz (Pa.), Cohen (Me.), Sarasin (Conn.), Walsh (N.Y.), Grassley (Ia.).

CHURCH INTRODUCES INDEPENDENT SOCIAL SECURITY AGENCY BILL

Senator Frank Church, Chairman of the Senate Committee on Aging, introduced the Social Security Administration Act (S. 388) on January 27. S. 388 would (1) establish the Social Security Administration as an autonomous agency outside the Department of Health, Education, and Welfare and place it under the direction of a three-member governing board appointed by the President with the advice and consent of the Senate; (2) prohibit the mailing of notices with Social Security and Supplemental Security Income checks which make any reference to elected Federal officials; and (3) separate the transactions of the Social Security trust funds from the unified budget. Cosponsors of S. 388 include Senators Clark, Humphrey, Kennedy, Biden, Ribicoff, Williams, Hart of Michigan, Burdick, Tunney, Huddleston, Hatfield, and Schweiker.

HEARING: TRENDS IN LONG-TERM CARE

To continue at 9:30 a.m. Wednesday, February 19, in Room 1318.

RECENT COMMITTEE HEARINGS AND REPORTS

(Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.)

Nursing Home Care in the United States: Failure in Public Policy: Supporting Paper No. 2: Drugs in Nursing Homes: Misuse, High Costs, and Kickbacks, Stock No. 052–070–02701, $1.20.

Protecting Older Americans Against Overpayment of Income Taxes (A Checklist of Itemized Deductions), Committee Print, Stock No. 052–070–02228, 30¢.

Action on Aging Legislation in 93D Congress, Committee Print, Stock No. 052–070–02641, 30¢.

Future Directions in Social Security: Part 7, Stock No. 052–070–02731, $1.55. Part 8, Stock No. 052–070–02732, $1.55.

THE ENERGY CRISIS: A MUTUAL PROBLEM

Mr. BARTLETT. Mr. President, on February 9 and 10, I participated in a seminar in Lausanne, Switzerland which was attended by representatives of oil producing and oil consuming nations. Considering the current debate on our economy and energy, I am confident all Senators would be interested in the results of this meeting.

I ask unanimous consent to have the Georgetown University Center for Strategic and International Studies summary of this seminar printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

CSIS HOLDS PRODUCERS-CONSUMERS SEMINAR

WASHINGTON. The Center for Strategic and International Studies of Georgetown University, Washington, D.C., organized a seminar in Lausanne, Switzerland, on February 9th and 10th, 1975, to discuss the problems facing oil-producing and oil-consuming states. This was part of an ongoing series of CSIS seminars.

Among those who attended the seminar were:

His Excellency Ambassador A. Dabbagh, Permanent Representative of Kuwait to the United Nations, Geneva; His Excellency Dr. Reza Fallah, Deputy Chairman of the National Iranian Oil Company; U.S. Senator William Roth; U.S. Senator Dewey Bartlett; U.S. Congressman Al Ullman; and U.S. Congressman Mike McCormack.

The major conclusion to emerge from the meetings was that preoccupations over the short-term effects of the energy crisis—issues such as the maintenance of international liquidity and the minimalization of balance of payment deficits—had obscured the communal nature of long-term problems.

Both producers and consumers are gradually becoming aware of the fact that they face mutual problems of how to develop new sources of energy in order to cope with the ultimate exhaustion of the world's petroleum reserves.

The industrialized states need energy as their very life blood. The current oil-producing states need revenues for their development and will need energy and revenues from other sources to maintain their economies when their petroleum reserves have been fully exploited.

The seminar felt that much more emphasis should be given to the shared nature of these problems—one participant from an oil-producing country expressed the feeling succinctly, when he remarked that "we are all in the same boat together." Under such circumstances, cooperation, not confrontation, is the key to success.

The seminar discussed problems associated with price levels and with the investment of oil surplus revenues, but no consensus of opinion was reached. These revenues were no longer believed to be as large as was once feared, but they remain a potential source of instability to the financial system of the free world. It was felt that the industrial countries should seek investment capital from the oil-producing countries. In order to foster this process, the industrialized countries should provide guidelines for potential investors and define those areas of economic activity in which investment would be welcome. The development of new forms of energy was indicated as one possible and fruitful area which merited further joint study.

The seminar gave much time to a review of the suggestion by H.E. Dr. Fallah for the creation of a special energy bank and the issuing of convertible energy bonds to deal with the surplus funds after other measures have been taken. While there was disagreement as to the particulars of the scheme, there was general agreement that the concept held out great promise. This proposed solution, which might put an end to the present crisis, could take the form of the deposit of some, or all, of the remaining surplus oil funds in a special energy bank which could be an entirely new and independent organization, or function under the auspices of the World Bank.

Against the funds deposited, the new bank would issue long-term convertible Energy Bonds, the normal value of which would be expressed in units of both energy and currency that would correspond with the cash value of the energy on the date of issue. To further assist the liquidity of the banking institutions of the West, all interest on these convertible energy bonds could be cumulative.

At maturity the bank would, at the discretion of the depositors, either arrange for the return of an increased amount of energy of a similar type adjusted in accordance with the appropriate money interest rates, or its prevailing market value: or just the nominal value of the bond plus interest. Such repayments would, of course, be extended over a period of time to be agreed.

Such an arrangement would remove the petroleum exporting countries' fear of inflation and encourage them to produce sufficent supplies for the world's energy needs during the transitional period. The seminar recognized that such a scheme would not be easy to implement, but it welcomed the plan as an imaginative, novel, and far-sighted approach to the problem of ensuring the correction of the imbalance which at present is dislocating the economies of the Western countries and as a means of safeguarding the value of the surpluses that are being accumulated by the producing nations. It was, however, agreed that the scheme needed further elaboration and studies of the working details to ascertain whether its implementation will achieve its desired objectives, but that further study is certainly merited.

The seminar felt that the frank exchange of views which had taken place was most valuable in revealing the true community of interests which exists between oil producers and consumers. The seminar felt that further investigation of these mutual problems was necessary and would reinforce the ability of each side to appreciate the difficulties faced by the other. The problems, the seminar recognized, are enormous; but they are not divergent, and solutions can be achieved only within the framework of a dialogue, and in the atmosphere of mutual understanding and cooperation.

OLDER AMERICANS VICTIMS OF INFLATION

Mr. CHURCH. Mr. President, the staff of the Senate Special Committee on Aging is now preparing a study of the administration's fiscal year 1976 budget request as it would affect older Americans.

The analysis of necessity must deal with huge numbers: billions of dollars

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sought, or not sought, for the many programs and activities related to aging.

The committee will report that several of the assumptions on which the budget is based are bad news for the elderly. The administration, which requests new billions of dollars for military weapons, would increase the costs of medicare and food stamps. It would freeze a social security increase this July at 5 percent, even though Congress made a compact promising the elderly and other social security recipients an increase which would amount to about 8.7 percent in that month.

I am happy to report that Congress has readily recognized the inequities involved in many of the President's proposals. It has already voted against the increase in food stamp costs. In the Senate, more than a majority of members are cosponsoring my resolution in opposition to the proposed 5 percent freeze in social security benefits.

Congress will fight many of the so-called cost savings which have been tucked into the budget. For example, the administration is also seeking significant cutbacks in the Older Americans Act at just the time that agencies on aging—established under authority of 1973 amendments—are finally beginning to function. Here again the "saving" would be costly; it would triple programs and staffs at a crucial time.

While we in the Congress deal with the statistics of the budget request, the elderly citizens of our Nation must deal every day with the cruel realities of inflation. To them, the need is now; they need no economic theory to tell them that fixed income in a time of rising costs spells misery.

The U.S. News & World Report conducted interviews recently with scores of persons living on social security and other modest retirement income. In the February 10 issue, that magazine gave a gripping account of the daily struggle now going on among this Nation's retirees. I ask unanimous consent to have that article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIFE FOR THE ELDERLY IN 1975—MANY ARE HUNGRY AND AFRAID

SAN FRANCISCO.—For more and more of America's 21.8 million persons who are aged 65 and over, the current runaway inflation is turning life on a fixed income into a deepening nightmare.

In slum areas of big cities, elderly men and women who can no longer afford rentals elsewhere are congregating in "gray ghettos." Often, they are pinned to their shoddy hotel rooms by fear of thieves or muggers roaming the streets outside.

More-affluent retirees are giving up small luxuries, and cutting back on food and clothing purchases as they eye a newly uncertain future.

Here in San Francisco, which many Americans see as Dream City, an 82-year-old retired police officer watches his life's savings drain away as he awaits an increase in his meager pension.

In one blue-collar neighborhood, an elderly man who retired on what he thought was an ample pension has taken to going up and down the streets daily asking people if they want their lawns cut.

GOING WITHOUT SUPPER

In the "gray ghetto" north of Market Street, a 72-year-old man who once dealt cards in Nevada casinos fears another rent increase for his hotel room. He canvasses nearby restaurants daily, hoping to save a few pennies on meals.

"When the end of the month comes, I am usually down to my last few dollars. When that happens, I sometimes skip supper," he said.

Hundreds, if not thousands, of San Francisco's elderly live on the brink of the abyss—skimping on meals and agonizing over prospects of higher costs of food stamps, rentals and medicare.

One frightened woman told an interviewer at a free medical clinic offering subsidized meals:

"I haven't a penny for food. I can eat here tomorrow, but then what do I do until Tuesday?"

THE LUCKIER ONES

Not all retirees are that badly hit by inflation. A substantial minority of America's elderly enjoy retirement incomes of $10,000 a year or more, enough to provide most with a comfortable living for the time being.

Most secure of all, except for the rich, are middle and upper-bracket retirees from Government bureaucracy whose benefits are raised every six months to meet cost-of-living rises.

One Government retiree in the San Francisco area boasts that he is making two thirds more than he did at the time of his retirement in 1965. Within the past year alone, he has received two increases, and another is imminent. He said:

"I have more money and time now than I know what to do with."

For most of the elderly, however, high-flying inflation is becoming the harsh and governing fact of their remaining years—not only in San Francisco but across the nation.

Michigan's acting director of services to the aging says that one third of those aged 60 or older now are eating fewer than three meals a day, and that the situation may be worsening.

In New Orleans, where 59 per cent of those over 65 have incomes of $3,000 or less, an authority on aging noted:

"These people usually live alone and have to cover all their own expenses—which are higher because of the need for transportation and special needs for medical care.

"It's a bigger problem than for the impoverished younger person."

Director Alice M. Brophy of New York City's Office of the Aging reports that most of the aged "have no place to retreat to" as food staples of the poor—margarine and hamburger, for instance—soar in price.

In Miami, senior citizens are pushing for a State-run lottery to help older people survive inflation by providing free medical care for all.

Said a spokesman:

"Inflation is starving senior citizens—that's what it's done. Many times when they finish paying their rent they don't have the money for food stamps, even though they're entitled to them."

In Atlanta, an official of the Southeastern Council on Aging observed:

"These are people who went through the depression, World War I, World War II and then saw their sons and grandsons going off to war in Vietnam.

"They're sturdy people and they've come through all these things. If the economy gets bad enough, they may have to go through another one."

The full story of what today's soaring inflation is doing to the nation's elderly is not easy to obtain.

In San Francisco, where one out of five persons is aged 60 or more, about 5,000 of the elderly poor are getting at least one government-subsidized hot meal on weekdays.

Official estimates, however, are that at least 50,000 could benefit from this service—though rising food costs and proposed federal cutbacks threaten the limited programs now being offered.

SILENCE AND PRIDE

Furthermore, untold thousands of middle-class retirees are believed to be enduring the miseries of inflation in bitter silence and pride rather than seeking welfare of any kind.

At a clinic that serves older people in a rundown area of San Francisco—"The Tenderloin"—a social worker has this to say:

"Some who come in at mealtime will leave without eating because they don't want to let people know they are without the 50 cents paid by those who can afford it."

To get a reasonably broad picture of the situation—in microcosm, the story of what millions of elderly people are experiencing throughout the nation—a staff reporter of "U.S. News & World Report" spent many days and evenings talking with scores of men and women on fixed incomes. A few of the case histories:

Mrs. Jean Mellor, 74, who is separated from her husband in Rhode Island, came to San Francisco a year ago. For a time she lived on $81 a month from Social Security, getting by on one subsidized meal daily plus fruit.

"If I didn't have food stamps, I would never have been able to do it," she says. "I would have starved."

She now receives $255 a month—some in Social Security, but most in public assistance.

With that help, she is able to live in a shabby but spacious room in "The Tenderloin," amid its seedy hotels and cheap bars.

It is a section where more than 15,000 elderly poor live—for the most part in small rooms and without adequate medical care or attention. Some are getting only the minimum $81 a month, and a few complain that there has been no increase in their checks for the last 10 years.

Like other older persons, Mrs. Mellor worries about the high rate of crime, the prostitutes and drug pushers. Purse snatchings are common, especially when Social Security checks arrive and the elderly go out to cash them. Mrs. Mellor says:

"You can't protect yourself. Most older people stay off the streets after 3 o'clock."

Rising prices agitate her. She says:

"You know there are people out there starving in the street. There are people eating out of the garbage cans. Do you believe that? Right out of the garbage can! Do you know how rough it is when you have to pay so much for a loaf of bread?"

In recent months, Mrs. Mellor says, she has become involved with a group of senior citizens—the "North of Market Tenants Organization"—to demand better benefits and services from municipal, State and federal bureaucracies.

She explained:

"A lot of the old men and women around here can fight for themselves. But the huge majority can't They're too tired with life.

"I want to change that attitude. We may all be poor here, but we're going to fight back."

A TEACHER'S STORY

In another part of the city lives Miss Elsie Schou, a retired history teacher who is proud of the fact that former Governor Pat Brown was one of many well-known Californians who passed through her classroom at Lowell High School here in her 46-year career.

Miss Schou retired in 1954, and her present retirement income from two pension funds is close to $6,000, representing only a modest increase since then, though some prices have doubled in 20 years.

Two years ago she had to sell her car, she said, adding:

"Now I travel by Yellow Cab—but even that has gotten too expensive."

When Miss Schou moved into her two-bedroom, two-bath apartment 18 years ago, the rent came to $135 a month, including utilities. Today it is $240, and now she has to pay her own gas and electric bills.

Because of the accelerated pace of inflation, she said, she has had to cut back on food, clothing and household purchases. She observed:

"The cost-of-living increases have caused problems for me and other teachers. It's getting tough for many to survive."

Across the San Francisco Bay, in the town of Richmond, retired asbestos worker Art McClure and his wife consider themselves lucky. Because she helps manage a 12-unit apartment building, they don't have to pay rent on their two-bedroom apartment. Mr. McClure, now 63, retired in 1971 after asbestos particles collecting in his lungs brought on asbestosis and an operation for removal of a lung.

The McClures get two checks—a disability benefit from Social Security and his union pension. Together, the benefits add up to $556 a month, and both checks are covered by cost-of-living provisions.

UNCERTAIN FUTURE

Even so, Mrs. McClure says, life is becoming more of a struggle, so they no longer go out occasionally for dinner. They find it hard to plan for the future. She says:

"The building has been up for sale for more than a year, and when it's sold, probably we'll have to go. When that happens, I don't know how we're going to make it. We'll probably have to get out of this country."

Even if the building isn't sold, she added, she can't keep on cleaning and scrubbing floors much longer. Because of injuries received in an automobile accident 18 years ago, she is experiencing considerable leg swelling and pain. She complains that the cost of her group medical coverage has just gone up from $18.69 to $21.33 a month, but "I still have to wait for more than a month to see the doctor I want to see."

The McClures have a car, but they don't do any driving for pleasure because "with gasoline at 60 cents a gallon, we can't afford to go anywhere."

What of the future? Says Mr. McClure: "I don't think about tomorrow. We are poor and getting poorer, but we're growing old, so it doesn't matter as much."

PENSION INCREASES, BUT

As the squeeze on living costs tightens, it is bringing worry to many federal retirees in the lower brackets—despite the three boosts they have received in the past 13 months.

One example is Mrs. Cecilia Hochhauser of San Francisco. Now 70, she was a civilian employe of the U. S. Army at the Presidio until her retirement in 1966.

Today, her monthly annuity of $385 from the federal retirement system—plus the $265 in Social Security benefits to her husband, Marvin, a retired shoe salesman—looks smaller to them each month.

Says Mrs. Hochhauser, a member of the executive board of a local chapter of the National Association of Retired Federal Employes:

"We get by. We don't starve. But I'll tell you which retired federal employees are starving—the secretaries who never got paid much. We can have a meeting of the local NARFE chapter and more than 100 persons will show up above and beyond the regular number if we serve cake and coffee. They just come for the refreshments. It's a meal to some of the retired."

Out of the Hochhausers' combined income of less than $700 a month, including some interest on savings, they pay perhaps $65 in taxes and medical and hospital insurance. Rent comes to only $158—though the owners are seeking a 10 per cent rise—for a two-bedroom apartment in a development that the Department of Housing and Urban Development partially subsidized on behalf of the elderly as well as low and middle-income tenants.

But inflation is beginning to force them to cut back spending. Mr. Hochhauser says: "If we didn't have this apartment, we'd be in big trouble."

He and his wife no longer subscribe to "The San Francisco Chronicle." They scan ads in a "throwaway" shopping news for food bargains. But Mr. Hochhauser estimates that their food bill shot up 20 per cent in the last year despite economizing.

Both have reduced clothing purchases. Being music lovers, they now earn their way to the San Francisco Opera and Symphony concerts by ushering, then standing in the back during performances.

They have also cut down on use of their car, relying whenever possible on public transit at 5 cents a ride for the elderly. And visits to relatives on the East Coast now occur only once a year, instead of three times.

When another couple came to their apartment recently, the four went for a walk in Golden Gate Park—"and that was our entertainment," Mrs. Hochhauser said.

BLEAK HORIZONS

Over all, the new reality of America's elderly is this:

The population over 65 is growing in numbers. And the proportion of older Americans who are invaded by fear also is growing as inflation ravages fixed incomes.

At present, such people see little help on the horizon—and much evidence of more trouble to come.

Worry is spreading among older Americans over announced plans of the White House to boost the cost of food stamps on which many of them depend for sustenance.

These plans require the large majority of recipients to pay 30 per cent of their family net income—after taxes, health payments and essential job expenses—or the stamps which are used in stores to buy food worth more than the cost of the stamps. The change would mean, in a practical instance, that a widow getting $105 a month in Social Security benefits would have to pay $31 instead of $18 to guy $46 worth of food.

Meanwhile, the Department of Health, Education, and Welfare has raised the cost of hospital care for medicare beneficiaries in the first 60 days from $84 to $92. About 23.5 million people are enrolled in the hospital plan.

President Ford also is urging Congress to impose a 5 per cent limit on cost-of-living boosts in Social Security benefits and Government pensions this year—little more than half of what older people were expecting.

Among some of the nation's elderly, the result is growing despair and apathy. Says Mrs. Lillian McCall, director of San Francisco's Commission on Aging:

"Money alone won't help. It's a social and economic problem, but it's also a psychological problem. They are so alone and so isolated, and there are so many who are just dying because they have no hope."

THE MILITANTS

Yet fear also is generating, among many older people, a feeling of militancy.

One notable example occurred in Miami recently when the Dade County Council for Senior Citizens organized a protest meeting to dramatize inflation's impact on the elderly. Instead of the 450 participants expected, 800 showed up.

A leader of the Miami rally, retired jeweler Max Serchuk, 74, said that if something wasn't done to help senior citizens cope with inflation, "there's going to be more protest."

In Nevada, older people have been collecting thousands of signatures in support of proposed State legislation to make use of more than 6 million dollars in federal funds—so far unclaimed by Nevada—that could provide medical assistance to senior citizens who are unable to qualify for medicaid for the needy.

The new militancy of the elderly—some of whom call themselves "Gray Panthers"—is encouraging States and localities to offer some help in dealing with inflation.

In San Francisco, the Young Women's Christian Association is sponsoring "survival courses" to help old people keep within their slender incomes. Among the courses: basic sewing lessons and nutrition classes for people who may only have a hot plate on which to cook their food.

TAX RELIEF FOR SOME

California has enacted a Statewide law authorizing property-tax refunds on a sliding scale according to income for homeowners aged 62 and over who have incomes of less than $10,000 a year.

This is expected especially to benefit elderly persons who have been paying taxes they couldn't afford on homes that have doubled or tripled in assessed value—forcing them in many cases to sell their homes and move into less-desirable quarters.

Illinois and several other States are also offering old people relief on their property taxes.

New York City has instituted the nation's first comprehensive legal-aid office for the aged. It is staffed with five lawyers, five legal aides and a social worker to give advice or courtroom aid to the aged of low or moderate income.

Scores of cities now offer senior citizens reduced subway or bus fares, "meals on wheels" for invalids and "out-reach" centers to assist older persons who have such problems as cashing checks. Some provide them with free trips and other forms of recreation. A number are instituting programs of part-time employment for retirees.

Such efforts, State and local officials admit, are marginal—though they are often useful in helping older Americans survive inflation. Nonetheless, these moves underline an interest in the predicament of older Americans that is growing in today's hard times—and bringing them into the foreground of national attention.

Tom Booker, executive director of the Houston Housing Authority, says:

"The average person becoming elderly now is more politically conscious and savvy of what's going on in the world. The old are going to be more vocal—and they'll have to be, to keep from being left out."

PROFILE OF AMERICA'S ELDERLY

Among those 65 and over—NUMBER: 21,815,000—more than 10 percent of total population, and increasing at a rate faster than any other age group.

Race: More than 90 percent are white.
White: 19,883,000 or 91.1 percent.
Black: 1,732,000 or 7.9 percent.
Other: 199,000 or 0.9 percent.
Sex: Nearly 60 percent are women.
Women: 12,849,000 or 58.9 percent.
Men: 8,966,000 or 41.1 percent.
Marital status: A large number live alone.

(In percent)

Proportion in group who are—	Women	Men
Widowed	52.4	14.4
Married, spouse absent	1.4	2.1
Married, spouse present	37.3	76.7
Single	6.3	4.6
Divorced	2.6	2.2

Location: Unevenly spread across country.

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States with largest proportion of population 65 and over—

	Percent
Florida	15.5
Arkansas	12.7
Iowa	12.3
Missouri	12.3
Nebraska	12.3
Kansas	12.2

States with largest numbers of people 65 and over—

New York	1,987,000
California	1,929,000
Pennsylvania	1,323,000
Florida	1,190,000
Illinois	1,135,000
Texas	1,084,000

Income: Far below rest of population.

	Median family income
In 1973:	
Age 65 and over	$6,426
All U.S. families	$12,051

Nearly 1 in 6 people 65 and over lives in poverty, compared with 1 in 10 people under age 65.

LEAVING THE FUTURE OPEN—JOB CORPS, THE FIRST DECADE

Mr. HUMPHREY. Mr. President, 10 years have passed since the legislation I authored created the Job Corps. These 10 years have been marked with success and controversy as the Job Corps has tried to open limitless futures to young men and women who, by others standards, were the dropouts, pushouts, and fallouts from our school system and our society.

As Secretary of Labor Peter J. Brennan said recently,

Every American can take pride and satisfaction in the 10th anniversary of the Job Corps.

I would like to take this opportunity to discuss some of the history of the Job Corps, its goals, its successes, and the challenges that face its corpsmen and administrators in the years ahead

THE BEGINNINGS

When Congress passed the Economic Opportunity Act in 1964, it established a program that sought a future for young people who had none in a land where the future had always seemed to belong to the young. It was an attempt to borrow some ideas from the past while meeting the challenges of the present and future. Using the lessons learned from the Civilian Conservation Corps and the National Youth Foundation, those who worked to establish the Job Corps forged a program which would meet the needs of a changing America.

The name "Job Corps" places the emphasis where it should be: on work—ultimately jobs for the young men and women enrolled in the program; and on fellowship—active membership in a body of people sharing problems, interests, and prospects for the future.

This concept, coupled with the notion that the "cycle of poverty" could be broken, forms the basis for the Job Corps and its objective that young men and women could, with intensive programs of education, vocational training, work experience and counseling, join the mainstream of American economic and social life.

Over the first decade of its existence, Job Corps has changed continually as the result of more realistic understanding of its potential and as a response to new methods and programs for achieving that potential.

Two changes are particularly important because of their influence on Job Corps philosophy and operation—first, the transfer of the Job Corps from the Office of Economic Opportunity to the Department of Labor in 1969; and second, passage of the Comprehensive Employment and Training Act—CETA—in 1973.

The former provided for a close link between Job Corps and the manpower training activities of the Labor Department, as well as closer ties between the Job Corps and the State employment services. The Department's Bureau of Apprenticeship and Training, for example, worked with the Job Corps in developing the union-sponsored preapprenticeship programs which have proven so successful. Close ties with the employment service have also made it easier for Job Corps to use the job development and placement services of the State agencies.

When Congress passed CETA, which decentralized most manpower programs, it reaffirmed the mandate it had given to the Job Corps in 1964 by retaining it as a separate entity—title IV—in the act. It was the only national program so treated. Under CETA, Job Corps enrollees are being trained increasingly by existing local manpower programs and educational institutions, including local technical schools and skills centers. At the same time, enrollees in other manpower programs can benefit through the availability of Job Corps services and facilities under local agreements on a nonresidential basis.

JOB CORPS WHEREWITHAL—HUMAN AND PHYSICAL

Although the Job Corps established a number of centers in rural areas, vocational training in larger cities such as Atlanta, Pittsburgh, Detroit, Portland, and Los Angeles was also begun. The Forest Service in the U.S. Department of Agriculture, and the Park Service in the U.S. Department of Interior, were joined by private corporations in sponsoring Job Corps centers throughout the United States.

Cooperation extended to the Job Corps by organized labor has been an important factor in changing idleness and lack of hope into a productive and well-paying job.

Assistance of several school systems, the National Education Association, and the American Association of Colleges for Teacher Education has contributed not only to the objectives of the Job Corps, but it has also fostered in the teaching profession a better understanding of the problems of youths who do not normally meet with success in the public schools.

Centers have also had the services of VISTA workers, volunteers from surrounding communities, work-study students, student interns, health science students, foreign social workers, youth leaders and a host of other assistants.

A total of 477,990 young men and women have enrolled in the Job Corps program from all 50 States, the District of Columbia, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands. In all, 139 different centers have been in operation during the Job Corps' first 10 years.

However, I have been deeply concerned that as of June 1974, the number of active Job Corps centers had declined to 61. Lists of the currently active Job Corps centers and those which are now inactive are found in tables I and II, respectively, appended to my remarks.

Various facilities provide educational, vocational, and social experiences designed to train and get into the labor force, school, or armed forces, young people who were dropouts, came from broken homes, or were extremely poor. The following types of centers and their training specialties are currently in operation:

Civilian Conservation Centers (CCC's): residential centers located on Department of Agriculture, Forest Service, and Department of Interior lands. These centers concentrate on teaching skills such as heavy equipment operation and maintenance and the construction trades.

Men's Centers: residential centers operated by private and non-profit contractors.

Women's Centers: residential and nonresidential facilities operated by both private and non-profit corporations, located in cities and in small towns.

Residential Manpower Centers (RMC's): introduced in 1969, centers are located in or near urban areas and are operated by private and non-profit contractors, by state governments, or by local boards of education. Recruiting is done largely from the areas in which the centers are located.

Extension Centers (JCEC's): provide advanced vocational skills training, combined with on-the-job training, with olose ties to job placement opportunities.

The location and the number of Job Corps training facilities by type is shown in table III. The total number of enrollees as of June 1974, is also shown.

PROFILE OF A JOB CORPS MEMBER

What is the average Job Corps member like?

Statistically speaking: 60 percent are black; 11 percent are Spanish speaking; 73 percent are young men; 27 percent are women; 80 percent are from urban areas, where social problems are concentrated; 69 percent, upon entry into the Job Corps, score below sixth grade reading level; 89 percent are school dropouts; 63 percent are from families of five or more persons; and 81 percent are from families whose annual incomes are $4,999 or less.

But each is an individual for whom the statistics are but a partial representation. Each has his own perceptions of the world of which he is a part and his own interests and abilities to achieve.

THE PROGRAM—AN INTEGRATED APPROACH

The Job Corps program comprises three primary elements: education, vocational training and experience, and residential living. Enrollees may participate in one or several of the programs. Comprehensive health services are provided to all enrollees at each center, through a coordinated health services delivery system with medical, dental, and mental health components.

EDUCATION

The education plus work training program combines remedial education, work-skill training, on-the-job work experience, and social redirection, if needed.

Reading, mathematics, language and study skills, consumer education, advanced general education, standard English, English as a second language, home and family living, health education, and orientation to the world of work are included in the general education program.

The advanced general education program prives Corps members with the information, concepts, and general knowledge needed to complete successfully the American Council on Education's high school general educational development—GED—test. Approximately 4,000 Corps members, or 90 percent of those entering the GED program, receive their GED's each year.

VOCATIONAL TRAINING PROGRAMS AND WORK EXPERIENCE

Vocational training programs prepare young men and women for specific jobs with known manpower shortages. Corps members are trained for jobs in automotive and machinery repair, food services, electronics assembly, electrical appliance repair, construction and metal trades, transportation and heavy equipment operation, health occupations, clerical and business skills, cosmetology, and other occupations currently in demand. The CCC's offer enrollees preapprenticeship training in heavy equipment and other construction trades—carpentry, painting, plastering, cement masonry and bricklaying—which is conducted by labor unions.

The Job Corps work experience program gives Corps members actual training on the job. Youths often work in nearby business firms, hospitals, and Government agencies or on conservation and building on public lands.

RESIDENTIAL LIVING

Residential living is the distinctive feature of the Job Corps. Alone among the Federal manpower programs, Job Corps serves its enrollees 7 days a week, 24 hours a day. In fact, the Job Corps may be one of the largest voluntary residential training programs for young people in the world. The residential program is conducted in a variety of settings, centers ranging in size from 25 to 2,000 Corps members, serving men or women, located in urban or rural settings. The program takes into account the needs of various racial and ethnic groups represented in the Job Corps.

AFTER THE JOB CORPS—WHAT?

The Job Corps program prepares its enrollees for placement in a job, in a school or other training program, or in the armed forces. The Job Corps overall placement rate for fiscal year 1974 was 94 percent. This was an increase of 9 percentage points over fiscal year 1973. The number of Corps members who accepted jobs increased 10 percentage points to 69 percent and the starting average wage per hour increased 17 cents to $2.26 in fiscal year 1974. The school placement rate in fiscal year 1974 was 19 percent; the Armed Forces placement rate, 6 percent. A summary of the Job Corps placements for fiscal year 1970 through fiscal year 1974 is in table IV.

THE COST—IS IT WORTH IT?

The cost per enrollee during fiscal year 1974 was $3,098. This amount includes travel, room and board, education, job training, comprehensive health care, counseling, and financial allowances.

The question of costs in relation to lifetime earnings of enrollees, using control-group comparisons, has been assessed in various studies of the Job Corps. Long-term followup data on enrollees showed that, overall, there was a probability of positive effects on lifetime earnings of enrollees that exceeds the Government's dollar investment.

But dollars and cents are not the total picture of costs and results. The Job Corps gives its Corpsmembers something that cannot be measured except, perhaps, in the hope in their eyes, the air of confidence in their step; a smile of accomplishment; an unwavering, sure voice. It revitalizes the spirit, and it is this particular ingredient which is so important to those who otherwise might lack hope in the future.

THE JOB CORPS HALL OF FAME

Ten young people who rose from the ranks of the disadvantaged by acquiring education and marketable skills through the Job Corps program have been recognized for their achievements and have been named to the Job Corps Hall of Fame.

Secretary of Labor Peter J. Brennan saluted these 10 young people as "exemplifying those qualities that have made America great" at the recent observance of the Jobs Corps' 10th anniversary here in Washington, D.C.

I fully endorse his statement that these outstanding young men and women are wonderful examples of how the Job Corps has helped hundreds of thousands of disadvantaged American youth improve their lives and I would like to share their success stories. Each is testimony to how this innovative program has helped Corpsmembers get fresh starts toward productive careers.

TEN OUTSTANDING CORPSMEMBERS

Jessie Al Lane of Austin, Texas, a 20-year-old graduate of apprentice plasterer's training at Timber Lake Job Corps Center, Oregon, joined the Job Corps in August, 1971, earned his high school diploma equivalency and enough skills to qualify as an apprentice plasterer.

Soon after beginning work, Lane was able to purchase a mobile home and now supports his mother, brother, and a nephew as a working member of Local 783 in Austin.

In addition to his work, which earns him approximately $12,000 yearly, he devotes much of his own free time to counseling potential and present Job Corps members, and to helping recent graduates adjust to their new jobs and life-styles.

Ms. Julie Connor of Kansas City, Missouri, a 20-year-old nursing trainee at Excelsior Springs Job Corps Center in Missouri, has earned praise for both her efficient actions in an emergency situation and for an excellent overall record in conduct and achievement in the training program.

One of the first persons to arrive at the scene of an accident, Julie Connor was credited with saving the life of an accident victim by putting her training to work. She made a preliminary test of the injured person's vital signs, then took steps to keep him from going into convulsions until further help arrived.

Miss Connor is now in more advanced training at St. Luke's Hospital in Kansas City, and hopes to earn a registered nurse's degree to eventually become a teacher of nursing.

Ms. Judith L. Chandler of Richmond, Virginia, joined Charleston Job Corps Center in 1968, stayed two years to learn business and clerical office occupations, then entered West Virginia State College where she earned a degree in law enforcement services. After serving as a residential advisor at her Job Corps alma mater, she obtained a job as probation and parole officer in the Richmond department, earning more than $10,000 annually.

She was the first black woman to be appointed to this post and last year received a special commendation from the Federal Bureau of Investigation for her assistance in apprehending a bank robber.

Walter Mitchell of West Haven, Connecticut, is one of 12 children from Mississippi, a high school dropout who enrolled at Jacobs Creek Job Corps Center in Tennesee to earn his high school diploma and also learn how to operate heavy construction equipment as an operating engineer. The 27-year-old Corpsman was graduated in 1968 and had the distinction of earning his journeyman's rating with the Operating Engineers Union, which takes four years to earn, within a short period. He is currently employed with a construction firm in Connecticut earning $8.85 an hour operating a finish grader, one of the most difficult pieces of equipment to run.

He has assisted newly graduated Job Corpsmen in obtaining their first job, providing transportation for some who don't have automobiles. He coaches a basketball team, is a retreat leader for his church, and each year returns to Jacobs Creek to encourage new enrollees.

Ken Stein of San Jose, California, is a 21-year-old graduate of the apprentice management training school of San Jose Job Corps Center. A native of London, England, who came to the United States as a child, he completed his training at the center and is now employed by Safeway stores at a salary in excess of $9,500 per year. He is a member of the Retail Clerks Union, Local 428, and is active in community affairs. He is enrolled in West Valley College in California and will begin his studies there early next month.

Ms. Rosa Isela Mendoza of Las Vegas, Nevada, is a 19-year-old accounting specialist in the U.S. Air Force at Nellis Air Force Base, daughter of a migrant farm worker who came to the United States from Mexico when she was 14 years old. She left the 7th grade to work with her family harvesting crops from Texas and Florida to Michigan until she enrolled in the Job Corps in 1971 at McKinney Job Corps Center for Women and later at the Los Angeles Center for Women, earning her high school diploma equivalency and learning to be a practical nurse.

She was placed with the Air Force by Job Corps where she learned her present skills and is permanently stationed at Nellis as a disbursement accounting specialist. She is buying her own home and is an enthusiastic recruiter for Jobs Corps on the side.

Richard Ponce DeLeon of Salt Lake City, Utah, is an honor graduate of Clearfield Job Corps Center, who received his training in plastics production and as a para-professional.

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A native of Puerto Rico, he spoke no English when he arrived at the Clearfield center. He mastered the language and went on to become president of the student government, an effective staff and center management leader, and an excellent public speaker.

He is now employed by the Thiokol Chemical Company, the contractor, as a unit coordinator at Clearfield center.

Ms. H. Jean Henderson of Dallas, Texas, widowed mother of three children, who enrolled in Job Corps at McKinney Job Corps Center for Women in 1967 from her $25-a-week job as a motel maid. After earning her high school diploma equivalency and learning office occupations at McKinney, she started working at clerical jobs in late 1967 and today earns more than $10,000 a year as a secretary in the Dallas Regional Office of the Social Security Administration.

Ms. Henderson has become a public supporter of Job Corps, speaking at businessmen's luncheons and on television programs; has bought her own home, teaches Sunday School, and is attending Dallas Junior College to further her education.

Phillip Lee Smith of San Carlos, Arizona, a 26-year-old graduate of police and human relations training at San Carlos, Kilmer, and Clearfield Job Corps Centers, is now a member of the Gila County, Arizona, Sheriff's Department and also the department's training officer.

Smith, who was born on the Red Lake Indian Reservation in Northern Minnesota, first entered Job Corps at San Carlos to learn police work. He interrupted his training to complete high school in St. Paul, Minnesota. Smith was then admitted to the police training school at Kilmer Job Corps Center, followed by human relations training at the Clearfield Center.

He has been active in community affairs and serves on the board of directors for the alcohol program on the San Carlos Indian Reservation.

Ms. Brenda B. Hernandez of Alexandria, Virginia, is a high school graduate who was earning 42 cents an hour as a nursing home waitress when she enrolled at Cleveland Job Corps Center for Women to learn business and clerical vocations. She completed her courses with honors and was transferred to the Washington, D.C., center for outstanding Job Corps trainees. Today she is employed as an $11,000 contract assistant in Job Corps headquarters in the Manpower Administration in Washington, D.C., advising officials and contractor personnel on policies concerning cost and financial data for all centers. She began as a GS–2 clerk in the Labor Department and now develops cost standards to measure program performance effectiveness during contract negotiations.

THE FUTURE

The celebration of the 10th anniversary of the Job Corps conceals, perhaps, the gravest potential threat to its existence since its creation in 1964. With unemployment currently over 8 percent overall and nearly 23 percent in construction—for which many Job Corps graduates are trained—prospects for finding jobs are declining. And there will likely be increased pressure to spend funds on jobs for the employable rather than training the unemployed.

It will take the combined efforts of Congress, the Labor Department, unions, industry, and Job Corps staff and supporters to counter the impact that the current economic recession will have on the Job Corps and its graduates.

The Job Corps is under other pressures. Funding in the last fiscal year was $176 million, down nearly 50 percent from its initial appropriations 10 years ago. The number of centers has dwindled to 61 and the vocational training formerly accomplished through the Job Corps program must be absorbed by the States.

Although some may argue that money is being saved by these cuts and closings, it is the kind of short-term savings that eventually means little when compared with the losses: what the Nation must pay to meet the needs of those on welfare, in prison, and in the unemployment lines. With none of the skills or help the Job Corps provides, many young men and women may be destined for one or another of those fates.

The need for the Job Corps is far greater today than when it began. Our young people are our investment in the future. Taking action to leave the future open to the young who otherwise might be lacking in hope and the means to secure it is what the Job Corps is all about.

Mr. President, I ask unanimous consent that the five tables and the footnote, mentioned in my remarks, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I.—JOB CORPS CENTERS BY REGION (AT END OF FISCAL YEAR 1974)

Region and center	Number	Type [1]	Design capacity	Location	Operator	Activation Date
REGION I (BOSTON)						
REGION II (NEW YORK)						
Arecibo	1	SR	175	Arebico, P.R.	P.R. Department of Education	Jan. 4, 1967
Rio Grande	2	SR	135	Rio Grande, P.R.	do	Jan. 4, 1967
New York	3	RMC	275	Flushing, N.Y.	ATAC	Apr. 28, 1971
New Jersey	4	RMC	300	Edison, N.J.	N.J. Department of Education	Aug. 1, 1969
Total region II			885			
REGION III (PHILADELPHIA)						
Flatwoods	5	CCC	168	Coeburn, Va.	Forest Service (USDA)	Sept. 15, 1965
Harpers Ferry	6	CCC	200	Harpers Ferry, W. Va.	Park Service (USDI)	Apr. 15, 1966
Keystone	7	W	500	Drums, Pa.	RCA Service Co.	Mar. 2, 1967
Blue Ridge	8	W	180	Marion, Va.	RCA	Nov. 29, 1967
Charleston	9	W	345	Charleston, W. Va.	Teledyne Packard-Bell	June 9, 1965
Residential		(f)	(320)			
Nonresidential		(m, f)	(25)			
Pittsburgh	10	RMC	200	Pittsburgh, Pa.	Teledyne Packard-Bell	Mar. 2, 1967
Maryland	11	RMC	250	Woodstock, Md.	Youth Opportunities Foundation	Feb. 23, 1972
Total region III			1,843			
REGION IV (ATLANTA)						
Pine Knot	2	CCC	224	Pine Knot, Ky.	Forest Service (USDA)	Nov. 22, 1965
Jacobs Creek	3	CCC	168	Bristol, Tenn.	do	June 21, 1965
Lyndon B. Johnson [2]	4	CCC	168	Franklin, N.C.	do	Feb. 1, 1965
Schenck	5	CCC	204	Pisgah Forest, N.C.	do	May 18, 1965
Great Onyx	6	CCC	214	Mammoth Cave, Ky.	Park Service (USDI)	June 15, 1965
Oconaluftee	7	CCC	180	Oconaluftee, N.C.	do	Oct. 15, 1965
Breckinridge	8	M	2,000	Morganfield, Ky.	Graflex (Singer Corp.)	June 15, 1965
Atlanta	9	RMC	350	Atlanta, Ga.	Thiokol Corp.	Dec. 29, 1970
Whitney Young	10	RMC	193	Simpsonville, Ky.	Louisville Board Education	June 6, 1972
Total region IV			3,701			
REGION V (CHICAGO)						
Blackwell	21	CCC	200	Laona, Wis.	Forest Service (USDA)	Nov. 30, 1965
Golconda	22	CCC	224	Golconda, Ill.	do	June 15, 1965
Cleveland	23	W	440	Cleveland, Ohio	Alpha Kappa Alpha Sorority	Apr. 29, 1965
Atterbury	24	M	1,600/1,000	Edinburg, Ind.	AVCO	Apr. 26, 1965
Cincinnati	25	RMC	200	Cincinnati, Ohio	AVCO Corp.	Sept. 30, 1970
Detroit	26	RMC	275	Detroit, Mich.	Singer Corp.	June 9, 1971
Male			(200)			
Female			(75)			
Total region V			2,339			

Region and center	Number	Type [1]	Design capacity	Location	Operator	Activation Date
REGION VI (DALLAS)						
Cass	27	CCC	168	Ozark, Ark.	Forest Service (USDA)	June 15, 1965
Ouachita	28	CCC	176	Royal Oak, Ark.	do	Feb. 6, 1965
Treasure Lake	29	CCC	168	Indiahoma, Okla.	Bur. Sport Fisheries (USDI)	Nov. 15, 1965
Guthrie	30	W	600	Guthrie, Okla.	E. G. & G., Inc.	Oct. 22, 1966
McKinney	31	W	620	McKinney, Tex.	Texas Educational Foundation	Mar. 1, 1967
Albuquerque	32	W	395	Albuquerque, N. Mex.	Teledyne Packard-Bell	May 17, 1966
Gary	33	M	3,300/2,200	San Marcos, Tex.	Texas Educational Foundation	Mar. 3, 1965
Tulsa	34	RMC	144	Tulsa, Okla.	RCA	Mar. 3, 1971
El Paso	35	RMC	250	El Paso, Tex.	Texas Educational Foundation	Sept. 28, 1970
Total region VI			4,721			
REGION VII (KANSAS CITY)						
Pine Ridge	36	CCC	168	Chadron, Nebr.	Forest Service (USDA)	Dec. 6, 1965
Mingo	37	CCC	168	Puxico, Mo.	Bur. Sport Fisheries (USDI)	Nov. 1, 1965
Excelsior Springs	38	W	405	Excelsior Springs, Mo.	Singer	Mar. 1, 1966
Total region VII			741			
REGION VIII (DENVER)						
Anaconda	39	CCC	216	Anaconda, Mont.	Forest Service (USDA)	Mar. 15, 1966
Trapper Creek	40	CCC	216	Darby, Mont.	do	Jan. 1, 1966
Boxelder	41	CCC	208	Nemo, S. Dak.	do	Dec. 6, 1965
Weber Basin	42	CCC	224	Ogden, Utah	Bur. Reclamation (USDI)	Dec. 11, 1965
Collbran	43	CCC	168	Collbran, Colo.	do	May 15, 1965
Clearfield	44	M	1,420/1,100	Clearfield, Utah	Thiokol Corp.	Oct. 4, 1960
Kicking Horse (Regional)		RMC	200	Ronan, Mont.	Salish and Kootenai Tribes	Feb. 3, 1971
Total region VIII			2,332			
REGION IX (SAN FRANCISCO)						
Los Angeles	46	W	495	Los Angeles, Calif.	Los Angeles YWCA	June 11, 1965
Residential			(320)			
Nonresidential (m, f)			(175)			
Phoenix	47	RMC	350	Phoenix, Ariz.	Teledyne Econom. Devel. Co.	Oct. 27, 1969
Male			(210)			
Female			(140)			
Hawaii	48	RMC	250	Honolulu, Hawaii	Hawaii Dept. of Labor	July 1, 1969
San Jose	49	RMC	240	San Jose, Calif.	Singer-Graflex	May 2, 1972
Male			(174)			
Female			(66)			
Total region IX			1,335			
REGION X (SEATTLE)						
Curlew	50	CCC	180	Wauconda, Wash.	Forest Service (USDA)	June 1, 1965
Angell	51	CCC	184	Yachats, Oreg.	do	Apr. 28, 1965
Timber Lake	52	CCC	224	Estacada, Oreg.	do	Aug. 20, 1965
Wolf Creek	53	CCC	224	Glide, Oreg.	do	Apr. 13, 1965
Columbia Basin [3]	54	CCC	200	Moses Lake, Wash.	Bur. Reclamation (USDI)	Nov. 1, 1965
Fort Simcoe	55	CCC	200	White Swan, Wash.	BIA (USDI)	Apr. 15, 1966
Marsing	56	CCC	168	Marsing, Idaho	Bur. Reclamation (USDI)	Oct. 30, 1965
Tongue Point	57	W	730,440	Astoria, Oreg.	University of Oregon	Mar. 15, 1967
Portland	58	RMC	275	Portland, Oreg.	Portland public schools	Mar. 9, 1970
Male			(153)			
Female			(122)			
Total region X			2,095			
EXTENSION CENTERS						
Santa Rosa (m, f)	59	EXT	40	Santa Rosa, Calif.	Marine Cooks and Stewards	
Shaw [4]	60	EXT	50	Raleigh, N.C.	Shaw University	
Male			(25)			
Female			(25)			
JCYW	61	EXT	160	New York, N.Y. (HQ)	National YWCA	
Total extension centers			250			

[1] Abbreviation key for center type abbreviations: CCC—Civilian Conservation; RMC—Residential Manpower; M—Men's Centers; W—Women's Centers; SR—State Related.
[2] Formerly called Arrowood.
[3] Inactive in 4th quarter of fiscal year 1974.
[4] To close at end of 1st quarter of fiscal year 1975.

TABLE II.—CLOSED JOB CORPS CENTERS; CLOSED CIVILIAN CONSERVATION CENTERS

[Agency and State Related]

Center, location	Design capacity	Operator	Date of activation	Date of closure announcement
Neah Bay, Wash.	96	USDI (BIA)	June 15, 1965	Apr. 1, 1967
Isabella, Minn.	224	USDA (FS)	Nov. 30, 1965	Jan. 29, 1968
Ripton, Vt.	128	USDA (FS)	July 7, 1966	Do.
Lewiston, Calif.	220	USDI (BR)	Apr. 13, 1965	Do.
McCook, Nebr.	224	USDI (BR)	Dec. 6, 1965	Do.
Liberty Park, N.J.	224	USDI (NPS)	Jan. 9, 1967	Do.
Fort Vannoy, Oreg.	224	USDI (BLM)	Aug. 10, 1965	Do.
Iroquois, N.Y.	168	USDI (FWS)	May 18, 1966	Do.
Chippewa Ranch, Minn.	124	USDI (BIA)	Jan. 31, 1967	Do.
Mexican Springs, N. Mex.	224	USDI (BIA)	Aug. 10, 1965	Do.
Poston, Ariz.	200	USDI (BIA)	Feb. 15, 1965	Do.
Swiftbird, S. Dak.	100	USDI (BIA)	Sept. 1, 1967	Do.
Lewis & Clark, S. Dak.	200	State related	Aug. 15, 1966	Jan. 29, 1968
Alder Springs, Calif.	210	USDA (FS)	June 10, 1965	Apr. 11, 1969
Alpine, Ariz.	120	USDA (FS)	Aug. 7, 1965	Do.
Anthony, W. Va.	168	USDA (FS)	Aug. 10, 1965	Do.
Blue Jay, Pa.	120	USDA (FS)	Apr. 20, 1965	April 11, 1969
Cedar Flats, Idaho	224	USDA (FS)	Sept. 10, 1965	Do.
Cispus, Wash.	224	USDA (FS)	June 15, 1965	Do.
Clam Lake, Wis.	224	USDA (FS)	Nov 1, 1965	Do.
Clear Creek, Nev.	210	USDA (FS)	Sept. 15, 1965	Do.
Dickinson, N. Dak.	197	USDA (FS)	June 15, 1965	Do.
Fenner Canyon, Calif.	128	USDA (FS)	June 10, 1965	Do.
Five Mile, Calif.	160	USDA (FS)	Aug. 25, 1965	Do.
Frenchburg, Ky.	112	USDA (FS)	Sept. 10, 1965	Do.
Grants, N. Mex.	178	USDA (FS)	Apr. 29, 1965	Do.
Hodgens, Okla.	158	USDA (FS)	Apr. 20, 1965	Do.
Hoxey, Mich.	112	USDA (FS)	Oct. 15, 1965	Do.
Los Pinos, Calif.	224	USDA (FS)	July 26, 1965	Do.

Footnotes at end of table.

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TABLE II.—CLOSED JOB CORPS CENTERS; CLOSED CIVILIAN CONSERVATION CENTERS—Continued

[Agency and State Related]

Center, location	Design capacity	Operator	Date of activation	Date of closure announcement
Luna, N. Mex.	224	USDA (FS)	Sept. 27, 1966	Apr. 11, 1969
Lydick Lake, Minn.	224	USDA (FS)	Jan. 12, 1966	Do.
Mountainair, N. Mex.	210	USDA (FS)	Apr. 13, 1965	Do.
New Waverly, Tex.	224	USDA (FS)	Aug. 16, 1965	Do.
Ojibway, Mich.	224	USDA (FS)	Dec. 6, 1965	Do.
Pagosa Springs, Colo.	112	USDA (FS)	Dec. 15, 1965	Do.
Poplar Bluff, Mo.	224	USDA (FS)	June 15, 1965	Do.
Sly Park, Calif.	128	USDA (FS)	do.	Do.
Vesuvius, Ohio.	112	USDA (FS)	do.	Do.
Arbuckle, Okla.	112	USDI (BR)	Dec. 6, 1965	Do.
Casper, Wyo.	200	USDI (BR)	Apr. 15, 1965	Do.
Toyon, Calif.	153	USDI (BR)	Apr. 27, 1965	Do.
Acadia, Maine.	124	USDI (NPS)	Apr. 1, 1966	Do.
Catoctin, Md.	108	USDI (NPS)	Jan. 6, 1965	Do.
Cumberland Gap, Ky.	138	USDI (NPS)	June 20, 1965	Do.
Tremont, Tenn.	112	USDI (NPS)	Dec. 13, 1965	Do.
Wellfleet, Mass.	100	USDI (NPS)	Apr. 30, 1965	Do.
Castle Valley, Utah.	200	USDI (BLM)	July 22, 1965	Do.
Kingman, Ariz.	224	USDI (BLM)	Dec. 20, 1965	Apr. 11, 1969
Mountain Home, Idaho.	200	USDI (BLM)	Oct. 1, 1965	Do.
Tillamook, Oreg.	200	USDI (BLM)	Feb. 1, 1965	Do.
Crab Orchard, Ill.	102	USDI (FWS)	June 21, 1965	Do.
Malheur, Oreg.	224	USDI (FWS)	June 14, 1965	Do.
Ottawa, Ohio.	168	USDI (FWS)	Jan. 24, 1966	Do.
Tamarac, Minn.	224	USDI (FWS)	Mar. 1, 1966	Do.
Eight Canyon, N. Mex.	200	USDI (BIA)	do.	Do.
San Carlos, Ariz.	200	USDI (BIA)	Sept. 30, 1965	Do.
Winslow, Ariz.	205	USDI (BIA)	Feb. 6, 1965	Do.
Oak Glen, Calif.	170	State related	June 1, 1965	Do.
Guayama, P.R.	200	do.	June 15, 1966	Do.
Juana Diaz, P.R.	150	do.	Mar. 15, 1966	Do.
Vieques, P.R.	150	do.	Jan. 24, 1966	Do.
Branchville, Ind.	168	USDA (FS)	June 15, 1965	Apr. 8, 1974
Cottonwood, Idaho.	206	USDA (FS)	do.	Mar. 12, 1974
Heber, Ariz.	210	USDA (FS)	Aug. 7, 1965	Apr. 8, 1974

Note.—Total of 64 civilian conservation centers closed (59 federally operated and 5 State related) with design capacity of 11,265 enrollee spaces.

Note.—Hawaii, State related, 250 capacity, May 15, 1966, and Kicking Horse, USDI (BIA), 200 capacity, Jan. 17, 1966, reorganized as Residential Manpower Center subsequent to Apr. 11, 1969.

Source: Department of Labor.

TABLE II.—CLOSED CONTRACTOR OPERATED CENTERS

Region Center	Type	Capacity	Location	Operator	Activation date	Closing date
Region I Boston:						
Poland Springs	W	1,130	Poland Springs, Maine.	Econ. Sys. (AVCO)	Apr. 28, 1966	June 30, 1969
Rodman	M	750	New Bedford, Mass.	Science Research Association	Aug. 5, 1965	Mar. 31, 1968
Region II, N.Y., Kilmer	M	1,800	Edison, N.J.	Federal Electric Corp.	Feb. 11, 1965	June 30, 1969
Region III Philadelphia, Huntington	W	345	Huntington, W.V.	Xerox, Inc.	Nov. 1, 1966	Do.
Region V Chicago:						
Custer	M	1,400	Battle Creek, Mich.	U.S. Industries	June 22, 1965	Mar. 31, 1968
Marquette	W	300	Marquette, Mich.	Northern Michigan University	June 26, 1966	June 30, 1969
McCoy	M	1,250	Sparta, Wis.	RCA Service Co.	Oct. 4, 1966	Mar. 31, 1968
Chicago	W	200	Chicago, Ill.	Brunswick Corp.	Sept. 12, 1966	Do.
Region VII Kansas City:						
Clinton	W	925	Clinton, Iowa.	General Learning, Inc.	June 24, 1966	June 30, 1969
Lincoln	M	1,150	Lincoln, Nebr.	Management Systems Co.	Sept. 20, 1966	Mar. 31, 1968
St. Louis	W	615	St. Louis, Mo.	Delta Education Corp.	Nov. 16, 1966	June 30, 1969
Omaha	W	865	Omaha, Nebr.	Burroughs Corp.	June 29, 1965	Do.
Region IX San Francisco, Parks	M	2,300	Parks, Calif.	Litton Systems, Inc.	Apr. 26, 1965	Do.
Region X Seattle, Moses Lake	W	515	Moses Lake, Wash.	Econ. Sys. (AVCO)	Nov. 11, 1967	Do.

Note: Total of 14 contractor operated centers closed with design capacity of 13,545.

TABLE III.—JOB CORPS CENTER DISTRIBUTION END OF FISCAL YEAR 1974

Region	Office	Type of center: RMC	Women's	Men's	CCC: USDA	CCC: USDI	SR	JCEC	Total
I	Boston								0
II	New York	2					2		4
III	Philadelphia	2	3		1	1			7
IV	Atlanta	2		1	4	2			9
V	Chicago	2	1	1	2				6
VI	Kansas City	2	3	1	2	1			9
VII	Dallas		1		1	1			3
VIII	Denver	1		1	3	2			7
IX	San Francisco	3	1						4
X	Seattle	1	1		4	3			9
	National							3	3
	Total centers	15	10	4	17	10	2	3	61
	Total trainees	3,752	4,420	6,300	5,012		310	250	20,044

Source: Department of Labor

TABLE IV.—JOB CORPS PLACEMENTS (FISCAL YEARS 1970-74)

[Definitions: Available for placement: Total number of Job Corps Placement and Assistance Records, Form MA6 78 (formerly Form JC-72), received, less the number who reentered the program; the number who cannot be located to determine status, and the number who are not available for placement. Placement rate: The percentage of those available for placement who are placed in employment, in school or another training program, or in the military service.]

	Fiscal years— 1970	1971	1972	1973	1974
Total available	37,993	31,098	32,392	36,804	34,803
Total placed	30,788	23,696	25,382	31,331	32,589
Percentage	81.0	76.0	78.3	85.1	93.6
Employed and wages per hour:					
Total	24,638	16,144	17,412	21,569	23,947
Percentage	64.6	52.0	53.7	58.6	68.8
Wage per hour	$1.84	$1.87	$1.95	$2.09	$2.26

	Fiscal years— 1970	1971	1972	1973	1974
School:					
Total	4,110	6,140	6,328	7,233	6,590
Percentage	10.8	19.7	19.5	19.6	18.7
Armed Forces:					
Total	2,040	1,332	1,642	2,529	2,112
Percentage	5.4	4.2	5.0	6.8	6.0

Source: Department of Labor

TABLE V.—JOB CORPS BY FISCAL YEAR

[All figures approximately from best available data]

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974 down 50 percent
Budget (NOA—Million)	183.0	303.7	210.1	282.3	278.4	169.8	170.4	202.4	193.4	151.3
Center capacity (total)	19,073	41,924	43,159	37,041	38,964	20,400	22,400	22,560	21,617	20,496
Female	(982)	(7,911)	(8,116)	(6,016)	(6,539)	(5,475)	(6,375)	(6,415)	(5,872)	(5,527)
Male	(18,091)	(34,013)	(35,043)	(31,025)	(32,425)	(14,925)	(16,025)	(16,145)	(15,745)	(14,969)
Percent male in CCC's	44.8	44.5	46.0	47.2	50.7	38.9	41.0	41.3	43.1	46.3
On-board strength (High Point)	10,241	28,533	42,032	33,013	35,834	20,840	22,384	23,808	23,126	21,287
Number centers (total)	48	106	123	109	53	54	65	72	72	61
CCC's	36	86	91	82	32	32	32	32	32	29
Men's	7	11	10	6	4	4	4	4	4	4
Women's	5	8	18	18	11	12	12	12	11	10
RMC's						5	8	17	16	15
RSC's						1	5	8	6	0
Extension						0	0	0	3	3
Demonstration		1	4	3						
Center output		30,879	57,075	73,515	67,242	41,191	47,257	48,610	48,371	43,857
Placements [1] (based on Corps members available for placement): Totals		[2 3] 19,453	[2 4] 35,957	[2 3] 46,314	[6] 42,368	[7] 30,788	[8] 23,656	[9] 25,382	[10] 31,331	[11] 32,589
Job Corps staff level (authorized/on-board)		429	573	554	572	411	390	418	379	292
Job Corps national staff		285				202	179	164	163	98
Job Corps regional staff						208	211	254	216	194

[1] Placements include jobs, school/other training programs and military.
[2] Based on estimates of manually compiled records, prior to fiscal year 1970 inception of computerized management information system for placements.
[3] 62.3 percent.
[4] 75.2 percent.
[5] 64.1 percent.
[6] 76.9 percent.
[7] 81 percent.
[8] 76 percent.
[9] 78.3 percent.
[10] 85.1 percent.
[11] 93.6 percent.

Source: Department of Labor.

1. The Glen Cain Study—1967.*
2. Assessment and Research Report No. 11—a study by the Plans and Evaluation Division of Job Corps—1968.
3. "An Economic Analysis of the Job Corps (Men's Centers)" by Steve Engleman—1971.
4. Study: "The Federal Government and Manpower—A Critical Look at the MDTA-Institutional and Job Corps Programs," by Dave M. O'Neill, Director of Human Resources Studies at the American Enterprise Institute for Public Policy Research, Washington, D.C., published August 1973 (Library of Congress Catalog No. L.C. 73-86286).

CONCLUSION OF MORNING BUSINESS

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The VICE PRESIDENT. Under the previous order, the Senator from Kansas (Mr. PEARSON) is recognized.

Mr. PEARSON. Mr. President, I will not further burden the RECORD nor enlarge upon those comments made by my distinguished colleagues from Minnesota and Maryland. All who are concerned with the Senate know the time element involved, the days and the weeks that we have been considering this matter. What I should like to do, very briefly, is indicate my intention in the matter of the motions to be offered at this time.

It will be my intention to presently and very quickly offer a motion to consider, to bring up, to have the Senate have as its pending business Calendar Order No. 1, Senate Resolution 4, and that under the Constitution, article I, section 5, debate cease on the consideration of that matter, it being the position of those who support this motion that the power flows from the Constitution, from article I, section 5, and permits and indeed instructs the Senate, by a majority of those here, in the first session of this 94th Congress, to make a change of the rules unimpaired by the provisions of the rules, and that when the Constitution and the Senate rules conflict, the rules yield.

Mr. President, let me only say that this is not a precedent that so many fear. It is not a precedent for majority cloture. As a matter of fact, it is that position that the sponsors of this resolution seek to prevent, and that is to change rule XXII to three-fifths rather than two-thirds to get on with the orderly and vitally necessary business before Congress and before this Senate. It is not a precedent for future majority clotures; but only as it applies to the right of the Senate under the Constitution to change its rules.

I shall not ask for a time period in this motion. It is my understanding that the distinguished majority leader will raise a point of order, and that in connection with that point of order there will be ample time for Members of the Senate, as is proper, to give full expression to their views as to the nature of this particular motion.

MOTION TO PROCEED TO CONSIDERATION TO SENATE RESOLUTION 4

So, Mr. President, I move that the Senate proceed to the consideration of Calendar item No. 1, Senate Resolution 4, amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate; and that under article I, section 5, of the U.S. Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately putting this motion to end debate to the Senate for a year-and-nay vote; and, upon the adoption thereof by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate, without further debate, the question on the adoption of the pending motion to proceed to the consideration of Senate Resolution 4.

Mr. President, I send a copy of that motion to the desk.

Mr. MANSFIELD. Mr. President, the motion before the Senate again raises the question that has confronted each Congress for nearly two decades. It is whether the Senate of the United States is a continuing body. One would suppose that the character of the Senate as a continuing entity has long been established; that two-thirds of its membership of the Senate carries forward from one Congress to the next would appear to underscore that fact. Following each sine die adjournment the committees of the Senate continue to meet, seats are filled and, as has been highlighted in recent months, the Senate could even proceed with the trial of an impeachment originating in an earlier Congress. To say at the same time that somehow the Senate rules expire tests the most basic assumptions and procedures and responsibilities of this institution as prescribed by the Constitution.

That clearly was the view of the Senate in 1959 when Senate Resolution 5 was overwhelmingly adopted to amend rule XXII so as to enable two-thirds of the Senate present and voting to close debate on any matter including proposals for rules changes. That resolution also amended rule XXXII by adding this implicit language: "The Rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules."

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In spite of the history of the Senate as a continuing body with continuing rules, the issue of cloture by a majority is again before us and must again be resolved.

The Senate of the United States is unique among parliamentary bodies. Because of the tradition of unlimited debate in the Senate, even though that principle has been diminished by rule XXXII, the rights of the minority have always been secure in this Chamber. That is what gives the Senate of the United States a unique stature among parliamentary institutions.

What the motion before us seeks to do is to destroy—let me repeat, is to destroy—the very uniqueness of this body; to relegate it to the status of any other legislative body, and to diminish the Senate as an institution of this Government.

The proposition now under discussion to move to consideration of Senate Resolution 4 clearly envisions the invoking of cloture by a simple majority—let me repeat, by a simple majority—and I want the Members to weigh that very, very carefully, and to understand that if this is agreed to, one, two, or three Senators, who can be prevailed upon to change their minds, to loosen their consciences, can be the determining factor in a matter of moment that is important to this Nation and to the world.

Pressures have been exerted, as we all know. Senators have changed their minds, not because of conscience, on some occasions, but because of pressures exerted, and that is why I ask the Senators to weigh very, very, very carefully what a simple majority as to invoking cloture can mean.

The Members of this body should fully understand the implications of that course of action.

In the past, I have favored proposals to change rule XXII, to require three-fifths of those present and voting instead of the present two-thirds required to invoke cloture. In all candor, however, I must say that with the passage by the Senate of the landmark Civil Rights Acts since 1964, I do not feel the sense of urgency for the change of rule XXII I once did. Even so, I still support the three-fifths concept embraced by Senate Resolution 4 because I think it would be an appropriate compromise between those who prefer the present rule and those who would prefer a simple majority rule.

I favor a three-fifths principle, too, because I believe it does not destroy the essential character of the institution of the Senate. But I will not, and I cannot, and I shall not, go below three-fifths because I think of the inherent dangers in a proposal which is embarked upon imposing a majority rule in the case of a cloture, and I fear for the future of this unique institution and this Republic if such a factor becomes indeed a fact.

A three-fifths rule, if adopted, would be an equitable way to balance the interest while, at the same time, preserving the principle of protecting the minority positions in this body, and that is extremely important, and that is one of the unique features of this institution.

That, too, I would hope would be kept in mind because, while I have been disconcerted, while I have not been pleased with filibusters which have been carried on, while I have had my embarrassing moments, I still believe that the rights of the minority must be protected.

I also believe that if we adopted Senate Resolution 4 it might bring to an end the biennial struggle over the changing of the Senate rules which has occupied so much of our time and our energies at the beginning of each Congress.

But the fact that I can and do support the content of Senate Resolution 4 does not mean that I condone or support the route taken or the methods being used to reach the objective of Senate rule XXII.

The present motion to invoke cloture by a simple majority vote, if it succeeds, would alter the concept of the Senate so drastically that I cannot under any circumstances find any justification for it.

The proponents of this motion would desregard the rules which have governed the Senate over the years, over the decades, simply by stating that the rules do not exist. They insist that their position is right and any means used are, therefore, proper.

I cannot agree.

Therefore, Mr. President, in order to question the propriety, under the U.S. Constitution, of the motion to end debate offered by the distinguished Senator from Kansas (Mr. PEARSON), I will make a point of order at the proper time that the motion is out of order.

That motion could be made now, but if it were made it would be subject to a tabling proposition and that would mean there would be no debate. So with that understanding, that it is my intention at an appropriate time to make that motion, I will now be in a position to answer questions or to yield any time which a Senator might desire for elucidation and knowledge, and I yield to the Senator from Alabama.

QUORUM CALL

Mr. MANSFIELD. First, if the Senator will yield, I think this question is so important that we ought to have a live quorum at this case.

Mr. ALLEN. Would the Senator yield to me at the conclusion of the live quorum?

Mr. MANSFIELD. And I will make the point of order, but I will not push it, and I hope that no Member of this body would expect me to push it until a reasonable time has developed.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. Would the Senator allow me——

Mr. ALLEN. Yes, if the Senator will then yield to me.

Mr. MANSFIELD. Yes, indeed.

Mr. JAVITS. Will the Senator yield to me, also?

Mr. MANSFIELD. I would like to make a point of order that a quorum is not present, in order to achieve a live quorum, and with the proviso that I maintain my right to the floor and that I will then yield to the distinguished Senator from Alabama and then to the distinguished Senator from New York.

Mr. JAVITS. I thank the Senator.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum with that proviso.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 4 Leg.]

Allen	Griffin	Morgan
Biden	Hart, Gary W.	Pearson
Byrd, Harry F., Jr.	Hollings	Percy
Byrd, Robert C.	Javits	Scott, Hugh
Clark	Kennedy	Stafford
Cranston	Mansfield	Stone
Goldwater	Mathias	
	Mondale	

The VICE PRESIDENT. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk	Hansen	Nelson
Baker	Hartke	Nunn
Bartlett	Haskell	Packwood
Bayh	Hatfield	Pastore
Beall	Hathaway	Pell
Bentsen	Helms	Proxmire
Brock	Hruska	Randolph
Brooke	Huddleston	Ribicoff
Buckley	Humphrey	Roth
Bumpers	Inouye	Schweiker
Burdick	Jackson	Scott, William L.
Cannon	Johnston	Sparkman
Case	Laxalt	Stennis
Chiles	Leahy	Stevens
Church	Long	Symington
Culver	Magnuson	Talmadge
Curtis	McClellan	Thurmond
Dole	McClure	Tower
Domenici	McGee	Tunney
Eagleton	McGovern	Weicker
Eastland	McIntyre	Williams
Fong	Metcalf	Young
Ford	Montoya	
Garn	Moss	
Glenn	Muskie	

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART) and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The VICE PRESIDENT. A quorum is present.

Mr. MANSFIELD. Mr. President, with the concurrence with the distinguished Senator from Alabama, to whom I had agreed to yield, I yield briefly to the distinguished Senator from Vermont.

Mr. STAFFORD. Mr. President, I ask unanimous consent that Victor Maerki, of my staff, may have the privilege of the floor during consideration of Senate Resolution 4.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED AMENDMENT OF RULE XXII

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Alabama (Mr. ALLEN).

Mr. ALLEN. I thank the majority leader. I wish more Members of the Senate had been in the Chamber when he made his sledge hammer blows against this motion. A little later, I will read the heaviest blows he delivered against the motion.

Mr. President, when I first came to the Senate in 1969, I did not know the measure of the man who is the majority leader of the Senate. I first formed my conclusions about the measure of this great man in a similar fight on the Senate floor, when an effort was made to get to the consideration of a resolution amending Senate rule XXII, and a motion was filed to invoke cloture. It came to a vote. A majority, less than a two-thirds majority, voted to invoke cloture.

The distinguished Vice President then serving, the present Senator from Minnesota (Mr. HUMPHREY), ruled that cloture had been invoked with a simple majority.

An appeal was taken to the full Senate, and the vote was very close. With the titular head of the Democratic Party presiding over the Senate, the majority leader of the Senate, Mr. MANSFIELD, voted to override, to overrule, the ruling of the Chair that a simple majority could invoke cloture.

I stated at that time that my admiration for the majority leader had grown by leaps and bounds as a result of his stand for principle. Now, Mr. President, we see him acting in exactly the same pattern.

An effort is being made to cut off debate, to invoke cloture in the Senate by a simple majority, and the majority leader denounces that effort. Let us hear what he said. I read three paragraphs from his statement:

> But the fact that I can and do support the contents of S. Res. 4 does not mean that I condone or support the route taken or the methods being used to reach the objective of changing Senate rule XXII. The present motion——

That is the motion made by the distinguished Senator from Kansas (Mr. PEARSON). What I am reading was not said by the Senator from Alabama. I am quoting the distinguished majority leader.

> The present motion to invoke cloture by a simple majority vote if it succeeds would alter the concept of the Senate so drastically that I cannot find any justification for it.
>
> The proponents of this motion would disregard the Rules which have governed the Senate over the years simply by stating that the Rules do not exist.

Another phrase for that would be seeking to invoke cloture by a majority vote by throwing the rule book out the window. The majority leader words it a little bit differently. "They insist that their position is right and any means used are therefore proper. I cannot agree," says the distinguished majority leader.

I wish again to pay tribute to our distinguished majority leader and state that I certainly support his position in the matter. I am certainly not going to prolong this debate. He has spoken more eloquently than I can with respect to the issue involved. So the distinguished majority leader says he is for the contents of Senate Resolution 4; he is not in favor of getting to a vote on it by improper means. That is what he says.

Mr. LONG. Will the Senator yield at that point?

Mr. ALLEN. I am glad to.

Mr. LONG. Is it not true that the statement of the majority leader could, in some respects, be viewed as a statement against one's immediate interests, because if one looked at it from a selfish point of view, there is nothing that plagues a majority leader more in trying to move a debate along than the right of free debate.

Mr. ALLEN. That is almost against the interests of the Senate, is it not?

I thank the distinguished Senator from Louisiana.

Mr. President, I understand that a little bit later on, the distinguished majority leader is going to make a point of order that this motion is out of order. I see the two sponsors of this resolution, Senate Resolution 4, and this present resolution seated in the Senate chamber. I hope they will reassess and reconsider their position. I hope that they will acquiesce in the point of order being made by the distinguished majority leader and not make a motion to table the point of order and try to win by sheer force of numbers, by sheer brute force, a question that is clearly covered by the Senate rules.

The distinguished majority leader made a very interesting point about the Senate being a continuing body. He suggested that had a trial of impeachment been under way at the time of the expiration of a Congress, the incoming Senate, being a continuing body, with only a third of the Senate coming in, the next Senate would be able to carry on the impeachment, since it is a continuing body. I daresay that had the Senate been engaged in a trial of impeachment here some months ago, we would not have heard voices raised by the proponents of Senate Resolution 4 and of this motion that the Senate is not a continuing body and therefore, it would have to start over on that trial. I suspect that they would have felt that the Senate is a continuing body so that that proceeding could have continued.

The question here today is, are we going to throw the rule book out the window or are we going to sustain the point of order, which was not made by the Senator from Alabama—his point of order would have no chance of being sustained—but a point of order, no matter on which side it is made. The point of order made by the distinguished majority leader is a point well taken. I sincerely do hope and trust that the distinguished Senator from Minnesota (Mr. MONDALE), following the leadership of our party leader, will maintain the unity that we need here in this body, at this time, acquiescing in the point of order and not pressing further this motion, which is clearly out of order.

I yield the floor.

Mr. MANSFIELD. Mr. President, if the distinguished Senator from New York will allow me, it is my understanding that our Presiding Officer, the distinguished Vice President, desires to make a statement which he had considered making prior to the recognition of the distinguished Senator from Alabama. I ask unanimous consent that at this time, without the Senator from New York losing his right to recognition, our distinguished Presiding Officer be allowed to make that statement at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The point of order having been made by the Senator from Montana and recognizing that the Senator from Montana maintains the floor, the Chair would like to make a statement in response.

The Chair believes deeply in the separation of powers and the coequal responsibility of the legislative and executive branches of Government under our Constitution.

It has been the Chair's practice and privilege, both in representing various administrations here in Washington and as Governor of the State of New York for 15 years, to work closely with the legislative bodies within the framework of the rules and regulations established by them. The Chair feels very deeply about this principle.

However, the Chair must carry out his duties as President of the Senate. Toward that end, the Chair has reviewed the history of this matter so that he might be guided by the precedents established heretofore.

Under the precedents, the question of the continuation of the rules of the Senate from one Congress to the next and, more particularly, the procedure by which those rules may be amended, has been considered a constitutional question. With but one exception, every President of the Senate who has faced this question has submitted it, or stated that he would submit it, to the membership of the Senate for debate and determination. In the one instance where the President of the Senate undertook to determine the question himself, his determination was reversed. Thus, the Members of the Senate, by their vote, maintained the precedent.

For these reasons, therefore, the Chair submits to the Senate the question: Is the point of order made by the Senator from Montana well taken? That question is debatable.

Does the Senator yield to the Senator from New York?

Mr. MANSFIELD. Yes, I yield.

Mr. JAVITS. Mr. President, I intend to propound a number of parliamentary

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inquiries to the Chair. Before doing that, I should like to give my own view of the law and the Constitution here so that both the Chair and the Senate may understand the frame of reference from which I speak, and I hope not to take any more time than the distinguished Senator from Alabama has taken in presenting another point of view.

Mr. President, if there is one proposition which is uncontroverted in our society, and it is, indeed, literally the vertebrae on which our Nation is built, it is the sanctity of the Constitution. Mr. President, that is superior to everything—what is written in the Senate rules, what laws we pass. We have given unbelievable power to a group of men who we feel can be trusted with that power, finally—and it is the one place where a decision is absolutely final—to decide whether what we feel should be done is or is not in accordance with the Constitution, so prized is this document to us.

The Constitution states that at the beginning of every Congress, each House shall be able to determine its own rules. Now, that stands on the landscape bigger, more solidly than any other declaration of any kind, whether contained in the rules or whether contained in our fears or our prejudices.

The Founding Fathers certainly expected that succeeding generations would find a way to assert their rights. This is what we have been contending for in this body since 1957—that is the year that I came here—to find a way to assert our rights, our rights to change the rules by the same body which made the rules.

Mr. President, this has been constantly frustrated by importing into the argument fears and concerns about the fact that a majority could do this, do that, or do the other. Well, Mr. President, it would take but a majority, if the President did not veto it, to expropriate property of great size, just by the tax laws. Franklin D. Roosevelt had an idea that he would like to tax away everything over $25,000 in income, and he had it very, very seriously in mind. Another President might say $10,000, or $8,000, or $6,000, or $4,000. What is to stop him? But that is the essence of this Government and the essence of this Constitution, and the fact that our people have confidence in the way in which the form has been declared.

Yet for practical purposes it is contended that we must forever labor under the proposition that in any matter not otherwise provided for by the Constitution, to wit, ratification of treaties, overriding a Presidential veto, et cetera, we are forever condemned to the ability of one-third of the Senate to frustrate any action which needs to be translated into law on the part of the United States. That is what it comes down to.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. JAVITS. If I may finish first.

It is very comparable to the idea which preceded the Civil War that you had to have a concurrent majority before you could do anything here, a majority from the South and a majority from the rest of the country.

My feeling and my constant contention here now for many years, joined by many distinguished Members and many distinguished legal scholars, has been that we have to find a way to observe the Constitution. I think the Chair is absolutely right in submitting these matters to the Senate, but I do not believe that the Senate, at the initiation of a session, can find itself absolutely frustrated from being able to carry out the Constitution because of something which it has put in its rules which is itself unconstitutional.

I remember very well the situation in 1959, when the compromise was offered by a Senator who later became President, Lyndon Johnson, of two-thirds present and voting as against an absolute two-thirds of the whole Senate. I remember very well when section 2 of rule XXXII was written into the rules. That section, if it is valid, would inhibit exactly what we are trying to do today, but it is not valid, and the Senate is just as good a judge, under the Constitution, as the Supreme Court, when it comes to its own actions.

The fact is that I voted for that compromise in the final analysis, and I said at the time that I was able to so vote because I did not consider section 2 valid under the Constitution, and, therefore, a nullity, which indeed it is.

I yield to the Senator from Nebraska.

Mr. CURTIS. I thank my distinguished friend, and I appreciate his scholarly argument, but I wanted to make sure I understood what he said.

The junior Senator from Nebraska understood that the Senator from New York stated that the Constitution provided that at the beginning of each session of Congress, each House shall determine its own rules. Will the Senator give us the citation for that?

Mr. JAVITS. Yes. I had it before me.

Mr. CURTIS. The only one I can find is in the second paragraph of section 5 of article I, which says:

> Each House may determine the rules of its proceedings, punish its members for disorderly behaviour, and, with the concurrence of two-thirds, expel a member.

Mr. JAVITS. The Senator is correct.

Mr. CURTIS. I understood the distinguished Senator from New York to say—and if I am in error I want to be corrected—that the Constitution provided that at the beginning of each session, each House may determine the rules of its proceedings.

Mr. JAVITS. The import of this provision of the Constitution, and I will explain why, in my opinion, means at the beginning of each Congress each House may determine its own rules, because the practice has been in the other body, never challenged, that at the beginning of each Congress they adopt their rules. The Presiding Officers of the Senate have interpreted that same precedent to mean that the Senate was either a continuing body or tacitly adopted its rules by not changing them at the time when the Senate became part of a new Congress.

That is why I say what I do. If the Senator were correct, by the way, and that view could be exercised at any time, then this motion could be made at any time, and this finding of constitutionality could be made at any time.

So we have sort of subjected ourselves to the discipline of trying to do what we believe should be done at the beginning of each Congress, because that is the way the other body has pursued it, and that has been the traditional practice there. But if the Senator were correct, the traditional point would be more strongly against that view than it is even now, because if this is correct as a statement of policy, it has no qualification, the beginning of each Congress or anything else. It could be made at any time.

Mr. CURTIS. The Senator from New York is a distinguished lawyer, and I concede to him the right to place his interpretation on it. He does so very forcibly. I am not questioning that.

But the fact remains that the Constitution does not specifically say that at the beginning of each session, each House shall determine the rules of its proceedings.

Mr. JAVITS. That is true.

Mr. CURTIS. I thank the Senator.

Mr. JAVITS. But the Constitution does very closely say that each House shall determine the rules of its proceedings, and therefore that may come about at any time, at the beginning of each Congress, at the end, or in the middle, and it cannot be inhibited by a rule of that House; and that is what I am arguing.

In other words, my fundamental point is not the time of doing it, because that has just been a traditional practice, following that of the House of Representatives. My fundamental point is that the Constitution is paramount to any rule that we adopt in the Senate, and it is that paramountcy which is sought to be carried out by Senator PEARSON's motion.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. Is the Senator from Nebraska implying that the constitutional provision was satisfied when the Senate, over a hundred years ago, first made its rules, and now, when we attempt to make this rule now in 1975, the constitutional provision is no longer applicable? Would that not be a ridiculous conclusion?

Mr. CURTIS. I did not make any implication. I understood that the Senator from New York made a quotation from the Constitution, and I did not find any such language. That is the reason why I rose to ask him.

Mr. PASTORE. I know. I could not find it, either, and that is the reason I picked up my book as well. But there is an element of reason in every rule, and there is an element of reason in the Constitution. If we assume that under this constitutional provision each body can make its rules, let alone whether it is at the beginning of the session, if we are implying or inferring at this time that that constitutional provision was satisfied when the rules were made over 100 years ago, then I am afraid we have become an old-fashioned body, and maybe that is just the trouble; we have just become old-fashioned, and we are not living up to the realities of today.

Mr. CURTIS. Will the Senator yield further just for a brief observation?

Mr. JAVITS. I yield.

Mr. CURTIS. I believe it is correct at the beginning of every session of the House of Representatives they have a motion to adopt as the rules of a particular Congress, the 94th, for instance, that the rules of the 93d Congress shall prevail. I believe I am correct in stating that the Senate has never followed any such procedure.

I think that that procedure in the House has established a law by usage. I think that is a doctrine well supported by all the law in this country and in England.

Likewise, I believe the fact that the Senate has not adopted rules when they have convened has become a law, by usage, that it is a continuing body.

Mr. PASTORE. Mr. President, if the Senator will yield and permit——

Mr. CURTIS. I do not have the floor.

Mr. JAVITS. Yes.

Mr. PASTORE. If the Senator will yield and permit, it is absolutely true that in the past, as long as I have been here, that we have been compelled to proceed under the old rules. But that is not because the majority did not want to change the rule; it is not because the majority did not want to initiate new rules; it is because the old rules created this monstrosity of filibuster that stopped us from doing it.

It was not a practice in which we acquiesced. It was a practice that was forced down our throats by the minority.

The Senator from Alabama said a short while ago that this was brute force, that this was the monstrous force of the majority.

I am afraid we are coming down to the monstrosity of the brute force of the minority that controls the workings of the Senate, and that has been the trouble in the delay. We have had people stand up on the floor and say, "Why don't you do something?" "Why don't you do something?" "Why don't you do something?" And every time we want to do it, somebody who has a personal interest or a parochial interest will stand up and block it. All he needs to do is to marshal the forces of one-third of the body, and you are dead. That is the trouble. The efficacy of the Senate will die, if we continue in the way that we have been going.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MONDALE. I wish to put a question to the Senator from Rhode Island. As I understand it, the Senator from Rhode Island has chaired, and is chairing, the crucial ad hoc committee of the Senate which is seeking to develop a comprehensive plan to deal with the profound economic crisis in this country. The crisis of unemployment, of inflation, of energy, and the rest.

Does not the Senator believe that, if the present two-thirds rule obtains, there is a good chance that, no matter what the majority of the Senate wishes to do, much of our plan can be frustrated to the disadvantage and injury of this economy by the use of the filibuster?

Mr. PASTORE. Well, wait and see what happens when we try to resist the decontrol of old oil, and we will see the filibuster in full swing. We will see the beauty of the filibuster in full bloom when we try to decontrol old oil, and we try to do something about the oil depletion allowance. That is the answer to the Senator's question.

Mr. CHURCH. Mr. President, will the Senator yield for me to make a brief observation?

Mr. JAVITS. Very briefly, because I promised not to take any more time.

Mr. CHURCH. I thank the Senator very much.

Mr. President, it has always been my view that it lies within the power of the majority in the Senate, at the commencement of a new session, to determine what the rules of the Senate shall be. Any contrary interpretation of the existing Senate rules would deny to the majority what I deem to be its constitutional right. Therefore, I will vote with those who propose to make it possible for a majority to pass judgment on the rules that will apply in the coming session.

In saying this, I want to make it clear that although I have supported changes in rule XXII and, indeed, have led the effort in years past, along with the distinguished Senator from Kansas (Mr. PEARSON), to modify rule XXII so as to require merely a three-fifths vote to invoke cloture, I came to the conclusion some months ago, expressed at the time, that this would be a mistake.

Since then, it has been my considered judgment that rule XXII ought not to be modified. Therefore, if and when we come to a vote on the merits, I will vote to uphold the present rule. But, consistent with my view that it is the constitutional right of the majority to adopt new rules at the beginning of a session, I will vote for the tabling motion offered by the Senator from Kansas.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. Yes, very briefly, because I really have promised not to take too long.

Mr. PASTORE. I want to applaud the Senator for his view. What he is actually saying is he does not deny us the right to invoke the new rules even though he would like to see the rule with a two-thirds majority, and I think that is everybody's privilege. We are not trying to stuff anything down anybody's throat. All we are saying is give us a chance to work at it. If the majority wants a two-thirds rule, OK. If they want the three-fifths rule, OK. No one questions that, but give us the authority to do it.

Mr. JAVITS. I join with Senator PASTORE in feeling the same way about what Senator CHURCH has just said.

Now, Mr. President, the fact is that the Constitution provides each House may determine the rules of its proceedings and, therefore, theoretically at least this action could be taken at any time. Practically it should be, and has been, taken now because we are having a third of our Members who are new, we are having new bills introduced, the old bills having gone out the window with the close of the last Congress, and they should be guided by a set of rules which represents the determination of this body, plus its new Members and, hence, it is not only legally proper to raise this issue because of the even broader provision of the Constitution, but is pragmatically essential to raise the question now so that all may be guided appropriately in the work to be undertaken but which has not yet been undertaken.

Now, Mr. President, one other significant fact, and then I should like to propound the parliamentary inquiry. This is a question of first impression. May I repeat that, it is a question of first impression, because the Senate has at no time by a majority acted to decide this constitutional question.

It had two opportunities to do so. It had an opportunity in 1969 to do so. On January 16, 1969, the Senate voted 51 to 47 to invoke cloture. The Vice President ruled that that was enough. The Senate overruled that determination, and that related specifically to the narrow question of what does rule XXII say and is rule XXII itself unconstitutional. The Senate, therefore, refused to go along with the ruling of the Vice President.

Subsequently, I raised the same issue on another occasion and in another year, in 1971, and on that issue I appealed from a decision of the Chair who had announced that a cloture move on the change in the rule had failed because two-thirds had not voted in the affirmative. I appealed from that ruling on the ground that it was a constitutional ruling. The majority leader moved to table my motion, and that motion was carried.

So, on neither occasion has the Senate ruled in favor of allowing the Presiding Officer to carry out a mandate which the Senate held was constitutional and, therefore, it is fruitless to argue now that it is throwing the rule book away.

On the contrary, Mr. President, it is asserting the Constitution, and the Constitution is paramount to the rule book, and I do not think anybody challenges that.

Now, Mr. President, I propound the following parliamentary inquiry: Is the point of order raised by the Senator from Montana or to be raised—I am not clear whether he has actually raised it as yet—has he raised it as yet?

The VICE PRESIDENT. Yes, he has.

Mr. JAVITS. Yes. Is the point of order raised by the Senator from Montana debatable?

The VICE PRESIDENT. The answer is "Yes," it was raised and it is debatable since it was submitted to the Senate.

Mr. JAVITS. May the Senator move to table the point of order, and if that tabling motion prevails, would it be a decision by the Senate to affirm the propriety of the motion to end debate which has been offered by Senator PEARSON?

The VICE PRESIDENT. Yes. And if the motion prevails, the Chair would have to interpret that as an expression by the Senate of its judgment that the motion to end debate is in all respects a proper motion; that this procedure is the

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proper one, and that the motion would then be the pending question.

Mr. JAVITS. Is it a fact——

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. JAVITS. Yes.

Mr. ROBERT C. BYRD. What motion would then be the pending question?

The VICE PRESIDENT. The one that was previously made by Senator PEARSON.

Mr. ROBERT C. BYRD. There would be no debate on that one?

The VICE PRESIDENT. No debate.

Mr. ROBERT C. BYRD. It would be immediately put to a vote?

Mr. ALLEN. He did not say that.

Mr. ROBERT C. BYRD. That is what I am trying to find out.

The VICE PRESIDENT. His motion would not include debate; a direct vote.

Mr. JAVITS. Mr. President, does the motion to table require only the usual majority of the Senate?

The VICE PRESIDENT. Yes, the Senator is correct, under the rules and precedents.

Mr. JAVITS. The Chair has already answered the question. As the motion contains that provision, the Chair's duty would be to put the Pearson motion to the Senate immediately that the motion to table occurs.

Mr. ALLEN. Will the Senator yield?

I believe the Senator is stating—putting words in the Vice President's mouth.

Mr. JAVITS. Well, Mr. President, I would ask unanimous consent that that be stricken. It is not necessary to repeat something I have not asked.

Mr. ALLEN. When the Senator gets through, I wish to ask a clarifying question.

Mr. JAVITS. Now, Mr. President, if the motion to end debate prevails, may the Chair immediately put to the Senate without further debate the question on the adoption of the motion to proceed to the consideration of Senate Resolution 4?

Mr. ALLEN. If the Vice President would yield.

[Laughter.]

Mr. JAVITS. Mr. President, I have not yielded and I believe I have the floor.

Mr. ALLEN. Very well.

The VICE PRESIDENT. The Senator from New York still has the floor.

The answer to the question propounded by the Senator from New York is "yes."

Mr. JAVITS. Finally, Mr. President——

The VICE PRESIDENT. But there is one other action that would have to take place first, and that would be action on Senator PEARSON'S motion; then, if that is agreed to, then it would go to the original motion to proceed to the consideration of Senate Resolution 4 and that would be by a simple majority.

Mr. JAVITS. Finally, Mr. President, if the motion to proceed to the consideration of Senate Resolution 4 is adopted by the Senate, will Senate Resolution 4 be the pending business before the Senate?

The VICE PRESIDENT. The answer is "yes."

Mr. JAVITS. Mr. President, I thank the Chair, and I am prepared, if the majority leader wishes, to either yield the floor to him or to Senator ALLEN, whatever he wishes.

Mr. ALLEN. A further parliamentary inquiry then.

The VICE PRESIDENT. The Senator will state it.

Mr. ALLEN. May I make a parliamentary inquiry of the Chair?

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. ALLEN. As I understand the situation, a point of order has been raised by the majority leader and it would seem to me a motion is going to be made to table the point of order.

If the point of order is tabled, would not the effect of that vote by the Senate be to rule that the Pearson motion is properly before the Senate, but it will have no force and effect, as is the case of all motions, until it has been adopted by the Senate itself, and prior to the vote on that motion would not then, as is the case of all motions other than motions to table that motion be subject to debate?

The VICE PRESIDENT. The Senator is correct as to his first question, but the second question is covered by the motion itself which precludes debate.

Mr. ALLEN. Still, that motion, Mr. President, does not have any force and effect until it is adopted by the Senate, and obviously——

The VICE PRESIDENT. The Senator is correct.

Mr. ALLEN. A mere motion could not say that it is not going to be debatable; it would not have any effect until it has been ratified by a vote of the Senate, would it?

The VICE PRESIDENT. The second and third parts of that motion would have to be put immediately to the Senate for the vote.

Mr. ALLEN. And the Senate—is the Chair going to invoke cloture ex mero motu?

Is the Chair going to invoke cloture on his own motion?

The VICE PRESIDENT. Will the Senator put that in English for me?

[Laughter.]

Mr. ALLEN. In other words, is the Chair ruling that the Senate would have no opportunity to vote on the motion prior to hearing in the U.S. Senate; that there would be no debate on such a motion?

The VICE PRESIDENT. On the point of order that has been made against the motion, and the point of order is debatable, that is the point of order.

Mr. ALLEN. Yes.

The VICE PRESIDENT. That is debatable.

Mr. ALLEN. The Senator from New York—of course, it is a tortuous course—was aided, however, by answers of the Presiding Officer that were numbered, as he called off one number. I am wondering if the Presiding Officer is going to say that the Senate does not have a right to debate a motion filed here in the Senate?

The VICE PRESIDENT. The point that the Chair was trying to make is that the Senate has the opportunity in the vote to table the motion to determine whether a proper motion has been made.

Mr. ALLEN. Is the Chair ruling then—stating it is going to rule that a question decided on one point is going to be decisive of an entirely different matter; that there is going to be a vote on an entirely different matter?

That is what the effect of the Chair's ruling is.

The VICE PRESIDENT. If the Senate, by its own action, declares the motion a valid motion, then it is a valid motion, and the Chair would have to put it to the Senate for a vote.

Mr. ALLEN. The Chair is going to cut off debate on a motion filed here in the Senate, is that right?

The VICE PRESIDENT. We would have to put it to the Senate on the terms of the motion.

Mr. ALLEN. Well, the motion is not effective until it is adopted, is it?

The VICE PRESIDENT. The Senate has the opportunity in tabling to make that decision as to what they would like to do, and they would do that by majority vote.

Mr. ALLEN. Well, the motion to table is not decisive of another, it is an entirely different point, I would think.

I thank the Chair for his information.

The VICE PRESIDENT. The Senator from Minnesota.

Mr. MONDALE. As I understand the ruling of the Presiding Officer, it is his ruling that it is for the Senate to determine the constitutional question when the Senate votes on the motion to table. I hope we will be able to do this shortly. After proper discussion and debate on this matter, the Senate will have an opportunity to decide the constitutional question. It will not be the Presiding Officer, it will be the Senate that decides.

What he is doing here is, in effect, turning the question back to the Senate. We will decide the question on the motion to table, after appropriate debate has taken place.

It is not the Presiding Officer ending debate. It will be a decision by the Senate that it wishes to assert its clear powers under the Constitution. I would remind Senators that we are not dealing with the merits of rule XXII today. We are, after a month of filibuster, simply trying to get it before the Senate as the pending business.

All the Senate would be doing is saying that a month should be enough time to decide whether they want to decide something.

If it takes us as long to deal with other matters as it does with this question, it will be January 1984 before we see the first action on Senator PASTORE'S bill to deal with our economic problems.

I think the Vice President has ruled wisely. The question is for the Senate. We can do as we please, I hope we will do the responsible thing and put rule XXII before the Senate as the pending business.

Mr. TOWER. Mr. President, the Senator from Rhode Island made a very interesting observation a moment ago when he said that a rule that was enacted a hundred years ago is no longer consonant with the realities of the time.

In other words, it is an anachronism. I submit that if we are to pursue that line of reasoning, we must note that the U.S. Senate, itself, is an anachronism. It was the intention of the Founding Fathers that the Senate would represent the States as corporate entities. It is an anachronism, I suppose, in the context of this time, that the Senator from Texas represents 12 million people and has one vote in the Senate, and the Senator from Rhode Island represents 1.5 million people and has one vote in the Senate. I submit that that in itself is an anachronism.

But there was a very good reason why this bicameral legislature was created by the Founding Fathers. The Senate has fulfilled the historic function of protecting the minority from the precipitant and emotional tyranny of the majority. If we are going to talk about anachronisms, if we want a little bit slicker machine to run the people's business, we should go to the parliamentary executive system. Then they would not have the confrontation between the Chief Executive of this country and the Congress of the United States.

So if our Government is, indeed, too rooted in the past and is indeed an anachronism, why do we not call a constitutional convention and revise the document, as Thomas Jefferson thought each generation would have to do?

Mr. PASTORE. Will the Senator yield?

Mr. TOWER. I yield.

Mr. PASTORE. It is true that the Senator has a lot more people in Texas than we have in Rhode Island, but is it not remarkable and marvelous that the Senator and I are about the same size?

[Laughter.]

Mr. TOWER. I agree.

Mr. President, I was only making the observation that I am atypical, and that Senator PASTORE is not because he is a Rhode Island-size Rhode Islander and I am a Rhode Island-size Texan.

[Laughter.]

The VICE PRESIDENT. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I wish to call this to the attention of the Chair: rule XXI says:

1. All motions shall be reduced to writing, if desired by the Presiding Officer or by any Senator, and shall be read before the same shall be debated.

2. Any motion or resolution may be withdrawn or modified by the mover at any time before a decision, amendment, or ordering of the yeas and nays, except a motion to reconsider, which shall not be withdrawn without leave.

The rules provide that motions shall be debated.

No. 2 relates to withdrawing or modifying amendments.

Then rule XXII says:

1. When a question is pending, no motion shall be received but—

To adjourn.

To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

To take a recess.

To proceed to the consideration of executive business.

To lay on the table.

To postpone indefinitely.

To postpone to a day certain.

To commit.

To amend.

Then the rule says:

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

The rules clearly state that only motions to be decided without debate are motions relating to adjournment, to adjourn to a day certain, to take a recess, to proceed to the consideration of executive business, to lay on the table shall be decided without debate.

I submit that that read in connection with the very first sentence, which said: "All motions shall be reduced to writing and shall be read before the same shall be debated," clearly establishes a rule of the Senate that no motion, other than those specifically enumerated, can be put without debate. I thank the Chair.

The VICE PRESIDENT. May the Chair state his position? The point of order has been raised on this question. If that point of order, which was raised by the Senator from Montana who objected because of the reasons you have stated, is tabled by a majority vote, then the Senate, by its own majority vote, has expressed itself on the motion. So the Chair then has to go back to the motion, because the Senate has expressed itself.

Mr. CURTIS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CURTIS. Let us suppose that an amendment would be offered to increase an appropriation and a point of order is made. Then there follows a motion to table the point of order and the motion prevails. Would it follow that the amendment then must be voted upon without debate?

The VICE PRESIDENT. If it is contained in the motion because this is a parallel case.

Mr. CURTIS. In other words, a Member of the Senate can insert language in his motion and the very insertion denies all other Senators the right to speak on it?

The VICE PRESIDENT. The Parliamentarian advises that that is a hypothetical question.

Mr. CURTIS. But it is a good one.

The VICE PRESIDENT. It does not relate to this question before the Senate at this time.

The Senator from Florida.

Mr. STONE. Mr. President, in the last general session of the United Nations the Presiding Officer utilized the process of the appeal of the Chair, and other parliamentary processes, to emasculate the rules of procedure of the General Assembly of the United Nations, demeaning that body to practically a worthless body.

I can visualize another hypothetical parliamentary inquiry in which the same process being followed today could be attempted with regard to the two-thirds constitutional requirement to approve treaties, or any other two-thirds requirement in the Constitution as well as in the rules. Although admittedly unlikely all that has to happen is this same motion procedure leading to a motion to table, the Chair to turn it over to the majority ratification of such a point of order, and the two-thirds requirement to be destroyed. If we do not live by the spirit of the rules as carried forward, yes, for over 190 years, then we will not be any kind of a deliberative body, much less the greatest in the world.

The VICE PRESIDENT. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I would hope that the Senate would support and sustain the point of order that has been made by the distinguished majority leader, and that if a motion to table that point of order is made, as we are told it will be made, that that tabling motion will not prevail.

Mr. President, without attempting in any way to be repetitious of the excellent statement that the distinguished majority leader has made in connection with the fact that the Senate has been recognized by the Senate and by the courts as a continuing body, and that under the Constitution each House shall make its own rules of proceedings, and that the Senate in the past has formulated its own rule to the effect that these rules shall remain in effect until changed in accordance with the rules, may I shift the Senate's attention to the motion that is before the Senate.

The distinguished Senator from Kansas has made a motion to proceed to the consideration of Senate Resolution 4. In connection with that motion, he has moved, also, to shut off debate immediately on that motion. If the Senate should vote to support that procedure, that debate be closed immediately, then it would be the duty of the Chair immediately to put the question on proceeding to the consideration of Senate Resolution 4. This is a divisible motion.

Various parliamentary inquiries have been made. The Chair, in responding to those parliamentary inquiries, has indicated that if the point of order by the distinguished majority leader is tabled, the question before the Senate then will be the motion which contains a provision to shut off debate, and that the Senate must then vote immediately on the motion.

Let me say it this way. I do not think I have stated it clearly.

Ordinarily, if a motion is made, and a point of order is made against such motion and the Chair submits the point of order to the Senate and the Senate rejects the point of order, the motion—to which the point of order was addressed—is still before the Senate, and that motion is debatable. In this instance, by virtue of the unique way in which this motion is written, and in view of the Chair's having responded as he has to hypothetical parliamentary inquiries, the self-executing motion would not be debatable. The distinguished Presiding Officer has indicated that he would not respond to hypothetical situations, but he indeed has responded to a hypothetical situation by indicating that if the Senate tables the point of order by Mr. MANSFIELD, the Chair would then, without further debate, immediately put the question to the Senate as to whether debate shall be closed.

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I know that those who have submitted this motion act in the highest of good faith, but I consider this motion an extremely dangerous approach. Aside from the fact that the Senate is a continuing body, forgetting that for a moment, we should take a close look at what precisely we are about to do here.

We are about to set a bad precedent, if we table the point of order raised by Mr. MANSFIELD. In view of the Chair's having said that that will be interpreted as the Senate's having exercised its will that the motion to which that point of order is addressed cannot be debatable and must be put immediately for a vote.

We are going to rue this day. It will be a very simple matter for a Senator in the future to send a motion to the desk, such motion being to the effect that we immediately proceed to the consideration of something or that we immediately adopt a certain measure which is already pending before the Senate, and include in that motion a direction that the Chair immediately put the question before the Senate to close off debate on such motion.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I will yield presently.

And that if the Senate, by majority vote, agrees to that provision in the overall motion to close debate, the Senate will then proceed immediately, without debate, to the consideration of the measure; or, if the measure is already before the Senate, the Senate will proceed immediately, without debate, to vote on the measure itself.

If a point of order were raised against that motion and a tabling motion were made immediately, there could be no debate. The vote would occur on that tabling motion.

Mr. PEARSON. Mr. President, will the Senator yield on that point?

Mr. ROBERT C. BYRD. Will the Senator allow me to finish? I am trying to develop what I think is a very difficult point to explain, and then I will be delighted to yield.

Mr. PEARSON. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? I am having difficulty expressing my own thoughts.

The VICE PRESIDENT. The Senate will be in order, please.

Mr. ROBERT C. BYRD. Let me begin again.

I say to Senators that if the point of order by the Senator from Montana is tabled, we will set a bad precedent; and in the future, any Senator may contrive a similar motion, a motion in many parts, which of course can be divided.

Nobody has addressed himself to this motion yet. The Senator from Nebraska (Mr. CURTIS) was getting into it. I want us to consider the motion that is before the Senate and the danger of setting a precedent here which those on the Senator's side and those on my side one day will rue.

If a motion to table such a point of order is adopted, we will need only 51 Senators on this side of the aisle to shut off debate immediately on those on the other side, as a party—any time we want to, in the future.

May I say to those of us on our side that the day may come—although I hope it will not be in my time—when we will be in the minority, and it will take only 51 Senators from the other side of the aisle to stop debate immediately, without one word, on some matter which we may consider vital to our States or to the Nation. Let me show the Senate how this would work.

I would send a motion to the desk. That motion would be to the effect that we proceed immediately to the consideration of a certain matter; or, if the matter were already before the Senate, that motion would be to the effect that we proceed immediately to the adoption of that matter before the Senate. Coupled with this motion which I would send to the desk, I would add a motion that the Chair immediately put the question, to shut off debate, and that if that motion is agreed to by a majority vote, the Chair then immediately, without debate, put the question as to proceeding to the consideration of the matter; or, if the matter is already before the Senate, the Chair immediately would put the question on the adoption of the matter before the Senate.

The next thing needed to trigger this into a situation which gags every Senator on this floor, not giving him 1 minute for debate, is that a Senator who would share my view and who would be working with me in that particular situation, if he could get recognized by a cooperative presiding officer, could immediately raise a point of order that my motion is not in order. Whereupon, another Member or I, myself, or the Senator who raised the point of order, if he again could get recognition immediately, could move to table that point of order. On a tabling motion, under the rules of the Senate, there is no debate.

Thereupon, the vote would occur immediately upon the motion to table the point of order. If that point of order were tabled the Chair—under the interpretation which the very distinguished Presiding Officer today has rendered to the Senate—would immediately put the question to shut off debate. There could be no debate on that motion to shut off debate. If there were a majority vote to shut off debate, then the Chair would immediately go to an immediate vote on the other motion to proceed to consider, or, if the matter is already before the Senate, immediately go to an immediate vote on the adoption of the matter before the Senate and there could be no debate on that question.

Mr. CURTIS. Will the distinguished Senator yield?

Mr. ROBERT C. BYRD. Not yet, if I may. I beg the Senator's indulgence.

In other words, this motion is self-executing, and the Chair is interpreting the motion of the Senator from Kansas (Mr. PEARSON) to mean that if this point of order which has been made by the distinguished majority leader is tabled the motion to shut off debate is self-executing, and the motion, which would, in any other instance, be debatable once the point of order is laid to rest, is, indeed, not debatable by virtue of the action of the Senate in tabling the point of order in this instance.

I must say that I have to disagree, respectfully with the Chair. We are today operating by the rules of the Senate, which rules and precedents provide that a motion before the Senate, against which a point of order has been made and tabled, remains before the Senate and is debatable. I cannot for the life of me understand how, in this instance, the motion, if the point of order is tabled, will not still be before the Senate and will not be debatable. I cannot understand that. I cannot understand how the Chair can logically state that the Senate, by this motion, and by virtue of its tabling a point of order, which is a separate matter, ipso facto shuts off debate on the motion of the Senator from Kansas to close debate by a majority vote.

Now, if we go down this road, I can guarantee that every Senator in this body will rue this day. I have long revered the rules of the Senate. I, personally, in the last few years, have come to the view that I would support a motion to invoke cloture by three-fifths. Like the majority leader, I think that would preserve the integrity and the uniqueness of this institution while, at the same time, it would be balanced and equitable. But I would achieve that end by working within the Senate rules.

I have changed my mind over the years. And I may change my mind again. But as I have worked here with the majority leader for 9 years, I feel that a three-fifths cloture vote would protect the minority, protect the uniqueness of this institution, and preserve a fair and equitable way to close debate. But I am not for destroying the Senate as a unique institution in an effort to reach that end.

I say this with apologies to those who have presented this motion. They are not for destroying the Senate, either. They love the Senate as much as I do. I have taken the floor today with some hesitation. I did not want to get into this issue. I made no preparation to do so. Others have made excellent arguments as to the continuing body principle and all of that. But I think this is an extremely unique motion and such a motion has only been offered to the Senate on one previous occasion.

Let me say further that if Mr. MANSFIELD's point of order is tabled, we will not only not be allowed to debate the motion to shut off debate, we will also not be allowed to amend it. We will not be allowed to make a motion to postpone it. We will not even be allowed to make a motion to table it. Because this motion says that if the Senate votes, by majority vote, to shut off debate, the question then will immediately recur on the motion of the Senator from Kansas to proceed to shut off debate.

When the vote is to occur specificially on a motion, it cannot be tabled. How can we vote on a motion if we table it? Once cloture is invoked, the same thing occurs with regard to the motion to proceed, which the Chair must put immediately, if the point of order is tabled. Under the Chair's interpretation, the Chair would immediately put that question to the Senate. It cannot be tabled, it cannot be amended, it cannot be postponed.

Senators, do we want to do it this way? If this is done today, it can be done any day. If it can be done on this constitutional question, it can be done on another constitutional question.

It can be done on any other point of order the Chair wishes to refer to the Senate for decision.

Suppose it were the Bay of Tonkin resolution, which involved a declaration of war by the Congress of the United States. Any Senator could contrive his own—and I do not use that word disrespectfully—any Senator could write a similarly phrased divisible motion, a multiple motion, send it to the Chair, and all someone else would have to do is raise a point of order, another Senator would move to table the point of order; if the point of order were tabled, the matter, without debate, would be immediately put to a vote. If a majority were to sustain that vote, the debate would be closed on the basic motion to move to the consideration of the matter, or if the matter were already before the Senate, to proceed to vote immediately on the matter and without further debate.

You know, it is only by the sufferance of the Senate here today that we are talking even now, out of respect for the majority leader. I have been in the Senate at times heretofore when some Senators would not have felt compelled to so respect the majority leader. It is only by the sufferance, also, of those Senators like Senator MONDALE and Senator PEARSON, who are allowing us to debate this point of order before moving to table.

Let us put ourselves at another time, on another day, when we may not have Senators who are willing to let us debate a point of order before they move to table. In the light of the Chair's answer to the parliamentary inquiries, and in the light of the provisions of this particular motion we are debating it, together with the point of order, right here and now, by the sufferance of Senator PEARSON and Senator MONDALE. They have permitted us to talk before they move to table.

They did not have to do that. Another day, another Senator could raise the point of order and immediately, if he can get recognition again, he can move, himself, to table his own point of order—he does not have to have any help from anyone else—and the question would recur immediately, without debate, to table the point of order.

So I say most respectfully to my colleagues, those who differ with my viewpoint, that I respect their viewpoint. I respect what they are trying to do. I want to achieve the same end that they are trying to achieve. But I believe that there is a danger here that, if Senators will reflect upon it for but a little while, they can foresee a time when we would say that we went the wrong way to achieve an otherwise very notable purpose.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PEARSON. Mr. President, if there is a danger in this motion, then there is a danger in the Constitution, I submit. The Senator has painted a very frightening picture of a great precedent being set here by majority cloture. A motion is submitted, and in that motion there is incorporated a provision to cut off debate. It was along in his dissertation and most able argument that he made reference to the constitutional issue.

That is what is at stake here. And how is the issue joined? It is by a motion, citing a section of the Constitution that pertains to the Senate's power to make its rules, and that is challenged by a point of order, where the majority leader said, "No, that is not proper, because the Senate rules say something else, that you cannot cut off debate except as you do it by rule XXII."

So the constitutional issue is joined, and it is joined as it is submitted to the Chair, and he rules. He rules that there is a constitutional question, and it ought to go back to the Senate.

The precedent here is where you make a determination as to whether a majority may go to a new rule—not a majority rule, but a three-fifths rule. Much of the debate today centers around a lot of conflicts, rules and procedures, and parliamentary inquiries.

We talk about disregarding rules; I submit that we could very well disregard the provisions of the Constitution. It is said that we diminish the rules. We could very well diminish the Constitution. It is said that the rights of the majority are sacred, and they are, but if there is anything fundamental and a seed of genius in our system, it is that someday a majority gets to vote.

This is not a precedent for a majority vote to go to majority cloture. It is a precedent, under the Constitution, so that some day we can get a rule which will not say a majority, but will say three-fifths. Some of us judge, including the assistant majority leader, that that may be proper at some times.

Mr. President, this does not set a precedent for anything new. It is a precedent borne within the Constitution. It is a precedent utilized within the Constitution.

How do we join the issue? If you think that section 1, article V, says that the majority of the Senate, at the opening of a Congress, has the power to make its rules, then this is the way you join it. It is not a dangerous precedent. It is a logical way to join issues and have the matter submitted to the Senate; and I submit that that is what is at issue here this afternoon.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. PEARSON. The Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. Mr. President, I do not want to hold the floor overly long. I have no problem with the submission of the point of order to the Senate by the distinguished Presiding Officer, saying it is a constitutional question. I have no problem with that.

If the Chair had elected to rule on this question, the Senate could have appealed the ruling. That appeal would have been debatable. Of course, if there had been a motion to table the appeal, that would have shut off debate. That motion might have failed, and the Senate could then have debated the appeal. But the Chair has elected to submit this point of order to the Senate as a constitutional question.

The distinguished Senator from Kansas has said that this is a constitutional question. He has said that under the Constitution, each House may establish its own rules. No one quarrels with that.

The Senate has established its own rules, and one of those rules say that the rules of the Senate shall be changed only in conformity with the rules of the Senate.

So the Senate is following the dictates of the Constitution. It has established its rules, and one of those rules says that those rules shall continue in force from one Congress to the next until they are changed in accordance with the rules presently established; and one of the rules that is presently established is to the effect that debate can be shut off only by a vote of two-thirds.

We are not talking about majority rule here, Mr. President. The majority of the Senate can change any rule it wishes by a majority vote. What we are talking about is shutting off debate by a majority. That is what we are talking about.

But the motion by the distinguished Senator from Kansas goes even beyond that. By tabling the point of order the Senate will be acting on something entirely distinct and separate from this motion. The Senate will be voting to table something separate and apart from this motion by the Senator from Kansas. If the point of order is tabled, Senators will not have any opportunity to debate the motion to close debate.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I will yield shortly. If the Senator will allow me, and I beg his pardon, I want to say this: I guess there have been times when I have approached every Senator in this body on both sides of the aisle in an effort to get a unanimous-consent agreement under the present rules, and any one Senator could object to the request, and debate would go on and on and on, if it be the will of the Senate.

But if we go down this road, if I were so minded, and I sought a unanimous-consent agreement, and got one objection, do Senators know what I could do if I had the backing of 51 Senators? I could say, "You can just go to Sheol. I do not have to have your consent. I will send my motion to the desk," especially if it pertained to a constitutional question. It might pertain to any of the rules in that book of rules. I would just say, "OK, I will send a motion to the desk," and that motion would be self-executing, and if my 51 Members would back me up, I do not need the unanimous consent of anyone. A point of order could be made to my motion, the point of order could be tabled and we would vote immediately to shut off debate, and then we would

vote immediately on the question that I came to you to get your consent about. And all of this without any debate.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Put this power in the hands of a tyrannical leadership, and a tyrannical majority of 51 Senators, and we are going to be sorry on both sides of the aisle.

I yield to the able Senator from Nebraska and then to the distinguished Senator from Minnesota.

Mr. CURTIS. I thank the distinguished assistant majority leader for his discussion on this subject.

It seems to me that there ought to be a pause to think this thing over. If I have understood hypothetical questions and hypothetical rulings made, we could find ourselves in this situation: Let us assume that there is a motion pending and a point of order is made that by no stretch of the imagination could be valid; that the point of order raised a separate issue that did not go to the merits of the pending motion, and a motion was made to table the point of order, and it prevailed. We have a right to assume that the Senators voted their convictions on the validity of the point of order.

Then, if it follows, as the Chair suggests, that that is a ruling of the Senate in favor of no debate on the other motion, we have delegated not to 51 percent of the Senate, not to a majority, but to one Senator the right to cut off debate.

Mr. President, I submit that, according to the questions propounded and the answers made by the Chair, the result would be, assuming that the vote on the motion to table was determined on the merits of that motion, then we would vest in one Senator, not a majority but in one Senator, the right to end debate.

I do not believe there is any provision for that. This proposed change of rule comes in here not on the opening of a Congress where they submit the issue of adopting a set of rules; this resolution is introduced on the assumption that the Senate has a set of rules.

It reiterates on page 2 that only motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table shall be decided without debate.

It not only comes in here on the assumption that we have rules, it comes in here, it reiterates, that motions shall be debated on their merits unless there is a motion to lay on the table or to recess or these other things that are very specifically provided for.

I thank the distinguished Senator.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. MONDALE. I thank the assistant majority leader.

Mr. President, let us have clearly in mind what is at stake here. In my opinion, the nature of what is being sought here has been grossly exaggerated by those who oppose the motion and those who oppose the ruling by the Presiding Officer.

In no sense are the proponents of Senate Resolution 4 seeking to impose majority cloture on the Senate. Both the chief sponsors of this resolution, Mr. PEARSON and myself, oppose majority cloture. We believe in a three-fifths cloture of those present and voting. That is what we favor.

What is at stake here is whether, under the Constitution of the United States, the Senate has the authority, by a majority vote, to establish its own rules at the beginning of a session, uninhibited by rules of previous Congresses. Every one of those words is a word of art. It is only motions that come within them that come within the ruling of the Presiding Officer and the precedent we establish today.

The many, generalized examples that we have heard, about so-called majority cloture flowing from our motion, are irrelevant. Unless they involve motions to change the rules at the beginning of the Congress they do not come within the constitutional right to which we are referring. Article I, section 5 says what? It says that each House shall determine its own rules. In the first 20 years of the U.S. Senate the rule was that you could close off debate by a majority vote. In 1917 the Senate decided they could close off debate by a two-thirds vote.

What I understand our opponents to be arguing here today is this: If you were a Senator in 1917, you could decide what rules you wanted. But, since the Senate of 1917 determined that debate should only be closed by two-thirds, the Senate of 1917 binds the Senate of 1975.

I do not believe it. I think we are just as powerful as they were. We are Senators in our right. Our appeal is not to the rules in this case; it is to the Constitution of the United States, article I, section 5. That is all we are doing today. We are not creating any new precedent. We are not making any new law. We are drawing our authority from the Constitution of the United States.

Now, former Vice President Nixon, on three occasions, said that the Senate has this right. Vice President HUMPHREY, on two occasions, ruled that this was the right of the U.S. Senate. And, this afternoon, the current Vice President of the United States ruled that the Constitution of the United States gives the Senate that power by majority vote.

Our opponents say, "But you are moving to table and the motion to table is nondebatable." They say, "You are allowing a motion to table to shut off debate." Well, that is a rule of the Senate. A motion to table is always nondebatable.

What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

It will be available for amendment; it will be available for referral; it will be available for debate. What we would like to do, after 5 weeks, is to bring it before the body as the pending business. That is all. It does not seem to me that we are establishing any precedent. If we cannot do it in this way, the constitutional remedy that is ours is a farce, a nullity, a sham, useless. Tear it up and throw it away.

So we have to ask ourselves, what is more important to us: the Senators who met in this body in 1917 and decided that two-thirds would be required to close off debate, or the Constitution of the United States that states each House shall determine its own rules?

Now, there was one other argument here, and that involves rule XXXII. There is a phrase that, some would argue, means that rules adopted in previous Senates shall govern us here during the 94th Congress.

Why did the Senate of 1959 have the power to decide what rules we would have? What is the basis of their constitutional authority to bind future generations of public representatives elected by the American people?

Clause 2 of rule XXXII is strictly bootstrap language. It cannot bind future Senates; the Constitution prohibits it.

What we are faced with here is a very practical problem. Is there a way to make the Constitution live in the U.S. Senate at the beginning of a Congress, and allow us to establish our own rules.

There is tremendous significance to this. It bears upon the question of whether the Senate is going to be able to conduct the essential business of this country.

Coming before the Senate are matters of tax reform, matters of basic economic policy, matters of controlling our tremendous energy problem. Every one of those problems is a brutal one. They will divide us, embitter us, set section against section. But we must act, or this country will lose its vitality and strength.

If we fail to table the point of order, if we fail to assert our powers under the Constitution and adopt a modern rule—three-fifths rather than two-thirds—I think we will have severely crippled the role of this current Congress.

This will become the "Filibuster Congress." We will be standing here wrangling, delaying, and frustrated throughout the next 2 years, when the public has a right to ask us to act.

We ask for nothing that is not ours, not ask for any new precedents. We point to the Constitution of the United States and our right as Senators to vote on the rules. This is all we do.

Mr. ROBERT C. BYRD. Mr. President, I do not intend to hold the floor and farm out time. I have said I would yield to the distinguished Senator.

May I make these closing comments. We are not operating today under the cloture rule of 1917. That rule was altered in 1949 and it has been altered, to some extent, since.

Now, Senators cannot point to rule XX, rule XXXII, and to rule XXXIII and base part of their case on those rules unless they are also willing to recognize rule XXII, which says that cloture can only be invoked by two-thirds of those present and voting. We cannot say one rule is not in effect if we invoke other rules to support our case.

I am not afraid that this Congress will be called a filibuster Congress, may I say with all due respect to the distinguished Senator, and I am going to be one Senator who many times, I am sure, will come up against a situation in which

I will say I wish we could stop this debate.

But we have stopped debates many times in recent years by going the route of rule XXII.

The longest debate that ever occurred in this Senate—a filibuster—was 83 days, on the 1964 Civil Rights Act. It was to the credit of the Senate, I think, that it took 83 days on that act. I think that by virtue of that long debate over a period of 83 days, there were correcting amendments made, and I think the people of the country supported that act once it was finally enacted.

If that act had been rammed through in 10 days, or in 1 day, or in 20 days, I do not think it would have had the support finally of the American people that it needed and, that it had to have for its enforcement. I think it was to the credit of the Senate that the debate went on for 8 days before it invoked cloture. It can do it again on any matter of merit and which is vital to this country and which the American people will support.

I do not mean to be argumentative or to get into a debate with the Senator, but the distinguished Senator from Minnesota said that there is already a rule of the Senate whereby a motion must be brought before the Senate immediately for a vote and without debate and that is the motion to table.

I am glad that the Senator said that that is a rule of the Senate, and it is. If the motion to table is made, there is no debate, but that is a rule of the Senate. But it is not a rule of the Senate that a motion to close debate must be immediately put to a vote, without debate. Beyond that, which is even more dangerous, it is not the rule of the Senate that 1 Senator can dictate his own terms by which the Senate will close debate and if he has got 51 Members to back him up, immediately gag the other 49.

I thank all Senators for their courtesy and patience.

Mr. ALLEN. Mr. President, I was very much interested in the further comment made by the distinguished Senator from Minnesota. He said all we are trying to do is to get to the consideration of rule XXII, that when we got there it would be amendable, it would be referable, it would be debatable, and I hope the distinguished Presiding Officer made a note of that comment because if that is the correct status of affairs, we just get to discuss rule XXII and waive all of these proceedings.

I had understood possibly the distinguished Presiding Officer by his rhetorical response to questions was leaning a different way. He has not as yet ruled.

I was also interested in the comment made by the distinguished Senator from New York that the Senate, I believe he said, had never decided the question of whether a majority could act in amending its rules at the start of a session. He cited, I believe, the 1971 ruling by Senator Ellender where he ruled that the two-thirds majority not having voted to invoke cloture, that cloture was not invoked even though a majority had so voted, and the distinguished Senator from New York appealed that ruling and there was a motion by the distinguished Senator from Montana to table the appeal.

I believe another instance was cited having to do with Vice President HUMPHREY's ruling where the Senate reversed his holding that a majority could invoke cloture even though it was not a two-thirds majority. Yet the Presiding Officer apparently feels that if a decision is made on a collateral issue, not submitting the real issue, an issue on the motion to table the point of order, that if that is made, that is decisive of still another question, an entirely new question.

So I hope that the distinguished Presiding Officer has not reached a definite decision, not having made one because it has not been before him, that the motion by the distinguished Senator from Kansas is not debatable in the event the motion to table the point of order is carried, because clearly, as the distinguished Senator from West Virginia said, to rule otherwise would rule that the provisions of the Pearson motion—they are in court, they have not come into being yet and will not come into being until the Senate votes for the Pearson motion.

Now, prior to that time, under precedents, the Senate should be given an opportunity to debate that motion, but if the distinguished Senator from Minnesota has the right idea that we are going to be given an opportunity to amend, to refer, or to debate rule XXII, I think these other questions are probably moot.

Another thing occurs to the Senator from Alabama, Mr. President. Once the Pearson motion is ruled to be before the Senate, that is, assuming that the point of order is tabled, surely, Mr. President, that motion is not as unchangeable as the biblical laws of the Medes and Persians, which could not be changed. Surely, the Senate would have an opportunity to shape that motion as it saw fit. Surely, it would not be bound by whatever somebody may have thought up around midnight some night thinking maybe, "Gee, let us pull this on the Vice President when the time comes."

Surely, that is not an unchangeable motion that the Senate would not have an opportunity to discuss.

Suppose it said it will be debated for 6 months and then there will be a vote. Would that not be changeable? Why would the Vice President rule that it would not be subject to amendment? I do not believe he has yet ruled, by saying that it would be voted on without further debate. Surely, he would not rule out the filing of amendments. And then relying on the statement of the Senator from Minnesota, if we ever get to that point, it is likely that an amendment would be filed for true majority cloture, not 60 percent. Why not 50 percent cloture? Why not 40 percent cloture, if we are going to be pulling numbers out of a hat? Surely, that will be subject to amendment if we ever get to that point.

Mr. President, when the point of order has been made—and I understand it has been—when the motion to table is made, if it should carry, I hope the Vice President, before putting the question on the motion, will give us an opportunity to shape it to the will of the Senate. It is just the product right now of one or two Senators. Surely the other 98 would have an opportunity to give their input into the motion. Why would we assume that it would not be subject to some sort of amendment, some sort of shaping? Something as important as this should be debated.

Mr. President, on the idea of no debate, if the Presiding Officer has bothered to read the Federalist Papers or the proceedings of the Constitutional Convention of 1787, he will find that debate took place there in the Constitutional Convention time and time again. They would decide some question sometime and come back 2 or 3 days later and change it.

If we are going to give somebody a constitutional right, that does not mean that he has to have instant action. If it means anything, as contended by the other side, all it would mean is that when it finally got down to a vote a majority would have a right to make the decision.

Of course, if it would ever get down to the point of voting on Senate Resolution 4, it can be decided by a majority vote. The majority leader said that while he favored the three-fifths vote, he did not favor this method of getting to the vote. He did not endorse the idea that the end justified the means, whatever they were. He could not agree on that. If it does come to that point, I am hopeful the decision is the motion or the point of order of the distinguished majority leader will be recognized, and that the motion to table will be defeated.

I hate to see the distinguished Senator from Minnesota, a loyal Democrat, a former candidate for the Presidency, unwilling to follow the recommendation of the majority leader of the U.S. Senate. I am also sorry to see the Presiding Officer of the Senate following the leadership of the then Vice President (Mr. HUMPHREY), who, on two occasions on this very same question, was rebuffed by the Senate on this very same question.

I am sorry to see the distinguished Presiding Officer of the Senate following down that dead end trail that the Vice President of the United States (Mr. HUMPHREY) followed on two occasions.

The VICE PRESIDENT. The Senator from Minnesota.

Mr. MONDALE. Mr. President, I wish to announce to my colleagues that I intend shortly to make a motion to table. But before I do, I will be glad to yield the floor briefly for some statements. I ask unanimous consent that I be able to hold the floor for the purpose of making the motion to table.

The VICE PRESIDENT. Is there objection?

If not, it is so ordered.

Mr. MONDALE. I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator from Minnesota yielding. I did not intend to speak on this matter, but after hearing the distinguished assistant majority leader and his thoughtful comments, I

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would like to commend him on the position that he took, siding with the majority leader, the two principal leaders on the other side of the aisle being concerned about the possibility of the tyranny of the majority. I would hope that those of us on this side, with 38 Senators at the present time, would be somewhat cohesive on this matter because it is for our protection.

Apparently the distinguished Senator from West Virginia realizes that even though he does not want to see a Republican Party in control of the Senate while he is here, he recognizes that in 1976, 22 Democrats will be facing the electorate. So the possibility exists.

Mr. ROBERT C. BYRD. Mr. President, I did not intend that my statement be interpreted in any way as a prophecy.

Mr. WILLIAM L. SCOTT. I realize that, but the possibility exists. It could be improbable, but we could have 61 of these Senate seats if all of the 22 Democrats were defeated in 1976.

So it is possible that the other side of the aisle could be in the minority. I think it is extremely probable that the other side at some time in the future, whether it is 1976, 1978, or far into the future, at some time will be in the minority.

Mr. ROBERT C. BYRD. I hope the Senator will not adulterate the fine argument he is making by such a fatal flaw.

[Laughter.]

Mr. WILLIAM L. SCOTT. That being the case, it does seem reasonable that the rights of the minority, whether the Democrats are in control at a particular time or the Republican Party is in control, should be protected.

I was impressed by the argument made by the distinguished Senator from West Virginia. This is a deliberative body. I think we all recognize this. We would not want to see something rushed through this body without adequate thought, without adequate debate.

I heard the statement made by our colleague from Rhode Island, in which he referred to something akin to the dead hand of the past, the rules being promulgated many years ago. Yet if we just thumbed through the rules, on the first page we see some amendments. As we go through the rules of the Senate we see amendment after amendment, many of them made in the 19th century, but more of them made in the 20th century.

This is a live set of rules that we have here. It is something that has been promulgated over the years in a very thoughtful way. It is not the Constitution, but it is somewhat akin, insofar as this body is concerned, to the Constitution of the United States.

I think that having a two-thirds vote to change the rules of the Senate is in the interest of each Senator. It is in the interest of our States, representing the States as we do, and I believe it is in the interest of the people. I hope that ultimately rule XXII will be retained.

I thank the Senator.

Mr. MONDALE. Mr. President, I yield to the distinguished Senator from Idaho.

Mr. McCLURE. I thank the Senator.

Mr. President, I think the very fact that the Senator from Minnesota controls the floor and yields to us indicates the kind of problem we are getting into, in which debate is a matter of sufferance, not a matter of right. It underscores the fundamental problem we are dealing with here.

Earlier, the Senator from Minnesota said:

> We are not trying to change things; what we are trying to do is under the rules of the Senate.

That underscores, again, the proposition which I think is before the Senate—that we have some rules.

All we are seeking to do is to have the rule changed to proceed under the present body of rules as they were adopted earlier. The Senator from Minnesota, himself, made reference to those rules which are in effect now.

Beyond that, I underscore the point that the Senator from West Virginia, the distinguished majority whip, made earlier, that this is a precedent, that the procedure being followed here is not restricted to the constitutional question of the adoption of rules, because the question of the effect of the motion to table is applicable to any such motion that is made, whether or not it is related to a constitutional question. Therefore, it becomes applicable to every such situation that may be constructed on the floor of the Senate in the future.

The Senator from Alabama and the Senator from West Virginia, I believe, are two of the most knowledgeable men in the Senate with respect to the parliamentary procedures and the rules of the Senate. They are in agreement on this point, and I think the rest of us should listen to them.

Fundamentally, I think that what we see is that any two Members of the Senate can, in a given situation, create the parliamentary situation in which they, supported by 49 others, can cut off debate instantly on any given question.

I suggest that the scenario might go somewhat this way: A Senator, on a given question, at a given time, when the question is pending before the Senate, would be recognized. He would make a motion similar to the one pending before the Senate. He could then yield to his friend, who had already been clued into the procedure that was being sought to be followed, for the purpose of making a point of order against his motion. Of course, under the rules of the Senate, if someone wanted to object to his yielding for that purpose, he could not yield for that purpose. But if nobody made the objection, he could yield for that purpose, and the point of order could be made against his motion.

Then, having yielded to his friend, who would immediately sit down, he would move to table the point of order which had just been made against his own motion, and no one else in the Senate would have the right or the power to utter one word before there was a vote. If 49 other Members of the Senate were in agreement on that subject, that they should move forward toward a vote on it and stifle debate in the Senate, there would be an immediate vote; and under the suggested ruling of the Chair, there would be no further debate on the fundamental question that is involved.

I commend the Senator from West Virginia for having raised this issue. I commend him for his statesmanship. I learned very soon after joining this body of his concern and his very high regard for the Senate as an institution. I think he has again exercised that statesmanship in his statements here today on this question.

I hope the Senate will not take the route which has been suggested might be done, no matter how expedient it may seem to those who would like to change rule XXII. The Senate of the United States would be a far different body. This would be a fundamental and far-reaching and radical change, at a time when the people of the United States demand some kind of stability in Government, not radicalism.

I thank the Senator from Minnesota for yielding.

Mr. MONDALE. Mr. President, I promised to yield briefly to the Senator from South Carolina and, then, to the Senator from Illinois. I have had so many requests, that at that point I will move to table.

Mr. THURMOND. I will try not to take too long.

Mr. President, I think it is clear that the majority of the Senate can change a rule. But it is not clear that one Senator can make a motion and embody in that motion provisions that cut off debate.

The provisions for cutting off debate are found in rule XXII. They are set out in detail. What is the use of having this rule for cutting off debate, if one Senator can prepare a motion and put in it a provision that will automatically terminate debate.

Mr. President, it violates all the rules, it violates traditions, it violates the precedents of the Senate, and it is an unheard of request.

Mr. President, I wish to commend, too, the distinguished and able Senator from West Virginia, Mr. BYRD, for taking the stand he has taken. He favors three-fifths of the Senate being able to cut off debate, as do some others here. However, he has stated he is not going to destroy the Senate to do it. The Senator from West Virginia has stated he does not want to reverse the traditions and rulings of the presiding officers in the past. He wants rule XXII changed, but he is going to follow the precedents and rules of the Senate. The rules of the U.S. Senate provide, in rule XXII, the procedure for cutting off debate. If one Senator can offer a motion and incorporate in it a provision that will cut off debate, then rule XXII is a nullity.

Why have rule XXII? Why have any other rule concerning this question?

Mr. President, listen to what this motion says.

> • • • under Article I, Section 5 of the United States Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately putting this motion to end debate to the Senate for a yea-and-nay vote:

This is a motion. We are entitled to debate this motion.

Mr. President, I think a terrible precedent would be set if this motion prevails. I am surprised that any Senator would make such a motion as this, regardless of whether he wants three-fifths cloture, or whether he wants two-thirds cloture, as the rules now provide. Let us follow the rules, and let us not make the Senate rulebook a nullity. The rules mean nothing if a Senator can send up a motion that, in itself cuts off debate, and that is what is being done here.

I hope that the distinguished Presiding Officer will think over this matter before he makes a final ruling. There were some questions propounded here by the distinguished Senator from New York. At the time the questions were asked, I imagine the Presiding Officer felt that one followed the other and he answered them rather hastily. However, when he finally rules on this matter, after due consideration and after hearing both sides of this question, after hearing the assistant majority leader, who favors three-fifths in changing the rule, and after hearing the distinguished Senator from Nebraska and others I hope the able and distinguished Presiding Officer, the Vice President, will see fit to follow the traditions of the Senate, which have been followed ever since the Senate was founded.

Are we going to destroy the Senate as a deliberative body? If this action is taken today, that is exactly what we will do.

Mr. MONDALE. I yield very briefly to the distinguished Senator from Illinois.

The VICE PRESIDENT. Will the Senator from Minnesota yield to the Chair to make a clarification?

Mr. MONDALE. I yield to the Chair.

The VICE PRESIDENT. Thank you very much.

It is unusual for me to request that. The Chair wishes to clarify the answer to a previous parliamentary inquiry by the Senator from New York.

The point of order raised by the Senator from Montana challenges the propriety of the motion offered by the Senator from Kansas. The Chair has stated that if the point of order raised by the Senator from Montana is tabled, the Chair would be compelled to interpret that action as an expression by the Senate of its judgment that the motion offered by the Senator from Kansas to end debate is a proper motion. Therefore, since the motion offered by the Senator from Kansas to end debate provides that it shall be immediately put to the Senate for a yea-and-nay vote the Chair would be compelled to abide by such requirement, the Senate having determined the requirement to be a valid one.

I thank the Senator from Minnesota.

Mr. MONDALE. I yield to the Senator from Illinois.

Mr. PERCY. I am sure we all thank the Chair for that clarification. I shall consider myself to be rendering a service to the Senate now, while I speak, for them to be able to contemplate that clarification and fully understand its significance.

Mr. President, I appreciate very much the Senator from Minnesota yielding very briefly. I should like the privilege of explaining why I intend to vote as I will, simply because I feel that the Congress of the United States, particularly the Senate of the United States, is literally on trial today to see whether or not this body can respond rapidly enough, with due deliberation, to achieve certain desirable goals and objectives. I believe that we are on trial right now and that the procedures that have been established in the past have not proven really effective. I cite only one simple example.

The consumers of this country are tremendously frustrated as a result of many grievances that were freely admitted this morning in candid comments by the distinguished Senator from Alabama. We do not disagree at all on objectives or goals, but we disagree on how to achieve the rectification of some of these problems. Yet, the Senate opened hearings today on a Consumer Protection Agency bill that the Senate approved by a vote of 74 to 4, 4 years ago, and it is virtually identical legislation now being considered once again. We have not been able to get off dead center simply because of a very narrow margin on this filibuster rule.

Mr. President, I want to make it clear that my support of the motion offered by the Senator from Kansas (Mr. PEARSON) today does not indicate that I support the ending of Senate debate by majority rule.

I believe it is fundamentally wise to guard against hasty or intemperate action by a majority of the moment and firmly support the proposition that more than a simple majority should be necessary to end debate and move to an immediate vote.

My difference with those who have supported retention of rule XXII as it was adopted by previous Congresses is one of degree. I believe that a requirement of a three-fifths vote of the Senate—a position I have consistently maintained since I entered the Senate 8 years ago, and which was reiterated time after time on the floor of the Senate today as a desirable objective and goal—to close debate will fully protect us from the potentiality of intemperate action of which I have just spoken. But just as I believe a three-fifths vote affords sufficient protection against the excesses of the majority, I also believe that the two-thirds vote requirement adopted by previous Congresses has too often subjected us to the intransigence of a too small minority.

This is, however, a different question from the one raised by the motion proposed by the Senator from Kansas today. The principle which this motion seeks to establish is that the Senate and Senators elected to serve in 1975 should not be bound by the rules established by the Senate elected in 1917.

Article I, section 5 of the Constitution requires each house of Congress to determine its own rules of procedure. I do not believe it was the intent of the Founding Fathers that either body be bound in perpetuity by the rules established by the first Congress, or by any Congress. Each Congress must be able to determine its rules of procedures anew by majority vote in order to carry out its constitutional powers and its mandate from the electorate. For this reason, I fully support the motion of the Senator from Kansas, and will be guided so in voting.

I think we all owe a debt of gratitude to the distinguished sponsors of this particular motion for the enlightened debate that we have had today. We are not apart on goals or objectives. We differ in procedure, but I think we have reached a time when we can vote.

Mr. BEALL. Will the Senator yield?

Mr. MONDALE. I yield to the Senator from Maryland.

Mr. BEALL. The assistant majority leader commented that it is a very difficult question to understand for nonlegal minds as mine certainly is. I came here this afternoon, although opposed to a change from two-thirds to three-fifths, believing that it should be the right of the majority of the Senate to establish their own rules. I came ready to vote in support of the motion the Senator is about to make to table.

However, after listening to the assistant majority leader, I came to understand that we might be establishing a precedent that would apply to other situations.

Am I to understand from the Senator from Minnesota that it is his contention that we are not establishing a precedent except as it may apply to constitutional questions that arise in this kind of situation, and that the reason it only applies to constitutional questions is because the Pearson motion itself alludes to a provision of the Constitution?

Mr. MONDALE. The reason goes deeper than that. I know of no precedent, and the Vice President has not sought to declare any, that would give a Presiding Officer the authority to rule as he did except where article I, section 5, is involved.

In all other instances the Senate would have debatable topics. Article I, section 5, in effect says—and there is a lot of precedent for this—that at the beginning of a Congress. and on questions affecting the rules alone, the majority has the right to determine its own rules.

That is all it means. Beyond that, on all other issues, the general rules of the Senate prevail.

Mr. BEALL. I thank the Senator.

Mr. MONDALE. I yield briefly to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I hope the position of the Senator from Minnesota and the Senator from Kansas will prevail. I have listened to the debate this afternoon. There has been a great deal of discussion about the rights of the minority, and very little about the rights of the majority.

Members of Congress and Senators are sent here by the people to address themselves to the people's business yet what we have seen in the time I have been in the Senate is instance after instance where rule XXII has been used to water-down legislation, to avoid even taking

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up legislation, or to frustrate the interests of a very substantial majority of the Members of the Senate.

I think the majority has rights, too. I think the eyes of the country are on this body, to see whether we can put our own house in order, while we will be able to address ourselves to the people's business.

I am pleased to give my full support to the current Senate effort to reform the filibuster rule by allowing a three-fifths majority of the Senate to halt debate and require a vote on any measure.

In my view, we now have the best opportunity we have had in many years to end the reign of the filibuster and eliminate the obstructive and destructive effect it has on the Senate's business and on the vital interests of the Nation.

In the past, the filibuster rule has often made a mockery of the view that the Senate is the "world's greatest deliberative body." On many occasions, because of the filibuster rule, the world's greatest deliberative body has become the world's least decisive body.

Again and again on extremely vital and important questions, the filibuster rule has prevented urgently needed action on legislation by the Senate. In the past Congress alone, it was the filibuster that killed the Consumer Protection Agency; killed a tax cut that might have slowed or even averted the current serious recession; killed repeal of the oil depletion allowance; killed public financing of elections in the first session.

That sorry record is only the beginning of the problem. For every bill that actually dies at the hands of a filibuster, many more bills carry deep scars from their encounter with the filibuster. These filibuster scars are a result of the fact that the majority supporters of legislation are often forced into debilitating compromises and concessions, in return for the acquiescence of those who would otherwise maintain a filibuster. Often, the sponsors of an important bill face the Hobson's choice of no bill at all, or a half-hearted and anemic bill that may fail to do its job.

And, finally, the toll of the filibuster rule is also measured in the number of bills that never see the light of floor debate at all. Especially in the waning days of a Congress, when time is critical, the whispered threat of a filibuster is often enough to block a bill from even being called before the Senate.

Thus, the filibuster kills three ways—it can block any action at all; it can emasculate a bill as the price of further action; and it can prevent a bill from even seeing the light of day.

Again and again in recent years, the filibuster has been the shame of the Senate and the last resort of special interest groups. Too often, it has enabled a small minority of the Senate to prevent a strong majority from working its will and serving the public interest.

The simple fact is that the two-thirds majority required under rule XXII, the present cloture rule, is too difficult to obtain. Too much Senate business is too often obstructed. The will of the majority is too easily thwarted. And it is not the Senate, but the Nation's people who suffer the consequences.

Perhaps the most instructive argument against the two-thirds requirement of cloture is the comparison with the rare cases in which the Constitution specifically demands a two-thirds vote by the Senate. Thus, in five types of action, the Constitution demands a two-thirds vote:

To override a veto, each House must approve the override by a two-thirds vote;

To ratify a treaty, the Senate must approve the ratification by a two-thirds vote;

To amend the Constitution, each House must approve the amendment by a two-thirds vote;

To convict a President of impeachment, the Senate must approve the impeachment by a two-thirds vote; and

To expel a member of the House or Senate, the chamber must approve the expulsion by a two-thirds vote.

There is no substantial objection to the requirement of a two-thirds majority for these five far-reaching actions specified by the Constitution. The requirement works to the advantage of the Nation, by insuring that such important steps are not taken except with the support of a large majority of the Senate. They are among the most critical steps that any House or Senate can take. The two-thirds majority requirement is obviously appropriate and desirable as a protection against the shifting passions and partisan efforts of a transient mere majority on such issues.

In addition, the Constitution also specifies numerous actions that Congress cannot take at all, whatever the size of the majority. The most obvious example is the first amendment, which specifies that Congress shall pass no law—no law—abridging freedom of speech or freedom of the press. The Constitution and its amendments contain numerous other examples of actions prohibited to Congress. Together, these prohibitions are the "wise restraints that make us free," the source of our fundamental American freedoms, and the guarantee of the rights of the individual against the tyranny of the majority.

But the Constitution enshrines no prohibition on action by the people's representatives in Congress that may be construed as justifying the filibuster rule. Under our fundamental constitutional scheme, the rights of the minority are protected by a series of specific provisions, none of which has any relevance to the general rules by which the House and Senate perform their legislative functions.

As the examples I have cited make clear, the Founding Fathers knew how to say "two-thirds." But they wisely left the choice of rules in other areas to the Senate and House, without tying the hands of future generations.

Thus, the filibuster rule is not enshrined in the Constitution. Instead, it is a rule that was made by the Senate, and it is a rule that can be unmade by the Senate.

The only test is the balance the Senate chooses to strike between the needs of the Nation's legislative business and the desirability of accommodating a substantial Senate minority.

A balance that was "right" for one Senate and one era in American life may not be "right" for another Senate and another era. A Senate that, a generation ago, chose not to act unless a two-thirds vote of approval could be obtained was responding to the legislative needs of that period in our history. But I submit the balance is different today. The need for legislative business to proceed is greater now, and the consequences of our inaction are more crippling to the Nation and its citizens.

To some extent, past factors justifying a two-thirds cloture rule were "external" to the Senate, in the sense that they reflected the desire for a greater degree of consensus before major legislation could be passed, especially in areas where, in the 1920's and 1930's, the Congress was enacting pioneering legislation that transformed the laissez-faire role of the Federal Government and launched it on the more pervasive course of domestic social legislation we know today.

To some extent as well, the past factors justifying the two-thirds cloture rule were "internal" to the Senate. In the past, there appears to have been a greater reluctance by the minority to press an issue to a filibuster than exists today. Thus, a two-thirds rule that was tolerable when the filibuster rule was sparingly used becomes intolerable when the filibuster is used expansively as a frequent obstructionist tactic.

The frequency of cloture votes under rule XXII makes the point dramatically. Omitting three cloture votes in December 1974, in which cloture was sought to prevent nongermane amendments to a pending bill rather than to shut off a filibuster, the following table shows the pattern of the 97 antifilibuster cloture votes since rule XXII was enacted:

1917	0	1946	4
1918	0	1947	0
1919	1	1948	0
1920	0	1949	0
1921	1	1950	2
1922	1	1951	0
1923	0	1952	0
1924	0	1953	0
1925	0	1954	1
1926	2	1955	0
1927	5	1956	0
1928	0	1957	0
1929	0	1958	0
1930	0	1959	0
1931	0	1960	1
1932	0	1961	1
1933	1	1962	3
1934	0	1963	1
1935	0	1964	2
1936	0	1965	2
1937	0	1966	5
1938	2	1967	1
1939	0	1968	5
1940	0	1969	2
1941	0	1970	4
1942	1	1971	10
1943	0	1972	10
1944	1	1973	10
1945	0	1974	18

Thus, half of all the cloture votes since 1917 have taken place in the past 5 years.

Often, especially in the early years of rule XXII, but even as late as the 1950's, whole years passed, sometimes 3 to 5 years in a row, without a single cloture vote. Contrast that record of restraint with the experience of the 1970's, in which use of the filibuster and the cloture vote have suddenly mushroomed, rising almost as fast as the price of Arab oil.

On their face, these figures make the case that the indiscriminate use of the filibuster in recent years has reached an intolerable level as an unnecessarily divisive and delaying tactic.

The time has come for change. Surely, when both the disease and cure are clear, the Senate cannot fail to apply the proper medicine and end its present crippled state.

Half a century ago, rule XXII may have ben a "liberal" reform, in the sense that it was born as a result of the frustration over the then existing Senate rule that allowed no cloture at all.

But although the two-thirds cloture rule may have been a progressive Senate step in 1917, when it was first enacted, it is a reactionary device today that prevents the modern Senate from acting on the Nations' vital business.

Over the years, a number of efforts have been made to limit or even abolish the cloture rule. In 1949, cloture was allowed for all Senate floor procedures, not just the pending business. But, as a part of the compromise that achieved this reform, the two-thirds requirement was applied to the full Senate, not just the number of Senators present and voting.

In 1959, the cloture rule was eased, by again applying the two-thirds requirements to the number of Senators present and voting.

Now, a quarter century after the 1949 reform, 16 years after the 1959 reform, it is time to take a further step to ameliorate the obstructive impact of rule XXII. By reducing the cloture majority from two-thirds to three-fifths, we can achieve a better balance of the four most important factors involved in our consideration—the needs of the modern legislative process, the need for full debate, the rights of the majority and the rights of the minority.

Frequently, in past debates, the balance has been obscured. The principle of full debate has been especially misunderstood. No one objects to full debate. No legislation should be rushed through the Senate without ample opportunity for any Senator to discuss the measure, express his views, and persuade his colleagues. Committee hearings and executive sessions are no substitute for floor debate. Often, in my own experience, extended floor debate has illuminated and crystallized the most difficult issues of our time.

But too often, extended debate has been a euphemism for obstruction. Frequently, opponents of a measure use the shelter of rule XXII to block Senate action, long after all relevant arguments have been made, long after all meaningful discussion has taken place, long after any reasonable debate should have been brought to a close.

I yield to none in my view that the Senate has an obligation to guarantee full debate. But the Senate has no obligation to guarantee that debates will never end. Yet the latter position is the position in which the Senate often finds itself today, under the restrictive operation of rule XXII.

In recognition of the need for full debate, a number of compromise reform proposals in the past have sought to apply a shifting cloture formula, to allow cloture by progressively smaller majorities as the length of the debate continues. I have supported such proposals in the past. They have helped to highlight the importance of the dividing line at which opportunity for full debate shades off into opportunity for obstruction.

But the crucial question in any filibuster reform proposal is, should a minority of the Senate ever be entitled to obstruct the majority? As a matter of logic, I would answer that question in the negative. I believe that the Senate should operate under the principle of majority rule, except as the Constitution otherwise provides. Majority rule is the heart of our democratic system of government and it must necessarily be the backbone of our parliamentary procedure in the Senate.

But the issue cannot be settled by logic or by abstract debate on fundamental principles. As Oliver Wendell Holmes so eloquently put it, the life of the law has not been logic, it has been experience. And nearly two centuries of Senate experience have put a gloss of practice on the principle of majority rule in the Senate. The Senate has always operated under the rule that, in effect, a majority is not entitled to override the views of a substantial minority.

Although some would argue we should adopt "majority" cloture now, I do not support that position. In the experience of the Senate, generous respect has always been given to the rights of the minority. Even when the obstructive tactics of the minority have hobbled Senate business so badly that reform was essential, the Senate has moved only by incremental steps toward change, as it did in 1917, in 1949, and in 1959.

Today, at a time when the two-thirds cloture rule is proving too restrictive for modern Senate business, the most proper step, in line with the precedents of the past, is a modest reduction from two-thirds to three-fifths in the majority required to end debate.

Such a step would have had a significant—but not overwhelming—effect on filibusters in the past. Of the 10 cloture votes since the first enactment of the cloture rule in 1917, 20 have been successful in ending debate. Under a three-fifths cloture rule, that number would have risen to 44. In other words, twice as many cloture efforts would have been successful. But in an even larger number of cases—56—cloture would still have failed under a three-fifths rule.

These statistics are hardly evidence that the present reform proposals involve revolutionary change, or that they ride roughshod over the minority. Rather, they demonstrate a careful reform by the Senate of the proper balance between the public's business and the rights of the minority. It is a reform the Senate should not hesitate to adopt at the beginning of this session.

Apart from the substantive issue of the appropriate majority that should be required for cloture, there is also the important question of how a change in rule XXII may be accomplished. The issue here is whether a simple majority of the Senate is entitled to change the Senate rules.

My own view of the relevant constitutional provision is that the Senate is entitled to enact new rules and amend its existing rules by majority vote at the beginning of each Congress.

Article I, section 5, of the Constitution states unequivocally that "each House may determine the rules of its proceedings." The necessary inference is that each House in each new Congress is entitled to set its own rules. Nothing in the Constitution or commonsense suggests that either House may act in a way that binds a future House. Any other position would let the dead hand of the past unconstitutionally govern the present.

By what logic can the Senate of 1917 or 1949 or 1959 bind the Senate of 1975? As Senator Walsh of Montana said during the Senate debate in 1917 on the enactment of the original rule XXII:

> A majority may adopt the rules in the first place. It is preposterous to assert that they may deny to future majorities the right to change them.

Surely, no one would claim that a rule adopted by one Senate, prohibiting changes in the rules except by unanimous consent, could be binding on future Senates. If not, then why should one Senate be able to bind future Senates to a rule that such change can be made only by a two-thirds vote?

The view that a simple majority can change the Senate rules also finds strong support in the precedents set during a number of recent debates on rule XXII. On several occasions in the past, Vice Presidents, both Republican and Democratic, acting as the presiding officer of the Senate, have declared the view that a majority of the Senate has the constitutional power to change its rules.

The distinguished Senator from Alabama, the leading opponent of the view that a simple majority of the Senate can change the rules, attempts to dispose of these precedents by arguing that in the past, the Senate has overruled the Chair and reversed such rulings of the Vice President on this point.

But the logical flaw in Senator ALLEN'S position is that although a Vice President's ruling may have been reversed, the reversal was accomplished by a majority of the Senate. In other words, majority rule prevailed on the issue of the Senate's power to change its rules, because, in effect, a majority of the Senate decided that a two-thirds vote should be required to end debate on proposals to change the cloture rule.

Thus, Senator ALLEN'S argument, upon analysis, actually proves to be support for the very ruling he opposes, and the precedent stands that a simple majority

of the Senate can change its rules at the beginning of a Congress.

The notion that a filibuster can be used to defeat an attempt to change the filibuster rule cannot withstand analysis. It would impose an unconstitutional prior restraint on the parliamentary procedure on the Senate. It would turn rule XXII into a Catch XXII. It would give the two-thirds filibuster rule itself an undesirable and undeserved new lease on life.

Mr. President, the immediate issue is whether a simple majority of the Senate is entitled to change the Senate rules. Although the procedural issues are complex, it is clear that this question should be settled by a majority vote. I urge the Senate to support the position of the Senator from Minnesota and the Senator from Kansas.

Mr. PACKWOOD. Mr. President, I wish today to give my support to my distinguished colleagues who are so ably leading the effort to amend Senate Rule XXII. In the 6 years I have been privileged to serve in this body, I have been struck again and again by the pernicious effect of unlimited debate in hampering our efforts to get on with the Nation's business.

The Senate, from its founding until 1917, enjoyed the privilege of unlimited debate. Of course, through many of those years the Congress only met for a month or two, and there was far less legislation to consider. Unlimited debate in those days was a luxury we could afford. By the early 1900's, however, this country and the world were changing. Everywhere the pace began to quicken. Transportation was irrevocably altered by the automobile and the airplane. Communication, once a matter of days and weeks, could suddenly be done almost instantaneously through the telephone and telegraph.

Finally, in 1917, the Senate came face to face with changing realities. In that year, President Wilson called on the Congress to pass legislation permitting the arming of American merchant vessels so that they could defend themselves against German raiders on the high seas. A tiny group of men in the Senate balked, and they managed to thwart the will of the President, the Congress, and the people by talking the legislation to death. Their action, tragically, also talked some American sailors to death. An angry popular reaction set in against the Senate and what President Wilson termed "a little group of willful men" who had "rendered the great Government of the United States helpless and contemptible." Within a very short time this reaction forced the Senate to move with the times—specifically, to adopt a rule permitting two-thirds of the Members to vote to cut off debate.

Mr. President, 58 years have now passed, and I submit that it is time for the Senate to move forward with the times and to again recognize changing realities. We no longer meet for 1 month a year. We meet 12 months a year. We no longer handle a few bills and issues in our debates—we cover hundreds. And the plain fact of the matter is that we just are not getting our work done.

And a major reason that we do not get our work done is that we like to talk too much. I pray, Mr. President, that no genuine national crisis that demands fast action arises before we move to modernize our rules and procedures; because if it does, and we find our ability to act blocked by a determined talkathon, I fear that public reaction this time would be even stronger than it was in 1917. Remember that the American people have heard for years that reform of this body is vital for progress. They understand these issues. Surely in this time of many crises they will no longer placidly accept a Senate paralyzed by its own rules and traditions. They recognize the filibuster for what it is, essentially a negative instrument used to obstruct legislation. I maintain that it is time for the Senate to act positively, not negatively. It is time to exercise the positive powers given to us by the Constitution and to take another step to give the Senate freedom to exercise its power.

I am particularly disturbed over the increasing use of the filibuster to shackle our debates. It is getting easier and easier to find controversial issues that invite extended debate because we have so many important things to decide. But our record indicates that we would rather talk than decide.

My colleagues on both sides of the aisle and of all political persuasions are employing the filibuster at an ever increasing rate. Since rule XXII was adopted in 1917, there have been exactly 100 cloture votes. However, in the 51 years between 1917 and 1968, there were only 43 cloture votes. In the 4 years 1969 to 1972, there were 26 cloture votes. In just 2 years, 1973 and 1974, there were 31 cloture votes. It can thus be seen that of all the cloture votes that have been held since rule XXII was passed in 1917, over 50 percent have come in the last 6 years, and over 30 percent in the last 2 years. I ask unanimous consent that at this point in my remarks in the RECORD, there be printed a chart appearing in the December 7, 1974, issue of Congressional Quarterly, summarizing the complete list of cloture votes since the adoption of rule XXII in 1917 through December 4, 1974. In addition, I have added 6 cloture votes that occurred after December 4, 1974, the last vote listed by the December 7, 1974, Congressional Quarterly.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF CLOTURE VOTES SINCE ADOPTION OF RULE 22

Following is a complete list through Dec. 4, 1974, of the 94 cloture votes taken since Rule 22 was adopted in 1917. Only 17 of these (shown in dark type) were successful. In the right-hand column is shown the vote necessary to invoke cloture under a proposed 3/5-majority vote. Twenty-three additional cloture votes (shown in *italics*) would have been successful using the proposed change.

Issue	Date	Vote	Yea 2/3 majority	Votes needed 3/5 majority
Versailles' Treaty	Nov. 15, 1919	78–16	63	57
Emergency tariff	Feb. 2, 1921	36–35	48	43
Tariff bill	July 7, 1922	45–35	54	48
World Court	Jan. 25, 1926	68–26	63	57
Migratory birds	June 1, 1926	46–33	53	47
Branch banking	Feb. 15, 1927	65–18	56	50
Disabled officers	Feb. 26, 1927	51–36	58	52
Colorado River	Feb. 26, 1927	32–59	61	55
District of Columbia buildings	Feb. 28, 1927	52–31	56	50
Prohibition Bureau	Feb. 28, 1927	55–27	55	49
Banking Act	Jan. 19, 1933	58–30	59	53
Antilynching	Jan. 27, 1938	37–51	59	53
Do	Feb. 16, 1938	42–46	59	53
Antipoll tax	Nov. 23, 1942	37–41	52	47
Do	May 15, 1944	36–44	54	48
Fair Employment Practices Commission	Feb. 9, 1946	48–36	56	50
British loan	May 7, 1946	41–41	55	49
Labor disputes	May 25, 1946	3–77	54	48
Antipoll tax	July 31, 1946	39–33	48	43
FEPC	May 19, 1950	52–32	1 64	1 58
FEPC	July 12, 1950	55–33	1 64	1 58
Atomic Energy Act	July 26, 1954	44–42	1 64	1 58
Civil Rights Act	Mar. 10, 1960	42–53	64	57
Amend rule 22	Sept. 19, 1961	37–43	54	48
Literacy tests	May 9, 1962	43–53	64	58
Do	May 14, 1962	42–52	63	57
Comsat Act	Aug. 14, 1962	63–27	60	54
Amend rule 22	Feb. 7, 1963	54–42	64	58
Civil Rights Act	June 10, 1964	71–29	67	60
Legislative reapportionment	Sept. 10, 1964	30–63	62	56
Voting Rights Act	May 25, 1965	70–30	67	60
Right-to-work repeal	Oct. 11, 1965	45–47	62	55
Do	Feb. 8, 1966	51–48	66	59
Do	Feb. 10, 1966	50–49	66	59
Civil Rights Act	Sept. 14, 1966	54–42	64	58
Do	Sept. 19, 1966	52–41	62	56
District of Columbia home rule	Oct. 10, 1966	41–37	52	47
Amend rule 22	Jan. 24, 1967	53–46	66	59
Open housing	Feb. 20, 1968	55–37	62	55
Do	Feb. 26, 1968	56–36	62	55
Do	Mar. 1, 1968	59–35	63	57
Do	Mar. 4, 1968	65–32	65	58
Fortas nomination	Oct. 1, 1968	45–43	59	53
Amend rule 22	Jan. 16, 1969	51–47	66	59
Do	Jan. 28, 1969	50–42	62	55
Electoral College	Sept. 17, 1970	54–36	60	54
Do	Sept. 29, 1970	53–34	58	53
Supersonic transport	Dec. 19, 1970	43–48	61	55
Do	Dec. 22, 1970	42–44	58	52
Amend rule 22	Feb. 18, 1971	48–37	57	51
Do	Feb. 23, 1971	50–36	58	52
Do	Mar. 2, 1971	48–36	56	50
Do	Mar. 9, 1971	55–39	63	57
Military draft	June 23, 1971	65–27	62	55
Lockheed loan	July 26, 1971	42–47	60	54
Do	July 28, 1971	59–39	66	59
Do	July 30, 1971	53–37	60	54
Military draft	Sept. 21, 1971	61–30	61	55
Rehnquist nomination	Dec. 10, 1971	52–42	63	57
Equal job opportunity	Feb. 1, 1972	48–37	57	51
Do	Feb. 3, 1972	53–35	59	53
Do	Feb. 22, 1972	71–23	63	57
United States-Soviet arms pact	Sept. 14, 1972	76–15	61	55
Consumer agency	Sept. 29, 1972	47–29	51	46
Do	Oct. 3, 1972	55–32	58	53
Do	Oct. 5, 1972	52–30	55	49
School busing	Oct. 10, 1972	45–37	55	49
Do	Oct. 11, 1972	49–39	59	53
Do	Oct. 12, 1972	49–38	58	53
Voter registration	April 30, 1973	56–31	58	53
Do	May 3, 1973	60–34	63	57
Do	May 9, 1973	67–32	66	59
Public campaign financing	Dec. 2, 1973	47–33	54	48
Do	Dec. 3, 1973	49–39	59	53
Rhodesian chrome ore	Dec. 11, 1973	59–35	63	57
Do	Dec. 13, 1973	62–33	64	57
Legal services program	Dec. 13, 1973	60–36	64	58
Do	Dec. 14, 1973	56–29	57	51
Rhodesian chrome ore	Dec. 18, 1973	63–26	60	54
Legal services program	Jan. 30, 1974	68–29	65	58
Genocide treaty	Feb. 5, 1974	55–36	61	55
Do	Feb. 6, 1974	55–38	62	56
Government pay raise	Mar. 6, 1974	67–31	66	59
Public campaign financing	Apr. 4, 1974	60–36	64	58
Do	Apr. 9, 1974	64–30	63	57
Public debt ceiling	June 19, 1974	50–43	62	56
Do	June 19, 1974	45–48	62	56
Do	June 26, 1974	48–50	66	59
Consumer agency	July 30, 1974	56–42	66	59
Do	Aug. 1, 1974	59–39	66	59
Do	Aug. 20, 1974	59–35	63	52
Do	Sept. 19, 1974	64–34	66	59
Export-Import Bank	Dec. 3, 1974	51–39	60	54
Do	Dec. 4, 1974	48–44	62	55

1 Between 1949 and 1959 the cloture rule required the affirmative vote of two-thirds of Senate membership rather than two-thirds of Senators who voted.

VOTES REQUIRED TO INVOKE CLOTURE

	Two-thirds	Three-fifths
Trade Reform Act—Dec. 13, 1974, 71 to 19 succeeded	60	54
Supplemental Appropriations (busing amendment) Dec. 14, 1974, 56 to 27 succeeded	56	50
Eximbank—Dec. 14, 1974, 49 to 35 failed	56	51
Eximbank—Dec. 16, 1974, 54 to 34 failed	59	53
Social Services Act—Dec. 17, 1974, 70 to 23 succeeded	62	56
Upholstering Duty (with tax amendments)—Dec. 17, 1974, 67 to 25 succeeded	62	56

Mr. PACKWOOD. Mr. President, the reason for the increasing use of the cloture petition is the increasing use of the filibuster. Many contend that the purpose of these long debates is to educate. In the 6 years that I have been privileged to be in the Senate, let me give you just a random sampling of the issues on which I have been "educated."

First. Amending rule XXII: Does that sound familiar? Here we are, just like history, repeating ourselves. Actually, this is the fourth time I have heard this debate, and of course, some of my colleagues have heard it so often that they must by now be able to recite each and every argument from memory. At latest estimate it costs something like $278 to print each page of the CONGRESSIONAL RECORD. Could we not save money by simply rereading our debates from 1973, 1971, 1969, and 1967, and so forth? Does anyone seriously contend that after all these years of debate the Senate is being educated by those who refuse to let this issue come to a vote? Some of my distinguished colleagues must have earned a Ph. D. in rule XXII if that is the case.

Second. Reforming the electoral process: The Congress and the people of the United States have been studying and debating the issue of directly electing the President and abolishing the electoral college for some 150 years. Did another 4 weeks of debate in the Senate shed any more light? No, it served only to obstruct any progress at all on an issue on which the American people expect us to act.

Third. Approving a Government loan to the Lockheed Corp.: This issue was highly publicized, our opinions were formed, yet that debate took another 2 weeks. It was not very educational.

Fourth. Granting cease-and-desist powers to the Equal Employment Opportunities Commission: We debated this one for 5 weeks in 1972, and I would submit that no votes were changed or minds altered by the length of the debate. Again, the object was to obstruct, not to educate.

Fifth. Establishing a Consumer Protection Agency: This has to be the granddaddy of all filibuster efforts. In 1973 and 1974, we have spent totally almost 2 months talking about the Consumer Protection Agency. What can there be left to say about this issue? There were seven, count them, seven, cloture votes to shut off debates on this issue. All failed. By this time the American public doubtless has found our discussion anything but enlightening. In fact, they must find it incomprehensible that, on a significant issue clearly of major importance to most Americans, we could not even manage to come to a vote. Surely the people must have hoped for a lot more action, either for or against the Consumer Protection Agency.

Many more issues that were filibustered could be mentioned. Each of these items represents days, and in many cases weeks, of delay and foot-dragging on matters of vital importance to this Nation.

I am not arguing that debate, and discussion, and refinement, and amendment are not important. Indeed, I believe that they are crucial to the legislative process, and I would never support or propose any step that I felt would threaten the right of everyone in this body to state his position fully.

We have, however, wasted years of valuable time talking when we should have been deciding on measures. We are now again debating the issue of limiting debate. We have often remarked that no other legislative body in the world "enjoys" such extended debate as does the U.S. Senate. That statement is true beyond belief. Perhaps a few examples of how other democratic governments deal with this problem might give us some helpful insights and perspectives.

First. The House of Commons in the United Kingdom: The procedure for cutting off debate and compelling the House to decide upon the matter under discussion was first authorized by the urgency rule of February 3, 1881 and permanently established by a standing order in 1882. Mr. Gladstone sponsored this change when it became obvious that there would have to be some means to limit debate if the House were to be able to deal with the issues of the day.

Members of Commons who wish to end debate may move "that the question now be put." The motion on putting the question must then be voted on at once, without amendment or debate—unless it appears to the Chair that the motion is an abuse of the rules of the House or an infringement of the rights of the minority, an infrequent occurrence. At least 100 Members must vote for the motion if it is to be declared approved. That does not mean that there must be a majority of 100, only that at least 100 Members must be present and voting with the majority. If the motion is carried, the question itself is then immediately voted up or down.

In the interests of efficiency, the British may also choose to employ an "Allocation of Time Order." This sets a limit to the length of debate before discussion has begun as opposed, of course, to cloture which limits debate after discussion has started. The Members of Commons may also choose to limit debate on certain sections of bills—a measure called rather quaintly a "Kangaroo" because it hops across certain sections of a bill to the debate on others for which a maximum time is set in advance.

Second. The Bundestag in West Germany: The Council of Elders—a group of some 25 men representing all parties in the Bundestag—allocates time to each member who wishes to speak on a given issue. No speech may exceed an hour or be less than 5 minutes unless a special exemption is granted. Closure of debate is declared by the President after all the speakers have taken the floor and no one else has requested to speak.

Third. The Diet in Japan: Members who wish to speak on an issue notify the speaker or President, stating whether they wish to speak for or against, with those opposing the issue customarily speaking first. The speaker or President sets a time limit for debate at his discretion, or the house, by resolution, may do so. If one-fifth or more of the members should object to this limit, the speaker or President must immediately seek "the opinion of the house" in a vote on the limits. The time limits—which often limit speeches to 10 or 15 minutes—have never been overturned, according to the Japanese "Practice Manual." If a member speaks beyond the

agreed limits, he is first warned and then sent to his seat. Twenty or more members may move to end debate at any time after two or more speakers have given their position if no one wishes to present an opposing view. In practice, debate is often limited by assigning specific blocks of time to each party for discussion of a given issue. Party leaders then designate which members are to use that time to present the party's views.

Mr. President, none of us questions that these are genuinely democratic nations with democratic procedures in their legislative bodies. The House of Commons is, in truth, the mother of us all. But the fact remains that in every one of these nations a procedure has been established to limit debate in the legislature so that the legislature can accomplish its task. The democracy of some of these bodies may vary, but it clearly does not depend upon free and unlimited debate in the legislature or else we would be flattering ourselves into believing that the U.S. Senate is the only democratic legislative body in the world.

Mr. President, there are two basic objections often voiced to easing our rules on limiting debate. One is the old argument that prolonged debate serves to protect the rights of the minority. A newer argument is that protracted debate is the best means for reining in and checking the executive branch. I would like to comment briefly on each of these arguments.

I believe in full and free-swinging debate. But debate is not a substitute for decisionmaking. No one ever said it better than Senator Henry Cabot Lodge of Massachusetts nearly 80 years ago. He said:

If the courtesy of unlimited debate is granted, it must carry with it the reciprocal courtesy of permitting a vote after due discussion. If this is not the case, the system is impossible. Of the two rights, moreover, that of voting is the higher and more important. We ought to have both, and debate certainly in ample measure, but if we are forced to choose between them, the right of action must prevail over the right of discussion. To vote without debating is perilous, but to debate and never vote is imbecile.

Those who defend the rights of the minority have called past proposed amendments of rule XXII gag laws. Revising rule XXII would not gag anyone. It would allow for up to 100 hours of debate after cloture is invoked so that each and every Senator who wishes may present his views. All of this, mind you, after cloture is invoked—which surely would not occur until much debate had already gone by.

I find it hard to believe that my colleagues—able, articulate, and intelligent as they are—would not be able to put an issue into perspective in that amount of time. Indeed, I believe that those who call the amendment of rule XXII a gag rule are in error. It is instead the majority who are presently being both bound and gagged by every use of the filibuster.

The American people have always had a soft spot for the underdog, for the minority view. But the American people have traditionally gotten on with their business after the minority has had its say. We in the Senate appear to have jeopardized our reputations in the mind of the public, and one reason for that is because we have not gotten down to business after letting the minority express itself.

Opinion polls reflecting the public's "positive" rating of Congress show a dramtic decline in recent years. The press, too, have been highly vocal in expressing its dismay at congressional performance—or rather, lack of performance. Editorial after editorial has taken us to task, and in almost every case, the filibuster has been cited as one of the practices that contributes most to our difficulties. On January 7, 1971, the Washington Post said:

In many respects the filibuster is the most intolerable carryover from an easy-going and uncomplicated past. As it now operates, it not only prevents Congress from getting its work done. Again and again it results in minority decisions because a few Senators can kill vital measures by long-windedness. Unlimited debate has become only another name for frustration and defeat of the will of the majority. It is an undemocratic practice which threatens to drag our entire system into disrepute.

Just recently, the Washington Post again editorialized on January 16, 1975, as follows:

As one of its first items of business, the new Senate will consider the perennial problem of striking a reasonable balance between the right of a minority of Senators to debate and the ability of a majority to decide. At issue once again is Rule 22, the cloture rule which requires the votes of two-thirds of those present and voting to limit floor debate and amendments. As experience has amply shown, this rule enables a stubborn minority to tie up a measure forever or force the majority to make major concessions to bring a bill to an up-or-down vote.

Senators Walter F. Mondale (D.-Minn.) and James B. Pearson (R.-Kan.) are leading this year's attempt to modify Rule 22 by reducing the number needed for cloture to three-fifths of those present and voting.

The point of the Mondale-Pearson effort is not to strip Senator minorities of all defense against majority tyranny, but rather to make one weapon, endless debate or the threat of it, somewhat harder to employ. Three-fifths, or up to 60 votes, would still be an impressive force to have to muster to curtail debate. At this point in the Senate's evolution, such a change seems timely and reasonable.

The San Diego Union on August 6, 1971, in an editorial entitled "Obstructive, not Constructive: Congress Short in Achievement" said:

Unlimited debate up to an outright filibuster is a worthwhile tactic to protect the rights of the minority on crucial issues. Congress has traditionally treated it with cautious respect. Nevertheless, if abused, it can be a weapon of simple partisanship and obstructionism. A tendency to abuse it is becoming conspicious.

Such quotes are clearly available in abundance. But those I have mentioned here ought to suffice to let us see ourselves as the public appears to see us. Such an image must distress all of us who came to this body full of ideas and ideals.

I am often called upon, as I am sure are most of my distinguished colleagues, to address student groups on the topic of leadership. I have some heartfelt words to offer on the subject of the need for courageous, dedicated, and able men to lead this government. I have often wondered what some of these young people must think when they read the paper and discover that we, their elected leaders, apparently would rather engage in endless debate than make the hard choices required of us.

Some who defend the filibuster point to the so-called "two-track" which let us get on with some legislative business during the course of a filibuster. We are now using the filibuster so often, however, and on so many disparate issues that I fear we will soon have more tracks than the Southern Pacific.

The track system is in itself an admission that we are failing to meet our responsibilities. It is an admission that we have to adopt a system whereby we can fool ourselves into thinking that the United States Senate enjoys both unlimited debate and the ability to get its work done.

Mr. President, I am among the strongest supporters of the minority's right, and indeed duty, to make its position known. However, rule XXII does more than just protect the minority, it lets the minority rule this body. As we have repeatedly demonstrated, a small group of Senators can—and, in fact, will—frustrate the ability of the majority to vote an issue up or down.

This de facto veto power exercised by the minority is most assuredly not what the Founding Fathers intended. The Constitution clearly spells out those five instances in which a two-thirds majority is needed—specifically: to approve treaties and constitutional amendments, to impeach, to expel a Member, and to override a Presidential veto. Nowhere does it suggest that two-thirds of the members of the Senate must concur before an issue can be brought to a vote.

There is no assurance, of course, that the voice of the majority is the will of God. I see even less cause to believe, however, that the voice of a willful minority may be. Those who choose to exploit rule XXII are requiring us to have a two-thirds majority to bring an issue to a vote, and if that does not constitute a minority rule, I cannot imagine what would.

Let me turn next to a newer argument voiced by those who prefer rule XXII in its present form. It is said that the filibuster is the Senate's greatest weapon for holding a headstrong executive at bay. I believe this notion is mistaken. I believe that the continuing use and abuse of rule XXII to prevent this body from making decisions and taking votes is one of the major means by which the Congress may instead put more power into the hands of the President. If this body, after full and sufficient debate, is not permitted to come to a vote on an issue, we cannot look to the American people to criticize the President for bypassing or ignoring a querulous and garrulous Congress.

I am aware that some of my colleagues who previously supported efforts to modify rule XXII have now changed their minds. Instead of taking the rule to task for keeping the Senate from voting on civil rights legislation, they have suddenly found it useful to stall decisions on whatever legislation they are opposed to. These Senators who have changed their minds—and they are my good friends—have now found all kinds of previously overlooked reasons why rule XXII, in its present form, is a splendid protector of democracy. They say it keeps the administration from riding roughshod over the Congress. What it really does, of course, is to keep the Congress itself from riding at all—roughshod or otherwise.

David Broder, in a column in the Washington Post on October 5, 1971, commented that—

When Senators as conscientious as some of those who have now changed their views on Rule XXII, can seriously suggest that under present circumstances that what we need now are a few more filibusters to delay or block action, it just shows how far we have gone toward despair at ever making government a positive force again.

Our resort to negative obstructionism instead of positive action clearly does not benefit the American people. Obstruction is no substitute for decisionmaking. The people have a right to expect more than delay and inaction from their elected representatives. If we fail to give them decisive leadership, their frustration may well boil over and lead to irresistible popular pressure for far more radical changes in our modes of doing business than any being suggested today.

Those who would indiscriminately use the filibuster would do well to remember that it is a two-edged sword. It could come to pass that we would have filibusters in progress on all sorts of issues, issues which any of us personally favor or oppose. But what those filibusters really do is block action. In essence, we are throwing up our hands and saying to the Executive, "Mr. President, you make these tough decisions. They are beyond our capabilities."

I say this is nonsense. We have the ability to make these decisions; what we need now is the will. Moreover, we have the responsibility to make these decisions, and we must not shirk that responsibility by hiding behind the supposedly sacred rules of this body. I doubt that the American people will long tolerate a Senate that says, "Well, fellow Americans, we have some great ideas on how this country should be run and how to order its priorities—but our rules just won't let us get down to business."

At our present rate of exploiting rule XXII—and as long as it is on the books it can and will be exploited—I can easily envision this body so handicapped by the unrestricted flow of words that it will be unable to act at all. We have walked a long way down the road of congressional irresponsibility. Our lack of discipline has led us to give away many of our most cherished and needed powers. It is not that the Executive is trying to steal these powers, it is that we have lacked the courage and the will to exercise them.

Mr. President, it is the responsibility of Congress to make decisions. When we ensnarl ourselves in words and find ourselves unable even to bring major issues to a vote, we abdicate that responsibility. We invite the very increase of executive prerogatives that we seek to halt.

I believe that it makes no difference what administration is in power or which party controls the Senate. We are talking about a matter of duty. And as the people's elected legislators, it is our duty to decide policy and set priorities. If we do not, we will have only ourselves to blame if the Executive chooses to exercise our powers for us. We must recognize the painful truth that the fact that we can use our rules to stop the Executive does not mean that we are doing something positive ourselves.

In closing, I would like again to point out that rule XXII is not sacrosanct. Like every other rule of this body, it can be amended. I believe Thomas Jefferson had this in mind when he said:

I know that laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths discovered, and manners and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times.

The people of America deserve the best government we can provide, and a body that cannot act because it is enmeshed in a web of its own making is not the answer. Now is the moment to keep pace with the times and to move forward with reform of this great institution so that it can not only respond to our country's needs but can also provide the positive leadership and direction the Nation requires.

Mr. HANSEN. Mr. President, it is quite appropriate that I quote a passage attributed to Thomas Jefferson on the subject of freedom of debate in the Senate as this great deliberative body again questions Senate rule XXII:

The rules of the Senate which allow full freedom of debate are designed for the protection of the minority, and this design is part of the warp and woof of the Constitution. You cannot remove it without damaging the whole fabric. Therefore, before tampering with this right, we should assure ourselves that what is lost will not be greater than what is gained.

Mr. President, Senate rule XXII has always been and will be, a major bulwark against the erosion of our constitutional and democratic form of government in this great and bountiful country. Senate rule XXII constitutes a barrier to oppression by the majority and to the destruction of the rights and liberties of the minority. It would hardly be an exaggeration, therefore, to state that the present resolution offered against rule XXII threatens the heart of our constitutional system and threatens the rights and liberties of all minorities.

This proposal, this resolution, that has been offered in opposition to the freedom of debate goes much deeper than the right of an individual Senator or a group of Senators to engage in a lengthy discussion that some might label a filibuster. The real issue, the real point of the question before the Senate, is whether we are to alter the role and the position of this body in our great scheme of government.

It never ceases to amaze me and many of my distinguished colleagues that those who ambitiously seek, with persistence, to further the causes of minorities in this country are the very ones who vigorously strive to weaken rule XXII which, in the words of Thomas Jefferson is "designed for the protection of the minority."

Now, some of those who are advocating the weakening of this rule have not yet realized and have not become aware of the fact that they may be damaging one of their own future causes. Nevertheless, rule XXII has served to protect our Federal system of government and to preserve our States as sovereign entities. It has served to safeguard the liberties of our people and has afforded them the right to express their views through their chosen representatives in the Senate of the United States. Although slightly weakened in 1959, rule XXII still stands as a defender of liberty. If we undertake to weaken it further, the right of full expression and debate in the greatest legislative body in the world will be prohibited and denied. If we strike down the right of the Members of this body to freedom of expression and debate, we will have silenced the voice of the States and of the American people to be fully heard and adequately protected in the highest legislative forum in this Nation.

Mr. President, the Senate has had great prestige in this country despite the efforts of some Members to weaken or destroy that prestige by introducing legislation in the form of a gag rule. This type of ruling would destroy or impair the greatest element of checks and balances among the three divisions in our Government, the judicial, the legislative, and the executive. The U.S. Senate is the foundation of that division of powers. It is the balance wheel on which the division of powers in the system of checks and balances revolves.

Perhaps it is hard to get through to the people of this country what is involved in the very complex and complicated issues that pass through here in the form of legislation and why these issues call for freedom of debate. Perhaps the people of this country do not realize that if the proponents can just get a form of "gag rule" through, they can go forward and limit the right of amendment in the Senate of the United States. The proponents can then pass the economic and social legislation they want, legislation that will alter this country and destroy a system that has afforded men the opportunity to make progress and to go forward and to succeed in accordance with their abilities, in accordance with their talent and energies, the opportunity that has made this country great.

Mr. President, great men of the past, great statesmen of our Nation, recognized the dangers inherent in what is here being attempted today. They denounced it. They stood firm. Lest this generation forget, let them open the pages of history and learn from the dedi-

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cated statesmen of the past. I quote from Senator Robert LaFollette's speech which was delivered just before the vote on cloture took place. He said:

Mr. President, believing that I stand for democracy, for the liberties of the people of this country, for the perpetuation of free institutions, I shall stand while I am a member of this body against any cloture that denies free and unlimited debate. Sir, the moment the majority imposes restrictions contained in the pending rule upon this body, that moment you shall have dealt a blow to liberty; you shall have broken down one of the greatest weapons against wrong and oppression that the members of this body possess. This Senate is the only place in our system where no matter what may be the organized power behind any measure to rush its consideration and to compel its adoption, there is a chance to be heard, where there is opportunity to speak at length and where, if need be, under the Constitution of our country and the rules as they stand today, the constitutional right is reposed in a Member of this body to halt a Congress or a session on a piece of legislation which may undermine the liberties of the people and be in violation of the Constitution which Senators have sworn to support. When you take that power away from the Members of this body, you let loose in a democracy forces that in the end will be heard elsewhere, if not here.

We of this distinguished body should recognize that in a democracy, free debate is a virtue, not a vice; it is a necessity, not a luxury, and is truly a fortress of a free society that is vital to the protection of freedom. Those who are waging this questioning of free debate in the Senate should pause and take heed of the Nation's position in the world today. I think it is clear that if ever there were a time when we should be examining with thorough deliberation the complex issues and economic problems, it should be now. Now when we are faced with such difficult problems on the domestic front. Now when our Nation is faced with such tough decisions it must make as a result of being a world's leader.

Mr. President, I further state that the majority is, simply, not always right. Down through the years, there are great monuments, tragic monuments to the failure of the majority to be right, the errors of a temporary majority such as it is proposed to subject the Senate to, a proposal to turn loose all the fires of partisanship to a mere majority, to close off debate and silence the opponents before they have a full and fair chance to make their case before the American people.

It is more difficult today than ever before to get both sides of the case before the American people. But it should be obvious that there are always two sides to every question that comes before this eloquent body.

It seems, Mr. President, that those who would destroy the right of free debate in the U.S. Senate contend that rule XXII is undemocratic in that it enables a minority to thwart the wishes of a majority. In their zeal, they deliberately or inadvertently overlook the fact that its very purpose is to provide a restraint upon the abuses of uninhibited and unrestrained majority rule.

It seems that the argument keeps coming up that a minority can obstruct. The overriding answer to that is that a majority can oppress. Again, we must make a choice. Our Founding Fathers made a choice. They sought to establish a government that would protect the people against oppression. They did not think it wise to limit debate in this body.

Through the years, the Senate has proved that it is the greatest safeguard of our federal system. For it is here, and here alone, that the voice of each State—large or small—can be heard.

I ask my distinguished colleagues, do we want to downgrade the Senate, and reduce its level of competency and effectiveness? Downgrade controversial issues of great principle that need be debated in full? I certainly hope not. Ponder the words of Alexander Hamilton, writing in the Federalist:

• • • There are particular moments in public affairs, when the people stimulated by some irregular passion, or some illicit advantage, or misled by the artful misrepresentations of interested men, may call for measures which they themselves will afterwards be the most ready to lament and condemn. In these critical moments, how salutary will be the interference of some temperate and respectable body of citizens, in order to check the misguided career, and to suspend the blow mediated by the people against themselves, until reason, justice, and truth can regain their authority over the public mind.

In concluding, Mr. President, it is apparent that hasty action is often possible under rule XXII, even as it is presently written. If further weakened, rule XXII will not only allow, but will undoubtedly precipitate, efforts to push more and more and more legislation through the Senate at an even faster pace than we witnessed in recent sessions of Congress.

The Senate was created to give a full chance to expose here the errors of other branches of Government. One of its main purposes was to permit a complete revision or canvass of the acts of the other body, to have full power to offer amendments, and to make speeches to point out those mistakes.

The U.S. Senate is the greatest lawmaking body in the world—we can keep or lose its power and prestige. The choice and responsibility is ours. For we have the duty and responsibility to preserve its greatness.

Mr. MONDALE. Mr. President, I move to lay, on the table the point of order raised by the distinguished Senator from Montana (Mr. MANSFIELD), and I ask for the yeas and nays.

The VICE PRESIDENT. There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Minnesota (Mr. MONDALE) to lay on the table the point of order raised by the Senator from Montana (Mr. MANSFIELD). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BIDEN (When his name was called). President, on this vote I have a pair with the Senator from Michigan (Mr. PHILIP A. HART). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT BYRD. I announce that the Senator from Michigan (Mr. HART) is necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 51, nays 42, as follows:

[Rollcall Vote No. 14 Leg.]

YEAS—51

Abourezk	Hathaway	Nelson
Bayh	Huddleston	Packwood
Beall	Humphrey	Pastore
Bentsen	Inouye	Pearson
Brooke	Jackson	Pell
Burdick	Javits	Percy
Case	Kennedy	Proxmire
Church	Leahy	Randolph
Clark	Magnuson	Ribicoff
Cranston	Mathias	Schweiker
Culver	McGovern	Scott, Hugh
Eagleton	McIntyre	Stafford
Ford	Metcalf	Stevens
Glenn	Mondale	Stevenson
Hartke	Montoya	Symington
Haskell	Moss	Tunney
Hatfield	Muskie	Williams

NAYS—42

Allen	Fong	McGee
Baker	Garn	Morgan
Bartlett	Goldwater	Nunn
Brock	Griffin	Roth
Buckley	Hansen	Scott, William L.
Bumpers	Hart, Gary W.	Sparkman
Byrd, Harry F., Jr.	Helms	Stennis
Byrd, Robert C.	Hollings	Stone
Cannon	Hruska	Talmadge
Chiles	Johnston	Thurmond
Curtis	Laxalt	Tower
Dole	Long	Weicker
Domenici	Mansfield	Young
Eastland	McClellan	
	McClure	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Biden, against.

NOT VOTING—5

Bellmon	Gravel	Taft
Fannin	Hart, Philip A.	

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I understood the Chair was going to put the next question. I hope at a little later time he will allow us to offer an amendment to the motion. But, first, I would like to ask for a division of the question inasmuch as there are two separate questions involved. And, further, Mr. President, I would like to point out that the first section of the motion makes no reference to the constitutional question. The constitutional question is contained in the second portion and, Mr. President, in the judgment of the Senator from Alabama, that would leave, since the motion is clearly divisible, the first portion clearly debatable, and the Senator from Alabama would like to suggest that the Presiding Officer request the opinion of the Senate on that issue.

The VICE PRESIDENT. The Presiding Officer is ready to rule under rule XVIII that the motion is divisible.

Mr. ALLEN. I thank the Chair.

The VICE PRESIDENT. Therefore, the question comes first on the first portion of the motion which is debatable.

Mr. ALLEN. Now, Mr. President, inasmuch as the Chair has ruled that the first portion of the motion is debatable, the Senator from Alabama would suggest that all Members who would not like to hear a further discourse on this subject may retire to their office [laughter]. The Senator from Illinois can go to Mandalay, where, I believe, the plane is waiting for him. The Senator from Oklahoma can go to Vietnam, because the Senator from Alabama will be discussing this motion, since the Chair, in its wisdom, has ruled that the first section of this motion is debatable.

Mr. MONDALE. Mr. President, point of order.

Mr. ALLEN. I will not yield for that purpose. [Laughter.] I believe we now see where——

The VICE PRESIDENT. The Senator from Alabama has the floor.

Mr. ALLEN. I thank the Chair.

Now, Mr. President, we get back to the basic point.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. There will be order in the Senate, please.

Mr. ALLEN. We get back to the basic point of whether a ruthless majority here in the U.S. Senate can cut off the right of a minority.

The distinguished Senator from Minnesota (Mr. HUMPHREY) has great——

Mr. NELSON. Mr. President, may we have order in the Senate?

I cannot hear the distinguished Senator from Alabama.

The VICE PRESIDENT. The Senator from Alabama has the floor.

Mr. NELSON. Mr. President, I would like to suggest that the Senate is not in order, Senators are conversing around the floor and in the aisles and in the well.

The VICE PRESIDENT. The Senators will please take their seats, or if they have conversations, please carry them on outside.

Mr. ALLEN. I thank the distinguished Senator from Wisconsin for getting order here in the Senate, and the Senator from Alabama treats that request as being an indication of the fact that the Senator from Wisconsin is subject to having his views changed by listening to the Senator from Alabama press his point.

[Laughter.]

I appreciate the Senator's interest and desire to hear the Senator from Alabama. I do appreciate that.

As I was stating, the distinguished Senator from Minnesota (Mr. HUMPHREY), who is interested in the rights of the minorities, just like all of us here in the Senate are, but he has shown no interest whatsoever in the rights for certain minorities here in the Senate, those he seeks to cut off, to apply the gag rule to their right to discuss issues here in the U.S. Senate.

I just hope the distinguished Senator from Minnesota, in his compassionate nature, will have compassion on the minority here in the Senate, which has few defenders among those who speak out so forcefully and eloquently for the rights of the minority.

Mr. HUMPHREY. Will the Senator yield?

Mr. ALLEN. I will yield for a question only.

Mr. HUMPHREY. The Senator, I am sure, is aware of the fact that for some better than 20 years I participated in every effort 'n this body to change what we call rule XXII, without any success, I should add.

I also, as the Vice President, handed down the ruling which I regret to say was overruled by the Senate itself.

I have great respect for the judgment of my colleagues. I also want the Senator to know that I have great sympathy, and not only sympathy but support, for the right of the minorities.

For example, I vigorously support the right of the distinguished Senator from Alabama now to even involve me in this conversation.

[Laughter.]

And I might also add, more importantly, I support his sense of compassion to tell our brothers of the Senate that they have time to do their office work.

May I say that this is one of the most, one of the really constructive developments that has taken place here in the Senate for some time.

[Laughter.]

Mr. ALLEN. I thank the distinguished Senator.

Mr. HUMPHREY. I will, however, come back to join the fray a little later. I want to hear what my distinguished colleague from Alabama has to say. I know he will say it well and I just hope he is not too persuasive on this occasion, I trust his persuasive power will be less than his eloquence.

Mr. ALLEN. It suits the Senator from Alabama that he never finds out how persuasive he was.

Mr. HUMPHREY. The Senator will find out soon.

Mr. ALLEN. I hope, but the issue coming to a vote soon, it suits the Senator from Alabama never to find out how persuasive he is in this matter.

Mr. President——

The PRESIDING OFFICER (Mr. HANSEN). Will the Senator suspend until the Senate is in order?

The Senator from Alabama.

Mr. ALLEN. Mr. President, I would have a lot more sympathy for this effort if all proponents of this motion—and I see they are over here discussing the matter and I hope they have a plan that will be effective—I would have a whole lot more sympathy for their effort if they had gone under the Senate rules in seeking this change of the Senate rules, rather than to throw the rule book out the window.

Mr. TALMADGE. Will the Senator yield for a question?

Mr. ALLEN. For a question only, yes, sir.

The PRESIDING OFFICER. Will the Senator suspend, and the Senators who are carrying on conversations please take them to the cloakroom?

Mr. TALMADGE. I ask the distinguished Senator from Alabama if rule XXXII, paragraph 2, does not read as follows:

The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

Mr. ALLEN. Yes, sir, that is correct.

Mr. TALMADGE. Is it not also a fact that no change in the Senate rules has been made by this Senate?

Mr. ALLEN. As to that particular matter, no.

Mr. TALMADGE. Or the rules of the Senate as they provide for cloture, in closing debate?

Mr. ALLEN. That is correct.

Mr. TALMADGE. I thank the Senator and he is on eminently firm ground.

Mr. ALLEN. I thank the distinguished Senator from Georgia.

I would like to point out to the Senator, also, that this addition to rule XXXII came about in 1959 at a time when the Members of the Senate, many of them, were not satisfied with the cloture requirements of rule XXII and there was a compromise reached there in 1959 which I call the compromise of '59.

There were three features of that compromise. One feature was that the rule that existed at that time provided that there could be no cloture on a motion to proceed to a change in the Senate rules. That was not covered by the rule, so it had to be a measure, not a motion, to proceed to consideration of a measure.

There was another feature that those who wanted to apply a gag rule in the Senate did not like and that was that it required a constitutional two-thirds, that is, two-thirds of the elected membership of the Senate to cut off debate. There was some question as to whether the rules of the Senate carried over from one session of Congress to another.

Now, those who opposed the gag rule wanted to nail down the fact that the Senate rules did carry over from Congress to Congress in a continuing body and the gag rule Senators—we have their successors here in the Senate today—wanted to provide that cloture could be invoked on a motion to proceed to the resolution providing for a rules change.

They also thought that the requirement of a constitutional majority—with a constitutional two-thirds was too great and they wanted that cut down just to two-thirds.

So that was the area of the compromise. There were two concessions made to the gag rule Senators and one concession made to the free-debate Senators. The majority leader back in that day was Senator Lyndon Johnson of Texas and he was a great compromiser and they worked out a compromse where they would have a settlement in these three areas. Two concessions were given to the gag rule Senators and one concession given to the free-debate Senators.

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So that is the way this provision in rule XXXII came about. I hope the Senator from Georgia has not become tired at the prolixity of the statement of the Senator from Alabama in this matter, but I did have to go into the history to give a full picture to the Senator from Georgia as to where that provision in rule XXXII came from. I hope he will excuse me for going into such detail, but it was necessary to give the historical background in this area.

Now, Mr. President, this issue of the constitutionality has been injected into this matter based upon a false premise. The claim is made that some mystic type of rule applies at the so-called start of the session. How this could be called the start of a session, I do not know.

Mr. TALMADGE. Will the Senator yield for a question?

Mr. ALLEN. Yes.

Mr. TALMADGE. Is it not a fact that the Supreme Court has ruled repeatedly that the rules of the Senate carry over from one session to the other, that the Senate is a continuing body?

Mr. ALLEN. Yes, it sure has.

Mr. TALMADGE. And that the rules that we operate under in the U.S. Senate have existed, as amended from time to time, since the origin of the U.S. Senate?

Mr. ALLEN. Yes, that is correct.

Mr. JOHNSON. Will the Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. JOHNSTON. If there is the start of the session, when does the start of the session end?

Mr. ALLEN. That is a good question. I thought it had already ended, yet they claim there is some different rule at the start of the session. I have looked in the Constitution and I have poured over the various sections looking for that particular provision that is alluded to in the Chamber so often. All it says in this area is that it takes a quorum in either House to transact business. Well, that is admitted. And that the respective Houses can make their own rules. It could set a different rule than obtains at the start of a session. So in compliance with that constitutional provision, the Senate, of course, made its rules.

I will say to the distinguished Senator from Louisiana he would be surprised how little the rules of the Senate have changed since the days of Thomas Jefferson.

Thomas Jefferson, of course, was an expert and authority in many, many fields. One was the field of parliamentary law. He compiled what is called Jefferson's Manual. The Senate rules are based on Jefferson's Manual. In many instances the wording is practically the same. So the rules have changed very little in that time. The rules provide for the amendment of the rules. There is nothing to prevent the Senate, any time it wants to, from amending its rules. It does not have to do it at the so-called start of the session, but it can amend the rules on the last day of the session, for that matter, if it so desires. It just takes a majority vote to amend the rules. The trouble is that it takes more than a majority vote to get to the point where you get an up-and-down vote on the amendment of the rules.

This document that was filed, that has been made the basis of my discussion, for a while looked like it was just going to be a steamroller, that we were just going to choke off debate. We would not have any debate. We would put one question right after the other.

I am glad the Presiding Officer correctly ruled that you can get a division of this question. It is a pretty elementary situation. When an amendment has more than one subject in it, you can call for a division.

This first part just moves that the Senate proceed to the consideration of calendar item No. 1, Senate Resolution 4, amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate.

There is no constitutional question raised. The Senator from Alabama wanted to discuss this matter a little bit. There have not been too many Senators in the Chamber, I will say to the distinguished Senator from Wyoming (Mr. HANSEN) who is presiding in a very fine fashion over the Senate at this time. We have looked for occupants of the chairs here in the Senate Chamber. A number of good people are in the Chamber, pages and members of the staff, but very few Senators. I am delighted to see that some Senators have remained. There for a while we had a pretty good representation here in the Chamber. They were expecting to move in for the kill, I will say to the distinguished Senator from North Carolina (Mr. HELMS). They thought they were going to have votes in rapid succession. But it has not worked out that way, thanks to the fine ruling of the distinguished Presiding Officer, Vice President ROCKEFELLER.

Just a few minutes ago I was not so kind in talking to the Vice President. I might say that all of the remarks I have made on this whole issue have been made right here in the Senate Chamber. I have not called the Vice President off and said, "Look here, Mr. Vice President, I believe," thus and so, "about this rule, and right here in the book it says" thus and so. "Don't you think that is right?" I have not resorted to that, Mr. President. I have stated my construction of the rules right here in the Senate Chamber. I have not talked to the Vice President privately. I am sorry the Vice President is not here now, but he has gone on. I guess he feels now that the matter is subject to debate.

That was a great ruling, I will say to my distinguished colleague, the distinguished Senator from North Carolina (Mr. HELMS) and the distinguished Senator from Idaho (Mr. MCCLURE). It was a good ruling. But I was not so nice to the Vice President earlier in the day. I really ought to apologize for that. If he were here presiding over the Senate, I would apologize for what I said.

After he ruled that they were going to vote on these matters in rapid succession, with no further debate, I pointed out to him the error.

I am glad the distinguished Senator from Minnesota (Mr. HUMPHREY) is still here. I will say to my distinguished colleague from Minnesota I found the Vice President following the leadership of then Vice President HUMPHREY on these matters. For awhile he was following the leadership of the Senator from Minnesota. But he came to his senses, I will say to the distinguished former Vice President, and abandoned his discipleship of the distinguished Senator from Minnesota. He ruled that, yes, this matter is debatable, this item No. 1 is debatable. And that is right. It is debatable. I believe we are going to have an interesting debate on it.

Mr. President, I would have a great deal more sympathy for this effort if they had just gone about this matter as prescribed by the rules. That is wherein they failed. It is bad.

We are supposed to set some sort of example in the Senate, I suppose, being governed by a government of laws and not of men. Part of the law, to us, is our rules. There is nothing in the Constitution contrary to the Senate rules—not a thing in the world. They speak as if the Constitution is paramount to the Senate rules. Certainly it is. But show me anything in the Constitution that the Senate rules violate, and I will certainly admit my mistake in the matter.

The Constitution says that both Houses can make their own rules, and they have done it. If we were operating without rules, it would be one thing. We are operating under a very fine set of rules, and I do not believe they should be thrown out the window.

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield only for a question.

Mr. STONE. In the opinion of the Senator, what is the beginning of a session or the beginning of a Congress, for the purpose of adopting new rules, and when is it over?

Mr. ALLEN. I will say that, obviously, the beginning of a session would be the first day, and the end of the beginning of the session would come not many days thereafter.

Mr. STONE. The end of the beginning would come within a day or two after we organize?

Mr. ALLEN. That would be my judgment. I have nothing to point to other than commonsense in the area.

Mr. STONE. Is there any ruling or precedent, either of the Chair or of any court, that indicates that 4 weeks or more into a new Congress, we are still at the beginning of a Congress?

Mr. ALLEN. I will have to say to the distinguished Senator from Florida that there has been some leniency in that regard, that they would let them carry on into the session, possibly several weeks, even. That does not make it right. It has been waived to some extent.

The point involved, as I see it, is this. There is no validity to the argument that there is a different situation at the start of a new Congress. I say "new Congress" rather than "new Senate," because there is never a new Senate; it is the same Senate that is carrying on. I have never seen, since I have been in the Senate—just a very few years—the history of the adoption or re-adoption in the Senate of the Senate rules, because they go under the theory and the actuality that the Senate is a continuing body. For that reason, there is no need to readopt the Senate rules. We have them. They are there all the time, as rule XXXII says, until amended by the Senate in accordance with the Senate rules. There is no difference, early in the session or late in the session.

As I suggested a moment ago, we could amend the Senate rules the last day of a session, but we would have to amend them under the Senate rules, just as we have to amend them, as I contend, under the Senate rules, even if it is on the first day, because they carry forward all the time.

Mr. STONE. The Senator from Florida heard the senior Senator from Minnesota discuss the dead hand of the Senate of 1917 in some fashion that seemed to distinguish it from, for example, the dead hand of the Senate on Monday of the first week in February of the Senate of 1975. What is the logical distinction between a rule that was passed by a previous Senate and a rule that was passed a previous day?

Mr. ALLEN. None. They still last on, ad infinitum, unless changed by the Senate. So, as the Senator suggests, that would be the dead hand of yesterday, if that were the case.

Mr. STONE. One final question: If, by parliamentary procedure, cloture can be invoked by a rules change supported, through parliamentary procedure, by 50 Senators plus 1, or a majority of whoever is in the Chamber, then would the Senators propounding this rules change in effect have a three-fifths rule if one were adopted through such a procedure? What would they have?

Mr. ALLEN. Actually, they would have a majority rule, that a majority can change it any time.

Even following the Senate rules on cutting off debate, debate can be cut off, under these exacting Senate rules, with as few as 34 Senators, if a bare quorum is present.

The way they are handling it now, under this terrific backdoor approach—I might say basement approach; I believe that would be a little better than "back door"—by this basement approach to the amendment, 26 Senators could call all the shots in the Chamber, if just a bare quorum were present. So it is very dangerous.

I say to the distinguished majority leader that I admire his position in this matter and the eloquence and logic of his debate. I know how reluctant he was, in his position, to make a speech on this issue because of the position of many in his party on one side and many on the other. But when the existence of this body was at stake, he had no hesitancy in getting up and making one of the most logical and eloquent speeches I have ever heard on this subject. I will say it is the most logical and eloquent speech I have heard on this subject, and I appreciate very much the action he has taken.

Mr. President, what is the procedure on amending the Senate rules? One day's notice must be given of one's intent to seek to amend the Senate rules.

Ordinarily, Mr. President, a resolution proposing an amendment to the Senate rules would go to the Committee on Rules and Administration. But in this effort and at every stage of the proceeding, there has been shortcut, shortcut, shortcut. Instead of going to the Committee on Rules and Administration, a stratagem was used, and in other matters I have used the same stratagem to avoid an unfriendly committee. I did it with respect to some antibusing legislation I introduced. I knew it would never see the light of day if it went to the HEW Committee. But by a stratagem, a bill can be prevented from going to the Committee on Rules and Administration. And it gets on the calendar.

Then it is motioned up and that issue is debated. That is the very thing that I am debating here today, that the Vice President has ruled is debatable.

Mr. MCCLURE. Will the Senator from Alabama yield?

Mr. ALLEN. For a question.

Mr. MCCLURE. Yes, for a question. I thank the Senator from Alabama for yielding.

Although the Senator from Alabama is quite correct that the Vice President, the Presiding Officer, did make the correct ruling ultimately, as we go down to the question of whether or not the motion was divisible and whether or not, having been divided, the first portion was debatable—for which rulings I commend the Chair and want publicly to commend the Senator from Alabama for having propounded as promptly as he did; again exhibiting the precise and very astute grasp of parliamentary procedure that he is so noted for, does this not also pose to us a future threat, not just on this matter but on all others, that when a motion, properly propounded, is presumed to be bottomed upon a constitutional question, which will not be divisible, under the ruling established by the Chair, then 51 Senators will prevail?

Mr. ALLEN. That is my judgment. If they posed a constitutional question and by their votes asserted that a constitutional question was involved, who is to say they are wrong? It is just a case of a ruthless majority being able to ram down the throats of a minority anything that it wants.

Too, I should like to suggest that if this effort succeeds—and I think there is less chance that it is going to succeed now than it seemed 30 or 40 minutes ago—if this effort to throw the rule book out the window succeeds, it will be impossible for a minority to slow down a steamroller here in the Senate, absolutely impossible.

Because, obviously, we are going to have 51 to pass a bill and then we can get a few more and it is just the equivalent of majority cloture, even if they do not resort to that actually. But we are moving in the direction of making the great U.S. Senate, with its traditions and its history and its remarkable and unique nature of allowing free debate, we are going to move this great body, the U.S. Senate which many of us revere, in the direction of being a Senate that we might expect to find in a banana republic.

Mr. MCCLURE. Will the Senator from Alabama yield for a further comment?

Mr. ALLEN. For a question.

Mr. MCCLURE. I thank the Senator for yielding further.

I agree precisely with what he just said. My purpose for propounding the question was simply to underscore the fact that while we on our side may feel good about the outcome at this precise moment, nevertheless, the ruling by the Chair on the constitutional question that was propounded, to many is a precedent which will haunt us at every step of the proceedings at any time some Senator may contrive a motion which presumes to be bottomed upon a constitutional question.

Mr. ALLEN. Yes; it was unfortunate that he made that ruling. However, I believe he is moving back in the proper direction toward a proper construction of the Senate rules.

Mr. CRANSTON. Will the Senator yield for a question?

Mr. ALLEN. Yes.

All the Senator from Alabama is trying to do is get an opportunity for those who oppose gag rule to make their views known here on the Senate floor. There, for a while, it looked like we were not going to be able to say hello to these resolutions—hello and goodbye, the Senator suggests. It would have been a really bad precedent.

I do not feel that it has gone so far that it cannot be rectified by further rulings.

I will state this: The Senator recalls the question that the distinguished Senator from Nebraska (Mr. CURTIS) propounded after the distinguished Senator from New York had asked some questions. It seemed they had the questions kind of correlated to the answers up at the rostrum there, so the Vice President said that he made a mistake in reading No. 5. It said "5," so and so. I wonder what would have happened if he had given answer 4 to question 5 or vice versa. It sort of looked to me as though we were in pretty bad shape right there at the start. So I am pleased that the Vice President has given us an opportunity to discuss this.

Mr. CRANSTON. Will the Senator yield?

Mr. ALLEN. I yield for a question.

Mr. CRANSTON. I wish to ask, in reference to the ruling by the Vice President that was referred to a moment ago by the Senator from Idaho, I believe that the Vice President was following precedent set by previous Vice Presidents. Vice President Nixon, Vice President HUMPHREY, and perhaps others made the same ruling under perhaps the same circumstances. So it was not a new precedent, not a new ruling.

Mr. ALLEN. I thank the Senator for his suggestions. I do not believe that Mr. Nixon ever made that ruling. I do know that the distinguished Senator from Minnesota did make that announcement, but was promptly rebuffed by the Senate

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in their vote on the tabling motion. They refused to table the point of order.

Mr. CRANSTON. What is shown is progress in the Senate and stability in the Vice Presidency.

Mr. ALLEN. That may be and I am glad the Senator thinks that. But he may be in a minority on the floor right at this time in feeling that.

Mr. WILLIAM L. SCOTT. Will the Senator yield for a statement without losing his right to the floor?

Mr. ALLEN. Yes, I will be delighted to yield under those circumstances, that I not lose my right to the floor.

The PRESIDING OFFICER. The Senator from Virginia is so recognized.

Mr. ALLEN. Under those conditions.

Mr. WILLIAM L. SCOTT. I thank the distinguished Senator from Alabama for yielding.

Mr. President, any proposal for further limiting debate in the U.S. Senate is a very serious matter, for this body has the responsibility to legislate efficiently for the people of the country and any attempt to limit legislative effectiveness has grave consequences.

We are a deliberative body, an instrumentality of the States and their citizens. The Senate is the property of every American and does not belong to individuals who temporarily occupy seats in this Chamber. Those who would alter rule XXII may overlook this historical precedent and the extraordinary constitutional function of this body.

The Senate remains a balance wheel of the federal system and the single national institution that distinguishes our Government from most unitary forms of government. In the U.S. Senate Chamber, a voice from a small State has the same equal weight as the voice of a citizen from California or New York, our two most populous States.

Mr. President, one of the issues at stake, then, is that the vote and representation of a Senator elected from a small State is equal to the Senator who may be elected from a much more populous State. This is a concept of equality. Full and free debate in this body supports such a concept.

Another important issue at stake, in my opinion, is whether we are going to have rules in the Senate or whether we are going to have rule by the gavel. Certainly in the Senate, we should have rule by rules and not rule by men.

Those now attempting to make cloture easier, and thus further reduce freedom of debate in the Senate, complain that standing rule XXII in its application thwarts the wishes of the majority.

However, there are authoritative observers of the Senate process who hold that a majority of Senators can find ways to pass any measure without resorting to changing the very character of the Senate itself. Adequate means are available at present to overcome what a majority believe is an obstruction in debate. Whenever an issue of overriding importance to the welfare of the Nation arises, debate has been and can continue to be limited.

The newspapers and the critics of rule XXII complain that a minority of Senators have obstructed the majority voice of the people. However, I submit that a minority of the Senators can represent the views of a majority of the people of the country and, unlike the other body, where there exists the concept of one man, one vote, a majority of the Members of the House of Representatives do generally agree with a majority of the people, but in the Senate where only one-third are elected every 2 years it may not at a given time. Rule XXII of the Senate provides an additional safeguard against the tyranny of a majority which, of course, makes this body unique.

Mr. President, our Founding Fathers were aware that excesses of democracy can be dangerous. To safeguard against extremes they gave us a republican form of government, with its delicately contrived system of checks and balances of which freedom of debate in the Senate is at least an implied, if not actual, part. Through free debate, the Senate provides machinery by which all measures affecting the lives and fortunes of the American people can be tested by unhurried examination by the collective intelligence of a body created to be one of our governmental checks and balances.

President Woodrow Wilson once made a powerful and persuasive argument in behalf of the necessity for freedom of debate in the Senate when he stated:

> It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will of its constituents. Unless Congress have and use every means of acquainting itself with the acts and the disposition of the administrative agencies of the Government, the country must be helpless to learn how it is being served and unless Congress both scrutinizes these things and sift them by every form of discussion the country must remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct.
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> The informing function of Congress should be preferred even to its legislative function. The argument is not only that discussed and interrogated administration, is the only pure and efficient administration, but more than that, that the only really self-governing people is that people which discusses and interrogates its administration.

Mr. President, every piece of legislation enacted by Congress has tremendous impact upon the rights, properties, and daily lives of every man, woman, and child in America. Before any law is enacted it should be subject to free and extensive debate, to careful study and deliberation. The consequences of its enactment should be discussed freely, openly, and at length so that the people may be fully informed and given every opportunity to voice their protest before it is too late.

I would add, Mr. President, that we have a matter, I think, of the gravest importance that will be coming before Congress this year. We have the prospect of a deficit of a tremendous amount of money during the coming fiscal year. The administration is submitting a budget with a deficit of $52 billion. The chairman of the House Committee on Appropriations suggests that the deficit for this year and next might even reach the proportion of $166 billion—a staggering amount, without precedent in the history of our country.

It would seem ridiculous to me that we would enact legislation appropriating funds such as has been suggested and may be considered without having full, open, and detailed discussion.

We have other matters that come before us which should also be subject, when necessary, to extended debate.

A slight digression here should be made on what our Founding Fathers intended for us to pursue. It being very applicable, I would like to insert a quotation from the Federalist Papers. Either Madison or Hamilton wrote:

> The necessity of a senate is not less indicated by the propensity of all single and numerous assemblies to yield to the impulse of sudden and violent passions, and to be seduced by factious leaders into intemperate and pernicious resolutions. Examples on this subject might be cited without number; and from proceedings within the United States, as well as from the history of other nations. But a position that will not be contradicted, need not be proved. All that need be remarked is, that a body which is to correct this infirmity, ought itself to be free from it, and consequently ought to be less numerous. It ought, moreover, to possess great firmness and consequently ought to hold its authority by a tenure of considerable duration.
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> The mutability in the public councils, arising from a rapid succession of new members, however qualified they may be, points out, in the strongest manner, the necessity of some stable institution in the government. Every new election in the states, is found to change one half of the representatives. From this change of men must proceed a change of opinion; and from a change of opinion, a even of good measures is inconsistent with change of measures. But a continual change every rule of prudence, and every prospect of success. The remark is verified in private life, and becomes more just as well as more important in national transactions.

An early Virginian, the revered Thomas Jefferson, wrote in his manual of parliamentary procedure:

> The rules of the Senate which allow full freedom of debate are designed for protection of the minority, and this design is a part of the Constitution. You cannot remove it without damaging the whole fabric. Therefore, before tampering with this right, we should assure ourselves that what is lost will not be greater than what is gained.
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> Reference to our constitutional history discloses that the Founding Fathers envisioned the Senate as a legislative forum comprised of our most mature and experienced legislators. They intended that the Senate would be a deliberative body where freedom of debate and thorough consideration and evaluation of all pending business would serve the salutory purpose of safeguarding the nation and the American people against hasty and impetuous action by the House of Representatives.

Since coming to Congress a little over 8 years ago, I found that the two bodies have changed somewhat. It used to be, when sitting in the House of Representatives, we considered ourselves to be the conservative body of Congress. But I fear that, with the elections last fall, we may not have changed any to the right, but the changes that took place in the House of Representatives may make the Senate the most conservative body of Congress.

In conclusion, Mr. President, we must not lose sight of a few simple facts about the origin and the composition of the Senate. It is impossible to compare the Senate, with any degree of accuracy, to the rule by a popular majority. The very composition of the Senate, where all States are equally represented, each having two votes, prevents such a comparison.

Have we forgotten that everyone at one time or another belongs to a minority? Have we lost sight of the unchanging truth that unbridled majority rule without restraint can be a form of mob rule?

Are our memories so short that we have forgotten the maxim that free government, by destroying dissenting opinion, thereby destroys itself?

With unlimited debate, subject as we are here in the Senate to a cloture vote upon a two-thirds vote of the Senate being able to cut off debate, all Americans have an assurance that no act jeopardizing their rights will ever be proposed without some Member of the Senate having the opportunity to resist it and to warn the Nation of its consequences.

Mr. President, I would like to commend the distinguished Senator from Alabama (Mr. ALLEN) for the thoughtfulness of the action that he has taken, the leadership position that he has taken, here in the Senate in discussing at great length the question of the amendment of rule XXII to change the percentage necessary to cut off debate from two-thirds to 60 percent.

I feel that we would not have the rights of the minority protected by reducing the number of votes necessary to close debate. The distinguished Senator, through his knowledge of parliamentary procedure, through his knowledge of the history of the country, and because of his devotion to the welfare of the people of the country, has taken this position of leadership, and I commend him for it. I just offer, when the need arises, to volunteer my own services in assisting him, as I know is true of many Members of this body, so that we can speak at length on the subject now before the Senate.

Mr. ALLEN. Mr. President, I thank the distinguished Senator from Virginia for the fine contribution he has made to this discussion. I thank him for the kind references he has made to me.

I will state that each time the rights of our people are involved, each time the Federal bureaucracy seeks to run a steamroller over the rights of our people, the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) is always present to give aid and assistance and to do battle for the principles that he believes are right and just, and in the interest of all the people.

Mr. President, the motion that we now have before us, which is the first half of the overall motion made by the distinguished Senator from Kansas (Mr. PEARSON), moves that the Senate proceed to the consideration of Calendar item No. 1, Senate Resolution 4, amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate.

Mr. President, that is a proper motion. It is made in good faith, I know. It is subject to debate, and is being discussed at this time by a number of Senators.

It does not raise any constitutional question. Actually, Mr. President, there is no constitutional question. We hear on the floor orators on both sides talk about the supremacy of the Constitution over the Senate rules. Well, sure, the U.S. Constitution would take precedence over any rule of the Senate. The rule of the Senate with respect to limitation of debate, as embraced in rule XXII, is in no sense, in no degree, contrary to any provision of the Constitution, so there is not any constitutional question involved.

They say there is a great issue here about whether the Senate at the start of a session can amend its rules, conceding—I assume, that is, my majority vote at any time other than at the start of a session.

But I have searched the Constitution fairly carefully, and I have searched it very carefully on this particular point. There is not one single word in the Constitution indicating that there is a different constitutional rule or principle involved which would indicate that there is any difference in the manner and method of amending the Senate rules, whether made on the first day of the session or the last day of the session.

We hear so much about that, but never yet have they read that from the Constitution.

Oh, they give their interpretation of what the Constitution means, that there is some great distinction about the start of the session, it has got to be done without debate, apparently, they think now.

They do not usually contend that. They contend the majority can cut off debate and that it can be brought to a vote by a majority vote of the Senate. The Constitution requires that, so they say.

I make this challenge to any Member who is trying to come in through the basement door on the Senate Resolution 4, if it can be pointed out to me that the Constitution provides a different rule for amending the Senate rules at the start of a session from that that exists anywhere during the session, I will vote for the rules change, that is all it takes. Show me what they say is the rule, show it to me. If the Constitution says that, I will vote for the rules change, I will quit debating right this moment.

There is nothing in the Constitution that makes any distinction about the start of a session, in the middle of a session, at the end of a session.

All it says is that it takes a quorum to transact business and that both Houses can make their own rules.

Well, the Senate has done that, the Senate has made its own rules, and what are those rules?

Well, the rules are that Senate rules carry forward from one session of Congress to another session and that they cannot be changed unless they are amended as provided in the Senate rules.

That means all of the Senate rules, all provisions of the rules have got to apply to any attempted amendment of the Senate rules.

Well, what does it say about amending the rules? Under the rules, I might state, this is not in the Senate rules, it is sort of an anomalous situation, that the rules do not say that it takes two-thirds vote to suspend the rules, but yet by precedent, by ruling of the Chair, it does take a two-thirds vote to determine the Senate rules—to suspend the Senate rules, not amend them, but just to suspend them for a particular purpose.

Well, actually, that is on this document put in by the distinguished Senator from Kansas. I contend, in the first place, it is merely a unanimous-consent request.

Now, they talk about the burdensome nature of the two-thirds requirement to cut off debate. They say that is burdensome, hard to get.

Well, it is not hard to get. In this Congress, in the last 2 or 3 days, 3 or 4 days of the Congress, they invoked cloture three times by top-heavy votes, when there was not even a debate. They filed a cloture petition, voted on it a couple of days later and invoked cloture.

Now, cloture has got a double feature. One, it eliminates nongermane amendments; and, two, it sets a definite limit on how long the debate can go on before there is a vote.

One of the purposes of those cloture motions and votes was to eliminate the possibility of a nongermane amendment.

The trade bill, for instance, cloture was invoked on that without a single speech being made with reference to the bill. They could not say cloture was needed because nobody was debating. They moved and got cloture by a vote of 71 to 19.

So there is no difficulty in getting cloture if there is sufficient reason for the enactment of the measure as to which cloture is obtained. But whenever the Senate wants to act, this little two-thirds requirement does not prevent the Senate from moving rapidly, to work its will with respect to legislation.

They say two-thirds is burdensome, it ought to be 60 percent. Well, 60 percent would be fine, so some say. I prefer the two-thirds.

The Constitution sets the two-thirds requirement for a vote in the Senate on important and weighty matters. Thus, Mr. President, it takes a two-thirds vote to ratify a treaty, it takes a two-thirds vote to expel a Member, it takes a two-thirds vote to override a Presidential veto, it takes a two-thirds vote to submit a constitutional amendment, and perhaps there are other two-thirds vote requirements.

The matter of cutting off free debate in the U.S. Senate is a weighty matter, that is a matter of paramount importance, and the two-thirds vote is a reasonable requirement.

One other two-thirds vote requirement that I overlooked in trying to enumerate

them, it takes a two-thirds vote to convict on an impeachment proceeding.

Now, Mr. President, one of the arguments made by the proponents of this gag rule resolution is that each 2 years we have a new Senate and new rules have to be adopted or they can be amended by a majority vote.

The fact of the matter is that as far as I know they have never readopted in one Congress the rules of the Senate in the preceding Congress. Why? Because they do not need to. The rules say they can carry forward from Congress to Congress unless they are amended.

The question is raised by proponents of the gag rule about whether the Senate is a continuing body. To believe that you have no rules at the start of a new Congress and can adopt anything you want to by a majority vote is based upon the premise that we have a new Senate every 2 years.

Well, that is not right. I believe the distinguished majority leader, in the great speech he made—I am going to save that speech as I have a copy of it that he gave me—made an interesting observation with regard to the continuing nature of the Senate.

He said suppose we had been involved in the trial of an impeachment here in the Senate toward the end of a session. Could it have been contended that when the new Members came in following an election, and a new Congress, that they would have to start over on the impeachment trial?

The majority leader said we had already decided that point; that if that had come about the position was taken that the Senate was a continuing body; that it could continue to hear the evidence, and that it could continue with the proceeding even though there were new Members.

I daresay, Mr. President, that the sponsors of this gag rule would have been among the first to say "Under those circumstances, on the trial of impeachment, no, we do not have to start over. The Senate is a continuing body. Let us go on with the trial."

And they would have been right. They would have been right because the Senate is a continuing body.

It is interesting to note, I might say, that some of these desks go way back to the days of Webster, Clay, and Calhoun. I believe Senator THURMOND, of South Carolina, has John C. Calhoun's desk.

Senator Norris Cotton had Daniel Webster's desk.

There it is over there, where Senator Cotton used to sit. Senators can see it is a little bit different from the other desks. It is raised a little bit higher. That was Daniel Webster's desk.

That is just a little background information further indicating the continuing nature of the U.S. Senate.

Yes, rules were made by the Senate in the early days, and many of those rules are still the rules of the Senate. Senate rules are based largely on Jefferson's Manual, which he prepared when he was Vice President of the United States. It was in compliance with the constitutional provision when the Senate promulgated its rules and dropped them.

They did not always have a rule XXII. In the early days of our country, on about three or four occasions prior to 1807, the method of calling for the previous question was used some three or four times. It fell into disuse in 1807. From 1807 to 1917, 110 years, there was no way in the world to stop a Member of the U.S. Senate from talking as long as he wanted to on a debatable subject—110 years.

Mr. President, during that 110 years we have had some of the greatest of U.S. Senators—Clay, Calhoun and Webster, George Norris, Hiram Johnson, La Follette; from my own State John T. Morgan and Edmund W. Pettus served with great distinction in the U.S. Senate.

Then from 1917 down to the present time we have had rule XXII.

Mr. President, let me point out something about rule XXII that is not generally recognized. Rule XXII is not a license to engage in extended debate.

They talk about rule XXII, about how bad rule XXII is. If we did not have rule XXII there would not be any limitation at all on debate. We would go back to the condition that existed in the Senate from 1807 to 1917. It was in 1917 that rule XXII was adopted. If you kill rule XXII, you are going to end up with a Senator talking just as long as he wishes to talk.

Rule XXII puts a ceiling on extended debate by providing that two-thirds of the Senators can cut off debate. So rule XXII is a rule of restriction rather than one of license.

Mr. President, I started a moment ago—I digressed momentarily—to read this great statement by Senator MIKE MANSFIELD, Democrat of Montana, February 20, 1975. Senator MANSFIELD is one of the greatest Senators who has ever served in this body. When I came to the Senate in January of 1969, I had never had the pleasure of meeting Senator MANSFIELD. I did not know the measure of the man. I was open to being convinced as to his character, as to his leadership, as to his honor. The one circumstance more than any other that formed my estimate of the character and measure of this man took place when the same issue was under discussion in the Senate. There, the effort was being made not by going in the basement door, throwing the rulebook out the window, and resorting to this effort to have majority cloture. The effort was being made to invoke cloture, I thought, according to the rule.

When they had the cloture vote to cut off debate, I do not believe that at that time they had the motion to proceed to consideration of the measure. I believe the measure, itself, was before the Senate. I could be mistaken. The issue is the same. It is not important. Debate went on for several days. The cloture motion was filed. A majority of the Members of the Senate voted for cloture, but that majority constituted less than a two-thirds majority. It was very close. The vote was about 51 to 48. It was in that range, anyhow.

The Presiding Officer, Vice President HUMPHREY, had been a part of a stratagem 2 years before to try to get debate cut off by majority vote. It failed then, so they tried another vote.

In 1967, they tried the route they are trying now, and the Senate voted down the effort. They were looking around for various ways to accomplish that, and they went in the front door to try to get cloture.

Vice President HUMPHREY then pulled out his card and read his ruling, that since it was the start of a session and since a majority voted for cloture, not the two-thirds required by the rule, but a majority voted for cloture, cloture had been invoked. That ruling of the Vice President remained a precedent for 20 minutes, because Senator Holland of Florida appealed from that ruling.

The Vice President said that cloture had been invoked; and under the cloture rule, appeals from rulings of the Chair were not debatable. Therefore, he cut off Senator Holland, as well as others who wanted to debate, from debating the point of order on the appeal.

The vote was taken. It came to Senator MANSFIELD. Here was Senator MANSFIELD, the majority leader in the Senate, supportive of Democratic efforts, being called on to pass on a ruling by Vice President HUMPHREY, the titular head of the party. The question always is put: "Shall the ruling of the Chair stand as the ruling of the Senate?" To my pleasure—not so much on the issue, but the character of this man—Senator MANSFIELD voted "No"; that is, that the ruling by the Vice President should not stand as the ruling of the Senate. So the ruling by Vice President HUMPHREY that a majority, less than a two-thirds majority, could invoke cloture was reversed by the U.S. Senate.

I have admired Senator MANSFIELD more and more since that time—a man who will lay politics aside, vote against a vehicle or maneuver that would have accomplished what he wanted to accomplish, but voted against it because it was wrong. It takes character to do that.

That was January of 1969. Here it is 6 years later. Has Senator MANSFIELD's view changed on this issue? Let us see. Only three or four Senators were in the Chamber when Senator MANSFIELD delivered this address.

The motion was made by the distinguished Senator from Kansas (Mr. PEARSON) that we proceed to the consideration of Senate Resolution 4. Then was added this remarkable—I say that charitably—language, after saying that we should move to proceed to the consideration of the resolution:

> . . . and that under Article I, section 5 of the United States Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately putting this question to end debate to the Senate for a yea and nay vote.

In other words, the Chair should cut off debate.

> . . . and upon the adoption thereof by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate without further debate, the question on the adoption of the pending motion to proceed to the consideration of Senate Resolution 4.

In other words, they had it prepared under the domino theory of the war in Southeast Asia, that where one country is going to topple and leans against the next country, that will topple, too. The whole line of dominos was just going to topple, without further debate on this resolution.

What did Senator MANSFIELD say? This belongs to the people. It is in the RECORD. He did not insert it in the RECORD. He delivered it on the floor of the Senate.

The motion before the Senate—the Pearson motion I just described—again raises the question that has confronted each Congress for nearly two decades. It is whether the Senate of the United States is a continuing body.

I have been making these same points in a rather haphazard fashion. Senator MANSFIELD puts so much logic and reasoning and good commonsense into his few lines of comment that I do want to read it word for word.

> One would suppose that the character of the Senate as a continuing body has long been established;
>
> A little later on, if the session continues much longer, I shall read about the compromise of 1959. It laid to rest, supposedly, the matter of whether the Senate is a continuing body. I shall not do that for the time being.

Mr. President, as I have stated, Mr. MANSFIELD said as follows:

> One would suppose that the character of the Senate as a continuing entity has long been established; that two-thirds of its membership of the Senate carries forward from one Congress to the next would appear to underscore that fact. Following each *sine die* adjournment the Committees of the Senate continue to meet, seats are filled and as has been highlighted in recent months, the Senate could even proceed with the trial of an impeachment originating in an earlier Congress. To say at the same time that somehow the Senate Rules expire tests the most basic assumptions and procedures and responsibilities of this institution as prescribed by the Constitution. That clearly was the view of the Senate in 1959 when S. Res. 5 was overwhelmingly adopted to amend Rule XXII so as to enable two-thirds of the Senate present and voting to close debate on any matter including proposals for rules changes. That resolution also amended Rule XXII by adding this implicit language: "The Rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules."
>
> In spite of the history of the Senate as a continuing body with continuing rules, the issue of cloture by a majority is again before us and must again be resolved.
>
> The Senate of the United States is unique among parliamentary bodies. Because of the tradition of unlimited debate in the Senate, even though that principle has been diminished by Rule XXII, the rights of the minority have always been secure in this Chamber. That is what gives the Senate of the United States a unique stature among parliamentary institutions.
>
> What the motion before us seeks to do is to destroy the very uniqueness of this body; to relegate it to the status of any other legislative body, to diminish the Senate as an institution of this Government.
>
> The proposition now under discussion to move the consideration of S. Res. 4 clearly envisions the invoking of cloture by a simple majority. The members of this body should fully understand the implications of that course of action.
>
> In the past, I have favored proposals to change Rule XXII, to require three-fifths of those present and voting instead of the present two-thirds required to invoke cloture. In all candor, however, I must say that with the passage by the Senate of the landmark Civil Rights Acts since 1964, I do not feel the sense of ugency for the change of Rule XXII I once did. Even so, I still support the three-fifths concept embraced by Senate Resolution 4 because I think it would be an appropriate compromise between those who prefer the present rule and those who would prefer a simply majority rule.
>
> I favor a three-fifths principle, too, because I believe it does not destroy the essential character of the institution of the Senate.
>
> A three-fifths rule, if adopted, would be an equitable way to balance the interest while, at the same time, preserving the principle of protecting the minority positions in this body.
>
> I also believe that if we adopted Senate Resolution 4 it might bring to an end the biennial struggle over the changing of the Senate rules which has occupied so much of our time and our energies at the beginning of each Congress.

Now, these are some sledge hammer blows by Senator MANSFIELD against this effort to gag the Senate. He continues:

> But the fact that I can and do support the content of Senate Resolution 4 does not mean that I condone or support the route taken or the methods used to reach the objective of Senate Rule XXII.
>
> The present motion to invoke cloture by a simple majority vote, if it succeeds, would alter the concept of the Senate so drastically that I cannot under any circumstances find any justification for it.
>
> The proponents of this motion would disregard the rules which have governed the Senate over the years, over the decades, simply by stating that the rules do not exist. They insist that their position is right and any means used are, therefore, proper.
>
> I cannot agree.
>
> Therefore, Mr. President, in order to question the propriety, under the United States Constitution, of the motion to end debate offered by the distinguished Senator from Kansas (Mr. PEARSON), I will make a point of order at the proper time that the motion is out of order.

Now, Mr. President, that point of order was debated here, in the Senate, for possibly 2 hours or more, even though, at any time, the proponents of Senate Resolution 4 could have moved to table the point of order. That is a rather strange maneuver, but it is permitted by the Senate rules. When a point of order is made, we ordinarily think that a Presiding Officer will rule on that point and if any Senator on either side objects to that ruling, he can appeal. But it was agreed and understood that the motion to table would be made. The Vice President issued an opinion more or less stating that the point of order was debatable; and it was debatable, except that that debate could be cut off by a motion to table. So he did not really say very much when he said it was debatable.

Then the motion to table was made, and the Vice President followed Mr. HUMPHREY in his 1967 ruling.

That ruling was repudiated by the Senate in a matter of minutes after Vice President HUMPHREY stated what his plans were on his ruling, and it has been so repudiated that it was not tried again for 8 years. Then they got the notion that they would go this route rather than go the cloture route—the basement route rather than the front door route.

So the motion to table carried. The Vice President had indicated, in response to parliamentary inquiries by the distinguished Senator from New York (Mr. JAVITS), that if the motion to table had carried, he would then put the Pearson motion to a vote. But this motion has two parts: one respecting the constitutional question—that is the second part—and the first part, not raising any constitutional question. The Vice President then, very properly under the rules and precedents of the Senate, ruled that the motion was divisible, and that the first part of it was and is debatable. Hence the discussion at this time.

So, Mr. President, a method is being used that was repudiated by the Senate 8 years ago to avoid following the Senate rules. Senator MANSFIELD refers to that by saying—I forget his exact words—he said, "The proponents of the motion would disregard the rules which have governed the Senate over the years simply by stating that the rules do not exist."

Well, that is an interesting circumstance, to will the Senate rules out of existence and say they do not exist, therefore we will handle it any way we want to.

The Senate rules do exist, Mr. President, and I am hopeful that they will continue to exist until they are amended in accordance with the Senate rules. That is all it takes; just follow the Senate rules. We are governed by rules here in this Chamber. We expect the public to follow rules. We expect the people to be law-abiding, and these are our laws. We are governed by the laws of the land, and we are governed by the Senate rules.

Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Mississippi (Mr. STENNIS) for such time as he might care to use without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I certainly thank the Senator from Alabama for his courtesy, and I thank the Senate for their courtesy also.

Mr. President, illustrating, here, now, in a very practical way, the point that the Senator from Alabama has been making, I refer back, in the precedents of the Senate, to a matter which happened before this rule was changed that is now the second part of rule XXXII. Even before it was spelled out in language that the rules of the Senate shall continue from one Congress to the next Congress unless they are changed in accordance with these rules, it was the precedent of the Senate, and was so recognized and acted on in some of the most serious affairs affecting the Senate and its Members, as is illustrated by a matter we had here in 1954. I remember it very vividly, because I was selected as one of the six members of a select committee that had to look into a matter concerning one of the Members of the Senate.

The situation at that time was that the second session of that Congress had already adjourned sine die, but had left this special committee here to look into the matter, and we got back into some charges against one of the Members of the Senate, concerning something he did

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before a subcommittee of the Rules Committee.

We ran into the fact, there, that this subcommittee of the Rules Committee had had a vacancy filled during the recess of the Senate, and the question came up whether there was authority to fill that vacancy. If the vacancy had not been legally filled, then that was not a legal subcommittee and the Senator could not possibly have been in contempt of the subcommittee, because it did not have legal standing, legal substance, or legal anything.

Our subcommittee held, and the Senate upheld us, that the Senate was a continuing body and its powers were not cut off. The chairman of the Rules Committee at that time, under the rules, had the authority to fill vacancies, and he had filled that vacancy between the sessions, or after the regular session had expired, the second regular session of the Congress, but that was held to be a legal subcommittee and a legal appointment.

It turned out that charges were brought against this Senator in the form of a resolution that came to the Senate floor, and naturally was very vigorously fought and opposed to the very limit, but the Senate upheld the ruling of that subcommittee to the effect that that vacancy had been properly filled, because the Senate was a continuing body, and the Senate went on, then, and adopted that proposed resolution of censure. There could not have been a more vital matter in any way to the Senate, and more particularly to that particular Member.

That is just one illustration, among an overwhelming number of illustrations that have happened over the years, so well establishing this fact.

Then in 1969, I believe it was, this rule XXXII was written into stone, you might say, in black and white, and became a part of the written rules of the Senate.

I know it was generally conceded everywhere that it was already the rule of the Senate. But, as a part of a compromise settlement here with reference to debate on a charge in the rules, just as the Senator from Alabama says, even though it was before his tenure of service, these two and one-third lines were written in as a part of rule XXII—

> The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

Nothing could be plainer and clearer, and nothing could be better established by precedent. Here, as recently as December of 1974, we can all recall that a matter came before the Rules Committee of the Senate regarding an election in the State of New Hampshire, and the argument was made there that the old Senate had no jurisdiction of that election contest but would have to await the arrival of the so-called new Senate in January of 1975 and, therefore, the Committee on Rules of the Senate could not proceed with any orders or any action or anything in connection with this election contest matter from New Hampshire.

But a majority of the members of that committee, the Rules Committee, voted, in effect, that the Senate was a continuing body, that it had not expired when we adjourned sine die here last October, late in October, and that they nevertheless had jurisdiction to inquire into the election of November 1974 for an office the term of which did not start until January 1975.

That group continued beyond then and filed a resolution here, as everyone will recall, that came before the Senate in due time and, after debate, it was disposed of.

So there are two illustrations of the continuity of the Senate, and the operation of the rule, no question about it that it is a continuing body, and no question about the fact, too, according to the written, plainly spelled out words of the rules themselves, that they can be changed only as provided in those rules.

Mr. President, this is not a matter that just concerns some individual, and this is not a matter to be laughed about or smiled about. This is not a matter that some side won and some other side lost. The whole Senate loses when we defy or neglect or overrule our own rules.

I, too, commend the majority leader, whom I have heard argue here many, many times over the years past, for the so-called three-fifths majority rule to invoke cloture. He believes that, he lives what he believes, he is for it, and he stands for it, and he will vote for that change in the rule because of those beliefs. But he will not butcher the other rules or run by them or run over them or run through them or disregard them or misinterpret them. He is going to adhere to the plain language of the rule, and he will live with the rule requiring the two-thirds, even though he does not favor it, until it is changed according to our written rules.

Mr. President, with all due deference to anyone who voted the other way, I think he could well take another look at this entire picture. There is no victory here for anyone. We all lose when we run by the red light or when we run over that which is not just a red light. But, in a way, the principle of following our rules, except by unanimous consent, is much of the body and soul of this institution. Something has made this body unique in the history of nations and, particularly, self-governing nations, where the people do select their leaders who make their laws, and select their leaders who execute their laws.

Something has made this United States unique, and it was not the men who happened to be elected to it at any particular time. It was not the talent of anyone who might have been elected to this body at any particular time. Certainly the membership is no smarter than anyone else or more able than anyone else or have more character or principles or ideals that are any higher than any other person or group of persons. But the great determining factor, I think, is that this rule or a similar rule to one along that line—in the old days it was much more severe—has made this body different, and those rules have been respected and followed, including the rule back in the days when there was not any way to mandatorily cut off debate before there was a rule XXII.

But the custom became the rule, and it was respected. When the day came that there had to be some kind of limitation or some kind of an adjustment and regulation here, where matters had to be more promptly settled, some of them led to the writing of the original rule XXII, and everyone then submitted to, was restrained and restricted, and followed that rule XXII.

I remember the days when, by interpretation and by the plain language, too, rule XXII permitting a two-thirds majority to cut off debate did not apply to a motion to take up a measure, and there was a lot of complaining and all about it, but no one thought about not letting that rule control when it was invoked. We would have long debates here on a motion to take up which was an endurance contest sure enough, but there was not any rule to cut off debate mandatorily on a motion to take up.

So, in the course of the years, there was a spirit of adjustment and, I think, it was at the very same time that we wrote in this provision here in 1959—not 1969—when this provision was written in, January 12, 1959. We wrote in the provision there which was already the rule that I will read next for the benefit of those who have come in—I see the Senator from Louisiana is here, and he was a part of those debates—and quoting the rules of the Senate.

> . . . shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

That was a part of the settlement, the compromise. The other was that a motion to cut off debate would apply to a motion to take up a measure, a motion to let it become, to make it become, the pending order of business.

Those matters were settled here in an honorable way by men that were highly conscious of what they were doing and written out here in black and white and passed on by the Senate and have been prevailing and controlling here all these years.

I hope and pray that there will be a second thought and a second look, and I believe there will be—I believe there will be.

I have seen a second consideration, a second look at this very matter, and there are enough of those that want to change the rules, but at the same time are not willing to go out of bounds in order to cross the goal line. They are willing to stay on the playing field, if I may use that term, and reach the goal line as they conceive what the rules ought to be, according to the rules that now exist.

When this matter comes up again, when there has been more time to reflect and think about it, there could well be a change here in what is, after all, a rather close vote.

By the way, Mr. President, I want to observe, too, the habit or the pattern that we have fallen into here. It is partly necessity because there are so many other things to do, but the habit and pattern that we have fallen into here of not having real debates here on the floor of the Senate where we can exchange views, and there is a chance to impress others, and there is a chance for those that have a yearning for more learning or light of commonsense on the subject, whichever you may call it.

There is a great need for reinstitution of those habits of debate, or patterns of debate, as I will call it, where men, acting under their responsibilities here, representatives of States in this great institution—and I do not use that word "great" lightly, for it is said it was unique—that are here as Members of this unique and truly great institution, where they can have a better chance to exchange ideas and weigh their own conclusions that they have had therefore and either reform them through their reasoning or see where they might have been in error in part and have a chance then to modify or even outright change their position.

I long for those days to come back and I would not appreciate anything now about the situation in the Senate, I am for the Senate, I love it, but the good that often comes from men meeting here and exchanging these views as I have described, much of that good has gone out, for one reason or another, and there were some laudable reasons why we cannot get to it that way again.

I believe if we could sit here, 50, 60, or 70 Members of this body, and have a real debate over this matter, a seasoning debate I call it, and an exchange of views back and forth, and a consideration and reconsideration of what the stakes are here, what is the consequence of a vote that went the way that did this afternoon, what change will that bring, not just a change from two-thirds to three-fifths, but we will have brought in the precedent here, a precedent of overriding our own rules and in a way not provided therein.

As a matter of fact, in a way that is prohibited by those rules, that is what we have done. When we did that, I think one of the better phases, one of the better virtues of this body went out and it would be different—it would be different.

So, I hope we reconsider and that we recover our contemplative and deliberative habits and patterns and I think that would be very helpful to all of us, including those that have been here over some several years, as well as those that got here within the last few weeks.

I do not know at this time that I can add any more to the points that I have made here, but I do long for a reconsideration of this matter before it is too late. Before it is too late, and wish we could have 2 or 3 days of real debate attended here, a minimum of the membership attending here to rehash and review this entire matter from beginning to end and try to weigh the consequences of not abiding by our own rules, try to weigh the wisdom of the words here given by our own leader.

As I have already said, he has fought here for years for the so-called three-fifths rule, but he is not willing to take it at this price, take it at the price of overruling and overrunning and pushing aside and breaching the rules that we already have.

I do not discount any of the pressing matters that are on us now about the energy crisis, and we must do something about it. I do not discount this very illuminating and grave discussion that we had at the White House this morning by our Secretary of State who just returned and gave us a report on matters, the graveness of which could not be overstated or overimagined. I think we are in as grave a time as I have ever known here, but we will find solutions to those things, I think, much quicker and more readily than we will find a solution here if we override our own rules and abuse them and ignore them just in an effort here to change from two-thirds to three-fifths, the so-called rule XXII.

I want to make one further observation and I will be through, for the time being, anyway.

I have seen, with considerable satisfaction, the change of mind, change of heart, change of outlook on behalf of numbers of our Members over the years with regard to the need to have some rule of restriction and some rule that curbs the membership in hastily acting some rule that would make this a unique body.

There have been many that I could call by name who, as they stayed here—and as the late Senator Hayden of Arizona used to say, as the years gave them more seasoning, was the way he expressed it—they would come to realize the wisdom of rule XXII.

Many of them who at one time fought for the change of the rule, to let us have just a majority settle these matters that had come up for consideration, switched over either to the three-fifths rule or maybe two-thirds, because of their realization of the need.

I do not know of anyone who has ever been able to really evaluate and give an illustration of real harm that came to the country because of the operation of this requirement of rule XXII.

I say harm to the country. The membership might have been inconvenienced, and some people might have been inconvenienced, some so-called needed changes might have been delayed just a little, some weeks, months, or maybe even a year or more. But as to real harm, I have never heard anyone who would get up and seriously claim that real harm to the Nation had come because of the use of taking more than a majority to cut off debate.

That being true, there must be something good in it besides just the uniqueness that I have referred to as making this body distinct and different. I did not say superior, or anything of that kind. I want to negate all that idea or concept that the membership here is superior, better, or more profound than any others. I say this body is unique in having these curbs and protections.

No harm has been done to the Nation because of it, but, to the contrary, great good has come. Sounder and better legislation has been finally enacted under the same rule because of this restart, trial and error, debate, and further examination of the facts.

Here in one vote, should this continue to stand, the whole idea in many ways would have been blown to smithereens and gone. You cannot capture the things that go away any more than you can pick up the color from a bottle of red ink spilled on this blue carpet.

So I hope, Mr. President, that we can deliberate in our own way with ourselves on this matter, and debate it some, at least.

I will come and listen to the other side argue their case. I want them to consider it in their own minds and not just listen to us speak, to have the benefit of the exchange of views and reconsideration of ideas.

I again thank the Senator from Alabama for yielding to me. The Senator from Alabama has the floor.

Mr. ALLEN. I thank the distinguished Senator from Mississippi.

Mr. MANSFIELD. Will the Senator yield to me without losing the right to the floor under any circumstances?

Mr. ALLEN. Yes, without it being another speech.

ORDER FOR RECESS TO 9 A.M. TOMORROW AND RECOGNITION OF SENATOR ALLEN

Mr. MANSFIELD. Mr. President, I am about to propound a two-pronged unanimous-consent request. I would like to have both prongs considered together.

First, I ask unanimous consent that when the Senate completes its business tonight it stand in recess until the hour of 9 o'clock tomorrow morning. If that request is granted there will be no morning hour. There are no special orders. After the courtesy extended to the two leaders, after that had been complied with, the Senate would go immediately into the pending business.

I ask unanimous consent that after the consideration given to the two leaders, the distinguished Senator from Alabama (Mr. ALLEN) be recognized to have the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing order was subsequently changed to provide for the adjournment of the Senate until 9 a.m. tomorrow.)

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. ALLEN. May I have the floor for just a moment? I want to ask a question.

Mr. President, would it be in order for the Senator from Alabama to move to postpone the matter under consideration to the next legislative day and continue his remarks with reference to that motion?

The PRESIDING OFFICER. I am advised that such a motion would be in order.

Mr. MANSFIELD. Mr. President, if such a motion is made, I would have to

object out of courtesy to the others on the other side, until they had been consulted.

Mr. ALLEN. The Senator objects to what?

Mr. MANSFIELD. I said if the request was made to put it over to another legislative day.

Mr. ALLEN. I did not make a request. I wanted to make a motion and then discuss it. I will not let it come to a vote.

Mr. MANSFIELD. Today?

Mr. ALLEN, No, sir.

Mr. MANSFIELD. Or any other time, if you can help it, I understand.

Mr. ALLEN. I merely want to speak with reference to that rather than to have another speech.

Mr. MANSFIELD. Mr. President, if the Senator would allow me to suggest the absence of a quorum without his losing the floor, I would like to discuss the matter with him further.

Mr. ALLEN. Very well.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum on that basis.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I speak now with the permission of the distinguished Senator from Alabama and without in any way abnegating his rights to the floor.

I ask unanimous consent that the previous unanimous-consent request be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW AND FOR RECOGNITION OF SENATOR ALLEN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. tomorrow; that after the joint leadership has been recognized according to custom and courtesy, the distinguished Senator from Alabama be recognized at that time to have the floor.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, could we couple with that request, a request that when the Senate completes its business tomorrow, it stand in recess or adjournment until Monday? Otherwise, a live quorum tomorrow would force us to come in on Saturday, and we do not have any business for Saturday.

Mr. MANSFIELD. I add to that request, with the concurrence of the distinguished Senator from Alabama, that when the Senate completes its business tomorrow, it stand in adjournment until 11 a.m. on Monday next.

Mr. ALLEN. Mr. President, I would rather not agree to that. I think we should go at this 1 day at a time. I do not feel that we need to have unanimous-consent agreements on into next week. There will be plenty opportunity to reach an agreement during the day tomorrow.

Mr. STENNIS. Mr. President, reserving the right to object—and I shall not object—will the Senator yield for a parliamentary inquiry?

Mr. ALLEN. I yield.

Mr. STENNIS. Should we adjourn over until tomorrow, the same matter would be pending before the Senate, and this appearance I have made here this afternoon, briefly——

Mr. ALLEN. It will die.

Mr. STENNIS. It will not count against me?

Mr. MANSFIELD. That is correct.

Mr. President, will the Senator yield to the Senator from West Virginia?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. Mr. President, I think it is rather imperative that the Senate act on the Penn Central measure. I voted against that measure, but I am advised that unless something is done pretty soon, somebody is going to be in a box with respect to salaries, and so forth.

I am told by the distinguished Senator from Indiana that it is imperative that the Senate act tomorrow, if possible—certainly, Saturday—or at some point soon, very soon, on the Penn Central matter, which the Senate passed the other day and sent to the House. It is my understanding that the House has amended the measure and has sent it back to the Senate and that further action now by the Senate is required.

May I ask the Chair if I am correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Would it be possible to get an agreement at this time that at some point tomorrow, 1 hour be set aside for debate on that measure, with the vote to occur immediately thereafter, without the Senator from Alabama losing his right to the floor?

Mr. ALLEN. Mr. President, I would like to accommodate the leadership in the matter, but I believe I would rather take a new look at it tomorrow. I believe that the way the matter stands now, under the agreement that has been reached, the Senator from Alabama would be recognized tomorrow to continue his informative discussion on the pending matter. I would just as soon not add anything else to it.

I think that somewhere along the line, a compromise can be reached to drop this effort to amend the rules and to go on with the Senate's business. I believe I would rather wait until tomorrow to reach that agreement.

Mr. ROBERT C. BYRD. As the Senator knows, I am on his side in respect to the motion by Mr. PEARSON.

Mr. ALLEN. I hope the Senator stays there.

Mr. ROBERT C. BYRD. The Senator from West Virginia will stay there.

Mr. ALLEN. I know that.

Mr. ROBERT C. BYRD. At the same time, the Senator from West Virginia and the distinguished majority leader do have some other responsibilities equally heavy.

Mr. ALLEN. Is the bill at the desk?

Mr. ROBERT C. BYRD. It is my understanding that it is at the desk.

Mr. ALLEN. Is the bill at the desk?

The PRESIDING OFFICER. Yes, it is.

Mr. ROBERT C. BYRD. Could we act today on it?

Mr. ALLEN. I do not believe we could, at this time.

Mr. ROBERT C. BYRD. Very well, I thank the Senator.

Mr. MANSFIELD. Mr. President, has the unanimous consent request been agreed to?

The PRESIDING OFFICER. Does the Senator mean just with respect to tomorrow, as he first stated?

Mr. MANSFIELD. Yes.

Mr. ALLEN. Mr. President, reserving the right to object, is it that there be an adjournment and that the Senator from Alabama be recognized? Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. ALLEN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield, without losing his right to the floor, so that I may suggest the absence of a quorum?

Mr. ALLEN. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum called be rescinded.

Mr. ALLEN. Reserving the right to object, and I do not want to object. How long does the Senate plan to stay in session?

Mr. ROBERT C. BYRD. The Senator has to object or not object.

Mr. ALLEN. I reserve the right.

Mr. ROBERT C. BYRD. The Senator cannot reserve the right.

Mr. ALLEN. Then I object.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate may be authorized, during the adjournment of the Senate over until 9 a.m. tomorrow, to receive messages from the President of the United States and that they may be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and at 6:10 p.m. the Senate adjourned until tomorrow, Friday, February 21, 1975, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate, February 20, 1975:

DEPARTMENT OF DEFENSE

Donald G. Brotzman, of Colorado, to be an Assistant Secretary of the Army, vice M. David Lowe, resigned.

DEPARTMENT OF JUSTICE

William B. Cummings, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years, vice Brian P. Gettings, resigned.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general:

Andrew W. O'Donnell — Arthur J. Poillon
Adolph G. Schwenk — Kenneth McLennan
Herbert L. Wilkerson — Joseph Koler, Jr.
Clarence H. Schmid

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general:

Francis W. Tief — William B. Fleming
Calhoun J. Killeen — Charles G. Cooper
Edwardy J. Megarr — John K. Davis
Darrel E. Bjorklund — William R. Maloney
George L. Bartlett — Charles D. Roberts, Jr.
Richard C. Schulze

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a), title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Kenneth D. Anderson, 455–52–4428.
Maj. Ronald L. Beyers, 316–36–0629.
Maj. Douglas D. Bright, 310–34–2500.
Maj. Vincent D. Brown, 505–40–5349.
Maj. Andrew Call III, 327–26–4830.
Maj. Vondell Carter, 579–46–7943.
Maj. Peter B. Cascio, 047–24–2812.
Maj. Hartwell F. Coke IV, 223–44–3651.
Maj. Joseph J. Doyle, 039–12–1943.
Maj. Clement F. Duble, 008–20–0676.
Maj. John W. Easton, 297–26–3502.
Maj. Paul A. Ebiner, 573–44–9790.
Maj. Robert A. Flick, 177–22–0971.
Maj. Dewey D. Foster, Jr., 248–38–6422.
Maj. William D. Coddard, 359–24–3927.
Maj. Alan J. Goldman, 036–22–1780.
Maj. James F. Hanaway, Jr., 039–22–3302.
Maj. Bruce G. Hansen, 528–46–1868.
Maj. Robert J. Hodges, 137–28–1743.
Maj. Russell L. Hopf, 494–32–2274.
Maj. Stanley L. Hopperstead, 222–22–9611.
Maj. Raymond M. Leonard, Jr., 245–46–0969.
Maj. Joseph N. Lessard, 004–26–9365.
Maj. Erle Martin III, 049–26–4914.
Maj. Henry E. McKay, 427–54–5190.
Maj. Dean A. Meucci, 322–28–8066.
Maj. Henry J. Myers, 402–36–1108.
Maj. Joseph A. Ah New, Jr., 576–28–7850.
Maj. David P. Otten, 331–26–4359.
Maj. Ernest C. Park, 004–26–3896.
Maj. John W. Piplow, 371–30–7874.
Maj. John M. Robb, 009–28–2599.
Maj. James H. Sams III, 241–48–8398.
Maj. Julius S. Schweich, Jr., 487–38–0473.
Maj. John L. Smith, 406–42–6812.
Maj Charles J. Sullivan, Jr., 577–46–9412.
Maj. Charles N. Teach, 294–28–0598.
Maj. Robert L. Trella, 550–34–9949.
Maj. William A. Treu, 512–34–3477.
Maj. Richard A. Vaux, 007–32–2762.
Maj. Joseph A. Washington, 223–44–6834.
Maj. John W. Watts, 428–60–9054.
Maj. Norman J. Weeks, 383–28–7089.
Maj. James A. Weston, Jr., 249–20–3114.
Maj. Donald R. Whitman, 520–30–7116.
Maj. Donald M. Wilson, 182–28–0030.
Maj. Dell R. Wightman, 529–38–2726.
Maj. Herbert E. Williams III, 059–28–1290
Maj. Frederick R. Wylie, 398–22–9381.

MEDICAL CORPS

Maj. Robert C. Bone, 414–52–3610.
Maj. Samuel L. Cooper, 263–26–8645.

DENTAL CORPS

Maj. Thomas L. Winans, 315–32–3919.

EXTENSIONS OF REMARKS

EMERGENCY HEALTH PROTECTION ACT OF 1975—HEALTH INSURANCE FOR UNEMPLOYED WORKERS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HEINZ. Mr. Speaker, today's unemployment rate stands at 8.2 percent, meaning that more than 7.5 million American men and women are now out of work. Increasingly, it appears that unemployment may go to 9 percent—or beyond—before economic recovery begins and joblessness declines.

The cost of unemployment is usually measured in macroeconomic terms such as millions of people out of work, decline in total work force, declining GNP, and sliding industrial production. But it is the personal human toll with which each unemployed worker must live and it is this personal toll which, though already staggering, still grows. What I refer to is the unemployed worker struggling with the fear and insecurity of not knowing when—or whether—work will again be available; scraping by on less than $70 per week; living with the certainty that in less than 26 or 52 weeks unemployment compensation benefits will end.

But there is also one more frightening cost of loss of work. Mr. Speaker, absurd as it may seem, in America loss of a job usually means loss of health insurance protection as well. When a worker loses his or her job, he or she must then decide whether to gamble with the family's health and economic security or to purchase individual family protection—if available—at monthly rates up to $100 per month.

At 8 percent unemployment, the estimate is that at least 3 million American workers with prior health insurance protection have lost or are in danger of losing coverage. We in Congress will be striving in the weeks and months ahead to bolster our sagging economy and to get workers back on the job. But in the meantime, we cannot allow the personal economic crisis of the newly unemployed worker to be compounded by a personal or family health crisis just because loss of job means loss of health insurance.

If we are to reduce the human suffering and insecurity from recession and unemployment while we struggle to right the economy, we must act now.

That is why I have introduced H.R. 3166, the Emergency Health Protection Act of 1975, to continue basic health insurance coverage of unemployed workers. The means and extent of coverage provided by my legislation would be exactly that which the person and his or her family had in effect previous to being laid off. Benefits would be provided through the program and insurance carrier under which the person was covered prior to being laid off.

Eligibility for coverage under my Emergency Health Protection Act of 1975 is simple and straight forward. First, the individual worker must be eligible for unemployment compensation benefits. Second, he or she must have been eligible for health benefits in the job just lost. Third, the unemployed worker must not be eligible for health insurance, because of previous employment or through the plan of an employed spouse or other family member.

Certainly we should not for a moment believe this program is a permanent problem. It is not national health insurance. Nor does it address the pressing need to control soaring health care costs or assure high quality health care to all Americans. Rather, it is an emergency, stopgap measure that will allow us to guard against additional human and economic suffering among those who are already casualties of recession and inflation. If we delay until we enact and implement national health insurance, it will be simply too late to avert tens of thousands of cases of needless additional human suffering at a time of serious economic dislocation.

I urge my colleagues to join me in pushing for immediate congressional enactment of my Emergency Health Protection Act of 1975.

JUSTICE FOR VETERAN WITH MULTIPLE SCLEROSIS

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SKUBITZ. Mr. Speaker, today I have introduced a bill for the relief of Mr. Thomas Warren Ralston of El Dorado, Kans. This bill would provide that under chapter 11, title 38 of the United State Code relating to payment of compensation for service-connected disability or death, the multiple sclerosis of Mr. Ralston shall be deemed to be a service-connected disability incurred while he was serving on active duty in the U.S. Navy.

Mr. Speaker, it is my judgment that Thomas Warren Ralston is clearly entitled to service-connected disability by reason of the diagnosis of multiple sclerosis within 7 years of his discharge.

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I am so persuaded by the merits of this case that for the first time in my 12 years in Congress, I have introduced a private bill. Inasmuch as Mr. Ralston has exhausted all administrative remedies in this matter it is his only hope.

In my years on Capitol Hill, I have worked with hundreds of veterans' claims, and I know that frequently hard-core evidence such as medical records, cannot be found. It becomes necessary in these cases to weigh recollections of medical examiners who were present at the time of diagnosis. Warren Ralston's case turns on the credibility of such a recollection. His doctor clearly recalls diagnosing multiple sclerosis in October of 1953, which falls within the statutory 7-year period. Unfortunately, medical records which would support this recollection have been lost.

The Veterans' Administration has held that in the absence of such records, it will not allow Mr. Ralston's claim. This strict interpretation of the language of the law rules out commonsense judgments and practical consideration of the case circumstances. It is a simple fact of life that small town doctors cannot take the time to keep extensive written records. But they know their patients. And when a disease as serious as multiple sclerosis is diagnosed, it is remembered. Because there is no other remedy available to Thomas Warren Ralston, I am introducing this bill so that an injustice to him may be corrected.

ILLINOIS RESIDENTS SADDENED BY REPRESENTATIVE JUCKETT'S DEATH

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. CRANE. Mr. Speaker, residents of my district were saddened this past week with the untimely death of Illinois State Representative Robert S. Juckett.

Mr. Juckett had served his constituents excellently during his four terms in the Illinois Legislature and he was overwhelmingly reelected this past November. Although his illness prevented him from reporting to Springfield, it did not keep him from his responsibilities and he worked from his hospital bed while listening to legislative debate on the telephone.

Mr. Juckett's philosophy of government was one that should be followed by all legislators. He said last fall:

> Government should only do for those people who under normal circumstances cannot do for themselves, and then only when that activity is deemed to be necessary.

Mr. Speaker, Mrs. Crane and I wish to join his many friends and constituents in extending our deepest sympathies to Janet Juckett and the four Juckett children, Linda, Robert, William, and Pamela.

I also would like to include two very fitting news articles concerning Mr. Juckett:

ROBERT JUCKETT

The residents of the 4th Legislative District of Illinois will miss the services of Robert S. Juckett, who served eight years as a Republican legislator in the Illinois House of Representatives.

His untimely death, at the age of 42, deprives advocates of many worthy causes of an able champion in the state Capitol. The causes to which Mr. Juckett found himself drawn in his four terms as a state legislator included mental health, proper treatment of the elderly, ethics in government and strengthening of local government.

He was a tireless worker and a determined fighter for those causes which he considered just. Those qualities brought him into conflict on occasion with his fellow legislators. But they also earned him, properly, the respect of his fellow legislators and his constituents. In a too brief life, he left a proud legacy.

REPRESENTATIVE JUCKETT REMEMBERED FOR INTEGRITY

(By Anita Clark)

State Rep. Robert S. Jukett (R-4th, Park Ridge) is remembered as a man of strong opinions and unquestioned integrity by his friends and fellow legislators.

Mr. Jukett, 42, died Sunday morning of leukemia in Lutheran General Hospital, Park Ridge.

He was elected to his fifth term in the legislature last fall, but had been hospitalized since Dec. 2 and unable to travel to Springfield.

Throughout his hospitalization, he said he was being treated for a swollen knee caused by an old football injury.

He jokingly insisted that he got more than usual done in the hospital because he had fewer distractions, and he was in constant telephone contact with Springfield.

House debates were broadcast in his sixth floor hospital room when he didn't have a roommate. He took his oath of office from Cook County Circuit Judge Reginald Holzer on the same day his colleagues were sworn in in Springfield.

Mr. Jukett was an articulate, vigorous debater who was proud of being a conservative. His first question when a new bill was introduced was whether its subject was "truly a governmental function."

"Government should only do for those people who under normal circumstances cannot do for themselves, and then only when that activity is deemed to be necessary," he said last fall.

He was well-known in the legislature for his expertise in the areas of special education, mental health, and legislative rules.

"He was listened to and respected by every member of the house," State Rep. Donald L. Totten (R-3d, Hoffman Estates) said Monday.

Mr. Juckett was chairman of the mental health fund advisory commission and the mental health visitation commission, vice chairman of the motor vehicles committee, and a member of the regulation and registration committee during the term of the 78th General Assembly. His committee assignments weren't determined for this session.

"He was always considered Mr. Special Education in terms of legislation," said Gaydon Brandt, director of special education for Maine Township High School District 207.

Mr. Juckett's most recent triumph was the override in both houses of Gov. Walker's veto of his special education bill. The law will increase state reimbursement to school districts for teachers of "the children who need extra education in order to become active, self-sufficient, productive citizens," Mr. Juckett had said.

He always emphasized a legislator's responsibility to his constituents, and often surprised his most vehement critics by telephoning them to explain his position.

"The voter should look for legislators who still consider the dollar they're voting to be their own, and not 'the government dollar'," he said during the 1974 campaign.

"He was a great credit to the legislature and our entire political system," said State Rep. Aaron Jaffe (D-4th, Skokie).

The legislature postponed this week's session in honor of Mr. Juckett. Gov. Walker's state of the state message, scheduled for today will be given next week.

Mr. Juckett was extremely popular with his Park Ridge constituents, and he and his assistant, Penny Pullen, were often enlisted to plead a local cause on the state level.

Many senior citizens dropped into his office at 26 Main, Park Ridge, for help from his staff in unraveling the red tape to apply for property tax relief.

He was a Cook County assistant state's attorney from 1959 to 1961, and served as a Park Ridge alderman from 1966 to 1968.

He was an organizer of the Park Ridge blood donation program in November, 1972, and donated blood himself before he learned he had leukemia.

He received more than 40 units of blood which hospitalized and recently discussed ways to encourage the Park Ridge program.

Mr. Juckett's funeral is at 11 a.m. today in St. Mary's Episcopal Church, 306 Prospect, Park Ridge.

He is survived by his wife, Janet, and four children, Linda, 19; Robert, 18; William, 16; and Pamela, 6.

WORLD WAR I VETERANS

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FREY. Mr. Speaker, 22 of my distinguished colleagues are joining me today in introducing legislation to provide an unrestricted pension system for our World War I veterans. My World War I pension bill, which was first introduced in the 93d Congress, would grant veterans of World War I and their survivors a monthly pension regardless of other incomes such as social security or other retirement incomes. A single veteran or widow without dependents would receive $135 per month and a married veteran or widow with dependents would receive $150 per month.

Many of these individuals who served so honorably in the First World War are being forced onto welfare rolls due to low pensions they are receiving or cuts in VA pensions due to increases in social security. In fact, many of these veterans receive no veterans' pension whatsoever. Our World War I veterans did not have the advantages available to them that other returning veterans had such as educational benefits, veterans hospitals, or job help. These individuals are now approximately 79 years of age with an average sixth-grade education. There are approximately 1,200,000 of these veterans, whose numbers are continually decreasing, and they need our help now. It is time for our country to answer the call of our World War I veterans and their survivors. These individuals should receive help now, before we give any more money away overseas.

Another bill I am introducing would correct inequities many, many veterans are experiencing with the start of 1975; that is, increases in social security and other retirement incomes are reducing veterans' pensions because they are exceeding the income limitation. Before the close of the 93d Congress, the Veterans Survivors Pension Adjustment Act, Public Law 93–527, was enacted. This bill was designed to increase the earnings limitation for veterans and their widows by $400 in order to compensate for recent social security increases. It also granted a 12-percent increase in veterans benefits. Unfortunately, the $400 increase in the earnings limitation was not sufficient to prevent many veterans, not just World War I veterans, from losing all or part of their veterans pensions. I have received numerous letters from veterans or their widows across the country who have suffered a pension reduction. With today's twin problems of inflation and recession the loss of one penny of a pension is catastrophic. The legislation I am introducing would excluded any increases in social security or other Federal retirement programs from reducing a veteran's VA pension.

FOOD STAMPS

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WYLIE. Mr. Speaker, there appeared an editorial in the Columbus Citizen-Journal dated February 10, entitled "Food Stamps." This editorial is generally reflective of my own views but more than that the editorial is well written and provides some food for thought. I commend it to the attention of my colleagues because the statement makes suggestions which I feel should be implemented by congressional action.

FOOD STAMPS

Congress showed admirable compassion for the poor this past week by freezing the price of food stamps, at least until the end of 1975.

It then showed some overdue compassion for the taxpayers by agreeing to take a much-needed look at where the food-stamp program is headed.

Unless eligibility rules are tightened, food stamps are well on their way to becoming a budgetary monstrosity.

Seven years ago food stamps were costing the U.S. government $200,000 a year. Now they're costing $4 billion and the price tag may jump to $10 billion in the near future.

If this trend continues, it won't be long before food stamps—which are sold to the poor at a discount—replace relief checks as the nation's most expensive welfare program.

Researchers report that as many as 30 million Americans could qualify for food stamps under current rules—more than double the 17 million actually taking part in the program now.

This country cannot afford—indeed, should not want—a situation in which one family out of every five is getting a federal subsidy to buy food at the neighborhood grocery.

Raising the price of food stamps 30 per cent, as President Ford proposed, was not a good approach to the problem.

The Ford plan, which Congress rejected, might have saved $650 million a year. But it would have hurt the elderly poor, many of whom would have been forced to pay almost face value for their food stamps.

It's clear, though, that under present rules too many families with incomes well beyond the poverty level—some earning as much as $6,500 or $9,000 a year (which is close to $175 a week)—are eligible for food stamps.

And some who aren't elegible are getting stamps anyway through deceit of fraud.

Abuse of the program by college students forced the government to rule recently that no student can qualify for food stamps if his parents have adequate income and claim him as a tax dependent. This is a welcome development but it's incredible that it took the bureaucrats so long to discover common sense.

All stamp programs, however, are vulnerable to ripoffs. That's why an income-supplement program, providing poor families with enough cash to buy food without stamps, would be preferable.

But as long as we're budgeting billions for food stamps each year, Congress should insist the money be spent only for those who are in real need.

THE ASSAULT ON INTELLIGENCE GATHERING: WHO BENEFITS?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, for the past several years there has been a sustained effort to destroy America's security and intelligence services. In recent months these efforts have escalated to weaken and dilute our loyalty and security programs to such an extent that small cabals of malcontents can, with apparent immunity, scheme and conspire to create a climate where espionage, treason, sedition and revolutionary violence can develop and flourish.

Both locally and nationally, the intelligence community is being pilloried by Marxists and their willing liberal dupes for having exercised their missions of maintaining our national security and preserving public order and safety.

Daily in the news media, we learn of the near total preoccupation of many elected officials with witchhunting among the files of police departments from Baltimore to Houston. Inspired by complaints and leaks for alienated and disgruntled employees, Members of our 94th Congress have tabled bills seeking to rigorously curtail the legitimate activities of the Central Intelligence Agency and the Federal Bureau of Investigation.

And while the target of these attacks are our security services, little or nothing is said about those groups who, historically, have proclaimed their intention to destroy the American system of free enterprise and democracy and who have the most to benefit from these attacks.

Doubtless my colleagues will seek to play down my concerns by saying that this is the era of détente, of peaceful coexistence. To them I would quote the general secretary of the Communist Party, U.S.A.—CPUSA—Gus Hall, who in December, 1973, told his Central Committee:

> There is no peaceful coexistence in the field of ideology—in domestic affairs there is no peaceful coexistence, in the fields of economics, politics or ideology. There is no peaceful coexistence with the ruling class. Anything that softens up that idea is a serious mistake. We have nothing but the class struggle.

While it is only too apparent that the Communist Party and the Trotskyist Communist Socialist Workers Party—SWP—have much to gain from a weakening of the intelligence community and have been taking a strenuously vocal role in the general attack, there are other less-well-known organizations with the specific intent of "spying on Big Brother, the American intelligence community," with the hope that by so-doing legitimate law enforcement activities can be curtailed.

It is time that some of these organizations were brought into sharp focus: they include the Organizing Committee for the Fifth Estate, the Committee for Public Justice, and the Center for National Security Studies.

The Organizing Committee for the Fifth Estate—OC–5—which operates from Room 523, the Dupont Circle Building, 1346 Connecticut Avenue, NW., Washington, D.C. 20036 (202–785–8330), originated as the Committee for Action/Research on the Intelligence Community—CARIC—at a November 1972, gathering of the Communist Party-dominated People's Coalition for Peace and Justice.

Developed with the active assistance of Vietnam Veterans Against the War/Winter Soldier Organization—VVAW/WSO—a violence-prone organization which follows principles of "Marxism-Leninism-Mao Tse-tung thought" and attempts to subvert active-duty GI's and veterans, CARIC organizers realized the "legitimizing" potential of association with liberals and linked themselves to an embryonic organization formed by writer Norman Mailer, the Committee for the Fifth Estate.

Among those who take an active role in OC–5 are Perry Douglas Fellwock, who in a July 1972, Ramparts article, "U.S. Electronic Espionage: A Memoir," claimed that "for love of the Indochinese people," he was revealing classified information he had obtained while a member of the military attached to the National Security Agency.

Fellwock, who prefers to use the name Winslow Peck, did not make a sudden decision to "tell all." During 1971 he was a familiar figure in the Washington area, spending his time with one or more radical groups, "moping and doping," and being compulsive with his confessions. In fact, Fellwock/Peck had planned to reveal the secrets of NSA, if not the universe, at an October 1971, antiwar gathering, but was prevented from speaking by Rennie Davis—not because Mr. Davis was then working for a Government agency himself, but because Peck was so obviously "tripping" on LSD that he might not have been taken seriously. Un-

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fortunately, neither the New York Times nor Ramparts editors shared Davis' perceptions.

And in the context of the ill-informed criticism directed against law enforcement for "spying" on innocuous groups, it should be noted that in 1972, Fellwock/Peck joined the staff of the National Welfare Rights Organization as a paid staff member to work on coordinating a mass demonstration, the Children's March for Survival.

Working with Fellwock/Peck are several people who also claim a prior involvement with intelligence gathering groups. They include Timothy Charles Butz, a former SDS activist at Kent State and one-time Washington organizer for VVAW/WSO who was employed by a funded offshot of the American Friends Service Committee; and Douglas Porter.

Recently Douglas Porter spoke to a California underground newspaper about OC-5 and stated that the OC-5 Washington offices contained "not only books, but files—press clippings, debriefings we have done, Government reports, corporate reports, and stolen documents."

OC-5's advisory board includes former high-ranking CIA official Victor Marchetti; former FBI agent William Turner who is once again being employed by a Federal agency; Tony Russo of Pentagon Papers notoriety; and Marcus Raskin of the Institute for Policy Studies—IPS. Hopefully these advisers will now exercise their responsibility and repudiate their ties with an organization that boasts of its stolen property.

The Center for National Security Studies—CNSS—a project of the Fund for Peace which operates from 122 Maryland Avenue NE., Washington, D.C. 20002—202/544-2380—made its public debut in September 1974, sponsoring a 2-day Capitol Hill conference, "The Central Intelligence Agency and Covert Activities." Sponsored by Senators BROOKE and HART, the CNSS conference was opened by Senator HART saying that Congress should be "indebted to them * * * for their serious efforts to unravel problems."

Among those at the conference making "serious efforts to unravel problems," to whom the Michigan Senator says we should be grateful, were Robert Borosage, CNSS's director, an active member of the National Lawyers Guild and a former employee of the Institute for Policy Studies; thrice-identified Communist Party, U.S.A., member and now head of the American Civil Liberties Union's antisurveillance project, Frank Donner; Bart Osborn of OC-5; CNSS staffer John Marks, a former State Department intelligence analyst; Ivanhoe Donaldson, a former leader of the violence-prone Student Non-Violent—now National—Coordinating Committee—SNCC—and an IPS employee; Daniel Ellsberg; and Fellwock/Peck of OC-5.

Naturally the CNSS meetings provided participants with the opportunity to denigrate the activities of the CIA. Using this platform, IPS founder Richard Barnet asserted that all U.S. covert action and clandestine collection of information, except by satellite, "could be abandoned unilaterally with a net gain in security for the American people."

Barnet paid special attention to détente, arguing that the monitoring of détente was unnecessary because "spies in the Kremlin are unlikely to produce reliable information and the effort to gain it only jeopardizes the détente." "Monitoring," he continued, "is a mission for diplomats with analytical skills, not spies."

It is of particular interest that the Center for National Security Studies was set up by the Fund for Peace, formerly the Fund for Education in World Order, which numbers among its trustees a Louise R. Berman of San Francisco. Louise R. Berman was the subject of intense congressional investigation in the 1940's and 1950's. Summing up the record, Combat of December 15, 1969, wrote:

Mrs. Louise Berman, who is also known as Louise Bransten was born Oct. 10, 1908. She is the former wife of Richard Bransten, also known as Bruce Minton, former owner of New Masses. During the water-front strike in San Francisco, Louise and Richard Bransten carried out assignments for the Communist Party, working with Earl Browder and Gerhart Eisler. In 1944 Louise Bransten made a loan of $50,000 to the People's World, which is the west coast organ of the Communist Party.

Hearings of the House Committee on Un-American Activities carry much more information, and testimony implicates her in activities of several known Soviet espionage agents. She was, for instance, in contact in Hollywood with J. Peters (also known as Alexander Stevens and half a dozen other names), a leading figure in the underground American CP and in Soviet intelligence work; she was an associate of Steve Nelson, long time Communist organizer and ring leader of a group that penetrated the research facilities of America's atomic bomb laboratory at Berkeley.

Mrs. Berman (Bransten) has been named as a CP member in Congressional testimony; her husband has been named as a CP official. She invoked her 5th Amendment privilege in two appearances before Congress.

I would also note that the name of Mrs. Louise R. Berman of San Francisco appeared as a sponsor of the recent Second National Conference in Solidarity with Chile, a Communist Party operation, in Chicago.

Doubtless during the coming weeks the Center for National Security Studies will be in the forefront of those attacking our security services. And I trust we will examine their public activities in light of the records of those who are in positions of influence with them. While the CNSS appears to be concentrating on discrediting the CIA, the Committee for Public Justice—CPJ—has singled out the FBI as its main target since 1970.

The Committee for Public Justice, with offices at 22 E. 40th Street, New York, N.Y. 10016—212-686-1245—according to a Washington Post article, was formed in November 1970, with playwright Lillian Hellman being the "principal organizer of the group." The Post did not remind its readers that Hellman had been identified in sworn congressional testimony as a member of the CPUSA in the 1930's and had used her fifth amendment privilege when questioned about this membership by HCUA in 1952. Neither did the Post inform its readers that in 1956 the Senate Internal Security Subcommittee included her name in its list of the 82 most active and typical sponsors of Communist fronts.

The Committee for Public Justice, in its book, "Investigating the FBI," an account of a 1971 conference it held at Princeton University, calls for the creation of a board of overseers for the FBI "composed of public and private persons with power to review Bureau policymaking, guard against threats to civil liberties, and keep the public informed."

The CPJ also indicates it supports removing the responsibility for counter-espionage activities from the FBI, and in the loyalty-security area has stated:

The Bureau's responsibilities here must be narrowly defined and carefully weighed against competing societal interests in privacy and freedom.

In May 1974, several officials of the CPJ met with FBI Director Clarence Kelley to present their views to him and to some of his assistants. Reporting on this meeting in the New York Review of Books, the CPJ representatives concluded that "the FBI's leading officials appear to be zealous advocates of the cold war ideology of the 1950's." CPJ's criticisms continue.

The groups I have identified have a common goal of diminishing and curtailing the functions of the intelligence community. For the future of the country, I hope they will not succeed. Nevertheless, there are many indications that there will be major changes in current operations and structure; especially in that the executive branch of Government seems to be prepared to dismantle the intelligence services.

For example, it is possible that the CIA's role will be diminished to that of evaluation of information obtained overseas by diplomats and embassy military attachés—a turning back of the clock to pre-OSS days of World War II.

There are also proposals to open the files of the FBI to all comers, a practice which would jeopardize our entire internal security program; and a "freedom from surveillance" bill before this Congress would make illegal the governmental maintenance of files on any political activist, as well as prohibiting surveillance of any citizen unless he or she were the subject of a criminal investigation or a Government job application check.

A climate is being created which will enable the enemies of America both foreign and domestic, to operate with immunity from investigation. Indeed, those who seek to hinder their activities will be penalized.

It is high time that responsible elected officials recalled the words of former Supreme Court Justice Arthur Goldberg that—

The Constitution of the United States is not a suicide pact. The Nation has the right and duty to protect itself from acts of espionage and sabotage, and attempts to overthrow the government by force.

ACCELERATED CAPITAL FORMATION ACT

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FRENZEL. Mr. Speaker, today I have reintroduced the Accelerated Capital Formation Act with additional authorship. I have previously entered remarks on it in this RECORD. I especially appreciate my cosponsoring colleagues interest and enthusiasm for the ESOT concept.

Because ESOT financing is being heavily promoted on a nationwide basis, there may now be some danger that the concept will be overenthusiastically merchandised. The concept is simple, but the excution of an ESOT is terribly complex, and the rights of all parties must be carefully protected.

To insure such protection, it may be necessary for me to introduce some amendments to the original bill.

It is my hope that hearings on ESOT's will be held this year, so both the Congress and the public can be better informed about this newly popular technique of capital accumulation and expanded capitalism.

J. MASON BREWER DIES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PICKLE. Mr. Speaker, the internationally acclaimed black folklorist J. Mason Brewer died last month in Dallas at the age of 78. Mr. Brewer, born the son of a rancher in Goliad, Tex., was buried in Austin, where he had lived for many years.

At the time of his death, Mr. Brewer was serving as distinguished professor of English at East Texas State University, Commerce, Tex.

He attended public schools in Austin and was graduated from Wiley College in Marshall, Tex. He served with the AEF in World War I.

After the war, Brewer began his career as a teacher and writer. He received a master's degree from Indiana University and was also granted an honorary doctorate from Quinn College, Waco.

Brewer was widely acknowledged by scholars as the finest writer of Negro folklore. He published numerous collections of folktales and his work appeared in 14 national and regional journals. His most famous book. "Word on the Brazos," published by the University of Texas, is now in its fourth printing.

Professor Brewer was the first black to join the Texas Institute of Letters. He was a vice president of the American Folklore Society.

While teaching at Huston-Tillotson College in Austin in the 1950's, Brewer published a pamphlet entitled, "The History of Negroes in Travis County."

Besides his interest in folklore, Brewer also taught French and published several books of poetry and prose.

The late J. Frank Dobie, former folklorist at the University of Texas, said Brewer was the greatest storyteller of Negro folklore in America.

Though he was a prolific writer, Brewer was probably even a better raconteur. He was a guest lecturer at Yale, UT, University of Southern California, and also on an international basis.

One of his last lectures was in Austin last October 11. I enclose an account of that lecture:

[From the Austin (Tex.) American-Statesman, Oct. 14, 1974]

STORYTELLER SPINS YARNS—FOLKLORIST VIEWS ART AS CREATING LITERATURE

(By Jim Lewis)

With halting progress, Dr. J. Mason Brewer, America's most distinguished Negro folklorist, seemed to move slower than integration as he took the stage.

Some 150 persons stilled in anticipation of old words from the slight man whose appearance was as aged as the stories he tells.

A slight man, Brewer leaned cautiously up toward the microphone.

Suddenly a full, vibrant voice recited a bouncing rhyme about the evening's entertainment: "Sit back and relax, dear listeners and let the joy bells ring in your receptive mind, as I attempt to do my thing."

Brewer's tales pleased his admirers recently at Chapel auditorium at Houston-Tillotson College.

"The art of storytelling is actually a gift, and it isn't something you learn in drama school," said Brewer, Distinguished Visiting Professor at East Texas State University at Commerce.

"You are gifted with the ability to tell a story, or you're not."

Brewer is. But his interest in folklore has also led to the publication of more Negro folktales than any other author, 336.

Brewer, 78, has enjoyed spinning yarns since his grandfather, a wagoner; Goliad, first related the adventures of hauling produce from Goliad to Victoria.

But it first became serious business in 1932, when Brewer, working as a school teacher in Austin, learned to appreciate the stories of writer J. Frank Dobie.

"Actually, Mr. Dobie was the one who inspired me, because I saw the value of his folktales, so I decided there should be something on black life like that," he said.

Since then, Brewer's studies have paid his way to lectures as far away as Yale, Toronto, and California.

"Folklore is being created every day; every age creates its own," he said. "It's oral literature."

He pointed out that elderly blacks receiving Social Security checks currently like to say, "I used to work for myself where I am, but now I work for Uncle Sam."

And blacks bearing the burden of income tax comment, "The more we makes, the more they takes."

Brewer said the stories he performs are as fluid in the telling as they were when the making.

"I may tell a story a different way every time I tell it," he said. "Whatever is revealed for me to say at a particular moment is just whatever comes out of my consciousness."

And his enjoyment in relating a story comes from the story itself, he said.

"I don't pay much attention to the audience," he said, "I just go on and, what you say, do my thing."

HEARINGS TO BE HELD ON PROPOSED AMENDMENTS TO FEDERAL RULES OF CRIMINAL PROCEDURE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HUNGATE. Mr. Speaker, the Criminal Justice Subcommittee of the House Judiciary Committee will hold a hearing on Wednesday, February 26, 1975, at 10 a.m. in room 2226, Rayburn House Office Building on the proposed amendments to the Federal Rules of Criminal Procedure which were transmitted to Congress by the Chief Justice on April 23, 1974. Unless the Congress completes action on these rules by August 1, 1975, they will become effective with no congressional input. Therefore, every effort will be made to expedite the subcommittee's work.

Those wishing to testify will please contact the subcommittee staff in room 2137, Rayburn House Office Building—telephone number 225-0406. The subcommittee hopes to conclude its hearings on these rules by March 25, 1975.

VIETNAM: MR. KISSINGER'S WAR

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. OTTINGER. Mr. Speaker, a recent article in the New York Times by columnist Anthony Lewis examines "Mr. Kissinger's War" and finds that only the U.S. Government and President Thieu deem continued support for the Thieu regime a vital military and diplomatic objective. The people of South Vietnam are tired of war. They are tired of seeing their children made homeless or killed. It is peace that they want more than anything else and support for the dictatorial Thieu regime has all but dwindled to the point where, as Mr. Lewis puts it—

Even "rightists" in South Vietnam want Thieu out of office so a deal can be negotiated with the Communists and the fighting ended.

For the benefit of my colleagues and their constituents, I am inserting in the RECORD the Times article by Mr. Lewis:

[From the New York Times, Feb. 10, 1975]

MR. KISSINGER'S WAR: I

(By Anthony Lewis)

WASHINGTON.—A letter from Saigon: The writer says he is amazed at the American debate on aid to Vietnam. The argument seems to be all about war, he says—about arms to help President Thieu fight the Communists for years more. Does no one in America think of politics instead of war? Does no one realize that even "rightists" in South Vietnam now want Thieu out of office so a deal can be negotiated with the Communists and the fighting ended?

"Why isn't Kissinger doing anything toward a political solution?" he asks. "Is this his 'decent interval'—a useless massacre?"

There is a short answer to those anguished questions. American policy focuses on war in Vietnam, and feeds it, because Henry Kissinger would rather have war than any visible political alternative. That is why the policy is to sustain President Thieu in his intransigent, increasingly isolated resistance to any political accommodation.

It is a surprising and a serious thing to say: that an American Secretary of State is deliberately holding back a process that might lead to the end of a gruesome war. But the evidence is there. Exploring it throws some light on why Mr. Kissinger, against logic and the odds, is pressing for additional military aid to Saigon.

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The peace agreement signed in Paris two years ago called for a new phase of politics in South Vietnam. It promised political rights to all parties, freedom of movement between the military zones, release of political prisoners and the establishment of a national council of reconciliation. The idea of all that was to open up a process—a process of political competition and accommodation instead of war.

But President Thieu prevented that process from starting. He prohibited movement between zones, reclassified political prisoners as common criminals to keep them in jail and effectively banned all parties but his own. He not only refused to carry out the terms of the Paris agreement; he made it a crime to publish them in South Vietnam. And at the moment the cease-fire was to come into effect, he launched aggressive military operations.

In all this General Thieu needed at least tacit American support, and he got it. There was no criticism from Washington of his military offensive, which relied on $1 billion in new U.S. arms rushed over before the truce, or of his refusal to carry out the Paris agreement's provisions.

Just the other day General Thieu told Peter Kann of The Wall Street Journal that since the signing in Paris the United States had never put any pressure on him to make political concessions to the Communists—that is, to carry out the peace terms. The reason is plain. Secretary Kissinger, like Mr. Thieu, is uncertain where a political process might lead once it starts. He prefers the devil he knows in Vietnam: war.

But lately, the strategy of military aggressiveness and political intransigence has unraveled. The tide of battle has shifted, and inevitably doubts have grown in South Vietnam about the wisdom of relying on war instead of politics.

Communist military successes have brought angry American talks about a massive offensive by North Vietnam. Given the failure to say anything about Saigon's actions after the truce, that outcry is almost comic in its hypocrisy. But it is also factually doubtful. So far, at least, the Communists' campaign seems limited in aim. They say their purpose is pressure to carry out the Paris agreement, and that could be the case.

In South Vietnam, many former Thieu supporters have now turned against him. A Catholic movement leads the criticism. The militantly anti-Communist Cao Dai sect, with two million members, has called for negotiations and reconciliation with the Communists. Even right-wing newspaper criticized Mr. Thieu as an obstacle to peace—until he closed them.

The political setting explains the mystery of Mr. Kissinger's demand for $300 million more in military aid now. The Pentagon is having difficulty justifying that figure; privately, defense officials say the object is not so much military as "psychological." In short, the aim is to demonstrate the American commitment to Nguyen Van Thieu.

For that purpose, any amount that gets through Congress will serve. Just $75 million, say, would enable Mr. Thieu to tell doubters that he still has America's support. Any amount would be a symbol of American willingness to go on with the policy of war, not politics—go on, as General Fred C. Weyand, the Army Chief of Staff, had the candor to say, for another five to ten years.

"Do American policy-makers have no concern for the Vietnamese people?" the letter from Saigon asks. In the case of Henry Kissinger, the answer is certainly no. He has no affection for Nguyen Van Thieu either. Why, then, is he so determined to keep Mr. Thieu in power and to block any movement toward political accommodation in Saigon? The answer to that lies beyond Vietnam.

ECONOMIC WOES ARE GROWING

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RISENHOOVER. Mr. Speaker, during the past few days I have visited 10 of the 17 counties in the Second District of Oklahoma and participated in 35 meetings with our people. Mine was not a time of recess or vacation, but a period of communications with troubled people in Oklahoma. Mr. Speaker, the economic woes of this Nation are growing. Adding to the problems are the heartless, insensitive attitudes of some people in Government and particularly the U.S. Department of Housing and Urban Development.

A good share of my time was spent battling with Federal officials who, for their own various reasons, seem to be causing more problems than they are solving.

As a new Congressman, perhaps my understanding of their responsibilities is not complete. But beyond question, many of the problems besetting our people—and particularly the poor—are laid on the doorstep of Federal Government bureaucrats.

Two public housing projects in my district, I have recently learned, are in the process of being prepared for sale to the highest bidder.

One of these, Shawnee Heights in Muskogee, would be an ideal place for people to live if the Department of Housing and Urban Development would clear away an adjacent, blighted area. Instead, that low-rent housing complex is decaying for two reasons: First, because the people are losing their jobs to recession or their fixed incomes to inflation; and, second, because the adjacent, blighted area has not been cleared of debris, and deteriorated housing.

The other public housing project, Okmulgee Terrace in Okmulgee, is hard hit by the economics of our time. It needs to be repaired. In the process of divesting itself of what HUD apparently believes is a bad investment, rent rates are being increased. HUD officials say they are forced by law to end subsidies during this interim period. I say to you—there should be no foreclosure, no divestiture and the Federal Government should find a new public-spirited landlord to operate that housing.

Just yesterday, I sent a letter to Roy Gardner of the Federal Housing Administration in Tulsa where I said:

During this period of economic downturn, when welfare families are being hit by rampant inflation and lower income families are being laid off their jobs, it seems preposterous that the U.S. Department of Housing and Urban Development would assume a posture of foreclosure, rent-raising and disregard for human values and family security. Therefore, I respectfully request that you withhold any rent increases at Shawnee Heights in Muskogee and Okmulgee Terrace projects. Also, I would suggest that you hold in abeyance any plans to sell these projects to private sources. The thought of private speculators making huge profits at a loss to the federal government is certainly contrary to my belief and I will oppose such abuse with all the power and authority of this office.

In my travels, I also met with tenants and officials who are involved in Indian housing. I met with the Inter-Tribal Council of the Five Civilized Tribes of Oklahoma—the Cherokees, Choctaws, Chickasaws, Creeks, and Seminoles.

These leaders—B. Bob Stopp, W. W. Keeler, Overton James, Claude Cox, Edwin Tanyan, and Harry J. W. Belvin—are concerned about the poor housing occupied by the good Indian families of Oklahoma.

Some believe there should be a Federal second mortgage source of money to help Indians repair their homes—and apparently there is no such fund available.

The tribes which have become involved in housing tell me that about 15 percent of the residents—many who have up to 500 hours of "sweat equity" in their homes—are falling behind in their rent. They admit that some of this is caused by a general misunderstanding about their responsibilities. While their rent is low because of subsidies—somehow many have come to believe that they did not have to make payments. The Indians are determined to educate their brothers, but that takes time. Eviction is too stark to contemplate and is too cruel for families.

Particularly in the case of the Cherokees, I have asked for a 30-day period to find other alternatives.

But, I learn, the pressure from HUD is heavy. They are told that "management problems must be rectified" in existing housing or no new allocations will be made to the Indian housing authorities. That means—in simple terms—that families in arrears must be evicted or other families on the Indian Housing waiting list must suffer.

In writing the letter with that stern warning, the area office director, Robert H. Breeden, does not cite the law. Instead, he makes reference to a "requirement of the Department's Housing Management Section." That is bureaucratic law—made by regulations—I presume.

I insert in the RECORD the full text of Breeden's letter.

Mr. THOMAS M. CROSSLAND,
Executive Director, Housing Authority of the Cherokee Nation of Oklahoma, Tahlequah, Okla.

DEAR MR. CROSSLAND: Using the best data available, and in an effort to keep the Indian Housing Program progressing in all sections of Oklahoma, this office has allocated its recent assignment of Program Reservations for units for the Indian Housing Program. All allocations are made subject to the management record of the Authority, its percentage of delinquencies, totals of accounts receivable and general operating history. This is a requirement of the Department's Housing Management Section.

Since there is a limited amount of quantitative data which could be used to determine housing need in Indian areas, these allocations were based essentially on estimates.

It should be noted that the U.S. Office of Management and Budget has convened an Inter-Departmental task force to compile quantitative data for the Indian population which will be used to make any future Indian housing allocations.

Based upon the foregoing this office is prepared to issue a Program Reservation for 200 units of Indian housing from its 1975 allocation for the Housing Authority of the Cherokee Nation of Oklahoma. Fifty of these shall be for the smaller tribes in northeastern Oklahoma, those being: Quapaw, Peoria, Modoc, Ottawa, Eastern Shawnee, Wyandotte, and Seneca, all of which are located in Ottawa County. These are the tribes for which your Authority has built previously.

At your earliest convenience you may submit applications for the above units on HUD Form 52470, along with the necessary supporting data as instructed in the attached list. Our records indicate that your Authority has management problems which must be rectified prior to our issuing a Program Reservation for these latest allocated units.

As you were previously notified, you received 150 units under our 1974 allocation.

It should be remembered that it is the intent of the Indian Housing Program that these units be built exclusively for Indians. Such selectivity is in keeping with the Indian Civil Rights Act.

If further clarification is needed, please feel free to contact this office.

Sincerely,

ROBERT H. BREEDEN,
Director.

Mr. Speaker, it appears to me from actions taken and contemplated by HUD that the officials charged with administering badly-needed new housing projects, and making reasonable repairs on existing projects, are instead trying administratively to kill those programs despite the mandate given them by Congress.

In another meeting during that so-called "recess," I met with about 200 folks who own docks on the beautiful lakes of northeast Oklahoma. These are man-made bodies of water—controlled by the U.S. Army Corps of Engineers.

Heavy rains in recent months have kept the waters high—as the corps has flood control responsibilities; must keep reserves of water for power generation, and store water to keep the magnificent Arkansas River Waterway at a constant level. We certainly understand and support the corps for its dedication and professionalism in these respects. They do their job well.

But, because of fluxuations in pool levels—varying more than 30 feet—the docks are often wrecked. Buildings are inundated. Shorelines are left muddy, slippery and dangerous.

The dock and resort owners complain about the Corps of Engineers arbitrary and harsh enforcement of leases—often wiping out a lifetime of investment, toil and sweat. The owners are being deprived of their livelihood—at a time when jobs are scarce and opportunity is limited.

In a public meeting at Wagoner, Okla., I warned the engineers about developing militaristic attitudes and bureaucratic callousness. We are, I remind all employes and officers of the government, a "government for the people."

Mr. Speaker, the problems of our national economy are severe. It is a time when we should review laws of the past which are botching our economy and could lead to a deep depression. But, more, the administrators of the laws—the day-by-day keepers of the public trust—must be sensitive and sensible in dealing with the people. We must solve our problems without trampling on those who need their Government most.

DÉTENTE, EMIGRATION AND SOVIET TRADE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FRENZEL. Mr. Speaker, I am today introducing a bill which I hope will reverse the circumstances which caused the collapse of the trade and emigration agreement last month between the United States and the Soviet Union. Members may recall that the Soviets' rejection of the agreement was accompanied by a statement expressing concerns over discriminatory actions by the Congress. Many of us who participated in the drafting and passage of the Export-Import Bank Act amendments last year believe that the Soviets were directing their comments at the $300 million ceiling which was placed on credits for the Soviet Union. I hold this point of view and have expressed it in several statements on this floor.

This problem began last December when House-Senate conferees on the Export-Import Bank bill were subjected to three separate conferences and much delay caused by the whimsies of a handful of Senators. Each time we thought the Senators were satisfied, they returned and asked us for more. Only after accepting the $300 million ceiling and the subceiling on energy, were the House conferees finally rewarded with a bill and continued operation of the bank. Unfortunately, we robbed Peter to pay Paul, and so the title IV agreement was lost.

Supporters of the $300 million ceiling maintain that it is a necessary check on the Soviets; a signal to them not to welsh on their agreement. However, the restrictions, and the senatorial chest-beating that accompanied them, appeared to have forced the Soviets' rejection instead of encouraging their compliance. The senatorial rhetoric which characterized the Soviets as unworthy trading partners were especially damaging. It is even more ironic that the House conferees, including myself, repeatedly warned that credit ceilings of $300 million would seriously jeopardize the emigration agreement. The fact that the prediction came true is no cause for joy.

Mr. Speaker, my support for title IV and the Jackson-Vanik amendment is undiminished by the rejection of the agreement. I believe even more strongly in free emigration for Soviet Jews, in détente, and in the possibility for achieving both through reasonable actions.

In my judgment, it is unreasonable to expect the Soviets to agree to easier emigration without something in return. A $300 million ceiling on credits has all the markings of U.S. recalcitrance. I think it should be corrected. Correction is necessary if we are to have the proper amount of leverage for restructuring an agreement on title IV of the Trade Act, and it is also good trade policy. In fact, our failure to maintain momentum in Soviet trade matters is already being capitalized on by others. The recent British-Soviet trade protocol could provide up to $2.4 billion in export credits. There is no doubt in my mind that Great Britain's economy will benefit from that kind of trade stimulus. Our own economy could use some of the same stimulus.

Basically, my bill would amend the Export-Import Bank Act to eliminate the provisions relating to credit ceilings and subceilings. It would also amend the Trade Reform Act of 1974 to repeal the section that * * *. It would also repeal the conforming section of the Trade Reform Act. This bill introduction is somewhat symbolic of my dismay over the failure of the emigration agreement and the shortsighted senatorial actions which contributed to it. Nevertheless, I hope that it will be taken seriously by those who still believe that we can implement the title IV agreement, and are willing to take the necessary actions.

H.R. 1811 TO DESIGNATE THE BIRTHDAY OF DR. MARTIN LUTHER KING, JR. AS A NATIONAL HOLIDAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ANDERSON of California. Mr. Speaker, I am happy to join my colleagues in cosponsoring legislation to honor the late Dr. Martin Luther King, Jr., by setting aside the date of his birth, January 15, as a national holiday.

Dr. King was a noble and compassionate man who dedicated his life to the struggle for social justice and human rights. He had a dream of equality and equal opportunity. His goal was to remove bigotry and hatred from American life. He envisioned a nation where Americans could live together in peace.

He was a man of peace. He espoused the philosophy of Gandhi; he taught the principles of love and nonviolence. In his campaigns, he used the tools of nonviolent protest and peaceful assembly. His activities were largely responsible for the landmark civil rights legislation of the 1960's: The Voting Rights Act of 1965 and the Civil Rights Acts of 1964 and 1968. For his great efforts he was awarded the Nobel Peace Prize in 1964.

He gave tremendous hope to black people, to poor people, and to white people who were committed to ending discrimination and segregation. Looking back, people were so hopeful of achieving a unified country. The civil rights movement, under Dr. King's leadership, swept across our country and captured the American conscience.

Today, in 1975, 6 years after Dr. King's death, we must ask ourselves, "How far have we come and where are we going?" We have made significant progress. However, the problems of segregation, discrimination, hunger, poverty, and crime

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still exist. Dr. King's dream has not been fully realized.

We must keep Martin Luther King's memory alive. We must reflect on his life and work. And finally, we must reaffirm our national commitment to achieving the ideals for which Dr. King worked and symbolized.

I urge my colleagues to take action on this legislation. To make Dr. King's birthday a national holiday is a fitting tribute to a great American.

HONORING LITHUANIAN INDEPENDENCE DAY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. YATRON. Mr. Speaker, after enjoying the blessings of freedom for nearly 200 years, we Americans can well understand why our colonial patriots were willing to pay such a high price to win those blessings. And we can well understand the determination and firey dedication of a small Baltic State which still struggles for freedom against one of the largest and most powerful nations in the world, which has denied them their freedom for 34 years.

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. However, freedom was theirs for only 22 short years. In 1940 Lithuania, as well as two other Baltic States, Latvia and Estonia, were invaded and forcibly annexed by the Soviet Union. Since then, they have been abused, and their basic human freedoms denied.

But the spirit of the freedom-loving Lithuanians lives on.

In 1970, a young Lithuanian sailor, Simas Kudirk, captured the attention of the world by leaping from a Soviet ship to an American ship, in his quest for freedom. Another Lithuanian youth, Romas Kalanta, focused attention on the continuing Lithuanian struggle through self-immolation, in 1972. Following his tragic, but heroic death, thousands of young Lithuanians demonstrated, amplifying Romas Kalanta's call for freedom for Lithuania and an end to Soviet religious persecution. In the United Nations a petition bearing the signatures of over 17,000 Lithuanians has been delivered to Kurt Waldheim, asking for that organization's support for their struggle for freedom.

Even today, the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents continues. Their crime? They have published "The Chronical of the Lithuanian Catholic Church."

The Russians have employed the techniques of deportation, execution, colonization, and sheer power to diminish the chances of Lithuania's survival as a people with a distinctive culture. It is remarkable what the Lithuanians have endured, and have been able to give their courageous and increasing signs that their desire for freedom remains as strong as ever.

There can be no doubt, Mr. Speaker, The Lithuanian people love freedom with all their hearts. For although their nation has not enjoyed the precious taste of freedom for over 24 years, they fight on.

Mr. Speaker, I am proud to reassert my support for this courageous nation. And as we prepare to celebrate the struggle of 200 years ago of our own Nation to win our freedom, we should remember we were only able to win it through the help and support of other stronger nations.

We should remember another nation, today, which is still struggling down that same path. The U.S. Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the 2d session of the 90th Congress, when House Concurrent Resolution 416 was adopted.

Lithuania and her people cannot be forgotten. They can no longer be ignored. They are a people who have struggled longer and against greater odds for freedom than perhaps any nation on Earth, and they deserve our strong support.

THE VOICE OF COMMONSENSE

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SKUBITZ. Mr. Speaker, in these times when we see government at all levels getting more and more deeply involved in regulating and directing one segment of the economy or another, it is truly refreshing to come across a defense of plain, old-fashioned free enterprise. I want to call my colleagues' attention to an editorial heard recently on Radio Station KLEY in Wellington, Kans. I believe we could all afford to pay some attention to the voice of commonsense. The editorial follows:

THE VOICE OF COMMONSENSE

Isn't the free enterprise system the doggondest thing you ever saw? If we didn't know better, we'd call it the most fantastic of the modern day miracles. It's so simple, it's almost ridiculous. It's been used in this country for almost 200 years without showing signs of wear. And, it works for everybody, and everything. Even the name has a good ring to it . . . the free enterprise system!

Take the recent automobile surplus dilemma for example. It wasn't normally a thing that an industry would make a big thing about, but, the facts were becoming so evident, there wasn't any use in not coming out with a full-fledged confession. The facts were, as they pointed out, that people just didn't have as much money in their bank accounts as they had been used to, so they had started to put-off buying new cars.

Soon . . . the supply far exceeded the demand. That's the basic ingredient to the free enterprise system. When the supply gets too big, the price is lowered, the supply dwindles, and, in time, the two are in balance again.

Isn't that just exactly what happened in the recent automobile surplus problem? They cut the price of new autos. They offered some real bargains. And, sure enough, people started buying cars again. It's going to be some time before the situation is in balance again, but (if you'll excuse the pun), we're "on the road."

We wouldn't give you one percent of the free enterprise system for all the Federal Government . . . "disaster" . . . and "emergency" . . . and "aid" programs you could put in a book.

It's greatest enemy is the individual, or group, or committee, that feels that it knows a better "governmental" approach.

The free enterprise system has worked, it is working, and it will continue to work if we just give it a chance.

COIN WORLD TRIBUTE TO THE HONORABLE LEONOR K. SULLIVAN

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. GONZALEZ. Mr. Speaker, every Member of Congress who is interested in the hobby of numismatics, or who has constituents who have written in on numismatic issues, or who has introduced a bill in the past 12 years to strike a national commemorative medal honoring some historical event of national significance, will be interested, I am sure, in the laudatory editorial in the February 19 issue of Coin World newspaper about our colleague from Missouri, the Honorable LEONOR K. SULLIVAN.

From the 88th through the 93d Congresses, Mrs. SULLIVAN, as chairman of the Subcommittee on Consumer Affairs of the House Committee on Banking and Currency, handled all coinage and related matters in that subcommittee as well as legislation on consumer issues within the jurisdiction of the committee. Those of us who served with her on the subcommittee were impressed by the outstanding leadership and conscientious hard work she devoted to this assignment, and were deeply gratified by the great cooperation she extended to our bills and to those of other colleagues in the House.

But most of all we were impressed by the responsible manner in which Mrs. SULLIVAN handled the legislation in our jurisdiction, from the landmark Consumer Credit Protection Act of 1968—which contains the Truth in Lending Act—the Fair Credit Reporting Act of 1970, and equal credit opportunity legislation, to the question of changing the composition of the 1-cent coin, or authorizing the striking of Bicentennial coins and medallions and other national medals by the Bureau of the Mint.

In order to provide more subcommittee chairmanships in the 94th Congress, the Democratic Caucus of the Banking Committee voted on January 28 to separate the coinage and related issues from the jurisdiction of the Subcommittee on Consumer Affairs, so even if Mrs. SULLIVAN had continued as chairman of the subcommittee she would no longer have retained the primary responsibility for coinage legislation. It is to this aspect of the Banking Committee's reorganization that the editorial in Coin World addresses itself.

LEGISLATION IN THE PUBLIC INTEREST

Written by Margo Russell, editor of Coin World, who testified on numerous occasions before the Sullivan subcommittee in behalf of the numismatic hobby, the editorial provides a rare insight into the care which goes into the preparation of legislation by a conscientious subcommittee chairman interested only in the public interest in handling legislation, and who has conducted "oversight" responsibilities with great effectiveness.

The editorial also refers to the fine work done by the subcommittee's professional staff member during the past 12 years, Charles B. Holstein, who resigned from the committee staff on January 28. He has been, without doubt, the most knowledgeable person on numismatic legislation on Capitol Hill, as well as acting as the committee's staff expert on all consumer issues, and particularly consumer credit.

Mr. Speaker, under unanimous consent I submit for inclusion in the RECORD the highly laudatory editorial about Congresswoman SULLIVAN, as follows:

A FRIEND MOVES ON

we can count upon her excellent judgment we can count upon her excellent udgmenjt when it comes to voting upon future numismatic affairs, but we will miss Congresswoman Leonor K. Sullivan, D., Mo., who is leaving behind 12 years of numismatic experience as she vacates the chairmanship of the House Banking subcommittee on Consumer Affairs.

We always thought this was an improbable Congressional niche for minting and coining legislation, although consumers handle more coins than anybody. But it was a great day for the coin collectors 12 years ago when Congressman Wright Patman created the subcommittee, and Mrs. Sullivan took her post as chairman.

It has been our privilege to observe firsthand Mrs. Sullivan's wisdom at work, her show of strength, one degree removed from the term, tough, because she is such a lady; her sincerity, her courage, her no-nonsense approach to a succession of numismatic problems. The two most recent Mint directors, incumbent Mary Brooks, and her predecessor, Eva Adams, found Mrs. Sullivan their astute and understanding champion.

We remember Mrs. Sullivan gave the hobby the courtesy of a hearing on the feasibility of reviving commemorative coinage shortly after she assumed her new duties. She expedited legislation to produce the memorial John F. Kennedy half dollar; she studied the problems surrounding the melting and exporting of silver coins, she introduced an amendment to make certain everyone could order Proof coin sets.

She went on record as approving a Bicentennial commemorative coin issue; she joined coin collectors at their convention; she did battle over the Eisenhower dollar profits going to the college, she shepherded the Bicentennial medal legislation, and investigated the medals which went to the moon. She saw that private enterprise in the hobby had fair shake.

Mrs. Sullivan guarded the hobby against misrepresentation, sought a full report on silver coin capers, and arranged to listen to the Mint's cent problems.

Her door was always open to numismatic delegations. Her staff, headed by Charles Holstein, was readily available for consultation. Holstein is a veritable wellspring of intelligence and procedure, with total recall and ability to give facts and summation faster than television's instant replay. He is going to be missed greatly by all of us who depended upon him for the straight of the story. Fortunately for Mrs. Sullivan, he will remain on her staff.

Mrs. Sullivan will be spared the extra work caused by the Consumer Affairs Subcommittee, so now she will have more time to devote to her chairmanship of the House Committee on Merchant Marine and Fisheries. She is also a senior member of the House Banking Committee, and of the Housing subcommittee. Her St. Louis constituents share our esteem—they returned Mrs. Sullivan to Congress for the 12th consecutive term last fall.

We trust our working relations with Rep. Robert G. Stephens Jr., of Georgia will be equally as pleasant as he assumes the duties as chairman of a new House Banking subcommittee, Historic Preservation and Coinage. We hope we can count upon a long friendship, and not be subject to another congressional reorganization in two years. Although this possibility exists, it does not make for efficient legislative performance, in our estimation. Comprehension of the complexities of coinage takes time. And we treasure and respect congressional friendships as they develop for mutual benefit, understanding and confidence.

PROVIDE PUBLIC WORKS PROJECTS TO EASE UNEMPLOYMENT

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ST GERMAIN. Mr. Speaker, in the opening moments of the 94th Congress, the Democratic majority issued a formidable and sensible plan of action for dealing with the problem economy. One of the most important points made concerned a program to cope with rising unemployment. The plan called for the establishment of additional and necessary public service jobs, instead of merely providing "economically nonproductive and personally unsatisfying" unemployment compensation. Also, the program sought immediate relief from excessive administrative paperwork which has held up billions of dollars earmarked for congressionally approved civil works projects.

At a time when unemployment statistics are approaching 9 percent nationally and 10 percent in Rhode Island, the implementation of the majority proposals for creating more public service jobs must be swiftly accomplished. In further evidence of the need for immediate attention to this grave problem, I would like to present a resolution introduced by Rhode Island State Senator John Hawkins and passed in the General Assembly of the State of Rhode Island on the 11th day of February 1975, memorializing Congress, the Rhode Island delegation in Congress, the President of the United States, and the legislatures of the various States to support legislation to grant funds to the various States for the purpose of public works projects:

RESOLUTION

Whereas, Because of the state of the economy in the State of Rhode Island and throughout the nation there is a high rate of unemployment, which condition is projected to become more severe; and

Whereas, Funds available for such projects would create employment, and provide necessary public works projects for the State of Rhode Island and the various states of the nation; and

Whereas, There is a need for hospitals, schools, playgrounds, conservation projects, wildlife protection, preservation of natural resources, playgrounds, highways, roads, streets, bridges, prisons, public buildings, and other public works projects in the State of Rhode Island and the various states of the nation; now, therefore, be it

Resolved, That Congress, the Rhode Island delegation in Congress, the President of the United States, and the legislatures of the various states be memorialized and respectfully requested to support legislation to grant funds to the various states for the purpose of public works projects; and be it further

Resolved, That the Secretary of State be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the presiding officer of the United States Senate, the presiding officer of the United States House of Representatives, to the Senators and Representatives from Rhode Island in the Congress of the United States, the President of the United States, and the presiding officers of the legislatures of the various states.

LITHUANIAN INDEPENDENCE

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WALSH. Mr. Speaker, one of my primary concerns during by time in Congress has been the plight of the captive nations, those countries who were forcibly annexed by the Soviet Union. The stories of torture and oppression that come from those countries are truly horrifying.

In a continuing attempt to bring this situation to the public's attention, I would like to do my part in commemorating the 57th anniversary of the establishment of the Republic of Lithuania by sharing with my colleagues an article entitled "An Invisible Nation—A Forgotten People":

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent state. On February 16, 1975, Americans of Lithuanian origin and descent . . . commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and

basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronicle of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

LITHUANIAN INDEPENDENCE DAY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WHALEN. Mr. Speaker, I am pleased to join with so many of my colleagues in this observance of the 57th anniversary of the establishment of the Republic of Lithuania.

Although the Soviet Government seized that small nation by force in 1940 and compelled it to become one of the Soviet Socialist Republics, Lithuania has never ceased to be independent in spirit. The Russians realize this fact. For them, it has become quite vexing. For us, Lithuania's tremendous reservoir of patriotism has served as a constant reminder of the grossness of the Soviet repression.

We, in the United States, frequently, and most often on the occasion of Lithuania's Independence Day, remark upon the injustice that has been visited on that small country on the shores of the Baltic and her two equally maltreated neighbors, Estonia and Latvia. We recognize the aspirations of the Balts to determine their own lives, worship as they please, and preserve their ancient and unique cultures. The populations of these three countries are small as is their land area. The fact that they have maintained their linguistic and cultural identities through the severest of travails indeed is testimony to their viability as separate, individual nations.

Détente is the word that underlies present United States-Soviet relations. Perhaps one day the Russians can extend it to those who are not Russians and who have no wish to be.

SIX DANGERS IN AMERICA'S FUTURE

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MILFORD. Mr. Speaker, those of us in Congress who shoulder the tremendous responsibility of assuring the survival of our Nation's political and economic systems would benefit from reading the following article from Federal Reserve Board Chairman Arthur Burns.

He sets out six problems we must cope with plus both immediate and long-range solutions.

Key to the whole package is the scope of problems—both fiscal and psychological—which are created by our huge national indebtedness, that is, big spending programs.

As I read this article in U.S. News & World Report, I thought that the Chairman expressed reason, careful thought, historical and economic perspectives—a good understanding of the complex problems confronting us.

It is my hope that my colleagues in the Congress will set aside their personal prejudices and look at this article for what it is: A reminder that individual pride and individual productivity are prerequisites for increased production, elimination of product shortages and an economic stimulant.

The article follows:

WARNING FROM BURNS: SIX DANGERS IN AMERICA'S FUTURE

The latest from Federal Reserve Board Chairman Arthur F. Burns:

The U.S. must solve six problems if it is to have lasting prosperity.

In testimony before the Joint Economic Committee of Congress, Mr. Burns pointed to these persistent weaknesses as standing in the way of achieving a steady rate of economic growth once this recession is over.

Problem No. 1: Corporation debt, which was only about half as large as stockholders' investments in the nation's business in 1950, is today roughly equal to those investments.

A great deal of the additional debt is of short-term variety, which comes due in a matter of months and therefore needs to be refinanced over and over. Mr. Burns declared:

"The liquidity position of nonfinancial businesses has thus been weakened."

A slumping stock market in 1973 and 1974 was one of the reasons for that pileup of debt. It was difficult, if not impossible, for many companies to raise funds through the sale of new shares of stock. That left them with no alternative to heavy borrowing.

Problem No. 2: A decline in the earnings of the corporations in "real" terms contributed to the increase in debt by depriving the companies of funds needed for new supplies, construction and equipment.

While corporations generally reported higher profits in 1974, Mr. Burns said this apparent increase came from a rise in the value of inventories as a result of inflation. When this "illusory" element is eliminated, he estimated, the companies' earnings actually went down 20 per cent last year and were smaller than they had been 8 or 10 years ago.

Profits were also distorted by the fact that industry is charging for the use of plant and equipment on the basis of prices paid for them years ago, instead of at the much higher prices that will have to be paid for replacements when the present equipment wears out or becomes obsolete.

Adjust for that factor, Mr. Burns said, and profits were actually not even large enough to cover the dividends being paid to stockholders—let alone to provide for building up the business.

Problem No. 3: The double-digit inflation of the past year. The Federal Reserve Chairman explained:

"There can be little doubt that inflation is the principal cause of the decline in economic activity in which we now find ourselves. . . . Because of its capricious incidence on income and wealth, inflation has caused disillusionment and discontent among our citizens. And because of its distorting effects on business decisions, inflation has brought into question the liquidity of some major business and financial institutions."

On that score, Mr. Burns was taking issue with George Meany, head of the AFL–CIO, and also with some economists who say the Federal Reserve brought on the recession by keeping money and credit too tight for too long.

Mr. Burns takes the position that the Federal Reserve had to clamp down on the growth of the money supply and let interest rates soar to record levels to check inflation, which he traces in large measure to two of the six problems in his list.

Problem No. 4: Shrinking gains in productivity—what is otherwise known as output per man-hour—in recent years. Gains here reflect the technological improvements that can be brought about through new machines and methods and the increasing education of the labor force.

The trouble is, Mr. Burns suggested, that industry has not had the incentives needed to invest enough in new plant and equipment or in advanced research. And at the same time, productivity has been hampered by unfavorable changes in "the attitude of the labor force and some laxity in management."

Said the Federal Reserve Chairman:

"Workers nowadays are well trained, but many of them work with less energy than they should, and absenteeism has become a more serious problem."

Problem No. 5: The mounting tax burden. Mr. Burns pointed out:

"Taxes have progressively reduced the rewards for working, while Goverment at the same time has increased the share of the national output going to persons who are not productively employed. Twenty-five years ago, a typical worker with three dependents gave up 1 per cent of his gross weekly earnings in federal income and Social Security taxes. Since then, that fraction has risen steadily and reached 13 per cent in 1974."

Mr. Burns contended that the mounting tax burden has taken away some of the worker's incentive and thus tends to reduce productivity. And he blamed the rise in taxes largely on the way federal outlays for "public welfare, Social Security benefits, unemployment insurance, and other public assistance" have grown. These payments, he estimated, have increased about twice as fast as wages and salaries. He warned:

"A society as affluent as ours can ill afford to neglect the poor, the elderly, the unemployed or other disadvantaged persons, but neither can it afford to neglect the fundamental precept that there must be adequate rewards to stimulate individual effort."

Problem No. 6: The decline of the U.S. dollar in world markets. On that score, the FRB chief declared:

"A substantially greater degree of exchange-rate stability will not be achieved until underlying economic and financial conditions have been put in better order."

What ought to be done? Mr. Burns divided his prescription into short and long-range remedies.

For the immediate future, he stressed the need to "cushion" the recession with a temporary income-tax cut for individuals, tax relief for business, and "an adequate expansion in supplies of money and bank credit."

For the longer run, he said, Congress must get a firmer grip on federal spending, especially on the so-called transfer payments to people receiving direct assistance of one sort or another from the Government.

Better profits for business and greater incentives for investment also will be needed, Mr. Burns said.

"Above all," he concluded, "ways must be found to bring an end to inflation."

BAILING OUT THE TITANIC

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HARRINGTON. Mr. Speaker, the utility industry is in the process of collapsing. An enormous increase in the amount of new capital needed for our future powerplants is creating an impossible situation in the industry. Simply put, without either massive rate increases, or massive public subsidies, the powerplants we need to meet future demand will not be built.

The Wall Street Journal of February 18 reports that the White House is currently preparing a plan for a massive bailout of the industry. It is ironic that, while decrying public power as unwarranted Government intervention, our utilities are now lining up behind Lockheed, the Penn Central, and other pillars of our free enterprise system, waiting for a handout.

If the Ford administration does attempt to bail out the utilities, consumers will not benefit, only investors. As an alternative, I am proposing to the Massachusetts Legislature that the State involve itself directly in the utility problem by financing and operating new powerplants through a public nonprofit corporation. In this way, the savings of public financing can be passed on directly to the consumer, not the stockholder.

In the coming months, something must be done to resolve this financing crisis. In my opinion, electricity is a basic necessity which should be made available at reasonable costs. The private sector can no longer meet t his challenge. Rather than artificially propping up the industry with public subsidies, Government ought to assume an active role in supplying this basic component of our industrial life.

I commend the Wall Street Journal to my fellow Members who are concerned with the skyrocketing cost of power.

The text follows:

A FRIEND IN NEED? UTILITIES' FINANCIAL ILLS STIR WHITE HOUSE TALK OF GOING TO THE RESCUE

(By James P. Gannon)

WASHINGTON.—The White House is urgently studying a batch of far-reaching schemes to bail troubled electrical utilities out of their financial problems.

The search is on for a plan that would help financially ailing power companies obtain the vast amounts of money needed to get their plant-building programs back on track again. The Ford administration is alarmed that widespread cancellations and postponements of utility plant projects not only are worsening the recession but threaten to undermine President Ford's long-range energy plans and could mean power shortages and blackouts in years ahead.

The utility-bailout ideas, which are bubbling up through the bureaucracy toward the President's desk, range from the mundane to the exotic. They include:

Loan guarantees for utility bond issues intended to reassure investors who have grown wary of such securities, and thus enable financially strapped power companies to sell bonds at reasonable interest rates to provide money for plant expansion.

A Utility Finance Corp., patterned after the Depression-era Reconstruction Finance Corp., that would make direct loans or even buy utility stock issues with money from the U.S. Treasury.

A novel scheme under which Uncle Sam would promise to buy, at profitable rates, all the electricity generated by nuclear and coal-fired plants that have been delayed or scrapped due to lack of financing. The government would hope to resell the power to actual users, but the profitable-sales guarantee would enable the utility to borrow the money to finance the now-stalled construction, according to backers of this scheme, which has captured the fancy of White House economic adviser L. William Seidman.

A rebate plan under which the Treasury would reimburse utilities for the higher costs of fuel arising from President Ford's package of oil tariffs, taxes and price increases. This less-ambitious step wouldn't solve the industry's broader financing troubles, but it would offset a cost burden that some utilities claim could be "crippling."

A NEVER-ENDING LINE

A presidentially ordered study of such utility-aid plans is nearing completion within two weeks, officials say, Mr. Ford's top energy and economic advisers will draw up a final list of options for the President, who will have to decide the issue himself. The decision could be difficult, because both Mr. Ford's key advisers and utility-industry leaders appear divided over the wisdom of any new federal intervention in the power industry.

"If we go down this road, it's a never-ending line," frets one Ford Cabinet member in on the planning. "Maybe we'd have to do the same thing for the airlines or other industries," he worries. But he's not sure whether his philosophical opposition to federal bailouts or the urgings of other officials to do something to shore up the shaky utilities will prove more persuasive to Mr. Ford.

Ironically, the President's own energy policy may tip the scales toward some sort of utility-aid measure. Some officials say the decision may hinge on whether Mr. Ford or Congress wins the struggle over energy policy. If Congress succeeds in blocking the White House oil tariff and tax measures, the utilities' immediate financial bind would be less difficult. But if Mr. Ford wins, oil-burning power companies will be hit with added fuel costs that could prove devastating unless the White House rushes to the rescue.

Utilities are relative newcomers to the federal welfare window. For years, they had little trouble raising all the money they needed. Investors considered them profitable monopolies whose regulated earnings and handsome dividends made their stocks and bonda secure and attractive, even to widows and orphans. Then came the 1970s.

THE MOST CAPITAL-HUNGRY

A succession of problems staggered the industry: soaring costs for coal, oil and other fuels; escalating plant-construction costs; record-high interest rates on borrowed money; safety and mechanical delays and foul-ups with new nuclear plants; heavy new outlays for air and water pollution controls. Though electric utilities have raised rates substantially (22%, on average, during 1974 alone), the slowness of the state rate-approval processes and the growing consumer and political backlash against rising electricity bills have many of them in a bind.

Their deteriorating financial condition has made it hard for many utilities to sell bonds or stock to raise money. Unfortunately for them, utilities are the most capital-hungry industry in the U.S. economy. Their capital needs for plant expansion are estimated in an Edison Electric Institute study at $140 billion for the years 1974 through 1980. About two-thirds of this would have to come from sources outside of the companies' own profits.

Because of their new money woes, utilities have been cutting their plant-expansion plans left and right lately. According to one tally, projects representing more than 60% of the planned nuclear generating capacity and 30% of the non-nuclear capacity were either postponed or canceled by utilities in 1974. Much of the stalled capacity eventually will be built, government specialists say, but the delays in getting such plants in operation could cause power shortages eventually in some areas. Worse yet, they contend the slowdown in nuclear power projects undermines the U.S. drive to reduce imports of costly foreign oil, used to fire boilers in the old plants that the nuclear ones would replace.

Ford administration officials clearly are worried, not only about the long-term repercussions but about more immediate dangers arising from the industry's troubles. All those plant-construction cutbacks are worsening the severe recession in the construction industry and depressing sales of power-plant machinery and supplies. Officials also are closely watching a secret list of the industry's potential Titanics: companies so financially strapped that they're candidates for bankruptcy.

"We have a list of 20 or so companies in varying degrees of financial stress that we're watching," confides the keeper of the list. He won't reveal the companies' names, but the utilities under scrutiny generally are those whose earnings are failing to cover, or are barely covering, interest payments on their debt and preferred dividend requirements. The monitoring is intended to give advance warning of any looming financial crisis that might trigger bankruptcy. Officials fear that kind of confidence-shattering event could send severe shock waves all through today's troubled economy.

The Titanic-list watcher notes that many electric utilities are in sound financial condition. "The problems appear to be somewhat regional," he says. This complicates the decision on whether any federal aid plan is needed. "Why in the world should we develop a policy for the entire industry in order to bail out this or that company?" asks one skeptical Treasury official. Some critics contend the troubled utilities suffer from bad management or poor state regulatory policies—problems that can be solved without federal aid.

Another complicating factor is that the industry itself is divided on whether it wants emergency federal help. Support for the bailout schemes is "fragmented," says one industry source. "There is great concern among the elder statesmen on the industry," he adds, "that they shouldn't let the nose of the government camel under the tent."

But those whose tents are nearly collapsing have abandoned philosophical reflection on the proper federal role in utility affairs. Executives of such concerns as Ohio Edison Co. in Akron and Consumers Power Co. in Jackson, Mich., have openly appealed for a federal bailout.

New federal aid is needed right now "or the nation may soon find itself grappling with these problems while freezing in the dark," contends one of the most outspoken aid-seekers, William G. Rosenberg, chairman of the Michigan Public Service Commission; he wants federal loan guarantees for utilities. The electric companies that Mr. Rosenberg's commission regulates are among the most troubled in the nation. The SOS from Michigan clearly is being heard in the White House by such Michiganders as economic adviser Seidman, not to mention the President.

Mr. Seidman, who seems to favor some utility-aid plan, has been calling attention to the industry's troubles lately. "Most private utilities aren't in good financial shape," he told a Teamsters union conference in Washington last week. More than one-third of them, he said, "aren't in a position to build new plants."

But other officials appear wary. Officials at the Treasury and Council of Economic Advisers aren't eager to launch any bailout scheme. Federal energy officials don't sound enthusiastic but concede some further steps to aid the industry may be needed.

President Ford already has submitted to Congress a number of proposals to improve the long-range health of the utility industry. These include new tax benefits such as an enlarged credit for power-plant outlays and a federally mandated overhaul of state utility regulation, intended to help utilities recover increased costs more fully and more speedily in rate hikes.

But even if Congress passes these long-range measures, some more immediate help may be needed for at least a while, officials concede. "We are looking very hard at additional alternatives" to ease the industry's financing problems, says Eric Zausner, acting deputy director of the Federal Energy Administration. Similarly, a White House economist declares that higher rates are the basic solution to the industry's problems, but "political pressures" won't permit a fast-enough increase. "The question then is what can be done in the interim to get financing in motion and get construction in motion," he says.

Probably the most novel idea under study is a power-purchase guarantee plan. This idea was suggested to the White House recently by former Congressman Craig Hosmer, long a champion of the nuclear power industry. White House adviser Seidman is attracted to the Hosmer scheme because it would both stimulate the sagging economy and support administration energy objectives by spurring immediate construction of stalled nuclear and coal-fired generating plants.

Under the Hosmer plan, the government would contract to buy all the electricity produced by any presently delayed or canceled power plant that a utility puts back on its construction schedule. The theory is that the government's commitment to purchase the power at profitable rates would make it easier for the utility to raise the money for construction. Uncle Sam would resell the power, at cost, to users or utilities depending on oil-fired plants. The scheme is promoted as one that would generate jobs, help cut oil imports and avert power shortages.

Another idea is to establish an RFC-type agency that would become a lender to or stockholder in private utilities. Such a Utility Finance Corp. has been proposed by some industry executives having trouble selling stocks and bonds to ordinary investors. Officials say any such agency would lend or buy stock only under certain conditions, perhaps including promises of future rate hikes that would permit the utility to retire the debt or repurchase the stock held by Uncle Sam. But some officials fear any such plan would smack of government takeover. Furthermore, if an RFC were proposed for utilities, other shaky businesses probably would demand to get equal treatment.

Another plan under study would have the government guarantee utility bonds, which presumably would make them easier to sell and at a lower interest rate. Uncle Sam has guaranteed loans to troubled companies before, as in the case of Lockheed Aircraft Corp. But Treasury officials are opposed to the spread of this practice, which they feel doesn't really solve the industry's basic problems and may make it harder for other borrowers, lacking guarantees, to obtain funds.

The least ambitious step would be for the government to compensate the utilities for higher fuel costs stemming from Mr. Ford's energy proposals. Those costs would be high for many power companies.

Ten New England utilities that have sued to block the Ford-proclaimed oil tariff contend the import fees will cost them an extra $125 million in 1975. The utilities claim in their suit that this will cause "an immediate and critical cash shortage." The effect could be "crippling" because of lags in raising rates, they assert.

The President may be sympathetic to such problems. Just last week, in his trip to Kansas, he disclosed that he's ordered his energy advisers to draft a plan to compensate farmers for their extra fuel costs arising from his program. Some officials worry, though, that this could be a never-ending process because everyone from airline executives to school administrators can make a case for fuel-cost compensation.

LITHUANIA WAS FREE

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ERLENBORN. Mr. Speaker, on January 8, 1917, President Woodrow Wilson sent a message to Congress which electrified the peoples of the world. On that day, Europe had been engaged in a life-or-death struggle for almost 3½ years; and the United States had entered World War I about 9 months earlier.

President Wilson's message included the 14 points on which he proposed that peace might be established.

One of his points was the self-determination of small nations.

Many peoples were encouraged to strive for independence and the first result of this striving was only 39 days in coming. Lithuania, one of the small Baltic countries, became a free and independent nation on February 16, 1918. That was 57 years ago last Sunday, a day which is observed with reverence by people of Lithuanian ancestry who live in the United States.

They might observe February 16 with exuberance, such as we associate with the Fourth of July, except that Lithuanian independence was short-lived. Together with its neighbors on the Baltic Sea, Latvia and Estonia, Lithuania was occupied by the Soviet Union in 1940.

To our credit, we and most of our free world allies have refused to recognize that conquest. Our refusal helps to keep alive the hope that Lithuanian people may one day be free again.

WHAT I REALLY WANT FROM MY CONGRESS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. COHEN. Mr. Speaker, since the Congress began its now-concluded 10-day recess, the Nation has received a variety of grim reports on the health of the economy. Unemployment has climbed to the highest total since the Great Depression. An article in the New York Times has documented cases of actual starvation among our elderly, many of whom are no longer able to make ends meet in inflationary times. And a variety of economists and other experts have predicted a still further deepening of the current recession.

How has the Congress dealt with this situation? In my opinion, it has still not faced up to its responsibility to meet the emergency. Our reaction to the President's proposed levy on imported oil provides a case in point. Early in February, we passed legislation suspending for a period of 90 days President Ford's authority to increase the tax on imported petroleum. Sponsors and supporters of the legislation, who were nearly unanimous that conservation measures of a sort are needed, agreed on this period, which was designed to give Congress time to develop an energy policy of its own. On its face, this represented a wise and responsible approach to the energy problem. Yet the face is deceiving, since the House promptly chose to utilize 10 of its allotted 90 days by taking an effective recess. As we return to the Capitol today, I am sure many of my colleagues will agree that we could have used our time more productively here in Washington.

Sadly, however, our behavior with regard to the Lincoln Day recess is typical of the way the Congress has approached its responsibilities during the current session. Despite the demonstrated severity of our problems, there seems to be little sense of urgency in the Halls of Congress. Political posturing continues to dominate the debate on issues of grave importance. And the congressional recess schedule, which has already been completed for the entire year, reveals that we have allotted ourselves more than 100 days of recess time.

With the abiding commonsense for which they are noted, the American people have sensed far better than many of their leaders that this is no time for politics-as-usual. This sentiment has registered increasingly in my correspondence with constituents, many of whom express befuddlement and dismay that Congress has not devoted itself more diligently to the search for solutions to our pressing economic and energy problems. The issue of congressional responsibility was very forcefully stated in a recent newspaper column by a Maine State senator, Bennett D. Katz, of Augusta. Senator Katz' argument is not original; it is exceptional primarily for the force and eloquence with which he makes it. What is original, I think, is the chord that his remarks have struck with Maine people, many of whom have written me in praise of his position.

Mr. Speaker, there is a message for all Members of the Congress in Senator Katz' article "What I Really Want From My Congress," which appeared in the Maine Sunday Telegram of February 9. In the sincere hope that my colleagues will take time to read and ponder his remarks, I enter a copy of that article in the RECORD at this point:

WHAT I REALLY WANT FROM MY CONGRESS

(By State Senator Bennett Katz)

At a time when we need action so much, I perplex about the wide gulf between our nation's needs and Congressional inaction.

I chafe at the high disparity between campaign rhetoric (in the even years) and legislative output (in the odd years).

Last month I listened for two hours to Sen. Birch Bayh (D-Ind.) as he gave a speech at Bates College. He was good—an accomplished speaker. He used all the proper pauses, the changes in voice speed and inflections.

I cannot recall that he assumed any responsibility for congressional shortcomings, nor did he give one ray of positive hope of the emergence of congressional leadership which might lead to a comprehensive attack on our dreadful problems.

Yet it was Congress which appropriated every blessed dollar to underwrite the cost of our Viet Nam inanity.

It was Congress which created and funded the CIA—and adequate oversight of its clandestine operations is the responsibility of Congress.

It is Congress which makes endless speeches about the evils of tax loopholes, and then goes home to make more speeches—without enacting tax reform.

It is Congress which has the ultimate responsibility through legislation to face up to this energy mess, the need for more conservation and more domestic independence. And it is Congress, and only Congress which can give us the legislative tools to help us emerge from our growing economic ills.

What do I really want from my Congress?

I want fewer news releases on bills introduced, and more headlines on legislation enacted.

I want a 1975 moratorium on personal 1976 presidential ambitions within the Congress, with an increased dedication to effective committee work in Washington.

I want fewer speeches on national health insurance, and, given a legislative miracle, an enacted program laid on the President's desk for his signature.

I want the enactment of an energy package that leads to reduced consumption and increased U.S. energy independence, with a fair sharing of the attendant burdens.

I want sweeping tax reform. Not next year or next session! Not studies! Not speeches about the evils of tax loopholes! I want comprehensive tax reform at least—NOW!

Above all, I want my Congress to stay on the job in Washington. With an extraordinary lack of concern for speedy answers to our nation's needs, I understand that Congress now plans:

1. An 11 day recess in February.
2. A seventeen day Easter recess.
3. A 13 day Memorial Day vacation.
4. A 10 day 4th of July holiday.
5. 34 session-free days during August and September.
6. A 10 day vacation in October.
7. A 10 day vacation for Thanksgiving.
8. A Christmas—year-end break of undetermined duration.

Maine's four men in Congress are Muskie, Hathaway, Cohen and first termer Emery. Collectively and individually, Maine is very well represented. There is every reason to expect that these four talented men will maintain a close and continuing contact with each other, so that Maine's voice will be amplified.

Neither Maine nor the nation needs a Republican program this time—nor a Democratic one. We must have a coalition of Congressional leaders committed to shake off Congress' lamentable moribund performance. Pressing human needs must be translated into congressional action, NOW!

There is too much suffering in the wings to accept less.

DOTTIE COOK, WOMAN IN BUSINESS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PICKLE. Mr. Speaker, women as high ranking in business as Katherine Graham, Mary Wells, Margaret Scarbrough Wilson, Dorothy Schiff are still novelties by some because they are women. The board rooms and executive desks of this Nation chiefly are still "manned"—by men. This is a fact which is often pointed out these days.

But there is another fact concerning employment for women which does not get pointed out—and that is the tremendous loss of talent, brainpower, and general working ability because our job market is reluctant to provide the flexibility which many women need particularly during the years when a family's children are small. One focal point of this inflexibility is the lack of meaningful part-time jobs.

In my view this is not fair. It is like saying to half the population, "We'll give you the right to 'make it' in the business world, but don't expect us to help out with other responsibilities you may have or to reshape that world one whit to account for your existence." In other words, "You can come to our party, but you have to bring your own cake and bake it yourself, too."

A much better solution to many work needs can be found if both the job and the employee are shaped so that they are compatible with each other.

One young Texan decided to do something about breaking down old fears and inhibitions against providing flexibility in job opportunities. For the past 3 years, Mrs. Dottie Cook has been chopping away at such staid stereotypes as the 40-hour week and the practice of looking only for one person to fill the needs of each job.

Sometimes she has convinced employers that a job can really be handled by a part-time person—or has convinced others that it could be handled by two part-time people filling one job slot. She is in reality providing direction and advice that would be good for every employer to listen to.

I have discovered firsthand that part-time help can be an asset to an office. I have had a part-time secretary-case worker in my district office for over 10 years. In the past several years I have also added a part-time legislative aide and speechwriter as well as part-time secretary to my Washington staff. They are all women, and two of them wanted to work less than full time because they had children at home. I might add that I get full-time service from them, although that was not the motive. They are simply dedicated persons.

I would like at this time to place in the RECORD a recent article from the Washington Post which discusses the challenges and triumphs of Dottie Cook and of other small businesswomen:

[From the Washington Post, Feb. 9, 1975]

BANK, INSURANCE WOES CITED—WOMAN BUSINESS OWNER FACES EXTRA PROBLEMS

(By Claudia Levy)

Rosemary Reed Miller knew she had one of the better ideas.

It wouldn't take too large a showroom to display the kind of bright, "young look" dresses and accessories she had been wholesaling for several years out of an increasingly heavy suitcase.

The independent craftspeople and dressmakers were already producing saleable items and she told the loan consultant at the Small Business Administration office that little start-up capital would be needed.

"The man couldn't even see what I was talking about," said the now-owner of Toast and Strawberries, a popular boutique above Dupont Circle. "He was very conservative and he discouraged me. Last year I grossed $108,000. If I had listened to him, I wouldn't have been in business.

"And in the seven years since then, I've seen a lot go out of business who've had 10 shops."

London School of Economics graduate Gillian Nixon was so put off by the prospect of "astronomical paperwork" and the two-month delay involved in an SBA loan that she didn't even bother to apply. The former manager of the Watergate's Saint Lurant boutique had had offers from private investors interested in her plan for a tennis shop, but as a merchandiser with eight years experience opening other people's shops, she hoped to stay independent.

The loan officer at her bank "spent 10 minutes telling me they didn't lend venture capital. He didn't ask my name at all, but he did bother to ask if I had an account." Eventually she got a loan, but the review process only began after she bitterly pressed her case with a vice president of the bank.

Ms. Nixon's Canal Square store in Georgetown, the Tennis Set, open now since May 1973, has been riding the crest of new interest among women in the sport, she says and she began specializing in clothes while some competitors were stocking mainly equipment. Last Christmas, she said, her best-selling item was a $94 tennis outfit. Sales volume has increased by about 50 per cent.

Miller, Nixon and other women who have recently launched a new Association of Women Business Owners here, see themselves as part of a breed of predominantly young, independent female entrepreneurs who pride themselves in new ways of merchandising, designing services and relating to their colleagues and employees.

As women, they say they share common frustrations in dealing with bankers who lack vision, insurance companies that won't write reasonable disability policies and in the complexities of business twinned with

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child-raising. As a group, they hope to deal with some of these problems and to refer business to other women.

As entrepreneurs, they face economic pitfalls common to most owners of small businesses including high interest rates, poor initial cash flows and consumer uncertainty.

"Many of us started businesses because we couldn't find a place to work where we could be happy," public relations consultant Anne Banville said. "Most of us have managed to retain in our businesses characteristics that are different than men's . . . Many of us want to make money and be successful but don't always want to go big . . ."

Dottie Cook says she began her employment service, the Job Market, three years ago largely as the result of her own frustrations in trying to find part-time work.

A former personal secretary to Sen. Ralph Yarborough (D-Tex.) who had also worked for a consulting firm, Cook found that "short of being in retail sales or a grocery clerk, employers thought you were laughable. A lot of women are excluded from the employment market because they can't work 40 hours a week."

Her agency, which places mostly secretarial and clerical employees, works to encourage firms to be more flexible with their use of women, she said, and has been able to persuade some to allow women to share a single position or work part time.

The 1970s, she said, is going to be a time of change for work ethics and styles, particularly for women. With community development specialist Denise Cavanaugh, Cook is also a partner in Cook-Cavanaugh, a management consulting service that came into being "because employers were asking more in-depth questions about women in the workforce."

Clients tend to be middle-sized associations, institutions and federal agencies concerned with the legal status of their equal employment opportunity programs, and how to best utilize their staffs, Cavanaugh said.

Susan Eisenberg, who picked up knowledge of bookkeeping and accounting while she worked for two CPAs, also places high value on flexible hours. She began to freelance as a bookkeeper after her third child, now nine, was one-and-a-half. That work evolved into a financial consulting business serving largely professional clients and non-profit groups who need to have financial reporting systems designed for them or to have grants administered.

In the past five years, she said income has more than doubled, with the several employees of her firm sharing profits from about $50,000 a year in revenues.

"Nobody is actually on salary," Eisenberg said. "Everyone is on a percentage of what they bill. It's an incentive program. It kind of seems to me a fair way to do things."

Women in the firm "feel more of a kinship to one another," a feeling she said she perceives in other small, female entrepreneurships. "Employees really aren't employees; they're helping you do a good job. There's very little of that 'You work for me, you're subordinate to me' . . ."

Rosemary Reed Miller, whose husband Paul, former dean of the Howard University Law School, died last summer, Dottie Cook, whose husband is a government economist, and Susan Eisenberg, who was separated from her husband when her children were small, all have had to depend heavily on loyal housekeepers or platoons of babysitters to free them to keep their business going. Unless shared by mates or taken up by outside help, family responsibilities can be overwhelming for a woman starting a full-time business, they said.

And partly for that reason, many women begin their commercial enterprises at home, transferring the work to other facilities later if they were able to swing it.

Census figures for this area, in 1970, figures which do not represent a complete tally of business owners, indicate that there are perhaps 14,000 self-employed women here.

As of that year, however, they appeared to be heavily concentrated in enterprises characteristic of the rest of the nation's businessmen—beauty shops and other personal services, retail stores, and "private educational services."

The association founders, who drew about 50 people to their first meeting last week, hope to spark a national network of progressive business women that can command more government attention and strengthen individual businesses.

"I've always felt women have had to be time-and-a-half better to get ahead in anything," PR consultant Anne Banville said. "All things being equal, I'll give work to a woman."

TAXES TOP INFLATIONARY RISES—AGAIN

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BAUMAN. Mr. Speaker, an article in the Baltimore Sun for February 10 highlights the great responsibility which the Federal Government must bear for the inflation which afflicts every American. The article, reporting on a study conducted by the staff of the Joint Economic Committee, reports that in 1974, a year of sustained inflation, the one item in an average family's budget which rose most sharply was—you guessed it—taxes.

Different economists estimate 1974's inflation rate, measured by various indices, at anywhere from 10 percent to 15 percent. But during this period, social security taxes rose 21.6 percent and personal income taxes rose 26.5 percent. Surely this is more than a little bit out of line.

When you reflect that inflationary rises in other portions of the average family's budget are also attributable in large measure, either directly or indirectly, to policies of the Federal Government, particularly Congress insistence on deficit spending, it becomes clear just how much of a burden the Government is laying on the working citizens of this country.

The proposed budget for 1976, with the largest peacetime deficit in U.S. history, offers little hope of any relief for the average American. Some of us are wondering, Mr. Speaker, how long the American people will endure what has become, by any reasonable definition, a sustained policy of confiscatory taxation.

The Sun article follows:

TYPICAL FAMILY'S TAX TOPS ALL '74 INFLATIONARY RISES

(By Albert Sehlstedt, Jr.)

WASHINGTON.—For the second year in a row, taxes paid by a typical American family topped all other inflationary increases in its 1974 budget, according to a congressional staff study released yesterday.

While food prices rose nearly 12 per cent and housing more than 13 per cent, the taxes—including state, local and federal—rose by more than 26 per cent.

This is largely due to the fact that the typical family's income rose, pushing it into a higher tax bracket.

These findings are in a survey prepared by Lucy Falcone, an economist on the staff of the Joint Economic Committee of the House and Senate.

"Higher tax payments outstripped all other price increases in the consumer's budget in 1974," the survey report said.

"For the family at an intermediate income level of $14,466, Social Security taxes rose 21.6 percent in 1974, from $647 in 1973 to $787 in 1974. Personal income taxes rose even more—by 26.5 per cent.

The increase in personal income taxes from 1972 to 1973 was 16.9 per cent, Miss Falcone said.

The intermediate budget discussed in the survey is based on Bureau of Labor Statistics hypothetical budgets aimed at measuring consumer's total expenditures in the low, medium and high ranges for families of four living in cities.

While the intermediate budget was used as an example in the staff study, the increases in taxes overshadowed the other cost increases in the lower- and higher-income ranges, too.

The staff study went on to say that inflation had increased the income tax burden on low- and middle-income people more than on wealthy people "because it has reduced the value of the standard deduction and exemptions, and because tax brackets are much narrower at low- and middle-income levels.

"While dollar income rises, the deduction remains the same," it said, and thus taxable income rises faster than dollar income. At higher income levels, the value of itemized deductions is likely to keep better pace with dollar incomes so that taxable income doesn't rise faster than dollar incomes."

The current recession, the committee survey continued, is the first in which the overall tax burden has increased for families and for individuals.

In previous economic downturns, the tax burden declined, which, in itself, stimulated demand among the buying public.

THE SPIRIT OF LITHUANIA

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ARMSTRONG. Mr. Speaker, Sunday, February 16, 1975, marked the 57th anniversary of the founding of the Republic of Lithuania.

This date also commemorates the 760th year since the first attempts at establishing a Lithuanian state in 1215 A.D., and the 724th year since the establishment of the first permanent Lithuanian nation—but since 1940, Lithuanians have not been free.

But the desire for independence has not abated. The struggle against oppression goes on. From 1944 to 1953, more than 20,000 Lithuanians lost their lives in the fight against totalitarianism.

Recently, more than 17,000 Lithuanian Catholics again jeopardized their lives by signing and sending petitions to the United Nations in an attempt to dramatize the lack of religious freedom in Lithuania today.

These attempts are especially meaningful when we consider that Lithuanian is the oldest living language in Europe and that the entire Lithuanian culture has survived despite the efforts of oppressors. What is doubly ironic is that Lithuania was one of the few places in Europe where education and religious tolerance were practiced during the middle ages.

I join my colleagues in commemorating the long, proud, and distinguished heritage of all Lithuanians—and their unflagging spirit.

SACREDNESS OF HUMAN LIFE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MAZZOLI. Mr. Speaker, the sacredness of human life cannot be denied, but few of us stop to consider the many ways, conscious and unconscious, in which its value is downgraded.

For those of us who dissent from the Supreme Court's decision of January 22, 1973, which liberalized the conditions under which abortions may be performed, that is only the most obvious.

Others which do not come to mind as readily include a lack of concern for housing, pollution, poverty and related factors which vitally affect the way our citizens live.

The month of February is being observed in the Roman Catholic Archdiocese of Louisville as "Appreciation of Life Month" to draw our attention to this situation.

I recommend to my colleagues an editorial from the archdiocesan newspaper, the Record, which explores the problem and should give us pause to think:

SACREDNESS OF HUMAN LIFE TOLERATES NO INDECISION

Our observance of February as "Appreciation of Human Life" month in the Archdiocese may well be the most significant and penetrating project we, as the Church of Louisville, engage in during 1975. Most significant because it demands that we answer the question: "Is human life sacred?" Penetrating because our answer will affect our other actions.

If we should answer "No" to the question, then for us nothing else will be sacred either. Remove the fundamental sacredness, that of life, and the rest of the structure collapses.

Yet, many in our culture seem to be subscribing to a belief in the sanctity of only *some* human life and the right of one human to decide the fate of another human. The Supreme Court "approved" this negative attitude toward human life when on January 22, 1973, it broke from the Judeo-Christian tradition upon which our country is founded and declared that the life of the unborn is not protected by the U.S. Constitution. Archbishop Thomas J. McDonough reminds us in his pastoral letter, "Appreciation of Human Life." Jan. 23, 1975:

"The Court's action has eroded respect for human life and has encouraged a climate of social permissiveness that has led to an unmerciful increase in the number of abortions in the United States."

With unwanted children out of the way, voices are now being raised "to end the horrible suffering of the aged;" in the name of mercy, make euthanasia legal. Meanwhile we shut away the deformed where we don't have to see them or work with them; we fail to provide the mentally retarded with schools where many could be taught to take care of themselves and even to help others. And simultaneously we note that several states recently have established a mandatory death penalty for certain crimes. The unborn, the aged, the mentally retarded, the prisoner—let's relieve society of persons who are not "fully human."

If, on the other hand, we answer "Yes, human life is sacred," then we are challenged, as Archbishop McDonough stated in his pastoral:

"Admittedly, there are many undue hardships today which militate against the full development of a human life: The high rate of unemployment, the constant rise in the cost of living, divorce, drug addiction, exploitation of the Nation's resources, racism, unacceptable family housing, hunger, and the meager income or support of many of the aged, the handicapped, and neglected children. All of these conditions debase human dignity and constitute a challenge to our respect for human life."

We have the opportunity, especially during the next few weeks, to meet this challenge as a community, hopefully gaining support and encouragement on the parish level. Ways suggested include prayer, study of the Church's teaching on the issues, and appropriate action. We might begin by asking ourselves if our actions reflect a "no" or a "yes" to the question, "Is life sacred?"

A few to get us started:

What is my contribution to the exploitation of the nation's resources? to air-pollution? Am I working to lessen my racial and/or cultural prejudices? How concerned am I that in Jefferson County alone the planning commission found over 24,000 housing units which need rehabilitation? (Add several thousand more to cover the other counties in the Archdiocese.)

Am I petitioning for food stamps to be made more available for the poor and elderly, or do I agree that this program must be cut in order to help the country recover from its economic ills? Do I give assistance to or direct the unwed mother to someone who can help her, or am I pushing her into an abortion? What has been my reaction to the massive hunger problem, both in our own country and in other areas of the world?

Our everyday actions and attitudes do reflect the answer to the basic question, "Is human life sacred?" February is a good and important time to strengthen our participation in "our surpassing ministry of safeguarding life." (Second Vatican Council)

". . . I have set before you life and death, blessing and cursing: therefore choose life; that both thou and thy seed may live; that thou mayest love the Lord thy God, and that thou mayest obey His voice, and that thou mayest cleave unto Him; For He is thy life and the length of thy days." (Deuteronomy 30:19–20)

WORLD WAR I VETS DESERVE BETTER BREAK

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SKUBITZ. Mr. Speaker, I am today introducing a bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued because of increases in monthly social security benefits.

Mr. Speaker, I know of no group of veterans that have been so badly treated as the veterans of World War I. Most of them now are beyond 70 years of age and, under existing law, each time a social security benefit is granted to them, their veterans benefits are reduced. This just does not make sense. I am hopeful that the Veterans' Affairs Committee will give immediate consideration to this legislation and do justice to those who fought and gave their all for their country during World War I. I might add that unless the committee does take steps to right this wrong, I will break my longstanding policy and sign a discharge petition to force the legislation from the committee.

SELF-GOVERNMENT FOR LITHUANIA

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Ms. FENWICK. Mr. Speaker, February 16 marked the 57th anniversary of the Republic of Lithuania. On that day in 1918, the brave people of Lithuania threw off the yoke of foreign rule under which they had suffered since 1795. The Lithuanian people have been well acquainted with self-government, however. Following the establishment of a unified Lithuanian state in the 14th century, the country became one of the great forces for freedom in the Baltic region. The Lithuanians also courageously sought ties with Western Europe during the Middle Ages—a time throughout Europe of retrenchment and isolation of ideas and people. One historian, Dr. Clarence Manning, has described the important role of Lithuania during the Middle Ages:

The Lithuanians had established a powerful and independent state in Europe during the Middle Ages. They were able to check the German drive to the east for centuries. They protected Europe against the Mongols and the Tatars. They furnished a power and a government behind which the Eastern Slavs could live in peace and safety with a freedom that was unknown in Muscovite Russia. They blessed their subjects with more human freedoms than in the neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization.

In 1795, czarist Russia annexed Lithuania. The people made many heroic attempts to free themselves, but each time failed. Following a revolt in 1831, a concerted policy of russification was begun. Still, Lithuanians remained faithful to their language and culture throughout the repressive decades of the 19th century.

With the restoration of independence in 1918, the Lithuanian Republic extracted a pledge from the Soviet Union that it would renounce forever all rights of sovereignty over Lithuania. The treaty stated, in part:

In conformity with the right declared by the Russian Soviet Federated Socialist Republic that all peoples have the right to free self-determination, including the right of full secession from the State of which they were a part, Russia recognizes without any reserve the sovereignty and independence of the State of Lithuania with all juridical consequences resulting from such recognition, and voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and territory. The fact

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that Lithuania was ever under Russian sovereignty does not place the Lithuanian people and their territory under any obligation to Russia.

During the interwar period, Lithuania was admitted to the League of Nations, adopted a constitution which guaranteed freedom of speech, assembly, religion and communication. Industrialization, agriculture and education all advanced under the independent Lithuanian Government.

Unfortunately, German and Russian aggression in World War II suffocated these freedoms. In 1940, Russian occupied Lithuania, held a phony election and incorporated Lithuania into the U.S.S.R.

Since then, Mr. Speaker, we have heard little from Lithuania. Soviet control has been complete over news and immigration. Like her sister Baltic states of Estonia and Latvia, Lithuania has had its sovereignty violated and its freedom suppressed by the Soviet Union. Their domination has been carried even farther than that of other Eastern European nations, for they have been incorporated into the Soviet Union. This tyranny to which the Baltic states fell victim is not in any way compatible with the freedoms on which the American Republic is based.

Mr. Speaker, on this anniversary of the founding of the Republic of Lithuania, it is important that we recall the achievements of this proud people. We should also remember that in the past they survived concerted attempts to eliminate the Lithuanian language and culture. I have no doubt that they will one day again achieve self-government. This should be one of the goals of our discussions of détente with the Soviet Union.

RETURNABLE BEVERAGE CONTAINER ACT OF 1975

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. JEFFORDS. Mr. Speaker, today several colleagues and I are introducing the Returnable Beverage Container Act of 1975.

Over the past 2 decades, no-deposit, no-return containers have come to symbolize the wasteful tendencies of Americans. They are an obvious blight on this Nation's landscape. Legislation banning nonreturnable bottles and cans has often been viewed as a means of cleaning up and beautifying America's roadsides and recreation areas. This, I believe, is a worthy goal, and particularly appropriate as this country's 200th birthday approaches.

But elimination of litter is not the reason for introducing this bill, which would require a 5-cent deposit on each beverage container distributed in the United States.

One of the biggest issues now facing the Congress is conservation of energy and other resources. Many proposals are under serious consideration, some of which would require significant sacrifices by the American people. It is ironic that in a time when our basic heating and transportation needs are being threatened, we continue to allow a substantial drain on energy and other precious resources brought about by the use of throwaway containers. Shifting back to the use of refillable beverage bottles would cause, at worst, a minor inconvenience. Yet the savings would be very great.

It has been reliably estimated that the energy savings would be the equivalent of 150,000 to 279,000 barrels of oil each day. This is not enough to meet the conservation goals set down by President Ford and by several leaders of this Chamber, but it would be a very meaningful step toward those goals. In addition, each year this Nation would save millions of tons of aluminum, steel, and glass. Space would be saved in sanitary landfills, an important consideration in many parts of the country. New jobs would be created, and beverage prices would likely go down; I need not remind you of the importance of these objectives in this time of inflation and recession.

The best information I have been able to compile supports my contention that all these benefits would be attained. I must admit, however, that there is much conflicting information on the subject of nonreturnable containers. Therefore, Mr. Speaker, I feel it is vitally important that congressional hearings be held on this matter, to sort out the facts. Unless we have a hearing, bad and conflicting information will continue to circulate, and legislation which potentially could bring about great benefits to this Nation may die.

I feel it is highly appropriate that the five sponsors of this bill are from the States of Oregon, South Dakota, and Vermont. These are the three States which already have container deposit laws. Our States have encountered some difficulties in attempting to go it alone. In Vermont, for example, some of our merchants near the State border have lost business to their counterparts in neighboring States. And, because of the small scale of our efforts, the great savings of energy and other resources which would be prompted by a Federal law have not been realized by our individual States.

Yet, Mr. Speaker, we, as representatives of those three States, have been convinced of the desirability, and indeed the necessity of this legislation. We and our constituents are proud of the container deposit laws our States have enacted. We know we have chosen the right path, despite the difficulty of pursuing it alone. Rather than giving up, the legislatures of both Oregon and Vermont are now struggling with methods of improving and strengthening their deposit laws.

Mr. Speaker, legislation similar to this has been discussed before in this Chamber, and in many other jurisdictions throughout the Nation. It is my strong belief that with adequate hearings and thorough consideration, this Congress will follow the example set by the States of Oregon, South Dakota, and my home State of Vermont. Deposit legislation at the Federal level is an idea whose time has come.

RAILROAD AID IGNORES BASIC PROBLEMS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. GRADISON. Mr. Speaker, this is the third time since 1970 we have been presented with a request for emergency funds from Penn Central, and each time the request increases. After spending $82 million of the $85 million appropriated in 1973, their request is now $197 million in additional grants alone, not to mention $150 million extra for loans. The basic problem with these additional requests is that they fail to strike at the heart of the problem; they merely carry Penn Central over into the next crisis. By granting these funds, Congress fails to provide an incentive to get a real solution. Indeed, we are discouraging a solution because we foster a mentality within the industry that the Government will pay all the bills. The denial of a 7-percent rate increase for Penn Central by the ICC is a good indication of that mentality. That rate hike should be put into effect immediately so that Penn Central users pay a portion of their increased costs themselves, not the taxpayers alone.

I believe that Penn Central should not be allowed to cease operation. The effect of such a shutdown would be injurious to an already-shaken economy. Such an action would be unfair to the industries which depend on rail transportation.

However, it is apparent that Penn Central has grown increasingly dependent upon the Government for assistance. This dependence has stifled innovation and encouraged a "crisis" mentality. Such emergency funds fail to attack the basic problems which confront these railroads.

Actually, the poor financial condition of Penn Central is impairing the future of ability of ConRail, the new Government-backed corporation, to survive.

It appears that Penn Central will be forced to use the loans provided in this authorization for operating expenses instead of improvements in their facilities for ConRail's use. Therefore, ConRail will be starting out behind schedule and without much-needed renovations of track and station facilities. Additional Federal funds will be sought as the answer, and the Government will continue to pour money into a deteriorating railroad system. There is no assurance that Penn Central will not be back in October asking for more funds. It appears to be a bottomless pit.

While I have every hope that ConRail will be successful in reorganizing the rail system in the Northeast, it is my belief that it begins with a number of deficiencies carried over from Penn Central, including the same management. ConRail will also have no opportunity to cut costs because of an agreement that provides for payment of full salary until age 65 to all workers with 5 years of experience if they are laid off. Because of these factors and the debt they will assume for loans to maintain and improve the facilities of the bankrupt line, I believe that other viable alternatives should be examined.

One alternative is the sale of lines to profitable railroads which wish to expand their services. There has been considerable interest by such companies as Southern Railway, the Santa Fe, and Norfolk and Western in major portions of Penn Central lines. This alternative would maintain service on these lines and join them to profitable, well-run organizations.

Towards this goal, I have written a letter to the U.S.R.A. requesting that they allow the Southern to acquire Penn Central's line between Cincinnati and Indianapolis. Such a sale would save the use of taxpayer funds to rehabilitate and operate the line. I believe that such acquisitions will be both more economical and efficient in providing and maintaining service and in decreasing the level of Federal subsidies to ConRail.

GRAVE PROBLEMS OF AMERICAN ECONOMY

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McHUGH. Mr. Speaker, many of us in Congress are deeply concerned with the way in which the present administration is approaching the grave problems in relation to our economy. Without doubt, a well-defined sense of leadership must be demonstrated by the President in dealing with the economy. Mr. Speaker, I would like to include in the RECORD an article that was written on this subject by Mr. Art Sugarman, editor of the Republican Watchman News from Monticello, N.Y., which is a town in my district.

THE WATCHMAN ON HIS ROUNDS

(By Art Sugarman)

For one American, I'm fed up with every elected, appointed or anointed expert getting on the boob tube and telling me I have to give up my grand lifestyle; that the world that I knew up until an oil boycott a year ago has come to an end. There isn't a leader in sight who says to me, "Art, pull in your belt for a while and tough it out. Then things will be better than ever." Nope, they only go around wringing their hands and proposing retrogressive steps.

For instance, if our unelected President wanted to be a leader, he might have got up in front of the nation this week and said: "Fellow Americans, we cannot any longer allow the assets of our nation which took us 200 years to hack out and build to the richest best-living enclave in the history of this globe, leave us in a flood tide of excessively priced fossil fuel. We don't want this country owned and controlled lock, stock and barrel by some people wearing bedsheets. Even if they're not the Ku Klux Klan."

The Stars and Stripes would run up and down our spine if Jerry Ford said further: "Americans, our Yankee ingenuity for solving our problem calls for leadership. From this moment on, every imported barrel of oil will be taxed $3.00. From this moment on, we're gonna take that revenue and start building government owned and operated nuclear power plants. We'll sell the power at cost to our utilities to pass along to you. And we'll stop using oil to burn our lights, turn our factories and heat our homes. In a couple of years, let the Arabs boil in their own oil, because Americans will be independent from the Barbary Pirates."

Instead, of course, President Ford proposes cutting income taxes and taking that pocket-money right back, plus more, in added fuel prices. The underlying illness remains while we're being Flim-Flammed by a sugar-coated aspirin dispenser in Washington.

Or my leader might have said: "I learned in the last World War that a convoy sails at the speed of the slowest ship. But this point of time calls for a new formula. We are a nation of energetic, resourceful and vibrant people who, shown the direction we want, will forge our way. We've done it to the Moon and to the Planets. We'll get out of this bind. Everybody who wants part of this action, take one step forward."

He could have continued: "I know that there are some low-income, elderly and even some underprivileged young who cannot survive our present crisis of inflation-recession. The rest of us will take care of them, better than ever. If they cannot join the Crusade to rebuild America's pride and leadership, the rest of us will do it for them. We will not desert our less fortunate comrades." And boost welfare, Social Security, etc., to an adequate level!

Maybe our experts ought concentrate on the positive, too. We worry about polluting the air, despoiling the sea and about the huge list of endangered animals. Hell, can't you see the important point is you and me are on top of the Endangered Species list?

It bugs me to hear the other day the Torch of Freedom on the Statue of Liberty was darkened a few hours by an electrical failure . . . It bugs me to hear Russia now has in place massive missiles that dwarf ours, outfitted with MIRV warheads—multi-targetted missiles. And in the same newscast hear that the next round of SALT talks are now scheduled to talk about arms limitations. Seems like the Russians stole a march on us.

It bugs me to hear our Secretary of State Henry Kissinger being condemned for being "warlike" in truthfully answering an interviewer that America might consider using military intervention to save us, under extreme circumstances, from economic strangulations. What do we have one of the world's strongest, most expensive and extensive muscles for? To lose our way of life?

It took a Canadian disk jockey to compile a list of how great America has been. And put to song, it was a hit record in America. I know that it's no longer good taste to wave the American flag. And, brother, that bugs me the most!

If you agree, don't send a letter to the editor. Maybe send this, or your own thoughts, to Jerry Ford, or your Senator, Representative or Governor. Maybe you can bug them.

FOOD STAMPS AND GAS RATIONING

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SYMMS. Mr. Speaker, we have all been hearing about the problems with the Federal food stamp program and the many abuses that are occurring. Columnist John Lofton, Jr., has made an excellent commentary on this subject and I think my colleagues should have it brought to their attention.

Also, Mr. Lofton, in a separate article, discusses Melvin Laird's proposals for strict gasoline rationing. His comments on this matter are quite timely. The two columns follow:

[From the Rocky Mountain News, Jan. 16, 1975]

UNCLE SAM DOESN'T EVEN KNOW WHO IS GETTING FOOD STAMPS

(By John D. Lofton, Jr.)

In all the howls of outrage that have greeted President Ford's rather modest proposal to save $325 million this year by slightly increasing the cost of food stamps, the truly outrageous thing about this program has been totally ignored.

And that is, every year the American taxpayer is ripped off to the tune of several hundred million dollars in food stamps by people who are not needy and, despite the fact that this is known, the Department of Agriculture has taken no steps to find out exactly who and how many people are doing the ripping off.

Typical of those who have denounced the President for proposing that the average food stamp recipients spend an extra 8 percent of their monthly income on stamps, is Sen. Hubert Humphrey.

The Minnesota Democrat says Ford's plan "makes the entire food stamp program a cruel hoax." But there is evidence that much of the program could already be characterized as a hoax.

In an interview with Royal Shipp, director of the Department of Agriculture's Food Stamp Division, I was astounded to learn that it is not known precisely who is getting food stamps.

"You do not know exactly who is getting food stamps?" I asked incredulously. "That's right, we don't," Shipp replied, explaining that the states administer the $4-billion-a-year program to 15 million people. He said one of the concerns of the federal government is not to impose "onerous" requirements on state welfare agencies.

"An audit is onerous?" I ask, again incredulously. No, No, he responded. They have that kind of information. "But not on a national basis. We do not know the characteristics of those getting stamps. That would be a difficult thing to require," he maintains, although he says it could be done administratively without congressional action.

"A national survey would be costly. We just haven't done it here. We just haven't felt this was required."

When I asked Shipp what percentage of those getting food stamps are not really needy, he says there are no national figures on this. When I press him, he says that he suspects the figure is comparable to the Aid for Families with Dependent Children welfare program. This means an ineligibility rate of about 10 per cent, which would amount to about $400 million a year in food stamps going to nonneedy people.

Isn't it appalling that the federal government is doling out so much of the taxpayer's money for food stamps, yet there is no precise accounting of where it's going, I ask? Shouldn't we have some idea in round figures, like say to the nearest hundred million bucks?

Shipp laughs nervously, sighs, and says he thinks I'm being "a little unfair" since "these are not easy questions to deal with."

He says this is something they're working very hard to correct and in a few months there will be some data published on the subject. He explains it's just not something "we've dealt with yet."

Not dealt with yet! How long has the food stamp program been in existence? I ask. Over 10 years, he says. To my way of thinking some sort of quality control should have been in the program from the beginning, I suggest.

"Well, okay, that's one thing you can say," he says, "but in fact it just came in

1972, when there was concern over the rapid growth of the program."

The Federal food stamp program has become a fiscal monstrosity and a budgetary nightmare. When President Kennedy launched the program as an experiment in 1961, it cost $860,000 and involved fewer than 50,000 people in six test areas.

Now, Rep. Martha Griffiths, D-Mich., whose joint economic subcommittee has investigated the program, says the cost could hit $10 billion a year in two or three years, and 60 million people could become eligible for food stamps.

Sen. Humphrey and others in the Congress who have criticized President Ford's food stamp proposal say they are concerned about food being taken from the mouths of the poor and the elderly.

If they really mean this, they should stop running their mouths and do something to find out who the nonneedy are that are getting the hundreds of millions of dollars annually in food stamps. Then they should put a stop to it.

If they do this, Humphrey and his friends would be performing a real service to both the poor and the needy, and those of us who may soon find ourselves in this category if something is not done soon about out-of-control, government-give-away boondoggles like the food stamp program.

[From the Nashville Banner, Jan. 6, 1974]

SO MEL LAIRD URGES GAS RATIONING

(By John D. Lofton, Jr.)

WASHINGTON.—Opening this month's *Reader's Digest* and seeing an article by Melvin Laird calling for mandatory, federal gas rationing, I felt the same sort of shock I would feel if I turned on the TV and saw a commercial urging me to buy an Edsel. Both are ideas whose time I thought had long since passed.

In his shoddily written, poorly thought out and internally inconsistent piece, the *Digest's* counselor for national and international affairs says rationing is needed despite the fact that it is "completely unattractive," entails "a further surrender of our personal freedom to bureaucracy" and is "inefficient and can never be entirely fair."

The problem, as Laird sees it, is that because our wasteful habits are so ingrained, it is unrealistic to expect Americans to voluntarily cut down on fuel consumption. The former secretary of defense believes only rationing can provide such guarantees. Therefore, he favors giving the President the power to slash oil imports by 50 per cent and the power to enforce savings that will guarantee enough oil for essential national purposes.

Mr. Laird says it is his recollection that gas rationing "did work" in World War II—because the American people understood the crisis and patriotically made it succeed.

Declaring "it's time to end the rhetoric," Laird indulges in some of his own stating his belief that "we have the strength of character and will to temper our consumption until we achieve self-sufficiency in energy."

Now, there are so many things to be said in rebuttal to the advocacy of gas rationing that one hardly knows where to begin. First, there's Laird's rhetoric. He couldn't possibly believe in the strength of character and will of the American people to limit gas usage or he wouldn't be calling for federal laws forcing people to do this. This sort of double-talk is reminiscent of Rep. Edward Hebert's remark that the only way to get a voluntary army is to draft it.

Secondly, Laird seems to be suffering from selective amnesia as regards the workability of World War II rationing. A 1947 Office of Price Administration (OPA) study reveals a record of bureaucratic bungling, dishonesty and organized crime activity.

The OPA needed between 5,000 and 6,000 investigators just to control the black market and during the first six months of 1946, 50,000 violations of the rationing rules were discovered. The report says that because of the "unevenness of compliance and enforcement" the good will of the public was eroded.

It is important to keep in mind here that the aforementioned mess occurred when there were only 23 million cars in the United States and there was a heightened sense of cooperation created by the patriotic fervor caused by a wartime situation.

Now, however, there are 100 million autos and a sizeable portion of the American people don't even believe there is an energy crisis. In addition, all public opinion polls show a majority of Americans opposing mandatory gas rationing.

Melvin Laird is also wrong when he says rationing is the only way to guarantee the limitation of fuel consumption. Another way is to let the free market determine the price and the allocation.

A compelling case for this course of action is made by Dr. Edward Mitchell, director of the American Enterprise Institute's National Energy Project, a project chaired, ironically, by one Melvin Laird.

Dr. Edwards, a professor of economics at the University of Michigan, believes fuel conservation can be achieved far more efficiently and equitably by using the price system and the market.

"One negative thing you'll get from rationing," he points out, "is the same thing as early last year when the federal government was allocating crude oil, and that is allocation on largely a political basis—who comes down to Washington and does the most effective lobbying. This is the same way gas would end up being allocated."

Dr. Edwards also cringes at the thought of once again allowing a government bureaucracy to make choices for individual motorists. Noting that the government's crude oil allocation program last year was itself a rationing program, Edwards says that the data we now have shows that "during the Arab oil embargo we had a hell of a lot less oil available in some areas of the country mainly because of the government-run allocation system."

It is Edwards' guess that "almost half" of the gas problems during the embargo was due to the Federal Energy Office, not the Arabs. "They should share the blame about equally," he says.

In another *Reader's Digest* article, in June of 1974, Melvin Laird defended the use of the Presidential veto as "the sole Constitutional power a President has to prevent hasty or ill-considered laws."

Indeed it is. And this is exactly the power President Ford should use if the Congress is foolish enough to send him any gas rationing.

THE DAIRY FARMERS' COST-PRICE SQUEEZE

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. KASTEN. Mr. Speaker, I wish to take this opportunity to introduce a bill which provides for increasing the support price of manufacturing milk to not less than 90 percent of the parity price of milk, to become effective upon enactment of the bill and to remain in effect through March 1, 1977. In addition, this bill provides for quarterly adjustments of the support price to reflect any change in the index of prices paid by farmers for production items.

This legislation is currently of the utmost importance because the dairy industry during the past 2 years has experienced a devastating cost-price squeeze. The milk-feed ratio—the number of pounds of concentrate feed ration equal in value to 1 pound of whole milk—has gone from a 5-year average prior to 1973 of 1.7 to a low 1.1 in August 1974.

This devastating cost-price squeeze is not only threatening the viability of dairy farmers, it is endangering the future of this Nation's milk supply. Major reductions of dairy herds and cow numbers have already occurred. This has resulted in reduced milk production—down about 1 percent from 1973.

Recent reports from farmers with respect to specific prices they have been paying for some of their production items involved in dairying are alarming. For example, from September 1972, 1 ton of 16 percent feed increased by 111 percent—from $71.80 to $134.25. Alfalfa seed increased from $76 per hundredweight to $181, an increase of 138 percent. Ammonia nitrate increased from $59 per ton to $199, a 222-percent increase. Phosphate has increased by 146 percent; potash by 81 percent; gasoline by 49 percent; fuel oil by 87 percent; antifreeze by 300 percent; bailing wire by 102 percent; wire fencing by 90 percent; wood posts by 238 percent; and baler twine by 282 percent. Nearly all costs have increased, and there is little likelihood that any production item prices will decline in the near future.

In spite of this continuous increase in prices paid by farmers for production items, the average price of milk at the farm as of January 15, 1975, was about 6.8 percent below the January 1974 average price.

Farmers cannot be expected to continue to produce at a loss. Unless some remedial action is taken soon, the Nation's milk supply will be threatened. We can import powdered milk and cheese, but there is no practical way to import fresh milk in quantities needed in the United States at any price.

The current level of imports of dairy products has been a major price depressing factor at the farm level, while affording no benefits to consumers. It should also be noted that many of these products have moved into the United States under subsidies of foreign governments resulting in unfair competition for the farmers of America.

Dairy imports for the period January-September 1974, totaled 2.3 billion pounds milk equivalent, up from 1.3 billion pounds a year earlier. Almost all of this increase occurred during the first quarter of the year, when an increase in the import quota for cheddar cheese was authorized. Since then, imports have slackened to a more normal rate, but are still above year earlier levels.

Mr. Speaker, few if any farm commodities are more widely used and more widely produced than milk. Virtually every family in the United States is a consumer of milk and our current milk supply is produced on more than 260,000 commercial dairy farms throughout the Nation. For many years cash receipts from the sale of dairy products have been the second largest source of farm cash receipts, second only to the sale of meat animals. However, in 1973, dairy products ranked third among all other agricultural products in the value of farm cash receipts, exceeded only by meat animals and soybeans. In 1973, farm cash receipts from the sale of dairy products totaled $8.1 billion, and accounted for more than 9 percent of the total value of all farm products sold. These data clearly indicate the importance of the dairy industry to the farm economy and to the economy of the entire Nation.

Mr. Speaker, a healthy, viable dairy industry is essential to this Nation's general welfare. This legislation is necessary to assure continuous and adequate production of milk and to provide reasonable returns to producers. It is also critical that immediate action be taken. Once our dairy herds are liquidated, it will be years before full production can again be restored.

COMMEMORATION OF LITHUANIAN INDEPENDENCE—AGAIN

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HAMMERSCHMIDT. Mr. Speaker, it is perhaps less difficult to be courageous and expressive in a society which encourages its people to vocalize and indicate the extent to which they cherish freedom and liberty.

Although even in a free society, its people must be always alert and watchful in safeguarding those freedoms, it takes a very special sense of courage to continue the struggle for human and religious freedom when none exists.

And, so it is with the people of Lithuania, whose independence as a nation became nonexistent 22 years ago in 1940, when the Soviet Union invaded and absorbed the Baltic States of Estonia, Latvia, and Lithuania.

On February 16, Americans of Lithuanian descent once again commemorated the anniversary of the establishment of the Republic of Lithuania, 57 years ago on February 16, 1918. Each year, the entire American Nation joins with them on this occasion, to indicate to the people of Lithuania that they are not forgotten nor invisible.

America has not been silent throughout these 22 years, since Soviet occupation of Lithuania. The United States has consistently maintained its policy of nonrecognition of the Communist regimes in Estonia, Latvia, and Lithuania. And, through a proper sense of recognition, we have reaffirmed our awareness of their struggle and of our commitment to them.

We have witnessed several visible examples of the courage and determination of the Lithuanians and have caught a glimpse of the frightening nature of their struggle. There is the well-publicized defection of the Lithuanian sailor, Simas Kudirka, who leaped aboard an American Coast Guard vessel in 1970.

The petition of thousands of Lithuanian Catholics to the Secretary General of the United Nations. And, the imprisonment of countless Russian and Lithuanian dissidents seeking religious freedom. It is incredible to think that these things are taking place in 1975, in modern times, before the eyes of the world.

Can there be a more fitting or proper course for the conduct of American-Soviet détente than to focus our efforts and attention on the plight of the Lithuanian people?

Also, with so much attention being given to the questionable accomplishments and the future of the United Nations, it would seem to me that the U.S. Congress and the President should actively pursue the focusing of world attention on the situation in Lithuania, through the global body. Such would be an earnest test of its effectiveness and a meaningful challenge to its commitment, as outlined in the U.N. Charter. I cannot imagine a more appropriate question before the United Nations than that of the status of the Baltic States.

Mr. Speaker, the undaunted spirit and the determination of the people of Lithuania have somehow filtered through the iron wall of Soviet domination. By commemorating the occasion of their former independence as a nation, hopefully, the support and encouragement of the American people will permeate that iron wall and will clearly indicate to the Lithuanian people that they are being seen and heard, clearly and loudly, by a nation which remembers.

OFFICE OF TOXIC SUBSTANCES DIRECTOR'S SPEECH

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ECKHARDT. Mr. Speaker, I am entering in the RECORD an excerpt from a speech by Mr. Glenn Schweitzer, Director of the Office of Toxic Substances within the Environmental Protection Agency. This January 29 speech given before the Synthetic, Organic, and Chemical Manufacturers Association succinctly lists the areas of major concern in drafting toxic substances legislation. He has correctly stated that the Congress will begin work soon on a toxic substances bill. As a member of the Interstate and Foreign Commerce Committee's Subcommittee on Consumer Protection and Finance, I intend to introduce such a bill.

The excerpt is as follows:

THE NEED FOR TOXIC SUBSTANCES LEGISLATION

Beginning in 1971, the Administration and Congress have attempted to gain enactment of the Toxic Substances Control Act, and it seems almost certain that these efforts will be revived within this Congress. This legislation has often been described as "front-end" legislation designed to prevent problems rather than simply providing a reaction after chemical contaminants have caused severe environmental or health damage. Also, preventive action early in the life of a chemical could minimize the economic disruptions attendant to corrective actions. Another welcome aspect of this legislation is its explicit call for a more deliberate balancing of risks and benefits prior to Governmental regulatory intervention in commercial activities. Finally, the legislation provides the basis for assessment of the entire life cycle of problem chemicals in determining how best to ameliorate the problems. Too often under existing legislative authority, we focus on the manifestation of the problem which is regulatable under existing authorities rather than on those aspects that are at the root of the problem.

The proposed legislation would give EPA new authority for (a) information acquisition on commercial chemicals, and (b) regulatory actions on chemicals not now subject to regulation under other authorities. EPA could require testing of chemicals which are suspected to pose unreasonable risks and also require other information from manufacturers including the name of the substance, chemical formula, amounts produced, uses, and known by-products. Confidential information would, of course, be respected. When shown to be necessary, and only then, EPA could restrict the use and distribution of chemicals that pose unreasonable risks.

While the final version of the legislation may influence the choice of the initial EPA activities in carrying out the provisions of the law, it seems clear that the following areas should be high on the agenda for early attention:

Elaboration and articulation of the criteria or sets of criteria to be used in weighing risks versus benefits, and in determining when regulatory action is needed. Clear understanding by both industry and Government of the ground rules for restrictions seems essential.

Determination of the character and scope of initial testing requirement and identification of specific chemicals or classes of chemicals of particular immediate concern. While the selection of substances to be covered by the standards for test protocols that are initially promulgated will in large measure reflect near-term judgments of experts concerning likely hazards and inadequacy of current data, concurrent work is needed to provide a better basis over the longer term for selecting areas of concern.

Development of regulations setting forth timing, coverage, content, and format of the reporting requirements for chemical manufacturers and processors, including both annual reporting and premarket notification.

Establishment of a data system for handling the industrial reports and test results that are submitted. Experience in the pesticide area, for example, underscores the importance of early attention to establishing efficient and decision oriented procedures if large numbers of reports are to be useful in assessing problems in a systematic fashion.

While we are uncertain as to the precise course of Congressional action concerning this legislation, we anticipate that toxic substances bills will be reintroduced in both the House and the Senate within the next few weeks. I suspect that they will be generally along the lines of the Conference Committee Working Print which was prepared in December in an effort to bring closer together differing Senate and House positions in several key areas. However, additional modifications will undoubtedly be incorporated by each chamber. Presumably another round of hearings will be held during the spring, and it will not be surprising if the legislation is again referred to a Conference Committee by summer.

Our understanding is that both environmental and labor groups will be pressing vigorously for early enactment of legislation. These groups have definite views as to some of the provisions of such legislation. With regard to industry you are in a better position than am I to predict the position that will be taken by different segments of industry.

While the Administration has been clearly on record as strongly supporting this type of legislation in the past, the current position on the legislation is still being formulated.

DEFICIT SPENDING AND CONSUMER PROTECTION AGENCY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SYMMS. Mr. Speaker, Gov. Ronald Reagan has once again articulated the positions of commonsense political thinking in two recent columns concerning deficit spending and the proposed Consumer Protection Agency. I must emphasize that those of us who believe in the principles of personal and economic freedom are fortunate to have Governor Reagan as a spokesman since he is one of the few prominent men on the national scene with an understanding of the free market, limited government, profit-and-loss system in which we should be striving to protect. What American citizens need today is freedom from what? Freedom from too much Government of course.

Three cheers for Ronald Reagan and his insight.

The articles follow:

"PUMP PRIMING" BOUND TO FUEL INFLATION

(By Ronald Reagan)

It is clear from the President's State of the Union message and his tax proposals that preceded it that he has decided not to tackle head-on the powerful groups that have a vested interest in Big Government and deficit spending.

While his tax cut proposals will—at first—be welcome news to many Americans, and may provide a genuine psychological lift to public opinion regarding the economy, I fear there will be a heavy price to pay some months later when the resulting federal deficits steal those tax cuts back through renewed inflation.

Though he did call on Congress to put a moratorium on all new spending programs (except for domestic energy production), he did not insist upon cuts in the existing and proposed federal budgets. This amounts to a sharp retreat from his pledge of last August for a balanced budget by 1976.

In fact, the result of the newly proposed program will be a deficit of some $30 billion this fiscal year and $45 billion in 1975–76. Given the past track record of federal forecasting, the final figures could end up much higher.

It has taken the experience of the average American family in a few recent months to prove that the Keynesian theory that inflation-begets-prosperity is bankrupt. Today it begs recession.

Unaccompanied by federal spending cuts, the President's tax proposals rest on the assumption that you and your neighbors will use the money to go out and buy refrigerators, automobiles and other products. If everyone does, production and employment go up, at least temporarily.

Certainly, putting money into the pockets of those who earned it cannot be faulted. But there is no certainty that, after the frightening inflation of the last few months, people will want to do anything other than hide it under a mattress or in a safe deposit box.

In 1972, the economy was sluggish. The Administration's response was to persuade the Federal Reserve Board to loosen the money supply and thus credit. That produced what looked like instant prosperity, but its real result more than a year later was greatly aggravated inflation. Memories are short.

It was this inflation that brought on today's recession. "Pump priming," in the form of tax cuts without spending cuts, will only bring on steeper inflation a few months from now.

A major cause of inflation is the government spending more money than it takes in. Already, we, the taxpayers, are paying more than $30 billion a year in interest on the national debt. To the extent that it pays interest, the government has less to spend on defense and domestic programs.

Bankrupt though it is (and a private business in similar condition would be so declared), the federal government will keep on running by going into competition with businesses and individuals for the limited amount of capital available in order to pay its bills.

Ultimately you, the consumer, will pay for it in the increased prices you'll pay. That's inflation.

Two basic remedies to this problem were missing from the President's message. First, he should ask Congress to curb the spending appetite of the programs of vested interests, such as those of the educationists, hospital builders (we have a surplus of beds), city and state grants, foundation grants and subsidies to various businesses and industries. It is time to gore some sacred oxen.

Second, he should insist that we "index" individual income tax rates by tying them to the cost-of-living index so when you receive a pay raise (to cope with inflation) you aren't robbed of it automatically by being thrown into a higher tax bracket as a result.

CONSUMER PROTECTION AGENCY ACT KEEPS POPPING UP

(By Ronald Reagan)

When you were young, did you ever have the experience of trying to carry a basket of kittens? One would pop its head up and try to crawl over the side of the basket, and while you were pushing him back down another would pop up on the other side of the basket. Soon, there were more heads than you had hands.

Proposed government programs can be like that. Legislation is introduced in Congress by those who think all answers must come from government. When the worst of it is defeated, we have a tendency to relax and think, "Well, that's that."

Just like those kittens' heads, though, the bills keep popping up until they're passed.

Take the so-called Consumer Protection Agency Act. Had it passed last year, it would have resulted in the creation of a big, new federal bureau, with the power to supersede all other government agencies, plus the power to take records and trade secrets from businesses large and small and make them public.

The bill drew strong opposition on Capitol Hill from those who fear Big Brother government and who resent the self-styled "consumerists" promoting the notion that people are too dumb to buy a box of corn flakes without being cheated, but are smart enough to choose protectors in government to run their lives for them. The professional consumerists are, in reality, elitists who think they know better than you do what's good for you.

They fought hard for this bill, accusing opponents of being against any kind of consumer protection, which, of course wasn't true.

The bill's opponents decided to filibuster it. The filibuster is a parliamentary tradition in the U.S. Senate. It's the process of taking and holding the floor for debate until you've talked a bill to death.

Traditionally, those on the other side may try three times to vote for "cloture"—that is, to cut off debate and end the filibuster. But in the case of the Consumer Protection Agency Act, cloture had to be beaten back not three, but four times.

Don't start a celebration, though. Like the basket of kittens, this one will pop up again soon, maybe under a new title, or even as an amendment to some necessary piece of legislation that everyone supports.

It's a shame Congress will have to go round and round again over this nonsense—and the bill was nonsense. Worse, it was as big a threat to our free economy as anything that's been proposed.

Congress has the authority to change policies governing the practices of federal departments and agencies which have responsibility for protecting consumers. If there are shortcomings in those agencies, Congress can correct them. To create a competing, overlapping new agency instead is just plain irresponsible.

Take an analogy: If you owned a store and found that one of its departments was below par, you would consider changing management policy, personnel or prices, but you certainly wouldn't try to solve the problem by opening a store across the street to compete with yourself.

Yet that's what the promoters of the Consumer Protection Agency would have Congress do.

You should keep pen and paper handy to write your congressman, because it will soon be time again to push the kittens back in the basket.

TWO HUNDRED MILE FISHING ZONE

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. TREEN. Mr. Speaker, today I have introduced a resolution disapproving of the President's proposal to defer spending under the Commercial Fisheries Research and Development Act of 1964 and the Anadromous Fish Act of 1965. These acts are the cornerstone of State-Federal cooperation in the field of fisheries management, cooperation which will become increasingly important as the proposed 200-mile fisheries zone comes closer to reality.

Whether we obtain a 200-mile fisheries zone by unilateral declaration, as passed by the Senate last December, or by successful negotiation of the U.S. position at future Law of the Sea conferences, the agencies of the United States will have increased responsibilities for the management of the Nation's fisheries resources beyond the zone of State control. We cannot expect a 200-mile limit to be effective or beneficial unless the National Marine Fisheries Service and the Coast Guard have the benefit of competent research in the numbers and characteristics of the fisheries in the Federal zone. I submit Congress was wise in 1964 and 1965 when it chose to utilize the State's years of experience in managing fisheries to produce the research that ultimately the Federal Government will need.

Mr. Speaker, I recognize the need for cutting the Federal budget and have consistently supported responsible reductions of that budget. But I cannot support the reduction of outlays for State research in this vital area, by what amounts to 20 percent of proposed expenditures for the second half of this fiscal year, until the President and NOAA demonstrate to Congress that Federal employees can do this needed research at less expense than the States.

I am placing in the RECORD at this point a letter dated January 28, 1975, which I received from Irwin M. Alperin, executive director of the Atlantic States Marine Fisheries Commission, regarding this $600,000 proposed deferral. Mr. Alperin echoes the sentiments expressed at last week's meeting of the State Fish and Wildlife directors here in Washington by Joe Colson of the Gulf States Marine Fisheries Commission and John Harville of the Pacific Marine Fisheries Commission and fisheries commission directors from almost every State.

The letter follows:

ATLANTIC STATES MARINE FISHERIES COMMISSION,
Washington, D.C., January 28, 1975.

Hon. DAVID C. TREEN,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. TREEN: In his November 26 Special Message to the Congress on Budget Recissions and Deferrals, the President proposed two actions which are extremely damaging to the best interests of the fisheries of this nation and to the efforts of our coastal States to effectively conserve and support those fisheries. On behalf of the 15 Atlantic Coast States comprising the Atlantic States Marine Fisheries Commission, I respectfully request your active support for a Congressional override of the President's proposal to defer $600,000 in federal grant-in-aid funds, and to rescind $500,000 earmarked for implementation of the Eastland Resolution (S. Con. Res. 11).

The President's recommendation to defer expenditure of $600,000 in federal grant-in-aid funding for fisheries conservation, research, and management in our States[1] seriously threatens the continuity and viability of long-term projects which have been Congressionally mandated under the Anadromous Fish Conservation Act and the Commercial Fisheries Research and Development Act. While the cuts proposed appear to be only at the 10–11% level ($600,000 out of $5.8 million), they have a real impact in excess of 20%, since they would be imposed after the fiscal year is half complete, and therefore would necessarily be absrobed entirely in the six months remaining. For our Atlantic Coast States, these drastic cuts in long-term projects will require such drastic and irreversible acts as cutting personnel, terminating ongoing research and development projects, or other major curtailments in fisheries conservation and management programs.

[1] Federal Register 39 (235) Dec. 5, 1974: 42626

HARBINGER OF SPRING

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ROSENTHAL. Mr. Speaker, the recent heavy snowfall in my district in Queens, N.Y., has turned to slush, and winter is still very much in the air, but the first breath of spring is blowing up from the South.

In only 2 more days, the denizens of one of the most famous landmarks in my district, Shea Stadium, and the other boys of summer begin reporting to their respective training camps as the 1975 baseball season opens.

Both of New York's baseball teams, the National League Mets and the American League Yankees, are calling Shea Stadium home this season. I am proud to point out that Queens County and the Eighth Congressional District are indeed big league.

I am today inserting in the RECORD a story of the joys of spring training. It is written by Ed Hurley, a distinguished native of my home county of Queens, and it appeared in the February 2, 1975, New York Sunday News.

It was Ed Hurley's book "The Last Poor Man," that helped highlight the need for campaign expenditure reform. In early 1972, Mr. Hurley called national attention to the series of events that finally caused the downfall of the Nixon administration.

Today, however, I am inserting a story of a much lighter vein:

HOW TO BE SAFE AT HOME AND STILL BE OUT ON VACATION

(By Ed Hurley)

A vacation trip to a big-league baseball spring-training camp is likely to rejuvenate the boy in any man. Regular-season baseball remains, dollar for dollar, one of the nation's few remaining inexpensive entertainment values. A spring-training trip can be even more a rewarding experience.

Attendance at exhibition games at the 17 Florida training sites have increased in recent years as dollar-conscious vacationers rediscovered that baseball and sunshine still go hand-in-hand.

Many snowbound, bored-with-winter easterners, especially those with school-age sons, plan a week or so in Florida to coincide with the mid-year recess and the grapefruit league's exhibition schedule.

SEE 'EM UP CLOSE

What an opportunity to view the season's budding prospects and famous veterans close up. The ballparks are small, the seats close to the playing field—and the prices are right.

The Mets, for example, playing at St. Petersburg, long a haven for retired New Yorkers, charge from 75 cents to $2.50. Most clubs' admissions are in this range.

The exhibition season opens March 7 but the players begin reporting to their respective camps Feb. 21 Fans are more than welcome to view pre-exhibition workouts free of charge.

Manager Bill Virdon and his Yankees will again be in Fort Lauderdale on the ocean side of the Sunshine State. Their prices for the exhibition season have been raised this spring to a $4 top. They still have 3,000 bleacher seats available at $1.

Perhaps the multimillion-dollar contract awarded free agent Jim (Catfish) Hunter dented the fabled Yankee bankroll?

HUNTER THE BIG GUN

Hunter figures to be baseball's biggest training-camp attraction. The Yankees and the Fort Lauderdale town fathers are anticipating increased tourist trade. The Yanks, running second to the Mets in Shea Stadium attendance, would love to top the Metsies' spring-training gate total.

Yankee spokesman Marty Appel says it is much more than an intra-city attendance rivalry. Florida towns playing host to big-league franchises depend to varying degrees on the teams for public tax dollars and a considerable amount of private industry revenue.

Matt Winick of the Mets' public relations office points out that his club brings about 300 people (players, coaches, team brass, etc.) to St. Pete during February and March. This means additional housing, meals, recreation and tax money for the area. The club maintains two ballparks. Payson Field is employed for pre-exhibition season drills (no admission charged) and Al Lang Field is shared for home games with the St. Louis Cardinals.

It is the fans' almost active participation that makes modern-day spring training such a delightful experience for the vacationing sports buff. What adult American male, at some brief stage of youth, didn't dream of wearing a major league uniform? What dad doesn't see his son wearing the same suit?

In either Florida or the southwest desert where seven other major league teams train, the players are truly within reach. At Vero Beach, where the Los Angeles Dodgers train, the players and spectators actually walk together over a little wooden bridge from the field to the parking lots after games.

COME ON BY, FOLKS

Charlie Blaney, director of Dodgertown, the official name of the club's huge spring-training plant, also welcomes the public to his base. The Dodgers have been training at Vero Beach since their gloried days in Brooklyn. Many holidaying New Yorkers—especially those over 40—make a Vero Beach game an annual must on their Florida schedules.

A father and his heirs may stroll around the grandstand barriers watching superstar Johnny Bench prep at Tampa for another campaign for the Cincinnati Reds or motor over to Lakeland and listen to manager Ralph Houk install that "Yankee Spirit" into his aging Detroit Tigers.

It isn't reasonable, of course, to hound players battling for those coveted roster spots. In most instances, players do react kindly to fan attention. Professional athletes generally realize it is the fan dollar that produces their six-figure incomes and national fame.

STAY WITH THE PLAYERS

It is also possible to register at—or visit—the public motels used by the ball clubs during their six-week stay. Some of the established stars like the Mets' Tom Seaver, Wayne Garrett and Jerry Grote prefer to rent apartments for their families. All the players are quite visible during the training grind.

Whether it be the Montreal Expos' base in Daytona Beach or the Chicago White Sox at Sarasota (once the Boston Red Sox camp), the thrill remains the same. There they are—real, live major leaguers.

You can watch them in pepper games, actually hear them chatter, joke, laugh and battle for those precious 25 regular season jobs. Of course, if this isn't all that thrilling to you, the weather is almost always a winner.

UMI

And if you can't recall your own younger days of yearning for a major league tryout, that boy in the family will remember a day or two with 1975 ball players all season back home.

CANCER OF POLLUTION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BROWN of California. Mr. Speaker, the public concern about cancer has been reflected in the Federal commitment for cancer research, and in numerous other efforts in cancer detection, prevention and cure. There has been similar concern demonstrated over pollution and its effects on the environment, as well as the health of people.

What has received too little attention is the relationship between pollution and cancer. Because of our failure to adequately research this question, it was unknown until recently that many cancers are caused by the pollution that is spewed from our modern, industrial processes. The cure for cancer may be the effective control of pollutants.

Mr. Speaker, it is inappropriate for me to elaborate further on this issue at this time. It is only beginning to be thoroughly investigated, and it is better for the issue to be explored before the appropriate committees. I expect to hold hearings on this subject before the Subcommittee on Environment and the Atmosphere of the Committee on Science and Technology. My intent today is to alert my colleagues to this important issue, and ask that you consider the ramifications of any policy which might allow such deadly pollution to continue to be released.

I would like to insert a brief article from the February 16 Washington Post which describes the preliminary findings of our best scientists.

The article follows:

CANCER POLLUTION LINK IS SEEN

(By Peter J. Bernstein)

Painstaking detective work by medical researchers is producing mounting evidence that environmental impurities in man's habitat are the primary cause of most cancer.

Based on recent findings at a number of laboratories across the country, researchers at the National Cancer Institute estimate that 60 to 90 per cent of all human cancers are caused by environmental factors—from ultraviolet rays to plastics and pesticides.

The results show that while researchers have made some progress in developing a cure for certain forms of cancer, the most promising advances have been in prevention and early detection.

Using computers to analyze mortality data, NCI researchers have pinpointed cancer "hotspots" in industrial areas of the northeast from Boston to Washington and certain riverfront cities in the Midwest and South from Chicago to New Orleans. They are pressing the Environmental Protection Agency to place tight limits on the use of chemicals thought to cause cancer.

Most of the discoveries center on human exposure to these chemicals. Tests in different parts of the country reveal that man-made carcinogens escape into the air Americans breathe, the water they drink and the food they eat.

Last year an estimated 355,000 Americans died of some form of cancer, compared to 350,000 in 1973.

Researchers at NCI headquarters in Bethesda increasingly are turning to modern technology in an effort to unlock the secrets of cancer. Analyzing death certificates for a 20-year period from 1950 to 1969 with computers, they found that the most prevalent forms of cancer tend to occur in regions of the country were carcinogenic chemicals seem most pervasive—the so-called "hotspots."

Computed according to age, race and sex, cancer rates turned out to be highest among adult white males. The incidence during those years was highest among white men, cancer specialists believe, because they tended to have factory jobs during the 1930s and 1940s, when their first exposure to cancer-causing chemicals may have occurred.

Dr. Martin Schneiderman, associate director for field studies and statistics at NCI, organized the computer work. Schneiderman said there usually is a latency period of 20 to 30 years between the first exposure to a carniogenic chemical and apperance of malignancies.

"We strongly suspect there is an interaction between industrial exposure and smoking," he said. "Certain groups of workers are contracting cancer at a rate many times that of the population at large."

"Society has largely ignored the problems of delayed, irreversible effects of chemicals—swept it under the rug," said David Rall, director of the National Institute of Environmental Health Sciences. "We are still terribly uncertain about the risk these chemicals entail for the population in general and for individual members of the population. There is still no clear way of determining this risk."

Umberto Saffioti, associate director for carcinogenesis at NCI, estimates that of the nearly 2 million chemicals known, no more than 6,000 have been tested to determine whether they cause cancer. Of those, he believes, only half have been tested adequately. About 1,000 have shown some sign of being carcinogenic.

The NCI, working mainly through outside laboratories, manages to screen about 200 chemicals a year, but there is no way to screen new chemicals before they become part of industrial processes and escape into the environment. In fact, federal regulators have no way of knowing which new substances created each year will be used in industry.

Cancer specialists point out with considerable concern that the long latency period between the first exposure to a dangerous chemical and the occurrence of irreversible disease means that it may be several decades before the nation has a true understanding of what some new chemicals have done to public health.

"I don't think we should wait for absolute proof that some of these chemicals cause cancer before restricting their use," said Dr. John R. Goldsmith, an environmental cancer specialist in the California Health Department. "It may be years before we know what these chemicals will do. We should minimize their use now."

Goldsmith, who is on loan this year to NCI, believes that some carcinogens should be banned.

"There is no evidence of any so-called 'safe levels' for carcinogens," Goldsmith said. "But for practical purposes, the number of major carcinogens is not infinite—there are about 20 or 25—and there ought to be tight regulations on their use. People should not be exposed to cancer-causing chemicals like asbestos, benzidine, arsenic, heavy metals such as chromates, and the radiation emitters."

Already, biologists have found two possible cancer-causing agents in the blood of New Orleans residents who drink Mississippi River water. That has raised concern among some scientists that chlorination of a city's water supply chemically alters organic pollutants in the water, changing them into carcinogens. However, Environmental Protection Agency officials taking part in the study are known to be less concerned about the effects of chlorination than chemical contamination from sources such as oil spills and industry.

Their concern over the impact of the petrochemical industry would appear to be borne out by a recent NCI survey of bladder cancer. According to Schneiderman, the 1950-1969 mortality rates showed abnormally high incidence of bladder cancer in heavily-industrialized areas, particularly such refinery centers as Newark, Chicago, St. Louis and New Orleans.

The highest bladder cancer rate turned up in Salem County, N.J., which is across the Delaware River from the giant petrochemical complex in Wilmington, one of the nation's oldest.

This spring NCI hopes to provide state health authorities with maps showing hotspots for different types of cancer on a county-by-county basis.

"We hope to stimulate people in local areas to investigate just what's going on," Schneiderman said. "They may be able to discover chemicals or other sources of cancer that we don't know about."

Meanwhile, NCI researchers are examining the case histories of people who have died from different types of cancer to find out where they lived and worked, their smoking and nutrition habits.

But it's a laborious job, even with the help of computers. Right now, there is only a staff of three professionals—a statistician, a physician and a computer expert—doing the work.

The shortage of money for cancer prevention at NCI and other major research institutions dismays researchers, who point out that after 25 years and several billion dollars spent on laboratory research for cures, survival rates for the most common types of cancer—those accounting for some 80 per cent of all cases—are almost unchanged.

Critics of the national cancer program blame the administration for failing to come to grips with problems caused by cancer-causing chemicals. Rather than increase the staff of the National Institute for Occupational Health and Safety, the administration trimmed it from an authorized level of 1,100 people to 660. Research funds also have been cut back at EPA and the National Institute for Environmental Health Sciences.

Cancer researchers are urging lawmakers to pass a toxic substances bill that would empower EPA to set up a system of premarket screening of new chemicals.

A HISTORICAL PERSPECTIVE

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HYDE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following column by Mr. Michael Kilian of the Chicago Tribune which I feel does much to place into historical perspective the issues which confront our great Nation. Mr. Kilian's widely read columns always exemplify the adage "many a truth is said in jest." His finely honed sense of journalistic humor usually conveys political wisdom, and this is particularly true of his January 26 column. So that my colleagues might share this wisdom I am pleased to include the following:

[From the Chicago Tribune, Jan. 26, 1975]

CEASE THE LAMENT AND HANG IN THERE

(By Michael Kilian)

One of the advantages of having been born during the Depression is the knowledge that the world was not created in 1946.

This knowledge seems to have eluded a young Washington columnist of my acquaintance [doubtless created in 1946 himself], who in these pages last week wrung his hands in sorrowful lamentation over the decline of the once-great United States.

He said that as a small child he was told by his mother about the greatness of the United States—how it had the best system of government in the world and would always win out. He looked to Presidents Truman, Eisenhower, Kennedy, Johnson, and Nixon as "straight and tall" champions of the American system.

But now, he's crushed. The not-so "straight and tall" Nixon was caught lying and breaking the law. The Arabs have the arm on us and "once mighty Detroit has been humbled." We failed in Viet Nam and our dominance abroad is slipping everywhere. Our new leader is full of doubts. Oh, gloom. Oh, doom.

"Is the system of government the best?" he asked. "What is the man to tell the child?"

Before he says one word to the little scamper, he ought to fetch himself a history book—one that starts before the year 1946.

He'd find that "straight and tall" Presidents have always been a myth. Washington bought land in Pennsylvania and then tried to get the government to build roads and canals to it. Lincoln allowed speculators and profiteers to run amok, while jailing newspaper editors. The backroom buddies of Grant and Harding stuffed their pockets with millions. The White House has been occupied by a succession of drunkards, fools, schemers, buffoons, philanderers, scoundrels, and third-rate hacks from Missouri.

We gasp at such infringements as Watergate, the plumbers, and CIA domestic spying. Lincoln suspended habeas corpus. In 1917, if you got up on a box and denounced President Wilson, you'd get fingered by the American Protective League and hauled off to the slammer. Socialism wasn't merely suspect then; it was criminal.

The Arabs aren't the first to put the arm on us. We've gotten the same treatment from the British, the French, the Germans, the Canadians, Barbary Coast pirates, Mexican bandits, and the United Nations.

Viet Nam isn't our first military failure. We lost the War of 1812. We made asses of ourselves in the Punitive Expedition. We won "the war to end all wars," dictated the peace terms, created the League of Nations, and all of Europe went to hell almost instantly.

"Mighty Detroit" has been humbled with great regularity—some six times since 1946. In the 1930s, all of American industry was humbled. The financial community went berserk on 1869's "Black Friday." The whole country did the same thing during the panics of 1873, 1884, and 1907.

Ours has been a history of riots, plagues, famines, assassinations, lynching, scandals, sectionalism, segregation, fiscal disasters, and nincompoopish leadership.

But the point is, here we still are. As can be said of few other countries and no other democracy, we are governing ourselves in the same manner as we did nearly 200 years ago. Leaders have come and gone with constitutional regularity and [discounting the bedlam of the national conventions] in a consistently orderly and democratic manner.

Despite all our troubles, we enjoy more liberty and a higher standard of living than any other country in the world—more than we ever have before.

What the man should tell the child is "Hang in there."

Or, if it were my kid: "Shut up and eat your steak or I won't let you have the keys to the snowmobile."

COLLISION OR COALITION?

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RIEGLE. Mr. Speaker, Mr. Vic Gold has written a thoughtful news column which mentions our colleague HENRY REUSS. I insert it for the interest of my colleagues:

[From the Washington Star-News, Feb. 8, 1975]

COLLISION OR COALITION?

(By Vic Gold)

Having given lip service to the principle of placing national ahead of partisan political interest, both President Ford and his Democratic congressional opposition appear hellbent on conducting an executive-legislative civil war leading up to the 1976 election.

Indeed, if the first month of 1975 is a guide to what lies ahead, we seem to be in for the most bitter period of partisan relations between White House and Capitol Hill since Harry Truman and the 80th Congress did battle in the late 1940s.

Of course, Ford, as his staff is given to pointing out at the drop of a veto, sees himself and his political fortunes in the Truman mold. That was the spirit in which the President carried on his fight to elect Republicans during last year's congressional campaign, the results of which, obviously, rolled off him like water off a plastic football helmet.

How else to explain why, less than a month after the convening of the new 94th Congress, Ford has announced his intention to take his case "to the country" in yet another series of speaking engagements?

For its part, Ford's Democratic opposition views current events from a more distant historical perspective. They see the incumbent in the Oval Office not as Harry Truman after the 1946 election, but as Herbert Hoover following the Democrats' capture of Congress during the economic crisis of 1930.

Hoover's every effort to enlist Democratic support on behalf of his administration's proposals to fight the depression was spurned by a congressional majority looking to the presidential election of 1932.

Since the 94th Congress has a plethora of would-be chief executives, the Ford-Hoover parallel has at least that much going for it. Our Republican President's constant state of campaign fever is more than matched at the other end of Pennsylvania Avenue, where an overwhelming Democratic majority sees two years of government-by-collision working in favor of their party's nominee in 1976.

One exception, however, would seem to be Representative Henry Reuss, D.-Wis., the newly selected chairman of the Banking and Currency Committee. Though a liberal Democrat, with all that implies in terms of opposition to White House policy, Reuss nevertheless believes his fellow party members in Congress should forego the political luxury of "sniping at administration failures and shoulder some of the responsibility for making economic policy, and making it work."

Toward that end, the Wisconsin lawmaker has been plugging for a bipartisan White House-congressional coalition to deal with economic and energy problems from now until the election.

Citing Franklin Roosevelt's appointment of Republicans to his wartime Cabinet as a precedent, Reuss has urged that Ford recognize the realities of our current state of divided government by inviting Democrats to take key Cabinet positions in his administration.

To be sure, Reuss concedes, "coalition" would mean that the Republican White House relinquished "undiluted control over economic policy." But given the results of the last election, Ford's "control" in any case is hardly commensurate with his responsibility; whereas his congressional opposition, as has been noted here, enjoys the best of all political worlds: power without responsibility.

Thus, if the Reuss proposal had no other attraction than to make the Democratic opposition put their political futures where their mouths are, it would be worth Gerald Ford's (1) calling off his upcoming roadshow and; (2) calling in Mike Mansfield and Carl Albert for any Cabinet recommendations they might care to make.

EXCESSIVE REGULATIONS COST CONSUMERS BILLIONS

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ARMSTRONG. Mr. Speaker, anticompetitive legislation and regulations are costing consumers billions of dollars a year. The Federal Government's heavyhanded interference with competition is hamstringing the Nation's efforts to curb inflation.

Let me cite a few examples:

The Federal Power Commission recently turned down an oil company seeking approval to supply 6 trillion cubic feet of natural gas to American consumers at 52 cents per thousand cubic feet. So consumers in Eastern States continue to buy natural gas from Algeria, among other places, at rates up to $1.86.

Air travel regulated by Federal authorities sometimes costs twice as much as unregulated—intrastate—airlines. Between San Diego and Los Angeles the difference is $21.64 versus $11.40; between San Antonio and Dallas the federally regulated airline costs $31.37, the unregulated airline $25, $15 after 7 p.m.

When Congress jumped on the pollution bandwagon, it paid little attention to the inflationary costs. It is estimated that industry will spend more than $127 billion between 1972 and 1976, additional costs which must be passed to consumers.

Although I support environmental cleanup efforts, I worry that many of the EPA standards for pollution control have not been carefully considered and may be needlessly expensive.

Restrictive rate policies of the Interstate Commerce Commission add $5 billion per year in excess freight rates, according to a recent economic study. Although paid by shippers, the ultimate costs are passed on to consumers. Some examples:

The Southern Railroad invested $13 million in jumbo grain cars and planned to reduce freight rates by 60 percent. But

the ICC vetoed the rate decrease. It took 4 years in court, 17,000 pages of sworn testimony to reverse the arbitrary ICC decision.

The ICC also caused higher electric power rates in several areas of the country by refusing to let railroads use lower rates on so-called unit trains carrying coal for utilities.

When Federal courts declared frozen foods and chickens to be exempt from ICC controls, freight charges dropped 20 to 30 percent, and have stayed lower.

At a time when energy prices have skyrocketed and contributed enormously to inflation, Congress has passed one of the most blatantly protectionist pieces of legislation ever to come through Congress. H.R. 8193 requires at least 30 percent of U.S. oil imports be shipped to the United States in U.S. ships, increasing the cost by 10 percent and taking $20 to $30 billion from the pockets of Americans in the next few years.

Regulatory overkill by the FDA is another example of increased costs added to the burden of inflation borne by American families. I have just received a press release from FDA praising their own efforts to investigate the poisonous nature of such deadly food additives as sugar, salt, pepper, et cetera.

These are just a few of many, many instances of Federal interference in free competition which results in more inflation and hardship for American families.

It is time for Congress to eliminate these practices.

Examples I have cited are not isolated instances. They are a part of an overall pattern of excessive Government regulation. The U.S. economy, which was once a model of freedom and productivity, has become regulation and subsidy-ridden. Our economic system is growing steadily less efficient and less productive due in large part to this kind of illogical governmental action.

It is up to Congress to show some leadership in reversing this trend as one major step toward curbing inflationary prices before it is too late.

YOUTH CAMP SAFETY LEGISLATION

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ZEFERETTI. Mr. Speaker, every summer approximately 10 million American youngsters troop off to summer camp. However, millions of parents who have made financial sacrifices to guarantee such an opportunity to their children, send them off totally unaware that no uniform standard exists governing the safety of these children while away from home. These parents, many of them in my own congressional district, believe their children will be protected by trained counselors and will live securely in safe, sanitary surroundings. Regrettably, they are unaware of the following facts: 45 States have no regulations whatsoever applicable to camp personnel; 17 States have no regulations pertaining to program safety; 24 States have no regulations concerning personal health, first aid and medical services; 45 States have no regulations applicable to out-of-camp trips and primitive outpost camping; and 35 States do not regulate day camping.

In other words, the overwhelming majority of those children we happily send off for summer camp are at the mercy of the weaknesses possessed by the people they are handed over to for supervision. To be sure, the overwhelming majority of camp operators are scrupulously honest people who feel a real sense of responsibility to their charges. However, as in all areas of endeavor, there is a small minority who approach their task with less than total scrupulousness. The results are often tragic in the latter situation.

Last year, HEW issued a report on these consequences. A total of 7,800 camps were queried. Less than half responded. Those who did answer the Government questionnaire noted that in 1 year, 25 deaths, 1,223 serious illnesses and 1,448 injuries were associated with camping. These are shameful statistics for our country.

Now many parents around the Nation are making choices for the coming summer season. Innumerable choices will be made, not on the basis of substantial knowledge of what safety the camp offers, but on the basis of hearsay or promotional literature.

I do not advocate massive Federal intervention. Ordinarily, such regulation is the proper province of the individual States. However, only seven States have acted in a substantive manner. For this reason, I have joined in sponsorship of the Youth Camp Safety Act, one of the more overdue pieces of legislation introduced in this Congress.

Under its provisions, minimal Federal safety standards would be established. HEW would provide aid to individual States for setting up and maintaining their own safety standards and programs. Standards would be effective in those States lacking adequate plans. Due process, hearing procedures, and court appeal are also provided for in the measure.

Although my home State of New York is one of the seven jurisdictions which have comprehensive safety laws governing these camps, hundreds of thousands of children from our State attend camps in areas where no standards at all exist. As a result, they are as much at risk as children from areas which lack any regulations whatsoever.

There are Federal laws regulating and protecting animals used in research. We have innumerable laws on the statute books protecting wildlife. Yet we have no law protecting 10 million American youngsters in these camps. I believe the situation speaks for itself, and requires initiative on the part of Congress.

Our colleague, DOMINICK DANIELS of New Jersey, has pioneered in this legislative area, mainly because he took the trouble to listen to what has happened to some children. Others of us have become convinced by pleas, and I am privileged to join in this effort.

This is supposed to be an action-oriented Congress. We are here to do rather than to mark time. It is my hope that this measure will receive the earliest consideration by the full House.

FUSION RESEARCH MUST NOT BE BUDGET LIMITED—PROPOSED INCREASES FOR FISCAL YEAR 1976 FUSION BUDGET

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McCORMACK. Mr. Speaker, the Joint Committee on Atomic Energy yesterday held its first authorization hearing on this Nation's—fiscal year 1976—controlled thermonuclear research—fusion—program. As you know, nuclear fusion is the process that provides the almost infinite energy of the sun and the stars.

Although it has never been specifically enunciated, I think most of us in Congress agree that this Nation should establish as a policy the goal of harnessing the fusion processes as a source of energy production at the earliest feasible moment. Then we can look forward to providing unlimited quantities of clean, cheap energy forever, not only for this country but for all mankind.

Responsible experts estimate that this Nation can have a fusion electric demonstration power plant on the line during the period between 1995 and the year 2000. One fact that is universally recognized, however, is that this will not be possible unless we provide massive support for the program, including a heavy emphasis on materials and engineering studies, starting at once.

The past 3 years have been the most productive in the history of controlled thermonuclear research, and certainly we are now operating on a new plateau—one which we have dreamed of and sought for more than 20 years. Now, for the first time, we are in a position to move forward with a much more aggressive research and development program; and now we can, with considerable confidence, predict success. However, success alone in a fusion electric program is not enough. The potential benefits are so fantastic that we must have fusion electricity as soon as we can. Therefore, our national policy should be that the fusion program should never be delayed because of inadequate funding to do what can be done—that is, the fusion research, development and demonstration program must never be budget limited.

Unfortunately, this is exactly what has happened in the preparation of the administration's fiscal year 1976 budget. The administration has cut below the level of spending which is scientifically justified if we intend to bring the reality of fusion electric power at the earliest feasible date. The cuts in the administration's proposed budget for fiscal 1976, although they are not large, could cost us an entire year in getting fusion electricity on the line.

I have followed the fusion program closely for several years. I am well aware of the many difficult technical problems that must and can be overcome in the near future. These problems include a better understanding of the details of plasma physics; the development of superconducting magnet technology; the development of neutral beam heating to achieve the 100,000,000° temperatures needed for fusion; the development of materials that can efficiently and reliably withstand high energy-high density neutron fluxes; and the development of power conversion technologies tailored especially to the fusion energy source.

I have analyzed the administration's fiscal year 1976 budget request for the fusion power research and development program, and I believe that all parts of the request should be increased by the Congress.

The most important feature of the fusion budget request is a new, very large fusion facility called the Tokamak Fusion Test Reactor, which is to be built at the Princeton Plasma Physics Laboratory in Princeton, N.J. The purposes of this machine are to establish detailed plasma physics scaling laws at reactor sizes; to burn the fuels of fusion—deuterium and tritium—for the first time on a regular basis, thus producing reactor level power densities and as much energy from fusion as was required to produce the 100,000,000° plasma. In addition, this very large system will permit the performance of a number of major engineering studies not heretofore possible. The total cost of this machine is estimated to be $215 million, which I believe is an accurate estimate, in large part because the machine is designed relatively conservatively to utilize established technologies.

The administration has requested only partial authorization for this machine, which provides $7.5 million to begin design and initiate procurement of some selected materials—copper and steel. I believe that the Tokamak Fusion Test Reactor should be fully authorized by the Congress at a total estimated cost of $215 million with funding of $23 million provided in fiscal year 1976. To accompany this expanded request, I propose to add $5 million to the operating budget request for activities necessary to support the more rapid start.

I also believe we should be more aggressive in the area of fusion materials research. Our experience in all energy research and development to date indicates that materials play a major role in the ultimate success of any concept. This will, most assuredly, also be the case in fusion. A critical item in fusion materials research is the availability of high fluxes of fusion neutrons. I believe that two neutron source facilities should be authorized in fiscal year 1976. These facilities were described in the fusion program plan of February 1974, but were not included in the fiscal year 1976 budget request. One neutron source would be built at the Lawrence Livermore Laboratory in California, using an established rotating target technology. It would take about 2 years to build and bring into operation and would cost $5 million.

The second neutron source would provide a higher flux and take approximately 3 years to build. It would cost $22.1 million and would be built at the Los Alamos Scientific Laboratory in New Mexico. It would utilize a new gas-target technology that has been under study at Los Alamos for the past 2 years. I believe that the early construction of these two facilities is critical to fusion power development, and I strongly urge their inclusion in the fiscal year 1976 budget.

In addition to the aforementioned items, I propose that the operating budget request for the program of $120 million be augmented not only by the $5 million that I just mentioned, but also by an additional $15 million, primarily for engineering-related activities, and also to supplement work on confinement systems and plasma theory. In fusion engineering, these funds would accelerate neutral beam development—an area where the United States is the world leader, superconducting magnet technology, and systems studies. A part of the work in engineering would be performed at the universities, thereby helping to train engineering specialists for future use in the program.

Finally, I believe that an additional $4 million for research equipment is necessary and desirable to augment the $16 million budget request and to provide the additional equipment necessary to support the other items that I have described.

In summary, I suggest that the Congress take the following actions with respect to the fiscal year 1976 budget for the fusion power research and development program as submitted by the President. Add $20 million to the operating budget, bringing it to a level of $140 million; provide full authorization for the Tokamak Fusion Test Reactor at a total estimated cost of $215 million and provide fiscal year 1976 funding of $23 million; provide an additional $4 million in capital equipment, bringing the total to a level of $20 million; and finally, I am proposing that the Congress add authorization and funding for the two neutron sources to be built at Livermore and Los Alamos. The Livermore facility will require authorization and funding of $5 million. The Los Alamos facility will require authorization of the total project cost estimate of $22.1 million and fiscal year 1976 funding of $3.8 million.

Mr. Speaker, I want to re-emphasize a point I made in the beginning: This Nation's fusion program must never be budget limited. The increases for the 1976 budget which I have recommended will avoid that limitation and will keep this Nation in the forefront of controlled thermonuclear research.

EASTON, MASS., CELEBRATES 250TH BIRTHDAY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. HECKLER of Massachusetts. Mr. Speaker, with the approach of the American Revolution Bicentennial celebration, our interest in America's rich and varied history is heightened, and the unique backgrounds of the New England townships have played a vital role in this proud history. This year the town of Easton, Mass., celebrates its 250th anniversary. Through the diligent efforts of students at the local Oliver Ames High School, the highlights of Easton's abundant heritage have been compiled, and I am pleased to take this opportunity to share this notable page from our American history with my colleagues:

HISTORY OF EASTON, MASS.

When Easton celebrates its 250th Anniversary in 1975, the commemoration will be of the past of one of the most historic towns on the South Shore. Unfortunately, most of Easton's history is little known outside the town, and only now is getting the national recognition it deserves. Evidence of this is the North Easton Railroad Station, one of architect Henry Hobson Richardson's five buildings in Easton, which has been declared a National Historical Landmark by the United States Department of the Interior.

Easton's heritage begins long before the Europeans first came to America. It was a border area of the Wampanoag Indians and many evidences remain today. Easton has several campsites used by them during the summer months, mostly along alewive streams from which the Indian got food. Arrowheads and other artifacts are still frequently found, and many legends circulate about King Philip's cave near Stonehill College, and the warriors who once roamed the area.

Some time after King Philip's War ended in 1676, Easton experienced its first English settlers. The land, part of a section called the Taunton North Purchase, had been acquired for 100 pounds by a land company. This amounted to roughly 2 pounds per square mile, and although the land was purchased in 1668, it wasn't until 1694 that the first settlers made their way to Easton.

These first settlers desired the water power that the three main streams afforded, as well as the bog iron and farming land in the southern part of town. It soon became evident that travel to Taunton, the "shire" town, was long and difficult, and the people objected to traveling those distances for church meetings. In some respects, Easton was more fortunate than many of the towns, as Bay Road passed directly through this area. Bay Road served as the main connecting way between Narraganset Bay and Massachusetts Bay. However, the Hockomock Swamp forced travellers some distance to the west, and Easton residents wanted autonomy. In 1710, Norton separated from Taunton, but it wasn't until 1725 that "East-end of Norton" was allowed incorporation as Easton.

Early Easton was definitely filled with individuals who were tight-fisted with money. At one town meeting in the 1740's; it was voted to pay the fine for not having schools because the fine was less than the schooling costs would be. On several occasions, Easton was forced by the state to improve its roads under penalty of court action. This frugality came to the foreground in the late 1790's when Raynham, the town to the south, petitioned the state to have a road built through the Hockomock Swamp. Since his road would be in Easton, but would really help only Raynham, Easton refused. Finally, after many delays the state ordered the building of the road and at that point Easton offered to give the swamp to Raynham. Raynham didn't want the expense either, and so refused and Easton was forced to build the road. Part of the funds were taken from school appropriations, naturally

enough, and this road through the swamp was set up as a turnpike to get back the investment. Thus, Turnpike Street came into existence.

Early Easton must have been a rather rough and tumble sort of place, as by 1786 the town was already on its third set of stocks, having worn out two sets by this time.

Easton's citizenry as well as its resources steadfastly supported the Revolutionary War, and much was done to assist freedom. Cannon for George Washington's army were cast at Perry's Furnance and proofed along Poquanticut Avenue (the designation of one section of town as "Furnace Village" came from this), and muskets were made at Quaker Leonard's Forge on East Elm Street. It was at this forge that supposedly the first steel produced in America, was made. Even today, charcoal "pits" (rings in the ground) exist all over town as a tribute to this early iron heritage.

Two militia companies marched from Easton after the "Lexington alarm", and these two companies became part of the rebel forces surrounding Boston. Easton continued support throughout the war, with 32 men serving with Washington at Valley Forge, an incredible number considering the size of the town.

George Washington supposedly spent at least two nights in Easton at taverns along Bay Road. The first place was at the Kingman tavern which was located near Rockland Street, and the other night was spent at the Benjamin Williams tavern while he was negotiating for cannon and shot. This tavern is still standing, and one of Easton's four milestones along Bay Road is in the front yard with the initials B.W. carved in it.

The women also worked for the Revolution, and several times Boston papers reported on the "patriotic activities" of Easton's gentle sex. Only one recorded Tory was found in Easton, perhaps because of the zealousness of the patriots. This zeal carried over to the British prisoners being held in Easton, as 2 of the 7 ended up serving in the Continental Army for George Washington.

The early 19th century saw a man move to Easton which would change the entire town's character. This was Oliver Ames, son of John Ames of Bridgewater, maker of the first shovels in America. Oliver Ames set up a shovel business that prospered to such an extent that by the end of the century, was the largest in the world. The Ames family directly influenced the growth of North Easton, and due to the different character of the areas of the town, it separated into factions that only now think of themselves as one town.

A disastrous fire in 1852 forced the Ames Shovel and Tool Company to build the stone shops which still stand, and this date marks the start of a fabulous era for North Easton. In addition to building new shops, the family set up many other buildings. One of the best examples of 19th century housing still exists as a row of homes on Elm Street, and these houses form part of a living museum that is North Easton. The Ameses were also philanthropists, and they hired Henry Hobson Richardson to build a Town Hall and a Library.

Because of dissent from other sections of town, Ames Memorial Hall was never accepted as a town hall and does not serve that purpose today. Perhaps it is ironic that the Frothingham House, another Ames mansion, serves that purpose today. Frederick Law Olmsted, the noted landscape architect who designed Central Park in New York and the Fenway in Boston, was commissioned to do the landscaping around Memorial Hall. The Rockery, still occupying a prominent place in North Easton center, was part of his work. He also helped landscape many of the estates in North Easton.

Frederick Lothrop Ames, richest man in New England in the late 19th Century, commissioned Richardson to do three more buildings. One, the North Easton Railroad Station, was given by him to the Old Colony Railroad, of which he was a director. This building was recently re-purchased by the Ames family and given to the Easton Historical Society. This building is a National Historic Landmark, and it is hoped that this status will soon follow for the other Easton buildings deserving this designation.

F. L. Ames also had the Gate Lodge designed by Richardson, and it is one of his most personal works. Also, a smaller wooden building called the Gardner's Cottage was designed by him to be used as a model worker's house. These two buildings are both still in existence on Elm Street.

The philanthropy of the Ames family was carried still further with the gift of the high school, and Easton's high school is still called Oliver Ames High School in memory of this gift. In addition, trust funds were set up for the school department, the highway department, and for trees, and many of the streets of Easton have towering Maples along their sides which were donated by this family on a matching basis with the town.

The attentiveness to education was a trademark of the Ames family, and through their generosity, Easton became the second town in Massachusetts to have a public kindergarten, starting in the 1870's. The original Oliver Ames High School Band was also funded by Anna C. Ames in 1902, as well as gymnasium facilities for the schools. More recently, one of the Ames estates has become the home of Stonehill College.

South Easton was also growing steadily during this time. It too had major industry with the Ross Heel Company, the J. O. Dean Mill, and Easton Machine Company, makers of the Morse automobile. One of the cars made by this company is still in existence and makes an annual trip up to the Easton Historical Society's Auto Show.

The J. O. Dean mill is symbolic of the many mills in Easton's past, and Henry Ford purchased the turbine from this mill for his model 19th century village. On the Stonehill College property, not far from this mill, is one of the few millstone quarrying sites in America that still has millstones in various stages of completion. One can see there the granite outcroppings, the roughly outlined stones, round millstones broken loose from the bedrock, and the finished products waiting to be hauled away. Until recently, this site was little known.

Simpson Spring, home of the Simpson Spring Beverage Company, is also in South Easton, and this concern began making their quality beverages during this period. The spring is still used as the source of water, and has never gone dry.

Easton's total past can't be told with justice to it in so few words. Much of the town's history has to be seen firsthand to be understood. At the Church Street Cemetery, one of 35 or so in Easton, is the burial site of a lady who died in 1747 and it contains two headstones and two footstones for her. This mystery is still not fully explained. Off Chestnut Street, one can find the double cellarhole that horse thieves in the early 1800's used to hide their newly acquired steeds, and near South Street is a mill site with several millstones built into its foundation. You can find the remains of a lead and silver mine, the remains of the last working icehouse in New England, the only Bull Cemetery in the world (according to Ripley's Believe it or Not), and many other areas and sites that help you reflect on this fascinating town's past.

With a 1,200 acre Ames estate called "Borderland" now a state park, and with the Department of Fisheries and Game purchasing all of the Hockomock Swamp, Easton's future history appears as bright as its past.

MY RESPONSIBILITY AS A CITIZEN

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. COHEN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct a Voice of Democrary contest. This competition has traditionally spurred many outstanding young people to give insightful commentaries on topics that concern all Americans, and this year has been no exception. We could all learn a great deal by pausing to consider the thoughts of our young people who entered this contest. I think this is particularly true in the case of the essay prepared by the winner in my own State of Maine, Miss Laurie Ann Gibson of Auburn. Her script on "My Responsibilities as a Citizen" is not only beautifully constructed for oratorical effect, but also makes a number of original and penetrating observations about the nature and responsibilities of American citizenship. Because I know my colleagues will be interested in what Miss Gibson has to say, I insert a copy of her remarks in the CONGRESSIONAL RECORD at this point:

MY RESPONSIBILITIES AS A CITIZEN

"Look up America, see what we've got . . ." so goes a popular soft-drink commercial; but, how many people today in America, having the title "citizen" have examined what we have got or more importantly in recent times, what we have got to give.

A United States citizen bearing this claim seldom stops to realize how lucky and fortunate he is to have attained this appellative almost effortlessly; for our generation is past having to stand, fight, and even die for its sake—or are we? Is citizenship as a state of duty dead, or even in peace eras are there certain duties, and designated privileges to be upheld as befitting the sacredness of the institution held next to nothing in our nation's history?

Abraham Lincoln once said, "those who share in the privileges of a government, should assist in bearing its burden." Basically stated that is the main duty of a citizen, native or naturalized, rich or impoverished, in peace or war. And in this era of growing unrest, of government scandals and oil boycotts, the responsibility of citizenship is falling heavier and more burdensome upon the common man. But is that wrong? I don't think so. It was the common man who fought for his "inalienable right" to begin with, why shouldn't he, in its depressions, defend it; for as Learned Hand once stated,

"Liberty lies in the hearts of men and women, when it dies there, no constitution, no law, no court can ever do much to help it."

Thus the responsibility lies with us in many facets, significant and synonymous with the terms "democracy" and "representative."

Firstly, let us understand and participate in our own federal, state, and local governments. They were set up by us originally, for us eventually, so if we don't bear the responsibility for them, who will? And if we don't let our views be known, our policy of national heritage, "of, by, and for the people" will not be carried through to its potential, oblivious to even definition.

Secondly, let us, in this "land of plenty" remember and heed the warnings that nothing lasts forever and even the most plentiful of commodities will one day be scarce. One of the prime responsibilities of citizenship is regarding the welfare of its fellow citizens, hence the need for defensive measures, protective trading and, if need be, a little less greed; presently in reference to oil, food and even money and perhaps a little more celibacy and charity, for certainly the majority of our nation could afford it. The end results would be a stronger and more unified nation, closer in spirit and more in harmony with each other's needs and wants. And is not that the end result of citizenship?

Lastly, but in this world of strife, not least, is our responsibility to our fellow man. This is just as much a part of citizenship as any "constitutionalzed decree", perhaps more so. For if we can't live in concurrence with other humans around the world, the entire concept of democracy is immaterial, for a government cannot exist without a people to govern, and without international unison, civilization, as we know it, will not, cannot exist.

Perhaps more aptly, the late President Franklin Delano Roosevelt summarized our duties as United States citizens in his comment:

"Today we are faced with the pre-eminent fact that, if civilization is to survive, we must cultivate the science of human relationships—the ability of all peoples, of all kinds, to live together and work together, in the same world, at peace."

EXEMPTION ON INTEREST EARNED

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MINISH. Mr. Speaker, I am today introducing legislation which, I believe, will put money back into savings banks, help ease the housing shortage, reduce the tragically high level of unemployment, and stimulate our depressed economy as a whole.

The legislation I am submitting would exempt the first $1,000 earned as interest on savings by a married couple from Federal income taxation. Single persons would have the first $500 of interest earnings exempted under the bill.

As many Members are aware, a similar measure was reported to the full House of Representatives by the Ways and Means Committee last December but it was not considered prior to the adjournment of the 93d Congress.

It has been estimated that passage of this legislation would lead to a yearly increase of as much as $25 billion in deposits in savings and loan institutions alone, which would be enough to finance the construction of at least 300,000 new homes, and more importantly, create half a million badly needed jobs.

With the present extremely poor state of our economy, it is incumbent upon us to take every step necessary to quickly revive our national well-being. Exempting interest income from taxation would be an important part of this strategy.

Mr. Speaker, I urge the Ways and Means Committee and the full House to take prompt and favorable action on this measure.

EDUARD KUZNETSOV, SOVIET PRISONER OF CONSCIENCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, Americans have always been concerned with the plight of persecuted people everywhere. Presently, Soviet Russia is holding captive a large number of what can only be termed "political prisoners." These prisoners, many held for crimes such as "anti-Soviet propaganda," "slandering the Soviet system" and "betrayal of the fatherland," are regularly deprived of such basic rights as contact with friends and relatives outside the prisons.

On September 11, 1975, I joined with 14 New York metropolitan area Congressmen in establishing the Congressional Adopt-a-Prisoner program operated in conjunction with the Greater New York Conference on Soviet Jewry. This program is an effort to bring to the attention of the general public the terrible plight of the Soviet Jews and to bring pressure to bear on the Soviet authorities to cease persecution of political prisoners.

The name of the man I "adopted" is Eduard Kuznetsov. Mr. Kuznetsov was first arrested for participating in a public reading of Mayakovsky's poetry in Mayakovsky Square. He was sentenced to 7 years in a labor camp for that so-called crime against the Soviet State.

By the time of his release from prison, Kuznetsov had developed intense feelings toward his Jewish heritage and he decided to emigrate to Israel. A few months after his marriage to Sylva Zalmanson, a young Zionist and engineer from Riga, Kuznetsov was arrested for allegedly attempting to hijack an airliner to Israel. He was charged with treason and sentenced to death. Because of a worldwide outcry, Kuznetsov's sentence was reduced to 15 years at a specially strict regime camp.

Kuznetsov has repeatedly been denied contact with his wife and family and he has been repeatedly threatened with a transfer to the dreaded Vladimir Prison. A friend of Kuznetsov's, Hillel Butman, was recently transferred to Vladimir Prison for, among other things, attempting to compile a Hebrew dictionary.

During his imprisonment, Kuznetsov wrote and smuggled out of prison a diary detailing his treatment and the development of his Jewish commitment. An excerpt from the diary reads:

No matter how tragic is your acceptance of the world, life gives you such degrading blows that you make grimaces and gestures like a clown at moments that are the most unsuitable for a tragic role. For them, of course, it is not enough to sentence, to be shot, they must bring me to such a condition that I should make grimaces to amuse the public. No sir!

Were I a Spaniard, like Unamuno, I would not be afraid of the shout: "You can kill me, but not convince me."

We, as Americans, cannot, must not, let such men wither under the oppression of Soviet Russia. Our voices must rise up in protest against this inhumanity and denial of basic civil and humanitarian rights. We must use every vehicle within the power of our Government to pressure the tyrannical leaders of the Soviet state to release these poor people from their bondage. For whenever we assure one freedom of even one person in the world, we are a little more secure in our own freedom. Only through eternal vigilance can we protect against the spread of Soviet oppression and degradation throughout the world.

OUR NATION'S COMMITMENT TO OUR POW'S, MIA'S, AND THEIR FAMILIES

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. KASTEN. Mr. Speaker, on January 27, 1973, when the United States entered into the agreement that was to terminate American involvement in the Vietnam war, we all looked forward with hope to the day when all of our prisoners of war could return to their country and the status of those listed as missing in action could be determined at long last. That the question of determining the ultimate fate of our missing men was considered of great importance to the United States is evident in the fact that the issue was specifically dealt with in article 8(b) of the Paris peace accords. Article 8(b) specifically states that—

The Parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

Now the requirements of that language are obvious. There may be other sections in the Paris peace accords that are subject to varied interpretations, but there is nothing vague about article 8(b). Yet the fact remains that the North Vietnamese have never allowed the United States to examine crash sites or graves in contested territory in either North or South Vietnam. It is indisputably clear that a thorough search of known grave and crash sites would yield significantly new information about the fate of our missing personnel. But until such time as the North Vietnamese comply with their obligations under the Paris peace accords little new information on the status of our missing men will be learned.

In spite of this fact the Department of Defense has continued its policy of reclassifying personnel previously listed as missing in action in Southeast Asia to dead whenever the Department feels it has sufficient reason to presume that a given individual cannot reasonably be

alive. Such a policy strikes me as being patently unfair and unwarranted. These reclassifications are being made in the absence of any new evidence to justify them. To continue to make such reclassifications without making onsite inspections of crash sites and graves, which would produce solid evidence concerning the fates of our missing men, will serve notice that we have written them off as of little consequence to us, and will demonstrate to the North Vietnamese that we do not intend to press them to live up to their legal obligations.

We must not allow the U.S. Government to adopt such an approach. We must not permit the laws of this Nation to be used to serve the bureaucratic convenience of the Department of Defense at the expense of the rights of our missing servicemen and their families. Just because of the North Vietnamese to date have not lived up to their end of the Paris peace accords with respect to article 8(b) is no excuse for us to amend that part of the agreement by refusing to demand compliance from them.

Let us never forget that it is possible that a number of our servicemen listed as missing in action may still be alive. Some were photographed while in captivity. In other instances the enemy issued propaganda releases and photos of official armed services ID cards of various Americans, noting that they had been taken prisoner. However, when the Paris peace accords were signed, many of the names of the same men alluded to above were not on the official lists released by the North Vietnamese Government. Clearly, Hanoi knows whether these men are dead or alive. But to this point they have refused to clarify their status.

In view of this situation, I am cosponsoring legislation which seeks to halt the reclassification of our MIA's by the Department of Defense until such time as we receive the information we need from North Vietnam and her allies to finally resolve the question of their fate. Until such time as this new information is available, I do not believe any reclassification to presumptive finding of death status should be permitted. By preventing such an action from occurring through the passage of this bill we will demonstrate our determination to the other side that we expect the agreements they signed to be complied with, and at the same time we will remove any doubt that the families of our MIA's may have that the U.S. Government is not doing everything possible to resolve this issue appropriately.

JERRY PETTIS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MAZZOLI. Mr. Speaker, I would like to take this opportunity to express my sorrow at the untimely death of our colleague from California Jerry Pettis.

It was my pleasure to know Jerry mainly from the House Prayer Breakfast group which meets each Thursday morning. He will be missed from that gathering.

His dedication to his constituents and his devotion to duty is evidenced in the fact he was on a business trip—not a pleasure trip—when his plane went down.

Jerry Pettis' absence is sure to be felt keenly among his friends and colleagues in the House and among his constituents and friends in California. This is the highest tribute that can be paid to a good man and an accomplished legislator.

My wife and I extend our deepest condolences and sympathy to Jerry's beloved wife and devoted family.

LITHUANIAN FREEDOM

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HOWARD. Mr. Speaker, on February 16, 1975, Americans of Lithuanian ancestry commemorated the 57th anniversary of Lithuanian Independence Day. Once more, the commemoration of the establishment of the Republic of Lithuania has proved to be a hollow celebration, for the citizens of Lithuania continue to live under the bondage and repression of Soviet rule.

While relatives and friends in Lithuania press on in the struggle to regain the freedom they once knew, Americans of Lithuanian origin and descent continue in their efforts to remind the Congress of the plight of the thousands of Baltic peoples who have been subjugated by the Soviet Union into positions of virtual slavery. Thus, I would like to take this opportunity to insert in the CONGRESSIONAL RECORD a resolution which was passed by the Lithuanian Council of New Jersey on February 16. I hope that this resolution will serve to remind each Member that the bounties of freedom which so many Americans take for granted are the object of a great, ongoing struggle by the freedom-loving people of Lithuania. Let us hope and pray that Lithuanians may again enjoy the freedom which is democracy's lifeblood.

The resolution of the Lithuanian Council of New Jersey follows:

RESOLUTION

We, Lithuanian-Americans of New Jersey at a meeting held on February 16, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defense of the Communist regime in seeking political and religious freedom; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the people of Estonia, Latvia, and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved that we, Lithuanian-Americans urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to appropriate government officials.

LITHUANIAN-AMERICAN COMMUNITY OF THE U.S.A., INC., NEWARK CHAPTER

VALENTINAS MELINIS, *President.*
K. BASYS, *Secretary.*

AUTOMAKERS AND CONGRESS ARE RESPONSIBLE FOR AUTO SALES DECLINE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MICHEL. Mr. Speaker, I have not been one of those in the vanguard, calling on the automobile industry to provide me with one so-called safety contraption after another that in the main have only served to increase the cost of our automobiles. My friend, Glen Travis, who has been in the automobile business for many years, feels that we, in the Congress, are just as responsible for the decline in automobile sales as the automobilemakers are themselves. I think there is a measure of truth in what he says, particularly with respect to some of the half-baked proposals we hear these days being proposed by Members of the other body.

A full text of Mr. Travis' recent letter to me follows:

TRAVIS CADILLAC PONTIAC CO.,
Peoria, Ill., February 8, 1975.

Representative ROBERT H. MICHEL,
U.S. House of Representatives,
Washington, D.C.

DEAR BOB: I am writing you today to ask again for a moratorium from further regulations to the auto industry for 5 years. If all cars met 1975 standards on emissions there would be very little problems in almost all of the United States. A rollback of the bumper regulations would also help to put men back to work. You can expect that the government agencies involved will not write their jobs away. When was the last time that happened?

The government (all branches) is responsible for the unemployment in the auto industry. The auto lay-offs and the related industry just about spell the cause of the recession, not the Arabs. The building industry was killed by the government, bleeding off the mortgage money. Then they bleed off more, and play Santa Clause to the building and loan.

The rebates are helping the sale of cars. The extra cost from government regulations is several times the amount of these rebates.

This week the news carried a story of a Senator or two who suggested a restriction on manufacturers, based on the average gas mileage of all the cars the company sold. This would immediately increase unemployment. Cadillac has about the best record of employment during the recission. There are too many little cars waiting for customers. Look at who got the biggest rebates. All General Motors could do would be to close Cadillac.

Senator Muskie demands to know why General Motors is not bringing out the Wankel engine, even when they know more about it than any other American company. All he has to do is look at what happened to Mazda. They had the U.S. government and all the press behind them, and look at their sales record.

Our government is the only one who wants to give the same medicine in larger doses after it has been proven to be the wrong medicine. The regulations for the 1976 and 1977 models will keep the auto workers unemployed, but the Bureaucrats busy and on the job.

Sincerely,

GLEN W. TRAVIS.

CONTENDER FOR THE DEMOCRATIC PRESIDENTIAL NOMINATION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. EDWARDS of California. Mr. Speaker, a recent editorial from the Los Gatos Times-Saratoga Observer reveals the sentiments of many Californians as we begin seriously to consider the announced and unannounced contenders for the Democratic Presidential nomination in 1976. It reflects great credit on our senior Senator from California, Hon. ALAN CRANSTON, and also great credit on the preferences and perceptions of the Los Gatos Times-Saratoga Observer.

I am pleased to have the opportunity to share with my colleagues in the House this commendation of one of California's outstanding statespeople and to add my hearty agreement to the view that we should include ALAN CRANSTON among the men and women we consider for national leadership in 1976:

Well ahead of the quadrennial Democratic presidential convention, California in general and Democrats in particular are being visited by a series of distinguished candidates who hope to be their party's choice.

In late summer of 1976, each of these in turn will be praised as the "man who" (perhaps now, "the person who") will lead the Democratic Party to victory and the nation from the wilderness.

All are welcome, the state of the nation and the tourism business being what they are. One caution, though, to these out-of-staters. There are some of us here who find California's Senior Senator Alan Cranston, as well qualified in leadership, experience, and understanding as any of these talented travelers.

Senator Cranston has deep roots in California. He's been an overseas correspondent and author and knows foreign affairs; he was State Controller for eight years and given California's broad diversity of climate, occupations, and population, he knows domestic problems; he was a major factor in the resurgence of the State's Democratic Party after 1952, and anyone who can organize California's Democrats shouldn't find unifying the national party too difficult a task.

And finally, Californians gave Senator Cranston a remarkable million plus vote of endorsement in the recent election.

These assets are what make him an exceptional Senator; they also qualify him for both his party's nomination and the Presidency.

THE CASE OF THE CARABANCHEL 10

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Ms. ABZUG. The Speaker, recent dedevelopments in Spain are heartening to those who have opposed the Franco dictatorship ever since it came bloodily to power more than 30 years ago with the assistance of military support from Hitler and Mussolini and the embargo policy of the United States and the Western democracies.

As General Franco nears the end of his life, democratic forces in Spain are reviving and focusing their efforts around demands for amnesty for political prisoners.

A tremendous opposition movement against the conviction of the Carabanchel 10 has been generated throughout Europe, while in Spain their case has been regarded by working people as symbolic of their entire struggle against the Franco dictatorship.

The Carabanchel 10 is the name given to 10 Spaniards who were arrested in 1972 on the charge of illegal association in seeking to organize trade unions. They were tried in December 1973 in an atmosphere of hysteria generated by the assassination of Premier Carrera Blanca on the first day of the trial, which was attended by a delegation of about 50 international observers, including former Attorney General Ramsey Clark and trade union leader Henry Foner from the United States. The 10 were found guilty and sentenced to up to 20 years in prison.

In this country, as part of efforts to free the Carabanchel 10, an amicus curiae brief was signed by myself, civil liberties leader Roger Baldwin and a number of prominent labor leaders, including President Leonard Woodcock of the United Auto Workers, President Matthew Guinan of the Transport Workers Union, President Arnold Miller of the United Mine Workers, President Patrick E. Gorman of the Amalgamated Meat Cutters and Butcher Workmen, President Cesar Chavez of the Farm Workers Union, and President Harry Bridges of the International Longshoremen's and Warehousemen's Union.

The Spanish Supreme Court announced the date of appeal for February 11, 1975, on very little notice, hoping to catch the international movement by surprise. Nevertheless, a delegation of international observers was present in the court for the appeal, including President Paul O'Dwyer of the New York City Council and President William Colavito of Local 455, Ironworkers Union.

On Saturday, February 15, the court announced that the sentences had been reduced to 6 years, 5 years, and 2 years and 4 months, with credit for time served. As a result, four of the defendants have been freed outright. There is no doubt that the international protests against the heavy sentences imposed on these trade unionists helped to win their freedom and the reduced sentences.

Among the many still in prison are nine Spanish intellectuals, including two active feminists, who are part of the liberal opposition to the Franco regime. According to information I have received from Amnesty International, one of the prisoners, psychotherapist and feminist Genoveva Forest, was subjected to severe torture and there is no reason to believe that some or all of the others were similarly treated. In addition, the prisoners were held incommunicado for long periods, and were not given adequate access to their defense lawyers, who are not fully informed about the specific charges against the nine.

A number of my colleagues have joined me in sending a telegram to the Spanish Government protesting the deprivation of rights and the torture used against these imprisoned men and women.

The campaign for complete amnesty for all political prisoners has reached new heights in Spain with the circulation of petitions sponsored by the Catholic Church and the Communist Party, among others. According to the New York Times, the petitions have already been signed by 60,000 people, including 2,000 members of the Spanish Armed Forces.

In this country, the anti-Franco struggle is taking the form of a campaign against the renegotiation of the secret treaty for American military bases in Spain, which expires in September. The campaign against the treaty is being spearheaded by the U.S. Committee for a Democratic Spain, 9 East 40th Street, New York City and by the Veterans of the Abraham Lincoln Brigade, 799 Broadway, New York City.

These latest events coincided with the celebration of the 38th anniversary of the Brigade, which consists of American

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volunteers who fought in Spain on the side of the Spanish Republic in the 1930's. The anniversary took the form of a birthday tribute to their national commander, Steve Nelson, on Sunday, February 16, at the Statler-Hilton Hotel in New York, which drew an enthusiastic crowd of 1,300 people.

An article by Mr. Nelson, Lincoln Brigade Recalled, appeared on the op-ed page of the New York Times on February 12, which is also, of course, the birthday of Abraham Lincoln. Text of the article follows:

LINCOLN BRIGADE RECALLED

(By Steve Nelson)

The Abraham Lincoln Brigade seems to mean nothing to nearly two generations of Americans. When I speak to college students and tell them Americans fought as volunteers for the legally elected Spanish Government, they stare at me in astonishment.

In February, 1936, five years after the monarchy abdicated, the Spanish people elected a Government of social change. Five months later the military launched an armed uprising with the support of deposed monarchists and major landowners. Within 24 hours, Hitler and Mussolini (by pre-arrangement, as we now know) were delivering men and supplies to the rebels, and the Republic was clearly in danger.

Many Americans feared that if Spain fell there would be no stopping Hitler's drive for conquest. We appealed to our nation's leaders to aid the Spanish Government, or at least permit it to buy arms for defense. But our Government chose "neutrality" instead. By November, the rebels stood at the gates of Madrid, and the Republic's cause seemed hopeless.

Then we read of volunteers from other nations appearing on the Government's side and helping to check the rebel drive. The news was electrifying. On Christmas Day, 1936, 82 Americans boarded the Normandie as "tourists" bound for France. Soon others followed, including myself. By February, 1937, several thousand of us were in Spain where we formed the Lincoln unit and took part in the defense of the Valencia road to Madrid. It was a long bitter battle, and our casualties were heavy.

After two and a half years of war, half the 3,100 American volunteers lay buried in Spanish soil. Spain had gone down to defeat, undone by the world blockade. Hitler, having fed on Spain and feasted on Munich, had gobbled up Western and Central Europe. Then the Axis declared war on the United States.

At this point, most of our ablebodied veterans, back home, sought to enlist. Since we were the only Americans with actual combat experience against German and Italian troops, you'd have thought the armed forces would be delighted to have us. Instead, some top brass viewed us with suspicion.

After all, we were "premature antifascists"—as though it was a crime to fight for the Spanish Republic. Some Lincoln veterans found themselves in detention camps, often together with members of the Nazi Bund, the pro-Hitler paramilitary operation in the United States.

It took time and pressure from many including such members of the Roosevelt Administration as Eleanor Roosevelt and Harold L. Ickes and Henry L. Stimson, until policy changed and our men were accepted as equals in the merchant marine and, eventually, in all branches of service—and they fought in all theaters of war. They also served in the Office of Strategic Services.

When the war was over, some 350 Lincoln Brigaders had lost their lives. Many of our men had distinguished themselves in battle.

With the war over, we hoped fascism would be ended, too, but it was not. A few years later, our country embarked on the long, 25-year nightmare of official "anti-Communism." If you were a Lincoln veteran, you couldn't get or hold a Government job. We were named a "subversive organization" and put on the Attorney General's list. Many of us were hauled before the House Un-American Committee. I myself was sentenced for sedition, and a dozen other veterans went through trials and were sentenced to long years in jail. Later, the United States Supreme Court upheld the Pennsylvania Supreme Court's reversal of my conviction.

We survived the icy decades of the cold war. We took part in activities on behalf of Spanish political prisoners and their families, and were early and ardent foes of American participation in the war in Vietnam. What bound us together is what brought us together in the first place—our anti-fascist conviction. There were times when we were virtually alone in opposing the dangerous policy of continued United States support for the regime of Generalissimo Francisco Franco. Now, more and more Americans are joining in the effort to halt further aid to the Spanish dictator.

In Spain, new forces representing most sectors of the population have gathered to put an end to General Franco's rule and establish a broad democratic regime. One of the deterrents in their path is the existence of United States bases on Spanish soil and our nation's military pact with General Franco that constantly threatens American military intervention in the event of major political change.

Former Senator J. W. Fulbright warned of this danger some years ago when he commented on the pact in these words: "We should have learned from the tragic war in Vietnam. A commitment which requires spending of money and results in stationing of our troops on foreign soil contains the prospect that it might require the spending of American lives."

The pact expires in August. If we can help Americans grasp Senator Fulbright's warning and convince Congress to end our military support of General Franco's Spain, we who have fought a lifetime for Spanish democracy will feel that we haven't spend these years in vain.

A NEW PARTY?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BAUMAN. Mr. Speaker, while the New York Times, the Baltimore Sun, and other newspapers of liberal persuasion editorially sniff at the thought of a new political party, the nonestablishment press in the hinterlands is not nearly so skeptical.

I include an editorial from the Daily News of Salisbury, Md., which I suspect expresses thoughts far closer to the grassroots than most of the liberal media:

[From the Salisbury (Md.) Daily News, Feb. 17, 1975]

A NEW PARTY

Young Americans for Freedom and the American Conservative Union hooped it up the other night, giving vent to pleas for a new part in American politics as well as criticism of both President Gerald Ford and his vice president, Nelson Rockefeller.

New parties have had little success in modern times in this country, although the glamorous Teddy Roosevelt did it with the Bull Moosers, and George C. Wallace of Alabama shook the regulars up with his American party.

But, aside from that, the political exercise has been limited to the Democrats and Republicans, with the Democrats swinging to the left and the GOP remaining on the right as far as philosophies are concerned. But then that has been changing drastically in recent years. Gov. Wallace put his finger on it sometime ago when he said of two candidates for President—"there ain't 10 cents worth of difference between 'em."

Right now, we have the spectacle of a once conservative rightist, President Ford, embracing much of what the Democrats have advocated over the year. President Nixon, running as a conservative the first time he was elected, ended up as a deficit financer. The problems now heaped on President Ford of course, call for some drastic action to get the economy going. But too much deficit financing without reducing inflation is going to be a bitter dose for the American people.

So, whither the conservatives? One concern now is heading off Nelson Rockefeller as a possible presidential nominee in 1976.

With the government becoming more bloated with each passing year and costs arising accordingly, not only in Washington but down through the grass roots, the day may well be at hand when the people who foot these bills will be demanding a more authoritative voice in government. And, with both major parties now essentially the same—it may take a new party to seek the reforms this country needs, particularly in Congress.

AFFIRMATIVE ACTION

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BADILLO. Mr. Speaker, those who are vitally interested in ending discrimination against minorities must be constantly vigilant. One of the multitude of subjects on which a careful watch must be kept is the enforcement of affirmative action guidelines to prevent discrimination in the hiring practices of Federal contractors, particularly in institutions of higher education.

I should like to submit for the RECORD an article by William Raspberry which appeared in the February 19, 1975, issue of the Washington Post. I believe that the comments of Congressman AUGUSTUS F. HAWKINS regarding HEW's Office for Civil Rights' enforcement and interpretation of affirmative action will be of interest to all Members:

REPRESENTATIVE HAWKINS ON "AFFIRMATIVE ACTION"

(By William Raspberry)

Rep. Augustus F. Hawkins (D.-Calif.) wants in on the debate over "affirmative action."

The debate has been heating up since last December when Peter Holmes, head of HEW's Office for Civil Rights (HEW-OCR), issued new guidelines to "clarify" the responsibility of colleges and universities in hiring minorities and women for faculty positions.

The guidelines followed sustained pressure from certain groups, including some college and university faculty members, to soften HEW's requirements Or, as it was usually put, to make certain that misinterpretation of the requirements did not lead to "reverse discrimination."

Congressman Hawkins has taken a good, hard look, and what he sees is not reverse discrimination but "HEW-OCR's abrogating its responsibility under the law."

Under the Holmes clarification, college and university presidents, formerly under the impression that they would have to increase their hiring of minority and women faculty members, on pain of losing their federal funds, now know better.

The clarification goes in two important directions. Those university chiefs who want to increase their minority and female representation were told that they cannot advertise in any way that might seem to discourage white, male applicants.

And those who don't want to change their hiring practices were told that they won't really have to, so long as they are careful to make sure that the list of rejected applicants contains the appropriate number of minorities and women and so long as none of the rejects is demonstrably better qualified than those who are hired, with the university itself the sole judge of qualification.

The requirements, guidelines and clarifications have their roots in Executive Order 11246 (as amended), which calls for federal contractors to ban ethnic, religious or sex discrimination in their hiring practices. It also requires them to take "affirmative action" to see to it that their practices are not discriminatory. Violation of the order could lead to cancellation of government contracts, although it rarely has.

"HEW-OCR is responsible under the executive order to enforce the order's provisions in all the (approximately 1,000) higher educational institutions having contracts with the federal government," Hawkins points out. "In light of (Holmes' "clarifying" memo), a major concern being expressed by growing numbers of minorities and women seeking college faculty employment, by minority contract compliance officers, by civil and human rights advocates, and by some members of Congress, is the question of HEW-OCR's employment enforcement inadequacies."

There also are growing doubts over HEW's willingness to enforce equal-employment provisions, "since its obvious interests are in the supposed preferential treatment being given to minorities and women," Hawkins told The Washington Post.

The real issue—in fact, the only issue—is the systematic, consistent, deliberate denial of equal employment opportunities to minorities and women by institutions of higher education, and the encouragement HEW-OCR has given these institutions to continue their policy of discriminatory hiring of faculty."

The discrimination is continuing, says Hawkins, even though the widespread charges of "reverse discrimination" might give the impression that minority and female professors are flooding the college campuses.

He cites data from the Civil Rights Commission report of last month showing that between 1968 and 1973 the percentage of blacks rose only from 2.2 to 2.9. The increase of women faculty members during the same period was from 19.1 percent to 20 percent.

"Clearly, the promise of equal employment opportunity has not been achieved in institutions of higher education," the Civil Rights Commission said, charging that "HEW's failure to enforce the executive orders has played no small role in frustrating this objective."

Hawkins, looking at the same data, sees clear evidence of HEW-OCR's foot-dragging in response to its federally mandated obligation."

"Mr. Holmes wants to make a major case for so-called reverse discrimination," said the chairman of the Equal Opportunities subcommittee of the House Committee on Education and Labor." If reverse discrimination truly exists, it must be operating in a vacuum, since those persons supposedly experiencing this kind of discrimination (white, Anglo-Saxon Protestant males) still overwhelmingly control all of our nation's colleges and universities.

"They have not suffered any meaningful employment problems; the continued low numbers of minorities and women in college and university faculty positions attest to this fact."

He said Holmes' office has no realistic affirmative action policy and "obviously they need some assistance in this matter."

"That assistance is forthcoming," Hawkins promised.

CYPRUS—7 MONTHS OF TRAGEDY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, today we note a tragic anniversary, for it was 7 months ago that the nation of Turkey unleashed her forces for an illegal and ruthless invasion of the island of Cyprus. During this period both the nation and people of Cyprus have been devastated from the effects of more than one-half a year of civil strife and occupation by Turkey.

We, in the Congress, have dedicated ourselves to the restoration of peace on Cyprus. I and others pushed on numerous occasions for an immediate cut off of aid to Turkey for being in blatant violation of the Foreign Assistance Act. Finally after long months of compromise and concession we were able to cut off this aid effective February 5, which marked a historic day for this Congress and for the struggle for peace on Cyprus.

We have also been committed to the rebuilding of Cyprus.. Congress overwhelmingly adopted my amendment to the Foreign Assistance Act which provided $25 million in emergency relief aid to Cyprus. This money will be used to provide food and shelter for the quarter of a million refugees on the island, and will also help to rebuild the ravaged Cypriot economy.

Recently the Long Island Press published an article which sized up Cyprus 6 months after the invasion. The article paints a bleak and tragic picture of the current situation on Cyprus. I hope it will serve to show my colleagues the continuing need for the United States to work and help the Cypriot people achieve peace and stability. We have begun, but we must be prepared to continue.

The article entitled "Cyprus: 6 Months After the Invasion" follows:

CYPRUS: 6 MONTHS AFTER THE INVASION

(By Richard C. Gross)

NICOSIA.—Six months after an invading Turkish force split this island in two, the agony of Cyprus goes on.

Its economy is shattered, people uprooted, shops looted, its communities divided by hatred and its future clouded by a rivalry that extends beyond its shores to embrace, Greece, Turkey and the superpowers.

For about 20,000 Greek and Turkish Cypriots, many of them once middle-class citizens with homes, businesses and automobiles, the misery is compounded by the winter cold and rain, beating down on the tents where they now live.

Tourism, the second most important source of hard currency on what used to be a vacation paradise, is dead, with hotels empty and unemployment high.

Hundreds of homes of Greek Cypriots have been taken over by Turkish Cypriots in areas conquered by the Turkish army.

And a 35,000-man Turkish army of occupation roams much of the island, hated by the Greek Cypriots and, according to neutral sources, now resented even by some of the Turkish Cypriots who welcomed them when they swept ashore in July.

The spark that ignited the Turkish invasion was the overthrow July 15 of Archbishop Makarios, the only president Cyprus has known in 14 years of independence from Britain.

The Greek Cypriot national guard, led by Greek officers under orders from the now-defunct military junta in Athens, seized power and installed a onetime terrorist and newspaper publisher, Nicos Sampson, as president. Makarios fled the island with British help. Makarios returned from exile Dec. 7, but he is no longer recognized by the Turkish Cypriots as president.

The Turks, fearing the coup was a prelude to the union of Cyprus with Greece, invaded five days later.

Turkish troops still control nearly 40 per cent of the island along its northern tier only 40 miles from Turkey across the eastern corner of the Mediterranean.

The Turks hold some of the most fertile land on the island and the main port of Famagusta. Most of the Greek Cypriots have fled south and Turkish Cypriots have gone north. An estimated 181,000 Greek Cypriots and 8,500 Turkish Cypriots remain homeless.

"I don't like to call it partition but two Cypruses—a Turkish Cyprus and a Greek Cyprus," said the constitutional leader of the minority Turkish Cypriot community, Vice President Rauf Denktash. "I think we shall be forced to move in that direction."

About 650,000 persons live on Cyprus, two-thirds of which is forested mountains, with Nicosia dominating the nearly treeless central plain. Eighty-one per cent of the people are Greek Cypriots and 18 per cent Turkish Cypriots.

Britain, succeeding earlier invaders, controlled the island from 1878 to 1959. Then a guerilla campaign led by Makarios and Gen. George Grivas forced the British to grant independence.

With a constitution that tried to spell out every detail in the apportionment of power to both sides, the Greek and Turkish Cypriots bickered incessantly over who had the right to control what.

Violence erupted in December 1963. Clashes continued until United Nations troops moved in the following year to establish order. The troops have been there ever since, at a cost of $350 million. More clashes occurred in 1967.

Before the invasion Loukis Pieri, 42, lived in Famagusta where he owned an auto driving school with four automobiles. He fled the oncoming Turks with one of the cars, his wife and the clothes on his back.

He now lives in the Lefkarides tent city and shares a tent with his in-laws.

"I'm not used to these things," said Pieri, who said he left $22,000 worth of assets behind. "I'm 42 and never saw a war. It's like being in a shipwreck and then being all alone on a raft waiting and hoping for another ship to come."

"These people were the well-off in the country and this is what accentuates the refugee problem," said shacallis Linus, a government refugee official. "These are not people like the Palestinians and those from Bangladesh. They had their own cars, their own businesses. Their own homes and all of

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a sudden they find themselves in a tent with nothing.

"If these people cannot return to their homes, the economy will be completely destroyed and we can't foresee the consequences."

It costs the Cypriot government $5.5 million a month to feed and care for the refugees.

Of the 105,000 Turkish Cypriots, 51,000 lived south of the Turkish-occupied region before the war. About 20,000 have fled behind the Turkish lines in the north since then, and the rest are trying to get north, government and Turkish Cypriot officials said.

"Today they feel they have a country in the north and they want to go there," an official of the International Red Cross said. "They have received instructions to go north. It's very well organized."

Neutral sources said 2,000 Turkish Cypriots have moved into Greek Cypriot homes in the north.

Several sources from international organizations said there was some disenchantment over the Turkish occupation among Turkish Cypriots.

"There are new facts being created and it is becoming a Turkish administration, not a Turkish Cypriot administration," one observer said. "Mainland generals say business executives are coming in and they are threatening to take over from the Turkish Cypriots."

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. McCLORY. Mr. Speaker, ironically, February 16 marked the 57th anniversary of the establishment of the free and independent Republic of Lithuania, as well as the 724th year since the founding of that state.

In fact, the history of Lithuania and her sister "Captive Nations" has been one lacking both freedom and independence, for, with the invasion and occupation of these Baltic States by the Soviet Union in 1940, Lithuanians have enjoyed the basic human liberties of independence for but 22 years since World War I.

The past decade of international intercourse has been heralded as the new age of "détente" and improved Soviet relations. Yet, the examples of Simas Kudirka and that Lithuanian sailor's bold leap for freedom, the recently arrested and imprisoned Lithuanian and Russian champions of religious freedom, and those few of the many dissidents who have gained visibility, must serve as a constant reminder of the painful, unyielding pursuit of this nation for freedom from oppression.

Mr. Speaker, we would do well to match our accomplishments on the United States-Soviet political front with efforts on the very personal, human level of securing an end to such tyranny. We have as support and testimony the strong Lithuanian people, their intact culture, unfaltering spirit, and insatiable desire for freedom, independence, and self government.

The upcoming celebration of our Bicentennial of freedom should give pause to all Americans to reflect upon the many civil liberties we so often take for granted and others still fight so valiantly to secure. As we acknowledge our 200th year of independence, our thoughts should go to the 724-year-old nation of Lithuanians and their continuing struggle for human dignity and national recognition.

THE NONCANDIDATE

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. COHEN. Mr. Speaker, though we are only midway through the second month of 1975, we are already beginning to witness an increasingly intense political and public relations battle among hordes of contestants for the 1976 Democratic Presidential nomination.

As usual, most of the combatants are located in a single place, the Senate of the United States. One day we see a senatorial visage adorning the cover of Time magazine. Then we learn of a campaign announcement film costing $23,000. We hear of yet another summons to the press to flock to the Senate caucus room for an announcement of candidacy. And we read of other Senators, seemingly more reticent, who avoid overt declarations of candidacy but await the summons of a "brokered" convention.

The question that inevitably occurs to all of us who labor in the quiet anonymity of the House is this: Where will it stop?

Mr. Speaker, today I am pleased to be able to provide my colleagues with an answer to that question. It stops in room 248 of the Russell Senate Office Building, the office of the distinguished junior Senator from my home State of Maine, WILLIAM D. HATHAWAY.

No less an authority than the nationally syndicated columnist Arthur Hoppe has reported that Senator HATHAWAY will not—repeat, not—be a candidate for President in 1976. I have tried to reach the Senator for comment on these reports, but I have been told that he is studying the public statements of Gen. William Tecumseh Sherman and cannot be disturbed. However, the Senator's staff has assured me that Mr. Hoppe's report is substantially accurate. Senator HATHAWAY does not have a $1 million war chest, and he has no plans to be photographed in an Indian war bonnet in the near future.

Mr. Speaker, while I regret that plans for the Hathaway Library in Auburn, Maine, must now be necessarily deferred for a few years, I nonetheless wish to commend my good friend for his statesmanlike decision. In keeping with the hands-across-the-aisle spirit that has characterized the Maine congressional delegation since my election to Congress, I wish my Democratic colleague well in his nonquest of noncandidacy, and I insert Mr. Hoppe's article, "The Leading Front-Non-Runner," in the RECORD at this point:

[From the San Francisco Chronicle]

THE LEADING FRONT-NON-RUNNER

(By Arthur Hoppe)

WASHINGTON.—The most distinguished senator in Washington these days is William D. Hathaway of Maine. What distinguishes him from his colleagues is that he is the only Democrat in the Senate who is not running for President.

The bombshell news broke here last week when Senator Hathaway announced he would hold a press conference next Monday to announce he would make a major address a week from the following Tuesday to announce that he wasn't running for President.

Rumors that the husky, cigar-smoking, well-liked, freshman senator wouldn't immediately seek the presidency have been circulating here since his upset victory over Margaret Chase Smith in 1972.

As long ago as last April, he confided to a reporter from the Bangor (Maine) Weekly Bullet that "many of my close friends and associates have urged me, for the good of the country, not to run."

He said at the time that he was "seriously considering" that course. "However, I must also think of the welfare of my family," he added. "The presidency pays more money."

Since then he has gradually been tabbed as the leading front-non-runner in an undercrowded field.

The fact that he had not raised more than $1 million from party fat cats before the campaign contribution law was tightened only added fuel to the rumors. Moreover, he has not once been photographed eating a knish in the Bronx, wearing a Sioux bonnet in Sioux Falls, or identifying himself to disinterested, homeward-bound factory workers.

Instead of charging about the country criticizing the President, it has been widely noted, Senator Hathaway has steadfastly remained in Washington criticizing the President.

In his announcement announcing his forthcoming announcement that he wouldn't run, the senator pledged, to the relief of many, that he would not issue a position paper on the Middle East.

"It is not that I don't have a position," he said. "It's that I don't understand it."

He added, however, that he stood foursquare for full employment, lower taxes, improved welfare benefits and a balanced budget. "It's just that I don't see," he told his cheering non-supporters, "how all that's possible."

In a rare private interview (he is rarely asked for one), the moderately liberal senator was asked if he would have to adopt a more conservative image in hopes of losing the liberal vote. Would he, for example, speak out for doubling the defense budget and quadrupling our aid to Vietnam?

"I've found it very difficult to change my image," he said. "My wonderful wife, Mary, has been trying for years. But I always instinctively duck."

Would he instead, then, vote for what he believed in? "Yes," he said firmly. "And I believe in getting reelected."

Finally, he was asked the critical question: "Why, sir, are you, a popular, respected member of the majority party, not running for the presidency?"

A far-away look entered his eye. "Hmmm," he said, pausing to blow a smoke ring, "now that you mention it . . ."

DR. EDELIN: VICTIM OF A NEW CRIME

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. FRASER. Mr. Speaker, I know there must be many Americans who, like myself, were shocked to hear a verdict of guilty in the manslaughter case against Massachusetts physician, Kenneth C. Edelin. A Washington Post editorial of February 18 lays out the case and its implications extremely well and I would like to have it reprinted here:

THE EDELIN TRIAL

By convicting Dr. Kenneth C. Edelin for manslaughter, the State of Massachusetts has brought disgrace to itself and to the whole judicial system. The charge against the doctor should never have been brought by the prosecutor. The trial judge should never have allowed the case to go to the jury. And the jury's verdict, itself, is suspect. While we believe the conviction will not stand on appeal because it is constitutionally invalid, the wrong which has been committed in Massachusetts against Dr. Edelin, the medical profession and the law itself cannot be fully repaired.

The charge against Dr. Edelin—murdering a fetus during a legal operation by failing to take all possible steps to bring it to, or to continue its life—may well be unique in American legal history. There was no law on the statute books and no prior case suggesting that the routine procedure used in an abortion operation involved a criminal act. The prosecutor thought up the legal theory of his case—that a fetus is a live human being—and found someone to try the theory out on. He took no steps to warn Dr. Edelin or the medical profession that he had created a new crime. That lack of notice, alone, is enough in our view to make this conviction unconstitutional and to establish that the prosecutor grossly abused the power the law places in his hands. Regardless of what one thinks about abortion, it ought to be obvious that there is something fundamentally unfair about charging a man with murder without warning him in advance that what he and other doctors have been doing for years is now to be considered murder. Only a prosecutor with a low regard for the Bill of Rights and no regard at all for elementary fairness would proceed in this manner.

The same process, however, has been followed by the Boston prosecutor in a second case. Next on his list are four doctors who are charged with violating an 1914 law against grave-robbing. The charge against them is that they performed unauthorized autopsies by engaging in medical research on aborted and dead fetuses without getting permission for autopsies from the women who had been aborted. At the time the research was being conducted, hospitals and doctors generally regarded an aborted fetus as surgical tissue to be routinely disposed of the same way other surgical tissue is disposed of. As in the Edelin case, the prosecutor created a crime, failed to warn anyone that the routine procedures would place him in jeopardy, and proceeded to seek and win an indictment.

The impact of these two cases on the practice of medicine and on medical research in Boston, and elsewhere, is likely to be enormous. It will mean that some women will be denied the abortion to which the Supreme Court has said they have a right. It will mean that doctors will have to attempt to bring life to a fetus when they are convinced it can have no meaningful life. If the principles of these cases are to be enforced, prosecutors or police will have a reason to patrol operating rooms and hospitals. And the two cases already have brought to a halt much of the medical and biological research that involves the use of a fetus or of fetal tissue. It is worth noting that one of the essential steps in developing a vaccine against polio involved the use of fetal tissue in laboratory experiments.

Behind all this, of course, is an effort to sneak around the Supreme Court decision limiting the power of states to make abortions illegal. The Boston prosecutor has done indirectly what he must know he cannot do directly. That, in itself, is an expression of gross disregard for the system of law that has generally served this nation well for 200 years. The proper way to have proceeded in these matters would have been for the Massachusetts legislature to have passed laws creating the crimes the prosecutor has created on his own. Those laws could then have been tested in court—where we believe they would have been held unconstitutional—without dragging in five bystanders and charging them with crimes for doing what they believed to be ethically and legally correct work.

Those who oppose abortion and the Supreme Court decision do have legitimate courses of action open to them. They can try to narrow the scope of the decision through legislation. They can try to persuade the Court, in a proper case, that it was wrong. And they can try to persuade Congress and the state legislatures that the Constitution should be amended. We hope such efforts fail, because we believe the matter of abortion is a subject that rests properly with a woman and her doctor. While we defend the right of those who disagree with us to seek their goal through legitimate means, it should be clear that legitimate means can never include the attempt by the prosecutor's fiat to create new crimes and thereby to control private and medical ethics.

The demonstration of raw power that has been permitted to go on this month in a Boston courtroom, unfortunately, is not unique. It has occurred before when prosecutors and judges used the processes of the law to harass those whose views they would not tolerate. But that does not excuse it.

ESTONIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ANNUNZIO. Mr. Speaker, February 24, 1975, marks a special day in man's historic struggle for freedom and self-determination, for it was on that day 57 years ago that the Estonian people established their own government and proclaimed their independence.

The Estonian American National Council in the Chicago region is commemorating this 57th anniversary of freedom with a program at the Latvian Community Center, 4146 North Elston Avenue in Chicago, on Sunday, February 23.

Taking part in the commemoration ceremonies are Olaf Tamrk, chairman of the Estonian Association of Northern Illinois, who will be the independence day speaker, Mrs. Tamrk, a soloist in the musical program, and the young people playing musical instruments.

The president of the Estonian Society of Chicago is August Parts, and the regional director of the Estonian American National Council for the Midwest is Alexander Koepp. These men are performing dedicated service to the members of these organizaations and to their community.

The Republic of Estonia grew and prospered for 22 years from February 24, 1918, to June 1940, when that nation was overrun by the Soviet empire and forcibly incorporated by the Soviet Union. Estonians have not accepted this foreign occupation of their land and still risk their lives to defy their Communist captors.

Tragically, the freedom-loving people now living in Estonia are unable to join in celebrating this auspicious independence day occasion, as they are forced to live in bondage under the ruthless tyranny of the Soviet Union. Despite their long suffering under the harsh yoke of communism, no amount of repression has succeeded in stifling the Estonian's yearning and constant hope for sovereignty and individual freedom.

Periodically stories of persecution and suppression of human rights break through the Soviet curtain of censorship, but we may be sure that there are many such violations which do not become known publicly. According to census figures for 1970, Estonians constituted only 68 percent of the population as opposed to 88 percent in 1939. This is a reflection of the fact that the Russian Communists have continued their campaign of intimidation and harassment in Estonia through these long years of occupation with mass deportations to other parts of the Soviet Union and attempts to destroy Estonian cultural autonomy.

Mr. Speaker, it was for these reasons that I introduced the following resolution at the beginning of the 94th Congress:

Whereas the Government and the people of the United States of America have maintained and enjoyed excellent and friendly relations with the Governments and peoples of the Baltic States Republics of Latvia, Lithuania, and Estonia, during the years of independence of these Republics; and

Whereas the concept of liberty and freedom of choice of government is still alive in this country, as it has been constantly since the Declaration of Independence; and

Whereas the evidence produced at the hearings of the select committee of the House of Representatives to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics overwhelmingly tends to prove that the actions of the Union of Soviet Socialist Republics in relation to these free and independent Baltic Republics were contrary to the principles of international law and the principles of freedom; and

Whereas the people of this Nation have consistently shown great sympathy for the peoples of these three Republics, especially as a result of their enslavement and as a

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result of the inhuman exile and deportation of great numbers of law-abiding persons from their native lands to imprisonment in slave labor camps in the Union of the Soviet Socialist Republics: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President of the United States of America should continue the American policy of nonrecognition of the unlawful absorption of the Baltic States Republics of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics, and continue the recognition of the diplomatic and consular officers of these Republics as the lawful representatives of these three nations in the United States of America; and

(2) the President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the question of the forced incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics and request the United Nations to conduct an investigation of conditions in the said Baltic Republics to the intent and purpose that Soviet armed forces, agents, and colonists be withdrawn therefrom, and that the exiled peoples of these Republics be returned thereto in freedom, and that free plebiscites and elections be held therein, under the supervision of the United Nations, to let the people, in freedom, make their own election and choice as to government.

Mr. Speaker, during ongoing negotiations with the Soviet Union, I believe it is most important that our Nation not forget the just aspirations of the Estonian people for freedom and self-determination. The United States has never recognized the forcible conquest of Estonia and because I believe that we should stand behind this policy, I also introduced the following resolution regarding this aggression:

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations, and

Whereas the United States delegation to the European Security Conference should not agree to the recognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

In behalf of the many thousands of Estonian-Americans residing within my own 11th Illinois Congressional District, whom I am privileged to serve, and also for Americans of Estonian heritage all over this Nation who are commemorating this anniversary, I urge the early enactment of this legislation.

On this occasion, I want to assure the courageous Estonians that our Nation continues to support their just aspirations for freedom and independence, and I want to express the fervent hope that the goal of Estonian self-determination shall soon be realized.

THE AMERICAN DILEMMA

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BADILLO. Mr. Speaker, recently the moral and ethical problems of our country have been the subject of much comment and attention which are long overdue. I should like to introduce into the RECORD an article which appeared in the February 16, 1975, edition of the New York Times, by Prof. Kenneth B. Clark, which makes a valuable analysis of these fundamental concerns:

THE AMERICAN DILEMMA

(By Kenneth B. Clark)

About seven years ago, I accepted an invitation to participate in a seminar on the ethical and moral problems of American society that was sponsored by the Aspen Institute in Colorado. Among the other invited guests were business executives, college presidents, judges, government officials, managing editors, professors and theologians.

Although there was no conflict or controversy in the discussions, one of the presentations has had a profound, almost obsessive, impact upon my own thoughts about the character and quality of American life.

In a rather quiet voice, a recently retired vice president of one of the largest corporations in America told the group that one of the persistent problems faced by his office was how to keep the accounting records of the corporation in such a way that they would be accurate and would also obscure the fact that regular operating expenses were payoffs to municipal officials to expedite the installation of new construction in the large cities throughout the United States. Casually, this participant cited this as just another example of a prevailing functional immorality with which big business had to come to terms.

When none of the other participants raised a question about the ethical implications of this practice, I eventually asked why this powerful corporation did not bring this matter to local and Federal law-enforcement officials. My colleagues clearly considered my question naive. They reacted to my persistent questions as if I were an unrealistic child who did not understand the economic and political rules of the great American game.

Now I was shocked not only by the disclosure but equally shocked at the fact that my fellow seminar participants were not shocked. They thought themselves realistic in not permitting an academic discussion of ethical and moral values to be confused by "minor" specific examples of generally accepted institutionalized immorality.

In assessing the social, political and human strength, and potential of America, one can concentrate on such large issues as America's role in Southeast Asia and such other international problems as its fluctuating relations with its economic and ideological allies and adversaries; the persistent and manifold and overtly cruel forms of racism; the more subtle manifestations of inter-ethnic conflicts and the rejection of the poor, the aged and the infirm in a nation that prides itself on its affluence; and the fact that a highly developed technological society that has pioneered in space exploration continues to tolerate large-scale decay of the residential portions of its inner cities, deterioration of public education and accelerated pollution and wastage of its natural and human resources.

What is the basic systemic problem—the fundamental problem of perspective, value and character—that seems to be inherent in the chronic crises plaguing American society? Obviously the answer to this question is not to be found in deprivation and poverty of resources.

The paradoxical problem of American society is that it has been too successful; it is affluent and efficient even as it has legitimized and accepted pervasive dishonesties as the price of apparent success. When dishonesty appears to work, it is difficult to argue persuasively for honesty.

So far, America has been able to have its democratic ideals and pursue the cruelties of racism. Today the majority of Americans will vote yes in favor of desegregation of the public schools—but a greater majority will vote against busing of students to obtain desegregated schools. Many Americans under the banner of democratic egalitarianism will argue and insist upon their right to keep less desirable, "less equal," Americans out of their communities and schools.

These and related inconsistencies could be explained as examples of the nonrationality of the human species. On the basis of my Aspen experience I do not believe that this is a logical or rational problem. The crisis of inconsistencies in American life—the American dilemma—is primarily a crisis of moral ambivalence. It is an honesty-dishonesty dilemma that pervades all dimensions of our social, economic, political, educational and, indeed, our religious institutions.

This systemic dilemma within American society is complicated and probably made all the more virulent because it is inextricably entangled with status striving, success symbols, moral and ethical pretensions and the anxieties and fear of personal and family failures.

The conflicts in the American character structure and social system—conflicts intensified by the frequently fulfilled promises of upward mobility—must be resolved if the individuals are to continue to pursue the goals of status and success.

Reality, efficiency and morality are defined as if they were synonymous: That is real and moral which leads to success. If this is found to be too abstract an approach even for a pragmatic morality, even outright moral cynicism and hypocrisy are available as alternative approaches to personal success and effectiveness.

These devices for the resolution of the pervasive moral conflicts of our society can place tremendous stresses and strains upon some sensitive human beings. These individuals—probably a minority—are required continuously to measure their desire to function in terms of ethical and moral principles against their desire to avoid personal failure and ineffectiveness.

In a pragmatic, efficiency-dominated society, it is difficult for an ethically sensitive person to be taken seriously in the making of "tough-minded," "hard-headed" decisions. Promotions don't come easily to them. They are not likely to survive the severe "realistic" screening process that selects candidates for office.

American democracy, with its divergent and competing racial, ethnic and class groups cannot afford to elect to high office individuals who genuinely place ideals and ethical values above personal advantages and "realistic" moral compromises.

Indeed, the concern with honesty and human values becomes the sign that an individual is not practical enough to be entrusted with the responsibilities of making realistic political and economic decisions.

The virulence of this ethical and moral sickness is indicated by the fact that the symptoms, flagrant or subtle, are accepted by sophisticated realists—the controllers, policy-makers and decision-makers of our society—as normative, competitive, and necessary for efficiency, affluence and effectiveness.

In short, they are interpreted as signs of health.

Those who insist that they are signs of a severe social disease can be dismissed as starry-eyed moralists, sentimentalists and understandably without influence or power. As a matter of fact, the few serious moral critics of our society do not have constituents. Intellectually and temperamentally they cannot appeal to the masses. Neither can they expect support from radicals of the right or the left because they tend to be as much concerned with methods as they are with ends; they cannot accept moral ends through immoral means.

The moral schizophrenia pervasive in the American society appears to be no more curable by words than is personal schizophrenia curable by psychotherapeutic preachments. Political, religious, civil-rights panaceas have been tried and found palliative at best and cruelly disillusioning at worst.

The essential for hope is to be found in that critical minority of human beings who insist upon being unrealistic, who for some still unknown set of reasons continue to argue that human beings are somehow capable of the possibility of empathy, compassion and sensitivity even as cruelty and hostility and insensitivity and rationalized dishonesty now dominate.

Fortunately for the future of a civilized society there exist these human beings who, while they are not nominated for high office and if nominated are not elected, nonetheless remain concerned about moral and ethical values and justice in the affairs of men.

They also seem to have the courage to risk the repeated expressions of their concern and thereby serve as a gnawing and irritating conscience to those who have attained success.

In the final analysis only these individuals provide the hope for that ultimate type of realism that is defined by the capacity of a society to survive rather than to be destroyed eventually on the altar of human barbarity.

THE KIWANIS CLUB OF COMPTON CELEBRATES 50TH ANNIVERSARY

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. CHARLES H. WILSON of California. Mr. Speaker, as a long-time member of the Kiwanis Club, I would like to salute the Kiwanis Club of Compton, Calif., on the 50th anniversary which was celebrated on February 5.

Carrying the tradition of this fine organization which was begun in 1915 to give individual men the opportunity to take an active role in community affairs, the Kiwanis Club of Compton has long promoted service and responsibility rooted in sound ideals and principles. This particular chapter has dedicated itself to enriching the human and spiritual values of life by living up to the meaning of the word Kiwanis, an Indian saying for "We trade."

Recognized as a group of citizens committed to promoting high idealism in public and personal relationships, members of the Kiwanis Club, of Compton, are concerned with helping both young and old to enjoy a richer life. During their 50-year history, they have raised over $100,000 which has been donated to the community, particularly for projects related to the development of our youth.

All Americans owe a debt of gratitude to the Kiwanis organization. Its 275,000 members of 5,900 local chapters have proven responsive to community needs—growing from their original interest in public affairs and underprivileged children to recognize changes in society and so adapt their programs to meet special needs. For this reason, their constitution is never static but rather flexible to meet changing times.

The Compton Kiwanis is an outstanding example of what can be accomplished when men of good will cooperate in the spirit of public service. I join the community and city officials in congratulating all Kiwanians on this milestone occasion of their golden anniversary. I know that the next 50 years will bring a continuation of their leadership as a dynamic force in community life.

DR. MARTIN LUTHER KING'S BIRTHDAY A NATIONAL HOLIDAY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BADILLO. Mr. Speaker, it is especially fitting that we of the 94th Congress give every consideration to legislation designating Dr. Martin Luther King's birthday a national holiday. Given the current state of the economy and the President's proposals, it would be all too easy for this session of Congress to ignore the great social wrongs to which Dr. King's efforts were addressed. Passage of this legislation would show the poor people of our country that Congress is committed to the ideals voiced by the Reverend Dr. King.

Dr. King was a man of deep faith, single-mindedness of purpose and great dignity. His philosophy of passive nonviolence has much to offer to the poor and oppressed of all colors, ages, and national origins. If today we pay new attention to the ideals of civil disobedience, perhaps we, too, can have the successes which Dr. King was able to achieve in the area of civil rights. His Montgomery, Ala., boycott of buses was a landmark in the all-too-brief history of the eradication of injustices committed against minorities. The November 1956 decision by the U.S. Supreme Court declaring segregation on Alabama buses to be unconstitutional was a watershed both for Dr. King and for all those dedicated to the fight against discrimination and oppression. That decision demonstrated that violence is not the only way to end injustice in America. Martin Luther King's vision that true equality in our country can be achieved through commitment to the ideal of brotherhood and the tactics of civil disobedience—sitins at lunch counters and department stores, freedom rides, boycotts and marches—was no idle folly. Nonviolent passive resistance has helped the black people in America. We of the 94th Congress can demonstrate to the American people that we are dedicated to equality for black people and for all Americans who suffer from prejudice.

We cannot ignore racism. We cannot ignore the oppression of minorities in our country. It is incumbent upon this Congress to restore the public's waning confidence in Government by dealing with the actual problems of our people. Let us show this Nation's poor, those who took part in Dr. King's poor people's campaign of 1968, that the man they looked to for leadership, whose dream they shared, is honored by his country.

BILL TO PROTECT THE VOTING RIGHTS OF AMERICANS OF SPANISH-SPEAKING BACKGROUND

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ROYBAL. Mr. Speaker, today I am introducing with Congressman HERMAN BADILLO, of New York, a measure which has historic importance in protecting the right to vote of American citizens of Mexican and Puerto Rican backgrounds under the 14th and 15th amendments to the Constitution. This bill would also strengthen existing provisions of the Voting Rights Act by extending the act an additional 10 years, by establishing a permanent ban on literacy, and adding court review of the Attorney General's failure to send Federal examiners under the act.

The main thrust of this bill is to assure that Americans of Spanish-speaking backgrounds are not denied the right to vote.

There has been a systematic effort to deny the right to vote to Mexican Americans and Puerto Rican Americans and render their vote ineffective. Section 1 of this bill states the findings of Congress concerning voting abuses against persons of Spanish origin. It points to the existence of procedures and practices with respect to voting, including English only election and registration procedures, which purposely or effectively discriminate against persons of Spanish origin contrary to the 14th and 15th amendments.

There are over 6 million Spanish-speaking Americans of Mexican descent living in the United States. The vast majority live in the five Southwestern States of Texas, New Mexico, Arizona, Colorado, and California. Most are poor, many are illiterate in English and large numbers are subject to a variety of discriminatory laws and conduct which operate pervasively to deny equal opportunities in housing, employment, education, and voting. With regard to voting in particular, Mexican Americans in the Southwest are subject to a myriad of laws and practices which deny them the right to vote as effectively as similar laws and practices deny the right to vote to black Americans living in the South.

The Voting Rights Act of 1965 was

passed because previous statutory attempts to rectify voting rights abuses in certain jurisdictions of the Nation had proved frustrating and unsuccessful. The same situation with regard to registration and voter turnout as between whites and blacks in the Deep South of 1965 prevails today in the Southwest as between Anglos and Mexican Americans. Under-registration and lower voter turnout are pervasive among Mexican Americans. According to a survey conducted by the Bureau of the Census, only 46 percent of Mexican Americans reported themselves as registered to vote, with only 37.5 percent reported as voting. The comparable figures for whites are 73.4 percent registered, and 64.5 percent voting.

Not surprisingly, when minority voters are denied access to the ballot box, they are denied the chance to elect members of their own groups to political office.

In California, for instance, Mexican Americans comprise 18.8 percent of the total State population. Yet, in 1970, of 15,650 major elected and appointed positions at all levels of government—Federal, State, and local—only 310 or 1.98 percent were held by Mexican Americans. In Texas, where Mexican Americans comprise 18 percent of the population, only 298, or 10.7 percent of the 2,770 elective offices were held by Mexican Americans. The same discriminatory patterns are apparent with respect to Federal officials. Thus, although each congressperson represents on an average approximately 480,000 people, the 3.8 million Mexican Americans in California have elected only one Congressman. Similarly, the 2.3 million Mexican Americans in Texas have elected only two congressmen.

By comparison, in the nine counties of Arizona presently covered by the Voting Rights Act, the percentage of Mexican American elected officials has nearly doubled since 1965 and the State just elected a Mexican American governor. Arizona's population of Mexican Americans is 18.8 percent, yet of 424 Federal, State, and local elective offices, only 34—8.2 percent—are held by Mexican Americans.

A recent study of the U.S. Commission on Civil Rights of voting abuses directed against Mexican Americans in Uvalde County, Tex., shows many of the same practices which were prevalent in the Deep South in the early 1960's. The Civil Rights Commission study shows that duly registered Chicano voters are not being placed on the voting lists; that election judges are selectively invalidating ballots cast by minority voters; that election judges are refusing to aid minority voters who are illiterate in English; that the tax assessor-collector of Uvalde County, under Texas law responsible for registering voters, refuses to name members of minority groups as deputy registrars; that the Uvalde County tax assessor-collector repeatedly "runs out" of registration application cards when minority voter applicants ask for them; that the Uvalde County tax assessor-collector refuses to register voter applicants based on the technicality that the application was filed on a printed card bearing a previous year's date.

Other abuses were uncovered by the study of the Civil Rights Commission in Uvalde County, and elsewhere in Texas: widespread gerrymandering with the purpose of diluting minority voting strength; systematic drawing of at-large electoral districts with the same purpose and design; maintenance of polling places only in areas inaccessible to minority voters; excessive filing fees required in order to run for political office; numbered paper ballots which need to be signed by the voter, thus making it possible to discover for whom an individual cast his ballot.

Texas has other voting abuses, especially involving annexation of only Anglo areas but not Mexican American neighborhoods, redistricting in which all Mexican Americans are huddled into one county precinct although they constitute 70 to 80 percent of the county population, shifts from single member elections to at-large elections—each practice in itself having the effect of diluting and rendering the Mexican American vote ineffective.

In California, the most serious impediments to full enfranchisement of the urban Mexican American have been gerrymandering and registration abuses. The problems are especially acute in Los Angeles County where the majority of the California Chicanos reside. The results of gerrymandering can be observed by the fact that 3.8 million Spanish-speaking in the State are represented by one Federal respresentative—out of 43—2 State senators—out of 40—and 4 State assemblymen—out of 80.

Rural Mexican Americans in California also face problems similar to those faced by Mexican Americans in Texas. These include economic and physical intimidation, language difficulties coupled with complex voting and registration procedures—only recently did California provide for bilingual election and voting procedures—poor or nonexistent voting assistance to migrants and farmworkers, and difficulties in obtaining a sufficient number of registrars.

The Civil Rights Commission and citizen groups have not been alone in finding a history and tradition of invidious discrimination directed against Mexican Americans. In Graves against Barnes, the Federal District Court for the Western District of Texas made extensive findings which show that the Mexican Americans community in Bexar County, Tex.—San Antonio—has been victimized by long-standing State policies which have both the design and effect of discrimination. The court in Graves mandated single-member State legislature electoral districts for Bexar County, because multimember districts, when viewed in the context of past and present discrimination, unconstitutionally operated to deny an effective opportunity for Mexican Americans to make an impact on the political process. Language was only one problem, the court said:

> This cultural and language impediment, conjoined with the poll tax and the most restrictive voter registration procedures in the nation have operated to effectively deny Mexican Americans access to political processes in Texas even longer than the Blacks were formally denied access by the white primary. [Id., at 731.]

In a January 1975 report entitled "The Voting Rights Act: Ten Years Later," the Civil Rights Commission also dramatize continuing abuses against Mexican American and Puerto Rican American voters. These practices include location of polling places as a deterrent to voting, inadequacy of voting facilities, adverse changes in polling places, lack of minority and bilingual election officials including supervisors, and lack of a bilingual electoral and registration process.

Further, the Commission report stresses the need for federally conducted surveys in selected States and counties to determine the level of voter registration and turnout by race and national origin. On this point, the law is quite clear: Title VIII of the Civil Rights Act of 1964 mandates that the Secretary of Commerce must conduct a survey to compile registration and voting statistics by race and national origin in areas recommended by the Civil Rights Commission. It is my understanding that the Civil Rights Commission requested on two separate occasions that the Commerce Department conduct a survey on voting and registration for Americans of Spanish-speaking backgrounds. Despite the statutory mandate, the Commerce Department has ignored those requests. It is vital that Congress rectify this serious omission and act immediately to insure that the Federal Government meet its statutory responsibility.

Mr. Speaker, it is the purpose of this bill, which I have introduced today to amend the Voting Rights Act to protect the right to vote of persons of Spanish origin.

Section 1 of the bill establishes a new coverage formula designed to apply in areas which have a significant Spanish origin population. The latter is defined as any State or political subdivision of a State with respect to which the Director of the Census determines that more than 5 percent of the voting age citizens are of Spanish origin.

The formula consists of two conditions to be determined by the Census Director and the Attorney General, respectively: First, registration or voting averages, which are below the national average in connection with the 1964 and 1968 presidential elections; second, exclusive reliance upon the English language in all aspects of registering and voting.

States and localities which fall within this coverage formula would be subject to the remedial "cures" authorized by existing law. Covered areas would be subject to section 5's voter law clearance procedures, section 6's Federal registration requirements, and section 8's poll observer provisions. In order to reinstate its own registration and voting processes, a State or local subdivision would have to demonstrate to a three-judge District of Columbia court that it has not used—during the preceding 10 years—any voting qualification or prerequisite to voting, or standard, practices or procedure which had the purpose or effect of denying or abridging the right to vote as guaranteed by the 14th and 15th amendments.

The three-judge District of Columbia court—appeals from whose decisions go directly to the Supreme Court—would retain jurisdiction for 5 years over a State or local unit which has reinstated its own processes. During that time, the Attorney General can ask the court to reopen the case for purposes of challenging a discriminatory law or procedure.

However, if the Attorney General determines that a State or political subdivision has not engaged in a prohibited discriminatory practice during 10 years preceding the filing of an action, he is required to consent to the entry of judgment.

Section 2 of the bill would amend the act's section 5 voter law clearance procedures to make them apply to the provisions of section 4 of the act as amended by this bill. Section 5 of the 1965 Voting Rights Act dictates that whenever certain States or political subdivisions wish to change their electoral laws or procedures, such changes must be approved as nondiscriminatory by either the Attorney General or a three-judge district court in the District of Columbia. Clearly section 5 provides an efficient administrative mechanism for dealing with voting abuses experienced by Americans of Spanish origin or descent. And clearly it is needed today in the Southwest as much as it was needed in the South of the mid-1960's.

Section 3 of the bill would make an amendment to section 6's provision authorizing Federal examiners for similar purposes.

Section 4 of the bill specifies an additional condition requiring more than 50 percent registration of Spanish origin voters for terminating Federal registration requirements.

Section 5 of the bill extends for an additional time—10 years—the provisions of section 4(a) of the 1965 act which ban the use of literacy tests in certain States upon the finding of certain conditions by the Attorney General.

Section 6 of the bill provides for limited review procedure by the Federal district court whenever the Attorney General fails to make a certification under the Federal registration requirements of the Voting Rights Act.

Section 7 of the bill amends section 201(a) of the Voting Rights Act Amendments of 1970, to permanently ban literacy tests and related devices within the jurisdiction of the United States.

This bill clarifies and legislatively strengthens recent Federal court decisions affecting Spanish speaking voting participation. These decisions provide a reliable basis for enactment of my voting rights measure. In Katzenbach against Morgan, the Supreme Court ruled that Congress has the power to interfere with any State interest served by an English literacy requirement in order to remedy equal protection clause infringements. Moreover, the justices noted that grounds exist for extending voting safeguards to persons of Spanish origin.

Further, in both South Carolina against Katzenbach, and in Oregon against Mitchell, the constitutionality of the original act and the 1970 amendments, respectively, were sustained in suits brought by several States, one of which was Arizona, which has a substantial Mexican American population. And in Oregon, eight justices concurred that a nationwide ban on tests and devices could be constitutionally grounded on the 15th amendment and could operate to bar discrimination against Mexican Americans. In so holding Justice Black wrote:

> Congress also had evidence to show that voter registration in areas with large Spanish-American populations was consistently below the state and national averages. In Arizona for example, only two counties out of eight with Spanish-surname populations in excess of 15% showed a voter registration equal to the statewide average.

A number of lower court rulings, such as Torres against Sachs, and Arroyo against Tucker, have recently ordered election authorities to provide Spanish language aids to certain persons of Spanish origin so that they might fully exercise the franchise.

PARAGUAYAN ECONOMIC DEVELOPMENT IS ENCOURAGED BY THE UNITED STATES

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. COLLINS of Texas. Mr. Speaker, our good friend Paraguay makes steady progress in South America. We are always proud of Paraguay as it consistently supports, under the capable leadership of President Alfredo Stroessner, all progressive programs with the United States. Here in the Congress of Washington, we are interested in keeping up with the current plans and developments in Paraguay. I asked our Ambassador, George W. Landau, to give me a current economic summary from down there in Asuncion. I know you will be interested in the current economic report from Paraguay.

The summary follows:

PARAGUAY

Although Paraguay is one of the poorest nations in the Western Hemisphere with a current per capita income of approximately $350, great strides have been taken in recent years to not only improve the standard of living of the country's inhabitants but to promote economic development as well. Thanks to recently concluded agreements with her two neighbors, Brazil and Argentina, Paraguay is presently on the threshold of a major economic change. As a result of these agreements to construct two and possibly three major hydroelectric installations, Paraguay may become within the next decade one of the world's richest nations on a per capita basis in electric energy.

Paraguay is a completely landlocked country approximately the size of California but with a population of only 2.5 million. Traditionally the Paraguayan economy has largely been dedicated to subsistence agriculture with a foreign trade based on exports of primary products and imports of machinery and equipment to assist in the modernization of the country. Cattle raising is the principle economic activity of the nation and meat products the main export.

In addition there are exports of a wide variety of other agricultural products, including cotton, soybeans, tobacco and essential oils. Another major export in recent years has been lumber from Paraguay's extensive forests. In the past five years Paraguay's exports have increased by more than 300 percent while, during the same period, her foreign exchange reserves have risen by 800 percent. Foreign investment has also been on the increase bringing needed capital for fuller development and utilization of the nation's human and natural resources.

By the signing of treaties with Brazil and Argentina for the construction of two and possibly three major hydroelectric complexes on the upper Parana River, Paraguay has begun a new and important stage in her economic development. The current estimate for the total cost of construction of the joint Paraguayan-Brazilian hydroelectric projects at Itaipú is $5 billion. When completed, this project will include the largest single hydroelecrtic dam in the world with a generating capacity of almost 12.5 million kilowatts. The agreement signed with Argentina provides for the construcion of a joint hydroelectric project at Yacyretá-Apipé presently estimated to cost $3 billion. This dam will have a generating capacity of 3.3 million kilowatts. A third hydroelectric project called Corpus which also would be constructed jointly with Argentina, is presently being studied.

Once these projects are completed, Paraguay's half share in the production will make her one of the world's largest per capita electric energy producers. Adding this potential to Paraguay's traditional encouragement of foreign investment plus the political and social stability brought about under the leadership of President Alfredo Stroessner, a rapid economic development for the nation and her people seems assured.

Traditionally, Paraguay has welcomed interest in its potential markets here by American companies, and can be expected to be an excellent market for goods and services related to the new hydro-power schemes and the industry they will stimulate.

AN URGENT NEED: THE NURSE TRAINING ACT

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. PATTEN. Mr. Speaker, last year, the House passed a 3-year extension of the Nurse Training Act because extensive hearings and study of the situation showed that continued Federal assistance was needed: First, to maintain the supply of registered nurses; second, to increase the numbers prepared as nurse practitioners, clinical specialists, and for other positions requiring advanced preparation; and, third, to improve the distribution of registered nurses. On February 19, 1975, I cosponsored the Nurse Training Act of 1975, H.R. 3268.

The 1974 bill was pocket-vetoed by the President after the 93d Congress had adjourned. Now, the administration has come out with a proposed budget for fiscal 1976 that would abruptly wipe out practically all assistance to nursing schools and students. I am hard-pressed to understand the logic behind these actions. For one thing, we certainly should maintain our supply of nurses—they constitute the largest group of health care providers.

Also, given the present state of the economy, this could have a devastating

effect on many States which would have to try to replace this loss of funds. In addition, most nursing students do not come from high-income families, and it would mean that many of them would have to give up their education plans. This was pointed out in a recent letter to the Washington Post, a copy of which is attached. As we will soon have the Nurse Training Act before us again for action, I think my colleagues would find this letter of interest. I hereby insert it in the RECORD:

[From the Washington Post, Feb. 10, 1975]

IN THE BUDGET: A THREAT TO HEALTH CARE

As The Post points out in a Feb. 4 article by Stuart Auerbach (20% Cut Proposed in Health Spending) the President's fiscal 1976 budget would reduce spending for such important health delivery programs as maternal and child health, migrant health care, immunization, mental health and others.

But nearly overlooked in the huge budget report is the threat to present and future health care delivery posed by cuts in funds for health manpower training. Nursing, the largest of the health professions, would be particularly hard hit with virtually all support wiped out. This sudden drop from a $146 million funding level in 1975 could bring serious results. Allied health and public health student aid are also badly cut.

Some 50,000 nursing students face loss of loan, scholarship and traineeship funds. In the President's budget, scholarships and loans are reduced to phase out levels and traineeships for advanced education are eliminated. Many nursing students would be unable to continue their education. Experience has shown that this is particularly true of those seeking advanced preparation to become nurse practitioners, clinical specialists, teachers, nursing service directors, all areas of severe shortages today.

The proposed budget also would eliminate all direct aid to schools of nursing which will doubtless mean program cutbacks and in some cases, school closings. With support and incentives offered under the Nurse Training Act of 1971, enrollments increased by some 45,000 from 1971 to 1974. However, this gain could prove short-lived if federal aid is abruptly ended.

The President quite rightly observes that greater attention is needed on the problem of maldistribution of health personnel. A partial answer to this problem is being provided by nurse practitioners prepared to provide primary care. Many are working in rural and inner city locations where health services have been scarce or non-existent. There are still only a few thousand nurses prepared to function in this capacity, yet the administration budget does not provide for any expansion of programs preparing nurse practitioners, and it includes no assistance for nurses wishing to get this kind of advanced training.

A bill extending the Nurse Training Act and including funds specifically earmarked for expansion of nurse practitioner programs and advanced nurse training was pocket vetoed by the President following adjournment of the 93rd Congress. It has been reintroduced in the 94th. We think it is crucial to the future of health care in this country and urge that it be speedily enacted into law.

EILEEN M. JACOBI,
Executive Director, American Nurse Association, Inc.

WASHINGTON.

LITHUANIAN INDEPENDENCE DAY

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. O'BRIEN. Mr. Speaker, my colleagues and I are here today to commemorate the 57th anniversary of Lithuanian independence and to decry the Soviet Union's 35-year occupation of that proud and gallant nation.

Lithuania has existed as a nation for more than seven centuries, and on February 16, 1918, the modern Republic of Lithuania was established. Yet you will not find that nation drawn on any maps today as a distinct country. Why? Because after only 22 years of independence, Lithuania and her neighboring countries, Latvia and Estonia, were successfully invaded and absorbed by the Soviet Union in 1940.

I find that not only sad, but ironic. I find it ironic because yearly we witness the emergence of infant nations, see them recognized by the United Nations, and hear them hailed by the Soviets. Yet the ancient and honorable nation of Lithuania remains a virtual colony of the Soviet Union and we see no end to this policy of Russification in the near future.

While advocating self-determination in developing nations, the Soviets carry on a reign of terror in Lithuania, violently suppressing personal and religious freedoms.

Despite persecution and imprisonment, the Lithuanians continue their struggle, their spirit unbroken. In the recent past, we have seen dramatic proof of the Lithuanians' courage.

In 1970, a Lithuanian seaman, Simas Kudirka, leaped to freedom from a Soviet fishing ship off the Massachusetts coast.

In 1972, Romas Kalanta set fire to himself to protest Soviet repression and sparked demonstrations by thousands of other young Lithuanians.

Although Kalanta died for his beliefs, Seaman Kudirka's story has a happier ending. As many of you already know, Mr. Kudirka's escape was aborted and he was mistakenly returned to Soviet custody. Tried for treason, he was imprisoned for 4 years and 10 months. While sympathetic Americans, including many of us here in Congress, attempted to free him. Last August his release was secured. The fact that his mother was born in Brooklyn, N.Y., and he was able to claim American citizenship made his release easier. But it was not until November that he and his family were finally able to emigrate to the United States.

Seaman Kudirka was one of the fortunate. Nameless thousands of his countrymen are not so lucky. They are in prison, literally and figuratively, waiting for the day when their homeland will once again be free.

We cannot forget these people. I am proud that the United States has adamantly refused to recognize the Soviet annexation of Lithuania and her Baltic neighbors. But we must do more, and now, in the present spirit of détente, is the time.

A WORRIED CONSTITUENT VOICES FRUSTRATION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. STARK. Mr. Speaker, in the past month I have received letters from many of my constituents voicing their frustration, and their sense that the administration just does not care about the great needs of low- and moderate-income families and individuals in our Nation. These income groups, already the segment of our population which bears the largest share of the suffering which results from our present inflation/recession spiral, find no comfort in the President's proposals to deal with our economic and energy problems. Indeed, they can only see greater insensitivity, and more hardship on the horizon when they examine the effects of such policies as an excise tax on imported oil and tax decreases which once again spare the wealthy at the cost of low- and middle-income wage earners.

I believe that one letter I have received, from Joan Miller of California's Ninth Congressional District, articulates this frustration and pessimism most eloquently. I therefore commend Ms. Miller's letter to my colleagues' attention:

JANUARY 14, 1975.

Congressman PETE STARK,
Longworth Building,
Washington, D.C.

DEAR CONGRESSMAN STARK: After listening to President Ford's preview speech, I'm more disturbed than ever. It doesn't take much sense to realize that between the new gas tax and it's effect then on the trucking industry, the average and below average wage earner will end up in the red again income tax decrease or not.

Personally I could care less about a tax decrease, especially an across the board one. Most of us are due for only a pittance while the big guy, who doesn't need it is being handed a thousand dollars. The public is sick of this foolishness.

The gas tax won't have any effect on gas consumption at all. The average person has already cut back on gas so he can afford groceries and 7½¢ per gallon won't deter the guy with money. I must assume that the President and his mighty counselors can figure this out, and therefore I must assume that they don't really want a drastic cut back in gasoline consumption at all since that would be unfavorable to the oil companies. Gas rationing is the only equitable plan and the only plan that will get us out of the clutches of the OPEC. The American people would support the President if he ever came up with a plan that had the ring of concern for our country instead of concern for oil companies.

If you must support an income tax decrease, make it a meaningful one. How about a fifty percent cut for the family earning $10,000.00 or less with four or more in the family and no cut for those families who earn more than $25,000.00, $30,000.00? If more money is still available to be returned, then give back a 5% to 10% to the families within these two brackets.

Just to show that this is not a greedy letter, my husband is a surveyor for the California Department of Transportation earning between $14 and $15 thousand dollars a year and we have four in our family. These days we are very thankful that we have an income at all.

This is a critical time in the careers of our legislators. We are watching them closely especially in areas where the demands of the oil companies and public utilities are constantly being met while ours seemingly go unheard. I am a registered Republican, but Governor Brown has the right idea. Some may call it tactics, but his show of frugality is making points with the average man.

Our prayers are with you and your colleagues. You have some tough decisions to make and the public will be watching.

Sincerely,

JOAN MILLER.

MALPRACTICE INSURANCE

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HOWARD. Mr. Speaker, at a time when the need for good medical care for everyone is at an all-time high, many highly qualified doctors are deciding to give up their practice because of the almost prohibitive costs of malpractice insurance.

On a personal level, my own physician and good friend, Dr. L. F. Albright of Spring Lake, N.J., told me of incidents where doctors have retired from practice rather than pay the astronomical premiums it would cost for malpractice insurance. I also heard a news report of an instance where a prominent Chicago doctor retired rather than pay the estimated $40,000 to cover his malpractice insurance for a year.

In all candor, I do not profess to have the answer. Today, however, in an attempt to begin a long, hard look at this problem, I am introducing legislation in the House which is a companion measure to S. 482, which was introduced in the other body by the distinguished Senator from Massachusetts, Mr. KENNEDY.

Mr. Speaker, at this point, none of us should be wedded to any specific piece of legislation. The various bills introduced should be given hearings so that we can work out a realistic and comprehensive piece of legislation to resolve this problem.

At this point in the RECORD, I would like to include a letter I received from the Freehold Area Hospital in Freehold, N.J., and an editorial from the Asbury Park Press, both of which touch on this crucial subject:

FREEHOLD AREA HOSPITAL,
Freehold, N.J., January 30, 1975.

Hon. JAMES J. HOWARD,
Cannon House Office Building,
Washington, D.C.

SIR: This hospital seeks your consideration and assistance in seeking legislative reform to cure the current medical malpractice insurance crisis. Our trustees have reviewed this problem and suggests the following:

1. Since medical malpractice insurance is becoming prohibitively expensive and . . .

2. Since many insurance companies are cancelling coverage for both hospitals and physicians and . . .

3. Since recent jury awards in medical malpractice cases are reaching astronomical sums and . . .

4. Since the cost of increased insurance premiums (for both physicians and health care institutions) are ultimately borne by the consumer and . . .

5. Since many are urging the adoption of an arbitrated system to adjudicate medical malpractice claims (See attached editorial, Asbury Park Press, January 24, 1975)

6. That the State of New Jersey adopt legislation providing for a "common sense" system of medical malpractice review and awards similar to "workmen's compensation" or "no fault" auto insurance.

7. That this hospital stands ready to help document the need and/or draft proposals to remedy a very unpredictable and expensive system currently in use.

Thank you for your consideration of this very important issue. Please let us know if we can provide further information.

Very truly yours,

JOSEPH SAKER,
President, Board of Trustees.

[From the Asbury Park Press, Jan. 24, 1975]

MALPRACTICE INSURANCE

Skyrocketing costs of malpractice insurance, and the threat that insurance will not be available to all doctors and hospitals, warrant the inquiry that the New Jersey Senate proposes. The public eventually must pay the rising costs. It also is affected because inability to obtain insurance can make doctors unwilling to accept difficult cases or prescribe treatments with potential risks even when informed consent is granted by patients.

The matter has become urgent by the decision of one of the principal underwriters of malpractice insurance to withdraw from several eastern states. The company contends that it is unable to raise premium costs fast enough to cover jury awards. Insurance Commissioner James Sheeran has proposed a plan whereby other states would join New Jersey in a pact under which companies that write malpractice insurance in any state that adopts the Sheeran plan would have to provide coverage in all participating states. He contends such action is required to break a virtual monopoly employed by a few carriers.

Dr. Malcolm C. Todd, president of the American Medical Association, says a solution to rate increases of 400 per cent should be sought through creation of a medical injury compensation plan comparable in some but not all respects to the workmen's compensation insurance system.

Under the Todd plan the scope of liability would be broadened to include not only negligence-related cases but also injuries arising from medical treatment that are not the result of negligence or bad judgment. The proposal warrants a full study. The fact that "no fault" auto liability insurance was developed by many states suggests that a better approach can be worked into the judicial system for malpractice insurance.

In testimony before the New York Legislature Dr. Todd noted that whether a patient wins a substantial jury award for malpractice depends on variables such as how good his lawyer is, where the suit is tried, and the jury's mood. This view is supported in part by a study by Superior Court Judge Botter of New Jersey, not confined to malpractice cases, reporting that juries in some counties are more biased toward plaintiffs and in other counties more inclined to side with defendants.

"For the patient the current malpractice litigation system is nothing more or less than a form of shooting craps," Dr. Todd testified in New York. "And for the public-at-large it's became a very expensive form of crapshooting."

Any solution that a full inquiry develops will bolster the relationship between a patient and a doctor and a hospital and its patients. An adversary relationship in health care because of weakness in the present malpractice insurance system hurts the public as well as those who dispense medical care.

LITHUANIAN INDEPENDENCE DAY—1975

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, I would like to take this time to commemorate the 57th anniversary of the Declaration of Independence of Lithuania which was celebrated this past Sunday. It is fitting that each year we in the House take time to note this important yet tragic day in world history for while this day is celebrated as Lithuanian Independence Day, for the past 3½ decades freedom has been but an elusive dream for the people of Lithuania.

February 16, 1918, was a glorious day for the Lithuanian nation for with their Declaration of Independence they were culminating a struggle to free themselves from Russian domination. Yet the freedoms they worked so hard for were to be shortlived for only two decades later Lithuania was to again fall under Russian domination when it was declared a constituent republic of the U.S.S.R. on August 3, 1940. They have remained under their control except for a brief period during the Second World War when they fell into Nazi hands.

Yet despite these adversities the spirit of freedom runs strong in the people of Lithuania. The spirit has been renewed due to the improvement of relations between the Soviets and the United States. The Lithuanians look to this Nation as the epitome of a free nation, for leadership in convincing the Soviet Union to restore freedom and dignity to their nation. I have long contended that our agreements with the Soviets should contain provisos which will achieve this long desired goal.

A study recently put out by the Free-

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dom House organization showed that in 1974 the U.S.S.R. had some 37.5 subordinate people under their control including Lithuanians. These are staggering figures which demand the consideration of this administration. Let us work for good relations with all of our adversaries, but let us not forget the plight of the oppressed peoples of the world, for they, too, should be able to live in a world of peace and dignity.

I am happy to participate in this important day. I salute the many contributions of the Lithuanian American community and assure them as well as the people in Lithuania that we in the United States share and support them in their efforts to achieve freedom.

MY RESPONSIBILITY AS A CITIZEN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HUBBARD. Mr. Speaker, I would like to call your attention to the winning address for the State of Kentucky in the Veterans of Foreign Wars of the United States' Voice of Democracy Contest which was composed by Mr. Jimmy Gentry of Cadiz, Ky.

Mr. Gentry's award-winning entry follows the contest theme, "My Responsibility as a Citizen," and calls to mind the heritage of America and the personal, deep-seated conviction that this young man has concerning our Government and Nation and the things that make it great. The message is as follows:

MY RESPONSIBILITY AS A CITIZEN

(By Jimmy Gentry)

Listen! Can you hear it? Can you hear the sounds of a lonesome wind. The sound of leaves crackling as they rustle on a cool autumn day in September. Can you hear the sound of silence—silence, the opportunity that echoes the sounds of the past. As I consider the stillness around me, I can hear men of yesteryear whispering about freedom, the potent quietness of a new nation, and a new kind of government. As I listen, I can visualize the men that died for my freedom, and I can begin to realize the responsibility that I play as a citizen of the United States.

The late President John Kennedy said that the cost of freedom is high, but that Americans have always paid it. During our nation's greatest challenges, freedom must have been of great value, for the price was death. My forefathers died for this valued cause that allows me to live in a country where I may worship in the church of my choice, where I may voice my opinion in the government, where I may live without fear of being independent.

Each American has a responsibility to those forefathers, and to his country. That responsibility is called citizenship. Citizenship entitles you and me to become active participants in the American way of life in our community, in our state, and in our nation. Citizenship requires you and me to be involved in our government at all levels, helping us to better understand the obligation that we have. Citizenship entails the realization of our benefits or else they will gradually erode from our custody. As an individual citizen, I have a responsibility to my constitution, to my country, and to my family.

As a responsible citizen, I have an obligation to my constitution which is our foundation of Democracy and the law of the land. Our constitution was written to ensure everyone in America equal rights of citizenship, the right to be involved and to participate in government, and the right to be free in choices of individual concerns. I must understand the meaning and content of our constitution. I must learn to recognize the extent of tolerance for differences of opinion in a democracy. I must defend these constitutional standards until evidence appears to merit constructive change.

As a citizen, I have an obligation to these United States—my country. Whether I am in the midst of my own community, or on foreign soil, I am responsible to my government. God has truly shed his grace on me. He has allowed me to live in the greatest land on earth and granted me the greatest opportunity of freedom known to history. He has permitted me to be an American. Yes, when walking in the stillness, I can hear freedom, peace, and pride. As the bird sings, and the child plays, they remind me that I have a lot for which to be thankful, much for which to be responsible—America. As a citizen, I will defend my country at all times, both day and night, home and abroad. In the time of crisis, I must stand with her as a boy stands close to his father in time of fear. After the conflict, I must stand ready to cooperate in healing wounds which threaten my democracy. In time of peace, I must be alert and prepared to guard against threats to equality and justice. I must love, cherish, and respect my country—the United States. As George Washington said, "I must observe good faith and justice toward all nations. I must cultivate peace and harmony with all people."

May I never forget that as a citizen, I have a compelling responsibility to my parents. Too many young Americans have already taken undue advantage of their heritages. I must remember that my mother and father shared in these heritages and helped pave the way for me. They are the ones who give me a home, encouragement and love. Thus, I must be a son who cares about their lives and their future as well as they have cared about mine.

Yes, I can hear the sound of a warming lonesome wind forever telling my needs of freedom. These sounds will forever echo my responsibility as a citizen. I pray that every opportunity of silence may forever remind me of my undying obligation to cherish and continue the responsibilities of citizenship.

PHILADELPHIA'S WASTE DISPOSAL EXPERIMENT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. EILBERG. Mr. Speaker, the city of Philadelphia is about to begin a 3-year experiment of waste disposal which could have national implications.

The purpose of the study is to determine whether land disposal of digested sewer sludge can be made safer and cheaper than ocean dumping.

City Water Commissioner Carmen F. Guarino has stated that his department will spread 15.2 million gallons of sludge each year on land belonging to the Letterkenny Army Depot Military Reservation, near Chambersburg, Pa. The U.S. Department of Defense has agreed to provide 650 acres for the experiment.

WASTE DISPOSAL EXPERIMENT

The study, which will begin in 1976, will cost $4,878,000—with the Environmental Protection Agency paying 75% of this and the Water Department the remainder. Site preparation, including construction of facilities, will be done this year.

Guarino said that a "go ahead" for the study awaits only final approval by EPA of an environmental impact statement. He noted that the study, which the Water Department has been planning for more than a year, has become very urgent.

Only recently EPA ordered the City to cut ocean disposal in half by 1979 and to end it completely by 1981. "Unfortunately," said Guarino, "EPA has never made a scientific study of land disposal. At present, no one can be sure that land disposal is a satisfactory substitute for ocean disposal."

Guarino said that past studies (by the Franklin Institute and the Marine Science Consortium) have shown that ocean disposal of Philadelphia's sludge is environmentally safe. "Other studies show that it is much cheaper than land disposal would be."

Under the Water Department plan, sludge will be transported to Letterkenny in vented railroad tank cars. These cars will load sludge at the Northeast Water Pollution Control Plant and unload it within the Letterkenny reservation. At Letterkenny, the sludge will be stored in an impermeable basin and then will be redistributed by portable piping to the fields.

Up to 500 acres will be used for sludge application during the three years, but only three acres will be irrigated at a time. The total sludge deposited from 1976 to 1979 will equal 30 dry tons per acre—a tonnage well within federal safety limits. The sludge will be applied in various forms, such as liquid or cake, pasteurized or unpasteurized, in order to test the effect on the land.

Water Department engineers will analyze this effect constantly, Guarino noted. "We want to find out what the impact is on air, water, and soil quality, and on plant growth and composition. We shall determine also if there is any health hazard from pesticides, toxic metals, pathogens, parasites, or viruses."

Other purposes of the study will be to learn.

The best techniques for handling and transporting the sludge,

The most satisfactory rates at which digested sludge can be applied to land without polluting the environment,

Whether land disposal is more or less economic than other disposal methods.

The disposal site is located 10 miles from Chambersburg and is remote from other large population centers. Guarino said that the land slopes gently away from nearby communities, and that drainage at the site will be carefully controlled through runoff basins, surface water analysis, and regulated release. Odor will also be controlled. "We do not expect any community to be affected by the sludge deposits," said the Commissioner.

Some of the Letterkenny land is rented from the Federal Government by farmers, who grow forage crops. "The farmers look forward to the sludge as a free soil conditioner," noted Guarino. "It will reduce their fertilizer costs."

Guarino said that the Water Department will be counselled during the three-year study by an advisory committee. This committee will include federal, state, and local officials, as well as sanitary and agricultural experts.

Noting that Letterkenny land will not be available to Philadelphia for permanent use, Guarino said that all structures and piping will be removed at the conclusion of the study. Altered land will also be restored.

IN SOLEMN OBSERVANCE OF THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ROE. Mr. Speaker, I wish to join in the congressional tribute to the people of Lithuania in commemoration of the Lithuanian Independence Day of February 16, 1918, which all freedom-loving people throughout the world have been observing this past week in protest of governmental oppression of people and their basic human rights.

In manifesting the deep concern we all feel for the people of Lithuania, I wish to insert at this point in our historical journal of Congress the following resolution adopted by Lithuanian Americans of the State of New Jersey which most poignantly brings into sharp focus the continuing need for concerted action in mustering world opinion as a viable force in achieving universal understanding and agreement on basic human rights principles that will eliminate government controls that dominate the personal freedoms of the individual to live and worship in the land of his choice and stifle the independence and sovereignty of a nation of people. The resolution which was forwarded to me by the United Committee of Lithuanian Americans and endorsed by the Honorable Kazys Jankunas, president of the Lithuanian-American Community of New Jersey; Valentinas Melinis, president of the Lithuanian Council of New Jersey; and Pranas Puronas, secretary of the United Committee reads as follows:

RESOLUTION

We, Lithuanian-Americans of New Jersey at a meeting held on February 16, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Communist regime in seeking political and religious freedom; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Estonia, Latvia, and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved that we, Lithuanian-Americans urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to appropriate government officials.

It is also significant on this anniversary date to call to the attention of you and our colleagues here in the Congress the following communication that I received from His Eminence Vincent Brizgys auxiliary bishop of Kaunas, Lithuania, attesting to the continued refusal of the Soviet Union to recognize the sovereignty independence of countries it has occupied since World War II which includes Lithuania and the other Baltic Republics:

FEBRUARY 10, 1975.

Hon. ROBERT A. ROE,
Member of Congress of the United States, Washington, D.C.

DEAR SIR: The last two decades may be called years of freedom. The last remaining former colonies are being recognized as independent and are being admitted to the United Nations. The Soviet Union joins the free world in congratulating them and applauding their independent Statehood. However, it remains silent, grim and intransigent about ever withdrawing from formerly independent countries it has occupied since World War II, such as the Baltic Republics, among which is Lithuania, whose people and friends commemorate February 16, as the Restoration of Independence at the conclusion of World War I.

I should like to avert your attention to the Soviet Constitution imposed also upon Lithuania, which guarantees religious freedom together with other freedoms. It is now two years that the Soviets have greatly intensified their policy of terror in Lithuania against the faitnful and all readers of religious literature, even of those several publications printed with Soviet sanction. The most rabid terror is directed against the readers of Chronicles of the Catholic Church in Lithuania, which contains nothing but simple statements of bare facts, namely, of Soviet violations of their own Constitution regarding the freedom of religion. In Soviet-enslaved Lithuania and in the Soviet Union only the bravest dare react against violation of the Constitution and they are the only ones who are punished for venturing to speak of them publicly and to protest them.

This is the daily way of life today in the old honorable nation and state of Lithuania, while the rest of the civilized world is granting independence to peoples barely emerging into nationhood.

I am very grateful to you and to all who have not forgotten Lithuania in her present conditions of slavery and her courageous and gallant people. I trust that time is not far distant when humaneness, truth, justice and freedom will prevail and flourish once again in Lithuania.

With sincere regards, I remain

Faithfully yours,

VINCENT BRIZGYS,
Auxiliary Bishop of Kaunas, Lithuania.

Mr. Speaker, on this anniversary observance of this historic agreement of the Lithuanian people establishing the Republic of Lithuania, I am today reintroducing the legislative proposals which I joined with many of our colleagues in sponsoring in the 93d Congress reaffirming our resolution which was adopted by the 89th Congress directing that the question of the status of the Baltic Nations of Estonia, Latvia, and Lithuania be placed on the agenda of the international forum of the United Nations to help seek the restoration of the right of the people to exercise self-determination to national independence and sovereignty of these Baltic States. These House concurrent resolutions read as follows:

CONCURRENT RESOLUTION

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations; and

Whereas the United States delegation to the European Security Conference should not agree to the recognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

CONCURRENT RESOLUTION

Whereas the Government and the people of the United States of America have maintained and enjoyed excellent and friendly relations with the Governments and peoples of the Baltic States Republics of Latvia, Lithuania, and Estonia, during the years of independence of these Republics; and

Whereas the concept of liberty and freedom of choice of government is still alive in this country, as it has been constantly since the Declaration of Independence; and

Whereas the evidence produced at the hearings of the select committee of the House of Representatives to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics overwhelmingly tends to prove that the actions of the Union of Soviet Socialist Republics in relation to these free and independent Baltic Republics were contrary to the principles of international law and the principles of freedom; and

Whereas the people of this Nation have consistently shown great sympathy for the peoples of these three Republics, especially as a result of their enslavement and as a result of the inhuman exile and deportation of great numbers of law-abiding persons from their native lands to imprisonment in

slave labor camps in the Union of the Soviet Socialist Republics: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President of the United States of America should continue the American policy of nonrecognition of the unlawful absorption of the Baltic States Republics of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics, and continue the recognition of the diplomatic and consular officers of these Republics as the lawful representatives of these three nations in the United States of America; and

(2) the President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the question of the forced incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics and request the United Nations to conduct an investigation of conditions in the said Baltic Republics to the intent and purpose that Soviet armed forces, agents, and colonists be withdrawn therefrom, and that the exiled peoples of these Republics be returned thereto in freedom, and that free plebiscites and elections be held therein, under the supervision of the United Nations, to let the people, in freedom, make their own election and choice as to government.

Mr. Speaker, it is indeed my privilege and honor on behalf of the people of my congressional district and the State of New Jersey to join in this annual observance of our Lithuanian heritage and trust that through our mutual endeavors and responsibilities that we will strive to continue to achieve international understanding and agreement that will eliminate the oppression of people and restore "human rights" and the rights of self-determination by the peoples of the captive nations of the world.

STATEMENT ON BILL TO PROHIBIT "SUPER-PRICING"

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. COLLINS of Illinois. Mr. Speaker, today I am introducing a bill to prohibit the practice of super-pricing by retailers. Super-pricing occurs when a retailer increases the price of an item after it has already been marked for sale.

To halt the growth of this unethical activity, my bill classifies price hiking as an unfair trade practice which is in violation of the Federal Trade Commission Act. Moreover, this bill would enable the FTC to order restitution of money received by any person, partnership, or corporation in violation of the FTC Act.

This bill is fair to retailers because it would prohibit only those increases which are unjustified. When an item is originally marked, the retailer considers his costs and decides on a fair price. Though the retailer may face increased costs on subsequent shipments, the price hike does not affect those items previously marked and sitting on the shelves. If the price were fair when it was placed on the article, it remains fair until the article is sold. Super-pricing a commodity provides the retailer with windfall profits.

And the consumer who is already caught in the vice of rampant inflation, pays for these undeserved receipts. With the Wholesale Price Index up 23.5 percent between November 1973, and November 1974, consumers face steeper prices each time they return to the store or supermarket. This bill will provide substantial savings on food and many other products at a time when price reductions are desperately needed.

I urge all my colleagues to support this bill which offers a very basic and long overdue type of consumer protection.

CONSUMER ISSUES IN THE MIDDLE-INCOME HOUSING FIELD

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. SULLIVAN. Mr. Speaker, I may or may not have had any impact in influencing the thinking of young men and women engaged in the mortgage banking industry last week, but it was a pleasure for me to attend the National Mortgage Banking Conference of the Mortgage Bankers Association in Kansas City, Mo., on February 13 and speak at the luncheon meeting of the MBA's young mortgage bankers committee. In that talk I tried to spell out some of the consumer issues and problems in the housing and home finance field which affect the middle-income family particularly.

This is the family which pays its own way, gets no subsidies of any kind, and pays the taxes which help to support a wide variety of Government programs intended to help others. That family today is priced out of the housing market by the high interest rates which make the monthly carrying charges on the average new home beyond the reach of a wage earner in the average brackets.

I was pleased to see in remarks by Congressman WRIGHT PATMAN of Texas in Tuesday's CONGRESSIONAL RECORD inserting the transcript of the CBS "Face the Nation" interview with Mr. George Meany of the AFL–CIO on February 9 that Mr. Meany came out strongly in favor of a direct lending program for average income families to enable them to buy homes when interest rates are too high in the private lending field. As Mr. PATMAN pointed out, I have been sponsoring legislation to carry out that very idea. In this Congress, it is H.R. 1081, and is again cosponsored, as it was in the previous two Congresses, by Chairman WILLIAM A. BARRETT of the Housing Subcommittee of the House Committee on Banking, Currency and Housing.

This bill creates the Homeowners Mortgage Loan Corporation as a Federal agency to make direct loans of up to $30,000 to families with incomes up to $12,000, or thereabouts—a figure which can be raised to reflect average wage levels—to buy homes at an interest rate no higher than 6½ percent, during periods when mortgage money is not available to such families from private sources at reasonable rates of interest.

A modified version of this proposal was approved by the Housing Subcommittee in 1972 as part of our mammoth housing bill that year which died in the Rules Committee in the final weeks of the 92d Congress. It was subsequently passed over as part of the 1974 Housing and Community Development Act—unfortunately so because it is needed now more than ever. I intend to do everything I can to push it through in this Congress.

SETTLEMENT COSTS, ESCROW ACCOUNTS, AND REGULATION OF CLOSING FEES

At the mortgage bankers' meeting last week I discussed the Homeowners Mortgage Loan Corporation bill briefly, but was requested to devote my remarks primarily to the issues involved in the recently enacted Real Estate Settlement Procedures Act of 1974, Public Law 93–533. This disclosure law grew out of an investigation of inner-city home financing procedures in the District of Columbia by an ad hoc subcommittee of the Banking Committee which I chaired in 1969 and 1970, and the need for it was further amplified in full committee investigations thereafter into the section 235 scandals.

Public Law 93–533 is not nearly as strong as the settlement reform and escrow account bill I had sponsored as title IX of the housing bill of 1972, and which I introduced as H.R. 12066 in the 93d Congress. However, it fortunately ended up in conference as a better law than the bill the House had originally passed last year. Among other things, it does not deal at all with the issue of assuring home buyers some modest return on the $9.5 billion of their money set aside by mortgage lenders each year in non-interest-bearing escrow accounts for the payment of real estate taxes and casualty insurance. The $9.5 billion figure was developed by a comprehensive investigation into residential real estate escrow accounts made at my request by the General Accounting Office in 1973.

TEXT OF REMARKS AT MORTGAGE BANKERS ASSOCIATION CONFERENCE

I went into these issues, Mr. Speaker, in my remarks last Thursday at the Mortgage Bankers Association conference in Kansas City, discussing them from the standpoint of the consumer interest in connection with the largest single expenditure the average family ever makes—the purchase of a home.

Under unanimous consent, I submit for inclusion the text of that speech, as follows:

CONSUMER ISSUES IN THE MIDDLE-INCOME HOUSING FIELD

(Address by Congresswoman LEONOR K. SULLIVAN)

After many years of service on the House Committee on Banking and Currency, which now has the new name of Banking, Currency, and Housing, it is always a pleasure for me to meet with mortgage bankers—particularly younger ones who perhaps haven't yet solidified their economic views in the concrete of long experience. But while I am happy to be here, I know these are not the happiest of times for those engaged in the mortgage lending business. Therefore, I wish there were some bright words of great promise I could bring to you today—such as assurances

that by the time you get home customers will be breaking down your doors to borrow money to build or buy homes. Instead, about all I can do is hope that you have a wonderful visit in exciting Kansas City, so that you can at least take home some happy memories.

I am sure you will learn much here to help you in your work, particularly if these meetings develop some new ideas that will help revive the home building industry and find ways to channel more money into this vital area of national investment. We are working on that same problem in the new Congress—particularly the allocation of credit into essential uses and away from speculative and inflationary activities. But the cold water which the Secretary of the Treasury poured over that idea at hearings of the Patman Subcommittee on February 4, right before the current Congressional recess, indicates that we are going to have to push and force the Ford Administration to take more effective steps than it has so far indicated a willingness to take in the controversial area of credit management to help the housing industry.

Secretary Simon's discouraging testimony, coming right after the delivery to Congress of President Ford's dismal Budget Message—which in turn had followed one of the gloomiest Presidential State of the Union Messages any of us can remember hearing—puts us all on notice that unless Congress can hammer out and enact a unified program to attack our many economic ills on all fronts, and make it work, we will just muddle along through another couple years of very high unemployment, very high prices, incredibly high budget deficits, depressed housing markets, and a grim succession of further economic shocks.

A HARD ROLE FOR CONGRESS TO TRY TO FILL

In attempting to write a comprehensive and unified national economic policy, Congress is stepping into a role which is almost impossible for it to perform well. This is not a "cop-out", or an excuse in advance for the inevitable setbacks Congress will experience in trying to take the lead in economic policy. It is important for the public to understand that the 435 Members of the U.S. House of Representatives and the 100 United States Senators are each, in effect, sovereign powers subject to no philosophical discipline other than our consciences and our desire for the good opinion of the voters who send us to Washington. We vote as individuals—not as party members. The majority rules—except sometimes in the Senate where one-third plus one can block action through the device of the filibuster—but it is a constantly changing majority. The fact that there is a two-thirds Democratic Majority in the House does not mean that any Democratic party leader can dictate the steps Congress will take. There will be times and issues in which the minority party may actually call the tune if it makes a convincing case for its position.

The economic diversities which characterize opinion in the United States are reflected, too, in the 535 Members of Congress, regardless of party. Rural area legislators look at things differently from those of us from urban areas; and within each grouping, bitter battles often develop over the right policies to follow. For instance, how unified is *your* local school borad on controversial issues in your own community?

DEPENDENT UPON A RELUCTANT PRESIDENT TO ADMINISTER

The President, on the other hand, can promulgate an Administration policy which is unified and is obediently followed by all who work for him—or they don't work for him any longer. In contrast, neither Speaker Albert nor Senator Majority Leader Mike Mansfield can "fire" a single Member of either Chamber or force him or her to vote contrary to that person's own convictions or judgment or concept of public interest.

There is another basic aspect of our problem in setting unified national policy objectives. It is this: once we enact a program—any program—particularly one pushed through over the President's objections, or veto—we are still dependent upon the President and his appointees for administration of that program. If he wants to prove our policy is wrong, he can readily find many subtle ways to make it fail. The price and wage control program, as it was administered between January 11, 1973 and April 30, 1974, is a good example.

Congress passed the program originally in 1970, over President Nixon's vigorous objections, as part of a veto-proof bill. He said he would never use the authority. But exactly 365 days later, he put it into effect, and from August 15, 1971 to January 10, 1973 the program did work in stopping inflation. However, shortly after his re-election in 1972, Mr. Nixon set out to demonstrate that the controls were inherently bad, and by April of last year there was no longer any sentiment in this country to continue the controls unless and until there were assurances that they were going to be administered by people intent on making them effective. We do not yet have that assurance.

So these are some of our problems today in trying to lead. Once we achieve the difficult task of agreeing among ourselves on what the policy should be, we face the even more difficult task of finding ways of mandating effective administration of those policy decisions by a perhaps reluctant or antagonistic White House.

DEALING FIRST WITH EMERGECY ECONOMIC ISSUES

Nevertheless, in the next few months there will be a lot of action in the Congress toward restoring vitality to this economy, and I'm sure there will be some unorthodox approaches. But I don't think you will see a wild-eyed legislative fandango in which we rush about in all directions at once. One thing is certain, however; we just can't let things continue as they have been going.

Taking first things first, we have been dealing so far primarily with emergency situations—taking action to block scheduled increases in food stamp costs for the needy; to rollback the $1 a barrel February 1 increase in the tariff on imported oil and March 1 and April 1; to impose a moratorium on foreclosures of homes growing out of loss of employment in the auto industry and other industries hard hit by recession; to provide for tax cuts; and to expand public service employment opportunities for the unemployed. But these are not *solutions* for either inflation or recession. They are merely cushions against a hard fall, not a ladder to the stars.

Surely we have the imagination and the resourcefulness and the brains and will as a people to cope with our basic economic problems, put our unemployed back to work, and as John F. Kennedy used to say, get this country moving again. We have done it before in the past 42 years, under all kinds of difficulties, and we can do it again.

HELPING THE AVERAGE FAMILY BUY A HOME

And one of the best places to start, of course, is by making it possible once again for the average-income family to buy a good home. I am sure you all agree with that. But as long as it is much more profitable to lend money for other purposes than for housing, the average income family is going to remain priced out of the mortgage market. So we must either bring down interest rates substantially throughout the economy, or provide more funds especially earmarked for housing, at below-market rates. I think we must do both things.

A bill of mine, H.R. 1081, which Chairman William Barrett of the Housing Subcommittee is co-sponsoring, would establish a direct Federal loan program to provide average income families—the policeman, fireman, teacher, auto mechanic, retail employee, assembly line worker, and so on—with loans up to $30,000 at no more than 6½ %, to buy a home, when mortgage money is not available at reasonable rates from normal sources. At present interest levels, this would represent a subsidy. But over the 30-year life of such mortgages, the government would get all of its money back plus a fair return. You may at first glance regard this idea as competition for your industry, but it is not; you are not reaching this same family today. You can't. But if a program of this kind were started, and operated during periods of tight money, it would provide your firms with additional revenue in servicing such loans—as you do now on FHA and GI loans sold to Fannie Mae—and it would stimulate the home-building industry and all of the industries which are dependent upon it, and thus the whole economy. And it would provide many needed homes.

But let me turn now to the subject I was asked to discuss when Lee Holmes, legislative counsel of the Mortgage Bankers Association, invited me to speak to you—the subject of settlement reform and escrow accounts.

In the latest issue of the "Mortgage Banker", there is an extensive article by William E. Cumberland, MBA General Counsel, on the new law going into effect June 20 of this year to regulate real estate settlements. The article describes the law in detail, and it is hardly necessary for me to repeat those details. But the Cumberland article does not go into the background of its enactment—why it was passed, why it was needed; what it is intended to accomplish.

THE HOME BUYER'S SETTLEMENT TRAUMA

As long as I can remember, friends of mine buying homes for the first time have complained bitterly about the shock waves which struck them at settlement time. The cost of the homes they had agreed to purchase usually reflected their relative state of affluence—they had figured down to the penny how much they could afford to put down, how much they could afford to pay each month, how well they could manage expected periodic repairs; they estimated annual heating and utility costs and figured them in, too—and the taxes and insurance. And they had budgeted, too, or thought they had, for the somewhat vague "closing costs" the real estate salesman told them to expect. Then they went to the lender and filled out some papers and perhaps got some additional information on the mysterious closing costs. But, later, when they went to settlement—bam! There was this item they didn't expect; and that one; and then another, all of them sizeable, so that by the time the home buyers left the settlement office they were so flat broke and over-extended they didn't know how they were going to pay the movers to get them into their new home—or the painters or carpenters or other craftsmen they had planned to hire to make changes to accommodate their furniture.

By the time those same people bought another house, they had a pretty good idea what to expect at closing; nevertheless, no matter how hard they tried to get all of the settlement costs identified and itemized in advance, so they could be prepared, there were almost always unexpected additional expenditures required at the last minute in order to close.

Generally, consumers regarded these expensive experiences as part of the total trauma of buying a home—something you have to put up with in order to have the home you wanted. Most home buyers assumed the FHA or the VA or the Home Loan Bank Board or the Bar Association or somebody

was looking out for their interests in these situations and that the settlements costs undoubtedly were legitimate, if not fully understood. They weren't aware that sometimes they were being cheated and overcharged.

ORIGINS OF THE SETTLEMENT COST LEGISLATION

Early in 1969, the Washington Post ran a series of articles about a Washington, D.C., federal savings and loan which had run into deep financial trouble because of excessive loans to certain local real estate speculators in financing the purchase and resale at inflated prices of low priced housing in the District of Columbia. That S&L had to be merged by the Home Loan Bank Board into another Federally chartered institution in D.C., but it owned a vast quantity of dilapidated or abandoned housing which had gone to foreclosure. These almost worthless properties had to be taken over by the Federal Savings and Loan Insurance Corporation. As a senior Member of the Committee on Banking and Currency, I proposed an immediate investigation into the background of this financial disaster and its drain on the FSLIC. Chairman Patman agreed, and the next think I knew I had the responsibility for conducting the investigation as chairman of an ad hoc subcommittee on financing of inner city housing. What we learned in that investigation uncovered the first warning signs of the vast dimensions of the Section 235 scandals which the Banking Committee further documented in later studies.

But we also found rampant conflicts of interest, artificial kiting of values through straw party deals and fictitious turn-overs, and a pattern of vulture-like practices including kickbacks, bribes, excessive fees, phantom services, and a variety of other abuses involved in the transfer of a piece of property from seller to buyer.

As a result of these disclosures, Congress in 1970 passed legislation authorizing the Secretary of Housing and Urban Development to set maximum charges on settlement costs on FHA and VA housing. This authority has never been used to this day, but it is in the law.

In 1971 and 1972, we began the drive to write settlement reforms into the housing laws to apply to all Federally-related mortgages and the Housing Bill of 1972, as approved by the Housing Subcommittee that year, included a strong Title IX containing far-reaching reforms in real estate settlement practices. Unfortunately, the Housing Act that year died in the Rules Committee in the closing days of the 92nd Congress, and did not become law.

$9.5 BILLION IN ESCROW ACCOUNTS YEARLY

In 1973, we renewed the fight over settlement costs and reforms and also went into the subject of non-interest-bearing escrow accounts for taxes and insurance. The General Accounting Office, at my request, made a formal study of escrow accounts and estimated that as much a $9½ billion is placed in such accounts each year by home buyers who derive no interest from this money, while the lender can use this interest-free money for his own purposes until such time as the taxes and insurance premiums become due. The amount of interest lost to the individual home buyer by this device is not great—it is the principle of the thing that upsets many home buyers forced to establish escrow accounts. But the financial benefits which can accrue to a large-scale lender from the temporary investment or other use of all of this money can be very substantial indeed.

Under the settlement reform bill I introduced in 1973, the home buyer would have had the option of electing to pay his own taxes and insurance premium when due—investing those funds meanwhile in any way he desired—or of permitting the lender to establish an escrow account on which a mutually satisfactory interest rate could be negotiated if both parties were so agreeable. This proposal was not included in the final version of the new Settlement Reform Act passed last October, but I intend to renew it in the new Congress. If it does become law, I suspect that only a small percentage of home buyers—those who are sophisticated about money matters—will actually seek to take advantage of it at first, but eventually I expect to see general adoption of the principle that the sizeable amounts put aside each year for taxes and insurance should bring some financial benefit to the home buying public which is putting up this $9½ billion each year.

The fear has been expressed that if taxes and insurance payments are not escrowed in advance during the year, many, many homes will go to foreclosure for non-payment of taxes. That would not occur under this proposal for the simple reason that if a borrower ever fails to meet tax or insurance charges when due, the lender could immediately step in and protect the mortgagee's interests by paying the amount due and adding it to the mortgage, plus penalty costs. But that is a matter of future legislative debate.

NEW DISCLOSURE REQUIREMENTS

In the meantime, however, beginning June 20, virtually every family buying a home in the United States is going to have to be given, as a matter of right under Federal law, a full, itemized explanation of every closing cost—far enough in advance of settlement to be able to shop among competing suppliers of settlement services for the best deal he can obtain. Furthermore, only legitimate charges and fees can be assessed—no hanky-panky involving kickbacks and side payments for services not performed.

You might well ask why Congress has chosen this particular time—when the housing industry is in its worst depression in decades—to impose new restrictions on real estate transactions and perhaps reduce the revenues of the professionals who specialize in real estate transfers. Aren't they hurting enough right now?

The answer to that question is simple: it has taken Congress until now to find out about and pin-point and act on the abuses which had been allowed to grow and fester over generations in the transfer of title to real estate. I think all of you are familiar with the way many of those abuses have operated. Real estate transactions have customarily been under state jurisdiction, and the states did a poor job, by and large (not all, but most) in enforcing fairness to the home buyer in a field in which the average family makes its largest life-time investment. The time for action was long past.

NO REGULATION OF RATES CHARGED

The new act which takes effect in June does not go the full distance toward meeting the problems of assuring consumers absolute fairness in the real estate marketplace. Like the Truth in Lending Act which preceded it, this new law emphasizes full disclosure and some moderate regulation of specific abusive practices. But the law does not regulate actual charges made for legitimate services. And these vary so widely between areas of the country and among Bar Association groups setting what appear to be illegal minimum charges that I am sure Congress will want to go further in making the reforms effective.

An unsuccessful attempt was made in connection with the 1974 Act to go backwards and repeal the 1970 legislation allowing HUD to set maximum charges for FHA and VA settlements. Even though the 1970 authority has never been used, it stands as a warning to everyone in real estate to help eliminate excessive charges to the home buyer, or rate regulation will occur. HUD now has the responsibility to resurvey the actual charges made in connection with real estate settlements and report to Congress within three to five years on whether rate regulation is desirable in the public interest. And under the new law it must also report on the desirability of requiring lenders to pay all closing costs—presumably passing on these costs in the interest rate charged the borrower. The theory behind this proposal is that the lender alone has the economic power to bargain effectively with the providers of settlement services to obtain the best and fairest prices for these services, and thus provide an incentive within the settlement industry to reduce its charges for competitive reasons.

NEED FOR SIMPLIFICATION OF PROCEDURES

We will learn some important thing when the new law takes effect. We will learn whether advance disclosure of costs by the providers of settlement services will encourage home buyers to shop for the best terms. We will learn whether simplification of settlement procedures and clear explanation of what they mean and what they cost will lead to better practices in the title search and title insurance and related businesses. And we will learn whether encrusted old practices which should have been eliminated many years ago in the transfer of real estate can survive in the glare of greater customer awareness.

Our objective in the new law is not only to bring more information to the home buyer; it is also to bring down the costs of an expensive sideshow to the main event of selling homes and financing them. As was pointed out in our hearings, a Boeing 747 can be transferred from seller to buyer with a simple contract and a minimum of red tape; but a single family home, located on the same piece of ground for 30 years and owned throughout by the same persons, seems to require the services of untold numbers of specialists in transfering title from one party to another. Granted that real estate law can be tricky; it is not a field for amateurs. But there have been too many tricks played in that tricky field, and the message from Congress is clear: Let's clean it up, for the benefit of the home buying public, and for the benefit, too, of the honest people in the real estate industry.

CHILD AND FAMILY SERVICES BILL

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BRADEMAS. Mr. Speaker, on February 16, the Washington Star-News published an excellent article by Isabelle Shelton describing the child and family services bill, H.R. 2966, which 87 colleagues on both sides of the aisle have joined me in sponsoring.

Companion legislation, S. 626, is being sponsored in the other body by Senator WALTER F. MONDALE of Minnesota and 24 of his colleagues.

Mr. Speaker, the child and family services bill would authorize $1.85 billion over 3 years to support a wide variety of programs for children and their families including nutrition, health, education, and in-home and center-based day care on a part- and fulltime basis.

This morning, Mr. Speaker, the subcommittee I am privileged to chair joined the Senate Subcommittee on Children and Youth, chaired by Senator WALTER F. MONDALE of Minnesota, to begin hearings on this important measure. These joint hearings will resume tomorrow.

Our witnesses this morning included the Honorable Jerry J. Apodaca, Governor of New Mexico, chairman, Early Childhood Education Task Force of the Education Commission of the States, Denver, Colo.; Marion Wright Edelman, director, Children's Defense Fund, Cambridge, Mass.; Dr. Roland L. Mindlin, chairman, Infant and Preschool Child Committee, American Academy of Pediatrics, Arlington; Mrs Dorothy Lasday, member of board of directors, National Council of Jewish Women, Washington, D.C.; and Carmen Maymi, Director, Women's Bureau of the U.S. Department of Labor, Washington, D.C.

Tomorrow we shall hear from Joseph Reid, executive director, Child Welfare League, New York; Judy Helms, executive director, National Council of Organizations for Children and Youth, Washington, D.C.; Dr. Frederick Green, associate director, Children's Hospital, Washington, D.C.; and a panel consisting of Frederick Weintraub, Council for Exceptional Children; Hal Benson, United Cerebral Palsy; and Paul March-and, National Association for Retarded Persons.

Because the Washington Star-News article, Mr. Speaker, is a brief description of the history and issues involved in the child and family services bill, I include the article at this point in the RECORD:

DAY CARE BILLS STRESS VOLUNTARINESS

(By Isabelle Shelton)

Congress this week begins a new effort to pass a comprehensive child care bill, to replace the one vetoed by President Nixon in 1971.

Hearings will open Thursday on two bills similar to the one Congress passed in 1971.

These, however, cost less than the 1971 bills, and they put heavy emphasis on broad parental participation and the totally "voluntary" nature of the program. The 1971 program was voluntary, too, but these bills say so more often and emphatically.

The fund scaledown presumably is an attempt to make the measure more enticing to President Ford, who, although he has not mentioned day care specifically, has said he will veto any new federal programs.

The other changes seem designed to allay fears aroused in some quarters by the Nixon veto message, which charged that the legislation would weaken the American family by committing "the vast moral authority of the national government to the side of communal approaches to child-rearing over against the family-centered approach."

The Chief new bills, similar but not identical, were introduced early this month by Sen. Walter Mondale (D–Minn.) and Rep. John Brademas (D-Ind.), with broad bipartisan sponsorship (87 other House members and 24 senators).

Even the name is changed, to stress family participation. In place of 1971's Child Development Act, it will be known as the Child and Family Services Act of 1975. The change is more than cosmetic, so far as the bills' sponsors are concerned. While the 1971 bill also included parental involvement, the legislators really do have a deep commitment to the idea of heavy family involvement, which was pioneered so successfully in the Head Start programs begun in the '60s. They believe it is one of that program's great strengths.

In addition to funding a broad spectrum of child care programs (part-day, all-day, after-school, in-house tutoring), they also would provide prenatal care, nutrition assistance, early medical screening and treatment to detect and remedy handicapping conditions and classes for parents and prospective parents.

Both bills call for an expenditure of $1.85 billion over a three-year period, starting in fiscal 1976 (July 1, 1975), but with the first year limited to $350 million for training, planning and technical assistance. No actual programs would start until July 1, 1977.

Mondale and Brademas would have the new program administered by a new Office of Child and Family Services, which would in effect supplant the Office of Child and Family Development in the Department of Health, Education and Welfare. The HEW agency would operate in each state through "prime sponsors," which could be a state or locality or a public or non-profit private organization. Heavy family involvement would be required all along the way through a system of parental councils and policy committees.

Both bills provide that 65 percent of the available funds must go free to families with income below the U.S. Labor Department's minimum annual budget for a family of four, which currenty is $8,181 nationwide and $8,547 in the Washington metropolitan area. Mondale would require the Secretary of HEW to establish a sliding fee schedule for families earning above that figure, based on family size and ability to pay. Brademas would let these rates be set at the local level.

The Senate Subcommittee on Children and Youth (which Mondale heads) and the House Select Subcommittee on Education (with Brademas as chairman) will hold joint hearings Thursday, Friday and next Monday, with more planned for March and perhaps April.

The first three days will be devoted to testimony about the need for such a program. This, again, is probably aimed at refuting allegations in Nixon's vote message that the program really isn't needed. Some groups eager for action say this is a "waste of time," as the need has been voluminously documented.

Economist Mary Dublin Keyserling reported in 1972 in a wide-ranging survey for the National Council of Jewish Women: "In community after community the people most knowledgeable about day care needs and existing services told council interviewers that an eight or tenfold or even greater expansion of quality day care would not suffice . . . Federal funds for day care now help provide services for fewer than five percent of the children of economically disadvantaged families most in need."

Mrs. Keyserling cites one horror story reported by one of her investigators, who found two children, aged 10 and 12, in sole charge of a roomful of younger children.

"This center should be closed. Absolutely filthy. Toilets not flushed, and smelly. Broken equipment and doors. Broken windows on lower level near back stairs and doors. Broken chairs and tables. No indoor play equipment. One paper towel used to wipe the faces and hands of all children. Kitchen very, very dirty."

Another investigation called a similarly dismal center she visited "a sad case of inhumane dehumanizing of kids by an owner who makes plenty of money."

Mondale and Brademas both express confidence their measure will pass, with the differences between them amicably worked out.

"I think it should pass the House more easily than last time," Brademas says, "with our 92 new members. They're younger, well educated, and they are mostly family men and women with children of their own.

The White House has not yet taken a position on the measures. "We haven't seen them," a spokesman said of the bills, but he recalled Ford's threats to veto any new programs.

There are some stiff controversies ahead, which the two leaders know. Both stress that their proposals "are not etched in stone," and that they want input from interested groups.

Besides their own differences over such question as fee schedules, there are these looming areas of conflict:

Profit-making day care centers are expected to fight to be more fully included in the federal program. The bills now allow them very limited participation. Some groups such as the American Parents Committee oppose any inclusion of profit-making facilities.

Albert Shanker, the president of the American Federation of Teachers, has launched an aggressive drive "to insist that the prime sponsor for all early childhood and day care programs receiving federal monies to be the public schools." He is quite frank in declaring that he is motivated by the fact that many school teachers are out of jobs and many more will be because the birth rate has declined. He dreams that the child care program can provide jobs to an additional 800,000 school teachers. He points out that a lot of classroom space has also been made available by the population drop.

When questions are asked about the public school's ability to provide the other services in the pending bills—particularly health services, where public schools' record has not been luminous—Shanker handles that by recommending removing those services from the bill. He even would drop the word "Family" from the title.

There still are some people who share former President Nixon's suspicions of any such program. Dr. David Crane, a Martinsville (Ind.) psychiatrist, recently said passage of such a measure would defeat "the family-oriented school of thought" and for "the vast majority of American families who strive to rear their children in an atmosphere of personal attention, love and respect and not consign them to concessions of strangers whose interest are primarily business."

JUST HOW SICK ARE WE?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. CRANE. Mr. Speaker, those who advocate a system of nationalized medicine for the United States have been very effective in causing Americans to believe, on the one hand, that a "crisis" exists in the American medical system and that, on the other, that "crisis" can be dealt with by adopting the kind of socialized medical systems which exist in England and in other European countries.

Neither of these propositions is borne out by the facts. The British National Health Service was enacted by a socialist government in 1948. The founders of the Health Service estimated its cost in 1974 would be $400 million; in fact, it is nearly 20 times that. The services provided have been dramatically cut. Some emergency wards have been closed, some cancer patients have gone potentially fatal days without radiotherapy, because of staff shortages.

While the United States, under its private practice system of medicine, has a surplus of modern hospital beds, England has a shortage, with long waiting lists for hospital services. Former Health Services Secretary Sir Keith Joseph has publicly described himself, when in office, as Britain's "biggest slum landlord." What he meant was that dozens of Britain's 2,300 hospitals are more than 100 years old—moribund and beyond modernization.

Why anyone who has carefully studied the British system and compared it with our own would call for a change toward socialism is impossible to understand. By any objective standard, that system has failed to live up to its promise.

The other idea so popular with those who wish to nationalize medicine is that most Americans are unable to obtain proper medical care.

In a recent study, Michael F. Meyer, a senior premed student at the University of Chicago working under a grant from the Heritage Foundation of Washington, D.C., discovered that less than 9 percent of all patients surveyed had hospital expenses exceeding $2,000. Mr. Meyer also discovered that only 1.4 percent of all patients had hospital expenses exceeding $5,000 and that,

At high expenditure levels, Medicare patients comprised an increased portion of those individuals incurring such expenses.

Mr. Meyer concludes that,

Approximately 1% of all Americans incur catastrophic illnesses each year of which total medical expenses exceed $5000 and of this one per cent, a large portion of the individuals are either (a) phychiatric patients or, (b) patients qualifying for Medicare.

This is hardly the "medical care crisis" in whose name some wish to eliminate the private practice of medicine and replace it with a regimented, nationalized system.

I wish to share Mr. Meyer's review of his findings, which appeared in the form of an article entitled, "Just How Sick Are We?," in the October 1974 issue of Private Practice, with my colleagues and insert it into the RECORD at this time:

JUST HOW SICK ARE WE?

(By Michael F. Meyer)

(EDITOR'S NOTE.—This article presents the findings of an extensive study on catastrophic illness carried out by Mr. Meyer, a pre-med senior at the University of Chicago, under a grant from the Heritage Foundation of Washington, D.C.)

It's hard to pick up a newspaper or magazine these days and not see something about the "health care crisis" in America. This "crisis" supposedly stems from inadequate medical facilities, overworked doctors, and health insurance which is not available at reasonable rates. Fueling the crisis atmosphere has been the allegation that enormous numbers of Americans suffer catastrophic illnesses each year. The idea has become so ingrained that most Americans are beginning to take it for granted that their chances of becoming seriously ill are rather good. I only hope we have not yet reached the stage where being healthy is considered somewhat out of the ordinary.

The facts tell a decidedly different story, however. Americans are not "dropping like flys" from *catastrophic illnesses*. Regardless of what the media are telling us, the facts are quite clear and speak for themselves. These facts, along with other key findings, are outlined in study I completed earlier this year. This study involved an intensive look at patient hospital expenses, which comprise the major portion of expenses for catastrophic illness. Specifically, all patients discharged in a certain period were analyzed in terms of their total hospital expenses. These hospital expenses were classed in various levels so that the percentage of individuals with hospital expenses at any given amount could be determined (for example; the percentage of patients with hospital expenses above $2000). The study involved 132 hospitals in 25 states in three surveys comprising a sample of 25,926 patients. The hospitals were compared to the total number of hospitals in the U.S. by type, size, and other factors. They represented those hospitals which nationally have 92.5% of all admissions. The key findings were:

1. Less than 9% of all patients surveyed had hospital expenses exceeding $2000;

2. Only 1.4% of all patients surveyed had hospital expenses exceeding $5000;

3. At high expenditure levels, Medicare patients comprised an increased portion of those individuals incurring such expenses. This was revealed by a special survey which unearthed the following facts:

a. Of *all* patients surveyed, 19.3% were Medicare patients;

b. Only 9.9% of all patients surveyed with hospital expenses less than $1000 were Medicare patients;

c. 40% of all patients surveyed with hospital expenses above $3000 were Medicare patients.

The analysis of the types of hospitals nationwide also revealed some interesting facts.

1. Patients in psychiatric hospitals, while comprising only 2% of total hospital admissions, have on the average, catastrophic illness expenses: the average cost per patient stay being approximately $8000;

2. Patients in tuberculosis and other respiratory disease hospitals and long term general hospitals, while comprising .4% of the total hospital admissions, also have on the average catastrophic illness expenses: the average cost per patient stay being approximately $6000.

Based on the surveys conducted, the national statistics, and other studies indicating that hospital expenses comprise the major portion of catastrophic illness expenses, the following conclusions may be drawn for the U.S. population:

1. Approximately 1% of all Americans incur catastrophic illnesses each year of which total medical expenses exceed $5000.

2. Of this one percent, a large portion of the individuals are either

a. psychiatric patients or,

b. patients qualifying for Medicare.

An earlier, smaller study anticipated these findings. In the April 1972 issue of this magazine, Francis A. Davis, MD, presented a report on catastrophic insurance, part of which discussed the incidence of catastrophic illnesses. He found that in Shawnee, Oklahoma, where he practices, *only* one percent of the patients had hospital bills in excess of $2000 in 1971. He also found than 84% of those patients with hospital bills in excess of $2000 were over 65 and qualified for Medicare. The present study, with a wider sampling and therefore slightly different statistics, validates his general conclusion, namely that only a small percentage of Americans are becoming catastrophically ill.

In conclusion, Dr. Davis wrote, "Doctors should tell these facts to their patients and Congressmen." Two years later, these facts on catastrophic illnesses are clearer than ever. Why then do most people think there is a health "crisis" in terms of catastrophic illness? Perhaps because the only "crisis" is that the *truth* is being hidden from the American people. Members of the medical profession, while trying to present the facts, find themselves in competition with politicians and media men looking for one "crisis" after another.

It is time to present the facts to the American people. Let's atop creating "crises" where they don't exist, and get on with solving the real problem facing the medical profession today.

PROSPERITY IN PEORIA, ILL.

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MICHEL. Mr. Speaker, how frequently have we heard the expression "How does it play in Peoria?" As Members well know, I am mighty proud to have been born and reared in that community and continue to sing its praises. While many parts of the country have been in serious economic straits these days, we consider ourselves to be somewhat of a island of prosperity, as attested to by the article appearing in the Peoria Journal Star under date of Sunday, February 2 and I would include, Mr. Speaker, the entire text of the article printed in the RECORD at this point, to give you all some idea of "How it is playing in Peoria":

PEORIA: A "PROSPERITY POCKET"

(By David Miller)

There's more to Peoria's economy than just optimistic predictions.

Several dozen letters—some of them outright job applications—have shown up in the Chamber of Commerce's mail in the last six months. Residents of other towns or states have heard about Peoria's economy, and want to know if it's true.

Media looking for counterpoints to the withering national economy have turned up "pockets of prosperity" in places like Wichita, Dallas, and Muscatine, Iowa, which boasts a .6 per cent unemployment rate.

Peoria's another such pocket. While there's none of the glamour of a boom town built around airplanes or autos, Peoria has an unexciting but solid manufacturing base which signals stability.

And that may mean a job for a plumber out of work in Chicago, or a design engineer from Ohio.

"They look at this as a growth area . . . they know there's work," said Giles Flanagan, chamber president. "When they start coming into a place like this (the chamber), that's significant."

Recent unemployment figures here have been consistently—often markedly—below state and national levels. Tri-county unemployment for January will be between 4.5 and 5.5 per cent, predicts Robert E. Schmidt, manpower analyst for the Illinois State Employment Service.

The figure is due this week, and Schmidt cautioned that the percentage, up from December's 3.7 per cent, isn't as ominous as it seems. Part of the rise is due, he said, to normal seasonal unemployment.

ELIGIBILITY COVERAGE CHANGED

Another factor is a change in unemployment eligibility coverage made in early January. Schmidt said coverage has been extended to some farmers and domestic workers previously not included in calculations.

National unemployment figures for January will also be bloated because of the change, Schmidt said. While stressing the broadened standard is here to stay, he estimated that this month's figure would have shown a .5 per cent raise in terms of December's method of calculation.

"Nobody seems to be taking any tremendous drops, other than seasonal," Schmidt said. He's been watching Peoria's unemployment fluctuations for 13 years, and said he sees no drastic dips on the way. Peoria won't be "in boom times" this year, he said, but then it never has been.

Mayor Richard Carver agreed, saying that while Peoria has never hit the economic peaks, neither has it slipped into the valleys. He cited steady growth, which has kept Peoria sober in times of economic buoyancy, and stable when the national economy has stuttered.

When asked why Peoria is in good shape, most people shrug and gesture vaguely in the direction of the general offices of Caterpillar Tractor Co. As Caterpillar goes, they say, so goes Peoria.

They're right, said Flanagan—it's hard to measure the impact of a major company with 33,600 local employes. There have been no layoffs, and none are anticipated, said Fred Tuerk, public relations chief.

CATERPILLAR CONSISTENT

Caterpillar has consistently deigned to discuss its impact on Peoria and speculation on how many jobs its new buildings may create. But an indication of Cat's economic future comes from last year's production schedules, which Tuerk said were at "a very high level" all year long.

"It's not too definitive . . . there's no way we can estimate our backlog (of orders)," Tuerk said. But he said virtually all of the company's major machine and engine products were still being allocated to buyers at the end of December.

Which means there is still a back-up demand for Caterpillar products, but Tuerk said he could not discuss how big the demand is, or how long it might last. Although not commenting on Caterpillar's long-range hopes for growth, he reviewed the company's building program:

The Mossville basic engine plant is completed and occupied, and the warehouse should be finished by late spring. The second basic engine plant should be done in late 1976.

Office additions in Morton should be finished in mid-year, and renovation of current office space is being planned.

The new steel fabrication building next to the levee in East Peoria should be closed in by the end of this year, and in operation late next year.

Work on the foundations at Mapleton is due to start soon, and steel should be going up this fall.

A fourth Caterpillar warehouse facility is going up in Pioneer Industrial Park.

Others have estimated the new Caterpillar facilities will create between 3,000 and 6,000 jobs for the area, but Tuerk said he couldn't confirm the figures. He did say that, to his knowledge, staffing of the new buildings wouldn't mean reducing the work force in current facilities.

But Caterpillar's dominance isn't the only factor in Peoria's economy. Flanagan said, explaining there are other companies with "muscle and talent."

"We don't have all our eggs in one basket," Flanagan said. "The basic industries that are here just happen to be those that are growth-oriented."

COMPANY STRENGTH HELPS

Keystone Steel and Wire Co.'s 2,600 employes have been scrambling to keep up with the demand from agricultural and energy markets. Record sales and earnings in the last three months may be matched this quarter if demand holds, according to Donald R. Moore, president.

Bemis Company, Inc., had to meet a "tremendous demand for paper and bags in 1974," said plant manager W. J. Ray. He said the plant is feeling the economic slowdown, but said it hasn't caused any cutbacks in total employment.

Ray said there's a chance of a shortened work week for Bemis' 500 or so employes, but was optimistic that business will soon rise out of its seasonal slump once customers work through their inventories.

"As long as it's a little slowdown, we do not view it as a drastic situation, just a pause in planned growth," Ray said, adding that he made it through the 1930s depression without much trouble.

Hiram Walker and Sons, Inc., is in its seasonal lull right now, said Bill Day, plant manager. Seasonal employees have been laid off, but he said all regular workers are still on the job.

"I would say, the way we're feeling right now, it (production) will hold steady, maybe somewhat less volume than last year," Day said.

The near future looks good at Hyster Co., according to Ron Bengston, plant manager. There haven't been any layoffs, he said, and none are anticipated for the 500-strong work force.

"The orders right now are, I'd say, pretty good . . . that could change, but it's okay, pretty stable," Bengston said.

Westinghouse Air Brake Co. is in good shape, according to a spokeman:

"The company is still looking for experienced welders and machine operators and . . . the order backlog is continuing at a substantially high level."

Flanagan and Bob Arnett, economic developer for the chamber, said large-scale growth of businesses is an important buttress to Peoria's economy. Flanagan said a lot of people just don't realize what all the building and planning means.

"People who live here and see another building going up just say 'Ho-Hum . . . another $10 million at Ashland Chemical, so what else is new? What I'm saying is that this is news," Flanagan said.

The payoff, he said, comes in the form of construction jobs to put a facility together, and then the jobs the facility creates for itself. Flanagan scoffed at the idea of Peoria's economy being even shaky.

PROBLEM HERE "UNREAL"

"If we have any kind of problem here, it's an unreal one . . . people want to believe the worst.

"Hell's bells, everyone in the country is worrying about where their next buck is coming from and here the people say, '. . . they're not making any progress' on projects like the downtown redevelopment," Flanagan said.

An off-hand survey shows "at least $100 million" in area building projects, said F.M. "Bill" Bourland, president of First Federal Savings and Loan. While residential construction is lagging behind commercial and institutional projects, it may increase toward summer, he said.

Money is starting to loosen up, Bourland said. Prime interest rates have been falling, and local savings accounts are starting to fill up again.

The more savings an institution has, the more it can loan. After the squeeze last year, mortgage financing will be available this year, Bourland said, if people choose to buy homes.

"They're not buying real estate now for other reasons. . . . I have to admit I think people have gotten a little bit turned off by the cost of housing," Bourland said.

But national surveys have shown people are edging back into the housing market, mainly in response to price cuts made by builders and realtors. Local residential building may be down, but it is still moving along.

Bourland said the first six show-houses at First Federal's Charter Oaks project will be open in early May. He said 60 single family units should be completed and sold building this season—another 25 units will be started by fall.

Commercial National Realty just opened 12 units in its new Edgepoint development, and 20 more should be on the market in April, said president Bernard Pilon. CNR's Versailles Gardens project is also growing, he said, adding that, "This is the best January we've had in 10 years."

The five-acre lake at Willow Knolls is cleared and starting to be filled, and work on 36 condominiums will start when the weather breaks, said Ted J. Fleming, one of the owners of Peoria Athletic Clubs, Inc., handling the development.

BUILDING MONEY ESSENTIAL

More building activity is taking place in Pioneer Industrial Park, where nine structures have gone up since July. Another 11 are either under construction or on the verge of it, said James R. Gilchrist, vice president and general manager.

"We've got a head of steam built up out here," said Gilchrist. The Park employes around 7,000 people, and 200 of its original 725 acres are still available for development

Gilchrist, as well as Fleming, expressed concern for having more money available for development loans. Local banks and savings and loan associations have an estimated $1.5 billion in financial assets, Bourland said, but the costs for major developments cut into that quickly.

Some of the big bucks are going for major construction projects at all three Peoria hospitals.

Methodist Hospital announced a $14.5 million program in fall of 1973, but inflation has pushed that estimate up to $19 million, said Roger Monroe, public relations spokesman.

Monroe said construction of the parking deck should be completed in late summer, and the two-story doctors' medical center on top of it by the end of the year. The hospital's new energy plant and electrical facility should be ready sometime in March or April.

At St. Francis, work is almost finished on a $100,000 pedestrian tunnel between the hospital and the adjacent convent. Remodeling of the kidney disease treatment center should be done next month, and a $140,000 communications center is to be done in March.

A $2.5 million medical office building will probably be ready for use in early fall, according to Edward McGrath, associate administrator. And the $2.2 million addition for the school of nursing should be under way this summer. Another $3.5 million in new construction and remodeling is set to start within the next year.

The new professional office building at Proctor Hospital is 85 per cent complete, and the $1.5 million facility should open July 1. More construction and alteration of the hospital is being planned, a spokesman said.

Flanagan said hospitals are the area's third largest employer, and said he looks for an increase in related jobs once the above programs and the $6.2 million Peoria School of Medicine are completed.

FARMING CARRIES INFLUENCE

One of the area's central economic influences—farming is also one of the hardest to pin down. Peoria County Farm Extension Advisor George Perisho said the coming season looks good so far, but quickly added anything could happen.

"The wheat crop looks real good now, but we don't know what to expect with all the freezing and thawing. . . . We could lose it if it freezes out now," Perisho said.

Although there's enough moisture in the ground to promise a good season, he said eventual production totals depend heavily on good summer weather. Additionally, pro-

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duction may be off if farmers carry through on threats to leave their fields fallow.

"This is the big thing," Perisho said. "They're waiting for a price rise."

Commodity prices have fallen sharply since last fall. Farmers faced with higher fuel, fertilizer and material costs have been talking about letting some fields lie empty this year, according to Harold Steele, Illinois Farm Bureau president.

Observers not wise in the ways of agriculture might also wonder about the recent large number of farm sales and auctions, but Perisho said it happens every year at this time.

The agricultural work force—and associated food processing jobs—are the only categories showing a decline in size in the last 10 years, according to the Illinois State Employment Service (ISES).

SKILLED LABOR IN DEMAND

As Peoria has grown, there has been a continuous demand for skilled labor to support local manufacturing. Presently ISES says there's a shortage of machinists, machine setup men, millwrights, tool and die makers and auto mechanics.

There's also a premium on skilled workers—there aren't enough good welders, secretaries, stenographers and store buyers. General duty nurses are also in short supply, as well as licensed practical nurses.

On the other hand, the market is tight for those seeking work as porters, truck drivers, general clerks, materials handlers, and general sales personnel. Cashiers and checkers outnumber the jobs available, and waiters and waitresses have to put up with long hours and low pay.

But for all this, the community is still solvent, according to Clint Jostad, manager of Northwoods Mall. Stores that were open in November, 1973, reported an over-all hike of 57.5 per cent in retail sales by November, 1974.

Jostad said part of Northwood's success is because people are learning to know where it is, and once they learn, he said, they start buying—the year between Novembers showed:

A 21.9 per cent raise in card and gift sales.
A 65.5 per cent raise in jewelry sales.
A 56.3 per cent raise in music items.
A 58.8 per cent raise in book sales.
A 31.8 per cent raise in shoe sales.
A 46.7 per cent raise in handicrafts.

Jostad's ebullient summary was simply, "The merchandising is good."

Downtown merchants said they were happy with last year's sales levels, but wouldn't discuss the percentage increases.

Stanton Bluestone, president of Bergner's, said his downtown store hadn't done as well as the Sheridan Village store.

"Peoria has no economic problem, per se," Bluestone said, explaining that Peorians have been "psyched" by the recession around them. All they need to start back downtown, he said, is a little motivation, confidence.

Another positive index for Peoria is reflected in the increasing grant monies received in the last few years. The city comptroller's office reported $499,352 in federal and state money went into the corporate fund in 1972; $501,604 in 1973; and $601,107 in 1974.

If Gov. Dan Walker's $4.1 billion accelerated building program for the state gets through the General Assembly next month, Peoria will be in even better shape than it is now, said Mayor Carver.

"With a stable employment base and positive psychological benefits . . . Peoria should actually get a stimulus out of it," he said. As far as the recession goes, Carver said:

"It's about as bad as it's going to get in Peoria."

EQUAL RIGHTS FOR WOMEN ACT OF 1975

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. MINK. Mr. Speaker, during the first week of deliberations by the 94th Congress, I introduced H.R. 1719, a bill to carry out the provisions of the Presidential Task Force on Women's Rights and Responsibilities, the Equal Rights for Women Act of 1975. It has been my privilege and responsibility as a citizen, a woman, and a Member of this House of Representatives to sponsor legislation embodying many of the provisions of H.R. 1719 in sessions dating back to 1968.

Section 2 of my bill, stating the purposes of the act, will indicate the broad scope of current law which denies equal treatment under the law, discriminating on the basis of sex. Section 2 says:

It is the purpose of this Act—

(1) to confer jurisdiction upon the district courts of the United States to provide for injunctive relief against sex discrimination in public accommodations, (2) to authorize the Attorney General to institute suits to eliminate sex discrimination in public facilities and public education, (3) to extend the jursdiction of the Civil Rights Commission to include sex discrimination, (4) to prevent sex discrimination in federally assisted programs, (5) to prevent sex discrimination in Federal employment, (6) to insure equal employment opportunity in the hiring of State and local government employees, (7) to remove the exemption of educational institutions from equal employment opportunity laws, (8) to provide the Equal Employment Opportunity Commission with cease and desist powers, (9) to prohibit sex discrimination in the sale, rental, or financing of housing or in the provision of brokerage services, (10) to apply equal pay provisions of the Fair Labor Standards Act to women in executive, administrative, and professional positions, (11) to authorize the Secretary of Health, Education, and Welfare to make matching grants to States for the establishment of commissions on the status of women, (12) to eliminate certain provisions discriminating against women, and to require the Secretary of Health, Education, and Welfare to make recommendations to equalize the treatment of the sexes under the Social Security Act and the Internal Revenue Code of 1954, (13) to eliminate sex discrimination in the armed services and in programs for veterans, and (14) to require the Commissioner of Education to conduct a survey and report to the Congress on the denial of equal educational opportunity because of sex and make recommendations to eliminate such denial.

Mr. Speaker, men and women seek equality under the law in the amendments which I have offered in this wide-ranging legislation. While it is true that the overwhelming majority of "women's rights" legislation which has been offered before the Congress has sought to end discriminatory treatment of women, it is also true that there are a number of instances under current law in which men are likewise treated unfairly.

Such is the case in provisions of the Social Security Act relating to benefits to which surviving widowers are entitled upon the death of a spouse who may have contributed amounts to the social security trust fund equal to or even more than her husband. The social security tax is levied on the basis of earnings and totally without reference to the sex of the taxpayer. Not so the benefits accruing to the spouse and minor children of a working woman who dies, retires, or becomes disabled.

This is just one instance among many where the law does not treat the citizen equally, and one instance among many where passage of my bill will correct the situation.

This matter of inequities in the social security system is the subject of a resolution adopted on February 12, 1975, by the council of the city and county of Honolulu by unanimous vote. Mr. Speaker, if there is no objection, I wish the resolution to be printed in the RECORD for the information and consideration of my colleagues, and urge favorable action on the Equal Rights for Women Act of 1975:

RESOLUTION REQUESTING THE CONGRESS OF THE UNITED STATES TO INVESTIGATE INEQUITIES IN THE SOCIAL SECURITY SYSTEM AND TO MAKE APPROPRIATE AMENDMENTS TO THE SOCIAL SECURITY ACT

Whereas, approximately 33 million working women in the United States contribute more than 9 billion dollars annually to the Social Security system; and

Whereas, it has been brought to the attention of the City Council of the City and County of Honolulu that the Social Security Act fails to provide social security benefits to husbands and widowers of women workers under the same conditions as such benefits are provided to wives and widows of men workers; and

Whereas, as an example of such disparate treatment, under the law as presently written the widower of a working woman who dies before the statutory retirement age may receive one ludicrously insubstantial "lump sum" payment ($255.00) despite the fact that his deceased spouse contributed substantial sums to the social security system over a period of many years, unless said widower is able to prove that he has been dependent on his deceased spouse for at least one half of his support; and

Whereas, the widow of a working man who similarly dies before retirement is entitled to collect relatively substantial amounts without being required to prove such dependency; and

Whereas the protection which the social security system affords the spouse and minor children of a working woman who dies, retires or becomes disabled compares indiviously with the protection afforded by the system to the spouse and minor children of a working man who dies, retires or becomes disabled; and

Whereas, a major purpose and principal justification for the social security tax is to provide benefits for individuals in their old age and for their surviving spouses and dependents, and the tax is levied on the basis of earnings and totally without reference to the sex of the taxpayers; and

Whereas, the sex of the taxpayer is nonetheless in many instances the controlling factor in the determination of benefits, as demonstrated in the examples set forth above; and

Whereas, the discriminatory attitude underlying such legislation, discounting as it does the value of a woman's employment, has the paradoxical effect of rendering men the real losers in terms of actual benefits received; and

Whereas, these provisions of the Social Security Act are antiquated, irrational, unfair and almost certainly unconstitutional; now, therefore,

Be it resolved by the Council of the City and County of Honolulu, State of Hawaii, that the Council urges the Congress of the United States to investigate the inequities in the Social Security system and to proceed as speedily as possible to amend those provisions of the Social Security Act which calculate benefits on the basis of the sex of the taxpayer; and

Be it further resolved by said Council that the Clerk be, and she is, hereby directed to transmit copies of this Resolution to the President of the United States Senate, the Speaker of the United States House of Representatives, the Chairman of the United States Senate Committee on Finance, the Chairman of the United States House Committee on Ways and Means, and all members of the Hawaii congressional delegation.

SOUTH VIETNAM: WE MUST NOT ABANDON AN ALLY IN NEED

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. CRANE. Mr. Speaker, the situation in South Vietnam at the present time is critical. In violation of the Paris agreement, the North Vienamese and the Vietcong continue in their aggressive efforts to take over the Saigon government by force.

The new aid which is being requested for the South Vietnamese is to be used only for essential military needs. Those who argue against such aid on the basis of alleged corruption in Saigon or of other forms of mismanagement are not, in reality, discussing the perilous situation before us.

The bulk of aid being requested, for example, $198 million, would go for additional ammunition. Of the rest, $26 million would go for fuel, and $36.9 million for spare parts, rifles, and other supplies. Handling and transportation would cost $39.1 million. This additional money would not even be sufficient to put back into the air the planes now grounded for lack of fuel, spare parts, and ammunition. The planes now operating, however, would be able to fly additional missions. At the present time, rationing limits South Vietnamese aircraft to less than half the missions they are capable of flying.

Referring to those who argue that the United States, having expended 50,000 men and some $150 billion defending South Vietnam, can now demand that they survive entirely on their own, columnist Crosby S. Noyes notes that—

There are still some Americans around who can recognize double-talk when they hear it and who are not much impressed by rationalizations for the most disgraceful sell-out in American history. One suspects that they will be heard from, now and then, in the months to come.

Those Americans who reject the concept of abandoning an ally which faces continued aggression are being heard more and more. Columnist James J. Kilpatrick, for example, says of those who wish to stop aid to South Vietnam that—

This is a failure of the will, the most melancholy of all failures. We are not asked to send men. We are asked to provide money only—money in the form of arms, ammunition, aviation fuel. . . . Are we too tired even to provide arms in a desperate hour for a small and valiant ally? If so, the cause of human freedom creeps closer to that deep sleep from which no traveller returns.

I wish to share with my colleagues the column "Abandoning an Ally," by Crosby S. Noyes, which appeared in the Washington Star-News of February 4, 1975, and the column, "Friends in Need," by James J. Kilpatrick, which appeared in the Washington Star-News of February 5, 1975, and insert them into the RECORD at this time:

ABANDONING AN ALLY

(By Crosby S. Noyes)

For those few of us who are still a bit squeamish about the spectacle of the United States deliberately and coldly abandoning an ally, this is a painful period. Because if all of the readings of the mood in Congress are correct, this is precisely what we are preparing to do in South Vietnam and Cambodia.

There is not even much of an attempt to disguise the betrayal. Leave aside the fruitless debate over the origins of the war or the wisdom of our part in it. Surely, at this point there can be no question that as a nation and as a government we did everything that we could—and possibly much more than we should have done—to encourage the South Vietnamese to resist the effort of North Vietnam to establish its control in the South.

Surely, there can be no question either that under the Paris agreement of 1973, we assumed an obligation to aid South Vietnam to resist continuing Communist military pressure. The government in Saigon signed the agreement, permitting the withdrawal of American forces from their country and the continued presence of at least 100,000 enemy troops within their borders, on the firmest assurance that they would be supplied with the means of defending themselves.

The obligation, furthermore, has been formally ratified by the American Congress. Last year, the administration asked for $1.4 billion in military and economic aid for Indochina. The Congress, in its wisdom, took the affirmative action of *authorizing* $1 billion. And then, with an even more dazzling display of sagacity, it decided that $700 million—one-half the original request—would be enough to fulfill what was a recognized obligation.

It wasn't. Today, with a buildup of enemy forces now exceeding 170,000 in South Vietnam, backed by large stockpiles of Chinese and Russian equipment, the government in Saigon is in desperate military straits. The administration, which has not come close to resupplying South Vietnam on a one-to-one basis over the last year, has returned to Congress with a request for the additional $300 million *which Congress originally authorized*. The almost universal prediction is that the request will be refused.

Two schools of thought, in the country and the Congress, have combined to produce this likely result, neither of which reflects much credit—or even much humanity—on its adherents.

The first consists of those who have long believed that there was something morally wrong about this resistance of South Vietnam to conquest by the North. These people go a very long way toward embracing the classic Communist theory about "wars of national liberation" which says, in effect, that any military action that promotes "socialist ideas" and the political spread of the Communist system is automatically a just war, deserving the support of all progressive peoples. And conversely, as the Soviet "Red Star" put it recently:

"A war is unjust and reactionary if it is a continuation of a policy aimed at suppressing the revolutionary struggle, freedom and independence of any particular peoples and working peoples' socialist achievements. . . ."

The other school, which normally does not greatly favor promoting the "cause of socialism and communism," has come to the simple conclusion that any further support of South Vietnam is useless and that the cause to which so much American effort has been devoted is lost. This possibly tenable conclusion, however, is bolstered by a number of utterly specious arguments.

It is said, for instance, that the United States, having expended 50,000 men and some $150 billion defending the South Vietnamese, can now demand that they survive entirely on their own, without further outside help. It is implied that the South Vietnamese are no longer worthy of our support (in contrast, say, to the Israelis who make more efficient use of the arms and money they receive). It is suggested that help from us at this point is simply prolonging the agony and that all would be well if the Vietnamese were left alone to "settle their differences between themselves."

Yet there are still some Americans around who can recognize double-talk when they hear it and who are not impressed by rationalizations for the most disgraceful sell-out in American history. One suspects that they will be heard from, now and then, in the months to come.

FRIENDS IN NEED

(By James J. Kilpatrick)

President Ford has asked Congress to provide supplementary arms aid for South Vietnam, and the word on Capitol Hill is that Congress won't agree. If that pessimistic prediction is accurate, it is bad news not only for South Vietnam but for the whole of the free world as well.

Mike Mansfield, Senate majority leader, expressed his own opposition a couple of weeks ago: "Additional aid means more killing, more fighting. This has got to stop sometime. It is up to these people to settle their differences in their own way."

It is an oversimplification, though not a gross one, to say that the agonizing conflict in Vietnam is at bottom a struggle between freedom and slavery. What Mansfield is saying is: Let the chance for freedom go. The senator is tired. Let it go.

This is a failure of will, the most melancholy of all failures. We are not asked to send men. We are asked to provide money only—money in the form of arms, ammunition, aviation fuel. We are asked only to provide the people of South Vietnam with the means for fighting back. Observers in Saigon agree that if such aid is not forthcoming—if it is not forthcoming now, within the next six weeks—the Communist invasion will succeed. But the senator is tired. He finds "more fighting" abhorrent.

There is no such failure of will on the Communist side. In the two years since the Paris agreement was signed, Moscow and Peking have redoubled their aid to Hanoi.

The North Vietnamese, in contemptuous violation of the truce, have infiltrated the South with 170,000 troops. The Communist forces are armed with new artillery, rockets, and antiaircraft weapons. The Communists are not tired.

In my own view, at least, the arguments in favor of providing the requested arms are compelling. We are not talking of "aid to President Thieu," or of "propping up the corrupt Thieu administration." This is straw-man stuff. In the continuing struggle between freedom and slavery, Thieu is one poor, weak, mortal man. He does not matter. We are talking, rather, of the people of South Vietnam, and of the faint, flickering candle they have fought so valiantly to keep alive. What do we say to these people? Let the candle go out?

Every American knows of the sacrifice the United States has made already: 55,000 dead, more than $100 billion spent. The sacrifice of the people of South Vietnam is not so widely understood. A better idea may be gained by using a factor of ten. In recent weeks, the South Vietnamese army has suffered one hundred casualties a day. It is as if an American army were losing a thousand. Upwards of two million South Vietnamese are directly involved in their war effort. It is as if we had mobilized 20 million.

Is it conceivable that the Vietnamese people would keep fighting if it were only for the honor and glory of "a corrupt little dictator"? This is nonsense. If the Thieu government did not command a large measure of popular support, it would have been toppled long ago. What, then, could impel the people to resist? Why has their will not failed? Tired as they are, they are not as tired as old senators. They do not regard the triumph of the Communists as inevitable. They ask only: Give us arms! And they will fight on

Of course the requested aid should be provided—quickly, generously, unstintingly. Simultaneously, every possible diplomatic pressure should be applied to Peking and Moscow. If there is such a thing as "world opinion," that opinion should be marshalled against the North Vietnamese aggressors.

Are we too tired even to provide arms in a desperate hour for a small and valiant ally? If so, the cause of human freedom creeps closer to that deep sleep from which no traveler returns.

PROPOSALS TO HELP OUR ENERGY AND ECONOMIC DILEMMA

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BRINKLEY. Mr. Speaker, although I have gone on record in opposition to gasoline rationing except as an absolute last resort, a recent letter from one of my constituents provides food for thought on this and other measures that would bring our present energy and economic dilemma under control.

Additionally, this letter gives clear evidence that people are genuinely concerned about these issues—concerned enough not only to urge affirmative action, but to thoroughly consider and outline their own proposals. I am happy to share this letter with my colleagues:

COLUMBUS, GA.,
January 17, 1975.

JACK T. BRINKLEY,
Cannon House Office Building,
Washington, D.C.

DEAR MR. BRINKLEY: As the Ninety-Fourth Congress convenes to cope with some of the most perplexing problems in our nation's history, I feel compelled to write to you and voice my preference of positive actions that should be taken by the Congress to help alleviate some of these problems. This is the first time I have written to anyone in the Congress to request something, but since the Executive Branch seems confused, bewildered and capable of only grasping at straws, Congress should be encouraged to take the intiative and pass strong remedial legislation at the earliest possible dates.

The American people do not mind meaningful sacrifices that will involve all the people, indeed, the people I know and talk to are looking for some form of firm guidance to control inflation and eliminate this recession that has been fueled by indecisiveness and inaction.

Below are some of the measures I would like to see employed by Congress to get our country back to full scale production, and stop this ridiculous Yo-Yo type economy that has plagued us for the past six years.

1. Ration gasoline. Do not raise import duties or raise taxes on fuels. The American people would welcome a good strong program designed to allocate fuel equitably and yet ensure that critical activities such as transportation and farming would not be unduly curtailed.

Objective: Reduce national fuel consumption five million barrels per day by July 1, 1975. This would have the desirable side effect of forcing oil price reductions by the Middle East producers.

2. Pass legislation limiting the size of new automobile engines and chassis so that present day mile per gallon averages would be increased considerably.

Objective: Reduce national fuel consumption another ten million barrels per day by January 1, 1977.

3. Impose moderate wage and price controls, but extend them clear across the board. A fully organized program, if given half a chance, will succeed.

Objective: Stabilize the economy and increase productivity. This will help immeasurably in restoring the confidence of the people in our government.

4. Encourage farm productivity by initiating land clearing and land reformation programs employing, where health and feasibility permit, people drawing unemployment compensation. Also, encourage farmers to use every available foot of land to produce more.

Objective: Produce enough farm products to export additional millions of tons annually.

5. Launch a full scale railroad reformation program. This should be a government subsidized program creating thousands of jobs. It would be employed to modernize, streamline, and increase the versatility of our railroads and mass transit systems.

Objective: To make rail shipments practical, economical, and speedy. This would also greatly reduce transportation's energy requirements.

6. Initiate programs to reward industries for efforts made to promote austerity in the use of this nation's natural resources. Publicize activities designed to motivate all citizens to become actively involved in conservation of all resources.

Objective: To ensure adequate resources for use during our lifetime, and preserve bounties for posterity.

I realize this correspondence is rather lengthy, and I beg your indulgence. I am not submitting the above actions as a panacea to all the problems facing us, but as topics which I think worthy of very serious consideration.

Sincerely yours,

ELDRIDGE W. BROWN.

ADVICE FOR A SOUND ECONOMY—II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on page 3678 of yesterday's RECORD, I placed a letter to President Ford from four economics professors at Grove City College regarding a four point program to end inflation and stabilize the U.S. dollar. I thought my colleagues would be interested in the following editorial comment on the letter, published in the Wall Street Journal of February 2, 1975:

REVIEW OF CURRENT TRENDS IN BUSINESS AND FINANCE

President Ford has received advice from many economists in recent months. Some has been solicited, as at the so-called summit conferences on inflation late last year, and some has been unsolicited. The latter category includes advice from the economics faculty of Grove City College, a Pennsylvania institution that seven years ago conferred an honorary doctor of laws degree on Mr. Ford. His degree notwithstanding, the President appears most unlikely to heed the Grove City professors. Still, their view seems worth bearing in mind when so many economists are beginning to talk sanguinely of reduced inflation and economic recovery later this year and a surging stock market seems to agree.

The Grove City economists sent a letter to the White House on Oct. 1 spelling out their idea of how the President should tackle the country's economic woes. The professors, noting that they had been "conspicuously absent" from the inflation summits, stress that "the federal budget must be balanced now, next year and every year thereafter."

The massive budget deficits that loom for the current fiscal year and for 1975–76 indicate the attention that the President has given that suggestion far better than his polite response to the professors, which talked vaguely of a need for "hard work, sacrifice and cooperation" and expressed gratitude for "your thoughtful letter."

The letter contains additional advice. The Federal Reserve System, whose responsibilities include regulation of the country's money supply, is described as an "engine of inflation" that should be "inactivated, or better yet, abolished." Without monetary pump-priming by the Fed "to accommodate new deficit spending and credit expansion," the economists continue, "you will need to cut federal spending" and taxes. Only then, they assert, can the economy begin a "speedy recovery from the recession." Other suggestions include that "Federal Reserve money now in circulation must stay in circulation and be made fully redeemable in gold."

The professors concede that such measures "may not be popular." They admit that most economists prefer "the new economies of easy money and deficit spending." However, the professors warn the President that to proceed "on the present road you will preside over an accelerating depreciation of the dollar and all the economic and social evils thereof."

Hans Sennholz, chairman of the Grove City economics department and a signer of the letter, expands on where current government policy may lead in a lengthy article in the January issue of The Freeman, a monthly publication devoted to the discussion of "ideas on liberty." The Sennholz scenario contrasts remarkably with the mildly optimistic forecasts beginning to emanate from many analysts as the recession deepens.

The government, Dr. Sennholz states, is "alarmed about the recession that is engulfing consumer goods industries" and obviously wants "to stimulate these industries once again." As he puts it, "by popular demand, the government is expected to cope with this recession with all means at its disposal." This assures intensified "deficit spending and credit expansion," the economist contends. And this, in turn, will lead eventually to an even "hotter boom" than the recent inflationary period. As a result, he warns that "two-digit inflation must rage on" and "the purchasing power of the dollar must fall at ever faster rates."

How does this gloomy scenario end?

"Two-digit inflation only comes to an end with the advent of three-digit inflation, which signals the approaching demise of paper currency," Dr. Sennholz writes. "When millions of consumers hurry to spend their monetary assets and use all their lines of credit in order to seek refuge in real goods, the end of the currency comes in sight (and) the dreaded depression that was so long delayed will finally make its entrance with irresistible force."

In the end, Dr. Sennholz claims, "the inexorable laws of economics will prevail over political intrigue."

It is possible to dismiss such commentary as simply out of touch with today's realities. Dr. Sennholz warns that triple-digit inflation may supplant the recent double-digit variety. But price trends seem to be moving in the opposite direction. In December consumer prices rose at the single-digit rate of slightly over 8% annually, down from a double-digit increase in November, and wholesale prices, on average, actually dropped for the first time in 14 months. The Federal Reserve, moreover, can hardly be accused of a recklessly inflationary policy when the nation's money stock over the past year has grown roughly 4%.

Altogether, the current business scene—the return to single-digit consumer price inflation, declining wholesale prices, the sluggish growth of the money stock, widespread joblessness and idle plant capacity—hardly suggests that the economy verges on a "hotter boom" and triple-digit inflation. Indeed, it is not at all surprising that the advice Mr. Ford has recently been getting—and seems to be following—largely involves ways to stimulate the economy. Recession-whipping has taken clear precedence over inflation-whipping, and very possibly for good reason.

Nevertheless, it doesn't necessarily follow that the fears of the Grove City professors should be totally disregarded. The idea of triple-digit inflation does seem unrealistic at the moment. However, how many forecasters several years ago foresaw that every major country in the non-Communist world, save West Germany, would suffer double-digit inflation in 1974? One of the precious few back then who did warn about such an eventuality was Hans Sennholz.

ALFRED L. MALABRE, Jr.

STATEMENT ON PROPERTY TAX RELIEF FOR ELDERLY

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HEINZ. Mr. Speaker, most Americans are finding it more and more difficult to cope with our present economic problems, but the effects of inflation and recession have been most devastating for the old and the poor. Especially hard pressed are those older Americans living on a fixed income who are forced to combat the same inflationary pressures as everyone else, but at a distinct disadvantage. Most people 65 or older are existing on a much lower income than the average individual and pay a disproportionately large percentage of their income for property taxes. In spite of repeated pledges to attack this problem, Congress has completely failed to do so.

In 1972, Congress attempted to respond to the property tax problem by enacting general revenue sharing, returning to State and local governments some $5 billion per year. It was hoped at the time that general revenue sharing would allow State and local government to reduce the burden of property taxes which falls so heavily on those trying to live on fixed incomes. Unfortunately, this has proved, for the most part, not to be the case. Court interpretations and fine print in the Revenue Sharing Act have discouraged or made impossible the needed property tax relief Congress hoped to provide. Recently, the National Council on Aging stated that:

The neglect of the elderly in the use of general revenue sharing funds by state and local governments is evidence that, without safeguards, special revenue sharing laws will also prove ineffectual for the needs of older Americans. Despite the fact that programs and services for older persons is one of the eight priority areas in which local governments may spend their revenue sharing money, a study by the General Accounting Office revealed that only about two-tenths of one percent, or $2.9 million, of the total monies authorized for expenditure by the local governments surveyed were directed to programs to benefit the aged. Only 28 local governments of the 250 surveyed had committed funds to such programs.

The general revenue sharing program expires at the end of 1976. In the discussions and debates which will surround its renewal, the Congress should investigate why the elderly have not received their fair share of these funds. To make matters worse, funds for many federal programs providing services to older persons were cut back at about the same time that revenue sharing funds were made available.

Today I am introducing legislation which I hope will make good on the promise that Congress has thus far failed to keep.

Mr. Speaker, some States have adopted a system of property tax relief for the elderly. These programs vary in amounts of relief, eligibility of recipients, and administration. I applaud those efforts and strongly believe that the individual States are in a much better position than the Federal Government to design and prudently run the type of program that would best benefit the elderly. Since many States have established a mechanism to administer a property tax relief program for the elderly, I do not view the Federal role as one of establishing an imposing upon the States a national program with strigent guidelines. Rather, I feel that we can offer the type of Federal assistance that will encourage those States that have not adopted a program of relief for the elderly poor to do so and those that have to continue those efforts at an increased level. This is the goal of my legislation.

The Older Americans Assistance Act of 1975 which I introduce today is a program designed to provide property tax relief to renters and homeowners. Funding would be achieved, if necessary, by earmarking approximately 25 percent of the $2 billion increase in general revenue-sharing recently proposed by President Ford.

In brief, the Older Americans Assistance Act:

Establishes a $500 million per year trust fund within the U.S. Treasury and a funding allocation for each State based on the income and numerical population of elderly households—currently about $71 per eligible household.

Requires the Secretary of Treasury to make grants, upon application, to individual States for the financial support of property tax relief programs for the elderly that are designed and run by each State.

Makes eligible for grants only those State programs, or portions thereof, which provide relief to moderate- and low-income homeowners and renters 65 and over—that is, "eligible households". Judicial review is provided for in the event of a dispute between a State and the Secretary.

In the past, two problems have particularly frustrated congressional efforts to enact an equitable and fair property tax relief program for the elderly. The first is the technical difficulty of developing a program that meets the tremendous differences of each State's circumstances and pre-existing programs. The Older Americans Assistance Act accommodates this problem by allowing within very broad guidelines each State to receive support for the program of its choice. The second question is how to encourage States which need, but do not have a program to establish one without penalizing those States which have existing programs.

The legislation provides for this necessary balance by limiting Federal assistance to 50 percent of what a State spent the previous year. To insure that States with existing programs which choose to participate improve assistance to eligible households, the bill contains a 1-year maintenance of effort provision.

An equitable distribution of aid among States is assured by an appropriate

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formula designed to provide the proper ratio of the total funds appropriated to those States that have a high percentage of elderly poor according to numerical population weighted by income:

[In percent]

Income scale for households with:	*Weight*
Less than $3,000	100
At least $3,000 but less than $5,000	80
At least $5,000 but less than $7,000	60
At least $7,000 but less than $10,000	40
At least $10,000 but less than $15,000	20

Since there are about 7 million eligible households at the present time, the average household allotment would be about $71 per household. The exact amount will depend on the States' allotment and State effort in the preceding year. Regarding previous State effort, each State may receive up to 50 percent of their revenue loss for operating a qualifying property tax relief program in the year prior to the enactment of this bill. This would work as follows: If a State has expanded $50 million for such a program in 1974, that State could be eligible for $25 million—assuming this did not exceed the States total allotment—from the Federal Government in 1975 provided that they spend the same amount of State funds in 1975 as they did in 1974. Therefore, an additional $25 million in extra revenue would be distributed among lower-income elderly.

Most States will be encouraged to use the Federal money to increase aid to those elderly with the greatest need since this legislation places income restrictions on what States may define as a qualifying revenue loss.

Mr. Speaker, the time has come for the Federal Government to join the States in their efforts to reduce this economic hardship which has, unfairly, been placed on all older Americans. We must reaffirm our commitment to help the elderly poor who have suffered the most during this period when our national economy is on the decline. Therefore, I urge the President and my colleagues not to ignore the needs of the elderly or those States that have made a good faith effort to eliminate the impact that property taxes have had on older people. Immediate consideration of the bill I am today introducing would be a big step in the right direction.

GENERAL PENSION WOULD HELP VETERANS AND SPUR ECONOMY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ANDERSON of California. Mr. Speaker, no group of patriots has been so often overlooked and so long neglected as those Americans who served, and served valiantly, during World War I.

These veterans had few educational opportunities, and very little help in finding employment. In return for offering their lives for their country, they have received pensions which just cannot meet their needs. Approximately 500,000 World War I veterans live on annual incomes of less than $4,000.

Mr. Speaker, about 1 million World War I veterans are alive today, and their average age is 80. How much longer will we delay the repayment of our debt to these deserving men and women?

Because of the injustices this group has suffered, throughout my tenure in the House I have worked for a more equitable pension system, one which would provide monthly benefits to World War I veterans or their widows regardless of need. Such a bill is the World War I Pension Act, which would add $150 a month to the incomes of these citizens.

The Torch, the official publication of the Veterans of World War I, U.S.A., Inc., carried an article in the February 1975 edition supporting this type of legislation. Editor Harold B. Say discussed the dual benefits of a general pension plan which would serve to both insure coverage of veterans and spur the economy.

I hope that, after reading this editorial, more of my colleagues will join Mr. Say and the group's National Commander, Benjamin H. Byers, in their fight for a fairer pension system for World War I veterans.

At this point, I would like to include Mr. Say's article in the RECORD:

PENSION WOULD HELP NATION'S ECONOMY

Anyone who lived through the dark and bitter days of the depression of the thirties cannot but have uppermost in his mind the hope that the President and the Congress will without delay pitch into the problem of preventing another. In the depth of the great depression some 25 percent of the labor force of the land was out of work. Skilled men hungrily grabbed at any task that would pay for bread. Many men who held high salaried positions had gratitude for some more fortunate person who would pay 50 cents an hour for lawn mowing or garden work. Some who read these lines were among those selling apples on the street corner.

Leaders in the government tell us this will never happen again; that we may have a recession but not a depression in the sense we older ones knew it.

Yet, with 25 percent of the employees of one of the nation's largest automobile manufacturers off payrolls, the signs are ominous unless the President and the Congress working together move now and swiftly.

The World War I veteran has as much concern as any other citizen. Perhaps this year he has more. A great majority of World War I men with the gates of their earning years closed behind them are in dire straits. This we know from visits over the land and from piteous letters pouring into our headquarters. The recently passed pension bill upping income limitations by $400 a year and pension rate by 12 percent for some will help those most in need and who were cruelly hit by Social Security increases causing cuts in their pensions or their complete elimination.

Only a general pension will genuinely aid the great majority of surviving veterans and their widows. A growing sentiment for such a pension was evinced among both House and Senate members last year. There is no reason to believe it will fade in this new session.

The unfavorable economy of the nation should not form an excuse for postponing action. The cost as we have pointed out to Congressional committees will drop very sharply every year. By 1990, 15 years hence, there will not be more than about 12,000 of the current 1,000,000 War I veterans alive.

Some of the remedies proposed for meeting today's recession are sharp tax cuts giving citizens more to spend. If this philosophy is correct, what could be more in order than a long deserved pension. Veterans and widows receiving such a pension would be spending it at home immediately. It would instantly flow into the blood stream of the nation's economy—to the farmer for food, to factory workers through purchase of needed items. World War I veterans are 80 years old. They are not inclined to foreign travel, so virtually none of any pension money would leave the United States.

In summary, a general pension for 1917–18 men and their widows would not only correct in part an appalling inequity they have suffered compared with benefits received by later veterans, but would be a stimulant to the nation's economy at a time when a bolstering element is a critical need.

CHRISTIANITY BRIDGES GAP BETWEEN CALIFORNIA TOWNS

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, a recent publication of the Seventh-Day Adventist Review and Herald contained a very revealing, timely, and gratifying article written by Mr. Jerre K. Iverson, director of university relations at Loma Linda University in California.

I want to bring the contents of the article to the attention of my congressional colleagues in the hope that it might relate, in detail, what a community of dedicated Christians has done to improve the well-being of a number of unemployed and less-fortunate people. Their efforts truly bridged the cap, in the cultural and economic sense.

At a time when people seem to be "miles apart" in far too many communities of America, it seems this example could serve as an inspiration for other people and other communities to follow. In this day and age, we seem to have far too many people talking about helping their fellow man. These people are doing something about it.

Mr. Speaker, I hope "Christianity Bridges Gap Between California Towns" will be read by all Members of the House and Senate and, more importantly, used as a guideline for similar action in all the communities of America.

The article tells of the effort by Loma Linda to assist its neighbors through cultural, economic, and spiritual assistance and should be of interest to all Members of Congress to demonstrate what can be achieved through commitment and dedication to help others.

The Loma Linda concept is based upon the adage that it is better to teach a hungry man to fish than to give him a fish. Elder Gary Stanhiser, Donald Melnick, and John Duge are to be highly commended for their leadership in bringing this program about.

This article should be inspirational to all who read it:

CHRISTIANITY BRIDGES GAP BETWEEN CALIFORNIA TOWNS

(By Jerre K. Iversen)

They live only two miles apart. But their worlds are separated by light-years of mistrust and disinterest. About half the people that live in the Mill Valley area of south San Bernardino, California, are on welfare, living on less than $5,000 a year. Almost half of them are unemployed, with their average level of education stopping at sixth grade.

On a clear day, many of the 5,000 people in the four-square-mile section can see the gleaming yellow towers of Loma Linda University Medical Center nestled atop a hill a couple of miles away.

The people in Loma Linda are well-educated, almost unanimously employed, and relatively affluent. The only common bond between the two worlds was the smog that obscured their long-range view of each other.

Then, three years ago, the pastoral staff of the Campus Hill church of Seventh-day Adventists in Loma Linda decided to demonstrate that Christianity could be the great equalizer, that it could bridge cultural and economic gaps, that it could help people learn to love one another.

Gary M. Stanhiser, of the Campus Hill church staff, was asked to develop a comprehensive evangelistic campaign in Mill Valley. Renting a small Pentecostal church, he began holding services every Sabbath. He was joined by 30 white members of the Campus Hill church and by about 20 Mill Valley residents, mostly black, who were already Seventh-day Adventists.

"The only way a large, mainly middle class church can help in a lower income area," says Elder Stanhiser, "is to go where the people are. Do not wait for them to come to you."

He also maintains that Christianity must become relevant to the needs of the people it is trying to reach. "When a person is hungry," he says, "a tract on the 2300-day prophecy, by itself, won't make him very receptive to your message."

So Elder Stanhiser and his small congregation began developing programs that would be relevant to the needs of the Mill Valley people. One of their first acts was to initiate a weekly free medical clinic. Loma Linda University medical students Donald E. Melnick and John F. Duge (both have now graduated) had been wanting to experiment with various concepts of the medical ministry, and this looked like a good opportunity.

"From the start, our approach was to implement, as completely as possible, what Ellen White had said about the medical ministry of the gospel," says Duge. For six months prior to the opening of the clinic, the two medical students, joined by classmates and nursing and physical therapy students, met every Friday night to study the Spirit of Prophecy.

"For the first three months," says Melnick, "we were mainly concerned with Mrs. White's teachings on medical missionary work, particularly in the inner city."

Melnick and Duge joined the Mill Valley church company and strongly urged all other students who came to help at the clinic also to join the company, which by now had been meeting for almost a year. Setting the example, both Melnick and Duge are officers in the Mill Valley church.

The medical clinic today is staffed by students and employees from many health disciplines of Loma Linda University. Six or seven medical students, under the supervision of a School of Medicine physician, see cases ranging from head colds to cancer. Nurses from the hospital volunteer time from their off-duty hours. Health and nutrition students give lectures and offer counseling in the waiting room. And physical therapy and occupational therapy students often are called in on specific cases.

Administrative and legal support comes from the Social Action Corps of Loma Linda University, the agency that coordinates a number of other free medical clinics in impoverished areas around Loma Linda. In addition to the Mill Valley clinic, more than 125 Loma Linda students run five other clinics each week on a volunteer basis—no pay and no class credit is given.

While the free medical clinic in Mill Valley is important, it is only part of a multifaceted program sponsored by the Mill Valley church in an effort to witness for Christ through the needs of others.

CHRISTIANITY BECOMES REALITY

"When people know that you are concerned with helping them," says Elder Stanhiser, "they start seeing Christianity not as cold doctrines but as living realities. It's the gospel message embodied in people."

One of the church members' largest projects is their Family Education Center, operated jointly with Loma Linda University School of Health and funded with a State grant obtained by the university. It is similar to a day-care center program. The program coordinator is Kay Kuzma, assistant professor of maternal and child health in the School of Health. But the goal at Mill Valley is not to take children out of the home and become a professional baby-sitting service, says Stanhiser. Its primary function is to educate mothers.

"We hired 15 mothers in the area who had wanted us to care for their children during the day," says Elder Stanhiser. "We told them we wouldn't take care of their children ourselves. We would teach them how to be better mothers."

Today, the small group of Adventists in the Mill Valley company, along with the School of Health, administer the central Family Education Center plus eight satellite day-care centers. The program takes care of 85 children each day and has a number of mothers enrolled in education programs. Twenty-five others attend an after-school tutoring program.

For two years a Redlands attorney, Caroll Lawson, has donated one night a week to giving free legal advice to any Mill resident who needs it. He helps them in everything from lawsuits to landlord-tenant difficulties. He now handles about ten legal problems a week, taking them to court when necessary. He attends the local church and lives in the community. The legal-aid program has received referrals and commendations from area judges. It is the only service of its kind in south San Bernardino.

VACANT LOT IS A GARDEN

One of the most interesting projects in the church is the garden program. A vacant tract of land in Mill Valley that is owned by Loma Linda University was donated to the church to use as a garden. The land on the 28-acre lot was subdivided into 20-foot-by-100-foot plots. Using seeds and seedlings given by Loma Linda University and individuals who were interested in the project, 65 families now grow their own vegetables.

San Bernardino mayor Bob Holcomb became so interested in the garden that he now has his own plot and regularly works to keep the weeds out of it.

"The first year we were here," says Elder Stanhiser, "we gave away food and clothes. The next year we taught cooking and sewing classes. This year we have the farm so that everyone can grow some of his own food. And we've just purchased ten sewing machines and 1,000 yards of material. It's the best way we know of to help people help themselves."

This total involvement with the community works both ways. It is not just the residents who benefit. Don Melnick says that working in the clinic gave him the chance to apply his education in a practical way before he was scheduled to.

Elder Stanhiser believes this kind of total approach to Christian witnessing is the only way to reach millions of people who are rarely exposed to religion.

"If the Adventist Church wants to reach the 40 per cent of the American population in low-income areas of large urban centers, we must find ways to make Christianity significant to those people," he says. "When religion cares first about a person's physical needs, and takes an active interest in fulfilling those needs, that person will then be much more ready to take care of his spiritual requirements."

This kind of approach works. It has been proved in the Mill Valley area of San Bernardino. After two and a half years of this inner-city program, more than 50 people have been baptized into the Adventist Church.

The small Adventist company with the big ideas is now officially the Mill Valley Fellowship of Seventh-day Adventists, a happy blend of races and cultures where color and money aren't important—only people are.

THE PLIGHT OF MIKHAIL LEVIEV

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. DRINAN. Mr. Speaker, I would like to share with my colleagues the second section of a three-part legal memorandum on behalf of the Soviet Jew, Mikhail Leviev:

THE PLIGHT OF MIKHAIL LEVIEV

B. The death penalty decreed upon Leviev must be commuted because such punishment is inhumane, immoral, and shocks the conscience of mankind.

Article 22 of the General Principles of the Soviet Union, enacted in December 1958, provides that the death penalty will be used only exceptionally and for the most serious offenses, with a view eventually to abolishing it entirely. Similarly, Article 23 of the 1960 Criminal Code of the RSFSR provides that the "[a]pplication of the death penalty—by shooting—is admitted as an exceptional penal measure, pending its final abolition . . ." This Article suggests the highly restricted nature of the death penalty in the Soviet Union and its temporary application:

"*In terms of the basic principle of Marxist ideology, punishment by death has no room in Soviet society as a regular instrument of penal policy.* There may be some justification for it in the period of revolutionary struggle with the class enemy. Once, however, the socialist order is established and the demoralizing effects of private ownership of a means of production disappears as a social and economic phenomenon, it is only a question of time before all moral and social illnesses of the capitalist order of things disappear. The state monopoly of education, in formulating the moral code, the healing effects of socially useful labour, all contribute to the gradual restriction and eventual disappearance of criminal activity." [Emphasis added] Staff Study, "Economic Crimes in the Soviet Union," Journal of the International Commission of Jurists 10 (Summer 1964).

One need not look only to Marxist history in order to elicit the fact that no room exists in a civilized society for the imposition of the death penalty. Camus described the abolition of the death penalty as a "great civilizing step." A. Camus, "Reflections on the Guillotine," *in Resistance, Rebellion, and Death* 232 (1961). Upon any humane standard:

"If people were to witness the decay of the waiting man, to hear his cries and watch his final struggles, they would be affronted in their consciences, and in their standards of human dignity and decency. G. Gottlieb, *Capital Punishment* 6 (1967)."

The United States Supreme Court, in *Trop v. Dulles*, 356 U.S. 86 (1951), grappled with

the morality and propriety of the term "cruel and unusual punishment." The Court looked to ". . . evolving standards of decency that mark the progress of a maturing society." *Id.* at 101. The Court added that a challenged punishment must be examined "in light of the basic prohibition against inhuman treatment." *Id.* at 100 n.32:

"At bottom, then, the Cruel and Unusual Punishments Clause prohibits the infliction of uncivilized and inhuman punishments. The State, even as it punishes, must treat its members with respect for their intrinsic worth as human beings. A punishment is "cruel and unusual," therefore, if it does not comport with human dignity." *Furman* v. *Georgia*, 408 U.S. 238, 270 (1972).

In the development of both English and American Common Law, one finds a particular concern for the establishment of a safeguard against arbitrary punishments. See Granucci, "'Nor Cruel and Unusual Punishments Inflicted:' The Original Meaning," 57 Calif. L. Rev. 839, 857–860 (1969). No State should "engage in a reign of blind terror." *Furman* v. *Georgia*, *supra*, 281. Nor should the legislature authorize the infliction of a severe punishment "that is clearly and totally rejected throughout society" *Id.* Finally, it should be noted that, in the United States Supreme Court's view, "no State today would inflict a severe punishment knowing that there was no reason whatever for doing so." *Id.*

In the case at bar, the punishment imposed upon Leviev for the non-violent, economic, crime allegedly committed by him is inordinately severe, has been inflicted arbitrarily, is one which is substantially rejected by contemporary society, and accomplishes no penal purpose more effectively than another, less severe, punishment.

The punishment of death is rare in the modern, civilized world:

"Death is today an unusually severe punishment, unusual in its pain, in its finality, and in its enormity. No other existing punishment is comparable to death in terms of physical and mental suffering . . . [I]t appears that there is no method available that guarantees an immediate and painless death." *Furman* v. *Georgia*, *supra*, at 287.

Also see *Report of Royal Commission on Capital Punishment*, 1949–1953, paragraphs 700–789, pp. 246–273 (1953); H. Barnes and N. Teeters, *New Horizons in Criminology*, 306–309 (3d ed. 1959); C. Chessman, *Trial by Ordeal*, 195–202 (1955); M. DiSalle, *The Power of Life and Death*, 84–85 (1965); R. Hammer, *Between Life and Death*, 208–212 (1969); K. Lamott, *Chronicles of San Quentin*, 228–231 (1961); and L. Lawes, *Life and Death in Sing Sing*, 170–171 (1928). Recently, the Supreme Court of the State of California addressed the same issue as follows:

"[T]he process of carrying out a verdict of death is often so degrading and brutalizing to the human spirit as to constitute psychological torture." *People* v. *Anderson*, 6 Cal. 3d 628–649, 493 P. 2d 880–894 (1972).

Mankind and society strongly affirm the sanctity of life. In response to this truism, some posit the argument that the threat of death prevents the commission of crimes because it deters potential criminals who would not be deterred by the threat of imprisonment. Yet, there exists no conclusive proof that the threat of death has greater deterrent effect than the threat of imprisonment. As Mr. Justice Felix Frankfurter has written: "I think scientifically the claim of deterrence is not worth much." F. Frankfurter, *Of Law and Men*, 81 (1956).

Moreover, the presence of the death penalty as a keystone of a state's penal system must inevitably sabotage a social or institutional program of reformation. B. Ehrlich and F. Riley, *Death Row Chaplain*, 222 (1962). Certainly, it is in the interest of the Soviet Union to reform an individual convicted of a crime. A society's wish to prevent crime is understandable; its desire to kill alleged criminals in lieu of retraining and reforming them is incomprehensible.

Finally, it is submitted that capital punishment is shocking to the conscience and sense of justice of world humanity. In recent United Nations studies, in 1964 and 1967, evidence was adduced that there exists a distinctive trend toward the abolition of the death penalty throughout the world. In those few countries that retained the death penalty, such retention was only with regard to premediated murder or, in the case of the Republic of China, Northern Rhodesia, Nyasaland, and the Republic of South Africa, with regard to non-homicidal rape. United Nations Report, *Capital Punishment* (ST/SOA/SD/9–10) page 64: Department of Economic and Social Affairs, *Capital Punishment* 5–7 (United Nations 1967); and Goldberg and Dershowitz, "*Declaring the Death Penalty Unconstitutional*," 83 Harv. L. Rev. 1773, 1781 (1970).

In Western Europe, only France, Spain and Greece have retained the death penalty, solely with regard to premeditated murder. The post-World War II Constitutions of West Germany, Austria and Italy specifically exclude the imposition of capital punishment in all cases. *Report of Secretary General on Capital Punishment*, February 23, 1973 (E/5242). In fact, the United Nations General Assembly, in 1971, specifically affirmed that—

"In order to fully guarantee the right to life, provided for in Article 3 in the Universal Declaration of Human Rights, the main objective to be pursued is that of progressively restricting the number of offenses for which capital punishment may be imposed with a view to the desirability of abolishing the punishment in all countries." United Nations Resolution 2857 [XXVI], December 20, 1971.

The Soviet Union, along with all other European socialist countries (except for Albania, which was not present), voted in favor of the resolution.

Given Article 22 of the General Principles and Article 23 of the 1960 Criminal Code of the RSFSR, which suggest that the abolition of the death penalty in the Soviet Union is the desired objective, along with the overwhelming negative view toward the death penalty taken by courts, jurists, international bodies and commentators throughout the world, it is submitted that the Procurator General of the Soviet Union should urge the Supreme Court of the Soviet Union to abolish the death penalty. In the alternative, given the recognition in Article 23 that the death penalty is an "exceptional penal measure," it is submitted that the Procurator General should adjure the Supreme Court of the Soviet Union to commute the death sentence in Leviev's case on the grounds that the crimes allegedly perpetrated by him were not of such severe nature so as to justify the assessment of such an "exceptional penal measure" herein.

C. The death penalty decreed upon Leviev must be commuted because the imposition of such penalty with regard to the alleged perpetration of an economic, nonviolent, crime shocks the conscience of mankind.

In the case at bar, Mikhail Leviev was charged and convicted of bribery and having been an intermediary in the illegal sale of gold. These charges and convictions, even if upheld, merely relate to non-violent, economic crimes.

As has been shown, *supra*, there has been almost a uniform rejection by the nations of the world of the use of capital punishment even with regard to the most egregious of crimes, e.g., premeditated homicide, homicidal rape and/or non-homicidal rape. *A fortiori*, the imposition of a death sentence upon an individual guilty of an economic crime must be viewed as a punishment wholly out of proportion to the crime committed.

Even with regard to the imposition of the death sentence upon those who are convicted of murder and/or rape:

"[T]he unusual severity of death is manifested most clearly in its finality and enormity. Death, in these respects, is in a class by itself. . . . Although death, like expatriation, destroys the individual's 'political existence' and his 'status in organized society' it does more, for, unlike expatriation, death also destroys '[h]is very existence.' There is, too, at least the possibility that the expatriate will in the future regain 'the right to have rights.' Death forecloses that possibility.

"Death is truly an awesome punishment. The calculated killing of a human being by the State involves, by its very nature, a denial of the executed person's humanity." *Furman* v. *Georgia*, *supra*, at 289–290.

Given "the unusual severity of death," the civilized world has reserved such a punishment "for the most heinous crimes." No other developed country, other than the Soviet Union and perhaps one or two Eastern European States, have imposed the sentence in crimes of an economic nature.* Certainly the Soviet Union does not seek uniqueness in this area of endeavor:

"The disproportionate hardship principle clearly invalidates some grossly disproportionate applications of capital punishment. The harm done by simple unarmed robbery or by any economic crime, for example, is surely not equal to the hardship that would be imposed by execution of the robber. Even if the deterrence of future robberies that might be achieved by execution of convicted robbers is taken into account, a society that values human life over material possessions cannot find capital punishment for economic crimes to be justified by the principle of proportionality." Goldberg and Derschowitz, "*Declaring the Death Penalty Unconstitutional*," *supra*, at 1796.

Of course, even with regard to a person convicted of homicide and/or rape, the propriety of the death penalty "must depend upon the state's ability to demonstrate a compelling justification for using it instead of a less severe penalty." *Id.* Also see, *Weems* v. *United States*, 217 U.S. 349, 381 (1910). The Soviet Union is unable to show that the death penalty is any more effective a deterrent than life imprisonment. The sole purpose of such penalty with regard to an economic crime appears to be retributive in nature. Surely, the Soviet Union does not want to encourage primal revenge of this form.

If the Soviet Union is to be regarded as a civilized society, it must abolish the death penalty for economic crimes of the like allegedly perpetrated by Mikhail Leviev. This abolition would be in accordance with Article 22 of the General Principles and Article 23 of the 1960 Criminal Code of the RSFSR. Accepting the view taken in Article 23 of the Code that the application of the death penalty is an "exceptional penal measure," such penalty should not be imposed in the present case. Even if he were guilty of the alleged crimes, which guilt is specifically denied, Mr. Leviev's acts cannot be viewed as unusual or exceptional but, rather, extremely human. The human element is one which must be taken into account in the sentencing of an individual and it is this human element which is specifically lacking in the sentence imposed upon Mr. Leviev.

For all of the reasons presented above, it is urged that the Procurator General present the arguments contained herein before the Supreme Court of the Soviet Union and urge said Court to commute the sentence imposed upon Leviev both on the grounds that said sentence is unjustifiably severe and on the grounds that it shocks the moral conscience of mankind.

*Bulgaria, in its 1968 Criminal Code, abolished capital punishment for economic crimes. Book Review, Bedau, *Challenging the Death Penalty*, 9 Harv. Civ. Rights-Civ. Lib. L. Rev. 624, 636 (1974).

HOUSE OF REPRESENTATIVES—*Friday, February 21, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He who pursues righteousness and kindness will find life and honor.—Proverbs 21:21.

O God and Father of us all, we thank Thee for this moment which unites us in a fellowship of prayer and praise. Make us conscious of Thy presence that the spirit of unity may be established and maintained among us and, we pray, among the citizens of our country.

Inspire the minds and hearts of our leaders and our people with wisdom and understanding that together we may strengthen the bond between us and bear witness to that which is right and true and good.

In this hour of national need deliver us from every selfish ambition, every unworthy motive, and every feeling of ill will that with faith, hope, and love we may heed the word to work for the welfare of all. So pursuing righteousness and kindness may we find life and honor.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

APPOINTMENT AS MEMBERS OF THE COMMISSION ON FEDERAL PAPERWORK

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 93–556, the Chair appoints as members of the Commission on Federal Paperwork the following Members on the part of the House: the gentleman from Oklahoma (Mr. STEED) and the gentleman from New York (Mr. HORTON).

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished acting majority leader, the gentleman from California (Mr. MCFALL), if he is in a position to inform the House as to the program for next week.

Mr. MCFALL. Mr. Speaker, if the distinguished minority leader will yield, I will be glad to answer.

Mr. RHODES. I am happy to yield to the gentleman.

Mr. MCFALL. The program for the House of Representatives for the week of February 24, 1975, is as follows:

Monday is District day. There are no bills scheduled.

Tuesday and Wednesday the House will consider House Joint Resolution 219, continuing appropriations for fiscal year 1975; and,

H.R. 3260, rescinding certain budget authority recommended by the President.

Thursday and the balance of the week, and I would assume that we could finish on Thursday, we will take up H.R. 2166, the Tax Reduction Act, subject to a rule being granted.

Conference reports may be brought up at any time. Any further program will be announced later.

ADJOURNMENT OVER TO MONDAY, FEBRUARY 24, 1975

Mr. MCFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CALENDAR WEDNESDAY BUSINESS: DISPENSE WITH ON WEDNESDAY NEXT

Mr. MCFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RHODES. Mr. Speaker, may I further inquire of the majority leader, it is my understanding that there is some doubt as to whether the Tax Reduction Act can be in a position to obtain a rule by Wednesday because of required caucus action. Is that the situation, as the gentleman understands it?

Mr. MCFALL. I believe we will be able to have it up on Thursday. The caucus will meet on Tuesday and, of course, it is conceivable some action might be taken in the caucus that would prevent us from bringing it up on Thursday, but as we look at it at the present time, we think it will be available for business on Thursday.

Mr. RHODES. If the distinguished acting majority leader will yield further, I also take it there will be no Friday session, unless it would be on the Tax Reduction Act.

Mr. MCFALL. That is my understanding.

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING FOR FISCAL YEAR ENDING JUNE 30, 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–58)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations:

To the Congress of the United States:

I hereby transmit the Report of the Corporation for Public Broadcasting for the Fiscal Year ending June 30, 1974. This report reflects real progress made in fulfilling the promises of an independent Public Broadcasting System foreseen in the Public Broadcasting Act of 1967, which created the Corporation.

GERALD R. FORD.

THE WHITE HOUSE, *February 21, 1975.*

SOCIAL SECURITY PLAN FAILS TO MEET WOMEN'S NEEDS

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, there are a great many things wrong with the social security system, among which is the fact that it is $1.3 trillion in debt, uses an accounting system that would be totally illegal for anyone else in the pension business, and depends on a constantly escalating tax rate.

One problem that is seldom focused on, however, is that its regulations discriminate against women in several different ways.

A recent article in the Peoria Journal Star points out these deficiencies, and for the information of this body, I would like to have that article printed at this point in the RECORD:

[From the Peoria (Ill.) Journal Star, Feb. 2, 1975]

SOCIAL SECURITY PLAN FAILS TO MEET WOMEN'S NEEDS

Social security regulations that have failed to keep abreast of changing life-styles and social patterns are dooming a disproportionate number of women to poverty in their old age.

That's the conclusion of Elizabeth Kutza, a staff member of the University of Chicago's center for the study of welfare policy, who cited these examples of how women have been treated unfairly:

Despite climbing divorce rates, a divorced woman is prohibited from drawing upon her ex-husband's social security unless she had been married to him for 20 years. (A second wife, however, may collect upon that man's benefits even if only married to him for a short time.)

Men who retire and collect social security are automatically entitled to an extra 50 per cent for their wives when those wives reach 65. When a woman retires, she gets no dependent benefits for her husband unless she can prove she supported him for a "reasonable" period of time.

Retired couples with identical total incomes may receive smaller benefits if they both worked than if only the husband had worked.

Women widowed before age 60 cannot collect a widow's benefit at that time unless they have dependent children.

An investigator for a federally funded research project on services for the aged, Ms. Kutza, 29, highlighted these problems in a speech during the recent annual meeting of the Gerontological Society, a national or-

UMI

ganization concerned with the plight of the elderly.

Women 65 and older who are widowed or divorced or who have never been married receive the lowest annual social security income of any group, she said. And 65 per cent of the elderly poor in 1971 were women.

The fact that women outlive men, coupled with the traditionally lower salaries of women workers, contributes to the large number of old women threatened by poverty.

As of last May, according to Ms. Kutza, retired women workers were receiving a median monthly benefit of $163, while men were receiving $204.

But the problems of poor, elderly women cannot be blamed entirely on lower salaries and longer lives, Ms. Kutza argued.

"Social security regulations were written at a time (1935) when women were considered financially dependent upon their husbands and when it was assumed that most women would marry and have children.

"Both choice and need have pushed more women than ever before to work outside the home. As a result, social security policies now need reassessment regarding their treatment of women."

More than three-fifths of all families now have more than one earner, she said, and the retired working wife has a choice of collecting benefits based upon her own work record or upon a portion (50 per cent) of her husband's.

"One problem with that is that benefits are calculated on the household, but workers are taxed individually," Ms. Kutzman said. "The earnings records of husbands and wives can't be combined, so families with identical incomes often receive widely different monthly benefits."

For example, she said, a retired couple in which the husband worked, averaging $9,000 a year, will receive $531.80 a month—his benefit and an additional 50 per cent for his dependent wife.

But another couple with an identical income of $9,000 would receive a smaller benefit if both the husband and wife worked. If the husband earned $6,000 a year and his wife earned $3,000, their maximum monthly benefits would be only $444.50.

Solutions to those problems, Ms. Kutza said, are complex. Some critics have charged that the contributions of a working wife are wasted, since she can receive retirement benefit almost as high if she hadn't worked and had collected as her husband's dependent under social security instead.

"It isn't quite that simple, though. The working wife does receive other 'benefits' through her contributions, such as disability insurance and insurance for her survivors if she dies. Additionally, if she retires at or after age 62, she can draw benefits on her own earnings even if her husband isn't retired."

Furthermore, she said, the "dual eligibility" must be retained, because some women will always remain out of the conventional labor force and therefore dependent upon their husbands.

Ms. Kutza pointed out, too, that social security has been criticized because it affords no coverage for women who have worked in the home all their lives. In West Germany and Great Britain, such homemakers are permitted to join the system by paying taxes on a voluntary basis.

"But changing to such a system would actually create a lot of problems," Ms. Kutza said. "It would be expensive to administer and would require paying out more benefits."

She doubted, too, that many families could afford to participate, since it would mean paying double taxes without two incomes.

"And, even if there were a method for putting a value on a homemaker's work, we would have to keep in mind that single individuals provide their own homemaking services."

ASKING THE RIGHT QUESTIONS ABOUT FOOD STAMPS

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, the food stamp program was supposed to be the answer to hunger in the United States. For a few hundred million dollars, we were told, we can give all the poor people in America a nutritional diet.

Well, the tab is now up to $4 billion a year, and it looks like it could be $10 billion by fiscal 1977. Yet, still people are hungry.

Now this raises some questions, questions the apologists for the food stamp program seem reluctant to answer. Perhaps they do not know the answers, but I am convinced that somebody had better figure it out before long. Clearly, there is either a quantitative or a qualitative problem with the program. If the former is true, then I want to know just how much money it is going to take to eradicate hunger. If the problem is qualitative, then we may need to scrap food stamps altogether and come up with a totally new system.

Some of these questions were raised articulately in a recent editorial in the Wall Street Journal, and I would like to have that article printed at this point in the RECORD:

[From the Wall Street Journal, Feb. 18, 1975]

FEUDING OVER FOOD STAMPS

President Ford has announced he will not veto the bill obstructing his plan to increase the price of food stamps. Perhaps it is just as well, for his proposal was a clumsy way to start reducing the increase in government transfer payments. But Congress needs to recognize that the proposal was directed at a very real problem.

The President's proposal was shaped, not by conscious design but by existing law. The food stamp allotment, adjusted semi-annually to equal the estimated cost of an economic, nutritious diet, has been climbing steadily as the retail price of food has risen. Moreover, the food stamp rolls were steadily enlarging even before the current recession. All that Mr. Ford could do to slow down the overall cost of the program was require that all but the poorest recipients pay more for the coupons, which are purchased at discount and exchanged at face value for food. The average recipient currently pays 23% of his net monthly income for stamps. In hopes of saving $648 million this year, Mr. Ford's plan would have raised purchase prices to a flat 30%, the maximum allowed by law.

The food stamp program is only one of countless transfer payments programs that have been growing in real terms at an annual rate of 9% for the past 20 years—more than twice the rate of the Gross National Product. The approximately $4 billion earmarked for food stamps is only a fraction of this year's total $138 billion in transfer payments, but the program has been increasing at an alarming rate. Five years ago outlays amounted to only $248 million. Now, estimates are that the cost may well rise to $10 billion during fiscal 1977 and that it might involve 60 million Americans (vs. 17.1 million today). While Congress talks a good game, it consistently fails to suggest any economies of its own in any social programs.

Moreover, while critics in and out of Congress accuse the President of trying to break inflation on the backs of the poor, they are not above arranging the facts to suit themselves. Take that widely quoted example of an elderly person living alone with a net income of $154 a month from Social Security benefits. Today he pays about $30 for $46 worth of food stamp coupons; under the Ford plan, as any number of critics reported, he would have paid $45 for $46 worth. (The number of stamps allocated depends on family size; the cost of such stamps is based on family income.)

The implication is that the administration was therefore trying to discourage poor people from participating in the food stamp program. What wasn't mentioned was that in calculating net income under that program, many deductions are permitted from gross income for taxes, medical expenses, education and high shelter costs. In fact, by applying those deductions many families with gross incomes between $8,500 and $9,000 have small enough net incomes to be eligible for food stamps. Moreover, the administration argued that even though the stamps would cost more as a percentage of net income, families would still have been paying only about 16% of their total income for food.

The Senate approved a resolution directing Secretary of Agriculture Butz to recommend by June 30 ways to rid the food stamp program of non-poor participants and to tighten up on other abuses. These presumably include reports that food stamps are being sold on the black market and that able-bodied young men and women were using them not to alleviate poverty but to maintain itinerant lifestyles. Tightening up is all to the good, but our own guess is that the savings won't be impressive.

What worries us, and what worries the administration, is where is the end to all this? Haven't the hundreds of billions of dollars spent during the past decade to aid the disadvantaged had any effect? Has that money benefitted only bureaucrats, certain nursing home operators, some hospitals and doctors? Will the poor really be with us, no matter how much we spend? If so, shouldn't we rethink our approach to poverty? If not, why are programs designed to aid the disadvantaged continuing to increase in both absolute and relative terms?

These are some of the answers we need from those who would expand the present social welfare programs, yet few of them have even begun asking the kinds of questions that will lead in that direction. The most important question, perhaps, is whether they think the increases can continue forever, and if not, what they propose to do about it.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 20, 1975, present to the President, for his approval, a bill of the House of the following title:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

LEGISLATIVE PROGRAM

(Mr. SYMMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. SYMMS. Mr. Speaker, I ask for this time to ask the acting majority leader a question. I wanted to ask him a moment ago, but was not on my feet in time.

Would my friend from California explain to me, does the reason we are in today have anything to do with the new Democratic Caucus rules?

Mr. McFALL. Mr. Speaker, if the gentleman would yield, I will say that we are in today for the purpose of providing an additional legislative day for the legislative program for next week.

Mr. SYMMS. I was wondering if it had something to do with trying to get a closed rule on the tax bill.

Mr. McFALL. It is so that we can get the legislation before us next week rather than going over to the following week.

Mr. SYMMS. What I am trying to get at is that I was quite surprised that we were going to have a session today, and I think there are probably very few Members in town. I would be surprised if there was a quorum in town. I was wondering why we were meeting today.

Mr. McFALL. It does have something to do with the caucus, in order for us to have 4 legislative days before the caucus, but it is related to the tax bill.

If we can get 4 legislative days before the caucus and have caucus action, then we can get the bill up next week. That is the purpose of today's meeting.

Mr. SYMMS. I appreciate the gentleman's answer. In other words, what we are saying is that we have to have a session today, even though there is really no business and no necessity except for a Democratic caucus rule.

Mr. McFALL. Mr. Speaker, I may say that I was in a committee this morning. There were a number of committees which met this morning. I would think that it is important that we have the House meet on Friday in order to assist us in getting quorums in the committees. I know that a number of committees met this morning. I think the fact that a number of Members are here for that committee business is a result of our having a session today.

Mr. SYMMS. Mr. Speaker, I thank the distinguished acting majority leader for his answers.

Mr. Speaker, I would like to help out and see that we do have enough Members here for these committees.

CALL OF THE HOUSE

Mr. SYMMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Would the gentleman allow the unanimous-consent requests to be made? We have finished with the business of the day, which was the appointment of the committee and the reading of the Presidential message.

Mr. TALCOTT. Mr. Speaker, there is a special order on for today.

The SPEAKER. There is no special order on the calendar. Members on both sides of the aisle do desire to make unanimous-consent requests for special orders and for other purposes, as I understand it.

Mr. SYMMS. Mr. Speaker, I think the point is that if we are here for business, we should have a quorum present.

Mr. Speaker, I insist upon my point of order.

The SPEAKER. The gentleman insists upon his point of order.

Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 22]

Abdnor	Florio	Myers, Ind.
Abzug	Flowers	Nichols
Alexander	Ford, Mich.	Nix
Anderson, Calif.	Ford, Tenn.	Nolan
Anderson, Ill.	Forsythe	Nowak
Andrews, N.C.	Fountain	Obey
Andrews, N. Dak.	Frey	O'Neill
Annunzio	Fulton	Patten
Ashbrook	Fuqua	Pepper
Ashley	Gaydos	Perkins
Aspin	Giaimo	Peyser
Badillo	Gibbons	Pike
Bafalis	Gilman	Preyer
Barrett	Goldwater	Pritchard
Beard, R.I.	Gonzalez	Quie
Blaggi	Goodling	Rangel
Biester	Gude	Regula
Blanchard	Guyer	Riegle
Blouin	Hagedorn	Rinaldo
Boggs	Harrington	Rodino
Boland	Harsha	Roe
Breckinridge	Hastings	Rosenthal
Brinkley	Hawkins	Rostenkowski
Brown, Mich.	Hays, Ohio	Rousselot
Broyhill	Hébert	Roybal
Burgener	Heinz	Runnels
Burke, Calif.	Helstoski	Russo
Burke, Fla.	Hightower	Ryan
Burton, Phillip	Hillis	St Germain
Butler	Horton	Sarbanes
Byron	Hyde	Scheuer
Carney	Jarman	Schroeder
Casey	Jenrette	Schulze
Chisholm	Johnson, Calif.	Sebelius
Clancy	Johnson, Colo.	Shipley
Clawson, Del	Jones, Okla.	Shuster
Clay	Jordan	Slack
Cleveland	Kastenmeier	Snyder
Cohen	Keys	Solarz
Collins, Ill.	Kindness	Spellman
Collins, Tex.	Koch	Staggers
Conte	LaFalce	Stanton, J. William
Conyers	Lagomarsino	Stanton, James V.
Corman	Latta	Steelman
Cotter	Lent	Steiger, Ariz.
Coughlin	Levitas	Stephens
Crane	Litton	Stokes
Daniel, Dan	Long, Md.	Stuckey
Daniel, Robert W., Jr.	Lott	Taylor, Mo.
Daniels, Dominick V.	McClory	Teague
Davis	McCormack	Thone
Deliuma	McDade	Traxler
Dent	McEwen	Udall
Derwinski	McHugh	Van Deerlin
Devine	McKinney	Vander Veen
Dickinson	Macdonald	Vanik
Diggs	Madden	Vigorito
Dodd	Madigan	Waggonner
Downey	Maguire	Walsh
Downing	Mathis	Waxman
Duncan, Oreg.	Mazzoli	White
Duncan, Tenn.	Metcalfe	Whitehurst
du Pont	Meyner	Whitten
Early	Mikva	Wilson, Bob
Edwards, Ala.	Milford	Winn
Edwards, Calif.	Mills	Wolff
Elberg	Minish	Wydler
English	Mitchell, Md.	Wylie
Erlenborn	Moakley	Yatron
Eshleman	Moorhead, Calif.	Young, Alaska
Evans, Ind.	Moorhead, Pa.	Young, Fla.
Fascell	Morgan	Young, Ga.
Fish	Mottl	Zeferetti
Fithian	Murphy, Ill.	Zablocki
	Murphy, N.Y.	
	Murtha	

The SPEAKER. Two hundred and eight Members having responded to their names, a quorum is not present.

ADJOURNMENT

Mr. McFALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Monday, February 24, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

382. A letter from the Architect of the Capitol, transmitting a report on expenditures from moneys appropriated to his office during the period July 1–December 31, 1974, pursuant to section 105(b) of Public Law 88–454; to the Committee on Appropriations.

383. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize appropriations for the Department of State and for other purposes; to the Committee on Foreign Affairs.

384. A letter from the Secretary of Commerce, transmitting the annual report of the activities of the Department of Commerce under the Fair Packaging and Labeling Act, pursuant to section 8 of the act; to the Committee on Interstate and Foreign Commerce.

385. A letter from the president, National Academy of Sciences, transmitting the academy's first interim report on the study of health care resources in the Veterans' Administration, pursuant to section 201(c)(1)(A) of Public Law 93–82; to the Committee on Veterans' Affairs.

386. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on grants approved by the Department of Health, Education, and Welfare during the period October 1–December 31, 1974, which are financed wholly with Federal funds and subject to the reporting requirements of section 1120(b) of the Social Security Act [42 U.S.C. 1320(b)]; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK (for himself, Mr. GUYER, Mr. SIMON, Mr. BAUMAN, Mr. MURTHA, Mr. WALSH, Mr. D'AMOURS, Mr. THONE, Mr. THOMPSON, Mr. KINDNESS, Mr. RICHMOND, Mr. MOORHEAD of California, Mr. TRAXLER, Mr. O'BRIEN, Mr. BALDUS, Mr. VANDER JAGT, Mr. SHUSTER, and Mr. ESCH):

H.R. 3531. A bill to prevent the abandonment of railroad lines covered by the Rail Reorganization Act; to the Committee on Interstate and Foreign Commerce.

By Mr. BINGHAM (for himself and Mr. SOLARZ):

H.R. 3532. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs; to the Committee on the Judiciary.

By Mr. CARTER:

H.R. 3533. A bill to amend section 133 of title 28, United States Code, to increase by two the number of district judges for the

Eastern District of Kentucky; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 3534. A bill to amend title 38 of the United States Code to permit veterans to determine how certain drugs and medicines will be supplied to them; to the Committee on Veterans' Affairs.

H.R. 3535. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes; jointly to the Committees on Education and Labor, and Veterans' Affairs.

By Mr. CRANE (for himself, Mr. ESHLEMAN, and Mr. KETCHUM):

H.R. 3536. A bill to remove statutory limitations upon the application of the Sherman Act to labor organizations and their activities, and for other purposes; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 3537. A bill to amend title 10 of the United States Code to provide a more equitable standard for awarding the gold star lapel button; to the Committee on Armed Services.

H.R. 3538. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials and elected town and township officials; to the Committee on Government Operations.

H.R. 3539. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Ms. JORDAN:

H.R. 3540. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 3541. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder, and to revise the method for determining such amount; to the Committee on Ways and Means.

By Mr. McFALL (for himself and Mr. DON H. CLAUSEN):

H.R. 3542. A bill to amend the Federal Alcohol Administration Act with respect to definition of wine; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 3543. A bill to amend the Agricultural Act of 1949 to adjust the established price for feed grains, wheat, and cotton; to the Committee on Agriculture.

By Mr. RODINO:

H.R. 3544. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty; to the Committee on the Judiciary.

By Mr. ROSENTHAL (for himself, Mr. PHILLIP BURTON, Mr. CARNEY, Mr. CONYERS, Mr. COTTER, Mr. HARRINGTON, Mr. HAWKINS, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. HOWE, Mr. JENRETTE, Mr. MCCORMACK, Mr. MOAKLEY, Mr. RYAN, Mr. SCHEUER, and Mr. STOKES):

H.R. 3545. A bill to require that certain drugs and pharmaceuticals be prominently labeled as to the date beyond which potency or efficacy becomes diminished; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSETHAL (for himself, Mr. PHILLIP BURTON, Mr. CARNEY, Mr. CONYERS, Mr. COTTER, Mr. HARRINGTON, Mr. HAWKINS, Ms. HOLTZMAN, Mr. HOWE, Mr. JENRETTE, Mr. MOAKLEY, Mr. RYAN, Mr. SCHEUER, and Mr. STOKES):

H.R. 3546. A bill to amend the Federal Food, Drug, and Cosmetic Act so as to require that in the labeling and advertising of drugs sold by prescription the established name of such drug must appear each time their proprietary name is used, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. PHILLIP BURTON, Mr. CONYERS, Mr. COTTER, Mr. EILBERG, Mr. HARKIN, Mr. HARRINGTON, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. HOWE, Mr. JENRETTE, Mr. MCHUGH, Mr. MATSUNAGA, Mr. MEZVINSKY, Mr. MOAKLEY, Mr. PEYSER, Mr. PRITCHARD, Mr. ROE, Mr. RYAN, Mr. SCHEUER, Mr. STOKES, and Mr. BELL):

H.R. 3547. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act and to otherwise require the labels on foods and food products to disclose all of their ingredients and any changes in their ingredients, their nutritional content, accurate weight data, storage information, their manufacturers, packers, and distributors, and their unit prices and to provide for uniform product grading and prohibit misleading brand names; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. PHILLIP BURTON, Mr. CARNEY, Mr. CONYERS, Mr. COTTER, Mr. HARRINGTON, Mr. HAWKINS, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. HOWE, Mr. JENRETTE, Mr. MOAKLEY, Mr. RYAN, Mr. SCHEUER, and Mr. STOKES):

H.R. 3548. A bill to permit the advertising of drug prices and to require retailers of prescription drugs to post the prices of certain commonly prescribed drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. PHILLIP BURTON, Mr. CARNEY, Mr. CONYERS, Mr. COTTER, Mr. HARRINGTON, Mr. HAWKINS, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. HOWE, Mr. JENRETTE, Mr. MCCORMACK, Mr. MOAKLEY, Mr. RYAN, Mr. SCHEUER, and Mr. STOKES):

H.R. 3549. A bill to amend title 35 of the United States Code to provide for compulsory licensing of prescription drug patents; to the Committee on the Judiciary.

By Mr. ROSENTHAL (for himself, Ms. ABZUG, Ms. BOGGS, Mr. HORTON, Mr. MCCORMACK, Mr. MOAKLEY, Mr. MURPHY of Illinois, Mr. PRITCHARD, and Mr. SCHEUER):

H.R. 3550. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Public Works and Transportation.

By Mr. ROSENTHAL (for himself, Ms. ABZUG, Mr. ADDABBO, Ms. BURKE of California, Mr. CARR, Mr. EDWARDS of California, Mr. FRASER, Mr. GUDE, Mr. HARRINGTON, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. KOCH, Mr. LENT, Mr. MITCHELL of Maryland, Mr. OTTINGER, Mr. PATTISON of New York, Mr. RICHMOND, Mr. ROYBAL, Mr. SARBANES, Mr. SOLARZ, and Mr. STARK):

H.R. 3551. A bill to prohibit sonic booms by civil aircraft within the United States; to the Committee on Public Works and Transportation.

By Mr. ROYBAL (for himself and Mrs. MINK):

H.R. 3552. A bill to amend title 5, United States Code, to include as creditable service for civil service retirement purposes service as an enrollee of the Civilian Conservation Corps, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIKES:

H.R. 3553. A bill to declare a portion of the Wakulla River, Fla., as a nonnavigable water of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE:

H.R. 3554. A bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of rating for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospitals and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

H.R. 3555. A bill to amend title 38, United States Code, so as to provide mustering out payments for certain members discharged from the Armed Forces after August 4, 1964; to the Committee on Veterans' Affairs.

H.R. 3556. A bill to amend title 38, United States Code, so as to provide mustering out payments for certain members discharged from the Armed Forces after August 4, 1964; to the Committee on Veterans' Affairs.

H.R. 3557. A bill to transfer control of Perishing Hall to the Secretary of State; to the Committee on Veterans' Affairs.

H.R. 3558. A bill to transfer control of Pershing Hall to the Administrator of Veterans' Affairs in order that such building may be preserved as a memorial to General of the Armies of the United States John J. Pershing while being utilized in the best interests of the United States; to the Committee on Veterans' Affairs.

H.R. 3559. A bill to amend title 38, United States Code, to extend the maximum educational benefits for chapter 35 trainees to 48 months and to allow additional educational benefits for certain wives and widows; to the Committee on Veterans' Affairs.

H.R. 3560. A bill to amend title 38, United States Code, to liberalize the provisions for special emphasis in employment of disabled veterans; to the Committee on Veterans' Affairs.

By Mr. TEAGUE (by request):

H.R. 3561. A bill to restore, without remuneration, the wartime recognition of Filipino veterans of World War II who fought as members of the Commonwealth Army but whose names were stricken from official U.S. Army records; to the Committee on Veterans' Affairs.

By Mr. TEAGUE (for himself and Mr. MOSHER) (by request):

H.R. 3562. A bill to authorize appropriations for activities of the National Science Foundation for fiscal years 1976 and 1977, and for other purposes; to the Committee on Science and Technology.

By Mr. TEAGUE (for himself and Mr. CARR):

H.R. 3563. A bill to amend title 38, United States Code, in order to entitle veterans and other eligible persons to 45 months of educational assistance for all educational programs under chapters 34 and 35 of this title; to the Committee on Veterans' Affairs.

By Mr. WAMPLER (for himself, and Mr. ROBINSON):

H.R. 3564. A bill to amend the Federal Meat Inspection Act with respect to custom slaughtering; to the Committee on Agriculture.

By Mr. HANLEY:

H.J. Res. 237. Joint resolution proclaiming the week of May 25–31 as National AIB Week; to the Committee on Post Office and Civil Service.

By Mr. HANNAFORD:

H. Con. Res. 142. Concurrent resolution expressing the opposition of the Congress to any change in the present method of providing financial support for military commissaries through appropriations to meet their payroll costs; to the Committee on Armed Services.

By Mr. FOLEY:

H. Res. 228. Resolution to provide funds for the expenses of the investigations and studies to be conducted by the Committee on Agriculture; to the Committee on House Administration.

By Mr. JONES of Alabama (for himself, Mr. HOWARD, Mr. WRIGHT, Mr. JOHNSON of California, Mr. HENDERSON, Mr. ROBERTS, Mr. ANDERSON of California, Mr. ROE, Mr. RONCALIO, Mr. MCCORMACK, Mr. JAMES V. STANTON, Ms. ABZUG, Mr. BREAUX, Mr. GINN, Mr. MILFORD, Mr. MINETA, Mr. HOLLAND, Mr. HOWE, Mr. OBERSTAR, Mr. AMBRO, Mr. NOWAK, Mr. EDGAR, and Mrs. LLOYD of Tennessee):

H. Res. 229. Resolution disapproving proposed deferral of budget authority No. D75–17, relating to funds for Federal Aid Highways, as transmitted to the Congress in the President's message of September 20, 1974; to the Committee on Appropriations.

H. Res. 230. Resolution disapproving proposed deferral of budget authority No. D75–24, as modified by D75–24A, relating to funds for Forest Service forest roads and trails and roads and trails for State National Forests, as transmitted to the Congress in the President's messages of October 4, 1974, and November 13, 1974; to the Committee on Appropriations.

H. Res. 231. Resolution disapproving proposed deferral of budget authority No. D75–54, as modified by D75–54A, relating to funds for public lands development roads and trails, as transmitted to the Congress in the Presidents messages of October 4, 1974, and November 13, 1974; to the Committee on Appropriations.

H. Res. 232. Resolution disapproving proposed deferral of budget authority No. D75–60, relating to funds for National Park Service road construction, as transmitted to the Congress in the President's message of October 4, 1974; to the Committee on Appropriations.

H. Res. 233. Resolution disapproving proposed deferral of budget authority No. D75–63, as modified by D75–63A, relating to funds for Bureau of Indian Affairs road construction, as transmitted to the Congress in the President's messages of October 4, 1974, and January 30, 1975; to the Committee on Appropriations.

H. Res. 234. Resolution disapproving proposed deferral of budget authority No. D75–71, relating to funds for construction and reconstruction of the Great River Road, as transmitted to the Congress in the President's message of October 4, 1974; to the Committee on Appropriations.

By Mr. JONES of Alabama (for himself, Mr. HOWARD, Mr. WRIGHT, Mr. JOHNSON of California, Mr. HENDERSON, Mr. ROBERTS, Mr. ANDERSON of California, Mr. ROE, Mr. RONCALIO, Mr. MCCORMACK, Mr. JAMES V. STANTON, Ms. ABZUG, Mr. BREAUX, Mr. STUDDS, Mr. GINN, Mr. MILFORD, Mr. MINETA, Mr. HOLLAND, Mr. HOWE, Mr. OBERSTAR, Mr. AMBRO, Mr. NOWAK, Mr. EDGAR, and Mrs. LLOYD of Tennessee):

H. Res. 235. Resolution disapproving proposed deferral of budget authority No. D75–72, relating to funds for rail crossing demonstration projects, as transmitted to the Congress in the President's message of October 4, 1974; to the Committee on Appropriations.

By Mr. REUSS:

H. Res. 236. Resolution to provide for the expenses of the Committee on Banking, Currency and Housing for the investigations and studies to be conducted pursuant to rule XI of the Rules of the House of Representatives; to the Committee on House Administration.

By Mrs. SULLIVAN:

H. Res. 237. Resolution to provide funds for the expenses of the investigations and studies to be conducted by the Committee on Merchant Marine and Fisheries; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON of Texas:

H.R. 3565. A bill for the relief of the estate of Earnest Nancy Brindley; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 3566. A bill for the relief of Gerald Levine; to the Committee on the Judiciary.

H.R. 3567. A bill for the relief of Mr. Allen Zale; to the Committee on the Judiciary.

By Mr. RAILSBACK:

H.R. 3568. A bill for the relief of Georgette Van Akeleyn (nee d'Harcourt); to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 3569. A bill to authorize the Secretary of the Air Force to convey certain real property for use as a permanent site for the Air Force Enlisted Men's Widows and Dependents Home; to the Committee on Armed Services.

By Mr. ROUSSELOT:

H. Res. 238. Resolution honoring J. Lyman Goldsmith who retired on December 26, 1974, as Administrator of Career Education for the Los Angeles Unified School District; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

33. By Mr. GUDE: Petition of W. Roscoe, Rockville, Md.; relative to occupational safety and health; to the Commission on Education and Labor.

34. Also, petition of Nguyen Ba Can, Speaker of the House of the Congress of the Republic of Vietnam, Saigon, relative to U.S. aid to Vietnam; to the Committee on Foreign Affairs.

SENATE—*Friday, February 21, 1975*

The Senate met at 9 a.m. and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, the unseen source of beauty, goodness, and truth, may the light of Him who is the Light of the World illuminate our lives this day and every day. Give us wisdom to rise to the high expectations of our fellow countrymen. When we speak, when we listen, when we work, and when we rest, may we be aware of Thy presence. May our chief reward be the supreme satisfaction of rendering to the Nation and to the world our utmost service, untarnished by base motives and self-interest. Replenish our lives with Thy bountiful grace and strength that we may fulfill our high calling as servants of the Republic.

In the Redeemer's name, we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, February 20, 1975, be dispensed with.

Mr. ALLEN. Mr. President, reserving the right to object—I shall not object, of course—this is a method that sometimes has been used for dragging out the proceedings of the Senate. I certainly do not look with favor upon such methods, and I hope that it will not be necessary to resort to such devices. I do want the business of the Senate to proceed in an orderly and expeditious fashion. So I remove my reservation.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from Alabama. What he has said is absolutely correct. It could be used as a tactic. I am delighted that at this time it is not being so used.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF THE FOREST PEST CONTROL ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 20, S. 441.

The VICE PRESIDENT. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 441) to amend the Forest Pest Control Act of June 25, 1974.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 5 of the Forest Pest Control Act of June 25, 1947 (61 Stat. 177; 16 U.S.C. 594–1 through 594–5), is amended by changing the period at the end thereof to a comma and adding the following: "such sums to remain available until expended.".

The title was amended so as to read: A bill to amend the Forest Pest Control Act of June 25, 1947.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a

message from the House of Representatives on S. 281.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, as follows:

Strike out all after the enacting clause, and insert: That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

SEC. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716(a)(1)) is amended by inserting "and express" immediately after "rail".

SEC. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which, for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

SEC. 4. (a) Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (i) affirm its previous order or (ii) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

SEC. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

SEC. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

SEC. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"SEC. 215. (a) PURPOSES.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) CONDITIONS.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties subject to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) OBLIGATIONS.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) CONVEYANCE.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

SEC. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215(a)(1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

SEC. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"SEC. 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

Mr. MANSFIELD. Mr. President, I have no request for time at this time.

The VICE PRESIDENT. Does the Senator from Michigan seek recognition?

Mr. GRIFFIN. Mr. President, the bill which the majority leader has asked to be laid before the Senate is the legislation which is necessary to keep the Penn Central Railroad going.

Although I think that almost everyone in and out of Congress has reservations about this matter and the necessity for such legislation, I would say, as a member of the Committee on Commerce, having some exposure to the hearings, and

so forth, and the views of the administration, that this is a measure that will have to pass. Regardless of the particular situation with regard to Penn Central, there is a great segment of our economy that absolutely depends upon the operation of the Penn Central Railroad. If we think that we have economic problems now in the Mideast, for example, they are only very small in comparison to what they would be if the Penn Central Railroad actually were to come to a halt.

So this legislation is necessary. The amendments that have been added by the House are amendments with which the administration is familiar and does not oppose. Since the Senate has already passed this measure, it should not require a great deal of time and debate. I hope that the Senate will accept the House amendments and pass the measure today.

I thank the majority leader.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be permitted to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield back whatever time I have remaining.

The VICE PRESIDENT. The Senator from Alabama is recognized.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

(At this point, Mr. GARY W. HART assumed the chair.)

Mr. ALLEN. Mr. President, the bill which is presently before the Senate is a further bailout of the Penn Central Railroad and a number of other bankrupt railroads in the Northeast. It is a continuation of a large subsidy program that apparently the Government has for Penn Central and the other bankrupt roads in the Northeast.

I wish we had someone here to explain the amendments that the House has added to the bill. I think that information would be valuable for the Members of the Senate. I, for one, would like to know how many millions of dollars were added to the bill in the House. In the Senate, I believe the Department of Transportation requested one figure, and the committee, in somewhat grand style, added $25 million to the request of the Department. That bill was passed in the Senate after a little discussion.

Mr. President, I was quite surprised at the vote against that bill. They first wanted to pass it by a voice vote, without any discussion. Then they talked about a limitation of 20 minutes on a bill of that sort. That was not quite the way the Senator from Alabama felt it should be handled, and he asked for a little time to discuss it. We did agree on, I believe, 4 hours of discussion. I do not believe that much over an hour was used.

I would like to see the Senate act on this bill. I would like to see the Senate act. I am ready to vote at any time, with one stipulation—that we take first things first.

Yesterday, an effort was made to throw the rulebook out the window and ram through a measure without any debate whatever on what, apparently, was regarded as the most important issue facing this Nation—ramming that rules change through. It was known, Mr. President, that this House message would be here yesterday. It was here yesterday. Was it the most important matter pending before the Senate? The proponents of Senate Resolution 4 did not think so. They sought to ram through this rules change and cut off all debate thereon, when this emergency measure was lying on the Secretary's desk.

What about priorities in this matter? They chose the priority. A majority in the Senate chose the priority. Well, let us stick to that priority. I am ready to vote on this issue, which the majority of the Senate put in secondary status, just as soon as the matter that was deemed to be of first importance is withdrawn from consideration by the Senate or the issue is resolved.

The Senator from Alabama did not set the priorities. He was not interested in seeing this back door approach—and I modify that expression to make it a basement approach—to this rule change. It does not deserve the designation of "back door approach." We will have to say that it was a basement approach, with the accent on the "base."

So, Mr. President, though the Senator from Alabama does not favor this further bailout of Penn Central, he is willing to vote on it just as quickly as this other matter is resolved or withdrawn from the Senate.

Mr. GRIFFIN. Mr. President, will the Senator yield for a question, without losing his right to the floor?

Mr. ALLEN. Yes, I will be delighted to yield for a question.

Mr. GRIFFIN. I am interested in the rather novel position taken by proponents of Senate Resolution 4, in urging that only a majority vote should be required to close debate on a rules change proposed "at the beginning of the session." Apparently, great weight is placed on the argument that a different procedure should be followed at "the beginning of a session."

Mr. ALLEN. Yes.

Mr. GRIFFIN. We are now nearing the end of the month of February, having been in session since early in January. The motion of the Senator from Kansas (Mr. PEARSON) is no longer the pending business, it having fallen when the Senate adjourned on yesterday. Of course, it should be observed that proponents had the opportunity on yesterday to challenge the motion to adjourn, and could have insisted instead, upon a recess—in order to keep their motion before the Senate.

Now that the Pearson motion is no longer the pending business, I wonder if the Senator from Alabama has any idea about the length of time that would have to elapse before the proponents would concede, or the Chair might rule, that it is no longer "the beginning of the session."

Mr. ALLEN. I am delighted that the distinguished Senator from Michigan has asked that question, because the Senator from Alabama does have some very definite views in this area.

Of course, the Senator from Alabama has never been a subscriber to this doctrine on which I understand the ruling of the Chair on yesterday was based, that is, that a different rule obtains at the beginning of the session, that some constitutional issue is presented, and that the rules are in some contravention of this constitutional route at the beginning of the session.

I am sure that the Senator from Michigan has read the Constitution. You know, there have been more misstatements and misquotations about what the Constitution says in this area made here on the floor of the Senate than almost any other quotation I have ever heard given.

They say "at the beginning of the session." The Constitution does not say anything about the beginning of the session. All it says is that it takes a quorum to transact business.

Well, that is true in almost any organization, I suppose. Then it says that both Houses can make their own rules. Well, the Senate rules do not contravene that. That is exactly what the Senate does. They have made their own rules.

What the Senator from Alabama is objecting to is throwing those rules out the window.

But, following their contention that there is a different rule that obtains at the beginning of a session, to its logical conclusion, here it is, more than 5 weeks—I have not computed it exactly, but more than 5 weeks—after the beginning of the session, and they are still talking about this being the beginning of the session.

I believe the beginning of the session probably would be the first couple of days. That would be the judgment of the Senator from Alabama. But certainly the beginning of the session would have ended when the proponents of Senate Resolution 4 had their opportunity, made their motion, got a ruling on it, and then the matter was not pursued to a conclusion and their motion died.

Their motion is dead. Their effort is dead.

Mr. GRIFFIN. If the proponents——

Mr. ALLEN. We are now well into the session. We are not at the beginning of the session. The other day we vetoed the President's oil import duty. Surely that would have to be done after the beginning of the session, or else why are we in session? We have passed an appropriation bill during this time, an emergency appropriation bill. The beginning of the session has ended, and I am hopeful that the distinguished President of the Senate, who is in the Chamber at this time, inasmuch as he apparently based his decision of yesterday on the fact that we were at the beginning of the session, will reexamine his position, in that we

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are not now at the beginning of the session.

Mr. GRIFFIN. Even if we were on yesterday.

Mr. ALLEN. If we were on yesterday, certainly the beginning of the session ended with the adjournment last night, and the death of their motion.

Mr. GRIFFIN. Even after that had been pending since early in the session?

Mr. ALLEN. Well, I do not say that would have given life to it, but I say now that their motion is dead, dead as a doornail. I say that the beginning of the session has ended, and I believe that this is going to be impressed upon the Vice President, and that he will recognize the logic of the fact that we are not still in the beginning of the session.

Mr. GRIFFIN. Does the Senator suppose the proponents will come in next week or the week after, and still contend that it is the beginning of the session, offering perhaps still a new and different version of their motion?

Mr. ALLEN. Well, I would hope not. I would certainly hope not. I would not have thought they would make this effort, but the Senator from Alabama was wrong about that. The Senator from Alabama would not have thought the Vice President would have ruled as he did. But I am hopeful that now the beginning of the session has ended, the Vice President is going to take another view of this whole matter. That is the view of the Senator from Alabama.

Mr. WEICKER. Mr. President, will the Senator from Alabama yield for a question?

Mr. ALLEN. Yes, I would be delighted. Let me say—the distinguished Senator from Connecticut did not hear me say this, having just come into the Chamber—I favor an early vote, if not an immediate vote, on the Penn Central bailout. I want to see the Senate act in that area. But I want to see first things come first.

The Senate on yesterday decided that this rules change came first, so, just as quickly as that is behind us, just as quickly as that effort is withdrawn, or assurance is given that it is withdrawn or it has been ruled out, so to speak, by the Vice President, then we are ready to have a vote on the Penn Central bailout.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I have promised to yield to the distinguished Senator from Connecticut.

Mr. WEICKER. Go ahead.

Mr. ALLEN. I yield for a question.

Mr. ROBERT C. BYRD. Is the Senator saying that the Senate will not be allowed to proceed to action on the Penn Central bailout—which, by the way, I voted against—until the action on Senate Resolution 4 is disposed of one way or the other?

Mr. ALLEN. I would not make that categorical statement, but as of now, I want to see where we stand on the other matter before agreeing to any vote.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. WEICKER. Mr. President, in asking the question of the distinguished Senator from Alabama, I would like to probe further his comments, because I think he is putting his finger on a very important point. There is a time for intellectual exercises, there is a time for academic exercises, and there is a time to get to the business of this Nation.

Mr. ALLEN. That is right.

Mr. WEICKER. In the past month I certainly have received inquiries from my constituents about the joblessness in this country. I have received inquiries about the inflation. I have received inquiries about recession problems, and about the energy crisis in this country, and, yes indeed, insofar as our transportation is concerned, about the Penn Central crisis.

I have not received one question—though I am not saying a few will not come in, now that the issue is before us—asking me to take my time and the time of the Senate to debate rule XXII.

I do not know if it seems as strange to the distinguished Senator from Alabama as it does to me, that with all this important business backlog we spend this amount of time with something that might be satisfying intellectually to a great many of our colleagues, and maybe there is a time for that, but we are in a crisis in so many areas that I really would hope the Senator from Alabama would agree with me our time is better spent on very real problems of this Nation rather than getting into this philosophical and academic dialog right now about rule XXII.

It is really one of the reasons I think that make us look irrelevant to the business of the Nation when, at this particular time, we once again drag this out additionally.

There just does not seem to be any sense of urgency in this Chamber as to what the real problems of the country are.

I gather this is basically the essence of what the Senator from Alabama said, which is that this is an important problem even though he has a differing point of view from mine, so it is a matter of importance that should be debated and voted upon. We are all hung up on this philosophical exercise at a very inopportune time, I may say.

Mr. ALLEN. I certainly agree with the distinguished Senator from Connecticut, and I know he is pushing this measure with considerable misgivings, but I certainly agree with him on the matter of priority.

The Senator from Alabama has no objection whatsoever to a vote on these amendments even though they add some $50 million or so to what the Senate provided in the way of a subsidy. He wants to air the issue and let the people know what their representatives here in Congress are doing with the taxpayers' money. But he is able to do that in a relatively short time, and I think we had 4 hours of debate, equally divided, when the matter was before the Senate, and all of that time was not used. So the Senator from Alabama has no desire whatsoever to discuss this Penn Central bailout and, as he stated, he is ready to vote at any time provided we get rid of the priority matter that the proponents of Senate Resolution 4 set above this.

The Senator from Alabama did not set the change in rule XXII as a priority matter above this. He is not responsible for the impasse that we have reached on this question.

The proponents of Senate Resolution 4, the Senator from Minnesota (Mr. MONDALE) and the Senator from Kansas (Mr. PEARSON), where are they? Where are they today? Where are the sponsors of Senate Resolution 4? I do not know whether they have any further interest in the matter or not. They are not in the Chamber. Where are those sponsors of Senate Resolution 4?

Mr. WEICKER. Mr. President, will the distinguished Senator yield for a few questions?

Mr. ALLEN. Yes.

Mr. WEICKER. Is the distinguished Senator from Alabama aware, for example, that the Arabs imposed their first oil embargo in October of 1973, and here it is February 1975, and the U.S. Senate has yet to pass any legislation addressing itself to the energy crisis? And yet, for some reason or other, it is business as usual as far as rule XXII is concerned.

Mr. ALLEN. Yes.

Mr. WEICKER. I can assure the Senator my constituents are far more interested in the energy situation and the weakness of the U.S. position than they are in rule XXII.

Does the distinguished Senator from Alabama realize that in June of 1974, under the distinguished leadership of Senator Ervin of North Carolina, the factfinding group known as the Watergate Committee issued its report, and the Senate of the United States has yet to enact one single piece of legislation, based on that factfinding, relating to the abuses uncovered in our political processes, et cetera?

In other words, what I am asking the Senator from Alabama is I find it incredible and totally irrelevant at this time, with these matters having gone on as long as they have, that we are sitting here and expending this amount of time, this amount of energy, this amount of brainpower on what is very much of a philosophical, academic question.

I want to make one point. As the Senator from Alabama knows, ever since I have been in the Senate I have not wanted to change rule XXII. Rule XXII has never blocked what the Nation really wanted.

Mr. ALLEN. I certainly agree.

Mr. WEICKER. And this finger-pointing that goes back to the period of the forties and saying that a couple of southern Senators blocked civil rights legislation, that period has passed. The people of the United States really did not want civil rights legislation, not just the southern Senators, but the people of the United States. They really did not want to get into the business of civil rights legislation. That is what blocked it, not rule XXII.

So anything that the people of this country really want finds expression on this floor, and rule XXII cannot block it. I just want to make that point.

Mr. ALLEN. I certainly agree with that.

Mr. WEICKER. So anybody who uses this as an excuse for no progress is on a very weak wicket, indeed. I wanted to

make that point with the Senator from Alabama in this discussion.

Mr. ALLEN. I certainly agree with the distinguished Senator.

I would point out that the two-thirds rule, as the distinguished Senator from Connecticut has said, has not blocked legislation in any area that the people or the Senate really are interested in.

I call attention to what happened in the closing days of the 93d Congress. The trade bill was before the Senate and, without any debate having taken place, a cloture motion was filed which would have, all cloture motions do, not only limited the time that debate can continue, but would provide that no nongermane amendments could be adopted. So, without a single bit of debate on the issue, a cloture motion was filed. On the first vote, the vote was 71 to invoke cloture, 19 against invoking cloture.

Well, here is something that the Nation apparently wanted, and the Senate apparently wanted, and without any debate at all—I think there were one or two little speeches several days before that—no real debate on the issue took place, and there were 71 yea votes and 19 nay votes, and in the column here saying how many were needed, 60 were needed for cloture because that was two-thirds of those present. So they got 11 votes more than necessary on the cloture motion on the very first attempt.

So what is all of this folderol about the cloture motion, the cloture requirement of two-thirds? It does not hold the Senate up.

A couple of days later, December 13—

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. For a question, yes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator may be able to speak out of order notwithstanding the Pastore rule.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. Reserving the right to object, I do not believe the Senator from Alabama needs that concession because his comments are germane, having to do with the nonnecessity for action in this matter until the other matter is disposed of.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, I think there could be some difference of opinion as to whether or not it is germane, but I would hope that the Chair would allow the Senator to discuss it, nothwithstanding the Pastore rule.

Mr. ALLEN. I appreciate the Senator's kindness.

Mr. HARTKE. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. Yes, for a question.

Mr. HARTKE. As I understand the Senator from Alabama, his objection is that he wants to proceed with the debate on the Penn Central matter.

Mr. ALLEN. Not necessarily that he would like to proceed with debate, but he would like to see the matter concluded with the recognition that the beginning of the session has ended.

The Senator from Alabama wants the Senate to act in this matter. He is going to vote against the bill. He has no objection whatsoever to the Senate voting, provided we follow the priorities set by Members here in the Senate in insisting on pushing this basement approach to the change in the rules.

The Senator from Alabama is not trying to block a vote on this issue.

Mr. HARTKE. I understand what the Senator's position is. The problem that is presented to the country is a little different, and I would hope that somehow we could convince the Senator from Alabama that the necessity for moving this matter is not related to any attempt to dislodge any position that the Senator from Alabama has concerning rule XXII. The situation is very simply this: that on next Monday and Tuesday the Penn Central Railroad will have its payday. Unless this legislation is passed, and an appropriation of money is passed, in sufficient time to permit that payday to be made, the railroad will close down.

As I have said before, the Penn Central's closing down is not just of interest to those people who are directly served by the Penn Central. The Southern, which is a very prominent railroad and profitmaking railroad, running through the State of Alabama, will have severe economic difficulties. The fact of the matter is it perhaps will be thrown into some of the same tailspin that some of the other railroads have been thrown into. I hope that the Senator from Alabama understands that I am trying to prevent an absolute collapse of the American economy. I do not think the Penn Central will continue to operate after next Monday or Tuesday. There are over 200 cars a day that go directly into Alabama everyday from the Penn Central, and I would be willing to make a unanimous-consent request that action on this bill in no way would this jeopardize the position of the Senator from Alabama.

I do think it is very vital that we move forward with this legislation. It is not something which I relish doing, as I have told the Senator from Alabama before, and I understand his vote against it. I am not even objecting to that. We have had this discussion on the floor before, but this is sort of a doomsday, not alone for the Penn Central, but a doomsday for the country. With the present economic situation the country faces, unemployment in this country would skyrocket over 25 or 30 percent in less than 30 days, and the whole country would suffer. You will not even have heat because there will not be coal going into the utilities. The industrial machinery of America will come to a grinding halt, and the whole problem, very simply, is not one of desire, it is merely an emergency matter. Let me say, those people who thought the oil embargo was tough, this will make that seem like a tempest in a teapot compared to what will occur if we cannot get this legislation moving, and it has to move today.

Mr. ALLEN. Well, I appreciate the comments of the distinguished Senator from Indiana, and I will say this, I agree with him 100 percent that this matter is of grave importance and the Senator from Alabama wants to see an early vote on it, but I do believe that the Senator from Indiana is talking to the wrong Senator in this regard.

I know it is impossible to talk at this time to the sponsors of Senate Resolution 4 because they are not present in the Senate Chamber, but the Senator's remarks then ought to be delivered off the floor to those Senators because it is those Senators that have caused this impasse.

They are the ones that are seeking to gag the Senate, they are the ones seeking to cut off free debate in the Senate, and the Senator from Alabama is not pushing that effort. That effort by the Senator from Minnesota (Mr. MONDALE) and the Senator from Kansas (Mr. PEARSON) is what is holding up the consideration and vote on this bill.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, sir.

Mr. ROBERT C. BYRD. In view of the urgency for action on the Penn Central measure, which I voted against as did the Senator——

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I wonder if the distinguished Senator would give his consent to a request that would limit time for debate on the Penn Central measure to, say, 1 hour, with a vote thereon to follow immediately, if a rollcall vote is requested and ordered, and with the understanding the distinguished Senator from Alabama then would not lose his right to the floor.

Mr. ALLEN. Well, I will say to the distinguished assistant majority leader just what I said to the distinguished Senator from Indiana, that he is really addressing his remarks to the wrong Senator.

I think the Senator from West Virginia would do well to inquire of those who are pushing this effort to amend the Senate rules through a basement approach.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. ALLEN. No; let me finish.

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. If he would ask them. They set this effort that they are making ahead of action on the Penn Central Railroad. It is not the Senator from Alabama that is holding up action in this area, it is the effort of the Senator from Minnesota (Mr. MONDALE) and the Senator from Kansas (Mr. PEARSON).

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. Now, if they persist in setting as a priority their effort—the Senator from Alabama is not making any effort, it is their effort to amend the rules by a basement approach—if they continue to persist in that, that is what is preventing this vote, not a desire of the Senator from Alabama; he wants a vote.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield without losing his right to the floor?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. Mr. President, the Senator from West Virginia has been around here for a little while and I recognize the psychology that the distinguished Senator from Alabama is attempting to use here, but the fact is that Senate Resolution 4 is not before the

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Senate, and if I understand the distinguished Senator from Indiana, there is an urgency for action on the Penn Central measure. That measure is now before the Senate.

Now, I am opposed to the so-called basement approach—to use this term given to it by the able Senator from Alabama—and I think that is a pretty accurate term for the approach that is being used, with all due respect to those Senators who are attempting to utilize that method of bringing about a change in the cloture rule, and in my unprepared arguments yesterday on the floor I attempted to point to some of the dangers therein. So I am on the Senator's side with respect to the Pearson motion or similar motion.

Mr. ALLEN. I know that.

Mr. ROBERT C. BYRD. But I also carry other responsibilities, one of which is to attempt to get urgent legislation disposed of.

The Senator may convince some Senators, but he does not convince me with his argument that I should go to other Senators with respect to action on the Penn Central measure.

I am asking the Senator to whom I should address the question, and I take it that I got an answer that a unanimous-consent request would be objected to.

I can assure the Senator that if action could be taken on this Penn Central measure today, the Senate would go out, we would not attempt to bring up Senate Resolution 4 today at all. What I want to do is get an understanding so that other Senators may also have an understanding, Senators who are here and prepared to vote today if there is a rollcall vote on the Penn Central measure. I think they need to know whether or not we are going to vote on it today.

It is for that reason that I ask the distinguished Senator, and I would ask him once more if he would have any objection to a unanimous-consent request that there be a time limitation on the Penn Central measure with an understanding as to the time to vote thereon, if a rollcall is ordered, and assuring him that once that is disposed of it would be the intention of the leadership to adjourn over until Monday.

Mr. HANSEN. Mr. President, would the distinguished Senator from Alabama yield to me before responding to the question?

Mr. ROBERT C. BYRD. Would the Senator answer my question first?

Mr. ALLEN. I appreciate the remarks of the distinguished assistant majority leader and certainly want to comply with his desire to move this legislation, but the Chair having ruled on the effort to amend rule XXII that it is possible to cut off debate by a majority vote, it would seem that the only opportunity the Senator from Alabama and others who want to argue this point have is to discuss a debatable matter.

However, the Senator from Alabama is hopeful that the Vice President will recognize that the beginning of this session has ended and that a different situation prevails regarding his rule.

The Senator from Alabama does not carry a stick approach, if I can say with all due respect to the distinguished Senator from West Virginia. Really, it does not make too much impression on the Senator from Alabama because he does not mind staying here and would not object to that.

Mr. WEICKER. Will the Senator yield?

Mr. ROBERT C. BYRD. Will the Senator yield further?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. May I say to the distinguished Senator, there are those of us who do not mind staying here.

Mr. ALLEN. I understand that.

Mr. ROBERT C. BYRD. And, as a matter of fact, I stay here, as does the able Senator——

Mr. ALLEN. I know the Senator does.

Mr. ROBERT C. BYRD. And so this does not bother the Senator from West Virginia in the slightest. As far as I am concerned, we can stay here all night tonight and tomorrow and tomorrow night, because Mr. MANSFIELD and I do have a responsibility to see that legislation is disposed of one way or another, if possible.

If it is impossible for us to do it, of course, it is impossible. The Senator from Alabama is well versed in the rules, and he can resort to them, and the leadership wants to cooperate with him.

The leadership does not want this thing to develop into an all-out struggle as to who knows most about the rules and who can utilize the rules to the fullest extent. We can all play that game, I hope we will not get into that business.

I would hope that the Senator from Alabama would let the Senate vote today on this Penn Central measure.

I am with him on the merits of the measure, I am with him in opposition to the kind of motion that was made yesterday by the Senator from Kansas. I made an argument against it. But I would hope that at the same time the leadership would not be crucified on the cross of cooperation in the desire to move things along and cooperate with everybody, and at the same time let the Nation suffer by virtue of the holding up of a piece of legislation which I am told is urgent.

I do not support that measure, but it is, at least, the responsibility of the manager of the bill to state his case as to the urgency of the measure, and whether we agree with him or not, I think the leadership has a responsibility to the Senate and to the country to at least reach a vote up or down on that measure, and that measure has nothing whatsoever to do with the rules fight.

The distinguished majority leader and I both urged those Senators who seek a change in the cloture rule, to go the traditional cloture route. But they had a right to elect to go the other route, and we expressed our opposition—the distinguished majority leader and I—to that procedure. But there is a point beyond which even the majority leader and I cannot go.

We do have a responsibility to get a vote on the Penn Central matter and if Senators do not want to vote on it today they can prevent a vote on it today, they can prevent a vote on it tomorrow, they can prevent a vote on it on Monday. That is up to them. I am not going to fall out with anybody, or any of them personally, if they elect to prevent a vote.

What I am attempting to find out here is whether that is the course we are going to follow or whether we are going to vote on this matter today. If we are going to vote today, we would like to tell the Senators so that they can be around. If not, we would like to tell them so that they can do otherwise. That is all I am asking.

Is the Senator willing to agree to a unanimous-consent request that the Senate vote today on this measure, with the understanding that once it is disposed of the Senate would adjourn, and there would be no action taken whatsoever with relation to Senate Resolution 4 today?

Mr. ALLEN. In answer to the distinguished Senator, for the moment it is early in the day. The Senator from Alabama is going to reserve judgment, because a number of other Senators have indicated they want to ask questions. It may possibly be that this would develop something with reference to the request.

Mr. ROBERT C. BYRD. I thank the Senator, because I think he has answered my question.

Mr. WEICKER. Might I ask the distinguished Senator from Alabama if we could proceed or agree upon the debate portion of the Penn Central issue? In other words, the distinguished Senator from Indiana and myself might proceed with debate without any agreement at all as to the vote, thus leaving it still totally in the hands of the distinguished Senator from Alabama but allowing time for discussion vis-a-vis this matter while we proceed with debate? Could we do that?

Mr. ROBERT C. BYRD. May I say, Mr. President, I am very satisfied with the response the distinguished Senator from Alabama has made in answer to my question. While he has not said that we will vote today, I feel that I interpret his answer as meaning that it is not out of the question that we will vote today. He is an understanding man, a cooperative man. I am encouraged by his response.

Mr. ALLEN. I would caution the distinguished assistant majority leader not to be too optimistic in this connection.

Mr. MANSFIELD. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. MANSFIELD. I agree with the assistant majority leader in his interpretation of what the distinguished Senator from Alabama said. I think he said for the moment he would like to discuss it with others. So that is hope.

Mr. ALLEN. I am not closing the door, but I caution the distinguished assistant majority leader not to become too optimistic.

Mr. MANSFIELD. That is all right. We are satisfied with the progress we have made.

Mr. WEICKER. I again repeat my suggestion. I quite frankly admire, and am in agreement with, the efforts on behalf of all of us who feel the same way, the efforts of the distinguished Senator from Alabama. This carpet is not all that soft that any of us enjoy standing on our feet too long. That is why I wondered if we could contrive a unanimous-consent request to allow the distinguished Senator from Indiana and myself to proceed with debate.

Mr. ALLEN. That would be fine, but let me respond to the question of the distinguished Senator from Wyoming.

Mr. HANSEN. I wish to ask a question of the distinguished Senator from Alabama without his losing the right to the floor. It is with that preface that I now pose my question.

As I understand, the distinguished Senator from Alabama has made the very valid point, first, that we are no longer in the beginning of the session and there may not be a constitutional question. But certainly insofar as the Senate rules are concerned there is a real question that could now be raised about the propriety of trying, at this late date, to change the rules of the Senate.

Mr. ALLEN. By alleging a constitutional issue.

Mr. HANSEN. Yes.

It would seem to me further that there has been reference made seeming to apply a willingness to debate and to try to reach an accord and an understanding short of the cloture route. I inferred from what the distinguished majority leader was saying a few moments ago that those who are sponsors of Senate Resolution 4 have not chosen to throw down the hard fist of cloture but, rather, seek the sort of debate which has engaged the Senate for several weeks now to try to resolve this issue. I would say it is the opinion of the Senator from Wyoming that the reason a cloture effort has not been made is that, in the opinion of this Senator, I do not think they can get cloture. Is that opinion shared by the Senator from Alabama?

Mr. ALLEN. The Senator from Alabama would only refer to the vote on yesterday. He did not ask a single Senator to vote for or against cloture. Looking at the results on yesterday, it would seem that hope was abandoned for following the rules and seeking to amend the rules. That would be the judgment of the Senator from Alabama.

Mr. HANSEN. A further question: My distinguished colleague, the senior Senator from Wyoming, and I, historically and in conformity with the tradition of our State, have opposed any effort that would bring about a lessening or a questioning of the right to unlimited debate. That happens to be one way by which, among others, we believe we become equal with other Members of this body insofar as power is concerned. I do not speak of influence. But when you add up the votes, each Member of this body has one vote. The influence that we have is accurately, as it should be, a reflection of our ability, the intensity of efforts, our knowledge and dedication to the job before us. My position, and the position of the senior Senator from Wyoming, was in full support of the Senator from Alabama yesterday.

I know that was the case of the distinguished Presiding Officer at the moment. He certainly was eloquent in speaking for himself. I would like to presume that coming from the background that he has over the last several years he, too, cherishes the right to see that the minority is represented. I may read him incorrectly, but I suspect that that is one of the reasons. Perhaps it may not be a reason at all, but I would like to think at the moment that it could be a reason that he voted as he did.

This is a protection to the minority, and minorities are important.

It was pointed out yesterday that if we were to proceed along the lines then being suggested, we could very quickly come to the point where it took only 51 votes to cut off debate at any time and resolve an issue at any one time. I remember having listened very interestly and with great attention to the distinguished Senator from Illinois, Mr. Dirksen. He said he could not recall in his experience in the Senate of the United States a single time when an idea whose time had come failed of enactment, because of the inability to get cloture.

He said, conversely, that many pieces of legislation had been brought before this body hastily considered, and inadequately prepared. Had a bare majority the ability at that time to push that legislation through, we would have found in this country far poorer legislation, legislation ill-considered which was full of defects and faults. Those situations were avoided, because of the ability to engage in extended debate.

I think the civil rights laws, a number of them, are cases in point. There were issues that we did not give sufficient consideration to, initially. I think that debate continued for some 84 days, I believe I heard the Senator from Alabama or someone observe yesterday, and resulted in an exploration of the ideas of the minority which I thought was all to the good.

I called attention earlier to the fact that this Senator has not been in accord with the idea of changing the rule on cloture one bit. I have opposed it every time. I also happen to be one of several Senators who signed two cloture petitions, at least two, in the waning days of the last Congress. The effect of one such petition was to cut off debate before any debate had ever started. That was on the trade bill. The Finance Committee was the group under Senator LONG's sponsorship which brought the cloture petition first into being, filed it and succeeded. We demonstrated that when action is required, you can get action. I think that is fine.

I ask the Senator from Alabama: Is there any reason to think that when an urgent matter that requires immediate action by the Senate of the United States arises, based upon his observations of what has happened in the past, that we cannot get that sort of consensus that will result in our being able to move very quickly?

Mr. ALLEN. I thank the distinguished Senator for his comments and his question. In reply, I will certainly say that, as indicated in the closing days of the last session, not going back any farther than that, in the last 7 or 8 days, cloture was invoked three times when there was no debate. They just moved for cloture and got it when there had been practically no debate. The trade bill the Senator mentioned is one of those. That was 71 to 19 on the very first try for cloture prior to any real debate on the issue. So when the Senate wants to move, they can move.

What we are approaching here, I will say to the distinguished Senator from Wyoming, is majority cloture. There is no doubt about that. If we allow this issue to proceed to its ultimate conclusion, if we do not stop it somewhere along the line, we are moving toward, and will actually be at, majority cloture. But worse than that, we will be moving in the direction of having a legislative body, having a Senate, that has been said to be the greatest deliberative body in the world, moving in the direction of a Senate that you might find in a banana republic, not in the greatest nation in the world.

I hate to see the institutions of the U.S. Senate torn down, and that is the direction in which we are moving if some of us do not put up a fight.

I am delighted to hear the remarks of the distinguished Senator from Wyoming.

Mr. HANSEN. I have a further question. I know how concerned the distinguished Senator from Indiana is. I share his interest in the resolution of the problem of the Penn Central Railroad.

I ask this further question: When I first came to Congress in 1967, there were those who assumed that the argument over cloture and a reduction in the percentage that was required to invoke it was basically a confrontation between conservatives and liberals; that those upon whom some may have pinned the label of conservative were against the change in rules and that those who favored a lessening or a reduction in the percentage necessary to invoke cloture were identified generally as having a more liberal philosophy.

I recall some of the debates that took place at that time. As I recall, some of my friends across the aisle, and some on this side as well, made the prediction that the time would come when those who believed that that was the confrontation would find precisely the opposite to be true, that it would not be the conservatives who always rely upon the protection that cloture, as believed by many, holds out to them, that they would be counting on that, but that it would be turned the other way around. In the limited time I have been here, I have seen this happen. I call attention to the busing issue, as an example.

Mr. ALLEN. That is right.

Mr. HANSEN. I have heard my good liberal friends on my side of the aisle deplore and inveigh the cloture rule and the unwillingness of a few willful men to deny the Senate the right to work its will. But that happened on busing?

Mr. ALLEN. It certainly did.

I point out that those two great senatorial opponents of extended debate, the distinguished Senator from New York (Mr. JAVITS) and the distinguished Senator from California (Mr. CRANSTON), were the ones doing the filibustering on the antibusing legislation. So it is a question of whose ox is being gored. They seemed to feel that the filibuster was fine on that, and they did not want any 60-vote cloture.

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As a matter of fact, back in 1971, the distinguished Senator from California (Mr. CRANSTON) made one of the best speeches ever made on the Senate floor in favor of retaining rule XXII as is—not amending it in the slightest. He made a great speech. I hope I will be able to bring Senators up to date on that speech later in these discussions.

I might say that I like the 1971 model CRANSTON a great deal better than I like the 1975 model.

Mr. HANSEN. I find value in antiquity, too, I say to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the Senator from Wyoming.

Mr. HANSEN. I have one further question, and my point is this: I know how interested and eager and anxious the Senator from Indiana is to get on with the resolution of this point. But I think we would be doing this institution an injustice if we were to permit this debate on Senate Resolution 4 to continue throughout many more days and weeks of this session without disposing of it one way or another.

Cloture, if it is obtainable according to the rules of the Senate, is open all the time. The Senator from Indiana knows that we got it on the trade bill. But it did not take more than a moment's time, in the two or three examples the Senator from Alabama pointed out.

I think that what we should do now is to get on with the business of this country. We are not going to get on with it well if we have the pending business, Senate Resolution 4, and then obtain unanimous consent from time to time to lay that aside so we can take up this emergency or that emergency. I would say that a number of these emergencies need discussion.

Mr. HARTKE. Mr. President, will the Senator yield on this point?

The point is that Senate Resolution 4 is not before the Senate. What is before the Senate at this moment is the business of the emergency legislation providing aid to the Penn Central. That is the pending business.

I ask the Chair if that is correct.

The PRESIDING OFFICER (Mr. LEAHY). The Senator is correct.

Mr. HARTKE. So we are not laying anything aside. What we are trying to do is to work our way out of what is an extreme emergency.

I have repeated in the Committee on Commerce, time after time, that I do not relish this responsibility of coming here and asking for money for a bankrupt railroad. But I am also cognizant of the extreme difficulties this Nation would face when, on Tuesday next, they start closing down the railroads in this country.

As I said before, we are not dealing with something which we could do next week or put off. The emergency is of such a catastrophic nature that the net result would be that the whole United States of America would stop operating.

I tell Senators that people actually will be short of food. There will not be enough trucks to carry food into the big cities. Maybe that is the wrong way to have a country operate in the first place, in that there is no alternate means, but that is the fact. There will not be enough food for these cities, or enough heat. The coal and steel industries will shut down, and the automobile industry will go even further down than it is today. The entire industrial complex of America is at the mercy of this bankrupt railroad system.

What we are saying is that on Monday they have to meet the first payroll. There may be enough cash and there may not be to meet the Monday payroll. But there certainly is not enough to make the payroll on Tuesday, and that is the end. They are on a cash basis to buy oil for their diesel engines.

It is a deplorable situation. It is one which this Nation really has never faced up to. I do not believe the country even has any cognizance of the dire results that will obtain if we do not pass this measure.

All I am asking of the Senator from Alabama is if he could permit us to continue the debate, since it is the pending business—hopefully, even with a time limitation on the debate—and to vote upon this matter.

I am not interested in becoming involved in any other procedures. I am not asking the Senator from Alabama to take up the routine business or what may appear to be desirable business. I am talking about a matter which is so grave and so serious that I hope we can avoid putting this country through another turmoil. The nature of the turmoil is such that it is beyond us to do anything unless we do this.

Mr. HANSEN. Mr. President, will the Senator from Alabama yield to me, to make an observation?

Mr. ALLEN. I yield, provided I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HANSEN. I thought the Senator from Indiana was asking me the question, initially.

Let me say, with all due respect, that no one admires the Senator from Alabama more than I do. I would have to observe, though, that he is not alone in his ability to object to a unanimous-consent request. That is precisely the point I meant to make when the distinguished majority whip asked him some time ago whether he would object. There may be people around here less skilled in parliamentary procedures and less aware of the relative significance of issues who, in reflecting or displaying their lack of knowledge, could make some bad decisions. I hope we will not get into that issue.

I point out, however, that the Senator from Indiana is making a unanimous-consent request, as I understand it.

I was here all yesterday afternoon, I was here until the Senate adjourned last night, and I think I am not totally unaware of the point that is being made by the distinguished Senator from Alabama.

It is true, as the Senator from Indiana says, that Senate Resolution 4 is not the pending business. Yet, in the overall context, in order to work out certain tough issues last night, we are in the situation we are now; and I say, with the Senator from Alabama, that it is not he who is holding up consideration of the Penn Central Railroad matter. It is a willful group of people who believe that they cannot muster enough votes to bring about cloture, who think they are going to hold that bill as hostage, as well as every other bill that comes down the pike. Tomorrow , it may be the energy business or something else. But they are going to use the same device time after time after time to get on with the demanding business of this country and still keep the pressure on those of us who do not think rule XXII should be changed.

That is the issue. If the Senator from Indiana wants to resolve it, I suggest that he propose we lay rule XXII on the table. I will support it. We will get done with the whole funny business, because we should have done that a long time ago. If the Senator from Indiana wants to do that, I will not raise any objection. As to those who may not share my point of view, I will try to take them out and buy them coffee, and we will get going, so that we can have the Penn Central back in business and rolling before noon.

Mr. HARTKE. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. ALLEN. I yield.

Mr. HARTKE. I say to the Senator from Wyoming that I have said repeatedly that what we are doing in the Committee on Commerce by bringing this matter to the floor of the Senate is not a bailout financially of the Penn Central; it is a bailout of the national economy. Perhaps it would be better for all of us if we let the matter go for a while and let the country go through the turmoil and the hell. I guarantee what will happen will be that there will be such pressure and so much confusion in this country that they will begin to understand what we have been trying to avoid here for nigh onto 3 years.

Let me say about rule XXII that the first day I appeared in the Senate in 1959, rule XXII was the debate issue. I have been here about 10 years longer than the Senator from Wyoming. I expect the Senate will be talking about rule XXII long after my demise, and I hope that is not too soon; we have a history of longevity in our family, which means I might live to be 90.

Mr. HANSEN. Mr. President, will the Senator yield at that point?

Mr. HARTKE. Yes.

Mr. HANSEN. We may be talking about it. Would the Senator from Indiana care to speculate on whether we would be lowering it or raising it at that time?

Mr. HARTKE. I will permit the Senator to engage in that debate.

Mr. HANSEN. No, I just want the Senator's opinion.

Mr. HARTKE. The point is, this is not just routine business. This is not just urgent business; it is an emergency. This is the nearest thing to a war this country could have, because it would devastate the country, and the recession or depression, whatever you want to call it, today is a small matter compared to what would happen to this country if Penn Central were to close down. Even a short closing down of 1 or 2 days will cause misery. A couple of weeks, and it would be an absolute catastrophe.

The point is that we do not have the time to go ahead and consider other matters of the Senate. Frankly, I had hoped we could get into this matter before we got into the discussion of Senate Resolution 4. I had even asked then to engross the bill in the House of Representatives by hand. They were rushing as fast as they could, but they could not get it here before this debate started.

I was hoping we could move immediately, and I had talked with the Senator from Alabama quite at length about it before the vote occurred, and I thought we had a pretty good understanding. I have to admit that I thought we were just going to let it go ahead today. We discussed it, and he asked me to go ahead. The Senator from Alabama will remember we were to go over until tomorrow.

Mr. ALLEN. That is where we are now.

Mr. HARTKE. That was the day before yesterday.

Mr. ALLEN. The Senator from Alabama has not reneged on any agreement. There was no agreement.

Mr. HARTKE. There was no agreement. I must say, though, that I thought there was a pretty close understanding.

Mr. ALLEN. What the Senator from Alabama said was that he had no objection to action on the bill and he has no objection to action on the bill, but he wants first things to come first.

Mr. HARTKE. Let me ask the Senator, then, in view of that statement, since the bill is the pending business, could we just go ahead? I am willing to put a time limit on the debate; could we not get that out of the way?

Mr. ALLEN. The trouble is, even though the Senator says that Senate Resolution 4 is not the pending business, it hangs like the Sword of Damocles over the Senate Chamber, and can be brought up at any time there is no pending business, or it can be motioned up at this time. So it is right there lurking in the wings, or in the pockets of the proposing Senators.

The point that the Senator from Alabama is trying to make is that the Senator from Alabama and those who oppose Senate Resolution 4 did not choose this priority. It is the Senators who are pushing Senate Resolution 4 that have caused this impasse. I will not use the word resent, but I object very strongly to the fact that the blame for the impasse is being laid by the distinguished assistant majority leader at the door of those of us who oppose Senate Resolution 4.

The pendency of this effort to amend the rules by this basement approach is what has caused the impasse, and not any effort by the Senator from Alabama or those who oppose the resolution. So why are these questions being propounded to the Senator from Alabama and his associates, when they ought to be directed to the people who dropped this time bomb right here on the Senate floor?

Mr. HARTKE. The point is that the Penn Central measure is before the Senate. The Senator from Alabama does have the floor.

Mr. ALLEN. Mr. President, I am going to suggest the absence of a quorum and see if we cannot send the Sergeant at Arms or someone else to see if they can locate these absent Senators that put this resolution in and have caused this impasse. The Senator from Alabama has not caused any impasse; he is ready to vote on this issue, just as quickly as the other issue that was given priority by the Senate and that was put in here as a time bomb, as the Senator from Alabama has said, has been resolved.

I think these questions ought to be directed to the people who have created the impasse, and not those who are seeking to resist that effort.

Mr. HARTKE. Would the Senator be willing to withhold the quorum call, and permit the Senator from Indiana and the Senator from Connecticut to go ahead with their statements?

Mr. ALLEN. How much time does the Senator desire?

Mr. HARTKE. We are not asking for much time.

Mr. ALLEN. Thirty minutes?

Mr. HARTKE. Thirty minutes on a side, or an hour.

Mr. ALLEN. Thirty minutes on a side? I have no objection to how much time. Just state the time.

Mr. HARTKE. Let me ask the Senator from Alabama, does he want to discuss the opposition to the bill at length?

Mr. ALLEN. No, I think my opposition has been stated time and time again. Depending on what develops, I may have to restate my opposition.

Mr. HARTKE. Mr. President, I would like, if the Senator will yield, to make a unanimous-consent request for 30 minutes.

Mr. ALLEN. I ask unanimous consent that I may yield to the distinguished Senator from Indiana to make a unanimous-consent request, with the understanding that I do not lose my right to the floor, nor will any resumption of my remarks be considered a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I ask unanimous consent that we have a time limit of 30 minutes, 15 minutes on each side.

Mr. ALLEN. At the end of which time the floor would be resumed by the Senator from Alabama, with no limitation on debate.

Mr. HARTKE. All right. I ask unanimous consent that the time for debate on the pending measure be limited to one-half hour, 15 minutes on a side, to be equally divided between the opponents and the proponents.

Mr. ALLEN. Mr. President, reserving the right to object, I do not agree with that. That is not what the Senator from Alabama understood. The Senator from Alabama understood that the distinguished Senator from Indiana and the distinguished Senator from Connecticut might be allowed to speak for 30 minutes, period. That is not that the debate would be limited to 30 minutes. If the Senators want to speak for 30 minutes, the Senator from Alabama would again speak further.

Mr. HARTKE. All right. We will so amend the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. All right. Mr. President, the measure before the Senate at this time is the amendments of the House of Representatives to S. 281. I intend to move to accept those amendments.

The administration's emergency request for additional interim assistance to the bankrupt railroads in the Midwest and Northeast is urgent, and, therefore, for that reason, I do not wish to go to conference.

As my colleagues will remember from the debate on this measure January 29, this urgent request from the administration was approved by the Senate Commerce Committee, with some modifications, in order to prevent a national economic catastrophe.

Today I am recommending that the Senate concur in the amendment of the House in order to avoid a conference on this bill and send it to the President for his signature immediately.

I will say that in this case I know the President will sign the bill. There is no threat of any veto.

I would like to reiterate for my colleagues, however, that there are several basic facts that must be kept in mind when considering this legislation.

First, one must remember that the discontinuance of an essential rail operation in this region would have a catastrophic economic effect. Essential deliveries of food and coal to utilities in the major cities would not occur. I do not think it is necessary for me to elaborate on the consequences of a lack of heat, power, and food in an area which contains 42 percent of the population of the entire United States. For the 17 States in this region, the shutdown would have extremely adverse consequences. An important point that should be remembered, however, is that the effects of a shutdown are by no means limited to the Northeast and Midwest. The effects would be truly nationwide—the railroads in the United States form an intricate dependent network, and a shutdown of the substantial portion of the network affects the entire Nation as a whole. In Indiana, unemployment would go up as much as 24 percent within 2 weeks. All General Motors plants would close within 2 days of the shutdown. A shutdown of the Penn Central alone would decrease the rate of economic activity in the entire Nation by 4 percent within 2 weeks. Every State in the Union is dependent upon the operations of this portion of our rail transportation system; the railroads in the Northeast and Midwest receive over 300 cars a day from the State of Alabama. Over 360 cars a day from the State of Georgia and over 520 cars a day from the State of Minnesota, and over 640 cars a day from the State of California. The State of Louisiana receives over 200 cars a day from the Northeast, the State of Washington receives over 197 cars a day, the State of Texas receives 679 cars a day, the State of Tennessee receives over 562 cars a day, the State of North Carolina receives over 567 cars a day, and the State of California receives over 810 cars a day. A widespread rail transportation shutdown in

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the Northeast and Midwest would most certainly precipitate major economic chaos in every State of the Union. Given the current economic condition of deepening depression, the effects of a shutdown of the bankrupt carriers in this region would be worse than a few years ago. With unemployment reaching over 8 percent, and as high as 14 percent in many of the areas served by these bankrupts, the spiraling effect of plant closings, both in terms of good production and unemployment would send the economy into an exceedingly deep depression. Because of these factors, it is important for the Members of this body to realize that voting for this legislation is the cheapest possible solution. My subcommittee has examined all possible alternatives in order to assure that the solution that we are recommending is the cheapest possible way out of this mess.

I would like to raise one further point perhaps as a note of warning to the members of this body. The legislation before us today authorizes an additional $150 million in guaranteed loans, an additional $197 million in grants, with certain conditions. That sounds like a lot of money, and it is. But I think it would be useful to set forth some of the possibilities of ultimate rehabilitation costs for the entire system. As I mentioned in previous debate on this measure, the chief engineers of six major railroads outside the region have estimated that the rehabilitation costs for the Penn Central alone are $4.691 billion, and that measurement is in terms of constant 1974 dollars. I should point out that this rehabilitation will not produce a super railroad—it will only produce an adequate railroad. I would like to further point out that this estimate is only for the Penn Central, and does not include the full costs for the northeast corridor project and the other railroads in the region. Members of the Senate should be aware that the preliminary system plan, which will be released February 26 and the final system plan which will be released in late July will make clear that we will need to spend substantial additional funds on the rehabilitation of this Nation's rail system.

It is my expectation that the amounts necessary to rehabilitate this system will be so large as to preclude the possibility of using guaranteed loans. This is because guaranteed loans would be a debt of the new corporation that would be so heavy it would be unable for the corporation to make it. It may well be that we will be faced with the option of providing either massive direct Federal grants to a new private corporation in hopes that a private solution may work, or of moving to a new approach to rail transportation in the region and possibly even nationally. We may well see a proposal for a Federal facilities corporation to own and maintain this Nation's railroad right of ways. This could mean that rail right of ways are treated like right of ways for other modes, such as Federal aid highways.

In voting on the measure before us today, I hope my fellow Senators will realize that this interim assistance measure, while necessary, in no way constitutes the major rehabilitation that is going to be required. Within the next year, it will be necessary for this body to consider legislation authorizing the expenditure of many times the amount we are voting on today. If this Nation is going to have an adequate rail transportation system for its future needs, these issues will have to be faced and some hard decisions will have to be made. I appreciate the concern of every Member of this body and look forward to any productive suggestion that will help us solve this crisis in a manner consistent with the public interest. I can assure you that the Senate Commerce Committee will be struggling with these issues over this coming year and looks forward to the contribution of any Member of the Senate.

I would like to say, parenthetically, that while we are here on the floor of the Senate, the confirmation hearings which I was conducting of a new Secretary-designate in the Department of Transportation, Mr. Coleman, are being temporarily laid aside. But I did ask him yesterday what recommendations he had in regard to the pending legislation, and his recommendation was that we pass it. I just thought it would be appropriate to so inform my colleagues at this moment.

Mr. WEICKER. Mr. President, I would just like to express a few comments as to the legislation presented by the distinguished Senator from Indiana, and to express my thanks and admiration to him for essentially carrying a ball that is rather odious, I suppose, is really the best way to term it, but which is also extremely necessary until we get the long-term solutions in place.

I intend to yield in just a few minutes to the distinguished Senator from Vermont, but before I say anything further, I want to remake the point that I addressed in a question to the distinguished Senator from Alabama, and I hope the word goes out from this Chamber. It is this Senator's opinion that it is not the distinguished Senator from Alabama who is holding up the business of the Nation. The business of the Nation is just as critical in several other areas, and nothing has been done.

The Senator from Indiana was quite correct when he portrayed the urgency of the Penn Central legislation, and this would be devastating were it not passed.

This is all true. But every day that goes by in this country that we do not enact some gas or fuel conservation measure, $100 million goes offshore, every day $100 million, and I am appalled when I hear that the House Ways and Means Committee is going to have hearings on their energy plan sometime beginning in March for 3 weeks. This is business that should be attended to by the Senate and by the House now.

As my colleagues know, I am in sharp disagreement with the President's energy plan, but I have also got to say this to my Democratic colleagues: At least he does have a plan, and the Senate and the House, which are under the control of the Democratic Party, have yet to come up with a plan, and rather than being engaged in an academic exercise relative to rule XXII, I think we should be developing a fuel conservation plan, and that is just as critical as bailing out this railroad because unless we do it we are not going to have the money to bail out the railroad.

May I just finish, and I will be glad to yield to the Senator.

One year has passed since the Watergate Committee hearings. One year ago you knew, the country knew, the Senate knew, that the CIA was engaged in illegal activities, a year ago, not the story in the New York Times. But a year ago we knew that. A year ago we knew about the improper use of the IRS, a year ago we were treated to the spectacle of a series of abuses within the agencies of the Government, and not one piece of legislation has been passed by the Senate or the House.

I mention these matters because I think it unfair to say that the Senator from Alabama—and I am not saying this is what the Senator from Indiana says, I am saying this is what is sort of being directed by many philosophical types around here—is responsible for holding up the business of the Nation.

We, in the Senate, are holding up, and also our conferees in the House are holding up, the business of the Nation. We hold it up when we go off on all sorts of exercises around the world, and vacations in the United States. We hold it up when we engage in this type of debate about this parliamentary rule.

If there is blame, it is going to be apportioned, I think, and I think we had just better take it on everybody's head and not just point to the distinguished Senator from Alabama.

I want to make it clear that while I am out here I am going to fight for this Penn Central matter. And, I might add, there are a lot of other things I would like to be out here discussing, except rule XXII.

It was similar to a situation during the Watergate Committee hearings, when we had set up the recess schedule. We were in the middle of those hearings, and everybody said, "Well, we have a recess schedule, so we had all better go out on recess." It did not make any difference that the recess as scheduled had been set up prior to contemplating hearings. The recess was there, and we were all going to go off on a recess and leave the hearings hanging. I really could not believe it.

The same thing is true here with regard to rule XXII. We are always going to debate rule XXII. We are going to debate rule XXII this year, but there is one thing wrong—nobody thought the country was going to go downhill in such a precipitate slide, and people were going to be out of work and have our financial posture drained. We did not know all about that.

For heaven's sake, can we not lay rule XXII aside and get to the business of the Nation? The business of the Nation is just the type of legislation that the distinguished Senator from Indiana and I are engaging in now.

So I think part of my comments are directed toward the legislation. I think it is very important to point out that I find it an unbelievable exercise in illogic that, with all the very serious practical

problems that confront the country, we are doing our annual, our yearly, exercise on rule XXII. I find it amazing, I really do.

Now, Mr. President, relative to this legislation—and there is not much that I can add to the words of the distinguished Senator from Indiana—let us make it clear that neither he nor I want to pour money down a rat hole, and when it comes to Penn Central Railroad that is just about the best way to describe it. [Laughter.] But the fact is that our concern relates to jobs, to other people. We are not concerned about, you know, management ripping off the railroad; that is no longer there. We are not interested in the stockholders and the bondholders. I really do not care about them at all. I do care about the persons whose jobs depend on the Penn Central Railroad. That is not only those who work on the Penn Central Railroad but those who work for the other railroads and, indeed, those whose jobs touch upon the railroad in that the products and the materials delivered by the railroad touch upon their economic well-being. That is my concern.

My second concern is that I do not think we should spend any money at all if we did not have a long-range plan. But we do have a long-range plan. Slowly but surely we are doing away with the fear of Government participation in the rail system. That is a fact of life now, and it is going to become increasingly so in the future.

Naturally, I would hope that the strong elements of our rail system that are represented by private enterprise continue, although the facts, as I see them, spell out a gloomy picture for the future again unless something is done now. But, in any event, over the hill, as soon as it is 1976, there lies the prospect of integrated rail transportation plans designed and executed by the Government.

None of what we are doing here would benefit any stockholders or bondholders. They would not be enriched to come back to the Government in the future, but it would keep this important part of the economy active.

For those reasons, I fully support this effort and I thank the Senator from Indiana for carrying the ball, because nobody wants it. I will tell everyone that. And all we do is get abuse from those Senators who say we are bailing out the Penn Central.

I want to make that point, we are not bailing out Penn Central; we are keeping Americans at work. That is our only concern. I do not care about the Penn Central itself, I feel we should nationalize anyway all our passenger service.

Insofar as the essential rail services, private enterprise does not want it, the Government has to take over. I do not care about Penn Central; I care about the public and the economy. So that is what the bailing out is all about. Not for some rich corporate executive, or shareowners, or bondholders, or Wall Street types, or anything of that nature. It directs itself toward maintaining jobs and not allowing, at least, that segment of the economy that touches upon the rail system to disintegrate further.

That is the effort. It is a dirty job that, quite frankly, I do not want and the Senator from Indiana does not want.

It is easy to demagog against, but when we do from now on, when we do our demagoging, I would appreciate it if our colleagues direct their discussion against the economy, not give a leg up to some people that ought to be in the clink, never mind wandering around accepting Federal dollars.

I yield to the distinguished Senator from Vermont.

Mr. STAFFORD. Mr. President, I thank the distinguished Senator for yielding. I did not ask him to yield to me to get involved in the debate on rule XXII. We obviously are on opposite sides there.

I am only constrained to point out that a majority of the Senate did want to conclude the matter of rule XXII yesterday afternoon, but circumstances did not allow that to happen.

In connection with Penn Central, which we are now discussing, this Senator is very strongly of the opinion that help for Penn Central is necessary.

This Senator had the experience last week, in the middle of the week, of traveling from Washington to the capital of the State which I share with the present Presiding Officer (Mr. LEAHY), Montpelier, and to make a long story very short, I am told that there were three changes of the engines hauling the train before we reached White River Junction, some 2 hours late on a very frosty New England morning.

We departed White River Junction approximately 2 hours late, and at a small town called Royalton near White River mabye 12 miles north, apparently the third engine expired about a mile north of town. They finally got it running, after more than an hour, enough in reverse to back the train down to a siding at Royalton.

At this point, the conductor of the train knew I was running into a time problem. He came into my room with his walkie-talkie and assured me a relief engine was being summoned from White River, and I was able to hear the conversation between the crew on the relief engine and the conductor of the train.

Suffice it to say, the relief engine, which I designate engine No. 4, after proceeding at a sedate pace about 6 miles up the track, suffered frozen brakes and complete failure in the middle of the track.

I reached my commitment in the State capital at noon only by resorting to a ride with the State police.

There were some perturbed people on the train who thought they were going to spend the day skiing in Vermont. It occurred to me as I left the train that I better have the word passed that the gentleman who was disappearing with the State police was not being given a ride in preference to them, but was being placed under arrest to remove him from the train so there would not be a riot.

My conclusion was that Penn Central, indeed, needs help and I commend the Senator from Connecticut and the Senator from Indiana for their efforts to get help for Penn Central today.

I thank the Senator.

Mr. WEICKER. I thank the distinguished Senator from Vermont, and maybe now that we know the plight of the distinguished Senator from Vermont (Mr. STAFFORD), and his colleague in the chair (Mr. LEAHY) who also comes from that State, in order that we can get the onus off Senator HARTKE and myself, maybe we can call this the Stafford-Leahy bail-out, so that we can assure they can get to Montpelier with one engine rather than some five. I thank the distinguished Senator.

For all the humor, that is the state of rail equipment in this country, and here we are the most advanced Nation in the world, but that is the state of the equipment on our rails.

It is a tragedy for the United States of America that we are at this point.

I now yield.

Mr. STAFFORD. Will the Senator yield for 1 minutes on the same point?

I forgot to mention that I found myself in the bedroom on one of the sleeping cars which seemed quite familiar to me, and after a while I realized that in 1943, in January, I had crossed the country to go to a ship in the Pacific in a bedroom which was the exact counterpart of the one I was traveling to Vermont in.

This car may not have been that old, but it certainly had not changed in design in that time.

Mr. WEICKER. I thank the distinguished Senator.

Mr. HARTKE. Mr. President, let me say to the distinguished Senator from Connecticut that working with him on this committee was one of the real joys I have found in the Senate. He is one of the most competent, best-informed, and most intelligent Senators I have had the chance to work with. It is always a pleasure to work with him.

It is for that reason the two of us have been, I guess, designated, in a way, to take over the responsibility of some of these problems.

We are still proceeding with the confirmation hearings on the duly nominated Secretary of the Department of Transportation, Mr. Coleman. During our hearings yesterday I think we pointed out that there are a lot of problems that need attention, and many of these are going to come to the Commerce Committee. I think we are going to have a chance to really do something about them.

But, unfortunately, this is just one item in a big agenda and it is not one we relish.

Mr. President, there is one section of this bill which was not in the originally passed Senate version of S. 281 and which needs to be explained so that the Members of the Senate will understand its purposes and effect. Section 9 of the House bill would add a new section 605 to the Regional Rail Reorganization Act. This new section is designed to restate existing law regarding the collection of moneys by railroads from tenants which is specifically earmarked for tax payments. Existing law obviously makes a

railroad—or any other entity—a trustee of a tax payment made by a tenant to the railroad. Existing law requires that the specific tax payments be paid over to the State or political subdivision, and this new section merely adds an admonition that no judicial gloss should be placed upon existing law with regard to railroads in reorganization as defined in this act.

Of course, the law is identical with respect to a profitable railroad, a railroad subject to bankruptcy proceedings under section 77 or a railroad "in reorganization" under the terms of the Regional Rail Reorganization Act. None of these railroads could withhold specific funds paid to them by tenants for tax purposes from the appropriate State or political subdivision. This amendment will insure that, with respect to railroads being reorganized pursuant to the Regional Rail Reorganization Act, that no judicial gloss will be applied to existing law regarding their obligations to hold these specifically earmarked moneys in trust and to pay them over to the appropriate taxing jurisdiction.

Mr. WEICKER. Mr. President, will the distinguished Senator from Indiana yield for several questions?

Mr. HARTKE. Yes.

Mr. WEICKER. I appreciate the Senator's explanation of the purposes and intent of this provision written in on the House side. I would like to clarify a few points, however. Existing law, as the Senator states, does require that these trust fund tax moneys that have been paid by a tenant to any landlord be paid over to the appropriate taxing jurisdiction. Does this amendment deal only with those funds which are specifically earmarked for taxes?

Mr. HARTKE. That is correct. The amendment is concerned only with those funds which are specifically earmarked for taxes and paid by a tenant to a railroad in reorganization. It does not attempt to deal with the situation where there is a gross sum for rent which includes an undefined sum for taxes. In this situation, the landlord is responsible for paying taxes under existing law and this section has no application.

Mr. WEICKER. If I understand the Senator correctly, he is saying that in those situations where a lease agreement does not specifically segregate the portion of the rent that is attributable to taxes, this section has no application. So the proposed new section 605 applies only to those situations where the tax payments made by a tenant to a railroad in reorganization are specifically identified?

Mr. HARTKE. That is correct. If the amount is not specifically identified in the lease agreement, then this section has no application. The landlord has, of course, all his existing obligations to pay taxes—with the exception, of course, of those cases where a reorganization court has suspended tax payments.

Mr. WEICKER. Then this section merely restates existing law and assures that existing law will not be deviated from in connection with railroads in reorganization?

Mr. HARTKE. That is exactly correct; it also adds the possibility that, with respect to any railroad in reorganization violating existing law, a fine of not more than $1,000 could be levied.

Mr. WEICKER. I thank the Senator.

Mr. HARTKE. Now, Mr. President, I do not know if anyone else wants to speak in favor or opposition to this bill.

Mr. ALLEN. If the Senators are through, I would like to put in a quorum call, not to be a live quorum, as far as the Senator from Alabama is concerned.

The Senator from Idaho wanted to ask some questions and he has left the Chamber momentarily, but he will be back, and when he returns I will seek to call off the quorum.

Mr. HARTKE. Very well.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent to proceed further in a colloquy with the Senator from Indiana concerning the pending legislation without the Senator from Alabama losing his right to the floor.

Mr. PRESIDENT OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I think there are some fundamental questions that must be asked concerning the pending legislation. Many of them have been asked in the past, but I think it is useful again to make the record with regard to where we are headed under this legislation.

We have recently been concentrating and focusing on the budget of the United States, as I think we must, quite properly. One of the things that comes out abundantly clear is that past Congresses have committed the United States to a course of action which, in many cases, was not really contemplated or fully understood at the time the commitments were made.

Past Congresses in the rail reorganization and in Amtrak have committed the United States to certain actions with respect to the railroads. We have already seen past commitments, which have been fulfilled by the United States, prove to be inadequate. We have expended or committed $150 million in loan funds. We have committed and expended all of the grant funds.

Does the Senator from Indiana have any projection of what the ultimate cost will be if we follow the course upon which we are embarked? How far are we going and what will it cost us?

Mr. HARTKE. Let me first say that we are hopeful that this will carry the Penn Central and the 17 bankrupt railroads up to the time when USRA will get ConRail going. The USRA legislation has passed. There is a plan, as the Senator from Connecticut indicated, a preliminary system plan, which will come out on February 26 of this year. The final system plan is due in July of this year.

Part of what has happened here is due to two circumstances: One of them is the severe economic slide the country has gone into, and the rail revenues have not come up to anticipated levels. The second was the coal strike, which could not have been anticipated.

I should add a third item, the fact that there was an anticipated rate increase by the railroads, in their projections, a 7-percent increase in the rates which was suspended by the ICC.

I have constantly tried to alert the Senate to the fact that we are not to the end of Federal participation.

Mr. McCLURE. We are not at the end of the Federal participation? When is the end and how much will we spend before we get to the end?

Mr. HARTKE. I cannot give you the exact figures of the required Government contribution because of a number of things. One thing is the Supreme Court decision upholding the constitutionality of the Regional Rail Reorganization Act which said that the act was constitutional. There is a satisfactory assurance of the constitutionally required minimum compensation to those people who own the existing securities in the Tucker Act.

In other words, that is still down the road.

What we are doing with this legislation, really, is not bailing out any railroad. We are not even bailing out any system. We are not making any commitments to the future. What we are doing simply here is bailing out a country. That is our problem. The problem right now is a simple fact of trying to keep the railroad system moving until such time as the ultimate plan comes into effect.

Mr. McCLURE. I think the Senator would agree, perhaps, that we are not really even bailing out the country at the present time. We are simply keeping an ailing system alive until somebody comes up with an idea that will work.

Mr. HARTKE. I think that is a better characterization. I accept that.

There is this problem that we have at the present time: the plant, the railroad bed, the tracks, the equipment, are all deteriorating at a rapid rate. What we are trying to do is not to rehabilitate, and not even to prevent the deterioration. We are trying to prevent it from occurring at an accelerated rate.

Let me say to the Senator from Idaho that what the Senator from Connecticut and myself are saying to you quite honestly is that we do not think this is a good solution, but it is better than any alternative that anyone has come up with. That is the only point we have. The ultimate consequence of failure to do what we propose to do today, in this session today, would be catastrophic. That is the problem we are trying to avoid.

Mr. McCLURE. Does the Senator from Connecticut wish to comment?

Mr. WEICKER. I do not want to mislead the distinguished Senator from Idaho at all as to the dollar amounts that will be involved in the future. We are talking about billions. When the Senator from Indiana and I have addressed this subject, we have in no way indicated that this amount is the final amount.

Question No. 1 is a good question posed by the Senator from Idaho. It should be asked. Very frankly, the American people should have the answer. They should have it now. They should have the hard truth of the matter. The hard truth of the matter is that the rehabilitation of our rail systems in this country is a multibillion-dollar project. I will just be glad when we get over with this phase that I describe as cleaning off the stage, if you will, so that we can put into effect the permanent solutions. But it is a multibillion-dollar operation.

About a month ago we had this matter before us. Because of the denial of the freight increase and the anticipated revenues therefrom it has grown $25 million in a matter of a month.

Mr. McCLURE. Have the Senators analyzed the ICC action with respect to denying the freight increase? Does either the Senator from Indiana or the Senator from Connecticut agree with the actions of the ICC?

Mr. HARTKE. Let me say I think there is one point of agreement: The ICC, the Penn Central trustees, both Democrats and Republicans on the Commerce Committee, and the Department of Transportation are all in agreement that this legislation is absolutely vital.

Mr. McCLURE. I am addressing myself to a little more narrow area at the moment. That was with regard to the question of the rate increase. Here we have foundering railroads desperately looking for revenue. A rate increase was submitted to the ICC, and the ICC said, "No, you cannot do it."

Mr. WEICKER. I think I understand what is in the mind of the distinguished Senator from Idaho.

Does the Senator from Indiana have the report, the history of this legislation, which was referred to at the outset?

Mr. HARTKE. Yes.

Mr. WEICKER. In that report, in listing the why's and wherefore's for the collapse of the Penn Central, there is no question that aside from the management, aside from the economic conditions, the conditions of the highways, the inaction of the Congress, the inaction of the railroads themselves, the ICC was of no help in all of this.

As the distinguished Senator from Idaho knows, there is a strong possibility of a joint effort for the Commerce Committee and the Committee on Government Operations to go into these major regulatory agencies to see whether they are any help at all.

Yes, the same question would come to my mind. If a rate increase is applied for and these fellows are going flat on their backs, why the denial? One would have to ask the ICC. I know they certainly have been no help in keeping the American rail system viable.

Mr. McCLURE. It seems abundantly clear to the Senator from Idaho that a regulatory agency has dual responsibilities, one of which is to keep the system they are regulating healthy. They have a responsibility to see that the railroads are investing a proper amount of money in the maintenance of the road beds. They have the responsibility to see that the equipment and rolling stock is kept up to reasonable levels. They have the responsibility to the public to see that the rates are reasonable.

But it seems to me that if the railroads are in the condition that people say they are in today—and I do not question that they are—the ICC, in denying rate increases, is simply saying, "We don't care whether the railroads make it or not. We are going to Congress to bail them out on the problems we helped to create."

Mr. HARTKE. I think the Senator is on the right track. The Senator from Connecticut is right.

I read from page 6 of the report:

. . . The Penn Central's collapse stemmed from the complex interaction of a number of factors, including questionable management policy, the misdeeds of individuals, Federal regulatory policies and practices. . .

Mr. McCLURE. May I interrupt? When the Senator says "questionable management practices," I like the language of the Senator from Connecticut a little earlier, that maybe some of them ought to be in the clink.

Mr. HARTKE. What we intend to do, hopefully, if the Committee on Rules and Administration goes along with us, is to proceed to an investigation of the regulatory practices. I think it is a good question, a question which should be answered. It is one which should be taken up and thoroughly investigated, and I think it will be.

Mr. McCLURE. I thank the Senator from Indiana for that statement, because it seems to me, again in the language of the Senator from Connecticut, that what we are trying to do is to clear the deck; and part of that should be the abolition of the ICC. If we could get rid of them, we would at least have removed one of the obstructions to progress.

Mr. HARTKE. No. 1, the legislation is needed, whether the rate increase went into effect or not. The amount was increased as a result of the suspension. The reason the ICC gave as to why they did not put in the rate increase was that there had not been compliance with the provisions of the law. It would have provided a national increase.

For example, this type of increase could have increased some of the rates 150 percent in the State of Idaho, which is not directly involved with the Penn Central.

Mr. McCLURE. Is it not true that some of the rail reorganization we are talking about under ConRail will spread the burden of the reorganization of the Northeast railroads nationwide?

Mr. HARTKE. And the benefits.

Mr. McCLURE. And the well-managed railroads and the consumers being served by well-managed railroads will help pay the bill to bail out the badly managed and badly regulated railroads.

Mr. WEICKER. I have one point that relates directly to comments made by the Senator from Idaho vis-a-vis the ICC. I touched on this a month ago when I was arguing this bill.

What really ought to frighten one—we all know the mess the Penn Central is in—but take a look at the return on investment insofar as the healthy railroads in this country are concerned. It is one of the lowest returns on investment of any private enterprise in the Nation. What does that spell out so far as the future is concerned? We are going to end up with a whole kit and caboodle on our hands.

We should look at what is healthy now, and let us keep it healthy.

I do not want to bring that into the Senate Chamber. That is going to take some intelligent action on the part of Government, instead of keeping them in a position in which we have predetermined that these healthy railroads are going to fail 15 or 20 years from now.

Mr. McCLURE. The Senator from Connecticut makes a very valid point, and I think Congress must address itself to that question.

Mr. HARTKE. I want to add one thing. All the railroads in the United States are in support of this legislation, because all of them benefit as a result of this legislation. Let me put it another way: They would suffer immeasurably if the legislation were not passed. Put it either way.

One thing we have to recognize is that even the healthy railroads are not electrifying today, because they do not have the capital. We have a serious transportation problem in this country, and it has to be one which will be coordinated, and hopefully we will get about that business.

In line with what the Senator from Connecticut was complaining about earlier, we have so much unfinished business that we should get on with half of it, at least.

Mr. McCLURE. I say to the Senator from Indiana and the Senator from Connecticut that if the entire Congress had spent as much time working on this problem as have the two Senators I mentioned have done, perhaps we would have found some solutions. But the entire Congress has not done so.

More than 4 years ago, I submitted a resolution, when I was serving in the House of Representatives, asking that we have a nationwide transportation study to determine, before we took further actions, what was the desirable transportation mix in the United States. I had to push very hard to get to testify before the appropriate committee of the other body. Instead of acting on that resolution, they went ahead with piecemeal approaches, such as Amtrak, without any determination of whether that was what we really wanted to do.

We moved into the subsidy for rolling stock, without any determination of whether that was what we really wanted to do. We move into the ballout of Penn Central without determining what our ultimate plan is. We get more millions of dollars involved in this legislation, without determining where we are headed. That is not the fault of the two Senators I have mentioned.

I recognize that I am like a preacher on Sunday morning preaching to all the sinners who are not there. But at some point Congress has to accept its responsibility in the oversight of the regulatory agencies and look at a national transportation policy that, instead of dealing with symptoms, deals with basic prob-

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lems of transportation. I am sure the Senator from Indiana and the Senator from Connecticut have been making the same speech.

Mr. HARTKE. I agree with that statement.

I would like to put into the RECORD some figures I cited earlier about what we have been doing in other fields. Taking 1973, on all transportation we spent $28.2 billion, but 86 percent of that went to highways, 10 percent went to air transportation, 3.7 percent went to water transportation, and less than one-quarter of 1 percent went to rail transportation.

Mr. McCLURE. Would the Senator not confess that those figures, by themselves, do not tell the entire story? The majority of the money that went into the highway trust fund comes from user fees of the people using the highways, and the majority of the money now moving into the airport and airways improvement comes from the user fees established by the trust fund, paid by the people who use the airways and airports. Is that not correct?

Mr. HARTKE. Let me say to the Senator that that is partially correct. Let me correct part of it.

Taking the airlines, for example, how do we really decide what is going to be subsidy? The fact is that the airport strips are 75 percent Federal money, not out of trust money. The Weather Bureau is paid by the Federal Government, and the air traffic controllers are paid by the Federal Government. There have been a lot of contributions. I do not think that detracts from the argument that the Senator from Idaho is making or that it does anything except substantiate the need for this legislation.

Mr. McCLURE. It underscores, in my mind, the need not to look to the general treasury for the bailout of the railroads necessarily, although that may be the ultimate answer. It may be that that is what we decide is in the public interest.

However, there is another aspect that bothers me a little about this. Look at what happened to the Penn Central. There have been all kinds of investigations, all kinds of talking, a lot of speeches have been made about Penn Central, and what happened. If there is any railroad in the United States that should be able to operate—a railroad that lies in an area of heavy traffic density, an area of short hauls, of potentially high return—it should be the Pennsylvania or the New York Central. We combined them to bail them out. They merged into the Penn Central, which should have been potentially the strongest railroad system in the United States, and it failed. I think there is a great deal of evidence that the Penn Central management spun off a great many of its assets in order to leave a skeleton to the public to resurrect. I think all of that is abundantly in the record over the past several years.

Now we are going to move in and rescue that system, at the expense of the taxpayers of the United States. During that period of time, certainly the stock values of the Penn Central system—compared with before the merger and after the merger—have gone down. But they still have value. So when we put money into that system to rescue the system for the benefit of the public, we are putting dollars into the pockets of the shareholders of the system.

Mr. WEICKER. No. I think it fair to point out to the distinguished Senator from Idaho that whatever benefit accrues by virtue of these moneys going over to the Penn Central, it is money that they will not recoup when these properties, and so forth, come into ConRail.

Mr. McCLURE. They will not recoup it, but the value of the stock will go up on the stock market, and they can sell it on the stock market and make a great deal of money.

Mr. WEICKER. I will not advise anybody to buy Penn Central stock.

Mr. McCLURE. I will not, either. But if they have to hold on to it, the Government is going to buy them out or increase the value of it by doing a lot of things.

Mr. WEICKER. Well, you know, if you really want to get upset——

Mr. McCLURE. No, I am not upset.

Mr. WEICKER. The Senator has every right to be, and so do I. But if we want to see what they are doing, I think it indicates not only mismanagement but close to criminal activity.

In 1968, after the merger, Penn Central lost $2.8 million, but paid its stockholders $54.5 million in dividends.

In 1969, the railroad lost $82.8 million, but paid dividends of $43.4 million. I mean, that is just incredible. It obviously is a part of the mess that has been left on the stage for others to clean up. I might add, I think it is a very sad chapter in our private enterprise system. It does not speak well for that portion of the business community who engaged in that type of activity.

Mr. McCLURE. I would say to the Senator from Connecticut, I think that does dramatize it. I think there are an awful lot of other parts of the record that fully substantiate the charges that the Senator makes.

Mr. HARTKE. Let me state to the Senator from Idaho that I do want to point out that we are not dealing with that management, and I think the RECORD ought to be clear on that.

Mr. McCLURE. I understand.

Mr. HARTKE. Under the proceedings of the Federal court, the bankruptcy proceedings, at this time, under the organization proceedings, which have concluded that they cannot reorganize on an income basis, we now have court appointed trustees who are managing the estate of the Penn Central.

We did touch on this matter in the legislation which we wrote, in sections 213 and 215. In both cases, we made sure there would not be any benefits as a result of this legislation which would be paid for twice when the properties are transferred.

Mr. McCLURE. But I would say to the Senator that we cannot prevent it. We can say it, but we cannot prevent it. If we put money into the building up of the roadbed, even though it does not pay off in dividends, the stock value goes up. We put money into rolling stock for the railroads, and the shareholders' value will increase on the market.

I am not suggesting the obvious alternative, which would be that then the Federal Government goes in and buys the whole outfit, based upon the market value of the stock, in order to prevent that. I just want to point out that at this point in time we are permitting them—the shareholders; not management, the shareholders—to hold on to an asset of some value on the market, while we pour money in to increase the value of it, and they will reap that value in the marketplace.

We do it for legitimate motives. I am sure we are not doing it to enhance their value, or bail them out personally. We are doing it because we are concerned about the economy and the viability of the communities served by this system. I recognize that. That is a perfectly legitimate and proper motive for concern of Congress.

But I think we need at the same time to look at the fact that the taxpayers of the country as a whole, who are called upon to make that investment for the benefit of less than the whole, are enhancing the value of an asset that is held in private hands, and we cannot prevent it. At least this legislation does not.

Mr. HARTKE. The assets are not held in private hands. They are now under the jurisdiction of the court.

Mr. McCLURE. They may be under the jurisdiction of the court, but the court does not own the stock.

Mr. HARTKE. Let me say to the Senator that there is an alternative, and that is to nationalize. That would cost the Government about $14 billion. In that case, we do bail out the stockholders.

Mr. McCLURE. We do not bail them out; we just pay them out for their present value, but the stock does not increase in value as it will under this legislation.

Mr. HARTKE. I am not really interested in pursuing the matter, but I think that if the Senator would take the time to look into this measure, he would find that the stockholders would not benefit from this legislation one iota.

Mr. McCLURE. They already have.

Mr. WEICKER. Mr. President, I think the answer is that actually if we had a total liquidation and brought the whole operation to a halt right now, actually, the stockholders would do better than under continuation. I do not think they will benefit from this legislation. I think if they closed the shop tomorrow and sold off everything they had, they would be in better shape.

The legislation is designed to make sure they will not benefit from these moneys, which are geared toward enabling them to continue operations. I have to confess—you see, the difficulty the Senator is having is the same difficulty that I have and the Senator from Indiana has, in that we sort of feel like someone is making us do this, you know, as with a club over our heads, and to a certain extent I suppose that is true, except that we have to understand who constructed the club, and that is what was referred to by the distinguished Senator from Indiana when he said it was a combination of mismanagement and of Congress not coming up with a comprehensive plan, as the Senator from Idaho was calling for 4 years ago. All of these things are what constitutes a club over our heads.

I must say to the Senator from Indiana that insofar as rail passenger traffic is concerned, I think that nationalization is not only the answer, I think it is in effect right now. We have, in effect, government transportation. The National Department of Transportation, the State transportation authorities, and Amtrak, in effect, amount to nationalization. I know the word is not popular, but it is, in essence, the same effect, and the Government runs the rail passenger service today.

It would be my hope that the stronger elements of the Penn Central system would be absorbed by the healthy rail systems in this Nation, and there would be a minimum of governmental involvement when we reach the end of this particular road. But all I can say is that insofar as any enrichment of individuals is concerned, we have tried to be very careful not to do that, and it is my belief that if the whole operation came to a halt tomorrow, really, the creditors probably would do better than by continuing this thing in operation.

Mr. McCLURE. The officers have already sold off most of their fixed assets. Penn Central got rid of most of its fixed assets; what do they have left to sell, except some deteriorated roadbed and some antiquated machinery that they say we have to replace for them?

Mr. WEICKER. They have some real estate left, which constitutes the roadbed, but I agree with the Senator.

Mr. McCLURE. They will sell that off in the bankruptcy sale, probably, for much less than the book value of their stock.

Mr. WEICKER. In the meantime, the problem is, as the Senator from Indiana and I have both stated, if we let them go out of business tomorrow, it is not as if—no recent corporate failure comes to mind, but if we were just a corporation that involved only the employees of that corporation, it is bad enough for the employees to be involved, but at least it would not affect so many other corporations.

But that is the problem here. We do not worry about Penn Central, but I do worry about the lines you have coming from the West; and that corporation and those personnel are needed by those rail lines to function properly. It is an integrated network. Unfortunately, half of it is rotten and the other half, if it is to survive, still depends on the rotten portion.

Mr. McCLURE. What the Senator is saying is that the rail system cannot survive half rotten and half free; the question is whether we rot the whole thing or free the whole thing, in my mind.

The Senator has said one of the alternatives might be the nationalization of the system. It seems to me that unless we really know, not just guess but really know that what we are doing will lead to the independence of the rail system, what we are seeing now is nationalization by inches, rather than confronting the question at the outset.

Mr. WEICKER. I agree.

Mr. McCLURE. As to whether or not that is what we want.

Mr. WEICKER. I agree. That is exactly what is going on. That is exactly the point. The Senator was correct when, 4 years ago, he asked to have a comprehensive look at the whole situation and come up with solutions.

We should know now what is the comprehensive condition of the rail system of the United States going to be in 1995.

Mr. McCLURE. I agree with the Senator.

Mr. HARTKE. But we do not. We do not have the facts. That is why we must do this. The fact is, we do not know and no one else knows, and that is a deplorable situation. I agree. We are going to try to find out, and if the Senator will help us we will find out.

Mr. McCLURE. I certainly will, and I say again as I said earlier, I know that if the Senator from Indiana and the Senator from Connecticut had their way, if we were doing what they suggested, we would not be in quite the same dilemma as we are facing today.

The fact is that the fellows who are not here today, the Congress itself, the procedures within Congress that make it difficult to move, and all the complex pressures from outside Congress that prevent movement are the real culprit, because we will not take the actions we ought to take.

I thought the Senator from Connecticut made a very good point earlier today when he was suggesting that instead of Congress spending all its time on some things that are relatively less important, it should be spending some of its time here working on these problems.

I have been concerned. As I look at the condemnation of the regulatory system—and it is breaking down—as I look at the condemnation of the congressional system—and it is too cumbersome—and as I look at the public reaction against political delays that stifle the possibility of any solutions moving through the governmental process, I have to conclude that it is not working.

Then I look at the system that is proposed by some to set up new bureaucracies to supervise the old bureaucracies, and they completely fail to put their finger on the reason that the present system is failing, which is that it is the nature of bureaucracy to fail.

So when they want to set up a new bureaucracy to supervise the old one they are only simply adding another layer of failure on top of the present layers of failure, without doing one thing to solve the fundamental problem. One of the fundamental problems of the regulatory agency that will not be solved by creating another layer of bureacracy is the failure in the halls of Congress to exercise the reasonable oversight of the regulatory functions that we have delegated to regulatory agencies.

Mr. WEICKER. I agree. I agree with the distinguished Senator from Idaho as to oversight of the regulatory agencies. But I also want to say one other thing as it applies to Congress. It has nothing to do with priorities as to whether you want highways in Idaho, et cetera. I do not want to get into that argument. The Senator knows what their transportation needs are, and Connecticut knows what its transportation needs are. But one matter which I think has been very much of a dead hand on a long-range transportation policy as far as Congress is concerned is the concept of the trust fund, because it does not make us look at our transportation needs year by year.

It just sets up an automatic pilot and, whereas, maybe you have more need having to do with the highway in Idaho, we do not need any more in Connecticut, we need mass transit instead. So all I am saying is conceptually, regardless of whether you agree as to where the money should go, whether it should go for highway or mass transportation, Congress is passing over to its entity its duties and obligations to review the transportation needs, present and future, of this country.

I could not agree more. Every year we should be in here, and that is what our committee should be doing. They should be asking what are the transportation needs. Instead we say, "Do not worry, we set up a percentage over here, and this is the way it is going to go." So we do not worry either as to what the actual needs are or are going to be, and I think if those two things were done, as the Senator from Idaho has suggested, the regulatory agencies really get a good hard look and oversight and, No. 2, Congress does its job of every year coming in here and grasping the transportation needs of the country and applying its energies and its knowledge to these needs, believe me, we would not have this bind. But neither of these things has been done, and both should be done.

Mr. McCLURE. I thank the Senator from Connecticut.

I have a slightly different view of the trust fund. I would agree totally with what he said if the trust fund were merely a dedicated fund, a dedicated fund in which a proportion of general funds of the Government were set aside into a trust fund for a specific purpose. That kind of earmarking of revenues simply is a confession of a failure of the legislative process. It has not set the priorities.

Mr. WEICKER. Sure.

Mr. McCLURE. The highway trust fund, created during the Eisenhower administration, was not quite that because it levied a special tax on a special group of the people for a special purpose, and said, "We will segregate that for that purpose."

Now, I agree with the Senator that we ought to look at that to see whether that purpose still has that priority and whether the trust fund is justified.

Mr. WEICKER. That is all I am saying because, for instance, in Connecticut our motorists pay their share into that fund. But if you were to ask them what they want done with their money, they would actually say, "We want you to build some trains and some bus systems in our State." I mean the motorists would say that. That probably would not be the case in the expanses of the West, and so forth. The need is still there for highways.

So we just should not avoid our own responsibility by being able to pass it over and by saying that is the trust fund over there.

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No, it is Senator McCLURE, Senator WEICKER, Senator HARTKE; it is our job to look at the problem and determine what the priorities are going to be, not some artificial entity.

Mr. McCLURE. If the priorities are not set properly or get out of date, that is the responsibility of Congress.

Mr. WEICKER. Not only the responsibility of Congress, but then you are here with the Penn Central matter on your hands. That is basically what happened, because we did not look at our rail systems in this country. We did not come up 4 years ago with a comprehensive plan, so we are sitting here in this quagmire.

Mr. McCLURE. Well, I am concerned too, about the failure of the regulatory agencies to properly supervise, to properly exercise their responsibility, and properly evaluate the industries which they regulate. Because we have not, we are here bailing out rather blindly, because of some regulatory inadequacy in the past, as a part of the reason.

There are a number of people who are now saying that the ultimate solution for Con Ed's problem—and I think there is a beautiful parallel between Con Ed and ConRail—the taxpayers are getting conned into bailing out the problems of all private enterprise.

The blame for the problems of Consolidated Edison today is myriad, but two of the major problems that Consolidated Edison faces are the direct results of bad government regulation and too much government regulation, and similarly in Penn Central.

We may indeed be seeing some of the same thing, bad government regulation and too much government regulation which was designed initially for the very legitimate and very laudable purpose of protecting the public interest, and it has not protected the public interest. It has subverted the public interest by the processes which they applied, which brings us to this point.

This is not quite the same situation as where we tried to bail out Lockheed with massive loans, a proposal which I resisted, or the attempt made to bail out Grumman Corp., which, happily did not succeed. They have some aspects of the same kind of reactions on the part of Congress saying, "We cannot let it fail no matter what the cost because the social consequences are too great."

We kept military bases running long beyond their need because of the social consequences of closing down the military base.

So we have some of that involved in the current controversy here today. But it goes far beyond that in the failure of the regulatory process, and the failure of Congress to address itself to the problem.

Again, I know that my colleagues in the Senate are not apt to pick up the CONGRESSIONAL RECORD tomorrow or Sunday or even Monday to read these very profound statements that the Senator from Indiana, the Senator from Connecticut, and the Senator from Idaho are making, so maybe this is just an exercise in futility. But somewhere, somehow, the people of this country have to get the message through to their Representatives in Congress that they are sick and tired of a government that no longer can address itself to the problems of this country, and a Congress that, by its procedures and by the fact that the Government itself has become so large and so all involved, can no longer adequately look at it, the people of this country are sick and tired of the messes we constantly get into because of the failures of the Congress of the United States.

The buck stops here so far as governmental programs are concerned. The responsibility lies here to see that we do not get into the kind of messes that we have.

Two of the problems that Penn Central faces are the direct result of governmental programs that did not adequately assess the impact. One we have discussed somewhat was the regulation of rates. Another one was the environmental concerns that we very properly addressed as we forced industries out of the use of coal and into the use of alternative energy.

One of the largest dollar generators for the Penn Central system lay in the transportation of coal from the place it was produced to the place it was consumed. And we, in the Congress of the United States, without assessing that impact, adopted policies that forced that segment of their business to be completely abandoned.

I am not saying that the action that was taken in order to protect the environment was wrong. But I am saying that Congress did not adequately assess the question of the impact that would be caused upon the Penn Central and upon other segments of the economy by the actions that we were taking that dried up the flow of coal from West Virginia coal mines to the industries of the Northeast; that dried up the flow of that commerce that provided a great deal of the dollars that would have made Penn Central a more economically viable industry than it has been.

I really am very much concerned that what we are dealing with here today is only an attempt to get by some of the problems that we have helped to create, dealing only with symptoms and not with fundamental causes, and that Congress is not yet ready to look at the fundamental causes in order to find some fundamental cures, so that we do not have to come back a year or two or three or five or ten years from now, putting more millions of dollars into a system which still has no solution, that we nationalize the industry by inches, and we end up doing something that, when it is all done, saying, "Gee, we are sorry we did not know we were doing that."

The Senator from Indiana, I am certain, will continue to exercise the leadership he has; I am sure the Senator from Connecticut will continue to be outspoken, as he has been, about this particular problem. I just hope that somewhere, somehow, the American people get the message and demand the action that will motivate some others to at least look at the problem if they do not read the CONGRESSIONAL RECORD.

Mr. HARTKE. I thank the Senator from Idaho for those remarks. We will do the best we can. That is all I can promise him.

Mr. President, I now move that the Senate concur in the amendment of the House.

Mr. ALLEN. The Senator makes this motion for the purpose of argument; is that right?

Mr. HARTKE. Yes; I would like to make the motion, sir, to have this in front of us so that we have taken care of all the technicalities in the event we come to the place where we can vote, so all we have to do is vote.

Mr. ALLEN. Very well.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NUNN). Without objection, it is so ordered.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. What is the pending business?

The PRESIDING OFFICER. The pending business is a motion by the Senator from Indiana to agree to the House amendment in the nature of a substitute, S. 281.

Mr. HELMS. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the Senator from Indiana (Mr. BAYH) and the Senator from Illinois (Mr. PERCY) to the National Commission on the Observance of International Women's Year, 1975.

ORDER OF BUSINESS

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUMPERS). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I wonder if the distinguished Senator from Alabama would allow us to vote at a time certain this afternoon on the pending business, which has to do with the Penn Central Railroad.

Mr. ALLEN. In answering the distinguished majority leader, some reference was made earlier in the day that we might vote on this and then recess over until Monday, and that is agreeable, of course, with the Senator from Alabama, under certain conditions.

I might state that I want to see action taken on this bill.

I am not going to vote against it, but I want to see the Senate act. I have felt that we should first dispose of Senate Resolution 4, inasmuch as the proponents of that measure have given it a top priority, a priority ahead of the Penn Central bailout. It is not the Senator from Alabama who has caused this impasse. If Senate Resolution 4 is out of the way, then there would be no reason why this could not be acted upon at once.

I did make this proposal to the distinguished majority leader, and it has something to do only with the procedure on Monday:

Item No. 1: Pass the Penn Central bill.

The rest of it has to do merely with the procedure that would take place on Monday, that before we would recess, to allow the Senator from Alabama to move to bring up one of the items on the calendar. He is not particular about which one.

Then waive the Pastore rule for Monday, the reason being that on these other matters it will probably be hard to make a germane talk for 3 hours on one of these proposals.

Then agree that the Senator from Alabama would be recognized on Monday after the two leaders.

We would recess today, rather than adjourn, and Monday we would come in at 12 and adjourn not later than 5:30.

It seems to me if this Penn Central issue is so critical, and the Senator from Alabama agrees that it is and wants to see action on it, this is certainly a fine way to resolve this issue. I had thought that it would certainly meet with the approval of he distinguished majority leader.

Mr. MANSFIELD. Mr. President, I appreciate the comments and the suggestions made by the distinguished Senator from Alabama. It is my intention to move, at an appropriate time, that the Senate stand in recess until the hour of 12 o'clock noon Monday next.

May I say that I, too, am opposed to the pending legislation, and feel that the Congress has been placed in too tenuous a position too many times relative to Penn Central for the second time, and Lockheed, Grumman, and other measures previously.

However, I believe that the leadership has gone as far as it can in making stipulations, as, for example, asking unanimous consent that the distinguished Senator from Alabama be recognized this morning at the conclusion of the remarks, if any, made by the joint leaders.

I would be constrained to object in my capacity as majority leader, and regardless of my personal feelings on this or any other matter, to any agreement which would take up another matter on the Calendar outside of the pending business or Senate Resolution 4, having to do with rule XXII, or to make a habit of giving any Senator special consideration for recognition, except on an occasional basis. That occasional basis has been met and, I think, fulfilled to the extent necessary at this time.

I do not think it will do us much good to try and arrive at any bargains or stipulations in the future. I believe that the leadership responsibility entails upon me to lay out in some detail what I have just said: that we will stay with this matter, Senate Resolution 4 having to do with rule XXII; that in the leadership's opinion there should be no diversions to other legislation except under unanimous consent, and that there should be no special consideration given to any Senator insofar as recognition on a day certain, at a time certain, approximately, is concerned.

I would point out that recognition, generally speaking, is a matter of the Chair recognizing the Member who is first on his feet; that as far as the leadership is concerned that is a courtesy which has been extended for some years by the Senate to the leadership at the opening of each session.

Incidentally, if the floor is open, it is a courtesy extended to the joint leadership during the course of the proceedings of this body.

Most respectfully, I would say to the distinguished Senator from Alabama that I feel that I have no choice in the matter; that I should lay my cards on the table as I see them in my responsibility as the majority leader; that the Senate should be informed of what I have just said, both orally to those present and in the record for those who are unavoidably absent at the present time.

I would hope that it would be possible to reach some agreement to vote on the pending legislation, which I understand is of the highest importance as far as the economy of a large part of the country is concerned, so that we could vote today.

If we cannot reach an agreement, it would be my intention to move that the Senate stand in recess until 12 o'clock noon Monday, to let Senators take their chances on being recognized and to operate on that basis insofar as these two measures—and, most specifically, Senate Resolution 4—are concerned until these matters are disposed of one way or the other.

Mr. ALLEN. I thank the distinguished majority leader.

Mr. MANSFIELD. Is there any chance, may I ask the distinguished Senator from Alabama, of arriving at a vote on the pending legislation this afternoon?

Mr. ALLEN. I would doubt it very much.

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess until the hour of 12 o'clock noon Monday next.

Mr. WEICKER. Will the distinguished Senator withhold that request?

Mr. MANSFIELD. I withhold.

Mr. WEICKER. I certainly respect the opinions of the leadership, and I do not want to get involved in what their deliberations are. But I do know this: I have already commented upon the fact that we have many urgent matters before us. For whatever reason we are not acting upon them—and very frankly I cannot attribute our inaction to the distinguished Senator from Alabama; there are a lot of other factors that cause us to delay—I would wonder why we are waiting until Monday; why the Senate does not go into session tomorrow.

Mr. MANSFIELD. I would be delighted to come in tomorrow. In suggesting Monday, I thought I was implying what I interpreted to be the wishes of the joint managers of the bill. If the Senator would like to come in tomorrow, I would be most happy to modify my suggestion.

Mr. WEICKER. I know the distinguished Senator from Montana is here all the time. I want to make that clear. He is always in the Chamber.

Mr. MANSFIELD. Not always, but sometimes.

Mr. HARTKE. Will the Senator yield for a moment?

Mr. MANSFIELD. Surely.

Mr. HARTKE. I really think it is unfortunate what is happening here, on two scores.

One is the parliamentary procedure, and I say it with all due deference.

The other is one which I think is perhaps even more important, and that is the fact that somehow the impression is being left with some Senators that the pending legislation is only going to be helpful to a part of the country. That, I think I can state unequivocally, is not the case. The pending legislation is of major importance to the entire country, to each and every State and each and every locality of the Nation.

The second thing, which is even more disturbing to me and should be more disturbing, perhaps, to the Government, the whole Government, is that the situation is not one of just trying to take care of a corporation. This is taking care of a situation, not a corporation, because of the consequences of a shutdown of our rail system. It is the court trustees who are in charge of a transportation system which is operating under chapter 77 of the Bankruptcy Act.

I have been tempted a number of times to walk away from this matter—I am more tempted than ever—and to permit the chips to fall where they may, and not worry about it. I know that the consequences, within less than a week, will be of such severe nature to this country that I do not think any Senator could stand on the floor of the Senate and say he is going to allow it to happen simply because of a parliamentary impasse.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. MANSFIELD. As the distinguished Senator from Alabama knows, while I favor three-fifths of those present and voting, as envisaged in Senate Resolution 4, I am opposed to a straight majority vote to invoke cloture.

Mr. ALLEN. I know that.

Mr. MANSFIELD. Also, I did not vote for the Penn Central funding some weeks ago, nor for the other funding measures which were brought before the Senate during the past several years, because I do not think the Senate is a body which should face up to these particular difficulties on a hit and run basis.

That is why I have advocated, for ex-

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ample, the re-creation of an RFC, or something approximating it, so that these matters could be taken to a body, a bureau, an agency fully qualified to look into them, to arrive at reasoned judgments, rather than to have 535 Members, on a hop, skip, and run basis, arrive at decisions involving hundreds of millions of dollars.

So far as any blame for any delay is concerned, I am willing to assume that, because I think that is part of the job I happen to hold. But I do so only on the basis of laying out the matter for the entire Senate to see and to understand what my position is on these two measuers and that I do want quick consideration of both. I want to dispose of both, one way or the other, and the only way I can do it is to state my position and have the record bear me out.

Mr. HARTKE. Mr. President, I think there is a great misunderstanding as to what is going on here. That system is set up. It was set up when we passed the Regional Rail Reorganization Act. The preliminary system plan will come out on February 26. The final system plan comes out in July. Next year at this time, ConRail is supposed to be operating these railroads. It will be, hopefully, a better system than the Reconstruction Finance Corporation, because it is a system, hopefully, which can be made to operate on a private enterprise basis and make money.

However, in the meantime, we are faced with the proposition that the payroll is not going to be met—under the management of the trustees, not under the former management of the Penn Central. The payroll is not going to be met on next Monday and Tuesday. If the payroll is not met on next Monday and Tuesday, the railroad closes down. The stockholders do not care. The creditors do not care. They have tried to stop this law from going into effect.

What we have here is a matter of providing enough sustenance, enough food for this transportation operation to continue until a year from now.

Mr. MANSFIELD. It is a matter of personal opinion so far as both of us are concerned, and I certainly respect, as I always do, the opinions of the Senator from Indiana, who knows far more about this matter than I do.

However, despite my feelings on the matter, on both proposals, I would like to see them brought up and disposed of one way or another as expeditiously as possible. That is why I made the statement. I certainly do not impugn anyone's motives.

I recognize, from what I have read in the newspapers, the tremendous impact this will have. I think it is a bad precedent, which we are adding to as time goes on, by considering it too often in this Chamber and the other body, when, in my opinion, it should be before some sort of permanent institution or office or agency.

Mr. HARTKE. I understand what the Senator is saying.

The Senator from Connecticut and I have said that if somebody has an alternative which is acceptable, we will be willing to join.

Mr. WEICKER. I think we share the same uneasiness that has been evinced by the Senator from Montana.

I ask the distinguished Senator from Alabama if there would be the possibility of coming to a vote on this matter tomorrow, were the Senate in session.

Mr. ALLEN. The Senator from Alabama would not care to speculate on that. A lot of things might happen. The proponents of Senate Resolution 4 might decide that the beginning of the session has ended; they might withdraw Senate Resolution 4. I do not know what is going to take place tomorrow. If the situation remains the same tomorrow as it is today, I would say there is no chance of passing the bill on tomorrow. Looking a little further into the future, I would say that there would be an excellent chance, so far as the Senator from Alabama is concerned, that the Penn Central matter would come to a vote on Monday.

Mr. WEICKER. I now direct my comments to the distinguished majority leader.

I honestly hope that, in order to give some substance to our credibility as leaders of this Nation, we would stay at this matter until it is resolved. I find it a little difficult to say, but in this Chamber we have one of the greatest crises ever confronting the country, and everybody takes off for the weekend. A great deal has been building up in me on this matter. As I said before—I do not think the distinguished majority leader was in the Chamber—the fact is that, for example, we have yet to address ourselves to the energy crisis which commenced in October of 1973, and here it is February of 1975.

Several of us have worked our backsides off to get some facts before the American people as to the abuses of government, and we have yet to pass one piece of legislation on that factfinding. Now we sit here with this crisis.

Listen, all I am saying is, never mind what we do in the way of surface show. I think it is time we set an example. A lot of people are out of work. If this measure is not passed, more people will be out of work.

If it means that we have to be here and keep our noses to the grindstone, I suggest that is what we should do.

I happen to know—whether it is energy or what have you—that the Senator from Montana has been the greatest in insisting that we do these things. But I am very uneasy about leaving this matter, which I have been led to believe is urgent, and letting it hang, while we go to our various delights, whatever they happen to consist of, during the next 48 hours.

Mr. MANSFIELD. Mr. President, I agree with the distinguished Senator.

[The following routine morning business was transacted today by unanimous consent:]

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Vice President laid before the Senate a message from the President of the United States submitting the nomination of Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria, which was referred to the Committee on Foreign Relations.

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce:

To the Congress of the United States:

I hereby transmit the Report of the Corporation for Public Broadcasting for the Fiscal Year ending June 30, 1974. This report reflects real progress made in fulfilling the promises of an independent Public Broadcasting System foreseen in the Public Broadcasting Act of 1967, which created the Corporation.

GERALD R. FORD.

THE WHITE HOUSE, *February 21, 1975.*

MESSAGE FROM THE PRESIDENT

Under the order of February 20, 1975, a message from the President of the United States submitting the nomination of Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development was received on February 20, 1975, during the adjournment of the Senate, and was referred to the Committee on Banking, Housing and Urban Development.

MESSAGE FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives by Mr. Barry, one of it reading clerks, announced that the House has passed the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION TO AMEND THE DEFENSE APPROPRIATION AUTHORIZATION ACT OF 1975

A letter from the General Counsel for the Department of Defense, transmitting a draft of proposed legislation to amend the provisions of the Department of Defense Appropriation Authorization Act of 1975 which provide for the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes (with accompanying papers); to the Committee on Armed Services.

ANNUAL REPORT OF THE COMPTROLLER OF THE CURRENCY

A letter from the Comptroller of the Currency, transmitting, pursuant to law, the 1973 annual report of the Comptroller of the Currency (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF THE DEPARTMENT OF THE TREASURY UNDER THE MERCHANT MARINE ACT

A letter from the Secretary of the Treasury, transmitting, pursuant to law, reports regarding its activities under the last proviso of section 27 of the Merchant Marine Act, 1920, as amended (with accompanying papers); to the Committee on Commerce.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "An Appraisal of the Special Summer Food Service Program for Children," Food and Nutrition Service, Department of Agriculture (with an accompanying report); to the Committee on Government Operations.

PROPOSED LEGISLATION TO INCREASE APPROPRIATION AUTHORIZATION RELATING TO THE VOLUNTEERS IN THE PARKS PROGRAM

A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to increase the appropriation authorization relating to the Volunteers in the Parks Program, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE ARCHITECT OF THE CAPITOL (S. Doc. No. 94–28)

A letter from the Architect of the Capitol, transmitting, pursuant to law, a report of all expenditures during the period July 1, 1974 through December 31, 1974, from moneys appropriated to the Architect of the Capitol (with an accompanying report); ordered to lie on the table and to be printed.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. INOUYE:

S. 784. A bill to authorize the Secretary of Commerce to sell two obsolete vessels to Kailua Tug and Barge, Inc., and for other purposes. Referred to the Committee on Commerce.

By Mr. TALMADGE:

S. 785. A bill to suspend until June 30, 1976, the duty on catalysts of platinum and carbon used in producing caprolactum. Referred to the Committee on Finance.

By Mr. SPARKMAN:

S. 786. A bill for the relief of Concrete Industries (Monier), Ltd. Referred to the Committee on the Judiciary.

By Mr. McCLURE:

S. 787. A bill to amend the Act of December 27, 1950. Referred to the Committee on Commerce.

S. 788. A bill to suspend for a temporary period of time the provisions of Section 27 of the Merchant Marine Act, 1920, in order to permit, under certain circumstances, vessels of foreign registry to transport fertilizer necessary to the production of agricultural commodities from Alaska to the West Coast. Referred to the Committee on Commerce.

S. 789. A bill to prohibit increases in rates of pay to Members of Congress until fiscal balance is achieved. Referred to the Committee on Post Office and Civil Service.

S. 790. A bill for the relief of Jose Ramon Santa Maria. Referred to the Committee on the Judiciary.

By Mr. FONG:

S. 791. A bill for the relief of Antoinette Hazel Gopaul. Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself, Mr. BAYH, Mr. CANNON, Mr. CASE, Mr. CHURCH, Mr. CLARK, Mr. DOLE, Mr. EAGLETON, Mr. PHILIP A. HART, Mr. HATHAWAY, Mr. HOLLINGS, Mr. HUMPHREY, Mr. JAVITS, Mr. MATHIAS, Mr. MONDALE, Mr. MONTOYA, Mr. MOSS, Mr. PELL, Mr. PERCY, and Mr. RANDOLPH):

S. 792. A bill entitled the Part-Time Career Opportunity Act. Referred to the Committee on Post Office and Civil Service.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE:

S. 784. A bill to authorize the Secretary of Commerce to sell two obsolete vessels to Kailua Tug & Barge, Inc., and for other purposes. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, today, I am introducing a measure designed to assist our mid-Pacific fishing fleet. This bill authorizes the Secretary of Commerce to sell two obsolete Navy tankers to Kailua Tug & Barge, Inc., of Honolulu. The mid-Pacific American fishing fleet is in need of assistance, and this measure will provide such help without cost.

The Kailua Tug & Barge Co. wishes to buy and refurbish the two tankers for use in Pacific fishing operations. The company will buy the vessels for their appraised value for operation or for scrap purposes only.

Mr. President, I ask the Senate to act expeditiously on this measure.

By Mr. SPARKMAN:

S. 786. A bill for the relief of Concrete Industries (Monier), Ltd. Referred to the Committee on the Judiciary.

Mr. SPARKMAN. Mr. President, I am introducing a bill providing for the relief of Concrete Industries (Monier), Ltd., an Australian company.

This Australian company was a joint venturer with an American construction company on a contract with the U.S. Navy providing for the construction of an elaborate VLF radio communication facility at North West Cape, western Australia. The construction of this facility by our Navy on Australian soil was permitted by treaties entered into between the United States and Australian Governments in May of 1963.

During early stages of contract performance, the American company suddenly and unexpectedly became insolvent and was no longer able to continue with the project. Prior to its collapse, the American company had by far the major interest and responsibility in the joint venture and the Australian company had no control over matters of policy and policy and contract administration. After the collapse of the American company, the Australian company completed the contract in accordance with all contractual requirements but at a substantial financial sacrifice.

On April 30, 1970, in the 91st Congress, 2d session, I introduced a relief bill (S. 3779) on behalf of this Australian company, together with a resolution (S. Res. 400), seeking the referral of the matter to the U.S. Court of Claims for a determination under the provisions of title 28, sections 1492 and 2509, United States Code. The purpose of this procedure was to determine whether our Government had any legal or equitable liability to that company under these circumstances. The resolution was favorably reported by the Committee on the Judiciary and unanimously passed.

The claim was docketed in the U.S. Court of Claims as congressional reference case No. 6–70, and extensive evidentiary hearings have been held upon it in Australia and in the United States by the Senior Trial Commission. Following those hearings, the Senior Trial Commissioner entered his lengthy and most complete findings of fact and opinion by which it was recommended that the sum of $1,022,714 be paid to Concrete Industries (Monier) Ltd., in order to satisfy the equitable liability of the U.S. Government to that company.

On December 13, 1974, the Review Panel of the U.S. Court of Claims adopted the opinion of the Senior Trial Commissioner in finding that "the total amount equitably due Concrete Industries (Monier), Ltd., from the United States is $1,002,714" and so reported to the U.S. Senate.

I am advised that the Department of Justice, which defended the claim throughout on behalf of the U.S. Government, requested the Review Panel of the U.S. Court of Claims to adopt the opinion of the Chief Trial Commissioner and therefore has no objection to the passage of this appropriation bill. I am further advised that our State Department, which has followed these proceedings closely, strongly favors it and that the Australian Government has officially communicated its interest in having the amount paid as promptly as possible now that the appropriate U.S. tribunal has determined that it is equitably due.

Now that Concrete Industries (Monier), Ltd., has followed the procedures provided by the statutes of this country in proving that it is entitled to equitable relief in the amount of $1,022,714 resulting from the satisfactory performance of a contract with our Navy Department, it is only right and proper that Congress appropriate the amount provided for in this bill.

By Mr. McCLURE:

S. 787. A bill to amend the act of December 27, 1950. Referred to the Committee on Commerce.

S. 788. A bill to suspend for a temporary period of time the provisions of section 27 of the Merchant Marine Act, 1920, in order to permit, under certain

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circumstances, vessels of foreign registry to transport fertilizer necessary to the production of agricultural commodities from Alaska to the west coast. Referred to the Committee on Commerce.

Mr. McCLURE. Mr. President, I am pleased to report that farmers and food consumers can claim a limited victory in the administration's decision last November to allow shipments of anhydrous ammonia, from Alaska, to land in the Pacific Northwest. It must be just as puzzling to you as it is to me why any American would oppose such shipments, but the facts show that such opposition did exist.

When it became certain early in 1974 that fertilizer—particularly anhydrous ammonia—would be in short supply, I requested that the administration grant a waiver to the so-called Jones Act to allow available additional supplies to be brought in from Alaska. The Jones Act is intended to protect American seamen and shipping from foreign competition. I have always supported a strong domestic maritime fleet and will continue to do so. In this instance, however, there were no additional available American ships, so a waiver would mean no loss of jobs or cargoes for our domestic seamen and their ships. There was immediate opposition, however, from both the U.S. Maritime Administration and the maritime unions. In addition, the Secretary of the Treasury was prohibited from granting a waiver due to Congress wording of the act. Congress specifically stated that an administrative waiver could be granted only in instances threatening "national defense." For that reason, I introduced a bill for a legislative waiver. There is considerable precedent for such a waiver, since the Congress has previously passed waivers for such purposes as shipping coal from Canada to New York, for shipping lumber to Puerto Rico, and carrying passenger's between Canada and Alaska. Obtaining much needed fertilizer for our farmers was certainly as important as these. Unfortunately, my bill was not reported from committee.

After months of legislative inaction, the available additional supplies in Alaska were sold to Mexico, due only to the Congressional prohibition against using foreign ships, even though additional U.S. ships were not available.

In October of last year, however, the only U.S. barge that had been transporting fertilizer sunk. I immediately urged reconsideration of the administration's decision that the "national defense" criteria—established by Congress—had not been met. After a careful reexamination, the Secretary of the Treasury—acting on a request from the Secretary of Agriculture—granted an administrative waiver so that a foreign ship could resume shipments of the critically needed fertilizer. At the same time, I urged that the Senate Commerce Committee take action on my bill as soon as the Congress reconvened. This would remove any doubt or challenge as to the validity of the administrative waiver for purposes of "national defense." In the meantime, I have urged that the maritime unions support the administration's decision, so that our farmers can continue to receive the anhydrous ammonia.

Idaho, for one, is fortunate in having a major fertilizer supplier. The Fertilizer Division of Simplot is working hard to increase their production capacity, and the 1975–76 projected shortages will undoubtedly be eased by their efforts. I am hopeful that more Americans—especially those in the urban areas of the East—will begin to understand the importance of fertilizer, not only for their own food supply, but also as it affects the United States economic picture in foreign trade. And, of course, in this time of increasing concern about mass starvation in several parts of the world, it behooves all Americans to more fully appreciate the importance of our farmers, ranchers, and the industries which support them.

Today I am introducing two proposals to help the farmers of the Pacific Northwest meet their goals of increased food production.

The first proposal will provide legislative backing for the administrative waiver granted last November. This is a temporary waiver, subject to the same conditions and limitations as regards the preference for American vessels. At such time as a U.S. ship becomes available, then the waiver is terminated. This provision will protect against any possible loss of jobs for American seamen.

The second proposal will enable the Secretary of the Treasury to grant an administrative waiver if it is necessary to assure adequate food supplies.

I ask unanimous consent that two articles describing the seriousness of the fertilizer situation be included in the RECORD, one from the Idaho Statesman of January 17, 1975, and the other from the Journal of Commerce of January 13, 1975.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Idaho Statesman, Jan. 17, 1975]

FERTILIZER FIRMS FACE LOW STOCK, BIG DEMAND

(By Bob Lorimer)

The fertilizer industry finds itself with low inventory and strong demand, with projected plantings of record wheat and corn crops a major factor in the national picture.

"We are growing increasingly concerned over fertilizer availability for spring of 1975," said Edwin M. Wheeler, president of The Fertilizer Institute, in a spring outlook statement.

Treasure Valley dealers are well aware of the problems and are taking measures to conserve elements being supplied under company allocations in order to help customers get through the time of imbalance.

"Great pressure" will be put on ammonia producers for every tone of nitrogen, Wheeler said, adding:

"Each company continues to allocate nitrogen, phosphate and potash. We simply aren't getting appreciable buildup in inventories to meet the traditional spring surge. It is extremely difficult to make an allocation system work when inventories are so low."

At least one exception to the nitrogen pressure is the Fertilizer Division of Union Seed Co., Nampa, since ammonium nitrate is basic to Chevron Chemical Co., with whom the Canyon County outlet is affiliated.

James Kotter, Union plant manager, said their supplies should be adequate if proper management is considered both by his company and the farmer-customer.

He said they advocate a careful soil testing program and do not put an extra pound of nitrogen on the ground if the soil test indicates it isn't necessary for the year's crop.

They are definitely not working on long-range soil buildup programs during the current period of shortages, Kotter said.

He described the supply of phosphate as "critical," requiring a close look at customer soil needs, even recommending cutbacks if they can be made safely.

The emergency has had its benefits, Kotter said, eliminating slipshod soil-improvement practices and stressing in addition to soil testing, good agronomics, conservation and cultural practices.

Although potash supplies are adequate at the time, Kotter predicted general supplies would become short. He said the area soil tends toward having a natural supply of potash and Snake River irrigation water also contains the compound.

Don Pfost, manager of Producers Supply Co-op, Inc., Nampa, said they will probably get enough fertilizer ingredients for their regular customers but not enough for new ones.

Nitrogen has been a particular problem, Pfost said. The co-op, which serves customers from Boise to the Oregon boundary, is now being allotted 80 per cent of the 1972–73 supplies.

Pfost said, the problem may be compounded by a shortage of rail cars.

Cominco American of Nampa is not following a hard and fast rule about not taking on new accounts, especially when they happen to be "long on" a certain fertilizer element.

"But we're taking the longest look at old customers," said manager Carl Budell.

Budell agreed nitrogen is "vital" in the fertilizer picture at this time. He also said his potash supply from Canada is costing more due to such factors as the rate of dollar exchange.

Cominco American, a mining operation, obtains nitrogen supplies from tradeoffs with other companies.

Bob Cook of Wilder, who deals on a brokerage basis with fertilizer elements, said he was surprised at the continuing tight supplies with nitrogen looking a "little tighter" than last fall.

"What is available will be of a higher price," he said. "Phosphate is bad but potash is, by far, the most available. You just can't tell what is going to happen. Manufacturers haven't said."

Cook, who deals as far as the Midwest, said shortages are spotty in different sections of the country.

Using November, 1974, inventories (the latest available), Wheeler compared them to 1973 and 1972. According to these figures anhydrous ammonia supplies were only 43 per cent of 1972.

Ammonium nitrate supplies were slightly more than half of what they were two years earlier as was the amount of phosphate rock.

Standard muriate of potash supplies from United States and Canada were only about one-fifth the amount of 1972.

Wheeler said that without doubt the United States will be a net importer of nitrogen and continues to rely on Canada for 75 per cent of its potash supply. He said exports of phosphates would ease slightly as there is resistance by some overseas customers.

"Even if export prices soften somewhat," Wheeler said, "It must be borne in mind that over the last two years world prices on all fertilizer products have been at premium levels nearly double the U.S. price."

[From the Journal of Commerce, Jan. 13, 1975]

NEW RECORD IN FERTILIZER DEMAND SEEN

WASHINGTON.—The availability of fertilizers for spring 1975 has become a problem of increasing concern to industry officials in view of the increasing acreage of wheat, corn and other crops combined with the continued low inventory situation.

Edwin M. Wheeler, president of the Fertilizer Institute, in a statement issued here on the industry's spring 1975 outlook, pointed out that fertilizer demand should set an all-time record as a result of the surge in wheat acreage, which is up 6 percent, and the USDA forecast of more than 79 million acres of corn to be planted. He added that although cotton acreage is expected to be down, it will not release enough fertilizer to make a large difference in overall supply.

"The fertilizer industry finds itself with low inventory and a strong demand. With real farm income high we do not now foresee problems in farmer financing," the Fertilizer Institute president said.

Gas supply interruptions for ammonia plants also remain a serious problem which will put great pressure on ammonia producers for every ton of nitrogen.

"Each company continues to allocate nitrogen phosphate and potash," Mr. Wheeler said, adding "we simply aren't getting appreciable buildup in inventories to meet the traditional spring surge. It is extremely difficult to make an allocation system work when inventories are so low."

Latest inventory figures which are for the end of November 1974, show that inventories of anhydrous ammonia totaled 782,000 tons compared to 830,000 tons the year before, and 1,813,000 tons at the end of November 1972.

Because of the strong demand, it is expected that the U.S. will be a net importer of nitrogen in '74–'75 and continue to rely on Canada for 75 percent of U.S. potash supply.

Even if export prices ease somewhat, Mr. Wheeler noted that it must be borne in mind that over the last two years world prices on all fertilizer products have been at premium levels nearly double the U.S. price.

By Mr. McCLURE:

S. 789. A bill to prohibit increases in rates of pay to Members of Congress until fiscal balance is achieved. Referred to the Committee on Post Office and Civil Service.

Mr. McCLURE. Mr. President, the subject of pay increases for Members of Congress is often spoken of very quietly in these Chambers but I can assure you that our constituents are not so meek about the subject. The relationship between we the elected representatives and our constituents is obvious. We are the employee and they are the employer—they foot the bill for all the spending programs passed by us supposedly on their behalf and they foot the bill for our salaries. For years now, this country has been spending beyond its means with no concern for the consequences. The result has been runaway inflation that robs our senior citizens of their retirement dollars and forces the housewife to cut back on the family budget. For these Americans, economy began at home, and I would like to see that Federal lawmakers share the load.

Today I am reintroducing a measure that prohibits any pay increases for Senators and Congressmen anytime—until we bring about a real end to deficit spending.

Public opinion polls have shown that only a small percent of the American people approve of the job Congress is doing. I am afraid we deserve that judgment. The Congress has been giving away its powers to the bureaucracy at an alarming rate and has been allowing and approving spending by those same bureaucrats as if there were no tomorrow.

But indeed, there is a tomorrow—a tomorrow that will surely pay for the careless fiscal policies of this Congress, just as we are now paying for the inflation created by yesterday's Congress. And somewhere in the not too distant future there lies a day of reckoning. I would suggest that the overwhelming majority of the public knows that fact, even if the majority in Congress does not.

Excessive Federal spending and the deficit it creates is one of the major causes of inflation in this country. But we find Members of Congress calling for salary increases to offset the inflation which Congress itself help create. How can any Member of Congress honestly support a proposed increase in his salary when this country is in the fiscal shape it is in? Furthermore, how can any Member of Congress continue to support massive Federal deficits while millions of Americans know the reality of spending beyond their means? There are not too many families in this country who do not understand the importance of balancing their family budget.

Instead of a salary increase, the majority of the American people have said that we do not even deserve the salaries we receive today. What right has Congress to protect itself against the effects of inflation created in major part by our own acts—a protection not afforded to any of our citizens? Should not we bear the same burden we help inflict on the country? We do not exempt ourselves from the taxes we levy on others, why should we expect to exempt ourselves from the inflation we levy on others?

Last year we were successful in defeating a pay raise. Why? I am sure there were a number of reasons why Senators voted as they did, but I am confident that the major reason was the clear opposition of the majority of the people. There was more interest in the Senate in the debate on the use of $2.6 billion in aid to Israel that year, which proves a second point—Senators do have an overriding interest in their own pay. Let us use those two forces—the interest of the public and senatorial self-interest—to accomplish one of the most fundamentally required of all congressional reforms, adoption of a budgetary process which can eliminate massive deficits.

If Congress is to regain the respect of the American people, a first and major step must be the end of inflation that is tearing at our very economic well-being. And to end inflation, we must take a truly unprecedented step—balance Federal expenditures with Federal receipts. Not just a paper budget balance. This is the kind of real balance that would spotlight backdoor spending. This is the kind of real balance that would not cheat the American taxpayer and wage earner of a slice of his paycheck through ever-increasing taxes, coupled with a constantly eroded dollar.

Specifically, Mr. President, to give the fiscally irresponsible majority in the Congress a real impetus to achieve the kind of balance demanded by the American public, I would propose that any salary increase for U.S. Congressmen and Senators be withheld and prohibited until the day that an absolute balance between Federal spending and intake is achieved.

There is real logic in the lack of confidence expressed by the majority of people in this country. I see it in my mail every day. They are simply saying: "If Congress were to end deficit spending and thus end the major cause of inflation, it would not need to grant its Members the protection of a pay increase as a hedge against inflation." So, if a pay increase is ever warranted, it must be for doing something deserving of a raise, thus earning support of the majority of the American public. Congress must accept the challenge of fiscal responsibility and until that time there should be no discussion of rewarding Congress by increased salaries.

By Mr. TUNNEY (for himself, Mr. BAYH, Mr. CANNON, Mr. CASE, Mr. CHURCH, Mr. CLARK, Mr. DOLE, Mr. EAGLETON, Mr. PHILIP A. HART, Mr. HATHAWAY, Mr. HOLLINGS, Mr. HUMPHREY, Mr. JAVITS, Mr. MATHIAS, Mr. MONDALE, Mr. MONTOYA, Mr. MOSS, Mr. PELL, Mr. PERCY, and Mr. RANDOLPH):

S. 792. A bill entitled the Part-Time Career Opportunity Act. Referred to the Committee on Post Office and Civil Service.

Mr. TUNNEY. Mr. President. I am today introducing the Part-Time Career Opportunity Act for myself and Senators BAYH, CANNON, CASE, CHURCH, CLARK, DOLE, PHILIP H. HART, HATHAWAY, HOLLINGS, HUMPHREY, JAVITS, KENNEDY, MATHIAS, MONDALE, MONTOYA, MOSS, PELL, PERCY, and RANDOLPH.

This bill has as its primary purpose the elimination of discrimination—particularly against women with children, but also against the elderly, the handicapped, and students—imposed by the basic working-hour patterns in our society.

The thrust of this legislation is to encourage agencies of the Federal Government to make available part-time working opportunities, not just at the menial levels where they are now concentrated, but in responsible positions up and down the career ladder and across the spectrum of Federal agencies.

The essence of this legislation is the requirement that, except where an agency can show that converting positions to part-time would either impair its efficiency or adversely affect current full-time employees, each year for 5 years 2 percent of full-time positions be restructured so as to make available opportunities for people to work part time.

This legislation was originally introduced in the 93d Congress and cosponsored by 26 other Senators. It was unanimously reported by the Committee on Post Office and Civil Service on September 11, 1974. Thanks to useful suggestions from the committee, the American Federation of Government Employees and leading womens' organizations, especially the Women's Lobby, the bill has been

modified and substantially improved over the version originally introduced on June 19, 1973.

If enacted, this legislation would not only offer several hundred thousand job opportunities to women with children, people of both sexes who need to work while pursuing an education, civil servants approaching retirement age, the handicapped and senior citizens, it would also benefit the Federal Government in a number of significant ways.

First, by increasing the available quantity of part-time positions, the Government will increase its chances to choose high quality applicants. Mr. William Lewis, placement manager for Career Blazers Agency, Inc.—a large New York employment service—reports that he receives:

Five times as many responses for a part-time job as for a comparable full-time job.

Adel Lewis, president of Career Blazers, has found that,

For many jobs, the best people on the market are people who want to work part-time.

As the demand for part-time jobs grows, the Federal Government will lose access to a significant source of talent if it fails to promote part-time scheduling. The number of people working part time increased from 7.8 million in 1963 to 12.6 million in 1972, which shows the growth trend.

Second, there is substantial evidence that part-time workers are more efficient and productive than those in comparable full-time jobs. Testimonials from employers reveal that part-time employees often show more enthusiasm for the job, are less distracted by outside responsibilities, and do not develop the counter-efficient boredom that often comes with standard hours employment.

Third, if this legislation were adopted, many highly experienced, expensively trained civil servants would choose to stay on in a part-time capacity rather than retire early. Similarly, the Government would be able to retain the services of experienced employees who, because of family obligations or disabilities, must withdraw from full-time public service.

Finally, by providing increased employment opportunities to people continuing their education, the Government would gain access to new developments as they evolve in the various academic disciplines.

It is difficult to put a dollar sign on the total value of these benefits, but the values clearly outweigh the relatively minor costs of administering the program. As these flexible hours personnel practices are systematically put into effect, the Federal Government will serve as a model to be emulated by private and other public employers. Over the long run, as flexible work scheduling becomes established in our society, the quality of life for countless citizens will be greatly enhanced.

Part-time employment in the public service is an idea whose time has come. In 1963, the President's Commission on the Status of Women recommended that the Federal Government lead the way by establishing a permanent structure of part-time job opportunities in Federal agencies. The Civil Service Commission spoke of the same need in its booklet, "A Point of View." The Department of Labor also endorsed this concept in the publication, "Calling All Women."

Mr. President, some may think that this bill is offered as a solution to the dreadful unemployment situation which plagues our Nation. Surely, it will have a beneficial impact by increasing the total of employment opportunities. The primary purpose of his bill, however, goes beyond dealing with the current economic emergency and to the basic problem of the nature of work in our society. As the people of our country break out of the traditional work, educational and family molds which guided the lives of earlier generations, they increasingly demand that existing institutions respond to their changed working needs.

The Federal Government has an important and exciting opportunity to take the lead in offering substantial numbers of part-time jobs. The Commonwealth of Massachusetts recognized the need for such action by its enactment, in July of 1974, of legislation almost identical to that being introduced today. This year the Legislature of the State of Illinois will consider a bill mandating the creation of part-time job opportunities in the Illinois Civil Service. The time for Federal action has clearly arrived.

Mr. President, at this point I ask unanimous consent that the text of this bill and a list of suporting organizations be printed in the RECORD.

There being no objection, the bill and list were ordered to be printed in the RECORD as follows:

S. 792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Part-Time Career Opportunity Act".

SEC. 2. (a) Title 5, United States Code, is amended by inserting between chapters 31 and 33 the following new chapter:

"Chapter 32—PART-TIME CAREER EMPLOYMENT

"Sec.
"3201. Definitions.
"3202. Policy.
"3203. Part-time career employment percentage minimums; waiver.
"3204. Implementation.
"3205. Limitations.
"3206. Personnel ceilings.
"3207. Nonapplicability.

"§ 3201. Definitions

"For the purpose of this chapter—

"(1) 'agency' means an executive agency other than the Federal Bureau of Investigation and any agency referred to in section 5102(a)(1)(i)–(viii) of this title;

"(2) 'part-time career employment' means part-time employment of at least sixteen hours but not more than thirty hours a week, including, as for example, four hours each workday, five hours each workday, a different number of hours each workday, or two, three, or four days a week, job-sharing arrangements, or such other arrangements as the Civil Service Commission establishes as consistent with the policy prescribed by section 3202 of this title, but does not include an employee who is employed on a temporary or intermittent basis; and

"(3) 'grade' means any grade referred to in chapter 51 (other than grades GS–16, GS–17, and GS–18).

"§ 3202. Policy.

"It is the policy of the Government of the United States that at least a certain percentage of all positions in each grade in each agency shall be restructured to the requirements of part-time employment and made available on a part-time career employment basis to individuals who are unable, or do not desire, to work on a full-time basis.

"§ 3203. Part-time career employment percentage minimums; waiver

"(a) Not later than one year after the date of enactment of this chapter, at least 2 per centum of all positions in each grade of each agency shall be restructured to the requirements of part-time employment and made available to individuals on a part-time career employment basis. Not later than two years after the date of enactment of this chapter, 4 per centum of such positions shall be restructured and made available on such a basis. Not later than three years after the enactment of this chapter, 6 per centum of such positions shall be restructured and made available on such a basis. Not later than four years after the date of enactment of this chapter, 8 per centum of such positions shall be restructured and made available on such a basis. Not later than five years after the date of enactment of this chapter, and thereafter 10 per centum of such positions shall be restructured and made available on such a basis.

"(b) Upon the request of an agency, the Civil Service Commission may waive or reduce the percentage minimum not yet achieved and applicable to any year referred to in subsection (a) for positions in a grade of an agency for a period of not to exceed one year if—

"(1) the Commission finds that compliance with the percentage minimum for those positions in that grade for that period by such agency would be substantially disruptive of the ability of the agency to perform its mission. The Commission may find compliance substantially disruptive of the ability of the agency to perform its mission when compliance would cause the Agency's efficiency to be severely impaired and/or when the agency is undergoing a substantial reduction in force, a freeze on new hiring or other major personnel action which so adversely affects the status of agency employees as to make it impossible to comply with percentage minimums not yet achieved without seriously jeopardizing the employment or employment rights or benefits of agency employees; and

"(2) notice of the request for a waiver or reduction and the reasons and justification for that request have been published in the Federal Register and interested parties have been afforded not less than sixty days to submit comments to the Commission.

"(c) A decision of the Commission to waive or reduce any such percentage minimum shall include the reasons and justification therefor. Copies of each such decision shall be available to the public during normal business hours at each location at which the Commission has offices. Upon request, a copy of a decision shall be furnished without charge.

"(d) Nothwithstanding any other provision of law any such decision of the Commission is a final agency action within the meaning of chapter 7 of this title.

"§ 3204. Implementation

"(a) Each agency shall adopt and maintain procedures, continuously conduct activities and projects, and undertake such other efforts as may be appropriate, to carry out sections 3202 and 3203(a) of this title. The civil Service Commission shall promptly formulate and implement, and thereafter supervise, a program to assist agencies in carrying out those sections. Not later than six months after the date of enactment of this chapter, the Commission shall report to Congress on actions taken to formulate and implement a program to assist agencies in carrying out those sections.

"(b) Not later than January 20, April 20, July 20, and October 20 of each year, each agency shall report to the Commission with respect to the three calendar months preceding the month in which that particular report is due, on the procedures, activities, projects, and other efforts undertaken to carry out sections 3202 and 3203(a) of this title. Each report shall contain documentation concerning the extent to which the percentage minimums of section 3203(a) of this title have been met and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

"(c) The Commission shall report annually to the Congress on the procedures, activities, projects, and other efforts undertaken to carry out sections 3202 and 3203(a) of this title. Each annual report shall contain documentation concerning the extent to which the percentage minimums of section 3203(a) of this title have been met and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

"(d) The Commission shall conduct research and experimentation projects and any other activities designed to promote, in public employment, the advancement of opportunities for individuals who are unable, or who do not desire, to work on a full-time basis.

"§ 3205. Limitations

"(a) An agency shall not abolish a full-time position in a grade subject to this chapter, and occupied by employee, in order to establish two or more positions to be made available to individuals on a flexible hours employment basis.

"(b) Nothing in this chapter shall impair the employment or employment rights or benefits of any employee.

"(c) No agency shall enter into any contract or other agreement with any person as a result of the enactment of this chapter, except with respect to any agreement to furnish advice and assistance to that agency to meet the percentage minimums of section 3203(a) of this title.

"(d) No person employed as an expert or consultant under section 3109 of this title, and no person who is employed by any employer other than an agency, may be counted for the purpose of determining whether that agency has met the percentage minimums of section 3203(a) of this title.

"(e) Not to exceed 10 per centum of the full-time positions of an agency may be restructured to the requirements of part-time employment and made available to individuals on a part-time career employment basis.

"§ 3206. Personnel ceilings

"In counting the number of employees an agency employs for purposes of any personnel ceiling, an employee employed on a part-time career employment basis shall be counted as a fraction which is determined by dividing forty hours into the average number of hours that employee works each week.

"§ 3207. Nonapplicability

"If, on the date of enactment of this chapter, a collective-bargaining agreement is in effect with respect to positions occupied by employees which establishes the number of hours of employment in a week, then this chapter shall not apply to those positions.".

(b) Subpart B of the table of chapters of part III of title 5, United States Code, is amended by inserting between items 31 and 33 the following:

"32. Part-Time Career Employment...3201".

SEC. 3. (a) Section 3502(a) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of clause (3);

(2) by striking out the period at the end of clause (4) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(5) previous or current employment on a full-time basis (other than on a temporary or seasonal full-time basis).".

(b)(1) Section 8332 of such title is amended by adding at the end thereof the following:

"(1) Notwithstanding any other provision of law, an employee occupying a position on a part-time career employment basis shall be allowed credit of one month for each one hundred and seventy-three hours of work performed for which deductions are made under this subchapter or deposits may be made.".

(2) The amendment made by paragraph (1) of this section shall apply to an employee referred to in such amendment commencing on the first day of the first pay period of that employee which begins on or after the date of enactment of this Act.

(c) Section 8347(g) of title 5, United States Code, is amended by adding at the end thereof the following: "However, the Commission may not exclude any employee who occupies a position on a part-time career employment basis (as defined in section 3201(2) of this title).".

(d) Section 8716(b) of such title 5 is amended—

(1) by striking out of the second sentence "or part-time";

(2) by striking out "or" at the end of clause 1;

(3) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon and "or"; and

(4) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3201(2) of this title).".

(e) Section 8913(b) of such title 5 is amended—

(1) by striking out "or" at the end of clause (1);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3201(2) of this title).

(e) Section 3302 of title 5, United States Code, is amended—

(1) by inserting the subsection designation "(a)" at the beginning of the text thereof; and

(2) by adding at the end thereof the following:

"(b) The rules prescribed in accordance with subsection (a) shall also provide that any employee employed on a part-time career employment basis shall not complete, as the result of being so employed with any employee in the competitive service employed on a full-time basis."

"§ 3208. Employee organization representation

"If an employee organization has been accorded exclusive recognition with respect to a unit within an agency, then the employee shall be entitled to represent all employees within that unit employed on a part-time career employment basis.".

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the amendments made by this Act.

ORGANIZATIONS SUPPORTING THE PART-TIME CAREER OPPORTUNITY ACT

American Association of University Women.
American Medical Women's Association.
American Occupational Therapy Association.
Appalachian Education Laboratory, Inc.
B'nai B'rith Women.
Center for Continuing Education of Women, University of Michigan.
Council for Financial Aid to Education.
Council of Federal Employees, Local 26, American Federation of State, County and Municipal Employees.
Gray Panthers.
International Senior Citizens Association.
Interstate Association of Commissions on the Status of Women.
National Congress of Organizations on the Physically Handicapped.
National Association of the Physically Handicapped.
National Rehabilitation Association.
National Organization of Women.
Retired Officer Association.
Retirement Federation of Civil Service Employees.
U.S. Commission on Civil Rights.
Women's Equity Action League.
Women's Political Caucus.
Women's Lobby.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 143

Mr. McCLURE. Mr. President, recently both Senators from Wyoming and the distinguished Senator from Arizona (Mr. GOLDWATER) asked to cosponsor my bill, S. 143. I am grateful for their support of this bill. This legislation prohibits the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition.

I ask unanimous consent that the Senators from Wyoming (Mr. HANSEN and Mr. MCGEE) and the Senator from Arizona (Mr. GOLDWATER) be added as cosponsors of S. 143.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 199

At the request of Mr. WEICKER, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of the bill (S. 199) to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 364

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senator from Alaska (Mr. STEVENS), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Arizona (Mr. FANNIN), and the Senator from Idaho (Mr. CHURCH) be added as cosponsors of my bill (S. 364) relating to certain Forest Service timber sale contracts involving road construction.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. This legislation permits purchasers of national forest timber to transfer earned but unused purchaser credits between timber sales on the same national forest. This is done at no cost to the Government, and at the same time frees borrowed money which results in less interest costs to be passed along to the forest products consumer.

SENATE RESOLUTION 85—SUBMISSION OF A RESOLUTION RELATING TO THE PRESENT FOOD EMERGENCY

(Referred to the Committee on Foreign Relations.)

FOOD COORDINATOR NEEDED TO ATTACK HUNGER

Mr. HUMPHREY. Mr. President, I am today introducing a resolution to establish the office of food coordinator within the Executive Office of the President.

It has become increasingly clear to me that we need a coordinated effort to deal with both the short- and long-term hunger problems.

We can and should provide food aid to deal with hunger, famine, and disaster situations. It also is imperative that a greater effort be made to increase food production throughout the world.

It is now about 3 months since the conclusion of the World Food Conference. A great deal of debate preceded this conference, but there has been far less attention given to the subject of hunger since that time.

The administration has now finally made a decision on food aid levels, but the decision has come so late in the fiscal year that the entire quantity will probably not be shipped.

There has not been any sort of a plan or blueprint announced as to what longer-range actions are contemplated to implement the Food Conference resolutions. I would hardly suggest that all resolutions were of equal importance, but there has not been any public indication as to which would be implemented and when.

There was a great reluctance on the part of the administration to develop positions for the World Food Conference, and now there is little initiative in terms of followup effort.

The American people, the media, and the Congress have shown a great interest in the subject of the world food problem.

There is need for high level coordination in this area. A recent article in Foreign Policy by Leslie Gelb and Anthony Lake points out the increasing bureaucratization of food aid. We are still groping for a mechanism to resolve legitimate conflicting agency concerns without having a continuing stalemate.

A food coordinator would fulfill this role.

In addition, a great deal of work is needed to focus on those development activities which will serve to increase food production.

The food coordinator could play a vital role in this area.

We need to press harder on the implementation of the foreign aid reforms which emphasize food production; education and training; and health and family planning.

These are the goals which we must pursue, but I do not hear a clarion call from this administration. In fact, I barely hear a whisper.

I would hope that the administration would seize upon this idea in order to demonstrate its interest and concern regarding the hunger issue.

We should not deceive ourselves that the issue has in any way diminished, because the grain markets have softened in recent weeks or crop estimates have improved in India.

The problem we face is a long-term one, and we also need to take a hard look at our own agricultural policies as they affect production here and abroad.

I am convinced that a high level food coordinator of experience and standing could make a major contribution toward addressing the world's hunger problem.

Mr. President, I ask unanimous consent that the text of my resolution to establish a high level food coordinator be included at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 85

Whereas the World Food Conference has made a good beginning in terms of outlining a sound long-range program to deal with the world hunger problem; and

Whereas many areas of the world face critical food shortages which is likely to mean starvation and malnutrition for up to a half billion people; and

Whereas many of the World Food Conference initiatives are likely to fail if the various responsibilities are scattered throughout the Government; and

Whereas it is in the self-interest of the United States to work with other countries to relieve starvation and hunger, which are the breeding ground for economic and political instability; and

Whereas the American people have a long and proud tradition of acting to combat famine and to relieve the needs of hungry people at home and abroad; and

Whereas the dimensions of the present crisis call for an immediate coordinated response on the part of the United States and other governments over and above what has been forthcoming in the past: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the Senate that—

(1) while the various departments and agencies of the United States Government will have the major operational role in the implementation of the World Food Conference resolutions, a special coordinator be appointed by the President to deal with both the short- and long-term hunger problem;

(2) the coordinator will work with the Secretary of State, and the Secretary of Agriculture, the Agency for International Development and other departments and agencies as required;

(3) the coordinator will give priority attention to food aid requirements and availabilities and make recommendations concerning needs, availabilities and funding sources;

(4) the coordinator will develop a long-term program to implement the resolutions of the World Food Conference in conjunction with other departments and agencies; and

(5) the coordinator should periodically provide to the American people reports on progress and plans relating to the world hunger problem.

SEC. 2. It is further declared to be the sense of the Senate that the coordinator work closely with the appropriate committees of the Congress and report to the Congress at regular intervals on the progress in dealing with the world food problem.

SEC. 3. The Secretary of the Senate is directed to transmit copies of this resolution to the President, the Secretary of State, and the Secretary of Agriculture.

AMENDMENTS SUBMITTED FOR PRINTING

NATURAL GAS PRIORITY FOR FERTILIZER—S. 187

AMENDMENT NO. 19

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. DOLE (for himself, Mr. CURTIS, Mr. DOMENICI, Mr. EASTLAND, Mr. FANNIN, Mr. HELMS, Mr. HRUSKA, Mr. PERCY, Mr. YOUNG, Mr. THURMOND, and Mr. ROTH) submitted an amendment intended to be proposed by them jointly to the bill (S. 187) to provide a priority system for certain agricultural uses of natural gas.

Mr. DOLE. Mr. President, today I am introducing an amendment in the nature of a substitute to S. 187, my bill to establish a priority on natural gas for the production of fertilizer. I originally introduced S. 187 on January 16, 1975, and subsequently have determined that the bill introduced then is inadequate to actually provide a meaningful priority on natural gas for fertilizer production. Therefore, this improved legislation has been drafted.

IMPROVEMENTS MADE

The previous bill introduced simply prohibited an interruption or curtailment of natural gas for fertilizer plants except when that curtailment is necessary to prevent a shortage of natural gas for residential and small commercial users. The exception for residential and small commercial users is absolutely essential for safety reasons. A shutoff of gas to homes and small businesses would extinguish pilot lights and other continual burning applications of natural gas and would cause a safety hazard when the gas comes back on. I believe that can be understood without further explanation.

Yet the necessary exception for residential and small commercial users would mean that some fertilizer plants that have been curtailed—particularly the plants at Tunis, N.C., and Cherokee, Ala.—would still face a cutback of natural gas under my earlier legislation. To resolve that problem, a new provision has been included in this substitute amendment which would permit fertilizer companies in the situation of the plants of Tunis and Cherokee to purchase gas at other available sources and get it transported to their plants. This new provision, I believe, would prevent any interruption or shutdown of fertilizer production due to a lack of natural gas.

In addition, this new legislation has been drafted in close cooperation with the Federal Power Commission and the Office of Emergency Preparedness and I believe the input of their technical expertise has been beneficial. The substitute amendment is much more precisely written and is better designed to mesh with the existing provisions of the Natural Gas Act.

The substitute has also been prepared with the objective in mind of avoiding as much controversy as possible. That goal has been pursued in recognition of the sensitivity surrounding the natural gas shortage. It is my hope that all Senators can agree on this legislation and the importance of getting it passed promptly.

One step taken to reduce controversy on this measure is to restrict it to a 1-year duration. It is my expectation that this legislation will be needed for longer than 1 year. Chairman Nassikas, of the Federal Power Commission, stated before the Senate Agriculture Committee last year that the shortage of natural gas is likely to exist for the next 3 to 5 years, even in the event that maximum expansion of natural gas production could be achieved, which appears highly unlikely at this point.

But I believe that the important thing is to pass this legislation promptly. If the shortage of natural gas continues to threaten cutbacks in fertilizer production as I expect, the legislation can be extended before it expires next year.

FERTILIZER IS KEY TO FOOD PRODUCTION

Mr. President, I hope every Member of Congress understands by now that fertilizer is an absolute necessity to meeting the food requirements of the world population.

The reality of modern agriculture is that, without fertilizer, our ability to meet the demand for food at home and abroad is drastically reduced. The ability of nations such as India and Bangladesh to feed their own populations is drastically impaired without an adequate supply of fertilizer. The fertilizer production in this country is vital to meeting the food production needs here and in other countries.

Yet we have seen natural gas curtailments for many fertilizer plants all over the country. The natural gas supplies to plants in Alabama, Arkansas, California, Louisiana, New Jersey, New York, North Carolina, Missouri, and West Virginia have been curtailed or stopped altogether. These actions have resulted in plant shutdowns or sharp reductions in the production of fertilizer. The total result is bound to be a lower supply of fertilizer and a more aggravated fertilizer shortage for farmers in all States this year.

Mr. President, we must have fertilizer to meet the food requirements of this Nation and the rest of the world that depends on us. It is to avoid a possible food shortage and other undesirable results that I introduce this legislation today to establish a natural gas priority on fertilizer production.

IMPACT OF CUTBACK

It is my understanding that the Department of Agriculture expects a loss of about 530,000 tons of ammonia production, because of the recent curtailments. Since natural gas curtailments are dependent to some extent on the weather and other factors, a safe expectation for production losses would probably be between 400,000 to 600,000 tons of ammonia. Last year, U.S. plants produced about 16 million tons of ammonia. About 12 million tons of that ammonia was used to produce nitrogen fertilizers. That 12 million tons included 4 million tons of anhydrous ammonia which was applied directly into the soil.

So a loss of 530,000 tons of production would be a decrease of about 3 percent of our productive capacity. The most recent figures I have seen from the Kansas Department of Agriculture indicate a fertilizer shortage this year of about 6 to 8 percent, with a similar forecast by USDA for the Nation as a whole. And it should be kept in mind that that shortage means some areas may not get any fertilizer at all.

The reduction of 3 percent of our ammonia production will further aggravate that shortage. Obviously, with a shortage of 6 to 8 percent, we need greater production, not less. The need for this legislation is clear and I hope we can act promptly on it.

NEED FOR FERTILIZER

Many Kansas farmers I have talked to feel a very intense pressure to expand production. Our public media often carry stories of millions of people in other countries starving or suffering from malnutrition. The American people are suffering greatly from inflation and there has been a great deal of sentiment expressed that farm production should be increased in order to hold down the price of food. So farmers in Kansas are working hard to expand their output of food.

Yet their own cost of production has been skyrocketing. Anhydrous ammonia that was selling for around $60 a ton only a few years ago is now up to $180 to $220 or more per ton. Many farmers are beginning to feel that with a declining market for wheat, corn, and feed grains, and with rising costs of production for fertilizer, equipment and other essential materials, it may necessary to restrict production. Some wheat farmers who have already planted their crop this year have expressed the sentiment that unless conditions improve it may be necessary to plow up some of the wheat that has already been planted in order to prevent a situation we are seeing in the livestock market from developing in the wheat market.

So Mr. President, we need greater production of fertilizer and not less. To accomplish that, we need a priority on natural gas for fertilizer plants, as this legislation provides.

I request unanimous consent that a summary of this legislation and the amendment be printed at this point in the RECORD.

There being no objection, the summary and amendment were ordered to be printed in the RECORD, as follows:

SUMMARY OF BILL

The purpose of this legislation is to ensure, for one year, an adequate supply of natural gas for ammonia and nitrogen fertilizer production.

The bill would give ammonia producers two alternatives to getting natural gas—

1. The Federal Power Commission would be required to grant emergency relief to prevent interruption or curtailment. This relief will be granted *except* when (a) such relief would cause curtailment of residential and small commercial users or cause significant unemployment due to curtailment of other users, or (b) an alternate fuel is available and technically and economically feasible.

In some cases, as recently at Tunis, North Carolina, and Cherokee, Alabama, the priority stated above would not be enough to obtain the natural gas needed due to the very necessary exception (a), so the second alternative is provided:

2. Ammonia manufacturers may purchase gas from any other inter- or intra-state source (except offshore Federal domain areas). All pipeline companies involved would be required to make application for authority to transport that gas and FPC would be required to grant authority *except* where the pipeline does not have the capacity to transport the additional gas without cutting back shipments to existing customers.

Considerable thought was given to including contracts for new fertilizer plants under this bill. However, reports indicate that this is not a problem since plants for over 7 million tons of new capacity between now and 1989 have been able to obtain new gas contracts, except in one case, so extension of this legislation to new plants apparently is not necessary at this time.

AMENDMENT NO. 19

That this Act may be cited as the "Natural Gas Priority Act."

SECTION 2. The Natural Gas Act, as amended (52 Stat. 821; 15 U.S.C. 717 et seq.), is amended by inserting immediately after section 22 the following new sections:

SEC. 22a. For a period of one year after the date of enactment of this section, notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Federal Power Commission shall expeditiously consider and grant,

(a) under the provisions of this Act, applications for emergency relief to prevent interruption or curtailment of natural gas used in the production of anhydrous ammonia necessary to maintain maximum fertilizer production from existing plants, except to the extent that any such amounts are required to maintain natural gas service to existing residential and small commercial (less than 50 Mcf per day) users or cause significant unemployment by diversion of natural gas from other users.

If grant of relief in the total amount requested can be effectively demonstrated to result in the inability to meet the actual requirements of residential and small commercial customers or to result in significant unemployment due to diversion of natural gas from other users, the relief shall be limited to the maximum amount available to avoid those results. The maximum relief available to any anhydrous ammonia manufacturer shall not exceed the existing contractual volumetric limitations with its natural gas suppliers.

In order to qualify for relief hereunder the anhydrous ammonia manufacturer must demonstrate a maximum usage of all currently available alternate fuels on a continuing basis and shall immediately undertake alternate fuel conversion where technically and economically feasible. In addition, in each proceeding under this subsection, the Commission shall promptly notify the Administrator of the Federal Energy Administration of such proceeding and the Administrator shall expeditiously report to the Commission on the availability and cost of alternate fuels for the industrial, agricultural or utility use requested.

In the event relief is not granted by state or local authority or public utility commission due to jeopardy of residential and small commercial users or for reasons of significant unemployment, under conditions expressed herein, the anhydrous ammonia may request its intrastate natural gas supplier(s) to immediately petition on its behalf for extraordinary relief to the Federal Power Commission if the curtailment is attributable to one or more natural gas pipeline companies subject to the Commission's jurisdiction. The intrastate natural gas supplier shall immediately file such petition, accompanied by a showing of why additional deliveries from the interstate pipeline company are required.

(b) under Section 7 of this Act, applications for authority to transport natural gas for use as a raw material feedstock or proc-

ess fuel for ultimate delivery to anhydrous ammonia manufacturers to maximize fertilizer production from existing plants; *Provided*, that adequate delivery capacity is currently available to effect such transportation without impairing existing delivery commitments of the transporter.

Any anhydrous ammonia manufacturer which executes a contract for natural gas supplies from any source, other than offshore Federal domain areas, for an existing manufacturing plant may request the local distributor or other intrastate transporter to provide transport for such supply.

All natural gas suppliers or transporters involved shall immediately file applications with appropriate jurisdictions for authority to effectuate the transportation of the volumes requested, including a statement as to the adequacy of existing delivery capacity necessary to effect the transportation.

Only rates and charges in connection with the transportation service herein above described shall be subject to review and rate determination by the Federal Power Commission. Rates and charges for transportation service initiated hereunder shall be made pursuant to appropriate rate schedules of natural gas companies, as may be prescribed by the Federal Power Commission or under rate making authority of respective state or local agencies within their regulatory jurisdiction: *Provided*, That the Federal Power Commission or the respective state or local agencies may prescribe such rates and charges as part of its order upon the subject application, or by supplemental order.

Nothing contained in this subsection shall be construed to require construction of new transportation facilities or enlargement of existing transportation facilities by any natural gas company to effectuate such transportation, except to mandate the construction of tie-in or metering facilities at the expense of the manufacturer.

NOTICE OF HEARINGS—OUTER CONTINENTAL SHELF LEGISLATION

Mr. JACKSON. Mr. President, on February 3, I announced that the Committee on Interior and Insular Affairs was holding hearings on the various bills pending before the committee dealing with Outer Continental Shelf matters. In view of the wide interest in these bills, I have asked the members of the National Fuels and Energy Policy Study and the members of the National Ocean Policy Study to participate in these hearings.

At the request of Senator HOLLINGS, chairman of the National Ocean Policy Study, the hearings will also consider S. 586 which amends the Coastal Zone Management Act to create a $200 million Coastal Impact Fund to assist coastal States in planning, managing, and ameliorating the adverse impacts of OCS development and to provide for public services and facilities.

The joint hearings will take place on March 14, 17, and 18, and April 8 and 9. The hearings will begin at 10 a.m. in room 3110, Dirksen Senate Office Building on each day.

NOTICE OF SEMINARS BY COMMITTEE ON BUDGET

Mr. MUSKIE. Mr. President, I would like to announce that the Budget Committee will hold two more seminars next week as we continue to prepare for our first concurrent resolution on the budget.

On Tuesday, February 25, the seminar will focus on energy policy—specifically on energy production and our policies toward the OPEC nations. Participating in the seminar will be experts in the energy field and staff of the Budget Committee.

On Wednesday, February 26, the seminar will concentrate on the issues of housing and credit. Experts in these areas and committee staff will participate in this seminar.

Both seminars will begin at 9:30 a.m. in room 357, Russell Office Building.

ADDITIONAL STATEMENTS

LEADERSHIP BY SENATOR MOSS AND SENATOR GOLDWATER IN GETTING A THIRD "ERTS" SATELLITE APPROVED

Mr. SYMINGTON. Mr. President, there have been a great many words spoken and written about the congressional impact on the decisionmaking process of this Government. Much of that discussion is about the lack of congressional impact or the inability of Congress to lead. But often congressional leadership efforts are unrecognized.

I was delighted, therefore, to read an article in the Wall Street Journal of yesterday morning describing the leadership by my colleagues, the Senator from Utah (Mr. Moss) and the Senator from Arizona (Mr. GOLDWATER) in getting a third ERTS satellite—now called Landsat C—approved.

The programs of the National Aeronautics and Space Administration have been enormously successful but none has been more successful or shown more promise than NASA's Earth resources survey program. The most important elements of this program are the satellites, which gather the data needed to monitor continuously the Earth's resources and environmental changes.

Two satellites are now in orbit. Landsat 1 was launched in July 1972, with an expected lifetime of 1 year. While still producing useful data, it could stop any time. Landsat 2 was launched in January of this year and is producing excellent data. But, Chairman Moss and Senator GOLDWATER believed, as did many others, that a third satellite was needed to complete the experimental program. All last year these Senators worked hard for a third satellite, gathering support from the Nation's Governors, the scientific and technical community, and from other users. With the Office of Management and Budget opposed, it was a fiscal year 1976 decision that had to be made by the President. He sided with the Senators and decided that the money for the third satellite, called Landsat C, would be provided.

Mr. President, I congratulate the Senator from Utah and the Senator from Arizona for their leadership and their persistence in pursuing this matter.

I ask unanimous consent that the article from the Wall Street Journal be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 20, 1975]

HOW BACKERS OF A TECHNOLOGY SATELLITE INDUCED FORD TO OVERRULE HIS ADVISERS, PROVIDE MONEY

(By Arlen J. Large)

WASHINGTON.—Frank Moss is an ERTS nut, in a world of people who aren't.

So he considers it his duty to spread the gospel about his pet project. It helps that he is a U.S. Senator from Utah and chairman of the Senate Space Committee.

Daniel Evans may not be a nut on the subject, but he is an ERTS fan. As governor of the state of Washington, he wrote Sen. Moss an unspontaneous letter saying that the "Earth Resources Technology Satellite has provided valuable information to both the agriculture and forestry industries and to the state of Washington."

Gerald Ford may not even be an ERTS fan, but he is a friend. Not long ago, he overruled his White House advisers and put $11 million in the new budget to start work on a third ERTS satellite, which will be launched in the fall of 1977.

So some very heavy politicians have been rallying around this little-known and unglamorous project of the National Aeronautics and Space Administration. The backstage tugging over the money for the third satellite is the kind of thing that goes on all over town during preparation of a new budget, and it provides a good case study of how budget winners win.

The loser was the President's Office of Management and Budget, which for months had urged that the third satellite be deferred to some future budget. Roy Ash, the just-departed OMB director who was overruled by Mr. Ford, observed with sarcasm that "one must congratulate NASA for its notable job of mobilizing outside opinion" on behalf of the new satellite.

THE SHOW-BIZ PROBLEM

However, it would be hard to pin the whole mobilizing effort on the space bureaucrats at NASA. There's something called "the ERTS community"—geographers, foresters, pollution fighters and land-use planners—that lobbied heavily for the new satellite. For its part, NASA has tried to tackle the show-biz problem caused by the satellite's grating, uncommunicative name. The agency is trying to get people to call it Landsat, but even space officials sometimes forget, and the names are used interchangeably.

The first satellite in the series was shot into polar orbit in 1972. It still is there but is running down. The second went up last Jan. 22 with similar equipment for looking at the earth in four wavelengths of light and sending images back to ground stations for analysis by computers. Computer-processed pictures are sold by the Interior Department at Sioux Falls, S.D., to anyone who wants to use them to count crops, spot oil, see insect-chewed forests, trace earthquake-producing faults and do a lot of other things.

All this really turns Sen. Moss on, making him a self-admitted "virtual zealot" for these satellites. "ERTS was the first thing I could see where you have a very distinct and obvious applications return," he says. "It's a great example of the benefits coming out of the space program." People who appreciate the down-to-earth value of the ERTS pictures, he says, are more likely to embrace the space agency's flightier doings, such as the exploration of Mars.

The satellite launched last month is expected to work for two years. Congress last year authorized a third ERTS to take its place in 1977. NASA was more than willing to start building it, and so, of course, was General Electric Co., the main contractor for the first two. Plans were made to upgrade the new model with a heat-measuring sensor.

OMB DEMURS

Mr. Ash's OMB, the government-wide spending monitor, demurred. A third satellite shouldn't go up, budget officials argued, until NASA succeeded in developing cameras with sharper vision. Without that, ERTS satellites would never be used in making good crop-production forecasts, forest surveys or pollution maps.

The space agency intends to double the sharpness of vision of one of the cameras on the third satellite. The other equipment, officials contend, sees sharply enough on the second and third satellites to undertake a large-scale survey of U.S. wheat production. And with a little practice, space officials think that they will get a better notion of the size of each year's Soviet wheat crop, thus giving a more accurate forewarning of export market demand.

NASA and its allies argued all last year that a third satellite should be on duty in 1977 to take over when the second one dies; otherwise, there would be a gap in the data that would discourage picture buyers in "the ERTS community."

The trick was to bring this argument to OMB's attention in an impressive way. An important part of the lobbying blitz was orchestrated on Capitol Hill by Sen. Moss and his ally, Arizona's Sen. Barry Goldwater.

LETTERS TO THE STATES

Hoping to show that the ERTS community had plenty of political muscle, Sen. Moss wrote every governor, asking if state agencies had made use of ERTS and whether the federal government should sell the pictures on a permanent basis.

The Senator got replies from 25 governors, plus some top officials in other states. Vermont's Thomas Salmon said ERTS pictures will be used to trace pollution in Lake Champlain. In California, said then Gov. Ronald Reagon, ERTS has helped outline land-use patterns. Missouri's Christopher Bond said the pictures have been used to spot flood-prone areas. Only Delaware's Sherman Tribbitt replied bluntly that the pictures didn't prove useful.

One by one, Sen. Moss dribbled the gubernatorial letters into the Congressional Record in the closing months of last year. "It was like the drop-of-water technique, day by day," he says.

Besides that, Sen. Moss waved letters of support from the Society of Photographic Scientists and Engineers, the American Society of Photogrammetry, the Association of American Geographers, the American Forestry Association and various distinguished professors. Meanwhile, on the scientific-seminar circuit, General Electric's people were forever turning up with ERTS displays. Daniel Fink, general manager of GE's space division, preached the need to keep those space photos coming in.

Nevertheless, OMB last December turned down NASA's request to put money for the third satellite, called Landsat-C, into the budget being prepared for the new Congress. word spread along the ERTS community's grapevine. OMB got letters from the National Academy of Science and the National Academy of Engineering, both quasi-government bodies. Letters came from important scientists.

The budget keepers still said no. Under the rules, an agency can go over OMB's head and appeal directly to the President. So ERTS was kicked around at a meeting between Mr. Ford, Mr. Ash and James Fletcher, the NASA boss. "It was not a confrontation," Mr. Fletcher insists.

He says his agency kept explaining to OMB that the third satellite didn't represent an "operational" earth-scanning system but would remain an experimental instrument. Then in early January the remaining differences between the two agencies were reduced to an "issue paper" that went to Mr. Ford. The satellite money was approved.

Mr. Ash appeared to see a connection between NASA's victory and a praise-filled article on ERTS in the February issue of Fortune magazine. The article portrayed OMB as the villain in trying to block the third satellite, concluding: "To cripple or kill this program, after the millions of words spewed out about the coming 'fallout' from space research would certainly be foolhardy."

NASA had indeed been eager for Fortune to do the article. "It was Fletcher who put this bug in my bonnet about a year ago," recalls Robert Lubar, the magazine's managing editor. John Donnelly, the agency's assistant administrator for public affairs, also remembers writing Mr. Lubar about the ERTS project. "I tried to plant the seed of an idea for a story I throught was of quite legitimate interest to businessmen," he says. Editor Lubar says that he doesn't remember seeing that letter and that the decision to have the article written was his. Anyway, he says, the February Fortune didn't hit the streets until the last week in January, after Mr. Ford had made his decision.

SALT VIOLATIONS—A REAL THREAT

Mr. McCLURE. Mr. President, since the first round SALT accords were concluded in 1972, the Soviet Union has been systematically attempting to frustrate U.S. national technical means of verification of Soviet compliance with the provisions of the SALT accords.

According to an article in the current issue of Aviation Week and Space Technology of February 3, 1975, by Clarance A. Robinson, Jr., the character of Soviet violations of the SALT accords is escalating to more serious levels. From simply interfering with our means of verifying an agreement, they now appear to be actually violating the letter of the ABM treaty which prohibits the testing of surface-to-air missile in the ABM mode. Moreover, the Soviets have attempted without success to conceal these efforts from U.S. attempts to monitor them.

In addition, Mr. Robinson notes that the Soviets are testing a new mobile radar which operates at a higher power level and antenna area than is permitted under the terms of the agreement.

It is my understanding that these and other alleged violation of the SALT accords—they can no longer be described simply as "alleged ambiguities"—will be taken up at the meeting of the Standing Consultative Committee, the apparatus set up to discuss such matters with the Soviets. I strongly urge that the issue of these violations or alleged violations be pursued vigorously until they are resolved satisfactorily. Until such resolution is forthcoming, we should not participate in discussions with the Soviets on the SALT II accords.

I ask unanimous consent that the article, "Further Violations of SALT Seen" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From Aviation Week & Space Technology, Feb. 3, 1975]

FURTHER VIOLATIONS OF SALT SEEN

(By Clarence A. Robinson, Jr.)

WASHINGTON.—Soviet Union has continued since the Ford-Brezhnev Vladivostok arms agreement in November to test improved anti-ballistic missile system components in a manner that U.S. officials believe may be further violations of the May, 1972, strategic arms limitations agreements.

USSR actions within the past two months include:

Unveiling of a new, more powerful mobile radar that has been tested at a power aperture product—the mean emitted power in watts and antenna area in square meters—exceeding the 3 million permitted in the treaty.

Netting of mobile ABM radars at test sites at Sary Shagan on Lake Balkhash near the Sino-Soviet border and Kapustin Yar to other ABM radars for ABM interceptor launches that have been conducted.

Test-firing either modified versions of the SA-5 Griffon and SA-2 Guideline missiles to altitudes in excess of 100,000 ft., too high to claim as tests for anti-aircraft intercepts.

Testing ABM systems against missiles simulating trajectory of U.S. submarine-launched ballistic missiles using ABM equipment and modifications to earlier systems some U.S. officials believe is precluded by the permanent ABM treaty.

The Soviets also appear to be launching an accelerated systematic effort to conceal ABM developments from U.S. detection systems. Jamming level of the Soviets against U.S. electronic reconnaissance systems has increased in volume and effectiveness in recent weeks.

Both sides agreed at the signing of the ABM treaty and interim offensive strategic arms agreement that each would not undertake to interfere with the detection capability—referred to as national technical means of verification in the treaty—of the other party. This was to include the use of concealment measures that impede verification of compliance with the treaty.

The continuing trend of Soviet efforts may give them an ABM capability U.S. officials believe will be extremely difficult to overcome as Soviet offensive strength is increasing with the deployment of a new family of intercontinental ballistic missiles with MIRV warheads.

Most U.S. officials are unwilling to call the Soviet activities outright violations of the agreements because of the ambiguity of the wording in the agreements, a condition the Soviets use to their advantage.

"A man would have to be an idiot not to see the increase in the level of Soviet development in the ABM area, but it is difficult to call it a violation," one official said. The Soviets are working to thwart the U.S.'s ability to verify treaty compliance, the official added, but he believes the effort is directed more at obtaining the capability to jam U.S. detection systems as it suits the Soviet need than to sustain that effort over a relatively long period of time.

Some U.S. officials believe the Soviets gleaned information from the U.S. members of the SALT delegation over the period of SALT-1 meetings in Helsinki and SALT-2 negotiations in Geneva and these data provided the basis for developing jamming techniques that are now being displayed to the surprise of the U.S.

The Soviet effort at deception is concentrated in the research and development areas and is much more extensive than anything previously experienced. The deception efforts have become a source of concern to U.S. intelligence officials.

But the problem runs much deeper than simply intelligence, an official said, because it is eroding confidence at policy levels in the Ford Administration in the integrity of the agreements with the Soviets.

Part of the concern being expressed is because of the poorly defined areas of the agreements where the violations "are alleged to have occurred."

One agreement states that each party undertakes not to develop, test or deploy ABM

UMI

systems or components that are sea-based, air-based, space-based or mobile land-based.

It adds that to enhance effectiveness of the ABM limitations, the parties will not give missiles, launchers or radars—other than ABM interceptor missiles, ABM launchers or ABM radars—capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and will not test them in the ABM mode.

U.S. officials said that until recently, U.S. electronic intelligence equipment had not detected power aperture products in excess of the stated limits in the ABM treaty. They now believe that the Soviets have had the capability for some time to increase the power, but have avoided using it when U.S. electronic detection systems were operating. This capability would provide earlier detection and tracking of reentry vehicles to enhance data processing functions by providing additional time to launch and guide interceptor missiles to their targets.

One U.S. official who served on both the SALT–1 and SALT–2 delegations is former Navy Secretary Paul H. Nitze. He resigned from the delegation June 14, 1974.

Nitze said in a recent speech at Los Alamos, N.M., that from the very first session in Helsinki, it was clear the Soviets had a highly one-sided negotiating strategy and were prepared to use a wide range of tactics to achieve their goals.

The executive secretary of the Soviet delegation, Nikolay S. Kishilov, was a senior KGB agent who earlier had been thrown out of Finland when it was revealed that he and a woman said to be his wife were involved in espionage work. At least a third of the Soviet delegation's staff had KGB experience, and many of the military advisors had intelligence affiliation.

Soviet SALT delegation tactics included use of a room overlooking the U.S. delegation offices in Helsinki, rented by a Tass correspondent, that was equipped with telescopes, antennas and various other gadgets. U.S. telephone communications were monitored Nitze said.

"In the actual substantive negotiations they employed amazing tactical versatility," Nitze said. Words were used in negotiations in other than their normally accepted sense, quotations out of context, or subtly modified wording, he added. Nuances betwen Russian words and the English equivalents were exploited, he said.

Elements of a problem were packaged together in a manner advantageous to their side, Nitze said. For example, expectations were created by the Soviets that if the U.S. conceded a given point, then other important points would be easy to resolve.

"They would use imprecise language in presenting provisions which would limit their side and precise where the object was to limit U.S. actions," Nitze explained. "They liked the tactic of presenting a full draft of an agreement at the earliest opportunity so that subsequent negotiations would be on the basis of their text, not a U.S. text."

Nitze said the Soviets understand thoroughly the value of endless repetition, of taking an extreme position to gain trading room, of making concessions grudgingly and only for equal or greater concessions, of moving to stronger positions rather than compromising, and of unexpected shifting of the subject of negotiations from one field to another.

He said that all of these negotiating techniques can be countered by an experienced cohesive team on the other side.

"But when one is negotiating in this kind of ambiance, the most extreme care and almost perfect coordination are required to avoid errors. In my judgment this has not always been achieved, even to the somewhat limited extent possible in a democratic society," Nitze said.

The most difficult problems, Nitze said, came from reconciling what appeared to the delegation to be the optimum approach in dealing with Soviet negotiating tactics with instructions from the Administration in Washington, and in obtaining clarifications or amendments to those instructions.

Errors in judgment by officials in Washington on both strategy and tactics caused the delegation's efforts to be less than optimal, Nitze said, and the development of two levels of negotiation—the delegation's, and the higher level between Kissinger/Nixon and Brezhnev/Soviet Ambassador to the U.S. Anatoli Dobrynin—added to the problem.

Nixon's passion for secrecy and lack of confidence in the reliability and judgment "of what he considered to be the bureaucracy [is such] that not even the head of the U.S. delegation was kept precisely informed of what was happening at the higher level," according to Nitze.

The former president went to such lengths that at discussions at the highest level, "Nixon would rely on the Soviet interpreters rather than the more competent American interpreters whose notes might be made available to the U.S. side."

The consequence was that the President and his staff were deprived of expertise and the ability to fine-comb the relevant detail. "This resulted in unnecessary difficulties, some of significant consequence in parrying Soviet strategy and tactics," Nitze said.

The Soviets came away from the Moscow 1972 summit meeting with quite a different view of the interim agreement than the U.S. had—it was their view that the interim agreement was not just a temporary freeze, he said. The Soviets believed the unequal missile launcher numbers and unequal throw weight capability had been agreed to at the highest levels to compensate the Soviets for other inequalities in the positions of the two sides, Nitze pointed out. They believed the interim agreement should be carried over unchanged into the replacement agreement, he added.

Nitze said the Vladivostok accord, even though the Soviets made some substantial concessions and it gives the appearance of equality, does not deal with throw weight—the most useful verifiable measure of missile capability.

". . . It is difficult to see how the [Vladivostok] accord reduces, in a meaningful way, the U.S. strategic defense problem posed by the new family of Soviet missiles and bombers which are now completing test and evaluation and whose large-scale deployment is now beginning," Nitze said.

Unless new strategic programs are added to those now programed, the U.S. will end its 10-year program with a half to a third of the Soviet ICBM throw weight, Nitze said.

Explanations Requested

WASHINGTON.—U.S. members of the Standing Consultative Commission have asked for explanations of USSR ICBM silo construction and mobile anti-ballistic missile testing programs that could be violations of the 1972 SALT agreements (Nov. 25, 1974, p. 18). The commission met last week in Geneva.

President Ford instructed his nuclear weapons disarmament negotiators to seek Soviet explanations of the alleged violations after reports in Aviation Week & Space Technology prompted congressional inquiries into possible SALT violations.

Soviet explanations were demanded of construction activity of missile silos in the USSR's missile belt along the trans-Siberian railway, detected by U.S. satellites.

The commission met with the Soviet delegation headed by Giorgi Ustinov and the U.S. delegation headed by Sidney Graybeal. The two delegations met shortly before the start of negotiations of a new SALT agreement based on the Vladivostok accord reached by Ford and Brezhnev last November.

Secret Protocol

WASHINGTON.—Secret protocol, officially called a "record of terms," is being used by the SALT Standing Consultative Commission in its discussions in Geneva of alleged violations of arms limitations treaties. The protocol was assembled during the SALT negotiations as a list of definitions, weapon characteristics and other factors that would permit interpretation of the treaty.

In some respects, it functions similarly to a history of legislation, which is occasionally used in legal cases to determine the intent of lawmakers in passing a law. During the negotiations, it was agreed that all transcripts of the talks would be kept secret, so only members of the negotiating teams and senior officials of each government have access to the protocol.

FOREIGN ASSISTANCE

Mr. INOUYE. Mr. President, we have indeed, come to a sad state of affairs when the Congress finds itself unable to act on Presidential budget estimates within a full year after their submission. Such is the case with pending requests for foreign assistance and related programs.

It is little consolation to me that the Senate Appropriations Committee has met its own responsibilities in this regard. I have today written the chairman of the Senate Appropriations Committee urging that we not again continue this spending authority with another extension of the continuing resolution, but rather vote these proposals up or down and do so without further delay.

Mr. President, I ask unanimus consent for this letter to be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., February 20, 1975.

HON. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This morning the House Appropriations Committee reported a continuing resolution which would, once again, provide temporary spending authority for foreign assistance items through the ninth month of the current fiscal year.

The President duly budgeted his proposed foreign assistance package and forwarded it to the Congress on February 4, 1974—over a full year ago. The Subcommittee on Foreign Operations began detailed hearings on these estimates on February 25, 1974 and completed them on July 24, 1974. Since that time, we have been ready, willing and able to fulfill our responsibility to recommend spending levels for these items.

It is my recommendation that we discontinue the folly of pretending to believe that we can deal responsibly with the $5.6 billion involved by continuing this temporary authority through the ninth month of the fiscal year and that we proceed to immediately vote these appropriations up or down. Certainly my Subcommittee and I are prepared to do our part in meeting this issue head-on—without further delay.

Sincerely,

DANIEL K. INOUYE,
Chairman, Subcommittee on Foreign Operations.

THE 55-MILE-PER-HOUR SPEED LIMIT SAVES LIVES AS WELL AS ENERGY—EDITORIAL COMMENTARY

Mr. RANDOLPH. Mr. President, our country's energy crisis has also precipitated the saving of many lives as well documented in a recent editorial by John Veasey in the Fairmont Times and West Virginian.

As noted in its February 14, 1975, editorial—

Motorists who still haven't become accustomed to the 55 mile per hour speed limit might take comfort in knowing that mile-for-mile, 1974 was the safest driving year in more than four decades.

It was the safest in the 42 years since the National Safety Council has maintained statistical records.

An estimated 10,000 Americans are alive today who would probably have been killed last year if motorists had not slowed down in order to conserve gasoline. This was 17 percent less than in 1973, the previous year.

As stated in the editorial—

The 55 mile per hour speed limit has led to safer highways as well as energy savings.

Universal observance of the 55-mile-per-hour speed limit can produce energy savings amounting to 5 million barrels of gasoline every day.

Mr. President, I ask unanimous consent that the editorial be reprinted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

55-MILE-PER-HOUR LIMIT IS SAVING MANY LIVES

Motorists who still haven't become accustomed to the 55-mile-per-hour speed limits might take comfort in knowing that mile for mile, 1974 was the safest driving year in more than four decades.

Or to express it in even more understandable terms, some 10,000 persons are alive today who would have been killed last year if motorists hadn't slowed down. These figures come from the National Safety Council.

Ten thousand lives. That's a lot of people. A lot of lives.

An estimated 46,200 persons were killed by traffic accidents in 1974 and while that figure may seem astronomical, it was still 17 per cent fewer than in 1973, according to Council statistics, when the nation's maximum speed limits were still 65 and 70 miles per hour.

The council also reported that studies on driving speed indicates that motorists not only geared down into the vicinity of 55 miles per hour on highway, but that they were also driving more slowly on city streets.

The president of the National Safety Council reported that the 55-mile-per-hour speed limit was useful in getting drivers to slow down on the highway but it may have even been more useful as a trigger factor in getting drivers to realize there was an energy crisis and they had to reduce their speeds to cope with it.

That's all well and true and there will be persons who will argue that safer highways and perhaps safer automobiles played a role in the lower death rate also. We tend to believe the reduced speed limit was the major contributing factor.

For statistical purposes, the rate was 3.8 deaths per 100 million vehicle miles traveled, compared with the figure of 4.3 in 1973.

The death toll for the year was the lowest since 1963 (43,564) and was the lowest on a mile-for-mile basis in the 42 years that the council has maintained statistical records.

GIVE THE SMALL RATEPAYER A BREAK

Mr. LEAHY. Mr. President, while rapidly rising electric bills for residential users are a problem for almost every American, they are a crippling, unfair, and often unmanageable burden on those with low or fixed incomes. Action must be taken now to assure that such users of electricity are not forced to give up the necessities of life—food, rent, or medical care—to pay their electric bills.

One interesting program to lighten the burden of electric rates on low- and fixed-income consumers is the Lifeline electric rate concept. Since it was first introduced in the Vermont General Assembly last year, interest in Lifeline has grown among State legislators, public utility commissioners, and consumer groups in other States. In addition, the Office of Consumer Affairs of the Federal Energy Administration is also actively studying this approach.

The original authors of the Lifeline concept were two Vermonters active in consumer affairs: Lee Webb, professor of economics at Goddard College in Plainfield, Vt., and Scott Skinner, the director of the Vermont Public Interest Research Group. Under this concept, people with low and fixed incomes would receive some immediate relief from the constantly escalating cost of electricity. It would reverse the present rate structure and provide a basic amount of electricity to all residential users at a fair and reasonable cost. The more electricity used, the more a customer would pay. It would allow all to purchase a certain amount of electricity required for basic human needs such as lights, refrigerator, furnace, et cetera at a price people could afford. At the same time, by providing a clear incentive to save electricity, it is an unburdensome conservation measure.

The New Republic on November 9, 1974, published an informative article, "Utility Bills," by Robert W. Dietsch which described possible remedies for rising electric bills and included a concise explanation of Lifeline. An editorial in the January 20, 1975, issue of Business Week also discussed the merits of this concept. Mr. President, I commend these articles to my colleagues and ask unanimous consent that they and the original Lifeline bill introduced in the Vermont General Assembly, along with a question and answer sheet on Lifeline prepared by the Vermont Public Interest Research Group, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New Republic, Nov. 9, 1974]

UTILITY BILLS

"WIN" is losing these days, but few prices have risen as much as utility rates: 55 percent during the first half of 1974, atop a 20 percent jump last year. Families in all-electric homes now face monthly bills of up to $400. Nor are there cheaper rates at the end of the tunnel; utility executives and officials in the Federal Energy Administration foresee another doubling in the next few years. Despite President Ford's exhortations against inflation, administration officials have urged state regulatory commissions to speed hearings on utility rate increase requests so as to give the companies a more adequate profit return and grease the way for expanded utility borrowing and capital expansion. Already a majority of utilities have won the right to automatically pass along to customers higher costs for fuel.

Federal Power Commission figures leave some doubt as to why the utilities should be crying wolf. Major electric utilities earned a 15 percent profit on their operating revenues last year. Natural gas pipelines earned a 12.1 percent profit. Certainly the federal income tax burden on utilities wasn't much: about one in four major electric utilities paid no federal taxes in 1973; thanks to investment tax credits taken since 1971, the electric utilities paid only 2.6 percent of revenues in federal income taxes, compared to about 15 percent in the mid-'50s. President Ford now wants to boost the utility investment credit from four to 10 percent. From 1971 to 1973 the value of investment credits claimed by electric utilities increased by 523 percent, from $32.1 million to $167.8 million. No doubt the utilities will have to raise billions in the coming year for needed expansion; some projects already have been postponed by high interest rates. Yet the rates of return enjoyed by these companies and the investment tax credits being accumulated make one wonder about the need for all the new benefits being extended or asked by the White House. As Sen. Lee Metcalf (D, Mont.), a long-time private utilities critic has said, "the financial problems which utilities have encountered due to the existing high rate of inflation may be severe, but they are certainly no greater than the difficulties faced by the average consumer who has already suffered rate increases of nearly 100 percent or more over the last few years."

Metcalf and others contend one way to help utilities cut costs is to establish a national power grid to provide needed generating capacity and (in Metcalf's words) "move the electricity where it is needed. A national power grid system would slow electric plant proliferation as much as 25 percent [and thus help protect the environment] and would mean lower fuel consumption. There would be less demand for peak generating facilities."

Other utility critics contend now is the time to correct a historic pattern of pricing that gives large commercial or industrial users lower rates than are charged residential or small commercial customers. Under the present pricing system people who use the least electricity or natural gas—the people least able to pay—usually are required to pay two or three times more per unit of power or fuel than large residential users or industries favored by the present rate structure. On balance residential customers provide about 37 percent of revenues for the large utilities, though they buy only about 26 percent of the electricity. Large industrial users buy about 35 percent of the power but pay only 23 percent of the bill. Before he left the Federal Reserve Board for Harvard, Andrew F. Brimmer said "while recognizing there are some physical efficiencies in delivering energy to large users, I believe these quantity discounts are no longer consistent with our long-run need to conserve energy resources. I personally think it would be better to replace the existing system of pricing with a structure that puts more emphasis on peak load rate differentials for both time of day and season of the year."

A growing number of consumer-oriented groups are pushing a new utility service and rate concept called "Lifeline." It would reverse the present rate structure and provide a basic amount of electricity to all customers

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at what proponents deem fair and reasonable cost: the more electricity a customer uses the more the customer pays—be the individual homeowner, commercial building or industrial plant. Prof. Lee Webb of Goddard College in Plainfield, Vermont, an early Lifeline advocate, says "the idea is basically a conservation measure because there would be clear financial incentive to use electricity carefully." The Ralph Nader-connected Public Interest Research Groups have joined the Lifeline campaign and now are pushing it in at least 14 states and the District of Columbia. A Vermont Lifeline proposal provides that the first 400 kilowatt hours of electricity used each month would carry a rate of $10, substantially lower than the current residential rate for the same amount of power. Four hundred kilowatt hours is about the amount of power a Vermont family uses monthly for normal consumption—to run a furnace blower, an oil burner, a refrigerator, a radio and TV set, a sewing machine and houselights. The basic price would not be subject to rate increases; utilities would make up the difference needed to earn a decent profit by passing on higher costs to customers using more than 400 kilowatt hours monthly.

Michigan Public Service Commissioner William Rosenberg once said that the present electricity rate structure "can be likened to allowing a Cadillac owner to pay 26 cents a gallon of gas while requiring all Volkswagen owners to pay 41 cents." Can't a Ford understand that?—ROBERT W. DIETSCH.

[From Business Week, Jan. 20, 1975]

THE WOBBLY UTILITIES

The wobbly financial condition of the nation's electric utilities is a basic part of the U.S. energy crisis. One way or another, the power industry must get more money. Otherwise, it will not be able to provide reliable service from its present systems, let alone expand to meet future needs.

The simplest and fairest way to meet the industry's immediate needs is for state regulatory commissions to give prompt approval to the higher rates the companies have requested. The only alternative is some sort of subsidy or bailout by the states and the federal government. This would merely pass the costs on to the taxpayers, in the meantime concealing the mistakes that got the industry where it is today.

The regulators should, of course, scrutinize both applications for increases and company operations to spot inefficiencies that add to costs. But there can be no excuse for the stalling tactics some commissions have tried. They only make the problem worse.

In the longer run, both the regulators and the utilities should start overhauling a rate structure that was designed in the days when the companies were anxious to bring in more capacity. The declining rate on big blocks of power is an archaic device intended to promote heavy usage rather than conservation. It should be replaced by a cost-to-serve price structure. In addition, power companies should start charging premium rates for electricity used during the peak demand periods. Holding down the peak loads would reduce the need for standby capacity.

A strong argument can be made for a "lifeline" rate that would allow low-income customers a bare minimum of kilowatt-hours each month for a marginal fee. But power users, both large and small, must start adjusting to the realities of the energy squeeze. The longer they delay, the more it will cost them.

H. 440

An Act to add 30 V.S.A. Chapter 5, Subchapter 3 relating to electrical lifeline service

It is hereby enacted by the General Assembly of the State of Vermont:

SEC. 1. 30 V.S.A. chapter 5, subchapter 3 is added to read:

SUBCHAPTER 3. LIFELINE SERVICE OF ELECTRICAL POWER

§ 281. Policy and Purpose

It is the policy of the state that residents be able to receive electrical service for basic necessities of modern life, such as lighting and refrigeration, at a stable, fair and reasonable minimum cost; and to encourage the reduction of electrical power consumption for all other uses beyond such basic necessities.

§ 282. Definitions

As used in this subchapter, the term "residential customer" means an individual who maintains a permanent place of abode within this state and is present in this state for more than an aggregate of 183 days of each year.

§ 283. Lifeline rate

(a) Except as provided in section 284 of this title, for the supply of electrical power to the principal dwelling of a residential customer, that customer shall pay not more than three cents per kilowatt hour for each of the first three hundred kilowatt hours.

(b) The rate provided by this section shall not be supplemented by any minimum charge, service charge, or other periodic charges to a residential customer for his principal dwelling.

§ 284. Exception for peak demand charges

The rate required by section 283 of this title may be increased at times of peak system demand, subject to the approval of the public service board provided that metering devices are used by the utility and the difference between peak energy charges and off-peak energy charges is the same for all customers of the utility.

§ 285. —— review

The public service board shall hold a public hearing or hearings to review the lifeline service rate to insure that it is adequate to effect the purposes of this subchapter, and shall report its findings and any recommended adjustments in the lifeline service rate to the 1977 session of the general assembly, and periodically every three years thereafter.

SEC. 2. Transitional provisions—

(a) Each electric utility shall file with the public service board revised tariffs in conformance with this act within thirty days of passage of this act. The revised tariffs shall be effective not later than thirty days from the date of filing.

(b) In the event that implementation shall cause a loss of revenue to a utility, the additional revenue required shall be obtained equitably from all classes of energy use in a just and reasonable manner.

SEC. 3. This act shall take effect from passage.

LIFELINE SERVICE BILL H. 440

Q. What is Lifeline electrical service?

A. Lifeline electrical service is the provision of up to *300 kilowatt hours* of electrical energy per month to all Vermonters, at a price of no more than *three cents* for each kilowatt hour. A bill (H. 440) setting these basic rates has been introduced in the General Assembly by Representatives Martin Powell of Essex and Sam Lloyd of Weston.

Q. What is meant by basic necessities?

A. Basic necessities are the lights and appliances, such as a refrigerator and a water pump, that most families need to live in minimum comfort. It does not include appliances which are available in non-electric versions.

Q. Is 300 kilowatt hours a month really enough electricity for basic appliances?

A. With careful use of lights and appliances, it is.

Here is an example of the basic appliances a family of four might own, with estimates by the Edison Electric Institute of the electricity they use:

Appliance:	*Kilowatt Hours per Month*
Furnace blower*	103
Oil burner*	19
Refrigerator-freezer (14 cu. ft. manual defrost)	95
Water pump	19
Lights	70
Radio	7
Sewing machine	1
Total	314

*Average for whole year.

Naturally, there may be some disagreement concerning which appliances are necessities. Also, these figures are averages for people who now own these appliances. Some families use considerably more electricity than these figures indicate, just as some use less. But this list shows that 300 kilowatt hours is a good estimate of the minimum electricity required by most families.

Q. How will Lifeline service affect my electric bill?

A. That depends on how much electricity you use. The average residential use of electricity in Vermont is somewhat more than 700 kilowatt hours per month. If you use less than this, you'll save a welcome amount; if you use the average, your bill should not be significantly affected; and if you use more than the average, it may go up slightly.

Q. Though our family could cut down a lot, we still probably will use a larger than average amount of electricity. Will families like ours have to pay for all the savings that small users of electricity will get under Lifeline service?

A. No. The Lifeline bill requires that if a utility needs a rate increase in order to reduce the rates to small users (not all electric companies will need one), it must increase the costs to all larger users fairly. This means that industries and businesses will pay their share.

In addition, the saving your family gets on the first 300 kilowatt hours of electricity it uses will help to offset higher rates which may be charged for using larger amounts.

Q. My grandfather lives alone in a mobile home, and has even fewer appliances than the ones listed in your table. Thrift is practically his religion, yet his electric bill is always more than $5.00—no matter what he does. Will Lifeline service help him?

A. Yes. One reason he can't seem to get his bill below $5.00 is that the power company actually does charge a fixed minimum bill, no matter how little electricity is used. The practice would be eliminated by the Lifeline bill. If, for instance, your grandfather uses only 120 kilowatt hours per month, his bill would be no more than $3.60.

Q. How will Lifeline service effectively promote conservation of energy?

A. First of all, people like your grandfather would be encouraged in their efforts for a change, and acting together they could have a significant effect. Conversely, industries and other large consumers of electricity—who now pay much less per kilowatt hour than small users—would be encouraged to conserve power as their rates go up.

Q. Future rate increases are just as sure as death and taxes. Will they affect Lifeline service?

A. Basically, no. The price of three cents per kilowatt hour, up to 300 kilowatt hours a month, would be fixed until the Legislature decides to change it. So future rates increases would apply only to electricity consumption in excess of the Lifeline amount, which would strengthen the incentive to conserve energy.

Q. What about second home owners?

A. Lifeline rates would be limited to permanent residents of Vermont—the same people required by the State to file income tax returns. Vermont residents would get Lifeline rates only for their principal dwellings.

For additional copies or more information contact: VPIRG, 26 State St., Montpelier, Vt. 05602, 223-5221.

A STATE LOOKS TO THE FUTURE—"MINNESOTA HORIZONS"

Mr. HUMPHREY. Mr. President, I would like to point out a unique venture by the Minnesota Legislature at the start of the 1975 session.

"Minnesota Horizons" was a special 3-day program in which the State Planning Agency and the Commission on Minnesota's Future joined to present an integrated view of the State's past, current status, developing trends, and imminent policy questions.

These sessions were financed primarily by foundation funds, and educators, public interest groups, and the press and other government officials were invited to attend.

The six topic areas of the meetings were: population and settlement patterns; economy; physical environment; man-made environment; human environment; and government environment.

The reactions of the participants to this approach were most enthusiastic. The sessions not only provided long-range information on trends in areas such as population, transportation, and the environment, but they also demonstrated some of the important interrelationships of these areas.

These sessions demonstrated the value and importance of long-range planning. I have attempted to encourage the same long-range planning process through my efforts in national growth and development.

Mr. President, I ask unanimous consent that the attached summary, "Minnesota Horizons," as well as editorial comments, "Scanning Minnesota's Horizons," Minneapolis Tribune of January 1, 1975; "A State Overview," Minneapolis Star of December 15, 1974; "The Horizons Seminar," the Dispatch of January 29, 1975; and "Horizons' Seminar Good," People's Press, Owatonna of January 16, 1975, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MINNESOTA HORIZONS

The State Legislature in Minnesota began their 1975 session in a unique and interesting manner. Their experience is important because of its significance for governments—Federal, State, and local, as well as the public.

As you well know, legislatures throughout the country typically assemble and then quickly divide into committees to begin the processing of individual bills. This process, plus the demands of a busy legislative schedule, often make it difficult for members to take anything but a fragmented approach to broad policy decisions. The many bills to be processed sometimes result in conflicting decisions. Often there is little time for relating the individual bills, or considering how they will affect the long-range future of the citizens these bills are meant to serve.

The Minnesota State Legislature wanted to try a more integrated approach this session. The Legislature, the Minnesota State Planning Agency, and the Commission on Minnesota's Future joined together to produce a special three-day joint session, which was called "Minnesota Horizons."

Supervised by a joint legislative task force, the staff of the Planning Agency and the citizen members of the Commission on Minnesota's Future, prepared a broad, integrated overview of the state's past, current status, developing trends, and imminent policy questions.

Three morning sessions on January 14, 15, 16, were held in the auditorium of the St. Paul Technical Vocational Institute near the State Capitol. During those periods, the Legislature suspended committee meetings and other legislative business. Invitations to the seminar were extended to other government officials, representatives of public interest groups, educators and the press.

All three sessions were broadcast live by Minnesota Public Radio, and University of Minnesota radio station KUOM, and were videotaped to be presented later in a series of six broadcasts on Midwestern Education Television.

These broadcasts were made possible by grants from three Minnesota foundations—the Hill Family Foundation, Bemis Foundation, and the Dayton-Hudson Foundation, and by assistance from the Inter-Governmental Personnel Act, U.S. Civil Service Commission.

Each morning's schedule included two 90-minute presentations separated by a half-hour coffee break. Each presentation involved as many as four speakers, and visual aids were extensively employed. Each presentation was introduced by a legislator, and roving TV cameras identified legislators in the audience.

The six topic areas considered were: Population and Settlement Patterns; Economy; Physical Environment; Man-Made Environment; Human Environment; and Government Environment.

While the effect of the Minnesota Horizons program on the legislative process can only be measured in long-range terms, the research that went into the preparation of this comprehensive report generated a great deal of valuable data.

Minnesota legislators who participated in "Minnesota Horizons" responded enthusiastically:

"Senate Majority Leader Nicholas Coleman called the presentation 'A remarkable contribution to the legislature which will be of incomparable value to us in making our decisions.'

"Representative Rod Searle, a member of the Joint legislative task force assigned to the project: 'Since I got in on the ground floor, I was enthusiastic about the project and believed that it would be effective. But after I participated in the event itself, I was especially thrilled for the new members, who received the most terrific briefing possible for a group of freshmen legislators going into their first session. They'll be able to ask the kinds of hard questions that will result in good legislation.' (Searle's comments take on additional meaning in light of the fact that there are 53 new members in the Minnesota House this session.)

"Minority Leader of the State Senate, Senator Robert Ashbach, said, 'Minnesota is a fine progressive state but this is true only because of its willingness to look to the future and define problems before they become insurmountable. I also appreciate . . . bringing to the people's attention a discussion of our future planning needs.'

"Speaker of the House, Martin Sabo, said, 'a great deal of valuable information was presented in an interesting and integrated manner. We are now better equipped to make the difficult decisions that face us.'"

A major effort was made to inform the press and the citizens of the state about "Minnesota Horizons". A million brochures were distributed through the school systems, enough so that each student could take one home.

Considerable media editorial response was generated by the "Minnesota Horizons" sessions, and later by the new data released. Both the *Minneapolis Tribune* and *Minneapolis Star* carried editorials in advance of the seminar, praising its intent. Following the conclusion of "Minnesota Horizons", an editorial writer for the *St. Paul Dispatch* wrote the following:

"We send congratulations for the unique and valuable way in which the 1975 session was started. . . . It was a good show and should help give a sense of direction to the rest of the session as the legislators wrestle on a day to day basis with problems that not only are difficult to solve but represent conflicting demands for money and resources."

Much of the public interest, and many of the editorials were generated by some surprises in Minnesota's population patterns, as reported by Minnesota's recently-appointed State Demographer, Hazel Reinhardt.

Ms. Reinhardt announced, in the opening Horizons presentation, that the longtime trend of migration into the Minneapolis/St. Paul metropolitan area from rural areas appears to have reversed.

Ms. Reinhardt said that between 1960–70, 65 of Minnesota's 87 counties had net outmigration. But between 1970 and 1973, 61 counties had net immigration. This "development" was partly accounted for, she said, by the increasing number of job opportunities in outstate areas.

She also said that the population of the seven-county Twin Cities area will continue to have about ½ of the state's total population, projecting a metropolitan population of 2.3 million by the year 2000.

Ms. Reinhardt projected a faster rate of population increase during the 1980's. The large numbers of females born during the 1947–1960 "baby boom" and now in the child-bearing age will result in a "mini-baby boom."

Gerald Christenson, Director of the Minnesota State Planning Agency, related Ms. Reinhardt's remarks to the state public school enrollments, which he said would continue to decline until 1985, when the "mini-baby boom" will raise enrollments for about 10 years.

Christenson said that while the rate of total spending on education will be slowed, per pupil costs will continue to rise, largely due to teacher salary schedules.

Christensen also said that the creation of an adequate number of new jobs may be a serious problem in the period ahead.

Minnesota's economy was the focus of Russell Fridley, Director of the State Historical Society; Bruce MacLaury, Co-Chairperson of the Commission on Minnesota's Future and President of the Ninth Federal Reserve Bank; and John Brandl, Director of the University of Minnesota School of Public Affairs, who previewed the state's economic future.

Brandl said that in the past an economic downturn affected Minnesota less harshly than other parts of the country, but that the state will suffer the effects of recession for at least two years and that it will be several years before inflation drops to levels of the 1960's.

Brandl also projected that, the effects of inflation and the progressive nature of the state income tax would contribute to an estimated $1 billion increase in state revenue during the next biennium.

Minnesota's environment, both physical and man-made, occupied the second day of presentations. Joe Sizer, the Director of Environmental Planning for the State Planning Agency, illustrated the complexity of land-use planning by relating a recent study showing that 679 land-use related powers exist among six state agencies. Sizer added

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that a prime need is improved state geologic surveys.

Philip Raup, professor of Agricultural Economics at the University of Minnesota, noted that the number of Minnesota farms, continuously declining since the mid-1930's, has leveled off and remained constant at 118,000 since 1972. Raup said Minnesota agriculture has lost "resiliency to economic trends" due to a tendency toward specialization in farming, such as raising all livestock, cash crops, or poultry.

Raup called for Federal tax policies to protect the family farm, but emphasized that such policies could be initiated at the state level.

In a presentation on mining, forestry, and recreational resources, Victor Arnold, Executive Director of the Commission on Minnesota's Future, predicted that the greatest number of conflicts over land-use and environmental values would occur in the northeastern section of the state.

The nationwide housing shortage is sharply felt in Minnesota, according to James Solem, Director of the Office of Local and Urban Affairs, State Planning Agency. Solem projected that 242,000 new Minnesota families would require housing in the next ten years, with 45,000 to 50,000 new units each year required to fill the projected need, twice the number of housing starts in Minnesota housing industry's best year.

Solem also said a doubling of available housing credit would be required, as well as additional housing aid to low-income families and increased rehabilitation of existing housing units in order to meet the projected demand.

The State Planning Agency's Director of Transportation Planning, Harry Reed, noted that, if the present rate of state funding were to continue until 1994, only 25% of the already identified highways construction needs could be met. He also cautioned that, because many urban areas have developed such high capital cost mass transit systems, the Federal government may not be able to provide the expected 80% of mass transit capital funds.

Edward Hunter, Deputy Director, Minnesota State Planning Agency, addressed Minnesota's energy needs. Hunter said the state's response to the energy crisis must include a conservation education program, stiffer building design standards, utility rates geared to encourage conservation, and more energy-efficient land-use and urban design.

Closing sessions dealt with Minnesota's human environment and government environment. Vernon Sommerdorf, M.D. and a former legislator, asked for an improved distribution of medical care, especially for Minnesota's rural areas and minorities. He also suggested more efficient use of the state's allied health training facilities, now operating at less than full capacity.

Richard Broeker of the Planning Agency and Jane Belau, member of the Commission on Minnesota's Future, outlined the state's human service needs. They reported that the greatest continuing problem is the confusing and over-lapping multiplicity of Federal, state, and local agencies providing human services delivery. Ms. Belau said that a reorganized system should be made more client-oriented.

Dean Honetschlager, Director of Human Resources Planning for the State Planning Agency, reported on education in Minnesota. Honetschlager said that as enrollments decline, especially in rural school districts, it becomes difficult for individual schools to afford an adequate program of diverse course offerings. He also advised attention to the fact that every one of the 436 school districts conduct separate salary negotiations with teachers with no comprehensive monitoring on the state level.

In the final Horizons session, James Solem spoke on the financing of government, and Gerald Christenson discussed strengthening the role of elected officials.

Christenson reiterated a concern that had been the original motivation for the Minnesota Horizons project—the problem of fragmentation in government. He said that almost all public policy decisions are interrelated, but that there are powerful influences working against such a successful integration.

Among those forces Christenson listed, were society's increasing complexity; pressure on elected officials to make a quick track record; the legislative committee structure; the department structure of the executive branch of state and Federal governments, overlapping local units of government, superficial news media coverage; and the skill of single-purpose, special interest lobbies in manipulating the legislative process.

Closing speaker Ray Lappegaard, former State Highway Commissioner, noted that the state is going to become the most important level of government during the next years and that state and local governments must find new, more effective means of public involvement.

Lappegaard also advised that the legislature must resolve policy issues in a clear manner, and thus more effectively guide the actions of the Executive Branch.

Tapes of the Horizons sessions are currently available through the University of Minnesota Audio-Visual Library Services.

For participants in the "Minnesota Horizons" session, a complete notebook including the text and visual aids for all 17 individual speakers is being published.

It should be obvious from the breadth of material covered and the speakers involved that the Minnesota Horizons seminar was a wide-ranging and most ambitious program.

It was successful in reporting valuable new information which will be of immediate use to Minnesota legislators in their current session; it has made Minnesota's public officials and citizens better informed about the issues facing them.

But perhaps most important the "Minnesota Horizons" program has launched a unified and integrated approach toward legislation, and it has done so in full view of the citizens of the state whose values must finally determine their state's future.

Minnesota Horizons was an innovative project that other governmental bodies might well consider.

A person, and the values he holds, can often be defined by his image of the future—what he wishes to be and what he feels is worth striving for. The same could be said of a state, or a nation.

Public servants and citizens alike have taken three short days to talk together about what they want their state to become.

They have attempted to establish a common starting point, a common view of where their state is today.

In doing so, they have greatly increased the likelihood that the future of the State of Minnesota will be determined, not by circumstance, but by the people to whom it belongs.

Scanning Minnesota's Horizon

The Minnesota Legislature's structure and schedule make it difficult for members to take anything but a fragmented approach to the state's problems and needs. Legislators are assigned to committees concerned with specific ranges of issues and with workloads full enough to allow members little time, if any, to look beyond those ranges. And the lawmakers are faced, day to day, with individual legislative proposals dealing with separate issues and demanding quick decisions. The result is a lack of opportunity for members to take an over-all look at issues and problems, at how they relate to one another and at how the state's long-range future might be affected.

The Legislature's 1975 session will be different, however. In mid-January, shortly after the session begins, members of the House and Senate will convene in an unprecedented—and probably unique—joint session to hear representatives of the State Planning Agency, the Commission on Minnesota's Future and other speakers discuss a broad range of issues and trends affecting the state today and in the years to come. Population patterns, the economy, the environment, housing, transportation, energy, health, education, human services and the government are the general topics to be discussed during the three half-day sessions.

The program, called "Minnesota Horizons," is described by its planners as an attempt to "provide a broad overview of where the state of Minnesota has been, where it is now and where it appears to be heading." And that overview will be directly available not only to legislators, but also—thanks to live coverage by public television and radio, made possible by three Minnesota foundations—to the public.

The State Planning Agency and the Commission on Minnesota's Future deserve thanks for conceiving this unusual way of fulfilling, in part, their statutory mandate to report regularly to the Legislature. Legislative leaders too, deserve credit for responding to the idea enthusiastically and appointing a task force of state senators and representatives to help arrange the program. And thanks are also due to Minnesota Educational Radio and Minnesota Educational Television for bringing the program to Minnesota's citizens—and to the Bemis, Dayton-Hudson and Hill Family foundations for supporting the broadcasts.

It should prove helpful for Minnesota's legislators to have this chance to take time out for studying broad issues and long-term goals before getting down to the day-to-day decision-making that will be necessary during the rest of the session.

A State Overview

Minnesota's Legislature will take a new approach to its job next month. Members will attend a seminar Jan. 14–16 designed to provide a broad overview of the state's past, its potential and its problems.

The idea, as a news release from the State Planning Agency notes, is that legislative bodies ordinarily begin a session by assembling and then quickly breaking into committees to begin processing individual issues. There never seems to be a place or time for the members to put it all into perspective.

The seminar, if it works the way it's supposed to, will address that problem. It will be called Minnesota Horizons and will run from 9 a.m. to 12:30 p.m. each of the three days in the St. Paul Vocational-Technical Institute near the Capitol. All other business of the Legislature will be halted during those periods.

The seminar will be jointly sponsored by the Legislature, the State Planning Agency and the Commission on Minnesota's Future. There will be live coverage on educational radio and taped coverage on educational television. Subjects to be covered include education, health, the handicapped, housing, land use, agriculture, energy, transportation, economy, population distribution and government.

Questions to be considered include: Will Minnesota be able to preserve its tradition of home-ownership? Where will population growth occur? Will school enrollments continue to decline? Where are most of the state's land use conflicts likely to occur? What is the outlook for farming?

The seminar is believed to be the first of its kind in the country and its sponsors think it may serve as a model for other legislative bodies. However it turns out, the attempt is noteworthy and those associated with it deserve commendation for the effort.

The Horizons Seminar

We regard shooting occasional shafts of fire and light at the Legislature as one of our more important and painful fuctions. It is with pleasure, therefore, that we send this note of congratulations to the Capitol for the unique and valuable way in which the 1975 session was started.

That start was with "Minnesota Horizons," a program designed to give legislators (and the rest of us) a look at where Minnesota stands, and where it is headed, in such major areas as housing, transportation, energy, health care and economics. For three mornings, earlier this month, legislators met at St. Paul Vocational-Technical Institute and listended while experts testified.

The Horizons programs were broadcast throughout the state over public radio and television. We commented at the time on a couple of them: population shifts and the future of the family farm. It was a good show and should help give a sense of direction to the rest of the session as the legislators wrestle on a day to day basis with problems that not only are often difficult to solve but represent conflicting demands for money and resources.

Organizers of "Minnesota Horizons" rather immodestly suggest that "Never before has any state legislature taken such a comprehensive view of its state before breaking into committees to start processing individual bills." Immodest, but likely true.

"Minnesota Horizons" was sponsored by the Legislature itself, the State Planning Agency and the Commission on Minnesota's Future. There were grants from the Hill Family Foundation, the Dayton-Hudson Foundation, the Bemis Foundation and the U.S. Civil Service Commission. But you probably read all that in the flashing print at the end of the telecast. . . . It was worthwhile.

Horizon's Seminar Good

Probably few events in recent months have made as much sense, or will probably reap greater benefits than the three-day "Minnesota Horizons" program which is to be completed today in St. Paul.

Essentially, it has been a three-day seminar for state legislators conducted at the St. Paul Vocational Technical School auditorium, almost within the shadow of the capitol dome.

Other state leaders, news media representatives and others were invited to sit in while a blizzard of facts and projections flowed forth on a wide variety of topics.

The Minnesota Legislature's structure and schedule make it difficult for members to take anything but a fragmented approach to the state's problems and needs. Legislators are assigned to committees concerned with specific ranges of issues, and with workloads so heavy that members have little, if any, time to look beyond those issues. Then, there is the day-to-day hustle of individual legislative proposals that often demand quick decisions with little background.

"Minnesota Horizons" has been an attempt to change some of that. Members of the House and Senate have been convened each morning for the past three days in an unprecedented and perhaps unique joint session to hear representatives of the State Planning Agency, the Commission on Minnesota's Future, and other speakers.

Topics have included population patterns, the economy, the environment, housing, transportation, energy, health, education, human services and government. It has been an attempt to show where Minnesota has been, where it is now, and where it appears to be heading. And that overview has been presented not only to legislators, but also—thanks to live coverage and rebroadcasts on public television—to the public.

We know it has proven helpful to Minnesota's legislators to have this chance to take time out for studying broad issues and long-term goals before getting down to the day-to-day decision making that will be necessary during the rest of the session.

And high commendation for the good thinking and leadership which brought it all about in the first place.

ON AMENDING SENATE RULE XXII

Mr. CHURCH. Mr. President, each day brings news that the winds of change are sweeping away ancient rules, privileges and prerogatives in the Congress. The House of Representatives has taken the unprecedented step of electing its committee chairmen on a basis other than seniority. The Senate Democratic caucus has itself followed suit. In the future, committee chairmen may be elected by secret ballot, secretly called for.

I voted for this change. During my 18 years in the Senate, the seniority rule has imposed the virtue of patience. Junior Senators have had no alternative but to keep living until the day that they, too, would be rewarded for longevity with a committee chairmanship. Now that some of us, having survived the years, stand on the threshold, suddenly we have voted away the prize. Like the Allies stopping at the gates of Berlin, we have chosen to deny ourselves the certitude that rank will bring privilege. And this is probably best.

Presently, we are considering yet another ancient rule, a 56-year-old section of the Standing Rules of the Senate which, for many years, was perceived as the procedural weapon of civil rights opponents. Rule XXII was indeed invoked, again and again, to prevent a vote on civil rights legislation. Nevertheless, despite the rule, a way was found to pass the Civil Rights Act of 1957. By the mid-1960's, after a strenuous fight over a much stronger bill, the two-thirds majority required by the rule to end debate, was achieved. Since then, cloture has been voted much more frequently, due in part to changes in the Senate's compositior and in part to success in one cloture vote leading to success in another.

Paradoxically, although rule XXII has steadily become a less formidable barrier to legislative action in the Senate, it remains the symbol of the old order, and therefore the irresistible target of all would-be reformers.

This was true in my own case, as it has been in so many others. The first vote I cast, upon entering the Senate in 1957, was against rule XXII. Since then, at the opening of several sessions of the Congress, I have led the fight to reduce to three-fifths the requirement of the rule that two-thirds of the Senators present and voting must approve, in order to end debate. Four years ago, Senator Pearson and I offered an identical resolution to that now before us.

During the intervening years, however, cloture has been invoked much more frequently; genuine filibusters, undertaken for the purpose of preventing a vote, usually fail. But the rule does give a measure of protection against hasty action on controversial proposals, sometimes insufficiently understood. Extended debate has often served the country well.

Moreover, as I have finally come to understand, the rule greatly strengthens the hand of the Senate in its dealings with the House of Representatives, as well as with the Presidency, itself. It follows that every curtailment of rule XXII weakens the institutional strength of the Senate.

Finally, it must be stressed that rule XXII no longer favors any particular clique in the Senate, neither the South against the North, nor conservatives against liberals, nor hawks against doves, nor any other grouping. From time to time, rule XXII is now being utilized by widely differing factions ranging across the whole spectrum of political philosophy and economic beliefs. It is being used often with good effect, as when reliance on the rule enabled determined opponents of the SST to ultimately prevail. In the closing days of the last session, resort to the rule made it possible for our conferees to reinstate important Senate amendments to the Export-Import Bank bill, which had been summarily stricken by the House.

Moreover, as a result of developments in the final hours of the last session, I suggest we have been given still another reason to retain rule XXII in its present form.

When the Trade Reform Act came to the Senate in December, cloture was invoked before a single word of debate was uttered. A two-thirds majority approved cloture, not for the purpose of ending debate, but for the purpose of excluding nongermane amendments. All at once, rule XXII was transformed into a closed rule, more constraining in certain respects than that used in the House of Representatives, where at least the Rules Committee can vote for a closed, a partially closed, or an open rule.

This was the first time I can remember that cloture was ever used for a purpose other than curbing debate. But now that this technique has been discovered, it will be used again. If this is a pernicious reverse twist of the rule, as I believe to be the case, the abuse will be all the easier to practice, if only a three-fifths vote is required.

For these reasons, I am convinced that rule XXII should not be altered as proposed. I do not derogate the arguments in favor of changing the rule. I, myself, once made them, believed them, and urged their acceptance. But, for nearly 2 years now, I have come to a different view, and so must seek such refuge as I can in the well-known words of Ralph Waldo Emerson:

A foolish consistency is the hobgoblin of little minds, adored by little statesmen and philosophers and divines.

ANACONDA CO. REDUCES BUTTE-ANACONDA MINING ACTIVITIES

Mr. MANSFIELD. Mr. President, the state of our Nation's economy is not good, and each day we hear of new cutbacks, layoffs, and a generally depressing account of our job market, and an increased unemployment rate.

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Montana has suffered from a depressed lumber, livestock, grain, and hard minerals market, and now western Montana is faced with a very real and serious cutback in the operations of one of our major industries—the Anaconda Co.

The Anaconda Co. has had substantial copper mining and processing operations in Butte and Anaconda for a good many years. Until recently, these communities were considered one-industry towns. I was most disappointed to read a speech given yesterday by the vice president of the Anaconda Co., Robert C. Weed, at the Butte and Anaconda Service Clubs. In essence, Mr. Weed told the people of Butte and Anaconda that, during 1975, they could expect a major reduction in Anaconda activity, the closing of a smelter and foundry at Anaconda, and a reduction in employees of some 1,500 men. This is disastrous. It is yet another serious economic blow to two of Montana's finer cities.

The Anaconda Co. has a checkerboard history of relationship with western Montana. For many years, they played the role of a substantial citizen. A few years ago, reorganization was brought about by the confiscation of their Chilean operations. The company reorganized and retracted its activities and, to be perfectly candid, it is being run by bankers whose only concern is the profit and loss statement. The time has come for large multifaceted corporations to develop a little humility and concern for the communities and the people they directly affect.

While the reduction will be gradual and a certain number of personnel will be absorbed through attrition, there is no way that this can be anything other than detrimental to the local economies. Both Butte and Anaconda have had great success in recent years in redeveloping their local communities with the assistance of the model cities program or urban renewal. Mr. Weed states candidly that the "Montana operations are in jeopardy." The mines of Butte have been the historic foundation of this company and now it is being shunted aside for more profitable ventures elsewhere and a possible reentry into Chile.

I fully recognize that the Congress cannot dictate terms to private enterprise but I do state that I see no reason that we should be sympathetic to any problem with a corporation which ignores its historic responsibilities because of its primary concern with profits and the dictates of banking institutions. A reduced copper market, competition from foreign sources, U.S. labor costs, and new environmental controls are considerations but, at the same time, it would seem that corporate ingenuity should be able to overcome these difficulties.

In conclusion, Mr. President, I ask unanimous consent that Mr. Robert C. Weed's address be printed in the RECORD at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF ROBERT C. WEED

True to the spirit of Montana, your welcome has been warm and generous. Having spent a couple of years as a miner and engineer in the Butte mines after World War Two, I count myself in that large fraternity of mining men whose careers have been enriched by experience in Butte. Much has been written about the millions of pounds of copper that have been produced from the Richest Hill on Earth, but perhaps a more important product has been people. Generations of mining men have come from Butte and it has been a training ground not only for The Anaconda Company but for many other major companies throughout the industry. Whenever mining people gather in any corner of the world, the conversation usually gets around to "those days in Butte." For those of us with Anaconda, the city is the birthplace of the Company and a strong attachment to Butte and its people is a common bond among hundreds of our staff members—even though their duties have taken them to distant places. This applies equally to the smelter city of Anaconda.

I am grateful to the Exchange Club for providing me this forum before a gathering of the leaders of these two cities. The timing of this meeting is appropriate because economic developments have raised critical questions and because the people of this area recognize we are now at another crossroads in the long and often difficult history of Montana mining.

Looking back for a moment at 1974, we were pleased to report recently that the Company's estimated income for the year, before extraordinary income, was up 55 percent over 1973. The Company and its consolidated subsidiaries sold a record dollar volume of products last year, increasing its 1973 sales by 25 percent. The sobering aspect of this report is that these increases were registered mainly during the first half of 1974 before a general softness developed in the economy. In the last quarter of the year our estimated income before extraordinary income was off 41 percent from the identical period in 1973, and our sales were 10 percent below the last quarter of 1973.

I'm sure all of us in this room share a deep concern over the national economy. The anxieties of the energy crisis and runaway inflation have evolved into a deepening recession. The daily headlines on plant closings and massive layoffs have a grim familiarity for those of us who remember the Great Depression. First quarter auto production is at the lowest level in 14 years, appliance and industrial manufacturers have slashed output, consumer caution has caused retailers to retrench, and the housing industry is in a state of paralysis. Even government agencies are trimming their payrolls and programs to adjust to declining tax revenues. In Montana, the picture is no brighter. The recent economic report to the Governor points out that wood products, copper, tourism and cattle have been or will be adversely affected by declining national and international markets for these products. The economic indicators are discouraging. In 1974, unemployment rose from 4.8 percent to 7.1 percent. Bankruptcies are nearing an all-time high and business failures have increased sharply.

In the copper industry, we have been plagued by a double problem. While inflationary pressures have pushed our basic operating costs to extreme levels, the price we receive for our product has been declining. During the first half of 1974, the fixed price of copper was 68 cents a pound. After controls were lifted in May, the price rose in stages to 85 cents. However, in September of last year, the copper price started its downward slide. It fell to 79 cents and successive reductions have brought us to today's price of 63 cents. The world price has taken an even more dramatic tumble, falling from a high of $1.52 in April of last year to 55 cents. The basic cause of these depressed prices is the simultaneous recession in the United States, and the other copper-consuming nations. With this worldwide decline in industrial activity, there has been a sharp drop in the demand for copper. The inventories of copper held by producers, fabricators and exchanges have been mounting steadily since the middle of last year. It is estimated that the Free World's copper stocks now exceed one million tons. To illustrate the decline in demand, shipments by the U.S. brass industry in December were at the lowest monthly level in 14 years.

The problem of a falling copper price has been compounded by tremendous cost increases in all phases of our operations—mining, milling, transportation, smelting and refining. The costs of such basic items as tires, diesel fuel, grinding media, natural gas and scrap doubled and nearly tripled during 1974. Our labor costs also increased significantly under the new contracts signed last year. Coupled with all of this have been the problems of the energy crisis. In some cases our productivity was impaired by the inability to obtain fuel. In other situations, we had to shift from a customary fuel such as natural gas, to a more expensive product such as fuel oil. And even when energy was available, we found the rates and prices increasing rapidly.

Montana may be far from Zambia, but we all need to recognize the relationship of developments in the international market to our problems in Montana. Our foreign competition is blessed with higher grade ores and lower production costs. The copper flowing into the world markets from Chile, Peru, Zambia and Zaire has a direct impact upon the level of the foreign price. As I noted earlier, the world price has skidded to 55 cents and the indications are that it will go even lower. This in turn will bring pressure upon the domestic price because U. S. producers are vulnerable to a major spread between the foreign market and the domestic price. There are many complex factors in the international copper market and it is highly sensitive to the swing of economic events. A good example is the impact on the world price last year when Japan began dumping some of its copper supplies. My point is that world conditions have a direct bearing upon our operations in Montana. We must compete not only with producers in Arizona, Utah, Nevada, New Mexico and Michigan. We must be strong enough to meet the challenges of foreign producers in all parts of the world.

In the United States, the declining demand for copper has caused curtailments at many domestic properties. In Arizona, for instance, Phelps Dodge, ANAMAX, Magma, ASARCO, Kennecott and Cyprus Pima have all announced reductions in production. Kennecott also has announced plans to lay off 1200 employees in its Utah Copper Division, and 200 workers at its Nevada operations. It is anticipated that further curtailments will be implemented if our primary markets such as autos and housing continue in an economic slump. The entire industry is faced with drastic problems of survival until economic conditions can once again generate a strong demand for copper.

The Anaconda Company is experiencing the same problems as our competitors. With diminished manufacturing activity, our fabricating divisions face a shrunken market for their products. In the Wire and Cable Division, the physical sales volume of copper products is down 33 percent from a year ago. In December, the Brass Division recorded its lowest monthly sales since the comparable month of 1961, and those December sales were 54 percent below the record month of April, 1974. The Brass Division's U.S. order backlog has declined by 50 million pounds since the middle of last year and the volume of incoming orders is only one-half the rate it enjoyed in the second quarter of 1974.

The recession has affected aluminum as well as copper. Our Aluminum Division has

suffered one of the most rapid deteriorations of business in its history. December shipments were 12 percent below a year ago, and in January, shipments were running at a rate 41 percent below previous years. And in residential building products, the shipments are 60 percent under last year.

In uranium, we are pinched between escalating costs and product prices fixed by long-term contracts. The uranium picture also is clouded by uncertainty as to the long-range future of nuclear power plants.

However, the Company's most drastic problems are here in Montana. I would like to review them with you.

The problems of the Berkeley Pit are of long standing. Foremost are the low copper content of the ore and the high waste-to-ore ratio. Another major difficulty is the high cost of transporting ore and waste out of the pit. As the pit deepens our vertical haul gets longer and as our waste dumps extend along the surface, the horizontal haul is lengthened. Despite innovations and increases in equipment size, the cost of transportation continues to mount. Another problem arises from the old underground workings in the area of the pit. The mine timbers and other debris from that period cause numerous difficulties for the concentrator operators. In addition, ore from these old workings is highly oxidized and acidic, greatly complicating our metallurgical processing. On top of this is the matter of weather. Subzero temperatures, snow, ice, rain and fog make pit operations extremely difficult and add to the costs of running and maintaining our heavy equipment. The combination of all these factors presents a formidable impediment to profitable operation of the Berkeley Pit.

As you know, we started producing from the Continental-East open pit in November of 1973. There have been some disappointments in this project from the standpoint of lower grade ores and a somewhat lesser tonnage than we projected. We now plan to conclude mining operations at Continental-East by the end of this year.

Circumstances have caused us to re-evaluate the mineral deposits known as Continental-South and Continental-North. Due to the fact that these deposits contain appreciable amounts of molybdneum, which must be recovered to make them viable operations because the copper grade is low, their development will be deferred until it becomes feasible to add a moly treatment section to the Weed concentrator.

One of our major hopes for the Butte operations has been increased production from leaching segregated material that contains copper of such low grade that it cannot be milled. We have over 400 acres of dumps under leach by solution application. This is a complex process that involves chemical and bacterial action as the acid solution percolates through the dumps. Unfortunately, the production from these operations is far below expectations despite examination and studies by some of the leading experts in the field. It is an area we will continue to pursue.

Butte does not have a monopoly on our problems in Montana. At the Anaconda smelter, we undertook in 1971 a tremendously expensive program to renovate an old and antiquated plant that had been operating since 1912. The major thrust of this program was to provide an effective system to control emissions into the atmosphere. Thus far, we have spent some $30 million for emission control facilities at the smelter and we are committed to a further outlay of $18.5 million to complete the program. There are many problems involved in trying to maintain plant production during a major construction project. It's something like trying to prepare meals on schedule while your kitchen is being remodeled. Moreover, the pressure for overnight solutions in the air pollution field required installation of facilities without sufficient time for testing or trial performance. These control devices have numerous startup problems. For example, we have encountered recurrent breakdowns with the acid plant and it has not yet achieved its design capacity. As a consequence of these difficulties, fluctuations in smelter production have resulted in higher treatment charges against our Montana ores. There also have been problems in maintaining a high matte grade and a consistent supply of feed into the smelter.

The new Arbiter hydrometallurgical plant is working well. However, as with any new facility, there are numerous mechanical startup troubles.

I've outlined some of the specific problems associated with our various mining and processing locations. However, most of them were known and anticipated. As the saying goes, they came with the territory. But there are three major elements of cost over and above these unique operating problems that apply to the total picture and threaten the survival of our Montana operations.

The first of these is the sudden upsurge in our material and supply costs. In our planning, we always provide for escalation, but what happened to this industry in 1974 went far beyond the bounds of any reasonable expectation. Let me show you some examples of what happened in Montana.

(Slide no. 1)

(Slides not included in RECORD.)

This first chart demonstrates the cost of tires at our Butte mines. It was almost constant in 1972 at 75 cents per hour; there were modest increases in 1973 and a jump in early 1974. But in August of last year, all of our tire contractors imposed severe increases, jumping to as high as $1.25 an hour.

(Slide no. 2)

The next chart demonstrates the upsurge in the cost of diesel fuel at Butte last year.

(Slide no. 3)

This shows what happened to the cost of natural gas at Anaconda. If the trend continues, we'll need a bigger chart.

(Slide no. 4)

The next slide shows the rise in the price of precipitate scrap at Butte. Again, the surge occurred in 1974.

(Slide no. 5)

This last example is the cost of grinding media for the concentrators at Butte and Anaconda. From June of 1974, it rose from a level of about $200 a ton to nearly $400 a ton by year's end.

These supplies are basic to our operations. The impact has been even worse than the galloping double-digit inflation that the housewife finds at her checkout stand.

The second major cost factor common to our Montana operations is labor. A year ago, the average hourly labor cost in Montana, including fringe benefits and cost of living adjustments, amounted to about $6.94 per hour. Today, the average hourly cost is approaching $8.23, an increase of 18 percent. Furthermore, our labor costs are estimated to rise approximately 40 percent from last July to July of 1977 when our current wage agreements expire.

We have to look beyond the increases of a specific wage contract and consider the problems of productivity and labor practices. According to the Labor Department, productivity in the United States over the year 1974 declined 2.7 percent. The first year-to-year decline on record. In the last quarter, the drop in productivity contributed to a 14 percent jump in unit labor costs (the labor cost per unit of output in the overall economy). Also according to the Labor Department, large increases in labor costs put upward pressure on prices.

Anaconda's productivity in its western operations has remained relatively static over the past several years with the result that unit costs have increased with each new labor agreement and also as other costs have escalated. In addition to these factors, poor work practices have contributed to this unhappy result.

For Anaconda to be strong and competitive, productivity must be improved.

Our friends in the labor movement are as cognizant as we are of the need for a healthy employer. In fact, many have publicly acknowledge this fact.

When the Productivity Agreement between the Steel industry and the United Steelworkers of America was adopted in 1971, I. W. Abel, president of the union, told a Steelworker conference:

"I don't have to remind you, I am sure, that we of the labor movement, and we who work for a living, will have the standard of living that the industries for whom we work can provide. We are tied together, and we either sink or swim together. You can't go to a well that has gone dry and get a bucket of water."

In this spirit then we intend to invite the Montana unions with whom we deal to join with us in the establishment of committees to explore this entire problem and endeavor to find means of improving our productivity.

The third factor that cuts across all of our operations is the high cost of environmental controls. There is no quarrel as far as I am concerned with sound and reasonable requirements for protection of the environment, and I believe Anaconda has demonstrated this belief with its expenditure of more than $48 million for emission controls at the Anaconda smelter. But we must not allow popular pressure to force industry into wasting immense sums of money on untested and unproven control facilities. And the restrictions should remain within the bounds of what is really necessary to protect public health and an attractive environment. We all must realize the need for a sense of balance on this problem.

When tremendous amounts of capital are invested in control facilities beyond what are reasonably necessary, it means that that investment is diverted from other improvements that could result in more jobs or in making existing jobs more secure. Both the financing charges of environmental installations and their ongoing expense must be added to the pound costs. An example of this is the complex system of water quality control we have devised at the Butte operations and our program for reclaiming mined land. We have spent $9.5 million thus far, and the continuing price tag is $2 million per year. My point is that money spent for environmental protection results is less money available for job-producing uses. Let's make sure it is spent wisely.

It should be realized that the posture taken by State Government is tremendously important to the health of industry. It concerns me that many legislators and state officials in Montana seem attuned to the clamor of those who advocate harsh treatment for business and industry with a damn-the-torpedoes attitude toward the State's economic well being. I am convinced that the overwhelming majority of the people in this State are concerned about employment and economic stability. I urge you to express your views to elected officials and legislators to counteract the actions of a vocal minority.

I appreciate that this has been a long litany of problems. But I agree with Henry Kaiser who once defined a problem as an opportunity in work clothes. As we did in the crisis that enveloped Anaconda after the loss of our Chilean properties in 1971, we intend to take strong and effective measures to cope with our current difficulties.

In the Wire and Cable Division, production of plastic telephone cable has been discontinued at the Harrisonville plant in Missouri. The cable plant at Eden, North Carolina has

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been temporarily closed, and it will operate with only about 50 percent of previous manpower when it re-opens. Cable operations at Garden Grove, California have been reduced by 75 percent. Twenty percent of the Division's production employees, some 600 people, have been laid off and further reductions are anticipated.

December manhours worked by hourly employees in the Brass Division's U.S. plants were down 41 percent from last May. At the end of December, total employment was down 1,037 persons from the level of last July. A further reduction of 94 jobs was scheduled for January.

Employment in aluminum fabrication already has been cut by 14 percent, representing 631 jobs. Rolling facilities at Terre Haute and Louisville are operating at only 52 percent of capacity, and extrusion plants have reduced operations to 50 percent of capacity. The Aluminium Division also has reduced primary production at both Columbia Falls and Sebree by 10 percent and further cuts may be necessary.

Operations of our refinery at Perth Amboy, New Jersey have now been reduced to one-fourth of capacity, with a corresponding reduction of personnel.

As the world copper price fell late last year, the General Mining Division closed our two mines in Canada—Caribou and Britannia. The headquarters staff at GMD has been reduced by 13 percent. Exploration and research activities have been cut back and capital expenditures on new projects are under study and some will be deferred.

With that background, let us turn to those measures we believe must be taken in our Montana operations.

As you all know, we reached the decision last November to phase out underground mining on the Butte Hill. The reasons were twofold. From an economic standpoint, continuation of vein mining would impose heavy financial losses. The cost of producing a pound of copper from the Butte underground mines had risen from 63.3 cents in 1973 to more than $1.00 in August of last year. More importantly, our long-range underground study brought us to the conclusion that a continuation of vein mining would deplete high-grade ores and reduce the collective value of the total underground deposit to the point where future bulk mining of the Hill's great potential would be imperiled.

We are continuing with our Butte underground study. Taking advantage of present mine access, we plan to spend $6.3 million in the next two years to define the full potential of the deposit that underlies the Butte Hill. Once this is done, we will have to evaluate our findings to determine whether a bulk mining project is feasible under our projections of future copper demand, price and operating costs. If the decision is favorable, a number of years would be required to design and construct the necessary facilities. We would plan to bring in this underground production as our pit mining was being phased out.

Let us deal now with the suggestion that the Company is curtailing its local operations for the purpose of driving people off the Butte Hill in order to buy surface rights at bargain prices. First of all, our present reductions are necessitated by economic forces beyond our control.

Secondly, at this time we are not completely certain whether bulk mining of the remaining Butte underground ores can ever be done. If people sell their uptown property now, it won't be to the Company—it will be to speculators willing to gamble on the possibility that the Company will need this ground at some future time. To make another point clear, if bulk mining is undertaken, it will cause some surface subsidence. We certainly recognize the rights of surface owners and the fact that their property would have to be acquired. This would have to be done in the same fashion by which we dealt with property owners whose land was essential to extensions of the Berkeley Pit. And I believe the community generally agrees that these owners received a fair price. But it should be pointed out that the cost of acquiring necessary surface rights will be a major factor in determining whether a Butte underground project is feasible. It could be that the entire program would hinge on this one element.

Our present plan for pit mining is to accelerate the rate of production in the Berkeley Pit. This will more quickly bring us to a time when we can start backfilling portions of the pit in order to reduce the high cost of transporting waste to remote dumps. As the Berkeley ores are reaching depletion, we will phase in production from the Continental areas.

All of these circumstances must have an adverse effect on our manpower needs. For example the decision to gradually phase out underground mining operations has resulted in the elimination of 259 jobs to date and when it is complete the total reduction will be about 650.

Additionally, at Anaconda we intend to shut down the concentrator in two stages. This is because the Weed concentrator will be capable of handling all of our Butte mine production. The first curtailment, effective March 1, will involve about 100 jobs. When the Continental-East pit is mined out near the end of the year, the Anaconda concentrator will be closed. This will mean approximately 125 more jobs.

Since operation of the Foundry at Anaconda will no longer be essential and because of environmental problems there, it is scheduled to close in the third quarter of 1975. Some 35 employees will be affected.

When the start up of the electric furnace is completed, this coming fall, another reduction of approximately 160 jobs will be made. This facility represents new technology which requires fewer workmen than the reverberatory furnaces it will replace. I should add that the electric furnace was necessary to reach the level of emission control agreed to by the State Department of Health and Environmental Sciences.

While I have been talking about reductions in hourly paid jobs there will be a consequent impact on the ranks of our salaried employees. But beyond these direct curtailments, we are in the process of a complete review of our manpower situation in Montana for it is imperative that we eliminate duplication and unnecessary functions. Let me emphasize that every segment of the operations is being examined. We are looking for savings from the executive level as well as the supervisory and day's pay work forces. Our studies to date indicate that a total reduction of around 1500 jobs will be accomplished this year.

We all realize the community trauma that results from hard economic times and layoffs by a major employer. However, we believe that normal attrition and turnover will aid us in cushioning the effect of production rollbacks and technological innovations. Anaconda has done no hiring, except on a very limited basis, for several months. During this period job vacancies have occurred which we were able to fill with people who might otherwise have been curtailed. Thus, although we have greatly reduced the number of underground workers in Butte, only 180 people have been laid off since October 1st of last year. This use of normal attrition should minimize the number of persons to be directly released. It also is our intention to do whatever we can to assist those employees who are released to become re-employed as rapidly as possible. We will consult and work with State and Federal agencies regarding benefits and training programs.

The current economic climate dictates that all costs be strictly controlled. Accordingly, we are also reviewing expense categories, such as inventory, purchasing and capital expenditures. If it is found that a cost item cannot be supported then it will be reduced or eliminated.

It would be foolish to apply sugar coating to what has to be strong medicine. I fully appreciate that my message means bad news to this audience, to the communities of Butte and Anaconda and to many other localities in Montana. But one fact is paramount—unless these remedies are taken, our Montana operations are in jeopardy. From a standpoint of pure profit and loss, one obvious solution would be to shut down completely until the economic picture brightens and there is a strong demand for copper. We are fighting with all of our means to avoid this drastic remedy, and I believe that, barring a full scale depression, the measures I have outlined will have the desired results.

I also must point out that even an upsurge in the price of copper would not be the answer. We have to reshape our organization, our work force and our production methods into a strong operation—one that will be capable of meeting all forms of competition under all conditions.

A man has to be something of an optimist to stay in the mining business, and I want to close on what I consider the affirmative side of our situation.

Over the longer range, there is every indication that the demand for copper and other metals will become increasingly strong. As current supplies diminish, the world appetite for minerals will bring prices attractive enough to allow the mining of what are now marginal deposits.

That is why we of Anaconda believe that Butte and Anaconda have further days of greatness ahead. These towns are tougher than the experts who have doomed them to disaster time and again. There remains a potentially great resource within the Butte Hill. With imagination and courage, it can become a source of jobs and income for decades to come, and Butte will remain one of the great mining areas of the Free World.

However, we must not lose sight of the fact that we are presently fighting for the survival of our Montana operations—and we will take the actions necessary to insure that they do survive for many years. This can only be done by getting competitive and staying competitive. And this is in the best interests of both Butte and Anaconda.

Adversity is no stranger in Butte and its sister city of Anaconda. They have ridden through harder times. If a realistic view is taken and there is affirmative support from our employees and the communities, we can solve our current problems and emerge from this troubled period with the strength and vitality needed to grasp the opportunities of a brighter tomorrow. Thank you.

SECRETARY KISSINGER'S ARMORED CAR FLIGHT

Mr. HARRY F. BYRD, JR. Mr. President, Secretary of State Kissinger flew to California on January 23 for a 3-day visit during which he addressed the Los Angeles Council on World Affairs.

From press reports I learned that for his visit, his personal armored car was flown to Los Angeles from Andrews Air Force Base, Md.

When I learned of this, I addressed inquiries to Secretary of the Air Force McLucas concerning the details and cost to the taxpayer of transporting the armored car to California and back by air.

I was advised that the cost of the round trip flight was $34,449. The C-141 jet troop transports which made the flight consumed 40,000 gallons of aviation fuel.

Secretary McLucas further reported that the flight was approved and directed by the White House and the Department of Defense upon recommendation from the Secret Service. It was funded by the appropriation for the Military Airlift Command missions.

Now I am sure that the American people want adequate provisions for the safety of their highest officials. No one wishes the Secretary of State to be exposed to undue risk.

However, I think one may reasonably question the expenditure of so much money and fuel for this particular trip. So far as I know, an armored car has not been provided in the past for Secretary Kissinger's trips within the United States, although such protection was furnished on six occasions overseas during 1974, at a cost of about $500,000.

One wonders what was so threatening about Los Angeles in January that only a special armored car, flown from Washington, could provide the protection needed for Secretary Kissinger.

I have no wish to be unreasonable about this expenditure. I do not want the Secretary of State to be exposed to needless danger.

At the same time, I am also deeply concerned about the handling of the tax funds which are paid into the Treasury by the hard-working men and women of our country.

At a time of recession, inflation, and energy crisis, is it appropriate for an armored car to be flown across the continent to protect the Secretary of State during a visit within our own country, at a cost of $34,000 and an expenditure of 40,000 gallons of fuel?

I think this is open to serious question.

I suggest that the criteria used by the White House, the Department of Defense and the Secret Service for providing air-transported armored cars be reviewed.

More importantly, I urge that every department of Government take a hard look at its spending practices in these difficult times.

It is essential that needless Government spending be eliminated.

We are in a time of financial crisis, and if we are to overcome inflation and recession, the Government must set an example of restraint and prudence for the country.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at 10 a.m., following a recess. The Penn Central measure will still be before the Senate. Rollcall votes are possible.

RECESS UNTIL 10 A.M. TOMORROW, AND ORDER FOR RECESS FROM TOMORROW UNTIL MONDAY, FEBRUARY 24, 1975

Mr. MANSFIELD. Mr. President, at this time, I move that the Senate stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. CULVER). The question is on agreeing to the motion.

Mr. MANSFIELD. Before that motion is put, I also move that when the Senate completes its business tomorrow, it stand in recess until 12 noon on Monday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the motion to recess until tomorrow (putting the question).

Mr. MANSFIELD. And that the Senate stand in recess from tomorrow until 12 o'clock noon on Monday.

The PRESIDING OFFICER. There is an order to that effect.

The motion was agreed to; and at 1:10 p.m. the Senate recessed until tomorrow, February 22, 1975, at 10 a.m.

NOMINATIONS

Executive nomination received by the Senate after adjournment on Thursday, February 20, 1975, under authority of the order of the Senate of February 20, 1975:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development, vice James T. Lynn.

Executive nomination received by the Senate February 21, 1975:

DEPARTMENT OF STATE

Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria.

EXTENSIONS OF REMARKS

AMERICAN INTERNATIONAL COLLEGE, MODEL CONGRESS—SPRINGFIELD, MASS.

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BOLAND. Mr. Speaker, recently, I had the privilege of giving the keynote address at the 35th annual Model Congress organized by American International College in Springfield, Mass. The Model Congress offers an opportunity for high school students from all over New England to participate in a parliamentary situation similar to that of the House of Representatives.

This experiment—entirely directed and run by the AIC student government—had its beginning on February 8, 1941. Growing from an original 75 delegates, representing 17 high schools, last year's Model Congress was made up of over 300 participants from 43 high schools from each of the New England States, New York State, and New Jersey. The record number of participating schools is 65 in 1965 and 350 delegates and observers in 1964 and 1970.

According to available statistics, Model Congress has hosted a total of 131 different high schools, and 6,421 participants in the last 34 years. As a result of its similarity to the U.S. Congress, several other regional school districts have duplicated the AIC Model Congress on a statewide basis.

For the past few years the Congress has awarded five scholarships to students who demonstrate the most proficiency in the Model Congress. In the early days of the 1940's, gifts of $50 and $25 were awarded and by 1949 the top prize amounted to $350 and a runner-up award of $150.

In 1955 the top participant received a full tuition scholarship and the second and third place finishers received a half-tuition scholarship.

The top winners in the past 6 years have received 4-year, full tuition scholarships. The second and third place finishers received a 2-year, full tuition scholarship, and the fourth and fifth place winners get a 1-year, full tuition scholarship.

These scholarships must be used at AIC and cannot be transferred to another college or university.

A panel of judges made up of AIC faculty members annually selects the scholarship winners.

A typical Model Congress begins with registration on Thursday evening, at which time delegates and observers are assigned to a room in one of AIC's five dorms and get a chance to mix with other high school students and begin lobbying.

The congress officially opens on Friday morning when the house and senate meet together for the keynote address by some national governmental official, the state of the Union address, and the official welcome from the mayor of Springfield.

Prior to the opening of the Model Congress, the delegates are encouraged to submit bills to be debated during the committee, house and senate sessions. One of the first bills enacted in 1941 and one which has frequently reappeared, has been lowering the voting age to 18.

Time and time again, Model Congress participants have demonstrated their imagination and concern for world affairs by introducing bills that were way ahead of their time.

In 1944, the Congress voted for the United States to participate in a Federal World Government, a forerunner of the United Nations. In 1947, the Congress voted to give Federal aid to education, medicine, and labor arbitration. The topic of uniform divorce and marriage laws was under discussion in 1948. In 1955, a bill was submitted requesting the President to seek the expulsion of Russia from the United Nations for violating the U.N. Charter.

Some other bills in the Model Con-

gress include: Admission of Hawaii as the 49th State in 1948 and Alaska in 1949; national lottery, racial discrimination in schools, Federal aid in the construction of mental hospitals in 1949; GI bill to Korean veterans in 1952; control liquor and tobacco advertising in 1953; guaranteed annual wage in 1955; defeated a bill to sell arms to Israel in 1956; forbid airlines to sell liquor in 1957; and the establishment of a youth conservation corps in an effort to decrease the amount of juvenile delinquency in the United States.

More recently, in 1963, a bill was passed to strike the proposed appropriations for the House Un-American Activities Committee from the budget of 1963–64. In 1971 a bill was passed to establish a zero population growth program, to make acceptable a term of service in the Peace Corps or VISTA in lieu of military service, and to prevent the further pollution of this country's waters by the phosphates in detergents.

Among the bills passed last year was one to impeach Richard Nixon as President of the United States. Also passed were bills on the establishment of a 200 mile fishing rights boundary, to prohibit the sale of nonreturnable bottles in the United States, and one bill was passed that allowed for the destruction of a person's records held by the FBI if that person was acquitted.

Most recently, a topic brought up during the committee sessions of the 30th Model Congress was signed into law by former President Nixon. The bill was that of the Alaskan pipeline, and was discussed during the congress keynoted by Senator MIKE GRAVEL of Alaska.

I was deeply honored to be selected for a second time to give the principal address of the Model Congress. I thoroughly applaud the efforts of all of the students who ran it and all those whose participation made it so worthwhile. I particularly commend Prof. Robert Markel whose advice and suggestions I know have been invaluable in running the Model Congress.

I would like to append the names of the various award winners in this year's Model Congress, as well as a copy of the judges' selection as the best bill submitted during the congress. I think the subject matter speaks for the congress' continuing tradition of great attention to the crucial issues of our time.

The material follows:

M.C. 11

A joint resolution resolved that, the Director and/or Deputy Director of the Central Intelligence Agency, be required to report monthly to a Select Joint Committee

Be it enacted by the Senate and House of Representatives in Congress assembled, That the Director and/or Deputy Director of the Central Intelligence Agency (CIA) be required to report monthly to a Select Joint Committee.

SEC. 2—A Select Joint Committee on the CIA shall be established.

This Committee shall consist of fourteen (14) members appointed as follows:

(a) Seven (7) members of the Senate, four (4) to be appointed by the majority leader of the Senate and three (3) to be appointed by the minority leader of the Senate.

(b) Seven (7) members of the House of Representatives, four (4) to be appointed by the majority leader of the House of Representatives and three (3) to be appointed by the minority leader of the House of Representatives.

(c) The Select Joint Committee shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act in the place of the chairman in his absence.

(d) A majority of the members of the Select Joint Committee shall constitute a quorum for the transaction of business.

SEC. 3—It shall be the duty of the Select Joint Committee to study, investigate, and regulate the activities and operations of the CIA.

The Committee:

(a) will have prior knowledge of all activities before they are initiated.

(b) will make expenditures.

(c) will hold meetings.

(d) will sit and act at any time and any place.

(e) will have the right to subpoena witnesses and documents. This subpoena will be issued over the signature of the chairman or one designated by him or the Committee.

(f) will take depositions and other testimony.

(g) decision of the Committee will be final.

SEC. 4—

(a) All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the functions of the CIA shall be referred to this Select Joint Committee.

(b) No funds may be appropriated for the CIA unless specifically authorized by the Select Joint Committee.

SEC. 5—The Director and/or the Deputy Director of the CIA will be required to report monthly to the Select Joint Committee on all CIA activities and operations.

SEC. 6—The Select Joint Committee will have authority to employ staff and adopt rules respecting its organization and procedures.

SEC. 7—The Select Joint Committee shall keep a complete record of all committee actions, including a record of the votes. All records, data, charts, and files of the Select Joint Committee shall be the property of the Select Joint Committee and shall be kept in the offices of the Select Joint Committee or such places as the Committee directs.

AMERICAN INTERNATIONAL COLLEGE,
Springfield, Mass.

MODEL CONGRESS AWARD WINNERS

Aula Lynne Evans, Mount Anthony Union High School, Bennington, Vermont—4-year scholarship.

Janet Roby, Plymouth Carver Regional High School, Plymouth, Massachusetts—half tuition for 4 years.

Lynn Falkenberg, South Hadley High School, South Hadley, Massachusetts—one-fourth tuition for 4 years.

Robert Haven, Athol High School, Athol, Massachusetts—one-fourth tuition for 4 years.

HONORABLE MENTION

Thomas McGovern, Bishop Gibbons High School, Schenectady, New York.

Stephen Wark, Classical High School, Springfield, Massachusetts.

David Haake, Coginchaug Regional High School, Durham, Conn.

Shawn Moriarity, Hopkins Academy, Hadley, Massachusetts.

Kim Antal, Longmeadow High School, Longmeadow, Massachusetts.

Patricia Delgrego, Minnechaug, Regional High School, Wilbraham, Massachusetts.

Karen DeWolf, Minnechaug Regional High School, Wilbraham, Massachusetts.

Irene Plotczyk, Pioneer Valley Regional High School, Northfield, Massachusetts.

Keith Hood, Quabbin Regional High School, Barre, Massachusetts.

Linda Regali, South Hadley High School, South Hadley, Massachusetts.

ON THE NEED FOR NEW ILLEGAL ALIEN REGISTRATION—PART III

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, at the present time H.R. 257 legislation I have introduced to control the illegal aliens problem enjoys the support of 31 of my colleagues. In addition widespread support among labor unions and veterans organizations has also been received. Included among these endorsements are those of the Veterans of Foreign Wars, and the 20,000 members of the Retail Food Clerks Union, local 1500 of New York City. At a later date I will provide my colleagues with a full listing of cosponsors as well as endorsements.

At this point in the RECORD I would like to insert an article on illegal aliens published by the Reader's Digest. Although the article is more than 1 year old, it depicts the many aspects of the problem which my legislation addresses itself to. I urge my colleagues to read this article and note how the problem has grown in severity since December of 1973.

I remain convinced that my legislation H.R. 257 proposes the most realistic approach for dealing with this problem. It is designed to both slow the influx of illegal alien entry, as well as return 1 million jobs to American workers. I urge and welcome your support.

The Reader's Digest article entitled "Our Mounting Wave of Illegal Immigrants" follows:

[From the Reader's Digest, December 1973]

OUR MOUNTING WAVE OF ILLEGAL IMMIGRANTS

(By Nathan M. Adams)

It is just after dark at the U.S. Border Patrol station in Chula Vista, Calif., and already dozens of electronic sensors which guard the sector's 79 miles of common border with Mexico are registering the footfalls of illegal aliens, or "wetbacks," as they slip onto U.S. soil. By midnight, the station's sensor-monitor panel is sparkling like a tilted pinball machine; walkie-talkies crackle as patrolmen scramble to check out each report. Nevertheless, by daybreak, some 3000 "illegals" will have sifted through this rugged sector of ravines and parched hilltops, many in groups of 100 or more, guided by relay teams of professional smugglers.

Some 2400 miles away, several dozen Chinese aliens are shoehorned into a run-down hotel in Montreal. Most are crewmen who have jumped ship, carrying with them cellophane-wrapped packages of white powder—kilograms of heroin—that will finance the final leg of their trip. Within days, they will be escorted across a frozen, unmarked border—ten miles from the U.S. Border Patrol station at Swanton, Vt.—and furnished transportation to New York City.

Chula Vista and Swanton are but two of the nation's 22 Border Patrol sectors, today swamped by a tidal wave of illegal immigrants. Already the burden placed on the American taxpayer is numbing. Consider:

Estimates of the total number of illegal aliens now in the United States range up to five million. And, say worried officials of the Immigration and Naturalization Service (INS), within a decade there could be 17 million.

Annual income lost to displaced U.S. workers is estimated at $10.4 billion. INS files in Los Angeles and New York City bulge with a backlog of 57,000 complaints from job-seekers, many Vietnam veterans, turned away by employers because payrolls are glutted by illegal aliens.

In California, untaxed wages of illegal Mexican aliens may well exceed $1 billion a year. Welfare payments to aliens in Los Angeles top $20 million annually, and a single illegal has run up $100,000 in government-paid medical care. In New York City, 65,000 children of illegal aliens clog the public schools at a cost to the taxpayers of $78 million per year.

SLAVE LABOR

Today, illegal aliens arrive in the Los Angeles and New York areas at a 7000-a-week clip. They vary from Portuguese crewmen who jump ship in Canada, to unemployed Haitians smuggled in from Puerto Rico. Most, however, are Mexican. Desperately poor, they seek to escape unemployment or $8-a-week wages at home.

All too many businessmen find it profitable to hire the illegal, who usually accepts substandard wages. The employer is seldom subject to penalty, so there is little risk. Fully 90 percent of the garment-industry work force in Los Angeles is composed of illegal aliens—in a city where unemployment for blacks and Chicanos may reach 40 percent.

"The illegal alien is a prime target for blackmail by unscrupulous employers," says deportation officer Noel Doran. "He lives in fear of being discovered, so he can hardly complain about wages or working conditions. He is in fact a slave."

The smuggling of illegals, and the falsification of entry documents and work permits, is one of the fastest growing criminal activities in the United States today. Profits from smuggling in 1972 were estimated to be over $1 billion. In San Diego last year, federal authorities reported some 5000 cases. Of these, only 20 percent were ever prosecuted, and only half of those found guilty went to jail. Nationally, 90 percent of those arrested are released outright. Convicted smugglers serve an average three months in jail, pay an average fine of $76, though federal law calls for fines of up to $2000 and five years' imprisonment for each alien.

UNDERGROUND RAILROAD

How do these smugglers operate? One recently exposed ring is typical:

They call themselves "Las Hueras"—The Blondes—and with headquarters in Los Angeles, San Diego, and Tijuana, Mexico, they netted $9 million by smuggling in 36,000 aliens over a recent three-year period. Prospects were contacted in Mexico. For initial fees of up to $225, counterfeit entry documents were provided. Then, singly or in groups, they were driven past the entry port of San Ysidro, Calif., to one of a dozen safe houses scattered northward from San Diego.

Within two days, they were convoyed up to Los Angeles, where they returned the forged documents to be sent back to Mexico for reuse. Almost always, employment was waiting—frequently local businessmen paid the ringleaders finder's fees of up to $100 per man. The cost to the alien: an average of $1000, on occasion less if he agreed to carry a half-kilo of heroin from Mexico.

A dozen similar rings still operate. In Tijuana, Nogales and other Southwest border towns, fraudulent credentials—including resident papers and Social Security cards—are actually hawked by vendors on street corners. Last January, INS men seized 100,000 bogus entry cards from a locker in a Los Angeles bus depot. Arrested, the counterfeiter admitted selling several for $1,000 each.

From his Nanking Hotel & Restaurant in Montreal, the 40-year-old Cantonese proprietor, Yee Sing, annually funneled thousands of Chinese aliens into New York and Vermont. Many of them, provided with contacts before leaving Far Eastern ports, jumped ship on the West Coast and made their way across Canada. Each man was charged $4,000, less if he agreed to carry heroin. Yee Sing was indicted in the United States last December—but alien trafficking is not a crime covered by U.S.-Canadian extradition treaties, and not until September were Canadian authorities able to effect his arrest.

For years, Montreal-based mobster Salvatore Frangipane shuttled Sicilian *Mafiosi* across the Canadian border to New York, Buffalo and Detroit. Many became "buttons"—hitmen—for Mob families. The price tag, $2,000—but free if the alien doubled as a heroin courier.

There are also the small entrepreneurs. They include scores of seedy, store-front travel agencies throughout the nation which openly advertise smuggling services in Latin American newspapers.

PANDORA'S BOX

Late in 1971, the U.S. Attorney's office in San Diego learned that hundreds of bona fide entry documents were mysteriously turning up in the possession of Tijuana alien smugglers. Months of investigation disclosed the source of the documents: Frank Castro, an INS official in San Diego, and his wife Nina.

In bargaining for leniency, Castro opened a Pandora's box of INS corruption. Justice Department officials ordered an immediate investigation called "Operation Clean Sweep." So far, FBI agents and INS internal investigators have surfaced 228 separate cases of official misconduct in the Southwest.

For example, two U.S. immigration inspectors were charged with taking $60,000 in bribes to allow 24 tons of marijuana and cocaine to pass through their checkpoint at San Ysidro, Calif., from Mexico. Another officer was arrested for smuggling guns and heroin. A San Diego grand jury indicted two additional inspectors for peddling entry cards at $100 each. Others accepted kickbacks from smugglers.

Meanwhile, evidence also discloses questionable conduct by ranking INS bureaucrats. One is INS Southwest regional chief Leonard W. Gilman, a former border patrolman. When San Diego millionaire Johnny Alessio—close to the notorious organized-crime figure Meyer Lansky—was sentenced to three years' imprisonment for income-tax evasion, Gilman shuttled in visitors from Mexico, using his official car. One passenger; Armando Verdugo, Tijuana vending-machine czar, also associated with the Mob-influenced Agua Caliente dog track. Another friend of the INS in the Southwest: Texas rancher Richmond C. Harper, charged with conspiracy to export weapons. He is awaiting trial.

Consider, too, the case of Patrick F. Coomey, INS district director in Boston. When a federal grand pury indicted a friend, John Driscoll, on alien-smuggling charges, Coomey apparently exceeded his official responsibilities in assisting the defense. Even after Driscoll's conviction in February 1971, INS probers report, he "enjoyed the run of the director's office" until his appeals ran out and he entered the penitentiary. Meanwhile, the INS agents who developed the evidence that put Driscoll behind bars have lodged complaints that Coomey indulged in bureaucratic retaliations against them.

Congress has now launched its own probe of INS. After weeks of testimony, one member of the House Legal and Monetary Affairs Subcommittee—Rep. Leo J. Ryan (D., Calif.)—called the scandal "a major mess in the federal government today."

TIME FOR ACTION

To continue neglecting a wave of illegal immigrants—which some say equals the annual number of U.S. births—is courting economic and social disaster. Here are steps which should be taken:

A bill before the Senate, H.R. 982, would levy fines on employers of illegal alien labor, and for repeated offenders, prison sentences. The bill has been held up by lobby pressure from California farm interests. But INS field agents feel its enactment would discourage employers from hiring illegals, thus destroying a major incentive for them to slip across the border. This legislation must be acted upon.

HEW has proposed regulations that will prohibit welfare payments to illegal aliens. State regulations, for the most part, do not distinguish between resident and illegal aliens. Neither do federal requirements of the Social Security Act.

Finally, the Administration must undertake a long-overdue, top-to-bottom shakeup of INS. Officials already implicated by the investigations must be removed without further delay. To permit them to remain will further erode service morale—already at near-bottom.

Meanwhile, Congress should consider allocating emergency funds to increase INS effectivenss. "Give us the laws, and the manpower," says one INS investigator, "then give us back our pride, and we'll get the job done."

THE MOST ILLEGAL OF "ILLEGALS"

During this Congress alone, nearly 3000 private bills have been introduced on behalf of illegal immigrants—the result, usually, of heavy pressure from relatives. While only a fraction are ever enacted into law, each has the effect of staying deportation for a minimum of 90 days. Given this breathing room, a crafty immigration lawyer can launch appeals which will add months and years to the alien's stay. Some have remained here 25 years, under order of deportation.

At INS headquarters in Los Angeles, kept under lock and key and marked "Secret," is the file of Andrija Artukovic, a 74-year-old Yugoslav now living in Surfside, Calif. During World War II, he was the Minister of Justice in the Nazi-controlled puppet state of Croatia. Witnesses and war-crimes investigators claim that he was instrumental in the systematic massacre of nearly one million Jews and Serbians. And, according to the testimony of one American Intelligence chief in the Balkans section during the Second World War, he also approved orders that sent dozens of captured American pilots to firing squads.

To avoid the Nuremberg War Crimes trials, Artukovic slipped into Switzerland in 1946, later into Ireland. In July 1948 he arrived in New York, under an alias—in itself a deportable offense. Then in 1951 he was discovered living in Westminster, Calif. Ordered deported in May 1951, Artukovic has nonetheless continued to enjoy sanctuary. Each time it appeared he would be surrendered, a bill was introduced on his behalf by the late Rep. James Utt (R., Calif.).

Finally, in January 1959, a U.S. commissioner appointed by the federal district court in Los Angeles found that the crimes charged against Artukovic in extradition proceedings were "political" and that he was not extraditable. The INS found that he could not be deported because he would be subject to "persecution" in Yugoslavia. So today Artukovic remains in California.

INS officials in New York are investigating 59 similar cases of war criminals resident in the United States. Some have married Americans, acquired permanent status. Others, posing as displaced persons, have even won U.S. citizenship.

GRASSROOTS HOSPITAL

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. SCHEUER. Mr. Speaker, I would like to tell my colleagues the story of a hospital and a community. The story is

taking place in Queens, but it could be taking place in a thousand other American cities.

There is a small hospital in the center of my district which is old and whose equipment is outdated. A large hospital that had taken it over with the promise of modernizing it has changed its mind. The board of trustees of that large university hospital preferred to build in a more affluent neighboring area.

The leading citizens of my district—neither wealthy nor affluent—came to my office just a few months ago. The district needed a modern hospital and it would be better to build a new one rather than convert the old one, they told me, so that hospital service need not be discontinued during a period of building.

We went together to talk to the hospital establishment in our city and everywhere we met discouragement. "Money is tight now." "People from the affluent communities in the neighboring districts will not drive down—even five-eighths of a mile—for hospital care."

My neighbors in the district are determined to raise a new hospital in place of the old one. Having no access to establishment funds, they are raising the money in small bills. They started to organize the district, calling on the help of the district's assemblyman, the borough president, State senators, councilmen. We expect, through this grassroots movement, several thousand volunteers and contributors. And we hope to have our construction started within the next year or 2.

For those who are interested in putting together a grassroots hospital, I shall shortly be placing in the RECORD background documents of the 11th Congressional District's "Hospital Now Project." I am beginning my efforts by community meetings and by circulating the following letter to the people from my own and surrounding neighborhoods affected by our community medical needs:

DEAR FRIEND: The Rockaway Peninsula and the Five Towns Communities need a new hospital facility. The old hospital, formerly St. Joseph's, and now the Long Island Jewish Hospital—South Shore Division, has been serving our communities well for decades. But those facilities are outmoded and must be replaced.

As the only Congressman from New York State on the Health Committee of the Congress, I intend to use all of the power at my command with federal, state and city authorities to see to it that a new hospital is built on Beach 19th Street.

The thousands of elderly of limited mobility who live in the Rockaways, the close proximity of the present Beach 19th Street site to the transportation system of the entire Rockaway Peninsula, the psychological impact which the loss of the hospital would have on the east end of the peninsula, make it imperative that this new hospital be built in the same location where it has served us so well over the years.

The land is available; the state and federal government will help us. The Doughty Boulevard site is not now available, nor in my view, will it ever be. The County of Nassau has not sold the land. The Village of Lawrence will not grant rezoning; the community of Far Rockaway will institute law suits to keep these hospital beds from moving to Nassau; environmentalists will challenge construction on the Doughty site in the courts. The only effect of a concerted effort to move the hospital from the Rockaways would be to delay interminably, effective hospital care for our area. The issue is a Hospital NOW in the Rockaways or NEVER in Lawrence.

So, I invite all the people of the Rockaways and the Five Towns to join me, to become sponsors of the new Rockaway-Five Towns Hospital Center on Beach 19th Street. We are already bringing together medical, business, labor, civic, and religious leadership to see to it that a first-rate medical center is built to serve our people.

Now it is up to you to help make this longtime dream become a reality. Our health and the health of our community needs your active concern and help.

JAMES H. SCHEUER,
Member of Congress.

SO-CALLED NOW ACCOUNTS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. DRINAN. Mr. Speaker, I bring to the attention of my colleagues an interesting article about the so-called NOW accounts permitted by Federal law in Massachusetts and New Hampshire.

This article is from the New England Economic Review and is written by Katherine Gibson. The title of the article is "The Early History and Initial Impact of NOW Accounts."

The savings banks and thrift institutions of Massachusetts are to be commended for initiating a way by which each depositor can simultaneously have his money return interest to him because it is in a savings account while he may also cash checks on the balance in the bank.

It is most significant that 61 percent of the banks in Massachusetts that now have NOW accounts do not require that the depositor pay a service charge for the check. In my judgment it is to be hoped that the NOW account is the forerunner of a multipurpose manner in which every depositor may be guaranteed that interest will be paid on his account whether that particular account is denominated as a checking account or as a savings deposit.

The first part of this very interesting article by Katherine Gibson, a banking structure analyst of the Federal Reserve Bank in Boston, follows:

THE EARLY HISTORY AND INITIAL IMPACT OF NOW ACCOUNTS

(By Katharine Gibson) *

The past decade has been a period of innovation in banking, but most of the changes have been of little direct benefit to the average family.[1] Recommendations from the President's Commission on Financial Structure and Regulation (the Hunt Commission), released in 1971, were aimed, in part, at easing regulatory restrictions which create barriers to consumer gains and which prevent different types of depository institutions from competing on an equal basis. For example, the Hunt Commission favored granting thrift institutions the authority to accept demand deposits, subject to equalized interest rate ceilings and reserve requirements. The Administration proposed banking legislation in 1973 which included many Hunt Commission recommendations, but none of the proposals has yet become law. While the regulators and legislators pondered, savings banks in Massachusetts and New Hampshire re-interpreted the existing law and found a way to begin offering the equivalent of interest-bearing demand deposits, thereby initiating an experiment in these two states which has direct benefits for the small depositor.

Negotiable Order of Withdrawal (NOW) accounts are technically savings accounts which could require 30–90 days notice before funds are withdrawn.[2] Since prior notice is not required in practice and since the negotiable order functions like a check, NOW accounts provide the convenience of a checking account while paying interest like a savings account. Until the introduction of NOW accounts, depositors were forced to choose between these two features because the payment of interest on demand deposits is prohibited and the usual passbook form of withdrawal from a savings account is not a convenient substitute for a check.

Interest payments on demand deposits, common in the 1920s, were considered an example of "excessive" competition, believed by many at the time to be a major cause of the bank failures during the Depression, and were prohibited by the Banking Act of 1933. As a substitute for interest payments, many banks have provided services below cost (e.g. "free" checking accounts) and have continued conventional modes of nonprice competition, such as adding branch facilities for customers' convenience. Explicit payments for deposits and explicit charges for services would be most desirable from the consumer's viewpoint since it would give him the greatest flexibility to choose between income and services according to his own needs.[3]

NOW accounts were introduced by a Massachusetts mutual savings bank and spread rapidly to savings banks in Massachusetts and New Hampshire. After a year of uncertainty, Federal legislation assured the continuance of NOW accounts in these two states and commercial banks, savings and loan associations (S&Ls) and cooperative banks[4] also began to offer them. As of October 31, 1974 NOW accounts were offered by 236 financial institutions in Massachusetts and 41 organizations in New Hampshire. This article traces the development of NOW accounts in these two states and the initial impact on the rest of New England, and on the mutual savings bank industry. Current statistical information on NOW accounts is available in a monthly report published by the Federal Reserve Bank of Boston.[5]

BACKGROUND

NOW accounts were originated as a device to expand the depository powers of savings banks. Mutual savings banks, which operate in 17 states (including all the New England states) and Puerto Rico, generally are not authorized to accept demand deposits. Savings banks have been eager to acquire checking account powers so that they could match the one-stop convenience of commercial banks. Since savings banks in New England are permitted to accept savings deposits and to make personal and mortgage loans, the major service which most families use and have been unable to obtain at a savings bank in these states is a checking account.[6] In 1971 bills to give demand deposit powers to mutual savings banks were introduced in the Massachusetts, New Hampshire and Connecticut legislatures. In each state, opposition from commercial bankers prevented the bill's passage.

There is precedent for granting demand deposit powers to mutual savings banks; in Maryland, Indiana and New Jersey, savings banks have the right to accept checking accounts.[7] In these states checking accounts had been accepted by some savings banks for many years and when the right to do so was challenged in New Jersey and Maryland during the late sixties, the courts upheld what they ruled was the customary practice of savings banks. In addition, one mutual savings bank in Connecticut and one in Delaware accept personal checking accounts under special provisions in their charters and the only mutual savings bank in Oregon was granted demand deposit powers by the state legislature in 1973. These exceptions to the general prohibition on demand deposits at savings banks did not have much impact however, as shown by the small percentages of deposits held by savings banks in Maryland, Indiana and New Jersey.[8]

By contrast, in Massachusetts, New Hampshire and Connecticut, total deposits in mutual savings banks are greater than total deposits in commercial banks. Mutual savings banks in Massachusetts were also in a special position because most of them (159 of 167) were not federally regulated. These banks are state-chartered, and state-insured and were regulated only by the Massachusetts Bank Commissioner.

THE INSTRUCTION OF NOW'S IN MASSACHUSETTS AND NEW HAMPSHIRE

The first attempt to obtain regulatory approval of NOW accounts was made in July 1970 by the Consumer Savings Bank of Worcester, Massachusetts. The bank filed a plan with the state banking commissioner to allow its savings account customers to withdraw funds by means of a negotiable order instead of presenting a passbook. The Bank Commissioner denied this application on September 28, 1970 on the grounds that the proposal created a new type of account. Consumers Savings immediately brought suit against the commissioner, seeking a declaration that it did have the legal authority to introduce such a withdrawal method. The case was brought to the Massachusetts Supreme Judicial Court which ruled unanimously in favor of Consumers Savings on May 2, 1972.[9]

On June 12, 1972 Consumers Savings began offering NOW accounts, and 10 mutual savings banks followed suit in August. These banks followed the pattern established by Consumers Savings, paying the legal maximum interest rate, 5¼ percent,[10] and charging 15 cents for each withdrawal order.

On September 19, the New Hampshire Savings Bank, Concord, also began offering NOW accounts, after attorneys for the New Hampshire Association of Savings Banks determined that New Hampshire law was similar to Massachusetts law in that there is no restriction on the form of withdrawal from a savings account. The New Hampshire Savings Bank chose to offer NOW accounts on different terms from the Massachusetts mutual savings banks, however; the accounts paid 4 percent interest but no service charge was imposed on withdrawals. Other New Hampshire savings banks implementing the NOW idea generally followed the pattern established by New Hampshire Savings Bank.

ACTION AT THE STATE LEVEL

The New Hampshire Bankers Association immediately filed a petition of complaint with the state bank commissioner, requesting a hearing on the legality of NOW accounts. When the Bank Commissioner responded that there did not appear to be a violation of state banking statutes, the Association filed suit in the New Hampshire Supreme Court, requesting that the opinion be reversed and the mutual savings banks be forbidden to offer NOW accounts. Subsequent Congressional action made the suit irrelevant and it was eventually dropped.

The major battles over the continued existence of NOW accounts took place in Massachusetts and in the U.S. Congress. In the first few months after NOW accounts were initiated, the focus was on working out a compromise between commercial bankers, who opposed NOW accounts, and mutual savings bankers in Massachusetts and on exploring the limits of regulatory authority. Regulations of the Federal Reserve Board and the FDIC prohibit third-party payments from a savings account and thus prevented commercial banks from introducing accounts similar to NOWs. Commercial bankers felt that mutual savings banks were being given an unfair advantage in competing for household deposits. Not only could savings banks offer NOW accounts, which are more attractive than checking accounts from a depositor's viewpoint and also impose a lower reserve requirement, but regulations also allow thrifts to pay a higher interest rate on savings accounts. Smaller commercial banks, in particular, which rely more heavily on consumer business and which in non-urban areas often have a savings bank as the closest competitor, feared that they would suffer severely adverse effects from the introduction of NOW accounts. The compromise attempts culminated in a meeting on January 19, 1973 at the Federal Reserve Bank of Boston attended by representatives of commercial banks, mutual savings banks, S&Ls, cooperative banks, the Massachusetts Bank Commissioner, the FDIC and the Federal Reserve. At the meeting the Bank Commissioner recommended that all industry groups petition the Massachusetts Legislature to eliminate NOW accounts and simultaneously authorize checking accounts for individuals and nonprofit institutions at savings banks and that the interest rate differential between mutual savings banks and commercial banks on regular savings accounts be reduced from 75 basis points to 50 basis points.

The commercial bank representatives, who wanted a greater reduction in the differential, objected strenuously to this proposal. Several variations were suggested, all of them involving a further decrease in the differential at some time in the future, either at a fixed date or after the volume of checking accounts at savings banks had reached some specified level. Many commercial bankers felt that mutual savings banks should be excluded from having third-party payment powers until the mutuals had the same Regulation Q and reserve requirement burdens as Federal Reserve member banks. A subsequent poll of commercial banks and savings banks revealed that no proposal was mutually acceptable.

While some observers believed that the Massachusetts Bank Commissioner had the authority to reduce the permissible interest rate on NOW accounts to zero, thus eliminating the competitive advantage over regular checking accounts at commercial banks, the commissioner appeared reluctant to take any step without backing from the state legislature. Political support was not forthcoming; the most appropriate source of legislative recommendation, a Special Study Commission Providing for an Investigation and Study Relative to Authorization of Savings Banks to Accept Demand Deposits, was known, in fact, to support NOW accounts. A more drastic step, such as prohibiting third-party transfers from savings accounts, would certainly have led to litigation challenging the commissioner's legal powers.

FOOTNOTES

* Banking Structure Analyst, Federal Reserve Bank of Boston.

[1] The introduction of "free" checking accounts (usually requiring that a depositor maintain some minimum balance in his account) is one example of innovation which has helped the average family.

[2] An institution operating under Massachusetts statute would require 90 days notice while an institution operating under Federal regulations would require 30 days notice. In New Hampshire the state law does not specify a period of time; it depends on the by-laws of the state-chartered institution.

[3] The final regulations governing NOW accounts permit a maximum interest rate payment of 5 percent on deposits, which is less than a market-determined rates would be under current conditions. Many institutions do not impose a service charge on NOW accounts, thus adding an implicit payment, in the form of services rendered, to the explicit payment of interest. Given regulatory restrictions, this combination is the best obtainable from the consumer viewpoint; however, theoretically an unrestricted explicit payment for the use of funds and an explicit charge reflecting the cost of service would be the most desirable.

[4] Cooperative banks are state-chartered institutions similar to savings and loan associations.

[5] In January 1974 the Federal Reserve Bank of Boston began publishing a monthly series which provides current information on NOW activity including the number of institutions offering NOWs, the number of accounts, total and average balances held, service charges levied, and interest rates paid. These monthly reports are available upon request to the Research Department.

[6] Recently both National BankAmericard, Inc. and Interbank Card Association (Master Charge) have amended their by-laws to extend membership to mutual savings banks; however, only in Massachusetts, Vermont and Oregon does the state law grant savings banks credit card powers. In Massachusetts several savings banks are offering credit cards as Class B members of NBI through an arrangement with a commercial bank which performs some of the services and four savings banks have been accepted as Class A members of NBI (these institutions handle all credit card functions internally). No savings bank in Vermont has sought to offer credit cards thus far.

[7] For a discussion of the impact of demand deposit powers at thrift institutions in these states and in Canada see Paul Anderson and Robert Eisenmenger, "Structural Reform for Thrift Institutions: The Experience in the United States and Canada," *New England Economic Review*, July/August 1972, pp. 6–8.

[8] As of June 30, 1973, in New Jersey, savings banks held 18.5 percent of the combined IPC time and savings deposits of commercial banks, mutual savings banks and S&Ls in the state. The percentages of IPC time and savings deposits held by mutual savings banks in Maryland and Indiana are even smaller, 12.8 percent and 1.2 percent, respectively. In none of the three states do mutuals hold as much as 2 percent of the combined demand deposits of savings banks and commercial banks.

[9] The decree, writen by Justice Paul Reardon, declared: "We do not agree with the commissioner that use of the negotiable order of withdrawal creates a new account not authorized by c. 168. . . . In fact, it would appear that General Law c. 168 §26, leaves the establishment of methods of withdrawal to the individual banks."

[10] The Massachusetts Bank Commissioner set the interest rate ceiling on regular savings at mutual savings banks at 5¼ percent, ¼ percent higher than the rate thrifts were allowed in the rest of the country at the time. The FDIC set the same maximum rate for the eight Massachusetts mutual savings banks which it insured and regulated.

Footnotes at end of article.

VOICE OF DEMOCRACY CONTEST WINNER

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. HOLLAND. Mr. Speaker, a citizen of my district, Ms. Cathy Grant Gibson, of Chester, S.C., has just won one of the highest awards for national spirit. Mr. Speaker, Ms. Grant has written a moving essay for which she won the Voice of Democracy Contest, sponsored by the Veterans of Foreign Wars.

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This annual contest provides an opportunity for 10th, 11th, and 12th grade students in our public, private, and parochial schools to think, write, and speak up for freedom and democracy. The 28th annual Voice of Democracy scholarship program focused the attention of youth on the obligations of citizenship and called for a personal evaluation of their responsibilities in preserving democracy as a way of life in our Republic. More than 500,000 students from over 7,500 secondary schools participated in this year's program.

It is truly an honor for me to represent a woman as talented and as responsible as Ms. Grant. Her essay should serve as an inspiration to the people of our Nation, both young and old. It is with great pleasure that I insert her essay to be reprinted in the RECORD and recommend that all Americans take its message to heart.

The essay follows:

MY RESPONSIBILITY AS A CITIZEN

I am an American. I am proud of my heritage as a citizen in this great country. I enjoy privileges and opportunities unequalled anywhere else in the world. I have freedom of speech, freedom of religion, and freedom of press, and am governed by a government which is of the people, by the people, and for the people.

I live today in a society where luxuries are regarded as necessities. Tremendous advances have been made in medicine, science, engineering, and technology. My standard of living is the best in the world.

This good life has been bequeathed to me by forefathers, a legacy which carries with it no law which says I must accept any responsibility. I can use or neglect it as I please. But, can I? The Bible says we were all entrusted with talents—to use or neglect—and a neglected gift gains nothing. The Biblical exhortation is that we "use or lose" our talents. To me this legacy is a privilege, but it also is a responsibility. Unless I use my talents to protect my legacy and add something to my inheritance during my lifetime, I have betrayed the trust of my ancestors and cheated my own descendants.

In order for me to say what I want, be what I wish, and do what I like, I must allow others to do the same. In order to have a say about our government, I must allow others to have their say, also. Not everybody will agree about everything. Therefore, I will have to make some choices and to be a good citizen, I must make wise choices.

My job and responsibility as a young citizen is to prepare myself to live well in our society. Please note that I was very careful to say "prepare *myself*." No one can do that for me. This is one of the most important choices I will ever make. My parents can insist that I go to school but to get the most out of it, I must choose to go.

I need to learn about the organization of my city, county, state, and national governments. One day I will vote for the officials and it is important to know what kind of work will be done by the people I choose. I need to learn about taxes and the cost of operating the government. Voting and paying taxes will be two important responsibilities of mine as a citizen.

I can learn much by participating in various young people's groups such as student body associations at school, church groups, civic clubs, and any other groups which offer me the opportunity to practice self-government.

I must be concerned and become involved in life's everyday events. "Citizens' involvement is a real challenge—the key to liberty and freedom; the cornerstones of America."

In many of our relationships today, we are afraid of becoming inolved. Let us remember that we only begin to find significance in life when our lives become significant to others.

It is my responsibility as a citizen to make my contribution toward peace. The world's population is made up of individuals and each person's conduct is vital to the well-being of all. I must become aware of the problems facing our world today. I must carefully guard and protect my own rights but I must be careful not to infringe on the rights of others.

Pollution is one of the biggest problems facing our nation today. It is a dirty business but it is everybody's business—yours and mine. It is time we stop blaming everybody else and start doing something ourselves.

It is also my responsibility as a good citizen to keep an alert mind—one not dulled by drugs or alcohol, and endeavor to have a sense of pride in myself and my country. If I lose my self-respect, I will lose my grip on life. Many of my fellow young citizens have thrown away their pride and self-respect by turning to drugs and alcohol, and committing terrible crimes. It is my duty to join with others and try to do something about this.

A thrilling part about living today is to witness the changes, discoveries, and improvements that occur. Since I was born into this world, man has burst out of the earth's atmosphere in to space. It is my duty to accept these changes wtih a broad and open mind.

This "good life" in my country is being threatened by many evil forces—corruption in political power, anti-American movements, drugs, crimes, wars, pollution, and many others. We can destroy our environment and heritage if we don't wake up!

I shall work to overcome these evil forces that threaten my country. I shall declare by word and deed my responsibility as a citizen for the world God made and for which my forefathers fought and died. I shall always show honor and respect for my country and flag and endeavor to work for righteousness, justice, mercy, and peace. I challenge everyone to join me and help save our heritage. This is my responsibility as a citizen!

TRIBUTE TO MARTIN LUTHER KING JR.

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. EDWARDS of California. Mr. Speaker, I am proud to join my colleagues today as a cosponsor of the resolution to establish the birthday of Martin Luther King, Jr. as a national holiday.

Dr. King while he was alive represented the hopes of millions of people of all races who sought to shrug off the yoke of injustice and oppression in this country. He selflessly endured repeated arrests, harassment, beatings and ultimately death in pursuit of his dream of justice for all Americans. Yet in spite of this suffering and abuse he never wavered from his philosophy of nonviolence toward his tormentors. He never rested in his struggle to replace hate and bigotry with love and understanding.

Today the memory of Martin Luther King, Jr., serves as an ideal for an America sorely in need of ideals. The social inequities against which Dr. King fought are largely still with us. Schools remain racially segregated, children in this counrty still go to bed hungry, and America's racial minorities remain as synonyms for poverty and discrimination.

To be sure, we have made progress since those first bus boycotts in Montgomery, Ala. Yet such progress must not be looked to as an excuse to let up on our efforts to create a society where people of all races have equal rights and opportunities.

I can think of no higher tribute to Dr. King than to set aside the date of his birth as an annual day of rededication to the ideals for which he lived and died.

THE CONSUMER PRICE INDEX

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MOAKLEY. Mr. Speaker, for many years, the Consumer Price Index has been the single datum on which Congress and the administration have relied most heavily in setting increases in social security and other programs of Federal benefits.

However, in a period of runaway inflation of the sort we are currently experiencing, these figures become particularly unreliable in the case of senior citizens and, for that matter, all low-income families.

The reason for the increasing gap is that it is precisely those items which have been under the heaviest inflationary pressure, on which they expend the heaviest portion of their income. A study conducted by my office estimates that the current rate of inflation for senior citizens is now running at 15 percent, a full 3 points higher than the Consumer Price Index which will be used to compute increase in benefits.

I have therefore introduced legislation to require the Bureau of Labor Statistics to compile, in addition to the CPI, a "Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries."

This bill would require the Bureau to transmit this information in a report to Congress for the use of Members and committees in more accurately reviewing the level of Federal benefits programs such as social security, SSI, medicare, medicaid, and food stamps.

It would also amend the Social Security Act so that this Index would be used with respect to cost-of-living increases.

The Department of Labor has already conducted some investigation in this area and their studies have, in fact, been of considerable value to my office in the preparation of our own estimates of the gap between the CPI and the true inflation being experienced by the elderly. I am, therefore, confident that the Department could act quickly in implementing this legislation.

I consider this an important and worthwhile reform and I, therefore, wish to call this legislation to the attention of my colleagues.

Mr. Speaker, I insert at this point in the RECORD the text of this legislation:

H.R. 3449

A bill to provide for the monthly publication of a Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries, for use by the Congress in the determination of benefit increases under title II of the Social Security Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to provide the Congress with more realistic data to be used in formulating legislation with respect to older Americans, and in determining both statutory increases and automatic cost-of-living increases in benefits under the old-age, survivors, and disability insurance program, the Secretary of Labor, through the Bureau of Labor Statistics, is authorized and directed to prepare and transmit to the Congress, as part of or along with the Consumer Price Index published monthly by the Bureau of Labor Statistics, a consumer price index (to be known as the "Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries") designed to reflect specifically the relevant price information and inflationary pressures for individuals, as a group, who are sixty-five years of age or older or are otherwise entitled to monthly benefits under title II of the Social Security Act.

SEC. 2. (a) Section 215(i)(1) of the Social Security Act is amended—

(1) by striking out "prepared by the Department of Labor" in subparagraph (B); and

(2) by adding at the end therof (after and below subparagraph (C)) the following new sentence:

"As used in this paragraph and paragraph (2), the term 'Consumer Price Index' for any period means the Consumer Price Index prepared by the Department of Labor and published monthly by the Bureau of Labor Statistics or, if higher (for such period), the Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries."

(b)(1) Except as provided in paragraph (2), the amendments made by subsection (a) shall be effective with respect to cost-of-living increases made after the date of enactment of this section under section 215(1) of the Social Security Act.

(2) The amendments made by subsection (a) shall not be effective with respect to any cost-of-living increase made under section 215(1) of the Social Security Act if such increase is made with respect to a base quarter (as defined in section 215(1)(1)(A) of such Act) which occurs prior to the first calendar quarter for each month of which there is published by the Department of Labor (in accordance with the first section of this Act) a "Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries".

KIWANIS CLUBS PROVIDE FREE FRESH FOOD FOR NEEDY ELDERLY

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. TALCOTT. Mr. Speaker, in the 16th District of California the spirit of neighborliness and self-help is exemplified by the Kiwanis Clubs and many people in our area who joined together and instituted a free food program for senior citizens caught in the food price spiral.

I commend the following article from the Kiwanis magazine to my colleagues and urge them to encourage the development of such "concerned citizen-actions" in their own districts.

The article follows:

KIWANIS DELIVERS

Friday is free food day for senior citizens of California's Monterey Peninsula who find themselves caught in the food price spiral.

Fresh vegetables and fruit are distributed to the elderly directly from the fertile fields of Salinas Valley and Fresno growers, thanks to the new 2½-ton truck donated by the Kiwanis clubs of Division 43, California-Nevada-Hawaii District.

Early in 1974 John Grissim, senior citizen's program director of Monterey County community services department and a former Carmel shop owner, conceived the idea of asking growers to donate surplus vegetables and fruit to the county's needy elderly citizens. The program has more than doubled in scope since then, and 1400 persons are now receiving free vegetables and fruit on a weekly basis. Those who can't come to the senior centers may have the produce delivered to their homes.

With such heavy demand, however, it wasn't long before the program's decrepit truck gave out. But recognizing the value of the program and its close fit with Kiwanis' major emphasis program "to enrich the lives of the aging," the twelve Kiwanis clubs of Division 43 came to the rescue and put up the money to buy a new truck.

This is the first time, according to immediate past lieutenant governor E. Howard Batt, that all Kiwanis clubs in the county have cooperated in such a project. It is expected that additional growers in Santa Cruz and Santa Clara counties will join in donating, and four volunteers are working as full-time drivers. Grissim believes that the program has been so successful that its chances of being adopted by other communities are very good.

TRIBUTE TO MRS. ELIZABETH KEE OF WEST VIRGINIA

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. EVINS of Tennessee. Mr. Speaker, I want to associate myself with the remarks of the distinguished gentleman from West Virginia (Mr. HECHLER) and other Members of the West Virginia delegation in paying a brief but sincere tribute to the memory of our former colleague, Mrs. Elizabeth Kee, who passed away recently.

Mrs. Kee was a competent, capable, and able legislator—and most personable—the first woman elected to Congress from her State. She served on the Committee on Veterans' Affairs and on the Committee on Interior and Insular Affairs, and was a skilled legislator who assisted in the preparation of important bills in the national interest. She was chairman of the Subcommittee on Hospitals of the Committee on Veterans' Affairs.

Mrs. Kee succeeded in Congress her late husband Representative John Kee, who was chairman of the House Committee on Foreign Affairs at the time of his death. Mrs. Kee, following her retirement, was succeeded by another member of this distinguished family, Representative James Kee.

Their combined careers covered a period of 40 years in the House and is believed to be the only time in history when a father, mother, and son served in the Congress.

Mrs. Kee and the other outstanding members of this great family have left their hallmark on the legislative history of the Congress, and we honor her memory for her great contributions to the growth and progress of our Nation.

MAN OF THE YEAR

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. WOLFF. Mr. Speaker, it is with great pleasure that I bring to the attention of my colleagues the Reverend Henry R. Kupsh, who was recently honored by the Chamber of Commerce of the Willistons as Man of the Year in Williston Park, N.Y.

Father Kupsh has served as a spiritual leader in the Long Island community over the past 35 years. He serves today as chairman of the Diocesan Commission on Ministry, as rector of St. Andrew's Church in Williston Park, as chaplain of the Williston Park Fire Department, as chairman of the Diocesan Committee on Canons, as a professor of liturgics and lecturer in polity and canon law at the George Mercer, Jr., Memorial School of Theology in Garden City, as a diocesan delegate to the Synod of New York and New Jersey, and as a member of the board of ethics of the town of North Hempstead. In the course of his long and distinguished career in service to the community, he has been often and justly honored by a grateful people; among his many honors, he has received the American Legion's Citation of Appreciation, the Kiwanis Club Distinguished Service Award, the Bishop's Award for Distinguished Service, and numerous citations and merit awards from the Long Island community.

I think it is appropriate, Mr. Speaker, to include in the RECORD the eloquent tribute that was paid to Father Kupsh by the village of Williston Park in honoring him as their Man of the Year. These words from a deeply appreciative community express better than any list of achievements the real and lasting contribution which Father Kupsh has made over the years in enriching the lives of the people he has served so selflessly. The village of Williston Park's tribute to the Reverend Henry R. Kupsh follows:

REV. HENRY R. KUPSH: A TRIBUTE

(By James J. Halpin, Former Trustee, Village of Williston Park)

In October, 1940, Reverend Henry R. Kupsh came to Williston Park. And through the years, he has enlarged our Village by his very presence.

He proved from the beginning that he was a strong man—taught us that to be strong, the strong must serve. With dignity and wisdom he has served his Church, our people, our Village and Town Governments and the Williston Park Fire Department as Chaplain for over 25 years.

He has been invited to appear—and has appeared—at hundreds of religious, political, service and social functions in Williston Park. He is always a welcome guest for he has charmed individuals and audiences alike. He has the ability to be "one-of-the-boys"

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without ever sacrificing the dignity of his high office.

He is revered by members of the Protestant, Catholic and Jewish Faiths. He transcended any one religion for he is a man of God who is close to the people because of his talent to seek out the needs of others without seeking reward. He has demonstrated that love and service bring us closer to others.

When he retires from the Ministry, and should he leave Williston Park, we will be poorer because of his absence, but rich in memory for having known one of the truly great men of our Village over the past several decades.

It is with love and affection that The Chamber of Commerce of The Willistons honors Reverend Henry R. Kupsh as Man of the Year in Williston Park. Not in payment, of, but in appreciation of, the great service he has rendered our Community.

LITHUANIA'S 57TH ANNIVERSARY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. HUGHES. Mr. Speaker, I would like to take this opportunity to join with so many of my colleagues in urging the world to take note of the 57th anniversary of the Republic of Lithuania on February 16. For so many years, Lithuania has stood as an example of determination and courage in spite of the onslaughts by Hitler's Germany and Stalin's Russia.

Although the tragic events of the last 30 years have taken away Lithuania's independence, the United States has steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania by the Soviet Union. It is my fervent hope that the Soviet Union will relax its grip on this brave nation to permit the resumption of all religious freedom and human rights so that these brave people may once again join the free world.

I would like to introduce into the RECORD, the following resolution from the Lithuanian-American Community of the United States of America, Inc., Newark Chapter:

RESOLUTION

We, Lithuanian-Americans of New Jersey at a meeting held on February 16, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15-17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lthuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Communist regime in seeking political and religious freedom; and

Whereas the 89th U.S. Congress unanimously passed House Concurrent Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Estonia, Latvia, and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved that we, Lithuanian-Americans urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to rigorously implement House Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to appropriate government officials.

KANSANS GIVE VIEWS ON ENERGY AND ECONOMY

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mrs. KEYS. Mr. Speaker, I believe that it is absolutely necessary for those of us in Congress to remain in close contact with the citizens we represent, especially during these months when we are making decisions on economic and energy policies which will affect our Nation for many years.

For that reason, I felt it was extremely worthwhile for Members of Congress to have the opportunity to return to their home districts last week and talk personally with their constituents.

For the same reason, I recently conducted a survey in my Second Congressional District, seeking individual opinions on some of the energy and economic issues before us.

The survey was conducted by the neighborhood home volunteers who assisted me in the recent election. I have asked these persons to continue to help me stay in touch with the residents of the district, and this survey was the first result of our joint efforts.

Each of my 166 home volunteers was asked to complete a questionnaire and give other questionnaires to three friends to complete. More than one-third of the questionnaires were returned, and the results, while hardly scientific, are nevertheless very informative.

For example, 75 percent of those responding said that lower tax rates would benefit their families more than a tax rebate. Fifty-seven percent said they would prefer a program of allocation and rationing as the best way to save fuel, while only 15 percent said they favored fuel conservation through higher prices.

The results of the entire questionnaire are as follows:

1. President Ford has proposed giving taxpayers a 12 per cent rebate on their 1974 taxes. This refund would come in two checks, one this Spring and one in the Fall. Some Congressional leaders have proposed a reduction in 1975 tax rates, including the withholding rate. Which would benefit your family more: the rebate or a reduction in tax rates?

a. Rebate, 56/25%.
b. Lower rate rates, 164/75%.

2. One of the purposes of either a tax cut or a rebate is to stimulate the economy by giving people more money to spend.

How would you spend your rebate?
a. Put in savings, 52/23%.
b. Pay bills, 113/50%.
c. Make new purchases, 59/26%.

How would spend your increased income resulting from a tax cut:
a. Put in savings, 53/23%.
b. Pay bills, 99/42%.
c. Make new purchases, 79/34%.

3. In order to reduce our national consumption of oil and dependence on foreign nations, President Ford has proposed a $3 per barrel increase in import fees on foreign oil. This would raise the price of gasoline up to 15 cents a gallon, and also increase the price of heating oil, propane, fertilizer and other petroleum products. Some Congressional leaders have proposed that quotas be placed on oil imports, with an allocation and rationing system to provide for essential needs. Which would you prefer as a fuel conservation program?

a. Higher prices, 32/15%.
b. Allocation and rationing, 125/57%.
c. Rationing, with the opportunity to buy limited amounts of additional gasoline at extremely high prices, 53/24%.
d. No opinion 11/4%.

TRIBUTE TO HON. JERRY PETTIS OF CALIFORNIA

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. EVINS of Tennessee. Mr. Speaker, certainly I was shocked and saddened to learn of the tragic passing last week of our colleague, Representative Jerry Pettis, of California, and I want to take this means of paying a brief but sincere tribute to the memory of this distinguished American.

Jerry Pettis served his district, State, and Nation faithfully and well during his 9 years in the Congress. He served on the Committee on Ways and Means and sought conscientiously to represent the best interests of the people in his work on this important committee.

He was a successful businessman and his knowledge and experience in business were most helpful in the committee's deliberations on tax matters.

Jerry Pettis was an able, personable, and genial colleague, and certainly he will be greatly missed. My wife, Ann, joins me in extending this expression of our deepest and most sincere sympathy to his wife, Shirley, and their children, in their loss and bereavement.

GOING HOME—A TRUE STORY

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. McFALL. Mr. Speaker, Americans from any nations form the backbone and strength and loyalty of our country. This is the American melting-pot tradition. And yet many Americans still retain fond ties with the old country, even if they know it only from the stories and reminiscences of their fathers.

A poignant story in this tradition has been written by one of my constituents, Mrs. Claire Sprague, of Stockton, Calif. Mrs. Sprague knew Ireland only by what she heard as a little girl from her father, until she went to County Cork herself at the age of 76. There, in the Irish tradition, she constructed a wayside shrine at the site of the old family homestead in memory of her mother who had died in America 70 years before.

Here is her story:

GOING HOME

(A True Story by Claire Kelly Sprague)

He was not a very tall man.

He had to stretch to reach his box of clay pipes, placed high on a shelf out of reach of his five children who delighted in using them to blow soap bubbles.

He was not a very rich man, from a material point of view. All his efforts went to keep the brood clothed and fed and warm in their tiny home in San Francisco.

His hands were scarred and beaten from years of manual labor in lumber mills and on carpenter's jobs. His right hand was missing one finger—gulped away by a planing machine the one day he neglected to put his St. Benedict medal on the machine at the beginning of his shift.

He was not a well-educated man. He had no college training, so studied at home. But he always followed current events and took part vigorously in the political battles he so dearly loved.

His shoulders were broad—perhaps forced to be that way by the double burden of earning a living in a foreign country and raising five children alone after his beloved wife, Mary (he called her Min), and their infant son died in San Francisco in 1903.

Above all he was Irish, which he felt made up for many other deficiencies. His oratory at political rallies charged the air and fired the imagination of the audience, who came partly for the free beer and baloney sandwiches and were swept away by the monologues that he offered, liberally quoting Shakespeare.

His children, too, listened, learned—and often wept—as he quoted the dramatists, practiced his speeches, or simply told stories about his native Galway. The words spilled from his lips as he borrowed from the depths of his memories to extol the green fields, elegant lakes and sparkling streams in a peaceful corner of Ireland. But the real message came through the sparkling of his eyes as he relived the glories of his youth in a land so far away. It seemed so different to the children, who had never seen anything but the streets of their native San Francisco. To the youngsters, listening and watching, indeed Ireland had to be a truly magical place.

It became even more meaningful as their father, sitting in his rocking chair on the front porch of their cottage at 142 Juniper Street in San Francisco and contentedly puffing on his clay pipe, asked them to sing the songs which told the stories of his homeland. Ballads from Thomas Moore—*The Harp That Once Through Tara's Halls, The Kerry Dancers, By Killarney's Lakes and Dells,* and *The Wearing of the Green.* But the ballad he requested most was *I'll Take you Home Again, Kathleen*—across the ocean wild and wide.

And to his children, the ocean seemed indeed wild and wide. Just to get to the right ocean was a long trip from San Francisco, and that had to be followed by an arduous journey on a big ocean liner. Above all, the cost made such a trip out of the question.

But, Bernard Kelly never ceased talking about his homeland and how he wanted to return for at least one visit before he died. He never made it.

Through the years of sitting by the rocker and hearing about the homeland and the people in it, the children developed an intense relationship with Ireland and a deep pride for its contributions and customs in music, poetry and beautiful traditions. They had heard their father say so many times, "Never forget the old country."

Memories remain, but times change. After jet aircraft had compressed the Atlantic Ocean into manageable shape, a visit by those children to "the old country" moved from the impossible category into a maybe status. By 1972, Barney Kelly's youngest daughter had raised four children of her own, had eleven grandchildren and five great grandchildren. She had lived through the frightening San Francisco earthquake, and two terrible world wars, plus Korea and Vietnam. She had worked a full life and had retired not once but twice. And while Ireland atill seemed a long way away, the effort to carry out her father's exhortation to "never forget the old country" seemed to make it worth the effort. And so, that trip to Ireland her father never made became a mission for that little girl—now 76.

That is how the fabled Gaelic greeting "Cead Mile Failte!" (a hundred thousand welcomes) became a warm toast from never-before-seen cousins, rather than just a phrase quoted to the other school children on St. Patrick's Day or written in the corner of a Christmas card.

Ireland was indeed as beautiful and wonderful as it had been described by her father 65 years earlier. It was almost a feeling of deja vu as she wandered over the often described sites and sights, listening to explanations by relatives who before had merely been names in the front of the family Bible. And seeing places like Ballincurrig, Leamlara, Dundellerick, Carrigtwohill, Castle Lyons, Fermoy, Midleton. Visiting the National School where her mother had been taught and the tiny church in Lizgoold where her mother was baptized.

But most impressive of all was the site where her mother's family home had stood in Dundellerick. Standing there, she relieved the childhood of her mother, whom she really knew only through the words of her father since she had been but seven when her mother died.

It had been 69 years since her mother's death, and who knows how many years since the old house had deteriorated and its remains carted away. But the moss-covered stone fence was there, being guarded by violets, primroses and ferns. It took only a little Irish imagination to figure that these were the very same plants her mother had picked, and a poem was born.

A MEMORY OF IRELAND

There's a gypsy in my heels today,
I'd like to travel far,
To visit a bit of Ireland
And watch the Evening Star.

I'd drive along a narrow road
O'er hung by ancient trees.
A road that seems to go nowhere,
Flower fragrance in the breeze.

The wind would bundle up the clouds,
Lush pasture then I'd see.
Sun-spotted woodlands everywhere,
Parishoners on bended knee.

A countryside so green and bright,
Refreshed by gentle rain.
A welcome there for me to stay,
In the land from whence I came.

A noble fence, moss-covered now,
Bright flowers growing near,
I'd stoop and pick a violet,
Then shed a gentle tear.

The tears were not the salt of sorrow, but the expression of stirred emotions that bubbled forth from within. How great to be on family soil, in the "old country" her father had longed to revisit! Wouldn't it be something to capture this moment and cast it in stone so it would live forever? Wouldn't it be truly magnificent to share this thought with everyone who would come by this spot?

But the property on which her mother's home had stood no longer was owned by her family. Title was in the name of an Irish-born American businessman. Would he mind if a small wayside shrine were erected on the spot to honor the Blessed Mother in memory of another mother? Indeed, Irish ties to Ireland are strong and deep, and not only would there be no objection but he would provide the land for that purpose.

And so the shrine was built. On September 22, 1974 it was dedicated and blessed by Rev. Father Anthony Wilson of Lizgoold Parish, Cork, Ireland. Travelers come to rest and pray. Perhaps they read the inscription,

ERECTED
BY
CLAIRE SPRAGUE
OF CALIFORNIA,
IN MEMORY OF HER MOTHER,
MARY WARD

A few of them may even know the story of how the shrine came to be. But none of them can ever feel the real emotion of how that shrine was born.

Father, the "old country" is not forgotten. And never will be. "I'll Take You Home Again, Kathleen."

BIOGRAPHY OF MRS. CLAIRE KELLY SPRAGUE

Born June 30, 1896 at 142 Juniper St., San Francisco, CA.

Parents—Bernard Kelly, native of Galway, Ireland, and Mary Ward Kelly, native of Cork, Ireland.

Retired teacher—consultant in Stockton, CA schools. Also worked 8 years at University of the Pacific on staff of registrar's office.

Mother of 4 children, 11 grandchildren and 5 great grandchildren.

Memberships: National Retired Teachers Association, California Retired Teachers Association, California Alpine Club.

Delta Kappa Gamma—Hon. fraternity for women in education. Served as president of Tau Chapter in Stockton, CA.

National Association for American Pen Women. Served as president of Stockton, CA branch.

Biography is listed in:

Who's Who of American Women, Marquis & Co. 1970–1971.

The World Who's Who of Women 1973–74, Melrose Press, Cambridge and London, England.

PUBLICATIONS

Articles and poetry have appeared in:
California Math Council Bulletins.
The Instructor Magazine.
The Saturday Evening Post.
School Library Ass'n. of California Bulletins.
National Poetry Anthologies for Teachers & Librarians.
The American Bard Magazine.
Stockton Unified School Bulletins.
California Alpine Club Trails.

Co-Author of Fundamental Math Kit Handbook for Junior High School Teachers.

Rocking Chair Memories.
Cork Examiner, Cork, Ireland.

UMI

Pacific Historian, University of Pacific.
Ideals Family Cook Book, November 1974.
Ideals Christmas, December 1974.

J. LYMAN GOLDSMITH RETIRES AFTER 38 YEARS OF SERVICE

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. ROUSSELOT. Mr. Speaker, I am today introducing a resolution honoring J. Lyman Goldsmith who retired on December 26, 1974, as administrator of Career Education for the Los Angeles Unified School District.

Mr. Goldsmith made an outstanding contribution to the Los Angeles Unified School District during his 38 years of service. This contribution was recognized by his colleagues when he became president of the California Industrial Education Association and served as chairman of various committees of the American Vocational Association and the American Industrial Arts Association. In addition, Mr. Goldsmith received a number of awards from organizations such as the California Industrial Education Association and Epsilon Pi Tau, an international honor fraternity in industrial-vocational education.

On March 2, he is to be honored by his coworkers and associates at a function in California. I believe his dedication to vocational and career education also deserves the appreciation of this body, and I am introducing this resolution in order to bring his accomplishments to the attention of the Members of this House. The full text of the resolution follows:

RESOLUTION

Whereas, J. Lyman Goldsmith retired December 26, 1974 as Administrator of Career Education for the Los Angeles Unified School District, and

Whereas, during 38 years of distinguished service to the school district he also served as a teacher, consultant, supervisor and director in the area of career education, and

Whereas, he is recognized in California and the United States as one of the pioneers and prominent leaders in the field of career education, and

Whereas, he has served as a special consultant in career education to the State Department of Education, the Los Angeles County Schools, various school districts of the State, and business and industry, and

Whereas, he is past president of the California Industrial Education Association and served as chairman of various committees of the American Vocational Association and the American Industrial Arts Association, and

Whereas, he received recognition from his colleagues by being named recipient of three outstanding awards presented to industrial educators—the Ship Award from the California Industrial Education Association and the Laureate Citation and Honors Award from Epsilon Pi Tau, international honor fraternity in industrial-vocational education, and

Whereas, he is the author of several books and articles on the subject of career education,

Resolved, That it is the sense of the House of Representatives that appreciation and gratitude be expressed to J. Lyman Goldsmith for his contribution to career education and for his distinguished service to public school education through the Los Angeles Unified School District.

VOICE OF DEMOCRACY CONTEST

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. KRUEGER. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy Contest. This year nearly 500,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as the top prizes. First prize is a $10,000 scholarship, second prize is $5,000, third prize is $3,500, fourth prize is $2,500, and the fifth prize is $1,500. The contest theme was "My Responsibility as a Citizen."

The winning contestant from each State is brought to Washington, D.C., for the final judging as guests of the Veterans of Foreign Wars. The winner of this year's contest from the State of Texas is a young man from my home town of New Braunfels, Tex. I am honored to be able to recognize this outstanding achievement by Michael Muedeking Frueh. Mike is the son of Reverend and Mrs. Milton S. Frueh of 720 Laurel Lane in New Braunfels and is a junior at New Braunfels High School. He has served as drum major and vice president of the Lutheran League and has been very active in debate, choir, and band activities. Mike plans to attend either the University of Houston or the University of Texas at Arlington to pursue a legal career.

In order that my colleagues may be able to share Mike's speech, I wish to insert it in the RECORD. I think this speech is reflective of serious thought and concern indicative of today's young people. I hope each of you will join me in reading and reflecting on the thoughts that follow:

MY RESPONSIBILITY AS A CITIZEN

(By Michael M. Frueh)

The strongest chain is only as strong as its weakest link. This ironic and yet logical fact is true in physics as well as in the citizenship of a nation, for a nation derives not only its strength but its very existence from its citizens. A nation without citizens can be linked to a car with no driver. It cannot function alone. However, even if a nation had citizens, but those citizens felt no responsibility to her, the nation could not survive. While the car had a driver, if the driver did not have a key to start the engine, the vehicle would still not be able to function. A citizenship without the key of responsibility would fare no better.

I, as a citizen, have three links which incorporate the chain of citizenship itself.

The first link, or responsibility I learned was to my family. From my birth, my family looked after me. As I grew older, my responsibility to my family grew. I learned that the world did not revolve around me. I had to make sacrifices for the good of the majority, for the good of the family.

The family unit promotes an understanding of my fellow human beings. This understanding is necessary to get along with others to eventually fit into society as a whole. This early training is invaluable in the formulation of a life of American citizenship. That is one of the major reasons why the family institution is held in such high regard by the American people of today as throughout our history.

The second segment of responsibility, which I learned several years later, was toward my school activities. When I entered school, I called upon the ability to get along with others that I had acquired from my family. I was exposed to my peers and adults other than my parents. I realized after a few years that education was essential for an American citizen. Through studies of language, sciences, social studies, the arts, and mathematics, the importance of communication was brought forth.

The late President Lyndon Baines Johnson spoke of this nation as the Great Society in an address to Congress in 1964. This society revolves around communication. Try to imagine for a moment a world in which there was little or no communication of ideas. We could not recognize it. There would and could not be great nations like the United States of America. In all likelihood even tribal unity would not exist. The world would be made up of entities concerned only with self preservation. Each person would have to hunt or grow food for themselves. Communication allowed specialization in different fields of endeavor. As man worked for knowledge, knowledge worked for man. A nation prospers from knowledge, from communication, just as man has prospered.

The final link in the chain of citizenship which gives a nation backbone is work, whether in the form of a summer or after school job, or later on in life, a profession. Such service constitutes duties to my fellow man and my nation, for through this act the nation runs smoothly. The abilities of cooperation and communication which were learned earlier are necessary to be able to assist others. All jobs have the goal of assistance to society whether in the form of production or trade.

Today's young are tomorrow's leaders. Being the leaders of the future is a tremendous responsibility. I will be forced to make judgments which will concern this country of which I am a citizen. My decisions, coupled with the rest of tomorrow's citizens, will determine what course this nation shall pursue. I could not make those decisions without prior knowledge. That knowledge, or at least the foundation for it, must be learned now. In effect, my responsibilities for the future will be based on how well I meet my responsibilities of the present. Those responsibilities being understanding, communication, and assistance.

VERMONT'S "VOICE OF DEMOCRACY" WINNER

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. JEFFORDS. Mr. Speaker, I would like to share with you and with my colleagues Vermont's winning entry in the Veterans of Foreign Wars' Voice of Democracy contest. This speech was written by Marianne Kane of Barre, Vt. Miss Kane wrote her views on her responsibility as a citizen as a student at Spaulding High School.

In reading this speech, I was struck by two important thoughts. First, remembering the old adage—"how the twig is bent, so grows the tree"—I was reminded that habits of good citizenship are best learned when one is young. Second, each individual citizen must contribute to this democracy if it is to remain strong and vibrant. The quickest way to lose our democracy is to adopt the attitude that its maintenance is not "my responsibility" but "my neighbor's." I am sure that you will agree with me, Mr. Speaker, that Miss Kane already has learned these lessons. I commend to you her speech:

SPEECH BY MARIANNE KANE

It happened in a freshman math class. The regular teacher was absent that day, and the substitute was a middle-aged man with a history of heart trouble. Probably the pupils weren't aware of this when they saw him clutch his chest, stagger to his desk, and collapse, but their ignorance hardly excuses what they did. They sat there and laughed at him.

This is a true story. It happened at my high school, among kids just a few years my junior, kids who will be voting, taxpaying American citizens in a very short while. If they reach the age of majority with the attitudes they have now, America is in trouble. That's why my peers and I have a responsibility right now to help these younger students grow into mature, concerned citizens. We are the older students they look up to, however furtively, and we influence them by the example we set, whether it be good or bad.

I want my example to be a good one, and I can start setting that example right now by plunging in and getting involved. I should participate in service projects in my school, my church, and my community, and I should do it with a cheerfulness that will make others want to be in my shoes.

Another good habit I should be developing now is the courage to speak up for my beliefs. Without freedom of speech, without citizens concerned about the welfare of the Union, there can be no real democracy. Our leaders can't represent us if they don't know what we need. We can all be voices of democracy. When I see injustice going unnoticed, I have a duty to reveal it to my local newspaper readers and to my Congressman.

But more importantly, I must be certain that I maintain a healthy respect for the law. Crime is becoming a sport among too many young people, and their peers are offering them no discouragement. I should be doing something, not only to strengthen popular feeling on the side of the law, but to help provide these people with constructive alternatives to delinquency. Their lives are most easily changed while they are young But still, I must honor my obligation to report anyone I witness breaking the law. To do less than this is cowardice.

After I leave the high school environment to enter college, I will face new challenges. Suddenly I will be in the middle of a wealth of knowledge, and I will have an obligation to make myself the most educated, productive citizen I can be. But more importantly, by the time I reach college I will be eighteen years old. I will have a responsibility to become a registered voter promptly, and to use this privilege whenever I can. But being a registered voter can also mean being responsible for the payment of poll taxes, or being eligible to serve jury duty, and I will need to prepare to accept these obligations as soon as I can. And when I am 18, I will also be presented with some new privileges that are forbidden to me now. With them will come the responsibility to examine each one in the light of my own convictions, and to abnegate those privileges I feel are wrong. Whenever the government gives me a freedom I don't believe I should have, I have a duty to let my own conscience be the final judge.

After my college years, I will probably become a wife and mother. That is the biggest responsibility of all. I will want to be sure that my family is happy and secure, because the family is still the foundation of American society. If the American family falls, the nation must fall with it. And it's shameful that at a time when we need problem-solvers more than ever before, broken homes are producing broken people whose resources are barely adequate to solve their own problems. That is why when I am a mother, I will have an obligation to raise children who are good citizens, even at the expense of my own plans for "self-fulfillment". I will teach them to be thrifty, to be industrious, to be good neighbors. This means showing them by example that it's not right to scramble and hoard every time someone raises the cry of "shortage"!, that it's not right to waste what can be used. I will want them to comprehend what it means to live in a country where people are free to live, to worship, and to exercise their freedoms as they choose. I will want to instill in them the pioneer spirit that brought the first English settlers to the new world.

This is an awesome and humbling challenge. To meet it I must begin preparing now, and making fine and fancy phrases will help me only superficially, if at all. I should develop my talents, but right now it's more important that I develop mature, responsible attitudes. With my talents I may one day work to shatter apathy in others, to make them care what happens to their country and their world. But right now I have some battles to win within myself. I must conquer my own weakness and selfishness before I can urge others to do the same. All my responsibilities are more than can be numbered in the few words I've written. This is only the beginning; I have a long road to travel.

THE PLIGHT OF MIKHAIL LEVIEV

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. DRINAN. Mr. Speaker, I would like to bring to the attention of my colleagues the third section of a three-part legal brief on behalf of Mikhail Leviev, a Soviet Jew who has been sentenced to death:

THE PLIGHT OF MIKHAIL LEVIEV

D. THE DEATH PENALTY DECREED UPON LEVIEV MUST BE COMMUTED BECAUSE SUCH PENALTY HAS BEEN UTILIZED SELECTIVELY AGAINST JEWS, IN GENERAL, AND, MORE SPECIFICALLY, AGAINST THOSE JEWS WHO HAVE APPLIED FOR EXIT VISA TO ISRAEL

The disproportionate element of the sentences imposed herein, in conjunction with the selective enforcement of the death penalty against Mikhail Leviev, evidences a clear and uncontrovertible discriminatory propensity, on the part of judges in the Soviet Union, against Jews, in general, and those who have applied for exit visas to Israel, in particular.

Both in the charge sheet and, later, in the official verdict issued at the culmination of Leviev's trial, the Defendant is referred to as a "non-party Jew." Leviev's background indicates an interest in Jewish matters and Israel. In fact, his prior criminal record related to the fact that Leviev toasted the State of Israel.

When the four defendants in the Leviev case were sentenced, prejudice and discrimination toward Jews became apparent. Binyayov was sentenced to five years in prison; Kulikova to eight years; and Selivanov to nine years. Each of said individuals is a non-Jew. Leviev, the only Jew amongst the Defendants, received a sentence of death by shooting. The Soviet Union should not be shocked or surprised if, through the disparate sentences imposed in the Leviev case, the world has concluded that Leviev received the death sentence solely because he is a Jew.

Although we in the United States are not privy to statistical information relating to the perpetration of crimes and the imposition of sentences upon criminals in the Soviet Union, it must be assumed that thousands of economic crimes, for which death is an authorized punishment, are committed annually in Russia. Clearly, the sentence of death is inflicted in only a small fraction of these cases.

In 1967, the President's Commission on Law Enforcement and Administration of Justice stated that—

"There is evidence that the imposition of the death sentence in the exercise of dispensing power by the courts and the executive follow discriminatory patterns. The death sentence is disproportionately imposed and carried out on the poor, the Negro and the members of unpopular groups. The President's Commission on Law Enforcement and Administration of Justice, *The Challenge of Crime in a Free Society*, 143 (1967)."

Legal scholars view the impact of the death penalty as "demonstrably greatest among disadvantaged minorities;" and such disproportionate impact is to be explained "only by racial, economic or social discrimination." Goldberg and Dershowitz, "Declaring the Death Penalty Unconstitutional," *supra*, at 1792–1793. Also see, Hearings on S. 1760 before the Subcommittee on Criminal Law and Procedures of the Senate Committee on the Judiciary, 90th Cong., 2d Sess., at 11 (statement of M. DiSalle) (1968). As expressed by Justice Thurgood Marshall, it is—

"The members of minority groups who are least able to voice their complaints against capital punishment. Their impotence leaves them victims of a sanction that the wealthier, better-represented, just-as-guilty person can escape. So long as the capital sanction is used only against the forlorn, easily forgotten members of society, legislators are content to maintain the status quo, because change would draw attention to the problem and concern might delevolp." *Furman v. Georgia*, *supra*, at 366.

Although Jews in the Soviet Union are least able to voice their complaints against capital punishment, mankind throughout the world feels compelled to clarion its protest against the selective enforcement of the death penalty against such Jews. Thus, the Soviet Union should not treat the arguments presented in this brief merely as a representation of a minority view. It is the *world* which has been shocked and which cannot countenance the selective enforcement of criminal penalties and the disproportionate sentencing which is currently taking place in the Soviet Union. The Soviet Union must act positively and forthrightly in response to this justified public outcry.

In a study prepared on behalf of the Journal of International Commission of Jurists, the staff conducting said study concluded (at 45):

"It is . . . clear that there has been an insidious and sometimes subtle propaganda campaign directed against the Jewish people of the Soviet Union, specifically against those charged with economic crimes and also against the supposed general characteristics of Jews that have been reiterated for centuries. If the reports of trials for economic crimes are even reasonably complete, the number of Jews receiving death sentences

and severe terms of imprisonment is greatly disproportionate to their number as a minority group.

"[I]t is a tragedy for the Soviet Jewish people that they have been the scapegoat for the transgressions of those whose guilt it would be dangerous to make public. They are the victims of the "highest interest of State" . . . .

"The latent anti-semitism in the USSR is possibly being used by the Soviet authorities as a weapon to render unpopular economic offenses which appear to be rampant. This is probably the most charitable view which can be taken of the apparent anti-semitism which seems to have influenced Soviet policy. . . . Anti-semitism represents the most dangerous form of racialism in the world; no question of expediency can ever justify its use as a political, social or economic weapon."

It must be stressed that, in the authors' view, the Soviet Judge is not the only source of the disparity and discrimination in the imposition of sentence. See, S. Rubin, "Disparity and Equality of Sentences—A Constitutional Challenge," 40 F.R.D. 55, 59 (1966). An additional source of discrimination evolves from the Soviet penal codes. While Article 21 of the Criminal Code of the RSFSR, which Article includes the punishments which "may be applied to persons who commit crimes," fails to include the punishment of death, other Articles, e.g. 87 and 88, allow for the imposition of a death sentence with regard to the passing of counterfeit money or securities and the violation of rules for currency transactions. Presumably, the inconsistency of these provisions relates to the characterization of such crimes as "especially dangerous crimes against the State" and, hence, their inclusion in the "Special Part" section of the Soviet Criminal Code.

More importantly, an ability on the part of prosecutors to discriminate against individual defendants is built into the Criminal Code through the creation of distinct crimes, all having significantly different penalties, within a narrow ambit of economic criminal activity. For example, if one were accused of smuggling gold out of the Soviet Union, he could be charged, *inter alia*, under: a) Article 78 for smuggling (with a penalty of three to ten years); b) Article 88 for violation of rules for currency transactions (death with confiscation of property); c) Article 89 for stealing of State or social property, committed by theft (fifteen years with or without confiscation of property); d) Article 90 for stealing of State or social property, committed by open stealing (deprivation of freedom for a term not exceeding seven years); e) Article 92 for stealing of State or social property, committed by appropriation or embezzlement or by abuse of official position (six to fifteen years with or without confiscation of property); f) Article 93 for stealing of State or social property, committed through swindling (five to fifteen years); g) Article 93–1 for stealing of State or social property on an especially large scale (death with confiscation of property); h) Article 153 for private entrepreneurial activity and activity as commercial middleman (five years); i) Article 154 for speculation (two to seven years with confiscation of property); and/or j) Article 154–2 for buying up, selling, and exchanging currency or securities on a small scale (deprivation of freedom for a term not exceeding one year).

The inequitable punishment, and potential discriminatory practices, resulting from the existence of multitudinous criminal statutes pursuant to which an individual may be charged call into question the fairness of the economic criminal charges against Leviev. Judges and public prosecutors, alike, in the Soviet Union, as well as in certain other countries, are subject to extra-legal and/or judicial pressures. These individuals cannot be impervious to the general policies of the Government, and, in the case of the Soviet Union, those views of the Communist Party, "expressed in 'campaigns' against particular types of criminal activity and in party directives on law and law enforcement." Berman, *Soviet Criminal Law and Procedure*, 1st ed. (1966), 102. A necessary consequence of such "campaigns" and "directives" is that the decisions relating to the sentences, recommended by the prosecutor and assessed by the judges, are affected.

The requirement that a court must be 'impartial" needs little amplification. This requirement is a universally accepted doctrine," Scott, *Deuxieme Conference Internationale De La Paix: Actes et Documents* (1907), page 7, which doctrine is recognized in the 1960 Law on Court Organization of the Russian Soviet Federal Socialist Republic. This law provides that "judges and people's assessors in administering justice shall be independent and subordinate only to the law." (Article 7). See, generally, Harris, "Right to a Fair Trial in Criminal Proceedings as a Human Right." 16 International and Comparative Law Quarterly 352, 355 (April 1967).

It is the Procurator General's responsibility, pursuant to Article 14 of the 1955 Statute on Procuracy Supervision, to—

"Receive and examine petitions and complaints of citizens concerning violations of the law, to verify such petitions and complaints within a certain time, and to take measures to restore the violated rights and to protect the lawful interests of the affected citizens. Berman, *Soviet Criminal Law and Procedure*." Harvard University Press: Cambridge, Massachusetts, 2nd. ed. (1972), 102.

In the case at bar, Leviev and his attorney have repeatedly and vigorously complained of the selective enforcement of the economic criminal statutes in question and the disproportionate sentence meted out to him. Fairness and humane considerations, alone, dictate that the Procurator General, pursuant to Article 14 of the 1955 Statute, investigate these charges of discrimination. Subsequent to his verification of the existence of such discrimination and disproportion in sentencing, the Procurator General should announce his findings to the Supreme Court of the Soviet Union and convince the Court to commute Leviev's sentence to one more appropriate for the type of crime allegedly perpetrated by him and consonant with the sentences imposed upon his co-defendants.

V. CONCLUSION

For all of the reasons stated above, it is urged that the Procurator General immediately bring the illegal detention of Leviev, the possible improper procedures which permeated the Leviev trial, and the discriminatory and selective enforcement of the death penalty upon Leviev, all of which have been discussed, *supra*, to the immediate attention of the Supreme Court of the Soviet Union. The Procurator General should suggest that the charges brought against Leviev be dismissed or, in the alternative, that his sentence should be commuted.

At the same time, it is urged that the Procurator General conduct an extensive review of the international law, scholarly comment and statistics, both within and without the Soviet Union, relating to the imposition of the death penalty for the purpose of bringing before the Supreme Soviet and/or the Presidium specific legislation for the general abolition of said penalty and, more particularly, the abolition of said penalty with regard to economic crimes, in accordance with the provisions of Article 23 of the 1960 Criminal Code of the RSFSR.

The eyes of the world are focused upon the Soviet Union at this Eleventh Hour. The Soviet Union has a duty to mankind, and to the concept of fairness and justice inherent in all societies, to prevent the outrageous and senseless killing of Mikhail Leviev. The world awaits your reply.

COMMUNITY NURSE PRACTITIONERS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. SCHEUER. Mr. Speaker, an interesting article in the February 2 issue of the Sunday magazine, Parade, tells how registered nurses are branching out from their traditional role and taking on new expanded functions. In New York State, for example, a group of nurses known as community nurse practitioners are available to provide health care in a large housing complex. They are on call for home visits 24 hours a day and provide free counseling on the telephone. This is just one of the innovative methods that nurses are using to help fill the gaps in health care in this country and provide improved patient services.

Mr. Speaker, I place the article from Parade magazine in the RECORD:

[From Parade magazine, Feb. 9, 1975]

TODAY'S NURSE WANTS MORE—FOR HERSELF AND HER PATIENTS

(By Pam Proctor)

Alison Randall represents a new militant generation of nurses. In defiance of tradition, she shows up for work wearing an Indian smock, skirt and sandals. And she sees herself in a revolutionary role: not as a doctor's handmaiden, but as a defender of her patients against the medical establishment.

When one of her patients at New York's Montefiore Hospital suffered severe chest pains recently, Alison immediately called the doctor, who told her he'd be there within three hours. Nearly three hours later, the patient had another attack and cried out for the doctor, Alison paged him again.

He breezed into her ward enraged that she had bothered him a second time. "I'll decide when I will see my patients," he told her gruffly. Twenty-three-year-old Alison looked him in the eye and said firmly, "In my judgment, it was important to discuss the patient's pains right away, and the patient wanted to see you." Alison says bluntly, "The patient is paying the doctor. It should be her right to see him when she wants to."

Nurses like Alison are shaking up the nursing profession across the country by getting more aggressive in protecting patient's interests. One of the most direct new ways is by setting up private nursing practices to offset impersonal medical care.

DON'T GET UP

Other nurses are beginning to fight for patients within traditional hospital channels. The first tactic of these nursing guerrillas is to assert their equality with doctors. When a doctor walked into a hospital room 10 years ago, the nurse automatically stood up to give him her seat. Today nurses sit tight.

"Nurses have been running their tails off and have as much right to be sitting down as doctors," says nursing instructor Jean Goode of the Muhlenberg Hospital School of Nursing in Plainfield, N.J. "I teach my students that nurses are not doctors' assistants, but patient advocates," says Jean.

"In the past the subordinate relationship of the nurse to the doctor has sometimes interfered with the nurse's ability to give good care," says Georgia Reich, the evening head nurse at Long Island College Hospital's intensive care unit. "Many nurses were hesitant to make suggestions to the doctor because they felt they'd be stepping out of their woman's role."

THE ORGANIZATION

Another target of the nurses' new militancy is the hospital administrator. One of the main complaints voiced by nurses is that poor hospital organization prevents them from treating patients as human beings. Take the situation confronted by 21-year-old Sophie Plaza, who last year graduated at the top of her class from Muhlenberg Hospital School of Nursing. As a student, she was able to devote all of her time to two patients. She gave them complete physical care from head to toe and provided emotional support by talking over their problems.

Now that she's working, she doesn't have time for this kind of attention. She's part of a nursing team that rotates duties. Some days it's her job to give out all the medications to the 40 patients on the floor.

"I was on medication duty for four days straight," says Sophie ruefully. "I felt like a robot. I came in, gave them a pill, and went to the next patient." Since all the medications had to be dispensed within an hour because of the patients' regimens, she had no time to stop to comfort a crying patient or answer someone's request for a box of tissues.

ON STRIKE 4,400

Sophie's sense of powerlessness over the quality of patient care may soon be a thing of the past as nurses capitalize on a powerful weapon—the strike. A good example is last year's three-week strike of 4400 registered nurses in northern California, which was triggered by demands for greater leverage in hospital administration to protect patients.

As a result of the strike, the California nurses won the right to help determine staffing patterns and nurse-patient ratios in 42 area hospitals. More union actions like this may be forthcoming. Recent revision of the Taft-Hartley Act opened the door to collective bargaining to nurses in the nation's private non-profit hospitals, clinics and nursing homes.

What will hospitals be like when nurses get more power? The model of nursing care for the future, according to many experts, is Montefiore Hospital's Loeb Center for Nursing and Rehabilitation in the Bronx, N.Y. Founded 12 years ago by a pioneering nurse, Lyria Hall, Loeb is an 80-bed extended care unit which admits patients during the recuperative phase of their illness.

Although physicians check up on their patients and order medications, nurses are in charge of Loeb, where they have abolished rigid routines. Patients decide when they will bathe, eat and sleep. If a patient wants to sleep until noon and stay up until 3 a.m. playing cards, he can. "Patients are not just disease entities who come into the hospital for repairs," says Genrose Alfano, director of Loeb. "They are people with a whole life-style."

The aim of Loeb is to meet the total needs of each patient—emotionally and physically. Accordingly, Loeb is staffed exclusively by registered nurses who have a broad background in psychological and clinical problems, rather than by Licensed Practical Nurses or nurses' aides. Since each nurse is assigned only eight patients, she has time to get to know their personal problems.

This concern for total care can be crucial to the patient, as Robin Isaak, a 23-year-old nurse at Loeb, found out in a poignant encounter with a dying woman. Robin gave the elderly patient a chance to express her thoughts and emotions.

CARE FOR A PATIENT

"She spoke a lot about dying, and how peaceful it would be," said Robin. "She even described the cemetery site where she would be buried." As the woman's illness became more advanced, "we had a lot of non-verbal communication, like just holding hands," said Robin. "Even when she was comatose, I held her hand, and she clutched mine," the dark-eyed young nurse explained. "It really choked me up."

But after the woman died, Robin felt positive about the experience. "I felt that I helped this patient die a death she wanted in a way that she would want," said Robin.

There have been some encouraging developments for nurses outside the hospital, too. Three nurses in a private group practice in a Manhattan housing complex, for example, have filled the gap left by doctors who don't make house calls and don't spend sufficient time talking over their patients' problems. The nurses in the group, known as Community Nurse Practitioners, are on call 24 hours a day and make home visits at a moment's notice.

The speedy response of the three nurses to emergencies and routine problems has attracted more than 200 active patients to their practice. Another popular feature of the group is the free counseling on the phone and a modest fee for home visits—$2.50 for every 15 minutes, up to $10 an hour.

"Nursing involves more than merely doing technical tasks like giving a bath," says Jocelyn Greenidge, one of the nurses in the group practice. "It also involves being aware of what's going on in the patients' lives, to help give them a sense of total well-being."

In one case, Jocelyn stepped into the role of a social-worker and intervened in a financial matter to relieve a patient's worries.

Although under the law nurses cannot diagnose disease or prescribe medication, they can independently take steps to prevent a patient's condition from deteriorating. One elderly man, for example, called Jocelyn for help in taking a bath, because he was feeling weak and listless. During the visit, she learned from his wife that he had been taking a heart medication for four years. "I took his pulse," said Jocelyn, "and found that it was 52," which is below the lower limit recommended for the drug. She immediately told his wife to stop giving him the medicine and to contact a physician. "The man's wife was never shown how to take his pulse," said Jocelyn, who taught her the simple procedure on the spot.

Teaching patients to raise questions about their medical care is one of the aims of Sally Langendoen, a nurse who broke away from the traditional hospital environment to set up a natural childbirth course in her Brooklyn, N.Y., brownstone.

YOUR OWN CHOICES

"The big thing I push is options," says Sally. "I get the patients to look at the objective facts about their medical care, make their own decisions, and lobby for them."

Sally's practice has grown over the past three years through referrals from doctors and patients. One group of Brooklyn doctors who had set up a course in childbirth education abandoned it and now refers patients to her.

If all these experiences of the newly agressive American nurse suggest a trend, we can anticipate a new era in health care, when the nurse will be a partisan for her patients, instead of a mere functionary blindly loyal to the medical bureaucracy.

SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS ANNOUNCES HEARINGS ON VOTING RIGHTS ACT EXTENSION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary today announces voting rights extension legislation on Tuesday, February 25, 1975, at 10 a.m. in room 2141 of the Rayburn House Office Building. The subcommittee will be considering a number of legislative proposals for extension—including H.R. 939; and others, H.R. 2148, H.R. 3247, and H.R. 3501—and requests that all parties interested in submitting statements for the record contact the Subcommittee on Civil and Constitutional Rights at 2137 Rayburn House Office Building, Washington, D.C. 20515; 202—225–1630.

It is expected that hearings will be continued through mid-March and the tentative dates and hearings are as follows:

TENTATIVE LISTS OF HEARINGS ON VOTING RIGHTS EXTENSION

Tuesday, Feb. 25, Room 2141, Hon. Peter W. Rodino, Jr. (D-NJ), Arthur S. Flemming, Chairman, United States Commission on Civil Rights.

Wednesday, Feb. 26, Room 2237, Hon. Andrew Young (D-Ga). Hon. Charles Rangel (D-NY). Hon. Barbara Jordan D-Tex).

Monday, March 3, Room 2237, James Harris, President, National Education Association, 1201 16th Street, N.W., Washington, D.C. 20036. Eddie N. Williams, President, Joint Center for Political Studies, 1426 H Street, N.W., Suite 926, Washington, D.C. 20005, John Lewis, Executive Director, Voter Education Project, 52 Fairlie Street, Atlanta, Georgia 30303.

Tuesday, March 4: Room 2237, Hon. Edward R. Roybal (D-Calif). Herman Sillas, 4814 Roundtop Drive, Los Angeles, California. Richard Avena, Regional Office, U.S. Commission on Civil Rights, 106 Broadway (Room 231), San Antonio, Texas 78205.

Wednesday, March 5, Room 2141, Attorney General of the United States.

Thursday, March 6, Room 2237, The Reverend Theodore M. Hesburgh, C.S.C., President, Notre Dame University, Notre Dame, Indiana 46556. Howard A. Glickstein, Director, Center for Civil Rights, University of Notre Dame. Armand Derfner, Esquire, P.O. Box 608, Charleston, South Carolina.

Wednesday, March 12, Room 2237, Dr. Aaron E. Henry, Mississippi State Conference of the NAACP, 213 4th Street, Clarksdale, Mississippi. Roy Wilkins, Chairman, Leadership Conference on Civil Rights, 2027 Massachusetts Avenue, N.W., Washington, D.C. 20036.

Thursday, March 13, Room 2237, Dr. Charles Cottrel, St. Mary's University, 2700 Cincinnati, San Antonio, Texas 78228. Modesto Rodriguez, P.O. Box 711, Pearsall, Texas 78061. George Korbel, Esquire, 166 East Superior, No. 1201, Chicago, Illinois 60611.

Monday, March 17, Room 2237, Charles Morgan, Jr., Director, Washington Office, American Civil Liberties Union, 410 1st Street, S.E., Washington, D.C. Jim Drake, UFW, 1433 West Olympic Boulevard, Los Angeles, California. J. Harold Flannery, Law-

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yer's Committee for Civil Rights Under Law, Suite 520, 733 Fifteenth Street, N.W., Washington, D.C. 20005.

Wednesday, March 19, Room 2237, Mrs. Ruth C. Clusen, President, The League of Women Voters of the U.S., 1730 M Street, N.W., Washington, D.C. 20036. The Most Reverend P. F. Flores, 1114 Willow Street, San Antonio, Texas. Vilma S. Martinez, General Counsel, Mexican American Legal Defense and Education Fund, 145 9th Street, San Francisco, California 94103.

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RESOLUTION CHART

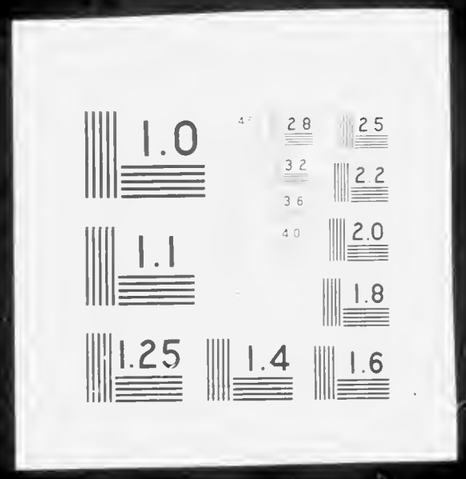

100 MILLIMETERS

INSTRUCTIONS Resolution is expressed in terms of the lines per millimeter recorded by a particular film under specified conditions. Numerals in chart indicate the number of lines per millimeter in adjacent "T-shaped" groupings.

In microfilming, it is necessary to determine the reduction ratio and multiply the number of lines in the chart by this value to find the number of lines recorded by the film. As an aid in determining the reduction ratio, the line above is 100 millimeters in length. Measuring this line in the film image and dividing the length into 100 gives the reduction ratio. Example: the line is 20 mm. long in the film image, and 100 20 = 5.

Examine "T-shaped" line groupings in the film with microscope, and note the number adjacent to finest lines recorded sharply and distinctly. Multiply this number by the reduction factor to obtain resolving power in lines per millimeter. Example: 7.9 group of lines is clearly recorded while lines in the 10.0 group are not distinctly separated. Reduction ratio is 5, and 7.9 x 5 = 39.5 lines per millimeter recorded satisfactorily. 10.0 x 5 = 50 lines per millimeter which are not recorded satisfactorily. Under the particular conditions, maximum resolution is between 39.5 and 50 lines per millimeter.

Resolution, as measured on the film, is a test of the entire photographic system, including lens, exposure, processing, and other factors. These rarely utilize maximum resolution of the film. Vibrations during exposure, lack of critical focus, and exposures yielding very dense negatives are to be avoided.

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PROCEEDINGS AND DEBATES OF THE 94th CONGRESS
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Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

SENATE—*Saturday, February 22, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord in whom we live and move and have our being, help us to live this day and all days under the perspective of eternity. May we ever remember that Thou art both Creator and Judge and our accountability is to Thee. Keep our lives from being cluttered with things which do not matter and our time from being squandered on trivia. May no weariness of body or mind move us to compromise with the highest and best in life. May the world of justice, brotherhood, and peace for which we strive begin with us.

We pray in His name who walked the hard road before us. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 22, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 93–642, appoints the Senator from Missouri (Mr. SYMINGTON) to the Harry S. Truman Memorial Scholarship Foundation Board of Trustees.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, February 21, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I have no need for any time.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 281

Mr. HELMS. Mr. President, I ask unanimous consent that a member of my staff, Dr. James Lucier, be accorded the privilege of the floor during the discussion of this matter.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that John I. Brooks of my staff be granted the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief morning hour, for the conduct of morning business, with a time limitation attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Is there morning business?

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION BY THE PRESIDENT

A communication from the President of the United States transmitting a draft of proposed legislation to extend the appropriation authorization for the Arms Control and Disarmament Agency (with accompanying papers); to the Committee on Foreign Relations.

PROPOSED LEGISLATION BY THE PRESIDENT

A communication from the President of the United States transmitting a draft of proposed legislation to authorize appropriations on a Government-wide basis for the period July 1, 1976 through September 30, 1976 (with accompanying papers); to all standing committees.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to amend subsection 203(h) of the Agricultural Marketing Act of 1946 (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to authorize certain payments to States from National Forest receipts during the period July 1, 1976, through September 30, 1976, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT OF THE FEDERAL CROP INSURANCE CORPORATION

A letter from the Acting Secretary of Agriculture transmitting, pursuant to law, the report of the Federal Crop Insurance Corporation for the 1974 crop year (with an accompanying report); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION OF THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to provide specific authority to grant Certified Public Accountants access to confidential records for purposes of making audits of the operations of Federal milk market orders (with accompanying papers); to the Committee on Agriculture and Forestry.

APPROVAL OF LOANS BY THE RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of a commitment to guarantee a non-REA loan to Cooperative Power Association of Minneapolis, Minn.; to the Committee on Appropriations.

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A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of an REA insured loan to Southern Illinois Power Cooperation of Marion, Ill. (with accompanying papers); to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of a commitment to guarantee a non-REA loan to the Oglethorpe Electric Membership Corporation of Atlanta, Ga. (with accompanying papers); to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of a commitment to guarantee a non-REA loan to the United Power Association of Elk River, Minn.; to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of an REA insured loan to Arizona Electric Power Cooperative, Inc., of Benson, Ariz. (with accompanying papers); to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of an REA insured loan to Wolverine Electric Cooperative, Inc., of Big Rapids, Mich. (with accompanying papers); to the Committee on Appropriations.

SUPPLEMENTAL APPROPRIATION FOR THE INDIAN HEALTH SERVICES

A letter from the Deputy Director of the Office of Management and Budget reporting, pursuant to law, on the necessity for a supplemental estimate of appropriation for Indian Health Services to the Department of Health, Education, and Welfare; to the Committee on Appropriations.

REPORT OF THE NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, the annual report of the National Railroad Passenger Corporation for the year 1974 (with an accompanying report); to the Committee on Commerce.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Acting Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

REPORTS FROM THE PRESIDENT'S ADVISORY COUNCIL ON MANAGEMENT IMPROVEMENT

A letter from the Deputy Director of the Office of Management and Budget transmitting, pursuant to law, reports with respect to the recommendations contained in the reports entitled "Managing the New Federalism" and "The Control of Health Care Costs" from the President's Advisory Council on Management Improvement (with accompanying reports); to the Committee on Government Operations.

REPORT OF THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting, pursuant to law, the annual report prepared pursuant to the Mineral Leasing Act of 1920, as amended (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT OF THE COMMISSION ON CIVIL RIGHTS

A letter from the members of the Commission on Civil Rights transmitting, pursuant to law, a report evaluating the civil rights activities of the Office of Revenue Sharing of the Department of the Treasury (with an accompanying report); to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE ADMINISTRATIVE OFFICE OF THE U.S. COURTS

A letter from the Director of the Administrative Office of the U.S. Courts transmitting a draft of proposed legislation to enlarge the trial jurisdiction of U.S. magistrates in misdemeanor cases and to make technical and administrative amendments in the Federal Magistrates Act; to the Committee on the Judiciary.

FINAL REGULATIONS GOVERNING PARTS A AND C THROUGH G OF THE EDUCATION OF THE HANDICAPPED ACT

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulations governing parts A and C through G of the Education of the Handicapped Act (P.L. 91-230, Title VI) (with accompanying papers); to the Committee on Labor and Public Welfare.

AMENDMENTS—GUARANTEED STUDENT LOAN PROGRAM

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, a document entitled "Guaranteed Student Loan Program—Amendment to 45 CFR Part 177" (with an accompanying document); to the Committee on Labor and Public Welfare.

PROPOSED DEVELOPMENTALLY DISABLED ASSISTANCE ACT OF 1975

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to revise and extend the program authorized by the Developmental Disabilities Services and Construction Act (with accompanying papers); to the Committee on Labor and Public Welfare.

NOTICE OF PROPOSED RULEMAKING FOR THE FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, notice of proposed rulemaking for the Family Educational Right and Privacy Act of 1974 (with accompanying papers); to the Committee on Labor and Public Welfare.

SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS PROGRAM, COLLEGE WORK-STUDY PROGRAM, AND NATIONAL DIRECT STUDENT LOAN PROGRAM—NOTICE OF PROPOSED RULEMAKING

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, notice of proposed rulemaking in supplemental educational opportunity grants program, college work-study program, and national direct student loan program (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON EDUCATION PROFESSIONS DEVELOPMENT

A letter from the Chairman, National Advisory Council on Education Professions Development, transmitting, pursuant to law, the annual report of the National Advisory Council on Education Professions Development for the year 1974 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY

A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting, pursuant to law, the annual report for the calendar year 1974 on 14 scientific or professional positions authorized for establishment in the U.S. Arms Control and Disarmament Agency (with an accompanying report); to the Committee on Post Office and Civil Service.

PROPOSED LEGISLATION TO REVISE THE PROCEDURE FOR APPOINTING THE CHAIRMAN OF THE NATIONAL HIGHWAY SAFETY ADVISORY COMMITTEE

A letter from the Acting Secretary of Transportation, submitting a draft of proposed legislation to amend section 404 of title 23, United States Code, to revise the procedure for appointing the Chairman of the National Highway Safety Advisory Committee (with accompanying papers); to the Committee on Public Works.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUMPHREY:

S. 793. A bill to provide for the formulation of a national rural transportation policy to include recommendations for improving farm to market roads, railroad beds, and the availability of operational rail lines serving rural areas; and for other purposes. Referred, by unanimous consent, jointly to the Committees on Commerce, Finance, and Public Works.

By Mr. PROXMIRE:

S. 794. A bill for the relief of Sister Lutgarda Luz Mestas-Nunez. Referred to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 795. A bill to suspend all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman. Referred to the Committee on Foreign Relations.

By Mr. KENNEDY (for himself and Mr. MATHIAS):

S. 796. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 797. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 798. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judicary.

S. 799. A bill to amend chapter 5 of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 800. A bill to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY:

S. 793. A bill to provide for the formulation of a national rural transportation policy to include recommendations for improving farm to market roads, railroad beds, and the availability of operational rail lines serving rural area; and for other purposes. Referred, by unanimous consent, jointly to the Committees on Commerce, Finance, and Public Works.

THE CRISIS IN RURAL TRANSPORTATION

Mr. HUMPHREY. Mr. President, today I am introducing the National Rural Transportation Act, a bill designed to begin an enormous task before us of developing a national rural transportation policy.

Our Nation is faced with many important transportation decisions. What happens in the next few years will set the stage for coming decades and generations. We must look carefully at some of the unanswered questions related to the continuing problem of moving people and goods from place to place in rural America.

It is time that the administration and the Congress recognize that rural America faces a transportation crisis. An excellent report on this problem, released on February 10, 1975, by the Senate Committee on Agriculture and Forestry, defines the scope of this crisis.

However, I find profoundly disturbing a conclusion of this report that the Federal Government is pursuing a series of decisions concerning transportation policy without enough facts to know how this is going to affect the growth and development of rural America.

The Economic Research Service of the U.S. Department of Agriculture, and the National Area Development Institute in Lexington, Ky., have done an outstanding job of pinpointing the transportation problems that rural America faces, and outlining what it is we need to know before we plunge headlong into a course of action which may be detrimental and irreversible.

Notwithstanding its obvious effects on agriculture, transportation affects 9 out of 10 nonmetropolitan families who do not depend on farming as their chief source of livelihood. I find it incredible that we know so little about the relationship between transportation and rural development. In spite of this, we are pursuing policies which, once set in motion, may be difficult to change.

Let us look at two modes of transportation most prevalent in rural America today—the highways and the railroads. An analysis of the interrelationships between rural roads and other modes of transportation, particularly the railroads, is yet to be conducted, according to the Senate report. Yet we continue to abandon more and more rail mileage at an increasing rate. Rural roads are not capable of carrying frequent heavy loads at safe speeds. Many roads have seasonal load restrictions or weight and size limitation for trucks on many bridges.

It may be argued by some that abandonment itself does not appear to have greatly affected the capacity of railroads to serve agriculture in the aggregate. However, uncertainty about future abandonments may be of more concern than proven adverse impacts from previous abandonments. Abandonment has already seriously affected some communities. And the energy crisis has made further railroad abandonment all the more questionable.

Mass abandonment of all rail line segments currently deemed unprofitable would cause serious economic hardship to many areas. It would severely restrict the resumption of service in the future, should the need arise.

If rural development is to proceed in an orderly and efficient manner, adequate transportation facilities and an efficient and stable transportation industry must either exist or be developed. The National Rural Transportation Act I introduce today addresses this problem in four ways: First, it provides funds from the Highway Trust Fund to improve rural roads; Second, it establishes a National Rural Transportation Planning Commission to conduct a comprehensive analysis of present and future transportation needs in rural areas throughout the United States; Third, it declares a moratorium on rail abandonments for 2 years while the commission conducts its analysis; and Fourth, it creates a Rail Rehabilitation Trust Fund to provide funds for the rehabilitation and modernization of railroad facilities and equipment.

The imperative needs of this legislation are quite clear. Title II, the first substantive portion of this bill, reaffirms that it is in the highest national interest to establish a national transportation policy which takes into account the interdependence of the cities and the countryside, and allocates funds to facilitate the transportation of natural resources, including agricultural commodities from the farm—or other place of origin—to the market.

In general, new road construction under current policies is expected to connect urban areas rather than serve rural communities. However, there is a critical need for reconstruction to improve the adequacy of rural roads. In some regions of our Nation, nine-tenths of the principal roads, other than Interstates, and 86 percent of minor roads have been rated deficient in their ability to carry frequent heavy loads at normal speeds. The necessary speed reduction for safety on these roads could limit the flow of goods, thus raising costs to all concerned. As late as 1970, over half the rural collector roads remained unpaved or only slightly improved.

The number of deficient bridges on rural roads poses another serious restriction on the continuing flow of traffic along farm to market routes. The Department of Transportation reported in 1971 that 16 percent of the 563,500 bridges in the United States were critically deficient either structurally or functionally.

Title III establishes a National Rural Transportation Planning Commission to study the present and future transportation needs in rural areas throughout the Nation, taking into account the increased demand for transportation resulting from expanded production of agricultural and forest products and the national goal of promoting the growth and development of rural America. We must follow through on the recommendations of the Senate report and develop a balanced, integrated transportation system which is more responsive to the needs of agricultural, rural areas, and places of origin of minerals and other natural resources.

More study is also needed on the various ways to maintain an effective integrated rail system particularly as it relates to rural America. The commission would look into the relative economics of public rail line ownership, or as an alternative, improvements in the local and connector highway systems if railroads are abandoned. It would be useful to examine costs and benefits of converting our system of rail transportation to one similar to that of air transportation; that is, public ownership of facilities combined with private company ownership of stock. Rail freight companies would have operating rights between specific points, allowing competitive service where feasible yet using facilities and railbeds maintained by the Government.

We need to look at the relationship between transportation and rural development and how transportation interacts with labor, resources, and markets in influencing the location of industry and rural economic development. The inadequacies and problems throughout the transportation system should be analyzed to work toward a transportation network that matches projected demands and involves all modes.

Economic models need to be developed to provide a continuing analysis of these forces. The models would incorporate information on factors affecting demand for transportation by agriculture and rural areas as well as other sectors of the economy; alternative shipping patterns; response capabilities of trucks, railroads, and barges; and costs of alternative modes. More importantly, the models would aid in identifying control mechanisms and in forecasting long-term demands to aid in investment and regulatory decisionmaking by local, State, and Federal governments and the transportation industry.

Title IV declares a 2-year moratorium on rail abandonments while the National Rural Transportation Planning Commission conducts its analysis of the role of various modes of transportation in rural development and in bringing the Nation's raw materials and agricultural commodities to market.

I find it incredible that the Federal Government seems to be pursuing a policy of rail abandonments without adequate information on the effects this will have on our domestic and international marketing patterns or our rural environment. This issue has become more critical in recent years because rail abandonments have occurred at an increasing rate. Abandonment applications in the years 1971, 1972, and 1973 alone involved 17 percent of the total mileage abandoned since the Transportation Act of 1920 was enacted.

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Many abandonment cases emphasize the effects of abandonment on railroads and affected shippers, rather than the aggregate impact on the communities.

The adequacy of rural roads and alternative modes of transportation must also be taken into consideration when railroad abandonment proposals are reviewed. What happens in the next few years will help set the stage for coming decades. In rural areas, factors such as changing population patterns, social trends, employment, and income will be significantly affected by these policy decisions.

I firmly believe that we must have the full facts before us when making these decisions which may prove to be irreversible. Therefore, I find it imperative that we declare a 2-year moratorium on rail abandonments while we examine the possible consequences of our actions in light of their effects on the total rural environment and the markets it serves.

Title V establishes a rural rail rehabilitation trust fund by placing a 1-percent tax on all forms of shipping—rail, truck, air, and water—and appropriating $500 million out of any money in the Treasury not otherwise appropriated, for the purpose of rehabilitating and modernizing rail lines not used exclusively for passenger transportation.

Our railroads are in dire need of rehabilitation and modernization. This title is intended to function like the Highway Trust Fund in providing moneys necessary to make our railroads a viable means of transporting this Nation's goods to market.

Mr. President, the importance of a balanced national transportation system cannot be overstated. Agricultural producers and rural industries question whether they will receive adequate and reasonably priced transportation services in the coming years. They see inadequate transportation as a possible continuing constraint on production and marketing. Increases in agricultural exports recently made us more aware of problems that arise when the demand for transportation services exceeds transportation system capacity.

The Nationla Rural Transportation Act I introduce today is designed to address these very questions.

Mr. President, I ask unanimous consent that the text of the National Rural Transportation Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 101. This Act may be cited as the "National Rural Transportation Act of 1975."

POLICY AND PURPOSE

SEC. 102. It is the policy of the U.S. Congress that—

(a) a national rural transportation policy be established taking into account the interdependence of the cities and the countryside and the national goal of promoting the growth and development of rural America;

(b) a full and complete investigation and study of farm-to-market roads, railroad beds, and availability of operational rail lines serving rural areas in the United States for the purpose of determining the condition and adequacy of such roads and rail lines to carry the volume and weight of agricultural and other commodities from rural areas necessary for the Nation's economy must be made;

(c) all relevant factors be considered in the development of this national rural transportation policy, including the need for coordinated development and improvement of all modes of transportation, and recommendations as to the priority which should be assigned to the development and improvement of each such mode;

(d) a two-year moratorium be declared on rail abandonments while a national rural transportation policy is developed; and

(e) a Rail Rehabilitation Trust Fund be established to provide moneys for the rehabilitation and modernization of railroad facilities and equipment.

TITLE II—AID TO RURAL ROADS

SEC. 201. This title may be cited as the "1974 Amendments Act to the Federal-Aid Highway Act of 1973, and Title 23, United States Code".

DECLARING INTENT TO ESTABLISH A NATIONAL TRANSPORTATION POLICY

SEC. 202. Section 101(b) of title 23, United States Code, is amended by adding at the end of the third paragraph a new paragraph reading:

"It is further declared that the Congress finds it to be in the highest national interest that there should be established a national transportation policy which takes fully into account the interdependence of the cities and the countryside, the metropolitan areas and the nonmetropolitan areas, and the interrelationships of the various transportation modes, and which encourages the development of and the most efficient multimodal use of the best available technology and transportation resources in such a way as to fill the needs of the whole Nation. It is further the intent of the Congress that this Act shall be administered as an integral part of said national transportation policy.".

SEC. 203. (a) Section 101(a) of title 23, United States Code, is amended by deleting the sentence reading: "The term 'rural areas' means all areas of a State not included in urban areas." and inserting in lieu thereof the following: "The term 'countryside areas' means all areas of the State not included in urban areas.".

(b) Section 103 of title 23, United States Code, is amended to conform with the amendment of section 101(a) provided in (a) of this section by deleting the word "rural" where it appears and inserting in lieu thereof the word "countryside".

INCREASED AUTHORIZATION FOR PRIMARY AND SECONDARY HIGHWAY SYSTEMS

SEC. 204. Section 104 (a)(1) of title 1 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $1,000,000,000 for the fiscal year ending June 30, 1976, and $1,400,000,000 for the fiscal year ending June 30, 1977. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, $500,000,000 for the fiscal year ending June 30, 1976, and $500,000,000 for the fiscal year ending June 30, 1977.".

BRIDGE REPLACEMENT AND RECONSTRUCTION

SEC. 205. In order to increase the public safety and to facilitate the transportation of natural resources, including agricultural commodities from farm to market and mining products, section 204(a) of the Federal-Aid Highway Act of 1973 are amended to read as follows:

"SEC. 204. (a) Subsection (e) of section 144 of title 23, United States Code, is amended by striking out "1972; and" and inserting in lieu thereof "1972,"; by inserting immediately after "1973." the following "$150,000,000 for the fiscal year ending June 30, 1976, and $150,000,000 for the fiscal year ending June 30, 1977.".

SEC. 206. Chapter I of title 23, United States Code, is amended at the end thereof by adding a new section as follows:

"§ 154. Emergency bridge replacement program

"(a) Congress hereby finds and declares it to be in the vital interest of the Nation that an emergency bridge replacement program for non-Federal countryside roads and highways be established to enable the several States to replace bridges over waterways and other topographical barriers when the counties, States, and Secretary find that the bridge is significantly important and is unsafe or inadequate, to serve area needs particularly that of transporting natural resources including agricultural and mining products because of structural deficiencies, physical deterioration, or functional obsolesence.

"(b) The counties, in consultation with and with the assistance of the State in which they are located, shall (1) inventory all bridges located on any non-Federal aid system public road over waterways and other topographical barriers of the United States; (2) classify them according to their serviceability, safety, essentiality for public use; and (3) based on that classification assign each a priority for replacement.

"(c) This program shall be administered within each county of each State by the appropriate official, officials, or agency with responsibility for administering non-Federal aid highway and road programs in that county and shall be coordinated at the State level by the State agency responsible for administering State highway programs.

"(d) The priority classifications of the bridges to be replaced shall be made by the appropriate official, officials, or agency of the county as provided in subsection (c) of this section, in consultation with the regional economic development district, where applicable, in which the county is located and the State agency responsible for the highway transportation planning to insure that the replacement decisions are not in violation of existing regional and State transportations plans.

"(e) Funding for this program shall be provided by the appropriation out of the Highway Trust Fund of a percentage of the fund's annual income available by law for distribution to the States at least equal to the percentage of miles traveled on rural non-Federal aid system roads as it relates to the miles traveled on both Federal aid and non-Federal aid system public roads. Such funds shall be available for obligation on January 1 preceding the beginning of the fiscal year for which they are authorized and shall remain available until expended. Any income accruing upon unexpended balances in the county's account shall be paid in to that account, except that the State may retain a sum equal to the income produced by 25 per centum of the rate of interest or other appreciation upon which the income is paid to defray the cost of administering the accounts.

"(f) Such funds shall be apportioned to the various States in the following manner: 20 per centum in the ratio which the area of each State bears to the total area of all States; 30 per centum in the ratio which the dollar volume of agricultural (including timber) and mining produce of each State bears to the total of all the States; 20 per centum in the ratio which the rural population of each State bears to the total rural population of all the States; and, 30 per centum in the ratio which the non-Federal aid rural system public road mileage of each State bears to the total non-Federal aid rural system public road mileage of all States.

"(g) Each State shall apportion to the various counties within each State the funds allocated to each State in the following manner: 20 per centum in the ratio which the area of each county bears to the total area of all the counties; 30 per centum in the ratio which the dollar volume of agricultural (including timber) and mining produce of each county bears to the total of all the counties; 20 per centum in the ratio which the rural population of each county bears to the total rural population of all the counties; and 30 per centum in the ratio which the non-Federal rural aid system public road mileage in each county bears to the total non-Federal rural aid system public road mileage of all the counties.

"(h) The State department or agency responsible for administering State highway programs shall receive and apportion all moneys allocated by the Federal Government under this program and shall establish income-producing accounts for each of the participating counties within the State. Funds from such accounts shall be disbursed by the State for purposes specified under this section on the direction of the county for which the account has been established.

"(i) Engineering, contracting, inspection, and all other services incidental to the purpose of this section unless otherwise specified shall be provided by the official, officials, or agency responsible for providing such services for non-Federal aid system highways and road programs in each county: *Provided*, That the State agency responsible for administering highway programs shall be consulted on these decisions. If the State agency provides these services and compensation is not otherwise provided, the county may pay to the State agency a fee not to exceed the actual cost of the project which might be properly attributed to those activities for which the service is provided.

"(j) Funds authorized by this section shall be available solely for expenditure for projects authorized under this section.

"(k) Notwithstanding any other provisions of law the General Bridge Act of 1946 (33 U.S.C. 525, 533) shall apply to bridges authorized to be reconstructed and bridges to be constructed to replace unsafe bridges under this section.

"(l) The Secretary shall report to the Congress annually on projects approved under this section with any recommendations he may have developed in consultation with the various States for further improvements in the emergency bridge replacement program authorized in accordance with this section.".

PROJECTS FOR HIGH-HAZARD LOCATIONS

SEC. 207. Sections (b) and (c) of section 152 of title 23, United States Code, as amended by section 209(a) of the Federal-Aid Highway Act of 1973 are further amended to read as follows:

"(b) For projects to eliminate or reduce the hazards at specific locations or sections of highways which have high accident experiences or high accident potentials, by the Federal Highway Administration, there is hereby authorized to be appropriated, out of the Highway Trust Fund, for each of the fiscal years ending June 30, 1976, and June 30, 1977, the sum of $150,000,000. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(c) Funds authorized by this section shall be available for expenditure for projects on any of the Federal-aid systems (other than the Interstate System) except in the Virgin Islands, Guam, and American Samoa; and not more than 15 per centum of the funds authorized may be approved for expenditure on projects off of the Federal-aid systems whenever the Secretary shall find that such a project is necessary for the public safety, or to provide for the movement of agricultural products from farm to markets."

TITLE III—NATIONAL RURAL TRANSPORTATION PLANNING COMMISSION

SEC. 301. (a) ESTABLISHMENT.—There is hereby established an independent commission to be known as the National Rural Transportation Planning Commission (hereinafter in this section referred to as the "Commission"). The Commission shall consist of eight members who shall be appointed by the President on the following basis:

(1) one, the Chairman, to be selected from a list of not less than three qualified individuals recommended by the Chairman of the Committee on Interstate and Foreign Commerce of the House of Representatives and the Chairman of the Committee on Commerce of the Senate;

(2) one, to be selected from a list of not less than three qualified individuals recommended by the Association of American Railroads or its successor, who shall be representative of railway managment;

(3) one, to be selected from a list of not less than three qualified individuals recommended by the parent body of the American Federation of Labor and Congress of Industrial Organizations or its successor, who shall be representative of railway labor;

(4) one, to be selected from a list of not less than three qualified individuals recommended by the Highway Users Federation for Safety and Mobility and the American Association of State Transportation Officials, or their successors, who shall be representative of highway planners and users;

(5) one, to be selected from a list of not less than three qualified individuals recommended by the parent body of the American Federation of Labor and the Congress of Industrial Organizations or its successor, who shall be representative of highway construction labor;

(6) one, to be selected from lists of qualified individuals recommended by organizations representative of significant rural rail shipping interests, including small shippers, consumer organizations, environmental organizations, and community organizations;

(7) one, to be selected from lists of qualified individuals recommended by organizations representative of significant rural highway shipping interests, including small shippers, consumer organizations, environmental organizations, and community organizations; and

(8) one, to be selected from a list of not less than three individuals recommended by the Governors of the States and local community officials, who shall be representative of State and local interests.

(b) DUTIES.—The Commission shall—

(1) conduct a comprehensive analysis of present and future rail and highway transportation needs in rural areas throughout the United States, taking into account increased demand for transportation resulting from expanded production of agricultural and forest products and the national goal of promoting the growth and development of rural America, and in carrying out such analysis, shall consider factors such as—

(A) the nature and volume of traffic now being moved and likely to be moved in the future in rural America by all the various modes of transportation;

(B) existing and projected rural transportation capabilities to handle auch traffic, including all modes of transportation;

(C) the extent to which alternative modes of transportation are available to move traffic that is now carried by rail lines identified pursuant to paragraph (2) of this subsection; and

(D) the relative economic, social, and environmental costs including energy utilization involved in the substitution of alternative modes of transportation to move traffic that is now carried by rail lines identified pursuant to paragraph (2) of this subsection and in increasing reliance upon alternative modes of transportation to meet projected rural transportation needs;

(2) prepare an information survey and an economic and operational study of all rural freight rail lines or portions thereof identified by the Governors of the several States as currently threatened or likely to be threatened by abandonment, taking into account—

(A) current and projected demand for rail service along such lines including demand which may not be reflected in current traffic density because of a shortage of rail cars or the poor condition of track and roadbed;

(B) traffic density over identified lines, plant equipment and facilities, and pertinent costs and revenues of such lines;

(C) the extent to which alternative modes of transportation could move traffic that is carried by identified lines;

(D) the relative economic social and environmental costs involved in the use of alternative modes of transportation including energy utilization; and

(E) the economic impact, competitive and otherwise upon local shippers, railroad companies, and rural communities involved in the abandonment of identified lines; and

(3) analyze and make recommendations regarding methods to continue to improve rail freight service to rural communities particularly in cases where such service may otherwise be discontinued and where there is a valid need for such service in order to maintain economic growth and development of affected communities or to prevent adverse economic, social, or environmental impacts resulting from the substitution of alternative modes of transportation, and such analysis shall include but not be limited to methods such as—

(A) the provision of low interest loans or loan guarantees to enable local nonprofit organization composed of shippers and residents and agencies of State and local governments to continue rail service on abandoned lines or lines to be abandoned;

(B) the provision of low interest loans, loan guarantees, grants, or other methods as may be appropriate to improve the availability of railroad rolling stock;

(C) operating assistance to enable rail companies or nonprofit private or public organizations to maintain service along rail lines threatened with abandonment;

(D) assistance for the rehabilitation of track and roadbed, or the acquisition or modernization of facilities and equipment required to continue and improve service; and

in analyzing such methods the Commission shall consider the relative economic, social, and environmental costs and benefits thereof and utilize such findings in making recommendations concerning the methods which would best assist in satisfying the public need for an efficient and fully adequate rural freight transportation system.

(4) develop an economic model to provide the basis for identifying control mechanisms and forecasting long-term demands on the rural transportation system to aid in in-

vestment and regulatory decision-making by local, State and Federal governments and the transportation industry taking into consideration how transportation interacts with labor, resources, and markets in influencing the location of industry and rural economic development.

(c) COMPENSATION.—Each member of the Commission shall be compensated at the daily equivalent of the annual rate of basic pay of level III of the Executive Schedule for each day he is engaged on the work of the Commission, and shall be entitled to travel expenses, including a per diem allowance in accordance with section 5703(b) of title 5, United States Code.

(d) RULES.—The Commissioner shall adopt rules of procedure to govern its proceedings. Vacancies on the Commission shall not affect the authority of the remaining members to continue with the Commission's activities, and shall be filled in the same manner as the original appointments.

(e) HEARINGS.—The Commission, or any members thereof as authorized by the Commission, may conduct hearings anywhere in the United States or otherwise secure data and expressions of opinion pertinent to its study. In connection therewith the Commission is authorized to pay witnesses travel, lodging, and subsistence expenses.

(f) OTHER DEPARTMENTS AND AGENCIES.—The Commission may acquire directly from the head of any Federal executive department or agency, or from the Congress, available information which the Commission deems useful in the discharge of its duties. All Federal executive departments and agencies and the Congress shall cooperate with the Commission and furnish all information requested by the Commission to the extent permitted by law and the Constitution of the United States.

(g) CONTRACT AUTHORITY.—The Commission may enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(h) DELEGATION AUTHORITY.—The Commission may delegate any of its functions to individual members of the Commission or to designated individuals on its staff and make such rules and regulations as are necessary for the conduct of its business, except as otherwise provided in this section.

(i) STAFF.—The Commission may, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service but otherwise in accordance with General Schedule pay rates, appoint and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission.

(j) EXPERTS AND CONSULTANTS.—The Commission may obtain services in accordance with section 3109 of title 5 of the United States Code, but at rates not to exceed $250 a day for qualified experts.

(k) ADMINISTRATIVE ASSISTANCE.—Financial and administrative services (including those related to budgeting and accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, on a reimbursable basis, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services. The regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments apply to the collection of erroneous payments to or on behalf of a Commission employee, and regulations of that Administration for the administrative control of funds apply to appropriations of the Commission.

(l) REPORTS.—The Commission shall submit to the Congress within sixty days from the date the members take office pursuant to subsection (a) a summary report of its plans for carrying out its duties, within two hundred and seventy days from such date a preliminary report of its findings and recommendations, and within three hundred and sixty days from such date a final report of its findings and recommendations.

(m) CONSULTATION.—In carrying out the provisions of this section, the Commission shall consult and cooperate with appropriate State and local agencies, shippers, railroads, organizations representing railroad workers, and other appropriate organizations and groups. The Commission shall also cooperate in the exchange of information regarding its plans, findings, and recommendations with the Rail Emergency Planning Office, established under section 4(a) of this Act.

(n) AUTHORIZATION.—There is authorized to be appropriated for the purposes of this section not to exceed $2,000,000.

(o) TERMINATION.—The Commission shall cease to exist at the end of thirty days following the submission of its final report pursuant to subsection (l).

TITLE IV—REPORT AND PARTIAL MORATORIUM ON ABANDONMENTS

SEC. 401. Section 304 of the Regional Rail Reorganization Act of 1973 is amended by inserting at the end thereof the following:

"(f) REPORT ON ABANDONMENTS AND PARTIAL MORATORIUM.—The Commission shall submit to the Congress within ninety days after the date of enactment of the National Rural Transportation Act of 1975 a comprehensive report on the anticipated effect, including the environmental impact, of abandonments in States outside the region. No carrier subject to part I of the Interstate Commerce Act shall abandon, during a period of seven hundred and thirty days after the date of enactment of such Act, all or any portion of a line of railroad (or operation thereof) outside the region, the abandonment of which is opposed by any State, county, or municipality served by that line.".

EXPANSION OF RAIL SERVICE CONTINUATION SUBSIDY AND LOAN AUTHORIZATIONS

SEC. 402. (a) Subsection (a) of section 402 of the Regional Rail Reorganization Act of 1973 is amended by inserting after the first sentence the following: "The operation of rail properties with respect to which the Commission has issued a certificate of abandonment within five years prior to the date of enactment of this Act and which remain in condition for rail service shall, subject to the other provisions of this section, be eligible for such subsidies.".

(b) Such section 402 is further amended by striking out "in the region" wherever appearing therein.

(c) Subsection (i) of such section 402 is amended by striking out "$90,000,000" and inserting in lieu thereof "$200,000,000".

TITLE V—RAIL REHABILITATION TRUST FUND

SEC. 501. (a) (1) There is hereby established in the Treasury of the United States a trust fund to be known as the Rail Rehabilitation Trust Fund (hereinafter in this section called the "Trust Fund"). The Trust Fund shall consist of such amounts as may be appropriated or credited to the Trust Fund as provided by this section.

(2) The Trust Fund shall be administered by the Secretary of the Department of Transportation through the Administrator and the Federal Railroad Administration. The Secretary, through the Administrator, is authorized to make grants for the rehabilitation of rail lines in accordance with the Federal Railroad Safety Act of 1970, except that no part of such amounts shall be used for the rehabilitation of rail lines used exclusively for passenger transportation.

(b) There are hereby appropriated to the Trust Fund, out of any money in the Treasury not otherwise appropriated, amounts equivalent to the taxes received, in the Treasury under the provisions of part IV of subchapter C of chapter 33 of the Internal Revenue Code of 1954. The amounts appropriated by the preceding sentence shall be transferred at least monthly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts received in the Treasury pursuant to such part. Proper adjustment (including adjustment to reflect any refunds which may have been paid with respect to the taxes pursuant to such part) shall be made in the amounts subsequently transferred to the extent that prior estimates were in excess of or less than the amounts required to be transferred.

(c) There are hereby authorized to be appropriated to the Trust Fund, out of any money, in the Treasury not otherwise appropriated, for each fiscal year beginning after June 30, 1975, such additional sums as may be required to provide, on the basis of estimates by the Secretary of the Treasury, $500,000,000 for the purposes of subsection (a)(2) of this section.

(d) It shall be the duty of the Secretary of the Treasury to hold the Trust Fund, and (after consultation with the Secretary of Transportation) to report to Congress not later than the 1st day of March of each year beginning after July 1, 1975, on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the current and next ensuing fiscal years. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(e) (1) It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (A) on original issue at the issue price, or (B) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Trust Fund. Such special obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average yield, during the month preceding the date of issuance, on marketable interest-bearing obligations of the United States of comparable maturities then forming a part of the public debt rounded to the nearest one-eighth of 1 per centum. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest. Amounts appropriated to the Trust Fund and treated as repayable advances pursuant to subsection (d) shall not be invested.

(2) Any obligation acquired by the Trust Fund (except special obligations issued exclusively to the Trust Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(3) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form part of the Trust Fund.

(f) No part of any amount in the Trust Fund shall be used for the payment of any administrative expense incurred by the Secretary or by any other officer or entity within the Federal Government.

SEC. 502. (a) Subchapter C of chapter 33 of the Internal Revenue Code of 1954 (relating to transportation by air) is amended by adding at the end thereof the following new part:

"PART IV—TRANSPORTATION OF PROPERTY BY RAIL, MOTOR VEHICLE, OR WATER

"Sec. 4285. Imposition of tax.

"SEC. 4285. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is imposed upon the amount paid for the transportation of property within the United States by rail, motor vehicle, or water, a tax equal to one percent of such amount. In the case of property transported—

"(1) from a point outside the United States to a point within the United States, or

"(2) from a point within the United States to a point outside the United States,

the tax imposed applies to the amount which bears the same proportion to the total amount paid for transportation as the number of miles travelled within the United States bears to the total number of miles travelled during transportation of such property.

"(b) APPLICATION OF TAX—The tax imposed by subsection (a) applies to amounts paid to a carrier engaged in the transportation of property for hire, including amounts paid to a freight forwarder, express company, or similar person, but not including amounts paid by a freight forwarder, express company, or similar person, for transportation with respect to which a tax has been paid under this section.

"(c) PAYMENT OF TAX.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the tax imposed by subsection (a) shall be paid by the person making the payment subject to the tax.

"(2) PAYMENTS MADE OUTSIDE THE UNITED STATES.—If a payment subject to tax under subsection (a) is made outside the United States and the person making such payment does not pay such tax, such tax—

"(A) shall be paid by the person who receives the property in the United States from the last person who transports the property by taxable transportation, and

"(B) shall be collected by the last person who transports the property by taxable transportation.

"(d) DEFINITIONS.—

"(1) UNITED STATES.—The term 'United States' means the United States (including the outer continental shelf, as defined in section 2 of the Outer Continental Shelf Lands Act) and any possession of the United States.

"(2) TAXABLE TRANSPORTATION.—The term 'taxable transportation' means any form of transportation with respect to which the tax imposed by this section is paid.".

(b) The table of parts for such subchapter C is amended to read as follows:

"SUBCHAPTER C—TRANSPORTATION

"Part I. Transportation of persons by air.
"Part II. Transportation of property by air.
"Part III. Special provisions relating to taxes on transportation by air.
"Part IV. Transportation of property by rail, motor vehicle, or water."

(c) The heading for Part I of such subchapter C is amended to read as follows:

"PART I—TRANSPORTATION OF PERSONS BY AIR".

(d) The heading for part II of such subchapter C is amended to read as follows:

"PART II—TRANSPORTATION OF PROPERTY BY AIR".

(e) The amendments made by this section apply to amounts paid for transportation which begins after 60 days after the date of enactment of this Act.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a bill introduced by the Senator from Minnesota (Mr. HUMPHREY) entitled "The National Rural Transportation Act," be jointly referred to the Committees on Commerce, Finance, and Public Works.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. KENNEDY:

S. 795. A bill to suspend all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman. Referred to the Committee on Foreign Relations.

Mr. KENNEDY. Mr. President, I am introducing today a bill providing for a 6-month suspension of all sales, credit sales, and guarantees under the Foreign Military Sales Act of 1973 to the littoral states of the Persian Gulf. I am taking this action out of deep concern over massive and apparently indiscriminate arms sales we have been making to countries of that region.

The magnitude of these sales reflects an administration decision having profound and far-reaching consequences. That decision raises extremely grave questions, both for the short and longer terms.

The Congress has not been consulted on this matter. It has never had a chance to consider the very unusual character of a rapidly changed situation in our military sales program. In introducing this bill, therefore, I am asking that we give ourselves in the Congress a chance to understand what is happening, and to play our proper constitutional role in the making of U.S. foreign policy in this area.

Mr. President, I wish to compliment the effective actions of the distinguished Senator from Wisconsin (Mr. NELSON), in writing legislation that requires the President to give advance notice to Congress of any letter of offer to sell defense articles or services of $25 million or more as well as giving the Congress the opportunity to veto individual sales.

However, it is clear that the pace and character of the massive arms flow to the Persian Gulf requires even further action, going beyond a piecemeal congressional approach to arms sales. We must be able to see the entire picture; we must know what overall policies the administration is pursuing; we must be able to help shape the character of U.S. foreign policy toward this economically vital area of the world.

Does the administration have a policy toward the future of the Persian Gulf? Can it justify the massive influx of arms and advisers to these countries? If so, then it has a responsibility to inform the Congress, and we have a responsibility to make our own judgments based on that information.

Three days ago, the Department of Defense disclosed publicly, for the first time, that the United States has arranged contracts between private firms and 34 foreign governments, for the purpose of training military personnel. These contracts total $727 million.

This disclosure reveals yet another extension of the apparently indiscriminate administration policy of selling as much military equipment, and training as many soldiers, as foreign countries will pay for. This Pentagon announcement followed press reports that Kuwait intends to import U.S. military experts to instruct its armed forces in the maintenance and use of the more than $250 million in American missiles, planes, and military transport vehicles which it purchased in December. The New York Times report from Kuwait goes on to say that—

No difficulty is expected in arranging with Washington for the experts—perhaps as many as several hundred—to come here.

Mr. President, the agreement with Kuwait points to the issue plain and simple: that military arrangements, having extremely serious political, strategic, and overall foreign policy implications are being negotiated, arranged, and implemented without even the pretense of congressional involvement. We in the Congress can turn a blind eye to a major policy decision being made by the administration on its own; or we can take a cold, hard look at our increasing military involvement with countries bordering on the Persian Gulf, and judge accordingly. I believe we would be remiss in our duty if we do not act, before it is too late.

Let me review some recent events:

President Nixon issued an Executive order on December 20, 1973, creating an interdepartmental council to encourage business to enter new foreign markets and expand exports, including arms, for balance-of-payments purposes.

For the fiscal year ending June 1974, the United States sold more than $8 billion worth of arms to foreign governments—twice the level of 1973—and $4 billion of that amount went to Iran alone.

In the first 7 months of fiscal year 1975, U.S. cash arms sales have totaled $4.6 billion, equaling the exorbitant level of last year. Again, the bulk of these sales has been to a few countries in the Persian Gulf.

The State Department announced last month that the United States has agreed to sell Saudi Arabia 60 F–5 jet fighters, in a package deal totaling more than $750 million.

The same month, Iran confirmed the closing of contracts totaling $425 million for the purchase of 30 U.S. F–14's. An order for an additional 50 of the planes is expected soon.

Under a $77 million contract awarded to the Vinnell Corp. of Los Angeles, up to 1,000 former U.S. special forces and other U.S. military veterans are being

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recruited to train the Saudi Arabian National Guard.

At a press conference in late January, President Ford was asked why the United States was contributing so much to the military buildup in the Middle East. The President said that these sales were necessary "in order to maintain the internal security of the various countries and in order to maintain equilibrium in arms capabilities."

In a Washington Post article on January 30, it was reported, senior U.S. Government officials confirmed that neither the Nixon nor Ford administration has carried out a major National Security Council study of where the Persian Gulf arms race might lead 10 years from now.

In the Foreign Assistance Act of 1974, the Congress mandated an end both to the U.S. military assistance program and to providing military assistance advisory groups, over a period of 3 years. This legislation also contained a provision—which I introduced—urging the President to negotiate at the Geneva Conference on Disarmament for a limitation on conventional arms transfers. These three measures indicate clear concern of Congress with the growing problem of the U.S. role in the international arms trade.

In a recent GAO report to the Congress, the Comptroller General reached the following conclusions:

The United States is conducting its arms sales program to Iran at considerable cost to the United States, although the law requires recovery of all costs to the maximum extent possible. As the volume of cash sales under the Foreign Military Sales Act increases, the foreign policy impact also increases. Even though the GAO found no firm contradictions with the requirement of the Foreign Military Sales Act, it questions: 1) the impact of such sales on the arms race, 2) the extent and character of the military requirement, 3) the legitimate defense needs of the purchasing countries.

Mr. President, the issues arising out of our massive arms sales are difficult and complex ones, involving overlapping and often contradictory interests. The individual problems of balance of payments, petrodollars, regional arms races, oil politics, and U.S. military strategy and planning would each perhaps dictate a different policy approach. But we must set our priorities, balance our interests, and emphasize those with the highest impact and importance over the long run.

It was little more than a decade ago, that we watched a parade of U.S. military advisers streaming to another volatile part of the world—Indochina—to assist "internal security forces" to operate the massive quantities of tanks, aircraft, and other military equipment that we were sending them. Congress did not require the administration then to give a full and frank explanation of U.S. intentions, policies, guidelines, and limits. The result is now painful and tragic history: 50,000 American lives lost; 300,000 wounded, and countless other hundreds of thousands with painful memories and broken lives. When our direct military role in Vietnam was over, many of us in this Chamber vowed that never again would we make the mistake of allowing the United States to enter lightly into seemingly "insignificant" military involvements in far-off lands.

In any event, sending large numbers of Americans to the Persian Gulf, to engage in military training, will compromise our independence from what happens there. It is only a short step from there to Americans serving as mercenaries in foreign wars.

I do not suggest that our political and strategic arrangements with Persian Gulf countries are completely analogous to those which we entered into in Southeast Asia. But I do suggest that enough of the same serious questions are present here for us to pause and purposefully reflect on the nature of our interests and the implications of our actions. I sincerely hope that the administration will explain openly and frankly the guidelines that are shaping our policy of increasing military entanglements in the Persian Gulf. For the fact of the matter is that arms sales to an area such as the Persian Gulf are not that different, in their ultimate effect on our involvement, from simply granting arms under the Foreign Assistance Act. The fact that the U.S. Government removes itself by a step or two, letting private companies sell the arms, does not change the nature of the situation. The United States will still risk one day becoming more deeply involved in countries to which we supply arms and related personnel—military or civilian—whether it is done through sales or grants.

It is sometimes argued that we must sell arms to Persian Gulf countries in order to cultivate political "credit" with them. They are sovereign nations, so the argument goes, and if they want arms they should be allowed to buy them. But I have always found it astonishing that we could go on blindly, believing that there is no other way of developing viable political relations with these countries.

Some observers also argue that arms bring leverage—that in some measure we will be able to influence the political or economic actions of countries to which we sell arms. But the record of this thesis is a dismal one. We thought this was true with India and Pakistan, and yet they went to war three times in the past decade. The Russians believed they could secure influence with various nations in the Middle East through the supply of arms, and yet they, too, have not been able to escape the consequences—in risking nuclear confrontation—of the wars caused in part by Soviet arms supply.

Others say that, if we do not sell arms to countries which want them, others will do so. Why should not the U.S. economy gain the benefit?

Yet we have never seriously tried to join with other supplier states—and with the arms consumer states, themselves—to regulate the flow of arms into the Persian Gulf. The argument about laissez faire in arms sales has no merit if we consistently fail to explore the alternative.

Clearly, we in the Congress should require that any administration statement of policy on the future of arms sales to the Persian Gulf will include a positive commitment to seek international agreement on regulating the flow of arms to the gulf. This is not an effort to impose the will of outside nations on the local states. Rather it should be an effort to work with these local states, in everyone's mutual interest of preventing conflict in that region.

Furthermore, we must seriously calculate the value of arms sales to the U.S. economy—however high the figure is, however much oil it helps us buy—if the consequences are likely to be heightened tensions and a greater likelihood that the United States could be dragged into yet another foreign conflict. This possible penny "wisdom" is surely dollar foolishness. We are not a power that must support economic recovery through entering into dubious foreign arrangements; and we must not embark on such a risky path.

How often have we seen that regional arms races take on a life of their own? Sometimes it is said that the development of political conflict leads to the introduction of weapons, and not the other way around. But history does not support this thesis. In the Persian Gulf, as elsewhere, a buildup of arms in any country will almost inevitably lead to a buildup elsewhere. And outside arms suppliers can only make the situation worse, either by their own example, or by sending military support personnel along with the weapons. Almost inevitably these personnel help stimulate demands for even more arms, and help to foster a cast of thinking that relates national prestige to the size of armies and the number of weapons. Perhaps it will prove to be too late to stop this trend in the gulf, but there is no reason for us to promote it. It is no reason not to try to call a halt.

In some regions of the world—such as Europe—a balance of arms can help to promote stability. But that is not so in the Persian Gulf. The territory is too flat, the weapons are too powerful, the distances between countries too short, the rivalries too intense and complex, and a tradition of a balance of power totally absent—for there to be any hope that a stable military balance can be created by arming all sides. Perhaps if Iran could dominate the region, there would be no problem. But it is too late for that: other nations have shown by their arms purchase policies that they will not abide by that outcome. So let us not make the matter even worse than it is, today. Rather let us take the sane and sensible course of trying to work with other countries to end this dangerous new arms race, and end it now.

There is no sense for the United States to have an arms policy toward the Persian Gulf before we have a clear, viable, and effective political policy toward that region. Perhaps we will conclude later that selling some arms is truly in our national interest. But we cannot make that conclusion until we sort out the myriad political issues affecting our relations with Persian Gulf countries.

For some time, I have argued that we must have an overall policy toward the gulf states. None has been forthcoming from the administration. Thus we should get our priorities in order and suspend both arms sales and fulfillment of past contracts—until we know what our overall objectives and policies should be.

Clearly, we seek good relations with the oil-producing states of the Persian Gulf. But just as clearly those relations must be primarily political, not military. This does not imply a particular strategy for dealing with the high price of oil coming from the gulf. This effort to take a hard look at our overall policies in the gulf should not be construed as an effort to confront the oil producers. Quite the reverse; it is an effort to prevent making both their problems and ours even worse, through risking an increase in tensions in the area, or even an armed conflict.

Should it surprise us, Mr. President, that the American people seem skeptical when they are told one week that the United States may, in some contingencies, intervene militarily in the Persian Gulf, and the next week that we are selling the same countries vast quantities of sophisticated weaponry, as well as training them how to use this equipment?

Should it surprise us that the American people seem confused when they learn on the one hand of our military sales to Persian Gulf states, and on the other of our continuing commitment to peace between Israel and its neighbors? Do we want to increase the risks that yet more arms will be diverted to the Arab-Israeli conflict?

Are we going to take seriously our commitment to curtail the conventional arms races or are we going to continue to follow a policy of indiscriminately selling as many weapons a country wants—as long as it has the cash? If we choose the latter course, then we will be lending credence to one of the worst accusations leveled at this country by our critics—that, for its very livelihood, the economy of the United States depends on a military-industrial complex that cannot be stopped, cannot be controlled.

Mr. President, in introducing this legislation, I urge the President and the Secretary of State to act in cooperation with the Congress on this issue, and to come forward and spell out what our policy is towards arms sales to, and political relations with, the countries of the Persian Gulf. This is no threat to administration prerogatives. Rather it is a commitment to a new partnership between the Congress and the administration in foreign policy.

Many Members of Congress are becoming extremely worried about the direction and shape of our military involvement in the Persian Gulf, and rightly so. So let us pause, let us have an open and forthright discussion of this issue, and together with the administration let us create a policy without so many contradictions, a policy that does not raise so many fears. If we work together now, while there may still be time, then perhaps we can forge an intelligent approach to the Persian Gulf.

Mr. President, I ask unanimous consent that the text of the bill, as well as materials relating to this issue, be printed in the RECORD.

There being no objection, the bill and materials were ordered to be printed in the RECORD, as follows:

S. 795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), and all licenses with respect to the transportation of arms, ammunition, and implements of war (including technical data relating thereto) to Iran, Saudi Arabia, Iraq, Kuwait, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman, shall be suspended on the date of enactment of this Act until a date 6 months thereafter, unless the President transmits to the Congress, and the Congress by joint resolution approves, a statement of policy regarding sales, credit sales and guarantees made to such countries under the Foreign Military Sales Act. The foregoing suspension shall include a suspension of the delivery of any defense article or defense service contracted for prior to the date of enactment of this Act and which has not been delivered before such date.

[From the New York Times, Feb. 9, 1975]

UNITED STATES COMPANY WILL TRAIN SAUDI TROOPS TO GUARD OIL

LOS ANGELES, February 8.—Several hundred former members of the United States Special Forces and other Vietnam war veterans are being recruited by a private American contractor to train Saudi Arabian troops to protect oilfields.

The training will be carried out in Saudi Arabia under a $77-million Defense Department contract awarded to the Vinnell Corporation of Los Angeles last month. It is the first such contract ever given to a private American company to train a foreign army, the company said.

Private American concerns have often had responsibility for logistics and maintenance chores of armed forces of the United States and friendly foreign governments. But showing foreign troops how to fire their weapons and fight wars has been a mission reserved for United States military advisory teams, most recently in Southeast Asia.

The troops to be trained over the next three years by a 1,000-man Vinnell Corporation contingent belong to the Saudi Arabian National Guard, the 26,000-man internal security force commanded by King Faisal's half-brother, Prince Abullah Ibn Abdul Aziz.

THREE-YEAR PROGRAM PLANNED

These troops are primarily responsible for guarding the country's rich oilfields and the petroleum export facilities. They also provide the key bodyguard units for Saudi Arabian's royal family. Their purpose is also to supplement, if necessary, the 36,000-man Saudi Arabian regular army, which is rapidly being modernized.

Beginning in July, Vinnell is to train three newly mechanized infantry battalions of 1,000 men each, as well as a light artillery battalion of about equal size, using 105-mm howitzers.

The United States Government will provide the military equipment under a $335 million contract signed with Saudi Arabia in 1974, which includes Vinnell's fee. Saudi Arabia will pay the U.S. Government, which will pay Vinnell.

"NOT A MERCENARY FORCE"

Vinnell Corporation executives and the American military men so far recruited for the job are sensitive about suggestions that they are organizing what some might consider a mercenary expedition.

"Maybe this contract has come about because the political climate of the day might be against the U.S. military sending such a big team," said Vinnell's general manager for special projects, Robert Montgomery, who returned to Los Angeles on Thursday from a visit to Saudi Arabia. "But we are not creating a mercenary force. This is a one-time thing to do a specific job."

A former United States Army officer said: "We are not mercenaries because we are not pulling the triggers. We train people to pull triggers." Another officer laughed and said: "Maybe that makes us executive mercenaries."

The Vinnell contract is part of a vast program under way in Saudi Arabia to utilize billions of dollars of oil profits to strengthen the armed forces.

Partly because the Saudis are relying on a United States Defense Department study of their military requirements, they are buying American-made Northrop F-5E jet fighter planes, Bell helicopters and Cadillac Gage armored personnel carriers.

COAST GUARD ADDED

Other American companies already operating in Saudi Arabia on military and related projects are Lockheed Aircraft and Raytheon. AVCO is helping to train and modernize the coast guard. The 163 military advisers listed at the United States Military Advisory headquarters are concerned with the regular Saudi army.

The United States Army Material Command will establish an office in Saudi Arabia to administer the contract to modernize the National Guard, and Vinnell will report to that command.

The training contract is the first won by Vinnell in the Persian Gulf, but over the last 40 years the corporation has had engineering and construction projects in 50 countries. In South Vietnam it did $200-million worth of business in 15 years. Vinnell also built the Dodger Stadium in Los Angeles and is completing the third stage of the Grand Coulee hydroelectric program.

"We are not a 'spook' outfit," said the president, John F. Hamill, at Vinnell's headquarters in Alhambra, a Los Angeles suburb. "We worked hard for this contract, sinking five years of effort in winning the confidence of the Persian countries."

Vinnell's was one of four proposals considered for the Saudi Arabian National Guard job. Long before it was awarded the contract on Jan. 8, the company began preparations, recruiting William G. Walby as training director last May, three days after he retired as commander of the Fourth Advanced Individual Training Brigade and Training Command at Fort Ord, Calif.

"Two years ago we could not have gotten skilled men, but with the big military cutbacks we have plenty wanting to join up," Mr. Hamill said.

Two modest advertisements in newspapers distributed at Fort Ord and Fort Carson, Colo., brought 10 applications from retiring American soldiers for every available job, he said.

Salaries for most of these recruits from the military will range from $1,500 to $1,800 a month on an 18-month contract, with a bonus of $22,400 at the end. In addition, all these former soldiers have military pensions of $10,000 to $14,000 a year. Housing in Saudi Arabia will be provided free, and living expenses are so low that, according to Vinnell executives, a prudent American could save most of his salary.

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Vinnell executives were reluctant to go into detail on statistics and locations, arguing that the Saudis are sensitive in these matters. Defense Department sources said the Vinnell training camp would be situated at Khashm al-An, about 15 miles east of Riyadh, the Saudi capital, and would be an extension of an existing training installation.

The camp will be completed by the end of this year, but Vinnell intends to begin training programs in July, dealing with a battalion of troops at a time.

One member of the Vinnell team is former Lieut. Col. George Gaspard of Orlando, Fla., a 47-year-old veteran of World War II and the Korean war. He also served for 10 years in Vietnam and Cambodia as a Special Forces officer. Mr. Gaspard is chief of training aids for the Vinnell project.

Another recruit is James D. Holland of Los Angeles, a former United States Army colonel who lost an eye in a mortar attack in Vietnam. He is in charge of scheduling.

[From the New York Times, Jan. 10, 1975]

UNITED STATES SELLS SAUDIS 60 JET FIGHTERS FOR $750 MILLION; CONTRACT OF F-5's INCLUDES PILOT TRAINING AND PARTS—TRANSFER PROHIBITED

(By John W. Finney)

WASHINGTON, January 9.—Saudi Arabia has entered into a $750-million contract with the United States for the purchase of 60 F-5 jet fighters and the training of pilots.

The sale is the largest by the United States to Saudi Arabia in more than two decades of supplying arms to the country. It was announced today, first by the Saudi radio in Riyadh and then by the State Department here.

A State Department spokesman said that the sale would contribute to "the legitimate self-defense needs" of Saudi Arabia and that Secretary of State Kissinger believed it would "contribute to stability in the area."

IRAN ARMS PURCHASES

The spokesman also said that the State Department did not believe the sale would contribute to an arms race in the Persian Gulf region. Iran, a rival for dominance in the gulf region, has purchased more than $6-billion in arms from the United States in recent years.

The F-5, which was originally developed for less advanced nations, is in use by nearly 20 countries. Produced by the Northrop Company in Hawthorne, Calif., it is a relatively short-range and inexpensive fighter plane that is designed primarily for air defense but can be used in a fighter-bomber role.

The F-5 is not in the operational forces of the United States, although the Air Force recently decided to acquire 71 of the planes that could not be delivered to South Vietnam because of Congressional cutbacks in military aid.

SAUDIS BUY ADVANCED TYPE

The F-5's will be used by the Air Force in a training role to simulate Soviet MIG fighters in combat training.

Saudi Arabia is buying the advanced "E" version of the supersonic plane as well as a new "F" model, a two-seat plane that can also be used as a trainer.

The contract, according to officials, will contain a standard clause prohibiting Saudi Arabia from transferring the planes to another country without the permission of the United States thus, as least in principle, preventing their transfer to another Arab country such as Egypt.

Defense official expressed doubt that Egypt, which they said needs pilots more than aircraft, would be interested in obtaining the F-5. The plane is no match for the American-built F-4's possessed by Israel.

The officials said they did not think the Saudis would jeopardize their relations with the United States, their principal arms supplier, by transferring the planes without United States permission.

Saudi Arabia is apparently becoming the intermediary, however, in enabling Egypt to obtain the French-built Mirage III, a long-range fighter-bomber roughly comparable to the F-4. France agreed last year to sell Saudi Arabia 38 Mirage III jets, and Pentagon officials assume that most if not all of these planes will be passed along to Egypt. In addition, Saudi Arabia entered into a $860-million arrangement with France last month for the purchase of tanks, armored cars and anti-aircraft and antitank missiles.

The United States agreed in principle last year to sell F-4's to Saudi Arabia, but there has been no further response thus far from the Saudi Government. Defense officials believe that Saudi Arabia is more interested in moving to the next generation of American fighter planes, such as the Air Force's F-15 or the Navy's F-14 or a new light fighter being developed for the Air Force and European allies.

At this point, the F-5 is the mainstay of the small Saudi Air Force. The Saudis bought 50 of the planes about two years ago and planned additional purchases.

The new sale becomes part of an evolving, ambitious plan to modernize the armed forces of Saudi Arabia at a probable cost of billions of dollars.

JOINT COMMISSIONS SET UP

The United States and Saudi Arabia last June established a joint military commission—as well as one on economic cooperation—to consider Saudi military needs. Since then the Defense Department has submitted recommendations for a 10-year modernization of the Saudi forces that would include four mechanized brigades, a tank battalion, an airborne brigade and five helicopter battalions.

Thus far, there has been no Saudi response to the Pentagon proposals, and the expectation of Defense Department officials is that the Saudi Government will move on a gradual basis—rather than in one big arms package—in adopting the recommendations.

HIGHER PRICES FOR PLANES

Saudi Arabia, which has joined other oil-producing countries in sharply increasing oil prices, will apparently pay an inflated price for the new group of F-5 fighters.

The plane used to cost about $2.7-million—a price that will be far exceeded in the 60-plane, $750-million deal.

Robert Anderson, State Department spokesman, said that "a substantial part" of the $750-million contract would go for training Saudi pilots, modifying the aircraft to meet Saudi specifications and for spare parts. In addition, officials said that with Saudi concurrence, a "substantial inflation cushion" was built into the price of the planes, which will not be delivered until 1976.

[From the Washington Post, Jan. 8, 1975]

IRAN GIVES U.S. JETS TO JORDAN

(By Jim Hoagland)

BEIRUT, January 7.—Iran, with the approval of the U.S. government, has turned over a squadron of U.S.-made jet fighters to Jordan.

Reliable Arab and Western sources reported the move here today.

[It was confirmed in Washington by the State Department. U.S. officials said that about 20 older Northrop F-5As were involved.]

The Iranian-supplied F-5 interceptor fighters were displayed publicly for the first time yesterday during a ceremonial welcome for Iran's Shah Mohammed Reza Pahlavi in Amman.

The shah, once viewed in the Arab world as a friend of Israel, has recently suggested that Iran is interested in military cooperation with the Arabs. He has declared his intention of building Iran into the Middle East's military superpower and is spending an estimated $3 billion a year on arms.

Jordan's King Hussein has repeatedly cited his nation's lack of air defense as the reason for having made no more than a symbolic entry into the October 1973 Arab-Israeli war.

In February 1973, the Nixon administration agreed to supply Jordan with 36 advanced model F-5E interceptors, which are designed for defensive use by developing nations, as part of the U.S. military aid program to Hussein's government.

But since the October war, delivery has been repeatedly delayed, with Washington attributing the delays to production problems. Iran, which ordered more than 200 of the earlier model F-5A and the F-5E, has been receiving priority in deliveries over Jordan.

Resale or transfer of the warplanes to a third country by Iran must be approved by the United States.

Arab defense experts here see political significance in the Iranian role in building up Hussein's air force, which has been equipped with two squadrons of British-made Hawker Hunter jets and a squadron of U.S.-made F-104 Starfighters.

The shah is known to be eager to phase out most of his Northrop-manufactured F-5As and replace them with the more powerful and sophisticated jet fighters he is buying from the United States with his greatly increased oil revenues.

[Industry sources said that the F-5As, which are no longer manufactured, cost about $750,000 apiece, when new. The more advanced F-5Es cost about $2 million each. While the F-5Es have more range and speed and carry a heavier payload, both planes are considered by military analysts to be primarily air defense systems that are not suitable for offensive operations.

[The State Department said that it complied in mid-December with the legal requirement to inform Congress of the transfer of such equipment to a third country. But a spokesman for the House Foreign Affairs Committee said that his group had not yet received any notification.

[The United States is committed to supply Jordan with $202 million in military and economic aid this year. U.S. aid has been running at more than 40 per cent of the total Jordanian budget in the past few years.]

Egyptian sources have said that the subject of military help from Iran will come up during the shah's visit to Cairo, which is to begin Wednesday.

In its bid to improve relations with the Arab world and to increase exports to oil producers, the United States has in recent months also shown a new willingness to supply arms to Arab states.

New American weapons sold or granted to Arab countries in the past year include TOW anti-tank missiles to Jordan, A-4 Skyhawk fighters and Hawk surface-to-air missiles to Kuwait, and naval vessels and greater numbers of F-5Es to Saudi Arabia, which is also negotiating for more powerful American warplanes.

Egyptian President Anwar Sadat has expressed interest in buying American arms, but Secretary of State Henry A. Kissinger has said that the United States has no plans to provide arms to Egypt or its main partner in the 1973 war, Syria.

Kuwait and Saudi Arabia, which have pledged to finance a rebuilding of Egypt's war capability, have already begun to transfer French fighter bombers to Egypt, according to reliable sources.

[From the Wall Street Journal, Feb. 18, 1975]

MUNITIONS AND THE MIDEAST—OIL STATES' DEMAND KEEPS U.S. ARMS SALES AT RECORD PACE AS CONGRESS GROWS CRITICAL

(By Richard J. Levine)

WASHINGTON.—The U.S. seems determined to try to slake the Middle East's unquenchable thirst for American weaponry—a policy that pleases many defense contractors and worries some legislators.

After hitting a record $8.3 billion in the fiscal year ended last June 30, U.S. arms sales to foreign governments had been expected to slow this fiscal year. But with orders pouring in from the oil-producing nations of the Middle East, Defense Department officials have revised their earlier estimates. And they now are saying that fiscal 1975 sales are "going to be about like last year."

In the first seven months of fiscal 1975, Pentagon sources disclosed, sales for cash and credit have totaled $4.6 billion. And some big deals may lie ahead. As in the recent past, the Shah of Iran is the Pentagon's best customer this year. So far he has placed orders for $1.7 billion of military hardware and services. Saudi Arabia's orders have totaled $842 million, Israel's $730 million and Kuwait's $331 million.

The continuing high volume of American arms sales, set against recent statements by U.S. policymakers hinting that as a last resort the U.S. might some day be forced to intervene militarily in the Middle East, has intensified congressional criticism of Washington's sales program.

For example, Sen. Edward Kennedy, the Massachusetts Democrat said recently: "The administration hasn't shown sufficient understanding of the serious political, strategic and moral implications of the U.S. leading the way in an arms trade that is spiraling upwards with a dizzying and frightening momentum."

A "CONFUSED" PUBLIC?

Congressional concern about the direction of U.S. policy has been heightened recently by the unusual nature of some awards. A $77 million arms contract to Vinnel Corp. will enable the Alhambra, Calif., company to hire former American servicemen to train the 26,000-man Saudi Arabian national guard. Among other things, the Saudi will learn to defend their oil installation.

This unique contract has prompted Sen. Henry Jackson, the Washington State Democrat, to declare that the public is "confused" by such a training mission in light of Secretary of State Henry Kissinger's comments that the U.S. might have to move militarily to prevent economic, "strangulation" by Mideast oil producers.

In general, U.S. military men argue that the sale of sophisticated weapons to Mideast nations wouldn't pose insurmountable difficulties or dangers should American forces ever be committed to the Middle East. For one thing, they insist, the very latest electronic technologies aren't being supplied to other nations—a statement that is viewed skeptically by some observers. They also say that U.S. control over spare parts would mean that opposing forces couldn't use their modern American weapons over long periods.

"I'd like to fight someone whose logistics we control," one high-ranking U.S. officer says.

In any case, the sale of modern U.S. arms to the Mideast appears unaffected by any high level consideration of the remote possibility of U.S. intervention to guarantee oil supplies.

SHROUDED IN SECRECY

Despite congressional efforts to open it up, the arms-sales process remains shrouded in much secrecy. Still, a considerable amount of information has leaked out concerning the weapons orders of fiscal 1975, which ends next June 30.

The Iranian order includes DD963 destroyers built by Litton Industries Inc. Last Aug. 27, the Shah ordered six of these big, fast, general-purpose warships fitted with a more sophisticated anticraft capability than 30 destroyers being built for the U.S. Navy. U.S. officials say the ships will cost the Shah $1 billion.

Some $750 million of the $842 million in Saudi Arabia orders is for 60 Northrop Corp. F53 and F5F fighters, plus extensive modification of the planes. Included in the price is research and development work necessary to adapt the planes to carry the air-to-surface tactical weapons, air-defense equipment, most probably Raytheon Co.'s Hawk missile, and warplanes. The U.S. also has agreed recently to supply Hughes Aircraft Co.'s TOW antitank missile to Oman and Lebanon; the TOW will give Lebanon a modern weapon that could be used against U.S.-supplied Israeli tanks.

While it is difficult to predict future arms sales with great accuracy, American officials believe that there is a good chance several West European governments will decide soon to purchase General Dynamics Corp.'s 16 fighters as replacements for their aging F104s. That could add billions of dollars to fiscal 1975 sales. Looking further ahead, the Pentagon recently informed Congress that it expects "to sell for cash in fiscal 1976 . . . several billion dollars of military equipments and supplies" to foreign governments.

From President Ford on down, administration officials contend that U.S. arms sales ensure military balance in the Middle East, give Washington important political leverage in the area, and generally further U.S. security interests.

"There is a security problem which these (Middle East) countries feel," Mr. Kissinger says. Often "the security problem is caused by a neighbor supported by Soviet or other Communist arms. . . . If the Country didn't receive the arms, it would be subject to this neighbor—or else it would get these arms from other sources."

ADMINISTRATION VS. CONGRESS

Defense Secretary James Schlesinger stressed the final point. "We are dealing with sovereign nations whose perceptions of their defense needs may not coincide with our own," he told Congress last week. "They have the choice of buying from the U.S., from certain other Western countries or from Communist countries. For many reasons, we would prefer that they purchase their military material from us, provided that the sale is consistent with our foreign-policy objective."

Congress, however, is increasingly dubious about such a rationale. More and more lawmakers insist that U.S. arms sales abroad are fueling regional arms races rather than promoting regional stability. And despite administration assurance to the contrary, some Congressmen see a fundamental contradiction between selling modern weapons to the Mideast oil-producing states and holding open publicly the possibility, though remote, of intervention.

At a recent conference on world-wide inflation sponsored by Georgetown University's Center for Strategic and International Studies here, Sen. Bill Brock, a Tennessee Republican, turned to Kuwait's ambassador to the U.S. and quipped: "I can assure you that no one in this country wants to go up against the most sophisticated military equipment in the world—which we have supplied." That provoked laughter, but it had a hollow ring.

Last year, Congress voted itself a potential powerful tool with which to oversee and control foreign-weapons sales. It attached to the Foreign Military Sales Act an amendment requiring the Pentagon to report to Congress its intention to make a sale of more than $25 million. The lawmakers then have 20 days in which to block the sale, if they wish, by joint resolution.

So far, the new law has spurred only "comment" by Congress—no rejections, says a Defense Department official. But conceivably that could change as American arms sales abroad continue to boom.

[From the Washington Post, Jan. 10, 1975]

EUROPEAN OIL PIPELINE—UNITED STATES SELLS 60 JET FIGHTERS TO SAUDIS

(By Richard L. Homan)

The United States has agreed to sell Saudi Arabia several squadrons of F-5E and F-5F jet fighters in a $756 million package that will include special outfitting, pilot training and other equipment, it was announced yesterday in Washington and Riyadh.

The sale represents an initial step in carrying out a Pentagon recommendation last year that the United States step up military cooperation with the oil-rich Persian Gulf nations, supplying aircraft, tanks and warships valued at billions of dollars over the next 10 years.

It came just a month after Saudi Arabia signed an $860 million contract with France for 200 tanks, 250 armored cars and a surface-to-air missile network.

The State Department would not say how many planes were involved in the agreement announced yesterday. It was learned, however, that Saudi Arabia will receive 40 F-5Es and 20 of the slightly more expensive F-5Fs, a two-seat version of the F-5E that can be used for a trainer as well as a fighter-interceptor.

The sale is actually an expansion of one made more than a year ago. Saudi Arabia purchased 30 F-5Es before the October 1973 war and planned to buy more before the Middle East hostilities momentarily cooled relations with the United States.

In June, when Saudi Prince Fahd Ibn Aziz al Saud visited Washington, the United States and Saudi Arabia established a "special relationship" that amounts to an informal economic and military alliance.

News of the sale was first broadcast by Saudi Arabia's official radio yesterday and only later confirmed by the State Department. The contracts were signed Saturday in Riyadh, with U.S. Ambassador James Akins in attendance, the Saudi report said.

The F-5E, manufactured by Northrup Corp., is a single-seat, lightweight supersonic fighter that is considered primarily a defensive aircraft. It is less sophisticated and slower than the F-4 Phantom, which is also much more expensive, and which is the standby of the Israelis.

The basic cost of the F-5E—about $2.7 million apiece—accounts for only a small part of the $756 million contract. Also included are the expenses of training Saudi pilots to fly the plane, supplies of spare parts and special weaponry.

A major part of the cost, according to Pentagon and industry sources, will be special navigational equipment. Saudi Arabia has few ground navigation facilities and must, therefore, have more extensive equipment in the planes themselves.

The new contract also includes the cost of supplying this equipment for the F-5Es purchased earlier, as well as the development costs of adapting the plane to equipment it does not normally carry, sources said.

State Department spokesman Robert Anderson said the United States has "had a continuing defense arrangement with Saudi Arabia for some years" and the administration believed that the sale would help Saudi Arabia defend the Persian Gulf area.

Saudi Arabia's broadcast said, without elaborating, "The new planes will consoli-

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date the kingdom's ability to defend its territory."

Anderson, in answer to questions, said that Secretary of State Henry A. Kissinger was not concerned that the sale of the planes might lead to a regional arms race. He stressed that the "standard rules on third-country transfer" were applicable, meaning that Saudi Arabia could not turn over the planes to another country without U.S. agreement. In practice, however, there is little the United States could do but protest such a transfer.

Earlier this week it was acknowledged by the State Department that a squadron of 20 F-5As, the earliest version of the plane, were transferred to Jordan by Iran, which had bought them from the United States. The transfer was reportedly made with U.S. approval.

Saudi Arabia, a wealthy nation with an estimated population of little more than 7 million, is envisioned by the Pentagon and top State Department officials as one of the most potent arsenals in the Arab world.

The Pentagon survey made last year recommended expansion of Saudi Arabia's military over the next decade involving the buildup of mechanized brigades, a tank battalion, an air force brigade, attack helicopters and an effective, billion-dollar navy.

Jim Hoagland of The Washington Post Foreign Service reported from Beirut that, according to speculation there, Saudi Arabia is once again contemplating purchases of F-4 Phantom fighter-bombers.

When the Saudis first sought the F-4s two years ago, they were told by the United States that the plane was too sophisticated for them. Last spring, the United States said it was willing to sell F-4s, but the Saudis, offended by the initial reaction, were not ready to buy.

Military sources in the Middle East now say, according to Hoagland, that the United States has placated Saudi Arabia and talks have resumed on the F-4 as well as on more advanced combat aircraft.

[From the Washington Post, Jan. 30, 1975]

LONG-TERM IMPACT OF ARMS SALES TO PERSIAN GULF QUESTIONED

(By Michael Getler)

Booming U.S. arms sales to the Persian Gulf—a $4 billion-a-year business presided over discreetly by Secretary of State Henry A. Kissinger—are a key part of a strategy aimed at winning influence now with the oil barons of the region.

What has been sacrificed by this quest for quick influence, however, is top-level White House attention to the longer-term impact of shipping so many weapons into one of the world's most volatile areas.

"The whole thing could simply explode on us," says Rep. Lee H. Hamilton (D-Ind.), chairman of the House Foreign Affairs Subcommittee on the Near East and South Asia.

"We already have a couple of wars going on there, and there is a long history of hostilities and instabilities—tribal, ethnic and religious—in that part of the world," he said in an interview last week.

Saudi Arabia, he warns, is becoming suspicious and nervous over the vast U.S. military sales to neighboring Iran, though both countries are supposed to be "our friends." Small Iranian forces and arms are being used in fighting a rebellion in Oman and U.S. artillery sold to Iran is being used in Iraq where the Kurds' war against Baghdad continues.

The influx of U.S. arms to Iran is widely perceived as providing a convenient excuse for the Russians to greatly expand their arms and influence in Iraq, a situation that former Defense Secretary Melvin R. Laird has also questioned.

U.S. government officials acknowledge that neither the Nixon nor Ford administration has carried out a major National Security Council study of where the Persian Gulf arms race might lead 10 years from now, as is usually done with crucial issues.

Instead, the decisions to sell arms to the oil giants of Iran and Saudi Arabia—and more recently to the tiny but wealthy and strategically located states of Kuwait and Oman—are viewed by aides around Kissinger as basically tactical immediate foreign policy tools used by the secretary to bolster the U.S. hand.

Kissinger himself may well be the reason that no major study by the National Security Council staff he heads has been ordered. "He probably prefers the flexibility that comes with these tactical decisions," explains one aide, "rather the heeling to a hard policy that could come out of a study."

The Pentagon has substantial say in who gets what weapons. But it is Kissinger who is the central figure in approving all important sales.

Kissinger's pivotal role was attested to by Defense Secretary James R. Schlesinger in a Sept. 25 press conference. "I should make meticulously clear that the Department of Defense does not have its own policies with regard to the sale of arms," he said. In general, he explained, military assistance "rests under the purview of the Secretary of State. We are the administrators of such programs."

Kissinger is not the instigator of specific arms deals. But in the wake of the global oil-economic crisis that has focused sharp attention on the oil wealth and military weakness of the Persian Gulf, a convenient merger of arms, oil and related interests has taken place.

Gulf nations have shown big appetites for the most modern weapons available. Price is not an object. The United States has often shown a willingness to respond. This in turn signals U.S. military advisers or corporate salesmen overseas that they may whet Gulf appetites even more. When the proposals reach Washington, Kissinger is the key decision maker.

Economically, it is argued that the sales help the U.S. balance of payments and recoup some of the dollars spent on higher oil prices. It keeps more people working in defense plants here and to some extent lowers the Pentagon's cost on some weapons by increasing production.

It is meant to strengthen the Shah of Iran, in particular, as the strongest and most stable pro-Western power in the region.

It is also meant to strengthen Saudi Arabia's King Faisal as the other major pro-Western leader and perhaps provide the United States with some influence in getting these two oil giants to help solve the Arab-Israeli dispute short of war.

Perhaps, White House aides argue, U.S. arms aid will soften Faisal's call for the Israelis to give up Jerusalem, for example.

Influence through arms may also assure, some say, that oil is not cut off again or at least that prices won't rise again, though Kissinger suffered a jolt when the shah—a big U.S. arms buyer since 1972—led the charge to raise prices last year.

Even those, like Hamilton, who have serious doubts about the long-range wisdom of U.S. policy are not certain that the current approach is all wrong or that there is any better alternative at the moment than selling the oil exporters all the weapons they want.

But until the "urgent need to rethink our arms policy in that region" is begun, Hamilton suggests, there can be no certain answers to the question of whether there is a better approach.

Last month, Rep. Clarence D. Long (D-Md), a House Appropriations Committee member, wrote to President Ford complaining that the crucial decision in mid-1972 by former President Nixon to expand arms sales to Iran greatly had been made "without national security studies of the possible consequences."

Long also complained that he twice in 1974 attempted to get details from Kissinger on "our policy commitments to Iran" and got "evasive and incomplete answers."

Even some State Department officials, who support Kissinger's approach, concede that it is hard to be sure—without a detailed study—that a vastly different approach wouldn't work.

If the United States withheld its arms and technology from Iran and Saudi Arabia, could it cause them to lower oil prices and ease the global economic crunch?

The conventional answer is that the other oil exporters in the cartel wouldn't allow it and all would rush into the eager arms of French, British and even Soviet weapons salesmen.

Yet, Iran and Saudia Arabia wield vast power within the oil cartel, American weapons and the support that goes with them are generally viewed here as superior to other nations'. While Faisal bankrolls the Egyptians to new French arms, he buys U.S. planes and ships for himself.

More importantly, the United States is vital to these nations when it comes to balancing the Soviet presence in their region.

"The question has come up," said one State Department official, "as to why the U.S. should submit to near blackmail on oil costs. I can't give you an official answer because the question hasn't been systematically addressed. Personally, I don't believe we could force a price drop, but I'm not sure I could prove it."

In the meantime, the impact of the arms sales grows in this country and in the Gulf, and there is an uneasiness among some members of Congress and some senior planners in and out of government that the entire oil situation is uncharted and potentially very dangerous.

In this country, dozens of American firms are now producing military hardware for the Gulf, raising questions about whether, in a recession, the White House would cut back the arms flow even if it felt it should.

In fiscal 1974, the United States sold a record $8.3 billion worth of arms overseas, more than double the previous year. More than half—some $4.3 billion worth—went to the Persian Gulf: $3.7 billion to Iran, almost $600 million to the Saudis and $81 million to Kuwait.

Purchases by Iran will probably level off this year, though at a multi-billion-dollar level. But Saudi sales will jump, possibly to $2 billion, according to rough estimates which include money to pay for 94 American military advisers to train the Saudi National Guard.

Sales to Kuwait will escalate to about $500 million, and small, initial sales to Oman—including new TOW anti-tank missiles—will be made.

Almost weekly, there are new links in the U.S. chain to the Persian Gulf.

At Bethpage, N.Y., some 2,000 workers from the Grumman Corp.—manufacturers of the U.S. Navy's new F-14 fighter—are preparing to leave for Iran to help the Iranians learn to use the 80 F-14s they have ordered. They will join more than 15,000 Americans already in Iran, more than 800 of whom are military personnel or civilians associated with arms.

Somewhere in the United States, a Navy patrol plane detachment will probably soon get orders allowing them to land for refueling on the tiny island of Masirah, off the coast of Oman. There, they will keep track of Soviet warships that might move toward the narrow openings to the Red Sea and Persian Gulf.

Kissinger is known to want U.S. reconnaissance "eyes" over these entryways to the world's oil taps, and that is behind the

recent request to the British for landing rights on the island.

"My chief criticism," said Hamilton about all this, "is that our policy is focused disproportionately on the military aspects of our relations, which are important but which shouldn't be all-encompassing. I don't argue that we should cut them off completely . . . but we've taken the path of least resistance, contributing in a major way to an Iranian military build-up and making them dominant in the region.

"I'm not sure that's in our national interest," he said "or in the interests of regional cooperation."

In return for those arms, however, Iran has acted as a protector in the region, and as a surrogate for U.S. interests to an extent greater than is generally realized, according to experienced State Department officials.

Aside from the battles in Oman and Iraq, Iran is functioning as sort of a U.S. weapons warehouse. The Iranians shipped dozens of American-built F-5 fighters to Saigon in 1972 to help the United States beat the Vietnam cease-fire re-supply deadline. More recently they shipped other F-5s to Jordan, and some officials expect eventually they may be refurbishing tanks for the Pakistanis.

It is now evident, specialists say, that the shah not only wants weapons but also the technology and production line skills that could build up his industry and make him independent of the United States perhaps a decade from now.

Negotiations to allow co-production of military equipment in Iran—perhaps starting with helicopters—are already under way. The United States hopes to go slowly, but the shah, with his oil and price leverage, may force a faster pace.

What happens years from now if the United States is not independent of Persian Gulf oil needs and the shah is independent of the United States is an unanswered question.

Meanwhile, hundreds of arms salesmen from America, France, Britain and Russia continue to line up outside every defense ministry in the Persian Gulf.

It doesn't take much to persuade the shah of Iran to buy new equipment. The shah reads the U.S. trade magazine Aviation Week as carefully as he reads oil production reports and is well informed on defense issues.

But the sheer number of U.S. military advisers and industry salesmen now in the area does worry Hamilton and others, mostly because the occasional military attache who is eager to impress the local U.S. embassy or perhaps to line up a retirement job in an aircraft company may further stimulate the easily whetted appetite for weapons among the sheiks.

The actual overseas sales proceed in many ways. For the most part, foreign countries prefer to buy from the U.S. government, to keep the United States in the act as a middleman and perhaps get better prices because the government can buy in quantity with other orders.

Orders from the Persian Gulf, in particular, are about 90 per cent government-to-government sales, with the remainder direct contracts with American companies.

But no matter how the sale is proposed, if it involves arms or weapons technology by a company, the U.S. government gets a look at the deal and must give its approval.

Finally, among those concerned over the arms sales question, there is the sense of unreality.

Large amounts of weapons are being sold to countries that have sharply raised oil prices, in part to acquire those arms. They are the same countries that are generally identified, whether correctly or not, as the cause of the world's economic upheaval. And they have even been mildly threatened that U.S. force will be used against them if they go too far.

[From the Washington Post, Feb. 9, 1975]

UNITED STATES VETS TO TRAIN SAUDIS—LOS ANGELES FIRM GETS $77 MILLION PENTAGON PACT

(By Peter Arnett)

LOS ANGELES, February 8—Several hundred former U.S. special forces soldiers and other retired Vietnam war veterans are being recruited by a private American contractor to train Saudi Arabian troops to protect oil fields.

The $77 million U.S. Defense Department contract, awarded to the Vinnell Corp. of Los Angeles in January, is the first ever given to a private American company to train a foreign army, the company said.

Private concerns have often handled logistics and maintenance chores of armed forces of the United States and friendly foreign governments. But showing foreign troops how to fire their weapons and fight wars has been the mission of U.S. military advisory teams, most recently in Southeast Asia.

The troops to be trained over the next three years by a 1,000-man Vinnell Corp. contingent belong to the Saudi Arabian National Guard, the 26,000-man internal security force commanded by King Faisal's half-brother Prince Abdullah Bin Abdulaziz.

These troops are primarily responsible for guarding the country's oil fields and the petroleum export facilities. They also provide the key bodyguard units for the Saudi Arabian royal family. Their purpose is also to supplement, if necessary, the rapidly modernizing 36,000-man Saudi Arabian regular army.

Beginning in July, Vinnell is to train three newly mechanized infantry battalions of 1,000 men each, as well as a 105-mm howitzer artillery battalion of about equal size.

The U.S. government will provide the military hardware under a $335 million contract signed with Saudi Arabia in 1974, including Vinnell's fee.

Saudi Arabia will pay the government, which will in turn pay Vinnell.

Vinnell Corp. executives and the American military men so far recruited for the job are sensitive about suggestions that they are organizing what some might consider a mercenary expedition.

"Maybe this contract has come about because the political climate of the day might be against the U.S. military sending such a big team," said Vinnell's general manager for special projects, Bob Montgomery, who returned to Los Angeles Thursday from a visit to Saudi Arabia. "But we are not creating a mercenary force. This is a one-time thing to do a specific job."

A former U.S. Army officer said: "We are not mercanaries because we are not pulling the triggers; we train people to pull triggers."

Another officer laughed and said: "Maybe that makes us executive mercenaries."

The Vinnell contract is part of a vast program under way in Saudi Arabia to spend billions of dollars of oil profits to strengthen the armed forces.

Partly because the Saudis are relying on a Defense Department study of their military requirements, they are buying American-made Northrop F-5E jet fighters, Bell helicopters, Cadillac Gage armored personnel carriers.

Other American firms already in Saudi Arabia on military and related projects are Lockheed Aircraft and Raytheon. AVCO is training and modernizing the coast guard. The 163 military advisers listed at U.S. Military Advisory Headquarters are concerned with the regular Saudi army.

The U.S. Army Materiel Command will establish an office in Saudi Arabi to administer the contract to modernize the National Guard, and Vinnell will report to that command.

The training contract is the first won by Vinnell in the Persian Gulf, but in the past 40 years the corporation has had engineering and construction projects in 50 foreign countries. In South Vietnam it did $200 million worth of business in 15 years. Vinnell also built Dodger Stadium in Los Angeles and is completing the third stage of the Grand Coulee hydroelectric program.

"We are not a spook outfit," said the president, John F. Hamill, at Vinnell's modest headquarters in Alhambra, a Los Angeles suburb. "We worked hard for this contract, sinking five years of effort in winning the confidence of the Persian Gulf countries."

Vinnell's was one of four proposals considered for the Saudi Arabian guard job. Long before it was awarded the contract Jan. 8, the company began preparations, recruiting Col. William G. Walby as training director last May, three days after he retired as commander of the 4th Advanced Individual Training Brigade and Training Command at Ft. Ord, Calif.

"Two years ago we could not have gotten skilled men, but with the big military cutbacks we have plenty wanting to join up," Hamill said.

Two modest advertisements in newspapers serving Ft. Ord and Ft. Carson, Colo., brought 10 applications from retiring soldiers for every available job, he said.

Salaries for most of these recruits from the military will range from $1,500 to $1,800 a month on an 18-month contract, with a bonus of $2,400 at the end. After 510 days out of the United States, they will get $20,000 of their income tax free. And in addition, all of these former soldiers have healthy military pensions ranging from $10,000 to $14,000 a year. Housing in Saudi Arabia will be provided free, and living expenses are so low that, according to Vinnell executives a prudent "executive mercenary" could bring home most of his salary.

Vinnell executives were reluctant to go into detail on statistics and locations, arguing that the Saudis are sensitive in these areas. Defense Department sources said the Vinnell training camp will be located at Khashm-Al-An, about 15 miles east of the capital of Riyadh and will be an extension of an existing training installation.

The camp will be completed by the end of this year, but Vinnell intends to begin training programs in July this year, putting through a battalion of troops at a time.

"We have names of hundreds of men both out and nearly out of the Army," said training director Walby, a 49-year-old ramrod-straight veteran of 30 years of Army service. "They are calling up from Ft. Bragg, [N.C.] and many other places. To select them, we are using the same criteria as picking NCOs [noncommissioned officers] and command officers in the Service."

U.S. ARMS EXPERTS MAY AID KUWAITIS—ARAB OIL STATE IS REPORTED SEEKING INSTRUCTORS IN USE OF NEW WEAPONRY

(By Eric Pace)

KUWAIT, February 18.—Kuwait, concerned about the possibility of a confrontation with Iraq, intends to bring United States military experts here to instruct her armed forces in the maintenance and use of the more than $250-million in American missiles, planes and military transport vehicles bought in December, highly placed sources said today.

No difficulty is expected in arranging with Washington for the experts—perhaps as many as several hundred—to come here, the sources said.

It has not yet been decided whether all the personnel involved are to be members of the United States armed forces or whether some of them are to be American civilians, such as those employed recently to train guardsmen in Saudi Arabia.

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No date has been set for the arrival of the first experts, the sources said, but the first of the vehicles is to arrive shortly. Deliveries of a score or more of McDonnell-Douglas A-1 Skyhawk attack planes and batteries of Hawk antiaircraft missiles are not expected to begin until 1976 or 1977.

The supply of military equipment and expertise to this oil-producing emirate is a further step in an expansion of the United States military role in the Persian Gulf region and elsewhere on the Arabian Peninsula—areas that furnish a substantial share of the non-Communist world's oil imports.

Other countries in the region that have acquired United States arms and have been using the services of United States military experts include—apart from Saudi Arabia—Iran and Jordan and, in recent weeks, Oman.

There have been reports that the United States may also resume arms deliveries to Pakistan. Washington has asked for occasional landing rights at a British military airfield on the Omani island of Masirah.

Here in Kuwait, the essentially conservative Government wants to build up its defensive capabilities mainly because it is nervous about the intentions of the left-wing Banthist regime in Iraq, according to the sources, who are supporters of the Emir, Sheik Sabah al-Salim al Sabah.

BORDER DISPUTES WITH IRAQ

There has been a long history of border disputes and clashes between the neighboring countries at the head of the Persian Gulf, Iraq has been unwilling to have the border formally demarcated.

Kuwait can easily afford to buy more arms, it was said here, because her oil revenues are expected to reach $10-billion this year. Kuwait's population is only 900,000.

Preparing for a build-up of their armed forces with advanced weaponry from the United States and elsewhere, the Kuwaiti authorities have laid plans for a large center to train Kuwaiti military technicians, the sources said, so the country will not be dependent on foreign military experts in the long run.

Kuwait is so sensitive about the presence of foreign military experts here that she does not permit military attaches to be assigned to foreign embassies although Britain maintains a military liaison group of more than 100 in the country.

The United States experts, it is expected, will include instructors in the use of weaponry as well as specialists to teach Kuwaitis how to maintain and inventory equipment, including the large supply of spare parts required in servicing the Skyhawks. But it was emphasized that there was no intention of keeping the Americans here after Kuwaiti personnel had been taught to take over.

By MR. KENNEDY (for himself and Mr. MATHIAS):

S. 796. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 797. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 798. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 799. A bill to amend chapter 5 of title 5, United States Code, to provide for improved administrative procedures. Referred to the Committee on the Judiciary.

S. 800. A bill to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes. Referred to the Committee on the Judiciary.

IMPROVEMENTS IN ADMINISTRATIVE PROCEDURES OF FEDERAL DEPARTMENTS AND AGENCIES

Mr. KENNEDY. Mr. President, too often outmoded and inflexible procedures have become obstacles to effective, efficient agency action. The current attention being given the subject of regulatory reform reflects the public dissatisfaction with not only what many agencies are doing, but how they are doing it. It is thus timely for Congress to turn its attention to legislation to improve the administrative procedures of Federal departments and agencies on a governmentwide basis, and I am thus introducing, for myself and the Senator from Maryland (Mr. MATHIAS), five bills to amend the Administrative Procedure Act.

The Administrative Procedure Act, which establishes the general principles and requirements which govern procedures in nearly all Federal agencies, was enacted in 1946. Since that time it has stood substantially unchanged, except for the enactment and subsequent amendment of the Freedom of Information Act. During the 1960's, the Senate Subcommittee on Administrative Practice and Procedure gave lengthy and detailed consideration to proposals for a general revision of the act, but no legislation was enacted. This was due in large part to the differences which emerged between the agencies and the organized bar over the content of specific amendments.

In August 1970 the house of delegates of the American Bar Association adopted 12 resolutions calling in general terms for amendments to the Administrative Procedure Act. These resolutions were referred to the administrative law section of the ABA for the drafting of implementing legislation.

Meanwhile the Administrative Conference of the United States, an advisory body established by statute to study problems of administrative procedure in Federal agencies, initiated its own study of the ABA proposals, while, at the same time, working closely with the administrative law section. At its plenary session in June 1973, the conference adopted a comprehensive statement addressed to the American Bar Association proposals. This statement was subsequently amplified in some particulars. Stated briefly, the conference is in entire or substantial agreement with five of the ABA proposals, is noncommittal on one, and disagrees to a greater or lesser extent with five others. Regarding one of the twelve ABA resolutions relating to pretrial conferences, the conference and the administrative law section agree that legislation is not called for.

Over the past few months, Administrative Conference Chairman Robert Anthony and his staff and ABA representative William Ross and his associates have been meeting together with the staff of the Administrative Practices and Procedures Subcommittee in an attempt to narrow areas of difference and to perfect legislative language to implement the various proposals to amend the Administrative Procedure Act. This has been largely accomplished, and the representatives of the conference and the ABA agree that now is the appropriate time to begin legislative action on these proposals. To begin this legislative process and to facilitate consideration of those proposals by Congress, the agencies, and all other interested parties, I am introducing today a package of bills to amend the Administrative Procedure Act.

S. 796 is supported by both the ABA and the Administrative Conference. It would implement those four of the ABA proposals on which there is entire agreement between the Bar Association and the conference.

Section 1 of the bill would implement the ABA's resolution which called for "providing improved definitions for rule and order which clearly distinguish the nature of rulemaking from the nature of adjudication." This is a matter of considerable theoretical importance for, as the 1947 Attorney General's manual on the Administrative Procedure Act points out—

> The entire Act is based upon a dichotomy between rulemaking and adjudication.

The APA's present definition of "rule" 5 U.S.C. 551(4), covers agency statements "of general or particular applicability and future effect" and specifically classifies the approval or setting of future rates as rulemaking. The purpose of the proposed redefinition is to make the distinction between rulemaking and adjudication turn on whether the agency's action is of general or of particular applicability, rather than whether it is of future or of retrospective effect. The general versus particular distinction seems more in accord with ordinary understanding and usage.

The Administrative Conference, as I have stated, has endorsed the proposed redefinition. However, it has done so on the understanding that those formal proceedings, particularly ratemaking—which have heretofore been subject to more flexible procedural requirements than ordinary formal adjudication in sections 554, 556, and 557 of the APA—should continue to receive special treatment because of the strong policy component in these determinations. Consequently, a new definition, "ratemaking and cognate proceedings" is contained in the bill. It is intended to cover those proceedings affected by the change in the definition of "rule" and is used elsewhere in the bill to permit the agencies to retain their present procedural flexibility with respect to such proceedings.

Section 2 of the bill is intended to narrow the present exemptions from the requirement in 5 U.S.C. 553, for notice and opportunity for public comment on proposed agency rules. The section would delete entirely the so-called proprietary exemption for matters relating to "public property, loans, grants, benefits, or contracts," and it would cut back the present exemption for rulemaking involving a military or foreign affairs function, so that the exemption would apply only to matters required to be kept secret in the interest of national defense or foreign policy. Agencies would, of course, continue to be able to dispense with notice and opportunity for comment on the basis of a specific finding that such public procedures are "impracticable, unnecessary, or contrary to the public interest."

In addition, the bill would make it clear that such a finding may be made by rule with respect to a category of future rulemaking proceedings. I have introduced legislation in previous Congresses which embodied this provision, and I am pleased that many agencies have by regulation already adopted the approach of applying notice and comment provisions to loan, grants, public property, and other matters covered by this section. This section would make all agency activities uniform on this point.

Section 3 of the bill would authorize agencies conducting formal proceedings—rulemaking or adjudication—under sections 556 and 557 of the APA to establish appeal boards, made up of agency employees, to review decisions of administrative law judges. It would further authorize the agency to delegate final decisional authority to such boards or to the administrative law judges, subject to discretionary, so-called certiorari-type, review by the agency.

One of the common criticisms of regulatory agencies today is that they are so caught up in the problems of processing and resolving individual cases that they do not have adequate time or energy left for considering the broader questions of regulatory policy. In order to free the agency members of the burden of deciding routine cases, both the ABA and the Conference have recommended that the agencies have authority to delegate final decisions to appeal boards or to the presiding administrative law judge, subject to the agency's right to review cases which appear to the agency to present important issues. Many agencies, among them the ICC, the FCC, and the CAB, have such authority already, either by statute or by reorganization plan. This bill would make a general grant of authority in connection with proceedings governed by sections 556 and 557.

The last section of the bill relates to agency subpena power. The Administrative Procedure Act does not presently contain a grant of subpena power. It does provide that where agency subpena authority exists, subpenas must be made available to private parties in adversary proceedings to the same extent that they are available to agency counsel.

Most agencies which conduct formal proceedings under sections 556 and 557 of the APA do have subpena power. Such power is granted in the agency's organic legislation or in the particular substantive statute under which the proceeding is conducted. A few agencies which conduct such proceedings either have subpena power which is in some way limited or inadequate to the needs of the parties, or have no subpena power at all. These agencies include the Food and Drug Administration, the Postal Service, and the Department of the Interior. The basic purpose of section 4 of the bill is to fill existing gaps by providing within the APA a grant of subpena power for all agency proceedings, both rulemaking and adjudication, which are required to be conducted on the record with opportunity for a hearing. Both the ABA and the Administrative Conference have concluded that wherever an agency determination is of a nature and importance to justify requiring such formal procedures, all parties should have access to compulsory process for the obtaining of evidence.

S. 797 and S. 798 are alternative bills dealing with the problem of separation of functions. Section 554(d) of the Administrative Procedure Act now provides that an employee engaged in the performance of investigative or prosecutive functions for an agency may not participate in the decisionmaking process, except as witness or counsel, in the same or a factually related case. He cannot, in other words, participate first as an investigator or advocate and then turn around and act as decisionmaker or confidential adviser to the decisionmaker in the same case. This separation-of-functions requirement, however, is applicable only to certain classes of formal adjudications and it is not applicable at all to formal rulemaking.

The ABA proposals apply this provision across the board in all on-the-record proceedings governed by sections 556 and 557. The Administrative Conference has endorsed this approach with a single reservation: In those proceedings not now subject to section 554(d), the bar on participating or advising in the decision will not extend to agency officials who have not personally been involved in the case but who have general supervisory responsibility over employees who have participated in the case. In other words, the general counsel of an agency would not be disqualified from advising the agency members with respect to a formal rulemaking proceeding simply because attorneys in the general counsel's office participated in the hearing. S. 797 represents the ABA position on this question; S. 798 the Administrative Conference position.

S. 799 contains five amendments proposed by the American Bar Association. The Administrative Conference either opposes or remains uncommitted on these. Section 1 would insure that, with limited exceptions, the initial decision in an agency proceeding will be made by the impartial, presiding officer and not by the chief of the agency staff, whose subordinates act as advocates in agency proceedings.

Section 2 is a proposal directed toward improving the efficiency of administrative hearings by establishing, as part of the Administrative Conference, a committee on uniform rules to draft rules of procedure for formal adjudications. This reflects the strongly held views of the ABA that uniform rules would not only save the time of practioners, but would also help ordinary citizens who participate in agency proceedings by rationalizing an unnecessarily confusing aspect of agency practice.

Section 3 would prohibit ex parte communications between agency members and interested persons outside the agency regarding any fact as issue in any formal proceeding. The vices of ex parte communications in on-the-record proceedings are well known, and this section would fill a gap in the law and prohibit absolutely such contacts.

The fourth section provides for abridged hearing procedures where all parties consent, in order to save time and resources of the parties and agencies.

The final section is a provision concerning prejudicial agency publicity. This amendment is directed at the practice employed by some agencies of issuing incomplete information in a matter under review before a full determination of the facts has been made. To the extent that this practice can cause irreparable harm to businesses that were later absolved of wrongdoing, the ABA proposal attempts to stop trials in the press which might tarnish the integrity of agency deliberations.

The final bill in this package is S. 800, a bill to amend chapter 7, title 5, United States Code, with respect to the procedure for judicial review of certain administrative agency action. This bill involves legislative proposals which relate closely to the APA and which both the Bar Association and the Administrative Conference have carefully considered and have supported in the past. Briefly, it would implement three longstanding recommendations of the Administrative Conference by: first, abolishing the defense of sovereign immunity with respect to actions in Federal courts seeking relief other than money damages and stating a claim against an agency or officer acting in an official capacity—conference recommendation 69-1; second, permitting a plaintiff in judicial review proceedings to name as defendant the United States, the agency, the appropriate officer, or any combination of them and liberalizing the venue requirements for such actions—conference recommendation 70-1; and third, eliminating the requirement that there be at least $10,000 in controversy for Federal question jurisdiction under 28 U.S.C. 1331—conference recommendation 68-7.

This legislation was the subject of a comprehensive hearing before the Subcommittee on Administrative Practice and Procedure in June 1970. At that time representatives from the Administrative Conference and the administrative law section of the ABA testified in favor of the bill. The Department of Justice expressed opposition to abolishing sovereign immunity, but indicated that it had no objection to the second and third parts of the bill. The bill was favorably reported by the subcommittee but was not acted on by the Judiciary Committee. I hope we can get action by the Senate on this bill this session.

Mr. President, the subject of these bills has been discussed for over a decade. Two primary sources of information on the various proposals contained in these bills are the fall 1972 "Administrative Law Review," published by the administrative law section of the ABA, which is devoted entirely to this topic, and the 1973-74 report of the Administrative

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Conference of the United States, largely devoted to these amendments. The introduction to the "Administrative Law Review" issue on this subject contains an excellent overview, which I commend to my colleagues; the introduction, written by Mr. Cornelius Kennedy, has been reprinted in the RECORD and can be found on page 7237 of the March 12, 1975, daily edition.

These bills I am introducing will go a long way toward improving the manner in which agencies of the Federal Government administer their responsibilities. I hope they will be acted on in the 94th Congress.

Mr. MATHIAS. Mr. President, I am pleased to join today as a cosponsor of legislation embodying a number of reforms and improvements in Federal administrative procedure.

These bills are the result of efforts by the American Bar Association, the administrative law section, the Administrative Conference of the United States, and those of us in the Senate who have had a sustained interest in administrative law over the years. I have, in the past, sponsored some parts of this package and I am pleased to sponsor all of these bills today.

I do so not with the assurance that I will eventually support all of these measures, but in the anticipation that hearings which will be held in the Subcommittee on Administrative Practice and Procedures will provide an opportunity to review a number of aspects of administrative law and a chance to consider all manner of improvements thereto.

Ours is a massive government which intrudes into almost all aspects of the lives of its citizens. There seems to be no end to the number of agencies and bureaus, regulatory and otherwise. These are a great source of aid and protection to most citizens, but this vast Federal Establishment can also be a web of confusion for many Americans. It is a thicket of uncertainty for others who are unsure of their rights and of the procedures they must follow. While the procedure followed by the Government is a continuous source of activity for many Federal employees and the large Washington legal community, it is often bewildering to the average person.

I must say also that many members of the Federal bureaucracy, of the Washington legal community, and the nearby legal community of Baltimore, have been in the forefront of proposals to reform and simplify the Federal process. I welcome them and commend their efforts in this regard.

I hope that the legislation which we introduce today will result in improvement of the administrative practices of the Government. I believe that these problems have been too long neglected. I believe that we have failed to keep the rule of law at pace with the growth of the Federal bureaucracy. The result has contributed to the skepticism and cynicism about government. I will repeat again what I said over a year ago in connection with a then pending investigation into the procedures of the Cost of Living Council—no process will long retain or deserve popular support if its decisions are not arrived at by a process which appears open, fair, consistent, thorough, rational, enforceable, and necessary.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 199

At the request of Mr. WEICKER, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 199, a bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

SENATE RESOLUTION 20

At the request of Mr. KENNEDY, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Resolution 20, relating to the Vladivostok agreement and strategic arms control.

HEARINGS ON MARITIME ADMINISTRATION AUTHORIZATIONS—FISCAL YEARS 1976 AND 1977

Mr. HARTKE. Mr. President, on behalf of the senator from Washington (Mr. MAGNUSON) I would like to announce that the Senate Commerce Committee's Subcommittee on Merchant Marine will hold a hearing on Friday, February 28, 1975, on the fiscal years 1976 and 1977 maritime authorization bill, which will be introduced in the Senate on Monday, February 24, 1975.

Section 607 of the Congressional Budget Act of 1974 requires that requests for authorizing legislation, beginning with the fiscal year 1977 must be submitted to the Congress by May 15 of the year preceding the start of the fiscal year. Thus, the Maritime Administration will submit the authorization legislation for both fiscal years 1976 and 1977 for consideration at this time.

The total amounts authorized in the draft legislation are $593,613,000 and $623,396,000 for fiscal years 1976 and 1977, respectively.

The hearings will begin at 10 a.m. in room 5110 of the Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

EVEN THE FUTURE IS NOT WHAT IT USED TO BE

Mr. HARRY F. BYRD, JR. Mr. President, during the current session of the Congress, the issue of the regulation of private enterprise will be coming before us with great frequency.

Almost every proposal for energy conservation includes regulation by the Government. The effect of regulation on the transportation industry is going to be examined closely. Environmental and safety regulations will be major issues. Several proposals have been advanced affecting the role of the Federal Reserve Board.

The list goes on and on. I suggest that as a general principle, we should start from the premise that the least regulation is the best regulation.

The free private enterprise system has given us the highest standard of living in the history of the world. The more we substitute the judgment of the Government for the judgment of the market, the more we hamper the operation of the very system which has given us our strength.

In an excellent address before the Commercial Club of Boston last November 12, Walter B. Wriston, chairman of Citicorp, set forth principles which I believe constitute sound guides in the framing of public policy.

Mr. Wriston ably argues that the free market in goods is as meritorious as a free market in ideas, and that those who espouse freedom of thought and speech should look skeptically on proposals to hobble commerce and industry with the kind of regulation they despise in the intellectual realm.

I think Mr. Wriston's speech is a splendid statement of principles, and I ask unanimous consent that his address, entitled "Even the Future Is Not What It Used To Be," be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

EVEN THE FUTURE IS NOT WHAT IT USED TO BE

(By Walter B. Wriston)

Much has been written and said about the mood of our country today. We are told that the traditional American sense of optimism has been replaced by doubt and gloom and that our expectations are now best summed up by Paul Valery when he said: "Even the future is not what it used to be."

I am not suggesting that we do not have troubles. We do. But we have had troubles before without wallowing in cynicism and pessimism. Why is the future, in our eyes, not what it used to be?

One reason is the omnipresence of the media. Any dispassionate assessment would have to conclude that in many ways our journalists are better than they have ever been. Often they offer a better product than they have ever offered before. But one indisputable fact stares us in the face: the profession as a whole lacks a sense of history which is essential to balance, to perspective and to optimism. This perhaps is what Katherine Graham intended when she wrote recently about the press: "How we perform, how much wisdom and energy and professionalism we display, will have a bearing on the nation's capacity to cope with some very serious matters." Without that wisdom and professionalism, fundamentals are often overlooked.

The current inflation, for example, was not produced yesterday. It is a result of years of wrong monetary and fiscal policy. The causes reach back through the Johnson years. The bad effects are now exacerbated by extraordinary climactic disasters, and the development of an oil cartel for political rather than economic utility.

This lack of a sense of history reveals itself as one of the most fundamental causes of pessimism. It ought to be evident that a machine which has rusted over the years cannot be repaired overnight by some dramatic thing like wage, price and profit controls—the economic equivalent of tying down the safety valve. Because the curbing of money supply by the Federal Reserve Board is not dramatic and is done "in secret," it is not perceived as having any real effect. Again and again the media succumbs to the ancient philosophical absurdity: if you cannot kick it, it does not exist. That is why fiscal and monetary restraint is "nothing," while controls, which are "something," seem better than "nothing." They can see it happen; therefore, it is real. If Jack Anderson has not alerted us, nothing has happened. But the significant realities are still invisible: they are the distortions and long-range disasters that cannot be instantly observed—and so are neglected.

There is another consequence of a deficient sense of history. The media peer into the future insistently. The present is not exciting enough, so they must see around corners and tell us what comes next. Their poor record as prophets rests upon the simplest engineering experience—a short baseline is fatal to useful extrapolation.

Journalistic prophecies are by no means all political. Before the recent fight between Foreman and Ali, reams were written upon the assumption that Foreman would defeat Ali. He had youth, some advantage in weight, packed a heavy punch—and on and on. More was written in prophecy than about the action itself.

The same game is played by the media with a presidential press conference. Why is he holding it now—rather than last week or next? What topics will he discuss? Is it possible to have "made available" to The New York Times his briefing books? They printed a preliminary draft of a Kissinger speech to be made a few days later in Rome. How the public interest was served by printing something not yet said, and perhaps never to be uttered is incomprehensible. If they could find "available" the President's briefing books for his press conference, how wonderful that would be! When the press conference is complete, instant analysis pours out of the TV to tell us at great length that the conference produced no surprises. He said nothing new; no new bold plan of action emerged. Clearly the press conference was a failure. Where in this incident is the "wisdom" that Katherine Graham urges?

Prophecy is not sound journalism because by this process, everything can be made to seem a failure. If the President goes to Kansas City, for example, we are told he failed to draw as large a crowd as was hoped for. If Jim Plunkett completes seven out of eleven passes, we are told that his performance was a failure; his average should be nine out of eleven.

Make the list of illustrations as long as you like. The technique can be used to prove that we never succeed—that cynicism and pessimism are justified. The process is corrosive.

I do not want you to think the media are alone in their lack of historical perspective. It was neither the media nor academia that gave us, years ago, the National Recovery Act—the famous blue eagle, supported whole-heartedly by business. That sally into an adaptation of Mussolini's corporate state would have been utterly destructive to our free enterprise system. We were saved from ultimate disatser by those famous "nine old men" who used the chicken case to bring our economy back toward sanity.

In like manner, businessmen who should have known better, approved the experiment with wage and price controls during the Nixon Administration. In that instance they were joined by academia and the media in a return to thinking that reached its zenith in the Seventeenth Century under Colbert in France. The central government then decided everything—even the size of a handkerchief. Yet here we are living in the last quarter of the Twentieth Century, putting Seventeenth Century shackles on a system which has developed the highest standard of living in the world.

There are only a very small number of people who truly want our form of society to fail, and fewer still want the First Amendment altered. On the other hand, there are many articulate people who would unwittingly destroy our freedom by promoting the demise of a market economy. The attack on the market system which has provided more people with the highest standard of living in the history of the world is unrelenting. The cry is that the economy must be planned and directed minutely by Washington.

The continuous assertion that the free marketplace will fail to provide goods and services at a fair price is not applied to the intellectual arena. Here in Boston, a bastion of academic freedom, it is taken for granted that Oliver Wendell Holmes was wise when he asserted that "the best test of truth is the power of the thought to get itself accepted in the competition of the market." The people who clutch this truism to their bosoms, at the same time do not apply the same standard to the vendor of goods. Somehow they reason that ideas are not injurious to your health, since the man on the street is perfectly able to sort out the stupid from the brilliant concept. The same man, however, is totally unable to be left to decide whether or not to buckle his seat belt.

Freedom to innovate is as necessary for the doer as for the thinker. Those innovations all the way from the cotton gin to the computer and the millions of novel techniques in between have had, in many cases, more beneficial social consequences than any legislation passed by Congress and administered by bureaucrats. It is an historical accident, but a happy one, that the Declaration of Independence and Adam Smith's *Wealth of Nations* were both published in 1776. Both were dedicated to the freedom of the individual to think his own thoughts, choose his own occupation and follow where thought led—to speech, to deed, to innvention. Freedom is indivisible.

One of the reasons that intellectual freedom has survived all of these years is not only that it is an older concept than market freedom, but also because the facilities of thousands of colleges and universities are articulate defenders for their own cause. It is a popular cause, as well it should be. When it comes under attack, however, the intellectual community doesn't act much differently from any other sector of society. When the late Senator McCarthy was at the height of his vituperative powers and was seeing a communist on every campus, there were depressingly few academics like Nathan Pusey who stood up to do battle with him. In the end it was a tough lawyer from Boston who finally brought him down. The lawyer had the silent cheers, but not much articulate support from the academic community, many of whom feared retribution from McCarthy's acid tongue.

The businessman has had no such guild to defend his right to free speech and free enterprise. Unlike the intellectual community, the businessmen of the world perceive that they are always under the threat of retaliation. Whether rightly or wrongly, they believe that this retaliation would be aided and abetted by those who do not trust the free markets in goods, but only promote one in ideas. A railroad executive who publicly attacks the corrosive bureaucracy of the Interstate Commerce Commission, which has been so largely responsible in regulating our railroads into bankruptcy, fears that his next plea for a rate increase will be prejudged. A merchandiser who dares challenge some arbitrary rule, promulgated by the Federal Trade Commission, fears that bureaucracy will live to fight him another day. A banker who suggests that the current regulatory attitudes on interest rate ceilings are designed to rip off the consumer fears that retribution will be visited upon him by the regulators in Washington. Many ardent defenders of freedom of speech argue that advertising copy for products and services is a fit subject for government regulation, lest the dumb citizen be bilked of his money by buying an inferior product. If inferior, doubtful or even false opinions and ideas are put between the covers of a book, published in the newspapers or flashed on television the citizen no longer needs the protection of government regulation. It is an interesting piece of intellectual hairsplitting based in part on our view of our own importance.

One thing that keeps us all going is that we view our own means of earning our daily bread as in some way making an important contribution to our world. Without bankers the economy would not function. Without bakers the world would starve. Without teachers there would be ignorance. Without politicians there would be anarchy. Make the list as long as you like and fill in the blanks with any known occupation. Raymond Aron put it this way: "A superficial explanation for their preference for free speech among intellectuals runs in terms of vertical interests . . . Intellectuals are engaged in the pursuit of truth, while others are merely engaged in earning a livelihood. One follows a profession, usually a learned one, while the other follows a trade or a business." On the other side of the fence, some businessmen speak scornfully of intellectuals "who have never met a payroll."

The fact that I argue today for a free market in goods and services, and that such a market would benefit my company, does not make my argument unsound. Self-interest and public policy can and often do coincide. No one attacks a newsman demanding freedom of the press just because the pursuit of that objective is what puts money in his pocket and dinner on his table. No one attacks a professor arguing for academic freedom, although its absence might cause the scholar to lose his job.

It is anachronistic that many who champion everyone's right to dissent and to demonstrate without any government restraint whatsoever are often the most outspoken advocates of elliminating freedom in other markets.

Almost daily, *The New York Times* calls for economic controls over every sector of the society except itself. Its editors seem never to read the Amendments to the Constitution beyond the First. There is nothing in the record which would indicate that the business of publishing or of broadcasting for profit serves the public interest in any more honest or scrupulous a fashion than do other businesses. The reality is that any business of any kind which is not prudently managed or does not meet public demand will fail over time.

Those who would substitute the judgment of the bureaucrats for the judgment of the consumer inevitably forget that liberty is indivisible. The free market for goods and the free market for ideas stem from the same root—freedom. They are inseparable. It was no accident that intellectual freedom disappeared under the Nazis and did not reappear until the free market system was established in West Germany after the war. Russia and other communist countries that control their economies control their press and their professors. The road to serfdom is paved with demands for governments to take over more and more economic activity.

Why the attitude is so persistent that business should not share freedom is somewhat of a mystery. The late Chet Huntley, who was one of the most respected newscasters, wrote after his retirement: "One general characteristic of the American press which seems inexplicable is the basic antipathy toward business and industry which I believe exists in our journalism." Huntley suggested that a possible reason for this perceived antipathy is the assumption by the press that business is more concerned with making money than providing the people what they want. They forget that without money people cannot

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buy and if people do not buy, there is no business or products or jobs or tax revenues. The tendency to deplore profits stems from the medieval idea that all business is a zero sum game. That is, one person's profit is another person's loss. There is no question that there are shoddy practices in every profession and that our economy produces goods which are often vulgar or poorly made. The beauty of the system is that if the consumer doesn't want to buy them, the businesses that produce them will either shift to new products or they will fail.

The critics of the business and industrial community labor under the illusion that they can draft a law to protect every right, defend every privilege, and anticipate every threat. When regulation fails, as it inevitably does, they do not repeal the laws but amend them into infinite complexity until the purpose of the original law is lost. The use of the regulatory reflex merely feeds an insatiable appetite for power on the part of an expanding government bureaucracy. We have now reached the point where one-sixth of the American labor force works for the government, and government expenditures are approaching 40% of the gross national product. Even some of the regulators are denouncing other regulators as barriers to better productivity.

The hand of government touches every aspect of human productivity. It is not only wasteful, but serves to destroy incentive and to discourage ingenuity. The great Boston Justice of the Supreme Court, Louis Brandeis, wrote: "The greatest dangers to liberty lurk in the insidious encroachment by men of zeal, well-meaning but without understanding."

It is ironic that a society which looks to industry for the solution of many of its most pressing problems inhibits the ability of industry to respond. While present technology does not permit us to have surgically clean air and plentiful electricity at less cost at the same time, there is no reason to believe that future technology will not provide those benefits. The essential ingredient is freedom to act and an understanding that individual liberty is not only precious, but efficient.

The time has come for businessmen to do two things—restudy the philosophy of free enterprise and recognize that we have the same rights under the First Amendment as any other group in our society. The businessman, like the professor and commentator, has the right under the First Amendment to express his views to the public and to his elected representative. He is not a second-class citizen. Running a successful business enterprise calls for ethical men with the wisdom and patience to make prudent and responsible decisions in a highly competitive and fast changing market.

There are overwhelming reasons for kinship, instead of hostility, between the free market for intellectual life and the free market for economic life. There is an identity of interests, since both call for voluntary effort. Neither fraud nor coercion is within the ethics of the market system, since the competition of rivals provides alternatives to every buyer and seller. So, too, free thought in our society is preserved by open competition among scholars. Just as thought control is the great enemy of the freedom of inquiry in both the press and academia, economic controls are the great enemy of the entrepreneurial spirit.

Rediscovering the indivisibility of political and economic freedom will take time in a society which has become so accustomed to overreliance on government. The intellectual bias against the market is strongly entrenched, and there are some who always find a platform to continue to feed this bias out of hostility or a complete misunderstanding of the market function.

One cannot erode freedom in one sector of society without adversely affecting all others. All history argues that the media and academia have as great a stake in preserving a free market for goods and services as do businessmen in defending the free market for ideas. We need to have both or we may find ourselves with neither.

EDITORIALS SUPPORT S. 2

Mr. PROXMIRE. Mr. President, the Honolulu Star-Bulletin and radio station KEEN of San Jose, Calif., recently supported editorially bill S. 2, the First Amendment Clarification Act of 1975.

Mr. President, I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Honolulu Star-Bulletin, Feb. 13, 1975]

BROADCASTING CHANGE

In an America that has been re-awakened to the values of free speech, it would seem a good idea for the 94th Congress to enact S 2, offered by Sen. William Proxmire, D-Wis.

This bill would "remove constitutional restrictions against broadcasters in the Communications Act of 1934".

It would mean:

The end of the equal time rule for broadcasts by political candidates.

Abolishment of the fairness doctrine.

An end to the prohibition against political editorials by noncommercial broadcasters.

An end to the requirement that candidates for federal office must be allowed to buy broadcast time.

Simplification of re-licensing procedures, with the Federal Communications Commission concerned only about a station's technical quality, not the content of its broadcasts.

We judge each one of these changes to be in the public interest.

Laws against monopoly assure that no one owner will control all the media in any community. The law of the marketplace will assure reasonable access to the media. Laws against libel and slander will restrain broadcasting excesses.

Today, it takes a capital investment of about $100,000 minimum to get a radio station on the air, and around $1.5 million minimum to start a TV station.

With Ultra High Frequency (UHF) the number of TV channels is virtually unlimited, just as the number of radio channels seems to be.

We feel confident that the laws of the marketplace will either replace or discipline any broadcaster who strays too far from the path of responsibility.

The nation grants free speech to the print media on the same assumption, and has grown strong along with its press even as it occasionally gets wrathful at it. We feel sure the same can be true of broadcasting.

[From Radio Station KEEN, San Jose, Calif., Feb. 14, 1975]

FREEDOM FOR BROADCASTERS

Anyone can start a newspaper, if he has the capital. But not everyone can start a broadcast station, no matter how much money he has. That's because the air waves are limited. And so there has developed a theory that there must be tight government control of the broadcast media, whereas newspapers enjoy the constitutionality guaranteed "freedom of the press." So far the theory may be all right. But as everyone knows, most cities have several more radio stations than they have newspapers, because of the practical considerations of cost. It is cheaper to start a radio station in a metropolitan area than it is to start a newspaper. Now comes Senator William Proxmire with a bill that will "make sure all citizens of this country enjoy the protection of all the freedoms granted in the First Amendment of the Constitution." This would mean that the government would have nothing to say about programming or program content. Whereas today stations are under an implied censorship in that their licenses come up for review every three years, and programming is taken into account in issuing renewals. We think broadcasters ought to enjoy the same freedoms that the print media enjoy. We believe such was the intent of the early framers of the Communications Act. We hope that Senator Proxmire will be successful in obtaining support for his legislation to guarantee that freedom set forth in the United States Constitution.

THE POLITICS OF EQUAL TIME

Mr. PROXMIRE. Mr. President, one of the things which would be accomplished by the First Amendment Clarification Act of 1975, which I have introduced as S. 2, is an end to the so-called equal time rule for broadcasters.

This regulation was established by section 315(a) of the Federal Communications Act, as revised in 1959, which says:

If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunity to all other such candidates for that office in the use of such broadcast stations . . .

Appearance by a legally qualified candidate on any—(1) Bona fide newscast, (2) Bona fide news interview, (3) Bona fide news documentary . . . or (4) On-the-spot coverage of bonafide news events shall not be deemed to be use of a broadcast station.

Champions of section 315(a) argue that without it, a broadcast station could give lavish attention to one candidate's campaign and ignore the campaigns of the candidate's opponents.

If this were to be allowed, it is argued, the electoral process could be grievously distorted.

Mr. President, S. 2, is founded on the proposition that the electronic media are entitled to the same press freedoms as the print media. The first amendment does not mandate a fair press or an accurate press or a socially responsible press—only a free press, a press which is not subject to Government regulation.

The Founding Fathers believed that an unfettered press which was free to criticize the Government was essential to preserving our liberty. They believed the dangers of Government control far outweighed the dangers of irresponsible journalism.

I believe that had television and radio existed in 1789, the Founding Fathers would have regarded those media as a part of the "press" protected by the first amendment.

For the sake of this discussion, however, let me suspend my viewpoint for a moment. Let us assume that the press is constitutionally required to be fair and responsible.

Assuming further that it really is possible to define "fair" and "responsible," what sort of behavior might we reasonably demand of the press?

I would think that as a minimum we would wish that the press would give the voters a chance to hear all the serious candidates for public office.

Now, does section 315(a) accomplish this goal? Quite the contrary, it has achieved precisely the opposite result. "Equal time" has meant "no time at all" in all too many political campaigns.

To be sure, virtually all stations have been more than willing to sell time to candidates. But offer free time? Hardly ever.

Why has this happened? Is it purely because the broadcast industry is too greedy to give away commercial air time?

No, the problem is section 315(a). The law makes no distinction between serious and frivolous candidates. Any "legally qualified" candidate is entitled to air time, if another candidate for the same office has been given air time.

Consider the meaning of this in terms of the 1972 Presidential campaign. Together, the Democratic and Republican tickets won 98.2 percent of the vote.

However, there were also Presidential tickets fielded by the American, Peoples, Socialist Workers, Socialist Labor, Communist, Prohibition, America First, Libertarian, and Universal Parties.

These parties shared about 1.5 percent of the vote. But, had the TV networks extended free time to the Democrats or Republicans, the other parties would have been entitled to equal time—to 82 percent of the air time, in fact.

Now, if the equal time problem is sufficient to scare broadcasters away from covering Presidential campaigns, clearly the situation is even worse for State and local races.

NEW JERSEY TEST

In 1973, one broadcaster—Nassau Broadcasting in New Jersey—attempted to demonstrate the ludicrous nature of the equal time law as it applied to the New Jersey gubernatorial campaign. Nassau Broadcasting sought to give the major candidates 2 minutes each of air time per week during the campaign on WHWH, Princeton, and WPST, Trenton.

But to do that, the broadcaster had to offer 24 minutes of air time, because there were 10 other candidates in the race.

When the election was over, the two major party candidates had won 98.6 percent of the vote. But they had been given only 17 percent of the air time.

The time and money involved were such that the broadcaster would never have done it other than to prove its point about the equal time rule.

Aside from the prime air time consumed, the stations had to undertake the task of finding all the candidates, of mechanically producing the various statements, and of hiring attorneys to be sure the station was complying with the law.

Thus, instead of furthering the public's access to campaign coverage, the equal time law is hindering it. And the public is the loser.

To be sure, there are four exemptions to equal time—newscasts, news interviews, documentaries and on-the-spot coverage of news events. Political conventions are covered by that last exemption. These modifications of section 315(a) were approved by Congress in 1959 in the wake of the FCC's Lar Daly decision—that is the fellow who dressed up in an Uncle Sam suit and ran for President. The FCC said he was entitled to as much air time as any other candidate.

However, these exemptions put the broadcasters at the mercy of the candidates. "Media events" staged by a candidate are "bona fide news events" under section 315(a), but a program set up by a broadcast journalist is not legally "bona fide."

Joe McGuiness in "The Selling of the President 1968" and Timothy Crouse in "The Boys on the Bus" have documented the consequences of limiting broadcast coverage that way. Journalism gives way to PR manipulation. "Balance" on the time clock replaces sound news judgment.

This is not the sort of press the Founding Fathers intended us to have.

Newspapers are allowed to quiz candidates on important issues. Newspapers are allowed to stage debates. But the broadcast media cannot.

THE 1960 CAMPAIGN

One of my many objections to the equal time rule and the fairness doctrine is that they presume disaster would not result from giving TV and radio full press freedoms.

I say that the burden of proof belongs on the other side, that opponents of first amendment protection for broadcasters ought to show what awful things could happen with a free electronic press.

We seem to have forgotten, Mr. President, that once we did suspend section 315(a). Here is what happened:

At 8:30 p.m., Chicago time, on the evening of September 26th, 1960, the voice and shadow of the previous show faded from the screen; in a few seconds it was followed by another voice and by a visual clip extolling the virtues of Liggett and Myers cigarettes; fifteen seconds were then devoted to Maybelline, the mascara "devoted exclusively to eye beauty, velvety soft and smooth." Then a deep voice regretfully announced that the viewers who turned to this channel would tonight be denied the privilege of viewing the Andy Griffith Show—and the screen disolved to three men who were about to confirm a revolution in American Presidential politics.

This revolution has been made by no one of the three men on the screen—John F. Kennedy, Richard M. Nixon or Howard K. Smith, the moderator. It was a revolution born of the ceaseless American genius in technology; its sole agent and organizer has been the common American television set. Tonight it was to permit the simultaneous gathering of all the tribes of America to ponder their choice between two chieftains in the largest political convocation in the history of man."

That was Theodore H. White, in "The Making of the President 1960," setting the stage for his discussion of the Kennedy-Nixon debates.

Mr. White has a number of important points to make about those debates, and I ask unanimous consent that two excerpts from his book be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROXMIRE. Mr. President, 15 years later, there is no doubting the historic importance of the debates. Yet this history has never been repeated.

The suspension of section 315(a) was done on a one-time basis, for the Presidential campaign of 1960 only. Congress has not suspended it again.

In urging passage of the suspension bill, the Senate Committee on Interstate and Foreign Commerce commented:

In public affairs, television is an increasingly important medium since it alone can bring both the image and voice of the political candidate, reflecting his personality as he gives expression to his policy and his program. In these days, when leadership in the highest elective office involves the gravest decisions, every means must be taken to bring to as many people as possible the views of the candidates.

Those comments are as true today as they were then.

Also commendable is the sentiment voiced by my distinguished colleague from Rhode Island (Mr. PASTORE) in his statement in support of the bill:

In adopting this course of action as recommended by this legislation the committee was aware of the opportunity it affords a broadcaster to favor a candidate. This is a risk that the committee feels is outweighed by the substantial benefits the public will receive through the full use of this dynamic medium in presidential campaigns on a voluntary basis. I have faith in the maturity of our networks and broadcasters and their recognition to discharge their obligation in the public interest.

I feel that the proposals contained in this legislation are in the public interest and worth a risk being taken because the suspension is of a temporary nature and voluntary action is always preferable to Government action and therefore urge the passage of Senate Joint Resolution 207.

And so, by voice votes in both Houses, Congress enacted the suspension of section 315(a) as Public Law 86–C77.

Under paragraph (2) of that law, the Federal Communications Commission was required to report on the results of the suspension. The Commission's report was presented to the Commerce Committee on March 1, 1961. The report concluded:

(a) That the networks made available to the presidential and vice presidential candidates of the two major parties a substantial amount of time in good viewing hours without charge.

(b) That despite the sustaining time granted by the networks, the political parties spent as much for TV network broadcasts in 1960 as in 1956. Although their expenditures for radio network programs were somewhat less, indications are that total expenditures for political broadcasting (combined AM and TV networks and stations) were substantially higher in 1960 than in 1956.

(c) That the affiliated TV stations with few exceptions cooperated in carrying the great debate programs, as well as the spon-

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sored political programs. Sustaining network programs, other than the great debates, on which the presidential or vice presidential candidates appeared received less clearance by the affiliated TV stations, although the stations' record of clearance of these programs was probably no less than their record of clearance of the same sustaining programs outside the election campaign period. Affiliates of the radio networks reported high clearances for the great debates, although less than the TV affiliates.

(d) That, by and large, networks and stations exercised considerable care and succeeded in providing virtual equality in sustaining time as between the presidential and vice presidential candidates of the two major parties.

(e) That presidential candidates of other than the major parties received relatively little free time. In this connection, however, it must be noted that there was no third party in this campaign which attracted national or even substantial regional support.

Throughout the debate in both Houses, the suspension of equal time was described as a "test" or a "trial." By the judgment of most everyone who studied the experiment, it was a success. The broadcasters proved their good faith. The public interest was superbly served.

But there were no further suspensions of section 315(a). Indeed, today the broadcasters are more tightly bound than ever.

CALIFORNIA PRIMARY—1972

With the battle for the 1972 Democratic Presidential nomination nearing a climactic showdown in the California primary, the three TV networks scheduled joint appearances by the two leading contenders—the distinguished gentlemen from Minnesota (Mr. HUMPHREY) and South Dakota (Mr. MCGOVERN).

Unable to present a straightforward debate because of section 315(a), the networks decided to present special versions of their weekly interview programs, "Face the Nation" on CBS, "Meet the Press" on NBC, and "Issues and Answers" on ABC.

The networks claimed that as "news interviews" the programs were exempt from the equal time law. However, the honorable representative from Brooklyn Mrs. CHISHOLM, protested that the programs were clearly "debates" and subject to section 315(a).

The FCC rejected the honorable gentlewoman's complaint, but the U.S. Circuit Court for the District of Columbia ruled that the programs had deviated sufficiently from their normal formats to turn them into debates.

Not only was the honorable gentlewoman given a half-hour of air time on CBS as compensation for her exclusion from "Face the Nation"—she already had been given air time on NBC's "Today" program—but the court ordered ABC to either include the gentlewoman in the "Issues and Answers" telecast or provide her with a half-hour of air time.

Thus judged before its program had ever gone on the air, ABC elected to expand "Issues and Answers" to include the gentlewoman and also Sam Yorty, then mayor of Los Angeles and a candidate, plus a representative of George Wallace.

The resulting five-way exchange was widely regarded as a journalistic disaster.

In a statement accompaning the FCC decree complying with the court's order, Chairman Burch, joined by Commissioners Lee, Reid, and Wiley, said:

There are two ways that candidates come before the public on the broadcast media—one in their own right, using broadcasting as a kind of electronic soapbox, and the other in the context of broadcast journalism. In the former, the candidate has complete control over the program: it is his show. In the latter, it is the broadcast journalist who controls the format: it is his journalistic judgment that is controlling.

Congress has hedged the first type of presentation with an equal opportunities proviso—unfortunately so, in our judgment. There is a longstanding Commission proposal to amend Section 315 to limit the application of "equal time" in general elections to major party candidates, with such candidates defined liberally so as to include all who have significant public support. The basis of that proposal is obvious. Equal opportunities does not *get* free time for the Vegetarian or Socialist Workers or other "fringe" parties. As a practical matter, it just *inhibits* presentations of the major party candidates (or, in the primary context, of the candidates with any real chance of winning). The only loser is the public.

Concluding their statement, the Commissioners said:

. . . in the end, is what really is at issue: not the rights of any particular candidate but rather the overriding right of the American electorate to be informed.

Despite the air time, the gentlewoman's share of the primary vote is California was 4.8 percent. The gentlemen from Minnesota and South Dakota received a total of 88.8 percent.

LONG OVERDUE

This situation is intolerable.

It may well be that if we do away with the equal time law one station here or there might tilt its coverage or advertising policy in favor of one or another candidate.

But the evidence from 1960 indicates that whatever minor problems may be caused by eliminating section 315(a) are outweighed—indeed overwhelmed—by the increased political dialog between the candidates and the electorate.

I am pleased to learn that my esteemed colleague from Rhode Island has filed a bill, S. 608, to repeal the equal time law for Presidential and Vice-Presidential campaigns.

But are the voters any less entitled to hear from candidates for this body, or for the House of Representatives, for Governor, for State legislator, for county office, for mayor, for school board?

If anything, candidates for these less-visible offices need more TV and radio exposure than Presidential candidates. We should not merely return to the precedents of 1960, we should build upon them.

It is sometimes said that Americans are afraid of their freedoms. And some polls have shown that Americans have some doubts about the press.

But I do not believe that Americans truly want to repeal the Bill of Rights, nor do I believe that Americans will have more confidence in a controlled press than in a free one.

Through the years, Government regulation of broadcasting has been transformed from an instrument for policing the technical characteristic of broadcast signals into a method for censoring the news judgments of competent journalists.

In a free society, such interference cannot be allowed to continue.

EXHIBIT 1

ROUND TWO: THE TELEVISION DEBATES

At 8:30 p.m., Chicago time, on the evening of September 26th, 1960, the voice and shadow of the previous show faded from the screen; in a few seconds it was followed by another voice and by a visual clip extolling the virtues of Liggett and Myers cigarettes; fifteen seconds were then devoted to Maybelline, the mascara "devoted exclusively to eye beauty, velvety soft and smooth." Then a deep voice regretfully announced that the viewers who turned to this channel would tonight be denied the privilege of viewing the Andy Griffith Show—and the screen dissolved to three men who were about to confirm a revolution in American Presidential politics.

This revolution had been made by no one of the three men on screen—John F. Kennedy, Richard M. Nixon or Howard K. Smith, the moderator. It was a revolution born of the ceaseless Americas genius in technology; its sole agent and organizer had been the common American television set. Tonight it was to permit the simultaneous gathering of all the tribes of America to ponder their choice between two chieftains in the largest political convocation in the history of man.

Again, it is the census that best describes this revolution. Ten years earlier (in 1950) of America's then 40,000,000 families only 11 per cent (or 4,400,000) enjoyed the pleasures of a television set. By 1960 the number of American families had grown to 44,000,000, and of these no *less than 88 per cent, or 40,000,000, possessed a television set.* The installation of this equipment had in some years of the previous decade partaken of the quality of stampede—and in the peak stampede years of 1954–1955–1956 no fewer than 10,000 American homes had each been installing a new television set for the first time *every single day of the year.* The change that came about with this stampede is almost immeasurable. By the summer of 1960 the average use of the television set in the American home was four or five hours out of the twenty-four in each day. The best judgment on what television had done to America comes from the research departments of the large television network. According to them, is is now possible for the first time to answer an inquiring foreign visitor as to what Americans do in the evening. The answer is clear: *they watch television.* Within a single decade the medium has exploded to a dimension in shaping the American mind that rivals that of America's schools and churches.

The blast effect of this explosion on American culture in the single decade of television's passage from commercial experiment to social menace will remain a subject of independent study and controversy for years.

What concerns us here is politics and power; and the power of television to shape the American mind, concentrated, as it is, decisively in three commercial network offices in Manhattan, New York, has long perplexed the American Congress and its agent, the Federal Communications Commission. What perplexes Congress, fundamentally, is whether the hallowed doctrine of freedom of the press can responsibly be applied to the modern reality of American broadcasting. If, as Walter Lippmann has pointed out, there were only three printing presses available to publish the written word for the entire country, then the concern of the nation with the management of those printing presses would probably transcend "freedom of the press" too.

Thus, Congress and the FCC, down into the summer of 1960, had monotonously repeated their respect for television's freedom of expression, yet persistently restricted the power of the proprietors of TV to express this freedom politically. In essence, the regulations over our new communications system have permitted its proprietors any freedom of vulgarity, squalor or commercial profit—but little or no freedom of political expression.

These restrictions had, for years before 1960, irked the men who control and direct the great television and radio networks. However much they might be compelled to operate their companies as profit-making enterprises, they, too, were not only infected with the responsibility of American press tradition but also tantalized by the fantastic opportunities television offers for informing, educating and shaping the American mind. At its worst—which is common—television is one of the most squalid expressions of American culture; at its best—which is rare—it can achieve a breath-taking magnificence. Like most normal human beings, those who direct television yearned to show their best once their worst had made them rich.

In 1960 this yearning of the television networks to show their best was particularly acute. For the men who direct television are sensitive to public criticism; they wince and weep in public like adolescents at the slightest touch of hostility in print—and in 1959 they had suffered the worst round of public criticism and contempt since their industry was founded. The shock of the "payola" scandals of 1959; the Congressional hearings on these scandals; the editorial indignation in the "Gutenberg" media not only at these scandals but at the drenching of the air by violence, vulgarity and horse opera—all these had not only given the masters of television an inferiority complex but also frightened them with the prospect that the franchise on the air given to them so freely in return for their legal obligation of "public service" might be withdrawn, curtailed or abolished. It was a time for the "upgrading" of television; and the Presidential campaign of 1960 seemed to offer a fine opportunity for public service—if only Congress would relax those regulations and laws that had manacled and *prevented* television from doing its best.

Thus in the winter and spring of 1960 the networks, led by NBC and CBS had pleaded with Congress that they be allowed to do their best, and had fastened, in public hearing and testimony, on the abolition of a technical passage of communications law called Section 315. Section 315, more generally known as the "equal time" rule, is that section of the law that requires every radio and television station when offering "free" time to any candidate to offer similar "free and equal" time to every other candidate for the same office. But as interpreted by the FCC (and particularly in the Lar Daly decision of 1959), it required broadcasting stations to offer equal time not only to candidates of the two major parties but to *every candidate of every party competing for the same office.* For 1960 it meant, in effect, that not only must the television networks offer time to the Republican and Democratic candidates but also to each of the tiny splinter parties that have always operated on the American scene. (In 1960 there were actually fourteen other candidates for the presidency besides John F. Kennedy and Richard M. Nixon.[1]) The Lar Daly decision not only curtailed the offer of direct free time to candidates of the two major parties, but sternly diminished television's previous freedom to offer the public reportorial coverage, press conferences, or discussions and visits with anybody acknowledged to be a candidate. Hearings on the public plea of the broadcasting networks to abolish such restrictions were held in the spring; by May, bills were offered in Congress permitting a temporary suspension of Section 315 for the campaign of 1960 alone; on June 27th, Section 315 was officially suspended and the leash slipped on television's power of political participation.

It is important to understand why the debates of 1960 were to be different from previous political use of the medium.

Television had already demonstrated its primitive power in politics from, at least, the fall of 1952, when, in one broadcast, it had transformed Richard M. Nixon from a negative Vice-Presidential candidate, under attack, into a martyr and an asset to Dwight D. Eisenhower's Presidential campaign. But from 1952 until 1960 television could be used only as an expensive partisan instrument; its time had to be bought and paid for by political parties for their own candidates. The audiences such partisan broadcasts assembled, like the audiences at political rallies, were audiences of the convinced—of convinced Republicans for Republican candidates, of convinced Democrats for Democratic candidates. Generally, the most effective political broadcast could assemble hardly more than half the audience of the commercial show that it replaced. This was why so many candidates and their television advisers sought two-minute or five-minute spots tacked on to the major programs that engaged the nation's fancy; the general audience would not tune out a hostile candidate if he appeared for only two or three minutes, and thus a candidate, using TV "spots" had a much better chance of reaching the members of the opposition party and the "independents," whom he must lure to listen to and then vote for him. The 1960 idea of a "debate," in which both major candidates would appear simultaneously, thus promised to bring both Democrats and Republicans together in the same viewing audience for the first time. Some optimists thought the debates would at least double the exposure of both candidates. How much more they would do than "double" the exposure no one, in the summer of 1960, dreamed.

The future was thus still obscure when the representatives of the two candidates and the spokesmen for the broadcasting networks first met at the Waldorf-Astoria Hotel in New York in September to discuss the conditions and circumstances of the meetings. By this time each of the two major networks had offered eight hours of free time to the campaign, and the third had offered three hours, for a total of nineteen hours of nationwide broadcasting, worth about $2,000,000; they had also made it clear to the candidates that this was not "gift" time but time over which they, the networks, meant to exercise an editorial control to insure maximum viewing interest. Slowly, in discussion, the shape and form of the debates emerged—a controlled panel of four press interlocutors; no notes; dignity to be safeguarded; opening statements of eight minutes by each candidate in the first and last debates; two-and-one-half minute responses to questions. The Nixon negotiators fought to restrict the number of debates—their man, they felt, was the master of the form and one "sudden-death" debate could eliminate Kennedy with a roundhouse swing. They viewed the insistence of the Kennedy negotiators on the maximum possible number of debates as weakness. ("If they weren't scared," said one Nixon staffman, "why shouldn't they be willing to pin everything on one show?") The Kennedy negotiators insisted on at least five debates, then let themselves be whittled to four. ("Every time we get those two fellows on the screen side by side," said J. Leonard Reinsch, Kennedy's TV maestro, "we're going to gain and he's going to lose.")

By mid-September all had been arranged. There would be four debates—on September 26th, October 7th, October 13th and October 21st. The first would be produced by CBS out of Chicago, the second by NBC out of Washington, the third by ABC out of New York and Los Angeles and the fourth, again by ABC, out of New York.

In the event, when all was over, the audience exceeded the wildest fancies and claims of the television networks. Each individual broadcast averaged an audience set at a low of 65,000,000 and a high of 70,000,000. The greatest previous audience in television history had been for the climactic game of the 1959 World Series, when an estimated 90,000,000 Americans had turned in to watch the White Sox play the Dodgers. When, finally, figures were assembled for all four debates, the total audience for the television debates on the Presidency exceeded even this figure.

. . . . . .

No accurate political measurement or reasonable judgment is yet possible on a matter as vast as the TV debates of 1960. When they began, Nixon was generally viewed as being the probable winner of the election contest and Kennedy as fighting an uphill battle; when they were over, the positions of the two contestants were reversed.

No reporter can claim any accuracy in charting the magic and mysterious flow of public opinion between the time a campaign starts and the ultimate tally of feelings at the polls; and so opinion seesawed back and forth for weeks, as it still seesaws back and forth now, long after the debates are over, as to what, specifically, the debates achieved in shaping the campaign and American opinion.

There were fragmentary and episodic achievements that no one could deny.

Any reporter who followed the Kennedy campaign remembers still the quantum jump in the size of crowds that greeted the campaigning Senator from the morrow of the first debate, the morning of Tuesday, September 27th, when he began to campaign in northern Ohio. His crowds had been growing for a full seven days before the debates, but now, overnight, they seethed with enthusiasm and multiplied in numbers, as if the sight of him, in their homes on the video box, had given him a "star quality" reserved only for television and movie idols.

Equally visible was the gloom that descended on Republican leaders around the country; they were angry with their own candidate, angry at his performance, angry most of all at his "me-too" debating style. At Nixon headquarters in Washington, the telephones rang incessantly, demanding that someone get to this "new Nixon" and convince him that only the "old Nixon" could win.

There were other measurable hard political results. On the evening of the first debate, the Democratic governors of the Southern states were gathered for one of their annual conferences at Hot Springs, Arkansas. Except for Governor Luther Hodges[2] of North Carolina, they had until then viewed Kennedy with a range of emotions that ran from resigned apathy to whispered hostility. Watching him on TV that night, they too were suddenly impressed. We do not know whose idea it was to send Kennedy the telegram of congratulations which ten of the eleven signed that evening—but the enthusiasm and excitement of the telegram was not only genuine but a tidemark in the campaign. The Southern governors were with him now; and if they were with him, it meant that the machinery of their political organizations would be with him, too.

It is much more difficult to measure the debates in terms of issues, of education of the American people to the tasks and problems before them. For there certainly were real differences of philosophy and ideas between John F. Kennedy and Richard M.

Footnotes at end of article.

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Nixon—yet rarely in American history has there been a political campaign that discussed issues less or clarified them less.

The TV debates, in retrospect, were the greatest opportunity ever for such discussion, but it was an opportunity missed. It is difficult to blame the form of the debates for this entirely; yet the form and the compulsions of the medium must certainly have been contributory. The nature of both TV and radio is that they abhor silence and "dead time." All TV and radio discussion programs are compelled to snap question and answer back and forth as if the contestants were adversaries in an intellectual tennis match. Although every experienced newspaperman and inquirer knows that the most thoughtful and responsive answers to any difficult question come after long pause, and that the longer the pause the more illuminating the thought that follows it, nonetheless the electronic media cannot bear to suffer a pause of more than five seconds; a pause of thirty seconds of dead time on air seems interminable. Thus, snapping their two-and-a-half-minute answers back and forth, both candidates could only react for the cameras and the people, they could not think. And, since two and a half minutes permit only a snatch of naked thought and a spatter of raw facts, both candidates, whenever caught out on a limb with a thought too heavy for two-minute exploration, a thought seemingly too bold or fresh to be accepted by the conditioned American mind, hastily scuttled back toward center as soon as they had enunciated the thought. Thus Kennedy's response to the first question on Quemoy and Matsu was probably one of the sharpest and clearest responses to any question of the debates; in that response, actually, Kennedy was tentatively fingering at one of the supreme problems of American statecraft, our relation with the revolution in Asia. Yet he was out too far with such a thought for a two-minute response[2] and, in succeeding debates, in reply to succeeding questions, he fuzzed the distinction between his position and Nixon's until it was almost impossible to tell them apart.

If there was to be any forum for issues, the TV debates should have provided such a forum. Yet they did not: every conceivable problem was raised by the probing imagination of the veteran correspondents who questioned the candidates. But all problems were answered in two-minute snatches, either with certain facts or with safe convictions. Neither man could pause to indulge in the slow reflection and rumination, the slow questioning of alternatives before decision, that is the inner quality of leadership.

If, then, the TV debates did little to advance the reasonable discussion of issues that is the dream of unblooded political scientists, what did they do?

What they did best was to give the voters of a great democracy a living portrait of two men under stress and let the voters decide, by instinct and emotion, which style and pattern of behavior under stress they preferred in their leader. The political roots of this tribal sense of the whole go as far back as the Roman Senate, or the beer-blown assemblies of the Teutonic tribes that Tacitus describes in his chronicles. This sense of personal choice of leader has been missing for centuries from modern civilization—or else limited to such conclaves of deputized spokesmen of the whole as a meeting of Tammany Hall captains, a gathering of Communist barons in the Kremlin or the dinners of leaders of the English Establishment in the clubs of London. What the TV debates did was to generalize this tribal sense of participation, this emotional judgment of the leader, from the few to the multitude—for the salient fact of the great TV debates is not what the two candidates said, nor how they behaved, but how many of the candidates' fellow Americans gave up their evening hours to ponder the choice between the two.

There are many measures of the numbers of Americans who viewed the debates. The low measure is that of Dr. George Gallup, America's most experienced pollster, who sets the figure of Americans who viewed one or all of the debates at 85,000,000. The two most extensive surveys of audience were those made by NBC and CBS, the two great television networks. Their independent measures of the audience are so close that they must be taken seriously: NBC has estimated from its surveys that 115,000,000 Americans viewed one or all of the great debates; CBS has estimated the number at 120,000,000. With or without issues, no larger assembly of human beings, their minds focused on one problem, has even happened in history.

Even more significant than the numbers who viewed the debates was the penetration upon them of the personalities of the candidates; and on the effect of this penetration the public-opinion samplers were unanimous.

There are any number of such surveys. The best localized survey (and that most respected by Nixon's television advisors) was performed in New York by a research-testing firm called Schwerin Research Corporation. The Schwerin Research Corporation, which operates a studio on Manhattan's West Side with scientifically selected audiences of three to four hundred people from the New York metropolitan area, is considered by some Madison Avenue experts as the best television testing operation in the entire range of consumer-goods advertising. Testing each debate in turn before its audiences, the Schwerin analysts reported that Kennedy outscored Nixon by 39 to 23 (balance undecided) in the first debate; by 44 to 28 in the second debate; lost to Nixon by 42 to 39 in the third debate (in which the contestants were separated physically by the space of the continent); and came back to win by 52 to 27 in the last debate.

The measurements of Dr. George Gallup coincide. After the first debate, 43 per cent of his respondents considered Kennedy to have been the best man, 23 per cent Nixon, 29 per cent considered them to have come off even, and 5 per cent were undecided. After the last debate Kennedy was held by 42 per cent to have won, Nixon to have won by 30 per cent, while 23 per cent considered the men even and 5 per cent were undecided.

There is, finally, the most extensive survey, that conducted for CBS by Dr. Elmo Roper. Sampling across the country, Dr. Roper estimated for CBS that 57 per cent of those who had voted believed that the TV debates had influenced their decisions. Another 6 per cent, or over 4,000,000 voters (by this sample), ascribed their final decision on voting to the debates alone. Of these 4,000,000 voters, 26 per cent (or 1,000,000) voted for Nixon, and 72 per cent (or almost 3,000,000) voted for Kennedy. If these extrapolations are true, then 2,000,000 of the Kennedy margin came from television's impact on the American mind—and since Kennedy won by only 112,000 votes, he was entirely justified in stating on the Monday following election, November 12th: "It was TV more than anything else that turned the tide."

FOOTNOTES

[1] C. Benton Coiner (Conservative Party of Virginia), Merritt Curtis (Constitution Party), Lar Daly (Tax Cut Party), Dr. R. L. Decker (Prohibition Party), Farrell Dobbs (Socialist Workers Party, Farmer Labor Party of Iowa, Socialist Workers and Farmers Party, Utah), Orval E. Faubus (National States Rights Party), Symon Gould (American Vegetarian Party), Eric Hass (Socialist Labor Party, Industrial Government Party, Minn.), Clennon King (Afro-American Unity Party), Henry Krajewski (American Third Party), J. Bracken Lee (Conservative Party of N.J.), Whitney Harp Slocomb (Greenback Party), William Lloyd Smith (American Beat Consensus), Charles Sullivan (Constitution Party of Texas). This listing is taken from a statement of Frank Stanton, President of CBS, before the Senate Subcommittee on Communications on January 31, 1961.

[2] Now Secretary of Commerce.

[3] For a full development of this two-minute answer, one had to wait for days, until Kennedy's extraordinarily lucid half-hour speech on Quemoy and Matsu in New York on Columbus Day, October 12th. That speech was heard only by a local audience, and its full text was reprinted, so far as I know, in only three newspapers in the country. It was as fine a campaign discussion of an issue of national importance as this correspondent can remember—yet its impact on the nation was nil.

EDITORIAL SUPPORT FOR S. 680—A BILL TO STABILIZE ENERGY PRICES

Mr. STONE. Mr. President, on February 13, 1975, I introduced S. 680, a bill to stabilize oil prices and to encourage greater domestic production of energy resources. The mechanisms to accomplish these purposes are a proposed ceiling price and floor price with respect to petroleum, petroleum products, and other energy resources.

In my opinion, legislation to control the price of energy resources is absolutely necessary to prevent continued inflation to put an end to rising unemployment, and to reduce the current balance of trade deficit.

I have been encouraged, Mr. President, by the support which this bill is receiving. On February 15, 1975, the Miami Herald, Florida's largest major daily newspaper editorialized on behalf of the thrust of S. 680 and, on February 21, 1975, the Tallahassee Democrat, one of Florida's outstanding newspapers, summarized the goals of S. 680 and the assumptions on which it is based. I should like to share these editorials with the Senate and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Tallahassee Democrat, Feb. 21, 1975]

STONE HAS A PROPOSAL TO REDUCE OIL PRICES

U.S. Sen. Dick Stone has some ideas about lowering and stabilizing oil, coal and natural gas prices which might solve some of the nation's energy problems.

He has introduced a bill which calls for the President to set a ceiling and a floor for prices of all oil and oil equivalents, domestic and foreign.

He says that would allow prices to range freely between a suggested first year ceiling of $9.50 per barrel and a floor to be determined after hearings on the bill. The purpose is to insure a fair profit for the oil industry without bankrupting the country and, more important, to encourage them to step up their exploration and production with assurances that the profit rug won't be pulled from under them if they do.

Domestic oil producers, for instance, would know the approximate price they would receive for oil and how much could be put back into exploration for new oil sources.

At the same time, Senator Stone wants the President to negotiate credit-purchase agreements with the oil supplying nations. Cash is required at present. Stone would tell the suppliers that after we pay them a fair profit, they have to give a little to keep us as a customer.

We agree that negotiations for credit terms are overdue. However, we also recognize that foreign oil producers need the money we pay them so they can buy our technical know-how and industrial products. But there should be some leeway.

There is another aspect to Stone's bill which makes good sense. If the President determines a foreign country has acted to restrict or place an embargo on oil exports to the United States, he must cancel for the duration of the restriction that country's eligibility for grants, credits, loans, technological and military aid from the U.S. government.

Most-favored-nation trade status also would be suspended. There should be no reluctance on the part of our government to do these things. We can't permit somebody to kick up and continue to reward them with special considerations.

Senator Stone has asked the Senate Interior Committee to hold hearings on energy prices. He suggests that technical experts from the Organization of Petroleum Exporting countries be invited to testify. That is a good idea.

Drastic reduction in our use of oil is not the solution to high prices or dependency on foreign oil sources. We agree with Stone that stringent cutbacks will cause more inflation, unemployment and recession.

What he offers is a sensible approach which allows the oil producers to make a fair profit, helps maintain an adequate oil supply and gives the American consumer a break.

[From the Miami Herald, Feb. 15, 1975]

OIL SOLUTION DROWNING IN POLITICS

"In order for us to work together," President Ford said on Wall Street the other day, "the Congress must do more than criticize. And until the Congress does something more, it will be part of the energy problem, not part of the solution."

A neat turn of phrases, those. And we subjoin them. On the field of energy conservation the President has the only game plan in town—save for one.

Both the problem and the solution have become muddled in the fog of politics. Thus the central point is lost: The United States must—repeat, must—at once reduce its dependency on imported oil or surrender its balance of payments to national bankruptcy.

This is what the oil problem is all about, and it is terribly urgent. Mr. Ford has a plan to solve it, and Congress ought to give it the benefit of the doubt. It ought also consider a supplemental plan proposed by Florida's Sen. Richard Stone, an unlikely proposal on the face of things because freshmen legislators are supposed to be seen and not heard during their first months in Washington.

If foreign oil is to have a price floor, as everyone from Henry Kissinger to the Common Market is urging, why not a ceiling?

This is the gist of Sen. Stone's plan. He would tell the oil producing countries by law that the United States is willing to pay no more than $9.50 a barrel for their oil rather than the current $12.50, preferably through credits instead of cash payments. If any one of them will not then go along the United States would deny them trade benefits and military aid. The thrust of the gist is that it might splinter the OPEC cartel, proving again that historically all cartels break up eventually.

This is a drastic solution, but so is the problem in short-term dimensions. Within three years, according to Federal Energy Administrator Frank Zarb, oil from new fields will bring the price down to $8 a barrel. And in five years, as a recent Morgan Guaranty bank study contends, OPEC imports of goods bought with petrodollars, marks, pounds and francs and reduced oil imports in the consuming countries will put the oil exporters in an account deficit.

"Morgan Guaranty's estimates," reports The Manchester Guardian, "is confirmed by Dr. Otmar Emminger, the vice-president of the West German central bank who has agreed that the OPEC countries might no longer be in balance of payments current account surplus by 1980."

But that is tomorrow, not today. Unless the outflow of dollars is sharply curtailed, today's balance of payments deficit may look like piggybanking. Both President Ford and Sen. Stone are addressing themselves to solutions. Congressional Democrats with exceptions indeed have talked themselves into becoming the problem.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, critics of the Genocide Convention have often stated a belief that it could never have any force behind it. They argue that no treaty or convention of an international nature can actually compel any nation signatory to it to take any certain action if that nation does not want to do so. History shows that this is not always the case.

A classic example of a successful international agreement is the Geneva Convention, which deals with the treatment of prisoners of war. It set standards for the conditions under which captured military personnel were required to be held. During World War II, inspections were conducted by neutral nations, notably the Swiss. In this case, the convention achieved its desired results, and prisoners of war were humanely treated by those parties who had signed it.

If the Genocide Convention and its provisions are as strictly adhered to by those who sign it, it, too, can have an impact. By ratifying it, this body can allow the United States to join over 80 other nations in a firm stand against the horror of genocide. The support of this Nation can only lend strength to the voice against genocide.

CHILD AND FAMILY SERVICES HEARINGS

Mr. MONDALE. Mr. President, on February 20, 1975, we began joint hearings of the Senate Subcommittee on Children and Youth, the House Select Subcommittee on Education and the Senate Subcommittee on Employment, Poverty, and Migratory Labor on the Child and Family Services Acts of 1975, S. 626 and H.R. 2966.

We were fortunate to have a highly impressive and respected group of witnesses at this hearing including; Mrs. Marian Wright Edelman of the Washington Research Project Action Council; Hon. Jerry Apodaca, Governor of New Mexico; Ms. Carmen Maymi, Director of the Women's Bureau of the U.S. Department of Labor; Dr. Rowland L. Mindlin of the American Academy of Pediatrics, and Mrs. Dorothy Lasday, member of the National Board of the National Council of Jewish Women.

Their testimony provided an eloquent and compelling case for the need of this kind of legislation.

Because of the large number of requests our subcommittees have already received for copies of these statements, I ask unanimous consent that a copy of each statement be printed in the RECORD, along with my opening statement and that of Representative BRADEMAS.

I urge my colleagues and members of the public to review carefully the testimony we received.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT BY SENATOR WALTER F. MONDALE, CHAIRMAN, SENATE SUBCOMMITTEE ON CHILDREN AND YOUTH AT JOINT SENATE-HOUSE HEARINGS ON THE CHILD AND FAMILY SERVICES ACT OF 1975

Today we begin joint hearings by the Senate Subcommittee on Children and Youth, which I am privileged to chair, and the House Select Subcommittee on Education, ably chaired by Representative John Brademas, on S. 626 and H.R. 2966, the Child and Family Services Acts of 1975. These companion bills are designed to provide financial assistance necessary to help States and localities upgrade and expand their services for families and children. They contain the fundamental principles from the child development legislation which passed the Congress in 1971, but was vetoed by former President Nixon.

As we begin these hearings, I believe it is useful to recall the history of this legislation. It all began over five years ago, in late 1969 and early 1970, when both Senate and House Subcommittees started hearings on the original bills from which the legislation before us has developed.

In those five years we have held over 30 days of public hearings between us. The 1971 version of the bill passed both Houses of Congress by impressive bipartisan margins, was vetoed by former President Nixon, and that veto was almost overriden by the Senate but the 51–36 vote to override fell seven votes short of the two-thirds majority required.

This bill reflects our best thinking, after five years of legislative investigation, and passage of several previous bills, about the way to best provide for the wide variety of programs and services that families need. But nothing in this bill is etched in stone.

Many things have changed during the five years we have been working on this legislation, but the needs for it have remained constant or increased:

The infant mortality rate in our country is still inexcusably high . . . still higher than that of 13 other nations;

While we have made some progress in the detection and treatment of handicaps . . . each year an estimated 200,000 children are struck still by handicaps which could have been prevented if they and their mothers had received early health care;

There are only about one million spaces available in licensed day care programs for the six million preschool children whose mothers are working;

And between 1970 and 1973, there has been an increase of 650,000 in the number of children whose mothers are working.

Clearly the economic situation in our country will and should affect the consideration of this bill. Unemployment is now at the absolutely intolerable level of more than eight per cent. Families and children are also suffering from double-digit inflation. There are, obviously, many important pro-

grams in the areas of tax relief, tax reform, public service jobs, improved unemployment compensation, and other fields that require the immediate attention of the Congress and the President.

But I believe for many reasons that child and family services should continue to rank among the highest priorities of our Nation because many children need improved services and care—either through a new or an upgraded program of health or child care or other service. These investments to support families and help in the early years of life are not only the most humane actions our Nation can take—they are also one of the most cost-effective. In addition, at a time of rising unemployment the child care system should be among those programs considered for its job creation capacity, because it is one of the most labor-intensive programs we have.

I hope that as our hearings develop and the need for this legislation becomes even more clearly demonstrated that we can work with the Administration and gain their support.

CHILD AND FAMILY SERVICES HEARING

Mr. BRADEMAS. Today we begin joint hearings of the House subcommittee on Select Education and the Senate Subcommittee on Children and Youth, chaired by Senator Walter F. Mondale, on H.R. 2966 and S. 626, the Child and Family Services Bill.

I want to observe at the outset that we resume consideration of this measure which can prove to be of enormous importance to children and families across the Nation thanks to the leadership of several members of the House and the Senate on both sides of the aisle.

Joining me in the House as principal sponsors of the Child and Family Services Bill, H.R. 2966, are: the gentleman from California, Mr. Bell; the gentlewoman from Hawaii, Mrs. Mink; and the gentlewoman from Massachusetts, Mrs. Heckler; and several members of my subcommittee. And the principal sponsors of the companion measure in the Senate, S. 626, are Senators Mondale of Minnesota and Jacob K. Javits of New York.

The bill would provide $1.85 billion over three years to plan for, initiate, and operate a new program providing a wide variety of services to children and their families.

Activities which could be funded under the measure we are today considering include: health services, screening for handicaps, pre-natal services for mothers, in-home and center-based day care—both part and full-time—and health and nutrition programs.

Let me stress that the bill we are discussing is not presented in a vacuum.

My own subcommittee held twenty days of hearings on similar legislation in the 91st and 92nd Congresses, and Senator Mondale's subcommittee, likewise, conducted an extensive investigation into the needs of children during that period.

Those hearings amply demonstrated the need for the services to children and their families which the bill before us today would provide.

Some of you may recall the results of our efforts in the 91st and 92nd Congresses: President Nixon in December of 1971 vetoed the Child Development Act.

Last August efforts to enact a new bill began again in earnest, and Senator Mondale and I held two days of joint hearings on the Child and Family Services Bill, joint hearings which we are resuming again today.

Evidence of the need for legislation of the type we are considering comes from several sources.

Take the need for screening programs for handicapped youngsters.

There are today approximately 7 million handicapped children in the United States between the ages of 0 and 18, including over 1 million handicapped preschool children.

Fully 60 percent of these youngsters are not receiving the special education services they need, and many of them lack the medical assistance they also require.

The early identification programs for handicapped and learning disabled children which can be established under this bill will allow prompt treatment at an early age—treatment which might make a critical difference to the full development of such children.

Or let us look at day care needs in the United States.

Carmen Maymi, Director of the Women's Bureau of the Department of Labor said in Chicago last November:

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor force in March, 1974. About one-fourth of these children were below regular school age and probably required some kind of care while their mothers worked.

But for the 6 to 7 million preschool aged children with working mothers cited by Ms. Maymi, there exist only one million licensed day care spaces in this country.

As final evidence of the need for the legislation we are considering today I would cite our difficulties with respect to health care for children.

I think you will all agree with me that it is inexcusable that this, the richest country in the history of mankind, currently ranks 14th in the world in terms of infant mortality.

I would hope that the prenatal and postpartum care which this bill can make available to families will help us improve this astonishing statistic.

Speaking for myself, then, I think the time is long past when resolutions and expressions of goodwill will suffice, for the children and families of our society.

It is time for action, not words.

And the action that will best demonstrate our request for families and concern for children is the prompt enactment of the measure before us today.

Let me finally say just a brief word about the voluntary nature of the services to be provided under the Child and Family Services Bill.

Because the bill assures parent control of the programs operated under the legislation.

First, children may be enrolled in programs providing services only after a written request from their parents or guardians has been received.

Second, the bill requires parental involvement at every stage in the planning, development and operation of the programs.

Third, parents are to be part of the councils which are required at both the prime sponsor and local program levels.

Finally, parents themselves will choose which services they wish for their children.

So I want to conclude by noting that although the requirements for parental control of programs will not be changed during our consideration of the bill, the other features of the delivery system are not etched in stone, and I look forward to the testimony of our witnesses today regarding improvements which might be made in the legislation.

TESTIMONY OF MARIAN WRIGHT EDELMAN ON THE CHILD AND FAMILY SERVICES ACT

Chairman Brademas, Chairman Mondale, and Members of the Committee. I am Marian Wright Edelman and I am here today, thanks to your invitation, to testify on behalf of the Washington Research Project Action Council. The Action Council is a public interest lobbying organization which focuses its attention on legislation which affects children, especially low-income and minority group children. It has served as coordinator of an ad hoc informal coalition of nearly 50 national organizations, many of whom were instrumental in securing passage, with your leadership, of a comprehensive child development bill in 1971, and all of whom maintain their interest in enactment of such legislation now. The Action Council also works closely with over 400 individuals and organizations throughout the country who are interested in improving child care services in their own communities.

I am also director of the Children's Defense Fund, a child advocacy project which has spent the last two and a half years gathering evidence about the condition of children in this country. CDF will issue during 1975 a number of reports on problems faced by large numbers of American children. We seek to correct the problems we uncover through federal and state administrative policy changes and monitoring, litigation, public information, and support to local groups and parents who are trying to make life better for our youngest citizens.

Above all, I am here as the parent of three preschool children. Like every parent, I want the best of everything for my children. But unless we insure that children other than our own have a decent chance to grow up healthy and whole, all of our children will be left a costly legacy in services, in crime, in alienation, and in national division.

Many voices are now raised against considering new domestic spending programs. Although he hesitates little about recommending new expenditures for defense, President Ford counsels cut-backs in those programs directly benefitting families and children, like food stamps and child nutrition. We cannot sacrifice our children in times of economic trouble. Federal support for child care services had its largest growth during the depression of the thirties, under Franklin Roosevelt, when funds were authorized so that children would not suffer irreparable hardship.

It is our children who will suffer most later by neglect now. The infants and toddlers we were seeking to help in 1971 are ready to start school. The preschoolers are already in third and fourth grade. And thousands more children have been born at a disadvantage because their mothers did not have decent nutrition and prenatal services.

To those who ask whether the time is right for this kind of categorical legislation, in this economy, my answer is an unequivocal yes! The recession has increased the urgency for child care services. As the purchasing power of the dollar declines, more and more families require assistance—food, health care, subsidized services—to meet the basic survival needs of their children. And as the unemployment rolls grow, particularly with the increase in male unemployment, the general sense of economic insecurity may well be forcing more mothers to take part-time jobs, and may be keeping more new mothers in the work force after their children are born. The waiting lines for decent child care are not disappearing.

Investment in child development programs can help stimulate the economy because it will create jobs. If we are going to maintain the child-staff ratios necessary for quality programs, we will have to employ a lot of people. However, let me inject a word of caution here. Child care work is a separate, distinct profession. It is not just make-work. It needs men and women with warmth, openness, and demonstrated effectiveness in dealing with young children. Academic credentials, by themselves, do not measure those kinds of skills. Parents and community people who are employed in programs like Head Start and neighborhood child care facilities, who come from the child's own environment, are providing some of the best care for children today. If one of our goals is to keep

families together—and I think that is the primary one—then helping community people work with children, while providing the means for them to support their families with dignity, has a double payoff.

What then should we be trying to accomplish with comprehensive child care legislation? And what are the main questions and fears that have to be addressed by you in your subsequent hearings?

THE OBJECTIVES OF A PRINCIPAL CHILD DEVELOPMENT BILL

The principal objective of this legislation has always been to provide services to families who want and need them in order to meet the comprehensive needs of their children. We need to make the record clear on this point.

This is not just a day care bill—although the lack of sufficient quality day care options is one of the most pressing needs in many communities today.

It is not only or primarily an early childhood education bill—although education is one of the components of a comprehensive program.

It is not a bill just for poor children, because many children and families require decent child care options.

It is not a bill just to provide group care for young children. Parents must be able to choose from a wide variety of arrangements: including in-home, family, and group care, before and after school programs, and work-based facilities.

It is not only a program for working mothers. Nor is it designed to encourage more women to enter the work force. We are trying to deal with the needs of children whose mothers already work, and to meet the needs of children whose mothers do not work but whose families need help.

In sum, this legislation seeks to provide the framework and the funds for a community to deal with its own most urgent needs—health, nutrition, family support services, outreach, prenatal care, day care, preschool education—whatever they may be in that particular locality.

That a crying need for this kind of program exists is clear. For example:

40% of the young children in this country are not even fully immunized against childhood diseases. That is an alarming step backward in meeting the most basic child health needs;

Only one out of three AFDC children who need eyeglasses get them;

At least 10 million children, most of them poor, receive no health care at all;

Only 11% of the pregnant women and children under age four who need supplemental feeding programs for basic nutrition get them; and

Over 4 million children have limited or no English-speaking ability, and only a handful of them are enrolled in bilingual bicultural programs.

Some look at this evidence and ask whether child development legislation is the best way to meet these needs. Why not provide enough money to families to enable them to purchase these services for their children?

I believe in an adequate income maintenance program. Lack of income is a major source of stress in families today, and the distorted welfare system encourages separation of families as a condition of financial assistance. However, while an adequate income maintenance program might well eliminate or reduce the need for public subsidy of the cost of certain services to children, there will still be a need for public funds to encourage the development of facilities and services. Gaps in child development services exist now, not only because people do not have the money to pay for such services, but because the services just are not there, even for families who can afford to pay.

More essentially, however, one has to view the argument in terms of practical possibilities. A family will not have enough resources to purchase even the most basic child care services until we are ready to talk about income maintenance levels at least twice and maybe three times as much as the Administration has been willing to suggest or the Congress has been willing to consider in the past. I am not prepared to sacrifice all of the children who are out there now, with needs that we might begin to meet with the kind of legislation you are considering, to wait for the time when we have a political climate that will support a truly adequate income maintenance program.

Other opponents fear this kind of legislation on grounds that it will encourage women to work and thus undermine mother-child relationships. First of all, there is evidence that working mothers spend as much or more one-to-one time with their children, and find as much or more enjoyment in child care, as non-working mothers. Second, there is no hard evidence to show that harm to mother-child relations, or harm to children's development, will occur if children, like other members of the family, leave the house daily to be cared for by friendly, consistent adults. Third, this position ignores the reality of what already exists.

Most women work because they have to. Of the 27 million children under the age of 18 whose mothers work, 12 million are in female-headed households, where the median income is $6,195 if the mothers works, and only $3,760 if she does not. In another 1 million families, the husband's income is inadequate to maintain minimum financial independence. And in most cases, a wife's earnings make the difference between poverty and middle-class.

One-fourth of these children of working mothers are below school age. Since 1970, the number of children of working mothers has increased by 1.2 million while the total number of children in the country has gone down by 2.2 million. Yet, in spite of all these facts, there are still less than 1 million slots in licensed child care facilities.

Some argue that we do not have enough evidence of long-term gains from Head Start to justify putting new federal resources in these kinds of programs. That position assumes that the success of such programs should be measured in terms of lasting IQ gains, a traditional white middle-class yardstick. However, if we measure these programs in terms of the things that really matter to many parents and children—elimination of health problems, improved nutrition, stimulation of the child's curiosity, changes in other community institutions—then they are unquestionably successful.

Evaluators of these kinds of programs must be extremely cautious about imposing their own values on other people's children. Many parents may not care so much whether their children get into an Ivy League college. But they do care, as I do, about whether they are in good health, can see and hear, are getting enough to eat, are able to relate to their peers, and above all, are happy.

A mother worries when she has to work and cannot find someone she can trust to be nice to her children, to keep them warm and clean and fed, to help them grow and learn about themselves and about the world around them. Poor parents worry when they cannot get enough food, when they cannot figure out what is wrong when their child complains of a stomach ache, and they cannot afford a doctor to help them. Cognitive development is important, but it is only one of many important needs which children and families have, and which this legislation attempts to address.

Some child psychologists are moving away from the heavy emphasis on the first five years of life as essential to a child's development. They point to evidence that developmental gaps in early childhood can be filled at a later stage of life. But that is no argument against early intervention; it only supports the argument which all of us here, I think, have always made—that you cannot intervene at just one stage in a child's life and expect that to be enough. Still, the fact is, that while it may be possible to correct a child health problem at the age of ten, it is probably easier and certainly better to do that when the child is two or three. Similarly, it may be possible, when you discover at the age of eight that a child has a hearing or sight problem to correct that problem and provide the remedial services necessary to help him catch up with the rest of the third graders. But isn't it fairer to the child to catch the problem and deal with it before he gets to school? And what about the child who starts first grade with no understanding of the English language? Couldn't a bilingual, bicultural preschool experience based on that child's own heritage and environment help to prepare him for the first day of school?

THE DELIVERY SYSTEM

Child care legislation must support families. This means including parents. The underlying principle of the legislation before you is that child care needs differ from family to family and from community to community. So do the capacities of community institutions to meet those needs. The community itself must be able to assess its overall child care needs, to make local choices about the types of services to be offered, and to determine who within the community should provide those services so that families have options. This flexibility is essential.

The involvement of parents is critical to the success of child care programs. Insistence on decisive parent involvement is not a move for political and economic power, as some critics charge. (Although I do not think that is a bad idea at all!) Rather, it is an essential component of child development. We have not found anything better for children than parents yet. Leading child psychologists have recognized that consistency of child-rearing styles—expectations, rewards, and punishments—is most important for healthy development.

If the child spends some time away from home each day, consistency of the day care program with his or her parents' values becomes crucial. Parents must have a strong voice in determining the policies and practices of any child care program to insure their child's best interests are being met.

Parents are the most central force in the development of their children. They have a right to a voice in how the programs which affect their children are operated. They are, or certainly should be encouraged to become, experts about their own children and should be confident in speaking on their behalf. One of the problems with too many purported child-caring institutions—the public schools, the health care system, social welfare agencies—is that they treat the parents as interlopers. "Don't interfere with what we are doing with your child," the parent seems to hear. "Wait until we send him back home, and then support us."

Head Start was the first real effort to break away from that mold. For the first time, low income and minority group parents were told, "you have a stake in your child's development, and you have a right to make decisions about the way this program runs." As a result of their involvement in the operation and administration of Head Start, many parents acquired new understanding of their own role as child-carers and new skills to help their own children develop. They also learned how to deal with other institutions which affect their children.

The success of Head Start has been di-

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rectly related to the nature and the extent of this parent involvement. We should build on this good beginning. Parents able to act with assurance and dignity to help their children is exactly the goal we are seeking. It may not be "measurable" in the short-run, but that does not mean it is not of major importance to children, and to the nation.

It is because this legislation must support families and include parents that the delivery system is so crucial. I know that you are going to be taking a very hard look at the delivery systems in H.R. 2966 and S. 626, and will be holding hearings later to consider specific changes and alternative mechanisms.

I realize that there is renewed pressure to expand the role of the states in the delivery of services. Events since 1971—including the creation of offices for children in many states, the role of governors in the struggle to preserve the social services program, and the expansion of day care services through state agencies under Title IV–A and the new Title XX—suggest another look at that question. We maintain the same very deep reservations we have always had about the capacity and the willingness of many state governments to support the kind of community institutions and to allow the degree of parent participation which this legislation envisions.

You are also confronted with a new campaign to place the entire delivery system in the hands of the public schools. I am opposed to giving schools a whole new set of responsibilities when they are so far from meeting the ones they already have. The Children's Defense Fund has just completed a study which gives evidence that more than 2 million school-age children are out of school, and millions more are in school but are not learning, because the schools do not have the flexibility, the sensitivity and, some argue, the resources to deal with their special problems and needs. We cannot justify sending even younger children into that atmosphere, particularly when it is precisely the children who are most in need of child care services whom the schools most often exclude or otherwise disservice. One of the most important features of the Head Start program is its outreach function, and this is one of the things which, the exclusion study shows, the schools do least well.

I question whether most schools practically (and even, in some cases legally) can administer an entire comprehensive program which addresses the broad range of child development needs in a community. I am very fearful that too many school boards, suddenly given a new pot of federal money, will simply put those funds where they can spend them most easily and with the fewest adjustments in the regular school program—in kindergartens where they don't have them and in day care programs where there are empty classrooms or unemployed teachers. This bill tries to do much more.

But rather than argue the pros and cons of any one delivery system here I think it might be more useful to list the standards based on the objectives of the bill, against which you must measure every proposed delivery system:

(1) Can it provide the full range of services which children and families need?

(2) Does it assure community decisions about the types of services to be offered, based on a local assessment of needs of children and families in that community?

(3) Does it give parents the central role in the community's decisions about the types of services to be provided and in the day-to-day operation of the programs in which their children are participating?

(4) Is it flexible enough to provide parents and families with real options, including services in a variety of settings (e.g. in-the-home, in neighborhood facilities, at places of employment)?

(5) Does it preserve existing community child care institutions (including Head Start projects) and assure opportunity for such institutions to expand and to receive funds under this legislation?

(6) Does it encourage services in settings that support the family and are relevant to the child's own culture and environment, and that are staffed by people from the child's own community, including parents?

(7) Does it include a funded mechanism for enforcing federal standards?

(8) Does it provide a mechanism for coordination with other agencies providing services for children in the community—including those provided through public health, education, and welfare agencies and especially those provided with Title XX and Head Start funds?

I cannot urge you strongly enough to include in your hearings on delivery systems testimony from parents who have tried to find child care services and community groups who have tried to provide them. We can make suggestions for individuals who could give you very useful, practical evidence, and we would be happy to work with you to arrange for them to testify.

The delivery system is not the only unresolved issue in this bill. I know you do not want to get into specific detail at this point in your hearings, but I would just like to mention several other areas of particular concern to us.

One of these, which I know you are hearing a great deal about, is the question of the role of profit-makers in this legislation. The horror stories about nursing homes, fostered in good part by the availability of federal funds to profit-making operations, should serve as fair warning for child care programs.

I am opposed to using public funds to support franchised, commercial child care operations, and I think they should be specifically excluded. Limiting the program to public and private, non-profit agencies would not exclude employer-provided child care, nor should it eliminate family day care operators, if properly written.

I would also recommend that you take another good look at the eligibility and fee schedules in the bill. The Bureau of Labor Statistics Lower Living Standard must be the absolute minimum level for free services. However, in Title XX, the Congress has just established a new standard of need, the state median family income, which is higher than the BLS figure and which might be incorporated into the bill before you now.

I also urge you to look closely at how this legislation relates to the new social services law, and whether your bill will allow vendor payments or only grants and contracts. Those questions have never been fully considered.

The fact that I am not raising other issues, like the absolute necessity of federal standards with funded enforcement, and a guarantee of continued funding of Head Start programs does not mean that we are any less committed to those provisions in the bill than we have always been. They are essential and we would not support a bill without them. I am simply operating on the assumption that those are not issues in question, and that we are all agreed that they will be included in any legislation that is reported by these committees.

In closing, let me commend you for your own persistence on this issue. I am convinced, on the basis of the children and families we see in our work every day, that this legislation is essential and cannot be deferred. But we are not willing to accept just any bill, for the sake of having a bill. Neither, I am sure, are you. These committees can write a bill that is good for children and families, and we can rally the support for such a bill to see that it is enacted into law and funded. Like many others, we are willing to devote as much time and energy as is necessary to help you make that happen.

STATEMENT OF THE HONORABLE JERRY APODACA, GOVERNOR OF NEW MEXICO, ON THE CHILD AND FAMILY SERVICES ACT OF 1975

Mr. Chairman, members of the committee, I appreciate this opportunity to comment on the Child and Family Services Act of 1975. My comments will be made as Governor of New Mexico, but also as chairman of the Early Childhood Task Force of the Education Commission of the States.

The national Task Force which I head is a 28-member group representing a cross section of state legislators, child development professionals, educators, federal officials and individuals concerned about services for young children. For the past four years, the Task Force has provided leadership in encouraging and assisting the states to initiate and expand programs for very young children and their families.

We wholeheartedly support the objectives and the basic concepts embodied in the Child and Family Services Act of 1975. From the beginning, the emphasis of our Task Force has coincided with many of the purposes of the legislation you have under consideration. In its first report, *Early Childhood Development: Alternatives for Program Implementation in the States*, published in June 1971, the Task Force said: "The states should provide for support for developmental programs for children younger than six . . . The major thrust of such programs should be (a) strengthening the role of the family as the first and most fundamental influence on child development; (b) the early detection of serious health and education handicaps; and (c) the provision of remedial health and education programs for all preschool children who need special services."

The Task Force went on to recommend that programs should be based on the following minimum objectives:

"1. To develop ways to reach the families of young children and to strengthen their capacity for parenting.

"2. To involve parents in the formal education of their children directly and through the decision-making process.

"3. To provide for the health, safety and psychological needs of young children . . ."

I make these points to emphasize that the work of our Task Force with the states has been in the direction outlined in the Child and Family Services Act, and consistent with the basic concepts of the proposed legislation.

The need for a national commitment to very young children is evident and growing. It is now clear that the first few years of a child's life are critical to his later emotional, social and intellectual well-being.

In addition, families of one parent or where both parents must or want to work are desperately in need of adequate day care facilities for their youngsters. Yet there is little prospect that the required services can be provided without federal support.

We believe that federal legislation on this subject should include the following direct services for children and their families: child care, health care, nutrition, legal services and child advocacy, social services, mental health services, education of parents for parenting and education for preschool children with special needs. I was pleased to note that the Act, as introduced, includes most of these services.

In addition, we believe the following support services should be provided: transportation, training, facilities, research and development, planning, coordination and technical assistance, and monitoring and evaluation. Again, the legislation you are considering makes provision for most of these services.

The need today is for conscious and consistent policies that will help strengthen the family in relation to other institutions and will give its needs new priority in state planning.

The family is the most crucial factor in early childhood development. Many of the parameters of a child's life are set during the years before he enters school, and recent research indicates that family background influences school achievement more heavily than any other variable, including the education system. Substantial evidence exists that the second and third years of life—before a child begins to participate in the public school system—are a critical period in his growth and development. Less than five per cent of all children are born with serious enough deficits to be already bound for educational underachievement. Yet by the time children are enrolled in Head Start or other preschool and day care programs, learning disabilities begin to be identifiable with some consistency. The Joint Commission on Mental Health of Children has estimatd that 35 per cent of apparently normal children show behavioral difficulties as early as age four. "The present tendency," the Commission noted, "is to identify children in need and refer them for services after the age of six or more, when they are found to present problems in school adjustment. This is often too late for effective intervention."

During the first three years of life, a child's curiosity, motor skills, and language abilities are burgeoning at a unique rate. The successful development of these physical, emotional, and cognitive processes seems to be very much a product of the kind and quality of care and guidance the child receives during this period. Most of this care and guidance is usually in the hands of the child's family.

The family is the most effective and logical system for delivering to young children the educational and developmental stimulation which will influence their later life. Yet, the role of the family as the first educational delivery system has, until now, been grossly undervalued. Because the experiences of infancy and early childhood significantly influence human growth and development, it becomes critical to examine more closely our childrearing and child care practices and the ability of the family to provide a nurturing environment for the child's fullest development in the early years.

At present family services, including early medical screening, family counseling, education for parenthood, preschooling, homemaker and health-aide services, and day care, are available only in a limited number of communities and are usually provided only to families on welfare or otherwise deemed at risk. Nearly ninety percent of child welfare money is spent *after* the fact of family breakup, not to prevent dissolution of the family. Yet the cost of raising a child in foster care from infancy to age 18 is $122,500, three and a half times the estimated cost of raising a child in his natural home. Ten to twenty percent of all children in this country suffer from chronic handicapping conditions, one third of which might be corrected or prevented by appropriate care in the preschool years. The 1970 White House Conference on Children estimated eighty per cent of mental retardation to be the result of "adverse environmental and cultural situations," not genetic endowment. Special education for handicapped and retarded children costs 2.4 times as much as a regular education program. Institutionalization costs up to five times as much.

If families were helped in time to correct a handicap or prevent retardation, it would save a great deal of public money as well as human suffering. We need to consider ways to move beyond the deficit model of intervention only after a child's developmental handicap becomes evident. A coherent policy of continuing support to young children and their families is required to insure that every child realizes the fullest potential with which he was born.

The high quality comprehensive programs that are needed represent a substantial investment which the states cannot bear alone. In partnership with the federal government, offering a wide range of activities such as those proposed in the Child and Family Services Act, the states could more adequately address the needs of young children and their families.

Because strengthening the family is a comprehensive effort that encompasses services that are the responsibility of many different state agencies and of private resources, a first step in organizing a state program should be the development of a mechanism to plan and coordinate service delivery. Such a mechanism already exists in 16 states. In 11 additional states significant interest has been shown in creating a state Office of Child Development, an Office for Children, an Interagency Council, an Office of Child and Family Services—whatever name you wish to use. Thus there is a demonstrated commitment in many states to improve the quality of services for very young children and their families, and to provide better delivery of those services to the people who need and want them. With the additional help which the Act would provide, I would anticipate an even greater emphasis in those states already committed to the concepts embodied in this legislation and greatly increased interest in those states which are not presently moving in this direction.

We are concerned with some aspects of the legislation as introduced. I refer specifically to the question of prime sponsors. I would hope that at future hearings we will have an opportunity to present our views on this question in detail and to make some suggestions which might form the basis for a reasonable compromise with those who may view the matter differently.

For while there are, undeniably, areas of controversy I think that all of us—individually and as representatives of various organizations—are in agreement on the pressing need for this legislation. It offers the promise that at last this nation is willing to focus a small part of its resources in a comprehensive way on an often neglected and forgotten segment of our society, its very young children.

STATEMENT OF CARMEN R. MAYMI, DIRECTOR, WOMEN'S BUREAU, U.S. DEPARTMENT OF LABOR

I am pleased, indeed, to have an opportunity to appear before this committee today to discuss a matter which has had high priority in the Women's Bureau for decades. However, I must point out that I have been invited here, not to support the bills under consideration, not to critique them, but to express the concern of the Bureau and our thinking on the subject of child care services for working families.

Admittedly, there are many reasons why large numbers of children in the United States need day care. Illness or death of the mother, mental or physical handicaps borne by the child; the presence of emotionally disturbed persons in the home, poor family relationships, or poor living conditions are among the factors that place child care needs high on the list of national concerns. But the major demand for child care facilities stems from the employment of mothers outside the home.

There has been a steady upward trend in the number of working wives with children. Since 1960 the labor force participation of married women with husbands present and with children under 6 years has increased from 18.6 percent to 34.4 percent. The rate of labor force participation for women who were family heads, at 54 percent, was higher than that of wives, but has remained little changed for many years.

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor force in March 1974. About one-fourth of these children were below regular school age and required some kind of care while their mothers worked.

Since 1970, the number of children of working mothers had risen sharply by 1.2 million, while the total number of children in families has dropped by 2.2 million. These opposing trends can be attributed to the continuing long-term rise in the number of working wives, both with and without children; a declining birth rate, and an increase in the number of families headed by a woman which is due largely to a rising divorce rate.

While the labor force participation rates of wives with children rose significantly between 1970 and 1974, the absolute increase in the total number of children with working mothers occurred almost exclusively in female-headed families.

In March, 1974 over 12 million children were in families where the father was absent, unemployed, or not in the labor force. This figure is highly significant in view of the fact that in families headed by a woman, the median income in 1973 was only $6,195, if the mother worked and only $3,760 if she did not.

These data point out that the need for child care facilities is acute now and that it will increase over the years. Latest estimates indicate that care in licensed centers and homes is available for only a little over one million of the children needing day care. By 1985 we expect that 6.6 million mothers, aged 20 to 44, with children under age 5 will be working or looking for work. The demand for child care facilities can be expected to increase accordingly.

The availability of child care is often the pivot on which a woman's decision to work or remain at home turns. Often it is the earnings of the mother that keeps the family above the poverty line and off public assistance. However, if she is unable to find good care for her children, a woman is usually forced to stay at home and depend on welfare allowances to support her children.

The problem is particularly severe for women heads of families who so often are poor. Of the 6.8 million families headed by a woman in March 1974, 32 percent had incomes below the low-income level in 1973. For families headed by a man the figure was 6 percent. The percent of female-head families with related children under 18 that were poor in 1973 was 42 percent for whites and 67 percent for blacks. Among families headed by Spanish-origin women 51.4 percent had incomes below the low-income level in 1973.

Much as we deplore these conditions, we must not be tempted to seek out easy solutions in order to get families off relief rolls and on to payrolls. It is unfair to the child and self-defeating to a society concerned with a healthier, more intelligent, more productive population in the future, to settle for mere custodial care, or worse—substandard care for our children.

When quality care is not available, we can hardly blame the family that chooses to live in poverty rather than subject the children to experiences that could retard their development and mar their future. Many families are reluctant to leave young children in the care of aging grandparents or of brothers and sisters who are only slightly older. Some feel that care in day care centers or the homes of others may separate the child, emotionally, from his or her own family, and still others fear that being parted from the mother is damaging to the emotional stability of the young child.

Clearly these attitudes argue for working parents' involvement in the care of their children by others. Parents need to know

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the kind of care their children receive, something about the persons who give that care, and the physical surroundings in which their children will spend the better part of their days.

Concerned parents want to be able to work without having to worry about their children, and mothers, in particular, want reassurance that they need not feel guilty about leaving their children in the care of others. Parents also want to be sure that the child's sense of the importance of his or her own family is strengthened and that the experiences in the day care setting are consistent with the child's background and with the parent's values.

The last point is of particular concern to minority parents. Spanish-speaking, American Indian and black families want their children to develop a sense of pride in their cultural and racial or ethnic background. They look to the child care center or the family child care home to substitute for the extended family which is rapidly becoming a thing of the past, supplanted by the small nuclear family.

The child of a working family is not the only one to benefit from good day care. The parents also gain. The welfare mother, of course, is freed to acquire training and a job. But it is a mistake to think of day care exclusively as a welfare measure. Middle class women, struggling to provide their families with an adequate standard of living, can enter into the work force as they see fit and women with professional and technical skills can continue to contribute those skills to fill the needs of our society in health, science, business and industry, politics and other fields. Day care in fact, is a boon to women of all economic levels who want the freedom to choose for themselves their own life style and decide for themselves how they can best contribute to the well-being of their families. There are also many fathers for whom child care is a necessity. Often they are divorced, or separated from their wives and responsible for the children. In other cases the mother may be ill or incapacitated in some other way.

Society, too, benefits from a day care system that assures the positive development of future generations and at the same time makes available the skills and capabilities of a large segment of our human resources.

Many imaginative approaches to the problem of day care have evolved in recent years. A noteworthy trend toward union operation of child care centers was begun by the Amalgamated Clothing Workers of America. Baltimore Regional Board has six child health care centers. These centers are financed primarily by employer contributions to the health and welfare funds administered by both the union and the men's clothing industry. The Chicago Regional Joint Board of the same union also operates a child care center.

There is a growing trend toward the establishment of day care centers by employers who find it advantageous to have child care facilities in or near the workplace. In a survey of hospitals with 100 or more beds in 1968, the Women's Bureau found 98 hospitals operating day care centers for children of staff members. Today there are at least 30 more hospital day care centers, although it is possible that a few of the original group have closed. Officials reported that having such services made it easier to recruit and retain nurses, resident doctors, and other health workers. In addition, the provision of day care for their children permitted some personnel to work full time instead of part-time or to work overtime; shift rotation was facilitated, and there was a reduction in absenteeism. Similar benefits were cited by employers in other industries surveyed by the Women's Bureau for its bulletin, "Day Care Services: Industry's Involvement." We know of about 10 company-sponsored centers now in operation. In addition, there are at least 2 industry-consortium operated centers; one of which is in Minneapolis.

Well over 400 universities operate child care centers for the children of faculty, students and other personnel. And, of course, a few Federal agencies, including the Department of Labor, operate centers for the children of their employees.

I would not say that one of these approaches is more valuable or more successful than any other. Each meets a particular type of need and it is important that we have this diversity—that parents have a choice. It is important, too, that "day care" be broadly interpreted. Not all families need or want the same kind of service. Many need only programs that provide after-school care; some need a full day's care for their children, while others can manage with part-day service. Some, who work nights, require a place where their children can be cared for over night. Many prefer licensed family day care.

I appreciate this opportunity to share these thoughts with you, because quality care for the Nation's children is of vital concern to all citizens, whether or not they have children; whether or not they are workers.

TESTIMONY OF AMERICAN ACADEMY OF PEDIATRICS ON CHILD AND FAMILY SERVICES ACT OF 1975

Mr. Chairman and members of the Committee, I am Rowland L. Mindlin, M. D., Chairman of the Committee on Infant and Preschool Child of the American Academy of Pediatrics. I am pleased to appear before you today to comment on the Child and Family Services Act of 1975, S. 626 and H.R. 2966.

The Academy is an international association of board certified physicians who provide care to infants, children and adolescents. Since establishment of the Academy in 1930, its members have been dedicated to improving the health and welfare of children, including their intellectual and behavioral development. The goal of the Academy, as recently revised and approved by the entire membership of more than 17,000 pediatricians, is the attainment by all children of the Americas of their full potential for physical, emotional and social health.

I am pleased to manifest once again on behalf of the Academy its support for quality day care programs. The Academy's interest in this legislation stems from our long term commitment, as an organization, and as individual pediatricians, to improving the health and welfare of children. We recognize that goal cannot be accomplished by medical care alone, in the narrowest sense. It is true that without good health, our children cannot flourish, but health is more than merely the absence of disease, and it is not achieved merely by the treatment of recognized illness. Health is good nutrition. Health is a nutritive environment. Health is enhanced by strong family structure.

To its credit, this bill places emphasis on the family. Quality day care is good for families. In our 1972 "Policy Statement on Day Care" we said, "Day care services should be a supplement to, not a substitute for, the family as a primary agent for the child's care and development." You have kept this precept in mind in the construction of the bill and parental involvement is quite properly mandated. I would urge one note of caution which may be recognized in the regulations rather than in the law. Sec. 102, (c), 3 stipulates that assistance should only go to a program that "provides for regular consultation with the parents . . . .". This should not be permitted to become a vehicle for the exclusion of so-called "undesirable" children whose parents, for whatever reason, may be unable to avail themselves of the opportunity.

The scope of services authorized in Sec. 102, (b) is sufficiently broad. The Policy Statement of the Academy that I referred to before emphasizes:

"To meet all the child's needs, day care services should provide the following:

"1. A means for children to enrich their experiences when away from their parents, and for parents to share in the broadening experiences of their children.

"2. An opportunity for children to explore and learn at their own speed, in a safe environment, and for parents to understand the developmental needs of their children.

"3. A vehicle for helping families to secure medical, dental, and mental health services, including prevention, early diagnosis and treatment.

"4. Social or, when necessary, emotional support for the family with particular attention to children with special problems, such as the child of the broken home or the isolated child.

"Day care which does less than the foregoing will not meet the developmental needs of the child and the social, emotional, and economic needs of the family."

All of these provisions can be accomplished under the proposed authorization.

The device of "prime sponsorship", with preference given to local government rather than to the states, as formulated in Sec. 104, but still reserving to the Secretary the authority to fund specific programs directly, is a concept long supported by the Academy. These provisions, particularly when implemented in conjunction with the Child and Family Service Councils of Sec. 105 should ensure the development of programs responsive to local needs.

I would like to suggest a change in the provision of Sec. 108. I have been in charge of Maternal and Child Health Services in two municipalities where the regulation of day care was a function of the Department of Health. In one (New York City) the Health Department was the pioneer in the regulation, supervision, and upgrading of children's day care and had the authority under its own Health Code. In the other (Boston) the regulation was delegated to the city by the State Department of Health. In both I attempted to perform all of the functions enumerated in 108(b) except that in Boston development and assessment of the Code was a state role. Both had inadequate resources to do the job well. As a matter of fact in Boston the austerity budget forced the city to relinquish the delegated authority and disband a developing capacity to upgrade services on a local level by local initiative. Accordingly, I respectfully suggest that provision be made in Sec. 108 for special grants be made also to those municipalities or other units of local government which are large enough and have the desire to carry out these activities. I imagine some state approval or acquiescence would have to be required.

Let me now turn to health services in the more conventional sense. I should like to make a distinction between the health program and policies of a day care center and the provision of medical care to parents and children. The difference is highlighted in the pamphlet "Recommendations for Day Care Centers for Infants and Children" which our Committee on Infant and Preschol Child of the Academy has published. Every good day care center will have a health program and it will be written down so that it can be generally known, shared with parents and professionals alike. It will deal with such things as what the center requires for pre-admission and on-going examinations and immunizations, how illnesses and accidents are handled within the center, and the like.

Every good day care center should also see to it that its children and their families receive the medical care they need. However, the Academy does not believe that this bill should be the basis for a whole new health care system. Maximum use should be made of existing personnel and facilities, and, I might add, of existing payment mechanisms, for the actual provision of medical services. The regulations that are promulgated to implement the legislation should require the plans to specify how the health needs of their families will be met. But they shoul not be rigid in imposing any one system. The ultimate grantees should be able to use a variety of methods; the sponsors staffs should be facilitators, advocates, "follow-up-ers." There is a precedent here in the Headstart experience where there were many successful models for getting children into the health care delivery system without direct purchase of service out of the Headstart budget. Encouragement should be given to three-way contracts between sponsors, providers and state Title XIX agencies for medical care, or fee-for-service, or on capitation bases. Such a contract could be made by an individual private physician, a private practice group, a health center, a hospital, or even a medical school. Important from the child and parents' point of view would be the availability, accessibility, and comprehensiveness of the services. Only when no suitable local arrangements can be made should the plan include medical care in its own budget.

The same does not apply to medical consultation. Funds should be made available to pay for consultants to program directors and staff, about general principles, about implementation of policies, even occasionally about individual problems or individual children. Ultimately these costs may be subsumed under the special grants to states section, for such consultation is properly the role of the central agency. However, it is in the early years after enactment that the programs are going to need the consultations most. This is likely to be the time when it is least available, for the states will need time to tool up. Programs should initially have the resources to seek consultation on their own. Besides, it is a funny thing about consultation: if you ask for it, you value it more and are more apt to follow the advice, than if it is imposed on you by some outside agency.

Mr. Chairman, I would like to conclude my remarks with the latest "Statement on Day Care" by my Committee, unanimously adopted in December and endorsed last month by the Council on Child Health of the Academy. It will appear in Pediatrics this spring. It is our feeling that S. 626 and H.R. 2966 are responsive to our call for both quantity and quality in day care in the United States.

AMERICAN ACADEMY OF PEDIATRICS COMMITTEE ON INFANT AND PRESCHOOL CHILD STATEMENT ON DAY CARE

The pediatrician serves as an advocate for the children of his community. This advocacy includes a concern for the quality of care of all children.

The basic and most important source of child care is parenting. Three significant changes in recent years have affected patterns of parenting: 1) an increase in the number of working mothers; 2) an increase in the number of single-parent families; 3) a decrease in the availability of extended-family alternatives. When neither parent can provide child care, assistance in parenting must be provided by family support systems, including day care.

Today in the United States there is a serious deficiency in day care services—quantitatively and qualitatively. Of children under 14 whose parent(s) are employed outside the home, less than 3% are in licensed day care programs and 8% are left entirely on their own while their mothers work.[1] Many children are left with inadequate care during a significant proportion of their developmental years because of the large variation in the quality of day care arrangements.

Pediatricians must strive for the further development of high quality day care programs. The American Academy of Pediatrics supports the continued expansion of these services. The Committee's publication, Recommendations for Day Care Centers for Infants and Children[2] outlines in detail what the pediatrician needs to know about day care. Our active participation can be a vital force "for the welfare of children."

COMMITTEE ON INFANT AND PRESCHOOL CHILD

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NATIONAL COUNCIL OF JEWISH WOMEN,
New York, N.Y.

TESTIMONY OF DOROTHY LASDAY

I am Dorothy Lasday, member of the National Board and Vice Chairwoman of the National Affairs Committee of the National Council of Jewish Women. I appreciate the opportunity to appear before you today in support of an issue of priority concern to us. While my comments are the position of the Council, they reflect some of my personal experiences in the communities where I live. (I am chairman of the Dutchess County Child Development Committee, an advisory committee of the county legislature, and an officer of the New York State Association of Child Care Councils. At the time I moved to New York State in 1971, I was serving on the Steering Committee for a Virginia 4-Cs Council, which has since come into existence.)

The National Council of Jewish Women, with a membership of over 100,000 in 189 local sections throughout the United States, has had a concern for the welfare of all children and the strengthening of family life since its inception in 1893. At our last biennial convention in Miami in March 1973, our delegates approved the following resolution:

HEALTH AND WELFARE

The National Council of Jewish Women believes that a healthy community, sound family life and individual welfare are interdependent . . . ; therefore resolves:

5. To work for the expansion, development and adequate financing of quality comprehensive child care programs.

As at our convention in years past, a similar resolution is certain to be adopted at our biennial convention in San Francisco next month.

Such resolutions are not only the expression of our positions, but the basis of our local and national activities for community services, education and study for social action, and social action itself, in this case including successful efforts to upgrade state child day care standards in recent years—Michigan and Louisiana being two that come to mind, and to provide more adequate funding for child day care, such as in Oregon when the newly imposed Social Services ceiling made cuts in services necessary in 1972–73 but concerted action had the cuts distributed evenly through all services and not mostly from day care.

It must be obvious that the National Council of Jewish Women supports the intent of the Child and Family Services Act.

As a result of our 1970 national survey on day care, directed by Mary Dublin Keyserling and published as "Windows On Day Care", we determined that legislation to provide badly needed comprehensive child care services for those families desiring them must include:

1. Well defined standards not lower than those of the Inter-Agency Requirements of 1968.
2. Parental involvement in development of programs.
3. Opportunities for socio-economic mix among enrollees in day care facilities.
4. Funds for training of child care personnel.
5. Allocation of public funds (grants) to public and private non-profit agencies only.
6. Full subsidization of quality care for children of low income families and partial subsidization, on a sliding scale, for children whose families are above the poverty level, but not able to afford the full costs of care.

The proposed Child and Family Services Act of 1975 (S. 626 and H.R. 2966) appears to include all of these. Yet we suggest that the following need to be considered carefully as they relate to this bill:

1. Standards for child day care services

With the enactment of Title XX of the Social Security Act, effective October 1, 1975, for the first time Federal minimum standards for child day care have been enacted into law by the 93rd Congress, as the basis for Federal reimbursement. Of necessity, Section 201(a) of the proposed Child and Family Services Act must be changed to reflect this. In January, when I reported on the newly legislated standards to our National Affairs Committee and then to our National Subcommittee on Child Development, our pleasure at the enactment into law of child care standards was more than a little diminished because the enacted standards are lower than the 1968 Federal Inter-agency Day Care Requirements in two major areas: a) Educational component in child care programs is recommended, not mandated, for reimbursement from social services funds; and b) Staff ratios for school age children were raised from the current 1 to 10 requirement to a ratio of 1 to 15 for children age 9 and younger, 1 to 20 for children ages 10 to 14. There is ample evidence in the many studies funded by the Office of Child Development of the importance of educational programming, even for infants and toddlers. Certainly, there can be no educational services with such staff/child ratios for school-age children. The situation becomes a nightmare in terms of the 80 school-free days per year when the child is in the program a full day.

Our support of the 1968 Interagency Requirements was reexamined last fall. At the request of NCJW's Executive Committee, our position on day care standards was carefully reviewed at the annual joint meeting of the National Committees on Community Activities and on National Affairs, November 7, 1974. We found that the following recommendation from Windows On Day Care (Chapter IX, p. 229) is as valid today as when written:

"Improving Standards and Their Enforcement

"We recommend that any legislation to expand funding for child care services provide

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[1] 1968 Children's Bureau Program.
[2] Committee on Infant and Preschool Child: Recommendations for Day Care Centers for Infants and Children. Evanston, Illinois: American Academy of Pediatrics, 1973.

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for the development of Federal child care standards which local programs would have to meet to be eligible for funding, no less comprehensive than the 1968 Federal Interagency Requirements approved by the Department of Health, Education and Welfare, the Office of Economic Opportunity and the Department of Labor."

The joint committee meeting reaffirmed the support of the National Council of Jewish Women for the 1968 Interagency Day Care Requirements for Federal financial support for day care for children.

We want to make clear that such standards should apply not only to Head Start and ESEA day care projects, and, of course, those funded under social services (currently Title IV–A, later Title XX of the Social Security Act), but also to child care services provided through increases in the cash grants to ADC working mothers. Presently there is no accountability for expenditure of these funds—whether in licensed care in day care centers or family day care homes, or in unlicensed, inadequate, or unsafe care—or even if it is spent at all for child care.

Hopefully, the Child and Family Services Coordinating Council (Section 201(a)) could provide a mechanism for attacking the problem.

2. Parental involvement in development of programs

National Council of Jewish Women has consistently supported parental involvement in development of programs for their children. Again quoting Windows On Day Care (page 7):

"We also recommend the establishment of representative, local child and family service policy councils, with a high degree of parental participation. It is recommended that Federal funds be allocated to help support these functions. This mechanism would provide a useful means for utilizing those local 4–C (Community Coordinated Child Care) Committees which meet accepted criteria."

But one of our experienced members on the Child Development Subcommittee wrote a word of caution, with specific reference to the bill now under consideration:

"Fifty-one percent parent membership on the Board represents some problems and should perhaps be modified: While the intent is good, it often leads to a large number of Board members who do not have time to really do leg work or do not have the experience."

Can a mechanism be developed which gives parents the voice they must have in programs for their children and yet at the same time provides for the community support these programs need to function effectively? Unless a center is 100% Federally funded for its full budget, in this time of inflation no day care center can exist without community support and cooperation. In 1970 a committee chaired by Dr. Urie Bronfenbrenner, distinguished professor of psychology and child development at Cornell University, developed a "Statement of Principles—Day Care USA", published by the Office of Child Development:

"The day care center should become the focus of social and service programs involving families, neighbors, local businesses, civic organizations, and any other agencies in the community. This enables the entire community to become aware of and actively concerned with the children in its midst. The day care program has the responsibility of serving as a bridge to the larger community in which the child lives."

We share these concepts.

I have come to recognize how important they are through my involvement with the Dutchess County Child Development Committee and its coordination efforts for the activities of 12 licensed county centers, five of them Head Start. Most children in full-time day care centers are from families where the adults are employed full-time. Working parents also have responsibility for care of their homes and families, which fully occupies evenings and week-ends. Very few have the additional time or energy to carry the continuing load of the child day care center board responsibility—planning and executing that extra fund-raising event needed because costs have spiralled, or the "big wheels", or the dishwasher, must be replaced—or attending meetings to prepare the presentation for United Fund budget allocation review—or to develop staff job descriptions—or to paint tables.

Moreover, in many areas of our country there are no State or local tax funds to provide the local share—20% after 1979. For example, I understand that United Funds provide the local share for those centers receiving Federal funds in Ohio.

This limited time availability applies across the socio-economic spectrum alike to the working middle-income and the working ADC parent. Parents want to become involved. They rightfully demand to be part of the decision-making process affecting their children. But if the board has 10 members, 5 or 6 of whom are working parents, in a very short time a strong day care center director will be running the program with little or no input from parents or the board—if not by intent, then by default, and before too long becomes totally exhausted.

Although the legislation specifically indicates that fees from parents are to be used to expand the program (not for part of the operating budget as it is now the case), in this time of both recession and inflation, this may be unrealistic.

3. Opportunities for socio-economic mix among enrollees in day care

Our community services are always of higher quality, with greater citizen support, when they serve all segments of the population. There is resentment when services are offered only to the very poor and others need them as well. Moreover, all children benefit from the exposure to different cultures and life styles.

4. Funds for training of child care personnel

Under such funding available in years past, the training has provided a way up the ladder for women—men, too—who wanted to work, and also better care for children. The lack of availability of training money has meant that we have had to be most creative in providing in-service training opportunities in the past two years (except for Head Start). The child care staff, center and home, have been short-changed: no funds to reimburse costs such as transportation, meals, sitter, registration fees, supplies, nor to pay for a substitute to release the day care worker to attend training during normal work hours.

5. Allocation of public funds (grants) to public and private non-profit agencies only

a. National Council of Jewish Women opposes grants of public funds for capital costs, equipment, etc., for profit-making, proprietary child care centers. We do not oppose proprietary child care. In many communities purchases of services in licensed proprietary centers is an important, quality service. But in some communities, even with support of United Fund and the Social Services District, we have seen proprietary centers without health, nutrition, or educational services undercut quality, non-profit, developmental centers which have had to close or cut back in the past year. (The proprietary centers were not eligible to participate in the USDA special food services programs, so the children brought paper-bag lunches, reducing costs—not only for food, but for staff to prepare it, and also eliminating important nutrition education.)

b. NCJW does not consider the family day care mother-provider as a proprietary child care operator, but a provider of services for which she is paid—part of the private, voluntary sector like the non-profit child care center. It is important that a loan closet of toys, books, games, developmental materials be available for rotation among the family day care homes in a community, similar to a service available through the Cincinnati (Ohio) Section, also extra equipment which may be needed for the children, such as cots/cribs/play-pens, or for fire safety, such as fire extinguishers.

The importance of this definition can be seen from the experience of Council's Los Angeles Section, which undertook to develop a cluster of family day care homes called Home-Safe. Council provided a director, training for the family day care providers and parents, volunteers to provide enrichment experiences to the children and to work with a parent group, and young men to bring programs into each home weekly for a male contact. When California transferred its day care program to the State Department of Education, in 1972, welcomed by all, that department was not familiar with the use of purchase of services by DSS and classified the family day care home as proprietary—and thus not eligible for grants for needed safety devices or equipment or support services. The project closed. It is important that the legislation include such definitions.

6. Full subsidization of quality care for children of low income families and partial subsidization, on a sliding scale, for children whose families are above the poverty level but not able to afford the full cost of care

It is time that we as a nation recognize that child day care is not primarily a service for dysfunctional families. We must accept the fact that a new life style requires services to meet its needs. And it IS a new life style, clearly defined from Congressional Joint Economic Committee figures and from those used by Senator Mondale when he introduced S. 626:

43% of all mothers worked outside the home in 1971.

1 of every 3 mothers of pre-school children is working.

13% of all children live in families headed by women, 65% of whom work.

27 million children under age 18 have working mothers, most of whom have to work because two incomes are needed, since the father's income is under $7000/year, or they head families.

The sliding fee scale is needed for several reasons:

a. The family coming up the income ladder must still be eligible for day care. A major problem for day care advocates has been to persuade local commissioners of social services and the county legislators who appropriate the funds that implementation of the sliding fee scale for services is essential, when the State plan includes it. My county has one of the lowest unemployment rates in the country, even today. Until recent weeks there have been semi-skilled jobs available at the many State institutions and at IBM, with manpower programs to train them. Within 18 months of being established in her job, the ADC mother often finds herself earning more than the ceiling for free day care. In New York State the problem is further complicated because we exhaust the social services ceilings allocated.

b. Moderate income—middle income—families cannot afford to purchase the full cost of developmental day care for their children. In private, non-profit centers serving few ADC families, the rates have had to be kept too low, despite rising costs, so families could still have care. Actually, the individuals paying a share of the true cost unfortunately are the day care center staff members—certified teachers and paraprofessionals alike—who work at minimal salaries, are not paid for overtime, with little or no fringe benefits and no pension plans. The major exceptions are Head Start, State Department of Education ESEA and Pre-K projects, and unionized workers in New York City. It also applies to family day care providers who have had no increase in rates and must absorb the 20% increase in food costs over the past two years.

c. Again, we suggest the need to conform this legislation to Title XX—the maximum income eligibility for free day care should be the same for both.

No mention has been made of the need for quality developmental day care services for infants and toddlers, and setting staff/child ratios. Council's Subcommittee on Child Development has begun an investigation into some of the creative and successful programs that have been undertaken across the country. A Chicago Section member works in such a program in Evanston. Programs are being investigated in New York City, Syracuse, North Carolina, Ohio, Alabama. We are counselling with professionals in the field. But the recommendations will be our own and will be directed to our own members working with infant care in their own communities. Our intent is to come up with working guidelines that will be helpful to our more than 100 Sections directly involved with child care services in their own communities.

I would like to mention briefly an experimental child care center in my own county, unique in New York State. The Poughkeepsie Family Development and Day Care Center, which began as a Model City—funded demonstration program, was designed to take care of a family's children of all ages in one center—ages 3 months to 14 years, with some 85 children now enrolled. One agency is working with the entire family and can make needed referrals for services, with follow up. Children are grouped according to their stage of development. Most fascinating to watch are the interactions—for example, the school-age children when they come in. Even the morning kindergartners, eager for lunch, will first check into their younger siblings' rooms to make sure that everything is "A–OK". It also provides an opportunity to teach the "seniors", the 11–14 year olds, the art of parenting. Since the PFD&DCC is now three years old, it has had a few of its graduates return as summer youth corps workers through C.E.T.A.

The parents using this center have a high rate of job retention and of completion of job training—all at their own initiative. Young mothers tell us that they are better mothers for their children because they are improving their family's living conditions and no longer feel hopeless. The infants and toddlers expect T.L.C. from any adult that comes into their room, instead of being shy and withdrawn with strangers. They are open, trusting, loving, communicating, and developing fully in ways far beyond the expectations those who designed the Center could possibly have hoped for. But the problems of insufficient funding have almost overwhelmed it, time and time again. It survives because it is needed. It truly provides Child and Family Services.

I have commented on aspects of the Child and Family Services bill primarily with respect to child day care services. But NCJW's Section Project File in our national office indicates that our women have initiated or are participating in a wide range of services for children and their families, demonstrating the need for the extensive listing of service programs under Section 102. Some that come to mind include: screening for visual, speech or hearing problems; immunization services and well-baby clinics; drop-in counseling centers for teen-agers; family outreach center aimed specifically at prevention of neglect and abuse of children; day care services for children with severe physical handicaps, to prepare them to participate in programs with normal children; genetics screening and counseling; bilingual counseling services; library services; information and referral services; summer recreation programs; food and nutrition services; tutorial programs; cultural enrichment activities; story bus; consumer education; etc. The Child and Family Services Act might make it possible for a successful service in one community to be replicated elsewhere where it is needed.

A final comment: Of particular importance to us is the language of the legislation that includes "establishing, maintaining, and operating programs". In recent years the Office of Child Development has funded a variety of successful demonstration projects, all in the name of research, rather than as a continuing service to those using it. In this time of recession and high unemployment, child and family services may be particularly crucial. It would be exceedingly cruel to initiate services and then close them once the need and success have been demonstrated.

We are most appreciative of the opportunity to testify before you today.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If there is not, morning business is closed.

ORDER FOR RECOGNITION OF SENATOR HATFIELD ON MONDAY, FEBRUARY 24, 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that immediately after the joint leadership has been recognized on Monday next, the distinguished Senator from Oregon (Mr. HATFIELD) be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS TODAY

Mr. MANSFIELD. Mr. President, for the information of the Senate, it is my understanding that at the hour of 10:45, the distinguished Senator from Connecticut (Mr. WEICKER) will suggest the absence of a quorum and at that time it will be a live quorum call.

Mr. HARRY F. BYRD, JR. Mr. President, may I inquire of the majority leader? As I understand, when the Senate completes its business today it will stand in recess until Monday noon and after the two leaders are recognized and after the Senator from Oregon is recognized, the pending business will be the Penn Central railroad legislation.

Mr. MANSFIELD. The Senator is correct.

Mr. McCLURE.. Mr. President, a parliamentary inquiry.

What is the pending business?

The ACTING PRESIDENT pro tempore. The pending business is the motion to concur in the House amendment to S. 281.

Mr. McCLURE. I thank the President.

ORDER FOR RECOGNITION OF SENATOR WEICKER AT 10:45 A.M.

Mr. MANSFIELD. Mr. President, I shall suggest the absence of a quorum, but before doing that, Mr. President, I ask unanimous consent at this time that at the hour of 10:45, if the Senator from Connecticut does not have the floor, he be recognized for the purpose of making the motion which I have announced will be made.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Mr. WEICKER. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Commerce have the privilege of the floor during consideration of S. 281:

Lynn Sutcliffe, Paul Cunningham, Tom Allison, Malcolm Sterrett, and Arthur Pankopf, and a member of my staff, Geoffery Baker.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that Mr. Rom Parker be accorded the privilege of the floor during the consideration of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, a number of inquiries are coming to me from the news media and from others about just what is going on on this Senate floor. Maybe it would be wise to have a live quorum so Senators themselves can find out.

Mr. President, I want to refer to a paragraph in an article in the Washington Post of this morning, page A5, headed "Filibuster Fight Blocks Hill Vote on Rail Aid."

The article is written by Spencer Rich, a very fine reporter whom most of us know.

I do not take exception to the story, except in one point, and that is a reference to the distinguished Senator from Alabama (Mr. ALLEN).

I shall read the second paragraph of the aforementioned article.

Sen. James B. Allen (D-Ala), who on Thursday had frustrated—

I might add, that may be an understatement, Mr. President, when one re-

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members the consternation on the faces of some Senators Thursday—

efforts to reduce the filibuster cutoff from two-thirds of senators voting to three-fifths, held the floor most of yesterday.

Which, of course, was Friday.

He refuse to yield for a vote on a $347 million aid bill for Penn Central and other railroads in financial difficulties.

Now, Mr. President, it ought to be said for the record that this is not accurate, that the distinguished Senator from Alabama did, indeed, offer to permit the Penn Central vote to be held. Several times during Friday's session, Senator ALLEN made clear that he was perfectly willing for a vote to be held on the Penn Central matter—indeed, that he would be happy for that vote to be held yesterday, which, of course, was Friday.

Then, Mr. President, Senator ALLEN made a very clear and, in my judgment, a very reasonable proposition to the distinguished majority leader, a proposition which would have negated the necessity of this Saturday session in which we are now involved.

Let me hasten to say, Mr. President, that I do not criticize the distinguished majority leader for declining to accept Senator ALLEN's proposal. Senator MANSFIELD best knows his duties and his responsibilities, and his obligation to protect the rights of all Senators. He does this in an always gentlemanly fashion, and I respect and admire him for it.

But the fact remains, Mr. President, that the distinguished Senator from Alabama did indeed offer a proposal which would have brought the Penn Central matter to a vote. It is not correct, therefore, to say that Senator ALLEN "refused to yield for a vote • • •."

Mr. President, I call attention to the colloquy between the Senator from Alabama (Mr. ALLEN) and the distinguished majority leader (Mr. MANSFIELD) which appears on page S. 2382 in which Senator ALLEN said:

I am not going to vote against it—meaning the Penn Central bill—but I want to see the Senate act. I have felt that we should first dispose of Senate Resolution 4, inasmuch as the proponents of that measure have given it a top priority, a priority ahead of the Penn Central bailout. It is not the Senator from Alabama who has caused this impasse. If Senate Resolution 4 is out of the way, then there would be no reason why this could not be acted upon at once.

I did make this proposal to the distinguished majority leader, and it has something to do only with the procedure on Monday:

Item No. 1: Pass the Penn Central bill.

The rest of it has to do merely with the procedure that would take place on Monday, that before we would recess, to allow the Senator from Alabama to move to bring up one of the items on the calendar. He is not particular about which one.

Then waive the Pastore rule for Monday, the reason being that on these other matters it will probably be hard to make a germane talk for 3 hours on one of these proposals.

Then agree that the Senator from Alabama would be recognized on Monday after the two leaders.

We would recess today, rather than adjourn, and Monday we would come in at 12 and adjourn not later than 5:30.

Now, after that, Mr. President, the distinguished majority leader gave a very adequate explanation as to why he could not accept this proposition from the Senator from Alabama, but I want the RECORD to show that the Senator from Alabama did, indeed, in good faith, offer to permit the Penn Central vote to be taken.

Mr. President, I ask unanimous consent that the article from this morning's Washington Post entitled "Filibuster Fight Blocks Hill Vote on Rail Aid" be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FILIBUSTER FIGHT BLOCKS HILL VOTE ON RAIL AID

(By Spencer Rich)

The Senate bloc began regrouping yesterday for a new battle next week to ease the filibuster rule, while the dispute was blocking final congressional action on a bill to aid the impoverished Penn Central railroad.

Sen. James B. Allen (D-Ala.), who on Thursday had frustrated efforts to reduce the filibuster cutoff from two-thirds of senators voting to three-fifths, held the floor most of yesterday. He refused to yield for a vote on a $347 million aid bill for Penn Central and other railroads in financial difficulties.

The Senate scheduled an unusual Saturday session in hopes of pushing the House-passed rail bill through, but final action on it is unlikely.

Sen. Vance Hartke (D-Ind.) argued that the Penn Central may be unable to meet payrolls over the next two weeks unless the subsidy measure is passed, and asserted that it is an innocent victim of the filibuster fight.

But Allen, apparently convinced that delaying Senate business will press Sens. Walter H. Mondale (D-Minn.) and James B. Pearson (R-Kan.) to give up their filibuster fight, refused to relent.

Majority Leader Mike Mansfield (D-Mont.), meanwhile, said that once the Penn Central bill is finally passed he won't schedule any other Senate business until the filibuster issue is settled.

Pearson and Mondale met with Mansfield yesterday morning to start working on plans for a new effort next week.

Although outmaneuvered Thursday by Allen's parliamentary tactics, the Pearson-Mondale group established an extremely important precedent when the Senate voted, 51 to 42, to accept for the first time in history the theory that, at the biennial start of a new Congress, the Senate has the right under the Constitution to cut off debate by a simple majority and proceed to voting on rules changes.

Vice President Nelson A. Rockefeller accepted the vote as binding, and this means that if Pearson and Mondale can formulate their proposals in precisely the right way they will be able to shut off Allen by a majority vote next week and then vote their change in the filibuster rule.

Mondale repeatedly has told the Senate that the two-thirds rule—requiring 67 votes if all 100 senators are present—has sent dozens of progressive bills to the legislative graveyard in recent years and will do so in the present Congress unless it is softened to three-fifths or 60 votes.

Since 1917, when the present two-thirds requirement was adopted (there was no way to shut off filibusters before that), debate has been cut off only 21 times. In 1973–74, filibusters blocked the consumer protection agency bill and the genocide treaty, and they were also used to delay or force softening of campaign reform, legal services and Export-Import Bank bills.

Allen and other defenders of the two-thirds rule believe it provides a protection for small states and minority spokesmen against the tyranny of a majority bound on overriding all opposition.

Mr. HELMS. I thank the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10:45 having arrived, the Senator from Connecticut is so recognized.

QUORUM CALL

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 5 Leg.]

Byrd, Harry F., Jr.	Hartke	McClure
	Hathaway	Morgan
Clark	Helms	Sparkman
Dole	Leahy	Stone
Glenn	Mansfield	Thurmond
Hansen	Mathias	Weicker

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Michigan (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. TUNNEY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Illinois (Mr. STEVENSON), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. HASKELL), and the Senator from Mississippi (Mr. STENNIS) are absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNINN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. HARTKE. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Beall	Griffin	Metcalf
Byrd, Robert C.	Hatfield	Mondale
Cannon	Hollings	Montoya
Case	Jackson	Nelson
Cranston	Kennedy	Nunn
Culver	McClellan	Pastore
Fong	McGee	Proxmire
Randolph	Scott, William L.	Stafford
Scott, Hugh		

RECESS TO MONDAY, FEBRUARY 24, 1975

Mr. MANSFIELD. Mr. President, since a quorum is not present, I move, in pursuant to the previous order agreed to. that the Senate stand in recess until the hour of 12 o'clock noon Monday next.

The PRESIDING OFFICER (Mr. PROXMIRE). The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and at 11:30 a.m. the Senate recessed until Monday, February 24, 1975, at 12 noon.

HOUSE OF REPRESENTATIVES—*Monday, February 24, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

My Father worketh hitherto, and I work.—John 5: 17.

Eternal Father, strong to save and eager to help, grant that in this quiet moment of prayer there may come to us insight and inspiration for the work of this day.

We confess that all too often we have depended upon our own human wisdom and have not looked to Thee for that higher wisdom Thou hast placed at our disposal. Help us to develop a greater trust in the reality of moral and spiritual principles, in the power of love, the strength of justice, and the force of righteousness.

With this faith alive within us may we serve our day and seek to solve our difficult national and international problems.

In the spirit of Him who is the Light of the World, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed a bill of the following title, in which the concurrence of the House is requested:

S. 441. An act to amend the Forest Pest Control Act of June 25, 1947.

The message also announced that the Vice President, pursuant to Public Law 93–642, appointed Mr. SYMINGTON as a member, on the part of the Senate, of the Harry S. Truman Memorial Scholarship Foundation Board of Trustees.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

WASHINGTON, D.C.,
February 21, 1975.

HON. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Public Law 301 of the 78th Congress, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Merchant Marine Academy for the year 1975:

The Honorable Thomas N. Downing of Virginia.

The Honorable Leo C. Zeferetti of New York.

The Honorable Paul N. McCloskey of California.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

Sincerely,

LEONOR K. (MRS. JOHN B.) SULLIVAN,
Chairman.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

WASHINGTON, D.C.,
February 21, 1975.

HON. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to section 194 of title 14 of the United States Code, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Coast Guard Academy for the year 1975:

The Honorable Mario Biaggi of New York.

The Honorable Eligio de la Garza of Texas.

The Honorable Pierre S. du Pont of Delaware.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

Sincerely,

LEONOR K. (MRS. JOHN B.) SULLIVAN,
Chairman.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO SIT WHILE THE HOUSE IS MEETING UNDER THE 5-MINUTE RULE ON TUESDAY, FEBRUARY 25

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be permitted to sit on Tuesday, February 25, while the House is meeting under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PUBLICATION OF RULES OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HALEY. Mr. Speaker, as chairman of the Committee on Interior and Insular Affairs, I present to the House a copy of the committee rules for printing in the RECORD under the rule:

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

A. RULES OF GENERAL APPLICATION

Rule 1. Rules of the House.—The Rules of the House of Representatives are the rules of its Committees and Subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in Committees and Subcommittees. Written rules adopted by the Committees, not inconsistent with the Rules of the House, shall be binding on each Subcommittee. Each Subcommittee of a Committee is a part of that Committee and is subject to the authority and direction of that Committee. Rule XI of the Rules of the House, which pertains entirely to Committee procedure, is incorporated and made a part of the Rules of the

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Committee which are supplementary to the Rules of the House.

Rule 2. Time, Place of Meetings.—(a) While Congress is in session, regular business meetings of the Committee shall be held in the regularly assigned Committee Room, Longworth House Office Building, beginning at 9:45 A.M. on each Wednesday, except that whenever any party caucus or conference conflicts with such meeting of the Committee, then the Committee shall meet on Thursday or on such other day as may be mutually agreed upon by the Chairman and the Ranking Minority Member. Such meeting shall be called to order and presided over by the Chairman, or in the absence of the Chairman, by the ranking majority member of the Committee present.

(b) Special meetings shall be held at the call of the Chairman or upon written request of Members of the Committee as provided in Rule XI, Clause 2, of the Rules of the House. When a regularly called party caucus or party conference is scheduled to be in session after 10:00 a.m. on any day, and the Chairman is so advised that not later than 12:00 noon on the preceding day, the regularly scheduled Committee meeting for that day shall be rescheduled as provided in paragraph (a) of this rule.

(c) Each meeting of the Committee or any of its Subcommittees for the transaction of business, including the mark-up of legislation, shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than Members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or mark-up session which has been closed to the public. This paragraph does not apply to any meeting that relates solely to internal budget or personnel matters.

Rule 3. Agenda for Meetings.—The agenda for Committee meetings, setting out all items of business to be considered, shall be furnished each Member of the Committee by delivery to his Office at least two calendar days in advance of the meeting: *Provided,* That this requirement may be waived by a majority vote, a quorum being present.

Rule 4. Adjournment of Meetings.—Meetings of the Committee shall adjourn if a motion to adjourn is approved by a majority of the Members of the Committee: *Provided,* That the Committee shall not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

Rule 5. Committee Procedure.—(a) The date, time, place and subject matter of all public hearings of the Committee or any of its Subcommittees shall be announced at least one week in advance of the commencement of such hearings. If the Committee, or any of its Subcommittees, determines that there is good cause to expedite the hearing, it shall make the announcement at the earliest possible date. Any such announcement shall be promptly published in the Daily Digest.

(b) Each hearing conducted by the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided,* That the Committee or Subcommittee may by the same procedure vote to close one subsequent day of hearing.

(c) Each witness who is to appear before the Committee or one of its Subcommittees shall file with the Committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation at his appearance to a brief summary of his argument, unless this requirement is waived by the Committee.

(d) The right to interrogate witnesses before the Committee or any of its Subcommittees shall alternate between the Majority Members and the Minority Members. In recognizing Members to question witnesses, the Chairman may take into consideration the ratio of majority and minority party Members present and may recognize two majority Members for each minority party Member recognized. Each Member shall be limited to 5 minutes in the interrogation of witnesses until such time as each Member of the Committee who so desires has had an opportunity to question the witness.

(e) No bill, recommendation, or other matter reported by a Subcommittee shall be considered by the Committee until two calendar days have elapsed from the time of the action of the Subcommittee and such action has been reported by the Committee Clerk to all Members of the Committee and, in the case of a bill, a copy has been delivered to the office of all Members, so requesting the same, together with a section-by-section explanation and, if a change in present law is involved, a section-by-section comparison with the present law: *Provided,* That this requirement be waived by a two-thirds vote of a quorum of the Committee Members.

Rule 6. Quorum.—A majority of the Members of the Committee shall constitute a quorum for the purpose of transacting Committee business, but testimony may be taken and evidence received at any meeting at which there are present not fewer than two Members of the Committee. A quorum shall be deemed present unless a Member objects to the transaction of business due to the lack of a quorum. When a call of the roll is required to ascertain the presence of a quorum, the offices of all Members shall be so notified and the Members shall have ten minutes to prove their attendance. The Chairman, in his discretion, may waive this requirement when a quorum is actually present or whenever a quorum is secured.

Rule 7. Proxies.—A vote by any Member in the Committee or in any Subcommittee may be cast by proxy, but such proxy must be in writing. Each proxy shall designate the Member who is to execute the proxy authorization, shall assert that the Member is absent on official business or otherwise unable to attend, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

Rule 8. Journal, Roll Calls.—(a) The proceedings of the Committee shall be recorded in a journal which shall, among other things include a record of the votes on any question on which a record vote is demanded. A copy of the journal shall be furnished the Ranking Minority Member through the Minority Counsel. A record vote may be demanded by one-fifth of the Members present or, in the apparent absence of a quorum, by any one Member. No demand for a roll call shall be made or entertained except for the purpose of securing a record vote or in the apparent absence of a quorum.

(b) At the beginning of any meeting of the Committee, the Chairman may announce to the Committee, in his discretion, that he will postpone further proceedings on any motions on which a recorded vote is ordered or on which the vote is objected to under Rule 6 until immediately preceding the conclusion of the meeting. In such instances, the Committee shall proceed with the consideration of the next regularly scheduled measures or matters until all such business is disposed of or until such time as the chair announces that the question will be put on the matter deferred. The question on any motion so postponed shall be put by the Chairman and shall be disposed of by the Committee, without further debate, as expeditiously as possible. If the Committee adjourns before the question is put and determined on such motion, then the first order of business at the next meeting shall be the disposition of such motion.

(c) The result of each roll call vote in any meeting of the Committee shall be made available in the Committee office for inspection by the public.

Rule 9. Filing of Committee Reports.—(a) All Members of the Committee shall be given an opportunity to review each proposed Committee report for at least two days (excluding Saturdays, Sundays, and legal holidays) prior to filing.

(b) If, at the time of approval of any measure or matter by his Commitee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that Member or Members, with the Clerk of the Committee. All such views so filed by one or more Members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter.

Rule 10. Inserts in Record.—No insert shall be admitted to the record of any hearing unless it is presented, with the permission of the Committee, by a witness who is the author thereof or who adopts it as his own statement and vouches for its accuracy or unless the Committee finds it necessary or helpful for the understanding of a matter under consideration.

Rule 11. Broadcasting of Committee Hearings.—(a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which Committee hearings, or Committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues, and other matters before the House and its Committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the Committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearing or other meeting or the activities of Committee members in connection with that hearing or meeting or in connection with the general work of the Committee or of the House; or

(2) cast discredit or dishonor on the House, the Committee, or any Member or bring the House, the Committee, or any Member into disrepute.

(d) The coverage of Committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause. No recording of Committee or Subcommittee proceedings shall be permitted except as authorized pursuant to these rules.

(e) Whenever any hearing or meeting conducted by any Committee of the House is open to the public, that Committee may permit, by majority vote of the Committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the Committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(f) The following rules shall apply to the Committee and its Subcommittees:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the pace between any witness giving evidence or testimony and any member of the Committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed on the Committee rostrum or in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, on the Committee rostrum or between the witness table and the members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

Rule 12. Committee Staffs.—(a) Pursuant to Rule XI, Clause 6, of the Rules of the House, the permanent staff of the Committee shall consist of not more than thirty staff members who shall be selected on the basis of fitness to perform the duties of their respective positions as follows:

three shall be chosen by the Committee from nominations approved by a majority of the members of the Minority party of the Committee;

one shall be chosen by the Committee from nominations submitted by the Chairman of each of the standing subcommittees of the Committee;

one shall be chosen by the Committee from nominations submitted by the ranking party member of each standing subcommittee of the Committee; and

the balance of any unfilled positions shall be chosen by the Committee from nominations approved by a majority of the members of the Majority party members of the Committee;

The staff members selected by the Majority party shall be assigned such legislative, oversight, and administrative duties and responsibilities as the Chairman of the Committee may prescribe and shall assist Committee Members in connection with matters related to Committee business. Each staff member nominated by a Subcommittee Chairman shall be under the general supervision and direction of that Subcommittee Chairman. The staff members selected by the Minority party shall be under the general supervision and direction of the Minority party members of the Committee who may delegate such authority as they determine appropriate.

(b) A subcommittee Chairman shall be entitled to select and designate additional staff members, subject to the approval of a majority of the Majority party members of the Committee, to assist the Subcommittee in carrying out is legislative, investigative and oversight responsibilities. The minority shall be accorded fair and equitable consideration with respect to the appointment of additional staff, but minority staffing shall continue to be approximately one-third Minority representation on the Committee. Such staff members shall be assigned such duties pertaining to Subcommittee business as the Subcommittee Chairman or the Minority, respectively, deem advisable and shall be compensated at a salary commensurate with the responsibilities prescribed by such Subcommittee Chairman or by the Minority.

(c) Notwithstanding paragraphs (a) and (b) of this rule, the Committee may employ such additional nonpartisan staff as it deems necessary to conduct the administrative and clerical functions of the Committee. Such staff shall be in addition to any staff designated exclusively for the Majority or Minority party and shall be appointed only with the approval of a majority of the Members of the Majority party and with the approval of a Majority of the Members of the Minority party. The Chairman of the Committee shall establish and assign the duties and responsibilities of such members of the staff and they shall be compensated at a salary commensurate with the responsibilities he may prescribe.

(d) In the event that staff is not otherwise available pursuant to paragraphs (a) and (b) of this rule, from the funds provided for the appointment of Committee staff pursuant to any primary and additional expense resolution:

(1) The chairman of each standing Subcommittee is authorized to appoint at least one staff member who shall serve at the pleasure of the Subcommittee Chairman.

(2) The ranking minority party member of each standing Subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (a) and (b) shall be compensated at a rate determined by the Subcommittee chairman pursuant to Rule XI, Clause 5(d) of the House of Representatives.

(4) The staff positions made available to the Subcommittee chairman and ranking minority party members pursuant to subparagraphs (1) and (2) of this paragraph shall be made available from the staff positions provided under Rule XI, Clause 6 unless such staff positions are made available pursuant to a primary or additional expense resolution.

(e) All staff selected pursuant to this rule shall be approved by the Committee and shall not be assigned any duties other than those pertaining to the business of the Committee and its Subcommittees. The staff of a Subcommittee shall be under the general supervision and direction of the Chairman of that Subcommittee. The staff assigned to the Minority shall be under the general supervision and direction of the Minority party members of the Committee who may delegate such authority as they determine appropriate. The staff of the Committee not assigned to a Subcommittee or to the Minority shall be under the general supervision and direction of the Chairman of the Committee, who shall establish and assign the duties and responsibilities of such staff members and delegate authority as he determines appropriate.

B. SUBCOMMITTEES: JURISDICTION, COMPOSITION, AND POWERS

Rule 13. Subcommittee Rules.—The Rules of the Committee, where applicable, shall be the Rules of its Subcommittees.

Rule 14. Reference of Legislation.—(a) Every bill, resolution, or other matter referred to the standing Subcommittee having jurisdiction over its principal subject matter within two weeks from the date of its referral to the Committee unless the Chairman, with the approval of a majority of the Majority Members of the Committee, orders that it be retained for consideration by the Committee or that it be referred to a select or special Subcommittee.

(b) A bill, resolution, or other matter referred by the Chairman to a Subcommittee may be recalled therefrom by him with the approval of a majority of the members of the

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Committee for the Committee's direct consideration or for referral to another Subcommittee. The Chairman shall so inform the members of his recommendation, in writing, and such recommendation shall be effective within one week if approved by a majority of the members of the Committee.

(c) A bill, resolution, or other matter referred by the Committee to a Subcommittee may be recalled from such Subcommittee at any time by majority vote of a quorum of the Committee for its direct consideration or for reference to another Subcommittee.

Rule 15. Subcommittee.—There shall be the following seven standing Subcommittees of the Committee: Subcommittee on National Parks and Recreation, Subcommittee on Water and Power Resources, Subcommittee on Energy and the Environment, Subcommittee on Territorial and Insular Affairs, Subcommitte on Mines and Mining, Subcommittee on Indian Affairs, and Subcommittee on Public Lands. Additional standing Subcommittees may be created by resolution of the Committee.

Rule 16. Jurisdiction of Subcommittees.—(a) The jurisdiction, including legislative, investigative, and oversight responsibilities, of the seven standing Subcommittees shall, subject to alteration as other Subcommittees are created, be as follows:

Subcommittee on National Parks and Recreation

(a) The national park system and its units.

(b) Other national units established for the protection, conservation, preservation, or recreational development of areas on public domain lands, or on reservations created out of the public domain, or under the jurisdiction of the Department of the Interior.

(c) Military parks, battlefields, and national cemeteries administered by the Secretary of the Interior, and parks within the District of Columbia.

(d) National outdoor recreation plans and the Land and Water Conservation Fund programs.

(e) Preservation of prehistoric ruins and objects of interest on the public domain and other historic preservation programs.

Subcommittee on Water and Power Resources

(a) Irrigation and reclamation projects and other water resources development programs, including policies and procedures relating thereto.

(b) Compacts relating to the use and appointment of interstate waters.

(c) Water rights.

(d) Saline water research and development program and water resources research program.

(e) Water resources planning conducted pursuant to the Water Resources Planning Act.

(f) Activities of the National Water Commission.

(g) Legislation affecting the use of geothermal resources for the production of water and power.

Subcommittee on Energy and the Environment

(a) Recommendations with respect to laws and programs under the jurisdiction of the Committee made by the Council on Environmental Quality in its annual Environmental Quality Report to the Congress.

(b) Selected matters and proposals, as referred by the Chairman, involving the environmental impacts of any laws or programs under the jurisdiction of the Committee.

(c) Special oversight function with respect to noomilitary nuclear energy and research and development, including the disposal of nuclear waste.

Subcommittee on Territorial and Insular Affairs

Puerto Rico, Guam, the Virgin Islands, American Samoa, Antarctica, the Trust Territory of the Pacific Islands, and the Insular possessions of the United States, except matters affecting revenue and appropriations.

Subcommittee on Mines and Mining

(a) Mining interests generally.

(b) Mineral resources of the public lands.

(c) Mineral land laws, and claims and entries thereunder.

(d) Geological survey.

(e) Mining schools and experimental stations.

(f) Petroleum conservation on the public and other Federal lands and conservation of the radium supply in the United States.

(g) Proposed long-range domestic minerals and energy programs, including availability of domestic minerals and energy to fulfill all domestic requirements.

Subcommittee on Indian Affairs

(a) Relations of the United States with the Indians and Indian tribes.

(b) Indian matters, including but not limited to, the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.

(c) Matters relating to Alaska Native land claims.

(d) Special oversight function with respect to all programs affecting Indians.

Subcommittee on Public Lands

(a) Public lands generally, including entry, easements, withdrawals, and grazing.

(b) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

(c) Forest reserves created from the public domain.

(d) National wilderness preservation system.

(b)(1) In order to enable the Committee to carry out its responsibilities under Rule X, Clause 2 of the Rules of the House, each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that Subcommittee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that Subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(2) Pursuant to Rule X, Clause 2 of the Rules of the House the Chairman of the Committee and the Chairman of the Subcommittee having jurisdiction over the matter involved or their respective designees, shall meet with representatives of the Committee on Government Operations to discuss and to assist in co-ordinating oversight plans of their respective committees.

Rule 17. Party Ratios.—The Chairman shall negotiate with the Minority with respect to the size of each Subcommittee, with due regard for the preference of Members for Subcommittee assignments, except that party representation on each Subcommittee shall be no less favorable to the Majority party than the ratio for the Committee. Members shall be assigned to a Subcommittee by the Majority and the Minority, respectively, with due regard for previous Committee service and individual preference. The size and party representation for each Subcommittee during the 94th Congress shall be as follows:

Subcommittee	Total members	Majority party	Minority party
National Parks and Recreation	25	17	8
Water and Power Resources	19	13	6
Energy and the Environment	19	13	6
Territorial and Insular Affairs	16	11	5
Mines and Mining	19	13	6
Indian Affairs	7	5	2
Public Lands	16	11	5

Rule 18. Special or Select Subcommittee.—The Chairman is authorized, after consultation with the Ranking Minority Member of the Committee, to appoint such special or select Subcommittees as he deems advisable for carrying out the responsibilities and functions of the Committee. Party representation on each such Subcommittee shall be in the same proportion as that on the Committee.

Rule 19. Powers and Duties of Subcommittees.—Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it. Subcommittee Chairmen shall set dates for hearings and meetings of their respective Subcommittees after consultation with the Chairman and the other Subcommittee Chairmen with a view toward avoiding simultaneous scheduling of Committee and Subcommittee meetings or hearings wherever possible.

Rule 20. Travel.—(a) Subcommittee hearings outside of Washington, D.C., and travel by Members and staff shall be subject to approval by the Chairman pursuant to regulations promulgated by the Committee on House Administration. The Chairman of each Subcommittee may, for the purposes of field trips or hearings outside of the District of Columbia, assign any Members of the Committee to that Subcommittee.

(b) Staff members assigned to any Subcommittee may travel in connection with their respective duties only with the approval of the appropriate Subcommittee Chairman and with the approval of the Chairman of the Committee. Prior to submitting such travel requests to the appropriate Subcommittee Chairman, all Minority staff travel shall be subject to such approval as the Minority Members of the Committee deem appropriate. All such travel shall be subject to the regulations promulgated by the Committee on House Administration.

Rule 21. Subcommittee Chairmanship.—(a) The Majority Members of the Committee shall have the right, in order of Full Committee seniority, to bid for Standing Subcommittee Chairmanships except that the Chairman of the Committee shall not serve as the Chairman of any Subcommittee on the Committee. Any such bid shall be subject to approval by a majority of the Majority Members of the Committee. The Minority shall select a counterpart to the Subcommittee Chairmen for each of the Subcommittees. The Chairman of select and special Subcommittees shall be appointed by the Chairman of the Committee, subject to approval by a majority of the Majority Members of the Committee except that no Subcommittee Chairman shall be Chairman of another legislative Subcommittee of the House.

(b) Members chosen as Subcommittee Chairmen shall retain a ranking position on not more than one other retained Subcommittee. Any Subcommittee Chairman serving on more than two Subcommittees shall be assigned positions on additional Subcommittees only after all other Members are assigned to Subcommittees and their ranking established on such Subcommittee, then the Subcommittee Chairmen may serve in the order of their ranking on the Committee.

Rule 22. Duties of Chairman Upon Favorable Action by Committee.—Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee, the Chairman shall report the same or designate some Member of the Committee to report the same to the House and he shall use or cause to be used all parliamentary methods to secure passage thereof, without such additional authority being set forth particularly in the motion to report each individual bill or resolution. Without limiting the generality of the foregoing, the authority contained herein extends in appropriate cases to moving in accordance with Rule XXIV, Clause 5, of the said rules that the House go into the Committee of the Whole House on the State of the Union to consider the bill or resolution; and to moving in accordance with Rule XXIV, Clause 2, of said rules for the disposition of a Senate bill or resolution that is substantially the same as the House bill or resolution as reported.

Rule 23. Committee Budget and Expenses.—(a) Each Subcommittee chairman and the ranking Minority members of the Committee shall submit to the Chairman a budget for each session of the Congress covering the funding required for staff, travel, and miscellaneous expenses. The Chairman shall prepare a consolidated budget for each session of Congress which shall include amounts required for all activities and programs of the Committee and the Subcommittees, except those Committee expenses to be paid from appropriations provided for by statute.

(b) Upon approval by the Committee of each such budget, the Chairman, acting pursuant to Rule XI, Clause 5, of the Rules of the House, shall prepare and introduce in the House a supporting expense resolution, and take all action necessary to bring about its approval by the Committee on House Administration and by the House.

(c) The Chairman shall report to the Committee any amendments to each expense resolution and any changes in the budget necessitated thereby.

(d) Authorization for the payment of additional or unforeseen Committee and the Subcommittee's expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) Committee members shall be advised of the availability of each monthly report, prepared by the Chairman for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year, anticipated expenditures for the projected Committee program, and detailed information on travel.

Rule 24. Recommendation of Conferees.—Whenever in the legislative process it becomes necessary to appoint conferees, Majority Members shall be recommended to the Speaker as conferees as determined by the Majority, and Minority Members shall be recommended to the Speaker as conferees as determined by the Minority. Recommended party representation shall be in the same proportion as that in the Committee.

LET'S BAN SALE OF GASOLINE—IT'S FLAMMABLE!

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, on February 14, the Consumer Product Safety Commission printed in the Federal Register, a petition, by the Committee for Handgun Control, Inc., a Chicago handgun control lobby, which asks the Commission to find that bullets for handguns, are a hazardous substance, under the Hazardous Substances Act of 1960, and to thereby ban the sale of bullets for handguns.

The petition by the committee, was originally denied by the Commission on September 5, 1974, on the grounds that such a ruling went beyond the intent of Congress in establishing the Commission. The Chicago group then appealed this decision and a District of Columbia Federal court, ordered the Commission on December 19, 1974, to "commence consideration of—the Committee's—proposal," and to solicit "information on which to base a ruling as to whether handgun ammunition is a 'hazardous substance.'"

I have written to the Chairman of the Commission and take issue with the interpretation of the Hazardous Substances Act, and I strongly believe such a ruling would indeed exceed the authority granted the Commission by the Congress.

I have received hundreds of letters from my State of Wyoming expressing outrage with the proposal. In no way does handgun ammunition constitute in itself, a hazardous substance; and when used with reasonable and sensible safety precautions does not constitute a menace to anyone. This is but a blatant "back door" attempt at gun control regulation. Gun control is the business of the Congress and not of a committee of but a few people.

I am, therefore, introducing legislation today which would prohibit the Consumer Product Safety Commission from issuing any ruling or restriction on the manufacture or sale of firearms, or firearm ammunition, in order to make clear the intent of the Congress in this respect, with regard to the role of the Commission, and to place the responsibility for gun control legislation where it belongs, here in this body.

THE U.S. INFORMATION AGENCY AND THE VOICE OF AMERICA

(Mr. SLACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLACK. Mr. Speaker, I have been disturbed by press reports that a panel headed by Dr. Frank Stanton is urging that the U.S. Information Agency be broken up and its functions dispersed. If newspaper accounts are accurate, the Stanton report, which has not yet been released, will recommended that part of USIA—those elements concerned with U.S. foreign policy be carved off and given to a new bureau in the State Department. The Voice of America is to be separated from the Agency and made independent, and the remainder of USIA would be combined with the Cultural Affairs bureau of State into a new semi-autonomous, AID-type organization whose director would report to the Secretary of State.

As chairman of the Appropriations Subcommittee dealing with the State Department and related agencies, it has been my responsibility to conduct hearings on the USIA and the Bureau of Educational and Cultural Affairs of the State Department. Their management and operation have been subject to rigorous scrutiny. As a long-time member of this committee I have for many years personally studied and followed our Government's overseas information, educational and cultural programs and their contribution to our Nation's diplomatic objectives. I have inspected USIA's operations and programs overseas at firsthand, and I have become increasingly convinced that a coherent public diplomacy—promoting understanding, support, and respect abroad for the United States and its policies—is an essential element in the conduct of our foreign policy.

The U.S. Information Agency is at this time a well-organized, solidly managed agency staffed by career professionals. The efforts of this Agency as now administered serve important national objectives of the United States. In fact, I have on other occasions expressed to this Chamber my confidence in our overseas information and cultural programs because of my high regard for the efficient and conscientious manner in which they are carried out by the dedicated men and women of the USIA.

Now it is proposed that this Agency be broken up, its functions and its trained personnel be divided and scattered. According to the news stories, USIA would be stripped of its press officers and media services whose present job it is to interpret and support American foreign policy overseas. These people and this function would be submerged in an enlarged bureau of public affairs within the State Department. It is only realistic to assume that the job of explaining U.S. policies to foreign audiences would have a much lower priority under the proposed scheme than it does now under USIA. I question the wisdom of this change, for I believe we are going to need all the support and understanding abroad that we can get. This is one field where I think that USIA will try harder and is better prepared to do the job than the vast bureaucracy of the State Department.

I am not sure what is to be gained by splitting off the Voice of America from its parent organization and making it independent. I am aware that some people would like the Voice to become a sort of CBS of the international airwaves, independent of Government control, but if its broadcasts do not support U.S. policy I do not see why the American taxpayer should be asked to pay for them. And if it is supposed to continue to operate under Government policy controls, then why break it off from USIA where it has worked successfully for more than 20 years? Apart from change for the sake of change, I do not see what these proposals would accomplish other than to disrupt and dismantle what is now an efficient, effective operation.

Now I am not opposed to change when it is indicated by logic and when the result would seem to be an improvement over the present situation. One approach of the Stanton panel has, in my opinion, considerable merit. I have long believed that the cultural and educational programs of the State Department and USIA should be consolidated in Washington just as they are overseas. The direction and planning of these programs should be unified and coordinated in Washington; after all, they are administered and carried out by USIA Foreign Service officers abroad.

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But I am troubled by the assumption that "information" and "culture" are somehow separable and distinct and should not be used together. I particularly question the idea that the task of explaining U.S. policies should be totally divorced from the effort to promote mutual understanding. The two, in my opinion, should not be divorced; they are complementary and supportive of one another. I mentioned earlier that our public diplomacy must be coherent, but I question whether this can be achieved if our efforts are to be divided among three separate agencies.

Finally, as chairman of the Appropriations Subcommittee concerned with our overseas information and cultural programs, I would point out that fragmenting the function, staff, and resources of these activities into three different agencies makes the task of effective congressional oversight vastly more difficult. How much more easily and how much more efficiently could the committee carry out its oversight responsibilities if these programs were consolidated into one agency?

But apart from my own committee duties, I am most concerned with preserving and strengthening our Nation's overseas communications effort. An effective information/cultural/educational communications capability is an essential arm of U.S. diplomacy. At this juncture, both détente and the need for collective action on the part of the allied nations place the highest premium on persuasion and on the ability to conduct a meaningful dialog with other nations. This is precisely the function of USIA. To fragment this effort would be a serious disservice to the national interest. Do we really want to cut up the USIA? Inevitably, it would result in confusion, disruption, and disarray in our public diplomacy at a time when these efforts are most needed and should be at their best.

It is my conviction that the best solution is a strong, consolidated, separate agency with close policy ties to the Department of State. Its mission should be to carry out all overseas informational, cultural, and educational activities of the U.S. Government. This would best serve the national interest at a time when such activities are more complex and important than ever.

LET US REVIEW 1975 U.S. PUBLIC WORKS PROGRAM

(Mr. EVINS of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVINS of Tennessee. Mr. Speaker, the President's message of October 31, 1974, transmitted to the Congress proposed deferrals of certain amounts appropriated to the Corps of Engineers and Bureau of Reclamation for fiscal year 1975 as provided in Public Law 93–393, enacted August 28, 1974.

The deferral actions proposed by the President at that time were solely because of inflation. He proposed that every project under construction to which Congress added funds above the amount contained in the 1975 budget request be reduced by one-half of the amount added.

Many changes have occurred since the President's proposal was received.

Mr. Speaker, today over 7.5 million Americans are out of work. Unemployment has reached 8.2 percent and in all likelihood will reach 9 percent before year's end. The budget for fiscal year 1976 projects that the unemployment rate will be 7.9 percent in 1976 and 7.5 percent in 1977. This, we feel, is an optimistic outlook unless action is taken both by the Congress and the private sector to provide jobs for Americans.

Public works projects provide jobs. Public works projects provide work for a sagging construction industry. Public works projects provide clean electric power on the line and capital assets for America.

The action I am recommending will assure the availability of $81,558,000 in new budget authority and $57 million in expenditures for the current fiscal year which is already appropriated. These funds will not only provide for new jobs but will also prevent the curtailment of existing contracts which would add additional people to the unemployment rolls.

Stretchouts, slowdowns, or other delays for Corps and Bureau projects under construction results in additional costs and loss of project benefits in addition to loss of jobs.

Therefore, I am today introducing House resolutions recommending disapproval of deferrals numbered D75–81, D75–82, D75–83, D75–84, D75–85, and D75–86.

I am taking this action to give the Members an opportunity to review the 1975 public works program in light of the unemployment situation we face today.

PERMISSION FOR SUBCOMMITTEE ON ENVIRONMENT AND ATMOSPHERE TO SIT DURING HOUSE SESSIONS THIS WEEK

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Environment and the Atmosphere be permitted to sit during the afternoon for the remainder of this week.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PARAGUAY MAINTAINS STRONG U.S. FRIENDSHIP

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. COLLINS of Texas. Mr. Speaker, when our country's international trade law was passed by Congress, we heard from all over the world. I knew what to expect from Paraguay, because President Alfredo Stroessner and the strong Congress of Paraguay always stand united with our country.

From the floor of Congress here in Washington, I ask our Ambassador, George W. Landau, to express the thanks of those of us in Congress who appreciate so much our warm and sincere friends in Paraguay and especially their great leader, President Alfredo Stroessner. Their consistent support is reflected through the statements in the press of Paraguay. Let me quote some of these.

According to the largest Paraguay newspaper in Asuncion, ABC–Color, of January 10, 1975:

> The new trade bills without doubt a great step toward the liberalization of international commerce and an especially strong stimulus for the foreign trade of developing countries—like our own—which will receive from the United States the maximum conceivable franchise: the complete liberation of every tax or burden to the introduction of its products into that country. It goes on, "As far as the objections being made—it can only be concluded that they are essentially demagogic and that they reveal a strong anti-U.S. tendency."

An important radio station, Radio Chaco Boreal, on January 11, 1975 said, "Venezuela and Ecuador, members of OPEC, did not ask developing countries if the new oil prices would affect them and up to now have done whatever they wanted." Another newspaper, Ultima Hora on February 4, 1975, criticized fellow Latins' trade policies—and their vote against our Trade Bill in the OAS. "Apparently when we cast our vote in favor of the Venezuelans' proposal, we preferred that the oil producers sell at whatever price they pleased, that the Argentines and Brazilians continue to dump their shoes, that the Peruvians pay for their expropriations whenever they choose; we were apparently more concerned about all that than about the advantages with which the Act rewarded our honest poverty and favored our development.

Others are concerned about the interruption of our New Dialogue with Latin America. To quote an editorial from the *ABC-Color* of February 9, 1975, "There is no doubt that the postponement of the meeting that was to take place in Buenos Aires is a large step backward in Inter-American relations and that it represents a victory for the separatist policy of Cuba. It is a step of which Latin America has no cause to be proud." Yes we still have some friends in Latin America. That same editorialist also wrote recently in *ABC-Color* on January 31, 1975, on the same topic, the following:

> "Maybe then it is about time to consider what Latin American solidarity really means, when it is only invoked in the selfish protection of a few without considering the consequences. It is clear that when a nation becomes a great power, as in the case of the United States, it acquires responsibilities and obligations toward other countries commensurate with that status; but those duties, like all the rest, also have their limits."

This newspaper and editorial comment strongly supporting the U.S. in the Trade Law controversy, is also unique among the nations of the Western Hemisphere. It is only one more in a long series of demonstrations of friendship and respect from a sincere ally, the Republic of Paraguay.

SELECT COMMITTEE TO INVESTIGATE AND RECOMMEND NATIONAL LAW AND POLICY FOR FOREIGN INVESTMENTS IN THE UNITED STATES, ITS POSSESSIONS, AND TERRITORIES

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, I am today introducing a resolution that would create a select committee to conduct a full and complete investigation and study of foreign investments in this country, and to develop and recommend legislation leading to the establishment of broad national policy with regard to foreign ownership of vital parts of our economy.

The recently reported Iranian purchase of what may amount to 25 percent of the stock of Pan American Airlines points out the need for such a policy. I do not believe the present laws and administrative procedures are geared to cope with the unprecedented circumstance of billions of petro dollars seeking investment in this country. In the case of the Pan American purchase by Iran, CAB approval will be required as Federal law does prohibit more than 25 percent foreign ownership in American airlines. There are, however, other areas ripe for foreign investment which are virtually uncontrolled by Federal law. The recently announced Saudi Arabian investment in the controlling interest of a Michigan bank is but one example. A recent editorial appearing in the Washington Star-News addresses the problem squarely and says that the "Government's say in foreign ownership is currently spotty, virtually limited to shipping and airlines, broadcasting, hydroelectric power, and nuclear energy."

I am not advocating a retreat from our national policy of free international trade and investment. I am advocating complete scrutiny of foreign investments in this country to insure that their extent and nature are not detrimental to our national interests.

KING CAUCUS REIGNS

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, the Democratic caucus' proposed new rule slashing the number of members necessary for a quorum in House committees further suppresses the democratic process and debases the reputation of this body itself. King Caucus reigns, and he has updated his symbol from an empty chair to an empty room. King Caucus has decreed that House committees no longer need a majority of members to do business. A third of a committee can make a quorum, and that slender third can vote, through proxies, for all committee members. Why not? It beats working.

And so the committee to counterreform marches on.

At least the quorumless quorum is consistent with other wonderful and creative reforms that King Caucus has laid on us. Part of the dreadful tally goes as follows:

First. More suspensions.—They are very "convenient" especially because they limit debate and prohibit amendments;

Second. The minority staff rip-off.—Never mind the promises of the Reorganization Act of 1970, or the House rules of 1974—if we do not give the minority its one-third, we can give ourselves lots more staff and blame it on the need to increase minority staff;

Third. Restore proxy voting.—Let someone else, anyone else, do it;

Fourth. Cheat on committee ratios.—Let King Caucus dictate two-thirds plus one—it will give our side an extra advantage we could not win at the polls;

Fifth. Let the caucus decide.—Never mind what our constituents want, the unit rule will think for us;

Sixth. Keep it secret.—Legislate behind closed doors in the shadowy darkness of the caucus.

Seventh. Cut the quorum.—Let us empty the chairs and committee rooms;

Eighth. More closed rules.—The people's representatives in the House cannot really be trusted on amendments; and

Ninth. Waive points of order.—Whenever rules interfere, forget them.

HOUSE RESOLUTION 208, TO PROVIDE ADDITIONAL PARKING FACILITIES

Mr. HAYS of Ohio, from the Committee on House Administration, reported the following privileged resolution (H. Res. 208, Rept. No. 94–18), which was referred to the House Calendar and ordered to be printed.

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 208.

The Clerk read the resolution, as follows:

H. RES. 208

Resolved, That the chairman, Committee on House Administration is authorized:

(1) to lease or to otherwise provide additional indoor and outdoor parking facilities for employees of the House of Representatives in an area or areas in the District of Columbia outside the limits of the United States Capitol Grounds;

(2) to provide for transportation of such employees to and from such area or areas and the United States Capitol Grounds;

(3) to regulate and assign such additional parking facilities;

(4) to utilize the United States Capitol Police with respect to such parking areas, and transit routes; and

(5) to utilize the services of the Architect of the Capitol to prepare bids, leases, or otherwise assist in obtaining such additional parking facilities.

Until otherwise provided by law, there shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to carry out this authorization.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENTS

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 1, line 6, following the word "outside" insert the words "but adjacent to".

Page 1, strike lines 8, 9 and 10 and renumber the subsequent paragraphs accordingly.

The committee amendments were agreed to.

The Chair recognizes the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Speaker, this was a resolution to permit the Committee on House Administration on behalf of the House to bid on some parking space which is between the Rayburn Building and the FBI Building. The House is going to take over and renovate the FBI Building for use of the committees. The parking space is under the freeway and belongs to the District of Columbia.

The committee would have preferred to have negotiated with the District of Columbia for the parking space, but the District had already advertised they were going to put it up for bids, and in order to give the Congress a chance to have some access to it the District did delay the bids for 2 weeks.

This resolution is to give the chairman of the committee the authorization to enter a bid for that parking space.

I might say to the House there are about 800 spaces there and, if we are successful in acquiring it, it seems to me that would relieve a great deal of the pressure which is upon all of us in connection with this parking problem at the present time.

The bill was considered in committee this morning, and it was then amended to put in the words "adjacent to the limits of the Capitol grounds", and a paragraph to provide transportation was stricken out by unanimous vote of the committee. The bill came out of the committee unanimously with a quorum present.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONGRESSMAN HUBBARD INTRODUCES RESOLUTION FOR MORE EFFORT BY CONGRESS TO SOLVE ECONOMIC AND ENERGY PROBLEMS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. HUBBARD. Mr. Speaker, today I have introduced a resolution in the House which expresses the desire of the people of the First District of Kentucky for a more dedicated effort on behalf of all Members of Congress to solve the Nation's economic and energy problems.

In part, the resolution states that in order to promptly work on and solve the economic and energy problems the Congress should, first, postpone all recesses until these dilemmas, these problems, have been met with helpful and equitable legislation; second, increase committee meetings and concentrate efforts in such meetings to solve the dilemmas; third, report bills promptly to the House for consideration; and fourth, meet every Monday through Friday, and more often if necessary, to facilitate prompt consideration of legislation dealing with energy and the economy.

I have introduced this resolution because I feel since we have indicated to the people of our districts that prompt action would be taken by the 94th Congress, we should work harder and exert a more concentrated commitment to solving these problems.

And, although we do work hard in our respective districts when we are in recess, and I realize the importance of our meet-

ing with the people to discuss their individual needs and receive their views, I think the people of the Nation will understand the importance of the Members of Congress being in Washington until legislation is adopted relating to our economic and energy problems.

A SELECT COMMITTEE TO INVESTIGATE DEATHS IS SUGGESTED

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, last Wednesday, as you know, I introduced a resolution, House Resolution 204, requesting that you name seven Members of the House to a select committee, one of whom you shall name chairman, to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, and the attempted assassination of George Wallace.

By the sheerest of coincidences, Mrs. Eunice Shriver, sister of the slain Kennedys, was in my district in San Antonio over this last weekend. In fact, she traveled on the same plane which I did going down from Washington.

During her stay she was interviewed by a reporter for the San Antonio Light regarding her view of my proposal. She said she saw "no advantage to reopening investigations into the assassinations of her two brothers."

I have no objection to her giving her opinion on whether or not the resolution should have been introduced, but I do object to what she said further which was a gratuitous assessment of my act as being some sort of publicity stunt.

As reported in the Light, she said:

> There was a recent one (resolution) by a congressman from New York with a lot of fanfare and nothing happened. And as a member of my family, we are perfectly satisfied with the Warren Commission report.

Mr. Speaker, for the record I would like to point out that it has been some time since resolutions were introduced in Congress calling for an investigation of the assassination of President Kennedy.

Former Congressman Charles Goodell of New York introduced one in 1963, and in 1966 and 1967, former Congressman Theodore Kupferman, also of New York, introduced concurrent resolutions to determine the necessity of an investigation by establishing a committee.

This is 1975 and there are still a lot of questions still unanswered by the Warren Commission or any other agency, department, or person, as well as additional assassinations since the President's which have given rise to additional questions gone unanswered.

My resolution in no way can be associated with the earlier resolutions of a similar nature. Mrs. Shriver's remarks are, unfortunately, very untimely and miss the point entirely.

THE LATE HONORABLE ELIZABETH KEE

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 60 minutes.

Mr. HECHLEP of West Virginia. Mr. Speaker, I rise today to pay tribute to the late Mrs. Elizabeth Kee, who passed away in Bluefield, W. Va., on February 15 of this year.

Mrs. Kee was the first and only woman to be elected to the House of Representatives from the State of West Virginia. She served with great distinction in the House of Representatives. She was elected in a special election in 1951 to succeed her late husband, Representative John Kee, who himself had been elected to the House of Representatives in 1932 and served in this body from 1933 until his death in 1951.

Representative John Kee was chairman of the House Foreign Affairs Committee.

Mrs. Kee served from 1951 until her voluntary retirement in 1965. She was undefeated in all primary and general elections in which she stood for office.

Mrs. Kee on her retirement in 1964 was succeeded by her son, former Representative James Kee, who served in this body from 1965 until 1973.

I believe history will record that this is the only instance in American history where a father, mother, and son served consecutively in the House of Representatives. So over a 40-year period, this remarkable family dominated southern West Virginia politics and legislation. The Kee family, first Representative John Kee and then Elizabeth Kee and James Kee, represented the southern coal fields of West Virginia in a 40-year span in the House of Representatives from 1933 to 1973.

Millions of veterans and their families, including orphans and widows, owe a special vote of thanks to Mrs. Kee, who served on the Committee on Veterans' Affairs during the Korean war era. Mrs. Kee had a special interest in seeing that veterans received their just due from a grateful nation for their many sacrifices.

She served on the Veterans' Affairs Committee from the 82d to the 88th Congress. During the 82d Congress, the Korean GI bill was enacted into law.

The 82d Congress also overrode Presidential vetoes to provide specially equipped automobiles for disabled veterans of World War II and the Korean conflict, and to establish a rate of pension for aid to dependents.

She left many legislative landmarks during her tenure on the subcommittee on hospitals. They have included an expanded VA medical care and outpatient treatment program, which was a major improvement, to take care of disabled veterans.

Another major legislative breakthrough was the establishment of nursing care beds at the VA and at the same time expanding the relationship of the VA with the various State soldiers' homes, and for the first time provided invalid lifts and other devices to aid veterans being nursed at home.

Mrs. Kee also authorized legislation establishing a war orphans educational program, and to prohibit the severance of a service-connected disability which has been in effect 10 or more years.

She was truly a first lady in the forefront of helping the disabled veterans and their families.

I am pleased to include the following portion of her biography compiled by the Library of Congress, which sketches the career of this lady:

The first woman Representative in Congress from West Virginia, Mrs. Elizabeth Kee has represented that state's fifth district since the death of her husband, former Congressman John Kee, (Democrat) on May 8, 1951, to Dec. 31, 1964.

First elected by a special election to fill his unexpired term, Mrs. Kee campaigned for re-election in the 1952 general elections and won with a plurality of 36,000 votes over her Republican rival, topping the margin received by any other West Virginia Congressman. She also won the 1954 Democratic primary as a candidate for re-election in November.

Elizabeth Frazier was born in Radford, Virginia, June 7, 1899. While she was still "too young to remember" her family moved to Roanoke where her father, J. W. Simpkins, was in the real estate business. During her childhood, the family lived in Vinton. After attending Roanoke's public schools, she obtained her first job, during World War I, as secretary to the late W. E. Thomas, business manager of the Roanoke *Times*. She later worked as a court reporter for the firm of Hart and Morris. In 1925 she moved to Bluefield, West Virginia. She became administrative assistant to her husband, John Kee, a lawyer, in 1932 when he was first elected to Congress.

For several years she wrote a weekly column from Washington for a chain of West Virginia newspapers. She disconstinued this when her husband became chairman of the Foreign Affairs Committee, so that she could devote more time to assisting with his increased correspondence and office work.

As a candidate for her husband's office after his death, Mrs. Kee was endorsed by the United Mine Workers. She wrote letters and toured the seven counties of the Fifth Congressional District—Greenbrier, Mercer, McDowell, Monroe, Summers, Wyoming, and Mingo. The district, with a population of approximately 329,584, contains the Pocohontas coal fields. Elected on July 17, 1951 (with 58 per cent of the voters in the mining district casting votes), she was sworn into office on July 26, 1951.

Congressman John Kee was known as a progressive Democrat, and Mrs. Kee's voting record in the Eighty-second Congress followed a similar pattern. She voted against cut in economic aid for Europe and for the $7,500,000,000 foreign asistance bill. She opposed a 10 per cent cut in Federal jobs, the tidelands oil bill, the end of consumer price controls by June 30, 1952, the end of Federal rent controls September 30, 1952, and the use of the Taft-Hartley law to halt the steel strike.

In the Eighty-third Congress she supported $4.4 billion for foreign aid appropriations (1953) and over $5 billion for foreign aid in 1954. In that year she voted against extending the Trade Agreements Act for one year, against building the St. Lawrence Seaway, and against a bill amending the Atomic Energy Act of 1946. She favored social security expansion and supported the bill making it a felony to be a Communist.

A member of the House Committee on Veterans' Affairs, she served on a special subcommittee charged with investigation of Veterans' Administration hospitals. She feels that "more attention should be devoted to the welfare of this country's veterans. . . . To begin with, they (veterans' hospitals) just aren't getting the appropriations they need from Congress. . . ." Consequently, in her opinion, there is inadequate hospital personnel. "You just can't economize at the expense of the veteran. And I know the American people—regardless of how much they want Government spending cut—I know they feel that way."

In addition to her concern for domestic problems, Mrs. Kee maintained her husband's interest in foreign affairs. The Congresswoman took a self-financed 16,000-mile air trip through seven South American countries in the latter part of 1952, fulfilling what had been her husband's life-long dream.

The Representative has established and sponsored a library for the physically handicapped at the Woodrow Wilson Rehabilitation Center at Fisherville, Virginia. In addition, she served as vice-regent of the Woodrow Wilson Birthplace Foundation at Staunton, Virginia.

Her son James, a former foreign service officer in South America, served as her administrative aide. Her daughter Frances also helps voluntarily on occasion despite partial disability caused by poliomyelitis.

Mrs. Kee was a member of the Christ Episcopal Church in Bluefield, and was active in Episcopalian organizations. She regularly attended weekly Congressional prayer breakfasts on Capitol Hill. "Legislation, if it is to serve its real purpose, must be spiritually motivated—and that is the purpose of this breakfast club," she explained.

Representative Kee was active in Red Cross work. She was a member of the American Newspaper Women's Club, the English-Speaking Union, Bluefield Country Club, and Daughters of the American Revolution. Blue-eyed, brown-haired Elizabeth Kee was known for her vitality and determination.

Mr. Speaker, I include an excellent editorial concerning Mrs. Kee:

MRS. ELIZABETH KEE

The late Mrs. Elizabeth Kee, who represented southern West Virginia in the House of Representatives for 13 years, was a remarkable woman in many ways. She probably was proudest of one distinction: She was the only woman ever elected to Congress from West Virginia. And since she was elected to six two-year terms in the House of Representatives, it is quite obvious that most of her constituents were satisfied with her conduct of that office.

She also was part of a remarkable political dynasty. Her husband, John Kee, held the same Congressional seat from 1932 to 1951, and her son, Jim Kee, filled the job from 1965 to 1972. The Kees, until 1972, were politically invincible, to the chagrin of numerous opponents of both political parties.

Mrs. Kee, in her quiet way, turned out to be an effective Congresswoman, and her effectiveness was not diminished following her retirement from the House. For instance, those familiar with the problem know that she deserves full credit for working out the key problems which had Bluefield's Edison Hollow Dam project stalled on dead center, which in the long run will turn out to be an inestimable service to this city and the surrounding area. It now is known as Kee Dam.

Mrs. Kee was a lady who took her job and her responsibilities seriously, and who worked at them full time. If there is a record of her speaking harshly of anyone, political opponent or not, we do not know of it. And if there is a record of her refusing any help her office could give to any constituent, regardless of his political affiliation, we do not know of that either.

Mrs. Kee served us well. In this newspaper's opinion she fully deserved the respect she won from political friend and foe alike.

Mr. SLACK. Mr. Speaker, a few days ago we learned of the passing of former Congresswoman Elizabeth Kee, who served six terms in the House of Representatives until forced by ill health to retire in 1964.

Her place in the history of this body is without precedent, since she not only served as a Member, but was both the wife and the mother of elected Members.

From 1932 until 1951 she was executive assistant to her husband, Congressman John Kee, at that time chairman of the House Foreign Affairs Committee. After retirement, she was succeeded by her son, Congressman James Kee who served until 1972.

Over a span of 40 years from 1932 to 1972 members of the Kee family represented the most southerly portion of West Virginia in Congress. Through depression and war and postwar adjustment they were ever in the front line of public service, working continuously to apply public programs to the solution of constituent problems.

During the bleak years after 1952, when automation swept through the Appalachian coalfields and wiped out the livelihood of 40 percent of the miners and their families, Congresswoman Kee was among the first to recognize the meaning of the term "technological unemployment" and to join the organized effort toward a permanent comeback for the area.

Throughout her years of service as a Member, and during the years before and after, Congresswoman Kee maintained a loyalty to the basic virtues and qualities of the people she represented. She was strong in their hearts and their convictions. The people of southern West Virginia were indeed ably served by her stewardship, and those of us who worked with her in Congress will not soon forget her sense of dedication to human betterment.

Mr. MORGAN. Mr. Speaker, I join with my colleagues in eulogizing Elizabeth Kee of West Virginia, a distinguished Member of the House of Representatives and servant of her congressional district.

I had the great honor of serving with her husband, John, Mrs. Kee, and her son, and I personally know of the great dedication of the family to the people of West Virginia and the Nation. During the 40 years when the family served in this Chamber, our country saw great changes, and Congresswoman Kee participated in the development of a great deal of significant legislation. Her interest in the coal miners of her State is a notable highlight of her career, and I remember our many discussions of the unique problems of the coal fields.

Mr. Speaker, Mrs. Morgan and I extend our sympathy to the Kee family. They are indeed a remarkable example of service to our Nation.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues on this sad occasion to pay tribute to our former Member Elizabeth Kee of West Virginia. Mrs. Kee's passing earlier this month was a loss to all who knew her and to all students of American political life who knew of her contribution to public service.

Representative Elizabeth Kee was a dedicated elected official who was part of a most interesting and unique family which produced three Members of Congress. Her husband, Representative John Kee and her son, Representative James Kee compiled outstanding records in this body and together their service to our country covered 40 years.

The State of West Virginia and our Nation have lost a leader and a stateswoman but future generations will learn about the Kee family part in the development of our democratic system and will share our appreciation of the role Mrs. Kee played in the House of Representatives.

Mr. ROYBAL. Mr. Speaker, as the House pauses today to honor a former Member of Congress, I would like to join my colleagues in paying tribute to the memory of Elizabeth Kee.

While I did not have the privilege of serving in Congress with her husband Judge John Kee, I do consider it an honor to have known both Mrs. Kee and her son James, as colleagues in the House of Representatives. The individual contributions of each of these members of the Kee family have been considerable. Taken together, their membership in the House of Representatives has, indeed, been a unique and valuable ocurrence.

Following the death of her husband, Mrs. Kee decided to run for office and was elected to fill the remainder of her husband's term. The gentlewoman from West Virginia not only completed this term of office, but continued to serve the people of West Virginia and of the Nation for 13 years. During this time Mrs. Kee represented her constituents with outstanding ability and unfailing dedication. Her particularly strong concern for the veteran and the physically handicapped was evidenced through her continued efforts to improve their lot.

In 1964, when she decided to return to private life, Mrs. Kee's many friends here in Congress regretted the loss of such a fine Member of Congress. And it is with deep sorrow now that we mark the passing of a truly gracious lady and dear friend.

Mr. HELSTOSKI. Mr. Speaker, one of the House's former Members, Elizabeth Kee of West Virginia, died February 15 and I would like to take a few minutes to pay tribute to her and to extend my sympathy to the members of her family.

Congresswoman Kee, who held the distinction of being the only woman West Virginia has sent to Congress, was an able and articulate legislator. Though she succeeded her husband John Kee, after his death in 1951, she soon emerged in her own right as one of the most capable and dedicated Members of the House.

Mrs. Kee is best remembered for the work she did in the area of veterans' affairs, and for the visits she paid to veterans' hospitals throughout the country in her capacity as chairwoman of the Veterans' Affairs Subcommittee on Hospitals.

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In addition to being preceded in Congress by her husband, Mrs. Kee was succeeded in 1965 by her son, James, who served with distinction until 1972. Mr. Speaker, Mrs. Kee, her husband, and son made many important contributions to Congress and the Nation, and the entire family will be remembered for their 40 years of exemplary public service.

Mr. JONES of Alabama. Mr. Speaker, the passing of my friend and former colleague in the House of Representatives, Mrs. Maude Elizabeth Kee, on February 15, is a great loss to all the Members of Congress with whom she served.

From the time she entered Congress in 1951, in a special election following the death of her husband, until her undefeated retirement in January 1965, after being reelected six times, Representative Kee's record was one of dedicated service. On her retirement, her son was elected to carry on this service.

Her keen insights into national affairs and her vast compassion for the needs of others made her a most valuable Member of the House of Representatives.

Serving on the House Veterans' Affairs Committee and chairman of the Subcommittee on Education and Training, her dedication to worthwhile efforts was reflected in all of her work. Her contributions to her State of West Virginia, as well as to the Nation, were great.

Each of us who shared her company has been enriched by the warmth of her friendship and the depth of her loyalty.

Mrs. Kee was a most remarkable person, and I treasure the opportunity of having served with her in the Congress.

My deepest sympathy has been extended to Mrs. Kee's son, James, our former colleague; her daughter, Frances; and other members of the family.

Mr. BELL. Mr. Speaker, I would like to join my colleagues in their special tribute to former Representative Elizabeth Kee.

It was a privilege to serve with her during the latter years of her term in Congress; and I, as well as the residents of her 5th Congressional District in West Virginia, can surely testify to the quality of her leadership. Her presence in the House has been sorely missed since her retirement in 1964.

It is with utmost sincerity that I extend my condolences to the family of Mrs. Kee and to the people of West Virginia whom she served.

Mrs. SULLIVAN. Mr. Speaker, the term "gentlewoman" or "gentlelady" traditionally used in House debate in addressing women Members, applied with particular appropriateness to Congresswoman Elizabeth Kee of West Virginia, whose death has saddened all of us who served with her during her 14-year career in Congress.

A gracious, kind, warm and outgoing friend, she was a woman of great dignity, integrity, and self-discipline, and a consummate politician. As a member of the House Committee on Veterans' Affairs and chairman of its Subcommittee on Education and Training prior to her retirement at the end of the 88th Congress, she brought to that assignment compassion for and sensitivity to the needs of the men and women who had served in the Armed Forces and worked diligently in their behalf. These same characteristics guided her hard work in behalf of the many citizens of her congressional district who lived in areas of high unemployment and depressed economic conditions.

She held the unusual distinction of being during her lifetime the wife of a Congressman, a Member of Congress, and the mother of a Congressman, a distinction shared by former Congresswoman Frances P. Bolton of Ohio.

I join my colleagues in expressing my condolences to Jim Kee and his sister Frances, and to the other members of Mrs. Kee's family on the passing of this fine and gentle and soft-spoken lady, who could engage in the demanding work of a successful political career without ever compromising her standards of good manners and innate politeness to all.

Mr. OBERSTAR. Mr. Speaker, I did not have the privilege of working with or knowing personally, the Honorable Elizabeth Kee, though, of course, her name and accomplishments were well known to me during my 12 years as administrative assistant to Congressman John A. Blatnik.

But I have been fortunate to work with two members of her family, her son, Representative Jim Kee, and granddaughter Karen.

Jim Kee served on the Public Works Committee, of which I was Administrator for 4 years; and I highly valued his expertise on economic development legislation, highways and other fields within the committee's jurisdiction.

Karen Kee, now Karen Gilbert, continued the distinguished record of her grandmother, as an outstanding legislative assistant to Congressman Blatnik. And through Karen I came to meet several other members of the Kee family.

To Karen, to Jim, and the entire family, I extend my most sincere condolences, and assure them that they are not alone in their grief, but have many friends to share with them the burden of sorrow and the shock of loss they must feel at this time.

GENERAL LEAVE

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the service of former Representative and late Mrs. Elizabeth Kee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

MINERAL RIGHTS GIVEAWAY IN SHAWNEE NATIONAL FOREST OF SOUTHERN ILLINOIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. SIMON) is recognized for 10 minutes.

Mr. SIMON. Mr. Speaker, I rise to alert the Congress to a threatened giveaway of mineral rights on land which is part of the beautiful Shawnee National Forest in my southern Illinois district.

As a result of leasing applications from a number of oil companies—including two of the world's largest—the Forest Service of the U.S. Department of Agriculture is considering leasing some 125,000 acres of the 250,000-acre national forest. The decision to lease is awaiting an environmental impact study by the Forest Service.

Under existing procedures, once the final Federal decision is made to lease, the companies applying for mineral rights receive them according to the order of their applications. And, under the Department of Interior's prevailing rate for leases in the area, the companies would be able to lease for a mere 50 cents per acre.

Under those procedures, Exxon, the world's largest oil company, and Amoco, the fifth largest oil company in the world, would probably receive all the potentially valuable mineral rights for token expenditures. Exxon was first to apply for mineral rights, asking for 11,116 acres, and Amoco was second, seeking 190,156 acres. A number of smaller, independent oil companies have also made applications, but later than the two "majors." They would most likely have no chance of securing any mineral rights under the present noncompetitive, first-come-first-served policy.

It is my strong feeling that any leases by the Forest Service should be granted on a competitive bidding basis—or at least for prices as high as those earned for mineral rights on surrounding, private land.

If competitive bidding were made part of the leasing procedure, small, independent oil companies would have an equal chance to secure mineral rights with the large firms—each making a bid on the basis of its forecast of profitability.

If the Forest Service goes ahead with a flat leasing rate determined by the Department of Interior, that rate should be increased substantially and the smaller independent companies should be, as a matter of policy, given some special preference in securing leases.

An increased price for leasing is of particular importance to the counties in my district with Shawnee National Forest land, because counties are now entitled to 25 percent of the lease income from Federal lands.

If all 125,000 acres now being considered for leasing are actually leased for 50 cents per acre, all the counties involved would receive a total of only $15,625, at the most. A $1 per acre rate would return twice that amount, $31,250, to the local governments; $2 per acre would return $62,500; and so on.

While these figures may not seem large to many, let me tell you about the plight of one county affected by all this. Pope County, Ill., is loaded with scenic beauty and good people—but, the average family income in this county is

the lowest in the State of Illinois, $6,024 per family below the statewide average.

Last week I met with the county officials of Pope County about a problem they have. Because income is so low to the county general fund, next month, unless some State or Federal action is taken, the county payroll cannot be met.

Why?

Because 38 percent of the land of that county is occupied by the Shawnee National Forest and for that massive intrusion there was a payment this past year in lieu of taxes of 8½ cents per acre to the schools and 8½ cents per acre for road maintenance—and not one penny to the county general fund.

That would be a difficult burden for the county general fund of a wealthy county, but it is imposed on the county in my State with the greatest economic limitations.

And now the Federal Government moves in that county—apparently with much greater concern for the major oil companies than for the people who live in that area.

In addition to the price objection to the leases, let me add two other concerns which I have expressed several times.

I do not object to oil leases if safeguards are provided for the forest. I do not know specifically what area they have designated as acceptable for oil exploration without environmental damage, but presuming that they have made a proper judgment in that matter—and that may not be a correct assumption—there should be a much higher bond posted than is presently required to guarantee that wells that are dug do not provide severe damage after effects from either oil or saltwater. Properly dug and maintained wells should provide a minimum of environmental damage, but a higher bond would be a healthy assurance.

Second, the major damage often done in this type of territory is not the well itself but the path that must be created for vehicular traffic. There are a number of good roads in the area now. I hope that the Forest Service will be careful about where they will permit exploration for oil.

But my major concern is that there appears to be more attention paid to the wants of the major oil companies than to the needs of the people in areas like Pope County.

It is a sad commentary on our national priorities when we would even consider a virtual giveaway of potential valuable mineral rights to wealthy oil companies and, at the same time, treat these economically depressed counties in the way they are now being treated with regard to Federal land holdings.

In a few weeks I will be introducing legislation which will set a floor of 50 cents per acre in Federal in-lieu-of-tax payments for all counties in which there are national forest lands, part of which will go to the county general fund. I mention this now because this may be of interest also to my colleagues in Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Indiana, Kentucky, Maine, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Pennsylvania, South Dakota, Tennessee, Utah, Virginia, West Virginia, Wisconsin, Wyoming and the other States which would also benefit from a slight change in the present formula.

And in the meantime I hope some of my colleagues will join me in objecting to 50-cent-per-acre oil leases of federally owned land to two of the Nation's biggest oil companies, at the expense of the Federal Government, local government, and the smaller oil producer.

For my colleagues' information, I am inserting into the RECORD a copy of a letter I have sent to the Secretary of the Interior, Mr. Rogers Morton, concerning the oil leasing problem.

Mr. Speaker, the letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 24, 1975.

Hon. ROGERS C. B. MORTON,
Secretary of the Interior,
Washington, D.C.

DEAR SECRETARY MORTON: This letter is to protest the Department of Interior's proposed leasing policy that, in effect, will result in federal land "give-aways" in the Shawnee National Forest that will benefit large oil companies at the expense of smaller companies and more importantly, the American public.

In particular, I protest the present Department of Interior plan to lease at 50 cents-per-acre, some 125,000 acres of the Shawnee National Forest located in my Southern Illinois District. I do not question leasing some of the forest land to allow for the exploration of oil, and I hope that both the Department of Interior and the Department of Agriculture will take the steps necessary to insure that the Shawnee Forest's environment will be protected. However, I do question both the manner in which the leases are being let, and the lease fees that are being considered.

The "first-come, first-served" procedure being followed by your Department will result in leasing 11,116 acres to the nation's largest oil corporation, Exxon, and of 190,156 acres to the nation's fifth largest oil company, Amoco. The remainder of the applicants, smaller, independent oil companies who applied after the two "major", stand little chance securing any mineral rights, since only 125,000 acres will be leased.

It is my strong belief that the smaller, independent companies should be, as a matter of policy, given some special preference in securing leases, it is not done on a competitive bid basis. But I would prefer that the Department of Interior grant all leases on federal lands on a competitive bid basis. If competitive bidding were made part of the leasing procedure, independent oil companies would have an equal chance to secure mineral rights with large oil firms—each making a bid on the basis of its forecast of profitability.

If the Department of Interior chooses to retain a flat lease fee, I suggest that the fees be increased to at least the level of the mineral right leases on surrounding, private land.

I hope that the Department of Interior will examine its present leasing procedures which seem to benefit the large oil interests, and amend those procedures to help insure that the best interests of the public are guaranteed.

Cordially,

PAUL SIMON,
U.S. Congressman

THE CONGRESS HAS TO GET TOUGH WITH THE FEDERAL RESERVE

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, it is time for the Congress—particularly with our 2-to-1 Democratic majorities—to show courage in dealing with the Federal Reserve System.

Despite all of the brave statements and flurry of activity, we are not going to have a really responsive Federal Reserve until the Congress is willing to treat it like any other agency of the Federal Government.

As one giant step in this direction. I am planning to reintroduce legislation to require a top-to-bottom audit of the entire Federal Reserve System—an independent audit conducted by the General Accounting Office on a regular basis. It is my intention to circulate a draft of this legislation to give Members of the House an opportunity to cosponsor.

Every other major agency of the Federal Government is subject to GAO audits and if the 94th Congress is to live up to its pledges to push for open and responsive government and for a new day on the economic front, then a full-scale audit of our monetary agency must be carried out. The exemption of the Federal Reserve System—which carries on massive bank regulatory functions in addition to monetary policymaking—is an indication of the degree to which the Congress has kowtowed to this agency through the years.

Of course, an audit is only one step. Eventually, this agency must also be required to come to Congress for appropriations and to face the annual review which this process provides the legislative branch. At the present time, the Federal Reserve finances its far-flung operations with an annual slush fund of nearly $6 billion created by interest payments on its huge portfolio of $85 billion of paid-up bonds—bonds which have been purchased in the open market and which reside in the portfolio of the Open Market Committee in the New York Federal Reserve Bank.

These are bonds which have been paid for once and which could be canceled, or at least made noninterest bearing, without any harm to our monetary structure. In fact, we could have an overnight reduction in the national debt of a whopping $85 billion if the fictional bookkeeping was eliminated and if paid-up bonds were indeed stamped "paid." The Federal Reserve—an entity of the Federal Government—now claims to "own" these bonds—in other words, it claims to own about 18 percent of the national debt and this is all the more reason for a full-scale audit.

The Federal Reserve loves to cloud this issue—to wrap it in mysticism—because it provides the agency with a gigantic fund which is not audited by the GAO, and over which the Congress exercises absolutely no review whatever—$6 billion in interest payments about which the Congress asks no questions.

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Under these circumstances, it is no wonder that the Federal Reserve and its Chairman, Arthur Burns, hold the Congress in such contempt. It is no wonder—when the Congress is so willing to let this slush fund grow—that the Federal Reserve plays little games in its testimony and moves legislation around to suit its own whims and desires.

It is absurd to think that the Congress is going to screw up enough courage to direct the Federal Reserve System to do something in the public interest when it does not even have the courage to require an adult or to force the agency to come up on Capitol Hill for appropriations. Dr. Burns is no fool; he is an expert at reading the weaknesses of Congress.

Completely beyond the questions of audits and appropriations, the Congress and its leaders are going to have to take a tough stance about this agency and its officials. Cozy arrangements will not get the job done at the Federal Reserve any more than they will with other regulatory agencies or Cabinet departments.

This Congress has come in with a promise to do something about the economy and we have to face the fact that monetary policy is at least half—if not more—of the equation. We are not going to solve unemployment, inflation, or any other major economic question without dealing specifically with monetary questions and the great economic powers wielded by the Federal Reserve. If we are weak in our approaches toward this agency, we are just kidding the American public—and I think the public has been kidded enough on the economy.

Congress should speak in clear language about these issues. If it intends for the Federal Reserve to do certain things in the public interest it should say so.

The Constitution gives the Congress a very specific responsibility in these areas and all of us have sworn to uphold the Constitution in the performance of our duties as Members of Congress.

A CITY BETRAYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, I once again today take the privileges of the floor of the House, as I have on several consecutive legislative days, to continue the discussion that I have initiated and which I call "A City Betrayed." And in this case I am speaking of my native city, the city of San Antonio, Tex.

Last week, on Thursday, I concluded by very briefly describing some of the insidious connections between crime, crime of the most sophisticated type, and other institutions. Some have defined this as "organized crime," some call it "The Syndicate," and others call it "The Mafia."

These connections are the most intimate of connections; they are most disturbing—and they should be—to every American. These connections of criminal elements are with business, business which is otherwise legitimate, and politics, including high and lowly placed officials in offices of public trust.

Mr. Speaker, I have pointed out that the reason I have imposed on the Members of the House to take the privileges of the floor was simply because I believe this has more than just a local connotation. I feel very strongly and most sincerely that what is happening in my own back yard is a national symptom, a malaise, a disease. I believe it is prevalent nationally, as well as in my own home town.

It is with a deep sense of sadness and disappointment that I bring these matters out, for I am a native of San Antonio. I have lived there; I love the city; it is where my family is, and God willing, I hope it will continue to be my city.

I have always felt much as Charles Peguy, the very famous French philosopher and writer, who said that—

He who knows the truth and does not bellow it from the top of the roof is a liar and a cheat and a hypocrite.

I feel that I have been knowledgeable and am knowledgeable about these matters and that I have been given facts that are the truth. Therefore, I have imposed on the House as a forum, which is the only forum that a Member of this House really has, in which to utter these statements, which, as I say, sadden and disappoint me. But I feel compelled to speak out. I would much rather that I would not have had to speak out. But it seems that when all of the forces that a community has erected over the course of years for its own innate protection have either been abdicated or have failed, then a man placed in such an office of public trust as I am privileged to hold has an overriding and in fact a compelling duty to speak out.

This is not the first time that I have obeyed this sense of duty. In my career, starting first as a councilman on the city council of San Antonio 20 or 21 years ago, my 3 years there were marked with the most bitter, the most arduous, and the most difficult period in my entire experience in public life. It was mean. In fact, anybody who lived in San Antonio and lived through that period of time will tell us that there has been no meaner period of municipal turmoil, perhaps with the exception of what is going on now in San Antonio. I survived that experience for 3 years.

The people of the 26th senatorial district of the State, at that time, comprising the entire County of Bexar, elected me to the State senate. This was after a most bitter, derisive, cruel campaign. I served there for 5 years, again during a most hectic and very active period of time.

Mr. Speaker, I was elected to this body in 1961 as the result of a special election in November, and I have had the honor and what I feel to be the greatest privilege in the world of serving as the representative of the 20th Congressional District of Texas, which now comprises the inner city or the heart of the city of San Antonio. During my first 7 years I had the entire County of Bexar to represent.

All during this time I can truly say that there was no disturbing incursion into the local governmental or business life of San Antonio by what some would define as outside criminal elements. But we have it today, and we have it in one of the most insidious forms that a community could get it. It reaches its tentacles into the community business sector of San Antonio. It is reaching even into the political sector, and, therefore, the citizens of San Antonio are beset with a real problem which has not been fully explored and truly measured in all its dimensions and in all of its ominous significance to the city as yet.

Unfortunately, and by way of explanation, those of us serving in this capacity are confronted with one other basic fact of life that afflicts the city, and that is that practically 100 percent of the media, whether it is radio, television, or the newspapers, are not locally owned.

There is only one voice that we can truly say is amenable to the public will, directly subject to its choices and decisions in this great American society and in its processes of the formulation of public opinion and the dissemination of information and knowledge, and that is those who are elected regularly by the people for a stated period of time and must subject themselves to periodic review.

It becomes very difficult under these circumstances because, in the case of San Antonio, we have two principal daily newspapers. One is a combination morning and afternoon newspaper. Both are owned now by a gentleman who is in the publishing business from Australia to London and publishes extensively in the United States. He purchased this very important daily newspaper just barely 2 years ago.

Before that, the newspaper had been operated and owned by an ownership that was headquartered outside of San Antonio. True, I must point out that it is locally administered, and perhaps it would be unfair to say that these administrators are anything but very loyal San Antonians, very conscientious individuals, but that is not the point.

The other newspaper for years has been a Hearst-published enterprise.

With respect to radio and television, the three major English language television stations are wholly owned by outside interests, one lately purchased by a group in California from another group based in Washington and Ohio.

What does all this mean? From my standpoint, it means that when you get into one of these crunching crises and most difficult issues confront you, you find all the forces that are available to people who are very unhappy with what you say emerging to press and make known their pressures on those who have the power to report and wield public opinion.

But further, recently the city of San Antonio—in fact, 2 years ago, in the last municipal election—saw an incredible event. We had a city race for nine councilmen. At that time the city charter provided that we were supposed to have a city council-manager form of of government and that we have nine councilmen elected every 2 years. After their election and swearing in, they shall then designate one member to be the mayor—mostly it was thought to be a ceremonial mayor. But last year the electorate voted in the first changes in the city charter since its enactment in 1951, and now the office of the mayor is directly voted upon and designated as the mayor's office by the people, although the mayor has no more power or less power than he has had heretofore.

It is just the fact that whoever runs for that position is running for the office described as the mayor's place. But under the charter there is no additional responsibility. However, unfortunately, it yields to the tendency in San Antonio, at least, over the past 3 or 4 or 5 years, to really corrupt the council-manager form of government.

So in the last 2 years, particularly, we have had a heavy proliferation and a heavy incursion of direct political decisions impressing themselves on what the city charter says shall be only the prerogative of the city manager.

One might ask: What has that to do with what I am doing now? Well, just as in the case of the absentee media ownerships, it has a lot to do about what I am speaking out on.

For one thing, better than $300,000 was spent by one man alone in order to run and seek the office of city councilman 2 years ago. He is a powerful man.

A recent series of newspaper articles in San Antonio rated him as one of the top 10 powerful leaders in San Antonio.

He is also the inheritor of a tremendous chain of grocery retail outlets. He is also very, very sensitive about his friend Oscar Wyatt, who happens to be the chief mogul of the entity known as the Coastal Gas Co. which, as I have said repeatedly, has victimized the city of San Antonio, it has damaged the city, and it has plundered the city. If the Huns or the Visigoths had visited San Antonio they could not have done a better job than Oscar Wyatt and the Coastal Gas Co. have been doing to the city.

Apparently he also exerts a tremendous influence on those who have chosen to publish the newspapers, and he has made it known from time to time that if they antagonize him or do not act, as he says, "fairly," he will remove their access to over $1 million worth of advertising from such "injuring newspapers."

Well, I do not have to be a newspaper publisher to know that under those circumstances where the competition is almost cut-throat, dog-eat-dog competition in the city, that if I had to account to my absentee owners at the end of the year for the loss of half a million or three-quarters of a million dollars' worth of advertising revenues, that all the stories in the world about how I stood up for justice and righteousness would fade in the light of the hard, cold ledger sheet.

So this has had its impact, and it is visible to anyone who wishes to evaluate the situation.

Last week I also mentioned the fact that we had a judge who has been marked with a very, very—to me, at least—disturbing and interesting curious tendency to feel a great deal of empathy for those who are charged with a crime, or who fear that they are going to be charged with a crime.

Recently when the grand jury of Bexar County was impaneled—and there was no way of knowing what the judge would do—but this same judge, once he found out that the grand jury said they wanted to look into the circumstances surrounding gas prices in the city of San Antonio, he became terribly upset, and did everything in his power to prevent the grand jury from continuing on. He even threatened to dissolve the grand jury, but I think he was told by someone that he had better read the law before he tried to do so. He called the district attorney and did his best to intimidate him, even calling him in the wee hours of the morning, after midnight, and said, "Why are you doing this?" Or, "Cut it off", or "What are you trying to do?", or Don't do it." Fortunately, as I have said repeatedly, we are blessed with one thing, and that is an honest district attorney,. Fortunately, I might add, we have a substantially honest police department. But the city of San Antonio was sensationalized just about a year or so ago—maybe a little bit more—when there was a great front-page exposé in one of the newspapers saying that the police—not that great criminal known as Fred Gomez Carrasco—most of those reading these remarks will not know who he is, but if they recall the front-line national news of last summer in August when in the Huntsville State Prison a man more or less took over an entire building and had about 10 hostages, and when the show was over with, he was dead, but, unfortunately, two of the innocent hostages were also dead. That is the one and the same Gomez Carrasco.

Believe it or not, they were trying to make a hero out of him. They still try to romanticize him.

They tried to make a romantic folk hero out of a dope peddler responsible for untold thousands of our youth who are now in the clutches of drug addiction. And, lo and behold, this front-page sensational Sunday story revealed: One, the illustrious mayor; two, a shadowy figure in business in San Antonio who admits that he has done business with Carlos Marcello, otherwise known as a New Orleans citizen of some distinction. And, lo and behold, the real impetus behind that exposure was to say that those men, members of the San Antonio Police Department, were in effect the ones who had killed two of Caraseo's lieutenants who had been found with their bodies riddled through with bullets on one lonely road south of the city. This, one would say, is astounding. One would say, given this in any community, there would be an immediate follow-through and one would want to know what is the proof? Did these two police officers, with long years of experience on the police force, in effect do this? And if they did not, why should our mayor be involved?

Apparently nobody asked that question after it was all over with. The exposé said that there was an eye witness to the shootings of these two fellow criminals of Carasco's, and there was a secret witness that they had under arrest. Astoundingly, it turns out that the mayor of the city was paying for the secret witness' motel room because they were keeping him in the wings and were going to depend on this confirmed dope peddler, a criminal, and ally of Carrasco's, as a source for the incredible stories that he had witnessed two policemen shoot these other two criminals. One would say, given this in a community that is No. 11 in the United States in size, No. 3 in the State of Texas, why, surely, the citizenry would be up in arms to get to the bottom of it, find out who is telling the truth and who is not.

It all blew over, and the only thing that came of it was that the real thrust was to try to get rid of the chief of police, a man whom I have known since before he was chief of police, who is a native of San Antonio—in fact, he is a product of a very famous institution in San Antonio—St. Joseph's Orphanage—and who is a modest and honest, diligent, and hard working San Antonian and American. Why would anybody try to get rid of Chief Emil Peters on the basis of these shadowy stories about two members of the police department, who have not been engaged in crime themselves, killing these other two?

The truth of the matter was that the whole attack was going to be directed against one Captain Hutton who has distinguished himself as an inveterate pursuer of dope peddlers and otherwise criminal figures.

But Captain Hutton had made the mistake of keeping track of the whereabouts and the itinerary of one Carlos Marcello whenever he came over from New Orleans and visited in San Antonio. This was apparently his grievous error.

Also it turns out that the source of the story was another man in the police department. We have one officer in the police department and he is a source of information, or reported as a source of information to the mayor and his business partner in this exposé. This lieutenant also happens to be the man who was present when Carrasco was captured after a shootout at a motel. But this police officer also had been on the private payroll of the business partner of the mayor. Yes, while on the police payroll he was also working on the side. Apparently this was a key factor in this very, very malodorous story.

But the whole story collapsed less than a week later when it was discovered that the man the mayor was keeping secretly in a motel by paying his room and board was arrested by the drug enforcement agencies for not only possessing but also selling heroin while he was in the motel paid for by the mayor of the city of San Antonio. Now this man is comfortably, I think, resting in the Federal prison.

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This was going to be the great exposer of these policemen who were supposed to have killed two criminals. They were charged with illegal execution, I believe were the words of one newspaper columnist.

Members may ask: Why this rather extensive narration of these stories? What have they got to do with the business of the Nation?

Well, everything, because the fact that two hostages died in the State prison and the fact that the whole United States was subjected to a period of absolute turmoil not only in the State of Texas, is related to the treatment Carrosco received locally after his arrest.

In fact, one of the newspapers now is talking about the need to investigate why Mr. Carrasco received a king's treatment in the county jail in Bexar County where it has been astoundingly revealed that during his incarceration he had access to a private phone which he was using to continue the drug peddling from within the county jail walls. This is incredible. Nevertheless it is true.

It goes back to the gentleman I mentioned last week. District Judge Preston Dial who seems to have a penchant for sympathy for the likes of Carrasco. He absolutely issued orders of a stern nature to the jailers that they had to give the gentleman this kind of treatment and that kind of treatment.

It led to the private phone and the daily and nightly visitations of Carasco's wife Rosa, a fugitive from justice at this time, who was aiding and abetting him in the most extensive dope peddling ring which has been discovered up to now.

This same judge is the one who wants to stop the grand jury investigation into the circumstances surrounding the tragic danger confronting the city of San Antonio which is endangering its entire future. This is the same judge who said last Friday: "It is not true that I tried to intimidate the district attorney. I just called him at midnight and asked him what he is doing and why does he want to do this? I was not trying to intimidate him."

I do not know how the good judge defines that word, but the district attorney certainly thought and he still says it was nothing but pure intimidation.

With this kind of pettiness, what hope is there? What can one man do? If the community forces have relaxed to the point where it is more profitable and more favorable to the sympathetic treatment of the known and established criminal victimizing the entire community, then what point have we reached in America?

This same pattern, I am sure I can say without fear of reasonable rebuttal, is true on the national level. I saw it in one or two incidents that I got involved with 4 or 5 years ago, which clearly proved to me then that the then Attorney General of the United States was nothing but a plain old-fashioned crook, and, by golly, the judge discovered that just last week and finally sentenced him; but if the story is ever told about other actions and patterns, I think it would be just as revealing.

The tragedy there is that the entire Justice Department became victimized, because once we penetrate the highest echelons of Government, we have got a power unmatched by anything on earth today. Syndicated and organized and incorporated crime has invaded the highest reaches of our Government, clear down to the lowest reaches of our Government.

The question is, and the $64 one, Will America, whether it is locally in San Antonio or nationally throughout the 50 States, will it still have the saving sap or juice in the American tree of democracy to knock out these invading germs and vermin, which is what they are? They are parasites on the body politic, they are criminal parasites, they are eating away the very fabric of the social life of our country.

I might add that the biggest headlines we have had in our local city are the dragnets that have been bringing forth hundreds of young San Antonians who are charged with having been involved not only in the use of drugs and related substances, but in the peddling thereof.

I am not talking about 20- or 21-year-olds. I am talking about 15-, 16-, 17-, 18-, and 19-year-olds. Should we take it out on them, as long as we do not have the courage, as long as we do not have the willingness to root out the real infesters, the real ones who should be guilty, instead of the victims?

We live in a day and time in which it seems that instead of going after the malefactors, instead of going after the criminals, we go after the victims. We have more sympathy for the criminal than we have for the victim.

I have seen, as I have said, this very disturbing incursion into the pattern of life reflected in the very bottommost rungs of our social structure.

Somebody told me, we picked up a rumor last night, somebody said I was talking too much and better look out, that there was the word going out and blah, blah, blah. One of the law enforcement agents got all excited talking to me on the phone and I said, "Track it down. I think you will probably find it was from a nightclub or a late bar joke or story." That is exactly what it turned out to be.

I do not necessarily worry about such things. They are entirely possible of happening, yes. What I am worried about is the failure to arouse the traditional American sense of indignation that has always characterized our society, the failure to arouse a sense of moral indignation, that may perhaps reveal why on the national level we have the pattern of crime that we do.

THE ANSWERS TO THE NATION'S ECONOMIC PROBLEMS REST IN THE FREE MARKET, NOT WITH THE CENTRAL PLANNERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, every day we hear and read additional indications of decline in our economy.

The reason our economy is not rapidly recovering is the same reason it first slowed, then recessed, unwarranted interference by Government in the economic affairs of the Nation. Government's expansionist and interventionist economic policies and programs created the double-digit inflation which was the major factor in causing the current recession.

Instead of Government's central planners admitting error and learning a lesson, their intended solutions are to intensify Government involvement in—interference with—the economy.

It can come, therefore, as no surprise that our economic conditions are not appreciably improving. And, to the degree that Government persists in interfering in the economy in the months ahead, conditions will not improve.

No doubt, the tax cuts and massive deficits will stimulate the economy, and by the third quarter of this calendar year we will probably see more encouraging signs. But, because Government has relied on huge deficits to stimulate the economy—deficit spending which can be paid for only through additional borrowing and monetizing of the debt—the principal sources of inflation—Government is sowing the seeds of another inflation and, ultimately, an even worse recession if not depression.

I am, by nature, an optimist. I believe problems pose opportunities for people to solve them, and I believe that our economic problems are clearly within our capability of solving.

That optimism is being sorely tested, however, by the continued unwillingness of certain Government leaders—in the administration, the Congress, and State legislatures—to admit that it is Government which is holding an enduring recovery back or whose idea of recovery is only to unleash the forces of fiscal and monetary expansion so destructive to a free society.

It is unfair to ask the American people time after time to make sacrifices, when Government refuses to do likewise.

I receive letter every day from people telling me of the lengths to which they are going to cut back on their spending.

When I read one of these letters, I think of the marked contrast of their sacrifices with a Federal budget for fiscal year 1976 of $349.4 billion—an increase of 11.5 percent in just 1 year.

If there is any activity within our society that has not cut back on its spending and growth—both in constant dollars and in relation to such flexible standards as percentage of gross national product—it is government, especially the Federal Government.

Government wants everyone else in this country to sacrifice and to tighten their belts, but Government is not interested in making sacrifices or tightening its own belt.

STATEMENT ON ALTERNATIVE ECONOMIC POLICY

On February 5, 30 Members of the House of Representatives, from throughout the country, signed and announced a statement on alternative economic policy, offering through that statement a set of free enterprise, market solutions to our economic ills. I was pleased to help participate in the formation of that statement. That statement calls for the adoption of policies which will diminish the role of Government in the economy, expand individual liberty, and promote a recovery based on stability and productivity.

Seven specific proposals were set forth in it:

Controlling the run-away growth of government and the soaring increases in Federal expenditures and deficits, in an effort to better balance the budget. This would reduce the need for government borrowing from the capital markets and would put a brake on the inflationary expansion of the money supply.

The enactment of job-creating, accelerated capital formation techniques, sufficient to insure the full productive capacity of this country and the millions of jobs which would flow from such full capacity. Such measures would include:

A tax reduction for both small business and corporations, to spur production; and

A permanent increase in the investment tax credit, to allow long-range planning in order to help avoid a repetition of this recession.

Giving protection against inflation to the individual income taxpayer by indexing income tax brackets, thus taking the "windfall profit" out of inflation for the government when taxpayers slide into higher tax brackets solely as a result of government-created inflation.

The removal of anticompetitive regulatory practices of the Federal Government, practices which drive production down and prices up.

That a limitation, established as a percentage of aggregate national personal income, be placed on the level of revenue taken each year by the Federal Government.

Increased reliance on the laws of supply and demand to conserve fuel and to increase production, including the deregulation of natural gas and domestic crude oil.

That increases in the money supply be tied more directly to increases in national productivity, thus eliminating the price rises which accompany expansionary monetary policies.

Covering over 23 pages of text in the RECORD of February 5 are the facts, charts, observations, and conclusions drawn in the preparation of those seven courses of action.

I wish for a few moments to comment more extensively on several aspects of the matters dealt with in that statement and special order.

TAXES OUTRAN PRICE INCREASES IN 1974

A study just released by the staff of the Joint House-Senate Economic Committee confirms my contention that Government is unwilling to tighten its own belt.

According to that study, increases in personal taxes paced last year's cost-of-living rise. Taxes outran all other price increases in 1974—rising more than 25-percent.

These tax increases, in turn, contributed to a decline in the average American family's real income—its spending power after inflation and taxes.

As was pointed out in that study, this is the first recession in history during which the tax burden on families and individuals has increased.

Selecting a family at the "intermediate budget level"—which the study defined as a gross annual income of $14,466 for a family of four—the study showed that while Federal, State, and local personal income taxes made up 17.8-percent of the middle income budget—that is based on the actual tax paid on adjusted gross income credits, exemptions, and so forth have been deducted—in 1973, that share had grown to 19.5 percent in 1974.

That family's social security taxes rose an average of 21.6 percent in 1974—in just 1 year—from $647 to $787, while Federal, State, and local personal income taxes increased in that 1 year by 26.5 percent, from $1,607 to $2,033.

Because of the tax increases, the study found, the average middle-income family experienced a 3-percent loss in real income, even if earnings kept pace with the 12-percent inflation rate, which most earnings did not.

We see readily the rise in the cost of food, utilities, housing, etc. But, we do not see as readily increases in what Government takes from us, because taxes are paid in less obvious ways: Payroll deductions, sales taxes, excise taxes, real estate taxes paid as part of the mortgage payment each month, and so on. Here is, therefore, how the increase in costs rose during 1974:

Federal, State and local personal income taxes: 26.5 percent;

Social security taxes: 21.6 percent;

Utilities: 16.6 percent;

Overall cost-of-living increase: 14.6 percent;

Transportation: 14.3 percent;

Housing: 13.5 percent; and

Food: 11.9 percent.

It is for this reason that I assert that we can cut the cost of living most effectively by cutting the cost of Government.

THE IMPORTANCE OF CURTAILING GOVERNMENT'S DEFICIT FINANCING

Last week, following the colloquy of February 5, a Senator of long service in the other Chamber, commented:

Budget deficits don't scare me a bit. What you have got to look at is the deficit as a percentage of the gross national product. In other words, the bigger you are, the more deficit you can have.

It is exactly that kind of thinking which has contributed to getting us into the mess in which we now find ourselves.

The relationship of the total national public debt—accumulated over the past 187 years—to the gross national product within any one year is like mixing apples and oranges for comparison. The point is not even close to the truest economic measure of what is relevant and important about the size of the annual deficit.

The most accurate measures to gage the potential adverse impact of rising deficit spending on the economy are twofold: First, the percentage of available capital for lending within a year which is taken by Government in the form of borrowing, and, second, the extent to which Government borrowing is monetized through expansion of the money supply unaccompanied by rises in national productivity—because such monetization pushes the price of goods and services upwardly—the cause of inflation.

GOVERNMENT BORROWING CAUSES A LOSS IN JOBS

Government borrowing of capital—of money available for borrowing from the total of financial institutions and investors—has reached a dangerously high level. Last year, Government borrowed 62 percent of the available funds in the United States—62 cents out of every $1. With the projected deficits in the proposed Federal budget for fiscal year 1976, coupled with the projected increase in the deficit for fiscal year 1975, economists are predicting upto 80 percent—80 cents out of every dollar—will be taken by Government borrowing over the next 18 months.

When Government takes that large a share of loan money, there simply is not enough for home construction, commercial and industrial expansion of businesses and plants or of equipment, or for the other uses of loan money. And, for those whose financial statements are still in such good order that they can get some of the 20 to 38 percent of the money which remains after Government borrowing, the interest rates are at very high levels, set there by market forces and to discourage anything but the most solid of borrowers from competing for funds.

The loss of jobs is the inevitable result of inadequate capital. Those first to lose their jobs are those within the construction industry who would have built the buildings and plants. That spills over into the job market of those who manufacture and supply materials and equipment for such construction—from electrical wiring to wallboard fabricators to heavy equipment manufacturers. In addition, since the plants were not constructed or expanded, jobs are not created within those commercial enterprises which needed the funds for growth. Taken as a whole and nationally, this means the loss of millions of jobs.

Last summer, Senator WILLIAM PROXMIRE, of Wisconsin, now the chairman of the Senate Committee on Banking, Currency and Urban Affairs, addressed this point of how Goverment spending actually reduces jobs instead of making more of them. The Senator said:

One of the most persistent myths held by almost everyone in and out of the Congress is that if we cut through the mammouth increases in Federal spending, then automatically and without question unemployment will increase.

This myth—and it is just that, a myth; it is not true—has probably been as responsible as anything else for the skyrocketing growth of government over the past few years. The idea has been that every time the Federal Government spends another 10 or 20 thousand dollars it creates another job.

The fact that that is not true should be apparent to anyone who can add. In the past 5 years the Federal budget has exploded from $184 billion to more than $305 billion. That colossal increase in spending should have resulted in a corresponding expansion in jobs and a reduction in unemployment. Did it?

It is true the work force increased and em-

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ployment in the economy grew. But far less than it should have. Unemployment grew much more in proportion than jobs did. Indeed after a break-neck expansion of Government spending we find unemployment which was 3.4 percent 5 years ago, now at 5.3 percent.

I predict that if we reduce the rate of increase in Federal spending, and do it in the right areas—being sensitive to the employment consequences of our action that unemployment will not worsen as a result of the slower rate of growth in Federal spending.

Here is why: This year the Government will run a $10 billion deficit. It will borrow $10 billion and in doing so put more pressure on high interest rates to stay high or go higher.

If we cut spending $10 billion and balance the budget, the Federal Government will not borrow that additional sum, and interest rates will begin to move down.

Will that provide more jobs? Yes indeed. How?

Because the housing market that is now in a serious depression because high interest rates make it almost impossible for millions of Americans to buy homes will fail. This could make a difference of as many as 500,000 more housing starts this year. That number of housing starts means 1 million additional direct jobs and probably 2 million indirect jobs.

Of course the cut in Federal spending might reduce Federal employment by a part of that up to 3 million jobs, but it is likely that the net employment effect would be positive. In addition, of course, employment would be transferred from the Government sector where productivity and discipline is so much less to the private sector where all the pressures of a market economy, the profit motive, and competition increase efficiency.

One can see, then, that deficit financing by the Federal Government relates directly to the loss of jobs within our economy. As Government's share of the capital market increases, leaving less for nongovernment borrowing, unemployment increases too.

As I just indicated, this borrowing forces an upward pressure on interest rates too. Testifying this week before the Senate Finance Committee, the Secretary of the Treasury warned that while interest rates have begun to drop, increased Government borrowing threatens to halt that decline. The Secretary told the committee:

> The growing domination of the Government in our credit market represents an alarming situation.

He noted that lower interest rates are part of "the process by which the economy pulls out of a recession."

Thus, to the degree that borrowing keeps interest rates high, we severely limit our ability to get out of the recession. Government borrowing, stimulated by mounting deficits, is, therefore, counter productive to efforts to get us out of the recession.

FUELING THE FIRES OF MORE INFLATION

Let me now turn to the second facet of this question: The extent to which Government borrowing is monetized through expansion of the money supply unaccompanied by rises in national productivity.

When additional money comes into circulation and there is no increased productivity to stand behind that new money, it robs each of us that holds a dollar of some of its purchasing power.

The short term gains of pumping more money into the economy produce long-term losses for us all. We are each a little poorer when additional money is circulated and no rise in productivity accompanies it.

The Board of Governors of the Federal Reserve System now has the power to issue new money supply. Congress gave it that power long ago. It was a mistake.

When new money supply is kept at about 4 or 5 percent, it is at least manageable—even though it still contributes to inflation. But, when that new supply is up around 8 or 9 or even more of a percentage, it results in the 11, 12, 13, even 14 percent inflation we have been experiencing. The charts are clear on the phenomenon: The increase in money supply produces an increase in prices. There is a direct, commensurable correlation between additional money supply and higher prices.

When Government issues more money, the value of each dollar we hold is decreased. If there is a level of national productivity of, for example, 1,000 units, and there are $1,000 in circulation, then each has a value of $1. Now, if Government increases the money supply by 100 the next year—without any commensurate increase in national productivity—that means we have $1,100 in circulation, but productivity still stands at 1,000. Thus, the value of each unit of money is decreased to about $0.91. That simply means that it takes more of those units of money today to buy what you could have bought last year. What cost $1 last year, now costs about $1.09. That is inflation.

The largest single factor in influencing the Federal Reserve to increase money supply is pressure to make more credit available for lending, in order to take care of a greater share of nongovernment sector's needs for capital. Thus, the more capital taken by Government borrowing, the greater the pressure on the Federal Reserve to increase the money supply through additional extensions of credit to its member banks.

If we could, therefore, decrease Government borrowing through controlling spending and decreased deficits, we could take some, if not most, of this pressure off of the Federal Reserve. As the margin between existing money supply and national productivity was closed, so too would price levels decline. Inflation, as a direct result of increases in money supply unaccompanied by productivity, would abate.

THE ROLE OF PROFITS IN CREATING JOBS

In a free society—in which wages, costs and prices are left to the free play of the competitive market—the prospect of profits decides what articles will be made and in what quantities—and what articles will not be made at all. If there is no profit in making an article, it is a sign that the labor and capital devoted to its production are misdirected—the value of the resources that would be used up in making the article would be greater than the value of the article itself.

One function of profits, therefore, is to guide and channel the factors of production so as to apportion the relative output of thousands of different commodities in accordance with demand. No bureaucrat, no matter how brilliant, can solve this problem arbitrarily—by rule and regulation. Prices and profits will maximize production and relieve shortages quicker than any other system. Arbitrarily-fixed prices and arbitrarily-limited profits can only prolong shortages and reduce production and employment.

Another function of profits is to put constant and unremitting pressure on the head of every competitive enterprise to introduce further economies and efficiencies, no matter to what stage these may already have been brought. In good times he does this to increase profits further; in normal times he does it to keep ahead of his competitors; in bad times he may have to do it to survive at all. For profits may not only go to zero; they may quickly turn into losses.

Contrary to popular impression, profits are achieved not by raising prices, but by introducing economies and efficiencies that cut costs of production. The largest profits—as percentages of costs—go to the firms that have achieved the lowest costs of production. It is, thus, the consumer, the public, that is served.

The role of profits is particularly important during periods when there is little available capital for businesses to borrow. Thus, last year, when Government was borrowing 60 percent of the available capital in the United States, and during the next 18 months, when Government is expected to borrow 80 percent of the available capital, are periods in which profits must be encouraged in order to maintain the level of investment essential to maintain and expand productivity and jobs.

This should not be construed just as some type of "probusiness" position, for it is, as equally, a "prolabor" position.

I have stated my views on profits—in favor of them and concerned that the juggling of statistics makes it appear that they are actually higher than they really are—but a distinguished Member of the other House, Democrat, former Chairman of the prestigious Joint Economic Committee, and presently chairman of the Senate Committee on Banking, Housing and Urban Affairs, Senator PROXMIRE, has reinforced them on January 21 in the RECORD:

> Somehow the impression has developed in this country that corporate profits have been excessive. The fact is they have not been. I am not just talking about the corporate outlook for this year. I am talking about corporate profits over the past 5 years.
>
> * * * * *
>
> In 1950, profits represented 15.6 percent of national income compared to employees' compensation, which was 64.1 percent that year or four times profits. In the ensuing 25 years, profits fell steadily. Last year—viewed by many as a superyear of national income compared to 75.1 percent for employee compensation. So last year employee compensation was more than eight times profits.
>
> In other words profits are now about half as large a proportion of wages and salaries as they were 35 years ago.
>
> * * * * *
>
> In all fairness, we should appreciate the fact that profits are what drive this great economy. They provide the incentive for investment that is essential for acquiring the capital that in turn provides the technology that enables our country to grow more productive and efficient and support a higher standard of living. Profits also insure the discipline that forces businessmen to hold down costs. And to organize their operations more and more efficiently.
>
> Also, if profits are too low, our economy cannot engender the capital essential for good jobs and an abundance of what we need for the good life.
>
> We have suffered a drop in real wages in the past year for tens of millions of Americans. Six and a half million Americans are out of work. We are and should be acutely aware of this.
>
> But we should not lose sight of the fact that for 25 years corporate profits have been falling in relation to other income shares in our economy, and it would be foolish and counterproductive for us to adopt any policy designed to penalize them further.

The delusion of high profits is distorting the premises from which those in decision-making positions—which is wrong in itself, for the people should be making the decisions—draw conclusions and recommend policies.

A recent article in a nationally circulated journal, authored by the distinguished Peter F. Drucker, comments extensively upon this delusion. It follows:

THE DELUSION OF "PROFITS"

(By Peter F. Drucker)

Businessmen habitually complain about the economic illiteracy of the public, and with good reason. The greatest threat to the "free enterprise system" in this country is not the hostility to business of a small, strident group, but the pervasive ignorance throughout our society in respect to both the structure of the system and its functioning.

But the same businessmen who so loudly complain about economic illiteracy are themselves the worst offenders. They don't seem to know the first thing about profit and profitability. And what they say to each other as well as to the public inhibits both business action and public understanding.

For the essential fact about profit is that there is no such thing. There are only costs.

What is called "profit" and reported as such in company accounts is genuine and largely quantifiable cost in three respects: as a genuine cost of a major resource, namely capital; as a necessary insurance premium for the real—and again largely quantifiable—risks and uncertainties of all economic activity; and as costs of the jobs and pensions of tomorrow. The only exception, the only true "surplus," is a genuine monopoly profit such as that now being achieved by the OPEC cartel in petroleum.

(1) All economists have known for 200 years that there are "factors of production," that is, three necessary resources: labor, "land" (i.e. physical resources) and capital. And all of us should have learned in the last 10 years that there are no "free" resources. They all have a cost. Indeed, the economists are way ahead of most businessmen in their understanding and acceptance of a genuine "cost of capital." Some of them, such as Ezra Solomon, a former member of the Council of Economic Advisers now back at Stanford University, have worked out elegant methods both for determining the cost of capital and for measuring the performance of a business in earning it.

We know that in the post-World War II period, until the onset of global inflation in the mid-'60's, the cost of capital in all developed countries of the Free World ran somewhat above 10% a year (it is almost certainly much higher in Communist economies). And we know that very few businesses actually earn enough to cover these genuine costs. But so far only a handful of businesses seem to know that there is such a cost. Fewer still seem to know whether they cover it or not. And even these few never talk about it and never in their published accounts subject their own performance to the test. Yet not to earn the cost of capital is as much a failure to cover costs as not to earn the costs of wages or of raw materials.

RISK AND UNCERTAINTY

(2) Economic activity is the commitment of existing resources to future expectations. It is a commitment, therefore, to risk and uncertainty—in respect to obsolescence of products, processes and equipment; in respect to changes in markets, distributive channels and consumer values and in respect to changes in the economy, technology and society. The odds in any commitment to the future are always adverse; it is not given to human beings to know the future. The odds, therefore, are always in favor of loss rather than gain. And in a period of rapid change such as ours, the risks and uncertainties are surely not getting smaller.

These risks and uncertainties are not capable of precise determination. But the *minimum* of risk in these commitments to the future is capable of being determined, and indeed quantified, with a fair degree of probability. Where this has been attempted in any business—and in both Xerox and IBM, for instance, it is known to have been done for years in respect to products and technologies—the risks have proven to be much higher than even conservative "business plans" assumed.

The risks of natural events—fire, for instance—have long been treated as normal business costs. A business that failed to set aside the appropriate insurance premiums for such risks would rightly be considered to be endangering the wealth-producing assets in its keeping. Economic, technological and social risks and uncertainties are no less real. They too require an adequate "insurance premium"—and to supply it is the function of profit and profitability.

The proper question for any management therefore is not: "What is the *maximum* profit this business can yield?" It is: "What is the *minimum* profitability needed to cover the future risks of this business?" And if the profitability falls short of this minimum—as it does in most companies I know—the business fails to cover genuine costs, endangers itself and improverishes the economy.

(3) Profit is also tomorrow's jobs and tomorrow's pensions. Both are costs of a business and equally costs of the economy. Profit is not the only source of capital formation; there is also private savings, of course. But business earnings, whether retained in the business or paid out (returned to the capital market), are the largest single source of capital formation for tomorrow's jobs and, at least in the United States, the largest single source of capital formation for tomorrow's pensions.

The most satisfactory definition of "economic progress" is a steady rise in the ability of an economy to invest more capital for each new job and thereby to produce jobs that yield a better living as well as a better quality of work and life. By 1965, before inflation made meaningful figures increasingly difficult to obtain, investment per job in the American economy had risen to from $35,000 to $50,000. The requirement will go up fairly sharply, for the greatest investment needs and opportunities are in industries: energy, the environment, transportation, health care and, above all, increased food production, in which capital investment per job is far higher than the average in the consumer goods industries which have dominated the economy these last 25 years.

At the same time, the number of jobs required is going up sharply—the aftermath of the "baby boom" between 1948 and 1960. We will have to increase the number of people at work by 1%, or almost a million people, each year these next few years to stay even with the demographics. And at the same time, the number of people on pensions will also increase, if only because workers reaching retirement age live longer, and so will the expectations of the pensioners. Any company which does not produce enough capital, i.e. enough earnings, to provide for this expansion in jobs and pensions fails both to cover its own predictable and quantifiable costs and the costs of the economy.

These three kinds of costs—the costs of capital, the risk premium of economic activity and the capital needs of the future—overlap to a considerable extent. But any company should be expected to cover adequately the largest of these three costs. Otherwise it operates at a genuine, certain and provable loss.

THREE CONCLUSIONS

There are three conclusions from these elementary premises:

(1) "Profit" is not peculiar to capitalism. It is a prerequisite for any economic system. Indeed, the Communist economies require a much higher rate of profit. Their costs of capital are higher. And central planning adds an additional and major economic uncertainty. In fact, the Communist economies do operate at a substantially higher rate of profit than any market economy, no matter that for ideological reasons it is called "turnover tax" rather than "profit." And the only economies that can be considered as being based on "profit planning" are precisely Communist economies in which the producer (state planner) imposes the needed profitability in advance rather than let market forces determine it.

(2) The costs which are paid for out of the difference between current revenues and current expenses of production and distribution are fully as much "economic reality" as wages or payments for supplies. Since a company's accounts are supposed to reflect "economic reality," these costs should be shown. They are, to be sure, not as precisely known or knowable as the accountants' "costs of doing business" supposedly are. But they are known and knowable within limits that are probably no wider or fuzzier than those of most cost accounting or depreciation figures—and they may be more important both for managing a business or for analyzing its performance. Indeed, it might not be a bad idea to tie executive bonuses and incentives to a company's performance in earning adequately these genuine costs rather than to profit figures that often reflect financial "leverage" as much as actual economic performance.

(3) Finally, businessmen owe it to themselves and owe it to society to hammer home that there is no such thing as "profit." There are only "costs": costs of doing business and costs of staying in business; costs of labor and raw materials, and costs of capital; cost of today's jobs and costs of tomorrow's job and tomorrow's pensions.

There is no conflict between "profit" and "social responsibility." To earn enough to cover the genuine costs which only the so-called "profit" can cover, is economic and social responsibility—indeed it is the specific social and economic responsibility of business. It is not the business that earns a profit adequate to its genuine costs of capital, to the risks of tomorrow and to the needs of tomorrow's worker and pensioner, that "rips off" society. It is the business that fails to do so.

The 20th century American philosopher, Richard M. Weaver, in his classic volume, "Ideas Have Consequences," observed:

> In considering the world to which these matters (about the dissolution of the West) are addressed, I have been chiefly impressed

by the difficulty of getting certain initial facts admitted. This difficulty is due in part to the widely prevailing Whig theory of history, with its belief that the most advanced point in time represents the point of highest development.

Few observations could be more relevant to the way in which far too many look at our economic history today.

Western man's most philosophically and practically successful economic experiments are not those most recent in time. To the contrary, those most recent in time have been reversions to the most regression of all economic systems—reversions to principles of merchantilism and that degree of state control which we know as socialism.

Man's most refined intellectual and practical achievements have been during periods of expanding personal freedom—economic freedom and the political freedom which cannot long exist without that economic freedom.

When individual choice is maximized, economic prosperity rises perceptibly, and when individual choice is restrained, prosperity declines. Our standard of living is inextricably intertwined with our freedom of choice in economic affairs.

It is not reactionary, therefore, to desire "a return" to a point where economic freedom—and the prosperity which accompanied it—were maximized. It may have been a point in past years when that was the case, but one does not seek to return to those years—to that point in time.

What one wishes to do on the contrary is to advance, once again, to the achievement of that degree of personal economic freedom within the framework of laws. It is those who want to return—or would allow others to return us—to the most archaic of all economic systems—the collectivist, centralized, controlled economy. These proponents are the true reactionaries of our age.

OUR DECLINING ECONOMIC FREEDOM

What all of this—Government's continued and growing interference in the economic lives of the people—adds up to is a declining economic freedom. To the degree that economic choices are made by someone else, rather than by oneself, that freedom is diminished. Once that process starts, it too often—and too easily—leads to the eventual and total loss of that freedom.

Does one have genuine economic freedom when one gives up over one-third his income to Government

Or, when he involuntarily surrenders his purchasing power because of Government-created and Government-fostered inflation?

Or, when he cannot plan his future and that of his children—for school, for retirement, or for whatever—because Government's policies are so unpredictable and are so corrosive of his livelihood?

I think not.

The essence of economic freedom is freedom of individual choice in the marketplace.

Does one have that freedom when one cannot get a loan—for himself or his business—because the money is so tight and the interest rates so high?

Or, when his life savings can be wiped out in several years' time by double-digit inflation.

Or, when he cannot buy a product or pay a freely negotiated price for it because of Government-control created shortages on one hand or mandatory price regulation on the other?

I think not.

AMERICAN HOSPITAL ASSOCIATION PROPOSES MALPRACTICE INSURANCE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS. Mr. Speaker, in view of the growing crisis in malpractice insurance costs and availability, I want to share with my colleagues some very constructive steps taken by the American Hospital Association at its recent meeting here in Washington.

By an overwhelming vote of its house of delegates, the AHA gave preliminary endorsement to a national program to provide malpractice/general liability insurance to hospitals and to positive efforts to seek legislative and other remedies to malpractice problems facing hospitals and physicians. The AHA plans to establish a captive reinsurance company to administer the hospital insurance program and to contract with an established licensed, national casualty carrier to market the policies in every State. Although this effort will meet the urgent and widespread need for availability of coverage, the AHA in cooperation with representative associations and governmental officials will also seek solutions to the long-term problems of cost compensation rates for medical injuries.

The AHA captive reinsurance company under contract with a national casualty insurance firm will make available malpractice/general liability insurance policies with first dollar coverage up to the limits of the policy. Pending final negotiations it is anticipated that coverage can be provided for each and every malpractice occurance of up to $15 million. Initial capitalization and startup costs would be met through a one-time assessment of AHA members, if final approval is given to the plan later this spring.

All employees of the hospital including house staff will be covered. Physicians under contractual compensation relationships may also be included for their professional services within the hospital. It is, however, not possible at this time to offer coverage to the private practitioner.

The insurance carrier will collect premiums based on rate structures within each State that are in part related to past claims experience. The carrier will deduct from these payments reasonable expenses including service fees, State taxes and commissions, remitting the balance of the premium to the national loss fund of the captive company. The loss fund would provide indemnification to the primary carrier and would be protected through the purchase of reinsurance by the captive company.

By providing a national focus for the management of malpractice insurance risks, AHA hopes to develop a data base to measure more accurately underwriting risks and thereby reduce claims. Some favorable impact on premium costs may be achieved through effective risk management, retention of investment income in the loss fund, and negotiation of commissions and underwriting expenses.

Mr. Speaker, as many of my colleagues know, I have been particularly concerned with the skyrocketing cost of medical malpractice insurance and the burden these costs place on all of us as consumers of health services. In order to take a comprehensive look at these issues I am sponsoring a 2-day meeting March 20–21 here in Arlington, Va., which will include leaders in the Congress, HEW, State government and providers, practitioners, attorneys, and consumers of health services. I am hopeful that a thorough examination of the causes and alternatives can result in a workable remedy which will protect both the patient and the provider at a reasonable cost.

THE SECRET TAX AMERICA CANNOT AFFORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, the single greatest cause of our present economic difficulties is inflation. Rampant inflation over the past several years has cheapened the value of every dollar of wages. At this point I would like to insert into the RECORD a recent article from the Reader's Digest which explains why inflation is "the secret tax America cannot afford":

THE "SECRET TAX" AMERICA CANNOT AFFORD

Government spending that keeps on even after it has used all your tax money is a major force driving up the price of everything from hamburger to houses. Only you can make it stop.

Ever wonder why you feel poorer even though you're probably making more money than your father ever dreamed of? You finally bought that house. You drive a nice car. Maybe you're making payments on that boat you always wanted. But why did that new tile in the kitchen cost so much more than you expected? Why did the bill for that washing-machine service call take your breath away? Why do expenses now seem to exceed income?

There is an easy one-word answer to all these questions—inflation. But do we really understand what inflation is, and why this "secret tax" keeps chipping away at our pay-checks?

Many factors have exacerbated this dollar-dissolving inflation—the energy crisis, crop prices, excessive and ill-advised government regulation, wages outrunning productivity. But the basic cause of inflation is one that most Americans seem largely unaware of: *spending money that hasn't been earned yet.*

In short, inflation is the creature of debt, and the most inflationary kind of debt is the one we—under our democratic system—are the most responsible for: the public debt. The officials we elect run up this debt to provide the loans, goods, services and programs that we have come to believe should be "paid for by government."

We forget, of course, that "paid for by government" means paid for by us. Government may *print* money, but this is only the symbol of wealth. Real wealth is the value of the goods and services produced by working men and women. It is their pay for making cars, houses, clothes, books, furniture and all the other myriad things we are accustomed to. Government depends upon this wealth that we create, and takes from each of us a portion of it through taxes and other revenues.

Last year we paid out $255.4 billion in federal taxes. Unfortunately, the government not only spent all this money; it kept right on spending, doling out $3.5 billion more than we gave it. And it has generally done the same for years—spending $66.8 billion more than income in the five years 1970 through 1974 alone.

That is where the trouble starts—when we, as electors, allow government, often for individually persuasive reasons, to spend dollars it doesn't have. It goes into debt.

But government and the average citizen go into debt under different rules. Government is the dominant borrower in the market, both from individuals (mainly through selling savings bonds) and by depositing IOUs with banks, then writing checks against them. Result: We taxpayers have to pay various banks and other lenders some $29 billion in yearly interest on the public debt.

And that's why we are in trouble. We pay all the government's bills, and we bear the burden of those bills government incurs after our tax money has run out. We pay by shelling out that secret tax that adds ten cents a pound of bacon, $5 to a pair of shoes, $20 to an electric stove.

Now this is the part of inflation that most of us don't fully understand: How the government's indebtedness pushes up the prices of the things we buy.

It works this way: We can't print money to cover our own debts. The federal government, however, can; through a complex procedure called "monetary policy," the Federal Reserve creates dollars and transfers them to banks. The banks make loans from these new "assets." Thus, money is "pumped into the economy"—money that was originally nothing more than the figures on a Federal Reserve check; soon more currency has to be printed to cover the new dollars. Many of these dollars originate through bank loans of various kinds. They find their way into the economy through various commercial transactions. But who has established the need for these new dollars in the first place? We have—through the many things we ask government to "do" for us; through loans and grants to businesses, schools, research groups; through "aid" programs of all kinds. Remember, most of these deficit dollars have not been earned by producing anything. They merely compete with our paycheck dollars for whatever goods and services we and others have produced. Result: The oldest of economic laws takes effect. With more money around than available goods, prices rise—and inflation is upon us.

Okay. Everybody talks about it. Almost everybody feels it. But what can we do about it?

Certainly, increased productivity—each of us producing more for the dollars we can—is one of the most effective counters to inflation. Many businesses and dedicated workers have performed amazing feats of productivity, enabling them to increase their wages and profits while cutting the price of their products to remain competitive.

But productivity increases cannot indefinitely make up for the steady cheapening of the dollar brought on by the government indulging legislative whims with more "thin air" money. It's time for some tough decisions in Washington. Decisions that will not be made unless citizens—businessmen, farmers, workers, housewives, pensioners—demand them and are willing to accept the sacrifices that must be made.

Particularly in times such as these, no one would deny the use of federal resources to take care of the truly needy. And to alleviate the rigors of recession, job programs and other relief may well be essential. But with additional costs, it is even more imperative that the rest of the budget be kept under control so we do not wind up compounding the inflation which brought about the recession in the first place.

If we expect government to cut spending, however, *we must all cut our expectations of government.* Businessmen seeking special treatment to pull them out of a hole dug by their own inefficiency must make do with their own resourcefulness. Special-interest groups must stop and consider the overall effects of their requests upon government, and thus upon inflation. Citizens must realize that government installations may close in *their* area. Because the money is not available, certain nonessential programs may have to be delayed or even discarded.

We, all of us, are trying to hold the line on spending at home, and we should expect government to do the same. We only fool ourselves if we think real progress can be made without getting the government's fiscal engine back in tune.

And remember, we are the government. That's why we can do something about inflation—if we have the sense to discipline ourselves and the ingenuity to get more out of the considerable human and material resources we already have.

HEARINGS ON ANTITRUST ENFORCEMENT BY STATE ATTORNEYS GENERAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary will hold 1 day of public hearings in March 6, 1975, on H.R. 38 and H.R. 2850, that seek to permit the attorneys general of the several States to secure redress to the citizens and political subdivisions of their States for damages and injuries sustained by unlawful restraints and monopolies. The hearing will be held in room 2141, Rayburn House Office Building, and will begin at 10 a.m.

INFLATION, RECESSION, AND CORPORATE PROFITS—ANOTHER RESPONSIBLE POINT OF VIEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 15 minutes.

Mr. DANIELSON. Mr. Speaker, in this time of grave economic and fiscal crisis, it is essential that we receive and consider the opinions of the leaders of industry and commerce as we strive to work out solutions to the problems which plague us.

Recently, I received a letter from Martin Stone, chairman of the board of Monogram Industries, Inc., who enclosed for my information an analysis of some of the pending proposals relative to our economic problems of inflation and recession. It has been my pleasure to know Mr. Stone for many years. He is one of the leading industrialists in southern California, yet is generally identified as being a "liberal Democrat," whatever that means. Lest that description would cause some of our colleagues to discount Mr. Stone's opinion on inflation and recession, I hasten to point out that the company which he runs has sales in excess of $200 million per year, producing products in four major areas which are sold to virtually every industry in America.

Mr. Stone's analysis is thoughtful and factual, and I feel that it will be of great value to the Members of the Congress and of the executive department, who even now are grappling with those problems on behalf of the Government. Mr. Stone's analysis is as follows:

INFLATION, RECESSION, AND CORPORATE PROFITS—ANOTHER RESPONSIBLE POINT OF VIEW

The national effort to overcome the effects of the present economic recession and the high levels of inflation have produced a number of apparently conflicting recommendations from politicians and economists. What concerns me is that a rough consensus seems to be developing towards a solution that I believe has extremely adverse long-term consequences.

The same economists, both liberal and conservative, who only six months ago were assuring the country that we faced no recession are now panicking in the face of our present deep recession and suggesting remedies that are excessive for the degree of recession we are experiencing. In general, most economists appear to be convinced that a Federal budgetary deficit of anywhere between $30 billion and $60 billion a year is called for. A deficit of the magnitude of $50 billion would in all likelihood prevent an important reduction of inflation rates, guarantee extremely high future inflation rates, and compound the already desperate state of our private sector capital markets.

We are, in fact, in the midst of a capital crisis. Many politicians find it politically expedient to be critical of what they call "excessively high corporate profits" and any effort to reduce corporate taxes. This in the face of the fact that over the past ten years there has been a major erosion of profits of non-financial corporations. Over the past two years economists have properly pointed out that workers' wage increases have fallen below the level of increases in the rates of inflation. However, over the past ten years workers' wage increases have generally kept up with price increases. The same has not been true of corporate profits, which over the past ten years have shown a serious decline of approximately 20% in constant dollars (see the attached article). This has resulted in an increase in the difficulty of businesses to meet their expanding capital needs. So, for politicians to speak out against outrageous general corporate profits is not only doing a disservice to the health of our economy but is simply outright dishonesty. (This is not to say that there are no specific industries whose profits by reason of tax favors or monopoly practices are not excessive, but these industries represent a relatively small percentage of American business.)

The problems of corporations have also been compounded by the rapid rises in inflation which, together with declining profits, have caused a serious lack of liquidity for most medium-sized and small businesses—threatening the very existence of these businesses.

Over the past year, as corporate profits have recovered, the stock market—fearing the uncertainties of the overall economy—has declined drastically. As a result, the increased per share earnings of companies has not enabled them to raise money by the traditional method of selling equity securities. In fact,

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the market for new issues of common stock and preferred equity securities has virtually disappeared. This forced companies to turn to the bond markets. With the tremendous increases in inflation rates, interest rates in the bond market soared and only the largest companies could obtain long-term debt financings at economically viable interest rates. Medium and small-sized companies, denied access to the equity securities markets and the long-term bond markets, were forced to turn to banks for short-term loans. With all of the other demands being simultaneously made on banks, businesses were not and are not able to satisfy all of their financing requirements, thus causing curtailments of capital spending plans and other needed corporate expenditures.

It was hoped that in the future, as interest rates came down and inflation was reduced, the long-term bond market would once again be available to these firms. It is also not unreasonable for businessmen to expect that the government will conduct its affairs in a sufficiently fiscally responsible manner to give the public confidence in our economy and our political system. A restoration of such confidence would, in my opinion, immediately restore the equity markets as a means of corporate financing and the decline in interest rates would make long-term bond financing possible.

Now, as it appears that inflation and interest rates are in fact coming down politicians are panicking and suggesting remedies which may speed up the recovery from the present recession by virtually guaranteeing a resumption of the climb in long-term interest rates and inflation. If these "remedies" are adopted, in the future not only will the rise in interest rates and inflation rates start from higher levels but also, because of huge government deficits, the Federal government will drain off most of the funds available in the private bond markets, thereby guaranteeing that none but the very wealthiest companies will have access to needed capital. In this manner these same politicians who profess concern for the plight of the small and medium-sized businessman while condemning the trend towards ever greater consolidation of American enterprise will have been more responsible than any other force for putting small and medium-sized businesses out of business.

To add to this almost unbelievable combination of blows, politicians of both parties now believe that they can accommodate the financing needs of business by the device of the investment credit, which they hope will serve as a form of corporate tax relief which their individual constituents do not understand. What is the effect of a major increase in the investment credit rather than a significant reduction in corporate taxes? First, it favors the giant capital-intensive companies over the small and medium-sized companies which have never been able to develop the vast plants and facilities of the giant companies. And second, it ensures continued corporate decision toward the use of energy-intensive facilities rather than labor-intensive facilities. Many corporate capital decisions are marginal when it comes to the labor-saving value of new energy-intensive capital facilities. When you add in a large investment credit, it throws the balance heavily in favor of the energy-intensive capital decision. In these days of energy and capital shortage and widespread unemployment, it seems highly illogical to favor a large investment credit instead of a significant cut in corporate taxes as a means of helping businesses over their capital shortage crisis.

Having pointed out the things that I feel are wrong with existing proposals, I would suggest the following program as a means of overcoming our present recessionary problems without at the same time guaranteeing greater future problems:

(1) A significant reduction in many levels of existing government spending including cuts in the military budget and in selected social welfare budgets.

(2) A limit on increases in pay for government employees.

(3) An increase in unemployment-related expenditures to cushion the burden of those who are unemployed.

(4) A tax cut given primarily to middle-income and lower-income people and businesses.

(5) A rise of moderate proportions in the rate of increase in the money supply.

(6) A Federal deficit not exceeding $10 to $20 billion. This would mean a slower rate of recovery from the recession and that the recovery would be financed by both capital and consumer expenditures rather than simply consumer expenditures. It would also mean that there would be sufficient capital available in the capital markets so that we could look for a resurrection of the home building industry as well as an increase in corporate capital spending.

Under this scenario, interest rates and inflation rates would come down to far lower levels than would be true under present proposals and people in general could begin to develop some degree of confidence that the economy was being prudently managed. Thus they could justify the taking of financial and investment risks without fear that their returns would be eaten up by the inflation or that there would be recurrent major ups and downs in the economy.

I would also urge that when it is apparent that the economy has solidly recovered from the recession but has not yet reached boom conditions, a tax increase be instituted along with further cuts in Federal spending to ensure a major fiscal surplus which would enable us to look forward to a long and predictable period of economic health and stability.

In 1971 President Nixon, in order to assure his re-election, cut the 1970 recession too short so that our subsequent build-up in inflation began from a low point of 3.5% until reaching a level in excess of 12%. If we now repeat the same mistakes we will start our next climb in inflation rates from a 6 to 8% base and can likely look forward to a subsequent inflation peak of 16 to 20% before the next crash.

The long-term answer to inflation is spending prudence and adequate capacity to meet realistic needs. The proposals which have been made by the President and those apparently being considered by the Congress do not appear to me to be appropriately responsive to either of those needs.

MINNESOTA'S EIGHTH DISTRICT SPEAKS OUT ON THE STATE OF THE UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. OBERSTAR) is recognized for 5 minutes.

Mr. OBERSTAR. Mr. Speaker, the recent congressional recess was an excellent opportunity for Members of Congress to fulfill one of the most important of their responsibilities—personally reporting to and hearing from the people in their respective districts.

Those who serve in public elective office have a special obligation to be accountable to the people who elected them, to be responsive to their interests, needs, and concerns, and particularly, to listen attentively to their views on the pressing national issues of our times.

In this post-Watergate period, when Americans are just emerging from an era of frustration, from feelings of alienation from their Government, confronted by issues so complex as to defy an easy solution, it is all the more vital for Members of Congress personally to return home to report on the activities of this great deliberative body and to hear what the people think about the issues of our times.

I want to thank the House leadership for responding to this need and to the wish expressed by so many Members of Congress and arranging the legislative schedule so as to provide weekday time when Members of Congress could return home without missing votes and communicate with the people of their districts.

President Ford has been preparing his economic tax budget and energy proposals for the past 6 months; I think it is only fair that Congress should first hear what the public thinks about those proposals in general outline and then proceed thoroughly, carefully, but expeditiously, with public hearings, receiving expert testimony from a wide range of noted and respected authorities on the issues then acting responsibility on programs which the Congress, in its judgment, feels are in the best public interest.

In the course of the Lincoln Day recess, I traveled nearly a thousand miles throughout my district and heard from some 2,000 people in several public listening sessions. At one of those sessions the Honorable Robert Beaudin, Mayor of Duluth, made a succinct, effective statement on the economic impact of the President's energy proposals.

Mayor Beaudin is one of the bright, young stars in local elective office in America and I would like to include his statement in the RECORD for consideration by my colleagues.

Others who testified include: Mr. Wayne Miller, president, Duluth Central Labor Body, who called for lowering of mortgage and interest rates or a Federal interest subsidy program to stimulate activity in the housing sector of the economy, which, in his words, "would put hundreds of thousands of building and construction tradesmen across the Nation back to work."

At the Mesabi Iron Range listening session, held in Hibbing, Minn., Steelworkers Local 1938 President Gene Simonson expressed concern over the prohibitively high cost of gasoline and home heating fuel that would result from President's Ford's proposed $3-a-barrel import tax on crude oil, voicing the fears of the membership of his large local over the heavy financial toll this tax would impose on those men who must drive long distances to their jobs. At International Falls, a succession of witnesses, including Falls mayor, Robert Bennett, school board chairman, Dr. C. M. Carney; school superintendent, James Roberts; Robert Walls, AFL–CIO Local Union 33 president; Littlefork Village clerk, Dale Peterson; Rainer mayor, Rodney Fox, and schoolteacher, Kenneth Perala, expressed strong opposition to the President's proposal to control energy consumption by increasing taxes, citing the already tripled cost of home heating oil and the impossibility of cutting thermostats back any further in this cold climate. Virtually all agreed that the President's budget is indifferent to the human and social needs of low- and moderate-income families, particularly in housing and community facilities. They urged budget increases in the job-related construction sectors of the economy.

Township officials represented by Warren Youngdahl of Marcel, Minn.—Itasca County—expressed grave concern over the rumored possibility that the administration might adopt a proposal to cut off general revenue sharing for townships with a population of 1,000 or less—a proposal I shall resist to the fullest of my ability.

The Minnesota Department of Economic Development also submitted a well-balanced, thoughtful statement on the President's proposals, which I submit for the RECORD and the consideration of my colleagues.

Mr. Speaker, this is only a sampling of the views of the people of the Eighth District on the President's proposals. But, it is a representative cross section of what the people think. Repeatedly, people urged a congressional response to the country's needs in a comprehensive, rather than patchwork approach to the Nation's problems. This we must do and I am confident we will do in the weeks ahead.

Mr. Speaker, the testimony of Mayor Beaudin follows:

TESTIMONY BY HON. ROBERT BEAUDIN, MAYOR, CITY OF DULUTH

Congressman Oberstar: Relating to Section 2 of your letter dated February 4, 1975, announcing this hearing, I have the following comments as representative of the City of Duluth:

The proposed new tariffs and taxes on petroleum products amount to 35¢ to 37¢ per million BTU. If carried through directly at the retail level in Duluth, this would amount to an increase of about $6½ million per year in home heating costs and a much larger increase in industrial fuel cost. On an individual account basis, this means an increase in the annual heating fuel cost of about $70/year ($6.00/month) for a home, $1,700 for a bakery, and $118,000 for an industry. In percentages this means 20% additional for a home, 29% for the commercial enterprise and a 60% increase for industry.

There have already been substantial increases in fuel costs. The combined impact of the recent increases in fuel costs and the proposed new tariffs and taxes must be carefully evaluated.

COMMENTARY OF THE MINNESOTA DEPARTMENT OF ECONOMIC DEVELOPMENT ON SELECTED AREAS OF THE PRESIDENT'S STATE OF THE UNION MESSAGE

We wish to thank you for this opportunity to comment on these critical issues as they will affect this area's economy and its citizens.

We will attempt to limit our community to those issues of concern to us as a State Department of Economic Development.

An overriding concen of our Department in this time of recession, energy shortages and confrontations over economic and environmental issues is where the impacts are most strongly felt . . . small business. Small businesses make up the majority of our economy's commercial/industrial base and it is these small firms which are least able to weather strong economic fluctuations. Of those that fail, few will ever make it back up again.

Yes, an investment tax credit is needed and should be spread across the board so that it will assist small business. But much more is needed. At a time when small business needs its greatest support, SBA loans and lian guarantees are extremely limited, if not non-existent.

Commissioner Heltzer, in an address before the Committee on Commerce and Economic Development of the Minnesota House of Representatives, said that the state was also lagging behind in its efforts on behalf of the small businessman. He supported proposals designed to:

Allow a certain percentage of the state's contracts to be set aside for bids from small businessmen only.

Create a state small business loan fund that would assist these enterprises in obtaining capital that has frequently been unavailable to them in the past when growth requirements generated the need for expanded facilities. These monies could also assist in fuel conversion by small businessmen.

Establish a small businessman's ombudsman program whereby the state could provide assistance to small businessmen with shortages of energy, raw materials and finished goods and especially with problems they have with state government.

We in the Department of Economic Development are very much aware of the intimate relationships between energy and a sound economy. It is particularly critical to Minnesota and other states in the upper midwest due to our unique situation. Minnesota has no internal sources of natural gas, crude oil or coal . . . the fuels which account for 98% of our energy usage. Ninety percent of the crude oil supply for our refineries is imported from Canada. We are now facing imminent cutback in these imports from Canada with a complete cutoff by 1982. Obviously a major tax on imported crude would have a devastating effect on our state's economy.

We are aware that the days of cheap fuel are over. We also also aware that the use of the price mechanism to force conservation will have its greatest impact on the small businessman and the citizen on the lower end of the economic spectrum.

We need to divide the solution into two parts: long- and short-term.

Short-term, we must insist on an all-out program of conservation. It is my personal feeling—shared, incidentally, by a number of leaders in business and industry—that the Minnesota public, including the management of smaller industries is unconvinced that we still are facing an energy shortage. It is impossible to conserve effectively in the midst of that mentality. Yet, according to research performed by the Minnesota Energy Agency, almost one-third of our projected energy deficit through 1980 can be eliminated through rigorous conservation in manufacturing. The State of Minnesota must launch an immediate program to benefit manufacturers, especially smaller manufacturers that lack capital and expertise to deal with specialized energy problems.

Provide accurate information on the Minnesota energy problem. This is not as easy a task as it may seem. We find that public utilities do not even agree with each other on the subject.

Provide expertise on a massive scale to perform energy audits to determine energy waste and methods to achieve energy efficiency in manufacturing for these companies.

Provide some kind of financial assistance, again focusing on smaller businesses, to companies that lack the immediate capital to convert to available fuel.

Long term, our objectives are much more difficult. Our top priority must be to decide what fuel or fuels Minnesota will adopt after 1980. We know, for example, that while oil and natural gas will represent a smaller fraction of Minnesota's energy resources, we in Minnesota can turn to Western coal from Montana and North Dakota for dependable fuel. For our purposes, it is virtually unlimited in quantity. We already have rail transportation between here and those western coal mines, and it remains for us in the next couple of years to obtain the necessary transportation capability and technology to make this a clean, economical and available primary energy source for our state.

But, unfortunately, today there is insufficient information upon which to base those decisions about fuel sources. We have no data or mechanism to analyze, for example, the dollar costs, energy costs and social costs of the various kinds of coal utilization that we might adopt. Should we choose mine-mouth generation of electricity, or generation in the Minnesota load center area? We ask the same questions about production of the various kinds of synthetic gas, but there are as yet no answers. *We do not know* the comparative energy efficiencies at end use between synthetic gas and electric power and natural gas. We cannot even account for the end uses of the various kinds of fuels in Minnesota, or have an inventory of which industries are, for example, natural gas intensive.

How can we go about developing a state economic plan that will relate in some reasonable way to energy availability without this kind of information. The necessary amounts of money must be committed to finance the research that our agency, the Energy Agency and others desperately need to answer these questions.

Our legislature is making energy decisions in many ways. But they have no general plan for making their decisions consistent, not even the data for guiding their decisions towards a harmonious end result. We must treat the problems of power plan location and land use, the question of large energy parks versus a proliferation of small sites, questions of oil or gas pipelines through Minnesota, pollution control and many other questions, together, within the parameters of a single, unified policy, which does not now exist. We must develop the ability to understand the economic ramifications of our policy, both in broad terms and in terms of specific industries—the snowmobile industry, paper industry, taconite, agriculture and food processing. For example, under a given energy scenario, where will we obtain the fertilizer, chemicals, machinery we need to provide food? What shifts in crops may be necessary? I don't know. You don't know. Frankly, nobody knows. . . .

Finally, we must seriously encourage the development of new technology for fusion, peat, utilization of agricultural and urban wastes, solar and geothermal technologies, and encourage improvements of gassification processes. According to NSP, while these technologies might make only limited contributions in the next 25 years, we must be able to count on them for major contributions after the year 2000.

I maintain that all this is necessary if Minnesota is not to suffer severe economic setbacks and indeed become the Appalachia of the Northern United States.

CALL FOR LITHUANIAN INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HANLEY) is recognized for 10 minutes.

Mr. HANLEY. Mr. Speaker, 57 years ago the people of Lithuania achieved their reward for centuries of faith and

work when, on February 16, the establishment of the independent Lithuanian Republic was proclaimed. Each year Lithuanian people throughout the world join together in spirit to celebrate the anniversary of this event. But this celebration is circumscribed by the sad events of history. In 1940 Lithuania was forcibly annexed to the Soviet Union. Since that date there has been a saga of courageous struggle. Struggle against oppression. Struggle against the repression of those basic human rights that are indivisible with true liberty. The people of Lithuania still hold the same love of freedom and independence they did when their Republic was born.

Recent events testify to the determination of these brave people; petitions and demonstrations against the religious repression of their Soviet rulers; protest involving the self-immolation of religious leaders; the story of Simas Kudirka, the Lithuanian sailor who sought sanctuary on a U.S. Coast Guard cutter; and the memory of 50,000 Lithuanians who died during 10 years of guerrilla warfare against Soviet domination.

We must continue our awareness and support for the plight of these people. America has never recognized the annexation of Lithuania and the other Baltic States by the U.S.S.R. And as a nation based on the principles of human rights and personal liberty we can only offer every avenue of support possible for these people.

The 200th anniversary of our independence is a celebration of a landmark in the history of the world, and a milestone in the continuing revolution for the freedom of man. Let the story of Lithuania's declaration of independence be a reminder to us that liberty is not found easily and once achieved is maintained only by continued effort. Their fight is both a lesson and a call to the American people.

HOME HEATING EFFICIENCY ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 20 minutes.

Mr. REUSS. Mr. Speaker, I am today joining as cosponsor with the gentleman from Pennsylvania (Mr. BARRETT) in introducing the Home Heating Efficiency Act of 1975. This bill is designed to achieve two objectives—to reduce energy consumption and to ease the increasingly crushing burden of rising utility costs on low- and middle-income homeowners.

H.R. 3573 would achieve these two objectives by authorizing assistance payments to low- and middle-income homeowners to encourage and assist them in making home improvements which are designed to result in less energy consumption. These improvements would involve such items as additional insulation, storm windows and doors, and caulking and weather stripping.

The assistance provided by H.R. 3573 is in the form of payments by the Secretary of Housing and Urban Development to eligible homeowners. Assistance is limited to households with annual adjusted gross incomes for Federal tax purposes of less than $20,000. By and large, families with incomes over $20,000 will be able to afford the improvements out of their own or borrowed funds. As far as incentives are concerned, the economics of rising utility bills should be sufficient incentive for the more affluent households to make the required expenditures.

By targeting assistance to families with incomes under $20,000, H.R. 3573 can provide significant assistance to large numbers of households at less cost to the Government than more broad-based proposals. The assistance payment to any household can cover 25 percent of the cost of the improvements up to a maximum payment of $300. For homeowners with incomes below the poverty level, the bill permits 90 percent of the cost of the improvements to be subsidized, subject to the $300 maximum.

The 25-percent share of the cost of energy conservation improvement that is paid by the Federal Government should be adequate incentive to millions of homeowners to increase the thermal efficiency of their homes. The bill authorizes $800 million for this program, enough for approximately 8 million homes at an average payment per home of $100. The bill is designed to faciltate rapid processing of large numbers of assistance requests with little or no additional bureaucracy required. Payments should be made very shortly after the completion of the improvements, in many cases probably before the owner has had to compensate the dealer or contractor.

The direct assistance approach of H.R. 3573 is preferable to a tax program because: First, it can assist low-income families who are not required to file an income tax return; second, it provides cash assistance at the time the expenditures are incurred and not several months later; and third, it provides for consumer safeguards before expenditures are incurred by homeowners through review by HUD of the cost estimates of the proposed improvements to weed out plainly excessive estimates and through HUD's experience with unsatisfactory dealers and contractors gained through the administration of its other housing programs, particularly its property improvement loan insurance program.

H.R. 3573 is offered as a substitute and improvement over two energy-saving proposals submitted by the administration. The first proposal provides for a tax credit to all households filing returns of 15 percent of the cost of the improvements, up to a maximum credit of $150. Secretary of the Treasury Simon estimated that the revenue loss from this proposal would be approximately $1.5 billion. The second proposal provides for grants to States with which insulation and similar items may be purchased and distributed by the States to low-income households. The amount authorized for this program would be $174 million. H.R. 3573 is fiscally more responsible and restrained than the administration's proposals, involving a potential cost of only one-half the cost of the administration's proposals. Unlike the tax credit, which once unleashed can expand to its full revenue loss, H.R. 3573 contains a maximum cost limit. This limit may be increased in the future, but only if circumstances warrant an increase.

H.R. 3573 constitutes an important part of a congressional package of energy proposals. It is estimated that approximately 13 percent of U.S. energy demand is consumed in heating and cooling residential buildings and that 20 percent of this energy potentially could be saved through energy conservation improvements to existing residential structures. This potential reduction in energy use translates roughly into a savings of 500,000 barrels of oil per day and $2 billion per year in savings to consumers. H.R. 3573 provides an efficient and workable mechanism to achieve a significant portion of these potential savings.

LAWSUITS AGAINST POLICE OFFICERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, a few years ago it was brought to my attention that law enforcement agencies were becoming increasingly concerned over the growing number of lawsuits filed against police officers for actions occurring while performing their official duties. It has been reported that in many instances officers have been forced to rely upon their own resources in defending suits of this nature, and in many cases the proceedings have turned out to be nothing more than "nuisance" suits.

It was for this reason that I introduced the Law Enforcement Officers' Legal Assistance Act in both the 92d and 93d Congress, and why I am reintroducing it today. This bill would authorize the Attorney General of the United States to make grants to any law enforcement official who is a defendant in any civil action which arises out of the performance of his or her official duties, and to reimburse the officer for any reasonable legal cost if he or she prevails in the civil action.

As a former legislator in the Michigan State Senate and now in the U.S. Congress, I have always vigorously supported legislation designed to assist law enforcement officers in performing their difficult and often dangerous jobs more effectively. I am hopeful that the 94th Congress will act on this measure soon so that aid will be made available to police officers who are forced to rely on their own resources to defend themselves in frivolous lawsuits.

Mr. Speaker, I am joined in offering this legislation by my distinguished colleagues from Michigan, Mr. DINGELL, Mr. NEDZI, and with my good friend and colleague from New York, Mr. BIAGGI, who served as a police officer before coming to Congress. At this point I would like to insert the text of H.R. 3581 into the RECORD.

H.R. 3581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Law Enforcement Officer's Legal Assistance Act of 1975".

SEC. 2. The Attorney General is authorized to make grants to each law enforcement officer who is a defendant in any civil action, arising out of the performance by such officer of his official duties, if such law enforcement officer should prevail in that civil action, to reimburse such officer for the reasonable costs of investigation and legal fees incident to such civil action.

SEC. 3. As used in this Act, the term "law enforcement officer" includes attorneys general, prosecuting attorneys, chiefs of police, sheriffs, constables, and their subordinates.

RULES OF THE COMMITTEE ON FOREIGN AFFAIRS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, at its organizational meeting on Thursday, February 20, 1975, the Committee on Foreign Affairs adopted its rules by a majority vote, a quorum being present.

In accordance with clause 2 of rule XI of the Rules of the House of Representatives, I submit the rules of the Committee on Foreign Affairs as adopted for publication in the RECORD:

RULES OF THE COMMITTEE ON FOREIGN AFFAIRS, 94TH CONGRESS

(Adopted February 20, 1975)

1. GENERAL PROVISIONS

The Rules of the House, and in particular the committee rules enumerated in Clause 2 of Rule XI, are the rules of the Committee on Foreign Affairs, to the extent applicable. Each subcommittee of the Committee on Foreign Affairs (hereinafter referred to as the "Committee") is a part of the Committee and is subject to the authority and direction of the Committee, and to its rules to the extent applicable.

2. DATE OF MEETING

The regular meeting date of the Committee on Foreign Affairs shall be the first Tuesday of every month when the House is in session pursuant to Clause 2(b) of Rule XI of the House. Additional meetings may be called by the Chairman as he may deem necessary or at the request of a majority of the Members of the Committee in accordance with Clause 2(c) of Rule XI of the House of Representatives.

The determination of the business to be considered at each meeting shall be made by the Chairman subject to Clause 2(c) of Rule XI of the House of Representatives.

A regularly scheduled meeting need not be held if there is no business to be considered.

3. QUORUM

No measure or recommendation shall be reported unless a majority of the Committee is actually present. For purposes of taking testimony, two Members shall constitute a quorum.

4. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(a) As required by Clause 2(g), Rule XI, each meeting for the transaction of business, including the markup of legislation, of the Committee or its subcommittees, shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* that no person other than members of the Committee, and such congressional staff and such departmental representatives as they may authorize, shall be present in any business or markup session which has been closed to the public.

This provision does not apply to any meeting that relates solely to internal budget or personnel matters.

(b) As required by Clause 2(g), Rule XI, each hearing conducted by the Committee or its subcommittees shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* that the Committee or subcommittee may by the same procedure vote to close one subsequent day of hearings.

5. ANNOUNCEMENT OF HEARINGS

Public announcement shall be made of the date, place, and subject matter of any hearing to be conducted by the Committee at least one week before the commencement of that hearing, unless the Committee determines that there is good cause to begin such hearing at an earlier date. Such determination shall be made with respect to any hearing by the Chairman, unless the Committee, by majority vote, shall determine otherwise.

Public announcement of all hearings shall be made at the earliest possible date and shall be published in the Daily Digest portion of the Congressional Record.

Members shall be notified in advance by the Chief of Staff of the Committee of all meetings of subcommittees and of the full Committee.

6. WITNESSES

A. Interrogation of witnesses

Insofar as practicable, witnesses shall be permitted to present their oral statements without interruption, questioning by the Committee Members taking place afterward, each Member being called in turn by the Chairman. A Member desiring to speak or ask a question shall address the Chairman and not the witness in order to insure orderly procedure.

Each Member may interrogate the witness for 5 minutes, the reply of the witness being included in the 5-minute period. After all Members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

The Chairman shall take note of Members who are in their chairs when each day's hearing begins and, insofar as practicable, when the time occurs for interrogation, shall recognize each such Member ahead of all others.

B. Statement of witnesses

So far as practicable, each witness shall file with the Committee, 48 hours in advance of his appearance, a written statement of his proposed testimony and shall make a brief oral summary of his views.

7. PUBLIC ANNOUNCEMENT OF COMMITTEE VOTES

The result of each rollcall vote in any meeting of the Committee shall be made available for inspection by the public at reasonable times at the Committee offices, including a description of the amendment, motion, order or other proposition; the name of each Member voting for and against, and whether by proxy or in person, and the Members present but not voting.

A rollcall vote shall be ordered on any question at the request of 20 percent of those present.

8. PROXIES

Proxy voting is permitted in the Committee only under the following conditions:

The proxy authorization—

(a) Shall be in writing;

(b) Shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the Committee; and

(c) Shall be limited to a motion to report a bill or a resolution.

Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies are not counted for a quorum.

9. STAFF SERVICES

The Committee staff shall be selected and organized so that it can provide a comprehensive range of professional services in the field of foreign affairs to the Committee, the subcommittees, and all its Members.

The staff shall include persons with training and experience in foreign affairs who have a variety of backgrounds and skills so as to make available to the Committee services of individuals who have a firsthand acquaintance with major countries and areas with major aspects of United States overseas programs and operations.

It is intended that the skills and experience of all members of the Committee staff shall be available to all Members of the Committee.

(a) The professional and clerical employees of the Committee, except those assigned to the minority or to a subcommittee as provided below, shall be appointed, and may be removed, by the Chairman with the approval of the majority of the members of the Committee. Their remuneration shall be fixed by the Chairman within the ceiling set in Clause 6(c) of Rule XI, and they shall be under the general supervision and direction of the Chairman. Staff assignments are to be authorized by the Chairman or by the Chief of Staff under the direction of the Chairman.

(b) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined as the minority Members of the Committee shall determine: *Provided, however,* that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart. Such staff shall be under the general supervision and direction of the ranking minority Member with the approval or consultation of the minority Members of the Committee.

(c) In the matter of subcommittee staffing:

(1) The chairman of each standing subcommittee of this Committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority Member of each of six standing subcommittees on this Committee is authorized to appoint one staff person who shall serve at the pleasure of said ranking minority Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause 6 of Rule XI of the Rules of the House or (B) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph.

(4) No member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the ranking minority party members pur-

suant to subparagraph (2) of this paragraph shall be made available from the staff positions provided under clause 6 of Rule XI of the Rules of the House.

10. NUMBER AND JURISDICTION OF SUBCOMMITTEES

There shall be 10 standing subcommittees. The names and jurisdiction of those subcommittees shall be:

Subcommittee on Oversight.—To deal with oversight of foreign intelligence; administration of foreign aid; external research (General Accounting Office, Congressional Research Service, Inspector General Foreign Assistance, Auditor General, Agency for International Development, etc.), and areas not covered by other subcommittees.

Subcommittee on International Security and Scientific Affairs.—To deal with national security and scientific developments affecting foreign policy; strategic planning and agreements; war powers and executive agreements; and Arms Control and Disarmament Agency.

Subcommittee on International Operations.—To deal with Department of State-United States Information Agency operations and legislation; diplomatic service; international education and cultural affairs; foreign buildings; and parliamentary conferences of the NATO countries.

Subcommittee on International Political and Military Affairs.—To deal with political and military aspects of foreign policy; international boundaries and regional pacts; conventional arms transfers; policy planning and research; and international communications.

Subcommittee on International Resources, Food, and Energy.—To deal with energy and natural resources; food and international commodity agreements; disaster assistance; and the American Red Cross.

Subcommittee on International Economic Policy.—To deal with international economic policy; international investments policy; international financial and monetary institutions oversight; Council on International Economic Policy oversight; and Overseas Private Investment Corporation oversight and legislation.

Subcommittee on International Organizations.—To deal with United Nations and related agencies, oversight and legislation; environmental issues; and international fishing agreements oversight.

Special Subcommittee on Investigations.—To deal with special foreign policy-related investigations referred by the chairman, with the consent of the committee.

Special Subcommittee on Future Foreign Policy Research and Development.—To identify and assess conditions and trends that might require future legislation by systematic, integrated study of principal national problems relevant to foreign policy; and forecasting and developing of options, by means of futures research, for meeting future problems relating to foreign policy.

Subcommittee on International Trade and Commerce.—To deal with international trade policy; measures to foster commercial intercourse with foreign countries; customs and Export-Import Bank oversight; foreign loans (other than development loans); trading with the enemy; and international claims.

11. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full Committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the Chairman of the full Committee and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of Committee or subcommittee meetings or hearings wherever possible. It shall be the practice of the Committee that meetings of subcommittees not be scheduled to occur simultaneously with meetings of the full Committee.

In order to insure orderly and fair assignment of hearing and meeting rooms, hearings and meetings should be arranged in advance with the Chairman through the Chief of Staff of the Committee.

The Chairman and the ranking minority Member of the full Committee may attend the meetings and participate in the activities of all subcommittees, except for voting and being counted for a quorum.

12. REFERRAL OF BILLS BY CHAIRMAN

All legislation and other matters referred to the Committee shall be referred by the Chairman to the subcommittee of appropriate jurisdiction within 2 weeks, unless by majority vote of the majority party Members of the full Committee, consideration is to be otherwise effected. The Chairman may designate a subcommittee chairman or other Member to take responsibility as "floor manager" of a bill during its consideration in the House.

13. PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

The majority party caucus of the Committee shall determine an appropriate ratio of majority to minority party Members for each subcommittee: *Provided, however*, that party representation on each subcommittee or conference committee shall be no less favorable to the majority party than the ratio for the full Committee. The Chairman of the full Committee and the ranking minority Member are authorized to negotiate matters affecting such ratios including the size of subcommittees and conference committees.

14. SUBCOMMITTEE BUDGETS AND RECORDS

(*a*) Each subcommittee shall have an adequate budget to discharge its responsibility for legislation and oversight.

(*b*) In order to facilitate Committee compliance with Paragraph (e)(1) of Clause 2, Rule XI, each subcommittee shall keep a complete record of all subcommittee actions which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be promptly made available to the full Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

All subcommittee hearings, records, data, charts, and files shall be kept distinct from the congressional office records of the Member serving as chairman of the subcommittee. Such records shall be coordinated with the records of the full Committee, shall be the property of the House, and all Members of the House shall have access thereto.

15. ACCESS TO CLASSIFIED INFORMATION

Access to classified information supplied to the Committee and attendance at closed sessions of the Committee or its subcommittees shall be limited to Members, and to members of the Committee staff and stenographic reporters who have appropriate security clearance when the Chairman determines that such access or such attendance is essential to the functioning of the Committee.

Notice of the receipt of classified documents submitted to the Committee by the Executive will be sent to Committee Members. Classified documents will be kept in the Committee safe and will be available to Members in the Committee office.

The Chairman of the full Committee shall establish such other procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received by the Committee classified as secret or higher. Such procedures shall, however, insure access to this information by any Member of the Committee or any other Member of the House of Representatives who has requested the opportunity to review such material. Such security procedures as are established by the Chairman may be modified or waived in any or all particulars by a majority vote of the full Committee.

16. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

When requested by the Superintendent of the House Radio and Television Gallery and upon approval by the Committee or its subcommittees, all Committee and subcommittee hearings which are open to the public may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any such methods of coverage, provided that such request is submitted to the Committee or its subcommittees not later than 4 p.m. of the day preceding such hearings.

The Chairman of the full Committee or the chairmen of the subcommittees are authorized to determine on behalf of the full Committee or its subcommittees respectively whether hearings which are open may be broadcast, unless the Committee or its subcommittees respectively by majority vote determine otherwise.

Such coverage shall be in accordance with the following requirements: (Section 116(b) of the Act, Clause 33(f) of Rule XI of the Rules of the House of Representatives).

(*a*) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(*b*) No witness served with a subpena by the Committee shall be required against his will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to paragraph (m) of Clause 27 of Rule XI of the Rules of the House of Representatives, relating to the protection of the rights of witnesses.

(*c*) Not more than four television cameras, operating from fixed positions shall be permitted in a hearing or meeting room. The allocation among cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(*d*) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or its subcommittees or the visibility of that witness and that Member to each other.

(*e*) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(*f*) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee or subcommittee is in session.

(*g*) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(*h*) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(*i*) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee or its subcommittees.

(*j*) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(*k*) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television media Correspondents' Galleries.

(*l*) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery Committee of Press Photographers.

(*m*) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

17. OTHER PROCEDURES AND REGULATIONS

The Chairman of the full Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee. Any additional procedures or regulations may be modified or rescinded in any or all particulars by a majority vote of the full Committee.

EMINENT SCIENTISTS SPEAK OUT ON ENERGY POLICY

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, on January 16, 1975, a group of 32 eminent scientists made a public statement on energy policy for our Nation. I request unanimous consent to reproduce that statement at the conclusion of my remarks. I urge that my colleagues read the statement—it is a brief one—in its entirety and consider carefully the views expressed therein.

This group of scientists, which include 11 Nobel laureates, concludes that this country is "in the most serious situation since World War II." The statement underscores the critical nature of the energy dilemma which we presently face. They emphasize the need for the intelligent application of conservation in the short term. They also recommend increased reliance upon our domestic coal and uranium resources to substitute for the Nation's declining domestic oil and natural gas reserves.

This statement is unique not only in its content but in the bringing together in common consensus of these men who for the most part have distinguished themselves in singular fashion in their various scientific disciplines. Not all are expert in nuclear technology. They come from a broad range of scientific disciplines. They, nevertheless, have reviewed the present situation and concluded that there is no reasonable alternative to an increased use of nuclear power to satisfy our energy need. They point out that all energy alternatives involve risks and that nuclear power is no exception. And they express their confidence that with technical care in design and operation of all phases of the nuclear power program, the risks are acceptable and the public health and welfare can be adequately protected.

The statement follows:

SCIENTISTS' STATEMENT ON ENERGY POLICY

We, as scientists and citizens of the United States, believe that the Republic is in the most serious situation since World War II. Today's energy crisis is not a matter of just a few years but of decades. It is the new and predominant fact of life in industrialized societies.

The high price of oil which we must now import in order to keep Americans at their jobs threatens our economic structure—indeed, that of the Western World. Energy is the lifeblood of all modern societies and they are currently held hostage by a price structure that they are powerless to influence.

In the next three to five years conservation is essentially the only energy option. We can and must use energy and existing energy sources more intelligently. But there must also be long range realistic plans and we deplore the fact that they are developing so slowly. We also deplore the fact that the public is given unrealistic asurances that there are easy solutions. There are many interesting proposals for alternative energy sources which deserve vigorous research effort, but none of them is likely to contribute significantly to our energy supply in this century.

Conservation, while urgently necessary and highly desirable, also has its price. One man's conservation may be another man's loss of job. Conservation, the first time around, can trim off fat, but the second time will cut deeply.

When we search for domestic energy sources to substitute for imported oil, we must look at the whole picture. If we look at each possible energy source separately, we can easily find fault with each of them, and rule out each one. Clearly, this would mean the end of our civilization as we know it.

Our domestic oil reserves are running down and the deficit can only partially be replaced by the new sources in Alaska; we must, in addition, permit off-shore exploration. Natural gas is in a similar critical condition; in the last seven years new discoveries have run far below our level of gas consumption. Only with strong measures could we hope to reverse this trend.

We shall have to make much greater use of solid fuels. Here coal and uranium are the most important options. This represents a profound change in the character of the American fuel economy. The Nation has truly great reserves of these solid fuels in the earth. Our economically recoverable coal reserves are estimated to be 250 billion tons and exceed the energy of the world's total oil reserves. Our known uranium ores potentially equal to energy of 600 billion tons of coal; lower grade ore promises even more abundance.

The U.S. choice is not coal or uranium; we need both. Coal is irreplaceable as the basis of new synthetic fuels to replace oil and natural gas.

However, we see the primary use of solid fuels, especially of uranium, as a source of electricity. Uranium power, the culmination of basic discoveries in physics, is an engineered reality generating electricity today. Nuclear power has its critics, but we believe they lack perspective as to the feasibility of non-nuclear sources and the gravity of the fuel crisis.

All energy release involves risks and nuclear power is certainly no exception. The safety of civilian nuclear power has been under public surveillance without parallel in the history of technology. As in any new technology there is a learning period. Contrary to the scare publicity given to some mistakes that have occurred, no appreciable amount of radioactive material has escaped from any commercial U.S. power reactor. We have confidence that technical ingenuity and care in operation can continue to improve the safety in all phases of the nuclear power program, including the difficult areas of transportation and nuclear waste disposal. The separation of the Atomic Energy Commission into the Energy Research and Development Administration and the Nuclear Regulatory Commission provides added reassurance for realistic management of potential risks and benefits. On any scale the benefits of a clean, inexpensive, and inexhaustible domestic fuel air outweigh the possible risks.

We can see no reasonable alternative to an increased use of nuclear power to satisfy our energy needs.

Many of us have worked for a long time on energy problems and therefore we feel the responsibility to speak out. The energy famine that threatens will require many sacrifices on the part of the American people, but these will be reduced if we marshall the huge scientific and technical resources of our country to improve the use of known energy sources.

Hans A. Bethe,* Organizing Chairman, Laboratory of Nuclear Studies, Cornell University.

Luis W. Alvarez,* Lawrence Radiation Laboratory, University of California.

Peter L. Auer, Director, Laboratory of Plasma Studies, Cornell University.

Robert F. Bacher, Department of Physics, California Institute of Technology.

John Bardeen,* Department of Physics and Department of Electrical Engineering, University of Illinois.

F. Bloch,* Department of Physics, Stanford University.

Norris E. Bradbury, Former director, Los Alamos Scientific Laboratory.

Harold Brown, President, California Institute of Technology.

Cyril S. Comar, Professor of Physical Biology, Cornell University.

Arthur Kantrowitz, AVCO-Everett Research Laboratory, Everett, Mass.

Ralph E. Lapp, Energy consultant, Alexandria, Virginia.

Joshua Lederberg,** Department of Genetics, Stanford University.

Willard F. Libby, Department of Chemistry, University of California at Los Angeles.

Franklin Long, Professor of Chemistry, Center for Science, Technology and Society, Cornell University.

Edwin M. McMillan,** Lawrence Radiation Laboratory, University of California.

Edward M. Purcell,* Department of Physics, Harvard University.

I. I. Rabi,* Professor of Physics, Emeritus, Columbia University.

Roger Revelle, Director, Harvard Center for Population Studies.

Glenn T. Seaborg,** Department of Chemistry, University of California.

Frederick Seitz, President, Rockefeller University.

Edward Teller, Lawrence Radiation Laboratory, University of California.

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* Nobel prize in physics.

** Nobel prize in chemistry.

*** Nobel prize in physiology and medicine.

UMI

James A. Van Allen, Department of Physics, University of Iowa.
Warren Weaver, Mathematician, New Milford, Conn.
Alvin M. Weinberg, Formerly. Director, Oak Ridge National Laboratory.
Victor F. Weisskopf, Department of Physics, Massachusetts Institute of Technology.
Edward Wenk, Jr., Director, Program on Social Management of Technology, University of Washington.
Richard Wilson, Department of Physics, Harvard University.
Norman Rasmussen, Department of Nuclear Engineering, Massachusetts Institute of Technology.
Eugene P. Wigner,* Professor of Theoretical Physics, Princeton University.
Kenneth S. Pitzer, Professor of Chemistry, University of California.
Richard H. Chamberlain, M.D. Chairman, Dept. of Radiology, Univ. of Pennsylvania.
William O. Baker, President, Bell Telephone Laboratories.
Professional affiliation is listed for identification purposes only.

LITHUANIAN INDEPENDENCE DAY

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, on February 16 we observed the 57th anniversary of the establishment of the modern Republic of Lithuania. Lithuania enjoyed her status as a member of the family of nations for only 22 years until in 1940 this country was annexed and absorbed into the territory of the Soviet Union.

Since that time Lithuania's boundaries have become invisible within those of Soviet Russia. But though the territorial divisions are now indistinct, the people of Lithuania are still a viable, independent, and free-thinking nation unto themselves, and will continue in their heroic struggle to be again placed among the free nations of the world.

This date also marks the 724th anniversary of the founding of the Lithuanian State—a fact significant for our country as we plan to celebrate our 200th anniversary as a free nation. We should all take a moment to reflect upon the similarities between these two peoples—one the leader of the free world and the other struggling to regain its status in the ranks of the free.

I congratulate all Lithuanians and their descendants for keeping alive the fires of freedom so that we in our turn could enjoy the rewards of independence, and I pledge my continuing efforts as well as those of my country to assist freedom-loving men and women everywhere until the time when they come out of the shadows of repression and enjoy the pure light of freedom.

TIME TO CONSERVE

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. RONCALIO. Mr. Speaker, on February 5, my distinguished colleague from Colorado (Mr. EVANS), introduced legislation that confronts directly a major element of our energy crisis—conserving the use of the energy resources that are now available to this Nation.

His bill, 5 years after its enactment, would require all passenger motor vehicles manufactured or sold in this country, to be required to achieve at least 20 miles per gallon, with 200 horsepower or less and not weighing in excess of 3,000 pounds. In the interim 5-year period, any vehicle with an engine horsepower in excess of 200 would be taxed at one-half of 1 percent of the manufacturer's sale price for each horsepower in excess of 200.

These are stiff requirements and this is a hard-nosed bill. But it is a vitally necessary bill.

In States like mine, Wyoming, and Mr. EVANS' Colorado, the people are almost solely dependent upon their cars for transportation. There is little public transportation, and communities are long distances from one another. The people in Wyoming are thus forced to pay the price for gasoline, whatever it may be, and the enormous difficulties that rationing would impose make it highly undesirable, if not impossible. We must make an all-out effort now, to obtain maximum efficiency from every single gallon of gasoline purchased. This legislation requires that.

No burden falls upon the consumer. The excise tax cannot be passed on to the consumer—it remains with the manufacturer. It compels the manufacturer to construct automobiles that are the most efficient—and penalizes them if they do not.

As well, this is not an unreasonable bill. In 1974, several vehicles manufactured in this country came within 100 pounds of the required weight limit—either above or below, and were well below the 200-horsepower level.

Economically it is reasonable. It is not detrimental to the automobile industry nor the local dealer. There will continue to be a demand for new cars, only they will be more efficient cars.

For any car to wear out, it must be used, and this legislation allows individuals to continue to use their vehicles as they desire, or as is necessary. It only insists that the most efficient use of the energy resources be insured.

Mr. Speaker, if this Congress is to honestly confront the energy problem, it is necessary that we make real decisions. True, we must work to discover new sources of energy, but it is most imperative that we also find ways of conserving the use of the energy we now have. With 1974 gasoline mileage only 14.7 miles per gallon, and with private passenger vehicles consuming gasoline at the rate of 270 million gallons of gasoline per day, we must move to insure the most efficient use of our present energy resources, that is possible.

Mr. EVANS should be highly commended for his efforts with this legislation, and I am therefore introducing identical legislation to express my full support for this bill.

A PROGRAM OUT OF HIS OWN BUREAUCRACY REALLY ENTITLED TO A FORD VETO

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, Saturday I wired the President suggesting that he veto one of his own bureaucrat's plans to require that 2 million American farmers and 90,000 professionals be given written tests to get pesticide applicator licenses.

My telegram said:

Environmental Protection Agency is instituting an unnecessary system of written tests for 2 million American farmers to qualify for pesticide applicator licenses contrary to clear Congressional directive. It will cost twice my Animal Health Research bill which you vetoed although my bill attacked $4 billion annual losses to food producers. Why this priority for bureaucratic boondoggles over needed research to protect our animal food supply? Are you going to veto it? Read my comments in Monday's Congressional Record.

JOHN MELCHER,
Member of Congress.

The background of the situation is that Public Law 92-516, section 4, states—

That the Administrator shall prescribe standards for applicators of pesticides. Such standards shall provide that to be certified, an individual must be determined to be competent with respect to use and handling of pesticides, or to the use and handling of the pesticide or class of pesticides covered by such individual's certification.

The Senate Committee on Agriculture and Forestry, in its report on the bill, interpreted section 4 as follows:

The flexibility of these provisions will allow the Administrator, in accordance with the guidelines in the Act, to establish restrictions which are suited to the degree of hazard and adverse environmental effects that would be caused by the misuse of the pesticide. For example, in some cases only the signing of a poison or pesticide register would be required while in other cases the purchaser or user might be required to certify that he has read the instructions and will apply it in accordance with the instructions. In other cases, general or seasonal licenses, permits, or other forms of approval may be required; but it is not intended that anything similar to a "permit only" type of restriction proposed in S. 745 is to be required.

On October 9, 1974, the EPA published a proposed regulation under which States are to take over the task of qualifying farmers as applicators.

The State of Minnesota accordingly proposed that purchasers of restricted pesticides be required to sign a form upon purchasing such a pesticide affirming that they had read and understood the directions for the use of the pesticide purchased, and would follow those directions under penalty of Federal law for failure to do so.

The EPA rejected this procedure; advised the State that written tests must be passed, and announced in a February 17, 1975, press release that—

Farmers and other individuals who want to use certain highly toxic pesticides after Oct. 21, 1976, complete EPA-approved, state-administered testing...

The EPA press release reports that possibly "as many as 2 million farmers and roughly 90,000 commercial applicators will seek certification from the States."

One estimate is that the cost of devising and printing test sheets, distributing, setting up examination centers, establishing records, files, and administering the examinations will come to $77 million the first year. The EPA says that farmers seeking private applicator certification will be required to demonstrate the ability to recognize common pests needing control, to read and understand pesticide labels, to apply pesticides according to label, directions and warnings, to recognize local environmental situations, and to recognize poisoning symptoms and procedures to follow in case of pesticide accidents.

A majority of today's farmers—many of them college graduates—are familiar with complex feed formulae including medications, fertilizer formulae and application, pesticide, herbicide, and rodenticide formulae and use, and act as paramedics for their livestock, administering medicines, injections, and other treatments. Veterinarians do not object because they know the producers have qualified themselves to handle such work.

Pesticide dealers know who, among their customers, can read and write. Apparently, contrary to EPA's understanding, farmers are literate.

The universal requirement of written tests is going to require a bureaucracy resembling drivers' license testing—a multimillion dollar bureaucracy—that is wholly unnecessary.

It is no justification of the unnecessary expense to tell Congress that it is to be a State-administered system. Even if the States can be suckered into doing the job, the taxpayers will be paying for it and it will be only a matter of time until the Federal Treasury foots the bill, directly or by revenue sharing. Contrary to what executive branch witnesses often try to make us believe—that a program would not cost anything because the States can do it out of their revenue sharing funds—cost to taxpayers is involved, and it is only a matter of time until the States present us with an itemized statement of the chores and obligations transferred to them for which they demand appropriate increases in Federal funding.

The Animal Health Research Act which President Ford selected for his No. 1 veto authorized, when fully operational, about $40 million annually. That was about 1 percent of the estimated annual losses in this Nation to animal diseases. There is a real need for it.

We have learned to eradicate or control some livestock diseases—hog cholera and foot-and-mouth disease, to mention a couple. There remain many chronic disorders of animals yet to be attacked effectively. Conquering just one of the many would yield returns far in excess of the cost, and the cost of the whole program would be less than the excess cost of the EPA's written examination bureaucracy.

If that animal health bill deserved a veto, this testing program deserves two dozen and if the President does not do it, I shall ask our Appropriations Committees to try their hand at cutting EPA funds appropriately.

I include in the RECORD at the end of these remarks the EPA press release of February 17 asserting that testing will be required.

I again urge the President to veto this plan, adopt the Minnesota procedure which is in line with congressional intent, and let the money saved be used for constructive purposes.

EPA PROPOSES REGULATIONS FOR STATE PLANS TO CERTIFY PESTICIDE APPLICATORS

The Environmental Protection Agency has proposed regulations specifying the requirements of State plans to certify pesticide applicators.

Applicator certification refers to a requirement in the 1972 Federal pesticides law that commercial pesticide applicators, farmers and other private individuals who want to use certain highly toxic pesticides after October 21, 1976 complete EPA approved, State-administered testing to demonstrate their competency.

The pesticide uses for which an applicator will have to be certified are those which EPA will designate as "restricted use." Under the 1972 law, pesticides or specific uses will bear the "restricted use" classification if EPA determines that they may cause unreasonable adverse effects to the user or the environment unless subject to some type of regulation beyond label directions.

The Agency is now deciding which pesticide uses will be restricted to certified applicators and which will be available to the general public. EPA expects that the majority of pesticide products now registered will remain in the "general use" category, particularly those used by the homeowner or casual gardener. No type of testing will be required of persons wishing to use pesticides classified "general use." Of course, the label directions for these products will have to be followed. The designations of "restricted use" or "general use" will be indicated on the labels of pesticide products by October 1976.

EPA estimates that possibly as many as two million farmers and roughly 90,000 commercial applicators (persons in the business of controlling agricultural, forest, industrial, or other pests) will seek certification from the States. In the October 9, 1974 Federal Register, EPA issued the final minimum standards of competency that an applicator would have to meet under certification testing.

In general, the EPA standards are designed to ensure that an applicator knows how to use pesticides in a manner that will control the pest, protect himself and others during use, and will take appropriate precautions against contamination of the general environment. As an example, farmers seeking private applicator certification would be required to demonstrate the ability to: recognize common pests needing control, to read and understand pesticide labels, to apply pesticides according to label directions and warnings, to recognize local environmental situations, and to recognize poisoning symptoms and procedures to follow in case of a pesticide accident.

The 1972 pesticides law provides that the States develop and submit to EPA for its approval plans for certifying applicators in accordance with the EPA minimum standards. The proposed regulations describe what must be included in a State plan and related matters.

Specifically, the proposed regulations say that State certification plans should include:

Identification of the lead and cooperating State agencies that will administer certification and information indicating adequate funding.

An affirmative statement that the State agency has the legal authorities to administer the plan. EPA will consider contingency approval of a State plan pending enactment of the necessary legislation.

A procedure for reporting progress annually; and

Certification standards that conform with and are at least equal to the EPA standards and a description of the types of exams to be administered. The proposed regulations encourage the States to develop programs for recognizing the validity of one another's certification. This is intended for the convenience of applicators who operate in several States.

The States are not required to establish a system for reporting pesticide accidents. EPA, however, is inviting comments by State officials and others on the question of whether mandatory accident reporting should be a future requirement.

Persons interested in commenting on the proposed regulations should submit written comments by February 12, 1974 to the Federal Register Section, Technical Services Division (WH-569), Office of Pesticide Programs, Environmental Protection Agency, Room 423, East Tower, 401 M Street, SW., Washington, D.C. 20460.

The proposed regulations appeared in the Federal Register on January 13, 1974.

IMPORTED MEAT INSPECTION: HAMPTON ROADS INSPECTORS ARE SHOWING UP THE INADEQUACY OF THE PRESENT SYSTEM

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, today's Washington Post carries a story by Jane Rippeteau about the fact that the Federal meat inspectors at the port at Hampton Roads, Va., have been rejecting from 3 to 5½ times as much imported meat as at other ports in the United States.

The story speculates on why this difference.

There is not really much room to speculate. The Hampton Roads inspectors obviously have been trying to enforce our totally inadequate imported meat inspection standards considerably more zealously than at other ports.

The outcome of this undoubtedly will be that the Hampton Roads inspection is relaxed, or the port is boycotted by importers. I predict regretfully that the thoroughness of inspection at ports other than Hampton Roads is not going to be brought up to their standard, although that is the way it should go. Our State and Agriculture Departments operate on the theory that Americans must eat dirty imported meat so international relations are not upset.

Even if all ports were inspected as carefully as Hampton Roads, we still would not have adequate imported meat inspection. It is now done by taking samples—about one-half of 1 percent of the total shipments—thawing the meat and inspecting it. It is not piece-by-piece inspection of the type given domestic meat. It is a sort of Russian roulette: maybe you survive, maybe you do not. In any event, a certain amount of manure, dirt, cysts, lesions, hair, and other defects—minor, major, and other defects—even critical—are allowed to come in and go into our hamburgers, sausage, wieners, and even cut meat supplies. The difference in degree of thorough inspection at Hampton Roads as compared to other foreign meat inspection points has existed for several years. I have previously drawn to the attention of the Department of Agriculture the higher rate of rejection of imported

meats at this port as compared to other inspection stations.

I include the Post story in the RECORD. I am also reintroducing my bill to tighten up all imported meat inspection, which should have passed several years ago, as it once did in the Senate, in the hope that Hampton Roads may stir some of the House Members to rebel against the filth fed to their constituents.

MEAT REJECTION UP AT HAMPTON ROADS

(By Jane Rippeteau)

Federal inspectors have been rejecting foreign meat imported into Hampton Roads at a higher rate than at other U.S. ports, prompting some shippers to consider cutbacks in their Hampton Roads business, according to the Virginia Port Authority (VPA).

Should those cutbacks occur, the port area economy could face a loss of $7.5 million in yearly revenues generated by meat and related shipping industries, according to John T. Nix, VPA acting director.

U.S. Department of Agriculture inspectors at Norfolk are rejecting imported meat at a rate 3 to 5½ times the rate at other ports handling imported meat—including Boston, New York, and Philadelphia—and twice the rate at Charleston, according to Agriculture Department figures cited by Nix.

The meat, which comes from Australia and New Zealand and is then shipped to the Midwest for processing into products such as sausage and hamburger, is randomly sampled at the port for freshness and such defects as bruises and bone and hair content. Hampton Roads ports annually imports about 255,000 tons of meat.

Agriculture Department officials and the Virginia Port Authority agree the rejection rate is higher at Hampton Roads ports, which include Norfolk and Portsmouth, but no one can pinpoint why.

There appear to be two possible reasons for the increased rejections, which shippers began complaining of about two months ago; inspection of the meat is less stringent at other ports, or a poorer quality of meat has been shipped to Hampton Roads recently.

"There's no reason for us to have a higher rejection rate than anyone else on meat," Nix said. But he noted that Hampton Roads receives none of the so-called special cuts of meat, which account for a substantial portion of the meat imported through the other ports. These cuts normally have a lower rejection rate, he said.

Nix also said that local inspectors might be applying inspection criteria for bruised meat more stringently at Hampton Roads, or that the port might have been receiving recently a higher percentage of meat from areas where bruising occurs.

The bruising of meat is related to the method of moving cattle from ranch to packing house, he said. If horns are clipped and the cattle are carried over good roads, less bruising occurs than if horns are not clipped before shipping, or if the roads are bad and the cattle bump into each other, he said.

Dr. R. B. Albritton, a USDA inspection supervisor responsible for two inspectors at the Norfolk International Terminal and two at the Portsmouth Terminal, said he could not explain the recent upsurge in rejections. He said inspection at every port is supposed to be uniform and made on the basis of the same criteria applied nationwide.

Nix said he has asked shipping companies to hold off a boycott of the port pending a complete USDA investigation of the inspection system.

Records show that 2.9 percent of Australian meat and 2.5 percent of New Zealand meat shipped for importation at Norfolk is now rejected, compared to 0.73 percent and 0.56 percent averages at other ports, Nix said.

A USDA official said, contrary to what Nix had said, that no investigation is underway and there are no plans for one because a recent meeting with port area inspectors showed they are complying correctly with meat inspection criteria. He said the standards are applied nationwide.

Rejected meat is either taken back to Australia or New Zealand or transported to other countries where inspectors are less rigid, shipping officials said. High rejection rates push up insurance rates for shippers, discouraging them from using ports where they are more likely to be turned away, they added.

"Shippers won't ship to a port that has a high incidence of rejection," said a spokesman for Columbus Line, one of the main shippers using Hampton Roads. The spokesman said area shippers are considering redirecting the same meat they would normally take to Hampton Roads to other ports where they expect they'll have less trouble getting it acepted.

According to Nix, the 255,000 tons of meat imported annually through Hampton Roads is the staple of the port's import industry that includes other products, mainly wool.

"Meat is the key leader," he said. "If we lost that we would lose other cargoes" and a $7.5 million service industry including dockage revenues and shipping-related jobs.

NATIONAL BAKE AND TAKE DAY

(Mr. SEBELIUS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, I appreciate this opportunity to discuss legislation I am introducing today requesting the President to proclaim the fourth Saturday in March of each year as "National Bake and Take Day."

I realize many such requests have been "proclaimed" by this body in the past and that several of my colleagues feel such proclamations of no real significance. Let me say I believe this resolution merits serious consideration.

The original idea for a "Bake and Take Day" was conceived by an organization called the Kansas Wheathearts, the auxiliary organization of our Kansas Association of Wheatgrowers. This event was originally planned in Kansas to share the products of wheat, in Christian fashion, with the elderly, poor, and shut-ins in our many small communities. Almost overnight, the effort mushroomed; in popularity, in participation, and in success.

Last year, 19 States participated. This year people from many countries in the Far East and Africa will take part. Australia has expressed real interest in initiating similar activity.

Folks involved with Bake and Take Day state it will work on a national scale because we have the agricultural abundance and because this type of program enables volunteers to truly demonstrate compassion through personal contact with no cost to the taxpayer and with little or no redtape. In Kansas, this program has rekindled the spirit of voluntary participation and Christian sharing with those who are less fortunate.

I am hopeful this Congress will take prompt action on this resolution. I am also inserting a brochure discussing this activity and which outlined how local participation can be organized to initiate participation in this program. During this time of economic hardship in our Nation, it seems to me this kind of commitment would be most beneficial.

HISTORY OF BAKE AND TAKE DAY

In 1970 and 1971, as a forerunner to Bake and Take Day, the Sumner County Wheathearts were baking and taking baked goods to the elderly, ill, and shut-ins.

In 1972 the Kansas Wheathearts, the auxiliary of the Kansas Association of Wheat Growers, sponsored a unique project called "Kansas Bake and Take Day." On this day everyone was asked to bake something and take it personally to those less fortunate. It was an immediate success and is now a yearly observance.

Congressman Keith Sebelius of Kansas is currently sponsoring a Congressional Resolution to establish the Fourth Saturday of March as "National Bake and Take Day." A national promotion in 1973 resulted in the observance of Bake and Take Day in seventeen states; in 1974 nineteen states participated. In 1975 every state is again invited to sponsor a Bake and Take Day so that this observance will continue to grow and fluorish for the benefit of those less fortunate.

The steady growth of Bake and Take Day is indicative of the concern of the citizens of our country for those in need. What better way to show this concern than by a gift of baked goods and a personal visit.

It is the earnest wish of the Kansas Wheathearts that Bake and Take Day be observed in every state in the nation, thus making this truly a "National Bake and Take Day."

FACT SHEET

Project.—To promote the Fourth Saturday of March as Bake and Take Day in Kansas and throughout the nation.

Purpose.—To show concern and thoughtfulness for others and promote wheat.

Bake.—Bread, cookies, cake, and pies.

How to participate.—As an individual or through a club, civic organization, church group, and 4-H Clubs.

Suggestions.—A short personal visit when you deliver your gift will mean much to the recipient.

If you would like to go to a nursing or convalescent home, perhaps a club or similar organization could take part, thereby providing for all of the residents of the home. A phone call would provide you with the number of residents and also let the home know that you are coming. Special arrangements can be made for diabetic cookies without sugar. The rest homes also discourage coconut, chocolate, and nuts.

For Meals-on-Wheels, contact the chairman and make arrangements for the gift to be delivered with the daily meal.

Don't forget the individuals who live at home and would appreciate a gift and a visit from you on Bake and Take Day.

WHY NOT

Is there someone near you?
Someone who's all alone?
Why don't you try the Wheatheart plan
And call them on the phone?

Just tell them you'll be over
And bring them bread or cake,
Then give to them a cheery smile
And you've done "Bake and Take."

The Wheatheart Bake and Take Day
Was planned so all who care
Could share their many blessings
With the less fortunate everywhere.

Why don't you join the Wheathearts?
Bake cookies, pies or bread.
Make friends or neighbors happy
And lots of sunshine spread.

God gives to us the privilege
Of helping others along the way;
So why not join the Wheathearts
On their Bake and Take Day.

—Mrs. FRIEDA WORTHINGTON,
Burrton, Kans.

If you participate in this observance, we would appreciate hearing from you, so that your group and state will be recognized as a participant.

If you desire further information, please write: Kansas Wheathearts, 900 East 23rd Street, Hutchinson, Kansas 67501.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 15 minutes today.

Mr. PRICE, for 1 hour, February 26, to revise and extend his remarks and include extraneous material.

Mr. GONZALEZ, for 1 hour, today, to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mr. GRASSLEY) to revise and extend their remarks and include extraneous matter:)

Mr. HANSEN, for 1 hour, today.

Mr. KEMP, for 15 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. HASTINGS, for 5 minutes, today.

(The following Members (at the request of Mr. DUNCAN of Oregon), to revise and extend their remarks and include extraneous matter:)

Mr. RODINO, for 5 minutes, today.

Mr. DANIELSON, for 15 minutes, today.

Mr. OBERSTAR, for 5 minutes, today.

Mr. BONKER, for 5 minutes, today.

Mr. HANLEY, for 10 minutes, today.

Mr. MOAKLEY, for 5 minutes, today.

Mr. REUSS, for 20 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 30 minutes, on February 26.

Mr. MORGAN (at the request of Mr. GONZALEZ), for 5 minutes today, and to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GRASSLEY) and to include extraneous matter:)

Mr. ESCH.

Mr. ANDREWS of North Dakota.

Mr. WALSH.

Mr. CRANE in two instances.

Mr. TALCOTT in three instances.

Mr. SYMMS.

Mr. KEMP in three instances.

Mr. MARTIN.

Mr. CONABLE.

Mr. JEFFORDS in three instances.

Mr. ARCHER in two instances.

Mr. YOUNG of Alaska.

Mr. HASTINGS.

Mr. GRASSLEY.

Mr. GILMAN.

Mrs. SMITH of Nebraska.

Mr. DERWINSKI in three instances.

(The following Members (at the request of Mr. DUNCAN of Oregon) and to include extraneous matter:)

Mr. KRUEGER in five instances.

Mr. ANDERSON of California in five instances.

Mr. GONZALEZ in six instances.

Mr. SCHEUER in two instances.

Mr. CONYERS.

Mr. MCDONALD of Georgia in 10 instances.

Mrs. KEYS.

Mr. JENRETTE in three instances.

Mr. HUGHES.

Mr. DANIELSON in five instances.

Mr. NOWAK in 10 instances.

Mr. EDWARDS of California in 10 instances.

Mr. MCFALL.

Mr. DRINAN.

Mr. RICHMOND.

Mr. SOLARZ.

Mr. ANNUNZIO in six instances.

Mr. MORGAN.

Mr. EVINS of Tennessee in five instances.

Mr. RODINO.

Mr. DODD.

Mr. ASPIN in 10 instances.

Mr. WAXMAN.

Mr. FRASER in five instances.

Mr. BOLAND in two instances.

Mr. HOWARD.

Mr. SLACK.

Mr. TEAGUE in two instances.

Mr. EARLY.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. MOFFETT.

Mr. DELANEY.

Mr. JONES of Tennessee.

Mr. PICKLE in five instances.

Mr. TEAGUE in two additional instances.

Mr. DOWNEY in five instances.

Mr. LEGGETT.

Mr. JOHN L. BURTON.

Mr. BONKER.

Mr. KRUEGER.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 441. An act to amend the Forest Pest Control Act of June 25, 1947; to the Committee on Agriculture.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 3 minutes p.m.) the House adjourned until tomorrow, Tuesday, February 25, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

387. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting quarterly reports on total amounts of foreign assistance obligations for Laos, Vietnam, and Cambodia, covering the first two quarters of fiscal year 1975 for Laos and Vietnam and the second quarter for Cambodia, pursuant to sections 40(f) and 38(e), respectively, of Public Law 93-559 in the cases of Laos and Vietnam, and section 655(f) of the Foreign Assistance Act of 1961, as amended, in the case of Cambodia; to the Committee on Foreign Affairs.

388. A letter from the Director, U.S. Information Agency, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Information Agency, and for other purposes; to the Committee on Foreign Affairs.

389. A letter from the Deputy Secretary of Defense, transmitting a report on the activities of the Department of Defense under the Export Administration Act of 1969 during the quarter ended December 31, 1974, pursuant to section 10 of the act [50 U.S.C. App. 2409]; to the Committee on Foreign Affairs.

390. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to the Government of Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

391. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles to the Government of Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

392. A letter from the Director of Communication, U.S. Department of Agriculture, transmitting reports of the various agencies of the Department of Agriculture on their activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to Committee on Government Operations.

393. A letter from the General Counsel, Pennsylvania Avenue Development Corporation, transmitting a report on the Corporation's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

394 A letter to the Acting Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of November 30, 1974, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

395. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

396. A letter from the Administrator, Law Enforcement Administration, Department of Justice, transmitting the first annual report of the National Institute of Law Enforcement and Criminal Justice, pursuant to section 402(c) of Public Law 93-83; to the Committee on the Judiciary.

397. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other other purposes; to the Committee on Merchant Marine and Fisheries.

398. A letter from the Assistant Attorney General for Administration, transmitting a report on positions in the Department of Justice in grades GS-16, 17, and 18 during calendar year 1974, pursuant to 5 U.S.C.

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5114(a); to the Committee on Post Office and Civil Service.

399. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations to carry out the Standard Reference Data Act; to the Committee on Science and Technology.

400. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1975 for the Judiciary (H. Doc. No. 94–59); to the Committee on Appropriations and ordered to be printed.

401. A letter from the President of the United States, transmitting amendments to the request for foreign assistance and Department of State appropriations for fiscal year 1975 (H. Doc. No. 94–60); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committee on House Administration, House Resolution 208. Resolution to provide additional parking facilities for the employees of the House of Representatives; with amendment (Rept. No. 94–18). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

Mr. ABDNOR:

H.R. 3570. A bill to amend the Emergency Livestock Credit Act of 1974 to provide additional temporary financial assistance to owners of livestock for the purpose of maintaining small farmers and ranchers and thereby preserving a competitive livestock production system; to the Committee on Agriculture.

H.R. 3571. A bill to establish the Great Prairie Lakes National Recreation Area in the States of South Dakota, North Dakota, and Nebraska, and for other purposes; to the Committee on Interior and Insular Affairs.

Mr. ADDABBO:

H.R. 3572. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. BARRETT (for himself and Mr. REUSS):

H.R. 3573. A bill to assist low and middle income owners of residential structures in purchasing and installing energy conservation improvements; to the Committee on Banking, Currency and Housing.

By Mr. BROOMFIELD:

H.R. 3574. A bill to alleviate massive unemployment in the housing and related industries, to provide homeownership opportunities not otherwise available because of excessive interest rates, and to assist in restoring the Nation's economic health; to the Committee on Banking, Currency and Housing.

By Mr. BROOKS (for himself, Mrs. COLLINS of Illinois, JAMES V. STANTON, and Mr. HORTON):

H.R. 3575. A bill to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of Government employees, and for other purposes; to the Committee on Government Operations.

By Mr. CARNEY:

H.R. 3576. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for the establishment of safety standards for the living quarters of recreational vehicles, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DANIELSON:

H.R. 3577. A bill to place Arlington National Cemetery within the National Cemetery System; to the Committee on Veterans' Affairs.

By Mr. DANIELSON (for himself and Mr. TEAGUE):

H.R. 3578. A bill to amend chapter 23, title 38, United States Code, so as to provide that where death occurs in a State Home, the Administrator shall pay the actual cost (not to exceed $250) of the burial and funeral, and transport the body to the place of burial in the same or any other State; to the Committee on Veterans' Affairs.

By Mr. EDWARDS of Alabama:

H.R. 3579. A bill to provide that the reservoir formed by the lock and dam referred to as the "Jones Bluff lock and dam" on the Alabama River, Ala., shall hereafter be known as the Robert F. Henry lock and dam; to the Committee on Public Works and Transportation.

H.R. 3580. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself, Mr. DINGELL, Mr. NEDZI, and Mr. BIAGGI):

H.R. 3581. A bill to authorize the Attorney General to make grants to certain law enforcement officers in reimbursement for costs incurred by such officers in certain legal actions arising out of the performance of official duties; to the Committee on the Judiciary.

By Mr. FORD of Michigan (for himself, Mr. ABDNOR, Ms. ABZUG, Mr. AUCOIN, Mr. BADILLO, Mr. BAUCUS, Mr. BIESTER, Mr. CONYERS, Mr. DENT, Mr. ESCH, Mr. FLOOD, Mr. HAMMERSCHMIDT, Mr. HARRIS, Ms. HOLTZMAN, Mr. HUTCHINSON, Mr. MITCHELL of New York, Mr. NIX, Mr. NOWAK, Mr. RODINO, Mr. ROE, Mr. SARBANES, Mr. SEBELIUS, Mr. TREEN, Mr. UDALL, and Mr. VANDER VEEN):

H.R. 3582. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan (for himself, Mr. WALSH, Mr. WEAVER, and Mr. ANDREWS of North Dakota):

H.R. 3583. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE:

H.R. 3584. A bill to limit the authority of States and their subdivisions to impose taxes with respect to income on residents of other States; to the Committee on the Judiciary.

H.R. 3585. A bill to amend the Internal Revenue Code 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 3586. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums, to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. GUDE (for himself, Mr. CONTE, Mr. BIESTER, and Mr. HAWKINS):

H.R. 3587. A bill to authorize the voluntary withholding of Maryland, Virginia, and District of Columbia income taxes, pursuant to agreements subject to review by the Committee on House Administration of the House of Representatives, in the case of certain legislative officers and employees; to the Committee on House Administration.

By Mr. HALL:

H.R. 3588. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. HAMILTON:

H.R. 3589. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Ms. HOLTZMAN, Ms. BURKE of California, Mr. WALSH, Mr. HARRIS, Mr. SOLARZ, Mr. PEYSER, Ms. KOCH, Mr. FLOOD, Mr. MAZZOLI, Mr. SCHEUER, Mr. FRASER, Mr. BUCHANAN, Mrs. HOLT, Mr. SEIBERLING, Mr. HICKS, Mr. FREY, Mr. BRODHEAD, Mr. HARRINGTON, Mr. RODINO, Mr. SARASIN, and Mr. RINALDO:

H.R. 3590. A bill to amend the Community Mental Health Centers Act to authorize a program for rape prevention and control; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ (for himself, Mr. RICHMOND, Mr. CONYERS, Mr. MOSHER, Mr. BROWN of California, Mr. MITCHELL of New York, Mr. BOLAND, Mr. MILLER of California, Mr. EILBERG, Mr. STUDDS, Mr. WINN, Mr. FRENZEL, Mr. STEELMAN, Mr. BALDUS, Mr. MAGUIRE, Mr. COHEN, Mr. ROE, Mr. BELL, Ms. CHISHOLM, Mr. FORD of Tennessee, Mr. STOKES, and Mr. GUDE):

H.R. 3591. A bill to amend the Community Mental Health Centers Act to authorize a program for rape prevention and control; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD:

H.R. 3592. A bill to provide compensation to U.S. commercial fishing vessel owners for damages incurred by them as a result of an action of a vessel operated by a foreign government or a citizen of a foreign government; to the Committee on Merchant Marine and Fisheries.

By Mr. JOHNSON of California:

H.R. 3593. A bill to amend the Federal Property and Administrative Services Act of 1949 for the purpose of improving public park and other public recreational facilities by authorizing donations of Federal surplus supplies and equipment to State and local public recreational agencies; to the Committee on Government Operations.

By Mr. JOHNSON of Colorado:

H.R. 3594. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools; to the Committee on Interior and Insular Affairs.

By Mr. LUJAN:

H.R. 3595. A bill to establish a temporary special commission on Guadalupe-Hidalgo land rights; to the Committee on Interior and Insular Affairs.

H.R. 3596. A bill to modify the boundary of the Cibola National Forest, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3597. A bill to amend titles 39 and 5, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McCOLLISTER (for himself, Mr. EVINS of Tennessee, Mr. CONTE, Mr. COCHRAN, Mr. ADDABBO, and Mr. KEMP):

H.R. 3598. A bill to give consumers the right of choice over automotive parts and service for their vehicles and to prevent a monopoly in the sale of aftermarket parts and service, amend the Clean Air Act to provide that the manufacturer's performance warranty with respect to the motor vehicle emission system shall be for 12,000 miles or 12 months which ever first occurs; to the Committee on Interstate and Foreign Commerce.

By Mr. MAHON:

H.R. 3599. A bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94–46) and of February 14, 1975 (H. Doc. 94–50), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MELCHER:

H.R. 3600. A bill to provide for thorough health and sanitation inspection of all livestock products imported into the United States, and for other purposes; to the Committee on Agriculture.

By Mr. MITCHELL of Maryland (for himself, Mr. SOLARZ, Mr. ADDABBO, Mr. HICKS, Mr. CONYERS, Mr. HELSTOSKI, Mr. BOLAND, Mr. BROWN of California, Mr. STARK, Mr. SARBANES, Mr. DELLUMS, Mrs. BURKE of California, Mr. RICHMOND, Mr. ROYBAL, Ms. BOGGS, Ms. HOLTZMAN, Ms. ABZUG, Mr. BALDUS, Mr. HARRINGTON, Mr. RODINO, Mr. TSONGAS, Mr. RANGEL, Mr. STOKES, Mr. COTTER, and Mr. FASCELL):

H.R. 3601. A bill to provide for the monthly publication of a consumer price index for the elderly and to provide for studies to be made with regard to utilizing such index in determining cost-of-living adjustments authorized in certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

By Mr. MITCHELL of Maryland (for himself, Mr. FORD of Tennessee, Mr. SCHEUER, Mr. ROE, and Mr. FLOOD):

H.R. 3602. A bill to provide for the monthly publication of a consumer price index for the elderly and to provide for studies to be made with regard to utilizing such index in determining cost-of-living adjustments authorized in certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

By Mr. MITCHELL of Maryland (for himself, Mr. DIGGS, Mr. CONYERS, Mr. BROWN of California, Mr. HARRINGTON, Mr. STARK, Mr. BADILLO, Mr. DELLUMS, Ms. SCHROEDER, Mr. RICHMOND, Mr. LONG of Maryland, Mr. RYAN, Mr. ROYBAL, Ms. ABZUG, Mr. BEARD of Rhode Island, Mr. EDWARDS of California, Mr. MOAKLEY, Mr. RANGEL, Mr. STOKES, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. MAGUIRE, Mr. YOUNG of Georgia, and Ms. CHISHOLM):

H.R. 3603. A bill to limit use of prison inmates in medical research; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H.R. 3604. A bill to amend title II of the Social Security Act to modify the provisions defining insured status for purposes of disability benefits and the disability freeze in the case of workers who become disabled while young; to the Committee on Ways and Means.

By Mr. PICKLE:

H.R. 3605. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. REGULA:

H.R. 3606. A bill to amend title XVIII of the Social Security Act to establish a program of long-term care services within the medicare program, to provide for the creation of community long-term care centers and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services, to provide a significant role for persons eligible for long-term care benefits in the administration of the program, and for other purposes; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. RONCALIO (for himself and Mr. SIKES):

H.R. 3607. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

Mr. RONCALIO:

H.R. 3608. A bill to amend the Internal Revenue Code of 1954 to impose a temporary excise tax on passenger motor vehicles based on horsepower, to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the manufacture of passenger motor vehicles which do not comply with certain limitations with respect to weight, fuel economy, and horsepower, and for other purposes; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. SISK (for himself, Mr. MELCHER, Mr. KREBS, Mr. HARRINGTON, Mr. BADILLO, Mr. BOB WILSON, Mr. MCFALL, Mrs. HECKLER of Massachusetts, Mr. ANDERSON of California, Mrs. CHISHOLM, and Mr. VAN DEERLIN):

H.R. 3609. A bill to amend the Public Health Service Act to provide financial assistance to medical facilities for treatment of certain aliens; to the Committee on Interstate and Foreign Commerce.

By Mr. WHALEN:

H.R. 3610. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LUJAN:

H.J. Res. 238. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right to life to the unborn, the ill, the aged, or the incapacitated; to the Committee on the Judiciary.

H.J. Res. 239. Joint resolution designating the first Saturday in April of each year as National Brotherhood Day; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.J. Res. 240. Joint resolution authorizing the President to proclaim the month of February of each year as American History Month; to the Committee on Post Office and Civil Service.

By Mr. RODINO:

H. Con. Res. 143. Concurrent resolution to authorize the printing of the hearing on nomination of Nelson A. Rockefeller to be Vice President of the United States; to the Committee on House Administration.

By Mr. SEBELIUS:

H. Con. Res. 144. Concurrent resolution requesting the President to proclaim the fourth Saturday in March of each year as National Bake and Take Day; to the Committee on Post Office and Civil Service.

By Mr. HUBBARD:

H. Res. 239. Resolution for more effort by Congress to solve economic and energy problems; to the Committee on Rules.

By Mr. AUCOIN (for himself, Mr. COHEN, Mr. EMERY, Mr. PRITCHARD, Mr. LEGGETT, and Mr. DUNCAN of Oregon):

H. Res. 240. Resolution disapproving the deferral of budget authority relating to operations, research, and facilities of the National Oceanic and Atmospheric Administration (deferral No. D75–94) which was proposed by the President in his special message of November 26, 1974, transmitted to the Congress under section 1013 of the Impoundment Control Act of 1974, and subsequently revised pursuant to section 1014(c) of such act; to the Committee on Appropriations.

By Mr. EVINS of Tennessee:

H. Res. 241. Resolution disapproval the deferral of certain budget authority (D75–81) relating to the Department of Defense-Civil, Department of the Army-Corps of Engineers-Civil which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 242. Resolution disapproving the deferral of certain budget authority (D75–82) relating to the Department of Defense—Civil, Department of the Army Corps of Engineers—Civil which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 243. Resolution disapproving the deferral of certain budget authority (D75–83) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 244. Resolution disapproving the deferral of certain budget authority (D75–84) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 245. Resolution disapproving the deferral of certain budget authority (D75–85) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 246. Resolution disapproving the deferral of certain budget authority (D75–86) relating to the Department of Interior, Bureau of Reclamation which is proposed by the President in his message of October 31, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 247. Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems; to the Committee on Rules.

By Mr. McFALL:

H. Res. 248. Resolution expressing the sense of Congress concerning activities of the Federal Communications Commission regarding the expansion of sports blackout policies; to the Committee on Interstate and Foreign Commerce.

By Mr. REGULA:

H. Res. 249. Resolution to create a select committee to investigate and recommend national law and policy for foreign investments in the United States, its possessions and territories; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. QUILLEN introduced a bill (H.R. 3611) for the relief of Carl W. Houston, which was referred to the Committee on the Judiciary.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House Rule X. Previous listing appeared

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in the CONGRESSIONAL RECORD of February 18, 1975 (page 3239):

H.R. 901. January 14, 1975. Ways and Means. Amends the Social Security Act to authorize payment to married couples of Old-Age and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R. 902. January 14, 1975. Ways and Means. Authorizes Federal-State agreements under the Social Security Act to provide coverage for hospital insurance benefits for the aged for certain State and local government employees.

H.R. 903. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate the reduction in disability benefits received by individuals who also receive workmen's compensation benefits.

H.R. 904. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by making the requisite number of covered quarters the same as that required for Old-Age Insurance benefits.

H.R. 905. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act.

H.R. 906. January 14, 1975. Ways and Means. Amends the Social Security Act to prohibit any reduction in the amount of Old-Age Insurance benefits payable to a woman who has 120 quarters of coverage.

H.R. 907. January 14, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of the lump-sum death payment.

H.R. 908. January 14, 1975. Ways and Means. Amends the Social Security Act to extend Medicare hospital coverage to include drugs. Establishes a Formulary committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 909. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 910. January 14, 1975. Ways and Means. Amends the Social Security Act by guaranteeing a minimum annual income to the elderly.

H.R. 911. January 14, 1975. Ways and Means. Amends the Social Security Act by entitling recipients of supplemental security income benefits to participate in the food stamp programs.

H.R. 912. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require that interest be paid to individual taxpayers on the calendar year basis who file their returns before March 1 if the refund check is not mailed out within a certain period after the return is filed.

H.R. 913. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to adjust annually the personal exemption deduction by an amount based on the annual variations in the Consumer Price Index.

H.R. 914. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as a pension or annuity or other benefit under a public retirement system or by any individual sixty-five years of age or over.

H.R. 915. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit the deduction of medical expenses of persons sixty-five years of age and over without reducing the expenses by the percentage exclusion.

H.R. 916. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the percentage depletion allowance for coal and lignite.

H.R. 917. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a depletion deduction for any treatment process necessary to the conversion of coal to a low-sulphur synthetic fuel.

H.R. 918. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose a tax on new automobiles, based on the rate of fuel consumption.

Directs the Secretary of Transportation under the Automobile Information Disclosure Act to determine the fuel consumption rate for all automobile models, to determine a universal fuel consumption standard, to develop a program for more efficient automobile engines, and to report to Congress on needed legislation.

H.R. 919. January 14, 1975. Ways and Means. Exempts certain businesses from the Occupational Safety and Health Act of 1970.

H.R. 920. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Prohibits the Secretary of Health, Education, and Welfare from limting ingredients in "food supplements" unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 921. January 14, 1975. Judiciary. Authorizes the Law Enforcement Assistance Administration under the Omnibus Crime Control and Safe Streets Act to make grants to States to assist in the establishment, equipping, and operation of emergency communications centers to make the national emergency telephone number, 911 available throughout the United States.

H.R. 922. January 14, 1975. Post Office and Civil Service. Requires both Houses of Congress to approve by roll call vote Presidential recommendations regarding rates of pay for certain Federal officials before such rates may become effective.

H.R. 923. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for those veterans and their survivors.

H.R. 924. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 925. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 926. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by State and local governments.

H.R. 927. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 928. January 14, 1975. Ways and Means. Entitles individuals who reside in certain public institutions to supplemental security income benefits under the Social Security Act.

H.R. 929. January 14, 1975. Judiciary. Standards of Official Conduct. Requires employees of the United States Government earning in excess of a certain amount, and candidates for election to Congress, to file certain financial information with the Federal Election Commission.

Requires that communications made to or by Federal agencies with respect to certain court cases be made part of the public record of such case.

H.R. 930. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by directing the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry, and by authorizing the Secretary to make on site consultations to assist certain small employers in complying with the Act.

H.R. 931. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the George Washington Boyhood Home National Historic Site in Virginia.

H.R. 932. January 14, 1975. Post Office and Civil Service. Authorizes the Postal Service to establish and collect royalty fees for the manufacture, reproduction or use of certain designs, legends, or insignias originated under the authority of the Postal Service.

H.R. 933. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from income for the purchase and installation of qualified insulation or heating equipment in the taxpayer's residence.

H.R. 934. January 14, 1975. Ways and Means. Excludes from gross income a limited amount of income representing the excess of the net long-term capital gain for the year over the net short-term capital loss from the sale or exchange of a security for taxpayers other than a corporation.

H.R. 935. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 936. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by allowing the natural or adoptive parent of a deceased serviceman to be naturalized without requiring an understanding of English or prior residence or specified physical presence in the United States.

H.R. 937. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by raising the age below which certain children are eligible for automatic citizenship.

H.R. 938. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by exempting persons 50 years old at the time of filing for citizenship who have resided in the United States for at least 20 years, from the English language requirement for naturalization.

H.R. 939. January 14, 1975. Judiciary. Extends certain provisions of the Voting Rights Act of 1965 for an additional period of time. Makes permanent the ban against certain prerequisites to voting.

H.R. 940. January 14, 1975. Education and Labor. Amends the Civil Rights Act of 1964 with respect to certain employment rights based on age.

H.R. 941. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to the Degana-widah-Quetzalcoatl University to be used for its development and improvement.

H.R. 942. January 14, 1975. Government Operations. Amends the Accounting and Auditing Act of 1950 to direct the Comptroller General to audit certain Federal agencies each fiscal year.

H.R. 943. January 14, 1975. Government Operations. Authorizes the donation of surplus Federal supplies and equipment to State and local public recreation agencies. Authorizes the Secretary of the Interior to allocate such property.

H.R. 944. January 14, 1975. House Administration. Establishes within the Information Systems of the Congress an Office to compile and disseminate information relating to pending legislative proposals. Directs the Committee on House Administration to establish and administer such system. Gives the Office a toll-free telephone line.

H.R. 945. January 14, 1975. Interstate and Foreign Commerce. Prohibits or restricts the ownership or control by foreign interests of certain issuers of securities, corporations, real estate, or natural resources deemed to be vital to the economic security and national defense of the United States. Establishes the National Foreign Investment Control Commission to supervise and regulate foreign investments in domestic interests.

H.R. 946. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and research in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefore within the public Health Service.

H.R. 947. January 14, 1975. Judiciary. Incorporates the Italian-American War Veterans of the United States.

H.R. 948. January 14, 1975. Merchant Marine and Fisheries. Establishes a fishery zone contiguous with the territorial sea of the United States having a limit of two hundred miles beyond the inner limit of the territorial sea or the outer limit of the Continental Shelf.

H.R. 949. January 14, 1975. Post Office and Civil Service. Prohibits Federal employees from interfering with Postal Service employees in their communicating with any member or committee of Congress in connection with any matter pertaining to the Postal Service.

H.R. 950. January 14, 1975. Post Office and Civil Service. Amends the Postal Reorganization Act of 1970 with respect to the applicability of certain civil service laws and regulations to the Postal Service.

Repeals that section of the Act which regulates labor disputes. Makes employees-management relations in the Postal Service subject to certain provisions of the Labor-Management Relations Act of 1947.

H.R. 951. January 14, 1975. Public Works and Transportation. Directs that no State shall receive less than 80 percent of the amount paid by that State into the Highway Trust Fund.

H.R. 952. January 14, 1975. Public Works and Transportation. Authorizes free or reduced rate transportation under the Federal Aviation Act of 1958 to handicapped persons and persons who are sixty-five years of age or older. Amends the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are sixty-five years of age or older.

Authorizes the Secretary of Health, Education, and Welfare, to make grants to public and private entities to plan, research, and develop special transportation systems for the handicapped and the elderly.

H.R. 953. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to include "young people" in the class of those eligible for reduced rate air transportation on a space-available basis.

H.R. 954. January 14, 1975. Rules. Creates within the Congress a Joint Committee on Foreign Investment Control in the United States to study the manner in which the National Foreign Investment Control Commission fulfills its purposes under the Foreign Investment Control Act of 1975.

H.R. 955. January 14, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 956. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of a withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 957. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount of income received as an annuity or pension by a taxpayer sixty-five years of age or older.

H.R. 958. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to substitute an amount certified by the Secretary of Health, Education, and Welfare as the maximum amount of old-age insurance benefits which could be paid in a year for the maximum amount of retirement income that can be used to determine the retirement income credit.

H.R. 959. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 960. January 14, 1975. Ways and Means. Authorizes the Secretary of the Treasury to create a volunteer program to provide tax counseling assistance to the elderly.

H.R. 961. January 14, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and Hospital Insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 962. January 14, 1975. Ways and Means. Amends the Social Security Act by allowing an exchange of credits between the Old-Age, Survivors and Disability Insurance system and the civil service retirement system to enable individuals to obtain benefits under one system which are based on their combined service.

H.R. 963. January 14, 1975. Ways and Means. Amends the Social Security Act by lowering the age at which an individual becomes eligible for Old-Age, Survivors and Disability benefits.

H.R. 964. January 14, 1975. Ways and Means. Amends the Social Security Act by revising the eligibility requirements for Old-Age, Survivors and Disability Insurance benefits applicable to widows and widowers who have remarried.

H.R. 965. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as a pension or annuity or other benefit under a public retirement system or by any individual sixty-five years of age or over.

H.R. 966. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by extending eligibility to individuals with 40 quarters of coverage regardless of when they were earned.

H.R. 967. January 14, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act by (1) authorizing emergency and temporary grants; (2) authorizing grants to persons who reside in proprietary homes; (3) authorizing cost-of-living increases in benefits; (4) eliminating the third-party payee requirement for certain recipients; (5) revising the method of determining income for the purposes of the program; and (6) entitling recipients to food stamps on a permanent basis.

H.R. 968. January 14, 1975. Interstate and Foreign Commerce. Interior and Insular Affairs. Establishes a Bureau of National Resource Information and a National Resource Information System within the Department of Commerce to maintain information and statistics on natural resources.

Requires major natural resource companies engaged in commerce to file reports with the Bureau detailing their worldwide assets and operations.

Authorizes the Secretary of the Interior to compile an inventory of all mineral reserves in the public lands of the United States.

H.R. 969. January 14, 1975. Banking, Currency and Housing. Establishes a presidentially-appointed National Landlord and Tenant Commission.

Directs the Commission to conduct a study of landlord-tenant problems, to review the implementation of the provisions of this Act, to grant funds to the States for the establishment and maintenance of housing courts, in accordance with standards established by the Commission, to develop model lease and rental agreements, and to appoint a body to develop and implement a national rent control plan.

Sets forth the rights and obligations of tenants and landlords.

H.R. 970. January 14, 1975. House Administration. Establishes in the Congress an Office of the General Counsel to the Congress to supply legal representation and advice to Members, employees, and committees of Congress relating to their official duties.

Confers original jurisdiction on United States district courts for certain civil actions brought by any Member, committee or House of Congress.

H.R. 971. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit harassing telephone calls made to collect alleged debts. Requires all telephone companies to notify each telephone subscriber by means of a notice on the front of the local telephone directory of his right to be free from such harassing calls.

H.R. 972. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to expand the maximum term of license and license renewal for the operation of broadcasting stations not engaged in the transmitting of pictures from three to five years.

H.R. 973. January 14, 1975. Interstate and Foreign Commerce. Establishes a Federal Commission on Boxing to exercise surveillance over the field of professional boxing. Grants to the Commission investigatory powers under the Federal Trade Commission Act.

H.R. 974. January 14, 1975. Interstate and Foreign Commerce. Establishes a National Medical Devices Commission to determine the manner and extent to which there should be Federal regulation of medical device manufacture. Empowers the Secretary of Health, Education, and Welfare, to remove from the market any medical devices that are determined to be unsafe, ineffective, or unreliable.

H.R. 975. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Transportation to prohibit the shipment in interstate commerce of any compressed gas cylinders not inspected in the United States.

H.R. 976. January 14, 1975. Interstate and Foreign Commerce. Makes unlawful the manufacture for introduction into commerce or the importation of any imitation antique glassware product which is not plainly and permanently marked with the year of manufacture.

Requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 977. January 14, 1975. Post Office and Civil Service. Makes Flag Day a legal public holiday.

H.R. 978. January 14, 1975. Public Works and Transportation. Extends the time limit for the States to begin implementing highway safety programs in order to qualify for

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Federal-aid highway funds for such programs.

Increases the percentage by which Federal-highway funds will be reduced from a States' apportionment if the State fails to implement within a certain time a highway safety program which incorporates the uniform standards promulgated by the Secretary of transportation.

H.R. 979. January 14, 1975. Public Works and Transportation. Amends the Interstate Commerce Act by setting forth procedures for amending the standards for registration by States of interstate motor carriers operating within State boundaries.

H.R. 980. January 14, 1975. Public Works and Transportation. Amends the Interstate Commerce Act by extending coverage to certain motor vehicles used to transport schoolchildren and teachers to and from school.

H.R. 981. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by increasing the number of aliens who may be admitted to the United States annually. Redefines "excludable aliens" and provisions for those persons who have certification for employment in the Virgin Islands to have their status adjusted or to be issued an immigrant visa. Authorizes the Secretary of State to parole into the United States those persons who are unable or unwilling to return to their country because of race, religion or political opinion.

H.R. 982. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act by revising the criteria under which the Attorney General may adjust the status of certain aliens to that of lawfully admitted.

Makes it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the name of illegal aliens who are receiving assistance under the Social Security Act.

H.R. 983. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 984. January 14, 1975. Ways and Means. Amends the Social Security Act to revise the method of calculating the amount of Federal grants to State public assistance social service programs.

H.R. 985. January 14, 1975. Interstate and Foreign Commerce. Sets forth procedures by which employees or their representatives can report violations by their employer of safety regulations promulgated by the Interstate Commerce Act with regard to motor carriers.

Establishes procedures for hearings on reported safety violations, and defines actions which may be taken against violators by the Secretary of Commerce.

H.R. 986. January 14, 1975. Public Works and Transportation. Amends the National Traffic and Motor Vehicle Safety Act of 1966 by setting forth procedures by which employees or their representatives can report violations by their employer of safety regulations promulgated by the Interstate Commerce Act with regard to motor carriers.

Establishes procedures for hearings on reported safety violations and defines actions which may be taken against violators by the Secretary of Transportation.

H.R. 987. January 14, 1975. Government Operations. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans. Sets forth eligibility requirements for consumer protection plans.

H.R. 988. January 14, 1975. Interstate and Foreign Commerce. Prohibits any person engaged in commerce from selling any merchandise unless there is available for consumers at the place of sale the recent price histories of the products offered for sale.

H.R. 989. January 14, 1975. Interstate and Foreign Commerce. Requires manufacturers to display on a conspicuous label on each item of durable goods sold to consumers the performance life of each product. Declares the National Bureau of Standards to have final authority over the designations required by this Act, and requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 990. January 14, 1975. Interstate and Foreign Commerce. Requires that certain durable products be labeled with the date of manufacture. Directs the Federal Trade Commission to prepare a list of products to be so labeled and to administer and enforce this Act.

H.R. 991. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to include sales promotion games among unfair methods of competition.

H.R. 992. January 14, 1975. Post Office and Civil Service. Directs the Civil Service Commission to establish, and from time to time revise, a Special Cost-of-Living Pay Schedule for civil service employees and positions in certain metropolitan areas.

H.R. 993. January 14, 1975. Public Works and Transportation. Authorizes free or reduced rate transportation under the Federal Aviation Act of 1958 to handicapped persons and persons who are sixty-five years of age or older.

Authorizes the Secretary of Health, Education, and Welfare to make grants to public and private entities to plan, research, and develop special transportation systems for the handicapped and the elderly.

H.R. 994. January 14, 1975. Ways and Means. Amends the Social Security Act by guaranteeing a minimum annual income to the elderly.

H.R. 995. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act, that the labels for all food products contain the name of each ingredient in order of its predominance. Requires all packaged consumer food products to be labeled with an analysis of nutritional contents. Requires perishable or semiperishable food to be labeled with the pull date for such food and the optimum storage conditions. Requires disclosure of (1) the manufacturer, packer, and distributor; (2) the total retail selling price; and (3) any new ingredients, of a food product.

H.R. 996. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors discretion, the advertising of prescription drug prices.

H.R. 997. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors' discretion, the advertising of prescription drug prices.

H.R. 998. January 14, 1975. Interstate and Foreign Commerce. Requires the use of the established name along with the proprietary name for a drug every time the name appears. Allows licensed pharmacists to fill or refill prescriptions with a substitute drug if a practitioner, licensed to administer the drug, identifies it by its proprietary name, provided the substitute drug costs the patient less than any other substitute drug. Defines "substitute drug" as a drug having the same established name as the drug identified by its proprietary name or a drug that the Secretary of Health, Education, and Welfare has determined to have the same qualitative composition as the drug so identified.

H.R. 999. January 14, 1975. Interstate and Foreign Commerce. Requires the use of established name along with the proprietary name for a drug every time the name appears. Allows licensed pharmacists to fill or refill prescriptions with a substitute drug if a practitioner, licensed to administer the drug, identifies it by its proprietary name, provided the substitute drug costs the patient less thas any other substitute drug. Defines "substitute drug" as a drug having the same established name as the drug identified by its proprietary name or a drug that the Secretary of Health, Education, and Welfare has determined to have the same qualitative composition as the drug so identified.

H.R. 1000. January 14, 1975. Interior and Insular Affairs. Regulates surface and underground coal mining operations through a permit program administered by the Administrator of the Environmental Protection Agency. Requires applicants to meet minimum environmental protection performance standards.

Sets forth a system for gradual phasing out of all surface coal mining operations Allows States to establish surface mining control programs at least as stringent as minimum Federal standards.

Creates an Abandoned Coal Mine Stabilization Fund for use by the Chief of the Corps of Engineers and the Secretary of Agriculture in stabilizing abandoned mine site lands.

H.R. 1001. January 14, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 1002. January 14, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 1003. January 14, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than five hundred percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H.R. 1004. January 14, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than five hundred percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H.R. 1005. January 14, 1975. Banking, Currency, and Housing. Prescribes procedures and standards governing the disclosure of customer records by financial institutions to Federal agencies.

H.R. 1006. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1007. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 1008. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from the gross income of an individual a limited amount of interest or dividends received from certain savings institutions.

H.R. 1009. January 14, 1975. Banking, Currency and Housing. Sets forth additional requirements under the Fair Credit Reporting Act for the notification of consumers by consumer reporting agencies or their customers when an investigative report on a consumer is requested or furnished.

Establishes civil liability for the publication of untrue statements with respect to consumers.

Establishes a Presidentially-appointed Board of Consumer Investigator Examiners to license and regulate consumer credit investigators under the Consumer Credit Protection Act.

H.R. 1010. January 14, 1975. Education and Labor. Establishes an Office of Child Development in the Department of Health, Education, and Welfare to coordinate and promote programs in child development. Requires the Secretary of Health, Education, and Welfare to promulgate Federal Standards for Child Development Services and a uniform minimum code for facilities.

Repeals or revises related provisions in the Economic Opportunity Act of 1964. Amends the Higher Education Act of 1965 to authorize grants for the training of personnel for child development programs.

Establishes a National Center for Child Development to develop and evaluate research programs in the area of child development.

H.R. 1011. January 14, 1975. Interstate and Foreign Commerce. Creates a Federal Energy Commission to regulate rates and charges for energy resource products. Prohibits persons engaged in commerce in the business of refining energy products to acquire an interest in energy resource product extraction, energy pipeline, or energy marketing assets.

Directs the Attorney General and the Federal Trade Commission to independently examine the relationship of those engaged in one or more branches of the energy industry.

H.R. 1012. January 15, 1975. Interstate and Foreign Commerce. Requires that all motor vehicles to be used on the public streets, roads and highways be insured under a policy of no-fault insurance.

H.R. 1013. January 14, 1975. Judiciary. Changes the requirement for naturalization to require the ability to read, write and speak words in ordinary usage in the language in which the applicant for citizenship is most literate.

H.R. 1014. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to redefine the term "special immigrant" as not to include immigrants born in any independent foreign country in the Western Hemisphere or the Canal oZne.

H.R. 1015. January 14, 1975. Judiciary. Sets forth criteria for certain aliens illegally in the United States to have their status adjusted to that of permanent residents.

H.R. 1016. January 14, 1975. Banking, Currency and Housing. Authorizes the Federal Deposit Insurance Corporation to terminate the insurance of any bank which fails to pay the Federal funds interest rate on all tax and loan accounts maintained at such bank.

H.R. 1017. January 14, 1975. Armed Services. Prohibits any change in the status of a member of the Armed Forces who was classified missing during service in Southeast Asia until there has been full compliance with the Paris Peace Accord of January 1973.

Directs the Senate Committee on Armed Services and the House Committee on Armed Services to study the method whereby the status of a member of the Armed Forces is changed from missing to dead.

H.R. 1018. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by (1) declaring that certain farmers are not employers; (2) requiring the Secretary of Labor to attach a statement of economic impact on employers to proposed rules; (3) placing certain limitations on the content of proposed rules; (4) authorizing variances for employers under certain circumstances; and (5) enumerating affirmative defenses for employers to proceedings brought under the Act.

H.R. 1019. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by authorizing the Secretary of Labor to make on site consultations to assist certain small employers in complying with the Act.

H.R. 1020. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirement of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1021. January 14, 1975. Interstate and Foreign Commerce. Prohibits the Federal Energy Administration from imposing any tax or fee on gasoline unless approved by Congress by law.

H.R. 1021. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and research in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefor within the Public Health Service.

H.R. 1023. January 14, 1975. Interstate and Foreign Commerce. Extends the appropriations for grants by the Secretary of Health, Education, and Welfare for facilities of public and other nonprofit community health centers, under the Community Health Centers Act, for the fiscal years 1975, 1976, and 1977.

H.R. 1024. January 14, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 1025. January 14, 1975. Post Office and Civil Service. Redesignates Veterans' Day as November 11.

H.R. 1026. January 14, 1975. Rules. Creates a Joint Committee on Energy of the House of Representatives and the Senate.

H.R. 1027. January 14, 1975. Science and Technology. Authorizes the Administrator of the National Aeronautics and Space Administration to establish a research and development program on the nature of serious short-term weather phenomena and to develop improved methods of forecasting and monitoring of such phenomena.

H.R. 1028. January 14, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from thirty-six months to forty-five months.

H.R. 1029. January 14, 1975. Veterans' Affairs. Directs the Secretary of Defense to provide for the burial of an unknown American soldier who lost his life while serving in the Armed Forces of the United States during the Vietnam conflict.

H.R. 1030. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer.

H.R. 1031. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 1032. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the assistance of the Office of Small Business Tax Analysis to be created within the Office of the Secretary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 1033. January 14, 1975. Ways and Means. Directs the Secretary of Health, Education, and Welfare to develop a system for issuing Old-Age, Survivors and Disability Insurance benefit checks and Supplemental Security Income benefit checks on a staggered or cyclical basis throughout the month.

H.R. 1034. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1035. January 14, 1975. Agriculture. Amends the Commodity Exchange Act to require the Secretary of Agriculture to revoke the registration of any future commission merchant or floor broker who accepts an 'order in violation of the Act. Requires any person who sells a commodity for export to inform the Secretary of Agriculture as to the facts concerning the sale, and requires the Secretary to make such information public.

H.R. 1036. January 14, 1975. Agriculture. Directs the Secretary of Agriculture to establish, maintain, and dispose of a separate reserve of inventories of wheat, feed grains, and soybeans.

H.R. 1037. January 14, 1975. Agriculture. Amends the Packers and Stockyards Act by limiting the amount of livestock which a meat packer, dealer or retailer may slaughter in any one week in any one location. Stipulates that this Act shall be considered an antitrust law for the purposes of the Clayton Act and the Federal Trade Commission Act.

H.R. 1038. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make educational assistance loans to students at nonprofit institutions of higher learning.

H.R. 1039. January 14, 1975. Judiciary. Allows claims against the United States for damage or injury to persons or property caused by members of the Army or Air National Guard without regard to the availability of remedies against the States for such damage or injury.

H.R. 1040. January 14, 1975. Ways and Means. Revises the Internal Revenue Code by amending and repealing portions of the Code with respect to capital gains and losses, income derived from the extraction of minerals, individual and corporate income, the estate and gift tax and State and local obligations.

H.R. 1041. January 14, 1975. Ways and Means. Revises the Internal Revenue Code by amending and repealing portions of the Code with respect to capital gains and losses, income derived from the extraction of minerals, individual and corporate income, the estate and gift tax and State and local obligations.

H.R. 1042. January 14, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay to educational or training institutions, for each eligible veteran enrolled in full-time courses, the customary educational costs, exclusive of board, lodging, and other living expenses, up to $2,500.

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H.R. 1043. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit a State from imposing an income tax on any individual unless he is either domiciled within the taxing State or his income is derived from sources within the State.

H.R. 1044. January 14, 1975. Judiciary. Amends the Clayton Act to prohibit persons engaged in refining of petroleum products from also engaging in marketing of petroleum products.

H.R. 1045. January 14, 1975. Interstate and Foreign Commerce. Amends the Solid Waste Disposal Act to authorize the Administrator of the Environmental Protection Agency to make loan guarantee and interest subsidy payments to certain governmental units to assist in projects for the generation of energy from solid wastes.

H.R. 1046. January 14, 1975. Ways and Means. Amends the Internal Revenue Code of 1954 to allow a deduction for expenditures for the development, manufacture, distribution, and installation of equipment using solid wastes as a heat source in the generation of power.

H.R. 1047. January 14, 1975. Judiciary. Imposes Federal penalties for fixing horse or dog races, and for other related offenses.

H.R. 1048. January 14, 1975. Ways and Means. Imposes a tax on each person who conducts a racing meeting.

Requires that each person subject to the special tax imposed by this Act register with the Director of the Internal Revenue Service prior to each racing meeting.

H.R. 1049. January 14, 1975. Agriculture. Requires the Secretary of Agriculture to establish and maintain a program to prevent and control Dutch elm disease.

H.R. 1050. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by extending certain provisions of the Act to State and local government employees.

H.R. 1051. January 14, 1975. Armed Services. Prohibits discrimination against applicants to the service academies on the basis of sex, race, color or religious beliefs.

H.R. 1052. January 14, 1975. Banking, Currency and Housing. Establishes a three-member, residentially-appointed Economic Stabilization Board to control the level of prices, wages, rents, and interest rates throughout the country.

Directs the freezing of prices, wages, rents, and interest rates at the level prevailing on the date of enactment of this Act. Permits subsequent adjustments of all frozen levels to maintain stability in the United States economy.

H.R. 1053. January 14, 1975. Banking, Currency and Housing. Directs the President to take action necessary to stabilize prices, rents, wages and other comparable economic transfers at levels not less than those prevailing on April 30, 1974.

H.R. 1054. January 14, 1975. House Administration. Amends the Federal Election Campaign Act of 1971 by requiring radio and television stations to provide free broadcast time to eligible candidates for election to Federal office. Specifies the time allotted to such candidates.

H.R. 1055. January 14, 1975. Interstate and Foreign Commerce. Amends the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of crude oil beyond December, 1974 levels.

H.R. 1056. January 14, 1975. Interstate and Foreign Commerce. Makes it a violation of the Federal Trade Commission Act for any retailer to increase the price of a consumer commodity after the retailer has marked the price on that item.

H.R. 1057. January 14, 1975. Post Office and Civil Service. Authorizes additional creditable service for civil service retirement purposes for certain employees of the Post Office Department.

H.R. 1058. January 14, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Jr., as a legal public holiday.

H.R. 1059. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 1060. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit against the income tax of a limited amount paid during the year by an individual to institutions of higher education.

H.R. 1061. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, Federal-State public assistance, veterans' pensions and dependency and indemnity compensation for parents of deceased veterans.

H.R. 1062. January 14, 1975. Ways and Means. Amends the Social Security Act by prohibiting payments to States which fail to prohibit public utilities from shutting off the supply of heat, light or power to private residences without adqeuate prior notification to, and investigation by, the appropriate State welfare agencies.

H.R. 1063. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which may be earned while receiving Old-Age, Survivors, and Disability Insurance benefits when the beneficiary reaches age 70.

H.R. 1064. January 14, 1975. Armed Services. Awards the Medal of Honor posthumously to former President Harry S. Truman.

H.R. 1065. January 14, 1975. Banking, Currency and Housing. Extends the prohibited grounds of discrimination of the Equal Credit Opportunity Act with respect to credit transactions to include discrimination on the basis of race, color, religion, national origin, and age.

Directs the Federal Reserve Board to establish an advisory committee with respect to the Board's functions under the Act.

H.R. 1066. January 14, 1975. Banking, Currency and Housing. Amends the Federal Home Loan Bank Act by authorizing the Federal Home Loan Bank Board to regulate the relationships between members, and members and other persons, with respect to possible conflicts of interest in the operation of insured savings and loan associations.

H.R. 1067. January 14, 1975. Interstate and Foreign Commerce. Prohibits denial or limitation of insurance coverage solely on the basis of sex or marital status.

H.R. 1068. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to regulate or prohibit the transportation, sale, or other distribution in interstate commerce of live creatures intended to be offered as household pets, if determined to be infected with a serious disease injurious to human beings.

H.R. 1069. January 14, 1975. Merchant Marine and Fisheries. Amends the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to include intermodal carriers, under the coverage of the Acts with respect to the prohibition of rebates and discriminatory treatment of shippers, and the filing with the Commissioner of the Interstate Commerce Commission of agreements with other carriers and tariffs of rates and charters.

H.R. 1070. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to promulgate regulations governing fishing in the fisheries zone and the high seas. Directs the Secretary of State to negotiate agreements with certain foreign states to abide by the regulations.

Establishes the Atlantic States Fisheries Advisory Council, the Gulf States Fisheries Advisory Council and the Pacific States Fisheries Advisory Council. Directs the councils to evaluate the regulations and submit recommendations to the Secretaries of Commerce and State.

H.R. 1071. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to require that a percentage of United States oil imports be carried on United States flag vessels.

H.R. 1072. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act to establish a monetary fine as an alternative to the existing forfeiture of cargo as penalty for the transportation of merchandise in violation of the coastwise laws.

H.R. 1073. January 14, 1975. Merchant Marine and Fisheries. Extends the provisions of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional five years, ending September 7, 1980.

H.R. 1074. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act to extend eligibility for appointment to the United States Merchant Marine Academy to the daughters, as well as the sons, of personnel of the United States Government and the Panama Canal Company residing in the Republic of Panama.

H.R. 1075. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act by permitting cargo vessels to carry more than sixteen passengers when emergency situations arise.

H.R. 1076. January 14, 1975. Public Works and Transportation. Modifies a flood protection project at St. Louis, Missouri.

H.R. 1077. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from gross income for expenses paid during the taxable year for the education of a dependent attending any primary or secondary educational institution.

H.R. 1078. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 1079. January 14, 1975. Ways and Means. Amends the Social Security Act to prohibit any reduction in the amount of Old-Age Insurance benefits payable to a woman who has 120 quarters of coverage.

H.R. 1080. January 14, 1975. Merchant Marine and Fisheries. Public Works and Transportation. Amends the Shipping Act, 1916, to extend to every carrier engaged in interstate intermodal transportation the same requirement as now applies to common carriers by water under the Shipping Act, 1916, to file with the Federal Maritime Commission a copy of all contracts with other such carriers.

Directs the Federal Maritime Commission, Interstate Commerce Commission, and the Civil Aeronautics Board to promulgate uniform rules and regulations governing the content, format, and filing of tariffs providing for intermodal service and systems.

H.R. 1081. January 14, 1975. Banking, Currency and Housing. Establishes the presidentially-appointed Home Owners Mortgage Loan Corporation to administer the Home Owners Loan Fund created by this Act in order to assure moderate-interest mortgage loans to credit-worthy families of moderate-income which are otherwise unable to obtain loans for the purchase or construction of a dwelling.

H.R. 1082. January 14, 1975. Merchant Marine and Fisheries. Establishes a program, under the Secretary of Commerce, to insure the wholesomeness of fish and fishery products through inspection and certification of fish and fishery products processing plants in the United States and the inspection of imported fishery products.

H.R. 1083. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the Interior to establish programs and regulations for the protection of the fishery resources of the United States, including the freshwater and marine cultural industries, against the dissemination of serious disease of fish and shellfish.

H.R. 1084. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act of 1920 by establishing a program of grants under the Secretary of Commerce to enable State and local governments and agencies to bring public ports into compliance with federally imposed requirements relating to environmental protection, public health and safety, or port cargo or security.

Directs the Secretary to conduct a study of the needs of U.S. public ports to meet requirements described above and for necessary expansion.

H.R. 1085. January 14, 1975. Post Office and Civil Service. Repeals certain restrictions on the private carriage of letters.

H.R. 1086. January 14, 1975. Education and Labor. Repeals the Occupational Safety and Health Act of 1970.

H.R. 1087. January 14, 1975. Interstate and Foreign Commerce. Prohibits the U.S. Consumer Product Safety Commission from making any ruling that restricts the manufacture or sale or firearms, or firearm ammunition.

H.R. 1088. January 14, 1975. Interior and Insular Affairs. Designates certain lands in the Pinnacles National Monument in California as wilderness.

H.R. 1089. January 14, 1975. Interior and Insular Affairs. Permits the exchange of certain lands in California.

H.R. 1090. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 1091. January 14, 1975. Armed Services. Grants members of the Armed Forces the right to be represented by civilian counsel when charged with crimes committed while engaged in combat. Authorizes the appropriate armed force to pay such counsel fees and other litigation costs.

H.R. 1092. January 14, 1975. Armed Services. Requires the Secretary of Defense to establish within the Department of Defense a center for research regarding the diseases, disabilities, and other medical and psychological problems of prisoners of war.

H.R. 1093. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Labor to make loans to industry and business in certain areas to aid in the financing of pollution control facilities.

H.R. 1094. January 14, 1975. Banking Currency and Housing. Directs the Secretary of the Treasury to coin 50-cent pieces to commemorate the life of the Honorable Sam Rayburn. Requires the proceeds of such coins to be used solely for the support of the Sam Rayburn Library.

H.R. 1095. January 14, 1975. District of Columbia. Amends the District of Columbia Sales Tax Act to exempt the sale of food or beverages to any person for use in the operation, by a nonprofit private voluntary organization, of a nonprofit food service program from the imposition of the sales tax.

H.R. 1096. January 14, 1975. Education and Labor. Stipulates that failure of an educational agency to attain a racial balance within its schools or the assignment of a student to the school nearest his home shall not constitute a denial of equal educational opportunity or equal protection of the laws.

Sets forth limitations on the use of judicial remedies, transportation of students, desegregation plans and allocation of Federal resources to achieve equal educational opportunity.

H.R. 1097. January 14, 1975. Education and Labor. Amends the Fair Labor Standards Act of 1938 by exempting certain individuals employed at sporting or recreational events from the child labor provisions of the Act.

H.R. 1098. January 14, 1975. Government Operation. Requires that individuals be apprised of records concerning them which are maintained by Federal agencies. Specifies guidelines to be followed in the maintenance and disclosure of such files.

H.R. 1099. January 14, 1975. Government Operations. Requires executive agencies to submit a report to a person elected to the House of Representatives on the scope and nature of such agencies' activities within that Representative's district during the previous Congress.

H.R. 1100. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirement of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1101. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1102. January 14, 1975. Judiciary. Makes it unlawful in time of declared war or armed conflict to support the enemies of the United States by monetary contributions or by opposing any lawful measure or policy related to the conduct of the war through public speeches, actions or dissemination of printed matter.

H.R. 1103. January 14, 1975. Judiciary. Prohibits officers or employees of Federal agencies from attempting to obtain information from any person being investigated for possible criminal or civil offenses without first informing such person of certain specified rights, unless a warrant has been issued. Excludes information obtained in violation of the Act from any Federal judicial proceeding.

H.R. 1104. January 14, 1975. Judiciary. Prescribes penalties for assaulting a member of the National Guard while he is engaged in carrying out official duties.

H.R. 1105. January 14, 1975. Judiciary. Imposes a moratorium on the implementation of Federal court orders that require local educational agencies to transport students and on the implementation of certain desegregation plans. Extends the moratorium until July 1, 1975, or until Congress establishes a uniform standard for the use of busing.

H.R. 1106. January 14, 1975. Post Office and Civil Service. Prohibits certain Federal officials from engaging in partisan political activities.

H.R. 1107. January 14, 1975. Post Office and Civil Service. Redesignates the date for observance of Veterans Day.

H.R. 1108. January 14, 1975. Public Works and Transportation. Directs that no State shall receive less than 80 percent of the amount paid by that State into the Highway Trust Fund.

H.R. 1109. January 14, 1975. Science and Technology. Directs the Administrator of the Energy Research and Development Administration to initiate a program of research to develop a low-emission vehicle engine. Authorizes study of the economic impact of placing a low-emission vehicle engine on all new and existing motor vehicles.

H.R. 1110. January 14, 1975. Science and Technology. Establishes a research and development program within the National Bureau of Standards of the Department of Commerce to alleviate existing and potential product and material shortages.

Authorizes the Secretary of Commerce to make grants and guarantee loans in order to improve technology to substantially reduce such shortages.

H.R. 1111. January 14, 1975. Science and Technology. Authorizes the Administrator of the Energy Research and Development Administration to establish a grant program for research and development to reduce the air drag on trucks using the Federal-aid highway systems.

H.R. 1112. January 14, 1975. Standards of Official Conduct. Requires persons engaged in lobbying to register and file activity reports with the Clerk of the House of Representatives or the Secretary of the Senate. Empowers the Clerk and Secretary to jointly prescribe such regulations as they deem appropriate to effectuate the purposes and provisions of the Act.

Repeals the Federal Regulation of Lobbying Act.

H.R. 1113. January 14, 1975. Ways and Means. Gives 1 percent of all income taxes collected under Federal statutes within a State or territory to that State or territory to be used for educational purposes only.

H.R. 1114. January 14, 1975. Science and Technology. Interior and Insular Affairs. Directs the Administrator of the Energy Research and Development Administration to investigate possible uses of solid wastes resulting from the mining and processing of coal.

H.R. 1115. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Federal Power Commission to establish a program of mandatory allocation of scarce supplies of natural gas designed to minimize the impact of natural gas shortages on any sector of the economy or region of the country.

H.R. 1116. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit against taxes for certain amounts deposited by a taxpayer in an educational savings plan for himself or a dependent to pay the expenses of postsecondary education.

H.R. 1117. January 14, 1975. Judiciary. Standards of Official Conduct. Creates a Federal Lobbying Disclosure Commission.

Requires Lobbyists to: (1) register with the Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Repeals the Federal Regulation of Lobbying Act.

H.R. 1118. January 14, 1975. Education and Labor. Directs the Chairman of the National Endowment for the Arts to develop a program to further cultural activities by making unused railroad passenger depots available to communities for such activities.

H.R. 1119. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 1120. January 14, 1975. Education and Labor. Amends sections of the Occupational Safety and Health Act of 1970 relating to civil penalties for employers in violation of the Act.

H.R. 1121. January 14, 1975. Veterans' Affairs. Extends the eligibility for specially adapted housing benefits to include veterans suffering the loss, or loss of use, of both upper extremities.

H.R. 1122. January 14, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 1123. January 14, 1975. Interstate and

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Foreign Commerce. Requires any person using the instrumentalities of interstate commerce making any solicitation for charitable contributions to furnish specified information to any recipient of such solicitation who requests it.

H.R. 1124. January 14, 1975. Interstate and Foreign Commerce. Prohibits the shipment or sale in interstate commerce of nonreturnable beverage containers for which no reasonable refundable money deposit is required.

Directs the Secretary of Health, Education, and Welfare to define the term "nonreturnable containers."

H.R. 1125. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified brewery.

H.R. 1126. January 14, 1975. Agriculture. Exempts the Sabine River Authority of Louisiana and Texas from the payment of annual charges for the use of lands in the Sabine National Forest in Texas in recognition of benefits to the United States from the construction of the Toledo Bend Dam and Reservoir Project.

H.R. 1127. January 14, 1975. Education and Labor. Repeals those provisions of the Fair Labor Standards Act of 1938 covering domestic service workers.

H.R. 1128. January 14, 1975. Education and Labor. Amends sections of the Occupational Safety and Health Act of 1970 relating to civil penalties for employers in violation of the Act.

H.R. 1129. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 1130. January 14, 1975. Foreign Affairs. Amends the Foreign Assistance Act of 1961 to require the President in rendering assistance under the Act to do so pursuant to agreements which provide for the exchange of necessary strategic or critical raw materials for such assistance.

H.R. 1131. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 1132. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to suspend motor vehicle emissions control in all parts of the United States except for certain designated air quality control regions.

Prohibits the Administrator of the Environmental Protection Agency and the States from enforcing motor vehicle emissions control standards in areas outside designated regions during the suspension period.

H.R. 1133. January 14, 1975. Judiciary. Declares that no Federal court shall have jurisdiction over any case arising out of a State law relating to abortion.

H.R. 1134. January 14, 1975. Judiciary. Defines the term "unitary school system" for purposes of equal protection under the 14th Amendment to the Constitution. Declares that it is the policy of the United States to encourage school systems to allow voluntary transfers by students to schools in which persons of the same race, color or national origin constitute a minority of the students.

H.R. 1135. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1136. January 14, 1975. Judiciary. Increases the penalty for commission of any felony, excluding manslaughter, while using or carrying a firearm.

H.R. 1137. January 14, 1975. Merchant Marine and Fisheries. Amends the Migratory Bird Treaty Act to permit the possession or mounting of dead birds for display or educational purposes.

H.R. 1138. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1139. January 14, 1975. Ways and Means. Excludes from gross income a limited amount of income representing the excess of the net long-term capital gain for the year over the net short-term capital loss from the sale or exchange of a security for taxpayers other than a corporation.

H.R. 1140. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise the alternative tax on capital gains for individuals and corporations, remove capital gains as tax preference item, and exclude certain gains from the sale or exchange of a residence.

Reduces the estate tax rate schedule, increases the estate tax exemption, and excludes from the gross estate the value of closely held business under specified regulations.

H.R. 1141. Ways and Means. Amends the Internal Revenue Code to permit a deduction from gross income for taxes paid by employees under the Federal Insurance Contributions Act.

H.R. 1142. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a limited distribution deduction for certain cemetery perpetual care fund trusts.

H.R. 1143. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require the Secretary of the Treasury to repay the amount of the internal revenue taxes and customs duties assessed on alcoholic beverages held for sale and rendered unmarketable.

H.R. 1144. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise the definition of tax exempt social clubs. Prohibits the deduction of certain dividends received by such organizations.

H.R. 1145. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by State and local governments.

H.R. 1146. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1147. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 1148. January 14, 1975. Banking, Currency and Housing. Amends the Council on Wage and Price Stability Act by extending to the Council the authority to suspend wage and price increases for ninety days and to otherwise act to stabilize the economy.

H.R. 1149. January 14, 1975. Interstate and Foreign Commerce. Requires the President to establish a program for the rationing of gasoline and diesel fuel.

H.R. 1150. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption, to increase the percentage standard deduction, to decrease the tax rates for certain income brackets, and to increase the investment tax credit.

H.R. 1151. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose a tax, based upon weight, upon every new automobile manufactured or imported.

H.R. 1152. January 14, 1975. Agriculture. Amends those provisions of Federal law and the Animal Welfare Act of 1970, relating to the care and treatment of animals to include protection for birds in pet stores and zoos. Extends the applicability of such laws to include the terminal facilities used by any common carrier licensed to transport animals.

H.R. 1153. January 14, 1975. Education and Labor. Directs the Secretary of Labor to study the feasibility of, and need for, a Cost of Existence Index, such index being an index of prices paid by retired persons, computed similarly to the Consumer Price Index.

H.R. 1154. January 14, 1975. Merchant Marine and Fisheries. Establishes a Federal Zoological and Aquarium Board as an independent agency to establish standards for national accreditation of zoos and aquariums.

Authorizes the Board to make grants and guarantee loans to assist in training of personnel and in research into improved methods of operation of zoos and aquariums.

H.R. 1155. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to make a comprehensive study of the wolf for the purpose of developing adequate conservation measures.

H.R. 1156. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to make a study of the dolphin and porpoise for the purpose of developing adequate conservation measures.

H.R. 1157. January 14, 1975. Veterans' Affairs. Allows the widow of a veteran to remarry after age 60 without losing her veterans dependency and indemnity compensation.

H.R. 1158. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during any tax year as a civil service retirement annuity from the United States or any agency thereof.

H.R. 1159. January 14, 1975. Armed Services. Revises the method of computing years of service in the Armed Forces for the purpose of computing an enlisted member's retired pay.

H.R. 1160. January 14, 1975. Armed Services. Revises the method of computing years of service in the Armed Forces for the purpose of computing an enlisted member's retired pay.

H.R. 1161. January 14, 1975. Armed Services. Permits widows of former members of the Armed Forces to elect to receive an annuity under the Survivor Benefit Plan in lieu of other annuity benefits if the former member died prior to the effective date of the Survivor Benefit Plan and the widow is eligible for an annuity under other Armed Forces programs.

H.R. 1162. January 14, 1975. Armed Services. Prohibits reduction in survivor annuities under the Armed Forces Survivor Benefit Plan by reason of Social Security Old-Age, Survivor and Disability Insurance benefits unless such benefits are in fact received by the survivor.

H.R. 1163. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to authorize the seizure and forfeiture of vessels, vehicles, or aircraft which have been or are being used to illegally transport aliens into the United States.

H.R. 1164. January 14, 1975. Public Works and Transportation. Directs the Secretary of Agriculture to establish a memorial to Benjamin Henry Boneval Latrobe at the National Arboretum.

H.R. 1165. January 14, 1975. Veterans' Affairs. Permits a veteran with a service-connected disability rated 30 percent or more disabling to be paid emergency officers, reserve, or regular retirement pay concurrently with compensation for the disability.

H.R. 1166. January 14, 1975. Armed Services. Authorizes retirement annuities under the Armed Forces Survivor Benefit Plan for widows whose husbands died prior to the effective date of the Plan.

H.R. 1167. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1168. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1169. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1170. January 14, 1975. Government Operations. Establishes the Cabinet Committee for Asian-American Affairs to investigate the special problems of Asian-Americans and to assure that Federal and other programs are providing necessary assistance to Asian-Americans.

H.R. 1171. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to establish in the Public Health Service the National Institute of Aging for the purposes of carrying out research, investigations, experiments, demonstrations, and studies related to the diseases and the special health problems and requirements of the aged.

H.R. 1172. January 14, 1975. Judiciary. Prohibits discrimination or segregation on the basis of sex in any place of public accommodation. Authorizes the Attorney General to institute suits to eliminate sex discrimination in public facilities. Requires the Secretary of Health, Education, and Welfare to make recommendations to equalize the treatment of the sexes under Federal laws.

H.R. 1173. January 14, 1975. Post Office and Civil Service. Makes it unlawful for officers of Federal agencies, the armed forces, or the Civil Service Commission to require that Federal civilian employees and applicants disclose certain personal information.

Creates a Board on Employees Rights to enforce this Act.

H.R. 1174. January 14, 1975. Post Office and Civil Service. Increases the grade classification of positions of deputy United States marshal.

H.R. 1175. January 14, 1975. Post Office and Civil Service. Adds inspectors employed by the Immigration and Naturalization Service or the Bureau of Customs, and certain firefighting personnel, to the list of those engaged in hazardous occupations who are eligible for certain Civil Service retirement benefits.

H.R. 1176. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to disallow the percentage oil and gas depletion deduction, to disallow the option to deduct intangible drilling and development costs, and to disallow the foreign tax credit with respect to any oil or gas well located outside the United States.

H.R. 1177. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 1178. January 14, 1975. Judiciary. Authorizes the holding of Federal District Court for the Eastern District of New York at a suitable site in Nassau County in lieu of Mineola.

H.R. 1179. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by authorizing State and local governments to regulate aircraft noise.

H.R. 1180. January 14, 1975. Public Works and Transportation. Establishes the Airport Noise Curfew Commission to study and make recommendations to the Congress regarding the establishment of curfews on nonmilitary aircraft operations over populated areas of the United States during normal sleeping hours.

H.R. 1181. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 1182. January 14, 1975. Ways and Means. Directs the Administrator of the Environmental Protection Agency to establish research programs to prevent harm to the marine environment from offshore oil extraction and transportation.

Amends the Internal Revenue Code of 1954 by imposing a tax on offshore oil extraction. Establishes an Offshore Oil Safety Trust Fund to finance offshore oil safety research programs.

H.R. 1183. January 14, 1975. Government Operations. Interstate and Foreign Commerce. Establishes a Consumer Protection Agency within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interests of consumers.

H.R. 1184. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

Makes it unlawful to promote or in any way assist in the promotion of dog fights.

H.R. 1185. January 14, 1975. Armed Services. Makes it unlawful for the Armed Forces to collect, distribute or store information relating to the political, social or religious belief, actions or affiliations of any civilian. Makes it unlawful for the Armed Forces to examine the academic or disciplinary records of any persons without their written authorization.

H.R. 1186. January 14, 1975. Armed Services. Authorizes disability discharges for members of the Armed Forces who have a drug dependency. Directs the Secretary of each military department to petition the appropriate United States attorney for the civil commitment of a drug dependent member of the Armed Forces to a Public Health Service facility. Directs the Secretary of each military department to issue retroactively an honorable discharge to any former member of the Armed Forces who was dishonorably discharged on the grounds of drug dependency.

Forbids the court-martial of any member of the Armed Forces who seeks treatment for drug dependency.

H.R. 1187. January 14, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officials.

H.R. 1188. January 14, 1975. Public Works and Transportation. Prohibits commercial flights by supersonic aircraft over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and the Secretary of Transportation.

H.R. 1189. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to establish the Internal Revenue Commission to administer the internal revenue laws. Transfers all functions relating to the administration and enforcement of the Internal Revenue Code from the Secretary of the Treasury or his delegate, to the Internal Revenue Commission.

H.R. 1190. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining eligibility for Supplemental Security Income, Federal-State public assistance programs, food stamps, public housing and veterans' pensions.

H.R. 1191. January 14, 1975. Merchant Marine and Fisheries. Public Works and Transportation. Directs the Administrator of the Environmental Protection Agency and the Secretary of the Interior to establish standards governing dumping in ocean, coastal, and other waters of the United States for the protection of marine and wildlife ecology.

H.R. 1192. January 14, 1975. Ways and Means. Veterans' Affairs. Interstate and Foreign Commerce. Stipulates that a finding of permanent and total disability under the Old-Age, Survivors and Disability Insurance and Supplemental Security Income provisions of the Social Security Act, the Railroad Retirement Act or veterans' disability compensation programs shall be considered a finding of disability for the purpose of determining eligibility for any of these programs.

H.R. 1193. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Army to build, and the Secretary of the Interior to operate and maintain the Devil Canyon and Denali Units of the Upper Susitna River Basin project, Alaska.

H.R. 1194. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park in parts of Alaska and Washington.

H.R. 1195. January 14, 1975. Interior and Insular Affairs. Makes available certain lands to the city of Ketchikan, Alaska, for the replacement of Carlanna Creek Dam.

H.R. 1196. January 14, 1975. Merchant Marine and Fisheries. Establishes the Marine Fisheries Conservation and Development Fund for the conservation, management, protection and development of the marine fisheries of the United States. Places administration of the Fund under the Secretary of Commerce.

Establishes an Advisory Committee to assist the Secretary of Commerce in carrying out his functions under this Act.

H.R. 1197. January 14, 1975. Merchant Marine and Fisheries. Increases the funds authorized under the Commercial Fisheries Research and Development Act of 1964 for the restoration of fisheries affected by natural disasters, foreign violations of international fisheries agreements or other undetermined causes.

H.R. 1198. January 14, 1975. Ways and Means. Amends the Social Security Act by requiring that Federal aid to Alaska and Hawaii for maternal and child welfare programs be adjusted to reflect the cost of living in those States.

H.R. 1199. January 14, 1975. Judiciary. Government Operations. Authorizes certain revenues from leases on the Outer Continental Shelf be made available to the States.

H.R. 1200. January 14, 1975. Armed Services. Revises the method of computing Armed Forces retired and retainer pay to reflect current active duty pay rates.

H.R. 1201. January 14, 1975. Education and

Labor. Amends the Age Discrimination in Employment Act by extending the coverage of the Act to individuals sixty years of age or over.

H.R. 1202. January 14, 1975. Foreign Affairs. Directs the President to halt all exports of gasoline, distillate fuel oil, and propane gas until Congress determines that no shortage of such fuels exists in the United States.

H.R. 1203. January 14, 1975. Foreign Affairs. Prohibits the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists.

H.R. 1204. January 14, 1975. Foreign Affairs. Limits the assessed and voluntary contributions of the United States to the United Nations and its affiliated agencies to an amount not to exceed an amount which bears the same ratio to the total budget of the United Nations as the total population of the United States bears to the total population of all the member states of the United Nations.

H.R. 1205. January 14, 1975. Government Operations. Requires recipients of Federal funds to permit members of the public to inspect records relating to the expenditure of such funds. Prohibits the disbursement of such funds to recipients who fail to comply with this Act.

H.R. 1206. January 14, 1975. House Administration. Requires candidates for Federal elective office to resign any elective office the term of which ends after the beginning of the term of such Federal office before filing in the general election for such Federal office.

H.R. 1207. January 14, 1975. House Administration. Prohibits travel at Government expense outside the United States by Members of Congress who after the adjournment sine die of the last session of a Congress are not candidates for reelection in the next Congress.

H.R. 1208. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make grants for the establishment and operation of home health services and for the purpose of initiating, developing, and maintaining programs for the training of professional and paraprofessional personnel to provide home health services.

H.R. 1209. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1210. January 14, 1975. Judiciary. Makes it a Federal crime to assault or kill a fireman or law enforcement officer.

H.R. 1211. January 14, 1975. Judiciary. Prohibits the destruction, burning, or damaging of the property of an employer, or other person near any place where work or business of the employer or owner is carried on. Redefines the term "extortion" to include actual or threatened force or violence used to induce consent in the course of a legitimate labor dispute.

H.R. 1212. January 14, 1975. Judiciary. Increases the time period between the publication of a Federal rule and the effective date of such rule, and the time period between the publication of notice of a hearing and the beginning of such hearing.

H.R. 1213. January 14, 1975. Judiciary. Imposes criminal sanctions for specified acts of desecration of the flag of the United States.

H.R. 1214. January 14, 1975. Judiciary. Makes displaying the flag of certain hostile countries treasonable.

H.R. 1215. January 14, 1975. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to prohibit the issuance of permits which would authorize the taking of marine mammals in connection with commercial fishing operations.

H.R. 1216. January 14, 1975. Post Office and Civil Service. Prohibits the mailing of chain letters which imply or predict that harm or misfortune will befall the addressee or members of his family should such addressee fail to transmit such chain letter.

H.R. 1217. January 14, 1975. Post Office and Civil Service. Makes Flag Day, June 14, a legal public holiday.

H.R. 1218. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1219. January 14, 1975. Veterans' Affairs. Stipulates that for purposes of certification for veterans' educational benefits, attendance at vocational schools shall be measured by the same standards as attendance at other educational institutions. Directs the Administrator of Veterans' Affairs to require certification of enrollment, pursuit, and attendance from the eligible veteran at the end of each quarter, semester, or term, as the case may be.

H.R. 1220. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 1221. January 20, 1975. Veterans' Affairs. Directs the administrator of Veterans' Affairs to pay a pension to eligible veterans of World War I or to the widow or children of such veteran. Establishes maximum incomes at which point no pension is to be paid.

H.R. 1222. January 14, 1975. Veterans' Affairs. Directs the Secretary of the Army to establish one or more national cemeteries in the central west coast area of Florida.

H.R. 1223. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received by an individual during the taxable year as an annuity or pension established under the laws of the United States.

H.R. 1224. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1225. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate age as an eligibility requirement for wife's, husband's, widow's or widower's insurance benefits when the insured spouse is or was entitled to disability insurance benefits.

H.R. 1226. January 14, 1975. Public Works and Transportation. District of Columbia. Prohibits any officer of the United States or the District of Columbia to issue a permit for the use of public property in the District of Columbia for any mass activity where such officer has reason to believe that damages or other costs will result from such activity, unless the applicant posts a bond sufficient to indemnify the United States or the District of Columbia.

H.R. 1227. January 14, 1975. Public Works and Transportation. Interstate and Foreign Commerce. Directs the Secretary of Transportation to require common carriers by air, rail, or motor vehicle to designate a portion of the seating capacity of each carrier as available to nonsmoking passengers only.

H.R. 1228. January 14, 1975. Post Office and Civil Service. Amends the Federal Salary Act of 1967 by making certain recommendations of the President regarding salary levels for certain Federal employees effective within a certain time period unless the Congress adopts a resolution disapproving all or part of such recommendations. Specifies procedures for adopting such a resolution.

H.R. 1229. January 14, 1975. Judiciary. Grants automatic, general amnesty to any person who, during the period of United States involvement in Indochina, violated the Military Selective Service Act or committed certain military crimes. Establishes an Amnesty Commission to grant general amnesty to individuals who violated Federal, State or local law in the course of protesting against United States involvement in Indochina and to review denials of honorable discharges.

Authorizes the district courts to restore the United States citizenship of war resisters who renounced such citizenship.

Grants jurisdiction to the district courts to hear actions brought to redress the deprivation of rights granted by the general amnesty.

H.R. 1230. January 14, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1231. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements as part of a licensing contract for the manufacture, distribution or sale of trademarked goods.

H.R. 1232. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, Federal-State public assistance, public housing, food stamps, veterans' pensions and dependency and indemnity compensation for parents of deceased veterans.

H.R. 1233. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1234. January 14, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 1235. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to establish standards for food and drug labels, for medical devices, for batch-by-batch certification of certain drugs, for the regulation of sample drugs, and for pretesting cosmetics introduced into interstate commerce. Directs the Secretary of Health, Education, and Welfare to prepare and publish a drug compendium to provide adequate and reliable drug prescribing information.

H.R. 1236. January 14, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Amends the Coastal Zone Management Act of 1972 to suspend Federal oil drilling activities on the Outer Continental Shelf until the Governor of the concerned coastal State shall give his approval.

H.R. 1237. January 14, 1975. Ways and Means. Amends the Social Security Act to increase the amount of the lump-sum death payment.

H.R. 1238. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of the Interior to make grants to States which have established motor vehicle disposal plans designed for the efficient removal of junked motor vehicles to scrap processing facilities. Requires States to control visibility of automobile graveyards as a grant condition.

Includes provisions for federally guaranteed loans and tax incentives for the acquisition of automobile scrap processing equipment.

H.R. 1239. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit the broadcasting of paid political advertisements for presidential candidates. Requires broadcasting stations to provide free broadcasting time to such candidates.

H.R. 1240. January 14, 1975. Standards of Official Conduct. Requires each Member of Congress and certain employees of Congress to file a report with the Comptroller General enumerating their sources of income and other financial interests.

H.R. 1241. January 14, 1975. Ways and Means. Directs the Bureau of Labor Statistics to prepare a monthly Consumer Price Index for the Elderly. Amends the Social Security Act by requiring that the Consumer Price Index for the Elderly be utilized in lieu of the Consumer Price Index in computing cost-of-living benefit increases when such use will yield a greater increase.

H.R. 1242. January 14, 1975. Interstate and Foreign Commerce. Merchant Marine and Fisheries. Directs the Secretary of Health, Education, and Welfare to establish, under the Federal Food, Drug, and Cosmetic Act, a licensing program for every owner of any establishment or any vessel that harvests, processes, displays, or sells fish or fishery products. Allows the importation of fish or fishery products only from those countries where there is a system of inspection of fishery products at least equal to the inspecting, harvesting, and processing standards imposed by the Secretary under this Act.

H.R. 1243. January 14, 1975. Interstate and Foreign Commerce. Science and Technology. Amends the Natural Gas Act to create a Federal Oil and Gas Corporation. Authorizes the corporation to acquire rights to develop natural gas or oil on Federal lands and to acquire refining and transportation facilities. Directs the Corporation to offer refined oil and gas products to consumers at fair and reasonable prices.

H.R. 1244. January 14, 1975. Government Operations. Judiciary. Directs Federal departments and agencies to assist the Secret Service by providing, upon request, personnel, equipment or facilities on a reimbursable basis.

Declares that all such facilities provided shall remain the property of the Federal Government.

H.R. 1245. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

H.R. 1246. January 14, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1247. January 14, 1975. Education and Labor. Requires persons who acquire a controlling interest in certain business facilities to notify employees, and the community in which the business facility is located, of any intention to close or relocate such business facility.

H.R. 1248. January 14, 1975. Foreign Affairs. Requires the Secretary of Commerce to limit the amount of iron and steel scrap that may be exported from the United States.

H.R. 1249. January 14, 1975. Ways and Means. Amends the Social Security Act to extend Medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1250. January 14, 1975. Ways and Means. Amends the Social Security Act to maintain medicare inpatient hospital deductibles, supplementary medical insurance premiums, and hospital insurance premiums at their 1974 levels.

H.R. 1251. January 14, 1975. Agriculture. Ways and Means. Amends the Social Security Act by authorizing the Secretary of Health, Education, and Welfare to formulate and administer a food allowance program for the elderly.

H.R. 1252. January 14, 1975. Ways and Means. Banking, Currency and Housing. Establishes controls to insure that the national budget is balanced.

Limits the annual growth of the money supply.

Requires that all legislation contain a note disclosing the direct and indirect costs which will be incurred by such legislation.

H.R. 1253. January 14, 1975. Foreign Affairs. Directs the President to halt all exports of gasoline, distillate fuel oil, and propane gas until he determines that no shortage of such fuels exists in the United States.

H.R. 1254. January 14, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from cancelling franchises without cause and without prior notice.

H.R. 1255. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Council on Environmental Quality to establish a county government environmental control demonstration project in Massachusetts.

H.R. 1256. January 14, 1975. Post Office and Civil Service. Revises the age and service requirements for civil service retirement benefits for Federal employees.

H.R. 1257. January 14, 1975. Judiciary. Establishes a Relocation Benefits Commission to provide assistance to persons relocated pursuant to Executive Order 9066, dated February 19, 1942, which authorized the removal of certain persons from designated military areas.

Creates and authorizes appropriations for a Relocation Benefits Trust Fund.

H.R. 1258. January 14, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by revising the eligibility requirements for Medicaid benefits.

H.R. 1259. January 14, 1975. Education and Labor. Amends the Older Americans Act by (1) revising the administration of and requirements imposed upon State plans and programs; (2) establishing a National Information and Resource Clearing House for the Aging under the Administration on Aging; and (3) establishing a Federal Council on the Aging within the executive branch.

Authorizes grants for the development of special programs for the aged under the Library Services and Construction Act, the Higher Education Act of 1965, and the Adult Education Act.

Directs the Manpower Administration of the Department of Labor to establish and administer a mid-career development service program to help middle aged and older persons obtain employment.

H.R. 1260. January 14, 1975. Education and Labor. Establishes within the Department of Health, Education, and Welfare a Rehabilitation Services Administration to administer this Act. Authorizes grants to States for vocational rehabilitation services and grants for rehabilitation services to persons with severe disabilities. Establishes an Office for the Handicapped to coordinate and plan services and programs for handicapped persons.

Repeals the Vocational Rehabilitation Act.

H.R. 1261. January 14, 1975. Foreign Affairs. Requires the Secretary of Agriculture under the Export Administration Act to determine the amount of any agricultural commodity that will be available for export. Requires the Secretary of Commerce to publicly announce the determination. Prohibits the exporting of any agricultural commodity unless the person exporting such commodity has been issued an export license.

H.R. 1262. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded to assist the Secretary of Health, Education, and Welfare in implementing and reviewing the standards established by this Act.

H.R. 1263. January 14, 1975. Interstate and Foreign Commerce. Prohibits the appropriation or use of any funds for the purpose of carrying out any research activity on a living human fetus which is outside the womb of its mother.

H.R. 1264. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act to authorize the President to suspend air service to any foreign nation which fosters aircraft hijacking by disregarding or acting incousistently with the Convention for the Suppression of Unlawful Seizure of Aircraft.

Requires the Administrator of the Federal Aviation Agency to prescribe regulations and develop techniques for the detection of weapons in a pre-boarding search.

H.R. 1265. January 14, 1975. Ways and Means. Prohibits most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration.

H.R. 1266. January 14, 1975. Government Operators. Interstate and Foreign Commerce. Establishes in the Executive Office of the President the Office of Consumer Affairs, and establishes the Consumer Protection Agency to advise the President and Congress and to represent the interests of individuals in the area of consumer affairs.

H.R. 1267. January 14, 1975. Armed Services. Requires the Central Intelligence Agency and certain other Government agencies to provide information to certain members or committees of Congress, when such information is within the jurisdiction of such members or committees.

H.R. 1268. January 14, 1975. Foreign Affairs. Requires executive agreements to be transmitted to Congress. Stipulates that such agreements shall come into force within a certain time period unless Congress disapproves such executive agreement by passage of a concurrent resolution by both Houses.

H.R. 1269. January 14, 1975. House Administration. Allows all accredited law schools to be constituted depositories to receive Government publications under the depository library program. Entitles these libraries to all the privileges of regional depository libraries.

H.R. 1270. January 14, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Authorizes the Secretary of the Interior to issue licenses for the development of hard mineral resources of the deep seabed. Provides for the establishment of environmental criteria under which a license shall be issued.

H.R. 1271. January 14, 1975. Atomic Energy. Changes the name of the Holifield National Laboratory in Tennessee to the Oak Ridge National Laboratory.

H.R. 1272. January 14, 1975. Interstate and Foreign Commerce. Requires no-fault motor vehicle insurance as a condition precedent to using the public streets, roads, and highways.

H.R. 1273. January 14, 1975. Foreign Affairs. Requires executive agreements to be transmitted to Congress. Stipulates that such agreements shall come into force within a certain time period unless Congress disap-

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proves such executive agreement by passage of a concurrent resolution by both Houses.

H.R. 1274. January 14, 1975. Interior and Insular Affairs. Authorizes establishment of the Edgar Allan Poe National Historic Park in Pennsylvania.

H.R. 1275. January 14, 1975. Judiciary. Creates a Council on Judicial Tenure to receive, investigate and make recommendations on any written complaint concerning a Justice or judge of the United States.

Makes it the duty of the Judicial Conference of the United States to sit as a court to hear any cause relating to the removal, censure, or involuntary retirement of a United States judge or Justice.

Specifies grounds for removal of such judges or Justices.

H.R. 1276. January 14, 1975. Judiciary. Authorizes appropriations to the Department of State for administering the Immigration and Nationality Act. Requires that all appropriations for the Departments of Justice and Labor for administration of the Immigration and Nationality Act be specifically made by an Act of Congress.

H.R. 1277. January 14, 1975. Judiciary. Sets forth regulations regarding grand jury witnesses. Authorizes independent grand jury inquiries. Permits a court to extend the term of a grand jury. Makes it a crime to disclose matters occurring before a grand jury.

H.R. 1278. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to appoint a Committee on Uniform Adoption Regulations to review current conditions, practices, and laws relating to adoption and to propose to the Secretary uniform adoption regulations. Directs the Secretary to make grants to States for allocation to State agencies and to public and private nonprofit adoption agencies to assist such agencies in meeting the cost involved in the adoptive placement of children.

H.R. 1279. January 14, 1975. Judiciary. Authorizes the garnishment of the wages of Federal employees.

H.R. 1280. January 14, 1975. Government Operations. Directs the Secretary of Defense and the Administrator of General Services to insure the use by the Federal Government of products manufactured from recycled materials.

H.R. 1281. January 14, 1975. Interstate and Foreign Commerce. Establishes a temporary prohibition on increases in electrical utility rates based on a decrease in revenue caused by conservation efforts utilized by consumers.

H.R. 1282. January 14, 1975. Judiciary. Requires bidders on certain public works contracts to submit the names of subcontractors who will perform portions of the work bid upon, as a part of the bid.

H.R. 1283. January 14, 1975. Science and Technology. Authorizes the Secretary of Transportation to make grants for research and development of alternative fuels for motor vehicles.

H.R. 1284. January 14, 1975. Ways and Means. Directs the Bureau of Labor Statistics to prepare a monthly Consumer Price Index for the Aged. Amends the Social Security Act by requiring that the Consumer Price Index for the Aged be utilized in lieu of the Consumer Price Index in computing cost-of-living benefit increases when such use will yield a greater increase.

H.R. 1285. January 14, 1975. Education and Labor. Amends the black lung benefits provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend those benefits to miners who incur silicosis in iron mines.

H.R. 1286. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1287. January 14, 1975. Foreign Affairs. Amends the United Nations Participation Act of 1945 by making regulations and prohibitions relating to strategic and critical materials inapplicable following a directive by the Security Council of the United Nations to the contrary.

H.R. 1288. January 14, 1975. Merchant Marine and Fisheries. Permits foreign vessels to transport passengers between United States ports upon determination that such vessels are not in direct competition with United States flag vessels.

H.R. 1289. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Commerce to conduct a study of the desirability, practicability, and cost of the adoption by the United States of a reformed calendar.

H.R. 1290. January 14, 1975. Agriculture. Establishes new rates, under the Agricultural Act of 1949, for the making of loans on crops of wheat, corn, sorghums, barley, and cotton.

H.R. 1291. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

Makes it unlawful to promote or in any way assist in the promotion of dog fights.

H.R. 1292. January 14, 1975. Agriculture. Prohibits, under the Federal Meat Inspection Act, the sale, transport, or offer for sale in interstate commerce of any horse, mule, or other equine, if the meat is to be used as human food.

H.R. 1293. January 14, 1975. Agriculture. Amends the Food Stamp Act to prohibit increases in the amount paid by households for food coupons.

H.R. 1294. January 14, 1975. Interstate and Foreign Commerce. Establishes the Bureau of Travel Agents Registration in the Department of Transportation for the purpose of regulating standards of performance and conduct in the travel agency industry.

H.R. 1295. January 14, 1975. Merchant Marine and Fisheries. Amends the National Environmental Policy Act of 1969 to provide for citizen actions in the United States district courts relating to environmental quality.

H.R. 1296. January 14, 1975. Post Office and Civil Service. House Administration. Reduces retirement benefits for Members of Congress who remain in office after attaining seventy years af age.

H.R. 1297. January 14, 1975. Interstate and Foreign Commerce. Sets forth standards, to be incorporated in State plans, pertaining to the discharge or transfer of Medicaid recipients from skilled nursing or intermediate care facilities.

H.R. 1298. January 14, 1975. Interstate and Foreign Commerce. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to reimburse long-term care facilities for the cost of establishing and maintaining inpatient rehabilitation therapy programs.

H.R. 1299. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by (1) directing the Secretary of Health, Education, and Welfare to publish certain data on long-term care facilities and to develop a system for rating such facilities; and (2) requiring States, as a condition for receiving Federal aid, to conduct in-service training for non-professional employees of long-term care facilities.

H. Con. Res. 43. January 15, 1975. Foreign Affairs. Declares it the sense of Congress that the Holy Crown of Saint Stephen remain in the United States at this time.

H. Con. Res. 44. January 15, 1975. House Administration. Directs the printing of "Our American Government: What Is It? How Does It Function?" as a House document.

H. Con. Res. 45. January 15, 1975. Foreign Affairs. Declares it the sense of Congress that the United States, through the Department of the Treasury, shall require the repayment of longstanding debts of a delinquent nature by foreign countries.

H. Con. Res. 46. January 16, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 47. January 17, 1975. Foreign Affairs. Declares it the policy of the United States to encourage the establishment with other nations of institutions strong enough and reliable enough to prevent war.

H. Con. Res. 48. January 17, 1975. House Administration. Authorizes the printing as a House document the "Constitution de los Estados Unidos de America 1789", published by the Organization of American States.

H. Con. Res. 49. January 17, 1975. House Administration. Authorizes the printing as a House document the "Constitution de los Estados Unidos de America 1789", published by the Organization of American States.

H. Con. Res. 50. January 20. 1975. Rules. Directs the Congress to assemble in Philadelphia, Pennsylvania, on July 4, 1976. Establishes a Congressional joint committee to plan appropriate ceremonies for the meeting.

H. Con. Res. 51. January 23, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 52. January 23, 1975. Foreign Affairs. Declares it the sense of Congress that the contingent of United States troops stationed in Europe be substantially reduced over the next year and a half.

H. Con. Res. 53. January 23, 1975. Foreign Affairs. Declares it the sense of Congress that the United States, through the Department of the Treasury, shall require the repayment of longstanding debts of a delinquent nature by foreign countries.

H. Con. Res. 54. January 23, 1975. Foreign Affairs. Declares it the sense of Congress that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Declares the support and sympathy of the Congress for the families of those Americans missing in action.

H. Con. Res. 55. January 23, 1975. Rules. Creates a joint Congressional select committee to study the intelligence activities of Federal agencies.

H. Con. Res. 56. January 23, 1975. Post Office and Civil Service. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 57. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 58. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 59. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 60. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 61. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 62. January 23, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 63. January 23, 1975. Foreign Affairs. Declares it the sense of the Congress that the President take the steps necessary to place the question of human rights violations in the Soviet occupied Ukraine on the agenda of the United Nations.

H. Con. Res. 64. January 23, 1975. Foreign Affairs. Urges the President to request the Soviet Union to release Valentyn Moroz and Leonid Plyushch from prison and allow them to emigrate.

H. Con. Res. 65. January 23, 1975. Rules. Establishes a Joint Congressional Committee on Energy: (1) to study the development, use, and control of all forms of energy, (2) to examine proposed energy legislation, and (3) to review executive agency policies on energy. Defines the jurisdiction of the committee.

H. Con. Res. 66. January 23, 1975. Foreign Affairs. Declares it the sense of the Congress that the United States Government shall cease to consider aid, trade, diplomatic recognition, travel, or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government of Vietnam until agreements are complied with regarding the dead and missing in action during the Indochina conflict.

H. Con. Res. 67. January 23, 1975. Merchant Marine and Fisheries. Declares it the policy of the Congress that the fishing industry be strengthened and coastal fisheries protected from excessive foreign fishing. Expresses the support of the Congress for conservation and scientific management of fisheries.

H. Con. Res. 68. January 27, 1975. Ways and Means. Declares it the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefit increases be enacted.

H. Con. Res. 69. January 28, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 70. January 28, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 71. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 72. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 73. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 74. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 75. January 29, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 76. January 29, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 77. January 29, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 78. January 29, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 79. January 29, 1975. Foreign Affairs. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 80. January 29, 1975. Foreign Affairs. Requests the President and Secretary of State to determine the fate of all United States servicemen and civilians missing in Southeast Asia.

H. Con. Res. 81. January 29, 1975. Armed Services. Urges the President to establish a task force on the Missing in Action to make recommendations concerning Federal policies related to the missing in action.

H. Con. Res. 82. January 30. 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 83. January 30, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 84. January 30, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 85. January 30, 1975. Ways and Means. Declares it the sense of the Congress that the President should not impose any tariff or other import restriction on petroleum before April, 1975.

H. Con. Res. 86. January 30, 1975. Foreign Affairs. Urges the President to request the Soviet Union to release Valentyn Moroz and Leonid Plyushch from prison and allow them to emigrate.

H. Con. Res. 87. January 31, 1975. Science and Technology. Declares it the sense of Congress that the Federal Government eliminate the use of animals in research to the extent feasible.

H. Con. Res. 88. January 31, 1975. Foreign Affairs. Expresses the disapproval of Congress, under the Military Sales Act, to the sale of certain defense articles and services to Turkey.

H. Con. Res. 89. February 3, 1975. Interstate and Foreign Commerce. Declares it the sense of Congress that the United States adopt "911" as the nationwide, uniform emergency telephone number.

H. Con. Res. 90. February 4, 1975. Foreign Affairs. Declares it the sense of the Congress that the designation of 1975 as International Women's Year is welcomed and full support is expressed for the goals for the year as proclaimed by the United Nations.

H. Con. Res. 91. February 4, 1975. Armed Services. Requests the establishment of a Presidential task force on the missing in action and their families (1) to achieve a full accounting, and (2) to make recommendations on Federal policies concerning the missing in action of the Vietnam conflict.

H. Con. Res. 92. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 93. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 94. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 95. February 4, 1975. Education and Labor. Declares it the sense of Congress that the amount of Federal assistance to the school breakfast and lunch programs be increased.

H. Con. Res. 96. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statute of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 97. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 98. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 99. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Res. 43. January 14, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 44. January 14, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 45. January 14, 1975. Agriculture Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 46. January 14, 1975. Standards of Official Conduct. Amends the Rules of the House of Representatives to prohibit a Member convicted of certain crimes from participating in the business and the voting of the House of Represenatives.

H. Res. 47. January 14, 1975. Rules. Creates a permanent Select Committee on Aging without legislative jurisdiction: (1) to study problems of older Americans, (2) to study means to assist older Americans, (3) to develop policies coordinating relevant programs, and (4) to review recommendations by the President or the White House Conference on Aging.

H. Res. 48. January 14, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 49. January 14, 1975. Public Works and Transportation. Disapproves the President's proposed deferral of budget authority relating to the ccustruction of waste treatment plants.

H. Res. 50. January 14, 1975. Rules. Amends the Rules of the House of Representatives by requiring that reports accompanying public bills contain estimates of the costs, to both public and private sectors, of carrying out the measure.

H. Res. 51. January 14, 1975. Rules. Amends the Rules of the House of Representatives to

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create a standing committee of the House to be known as the Committee on the Central Intelligence Agency.

H. Res. 52. January 14, 1975. Rules. Creates a select committee to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 53. January 14, 1975. Rules. Amends the Rules of the House of Representatives to require public announcement of the date, place, and subject matter of committee hearings two weeks in advance.

H. Res. 54. January 14, 1975. Rules. Amends the Rules of the House of Representatives to create the Committee on the Environment.

Specifies the jurisdiction of the committee.

H. Res. 55. January 14, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 56. January 14, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 57. January 14, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 58. January 14, 1975. Administration. Authorizes funds for the House Committee on Science and Technology for operating expenses.

H. Res. 59. January 14, 1975. Rules. Instructs the House Judiciary Committee to make a continuing study of the fitness of Federal judges.

H. Res. 60. January 14, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 61. January 14, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 62. January 14, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the election of a Member who is seventy years of age or older as chairman of a standing committee.

H. Res. 63. January 14, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 64. January 14, 1975. Education and Labor. Directs the House Committee on Education and Labor to initiate a study on the impact of imported motor vehicles on unemployment.

H. Res. 65. January 14, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 66. January 15, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 67. January 15, 1975. Rules. Establishes the House Committee on Internal Security to investigate (1) organizations which seek to overthrow the United States Government by unlawful means, (2) groups opposing by unlawful means the authority of the United States Government affecting internal security, and (3) any other question relating to internal security.

H. Res. 68. January 15, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 69. January 15, 1975. Rules. Creates a select committee of the House of Representatives to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 70. January 15, 1975. House Administration. Authorizes monetary allowances for toll-free telephone service to the district offices of the Members of the House.

H. Res. 71. January 16, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 72. January 16, 1975. Armed Services. Directs the President to provide the House of Representatives with information on the Central Intelligence Agency contained in the report of William E. Colby.

H. Res. 73. January 17, 1975. Rules. Directs the standing committees of the House of Representatives to review the operations under their jurisdiction for the purpose of identifying and eliminating sex discrimination.

H. Res. 74. January 17, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 75. January 17, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Pasama Canal Zone.

H. Res. 76. January 20, 1975. Designates members of the standing committees of the House of Representatives.

H. Res. 77. January 20, 1975. House Administration. Authorizes the printing as a House document of the proceedings incident to the presentation of a portrait of the Honorable Charles C. Diggs, Jr.

H. Res. 78. January 20, 1975. Rules. Amends the Rules of the House of Representatives to establish a standing Committee on Intelligence Operations.

H. Res. 79. January 20, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 80. January 20, 1975. Standards of Official Conduct. Prohibits a Member, officer, or employee of the House of Representatives from accepting an honorarium without donating the value of such honorarium to nonprofit institutions.

H. Res. 81. January 20, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 82. January 20, 1975. Judiciary. Refers to H.R. 1561 to the Chief Commissioner of the Court of Claims.

H. Res. 83. January 23, 1975. Names the Members of the House of Representatives elected to the standing committees of the House.

H. Res. 84. January 23, 1975. Authorizes expenditures of the select and standing committees of the House of Representatives to be paid from the House contingent fund.

H. Res. 85. January 23, 1975. Resolves that no documentary evidence may be taken from the House of Representatives and that no employee thereof may be compelled to disclose information relating to official duties by process of the courts without the approval of the House of Representatives.

Resolves that concerning such evidence or testimony the House of Representatives shall take such action as will promote justice.

Authorizes the Speaker of the House to appoint counsel to represent the interests of the House and its employees in Common Cause v. Klassen.

H. Res. 86. January 23, 1975. Names the Members of the House of Representatives elected to the House Committee on Ways and Means.

H. Res. 87. January 23, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 88. January 23, 1975. House Administration. Creates a senior citizen intern program in the House of Representatives. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 89. January 23, 1975. Judiciary. Declares it the sense of the House of Representatives that Little League Baseball, Inc., should allow teams from foreign countries to participate in the Williamsport "World Series."

H. Res. 90. January 23, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 91. January 23, 1975. Appropriations. Disapproves the deferral of budget authority relating to atomic energy proposed by the President, transmitted under the Impoundment Control Act.

H. Res. 92. January 23, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 93. January 23, 1975. Rules. Creates a select committee of the House of Representatives to study the shortage of materials and natural resources affecting the United States.

H. Res. 94. January 23, 1975. Rules. Expresses the intention of the House of Representatives that each committee thereof base its decisions concerning locating and relocating of Federal facilities on considerations of management, fiscal, planning, and the interests of Federal employees and their families.

H. Res. 95. January 23, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 96. January 23, 1975. Rules Amends the Rules of the House of Representatives to require that the estimated cost of legislation and proposed administrative rules to both the public and nonpublic sectors be ascertained and published.

H. Res. 97. January 27, 1975. Expresses the sympathy of the House of Representatives on the death of the Honorable John C. Kluczynski. Appoints a committee to attend the funeral.

H. Res. 98. January 27, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Act of 1974.

H. Res. 99. January 27, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives to be approved by the House of Representatives.

SENATE—*Monday, February 24, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, who from the beginning hast ordained that man should work and have dominion over the Earth, be with all who are blessed with work, wherever they are and whatever their tasks. As we labor in this place make us mindful of those who have no work, whose days are cheerless and without hope. May our work help restore opportunities for those who would work if they could. Enable us to work with patience and power, with wisdom and alacrity, for the better world yet to come. Rule over our deliberations that we may concert our best efforts "to promote the general welfare and secure the blessings of liberty for ourselves and our posterity."

In Thy holy name we pray. Amen.

QUORUM CALL

The VICE PRESIDENT. A quorum not being present when the Senate, under an order previously agreed to, recessed on Saturday, the clerk will call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 6 Leg.]

Allen	Griffin	Mansfield
Byrd, Harry F., Jr.	Hartke	McClure
Byrd, Robert C.	Hathaway	Roth
Clark	Hruska	Weicker
	Johnston	

The PRESIDING OFFICER (Mr. JOHNSTON). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk	Case	Garn
Baker	Chiles	Glenn
Bayh	Church	Goldwater
Beall	Cranston	Hansen
Bellmon	Culver	Hart, Philip A.
Bentsen	Curtis	Hatfield
Biden	Dole	Helms
Brock	Domenici	Hollings
Brooke	Eagleton	Huddleston
Buckley	Eastland	Humphrey
Bumpers	Fannin	Inouye
Burdick	Fong	Jackson
Cannon	Ford	Javits
Kennedy	Morgan	Scott, William L.
Laxalt	Moss	Sparkman
Leahy	Muskie	Stafford
Magnuson	Nelson	Stennis
Mathias	Nunn	Stevenson
McClellan	Packwood	Stone
McGee	Pastore	Talmadge
McGovern	Pearson	Thurmond
McIntyre	Proxmire	Tower
Metcalf	Randolph	Tunney
Mondale	Ribicoff	Young
Montoya	Schweiker	

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL), is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. SCOTT) and the Senator from Alaska (Mr. STEVENS), are necessarily absent.

I announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

The PRESIDING OFFICER (Mr. JOHNSTON). A quorum is present.

Mr. MANSFIELD. Mr. President, may I suggest the absence of a quorum briefly, not to exceed 1 minute?

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the distinguished Senator from Oregon (Mr. HATFIELD) is recognized, there be a period for the transaction of routine morning business, with a time limitation of 3 minutes on statements therein, and only for the conduct of morning business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Saturday, February 22, 1975, be considered as read and approved.

Mr. ALLEN. Mr. President, I object. Is that necessary, I ask the distinguished majority leader? Were we not in recess?

Mr. MANSFIELD. Oh. I withdraw the request.

Mr. ALLEN. Yes; otherwise I might ask that the Journal be read at length.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIRCUMVENTING THE CIVIL SERVICE RETIREMENT SYSTEM

Mr. MANSFIELD. Mr. President, over a year and a half ago, the Democratic Policy Committee adopted a resolution calling attention to an anomaly in the civil service retirement system. The anomaly arose out of the unforeseen high rate of inflation coupled with the automatic cost-of-living increases for annuitants and the freeze on salaries of Members of Congress, high-level appointees, and top-grade civil servants—including, incidentally, Federal judges, about which reference was made over the weekend—which has been enjoined by Congress for more than 5 years.

I bring in the appellation of Federal judges to point out that they are not the only ones, despite what the Chief Justice has said, who have not had a raise since the year 1969.

The situation to which I refer involves an unknown number of Federal employees who retire and thus qualify for automatic cost-of-living increases in annuities but are then reemployed by the Federal Government, sometimes immediately and for the identical job from which they retired. In this way, the reemployed annuitant receives from the retirement fund his annuity enriched whenever there is an automatic cost-of-living increase. Moreover, the rehiring agency need cover out of its appropriated funds only whatever amount is necessary to equal the rehired employee's previously frozen salary level.

Since the granting of automatic cost-of-living increases to annuitants has occurred every 6 months for the past 1½ years, for a total percentage of 25.3 percent, the advantage of retire-rehire to the annuitant is obvious. His pension for eventual retirement is permanently enriched by the cost-of-living increases. At the same time, by continuing to work

for his full pay, he is not losing any of his current level of income. If a Senate aide or high executive official who retired June 1973, with an annuity which could be as high as $28,000, was rehired for the same or similar responsibilities by his agency, he could have reached an annuity of over $36,000 which would actually be in excess of the general excutive salary freeze maximum of $36,000.

That, in one year and a half. If the cost of living increases continue at 5 percent per year for the next 3 years—that is at the limit President Ford asked for Federal salaries and annuities—this person's annual take from the Federal Government would still rise to almost $43,000 by 1978, or more than the present salary of Members of Congress. In some cases, the prospect is for a compounded 100 percent increase in annuities in less than 10 years.

There are actually several related employment problems in this situation which grows so largely out of the inflationary spiral. Nevertheless, the whole range of Federal retirement-rehire and other matters pertaining to the retirement system—both civilian and military—needs a thorough examination. One such question, for example, involves the impact of the automatic cost-of-living increases for annuitants. The Washington Post on Sunday, February 16, contained an article on the subject by Associated Press reporter Dick Barnes raising complex questions of how annuities pyramid under the present system. While I shall not go into these matters here, they clearly warrant further attention by the Post Office and Civil Service Committee.

The specific practice of retiring from the Federal service and being rehired for the same job, however, which the Democratic Policy Committee focused on a year and a half ago has again surfaced. On January 10, 1975, the Commissioner of the Civil Service Commission wrote to me stating that as a matter of policy the Commission intended no longer to discourage the rehiring of retired annuitants in the top grades for longer than 6 months. For the good of the Civil Service System and the Government that was the maximum time which the Majority Policy Committee had urged be adopted as a standard a year and a half ago.

I have replied to Mr. Hampton's letter giving my reasons for disagreeing with this shift in policy by the Civil Service Commission. I can appreciate the considerations which may have led the Commission to give this incentive to top employees to go through the motions of retiring from the Federal Government and to return to work in the Federal Government. Nevertheless, it is my belief that the change constitutes a circumvention of the legal intent of Congress in establishing the freeze on their own salaries as well as on those of other higher officials. Moreover, if the Civil Service Commission permits the rehiring of retirees especially for the same or similar jobs to become extensive, the practice contains very grave implications for the maintenance of an alert and vigorous Federal career systems and a sound Federal administration, not to speak of the new financial drain on the already overladen Federal retirement fund. For the good of the Government, there must be a continuing flow of new faces and new ideas into the management levels of the Federal bureaucracy; regrettably, the new position of the Civil Service Commission moves precisely in the opposite direction.

Mr. President, I intend to bring this matter before the Senate majority policy committee in the near future. At that time, I will recommend that the policy committee urge the chairman of the Committee on Post Office and Civil Service to make a thorough examination of the particular practice to which reference is made in the exchange of correspondence between Commissioner Hampton and myself. In addition, there is a need for the latter committee to examine in a full investigation the broader related problems connected with Federal annuities notably those which emanate from the practice of rehiring by the Federal agencies and departments of growing numbers of civilian and military Federal retirees, in particular, the so-called double-dipping and triple-dipping practices.

As an immediate and, hopefully, at least partial deterrent to increasing numbers of "paper" retirements, however, I intend to recommend that the Post Office and Civil Service Committee report out promptly a bill which the Civil Service Commission is anxious to see passed and which I will introduce today. It would require agencies which have rehired persons receiving Federal annuities to deposit the savings which accrue to their budgets in the general fund of the U.S. Treasury. This would eliminate immediately an advantage to the rehiring agency whether it be a Senate committee, a Member of Congress or an executive department or agency. It would require the hiring agent to pay **the full** salary of the person and not merely the difference between his or her annuity and the listed salary of the position. This measure is essential if the retirement fund is not to be drained in order to pay part of the employment budgets of the agencies and departments who engage in this retire-rehire practice.

I ask unanimous consent, Mr. President, that **the letters to which I have** referred and related material to be inserted at this point in the RECORD.

There being no objection, the letters and related material were ordered to be printed in the RECORD, as follows:

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., January 10, 1975.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: I am writing further concerning your interest in the matter of reemployment by the Government of employees retired under the Civil Service Retirement System which previously was discussed in our correspondence during June 1973 and my letter to you of March 8, 1974.

During the past few years we have seen a number of exceptionally able, high-level officials in the Executive, Legislative and Judicial branches leave the Government service at a date earlier than expected because of the ceiling on Federal salaries. Some of these officials with long service and eligibility for an immediate annuity might have been prevailed upon to continue their work as a reemployed annuitant, but we discouraged agencies from following this course. A few high-level officials were reemployed nonetheless, but the period of reemployment was generally only for a few months.

However, with the executive pay freeze now in its 6th year, we believe it is no longer in the interest of the Government to discourage the reemployment of recently retired highlevel officials whose experience, knowledge and talent an agency needs to retain. The total number of such reemployed annuitants is expected to be quite small, but some may be retained for longer periods of time than heretofore.

There is one anomaly connected with the retirement and rehiring of retired Federal employees which the Commission thinks merits Congressional action. This anomaly is an omission in the retirement law which permits agencies to save the difference between a reemployed annuitant's salary and annuity. The Commission has recommended in the past and will do so again that the law be amended to require agencies to deposit savings on reemployed annuitant's salaries in the General Fund of the U.S. Treasury. We believe that correction of this anomaly would ensure that agencies will reemploy annuitants only where they are essential to carrying out the agency's mission.

Sincerely yours,

ROBERT E. HAMPTON,
Chairman.

WASHINGTON, D.C.,
February 21, 1975.

HON. ROBERT E. HAMPTON,
Chairman, U.S. Civil Service Commission,
Washington, D.C.

DEAR MR. HAMPTON: This will acknowledge your letter of January 10 regarding the Commission's latest rulings on the rehiring of annuitants. Quoting from your letter, you state:

"We believe it is no longer in the interest of the Government to discourage the reemployment of recently retired high-level officials whose experience, knowledge and talent an agency needs to retain. The total number of such re-employed annuitants is expected to be quite small, but some may be retained for longer periods of time than heretofore."

While I can understand and share the motive of serving the interest of the Government, I must most respectfully disagree with the policy through which you expect to do so in this instance. To be sure, it is in the interest of the Government to retain competent personnel in the career service and, perhaps, in unusual circumstances even to rehire them for short periods after retirement. However, there are additional facets involved in your present approach which are not alluded to in your letter.

In the first place, the responsible elected officials of the Government—the President and the Congress have adopted a ceiling on Federal pay scales. The law is specific: maximum salaries of civil servants, no less than those of other appointed officials, Members of Congress and the Judiciary are frozen under present law. This freeze is related to the state of the economy. Because of the high rate of inflation and the existing system of reflecting that rate in automatic increases in annuities, your policy of permitting the rehiring of retirees could constitute a circumvention of the freeze. If a retired annuitant with maximum annuity is rehired for an indefinite period, he could be receiving in due course out of the annuity fund more than the pay ceiling. In so saying, I am not arguing for or against the existing ceilings on Federal pay. Whether or not they are desirable, it is the sole responsibility of the President and the Congress to change them. It seems to me, however, that it is not a prerogative of the Civil Service Commission to adopt administrative courses which could tend to circumvent or nullify those policies.

In the second place, whatever the shortcomings of the present ceilings, the fact is that when coupled with the automatic cost-of-living increases for annuitants, the effect has been to provide a very powerful incentive for retirement of employees when they reach eligibility for retirement. Prompt retirement, which provides openings in the higher grades, in turn, has the effect of encouraging the career concept and stimulating a flow of new blood into the management and direction of the Federal agencies. That, too, it seems to me, is in the interest of the Government. I very much fear that the Commission's present course regarding rehiring of retirees could act to increase immobility and atrophy, at least in the upper levels, in the management of the agencies.

Insofar as the Senate is concerned, as you know, the Majority Policy Committee adopted a resolution last year which states in relevant part, the following:

"The Majority Leader is directed to communicate, jointly with the Minority Leader or separately, to all Committees of the Senate, to the Civil Service Commission, and the Director of the Office of Management and Budget as an urgent recommendation, that pending clarification of the situation (of rehiring retirees), all reemployment of annuitants by the Federal government, by the same office, agency or department for the same or similar responsibilities from which they may be retired be limited to a period not to exceed six months."

That policy is being maintained in offices responsible to the Senate through the Majority Leadership and it has been encouraged throughout the entire personnel structure of the Senate.

So I must reiterate my personal disagreement with the course which the Civil Service Commission has adopted in this matter. It would seem to me that at the very least you should have and make available without delay the following information for the consideration of the Congress and the appropriate Committees:

(1) The criteria or guidelines which have been communicated by the Commission to the Departments and Agencies concerning maximum numbers and permissible length of service for retired annuitants.

(2) The present number of civilian employees who are rehired retirees, broken down by agency by which they are presently employed as well as the broad pay categories (i.e.: "above $30,000 salary;" "above $20,000 salary," etc.)

(3) The number of retired military personnel now working as civilian employees of the federal government, analyzed on the same basis as the above.

For numbers (2) and (3) above, if it is feasible, the totals might be broken down further into those rehired by the same agency from which they retired and those hired by the agencies other than that from which they retired.

This exchange of letters will be called to the attention of the Majority Policy Committee with the suggestion that the Chairman of the Post Office and Civil Service Committee of the Senate be urged by the Committee to make a full and complete inquiry into all aspects of the Commission's present policies in connection with retirement-rehire. It would also be my intention to make this exchange of correspondence a matter of public record.

Sincerely,

MIKE MANSFIELD.

[From the Washington Post, Feb. 16, 1975]

HUGE BONUS FOUND IN U.S. PENSION PLAN

(By Dick Barnes)

Federal retirees can get billion of extra dollars at taxpayer expense because a formula designed to keep their pensions in step with inflation actually propels them ahead.

The unintended bonus could easily cost taxpayers $100 billion or more by 1990, according to projections by the Associated Press—projections that Congress failed to make before it approved the formula.

So many variable factors are involved that the exact cost of the bonanza for today's nearly 2 million federal pensioners cannot be determined.

But Associated Press calculations show that a typical federal employee who retired in January, 1973, could, during the rest of his life, draw more than $27,500 beyond what he would receive if his pension merely kept even, month by month, with the cost of living index.

Put another way, at a point when the cost of living had risen 46 percent since this employee's retirement day, his monthly pension check would have increased by 57 percent.

The pension overpayments come about because under a 1960 law, retirees are given an extra permanent 1 percent pension increase each time their checks are adjusted for changes in the consumer price index. That index is the standard measuring tool for the cost of living.

The extra 1 percent is supposed to compensate for money lost between the time living costs increase and the time retirement checks are adjusted to meet those increases.

But in reality, the extra 1 percent compounds over the years, pushing retirement checks farther and farther ahead of any rise in the cost of living.

In fact, the faster the cost of living increases, the farther and faster federal pensions move ahead.

Civil servants, congressmen and retired military personnel all benefit from the extra 1 percent formula, which Congress approved in 1969.

Although it is more than five years old, the lucrative retirement pay formula has never drawn significant public attention.

In his budget message to Congress on Feb. 3, however, President Ford called for a comprehensive evaluation of the federal retirement system. He referred briefly to "cost-of-living adjustments which over-compensate by providing for permanent annuity increases in excess of changes in the consumer price index."

Ralph J. Devlin, who was top staff assistant on the House subcommittee that first approved the formula, expressed surprise in an interview about how the plan was operating in practice.

But he acknowledged that in 1969 no detailed projections of its effect had been made. He characterized the formula as "a throw-in in a bill that had some goodies."

The General Accounting Office warned the committee of a spiral effect, but even GAO did not make long-range projections.

Referring to the recent rapid rise in the cost of living, Devlin said, "Nobody had a crystal ball that could tell what would happen."

But Associated Press calculations show that overpayments occur whether the cost of living rises slowly or rapidly.

Take an employee who retired in January, 1973 at $400 per month, at the average civil service retirement age of 57 and who lives the 18 years predicted by insurance industry tables.

If future inflation is at a low rate of 3-plus per cent a year, he will be overpaid $13,688.29. But if it continues at the present high rate of 12-plus per cent per year, his overpayment will total $78,388.59.

When Congress more recently tied Social Security benefits to the cost of living, it did not add in the extra 1 per cent factor.

Total costs of the federal retiree overpayments in future years depend on so many factors they are difficult to compute. Rates of retirement, age of retirement, federal pay levels and the cost of living all affect calculations.

But for just the 133,318 civil servants who retired in the year ended June 30, 1974, the cost of extra payments in their lifetimes could exceed $5 billion if the cost of living rose steadily at .05 per cent per month—a rate well below current levels.

Add in another 800,000 civilians already retired, try to estimate future retirements in the 2.5 million-person federal work force, figure in nearly 1 million retired military personnel, who tend to retire earlier and draw benefits longer, and the cost of these overpayments by 1990 could easily exceed $100 billion.

For several years before the 1969 change, federal retirees' pensions followed the cost of living this way: when the cost of living increased 3 per cent from the most recent base month and stayed at or above that level for three consecutive months, pension checks would be increased by the percentage rise in cost of living from the base month to the highest month during the three-month period.

The increase would take effect two months later. The high month during the three-month period would then become the new base for any subsequent increase.

By 1969, however, employee organizations were arguing that retirees were losing money because of the time lag between increases in the cost of living and the effective date of pension increases.

Congress settled on adding one percentage point to each increase generated by the cost of living.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from **Michigan** is recognized.

Mr. GRIFFIN. Mr. President, if there is no objection, I would like to yield the 10 minutes allotted to me at this point to the Senator from Connecticut (Mr. WEICKER).

The PRESIDING OFFICER. Without objection, the Senator from Connecticut is recognized.

BUSINESS AS USUAL IN THE SENATE

Mr. WEICKER. Mr. President, on the basis of our inaction or, more specifically, on the basis of our inability to even be present at our place of employ this past Saturday, we—and I refer to myself and all of my colleagues—looked ridiculous in the eyes of the American people.

I do not refer just to those who were here, those who were not here, but, in fact, when this type of image is established, and which we are establishing, it reflects on the entire U.S. Senate.

This has come to pass by virtue of the fact that we, in the Senate, have for several months preached crisis to the American people. The President has preached crisis to the American people and so, quite logically, the American people feel that we are in a period of crisis by the nature of our own words.

Now, having said that in our role of leadership, the **American** people also have the right to expect that we are going to respond to the various crises in some manner other than not being at our post, such as was the case this past Saturday.

We are preaching crisis but, insofar as

the deliberations of this body, its proposals, its attendance, we are acting as if it were business as usual, and so I do not think it is very long before the Nation is going to wonder whether indeed there is a crisis in energy or whether there is a crisis in the Penn Central, or jobs or what have you.

I would like to point out to my colleagues that in returning to my State—and I am sure the same holds true for everyone in this Chamber—when I went home for the day and a half after we recessed on Saturday, I had an opportunity to talk to quite a few people who are out of business because of the energy crisis. They no longer have their business; they are out. They do not have jobs.

We are all employed in this body. We have got a job. We have got some place to go. But, because of the inaction both of the executive and the legislative branches, businesses are going bankrupt. If we do not act on the Penn Central in fairly short order, the Penn Central is going to be out of business. If we do not act on the recession, then more and more individuals are going to lose their jobs. I just do not think that is something that we care to have on our heads. But this is what we have been preaching to the American people. This is indeed what has been happening throughout the country, and yet, insofar as our own attentiveness to the problem, it has been somewhat lacking.

Now, Mr. President, it is my intention from here on in—and I would hope I would have the support of my colleagues—to request of the leadership that when we have matters pending in the Senate Chamber waiting for a vote, if we have not done our business in the normal 5 days, then we can come back on Saturday, and we can come back on Sunday, and we could do the business that we are being paid to do.

I might add the same holds true if we have business pending when it comes up to one of the recesses which was established months ago, and the business has not been disposed of. Then I would suggest again to the leadership on both sides that we stay here until we have accomplished the job.

It seems to me if we do that then maybe once again we will establish confidence. We all keep on talking about the crisis in confidence in this Nation. Well, the first thing we have got to do is to establish some credibility between ourselves and the American people, and a confidence on the part of the American people that we are doing our job.

It seems to me in a day and age of reality that the only way that can be done is by example. I think we are all pretty darned fortunate to have a job. As each day goes by, more and more Americans do not have jobs. As each day goes by, more and more businesses are going bankrupt. As each day goes by, more hundreds of millions of dollars go offshore. As each day goes by, the type of crisis exemplified by Penn Central is on the increase.

I do not know what the Senate has been doing, and I wish that we could go at a more relaxed pace. Indeed, I would hope the whole country would not have to be concerned. But this is not business as usual. These are not normal times. This is probably as severe a test of the Nation as we have ever had, including armed conflict.

I would suggest, Mr. President, and very respectfully suggest to the leadership and to my colleagues, that by our example now we have people believing that what is going on down in Washington means something; and, at the present time, there is no reason why that belief should exist, principally because of our own omissions and our own activity.

Saturday really did not stand as testimony to either leadership or the urgency of the problems confronting us. I would hope that is the last time or the last Saturday—I might add with ample warning from the assistant majority leader, who indicated that there might be votes, and put everybody on full alert, just as on a normal session day of the Senate—I would hope that would be the last time that that occurs, but that we stop thinking of these very real problems as if they are academic or philosophical. They are not. An awful lot of people are being hurt, and the only way they are going to be stopped from being hurt is if we act, and I do not care whether that action comes on Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, or Sunday.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the assistant majority leader.

Mr. ROBERT C. BYRD. Mr. President, I might observe for the record that those who are responsible for the managing of the Penn Central measure could very well have entered a cloture motion on Friday and there would then have been a vote on that cloture motion today.

Mr. WEICKER. I would have to respond to that comment by the distinguished assistant majority leader by saying that there were indications or requests on the part of the leadership that we not file such a petition.

Mr. ROBERT C. BYRD. May I say that there was no indication, that I know about, that such a cloture petition not be filed.

I am not saying that the Senator does not know something about such; I do not know of any.

May I say also that a cloture motion could have been filed on Saturday and there would have been a vote on the cloture petition tomorrow, if that had been done, so the Saturday session need not have been entirely a futile effort.

Mr. WEICKER. If the distinguished Senator from West Virginia will yield for a minute, in order that the record be set straight——

Mr. ROBERT C. BYRD. I am sorry——

Mr. WEICKER. I think it important to point out it was in an attempt to achieve a compromise, or getting together of the parties, the distinguished Senator from Indiana forebore, if you will, filing a cloture petition. I think that ought to be stated on his behalf; that people were at loggerheads. He was not trying to throw fuel in the fire, but trying to get people together where we could move.

Make no mistake about it, having endured the ridiculousness of Saturday and the inability of the leadership and various parties to get together, I do not know what the Senator from Indiana is going to do. I suspect he has in the back of his mind filing the petition. If he does not by the end of today, I will by the end of today.

Mr. ROBERT C. BYRD. I am glad the distinguished Senator made that observation, but the record still stands as I indicated, that such a cloture petition could have been filed on Friday, in which case the meeting of the Senate on Saturday would have accomplished a purpose, that being the vote on the cloture motion would have been conducted today.

So when we talk about the responsibility of the leadership, the leadership cannot carry the whole responsibility for everything around here, but I think the Senator would have to agree that such a cloture motion, if it had been entered on Friday, the Saturday session would have been useful in that there would have been a vote thereon today.

Perhaps a lesson could be learned from that situation that, in the future, cloture motions ought to be——

Mr. WEICKER. Put it this way then, as I understand it the distinguished assistant majority leader has indicated what could or could not have been done. I can assure him from now on I will pay no attention to the entreaties of the leadership and the motion will be filed.

Mr. ROBERT C. BYRD. Well, may I say for the record, this Member of the leadership made no entreaties.

Mr. WEICKER. Then the Senator ought to consider——

Mr. ROBERT C. BYRD. I do not know to whom the Senator refers.

If the Senator is implying that this Senator made entreaties, he is wrong. I do not want the record to be left like that.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. WEICKER. May I request 1 additional minute from the distinguished Senator from Michigan?

The PRESIDING OFFICER. The Senator from Michigan has no additional time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Oregon (Mr. HATFIELD) is recognized for not to exceed 15 minutes.

SIMPLIFORM ON INCOME TAX

Mr. HATFIELD. Mr. President, Congress is faced with a number of urgent economic proposals, including some significant changes in our income tax laws. Tax increases and decreases are standard tools of fiscal policy and may well be necessary instruments in dealing with our present evils of recession and inflation.

However, I believe that tax reform of a much broader nature is needed at this time, to achieve the long-range objective of social and economic justice and to solve the short-range problems of our economy.

The PRESIDING OFFICER. If the Senator will suspend, the Senate is not in order. Senators will take their seats, the Senator from Oregon is entitled to be heard.

The Senator may proceed.

Mr. HATFIELD. For this reason I am introducing a bill today which would totally restructure the individual income tax. I call this tax proposal Simpliform. It is only slightly changed from a bill I introduced in the last Congress and which has been under development since I presented the concept to the Republican Platform Committee in 1972.

None of us would deny that the income tax is an indispensable tool for gathering revenue and redistributing income. Since it was first authorized by the 16th amendment to the Constitution in 1913 it has played a leading role in our Federal revenue system. Income taxes are expected to provide 44 percent of the revenue for the budget recently presented to the Congress. State and local governments have also turned to the income tax to supplement other sources of revenue.

Almost 200 years ago Adam Smith offered a helpful set of criteria for a "good tax," He said:

It should be certain, convenient, cost little to collect, and be based on the capacity of the taxpayer.

While the income tax may come closer to meeting these standards than any other revenue tool used by the Federal Government, there is no doubt that it falls far short of these goals.

First of all, the income tax is not "certain" in the sense of being clear and indisputable to the ordinary taxpayer. The layman who itemizes his deductions must struggle through a very complex tax code or turn to the private tax preparer or Internal Revenue Service employee for help. Even the experts, who work with the tax code every day, frequently disagree about the application of tax laws to an individual.

The complexity of the forms required in filing a return with itemized deductions violates the criterion of convenience. While some progress has been made in the direction of simplification and the matter was considered further in the House Ways and Means Committee during the last Congress, the individual income tax is far from being convenient and simple. There is no question that the person who can afford to employ a tax accountant to handle his personal tax program benefits more than the person who cannot afford such services.

Of greatest concern to me, however, in offering the Simpliform tax proposal is the failure of our individual income tax to genuinely reflect the capacity to pay. Our tax code is still formally based on the principle of the ability to pay, that is, the rates are scaled upward along with income. There is nothing sinister or un-American about this commitment to income redistribution. From the very adoption of the income tax it has been assumed that the funds to meet the social and economic needs of those with little or no income must come from the higher tax rates of the wealthy.

The failure of the individual income tax to be genuinely progressive in this country is best seen by considering the total tax bill, particularly including the regressive payroll tax. But this combined analysis is not necessary to demonstrate the failings of the individual income tax. The public exposure of the minimal income tax payments of public figures in the last several years has dramatized the failings of our tax code. Quite apart from the ethical and legal questions about the tax payments of particular individuals, the point is that the intent of the tax has been violated when a wealthy person pays little or no tax and a person of modest income surrenders $1 in $5 to the Government.

It should not be thought that income tax underpayment is restricted to a few highly publicized cases. Studies by the Brookings Institution have indicated that the tax paid by those with income of six figures and above does not average more than 30 percent, in spite of a statutory rate up to 70 percent. Recent efforts to correct the problem by means of a minimum tax have not solved the fundamental problem. The result of this nonprogressive tax is a serious imbalance of income in a country supposedly valuing equal opportunity. Studies based on 1970 data indicate that the wealthiest 10 percent of the population receive 29 percent of the personal income and own 56 percent of the wealth. In contrast, the poorest 10 percent receive 1 percent of the income and owe more than they own.

The feature of the tax laws which allows most people, whatever their income, to keep their tax rate in the 20-percent range is, of course, the generous array of deductions, credits, and exemptions. Tax reform groups have been warning us about the violation of the progressive principle and now two significant studies by the legislative and executive branch lend weight to their arguments.

The Subcommittee on Priorities and Economy in Government of the Joint Economic Committee of Congress completed a study in October of Federal subsidy programs. This excellent document prepared under the direction of the subcommittee chairman, the distinguished Senator from Wisconsin (Mr. PROXMIRE) covers the full range of direct cash payments, credit subsidies and in-kind distributions. Of greatest significance in reference to tax policy is the section on tax subsidies, that is, those provisions of the law which allow an individual or firm engaging in a specific market activity to make smaller tax payments to the Government than would otherwise be made. Having dealt with items which allow reduced tax payments such as capital gains, charitable contributions, and medical expenses, the committee estimated that nearly $60 billion was retained by individuals and corporations in fiscal year 1975 because of tax subsidies.

Of even greater interest is the recent disclosure by the Office of Management and Budget of a similar listing of tax breaks, called tax expenditures in the "Special Analyses" to the 1976 budget now before Congress. Tax expenditures are defined in this report as "revenue losses attributable to a special exclusion, exemption, or deduction from gross income or to a special credit, preferential rate of tax, or deferral of tax liability." It is correctly pointed out that tax expenditures are best seen as alternatives to budget outlays. They are ways of distributing to individuals and organizations tax money which would normally be placed in the public coffers.

The administration cautions against adding up their list of tax expenditures, since each item was calculated on the assumption that other tax laws would remain unchanged and that taxpayer behavior and general economic conditions would remain unchanged. Nevertheless, it is illustrative to see their combined effort. Fortunately, the OMB provided separate columns for corporate and for individual tax expenditures. Some subsidies, of course, affect both corporations and individuals. Acknowledging that the totals may be misleading, it is interesting to note that a combined figure of $91.8 billion is expected in tax expenditures in fiscal year 1976, if no changes were made in the 1974 tax laws. The figures are consistently higher than those used by the Proxmire committee, even though OMB left out some significant corporate tax expenditures, such as investment credits and the "asset depreciation range."

Of greatest interest in the context of individual tax reform is the fact that $70.8 billion of the tax expenditures expected in fiscal year 1976 will go to individuals. Even allowing for a margin of error in these estimates, the amount is enormous when compared with the total expected receipts from individual income taxes in fiscal year 1976 of $106.3 billion.

Tax expenditures and subsidies, then, are responsible for short-circuiting a supposedly progressive income tax. We agonize over finding the funds to appropriate a few million dollars for various worthy programs, but do not bother to regularly review the system of hidden appropriations in the form of tax expenditures, referred to as tax expenditures and tax subsidies.

These new studies speak eloquently of the need for tax reform, as do the economic problems of our country and the world. The President in his state of the Union address and in his budget message has presented a program to combat excessive energy consumption and mounting unemployment. The American people seem to be the losers in this program, for it anticipates unemployment continuing at about 8 percent, inflation remaining above 11 percent and the annual budget deficit soaring to $49 billion. All of this is projected in the basis that new spending is ruled out and most human services are being curtailed. The only portions of the budget which seem to be judged worthy of strengthening are defense and energy development.

While I do not pretend that tax reform, whether achieved by my plan or any other, will cure all of our economic ills, I do insist that it be considered as a

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necessary component of current as will as long-range economic policy.

Despite the efforts of the House Ways and Means Committee to achieve tax reform in the last Congress, they were hindered not only by committee difficulties and election-year delays, but the resistance to tax reform from some sectors. Item-by-item reform, in my opinion, is doomed to failure. Beneficiaries of tax loopholes will continue to bring pressure to bear to guard the laws are advantageous to themselves.

For these reasons, Mr. President, I offer Simpliform as one solution to the failings of the individual income tax. I am leaving to others the needed reforms in the corporate income tax, the payroll tax, and the estate and gift taxes. My plan would be complementary to efforts to reform these other taxes, as well as to overhaul our welfare and income maintenance programs.

For most people Simpliform would substitute a four-line calculation for the present complex form 1040. It replaces 27 tax brackets with 9 and 4 tax tables with 1. It provides one tax credit for adults in place of a series of exemptions under present law. No technical assistance would be needed in most cases and the process of filing returns and receiving refunds would be quick and inexpensive.

The reform features of Simpliform are even more important than the simplification gains. The multitude of individual tax subsidies would be eliminated in favor of a lower, but progressive tax rate. While the personal tax credit would mean that a couple with income under $5,000 would pay no tax, the basic tax rate would be 10 percent. As income moved above $10,000, the progressive feature would be implemented by means of a surtax, which would reach a total of 50 percent for incomes over $1 million. While upper income people who have been benefiting from various deductions would be subject to more tax under Simpliform, their tax rate would not surpass 30 percent unless their income exceeded $50,000.

Simpliform would achieve some profound gains in fairness and equity. Personal tax credits are much more equitable than exemptions, for they always carry the same dollar value. The present personal exemptions provide four times as much tax saving for the wealthy as for the lower income person. Simpliform's restriction of credits to adults removes the tax disadvantage from the single and the childless taxpayers. The advantages enjoyed by the homeowner over the renter are eliminated, at least from the tax law. While these and other tax advantages under present law may actually be consistent with American goals and values, the problem is that these deductions always benefit the wealthy more than the middle- and lower-income person. As in the case of personal exemptions, the person in the higher tax bracket gains much more from the deductions than the lower-income person.

There are those who would be troubled at the thought of tampering with some of the tax subsidies, such as reduced rates for capital gains and deductions for charitable contribution. Actually, reduced rates for capital gains would no longer be necessary for most people, because their lower Simpliform rate would be comparable to the reduced capital gains rate.

The elimination of the deduction for contributions to charitable organizations should not be seen as a threat to the many worthy causes benefitting from these deductions. In some cases, such as educational institutions and health agencies, support should be provided by means of the direct and responsible route, that of appropriations. This could be done without seriously increasing the tax burden on the average person. Those organizations which should not be directly subsidized, such as religious groups, would continue to rely on the voluntary contributions of their supporters. Those who deeply believe in the goals and values of such groups will not cease their support because of the loss of the tax deduction. Moreover, the typical taxpayer would have additional funds to such purposes, because of the tax savings under Simpliform. A person can easily compare the effect of Simpliform on his own income tax obligation by a quick exercise in arithmetic and a comparison with his 1974 return. Simpliform is calculated by multiplying income by the appropriate tax rate and substracting the number of $250 adult tax credits. While those now substracting large deductions from an income over $20,000 will probably pay more tax, they can depend on the rate not exceeding a reasonable figure and are assured of fairness in the amount they pay. The modest-income family, the single person, and the typical senior citizen can count on paying less tax under Simpliform and can also be assured of fairness in what they pay.

Mr. President, I submit Simpliform in the hope that it will be given thorough consideration. Other tax reform plans are being offered and I am happy to have them considered as well, hoping that they too will be thorough and simple. Let us not become so preoccupied with short-range economic solutions that we neglect the urgent goal of tax reform.

Mr. President, I ask unanimous consent that the text of the bill, along with a brief summary of the bill, be printed in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Simpliform Tax Act".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act a reference is made (by way of amendment, repeal, or otherwise) to a section, chapter or other provision, the reference shall be considered to be made to a section, chapter, or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING CHANGES.—The Secretary of the Treasury or his delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives a draft of any technical and conforming changes in the Internal Revenue Code of 1954 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

EFFECTIVE DATE

SEC. 2. Except as otherwise provided the amendments and repeals made by this Act shall apply to taxable years beginning after the date of the enactment of this Act.

REPEALS

SEC. 3. (a) The following provisions in chapter 1 (relating to normal taxes and surtaxes) are repealed:

(1) Section 4 (relating to rules for optional tax).

(2) Section 35 (relating to partially tax-exempt interest received by individuals).

(3) Section 37 (relating to retirement income).

(4) Section 41 (relating to contributions to candidates for public office).

(5) Part VI of subchapter A (relating to minimum tax for tax preferences).

(6) All sections in part III of subchapter B (relating to items specifically excluded from gross income), except—

(A) section 101 (relating to certain death benefits),

(B) section 102 (relating to gifts and inheritances),

(C) section 104 (relating to compensation for injuries or sickness),

(D) section 105 (relating to amounts received under accident and health plans),

(E) section 106 (relating to contributions by employer to accident and health plans),

(F) section 109 (relating to improvements by lessee on lessor's property),

(G) section 110 (relating to income taxes paid by lessee corporation),

(H) section 115 (relating to income of States, municipalities, etc.),

(I) section 118 (relating to contributions to the capital of a corporation), and

(J) section 122 (relating to certain reduced uniformed services retirement pay).

(K) section 124 (relating to cross references to other Acts).

(7) All sections in part IV of subchapter B (relating to standard deductions for individuals) except section 143 (relating to determination of marital status).

(8) Part V of subchapter B (relating to deductions for personal exemptions).

(9) Section 163 (relating to interest).

(10) Section 164 (relating to taxes).

(11) Section 170 (relating to charitable, etc., contributions and gifts).

(12) All sections in part VII of subchapter B (relating to additional itemized deductions for individuals) except—

(A) section 211 (relating to allowance of deductions),

(B) section 212 (relating to expenses for production of income), and

(C) section 215 (relating to alimony, etc., payments).

(13) Subchapter D (relating to deferred compensation, etc.).

(14) Section 911 (relating to earned income from sources without the United States).

(15) Section 6013 (relating to joint returns of income tax by husband and wife).

(b) All provisions of law (other than the provisions of subtitle A of the Internal Revenue Code 1954, as amended by this Act), and all administrative regulations or rulings which exempt or exclude items of income from the tax imposed by such subtitle A shall have no force or effect for taxable years beginning after the date of the enactment of this Act.

RATE OF TAX ON INDIVIDUALS

SEC. 4. Part I of subchapter A of chapter 1 (relating to tax on individuals) is amended to read as follows:

"PART I—TAX ON INDIVIDUALS

"Sec. 1. Tax imposed.

"Sec. 2. Community property laws not to apply.

"Sec. 3. Cross references relating to tax on individuals.

"SEC. 1. TAX IMPOSED.

"(a) BASIC TAX.—There is imposed on the income of every individual a tax of 10 percent.

"(b) SURTAX.—There is imposed on the income of every individual a surtax in accordance with the following table:

"If the taxable income is—	The surtax is—
Over $10,000 but not over $15,000	5% of the excess over $10,000.
Over $15,000 but not over $20,000	$250 plus 10% of the excess over $15,000.
Over $20,000 but not over $25,000	$750 plus 16% of the excess over $20,000.
Over $25,000 but not over $50,000	$1,500 plus 20% of the excess over $25,000.
Over $50,000 but not over $100,000	$6,500 plus 25% of the excess over $50,000.
Over $100,000 but not over $500,000	$19,000 plus 30% of the excess over $100,000.
Over $500,000 but not over $1,000,000	$169,000 plus 35% of the excess over $500,000.
Over $1,000,000	$344,000 plus 40% of the excess over $1,000,000.

"(c) NONRESIDENT ALIENS.—In the case of a nonresident alien individual, the tax imposed by subsections (a) and (b) shall apply only as provided by section 871 or 877.

"SEC. 2. COMMUNITY PROPERTY LAWS NOT TO APPLY.

"For purposes of this subtitle, the income of a married taxpayer shall be determined without regard to the property laws of any State under which any part of the income of a married individual is treated as the income of his spouse.

"SEC. 3. CROSS REFERENCES RELATING TO TAX ON INDIVIDUALS.

"(a) OTHER RATES OF TAX ON INDIVIDUALS, ETC.,

"(1) For rates of tax on nonresident aliens, see section 871.

"(2) For computation of tax where taxpayer restores substantial amount held under claim of right, see section 1341.

"(3) For limitation on tax attributable to claims against the United States involving acquisitions of property, see section 1347."

PERSONAL EXEMPTION CREDIT

SEC. 5. (a) Subpart A of part IV of subchapter A of chapter 1 is amended by redesignating section 42 as 43 and by inserting after section 41 the following new section:

"SEC. 42. PERSONAL EXEMPTION.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed to an individual as a credit against the tax imposed by this subtitle for the taxable year, an amount equal to—

"(1) $250 for the taxpayer,

"(2) $250 for the spouse of the taxpayer (unless such spouse files a separate return), and

"(3) $250 for each dependent of the taxpayer who is 18 years of age or older.

"(b) DEFINITION OF DEPENDENT.—For purposes of this section, the term 'dependent' means any of the following individuals over half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer (or is treated under subsection (c) or (e) as received from the taxpayer):

"(1) A son or daughter of the taxpayer, or a descendant of either,

"(2) A stepson or stepdaughter of the taxpayer,

"(3) A brother, sister, stepbrother, or stepsister of the taxpayer,

"(4) The father or mother of the taxpayer, or an ancestor of either,

"(5) A stepfather or stepmother of the taxpayer,

"(6) A son or daughter of a brother or sister of the taxpayer,

"(7) A brother or sister of the father or mother of the taxpayer,

"(8) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the taxpayer.

"(9) An individual (other than an individual who at any time during the taxable year was the spouse, determined without regard to subsection(e), of the taxpayer) who, for the taxable year of the taxpayer, has as his principal place of abode the home of the taxpayer and is a member of the taxpayer's household, or

"(10) An individual who—

"(A) is a descendant of a brother or sister of the father or mother of the taxpayer,

"(B) for the taxable year of the taxpayer receives institutional care required by reason of a physical or mental disability, and

"(C) before receiving such institutional care, was a member of the same household as the taxpayer.

"(c) RULES RELATING TO DEFINITION OF DEPENDENT.—For purposes of this section—

"(1) The terms 'brother' and 'sister' include a brother or sister by the halfblood.

"(2) In determining whether any of the relationships specified in subsection (a) or paragraph (1) of this subsection exists, a legally adopted child of an individual (and a child who is a member of an individual's household, if placed with such individual by an authorized placement agency for legal adoption by such individual), or a foster child of an individual (if such child satisfies the requirements of subsection (b)(9) with respect to such individual), shall be treated as a child of such individual by blood.

"(3) The term 'dependent' does not include any individual who is not a citizen or national of the United States unless such individual is a resident of the United States, of a country contiguous to the United States, of the Canal Zone, or of the Republic of Panama. The preceding sentence shall not exclude from the definition of 'dependent' any child of the taxpayer—

"(A) born to him, or legally adopted by him, in the Philippine Islands before January 1, 1956, if the child is a resident of the Republic of the Philippines, and if the taxpayer was a member of the Armed Forces of the United States at the time the child was born to him or legally adopted by him, or

"(B) legally adopted by him, if, for the taxable year of the taxpayer, the child has as his principal place of abode the home of the taxpayer and is a member of the taxpayer's household, and if the taxpayer is a citizen or national of the United States.

"(4) A payment to a wife which is includable in the gross income of the wife under section 71 or 682 shall not be treated as a payment by her husband for the support of any dependent.

"(5) An individual is not a member of the taxpayer's household if at any time during the taxable year of the taxpayer the relationship between such individual and the taxpayer is in violation of local law.

"(d) MULTIPLE SUPPORT AGREEMENTS.—For purposes of subsection (b), over half of the support of an individual for a calendar year shall be treated as received from the taxpayer if—

"(1) no one person contributed over half of such support;

"(2) over half of such support was received from persons each of whom, but for the fact that he did not contribute over half of such support, would have been entitled to claim such individual as a dependent for a taxable year beginning in such a calendar year;

"(3) the taxpayer contributed over 10 percent of such support; and

"(4) each person described in paragraph (2) (other than the taxpayer) who contributed over 10 percent of such support files written declaration (in such manner and form as the Secretary or his delegate may by regulations prescribe) that he will not claim such individual as a dependent for any taxable year beginning in such calendar year.

"(e) DETERMINATION OF MARITAL STATUS.—For purposes of this section—

"(1) the determination of whether an individual is married shall be made as of the close of his taxable year; except that if his spouse dies during his taxable year such determination shall be made as of the time of such death; and

"(2) an individual legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married.

"(f) CROSS REFERENCES.—

"(1) For definitions of 'husband' and 'wife', as used in subsection (c)(4), see section 7701(a)(17).

"(2) For deductions of estates and trusts, in lieu of the credit under this section, see section 642(b)."

(b) The table of sections for such part is amended by striking out the last item and inserting in lieu thereof the following:

"SEC. 42. PERSONAL EXEMPTION.

SEC. 43. OVERPAYMENT OF TAX.

(c) Section 143(b)(1) is amended by striking out "deduction" and inserting "credit", and by striking out "section 152" and "section 151" and inserting in each place "section 42".

(d) Section 46(a)(3)(B) (relating to the investment credit) is amended to read as follows:

"(3) (B) section 42 (relating to personal exemptions), and".

(e) Section 172(d)(3) (relating to net operating loss deduction) is amended to read as follows:

"(3) ESTATES AND TRUSTS.—No deduction shall be allowed for the personal exemption allowed an estate or trust under section 642(b)."

(f) Section 443(c) (relating to return for short period) is amended by striking out "a deduction under section 151 (and any deduction in lieu thereof)" and inserting in lieu thereof "as a credit under section 42 or a deduction under section 642(b)".

(g) The last sentence of section 642(b) (relating to estates and trusts) is amended to read as follows: "The deductions allowed by this subsection shall be in lieu of the credits allowed under section 42 (relating to credit for personal exemption)".

(h) Section 703(a)(2) (relating to partnership computations) is amended by striking out subparagraph (B).

(i) Paragraph (3) of section 873(b) (relating to nonresident aliens) is amended to read as follows:

"(3) CREDIT FOR PERSONAL EXEMPTION.—Except in the case of a nonresident alien individual who is a resident of a contiguous country, only one credit shall be allowed for exemptions under section 42."

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(j) Section 891 (relating to citizens of foreign countries) is amended by striking out "under section 151 and".

(k) Section 933(1) (relating to residents of Puerto Rico) is amended by striking out "(other than the deductions under section 151, relating to personal exemptions)".

(l) Section 1211(b)(3) (relating to deduction of capital losses) is amended by striking out "the deductions provided in section 151 (relating to personal exemptions) or any deduction in lieu thereof" and inserting in lieu thereof "any deduction allowed by section 642(b)".

(m) Section 1402(a) (relating to self-employment income) is amended by striking out paragraph (7).

GAINS AND LOSSES ON PROPERTY HELD AT DEATH OR TRANSFERRED BY GIFT

SEC. 6. (a) Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new sections:

"SEC. 84. GAINS AND LOSSES ON PROPERTY AT TIME OF DEATH.

"(a) IN GENERAL.—Upon the death of an individual, there shall be taken into account in computing taxable income for the taxable period in which falls the date of his death, a percentage (determined under subsection (c)) of the gains and losses which would have been realized and taken into account in computing taxable income (of the decedent or some other person) if all the property (other than property described in subsection (b)) required to be included in determining the value of the decedent's gross estate under chapter 11 had been sold immediately before his death at the estate tax fair market value. This subsection shall not apply unless the aggregate amount of such fair market value exceeds $60,000.

"(b) EXCLUDED PROPERTY.—Subsection (a) shall not apply to—

"(1) property which passes or has passed from the decedent to his surviving spouse and which qualifies for the deduction provided by section 2056;

"(2) property which passes or has passed to a corporation, organization, or other entity described in section 2055 and which qualifies for the deduction provided by such section;

"(3) items of gross income in respect of a decedent described in section 691; or

"(4) any other property includable in the gross estate of the decedent under chapter 11 for which basis is not provided for in section 1014(a).

"(c) RULES FOR APPLICATION OF SUBSECTION (a).—For purposes of subsection (a)—

"(1) The estate tax fair market value of property is the fair market value of the property at the date of the decedent's death, or, in the case of an election under section 2032, its value at the application valuation date prescribed by that section.

"(2) If the aggregate adjusted basis of all property subject to the provisions of subsection (a) is less than $60,000, and the gains under subsection (a) (without the application of this paragraph) exceed the losses, then the aggregate adjusted basis of such property shall be increased to $60,000.

"(3) Losses shall be taken into account without regard to the provisions of section 1091.

"(4) The percentage of gains and losses taken into account shall be determined in accordance with the following table:

"For taxable years beginning:	The percentage is—
Less than 1 year after the date of enactment of the Simpliform Tax Act	0
1 year or more but less than 2 years after such date	20
2 years or more but less than 3 years after such date	40
3 years or more but less than 4 years after such date	60
4 years or more but less than 5 years after such date	80
5 years or more after such date	100

"(d) TIME FOR FILING RETURN.—If subsection (a) applies to the taxable year, the time for filing the return for such year shall be the date nine months after the date of the decedent's death if such date is later than the time prescribed in section 6072 for filing such return.

"(e) LIABILITY WITH RESPECT TO PROPERTY TRANSFERRED BEFORE DEATH.—If gain is taken into account under subsection (a) with respect to property transferred by the decedent during his lifetime, the executor shall be entitled, unless the decedent directs otherwise in his will, to recover from the transferee of such property the amount of income tax imposed with respect to such gain.

"SEC. 85. GAINS AND LOSSES ON INTER VIVOS GIFTS.

"(a) IN GENERAL.—In the case of the transfer of property by an individual by inter vivos gift, there shall be taken into account in computing taxable income for the taxable period in which the transfer was made, the gain or loss which would have been realized and taken into account in computing taxable income if the taxpayer had sold the property at its fair market value at the time of the transfer.

"(b) EXCEPTIONS.—

"(1) IN GENERAL.—Subsection (a) shall not apply to a transfer of property, to the extent that, at the time of the transfer, the aggregate fair market value of—

"(A) property (including the transferred property) held by the taxpayer, and

"(B) property previously transferred by the taxpayer after the date of the enactment of the Simpliform Tax Act,

does not exceed $60,000.

"(2) GIFTS TO SPOUSE.—Subsection (a) shall not apply to a transfer of property to the taxpayer's spouse."

(b)(1) Section 1014(b) (relating to basis of property acquired from a decedent) is amended by striking out paragraphs (5) and (6).

(2) Paragraph (9) of section 1014(b) is amended by inserting "and" at the end of subparagraph (A), by striking out subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(3) Section 1015 (relating to basis of property acquired by gifts and transfer in trust) is amended by adding at the end thereof the following new subsection:

"(e) PROPERTY SUBJECT TO TAX UPON TRANSFER.—If the property was acquired by gift in a transfer to which section 85(a) (relating to gains and losses on inter vivos gifts) applied, the basis shall be the fair market value of the property at the time of the transfer."

(4) Section 6161(a) (relating to extension of time for paying tax) is amended—

(A) by inserting "or income tax for a decedent's final taxable period" after "estate tax" in paragraph (1),

(B) by inserting "and income tax on gains at death" after "Excise tax" in the heading of paragraph (2), and

(C) by inserting at the end of paragraph (2)(A) "or of any part of the tax imposed by chapter 1 attributable to the application of section 84.".

(5) Section 6166 (relating to extension of time for payment of estate tax where estate consists largely of interest in closely held business) is amended—

(A) by inserting "AND INCOME TAX ON GAINS AT DEATH" after "ESTATE TAX" in the heading, and

(B) by redesignating subsections (j) and (k) as (k) and (l), respectively, and by inserting after subsection (i) the following new subsection:

"(j) TAX ON GAINS AT DEATH.—Under regulations prescribed by the Secretary or his delegate, the provisions of this section shall apply with respect to so much of the tax imposed by chapter 1 as is attributable to the application of section 84 (relating to gains and losses on property at time of death) in the same manner as it applies to the tax imposed by section 2001."

(c) Section 84 of the Internal Revenue Code of 1954 (as added by subsection (a) and the amendments made by paragraphs (1), (2), (5), and (6) of subsection (b) shall apply with respect to decedents dying after the date of the enactment of this Act. Section 85 of such Code (as added by subsection (a)) and the amendments made by paragraphs (3) and (4) of subsection (b) shall apply with respect to transfers of property by inter vivos gift after such date.

TREATMENT OF CAPITAL GAINS

SEC. 7. (a) Section 1201(b) (relating to other taxpayers) is amended by inserting "or an individual" after "other than a corporation".

(b) Section 1202 (relating to deduction for capital gains) is amended by inserting "or an individual" after "other than a corporation".

(c) Section 1211 (relating to limitation on capital losses) is amended by—

(1) inserting "or an individual" after "other than a corporation" in subsection (a),

(2) inserting "or an individual" after "other than a corporation" in paragraph (1) of subsection (b), and

(3) striking out paragraph (2) and redesignating paragraph (3) as (2).

SPECIFIC INCLUSIONS IN GROSS INCOME

SEC. 8. (a) Part II of subchapter B of chapter 1, as amended by section 6, is amended by adding at the end thereof the following new section:

"SEC. 86. SOCIAL SECURITY AND WELFARE PAYMENTS.

"There shall be included in gross income monthly insurance benefits paid under title II of the Social Security Act to the taxpayer and any other cash benefits paid (other than a lump sum payable on account of death) to the taxpayer under such Act or any other Act of the United States or of any State providing for the payment of money to individuals in order to enable them to purchase food, clothing, and shelter and otherwise provide for their general welfare."

(b) The table of sections of such part is amended by adding at the end thereof the following new item:

"Sec. 86. Social security and welfare payments."

(c) Section 74 (relating to prizes and awards) is amended to read as follows:

"SEC. 74. PRIZES AND AWARDS.

"Gross income includes amounts received as prizes and awards, including amounts received as scholarships and fellowship grants."

(d)(1) Section 274(a) (relating to entertainment, amusement, or recreation expenses) is amended to read as follows:

"(a) ENTERTAINMENT, AMUSEMENT, OR RECREATION.—No deduction otherwise allowable under this chapter shall be allowed for any item with respect to an activity which is of a type generally considered to constitute entertainment, amusement, or recreation, or with respect to a facility used in connection with such activity. For purposes of this subsection—

"(1) dues or fees to any social, athletic, or sporting club or organization shall be treated as items with respect to facilities, and

"(2) an activity described in section 212 shall be treated as a trade or business."

(2) Section 274(e) (relating to specific exceptions to application of subsection(a)) is amended by striking out paragraph (1) (relating to business meals).

MISCELLANEOUS AMENDMENTS

SEC. 9. (a) Section 62 (relating to adjusted gross income defined) is amended by striking out paragraphs (3) and (8) and redesignating paragraphs (4), (5), (6), (7), and (9) as (3), (4), (5), (6), and (7), respectively.

(b) The text of section 63 (relating to taxable income defined) is amended to read as follows:

"For purposes of this subtitle the term 'taxable income' means gross income minus the deductions allowed by this chapter."

WITHHOLDING

SEC. 10. (a) Section 3402 (relating to income tax collected at source) is amended by—

(1) striking out subsections (b), (c), (f), and (m), and

(2) amending subsection (a) to read as follows:

"(a) REQUIREMENT OF WITHHOLDING.—Every employer making payment of wages shall deduct and withhold upon such wages (except as otherwise provided in this section) a tax determined in accordance with tables prescribed by the Secretary or his delegate.".

(b) Subsection (p) (relating to extension of withholding to certain payments other than wages) is amended by—

(1) striking "General rule." in paragraph (1) and inserting in lieu thereof "Supplemental unemployment compensation benefits and annuities.",

(2) redesignating paragraphs (1) through (3) as (2) through (4), respectively,

(3) striking "paragraph (1)" in paragraph (3)(A) (as redesignated by this Act) and inserting in lieu thereof "paragraph (2)", and

(4) inserting before paragraph (2) (as redesignated by this Act) the following new paragraph:

"(1) IN GENERAL.—Under regulations prescribed by the Secretary or his delegate, any person making a payment of interest, a dividend, or any other payment subject to tax under chapter 1, shall deduct and withhold upon such payment a tax of 10 percent. For purposes of this chapter (and so much of subtitle F as relates to this chapter) any such payment shall be treated as if it were a payment of wages by an employer to an employee for a payroll period."

BRIEF SUMMARY OF SIMPLIFORM TAX PLAN

PURPOSE

To reform the individual income tax and eliminate tax loopholes.

SUMMARY

Simpliform would replace most income tax deductions and exemptions with a uniform and fair tax rate. Nearly all taxpayers would use a simple, two-step calculation to determine their tax.

THE TAX RATE

Eliminating the loopholes would allow the rate to be lowered for most people. A couple with income under $5,000 would pay no tax. Above that the standard rate would be 10% with a surtax added for income above $10,000.

The surtax is summarized in this table:

	But not over	Basic surtax	Additional surtax (percent)	For income over
Income over:				
$10,000	$15,000		5	$10,000
15,000	20,000	$250	10	15,000
20,000	25,000	750	16	20,000
25,000	50,000	1,500	20	25,000
50,000	100,000	6,500	25	50,000
100,000	500,000	19,000	30	100,000
500,000	1,000,000	169,000	35	500,000
1,000,000		340,000	40	1,000,000

TAX CREDITS

In place of the present system of personal exemptions, Simpliform would allow a $250 credit for adults. The present personal exemptions provide up to four times as much tax saving for the wealthy as for the lower income person. Simpliform's restriction of credits to adults removes the tax disadvantages from the single and childless taxpayers.

TAX SAVINGS WITH SIMPLIFORM

Using the simplest method of calculating taxes under 1974 laws and using the standard deduction, the following examples illustrate some of the categories of people who would pay lower taxes with Simpliform.

A. Married couples with two children, gross income of $10,000.

Present tax laws

Gross income—$10,000:	
Standard deduction	$1,500
Exemptions	3,000
Taxable income	5,500
Tax	905

Simpliform

Gross income—$10,000:	
Tax	$1,000
Credits	500
Net tax	500

B. Single person, gross income of $12,000.

Present tax laws

Gross income—12,000:	
Standard deduction	$1,800
Exemptions	750
Taxable income	9,450
Net tax	1,852

Simpliform

Gross income—12,000:	
Tax	$1,200
Surtax	600
Credits	250
Net tax	1,550

C. Retired couple, $6,000 pension income, $2,000 Social Security income.

Present tax laws

Gross income—$6,000 (S.S. not taxed):	
Standard deduction	$900
Exemptions	3,000
Taxable income	2,100
Net tax	306

Simpliform

Gross income—$8,000:	
Tax	$800
Credits	500
Net tax	300

D. Married couple with three children, gross income of $21,000.

Present tax laws

Gross income—$21,000:	
Standard deduction	$3,150
Exemptions	3,750
Taxable income	14,100
Net tax	2,785

Simpliform

Gross income—$21,000:	
Tax	$2,100
Surtax	910
Credits	500
Net tax	2,510

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HATHAWAY). The Senate will now proceed to the transaction of morning business, with statements therein limited to 3 minutes.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

Mr. ALLEN. Mr. President, quite a bit has been said on the floor of the Senate today about the Penn Central bailout bill. The Senator from Alabama would like to relate a little history of the legislative process that has taken place with respect to the bill.

The Senate passed the bill. It went to the House, and they amended it and provided for more Federal subsidy. The bill came back to the Senate at 11:34 Thursday morning and could have been acted upon at 11:35 in the Senate. Instead of that, the proponents of Senate Resolution 4, the so-called rules change resolution, set the change in the Senate rules above the Penn Central issue and every other economic issue facing this country.

So when this time bomb was set off in the U.S. Senate, it was a conscious decision by the proponents of Senate Resolution 4 that they placed this resolution, this gag rule resolution, ahead of the so-called saving of the Penn Central.

On the matter of a final vote after the motion to proceed to Senate Resolution 4 on Thursday, the Senator from Alabama agreed on Friday—and it is in the record—to vote on the Penn Central issue, to vote on Friday, conditioned on being recognized today following the recognition of the two leaders. That offer was rejected. Why an effort was not made to invoke cloture by the filing of a cloture motion on Friday—which would have been voted on today—the Senator from Alabama does not profess to know.

He does feel, however, that the proponents of the Penn Central bill—and I reserve expressly from this charge the distinguished Senator from Connecticut (Mr. WEICKER)—are allowing their interests in Senate Resolution 4 to color their thinking with respect to the passage of the Penn Central issue.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ROBERT C. BYRD. Mr. President, I yield my 3 minutes to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator from West Virginia.

Mr. President, why do I make that statement? Because they fear that if cloture is invoked on the Penn Central issue, it will be decisive of the question involved on Senate Resolution 4, as to whether that will take a majority vote or a two-thirds vote to cut off debate.

UMI

Once rule XXII is used to cut off debate, how could it be contended later that there is no rule XXII?

So I charge that some of those who support the Penn Central bailout are not pushing that matter with the strength they should or the energy they should because they are more interested in this rule change.

I suggest, Mr. President, that if this effort to amend the Senate rules is laid aside, we can pass the Penn Central bill today. So which is more important to the distinguished proponents of Senate Resolution 4—solving the Penn Central issue or insisting on the pushing of their resolution?

Mr. President, it would seem to the Senator from Alabama that following the legal fiction that is asserted by the proponents of the rules change, there is some different rule existing at the beginning of a session. Surely, at this late date, after an effort has been made by the proponents of the rules change to get it to a vote, and that effort has failed, the beginning of the 94th Congress has now come to an end; and any effort to amend the Senate rules and cut off debate thereon will require a two-thirds vote. I am hopeful that the distinguished President of the Senate will so rule when the matter is presented to him later this month or next month.

Mr. HARRY F. BYRD, JR. Mr. President, the able Senator from Alabama has set the situation in perspective, I feel.

In the same regard, talking about when the beginning of a session has ended, I had the Journal researched; and I find that the Senate has already passed 3 House bills, 1 House joint resolution, 1 House concurrent resolution, 5 Senate bills, 5 joint resolutions, 5 concurrent resolutions, and 20 Senate resolutions.

So it seems to me that if there is anything to the fiction that there is one type of rule for the beginning of a session and another type of rule for later in the session, that fiction goes by the board when one considers the measures that already have been passed.

As the able Senator from Alabama just pointed out, the Penn Central issue could be resolved very quickly if the proponents of Senate Resolution 4 were to recognize the facts and withdraw the resolution.

Mr. President, it also is clear that the matter can be resolved in regard to the Penn Central by filing a cloture motion. Under rule XXII, which is part of the Standing Rules of the Senate in operation today, if two-thirds of the Senate vote to cut off debate, the Penn Central issue can be resolved very quickly in that manner.

Mr. MONDALE. Mr. President, I think it is pretty obvious to all what is happening. We are being presented with two filibusters at the same time—one against the Senate in its attempt to amend the rules under the Constitution of the United States to permit three-fifths of the Senate to invoke cloture. The second one now is a filibuster to threaten the jobs of thousands and thousands of Americans unless the minority in the Senate has its way and unless we agree to frustrate once again the clear meaning of the Constitution of the United States, and frustrate once again the national demand that the American people get a Congress that can act, rather than one which is repeatedly subject to paralysis because of the archaic and indefensible two-thirds rule which permits a small minority to paralyze the Senate no matter what the Senate wishes to do, no matter what the American people want done, and no matter how large the margin is in the Senate, provided it is less than two-thirds.

Mr. President, the record is very clear. Senate Resolution 4 was not called up yesterday or the day before. It was called up before the Senate on January 14, 1975. Let me repeat that date. On January 14, 1975, over a month ago, the proponents of Senate Resolution 4 called up this resolution before the Senate. From that time forward, it has been opposed through a filibuster because the opponents of Senate Resolution 4 know that the Constitution permits us to change the rules, that the Vice President has now ruled that we are on sound legal ground in doing so. For the first time in American history, the majority of the U.S. Senate has sustained the Vice President in his ruling under the Constitution that we have a right to change the rules. So the opponents of this resolution have fixed on a new strategy; namely, two filibusters at the same time: One to prevent the Senate from adopting its viewpoints on the merits under the rules of the Constitution of the United States; the second, one which threatens the economy of America and the jobs of thousands and thousands of Americans who have nothing to do with this rules change. They are not involved at all. But their jobs are being placed in jeopardy by a minority in the Senate who say that they are entitled to have their way no matter what.

Now we hear a new argument: if Senate Resolution 4 is not pulled down, we will continue to have this filibuster, which jeopardizes the American economy. The second argument is that if cloture is invoked on railroad retirement, they are going to argue that we have waived our rights under Senate Resolution 4 and under the Constitution of the United States.

Mr. President, at the time we introduced Senate Resolution 4, it was made clear, and I cite page S10, that in no sense were we acquiescing to our rights and our remedies to push for rules changes by proceeding with the business of the Senate. I think the argument by the distinguished Senator from Alabama is a strained one, which would not and could not be sustained by the Vice President of the United States if he is required to rule.

In any event, let the American people know what is happening here. Despite the fact that the Vice President has ruled that we have a chance to change the rules, despite the fact that the U.S. Senate, last Thursday, voted to do so, we are being denied the right to do so by a filibuster, and the jobs of thousands and thousands of Americans and even the vitality of the American economy are being held hostage to a small minority, who insist on having their way nevertheless.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask that the Journal of Proceedings for Saturday, February 22, 1975, be approved.

The PRESIDING OFFICER. Without objection——

Mr. ALLEN. Mr. President, I object.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Reserving the right to object, Mr. President, the reason I do this is that the leadership, at the close of business each day, instead of adjourning the Senate, has recessed the Senate so that, no matter what day of the week or month Saturday was, last Saturday, it was part of the legislative day of the preceding date. All the distinguished assistant majority leader is doing here is getting approval of the Journal piecemeal; so just as soon as this legislative day has ended, and this is the same legislative day we were in on Saturday, it is the same legislative day we were in on Friday—I do not know how far back it goes. But until the legislative day has ended, I feel it would be inappropriate to bring up any request to approve the Journal piecemeal.

For that reason, I must respectfully decline the request.

Mr. ROBERT C. BYRD. The Senator certainly has the right to object.

Mr. President, my purpose in seeking to get the approval of the Journal was in the event that, at some future time, the Senate does adjourn, and I assume that that future time will come, and there is an objection on the next day of session of the Senate to dispensing with the reading of the Journal of the proceedings, at least part of the material will have been approved and the objector will not be given the pleasure of hearing such a lengthy recitation of the reading of the Journal of the Proceedings for the dates approved. It was only for that purpose. I thank the Senator for his explanation of his position, which he certainly has the right to take.

Mr. President, I yield to the Senator from Minnesota.

OBSTRUCTIONISM

Mr. MONDALE. Mr. President, I ask unanimous consent that an editorial appearing this morning in the New York Times, which refers to the old-fashioned obstructionism that is taking place at this time, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HISTORIC OPPORTUNITY

The U.S. Senate has an opportunity today to consolidate a fundamental change which reformers in both parties have struggled to achieve for a generation. This reform would relax the Senate's stringent pro-filibuster rule and make it easier for the democratic principle of majority government to prevail.

At the beginning of almost every new Congress since 1953, a bipartisan bloc of liberals has proposed that something less than a two-thirds majority be required to halt a filibuster—that prolonged talkathon made use of by a minority not merely to delay a decision or to debate issues thoroughly but to obstruct any action. The proposal now is for closure by a three-fifths majority.

Last Thursday, after 22 years of effort, the liberals had both a sympathetic Vice President and the votes to uphold his rulings. Vice President Rockefeller declared, in effect, that since the rules of the old Senate do not automatically carry over to the new Senate, members at the beginning of a Session are not bound by the two-thirds rule. In the past, Hubert H. Humphrey and Richard M. Nixon had made similar decisions but had been overruled by a majority of the Senate. But this time, when the Senate voted 51 to 42 to sustain Mr. Rockefeller's ruling, the long struggle seemed finally won.

Unfortunately, however, Senator James B. Allen, Alabama Democrat and the leading contemporary defender of the filibuster, obtained a further ruling that part of the reform proposal was subject to additional debate. In making this further ruling, Vice President Rockefeller relied in good faith on the Senate Parliamentarian's advice even though it contradicted common sense. In effect, it meant that a majority of the Senate did not know what it was doing when it voted to close debate on an issue on which it had been arguing for six weeks.

If it is resolute, the Senate majority can easily undo this mischief by voting upon the reform proposal in two separate stages. Senator Allen, however, is now filibustering to delay a vote. Delay works in his favor because the Senate leadership is eager to pass the bill that would provide emergency financial help to the bankrupt Northeast railroads. Unless this help is forthcoming very soon, the deficit-ridden Penn Central may cease operations. Although Senator Allen cares nothing about the railroad bill, he is threatening to hold it hostage until liberals abandon their fight to reform the rules. Nothing could better demonstrate the underlying cynicism and ruthlessness of his position.

But no man can hold the Senate floor indefinitely. If the Senate refuses to yield to these insolent tactics and, if necessary, holds a night session, both the railroad relief bill and the rules reform can be adopted promptly. Time is running out for this kind of old fashioned obstructionism. More and more members are realizing that public confidence and the good name of the Senate itself are at stake.

MESSAGE FROM THE HOUSE

At 12:31 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker has appointed Mr. STEED and Mr. HORTON as members of the Commission on Federal Paperwork on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE SECRETARY OF THE SENATE (S. Doc. 94–29)

A letter from the Secretary of the Senate transmitting, pursuant to law, a report of the receipts and expenditures of the Senate during the period July 1, 1974 through December 31, 1974 (with an accompanying report; ordered to be printed and to lie on the table.)

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Common Council of the City of Buffalo, New York, in support of all antideferral resolutions concerning authorized budget authority; to all standing committees.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. Res. 86. An original resolution to authorize the Senate to respond to official invitations received from foreign governments or parliamentary bodies and associations (Rept. No. 94–19) (Referred to the Committee on Rules and Administration.)

By Mr. STENNIS, from the Committee on Armed Services:

S. Res. 87. An original resolution authorizing additional expenditures by the Committee on Armed Services. (Referred to the Committee on Rules and Administration.)

S. Res. 88. An original resolution authorizing additional expenditures by the Committee on Armed Services. (Referred to the Committee on Rules and Administration.)

By Mr. JOHNSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 326. A bill to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands (Rept. No. 94-20).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service:

William A. Irvine, of Pennsylvania, to be a Governor of the United States Postal Service.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD:

S. 801. A bill to amend section 8344 of title 5, United States Code, to require Government agencies to deposit in the general fund of the U.S. Treasury the amount of annuity payments withheld by them from the salaries of certain reemployed annuitants. Referred to the Committee on Post Office and Civil Service.

By Mr. HATFIELD:

S. 802. A bill to reform and simplify the Federal individual income tax. Referred to the Committee on Finance.

By Mr. McINTYRE:

S. 803. A bill to amend title 5, United States Code, to provide that an employee's accrued annual leave may be granted only upon such employee's request, and, absent such request, such accrued leave may not be required to be taken. Referred to the Committee on Post Office and Civil Service.

By Mr. CASE:

S. 804. A bill for the relief of Zoraida E. Lastimosa. Referred to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 805. A bill to amend section 5(c) of the National Trails System Act. Referred to the Committee on Interior and Insular Affairs.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 806. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Jeannette Rankin. Referred to the Committee on Post Office and Civil Service.

By Mr. METCALF:

S. 807. A bill for the relief of Nostratollah Moradi. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself and Mr. HUMPHREY):

S. 808. A bill to establish an emergency fuel stamp program to assist low-income households to meet the rising cost of fuel used in home heating and cooking. Referred to the Committee on Labor and Public Welfare.

By Mr. HARTKE:

S. 809. A bill to amend the Public Health Service Act to provide for a study with regard to histoplasmosis. Referred to the Committee on Labor and Public Welfare.

By Mr. EAGLETON (for himself, Mr. BAYH, Mr. CANNON, Mr. DOLE, Mr. HARTKE, Mr. McINTYRE, Mr. NELSON, Mr. STEVENS, Mr. STEVENSON, Mr. SYMINGTON, and Mr. THURMOND):

S. 810. A bill to amend the Flood Disaster Protection Act of 1973 and the National Flood Insurance Act of 1968 to permit owners of properties located in nonparticipating communities to participate in the flood insurance program and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. TUNNEY (for himself and Mr. MAGNUSON):

S. 811. A bill to amend the Horse Protection Act of 1970 to better effectuate its purpose. Referred to the Committee on Commerce.

By Mr. ABOUREZK (for himself, Mr McGOVERN, and Mr. STONE):

S. 812. A bill to authorize the Secretary of Agriculture to make loans for a temporary period to farmers and stockmen who have suffered severe economic loss in connection with their livestock operations. Referred to the Committee on Agriculture and Forestry.

By Mr. ABOUREZK (for himself and Mr. McGOVERN):

S. 813. A bill authorizing the construction of a dam and reservoir on the Little White River, South Dakota (Rosebud site). Referred to the Committee on Public Works.

By Mr. PHILIP A. HART (for himself and Mr. HARTKE):

S. 814. A bill to supplement the Federal Trade Commission Act by amending it to increase competition, promote interstate and foreign commerce, prevent unreasonable restraints on commerce and the commercial working of technology advancements, to protect the freedom of employment for scientists and engineers, and for other purposes. Referred to the Committee on Commerce.

By Mr. STAFFORD (for himself, Mr. KENNEDY, Mr. BROCK, Mr. CLARK, Mr. RIBICOFF, and Mr. PERCY):

S. 815. A bill to provide for the public disclosure of lobbying activities with respect to Congress and the executive branch, and for other purposes. Referred to the Committee on Government Operations.

UMI

By Mr. HANSEN (for himself and Mr. HARTKE) (by request):

S. 816. A bill to amend title 38 of the United States Code to require that certain veterans receiving hospital care from the Veterans' Administration for nonservice connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care; to prohibit the future exclusion of such coverage from insurance policies or contracts; and for other purposes. Referred to the Committee on Veterans' Affairs.

S. 817. A bill to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. SPARKMAN (by request):

S. 818. A bill to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes. Referred to the Committee on Foreign Relations.

S. 819. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. MAGNUSON (by request):

S. 820. A bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes. Referred to the Committee on Commerce.

By Mr. MCCLELLAN:

S. 821. A bill to preserve wildlife habitat. Referred to the Committee on Public Works.

By Mr. CHILES:

S. 822. A bill to reduce oil imports into the United States; to provide for the exploration and development of Naval Petroleum Reserves; and for other purposes. Referred, by unanimous consent, to the Committees on Armed Services, Banking, Housing and Urban Affairs, Finance, Interior and Insular Affairs.

By Mr. HELMS:

S. 823. A bill to amend section 8c(2) of the Agricultural Adjustment Act of 1933, reenacted, amended and supplemented by the Agricultural Marketing Agreement Act of 1937, as amended, to provide authority to grant certified public accountants access to confidential records for purposes of making an audit. Referred to the Committee on Agriculture and Forestry.

S.J. Res. 36. A joint resolution authorizing and directing the President to declare Aleksandr I. Solzhenitsyn an honorary citizen of the United States of America. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MANSFIELD:

S. 801. A bill to amend section 8344 of title 5, United States Code, to require Government agencies to deposit in the general fund of the U.S. Treasury the amount of annuity payments withheld by them from the salaries of certain reemployed annuitants. Referred to the Committee on Post Office and Civil Service.

(The remarks of Mr. MANSFIELD on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. HATFIELD:

S. 802. A bill to reform and simplify the Federal individual income tax. Referred to the Committee on Finance.

(The remarks of Mr. HATFIELD on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. DOMENICI:

S. 805. A bill to amend section 5(c) of the National Trails System Act. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I am today introducing a bill to amend the National Trails Act—Public Law 90–543—to include the Dominguez-Escalante Trail in the study category.

The Dominguez-Escalante Trail originates in Santa Fe, N. Mex., and follows the route of Fray Francisco Atanaslo Dominguez and Fray Silvestre Velez de Escalante's expedition of 1776 in search of an overland trail from Santa Fe to Monterey, Calif. It winds along the Rio Grande and Santa Fe in New Mexico, the Dolores, Gunnison, and White Rivers in Colorado, the Green and Duchesne Rivers in Utah, and the Colorado River and Hurricane Fault of Arizona.

I believe this trail would be a fine addition to the national trails system. It would be particularly appropriate in connection with the Nation's Bicentennial. This historic 1776 Spanish expedition made a major contribution to the exploration of the American Southwest. The expedition increased available geographic knowledge leading directly to the later development of the old Spanish trails linking the Spanish settlements. The Dominguez-Escalante Expedition was coincident with the Declaration of Independence and the American Revolution in the eastern section of the new Nation. Spain soon joined our side as an important contributing ally in our struggle for independence.

Mr. President, it is my hope that the Senate will act quickly to approve this measure.

By Mr. HARTKE (for himself and Mr. HUMPHREY):

S. 808. A bill to establish an emergency fuel stamp program to assist low-income households to meet the rising cost of fuel used in home heating and cooking. Referred to the Committee on Labor and Public Welfare.

FUEL STAMP ACT

Mr. HARTKE. Mr. President, at the end of the 93d Congress I introduced a Fuel Stamp Act to alleviate some of the financial burden falling on lower-income families as a result of the dramatic increase in the cost of all home heating fuels.

I am reintroducing a modified and, I believe, strengthened version of that legislation today and am very pleased to have the distinguished Senator from Minnesota (Mr. HUMPHREY) as a cosponsor.

The need to deal with the impact of escalating fuel costs on lower-income households is more pressing than ever. President Ford has announced an energy program that, if accepted by the Congress, will push costs up still higher. Lower-income families are reaching the point where they must choose between home heat and other necessities. Many families in this country face the prospect of losing their home because they can no longer afford their utility bills.

Subjecting the elderly and the young to the winter's cold is not the way the United States can or should resolve its energy problem. We are allowing a situation where the most vulnerable members of our society are being forced to bear the brunt of economic inflation—recession and energy. It does no good to argue that we all pay for fuel at the same rate. The truth is that middle- and upper-income groups do have leeway in their energy consumption: there is, in a sense, an insulating area of nonessential consumption that can be cut back with little or no effect on esssential consumption.

Among the poor, however, this is not the case. Most lower-income families consume energy at the necessity level. When they are forced by dizzying price increases to cut back on consumption, they suffer. It is not a question of not heating the swimming pool this winter. It is a question of exposing oneself and one's children to cold; it is a question of taking fewer baths and lowering sanitary standards.

The poor, in the aggregate and on a per household basis, spend less on fuel than middle- and upper-income groups. They are not energy wasters. The poor use only 56 percent as much electric power and 82 percent as much natural gas as the nonpoor. On the other hand, they pay out a larger proportion of their incomes on fuel. In fact, they spend almost 600 percent more, relatively, than upper-income groups. On the average, poor families spend 11 percent of their incomes on gas and electricity while the well-off spend only an average of 2 percent.

The poor incur most of their fuel costs for space-heating—that is, for the most basic form of energy consumption. Unlike more fortunate groups, they own and operate fewer energy consuming appliances like air conditioners, clothes dryers, and so forth. The poor are also more likely to live in single bathroom dwellings, a further factor in their lower per household energy consumption. According to FEA estimates, the poor use about 60 percent of their total energy consumption for space-heating, compared to only 40 to 50 percent for the "typical" family.

Not only do the poor use less fuel on a per capita and per household basis because of the factors just outlined, their fuel needs are also lessened by the fact that a large proportion—larger than the national average for the entire population—live in warmer parts of the country. The FEA estimates that 46 percent of the poor live in areas having less than 4,000 annual heating days, as compared to 35 percent for the entire population.

The type of dwelling most frequently occupied by the poor contributed significantly to their relatively low use of heating fuels. First, they tend to have fewer rooms per person than the national average. About 26 percent of the homes of the well-off have fewer than six rooms, as compared to 72 percent of poor homes. The poor also live in multi-unit dwellings more often than the nonpoor. Multi-unit dwellings are far more space-heat efficient than single or double unit dwellings.

A Department of Housing and Urban Development study of heating requirements concluded that compared to a single dwelling unit, an 8-unit townhouse requires only 79 percent as much fuel per square foot; a 24-unit apartment only 62 percent as much; and a 192-unit apartment only 56 percent as much.

My point, Mr. President, is that when we speak of aiding the poor in their purchases of fuel we should keep in mind that the poor are not energy wasters. They use significantly less fuel than the nonpoor. They also use most of their fuel for space-heating, hot water, and cooking, and do not expend fuel frivolously. The poor are forced to use proportionately far more of their incomes toward the purchase of fuel than the rest of the population. During a period of unstable and rising prices, the burden is becoming not only unsupportable, but intolerable. The poor are unable to keep up with rising prices.

Utility rate structures add to the burden of the poor. Natural gas and electricity prices are often set so that the per unit cost decreases rather than increases with use. This represents an economic penalty for those households using less energy. According to a Ford Foundation study, the poor, on the average, pay 3 percent more per unit of natural gas and electricity than the nonpoor.

Natural gas tends to be the cheapest of the three major fuels in predominant home-heating use. Again, the poor as a group are less well off than other groups. They are less likely to have homes heated by natural gas than are the nonpoor. They are about as likely to use fuel oil or electricity. But many poor households use either nonstandard fuels like wood, coal, or kerosene—in some cases they use no fuel at all.

Estimates of space-heating costs for low-income families during the 1974/75 heating season were broken down by type of fuel in a recently released study by HEW–FEA. Families fortunate enough to have natural gas heat fared best. Their bill will be approximately $175. Families using oil will tend to pay about twice that amount, $350. Most hard hit will be families whose heating is electric. Their average bill this season will be about $400.

Quite frankly, Mr. President, I find these figures terribly depressing. When I read them I cannot help but to think of the good men and women—many of them elderly and retired living on social security—who are faced with this financial crisis. I cannot help but think of the psychological strain imposed upon them by burgeoning utility bills. I cannot help but fear for the health and welfare of those who will have to leave their heaters turned off. I cannot help but wonder how we can, as a Nation, regard with perfect equanimity military expenditures of approximately $100 billion and, at the same time, allow the elderly and the poor to suffer the pain of cold and other privation. I cannot help but think that a fuel stamp program, like the one I am proposing, and which will cost somewhere between $200 and $300 million a year, is the very least we can do.

The legislation empowers the Secretary of Agriculture to enter into agreements with each of the States that wish to participate. The State must demonstrate that it has the capacity to administer the program, sufficient evidence for which is the existence of a food stamp program. The State will also bear the full administrative costs of the program, but the Federal Government will provide all the energy coupons. Thus, the criteria for household eligibility are identical. Certification for food stamps carries automatic fuel stamp certification. On the other hand, households can participate in the fuel stamp program without also participating in food stamps.

The allocation by the Secretary of fuel stamps will be based upon need. In dealing with fuel, certain factors like geography, type of fuel in predominant use, type of dwelling, and so forth must be taken into account. Thus, two regions with the same number of certified households would not automatically receive the same allocation of fuel stamps. Those with the greatest need would get the greatest consideration.

Provision is also made for households that rent their dwellings with space-heating and cooking fuel included. In their case, higher fuel costs translate into higher rentals. Under certain conditions, households can use fuel stamps to defray legitimate rent increases.

I conclude, Mr. President, with a plea that the Congress act quickly on this most vital matter. We cannot continue to take an irresponsible attitude toward the poor and the elderly. Whatever the Congress ultimately approves as a national energy program, we can be quite sure that it will involve, at best, a continuation of present high fuel costs or, and this is more likely, an increase in those costs. Either way, the lower-income groups in our society will find it ever more difficult to obtain necessary and essential fuel supplies.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 808

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fuel Stamp Act of 1975."

SEC. 2. The Congress hereby finds that, because of the substantial rise in the cost of all types of fuel commonly used for home heating and cooking, and because low income households must devote a major portion of their incomes for the purchase of fuel, many low income households are experiencing considerable economic hardship which may seriously affect their health and well-being. It is the intent of Congress to establish a fuel stamp program to alleviate this hardship.

SEC. 3. As used in this Act, the term—

(1) "Secretary" means the Secretary of Agriculture;

(2) "coupon" and "stamp" refer to any certificate issued through the appropriate agency pursuant to the provisions of this Act;

(3) "household" means a group of individuals who are not residing in any State or Federal institution, but are living as one economic unit. Such term also includes an individual living alone who is not residing in any such institution;

(4) "landlord" means any individual or corporate entity who rents lodging to households on a regular basis of one week or more, whether or not the landlord resides on the premises, but only if the cost of fuel for the purposes of heating and cooking is normally included in the rental charge for such lodging; and

(5) "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 4. The Secretary is authorized to enter into agreements with each of the several States pursuant to which such State shall be authorized to establish an emergency fuel stamp program under which eligible households will be provided with financial assistance in the purchase of fuel for domestic heating and cooking. Such program shall be terminated two years from the date of enactment.

SEC. 5. Under such programs, eligible households will be provided with coupons, redeemable at face value by the Treasury of the United States, with which to purchase, from authorized retail suppliers of fuel, fuel adequate for normal heating and cooking, or to defray legitimate increases in rental charges as provided by section 14 of this Act, as determined by the appropriate State agency.

SEC. 6. The fuel stamp program shall be administered by participating States in conjunction with the Secretary and the cost of administering the program will be borne by the participating States, except that the Secretary shall over-see the program in the several States.

SEC. 7. The Secretary is authorized to provide, without reimbursement, fuel stamps to participating States in sufficient quantity to carry out the purposes of this Act.

SEC. 8. The Secretary is authorized to make a determination, in conjunction with the appropriate agencies in the Department of Health, Education, and Welfare and the Federal Energy Administration, which States and regions within States have the greatest need for supplementary assistance towards the purchase of fuel. Such determination shall be based on the following criteria: (1) climate as determined by the average number of yearly heating degree days; (2) fuel type in predominant use; (3) increases in the cost of various fuels within regions since the 1973/74 heating season. Fuel stamps will be allocated to the various States according to that determination.

SEC. 9. The Secretary shall issue such regulations as he deems necessary or appropriate to carry out the purposes of this Act.

SEC. 10. The criteria for eligibility under this Act shall, except to the extent otherwise provided by this Act, be the same as those of the Food Stamp Act of 1964, as amended. Households that meet the requirements of this Act and such criteria in the Food Stamp Act of 1964 will be eligible for assistance under this Act, their participation or nonparticipation in the food stamp program notwithstanding.

SEC. 11. Coupons or stamps shall be printed in such denominations as may be determined by the Secretary to be necessary, and they shall be issued under any program established pursuant to this Act only to households which have been duly certified under such program as eligible to participate in the fuel stamp program.

SEC. 12. Any State desiring to participate in the fuel stamp program shall petition the

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Secretary and provide, for his approval, a plan. Such plan shall contain a fuel stamp program in accordance with this Act and evidence sufficient to indicate that such State has instituted statewide fuel conservation efforts. Such program shall contain provisions assuring that the benefits of the program shall be available to eligible citizens residing in all its political subdivisions. The plan shall also provide for the distribution of fuel stamps at such intervals as to provide individual recipients with maximum financial benefit.

SEC. 13. The Secretary shall establish, in conjunction with State authorities, a schedule of benefits. The allocation of fuel stamps to households must take into account the following factors: (1) income; (2) household size; (3) type of dwelling; (4) type of fuel in primary use; (5) climate; and (6) the average increase in the cost of the primary fuel since the 1973/74 heating season. Benefits provided under this Act must be related to actual increases in the cost of fuel since the 1973/74 heating season.

SEC. 14. Any landlord who accepts any part of his rental charges in fuel stamps, as provided under any fuel stamp program established pursuant to this Act, shall, as a condition of such acceptance, agree that if he increases rents, he will:

(1) increase rents only in accordance with those costs which he actually incurs for heating, lighting, and cooking;

(2) increase rents only in accordance with actual increases in other operating costs;

(3) submit his increases to review upon the request of the appropriate State agency, pursuant to this Act; and

(4) use as a base period in computing increases in fuel costs the average price of such fuels during the 1973/74 heating season.

SEC. 15. Whoever knowingly uses, transfers, acquires, or possesses coupons issued pursuant to this Act in any manner not authorized by this Act or the regulations issued pursuant thereto shall, if such coupons are of the value of $100 or more, be fined not more than $10,000 or imprisoned for not more than five years, or both. If such coupons are of a value of less than $100, shall be fined not more than $5,000 or imprisoned for not more than one year, or both.

SEC. 16. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. HARTKE:

S. 809. A bill to amend the Public Health Service Act to provide for a study with regard to histoplasmosis. Referred to the Committee on Labor and Public Welfare.

FUNDS FOR THE STUDY OF HISTOPLASMOSIS

Mr. HARTKE. Mr. President, I am reintroducing legislation to study and research histoplasmosis and ocular histoplasmosis, diseases that affect many individuals in various regions of our country. This legislation was proposed in the 93d Congress as S. 4220.

Some experts believe 2 out of every 3 people in Indiana and other parts of the United States may be carriers of histoplasmosis.

Histoplasmosis is caused by a fungus or mold existing in simple plant life form called Histoplasma Capsulatum. Certain conditions must exist for the fungus to live. These are commonly warm, moist and preferably dark. These conditions are found most often in droppings from chickens, pigeons, starlings, and other birds. In many cases, the fungus is prevalent around old chicken houses, barns, belfries and pigeon lofts.

Histoplasmosis is endemic, and characteristically found in the Mississippi, Ohio, Missouri and other river valleys in the United States. It has also been found in Latin America, North and South America, the East Indies and Australia.

Many people who come in contact with histo spores are infected. However, in most cases, contact with the fungus and the mold will not manifest any organic symptoms.

Schoolchildren of both sexes are frequent victims. More men than women get the disease as adults. Very young children and older men are the most susceptible to the generalized form of histoplasmosis that spreads from the lungs to other parts of the body.

When the fungus-bearing dust is breathed in, the tiny spores are carried into the bronchial tubes. Eventually, some of the spores reach deep down into the tiny sacs of the lungs. Here the spores are arrested by wandering cells and are taken to the lungs' lymph nodes. These filter-like nodes trap and hold the spores, and provide an excellent place for them to multiply.

Occasionally these areas become inflamed. There is often severe localized damage to the lymph nodes and lung cells. Scars and calcium deposits form. Usually the symptoms are those of a flu, and after a week of rest, a person recovers. A large dose of the fungus may bring more serious symptoms: loss of weight, extreme tiredness, and weeks or months of convalescence.

Another more serious type of histoplasmosis occurs when the spores spread from the lungs throughout the body. This condition may cause various organs to enlarge, fever to rise, or it may cause anemia.

In chronic, long-lasting cases of histoplasmosis, injured areas may be found in the lungs and at times in the throat and nasal passages. These cases occasionally can be fatal.

Ocular histoplasmosis occurs when the fungus or one of its products escapes from the lungs or other organs and lodges in the eye, causing inflammation behind the retina.

When the fungus lodges near or in the mascula of the eye the condition becomes serious, often resulting in blindness.

Dr. Ted Schlaegel, professor of ophthalmology, director of uveitis service at Indiana University School of Medicine, noted that in the endemic area, one out of every thousand people will suffer ocular disability from ocular histoplasmosis.

Histoplasmosis was originally treated as tuberculosis. With the introduction of the histoplasmosis skin test in 1941, the disease was separated from other generalities. However, it was not until the late 1950's that ocular histoplasmosis was discovered.

Mr. President, research into a disease which affects 2 out of every 3 people in Indiana and other States that have a high incidence of histoplasmosis should move along without hesitation. However, moneys are not available through existing programs for establishment of the necessary laboratories to carry out the research.

My bill provides $4.75 million over the next 3 years for research into histoplasmosis, and $4.75 million for research into ocular histoplasmosis. Additionally, my bill provides $500,000 for training of qualified individuals.

When so little is known about a disease that causes so much harm and suffering, I believe the modest amounts that are included in the bill should be swiftly approved.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part A of title III of the Public Health Service Act is amended by adding at the end thereof the following new section:

"HISTOPLASMOSIS RESEARCH

"SEC. 310. (a) The Secretary shall conduct a research program with regard to the diagnosis and treatment of histoplasmosis and ocular histoplasmosis. Such study shall include clinical and animal research.

"(b) From the funds appropriated to carry out this subsection, the Secretary is authorized to make grants to assist in initiating, developing, and maintaining programs for the training of personnel in the diagnosis and treatment of histoplasmosis and ocular histoplasmosis.

"(c)(1) There are authorized to be appropriated to carry out the research program with regard to histoplasmosis, $1,000,000 for the fiscal year ending June 30, 1976, $1,500,000 for the fiscal year ending June 30, 1977, and $2,250,000 for the fiscal year ending June 30, 1978.

"(2) There are authorized to be appropriated to carry out the research program with regard to ocular histoplasmosis, $1,000,000 for the fiscal year ending June 30, 1976, $1,500,000 for fiscal year ending June 30, 1977, and $2,250,000 for the fiscal year ending June 30, 1978.

"(3) For the purposes of conducting training programs under subsection (b) there are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1975 and a like sum for each of the next 2 succeeding fiscal years.".

By Mr. EAGLETON (for himself, Mr. BAYH, Mr. CANNON, Mr. DOLE, Mr. HARTKE, Mr. MCINTYRE, Mr. NELSON, Mr. STEVENS, Mr. STEVENSON, Mr. SYMINGTON, and Mr. THURMOND):

S. 810. A bill to amend the Flood Disaster Protection Act of 1973 and the National Flood Insurance Act of 1968 to permit owners of properties located in nonparticipating communities to participate in the flood insurance program and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

FLOOD INSURANCE RESTRICTIONS SHOULD BE RELAXED

Mr. EAGLETON. Mr. President, for myself and Senators BAYH, CANNON, DOLE, HARTKE, MCINTYRE, NELSON, STEVENS, STEVENSON, SYMINGTON, and THURMOND, I send to the desk a bill to amend the Flood Disaster Protection Act of 1973 and the National Flood Insurance Act of 1968, and ask that it be referred to the appropriate committee.

The purpose of this bill is to correct certain excesses and inequities in the Federal flood insurance program by:

First. Making Federal flood insurance available to an individual if that individual agrees to comply with relevant HUD construction standards on his own property, but regardless of what the community as a whole may do.

Second. Modifying the penalty provisions of the act to exclude the prohibition against commercial loans for construction in a flood plain area.

Mr. President, in December 1973, the Congress enacted a series of amendments to the National Flood Insurance Act to expand benefits and to provide certain penalties for nonparticipation by any community which the Secretary of HUD designates as having a flood or mudslide hazard. Thus far, more than 16,000 communities throughout the country have been so designated but only 5,400 or 34 percent have come into the program.

After July 1, 1975, or 1 year after it receives a HUD map showing the flood-prone area—whichever date is later—any designated community which has not signed up for insurance faces severe penalties. These includes loss of all Federal assistance for land acquisition or construction in the flood-prone area including disaster relief loans, FHA and VA insured home mortgages, and commercial construction loans if the lending institution is insured or supervised under a Federal program.

Mr. President, I support the Federal flood insurance program. I believe it is a vastly more efficient and equitable way of assisting flood victims than disaster grants and low-interest loans. But I do not believe Congress intended the program to become an instrument for usurping local powers and forcing communities to adopt Federal zoning and building codes in their flood plain areas.

Nor do I believe that is a proper Federal function except, perhaps, where there is a direct Federal investment or risk involved.

There are many good reasons why a community may decide not to participate in the insurance program. For one, the flood hazard identified by HUD may be so minimal both in terms of frequency and potential property loss that it is not worth the cost of the premiums let alone the building restrictions that go along with the program. Other communities have little discretion about where they build; local geography dictates the matter. Short of agreeing to dissolve their town after a flood, they cannot accept the HUD standards.

In my own State there are legal obstacles to participation. Unincorporated communities have no authority to adopt zoning and building standards on their own. They must win approval through a countywide referendum vote and, given the political volatility of the land-use issue, that has not been easy.

But whatever the reason, I believe a community should have the right to make its own decision and bear its own risks without unwarranted Federal intervention. Under the program as it stands, that is not permitted.

What it comes to is this: The Federal Government decides a community has a flood problem and notifies it that it is eligible for subsidized Federal flood insurance. As a condition of buying that insurance, however, the community must adopt the HUD building and zoning standards which are designed to protect future structures against any flood which might occur.

Now, I think that is probably a reasonable quid pro quo for the heavy Federal subsidy involved in this program. It makes sense, too, for the Federal Government now to invest taxpayers' money for construction loans or grants in communities which refuse to buy the insurance. But the program does not stop there. It has a catch 22 and a catch 23.

Catch 22 applies to communities which decide their interests are better served by staying out of the program because they cannot live with the building standards. The Federal Government thereupon invokes section 205 of the act which prohibits any lending institution which is insured or supervised by a Federal agency from making a loan for building or rebuilding in an uninsured flood area.

In short, the community which opts not to buy insurance suffers even more stringent building restrictions than those which come into the program. It cannot rebuild at all because no bank or savings and loan is allowed to put up the money. By Federal law and regulation the community is fated to become a ghost town. As one of my constituents put it, "what the floods don't take, the Federal Government will."

Catch 23 of the program limits insurance coverage to individuals whose communities have adopted the requisite zoning and building standards. It makes no difference that an individual is willing to comply with those standards with respect to his own property. Unless he is also able to persuade the community to go along, he must pay the penalty together with everyone else and that penalty amounts to virtual confiscation of his property.

Mr. President, the penalty provisions of the existing Flood Insurance Act are defended as necessary for good flood plain management. The fact is, however, that it is only a partial approach to the problem at best since it does not apply to construction in upstream communities which, while floodfree themselves, may be the cause of aggravated flooding downstream.

I support programs to encourage sound flood plain management but there are limits beyond which the inequities and hardships created outweigh any possible benefits. I think we have such a situation in the flood insurance program and I propose we restore balance to our effort by adopting these amendments.

Mr. President, I ask that the text of the bill and a State-by-State breakdown of the number of communities affected by this program be printed in the RECORD at this point in my remarks.

There being no objection, the bill and breakdown were ordered to be printed in the RECORD, as follows:

S. 810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 2(a)(4), section 3(a)(5), section 102(b), and section 202(b) of the Flood Disaster Protection Act of 1973 are repealed.

(b) Section 2(b) of such Act is amended—

(1) by inserting "and" after the semicolon at the end of clause (2);

(2) by striking out "; and" at the end of clause (3) and inserting in lieu thereof a period; and

(3) by striking out clause (4).

(c) Section 205(b) is amended by striking out ", and each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions,".

SEC. 2. Section 1305(c) of the National Flood Insurance Act of 1968 is amended by adding at the end thereof the following flush sentence:

"In addition, notwithstanding the provisions of section 1315, the Secretary shall make flood insurance available for property in other States or areas (or subdivisions thereof), if the owner of such property agrees to meet such land use and control measures or to construct such a flood protection system as the Secretary may prescribe."

HUD FIGURES AS OF DEC. 31, 1974

State	Communities	Communities participating	Percentage participation
Alabama	310	72	23
Alaska	120	7	6
Arizona	78	22	28
Arkansas	374	49	13
California	462	185	40
Colorado	264	63	24
Connecticut	185	84	45
Delaware	53	25	47
District of Columbia	1	0	0
Florida	328	197	60
Georgia	256	91	36
Hawaii	4	4	100
Idaho	201	33	16
Illinois	807	267	33
Indiana	352	47	13
Iowa	532	68	13
Kansas	378	50	13
Kentucky	251	55	22
Louisiana	335	153	46
Maine	429	22	5
Maryland	156	53	34
Massachusetts	352	126	36
Michigan	305	205	67
Minnesota	661	285	43
Mississippi	241	126	52
Missouri	504	155	31
Montana	136	10	7
Nebraska	405	50	12
Nevada	25	5	20
New Hampshire	173	9	15
New Jersey	561	305	54
New Mexico	102	21	21
New York	515	358	70
North Carolina	282	109	39
North Dakota	254	27	11
Ohio	671	105	16
Oklahoma	454	43	9
Oregon	274	99	36
Pennsylvania	916	580	63
Rhode Island	39	26	67
South Carolina	215	52	24
South Dakota	225	29	13
Tennessee	239	78	33
Texas	987	250	25
Utah	224	34	15
Vermont	315	39	12
Virginia	306	159	52
Washington	299	93	31
West Virginia	278	35	13
Wisconsin	538	177	33
Wyoming	80	8	10
Puerto Rico	1	1	100
Total	16,117	5,488	34

By Mr. TUNNEY (for himself and Mr. MAGNUSON):

S. 811. A bill to amend the Horse Protection Act of 1970 to better effectuate

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its purpose. Referred to the Committee on Commerce.

Mr. TUNNEY. Mr. President, today I am reintroducing legislation to amend the Horse Protection Act of 1970. This legislation is identical to that passed by the Senate last fall. I am hopeful we can quickly act upon this bill and send it on to the House with a minimum of discussion.

When we passed the Horse Protection Act of 1970, it was with the specific intent to stop, once and for all, the inhumane and unnecessary practice of soring Tennessee Walking Horses, indeed any saddle horse, to affect their natural gait. Expert witnesses testified before the Commerce Committee that the practice of soring does indeed still exist on a widespread scale. In fact, there are as many, if not more, sore horses in the show ring today than there were when the initial act was passed over 3 years ago. Unfortunately, as the hearings made painfully clear, the will of Congress and the full intent of the law have yet to be translated into action.

The inhumane and brutal treatment of horses for financial gain—or to gain prestige by owning a "winner"—is a problem that anyone involved with animals must share to some degree. As long as owners, riders, or trainers can get by with inflicting pain and torment upon their animals, merely to develop a winning gait in the show ring, the tragedy raises many questions on our civilized standards.

The purpose of soring is to make a horse's feet so sensitive to pain that when it moves with its rider in the show ring it abruptly brings up its front legs as soon as its feet touch the ground. The visual effect is a high stepping graceful gait. It is an effect created by intense pain. It is a gait which can be achieved through careful and patient training over a long period of time, without the use of any soring agents. Soring boils down to these basic facts: greed, wanting to be first, and a total lack of sensitivity to animals. The viscious practice of hoof mutation means that in the show ring the winning walker is not necessarily the best trained horse; it can be the most tortured.

The Tennessee Walking Horses are brutally sored by irritants such as oil of mustard, salt rubbed into fine line cuts around the front pastern areas to blister the skin and then the application of heavy logging chains around the burned area to bruise and cause ugly sores and scars on the front feet. These horses are worked mercilessly in severe pain during a horse show class and reflect their suffering by excessive sweating, flared nostrils and a deep crouch in the rear with a swaying hock action. Several horses have been seen prior to a show in their stalls, with hooves so sore so as to cause the animal to constantly shift his weight from one leg to the other, or lie down to avoid bearing their own weight.

The American Equine Practitioners Association, in December of 1972, drafted a resolution stating that the soring of Walking Horses was indeed a cruel and barbaric act. They recommended that Congress amend the Horse Protection Act so that more proper implementation could occur so that violators could be more swiftly prosecuted.

As brought out by the testimony of witnesses to this cruel practice, several riders were overheard, after having completed their class in the ring, to remark, "If you'd have sored him more I would have won first place" How insensitive and how unnecessary.

Mr. President, I cannot stress enough the importance of passing this legislation as quickly as possible. The Walking Horse show circuit is again underway for the new season and unless something is done to enforce the law against soring, several hundred, indeed thousands, of Tennessee Walking Horses will be subjected to intense pain, all for the greed and selfishness of people for whom a blue ribbon is more important than the well being of their animals.

Mr. President, this bill does not seek to put an end to the Walking Horse industry and I do not mean to imply that all who breed and show walking horses subject their animals to this torture. Indeed, there are many concerned and conscientious people within the Walking Horse industry who seek to train their horses naturally, with great patience and care. Such people have little chance of winning the top prizes when competing with the sore horses but, thankfully, they have not allowed themselves to resort to torture in order to come out on top. It is for these conscientious breeders and trainers also that we must pass this legislation.

I ask that the Senate give this matter prompt attention and pass this measure before the show season is too far underway.

By Mr. ABOUREZK (for himself, Mr. McGOVERN, and Mr. STONE):

S. 812. A bill to authorize the Secretary of Agriculture to make loans for a temporary period to farmers and stockmen who have suffered severe economic loss in connection with their livestock operations. Referred to the Committee on Agriculture and Forestery.

Mr. ABOUREZK. Mr. President, the American livestock industry is in very, very serious trouble. Many producers with smaller ranches have already gone out of business because of disastrously low market prices. And thousands more are teetering on the brink of bankruptcy.

It is extremely important that the Congress and the administration recognize that the crisis in the livestock industry is genuine and that emergency action is badly needed.

In 1974, the United States had 127.7 million head of cattle. By January 1, 1975, that number had risen by over 4 million, to 131.8 million. But at the same time the total number of cattle was rising, the value of the livestock was dropping. In fact, those 127.7 million head were worth about $41 billion. Today, even with the increase in cattle numbers, the value has dropped by 50 percent, to $20.9 billion.

That 50-percent drop in value means a drastic cut in the net worth of livestock producers. It means their collateral for loans suddenly disappeared. And it means their ability to get operating loans or long-term loans has vanished. And, of course, it means their income is below even the cost of production.

There is no industry in this country that could withstand this kind of economic devastation. And there is no reason for the Federal Government to stand idly by while thousands of livestock producers—the people who produce the meat for our tables—go broke.

I believe there is a growing consensus in our Nation that the smaller farmer or rancher is a genuine asset in the production of food. Most people do not want anonymous conglomerates to take over. They do not want more economic power placed in the corporate hands of big chainstores or other middlemen. I believe they want a steady supply of high-quality food at prices that are reasonable both in the supermarket and at the producer level.

It is, then, in the interests of both consumers and livestock producers that I today introduce the Livestock Producers Emergency Loan Relief Act of 1975.

This bill provides emergency credit, on a long-term and low-interest basis, to enable our producers to stay in business until their income reaches a reasonable level. And it is structured as an emergency measure so that it can go into effect quickly if it is passed by the Congress.

I hope that every Member of Congress will recognize the need for emergency help for the livestock industry and will support this legislation.

By Mr. ABOUREZK (for himself and Mr. McGOVERN):

S. 813. A bill authorizing the construction of a dam and reservoir on the Little White River, S. Dak. (Rosebud site). Referred to the Committee on Public Works.

Mr. ABOUREZK. Mr. President, I am introducing today on behalf of myself and Senator McGOVERN a bill to authorize a dam and reservoir on the Little White River in South Dakota. It is my understanding that Congressman JAMES ABDNOR in whose district this project would be constructed is also introducing similar legislation in the House of Representatives.

This is not a new proposal. Over 10 years ago my senior colleague, Senator McGOVERN, requested a thorough study of the potential for multiple-purpose development of the White River and its tributaries in South Dakota and Nebraska.

Generally, the results of this study were not encouraging. However, in the case of the Rosebud site, the one proposed in this bill, the Corps of Engineers reported that—

It might provide regional opportunities for increased economic activities through expansion of the tourism industry.

I feel that the opportunities go far beyond this limited report.

The area that would benefit from the proposed dam and reservoir is very typical of many rural areas in our Nation. It is losing population and its economic base. The 1970 population of the White River basin was 47,000—a decrease of 13 percent since 1940. There are two Indian reservations within the basin. These reservations, again typical of reservations generally, have some of the highest unemployment, the lowest per capita income, and the poorest health and housing conditions to be found in the entire Nation.

This proposal is a modest one. At current estimates, it would cost about $7.5 million. It would create a scenic lake of 4.3 miles in length, with 26 miles of shoreline, and 2,400 acres of surface area. I would add that—aside from the tourist potential that this would add—this area has recently suffered from extremely severe drought. The water storage that this reservoir would make possible would have made a great deal of difference to hundreds of small farmers and ranchers during this past year.

We, as a Nation, cannot afford to continue to drive our small food producers off the land. Congress recognized that fact in the Agricultural Act of 1973 and the Rural Development Act of 1972. In those laws the Federal Government committed itself to a policy of balanced growth between rural and urban areas. Mr. President, this project would assist in the revitalization and development of one of our rural areas. It would do so at a modest cost. It would mean jobs and money in the Little White River area that would enable the young people to stay where they want to be instead of being forced to move to our great cities at the exact time when employment opportunities in those cities are at the lowest level they have been in decades.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Chief of Engineers, United States Army, is authorized to plan, construct, and operate a multiple-purpose dam and reservoir on the Little White River, South Dakota (Rosebud site), approximately one and one-half miles north of the Mellette-Todd County line, South Dakota, in the interest of flood control, recreation, sediment storage, water supply, low-flow, regulation, limited irrigation, and hydroelectric power.

SEC. 2. There are authorized to be appropriated such sums as may be required to carry out the provisions of this Act.

By Mr. PHILIP A. HART (for himself and Mr. HARTKE):

S. 814. A bill to supplement the Federal Trade Commission Act by amending it to increase competition, promote interstate and foreign commerce, prevent unreasonable restraints on commerce and the commercial working of technology advancements, to protect the freedom of employment for scientists and engineers, and for other purposes. Referred to the Committee on Commerce.

Mr. PHILIP A. HART. Mr. President, today I introduce for myself and the senior Senator from Indiana (Mr. HARTKE) legislation which would amend the Federal Trade Commission Act by making it an unfair act or practice subject to the FTC Act to refuse to license on reasonable and nondiscriminatory terms certain patents under enumerated criteria. Basically, patents that are not utilized, patents that block utilization of other major innovations, or patents on products not reasonably available to the public that involve the public health and safety, or protection of the environment would be required to be licensed for others to use.

The goals of this bill are two: First, to make the patent licensing system serve the public interest by providing that the system cannot be used to block implementation of technology which is in the public interest; second, to codify various legislative and court decisions which have said the same thing in limited areas of patent licensing.

Enactment of this bill would finally bring the United States into line with at least 20 other major industrial nations which long ago recognized the need for utilization of patented technology by the public to encourage rapid and open development.

In doing so, we should once more be competitive in the field of technology, offering more employment to our scientists and engineers, and removing artificial restraints on competition patents can create.

Mr. President, the patent system, in its entirety, has been thought of in many quarters as existing for the special good and benefit of inventors or their corporate employers.

Of course, this was never the goal of the patent system. It was set up by the Constitution to benefit the public by promoting the progress of the useful arts. Obviously, neither has been served if a patent is obtained merely as a way of locking up the technology so that it cannot be used.

In a 1974 opinion, the U.S. Court of Appeals for the Second Circuit unanimously applied this concept and stated as follows:

We do not find any difficulty in agreeing with Judge Palmieri that an injunction would be an inappropriate remedy in this case. An injunction to protect a patent against infringement, like any other injunction, is an equitable remedy to be determined by the circumstances. It is not intended as a club to be wielded by a patentee to enhance his negotiating stance. Here, as the District Court noted, the appellee manufactures a product; the appellant does not. In the assessment of relative equities, the court could properly conclude that to impose irreparable hardship on the infringer by injunction, without any concomitant benefit to the patentee, would be inequitable.

Instead, the District Court avoided ordering a cessation of business to the benefit of neither party by compensating appellant in the form of a compulsory license with royalties. This Court has approved such a "flexible approach" in patent litigation. Here the compulsory license is a benefit to the patentee who has been unable to prevail in his quest for injunctive relief. To grant him a compulsory royalty is to give him half a loaf. In the circumstance of his utter failure to exploit the patent on his own, that seems fair. *Foster* v. *American Machine & Foundry Co.*, 492 F.2d 1317 (2d. Cir. 1974) (citations omitted).

It seems clear to me, that in choosing the language to set up our patent system, the framers of the Constitution had in mind its forerunner, the statute of monopolies adopted in England in 1623. This authorized patents when not "mischievous to the State, by raising of the prices of commodities at home, or hurt of trade or generally inconvenient."

This country has faced up to the problem—on a piecemeal basis—a number of times in the past with specific industries. Most recently, the Senate included a mandatory licensing provision in the energy research and development bill (S. 1283, 93d Congress). That provision was dropped in the conference committee on the basis of a 4-to-4 vote of the House conferees. I ask unanimous consent to include at the end of my remarks some of these examples.

Also, I ask that an analysis of this bill be printed, along with the complete text.

Mr. President, the bill I think is not precedent setting, but merely commonsense. While still encouraging new ideas—and guaranteeing the inventor fair compensation—it sets out procedures whereby that new idea can be put to work for the public good.

The bill is substantially identical to S. 2287 which I introduced during the 93d Congress, and I hope that the committee's schedule will permit its consideration this Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to create a Federal Trade Commission, to define its power and duties, and for other purposes", approved September 26, 1914, as amended (15 U.S.C. 41–58), is hereby amended by adding at the end of section 5(a) thereof the following new paragraphs, to read as follows:

"(7) It is hereby declared an unfair act or practice subject to this Act, and an inequitable practice, for the owner of a United States patent or any licensee having sublicensing rights thereunder, to refuse or fail to license such patent, together with all available know-how necessary commercially to work the best modes of making, using, and selling the subject matter of the patent, to any applicant in the United States on reasonable and nondiscriminatory terms, when the effect of such refusal or failure may be substantially to lessen actual or potential commerce, and:

"(A) the patented subject matter relates to the manufacture, use, sale, or commercial working of a product, material, or process involving or related to public health, safety, energy, or protection of the environment; and, in any section of the country, such product, material, or process is not commercially utilized or available to the public, or is commercially utilized or available only:

"(i) in insufficient amounts or quantities to satisfy the public need therefor, or

"(ii) in an inferior quality, or

"(iii) at price levels or subject to other conditions or circumstances the effect of which may be substantially to lessen competition in the manufacture, use, sale, or distribution of such product, material, or

process, or tend to create a monopoly hereon, or which indicate that the same already exists; or

"(B) the patented subject matter has not been commercially worked during any continuous period of three years following the date of issue of the patent thereon, or of four years following the date of application for a patent thereon—unless such failure has been due solely to circumstances beyond the control of such owner and licensee; or

"(C) it is infeasible or impracticable for the applicant, without the grant of such license, to make, use, sell, or commercially work a product or process claimed in a subsequently issued patent which he owns or under which he has a license: *Provided, however*, That such applicant has offered to license the subsequently issued patent, on reasonable and nondiscriminatory terms, to the person from whom the applicant seeks a license; or

"(D) the applicant commercially worked the patented subject matter in the United States before the actual filing date for the patent in the United States; or

"(E) the applicant is the maker or seller of a product of which the portion embodying the patented subject matter constitutes less than 10 per centum or is otherwise only a minor part.

Any person injured or aggrieved by conduct declared an unfair act or practice by this paragraph may secure declaratory relief in respect to his entitlement to a license and the terms thereof, by civil action in a district court having jurisdiction of the parties, but nothing contained in this paragraph shall constitute a basis for an action for damages.

"(8) It is hereby declared an unfair act or practice subject to this Act, and an inequitable practice, for any corporation to enter into, maintain in effect, or in any way enforce or threaten to enforce any contract with any employee or prospective employee of such corporation, or to assert a construction or interpretation of such contract, which provides that, or which as a practical matter has the result that, such employee shall not or cannot engage in any trade, profession, or calling, or any branch thereof, subsequent to the termination of his employment by such corporation, where the effect of such provision may be substantially to lessen competition to tend to create a monopoly in any line of commerce or substantially lessen the opportunity of such employee to pursue his livelihood: *Provided, however*, That nothing continued in this paragraph shall make unlawful any agreement that such employee shall not divulge to others or utilize for commercial purposes trade secrets of such corporation. Any employee or former employee of any corporation who is hindered, limited, or damaged in his pursuit of his livelihood or engaging in any trade, profession, or calling, or any branch thereof, by reason of said corporation's violation of the provisions of this paragraph, may maintain an action in any court of competent jurisdiction for the recovery of such damages (including loss of anticipated profits, if any), together with the costs of maintaining such action, including attorneys' fees: *Provided, however*, That any such action shall be barred unless commenced within four years after the cause of action accrued.

SEC. 2. The Commission is authorized and directed to define any and all terms used herein, and otherwise to prescribe such procedural and substantive rules and regulations as may be necessary or appropriate for carrying out the purposes of this Act. The Commission, acting through its own attorneys, is authorized and directed to seek injunctive and such other relief as may be necessary or appropriate to prevent violation of any provision of this Act or of any rule or regulation promulgated hereunder, in any court of competent jurisdiction. The Commission shall further have all powers and enforcement duties with respect to unfair acts or practices subject to this Act as it does respecting unfair methods of competition, and the provisions of the Federal Trade Commission Act (15 U.S.C. 41–58) shall be applicable with respect to unfair acts or practices subject to this Act.

SEC. 3. If any provision of this Act or the application of such provision to any person or circumstances is held invalid, the remainder of this Act shall not be affected thereby.

SEC. 4. This Act shall become effective ninety days after the enactment thereof. It shall apply to all United States patents, whether issued before or after the effective date of this Act.

HISTORICAL EXAMPLES

Since at least a hundred years ago, the Federal courts have refused to enforce the privilege to exclude others, where the infringer was practicing technology important to public health, safety, or the environment. In the most famous of these cases, *The City of Milwaukee* v. *Activated Sludge, Inc.*, 69 F.2d 577, 593 (7th Cir. 1934), the City of Milwaukee was held to have infringed a patent for processing sewage, but the Seventh Circuit refused to grant an injunction. The court states:

"Ordinarily court will protect patents rights by injunctive process. . . . If, however, the injunction ordered by the trial court is made permanent in this case, it would close the sewage plant, leaving the entire community without any means for the disposal of raw sewage other than running it into Lake Michigan, thereby polluting its waters and endangering the health and lives of that and other adjoining communities."

Likewise, a Federal court has refused to enforce a patent which would provide poor people a cheap cure for rickets. In *Vitamin Technologists* v. *Wisconsin Alumni Research Foundation*, 146 F.2d 941, 945 (9th Cir. 1945), the court noted, "it is the poor people suffering with rickets who constitute the principal market for appellee's monopolized processes and products." Likewise, railroad car handbrakes, firehose couplers, and street lamps have been treated at various times as technology so imbued with public interest that injunctive relief has been denied against patent infringement. Whatever long term effect the patent system has in causing new inventions to come about has been reconciled with the immediate problem of saving or protecting human lives, safety, or the environment.

Congress itself has recognized the predominance of this public interest by providing for the compulsory licensing of plant patents, where such "is necessary in order to insure an adequate supply of fiber, food, or feed in this country and . . . the owner is unwilling or unable to supply the public needs for the variety at a price which may reasonably be deemed fair" (7 U.S.C. sec. 2404). In addition, Congress has provided for compulsory licensing of patents involving clean air, if the patent is "not otherwise reasonable available;" and the license is necessary to permit persons to comply with the Federal regulationa promulgated under the Clear Air Act (42 U.S.C. sec. 1857h–6).

The Special Committee on Environmental Law of the American Bar Association in 1973 adopted a resolution as follows:

"Resolved That the American Bar Association supports the principle of mandatory licensing of patents in all areas of pollution control technology in those cases with respect to which the Environmental Protection Agency has determined that mandatory licensing is required because the patent holder is unwilling or unable to develop the patent or to supply the total market demand for the patented technology."

The government itself (the sovereign which grants the patent) has limited the private privilege to exclude by retaining the right to use patented inventions in public projects. Section 1498 of the Judicial Code (28 U.S.C. sec. 1498) provides that whenever a patented invention "is used or manufactured by or for the United States without license of the owner thereof," the patent owner's only remedy is for "his reasonable and entire compensation for such use and manufacture" by an action against the United States in the Court of Claims. The phrase "by or for" the use of the United States has been interpreted to include all contractors and subcontractors doing work for the United States. The original reason for this statute, and one that retains vitality today, is that the government retains the right to undertake work involving the national defense and security, or other public necessities, without being blocked by the patent system, although it should pay reasonable compensation for the use of the patented invention.

An extension of this philosophy is found in the Atomic Energy Act (42 U.S.C. secs. 2182–2187). In essence, this Act provides that no patent shall be granted for inventions for use solely in atomic weapons, although an inventor may apply for an award from the Atomic Energy Commission for the contribution he has made. An inventor may obtain a patent for a nuclear invention which has a nonmilitary use; but if the Atomic Energy Commission declares that such a patent is "affected with the public interest," under defined criteria, then others may obtain a compulsory license under the patent in order to maximize the distribution and utilization of the invention.

Federal courts have also required compulsory licensing or cancellation of patents used to violate the antitrust laws or other economic regulatory law. Numerous court cases, for example, have demonstrated how various industries in the United States have used patent agreements as instruments of very tight output and price control, leading to a monopolization of trade and a stifling of competition. As the privately owned patent monopoly is an exception to the general rule in favor of competition in the United States, courts order the licensing of patents to safeguard the competitive system against the adverse side effects of the exclusionary power of a patent. As the Supreme Court pointed out in *United States* v. *Glaxo Group Ltd.*, 410 U.S. 52 (1973):

"Mandatory selling on specified terms and compulsory patent licensing at reasonable charges are recognized antitrust remedies."

Compulsory licensing provisions are also a familiar feature of court-sanctioned antitrust consent decrees. Moreover, compulsory licensing has been applied to both patents and secret know-how. The privilege to exclude others is thereby subordinated to other general rules which favor the growth and development of the economy to help the patent system best fulfill its role in a competitive economy.

All of these ad hoc applications are in full accord with the Paris Convention for the Protection of Industrial Property of 1883—to which the U.S. is a signatory. Section 5 of that Convention recognizes that it is appropriate to have compulsory licenses if a patented invention is not being utilized commercially:

"Each country of the Union shall have the right to take legislative measures providing for the grant of compulsory licenses to prevent the abuses which might result from the exclusive rights conferred by the patent, for example, failure to work."

In Constitutional terms, failure to use an invention is an abuse of the patent monopoly, for such nonuse fails to achieve the constitutional purpose of promoting the progress of science and the useful arts. Compulsory licensing of a patent which has not been worked has nothing to do with the antitrust laws; this nonworking provision arises out of the failure to exploit the patent and let the public benefit from the invention.

Practically every other major industrial nation in the world has enacted provisions to provide for the utilization of patented technology by the public where necessary to encourage rapid and open development and exploitation of such technology. The most common of these provisions in foreign law prevent private patent monopolists from excluding the public from practicing (1) technology involving the public health or safety, (2) technology not being commercially worked by its owner, and (3) technology on which someone has obtained a valuable improvement patent.

The public health and welfare provision generally adopted abroad provides for the compulsory licensing of patents relating to the public health or safety if certain economic conditions designed to protect the patent owner and the public are met. These include findings by an appropriate government agency that the patented technology involving such public health or safety is being made available to the public only in insufficient quantities or in an inferior quality or at abnormally high prices.

The nonworking provision generally adopted abroad provides that if technology is not being fully and effectively commercially worked after the expiration of three years from the grant of a patent thereon, or of four years from the date the application for a patent thereon was filed, another member of the public is given the opportunity to work the technology. Such provisions do not apply, of course, if the owner has a legitimate excuse for failing to commercially work the technology involved.

The improvement patent provision generally adopted abroad prevents the owner of an earlier and presumably less advanced patent from blocking newer and more advanced technology. To be fair to the owner of the earlier patent, however, he is generally required to license the owner of the improvement patent only if he is in turn permitted to practice the improved technology.

ANALYSIS OF THE BILL

The first paragraph of this Act to supplement the Federal Trade Commission Act [designated as paragraph (7) of section 5(d)] would simplify and clarify the law of compulsory licensing. Essentially, it declares the refusal or failure to license a patent on a reasonable basis (and in a commercially useful way) to be improper if two basic legal tests are met. First, and applicable in all circumstances, is the test, based on the Clayton Act, that the effect of such refusal to license have the requisite impact on interstate commerce of substantially tending to lessen actual or potential commerce. The second requisite condition varies, as delineated, by the following subparagraphs to the Act;

Subparagraph (A) codifies the long established *Activated Sludge* case by requiring the compulsory licensing of patents "related to public health, safety, or protection of the environment," when it is necessary to do so to insure the public's use of the subject matter on a reasonable basis. This provision provides standards by which a manufacturer can determine when his patent would appropriately be subject to compulsory licensing in this area, rather than leaving him to the possible uncertainty of a case-by-case decision.

Subparagraph (B) provides that if a United States patent has not been commercially utilized for a period of three years from issuance or four years from application, and someone else is willing to utilize or work that patent and pay a reasonable fee for a license thereunder, he is permitted to do so. This is a direct codification of the provision agreed to by the United States in Article 5 of the Paris Convention of 1883.

Utilization of such an unused patent does the patent owner no harm; and can only be a benefit both to him, as a result of license fees, and to the public, through the introduction of new technology. Generally, the only reason that a given manufacturer, or a whole industry (such as the drug industry), will tend not to grant licenses or otherwise utilize a patent is to block competition or prevent development of certain lines of technology. Otherwise, if a patent owner is not able to utilize the patented invention himself, there is no other rational reason for him not to license his patent. Under this provision, if the patent owner is unable to market his invention for reasons "beyond the control of such owner," he then is not compelled to license the patent.

Subparagraph (C) provides that one patent may not be used to block the utilization of another. Often, one company will make a significant improvement over the invention of another (which improvement would have to be significant in order to be patentable). But, the company which had made the significant improvement might be unable to exploit this improvement because it would involve infringing a background or underlying patent owned by another. It frustrates the development of technological improvements to permit some patents to block the utilization of others containing significant improvements.

As a result, this bill would change the patent law to provide that one patent cannot be used to block the utilization or practice of another. The owner of the background patent is protected, however, because he does not have to license his background patent, unless he receives a license under the improvement. This permits two companies to practice the latest technology in competition with each other. This should stimulate considerably the expansion of industry and minimize court litigation. Moreover, opening up the commercialization of complementary inventions should do away with the need for elaborate industrywide patent pools which have been used in the past as devices to restrict the use or output of technology, to facilitate the division of markets, or to establish uniform, anticompetitive pricing policies. Of course, this provision would not permit the development of closed pools, which would be used to exclude the rest of an industry for the benefit of the members of a "club." That practice is already forbidden by the Sherman Act and such decisions as *Associated Press* and *St. Louis Terminal*.

Subparagraph (D) would protect a businessman who had commercially manufactured an item for which someone else had later filed and then obtained a patent. This provision is common in European patent law, for it is inequitable to force a manufacturer to take his product off the market if his product was on the market prior to someone else's actually filing his application for a patent and thereby giving notice that he planned to block this invention off for himself.

Subparagraph (E) permits compulsory licensing in situations where patented subject matter is "a minor part" of the product which the would-be licensee wishes to sell. It is unfair, and an undesirable blockage to commerce and industry, to permit a patent on only a small piece of a much larger machine or complex to block the sale or manufacture of such a complex machine. Such minor patents, or patents which deal with only a small part of a given area of technology, have been used in the past to block entire areas of technology. This has excluded others from coming in and competing, not as to the specific and claimed subject matter of the patent, but as to the whole area of technology. Through the use of such blocking patents, cartels have been able to divide markets to avoid newcomers from disrupting large and carefully controlled market schemes not related to the specific technology involved in the patent. Persons denied licenses to which this act entitles them may secure declaratory relief, but not damages, in the Federal courts. The refusal to grant a license would also constitute unclean hands, so the patentee could not sue an infringer to whom he improperly denied a license. Additionally, the FTC could enter a cease and desist order.

Such a general pattern of compulsory licensing, uniformly applied, and surrounded by provisions to safeguard the interests of the patent owner, but at the same time not to disregard other aspects of the public interest, should prove a useful means for promoting scientific and economic development and preserving competition. Maintaining a "safety valve" of compulsory licensing will open up sections of technology hitherto closed and provide an opportunity for qualified parties to carry inventions forward into production. This will increase the rate of utilization of patented techniques that have proven themselves commercially successful and needed by the public.

Such compulsory licensing should also prevent blocking valuable inventions and improvements thereon and will eliminate the opportunity for one manufacturer of a patented item to take over all competitors in similar items. Compulsory licensing, moreover, will remove opportunities for companies to impose as conditions for a license restrictions on use, output, markets, or prices, which interfere with efficient production and the free exercise of competitive forces in the economy. As the patent owner will receive a reasonable royalty in return for his license, his interests will be protected; and he will be rewarded for taking the risks he incurred. As a result, the undesirable side effects of monopolistic exclusion should be reduced while progress of science and the useful arts is maintained and fostered.

Paragraph (8) of this bill will assist scientists and engineers to pursue their livelihood. Some state trade secret laws, and the judicial interpretation of such state laws, have had the effect of denying to some scientists the opportunity to work for companies of their choice. Their mobility has been reduced, their personal freedom to change employers limited, their bargaining position weakened; and the more they have learned and the more productive they have become, the more they have been tied to their present employers.

All this has been done in the name of protecting trade secrets or formulas the scientists may have learned as a previous employee, although the protection given has not been so limited. Instead, the effect of some state decisions has been to prohibit an employee from working in his trade for a new company at all. This bill makes the law uniform and sets what I believe to be fair standards to protect both employers and employees. This is not a general trade secret law, however; and it neither legalizes nor makes illegal other agreements concerning trade secrets. Instead, it leaves the present law in the area undisturbed except to the extent necessary to protect the livelihoods of scientists and engineers.

By Mr. STAFFORD (for himself, Mr. KENNEDY, Mr. BROCK, Mr. CLARK, Mr. RIBICOFF, and Mr. PERCY):

S. 315. A bill to provide for the public disclosure of lobbying activities with re-

spect to Congress and the executive branch, and for other purposes. Referred to the Committee on Government Operations.

OPEN GOVERNMENT ACT OF 1975

Mr. STAFFORD. Mr. President, it has been more than a quarter of a century since Congress passed the Federal Regulation of Lobbying Act of 1946. Since that time, there have been vast changes in the way lobbyists operate to influence the course of Government and vast changes in their impact on the Government. However, there have been no equal responses by the Congress to keep the law in step with changing times.

Today, for myself and five colleagues, I introduce legislation designed to give Members of Congress and other officials of the Federal Government, along with the American public, a better chance to identify the private forces that seek to influence the shape of legislation and the actions of the executive branch.

Existing Federal laws simply do not reveal the full range of the activities and influence of lobbyists. The Open Government Act of 1975 would require full and public disclosure of virtually every aspect of lobbying.

It would replace a law which is inadequate. Where we now have only estimates and rumor, we would have facts and truth. In place of shadow, we would have light. In place of suspicion, we would have information.

I am pleased to be joined in this effort by Senators KENNEDY, BROCK, RIBICOFF, PERCY, and CLARK.

To a substantial degree the bill I have introduced represents a merger of separate lobbying disclosure legislation that I and Senator KENNEDY have introduced in past sessions of the Congress. I am delighted that our efforts have won the support of the chairman of the Government Operations Committee, Mr. RIBICOFF; of the ranking minority member of that committee, Mr. PERCY; and of Mr. BROCK and Mr. CLARK. I am pleased also that the Open Government Act of 1975 has won the support of Mr. John Gardner and the organization he leads, Common Cause.

The bill is not designed to halt, curtail or even to regulate lobbying activities. This measure takes extreme care to preserve the constitutional rights of all Americans to petition their Government and to freely express their views.

At the same time, there is a need to provide a full accounting of what kind of lobbying is going on. This bill makes an effort to strike a proper balance between the need to make this information available to the public and to avoid burdensome or time-consuming requirements of reporting by lobbyists.

In the quest to provide this information for public scrutiny, the present law is a generation out of date. A combination of loopholes and court decisions have created a circumstance in which we have the appearance of a lobbying law, but little substance. The fact is that most lobbying activities go unreported at present. In addition, the 1946 act does not deal at all with lobbying directed at the executive branch of the Federal Government, or with so-called grassroots lobbying intended to influence Federal actions through stimulated efforts of the general public.

We recognize that there is a long and difficult road to be traveled before lobbying reform will be achieved. But I am heartened by the pledges we have received for early hearings by the committee of jurisdiction and for a nationwide campaign of support by Common Cause on this issue.

We are also aware that there are a number of difficult constitutional questions involved in legislative efforts to deal with lobbying. It is our goal to meet all the requirements of the Constitution at the same time we provide all Americans with a complete and accurate picture of the impact of lobbying on our Government.

Secrecy builds suspicion, and suspicion weakens public confidence in a government that requires the trust of its citizens to function effectively. We will strengthen our Government and win increased confidence in our efforts if we make our Government institutions more responsive to all Americans, not just to special interests.

I ask unanimous consent that the text of the Open Government Act of 1975, a summary of the bill, and a statement by Mr. John W. Gardner, chairman of Common Cause, in support of this proposed legislation be printed in the RECORD at this point.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 815

A bill to provide for the public disclosure of lobbying activities with respect to Congress and the Executive Branch, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Open Government Act of 1975."

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds—

(1) that the enhancement of responsible representative government requires that the fullest opportunity be afforded to the people of the United States to petition their government for a redress of grievances and to express freely to Federal officers and employees in Congress and the executive branch their opinion on pending legislative and executive actions and other policy issues;

(2) that, to promote legislative and executive actions in the public interest, the facts and opinions expressed to Congress and the executive branch by the advocates of one view or interest should be balanced against the facts and opinions of advocates with other views or interests, and all such facts and opinions should be available to officials in both branches of government; and

(3) that the identity and activities of persons who engage in efforts to persuade Congress or the Executive Branch to take specific legislative or executive actions, either by direct communication or by solicitation or employment of others to engage in such efforts, should be publicly and timely disclosed.

(b) It is the purpose of this Act, in order to enable Federal officers and employees to better evaluate the efforts of those who advocate certain Congressional or Executive Branch actions and to protect the interests of such advocates and the general public, to provide for the disclosure of the activities, and the origin, amount, and utilization of funds and other resources, of and by persons who seek to influence the legislative or executive process.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(a) "person" includes an individual, corporation, company, association, firm, partnership, society, joint stock company, or other organization;

(b) "policymaking process" means any action taken by a Federal officer or employee with respect to any pending or proposed bill, resolution, amendment, nomination, hearing, investigation, or other action in Congress, or with respect to any pending or proposed rule, adjudication, hearing, investigation, or other action in the Executive Branch;

(c) "Federal officer or employee" means any officer or employee in the Legislative or Executive Branch of the Federal Government, and includes a Member of Congress, Delegate to Congress, or the Resident Commissioner from the Commonwealth of Puerto Rico;

(d) "income" means—

(1) a gift, donation, contribution, payment, loan, advance, service, or other thing of value received; or

(2) a contract, promise, or agreement, whether or not legally enforceable, to receive any item referred to in paragraph (1).

(e) "expenditure" means—

(1) a gift, donation, contribution, purchase, payment, distribution, loan, advance, service, or other thing of value made, disbursed, or furnished; or

(2) a contract, promise, or agreement, whether or not legally enforceable, to carry out any transaction referred to in paragraph (1).

(f) "quarterly filing period" means the period covered by a calendar quarter;

(g) "voluntary membership organization" means an organization composed of individuals who are members thereof on a voluntary basis and who, as a condition of membership, are required to make regular payments to the organization;

(h) "identification" means, in the case of an individual, the name of the individual and his address, occupation, principal place of business, and position held in the business; and, in the case of a person other than an individual, the name of the person and its address, principal place of business, officers, and board of directors, if any;

(i) "lobbying" means a communication, or the solicitation or employment of another to make a communication, with a Federal officer or employee in order to influence the policymaking process, but does not include—

(1) testimony before a congressional committee, subcommittee, or joint committee, or before a Federal department or agency, or the submission of a written statement thereto, if such testimony or statement is made a matter of public record by the committee, subcommittee, department, or agency;

(2) a communication or solicitation by a Federal officer or employee, or by an officer or employee of a State or local government, acting in his official capacity;

(3) a communication or solicitation, other than a publication of a voluntary membership organization, made through the distribution in the normal course of business of any news, editorial view, letter to an editor, advertising, or like matter by—

(A) a newspaper, magazine or other periodical distributed to the general public;

(B) a radio or television broadcast; or

(C) a book published for the general public;

(4) a communication or solicitation by a candidate, as defined in section 591(b) of title 18, United States Code, made in the course of a campaign for Federal office; or

(5) a communication or solicitation by or authorized by—

(A) a national political party of the United States or a national, state, or local committee or other organizational unit of a national political party regarding its activities, undertakings, policies, statements, programs, or platforms; or

(B) a political party of a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States, or a committee or other organizational unit of such political party, regarding its activities, undertakings, policies, statements, programs or platforms.

(j) "lobbyist" means any person who engages in lobbying and who—

(1) receives income of $250 or more as compensation for employment or other activity during a quarterly filing period, or of $500 or more as compensation for employment or other activity during four consecutive quarterly filing periods, when lobbying is a substantial purpose of such employment or activity;

(2) makes an expenditure for lobbying, except for the personal travel and lodging expenses of such person, of $250 or more during a quarterly filing period, or of $500 or more during four consecutive quarterly filing periods; or

(3) in the course of lobbying during a quarterly filing period, communicates orally on eight or more separate occasions with one or more Federal officers or employees.

(k) "Commission" means the Federal Election Commission.

NOTICES OF REPRESENTATION

SEC. 4. (a) Each lobbyist shall file a notice of representation with the Commission not later than fifteen days after becoming a lobbyist. The notice of representation shall be in such form and contain such information as the Commission shall prescribe, including—

(1) an identification of the lobbyist;

(2) an identification, so far as practicable, of each person on whose behalf the lobbyist expects to perform services as a lobbyist;

(3) a description of the financial terms and conditions, including contingent fee arrangements or other conditions, under which the lobbyist is employed or retained by any person, and the identification of that person;

(4) each aspect of the policymaking process which the lobbyist expects to seek to influence, including any committee, department, or agency, or any Federal officer or employee, to whom a communication is to be made, the form of communication to be used, and whether the communication is to be for or against a particular measure or action;

(5) an identification of each person who, as of the date of filing, is expected to be acting for such lobbyist and to be engaged in lobbying, including—

(A) the financial terms or conditions of such person's activity; and

(B) each aspect of the policymaking process such person expects to seek to influence; and

(6) in the case of a voluntary membership organization, the approximate number of members and a description of the methods by which the decision to engage in lobbying is made.

(b) Each notice of representation filed by a lobbyist under subsection (a) of this section shall be amended by the lobbyist at such intervals of time as the Commission shall prescribe to reflect the current activities of the lobbyist.

(c) a lobbyist who has filed a notice of representation under the subsection (a) of this section and who has not been a lobbyist for three consecutive quarterly filing periods shall file a notice of representation when he again becomes a lobbyist.

RECORDS

SEC. 5. Each lobbyist shall maintain such financial and other records of lobbying activity as the Commission shall prescribe. Such records shall be preserved for a period of not less than two years after the date of the activity. Such records shall be available to the Commission for inspection and shall include the following information:

(a) the total income received by the lobbyist, and the amount of such income attributable to lobbying;

(b) the identification of each person from whom income for lobbying is received and the amount received: *Provided, however,* That in the case of a voluntary membership organization, a contribution received during any quarterly filing period from a member need be recorded only if the contributions to such organization from such member are more than $100 during that quarterly filing period, or during that quarterly filing period combined with the three immediately preceding such periods;

(c) the expenditures of the lobbyist, including—

(1) the total expenditures of the lobbyist, and the amount of such expenditures attributable to lobbying;

(2) an itemization of any expenditure for lobbying which exceeds $10 in amount or value, including the identification of the person to or for whom the expenditure is made, the date of the expenditure, and a description of the nature of the expenditure;

(3) expenditures to employ any person who engages in lobbying on behalf of such lobbyist, and the amount received by each person so employed; and

(4) expenditures relating to research, advertising, staff, entertainment, offices, travel, mailings and publications used in lobbying;

(d) such other information as the Commission shall prescribe to carry out the purpose of this Act.

REPORTS

SEC. 6. Each lobbyist shall, not later than fifteen days after the last day of a quarterly filing period in which such lobbyist engaged in lobbying, file a report with the Commission covering the lobbyist's activities during that period. Each report shall be in such form and contain such information as the Commission shall prescribe, including—

(a) an identification of the lobbyist;

(b) an identification of each person on whose behalf the lobbyist performed services as a lobbyist during the period, but not including any member of any voluntary membership organization on whose behalf the lobbyist performed such services, if the member contributed not more than $100 to the organization during the period, or during that period combined with the three immediately preceding quarterly filing periods;

(c) each aspect of the policymaking process the lobbyist sought to influence during the period, including bill, docket, or other identifying numbers where relevant;

(d) an identification of each Federal officer or employee with whom the lobbyist communicated during the period to influence the policymaking process;

(e) an identification of the subject matter of each oral or written communication which expresses an opinion or contains information with respect to the policymaking process made by the lobbyist to any Federal officer or employee, or to any committee, department, or agency;

(f) an identification of each person, including other lobbyists, who engaged in lobbying on behalf of the reporting lobbyist during the filing period, including—

(1) each decision of the policymaking process such person sought to influence, including bill, docket or other identifying numbers where relevant; and

(2) each Federal officer or employee with whom such person communicated in order to influence the policymaking process;

(g) a copy of any written communication used by the lobbyist during the period to solicit other persons to lobby, an estimate of the number of such persons to whom such written communication was made, and an estimate of the number of such persons who engaged in lobbying;

(h) a description of the procedures, other than written communications, used by the lobbyist during the period to solicit other persons to lobby, an estimate of the number of such persons solicited, an estimate of the number of such persons who engaged in lobbying, the specific purpose of the lobbying, and the Federal officers or employees to be contacted;

(i) any expenditures made directly or indirectly to or for any Federal officer or employee which exceeds $25 in amount or value, and any expenditures made directly or indirectly to or for one or more such officers or employees which, in aggregate amount or value, exceed $100 in a calendar year, including an identification of the person or persons making or receiving such expenditure or expenditures and a description of the expenditures or expenditures;

(j) copies of the records required to be kept by the lobbyist under section 5, to the extent such records pertain to the period; and

(k) such other information as the Commission may by regulation prescribe to carry out the purpose of this Act.

EFFECT OF FILING ON CERTAIN DETERMINATIONS UNDER THE INTERNAL REVENUE CODE OF 1954

SEC. 7. Compliance with the requirements of section 4, 5, or 6 of this Act shall not be taken into consideration in determining, for purposes of the Internal Revenue Code of 1954, whether a substantial part of the activities of an organization is carrying on propaganda or otherwise attempting to influence legislation.

POWERS OF COMMISSION

SEC. 8. (a) The Commission has the power for the purposes of this Act—

(1) to require, by special or general orders, any person to submit in writing such reports, records, and answers to questions as the Commision may prescribe relating to the execution of its duties; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;

(2) to administer oaths or affirmations;

(3) to require by subpena, signed by the chairman or the vice chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

(6) to initiate (through civil proceedings for injunctive, declaratory, or other appropriate relief), defend, or appeal any civil action in the name of the Commission for the purpose of enforcing the provisions of this Act, through its general counsel;

(7) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act;

(8) to formulate general policy with respect to the administration of this Act;

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(9) to develop and prescribe forms under sections 4, 5, and 6 of this Act;

(10) to conduct investigations and hearings expeditiously, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities;

(11) to modify the requirements of sections 4, 5, and 6 in specific cases where such requirements, due to extenuating or unusual circumstances, are overly burdensome for the lobbyist involved or unnecessary for the full disclosure of lobbying activities, provided such modifications are consistent with the disclosure intent of this Act.

(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

(d) (1) Whenever the Commission submits any budget estimate or request to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy of such estimate or request to the Congress.

(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation, requested by the Congress or by any Member of the Congress, to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

DUTIES OF THE COMMISSION

SEC. 9. It shall be the duty of the Commission—

(a) to develop forms for the filing of notices of representation, records, and reports pursuant to section 4, 5, and 6 of this Act and to furnish such forms to lobbyists upon request;

(b) to prepare a manual setting forth recommended uniform methods of bookkeeping and reporting and to furnish such manual to lobbyists upon request;

(c) to develop a filing, coding, and cross-indexing system to carry out the purposes of this Act;

(d) to make the notices of representation and reports filed with it available for public inspection and copying, commencing as soon as practicable, but not later than the end of the second day following the day on which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person, provided that the charge does not exceed actual marginal cost, but no information copied from such reports and statements shall be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(e) to preserve the originals or copies of such notices and reports for a period of ten years from date of receipt;

(f) to compile and summarize, with respect to each filing period, the information contained in such notices and reports in a manner which facilitates the disclosure of lobbying activities, including, but not limited to, information on—

(1) the lobbying activities and expenditures pertaining to specific legislative or executive actions, including an identification of the lobbyists involved, an identification of the persons in whose behalf the lobbyists acted, and the amount of income received by the lobbyist from such persons; and

(2) the lobbying activities and expenditures of persons who share an economic, business, or other common interest in the legislative or executive actions which they have sought to influence;

(g) to have such information, as so compiled and summarized, published in the Federal Register within fifteen days after the close of each filing period;

(h) to have each notice of representation which is filed by any lobbyist published in the Federal Register within three days after each such notice is received by the Commission;

(i) to have a description and explanation of each modification of general applicability under consideration pursuant to section 8(a)(11) of this Act published in the Federal Register for public comment at least 10 days in advance of granting such modification;

(j) to ascertain whether any lobbyist has failed to comply fully and accurately with the disclosure requirements of this Act and promptly notify such person to file such notices and reports as are necessary to satisfy the requirements of this Act or regulations prescribed by the Commission under this Act;

(k) to make audits and field investigations with respect to the notices and reports filed under the provisions of this Act, and with respect to alleged failures to file any notice or report required under the provisions of this Act, and, upon complaint by any individual, with respect to alleged violations of any part of this Act; and

(l) to prescribe suitable rules and regulations to carry out the provisions of this Act.

ADVISORY OPINIONS

SEC. 10. (a) Upon written request to the Commission by any person, the Commission shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such person is covered by the provisions of this Act.

(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provisions of this Act.

(c) Any request made under subsection (a) shall be made public by the Commission. The Commission shall, before rendering an advisory opinion with respect to such request, provide any interested person with an opportunity to transmit written comments to the Commission with respect to such request.

ENFORCEMENT

SEC. 11. (a) (1) Any person who believes a violation of this Act has occurred may file a complaint with the Commission.

(2) The Commission, upon receiving any complaint under paragraph (1), or if it has reason to believe that any person has committed a violation of this Act, shall notify the person involved of such apparent violation and shall—

(A) report such apparent violation to the Attorney General; or

(B) make an investigation of such apparent violation.

(3) Any investigation under paragraph (2) (B) shall be conducted expeditiously. Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

(4) The Commission shall, at the request of any person who receives notice of an apparent violation under paragraph (2), conduct a hearing with respect to such apparent violation.

(5) If the Commission determines, after investigation, that there is reason to believe that any person has engaged, or is about to engage in any acts or practices which constitute or will constitute a violation of this Act, it may endeavor to correct such violation by informal methods of conference, conciliation, and persuasion. If the Commission fails to correct the violation through informal methods, it may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, the court shall grant a permanent or temporary injunction, restraining order, or other order.

(6) The Commission shall refer apparent violations to the appropriate law enforcement authorities to the extent that violations of this Act are involved, or if the Commission is unable to correct apparent violations of this Act under the authority given it by paragraph (5), or if the Commission determines that any such referral is appropriate.

(7) Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, upon request by the Commission, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which such person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted by such court.

(8) In any action brought under paragraph (5) or (7) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

(9) Any party aggrieved by an order granted under paragraph (5) or (7) of this subsection may, at any time within 60 days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such order was issued for judicial review of such order.

(10) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of Title 28, United States Code.

(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 12 of this Act).

(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter, until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

JUDICIAL REVIEW

SEC. 12. (a) The Commission, or any person who seeks to engage in lobbying as defined in this Act, may institute such actions in the appropriate district court of the United States, including actions for declaratory judgment, as may be appropriate to construe the constitutionality of any provision of this Act.

(b) It shall be the duty of the district courts, the courts of appeals and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any action instituted under this section.

SANCTIONS

SEC. 13. (a) Any lobbyist who fails to comply with section 4, 5, or 6 of this Act shall be fined not more than $1,000 and be required to fully comply, retroactively or otherwise, with such sections.

(b) Any lobbyist who knowingly and willfully violates section 4, 5, or 6 of this Act shall be fined not more than $10,000 or imprisoned for not more than two years.

(c) Any person who knowingly and willfully falsifies all or part of any notice of representation or report which he files with the Commission under this Act shall be fined not more than $10,000 or imprisoned for not more than 2 years, or both.

REPORTS

SEC. 14. The Commission shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Commission in carrying out its duties under this title, together with recommendations for such legislative or other action as the Commission considers appropriate.

REPEAL OF FEDERAL REGULATION OF LOBBYING ACT

SEC. 15. The Federal Regulation of Lobbying Act (60 Stat. 839–842; 2 U.S.C. 261 et seq.) and that part of the table of contents of the Legislative Reorganization Act of 1946 which pertains to title III, also known as the Federal Regulation of Lobbying Act (60 Stat. 813), are repealed, effective on the date on which the regulations to carry out this Act first become effective.

PARTIAL INVALIDITY

SEC. 16. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 17. The provisions of this Act shall take effect upon the date of its enactment, except that any lobbyist shall not have any duties or obligations under this Act to maintain records pursuant to section 5 until the date on which the regulations to carry out this Act become effective.

SUMMARY—OPEN GOVERNMENT ACT OF 1975

Pupose: 1. The primary purpose of the Act is to improve the operations of Congress and the Executive Branch by full disclosure of lobbying activities by those attempting to influence legislative or executive action.

2. The Act would not prohibit any type of lobbying, but would require full disclosure, including disclosure of specific lobbying activities, reporting of income and expenditures for lobbying, and identification of persons seeking to influence Congress or Federal agencies.

3. The Act would replace the existing Federal Regulation of Lobbying Act of 1946, whose loopholes and lack of enforcement have made it ineffective as a lobbying disclosure law. The existing law does not apply to lobbying of the Executive Branch. In addition, there are serious gaps in the law's application to lobbying of Congress: (1) by covering only persons whose "principal" activity is lobbying, the law fails to cover many who engage in substantial lobbying activities; (2) the law fails to cover those who spend their own funds for lobbying; (3) it fails to cover so-called "grass root" lobbyists, i.e., those who solicit others to engage in lobbying by mass mail campaigns or other methods; and (4) its enforcement provisions are weak and are entrusted to the Secretary of the Senate and the Clerk of the House. The proposed reforms would remedy each of these defects.

Definition of lobbying—The Act defines lobbying as any communication with a member of Congress or the Executive Branch in order to influence any official action.

Covered lobbyists—The Act establishes three alternative tests to define lobbyists covered by the reporting and disclosure requirements:

1. Income Test—A lobbyist is covered if lobbying is a substantial purpose of his employment and he receives income of $250 or more per quarter or $500 or more per year for his employment. The income need not be attributable to lobbying activities; he is covered if he receives the income and engages in lobbying.

2. Expenditure Test—A lobbyist is covered if he makes an expenditure for lobbying of $250 or more per calendar quarter, or $500 or more per year. In computing the amounts, the Act excludes the lobbyist's personal expenses for travel and lodging.

3. Communication Test—A lobbyist is covered if, in the course of lobbying, he makes communications with one or more employees of Congress or the Executive Branch on at least eight separate occasions. The communications must be oral; a person is not a covered lobbyist under this test if his communications are written.

Exemptions from definition of lobbying—The Act excludes the following activities from the definition of lobbying:

Testimony or written statements before a Congressional committee or a Federal agency, if the testimony or statement is a matter of public record.

Communications through the press.

Communications by Federal, State or local employees acting in their official capacity.

Communications by a candidate for Federal office or by national, State, or local political parties.

Method of disclosure—To carry out its disclosure purpose, the Act adopts a three-part system of Notices of Representation, Records and Reports:

1. Notices of Representation—Fifteen days after becoming a lobbyist, a person must file a Notice of Representation identifying the lobbyist, his employers, his employees, the financial terms of his employment, and the purpose of his lobbying activities, including the specific actions he will seek to influence and the persons he expects to contact in Congress or the Executive Branch.

2. Records—Each lobbyist must maintain personal records of income and expenditures for lobbying, including itemized accounts of expenses of $10 or more.

3. Reports—Each lobbyist must file quarterly reports covering his lobbying activities during the quarter, identifying each lobbying activity and each person contacted in Congress or the Executive Branch. The reports must also include copies of relevant records kept by the lobbyist, and details of mass mailing campaigns and other efforts to solicit others to lobby.

Voluntary membership organizations—The Act modifies some of the detailed disclosure requirements for such organizations. The Notice of Representation must list only the approximate number of members and a general description of the mechanics by which the organization decides to engage in lobbying. The Reports must identify only those members who contribute more than $100 a year to the organization.

Gifts to Federal employees—The Act requires a lobbyist to include in his reports any expenditures made to or for any officer of Congress or the Executive Branch, if the expenditure exceeds $25.00 or if the total expenditures for such purposes exceed $100 a year. The provision applies to gifts, lunches, private plane trips, or other benefits provided directly or indirectly to Federal employees.

Enforcement—The Act places the enforcement of the lobbying disclosure provisions in the new Federal Election Commission. The Commission is given broad enforcement powers, analogous to those available for enforcement of the Federal election laws, including hearings, subpoenas, and investigative and civil injunction powers. The Commission is also given the authority to modify the reporting and disclosure provisions in particular cases where the requirements of the Act are unduly burdensome. The Commission is also directed to publish the lobbying reports filed with it and to compile and summarize the information in the reports, including a compilation of information on lobbying by those sharing a common economic or other interest in legislative or executive actions.

Penalties—The Act contains a $1,000 fine for failure to comply with the notice, record, or reporting requirements. Willful violations of the Act are subject to a fine of $10,000 and imprisonment for two years.

STATEMENT BY JOHN GARDNER, CHAIRMAN, COMMON CAUSE, ON THE NEW LOBBY DISCLOSURE LEGISLATION, FEBRUARY 24, 1975

Common Cause fully endorses the new lobby disclosure legislation introduced today by Senators Stafford, Kennedy, Ribicoff, Percy, Brock, and Clark. Similar legislation has also been introduced in the House by Representatives Railsback and Kastenmeier. We believe these members of Congress deserve enormous credit and gratitude for their initiative and leadership on this crucial issue. Lobbying has become one of the most secretive and potentially corrupting ingredients in American politics, and the time for legislation bringing it out in the open is long overdue.

The citizens of this land have a right to know about any individual or group that is spending money secretly to manipulate the political process. They must know because the price of their food, their heating bills, the safety of the toys their children play with, and a great many other things may be profoundly affected by such activity. Every citizen, every consumer, every taxpayer is directly affected.

Lobbying is not wrong in itself. In fact, it can serve useful purposes. It is a constitutional right. But it is wrong to lobby secretly, wrong to deceive the public, wrong to use money in ways that corrupt the public process. And that is what is going on today.

Information on lobbying is supposed to be provided by the Federal Regulation of Lobbying Act of 1946, but the 1946 law is a sham and a hoax. The biggest special interest lobbies in the country laugh at it and ignore it.

The Senate bill would replace the 1946 law with comprehensive and enforceable lobby disclosure requirements. The need for such legislation has never been more urgent. The deepening economic and energy crises demand decisive government action on matters of great concern to diverse interest groups, particularly energy industries, labor unions, and business organizations. Intense pressures are being exerted by these groups to win favorable government decisions. Public disclosure of these efforts is clearly in the public interest.

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The bill being introduced today contains the essential ingredients of a broad and effective lobby disclosure law. It applies to lobbying of the Executive Branch as well as of Congress; it covers those who lobby directly or who employ or solicit others to lobby; it contains comprehensive reporting requirements on lobbying activities and expenses; and it gives enforcement responsibility to the new Federal Elections Commission.

This kind of lobby law is clearly a reform whose time has come. The results of a Common Cause survey conducted last year show that 318 House members of the 94th Congress favor comprehensive disclosure of lobbying activities. Of the 58 Senators who responded to our survey, 48 voiced support for this reform. The lobby disclosure bill recently introduced in the House by Representatives Railsback and Kastenmeier has 99 co-sponsors.

Enactment of a new lobby law should be a top priority for Congress this year.

Common Cause will be conducting a national effort on behalf of the Senate bill, as well as on HR 15, the Railsback-Kastenmeier bill in the House.

KEY LOBBY DISCLOSURE PROVISIONS

Common Cause believes there are four essential ingredients to a good lobby disclosure law. Both the Senate bill introduced today and the Railsback-Kastenmeier bill in the House contain these provisions.

(1) Application to lobbying of Executive Branch agencies and departments in addition to Congressional lobbying. This corrects one of the main deficiencies in the 1946 lobby law, which applies only to lobbying of Congress.

(2) Coverage of individuals and organizations which lobby directly, or indirectly by employing or soliciting others to do it, so long as a significant amount of money is involved in this activity. The legislation would cover those who lobby in relation to their employment—such as officers in corporations and trade associations—even though they are not specifically hired as lobbyists.

(3) Comprehensive disclosure provisions requiring lobbyists to report the source and amount of their income, itemized expenditures, the names of the officials they have contacted and on what issues, the activities of anyone who lobbied in their behalf, and what they have given or loaned to public officials in money, services or other favors.

(4) Enforcement of these reporting requirements by the new Federal Elections Commission, which also has the responsibility of making the information disclosed available to the public. The Commission has the power to investigate possible violations, to issue subpoenas and take depositions, and to initiate civil proceedings to compel compliance—all of which are essential to assure adequate enforcement.

Mr. KENNEDY. Mr. President, I am pleased to join with Senator STAFFORD and Senators BROCK, CLARK, RIBICOFF, and PERCY in introducing this bill to provide comprehensive reform of the Federal lobbying laws.

Our current Federal lobbying laws are a scandal and a national disgrace. Day after day, vast amounts of influence money are spent by lobbyists in secret ways and for secret purposes. The many private interests are rich and powerful, and their secret operations corrupt the public interest. The time has come to end their undue influence over Congress and the executive branch. Too often, we have allowed the voice of the people to be silenced by special interest groups clamoring for favored treatment. Too often, the public interest has been subverted by the massive assaults of the private interests.

The bill we propose today is an effort to change all that. It would improve the current lobbying law in five principal respects, each of which would close a major loophole in the existing law.

First, the coverage of lobbying activities would be extended for the first time to the executive branch. The existing law is applicable only to Congress.

Second, coverage would be expanded to include individuals or organizations which engage in "substantial" lobbying activities. Present law applies only to those whose "principal" activity is lobbying.

Third, coverage would be expanded to include individuals or organizations expending their own funds to influence official actions. Present law applies only to those who spend the funds of others.

Fourth, coverage would be expanded to include individuals or organizations seeking to influence legislation indirectly—the so-called grassroots lobbyists. Present law applies only to those who make direct communications with Congress.

Fifth, enforcement would be entrusted to the Federal Election Commission and strong enforcement powers would be provided, analogous to the Commission's current powers to enforce the Federal election laws. The weak enforcement provisions of the present lobbying laws are entrusted to the Secretary of the Senate and the Clerk of the House.

Mr. President, whatever justification there may have been in 1946 for the failure of the present act to cover lobbying directed at the executive branch, the justification is no longer valid today. In this modern era in which actions of the executive branch have pervasive effects on virtually every area of national life, it is essential that both Congress and the country be aware of the pressures that are used to influence executive decisions.

Yet, today, there is essentially no law at all applicable to executive lobbying, and the situation is hardly better with respect to congressional lobbying. The law that exists for Congress is little better than no law at all. In large part, the problem exists today because for many years, Congress has abdicated its responsibility to keep our basic truth-in-government lobbying law current with modern needs.

In part, the Federal Regulation of Lobbying Act of 1946 was flawed at the outset, a timid approach to a serious problem. In part, however, its current ineffectiveness is also the result of a major Supreme Court decision in 1954 that narrowly construed the ambiguous provisions of the act. For 20 years, Congress has ignored the Court's decision, content to leave this toothless law in force, rather than give it the teeth it ought to have.

As interpreted by the Supreme Court in the landmark decision in United States against Harriss in 1954, the 1946 act is applicable only to individuals or organizations whose "principal" purpose is to influence legislation. As a result, many out-and-out lobbyists have successfully avoided compliance with the act, on the ground that their lobbying activities, while substantial, are not their "principal" purpose within the narrow meaning of the act. In recent years, there have been some notable abuses in this area, involving organizations and groups which have mounted enormous lobbying activities in opposition to major legislation in Congress, but which have refused to comply with the provisions of the Lobbying Act, because they claimed lobbying was not one of their "principal" activities.

In addition, the 1946 act is applicable only to a person who "solicits, collects, or receives" money or any other thing of value for lobbying activities. In interpreting this language in the Harriss case, the Supreme Court held that persons who merely expend their own funds are not covered by the act.

However, the Court's opinion by Chief Justice Earl Warren contained an explicit invitation to Congress to close the loophole in this area. As the Court stated, if a broader construction of the act is to become law, it "is for Congress to accomplish by further legislation."

The invitation is more timely than ever now, because, as Mr. Justice Jackson stated in his dissent in the Harriss case:

More serious evils affecting the public interest are to be found in the ways lobbyists spend their money than in the ways they obtain it.

In yet another way, the Harriss decision significantly weakened the 1946 act. It construed the act as applicable only to the sort of lobbying that involves so-called buttonholing of Members of Congress—direct communications with Members on pending or proposed legislation. As a result, many individuals and organizations—the grassroots lobbyists—who seek to influence legislation indirectly, through mass letter campaigns or other methods, are not subject to the present law.

These and other serious loopholes in present law should have been remedied long ago. To be effective, a lobbying law must cover lobbying of the executive branch. It must cover lobbyists who expend their own funds. And it must cover those who stimulate lobbying activities by others.

The defects in the 1946 act have been widely criticized as gaping holes through which wealthy individuals and organizations can routinely pour large amounts of influence money, to the detriment of the public interest. It is time that these major loopholes were closed, and the bill we are introducing today is designed to accomplish that task.

Seldom has there been such a clearcut demonstration that a major piece of legislation passed by Congress is an empty sieve, full of holes and escape hatches that allow lobbyists to stalk the halls of Congress and the executive branch with their bankrolls and identities undetected.

Whatever impact the Lobbying Act may have had when it was enacted in 1946, it is virtually insignificant today, and Congress cannot allow this situation to continue.

In addition to the major reforms on substantive aspects of lobbying, the bill also strengthens the provisions for enforcing the new requirements.

Of particular importance here is the provision transferring the responsibility for policing the Lobbying Act from the Secretary of the Senate and the Clerk of the House to the new Federal Election Commission. The Commission will be given broad authority to require full disclosure of lobbying activities, to compile and tabulate lobbying reports, to insure compliance with the act, and to refer violations of the act to the Department of Justice. One of the major defects of the present act is its failure to establish clearcut responsibilities for administration and enforcement in each of these areas, with the result that much of the information that is available under the present act is unusable and its provisions are unenforceable.

Overall, the various reforms in the bill we are proposing will produce major improvements over the existing law. The proposals to expand the coverage of lobbying activities will eliminate some of the most serious defects of the current act. These reforms will bring within the terms of the act a significant number of individuals and organizations currently engaged in extensive lobbying activities, and will provide important new information on the scope and intensity of efforts to influence both legislative and executive actions.

The reforms we propose are based on the straight-forward rationale that sunlight is the best disinfectant, that disclosure is the most suitable "control" over lobbying, and that lobbying laws should identify pressures, not restrict them.

That rationale applies equally to all persons engaged, directly or indirectly, in substantial lobbying activities, whatever the source of their funds. It in no way interferes with the fundamental right of all citizens, guaranteed by the first amendment, to petition Congress for the enactment of legislation.

The purpose of the 1946 act was eloquently summarized by Chief Justice Warren in the Harriss case:

Present-day legislative complexities are such that individual Members of Congress cannot be expected to explore the myriad pressures to which they are regularly subjected. Yet full realization of the American ideal of government by elected representatives depends in no small extent on their ability to properly evaluate such pressures. Otherwise, the voice of the people may all too easily be drowned out by the voice of special-interest groups seeking favored treatment while masquerading as proponents of the public weal. This is the evil which the Lobbying Act was designed to help prevent.

Toward that end, Congress has not sought to prohibit these pressures. It has merely provided for a modicum of information from those who for hire attempt to influence legislation or who collect or spend funds for that purpose.

Nearly 30 years have passed since Congress acted to require information about lobbying pressures. In the intervening years, there has been a revolution in the role of Congress and in the way lobbyists operate. It is time to meet the modern challenge of reform. Congress and the American people are entitled to know the ways our laws are made and carried out.

Last year, the Congress overwhelmingly approved major new election reform legislation, requiring comprehensive reporting and disclosure of political contributions and expenditures. The time is long overdue for us to apply the same full disclosure principle to lobbying activities.

I am especially encouraged by the broad range of bipartisan support we have in launching this reform effort in the Senate. In recent Congresses, Senator STAFFORD and I have each introduced separate lobbying reform measures. The bill we are submitting today represents, I believe, a synthesis of the best provisions and approaches in each of our earlier bills.

We are also pleased to have the support of Senator DICK CLARK, who has been a leader on many Government reform issues in the Senate; of Senator ABE RIBICOFF and Senator CHARLES PERCY, the chairman and the ranking minority member, respectively, of the Committee on Government Operations, which has jurisdiction over this legislation; and of Senator BILL BROCK, who is also a member of the committee.

I see this bill as the next major step forward in our continuing effort to improve the quality of Government and to make Congress and the executive branch more responsive to the people. I hope that there will be early action on the legislation we are introducing.

Mr. BROCK. Mr. President, I am pleased to have had the opportunity to participate in drawing the Open Government Act of 1975. However, I would be less than candid if I did not admit to having strong reservations about certain provisions of the bill. Any effort of this sort, involving different Senators of different philosophies necessitates extensive compromise to arrive at a version which is acceptable to everyone.

Despite my concern with particular points of the bill being introduced, I support the bill as a whole and the concept of responsible lobby reform. The lobby law under which we now operate is almost 30 years old, and an improvement is long overdue. At the same time, any change must be responsible and well thought out. I am concerned about the possibility of a legislative backlash following the deplorable events of Watergate. Lobby reform is a complex issue, so we must take every precaution to insure that the legislation we pass will improve the existing system rather than damage it.

The purpose of this bill is not to prohibit lobbying, but to inform Congress, the executive branch, and the general public as to who is doing the lobbying, the nature of their activities, and how much is being spent. Lobbyists will be required to register and file quarterly reports on various aspects of their lobbying activities. I see this as a positive benefit for all Americans, if the restrictions are not so restrictive or onerous that they discourage verbal discussion or encourage circumvention.

Formulation of viable lobby reform legislation is no easy matter. Constitutional problems are abundant. In seeking thorough disclosure, we run the risks of invading the privacy of individuals and organizations, overwhelming them with paperwork, and eventually compiling a morass of information which is unnecessary or undecipherable. In attempting to close various loopholes which now exempt many big lobbyists, we run the risk of including others who need not, or should not, be covered.

Besides these general concerns, there are particular provisions in the bill we have introduced which warrant examination. Administrative and enforcement powers are placed with the Federal Election Commission. The constitutional arguments against giving prosecutorial powers to a legislative body have arisen in our consideration of special prosecutor and campaign reform legislation. The question is presently facing a court challenge on the grounds of violation of the separation of powers doctrine.

I would prefer to see the General Accounting Office administer this bill with prosecution the responsibility of the Justice Department. Such a procedure is accepted practice and would minimize constitutional problems. The GAO has stated its willingness and ability to administer a similar program in congressional hearings on H.R. 5259 in 1971. I see no reason for establishing this program under the Federal Election Commission which is not yet even in existence, and will, in all probability, be inundated in formulating regulations for the Federal Election Campaign Amendments we passed last fall.

I am also concerned about the definition of a lobbyist. The expenditure and income levels of $250 per quarter or $500 per year may be unreasonably low. Requiring lobbying to be a "substantial purpose" of employment as a condition precedent to being a lobbyist is vague and creates problems similar to those in the 1946 act. Declaring someone a lobbyist based on a communications or minimum number of contacts test will be virtually impossible to administer and enforce. Fine distinctions will have to be drawn for example between lobbying and mere social contacts.

Requiring records and reports of not just lobbying income, but total income and the identification of its source is excessively broad and fails to further the purposes of the bill. I see no reason for requiring someone to report his entire stockholdings, real estate investments, disability payments, or whatever unless and until they are lobby related. To require otherwise is a flagrant invasion of privacy.

I am generally satisfied with the exceptions to the definition of lobbying except that advertising is exempted in addition to news, editorial views, and the like. The advertising exception appears to be a major loophole which I hope to impove in committee.

As defined, lobbying covers contacts concerning not only pending legislation or regulations, but those that are proposed. Furthermore, a lobbyist must report not only his past activities, but he must project in advance each aspect of the policymaking process he will seek to influence. Finally, he must file a copy of any written communication used to solicit others to lobby. Unmodified, these and other provisions will prove to be unrealistic and unworkable. Taken as a whole they fail to serve the purpose for which they were designed.

Let me repeat that I support this bill, despite my objections to certain features. The time has come for lobby reform. I am hopeful that the Government Operations Committee, of which I am a mem-

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ber, will expedite consideration of this matter.

By Mr. SPARKMAN (by request):

S. 818. A bill to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a justification be printed in the RECORD at this point, together with the letter from the Acting Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 11, 1975.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the Department of State such sums as may be necessary from time to time for payment by the United States of its share of the expenses of the United Nations peacekeeping forces in the Middle East, as apportioned by the United Nations in accordance with Article 17 of the United Nations Charter, notwithstanding the limitation on contributions to international organizations contained in Public Law 92-544 (86 *Stat.* 1109, 1110).

DEPARTMENT OF STATE,
Washington, D.C., February 11, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate.

DEAR MR. PRESIDENT: There is transmitted herewith proposed legislation which will authorize payment by the United States of its share of the costs of the United Nations Emergency Force in the Middle East (UNEF) and the United Nations Disengagement Observer Force (UNDOF). The United Nations Security Council, on October 23, 1974, extended UNEF for an additional six-month period and, on November 29, extended UNDOF for an additional six months. The United States vigorously supported these actions to facilitate a peace settlement in the Middle East and voted for the resolutions.

The Secretary-General has estimated the costs of the peacekeeping forces at $40 million for the first six months, and $6,666,667 each month thereafter until October 31, 1975, with an additional amount of $19.8 million needed to make up the shortfall for the period October 25, 1973 to October 24, 1974, the first year of operation. These costs have been apportioned by the General Assembly in accordance with Article 17 of the UN Charter and take into account the central peace and security role of the permanent members of the UN Security Council. The United States share will be $28,837,000 based on the Secretary-General's estimate of $80 million for the second year of operation plus $19.8 million for the first year's shortfall.

A detailed justification explaining the proposed authorization is enclosed.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed authorizing legislation to the Congress and that its enactment would be in accord with the program of the President.

If I can be of further assistance, please let me know.

Cordially,

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

JUSTIFICATION

With the cease-fire on the Egyptian-Israeli front in October 1973, the UN Security Council authorized the creation of the UN Emergency Force in the Middle East (UNEF). In May 1974, upon the signing of the Israeli-Syrian Disengagement Agreement, the Security Council authorized the establishment of the UN Disengagement Observer Force (UNDOF).

Following the Security Council authorization of UNEF, the UN General Assembly appropriated $30 million dollars for the first six-months period and authorized the Secretary-General to make commitments of up to $5 million per month for an additional six-month period. UNDOF has been funded and staffed by borrowing resources from UNEF and the UN Truce Supervision Organization (UNTSO), the latter having been established after the 1948 war in the Middle East.

The expenses for UNEF were apportioned among the UN members by a complex formula which recognized the special responsibilities of the permanent members of the Security Council under the Charter for maintaining the peace and implicitly endorsed the principle of collective responsibility of all members for the maintenance of international peace and security. The U.S. assessment for the first year was $17.3 million.

The Department of State proposed legislation on December 3, 1973, which would have authorized funding for UNEF from appropriations to the Department of State. However, the Congress did not act on this proposed bill and instead made funds available for the U.S. contribution from the $2.2 billion appropriated under the authority of the Emergency Security Assistance Act of 1973 (PL 93-199). This authority which was used to consummate the U.S. payment of $17.3 million for the first year expired at the end of FY-1974.

The Security Council, on October 23, 1974, extended UNEF for an additional six-month period and, on November 29, 1974 extended UNDOF for an additional six months. Financing for these UN peacekeeping forces in the Middle East through October 31, 1975 has been arranged in a resolution adopted by the UN General Assembly on November 29. This resolution continued the same complex funding formula agreed to for the first year; thus the derived U.S. percentage of the total costs remains as before (28.9%).

The Secretary-General has estimated the costs of the emergency forces at $40 million for the first six months, and $6,666,667 each month thereafter, with an additional amount of $19.8 million to make up for the shortfall for the first year of operation (October 25, 1973 to October 24, 1974). These costs have been apportioned by the General Assembly in accordance with Article 17 of the UN Charter. The United States share of the foregoing costs of $99.8 million is $28,837,000.

This authorization would provide for the assessed United States share of the operating costs of UNEF/UNDOF in the Middle East. It is important that the United States be in a position to pay its assessed share of these costs promptly.

By Mr. SPARKMAN (by request):

S. 819. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes.

The bill has been requested by the President and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the President to the President of the Senate dated February 18, 1975 and a letter from the Director of the U.S. Arms Control and Disarmament Agency in support of this legislation.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 819

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Arms Control and Disarmament Act, as amended, is further amended as follows:

(1) Section 45(b) (22 U.S.C. 2585(b)) is amended by adding at the end thereof the following: "Notwithstanding the foregoing and the provisions of subsection (a) hereof, the Director may also grant access to classified information to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of a security clearance granted by the Department of Defense or any agency thereof, to the individual concerned: *Provided, however,* that access to Restricted Data shall be subject to the provisions of subsection (c) hereof."

(2) Section 49(a) (22 U.S.C. 2589(a)) is amended by inserting in the second sentence thereof immediately after "$10,100,000", the following: ", and for fiscal years 1976 and 1977 the sum of "$23,000,000."

THE WHITE HOUSE,
WASHINGTON, *February 18, 1975.*

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I transmit herewith for consideration of the Congress proposed legislation to extend the appropriation authorization for the Arms Control and Disarmament Agency, together with a letter from the Director of the Agency in support of this legislation.

The negotiation of effective arms control arrangements, especially in the area of strategic arms, continues to be a priority objective of this Administration. To that end, the Strategic Arms Limitation Talks will continue in Geneva with a view to implementing the Vladivostok accords and reaching a new strategic offensive arms agreement between the United States and the Soviet Union. This agreement would cover the period through 1985 and include both quantitative and qualitative arms limitations. Additional efforts in the field of arms limitation and disarmament will be devoted to the negotiation of an agreement on underground nuclear explosions for peaceful purposes, to the development of sound international approaches to the problems of nuclear non-proliferation, to the continuation of efforts to reach agreement on mutual and balance force reductions in Central Europe, and to international discussions on the problems of chemical and environmental warfare.

The Arms Control and Disarmament Agency plays an effective and major role in all of these activities. By continuing these negotiations and by seeking solutions to the many complex and difficult problems involved, the Arms Control and Disarmament Agency will play an even more important role in future arms control and disarmament activities.

The attached draft bill would authorize $23.0 million in appropriations for the Arms Control and Disarmament Agency for fiscal years 1976 and 1977. Current authorization and appropriations expire June 30, 1975. The draft bill would also permit the Director of the Agency to grant access to classified information to contractors or subcontractors and their officers and employees on the basis of security clearances granted by the Department of Defense. This amendment would eliminate many unnecessary, expensive and time-consuming investigations in cases where the Agency would require the services of contractors whose officers and employees have already been cleared by the Department of Defense.

I urge early enactment of this measure.

Sincerely,

GERALD R. FORD.

U.S. ARMS CONTROL
AND DISARMAMENT AGENCY,
Washington, February 4, 1975.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Enclosed for your approval and transmittal to the Congress is a draft bill that would amend the Arms Control and Disarmament Act to extend the authorization for appropriations for the Agency.

The current authorization expires on June 30, 1975, and the proposed legislation would authorize $23.0 million in appropriations for fiscal years 1976 and 1977. The three-month transition period of July 1-September 30, 1976, between fiscal years 1976 and 1977 will be covered by a proposal for a general authorization of appropriations for the transition period which is being submitted to the Congress by the Administration. The new legislation enclosed herein will be required to keep the Agency operating, and its early enactment is essential to permit timely Congressional consideration of the Agency's 1976 budget.

The draft bill also amends section 45(b) of the Arms Control and Disarmament Act to permit the Director of the Agency to rely, in the case of contractors, on security clearances granted by the Department of Defense. This practice is followed by the National Aeronautics and Space Administration and the Department of State, among other agencies, but section 45 as presently written prevents ACDA from doing so.

This authorization request is supported by plans for what I believe will be a sound, effective, and well-conceived arms control and disarmament effort by the Agency over the 27-month period. As you know, the Agency has the principle support responsibility for the Strategic Arms Limitations Talks and the negotiations relating to mutual and balanced force reductions in Europe, and a central role in the negotiations on peaceful nuclear explosions in implementation of Article III of the Threshold Test Ban Treaty and the discussions on constraints on environmental warfare.

In addition, other important arms control activities, including those at the United Nations General Assembly, the Conference of the Committees on Disarmament in Geneva, international efforts stemming from the 1975 Non-Proliferation Treaty Review Conference, and other multilateral forums, as well as supporting research and these negotiations will also be funded under this authorization.

Respectfully,

FRED C. IKLE.

By Mr. MAGNUSON (by request):

S. 820. A bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference, a bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and ask unanimous consent that the statement of purpose and need be printed in the RECORD with the text of the bill.

The legislation seeks authority for 2 fiscal years because of requirements of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344). Section 607 of the act provides that requests for authorization legislation beginning with the request for fiscal year 1977 must be submitted to the Congress by May 15 of the year preceding the year in which the fiscal year begins.

As was announced by the Senator from Indiana (Mr. HARTKE) on this past Saturday, February 22, 1975, hearings on this legislation will be held at 10 a.m. on Friday, February 28, 1975 in room 5110 of the Dirksen Senate Office Building.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the appropriation act may provide for the use of the Department of Commerce, for the fiscal years 1976 and 1977, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $245,000,000 for fiscal year 1976, and $251,000,000 for fiscal year 1977;

(b) payment of obligations incurred for operating-differential subsidy, $315,936,000 for fiscal year 1976, and $334,000,000 for fiscal year 1977;

(c) expenses necessary for research and development activities, $12,232,000 for fiscal year 1976, and $18,000,000 for fiscal year 1977;

(d) reserve fleet expenses, $4,242,000 for fiscal year 1976, and $4,437,000 for fiscal year 1977;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $11,500,000 for fiscal year 1976, and $12,301,000 for fiscal year 1977; and

(f) financial assistance to State Marine Schools, $4,708,000 for fiscal year 1976, and $3,658,000 for fiscal year 1977.

SEC. 2. In addition to the amounts authorized by section 1 of this act, there are authorized to be appropriated for the fiscal years 1976 and 1977 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this act as may be necessary for increases in salary, pay, retirement or other employee benefits authorized by law, and for increased costs for public utilities, food service and other expenses of the Merchant Marine Academy at Kings Point, New York.

STATEMENT OF PURPOSES AND NEED OF THE DRAFT BILL, "TO AUTHORIZE APPROPRIATIONS FOR THE FISCAL YEARS 1976 AND 1977 FOR CERTAIN MARITIME PROGRAMS OF THE DEPARTMENT OF COMMERCE, AND FOR OTHER PURPOSES"

Section 209 of the Merchant Marine Act, 1936, provides that after December 31, 1967, there are authorized to be appropriated for certain maritime activities of the Department of Commerce only such sums as the Congress may specifically authorize by law. This draft bill authorizes specific amounts for those activities listed in section 209 for which the Department of Commerce proposes to seek appropriations for the fiscal years 1976 and 1977, and reflects the continuing Departmental efforts to provide the essential resources required to accomplish the objectives of the Merchant Marine Act of 1970.

That Act was the most comprehensive and far reaching legislation in decades aimed at halting the pronounced decline of the U.S. merchant marine. The legislation provided for a 10-year program to improve the efficiency of American shipyards and to build a modern, efficient U.S.-flag merchant fleet so that the United States could once again be a major maritime nation. In the five years since enactment, substantial progress has been made toward rebuilding the U.S. merchant marine.

The amounts authorized to be appropriated by the draft bill are as follows:

"(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $245,000,000 for fiscal year 1976, and $251,000,000 for fiscal year 1977."

Construction subsidies are based on the difference between United States and foreign shipbuilding costs. These sums are paid to shipyards so that U.S. operators can purchase American-built vessels at the same price as similar foreign-built vessels. To encourage the competitiveness of American yards, the 1970 Act provides for the gradual reduction of the construction subsidy level from 45 percent in 1971 to 35 percent in 1976. Some subsidy awards have been at a lower rate, e.g., liquefied natural gas carriers have been contracted for at 16.5 percent.

Ships currently being built with the aid of constuction-differential subsidy are larger and more costly than those envisioned when the 1970 Act was passed. Although only 14 new ships will be funded in 1976, their productive capacity exceeds the capacity goal established in 1970. When in service, these ships will help to create a competitive U.S.-flag fleet.

The authorization request for this activity for fiscal year 1976 and 1977 will sustain an adequate and orderly shipbuilding program. Contracting for fourteen new ships is planned in 1976. Included are five containerships, three bulk carriers, three oil-bulk-ore carriers (OBO's), two liquefied natural gas carriers (LNG's) and one Ro/Ro. In concert with the multi-year funding concept, funding in 1976 is planned for twelve of these ships and for two ships resulting from 1975 contracts. Of the remaining two ships contracted during 1976, funding is planned for one during the transition quarter (July 1, 1976 through September 30, 1976) and for one in 1977. Also planned for funding in 1976 is the conversion of two containerships. The 1977 shipbuilding program anticipates a growing emphasis on construction of general cargo ships as required to replace obsolete

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tonnage. Contracting for eighteen new ships is anticipated for 1977. Planned contracts include five containerships, four LASH vessels, four dry bulk vessels, three LNG's, and two OBO's. Funding in 1977 is planned for thirteen of these ships and for the remaining ships contracted during 1976.

"(b) payment of obligations incurred for operating-differential subsidy, $315,936,000 for fiscal year 1976, and $334,000,000 for fiscal year 1977."

Operating subsidies are generally based upon the difference between United States and foreign vessel operating costs and are paid to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services. Essential services are defined as those ocean services, routes and lines, and bulk carrying services essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States. Operators receiving subsidies for the provision of such services must operate American-built vessels manned by American crews. The fiscal year 1976 and 1977 authorization requests will finance operating subsidies to U.S.-flag operators in order to promote the continuation of essential American merchant marine services.

An estimated $236,624,000 in subsidy will be paid in 1976 for 201 ships and 195.2 ship years of operation. This latter figure can be broken down into 6.0 passenger and combination passenger/cargo, 175.7 general cargo, and 13.5 bulk carrier. An additional $79,312,000 will be paid for balances due for operations in prior years. The increase over the 1975 figure reflects cost escalation, full year costs of ships that entered the fleet in 1975 and 1976 delivery of bulk and general cargo ships. No funds are requested for fiscal year 1976 for the carriage of grain to Russia.

The 1977 program reflects additional ship deliveries entering the subsidized service as well as full year costs of those ships delivered in the previous year. Additionally, funds are requested for settlement of 1973 and 1974 operations for which final subsidy rates will be approved.

"(c) expenses necessary for research and development activities, $12,232,000 for fiscal year 1976, and $18,000,000 for fiscal year 1977."

The purpose of the research and development program is the development of technological superiority to enable U.S. shipyards and vessel operators to become more competitive.

The 1976 program level totals $20,000,000 and is composed of $12,232,000 in new budget authority, $3,468,000 deferral of 1975 appropriated funds, and $4,300,000 recovery of prior year obligations. Projects under the program involve the development of new and more efficient types of ships, machinery, and equipment, and the improvement of operating practices to improve American shipping and shipbuilding and to help overcome foreign advantages (e.g., low-wage costs). Industry participation and cost-sharing have been emphasized to insure the relevance and practicality and these projects.

The 1977 program will continue emphasis on projects similar to those undertaken in the 1976 program. The overall program will be at an $18,000,000 level as various projects move from initial formulation to engineering development to product use. Cost-sharing with industry will provide greater research efforts for the Federal investment.

"(d) reserve fleet expenses, $4,242,000 for fiscal year 1976, and $4,437,000 for fiscal year 1977."

The Maritime Administration maintains the National Defense Reserve Fleet to supplement our active merchant fleet in time of war or national emergency.

The 1976 reserve fleet program provides for the preservation and security of 222 ships, distributed among three active fleet sites. Periodic preservation of hulls, machinery and electrical components combined with continuous application of cathodic protection to the bottoms are methods employed in maintaining the ships for further service. The program also provides for custody of about 140 ships that are scheduled for disposal.

The 1977 program provides for the preservation and security of 222 ships held for national defense purposes. The program level will continue with a similar workload but at increased costs.

"(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $11,500,000 for fiscal year 1976, and $12,301,000 for fiscal year 1977."

The 1976 maritime training program provides for the operation of the U.S. Merchant Marine Academy at Kings Point, New York, in accordance with the Merchant Marine Act, 1936. The objective of the Academy is to instruct and prepare selected personnel for service as officers in the U.S. merchant marine. The level of funding supports continuation of the facilities modernization program, including major alteration and modernization of physical fitness facilities.

The 1977 program level will be a continuation of the prior year program with funding increases related primarily to cost escalations. The modernization plan continues the renovation and upgrading of the academic buildings and other facilities in accordance with recommendations set forth in the Facilities Master Plan.

"(f) financial assistance to State Marine Schools, $4,708,000 for fiscal year 1976, and $3,658,000 for fiscal year 1977."

The 1976 State maritime training program implements the Maritime Academy Act of 1958 by providing assistance to States in the operation and maintenance of maritime academies for the training of merchant marine officers. Grants to participating States (California, Michigan, New York, Maine, Massachusetts and Texas), allowances for uniforms, books and subsistence to the cadets, and maintenance of ships on loan from the National Defense Reserve Fleet to be used as training vehicles are provided. The installation of pollution abatement and control devices in those training vessels is included in this estimate.

The 1977 program will continue at the prior year level. A reduction in the funding requirement is due to the nonrecurring expense in 1976 for pollution abatement and control devices to be installed on training vessels in the prior fiscal year.

Section 2 of the draft bill would authorize to be appropriated for 1976 and 1977 additional supplemental amounts for the activities for which appropriations are authorized under section 1 of the bill to the extent necessary for increases in salary, pay, retirement, or other employee benefits authorized by law. The purpose of this section is to provide authorization for supplemental appropriations for these purposes.

Also requested is necessary authority for supplemental appropriations, should they be needed, for uncontrollable cost increases in public utilities, food services and other expenses at the Merchant Marine Academy at Kings Point, New York. For example, in the first two quarters of fiscal year 1975, food service costs, which are pegged to the Department of Labor Wholesale Price Index, rose 11 percent over what was estimated and it is impossible to predict what increases may be expected for fiscal years 1976 and 1977. Closely related to this cost is an 8.6 percent increase over fiscal year 1975 predictions in the number of meals being served. This is due to continued high enrollment, and no basis exists for predicting a higher attrition rate over the next two fiscal years.

Further uncontrollable and unpredictable increased costs have arisen in the area of public utilities. The cost of heating oil has risen 41 percent from fiscal year 1974, i.e., from 25.2 cents per gallon to 35.6 cents per gallon. As of January 1975, the costs of electric power have risen 68 percent over March 1974, kilowatt-hour costs. Increases have also been experienced in telephone, sewage and supplies and material costs. There is no basis on which to predict or control these costs.

By Mr. McCLELLAN:

S. 821. A bill to preserve wildlife habitat. Referred to the Committee on Commerce.

Mr. McCLELLAN. Mr. President, I am today introducing legislation to provide for the maintenance and preservation of wildlife habitat by the acquisition of environmental easements in mitigation lands which would otherwise be condemned for use by the Federal Government.

This bill will provide an alternative to Government condemnation and purchase of lands for mitigation purposes. At the same time, it will provide vast acreage for the preservation and enhancement of wildlife in the Nation's hardwood forests.

When the Federal Government has planned action for the taking of lands for fish and wildlife management or mitigation, the private owner is allowed to either sell his land—at a reasonable price—or receive a small payment for an environmental easement, thereby retaining private ownership of his land.

The benefits of this legislation are many. The recurring problem of private ownership versus public interest will be resolved by taking an easement which concurrently allows for private ownership and protection of the environment. It also allows local areas to retain their tax base, preventing the elimination of thriving businesses by public ownership.

An easement shall prohibit clearing of the land for commercial, agricultural or any other purposes inconsistent with the maintenance of wildlife habitat, but shall allow any landowner to harvest timber on a selective or partial cutting basis or to otherwise manage the land in such a manner as to provide food and habitat for a variety of wildlife.

The cost of this bill is minimal. In fact, the nominal price of easement acquisition is considerably less than the price of purchasing the title to such lands. Additionally, it increases the number of acres available for preservation by lowering the cost of acquiring an environmental easement.

Mr. President, this bill is a workable compromise which serves the best interest of both the private owner and the public. I urge immediate consideration of this proposed legislation so that we can obtain its desirable goals and objectives as soon as possible.

By Mr. CHILES:

S. 822. A bill to reduce oil imports into the United States; to provide for the exploration and development of naval petroleum reserves; and for other purposes. Referred, by unanimous consent, to the Committees on Armed Services, Banking, Housing and Urban Affairs, Finance, and Interior and Insular Affairs.

Mr. CHILES. Mr. President, like many of my colleagues I have viewed with some concern and apprehension the President's energy proposals and his action to increase import fees on crude oil and petroleum products up to $3 per barrel.

While I certainly commend the President for his initiative in developing a wide-ranging plan and support a number of his proposals, I have serious reservations with respect to his overall approach to our energy problems and the impact his proposals would have on our worsening economic dilemma.

This Nation's energy situation is a serious problem which requires prompt, effective, and tough measures if we are to move toward the goals of self-sufficiency, reasonable energy pricing, and reversing the trend of ever-increasing energy consumption.

However, while our energy problems are both real and pressing, the current state of the American economy is this Nation's most urgent and critical problem.

The cost of living continues to rise, industrial output is at its lowest level since 1937, and unemployment has reached totally unacceptable levels.

An energy policy which may serve to aggravate those conditions and in effect spur a further deterioration of the economy is of dubious value. Our national program for energy must not impede economic revitalization which is our No. 1 priority and I am convinced that the administration's plan would prove to be a serious impediment.

An initial point of concern is the President's proclamation raising import fees on each barrel of imported crude oil and petroleum products by $1 to $3 over the next 3 months.

Obviously this action will add to the burden already borne by areas of the country, most notably Florida, New England, and the eastern seaboard, which are largely dependent upon imported petroleum products for electrical generation and home heating and have already been paying much higher prices for imports.

Energy costs for residents and businesses in these areas already constitute a serious financial drain and the tariff increase represents a final and devastating blow to the consumer.

Any further cost increases, in terms of petroleum products for heating and electricity, cannot realistically be expected to result in decreases in usage since costs are already at a point where most people have cut usage to the bare minimum.

The import fee is an integral element of the administration's so-called market approach to the energy problem. By taking this first step without congressional participation the machinery is being set in motion to bring about petroleum price increases with all its potential for aggravating our economic difficulties. I and a great many of my colleagues do not agree with that approach and I urgently hope the Congress will be able to maintain its action in delaying the import tariff so Congress may act on alternative energy proposals.

The objective which is the keystone of the administration's program—the reduction of imports—is a necessary goal from a number of standpoints.

I have no argument with the fact that we need to lessen our dependence on foreign petroleum. The timetable and plan of action for moving toward that goal must, however, be carefully tailored to minimize a disruptive effect on the economy.

For 1975 the target figure of reducing imports by 1 million barrels a day has somehow achieved a wide range of acceptance and debate has centered on how best to meet that target. I believe we must first fully consider the implications of this arbitrary figure and I am not at all convinced that its adverse impact would not far outweigh any possible beneficial effects.

Some economists have argued that given the choice between a 1-million-barrel-a-day reduction and doing nothing, the advisable course of action would be to do nothing.

Since 1 million barrels represents only 3 percent of total exports by the oil-producing countries, the potential effects on the cartel and the price of world oil are questionable. When viewed in the perspective of significant costs and risks to our economy it becomes even more difficult to justify 1 million barrels.

The choice, however, does not have to be a million barrels or nothing.

My recommendation is a much lower target for 1975 to be phased in gradually through the employment of import quotas. With concurrent measures to increase domestic energy production and decrease domestic consumption I believe imports can be reduced with much less of an impact on the economy.

As economic conditions hopefully change for the better and domestic production and conservation figures improve, we can move to raise the import reduction target and progress perhaps more slowly but more surely toward energy self-sufficiency.

I propose a cut in crude oil imports by 500,000 barrels a day for 1975.

This figure still represents a significant reduction and a more reasonable goal we can achieve without forcing a continued downturn in the economy.

This reduction can be accomplished through import quotas, setting the level of imports at 100,000 barrels less each month until the 500,000 barrel reduction is reached. This gradual decrease will allow for a continued assessment of economic indicators to determine the effects of the import reduction.

In moving toward a gradual reduction in petroleum imports, even with the implementation of short-term measures to increase domestic supply and cut consumption, shortages will develop.

The lesson of experience argues strongly that every effort be made to insure that the burden of those shortages is shared equally throughout the country.

Energy is a national problem, not a regional one, and that means whatever sacrifices that may be involved in terms of costs or shortages should not impact more heavily in one area than another. What is one State's problem or one region's problem is everyone's problem and this must not be forgotten.

While I am certainly aware it is less than a perfect system, I recommend that the allocation system in place be continued to allocate scarce fuels among regions of the country and classes of consumers.

Congress, however, must insist that the allocation program meet the clear congressional mandate of "equitable distribution of crude oil, residual fuel oil and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry."

The question of energy policy must, of necessity, be addressed in national terms. And yet there exist very important differences in energy needs and usage among the various States; differences which must be reflected in the allocation program.

I fully realize that a program that is national in scope is limited in its ability to adequately address the different priorities of each State.

Therefore, every effort should be made in the further development and refinement of the allocation program to afford maximum flexibility to the States in setting priorities to best meet their requirements.

To achieve that flexibility I propose the creation of a bipartisan representative Council of State Governors to be named by the President upon recommendation of the National Governors' Conference.

Membership on the Council would reflect representation of each major geographic and economic sector of the Nation.

This Council would review present regulations and work with the Administrator of the Federal Energy Administration in further developing the allocation program to allow for a major role by the States in determining distribution and conservation of fuel, consistent with national energy goals and requirements of interstate commerce.

The Council can also play a significant role in assessing and improving upon the regulations from the standpoint of unequal treatment of a State or several States in terms of allocations or energy prices.

If import reductions are to be accomplished without drastic effect on the economy, it will be necessary to quickly implement available short-term measures to increase our domestic energy supply through expanding both domestic production and conservation efforts.

I support the President's call for commercial production at the naval petroleum reserve—NPR—in Elk Hills, Calif. This facility offers the best means for readily bringing a considerable amount of new domestically produced petroleum into the market.

The first priority for this oil must be getting it into the domestic economy and I am proposing the authorization of petroleum production from the California NPR to be sold for domestic consumption.

Revenue derived from the sale of oil produced at the California NPR would in turn be used to underwrite the costs of exploring and developing the naval petroleum reserve in Alaska. Indications

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are that the Alaska NPR contains major reserves of oil and a full-scale effort should be undertaken to get it into production as quickly as possible.

In a further effort to develop short-term sources of increased production, I recommend the repeal of the Connally Hot Oil Act and an expansion of Federal authority to increase petroleum production and productive efficiency.

The Connally Act defines as contraband any oil produced, transported or withdrawn from storage in excess of amounts allowed by the States. The act has allowed a situation to develop in which oil is not being produced from wells which still have productive potential.

In 1972, the number of producible shut-in zones offshore in the United States jumped by more than 2,000. These are zones that were producing and are listed by the U.S. Geological Survey as still economically producible.

Present conditions call for maximum usage of existing wells and there is certainly no reason now to facilitate market demand prorationing.

Our energy production policy must include Federal authority to insure full production, superseding any State statute which may serve to limit that production.

If we are to increase domestic production from new sources this will mean an accelerated program of exploration and development. It will also mean having drilling and production equipment available for use in the United States. At present much of this equipment is scattered throughout the world. Since this equipment is essential it should be placed under an allocation program to insure priority usage in the United States.

Of equal importance to efforts to expand domestic production is a program of conservation. Without serious conservation measures it is unlikely that we can avoid economic problems as a result of import reductions.

Reductions in fuel consumption for home heating and electrical generation must be encouraged. The President has proposed a program of tax credits for homeowners who install additional insulation to reduce energy consumption and has recommended mandatory thermal efficiency standards for new construction. I fully support measures of this nature.

However, the most promising area for significant energy savings lies in reducing gasoline usage for personal passenger cars.

While people need electricity and need to heat their homes, they do not need to use their cars as much as is presently the case. If real cuts in consumption are to be realized it will mean using our cars less and developing more efficient automobiles.

A number of alternatives have been raised in the recent past as ways to cut gasoline consumption. Most prominent among these are rationing and a much higher tax on gasoline.

The problems in both these approaches are apparent.

Rationing would be nothing less than a costly bureaucratic nightmare, and there is little reason to believe it would result in equitable treatment. Further, it would inhibit any long-distance travel and have far-reaching adverse effects on segments of the economy dependent on that travel.

Rationing has too many drawbacks and should only be considered in a true emergency situation. First we must explore and develop other alternatives and move to rationing only if all else fails.

The other major option suggested is higher gasoline taxes. To be effective it would mean a considerable increase in taxes. To a nation that has experienced tremendous gasoline price increases in the past few years, I doubt that another few cents a gallon would have that much effect on consumption levels.

So if you tax at a much higher rate, what does this mean for the poor, or the working person who often have no other means to get to work except by car?

Even with some form of tax rebate it means money out of the pocket now that he can't afford or in many cases simply doesn't have.

Higher taxes are an inequitable way to approach conservation. We should not ask those who are suffering the brunt of our economic troubles to once again pay the price—a price they cannot meet.

Obviously there is no solution that is going to be totally fair, reasonable, easy to administer, and not hurt anyone. If the situation is to be improved we are all going to have to suffer some inconvenience and cost.

One approach which has not been much discussed is the concept of mandatorily eliminating one day of driving for all cars. This plan could cut back significantly on the superfluous uses of gasoline by taking a real bite out of the number of days any given car could be on the road. One advantage is that we could start with a six-day limitation and then consider further limitations as needed.

Another is that the administrative requirements will be relatively simple, involving primarily the distribution of car stickers, identifying the day on which driving is not permitted. Enforcement would be the province of the normal law enforcement agencies.

Until such a system is undertaken it is not possible to determine how extensive the energy savings would be. However, because it is a relatively simple system that will not require creation of a large bureaucracy, I think it should be tried.

I also believe the administration and specific provisions of the program should be the responsibility of the States. To assist and encourage the States to set up this system, a Federal grant program would be established to defray the administrative costs of the program.

In the long run, however, the most effective means to cut back on consumption is to substantially improve the gasoline economy of automobiles.

We have the technology to do so and since the days of abundant energy are gone forever, there is certainly the incentive to do so. A number of suggestions have been put forth as ways to achieve that goal.

The simplest approach may be the best—set a reasonable goal and then require that it be met.

If all new cars were capable of getting 20 miles to the gallon then real energy savings will result.

Therefore, I propose that the Congress mandate that within 5 years all new automobiles will reach 20 miles per gallon or better as determined by testing procedures now used by the Environmental Protection Agency.

The need to do this is obvious. I can see no basis for delaying and I can see no basis for trading off important environmental goals as a means of encouraging automobile manufacturers to produce more gas efficient automobiles.

I have put forth these several proposals with the hope that they will receive careful consideration as we move toward the development of an energy program for the Nation. I certainly do not have all the answers to this very complex problem. No one in Congress does and I hope we will be able to work in a spirit of cooperation in setting our energy plan of action.

I have attempted to map out an approach which I believe looks realistically at both our economic and energy situation.

It is only the first step on a long and difficult road and I trust the Congress will move quickly to take that first step.

Mr. President, I ask unanimous consent that the text of the bill I am introducing today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled,

TITLE I—OIL IMPORTS

SEC. 101. (a) During the twelve month period commencing on the first day of the first calendar month following the effective date of this section, and each twelve month period thereafter, imports of crude oil, residual fuel oil, and refined petroleum products into the United States shall not exceed in the aggregate an amount equal to twice the aggregate amount of crude oil and the crude oil equivalency of residual fuel oil and refined petroleum products imported during the period commencing July 1, 1974, and ending December 31, 1974, reduced by 182,500,000 barrels, except that, in order to provide a transition for reduced imports of such oil and products and to reduce the immediate impact on consumers and the economy, an additional 30,000,000 barrels of crude oil or its equivalency in residual fuel oil and refined petroleum products may be imported into the United States during the first 120 days of the first such twelve month period following the effective date of this section.

(b) This section shall take effect upon the expiration of the sixty day period following the date of the enactment of this Act.

SEC. 102. (a) On and after the first day of the first calendar month following the effective date of section 101, no crude oil, residual fuel oil, and refined petroleum products shall be imported into the United States except pursuant to a license issued by the Secretary of Commerce and in accordance with quota limitations established by the Secretary of Commerce in accordance with this title. Such import quotas for crude oil, residual fuel oil, and refined petroleum products shall be based on imports thereof during the most recent period which the Secretary determines to be representatives of historical import levels.

(b) The Secretary of Commerce is authorized to issue such regulations as may be necessary to carry out the provisions of this title. Such regulations shall include methods or formulas for determining the crude oil equivalency of residual fuel oil and refined petroleum products.

TITLE II—DEVELOPMENT AND PRODUCTION OF NAVAL PETROLEUM RESERVES

SEC. 201. The production of petroleum (including crude oil and associated gas and other hydrocarbons) from Naval Petroleum Reserve Numbered 1 is hereby authorized at a rate to help insure that the domestic and national defense needs are met, but not to exceed the maximum efficient rate in accordance with sound engineering and economic principles. Such production (to the extent in excess of that otherwise authorized by chapter 641 of title 10, United States Code) is to commence within forty-five days after the date of enactment of this title.

SEC. 202. The Secretary of the Navy shall dispose of the production herein authorized as provided in chapter 641 of title 10, United States Code, by means of sales, uses, or exchanges effected, determined, or agreed upon after the date of enactment of this title. As required by such chapter, all sales shall be effected by competitive bid. The terms of the disposition shall be so arranged as to give full and equal opportunity for acquisition of the oil by all interested companies, including major and independent oil refineries alike.

SEC. 203. (a) The Secretary of the Navy is authorized and directed to conduct a program of exploration for oil and gas on Naval Petroleum Reserve Numbered 4 in order to determine the extent of oil and gas resources therein. Such program shall be completed within ten years from the date of the enactment of this title.

(b) The Secretary of the Navy shall make annual reports to the Congress regarding the progress, results, and findings of such exploration program, and shall include in such reports such recommendations as he deems appropriate regarding development, production, sale, exchange, transportation, or storage of oil and gas found to exist in such reserve.

SEC. 204. (a) There is hereby established on the books of the Treasury Department the Naval Petroleum Reserve Account. This account shall be administered by the Secretary of the Navy under such regulations as the Secretary of Defense may prescribe. Into such account there shall be transferred or credited during the period of increased production authorized by this title or as may be hereafter authorized by the Congress (1) unobligated balances of appropriations made available to the Department of the Navy for the fiscal year ending June 30, 1975, for exploration, prospecting, conservation, development, use, and operation of the naval petroleum and oil shale reserves, (2) all proceeds realized under chapter 641 of title 10, United States Code, from the sale of petroleum or refined products, oil and gas products, including royalty products, (3) the net proceeds realized from sales within the Department of Defense of refined petroleum products accruing to the benefit of the Department of Defense as the result of exchanges, and (4) such funds as may be appropriated for the Naval Petroleum Reserve Account. All funds transferred or credited to such account shall remain available until expended.

(b) Funds available in the Naval Petroleum Reserve Account shall be available for the expenses of (1) production, including preparation for production, as authorized by this title and as may hereafter be authorized, (2) all capital costs necessary for facilities both within and outside the reserve incident to production and delivery of crude petroleum, (3) the carrying out of the exploration program authorized by section 203, and (4) exploration, prospecting, conservation, development, use, and operation of the naval petroleum and oil shale reserves as authorized by chapter 641 of title 10, United States Code.

TITLE III—OIL AND GAS DEVELOPMENT

SEC. 301. The Act of February 22, 1935, as amended (15 U.S.C. chapter 15A) (commonly referred to as the "Connally Hot Oil Act"), is hereby repealed.

SEC. 302. (a) The Secretary of the Interior is authorized and directed to require that any oil and gas field on lands or interests in lands owned by the United States, including lands on the Outer Continental Shelf—

(1) be fully developed as expediently as is reasonably justified;

(2) be produced at the maximum efficient rate of production where such field has not been so developed and produced; or

(3) be produced in excess of its maximum efficient rate of production if the Secretary finds that production at such rates is necessary to meet essential national energy requirements, except that no producer shall be required to produce crude oil in excess of the maximum efficient rate if production at such rate for a period of more than one hundred and eighty days may create excessive risk of loss in the ultimate recovery of crude oil. As used in this subsection, the term "maximum efficient rate" means production at a rate which may be sustained without damage or loss to the oil and gas reservoir or the ultimate recovery of crude oil under sound conservation, economic, or engineering principles.

(b) Notwithstanding any other provision of law, the Secretary of the Interior is authorized and directed, under such terms and conditions as he may prescribe, to unitize or require the unitization of the lessees' interests in lands or interests in lands of the United States and such cooperative or pooling agreements as may be necessary or desirable for the joint operation of oil and gas fields referred to in subsection (a) to achieve full development and maximum production as provided herein.

TITLE IV—MOTOR VEHICLE FUEL CONSUMPTION STANDARDS

SEC. 401. Section 202(b) of the Clean Air Act is amended by inserting at the end thereof the following:

"(6) The Administrator shall prescribe standards under subsection (a) requiring that any light duty vehicle or engine manufactured for model year 1980 or thereafter which uses a liquid petroleum product for fuel be able to provide at least 20 miles of transportation under average highway driving conditions for each gallon of fuel consumed."

TITLE V—EXPORT CONTROLS ON CERTAIN DRILLING AND MINING EQUIPMENT

SEC. 501. For purposes of this title—

(1) "Secretary" means the Secretary of Commerce; and

(2) "essential drilling or mining article" means any article which the Secretary of the Interior has certified to the Secretary is used in the extraction, refining, or transportation of crude oil or gas, or in the extraction of coal, and is in short supply in the United States.

SEC. 502. (a) At least quarterly during any period of nationwide energy emergency, and at least annually during any other period, the Secretary shall determine the quantity of each essential drilling or mining article, if any, that will be available for export during the succeeding quarter or year, as the case may be, and shall cause such determination to be published in the Federal Register.

(b) Such determination shall be made by estimating the total quantity of each essential drilling or mining article and subtracting from each such quantity the sum of—

(1) the quantity of each such article which the Secretary estimates will be necessary to meet domestic needs; and

(2) the quantity of each such article the Secretary estimates will be necessary for a reasonable carryover, taking into account any current or possible future national and international emergencies and the need to maintain adequate inventories.

The quantity of any such article which remains, if any, shall be the quantity available for export.

SEC. 503. (a) No essential drilling or mining article may be exported to any foreign country unless the exporter has been issued a license by the Secretary for the export of a quantity of such article to such country, or unless such export is exempt under the provisions of section 506, or section 507(3).

(b) The quantity of any article available for export shall be allocated among foreign countries by the Secretary on the basis of—

(1) the quantity of such article exported to such country during a representative base period; and

(2) such other factors as the Secretary determines to be fair, equitable, and sufficient to protect the interests of traditional trading partners of the United States.

SEC. 504. (a) Upon establishing allocations under section 503, the Secretary shall publicly announce such allocations, and shall announce the time, manner, and place for the submission of bids for the purchase of licenses to export specified quantities of such articles to specified countries.

(b) Each license shall be issued under this section to the highest responsible bidder unless the Secretary determines that no bid is sufficiently high or that there has been collusion among the bidders.

SEC. 505. The Secretary may make adjustments in quantities determined under section 502 and of allocations determined under section 503 if he determines on the basis of new information that original determinations were erroneous.

SEC. 506. (a) The Secretary may exempt from payment of any license fee an export which he determines involves—

(1) the export of an essential drilling or mining article to a developing foreign country with a serious need for such commodity or article; and

(2) such action would be in the best interests of the foreign relations of the United States and would not have an adverse effect on the energy needs of the United States and the program provided for under this title.

(b) The Secretary may exempt from the application of this title or any requirement under this title the export of any essential drilling or mining article which he determines—

(1) involves a temporary export for processing purposes to a foreign country and will result in a subsequent import of such article to the United States; or

(2) will be offset by a subsequent import of another essential drilling or mining article or other matter essential to the energy needs of the United States.

SEC. 507. The Secretary is authorized to issue such rules and regulations as may be necessary to carry out the provisions of this title, including rules and regulations—

(1) providing for the reduction, suspension, or termination of the allocation of any article

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made under this title to any foreign country if the Secretary finds that such country is reexporting all or any portion of such allocation under circumstances that tend to disrupt the regulatory program established under this title;

(2) limiting or prohibiting the sale or transfer after issuance of export licenses issued under this title if the Secretary finds such limitation or prohibition necessary to the orderly administration of the regulatory program established under this title; and

(3) exempting from application of this title any article the domestic production of which the Secretary determines will equal or exceed domestic and foreign demand.

TITLE VI—EXPERIMENTAL CONSERVATION PROGRAM FOR GASOLINE

SEC. 601. (a) The Administrator of the Federal Energy Administration is authorized to financially assist, by grant or otherwise, each of the several States in carrying out experimental gasoline conservation programs for motor vehicles involving primarily a twenty-four hour restriction on the use of a motor vehicle covered by such program during each seven day period.

(b) Financial assistance under this title shall be provided in such manner and in such amounts and subject to such conditions as the Administrator of the Federal Energy Administration shall by regulation prescribe.

SEC. 602. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TITLE VII—ENERGY INFORMATION BANK

SEC. 701. (a) The Administrator of the Federal Energy Administration, utilizing the capabilities of appropriate Federal agencies to the maximum extent possible, shall establish and operate an Energy Information Data Bank (hereinafter in this title referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data on energy, including resources, reserves, stocks, and technologies.

(b) In accordance with regulations prescribed by the Administrator, the Administrator shall provide retrieval and dissemination services with respect to the information within such bank for—

(A) Federal, State and local governments;

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector.

(c) The Administrator shall not disclose any information which concerns or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, except that such information shall be disclosed by the Administrator in a manner designed to preserve its confidentiality—

(1) to other Federal government departments, agencies, and officials for official use upon request;

(2) to Committees of Congress upon request; and

(3) to a court in any judicial proceeding under court order.

TITLE VIII—GOVERNORS' ADVISORY COUNCIL

SEC. 801. There is established a council to be known as the "Governors' Advisory Council" (hereinafter referred to as the "Council"), which shall be composed of nine Governors appointed by the President of the United States on the basis of recommendations of the National Governors Conference. Any vacancy in the Council shall not affect its powers but shall be filled in the same manner in which the original appointment was made. At no time shall more than five of the members appointed to be members of the same political party. The members of the Council shall elect one of the members as chairman and one as vice chairman. Five members of the Council shall constitute a quorum.

SEC. 802. Members of the Council shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Council.

SEC. 803. The Council shall meet at the call of the chairman or at the call of a majority of the members thereof, except that the first meeting of the Council shall be called by the President.

SEC. 804. (a) The Council shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(b) The Council may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Council, but not in excess of $100 per diem, including traveltime. While away from his home or regular place of business in the performance of service for the Council, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

SEC. 805. It shall be the function of the Council to advise the Administrator of the Federal Energy Administration with respect to matters under his jurisdiction and to review all regulations promulgated by the Administrator and to make recommendations to him with respect thereto.

SEC. 806. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a bill introduced today by the Senator from Florida (Mr. CHILES) be jointly referred to the Committee on Armed Services, Banking, Housing and Urban Affairs, Commerce, Finance, and Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. HELMS:

S.J. Res. 36. A joint resolution authorizing and directing the President to declare Aleksandr I. Solzhenitsyn an honorary citizen of the United States of America. Referred to the Committee on the Judiciary.

Mr. HELMS. Mr. President, today I am introducing a Senate joint resolution which would authorize and direct the President to declare Aleksandr I. Solzhenitsyn an honorary citizen of the United States of America. This is identical with Senate Joint Resolution 188, which unanimously passed the Senate last year with 43 cosponsors. Unfortunately, due to the press of business in the House Judiciary Committee, with which everyone is familiar, the resolution was unable to receive consideration.

There is no need at this point to recount Mr. Solzhenitsyn's outstanding service for peace and human rights and his remarkable witness to freedom. There is perhaps no other individual alive today who has done so much to bring the problems of freedom to the attention of so many millions of people throughout the world. His thoughts were recently expressed in the speech which he gave in Stockholm upon receiving his long-delayed Nobel Prize, words which express the depth of his concern and his fundamental humility despite great fame. The United States should join in honoring this great man. The resolution I propose is modeled exactly upon the same legislation which extended the same honor to that other great freedom fighter, Winston Churchill.

This resolution was originally introduced a few days after Mr. Solzhenitsyn's enforced exile into the West. I have been in close contact with him ever since. He has not sought this honor but, indeed, has been filled with awe and gratitude that it was introduced. When it passed the Senate, he was on vacation with his family for a few days and not at home to receive the cable which I sent. The first news he received was over his automobile radio in Switzerland, and he was overwhelmed with gratitude. Shortly afterward he wrote a letter to the U.S. Senate, thanking the Senate as a whole for passage of the resolution, and promising to come to the United States at an appropriate time for a visit.

Mr. President, I ask unanimous consent that the text of his letter to the Senate, the text of his Nobel Prize speech, and the text of the resolution I am reintroducing be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 36

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and directed to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States of America.

LETTER FROM SOLZHENITSYN TO THE SENATE OF THE UNITED STATES OF AMERICA

(Released by U.S. Senator JESSE HELMS)

I am deeply grateful and moved by this unusual honor accorded me by the U.S. Senate in voting—and unanimously at that—its intention to bestow on me the title of honorary citizen of your country. More than that, I am deeply affected by this decision, recalling that so far in United States history only two men were honored with this title and both were outstanding allies of your country in difficult periods of trials.

Attempting to grasp the meaning of this decision, I understand that you had in mind not me exclusively but that through me, you honor with your kindness the multitude of those deprived of civil rights, denied a voice and longing to be heard. This aggregate experience was gathered under conditions completely unlike yours but in the essential unity of human endeavor is directed towards the same goals as are your ideals.

We all know that the world has entered a crisis of unprecedented type—a crisis when previously agreed upon definitions cease to be precise and the methods of former centuries cease to function. The problems of the contemporary life suddenly appear to be much more complex than heretofore when they were organized and regulated in two dimensional political levels. And now even completely economic phenomena have their roots in the psychology and ideology outlook of people. Only by consolidation of our efforts and by our completely dissimilar and

various experiences can we hope to grow and find a solution as to what it is that the history demands from us.

In this overall view, the hard experience to which I became as heir indeed is an ally of your experience. But because of the great distances between us, because of mutual unawareness, and because of premeditated distortions, the coordination and mutual assimilation of these experiences has been extremely difficult.

In my CBS interview, I already had an opportunity to do justice to the generosity of American people, which has been so poorly returned without gratitude by the world. I also stressed in the interview my anxiety for the difficult future awaiting your nation and our nation—because both our nations are confronted with the responsibility for today's world, which makes things so difficult for us.

At one time, I almost met young America on the Elbe River—but in those same weeks I was snatched away from that meeting by my first arrest. Now, thirty years later, it is as if I am given another opportunity for such a meeting.

I will be happy to make this meeting a reality.

With friendly handshakes and gratitude.

ALEKSANDR SOLZHENITSYN.

October 30, 1974.

MR. SOLZHENITSYN'S ACCEPTANCE SPEECH, DECEMBER 10, 1974

(With the compliments of the Royal Swedish Embassy)

Your Majesty! Your Royal Highnesses! Ladies and gentlemen!

Many Nobel Prize laureates have appeared before you in this hall, but the Swedish Academy and the Nobel Foundation have probably never had as much bother with anyone as they have had with me. On at least one occasion I have already been here, although not in the flesh; once the honorable Karl Ragnar Gierow was already on his way to meet me; and now, at last, I have arrived out of turn to occupy an extra seat. Four years had to pass to give me the floor for three minutes, and the secretary of the Academy is being forced now to address the third speech to the same writer.

I must ask your forgiveness, therefore, for having caused all of you so much trouble, and thank you especially for the ceremony in 1970, when your King and all of you welcomed here an empty chair.

But you will agree that it has not been so simple for the prize-winner, either: carrying his three-minute speech around with him for four years. When I was preparing to come to you in 1970 no room in my breast, no amount of paper was sufficient to let me speak my mind on the first free tribune of my life. For a writer from a land without liberty his first tribune and his first speech is a speech about everything in the world, about all the tournaments of his country, —and it is pardonable if he forgets the object of the ceremony, the persons assembled there and fills the goblets of joy with his bitterness. But since that year when I was unable to come here, I have learned to express openly practically all my thoughts in my own country as well. So that finding myself expatriated to the West, I have acquired all the better this unhindered possibility of saying as much as I want and where I want, which is something not always appreciated here. I needn't, therefore, further burden down this short address.

However, I find a special advantage in not responding to the award of the Nobel Prize until four years later. For example, in four years it is possible to experience the role this prize has already played in your life. In my life it has been a very large one. It has prevented me from being crushed in the severe persecutions to which I have been subjected. It has helped my voice to be heard in places where my predecessors have not been heard for decades. It has helped me to express things that would have otherwise been impossible.

In my case, the Swedish Academy has made an exception, and a rather rare one, awarding me the prize when I am middle-aged and my open literary activity is a mere child of some eight years. For the Academy there was a great hidden risk in doing so: after all, only a small part of the books I had written had been published.

But perhaps the finest task of any literary or scientific prize lies precisely in helping to clear the road ahead.

And I would like to express my heartfelt gratitude to the members of the Swedish Academy for the enormous support their choice in 1970 has given my work as a writer. I venture to thank them on behalf of that vast unofficial Russia which is prohibited from expressing itself aloud, which is persecuted both for writing books and even for reading them. The Academy have heard for this decision of theirs many reproaches implying that such a prize has served political interests. But these are the shouts of raucous loudmouths who know of no other interests.

We all know that an artist's work cannot be contained within the wretched dimension of politics. For this dimension cannot hold the whole of our life and we must not restrain our social consciousness within its bounds.—ALEXANDER SOLZHENITSYN.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 104

At the request of Mr. INOUYE, the Senator from Nevada (Mr. CANNON) and the Senator from Indiana (Mr. HARTKE) were added as cosponsors of S. 104, a bill to provide for inclusion of the services of licensed registered nurses under medicare and medicaid.

S. 114

At the request of Mr. INOUYE, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 114, a bill to amend the Social Security Act to provide that certain persons who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least five years shall be treated as if such marriage had been legally valid.

S. 123

At the request of Mr. INOUYE, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 123, to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program.

S. 136, S. 137, S. 139

At the request of Mr. MONTOYA, the Senator from Idaho (Mr. CHURCH) and the Senator from California (Mr. TUNNEY) were added as cosponsors of S. 136, a bill to amend the Internal Revenue Code; and the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 137 and S. 139, bills to amend the Internal Revenue Code.

S. 181

At the request of Mr. CASE, the Senator from Iowa (Mr. CLARK), the Senator from New York (Mr. JAVITS), the Senator from Florida (Mr. STONE), the Senator from Montana (Mr. MANSFIELD), the Senator from Vermont (Mr. LEAHY), the Senator from Maine (Mr. HATHAWAY), the Senator from Colorado (Mr. GARY W. HART), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from California (Mr. CRANSTON), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Illinois (Mr. STEVENSON), the Senator from Oregon (Mr. PACKWOOD), the Senator from Utah (Mr. MOSS), the Senator from Idaho (Mr. CHURCH), the Senator from Florida (Mr. CHILES), the Senator from North Dakota (Mr. BURDICK), the Senator from Oregon (Mr. HATFIELD), the Senator from South Dakota (Mr. ABOUREZK), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 181, a bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States.

S. 298

At his own request, the Senator from Utah (Mr. GARN) and the Senator from Arizona (Mr. FANNIN) were added as cosponsors of S. 298, a bill to provide for the development and implementation of programs for youth camp safety.

S. 354

At the request of Mr. MAGNUSON, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 354, a bill to require no-fault motor vehicle insurance as a condition precedent to operating a motor vehicle on streets, roads, and highways, or other lands open to automobile use by the public in order to promote and regulate interstate commerce.

S. 444

At the request of Mr. MONTOYA, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 444, a bill to establish an Office of Spanish-speaking Affairs in the Executive Office of the President, and for other purposes.

S. 454

At the request of Mr. CHILES, the Senator from Texas (Mr. TOWER), the Senator from Arizona (Mr. FANNIN), and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of S. 454, a bill to amend the Occupational Safety and Health Act of 1970.

S. 523

At the request of Mr. RIBICOFF, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 525, a bill to freeze medicare deductibles and copayments.

S. 544

At the request of Mr. CLARK, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 544, a bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems.

S. 609

At the request of Mr. JAVITS, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 609, the Emergency Public Service Employment Extension Act of 1975.

S. 667

At the request of Mr. BEALL, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 667, a bill

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to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes.

S. 668

At the request of Mr. BIDEN, the Senator from Florida (Mr. STONE) was added as a cosponsor of S. 668, a bill to provide a special payment to certain elderly and disabled social security recipients.

S. 732

At the request of Mr. DOLE, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of S. 732, a bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit.

S. 772

At the request of Mr. TALMADGE, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 772, the Beef Research and Consumer Information Act of 1975.

S. 792

At the request of Mr. TUNNEY, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 792, the Part-Time Career Opportunity Act.

SENATE JOINT RESOLUTION 32

At the request of Mr. HOLLINGS, the Senator from Alaska (Mr. GRAVEL), the Senator from New York (Mr. JAVITS), and the Senator from New Hampshire (Mr. MCINTYRE) were added as cosponsors of Senate Joint Resolution 32, a joint resolution to authorize and request the President to issue a proclamation designating the month of October as "National Fish and Seafood Month."

SENATE RESOLUTION 73 THROUGH SENATE RESOLUTION 80

At the request of Mr. PASTORE, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of Senate Resolution 73 through Senate Resolution 80, expressing the Senate's disapproval of the deferral of certain budget authorities by the President under section 1013 of the Impoundment Control Act of 1974.

SENATE CONCURRENT RESOLUTION 7

At the request of Mr. BEALL, the Senator from Maryland (Mr. MATHIAS) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of Senate Concurrent Resolution 7, expressing the sense of the Congress that business concerns which lower prices shall not be penalized if certain economic controls are imposed.

SENATE RESOLUTION 86—ORIGINAL RESOLUTION REPORTED AUTHORIZING THE SENATE TO RESPOND TO OFFICIAL INVITATIONS RECEIVED FROM FOREIGN BODIES

(Referred to the Committee on Rules and Administration.)

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following resolution:

S. RES. 86

Resolved, That the President of the Senate is authorized to appoint as members of official Senate delegation such Members of the Senate as may be necessary to respond to invitations received officially from foreign governments or parliamentary bodies and associations (including the Commonwealth Parliamentary Association) during the Ninety-fourth Congress, and to designate the chairman of said delegations.

SEC. 2. (a) The expenses of the delegations, including staff members designated by the chairmen to assist said delegations, shall not exceed $35,000 for each such delegation, and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairmen of said delegations.

(b) The expenses of each delegation shall include such special expenses as the chairman may deem appropriate to carry out this resolution, including reimbursements to any agency of the government for expenses incurred on behalf of each delegation and for compensation of employees officially detailed to each delegation and expenses incurred in connection with providing appropriate hospitality to foreign delegates.

(c) Each member or employee of each delegation shall receive subsistence expenses in an amount not to exceed the maximum per diem rate set forth in section 502(b) of the Mutual Security Act of 1954, as amended.

(d) The Secretary of the Senate is authorized to advance funds to the chairman of each delegation in the same manner provided for Committees of the Senate under the authority of Public Law 118, Eighty-first Congress, approved June 22, 1949.

SENATE RESOLUTION 87 AND SENATE RESOLUTION 88—ORIGINAL RESOLUTIONS REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

(Referred to the Committee on Rules and Administration.)

Mr. STENNIS, from the Committee on Armed Services, reported the following resolutions:

S. RES. 87

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, The Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2 The Committee on Armed Services is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed $40,000, for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1975, February 29, 1976, to expend not to exceed $605,000, to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries in accordance with such succeeding sections of this resolution.

SEC. 4. Not to exceed $487,000 shall be available for a general study or investigation of—

(1) the common defense generally;

(2) the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force generally;

(3) soldiers' and sailors' homes;

(4) pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces;

(5) selective service;

(6) the size and composition of the Army, Navy, and Air Force;

(7) forts, arsenals, military reservations, and navy yards;

(8) ammunition depots;

(9) the maintenance and operation of the Panama Canal; including the administration, sanitation, and government of the Canal Zone;

(10) conservation, development, and use of naval petroleum and oil shale reserves;

(11) strategic and critical materials necessary for the common defense; and

(12) aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.

SEC. 5. Not to exceed $118,000 shall be available for studies and investigations pertaining to military readiness and preparedness for the common defense generally.

SEC. 6. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 7. Expenses of the committee under this resolution, which shall not exceed in the aggregate $645,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

S. RES. 88

Resolved, That the Committee on Armed Services is authorized to expend from the contingent fund of the Senate, during the Ninety-fourth Congress, $75,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

SENATE RESOLUTION 89—SUBMISSION OF A RESOLUTION PROHIBITING DISCRIMINATION IN EMPLOYMENT IN THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. METCALF. Mr. President, I am today reintroducing my resolution calling for nondiscrimination in the employment practices of Senators, officers, or employees of the Senate. For an explanation of this proposal, Members may wish to see my statement to the Senate which appeared at pages 41298–41300 of the December 19, 1974, CONGRESSIONAL RECORD.

I ask unanimous consent that the text of the resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 89

Resolved, that (a) no Member, officer, or employee of the Senate shall, with respect to employment by the Senate or any office thereof—

(1) fail or refuse to hire an individual,

(2) discharge an individual, or

(3) otherwise discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment,

because of that individual's race, color, religion, sex or national origin.

(b) No Member, officer or employee of the Senate shall, with respect to employees under his jurisdiction, control, or supervision, limit, segregate, or classify such employees in any way which would deprive or tend to deprive any individual of employment opportunities, or otherwise affect his status as an employee, because of that individual's race, color, religion, sex, or national origin.

Sec. 2. (a) The Select Committee on Standards and Conduct shall have jurisdiction to enforce the provisions of the first section of this resolution. For such purpose, the Select Committee shall—

(1) prescribe procedures for the correction of violations of such provisions,

(2) prescribe penalties for such violations, and

(3) issue such rules and regulations as it deems appropriate.

(b) In carrying out its duties and functions under subsection (a), the Select Committee may exempt any position from the provisions of the first section of this resolution relating to discrimination because of sex, if the Select Committee finds that sex is a bona fide occupational qualification for that position.

SENATE CONCURRENT RESOLUTION 19—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE WORLD FOOD CONFERENCE

(Referred to the Committee on Foreign Relations.)

Mr. CULVER (for himself and Mr. CLARK) submitted the following concurrent resolution:

S. CON. RES. 19

Whereas, the means of producing, processing, and distributing food in nutritionally adequate quantities to feed an increasing world population is an awesome problem confronting the world today; and

Whereas, the land grant colleges of the United States have made notable contributions to increased agricultural efficiency and improved quality of food and feed crops, particularly through developments in soybean and maize crops, animal breeding and feeding efficiency, farm machinery, and the dissemination of information to farmers and consumers; and

Whereas, the Iowa State University of Science and Technology, one of the Nation's foremost land grant colleges, will host the World Food Conference of 1976 in Ames, Iowa, from June 27 through July 1, 1976, and

Whereas, the subject of the World Food Conference of 1976 will be "The Role of the Professional in Feeding Mankind"; and

Whereas, such conference will bring together scientists and scholars from many disciplines and many countries for the purpose of sharing and increasing agricultural and nutritional knowledge among the world's scientists and teachers, and for the purpose of accelerating the development of methods of food production, processing, and distribution that will result in improved capabilities for meeting the food and nutritional needs of all the people of the world; and

Whereas, the American Revolution Bicentennial Administration has endorsed the World Food Conference of 1976 as a bicentennial project of national and international significance: now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States endorses the World Food Conference of 1976 to be held in Ames, Iowa, from June 27 through July 1, 1976, and commends the Iowa State University of Science and Technology for a humanitarian undertaking of international significance.

Mr. CULVER. Mr. President, during the forthcoming Bicentennial year, the State of Iowa will host the World Food Conference of 1976. The conference will be held in Ames, Iowa, from June 27 to July 1.

Ames, Iowa, home of a distinguished land-grant college with an exceptional record of training agricultural professionals, is an ideal setting for this international gathering. The conference theme, "The Role of the Professional in Feeding Mankind," will draw participants from every nation of the world.

We believe this event is a particularly timely way to bring an enduring sense of purpose to the American Bicentennial. World food shortages will be inescapable in the years ahead. The need for new methods of food production and distribution, new forms of nutritional research, and additional knowledge and information on the special needs of individual nations across the world are all part of a common international agenda.

Land-grant universities have played an important role in providing the research and knowledge necessary for agricultural growth in this country. It is appropriate that the problems of world famine and global scarcity will be addressed at this time and place.

We congratulate Iowa State University for the leadership it is giving in organizing and sponsoring the World Food Conference during our Bicentennial and strongly hope that the Congress, by this resolution, will endorse this project and its contribution to the problems of world hunger.

AMENDMENTS SUBMITTED FOR PRINTING

FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975—H.J. RES. 210

AMENDMENT NO. 20

(Ordered to be printed and referred to the Committee on Appropriations.)

Mr. DOLE (for himself, Mr. GARY W. HART, Mr. PACKWOOD, Mr. DOMENICI, Mr. ABOUREZK, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BIDEN, Mr. BROCK, Mr. CRANSTON, Mr. CULVER, Mr. FANNIN, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GRAVEL, Mr. HARTKE, Mr. HASKELL, Mr. HUMPHREY, Mr. JAVITS, Mr. JOHNSTON, Mr. LAXALT, Mr. LEAHY, Mr. MONDALE, Mr. MORGAN, Mr. MOSS, Mr. PELL, Mr. STEVENSON, Mr. TOWER, and Mr. TUNNEY) submitted an amendment intended to be proposed by them jointly to the joint resolution (H.J. Res. 210), making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

SENATE RURAL DEVELOPMENT HEARINGS RESCHEDULED

Mr. CLARK. Mr. President, the Senate Agriculture Subcommittee on Rural Development was scheduled to conduct oversight hearings on the Rural Development Act, to explore the economic conditions of rural areas and to look into the housing industry in rural areas on February 25. Due to scheduling problems, that hearing has been rescheduled for March 6, beginning at 1 p.m., in the Agriculture Committee, room 324.

ANNOUNCEMENT OF JOINT ECONOMIC COMMITTEE HEARING ON ADEQUACY OF U.S. OIL AND GAS RESERVES

Mr. HUMPHREY. Mr. President, a recent report of the National Academy of Sciences, entitled "Mineral Resources and the Environment," calls into question whether U.S. oil and gas resources are adequate to support the Nation's ambitions to become more nearly self-sufficient in energy supplies. It concludes that U.S. resources are much less than officially estimated heretofore by the U.S. Geological Survey and states that "a large increase in U.S. annual production is very unlikely."

Accurate information on this subject is vital to the effort now proceeding in Congress to formulate a wise national energy policy. If it is true that we cannot depend on significant increases in oil and gas production, then we must take a much more urgent look at ways to utilize our domestic coal resources. We also must put even heavier emphasis on conservation. If indeed the end of the era of oil and gas is not far away, then energy research and development activities may have to be forced ahead with even more determination.

I feel that this question is so important that I have scheduled an immediate hearing before the Joint Economic Committee to question the participants in the National Academy panel as well as officials of the Department of Interior and the Geological Survey. We also will have an independent outside witness to comment on the issue.

The hearing will begin at 10:30 a.m. on Tuesday, February 25, in room 4221 of the Dirksen Senate Office Building. The following witnesses are scheduled:

Jack Carlson, Assistant Secretary of Interior for Energy and Minerals.

Vincent McKelvey, Director, U.S. Geological Survey.

Kenneth Emergy, Chairman, Panel on Estimation of Mineral Reserves and Resources, National Academy of Sciences.

John Moody, member of the NAS Panel.

Harry Perry, Resources for the Future.

Hearings on energy policy are planned to resume after the completion of the committee's annual hearings on the President's Economic Report.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

William B. Cummings, of Virginia, to be U.S. Attorney for the eastern district of Virginia for the term of 4 years, vice Brian P. Gettings, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all

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persons interested in this nomination to file with the committee, in writing, on or before Monday, March 3, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

ABORTION: A BRITISH VIEW

Mr. BUCKLEY. Mr. President, I recently came across an article written by John Linklater and published in the July 13, 1974, issue of the prestigious British periodical, The Spectator. The title of the piece—"Every Granny A Wanted Granny"—is a grim and ironic reminder that the alleged right of abortion-on-demand is based on a chilling view of the value of human life that could quite easily and logically be directed toward the very old as well as the very young. I have yet to read or hear a statement by proabortionists that would in any way clearly answer this question: If our Nation is to hold to the view that it is a right to terminate a human life in the womb because that life is perceived as being unwanted, what argument can be offered to combat the next logical step of such a view: that is, the killing of the aged or other unwanted human beings for the same reason?

Mr. President, the unexamined premise of the proabortion philosophy is that human life is to be valued only insofar as it is perceived to be useful or meaningful. What the prolife movement has said all along and what is being said with eloquence and persuasiveness in testimony before the Senate Subcommittee on Constitutional Amendments and in articles like the one written by Mr. Linklater is that the proabortion philosophy is a philosophy of death.

Mr. President, at this time I ask unanimous consent that the entire text of the article "Every Granny A Wanted Granny" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EVERY GRANNY A WANTED GRANNY

(By John Linklater)

There is at present no provision under the NHS for gas chambers to provide a final solution to the problem of a falling birthrate coupled with a rising proportion of elderly citizens. Indeed, many will feel that it is unrealistic to think about gas chambers in Britain today, but that is because they do not realise how far we have drifted in twenty-five years. Aneurin Bevan did not make provision for separate NHS abortion chambers (or abortion clinics, as we prefer to call them). The present demand for a separate abortion service was surely beyond the wildest stretches of his imagination—as was, no doubt, the concept of a publicly advertised series of British abortion package tours. Yet these things are with us now. The most heinous medical crime of 1964 has become the most common single cause of admission to a gynecological ward in 1974. Are we, then, quite so sure that there will be no gas chambers by 1984?

Anybody who has personal experience of looking after mongol children will know that they are happy, friendly and affectionate, and that they are easily pleased by a little personal attention. Yet these children are now being routinely destroyed while still in the womb, if their handicap is discovered in time. For whose benefit are they killed? The thin edge of the wedge has been inserted. We already have a predictable pressure group which would go yet further and require that eugenic destruction be allowed to take place legally, not only within the womb, but also during the first twenty-four hours after delivery, so as to eradicate all those obviously handicapped children who had managed to escape the abortionist.

In these, and in many other ways, we now demonstrate that, as a nation, we have all but lost our respect for human, in turning from traditional Christian morality towards materialistic hedonism based on a philosophy of amoral, pragmatic expediency. This loss of respect strikes at the very root of Christianity and we would, therefore, have expected that its church would have fought, tooth and nail, and regardless of cost, at least against the social clause, in the Abortion Act of 1967. But it had become soggy. Prelates who would previously have condemned now saw both sides of the abortion argument. The church chickened at the critical point.

It is very doubtful if we can ever again rely on the hierarchy of the established church to point the way when we find ourselves in moral doubt, if we have to face the *fait accompli* of an Euthanasia Act.

The established church has, in fact, created in the course of 400 years such a smooth amalgam of eccelesiastical and secular law that many people have come to confuse morality with legality, and now forget that morality exists as a separate entity. This is the weakness of our traditional strength as a constitutional monarchy, and explains why so many decent citizens who, ten years ago, accepted that abortion for reasons of convience was a crime against humanity, have now come to modify their views. They have accepted parliamentary statute as a moral arbiter.

This was why an extremist pressure group of perhaps one or two thousand abortion law reformists could, in the end, change the very mores of a nation which had lost its anchors and which was passing through its turbulent and rebellious phase of collective adolescence. We should not be too complacent that the same process cannot take place again under pressure from the Euthanasia Society and the humanist groups. We have now become somewhat hardened to the concept of taking an innocent human life, provided that cetrain conditions are fulfilled, and, and the humanists do, after all, have a controlling voice in the most powerful propaganda weapon of all time, the television screen. We have become morally numb.

When brought face to face with their atrocities committed before and during the 1939-45 war, the Germans blamed Adolf Hitler, but he had merely been the mouthpiece and catalyst, personifying the mass hysteria that was sweeping through Germany before he seized power. The concept of "releasing lives devoid of value" had originally been published by Karl Binding and Alfred Hoche in 1920 when Hitler was an unemployed nonentity, and German doctors had already, spontaneously, begun to kill mentally defective geriatric and paediatric patients well before the Nazi coup. At first they felt it necessary to destroy mentally handicapped children only if they were under the age of three, but as soon as the principle was firmly established, the age limit was raised to eighteen.

German doctors were not ordered to kill their patients. They did so spontaneously. They killed, furthermore with the tacit connivance of the population at large, thinly disguising the enormity of their crime by the widespread use of well-understood euphemisms like "voluntary mercy death," and "help for the dying." One common phrase in Germany, before the war, was the "problem of useless mouths to feed." Equally common was that meaningless concept, having a superficial appearance of good sense, "the right to die." They called it voluntary, and so it was—at first.

The German church, like ours, took an ineffective and desultory stand on behalf of the concept of the sanctity of life, and eventually compromised. The main difference between the two situations is that the Germans were burning with intense patriotism and preparing to seize their "living space" by waging savage war. They therefore first slew those whose presence would be an encumbrance in the war effort. We, however, are burning with intense hedonism and quite incapable, at present, of preparing for any external war. We are therefore likely to relieve our sense of overcrowding by slaying those whose presence interferes with our comfort or pleasure or sexual gratification.

Perhaps this is why we did not find it risibly ludicrous when six bishops and an archbishop all signed their names to a statement on a piece of paper with the letterhead of an organisation that sells condoms, exhorting us to pray for a reduction in population in the very year in which the national birthrate had fallen to the lowest ever recorded level of 13.7 births per 1,000 per population. 'Population Countdown' was the expression of an overcrowding hysteria, unrelated to logic or to demographic common sense.

Perhaps this is why, when Michael Litchfield and Sue Kentish so brilliantly exposed in March the gross abuses and breathtaking greed of the abortion racket as it goes on in some of the most expensive abortion chambers, justice has not yet been seen to be done; in a sense we are all tacitly conniving.

The facts must be widely known. If there were no massive connivance, we could not tolerate the existence of an advisory service in which girls are virtually always advised to pay for an abortion, often when they are not even pregnant, in which they are then escorted to their banks to get the cash, and finally operated on, all within the space of a few hours. Why do we not rise up in anger against the director of an abortion chamber who fiddles the gestation dates so as to make a mockery even of the grudging twenty-six weeks safeguard to which the unborn child is entitled? That man kills legally protected human life for financial gain, and we seem to tolerate it.

It may be that we fail to grasp the atrocity that he perpetrates because we see it subjectively, at least as human beings. I wonder what we would think, in our hearts, of a species of lower mammals, such as apes, which had developed a relatively safe technique for skewering the living young out of their bellies, in pathetic, bloody shreds, sometimes two or three times in a season, so that they could get on with their main business of random, non-reproductive compulation, usually with their own species and, mostly, with the opposite sex? How would we rate their chances of survival? Would we approve of them as pets, or would we, more likely, unanimously agree that they had thoroughly nasty habits?

The human race stands in danger. Abortion statutes, throughout the world, have swept aside strict adherence to the Hippocratic principles often, as in Britain, taking the medical profession by surprise. It is rarely feasible to set the clock back, but we must at least now ensure that we are not swept on, blindly, into further disaster. Next month at Bucharest, for example, the United Nations World Population Conference will be discussing population control policy. Euthanasia and child destruction are likely to be actively lobbied.

It is essential for the entire medical profession urgently to proclaim individual, personal adherence to some practical and acceptable modern alternative to the Hippocratic oath. Such an alternative is the Declaration of Geneva, 1948. If this is not done, and seen to be done, doctors will inevitably find themselves wielding the deadly, modern, sophisticated drugs and instruments of their trade at the behest of political pressure groups to alleviate whatsoever *ad hoc*, real or imaginary, social, economic, eugenic or emotional stresses. The results would be unthinkable.

It was with this in mind that largely on French initiative, some 200 doctors from many different countries assembled in Holland at Noordwijkershout on May 10, to analyse factually, without political or religious bias, the world-wide trends in population control policy which the medical profession is currently required to implement, or which it may be required to implement in the near future. Abortion was seen clearly as the trigger rather than the target. Brainwashing, slave-labour child destruction, genocide and voluntary and compulsory euthanasia were all brought under careful, dispassionate scrutiny.

During the conference a new, integrative organisation was founded, with a highly specific aim. It was entitled "World Federation of Doctors who respect Human Life." The challenge implicit in the title was intended.

The aim of the Federation was to integrate the numerous medical organisations and associations throughout the world that seek specifically to maintain the utmost respect for human life, to test the weight of medical opinion throughout the world on this issue and thus to clarify it, seeking a personal affirmation from every registered medical practitioner. It was realised that this might, at first, appear to cut across some existing channels, but the information about progressive intentions for Bucharest was so disquieting, and time so short, that if some such unorthodox plan had not been swiftly put into action, there might have been no means of organising an informed bulwark of medical opinion to counter the effect of predictable and mindless slogans such as "better dead than lonely," "the right to relief from senility," and "every granny a wanted granny."

EFFECT OF IMPORTS ON SHOE INDUSTRY

Mr. HATHAWAY. Mr. President, as Senators know, the shoe industry in New England and in other parts of the country have been severely hurt by foreign imports in recent years. For this reason, during consideration of the Trade Reform Act of 1974, I expressed some concern as to how the Secretary of the Treasury would use the discretionary authority in the countervailing duties section of the act with regard to nonrubber footwear. Since that time, I have received written assurances from Mr. Harald B. Malmgren, the Deputy Special Representative for Trade Negotiations, that the administration would use this authority only if restraints on nonrubber footwear exported to the United States have been effectuated.

I was further pleased to note that the administration has agreed to place a high priority on developing arrangements which will eliminate the disruptive effects of these imports on the footwear industry.

I ask unanimous consent that Mr. Malmgren's letter of December 26, 1974, be printed in the RECORD, so that those who will be affected by his commitment will have access to it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPUTY SPECIAL REPRESENTATIVE
FOR TRADE NEGOTIATIONS,
Washington, D.C., December 26, 1974.

Hon. WILLIAM D. HATHAWAY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATHAWAY: I am writing with regard to the provisions in the Trade Act of 1974 which pertain to discretionary authority which may be exercised by the Secretary of the Treasury under the countervailing duty provisions of the statute. The statute outlines three conditions which have to be met before this discretionary authority may be exercised. The first condition states that "adequate steps have been taken to reduce substantially or eliminate during such (discretionary) period the adverse effect of a bounty or grant which he has determined is being paid or bestowed with respect to any article or merchandise."

On December 20, 1974, you and I discussed this matter orally. You then expressed the interpretation we had agreed in a statement on the Senate floor. You said that "I presume that with respect to nonrubber footwear, this means an actual agreement must have been entered into or voluntary understandings must have been undertaken by the exporting country or exporters within the country which would have the same effect as an agreement. I understand, further, that with respect to nonrubber footwear, the only type of agreement or understanding that would fulfill this requirement would be one of export restraints." I am taking this opportunity in writing to confirm that your understanding, as expressed in your Senate floor statement, is correct, whether we are talking about presently pending or future countervailing duty cases with respect to nonrubber footwear.

As for other provisions of the Trade Act of 1974 concerning nonrubber footwear, I can assure you that this Administration will, pursuant to the provisions of that Act, give immediate attention to devising some suitable form of arrangement with the governments of other nations whose exports to us are the significant causes of disruption to our footwear industry. The purpose of such arangements would, of course, be to reduce or eliminate the disruptive effects of imports.

Sincerely yours,

HARALD B. MALMGREN.

FINANCIAL PRIVACY

Mr. WEICKER. Mr. President, a fundamental right of all Americans is the right to face one's accusers. Under the Supreme Court's ruling, in the case of United States et al., against Biscoglia, however, IRS investigators were given the right to rummage through an individual's bank records without informing him of this behind-the-back action.

We have all witnessed the massive attempts in recent years to use the vast powers of the Federal Government against the individual citizen. We do not need, and we do not want, a Government that sneaks around, doing business in the dark.

Now, the Supreme Court has upheld the dubious right of the IRS to enter the bank vaults of any citizen, organization, or corporation, find out all about your personal transactions, use that information any way they please—and never tell you about it.

Without retelling the entire litany of Watergate-related abuses by the IRS, let it be noted that misuse of the IRS was the basis for the second article of impeachment voted by the House Judiciary Committee.

Last July 31, I introduced an amendment to halt Government snooping through bank records without notification. The amendment was adopted by the Senate, but deleted in conference.

In his dissenting opinion, Justice Stewart expressed deep concern over the "breathtaking expansion of the summons power," which has resulted from the Court's decision.

There are obviously thousands of transactions occurring daily throughout this country, which on their face, suggests the possibility of tax complications for unknown parties involved. These transactions will now be subject to forced disclosure at the whim of any IRS agent, so long only as he is acting in "good faith."

Such broad and discretionary authority of the IRS must be restricted in order to preserve the confidentiality of individual's financial records. As the Washington Post stated in a recent editorial, the decision of the Court—

Illustrates again how limited and uncertain the rights of bank customers have become and how much protection against improper searches one surrenders by the ordinary act of putting money in the bank.

I ask unanimous consent that the full text of the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 23, 1975]

SEARCHING JOHN DOE'S BANK RECORDS

Bank records, so rich in detail about people's private lives, are often assumed to be as confidential as the financial files in the bottom drawer of one's own desk. In fact, law enforcement officers can gain access to bank records fairly easily without the customer's knowledge or consent. Because such files are regarded as the property of the bank, a customer has no recourse in most states if a bank voluntarily opens its books to agents of the FBI, the IRS or the local police. Many financial institutions require agents to present a summons or subpoena but the customer does not have to be notified of the search. Furthermore, under a 1970 federal law, financial institutions are now required to report large foreign and domestic transactions automatically to the Treasury Department.

The scope of this power to get sensitive personal information through the banks was underscored this week when the Supreme Court held that in some circumstances the IRS may demand certain bank records without being able to name the taxpayer involved. In this instance, a small Kentucky bank, within a 10-day period, made two deposits with the Federal Reserve which included a total of $40,000 in badly disintegrated $100 bills. IRS agents, who were routinely notified, concluded from these facts alone that somebody might owe some tax. An agent therefore issued a "John Doe" summons ordering the bank to produce records showing the source of the $40,000. A district court subsequently narrowed the summons to cover only records of large transactions during that particular month.

In a 7-2 decision, the Supreme Court held that the summons as modified by the district court was a proper exercise of IRS's

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authority to inquire into possible tax law violations. Chief Justice Warren E. Burger, writing for the Court, acknowledged that IRS's broad investigative powers may sometimes be abused, but concluded that in this situation an investigation was legitimate. Justices Blackmun and Powell, in a concurring opinion, emphasized that the decision was a narrow one and did not authorize general fishing trips where IRS did not have strong indications that a tax liability might exist.

In terms of individual privacy, what is striking about this otherwise fairly minor case is that the argument was wholly between the bank and IRS. There is no indication that "John Doe," the original possessor of the $40,000, even knows, except perhaps through press accounts, that IRS is interested in his financial dealings. By the same token, anyone else who might have deposited a large sum with the Commercial Bank of Middlesboro during that period will have no chance to contest the disclosure of those records to the IRS.

This illustrates again how limited and uncertain the rights of bank customers have become and how much protection against improper searches one surrenders by the ordinary act of putting money in a bank. Sen. Alan Cranston (D-Cal.), Rep. Fortney H. Stark (D-Cal.) and a number of their colleagues are advocating legislation to assure the customers of financial institutions more control over access to the records of their accounts. This week's decision, on top of a long list of earlier cases, shows how useful some new rules to promote confidentiality would be.

Mr. WEICKER. Mr. President, while vehemently disagreeing with the Court decision, I will nevertheless abide by it. However, I intend to press the cause of confidentiality of an individual's bank records against fishing expeditions.

As a cosponsor of the Financial Privacy Act of 1975, I urge the Senate Banking Committee to expeditiously consider this important measure. I commend Senator CRANSTON for his leadership in this effort to restrict access of Government officials to the records of customers of financial institutions.

RULES ON THE COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, in accordance with the provisions of law, I submit the rules of the Committee on Foreign Relations and ask unanimous consent that they may be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

COMMITTEE AND SUBCOMMITTEE MEETINGS

1. The regular meeting day of the Committee on Foreign Relations for the transaction of Committee business shall be on Tuesday of each week, unless otherwise directed by the Chairman. All meetings shall be open unless the Chairman and the ranking minority member determine otherwise. A closed meeting may be opened by a majority vote of the Committee.

2. Six members shall constitute a quorum for the purpose of transacting Committee business.

3. Proxy voting will be permitted on all matters, except that no measure or recommendation shall be reported unless a majority of the Committee were actually present.

4. The Chairman of the Committee on Foreign Relations, or the chairman of any subcommittee thereof, is authorized to fix the number of members who shall constitute a quorum for the purpose of taking testimony.

5. Except when funds have been specifically made available by the Senate for a subcommittee purpose, no subcommittee of the Committee on Foreign Relations shall hold hearings involving reporting expenses without prior approval of the chairman of the full Committee or by decision of the full Committee.

6. Unless otherwise authorized by law or Senate Resolution, subcommittees shall be created by majority vote of the Committee and shall deal with such legislation and oversight of programs and policies as the Committee directs. The funds for the subcommittees shall be made specifically available by the Senate.

COMMITTEE TRAVEL

1. No member of the Committee on Foreign Relations or staff shall travel abroad on Committee business unless specifically authorized by the Chairman, who is required by law to approve vouchers and report expenditures of foreign currencies, and the ranking minority member. Requests for authorization of such travel shall state the purpose and when completed, a full report shall be filed with the Committee.

2. A member of the personal staff of a member of the Committee may travel with that member with the approval of the Chairman and the ranking minority member of the Committee. During such travel, the personal staff member shall be considered to be an employee of the Committee.

3. When the Chairman and the ranking minority member approve the foreign travel of a member of the staff of the Committee not accompanying a member of the Committee, all members of the Committee are to be advised, prior to the commencement of such travel, of its extent, nature, and purpose. The report referred to in the first paragraph of this section shall be furnished to all members of the Committee and shall not be otherwise disseminated without the express authorization of the Committee.

NOMINATIONS

1. Unless otherwise directed by the Chairman, the Committee on Foreign Relations shall not consider any nomination until six days after it has been formally submitted to the Senate.

2. Nominees for any post who are invited to appear before the Committee shall be heard in public session, unless a majority of the Committee decrees otherwise.

3. No nomination shall be reported to the Senate unless the nominee has been accorded security clearance on the basis of a full field investigation by the Federal Bureau of Investigation, and, in appropriate cases, has filed a confidential financial statement with the Committee.

TRANSCRIPTS

1. The Committee on Foreign Relations shall keep verbatim transcript of all Committee and subcommittee meetings and such transcripts shall remain in the custody of the full Committee, unless a majority of the Committee decides otherwise.

WITNESSES

1. The Committee on Foreign Relations will consider requests to testify on any matter or measure pending before the Committee.

2. If the Chairman so determines, the oral presentation of witnesses shall be limited to ten minutes. However, written statements of reasonable length may be submitted by witnesses and other interested persons who are unable to testify in person.

TRANSCRIPT REGULATIONS

1. Maintenance and security of classified transcripts.

a. The chief clerk of the Committee shall have responsibility for the maintenance and security of the classified transcripts.

b. A record shall be maintained for each use of the classified transcripts.

c. Classified transcripts shall be kept in locked combination safes in the Committee offices except when in active use by authorized persons. They must never be left unattended and must be returned to the chief clerk promptly when no longer needed.

d. Classified transcripts shall be permitted to leave the Committee offices only in the possession of authorized persons. Delivery and return shall be made only by authorized persons. They shall not be permitted to leave the city or the country, unless adequate assurances are made to the Chairman for their security.

e. Transcripts classified secret or higher shall not be permitted to leave the Committee offices.

f. Extreme care should be exercised to avoid taking notes or quotes from classified transcripts. Their contents must not be divulged to any unauthorized person.

2. Persons authorized to use classified transcripts.

a. Members and staff of the Committee, in the committee rooms, or, by permission of the Chairman, in their offices.

b. Senators not members of the Committee, in the Committee's Capitol offices, by permission of the Chairman.

c. Members of the executive departments in the departments, or, in the Committee's Capitol office, by permission of the Chairman.

3. Declassification of executive transcripts and other executive records.

Executive transcripts and other executive records of the Committee shall be released to the National Archives and Records Service for unclassified use in accordance with the policies of that Agency: *Provided*, That no such transcripts or other executive records shall be declassified within a period of 12 years except by majority vote of the Committee and with the permission of surviving members of the Committee at the time such transcripts or records were made and with the permission of the Executive Department, if any, concerned; and *Provided further*, That after 12 years from the date such transcripts or records were made, they shall be declassified unless the Committee by majority vote shall decide otherwise.

REGULATIONS FOR THE USE OF CLASSIFIED MATERIAL (OTHER THAN TRANSCRIPTS)

Receipt and distribution of classified material.

1. All classified material received or originated by the Committee shall be keyed in at the Committee's offices in the Dirksen Senate Office Building, and except for material classified as "Top Secret" shall be filed in the Dirksen Senate Building offices for Committee use and safekeeping.

2. Each such piece of classified material received or originated shall be card indexed and serially numbered, and where requiring onward distribution shall be distributed by means of an attached indexed form approved by the Chairman. If such material is to be distributed outside the Committee offices, it shall, in addition to the attached form, be accompanied also be an approved signature sheet to show onward receipt.

3. Distribution of classified material among offices shall be by Committee members or staff only. All classified material sent to members' offices, and that distributed within the working offices of the Committee, shall be returned to Room 4229, Dirksen Senate Office Building. No classified material is to be removed from the offices of the members or of the Committee without permission of the Chairman. Such classified material will be afforded safe handling and safe storage at all times.

4. Material classified "Top Secret," after being indexed and numbered, shall be sent to the Committee's Capitol offices for use by the members and staff in those offices only.

5. The Chief of Staff is authorized to make such staff regulations as may be necessary to carry out the provisions of these regulations.

STAFF REGULATIONS

The Committee recommends that the following concepts serve to guide the staff in its activities:

1. The staff works for the Committee as a whole, under the general supervision of the Chairman of the Committee, and the immediate direction of the Chief of Staff.

2. Any member of the Committee should feel free to call upon the staff at any time for assistance in connection with Committee business. Members of the Senate not members of the Committee who call upon the staff for assistance from time to time should be given assistance subject to the overriding responsibility of the staff to the Committee.

3. The staff's—as, indeed, the Committee's—primary responsibility is with respect to bills, resolutions, treaties, and nominations.

4. The staff and the Committee also have a responsibility under section 136 of the Legislative Reorganization Act which provides that ". . . each standing Committee . . . shall review and study, on a continuing basis, the application, administration, and execution of those laws or parts of laws, the subject matter of which is within the jurisdiction of that committee." In the case of foreign relations, there is an additional responsibility deriving from the advice and consent clause of the Constitution. By the same token there are limitations deriving from the President's special constitutional position in regard to foreign relations.

5. In addition to carrying out assignments from the Committee and its individual members, the staff should feel free to originate suggestions for Committee or subcommittee consideration, making it clear in every case that the decision lies with the Committee or subcommittee concerned. The staff should also be free to make suggestions to individual members regarding matters of special interest to such members.

It is part of the staff's duty to keep itself as well informed as possible in regard to developments affecting foreign relations and in regard to the administration of foreign programs of the United States. Significant trends or developments which might otherwise escape notice should be called to the attention of the Committee, or of individual Senators with particular interests.

6. In carrying out the responsibilities in paragraph 5, the staff should bear in mind the workload of Senators and attempt not to deal in trivia but to limit itself to broad questions of basic policy or specific matters which point up a question of basic policy.

7. The staff should pay due regard to the constitutional separation of powers between the Senate and the executive branch. It should, therefore, try to help the Committee bring to bear an independent, objective, judgment of proposals to the executive branch and when appropriate to originate sound proposals of its own. At the same time, the staff must avoid impinging upon the constitutional prerogatives of the executive branch in the day-to-day conduct of foreign affairs.

8. In those instances when Committee action requires the expression of minority views, the staff shall assist the minority as fully as the majority to the end that all points of view may be fully considered by members of the Committee and of the Senate. The staff must bear in mind that under our constitutional system it is the responsibility of the elected Members of the Senate to determine legislative issues in the light of as full and fair a presentation of the facts as the staff may be able to obtain.

9. The staff should regard its relationship to the Committee as a privileged one, in the nature of the relationship of a lawyer to a client. In order to protect this relationship and the mutual confidence which must prevail if the Committee-staff relationship is to be a satisfactory and fruitful one, the following criteria are suggested:

a. The staff must be completely nonpartisan and responsible only to the Committee. Staff members should be hired and fired by the Committee solely on the basis of merit and without regard to political considerations.

b. Members of the staff must not be identified with any special interest group in the field of foreign relations or allow their names to be used by any such group.

c. Members of the staff must not accept public speaking engagements or write for publication in the field of foreign relations without specific advance permission from the Chief of Staff, or in his case, from the Chairman and the ranking minority member. In any event, such public statements should avoid the expression of personal views and should not contain predictions of future, or interpretations of past, Committee action.

d. The staff must in no circumstances discuss with anyone the proceedings of the Committee in executive session or conversations with individual Senators without specific advance permission from the Committee or the Senator concerned.

PROVISIONS OF LEGISLATIVE REORGANIZATION ACT

In addition to the foregoing, the Committee on Foreign Relations is governed by the standing rules of the Senate and the rules and procedures set forth in the Legislative Reorganization Act of 1946 as amended.

RULES OF PROCEDURE OF THE SUBCOMMITTEE ON MULTINATIONAL CORPORATIONS

(Adopted by the subcommittee, Jan. 29, 1973)

1. No public hearing, public or executive, connected with an investigation shall be held without the approval of a majority of the subcommittee. The ranking minority member shall be kept fully informed on investigations and hearings. Members of the subcommittee shall, on request, be briefed by the staff with respect to such investigations. Preliminary inquiries may be initiated by the subcommittee staff with the approval of the chairman of the subcommittee and the ranking minority member.

2. Subpenas for the attendance of witnesses and the production of documents shall be issued by the subcommittee chairman with the approval of the ranking minority member. Other members of the subcommittee will be advised in advance (majority members by the chairman, minority members by the ranking minority member) of the intention to issue subpenas. If a member files a written objection with the chairman in 2 working days the matter shall be decided by a majority vote of the subcommittee.

3. The chairman shall have the authority to call meetings of the subcommittee. This authority may be delegated by the chairman to any other member of the subcommittee when necessary.

4. For public and executive sessions one member of the subcommittee shall constitute a quorum for the administering of oaths and the taking of testimony.

5. All witnesses at public or executive hearings who testify to matters of fact shall be sworn.

6. Counsel retained by witnesses shall be permitted to be present during the testimony of the witnesses at any public or executive hearings and to advise the witnesses of their rights.

7. Witnesses who wish to read a prepared statement in executive or public hearings shall file 20 copies of the statement with the subcommittee at least 24 hours in advance of the hearing at which the statement is to be presented unless the chairman and the ranking minority member waive this requirement.

8. A stenographic record of a witness' testimony whether in public or executive session shall be made available for inspection by the witness and his counsel under committee supervision.

9. Interrogation of witnesses at subcommittee hearings shall be conducted on behalf of the subcommittee by members and authorized subcommittee staff personnel only.

10. Any person whose name is mentioned in public hearings or who is specifically identified and who believes that testimony presented at a public hearing or comment made by a subcommittee member or counsel tends to defame him or otherwise adversely affect his reputation may appear before the subcommittee to testify in his own behalf or file a sworn statement of facts relevant to the testimony or other evidence or comment complained of.

11. Testimony taken in executive session shall be kept secret and will not be released without approval of the majority of the subcommittee.

12. Any corporation which has delivered documents to the subcommittee by request or under subpena and which wishes to have the document treated in a confidential manner shall within 2 weeks after the documents are submitted provide the subcommittee with a written request that the documents be kept confidential including a detailed statement of the reasons and the possible damage which may result from disclosure. The chairman with the approval of the ranking minority member shall be empowered to schedule an oral presentation of the request for confidentiality in a duly noticed executive session. Following full presentation the matter shall be decided by a majority vote of the subcommittee which shall be recorded and made public.

13. Nothing in the foregoing rules shall be construed as contradicting or superseding the rules of the full Committee on Foreign Relations.

THE STRAIT OF MALACCA

Mr. GOLDWATER. Mr. President, on a good many occasions I have attempted to warn my colleagues about the threats proposed by the Soviets and their friends to the important straits of the oceans of the world. Among these straits is the Strait of Malacca, which, if the Soviets gain domination in the Indian Ocean, which they are aiming to do, they could control the use of these important waters.

A newspaper article prepared by the United Press, appearing in the Arizona Republic, gives further information on this subject that I feel is of great importance to the United States and the free world. Therefore, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RIGHT TO USE ASIA STRAIT IS DISPUTED

SINGAPORE.—Since the dawn of history men who go to sea have blessed and cursed the narrow treacherous passage called the Strait of Malacca.

The strait has served as a valued shortcut for Chinese and Arab traders, a Java invasion fleet dispatched by Genghis Khan, European explorers seeking the spice islands to the East, and more recently the massive supertankers that fuel the Japanese industrial boom.

A prime hazard for mariners once was

hungry fleets of Malay pirates, who viewed the 550-mile-long strait as a hunting ground.

A more permanent hazard, then and now, are the poorly charted rocks, reefs, shallows and shoals that are littered with the bones of ships, men and history.

The strait at its narrowest point is 2.5 miles wide. For large ships the zone of safe navigation shrinks in places to less than one mile.

Today an estimated 50,000 vessels of all types and sizes pass through the strait in a year's time. Most of them make it. A few, like the 237,698-ton Japanese supertanker *Showa Maru*, come to grief.

The nations of Indonesia, Malaysia and Singapore have nervously watched the birth and growth of the supertanker, which in a single decade has swelled in size from 100,000 tons to more than 500,000 tons.

The supertankers annually move more than half of Japan's energy needs through the strait in the form of Persian Gulf crude oil.

Indonesia and Malaysia seek safety regulations limiting tanker size to 200,000 tons. They also want to define the strait as territorial waters, subject to such control and to possible traffic fees to finance charting and marking.

Japan opposes limitations on the ground that large tankers would be forced to transit the deeper Strait of Lombok east of Bali, adding 40 hours to each journey and untold millions of dollars to an already staggering fuel bill.

Major world powers, such as the United States and the Soviet Union, oppose the definition of the strait as territorial waters for other reasons.

Their attention has shifted from the Pacific region to the Indian Ocean and the Persian Gulf, and they seek unrestricted passage for the warships that still play a part in modern diplomacy.

The idea of nationalizing the strait was put before the Law of The Seas Conference in Caracas last year and still awaits action.

In the meantime Malaysia, Indonesia and Singapore meet this year to plan joint measures to restrict the size of tankers, to avert future big oil spills, and lay out the method of collecting compensation if such a spill occurs.

Singapore has resisted any limitation on free traffic through the strait, because the big tankers fuel its own major refineries and the over-all traffic keeps its shipyards and service industries busy.

Mariners of all flags are firm about one fact—the hazards of navigating the strait.

A recent survey indicated that in a normal day there would be 30 instances of large ships meeting and passing at close quarters in narrow safety lanes.

A 1970 American-financed study of the needs for marker buoys and lights in the strait recommended $1.4 million worth of gear and nearly $3 million to service and operate it over the next 20 years. No action has been taken.

Until action is taken to make navigation safer, the green waters of the strait could become oil soup any unlucky day now, bringing disaster to a budding tourist industry and hard times to the coastal fishermen descended from the Malay pirates of old.

VICE PRESIDENT'S RULING ON SENATE RULE XXII ACTION

Mr. HUMPHREY. Mr. President, I wish to commend the Vice President's ruling of February 20, which, in effect, recognizes the constitutional right of the majority of the Senate to change its rules at the beginning of each Congress. Using precedents established by former Vice President Nixon on three occasions, and by myself as Vice President on two occasions, I believe Vice President ROCKEFELLER has ruled wisely.

I also wish to commend my distinguished colleagues for voting for the first time to use the authority conveyed to them by the Constitution of the United States to stop debate and to move toward altering the rules of the Senate by a simple majority at the beginning of each new Congress.

I am most anxious, as many of my colleagues are, that we make progress on the critical issues that face us—tax reform, basic economic policy, the energy problem, and others.

The action of the Vice President and of my colleagues in the Senate is encouraging, and I am hopeful that we will soon be able to get on with the essential business of this country. Senate rule XXII must be changed to permit this action by stipulating that debate can be closed by a vote of three-fifths rather than two-thirds of Members present and voting. While appropriately recognizing the rights of a minority of Members and continuing to permit full and free debate, this rule change will mean that the will of a clear majority of Senators will no longer be thwarted.

CONTRIBUTIONS TO AMERICA BY BLACKS

Mr. FONG. Mr. President, Mr. William C. Bradshaw of Oakland, Calif., has drawn my attention to an article published in the February 7, 1975, Hawaii Marine in conjunction with Black History Week.

I find the article significant for two basic reasons. First, it is a reminder of contributions blacks have made to American life through important inventions. Second, it is a good example of what our armed services, in this particular case, the U.S. Marines, are doing to foster better race relations and to pay tribute to those who deserve it, regardless of race, creed, or color.

I ask unanimous consent that the article, entitled "American Life Style Benefits from Black Ingenuity," be printed in the RECORD so that my colleagues and readers of the RECORD can share in its insights.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THANKS TO ENTERPRISING INDIVIDUALS—AMERICAN LIFE STYLE BENEFITS FROM BLACK INGENUITY

(By GySgt. Dale Dye; Photos by Sgt. Rick Saylors)

Ask any person what he or she knows about black history. Go ahead, ask. You'll hear about 200 years of slavery, the emancipation proclamation, the underground railroad and the civil rights struggle.

You might even get a rundown on the black cultural revolution spiced with names such as George Washington Carver, Malcolm X, James Meredith and Martin Luther King. More likely you'll hear names like Hank Aaron, O. J. Simpson, Jimi Hendrix or Louis Armstrong.

What you'll be hearing is a superficial rundown of the history of a 200-year struggle for equality and identity based on headlines and a white perspective of the black experience.

What you won't hear about from most white people and many black people are the contributions made to American society by inventors and tinkerers who just happened to be black. Contributions made by little people like most of us that go unheralded simply because they are so valuable that they quickly become a part of the American lifestyle.

MINOR INNOVATIONS

While the contributions of these black men and women didn't do much for solidarity and understanding of the black people's way of life, they certainly had an impact on the American society as a whole.

The next time you're grooving to the staccato rhythms of a guitar on the stereo, recall that black man R. F. Fleming Jr., invented the instrument, as we know it, in 1850. Without Fleming and his research, a whole musical way of life would never have happened in America. Where would Country & Western, Rock & Roll, Soul, Folk and plain old get-down boogie be without the guitar?

In 1850, though, no one paid much attention to R. F. Fleming, Jr. When Americans began more and more to turn to music as a form of recreation and expression, his contribution was realized.

YOUR BASIC MAIL BOX

When you dump the next month's installment of bill payments or the latest letter home through the drop slot of that red, white and blue contraption commonly known as a mailbox, pause a moment. That simple, yet safe and handy receptacle for the U.S. Mail was invented by P. B. Downing, a black man.

Downing's contribution to the American way of life has become an institution; a street corner monument to open communications as guaranteed by our constitution

A BOON TO FEET

A good pair of hand-made shoes was a rare and expensive commodity in 1883 and no one knew it better than Dutch Guiana immigrant Jan Matzeliger who worked as a laborer in a shoe factory at the time.

For 12 years, single-handedly and without any funds other than his meager paycheck, Matzeliger worked to perfect a machine that would put shoes on even the poorest feet. It was his idea to invent a machine that could take the time-consuming process of joining the leather upper to the sole. When he finally realized his dream, shoes dropped to affordable prices and many barefoot Americans were shod.

Matzeliger's invention was so successful that he was eventually forced to form a corporation which, within several years after the patent was granted, listed capital stock in excess of 20 million dollars.

WRITING A PAGE OF HISTORY

One of the biggest hassles encountered by students, businessmen and almost anyone else who had to communicate by handwriting in 1890 was the scratchy, blotchy, messy implement which passed for a pen.

A writer was forced first to find a suitable pen and then practice until he mastered the technique of transferring a pen-load of ink from bottle to page. The system drove W. B. Purvis up a wall and he set out to make handwriting a simple chore.

In January 1890, he came up with the first refillable, reservoir-type pen which came to be known as the fountain pen for its seemingly endless, self-contained supply of ink. It was an invention of note for a black man with no formal training or education and one that could be seen clipped to the pockets or notebooks of generations of Americans.

GOLFING GREAT

At the turn of the century, G. F. Grant enjoyed an occasional round of golf but was upset with having to hit the ball from a flat lie on the ground when teeing off.

Why not, he thought, come up with something that would work like a little platform and give us duffers a better shot off the tee. Why not indeed? In 1899 black golf enthusiast G. F. Grant invented the common wooden golf tee.

Ask Nicklaus or Trevino if G. F. Grant made a significant contribution to the American way of life.

FLUSHING HIS WAY TO FAME

In 1899, black man J. B. Rhodes was as angry as everybody else over the inconvenience of having to make a trip to outside privies when the call of nature urged. Rhodes, however, had an inventive bent and decided to do something about it.

He eventually came up with a working flush toilet that has become the plumbing standard for virtually every American home. Ask farm kids who have had to make a trip to the two-holer in dead winter if Rhodes, an itinerant black man, made a contribution to American society.

Any one who has suffered under tear gas or read the horrible results of other toxic gas attacks will want to consider the importance of the gas mask to human survival.

The gas mask, as we know it, was invented by a black man named Garett Morgan who introduced it as a "protective inhaler" in the early 1900s. Mostly because he was a black man, Morgan found it difficult to market his invention, even though it had received widespread acclaim in several scientific expositions.

Finally, in 1916, Morgan and his brother were able to rescue several trapped miners using their mask and the public realized its value disregarding the color of its inventor's skin.

This boon to military and civilian survival proved itself on the battlefields of World War I, but men whose lives were saved during gas attacks in Flanders Fields by Morgan's gas mask never stopped to consider its inventor.

Morgan didn't let his fertile mind rest with one success. He went on to invent one of the most fundamental and important safety devices in the modern world, the automatic traffic signal.

Were Morgan's inventions a contribution to American society? Ask the next person who gets hit with tear gas or consider the plight of a child who is run down by a car crossing an intersection without a traffic light.

BLACK CONTRIBUTIONS

When you hear high-sounding phrases and black or white rhetoric concerning the progress in our society credited to famous black Americans, pause to consider the little guy.

Our history is fairly splashed with important contributions made by black people. You may not see such people revered, but consider our plight without their contributions.

NATIONAL GOALS AND THE IMPACT OF ENERGY CONSERVATION IN BUILDINGS

Mr. HOLLINGS. Mr. President, Representative GEORGE E. BROWN, JR., Democrat of Colton, Calif., who holds a degree in industrial physics from UCLA, and hence is one of the small handful of Members of Congress with a background in science, recently called for a "radical energy conservation program" to deal with the energy needs of the United States. Representative BROWN serves with me on the Technology Assessment Board. Respecting his expertise, I am anxious to share his thoughts with my colleagues.

Representative BROWN told participants in the Conference on the Design and Management of Energy Systems for Buildings meeting in San Diego under the sponsorship of several southern California chapters of the American Institute of Architects—San Diego, Cabrill, Orange County, and Inland chapters—that "the age of economic expansion of goods per capita is over." He noted that, because of the past availability of cheap energy, "we have overbuilt our homes, offices, cars, diets, and our way of life in thousands of little ways" so that they consume far more energy than more practical designs would demand. BROWN stated "that the best approach to projected shortages is the new conservation ethic." He said:

When the need for a BTU (British thermal unit: specific measured quantity of heat) is eliminated from a building, it is a BTU which will never have to be generated. We'll never have to subsidize that BTU, regardless of how high energy prices climb; we'll never have to worry about the reliability of its availability or the next generation of facilities to produce it, and we'll never have to allocate public funds to cleaning up the pollution connected with its production or use.

The conservation strategy presents a contrasting picture of building craftsmen making thousands of homes more comfortable, with the lower fuel bills putting extra money immediately and directly into the average citizen's pocket.

Representative BROWN'S conservation program includes:

First. A 100 percent tax credit, or long-term, low-interest loan for energy conserving investments in homes and other buildings;

Second. Mandatory auto efficiency standards without relaxation of air pollution controls;

Third. Broad revision of tax and regulatory codes to remove presently existing incentives for energy waste and to replace them with measures which would promote conservation;

Fourth. Efforts for long-range planning in energy and economic development to insure a less wasteful society in the future; and

Fifth. Provisions in new energy conservation legislation to protect workers and businesses from the effects of economic dislocations.

Members of Congress are certainly conscious of their responsibility to develop solutions to our present economic and energy crises, and we are grateful to our colleagues for their thoughts and proposals.

I ask unanimous consent that Representative BROWN'S remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL GOALS AND THE IMPORTANCE OF ENERGY CONSERVATION IN BUILDINGS

This Conference demonstrates that the "business as usual" of the past 20-30-years is now over. Those of you who are familiar with pre-World-War II buildings, or with various foreign building designs all know that environmental design was a major part of the structural restraint. In the United States, especially, we have prided ourselves on our ability to ignore the natural environment as a restraint. Now, after only a relatively few years of cheap, plentiful energy, we need to return to the days of designing for the environment, and the times of energy being a valuable commodity.

I do not pretend to know how to design buildings, but I do know that we must redesign our buildings to reduce our consumption of energy. Another problem that we must also face is the re-designing of existing buildings to cut their current levels of energy consumption without preventing their continued use. While some buildings, such as the World Trade Center in New York, might best be abandoned as a monument to our waste, the majority of our buildings must be used for a time indefinite, and must be retro-fitted to make them acceptable.

I do intend to describe what the Federal Government has done in the area of energy conservation in buildings, and what it has not done, but before I do that, I want to spend a few more minutes on describing the magnitude of the problem.

The age of economic expansion of goods per capita is over. The cost of energy will not decrease, and the cost of goods that cheap energy produced will continue to increase. Because of the availability of cheap energy, we have overbuilt our homes, offices, cars, diets, and our way of life in thousands of little ways. As a result of this wasteful use of energy, we have had environmental pollution, an increasing per capita energy consumption, and an increasingly hectic and less satisfying life. Dr. Rene Dubos recently commented, "If one judges on the basis of civic virtue, sophistication of thought, quality of writing, charm of landscapes, architectural styles, and perhaps even of average comfort, it is by no means certain that our present form of civilization is superior to that of pre-electric America."

While I fully agree with the doubts raised by Dr. Dubos, I am also cognizant of the objection that is raised to this type of discussion, which is that consumers, or the people, want all of the things that our modern, energy intensive, technology has produced. This may, or may not be true, but the fact remains that the growth patterns of the past cannot continue, and the physical limits of the earth will prevent these patterns from continuing into the future. Dr. George Woodwell recently published a provocative article entitled, "Short-Circuiting the Cheap Power Fantasy." One of his main conclusions was "we have reached a point in the development of our civilization where further increase in the flow of energy through technology will cause a significant reduction in the capacity of the earth to support mankind. The world cannot use more energy safely." Dr. Dubos seconded this statement, and added "another doubling of energy consumption in the United States would almost certainly result in local disasters and a world wide doubling is an ecological impossibility."

The documentation of the adverse effects of the current levels of energy use, and the damage that further increases will create are enough to cause anyone concerned about the future to pause. I need not elaborate on these limits here, but I do want to emphasis that they are real, and the limits to growth are already upon us. We are faced with no real alternative other than to radically conserve energy.

How can our institutions deal with this need?

Many of your speakers have already mentioned some of the methods. The steps that one is willing to take are largely conditioned by one's own perception of the problem, and those perceptions are molded by the institution in which one works. Thus, an engineer usually thinks of engineering solutions; a biologist of biological solutions; an economist of economic solutions; and so on. If we are to develop a comprehensive approach to an energy conservation strategy, we need a mix of solutions and a synthesis of ideas.

UMI

In energy conservation in buildings, then, we should consider the physical constraints of the local climate; the use of plantings to alter the micro-climate; the use of engineering techniques to save energy through hardware; the use of design to reduce waste; the use of tax laws to create incentives; and the use of zoning and safety laws to meet certain minimum standards. Many of these ideas are expressed in a new book by and for architects. "A Bucket of Oil: The Humanistic Approach to Building Design for Energy Conservation." A central theme of this book is that "a new morality of form is emerging. Personal expression, excessiveness and exhibitionism for buildings are on the way out. Beauty is now found in logical solutions to the problems of conserving natural resources."

Hopefully, a new morality is also emerging in the Congress. There are indications that this is happening, such as the joint report on "Conservation and Efficient Use of Energy" which was released just prior to last Christmas. This report represents a synthesis of ideas on energy conservation and efficiency that is seldom seen. It contains a catalog of what the Congress has done, what it has actively considered, and includes recommendations on what proposals it should consider in the future.

In the last two days you've heard a lot about the technological and economic prospects of various energy conservation approaches. I'll try to focus now on legislative setting, and what measures have been considered in the Congress. I will emphasize those which I think may become law, but I also want to point out some of the constraints which will impede action. I hope you won't take the catalog of constraints simply as my excuse for Congressional inertia. I mean it instead as a request for help—and to emphasize the vital role groups of locally or professionally organized citizens can and must play in turning our society toward new directions.

First, let me describe briefly the pressures that are making legislators look more and more at positive energy conservation steps as the first method of dealing with the energy crisis. The longer we look at the consequences of projecting anything like our past growth rates of energy consumption, the worse they appear. We know we can't afford or rely on foreign oil and gas to meet our projected appetites. Strip mining and massive off-shore oil drilling put terrible strains on our environment. The contemplated carving and gouging of the fragile western prairies and foothills is sickening to contemplate. When we reflect on our record of managing and planning a nuclear industry of relatively minute size, we can look forward with nothing but dread toward a massive expansion of the need to process, transport and store weapons grade fuel and eternally dangerous wastes. Even in the simplest economic terms we seem to find ourselves sliding down an ever steeper curve of diminishing returns as we try to find the energy for business as usual.

If we then try to think of reducing energy use by direct control of supply, as with strict import ceilings, we come up with equally gruesome images of the future. The gas lines of last winter are still vivid memories, and we have to add visions of the black market and inequities of privilege which would surely develop during a long period of severe scarcity. Rationing calls to mind similar problems—a vast bureaucracy and complicated regulations attempting to distinguish between citizens with true needs and those with simply greedy self-indulgence.

Then we come to the purely economic approach of jacking up energy prices over higher—until waste can no longer be afforded. This is basically the course the President has proposed to the nation and the Congress. Of course, it is not difficult to argue that energy prices should have been higher throughout the twentieth century, or should be higher in the future, as efficient encouragement for less wasteful, less energy intensive, life styles. But it's very hard for a politician, or anyone with compassion for people struggling for their livelihood in a complex economic system, to map out how the transition can be made. A blind economic policy of survival of the fittest, applied either to individuals, or industry and commerce, will not be acceptable to any Congress responsive to the electorate.

These are the considerations which lead us to look so strongly toward a concerted energy conservation strategy as a national policy. First and foremost, we in the Congress can best help those hurt by spiralling energy prices by helping them to use less. As we begin to accept the notion that the social cost of energy justifies doubling or tripling its price, we must make it possible for people to meet their essential needs and still cut their consumption to one-half or one-third. There's little point in hoping for magic results in "voluntary" conservation programs. As you probably know better than any other group, the most effective conservation steps are capital-intensive, and capital is expensive and hard to get. Only when banks begin to hand out "voluntary" low interest long-term loans, or "conservation mortgages," can we talk confidently about voluntary conservation steps.

Beyond the human factor, experience seems to be showing the Congress that conservation investments are simply a good investment of public funds. When the need for a BTU is eliminated from a building, it is a BTU which will never have to be generated. We'll never have to subsidize that BTU however high energy prices climb; we'll never have to worry about the reliability of its availability or the next generation of facilities to produce it, and we'll never have to allocate public funds to cleaning up the pollution connected with its production or use. The simple economics can be seen in the President's energy program: The fifteen percent home insulation tax credit is projected to stimulate a total investment of ten billion dollars and save one-half million barrels of oil imports each day. To save the same one-half million daily barrels by installing nuclear power plants will take twenty-five major nuclear plants costing at least twenty billions. The conservation investment pays off on the surface, in terms of needed capital alone, without even considering operating costs or indirect problems.

From the public policy point of view, there is another important point favoring a conservation strategy. If we cause hundreds of billions of public or private capital to be invested in energy supply, the fruits of that economic activity will flow first to heavy construction, high technology, and financial institutions. Only through very complicated economic "diffusion" or "filtering down" processes, will those benefits spread through all economic sectors. An energy supply strategy conjures up a picture of giant earth-moving machines moving tons of prairie with the net result of ever higher fuel bills for each of us at the end of every month. The conservation strategy presents a contrasting picture of building craftsmen making thousands of homes more comfortable, with the lower fuel bills putting extra money immediately and directly into the average man's pocket.

Those are the reasons I think energy conservation investment is rising rapidly in priority among policy alternatives. Let me now mention some of the legislative proposals recently made in the Congress—though I could perhaps save time by saying as a rule, every idea in any field, good or bad, has probably recently been submitted as a proposed public law. I will go over a few quickly, just to give you an idea of the variety; then we will discuss one or two in more detail.

Related to building design bills have been submitted to:

1. Make energy use, and life-cycle cost, necessary criteria in Federal building procurement.

2. Direct the National Bureau of Standards and the Housing and Urban Development Department to develop more energy conserving building standards and include them in Federal Housing Administration requirements.

3. Arrange for research and development in energy conserving building design and materials, urban planning, and energy efficient industrial processes.

4. Require all federal buildings to have openable windows.

5. Offer low interest loans to homeowners and industry for installing energy conserving facilities.

In transportation, to:

1. Mandate a 20-mile per gallon minimum auto fuel economy standard by 1978.

2. Study energy efficiency potential in freight shipping and mass transport.

Establish a development program in non-polluting, energy conserving auto engines.

4. Allow federal subsidies to mass transportation systems in proportion to rises in fuel costs.

5. Put an excise tax on automobiles in proportion to their weight, and ban those above a maximum.

6. Promote carpools through toll adjustments, parking regulations and special traffic lanes.

7. Provide federal aid to establishing bike paths.

8. Increase allowed weight of trucks.

And there are many others:

1. Labeling vehicles and appliances for energy efficiency.

2. Mandating a four-day work week.

3. A general revision of the tax code to promote energy conservation.

4. Reforming utility rate structures and advertising to avoid promotion of energy waste.

5. Banning non-recyclable beverage containers, removing tax and regulatory inhibitions against use and transportation of recycled materials.

6. Promoting use of solid waste as fuel.

The legislation passed provides a much shorter list. Perhaps most significant in the long-run was the solar heating and cooling act, of which I was a co-sponsor in the Science and Technology Committee on which I serve. This act has directed a federal program to go beyond research and development, to the demonstration stage, in installing solar heating and cooling systems in a large number of homes. In the shorter time scale, we passed the 55-mile per hour speed limit, which seems to have been beneficial on balance; we also extended daylight saving time, and then decided that it wasn't such a good idea and repealed it. We did mandate demonstration projects for carpools, and the preparation of various conservation studies and plans. We included bicycle facilities in the aid provisions of the Federal Highway Act. Still, it does not add up to a very impressive program given the factors I listed which tend to make energy conservation measures attractive.

President Ford, in his recent energy message to the Congress, has added to the list of proposals that will be under Congressional consideration. While the major thrust of his program is to increase supply, there are several noteworthy conservation measures that I would like to comment on.

There are three basic provisions to the President's conservation, or "Demand Restraint Measures." Each of these measures

is designed to reduce wasteful energy use, create jobs, and lessen economic hardships. Let me just list them. The first measure would establish mandatory thermal (heating and cooling) efficiency standards for all new homes and commercial buildings. It is anticipated that this program will save the equivalent of 500,000 barrels of oil per day in 1985. The Secretary of Housing and Urban Development in consultation with engineering, architectural, consumer, labor and industry reprsentatives would be responsible for developing thermal efficiency standards. Standards for residential dwellings would be promulgated and implemented within one year, and performance standards for commercial and other residential buildings developed and implemented as soon thereafter as practicable. State and local governments would assume primary responsibility for enforcing standards through local building codes.

The second measure would establish, within the Federal Energy Administration, a grant program for States to assist low-income persons, particularly the elderly, in winterizing their homes. This is modeled after a successful pilot project that was conducted in the State of Maine during 1974. Annual appropriations of $55 million would be authorized to fund the three year grant program, and enable States to purchase winterization materials for dwellings of low-income persons.

The last measure would authorize the President to require energy efficiency labels on all new major appliances and motor vehicles. This program would insure that consumers are fully apprised of the efficiency of various appliances and motor vehicles and would encourage the manufacture and greater utilization of more efficient products.

While these are noteworthy and positive proposals, I do not believe they are an adequate conservation program. But it is a start.

Since there is now a convergency of Congressional and Executive opinion, I would guess that some form of energy conservation incentives in buildings and industry will soon be enacted in law. The fifteen percent tax credit for energy conserving investment in homes, proposed by the President, is like previous legislation, though I and many others would favor a much larger credit or long-term, low interest loans to provide stronger incentives. A law requiring vehicles and appliances to be labeled for energy use is likely, and it will have the important side effect of requiring standardized energy consumption tests which will help future public and legislative judgment on energy use regulation. Some sort of mandatory energy efficiency standards for buildings and industry are likely too, though the industry standards, especially, may be slow in appearing because of the need to develop standards where experience is very scant. If the President fails to persuade the Congress to delay implementation of the Clean Air Act, as I fervently hope, we will probably enact mandatory auto efficiency standards. Many in Congress feel as I do that there is no excuse to trade public health for industry acceptance of a simple and easily attainable performance standard on automobiles, such as 20-mile per gallon fuel efficiency. I think we will feel it our duty to make this standard mandatory without compromising the responsibility of the industry to do its best to minimize air pollution.

A weight or fuel efficiency tax might also be enacted to shift consumers toward less wasteful vehicles. I would expect also a variety of directed studies about energy conservation in various sectors, but most importantly, I hope that we will mandate serious and practical revision of the tax and regulatory codes, and utility rate regulation, to promote energy efficiency and recycling. The Senate was considerably more bold than the House last session in passing energy conservation legislation. However, as I am sure you've read, there has been a virtual revolution in the attitudes and alignment of power in the House, with the arrival of 91 new Congressmen. Many of these new Members arrived with strongly environmental protective views. The attitude changes are pronounced in both the House Interstate and Foreign Commerce Committee, which handles much regulatory legislation, and in the Ways and Means Committee, responsible for tax initiatives. I think the roadblocks against taking many sound steps toward energy conservation have been removed.

But what are the constraints I have mentioned? Some are familiar. Congress is a committee of more than 500 Members. The President can change tariffs by a stroke of the pen—but any major policy initiated by Congress must hinge on extensive negotiations between dozens of strong-minded individuals and committees. Of course, Congress can often rely on the easier task of simply agreeing to, or slightly modifying, executive proposals. But rightly or wrongly, it is a simple fact that while the Congress was developing the many conservation policy initiatives I listed, the executive was considering energy conservation as a matter of purely voluntary actions like remembering to turn off lights. There was no apparent conception that energy conservation represents an investment decision, and can only be pursued in the right regulatory and tax climate—and that, in fact, past policies systematically discouraged conservation and needed to be dramatically changed if "voluntary measures" were ever to make sense. So the initiatives had to come from the 500-Member committee, and progress was slow. Congress can never be a rapid initiator of new policy, of course, but with the new composition I mentioned above, and at least a two-year head start on seriously facing this problem, I expect the Congress will be much more than an analyzing body for executive policy this term.

There are other, deeply rooted constraints, which are shared by both the Executive and Legislative Branches. First is the struggle to strike a balance between the need for policy and action, and the reluctance to apply coercive pressures to aspects of individual or commercial "lifestyle." This has surfaced, of course, in the argument over "mandatory" or "voluntary" conservation steps. It also is involved in debates over whether or not federal policies should be able to override state or local regulations. I am very sensitive to the argument that we must not move to federal coercion under the banner of conserving energy. But some of the warnings sounded in the past seem silly to me. The Executive Branch has been talking for months of "voluntary" appliance energy labeling. But what is voluntary about a system agreed upon by a few major manufacturers, especially if you happen to be a small company hoping to enter the market? Asking energy conservation steps of some builders or manufacturers in terms of "voluntary cooperation," and then not providing any assurance that the investment will be matched by competitors, is simply unfair. We must avoid coercion, and we must be aware that enthusiasm for energy conservation may blind us to coercive tendencies in proposed steps—but we also must be aware of all the existing promotional and coercive tendencies in government and commerce that have promoted waste. We have a long way to go in eliminating these.

Another deeply-rooted problem is our total inability to organize long-range planning on a rational level. I think state and local governments have been far more effective in this area. I have emphasized that energy conservation is an investment strategy—as much a part of our energy supply plans as nuclear power or oil shale development. The payoffs and trade-offs between the various investments will come in twenty, thirty or more years from now. And yet Presidents and Congressmen measure their success or failure in terms of two, four, six, or eight years. And, in neither Branch, is too much planning desired, for fear it will "limit future options"—usually political options. A potential example of our weakness is the popular feeling running against installation of electrical heating. We all know some version of the efficiency figures for resistance heating vs. oil or gas furnaces.

It seems logical to eliminate resistance heating—but what if there is no gas or oil? If, in thirty years, our only energy sources will be central generating stations, should we be starting a trend away from the heating systems which can make use of them? No one can count on the answer because we have no "plan" which indicates any commitment either way. As the problems get tougher, and longer in time scale for solution, the lack of future planning becomes more and more tragic and looks more and more like a crude political expedient in both the Congress and Executive. In Congress we have established an Office of Technology Assessment to project the long-term effects of various policy options. The Office of Technology Assessment has just begun a major energy assessment, which I will be intimately involved with through my appointment to the Technology Assessment Board and my service on the Science and Technology Committee in the House.

A last constraint I want to mention is our traditional blindness to the effects of economic dislocations caused by federal policy changes. It is much easier to promote a new industry than to provide for an orderly dismantling of an old one. It is no wonder labor and industrial organizations sometimes oppose moves that seem very socially desirable—they've learned too often that the laws promoting a change in industrial emphasis usually leave out any sections providing for retraining and relocation assistance for workers and businesses displaced. We've got to get over the idea that our nation is so rich that anyone can simply establish a productive new life to substitute for the one just eliminated. We in Congress must begin to consider the expenses and harm of social relocation as part of every legislative step we take. Instead of slowing social change we might find, surprisingly, that this attention will speed it up—because it will eliminate much of the fear associated with novelty.

As I said at the beginning, I listed these constraints as a way of emphasizing the monumentally important role people like yourselves must play in guiding us through the energy crisis years. New ideas must come from meetings like these—you can be sure if it is proposed by the President or Congress it's an idea that surfaced long ago. And Congress can't execute any plans—we may create a loose regulatory framework, but for the technical matters of building and designing we must depend on those in the field—and those in the state and local governments who are usually closer to the field problems than we are.

So, I conclude by asking this: think, with us in the Congress, about the complexity of the energy problem we are facing. Help us by mobilizing as a group—organizing all the professional experience and imagination you can muster to advance conservation strategies in building. You understand these best. Let us know what framework you need for your efforts in turning this society toward an ethic which emphasizes quality, endurability and compatibility with the beauty of the earth. You can be sure I will fight with all my energy to provide you with the support you need for the job that only you can do.

UMI

S. 181, A BILL PROMOTING PUBLIC CONFIDENCE IN ALL BRANCHES OF THE GOVERNMENT

Mr. CASE. Mr. President, today I would like to make additional comments about S. 181, a bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States.

On behalf of Mr. HART of Michigan, Mr. WEICKER, and myself, I introduced this bill on January 16, 1975. Since that date 20 Senators have joined as cosponsors. They are:

Senators Dick Clark of Iowa, Jacob K. Javits of New York, Richard Stone of Florida, Mike Mansfield of Montana, Patrick Leahy of Vermont, William D. Hathaway of Maine, Gary Hart of Colorado, William Proxmire of Wisconsin, Alan Cranston of California, Hugh Scott of Pennsylvania, Adlai Stevenson of Illinois, Bob Packwood of Oregon, Frank E. Moss of Utah, Frank Church of Idaho, Lawton Chiles of Florida, Quentin Burdick of North Dakota, Mark Hatfield of Oregon, James Abourezk of South Dakota, Pete Domenici of New Mexico, and Charles McC. Mathias of Maryland.

S. 181 would require full public disclosure of personal financial interests by the President, the Vice President, Members of Congress, and the judiciary.

In addition, Federal employees earning more than $25,000 a year and all candidates for Federal offices would be covered by this bill.

And this does bring up two questions. I have been asked how many persons S. 181 would affect and would it not bring forth another of those great showers of paper—so much so that it might be necessary to build a building in which to store disclosure records.

By rough calculations S. 181—if it were to become public law today—would affect more than 100,000 persons.

Now about the great shower of paper that these people might generate in disclosing their personal finances, I can only say that I think most of us can give a full accounting in less than two typed pages. I know that I can.

While I am not expert in modern storage techniques, what I know about newspaper filing suggests to me that our financial records can be put on microfilm and made readily available without causing a great space crisis.

Our yearly records would be modest in comparison to a year's editions of the New York Times which the Library of Congress tells me occupies only about half of a drawer in a microfilm storage cabinet. In fact, the Library of Congress has the Times back to 1851 on microfilm and this fills only 50 storage drawers.

While I am glad to be able to answer these questions, because they indicate to me that we are seriously thinking about disclosure legislation, I want to return for a few minutes to the theory behind the bill.

As I have said before disclosure is preventive. If a person knows that his finances will be subjected to public scrutiny, he will "stop and think" before taking an action that involves a possible conflict of public and private interests.

Second, disclosure is a way of getting the facts on the table so that the press and the public can make their own judgments.

Third, disclosure will strengthen the election process by providing citizens with the additional facts that they need to more fully assess candidates—both newcomers and incumbents.

We have been close to getting this legislation passed before.

In fact, a bill very similar to S. 181 was approved by the Senate during the 93d Congress. I hope that we will see S. 181 passed and signed into law in the 94th Congress.

PRESIDENT FORD PROPOSES "ANTI" CHILD FOOD ASSISTANCE ACT TO CONGRESS

Mr. HUMPHREY. Mr. President, in his fiscal year 1976 budget message to the Congress, President Ford has proposed that the following federally financed child nutrition programs be eliminated:

First. The national school lunch program, as operated since 1946;

Second. The school breakfast program;

Third. The special milk program;

Fourth. The special food service program for children; and

Fifth. The special food supplement program for women, infants, and children—WIC.

Also, included in these program eliminations is the termination of year around nonschool feeding programs, such as day care, food assistance, and the summer child feeding programs.

The President's fiscal year 1976 budget further calls for complete elimination of USDA-donated foods for institutions, such as mental institutions, hospitals, and other institutions providing special care for adults.

The President's proposed Child Food Assistance Act of 1975 calls for the elimination of the above-mentioned school and child nutrition programs and would replace them with a single "block grant" program to the States. Furthermore, the $2.3 billion now estimated for all of these child nutrition programs in fiscal year 1976, would be reduced to about $1.7 billion under the President's block grant program. Also, under the President's program, the block grants provided States would be restricted entirely to financing school and child feeding programs for children whose family incomes are below the poverty level. This, of course, means the Federal financial assistance for school lunches now purchased by those children who families have incomes above the poverty level would be completely terminated. It is estimated that this alone would probably result in 7 to 10 million paying students dropping out of the school lunch program.

In addition, in my judgment, the President's proposal would further—not lessen—economic segregation and discrimination in our Nation's schools.

And it is for these reasons, Mr. President, why Mr. Ford's program deserves the title of the "anti" Child Food Assistance Act of 1975.

While I am the first to admit that our Nation's school and child nutrition programs need improvement, the President's proposal does not provide for such improvement. The President's proposal not only constitutes a major threat to the nearly 30 years of general progress we have made in these national child nutrition programs, but it even poses a threat to the nutritional standards now established for poor children. Under the President's proposal, each State could set its nutritional standards, with a maximum not to exceed one-third of a child's recommended daily allowance—RDA. Existing standards under the National School Lunch and Child Nutrition Acts provide that one-fourth of a child's RDA be met through the school breakfast program and one-third be met through the school lunch.

Mr. President, I do not know who is advising Mr. Ford regarding these matters, but I suggest he get some new advisers, and stop wasting the time of Congress with such a rediculous, ill conceived, absurd proposal.

I wish to serve notice on President Ford here and now that he is in for a fight if he chooses to press for passage of his "anti" Child Food Assistance Act of 1975. And HUBERT HUMPHREY will be in the forefront of that fight.

I also wish to serve notice that I intend to again press for consideration of my universal School Lunch and Child Nutrition Act this session of Congress. If President Ford wants to streamline some of these programs, he can do so by joining with me in urging prompt enactment of my universal program.

Mr. President, I wish to share with my Senate colleagues an analysis of President Ford's "anti" Child Food Assistance Act of 1975, recently conducted by the American School Food Service Association. I ask unanimous consent that this analysis be printed at the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ASFSA POSITION ON THE PROPOSED REPEAL OF EXISTING CHILD NUTRITION LEGISLATION

STATEMENT OF THE PROPOSAL

President Gerald Ford proposes legislation that would repeal and supercede all existing child nutrition legislation and substitute a single consolidated block grant program. The proposal would provide subsidies only for poverty children which would eliminate financial assistance to all other children including those now eligible for reduced price meals. The proposal specifically eliminates the National School Lunch Program as operated since 1946, the Breakfast Program, the Special Milk Program, the Special Food Service Program for Children and the Nutrition Program for Women, Infants and Children (WIC).

Even the program for poverty children would be cut back. The nutritional standards currently specify that ¼ of the child's Recommended Daily Allowance (RDA) will be met by the breakfast program and ⅓ of the child's Recommended Daily Allowance will be supplied by the school lunch. The new legislation will provide a maximum of ⅓ of the poverty child's Recommended Daily Allowance. Minimum nutritional standards will be eliminated and states will be free to set their own standards if any.

ASFSA POSITION

It is the position of the American School Food Service Association that there are strong and compelling reasons for total and complete opposition to the President's proposal to be known as "The Child Food Assistance Act of 1975." We cite the following specific reasons why child nutrition programs now in effect should not be repealed, nor curtailed:

1. The proposal eliminates assistance for the paying child, guarantees of nutritional integrity and adequate federal support to assure program continuation.

All children need one or more nutritionally adequate meals at school. The meals must be physically and financially within the reach of every child.

In a vast majority of schools, the poverty program alone would not support a viable school food service operation. With meal prices soaring to eighty cents and higher, pupil participation would be forced down dramatically.

The unit cost of production would rise as the volume of meals decline. Consequently, many school food service programs would close completely, depriving even the poverty child of school meals.

The administration's proposal runs counter to its own findings reported in The Comprehensive Study of Child Nutrition Programs, July 1974, page 56. The study states:

"Given the assumed strong relationship between price for the paying child and participation, any program alternative must first start by advantageously affecting the price paid. This aspect is further affected by the need to maintain a participation ratio—no matter what the percentage of total enrollment represented—closely parallel to the social makeup of the school."

The nation must be made aware that the President's proposal would transform child nutrition programs for all children to poverty programs for some children without even nutritional guarantees for the poverty child.

ASFSA finds it tragic that just at the time of the nation's dawning comprehensive of the relationship between nutrition and health; just at the time of documented proof of the relationship between nutrition and learning; just at the time of growing public acceptance of food and nutrition as a contributing factor to the quality of life, the administration proposes to turn its back on 30 years of progress in child nutrition! The psychology of the soup kitchen has returned.

2. The proposal imposes additional hardship on middle income America. It makes the poverty child more aware of his poverty, and deprives many another child of his birth right—enough to eat.

Middle income America needs help. At a time when the middle class taxpayer is struggling to pay his own bills, to grapple with inflation and recession, and to help pay the bill for less fortunate Americans, this modest assistance with school meals is taken away. At a time when the President proposes a tax rebate to help middle income America, it is ironic that he recommends what is in effect a head tax of $54.00 per child per year (cash assistance: 12c + commodities 11¢ + inflation for food and labor 7¢ = 30¢ × 180 days). At a time when every effort has been demanded of the schools to avoid overt identification of the non-paying child, a plan is proposed which makes such identification inevitable. Moreover, it is not unlikely many situations would occur in which the non-paying child would be the only one who could "afford" a full nutritious meal eaten in the presence of paying children whose daily funds would only permit meager fare—discrimination in reverse.

3. The President's proposal further depresses an already depressed economy.

The School Lunch Program represents a four billion meal per year market which is widely supported by and supportive of agriculture and industry. The President's proposal, in drastically cutting back the child nutrition programs, will also diminish its meaning as a market. If, by the United States Department of Agriculture's own estimate, seven million children per day drop out, in one year's time this would mean a loss of 126 billion meals. As just one example of the market potential, four billion half pints of milk are purchased for use in the Special Milk and School Lunch Program each year. Three-fourths of this number would be eliminated by the President's proposal.

The 28 million dollar equipment appropriation would be eliminated as would be most of the incentive to purchase the half billion dollars worth of equipment customarily absorbed by this market. Billions of dollars worth of equipment and facilities already purchased by program funds and taxpayer's money would be closed down while children go hungry.

Of the 350,000 persons gainfully employed in school food service at the present time, the vast majority of whom are in income brackets which scarcely lift them above the poverty level themselves, 120,000 would be made jobless. Increased unemployment compensation would go far to offset whatever savings the President might hope to realize with program cuts. Economic ramifications might cut even more deeply into the family budget; millions of women who are gainfully employed away from home would face the grim choice of either giving up their employment or sending the children home alone at noon to fend for themselves.

The President's proposal would require redirection of family income. Either children's nutritional intake will be seriously diminished or sharply increased amounts of family budgets will be absorbed by food costs. Such a major shift in family buying patterns would even further decrease middle America's purchasing power in all other market areas.

In the first instance the food industry loses; in the second instance the balance of the economy loses; in either instance the child loses.

CONCLUSION

The legislation upon which today's child nutrition programs are built reflects the concern of the Congress for the nation's youth over the past 30 years. Supportive of the leadership of Congress, boards of education and school administrators have painstakingly initiated and nurtured school nutrition programs which are living tributes to the awareness that health, nutrition and learning are inseparable. Indeed, school plants and schedules are facilitated by the presence of on-campus food programs. Such programs have made the concept of the consolidated school feasible. To now withdraw the federal support which has made this possible is unthinkable!

The President's proposal would undermine three decades of progress in child nutrition, would place the stamp of pauper indelibly upon the only child who eats at school at public expense, and would set back by a generation concern for and practice of good nutrition.

The President's proposals are so extreme and far reaching that any one of them could have a devastating effect:

1. Meal prices for 60% of the nation's youth would sky rocket; in some cases four times over.

2. Three decades of experience in the program dictates that such price increases will cause 7–10 million children to leave the program.

3. Decimated programs will experience prohibitive per unit increases in operating costs. It is predictable many school districts will be forced to get out of the school food service program all together.

4. Where food service of any description survives, the poverty child will be humiliated, the paying child often left hungry by inability to pay the price.

5. By stripping away nutrition guarantees and some assistance for all children, the original concept of school food service as a nutrition program for all children would be lost, possibly for all time.

6. Middle income American families would be hurt the most by the President's proposal, but it should also be remembered that provisions for poor children are cut as well.

7. The impact of the proposals on the economy—unemployment, agriculture, industry and family budget—would be further depressing.

Collectively the proposals are a calamity! How mixed up the nation's priorities appear to be when a proposed national budget calls for expenditures of one billion dollars per day and denies 60% of the nation's children a few pennies a day for food—an essential part of an equal educational opportunity!

ASFSA reiterates its position that it is not the concept of child nutrition that should be repealed and superseded, but rather the concept of economic segregation in the lunch room. What better time than now to reaffirm the nation's position for school food service for all children? What better time than now to establish a Universal School Food Service Program?

It is time to add stimulation to the economy; it is time to add jobs to the economy; it is time to be concerned with the needs of our people; it is time to help middle American families regain their economic footing; it is time to be sensitive to the feeling and needs of the poor child.

It is time the nation once and for all accepted responsibility for the nutritional well-being for children while they are at school.

The nation has an opportunity to meet with compassion and vision the needs of children, and lend a helping hand to them while strengthening a faltering economy.

A LADY WITH HEART

Mr. DOLE. Mr. President, today the Washington Star published an interview with one of the finest and most sincere individuals I have ever known. I wish to call the attenion of all Senators to this interview.

The individual is truly a lady with heart, and she is in a position where it is most important to have that quality.

Mrs. Virginia Knauer, the top consumer advocate in the administration, is a woman who understands and deals with human problems, not statistics. Her job is a tough one—to represent the administration to consumers and to represent consumers to the administration.

Mrs. Knauer works with limited resources. Yet she has always been known to the junior Senator from Kansas as a highly productive and resourceful public advocate. She has done a great deal in the administration to represent consumers and regretfully only a small number of the highly productive things she has done are indicated in the interview.

As stated before, she deals in human problems and not statistics. That is the sort of understanding we are seeking in Federal employees—that they should understand the human side of Federal policies and so design regulations and policies that benefit all Americans.

The success of Mrs. Knauer in influencing Federal problems in this manner is highly commendable.

UNDERSTANDS CONSUMER-PRODUCER RELATIONSHIP

Mrs. Knauer made a very important point throughout the interview with her. This is, interests of consumers and

farmers are not necessarily contradictory.

In short, it means that a fair profit for farmers is also good for consumers. Agricultural producers are working for a profit incentive—to make money—just as every laborer or businessman is. When they receive a fair return they work hard to raise bigger and better crops. That means better quality and quantity for consumers.

When producers have losses, they cut back their output. That means less quality and quantity for consumers.

A good example of that exists right now in the disastrous conditions in the livestock industry.

A recent survey made by Successful Farming magazine, February 1975, shows that 82.3 percent of farmers answer "no" to the question "do you believe consumers have a good opinion of farmers?" Sometimes it seems that consumer representatives here in Washington do not understand farmers very well either.

WISDOM ENCOURAGING

So it is very encouraging to see that Mrs. Knauer, the top consumer advocate in the executive branch understands the producer-consumer relationship and how it can best benefit consumers. I commend Mrs. Knauer for the depth of her understanding. The junior Senator from Kansas believes that American consumers will benefit greatly if the President and his other advisors, and legislators here in Congress, listen carefully to her and give close consideration to the wisdom of her remarks.

I ask unanimous consent that her interview be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS—MRS KNAUER: CONSUMERS' CHAMPION

(Virginia Knauer, the President's adviser on consumer affairs, was interviewed by Washington Star Staff Writer Bailey Morris:)

Question: A great many consumer groups seem to have picked the middleman as their target in the battle against food prices. Do you think this is an appropriate target? Do you think that there are some grounds for this dissatisfaction?

Knauer: I don't think we know at this point. Everyone is highly suspicious. In fact—with farmers getting less at their end of the food chain and consumers paying more—something is wrong. And why aren't the reduced prices paid to farmers passed on to consumers. Naturally, the consumer movement and we in government are interested in that. The Wage and Price Stability Council, of which I am a member, is currently looking into it, and asking a lot of questions.

Q. In what area?

A. In the whole middleman area. We do have to realize there are increased costs in production—in transportation and cutting up meat, in packaging and wages. This has been passed through. But, as you know, we were suspicious about the sugar prices and we had the sugar price hearings. When we had a lot of consumer anxiety and rage about repricing, when people would go to the shelves and peel off five labels and find each one successively more. They couldn't imagine why they couldn't buy that product at the lower price, or the lowest price—and we had public hearings on that. We extracted from the people involved promises to stop that practice. In other words, they don't reprice an article that's been on the shelf. But you may have side by side two different prices for the same product. This adds a quality like roulette to food shopping.

Q: Has your office detected any change in eating habits of the average family as a result of the high prices?

A: Yes, I think that people are buying more carefully. I find that people, regardless of income level, are going to the supermarkets, not only with a list of the specials being offered, but also using the coupons for reductions. What breaks my heart, I think, is to see older people, agonizing over the choice of cans of this or cans of that, or smaller cuts of meat. I think people are perhaps eating less. I think they are substituting soy beans and other protein substitutes for meat. I think they did that when the meat prices were a lot higher, and this is an ongoing thing. My personal worry, and certainly that of the office, is that in these times of being careful about every penny and stretching that budget that people will not buy nutritiously balanced food. With the new nutritional labeling, I think people can make further choices in the area of nutrition. It is terribly important that they get the most nutrition for their dollar.

Q: Some consumer groups are now saying, especially among poorer families, that the nutrition content of the average meal has gone down markedly. Do you detect signs of this?

A: Well, the USDA does a national survey every 10 years and the last survey, that was 1965, showed that there had been a drop in what they consider a good nutritious diet. Now, I fear to find out what the 1975 survey shows. I'm afraid that it will drop further. This is why we have devoted so many of the resources of our office to making people aware that there are choices out there in the marketplace, that you can have a balanced meal and not necessarily have to have the higher priced meats. I think we have too long developed, shall we say, fancy taste. . . . Consumer information on labeling is something we have been pushing for a long time. It is essential. Our office has been forefront in urging the nutritional labeling of food. We think this is terribly important.

Q: Why do you think it hasn't been enacted?

A: Well, we went the voluntary route, as you know. To get any industry to do something voluntarily, you usually try to get the most competitive-minded group to get in there and do something first for consumers because they always get a piece of the action. To hold on to the piece of the action is competitive. We say using the competitive forces on the market in a creative way, gets things done for consumers a lot faster. It certainly worked in the labeling of cosmetics, which is one of our big battles. And now the cosmetics product line is adding this information.

Q: From your view as an adviser to both Presidents Nixon and Ford, how would you rate their attention to consumer matters?

A: I think it's hard to compare six months of the Ford administration with five-and-a-half years or six years of the Nixon administration. I enjoyed working with President Nixon, who was most supportive of the programs. I've also enjoyed working with President Ford. The new reorganization of the White House, I think, is most effective. It makes sense. We find in our present setup, we're in the organizational loop on everything. Not a day goes past that we're not asked for lists of consumer leaders to be asked to sit on this panel or that panel. The fact is that the Ford administration wants so much input from the public. I think we've been reading about meetings with manufacturers, but people don't realize how many of these consumer groups are meeting. We expect a meeting with the President and top consumer groups. I think that what the President has done so far has been remarkable in a tight budget year—he has committed money to increase investigation of antitrust problems in the Justice budget and FTC budget. Also—this got no publicity that I found—he enthusiastically supported the concept of Sen. Brooke's bill that would repeal the Fair Trade laws. Consumers lose from $1 billion to $3 billion a year on antiquated Fair Trade laws. I think this was a major thrust. This has never been done before and I think this was very interesting.

Q: Are you consulted routinely on matters, policy matters, such as the President's energy program?

A: Yes. The President appointed me to the Energy Resources Council, that's the top energy thing, and of course I have a personal relationship with Interior Secretary Morton and Energy Administrator Zarb. I don't like to say I'm a noisy member of the committee, but I ask questions to clarify situations. I bring concerns from my constituents, which, of course are the consumers, and we make recommendations. As you know I chair the repricing hearings on the wage and price stability council, the President appointed me to that. This is having consumer input at the highest level.

Q: Last year you took a step that many of the consumer groups thought was very courageous, when you split the administration line and promoted the Consumer Protection Agency bill. Or at least there seemed to be a split between you and Budget Director Roy Ash on what that bill should be.

A: Let's go back. The bill failed to pass because of the failure of some senators to vote to end a filibuster. Mr. Ash is no longer in the bureau. We didn't always see eye-to-eye on everything. There were many influences both in and out of government who were pro-CPA and those who were anti-CPA but I felt that I was translating as accurately as I could, Mr. Nixon's feeling on this thing.

Q: So you felt you had President Nixon's backing.

A: I knew it. He signaled the Congress, that while he himself was not sending a bill to Congress, he would work with Congress and everyone took off from there.

Q: Do you feel that President Ford is as committed to a CPA bill?

A: There are a great many options on the President's desk and we hope that he will balance all of them and announce one as his plan.

Q: Do you personally feel that the public needs a federal-level advocate for consumers before the other government agencies?

A: We've always felt that our office has been a public advocate. But remember that we do not have statutory responsibilities. We were created by executive order. Yes, I do think that the time has come that there should be some voice or a voice divided among the other agencies. I think Congress, in its wisdom, working with the President will resolve this problem.

Q: What do you think of activist efforts to form groups of disparate elements—such as a coalition of consumer and farmer organizations?

A: I think this is the most exciting thing in the consumer movement. Rather than the simplistic idea that consumers are against farmers and blaming farmers and boycotting meat—and all these counterproductive measures—they're getting much more sophisticated. They're really looking at basic economics of the marketplace. And they realize that farmers—to get cheaper prices—need quantity. Farmers need to get their slice of the pie and you can't expect them to run into deficits and go broke producing cheap food. They're not going to do it anymore than you and I would do it. I've talked to farm groups, I've talked to consumer groups, I've talked to business groups. I've said that we're not entrenched enemies. We should be working as a team to make that food supply line work even better so that everyone gets part of the action, plentiful supply at prices we can afford. It means cooperation rather than this entrenched confrontation. And this increasing sophistication, I welcome. I think it's wonderful.

REX CONN—FRIEND OF THE FARMER

Mr. CULVER. Mr. President, recently, American agriculture lost one of its most beloved and articulate champions. I speak of the death of Rex Conn, whose varied career in the farming communities of Iowa made him a figure of both deep and broad respect. He was best known as the farm editor of the Cedar Rapids Gazette, but his interests carried him into many other realms of agriculture as well. Earlier in his career he was one of the most outstandingly able county agents in Iowa. For many years he served on the board of the All-Iowa Fair, and he untiringly preached the gospel of American agriculture across the breadth of Iowa as well as in many countries abroad. He was a shrewd and discerning observer of and commentator on rural life and the farm economy, and he had the rare gift for seeing the human dimensions of agricultural policies. Rex Conn was a man of strong convictions mingled with the capacity to improve the lives and understanding of all those he encountered in his many activities.

Eastern Iowa and Cedar Rapids have had few citizens in recent decades who have participated so fully in so many community causes as Rex Conn. Countless fund drives and innumerable church, educational, and public interest organizations have been the repeated beneficiaries of his persistent effort and personal dedication. At the same time he was a true teacher—to the many audiences he addressed, to the many individuals he counseled, and the many young journalists he trained and whose careers he furthered.

Rex Conn had a richly rewarding life. He always maintained the strongest bonds to his family, to his community, and to the people of the land. His memory will long endure.

Mr. President, I ask unanimous consent that an editorial from the Cedar Rapids Gazette, as well as a column of tribute by Al Swegle from the same paper, be printed in the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

REX CONN

Rex Conn was one of those innately noble men who come along once in a generation—a humanitarian who now, at 74, has departed this earth after living a full and worthwhile life, always seeking to add to his vast knowledge of the world's basic industry, agriculture, and its attendant problems.

Yet, though agriculture was his main devotion after God and family and country, he always set aside precious time to fulfill what he believed to be the rseponsibilities of every good citizen.

Whether it was helping to promote the All-Iowa fair as a life mmeber of its board, to head rural fund drives for the Red Cross, to raise money for the First Presbyterian church or his beloved alma mater, Iowa State University, to share his views on the world scene with civic clubs and farm groups, or to dip into his great reservoir of amusing stories to cheer up a friend, he always was more than equal to the occasion. He never learned that a day has only 24 hours.

Rex Conn was a dedicated American, a devoted husband, the father of a fine family and another in a line of distinguished Gazette farm editors who earned national and international esteem.

Admired and respected by all who knew him, he clung tenaciously to the firm belief that every individual owes it to the future to leave this a better world than he found it. That's exactly what Rex Conn did.

[From the Cedar Rapids (Iowa) Gazette, Feb. 6, 1975]

HE LOVED THE PEOPLE OF THE LAND

(By Al Swegle)

Farmers lost a true friend this week with the passing of Rex Conn.

Folks who met Rex respected him, even if they disagreed with his position.

Rex's love for sharing experiences from his long and varied career in agriculture earned him a reputation as a story teller. He delighted in recalling for his friends incidents from his days as a country agent or cattle buyer.

A devoted family man, he took great—and well deserved—pride in the outstanding accomplishments of his children and grandchildren.

He was an international ambassador for Eastern Iowa farmers, making visits to South America, India, the Middle East and his final trip to Spain, where he died this week.

Although Rex was an international traveler, he also knew the backroads of Eastern Iowa. Harold Ewoldt, secretary of the Chamber agriculture bureau, recalls the time he followed Rex through the country, "and he cut through one place where I didn't think there was a road."

Rex knew personally the men who served in the office of U.S. secretary of agriculture, but he never lost touch with Iowa farmers.

As a county agent, he conducted membership drives for the Farm Bureau, because Farm Bureau membership funds helped pay the salaries of county agents in those days. He made it a point to visit all the farms in the county, and he came to know each family.

These acquaintances proved invaluable to him later when he became farm editor of The Gazette.

A whole new era opened up in agriculture during the time Rex served as county agent. The federal farm program, rural electrification, soil conservation programs and the All-Iowa fair were established in Linn county and survived because of his inspired leadership.

Rex was like a father to the fellows who worked for him as associate farm editors. He seldom raised his voice in anger.

Such men as Tom Doughty, managing editor of The Farmer, Paul Andre, editor of Beef magazine, and Jerry Davis with Inter-Agriculture all got their start with Rex, and he was proud of them.

One of his helpers in the farm department was a woman, Katherine Worley, now head of the journalism department at Washington high school.

Rex disagreed without being disagreeable. He disliked government interference in agriculture and violent tactics by farm groups. He wasn't afraid to tell farmers that they'd be better off on larger units, and that meant some farmers would have to leave the farm.

One time he took a picture of a milk dumping incident in Eastern Iowa, with milk running down the street and a farmer and a Cadillac in the background. That took courage.

Nevertheless, he was happiest when out in the country, driving The Gazette's Buick, visiting with his friends and writing features about rural families and the farmers whose friendship he valued.

He spent a lifetime trying to help farmers improve their lot, and his friends will miss him.

THE DEBT CEILING

Mr. BUCKLEY. Mr. President, last week I offered an amendment to abolish the debt ceiling. It failed. But I believe my reasoning remains sound, and I hope I shall gain support in a future effort.

In the meantime, I ask unanimous consent to have printed in the RECORD an article by distinguished New York reporter Alan Emory setting forth with great clarity the reasons why we should do away with what has become an anachronism.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONAL DEBT CEILING GAME

(By Alan S. Emory)

Today the federal government is deeper in red ink than the law allows. By the end of March the temporary legal limits on the national debt, $495 billion, expires and the limit reverts to $400 billion unless Congress increases it.

The Ford Administration wants the ceiling raised to $604 billion, a figure that ought to carry the government through the middle of next year, but, for the time being, is willing to settle for $531 billion, which is what the House has approved to last through June this year.

These are all staggering figures with not much meaning for John Q. Citizen except for their size. Even the administration's top officials concede "horror" at that size.

In what has become the Year of the Economists, therefore, it is startling to find a real traditionalist and a conservative to boot saying, "Frankly, they ought to abolish the debt ceiling." The author of those words? Hold onto your hats, but it is none other than Sen. James L. Buckley, the New York Conservative-Republican.

The debt ceiling, says Buckley, "has long since ceased to serve any purpose." And, looking at the way the administration and Congress treat it, he is dead right. Congress keeps extending the new temporary ceiling just a little bit at a time to make the administration nervous and, every once in a while, tacking on some politically-inspired amendment to make the White House sweat and threaten a veto if that nonessential rider is not removed. It usually is.

Instead of Congress' reexamining the spending situation when the debt ceiling comes before it, the lawmakers try to make a legislative Christmas tree out of the measure by adding enough to it to make it veto-proof. Now, with Congress having established budget committees to inspect at close range the overall matter of government spending, Buckley sees the debt ceiling issue as "clearly superfluous."

For himself, he has determined to refuse to vote for any debt ceiling bill that has been loaded down with as much as a single extraneous amendment.

Buckley believes that Congress is just indulging itself, and the public, by passing bills. He finds the ceiling "nothing but a nuisance" and adds that it has certainly not forced Congress into anything like economic discipline.

Instead, it has become what he calls "a silly game we play every six months." That game is being played right now, at a time when Treasury Secretary William E. Simon warns that the federal government is raising almost half the money in all sectors of the economy. In recent years Washington's stamp was on about one out of every four

dollars of credit flowing in the country, but now that has escalated to one out of two.

Even the staggering $52 billion budget deficit forecast by the President for fiscal 1976—$53 billion with the recently-released highway money figured in—may be no more than an illusion.

Once Congress has gone into the full budget procedure with its new committees it is conceivable that it may throw a tighter rein on federal spending, even considering the liberal majorities that now command the structures in the House and Senate.

Whether it does or not, however, the debt ceiling will not mean any more.

Buckley is right. The ceiling should be abolished. The government keeps paying the interest on the debt, and Congress is not going to refuse to raise it periodically, so let the legislative carpenters raise the roof—and throw it away. It's not protecting it away. It's not protecting anybody now.

REPRESENTATIVE JERRY PETTIS

Mr. McGEE. Mr. President, the people of southern California and the Nation have lost a great public servant with the recent death of Representative Jerry Pettis in the crash of his private plane.

Jerry's death was particularly grievous for my wife, Loraine, and me, for it was in July 1973 that we traveled to the People's Republic of China as part of an official congressional delegation representing our Government. Jerry and his wife Shirley were also members of that delegation. The historic nature of the trip drew the delegation very closely together as we shared with each other one of the most exciting and unique experiences of our public and private careers. Thus, it was within this context that Loraine and I came to know, appreciate, and respect Jerry and Shirley.

As many others have already observed, Jerry Pettis led a very diversified and exceptional life, both as a private citizen and public figure. As a Congressman, he represented a district in which the Democrats held the edge in voter registration. Yet, as a Republican, he consistently was returned to office by ever-increasing margins, including a 2-to-1 spread in the last election. This represented a truly remarkable tribute not only to his popularity, but also to his abilities and qualities as a public figure.

Loraine and I convey our deepest and sincerest sympathies to Shirley during this most difficult period. Words cannot adequately express the depth of loss we feel with this tragedy. We will miss Jerry as a friend. The people of the 33d Congressional District of California will miss him as an effective representative of their interests in Congress.

SUPREME COURT BAR HONORS JUSTICE WHITTAKER

Mr. DOLE. Mr. President, on February 19, the Bar of the Supreme Court of the United States met to hold a memorial service and to receive resolutions of testimonial to honor the late Justice Charles E. Whittaker, a native of my home State of Kansas who served with distinction as an Associate Justice of the Supreme Court.

All Kansans, and particularly the bar of that State, have a special regard for Mr. Justice Whittaker because he so faithfully reflected the solid, down-to-earth approach to justice which we proudly claim as our heritage.

One of the participants in those ceremonies was our distinguished colleague, Senator HRUSKA, the ranking member of the Judiciary Committee, who was privileged to know Mr. Justice Whittaker during and after his service on the Supreme Court.

I ask unanimous consent, Mr. President, that Senator HRUSKA's tribute to the late Justice Whittaker be printed in the RECORD.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

REMARKS OF HONORABLE ROMAN L. HAUSKA

Mr. Chairman, Mr. Justice Reid, members of the family of the late Charles Whittaker, Members and Guests of the Bar of the Supreme Court:

It is a great honor to be present here this afternoon, the afternoon upon which the Supreme Court will receive resolutions of testimonial to the late Justice Charles Whittaker.

I had the privilege of knowing Mr. Justice Whittaker during the time of his service in the Supreme Court and after his resignation. His friendship and counsel were of valuable assistance to me on many occasions. I valued his friendship and the help that he extended from time to time. Indeed it was a kindly feeling and a reminiscent feeling that I experienced this morning when I had the privilege of moving the admission to the Bar of the United States Supreme Court a nephew of the late Justice, Mr. Timothy Joseph Pugh of Omaha, a member of the Nebraska State Bar.

I come here not to testify of the early beginnings of Justice Whittaker nor of his struggles to become educated in the law or his later experiences when he became learned and wise in the law as a practitioner.

I come here rather as one who was his friend, and as an associate, I come here to bring a voice from another branch of the government, a branch that always elicited great cooperation from Justice Whittaker.

It is unfortunate that failing health permitted Justice Whittaker to serve on this Court only five years. At that time former Chief Justice Warren noted that "no Justice who has sat on this Court was more conscious of his great responsibilities, more diligent in performing them, or more concerned about the results of his efforts."

Justice Whittaker served at a time when this Court began to play a greater and a wider role in the American history. Sophisticated and complex problems required decisions. Justice Whittaker proved a valued asset to this Court during that time by exhibiting his qualities of modesty, gentleness, and sincereity. Furthermore, his understanding of the law and a demand for meticulous, precise, and well-reasoned decisions won him the admiration and respect of his colleagues and all who knew him.

It was my privilege on a number of occasions to counsel with Mr. Justice Whittaker about matters of concern to the Senate Judiciary Committee and therefore, to the Congress. He was always most generous with his time and with his advice, bringing always a practical down-to-earth grasp of the wide range of problems confronting the Judiciary and jurisprudence as a whole. He had little patience with the theorists and wide-eyed Utopians.

He was, as most members of this Bar, a strict constructionist, a member of the Court a few years ahead of his time, perhaps as it has developed. He believed in judicial restraint with something approaching a passion. He was often among the minority in the Court's decisions.

And yet I would suggest that all of us who are members of this bar could do nothing more useful this afternoon than to resolve to set aside a little time, at an early date, to go back and read some of those dissents.

We would, I suggest, in that way pay a tribute to the judicial wisdom of the departed Justice, but more importantly we would do ourselves an important service.

After his resignation, Justice Whittaker traveled extensively in pursuit of his principles. He was a frequent visitor at bar association meetings. He loved the law and he felt comfortable among lawyers.

We honor, a great, yet humble man, today. A man whose stature and judicial wisdom will, regrettably, be more recognized in death than it was in life.

This Court has been enriched by his membership. And we, the members of its Bar, have a rich and lasting legacy from his service.

TRIBUTE TO REV. FRANCIS PASCAL KELLY

Mr. HUMPHREY. Mr. President, it was my privilege some years ago to have the opportunity to meet the Reverend Francis Pascal Kelly, a Dominican priest from the Minnesota-St. Paul area.

When I met Father Kelly, he was confined to bed and to a wheelchair, a victim of multiple sclerosis.

Over the past 20 years, I have had occasion to enter St. Mary's Hospital in Minneapolis many times. Each time I was there, I was, indeed, privileged to have the opportunity to also visit with Father Kelly. Always, I saw Father Kelly working with other patients counseling them, advising them, or just being a good friend to them. Never once, on my many visits, do I ever recall hearing Father Kelly murmur a single complaint. Never did he take time for self-pity.

On February 7, 1975, Father Kelly was called to his reward. The loss of Father Kelly will be felt by many who, over the years, have worked and been part of St. Mary's Hospital in Minneapolis. His loss will be felt by the many Catholics throughout Minnesota—indeed, throughout the Nation—who knew of and loved Father Kelly.

Father Kelly was a man of deep Christian faith—a faith he gave to all who came to know him.

Mr. President, I ask unanimous consent that three Minnesota newspaper articles on the life and work of Father Kelly be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD as follows:

[From the Minneapolis Tribune, Feb. 18, 1975]

THE PILGRIM CHURCH

(By Dr. James P. Shannon)

On Feb. 7, Francis Pascal Kelly was called home to God. At the age of 71 Father Kelly, a priest of the Order of St. Dominic for 42 years, and a patient at St. Mary's Hospital in Minneapolis since 1956, surrendered his tired and wasted body to the inexorable demands of multiple sclerosis and ended a priestly ministry worthy to be called heroic.

Father Kelly came to Minneapolis in 1934, one year after his ordination, an assistant pastor at Holy Rosary parish. Shortly thereafter he began to notice ealy signs of the disease that would later claim his life. Friends who knew him then say that this discovery seemed to increase his pastoral zeal as it slowly sapped his physical energy.

By the time I first met him in the mid-1940s his illness had confined him, but not his ministry, to an upstairs corner room at the Holy Rosary parish house in south Minneapolis. For more than a decade, that room became a mecca for parishioners, priest and penitents in search of sound counsel and good example on how to pattern one's life on the teachings of Jesus Christ.

In those days, Father kelly hed special permission to offer Holy Mass at a small table on the same level as the arms of his wheelchair. He could still control his head and hands, but not his feet or his other bodily functions. His close-cropped steel-gray hair and his bushy, black eyebrows gave him the appearance, from the neck up, of a drill instructor in the Marine Corps. Below the neck, his fragile body resembled a scarecrow with a vitamin deficiency.

In 1956, when he could no longer sit upright or manipulate his wheel chair, he accepted the inevitable and entered the hospital. By popular acclaim and by official pronouncement, he soon became the auxiliary chaplain at St. Mary's. Old friends, brother priests, former patients, visting movie stars, ball players and night-club celebrities in town for one-nighters somehow found their way to Pastor Kelly's room, to be called "dear girl" or "dear boy" by the motionless, bedridden priest.

No one of those visitors can recall ever hearing a murmur of complaint or self-pity from the wasted, smiling patient in the hospital bed. His room resembled Rube Goldberg's workshop. An overhead mirror, keyed to other mirrors in the room, gave him periscopic vision of the room and of the corridor outside. He could call out the name of a visitor before the visitor entered the room.

By nodding his head, he could turn the television on or off, change channels or make a phone call. A headset permanently in place above his head gave him a microphone always at the ready.

Self-pity was a weakness he never indulged. For three decades, he knew each day he was dying by inches. He accepted this fact the way he accepted the law of gravity. Each day was a reality which could neither be contested nor denied.

Visitors who came to see him left feeling that he, or God, or someone, had charged their batteries. Having come to cheer him, they left feeling that he had cheered them.

He had a light touch and a cosmic view of life which distinguished sharply between serious problems and garden-variety cuts and bruises. Visitors looking for sympathy were often put down with such subtlety that they never knew they had been rebuffed until they pondered his words as they drove home after the visit.

It is said on occasion of persons habitually happy that they do not grasp the seriousness of the human dilemma. Not so with Pascal. He knew pain, suffering and blighted hopes much more graphically than most of us ever experience, but maintained a degree of habitual composure and tranquility which cloistered contemplatives could envy.

Underlying his marveous natural virtues of patience, generosity, kindness and unfailing good humor, Pascal Kelly was a man of deep Christian faith. His trusting confidence in the promises made by Jesus Christ to his followers was unshakable. When others would question the mercy of God who would allow one of his devoted sons to suffer slow death for years, Pascal would simply say that God knows best, and who are we to pick the mode of life in which we might best follow Christ. He was fond of saying that under ideal circumstances we would all undoubtedly be paragons of virtue.

Those weary debates—with visitors and with the final visitor who was death—are now over for Francis Pascal Kelly. And today, in the kingdom of heaven, where there is no more pain, no more sorrow, no more weariness, the immortal priestly soul of Pascal Kelly is finally home and at peace. Even in that blessed and distinguished company his must have been a hero's welcome.

A MINISTRY ENDS FOR A GOOD MAN

(By Jim Klobuchar)

You expect a certain amount of godliness from a wise and friendly Irish priest.

William Paschal Kelly was graced by that. It did not cling to him in thickly increased layers. It wore lightly but durably, and when he died a few days ago the hospital where he lived in paralysis for 20 years was swarmed by requests for mementos of his life from admirers who believe he will be canonized eventually.

It is a prospect that might intrigue Paschal Kelly without arousing any especially wild hopes. He would be Catholic enough to appreciate the office but Irish enough to deny running for election.

His sanctity, if such it was, had nothing particular to do with any charismatic presence. He advised well, and listened, and comforted and confessed. But the most memorable thing he gave to the thousands who met or knew him in his 20 years at St. Mary's Hospital was the unspoken testament of a crippled man. That useless bone and muscle should not dictate the terms of a person's happiness nor smother his urges to serve, if that is how he has lived out his life.

Yes, he had advantages as a priest. The world, and especially hospital administrators and sisters, will defer to a gritty Dominican priest. Affectionately he will be installed in something approaching resident sainthood, with all of the mechanical gadgets and mirrors required to give him comfortable access to his visitors, his hospital constituents and the world around him.

But when you talk about advantages to a man who suffered with multiple sclerosis for 40 years, you are dealing in very fragile and ironic stuff. It struck him just a year after his ordination. He was able to withstand it as a practicing priest for years, 12 of them in a wheelchair as an assistant at Holy Rosary in south Minneapolis. In his last years, he was scarcely able to move a finger, turn his head. He was locked into a physical rigidity that to outsiders would seem to exert a ruthless demoralization on the victim.

But the reverend decided long ago that if he couldn't ignore the disease, he would just have to outlast it.

He saw himself as a sort of droll adjutant of St. Dominic, working out his commission by roaming the hospital corridors in his wheelchair, chatting with hospital friends, socializing with visitors, confessing the sinners face to face in his room.

He enjoyed the company of celebrities from show business, the Hildegardes, Fred Warings, Dennis Days; and the Tony Olivas and Gil Hodges and scores of jocks whose deeds he would view with tolerance but clinically on his television screen.

Some of these he confessed, which certainly gave the good priest unique insights into some of the hitting slumps around the American League.

But while his meetings with the celebrities were happy encounters, it was the hundreds of others, the relatively anonymous, for whom he provided the most lasting comforts—because he did have a very penetrating mind and a heart that not only understood trouble but tried to find ways around it for those so afflicted.

He liked the role of Your Genial Manipulator and Sometimes Meddler. He had friends and contacts and influence around the country, a flourishing Paschal Kelly underground that would perform favors or open doors for people who met him at St. Mary's. The beneficiaries did not have to be friends. If they needed, he found a way to contact the network.

People who appreciated swamped him with gifts. He called a friend to his side once and confided, with as close as he could manage to an Irish wink: "I've got 30 copies of 'Seven Storey Mountain' under my bed. I am dearly grateful for all of them, but I would trade a few for a few fingers of good Irish grog."

He was worldly in the best sense, because he had been around in his younger years and he refused to shut out the world once he was forced into the hospital. Several years ago a Minneapolis woman, Jewish, wrote him a note from the Midston women's hotel in New York, recalling some of their conversations at St. Mary's.

"In my most laborious years," he replied, "I helped install the plumbing at that hotel as an apprentice. Think of me when you use the bathroom there."

He was not free, of course, from the normal fears and he felt pain as grievously as the next. He never acknowledged it, but in his last weeks he asked his friends to pray for him. "I'd like to go home now," he said.

He died at 70. Nearly 500 people filled Holy Rosary yesterday to attend the last rites for a man who, Father George B. Ninetmann said, "had the kind of internal beauty and love that did not require touch to express. It was in his eyes and his spirit."

[From the Catholic Bulletin Feb. 14, 1975]

FATHER KELLY, "SAINT OF ST. MARY'S" DIES

The Rev. Francis Pascal Kelly, OP, the popular priest known as the "Saint of St. Mary's" hospital in Minneapolis, died there Feb. 7.

Fr. Kelly, a priest for more than 40 years, became a victim of multiple sclerosis while he was assigned to Holy Rosary parish, Minneapolis, in the early 1940s.

A patient at St. Mary's for more than 20 years, Fr. Kelly would have been 71 on March 1.

The Rev. Ralph Gorman, counselor at St. John Vianney seminary, St. Paul, and a former chaplain at St. Mary's, said, "Fr. Kelly never lost his Irish wit and spirit. He was a very unique man."

Fr. Gorman recalled that Fr. Kelly devised a wheel chair for himself that allowed him to concelebrate Mass daily in the hospital chapel and visit other patients.

"People felt attracted to him and he shared a lot of people's lives. He was a man who prayed for a lot of things and a lot of people," he said.

Fr. Kelley, whose name became known throughout the world, gave his blessing to many sports figures, entertainers and political figures who came to meet him.

The St. Paul Pioneer Press, commenting on his death, reported that "it was said that Fr. Kelly accomplished more flat on his back than most people do in a lifetime of roaming the world with good hands and legs."

A Mass of Christian Burial for Fr. Kelly was said Tuesday at Holy Rosary. Burial followed at St. Mary's cemetery, Minneapolis.

The principal concelebrant was the Rev. Gerald Cleator, OP, provincial of the midwest Dominican province. Main concelebrants were two of Fr. Kelly's classmates the Rev. John Malone, OP, archdiocesan director of the Holy Name society, and the Rev. Charles Carosela, OP, chaplain for the Dominican Sisters at Rosaryville, La.

The Rev. George Ninetemann, OP, prior at Holy Rosary, gave the homily.

BERKLEY BEDELL—FRESHMAN CONGRESSMAN FROM IOWA

Mr. CLARK. Mr. President, the 94th Congress is not yet 2 months old but it has already taken several giant strides toward internal reform—reform which was long overdue and which I believe will better enable this Congress to meet

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the critical challenges facing the Nation during these troubled times. Our colleagues in the House of Representatives have been particularly successful in initiating these changes, and as the national press has noted, the new freshman class deserves much of the credit.

One of the early leaders of this historic group is Representative BERKLEY BEDELL, who represents the Sixth District in my State of Iowa. Soon after his election victory, BERKLEY was selected by his new colleagues to serve as the temporary secretary of the new Democratic Congressmen, and in that capacity played an active role in achieving these changes in the seniority system. After his legendary business career, this success is not surprising and I know BERKLEY will continue to contribute his talents and leadership in the Congress and on behalf of his Iowa constituents.

A recent article in the Washington Post paid tribute to BERKLEY'S auspicious beginning by selecting him as one of the six Members of the freshman class with the greatest potential. I wish to share that article with my colleagues, and ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIX FROM THE CLASS OF '74

They're a diverse crew, these 91 new members of the 94th Congress, the biggest freshman class in years. There are millionaires and a hard-hat or two. A pipe-smoking grandmother and a pair of Rhodes scholars.

Philosophically the range from a self-styled "social activist" to a John Birch society member.

The one thing that most of them have in common is their refusal to act like the customary House of Representatives newcomer—to be seen and not heard, to rock no boats, stir no turmoil. Above all, wreak no havoc.

But wreak they have already.

At their determined urging and with a unified bloc of votes, a tried, tested and barely challenged seniority system is left in shambles—three full committee chairmen dumped. Two more subcommittee heads deposed.

This is Congress?

What election returns promised would be a breath of fresh air turned into a veritable hurricane of change.

The articles below provide a closer look into half-a-dozen members of this precedent-shattering group—not so much representative of the class as of its potential.

BERKLEY BEDELL

(By William Gildea)

When he came to Washington 10 years ago to be honored by President Johnson, Berkley Bedell had no idea his future would be in politics and that someday he would return as a congressman from Iowa's sixth district.

A decade ago Bedell was named "small businessman of the year" and hailed by Mr. Johnson in a Rose Garden ceremony. "Your imagination and your industry are typical of the qualities that built America and will keep it growing stronger," said the President, before handing over a bronze plaque.

What Bedell had done was develop a multi-million dollar fishing tackle business out of a boyhood idea. At 15, he began tieing flies in his bedroom for fishermen in the resort community of Spirit Lake, Iowa. Today Berkley & Co. employs 1,000 persons and grosses $20 million annually.

Once a Republican but now a liberal Democrat, the 53-year-old Bedell defeated Wiley Mayne, who as a member of the House Judiciary Committee defended former President Nixon. That stance clinched victory for Bedell, who had come close to beating Mayne two years earlier.

In his campaign, Bedell said the government should be run more like a business and called for reform of the seniority system. "You have to put the best performers in the right positions," he added recently. "You can't select people on what they did in the past, what nice people they are or what they might have done for you."

As temporary secretary of the new Democratic congressmen, Bedell helped bring about dramtic change in the seniority system with the removal of three committee chairmen. "I had no idea," Bedell said, "that I would be able to play such an active role in bringing about these changes."

Freshman or not, he seems anything but awed by Capitol Hill and its influential personalities. The story goes that he walked right up to Wayne Hays and said, "Everybody tells me you're a s.o.b. Are you?"

"If he has a fault, and it really may not be a fault," a Hill source commented about Bedell: "He really doesn't have any cynicism about the way things work here. He thinks he can come in and get things done. Well, if anybody can, maybe he can pull it off.

"I don't look for him to be any kind of superstar trying to hog publicity. That doesn't fit his personality. He's a very decent kind of guy, the hard-working, behind-the-scenes type of guy. He's very respected for this and he's likely to do very well."

Bedell is known as a religious man who has been active in the Methodist Church. His older son, Kenneth, is a Methodist Minister. Bedell said he and Harold Hughes, former Iowa senator, hold "similar religious convictions."

"I believe it's becoming increasingly clear that we have to change our value system and listen to the message of Jesus Christ, among others," Bedell said. "It seems to be loud and clear that we should concern ourselves with our fellow man and put away worship of material goods."

"We don't have morning devotionals, or anything like that," said a staffer in Bedell's office, where Bedell's wife, Elinor, and younger son, Thomas, work as volunteers and the congressman is called "Berk." But low key as it may be, the Bedell religious influence was noted on the cover of the Berkley & Co. magazine, on which was reprinted a psalm.

Bedell said he decided to seek office out of a search for "personal satisfaction," adding, "I came to the realization I couldn't get the satisfaction I wanted from building a bigger and bigger fishing tackle business."

With $50 he had saved from delivering papers, Bedell began his fishing tackle business while still in high school. By the time he graduated, he had a number of youths working for him. That summer he borrowed his parent's car and traveled about 3,000 miles, sleeping in the car at night and lining up customers by day.

He borrowed money from the local bank to buy the equipment he needed to fill his many orders. In just a few years, it became clear Bedell's was no ordinary business. He invented a new kind of nylon fishing leader, which connects the end of the fishline with the lure, as well as a longer lasting, more flexible monofilament line. The two discoveries were largely responsible for making him a multimillionaire.

As a member of the Agriculture Committee and small business subcommittee, Bedell is working in areas he is familiar with. He says he wants a "hands-off government policy" toward small business and greater interest in preserving the family farm.

As a result of a January blizzard in Iowa that left about 2,700 farmers with damages as high as $250,000 each in some cases, Bedell has introduced legislation to extend loans to the hard-hit farmers and called for extending the time for repayment of loans under the Emergency Disaster Relief Act from 5–7 years to 20 years.

Bedell said he has pledged to work for tax reform because "the lower and middle income groups pay an unfair portion of our taxes today."

THE GENOCIDE CONVENTION: SILENCE IS NOT GOLDEN

Mr. PROXMIRE. Mr. President, one can plausibly argue that under our law silence means approval. For example, the Constitution says that if the President does not explicitly veto a bill, Congress being in session, then that bill becomes law. His silence is tantamount to approval.

I regret that the same thing might happen regarding the failure of the Senate to ratify the United Nations Convention on the Prevention and Punishment of Genocide. Our silence might be taken to mean that we approve of the crime of genocide. Some argue that that is so, because the Genocide Convention has been before the Senate for 24 years without being ratified. There is no excuse for our silence.

By ratifying the Convention we can show the world that we do indeed abhor the crime of genocide. Mr. President, our silence condemns us. We must act before it is too late. I urge the Senate to join almost 80 nations throughout the world in ratification of the Genocide Convention.

It is all too obvious that, where the Genocide Convention is concerned, silence is not golden.

A BIPARTISAN FOREIGN POLICY

Mr. MUSKIE. Mr. President, last week I spoke at the University of Delaware on the subject of American foreign policy. My remarks were intended as a response to President Ford's recent appeal for a return to the bipartisan spirit in our external affairs. I have noted similar remarks in recent days by some of our distinguished colleagues, so I thought I would add my own to the RECORD. I ask unanimous consent that my speech of last week be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

BIPARTISAN FOREIGN POLICY: A RESPONSE TO THE PRESIDENT

(Remarks by Senator EDMUND S. MUSKIE)

I would like to respond tonight to President Ford's recent call for a return to the bipartisan foreign policy which characterized the era of President Truman.

That spirit was typified by the late Republican Senator Arthur Vandenburg, who urged in the post-World War II period that we "unite our official voice at the water's edge so that America speaks with maximum authority against those who would divide and conquer us and the free world."

Invoking the spirit of Senator Vandenburg in a speech last week, President Ford claimed that partisan politics are now threatening "to bring our successful foreign policy to a standstill." He said he did not mean to exclude Congress from the foreign policy process, but that a distinction must be drawn between the making of policy—in which Congress should participate—and the execution of policy, which should fall within the exclusive domain of the Executive Branch.

It is a useful distinction, and I would like to respond tonight in a positive way to the President's initiative.

My mission tonight as a spokesman for bipartisanship is a role I have played before. Less than a year ago, in a speech at the U.S. Naval Academy, I expressed my own belief that "we are on the verge of a new coherence in American foreign policy, a new sense of direction and common purpose, and a restoration of the bipartisan tradition in America's foreign relations."

On that occasion I said that Americans were united on four fundamental principles of U.S. foreign policy: *First*, that an isolationist policy is not a viable option for America; *second*, that the general direction of détente is an important American interest; *third*, that our alliances with Europe and Japan are still vital, notwithstanding progress toward détente; and *fourth*, that our foreign policy must reflect the increasing interdependence of the developed and underdeveloped world.

I reaffirm those principles tonight. Obviously, a restored bipartisanship in American foreign policy must not stifle constructive debate on the day-to-day issues which confront our nation abroad. But a restored bipartisanship should recognize the broad base of agreement concerning our purpose in the world and the great tasks before us. We must draw upon the strength that such unity gives us in order to fulfill the role which history has assigned to us as the most powerful nation of the present era. We cannot shrink from those responsibilities. We must, in President Kennedy's words, welcome them.

And so I give my own measured support to President Ford's appeal last week for a restored bipartisanship in our foreign affairs. I understand his criticism of recent congressional actions. But a more effective working relationship between Congress and the President will require improvements on both sides. I have some suggestions which I would like to share with you tonight.

I.

The Congress has been reasserting its constitutional authority in the foreign policy area in recent years, and I am convinced that historians will look back on this period with favor. As a member of the Senate Foreign Relations Committee during the last two Congresses, I was privileged to be a part of this process. I am proud of the role Congress played in forcing an end to direct American involvement in Indochina. And I am proud to have floor-managed the War Powers bill—which was designed to prevent future Vietnams—and to have helped guide this historic legislation through a difficult House-Senate conference and over a Presidential veto. This bill, which resulted from thoughtful and persistent efforts of many Senators and Representatives, was one of the great legislative accomplishments of the 93rd Congress.

The purpose of the War Powers bill was not to alter the Constitution, but to restore and fulfill the intent of the Constitution in matters of war and peace. The essential purpose of the bill was to define—more exactly, to reaffirm—the constitutional authority of Congress to decide whether and when our country will go to war. In no sense was the legislation intended to encroach upon or to detract from the authority of the President as Commander-in-Chief. It merely reaffirmed what the framers of the Constitution intended, and the reasoning of the founding fathers is a matter of historical record: dismayed by the arbitrary power of the British Crown to drag the American colonies into unwanted wars, they vested the authority to initiate war in the legislature, transferring that power, as Jefferson put it, "from those who are to spend to those who are to pay."

The War Powers bill is properly regarded as legislation which should not have been necessary—and would not have bene necessary—if Congress and the President had remained within their respective constitutional spheres. But three decades of total war, limited war, and Cold War had propelled the American political system far along the road to executive domination in the conduct of foreign relations. This had been the result, in part, of presidential usurpation. But it had also resulted from congressional lassitude and unquestioning support of presidential leadership. Most of all, it resulted from war itself, and from these past three decades of constant crisis and disruption.

The events of recent years have shifted the balance between Congress and the Executive Branch in significant ways. Congress, with broad public support, rebelled successfully against the Executive Branch on the issue of Vietnam. Passage of the War Powers bill over a presidential veto restored the original constitutional design of checks and balances between the two branches in the area of war and peace. And Watergate left the American people more distrustful than ever before of presidential power. So the pendulum has swung.

But there remains the question of how far we should allow the pendulum to swing. Two recent congressional actions, undertaken for legitimate and valid reasons, have now led to unintended and unfortunate results. I refer to the Jackson Amendment to the Trade bill and the termination of military aid to Turkey. The failure of these congressional initiatives to achieve their purposes should cause us to reflect honestly upon what has happened, and to learn the lessons which might guide us more prudently in the future.

I supported the Jackson Amendment, along with over three-fourths of the Senate, because I believed it to be an effective expression of our legitimate concern for the rights of Soviet Jews. I need not cite examples of Soviet government abuse of those rights—which were guaranteed both under Soviet law and the Universal Declaration of Human Rights. Those abuses are well known.

The purpose of the amendment was to force the Soviet government to moderate its policy in exchange for a normalized trading relationship with the U.S., which it clearly wanted. During the early months of negotiations over the amendment among the various parties, there were hopeful signs of progress. For example, the Soviets responded to U.S. pressure by allowing an increased flow of Jewish emigrants during 1973—up to a total of 35,000 for the year.

But as the issue dragged on, the flow of emigrants began to drop. Only 20,000 made it out of the Soviet Union in 1974, a drop of 40 percent. This year, with formal Soviet repudiation of the trade agreement, the January emigration figure of 1,250 signals a further 20 percent reduction over the previous year's monthly average. The Soviet government says officially that applications are down, but U.S. sources say that at least 130,000 Soviet Jews have filed applications for exit visas, and that harassment of Jews seeking to leave and pressure on their families have increased.

I had always believed—and said so on several occasion—that the value of the Jackson Amendment would be proved or disproved in the process of implementation. Clearly it would be a failure—a tragic failure for Soviet Jews and a serious setback for proponents of détente—if it were pushed to the point of Soviet repudiation of the trade agreement. Compromise and accommodation were obviously required in the final stages of negotiation—but that is precisely where the negotiations broke down.

American idealism is rightly engaged with the question of personal liberties in the Soviet Union, if only because some minimal moral framework is essential to a stable peace. The practical question for American policy is not whether a degree of pressure for human liberties is warranted, but at what point pressure may become excessive, and therefore detrimental to its own purpose.

Clearly, there are limits to what we can demand of the Soviet Union in areas which they regard as matters solely of domestic concern. At the same time, we cannot be indifferent to those aspects of the Soviet system which are repugnant to our own social and political values.

But those of us who support the policy of détente believe that the steady normalization of political and economic relations provides the greatest opportunity for bringing about constructive changes in the Soviet society in the long run. Consequently, I look forward to a renewed partnership between Congress and the President in the pursuit of this vital foreign policy objective which we share in common.

A second congressional action which raises questions of judgment and timing was the cut-off of military assistance to Turkey. As in the case of the Jackson Amendment, the purpose of Congress was reasonable and legitimate. Turkey had in fact invaded Cyprus. The Turkish use of American-supplied arms in Cyprus violated the Foreign Military Sales Act, the Foreign Assistance Act, and the agreement under which Turkey accepted the arms. Under the law, the aid cut-off was supposed to be automatic. When the Administration failed to implement the law, Congress simply moved to ensure that the law was observed.

The problem is that the law itself—and congressional action to enforce it—may not have been a constructive contribution in this particular set of circumstances. The Cyprus tangle is enormously complex. The Turkish invasion followed a clumsy military coup on Cyprus under the thinly-disguised sponsorship of the Greek military junta. The prospect of a rapid move toward union with Greece seemed plausible, and the rights of Turkish-Cypriots appeared threatened. When British efforts to mediate the crisis broke down, the Turks acted. So the Turkish invasion, whether or not it was justified, was at least not totally unprovoked.

With the Turkish invasion and the subsequent fall of the Greek military junta, world opinion shifted against the Turks. Negotiations were slow and unproductive, and the Congress became exasperated with the spectacle once again of U.S. arms aid being used for purposes contrary to American interests. So the congressional response in cutting off arms aid to Turkey was understandable.

The problem was that congressional action limited the Administration's flexibility in dealing with the crisis. The international consequences have subsequently gotten out of hand, with Turkey's proclamation of an "autonomous Turkish Cypriot Administration" on the island. It is extremely doubtful that the Greek Cypriots will agree to a companion Greek Administration within what the Turks envisage as a "Bi-Regional Federation." More likely, Greek Cypriots will now press for union with Greece, completing the destruction of sovereign Cyprus. Another possibility is guerrilla warfare, complicated by Archbishop Makarios' threat to seek support from Moscow.

Continued American military assistance to Turkey might not have guaranteed effective American leverage over Turkish actions—but the unilateral termination of aid was an important factor contributing to the present diplomatic mess.

II.

If Congress can be faulted for some of its recent actions, I would like also to caution

the President with respect to his handling of the most enduring burden of our recent foreign policy—the war in Indochina.

The outlook for Cambodia and South Vietnam is gloomy. The Cambodian capital is now isolated and under siege. In South Vietnam, an estimated 175,000 North Vietnamese regular combat troops have been infiltrated during the last two years of the so-called ceasefire. The Communists have captured eleven district capitals and one provincial capital during the same period. Another major battle now appears to be shaping up for control of Tay Ninh Province, only 45 miles northwest of Saigon.

The United States has paid an extraordinary price in helping to preserve friendly governments in Indochina over the last decade: about $150 billion and 56,000 American lives lost. We have done so for no other reason than stubborn, faithful support of allied governments under siege. For it cannot be said that the outcome of the Indochina war—whatever it may be—would measurably affect American security or our interests in the world.

So let no one say that we have not stood by our friends in Indochina. I do not know of any great power in the history of the world which has sacrificed so much for so little national gain as we have done in Indochina for more than ten years.

And that, I'm afraid, says a lot about the quality of our leadership in this whole sorry episode of our nation's history.

The failures of American policy in Indochina were bipartisan. If the future brings the final collapse of regimes which have been friendly to us—as I fear it will—let us accept that fate without shame or partisan recrimination. For it has always been true that the ultimate outcome in Indochina has depended on political realities unique to those peoples—realities which no amount of U.S. military or economic assistance could ever fundamentally transform. We have tried and failed. Let us accept our failure maturely—without bitterness and without self-recrimination.

As the situation in Cambodia and South Vietnam deteriorates, the atmosphere in Washington is becoming more tense. The President wants emergency assistance for those two governments amounting to $522 million—$300 million for South Vietnam and $222 million for Cambodia. In a desperate effort to show the Congress a glimpse of light at the end of the tunnel, he has pledged to end all aid within three years, regardless of the circumstances then prevailing.

And there is another sign of desperation—a chilling sign which troubles me deeply. It is the beginning of an Administration attack on the Congress, which is reluctant to provide the emergency assistance requested, for partaking in a sinister betrayal of our friends in Indochina.

I urge the President to put a stop to such mean-spirited demagoguery.

Last week, 82 members of the House and Senate sent a letter to President Ford which reflects the deep concern of Congress over what is happening. I would like to quote a passage from that letter: "another prolonged disagreement over events in Vietnam and our policy there may lead to acrimonious accusations over who 'lost' Indochina, reminiscent of the China debate over two decades ago. The result of that earlier experience was to freeze U.S. options in Asia for a quarter of a century. We must at all costs avoid a petition of such a struggle which would set the Congress against the Executive . . . This is not the time for another divisive debate that can only impede the development of the cooperation so necessary in dealing with the complex problems of global inflation, domestic recession, and growing shortages of necessary raw materials. Instead, we need to work together."

III.

And so I call tonight for a return to bipartisanship in its most constructive form—with Congress and the President working together in making foreign policy, and with Congress giving adequate flexibility to the President for the execution of policy.

Such a relationship is possible because we are a nation which is united behind certain fundamental principles of foreign policy as well as on our purposes in the world and the great tasks before us.

But the President and Secretary Kissinger must give to Congress more than simply rhetoric about consultation and cooperation. The penchant for secrecy and surprise, for clandestine operations abroad, for misleading testimony before Congress if not outright lies—all this has been a part of the record of recent years.

We have a new President. Let us also have a new standard of honesty and candor in dealing with the Congress, the press and the public.

Given such an atmosphere, bipartisanship can flourish. Let's give it a chance.

NEED FOR PLANNING

Mr. McGOVERN. Mr. President, yesterday's New York Times carried an editorial calling for more long-range Federal planning so that the Nation's resources may be more effectively used. Given the complex range of problems facing the Nation today, it seems evident that we cannot afford a policy of drift and uncertainty.

I ask unanimous consent that the New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 23, 1975]

THE NEED TO PLAN FOR ECONOMIC POLICY

Why is planning considered a good thing for individuals and businesses but a bad thing for the national economy?

The traditional (and ideological) answer is that individuals and businesses, with limited resources, should have long-range goals to which they can relate their day-to-day decisions, but at the national level planning is bound to be inefficient and an unwarranted interference with the freedom of individuals and businesses to make those decisions in accordance with their own best judgments.

Whatever validity that anti-government planning view may have had historically, it is becoming increasingly impractical and costly—as a small but growing number of businessmen, labor leaders, politicians, economists and scientists now recognize. Henry Ford 2d, more outspoken than most of his business colleagues, has said the auto industry and others need to learn to live with dwindling supplies of oil and other materials, and hence there is a concomitant need for national planning in order to match scarce resources with consumption in an equitable and efficient manner.

But the importance of planning ahead goes beyond the problem of preserving economic health in the face of diminishing energy and other resources; it also relates to long-range tax and budget policies to avoid inflation. There is a need for integrated programs to ensure that critical national goals are met in such areas as housing and urban development, transportation, health, education, protection of the environment and to provide full employment for the nation's continuously expanding labor force.

The day-by-day operation of private markets cannot deal with all those objectives; all of them involve the participation of government through taxation, public expenditures, regulation, subsidies, and foreign economic policy. Government is involved, in fact, in virtually all aspects of the economy in this country—as in all other modern industrial economies. The more than $300 billion the United States Government currently spends each year only partly measures its total weight in the economic system.

Given the present and prospective role of government in the United States economy, the issue is no longer whether government planning would interfere with private business but whether the Federal Government should act in so uncoordinated and short-sighted a way as it now does.

Efforts by government to look farther ahead and to gather, analyze and publish the information on which it is basing its policy decisions would help private industry to make its own planning decisions—without government coercion of the private sector. Industries would still be free to make their own investment decisions, but they would do so on the basis of more complete information about long-term trends as affected by government policies. Not only the Administration but Congress, private industry, labor, and other groups in the society would participate in the ongoing national debate over planning and in the establishment of national goals.

There are different routes that could be followed toward a more rational approach to economic policy in the United States. One is that proposed by Senator Hubert Humphrey in his Balanced National Growth and Development Bill, which would establish a planning agency within the Executive Office of the President; this would bring together scattered existing Federal planning bodies, including the Office of Management and Budget and the Council of Economic Advisers. Other possible designs would be to model the new agency on the National Resources Planning Board of the Roosevelt Administration, on the system of indicative planning followed in France, or to create a new body that would be responsible jointly to Congress and the White House.

Whatever the ultimate administrative and political design—and this could emerge only from full Congressional hearings and debate—greater order and perspective are needed in the American governmental process and in the economy and society. Planning may have its flaws and dangers, but the traditional planless approach has already proved its capacity for producing disasters.

B-1 BOMBER PRODUCTION DECISION EMBODIED IN LONG LEADTIME FUNDS

Mr. PROXMIRE. Mr. President, it appears that the Air Force is attempting to slip the B-1 production decision by Congress a year early under the guise of long leadtime funding.

Here is how the sleight-of-hand works.

First the Air Force puts $77 million in the B-1 bomber request for fiscal year 1976 for long leadtime items for procurement. This money is called a premium on an insurance policy for next year.

The Air Force will argue that if Congress does not approve the long leadtime money, the costs next year will soar to over $1 billion for the same purpose.

But if Congress approves the long leadtime procurement funds, next year the Air Force will come back and say that a production decision was made with the release of the long leadtime funds the prior year.

They will argue that they have already sunk costs in the production program which require ongoing expenditures. And they will claim that to cancel the program will result in huge termination costs plus the loss of the long leadtime procurement funds already authorized.

That is the game and how it is played.

Congress should not be fooled by this trick. It has been used with such frequency that it is old hat. When Congress approved the long-leadtime procurement funds for the billion dollar CVAN-70 aircraft carrier, it in effect authorized the carrier to completion. The same will happen with the B-1.

The Air Force has confirmed that the B-1 bomber program will cost $20.6 billion in then-year dollars. That is more than $84 million for each of the 244 aircraft.

At that price, the B-1 will be 123 times more expensive than the World War II bomber, the B-29, which cost $680,000. Allowing fully for inflation and onrushing technological costs, the difference is ridiculous.

The Air Force would have the American public think of the B-1 in constant 1970 dollars—$34.3 million each—to show the impact of inflation, which has been considerable. But the American public does not pay taxes in constant 1970 dollars. Nor do their grocery bills ring up in constant 1970 dollars. They will have to pay the full price of $20.6 billion.

I intend to offer an amendment to the military authorization procurement bill deleting the $77 million long-leadtime procurement money for the B-1.

It is a plane whose time has not come.

CRISIS IN HIGHWAY CONSTRUCTION

Mr. MONTOYA. Mr. President, the recent decision by U.S. District Judge John Lewis Smith, Jr., that the administration cannot impound highway funds creates an immediate challenge for this Congress. The $2.3 billion that is now impounded, along with $6.4 billion authorized for fiscal year 1976, will now be available to build needed roads and to provide badly needed jobs. This is in addition to $2 billion recently released by the administration. However, our States cannot use these funds until they meet their requirements under the Federal Aid Highway Act. Many States cannot meet matching fund requirements in the present economic crisis.

Inflation has taken an unusual toll in road user tax revenues which are available to States to build roads. Unlike most taxes, there is no growth factor built in. The taxes are not levied in proportion to rising costs; they are levied only in proportion to the gallons of gasoline used. While the road construction industry has been victimized by rapidly escalating costs, the State funds to meet road costs have declined. It is a critical situation which will become even worse unless Congress provides a remedy.

The Committee on Public Works met with the Transportation Committee of the National Governors' Conference on February 18 to discuss the range of highway transportation problems. The steadily increasing financial strain on States to meet national road needs and the very recent decision of the court to release impounded highway money combine to create an unusual opportunity for this Congress. Our interest must be fixed on a solution, and not become stuck in an unproductive discussion. There is no time to waste.

Mr. President, it has been estimated that each billion dollars invested in roads could result in 150,000 jobs within this year. The materials and equipment are available to start now. Unemployment has not been so high since 1937, and the administration is admitting that it will become even worse. The administration apparently spends more time studying unemployment than in solving it. The workers are available now to build roads and are certainly willing to work. The money that Congress provided under the Federal Aid Highway Act will now be available. The only remaining obstacle is that many States can no longer afford their share of the costs of a national road system.

Mr. President, the proportion between the Federal share of road costs and the matching State share was established during the long period of prosperity since World War II. That proportion is no longer adequate to meet the accumulated needs of the 50 States in this time of economic crisis. The Congress can amend the act to provide the temporary relief of improving the cash flow for the States. But that is only a first aid remedy. We must shift the balance in distributing these impounded funds so that all States can complete their portions of a truly national road system. We will gather the facts from Transportation Committee of the National Governor's Conference and act quickly to meet the States' needs. The constitutional responsibility and the opportunity for the Congress to provide leadership has been restored by the courts. I expect that Congress will consider legislation to meet the States' roads needs in the current economic crisis in the immediate future.

TIME TO END MILITARY AID TO VIETNAM AND CAMBODIA

Mr. McGOVERN. Mr. President, the United Church Board for World Ministries, in a letter from their executive vice president, Mr. David M. Stowe, has just recently provided a very concise and eloquent summary of the reasons why we must oppose the requests for supplemental military aid to South Vietnam and Cambodia.

Because I think it will be of interest to my colleagues, I ask unanimous consent that Mr. Stowe's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED CHURCH BOARD,
FOR WORLD MINISTRIES,
February 18, 1975.

HON. GEORGE MCGOVERN,
Senate Foreign Relations Committee, U.S. Senate, Washington, D.C.

DEAR MR. MCGOVERN: The United Church Board for World Ministries strongly opposes any form of supplemental military aid to the Thieu regime in South Vietnam or the Lon Nol regime in Cambodia. Our opposition is not an expression of preference for their military adversaries, the Provisional Revolutionary Government of South Vietnam and the Khmeres Rouges in Cambodia. On the contrary, we regard the continuous U.S. support of the corrupt and unpopular military cliques governing South Vietnam and Cambodia today as one of the primary causes of the advances made by the North Vietnamese-directed insurrectionary movements. Only a representative Third Force-type government in Saigon, as in Phnom Penh, will be able to negotiate with the adversaries that peace grounded in "national concord and reconciliation" which was the declared objective of the 1973 Paris Peace Agreements.

As long as the United States funds and advises Thieu and Lon Nol, as long as genuine and popular political leaders are kept in jail or otherwise muzzled in South Vietnam, so long will the people of these two lands be unable to set up governments in which they believe, governments capable of negotiating peace with their adversaries, preparing with them the integration and not the annexation of their divided territories.

A policy of absolute neutrality on the part of the United States Government with respect to the internal political evolution currently underway in South Vietnam is essential. If once again U.S. intelligence services or military and diplomatic personnel interfere in the partisan political developments of South Vietnam, when Thieu falls another "Thieu," again dependent on his American sponsors and so detested by his own people, will be the inevitable result. U.S. Government policy-makers and implementers must this time keep hands off the selection of the falling president's successor. This is the only right and the only intelligent course.

Therefore the United States Government should make clear that the renewal of U.S. involvement in the Indochina War is absolutely excluded. Reconnaissance over-flights of North Vietnam should at once be halted, and U.S. military advisors—whatever their nominal role—effectively retired. U.S. funds and technical assistance for South Vietnam's political prisons should be at once cut off, and South Vietnam's political prisoners released.

There is no will in our constituency to support the prolongation of U.S. involvement in the Indochina War, and total opposition to increasing that involvement now. Therefore, we ask for the reduction of Cambodia Military Aid Regular FY '75 Appropriation, and for the defeat of Cambodia Military Aid Supplemental, FY '75 Authorization. We likewise ask for the defeat of South Vietnam and Cambodia Military Aid, FY '75 Supplemental Appropriation. We further ask for a sharp reduction in FY '76 Authorization for Military Aid for both Cambodia and South Vietnam.

Yours sincerely,

DAVID M. STOWE,
Executive Vice President.

SALE OF ARMS TO PAKISTAN AND INDIA

Mr. KENNEDY. Mr. President, I regret the decision of the administration to resume arms sales to Pakistan and India. For 10 years, we have imposed an embargo on the sale of various kinds of equipment to both countries. This was right and proper, in view of the role that these arms played in heightening tensions in the area—and in helping to bring on three wars in a decade.

I believe that no useful purpose would be served by removing the embargo. If

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we wish to improve our relations with Pakistan, surely we can find some other means than by once again contributing to another possible arms race. If we are concerned about the security of nations in the area, surely we should do so by promoting the effective working of the Simla agreement, not by selling arms.

To be sure, India has received arms from the Soviet Union. But it will do no good for us to compound this policy by ourselves joining in the sale of arms to either country in the subcontinent. Nor am I convinced by the argument—advanced by the State Department—that the change announced today will bring "U.S. policy into line with that followed by other major Western arms suppliers such as the British and French." Why has the State Department not tried to work with these countries to limit the flow of arms?

It will be a sorry day for the United States—and for the U.S. economy—when we have to underwrite our own strength by selling arms abroad. Not only does it buy us precious little influence with the recipient countries—two decades of this policy around the globe should have taught us that—but also we increase the dangers of war, and the risks of our own future involvement. We could spend countless billions of dollars—and perhaps even lose American lives—picking up the pieces of a policy of arms sales, now, to a part of the world where war has tended to follow the resurgence of an arms race.

At the same time, I am deeply concerned at what has been happening in Pakistan. That country has fallen on difficult times, especially with widespread flooding and human suffering. I recently met with Prime Minister Bhutto, and conveyed to him the depth of American feeling at the losses suffered by his people. I therefore strongly support humanitarian and economic assistance to Pakistan. And I look forward to the strengthening of ties between the United States and both Pakistan and India. It should also be our firm policy to promote good relations between these two countries.

GUYANA CELEBRATES INDEPENDENCE

Mr. HARTKE. Mr. President, I am very pleased to pay tribute to the Republic of Guyana, which on February 23 celebrated its national holiday.

Guyana, with an estimated population of 800,000, is racially divided into several distinct groups. The largest group or about 80 percent of the population is East Indian. The next largest or 40 percent is African. The other 10 percent is made up of Chinese, Caucasians, and Amerindians. There is also a rare religious mix of Hindu, Christians, and Muslims.

From 1796, the British exercised control of Guyana, but it was not ceded to the United Kingdom until 1814.

After many years of gradual preparation for independence, the British Government extended the franchise to all literate adults. Complete independence was achieved in 1970 when Guyana became a republic.

The economy of Guyana is based on Bauxite mining, aluminum production, and sugar which accounts for 80 percent of the gross national product.

The United States has maintained good relations with Guyana since her independence and has successfully participated in her growth through the foreign aid program—USAID—and Food for Peace.

Let us then extend our congratulations to the President, the Prime Minister, the Government, and all the people of Guyana on this their national day.

SUPPORT FOR HOUSE CONCURRENT RESOLUTION 416—SELF-DETERMINATION FOR THE BALTIC STATES

Mr. CASE. Mr. President, it is now 54 years since the people of Lithuania and Estonia proclaimed their independence and established their national identities in democratic republican states.

These declarations of independence were the culmination of generations of struggle to realize the ideals of nationhood and self-determination.

The achievements of the Baltic States during their 20 years of freedom were impressive, and despite the Soviet Union's invasion the spirit of the Baltic people remains strong and determined again to attain civil liberties and religious freedom.

On many occasions, the Congress of the United States has reaffirmed its concern for the rights of the Baltic people. The least we can do to indicate that concern is to approve House Concurrent Resolution 416 which supports self-determination for the Baltic States.

CHIEF JUSTICE BURGER'S JUDICIAL REFORM SPEECH

Mr. GARN. Mr. President, Chief Justice Warren E. Burger, at the midwinter meeting of the American Bar Association held in Chicago, February 23, 1975, delivered a speech which is timely and pertinent, and which should be of concern to all Members of Congress.

The issue of judicial reform is one which has strongly attracted my attention in this session of Congress, and while I may not agree with everything the Chief Justice says, I think it important that his remarks be easily available to all Members of Congress. For that reason, Mr. President, I ask unanimous consent that Mr. Burger's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ANNUAL REPORT ON THE STATE OF THE JUDICIARY

(Remarks of Warren E. Burger, Chief Justice of the United States)

Since 1970 you have invited me each year to report to you on the problems and progress of the Judicial branch and I welcome this invitation to meet with you again. In the past I have made this report at the annual meeting in August, but this was not possible last summer. One compensation, however, of meeting with a smaller group at the mid-winter meeting in February, rather than the much larger group in August, is that the problems that require legislative action may be pursued by you with the Congress early in its first session rather than at its end. As the most representative organization and spokesman for the legal profession of our nation, you have played the major role on behalf of the profession and the courts before the public and the Congress of the United States.

Many of the problems of the courts are closely related to the quality and competence of the major official participants—the contending lawyers and the judges—and the standards of professional conduct that govern in the courts.

The great increase in recent years in the demand for lawyers in the administration of criminal justice can be traced in large part to several desirable developments. Various enactments of Congress and decisions of the courts have sought to make more certain that justice will be administered in an even-handed way and that there will be faithful compliance with the statutes and constitutional provisions for the protection of the rights of accused persons.

These developments have occurred in a period of rising crime, and of mounting public concern over crime. These factors, taken together, have materially increased the burdens of the federal courts, and not all aspects of the added burdens are readily apparent. Even a casual review of the records, however, shows that the number of criminal cases in federal courts rose 25 percent between 1964 and 1974. Much less well known to the public is the fact civil case filings have increased at more than double this rate, that is, by 55 percent. The total combined increase in civil and criminal filings in that ten-year period was 45 percent, outstripping the increase in federal judges. And I note that the most recent figures suggest a dramatic upturn in district court filings. Combined filings were up 13 percent in the first half of this fiscal year over the comparable period last year.

An even more significant trend is that the proportion of federal criminal defendants actually going to trial has grown by one-fourth—from 12 percent in 1964 to 15 percent in 1974. In short, we have a ten-year increase of more than 60 percent, and this is accompanied by an increase in the length of criminal trials. We see, therefore, that there are new and substantial increases in the burdens of the trial courts that have not been clearly perceived.[1]

There has also been a substantial increase in the work of courts of appeals. In 1964 approximately one-third of all persons convicted by trial took advantage of the right to appeal. In 1974 almost three-fourths of those convicted appealed. These figures merely underscore the urgent need for additional judgeships, on the courts of appeals as well as the district courts. Few people know, for example, that there have been no increases in judgeships for the courts of appeals since 1968, and this has brought about an extraordinary 80 percent increase in cases per judgeship. Having been a court of appeals judge for 14 years, I assure you I can understand what an 80 percent increase means.

My purpose in presenting these figures to you is not to question the absolute right of every accused person to require the government to prove guilt in an adversary proceeding. What I am saying is that when the system is changed in a way that brings more cases into the courts, we must be provided with the tools.

This increase in criminal trials and appeals generated not only a large increase in public defenders but also in prosecutors. In this ten-year period staff attorneys in the 94 offices of United States Attorneys increased from about 700 to more than 1,200.

Footnotes at end of article.

While the district courts were trying to cope with a larger increase in cases, they were also trying to adjust to the infusion of this host of new lawyers, many of whom had had little experience in litigation and a minimum of training for the difficult and exacting task of prosecuting or defending a criminal case. Countless training seminars have been held, many of them sponsored by bar associations, including this Association, and by the Department of Justice, but the average tenure of lawyers in the office of United States Attorneys and on public defender staffs is relatively brief. The on-the-job training of these new lawyers will be valuable to them and, I would hope, ultimately, for our profession. But the short-range impact has created serious problems for trial judges. No private law firm could function effectively and perhaps could not even survive with that kind of rapid turnover of personnel.

The standards for selection and the tenure and compensation of these lawyers on whom the system of justice must depend should be made sufficiently attractive so that the federal courts will not continue to be used as a "bush league" facility to train trial lawyers for private practice.

No other developed country operates with the casual attitude we exhibit toward the need for qualified advocates on both sides of the table in the administration of criminal justice. This has placed on federal trial judges an enormous additional burden in terms of guiding a large proportion of both the prosecutors and the defense counsel on how to try a case. I urge all state and local bar associations to cooperate with the courts to establish a screening process so that no lawyer appears in federal court unless certain minimal standards of training and experience are met. Several federal districts are developing an examining and screening process for Criminal Justice Act attorneys and the concept should be broadened and developed for all federal courts.

The problem of regulating and disciplining the conduct of lawyers is far more complex in the United States, where we train lawyers in more than 150 law schools, as compared with a country like England, for example, where there is a centralized and comprehensive training facility for all trial lawyers. In England there are, as we know, two associations embracing all the barristers and solicitors. The admission of lawyers to practice in the courts of general jurisdiction is also centralized and coordinated in a central governing body. In this country admission power is distributed among more than 50 independent state bodies and in 94 federal districts. England has a total of only about 33,000 lawyers—barristers and solicitors—and we have more than 300,000. (Parenthetically, our law schools graduated approximately 33,000 in the past year.) Our diversity has many advantages but it also presents a staggering problem of enforcing discipline, and we have hardly scratched the surface of the problem.

Paralleling the lack of litigation training and experience of many of the lawyers appearing in the courts is the absence of adequate education in standards of professional ethics and conduct. This is not confined by any means to trial of cases—it is pervasive throughout our profession and it is a subject we have treated with a mixture of apathy and inertia. The 1970 report of the Association's Committee on Disciplinary Enforcement, chaired by my distinguished colleague Justice Tom Clark, is one of the few bright spots in this area. The problem is complicated because of the sheer magnitude of the task of convincing 150 law schools and more than 50 bar associations—to say nothing of more than 50 courts of last resort—to embark on a program of education and enforcement of the professional standards this Association has announced. Those standards were brought up-to-date in 1970 by a distinguished committee under the chairmanship of Edward L. Wright, after five years of careful study. They were supplemented in 1971 by a comprehensive report specifically directed to the standards for the prosecutors and defense counsel, which was adopted as part of the monumental Criminal Justice Standards Project of this Association.

The Association's Center for Professional Discipline has recommended rules for disciplinary proceedings and about half of the states have responded. This is an excellent beginning. Each of the 50 states and the District of Columbia should give a very high priority to implementing these recommendations and broadening their scope to deal with violations of professional standards in the day-to-day practice in the courts as well as in professional relations with clients. I submit that the Association's efforts and, more especially, the efforts of state and local bar associations should be multiplied and the states must provide adequate staffing and financial resources for this important work. The states that have not established adequate disciplinary procedures must be urged to do so.

The ultimate function of the lawyer, to provide the lubricant for satisfactory disposition of controversies and for the gradual change and evolution in the law so as to avoid self-help or collective violence, cannot be performed by our profession unless we enforce the standards we profess.

Comments that lawyers need more training in professional skills than law schools presently provide are sometimes met by the response that some judges also fall short of the minimal qualifications for their duties. That is a fair criticism. Of course judges, like lawyers, should continue the educational process and should comply with prescribed standards of judicial conduct. There has been tremendous growth in continuing education training seminars for judges during the past two decades. The National College of the State Judiciary at the University of Nevada, the seminars of the Federal Judicial Center, the Appellate Judges Seminars at New York University, and the developing programs of the new National Center for State Courts all attest that many judges are trying to improve the quality of their own work.[2] On another occasion, I hope to discuss with you the broad range of problems created by those few judges who do not measure up. In a country with more than 20,000 judges of various kinds and rank, the subject merits careful attention.

On several occasions, I have referred to the need to bring essential legal services within the means of middle income families by modernizing and simplifying the legal processes commonly used by millions of Americans in such matters as acquiring and financing a home, settling estates, recovering damages for injuries, and for other serious problems. The Association's support of these measures must continue. We must not close our eyes to the public disenchantment with legal institutions—a disenchantment which is described in a survey by a special committee of the Association and the American Bar Foundation.

The preliminary report of the survey is by no means a broadside indictment of our profession, but it should recall to us Bobby Burns' classic line: if we could but "see ourselves as others see us." Reading that report should also remind us that the restricted right accorded to members of the bar to perform defined legal services and to appear in the courts as attorneys for others carries with it a high public duty that our profession has acknowledged since its beginnings. The public obligation must be both recognized and performed.

Footnote at end of article.

There are many other problems that call for attention by the Association and in many cases action by Congress, and I will refer to only a few of them to remind you that they remain unsolved.

(1) The Congress should limit diversity jurisdiction of federal courts along the lines proposed by the American Law Institute in its 1969 Report.

(2) Three-judge courts should be substantially reduced or eliminated and appeals by right to the Supreme Court should be eliminated. These changes would confirm and extend the Supreme Court's power established by law 50 years ago, to select for review only the most important cases of broad general importance.

(3) The statutes relating to United States magistrates should be clarified to place in them broader powers, subject to final decision by a district judge, in order to release district judges for full-scale trials.

(4) A "pool" of federal judges should be created along lines proposed by Chief Justice Taft 50 years ago for assignment to meet emergencies in particular United States courts and to meet the needs of courts during the long delays that habitually attend the filling of vacancies. Delay in filling vacancies sometimes runs as long as two or three years, and this seriously impedes the work of a court.

(5) The very inequitable treatment of federal judges has placed them 50 percent behind the great bulk of civil service personnel who have received regular in-grade increases in addition to cost-of-living increases given during the past six years to maintain their real income. That inequity must be corrected if we are to retain the able younger judges appointed in the past decade, who are of an age where family burdens are at a peak. Correcting this serious inequity is also important if the nation is to attract the ablest lawyers to the federal bench. The Judiciary, along with the Congress and the upper level members of the Executive branch, are virtually one of the very few segments of the economy who are being asked to meet 1975 costs of living on 1949 incomes.

Specifically, I now ask the Association to take the leadership, through state and local bar associations, in support of immediate congressional action as follows:

(1) Provide an immediate 20 percent increase in federal judicial salaries;

(2) create a new statutory procedure to make an equitable long-range salary adjustment so as to provide federal judges with treatment comparable to that of other career federal personnel;

(3) place future salary adjustments scales on an automatic annual cost-of-living basis, once equitable comparability has been achieved.

This is more than a matter of simple fairness and equity—it is a matter of preserving a strong judiciary and maintaining the spirit of the Constitutional prohibition against reduction of salaries of federal judges during their terms of office.

Before turning to another immediate and pressing problem faced by the courts, I remind you that even when remedies will call for increased appropriations, we are dealing with a branch of government whose total budget represents less than one-tenth of one percent of the annual federal budget.

Two months ago Congress enacted the Speedy Trial Act, the first phase of which takes effect July 1 this year. It is a very complex piece of legislation. So far as we can learn, it was drafted without prior consultation with federal judges or court administrative officials, and it passed the Senate by a voice vote without debate, and without dissent. Subsequently when it was considered in the House, the Administrative Office of the United States Courts was able to persuade the House committee to make only a few minor adjustments in this legislation.

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Before the House acted, the Judicial Conference of the United States expressed its view that the legislation was unnecessary. It did so because the Judicial branch had anticipated the underlying idea of the legislation by carefully worked-out pilot programs beginning with one large district from which our own Speedy Trial Rule was evolved. Our Speedy Trial Rule (Rule 50b) calls for the disposition of criminal cases within six months but it has not yet had enough time to have a major impact. It was the view of the Judicial Conference, therefore, that more time was needed to work out the problems of administering our own rule, which has precisely the same objectives as the Speedy Trial Act. We are fully in accord with Congress that the disposition of cases must be expedited. We agree that the swift disposition of criminal charges is a major deterrent that has not had sufficient attention in the administration of justice. There is, therefore, no disagreement whatever between the Judiciary and the Congress on the need for speedier trials in criminal cases. But caution must be observed so that in the pursuit of speedier justice in criminal matters we do not do violence either to individual rights or to the public interest. Nor should we risk increasing the delays in disposing of civil matters which likewise have their rightful place in the law.

At this point, I must go back to events preceding the passage of the Speedy Trial Act and recall that by statute Congress directed that the Judicial branch maintain specified records and conduct studies so the need for additional judges could be evaluated and anticipated every four years. Such an evaluation was completed in October 1972, and the Judicial Conference of the United States, acting on reports of the Committee on Court Administration, called on Congress for the creation of 52 new district judgeships and 13 circuit judgeships.

Senator Eastland, Chairman of the Senate Committee on the Judiciary, and Senator Burdick, Chairman of the Senate Subcommittee on Improvements in Judicial Machinery, promptly set in motion comprehensive studies and hearings in which the views of 36 Chief Judges were heard, along with staff members of the Administrative Office of the United States Courts. In 1973 the Subcommittee determined that 29 additional district judges were needed. For present purposes let us accept as reasonable the Senate Subcommittee figures as to the need for 29 additional judges as of 1973. Adequate or not, the Congress has taken no action on the Subcommittee's recommendation.

It was subsequent to the Senate Subcommittee's recommendation that 29 additional judgeships be created that the Congress proceeded to pass the Speedy Trial Act without any advance evaluation of the needs that would be brought on by that Act. The Speedy Trial Act is a matter of the *highest* priority since it will go into effect July 1 in its first phase, approximately four months from now. In the short span of two months since the Act was passed, the Administrative Office of the United States Courts has not been able to make a final evaluation of staff and equipment needs to meet the new Act. The best estimates we can make are that they will call for a large amount of computer equipment and personnel in the Administrative Office and the office of clerks of court in the 94 federal districts of not less than 100 additional employees. The Chief Judges of the 25 Metropolitan District Courts will meet in March to consider the adjustments that must be made in procedures to meet the provisions of the Act. Meanwhile, the Administrative Office now estimates that substantially more than the previously requested 52 district judgeships will be required. Since the Congress undertook no "impact study" as to the effects of this Act on the district courts, the Administrative Office has undertaken to do so and the tentative estimate is that the total additional cost for personnel and computer equipment will be upwards of $10 million. A supplemental appropriation request has been prepared for submission to Congress within the next week.

If we are not given the tools to meet the demands of the Speedy Trial Act with its first phase effective approximately 120 days from now, and its next phase July 1, 1976, the federal courts may be confronted with a crisis, particularly in the larger districts. The Administrative Office, the Federal Judicial Center, and the Judicial Conference Committee on Court Administration have done all that could be done in the short time allowed, in terms of planning to meet the burdens of the Act. It must be remembered that a substantial period of lead time is essential to train personnel and secure equipment.

I therefore urge the Association to give its full support to two very urgent requests to the Congress for:

(a) Immediate action on the pending Omnibus District Judgeship bills. Whether 29 new judges is the proper number is not as important as the necessity of giving the most over-burdened courts additional help without delay.

(b) Immediate action to provide additional appropriations for equipment and staff personnel to comply with the Act.

We are encouraged that some Members of Congress have indicated they recognize the needs created by this Act and have expressed their support for meeting those needs. Very recently one Senator stated:

"In passing this measure [the Speedy Trial Act], Congress is saying to the federal courts: Tell us what you need to clear away this backlog of untried cases and we will give it to you. But when we give you the tools, we will expect results."

Similar views have been expressed by other Members of both Houses and federal judges agree fully.

We in the Judiciary find ourselves in a position not unlike that expressed by Winston Churchill in writing to President Roosevelt during World War II when Churchill said: "Give us the tools, and we will finish the job."

It is now up to you—see to it that Congress gives "us the tools" and we will do the job.

FOOTNOTES

[1] In 1967 at Ripon College I called attention to the interaction of the Criminal Justice Act and the Bail Reform Act in the following terms:

"It sometimes happens that a development in the law which is highly desirable, standing alone, interacts with an equally desirable improvement and produces a result which is largely or even totally lacking in social utility. Let me give one example: the bail reforms of recent years were long overdue and helped to give meaning to the constitutional provisions on bail; similarly the decisions and statutes assuring a lawyer to every person charged with serious crime, were long overdue. Now look at the interaction: every person charged has a lawyer supplied to him and at the same time he has enlarged rights to be released without posting a conventional bail bond.

"We can now see that in a great many cases, no matter how strong the evidence against him, or how desirable the long range value of a guilty plea and the benefits of reduced charges and more moderate sentencing, the two 'good' things—bail reform and free defense—interact to discourage a guilty plea because the 'jail house grapevine' tells the accused that the thing to do is enter a not guilty plea, demand release without bond, and then use every device of pretrial motions, demands for a new lawyer, and whatnot to delay the moment of truth of the trial day. This means up to two years' freedom during which witnesses might die, or move, or forget details while the case drags on the calendar and consumes untold time of judges, lawyers and court staffs to process motions and continuances. This is one of the large factors in the congestion of the criminal dockets. Here, to repeat, two basically good things combine to produce a result never intended and wholly lacking in social utility or any meaningful relationship to the proper administration of criminal justice, in short an excess of a basic principle."

"The ABA has embarked on an important process of rethinking the problems of legal education with its distinguished Task Force on Advanced Judicial and Legal Education and its Standing Committee on Continuing Education of the Bar.

COERCION BY ARAB STATES IN COMMERCE AND INVESTMENT

Mr. JAVITS. Mr. President, there has been a great deal of concern over the question of Arab investment in the United States. The issue of most immediate concern, one which Senator WILLIAMS of New Jersey and I have addressed the Secretary of State, Treasury, and Commerce and the Attorney General, is the attempt by Arab investors to coerce others to exclude banking and investment institutions with Jewish membership. Such intrusion in our domestic affairs is clearly intolerable, and cannot be permitted in a free society.

Senator WILLIAMS and I recently wrote the four Departments concerned with this matter, State, Treasury, Commerce, and Justice, asking for a thorough investigation and such action as may be necessary to prevent religious discrimination. I note with satisfaction that a number of lawyers, law professors, government agencies, and the New York State Attorney General are examining into this issue.

With the quickening pace of Arab investment in this country and the large amount of economic power that could be brought to bear for discriminatory purposes, it is essential to set the ground rules for this investment now. I have no desire to exclude Arab investment from this country, but some Arab actions to date, both their unilateral actions in raising oil prices and their efforts to extend the boycott against Israel to Jewish interests everywhere, raise the most difficult questions about whether we can regard Arab investment as benign or a potential threat to our society and its institutions.

Mr. President, I ask unanimous consent that the letter from Senator WILLIAMS and myself to the Secretaries of State, Commerce, and the Treasury and to the Attorney General be printed in the RECORD, together with articles from the New York Times and the editorial from the Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., February 14, 1975.

DEAR MR. SECRETARY: We have noted with grave concern reports of efforts to discriminate against banking firms with Jewish members from participation in international financial transactions. This effort now seems to be spreading to the United States as evidenced by the reported withdrawal of the Kuwait Investment Company from two transactions in which it would have been an underwriter together with Lazard Freres and Company. We believe that the spread of this unconscionable practice so opposed to American principles and law should be stopped in the United States. Quite properly, Merrill Lynch, Pierce, Fenner, and Smith, Inc., as the leading underwriter, and Donald Regan, its chief executive, has announced its intention to proceed with the transactions not to be initimidated by the Kuwait withdrawal.

It is clearly intolerable to permit Arab—or any—investors to attempt to extend such religious discrimination to the United States. Indeed, the policy of the United States has been expressed in the Export Administration Act in an amendment we introduced in 1965—now law—which states:

"It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries friendly to the United States and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another friendly to the United States. . ."

This latest action by Arab interest is an attempt to extend the boycott against Israel to firms with any Jewish members everywhere, including the United States, and therefore contrary to stated U.S. policy.

These events have raised the distinct possibility also of pressure by Arab interests that could result in a positive discriminatory action or financial harm to a U.S. company or citizen. Furthermore, the Kuwait Investment Company may be engaged in other U.S. transactions of a comparable discriminatory nature. While U.S. law cannot compel the inclusion of underwriters who do not wish to participate in an underwriting, we cannot allow any investor to dictate the membership of an underwriting group on the basis of religious exclusion.

Prompt action is required to prevent the spread of such discrimination. We therefore request your department to act promptly to:

(1) determine whether any cases of religious discrimination against Jewish or any other Americans by the Arab interests have already occurred;

(2) examine closely U.S. law and regulations to determine whether violations of law are involved;

(3) promulgate, where possible, under existing law such regulations as may be necessary to prevent the occurrence of any such religious discrimination; and

(4) propose such new legislation as may be needed to prevent such discrimination.

We are aware that studies may be under way in your department with regard to foreign investment in the United States, and we welcome them. However, the issue of religious discrimination in business is so vital and so fundamental that it should be addressed immediately.

We feel the U.S. stands ready to welcome foreign investment, including Arab investment, that conforms to the standards of our society and the national security and interest, but Arab oil money should not be permitted to enter our country on a basis contrary to our morality and Constitution. This matter should be given high priority and we await your prompt response.

Sincerely,

JACOB K. JAVITS,
HARRISON A. WILLIAMS,
U.S. Senators.

[From The New York Times, Feb. 24, 1975]

COERCION BY ARABS IN FINANCE STUDIED—U.S. LAWYERS AND BUSINESSMEN EXPLORE A POSSIBILITY OF LEGAL REMEDIES FOR ANTI-JEWISH BLACKLIST EFFORTS

(By Marylin Bender)

Recent attempts by Arab financiers to discourage participation by Jewish interests in underwritings and other investments have caused a ferment in government and legal circles in New York and Washington.

Lawyers, both in government and out, are re-examining old, familiar laws and cases to see if they contain remedies for a potential new problem of economic warfare. The issue is being studied in government agencies, private law firms and academic circles.

Several developments last week highlight what may be the tip of a legal iceberg.

The Sterndent Corporation, a manufacturer of dental equipment, sued in Federal court here to rebuff a tender offer by the Magus Corporation. The Kuwait Investment Company has an interest in Magus along with a number of Jewish partners.

Kuwait Investment, which is owned by the Kuwaiti Government and private Arab investors, had vetoed the inclusion of Lazard Frères in an underwriting syndicate in France. Lazard is on the Arab boycott list, which is said to include more than 1,000 concerns regarded as friendly to Israel.

ILLEGALITIES ALLEGED

Citing such anti-Jewish blacklis efforts as a threat to Sterndent's business, the complaint alleged a host of illegalities ranging from improper disclosure under the Securities Exchange Act of 1934 to violations of Federal and state anti-trust and antidiscrimination laws.

Louis J. Lefkowitz, New York State Attorney General, announced an investigation into charges of alleged pressure from Arab sources against New York securities firms.

The most publicized instance has been the withdrawal of another Kuwait investment group from an underwriting led here by Merrill Lynch, Pierce, Fenner & Smith, Inc., for Mexican and Swedish financing because Lazard was a member of the syndicate.

"This is the first instance that I know of where our free market in securities has come under possible pressure and coercive tactics based on bigotry and demeanor unbecoming the securities market," Mr. Lefkowitz said. Possible violations of the state's anti-trust, civil rights and securities laws may have been committed, he added.

At a luncheon forum sponsored by the New York County Lawyers Association last Wednesday, Commissioner Irving M. Pollack of the Securities and Exchange Commission was asked if the S.E.C. would take any action in matters where Arab financiers refuse to participate with certain Jewish partners.

Mr. Pollack replied that he was not sure the S.E.C. had direct, regulatory authority to intervene. However, he delivered a firm, personal declaration that such exclusions were "a misuse of economic power" reminiscent of the nineteen-thirties. "No society can long exist if it permits itself to be blackballed or blacklisted by persons asserting economic leverage," he said.

A REVIEW FUNCTION

Later, in a theoretical discussion, he pointed out that the securities law contains sections looking to promote "just and equitable principles of trade" and open markets. The National Association of Securities Dealers and the securities exchanges are charged with enforcing these principles through their rules of ethical standards for their members.

The commission would act only as a review board on a finding by the N.A.S.D. or the New York Stock Exchange of unfair discrimination between its member brokers, dealers or issuers. So far no such finding has been made.

Attorney General Lefkowitz's investigation is being made under several provisions of the state's general business law. As they relate to offerings of securities, broker-dealers' or issuers' registration statements must disclose anything about the underwriter of securities that might jeopardize the investment. Any coercion in connection with the offering might be considered fraudulent practice.

Antitrust phraseology is being used by lawyers and businessmen alike in connection with Mideast investments in United States concerns.

Last week Charles G. Bluhdorn, chairman of Gulf and Western Industries, Inc., said his company was studying whether the Organization of Petroleum Exporting Countries was subject to prosecution under American antitrust laws.

Prof. Glen E. Weston, who teaches antitrust law at the National Law Center of George Washington University, said, "You can't do anything about the OPEC countries." However, he added, "to the extent that there are private groups such as the Kuwait Investment Company and to the extent that an agreement has an impact on United States concerns, there is a serious question of violation of antitrust law. A boycott is an agreement not to deal. The law requires conspiracy as opposed to one firm's refusal to deal, however."

WHAT IS PROHIBITED

Both the Federal Sherman Antitrust Act and the state Donnelly Antitrust Act prohibit agreements in restraint of trade such as a concerted refusal to deal or an agreement between participants to exclude others.

Courts may grant injunctions or award civil and criminal penalties. The triple damages and the felony penalty of Federal law (up to three years in prison and fines of up to $1-million for a corporation) seem to contain more bite than the misdemeanor status and single-damage penalties of the state law. However, the Donnelly Act's prohibition of arrangements, as well as of agreements and contracts in restraint of trade, has been broadly interpreted by courts.

The state law applies to operations within New York State, such as an underwriting of securities. The Sherman Act extends to restraint of trade among states or with foreign nations.

Legal experts speculate that there may be jurisdictional questions if an investment company controlled by a foreign government is involved.

Professor Weston said that the Sherman Act had been held to apply to agreements between foreign companies that have an actual effect on United States commerce. "However, you may have procedural problems," he said.

TWO DIFFICULTIES NOTED

Protection against religious discrimination on an economic plane is found in the 14th Amendment to the Constitution, through its clause affording equal protection of the law, and in Federal and state civil rights legislation directed to areas such as housing and employment.

Some people have voiced fear that an Arab group might obtain control of an American business and try to discharge or not promote Jews. In the case of a bank, it might discriminate in granting credit. If proved, such efforts would clearly be illegal.

But, observers say, the difficulties are the obtaining of proof and the backlog of cases in government enforcement agencies.

[From the New York Times, Feb. 1, 1975]

U.S. OPPOSES BOYCOTTS

WASHINGTON, Feb. 20.—The State Department said today that the United States op-

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posed any restrictive practices or boycotts of American financial institutions.

A Department spokesman, Robert Anderson, commented on reports that Arab countries were objecting to the participation of Jewish-controlled banks and institutions in financial operations in which they were involved.

"It is the well-established policy of the United States Government to oppose any type of restrictive practices or boycotts of this nature. Such restrictive action might interfere with the efficient operation of international capital markets," Mr. Anderson said.

Mr. Anderson added however, that he did not know what action the United States might take in the event of a boycott.

A State Department official said that some legal questions might be involved in such boycotts and that the Justice Department was examining the matter.

[From the Washington Post, Feb. 21, 1975]

ARAB EXPORTS: OIL AND BIAS

Arab banks are using the immense leverage given them by their accumulation of petrodollars to blacklist Jewish banking interests and force them out of the international loan market. In London, the firm of Kleinwort, Benson excluded the Rothschild and Warburg institutions from one loan syndication at Kuwaiti demand. Under similar pressure, the French state-owned Credit Lyonnais and the Banque de Paris et des Pays-Bas excluded Lazard Freres and Lazard and Rothschild, respectively, from two international bond issues floated for French state-run agencies. The French and British, to be sure, are so reliant on Arab oil and money as to be especially vulnerable to this kind of blackmail. In New York, Merrill Lynch, Pierce, Fenner & Smith was asked by Kuwait International Investment to bar Lazard from two transactions. But Merrill Lynch refused and the Kuwaiti firm withdrew.

It is one thing for Arab banks not to deal with Israel: a state of war does still exist. But it is a very different thing for Arab banks to attempt to squeeze non-Israel banks out of transactions that have nothing to do with Israel. The defense is offered that the Arab blacklist distinguishes between "Zionist" banks that cooperate with Israel, and banks that just happen to have been founded or be run by Jews. But Arab blacklisters are the last people one would trust to make such a distinction, if that distinction were valid, which it is not. It is morally and politically indefensible for Arabs to extend by pressure their own practice of anti-Semitism to private third-country institutions. To the further claim that the publicity given to Arab blacklisting has only made moderate Arabs more militant, the answer is, of course, that the Arabs were in fact using the previous condition of banking-community discretion to *enforce* the blacklist.

Senators Javits and Williams note that Arabs would "extend the boycott against Israel to firms with any Jewish members everywhere, including the United States," and that this effort flies in the face of standing American policy to oppose such restrictive practices—the policy is expressed, for instance, in the Export Administration Act. The two senators have asked the administration to determine whether instances of Arab religious discrimination against American citizens or corporations have actually taken place, and to frame appropriate remedies. Certainly this should be done.

What is involved is not merely the objectionable fact that some Arabs may wish to export a religious bias as well as oil. The Arab oil exporters, eager for places to invest their new billions, are presumably on the verge of large prospective investments in the United States. This nation, for all its current difficulties, remains the single likeliest repository of Arab petrodollars. We hope Arab investments do flow to the United States. But we think it essential at the outset of the flow that Arabs understand the need to accept the laws and traditions of the country which they wish to receive their investments. For Arabs to feel they are free to use their money to enforce their own notions of ethnic or religious rectitude would be a great mistake all around. If the Europeans lack the political will to prevent their Arab friends from trampling on their traditional values of fairness and decency, Americans surely do not.

A MEDIA COVER-UP?

Mr. HELMS. Mr. President, Accuracy in Media is an organization based in Washington, D.C., which came into existence a few years ago to satisfy a desperate need for a responsible, private organization which would serve as a watchdog over the major mass media of America. These media proclaim themselves constantly as "watchdogs of government." As one who has worked in the media in the past, I am fully aware of how badly our so-called watchdogs of government need to be watched themselves.

AIM has not confined itself to general grumbling about the sins of the media. Instead, on an exceedingly modest budget it has undertaken to pinpoint particular abuses, inaccuracies, and imbalances in media operations, bring them to public attention, and have them corrected—for AIM recognizes the crucial importance of what could be called the "nervous system" of our society represented by the media. If the "nervous system" is malfunctioning, the body politic may make erroneous and damaging decisions.

Recently Accuracy in Media has scored a number of notable victories. It has gotten the FCC finally to rule that an NBC documentary on private pension plans was biased, and is fighting that ruling through the courts—with no encouragement from the FCC, I might add—so that eventually the entire Fairness Doctrine may be litigated in the Supreme Court. It has gotten the National News Council to agree that a recent Jack Anderson column on the International Police Academy was biased and inaccurate. It has analyzed the failure of mass media reporting on the real issues at stake in the West Virginia textbook controversy. At the moment it is engaged in an admirable campaign to bring the three major television networks to adopt a code of ethics binding them to fairness and balance in the reporting of news—against the most strenuous objections of the networks, incidentally. In short, AIM's activities are an inspiring example of what can be done by individual citizens against such unresponsive corporate giants as CBS and NBC.

Recently, Mr. President, AIM became concerned about another Jack Anderson column, this time one asserting that the United States had "strangled" the Allende government in Chile by cutting off multinational loans to it through the Inter-American Development Bank. Reed J. Irvine, AIM's board chairman, analyzed that column in a letter and demonstrated its inaccuracy. To his amazement, however, the Washington Post, in which the Anderson column had appeared, refused to print the letter, claiming that Anderson had effectively rebutted AIM's refutation in another letter. Anderson, however, that gallant foe of secrecy and coverup, refused to permit AIM even to see his counterarguments, and the Post declined to do anything further on this important issue. AIM was therefore left with no recourse but to expend a substantial sum to purchase an advertisement in the Post to bring its case to the public. I believe that story, as set out in the advertisement of February 18, is worth bringing to the attention of an even wider audience.

Mr. President, I ask unanimous consent that the advertisement entitled "The Post-Anderson Cover-Up" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 18, 1975]

THE POST-ANDERSON COVER-UP

We at Accuracy in Media believe that journalists and newspapers have an obligation to correct their errors. The Code of Ethics of the Society of Professional Journalists says: "Mistakes should be corrected promptly and candidly." We hereby charge Jack Anderson and The Washington Post with failure to observe this code.

THE ERROR AND THE CORRECTION

The Jack Anderson column of November 3, 1974, contained serious errors of fact about the Inter-American Development Bank and Chile. AIM sent a letter correcting these errors to over 400 newspapers, including The Washington Post. Here is the letter, as printed in The Miami Herald:

MULTINATIONAL BANK DIDN'T FOIL ALLENDE

In a recent column, Jack Anderson charged that the United States sought to bankrupt the Allende government by denying multinational bank loans to Chile. He suggested that the U.S. had succeeded in this, bringing about Chile's "financial strangulation." This conclusion by Anderson was based on the assertion that Chile had come to depend on loans from the Inter-American Development Bank, and these were cut off.

Anderson is in error. Disbursements of Inter-American Development Bank (IDB) loans to Chile were actually higher during the three years Allende was in office than in the three preceding years. The bank disbursed $79 million in Chile in 1971–73, compared to $70 million in 1968–70.

It is also incorrect that Chile was heavily dependent on these IDB loans. IDB loan disbursements have never financed more than a fraction of Chile's imports. They were at their highest in 1972, when they amounted to $29 million. This was enough to pay for about 2.5 per cent of Chile's import bill. These loans have also represented only a small part of Chile's external borrowing.

Those who exaggerate the importance of the IDB loans to Chile and who falsely state that denial of these loans to Chile was an important cause of Chile's economic deterioration under Allende are usually trying to transfer the blame for Allende's economic mismanagement to someone else.

Allende confiscated large amounts of foreign property without paying for it, and he defaulted on most of Chile's foreign debt. It is not surprising that many lenders and investors were not eager to make new loans to Chile. However, Allende did manage to finance a huge increase in Chile's imports, partly by using the money that should have gone for the payment of interest and principal on the foreign debt. Imports rose from $1 billion in 1970 to $1.6 billion in 1973.

But even this was not enough to offset the inflationary pressures generated by Allende's fiscal and monetary policies and by the fall in domestic production. The multinational banks could not very well signal their support of these harmful policies by authorizing new loans for Chile. In the Allende years they disbursed against loans that had been authorized before Allende took office. The decline in new loan authorization during the Allende regime will be reflected in a lower level of disbursements in the period after Allende's fall.

REED J. IRVINE,
Accuracy in Media, Inc., Washington, D.C.

NO CORRECTION IN THE WASHINGTON POST

When The Washington Post failed to print the above letter or make any correction, AIM took the matter up with the Chairman of the Board, Mrs. Katharine Graham.

Mrs. Graham wrote: "The editors have received from Jack Anderson a point-by-point rebuttal of your charges that satisfies them that your charges are unfounded. It would therefore be unfair to Mr. Anderson to print your letter. For this reason they have decided, and I agree, not to print this particular letter."

THE COVER-UP

We immediately asked The Post for a copy of Jack Anderson's "point-by-point rebuttal." To our utter astonishment, The Post refused to send us a copy or even let us see it! At most, they would give us only a general description of the contents orally.

We told the responsible editor, Mr. Philip Geyelin, that this was totally unacceptable. We could not respond to an attack on our credibility if we were not permitted to even see the letter.

Mr. Geyelin would not budge, but he let two things slip:

(1) He admitted that the Anderson reply had not satisfied him that our charges were unfounded;

(2) The author of the letter had been asked if it could be sent to AIM, and he had refused to permit it.

The irony of this will not be lost on the readers of The Post. Jack Anderson had incessantly criticized government for using the label "Secret" to hide its blunders. Look who is using the label now.

The Washington Post has been a powerful advocate of "openness" and "freedom of information." It did not ask permission of the U.S. Government to print the Top Secret Pentagon Papers. It has attacked the President of the U.S. for claiming the right of "executive privilege" to cover-up matters that ought to be open. But it asks Anderson for permission to show AIM a letter which obviously Anderson himself should have had the decency to send to us. It honors his refusal. Long live "journalistic privilege!"

AIM'S CHARGES STAND

Although we have not seen a copy of the alleged rebuttal, we know enough about the contents to see that our charges have not been rebutted. Mr. Geyelin admitted that he was not satisfied with the reply. He said it was a "close thing," and that he would not print the correspondence because it was not sufficient interest to the readers.

And yet The Post did print a letter from a Congressman which repeated the main error of the Anderson column!

In a letter to Mrs. Graham protesting the cover-up of Anderson's errors by The Post, we pointed out that this was a matter of considerable importance. The charge that the U.S. and the World Bank and the IDB were largely responsible for Chile's economic difficulties during the Allende years has been a dominant theme in leftwing propaganda. The Post has lent itself to the spreading of misinformation. It has a moral obligation to its readers to publish the facts.

The fact is that Anderson did not refute our charges. (If he had done so, he would no doubt have been delighted for us and all the world to see his refutation.) We showed that Chile never depended on the IDB loan disbursements to pay for more than a very small percentage of its import bill. Anderson cannot disprove that. We showed that the IDB actually disbursed more money to Chile under Allende than in any previous three-year period. Anderson cannot refute that. We showed that under Allende, Chile's imports rose to record highs, while exports fell. We noted that the increased imports were paid for by borrowing from abroad and by using money that normally would have been used to service Chile's debts and to pay dividends on foreign investments expropriated by Allende. Anderson cannot rebut that.

We have reiterated to Mrs. Graham that there is not the slightest evidence that the refusal of the Inter-American Development Bank to make substantial new loan commitments to Allende had anything to do with the shortages of goods and the severe inflation that characterized his administration. Anderson has failed to substantiate the charge that the IDB was largely to blame for Chile's "financial strangulation."

We have asked Mrs. Graham to give this information to the readers of The Post, as other papers have done. We have had no response.

AIM thinks the matter is important. The principle of correcting errors is even more important. We are therefore paying The Washington Post to correct Anderson's error and to uncover The Post-Anderson cover-up.

THE 57TH ANNIVERSARY OF INDEPENDENCE—NO CELEBRATION IN LITHUANIA

Mr. HELMS. Mr. President, last week marked the 57th anniversary of the Lithuanian Declaration of Independence. But there were no parades, no fireworks, no tributes to patriotic heroes—at least not in Lithuania.

We in America create bureaucracy after bureaucracy to stimulate interest in our upcoming Bicentennial. Lithuania, whose claim to nationhood reaches back more than 700 years, has no need for forcing patriotism. Repression has taught her people to value national and personal integrity as many Americans sadly do not.

And yet, too many Americans would rather joke about the people from the Baltic and surrounding states than to hear the tragic stories of life under the unrelenting fist of the totalitarian dictatorship of the moment. The truth of the matter is that we could all learn a great deal about freedom from these people who have and continue to pay the price for their quest for liberty. The lucky few who escape must live in the knowledge that they may never see their family and friends again. And while they enjoy the warmth of a free existence, they suffer in absentia for those they left behind. The horrors of separation and the direct knowledge of the tactics employed by the Soviets in dealing with those who form the opposition keeps them alert in the face of the complacent blindness which so often characterizes the American outlook.

The history of Lithuania is a confirmation of the aggressive nature of those who surround her. Nonetheless, with unfailing determination her people refuse to buckle to the Communist oppressors. They bitterly reject the "russification" program through which the Communists plan to methodically obliterate every aspect of the Lithuanian culture, from religion to language. From her early days, Lithuania has been dedicated to Christian principles—an orientation which to this day remains strong despite atheistic campaigns of massive proportions ranging from blatant social pressure to deportation to Siberia to the ultimate in blotting out one's opposition: Death. These reports are substantiated by underground publications which are smuggled out from time to time, as well as first-hand witness provided by the emigrants who reach our shores.

The ban on the Lithuanian language within her previous bounds of sovereignty is perhaps the cruelest edict of all. The proscription of the use of one's native language, which is not only the major means of communication, but also the binder for and reflection of the entire culture, paralyzes the very heart of the people. Lithuanian is the oldest living language in Europe; the Soviets' disregard for its antiquity and beauty demonstrates the shallowness of their own culture as well as their insecurity as they face the several states they have deigned to embrace.

One can hardly discuss captive nations under the domain of the Soviet tyrants without mentioning the issue of emigration. All the glorious plans for détente that have been put forth by our Department of State simply are not borne out by the figures on immigration. Of those individuals immigrating to the United States and giving Lithuania as their last permanent residence, an average of 40 per year arrived between 1951 and 1970; since that time, the average has dropped to 20 per year. Clearly, the number has been cut in half coincidentally with the enthusiastic implementation of our détente policy. The figures prior to 1950 are even more dramatic, with well over 2,000 individuals listing Lithuania as their previous homeland between 1931 and 1940. At no time during the period for which statistics were available has the official U.S. quota constituted a barrier to prospective emigrants from Lithuania—and I suspect that they are not alone. The undeniable effect of détente on emigration—at least from Lithuania—has been to further constrict the already narrow opening.

Once a proud and free sovereign nation, Lithuania has become another victim in the Communist game of tyranny. I offer my gratitude to those who continue to struggle. For their cause is ours.

CONCLUSION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, in order that Senators may proceed to discuss the Penn Central matter, I ask that morning business be closed.

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The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore of the Senate, pursuant to Public Law 93-344, and on the recommendation of the chairman of the Senate Committee on the Budget, Mr. MUSKIE, appoints, with the concurrence of the Speaker of the House of Representatives, Alice M. Rivlin as Director of the Congressional Budget Office.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 93-642, appoints the Senator from New York (Mr. JAVITS) to the Harry S. Truman Scholarship Foundation Board of Trustees.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate resumed with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the fiancial assistance available under section 213 and section 215, and for other purposes.

The PRESIDING OFFICER. The question is on the motion to concur in the House amendment to S. 281.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. ALLEN. Mr. President, I send to the desk a motion and ask that it be stated. Inasmuch as there is more than one question involved, I ask that the question presented by the motion be divided for the sake of debate.

The PRESIDING OFFICER. The clerk will state the motion.

The assistant legislative clerk read as follows:

MOTION

I move that the Senate proceed to the consideration of S. Res. 4.

And, I further move that the "beginning" of the 94th Congress having now ended and no constitutional question now existing, if in fact one ever existed, debate on this motion may continue until brought to an end as provided by the provisions of Senate Rule XXII.

And, I further move that the Vice President submit directly to the Senate any question of order presented by this motion as he is empowered to do under Rule XX and other provisions of the Senate Rules, and under his general powers as Presiding Officer of the Senate; and that the question submitted be the direct question and not on a motion to table.

Mr. MONDALE. Mr. President——

Mr. ALLEN. Mr. President, the Chair recognized the Senator from Alabama.

Mr. MONDALE. Mr. President, I have the floor in my own right.

Mr. ALLEN. The Chair recognized the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Minnesota has been recognized in his own right.

Mr. ALLEN. I understood the Chair recognized the Senator from Alabama.

Mr. MONDALE. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MONDALE. Mr. President, would the clerk be kind enough to send me a copy of the pending resolution?

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Has the motion presented by the Senator from Alabama been divided in accordance with the rules?

Mr. ALLEN. The Senator from Alabama made that request.

The PRESIDING OFFICER. The request for a division has been made.

Mr. MONDALE. Mr. President, what is pending under the rules?

The PRESIDING OFFICER. The first part of the motion is before the Senate.

Mr. MONDALE. Under article I, section 5 of the U.S. Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair by immediately putting this motion to end debate, without debate——

Mr. MANSFIELD. Mr. President, if the Senator will yield, what is the pending business at this time?

The PRESIDING OFFICER. The pending question is on agreeing to the motion to proceed to the consideration of Senate Resolution 4.

Mr. MANSFIELD. Mr. President, if the Senator will withhold that request, I would like to have the pending business, the Penn Central Railroad matter, continued as the pending business so that a cloture motion may be filed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. May I have the assurance that it will be in order to file a cloture motion on the Penn Central matter today?

The PRESIDING OFFICER. Without objection, it will be in order to file a cloture motion.

Mr. MONDALE. Mr. President, I renew my motion. Under article I, section 5, of the U.S. Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair by immediately putting this motion to end debate, without debate and with no intervening motions and without amendments, to the Senate for an immediate vote; and, upon the adoption thereof, by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate, under article I, section 5, of the U.S. Constitution, without further debate and without intervening motions and without amendments, the question on the adoption of the pending motion to proceed to the consideration of Senate Resolution 4 for an immediate vote.

Mr. MANSFIELD. Mr. President, I make the point of order that the motion by the Senator from Minnesota is not in order.

Mr. MONDALE. Mr. President, I move to lay that point of order on the table, and ask for the yeas and nays.

Several Senators addressed the Chair.

Mr. MONDALE. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I raise the point of order that the whole resolution is out of order, which would supplant the point of order as to the motion to lay on the table.

The PRESIDING OFFICER. The Chair will state that the proceeding is in order, and the point of order is not sustained.

Mr. ALLEN. That the resolution is in order?

The PRESIDING OFFICER. That the proceeding is in order. That the motion to table is in order.

Mr. MONDALE. Regular order, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the point of order of the Senator from Montana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 7 Leg.]

Allen	Curtis	Pastore
Beall	Garn	Pearson
Biden	Goldwater	Schweiker
Brock	Hartke	Scott,
Burdick	Hathaway	William L.
Byrd,	Javits	Stone
Harry F., Jr.	Mansfield	Tower
Byrd, Robert C.	McClure	Weicker
Church	McIntyre	
Cranston	Mondale	

The PRESIDING OFFICER. A quorum is not present.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk	Chiles	Glenn
Baker	Clark	Griffin
Bayh	Culver	Hansen
Bellmon	Dole	Hart, Philip A.
Bentsen	Domenici	Hatfield
Brooke	Eagleton	Helms
Buckley	Eastland	Hollings
Bumpers	Fannin	Hruska
Cannon	Fong	Huddleston
Case	Ford	Humphrey

Inouye	McGovern	Ribicoff
Jackson	Metcalf	Roth
Johnston	Montoya	Sparkman
Kennedy	Moss	Stafford
Laxalt	Muskie	Stennis
Leahy	Nelson	Stevenson
Magnuson	Nunn	Talmadge
Mathias	Packwood	Thurmond
McClellan	Proxmire	Tunney
McGee	Randolph	Young

The PRESIDING OFFICER. A quorum is present.

The question is on the motion to table.

Mr. ALLEN. Mr. President, point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Mr. President——

Mr. MONDALE. May we have order, Mr. President?

Mr. ALLEN. I must express my disappointment——

Mr. JAVITS. Mr. President, we cannot hear anything.

The PRESIDING OFFICER. The Senator from Alabama will suspend.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. The Senate will be in order, the Senator from Alabama will not proceed until the Senate is in order.

Mr. ALLEN. I must, Mr. President——

The PRESIDING OFFICER. The Senator from Alabama will state his point of order.

Mr. ALLEN. I am going to state it, if the Chair will allow me.

Mr. President, I must express my disappointment with the fact that the Presiding Officer, on the Senator from Alabama making the motion, having risen and immediately asking for recognition, failed to recognize the Senator from Alabama, but no point is going to be raised at that point.

I do Mr. President, raise the point of order that the entire motion is out of order.

Mr. HARRY F. BYRD, JR. I move to table the motion just made.

Mr. MONDALE. Mr. President——

Mr ALLEN. I ask for the yeas and nays.

Mr. MONDALE. Regular order.

Mr. HARRY F. BYRD, JR. I move to table, Mr. President.

Mr. MONDALE. Mr President, regular order.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. The Chair has already stated when previous point of order was made that the point of order was overruled.

The question now is on the motion to table the point of order of the Senator from Montana. The yeas and nays——

Mr. ALLEN. The Senator from Alabama made the point, Mr. President, that the point of order as to the entire motion supplants a point of order with respect to only a portion of it.

As the distinguished Senator knows, when a motion is pending or a bill is pending, and an amendment is offered and the bill is tabled, that carries with it the amendment, so the point of order raised to the entire motion would supplant the point of order made merely as to one of its sections.

Mr. MONDALE. Mr. President——

Mr. ALLEN. The motion has been made to table my point of order.

Mr. MONDALE. I move to table the point of order.

Mr. JAVITS. I ask for the yeas and nays.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair has already stated that the point of order previously made by the Senator from Alabama is not in order, and the Chair will state the only recourse is appeal from the ruling of the Chair.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. The Chair is not going to recognize the point of order and the motion to table?

The PRESIDING OFFICER. The Chair already ruled the point of order raised by the Senator from Alabama is not well taken. The Chair stated that.

Mr. ALLEN. I appeal from the ruling of the Chair.

Mr. MONDALE. Mr. President, the yeas and nays.

Mr. JAVITS. Mr. President——

Mr. MONDALE. Mr. President, I move to table that point of order.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. The Senator from Minnesota moves to table the appeal.

Mr. MONDALE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. ALLEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. There is a sufficient second. The clerk will call the roll to establish a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 8 Leg.]

Abourezk	Ford	Mondale
Allen	Garn	Montoya
Baker	Glenn	Morgan
Bayh	Goldwater	Moss
Beall	Griffin	Muskie
Bellmon	Hansen	Nelson
Bentsen	Hart, Philip A.	Nunn
Biden	Hartke	Packwood
Brock	Hatfield	Pastore
Brooke	Hathaway	Pearson
Buckley	Helms	Proxmire
Bumpers	Hollings	Randolph
Burdick	Hruska	Ribicoff
Byrd,	Huddleston	Roth
Harry F., Jr.	Humphrey	Schweiker
Byrd, Robert C.	Inouye	Scott,
Cannon	Jackson	William L.
Case	Javits	Sparkman
Chiles	Johnston	Stafford
Church	Kennedy	Stennis
Clark	Laxalt	Stevenson
Cranston	Leahy	Stone
Culver	Magnuson	Talmadge
Curtis	Mansfield	Thurmond
Dole	Mathias	Tower
Domenici	McClure	Tunney
Eagleton	McGee	Weicker
Eastland	McGovern	Young
Fannin	McIntyre	
Fong	Metcalf	

The PRESIDING OFFICER. A quorum is present.

The question is on the motion to table. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I move that we recess for 1 hour.

Mr. MONDALE. Mr. President, I object.

Mr. ALLEN. Mr. President, I move that we recess for 1 hour.

I call for the yeas and nays.

The PRESIDING OFFICER. The question is on the motion to recess. Is there a sufficient second?

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. We do not know what is going on. Will all Senators be told to take their seats so we can at least hear?

The PRESIDING OFFICER. Will the Senators take their seats?

Mr. JAVITS. Mr. President, a parliamentary inquiry.

Mr. MANSFIELD. Mr. President, what is the situation?

The VICE PRESIDENT. The motion is to request a recess for a period of 1 hour, and the yeas and nays have been requested.

Is there a sufficient second?

Mr. MANSFIELD. Mr. President, is there a sufficient second? Had not the rollcall begun?

Mr. ALLEN. There has been no response because the Senator from Alabama did not respond.

Mr. MONDALE. Mr. President——

The VICE PRESIDENT. The question is on the motion to recess.

Mr. MANSFIELD. Have the yeas and nays been ordered?

The VICE PRESIDENT. They have not been ordered.

Mr. MANSFIELD. I ask for the yeas and nays, as long as it is in order, which seems to me an unusual procedure, may I say.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that if present and voting, the Senator from Rhode Island (Mr. PELL), would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and

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voting, the Senator from Pennsylvania (Mr. SCOTT), would vote "nay."

The result was announced—yeas 30, nays 56, as follows:

[Rollcall Vote No. 15 Leg.]

YEAS—30

Allen	Domenici	Morgan
Baker	Eastland	Roth
Bellmon	Fannin	Scott,
Brock	Fong	William L.
Buckley	Garn	Sparkman
Bumpers	Goldwater	Stennis
Byrd,	Hansen	Stone
Harry F., Jr.	Helms	Talmadge
Cannon	Hruska	Thurmond
Curtis	Laxalt	Tower
Dole	McClure	

NAYS—56

Abourezk	Hartke	Mondale
Bayh	Hatfield	Montoya
Beall	Hathaway	Moss
Bentsen	Hollings	Muskie
Biden	Huddleston	Nelson
Brooke	Humphrey	Nunn
Burdick	Inouye	Packwood
Byrd, Robert C.	Jackson	Pastore
Case	Javits	Pearson
Chiles	Johnston	Proxmire
Church	Kennedy	Randolph
Clark	Leahy	Ribicoff
Cranston	Magnuson	Schweiker
Culver	Mansfield	Stafford
Eagleton	Mathias	Stevenson
Ford	McGee	Tunney
Glenn	McGovern	Weicker
Griffin	McIntyre	Young
Hart, Philip A.	Metcalf	

NOT VOTING—13

Bartlett	McClellan	Symington
Gravel	Pell	Taft
Hart, Gary W.	Percy	Williams
Haskell	Scott, Hugh	
Long	Stevens	

So Mr. ALLEN's motion was rejected.

The VICE PRESIDENT. The question is on the motion to table the appeal of the Senator from Alabama.

Mr. ALLEN. Mr. President.

The VICE PRESIDENT. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I rise for the purpose of making a priority motion, superseding the present motion to table. I move that item 1 of the motion be laid on the table.

The VICE PRESIDENT. Is that the motion of the Senator from Alabama?

Mr. ALLEN. I do move that item 1 be tabled.

The VICE PRESIDENT. The question is on that motion.

(Putting the question.)

Mr. ALLEN. I call for the yeas and nays, Mr. President.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order. The clerk will not proceed until the Senate is in order. Will the Senators please take their seats?

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Ohio (Mr. TAFT) is paired with the Senator from Pennsylvania (Mr. HUGH SCOTT). If present and voting, the Senator from Ohio would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 38, nays 49, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—38

Allen	Fannin	Nunn
Baker	Fong	Roth
Bellmon	Garn	Scott,
Brock	Goldwater	William L.
Buckley	Griffin	Sparkman
Byrd,	Hansen	Stennis
Harry F., Jr.	Helms	Stone
Byrd, Robert C.	Hollings	Talmadge
Cannon	Hruska	Thurmond
Chiles	Johnston	Tower
Curtis	Laxalt	Weicker
Dole	McClellan	Young
Domenici	McClure	
Eastland	Morgan	

NAYS—49

Abourezk	Hartke	Mondale
Bayh	Hatfield	Montoya
Beall	Hathaway	Moss
Bentsen	Huddleston	Muskie
Biden	Humphrey	Nelson
Brooke	Inouye	Packwood
Bumpers	Jackson	Pastore
Burdick	Javits	Pearson
Case	Kennedy	Proxmire
Church	Leahy	Randolph
Clark	Magnuson	Ribicoff
Cranston	Mansfield	Schweiker
Culver	Mathias	Stafford
Eagleton	McGee	Stevenson
Ford	McGovern	Tunney
Glenn	McIntyre	
Hart, Philip A.	Metcalf	

NOT VOTING—12

Bartlett	Long	Stevens
Gravel	Pell	Symington
Hart, Gary W.	Percy	Taft
Haskell	Scott, Hugh	Williams

So the motion was rejected.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the appeal of the Senator from Alabama from the ruling of the Chair.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 9 Leg.]

Abourezk	Bentsen	Burdick
Allen	Biden	Byrd,
Baker	Brock	Harry F., Jr.
Bayh	Brooke	Byrd, Robert C.
Beall	Buckley	Cannon
Bellmon	Bumpers	Case
Chiles	Hruska	Nunn
Church	Huddleston	Packwood
Clark	Inouye	Pastore
Cranston	Jackson	Pearson
Culver	Javits	Proxmire
Curtis	Johnston	Randolph
Dole	Kennedy	Ribicoff
Domenici	Laxalt	Roth
Eagleton	Leahy	Schweiker
Eastland	Magnuson	Scott,
Fannin	Mansfield	William L.
Fong	Mathias	Sparkman
Ford	McClellan	Stafford
Garn	McClure	Stennis
Glenn	McGee	Stevenson
Goldwater	McGovern	Stone
Griffin	McIntyre	Talmadge
Hansen	Metcalf	Thurmond
Hart, Philip A.	Mondale	Tower
Hartke	Montoya	Tunney
Hatfield	Morgan	Weicker
Hathaway	Moss	Young
Helms	Muskie	
Hollings	Nelson	

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the motion to table the appeal from the ruling by the Senator from Alabama. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLEN. Mr. President, I move to recess for 1 hour.

Mr. JAVITS. Mr. President, parliamentary inquiry.

The VICE PRESIDENT. That motion of the Senator from Alabama is not in order because that motion was rejected prior to this.

Mr. ALLEN. Mr. President, I move to recess until 5 o'clock this afternoon.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from New York will state it.

Mr. JAVITS. At what point is a motion such as that just made by the Senator from Alabama dilatory?

The VICE PRESIDENT. The Chair is advised by the Parliamentarian that there is no dilatory motion unless cloture has been invoked.

Several Senators addressed the Chair.

Mr. JAVITS. Mr. President, another question.

Mr. ALLEN. Mr. President, will the Chair repeat that?

The VICE PRESIDENT. The Senator from New York has the floor.

Mr. JAVITS. A further parliamentary inquiry, Mr. President. The ruling having been that a motion to recess for 1 hour not being in order, and having been made, is not the motion to recess until 5 o'clock, in essence, the same motion?

The VICE PRESIDENT. Under the precedents of the Senate, the Chair would have to rule that it is a substantially different question.

Mr. ALLEN. I call for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. GARY HART), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the

Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Rhode Island (Mr. PELL) would each vote "nay."

I further announce that the Senator from Minnesota (Mr. HUMPHREY) is absent attending a hearing.

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT) would vote "nay."

The result was announced—yeas 28, nays 57, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—28

Allen	Eastland	McClure
Baker	Fannin	Roth
Bellmon	Fong	Scott,
Brock	Garn	William L.
Buckley	Goldwater	Sparkman
Byrd,	Hansen	Stennis
Harry F., Jr.	Helms	Stone
Curtis	Hruska	Talmadge
Dole	Johnston	Thurmond
Domenici	Laxalt	Tower

NAYS—57

Abourezk	Griffin	Mondale
Bayh	Hart, Philip A.	Montoya
Beall	Hartke	Morgan
Bentsen	Hatfield	Moss
Biden	Hathaway	Muskie
Brooke	Hollings	Nelson
Bumpers	Huddleston	Nunn
Burdick	Inouye	Packwood
Byrd, Robert C.	Jackson	Pastore
Cannon	Javits	Pearson
Case	Kennedy	Proxmire
Chiles	Leahy	Randolph
Church	Magnuson	Ribicoff
Clark	Mansfield	Schweiker
Cranston	Mathias	Stafford
Culver	McGee	Stevenson
Eagleton	McGovern	Tunney
Ford	McIntyre	Weicker
Glenn	Metcalf	Young

NOT VOTING—14

Bartlett	Long	Stevens
Gravel	McClellan	Symington
Hart, Gary W.	Pell	Taft
Haskell	Percy	Williams
Humphrey	Scott, Hugh	

So Mr. ALLEN's motion was rejected.

The VICE PRESIDENT. The Senator from Montana.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MANSFIELD. What is the next order of business?

The VICE PRESIDENT. The pending question is the motion to table an appeal of the Senator from Alabama.

Mr. MANSFIELD. Mr. President, I would like to make a unanimous-consent request of the Senate. The reason I would like to make it at this time is that I would like to lay down a cloture petition on the pending legislation so that it would be possible—if otherwise impossible—to come to a vote on Wednesday, and I would not like to have it mixed in with the parliamentary situation which has developed since earlier this afternoon.

So, Mr. President, I ask unanimous consent that at this time a cloture petition may be presented and read without any prejudice to the situation which has been developing this afternoon.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

The clerk will read——

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object——

The VICE PRESIDENT. I am sorry——

Mr. MANSFIELD. I ask that the petition be withheld.

Mr. WILLIAM L. SCOTT. Reserving the right to object, Mr. President, I would ask the majority leader, does that mean that we would be operating under rule XXII, or without prejudice to rule XXII?

Mr. MANSFIELD. No, it would not change the situation which exists at the moment.

Mr. WILLIAM L. SCOTT. Perhaps the Chair could tell us, are we now operating under rule XXII of the Rules of the Senate, whereby a cloture petition may be filed?

Mr. MANSFIELD. Could not be filed.

Mr. ALLEN. Reserving the right to object, may I inquire of the distinguished majority leader if it is his plan, at the close of business today, to adjourn the Senate so that the cloture petition may become operative?

Mr. MANSFIELD. The Senator is correct.

Mr. MONDALE. Will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, when we adjourn, the cloture petition would become operative.

Mr. MONDALE. Will the Senator yield?

Mr. MANSFIELD. Yes.

Mr. MONDALE. As I understand the situation, there are four or five motions pending which could determine whether Senate Resolution 4 is the pending business.

In addition to that, we can take notice of the fact that the Vice President has ruled that it is the right of the Senate under the Constitution to do so. We can also take notice of the fact that the Senate has been held up for about 2 hours with a series of dilatory motions to prevent the Senate from working its will in establishing the rules so that we can go on with the business of the Senate.

It is the strategy of the opponents of the change of our rules to hold the Penn Central Railroad, and thousands of employees who work for them, hostage to their demand that we drop our attempts to change rule XXII.

As I understand the motion of the majority leader, and the unanimous-consent agreement that was arrived at, we will proceed with Senate Resolution 4 as though the cloture petition had not been filed, and proceed to action as though they were different matters. Am I correct in that?

Mr. MANSFIELD. If the Senator will yield, it would be the intention of the majority leader to move that the Senate stand in recess tonight so that the pending situation could remain alive.

When I made the unanimous-consent request, I stated that nothing would be changed, as far as the present parliamentary situation was concerned, and the purpose of offering the cloture petition at this time was to try to bring some relief to the difficulties which confront the Penn Central, the Erie-Lackawanna and other railroads, through a vote on the cloture petition on Wednesday.

I do not know whether the Senate will agree to that.

I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Could the Senator tell me, would a two-thirds vote be necessary to impose cloture under the unanimous-consent request?

Mr. MANSFIELD. Yes.

Mr. ALLEN. Will the Senator yield?

Mr. WILLIAM L. SCOTT. Will the Senator include that?

Mr. MANSFIELD. That is under the rules.

Mr. ALLEN. Will the Senator yield further?

Mr. MANSFIELD. Yes.

Mr. ALLEN. I understood the Senator's intention to be to adjourn the session.

Mr. MANSFIELD. I have rethought my position.

Mr. ALLEN. That being the case, I have rethought my position, and I impose an objection.

Mr. MONDALE. The unanimous consent was agreed to, was it not?

The VICE PRESIDENT. That is right.

Mr. MANSFIELD. No; I had asked to withdraw it, so it was not agreed to.

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. I object.

The VICE PRESIDENT. Objection is heard.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Indiana.

Mr. HARTKE. I would just like to call the attention of the Senate to some facts of which they may not be aware.

I have received a telegram from the Penn Central which I would like to have printed in the RECORD. It is not long. I would like to read it.

The telegram is addressed to me from the trustees of the Penn Central.

At 10 a.m. today——

Mr. MANSFIELD. May we have order, Mr. President?

The VICE PRESIDENT. The pending question is a motion to table an appeal and debate is not in order.

Mr. HARTKE. Mr. President, I ask unanimous consent that I may proceed, even in view of the——

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. Mr. President, reserving the right to object, may I have an equal amount of time?

The VICE PRESIDENT. Is there objection?

UMI

Mr. MONDALE. I object.

Mr. MANSFIELD. Mr. President, I so request.

Mr. MONDALE. Mr. President, reserving my right to object, how much time?

Mr. HARTKE. I do not intend to take much time. I am just going to try to tell the Senate what is going on at the Penn Central. If Senators do not want to know, they can object and can find out someplace else.

Mr. MONDALE. I am anxious to know, but since the Senator from Alabama wants equal time——

The VICE PRESIDENT. Is there objection?

Mr. ABOUREZK. I object.

The VICE PRESIDENT. Objection is heard.

The question is on the motion to table the appeal.

Mr. HARTKE. Mr. President, I withdraw my request.

Mr. JAVITS. Mr. President, is it in order to demand the yeas and nays at this time on the original part 1 of Senator ALLEN's motion?

The VICE PRESIDENT. It would be in order.

Mr. JAVITS. I demand the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 10 Leg.]

Abourezk	Garn	Montoya
Allen	Glenn	Morgan
Baker	Goldwater	Moss
Bayh	Griffin	Muskie
Beall	Hansen	Nelson
Bellmon	Hart, Philip A.	Nunn
Bentsen	Hartke	Packwood
Biden	Hatfield	Pastore
Brock	Hathaway	Pearson
Brooke	Helms	Proxmire
Buckley	Hollings	Randolph
Bumpers	Hruska	Ribicoff
Burdick	Huddleston	Roth
Byrd, Harry F., Jr.	Humphrey	Schweiker
Byrd, Robert C.	Inouye	Scott, William L.
Cannon	Jackson	Sparkman
Case	Javits	Stafford
Chiles	Johnston	Stennis
Church	Kennedy	Stevenson
Clark	Laxalt	Stone
Cranston	Leahy	Talmadge
Culver	Magnuson	Thurmond
Curtis	Mansfield	Tower
Dole	Mathias	Tunney
Domenici	McClellan	Weicker
Eagleton	McClure	Williams
Fannin	McGee	Young
Fong	McGovern	
Ford	McIntyre	
	Mondale	

The VICE PRESIDENT. A quorum is present.

The yeas and nays have been ordered——

Mr. ALLEN. Mr. President, I move that we recess until 7 o'clock.

Mr. MANSFIELD. Mr. President, what is the request?

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Montana has been recognized.

Mr. MANSFIELD. I yield to the Senator from Washington.

Mr. MAGNUSON. As I understand the rules of the Senate, when a Senator makes a motion, he should be at his chair and not in front of the desk. Is that correct?

The VICE PRESIDENT. There is no requirement as to where a Senator should be located.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Montana will state it.

Mr. MANSFIELD. Mr. President, is there a rule covering dilatory tactics in the Senate?

The VICE PRESIDENT. Only after cloture has been invoked.

Mr. MANSFIELD. In other words, a Senator may keep on suggesting the absence of a quorum or making a motion that we recess to a time certain or adjourn. Is that correct?

The VICE PRESIDENT. As long as business has intervened between quorum calls.

Mr. MANSFIELD. Ad infinitum?

The VICE PRESIDENT. I am afraid that is correct, sir.

Mr. MANSFIELD. And what is the business which has intervened between the suggestion of the absence of a quorum and the motion just made, whatever it is. I did not hear it.

The VICE PRESIDENT: We voted on the motion to recess until 5. Then the Senator from New York moved that we go to the vote on the question to table the appeal which the Senator from Alabama has made. There is a yea-and-nay vote waiting on that.

Mr. MANSFIELD. Mr. President, what is the value of a tabling motion which forecloses debate if it allows the continuation of tactics of a dilatory nature?

The VICE PRESIDENT. The proper motions can be entertained, not debated, if there has been intervening business.

Mr. MANSFIELD. What intervening business has there been?

The VICE PRESIDENT. The Senator from Alabama has made a series of motions to recess to different times. In between motions, he has suggested the absence of a quorum, which then has been called.

Mr. MANSFIELD. That is business?

The VICE PRESIDENT. There is now a quorum in the Chamber, according to the count.

Mr. MANSFIELD. If a call is made suggesting the absence of a quorum, and there is still a quorum in the Chamber, is the Chair, on that basis, forced to call a roll every time?

The VICE PRESIDENT. Not if there is a point of order from the floor that no intervening business has taken place since the last one and that is the case.

Mr. MANSFIELD. Mr. President, we are going to have an awful lot of rollcall votes today, and I think the Senate should be on notice that it will be in session for an indeterminate period.

Mr. CURTIS. Mr. President, will the distinguished leader yield for a unanimous-consent request?

Mr. MANSFIELD. Yes, indeed.

Mr. CURTIS. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a copy of the rules of the Senate.

Mr. MANSFIELD. All the rules?

Mr. ROBERT C. BYRD. Mr. President, I object to that request.

Mr. CURTIS. I find, Mr. President, that the majority leader and everyone else are asking about the rules and I would like——

Mr. MANSFIELD. Does the Senator know how much it would cost the people of this country to put the rules of the Senate in the RECORD?

Mr. CURTIS. I think it would be much less than what is going on here.

The VICE PRESIDENT. Debate is out of order.

Mr. ALLEN. I move we recess until 7 o'clock.

The VICE PRESIDENT. Yeas and nays have been ordered.

Mr. ALLEN. I move that we recess until 7 o'clock and I call for the yeas and nays.

The VICE PRESIDENT. The clerk will call the roll.

Mr. PASTORE. It has been moved and seconded.

Mr. MONDALE. Mr. President, has the rollcall been responded to?

The VICE PRESIDENT. Yes. Debate is not in order. The clerk will continue to call the roll.

Let there be order in the Chamber.

The second assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr President, may we have order before the rollcall proceeds?

The VICE PRESIDENT. The clerk will not proceed until the Senate is in order.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 54, nays 32, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—54

Abourezk	Ford	McGovern
Allen	Glenn	McIntyre
Bayh	Hart, Philip A.	Mondale
Beall	Hartke	Montoya
Bentsen	Hatfield	Moss
Biden	Hathaway	Muskie
Brock	Huddleston	Nelson
Brooke	Humphrey	Packwood
Bumpers	Inouye	Pastore
Burdick	Jackson	Pearson
Byrd, Robert C.	Javits	Proxmire
Case	Johnston	Randolph
Church	Kennedy	Ribicoff
Clark	Leahy	Schweiker
Cranston	Magnuson	Stafford
Culver	Mansfield	Stevenson
Domenici	Mathias	Tunney
Eagleton	McGee	Williams

NAYS—32

Baker	Goldwater	Scott, William L.
Bellmon	Griffin	Sparkman
Buckley	Hansen	Stennis
Byrd, Harry F., Jr.	Helms	Stone
Cannon	Hollings	Talmadge
Chiles	Hruska	Thurmond
Curtis	Laxalt	Tower
Dole	McClellan	Weicker
Fannin	McClure	Young
Fong	Morgan	
Garn	Nunn	
	Roth	

NOT VOTING—13

Bartlett	Long	Stevens
Eastland	Metcalf	Symington
Gravel	Pell	Taft
Hart, Gary W.	Percy	
Haskell	Scott, Hugh	

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I move to reconsider the vote by which the appeal was tabled, and I call for the yeas and the nays.

Mr. CRANSTON. I move to table that motion.

Mr. ROBERT C. BYRD. Mr. President——

The VICE PRESIDENT. A motion to table is not debatable.

The question is on agreeing to the motion to table the motion of the Senator from Alabama.

Mr. ROBERT C. BYRD. Mr. President, the motion to reconsider is debatable.

The VICE PRESIDENT. The motion is is a motion to table.

Mr. ROBERT C. BYRD. I have not heard the motion to table.

The VICE PRESIDENT. There was such a motion.

Mr. CRANSTON. I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, may we have order. May we have order, Mr. President.

The VICE PRESIDENT. The Senate will come to order.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. GARY W. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), would vote "Yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 51, nays 35, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—51

Abourezk	Glenn	McIntyre
Bayh	Hart, Philip A.	Metcalf
Beall	Hartke	Mondale
Bentsen	Hatfield	Montoya
Biden	Hathaway	Moss
Brock	Huddleston	Muskie
Brooke	Humphrey	Nelson
Bumpers	Inouye	Packwood
Burdick	Jackson	Pastore
Byrd, Robert C.	Javits	Pearson
Case	Kennedy	Proxmire
Church	Leahy	Randolph
Clark	Magnuson	Ribicoff
Cranston	Mansfield	Schweiker
Culver	Mathias	Stafford
Eagleton	McGee	Stevenson
Ford	McGovern	Tunney

NAYS—35

Allen	Garn	Roth
Baker	Goldwater	Scott, William L.
Bellmon	Griffin	Sparkman
Buckley	Hansen	Stennis
Byrd, Harry F., Jr.	Helms	Stone
Cannon	Hollings	Talmadge
Chiles	Hruska	Thurmond
Curtis	Johnston	Tower
Dole	Laxalt	Weicker
Domenici	McClellan	Young
Fannin	McClure	
Fong	Morgan	
	Nunn	

NOT VOTING—13

Bartlett	Long	Symington
Eastland	Pell	Taft
Gravel	Percy	Williams
Hart, Gary W.	Scott, Hugh	
Haskell	Stevens	

So Mr. CRANSTON's motion to table Mr. ALLEN's motion to reconsider was agreed to.

CLOTURE MOTION

Several Senators addressed the Chair.

Mr. HARTKE. Mr. President, I intend to file a cloture petition at this time, and I would like to ask unanimous consent to make a statement in connection therewith.

The VICE PRESIDENT. Is there objection? The Chair hears none. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I submit a motion on behalf of myself and other Senators.

The VICE PRESIDENT. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Vance Hartke, Harrison A. Williams, Lowell P. Weicker, Jr., J. Glenn Beall, Philip A. Hart, John O. Pastore, Wendell H. Ford, Jacob K. Javits, John Glenn, Robert C. Byrd, Mike Mansfield, Richard S. Schweiker, Patrick J. Leahy, Robert Dole, Hiram L. Fong, Alan Cranston, Joseph R. Biden, Jr., Frank Church, Abraham Ribicoff, Walter D. Huddleston, Frank E. Moss, William V. Roth, Jr.

Mr. HARTKE. Mr. President——

The VICE PRESIDENT. The Senator from Indiana is recognized for a statement.

Mr. HARTKE. Mr. President, let me first explain that I understand the situation with regard to parliamentary procedure and that this may cause additional complications.

I personally favor the modification of rules as recommended by Senate Resolution 4. At the same time, the Senator from Connecticut, with whom I have been working very closely on the Penn Central matter, is not in the same position on that matter.

It was his intention to file a cloture petition at this moment without the Senator from Indiana being on that petition.

In view of the fact that this is a substantive matter, dealing with the future of the country, I did not want to put myself in the position of saying to this country that I thought the change of the rules was more important than keeping the transportation system going.

I understand that this may cause some complications.

Let me at this time, if I may, just read a short telegram addressed to me today from the trustees of the Penn Central, which is in reorganization:

At 10:00 a.m. today the Department of Transportation advised the Trustees that emergency assistance in the amount of $15.3 million will be made available today. Approximately $12.8 million of the total will be provided by means of the purchase of maintenance of way materials emergency funds under Section 215 of the Regional Rail Reorganization Act. The remaining $2.5 million will be provided from funds previously authorized and still available under Section 213 of the Act.

The receipt of $15.3 million today will enable the trustees to avoid a 24 hour moratorium on all payments. Announcement of such a moratorium had been contemplated

prior to being informed of the action by the Department of Transportation.

The emergency assistance will permit Penn Central to continue operations until the end of this month.

Mr. ALLEN. Will the Senator yield?

Mr. HARTKE. Just a moment. I want to explain the situation.

I think the Department of Transportation has taken an extraordinary procedure, stretching the legal authority to the very end in order to utilize these funds. I want to compliment the Department of Transportation for taking this action. Otherwise, we would be faced at this moment with the shutdown of the railroad.

Let me point out that, in my judgment, I know of no other source in the Federal Government from which even a stretch of the law could possibly permit a release of funds to continue the operation of the railroad system in the Northeast and Midwest.

I just want to reiterate that if you permit this railroad to close down, the economic collapse in this country would be of such a severe nature that it might threaten the very foundation of our economic system.

As an example, General Motors would close down in 2 days; steel companies operations could continue not more than 1 week; and unemployment would probably skyrocket in 30 days more than 25 percent.

I realize that the proponents of Senate Resolution 4 are not happy with what I am doing. I realize that the Senator from Connecticut and myself were persuaded from not filing this petition last Saturday, even though that would have meant the vote would have been coming tomorrow instead of on Wednesday.

At this point, there seems to be no reason to delay further. This is not a very happy moment for me, but it appears to me that we are engaged in a business in which we ought to somehow be able to get all of the parties, those who are proponents of Senate Resolution 4 and those who are opponents, to put the economic interests of the country before our interests in these procedures.

I yield to the Senator from Connecticut.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. ABOUREZK. Mr. President, what is the next order of business?

The VICE PRESIDENT. The question is now on the motion to table the point of order by the Senator from Montana. The yeas and nays have been ordered, and the clerk will call the roll.

Several Senators addressed the Chair.

Mr. HARTKE. Mr. President, I have the floor. I yield to the Senator from Connecticut.

Mr. WEICKER. I want to associate myself with the comments of the distinguished Senator from Indiana relative to the filing of this cloture petition and his desire and my desire to see this matter voted on by the U.S. Senate before we are confronted with an economic situation far worse than that which already exists.

I would also like to put my colleagues on notice that if I can obtain the necessary parliamentary approval tomorrow, it will be my intention to file another cloture petition at that time.

Mr. ROBERT C. BYRD. The Senator does not need anyone's approval. He can offer it at any time.

Mr. WEICKER. Whatever is necessary will be done in order that we will vote, and we will vote, and we will vote until this crisis, so termed by many of us here in this body, is resolved by this body.

I yield back to the distinguished Senator from Indiana.

Several Senators addressed the Chair.

Mr. HARTKE. I yield the floor.

Mr. ALLEN. Mr. President——

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. A vote is in progress.

Mr. ALLEN. I had not responded.

Mr. ABOUREZK. I had responded.

Mr. WILLIAM L. SCOTT. Mr. President——

The VICE PRESIDENT. The clerk will continue calling the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. GARY W. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that if present and voting the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 48, nays 40, as follows:

[Rollcall Vote No. 20 Leg.]

YEAS—48

Abourezk	Church	Hatfield
Allen	Clark	Hathaway
Bayh	Cranston	Huddleston
Beall	Culver	Humphrey
Bentsen	Eagleton	Inouye
Biden	Ford	Jackson
Brooke	Glenn	Javits
Burdick	Hart, Philip A.	Kennedy
Case	Hartke	Leahy
Magnuson	Moss	Randolph
Mathias	Muskie	Ribicoff
McGovern	Nelson	Schweiker
McIntyre	Packwood	Stafford
Metcalf	Pastore	Stevenson
Mondale	Pearson	Tunney
Montoya	Proxmire	Williams

NAYS—40

Baker	Fannin	McGee
Bellmon	Fong	Morgan
Brock	Garn	Nunn
Buckley	Goldwater	Roth
Bumpers	Griffin	Scott,
Byrd,	Hansen	William L.
Harry F., Jr	Helms	Sparkman
Byrd, Robert C.	Hollings	Stennis
Cannon	Hruska	Stone
Chiles	Johnston	Talmadge
Curtis	Laxalt	Thurmond
Dole	Mansfield	Tower
Domenici	McClellan	Weicker
Eastland	McClure	Young

NOT VOTING—11

Bartlett	Long	Stevens
Gravel	Pell	Symington
Hart, Gary W.	Percy	Taft
Haskell	Scott, Hugh	

So the motion to table was agreed to.

Several Senators addressed the Chair.

Mr. PEARSON. Mr. President, a parliamentary inquiry. Is the pending business the Mondale motion?

The VICE PRESIDENT. The Senator is correct.

Mr. PEARSON. Mr. President, pursuant to the provisions of that motion, under the ruling of the Chair, I ask for immediate consideration by the Senate.

Mr. WILLIAM L. SCOTT. Mr. President, a parliamentary inquiry.

Mr. ALLEN. Mr. President, having voted with the prevailing side on a motion to table a point of order, in a moment I am going to make a motion to reconsider. I ask the Chair, inasmuch as he would not recognize me at the time this vote was had, that he give me an opportunity to discuss the motion, which I have a right to make under the rules.

Mr. MONDALE. Point of order, Mr. President.

Mr. ALLEN. I move that the vote under which the appeal was tabled be reconsidered. I ask recognition.

Mr. CRANSTON. I move to table.

Mr. MONDALE. Mr. President, I move to table and ask for the yeas and nays.

Mr. CRANSTON. Yeas and nays, Mr. President.

The VICE PRESIDENT. The question is on the motion to table. All those in favor——

Mr. ALLEN. I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BROCK. Parliamentary inquiry, Mr. President.

The VICE PRESIDENT. A rollcall is in progress.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. LONG), the Senator from Colorado (Mr. GARY W. HART), the Senator from Rhode Island (Mr. PELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 48, nays 40, as follows:

[Rollcall Vote No. 21 Leg.]

YEAS—48

Abourezk	Hart, Philip A.	Mondale
Bayh	Hartke	Montoya
Beall	Hatfield	Moss
Bentsen	Hathaway	Muskie
Biden	Huddleston	Nelson
Brooke	Humphrey	Packwood
Bumpers	Inouye	Pastore
Burdick	Jackson	Pearson
Case	Javits	Proxmire
Church	Kennedy	Randolph
Clark	Leahy	Ribicoff
Cranston	Magnuson	Schweiker
Culver	Mathias	Stafford
Eagleton	McGovern	Stevenson
Ford	McIntyre	Tunney
Glenn	Metcalf	Williams

NAYS—40

Allen	Fannin	McGee
Baker	Fong	Morgan
Bellmon	Garn	Nunn
Brock	Goldwater	Roth
Buckley	Griffin	Scott,
Byrd,	Hansen	William L.
Harry F., Jr.	Helms	Sparkman
Byrd, Robert C.	Hollings	Stennis
Cannon	Hruska	Stone
Chiles	Johnston	Talmadge
Curtis	Laxalt	Thurmond
Dole	Mansfield	Tower
Domenici	McClellan	Weicker
Eastland	McClure	Young

NOT VOTING—11

Bartlett	Long	Stevens
Gravel	Pell	Symington
Hart, Gary W.	Percy	Taft
Haskell	Scott, Hugh	

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Dakota will state his inquiry.

Mr. ABOUREZK. Is the pending question on the Mondale motion to end debate, and are the yeas and nays ordered on that motion if that is the pending business?

The VICE PRESIDENT. The Senator is correct.

Mr. ABOUREZK. Under the terms and the rules of that motion, I ask for a vote.

Several Senators addressed the Chair.

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HARRY F. BYRD, JR. Mr. President, I want to protest the rapidity with which the Chair is putting these questions and refusing to recognize some of us who have been seeking recognition. I hope that the Chair will give consideration to those——

Mr. ABOUREZK. That is not a parliamentary inquiry. Point of order.

Mr. HARRY F. BYRD, JR. I hope the Chair will give consideration to those who are entitled to that. I sought recognition prior to the last two votes, as did other Senators.

Mr. ABOUREZK. I raise a point of order. That is not a parliamentary inquiry.

Mr. HARRY F. BYRD, JR. Mr. President, my parliamentary inquiry is I would like to have the Chair state the pending business.

The VICE PRESIDENT. The pending question is on agreeing to the motion of the Senator from Minnesota.

Mr. ALLEN. Mr. President, I appeal from the ruling of the Chair that the question shall be put without amendment, and I am going to discuss that.

Several Senators addressed the Chair.

Mr. ALLEN. Mr. President, I raise a point of order and I am going to discuss it.

Several Senators addressed the Chair.

Mr. ALLEN. The Chair has never ruled on the subject up to now.

The VICE PRESIDENT. The Chair rules the point of order is not well taken.

Mr. ALLEN. I appeal from the ruling of the Chair, Mr. President, and I would like to discuss the appeal. I ask recognition.

Mr. MONDALE addressed the Chair.

Mr. ALLEN. I ask recognition to discuss the appeal.

The VICE PRESIDENT. The Senator from Alabama.

Mr. ALLEN. I thank the Chair.

Mr. President, I appreciate the Chair recognizing me for the purpose of discussing the matter of the appeal from his learned ruling.

I might state that we have been having a number of votes in this very hectic day. We will not have any more votes for quite a few hours. We are going to discuss the appeal which the Senator from Alabama has taken from the ruling of the Chair, that ruling being that this motion to proceed to the consideration of Senate Resolution 4 is not debatable, is not subject to amendment. That is not a sound ruling.

Now, Mr. President, I was interested in a statement made by the distinguished Senator from Minnesota (Mr. MONDALE) at the time the first effort was made to run roughshod over the Senate rules.

Prior to that vote on Thursday, the distinguished Senator from Minnesota—and this is part of the legislative history—made this statement. This is on page 3844 of the February 20, 1975, RECORD, right before the vote to emasculate the rules, and to proceed outside of the rules:

> What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

"It will be available for amendment," said the distinguished Senator from Minnesota. I did not say that—

> It will be available for deferral; it will be available for debate.

And the only way the Senator from Alabama is able to get an opportunity to debate it is to raise, to make, and appeal from the ruling of the Chair.

Now, if it is going to be agreed that this matter is subject to debate, well, let us get back on it. The Senator from Alabama questions whether we could depend upon this statement here. Says the distinguished Senator from Minnesota:

> What we would like to do, after 5 weeks, is to bring it before the body as the pending business. That is all. It does not seem to me that we are establishing any precedent. If we cannot do it in this way, the constitutional remedy that is ours is a farce, a nullity, a sham, useless. Tear it up and throw it away.

Now, all the Senator from Alabama was asking to do is to seek to amend this resolution, and he was offering this part of the public record where that statement was made here on the floor.

Well, what do we find? We find the distinguished Senator from Minnesota calling the matter up for a vote, and the Senator from Alabama has not been very happy over his inability to get recognized at crucial times, even to discuss his own motion. That hardly seems courteous, a simple act of courtesy, toward the Senator from Alabama.

How often, I will ask the Members of the Senate, has any Senator been denied the courtesy of discussing his own motion, a motion clearly within the rules, a motion to reconsider a vote, where he voted with the prevailing side; offer the motion, stand on his feet, demand recognition, and fail to get recognized.

I say, Mr. President, we do have a steamroller rolling in the Senate, and I do not appreciate it, for one. I am hopeful that the leadership will adjourn the Senate at the completion of business today in order that this motion to proceed will die. I do believe that it is going to be some while before the matter is acted on.

Now, Mr. President, a statement has been made here on the floor many, many times, and I understand it is the legal fiction upon which the contention of the performance of the gag rule rely, that supposing at the start of a session, at the beginning of a session, that some different constitutional provision, regarding the amendment of the Senate rules than that which exist throughout the session, is offered other than at the beginning.

I have searched the Constitution, particularly article I, section 5. Look at that, and all that says is we shall have a quorum for the purpose of transacting business, and that each House shall have a right to make its own rules.

Nowhere does it appear that there is a different rule at the start of a session from the remainder of the session.

Let us assume that what they say is correct, that there is a different rule at the beginning of a session. Well, when in the world does the beginning of a session end?

UMI

The distinguished Senator from Virginia had a list of matters that have been considered by the Senate and by the Congress since the start of this session on January 14. There are a large number of bills that have been acted on. We have acted in this Penn Central matter before. The Senate bill had $25 million in it more than the Department was asking for, and then when it got over to the House, they thought that was too little to ask for, so they forced another $50 million or more on Penn Central.

Well, it has come back——

The VICE PRESIDENT. Excuse me, Senator, but the Chair has indulged the Senator from Alabama for a reasonable time, but under the precedents of the Senate, an appeal arising in connection with a nondebatable motion is not debatable, except at the sufferance of the Chair.

The Chair, therefore, puts the question on the appeal.

Mr. ALLEN. Very well, I call for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Would the Chair state the question?

The VICE PRESIDENT. On the appeal on my ruling that the motion was nondebatable. I said the motion was nondebatable; the Senator appealed my ruling.

Mr. ALLEN. Well, the question is, Shall the ruling of the Chair remain, in the judgment of the Senate?

The VICE PRESIDENT. Shall the ruling be sustained as the judgment of the Senate.

Mr. ALLEN. I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Colorado (Mr. GARY W. HART), the Senator from Louisiana (Mr. LONG), the Senator from Rhode Island (Mr. PELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 48, nays 40, as follows:

[Rollcall Vote No. 22 Leg.]

YEAS—48

Abourezk	Hart, Philip A.	Mondale
Bayh	Hartke	Montoya
Beall	Hatfield	Moss
Bentsen	Hathaway	Muskie
Biden	Huddleston	Nelson
Brooke	Humphrey	Packwood
Bumpers	Inouye	Pastore
Burdick	Jackson	Pearson
Case	Javits	Proxmire
Church	Kennedy	Randolph
Clark	Leahy	Ribicoff
Cranston	Magnuson	Schweiker
Culver	Mathias	Stafford
Eagleton	McGovern	Stevenson
Ford	McIntyre	Tunney
Glenn	Metcalf	Williams

NAYS—40

Allen	Fannin	McGee
Baker	Fong	Morgan
Bellmon	Garn	Nunn
Brock	Goldwater	Roth
Buckley	Griffin	Scott,
Byrd,	Hansen	William L.
Harry F., Jr.	Helms	Sparkman
Byrd, Robert C.	Hollings	Stennis
Cannon	Hruska	Stone
Chiles	Johnston	Talmadge
Curtis	Laxalt	Thurmond
Dole	Mansfield	Tower
Domenici	McClellan	Weicker
Eastland	McClure	Young

NOT VOTING—11

Bartlett	Long	Stevens
Gravel	Pell	Symington
Hart, Gary W.	Percy	Taft
Haskell	Scott, Hugh	

So the ruling of the Chair was sustained as the judgment of the Senate.

Mr. ABOUREZK. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. ABOUREZK. What is the pending order of business? Am I correct that the pending order of business is the Mondale motion to cut off debate?

The VICE PRESIDENT. The Senator is correct. The yeas and nays have been ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll. A quorum call is suggested.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. A quorum call is in order.

Mr. ABOUREZK. I asked for the inquiry before the quorum was called, Mr. President.

The VICE PRESIDENT. The call had been requested.

The clerk will continue.

The assistant legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their name:

[Quorum No. 11 Leg.]

Abourezk	Ford	Metcalf
Allen	Garn	Mondale
Baker	Glenn	Montoya
Bayh	Goldwater	Morgan
Beall	Griffin	Moss
Bellmon	Hansen	Muskie
Bentsen	Hart, Philip A.	Nelson
Biden	Hartke	Nunn
Brock	Hatfield	Packwood
Brooke	Hathaway	Pastore
Buckley	Helms	Pearson
Bumpers	Hollings	Proxmire
Burdick	Hruska	Randolph
Byrd,	Huddleston	Ribicoff
Harry F., Jr.	Humphrey	Roth
Byrd, Robert C.	Inouye	Schweiker
Cannon	Jackson	Scott,
Case	Javits	William L.
Chiles	Johnston	Sparkman
Church	Kennedy	Stafford
Clark	Laxalt	Stennis
Cranston	Leahy	Stevenson
Culver	Magnuson	Stone
Curtis	Mansfield	Talmadge
Dole	Mathias	Thurmond
Domenici	McClellan	Tower
Eagleton	McClure	Tunney
Eastland	McGee	Weicker
Fannin	McGovern	Williams
Fong	McIntyre	Young

The VICE PRESIDENT. A quorum is present.

Mr. ALLEN. Mr. President——

Mr. JAVITS. Mr. President——

Mr. ALLEN. Mr. President, I move that the Senate recess until 7 o'clock tonight.

The VICE PRESIDENT. Senator JAVITS was on his feet before the Senator from Alabama. The Senator from New York.

Mr. JAVITS. What is the pending business, Mr. President?

The VICE PRESIDENT. The pending business is the motion by the Senator from Minnesota. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLEN. Mr. President, I move to recess until 7 o'clock.

Mr. JAVITS. Mr. President, I make the point of order that no intervening motions are in order.

Mr. ALLEN. Mr. President, I move to table that point of order, and I ask for the yeas and nays.

The VICE PRESIDENT. Since the pending motion was made under the Constitution and not under the rules, the Chair, under the precedents, submits the question to the Senate for its decision. Is the point of order well taken?

The Senator from Alabama.

Mr. ALLEN. Mr. President, I thank the Chair for recognizing me in this matter. As I understand the rule, a matter submitted to the Senate is debatable ad infinitum. So I appreciate the Chair's submitting this matter to the Senate. After all, that should be the body which decides these points of order.

The Senator from Alabama feels that the Chair did not properly submit, or properly use as a yardstick for deciding the constitutional question, a motion to table something else.

The Senator from Alabama recalls, of course, that the distinguished Senator from New York (Mr. JAVITS) from time to time offers amendments. He beseeches the Members of the Senate not to make a tabling motion because he wants an up-and-down vote. The Senator from Alabama has always been glad to accommodate him in that regard.

When the Presiding Officer stated, as did Vice President HUMPHREY in 1967, that he was going to use this question of tabling the point of order as decisive of

the Senate's view on whether it took a majority or a two-thirds majority to cut off debate at the beginning of the session, that was not quite in order, as the Senator from Alabama saw it, to rule that a vote on one question is indicative of the view of the Senate on still another question. So the Senator from Alabama is pleased that the Chair has submitted this matter to the Senate itself on an up-and-down question on the constitutionality of this proceeding. The Senator from Alabama feels that we have passed the beginning of this session. What is the end of the beginning? It seems we have not come to that point in time. They say that during the beginning of a so-called new session of Congress——

Mr. TALMADGE. Will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. TALMADGE. Is it not a fact that the Constitution does not even mention the beginning of the session? The Constitution merely states that each House may make its own rules.

Mr. ALLEN. That is right, and the Senate has complied with that constitutional provision.

Mr. TALMADGE. In fact, the rules were made with the original Senate, were they not?

Mr. ALLEN. That is true.

Mr. TALMADGE. And the rules have remained in force and effect from that time to date as amended, have they not?

Mr ALLEN. Yes, that is correct.

Mr. TALMADGE. I thank the Senator.

Mr. ALLEN. I appreciate the point made by the distinguished Senator from Georgia. He is absolutely right. I have been searching and searching in the Constitution for some basis for this legal fiction about a different rule obtaining at the beginning of a session.

Let us assume for the sake of argument that a different rule does obtain at the beginning of the session. Has the beginning of the session ended? Did it not end, as a matter of fact, last Thursday, when an effort was made to ram this proceeding to a vote—and there is something faintly reminiscent of Thursday at this time.

Mr. TOWER. Will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. TOWER. Is it not true that since the time the Senate convened in January, we have confirmed Presidential appointments and we have enacted legislation, and therefore, it is assumed that the beginning is over?

Mr. ALLEN. That is what the Senator from Alabama feels.

Mr. TOWER. Is it not true that that raises the strong assumption that we were acting under rules when we confirmed these appointments, and when we passed legislation? If that were not the case, would not there be some grounds for questioning in the court the legitimacy, the legality, perhaps even the constitutionality, of what we have already done?

Mr. ALLEN. That would seem likely. Also, the Senator will recall that the House and Senate both voted to delay the President's imposition of an import duty on foreign oil. I doubt if any Member of the Senate—some would probably like to withdraw that vote, but a vast majority voted to delay that action.

I wish to point out still another indication that the rules of the Senate are in full force and effect. That is illustrated by the fact that when Senate Resolution 4 was introduced, it was introduced on 1 day's notice. If we were just a milling group of folks here on the opening day of a session, why would it be necessary to give 1 day's notice of the filing of this application to amend the rules? Obviously, we were operating under the rules at the time that Senate Resolution 4 was offered here in the Senate, or else the Senator from Minnesota would not have given 1 day's notice. That is quite obvious, I think.

Mr. McCLURE. Will the Senator yield for a question?

Mr. ALLEN. For a question only, yes.

Mr. McCLURE. I thank the Senator for yielding. The Senator from Georgia made a reference to and a comment upon the language of the Constitution itself, which makes no reference at all to the question of whether or not the rules are subject to a debate and adoption at the beginning of a session.

Mr. ALLEN. That is right.

Mr. McCLURE. I think it would go without saying, would it not, that if the constitutional provisions apply on the opening day of a session, they apply on every day of the session throughout the year.

Mr. ALLEN. Yes, but I am willing to go along with this legal fiction for purposes of argument and to embrace their view merely for the sake of argument, because they are, by that fiction, foreclosing their opportunity to amend the rules during the regular portion of the session.

Mr. McCLURE. Will the Senator yield for a further question?

Mr. ALLEN. For a question only, yes.

Mr. McCLURE. I understand the Senator's desire and I understand also the tactical situation in which he exposes the weakness of their argument in regard to the beginning of the session. But is it not possible also that, having then divided and conquered the Senate by saying that there is no danger except on the opening of the session, there is no danger except upon adopting the rules and, having established the precedent which has now been, by the Vice President, ruled—that this procedure cuts off all debate immediately—that same procedure could then be invoked, or at least urged that it be invoked, upon any rule change upon any day of the session in this Congress?

Mr. ALLEN. Yes. Just mutter the words "constitutional question" and we have the question decided by a point of order, coupled with a motion to table without any discussion whatsoever.

The Senator from Alabama feels that if it is a great issue, a constitutional issue, it ought to be discussed. We should not decide constitutional issues here in the Senate without debate. Yet that is what these motions would require us to do, decide them without debate. That is what the Senator from Alabama objects to.

The original constitutional questions which were decided in the Senate were decided by debate, and sometimes they would reach a decision and 2 or 3 days later, they would reverse that decision.

But certainly a free debate. I am surprised that the distinguished Senator from Minnesota (Mr. MONDALE) and the distinguished Senator from Kansas (Mr. PEARSON) are seeking to cut off a free debate. That is exactly what these maneuvers are seeking to do.

Mr. TALMADGE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I am delighted to yield for a question.

Mr. TALMADGE. Is it not a fact that the U.S. Supreme Court has stated that the U.S. Senate is a continuing body?

Mr. ALLEN. Yes, that is true.

Mr. TALMADGE. Is it not a fact that the Constitution of the United States provides that one-third of this body be elected every 2 years?

Mr. ALLEN. Yes.

Mr. TALMADGE. Was not the purpose of that to provide continuity for the U.S. Senate?

Mr. ALLEN. Yes.

Mr. TALMADGE. Is it not a fact that treaties remain over from Congress to Congress and still pend before this body?

Mr. ALLEN. Yes, that is a fact.

Mr. TALMADGE. Is it not a fact that the genocide treaty has been pending before this body for more than 20 years?

Mr. ALLEN. Yes.

Mr. TALMADGE. Would that treaty be pending before this body if it were not a continuing body?

Mr. ALLEN. The Senator's arguments, in my judgment, are unanswerable, and I heartily agree with him.

Mr. FONG. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I am happy to yield for a question.

Mr. FONG. Did not the pronouncement by the Presiding Officer that debate will be stopped by a majority vote in effect say there are no rules of the Senate at the present time?

Mr. ALLEN. It is hard for me to say there are no rules, when we have been operating under rules. The Chair received this cloture motion operating under rule XXII; so it is strange to me that we have one rule over here on Penn Central, and then a different type rule over here for the Senators from Minnesota and Kansas.

Mr. FONG. The distinguished majority leader has filed a motion for cloture, and in answer to a question propounded by the distinguished Senator from Virginia as to whether that would be by two-thirds vote or a majority vote, he responded that it should be on a two-thirds vote.

Mr. ALLEN. Yes, that is right.

Mr. FONG. If cloture is to be invoked only on a two-thirds vote, why should we now agree to this motion by a majority vote?

Mr. ALLEN. That is what the Senator from Alabama fails to understand.

I do believe this: That if this debate on Senate Resolution 4 lasts on into the time of the cloture vote on Penn Central, and cloture is invoked under rule XXII, is would seem—and I make this argu-

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ment to the distingulshed Vice President, because I might not get another opportunity, the ways things are operating around here—I would like to make the point that if and inasmuch as a cloture motion has been filed and it has been received by the distinguished Presiding Officer and has been accepted as a proper procedure to follow, it would seem to the Senator from Alabama that the distinguished President of the Senate has, in effect, ruled that rule XXII has been adopted, or in fact has remained in full force and effect, and therefore when the time comes, I feel sure that the distinguished President of the Senate will—let me modify that; I am hopeful that the distinguished President of the Senate will adopt a somewhat sounder view of this matter than he has up to now.

Mr. FONG. It seems to the Senator from Hawaii that since the Senate has received the cloture motion, the sense of the Senate is that it will go by rule XXII, and if it requires a two-thirds vote, that the rules of the Senate are continuing.

Mr. ALLEN. Yes, sir.

Mr. FONG. And that therefore the position of the Presiding Officer is incorrect.

Mr. ALLEN. That is the judgment of the Senator from Alabama.

I feel reasonably certain that as this debate progresses—and I think there will be opportunity from time to time to have a little discussion of some of these matters—I am hopeful that the distinguished Presiding Officer will give us further opportunities to decide this matter on up or down votes, and not by voting on collateral type issues instead of an up or down vote such as we all desire on our amendments. When we file amendments to bills, we do not want to have those amendments tabled; we want up or down votes on our amendments.

Mr. TALMADGE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield for a question.

Mr. TALMADGE. Can a vote on a procedural question change a fundamental rule of the Senate?

Mr. ALLEN. No, it cannot. I am glad that the distinguished Senator from Georgia asked that question, and I am delighted that the President of the Senate is presiding over the Senate at this time. We cannot, by a collateral move, change the substantive issue involved. That should be decided by the entire Senate.

Just as quickly as this motion was made to cut off debate by the distinguished Senator from Minnesota, that matter should have been committed to the Senate, if the Presiding Officer did not want to rule. He said, "No, you all decide this other question over here, and depending on how you decide that, I am going to rule that you decided this question over here."

A lot of people are for or against motions to table on a somewhat different basis, at least in some cases, from their views as to the substantive issue, and it is not a proper criterion to determine the Senate's decision on a basic question by how they might vote on another issue.

Mr. FONG. Mr. President, will the Senator yield for another question?

Mr. ALLEN. I yield for a question.

Mr. FONG. With the ruling of the Presiding Officer that this matter could be decided by a majority vote, and the feeling of the Senate that the motion which has been presented for the cloture of debate on the Penn Central matter is to be voted on by a two-thirds vote, does not the Senator think we are now operating under two separate rules?

Mr. ALLEN. Unless the Presiding Officer modifies his ruling, yes: one rule for the convenience of the proponents of Senate Resolution 4, and another for the proponents of giving relief to Penn Central.

And I say that here and now, Mr. President, to show that I am not holding up the Penn Central matter and that there is no need for a cloture motion, on last Friday I offered and those who were associated with me here on the floor at that time offered to let the Penn Central bill come to an immediate vote here in the Senate. The only restriction that I made was that I be given the floor on today.

Well, I got the floor today. We have already acted last Friday. So I feel that the proponents of the Penn Central are allowing their views with respect to the rules change to color their enthusiasm for the Penn Central. Their desire to change the rules is more important to them than is the fate of the Penn Central; otherwise why would we be here discussing this, Mr. President? I am ready to go back at any time; as far as I am concerned. I would be willing to recomend this: I would be willing to have an immediate vote on the Penn Central and then agree to proceed under the provisions of the rule XXII as to cutting off debate on the issue of changing the rules. I would be willing to agree to vote on both of those—to vote first on Penn Central, on finally agreeing to the House amendment, provided that the proponents of Senate Resolution 4 will agree to follow the Senate rules and get under the provisions of rule XXII as to invoking cloture.

That would be the way to solve this impasse in the view of the Senator from Alabama.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ALLEN. For a question.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator's yielding. I know he is familiar with the rules of the Senate, perhaps as much so or more than any Member whom we have in this body. But I would ask is there any provision in the rules of the Senate other than rule XXII under which a cloture motion can be filed or is there any other rule of the Senate to cut off debate, to limit debate, other than rule XXII of the Senate?

Mr. ALLEN. The Senator from Alabama had not known of that until recently when he saw the steamroller at work here in the Senate, and the Senator from Alabama is going to do everything he can under the rules to keep from seeing Senate rules amended outside of the rules. That is what the Senator from Alabama is objecting to.

If cloture is invoked, I would certainly be the first to congratulate the proponents of this measure. They would have won an historic fight, they have accomplished their aim, and there certainly would be no blocking sought by the Senator from Alabama during his time for debate given under the cloture rule.

If cloture is invoked, the Senator from Alabama has debated enough. But until such time as cloture is invoked, he does not favor, and he will vigorously oppose, any effort to amend the Senate rules by what I used to call the backdoor approach to amending the Senate rules, but it seems that was not quite low enough a term, and I have changed that to a basement approach to the amending of the Senate rules.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ALLEN. I yield for a question to the distinguished chairman of the Commerce Committee.

Mr. MAGNUSON. Is there not a simple procedure that we invoke in the Senate on many, many occasions when we have a pile-up of legislation, with some priorities here and there, just to ask unanimous consent to lay aside this matter and take up the Penn Central and come back to it? Is that not a simple rule? That is a rule of the Senate, and it has been around for a long time.

Mr. ALLEN. Yes; I will agree to that if the Senator will make that request.

Mr. MAGNUSON. Will the Senator do that?

Mr. ALLEN. Yes; I will be glad to lay it aside and take up the Penn Central. Make that request and——

Mr. MAGNUSON. I would have to confer with the person handling it, but I am asking if this is not a procedure that is always invoked.

Mr. ALLEN. I believe it is. I agree with the Senator, and, if the Senator makes the request, I will agree to it.

Mr. MAGNUSON. That is what we ought to do, get Penn Central out of the way and start all over again on this, and do something about it because we have got to do something about the Penn Central.

I thank the Senator for answering my question. It is a simple thing to do.

Mr. WILLIAM L. SCOTT. Mr. President, if the Senator will yield further for a question.

Mr. ALLEN. Yes; I would be delighted to yield.

Mr. WILLIAM L. SCOTT. Mr. President, as I understood the response of the Senator from Alabama it was to the effect that there was no rule of the Senate under which debate could be limited or which a cloture motion could be filed other than rule XXII. If that is the case, then when a cloture motion is filed and accepted, would not that indicate that we are operating under rule XXII and all of the rules of the Senate that we have used in the past Congress?

Mr. ALLEN. I think the distinguished Senator from Virginia is certainly right in saying that the filing of this cloture motion is indicative of the fact that we

are very definitely under rule XXII. It is accepted by the Presiding Officer.

Mr. WILLIAM L. SCOTT. I do not know what estops anyone in this body, but ordinarily one would be estopped from denying that rule XXII is not in effect.

Mr. ALLEN. We certainly are going to make that point every opportunity we are given, but I do not know how many opportunities we will be given other than the opportunity we have right now.

Mr. WILLIAM L. SCOTT. Well, as the distinguished Senator knows, I attempted to gain recognition for that purpose of making a parliamentary inquiry of the Chair to ask whether or not the reception of the cloture motion meant that rule XXII was in effect in this body, and if the rule had been adopted then it would follow from that that it would take a two-thirds vote of the Senate to cut off debate. It seems to me that is a logical sequence.

Mr. ALLEN. I certainly agree with the distinguished Senator in that regard.

I believe before the issue has finally been disposed of we are going to get under the provisions of rule XXII.

I would like to say to the distinguished Senator from Virginia, in further discussing the comments he has made about cloture, I stated this morning, and it has not been challenged, that is, the statement I made, that I am of the opinion that the reason that a cloture motion was not filed on Friday or on Saturday was that influence of Senate Resolution 4 and the placing of a priority on that ahead of the Penn Central is what was at the bottom of the neglect, if you please, to file a cloture motion with respect to the Penn Central matter.

Now, Mr. President, I have very little doubt but what a cloture motion will carry when it comes up for a vote. I would certainly feel that their fears were and are well-founded that by the adoption of a cloture motion it proves conclusively in the view of the Senator from Alabama that we are operating under rule XXII with respect to Senate Resolution No. 4.

So, that being the case, at such time as we are given to understand that that is also the view of the Presiding Officer, I think that we can settle this issue very, very quickly.

But the point that I am seeking to make is that it is not the proponents of free debate in the Senate who are holding up the passage of the Penn Central bailout, because all that is required is to get action—I will vote against it—on Penn Central is for the proponents of the gag rule, represented by Senate Resolution 4, to agree to come under the Senate rules, to comply with the requirements of rule XXII as to ending debate.

Mr. HARRY F. BYRD, JR. Mr. President, may we have order in the Senate, please.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ALLEN. Also I might state the distinguished chairman of the Commerce Committee asked the Senator from Alabama if he would agree to lay this matter aside in order that we might return to the Penn Central bill, and the Senator from Alabama said yes, that would be agreeable to him, and then I do not even see the Senator from Washington who made that proposal. I hope he is out getting agreement on that request.

The Senator from Alabama is ready to discuss Penn Central.

(At this point, Mr. STONE assumed the Chair.)

Mr. ALLEN. I think we have discussed this now for about 5½ hours and, I believe, to get on to Penn Central again might be time well spent. So, any time the distinguished Senator from Washington, the chairman of the Commerce Committee, wants to make that request, well, the Senator from Alabama will join in the making of that request so that we can have the Penn Central fully debated at the time cloture is invoked on Wednesday.

So, Mr. President, it is those who are seeking this effort right here. This pinpoints the blame. It pinpoints what is the barrier in the way of reaching action on Penn Central. It is this effort to change the Senate rules through the basement approach.

I do not believe that those who are perfectly willing to vote on Penn Central at this time—that includes the Senator from Alabama, providing the agreement is made on the S. Res. 4—I do not believe those of us who stand for free speech in the Senate should be charged with the effort being made by the Senator from Minnesota (Mr. MONDALE) and the Senator from Kansas (Mr. PEARSON) to change the Senate rules by a method other than that provided in the Senate rules.

Well, Mr. President, we, as Members of the Senate, talk about our Nation being a government of laws and not of men, but we ought to be a Senate governed by rules and not by those who seek to amend the rules in methods other than as provided by the rules themselves.

So all the Senator from Alabama, the Senator from Virginia (HARRY F. BYRD, Jr.), the Senator from Virginia (WILLIAM L. SCOTT), the Senator from Texas (Mr. TOWER), the Senator from Nebraska (Mr. CURTIS), the Senators from Tennessee (Mr. BROCK and Mr. BAKER), who are here, the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE)——

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, I will yield for a question, but I would have to limit it to that, otherwise I might be—I yield for a question.

Mr. GOLDWATER. Without the Senator from Alabama losing the floor.

Mr. ALLEN. Mr. President, is there agreement to that request?

The PRESIDING OFFICER (Mr. STONE). Yes.

Mr. ALLEN. Let us get the agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, many of us have been through this procedure many, many times, that is, the effort to change rule XXII, and for the life of me, I cannot, since the civil rights question was resolved over 10 years ago, find out just why it is that the proponents are now suggesting the rule change that they have suggested.

I have been trying to think back to any votes that might have required a lesser amount, but for the life of me, I cannot come up with any.

I am wondering if the Senator from Alabama can give me the reasoning of these gentlemen who are trying to change the rule.

The reason I am asking that, if the Senator would allow me to continue for just a moment to pursue this question, in looking over the votes to revise the cloture rule since 1961, that goes back 14 years, in 1961 we rejected cloture on a three-fifths change.

Again in 1962, we rejected cloture on the literacy bill.

In 1962 invoked cloture on the COMSAT bill.

Then in 1963, we tabled the constitutional question on whether the majority of the Senate could end debate at the beginning of the session and vote on rules changes, notwithstanding Senate rules. If my memory serves me correctly, this is one of the larger stumbling blocks we have come across at this particular time.

In 1963, we rejected cloture again on the three-fifths motion.

In 1964, we invoked cloture on civil rights bill.

In 1964, we rejected cloture on a reapportionment amendment.

In 1965, we invoked cloture on the voting rights bill.

In 1965, we rejected cloture on a motion to take up repeal of 14(b). I might say that 14(b), the Taft-Hartley amendment that allows States like mine to have right-to-work amendments, would be, I believe, the first target that this body would aim at if we changed this two-thirds majority the way that it is being attempted.

Again in 1966, we rejected cloture on a motion to take up repeal of 14(b).

The same thing in 1966, again on 14(b).

In the same year, 1966, we rejected cloture in the motion to take up civil rights bill.

In 1966 we rejected cloture on the motion to take up civil rights bill.

Now, this gets to be very interesting to the junior Senator from Arizona because when I first came to this body the people who supposedly practiced filibustering were Southerners who were attempting to prevent the passage of civil rights laws and yet since 1961 every motion on cloture to protect and allow votes on civil rights have been passed by two-thirds majority of the Senate.

It seems to me that that is pretty well dead now. We have not had anything like that up in a good many, many years.

For example, in 1966, we rejected cloture motion on home rule, the home rule rider to higher education bill.

The next year, in 1967, we rejected the motion to table the Dirksen point of order against the McGovern motion to close debate by majority vote on rules change.

Once again, this body upheld its right to change its rules, but upheld the proper way to do it, not from recently thought up shortcuts.

In 1967 we sustained again the point of order that I have just made.

In 1967, we rejected cloture motion on

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the McGovern motion to take up the three-fifths reservation.

In 1968 we rejected a cloture motion on Civil Rights Protection Act, including fair housing.

Again, in the same year we rejected a cloture motion on civil rights, including fair housing.

In 1968, we rejected a cloture motion on the Dirksen substitute fair housing amendment.

In 1968 we invoked cloture motion on Dirksen substitute for fair housing amendment.

Again 1968, we rejected a cloture motion to take up the nomination of Justice Abe Fortas as Chief Justice.

In 1969 we rejected cloture motion on Senate Resolution 11 to provide for three-fifths instead of two-thirds.

So, once again, that came before this body, but I will remind my colleagues, it was rejected in the proper way and not the method being attempted at this time.

In 1969 we did not sustain a motion to vote on Vice President HUMPHREY's rulings that this be sustained.

Again in 1969, we rejected the second cloture motion on Senate Resolution 11 to provide for three-fifths instead of two-thirds.

In 1970 we rejected a cloture motion on direct election of President and Vice President.

I might say, Mr. President, that this is a very little understood suggestion by the people of this country and I feel certain that after proper explanation to the citizens of this country, they would never fall for the idea we should have direct elections, but under three-fifths vote there is no question in my mind that this body would vote it out.

We, again, in 1970 rejected a cloture motion on direct election of President and Vice President.

In 1970 we rejected a cloture motion on transportation appropriations and in 1970, the same year, we did the same thing.

But getting back to the three-fifths proposal, in 1971 we, on four different occasions, rejected the cloture motion on the three-fifths vote.

In 1971 we agreed to the Mansfield motion to table the Javits' appeal from the Chair, the ruling that the motion to invoke cloture had been rejected.

In 1971 we invoked cloture on the Military Selective Service Act amendment. Again, in 1971 we rejected the cloture motion on the emergency loan guarantees, and the same thing again in 1971, and again in 1971.

Then in 1971 we invoked a cloture on the Military Selective Service Act amendments; and again in 1971 we rejected cloture motion on William Rehnquist's nomination to be an Associate Justice of the Supreme Court.

In 1972 we rejected a cloture motion on the Equal Employment Opportunities Enforcement Act. Again in the same year, one more rejection of that, and then we invoked cloture in 1972 on the Equal Employment Opportunities Enforcement Act.

In 1972 we invoked cloture on the weapons limitation agreement between the United States and the U.S.S.R. In 1972 again we rejected a cloture motion on the Consumer Protective Organization Act of 1972.

Mr. President, you may think it strange that I am reading these into the RECORD when they are already probably a part of the RECORD, but what I am trying to point out is that we have done very well in this body over many, many years of its history with the two-thirds requirement. I have yet to hear—yet to hear—a logical argument as to why we should go to three-fifths. I think if an argument can be made for three-fifths, it can be equally made for 51 percent of those present and voting. I feel certain that if we go to three-fifths, the next movement is going to go to 51 percent. If that ever comes, we will find the nine big States of this country controlling in this body and the other body, and it is not going to be long until some of their long-dreamed schemes are going to come into sight and into enactment, such as New York State, for example, with its great population.

Why should they only have two Senators while the little State of Arizona has two Senators? Why should the little State of Nevada have two Senators when probably any county in Pennsylvania has more people than live in Nevada?

This, I suggest, is running contrary to the intent of the Constitution, and I feel this whole effort to change our voting rule is an attack upon the Constitution and its intent. Once we start weakening the rules to the point that a mere majority can prevail, then we are doing untold damage to the minorities.

If you will just recall the cloture actions that I have indicated in this list that I am reading into the RECORD, you will see that these did not constitute legislation that was enacted necessarily for the minority or the majority.

The minority in this country has the right to think that something is wrong, whether the majority thinks it is right or not. If the majority prevails, then the minority has to go along, as they usually do. But the minority position in this country has always been protected.

I can recall back in the days before this Chamber was air-conditioned. I often think one of the biggest mistakes we made was air-conditioning the Senate and House Chambers because they are nice comfortable places to be in now in the hot summer days.

In the late 1920's when Hoover Dam was being constructed, the question came up as to why Arizona, a very small State, should participate in any revenues from that dam, the southern buttress being on Arizona soil and the lake and all the rivers pertaining to it coming from Arizona, with the exception of one. Why should we not have the right to some power and some money?

Our two Senators, Senator Hayden and Senator Ashurst, in the midst of summer when it was just as hot in here as it was outside, undertook extended debate, or the nasty word "filibuster."

After 2 days of being convinced these two gentlemen were going on forever, the Senate gave in, and the minority was recognized. This small Western State I represent received a share of the income revenues, water, and power from Hoover Dam.

I do not think there is a State represented in this body that could not relate a similar tale as we go back into history and realize what the protection of the minority has done for this country.

We all believe in majority rule, but we also believe very strongly that the minority has a time and a place, and has a right, to argue their position.

In looking at some more of these cloture efforts, we rejected a cloture in 1973. In fact, before that, we invoked cloture on the Voter Registration Act. We can all remember that. That was back in 1973. Many of us felt that was wrong, but, nevertheless, we went along with it.

In 1973 we rejected a cloture motion on a temporary increase in the public debt limit, and again in 1973 did the same thing. In 1973 we rejected a cloture motion on an amendment to the United Nations Participation Act of 1945. Again in 1973, we rejected a cloture motion on an amendment to the United Nations Participation Act of 1974.

In 1973 we rejected another motion on the Economic Opportunity Act. In 1973 another one on the same act. And yet, just a little bit later, in fact about 4 days later, we invoked cloture on an amendment to the United Nations Participation Act. And again a few days later, we invoked cloture on the Economic Opportunity Act of 1964.

So, if it does not come about the first time, if the proponents keep on trying, it seems invariably they have made their point with cloture having been invoked.

In 1974 we rejected the cloture motion on the International Convention on the Prevention and Punishment of the Crime of Genocide; and in 1974 the same thing.

In 1974 we invoked cloture on a resolution disapproving pay recommendations of the President with respect to the rate of pay for Members of Congress.

In 1974 we also rejected a cloture motion on the Federal Election Campaign Act Amendments of 1974.

And so it goes. Mr. President, on down through the list of attempts at cloture since 1961, a period now of 14 years.

I related at the outset when I first came to this body, the filibusterers, those people who attempted extended educational debate, were mainly from the South. They were trying to protect what we then called segregation. That began to disappear with the Brown decision, and in subsequent years an effort to change the rule gradually resulted in the Civil Rights Act of 1964 which pretty much took care of the whole matter of civil rights, with some small additions that had to be made to the law.

I get back to the question I proposed to my friend from Alabama.

I see that he is busy at the desk, so I can go on a little bit more before he can answer this question.

I might say if we get into this matter of discussion, a full discussion, on the protection of the minorities, over 20 percent of the Indians of the United States live in my State, some 15 tribes. They certainly constitute the smallest, least powerful minority in this country, a minority that has never had any attention paid to it.

If we are going to discuss this at some length I intend to get into the background of the Indians of my State, language origins, and their places of origin. If any of my colleagues are interested, I can go into the details of some 400 different tribes who live within the continental United States.

Mr. TOWER. Will the Senator yield for a question?

Mr. GOLDWATER. I yield for a question——

Mr. TOWER. I hope the Senator from Alabama will not leave the Chamber.

Mr. ALLEN. I do not want to get involved in a parliamentary hassle here. I have yielded to the distinguished Senator from Arizona under the unanimous-consent agreement that he might make a statement without the Senator from Alabama losing his right to the floor.

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. ALLEN. I am not going to endanger the holding of the floor. I will continue to yield under the same basis to the distinguished Senator from Arizona, after which I will be delighted to yield to the distinguished Senator from Texas.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Alabama can yield only for a question.

Mr. ALLEN. I yield only for a question. There has been objection to extending it beyond that, so I must limit the distinguished Senator from Arizona to a question.

Mr. GOLDWATER. The question I asked at the outset—and I backed my reason for the question with a few comments—I will repeat. Can the Senator from Alabama tell me what is the basic reason why our colleagues who want to change rule XXII want to change it?

Mr. ALLEN. In the judgment of the Senator from Alabama, it is to pave the way for the enactment of any type legislation that might strike the fancy of those proponents of Senate Resolution 4.

Mr. GOLDWATER. I would agree with that.

Mr. President, I thank my friend from Alabama for having yielded, and I will ask him one more question.

Mr. ALLEN. I will be delighted to yield for a question. The Senator from Alabama understands that he can do that without losing his right to the floor.

Mr. GOLDWATER. This will be in the form of a question.

If I ask my friend to yield to me for the purpose of discussing the rights of our American Indians that are in danger by this action, will the Senator yield for that purpose?

Mr. ALLEN. Only by asking unanimous consent that I might yield for that purpose, and without my subsequent remarks being considered a second speech.

Mr. JAVITS. I object, Mr. President.

The VICE PRESIDENT. Objection is heard.

Mr. ALLEN. Mr. President, the Senator from Arizona, in commenting on some of the questions raised by the Senator from Alabama, listed a long number of cloture votes, in some of which cloture was invoked and in some of which cloture was not invoked. But these statistics having to do with the number of times cloture was tried and the number of times it was invoked are, like many statistics, unreliable in this respect: They count every cloture effort as being an effort to invoke cloture. As we know, sometimes they have four efforts to invoke cloture. That would count as four times.

So the truth of the business is that the two-thirds rule has not interfered with the right or the ability of those who want to invoke cloture, except in very, very, very rare instances.

As an example of the fact that the two-thirds rule on cloture imposes no hardship whatsoever on those who advocate legislation that the Senate agrees to or feels is sound, I call attention to the vote back in December on the trade bill. There was considerable opposition to the trade bill in some quarters. But when the effort was made to invoke cloture, without any debate whatsoever on the bill, cloture was invoked by a vote of 71 to 19, which indicates that when the Senate gets ready to move, as it was on that occasion, it will invoke cloture. This two-thirds rule imposes no hardship whatsoever in this regard.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield.

Mr. HARRY F. BYRD, JR. Is it not correct that this past December, the Senate invoked cloture on three separate occasions within a 1-week period?

Mr. ALLEN. Yes, that is certainly true.

Mr. HARRY F. BYRD, JR. Does that now show how easy it is to get cloture, if the measure has merit?

Mr. ALLEN. Yes, that is certainly true.

I appreciate the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) raising this point, because the two-thirds requirement for choking off debate has not interfered with the passage of legislation on which the Senate is ready to move.

Mr. President, why should this effort to cut off debate by a majority vote, when the rule says it takes a two-thirds vote, be countenanced by the Senate? Clearly, under the rules—rule XXXII, specifically—it is provided that the rules of the Senate carry over from one session of the Senate to the next session and that they must be amended as provided in the Senate rules. So to amend the Senate rules, a simple majority is required, provided it comes up for a vote under the rules. But rule XXII—which, by the way, is not a rule of license but one of limitation—provides that debate can be cut off by a two-thirds vote.

Mr. President, if we did not have any cloture rule, what would be the rule in the Senate? Prior to 1917, there was no cloture rule, and they could not cut off debate in the Senate. As a matter of fact, for a period of 110 years, from 1807 to 1917, they had no rule whatsoever for cutting off debate. That being true, if they say that rule XXII is not in effect—and I do not follow that line of reasoning, as I will explain in a moment—we go back, then, to the rules as they existed without rule XXII, which permitted unlimited debate.

Mr. President, in 1959, a compromise was reached in the Senate with regard to cloture provisions—long before the time of the Senator from Alabama. At that time, back in 1959, the rule on invoking cloture required what is called a constitutional two-thirds vote. That meant that if we had a hundred Senators, it would take 67 votes to cut off debate.

Well, with the absentee record in the Senate, it is pretty hard to get 67 votes on anything, much less a cloture motion. So that was one thing that the gag rule Senators wanted to amend.

Another situation in the rules that the gag rule Senators wanted to change was the fact that under the Senate rules, a motion to proceed to the consideration of a bill was not subject to cloture. Mr. President, those Senators back in 1959 apparently had not heard of this basement approach to amending the rules, where one comes in and files a motion, makes a point of order, and runs the steamroller over it.

Suppose it said that 40 percent, Mr. President, could cut off debate and made a point of order and the Senate refused to table that point of order—or the Senate did table the point of order. Would the Presiding Officer rule that 40 percent could cut off debate? Where is the limit to that rule?

Suppose somebody came in with a provision saying that debate could be cut off on the request of any two Members of the Senate provided that the request was endorsed by two of the U.S. Senate pages, and a point of order was made, and the Senate, in its wisdom or lack of it, tabled the point of order. Where would we stand?

Well, we might say, that is not likely to happen. I do not know about that. We have seen some strange things happen. I do not know what might be next.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. WILLIAM L. SCOTT. Mr. President, will not the Senator agree that we have had some consideration of the rules today, some decisions that have been reached that are rather difficult to understand, that might possibly or might appear to be in conflict with one another?

I might say to the Senator that I am trying to lay the premise for a review of each of the Senate rules as we go along and get the Senators——

Mr. ALLEN. The Senator from Alabama is yielding only for a question, so he must limit the distinguished Senator to the propounding of a question.

Mr. WILLIAM L. SCOTT. What I wanted to do was ask the Senator's opinion on the various rules of the Senate

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because of the distinguished Senator's knowledge of the Senate. The first sentence in rule I, for example says:

In the absence of the Vice President, the Senate shall choose a President pro tempore.

Would the Senator agree that this is a good rule for the Senate to have?

Mr. ALLEN. Yes sir, I believe it is.

Mr. WILLIAM L. SCOTT. Will the Senator agree that the following sentence:

In the absence of the Vice President and pending the election of the President pro tempore, the Secretary of the Senate, or in his absence, the Chief Clerk, shall perform the duties of the Chair—

Is that a reasonable rule for the Senate to have?

Mr. ALLEN. The Senator from Alabama believes that it is.

Mr. WILLIAM L. SCOTT. If the Senator will yield for a further question, the third paragraph says:

The President pro tempore shall have the right to name in open Senate, or, if absent, in writing, a Senator to perform the duties of the Chair; but such substitution shall not extend beyond an adjournment, except by unanimous consent.

Is this a reasonable rule for the Senate to have to help it perform its functions?

Mr. ALLEN. I certainly believe that that rule is in effect now.

Mr. WILLIAM L. SCOTT. Will the Senator agree that if we develop these rules, may I get the opinion of the distinguished Senator from Alabama that the rules of the Senate are for the purpose of orderly debate and orderly procedure and to let the Senate work its will on a given matter?

Mr. ALLEN. Yes, that is the purpose of the Senate rules.

Mr. WILLIAM L. SCOTT. Numbered paragraph 4 says:

In the event of a vacancy in the office of the Vice President, or whenever the powers and duties of the President shall devolve on the Vice President, the President pro tempore shall have the right to name, in writing, a Senator to perform the duties of the Chair during his absence; and the Senator so named shall have the right to name in open session, or in writing, if absent, a Senator to perform the duties of the Chair, but such discussion shall not extend beyond adjournment, except by unanimous consent.

Will the Senator tell me whether he feels this is a reasonable rule and make such comment as he may see fit about paragraph 4 of rule I?

Mr. ALLEN. I do feel that that is a reasonable rule.

Mr. WILLIAM L. SCOTT. Then we turn to rule II that talks about the oath or affirmation required by the Constitution and prescribed by law which shall be taken and subscribed by each Senator, in open Senate, before entering upon the duties of his office.

Does the Senator feel that we should take an oath or affirmation for the faithful performance of our duties as Members of the U.S. Senate?

Mr. ALLEN. Yes, I feel that that is incumbent upon us, not only under the rules but under the law.

Mr. WILLIAM L. SCOTT. Rule III then says:

The Presiding Officer having taken the Chair, and a quorum being present, the Journal of the preceding day shall be read, and any mistake made in the entries corrected.

Does the Senator agree that this is a reasonable provision for the conduct of the business of the Senate?

Mr. ALLEN. Yes, I do, indeed.

Mr. WILLIAM L. SCOTT. Then the next sentence reads:

The reading of the Journal shall not be suspended unless by unanimous consent.

Is it customary to read the Journal each day or will the Senator tell me, as one of the more senior Members, what is the custom with regard to the reading of the Journal?

Mr. ALLEN. The Journal must be read at the start of every new legislative day, but not every calendar day. In other words, we are in the same legislative day as we had on Saturday, the same one we had on Friday, and I assume the same one we had on Thursday. It seems that we are going to be in the same legislative day for some little while, because the majority leader first stated to the Senator from Alabama that he would adjourn the Senate at the close of business today and then, later on, said he had reconsidered his position and is now going to recess the Senate at the close of business. So on tomorrow, when we meet—I do not know when that will be. We will probably meet right on through, I might say, so there will be no reading of the Journal on the next calender day. I am hopeful that somewhere along the line, we are going to adjourn the Senate and remove this fiction that no matter how many days we are in session, it is still the same legislative day. When we finally get around to reading this Journal for a couple of weeks, it is going to be quite a task, I might state.

Mr. WILLIAM L. SCOTT. Does the Senator agree with the next phrase of rule III:

. . . and when any motion shall be made to amend or correct the same, it shall be deemed a privileged question, and proceeded with until disposed of.

Is this a reasonable rule for the Senate to have?

Mr. ALLEN. Yes, I certainly agree.

Mr. WILLIAM L. SCOTT. I appreciate the distinguished Senator enlightening me with his opinion on this.

I notice in the next paragraph:

A quorum shall consist of a majority of the Senators duly chosen and sworn.

Does a majority for a quorum appear to be a reasonable number to transact business of the Senate?

Mr. ALLEN. Yes.

Mr. WILLIAM L. SCOTT. Does the Senator feel that some amendment should be made in that?

Mr. ALLEN. No, I will agree that that is a fact. In talking about rule XXII contravening the provisions of the Constitution, I have not seen where that takes place, but I will say that if the Senate rules said that 40 percent constituted a quorum, I would feel like that would be contrary to the Constitution, which says that a majority should constitute a quorum. We could not make any rules contravening the provisions of the Constitution. And I will say to the distinguished Senator that all of the great constitutional lawyers we have had in the Senate, including those who served in the first Senate, many of whom had been signers of the Constitution itself—do you think they would have had a two-thirds requirement if that was against the Constitution? I would not feel that they would.

Mr. WILLIAM L. SCOTT. I notice that rule IV, the first sentence, indicates "The proceedings of the Senate shall be briefly and accurately stated on the Journal." Would the Senator feel we should go beyond that? We have our CONGRESSIONAL RECORD, but is this sufficient to be the Journal of the Senate?

Mr. ALLEN. Well, I think the Journal is a fine thing to keep. It must be kept as a journal of the proceedings.

I will say this: From time to time, when we get around to the Journal, it is amendable. The Journal is amendable; even though some of the motions filed here from time to time continue not to provide for amendment, such a document as the Journal is amendable, to make it speak the truth. The Journal may say one thing happened when something else happened, but then we would have the right to seek to amend the Journal at such time as the leadership will allow the Journal to be read at the start of a new legislative day. I am hopeful that possibly on tomorrow we may have a new legislative day, but I would not hold up too much hope in that regard.

Mr. WILLIAM L. SCOTT. Would the Senator agree that the various itemized things that are mentioned here are reasonable to include in the Journal? It mentions messages of the President in full, titles of bills and joint resolutions, and such parts as shall be affected by proposed amendments; every vote, and a brief statement of the contents of each petition, memorial, or paper presented to the Senate, shall be entered.

Is this, in the Senator's opinion, a reasonable item in the Journal, or would the Senator suggest that there be amendments of any kind in respect to this part of rule IV of the Senate rules?

Mr. ALLEN. I believe it is sound. I might state to the distinguished Senator from Virginia that if I wanted to amend the rules, I would seek to amend the rules in accordance with the rules; I would not try to come in the basement door with my amendment, as an effort is being made to do with respect to rule XXII.

I might state that if rule XXII is not now in effect, I wonder why this resolution (S. Res. 4)—I mention this because I do not know how much debate we will have when we get to Senate Resolution 4, although the Senator from Minnesota, according to the CONGRESSIONAL RECORD, has stated that we will have an opportunity to debate, and I hope that legislative history will influence the Vice President, who, by the way, has not made any ruling to the contrary about Senate Resolution 4 being debatable; he has not said anything or ruled anything. He has been answering parliamentary questions.

But why, if rule XXII is not in effect, would this resolution say, "*Resolved*, That rule"—I declare, this is interesting: it says:

Resolved, That rule XXVII of the Standing Rules of the Senate is amended to read as follows:

That is quite interesting. I assume that an amendment would be in order to that figure there, if I remember my Roman numerals correctly; possibly I do not. It says X-X-V-I-I.

Mr. WILLIAM L. SCOTT. May I ask where the Senator is reading?

Mr. ALLEN. I am reading Senate Resolution 4, Calendar No. 1, star print. I would assume they would let us amend where it says X-X-V-I-I. I believe that is 27. I think this is supposed to be an amendment of rule XXII. It is interesting to see these things, I might say, and I feel like possibly the Chair will allow us to offer an amendment to that, to let us amend the right rule.

But the point I am making is, why would they offer an amendment—I assume they meant rule XXII—why would they offer an amendment to rule XXII unless rule XXII was in effect? That is quite elementary, it seems. But the very document itself, the very resolution itself, admits the fact that rule XXII is in full force and effect, and they are seeking to amend it.

If the rule is not already in effect, why are they amending it? Why not just come up with a new rule?

That seems to the Senator from Alabama to be proof positive that rule XXII, even by their own concession, is in full force and effect; and if they seek to amend it, if that question is decided in the affirmative, by three-fifths of the Senators present and voting—this is a new rule XXII, an amendment to rule XXII, but they will have to knock out the provision that says it takes two-thirds.

Mr. WILLIAM L. SCOTT. Would not the Senator agree that the resolving clause, "Resolved, that rule XXII of the Standing Rules of the Senate is amended to read as follows," recognizes the existence of the rules?

Mr. ALLEN. Yes; Yes. indeed.

Mr. WILLIAM L. SCOTT. Well, then, if we say that the rules are existing until amended by the Senate, would it not follow that we are governed by the rules as they exist until they are amended?

Mr. ALLEN. Well, that would certainly seem to be elementary to the Senator from Alabama. If you are seeking to amend a rule, you go by the provisions of the old rule until a new rule is adopted.

It is not like this hybrid-type motion. I do not know just what it was. I really ought to call it a little bit different name than that, but that is the name I will call it, this hybrid motion that they filed, it received no standing whatsoever. It does not come under rule XXII, the motion to proceed to the consideration of Senate Resolution 4. There is no basis for it whatsoever.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, for a question.

Mr. TOWER. Would it not seem proper to the Senator from Alabama that if, indeed, rule XXII is not in effect that the motion should be ruled out of order because rule XXII is not in effect, and it is amending something that does not exist?

Mr. ALLEN. I think——

Mr. TOWER. Would that not be a consistent ruling?

Mr. ALLEN. I think that is a very good point and, possibly, a little later on in the proceedings it might be well for the Senator from Texas to make this motion. I think it is a well-founded point of order.

Right now we are discussing another point of order which the distinguished Senator from New York very kindly made in order to provide a basis for us to discuss this matter, I would imagine.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. CURTIS. If rule XXII is not a valid rule of the Senate, do we have other rules in the Senate—if rule XXII is not a valid rule of the Senate are there other rules of the Senate—that are valid?

Mr. ALLEN. No, not unless by usage—I would feel that all the rules very definitely are in effect because of the provisions of rule XXXII, if nothing else. Of course, that was a rule long before that.

I did digress from the statement I was making a few minutes ago by yielding to some questions, and I would hate those who are going to read the CONGRESSIONAL RECORD—that will not include the Senator from Alabama, I would say he will connect up the points that I was making with respect to the 1959 compromise that was reached here in the Senate—but I will very definitely say that all rules of the Senate are in full force and effect because they are carried over from one Senate to the next as provided in the Senate rules themselves, and as was the case even before that rule was made, and the then majority leader, Lyndon Johnson, stated that this amendment was made and agreed to for the purpose of removing this question for all time as to whether the Senate was, in fact, a continuing body.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for another question?

Mr. ALLEN. Yes.

Mr. CURTIS. Would it not seem proper that those who advance the theory that there is a constitutional right to determine rules at the beginning of a session by a majority vote should proceed to do that with the entire body of the rules before any other legislation is taken up?

Mr. ALLEN. Yes, certainly that would be the case if we conceded that that could be done and not be subject to the provisions of rule XXII. I must insist that rule XXII carries forward, and I would hate to agree to any premise that would fracture that understanding or that view.

Mr. CURTIS. On February 20, 1975, the Senate passed a suspension of authority to impose tariffs and quotas on petroleum products.

My question is was the consideration of this bill under the existing and continuing rules of the Senate?

Mr. ALLEN. Yes, unquestionably.

Mr. CURTIS. Is it not true that the proposal today for a cloture motion on the railroad bill is on the assumption that the continuing rules of the Senate are in full force and effect as of now?

Mr. ALLEN. Yes, yes, sir; that is correct.

Mr. CURTIS. Is it not true that the Constitution itself came into being by requiring a two-thirds action? Is it not true that the Constitution, in order to be valid among those States that ratified it, had to be ratified by nine of the 13?

Mr. ALLEN. That is correct.

Mr. CURTIS. Is it not true that before a constitutional amendment can be proposed and submitted to the States it must pass both houses by a two-thirds vote?

Mr. ALLEN. That is correct.

Mr. CURTIS. Is it not true that many of the very important decisions in government require more than a majority vote?

Mr. ALLEN. Yes, that is very definitely true.

Mr. CURTIS. Is it not true that one's life and property, when being tried by a jury, require more than a majority vote?

Mr. ALLEN. Yes, sir. In my own State, of course, it takes a unanimous vote of a jury.

Mr. CURTIS. Yes. I think it does.

Mr. President, while the Senator does not concede in any sense that we do not have completely valid rules of a continuing body, if a contention were to be made otherwise, it would have to be done and pursued and disposed of before the Senate proceeded to take up other business, would it not?

Mr. ALLEN. That would be the view of the Senator from Alabama unquestionably.

Mr. CURTIS. Is it not true that the Senate action on the petroleum import bill ratified the existence of the continuing rules of the Senate?

Mr. ALLEN. Yes; that would be the judgment of the Senator from Alabama.

Mr. CURTIS. I thank the distinguished Senator.

Mr. ALLEN. I thank the distinguished Senator from Nebraska for his fine points which he has made in this connection.

Mr. GRIFFIN. Mr. President, will the Senator from Alabama allow me to ask a question or two that logically follow on?

Mr. ALLEN. Yes; I would be delighted to yield for a question, a question only.

Mr. GRIFFIN. I think that it is important to focus on the Constitution as it applies to this particular question.

Is there anything in the Constitution that expressly provides that the Senate or the other House can amend its rules by a majority vote or that a majority vote is all that is required?

Mr. ALLEN. No; there is not. Then, of course, under the Senate rules a majority vote can change the rules subject to the right of Senators to discuss the proposed rules change, and to have debate choked

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off only under the provisions of rule XXII.

I might say in that connection that rule XXII, far from being a license to engage in unlimited debate, is, in fact, a rule of restriction because it does provide a method for cutting off debate by two-thirds of the Senators, whereas in the absence of that rule, as was shown and as the practice was in the Senate from 1807 to 1917, 110 years, there was no way to end debate in the U.S. Senate.

So, rule XXII, far from being a rule that permits undue debate, puts a lid on the amount of debate that can be engaged in by allowing two-thirds of the Senators to cut it off.

Mr. GRIFFIN. Mr. President, will the Senator yield further for another question?

Mr. ALLEN. Yes, I would be delighted to yield for another question.

Mr. GRIFFIN. I appreciate that, and I want to go back to the Constitution.

It seems to me that we are confronted with here is an interpretation of the Constitution. Reference is made over and over to section 5 of article 1. Is it not true that the only time that the word "majority" is used in section 5 is with reference to the establishment of a quorum?

Mr. ALLEN. Yes, that is the recollection of the Senator from Alabama, that it does take a majority to constitute a quorum, which is certainly a wise provision.

Mr. GRIFFIN. If there were a constitutional requirement that a majority would have to be allowed to amend the rules, is it not logical that that would have been provided in the preceding clause because section 5 reads like this:

> Each House shall be the Judge of the Elections Returns, and Qualifications of its own Members, and a Majority of each shall constitute a Quorum to do Business.

Later on, it says that each House may determine the rules of its proceedings.

Why not the drafters of the Constitution have said "Each House, by a majority vote, shall determine the rules of its proceedings?" They did not say that.

Mr. ALLEN. They sure did not.

Mr. GRIFFIN. Although in the preceding clause of section 5 they specifically did provide that a majority shall constitute a quorum.

Mr. ALLEN. A very good point, it is quite obvious.

Mr. GRIFFIN. In other words, they were not telling the Senate or the House by what vote they shall determine the rules of proceedings, just that each House shall determine its own rules.

Mr. ALLEN. That is correct.

Mr. GRIFFIN. So that we are really reading something into section 5, which there was a logical opportunity for the drafters to provide, if they so intended. But made the application only to the establishment of a quorum.

Mr. ALLEN. That is correct.

Mr. GRIFFIN. Is that correct?

Mr. ALLEN. Yes, that is correct.

Mr. GRIFFIN. I thank the Senator.

Mr. ALLEN. So, Mr. President, I was discussing a moment ago, and I digressed in order to yield to the Members for the propounding of questions, I was discussing the compromise of 1959 and I pointed out that this compromise of 1959, having to do with the Senate rules, covered three important areas.

One, the matter of how many votes it took to invoke cloture, and the rule at that time was that it took a constitutional two-thirds, which means that they had to have two-thirds of the elected membership of the Senate to cut off debate.

Well, as I suggested a moment ago, with the absentee record in the Senate it would be difficult to get 67 votes on a cloture motion.

So the gag-rule Senators wanted to amend that.

Also the rules at that time did not provide that cloture could be invoked with respect to a motion to proceed to the consideration of the rules change, and, of course, gag-rule Senators did not like that.

A third circumstance that Senators wanted changed, the free-debate Senators wanted to nail down once and for all the proposition that the Senate rules go over from one Senate to the next until they are amended as provided in the Senate rules.

The Senate at that time unquestionably was a continuing body, but since assaults had been made on the proposition that the Senate was a continuing body the free-debate Senators wanted that nailed down, and then majority leader Lyndon Johnson stated that this would settle the matter once and for all.

Well, he was not a mindreader, he was not a soothsayer or fortuneteller or a predictor of the future. He did not realize that an effort would be made in which it would be contended that the Senate is not a continuing body and that debate can be choked off in matters not provided by the Senate rules.

Mr. President, another circumstance in this connection, proof that rule XXII is in effect, was the filing by the distinguished Senator from Indiana (Mr. HARTKE) of a cloture motion with respect to the Penn Central bailout, some $300 million in grants and loans, sending it down a rathole.

When an effort was made to cut off debate there, they filed a cloture motion. They filed a motion; under what authority?

Well, let us read and see what it says:

> We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Let us see who is here:

Senator VANCE HARTKE, Senator WILLIAMS, Senator WEICKER, Senator BEALL, Senator HART, Senator PASTORE, Senator FORD, Senator JAVITS, Senator GLENN, Senator ROBERT C. BYRD.

The name of Senator MONDALE is here, but is scratched off; I do not know what the significance is there, unless he figures if his name is left on there that might be some sort of indication that he felt it necessary to proceed under rule XXII to end debate.

I declare, I believe I would mark my name off if I were the distinguished Senator—and he has done that.

So the distinguished Senator does not want it said that he feels like he has got to follow the rules to cut off debate. He would not be for that. But his name is scratched off, and in real bold scratching here, there would be no doubt about the Senator not wanting to join in following the rules.

Well, the Senator does not want to follow the rules because rule XXII, that is something he does not want to follow.

Let us see if the distinguished Senator from Kansas is on here.

It says: "MIKE MANSFIELD, ROBERT"—something here, that is not PEARSON, I am pretty sure.

I will say some Senators' signatures are not quite legible. I do not know whether they thought maybe others would not recognize the names there, or not.

In looking here——

Mr. CURTIS. Is there one signed with an X?

Mr. ALLEN. If that is a question, I will say I do not believe anyone has signed with an X. I do not believe the distinguished Senator from Kansas (Mr. PEARSON) wanted to follow rule XXII in bringing debate to a close. He thought better of it, apparently, before putting his name there. The distinguished Senator from Minnesota first signed his name to it and then said, "Oop, slippance. I did not intend to do that," and he marked through his name.

The point I am making is here are some 21 Senators who signed a cloture motion under rule XXII. If rule XXII is waiting on the distinguished Senator from Minnesota to give it life with his amendment, I wonder why this was received by the distinguished President of the Senate. It would seem to me that the distinguished President of the Senate is looking with some more favor on the requirements of rule XXII. The Senator from Alabama is glad to see that. He is hopeful that having accepted a motion under rule XXII in the Penn Central case, he would require the distinguished Senators from Minnesota and Kansas to go the rule XXII route with respect to their amendment.

Mr. President, I am wondering why there are two standards of requirements exacted by the President of the Senate; why he would give the distinguished Senator from Minnesota (Mr. MONDALE) and the distinguished Senator from Kansas (Mr. PEARSON) priority treatment that says, "All right, Senators, we are going to let you in the basement door. We are going to let you operate in a manner not provided by the rules." But he says to the advocates of the Penn Central, "Come in under rule XXII or not at all."

Mr. President, there has been too much emphasis on Senate Resolution 4 and not enough interest in the Penn Central. I say, lest I be understood, I am going to vote against the Penn Central bailout, but yet I do wonder why it is that those who make pretense of having so much interest in Penn Central really are interested more in this gag-rule provision.

The gag-rule Senators, some 51 in number according to the last count, in my judgment could care less about the Penn Central if they can ram this rules change through without following the Senate rules.

The Senator from Alabama on Thursday of last week agreed that 1 hour might be carved out of the time that might be employed in the consideration of the motion to proceed to Senate Resolution 4, and that the Penn Central bill be acted on in that hour. That was Thursday. No ifs, ands, buts, or conditions. The Senator from Alabama agreed in negotiations with the various parties in interest in that legislation and the rules change that as far as he was concerned there might be a vote on Thursday after 1 hour's consideration.

One of the distinguished sponsors of the gag-rule proposal said, "No. We have waited for weeks to come to this point. I will not allow any of my time to be used on the Penn Central."

Then, Mr. President, on Friday the Senator from Alabama made the offer here on the floor of the Senate that he would agree to the passage of the Penn Central bill on Friday, provided he would be allowed to call up, on Friday, one of the innocuous measures on the calendar, and that on today he be recognized by the Presiding Officer.

Well, that offer—and it is not something that Senator from Alabama is just thinking of; it is in the RECORD of Friday—was rejected by the distinguished majority leader here in the Chamber. Let us see what would have happened. Let us see if the Senator from Alabama is an obstructionist in this matter. He agreed to vote on it Thursday. He agreed to vote on it Friday, provided an innocuous measure was brought up for consideration and the Senator from Alabama might be given the floor today.

Well, he has the floor. If the offer that he made on Thursday and on Friday had been accepted, we would have Penn Central behind us.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. I yield for a question only.

Mr. CURTIS. Is it not true that the Constitution of the United States provides that the States shall have equal power in the Senate?

Mr. ALLEN. If the Senator will excuse me, would be repeat his question?

Mr. CURTIS. Does not the Constitution provide that the States shall have equal power in the U.S. Senate?

Mr. ALLEN. Yes, and that their representation cannot be taken away from them.

Mr. CURTIS. What right or opportunity, under the contention of the proponents, do the Senators from any State have to express their views on the Pearson motion?

Mr. ALLEN. Very little, except little snatches we get from time to time by the indulgence of the distinguished Presiding Officer, who does allow us from time to time to discuss parliamentary issues; and the Senator from Alabama is hopeful that that situation will obtain in the future. But, in and of itself, it gives no right to debate.

I am encouraged, I say to the distinguished Senator from Nebraska, and I hope that he will derive encouragement from this statement of the distinguished Senator from Minnesota who here expressed my view as to the parliamentary situation. I hope that the distinguished President of the Senate will pay close attention to this, because I think it is very, very important.

If we could have the unanimous-consent agreement and if the words of the distinguished Senator from Minnesota in arguing his motion on Thursday can be relied upon, we can end this discussion right now.

Let us see what the Senator from Minnesota said as an inducement, I assume—certainly, as part of the legislative history—as an inducement for Senators to vote for his tabling motion. This is the distinguished Senator from Minnesota speaking, as shown by page 3844 of the RECORD for February 20 :

> Our opponents say, "But you are moving to table and the motion to table is nondebatable." They say, "You are allowing a motion to table to shut off debate." Well, that is a rule of the Senate. A motion to table is always nondebatable.
>
> What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

That is all the Senator from Minnesota is trying to do, it says here.

> "It will be available for amendment."
>
> Let us have unanimous consent on what the distinguished Senator said. We will have no further difficulty this evening.
>
> It will be available for amendment; it will be available for referral; it will be available for debate. What we would like to do, after 5 weeks, is to bring it before the body of the pending business. That is all. It does not seem to me that we are establishing any precedent. If we cannot do it in this way, the constitutional remedy that is ours is a farce, a nullity, a sham, useless. Tear it up and throw it away.

Mr. President, the distinguished Senator from Minnesota in this statement has certainly stated the view of the Senator from Alabama.

I am not making this request, but I am merely stating that if the distinguished Senator from Minnesota would agree that that be entered as a unanimous-consent agreement, we have made a great deal of headway.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield for a question, yes.

Mr. ROBERT C. BYRD. Will the Senator be willing to yield the floor to me so that I might move to recess until a time certain tomorrow, with the understanding that on tomorrow, when the Senate goes back into session, following the recognition of the two leaders or their designees, the Senator from Alabama would retain his right to the floor, without this being counted against him as a second speech?

Mr. ALLEN. I certainly could have no objection to that. May I first inquire, though, as to the hour of convening on tomorrow?

Mr. ROBERT C. BYRD. Make it 11 o'clock or 12 o'clock noon.

Mr. ALLEN. Suppose we make it 12 o'clock noon.

Mr. ROBERT C. BYRD. Does the Senator yield for that purpose?

Mr. ALLEN. I would agree to that request. It is understood that I have not lost my right to the floor by our colloquy.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. TOWER. Mr. President, will the Senator yield to me for a question?

Mr. ALLEN. I do not have the floor. The Senator from West Virginia temporarily has the floor. It is to be returned to me when the colloquy has been concluded. I yielded to him for that purpose.

Mr. TOWER. Mr. President, will the Senator from West Virginia yield to me?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. Could the Senator include in that request the fact that the leaders will be recognized but not for the purpose of moving consideration of Senate Resolution 4?

Mr. ROBERT C. BYRD. The Senator does not need to be concerned. There are not going to be any tricks played here. The Senator from West Virginia is talking about recognition for the two leaders under the standing order on tomorrow, and after their recognition, the Senator from Alabama would be recognized.

Mr. ALLEN. Yes, I would certainly agree to that.

Mr. THURMOND. Mr. President, reserving the right to object—and I do not object—is it the intention of the acting majority leader to stay on this subject until it is determined?

Mr. ROBERT C. BYRD. I am not stating what the intention of the majority leader is. I am simply saying that if it is agreeable to the Senator and all Senators, we will shortly recess until tomorrow, at the hour of 12 o'clock noon. The two leaders would then be recognized in accordance with the standing order, after the prayer, and the Senate would resume its consideration at the point where it left off today, on the same matter, and with the Senator from Alabama being recognized.

Mr. THURMOND. Mr. President, I do not object.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield for that purpose, I assure him that I will not allow anything to happen to our understanding. I do have a couple of other requests which have no bearing upon this matter whatsoever.

Mr. President, I ask unanimous consent that I may retain the floor from here on, until such time as I move to recess.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the

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Senate completes its business today, it stand in recess until 12 o'clock noon tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, Mr. JAVITS be recognized for not to exceed 15 minutes, after which the Senate resume consideration of the point of order made by Mr. JAVITS, and that Mr. ALLEN then be recognized again, without this having counted as a second speech.

Mr. CURTIS. Mr. President, reserving the right to object, I wonder whether the distinguished leader would give me 15 minutes tomorrow.

Mr. ROBERT C. BYRD. Following Mr. JAVITS?

Mr. CURTIS. Yes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. JAVITS has been recognized on tomorrow, the distinguished Senator from Nebraska (Mr. CURTIS) be recognized for not to exceed 15 minutes, after which the Senate resume its consideration of the point of order raised by Mr. JAVITS, at which time the distinguished Senator from Alabama be recognized, without the recess having counted as a second speech against him.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a brief comment?

Mr. ROBERT C. BYRD. Yes, I yield, with the understanding that it is only for a comment, no motion, and that I will not lose my right to the floor.

Mr. HARRY F. BYRD, JR. I wanted to state for the RECORD that if and when the Penn Central issue is called up, I hope it will be called up at a time so that the Senator from Virginia may have an adequate opportunity to query the managers of the bill and get an understanding of the measure—the cost to the taxpayers, and so forth.

I hope it will not be called up late in the evening, because I do want to go into it with some fullness, not a filibuster. I have no intention of a filibuster. I am ready to vote on the bill, so long as I can get a few answers to a few questions, but it may take an hour or so.

Mr. ROBERT C. BYRD. I say to the distinguished Senator that that is a matter which may be taken out of the hands of the leadership by virtue of the cloture motion. But to the extent that I will be able to do it, I will be glad to do all I can to see that the distinguished Senator has some little time. How much time is he thinking of?

Mr. HARRY F. BYRD, JR. I am thinking of an hour. I would get that under cloture, but I would not want to be confined to that.

Mr. ROBERT C. BYRD. The Senator would not get an hour until cloture is invoked. How much time does the Senator want? Does he want 30 minutes for himself?

Mr. HARRY F. BYRD, JR. I would not want to state that categorically until I see how I get along with the replies to the questions I expect to propound. I would think I would need an hour.

Mr. ROBERT C. BYRD. May I say that as the matter now stands, the Senate will vote 1 hour after it comes in on Wednesday. One hour after it comes in on Wednesday, there will be a live quorum. Then the Senate will proceed to vote on the cloture motion. If cloture is invoked, the Senator will have his hour.

Mr. HARRY F. BYRD, JR. That is what I was speaking of. I would have an hour under that procedure.

Mr. ROBERT C. BYRD. Yes, the Senator would have an hour.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 noon tomorrow, following a recess. After the two leaders or their designees have been recognized under the standing order, Mr. JAVITS will be recognized for not to exceed 15 minutes, after which Mr. CURTIS will be recognized for not to exceed 15 minutes, after which the Senate will resume its debate on the point of order made by Mr. JAVITS, with Mr. ALLEN again holding the floor. There may be rollcall votes tomorrow.

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 7:10 p.m. the Senate recessed until Tuesday, February 25, 1975, at 12 noon.

EXTENSIONS OF REMARKS

READERS OF NATION'S BUSINESS OVERWHELMINGLY FAVOR PRAYER IN SCHOOL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. McDONALD of Georgia. Mr. Speaker, businessmen are supposed to be hardnosed individuals only interested in their profits and losses, at least that is the popular myth. So, to me, it was refreshing to learn that the readers of Nation's Business support a return to prayer in our schools by a margin of 14 to 1. In the view of these businessmen, much would be gained by a return to prayer in schools. I, personally, agree. The moral and spiritual decay we are experiencing is an exceedingly dangerous thing for our Nation. Such issues should not be forgotten even during these troubled economic times. I commend this article from the February 1975 edition of Nation's Business to the thoughtful attention of my colleagues:

PRAYER IN THE SCHOOLS: AN OVERWHELMING VERDICT

Congress and the U.S. Supreme Court might well take note of the response to the "Sound Off to the Editor" question posed in the December issue of *Nation's Business*: "Should prayer be allowed in public schools?"

By a margin of 14 to one, readers say the Supreme Court ruling of almost 13 years ago banning school-conducted or -supervised prayer should be overturned.

"With simple prayer illegal in public schools for the very young, soon they will be ashamed to bow their heads in any public place," writes D. W. Glover, president, Glover Distributing Co., Inc., Shreveport, La. "Will the church be next? Then the family dinner table? The senile old men of the Supreme Court will have long since gone to their reward, but will God then help those of us who let it happen?"

Says Curtis D. Eagle, president, Eagle Engineering & Supply Co., Alpena, Mich.: "This country was founded 'under God' but our government has interfered with this concept by legislating through the Supreme Court."

F. R. Van Hooreweghe, a Moline, Ill., attorney, says: "The lesson of present government corruption should perhaps induce one to contemplate a return to some of our traditional moral values. Awareness of a Supreme Being might lead to improved morality by all."

Another attorney, C. Allen Elggren, of Salt Lake City, Utah, takes a somewhat similar tack: "Any practice in the public schools which would tend to influence the students to develop moral conduct cannot help but be good. Certainly, the sterile atmosphere of our public schools over the past 12 years has shown itself in the great increase of undisciplined, immoral action among our young people."

On the other hand, Richard J. Guenther, superintendent of the Hastings, Mich., public schools, writes: "Spiritual values are a joint responsibility of church, school and home. Unfortunately, there are some who want to push the whole responsibility onto the schools. We must guard against introduction of sectarian religious values in the schools."

Prayer, writes the Rev. Roberty W. Tully of First Congregational Church, Watertown, Wisc., "is only meaningful as a private or personal act, and not as a public display. Prayer must not be used by the state to serve its own purposes."

Says R. C. Pittenger, director, antibiotic production, Eli Lilly & Co., Indianapolis, Ind.: "If freedom of religion is still sacred, then state-supported religious exercises should be forbidden regardless of their character."

Another No response comes from Waynette Corby, of San Antonio, Texas: "When I was in grade school they had prayers over the loudspeakers and they always ended with 'in Jesus' name we pray.' Since I was Jewish, I didn't feel right praying. Unless prayers are really nondenominational and are checked up on—forget having them at all."

F. Roger Little, principal of the Craig, Colo., junior high school, is on the majority side. "Forces outside the school," he writes, "are overwhelming young people today—with the result in so many cases that students cannot concentrate, study, pursue goals, or possess the necessary foundations (from home and church) that are needed to sustain us all, not only in times of stress but just in living. Our young people should recognize God's power."

Says Peter J. Leofsky, president, Dapexs Consultants, Syracuse, N.Y.: "God is fundamental to this country—to people. If we always appease the minority, what rights are left for the majority?"

R. C. Wittlinger, president, Pioneer Foundry, Inc., Houston, Texas, says: "Voluntary prayers should be guaranteed. To do otherwise is a violation of the rights of those (majority) who desire it. Some schools have even gone so far as to stop the Pledge of Allegiance!"

James R. Spees, president, Rapid-Packaging Corp., Grand Rapids, Mich., says his "family is being denied the recognition of Christian faith in public schools on one hand and force-fed the gospel of 'humanism' in all subject matter on the other hand." He calls this a "travesty of liberty."

Another emphatic Yes comes from M. L. Murphey, president, Jordan Millwork Co., Sioux Falls, S. Dak. "This is a privilege that should not be denied to anyone," he says. "Next they may want to ban prayer at public events and then in homes. Give God a chance."

J. L. Stephenson Jr., president, Chambers Lumber Co., Macon, Ga., wants prayer in public schools restored, but at the same time he has some doubt. "I only hope there are still some schoolteachers qualified to teach young people to pray," he says.

WHAT HAVE WE LEARNED ABOUT THE MOON?

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. TEAGUE. Mr. Speaker, recently nine Congressmen, all members of the Science and Technology Committee, and I visited the Kennedy Space Center in Cape Kennedy, Fla., and the Johnson Space Center in Houston, Tex., to orient new members of the committee to the NASA programs.

The briefings at those facilities were of tremendous benefit to all of us. Of particular note was an address by Dr. Harrison H. Schmitt, a member of our astronaut team. I submit to you, my fellow Members of Congress and the general public, his remarks on "What have we learned about the Moon?"

Dr. Schmitt's remarks follow:

WHAT HAVE WE LEARNED ABOUT THE MOON?

(By Dr. Harrison H. Schmitt)

It is rare, I believe, that men of one time can anticipate what will be written of them and their deeds in another future time. In the instance of the exploration of the Moon, however, I believe that we can predict in broad outlines what the historians of 100, 500 or 1,000 years from now will say.

They will say that in the history of technology man, for the first time, made a major and practical increase in his ability to do things without war and without the threat of war; competition, yes, but not war.

They will say that in the history of men the first truly space-faring nation was the only nation of the times with both the power and idealism to protect the seed of freedom; a seed carried to these shores by many peoples and now being carried by our nation into the planets and the stars.

They will say that in the history of mankind Apollo marked man's evolution into the universe; an evolution no longer limited by the infinitely slow rates of biological change but now determined only by the collective use of our technology and our desire.

Finally, and of particular interest to us here today, the historians of the future will say that in the history of science men for the first time achieved a first-order understanding of a second planet; a place in the solar system called Moon. What are the broad outlines of this understanding and how does it relate to our understanding of the Earth and our future on the Earth? These are the questions I wish to explore further with you now.

Mysterious events were taking place around our youthful sun about 4.6 billion years ago. The materials left over from the birth of that sun were combining in systematic ways, but by largely unknown processes, to form the planets and their satellites. The specific beginning of the moon remains unclear as is the case for all the planets and their natural satellites; however, there now appears to be no reason to doubt that the beginning occurred about 4.6 billion years ago. In addition, the rate at which new planetary and solar information is being provided by the space investigations of the Soviet Union and the United States makes it almost certain that an internally consistent hypothesis for the origin of the solar system will appear in the not-too-distant future. It is this very rate by which we are learning, plus the vast detail that now constrains the possible models, that has presently saturated our collective ability to find a satisfactory hypothesis. A return to fundamental principles, extrapolated under the new constraints, has begun. However, the first new, generally accepted model for the evolution of the solar system has not appeared although the excitement is high.

We are reasonably confident from the detailed chemistry of their rocks that the Moon and Earth formed in about the same part of the youthful solar system; however, the two planets evolved separately as planets beginning as far back as we can study, that is, about the same time as they formed 4.6 billion years ago.

As new or experienced congressmen, I think that I can expect you to comprehend the word "billions" better than most people. This is often a problem, however, even for geologists.

As many of us lunar scientists view the results of our Apollo studies, once the Moon formed, it evolved through six major phases.

1. There was a phase from about 4.6 to 4.4 billion years ago when at least an outer shell of the Moon was melted or partially melted.

2. There was an incredibly violent phase from about 4.4 to 4.1 billion years ago when the crust of the Moon was bombarded by meteors to create the light-colored, cratered highlands we see today.

3. A phase from about 4.1 to 3.9 billion years ago was the period when the large, circular basins, the "man in the Moon", were formed by remarkably energetic impacts of large meteors or small planets.

4. A fourth phase appears to have occurred at about 3.9 billion years ago when controversial features called the light-colored plains were formed.

5. The familiar dark-colored maria or "seas" formed from about 3.8 to 3.1 or less billion years ago when basaltic lava flows erupted on the Moon's surface.

6. The sixth and final phase is that from about 3.1 billion years ago to the present when little has happened to greatly affect the appearance of the Moon's crust.

The significance of this last number of 3.1 billion years cannot be over-emphasized. The fact that major changes ceased on the Moon about 3 billion years ago means that most of what we have learned is about the first 1.5 billion years in the history of a planet similar in important ways to our own. That 1.5 billion years of early history has been largely obscured on Earth by subsequent dynamic processes such as vulcanism, erosion and mountain building. Thus, the Moon has become a partial window into our own past. We could have hardly asked for more.

As we look through the window of the Moon, it is important to keep in mind the few fundamental physical differences between the Moon and the Earth. These two bodies in space are of a similar general chemical composition; that is, a composition dominated by oxygen, silicon and metallic elements in combination as silicates and oxides. The Moon (2160 miles in diameter) and the Earth (7900 miles in diameter) are, however, very different in mass and in their ratios of surface area to mass. The lower mass of the Moon relative to the Earth means a gravitational field only one-sixth as great; the greater ratio of surface area to mass of the Moon relative to the Earth means that the Moon will lose heat, that is, cool faster than the Earth.

The most notable effects of these physical differences are that the Moon's gravity cannot hold an atmosphere or an ocean and that the Moon's internal "heat engine" has never been as active as that of the Earth. The Earth's atmosphere, oceans and heat engine have been and continue to be responsible for the dynamic changes in the Earth such as those which accompany earthquakes, volcanoes, and weathering.

The detail by which we understand the six phases of lunar evolution is quite great; however, I will only summarize the major characteristics we interpret for each. The knowledge we have is the result of the analysis of samples and their geologic setting on the Moon; the interpretation of geophysical and geochemical data from stations still operating on the Moon and previously operating in lunar orbit; and the constraints of logic and of our experience on Earth.

The melted shell phase of lunar history from about 4.6 to 4.4 billion years ago was a time when at least the outer 150 miles and possible the entire Moon was molten or partially molten. Through the processes of crystal formation and crystal setting in this melted shell as it cooled, major chemical differences were created between various levels in the Moon. As a result, a crust mantle and core appear to have formed, the crust composed of light-colored minerals rich in calcium and aluminum, the mantle composed of dark-colored minerals rich in magnesium and iron and a probable core composed of molten material rich in iron and sulfur.

As our confidence grows in the interpretation that the early shell of the Moon was molten, we are beginning to emphasize this thought in our considerations of the early history of the Earth. It is now very likely that Earth's first crust mantle and core were formed soon after its birth in the solar system. At that time, the Earth probably also had a sphere of fluids surrounding it which was the early form of our atmosphere and our oceans.

Little direct evidence remains of the characteristics of the first crust of the Earth. However, in the oldest rock complexes on Earth there are some large masses of very old rocks rich in calcium and aluminum and which resemble the rocks in the crust of the Moon. These possible relics of our first crust are called "anorthosite" on Earth and they contain most of our known resources of titanium. Thus, this new insight into their origin is not in the least trivial.

The early fluidsphere of the Earth is also of great interest particularly with respect to the origins of life. The fluidsphere can be assumed to have contained nitrogen, water and carbon because of the present great

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abundance of these components in the atmosphere and hydrosphere. These fluid components are also abundant in some meteorites. The analysis of lunar samples indicates that the early fluidsphere of the Earth probably also contained significant sulfur and chlorine.

The possibility that the core of the Earth and its associated magnetic field formed early as appears to have happened on the Moon must now take on new emphasis. If the magnetic field formed early on Earth, then the radiation protection we enjoy from it has been with us through most of the evolution of life. The existence or non-existence of this field may have had a critical influence on the course of the development of life and life forms in the early fluidsphere.

The cratered highland phase of lunar history from about 4.4 to 4.1 billion years ago was simply, but extremely violently, the bombardment of the light-colored crust by the solid residue of planetary creation. This debris caused the surfaces of the crust to be literally pulverized and to end up saturated with craters at least 50 miles in diameter. The sheer violence of these times on the Moon and certainly also on the Earth is hard to comprehend even for geologists.

It is highly probable that the early crust of the Earth underwent comparable disturbance as did that of the Moon. There is no clear evidence of this yet recognized on Earth; however, we should begin to consider the implications of the occurrence of such intense cratering. For example, the rates of mechanical and chemical weathering of the early crust of the Earth in the environments of the early fluidsphere probably were greatly accelerated. The rates of early biological evolution also may have been greatly enhanced by the availability of nutrients and thermal energy and by the continuous mixing caused by impacting debris. That debris also may have continuously supplied small amounts of the early organic building blocks of life which are present even now in some meteorites and in interstellar space.

The large basin phase of lunar history from about 4.1 to 3.9 billion years ago was the time when large basins, hundreds of miles in diameter, formed as a distinctly different type of bombardment. Possibly the Earth and Moon were sweeping up small planets, possibly the Moon was sweeping up other moons; or possibly large meteors were coming from the vicinity of Jupiter and the asteroids. Whatever the origins of these immense features, the events resulted in the excavation and heating of vast amounts of material. This ejected debris covered major portions of the Moon's surface for hundreds of miles around the basins.

There are many good reasons to believe that the early crust of the Earth suffered the same disruptions during the formation of large basins as did the Moon's crust. Although the subsequent 4 billion years of dynamic earth history have masked the effects of this violence, there are now many new things to look for and many new lines of interpretation to pursue, for example, the distribution of the early ocean basins may have been determined by the distribution of large impact basins and groups of basins. Also, throughout the Earth's crust there have long been recognized regional provinces that are rich in certain important elements and in which are concentrated ore deposits of those elements. For example, the southwestern United States is one such geochemical province rich in copper. Our present understanding of the origin and structure of these provinces is very limited even though much time, effort, and money has been spent endeavoring to understand. Locked in the mechanics of the formation of the very large lunar basins, and their penetration into the crust, and in the distribution of ejecta around such basins may be much of the understanding we seek.

The light-colored plains phase about 3.9 billion years ago is a controversial, but brief period when old, large and small basins appear to have been partially filled with debris largely derived from the surrounding light-colored crust. The processes which created these plains are poorly understood but may include several processes that produced similar results, such as, the settling of ejecta from the last of the large basins, or the redistribution of pulverized highland rocks by volcanic eruptions. Such eruptions may have occurred as the Moon began to warm up again because of the internal accumulation of radioisotopic heat.

The basaltic maria phase of lunar history from about 3.8 to probably somewhat less than 3.1 billion years ago was the main period during which the accumulation of radioisotopic heat in the Moon produced melting and volcanic eruptions at the surface. These eruptions resulted in the partial filling of all the large basins by thick masses of dark-colored basalt which we call the maria. The upper portions of the maria are basalt flows. Many flows have significantly different chemical and mineral character from other flows. The differences vary with respect to both the age and area of eruption of the flows. These lunar basalts are very different from basalts on Earth, particularly in that they have much less sodium, carbon and water and commonly much more titanium and iron.

We perhaps should note at this point that the oldest rock terrains on Earth also contain vast layered rock sheets that resemble the lunar maria and which are basaltic in composition. Their resemblance to the lunar maria may be more than coincidental. Again, as with the anorthosites and titanium, the terrestrial maria are not of trivial interest because much of the nickel, chromium, and platinum-group metal resources of our planet are located within these sheets of rock.

The quiet crust phase from about 3.1 billion years ago to the present was largely just that, quiet, with the exception of the formation of scattered craters like Copernicus, regional fault system and mysterious light-colored swirls. In addition, there seems to have been local continuations of the eruption of basaltic maria. These events during the quiet crust phase may be indications of continuing internal activity, such as the slow convection of the mantle during a time when the crust was too strong to be greatly affected. For the most part, however, the Moon appears to have completed the record of its tale about 3 billion years ago, except for the continued rain of meteors.

One of the most important side effects of the relative constancy of the surface of the Moon over the last 3 billion years has been the recording of the radiation history of the sun and of the cosmos in the soil. As meteor impact overlapped impact, the layers in the soil gradually formed what is a unique record of particle radiation, a record which, with difficulty, we are beginning to translate by study of the lunar samples. The sun is the source of our life and energy. Through the soils of the Moon, the eyes of astronomers and the cameras and men of Skylab, we have finally begun to ask the right questions of this sun.

For all of our Apollo missions we left the Moon before the lunar sunrise had progressed into the vast regions of the lunar west: Mare Procellarum, with the young mysterious features of that region's central ridge system, still awaits the crew of a mission diverted after the difficulties of Apollo 13. Mare Orientale, with its stark Alpine rings, has as yet been viewed closely by man only in the subdued blue light of the Earth. The promise of the story in these regions and of the far-side of the Moon has not diminished, but seemingly watches for the progression of the sunrises and the landing craft of another generation of explorers. When that time comes and we merge the scientific revolution brought about by Apollo on the Moon with the simultaneous revolution brought about by new insight into the origins of ocean basins and continents on the Earth, we may begin to understand the great stresses and strains within our crust as ocean floors grow and continents move. Within future understanding of features like the ridge system of Mare Procellarum and the immense and tantalizing mountains and canyons of Mars may lie even greater inspiration for all of us.

Thus, we bring ourselves to the Moon as it is at present. In many respects, the Moon is as chemically and structurally varied as the Earth, lacking only the continued refinements of the melting and convection of the mantle below the crust and the weathering and metamorphism of the crust itself. In other respects, the Moon moves through space as an ancient text, related to the history of the Earth only through the interpretations of our minds, and, as the modern archive of our sun, recording in its soils much of immediate importance to man's future well-being. Our only means of reading the text and using the archive is to continue to go there.

HOW MUCH IS A BILLION?

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mrs. SMITH of Nebraska. Mr. Speaker, while in my district several weeks ago I participated in a discussion broadcast on Station KHOL in Kearney, Nebr., concerning issues facing the 94th Congress.

Among other things, we talked about how long our Nation can afford a policy of deficit spending whereby we spend a billion dollars a day and charge another billion dollars a week. This is a question we in the Congress—as well as every citizen—must ponder.

We talk in terms of billions of dollars so easily these days—yet, it is difficult for the average person to visualize such an amount of money. Our discussion set editorial writers at Station KHOL at work. Under leave to extend my remarks in the RECORD, I would like to share their subsequent editorial with my colleagues in the Congress and those of the American public who are genuinely and deeply concerned about current trends in Federal spending:

HOW MUCH IS A BILLION?

Sunday night in an exclusive interview, Nebraska's 3d District Congressman pointed out that the national budget for next year will be about a billion dollars a day. We know a billion is a lot, but it is easy to say, "What's a billion, more or less? Who cares if the budget is 328 billion or 330 billion . . . or even more?" The point is that if we understood better what ONE billion amounts to, we'd all care and care plenty. So let me try to help you visualize it. You know how thin a dollar bill is. Yet, if you were to pile one on top of the other until you had a billion, the stack would reach almost 68 miles into the stratosphere—that's about half the distance from Kearney to Lincoln. If, instead of stacking them up, you were to lay the dollar bills end to end, those billion dollar bills would stretch out 97,000 miles. They'd go around this planet 4 times. If you wanted to rent a warehouse in which to store that billion dollars, you'd have to find one 35 feet wide by 57 feet high and 20 feet deep . . . around 40,000 cubic feet.

And get this: Say a business had started out the year Christ was born . . . one AD . . . with a billion dollars of capital. If that business had lost a dollar a minute it wouldn't have gone broke until around the middle 1900's. Now is that enough to give you an idea how enormous ONE billion is? Well, that will give you one way to measure present plans to spend at least 306 billion dollars during this fiscal year. And even worse, to go into debt by 20 to 50 billion dollars or more this same fiscal year. Discuss that with your congressman and your senators. After all, they're the ones who make the basic decisions.

A NATIONAL HOLIDAY BILL IN HONOR OF DR. MARTIN LUTHER KING, JR.

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. WAXMAN. Mr. Speaker, it is now nearly 7 years since Dr. Martin Luther King, Jr., was murdered in Memphis. The flight of time is frighteningly fast: Was he not taken from our midst only yesterday? And, more tragically, our movement toward the goals Dr. King lived and died for has been so frustratingly slow. His dream of more than a decade ago still cries out for fulfillment.

The era of Dr. King's greatest successes—the 1960's—was a time of enormous opportunity and transition. Everywhere barriers seemed to be crumbling. In civil rights enforcement, education, jobs, and housing, advances were made that were unthinkable a few years previously. White America was shaken into opening its eyes and appreciating the opportunities before it, and finally began to pay attention to the just needs of black Americans—needs whose fulfillment had been ruthlessly delayed.

Though the 1960's may have held out promise, the slow pace in meeting rising expectations led to frustration. Our cities exploded when the promises of the Great Society were rendered empty. Our campuses were convulsed and polarized by the confusing demands on resources, reason, identities, and needs.

These were times, ultimately, of National Guard troops and tanks in the streets, and of a half-million men in Vietnam. They were times that finally left us empty and silent.

Dr. King had a dream which is yet to be fulfilled. The hopes and frustrations of the 1960's have been followed by the acquiescence of the 1970's. We now see a time when recession, inflation, and employment are of personal concern to all Americans. But in this new preoccupation with the loss of affluence, it is too easy to forget that black Americans have been living in an economic depression for some time, and are suffering today to a greater degree than white America.

Martin Luther King, Jr., through his nonviolence, stirred the conscience of America—a conscience which must be stirred again if we are to fulfill the American ideal of equal opportunity for all.

With each day we must affirm the values he cherished—that men are endowed with dignity and to realize that God-like quality, society must be just. In each year we must mark his life and ideals. We have the opportunity to do so now.

This is the year Congress must establish January 19, Martin Luther King, Jr.'s birthday, as a national holiday, a day of commemoration and rededication.

I urge this Congress to designate Dr. King's birthday a national holiday.

THE SCRUTABLE CHINESE

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. ARCHER. Mr. Speaker, the Republic of China on Taiwan remains an outstanding example of a dynamic and growing nation of Asia. The people on Taiwan have experienced great economic development during the past 25 years, especially in the fields of agriculture and industry. The Republic of China has also served the world as an important depository of the traditional culture of the Chinese people.

While the United States should continue to try and establish dialogue with the Communist leadership in mainland China, our country must not abandon the Chinese on Taiwan. The American people understand the need to remain loyal to an ally and the need to oppose actions which would encourage the aggressive tendencies of mainland China throughout Asia and the world. Our recent experiences with the Communist leadership in mainland China have given us an important insight into some of the contradictory policies of the Communists.

A Gallup poll taken in August of 1974 reflects the view of our citizens on this issue. An overwhelming 72 percent of the people oppose diplomatic relations with Communist China if it would mean that the United States would sever relations with Nationalist China. A mere 11 percent would favor such a policy, with 17 percent undecided. If the United States should one day decide to recognize mainland China, it should not be based on terms dictated by the Chinese Communists. The United States must seek peace in Asia, but not at the expense of abandoning longtime friends and allies.

I would like to include in the CONGRESSIONAL RECORD a perceptive article from the February 10, 1975, issue of U.S. News & World Report by Howard Fleiger entitled "The Scrutable Chinese." The article points out that Communist China wants to dictate terms on policies ranging from diplomatic recognition to advertisements in U.S. newspapers to regulation of procedures for art exhibits to the conduct of the United Nations. Communist China wants to set the rules or it refuses to cooperate. If we look carefully at the actions of the Chinese Communists, we find that they are not difficult to understand.

The article follows:

THE SCRUTABLE CHINESE

(By Howard Flieger)

Are the Chinese Communists really as inscrutable to the Western world as Asians are supposed to be?

It certainly seems so when one tries to puzzle out the meaning of conflicting explanations of a new Communist constitution.

That, of course, is an internal matter. But the Chinese can be equally bewildering in their external affairs. Take, for example, the recent cancellation by Peking of a press preview of ancient Chinese art at the U.S. Government's National Gallery of Art in Washington.

What happened was this:

The Chinese demanded that the Gallery exclude newsmen from Israel, South Korea, South Vietnam, Taiwan and South Africa—countries that have no diplomatic relations with the People's Republic of China.

Gallery officials said the U.S. couldn't bar the reporters because that would be a violation of America's constitutionality guaranteed freedom of the press.

So the Chinese called off the preview.

To Americans, it looked like a triumph for the principle of free speech. That is not the way it looks to the Chinese Communists.

As far as they are concerned, the episode demonstrated to the world that the United States, superpower though it may be, couldn't force its will on the Chinese. Among the underdeveloped nations, which Peking courts most ardently, such "victories" over the powerful U.S. are not meaningless.

There's nothing new about this tactic. Communist China has made it clear time and time again in dealing with other governments or people that either it writes the rule book or there is no ball game.

For several years, "The New York Times" has wanted to open a news bureau in China. Peking would consider the request only if the newspaper stopped carrying advertisements describing the economic accomplishments of Taiwan—ads bought and paid for by the Chinese Nationalists. "The Times," of course, said no. It still has no news bureau in China.

Years ago, Peking decided that Japanese newsmen would be allowed to work in China only so long as they write no "critical" reports about the Chinese. One major Japanese publication refused to accept the restriction. It does not have a correspondent in China.

This sort of thing isn't limited to the handling of news dispatches.

China moves in today's world just as it did centuries ago when it regarded itself the "Center of the Universe."

So far as it has the capacity to do so, China rewards friends and punishes enemies. And everything it does is designed to enhance its prestige in the eyes of others.

Take nuclear power. Peking has a nuclear arsenal, but it is not one bit interested in arms-control talks with the U.S. and the Soviet Union. It plays to a gallery of weak countries and wants no negotiations that might lower its nuclear stature among lesser nations watching the drama of power politics.

The Chinese are tough, obstinate and patient. They spent years of bridgebuilding and wheeling and dealing to get into the United Nations. And they finally made it.

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Now, as a permanent member of the U.N. Security Council, China holds a veto. This demonstrates to its audience—the "have nots"—that, in the United Nations, Peking is every bit as powerful as Washington or Moscow or London or Paris.

This is serious business to the Chinese. They didn't call off the art gallery affair out of pique. To them it was a show of authority—that nobody was going to tell them who could preview their own art treasures.

Prestige is the thing—the image of power. Once that is understood, the inscrutability of the Chinese Communists vanishes.

STATE OF VERMONT JOINT RESOLUTION 7

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JEFFORDS. Mr. Speaker, last Friday the National Governors' Conference concluded its sessions here in Washington. The Honorable Thomas P. Salmon, Governor of Vermont, was here in the capacity of chairman of the Committee on Natural Resources and Environmental Management of the National Governors' Conference. This committee has jurisdiction over energy matters.

On previous occasions, Mr. Speaker, I have called to the attention of this Chamber the disproportionate burden carried by the people of Vermont and New England in providing for their energy needs. Even if the President's entire energy package were to go into effect, over the long term New Englanders, who comprise 5.8 percent of the Nation's population, would still pay 8 percent of the Nation's energy costs.

Mr. Speaker, Governor Salmon would like to convey to the Congress his concern over this very serious situation. In conjunction with his efforts, I wish to insert into the RECORD the text of Joint Resolution 7, a joint resolution of the two Houses of the Vermont General Assembly:

JOINT RESOLUTION 7.—RELATING TO THE PROPOSED TARIFF ON IMPORTED OIL

Whereas, the tariff on oil imported into the United States called for by the President of the United States would result in increased oil costs for customers purchasing the imported oil, and

Whereas, the New England States are almost entirely dependent on imported oil for their fuel needs, and

Whereas, the people of New England cannot afford to pay the increased price of imported oil without severe hardship, now therefore be it

Resolved by the Senate and House of Representatives: That the Governor of this state is about to meet with the Governors of the other New England States to plan and put into action an effort to prevent the tariff on imported oil, and be it further

Resolved: That the General Assembly strongly support the Governor of this state and urge him to convey to the President, the Congress and the other Governors of New England the plight of many Vermonters presently unable to pay fuel bills, and be it further

Resolved: That the Secretary of State be directed to send copies of this resolution to the President of the United States, to our Congressional delegation and to the Governors of the New England States.

REPEAL THE DAVIS-BACON ACT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. CRANE. Mr. Speaker, in a variety of ways, many of which are now coming under increasing public scrutiny, governmental intervention in the economy has caused higher prices, inefficiency, and stagnation—all of which are the essential ingredients of the recession into which we are now moving.

Regulatory agencies, for example, have hurt the average consumer while benefiting the very industries they were created to regulate. This is particularly true with regard to such agencies as the Civil Aeronautics Board and the Interstate Commerce Commission. If these agencies ceased to exist, prices would be uniformly lower in their particular areas of jurisdiction.

Another example of the manner in which Government works against the economic interests of the Nation may be seen in the Davis-Bacon Act.

This act, as amended, requires that contractors adhere to wage scales which the Department of Labor has determined are prevailing in the areas in which Government work is to be performed. Harold C. Gordon points out—

What this means is that in determining wages under the act, the Labor Department soon came to adopt as its yardstick the union wage scales of whatever large city was nearest the site of any federal project.

Mr. Gordon points out—

That the result is that the people of San Luis Valley of Southern Colorado had to pay two and one half times what they should have to construct a community center because the Department of Labor decreed that Denver wage rates should apply to the project. Similarly, Las Vegas wage rates have been applied to federally-assisted projects in rural Utah and Arizona.

These examples, Mr. Gordon points out, are only a small part of the problem. He notes that—

By routinely applying Davis-Bacon to major new spending programs, Congress has increased the cost of public works in this country by staggering amounts. In the case of just one program—The Federal Highway Act—Senator Fannin estimates that the Davis-Bacon provision added $3 billion to the total cost. . . .

Even liberal economists such as Dr. Walter Heller, former chief economic adviser to President Kennedy, has called for repeal of the Davis-Bacon Act. It is impossible to fight inflation if such inflation-producing legislation remains.

I wish to share with my colleagues the column, "Repeal The Davis-Bacon Act," by H. C. Gordon, and issued by the U.S. Industrial Council, and insert it into the RECORD at this time:

REPEAL THE DAVIS-BACON ACT

(By H. C. Gordon)

At a time when government intervention in the economy remains the biggest single cause of our chronic inflation, the American people can be grateful to those of our representatives who are attempting to solve the problem by limiting government instead of expanding it.

Special recognition should certainly go to Senators Fannin (R-Ariz.) and Tower (R-Texas) for their current efforts to repeal the Davis-Bacon Act—a piece of legislation which over the years has cost the American taxpayer literally billions of dollars.

Enacted as an emergency measure during the great depression, Davis-Bacon initially provided that contractors engaged on federal projects must pay wages comparable to the "prevailing wage rates" of the local areas. Fair enough, one might suppose, especially since it was left to the contractors themselves to ascertain what the "prevailing" rates were.

The problem arose when the act was amended in 1935. In its new form, the act required that contractors adhere to wage scales which the Department of Labor had determined were prevailing in local areas. Considering the growing power and influence of organized labor in this country, the result of this amendment was predictable: in determining wages under the act, the Labor Department soon came to adopt as its yardstick the union wage scales of whatever large city was nearest the site of any federal projects.

Thus, as Sen. Fannin carefully notes, the people of San Luis Valley of southern Colorado had to pay 2½ times what they should have to construct a community center because the Department of Labor decreed that Denver wage rates should apply to the project. Similarly, Las Vegas wage rates have been applied to federally-assisted projects in rural Utah and Arizona.

But these examples are only small potatoes. By routinely applying Davir-Bacon to major new spending programs, Congress has increased the cost of public works in this country by staggering amounts. In the case of just one program—the Federal Highway Act—Sen. Fannin estimates that the Davis-Bacon provision added $3 billion to the cost of the project.

Nor is the end in sight. Sen. Tower, for his part, has calculated that the number of wage determinations issued yearly by the Department of Labor has increased approximately eightfold between 1945 and 1970. At last count, the Department was issuing over 25,000 determinations a year and, as these determinations have the effect of increasing the construction costs borne by the federal government by 5 to 15 per cent, there is simply no telling the astronomical figure that this single law has cost or will continue to cost the American taxpayer.

Even liberal economists have become alarmed over the inflationary impact of Davis-Bacon. In an open letter to President Ford, Dr. Walter Heller—former chief economic advisor to President Kennedy—recently urged the act's repeal in the strongest terms. Dr. Heller suggested that if the President were really "dead serious" about fighting inflation he would call for the repeal of the Davis-Bacon Act no matter how much bitter opposition could be expected from organized labor because "now is the time to take those political risks."

Clearly, thoughtful Americans of all persuasions are increasingly recognizing the negative effects of Davis-Bacon on the economy. But mere recognition is not enough. Every effort should be made to inform the American people of the nature of the problem and to urge widespread support of the current attempt to repeal the act. The success of the continuing struggle to restore our economic well-being requires it.

AMERICAN OPINION ON TAIWAN—WE LIKE 'EM

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. LEGGETT. Mr. Speaker, I have followed both political and economic developments in the Republic of China on Taiwan for many years. Just last December I brought to the attention of the House the unique solution that Taiwan had found to its economic difficulties during 1974. I felt that it was quite interesting to note, in the midst of our growing stagflation, that this small nation in the East seemed to be doing a much better job of dealing with its economic problems than many of the countries in the West.

I am also quite concerned, as are all of us, with the political future of the island vis-a-vis its powerful neighbor on the mainland. The prospects of the inhabitants of Taiwan, both mainland Chinese and Taiwanese natives, to maintain the island as an independent state represent a legitimate interest for many of us. The native Taiwanese population appears to be attaining a greater role in the political affairs of the island. I applaud this trend as conferring greater legitimacy on a government which I think should be focusing increasingly on the future of the island itself rather than the Nationalists' long-standing hope of returning to the mainland.

Dealing with Taiwan vis-a-vis the People's Republic of China poses, of course, a fundamental problem. My view is that, while we have a major interest in developing relations with the PRC, we should not pursue it at the expense of terminating our relationship with Taiwan. In short, I believe that we should pursue a policy which, if not necessarily "two Chinas" as such, at least is oriented toward the preservation of an independent state on Taiwan.

In this connection, I was most interested to learn the results of a Gallup poll conducted last August on our policy toward China. One of the principal questions was whether the United States should establish diplomatic relations with the PRC if that requires breaking relations with Taiwan. A substantial majority—72 percent—answered in the negative, while only 11 percent favored this approach and 17 percent had no opinion. Moreover, almost half, or 48 percent, felt the United States should continue to honor its treaty commitment to defend Taiwan in the event of a communist attack. Some 35 percent opposed the defense commitment and 17 percent had no opinion.

Our citizens' opinions were more divided on the action of the United Nations in 1971 of admitting the PRC and expelling the Republic of China. It is interesting to note, however, that while 45 percent said they approved of this action, with 37 percent disapproving, a substantial majority of 58 percent felt that the expulsion was unfair to Taiwan.

This poll appears to me to provide an important indicator of American sentiment on several aspects of the China issue, and I would like to insert the results of the poll at this point in the RECORD:

GALLUP POLL REPORTS 72 PERCENT OF AMERICANS OPPOSE U.S. RECOGNITION OF RED CHINA

An overwhelming majority of the American people, 72% to be exact, are opposed to the establishment by the United States of diplomatic relations with Communist China, if it entails a diplomatic break with Nationalist China.

According to a recent Gallup Poll, conducted on August 14–20, 1974, only one American out of ten, or a mere 11% favors diplomatic relations with Communist China on such a condition, while 17% have no opinion. These statistics also show that the predominant majority opposing recognition embraces all age groups and every key stratum of American society.

Altogether the Gallup Poll put five questions to 1590 adults, 18 years of age or older during its nation-wide survey.

The most important question is:

(1) "Communist China seeks diplomatic relations with the United States, but it insists that the United States must break off diplomatic relations with Nationalist China. Would you favor or oppose having diplomatic relations with Communist China on this condition?"

The results, as tabulated, were as follows:

[In percent]

	Favor	Oppose	Don't know
Total	11	72	17
Age:			
18–34 yr	13	70	17
35 to 49 yr	11	76	13
50 and older	9	71	20
Occupation:			
Professional	17	76	7
Clerical	10	79	11
Manual labor	9	71	20
Nonlabor	7	69	24

(2) A related question is:

"The United States is bound by treaty to help defend Nationalist China in case of Communist attack. Do you think the United States should always honor this commitment or not?"

Almost half of those questioned, namely 48%, answered that the United States should always honor its commtment—in this case, the Sino-American Mutual Defense Treaty—to help defend Nationalist China in the event of a Chinese Communist attack. Those against honoring the Treaty commitment made up 35% while 17% expressed no opinion, as revealed in the following figures:

[In percent]

	Yes	No	No opinion
Total	48	35	17
Age:			
18 to 34 yr	51	32	17
35 to 49 yr	53	34	13
50 and older	42	40	18
Occupation:			
Professional	50	40	10
Clerical	49	38	13
Manual labor	48	34	18
Nonlabor	44	34	22

The three other questions asked are:

(3) "In 1971, the United Nations admitted China and at the same time expelled Nationalist China. Do you approve or disapprove of the United Nations' action in granting Communist China membership?"

The Poll shows that nationally, opinion is divided regarding the United Nations action, 45% approving and 37% disapproving, while 18% did not express an opinion.

Generally, as clarified in most of the answers, those approving the United Nations action did it only because they felt "all nations should be members of the United Nations."

Percentages of the tabulated answers are as follows:

[In percent]

	Approve	Disapprove	Don't know
Total	45	37	18
Age:			
18 to 34 yr	52	33	15
35 to 45 yr	45	38	17
50 and older	40	40	20
Occupation:			
Professional	65	25	10
Clerical	50	36	14
Manual labor	41	41	18
Nonlabor	33	41	25

(4) "Do you feel it was just or fair or not that Nationalist China lost its membership?"

Answers to this question appeared to support the afore-mentioned interpretation—approval of Communist China's membership was based on the belief that membership should be universal. The Poll shows that a majority of the American people expressed the positive view that it was "unfair" that Nationalist China should simultaneously have been expelled from the world organization. It is a decidedly minority opinion (only 15%) that believes the admission of Communist China to the United Nations at the expense of Nationalist China is a fair action while 58% think it is unfair, as may be noted in the following percentages:

[In percent]

	Fair	Unfair	Don't know
Total	15	58	27
Age:			
18 34 yr	15	59	26
35 49 yr	14	60	26
50 and older	16	56	28
Occupation:			
Professional	16	65	19
Clerical	14	66	20
Manual labor	16	57	27
Nonlabor	13	53	34

(5) "Recently, the United States has taken steps to normalize relations with Communist China, and President Nixon visited Communist China in 1972. Do you think this was fair to Nationalist China or not?"

Public reaction to the question of fairness to Nationalist China was quite evenly divided, as shown in the following figures:

	Percent
Fair	45
Unfair	36
Do not know	19

REJECT THE FORD ENERGY PLAN

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. MOFFETT. Mr. Speaker, I have been adamant in my opposition to President Ford's proposal to raise the tariff

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on imported oil. Ont of the major factors influencing my position is the discriminatory impact of the program on the New England region. For the benefit of my colleagues I am today inserting into the RECORD a copy of the Senate Joint Resolution No. 34 adopted by the Connecticut General Assembly which calls for the rejection of the Ford energy plan and recommends the implementation of a more equitable method of limiting national oil consumption:

RESOLUTION REJECTING THE FORD ENERGY PLAN AND RECOMMENDING IMPLEMENTATION OF A MORE EQUITABLE METHOD OF LIMITING NATIONAL OIL CONSUMPTION

Resolved by this Assembly:

Whereas, President Ford intends to reduce the Nation's oil consumption by raising tariffs on imported oil; and

Whereas, these scheduled tariff hikes will significantly increase utility bills and the cost of all products which are made from or use petroleum; and

Whereas, Governor Grasso has testified that these increased prices will impose an unjustly severe hardship upon all consumers, especially those in Connecticut and the Northeast;

Now, therefore, be it resolved, that the members of this General Assembly unite in recommending the implementation of a nationwide plan for a more effective and equitable method if limiting national oil consumption.

Be it further resolved, that the Senate and House Clerks cause a copy of this resolution to be sent to President Gerald Ford and to each member of the Connecticut congressional delegation.

IN TRIBUTE TO MALCOLM X ON THE 10TH ANNIVERSARY OF HIS DEATH

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. RANGEL. Mr. Speaker, today marks the death of one of the black nation's great leaders, Malcolm X. Born as Malcolm Little he grew to become the leader of the Organization of Afro-American Unity before being cut down by an assassin's bullet 10 years ago today on February 21, 1965.

Malcolm X was a man who sincerely believed in the brotherhood of the races, but it had to be a mutual brotherhood. He often spoke of the need to love those who love you, but he also spoke of the need to defend yourself from those who would harm you.

His search for brotherhood included the oppressed peoples in Africa and Asia as well as in America. He saw the necessity for human rights to supersede the petty political dealings of the world powers. He had only started to identify and deal with the worldwide oppression when he was brutally murdered.

Too many people today, especially in the white community are unaware of the contribution made not only to black liberation, but to the liberation of the human spirit, by men such as Malcolm X, Medgar Evers, and Dr. Martin Luther King, all of whom were assassinated in the prime of their lives. But the spirits of these men should not and cannot die. Although the death of Malcolm X left a major void in spearheading the fight for the world's oppressed peoples we take small consolation in commemorating his spirit and techniques. I wish my distinguished colleages would join me in honoring this man who, without a doubt, was one of the most important and significant spiritual leaders in the 20th century.

CONGRESSIONAL OVERSIGHT OF INTELLIGENCE ACTIVITIES

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. CONABLE. Mr. Speaker, I hereby submit a statement by the Republican Policy Committee on Congressional Oversight of Intelligence Activities:

CONGRESSIONAL OVERSIGHT OF INTELLIGENCE ACTIVITIES

Recent books and press accounts of abuses in government intelligence activities at home and abroad have focused attention on the need for Congress to strengthen its oversight of this sensitive area. The Republican Policy Committee urges the concentration of effort in a single, bipartisan committee to investigate these reports, formulate such remedies as might be needed and provide continuing oversight of the intelligence activities necessary to national security. A joint House-Senate committee would, of course, be preferable.

What is at issue is not *whether* Congress should intensify its until now somewhat relaxed oversight of government intelligence, but rather *how* this task should be accomplished.

Our first concern is the alarming proliferation of intelligence oversight committees. A Presidential Commission was recently initiated with instructions to report its findings by April 4 this year. The Senate Appropriations Subcommittee on Intelligence Operations has begun hearings and the Senate Armed Services Central Intelligence Subcommittee is also conducting an investigation. On January 27 of this year, the Senate enacted S. Res. 21 to establish an 11-Member Select Committee to Study Government Operations With Respect to Intelligence Activities—authorized $750,000 and instructed to report by September 1. In the House, pursuant to the committee reforms of the 93rd Congress, the Foreign Affairs Committee plans to establish a Subcommittee on Oversight concerned with, among other topics, foreign intelligence. The House Armed Services Committee will maintain its Subcommittee on Intelligence. The Judiciary Subcommittee on Civil and Constitutional Rights has scheduled hearings later this week on the FBI's role in the alleged abuses, and the Subcommittee on Courts, Civil Liberties and Administration is conducting hearings on FBI and military surveillance.

Against this background of burgeoning intelligence oversight, the House later this week will consider whether to establish yet another House Select Committee on Intelligence. We support a single bipartisan inquiry and feel strongly that any Select Committee should preempt the separate inquiries by the standing committees.

To allow further duplication and overlapping would be both a monumental waste of time when there are many equally-pressing problems facing the country and an unconscionable waste of money when we should be cutting rather than creating new programs.

We fear that the growing number of investigative committees will favor partisan political publicity contests rather than the extremely serious fact-finding and remedy-seeking effort needed in response to the important and troubling questions raised about government intelligence activities. Such a multitudinous investigative approach could well prove counterproductive to the national interest if it led to harmful leaks of sensitive information. The fear of such leaks, furthermore, could well compromise the effectiveness of the oversight effort. It is imperative that careful safeguards be established to protect against the leaking of national security information.

The alleged improper conduct of Federal agencies concerns both Republicans and Democrats alike, and involves both Republican and Democratic administrations. Investigating these allegations should be the responsibility of a balanced nonpartisan committee with equal representation of both parties.

Approving a select committee pursuant to H. Res. 138 would be a step in the wrong direction. It promises to have strong partisan overtones; it is open-ended in both the scope of its investigation and its cost; it provides no safeguards for protecting sensitive information; and it would delay the establishment of the kind of continuing oversight function that is truly needed.

The Republican Policy Committee advocates the establishment of a single, nonpartisan joint House-Senate permanent committee to monitor and investigate government intelligence activities, both at home and abroad, and where necessary to develop remedies to prevent future illegal activities. A committee of this type would merit considerable respect and prestige and would prove far more effective than the current tend toward the proliferation and resulting dissipation of effort.

We recognize that intelligence efforts are vital to national security and prefer the joint committee approach as the best way to monitor them and thereby guarantee that they will continue to function in the best interest of individual citizens and the entire nation.

DEREGULATION OF NATURAL GAS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. SYMMS. Mr. Speaker, I recently received one of the finest articles I have read to date on the subject of deregulation of natural gas at the wellhead. For the benefit of my colleagues who will be considering this issue in the 94th Congress, I would like to enter it into the RECORD at this point:

LOW PRICE, BUT WHERE'S THE GAS?

(By Earl W. McMunn)

We are hurting because of the shortage of natural gas. Government orders have forced industries to make big cutbacks to conserve fuel. This has created layoffs and loss of income. Nitrogen plants are working at less than capacity, because they can't get enough gas. This will mean less fertilizer and farm chemicals for the coming crop season.

People clamor for government to "do something." The truth is that government "did something" about 20 years ago. What it did was the wrong thing. It imposed right price controls over gas prices at the wellhead.

We have had cheap gas—too cheap in relationship to the cost of other sources of energy. This has encouraged wasteful use. It has also discouraged exploratory drilling to find new gas fields. Now we are reaping the result of our folly. Demand has outpaced supply and there isn't enough gas to go around.

In many ways, natural gas is the most desirable of fuels. It is cleanest from an environmental standpoint. It doesn't require extensive refining. It is moved to customers through unseen underground pipelines. Consumer storage facilities are not needed. No wonder gas is so much in demand.

In fact, it is estimated that natural gas now provides about a third of our energy needs. Some 40 million homes are heated with gas. Each year about half a trillion cubic feet of natural gas is used to produce nitrogen for fertilizer. Natural gas is also the feedstock for propane, another source of energy on the farm. More than half the farms in the United States use propane to heat and cool homes, dry crops and run pumps.

Yet, natural gas is our cheapest fuel. It is cheapest because of government action—not because of the forces of supply and demand. This is the heart of the problem. Gas, among all energy sources, was singled out about 20 years ago for federal price controls. This was not the result of Congressional action, or even an executive order.

Gas prices have been controlled because of a decision by the United States Supreme Court. This was the Philips case which was decided in 1954. That decision interpreted the language of the Natural Gas Act of 1938 in such a way as to require the Federal Power Commission to regulate prices at the wellhead for gas sold across state lines.

For 20 years gas prices have been regulated, while other forms of energy have responded to the forces of supply and demand. Natural gas prices have been held far below the cost of competitive fuels. For instance, at mid-year 1974 prices, natural gas sold by producers in interstate commerce was about 26 cents per thousand cubic feet. The same amount of energy in crude oil was costing about $1.30. Equivalent energy in bituminous coal was costing 60 to 65 cents, and this did not include the higher costs of transporting coal.

Is it any wonder that such bargain prices made gas easy to sell? Or, that use of natural gas doubled in just two decades? Something always happens when you offer rib-eye steak at hamburger prices. You soon run out of steak. That is what is happening to gas. And, for an obvious reason. Political controls were substituted for the economic forces of supply and demand.

Again, we are learning that you don't "protect consumers" by controlling prices at unrealistic levels. At least, you can't do it over long periods of time. When prices get out of line, supplies become scarce or disappear completely. There must be gas in the pipelines, just as there must be livestock in feedlots if the people are to prosper.

No one has yet been able to devise a system which combines low prices with adequate supplies. The socialist countries have tried, but with little success. This is the major reason our production has so far outpaced theirs. Where profit incentives have been permitted to operate, we have had economic development unmatched in the history of the world.

Edward J. Mitchell of the University of Michigan says it this way:

"To create a shortage, you simply depress the market price below the level that equates supply and demand. To eliminate the shortage, you free the price and allow it to rise to equate supply and demand once more. To create a surplus, you raise the price above the market-clearing level. And, to eliminate the surplus you let it fall back. We always have three options. A market-clearing price; a price that gives us shortages; a price that gives us surpluses."

These principles are easy enough to understand. They are not going to operate in a controlled economy. They don't get the chance. Political pressures are always to keep prices low as a "protection for consumers."

It is only when supplies disappear that we become aware of the danger. There is little question but what arbitrary price control on natural gas has been one of the greatest handicaps to energy production. Congress much deregulate the gas business if we are to get production moving in the right direction.

Already, there is firm evidence to show that producers will respond to higher prices. Increases in oil prices and higher natural gas prices in the intrastate market have resulted in a sharp turnaround in drilling activity. During the first 16 years after the Supreme Court decision, the number of exploratory gas wells dropped by about 50 percent. During the past three years the number of drill rigs in operation went up more than 50 percent.

Energy experts say that our reserves of natural gas are far from exhaustion. But gas in the pipeline is what counts now. And recent price increases to oil and gas producers can't stimulate enough production any time soon. It takes time—as much as three to five years—to build new equipment, find and develop new fields. Vast amounts of new capital must be plowed back into exploration and development. All this in the face of opposition from some dreamers who clamor that "profits must be eliminated." We may eliminate profits. If we do, we will also eliminate production. And, it's production we need.

It is obvious that federal price control on gas at the wellhead was a bad choice. Only Congress can make a change. And the lawmakers have been slow to act. In fact, legislation to decontrol the industry has been stalled in the Senate Commerce Committee and the House Interstate and Foreign Commerce Committee for well over a year.

Some members say the industry is "holding back" natural gas reserves. There is ample evidence to the contrary. Others claim that decontrol would cause retail prices to rise, thus hurting individual consumers. Until this winter they didn't have to face the stark reality of plant shut down because of gas shortages. This hurts people too! Now we are face to face with the question of whether we want enough gas at higher prices, or low prices and no gas.

Gas is much more than a source of heat and power. It is also an important input in farm production. This is because a substantial part of our nitrogen fertilizer production depends upon the use of natural gas. And fertilizer plants in many parts of the country have already had their gas supplies interrupted by action of the Federal Power Commission.

Just how much government limitations will affect next spring's fertilizer supplies remains to be seen. Fertilizer shortfalls for 1974 were estimated at between five and 10 percent. Edwin M. Wheeler, president of The Fertilizer Institute, says: "With nitrogen inventories almost non-existent, the dangers to next year's food production are alarming. Our industry is making an all-out effort to prepare for a booming demand, but with our feedstocks cut off we are powerless."

We know food reserves are at low levels both here and abroad. Production is the only cure for shortages. Fertilizer is a necessary ingredient if we are to get the production. We can't have enough fertilizer if natural gas supplies are unavailable or interrupted over long periods of time. It is time for Congress to correct the mistake the Supreme Court made 20 years ago.

MY RESPONSIBILITY AS A CITIZEN—WINNING ESSAY

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. ANDREWS of North Dakota. Mr. Speaker, I am proud to announce that Miss Janet Doreen Sims of Enderlin, N. Dak., has won the Voice of Democracy essay contest in North Dakota.

Miss Sims is currently an 11th grader in high school and an outstanding student. She has held several school offices and has many achievements and awards to her credit. She plans to enter the University of North Dakota to pursue a career in nursing.

She is the daughter of Mr. and Mrs. Pershing Sims of Enderlin.

In her winning essay, entitled "My Responsibility as a Citizen," Miss Sims stressed that freedom is both a privilege and a responsibility. The spirit of responsibility that all of us as citizens must have, she says, is "one of generosity, determination, and perseverance. It gives freely of its time and energy and is never spent out, because it is identified with the will to serve."

Miss Sims is an outstanding example of one who puts her ideas of citizenship into practice. She has demonstrated her sense of responsibility and citizenship through her accomplishments and activities inside and outside of school.

I would again like to congratulate Miss Sims. Her essay deserves public attention and at this time I would like to insert it into the RECORD:

MY RESPONSIBILITY AS A CITIZEN

Being a citizen is certainly a right, but in a deeper sense, it is truly a privilege. After all, as full-fledged citizens, we are not deprived of our fundamental rights: freedom of speech, freedom of assembly, freedom of religion and the right to petition the government to correct unjust actions. What do these freedoms consist of? Freedom is often misunderstood as privileges without limitations or restrictions: in other words, doing just as one pleases. Along with freedoms come duties or obligations. When children are not taught to follow rules, they will most likely disregard regulations later in life. They will live along the side lines, hesitant, cowardly, and selfish, ready to enjoy the benefits that others provide. The sense of responsibility is rather the realization that one has certain duties and obligations to fulfill to the best of one's ability. It involves a recognition of definite laws or principles of behavior and understanding of the distinction between right and wrong, and good and better.

The spirit of responsibility is one of generosity, determination, and perseverance. It gives freely of its time and energy and is never spent out, because it is identified with the will to serve.

What is citizenship? Citizenship means full membership in a country. It signifies something much more than just a dictionary meaning. One could read a whole book on being a responsible citizen, but the reading would be worthless unless the ideas discussed were put into practice.

In the days when the Romans ruled, the fact of being a 'Roman citizen' was a source of individual pride second to none. We, too, should develop this sense of pride in our country.

UMI

Do we take our citizenship for granted? Do we realize how fortunate we are to be guaranteed of certain rights?

The establishment of a goal is the key to successful living. The most important step toward achieving responsibility is to first define it. To be responsible we must all be leaders, setting good examples. An effective leader has such qualities as confidence, energy, concern, a good set of morals, and above all, faith.

When does the sense of responsibility begin? It begins in the home with the parents' influence. If the parents are loyal and honest, their children will most likely radiate their likeness. The seeds of confidence are planted long before a child goes to school. It begins with the successful performance of limited tasks. Parents must see that certain values exist in the home: respect, pride, cooperation, and sharing. Good citizenship goes farther, though, out of the home and into the community and country.

In your community, take part in church and school doings, social affairs, organizations and clubs, and so on. Being an active member keeps you well-informed of the community's operations and goals, not only to be informed, but to help the community.

Most important, be loyal and true to your country. Have faith in your nation's leaders, even in crucial times, regarding such things as wars, energy crises, and scandalism. These problems implore an increasing need for all people to unite into one body to solve them. We gain from this atmosphere of unity an inner strength, a sense of belonging, as well as of responsibility to others.

"Life must be revealed not as a dubious and pointless struggle but as a magnificent privilege, a torch that must burn as brightly as possible before it is handed on to the next generation."[1]

ENERGY CRISIS

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I am sure all of our colleagues are concerned with finding solutions to the energy crisis.

I would like to share with the House, a letter I have received from the California Service Station Council that addresses itself to solving the current problem.

The letter follows:

CALIFORNIA SERVICE STATION COUNCIL,
Oakland, Calif., February 10, 1975.

DEAR CONGRESSMAN BURTON: The California Service Station Council represents several thousand service station dealers in the state of California. We are totally opposed to President Ford's plan to conserve energy by raising gasoline taxes. We would propose to you that for a period of ninety days that the following six points be implemented:

1. Mandatory allocation per station at 90–95% of 1972 sales, and equal allocation for every dealer.
2. Major oil companies' refinery capacity to be adjusted to 90–95% allocation to conform to same allocation as retail outlets to prevent surplus.
3. Restrict imports to 1972 allocation fractions.
4. Mandatory closing of retail service stations on Sundays in urban areas, mandatory closing of retail service stations in rural areas on Wednesdays or limiting hours of operation, for example, six days a week, twelve hours a day.
5. Mandatory closing of all retail stores, food, clothing, furniture, etc. on Sunday.
6. Mandatory implementation of Oregon odd-even plan.

If this does not work, then we can go either to gasoline tax increases or as a last resort, rationing coupons.

The Federal Energy Administration is functioning already and this plan can be put into effect by February 15 at no cost to the taxpayer and an immediate reduction in imported oil would be the result.

Sincerely,

JIM CAMPBELL,
Chairman, California Service Station Council.

[1] Clark, General Mark W., "What It Takes To Be a Leader," *Reader's Digest*, July 1967, p. 162.

ESTONIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DERWINSKI. Mr. Speaker, 57 years ago today, the people of a small republic on the Baltic Sea achieved their liberation from the bondage of czarist Russia. The nation of Estonia had been under the rule of various powers for 700 years, the largest segment of the time being under Soviet domination, but on February 24, 1918, while World War I was still going on, the Estonians resisted the Bolsheviks' invasion and declared their independence.

Freedom for the Estonian people came to an end two decades later after the Communists and the Nazis divided Poland between them, and the nation was forced to sign a treaty which permitted the construction of Soviet military bases and Russian troop occupation. Annexation soon resulted and on August 6, 1940, the tiny Republic was absorbed by the Soviet Empire.

As is common in Soviet-dominated nations, the people of Estonia were continually subjected to arrest and exile. From 1941 to 1944, about 10 percent of the population was either killed or forced to flee the country. Ten of thousands of Estonians were shipped off to other parts of the Soviet Union.

However, the history of terrorism and the continued suppression of their culture and self-expression, has not dampened the innate desire of the enslaved people for national independence and for their human rights and personal dignity to be restored.

Mr. Speaker, I believe it is important for the United States to continue its full and uncompromising support for the basic concept of the rights of a people to their free and independent choice of the form of the government under which they wish to live. We must never forget the fate of those who have fallen under Communist totalitarianism for the free world must not crumble bit by bit and be engulfed in the same way as those countries which are behind the Iron Curtain.

House Concurrent Resolution 11, which I have submitted, concerns recognition by the European Security Conference of the Soviet Union's illegal occupation of Estonia, Latvia, and Lithuania. The U.S. policy of nonrecognition of this forcible annexation reinforces Estonians in their determination to keep alive their traditions and to await national independence and restoration of individual liberties.

Today, we join with millions of Estonians in expressing to the world our firm determination never to forget the freedom aspirations of Estonia and to work in every possible manner for the achievement of eventual liberation from the bondage of Russian colonialism.

ESTONIAN FREEDOM

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. HOWARD. Mr. Speaker, today marks the 57th anniversary of the establishment of the independent Republic of Estonia on February 24, 1918. I would like to take this opportunity to join the many Americans of Estonian origin and descent in commemorating Estonian Independence Day. Further, I would like to add my prayers to those of hundreds of Estonian-Americans who someday hope to see their relatives and friends liberated from the brutal repression of Soviet rule.

Those of us who are privileged to enjoy the bounties of freedom must lend our support and encouragement to the oppressed people of the Baltic nations in their continuing struggle to obtain the economic, social, and political liberties with which we are blessed. In their ongoing efforts to achieve the restoration of sovereign rights and self-government in their homelands, the Baltic peoples are this year confronted with a greater threat to the eventual emancipation of their nations. The government of the Soviet Union has recently intensified its efforts to gain international recognition of the post-World War II boundaries in Europe, and it is expected that the Soviets will attempt to seek final international authorization for these boundaries this summer at the proposed summit meeting of the European Security and Cooperation Conference in Helsinki, Finland.

Thus, it is imperative that the democratic countries of the world assert their opposition to this attempt to gain international recognition of what is essentially an illegal regime of military occupation and political tyranny. Therefore, I would like to insert in the RECORD a memorandum which was submitted to the General Assembly of the United Nations by the members of the Estonian Democratic Movement and the Estonian National Front. I would hope that each Member would examine this memorandum and resolve to lend support to the future attempts of Estonia and other Baltic nations to regain the freedom they once knew.

The memorandum submitted to the United Nations follows:

MEMORANDUM TO THE GENERAL ASSEMBLY OF THE UNITED NATIONS ORGANISATION

The Estonian Democratic Movement and the Estonian National Front present to the General Assembly of the United Nations the following memorandum, concerning the fate of the Estonian nation.

In view of the fact:

That existence of different nations constitutes the riches of the humanity;

That as a result of forcible levelling and assimilation of national cultures the humanity grows poorer;

That national independence is main condition for the survival of a nation and her culture;

That one of the basic features in the development of the world during the last decades has been the emergence and growth of independent national states-members of the UNO;

That the International Covenant of Economic, Social and Cultural Rights (art. 1), the Declaration of the Granting of Independence to Colonial Countries and Peoples (par. 2) as well as other analogous UNO documents declare the right of all nations to self-determination, under which they shall freely determine their political status, and exercise their economic, social and cultural development;

That in accordance of the Universal Declaration on Human Rights (art. 21, par. 3) the power of government lies in the peoples' will, which must be expressed through periodic and unfalsified elections . . . and forms, that guarantee the freedom of voting;

That Estonia, a former internationally recognized independent state and member of the League of Nations (beginning from 1921) was in 1940 forcibly deprived of her national independence and reduced in fact to the status of a colonial territory;

That as a result of such status and the policy of the Soviet government, aimed at the gradual assimilation of all nationalities living on the Soviet territory into a Russian-dominated nation, there has arisen a serious threat as to the further national, political and spiritual existence of the Estonian nation;

That the states—signatories of the Atlantic Charter (including the Soviet Union) committed themselves (art. 3) to promote restoration of sovereign rights and self-government to those peoples, who have been forcibly deprived of them:

That the aforementioned commitment has not been fulfilled solely in the case of three Baltic nations, including Estonia;

That under the colonial rule the Estonian nation has not been guaranteed the fulfillment of the articles 3, 8, 9, 10, 11, 12, 13, 14(1), 18, 19, 20, 21, 26(2), 27(2) of the Universal Declaration on Human rights, articles 1, 8(14), 13(3), 15(3) of International Covenant on Economic, Social and Cultural Rights and articles 6, 7, 9, 10, 12, 14, 17, 18, 19, 21, 22 of the International Covenant on Civil and Political Rights

The Estonian Democratic Movement and the Estonian National Front

Demand:

1. restoration of the independent Estonian state in the frontiers fixed by the 1920 Tartu peace-treaty between the Estonian Republic and Soviet Russia;

2. admission of Estonia as a former member of the League of Nations to United Nations membership;

To these ends the Estonian Democratic Movement and the Estonial National Front consider necessary:

(a) to liquidate the existing colonial administration, which does not correspond to the art. 21 par. 3 of the Universal Declaration of Human Rights, depends entirely on the Soviet central government and is an instrument of the latter's imperialist and chauvinistic aims;

(b) to liquidate the Soviet military bases on Estonian soil and withdraw from Estonia all Soviet military personnel (who, under the agreement between Estonia and the Soviet Union were stationed for 10 years only, the agreement expired in 1949);

(c) up to the formation of national organs of government through free democratic elections to place Estonia temporarily under the UNO administration and to introduce to Estonia the UNO's peace-keeping forces;

(d) pending the UNO administration, opportunity for return to Estonia must be given to all persons of Estonian nationality, who have been forcibly deported from Estonia (including these detained on political reasons), or who have left Estonia at their own will, also to all other persons, who have been citizens of the Estonian Republic, and to their descendants;

(e) to restore normal political life and to create conditions for really free democratic elections (under the supervision of the UNO observers) in order to form a representative body of the Estonian people—the Constituent Assembly.

All political parties and groups, who respect the democratic principles and the right of peoples to national independence, may participate in the elections to the Constituent Assembly.

In the elections to the Constituent Assembly suffrage belongs to all those persons at least 18 years old, who have been (or among whose parents at least one has been) citizens of the Estonian Republic, or who were born on the Estonian territory.

The Estonian Democratic Movement and the Estonian National Front are convinced that only the implementation of the aforementioned considerations and demands permits the United Nations Organization to exercise consistently her obligations which lie on her in accordance with the articles 1, 2, 4, 5 of the Declaration on the Granting Independence to Colonial Countries and Peoples, article 1 par. 3 of the International Covenant on Civil and Political Rights and articles 103, 104, 105 of the UNO Charter.

The Estonian Democratic Movement and the Estonian National Front demand the UNO to take effective steps in order to abolish the immoral, inhuman and illegal Soviet colonial rule in Estonia and to compel the Soviet Union not to hinder the restoration of the legal rights and national sovereignty to the Estonian nation.

Estonians will never accept the colonial status of their fatherland.

At present, when even the smallest nations of the world have been recognized the right to national independence, the Estonian nation looks forward to urgent and real help from the United Nations Organization.

HERB FORESTER—GRAND STRAND PIONEER

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JENRETTE. Mr. Speaker, on Wednesday of last week, one of the pioneer leaders of the tourist industry in South Carolina passed away.

Herb Forester was a dedicated worker toward bringing tourism to the Grand Strand area. He operated the oldest hotel in Myrtle Beach and was instrumental in developing facilities making the Grand Strand a national golf mecca.

Tourism is the second largest industry in South Carolina, and over half of the tourist industry is in the Grand Strand area. Mr. Forester's early and continuing leadership is in large part responsible for achievements of such magnitude.

Mr. Forester was a World War II veteran and a dedicated family man. He and his wife, Josephine, were blessed with four daughters. He was extremely interested in young people and an active supporter of youth activities.

One of the most memorable characteristics of Mr. Forester was his dependability. It was well known that when Herb Forester became involved in a project, you could depend on the job getting done.

South Carolina has lost a fine citizen whose contributions to his community are immeasurable. The Grand Strand area and the South Carolina tourist industry are what they are today because of Herb Forester and people like him. He will be greatly missed.

CONGRESSMAN LESTER WOLFF

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DELANEY. Mr. Speaker, recently, our colleague from New York (Mr. WOLFF) was honored by Irish-Americans for his efforts to seek peace in Northern Ireland and to restore civil liberties to the Irish people. I would like to share with my colleagues the tribute that was paid to Congressman WOLFF in recognition of his humanitarian efforts. The tribute follows:

CONGRESSMAN LESTER WOLFF

A life-long resident of New York City and Nassau County, Congressman Wolff and his wife, the former Blanche Silver, live in Kensington. They have a married son, Bruce, an attorney, a daughter, Diane, Mrs. James Jorg, and three grandchildren. He is an honorary life member of the Ancient Order of Hibernians and is the recipient of the 1974 International Gaelic Hall of Fame "Friend of the Irish" award for his record of legislative activity on behalf of the rights of all minorities and his continuing concern for human liberties. Lester Wolff was not a late arrival in Irish circles, instead he has been a consistent supporter of Irish freedom and the right to self-determination for the Irish people. During the hectic months of government badgering of Irish-Americans over an alleged gunrunning conspiracy, Mr. Wolff came to the support of the "Fort Worth Five" and Irish Northern Aid.

On the floor of the House of Representatives he has been the initiator and co-sponsor of resolutions on Northern Ireland. Mr. Wolff's resolutions were not diluted, but concrete directives. In the opening session of the next Congress, he will introduce legislation asking the President to direct our United Nations Ambassador to demand that Britain return to the Irish people basic human rights.

In 1972 Lester Wolff took a trip to Northern Ireland, not as a Congressman, but as an ordinary citizen not allotted the protection a Congressman would be afforded. He went disguised into Long Kesh Concentration Camp to obtain firsthand information and visual perceptions as to conditions and treatment. He was astounded by what he saw, but determined to assist the distressed victims.

After the burning of Long Kesh in October, 1974, and retaliatory beatings and brutality by British soldiers, the Irish National Caucus requested Mr. Wolff to go to the North once again. Mr. Wolff, during a hectic re-election campaign, was prepared to go immediately. His Irish friends persuaded him to wait until he was re-elected. Subsequent to the election, he went with Sean Walsh, the National Director of the Irish National Caucus, requesting the British government to permit them entry into Long Kesh. He made one request prior to his departure and another in Ireland through the American Embassy. Both times he was refused admission.

Mr. Wolff may never be nominated for the Order of the British Empire, or made a Knight of the Garter, honors sought by the likes of the Cosgraves, Humes and Cruise-O'Briens, but he will remain a cherished friend of a free Irish People. Lester Wolff's humanitarian efforts on behalf of the Irish is deeply appreciated.

ARE WE GOING MAD?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the best commentary on President Ford's 1976 budget that I have seeen is the following article by Prof. Hans F. Sennholz of Grove City College. I commend it to the attention of my colleagues:

ARE WE GOING MAD?

(By Hans F. Sennholz)

You can tell the 1976 U.S. Government Budget by its red-ink cover. Billed as the bicentennial budget it is dressed up in red, white and blue to celebrate the nation's 200th birthday. Its authors meant to use a patriotic red, but unfortunately it turned out to be a deep deficit red.

President Ford's new budget is a shocker. He envisions a deficit of $51.9 billion for the fiscal year beginning July 1, which would follow the projected $34.7 billion of red ink for the current year. But the total deficit can easily top $100 billion if Congress refuses to go along with his call for $17 billion in spending hold-downs or reduces taxes beyond the Ford proposals.

In fact, the two-year deficit is likely to exceed $120 billion if you add the red ink of certain federal agencies that are omitted from the budget. These so-called "off-budget" agencies, nine of them, are federally owned and operated—the Export-Import Bank, the U.S. Postal Service, the U.S. Railway Association, the Environmental Financing Authority, the Federal Deposit Insurance Corporation, the Federal Financing Bank, the Rural Telephone Bank, the Rural Electrification Administration, and the Department of Housing and Urban Development's Housing for the Elderly Fund. The outlays of these off-budget agencies are growing rapidly, with a deficit expected to total $13.7 billion in the fiscal year ending June 30 and $10.6 billion next year.

Looking further ahead, the Democratic-dominated Congress isn't likely to agree with Mr. Ford's prescription. The gloomy two-year outlook of slump and inflation is propelling Congress to launch a more expansionary program. The prospect of a deep and lengthy recession, which is dangerous to all politicians seeking re-election, horrifies Congress. Democratic Senator Hubert Humphrey of Minnesota, chairman of the Joint Economic Committee, already rejected the Ford budget as "completely unacceptable." According to him, "the entire emphasis . . . must be on restoring economic growth." Therefore, we must anticipate Congress to pass an even more stimulative economic program than Mr. Fords wants, that is, more red ink through more government spending and greater tax reductions.

If the Ford budget should scare you, wait until you see George Mahon's calculations. Representative Mahon, the chairman of the House Appropriations Committee, estimates that the federal government will have to borrow $150 billion to $170 billion during the next 18 months. But no matter which estimate you believe, the federal debt increase, instead of stimulating the economy, can only accelerate the inflation, raise interest rates and cause more unemployment. We are headed toward a first-class economic and social disaster.

Under the influence of the "new economics" both the Administration and the Congress are joining to shift the growing burden of government from taxpayers to lenders. True, the tax reductions will keep more money in the pockets of individual taxpayers. And the increase in outlays from $268.4 billion in 1974 to $313.4 billion in 1975 and $349.4 billion in 1976 may benefit millions of recipients. But every penny of this spending that is not taken from taxpayers must come from the capital market. This is the ghastly significance of the federal deficit.

Think of the capital market as your friendly neighborhood bank or savings and loan association. The savings deposited by you and many of your neighbors permit your bank to make a great number of loans to individuals and businesses. It may finance the purchase of cars and household appliances, new or old homes, make home improvements, or assist a business to expand and modernize, or merely carry its inventory. Its service as mediator of savings is absolutely essential for economic progress and prosperity.

The deficit mania of the federal government is about to end, or at least greatly curtail, this banking service. Savings are to be channelled to the federal government to finance its gigantic deficits. It is obvious that your neighborhood will stagnate or deteriorate as sales decline and businesses fail.

There are few, if any, stronger depression forces than those of large federal deficits that are financed with the people's savings. As the U.S. Treasury enters the capital market to sell its bills, notes and bonds, it absorbs and consumes the very substance of economic progress and well-being. This is why I expect the recession to get worse, output to drop, business profits to fall, and unemployment to rise during the next 18 months when the federal government will have to borrow $150 billion to $170 billion.

But there is yet another consequence that is even more frightening than the deepening recession: *galloping inflation*. Enmeshed in economic decline and mass unemployment the federal government will call on its monetary authorities to finance recovery with new money and credit. As the recession deepens the Federal Reserve System must be expected to create massive quantities of new money by Presidential and Congressional order and popular demand. In utter confusion and desperation the Federal Reserve will seek to replace the economic substance that is consumed by the federal government with tons of paper money. This is how the recession will usher in the triple-digit inflation.

Do not blame President Ford or any other Washington politician. He and all the others are giving us what the vast majority of American voters are clamoring for: more governmental action toward economic redistribution and full employment. The public clamor is almost deafening. Our spokesmen on TV and in the press, in schools and political assemblies are shouting continually: Government must save us! We need more government! By popular demand government conducts policies of massive spending and inflating in order to build a "new society" and "better deal." The American people are convinced that government spending can give them full employment, prosperity and economic growth. When the results fall far short of expectations and economic conditions grow even worse, the disappointments breed radicalism, cynicism, nihilism, and above all, bitter social and economic conflict. Just listen to our politicians' charges and counter-charges and their loud confessions of faith in political solutions! Their shouts and calls for government action raise a crucial question: Are we going mad?

INVESTMENT CAPITAL IS A PRECONDITION TO THE CREATION OF JOBS AND A BETTER STANDARD OF LIVING

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. KEMP. Mr. Speaker, our posperity and productivity rest—more than on any other factors—on the amount of capital invested per capita. That is the reason I have talked so often on this floor about the need for Congress to accelerate incentives for capital formation.

The more capital invested per person, the greater the economic growth, the higher the standard of living—in real dollars. It is, ultimately, the best answer to increasing opportunity for all peoples.

Economic growth or decline rests on three factors: Labor, natural resources, and capital. In that finite natural resources can only be depleted and in that population growth—the labor force—adds not only more hands and minds to work but also more mouths to feed, capital becomes the crucial, pivotal factor in assuring economic progress. Thankfully, capital—when nurtured—can grow indefinitely. Conversely, when impeded, through confiscatory taxation and deficit financing, capital shrinks or gets choked off—and that is what is happening in America.

In a thought-provoking editorial by the Wall Street Journal of February 20, this essential character of investment capital—especially as it relates to production and jobs—is dealt with at length.

There are many points in that column which must be brought to the attention of everyone making judgments both about our present economic conditions and about means of restoring the economy's prior strength. In examing the decisions which have been made by Government in recent years, one is left, unfortunately, with the conclusion an insufficient number of people in Government know enough about, or appreciate adequately, the role of capital.

I will, in a moment, include the full text of that editorial, but let me first highlight its points:

Economic progress began on that distant day when a primitive grain-gatherer saw that if he did not eat all he gathered he could sow seed for a new crop. Progress took a quantum leap when the first farmer saw that if he saved a surplus he could trade it for a plow. And today economic progress continues when an individual or society foregoes current consumption and invests the savings in ways that create more goods and services in future years.

In short, economic progress has always depended on capital, that which is saved from current consumption to lay a base for future production.

A society increases its standard of living primarily by increasing the capital input relative to the labor input. A worker can enjoy a sustained increase in his standard of living only if he becomes more productive. And sustained increases in productivity come from supplying the worker with better tools, that is, by investing more capital. In a far from trivial sense, economic progress consists of capital formation.

The question for this Nation's immediate consideration is the extent to which it is favoring immediate consumption and, thereby, wreaking havoc with the requirements of increased savings for capital investment.

Our Nation is in the view of many, including myself, quite conceivably foregoing the strength of our economic tomorrows by, in effect, eating our seed corn today. We are quite possibly reducing the means to assure a greater prosperity for our children and our grandchildren—as well as for ourselves.

The full text of the editorial follows:

CAPITAL

Economic progress began on that distant day when a primitive grain-gatherer saw that if he did not eat all he gathered he could sow seed for a new crop. Progress took a quantum leap when the first farmer saw that if he saved a surplus he could trade it for a plow. And today economic progress continues when an individual or society foregoes current consumption and invests the savings in ways that create more goods and services in future years.

In short, economic progress has always depended on capital, tha which is saved from current consumption to lay a base for future production. Classical economics posits three factors of production—labor, land including all finite resources, and capital. Land cannot be expanded, and population growth adds not only more hands to work but more mouths to feed. Happily, capital can grow indefinitely.

A society increases its standard of living primarily by increasing the capital input relative to the labor input. A worker can enjoy a sustained increase in his standard of living only if he becomes more productive. And sustained increases in productivity come from supplying the worker with better tools, that is, by investing more capital. In a far from trivial sense, economic progress consists of capital formation.

The adequacy of capital formation, or alternatively of the savings that underlie it, tells a great deal about the future prospects of the economy. It is of course not easy to measure "capital," let alone "adequacy." Machine tools are obviously capital, but some economists cavil at the inclusion of housing. Education is obviously to some extent a capital investment, but is seldom included as such. "Adequacy" depends on a society's goals and other value judgments. But subject to such caveats, it's worthwhile to look at U.S. capital formation from a number of different perspectives.

A good place to start is with international comparisons. For reasons which we will discuss presently, the United States clearly lags behind most other industrial societies in both capital investment and productivity growth. While the OECD concepts used in international comparisons result in higher numbers than more common concepts, the trend is clear in this adaptation of a Treasury table:

INVESTMENT AND PRODUCTIVITY 1960-73

[In percent]

	Average investment OECD concept [1]	Average annual productivity growth [2]
United States	19.2	3.3
Canada	22.4	4.3
Japan	33.4	10.5
France	24.9	6.0
Germany	26.2	5.8
Italy	21.4	6.4
United Kingdom	18.9	4.0

[1] Private investment plus government purchases of machinery and equipment for nondefense purposes, as a percentage of gross domestic product excluding defense expenditures.
[2] Output per man-hour.

One way to estimate whether this capital formation will be sufficient to future needs is to estimate the capital needs of various industrial sectors, and to compare this with the savings being generated. The New York Stock Exchange has done this, and concludes that between now and 1985 there will be a capital shortfall of $650 billion, or 13% of capital needs.

Another way to judge adequacy is to look at capital investment per worker. This is the key to increased worker productivity, and hence to higher real wages and higher standards of living. In recent years the labor force has grown with exceptional speed, while savings and investment have grown only normally. In offering the following table in recent congressional testimony, Professor Paul McCracken remarked that the fall in investment per worker helps explain why even in the recent boom the economy did not push unemployment below 5%. "Our plant capacity was too small to offer the number of job opportunities required for reasonably full employment."

Direct business investment per worker
(1955 dollars)

1971–74	$41,000
1966–70	46,400
1961–65	53,300
1956–60	49,500

It is decidedly more comforting to look directly at savings and investment in the U.S. national income accounts. We continue to save and invest at about our historic rate. There was some falloff in 1974, probably because of the especially virulent inflation, but 1973 was an especially good year.

	Savings and investment as percent of GNP gross national savings	Gross private domestic investment
1974	14.8	15.0
1973	16.6	16.1
1972	15.5	15.0
1971	14.4	14.6
1966 to 1970	15.3	14.8
1961 to 1965	15.6	14.9

The stability of the gross saving figure, though, masks some definite trends among its components:

COMPONENTS OF NATIONAL SAVINGS
PERCENT OF TOTAL SAVINGS

	1974-p	1973	1963
Personal savings	37.0	34.7	22.0
Corporate profit [1]	8.2	12.0	18.0
Capital consumption allowances	57.6	51.7	58.0
Government surplus or deficit [2]	−2.8	1.6	1.9

[1] Undistributed corporate profits plus inventory valuation adjustment.
[2] Includes State and local government.

Obviously more saving has come from individuals, and less from corporate profits, which have been falling steadily as a percentage of gross national product. Individuals increased their saving rate to 8.2% of their disposable income in 1973 from 4.9% in 1963, and it is probably not realistic to expect such a rapid rate of increase to continue. Nor is it likely that the government will start running large surpluses. Any large future gains will almost certainly have to come through reversing the downtrend in the corporate sector.

Capital consumption allowances reflect the depreciation of existing capital; theoretically they are the amount necessary merely to keep the capital plant you already have. In the figures there is a bias toward overestimation, since at the end of the official depreciation period a machine may still have some useful life. There is also a bias toward underestimation, since depreciation is based on historic costs rather than replacement value. In periods of especially rapid inflation, like the present, the net effect is almost surely a sharp underestimate. Some of the personal savings and profits must be spent just to stand still.

Finally, note that government deficits come directly out of the savings pool. The low rate of savings in 1971 evident in table 3, for example, reflects that year's record peacetime federal deficit. The prospect of huge deficits for at least two years and probably beyond makes it highly unlikely we will be able to maintain our historic rate of saving.

At the same time, it's clear that capital needs are going to increase. In particular, huge amounts of capital are necessary to buy clean air and water. While this clearly is socially valuable, capital spent for such items does not add directly to worker productivity. Unless additional capital is somehow generated, we will pay for clean air and water with slower economic growth.

Some people feel it would be just fine to sacrifice growth to finance clean air and the transfer payments that account for so much of the growth in federal spending. But they have not studied the implications, for much of our projected future growth is already committed to worthy social tasks.

This is most evident in the Social Security System. The whole system is built on the premise that real economic growth will match certain historic norms. Otherwise, workers in future generations will not be able to pay retirement benefits when the current generation retires. The existence of Social Security, for that matter, almost certainly tends directly to reduce savings by reducing the necessity to prepare for retirement. This effect has to be offset by incentives to save elsewhere in the system.

Which brings us back to the international comparisons. To some degree, the low U.S savings and investment rates reflect its already high state of development. Savings and investment are marginally more profitable and thus attractive in less-developed societies. But it is also true that other societies have tax systems that encourage savings.

The U.S., to take one example, has the most stringent treatment of capital gains; some

European nations do not tax them at all. The U.S. also has especially stringent provisions for depreciation. Some other nations have lower corporate tax rates, or special provisions for dividends. Savings could be increased by tax reform in these directions.

Such reforms would in the first instance tend to benefit those with above-average incomes, since they are after all the people who do most of the saving. Somehow in this society the very words "tax reform" have come to connote opposite measures, those that increase the tax load on savings and reduce it on consumption. Congress is at this very moment making tax cuts the bulk of which will go to non-savers. This is in the name of helping the poor, but the poor will not be helped by slower economic growth.

Sometime after the primitive grain-gather made his epochal discovery, and perhaps even after the first farmer learned to trade his surplus, another great but unrecorded man thought up a tale about a goose that laid golden eggs.

Mr. Speaker, through a review of our economic policies, tax laws, and spending programs we must address ourselves fully to the issues raised by this editorial.

ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF THE REPUBLIC OF ESTONIA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. GILMAN. Mr. Speaker, on February 24, 1975, the 57th anniversary of the Declaration of Independence of the Republic of Estonia is celebrated.

The Estonian peoples enjoyed only a fleeting period free of oppression after the fall of the Tsarist regime. Subsequent to the Kremlin's seizure of Estonia, some 120,000 Estonians have been deported by the Communists. Estonian children are forced to participate in Russian youth programs emphasizing military training. More than four-fifths of their farms have been collectivized. In an attempt to suppress their religion, Estonian church leaders have been replaced by Russians. The list of Kremlin outrages against these proud, hard-working people is long.

The Estonians, renowned for their colorful folklore, have a strong national identity. Their resplendent holiday costumes are world famous. Because of their traditions and deep love of country, they have retained an intense desire to once again be totally free of Soviet domination and to be self-governing.

Today, Mr. Speaker, on Estonian Independence Day, our prayers are with those citizens of Estonia who still dream of once again attaining their own precious freedom. May it also serve to remind those of us who enjoy the free world, that we dare not take our glorious freedom for granted.

RICHARDSON CITY COUNCIL OF PTA'S

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. COLLINS of Texas. Mr. Speaker, I would like to take this opportunity to inform my colleagues in Congress of the outstanding volunteer services of the Richardson City Council of PTA's in the Third Congressional District of Texas. This organization is comprised of 37 associations with over 20,000 dedicated members involved in its varied activities. The positive impact they have made on their community has been a tremendous inspiration for service.

Through the leadership of the council, the local PTA has become an organization which presents timely programs, hosts school events, greets newcomers with hospitality, and, in general, creates rapport between parents and teachers. More than ever before associations are recognizing the need to give more careful study to these tasks, knowing that individual neighborhoods have individual needs.

The Richardson City Council of PTA's was established in the spring of 1959, under the direction of Superintendent of Schools J. J. Pearce. For the past 16 years, Dr. Pearce's outstanding leadership and dedication has been a basic cause of the continued effectiveness of the council in promoting the abilities of children.

Although the accomplishments of the Richardson City Council of PTA's have been many, I would like to especially recognize their achievements in the area of special education volunteer services. In September of 1972, council president, Mrs. Lee Mays and PTA special education chairman, participated in the first awareness workshop of the Richardson Association for Children with Learning Disabilities. In February of 1973, the Richardson City Council of PTA's were invited to hold a workshop on the topic of "The Role of the PTA in Special Education," at the third annual conference on the Multidisciplinary Approach to Learning Disabilities held in Richardson. The Richardson Council's success in volunteer work for special education not only became quickly recognized, but also eagerly copied across the State.

On the basis of the successful program in Richardson, Mrs. Mays was invited to the International Conference of Associations for Children with Learning Disabilities in Houston. Along with her presentation on behalf of the Richardson City Council of PTA's, Mrs. Jerry Wiedemann spoke as president of the Richardson Association for Children with Learning disabilities. At this conference, the R.A.C.L.D. and the Richardson City Council of PTA's were recognized as having performed possibly the most effective program for children with learning disabilities of any program in the world. The many hours of volunteer services for children with special education needs should indeed be an inspiration to all interested organizations and individuals throughout the country.

THE EFFECT OF THE PRESIDENT'S BUDGET ON SENIOR CITIZENS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. BONKER. Mr. Speaker, I wish to register my protest and outrage over President Ford's budget reductions in program for senior citizens. The administration's budget proposals for fiscal 1975 and 1976 are totally devoid of understanding for the problems and needs of America's 20 million elderly citizens. In fact, the President's budget severely reduces or eliminates many important federally funded programs for senior citizens, including programs for food and nutrition, health care, and social services.

Mr. Speaker, I submit that it is heartless and irresponsible for our Government to treat its older citizens this way. They have worked hard and contributed substantially to America's growth and success. They deserve a decent standard of living in their retirement years.

Recently, I conducted public meetings in my district and talked to hundreds of constituents, most of whom were over 65. Many expressed concern and even fear over the ways things are today. They have lost confidence in our system and our future. Our elderly citizens are proud and do not want Government handouts, but they are slowly losing their capacity to survive.

The administration's budget will make it even more difficult for those on fixed incomes. It proposes to lower their standard of living and reduces needed programs and services on which so many depend. The end resullt will be a loss of security and dignity.

Mr. Speaker, as the Representative for the 47,000 senior citizens in the Third District of Washington, and as a new member of the House Select Committee on Aging, I wish to express my strong commitment to restoring the Federal programs that rightfully belong to our elderly citizens. I urge my fellow Members to reject this move to erode what little progress has been made in behalf of the aging. I am hopeful that the Congress will act responsibly to maintain and even expand the programs so vitally needed by our Senior Citizens.

Listed below are some of the proposed budget cutbacks affecting the elderly:

BUDGET CUTBACKS FOR SENIOR CITIZENS

Retirement benefits. The most-discussed proposal affecting the elderly would limit social security and other retirement benefits to 5 percent, even if the rate of inflation is the projected 8.7 percent or higher. When the Congress provided automatic cost-of-living increases in retirement benefits, it recognized that our elderly Americans on low, fixed incomes cannot absorb the costs of inflation. Senior citizens already hold down spending because their limited incomes hardly permit them to do otherwise. I have cosponsored a resolution expressing the sense of Congress that no ceiling be imposed on their benefits.

Health care. Proposed cutbacks in medical care for the aged are also extensive:

A $465 million cutback in the medicare program. Older Americans who now pay a $92 deductible for an average hospital stay would have their out-of-pocket expense increased by 124 percent to $205.65. An elderly patient with a hospital stay of 60 days would have a 675-percent increase in the size of his payment, from $92 to $712.80. Also proposed is an increase in the deductible for physicians' insurance, raising the cost from $60 to $67 a year;

A decrease from 50 percent to 40 percent in the Federal minimum guaranteed matching funds for the medicaid program;

Elimination of Federal minimum matching funds for adult dental care; and

Elimination of the emergency food and medical services program.

Nutrition. Because of recent congressional action, senior citizens will not be forced to pay 30 percent of their incomes for food stamps. About 2 million persons aged 65 and over receive food stamps. Had the President's proposal not been stopped, most elder Americans would have been forced to pay $10 to $15 more per month for food.

The President's budget still calls for a $25.4 million cut this year and next in the nutrition program of the Older Americans Act.

Social services. The revised fiscal year 1975 budget and the proposed fiscal year 1976 budget call for the following decreases in social service programs under the Older Americans Act and related legislation:

$9 million from social service programs;

$12 million in community service jobs for people over 55;

$7.1 million in training funds for work with the elderly;

No funds whatsoever would be provided for title V multipurpose senior centers or section 309 transportation for the elderly in fiscal year 1976; and

Nor would funds be provided under anti-poverty legislation for the senior opportunity and services program or for the community partnership program.

Tax discrimination. In theory, a number of the proposed cutbacks in the President's budget will be counterweighed by other sections of the total budget package. However, two major components of that package—the crude oil import tax and the tax rebate plan—only reinforce the budget's negative impact on senior citizen welfare.

The crude oil tax. We start with an elderly population that is relatively poor. In my congressional district and in all of Washington State, one-fourth of those individuals aged 65 and over live below the low-income level. One-third of the citizens in the lowest fifth of our national economy are elderly. Indeed, the median income for a senior citizen nationwide is only $2,785 per year.

Studies by the Library of Congress have shown that the crude oil import tax has its sharpest proportional impact on poor families and a progressively smaller impact on higher-income families. The proportional impact of the Ford plan on a poor family's income would be 13.6 percent, while it would have a proportional impact of only 4.2 percent on a well-off family's income. I supported congressional action to halt this unfair tax for 90 days, while the new Congress studies more equitable alternatives.

The tax rebate plan. The tax rebate itself would be of relatively little value to elder Americans. Roughly 60 percent of the elderly do not pay taxes and hence would derive no benefit at all from the rebate. Another 20 percent would receive an average benefit of less than $6.

The President has proposed an $80 distribution to persons with no tax liability. Those with limited tax liability would receive the difference between their liability and $80. This plan would, of course, benefit those seniors who will receive nothing from the tax rebate.

When the tax rebate and the tax distribution are considered together, however, the unfairness of the proposal to low income persons becomes clear. A family with an adjusted gross income of $40,000 would receive a $955 rebate, while the low-income level senior citizen family would receive only an $80 per person distribution.

In summary, I think that the President's proposed rescissions for fiscal year 1975 and budget for fiscal year 1976 do a great injustice to the Nation's elderly Already living on very modest incomes, they are being asked to absorb cutbacks in income, health, food, energy and social services programs.

Mr. Speaker, the elderly in this Nation have for too long been forgotten. They desperately need to be heard, to have an active voice in Government. The administration's lack of concern for the elderly, as evidenced by the 1976 proposed budget, only magnifies their need for more representation in the legislative branch. Therefore, I am extremely pleased that the House of Representatives has acted to create a Select Committee on Aging. I think that as a first priority, the committee should focus on the President's budget proposal and its devastating effect on the Nation's senior citizens.

EXPLANATION OF VOTES

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. KRUEGER. Mr. Speaker, I take this opportunity to explain two "present" votes which I cast this week. As correctly reported in the February 19, 1975, CONGRESSIONAL RECORD, I answered "present" to the vote on H.R. 2051, the amendments to the Regional Rail Reorganization Act of 1973. I also answered "present" to the vote on House Joint Resolution 210, making further urgent supplemental appropriations for fiscal year 1975, as reported in the CONGRESSIONAL RECORD of February 20, 1975.

Both bills represented a potential conflict of interest since I own a small amount of stock in the Penn Central Railroad. For that reason, I chose to avoid any possibility of personal gain as a result of my vote and voted "present." In the future I shall follow this policy if I feel a possible conflict of interest exists.

MAJORITY WHIP ADDRESSES GOVERNORS CONFERENCE

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. REUSS. Mr. Speaker, our distinguished majority whip, Congressman JOHN J. MCFALL of California, addressed the National Governors Conference at the Mayflower Hotel in Washington on Wednesday, February 19, and presented a thoughtful review of the challenges facing this country and the legislative responses now underway in Congress. I would like to share with my colleagues and the readership of the RECORD Congressman MCFALL's comments, and the text of his speech follows:

REMARKS OF HON. JOHN J. MCFALL

Good afternoon.

This morning you heard Vice President Rockefeller evaluate our nation's problems and recommend his solutions, speaking in a single voice for the administration.

You have just heard Senator Pastore talk about the same situation, albeit with different solutions. And for the remainder of this afternoon you will hear this panel—made up of representativea of the House and the Senate—go over the subject matter again, probably with several more alternatives for action.

We have with us a considerable body of expertise from the House—several distinguished colleagues of mine who are now working hard on the problems facing our nation.

Congressman John Brademas of Indiana, the Chief Deputy Majority Whip of the House,

Congressman Jim Wright of Texas, the Chairman of the Task Force on the economy and a Deputy Whip, and

Congressman Henry S. Reuss of Wisconsin, Chairman of the Banking, Currency and Housing Committee.

Two other panelists expect to be here a little later. Congressman Al Ullman of Oregon, Chairman of the Ways and Means Committee, is at this moment presiding over the committee as it gives final consideration to the tax cut bill. He expects to be here about four, and I hope you will hold your questions on the tax cut until then.

Congressman Brock Adams of Washington, Chairman of the Budget Committee, is now on the House Floor where the emergency

railroad assistance bill is being considered. Congressman Adams is also a Member of the Commerce Committee which reported the railroad bill. He plans to be here to answer budget questions as soon as possible.

We have effective teamwork within the House and Senate working on the problems of the nation. But no matter how much expertise we can muster, there is no denying that a single voice advocating a single course of action sounds simpler and neater. A single voice comes through clearly and more forcefully, without the options and differences of opinion that arise in a representative assembly.

Governors are certainly familiar with this phenomenon of many voices. You speak with 54 voices. You know what is involved in arriving at an agreement or consensus.

There are 535 of us in Congress. One of the facts of life on Capitol Hill is that Congress speaks with many voices—before it arrives at a single, unified course of action.

This process of sorting out the good from the bad and working toward our consensus is often difficult, and it may take a little time. You may be tempted to set aside your reservations and jump into line behind the recommendations of that clear and direct single voice.

The only trouble is that the single voice may not necessarily be right.

At the Administration's Conference on Inflation last September, the single voice of the Administration said that the problem was inflation. The many voices, of outside economists and Members of Congress, said that the problem was recession. It turned out that the many voices was right.

Late last year, the single voice said that a tax increase in the form of a five-percent surcharge was needed. Today, the single voice has agreed with the many voices that the need is a tax cut.

Two years ago the single voice insisted on withholding funds for water pollution control, even though the many voices voted for clean water by more than the two-thirds necessary to override a veto. Yesterday, the Supreme Court upheld the many, ruling that the President had no authority to impound water pollution control funds.

Recently, the single voice said that we should raise the price of food stamps to the poor. The many voices emphatically said no.

Right now, the single voice says that an increase in the oil import fee is required. The many voices are now saying that an abrupt and staggering increase in energy prices can only drive us deeper into recession; let us not instead for a gradual reduction in energy use and a simultaneous push to create new jobs and spur economic recovery. And I think that in this instance the many voices are going to be proved right again.

The democratic process is not always the neatest route or the quickest. But in our country we know it is the best. The important thing is to recognize that dialogue is not necessarily dichotomy.

This is the way that Congress reaches its decisions, beginning with many opinions and the winnowing them down to a single course of action. So far, this new Congress has done a remarkable job of getting organized quickly and getting down to substantive legislation. At present, we in the House are working under a self-imposed sixty-day deadline to enact a tax cut and a ninety-day deadline to report out other important economic legislation.

The energy and economic crisis that is our number one problem today deeply involves the states and has severe implications for state and local governments and their ability to maintain essential services to the people.

State and local governments are as much victims of the recession as the people themselves. This Administration created this recession by its tight budget and monetary policies coming on top of the energy crunch. Yet, the Administration seems little inclined to be responsive to the needs of the states.

Congress is now at work on the misplaced priorities of the new budget and the Administration's policies. We intend to revise them to reflect the needs of our people and the various governments that serve them.

State and local governments need some offset on their real revenue loss caused by inflation and recession. Otherwise, their situation can only get worse; some big cities are already laying off city employees in droves.

The Ford budget in terms of its real effect, asks for a sharp drop in the level of federal support to the states. For education, manpower and social services there is actually a drop in absolute dollars. Health and revenue sharing show minor increases that do not compensate for the purchasing power lost to inflation.

Congress is already acting to adjust these priorities. We have stopped the food stamp fiasco. We are in the process of halting the ill-conceived $30 billion energy-income tax shuffle proposed by the Administration. We are about to enact a significant tax cut, and our committees have begun to take a hard look at those misplaced priorities in the Ford budget.

States and localities need immediate relief and assistance as well as the longer term support of revenue sharing. The heavy financial and economic pressures now bearing on states and localities show that revenue sharing and other past measures have not solved all state and local financial problems.

We need to create jobs as one of the best forms of assistance to the states and to the people.

Our endeavor in Congress is to put people back to work so that we can restore buying power and give a boost to tax revenues, state and local as well as federal. That is the best way to deal with budget deficits or impending deficits at all levels of government.

Public service jobs are a form of revenue sharing. This program puts money into the hands of state and local governments, and it does this quickly. Last year the Congress authorized $3.25 billion and appropriated $1.8 billion for public service jobs and local public works projects. Our House Democratic Steering and Policy Committee will meet next Tuesday to consider a program of full funding for the remainder.

This program expires June 30, and the House Education and Labor committee today began hearings on a bill that would authorize $5 billion in fiscal 1976 for 700,000 public service jobs.

We will seek to overturn a request by President Ford for deferral of a $125 million appropriation earmarked for local public works under the Economic Development Administration.

Right now the Appropriations Committee is looking for job-intensive programs that it can fund quickly. Chairman Mahon has asked Treasury Secretary Simon and Economic Adviser Greenspan to report not later than Monday on items in the Ford budget that would create immediate jobs. Chairman Mahon said this morning that he is considering pulling all these items together in a single bill, no matter where they fall throughout the Ford budget, and get the bill to the Floor as soon as possible.

What we want is a quick fix on job creation, but our intention is that these jobs will lead to more jobs of a permanent nature.

We are acting to stimulate job creation in the private sector through the tax cut bill being reported today. This bill is expected to include an $8 billion rebate on 1974 taxes and an immediate $8.4 billion reduction in 1975 withholding from current paychecks. For business, there is a $3.8-billion cut in the investment tax credit. The full House is expected to act on the tax cut next week.

Our congressional energy program is now taking shape. You have heard from Senator Pastore about the Senate's Task Force report, and Congressman Jim Wright can give you details on the recommendations of the House Task Force. He can tell you how Congress intends to stimulate the development of new energy sources and the conservation of available energy supply.

We in the Congress are much concerned with the President's proposal to reduce oil imports by a million barrels a day this year and two million next year.

The consequences could be an additional $50 billion in energy costs, which would throw more people out of work and send another round of inflation throughout the economy. We don't feel that the economy, especially in its present condition, can stand that kind of a drain.

Walter Heller, former Chairman of the Council of Economic Advisers under Presidents Kennedy and Johnson told the Democratic Steering Committee this morning that the economy has moved from spongy, to soggy, to sagging, to sliding.

Real output is now dropping by seven to eight percent from the end of '73 to the middle of '75. The worst previous post-war drop was four percent in 1957–58. By midyear, Mr. Heller said, we will be running twelve percent below output potential. That is $160 billion to $170 billion below our capabilities.

In light of all this slack in the economy, the stimulus provided by our $20 billion tax cut certainly would not be excessive. In fact, it is less in real terms, than the $12 billion tax cut of 1964. That $12 billion cut would be the equivalent today of a $26 billion cut.

It is President Ford's energy program that would worsen our rate of inflation, not the tax cut. His energy program would add sixty percent to the rate of inflation, Mr. Heller estimates. That means that toward the end of 1975, when inflation should be getting down to about five percent, President Ford's energy program would push it up to eight percent.

In view of this situation, we need to determine how much of an oil import reduction is appropriate. There are many considerations: the effect on unemployment, on economic activity, on tax revenues, on the need to adjust environmental considerations—regarding clean air, strip mining and nuclear plant siting, for example.

These are complex matters, and that is why we are insisting on a deferral of the President's oil import fees. We can well afford ninety days to put together a more effective and less disruptive program. Under any circumstances, the oil import fee can only make things worse: it is guaranteed to raise prices, but it is not known whether it will have any significant effect on energy conservation What we are saying is that the President's bill may not necessarily be the right one, even if it does have 180 pages in it and our tariff deferral bill only four.

Congress is also moving on other urgent matters. The House is voting today on a bill to provide $374 million to keep seven major northeastern and midwestern railroads from ceasing operations.

Revenue sharing will get a thorough review, although the exact timetable is not known. As you know, that jurisdiction has been transferred from Ways and Means to the Government Operations Committee. The committee and subcommittee both have new chairmen—Chairman Brooks and Chairman Fountain respectively—and eight of the eleven subcommittee members are new. It seems likely that the entire program will be reviewed from scratch and evaluated in light of the full financial picture relating to state and local government. The Administration indicates that it will propose a $40-billion extension covering five and three-quarter years (to accommodate the change-over in fiscal year dates). No recipient units would be eliminated, although there would be some adjustments. There is a chance for House action on revenue sharing this year. I am advised the Senate will not act before we do.

Emergency housing legislation is now undergoing hearings. A number of proposals are under consideration: subsidizing interest rates down to six percent, providing mortgage assistance to the jobless to prevent foreclosures, making condominiums eligible for federal mortgage purchase, providing rental assistance to stimulate the financing of low-income projects, and providing subsidies for home insulation. Further down the road are oversight hearings on HUD's suspension of the new communities program and HUD's management of the housing subsidy and community development block grant program. The committee also plans to undertake a study of mortgage credit, including federal, state and local programs as well as the private mortgage insurance industry, and a review of programs for preserving and rehabilitating older housing.

The Banking, Currency and Housing Committee this morning reported two bills: one would reduce interest rates, and the other would allocate credit. The intention of the second bill is to assure that credit is allocated to productive uses and away from speculative uses. Chairman Reuss can give you details. Both bills may get to the House Floor by next week.

There are many other areas of legislation which would affect states. I suspect that the governors have many questions of their own. We would be glad to hear them.

HAL FISHMAN'S SPEED RECORD—A NEW WORLD RECORD

HON. ALAN CRANSTON

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Monday, February 24, 1975

Mr. CRANSTON. Mr. President, I am pleased to announce that Los Angeles newsman Hal Fishman recently broke the world speed record for propeller-driven light planes.

Mr. Fishman, piloting a twin-engine Aerostar, clocked a time of 305 miles per hour over a 100-kilometer—620-mile—closed course. The previous speed record of 274 miles per hour was set by the Soviet Union.

Mr. Fishman, who will soon become news anchorman for TV station KTLA, already holds seven world records for speed and altitude in prop planes and jets.

In another flight in the same plane, TWA Capt. Barry Schiff also recorded a 305-mile-per-hour speed to break the 500-kilometer—310-mile—record.

Both records are for the CID class, composed of piston engine light planes weighing 3,300 to 6,000 pounds.

I ask my fellow Senators to join me in congratulating Hal Fishman and Barry Schiff for the honor their new records bring to our country.

PROBLEMS WITH THE SOCIAL SECURITY SYSTEM

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. ARCHER. Mr. Speaker, an essential task for the 94th Congress should be a complete review of our Social Security System with the objective of initiating long-range reform of this giant program. The consequence of a failure to take such action could be financial disaster.

A report entitled "Social Security: A Sound and Durable Institution of Great Value" has attempted to cover up the problem by asserting that the Social Security System is sound and healthy despite reports of serious financial problems. William J. Cohen, former HEW Secretary—1968–69—and 1 of the 8 cosigners of the report, stated that people did not need to worry about the program.

Unfortunately, the attempt to raise some relevant and serious questions about the Social Security System was dismissed as a "disservice" to the Nation. Ignoring the problems or attacking those who have serious questions about its financing will not solve the problems in the Social Security System—problems which we need to face now and in future years. In fact, the authors of this "white paper" admitted that from now until the end of this century, a 10 to 25 percent increase in social security revenues will be needed but they failed to specify how this additional money could be raised.

The Social Security Advisory Council is soon to release some disquieting figures concerning the potential effects of the mounting costs of social security outlays on our national budget. Even the most optimistic projections by the Social Security Administration are shocking. They admit to a debt totaling $1.3 trillion. This $1.3 trillion debt is based on the assumption that there are no adjustments in the present tax and benefits level.

However, independent economists have estimated that this debt could be as high as $2.5 trillion. Furthermore, this deficit fosters additional strain on the currently overburdened tax revenue resources, capital and labor, which would be bearing total annual benefits of $350 billion—assuming no more than 3-percent inflation—by the year 2000.

One proposed solution would allow medicare, which accounts for about 20 percent of our social security payments, to be disbursed from general tax revenues. This approach, however, would merely serve to purchase a few more years of partial relief. The Wall Street Journal in an editorial discussing the predictions of the Social Security Advisory Council observed:

The other proposal put forth by the council last month would have raised the wage base for Social Security taxes in 1976 to $24,000 a year from $14,000 at present which would have had a severe effect on the profits of both capital and labor. However, the council reversed itself yesterday on that proposal and recommended dipping into the general fund to support some of the Medicare costs that come under Social Security. This is not much of an improvement either since it would add a further burden to an already overloaded federal budget.

The Report of the Panel on Social Security Financing to the U.S. Senate Committee on Finance highlights some of the major problems in the system. After an intensive study, the panel members were unanimous in their findings and recommendations. The report noted:

Thus, we not only confirm the seriousness of the long range financing problem indicated in the 1974 Trustees' Report, but we believe that the size of the deficit may be even greater than predicted in that Report . . . While the long range financing problem is far more serious than the short range one, we believe the benefit structure of the social security system should be overhauled in the near future along with additional financing. Unless this is done the present Trust Fund will be seriously eroded in the years immediately ahead, and will be exhausted by the late 1980's.

A part of this special study places a special responsibility on Congress. It notes:

Unless material changes are made in the present benefit formula, Congress will not have the appropriate control over the reasonableness and consistency, of benefits and it will be difficult, if not impossible, to finance the system on a satisfactory actuarial basis.

I would like to enter into the RECORD two articles on this problem. The first article is an editorial from the Wall Street Journal, January 20, 1975, entitled "The Social Security Report" and the second is an article from the U.S. News and World Report, "February 17, 1975, entitled "Overhaul of Social Security":

THE SOCIAL SECURITY REPORT

Last July, after we made the first of a series of comments on the dreadful state of the Social Security System and the need for immediate reform, an adviser to the system suggested we were being unfair in leaving the impression that the government was not addressing the problems. It was pointed out that an Advisory Council had been formed and "we should expect to receive, within the next year, carefully prepared and well thought out recommendations for the long-run financing and benefit structure of the system."

The Advisory Council has now finished its work. And at the risk of being criticized as unfair, we repeat that the government is not addressing the problems of Social Security. The council's tentative recommendations have not been well thought out. It still does not see that there is both a financial and an economic problem, and it is likely that if its laundry list of proposals to correct the financial problem were adopted, the economic problem would be made much worse.

The financial problem is that even based on SSA's optimistic actuarial asumptions about the next 75 years the system is in deficit in the amount of $1.3 trillion, discounted to present value. This means that if there are no changes in tax and benefit levels, financing the deficits over the next 75 years would require a fund of $1.3 trillion in hand today and earning interest.

The economic problem is that because the system is financed pay-as-you-go, if the deficit is covered by increased taxes on capital and labor, economic growth will slow, pushing the Social Security System further into actuarial deficit and requiring even higher taxes. If no change is made in the present system, in 25 years benefit outlays will hit $350 billion a year—assuming 3% inflation—

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all of which has to be paid out of taxes on capital and labor.

Only one of the council's major proposals addresses this problem, easing the financial condition of the system without damaging the economy. If must be approved by Congress if there's to be any hope for the system's future. When Congress three years ago tied benefits to the Consumer Price Index, which was reasonable, it also tied future benefits to both price increases and wage increases. This double-indexing of benefits will by itself bankrupt either the system or the economy and has to be eliminated. Otherwise, before too many years, workers will get higher benefits when they retire than the wages they were getting when they worked.

In its other proposals, though, the council only considers ways to close the deficit once double-indexing is removed. One tentative idea is to push the retirement age to 68 from the present 65 in the year 2005. Some members of the council think that because it's likely people will live longer in the year 2005, they'd like to work longer. It's hard to see how this could close the deficit. If people are going to live three years longer than the actuaries now contemplate, they'll collect benefits for the same number of months even if they do retire at 68.

The other proposal put forth by the council last month would have raised the wage base for Social Security taxes in 1976 to $24,000 a year from $14,000 at present which would have had a severe effect on the profits of both capital and labor. However the council reversed itself yesterday on that proposal and recommended dipping into the general fund to support some of the Medicare costs that come under Social Security. This is not much of an improvement either since it would add a further burden to an already overloaded federal budget.

Very similar considerations apply not only to 1976 but to the long run. There is no way to resolve the economic problem inherent in the Social Security pay-as-you-go system by raising the tax rate, either on payroll taxes directly or through contributions from the general fund. The economy will produce less with higher taxes, an axiom that has now gained wide acceptance as it applies to the short run. But the Advisory Council's tunnel vision does not permit it to see this problem in either the short run or long run.

The AFL–CIO doesn't quite see it either, as the letter from their Mr. Seidman on the opposite page indicates. While he accepts the argument that the central question turns on the sufficiency of capital formation, he argues that capital sufficiency is evidenced by the rapid growth in corporate cash flow, which is perhaps the very worst of all the ways to measure capital growth. If the AFL–CIO really believes there is no problem of capital formation, it should ponder the question of why even at the height of the latest boom we found ourselves with a surplus of labor. This is a subject we will discuss in a future editorial.

Unless its final report is sharply different from what we've seen, we can only express disappointment in the half of a job the Advisory Council has done so far. Before President Ford passes any of these recommendations on the Congress, it would be wise to do the other half.

Overhaul of Social Security

Pressure is building anew for a major overhaul of Social Security before the system drowns in red ink. Unless something is done soon, experts predict, a small deficit in 1976 could balloon into a massive gap between benefits and taxes in just a few years.

The problem: Pensions are scheduled under law to soar far beyond taxes paid by workers and employers in years ahead.

As a result, the Government is searching for ways to shore up the ailing old-age plan. Among the proposals:

Cut way back on benefit increases, especially on a big break the law gives to workers who haven't retired yet.

Postpone the age at which retirees can receive Government pensions.

Increase the payroll for Social Security, already the fastest growing levy in the nation.

End the special Social Security tax and pay for benefits out of general federal revenues, putting the burden of bigger pensions on wealthier individuals and corporations.

Just what changes Congress will make are not yet clear, but experts insist a drastic break with Social Security's past is inevitable.

For years, Congress regularly voted even-higher pensions, even as the number of beneficiaries grew and the tax rate climbed. Until now, there's never been a problem in finding the money to pay for bigger benefits.

But suddenly, experts are telling the Government that things are different.

FUTURE PROSPECTS

Two groups of consultants, the Social Security Advisory Council and a special panel advising the Senate Finance Committee, have just evaluated the prospects for the old-age program. Here's what they see ahead:

It's too late already to avoid a gap between pension outlays and payroll-tax revenues in 1975. The Social Security Administration hoped to add about 3 billion dollars to its 45.9-billion-dollar emergency trust fund in 1976, but instead it will dip into the kitty for 3 to 4 billion just to meet the pension benefits. To wipe out the expected 6-billion-dollar shortfall, another 1 per cent would have to be added to the payroll tax which finances the plan.

And unless the system is revamped soon, deficits will rise with each passing year. The Senate panel predicts taxes in 1995 will fall about 16 per cent short of benefit payments. By the year 2045, taxes could cover less than half the cost of pensions.

If a deficit equal to half the cost of benefits occurred in 1975, it would amount to a gap of over 35 billion dollars. As wage and price increases push up furture benefits, deficits later on will be even larger.

That's the generally dismal picture the two panels present, even though they disagree on specific conclusions. One reason they differ is the difficulty of projecting important trends such as inflation, birth and death rates, and wage growth 75 years into the future.

But as one Senate panelist observed, "Even if we're both wrong by 20 per cent, it's still a disaster."

SHIFTING PATTERNS

What is it that has suddenly clouded Social Security's future? Basically, the blame falls on two unforeseen events.

First, young Americans are having fewer children than their parents had. That means there will be fewer young workers to pay for pensions when today's bulging work force is retired.

The "baby boom" after World War II resulted in unprecedented population growth until the mid-1950s. Today, the boom-era babies are married. But they live in an ecology and economy-minded society in which large families are expensive and unwanted.

As a result, the American birth rate is currently down to 1.9 children per family, less than enough to keep the population constant in years ahead. Over the longer term, both panels of experts predict, birth rates will rise to 2.1 children per family. At that level, which is far below rates during the "baby boom," the U.S. population would eventually stabilize.

The Advisory Council predicts the current ratio of 30 retired persons per 100 taxpaying workers will rise to 45 per 100 by the year 2030. The Senate panel's results suggest that the ratio may jump even higher. Whichever group is correct, the bulging retired population will put strains on workers whose payroll taxes cover most of the cost of retirees' pensions.

The second problem upsetting the financial balance of the system stems from the decision of Congress in 1972 to increase retirement benefits in step with inflation.

The idea was to protect the purchasing power of pensions and survivors' benefits from inflation by raising payments each year in the same proportion that prices increased during the prior 12 months.

As long as wages, and the taxes paid on them, also rise with inflation, this "indexing" system puts no added pressure on taxpayers.

LEGAL "FLAW"

But when Congress passed the 1972 law, the indexing feature included an obscure but costly provision now widely characterized as a "flaw." The law not only increases retirees' benefits along with inflation, it also gives double relief from inflation to workers not yet retired. Here's how:

Imagine two workers with equal wages in 1975. In principle, Congress wanted them to earn pensions of equivalent purchasing power at retirement.

One worker retires at the end of 1975, receiving Social Security payments of $200 per month. After one year, because of inflation, that pension rises 5 per cent to $210.

The second individual waits a year to retire. During 1976, he receives a wage hike of 5 per cent as a result of inflation. But under current formulas for calculating pensions, his higher wage at retirement entitles him to a base pension of more than $200 per month. And that higher pension also comes in for a 5 per cent boost because of inflation.

In effect, the worker who retires later is compensated twice for increases in the cost of living. And he receives a pension permanently higher than Congress intended.

The longer this double adjustment for inflation continues, the faster benefits will climb ahead of more slowly rising payroll taxes.

That leaves the Government searching for a way out of deficits caused by the indexing plan and a growing old-age population.

NEED FOR HASTE

The solution has to be found soon, before the Social Security trust funds are seriously depleted. Those funds, which currently contain 45.9 billion dollars, are counted on to meet any short-term money problems the pension plan encounters. But if deficits continue even at the moderate 3 billion dollar pace expected in 1976, the funds will run dry after about 15 years.

What can be done? There's a grab bag of options being offered on Capitol Hill. But no solution to so complex a problem seems likely to satisfy taxpayers, retirees and lawmakers alike. Here are some ideas getting serious consideration—

The most important change, the panels of experts agree, must be to correct the "flaw" in the current benefit calculation. By doing no more than holding pension increases in step with hikes in wages and taxes, the Advisory Council calculates that expected future deficits could be cut by one third.

In principle, the change should be possible while still retaining the cost-of-living adjustment for retired persons. How? By changing the method of calculating retirees' initial benefits.

At present, an individual's basic pension is calculated by averaging his taxable monthly wages over his working years. His monthly pension is based on that lifetime average.

The "flaw" could be eliminated by deflating each year's average monthly wage, for example, by the amount of change in the price level during that year. The lifetime average would then be calculated and the pension based on the purchasing power of monthly wages over the worker's life.

But even with that change, the pension plan's budget will still be seriously out of balance, at least by the turn of the century when the "baby boom" generation retires.

THE OPTIONS

That leaves policy makers to choose among three options: cutting back benefits, increasing the payroll tax still more, or finding alternative sources of revenue for pensions.

Proposals to hold down benefits have come from many sources. Most recently, the President proposed holding the cost-of-living increase in Social Security pensions to 5 per cent this year, even though inflation was more than twice that much in 1974.

Some legislators have considered permanently limiting or even eliminating the yearly adjustments for inflation.

A variation on the theme comes up in the Advisory Council's proposals. Beginning in the year 2005, they suggest, the age for retirement at a partial pension could be pushed forward to 65 from 62, and full pensions could be delayed until age 68, rather than the current 65. That plan, they suggest, would permit a balanced Social Security budget well into the 21st century with only moderate increases in taxes.

By the year 2005, when labor growth has begun to lag, employers and labor may be more eager to put off retirement. But the plan flies in the face of current trends toward earlier, not later, retirement.

In the past, Congress has been loath even to vote against bills raising Social Security benefits. The President's plan to limit this year's inflation adjustment has stalled in Congress, and politicians in the future will hesitate before cutting the payments a retirement-age population still growing in numbers, wealth and influence can expect to get.

Can the payroll tax alone take up the burden if benefits aren't cut?

Calculations by one expert suggest that after the turn of the century a payroll tax rate as much as double the current tax might be needed, even if the "flaw" in benefit calculation is fixed.

Currently the tax is about 11.7 percent of the first $14,100 of a worker's annual pay, split between the employer and the employe. That tax includes a 1.8 per cent levy to pay for medicare.

STANDARDS ABROAD

In comparison with some European countries, a pension tax of even 20 per cent would not be extraordinary. But by American standards, a tax double the current one would be an unprecedented drain on workers take-home pay.

And many economists say the Social Security tax is already too costly for low-income workers. The tax, these critics point out, is based only on wages, and therefore does not touch investment income such as dividends and interest. In addition, a tax ceiling holds down the payments of wealthy-individuals.

There's another side to the story. Low-income families also get more in benefits from Social Security relative to the taxes they pay.

But the debate over whether and how to "reform" the payroll tax continues. Until the question is resolved, big leaps in the tax rate are not likely to get easy approval in Congress.

That leaves legislators one last option to narrow Social Security's deficits—find new sources of money.

The Advisory Council suggests one move to meet deficits expected from 1976 on. Their plan: Use part of the present 1.8 percent payroll tax that now goes for medicare to pay for pensions, and fund the medical aid program out of general government revenues.

For the longer term, they'd like to see all of medicare paid for with the Treasury's regular revenues. And beyond that, some Council members would use those general tax receipts to pay for the part of the low-income person's pension that, in effect, is a form of welfare—the extent to which his pension exceeds the wage he got before retiring.

Over the years, Social Security benefits have been tilted toward the poor by Congressmen who believe that individuals without other sources of income at retirement merit larger pensions. Opponents of the financing change fear it might set the stage for a cutback in pension and medicare payments for some people.

NEW CONCEPT

There's growing support instead, in and out of Government, for a plan to merge the Social Security tax into the personal income tax and pay for all pension benefits out of general federal revenues.

Then the Government would be tapping taxes from corporations and would be getting more from individuals with middle and upper incomes to cover Social Security costs.

And that would signal a revolution in the philosophy underlying Social Security. Since its inception in the 1930s, the idea behind the Government old-age plan has been that workers pay for pensions out of their wages.

Opponents of the switch to general revenue financing say it would open the way to greater drains on the economy to pay for growing pensions.

Behind all options and problems facing Congress, however, stands one stark fact: The Government must do something soon before the Social Security system finds itself in real trouble.

WHO PAYS ATTENTION TO RESEARCH

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. BROWN of California. Mr. Speaker, the place of research in our society is now firmly established. In times of war, the policymakers have little difficulty in considering new approaches to problems; especially new approaches to cause death and destruction. This relationship between the military and research continues today, where military related research and development is still more than 50 percent of the 1976 budget requests for all research and development programs.

In the civilian sector, and especially in the area of materials, energy, and the environment, the Federal research efforts have been relatively small, and, if impacts on public policy are any indication, ineffective. The criticisms of the Federal R. & D. program are many, and its defenders few. The House of Representatives recognized the fractured nature of our civilian R. & D. efforts when it chose to adopt last year's committee reorganization which gave the House Science and Technology Committee oversight responsibility over all civilian research and development. This centralization of civilian R. & D. within the House comes none too soon, as the host of problems we must face grows.

One of the most persistent criticisms of research is that policymakers will not listen to the results. The large number of examples of this phenomena can lead one to conclude that research is irrelevant. One need only review the farsighted reports and recommendations of President Franklin Delano Roosevelt's National Resources Committee, or President Harry S Truman's Materials Policy Commission, the so-called "Paley Commission," to recognize that history has tended to prove the cynics correct.

The Washington Star carried an article by H. Peter Metzger in its February 23 edition entitled, "Who Pays Attention to Research?". I do not intend to call Mr. Metzger a cynic, but if his views are correct, then what the House of Representatives approved when it reorganized last year, and what the Congress approved when it established the Office of Technology Assessment, amounts to nothing.

Mr. Speaker, I do not believe that the Congress, with its new-found self-determination, will ignore either the need for research nor the results of good research. In this regard, I would like to mention another article that appeared in the February 23 edition of the Washington Post concerning the current state of environmental research, particularly as it relates to human health. If there was ever an area where research should be the basis for public policy, it is in the area of human health.

Mr. Speaker, I ask that both the article by Mr. Metzger and the article by Gershon Fishbein on environmental

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REPUBLIC OF ESTONIA

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. RICHMOND. Mr. Speaker, I would like to join my colleagues in offering congratulations to the people of Estonia as they celebrate the 57th anniversary of Estonian independence. This is a nation of peace-conscious people, all dedicated to the betterment of their children's live and the dreams of their fathers.

The history of the Estonian people has provided them with tragedy upon tragedy and only because of their brave convictions have the people of Estonia remained united behind their great cause. The suffering which has dominated Estonians for so long has only strengthened their beliefs and the dreams of her once again becoming a state of freedom in the Baltic lives and in the hearts of many.

We in the United States vividly recollect the importance of independence. It was a time when our forefathers stood strong for a belief. This belief became a reality and one which we pray the Estonians may also once again experience.

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standards be printed in the RECORD at this time.

The articles follow:

[From the Washington Star-News, Feb. 23, 1975]

WHO PAYS ATTENTION TO RESEARCH?

(By H. Peter Metzger)

There have been few examples of a research project actually affecting public policy. That may seem surprising, but the fact is that governments end up doing whatever they want to do. Research findings are used mostly for window dressing if they're supportive, and are ignored if they are not.

The president's panel on marijuana several years ago was supposed to give the government's last word on effects of "grass," good and/or bad. But because the experts' final report didn't come down hard enough on the weed, President Nixon announced that he would ignore it.

That wasn't the only technical advice Nixon was ignoring. Shortly afterwards he abolished the position of Presidential science adviser.

But whether or not anybody cares, research projects, with all their pretension and extravagance, go on.

Only last month the Ford Foundation announced the largest grant it had ever made in the field of resource development and environment. It gave $12 million to a research outfit called Resources for the Future, to study "policy alternatives" concerning the development of our natural resources and the consequences.

One would think that the Ford Foundation would have learned its lesson by now, having just blown $4 million on the much ballyhooed Ford Energy Project. Like most grandiose studies of the behavior of mankind, that research gave the same trite but true advice on how to solve our energy problems that you would get from any intelligent high school student: That we should cut consumption and let the prices rise as energy becomes more scarce.

But with only its good sense to recommend it, that recent study now has all the earmarks of being ignored permanently, and the money could better have contributed to the solution of the energy crisis if it had been incinerated in some local power plant.

As I write these words, I can scan my library. It is filled with similar reports on all the current crises: Energy, pollution, hunger, climate—the works. There are even several there I personally helped put together. But I have never seen a thing come from any of them.

I suppose I shouldn't be surprised. Dire warnings on man's various crises have been ignored before, especially pronouncements on population and energy. Justice Holmes wrote in 1866 that he attended a discussion concerning the question: "Should England's financial policy be based upon the predicted exhaustion of her coal reserves 100 years hence?" Nearly a century later a report presented to President Truman on the state of our natural resources revealed that man had used up as much of the planet's resources in the previous 50 years as in his entire existence until then. So warnings are old and the fact that they are ignored is not new either.

My pessimistic impression has solid support from a 1974 project at the University of Michigan. Sponsored by the National Science Foundation, the study included interviews of more than 200 government officials just below cabinet rank. These key officials got almost none of their information from the federal scientific research establishment, they learned. Instead, they got most of their scientific information from the newspapers.

It may be there is just no hope that careful research studies can ever affect public policy-making. Certainly history supports that view. At the very least we can say:

Those who attempt to change public policy by writing research reports must realize that some wildly innovative approach is required. For if God himself wrote the next crisis report, it would be thrown in the pile with all the rest, only to be moved out with the trash after serving a respectable period in the files of some key government decision-maker.

SETTING ENVIRONMENTAL STANDARDS

[From the Washington Post, Feb. 23, 1975]

(By Gershon Fishbein)

Two recent appeals court decisions have restricted the authority of the Environmental Protection Agency to establish standards to protect the public health from environmental contaminants under present laws.

The first ruling overturned a lower court order closing down Reserve Mining Co. in Silver Bay, Minn., because of the alleged presence of asbestos in the drinking water, which some scientists said could lead to cancer. More recently, the court in Washington set aside EPA's regulations phasing out the lead content of gasoline.

In each case, the court based its ruling on the same premise: that EPA had not furnished definite proof that the asbestos or the lead had caused demonstrable illness in a substantial part of the population. And in each case, the court cited the absence of a cause-and-effect relationship between statistics on deaths and illnesses and exposure to the environmental contaminants.

To EPA administrator Russell Train and his subordinates, it was clear that the combined effect of the two decisions was to impose a near-impossible burden on the agency's ability to enforce the Clean Air Act, in which the primary standards are based solely on protection of public health, and the water pollution laws related to health.

Train's concern, shared by many authorities and researchers, is based on the widely held view that the health hazards of environmental exposures cannot be pinned down in the same way that communicable diseases in one individual can be traced to one virus or bacteria. Yet that is the sort of proof which the courts appear to want before they uphold EPA's health regulations and, presumably, the standards of other agencies as well.

The concept of "one germ, one disease," or Koch's Postulate (named for Robert Koch, the 19th Century German bacteriologist who discovered the cause of tuberculosis) is one of clinical medicine's most cherished maxims. It holds that a single organism causes a single disease.

This principle holds especially true in communicable diseases such as tuberculosis or common cold when an infected individual can threaten the community in environmental health, however, the cycle of disease transmission is reversed. It is the community which threatens man—through air pollution from many sources, or radiation, or pesticides. Thus, multiple causation is one distinctive characteristic of environmental health.

Another is the long period—sometimes 20 years or more—between exposure to a contaminant and the clinical evidence of cancer or other disease. This is in contrast to viral diseases, when symptoms frequently appear in 24 to 48 hours.

Still another characteristic is the accumulation of cellular and other damages in the body from many sources over a long period of time, adding up to what is referred to by environmental physiologists as "total body burden."

MAJOR OBSTACLES

Train and his deputy, John R. Quarles, Jr., believe that the courts ignored all of these distinctive characteristics of environmental disease in insisting on specific cause-and-effect proof—body counts, as Train put it. Such proof is, of course, available in clinical medicine but almost never in environmental medicine; there is, however, a fairly strong consensus among researchers that air pollution will, as a minimum, aggravate the condition of those with heart disease and asthma was well as the very old and very young (collectively, a substantial percentage of the population).

Faced with such scientific uncertainties, regulatory agencies charged with establishing standards of public health protection from environmental sources run headlong into major obstacles in trying to be as specific as possible in selecting standards. Dr. John F. Finklea, director of the National Environmental Research Center in North Carolina—the principal EPA health laboratory—and his colleagues ticked off some of the problems in a recent paper which sought to predict the health benefits and risks of equipping automobiles with catalysts:

There is usually insufficient information regarding the magnitude and frequency of exposure to environmental agents because health-related environmental monitoring has been an "underdeveloped activity" and because of wide variations in human reaction to the same agent.

The links between exposure and disease are complex. For example, the effects of infrequent short-term peak exposures may well differ markedly from the effects of long-term exposure or frequently repeated short-term exposures over a long time. Furthermore, a single environmental agent may contribute to a number of different disorders and a single disorder may result from a combination of agents.

Environmental health studies are limited by deficiencies in vital records and imperfections in assessment of deaths and illnesses.

A research data base which draws on the results of studies in occupational as well as clinical settings is usually lacking.

But that sort of information might not be available for years. Meanwhile, the air and water pollution laws demand numerical standards and deadlines. So the environmental scientists dig in with animal investigations, develop computerized models, plot weather characteristics, study hospital admissions during air pollution episodes and measure them against national illness and health data—and generally come up with a series of projections, inferences and presumptions.

It is possible to determine from death certificates how many people in a community with excessive air pollution levels died of lung conditions. But death certificates don't indicate whether the victims were smokers or where they lived in relation to a polluting factory, for example.

LOOKING AT OPTIONS

Health standards based on presumptions usually give the public a greater margin of safety than otherwise. But is it fair to expect industry to spend the money necessary to comply with health standards based on little more than presumptions? Perhaps more relevant to the current dilemma, is it legal?

In the leaded gasoline and asbestos cases, EPA relied on what it believed to be the preponderance of scientific data suggesting adverse health effects in establishing standards or taking other corrective action. But the affected industries produced their own scientific studies to indicate the opposite. The court agreed with the industries.

This pattern, projected into the future, illustrates why EPA cannot rely entirely on the preponderance of scientific opinion indefinitely in trying to find a way to develop health standards which not only satisfy the research community but also survive the sterner tests imposed by the courts.

If not, what options are open to EPA in attempting to cope with the problem?

As a short-term step, EPA may consider asking Congress to amend the Clean Air Act to give the administrator greater discretionary authority in determining what constitutes "endangerment to public health." The objective would be to avoid any requirement of proving cause-and-effect relationships. EPA has made no decision on this, but the problem seems certain to surface when the Senate Public Works Committee begins consideration of Clean Air Act amendments March 19.

Other legislation includes the omnibus toxic substances control bill, which would require companies to put their chemical products through detailed and extensive tests for health effects and other environmental safeguards before being put on the market. EPA might push for precise review of health data here.

Then there is the bill by Sens. Philip Hart (D-Mich.) and Gaylord Nelson (D-Wis.) which would shift the burden of proof from government to industry in environmental suits. The bill, introduced just before adjournment in the last Congress and scheduled for reintroduction shortly, would require that industrial defendants prove the absence of environmental and human health damage in lawsuits rather than require the government to prove the existence of the hazard.

Alan G. Kirk II, who recently resigned as assistant EPA administrator for enforcement and general counsel to become general counsel of Pepco, had testified that the agency supported the general purpose of the legislation, which was introduced in the wake of the Reserve Mining case decision. Sen. Hart explained the objective this way:

"It would provide that once a 'reasonable risk' of a threat to public health was established by parties requesting relief, the burden would then be on the defendant to prove that the relief requested was not justified. Thus, in situations where crucial evidence as to the extent of an acknowledged public health risk was lacking, defendants would be required to come forward and demonstrate the need for its activity outweighed the risks inherent in allowing the activity to continue. Most significantly, plaintiff's failure to prove actual harm would not, in and of itself, amount to a bar to relief."

EPA is also in the process of establishing standards of safety and purity in public drinking water supplies as a result of legislation passed in the final days of the 93d Congress. It seems certain that, forewarned by the lead and asbestos decisions, it will try to make such health standards court-proof.

High officials of EPA express their view privately that the two judges who wrote the majority opinion in the leaded gasoline ruling took into consideration the energy and economic crisis in coming to their conclusions on health effects. Their view supports the dissent of Judge J. Skelly Wright, who contended:

"I suspect that the rigor of the majority's review and hostility to these regulations are related to the energy crisis and a reluctance to 'waste' a single gallon of gasoline for reasons of health when extra gallons might prove to be in short supply. . . . It is the anguish of the children and urban adults who must continue to breathe our lead-polluted air that moves me."

If the court decision was in fact formulated with an eye on the energy crisis, it would, of course, not be the first time judicial rulings took into consideration the social and economic consequences of their actions. In past years, at the height of the environmental era, such decisions often favored the ecological cause. Now that the pendulum may be swinging a bit the other way, the courts may do the same.

PLIGHT OF FARMERS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. JONES of Tennessee. Mr. Speaker, we of the Subcommittee on Cotton have just completed 3 days of hearings in conjunction with our colleagues on the Subcommittee on Livestock and Grains concerning possible alterations in the target and loan prices of farm products.

As a member of the Subcommittee on Cotton and a farmer myself I can sympathize very closely with the plight of the farmer in this period of economic upheaval. He has been beset with higher costs of production in every phase of his business. Fertilizer is higher and equipment that is so essential to the high rates of productivity demanded of our modern farmer has doubled in cost over the past several years. To add this list, fuel costs, insecticides, repair of equipment, and labor have all contributed to higher overhead to the farmer who actually represents the Nation and the world's food basket.

I would therefore like to enter into the RECORD this story from the Commercial Appeal newspaper of Memphis, Tenn. While this story focuses primarily on the Mississippi cotton farmer, I think that it states well the plight of our country's farmers whatever their main crop:

BELEAGUERED COTTON FARMERS MULL HUGE SPRING CUTBACKS

(By Carol Boydstun)

COLUMBUS, MISS., February 21.—A. B. Hanson is a 60-year-old farmer who claims he "was born on a cotton sack in a cotton patch" and can remember when his "daddy would borrow $50 to make a two-mule crop" that his mother and six sisters and brother hoed and picked.

"I was supposed to start school in 1930, but I couldn't go until after the first of the year because we couldn't buy shoes until Daddy borrowed the money for the next crop."

Those weren't the good old days. But then, neither are these, Hanson says.

And the closer spring planting dates come, the harder Hanson and other cotton farmers watch to see what the market and Congress are going to do.

Cotton produced last year at about 50 cents a pound and selling now for less than 40 cents is still sitting in warehouses waiting for the price to rise.

Faced with the rising production costs and diminishing returns on what was once called "white gold," Hanson, come spring, may be planting soybeans where he once sowed cotton seeds.

Cotton may be his first love, but a man's got to make a living and "cotton's in a hell of a mess," Hanson says.

"The price of cotton is not really what's hurting us—it's the cost of everything else," he says.

"At least 99.9 percent of the farmers don't even know completely (what they will plant)," Hanson says, citing high production costs as the main reason for the uncertainty.

Hanson bought a mechanical picker last fall to harvest his 1,220 acres of cotton. It cost $33,000.

"In 1968, that (cotton picker) cost $15,000 to $16,000. In 1965, I bought a 100-horsepower tractor, disk, harrow and four-row cultivator for $8,700. That tractor and the same three pieces of equipment cost $20,000 now. That's fact."

Rapid-fire, he lists other production costs that have doubled or tripled in the last two years alone.

Diesel fuel was 17.5 cents per gallon in 1973. Now it's 39.9 cents. A popular cotton insecticide was $5.85 per gallon in 1973 and $8.75 in 1974. Repairs went up more than 100 percent. Fertilizer went from $62 per ton in 1973 to $150 per ton in 1975. And interest rates on farm loans have jumped to an average of about 10 percent.

Last year, according to U.S. Department of Agriculture figures, the nation planted 13.8 million acres of cotton. Predictions are that cotton acreage will drop to 9.5 million, or a 32 per cent decrease, in 1975.

In Mississippi, a "cotton state," the average expected decrease is 34 per cent—from 1.8 million acres in 1974 to 1.2 million in 1975.

"The thing that really bugs me is that where you reduce planting drastically, we have a lot of production, harvesting and ginning equipment that will be sitting idle. It's expensive equipment and somebody's got to make payments on it," says state Cooperative Extension Service agricultural economist Rupert Johnston.

"It's like a farmer told me up at Tupelo—'It takes a hulluva lot of soybeans to pay for a cotton picker.'"

Extension Service figures show that the cost of producing an acre of cotton in the Delta is about $225.51. That acre normally will produce well over a bale of cotton and the cost includes seed, chemicals, fertilizer, equipment, harvesting, hauling, ginning and labor, as well as the interest farmers pay on their operating capital. It does not include the cost of leasing land.

If the price of cotton averages about 40 cents and the yield per acre is high, a Delta farmer can expect to make $89 per acre on his cotton crop.

Similar figures for the hills, or non-Delta portion of the state, show cotton farmers spend $245.21 per acre in producing a crop. have a lower yield per acre and can expect a return of only $2.79 at 40 cents per pound.

As a result, Johnston says the state's farmers are facing the most serious problem in three decades.

"Soybeans are about the only choice many farmers have. They represent the only major alternative for large acreage in Mississippi, and cost about one-third as much as cotton to produce," Johnston says.

Some farmers have indicated they plan to plant more acres in rice and grain sorghum, but Johnston says they will be few because rice requires expensive irrigation systems and grain sorghum requires expensive drying equipment for harvest. Both represent heavy initial investments.

The switch from cotton to soybeans in the state is going to hit the Mississippi businessman "right in the pocketbook," Johnston says.

"Business on Main Street will be reduced almost $100 million if farmers shift 600,000 acres from cotton to soybeans."

He says there is a difference of at least $161 per acre between production costs of cotton and soybeans. If you multiply that by 600,000 (the acreage reduction expected), that's a $96 million drop in what farmers are going to be buying.

But "It's not reasonable at all to think a farmer is going to keep raising a commodity just because he personally likes it, if it doesn't produce returns," says Panola County farmer Carlton Hays.

Hays, who retired this year from 16 years on the board of the county's Agriculture Stabilization and Conservation Service, is one of a group of farmers and bankers in that

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county who are concerned about what is happening to the farmer.

"Congress today is consumer-oriented and couldn't care less what's happening in Mississippi. They're not attentive to anything except the food issue. They must be made to realize what's going to happen—right down to their own pocketbooks," Hays says.

Most cotton farmers raise food crops, too. If a great many farms fail and cease to be productive this year, it's going to result in higher prices on the grocery shelves because of the scarcity, Hays explains.

"The man on the street in 1976 is going to realize the mistake when the money pinch gets down to the cash registers—then it's going to be too late, he warns.

The money pinch already is at the farm level.

Farmers like Hanson, who did not forward contract their 1974 cotton crop, held on to the cotton after the November harvest in hopes of higher prices.

From lows of about 35 cents per pound, the prices have rallied little, though some predict prices will rise to the mid-40s during the year.

Noel Reedy, manager of the Federal Compress and Warehouse company at Aberdeen, says the warehouse is holding about 25,345 bales of cotton, as compared to 15,317 at the same time last year. This January they have shipped only 1,160 bales of cotton to buyers, compared to 5,152 shipped in January, 1974.

"Everybody's waiting for higher prices," Reedy says.

As a result of hanging on to their cotton, rather than take a heavy loss at harvest time, most farmers have not repaid their 1974 loans.

"Panola is one of the larger counties in land area and about 25 per cent of the row-crop acreage in the county is farmed by farmers who rent rather than own the land," Hays says.

"These people are unable to repay their 1974 loans to the lending institutions and now they're going back for refinancing for the 1975 crop.

"The banks have not recovered the 1974 loans and here they estimate there is going to be 25 per cent less money available to be loaned out in 1975 than in 1974.

"Tenant farmers cannot go to the Farmers Home Administration for disaster loans because they have no equity to put up as security for the loan.

"Unless some financing is relaxed or FHA equity requirements are waived to help the farmer farm in 1975, it does not take any wizard at all to see what is going to happen to the economy right down to the merchant level.

"The problem ceases to be limited to the farmer."

Hearings on target prices for cotton and grains have begun in the Senate in Washington and the National Cotton Council plans is pushing, there and elsewhere, resolutions formulated for, among other things, a raise in the current 38 cent target price.

(When the market price of cotton falls below the target price, the government is supposed to make up the difference to the farmer. However, the target price regulations contain a triggering mechanism based on the average market price for the 12-month period beginning in January.)

With 1974, cotton market prices ranging from the mid 80's to the low 30s, the average market price for 1974 was above the 38-cent target price and the farmer can't collect even if he, individually, sells his cotton for less than the target price, Hays points out.

The Senate committee, chaired by Sen. Herman Talmadge (D-Ga.) is considering a 50 cent target price for cotton.

And Hays says the "target price must be of a positive nature, not regulated through a triggering mechanism."

Credit for farmers also is expected to be tighter this year. With many banks cutting loan programs.

Clayton Junkin of the Columbus Merchants and Farmers Bank says he does not think "any farmer will be turned down at any lending institution where he has been before."

But, he added, "they're going to have to be able to secure their credit a little better than in the past. The farmer is just going to have to take the frills off and put the necessities in the ground."

FREEDOM FOR LITHUANIA

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. EARLY. Mr. Speaker, last Sunday, February 16, 1975 the Lithuanian Naturalization and Social Club of my home city of Worcester, Mass. conducted, in the club quarters at 67 Vernon Street, their annual public ceremony commemorating Lithuania's Declaration of Independence which occurred on February 16, 1918.

It was my privilege to address the large gathering of the Lithuanian club members and guests and I have been requested to include in the RECORD excerpts from the excellent article about the ceremony by Mr. Jack Tubert that appeared in the February 17 issue of the Worcester Telegram Newspaper and my own remarks to the assembly, which follow:

[From the Worcester Telegram, Feb. 17, 1975]

LITHUANIAN INDEPENDENCE DAY: FLAME OF FREEDOM IS MEMORIALIZED

(By Jack Tubert)

Imagine Independence Day, the fabulous Fourth of July if—a big, frightening if—the British had reoccupied the colonies in the 19th century. A century after all the 1776 fireworks.

Grandfathers today would whisper to awed little ones how they had sat at their grandfather's knee and heard tales of the wonder of living free. The glory of long ago that would have been "Camelot" for the short-lived United States of America.

Melancholy, the day would be.

Melancholy, the day was. Yesterday. For Worcester's Lithuanian community. Its people marked the 58th "Fourth of July" of that tiny Baltic nation. The Feb. 16, 1918, Independence Day celebration that goes unnoticed behind the Iron Curtain now that Lithuania once again is just a colony of the Soviet Union.

Grandfathers might not have talked of the glory days—between World War I's burst of renewed freedom and the Soviets' return in 1940.

But at the Lithuanian Naturalization and Social Club, 67 Vernon St., hundreds of people from 35 organizations, wearing their hearts on their sleeves for a Lithuanian heritage, commemorated the 57th anniversary of that 1918 day when freedom was restored—if only for two decades. (Lithuania had been a major power, a cultural kingdom for 700 years before Czarist troops first clamped the lid on freedom back in the early 1800s.)

"Yes, it is a very sad day, but a day of commemoration, of recalling a time when Lithuania was free, and to join in the pledge to one day see it free once more," said Mrs. Ausra Zerr of Philadelphia.

She was the featured speaker at yesterday's Independence Day commemoration. She knows whereof she speaks.

She was Ausra ("It means Dawn in Lithuanian") Maciulaitis when she was forced to flee her birthplace in Kunas as the Soviets poured across the Lithuanian border after World War II. Her father, a lawyer-teacher, had died before the family began the long journey that so many DPs—displaced persons—took from Europe in the late 1940s to find our Statue of Liberty.

Now married to a computer company executive, Mrs. Zerr is the vice president of the Lithuanian executive committee of the Lithuanian American Community of the U.S.A.

UNRESOLVED LEGACY

Mrs. Zerr said the Lithuanian communities are concerned that during a summit conference between President Ford and the Soviet leaders this spring, "the Soviets will attempt to gain an official stamp of approval on the territorial status quo as it exists now in the Baltic states."

She cautioned that it would be tragic if in seeking to reach new agreements with the Russians, the United States "put a stamp of approval to present day territorial boundaries." They were fixed in the mid-1940s, and Mrs. Zerr refers to them as "the unresolved legacy of World War II."

To agree to make the boundaries permanent, "we feel, is against U.S. policy," said Mrs. Zerr. She said the U.S. government never recognized in the 1940s the then-allied Russia's "forcible inclusion of the Baltic states (Lithuania, Latvia and Estonia) into the Soviet Union."

U.S. Rep. Joseph D. Early, D-Worcester, made his first public appearance here since being sworn in to Congress last month.

SUPPORT URGED

Anthony M. Miner, president of the Worcester Area Council of Lithuanian Organizations, read resolutions to be sent by his organization to various political leaders urging them their support of the drive to make Lithuania free.

Joseph Tribandis, president of the Lithuanian Naturalization and Social Club, welcomed the visitors.

ADDRESS OF U.S. REPRESENTATIVE JOSEPH D. EARLY

As a life-long friend of the Lithuanian people and as your new Representative in the United States Congress, I am very pleased to be with you today commemorating the annual anniversary of your native Lithuania's declaration of independence, which took place on February 16, 1918.

Unfortunately that independence was inhumanly and illegally taken away from Lithuania in 1940 by the Soviet Union. To this day in 1975, the Communist Russian leaders continue to brutally persecute the good people of your native country.

Although, Lithuania's present slavery causes us all to be saddened, there is no reason why we should despair.

Repeatedly throughout her history Lithuania has demonstrated that her people can overcome the temporary triumph of any oppressor.

We know that the Christian faith which, in 1399, defeated the Tartar Invasion and saved all Europe from domination is still with her today.

It gives her the spiritual capacity to outlive and defeat any dictatorship.

In the heart of every Lithuanian there is an everlasting desire for freedom and liberty which will never die.

That is why Lithuania still lives despite Russian tyranny.

She lives in the hearts of her brave sons and daughters who have survived the brutal Soviet persecution.

She lives in her inspiring literature, her great history, the deep religious faith of her people, and in their burning devotion to the land of their ancestry. The Lithuanian people have proved they can not be destroyed by any type of terror and tyranny however inhuman it may be.

The history of the world clearly shows that every nation that has depended upon inhuman force and injustice for its power and rule was eventually destroyed by its own evil ways.

In the end that is what will happen to the communist atheistic power that now illegally rules over Lithuania.

Therefore, in commemorating the 57th anniversary of Lithuania's independence we are not making any idle or temporary sentimental gesture.

We are, rather, looking confidently to the brighter future that must come to all courageous people who remain loyal to their Christian faith and principles.

We know that, "sooner or later," whoever stands in the way of any peoples god-given right to freedom and liberty will eventually be made powerless to dominate and persecute their fellow men.

In the meantime I am very happy to join with you in this effort to inspire the people in your native Lithuania to continue to keep the bright flame of liberty burning in their hearts. We must let them know that their American friends have not and never will abandon them.

I believe it is in the best interest of this country to support the cause of freedom for Lithuania because so long as Lithuania remains enslaved our own liberty will be ever threatened.

Therefore, as your United States Representative, I will continue to urge the President and the Congress to exert every moral, legal, political and diplomatic resource at the command of this government to persuade the Soviet Union to give back to Lithuania the independence which is now being illegally withheld from her.

Also, as your friend, I pledge that I shall work with you until Lithuania's freedom is regained and your native country is restored to her rightful proud place among the civilized nations of the world.

ESTONIAN INDEPENDENCE DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. RODINO. Mr. Speaker, today Estonians will mark the 57th anniversary of their republic's declaration of independence. Yet, for a number of decades now, that independence has remained a dream rather than a reality for that courageous nation. For in 1940, Estonia was annexed to the Soviet Union through military force and occupation. Since that infamous day, the people of Estonia have struggled valiantly to maintain their resolve to be free. The American people share that hope and determination. The depth of our conviction that Estonia will once again take its place as a sovereign nation is demonstrated by our continued recognition of their diplomatic representatives. The fierce desire to be free will not die within Estonia, and we all look forward to the time when that paramount ambition for self determination will be finally realized.

LIMIT TO BELT TIGHTENING

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DODD. Mr. Speaker, President Ford's proposal to limit the cost-of-living increases in social security, civil service, and military retirement pay, and food stamps, was ill advised. In this time of spiraling inflation, the people most adversely affected are those trying to live on a fixed income. These people, who already find it a difficult task to survive on the meager amount of money which comes into their households, are the wrong ones to penalize in an attempt to save money.

I would like to place into the RECORD an editorial which appeared in the Norwich, Conn., Bulletin. It is an impassioned response to the "impersonality" of the President's proposal.

The article follows:

LIMIT TO BELT TIGHTENING

There was something too impersonal about the wording of President Ford's proposal to limit the cost of living increases during the next year for Social Security recipients and pensioners. "In all government programs tied to the consumer price index—including social security, civil service and military retirement pay, and food stamps—I also propose a one-year maximum increase of 5 per cent," Ford told the Congress.

He might more accurately and honestly have addressed the people whom his proposal would affect. He might have said, "I'm asking you, aged mothers and fathers of the United States, to eat a little less, live in colder homes, wear more threadbare clothing, and discontinue any expenditures that are not essential to bare survival."

Ford did not make similar demands on wage earners, for whom he proposed tax rebates, or on the corporations, for whom he has proposed greater tax credits. Perhaps that is because wage earners and corporations are in a better position to fight back. The elderly are among the politically helpless of the nation. They are an easy target.

The nation as a whole, is guilty of the sin committed by politicans who see Social Security recipients as faceless parasites. We call the aged poor "Senior Citizens," flattery that suggests a respect for the wisdom of age. We do not show that respect in any other way. We give ardent support to federal and state programs that will keep the elderly amused and out of the way, so that we do not have to share the personal burden of their care. We keep them out of sight and out of mind, while we attend to our own needs and problems. We have, since World War II, moved the aged out of our homes and out of our circle of concern. We watch in wonder a television melodrama about a home in which three generations live side by side. It is a situation that we cannot picture for ourselves.

But the elderly are real, living, breathing human beings. But for Social Security pensions, many of them might not exist at all. The fact is that about 3.4 million, or one fifth of the elderly live in households with incomes below the official poverty level. Few of the others approach the affluence of the average American family.

Under President Ford's proposal, an elderly couple's monthly benefits would be increased from $310 to $325, instead of the anticipated $337, the amount that would be required were the Social Security pension tied to the cost of living increase. That translates to about $76 per week. How many of us would accept an income of that size? What portion of that income should the elderly be asked to sacrifice in order to share in the general belt-tightening? How tight can a belt be drawn before it strangles?

The Department of Labor has informed us that, balancing increased income against increased cost of living in 1974, the average family lost 5.4 per cent of its purchasing power.

But the elderly had little to offset the 12 per cent increase in prices, so little that the cost of living formula would have required a 9 per cent increase in pensions to allow them to stay on even ground. Five per cent of bare subsistence income is a major sacrifice, far out of proportion to the sacrifices that the younger population has been asked to make.

As a society, we have willingly and voluntarily, if not eagerly, turned over the care of our aged parents to the federal government. It is a luxury that we must forgo if we are not willing to pay the price. If the Social Security tax, as it is now constituted, will not pay the bill, it is the working age population that must sacrifice more—not the aged who have given up almost everything.

HOPES FOR FREEDOM AND LIBERTY IN BALTIC STATES

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. DOWNEY. Mr. Speaker, 57 years ago the cause of freedom was strengthened when the Baltic States established themselves as independent republics free from foreign domination. February 16 marked the 57th anniversary of establishment of the Republic of Lithuania, and today we commemorate the Declaration of Independence of the Republic of Estonia.

But today both of these Republics lie within the borders of the Soviet Union, victims of the power struggles of pre-World War II Europe. Their history is one of struggle. Their people have undergone great hardships, but their faith remains strong.

We in the United States cherish the principles of freedom on which our Nation was founded. Today, as we continue our own hard work of being free, we extend our compassion and understanding to the people of the world who still must struggle for their freedom.

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These days of commemoration are a reminder that the yoke of repression still binds many peoples of the world. It is appropriate that the people of the United States join in that commemoration to demonstrate to Lithuanians and Estonians that we share their ardent hopes for freedom and liberty.

THE LATE RAYMOND MOLEY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. SOLARZ. Mr. Speaker, I wish to briefly note the recent death of Dr. Raymond Moley, a close adviser to President Franklin D. Roosevelt in his early years in office.

Dr. Moley organized FDR's noted Brain Trust and was the leader of this august body of presidential advisers and confidants. He brought into the New Deal such capable persons as Rexford Tugwell and Adolph Berle. He played an active and vital role in Mr. Roosevelt's election and continued to serve FDR after his victory.

Although Raymond Moley's importance and role was to dim shortly after the New Deal was launched and he was to eventually part ways with President Roosevelt, his distinctive mark was left on many aspects of President Roosevelt's recovery efforts. Even after he left Government service, however, Moley continued to play an active role in public affairs. He proved that a person can continue to make a contribution to national life even though he is not in a governmental position.

Raymond Moley was a unique and capable person whose counsel and guidance was sought and valued by political leaders of both major parties.

I present herewith, for inclusion in the RECORD, a rather perceptive article regarding Dr. Moley's background and career:

[From the New York Times, Feb. 20, 1975]

RAYMOND MOLEY, ROOSEVELT AIDE, DIES; BRAIN TRUST LEADER COINED "NEW DEAL"

PHOENIX, Ariz., February 18.—Raymond Moley, who coined the term "New Deal" during President Franklin D. Roosevelt's Administration in 1933 and who was a leader of the original Brain Trust, died Tuesday. He was 88 years old.

Mr. Moley had a heart attack last year while on a trip to New York and had been in ill health since. However, the political adviser had been working as late as last week on memoirs going back to the Presidency of William McKinley.

His latest book, on the Irish patriot Daniel O'Connell, was published recently.

Survivors include his widow, Frances; two sons, Dr. Malcolm Moley of New York and Raymond Moley Jr. of Berea, Ohio, and a daughter, Nell Moley, also of Berea. His two sons were by his first wife, the former Eva Dall. That marriage ended in divorce.

BRIGHT SHINING STAR

(By Albin Krebs)

Although Raymond Moley's star as one of the New Deal's most influential architects rose and fell within a relatively short span, while it shone it cast a brilliant light.

He was one of the original members, and swiftly became the tacitly acknowledged leader of the Brain Trust, the team recruited by Franklin D. Roosevelt to advise him in his race for the Presidency in 1932.

During the period before the Inauguration, Mr. Moley was Mr. Roosevelt's most heeded adviser, the one-man conduit through whom politicians with ideas on how to get the nation out of the Depression had to go to get to the President-elect. He was Mr. Roosevelt's chief intermediary with potential Cabinet officers.

And during the hectic Hundred Days of Mr. Roosevelt's first term, Mr. Moley served as the White House's principal liaison with Congressional leaders who were writing the historic New Deal legislation that was to change American history radically.

BROKE WITH PARTY IN 1936

Even though he continued to wield a substantial influence with Mr. Roosevelt well into the President's first term, Mr. Moley's position gradually eroded as he fought with other Presidential advisers over what he considered a too-radical trend the New Deal was taking.

Finally, no longer able to square his essentially conservative views with the programs Mr. Roosevelt was advancing, Mr. Moley broke with him and the Democratic party in 1936. In 1940, by which time he had become a columnist for Newsweek magazine, Mr. Moley supported Mr. Roosevelt's Republican opponent, Wendell L. Willkie, and in the elections that followed he also endorsed Republicans, including Barry Goldwater and Richard M. Nixon.

Mr. Moley, who had gone to work for Mr. Roosevelt while remaining a professor of government and public law at Columbia University, was nurtured in the great Ohio school of political and social reform that flourished in the early part of the century.

Born Sept. 27, 1886, at Berea, Ohio, Raymond Charles Moley was the son of Felix James and Agnes Fairchild Moley. His Dublin-born father was so enthusiastic a Democrat, Mr. Moley recalled some years ago, that young Moley was vociferously asserting his own political views at the age of 6.

A SCHOOL SUPERINTENDENT

Graduated from Baldwin-Wallace College in Berea in 1906, Mr. Moley became Superintendent of Schools in Olmstead Falls, Ohio, and at 21 was elected Town Clerk. Four years later he was elected Mayor, but he had to resign soon after to move to New Mexico and Colorado to recuperate from tuberculosis.

Although he had intended to study law, Mr. Moley decided to follow the example of the hero of his youth, Woodrow Wilson, by becoming a political scientist. He received a master's degree from Oberlin College in 1913, taught at a Cleveland high school and at Western Reserve University and in 1918 received his doctorate at Columbia under the guidance of Charles A. Beard, the Progressive reformer.

As director of the Cleveland Foundation, Mr. Moley played a major role in reforming the administration of criminal justice in that city, and his achievements won him a professorship in government at Columbia in 1923. He also attracted the attention of Louis Howe, a Roosevelt confidant and chairman of the National Crime Commission, who hired him to make studies of criminal justice in a number of cities.

Mr. Howe persuaded Mr. Moley to work for Mr. Roosevelt's election as Governor of New York in 1928. After the election Mr. Roosevelt appointed him research director of a State Commission on the Administration of Justice.

The hard-working professor caught the eye of a top Roosevelt adviser, Samuel Rosenman (who later became a State Supreme Court justice). And when, early in 1932, Mr. Roosevelt was girding for the Presidential race, Mr. Rosenman urged him to call in some university professors, headed by Mr. Moley, to advise him on national issues.

Mr. Roosevelt accepted the idea and Mr. Moley recruited two Columbia colleagues, Rexford G. Tugwell, an economist and now senior fellow of the Center for the Study of Democratic Institutions, and the late Adolph A. Eerle Jr., a law professor. Thus was born the Brain Trust—a term coined by Mr. Howe with less than admiring intent.

Mr. Roosevelt was no economist, and what he most needed was guidance on how to cope with the pervasive fact that the American economy had collapsed. A fourth of the labor force was out of work, national income was half what it had been four years earlier, mass starvation and perhaps even revolution threatened.

The importance of the Brain Trust was that in advising Roosevelt on how to make the American system work again, their philosophy was one that broke radically with tradition. The Trust members rejected the two traditional views—laissez faire, or the faith that business was inherently good and should be left alone, and the Progressive reformer assumption that business was by nature evil and should be kept small by "trust-busting."

Rather, the Trust members—offering a third view that seems commonplace now but was radical in 1932—counseled that Government should not ignore business nor beleaguer it; Government should work with business to achieve a sturdy economy. (Mr. Roosevelt accepted that general approach and held to it through 1935, when he decided that the business community did not want to cooperate with the Government, and shifted from a philosophy of economic planning to old-fashioned trust-busting.)

As leader of the Brain Trust, Mr. Moley wrote many of Mr. Roosevelt's campaign speeches. After the election he set up headquarters in the Carlton Hotel in Washington, acting as the President-elect's chief strategist.

He accompanied Mr. Roosevelt on two visits to the White House, where, under coldly formal conditions, they questioned outgoing President Herbert Hoover about the state of the nation.

Years later Mr. Moley said that he really had not wanted to become involved, but Mr. Roosevelt implored him to stay at his side. He said Mr. Roosevelt told him that "no one in the Administration would have a more intimate relationship with the President. No one, except himself, would have more to do with making policy. . . . My authorization seemed to make me Roosevelt's de facto minister of the moment."

SOUGHT BY POLITICIANS

Mr. Moley had his fingers in so many pies, as the new Administration was being organized, that politicians literally lined up at his door to see him. So sought-after was he, and so powerful, that there sprang up a parody of an old hymn that went: "Moley, Moley, Moley/Lord God Almighty!" A joke widely circulated had it that one of Mr. Roosevelt's oldest friends said to the President-elect: "Franklin, can you do me just one favor? Can you get me an appointment with Moley?"

Years later he took credit for saving J. Edgar Hoover's job. Louis Howe and other advisers had urged Mr. Roosevelt to dismiss the director of the Federal Bureau of Investigation, but Mr. Roosevelt listened to Mr. Moley.

Mr. Roosevelt persuaded Mr. Moley to accept appointment as an Assistant Secretary of State in his Administration, with the understanding that he would actually have no official duties as a diplomat but would function as the President's special assistant.

As such, Mr. Moley was credited with persuading the President to abandon the gold standard. He recommended the naming of Joseph P. Kennedy as chairman of the new Securities and Exchange Commission, which turned out to be one of Mr. Roosevelt's wisest appointments.

He also was influential in steering the New Deal toward Federal regulation of agriculture and (in the National Industrial Recovery Act) organization of industry and commerce under Government authority.

DELEGATE TO LONDON

Despite these accomplishments, Mr. Moley was headed for trouble. It came with the disastrous London Economic Conference, which began in June, 1933. After it became apparent that the delegates from the nations taking part could agree on nothing and that the conference was in near-chaos, Mr. Moley wangled Roosevelt's consent to a plan for him to join the American delegation.

The delegation was headed by Secretary of State Cordell Hull, who had never liked Mr. Moley. The British, assuming that Mr. Moley was Mr. Roosevelt's personal spokesman, rushed to see him on his arrival. Mr. Hull, fearful that Mr. Moley was there to undercut him, was furious and humiliated, but he wrote in his diary: "I decided to give him all the rope he might want and see how long he might last."

Mr. Moley sent Mr. Roosevelt the suggestion that he make an innocuous declaration that he looked forward to eventual restoration of the gold standard, which the other conferees favored. But the President instead issued a statement condemning the conference for its "singular lack of proportion."

The Roosevelt actions were a great, public blow to Mr. Moley's reputation. "You had better get back home," Mr. Hull told him. "You had no business over here in the first place."

Having had to resign as Assistant Secretary of State, Mr. Moley worked briefly for the Justice Department, then left the Administration to edit a new magazine, Today. This was later merged with Newsweek, for which Mr. Moley wrote a column.

The 1940 Presidential campaign was enlivened by Mr. Moley's book dissecting the New Deal, "After Seven Years." In the years that followed he wrote several other books, including "What Price Federal Reclamation?" and "The Republican Opportunity in 1964."

Mr. Moley, who had sharp and penetrating eyes, was a man of medium height and a bit on the portly side. He had a blunt, outspoken manner that often riled his detractors and opponents, but close associates considered him a nervous, sensitive fellow, one whose feelings would be easily offended.

GOVERNMENT DEFICITS: THE CAUSE OF INFLATION AND UNEMPLOYMENT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. CRANE. Mr. Speaker, a great deal of fallacious economic reasoning is now being heard in the Congress, in the press, and in the academy concerning the best means to ameliorate our current difficulties of rising inflation together with rising unemployment and recession.

A popular misapprehension is that inflation and unemployment are unconnected and that to fight recession we must, somehow, ignore inflation and, beyond this, stimulate it—by cutting taxes at the same time that we increase expenditures. Those who advance such arguments tell us, in effect, that the best way to move out of the current slump is through increasing deficits and increasing inflation.

This may be popular politically, for it enables legislators to increase subsidies to a variety of constituent groups—farmers, teachers, veterans, businessmen, welfare recipients, et cetera—but it is bad economics. If we follow that prescription we will find ourselves approaching not recession or slump, but a full-scale depression.

Discussing the manner in which mounting inflation leads inevitably to mounting unemployment, economist Friedrich A. von Hayek notes that inflation—

. . . gives the whole structure of the economy a distorted, lopsided character which sooner or later makes a more extensive unemployment inevitable than that which that policy was intended to prevent. It does so by drawing more and more workers into kinds of jobs which depend on continuing or even accelerating inflation. The result is a situation or rising instability in which an ever-increasing part of current employment is dependent on continuing and perhaps accelerating inflation and in which every attempt to slow down inflation will at once lead to so much unemployment that the authorities will rapidly abandon it and resume infla n.

Dr. von Hayek makes it clear that it is not free enterprise which is responsible for the current state of affairs but, instead:

. . . our own mistaken monetary and financial policy. What we have done is to represent on a colossal scale what in the past produced the recurring cycles of booms and depressions . . .

It is high time that we return to the fiscal sanity which is the only proper response to the circumstances we face. This involves balanced budgets, a responsible monetary policy, and a refusal to fulfill through the political structure the irresponsible economic demands of various pressure groups within the American society.

I wish to share with my colleagues the article, "Inflation and Unemployment," by Friedrich A. von Hayek, cowinner of the 1974 Nobel Memorial Prize in Economic Science, which originally appeared in the Daily Telegraph of London and was reprinted in the New York Times of November 15, 1974, and insert it into the RECORD at this time:

INFLATION AND UNEMPLOYMENT

(By Friedrich A. von Hayek)

LONDON.—The responsibility for current worldwide inflation, I am sorry to say, rests wholly and squarely with the economists, or at least with that great majority of my fellow economists who have embraced the teachings of Lord Keynes.

What we are experiencing are simply economic consequences of Lord Keynes. It was on the advice and even urging of his pupils that governments everywhere have financed increasing parts of their expenditure by creating money on a scale which every reputable economist before Keynes would have predicted would cause precisely the sort of inflation we have got. They did this in the erroneous belief that this was both a necessary and a lastingly effective method of securing full employment.

The seductive doctrine that a government deficit, as long as unemployment existed, was not only innocuous but even meritorious was of course most welcome to politicians. The advocates of this policy have long maintained that an increase of total expenditure which still led to an increase of employment could not be regarded as inflation at all.

And now, when the steadily accelerating rise of prices has rather discredited this view, the general excuse is still that a moderate inflation is a small price to pay for full employment: "Rather 5 per cent inflation than 5 per cent unemployment," as it has recently been put by the German Chancellor.

This persuades most people who do not see the grave harm which inflation does. It might seem—and even some economists have maintained—that all inflation does is to bring about some redistribution of incomes, so that what some lose others will gain, while unemployment necessarily means a reduction of aggregate real income.

This, however, disregards the chief harm which inflation causes, namely that it gives the whole structure of the economy a distorted, lopsided character which sooner or later makes a more extensive unemployment inevitable than that which that policy was intended to prevent.

It does so by drawing more and more workers into kinds of jobs which depend on continuing or even accelerating inflation. The result is a situation of rising instability in which an ever-increasing part of current employment is dependent on continuing and perhaps accelerating inflation and in which every attempt to slow down inflation will at once lead to so much unemployment that the authorities will rapidly abandon it and resume inflation.

We are already familiar with the concept of "stagflation" to describe that state in which the accepted rate of inflation no longer suffices to produce satisfactory employment. Politicians in that position have now little choice but to speed up inflation.

But this process cannot go on forever, as an accelerating inflation soon leads to a complete disorganization of all economic activity.

Nor can this end be avoided by any effort to control prices and wages while the increase of the quantity of money continues: The particular jobs inflation has created depend on a continued rise of prices and will disappear as soon as that stops. A "repressed" inflation, besides causing a still worse disorganization of economic activity than an open one, has not even the advantage of maintaining that employment which the preceding open inflation has created.

We have in fact been led into a frightful position. All politicians promise that they will stop inflation and preserve full employment. But they cannot do this. And the longer they succeed in keeping up employment by continuing inflation, the greater will be the unemployment when the inflation finally comes to an end. There is no magic trick by which we can extricate ourselves from this position which we have created.

This does not mean that we need go through another period of unemployment as we did in the nineteen-thirties. That was due to the failure to prevent an actual shrinkage of the total demand for which there was no justification. But we must face the fact that in the present situation merely to stop the inflation or even to slow down its rate will produce substantial unemployment. Certainly nobody wishes this, but we can no longer avoid it and all atempts to postpone it will only increase its ultimate size.

The only alternative we have, and which, unfortunately, is a not unlikely outcome, is a command economy in which everyone is assigned his job; and though such an economy might avoid outright worklessness, the position of the great majority of workers in it would certainly be much worse than it

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would be even during a period of unemployment.

It is not the market economy (or "the capitalist system") which is responsible for this calamity but our own mistaken monetary and financial policy. What we have done is to represent on a colossal scale what in the past produced the recurring cycles of booms and depressions; to allow a long inflationary boom to bring about a misdirection of labor and other resources into employments in which they can be maintained only so long as inflation exceeds expectations. But while in the past the mechanism of the international monetary system brought such an inflation to a stop after a few years, we have managed to design a new system which allowed it to run on for two decades.

As long as we try to maintain this situation we are only making things worse in the long run. We can prevent a greater reaction than is necessary only by giving up the illusion that the boom can be prolonged indefinitely and by facing now the task of mitigating the suffering and preventing the reaction from degenerating into a deflationary spiral. It will chiefly be a task not of preserving existing jobs but of facilitating the opening of (temporary and permanent) new jobs for those who will inevitably lose their present ones.

We can no longer hope to avoid this necessity, and closing our eyes to the problem will not make it go away. It may well be true that, because people have been taught that government can always prevent unemployment, its failure to do so will cause grave social disturbances. But if this is so, we probably have it no longer in our power to prevent this.

THE DRAMATIC DECLINE IN U.S. NAVAL STRENGTH

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. McDONALD of Georgia. Mr. Speaker, how ever one totals it up, our Navy is sliding to a No. 2 position in the world. True, we are building new ships, but not in enough quantity, but more important the Soviet Union is achieving its aim of disarming us psychologically via its policy of détente. Even the best weapons in the world, and there is serious question as to whether our naval vessels are, will not be enough in a future conflict if the national will to fight is lacking. I commend this column by Alan Brownfeld, as it appeared in the Christian Observer on February 5, 1975, to the attention of my colleagues:

THE DRAMATIC DECLINE IN U.S. NAVAL STRENGTH

(By Allan C. Brownfeld)

WASHINGTON.—While liberals in Washington tell us that we are spending too much money for national defense, and conservatives assure us that under the current Republican administration we have maintained our national strength, the facts tell a far different—and far more depressing story.

Part of this story is described in some detail in the 1974–75 edition of Jane's Fighting Ships, the British annual which has long been regarded as "the bible of the world's navies."

Looking at the Soviet Navy, "Jane's" editor Captain John E. Moore of the British Royal Navy finds a number of "great strengths" as well as a few—very few—"possible weaknesses."

The current list of Soviet naval "weaknesses" is very short: "manpower and, consequently, technical maintenance submarine silencing, anti-submarine operations, shipborne aircraft and custom-built fleet supply ships, although this last is now being remedied."

The Soviet Navy's "great strengths" are much more numerous. A few examples of the many cited include:

"The Soviet Navy leads the world in seaborne missile armament, both strategic and tactical, both ship and submarine-launched. Their shore based air-force is second to none, they have large mine-warfare forces and a considerable amphibious capability."

The USSR's submarine force, already the world's largest—and probably the most powerful as well—continues to grow in quality and numbers. The new "Delta" class ballistic missile submarine is now operational, and the "Delta–11"—a giant amongst big submarines"—and two additional new classes are on the way.

The Soviet surface Navy, which for the first time ever now outnumbers the U.S. surface Navy, is also coming into its own. Among the Soviet superstars: (1) The KRIVAK–class destroyer, which "is more than a match for any Western destroyer and, in any event, could outrun anything opposed to her"; (2) The KARA-class cruiser, possessed of "formidable power with her own helicopter and double the strength of missile-power possessed by the KRIVAKs—a single vessel of the KARA class could well engage a squadron of attacking aircraft"; and (3) the KURIL-class aircraft carrier which, carrying both V–STOL (vertical-short take-off and landing) aircraft and helicopters, "will provide a much-needed strengthening of the 'balance' in the Soviet fleet."

DESPITE DÉTENTE

More ominous than present Soviet naval capabilities is the probability of even more powerful capabilities in the future. The Soviet research and development program, Captain Moore observes, has increased "by well over half in the last five years."

Thus, while political leaders in our own country and elsewhere in the West discuss "détente" and a forthcoming generation of "peace," the Soviet Union pursues only a rhetorical "detente" while pushing ahead in all major weapons systems and armaments.

Our deteriorating defense position is the responsibility of both parties—of the Democrats who say that, despite Soviet superiority, we spend "too much" on defense—and Republicans who assure us that, despite dramatic Soviet advances we are still "number one."

The U.S. Navy has been cut almost in half within the past six years. In addition, states Captain Moore, the U.S. Navy is afflicted with a "serious gap" in surface-to-surface missile armament and an "inferior balance" in nuclear submarines. Another gap, perhaps equally serious, was "left by the disposal of the specialized anti-submarine carriers," illustrating the dimensions of the problem that exists when the other side gets the jump in an important area of technology is the fact that U.S. nuclear attack submarines do not even now possess the anti-ship missile capability "such as the USSR has had since the first 'Whisky' class modification some 15 years ago."

MORE THAN QUANTITY

Captain Moore declares that, "Of those countries to whom a navy is today essential, the United States of America is one of the foremost, and the U.S. Navy is probably also in the vain of those subjected to misinformed, illogical and irrational attacks by some of those who depend most upon it."

Commenting upon the latest findings in "Jane's" concerning our deteriorating naval position, Sea Power, the journal of the Navy League of America, declares that, "The big problem for the U.S. Navy is much more than numbers, and much more than technology. It is a matter of national will, which in our opinion translates into a matter of national education—about the need for Navy and the needs of the Navy. In a democracy it is not possible to develop and maintain the strong oceanic forces necessary for national survival without the confidence and backing of the general public, and the public's elected representatives in Congress. But achieving that confidence . . . is no easy matter. It is, indeed, a desperately heavy burden."

The burden becomes even heavier in the face of repeated statements from public officials that somehow the Cold War is over and somehow, world Communism no longer is an aggressive and disruptive force. The Nixon-Kissinger-Ford foreign policy, it seems, is based on the proposition that an enemy no longer exists. If Communism was an enemy, Americans seem to believe, we would not sell it wheat at a subsidized price, would not contemplate providing it with our advanced computer technology, and would not refuse to condemn its barbaric practices toward dissidents and religious minorities. And—if no enemy exists—there is no need for a strong military force.

One of the first victims of "détente" has been our own ability to defend ourselves—and this is dramatically shown with regard to our naval forces. It is essential that Americans wake up to this unfortunate reality before it becomes too late to correct it.

HOUSE OF REPRESENTATIVES—*Tuesday, February 25, 1975*

The House met at 12 o'clock noon.

Pastor Clyde B. Wasdin, North Highland Assembly of God, Columbus, Ga., offered the following prayer:

Heavenly Father, this is Your Nation. We have survived many crises by Your grace. Now bring us to one mind with stouthearted patriotism.

Bless our President and all our Congressmen, grant them love, cooperation, and unanimity.

May we never forget that all the gold, silver, even oil, belongs to You. Your faithfulness to deliver will never be forgotten. The depression of the thirties, the nightmare of December 7, 1941, by You were reconciled.

O, God, we need You now. Hear us and respond as we humble ourselves in Your presence.

Help us proudly wave our flag and love one another, for with Your power and our togetherness we can, as always before, triumph over sin and evil.

For Your glory and our preservation, I pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

PASTOR C. B. WASDIN

(Mr. BRINKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRINKLEY. Mr. Speaker, may I add my welcome to Pastor Clyde B. Wasdin of North Highland Assembly of God and welcome him to our Nation's Capital.

In the words of Commissioner McKenzie of New York at Andersonville, Ga., in 1916, when he said, "This is the finest country upon which the Sun has ever shone," and in that context, may we welcome Pastor Wasdin to the Capital of that country and thank him for his inspirational prayer on behalf of these United States of America.

In Columbus, the church that Pastor Wasdin ministers to is attended by my former district representative, now Mayor Jack Mickle. The spirit of good will, the singing and everything that goes into this ministry is exceptional, and we are glad to have Pastor Wasdin here with us today.

Two hundred and fifty years ago, Jonathan Swift, writing in "Gulliver's Travels," said that the man who could make two blades of grass grow where only one had grown before, would do more essential service for mankind than the entire race of politicians put together.

Pastor Wasdin is such a man. He is a builder. He is a man of God. We welcome him here today.

APPOINTMENT AS DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE

The SPEAKER. The Chair desires to announce that pursuant to the provisions of section 201(a)(2) of the Congressional Budget and Impoundment Control Act of 1974, Public Law 93–344, the Speaker of the House of Representatives and the President pro tempore of the Senate did, on Monday, February 24, 1975, appoint Ms. Alice M. Rivlin as Director of the Congressional Budget Office.

APPOINTMENT AS LAW REVISION COUNSEL OF THE U.S. HOUSE OF REPRESENTATIVES

The SPEAKER. The Chair desires to announce that, pursuant to the provisions of section 205(d), House Resolution 988, 93d Congress, and enacted into permanent law by Public Law 93–554, he has appointed Edward F. Willett, Jr., Law Revision Counsel of the U.S. House of Representatives, effective February 24, 1975.

SUPPLEMENTAL MILITARY AND ECONOMIC ASSISTANCE TO CAMBODIA—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the President of the United States:

THE WHITE HOUSE,
Washington, February 25, 1975.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I wish to convey to the House of Representatives my deep concern over the present critical situation in Cambodia. An independent Cambodia cannot survive unless the Congress acts very soon to provide supplemental military and economic assistance.

Unless such assistance is provided, the Cambodian army will run out of ammunition in less than a month.

The Cambodian people are totally dependent on us for their only means of resistance to aggression. The Communist forces now attacking have a constant, massive outside source of supply from the North as has been demonstrated by their ability to sustain the current heavy offensive.

If additional military assistance is withheld or delayed, the Government forces will be forced, within weeks, to surrender to the insurgents.

The economic situation is almost as difficult. Refugees forced to flee their homes by the Communists' repressive measures and scorched-earth policies have poured into Phnom Penh and other cities. Severe food shortages are already beginning. If the Congress does not provide for continued deliveries of rice and other essential supplies, millions of innocent people will suffer—people who depend on us for their bare survival.

The Government of the Khmer Republic has demonstrated on countless occasions its willingness to negotiate a compromise political settlement to bring peace to its tormented land. It has been proven over the past two years that the progressive cutbacks of American support have only undercut the possibilities of negotiation by encouraging a ruthless enemy in the hope of obtaining a total victory.

These are the harsh realities which the Congress must bear in mind as it considers the Administration's request for supplemental assistance to Cambodia.

It has been a basic policy of this Government to give material support to friends and allies who are willing and able to carry the burden of their own self-defense. Cambodia is such an ally.

This is a moral question that must be faced squarely. Are we to deliberately abandon a small country in the midst of its life and death struggle? Is the United States, which so far has consistently stood by its friends through the most difficult of times, now to condemn, in effect a small Asian nation totally dependent upon us? We cannot escape this responsibility. Our national security and the integrity of our alliance depend upon our reputation as a reliable partner. Countries around the world who depend on us for support—as well as their foes—will judge our performance. It is in this spirit and with this sense of responsibility, Mr. Speaker, that I urge rapid and favorable action on my request for additional assistance to Cambodia.

Sincerely,

GERALD R. FORD.

REQUEST FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO SIT ON WEDNESDAY, FEBRUARY 26, 1975, DURING 5-MINUTE RULE

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be permitted to sit on Wednesday, February 26, while the House is meeting under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION FOR SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS OF COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING 5-MINUTE RULE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary be allowed to proceed this afternoon with its hearing on the Voting Rights Act extension legislation during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PRESIDENT'S SUPPLEMENTAL APPROPRIATION REQUEST FOR VIETNAM AND CAMBODIA

(Mr. MITCHELL of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL of Maryland. Mr. Speaker, in the past 6 months, I, and all Members of Congress, have heard a nonstop flow of rhetoric from the White House proclaiming the desire of this administration, particularly of this President and of this Secretary of State, to establish a "meaningful dialog" with Congress, a "policy partnership," a "mutual understanding and respect," et cetera, et cetera, ad infinitum.

My message to the White House today is a simple one. It is merely that the desire and the ability of two persons or of two bodies to communicate has, as a nonnegotiable prerequisite, the desire and the ability of each to listen to what the other is saying.

The request of this administration for a $300 million appropriation for the country of Vietnam and for a $222 million appropriation for the country of Cambodia belies all of its rhetoric concerning "mutual understanding and respect." The White House obviously does not respect the will of this Congress. However, I find it hard to believe that it so thoroughly does not understand this body. Therefore, I feel that it is imperative that we state clearly, once again, and for the last time, that the Members of this Congress, representing as they do the will of this country, will not extract from a recession-ridden nation a half a billion dollars to finance continuing hostilities in Southeast Asia.

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The United States has been involved in the Vietnam war for the past 14 years. A $500 million request for military aid to Vietnam and Cambodia in February 1975 is unthinkable, as will be the requests for similar aid in August 1975 and February 1976, August 1976 and February 1977.

I heartily and sincerely urge the administration, in the name of communication, to listen this time.

CALL OF THE HOUSE

Mr. WYLIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 23]

Abzug	Esch	Moorhead, Calif.
Andrews, N.C.	Eshleman	Moorhead, Pa.
Annunzio	Fenwick	Murphy, Ill.
Ashley	Flowers	Murtha
Barrett	Flynt	Randall
Bell	Fountain	Rangel
Boggs	Fraser	Rodino
Broomfield	Gude	Rosenthal
Brown, Mich.	Hébert	Rostenkowski
Burke, Calif.	Howard	Ruppe
Burke, Fla.	Ichord	St Germain
Burleson, Tex.	Jarman	Scheuer
Butler	Kelly	Skubitz
Chappell	Kindness	Staggers
Chisholm	Krueger	Stokes
Collins, Ill.	Lent	Taylor, Mo.
Conlan	Long, La.	Teague
Conyers	Lott	Thompson
Derrick	McCloskey	Udall
Diggs	Metcalfe	Ullman
Dingell	Mills	Walsh
Drinan	Minish	Waxman
Edwards, Ala.	Moakley	Young, Fla.
English	Moffett	

The SPEAKER. On this rollcall 362 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FURTHER CONTINUING APPROPRIATIONS, 1975

Mr. MAHON. Mr. Speaker, pursuant to authorization of the House on Thursday last, I call up a House joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, and ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 219

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of June 30, 1974 (Public Law 93-324, as amended by Public Law 93-448 and Public Law 93-570), is hereby further amended by striking out "February 28, 1975" and inserting in lieu thereof "June 30, 1975": *Provided, however,* That, notwithstanding any other provision of this joint resolution or any other Act, the appropriations and funds made available and authority granted pursuant to the fourth unnumbered clause of section 101(b) and sections 112 and 114 of such joint resolution as amended relating to foreign assistance and related programs appropriations shall remain available until March 31, 1975.

Mr. MAHON. Mr. Speaker, the Committee on Appropriations brings before the House today a resolution making further continuing appropriations for the fiscal year ending June 30. This is the third extension to the original June continuing resolution which has been required. The original resolution expired on September 30, 1974, and was extended until the sine die adjournament of the 93d Congress. In December, it became apparent that further continuing authority would be required and the expiration date was extended until February 28—this coming Friday.

NEED FOR A FURTHER CONTINUING RESOLUTION

The resolution before the House today is rather routine in nature. It is necessary to continue certain governmental functions for which appropriations have not yet been enacted. The resolution extends continuing appropriations for foreign assistance activities until March 31, 1975, and extends authority for various programs of the Department of Health, Education, and Welfare and the Community Services Administration until June 30, 1975.

HEALTH, EDUCATION, AND POVERTY PROGRAMS

The resolution provides continuing authority for various programs not yet funded under the Department of Health, Education, and Welfare and certain activities of the Community Services Administration, the successor agency to the Office of Economic Opportunity. Consideration of 1975 appropriations for these programs and activities was deferred in the 93d Congress, primarily due to lack of authorizing legislation.

Legislation has now been enacted which authorizes 1975 appropriations for a number of programs, including health planning and resources development, emergency school assistance, drug abuse education, and programs formerly authorized by the Economic Opportunity Act. Appropriations for such programs will be considered in connection with a supplemental appropriation bill. The Labor-HEW Subcommittee, headed by the gentleman from Pennsylvania (Mr. FLOOD) has scheduled hearings on supplemental items as have other subcommittees and we hope to have hearings concluded and markups held on the supplemental items before the House adjourns for the Easter recess on March 26. This would allow us to bring a bill to the floor by mid-April, as soon as possible after the House returns.

Mr. Speaker, other ongoing health programs still lack authorization for 1975 appropriations. These include the programs which would have been authorized in the following legislation of the 93d Congress which did not achieve final enactment: Health Revenue Sharing and Health Services Act of 1974; Nurse Training Act of 1974; Health Manpower Act of 1974; Development Disabilities Services and Facilities Construction Act Amendments of 1974. These programs are covered by this resolution.

FOREIGN ASSISTANCE

Mr. Speaker, as I indicated earlier, this resolution also provides interim operating authority for the foreign aid and related programs until the end of next month. Although the Committee on Appropriations completed the regular hearings in June 1974 on the budget requests for foreign assistance programs for fiscal year 1975, the necessary authorizing legislation did not clear Congress until the final days of last session and did not become law until December 30, 1974. It was anticipated that a foreign aid appropriation bill might be before the House this week but certain delays have occurred. It is hoped that the bill can progress rapidly and it is recommended that the continuing authority for these programs be extended only until March 31 by which time it is anticipated that the regular bill can be sent to the President.

The rate provided for the foreign assistance programs is some $2.4 billion below the 1974 level and, when reported by the committee last Thursday, was some $2.1 billion below the budget estimates pending at that time. However, on yesterday the House received additional budget estimates for foreign aid totaling $388 million. These amounts are not provided for in today's resolution.

Mr. Speaker, in my judgment, we have no reasonable alternative but to provide the further continuing authority contained in this resolution and I urge its adoption.

So I would trust that the House would approve both the continuing resolution, which is so vital to the foreign aid program and particularly vital to certain Health, Education, and Welfare programs.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Yes. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, did not the President veto the Health Manpower Act?

Mr. MAHON. I am told by Members of the subcommittee that he did not.

The SPEAKER. Will the gentleman yield to the gentleman from Michigan?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I just want to join the distinguished gentleman from Texas in regard to what he said about the necessity of the continuing resolution. We discussed this matter in the full committee.

I just do not see where we have any option at all but to take the course approved by the full committee to bring this matter to the floor. It is essential these actions be continued and the only way it can be done is by the vehicle we have here today.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Texas.

Mr. KAZEN. Did the President veto the Health Revenue Sharing and Health Services Act?

Mr. MAHON. The Health Revenue Sharing and Health Services Act was pocket vetoed.

Mr. KAZEN. Then that means that we do not have a bill on the books; does it not? What is the purpose of the appropriation for that particular bill if there is no bill on the books?

Mr. MAHON. Mr. Speaker, I would ask the gentleman from Pennsylvania (Mr. FLOOD) to come forward to the microphone where he will be more accessible, and comment on the matter.

Mr. FLOOD. Mr. Speaker, I move to strike the last word.

Mr. Speaker, the purpose of all this is to keep the existing programs alive. That is the whole purpose.

Mr. KAZEN. And no money will be spent for anything that was countered by veto?

Mr. FLOOD. The continuing resolution will simply keep existing programs alive.

Mr. BAUMAN. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I would just observe for the record that this bill contains $3½ billion in continuing authorizations for the foreign aid program. I assume from the remarks made by the gentleman from Texas, the distinguished chairman of the Appropriations Committee, that we are about to have a foreign aid bill brought to us within a few weeks, when there will only be about 3 months of the fiscal year remaining.

It seems to me that this is an indictment of the process that this House has been denied the right to amend and to consider in detail the foreign aid bill for most of the fiscal year, and then will be confronted with voting in a sort of "after-the-fact" situation on a foreign aid bill for fiscal year 1975.

Mr. Speaker, last year some of us have voted against those continuing resolutions four or five times. The House already has been in session for 5 or 6 weeks and had a 10-day recess as well. We can bring out a continuing appropriations resolution, but we still seem unable to get at the foreign aid program, to cut it and pare it as it should be.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Speaker, I would say that first we did not have legislation until December 30. Then, of course, no committees were in existence or subcommittee chairman elected until late January. We had to wait and get organized, and we have had just a very brief time to rehash the bill and consider the budget amendments to the budget. So, we are actually moving as rapidly as possible and we hope that in just a matter of days we can bring out the regular bill.

Mr. BAUMAN. Mr. Speaker, I will just observe to the distinguished subcommittee chairman that the last Congress sat for a full year, during which this bill should have been reported and brought to the floor. Because of the political situation it was not opportune and it was never brought here, and the House was denied the right to work its will on the important issue of foreign aid.

Mr. PASSMAN. First, we had no authorization bill. We had to wait on the Committee on Foreign Affairs and the Committee on Foreign Relations to reach a compromise, and the legislation providing for the appropriation was not made available until December 30. Then, when we returned, we had no committees to function until we could organize.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I support the remarks of the gentleman from Maryland.

Mr. Speaker, I appreciate the gentleman from Maryland yielding. I plan to vote against this further continuing appropriation because it contains a further extension for foreign aid activities in the amount of $3,501,000,000. It would continue funding until March 31, 1975.

In addition to the continuance of foreign aid there is also contained continuing appropriations for certain health and HEW programs which would have been authorized in the 93d Congress but did not achieve final enactment: These bills are H.R. 14214, Health Revenue Sharing and Health Service Act of 1974; H.R. 17805, Nurse Training Act of 1974; S. 3585, Health Manpower Act of 1974; H.R. 14215, Developmental Services and Facilities Construction Act Amendments of 1974. Under the procedure under which this resolution has been brought to the floor it will be necessary to vote for or against the two matters tied together. I would have voted for the HEW billls as a separate matter. I expect the resolution will be adopted by the House but out of protest against the foreign aid appropriation I shall vote no. Should the resolution be defeated I would support separate funding for those HEW bills in extending them as ongoing programs until June 30 or until necessary regular authorizations and appropriations are enacted.

Ms. HOLTZMAN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I would like to ask the distinguished chairman of the Committee on Appropriations about an item that is contained in this bill. I have discussed it with staff members of the Appropriations Committee, and I would appreciate a clarification of this point.

As a member of the House Budget Committee and as a Representative from a district very hard hit by this economic crisis, I am well aware that the taxpayers of this country are concerned with saving every possible tax dollar. I understand that in this continuing resolution there is a provision for grant-in-aid to Saudi Arabia for training of their military forces.

Aside from the broad policy question as to whether or not the United States ought to be engaged in providing military training for the Saudi Arabians, I would like to ask the distinguished Chairman if, in fact, this is the case, why we are supporting grants-in-aid to Saudi Arabia which has made billions and billions of dollars in oil royalties and does not seem to qualify as an impoverished country for the giveaway of hard-earned U.S. tax dollars.

Mr. MAHON. Mr. Speaker, if the gentlewoman will yield, I will say the training of military forces of Saudi Arabia is paid for in cash and has nothing to do with the bill before us today. I agree with the gentlewoman that they should pay for their military training and military programs.

However, our Nation does try to maintain friendly relations with the Arab countries, including Saudi Arabia. Saudi Arabia is friendly toward the United States and we are friendly toward Saudi Arabia. We do bring to this country from Saudi Arabia certain military people who visit our installations and receive certain military briefings and indoctrination.

Ms. HOLTZMAN. Is this at our expense?

Mr. MAHON. It is at our expense. They come to this country as guests of the U.S. Government, and they receive visitors and are briefed and learn more about our country. This tends to generate some degree of friendship.

So this is the situation which confronts us. Maybe it is not quite the right way to do it, but that is the way it is being done. The funds involved in the context of the bill before us are very small. There is $220,000 requested in the budget for military assistance to Saudi Arabia for fiscal year 1975 for this purpose. They have obligated $38,000. Maybe if the gentlewoman and I were administering the program, we would not do it just that way. The gentlewoman has a good point, and I shall be glad to get in touch with the Secretary of State and the Director of the Budget and see if some additional arrangement could be worked out whereby this expense could be financed by the Saudi Arabians. I am aware that they are fully and amply able to pay for it.

(On request of Mr. MAHON and by unanimous consent Ms. HOLTZMAN was allowed to proceed for 3 additional minutes.)

Ms. HOLTZMAN. Mr. Speaker, I thank the gentleman for the extension of time.

If I understand the gentleman correctly, he is saying that there is no grant-in-aid money in this continuing resolution for Saudi Arabia, except with respect to this matter of their military people coming to the United States for the purpose

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of touring this country and understanding our American culture, and the like.

Mr. MAHON. To my knowledge at this time that is correct. Of course, they come here primarily for military purposes.

Ms. HOLTZMAN. Is this a grant-in-aid military program, as contained in the bill?

Mr. MAHON. It could be interpreted as a grant-in-aid military program but not in the typical sense. It is a training program to see how some of our military activities are conducted.

Ms. HOLTZMAN. I see. In other words, we are providing military training—and cultural exposure—to the Saudi Arabians at our taxpayers' expense under this bill; is that correct?

Mr. MAHON. In a limited way.

Ms. HOLTZMAN. I would just like to voice my concern about this. In my judgment the policy of providing military training and sophisticated weapons to the Arab countries is at best dubious if not dangerous. Since, however, this bill contains only a minor component of that policy and expires in 1 month, this is not an appropriate or advantageous occasion for a full-scale consideration of, or attack on, that policy. Nonetheless, it is essential at this time to register my objection to the fact that in this bill we are providing this military training to Saudi Arabia free of charge. The amount of $220,000 for Saudi Arabia may sound very small in a budget of $300-some-odd billion, but to the average American taxpayer it is still a lot of money, and I would question very strongly the wisdom of this giveaway to oil-rich Saudi Arabia from the taxpayer's point of view and from a policy point of view, as well.

Mr. MAHON. Certainly the gentlewoman has a good point, and I shall certainly undertake to persuade the administration to work out a more acceptable arrangement.

Mr. WYLIE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, may I have the attention of the chairman of the Committee on Appropriations for just a moment for a question?

On page 2 of the report accompanying this bill it says that, "the following legislation of the 93d Congress which did not achieve final enactment," is included in this continuing appropriation. Among those is the Health Revenue Sharing, Health Services Act, Nurse Training Act, and Health Manpower Act.

As I understand it, those are not existing programs. An authorization has not been passed for those programs.

Mr. MICHEL. Mr. Speaker, if the gentleman will yield, I might say in answer to the gentleman's question that in this continuing resolution there are 11 authorized health programs in the HEW area and 31 unauthorized ones which are provided for in the continuing resolution. Really there are 42 in all, at an annual authorization rate of $2,300,000,000.

I do have an amendment that I am going to offer whenever I am recognized with respect to the regional medical program and the Hill-Burton Act because of the new legislation superseding the old act.

Mr. WYLIE. Mr. Speaker, there is one other program listed that I meant to mention. And this is the one I really wanted to ask about. I have reference to S. 3585, the Health Manpower Act of 1974.

As I understood it, that was a new program for which no conference report was reported and, therefore, the program was not enacted into law.

Is the health manpower training program existing law, and if not, does this continuing appropriation bill put the program in business?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, I believe the gentleman from Pennsylvania (Mr. FLOOD) can better sum this up.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, as is true in many of these cases, the existing law as a matter of fact has expired, but these are ongoing programs. Several of the programs the gentleman has mentioned are ongoing programs.

Mr. WYLIE. Mr. Speaker, I will ask this, then: The Health Manpower Act is an ongoing program, and there is a statute on the books right now providing for it?

Mr. FLOOD. Mr. Speaker, if the gentleman will yield further, the act has expired, and the continuing resolution is keeping the health manpower programs alive until the authorizing legislation is extended and further appropriations can be enacted.

Mr. WYLIE. Mr. Speaker, how can there be an appropriation for something when there is no statute in existence for that program?

Mr. FLOOD. The continuing resolution provides funding for many programs for which the authorizing legislation has expired. There is nothing unusual about that.

Mr. WYLIE. What the gentleman is saying is that we are legislatively authorizing the program in this bill in effect, are we not, without authorization legislation?

Mr. MICHEL. Mr. Speaker, if the gentleman will yield, I might say to the gentleman that under a regular appropriation bill we could very well knock it out on a point of order.

Mr. FLOOD. The gentleman is correct.

Mr. MICHEL. But we have on more than one occasion extended both authorizations and appropriations through a continuing resolution.

Mr. WYLIE. Why is there, then, a difference between the date for the foreign aid appropriations and the funds for the 42 health programs which the gentleman mentioned a little earlier?

The foreign aid appropriation continues until March 31, 1975, and the other appropriations run until the end of the fiscal year, June 30, 1975. That is for 42 health programs. So we really do not need an authorization bill for the health programs, do we?

Mr. FLOOD. Mr. Speaker, what we are doing in our bill is this: We are giving the Members a chance to go ahead with the authorization. The matter of foreign aid is different.

Mr. WYLIE. In the foreign aid authorization there is a greater amount than called for in this continuing appropriation for fiscal year 1975?

Mr. FLOOD. I am not sure about that.

Mr. WYLIE. Mr. Speaker, I still do not see the difference then between the foreign aid appropriations and health programs appropriations. It seems to me as if we are appropriating money for 31 programs which have not been authorized by any existing legislation, and we are appropriating the money until June 30, 1975, which really means that we have nothing further to do regarding authorizing legislation. What further would the authorizing legislation authorize?

Mr. MICHEL. Mr. Speaker, if the gentleman will yield, what we are trying to do is to get some breathing time for ourselves here. We could very well have this read until March 31, just as the foreign aid bill, and if the authorizing committee had not acted, we would be going over the same traces again. Instead, we have extended the resolution until the end of the fiscal year, and in the meantime we can continue to work on the authorizing legislation and to hold hearings on the supplemental appropriation bill, and that, of course, gives us more breathing time.

Mr. WYLIE. Mr. Speaker, I thank the gentleman

Mr. FLOOD. Mr. Speaker, the continuing resolution we have considered has a number of programs continued at the "current rates." Among them is the new independent Community Services Administration, the successor agency to the Office of Economic Opportunity. The budget received by the Congress on February 3 from the President for fiscal year 1976 discontinues the $2.5 million required for the senior opportunity and services program through June 30, 1975; the State economic opportunity offices program requiring $3 million; the national summer youth sports program requiring $3 million, and the emergency food and medical services program requiring $25 million. I wish to make the record clear that the continuing resolution considered here does provide for the continuance of these programs at the current rate through June 30, 1975.

AMENDMENT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: On page 1, line 7, after the words "June 30, 1975", insert the following: "And that clause (d) of section 101 of said joint resolution is amended by striking out 'titles VI and IX, and' ".

Mr. MICHEL. Mr. Speaker, the amendment which I am offering today deletes from the continuing resolution authority for continued obligation of funds for the old Hill-Burton medical facilities construction program and the regional medical program.

This authority was included in our earlier continuing resolution because the authorizing legislation for these programs had expired and the Committee on Interstate and Foreign Commerce had not yet completed their consideration of their revision and extension of these programs. With the signing into law of the National Health Planning and Resources Development Act of 1974 (P.L. 93–641) we now have new authorization, and it would be much more appropriate for us to provide the funds in a supplemental appropriation or in the regular bill rather than in this continuing resolution.

As a matter of fact, we are going to begin hearings tomorrow on the supplemental and I would expect we would complete consideration of the supplemental in ample time to provide for an orderly transition from the old law to the new.

Without my amendment I think we are going to run the risk of court action because of the uncertainty surrounding the funding of these programs. It can be done much more definitively in a supplemental appropriations bill.

Now it should be pointed out that both the medical facilities construction program and the regional medical program have available to them ample funds for their continued operation until such time as we are able to appropriate funds under Public Law 93–641 in a supplemental appropriations bill. The medical facilities construction program has available the $291 million which the President recently proposed for rescission and which the Congress insisted that he obligate. The regional medical program has available $45 million in impounded and subsequently released 1973 and 1974 funds, and the 1974 awards have funded the RMP's through fiscal year 1975. There is thus no need for their inclusion in the continuing resolution even until the supplemental appropriation become available.

The comprehensive health planning program which was also replaced by Public Law 93–641 is provided for in this continuing resolution. My amendment does not affect this program because alternative sources of funding for it are not available from any other source and it would, therefore, be without funds until the supplemental appropriation became available.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the distinguished gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I rise in support of the amendment and urge its adoption. This amendment will delete from the continuing resolution (Public Law 93–324) authority for continued obligation of funds for the medical facilities construction program and the regional medical program. This authority was included in the continuing resolution when it was first enacted because the authorizing legislation for these programs had expired and our committee had not yet completed consideration of their revision and extension. However, our committee did complete its consideration with the signing of the National Health Planning and Resources Development Act of 1974 (Public Law 93–641). Since new authorizing legislation is now available, I feel very strongly that continued use under the continuing resolution of the old authorities is wrong for a variety of reasons.

First, since the legislation which we are considering today would extend the continuing resolution through the end of the fiscal year, the resolution will become effectively a 1-year authorization for these expired programs as well as an appropriation of funds for them. Were this an appropriations bill, instead of the continuing resolution, a point of order that it contained authorizing legislation would clearly lie against the continuing resolution, but the fact remains that it is being used to extend, and appropriate funds under, laws which have expired and for which alternative legislative authorities are now available. This is an inappropriate use of the continuing resolution and creates a bad precedent to which I would anticipate my colleagues in the House would be very sensitive. With the kinds of court cases which now exist I must assume that the funds appropriated by this device would have to be spent as though they had been actually appropriated and must anticipate that if we proceed we will receive from the President requests for both deferrals and rescissions of the moneys involved. It is worth remembering that in 1973 all appropriations for HEW were made by continuing resolution and that suits for release of those funds were successful. The new authority for health planning and development programs, Public Law 93–641, contains ample authority for the appropriation of funds for regional medical programs and medical facilities construction. We should use that authority in a supplemental appropriations bill rather than this approach.

Second, both the medical facilities construction program and the regional medical program have available to them ample funds for their continued operation until such time as we are able to appropriate funds under Public Law 93–641 in a supplemental appropriations bill. The medical facilities construction program has available the $291 million which the President recently proposed for rescission and which the Congress insisted that he obligate. The regional medical program has available $45 million in impounded and subsequently released 1973 funds. There is, thus, no need for their inclusion in the continuing resolution even until the supplemental appropriation becomes available. I might note that the comprehensive health planning program which was also replaced by Public Law 93–641 is also contained in the continuing resolution, and it should not be deleted from the resolution because alternative sources of funding for it are not available and it would, therefore, be without funds until the supplemental appropriations became available.

Third, while this use of the continuing resolution to appropriate money for 1975 is practically invisible, it is money. The legislation would provide authority for the obligation of $187 million for medical facilities construction and $75 million for the regional medical programs, a total of $262 million. This is clearly inappropriate in an era of fiscal constraint and equally clearly in excess of any available budget. Furthermore, these funds have not been the subject of hearings or specific consideration in subcommittee or full committee markup. Finally, they would be obligated under the provisions of the legislative authorities which have expired and which have been revised by the Committee on Interstate and Foreign Commerce, rather than under the new provisions of the new law. My committee wrote new law on these subjects in order to refocus the use of those funds and improve that use. If we wish to appropriate $262 million for these purposes, fine, but let us do it through the normal appropriations process and using the current legislative authorities in effect for this fiscal year as written by the authorizing committee rather than those which have expired over 6 months ago.

Gentlemen, this is not a partisan issue. All of us should be sensitive to activities on the part of the Committee on Appropriations which constitute the making of new authorizing legislation whether it be in an appropriations bill itself or in the continuing resolution. All of us should be sensitive to the appropriation of as much money as $262 million without hearings or committee consideration. All of us should be sensitive to the appropriation of funds under an expired authority whose provisions have been considered by authorizing committees and specifically rejected as longer appropriate in the present time. Supporting this amendment will not bring any existing programs to a screeching halt, they have funds available to them now from other sources. Supporting this amendment will not make it impossible to appropriate as much money as we may choose for these purposes. It will only mean that we must use the current rather than the expired legislative authority for doing so.

I urge the adoption of the amendment.

Mr. FLOOD. Mr. Speaker, if the gentleman will yield, since there is no authorization in the new law for further appropriations under title VI of the Public Health Service Act, and since we are advised that there are ample funds available to support the regional medical programs for the remainder of the fiscal year, and as the gentleman from Illinois (Mr. MICHEL) has stated, since we are now working on supplemental budget requests to carry out the new health plan-

ning programs, we have no objection to the proposed amendment.

Mr. MICHEL. Mr. Speaker, I appreciate the comments made by the gentleman from Pennsylvania, and the fact that the gentleman is willing to agree to accept our proposal.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding, and I just want to make certain that we really understand what we are doing.

First of all, as I understand it, and as the gentleman from Illinois understands it, there is absolutely no holdup in fiscal years 1974 and 1975 on Hill-Burton?

Mr. MICHEL. That is right, and there is no impounding any more, so that there would be more funds which are still in the pipeline.

Mr. OBEY. Second, although the gentleman did mention the possibility of funding under the supplemental for construction, and that the administration testified that they will not be able to gear up for the new program because of the new planning requirements and rules and regulations that are not expected to be formulated until September, there would really be no practical possibility of funding additional new construction under this, and this would have to come before fiscal year 1976?

Mr. MICHEL. Yes, because, as I indicated, there is $291 million in the construction pipeline available, and it would be, I think, rather ridiculous to pile it on in a supplemental in that area since we have ample time with that kind of carryover to handle it in the regular bill.

Mr. OBEY. I thank the gentleman.

The SPEAKER. The time of the gentleman has expired.

Mr. OBEY. I thank the gentleman from Illinois.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. MICHEL).

The amendment was agreed to.

Mr. FORD of Tennessee. Mr. Speaker, I intend to vote for passage of the further continuing appropriations contained in House Joint Resolution 219. I do so, however, while objecting to the $3.5 billion contained in this resolution for our foreign aid program.

We are in a grave economic crisis. We are talking about double-digit inflation and 10 percent unemployment as reality in 1976. Our constituents are concerned about their economic well-being, and in some cases, their economic survival. We are appropriating millions in grants to the Middle East where both sides use our tax dollars to prepare for war while our President asks the poor and elderly to pay more for food stamps they can barely afford as it is.

I am voting affirmatively on House Joint Resolution 219, because it also contains urgently needed funding for vital health programs and for activities of the Community Services Administration both of which serve human needs of great importance. Without passage of this emergency funding the coffers of such valuable programs as the Nurse Training Act, health revenue sharing, Health Services Act, Health Manpower Act, developmental disabilities services and facilities, emergency school assistance, and Drug Abuse Prevention Act will run dry.

These measures represent an investment in the quality of care our citizens will enjoy for years to come. We cannot allow their dissolution. I do urge my fellow Members, however, to view this funding resolution as an opportunity to recognize the irony involved in voting for weaponry for war and for research and development to improve our health care system at the same time. It is time for all of us to seriously work for a restructuring of this Nation's economic priorities.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WYLIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 308, nays 75, not voting 49, as follows:

[Roll No. 24]

YEAS—308

Adams	Brown, Calif.	Diggs	Fulton	Madden	Roybal
Addabbo	Buchanan	Dingell	Fuqua	Madigan	Ruppe
Ambro	Burgener	Dodd	Giaimo	Maguire	Russo
Anderson, Calif.	Burke, Calif.	Downey	Gilman	Mahon	Santini
	Burke, Mass.	Downing	Goldwater	Matsunaga	Sarasin
Anderson, Ill.	Burlison, Mo.	Drinan	Gonzalez	Mazzoli	Sarbanes
Andrews, N.C.	Burton, John	Duncan, Oreg.	Gradison	Meeds	Scheuer
Andrews, N. Dak.	Burton, Phillip	Duncan, Tenn.	Green	Melcher	Schroeder
	Carney	du Pont	Gude	Meyner	Schulze
Armstrong	Carr	Early	Guyer	Mezvinsky	Seiberling
Ashley	Carter	Eckhardt	Hall	Michel	Sharp
Aspin	Casey	Edgar	Hamilton	Mikva	Shipley
AuCoin	Cederberg	Edwards, Ala.	Hanley	Miller, Calif.	Shriver
Badillo	Chisholm	Edwards, Calif.	Hannaford	Mineta	Sikes
Bafalis	Clausen, Don H.	Ellberg	Harkin	Mink	Simon
Baldus		Emery	Harrington	Mitchell, Md.	Sisk
Baucus	Clay	English	Harris	Mitchell, N.Y.	Slack
Beard, R.I.	Cleveland	Erlenborn	Hastings	Moakley	Smith, Iowa
Bedell	Cohen	Evans, Colo.	Hawkins	Moffett	Smith, Nebr.
Bergland	Conable	Evans, Ind.	Hayes, Ind.	Mollohan	Solarz
Biaggi	Conte	Evins, Tenn.	Hays, Ohio	Moorhead, Pa.	Spellman
Biester	Conyers	Fascell	Hébert	Morgan	Stanton, J. William
Bingham	Corman	Fish	Heckler, Mass.	Mosher	
Blanchard	Cornell	Fisher	Hefner	Mottl	Stanton, James V.
Blouin	Coughlin	Fithian	Heinz	Murphy, N.Y.	
Boland	D'Amours	Flood	Helstoski	Myers, Ind.	Stark
Boiling	Daniels, Dominick V.	Florio	Henderson	Myers, Pa.	Steed
Bonker		Flowers	Hicks	Natcher	Steelman
Bowen	Danielson	Foley	Hightower	Neal	Steiger, Wis.
Brademas	de la Garza	Ford, Mich.	Hillis	Nedzi	Stokes
Breaux	Delaney	Ford, Tenn.	Hinshaw	Nix	Stratton
Breckinridge	Dellums	Forsythe	Holtzman	Nolan	Stuckey
Brodhead	Dent	Frenzel	Horton	Oberstar	Studds
Brooks	Derwinski	Frey	Howe	Obey	Sullivan
			Hubbard	O'Brien	Symington
			Hughes	O'Hara	Talcott
			Hyde	O'Neill	Taylor, N.C.
			Jacobs	Ottinger	Thone
			Jeffords	Passman	Thornton
			Johnson, Calif.	Patman	Traxler
			Johnson, Pa.	Patten	Tsongas
			Jones, Ala.	Patterson, Calif.	Udall
			Jones, N.C.	Pattison, N.Y.	Ullman
			Jones, Okla.	Pepper	Vander Jagt
			Jordan	Perkins	Vander Veen
			Karth	Peyser	Vanik
			Kasten	Pike	Vigorito
			Kastenmeier	Poage	Wampler
			Kazen	Pressler	Weaver
			Keys	Preyer	Whalen
			Koch	Price	White
			Krebs	Pritchard	Whitehurst
			LaFalce	Quie	Whitten
			Lagomarsino	Railsback	Wiggins
			Lehman	Randall	Wilson, Bob
			Lent	Rangel	Wilson, Charles H., Calif.
			Levitas	Rees	
			Litton	Regula	
			Lloyd, Calif.	Reuss	Wilson, Charles, Tex.
			Lloyd, Tenn.	Rhodes	
			Long, La.	Richmond	Winn
			Long, Md.	Riegle	Wirth
			Lujan	Rinaldo	Wolff
			McClory	Risenhoover	Wright
			McCormack	Roberts	Wydler
			McDade	Rodino	Yates
			McEwen	Roe	Yatron
			McFall	Rogers	Young, Ga.
			McHugh	Rooney	Young, Tex.
			McKay	Rose	Zablocki
			McKinney	Rosenthal	Zeferetti
			Macdonald.	Roush	

NAYS—75

Abdnor	Goodling	Mathis	
Archer	Grassley	Milford	
Ashbrook	Haley	Miller, Ohio	
Bauman	Hammer-schmidt	Montgomery	
Beard, Tenn.		Moore	
Bennett	Hansen	Nichols	
Bevill	Harsha	Pickle	
Brinkley	Hechler, W. Va.	Quillen	
Brown, Ohio	Holland	Robinson	
Broyhill	Holt	Rousselot	
Byron	Hungate	Runnels	
Clancy	Hutchinson	Satterfield	
Clawson, Del	Jarman	Schneebeli	
Cochran	Johnson, Colo.	Sebelius	
Collins, Tex.	Jones, Tenn.	Shuster	
Crane	Kemp	Skubitz	
Daniel, Dan	Ketchum	Snyder	
Daniel, Robert W., Jr.	Kindness	Spence	
	Krueger	Steiger, Ariz.	
Davis	Landrum	Stephens	
Derrick	Latta	Symms	
Devine	Lott	Treen	
Dickinson	McCollister	Waggonner	
Gaydos	McDonald	Wylie	
Gibbons	Mann	Young, Alaska	
Ginn	Martin		

NOT VOTING—49

Abzug	Fenwick	Moss	
Alexander	Findley	Murphy, Ill.	
Annunzio	Flynt	Murtha	
Barrett	Fountain	Nowak	
Bell	Fraser	Roncalio	
Boggs	Hagedorn	Rostenkowski	
Broomfield	Howard	Ryan	
Brown, Mich.	Ichord	St Germain	
Burke, Fla.	Jenrette	Staggers	
Burleson, Tex.	Kelly	Taylor, Mo.	
Butler	Leggett	Teague	
Chappell	McCloskey	Thompson	
Collins, Ill.	Metcalfe	Van Deerlin	
Conlan	Mills	Walsh	
Cotter	Minish	Waxman	
Esch	Moorhead, Calif.	Young, Fla.	
Eshleman			

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Jenrette.
Ms. Abzug with Mr. Nowak.
Mr. Thompson with Mr. Ichord.
Mr. Rostenkowski with Mr. Ryan.
Mrs. Boggs with Mr. Burleson of Texas.
Mr. Barrett with Mr. Taylor of Missouri.
Mr. Flynt with Mr. Esch.
Mr. Fraser with Mr. Conlan.
Mr. Howard with Mr. Kelly.
Mr. Roncalio with Mr. Broomfield.
Mr. St Germain with Mr. Butler.
Mr. Teague with Mr. Eshleman.
Mr. Alexander with Mr. Bell.
Mr. Chappell with Mr. Findley.
Mr. Cotter with Mr. Burke of Florida.
Mrs. Collins of Illinois with Mr. Van Deerlin.
Mr. Metcalfe with Mr. Waxman.
Mr. Minish with Mr. McCloskey.
Mr. Moss with Mr. Brown of Michigan.
Mr. Murtha with Mrs. Fenwick.
Mr. Murphy of Illinois with Mr. Young of Florida.
Mr. Staggers with Mr. Walsh.
Mr. Leggett with Mr. Fountain.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the House joint resolution just passed, and that I may be permitted to revise and extend my remarks in the RECORD and insert extraneous material, being certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the Committee on Rules may have until midnight tomorrow night, February 26, 1975, to file a privileged report on the bill H.R. 3166.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. HORTON. Mr. Speaker, the RECORD of February 19, 1975, incorrectly lists me as not having voted on rollcall No. 18, final passage of House Resolution 138, establishing a Select Committee on Intelligence.

Apparently, the machine did not record my vote. I wish to indicate for the RECORD that I was present and voted in the affirmative on this measure.

BUDGET RESCISSION BILL

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974; and, pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 3260, with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, this is the second rescission bill, and the first during the 94th Congress, to be reported by the Committee on Appropriations to the House under the provisions of title X of the new Congressional Budget and Impoundment Control Act of 1974.

A total of 49 pending rescissions and 137 pending deferrals that had been submitted to the 93d Congress by the President were automatically resubmitted to the 94th Congress. This bill and report reflect the recommendations of the Committee on Appropriations on these 49 rescissions. The committee is recommending approval of either all or some part of 27 rescissions and is recommending that 13 rescissions not be approved.

Another package of proposed rescissions was transmitted by the President on January 30. These items are not treated in this bill, but the committee had them under consideration and will report its recommendations in the near future. The Presidential message of January 30, 1975, proposed 36 rescissions of $1.2 billion in budget authority.

RESCISSION TOTALS

The estimated total of budget authority recommended to be rescinded in H.R. 3260 is $99 million and a decrease in limitation of $20 million. This is $829 million less than the amount proposed for rescission by the President, and this amount will have to be made available for obligation on March 1, 1975, the day after the expiration of the 45-day period prescribed by law. Outlay reductions will total $87 million in 1975 and $25 million in 1976.

Mr. Chairman, the rescissions proposed by the President and considered in connection with this bill were handled by 7 of the 13 appropriations subcommittees in the usual fashion. Of the total of $99 million recommended for rescission by the committee, $60 million is in the Defense area and $3[illegible] million is within the jurisdiction of the subcommittee which handles appropriations for the Departments of State, Justice, and Commerce.

The committee reported this bill on last Thursday and the report and hearings have been available since that time. Details on each of the many rescissions considered are contained in the messages of the President, the committee hearings, and in the report which is organized by Appropriation Subcommittee.

Mr. Chairman, the members of the committee and myself who participated in the preparation of this bill will be pleased to undertake to answer questions.

Under leave to insert extraneous material, I am submitting the following table which provides a comparison of the rescissions proposed by the President and the actions recommended by the committee:

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COMPARISON OF RESCISSIONS PROPOSED AND ACTIONS RECOMMENDED IN H.R. 3260 SUMMARY

Rescission No.	Department or activity	Amount proposed for rescission	Amount recommended for rescission	Amount to be made available for obligation Mar. 1, 1975
R75-8	Department of Agriculture: Water bank program.	$21,212,940	.....	$21,212,940
	Department of Defense—Military:			
R75-17	Operation and maintenance, Army	41,000,000	$20,500,000	20,500,000
R75-18	Operation and maintenance, Navy	27,500,000	13,750,000	13,750,000
R75-19	Operation and maintenance, Marine Corps.	5,000,000	2,500,000	2,500,000
R75-20	Operation and maintenance, Air Force.	40,000,000	20,000,000	20,000,000
R75-21	Operation and maintenance, Defense agencies.	1,900,000	950,000	950,000
R75-22	Operation and maintenance, Army Reserve.	1,800,000	900,000	900,000
R75-23	Operation and maintenance, Navy Reserve.	1,100,000	550,000	550,000
R75-24	Operation and maintenance, Air Force Reserve.	400,000	200,000	200,000
R75-25	Operation and maintenance, Army National Guard.	1,400,000	700,000	700,000
R75-26	Operation and maintenance, Air National Guard.	500,000	250,000	250,000
R75-27A [1]	Aircraft procurement, Army	5,700,000	.....	5,700,000
R75-28A [1]	Aircraft procurement, Air Force	152,500,000	.....	152,500,000
	Total, Department of Defense	278,800,000	60,300,000	218,500,000
R75-48	Department of Housing and Urban Development: Homeownership assistance (annual contract authority).	264,117,000	.....	264,117,000
	Department of Agriculture—Forest Service:			
R75-10	Forest land management	10,000,000	.....	10,000,000
R75-9	State and private forestry cooperation	4,921,000	.....	4,921,000
	Total, Subcommittee on Interior	14,921,000	.....	14,921,000
R75-29A [1]	Department of Health, Education, and Welfare: Health-resources	284,719,332	.....	284,719,332
	Department of State:			
R75-35	Contributions to international organizations	2,000,000	2,000,000	.....
R75-36	International trade negotiations	100,000	100,000	.....
	Subtotal, Department of State	2,100,000	2,100,000	.....
	Department of Justice:			
R75-30	Federal Bureau of Investigation	5,300,000	5,300,000	.....
R75-31	Immigration and Naturalization Service	1,300,000	.....	1,300,000
	Federal Prison System:			
R75-32	Salaries and expenses, Bureau of Prisons	5,250,000	5,250,000	.....
R75-33	Buildings and facilities	1,750,000	1,750,000	.....
R75-34	Drug Enforcement Administration	2,400,000	2,400,000	.....
	Subtotal, Department of Justice	16,000,000	14,700,000	1,300,000
R75-11	Department of Commerce: Social and Economic Statistics Administration.	$373,000	$373,000	.....
R75-12	Economic Development Administration.	2,000,000	.....	$2,000,000
R75-13	Trade Adjustment Assistance	12,000,000	12,000,000	.....
R75-14	U.S. Travel Service	250,000	250,000	.....
R75-15A [1]	National Oceanic and Atmospheric Administration.	3,227,000	3,227,000	.....
R75-16	Patent Office	700,000	700,000	.....
	Subtotal, Department of Commerce.	18,550,000	16,550,000	2,000,000
	Total, Subcommittee on State, Justice, Commerce, and the Judiciary.	36,650,000	33,350,000	3,300,000
	Department of the Treasury:			
R75-37	Office of the Secretary	310,000	310,000	.....
R75-38	Federal Law Enforcement Training Center.	60,000	60,000	.....
R75-39	Bureau of Accounts	630,000	630,000	.....
R75-40	U.S. Customs Service	3,000,000	.....	3,000,000
	Internal Revenue Service:			
R75-41	Salaries and expenses	530,000	.....	530,000
R75-42	Accounts, collection and taxpayer service.	9,230,000	.....	9,230,000
R75-43	Compliance	10,240,000	.....	10,240,000
	Subtotal, Treasury Department.	24,000,000	1,000,000	23,000,000
	Executive Office of the President: Special action office for drug abuse prevention:			
R75-45	Pharmacological research	2,760,000	2,760,000	.....
R75-46	Special fund	2,240,000	2,240,000	.....
	Subtotal, Executive Office of the President	5,000,000	5,000,000	.....
R75-44	Independent agencies: General Services Administration: Federal Building Fund (limitation)	(20,022,900)	(20,022,900)	.....
	Total, Subcommittee on Treasury, Postal Service, and General Government:			
	Budget authority	29,000,000	6,000,000	23,000,000
	Limitation	(20,022,900)	(20,022,900)	.....
	Total budget authority	929,420,272	99,650,000	829,770,272
	Limitation	(20,022,900)	(20,022,900)	.....
	Grand total	949,443,172	119,672,900	829,770,272

[1] Modified by H. Doc. 94-39.
[2] Amount shown is annual contract authority. The maximum budget authority over a 40 year period is estimated in the 1976 budget at $7,815,510,000.
[3] Reclassified as a rescission by the Comptroller General (H. Doc. 93-391).

Mr. Chairman, I will not take much additional time at the moment, but I would like to point out that Congress is a coequal branch of Government.

When we enact legislation, we intend that the legislation should be carried out by the executive branch in accordance with the law. The rescissions involved here relate to measures that were passed by the Congress, and, I believe, in all instances signed into law by the President of the United States.

So I would say that it is not appropriate, in my view, for the Executive to transmit a rescission proposal that only contains funds which have been enacted into law as a result of the initiative of the Congress. I do not subscribe to the theory that everything the Executive does is correct and right and defensible, and that everything the Congress does by way of providing additional sums or modifying sums is all wrong.

Mr. Chairman, I will not use further time at this point.

Mr. CEDERBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are here today on a question of whether or not we are going to go along on the Presidential request for rescissions.

If I recall correctly, in most instances, as we went to the voters last November, a very large percentage of the Members of this body on both sides of the aisle pledged to the voters that we would take every opportunity to come up with some kind of a balanced budget. That seemed to be the theme of the political oratory last November.

We are going to have an opportunity now to determine whether or not we really want to put into practice what we said then we ought to do.

Mr. Chairman, I do not have to remind the Members that the budget deficit as anticipated for the close of the fiscal year, on June 30, is going to be something in the area of $35 billion. As we look at the 1976 budget, the budget deficit appears to be in the area of $52 billion.

Those deficits are predicated upon this Congress taking certain actions that are recommended by the President, and if these actions are not taken, the result will be an increase in these deficits

Here we are today, looking at the rescissions which have been requested in the amount of $949,443,172. Our various subcommittees looked at all of these items and could only find $119,672,900 to rescind. I just do not believe that we have done the job that we should have, because I think there are more areas here where we could have gone along with the rescissions.

This means that we have failed to rescind $829,770,272. In other words, what we are saying is that we are going to increase substantially the proposed deficit in this fiscal year and in the coming fiscal year.

So, Mr. Chairman, we have a responsibility to take some further action.

I wish to call to the attention of the Members something that has been bothering me just a little bit. As we know, we passed the Budget and Control Act last year, and under the Budget and Control Act we put this provision in on rescissions and deferrals. That came about because of our concern about impoundments by the Executive, and I understand that.

But it seems to me that what we ought to do is take a good, hard look at some of the things that we have done and what we have required the Executive to do in the area, for instance, of rescissions of such items as $60,000 and $200,000.

Let me just read a few of them: It was $2 million for contributions to international organizations; $100,000 in international trade negotiations; $373,000 for the Social and Economic Statistics Administration; Office of the Secretary of the Treasury, $310,000; for Law Enforcement Training Center, $60,000.

These are small items that are not worth the bureaucratic paperwork that is necessary to even bring them up for a rescission.

What we ought to do, Mr. Chairman, is change that act so that the rescissions will have to be rather large and meaningful, because are placing an undue burden, in my opinion, on the various agencies downtown that are required to go through all of their agencies, present all this to us, and then we and all our subcommittees have to hold hearings on them. They ought to have some administrative leeway here on items like this so that they do not have to be burdened with this kind of work.

Let me give just one example. There is one deferral, I think it was a deferral of the rescission having to do with, I think, the Tiajuana project down in California. The reason that it had to be deferred or rescinded was because the City of San Diego just is not ready to go along with it. Why not let the agency just say, "OK. That is it." No, they have to present it under the law to us as a deferral or a rescission.

I think we have gotten ourselves into a lot more paperwork for, I think, no good purpose. As far as I am personally concerned, it seems to me that what we should do is go along with more rescissions than we have here. I recognize that there are some areas that are very sensitive, and certainly we ought to have been able to rescind a portion of them between now and the end of the fiscal year.

Let me just say this: Most of the agencies downtown were advised back in about November that they were going to be required to present a certain amount of rescissions from that particular agency. Those agencies presented their rescissions, and they have been spending at a rate consistent with the fact that the Congress would agree with the rescission. Now here we are, about the 1st of March, a few months left in the fiscal year, and we are going to say, "No. Between now and the end of the fiscal year, you spend it all, whether you can do it wisely or not." I think that is very, very poor administration.

Let me give just one other example. There is one in my own subcommittee. The Immigration and Naturalization Service sent up a rescission for $1,300,000, out of a $175 million budget.

No one can tell me that they cannot rescind $1,300,000 out of $175 million. But an agency always comes in and says, "OK. We are going to rescind. We are going to rescind this $1,300,000, but it will have a serious impact on our alien program, the finding of our aliens and getting them back."

We are all for that program, particularly those in southern California, and those areas recognize the merits of this program. But no. The agency comes in and says, "This is the one where, if you rescind that money, we are going to have to slow down that program of finding these aliens that are taking the jobs of Americans."

No one can tell me that that agency could not find that money, or at least a portion of that money, in some other area that is not as vital and one does not have as much concern to all.

These are some of the problems that we are faced with. I know that there are others who are going to speak on the subject and discuss them with us. We are going to have other rescissions that are going to come up. It is becoming very difficult to rescind anything or to try to bring any fiscal sanity to the problems that are confronting our Government.

Some of these things we could spend the money for, and it would be wisely spent, but it just seems to me in the light of the fiscal conditions we find our country in today that we ought to go further than we have in this particular bill.

Mr. FRENZEL. Mr. Chairman, I support the budget rescission bill, because it will decrease our expenses in this fiscal year by over $100 million. But, I object very strongly to it, because we are wasting the chance not to make more significant budget cuts.

As I understand it, this rescission bill approves only about 13 percent of the items considered by the committee for rescission. In turning down over $800 million worth of proposals and accepting only a little more than $100 million worth, the committee has demonstrated that Congress has not learned to control its spending appetite and has no intention of reducing it.

Those of us who have a great deal of concern over growing budget deficits can only conclude that Congress was kidding itself and its constituents when it passed the Budget Control Act. Our budgets are more out of control today than when we passed that act, and we ought to tell the people that we have no intention of paying for the things we want.

The projected deficit for the fiscal year ending in June, based on our unwillingness to make rescissions, and our enthusiasm to return tax money, may go as high as $50 billion. For the fiscal year beginning in June, the President's forecast of $50 billion seems likely to turn into an $80 billion deficit.

Nobody likes making cuts in good programs. Nevertheless, if everything is not cut slightly, we will continue to compound our deficits. But we have here some programs that can stand a cut. The F-111 appropriation, which was not even requested by the Defense Department, has got to be classed as pure waste. I will admit that we have already laid cuts pretty heavily on the Defense Department, since half of the rescissions in that bill come from that Department. Nevertheless, Defense is a prime candidate for reductions, and the F-111 should go. But each Department should make at least a token sacrifice.

Mr. Chairman, this Congress quite obviously intends to make other sizable, and as yet unbudgeted, appropriations. These will occur in the fields of emergency jobs, extended unemployment and other so-called recession fighters. Faced with those perhaps necessary, emergency expenses, we are showing the height of fiscal irresponsibility in not accepting the rescission package which was presented to the Congress.

When the Budget Control Act was passed, many Members of this Congress, including myself, stated that Congress now had the mechanism to begin controlling its expenses and setting its own priorities but that it might never have the backbone to do so. I think we have demonstrated today that the Congress has the capability but not the desire to be fiscally responsible. We have the way but not the will.

Mr. BADILLO. Mr. Chairman, I am pleased to rise in support of H.R. 3260, which nullifies a number of budget cuts proposed by President Ford. In particular, I am glad to note that the bill refuses to uphold a drastic rescission of section 235 housing funds, a large reduction in Hill-Burton programs, and a substantial cutback in the Commerce Department's Economic Development Administration's budget.

On several occasions in the past I have sharply disagreed with the budgetary priorities of the administration. Repeatedly I have stressed the need to reorder our spending priorities to assure that our pressing domestic needs are adequately met. In view of our current economic crisis, budgetary policies assume a heretofore unprecedented importance. Inflation is eroding the purchasing power of those with fixed incomes, plunging the Nation's senior citizens into deprivation; joblessness robs members of our workforce of wages and their families suffer. Food and energy-related costs have risen enormously, and the resultant transfer of income is contributing to the spiral of lower demand, production cutbacks, and loss of jobs. Now, more than ever, our budget policies must be designed to safeguard the weak and bring about a strong economic recovery. Yet, the administration continues to disregard ominous warning signals and persists in cutting funding for essential domestic programs. Congress clearly must take the initiative to right our topsy-turvy spending priorities.

The measure before us will help to reverse this trend. It nullifies a proposed $284,719,332 rescission of the Hill-Burton program, presently utilized for the erection and modernization of health centers and the construction of much-needed outpatient facilities. It also prevents a $264 million rescission of 235 housing funds, the homeownership program for the poor, as well as a $2 million reduction of EDA's technical assistance moneys, scheduled to aid distressed areas experiencing economic adjustment problems.

But while I applaud the work of the committee in keeping the above programs viable, I am unhappy with the cuts that were permitted to stand. The deferral of

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$50 million section 701 comprehensive planning grants will disrupt New York City's programs in education, economic development and health planning. It will also have an adverse effect on planning for environmental systems, social welfare, parks and recreation management, housing and capital programs. I cosponsored legislation disapproving this deferral and wish that it had received the committee's favorable consideration.

Also unfortunate is the over $7 million cutback in prison program funds. I am particularly unhappy about the loss of the $300,000 scheduled for community drug treatment projects. If savings had to be effected, they should have come out of our inflated defense budget, not our domestic assistance programs.

Mr. Chairman, I am daily receiving communications from constitutents who are dismayed, angered and upset by the budgetary policies of the administration and who call on Congress to take the initiative and safeguard the national welfare. I hope that Members of this body will rise to that challenge and take the necessary steps to assure realistic and equitable funding levels for our vital domestic programs.

Mr. BIAGGI. Mr. Chairman, I rise briefly to state my opposition to the President's request to rescind $1.3 million of the moneys appropriated for the Immigration and Naturalization Service fiscal year 1975 budget. I am pleased to note that the committee did not approve this request, and I hope my colleagues realizing the importance of the INS toward solving the illegal alien crisis will follow suit and vote down this request.

America is contending with a silent invasion of between 4 and 12 million illegal aliens who are posing a dangerous threat to the economic security of this Nation and her people. For example, 1 million of these illegal aliens are employed in jobs which are desperately sought by American workers.

The Immigration Service is the primary agency responsible for locating and deporting illegal aliens. Yet despite the severity of this crisis we find this administration directing its misguided budget slasher into the wrong victim. Already this year the INS has been forced to cut back on its apprehension operations due to lack of sufficient funding, and yet we find efforts to trim the budget still further.

I feel we should be increasing the INS budget and thus their ability to better deal with the illegal aliens problem. I have introduced legislation H.R. 257 which will provide the INS with 2,500 additional personnel to help them slow the influx of illegal aliens, as well as intensify their efforts at locating those living in the United States. For years the INS has fallen victim to underfunding and staffing yet they have still managed to increase both their apprehension and deportations, the latter increasing by 71 percent in the last 3 years.

The illegal alien problem is a grave one, one whose solution must be found quickly. Adequate INS funding will allow them to free the 1 million jobs held by illegal aliens and will allow them to return them to American workers. Adequate INS funding will allow them to deal with projections that the numbers of illegal aliens seeking entry into this Nation will double in the next 5 years. Adequate funding will show to the INS that we in Congress do consider them to be one of our most important law enforcement units.

Today's vote could be a step in the right direction in our battle against the illegal alien problem. We must recognize this problem, and intensify our efforts to achieve its effective control.

Mr. EVANS of Indiana. Mr. Chairman, I suppose that half a loaf is better than none, and for that reason, I support the budget rescission bill before us today.

I have read the report accompanying this bill carefully. I respect the committee's judgment that all but $119.6 million of the proposed $949.5 million rescission be restored. But there will be some skepticism as to whether we have done enough in this measure to reduce unnecessary Government expenditures. Without indepth oversight, it is my belief that skepticism is justified.

I note that only one subcommittee mentions the expense of official employee travel. In two instances where the proposed rescission included a reduction in such travel, the subcommittee approved the rescission. But yet in a third instance, where such travel restrictions were included as a reason for reduction in spending, the reduction was disapproved. I can tell this body that the thought of Government employees traipsing to conventions and meetings in various parts of the country depending on the season makes the taxpayers I represent absolutely irate.

The request for reduction in military maintenance funds was cut in half, despite the fact that the rationale for even this funding, which is to reduce the backlog of maintenance projects, could not even be supported by the identification of the exact amount of the backlog. In other words, we are mandating the expenditure of $60 million when we don't know whether the actual needs call for $10 million or $100 million.

Then, despite the fact that the Department of Defense does not seem to want the F–111 bomber, they will get it anyway. Because a miscalculation in costs was made in the beginning with the B–1 bomber, whose costs have about doubled since the original cost estimates of 1971, the taxpayer will be paying for both the very expensive B–1, and its back-up, the F–111. Wouldn't the wiser course be to make a determination now as to whether or not the B–1 will ultimately work out?

I do not have to remind anyone of voter dissatisfaction with the Federal Government, including the Congress. Whether or not we change this situation depends, to a large measure, on how responsibly we spend Federal tax dollars.

Mr. OBERSTAR. Mr. Chairman, during the vote on the final passage of H.R. 3260, rescinding certain budget authority recommended by the President, I will be at a meeting in the Senate wing of the Capitol to discuss industrial-monetary exchange between the United States and Sweden with the Swedish industrial delegation, led by His Royal Highness Prince Bertil of Sweden and hosted by Senator HUBERT H. HUMPHREY.

While I will be present to vote on amendments to this bill, because of this important meeting I will be unable to be present on the floor during the vote on final passage of H.R. 3260. Had I been present I would have voted "aye."

Mr. MILLER of Ohio. Mr. Chairman, this rescission bill being considered today contains approved rescissions of slightly less than $100 million. President Ford had submitted proposals totaling $930 million. I will support this bill since even $1 saved by a rescission is a step that is urgently needed. However, I feel very strongly that the Congress is not doing its job properly when only one-ninth of the proposed rescissions are approved.

The budget deficits for fiscal years 1975 and 1976 are projected, at a minimum, to reach a total of $87 billion. What the administration has proposed here in the way of rescissions is just a drop in the bucket when compared to the overall picture—and yet their request is still denied. Each of the subcommittees has heard testimony from the agencies and programs affected by the proposed rescissions to the effect that their operations will not be adversely affected by rescinding these funds. In spite of this testimony, less than 15 percent of the rescissions are being approved by this bill.

In some instances there has been criticism that these rescissions will not have the net effect of saving money, since reducing operating capabilities in one area will only increase the burden in another Government-supported area. This theory has proven to be highly speculatively, with no facts to back it up. Until such time as those supporting facts are presented, the presumption that the rescissions are indeed money-saving proposals should be adhered to.

At a time when every citizen is being asked to tighten his belt and reduce family expenditures, the Federal Government cannot be expected to do any less. However, by approving such a small proportion of these rescissions the Congress is not acting responsibly and is failing to do its share to reduce Federal spending.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rescissions of budget authority contained in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 20, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), are made pursuant to the Impoundment Control Act of 1974, namely:

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. MICHEL: Strike out all after the enacting clause, and insert in lieu thereof:

That the following rescissions of budget authority contained in the message of the President of November 26, 1974 (H. Doc. 93–398) as modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), are made pursuant to the Impoundment Control Act of 1974, namely:

CHAPTER I

DEPARTMENT OF AGRICULTURE

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

WATER BANK PROGRAM

Appropriations provided in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1973, 1974, and 1975 to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301–1311), are rescinded in the amount of $21,212,940.

CHAPTER II

DEPARTMENT OF DEFENSE—MILITARY

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $41,000,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, NAVY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $27,500,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, MARINE CORPS

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $5,000,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR FORCE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $40,000,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Appropriations provided only for the maintenance of real property facilities under this head in the Department of Defense Appropriation Act, 1975, in the amount of $100,000 for the Defense Mapping Agency, in the amount of $1,000,000 for the Defense Supply Agency, and in the amount of $800,000 for Intelligence and Communications activities; in all: $1,900,000, are rescinded.

OPERATION AND MAINTENANCE, ARMY RESERVE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $1,800,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, NAVY RESERVE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $1,100,000, to be derived from the sum provided only for maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $400,000, to be derived from the sum provided only for maintenance of real property facilities.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Appropriations provided under this head in the Department of of Defense Appropriation Act, 1975, are rescinded in the amount of $1,400,000, to be derived from the sum provided only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $500,000, to be derived from the sum provided only for maintenance of real property facilities.

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $5,700,000.

AIRCRAFT PROCUREMENT, AIR FORCE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $152,500,000.

CHAPTER III

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOMEOWNERSHIP ASSISTANCE

The limitation otherwise applicable to the total payments that may be required in any fiscal year by all contracts entered into under Sec. 235 of the National Housing Act, as amended (12 U.S.C 1715z), is hereby reduced by the uncommitted balances of authorizations heretofore provided for this purpose in appropriation acts.

CHAPTER IV

DEPARTMENT OF THE INTERIOR

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST PROTECTION AND UTILIZATION

Appropriations for the fiscal year 1975 for "Forest Protection and Utilization" for "Forest Land Management" are rescinded in the amount of $10,000,000.

Appropriations for the fiscal year 1975 for "Forest Protection and Utilization" for "State and Private Forestry Cooperation" are rescinded in the amount of $4,921,000.

CHAPTER V

DEPARTMENT OF STATE

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Appropriations provided under this head in the Department of State Appropriation Act, 1975, are rescinded in the amount of $2,000,000.

INTERNATIONAL TRADE NEGOTIATIONS

Appropriations provided under this head in the Department of State Appropriation Act, 1975, are rescinded in the amount of $100,000.

DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $5,300,000.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $1,300,000.

FEDERAL PRISON SYSTEM

BUREAU OF PRISONS

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $5,250,000.

BUILDINGS AND FACILITIES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $1,750,000.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

Appropriations provided under this head in the State, Justice, Commerce, Judiciary, and Related Agencies Appropriation Act, 1975, are rescinded in the amount of $2,400,000.

DEPARTMENT OF COMMERCE

SOCIAL AND ECONOMIC STATISTICS ADMINISTRATION

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $373,000.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $2,600,000.

TRADE ADJUSTMENT ASSISTANCE

FINANCIAL AND TECHNICAL ASSISTANCE

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1972, are rescinded in the amount of $12,000,000.

UNITED STATES TRAVEL SERVICE

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $250,000.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $3,227,000: *Provided*, That no part of the remaining sums shall be subject to the second proviso of said appropriation.

PATENT OFFICE

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975, are rescinded in the amount of $700,000.

CHAPTER VI

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $310,000.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $60,000.

BUREAU OF ACCOUNTS

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General

Government Appropriation Act, 1975, are rescinded in the amount of $630.000.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $3,000,000.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $530,000.

ACCOUNTS, COLLECTION, AND TAXPAYER SERVICE

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $9,230,000.

COMPLIANCE

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of $10,240,000.

EXECUTIVE OFFICE OF THE PRESIDENT

SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION

PHARMACOLOGICAL RESEARCH

Appropriations provided under this head in the Executive Office Appropriation Act, 1975, are rescinded in the amount of $2,760,000.

SPECIAL FUND

Appropriations provided under this head in the Executive Office Appropriation Act, 1975, are rescinded in the amount of $2,240,000.

INDEPENDENT AGENCIES

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

Limitations on Availability of Revenue

The amount made available under this head in the Treasury, Postal Service, and General Government Appropriations Act, 1975, is hereby reduced in the amount of $20,022,900, which reduction shall apply specifically to the limitation on alterations and major repairs.

Mr. MICHEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Chairman and members of the committee, there were total rescissions recommended to us in the amount of $949 million. As has been alluded to several times here, the various subcommittees have agreed in total to $119 million of rescissions. I propose by my amendment in the nature of a substitute to agree to all the rescissions that have been proposed except for the $284 million Hill-Burton funds which have been already released by the Department, and which the House of Representatives has already asserted itself and said it would not go along with this rescission.

We then find a total of $545 million in the balance of rescissions that are affected by my amendment in the nature of a substitute.

In the Department of Agriculture the water bank program, $21.2 million.

In the military:

Operation and maintenance for the Army, $20,500,000; Navy, $13,750,000; Marine Corps, $2.5 million; Air Force, $20 million.

Defense agencies, $950,000.

For the Army Reserve, $900,000; Navy Reserve, $550,000; Air Force Reserve, $200,000; Army National Guard, $700,000; Air National Guard, $250,000.

Aircraft procurement for the Army, $5.7 million; Aircraft procurement for the Air Force, $152.5 million.

In the Department of Housing and Urban Development there is $264 million.

Forest land management, $10 million.

State and private forestry cooperation, $4,921,000.

Immigration and Naturalization Service, $1.3 million.

Economic Development Administration, $2 million.

U.S. Customs Service, $3 million.

For the Internal Revenue Service: Salaries and expenses, $530,000; accounts, collection and taxpayer service, $9.230,000; compliance, $10,240,000.

That makes a total of requested rescissions on the part of the administration in the amount of $545,050,940, and which, by way of my amendment in the nature of a substitute, I would like to see an expression on the part of the House that we are willing to go along with these rescissions.

As the ranking minority member, the gentleman from Michigan (Mr. CEDERBERG), said, and as has been stated in the minority views, we just do not think that we have any alternative here but to go along as best we can and save another half billion dollars when given that opportunity. It certainly is not going to be all that tragic; when you look at the items where there is less than $1 million involved in some of the departments; I think we ought to go along with it.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

In the deliberations of the Committee on Appropriations when these rescissions were requested by the President, was there any evidence that these rescissions would in any way greatly hamper any of these programs or force any drastic cutbacks?

Mr. MICHEL. As the gentleman well knows, I only serve on two subcommittees and do not have that area of expertise. But when we had our full committee hearings, I was not all that impressed with the arguments that we had to turn down the rescissions in the amount that we did in these various categories which I have menioned. I just do not have that kind of fear, and obviously the administration does not either, or they would not have proposed them in the first place.

Mr. ROUSSELOT. Will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

In other words, as the gentleman from Michigan (Mr. CEDERBERG) indicated, when most of these agencies were questioned on these particular rescissions, they complained only slightly because they wanted "this additional money." But in most cases it was shown that the rescissions would in no way hamper these programs or cause a great depression?

Mr. MICHEL. I do not think so. There may be those who would argue to the contrary. Obviously there was some compelling reason for their having turned them down in their various subcommittees. I just do not happen to have that fear. There will be a difference of opinion, whether it is on that side of the aisle or on this side.

Mr. ROUSSELOT. If the gentleman will yield further, in other words, for those Members of the House who were here last year and voted for the Budget Control Act which said we want now to begin to control this budget, and for those people who do not want to contribute to this massive debt that we are going to have in this fiscal year—which we have been told will be anywhere from $35 billion——

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. CHARLES H. WILSON of California, and by unanimous consent, Mr. MICHEL was allowed to proceed for 3 additional minutes.)

Mr. MICHEL. I thank the gentleman.

Mr. ROUSSELOT. If the gentleman would yield further, the Chairman of the Federal Reserve Board, Mr. Burns, told our Committee on Banking and Currency last week that his estimates are that the deficit for this fiscal year is going to be far greater than $35 billion. As a matter of fact, he said it could go as high as $50 or $60 billion, the way this Congress is spending.

So, for all of my colleagues who said they were going to support a balanced budget and were going to try to trim in those areas where we could logically trim, this is the key vote: to support my colleague's amendment; is that correct?

Mr. MICHEL. I thank the gentleman.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I thank the gentleman for yielding.

I wonder if my friend, the gentleman from Illinois, will explain to me what his amendment will do insofar as the Department of Defense items are concerned. I am particularly concerned with the aircraft procurement for the Army and the aircraft procurement for the Air Force, the $5.7 million for the UH–1H helicopter and the money for the A–7 and the F–111.

Mr. MICHEL. I will say to the gentleman from California in that particular Army, the amounts that I have alluded area of aircraft procurement for the to are $5.7 million and for the aircraft procurement in the Air Force, $152½ million.

Mr. CHARLES H. WILSON of California. Is the gentleman rescinding that?

Mr. MICHEL. We are agreeing to the rescission in my amendment, yes.

Mr. CHARLES H. WILSON of California. The rescission?

Mr. MICHEL. Yes.

Mr. CHARLES H. WILSON of California. This is all rather technical, and I want to be sure we are talking about the same things. The gentleman is eliminating the money for the F–111 and the A–7?

Mr. MICHEL. Yes.

Mr. CHARLES H. WILSON of California. And the Bell helicopter under this amendment?

Mr. MICHEL. I am sure of the first two——

Mr. CHARLES H. WILSON of California. I did not hear the gentleman mention the $5.7 million. However, that is not as important.

Mr. MICHEL. Yes. The $5.7 million is also included.

Mr. CHARLES H. WILSON of California. I think this is an excellent amendment. I, for one, am proposing support for the amendment. I think that many other Democrats on this side who supported the Budget Control Act should do the same thing. I think the only responsible thing is to try and save. I have looked through here, and I cannot see any programs that are going to hurt job training or any of this type of thing that is important to my district.

I think this is a very responsible thing the gentleman is doing.

Mr. MICHEL. The gentleman makes a very valid contribution and I appreciate his support.

Mr. ARMSTRONG. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I commend the gentleman from Illinois for this amendment because it puts before the body squarely the issue of whether or not we are really serious about doing something about the skyrocketing deficit or only giving it lipservice.

As pointed out by the gentleman from California (Mr. ROUSSELOT) and others, many of us have gone to the people to say we want to do something about inflation and stopping the skyrocketing budget. Here is our chance. We can do it without crippling programs by taking the modest cuts proposed by the administration.

It seems to me if the President and the department heads can come to us and say that they can do with $950 million less, it is a sorry performance by the Congress if we accept only 13 percent of the proposed reductions.

I think we can and must do better than that. The amendment is right on target.

There is one additional issue. After the subcommittee refused to go along with the rescission for HEW, the Department went ahead and released those funds. I think they made a terrible mistake and I hope if anybody from the Department reads today's proceedings he will be on notice that some of us think the Department should have awaited final action by the Congress instead of caving in at the outset.

With these remarks I am pleased to support the amendment offered by the gentleman from Illinois and I hope others will do the same.

Mr. KEMP. Mr. Chairman, I rise in support of the Michel amendment and heartily endorse his comments.

The Committee on Appropriations considered 39 proposed rescissions of budget authority. Those proposed rescissions totaled nearly a billion dollars—$949,433,172. Of that amount, the committee has recommended the rescission of only $119,672,900—slightly more than 13 percent of the dollars under consideration. We must do better on behalf of the taxpayers of America.

The budget authority recommended not to be rescinded through this bill totals $829,760,272. In that Federal spending is already far in excess of anticipated revenues, these funds will have to be borrowed by the Federal Government, adding to the deficit for the year and to the national public debt and taking away funds needed for private borrowing by prospective home purchasers, businesses, industries, and so forth.

That these funds will have to be borrowed is beyond question. In this evening's edition of the Washington Star, there appears an article about the Government having to now borrow $38 billion just to match current expenses.

It says in part:

UNITED STATES MAY HAVE TO BORROW $38 BILLION TO PAY DEBTS

(By Lee M. Cohn)

The Treasury now believes it may have to borrow a net $38 billion—or $10 billion more than previously estimated—to finance the budget through the end of June.

The Ford administration is worried that the government may squeeze out private borrowers and raise interest rates—impeding the economy's recovery from recession—especially if Congress enlarges the budget deficit sharply.

This borrowing will have a number of effects—all detrimental to our efforts to revitalize the economy.

This Nation faces Federal deficits of at least $86.5 billion in this and the next fiscal years. An extensive analysis of February 3, made by our distinguished and able chairman of the Committee on Appropriations Mr. MAHON, a Member for whom I have the highest regard, shows that 2-year deficit could rise to as high as $166.6 billion.

Yet, the size of Federal spending—as evidenced by the lack of action on the administration's proposed rescissions continues to mount.

That deficit spending is fueling inflation and strangling our ability to recover from this recession.

It is robbing our capital markets of the ability to create jobs.

It is undercutting our ability to restore private funds for the critically sagging construction industry, especially housing construction.

It is pushing up the rates of interest my constituents and others must pay on loans.

It is destroying the capacity of the average American family to make ends meet and to plan for the future.

And, it is jeopardizing our Nation's leadership in international affairs.

As we said in our minority views accompanying the committee's report, the Congress could have done much better on this bill than rescinding only 13 percent.

I believe the Congress can and must prove its fiscal record. It should start that process immediately.

This afternoon, we have that opportunity, through this amendment to restore over a half billion of the rescissions proposed by the administration.

If every Member views this bill and this process from solely a parochial interest—how it affects a congressional district or a favorite program—we will rescind very little either today or in the months to come. I know there are items in here in which I have an interest and which I favor. But that is not the point.

Today, we must decide whether the Congressional Budget Act is to have a real meaning, or whether it is to be no more than a sham.

Is the Congress going to continue to tax and spend and tax some more, putting heavier and heavier burdens on the taxpayers, especially through the inflation which is a direct result of excessive Federal deficit spending and which will rob them of their purchasing power no matter how many tax rebates are enacted?

Or, is the Congress going to exercise the authority given to it by the Budget Act, approving the rescissions recommended by those certainly in a position to know how much is not needed, and helping remove some of the burdens from the backs of the people who have to foot the bills incurred by congressionally approved Federal spending? At last notice, taxes had risen 25 percent in the last year, higher than any other segment of the rise in the cost of living.

Mr. Chairman, I urge adoption of the amendment to save more than a half billion dollars.

Mr. BURGENER. Mr. Chairman, will the gentleman yield ?

Mr. KEMP. Mr. Chairman, I yield to the gentleman from California (Mr. BURGENER).

Mr. BURGENER. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Michigan (Mr. CEDERBERG) and the gentleman from Ilinois (Mr. MICHEL) and the gentleman from California (Mr. ROUSSELOT) and the gentleman from California (Mr. CHARLES H. WILSON) and the gentleman from Colorado (Mr. ARMSTRONG) and the gentleman from New York (Mr. KEMP).

I think now is the time when we must decide whether or not we can have it both ways. I think we cannot. I think the amendment offered by the gentleman is reasonable and I intend to support it.

Mr. Chairman, I thank the gentleman for yielding.

Mr. KEMP. Mr. Chairman, I appreciate the remarks made by the gentleman from California.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, I too, would like to associate myself with the

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comments which have been made here. I rise in support of the amendment and I associate myself particularly with the remarks made by the gentleman from New York (Mr. KEMP).

It seems to me this is the first test of the Budget Reform Act. What does it really mean? Does it mean what it said last year, that we are going to strive for a balanced budget, particularly on low priority items?

As my colleague, the gentleman from California (Mr. CHARLES H. WILSON) said, there is nothing in here about manpower, nothing about putting people back to work. We are going to take up the tax cut this week or next week. That is going to accelerate and enlarge the deficit.

It seems to me it is time to economize and cut where we can and this is the time to do it.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know it is a very hectic thing to get up and beat our breasts and talk in favor of economy and all that sort of thing; but I think at the same time we can and should be a little responsible and take a good look at what we are faced with here.

These recommendations of the Appropriations Committee were not arrived at blindly. On the part of this bill of which I have the chairmanship, we very carefully considered every item.

Whenever we say that we think we ought to make rescissions for the Internal Revenue Service and the U.S. Customs Service, that might be fine and dandy if it did not have any serious impact. But here we are talking about how much indebtedness we are faced with and yet there are some who want to cripple the very few agencies that bring in the funds to pay the bills, when they are hard pressed with the workload they already have. Every time the Congress turns around they talk about new acts that will place heavier burdens on these agencies for this fiscal year.

Next Monday, the subcommittee that I chair will start hearings on supplemental requests for these very same agencies by the Office of Management and Budget that recommended these rescissions. What good is it if on their recommendation everything that is recommended they turn down, and after they have recommended it and we have approved it and the need is established for it and now they want to rescind it? Before we get around to finish that part of the work, here is a recommendation from the same OMB experts to put it back in again.

I think this is a charade that should be taken care of today. I hope my colleagues will take a responsible course and support this bill and defeat this amendment.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the long list of accounts that the gentleman from Illinois (Mr. MICHEL) read, he referred to an item in the Department of Housing and Urban Development, $264 million in contract authority under the section 235 homeownership program. Originally the administration sent a deferral message to the Congress on this item. I want to emphasize this to the members sitting in the committee at the present time. It was sent up as a deferral message, so clearly the administration did not intend that that program would be rescinded.

The reason the subcommittee took action insofar as a rescission is concerned is because the Comptroller General sent an opinion to the Congress concluding that the recommendation of the President was a de facto rescission. That is the reason the committee considered it to be a rescission and recommended no action.

The reason why the Comptroller General indicated it was a de facto rescission was that the Housing and Community Development Act of 1974 terminates the unused contract authority as of August 22, 1975, and this would not give the Department time to actually obligate the $264 million in contract authority that is available under this program. Consequently, the Comptroller General reclassified it as a de facto rescission and under the rules we had to consider it as a rescission.

In my judgment, it is a program which we are better off with as a deferral. I think it is a program that ought to be held in abeyance until it is clearly determined whether or not it is an activity which ought to be continued, particularly under the economic conditions of the housing industry today. As a matter of fact, the $264 million contract authority would probably build about 215,000 units throughout the United States.

So, within the amount of $550 million that the gentleman from Illinois proposes for rescission, $264 million is in contract authority for homeownership assistance under the 235 program. So, the Members here can make their own judgment as to whether he or she believes that this program ought to be killed.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, is it not true, however, that the Banking and Currency Committee last year, because it felt that there had been so many failures in the 235 program, agreed to phase it out just for that reason? As the gentleman himself said, there is great doubt as to whether the program should be continued, especially because it is not producing housing for low-income people.

Therefore, I wonder why my good colleague from Massachusetts is so insistent in eliminating dollars for this program that has proven to be such a failure. It is not providing housing for low-income people.

Mr. BOLAND. Mr. Chairman, there could be an argument made on either side with reference to whether or not it is providing housing for low-income people. It is the judgment of the committee that it has provided housing for low- to moderate-income people. Reservations for more than 487,000 housing units have been made. Today more than 438,000 housing units have been insured under the 235 program.

There have been some problems with it, as the gentleman so well knows from serving on the Banking and Currency Committee. We have not had much experience to date on what the default rate might be in this area. This program is only about 5 or 6 years old. However, the fact of the matter is that we have built hundreds of thousands of units under the program, and it has been a successful program in many areas.

The subcommittee which I chair has investigated and monitored the administration of this program. There have been some serious problems which we have pointed out. The investigative staff on the Appropriations Committee pointed them out as early as 1971 before any of the scandals occurred. The fact that cannot be denied, however, is that the section 235 program has worked well in many areas and has provided substantial housing to a great number of people in the low- to moderate-income areas.

My argument is that because of the seriousness of the depression in the housing industry, where housing starts declined to 1,352,000 in 1974, and dropped to a seasonally adjusted annual rate of only 874,000 starts in December, this is an area in which the administration could very well make use of this program. It is a program that could be resurrected, and the faults the committee has been concerned about might very well be corrected if the program is continued.

AMENDMENT OFFERED BY MR. CONTE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MICHEL

Mr. CONTE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. CONTE to the amendment in the nature of a substitute offered by Mr. MICHEL: On page 4 of the amendment offered by Mr. MICHEL, strike lines 10 through 18 (all of chapter III).

Mr. CONTE. Mr. Chairman, I certainly am not going to take my 5 minutes. In fact, I should not take any time at all, because my colleague from the Second District of Massachusetts proved my case.

There is a need for stimulation in our housing market today. There have been all kinds of plans here in the Congress, like giving interest exemptions to the holders of savings accounts. There have been all types of projects proposed here to try to stimulate the housing market, which is very badly depressed at the present time.

As the gentleman from Massachusetts has said, this could provide 150,000 housing units and housing starts, which would be a great stimulus to the economy. I agree with the gentleman from California in his remarks. I read the hearings conducted by the gentleman from Massachusetts, and there have been some very serious abuses in this program.

I think as a result of the investigation held by the staff of the committee of the gentleman from Massachusetts that these abuses have been corrected. This will provide somewhat of a transfusion to the housing market. I agree with the gentleman from Illinois. I do not feel the committee has gone far enough with rescissions, but I feel in this case that this is a worthwhile program and we ought to retain it.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Mr. Chairman, I yield to my good friend from Massachusetts.

Mr. BOLAND. Mr. Chairman, I support the amendment offered by the gentleman from Massachusetts. As I indicated, this recommendation came up as a deferral. As all of the Members realize, under the Congressional Budget and Impoundment Control Act of 1974, a deferral is used when some possible future of the money is intended. So the administration apparently gave some consideration to the thought that, perhaps, this is a program that might very well be carried on if the housing industry suffered any greater depression.

Mr. Chairman, I think no one could stand here and argue that the housing industry is in very good shape. With new housing starts down to a seasonally adjusted annual rate of only 874,000 starts in December, all of us recognize the fact that this is a disastrous situation for the industry. It is a terribly important factor in the economic health of the United States. It would seem to me that the wise course here would be to adopt the amendment of the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I think the gentleman from Massachusetts makes an excellent point. This is contract authority, and if the administration does not want to avail itself to the contract authority, it does not have to.

I urge my colleagues to vote for the amendment.

Mr. STRATTON. Mr. Chairman, I move to strike the last word. I rise in opposition to the amendment in the nature of a substitute offered by the gentleman from Illinois primarily because of what it does in the field of Defense Department aircraft.

This amendment is well motivated. The idea is to save money, the idea is to help balance the budget. But I am not sure that many Members realize that by striking out funds for the F–111 aircraft we would actually be creating a situation in which the Department of Defense, either this year or next year, will be committed to spending far more for bomber airplanes than it would have to do if the FB–111 aircraft is continued as a possible alternative to the B–1.

What is important about the F–111 aircraft, which is included in this rescission, is an alternate plane to the costly B–1 bomber, which the Air Force and the Pentagon have been trying to sell to the Congress and trying to sell to the American people and trying to sell to the House Armed Services Committee for a long, long time.

The message today, if Members had an opportunity to sit in on the open hearings of the House Armed Services Committee under the chairmanship of our distinguished colleague from Illinois (Mr. PRICE), is that the Armed Services Committee itself now has very grave doubts about the feasibility of the B–1 as the new bomber in our triad in the nuclear deterrent field. The cost of the B–1 is now up to $84 million a copy and may well run to $100 million a copy.

The Air Force wants 249 of them, and that means that the entire program will cost $25 billion for a single weapons system. And we are going to be committed to that plane and to that costly program, regardless of what happens unless some alternative to the B–1 continues to be available.

That alternative is known as the FB–111, the FB–111H, to be exact. But to have that alternative available, and to have it available at about one-third or one-quarter of the cost of the B–1, we must keep the current F–111 production line open for 1 additional year.

That is precisely what the Committee on Armed Services agreed to last year. It is also what the Committee on Appropriations agreed to. Unfortunately, this is what the President has requested be rescinded.

So, in sum, if we really believe in economy, then it makes sense to keep this cheap alternative aircraft available until we have to make the final production decision on a new bomber, which will probably not be until next year.

But if we go along with this rescission and kill the FB–111, we will have no alternative at all when the time comes, and we will be forced to vote for a $100 million bomber; and I do not think that makes any sense.

Mr. MICHEL. Mr. Chairman, I rise in opposition to the Conte amendment.

Mr. Chairman, the amount of money involved here is $264 million in contract authority for the Department of Housing. That makes up more than half of the total of my amendment.

I am disturbed about that, naturally, but more so because frankly, when one talks to people in private, they tell us that that $264 million is not going to be spent anyway. There was testimony before the liberal-dominated Committee on Banking and Currency that there is 40 percent fraud in that 235 program. That is why they are phasing it out. That is why there is not going to be a program.

Therefore, why ante up the money? We have a good opportunity here to make amends all the way around, and I have to speak out in opposition to the amendment because of the chance here to save ourselves an additional $545 million, which would be done with my substitute.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE) to the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. MICHEL).

The amendment to the amendment in the nature of a substitute was rejected.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. MICHEL).

The question was taken; and the chairman being in doubt, the committee divided, and there were—ayes 35, noes 35.

RECORDED VOTE

Mr. MICHEL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 127, noes 268, not voting 37, as follows:

[Roll No. 25]

AYES—127

Anderson, Calif.	Gibbons	Mosher
Anderson, Ill.	Goldwater	Mottl
Archer	Goodling	Myers, Ind.
Armstrong	Gradison	Myers, Pa.
Ashbrook	Grassley	O'Brien
Bafalis	Guyer	Pressler
Bauman	Hagedorn	Pritchard
Beard, Tenn.	Hammer-schmidt	Quie
Bennett	Hansen	Quillen
Biester	Harsha	Regula
Blanchard	Hastings	Rhodes
Brown, Ohio	Hechler, W. Va.	Robinson
Broyhill	Heckler, Mass.	Rogers
Burgener	Heinz	Rousselot
Butler	Hillis	Runnels
Byron	Hinshaw	Ruppe
Carter	Hutchinson	Schneebeli
Cederberg	Hyde	Schulze
Clancy	Jarman	Sebelius
Clausen, Don H.	Jeffords	Sharp
Clawson, Del	Johnson, Colo.	Shriver
Cleveland	Johnson, Pa.	Shuster
Cochran	Kasten	Simon
Cohen	Kemp	Skubitz
Collins, Tex.	Ketchum	Smith, Nebr.
Conable	Kindness	Snyder
Conlan	Krueger	Spence
Conte	Lagomarsino	Steelman
Coughlin	Landrum	Steiger, Ariz.
Crane	Latta	Steiger, Wis.
Derwinski	Lent	Stuckey
Devine	Lujan	Symms
Duncan, Tenn.	McClory	Talcott
du Pont	McCollister	Thone
Edgar	McDade	Treen
Edwards, Ala.	McDonald	Vander Jagt
Emery	Madigan	Wampler
Erlenborn	Martin	Wiggins
Fithian	Mathis	Wilson, Charles H., Calif.
Forsythe	Mazzoli	Winn
Frenzel	Michel	Wydler
Frey	Miller, Ohio	Wylie
	Moore	

NOES—268

Abdnor	Daniels, Dominick V.	Harrington
Adams	Danielson	Harris
Addabbo	Davis	Hawkins
Alexander	de la Garza	Hayes, Ind.
Ambro	Delaney	Hays, Ohio
Andrews, N.C.	Dellums	Hébert
Andrews, N. Dak.	Dent	Hefner
Ashley	Derrick	Helstoski
Aspin	Dickinson	Henderson
AuCoin	Diggs	Hicks
Badillo	Dingell	Hightower
Baldus	Dodd	Holland
Baucus	Downey	Holt
Bedell	Downing	Holtzman
Bergland	Drinan	Horton
Bevill	Duncan, Oreg.	Howe
Biaggi	Early	Hubbard
Bingham	Eckhardt	Hughes
Blouin	Edwards, Calif.	Hungate
Boggs	Eilberg	Jacobs
Boland	English	Jenrette
Bolling	Esch	Johnson, Calif.
Bonker	Evans, Colo.	Jones, Ala.
Bowen	Evans, Ind.	Jones, N.C.
Brademas	Evins, Tenn.	Jones, Okla.
Breaux	Fascell	Jones, Tenn.
Breckinridge	Fish	Jordan
Brinkley	Fisher	Karth
Brodhead	Flood	Kastenmeier
Brown, Calif.	Florio	Kazen
Buchanan	Flowers	Keys
Burke, Calif.	Foley	Koch
Burke, Mass.	Ford, Mich.	Krebs
Burlison, Mo.	Ford, Tenn.	LaFalce
Burton, John	Fulton	Leggett
Burton, Phillip	Fuqua	Lehman
Carney	Gaydos	Levitas
Carr	Gialmo	Litton
Casey	Gilman	Lloyd, Calif.
Chisholm	Ginn	Lloyd, Tenn.
Clay	Gonzalez	Long, La.
Conyers	Green	Long, Md.
Corman	Gude	Lott
Cornell	Haley	McCormack
Cotter	Hall	McFall
D'Amours	Hamilton	McHugh
Daniel, Dan	Hanley	McKay
Daniel, Robert W., Jr.	Hannaford	McKinney
	Harkin	Macdonald
		Maguire

Mahon	Pickle	Stanton,
Mann	Pike	James V.
Matsunaga	Poage	Stark
Meeds	Preyer	Steed
Melcher	Price	Stephens
Meyner	Railsback	Stokes
Mezvinsky	Randall	Stratton
Mikva	Rangel	Studds
Milford	Rees	Sullivan
Miller, Calif.	Reuss	Symington
Mineta	Richmond	Taylor, N.C.
Mink	Riegle	Teague
Mitchell, Md.	Rinaldo	Thompson
Mitchell, N.Y.	Risenhoover	Thornton
Moakley	Roberts	Traxler
Moffett	Rodino	Tsongas
Mollohan	Roe	Udall
Montgomery	Roncallo	Ullman
Moorhead, Pa.	Rooney	Van Deerlin
Morgan	Rose	Vander Veen
Moss	Rosenthal	Vanik
Murphy, N.Y.	Roush	Vigorito
Natcher	Roybal	Waggonner
Neal	Russo	Weaver
Nedzi	Ryan	Whalen
Nichols	Santini	White
Nix	Sarasin	Whitehurst
Nolan	Sarbanes	Whitten
Nowak	Satterfield	Wilson, Bob
Oberstar	Scheuer	Wilson,
Obey	Schroeder	Charles, Tex.
O'Hara	Seiberling	Wirth
O'Neill	Shipley	Wolff
Ottinger	Sikes	Wright
Passman	Sisk	Yates
Patman	Slack	Yatron
Patten	Smith, Iowa	Young, Alaska
Patterson, Calif.	Solarz	Young, Ga.
Pattison, N.Y.	Spellman	Young, Tex.
Pepper	Stanton,	Zablocki
Perkins	J. William	Zeferetti
Peyser		

NOT VOTING—37

Abzug	Fenwick	Minish
Annunzio	Findley	Moorhead,
Barrett	Flynt	Calif.
Beard, R.I.	Fountain	Murphy, Ill.
Bell	Fraser	Murtha
Brooks	Howard	Rostenkowski
Broomfield	Ichord	St Germain
Brown, Mich.	Kelly	Staggers
Burke, Fla.	McCloskey	Taylor, Mo.
Burleson, Tex.	McEwen	Walsh
Chappell	Madden	Waxman
Collins, Ill.	Metcalfe	Young, Fla.
Eshleman	Mills	

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $250,000, to be derived from the sum provided only for maintenance of real property facilities.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 4, following line 10, insert the following:

AIRCRAFT PROCUREMENT, AIR FORCE

Appropriations provided under this head in the Department of Defense Appropriations Act, 1975, are rescinded in the amount of $122,900,000, to be derived from the sum provided for the procurement of 12 F-111F fighter bomber aircraft.

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, I rise in support of my amendment to rescind $122.9 million from funds appropriated for the procurement of 12 F-111F aircraft for the Air Force.

Mr. Chairman, this rescission bill represents, for this Congress, the first major test of the promose of fiscal responsibility given to the people of this country when we passed the Congressional Budget and Impoundment Control Act of 1974. I fear that this bill fails that test, but my amendment is one step which might help it achieve a passing grade.

In the committee bill, we are being asked once again to endorse additional procurement of F-111F fighter-bomber aircraft, despite the repeated protestations of the Air Force and the Defense Department that current force levels are sufficient.

The Air Force currently has 66 of these aircraft, a number which it considers sufficient to provide a strategic force mix which is capable of deterring any possible attack.

The Air Force and the Defense Department have not requested an increase in their F-111F force for the past 4 years. In those years, however, the Congress has added funds to the Defense appropriations bill to cover limited production of the F-111F, largely at the insistence of some members of the committee.

Those who favor additional procurement of the F-111F cite the fact that no firm decision has been made on the B-1 bomber. They say that until we know what kind of strategic force we are going to work toward, we should keep the F-111F production lines warm.

Certainly the question of the B-1 is still a matter of controversy, but it is one which is not particularly relevant to the point under discussion here.

In the debate on the Defense appropriations bill last August 6, the gentleman from Iowa (Mr. GROSS) correctly pointed out that "the F-111 is not the B-1 and never could be the B-1." And the distinguished chairman of the Appropriations Committee (Mr. MAHON) agreed with him.

I think that the important point which ought to be the focus of our debate here is that further production of the F-111F is simply not necessary. The Defense Department does not want any more of them, the Air Force does not want any more of them, and the administration does not want any more of them.

On more occasions than I can recall, this Congress has been accused of being a rubberstamp for the Defense Department and its requests. Yet here we are, giving the Defense Department more than it has asked for.

Mr. Chairman, you know that I would never offer an amendment of this sort if I thought that it would have a detrimental effect upon our national defense effort. I am a firm believer in necessary defense expenditures.

All I am doing with my amendment is cutting $122.9 million of waste and fat from the Defense budget, money which the Air Force itself has said is unnecessary.

Mr. Chairman, you know that I sometimes hesitate to accept the word of the Pentagon when they tell us how much money they need. I have found that too many times they tend to overstate their case, and ask for more than they actually need. Given this tendency among those who prepare the budgets for the Pentagon, I am inclined to believe, and I think my colleagues will agree, that if the Pentagon says it does not need any more of a particular plane, they really do not.

Mr. Chairman, I am sure that I do not have to remind you and my colleagues of the inflationary impact which these wasteful military expenditures have on our economy. Defense spending is extremely inefficient relative to other types of Government spending in creating jobs. And by not producing things which consumers can buy, military spending of this sort leads to the classic "too much money chasing too few goods" type of demand-pull inflation.

This is the first opportunity which the 94th Congress has had to come down four-square against wasteful spending. It could set the tone for the year to come in dealing with our economic crisis. It should be clear to all that we cannot solve our problems by appropriating unnecessary funds; that will only make the problems which we do face worse.

Mr. Chairman, I believe that we can demonstrate our fiscal responsibility by voting for my amendment. These planes are unnecessary, they cost about $20 million each to produce, and further production will not increase our national security one iota.

Over the past 4 years nearly $550 million has been appropriated for the procurement of this plane, a plane which the Air Force does not want. Mr. Chairman, the time has come to end this madness.

I urge my colleagues to support this amendment.

SUBSTITUTE AMENDMENT OFFERED BY MR. CHARLES H. WILSON, OF CALIFORNIA, FOR THE AMENDMENT OFFERED BY MR. CONTE

Mr. CHARLES H. WILSON of California. Mr. Chairman, I offer a substitute amendment for the amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. CHARLES H. WILSON, of California, for the amendment offered by Mr. CONTE: Page 4, after line 10, insert the following:

AIRCRAFT PROCUREMENT, ARMY

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $5,700,000.

AIRCRAFT PROCUREMENT, AIR FORCE

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of $152,500,000 (of which $122,900,000 is to be derived from the sum provided for the F-111F contract and $29,600,000 is to be derived from the sum provided for the A-7D contract).

Mr. CHARLES H. WILSON of California. Mr. Chairman, I rise to offer an amendment to rescind budget authority from aircraft procurement for the Army—$5.7 million for the UH-1H helicopter, and aircraft procurement for the Air Force of $152,500,000 of which $122,900,000 from the F-111F contract and $29,600,000 from the A-7D contract.

I respectfully disagree with the distinguished chairman of the Appropriations Committee, Congressman MAHON, in his committee decision not to go along with the President's recommendation that this program is no longer needed and as such be a rescission under the Budget Control Act. Instead, the committee is asking today that its obligational authority as evidenced in Public Law 93-347, the Defense Appropriations Act for this current fiscal year, be continued.

I strongly feel my amendment should be supported and included in the final rescission bill for the following reasons. First and foremost, and I quote from page 28 of President Ford's message of January 30, 1975:

These items were not requested by the Air Force, not included in the President's 1975 budget, and are considered marginal in light of present and projected aircraft inventory.

I urge my colleagues to seriously reflect on that statement. The Appropriations Committee is asking today that we continue a program that both the Department of the Air Force and Army and the President have stated in unnecessary. Thus, the continuance of this program cannot be justified on grounds of national defense and security.

What then, you may ask, are the reasons this program is being continued?

I would submit that naturally the Texas delegation wants to see defense contracts continued to be performed in Texas in light of the fact that the companies that build the F-111, General Dynamics, and the Bell Co., which produces the UH helicopter are both located in Texas.

However much I recognize the need for jobs in our aerospace industries, I cannot myself, nor should any other Congressman, vote for the continuation of this project or any project purely as a public works program. The key question should be whether it is essential to our Nation's defense. As I stated earlier, it is not. It is worth mentioning that the unemployment rate in the Dallas-Fort Worth area is approximately 3½ percent—far below the current national average. Unemployment figures in the Los Angeles-Long Beach area are 7.9 percent.

Nor do I feel a program should be continued because of the high "sunk" costs already in them or the expense to terminate them. If we follow this reasoning, all we would have left in defense arsenal is bloopers.

The committee states that if the rescission on the F-111 is approved, "approximately $80 million for the most part will have been wasted." Yet, if the total $205.5 million as appropriated is spent this fiscal year, it is not possible that we may find next year that the plane is not meeting our needs, and that over $200 million would have been spent? I suppose next year we will hear that the F-111 should be continued because over $200 million of "sunk" costs are in it.

It is time to admit that the F-111 aircraft has just not performed as its company stated it would. The dismal record in Vietnam and the cost overruns of the F-111 are well known and documented.

Aside from the fact the F-111's, the A-7's and the UH helicopters are not needed for defense is the need for the Congress to curtail unnecessary spending in this period of recession and rapid inflation. The time has finally come to critically assess each program—whether defense or foreign aid—to ascertain whether it is performing.

Mr. Chairman, for the reasons stated above, I urge my colleagues not to continue funding for the nonessential F-111's, A-7's, and UH helicopters and to vote for my amendment to include them in the rescission bill being considered today.

Mr. STRATTON. Mr. Chairman, I rise in opposition to the amendment offered as a substitute for the amendment offered by Mr. CONTE.

Mr. Chairman, this amendment is like the cat with nine lives. We shot it down a moment ago, and now it is up here again. In fact we have had it before us on a number of occasions, and it seems that all kinds of efforts are being again made to confuse the issue, and hope that an overall desire for economy in defense spending will prevail.

But if we are really interested in economy in defense, as I said a moment ago when we were discussing the Michel amendment, this is not the way to go.

Instead the Conte amendment is the way to get ourselves committed to spending a lot more money. This amendment offered by the gentleman from Massachusetts (Mr. CONTE), with the few embellishments added by the gentleman from California (Mr. CHARLES H. WILSON), is designed to eliminate the F-111 aircraft.

But if we eliminate the F-111 aircraft, we either commit ourselves to a B-1 bomber at $100 million a copy, or else we will have to eliminate the Strategic Air Command and go out of business as far as strategic bombers are concerned.

Mr. Chairman, let us make no mistake about it, the gentleman from California has taken literally remarks of the Air Force that were really offered in jest, just tongue in cheek. Why the B-52 is not even being produced. It is obsolete; it is out of date. They could not even resurrect it. To suggest seriously that we would want the B-52 as our bomber of the future is ridiculous and absurd and incredible and the Air Force knows it. Either we have an alternative to the B-1 or else we are committed to it irrevocably. Or, of course, we can just put an end to the Strategic Air Command. That is the basic issue. It is as simple as that.

Of course the Air Force does not want the F-111. Of course the Air Force did not come in and ask for any more F-111's. Why? Because the big bomber boys have gotten themselves tied up, not only emotionally but scientifically, with the idea of a big bomber. The B-1 is their dream bomber, and they are going to get it come hell or high water, even if it costs $100 million a copy. And they regard the FB-111 as a grave threat to the future of the B-1.

Some Members may not have been in the Chamber when I made some earlier remarks on this same subject. But the Air Force wants 249 of these B-1's, and that makes a total of $24.9 billion for just one weapons system.

Well, the Committee on Armed Services of the House, the Committee on Armed Services of the Senate, the Committee on Appropriations of the House, and the Committee on Appropriations of the Senate, all of them for the last 2 years have said, "No, we do not want to be locked into that kind of an expenditure. We want some viable alternative to the B-1."

That viable alternative is the FB-111, which is virtually the same as the F-111. In fact, today we have a stretch version of the FB-111. It is the FB-111H—and it will do almost everything that the B-1 can do but it will cost only about one-third or one-quarter of the cost of the B-1. But the only way we can have that alternative in 1976 and have it economically, is to keep this F-111 production line open for another year. That is what this $129 million is designed to do, and that is all. It is good, sound insurance for the future.

So if we want to avoid having to vote for an aircraft that is now listed at $84 million a copy, but may well go to over $100 million a copy, and if we share some of the doubts that Armed Services Committee members have been raising in the course of our hearings over the last week, then for heaven's sakes let us keep this production line open, because thereby we could save the American people millions and millions of dollars without degrading our defenses at all.

As a matter of fact this vote represents an opportunity for Congress to have some say in what happens with our defense. We do not have to be a rubber stamp for the Pentagon; we do not have to have a knee-jerk reaction to whatever the "big bomber" generals want.

Congress told the Navy a long time ago to build a fleet of Polaris submarines. And at first we had to drag them, kicking and screaming, into accepting the idea of the Polaris submarine. We can be mighty glad today that Congress took the lead, made the decision, and today we have that Polaris submarine fleet.

Mr. Chairman, we can and should do exactly the same thing here. Let us turn down the Conte amendment and keep this line open.

Mr. EDWARDS of Alabama. Mr. Chairman, I rise in opposition to the amendment and the substitute.

Mr. Chairman, I think it is important for us to reflect on the rescission bill that is before us.

There is only $120 million in there that the committee has approved, and $60 million of that $120 million comes out of the Defense budget. I do not think that that ought to be overlooked.

The Defense Subcommittee has faced up more squarely to the rescission process than any other subcommittee of the Committee on Appropriations.

As far as the F-111 is concerned, I am not going to throw the B-1 at the Members. I am going to talk purely from the standpoint of economics.

If we are going to attack the F-111, we should have done it last year. It should have been knocked out last year.

Here we are in March, virtually in March of 1975, with obligations in the amount of $72 million. If we cut this out right now, rather than ending up with 12 planes, we are going to end up with a bunch of wings and tails and wheels and spare parts and nothing else. It is penny-wise and pound-foolish at this time to try to scrub that operation for these 12 planes.

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The same is more or less true with the Huey helicopter. If we stop now, we end up with nothing but spare parts.

As to the A-7D, if we stop now, we end up with nothing but spare parts. There is a crying need in the Air National Guard to make use of the A-7D.

I want to point out to the Members, and I think this is important, the F-111 has been a controversial plane, and it is true that the military has not been asking for it. We faced up to that, in a way, in our committee at the beginning of the year.

In the conference report for the 93d Congress on the Defense bill, there is this quote, and I would like to read it. It is on page 22 of the conference report:

The conferees agreed to the appropriation of $205,500,000 for 12 F-111's aircraft, as proposed by the House, and the deletion of the $15 million proposed by the House for advanced procurement. The conferees do not intend to provide any further funds for this program unless it is sufficiently justified by the Congressional committee.

What that means now is that we are in the process of an orderly termination of the F-111 contract. We are in the process of an orderly phase-down, under the conference report, of that line. When these 12 planes are completed, there will not be any more planes unless the administration comes over here and makes a case for building more of those planes.

Therefore, Mr. Chairman, I think it behooves this House—at this time—not last Novmeber or last October or last September—at this time it behooves this House to continue those operations and see this through. If we made a mistake a year ago, so be it. This is not the time, now, to terminate those contracts.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. Surely, I yield to the gentleman from New York.

Mr. ADDABBO. Is it not a fact that if we terminate the contract right now, it would cost over $100 million to terminate the contract and we would get absolutely nothing for it?

Mr. EDWARDS of Alabama. The gentleman is correct. We have already obligated $72.2 million on the F-111. Termination costs estimates are $10.4 million. Assuming we can hold the line on all of that, we would end up spending $82.6 million and have nothing to show for it, just for the F-111.

Mr. ADDABBO. We would get the 12 planes for this money and in the meanwhile, would it give us a chance to make a final determination on the B-1 or F-111?

Mr. EDWARDS of Alabama. The gentleman is correct, but I wish to make the point agan that I do not hold the B-1 hostage in any way in my argument.

I say that we ought to see this through because of what we have already done, and then end it. Whatever happens to the B-1, as far as I am concerned, has no bearing on the F-111.

Mr. ADDABBO. Mr. Chairman, I join with the gentleman from Alabama in the remarks that he has made, and oppose the amendment.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, the gentleman from Alabama is not exactly right. I had heard the rumors going around the House, and I called up Col. Robert Alexander, and he told me that none of the $122.9 million which was being proposed for rescission has been obligated.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. EDWARDS of Alabama was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of Alabama. Mr. Chairman, I must say that the gentleman from Massachusetts must have misunderstood what I said. I did not say that the $122.9 million had been obligated.

Mr. CONTE. Let us get the record straight. The rumors have been going around that if we won this amendment we would not get any planes for it. The facts are that the $122.9 million would revert back to the general Treasury.

Mr. EDWARDS of Alabama. That is right.

If I may be permitted to restate my statement, it is that $72.2 million has been obligated and another $10.4 million would be spent on termination, which would mean we would have expended $82.6 million, leaving $122.9 million, which is the subject of the gentleman's amendment, unobligated and unexpended; that is correct.

Mr. CONTE. And that would revert back to the U.S. Treasury.

Mr. EDWARDS of Alabama. And we would not get the 12 planes we are expecting to get.

Mr. STRATTON. If the gentleman would yield, my understanding is that this money that may not yet have been obligated is intended to continue production of the F-111F for about another 11 to 18 months. We were informed at the beginning of this year that a decision on whether to go into production on the B-1, has been deferred until 1976. So this money, although it may not have been obligated as yet, is intended to keep the F-111 line going for another year or year and a half until we get to the point where we will have to make that decision on the B-1. I think it makes a lot of sense.

Mr. EDWARDS of Alabama. Mr. Chairman, I cannot include the gentleman's argument as to the B-1 into my argument. I simply want to see the 12 planes finished in an orderly way, and the contract terminated in an orderly way. The only way we can do that is to see the program through.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. EDWARDS of Alabama was allowed to proceed for 2 additional minutes.)

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I think we should make the record clear.

Can the gentleman tell me, or can the chairman of the Committee on Appropriations tell me how many tankers we will have to builld to supply the F-111F?

Mr. EDWARDS of Alabama. Insofar as air tankers are concerned, I would have to yield to someone who would have that information.

Mr. CONTE. You have got to keep tankers up there for refueling purposes.

Mr. MAHON. Mr. Chairman, if the gentleman would yield, I would say that no additional tankers would be required.

The question is whether we want 12 airplanes or whether we want spare parts and junk for the $205 million.

Mr. CONTE. I just asked the gentleman the question as to whether we need any further air tankers. The spare parts will be used by the 66 planes that have already been built. We all know that. This is not for junk. It is to keep some people working down there, and we know where.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the substitute offered by the gentleman from California (Mr. CHARLES H. WILSON) and I most certainly oppose the original amendment offered by the gentleman from Massachusetts (Mr. CONTE).

Mr. Chairman, I would like to address myself to the question of the F-111F. I would like to urge and encourage those of my colleagues who are perhaps thinking that this is their first chance to vote for some savings in the Defense Department to please not be carried away. It may sound good, but this is not the place to do it. I promise you that we will give you plenty of places in which to cut spending or save money.

This is $122 million. I am telling the Members right now there is about $500 million, I am sure, in the defense budget for the Safeguard ABM program which, in my opinion, is worthless, utterly worthless. We could not get it out last year; I hope we can do it this year.

There are lots of areas where we can save some money, but let us not get carried away. We are told that the Air Force has not asked for this money, and they have not. For years they have known that they had very powerful protectors in this Congress from certain parts of the United States, who shall go unnamed. But this is a good airplane, and the reason, in my opinion, why they are not asking for funds for this airplane is because it is involved with the B-1 bomber.

We are talking about bombers. We are talking about supersonic bombers. B-52's are not supersonic. The United States is going to have to make a decision. Are we going to have a supersonic bomber, a low-level bomber, that can fly at several hundred feet under the radar screen at supersonic levels and go in? We have none except for the FB-111.

We are thinking right now of perhaps going to the B-1—that is where the Air Force wants us to go—at a minimum of $100 million an airplane. Think of it! The Members and I are going to have to decide and determine whether we are going to build the B-1 bomber at a minimum of $100 million. With escalating costs and underestimations constantly before us, I have no doubt it will be much more. We can say no to the B-1—and we may well do that—and if we do, then it is important that we have a medium-range supersonic low-flying bomber. We have one. We have one in existence, and contrary to much of the debate and discussion about it over the years, it is one of the finest airplanes in the inventory. It costs in the neighborhood of $20 million, not $100 million.

So what are we saying to everyone? We are saying, Let us put in this money, especially since, as the gentleman from Alabama tells us, we are going to waste at least $80 million of it in termination costs an contract costs and get nothing. Let us vote this money. Let us keep this production line warm at a minimum 12 airplanes so that we will have in effect a medium-range-bomber capability, a supersonic capability in the late seventies and eighties. Then we will have a greater flexibility in exercising our decisions and our options as to whether or not to go for a very expensive, long-range heavy bomber—the B-1.

I plead with the Members, do not be carried away by what sounds like an easy way to save some money in the defense budget. There are many other more valid areas where we can save money in the defense budget, and we will do it.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, for 3 consecutive years the Congress has required continued production of the F-111 aircraft even though the Pentagon did not request funds to build them.

Similarly, for the last 3 fiscal years, the Department of Defense has not requested funds for the A-7D aircraft and the Congress led by our colleagues from Texas have also insisted on spending more than the Pentagon requests.

On November 26, 1974, the President requested the rescission of $248 million of the $305.6 million appropriated for fiscal year 1975 for 12 F-111's and 24 A-7D's. President Ford resubmitted his rescission proposal on January 30 with amendments and lowered the requested rescission for the F-111's and the A-7D's to $152.5 million.

The Appropriations Committee has decided to reject the President's proposed rescission for the F-111's and the A-7D's.

I thought the White House and Pentagon might be serious about trying to reinstate this rescission. Many people agree it is a dumb idea to buy more F-111's and A-7D's and the President says he is serious about cutting the excessive Government expenditures. So I asked my staff to check with the White House and the Pentagon to offer our assistance in an attempt to put the rescission back in the bill.

The White House did not call back.

The Pentagon did return my staff's phone calls. "Yes," they told my staff, "we are still for the rescission." But, they went on to agree with the assertion by the House Appropriations Committee that if the rescission were approved, $153.1 million would have already been spent and we would not receive any of the 36 planes. In short, for the expenditure of $153.1 million we would receive a few spares and wings but no aircraft.

Apparently, both the Air Force and the contractor figured out that this program could be subject to a rescission or impoundment. The money for the two programs became available on July 1, 1974. By November 26, 1974, when the President asked for the rescission of $248 million for the planes the Air Force had already spent $57.6 million. Similarly, between the President's original submission on November 26, 1974 and in his resubmission on January 30, the Air Force and the contractor managed to spend another $95.5 million or a total of $153.1 million.

It is more than a little suspicious when a procurement account is good for 3 years that the Air Force has managed to spend in 7 months $153.2 million of a program whose total cost is $305.6 million.

Mr. Speaker, the President is playing a cute little shell game with the Congress. When the Congress rejects this kind of rescission, he is in a perfect political position to campaign in 1976 against a fiscally irresponsible Congress.

Furthermore, the President can allege that he fought wasteful military spending by his attempted rescission on the F-111's and A-7D's. The President leaves us with a very diconcerting decision. We can accept his rescission and waste $153.1 million or we can reject his rescission and buy the unneeded aircraft.

Obviously, the President is not really interested in cutting defense expenditures. He is more interested in piling up ammunition for his 1976 Presidential race which will emphasize the irresponsibility of Congress.

Frankly, Mr. Chairman, the President has insulted our intelligence. I hope that the President will stop dealing in absurdities and start a serious effort to reduce unneeded expenditures, both inside and outside the Department of Defense.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding. Will the gentleman address himself to the question which was raised earlier by the gentleman from Massachusetts about the requirement for an expanded tanker force if the FB-111 is to be used for anything other than short-range missions? I have read and I have talked with Air Force officers, and that is where the information comes from, to the effect that if the FB-111 is to be used for any kind of range at all, it would require an enormously expanded tanker force, which would be very expensive. We do not have any figures on that expense. I do not know if this is true.

Mr. GIAIMO. I cannot respond to that question specifically. I am sure that there most likely would be some need for some additional tankers assigned to the FB-111. It would depend upon where it would be flying from. If it were used from European bases, for example, there would be a lesser degree of tanker capability, but I do think that is an area in which we already have many tankers that could be assigned.

Let me say this. It is the only bomber that we will have of a modern vintage, because the B-52 just will not meet the requirements.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILFORD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Conte amendment.

Mr. Chairman, once again we are embroiled in whether to act toward long term goals—or shortsighted economies.

I am referring of course to the amendment offered by my distinguished colleague from Massachusetts which would stop production of strategic weapons.

Do you know what this production stoppage would do? It would cost the taxpayers of the United States at least $55 million on just one aircraft alone. That is on stoppage of the LTV's A-7D attack fighter.

Last year the Congress appropriated $100,100,000 for these combat-proven planes. By Saturday the Defense Department will have already spent $65 million.

Do you know what it will cost the people to save the $29.6 million? At least $55 million. It will cost the Government $5½ million just in termination charges. Then $65 million on work already in process. Of that, perhaps $15 million in parts can be salvaged for use in planes already flying.

In other words, the Government will have spent at least $55 million for nothing.

And may I remind my distinguished colleagues of the intent of Congress when they ordered the 24 A-7D's.

The thought then was that as we decrease our active duty forces, the Air Force National Guard should be modernized and should be combat-ready as a trained defensive force.

With that goal in mind, Congress ordered the planes for the Air Force to turn over to the Air National Guard, to continue the modernization as started the year before.

Both the Air Force and the Navy have used this plane in combat. Over 900 of these versatile aircraft have been produced. With its computer-aided weapons delivery system, the A-7D excels in the mission of close air support and battlefield interdiction. It is the backbone of the Navy and will be such until the mid-1980's.

This aircraft is the best buy in combat aircraft today with a $3.3 million-per-plane price tag.

At a time when we are vitaliy concerned with economizing, let us remember that we have an excellent plane at the lowest price possible today.

There is another fact to which I would like to call the attention of my colleagues. The latest model—more expen-

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sive, too—new production fighter/attack aircraft call for an air-to-ground weapons delivery system comparable to the A–7 aircraft.

That means that there has been no technological breakthrough in the air-to-ground delivery systems to be incorporated in future combat aircraft which would tend to make this plane's equipment an obsolete system.

In other words, the air-to-ground delivery system of tomorrow can be purchased at a reasonable cost today.

Three guard squadrons have transitioned from the older F–100's to the more combat-able A–7D to date. One squadron received the last A–7D plane to fill its squadron requirement in December 1974. Only 38 days later, the squadron was judged combat ready.

The Air Force plans a slow transition of additional A–7D's to the Guard over the next several years as the A–10 is phased into active inventory.

Let us remember though that General Brown made this statement:

> The U.S. tactical aircraft inventory has slightly, but steadily, declined over the past several years.

Furthermore the rate of deployment of the F–14, F–15, and A–10 will not equal the numerical attrition of older aircraft in the system.

Besides the consideration of the intent of Congress to modernize the Guard, it just does not make good economical sense to stop a production program midstream in order to save $29.6 million at a cost of at least $55 million, an expense for which the taxpayers will receive no benefit.

Another factor I would like to mention; the cutoff of this A–7D program alone would cut out 800 jobs for people now employed. Is that what we really want to do in this recession era?

Another vital defense program under attack today is the F–111 another combat-proven supersonic bomber, and there is no replacement for this aircraft on the immediate horizon. This line is the only supersonic bomber production line open in the United States today. It has been continued at minimal production, and should be continued.

While defense foes are whacking at defense production budgets, they are also trying to deprive the Army of the UH–1H helicopters. These are ones which represent a "pay back" to the Army for those losses caused during the Vietnam war years.

At a time when we are considering all kinds of make-work programs to employ the unemployed, it seems counter productive to unemploy even more in the aerospace industry by these cutbacks which overall will cost the Government—that is the taxpayer—$62.6 million to save $35.5 million.

I urge the Congress to remember its intent, frugality, and to abide by it.

Mr. PRICE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I need not take the 5 minutes because the last three gentlemen, the gentleman from Alabama (Mr. EDWARDS), the gentleman from New York (Mr. ADDABBO), and the gentleman from Connecticut (Mr. GIAIMO) have used the very valid arguments that I intended to use in support of the F–111 and the A–7D, and in opposition to the pending amendments, the one offered by the gentleman from California (Mr. CHARLES H. WILSON) and the one offered by the gentleman from Massachusetts (Mr. CONTE).

Now in answer to the question whether the additional tankers would be required, I can say categorically no, there is no requirement for additional tankers to meet the needs of the 12 new F–111's. This is almost just a replacement for the other F–111's taken out of our inventory for other purposes. It is such a fine aircraft that the Air Force finds many uses for it.

I would also like to answer the point raised by the gentleman from Massachusetts (Mr. CONTE) that it is not a requirement of the Air Force. As late as yesterday, the Air Force told our committee they want this additional squadron of F–111's.

I would like to point out in reference to the B–52, that no one would say the B–52 was not one of the finest aircraft built by American industry. It is—that is why it has lasted over 25 years. The first B–52 was put under contract in 1951, and the first delivery was about 4 years later. The newest B–52 is a fine bomber, based on the earlier vintage—and it still is doing a fine job—but the newest of these is about 10 or 12 years old. We do need additional bombers in our inventory. The newest and most modern one we have in being is the F–111.

I would also remind the members of the committee that the A–7D's in this bill, the two squadrons are actually not for the Air Force. They are for the Air Force National Guard in all the 50 States of this country. We have been seeking for years to modernize the National Guard, and our Reserve Forces. This is one of our efforts to do that. This is an idea, I will grant, of the committee, but the Air Force has gone along with that idea. If we knock out these two squadrons of A–7D's we are knocking out the best equipment we can possibly provide to the Air National Guard. I hope we will not take that action today.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, is the gentleman from Illinois saying that a vote for the amendment to knock out the A–7's would be an anti-National Guard vote?

Mr. PRICE. Yes, I would say it would be.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose both amendments.

Adoption of the Conte amendment would mean no new F–111 aircraft. Approval of the Wilson amendment would mean no aircraft, period, no F–111's and no A–7's, and no helicopters.

I think everyone here who is knowledgeable about the military situation knows we need more first-line aircraft. Comparatively speaking we have very few. We have given away or sold many of our F–4 aircraft, which has been our first line fighter bomber aircraft for 15 years, many of them to Israel, and the F–15 is just beginning to come into inventory.

As the distinguished gentlemen who preceded me have pointed out, the procurement of F–111's provided in this bill is really only sufficient to replace inventory losses.

The A–7 is for the National Guard. Surely everyone here knows National Guard air units need more modern aircraft. Many planes intended for the Reserve components have for years been diverted either to Southeast Asia or to Israel.

I would like to point out to the Members that $65 million will have been obligated as of March 1, 1975, for the A–7 procurement program.

If that should have to be cancelled as a result of the amendment, only $15 million of the $65 million already obligated can be used for spare parts for existing A–7D and A–7E aircraft in the Air Force and the Navy. That would result in a serious net loss, because the result would be not airplanes but largely unusable spare parts and junk; a net loss to the taxpayer of $55 million. I do not think that would be a very good economy program.

It has been said here that the administration and the military did not ask for any of these aircraft. The facts are that under budget limitations the Air Force and the Navy were not allowed to ask for these aircraft, because they were not included in the administration's budget recommendations to Congress. But the Army did ask for more helicopters than this bill allows. The Army budgeted $23.6 million for 128 helicopters in the fiscal 1975 program and Congress provided only $18.5 million for 48 such aircraft; so the Army asked for more helicopters than are included in this bill.

Now, I reiterate. No additional tankers will be required for aircraft than would be acquired in this bill. We are talking about large contract termination costs if the Government must cancel contracts because of the adoption of these amendments. We are talking about the accumulation of a pile of junk and a few usable spare parts. By contrast we could get badly needed aircraft if the bill before you is approved.

Mr. HINSHAW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to correct and to clarify some of the comments which have been made by some of the previous speakers.

During our recent hearings by the Committee on Armed Services, we heard from Secretary Schlesinger, from Dr. Currie, who is in charge of the Department of Defense research programs, from Gen. David C. Jones and Secretary of the Air Force John L. McLucas. Without exception, these individuals told our committee the Russian threat they perceive will exist in the 1980's and how to counter that threat with weapons systems is different than I think many of the members of the committee had, and many Members of Congress have.

The amendments before us today are not a controversy between the B–1 and the FB–111, no matter what we have heard so far today. The Air Force and the Department of Defense have told our committee that the threat they perceive in the 1980's is such that if they do not get the B–1 bomber, their next preference would be the B–52, not the FB–111, as their next preference in priority.

Further, we have heard comments that the B–1 would cost $100 million. Just yesterday before our committee the best estimates from the Secretary of the Air Force are that the B–1 would cost approximately $84 million, not the $100 million that we have been told about today.

Further, that $100 million we are bandying about today, even if it were to be correct, is based on 1984 projected and inflated dollars.

We heard testimony from Secretary McLucas yesterday that the estimates made by the Air Force and the contractor, Rockwell, on the B–1 were so accurate they would have no reason to change their estimates, notwithstanding the fact that upon questioning was elicited there has only been some 12 percent increase in the projected costs.

So I urge that we not let emotion run away with us today. This is not a controversy between the B–1 and FB–111. It should not be considered a controversy. Those who are not interested in having a good strategic bomber force indicate that the Air Force and the Department of Defense may not need the B–1, because it would have the FB–111. I urge you to not let emotion run away with us and let considerations of where the engines or aircraft are manufactured play a part in our decision today. Look at whether we are going to have a good Air Force, irrespective whether it is the FB–111 or the B–1 which is the backbone of the main bomber force.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to my colleague from California.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I appreciate the remarks of my colleague from California. He attended the same Armed Forces Committee hearings I was attending. I think it is valuable that he has brought many of these points out.

Contrary to the statement the gentleman from New York (Mr. STRATTON) made that the Air Force was just talking in jest when they said that they preferred the B–52, I did not hear anything said by General Jones to us that appeared to be in jest. Everything which was told by Secretary McLucas and General Jones was very serious matters they were discussing. I think it is a very unnecessary thing to try to cloud the issue the way it has been done by the gentleman from New York.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, the gentleman has made a very persuasive argument. Would the gentleman tell me how many B–52's are included in this bill?

Mr. HINSHAW. I do not know——

Mr. SIKES. There are none. Will the gentleman tell me how many B–52's are included in the fiscal 1976 budget?

Mr. HINSHAW. I do not know, nor do I think it is an important part of the controversy today.

Mr. SIKES. There are none. The alternative to talking about planes in this bill are not either one for the next 2 years.

Mr. HINSHAW. Mr. Chairman, I can tell the gentleman in response to his question that the Air Force, if it decides the B–52 is the only plane it could get, would ask for money to update the engines and probably the wings. But, in respect to the B–52, I think it is a very preferable plane to the FB–111 for the threat as perceived in the years of the 1980's.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, a little background is appropriate at this time. Along about last October or November, the President of the United States made the statement that he advocated a surtax, and he advocated a balanced budget in fiscal year 1976. Of course, economic conditions have been such that he has drastically modified his position with respect to those matters, but at the time he was thinking about a balanced budget in 1976, the administration took steps to make some reductions in ongoing programs.

Generally speaking, they went through the entire budget and cut out programs that had been added by Congress, including the A–7 and the F–111 procurements. These aircraft had been approved by Congress but had not been recommended by the administration in the fiscal year 1975 budget, so they were all proposed for rescission. Congress has a rightful voice in defense decisionmaking.

I called the Secretary of the Air Force today. I said:

> Give me a little background with regard to this situation. What do you think of the F–111?

I do not quote him, but the F–111 is highly regarded by the Air Force as one of the finest, most modern planes in the whole free world today. It is a great plane.

I said:

> Well, what was your recommendation with respect to this rescission?

He said, the Air Force was not consulted as to this rescission.

So, this throws considerable light on the situation. The absurdity of the amendment cutting out these defense weapons is made evident with respect to the UH–1 helicopter. The Army is asking for 48 UH–1 helicopters in the 1976 budget—48 helicopters in the 1976 budget. The rescission would cut out funds for the 48 UH–1 helicopters that are now in production. If defense officials want money for 48 UH–1 helicopters, why do they not go ahead with the program underway and then, if they want to cut the 48 UH–1's out of the 1976 budget, that would be a different situation.

It is an utterly untenable position to suggest that these 48 helicopters should be cut out now as a rescission item and then be restored in the regular fiscal year 1976 defense bill.

With respect to the Air National Guard A–7, the A–7 is a plane that the National Guard is eager to acquire.

It is one of the finest planes that could possibly be used for this purpose. We have tried to build a strong Reserve and National Guard because the regular forces have been reduced, and so we provide funds for the A–7D. I do not see where we make any mistake there.

The question with the F–111 is, do we want to get something for our money? We have financed with about $205 million 12 additional F–111's. I would like for us to get something for it. But I have inquired, "Would we get one new F–111 if we rescind this money?"

Officials said, "No, you would not get one aircraft. You get a quantity of spare parts and scrap." Many of the spare parts would not be needed.

It would seem that this pending amendment is in a sense an antidefense amendment because it would deprive this country, in the dangerous world, of 12 additional highly effective planes.

I will not mention it as an antijob amendment, but the company that has the contract for the F–111 performs one-third of the work in Texas, and two-thirds of the work is done outside Texas. Nineteen percent is done in New York, 16 percent is in Connecticut, and 15 percent is in California. But regardless of where the jobs are, the purpose of the F–111 is national defense and not jobs.

As an incidental situation, it can be pointed out that, at a time when we are trying to prevent more dislocations, if this amendment is adopted it would have tremendous repercussions from the standpoint of jobs.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from California (Mr. CHARLES H. WILSON) for the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The substitute amendment for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 230, noes 164, not voting 38, as follows:

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[Roll No. 26]

AYES—230

Abdnor	Goodling	Myers, Pa.
Adams	Gradison	Neal
Anderson, Calif.	Grassley	Nolan
Andrews, N. Dak.	Green	Nowak
Armstrong	Gude	Oberstar
Ashley	Guyer	Ottinger
Aspin	Hagedorn	Patterson, Calif.
AuCoin	Haley	Peyser
Badillo	Hamilton	Pressler
Baldus	Hanley	Pritchard
Beard, R.I.	Harkin	Quie
Bedell	Harrington	Railsback
Bennett	Harris	Rangel
Bergland	Harsha	Rees
Biester	Hastings	Regula
Bingham	Hawkins	Reuss
Blanchard	Hayes, Ind.	Rhodes
Blouin	Hechler, W. Va.	Richmond
Bonker	Heckler, Mass.	Riegle
Bowen	Heinz	Rinaldo
Brademas	Helstoski	Rodino
Breaux	Hillis	Roe
Breckinridge	Hinshaw	Rogers
Brodhead	Holland	Roncalio
Brown, Ohio	Holtzman	Rooney
Broyhill	Howe	Rosenthal
Buchanan	Hughes	Rousselot
Burke, Calif.	Hungate	Roybal
Burton, John	Hutchinson	Ruppe
Burton, Phillip	Jacobs	Russo
Butler	Jarman	Ryan
Carr	Jeffords	Sarbanes
Cederberg	Johnson, Colo.	Scheuer
Clancy	Johnson, Pa.	Schneebeli
Clausen, Don H.	Karth	Schroeder
Clawson, Del	Kasten	Sebelius
Clay	Kastenmeier	Seiberling
Cochran	Kemp	Sharp
Cohen	Ketchum	Shriver
Conable	Keys	Shuster
Conlan	Kindness	Simon
Conte	Koch	Skubitz
Conyers	Krebs	Smith, Iowa
Corman	LaFalce	Smith, Nebr.
Cornell	Lagomarsino	Snyder
Coughlin	Latta	Solarz
Danielson	Lehman	Spellman
Davis	Levitas	Stanton, J. William
Delaney	Long, Md.	Stanton, James V.
Dellums	Lujan	Stark
Derwinski	McClory	Steed
Devine	McCollister	Steiger, Wis.
Dingell	McDade	Stokes
Drinan	McHugh	Studds
Duncan, Oreg.	Macdonald	Talcott
du Pont	Madden	Taylor, N.C.
Early	Madigan	Thompson
Eckhardt	Maguire	Thone
Edgar	Mahon	Traxler
Edwards, Calif.	Martin	Tsongas
Eilberg	Matsunaga	Udall
Emery	Mazzoli	Ullman
Erlenborn	Meeds	Vander Jagt
Esch	Melcher	Vander Veen
Evans, Colo.	Metcalfe	Vanik
Evans, Ind.	Meyner	Vigorito
Fascell	Mezvinsky	Waggonner
Findley	Michel	Walsh
Fish	Mikva	Wampler
Fisher	Miller, Calif.	Weaver
Fithian	Miller, Ohio	Whalen
Flood	Mineta	Wiggins
Florio	Minish	Wilson, Bob
Flowers	Mink	Wilson, Charles H., Calif.
Foley	Mitchell, Md.	Wilson, Charles, Tex.
Ford, Mich.	Mitchell, N.Y.	Winn
Ford, Tenn.	Moakley	Wirth
Forsythe	Moffett	Wolff
Frenzel	Moorhead, Calif.	Wydler
Frey	Moorhead, Pa.	Wylie
Fuqua	Morgan	Yates
Gaydos	Mosher	Yatron
Gibbons	Moss	Young, Alaska
Gilman	Mottl	Young, Fla.
Goldwater	Murphy, N.Y.	Young, Ga.

NOES—164

Addabbo	Brown, Calif.	Davis
Alexander	Burgener	de la Garza
Ambro	Burke, Mass.	Delaney
Andrews, N.C.	Burlison, Mo.	Dent
Archer	Byron	Derrick
Ashbrook	Carney	Derwinski
Badalis	Carter	Dickinson
Baucus	Casey	Diggs
Bauman	Cleveland	Dodd
Beard, Tenn.	Collins, Tex.	Downey
Bevill	Cotter	Downing
Biaggi	Crane	Duncan, Tenn.
Boggs	D'Amours	Edwards, Ala.
Boland	Daniel, Dan	English
Bolling	Daniel, Robert W., Jr.	Evins, Tenn.
Breaux	Daniels, Dominick V.	Flood
Brinkley		Flowers
Fulton	McKay	Runnels
Giaimo	McKinney	Santini
Ginn	Mahon	Sarasin
Gonzalez	Mann	Satterfield
Hall	Mathis	Schulze
Hammer-schmidt	Milford	Shipley
Hannaford	Mitchell, N.Y.	Sikes
Hansen	Mollohan	Sisk
Hays, Ohio	Montgomery	Slack
Hebert	Morgan	Spence
Hefner	Moss	Steed
Henderson	Murphy, N.Y.	Steelman
Hicks	Natcher	Steiger, Ariz.
Hightower	Nedzi	Stephens
Holt	Nichols	Stratton
Horton	Nix	Stuckey
Hubbard	Obey	Sullivan
Hyde	O'Brien	Symington
Johnson, Calif.	O'Hara	Symms
Jones, Ala.	O'Neill	Teague
Jones, N.C.	Passman	Thornton
Jones, Okla.	Patman	Treen
Jones, Tenn.	Patten	Van Deerlin
Jordan	Pattison, N.Y.	Waggonner
Kazen	Pepper	White
Krueger	Perkins	Whitehurst
Leggett	Pickle	Whitten
Lent	Pike	Wilson, Bob
Litton	Poage	Wilson, Charles, Tex.
Lloyd, Calif.	Preyer	Wolff
Lloyd, Tenn.	Price	Wright
Long, La.	Quillen	Wydler
Lott	Randall	Yates
McCormack	Risenhoover	Young, Alaska
McDonald	Roberts	Young, Tex.
McEwen	Robinson	Zablocki
McFall	Roncallo	Zeferetti
	Rose	

NOT VOTING—38

Abzug	Eshleman	Mills
Anderson, Ill.	Fenwick	Minish
Annunzio	Flynt	Moorhead, Calif.
Barrett	Foley	Murphy, Ill.
Bell	Fountain	Murtha
Brooks	Fraser	Rostenkowski
Broomfield	Howard	St Germain
Brown, Mich.	Ichord	Staggers
Burke, Fla.	Jenrette	Taylor, Mo.
Burleson, Tex.	Kelly	Vanik
Chappell	Landrum	Walsh
Chisholm	McCloskey	Waxman
Collins, Ill.	Metcalfe	Young, Fla.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. MAHON (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that it be printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Are there further amendments?

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 389, nays 3, not voting 40, as follows:

[Roll No. 27]

YEAS—389

Abdnor	Clausen, Don H.	Florio
Adams	Clawson, Del	Flowers
Addabbo	Clay	Foley
Alexander	Cleveland	Ford, Mich.
Ambro	Cochran	Ford, Tenn.
Anderson, Calif.	Cohen	Forsythe
Andrews, N.C.	Collins, Tex.	Frenzel
Andrews, N. Dak.	Conable	Frey
Archer	Conlan	Fulton
Armstrong	Conte	Fuqua
Ashbrook	Conyers	Gaydos
Ashley	Corman	Giaimo
Aspin	Cornell	Gibbons
AuCoin	Cotter	Gilman
Badillo	Coughlin	Ginn
Bafalis	Crane	Goldwater
Baldus	D'Amours	Gonzalez
Baucus	Daniel, Dan	Goodling
Bauman	Daniel, Robert W., Jr.	Gradison
Beard, R.I.	Daniels, Dominick V.	Grassley
Beard, Tenn.	Danielson	Green
Bedell	Davis	Gude
Bennett	de la Garza	Hagedorn
Bergland	Delaney	Haley
Bevill	Dellums	Hall
Biaggi	Dent	Hamilton
Biester	Derrick	Hammer-schmidt
Bingham	Derwinski	Hanley
Blanchard	Devine	Hannaford
Blouin	Dickinson	Hansen
Boggs	Diggs	Harkin
Boland	Dingell	Harrington
Bolling	Dodd	Harris
Bonker	Downey	Hastings
Bowen	Downing	Hawkins
Brademas	Drinan	Hayes, Ind.
Breaux	Duncan, Oreg.	Hays, Ohio
Breckinridge	Duncan, Tenn.	Hebert
Brinkley	du Pont	Hechler, W. Va.
Brodhead	Early	Heckler, Mass.
Brown, Calif.	Eckhardt	Hefner
Brown, Ohio	Edgar	Heinz
Broyhill	Edwards, Ala.	Helstoski
Buchanan	Edwards, Calif.	Henderson
Burgener	Eilberg	Hicks
Burke, Calif.	Emery	Hightower
Burke, Mass.	English	Hillis
Burlison, Mo.	Erlenborn	Hinshaw
Burton, John	Esch	Holland
Burton, Phillip	Evans, Colo.	Holt
Butler	Evans, Ind.	Holtzman
Byron	Evins, Tenn.	Horton
Carney	Fascell	Howe
Carr	Findley	Hubbard
Carter	Fish	Hughes
Casey	Fisher	Hungate
Cederberg	Fithian	Hutchinson
Chisholm	Flood	Hyde
Clancy		Jacobs
		Jarman
Jeffords	Moorhead, Pa.	Shipley
Jenrette	Morgan	Shriver
Johnson, Calif.	Mosher	Shuster
Johnson, Colo.	Moss	Sikes
Johnson, Pa.	Mottl	Simon
Jones, Ala.	Murphy, N.Y.	Sisk
Jones, N.C.	Myers, Ind.	Skubitz
Jones, Okla.	Myers, Pa.	Slack
Jones, Tenn.	Natcher	Smith, Iowa
Jordan	Neal	Smith, Nebr.
Karth	Nedzi	Snyder
Kasten	Nichols	Solarz
Kastenmeier	Nix	Spellman
Kazen	Nolan	Spence
Kemp	Nowak	Stanton, J. William
Ketchum	Obey	Stanton, James V.
Keys	O'Brien	Stark
Kindness	O'Hara	Steed
Koch	O'Neill	Steelman
Krebs	Ottinger	Steiger, Ariz.
Krueger	Passman	Steiger, Wis.
LaFalce	Patman	Stephens
Lagomarsino	Patten	Stokes
Latta	Patterson, Calif.	Stuckey
Leggett	Pattison, N.Y.	Studds
Lehman	Pepper	Sullivan
Lent	Perkins	Symington
Levitas	Peyser	Symms
Litton	Pickle	Talcott
Lloyd, Calif.	Pike	Taylor, N.C.
Lloyd, Tenn.	Poage	Teague
Long, La.	Pressler	Thompson
Long, Md.	Preyer	Thone
Lott	Price	Thornton
Lujan	Quie	Traxler
McClory	Quillen	Tsongas
McCollister	Railsback	Udall
McCormack	Randall	Ullman
McDade	Rangel	Van Deerlin
McDonald	Rees	Vander Jagt
McEwen	Regula	Vander Veen
McFall	Reuss	Vigorito
McHugh	Rhodes	Waggonner
McKay	Richmond	Wampler
McKinney	Riegle	Weaver
Macdonald	Rinaldo	Whalen
Madden	Roberts	White
Madigan	Robinson	Whitehurst
Maguire	Rodino	Whitten
Mahon	Roe	Wiggins
Mann	Rogers	Wilson, Bob
Martin	Roncalio	Wilson, Charles H., Calif.
Mathis	Rooney	Wilson, Charles, Tex.
Matsunaga	Rose	Winn
Mazzoli	Rosenthal	Wirth
Meeds	Roush	Wolff
Melcher	Rousselot	Wydler
Meyner	Roybal	Wylie
Mezvinsky	Runnels	Yates
Michel	Ruppe	Yatron
Mikva	Russo	Young, Alaska
Milford	Ryan	Young, Ga.
Miller, Calif.	Santini	Young, Tex.
Miller, Ohio	Sarasin	Zablocki
Mineta	Sarbanes	Zeferetti
Mink	Satterfield	
Mitchell, Md.	Scheuer	
Mitchell, N.Y.	Schneebeli	
Moakley	Schroeder	
Moffett	Schulze	
Mollohan	Sebelius	
Montgomery	Seiberling	
Moore	Sharp	

NAYS—3

Harsha	Stratton	Wright

NOT VOTING—40

Abzug	Flynt	Murphy, Ill.
Anderson, Ill.	Fountain	Murtha
Annunzio	Fraser	Oberstar
Barrett	Guyer	Pritchard
Bell	Howard	Risenhoover
Brooks	Ichord	Rostenkowski
Broomfield	Kelly	St Germain
Brown, Mich.	Landrum	Staggers
Burke, Fla.	McCloskey	Taylor, Mo.
Burleson, Tex.	Metcalfe	Vanik
Chappell	Mills	Walsh
Collins, Ill.	Minish	Waxman
Eshleman	Moorhead, Calif.	Young, Fla.
Fenwick		

So the bill was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Fountain.
Ms. Abzug with Mr. Mills.
Mr. Flynt with Mr. Risenhoover.
Mr. Fraser with Mr. Vanik.
Mr. Barrett with Mr. Young of Florida.
Mr. Rostenkowski with Mr. Walsh.
Mr. Howard with Mr. Anderson of Illinois.
Mr. Chappell with Mr. Moorhead of California.
Mrs. Collins of Illinois with Mr. Waxman.
Mr. Metcalfe with Mr. McCloskey.
Mr. Murphy of Illinois with Mr. Bell.
Mr. Murtha with Mrs. Fenwick.
Mr. St Germain with Mr. Guyer.
Mr. Minish with Mr. Broomfield.
Mr. Staggers with Mr. Eshleman.
Mr. Brooks with Mr. Brown of Michigan.
Mr. Landrum with Mr. Kelly.
Mr. Ichord with Mr. Burke of Florida.
Mr. Oberstar with Mr. Pritchard.
Mr. Burleson of Texas with Mr. Taylor of Missouri.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and that I may include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REMUNERATION OF DIRECTOR OF OFFICE OF MANAGEMENT AND BUDGET

(Mr. TALCOTT asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. TALCOTT. Mr. Speaker, today I am introducing legislation which will right a grievous wrong.

Several years ago the Congress acted to clip the wings of the last administration by passing legislation to require Senate confirmation of all future Directors and Deputy Directors of the Office of Management and Budget. This legislation was an attempt by the Congress to reassert the proper influence of the legislature in the operation of our Government.

As many Members know, over the years the functions of the Director of Management and Budget have become more and more complex. The Congress recognized this in passing the legislation I have mentioned by giving the Director full Cabinet-level status. This is only right since he already exercises full Cabinet-level responsibilities.

However, in our haste to chastise the last administration and the last Director of the Office of Management and Budget we forgot to examine the question of remuneration.

As a matter of equity we should pay the Director at an equal level with other Cabinet officers. If the position is so important to call for Cabinet status, then the position should also call for Cabinet pay. My bill will amend the United States Code to allow the Director to receive Cabinet salary.

It is a matter of record that the President has called on a new man to take over the responsibilities of this position. The new Director, James T. Lynn, is a man with whom I have had the pleasure of working in recent years. He is a man dedicated to public service who has been General Counsel of the Department of Commerce, Deputy Secretary of Commerce, and then this Nation's third Secretary of Housing and Urban Development.

As Secretary of Housing he was paid at the Cabinet level. There was no question that he was worth every cent he received. But when the President of the United States called on him to move over and take over the Office of Management and Budget he also had to take a $17,500 pay cut.

We in the Congress know that it is difficult to attract the best qualified men to Federal service. We know that many times the individual is not able to make the financial sacrifices that public service often entails. But here we have a highly qualified individual, a man who has proved his worth in a series of important posts, who has been asked by the President to continue in public service at a substantial individual sacrifice.

Mr. Speaker, I hope that the Congress will agree with me that this is a matter of equity which should be righted. It is not a question of the individual now in office, although he deserves relief, it is a question of equal pay for equal responsibility. I urge that this bill receive quick consideration and approval.

NEW FARM LEGISLATION HIGH ON PRIORITY LIST

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, it is of vital importance that this Congress place new farm legislation high on our priority list.

We enacted legislation in 1973 that included several protections for farmers against undue financial loss from collapsing prices for their products. But there have been many changes since that recent year and it appears that the target prices stated then for key commodities are no longer adequate—or even realistic.

My own south Texas district is heavily agricultural. Farmers there—and farmers elsewhere—have been hit hard by sharp increases in prices of fertilizers, machinery, fuel, and everything else required for agricultural production. But they are getting less for their crops.

The escalator clause in the Agriculture Act of 1973, calling for the adjustment of target prices in line with rising costs of production, does not take effect until the 1976 and 1977 crop years. We should make this provision effective now. This step is necessary in order to implement the purpose of the Commodity Credit Corporation to stabilize and protect farm

income and prices and to help maintain balanced and adequate supplies of agricultural commodities and their products.

There is a clear need for amending the Agriculture Act to establish a firm loan rate at the time a crop is planted, and that time is now, for they are already planting in my district. It should be a rate based on estimated production costs. The purpose would not be to guarantee the farmer a profit but to enable him to obtain adequate financing to meet the production costs.

Also, I call the attention of my colleagues to the fact that Farmers Home emergency loans as now administered can result in the marketing of crops under highly unfavorable marketing conditions. This program was established in order to make it possible for a farmer to finance another crop when extreme weather conditions have caused the loss of the first crop. It should be so administered.

Mr. Speaker, many U.S. farmers are in, or approaching, a crisis situation. Their urgent needs are for credit at reasonable interest rates at the beginning of the crop year and for sufficient stability in market prices for them to be able to plan ahead. Farming is not, and can never be, a moment-to-moment or even a day-to-day business.

These are matters of the utmost urgency. We cannot afford delay in dealing with them.

STRAIGHT TALK FROM BROCK ADAMS

The SPEAKER pro tempore (Mr. McFALL) under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, there is no question that one of the brightest luminaries of this House is our distinguished colleague, the Honorable BROCK ADAMS. In fact, he received an official accolade of eminence when he was selected as the first chairman of our newly established Committee on the Budget which will, I know, bring greater clarity, order, and effectiveness to all our deliberations.

It is my pleasure to submit for the RECORD the following verbatim transcript of an interview between the noted journalist and commentator Paul Duke and my good friend, BROCK ADAMS, on the program, "Washington Straight Talk" on WETA television, February 17, 1975.

ANNOUNCER. Brock Adams, Democratic congressman from Washington, Chairman of the new Committee on the Budget of the House of Representatives. Tonight on "Washington Straight Talk," Congressman Brock Adams is interviewed by NPACT correspondent Paul Duke.

PAUL DUKE. Good evening.

Like all institutions, Congress is now changing, with a battalion of new young leaders on the rise. One of those leaders is the man who's with us tonight, Congressman Brock Adams. And because you are assuming a major position of responsibility in Congress, Mr. Adams, we are including you in our series of special interviews of people we regard as "The Accountables," those who are charged with helping to get this country going again.

President Ford has recommended a budget of three hundred and fifty billion dollars, with a deficit of approximately fifty-two billion dollars. Is Congress going to add to Mr. Ford's budget, or is Congress going to cut Mr. Ford's budget?

Representative BROCK ADAMS. I think Congress is going to try to cut Mr. Ford's budget. I don't know whether Congress will be successful or not, because a great part of it will depend upon how deep the recession becomes within the next year. There is approximately seventeen billion dollars worth of cuts already included in that budget from presently existing programs. And if unemployment continues to rise and federal receipts continue to drop because the recession keeps people from making money, then I don't see that the Congress will cut that budget.

DUKE. Well, most Democrats are certainly talking about adding to the budget. On the one hand, you have the Democrats concerned about recession, as you just suggested. On the other hand, Democrats are now talking about a tax increase [sic] bigger than Mr. Ford has recommended, and they're also talking about putting more money into unemployment. So isn't it rather academic? Isn't Congress going to increase the budget?

Representative ADAMS. I think that probably they will, unless we get an upturn in 1976. That's calendar 1976. You see, Paul, about fourteen billion dollars worth of receipts are lost every time you have another percentage point of unemployment. And it costs you another two billion dollars in unemployment benefits that are paid. So you get about a sixteen billion dollar swing every time one more percentage point of unemployment goes up. Now that to me is the only salvation for trying to reduce the budget this next time.

I think we may make some reductions in defense spending and some reductions in foreign aid programs. But overall, those two factors of receipts and unemployment benefits are really beyond our control unless we want to produce considerable suffering during this recession.

DUKE. How much do you think Congress may reduce the defense part of the budget?

Representative ADAMS. Well, the proposals that I've heard are between five and ten billion dollars. This represents a cut of somewhere between eight and ten percent in the various programs. We also have a problem with the defense budget in that about fifty-five percent of it now is involved in personnel. And to really begin to make substantial cuts you have to reduce the number of people who are involved in the armed services. And their cost has been going up because we established a volunteer Army and the additional benefits for being in the service. And as we start to lay those people off, we exacerbate the unemployment problem.

So I think what I'm really saying to you is that those of us involved in this budget process understand it's very difficult. And we're willing to undertake it as a political problem and have it out with the President on where the money should be spent. But the country, overall, is in real trouble from what I think has been, to a very great degree, an induced recession, an idea that the way to combat inflation, which was evolved by the administration about three years ago, was that you sort of went into a recession, and this would stop inflation. And we were saying this would stop the economy, and I think that has happened. Now the administration is backing off, and I kind of think both parties are entering into a new era of political debate on what they do with the budget.

DUKE. Well, they may be entering into a new era of political debate, but are they entering into a new era of political partisanship? President Ford has been talking the past few days about a partnership with Congress on foreign policy. Is it possible for Congress and the President to get together on domestic policy? Because it seems to me if there is one thing the American people don't want today, they don't want politics as usual with the enormous problems that we have.

Representative ADAMS. I agree they don't want politics as usual. And whether we can arrive at a partnership just depends, I think, on whether or not the President or his economic advisers, whoever is setting policy, will recognize the very great difference in viewpoint of what we think is a bulk of the American people on where their federal dollars should be spent and how we should go about coming out of recession. The President's proposals are basically that if you hold federal spending and really go with what would in 1974 have been a balanced budget, leave interest rates high, and try to give some help to business, that this will bottom out and come out by itself. This is the old cyclical theory, and it's combined with a trickle down theory.

Well, the Democratic Congress just simply does not believe that. We believe that consuming power has been badly eroded by inflation and by transfers of great amounts of purchasing power to the oil sector and, to a degree, into the corporate profit sector and into the whole area of food prices and interest payments, and, therefore, people don't have the money to buy a car or to make the economy turn over.

So we're going to have to have some recognition by the President and his advisers that we ought to have a chance to try some of our programs now to bring us out of the recession rather than continuing his, which got us there. Now that is possible. But right at the moment, as you can see, he's driving with "let's continue what we've been doing," and we're trying to say "no, let's shift over and do a new thing."

DUKE. Are you suggesting that the combination of terrific inflation and now a very bad recession is, in effect, producing a redistribution of income in this country?

Representative ADAMS. Yes, this is what is happening. You are taking money. And in very simplified forms, it's something like this. The poor and the middle income people, particularly in the lower middle income groups, are having a greater and greater portion of the amount of money they get every month, which is not going up, incidentally, very fast—that is being transferred into their food payments, into the payments for their housing, which is in the interest rate sector, and into what they pay for oil and gas—in other words, their heating and how they drive their automobile. By the time they have finished paying for those things, which is transferred over into the business sector, or, in some cases, being transferred abroad to the Arabs, you have less money available to buy goods in the internal economy. So the automobile manufacturer—he isn't suffering from a lack of productive capacity; he's suffering from a lack of market. And the same thing is now shifting down through all the durable goods. And we are saying that you have to build that back by giving back, say, a tax increase to these people and try to put a lid on some of the prices that they're being forced to pay, or else you distribute the income to a group of people who are not going to feed it back into the income stream, and you start a cycle down, much like [what] happened in the 1920s.

DUKE. Well, you mention a lid on prices. Are you suggesting that we may need some kind of permanent wage/price controls in this country?

Representative ADAMS. I think at some point we may very well need that, particularly in the administered price sector. And

by that I mean in, for example, oil pricing. Oil pricing is now being controlled by the Arab cartel. And if you do what the President has suggested and take the present price control off crude oil here in the United States and de-regulate natural gas, you'll get an automatic increase, because the number of people who are operating in that industry are a limited number. They will simply increase their prices up to what we're paying for imported oil.

Now the President and his advisers think this is a very good thing because they say, well, that'll make it attractive then to mine coal or to go to other sources because you won't have inexpensive or fairly inexpensive petroleum products available. Well, what we're saying is if you try to pile that on the American economy right at this moment, which is the President's energy program—and it's built into his budget—what you're going to do is you're going to simply take more money out of the consuming stream and you're going to drive us further down into recession.

Now that's a basic philosophical difference with the President. It has nothing to do with partisanship: it has to do with how you think the economy in the United States runs.

DUKE. Well, let me throw out what many people regard as a dirty word at this point, "socialism." But aren't you really bordering on—aren't you really moving in that direction? Aren't you really talking about more state planning when you mention administered prices, which, in effect, is price controls over the major industries in this country? Are you saying that the old formulas, the old programs, the old policies for dealing with the economy just can't work any more and that we must have more state, more government planning?

Representative ADAMS. Well, there are two alternatives that you can come out with on it. You can either in effect regulate the markets to produce a situation where they are not unfair markets, or what I call an administered price market, or the government can go in with planning.

Now the reason that you've had the markets tilt so much into areas of economic concentration is, for the past four or five years, you've had no major effort to try to break up concentrations of economic power or to say "let's make it competitive." I think most of us believe in trying to make it more competitive and having all the businesses compete on an equal basis and have the laws of supply and demand, in effect, work. But right now that doesn't happen. And if you have to, in the short time, say, well, we will put in some type of government controls, a council on pricing, for example, that will report where prices have gone up and how much they've gone up and let the American public know this, with a back-up power in an administration to say, well, if you've gone beyond a certain set of guidelines, why, then the government is going to move on you, this may be necessary. Because right now, you find, for example—well, let's take the automobile pricing. They're worried about wage and price controls, so they have left their prices up. They're capable of leaving their prices up because there's no other effective competition. And instead they offer a rebate, which is really a snapback in pricing. The moment that you want to take the rebate off, you snap back up to your original prices. If they have enormous inventories, which indicates that the demand isn't there [sic]—so what is happening in that market is that the laws of supply and demand either aren't working or are working with terribly sticky prices. And as long as that continues, people are going to be laid off in that industry, because the average individual doesn't have, as I pointed out before, the money to pay those prices.

Well, the government and the people of this country have to face that problem. And so do the business people. And I think that that is the kind of program that we're trying to present to them. And I think the Congress will, through both the Senate Ad Hoc Task Force and the House Ad Hoc Task Force—and all of us that are in as committee chairmen I think have to work into those to say "This is our alternative to what the President proposes."

DUKE. Let me take you back to the mid 1960s when the Democrats enacted a number of major programs designed to improve the general welfare of the lower income groups, the war on poverty, the model cities' program, and so forth. I take it from everything you are saying now that government policy in this direction just has not worked and that we must have more regulation by the federal government.

Representative ADAMS. Well, I don't think those programs have been successful overall. I think we've had some successes within them. But I think you're going to have to have the private sector distributing income into this area, as well as the government doing it. Because what has happened is that we really use the government as the sole agency to try to bring up the lower income, the very poor and the lower middle income people in the United States to a level where they could participate in society. Well, the result of this has been that our programs in that area are now becoming astronomically expensive, because we're taking a greater and greater portion of the federal tax receipts and using it in those areas. Whereas if we could get the private sector more involved in carrying that, the government wouldn't be just continually borrowing money.

DUKE. Well, then, I take it you agree with President Ford, who suggested recently that spending by government, not just the federal government—the local and state governments as well—is now approaching an ominous level, that we cannot afford to pour so much money into domestic welfare programs in this country.

Representative ADAMS. We cannot continue the present course of just letting these programs increase—I think he is right on that—unless there's a fundamental decision made in the United States that we wish to tax ourselves at a greater rate in order to redistribute income throughout the society.

DUKE. Do most Democrats in Congress agree with you on that? Because I had the opinion that a great many Democrats still favor putting more money into social welfare programs.

Representative ADAMS. Oh, I don't think most Democrats at this point agree with me on this. I don't think most of them have really sat down and looked at the total budget and decided where their program fits. That's the whole problem and purchase effect of the budget committee—is that we will for the first time lay out to both the Democratic Caucus and the Republican Conference, and then later to the full floor of the House, what each program costs and what its projection will be out five years, how much we will be taking in in total receipts and how much we'll be spending in each program.

And every one of these prgrams has merit. I don't think there's any question about it, or we wouldn't have passed it at that time. But we passed them all in separate compartments. And we haven't really thought often of what the final effect would be out five, six, seven, eight years when the escalator clause kept climbing each year and the total number of people who were eligible kept climbing. And so unless the decision is made overall for a greater taxing effort to pay for these programs, we will have to continue borrowing.

And what I guess I'm saying to you, Paul, is that the size of the national debt is now going to reach about six hundred billion dollars. Now that isn't going to break this country and we can manage it within our gross national product. But we cannot continue this indefinitely, that we begin to arrive at a point where the debt becomes so large and the amount of gross national product and federal income that we are paying in just to service the debt makes it impossible to do anything else. So we are not able to continue the programs by borrowing.

DUKE. Well, then, what do you think Congress must do then?

Representative ADAMS. Well, I think Congress is going to have to—and this is going to be a three, four or five year process, because we've been at this for twenty-five years doing the other, and, in particular, a great deal the last ten years—is that Congress is going to have to sit down and look at the total receipts that they can bring in. And the Ways and Means Committee chairman will make his proposition to the House and later the Finance Committee of the Senate, that this is what we think we can raise that the people will stand for. And we're going to have to take that and then divide it among sixteen functional categories which we have set up now and decide, all right, this amount of money goes into each one. And if we have, for example, as we will this next year, a recession, we may decide, as I think we'll have to, well, we're going to have to take care of the people that are unemployed. This is going to feed money back into the consuming stream. So this year we may have to run a deficit to take care of it. But when we come out of this recession area and you come into an area where unemployment is in, say, the four percent range, then you're going to have to balance that budget and perhaps run a surplus for the potentially bad years.

Now that is what I think is going to come out of the discussion. But that's just my opinion. And as you mentioned, there are many other Democrats that are very much ready to put in their particular new program and haven't really focused on where it fits in the total spectrum.

DUKE. Well, this is the fundamental question. On the one hand, you find the Democrats saying Congress must now exercise greater budget discipline; it must hold down spending. And then on the other hand, they're saying we must put a lot more money into some of the social welfare programs; we must help the unemployed with new programs for them. And as you well know, the customary way in Congress is the back-scratching way—"I support your project; you support my project," and the budget goes to hell.

Now the question is, can Congress really change? Can it—can it adopt new methods? Can it be more responsible?

Representative ADAMS. Well, we're going to find that out in the next two years. That was the whole purpose of passing the Budget Act, which is to, in effect, gather the non-interest groups on a particular program all together with the interest groups at the same time in one concurrent budget resolution in the spring and another one in the fall. Now, the way it's gone in the past—and, incidentally, I think there's only a fifty-fifty chance this will succeed—but I think Congress at this point would then have to admit that it's really going to just respond to presidential budgets if it doesn't succeed. Because our theory is that if we gather everyone together, then you go down through the list of programs—we use the buzz words "national priorities"—but you go down through the list and you target so much money for each one, and you try to stay within your targets, and the people who are desirous of having their program have to, in effect, have it out with the others who want their program and a compromise

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reached as to what each one gets. And then at the end you either have to vote to raise or lower the borrowing system.

Now that's going to be very hard, and it runs right into the established system. This is not going to be politics as usual. And if we don't hurdle that, then I think that the whole process will break down.

DUKE. Well, isn't there also a good deal of demagoguery, especially where the defense budget is concerned? And you mentioned that earlier about the pressure to help the unemployed, so you don't cut the defense budget so much. But in reality, despite the cries by so many Democrats that we can cut the defense budget as much as ten billion dollars, the defense budget—isn't it true that the defense budget really takes a much smaller share of overall spending than it did only four or five years ago?

Representative ADAMS. Yes, this is true. And I think that we have to avoid being demagogues on the defense budget, because its total percentage of both the total budget and its percent of the whole amount of money that turns over—again we use buzz words "gross national product"—has gone down. And what has to be faced is that you cannot take enough out of the defense budget to satisfy all of the other programs. And once you make that fundamental decision, then you can look at each of the other programs on its own merits and decide that this one has to stop, this one has to go. Now that's going to be hard, and it's going to destroy a lot of political speeches around the country. But it's the truth.

DUKE. What's going to happen on Vietnam? Is Congress just going to deny the President the additional three hundred million in military aid he is asking? And more importantly, what about the future? Is your committee going to scale down the amount of money which it will recommend for Vietnam?

Representative ADAMS. Oh, I think that the Congress is probably going to deny the President additional money in Vietnam. I think the general feeling. . . .

DUKE. What about in future years?

Representative ADAMS. And I think in future years it's going to scale down and phase out, simply because more and more people have arrived at the conclusion that, really, the amount of money that we pour in there, whatever we put in, will be spent and the connection, or the ability of the government there to survive is not—is not in direct proportion to our money, but in proportion to what they are doing with their money, and that our money doesn't affect it that much. I get this feeling out of it. I don't think they're going to immediately say, well, you know, we won't give anything more to help this country. But I don't think they're going to go with the President's program. They don't see America's self-interest involved that deeply in this country.

DUKE. Congressman Adams, there's a great euphoria now existing in Congress, a feeling that it is changing, that it is improving its ways of doing business. And in the House of Representatives, a number of reforms have been adopted to make the process work better, including the establishment of your committee.

Is Congress really going to do a better job now? At a time when this country is in crisis and people are looking for leadership, can they find that leadership in Congress?

Representative ADAMS. I think so. I think you're going to see a lot of new leaders emerging and a greater desire and capability of facing a problem and voting it up or down. But I think, Paul, that this depends to a very great degree on personnel now. We have put in all of the necessary reforms and changes to make this instrument work. Now the question becomes, can we play the instrument? In other words, do we get substantive results and can we get them rapidly enough to match the ability of the executive, which, actually, is one man with subordinates and can move very rapidly, that the people will get a feeling that the Congress is keeping up with the byplay of what should be done in particular programs? This will mean very strong leadership and a very great desire on the part of the congressmen to change business as usual and get on with either voting a program up or down.

I am hopeful about it. I'm not euphoric, but I'm hopeful.

DUKE. . . . The question I have to ask is many Democrats, when you talk to them privately, express doubts, because they say that Carl Albert and Mike Mansfield, some of the older hands who have been the traditional leaders have not led as they should have in the past. Are they going to change? Are they going to give us a new brand of leadership now?

Representative ADAMS. Well, I think that the process is producing this. Like, for example, notice what has been done by both Mike Mansfield and Carl Albert in putting together these ad hoc committees of the committee chairmen involved and some other members on the economy and on energy and saying "Come up with a program, and we'll take it into our policy committees and see if we can't get it through."

You see, these entities or instruments, like the Policy Committee and the ability to call committee chairmen together and have them work on one program, is new. Now, I think they can do it. If they don't, then I think the American public is going to throw everything into the 1976 presidential election and say, "Well, it's whoever is President, and we'll just let Congress dispose of things." And I think the leadership in Congress and the committee chairmen and certainly the newer members are well aware that we're on trial before the American public in this two year period.

DUKE. Very briefly, do you think you can make a real difference with your committee?

Representative ADAMS. Yes, I think we can. And we'll know the answer to this by October 1, 1976. If we can get out a concurrent resolution in the spring of '76 and another one in the fall that sets the overall spending, sets the budget limit and divides up the money, then I will consider that we have been successful. If it blows apart, then you might just as well do away with this Budget Committee and decide that you're going to have the executive or somebody else run it.

DUKE. We'll talk to you in two years then. Congressman Brock Adams, thank you very much.

ANNOUNCER. "Washington Straight Talk." From Washington, NPACT has brought you the Chairman of the House Committee on the Budget, Congressman Brock Adams, with NPACT correspondent Paul Duke.

Next week on "Washington Straight Talk," Arthur Okun, economist with the Brookings Institute and Chairman of the Council of Economic Advisers in the Johnson Administration. He will be interviewed by NPACT correspondent Jim Lehrer.

Production funding provided by public television stations, the Ford Foundation and the Corporation for Public Broadcasting. This has been a production of NPACT, a division of GWETA.

FORSYTHE INTRODUCES LEGISLATION TO REGULATE OFFSHORE DRILLING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FORSYTHE) is recognized for 10 minutes.

Mr. FORSYTHE. Mr. Speaker, the United States has become petroleum dependent. Our life style as individuals and as a people has become energy intensive and petroleum supplies 78 percent of our energy thirst. With only 6 percent of the world's population, this Nation consumes over 30 percent of the world's energy resources.

In 1947, coal supplied almost one-half of our energy needs. Yet by 1950 coal supplied only 38 percent of the U.S. energy requirements and last year coal's contribution fell to only 20 percent. During this same period, natural gas and oil usage doubled to 32 percent of U.S. energy consumption and crude oil now accounts for 46 percent of the U.S. energy need.

In the complacent period that was the late 1960's and very early 1970's it was anticipated that with domestic petroleum production declining, over 50 percent of the U.S. energy requirements would be met with foreign imports by 1980. However, the Arab oil embargo clearly established that we have already reached an advanced state of dependence on imported oil.

During the past months we have also learned that such dependence has a high price. Energy prices have propelled the cost of living to unacceptable heights and have severely strained the entire world monetary structure. We have also learned that without an uninterrupted flow of oil the U.S. economy could grind to a halt.

The realization that the United States is energy dependent has generated a national effort to find new domestic resources. New life has been given to research and development of resources such as geothermal and solar energy. Increasing emphasis has been given to developing the nuclear fusion process that uses 1 gram of water to produce the energy equivalent of 5,500 gallons of oil, with water and oxygen as waste products.

However, these are long-term solutions and will not make a significant contribution to our energy supply for 10 or 15 years. Thus, in the short term, U.S. production of oil, gas, and coal must be increased.

In terms of oil and gas the primary thrust of the administration efforts has been to move forward rapidly with the development of Outer Continental Shelf petroleum resources.

The U.S. Geological Survey—USGS—estimates of offshore gas reserves range from 25 to 45 billion barrels of oil and from 130 to 250 trillion cubic feet of natural gas. However, the USGS also estimates that undiscovered, economically recoverable resources of crude oil and natural gas range between 200 to 400 billion barrels and between 1,000 and 2,000 trillion cubic feet, respectively.

The magnitude and potential of these reserves becomes clear if one considers that the present total of U.S. oil and gas reserves is 48.3 billion barrels and 266.1 trillion cubic feet.

Mr. Speaker, I do not believe that it is necessary to belabor this point. Our Nation needs energy and the energy potential of the Outer Continental Shelf is vast.

However, massive offshore development can be accompanied by massive onshore development. Offshore petroleum production carries with it the threat of oil spills and the poisoning of the marine life of the Outer Continental Shelf—a renewable resource of inestimable value.

Without effective regulation, offshore drilling for oil and gas can have serious environmental, economic, and social consequences. Will we pemit our pristine beaches to become oil wastelands—our rural areas to become clogged with people and our urban areas to become even more congested? Will we stand by while refineries and petrochemical plants turn the eastern seaboard into a huge smog belt, spelling doom for our thriving resort industry? Can we permit our State and local governments to incur the huge expense of providing support services for untaxable offshore drilling operations?

Presently, the necessary controls to protect these State and local interests are lacking. Without congressional action, they cannot properly be protected. Still, our Nation faces a real energy crisis. Domestic oil and gas production is declining and petroleum import costs are propelling inflation skyward.

Our national need is immediate. But the States must have time to prepare for the major impacts of offshore activities and to control them. I am proposing legislation to deal with this problem directly by:

Creating a $200,000,000 Coastal States Fund within the Treasury of the United States. The purpose of the fund is to provide financial assistance to affected coastal States to plan, study, and assess the economic, environmental, and social effects which offshore energy-related facilities and activities will have on their coastal zones so that these States may designate areas which are unsuitable for the location of facilities necessary to support offshore drilling operations. The Coastal States Fund, which will be financed from general tax revenues, may also be used to construct public facilities and to provide public services in order to alleviate the anticipated social, economic, and environmental impacts of such activities.

Preventing any offshore exploratory drilling until the affected State has submitted and had approved under the Coastal Zone Management Act, a coastal zone plan for the areas most heavily impacted by exploratory drilling States would have 1 year to comply with this section. Since the Coastal Zone Management Act was enacted in 1972, coastal States have been assured that no coastal State will experience undue difficulties in meeting this 1-year deadline.

However, if a coastal State does not wish to delay exploratory drilling, the State may waive the protections of this section, thus permitting exploratory drilling within the 1-year period. Such a waiver will in no way affect the State's eligibility to receive grants under the Coastal States Fund.

Preventing any production drilling on the Outer Continental Shelf until the affected States' complete coastal zone management plan has been submitted and approved, provided that the plan is in effect by June 30, 1977. The planning provisions of the Coastal Zone Management Act expire on that date and if a State is to participate in the coast zone program its plan must be approved by June 30, 1977. Again, any State may waive its rights under this section.

Requiring each leasee to inform the Federal Government and the affected States of the nature, location, and magnitude of resources on the Outer Continental Shelf. Currently there is no requirement that the oil companies reveal this data which is essential to the States' planning process.

Changing the filing procedure for environmental impact statements to require that two supplemental information statements be filed—the first after geophysical exploration is completed and before exploratory drilling begins; the second, after exploratory drilling ends and before production drilling starts. Thus, whatever additional information has been discovered regarding the environmental hazards of offshore drilling would be made public. The supplemental statements will also list what equipment performance standards will be used to alleviate environmental dangers. The performance standard requirement is especially important since the new information in the supplemental statement may clearly establish the need to strengthen equipment standards which were previously considered adequate.

Requiring that the Secretary of the Interior with the concurrence of the Secretary of Commerce, and the Secretary of Transportation, shall set equipment performance standards. Presently the Secretary of the Interior has sole responsibility for this function despite the recognized expertise of these other departments.

Requiring that inspections of drilling sites and related operations be conducted at least once every 60 days to insure that all safety, equipment, and other environmental protection standards are being met. Currently, inspections occur approximately once a year and, in my view, this is totally inadequate. In fact, the Office of Pipeline Safety has only one inspector to monitor over 220,000 miles of oil and gas pipeline.

Requiring that each affected coastal State and its political subdivisions be reimbursed for the costs of governmental services necessitated because of offshore oil and gas development. Exploitation of the energy resources of the Outer Continental Shelf will mean an increased population in certain areas of the State and this population will necessitate the expansion of governmental services such as waste water treatment plants, police, fire, schools, et cetera. Unfortunately, because the industrial activity generating this population increase is located beyond the State's taxing authority, coastal States may realize more costs than revenues from this offshore activity. Last year, for instance, the difference between the cost of services provided and the tax revenues raised in Texas was $62 million. In Louisiana the difference was $40 million.

The amount reimbursed to the State and its political subdivisions shall be the difference between the amount expended by the State and these jurisdictions for support services, and the amount collected from taxes levied on facilities involved in or related to oil and gas development in or on the Outer Continental Shelf. Adoption of this cost reimbursement formula instead of a formula allocating a fixed amount to the affected States—that is, one-third of the royalties received by the Federal Government—will insure that the State and its political subdivisions are neither overcompensated nor undercompensated for the cost of the required support services.

Thus, under my legislation affected States will be able to utilize the $200 million Coastal States Fund to plan for the onshore impacts of offshore operations. Affected States may also apply under the cost-reimbursement provisions of my bill for financial assistance to pay for governmental services necessitated because of this offshore activity.

While both these provisions will require the expenditure of new funds, I hasten to point out that last year, the Federal Government earned $6.8 billion in royalty payments from offshore oil and gas production. Next year, it is estimated that royalties paid to the Federal Government will exceed $8 billion.

Creating an Outer Continental Shelf Research Fund to support studies on ways to improve the technology related to Outer Continental Shelf oil and gas exploration and development, and the environmental impact of developing these resources, including the development of needed marine baseline data.

Creating a $500,000,000 Outer Continental Shelf Liability Fund that will automatically reimburse persons damaged by an oil spill caused by offshore drilling operations. Persons so damaged will be able to collect directly from the fund. The fund will in turn assume the claimants rights to sue the leasee—or the owner or operator of any vessel transporting oil from the drill site—for the recovery of damages sustained by the claimant and paid by the fund.

For any one oil spill the fund may expend a total of $500,000,000 to the claimants. If the damages exceed $500,000,000, the amount paid to each claimant shall be reduced proportionately. However, the right of any claimant to sue for the recovery of damages in addition to what he has been paid by the fund, shall in no way be affected by this section.

The fund will be financed by a 10-cent-per-barrel fee levied on the leasee. Further, 10 percent of the revenue collected from the initial lease bidding shall be deposited in the fund and repaid to the Federal Government from the revenues collected by the fund through the per barrel levy.

Directing that the Secretary of the Interior promulgate regulations requiring the removal of all structures sited on the Outer Continental Shelf after these structures have become nonfunctional.

Mr. Speaker, it is not responsible for individuals in positions of leadership and governmental responsibility to decry the shortage of natural gas and oil in the United States and at the same time take unyielding positions against reasonable efforts to develop available energy supplies.

It is not responsible for Members of Congress, specifically, to blindly obstruct the development of offshore energy re-

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sources if these resources can be obtained and if the coastal environment and economy can be protected as well.

But that protection is essential to the development of offshore oil or gas wells, and the Congress must act so that potentially rich energy deposits can be utilized in a manner that will preserve our beaches and the seashore environment.

I intend to meet this responsibility to help our Nation become less dependent upon foreign interests for its energy supplies, and to provide the necessary safeguards that are presently lacking.

Legislation that I am introducing today is designed to do this, and I challenge my colleagues in the House to put aside parochial interests and to seriously review my proposals.

EQUAL TREATMENT FOR COUNTRY'S NATIONAL GUARD TECHNICIANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I have for introduction today, two bills to provide equal treatment for a group of dedicated and indispensable Federal employees—the country's National Guard technicians.

While in recent years it has been the clear intent of Congress to provide equal treatment for all Federal employees, conflicts in previous legislation have provided loopholes that have denied these technicians full retirement credit for service prior to 1969. Likewise, legislative loopholes have denied the technicians payment of overtime as provided their counterparts—wage grade and general schedule employees.

The record of the National Guard technician force has been impressive. Their ability to provide and maintain combat ready reserve units and their ever-increasing contribution to our defense posture is a real bargain when measured against the cost of active military units.

These two bills represent not only a measure of equity, but also a sound investment in a strong and viable reserve force. I hope that we will be able to move expeditiously to correct these inequities.

H.R. 3706

A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes

Be it enacted by the Senate and House of Representatives in Congress assembled, That (a) section 8332 (b) of title 5, United States Code, is amended by striking out the last sentence thereof which provides that service referred to in section 8332(b)(6) is allowable only in the case of persons performing service under section 709 of title 32, United States Code, on and after the effective date of the National Guard Technicians Act of 1968, the result of this amendment being to restore full effect to the equitable provision of section 8332(b)(6), of title 5, United States Code, which makes creditable for retirement purposes employment under section 709 of title 32, United States Code, or any prior corresponding provision of law.

(b) Section 8334 (c) of title 5, United States Code, relating to deposits for periods of creditable service for civil service retirement purposes, is amended by striking out the last sentence thereof which provides that, notwithstanding the foregoing provisions of such subsection, the deposit with respect to a period of service referred to in section 8332 (b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be an amount equal to 55 per centum of a deposit computed in accordance with such provisions.

(c) Section 8339 of title 5, United States Code, relating to computation of civil service retirement annuities, is amended by striking out subsection (m) thereof which provides that in determining service for the purpose of computing an annuity under each paragraph of this section, 45 per centum of each year, or fraction thereof, of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be disregarded.

(d) Section 3(c) of the National Guard Technicians Act of 1968 (82 Stat. 757; Public Law 90-486), relating to crediting of National Guard technicians service for the purposes of leave, Federal employees death and disability compensation, group life and health insurance, severance pay, tenure, and status, is amended by striking out the last sentence thereof which provides that the subsection shall apply only in the case of persons who perform service under section 709 of title 32, United States Code, on or after the effective date of the National Guard Technicians Act of 1968.

(e) That in computing creditable service, within 120 days from enactment of this statute, the Civil Service Commission shall issue regulations offering optional procedures for deposits to be made by those employees now on the annuity rolls, and for beneficiaries of such annuitants. In addition service credit shall be recomputed for former employees consistent with provisions of this Act.

SEC. 2. The foregoing provisions of this Act shall become effective as of January 1, 1969, the effective date of the National Guard Technician Act of 1968.

H.R. 3707

A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes

Be it enacted by the Senate and House of Representatives in Congress assembled, that it is the sense of Congress that all Federal employees are entitled to equal consideration and to be equitably and fairly compensated for services rendered, including overtime, consistent with the pertinent provisions of Title 5, United States Code, and the requirements of the Fair Labor Standards Act, as amended,

To this end, it is the sense of Congress that residual discrimination against National Guard Technicians should no longer be permitted and that, for this reason, section 709 (g)(2), of title 32, United States Code, is amended by striking out the last sentence of paragraph (2) thereof which provides that notwithstanding sections 5542 and 5543 of title 5, United States Code, or any other provision of law, certain technicians shall not be entitled to compensation for any time spent by them in irregular or overtime work, but instead shall be granted compensatory time off.

SEC. 2. Technicians employed under section 709 of title 32, United States Code, shall be compensated for overtime in the same manner as other employees of the Department of the Army or the Department of the Air Force, in accordance with the pertinent provisions of title 5, United States Code, and the Fair Labor Standards Amendments of 1974 (Public Law 93-259).

THE IMPACT OF MEDICAL MALPRACTICE ON CONSUMERS OF HEALTH CARE SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 30 minutes.

Mr. HASTINGS. Mr. Speaker, on February 19, I issued a statement to my colleagues in the House on the problem of medical malpractice. At that time, I concentrated on the impact of the medical malpractice problem on the providers of health services in this country. Today, I would like to offer some observations about the impact that medical malpractice is having on the consumers of health care services in this country.

When reviewing Government reports, journal articles, and stories in the media concerning medical malpractice, it is easy to get the impression that the major problem is that of the availability and the high cost of medical malpractice insurance for health care providers. This is indeed a serious and pressing problem. But as we are all aware, it is the injured patient who pays the highest price when malpractice occurs and it is all health care consumers who must ultimately pay for the high dollar costs associated with medical malpractice. It is, therefore, the health care consumer who stands to benefit most from approaches which will reduce the number or lessen the impact of medical injuries caused by medical malpractice and contain rising costs caused by the medical malpractice problem.

In my previous background paper on medical malpractice, I cited the impact of medical malpractice on the health care providers. In that paper, I noted that many providers, notably many physicians, do not see their negligence as the principal cause of medical malpractice claims. I mentioned a study which showed that only 2 percent of the doctors surveyed considered poor medical practice as the primary cause of the increase in the number of medical malpractice claims. Instead the doctors surveyed listed poor communications between doctors and patients and aggressive lawyers as the major factors in the medical malpractice problem. One physician and a member of the Secretary's Medical Malpractice Commission noted that the public was becoming increasingly suit-conscious, and that this was the major factor contributing to the increase in the medical malpractice problem.

What evidence is there regarding the extent of medical injuries caused by negligence?

At the request of the Secretary's Medical Malpractice Commission, Geomet, Inc., examined the records of two hospitals to determine the number of medical injuries overall and those caused by negligence. The investigators employed by Geomet were skilled in making determinations of medical malpractice. Altogether, they sampled over 800 medical records for this purpose. Their conclusions were based on that sample. The investigators concluded that of the 23,750 patients discharged in 1972, 1,780 or 7.5 percent of the total number suffered from medical injuries, and 517 or 2.2 percent of the total number suffered medical injuries caused by negligence. The investigators noted that these figures "significantly underestimate the true rate," because of the approach they used. Regarding the severity of injuries found, roughly 30 percent were classified as temporary but major, 5 percent as either significant and permanent or major and permanent, and 13 percent of the patients died from the injuries caused during hospitalization. The investigators made no attempt to extrapolate national estimates from their findings. Dr. Roger O. Egeberg, who is responsible for HEW's efforts to deal with medical malpractice, estimates that the number of medical injuries may be as high as 2 million and the number of medical injuries caused by negligence may be as high as 700,000. Equally significant as the findings of medical injuries was the finding that only 31 claims were filed during 1972, even though there were an estimated 517 medical injuries caused by negligence. The surprisingly small number of claims instituted relative to the number of medical injuries caused by negligence is consistent with the conclusions of most experts that medical malpractice seldom results in a claim by the injured patient.

The estimated number of medical malpractice claims probably exceeds 20,000 per year at this time. One of the claims frequently made by health care providers and by insurers is that health care consumers are increasingly instituting medical malpractice claims. The available evidence supports this contention. The American Medical News on November 4, 1974, reported that claims were increasing by 13 to 14 percent per year. The New York State Medical Society, according to an article in the New York Times on January 19 by David Bird, stated that claims had increased from 891 in 1964 to 2,072 in 1974. The rapid increase in medical malpractice insurance premiums which I cited in my February 19 paper are caused, in part, by an increase in the number of claims.

Although the evidence supports the contention that claims are increasing, it appears that most injured patients are reluctant to institute medical malpractice claims. Partial support for this contention comes from the wide disparity between the number of injuries caused by negligence which were found in the study cited earlier and the number of medical malpractice claims instituted by or on behalf of the injured patients. This contention is further reinforced by a study done by Dr. James L. Peterson on consumer knowledge and attitudes regarding medical malpractice. Dr. Peterson interviewed a sample of household heads and spouses at the request of the Medical Malpractice Commission. He found that over 40 percent of the persons interviewed reported some negative medical experience in their families. Most felt that there was some failure or negligence of the doctor involved. Most felt that some damage had resulted, either physical injuries, economic loss, or unnecessary pain and suffering. Despite these perceptions of loss, only 8 percent of those alleged to be injured considered seeking the advice of an attorney and only 4 percent did. Two additional pieces of information refute the contention that frivolous claims are being instituted. One regards the actions of attorneys, who are more skilled at determining the merits of cases than the injured patient, in most instances. According to the Medical Malpractice Commission, lawyers only accept one out of eight cases brought to them. According to George Annas, director of the Boston University Center for Law and Health Sciences, the lawyer's office is "a place where weak and unfounded cases are screened out."

The second piece of information pertains to a study done by the insurers themselves. At the request of the Medical Malpractice Commission, insurers were asked to examine their closed claim files and to judge the merit of the claims made. The insurers judged 46 percent of the claims to be meritorious. Depending on the point of view a person wishes to advance, this finding can be used to support the contention that there are a large number of frivolous claims or support the contention that there are a large number of claims made which have merit. What is not true, and is often alleged, is that the vast majority of claims made are without merit.

When an injured patient or his legal representative does file a claim for damages resulting from medical malpractice, how well does he fare? Again, most of the data available regarding the outcome of medical malpractice claims comes from the report of the Secretary's Medical Malpractice Commission.

The Commission examined some 12,000 claim files closed in 1970. They found that payments were made to the claimant in approximately 45 percent of the cases. The great majority of the claims were settled without a lawsuit or before a verdict was rendered. In view of the allegations made by the medical profession that juries favor the plaintiff, it is surprising that the plaintiffs were successful only in 20 percent of the cases when cases went to a jury.

In approximately half the cases, the claim payment amounts were less than $2,000. Almost 90 percent were less than $20,000. Less than one out of a thousand claims paid were for a million dollars or more. There is little question that the size of the claims has increased substantially since the Medical Malpractice Commission looked at the size of claims payments. According to the American Medical News on November 4, 1974, the average—total value of claims paid divided by the number of claims paid—increased from $5,000 in 1970 to $8,000 in 1973. In California, according to the same article, there were three cases where the plaintiff received more than $1 million prior to 1971. Since that time, there have been nine. At the time of the article, $1 million-plus awards had been granted in 6 consecutive months. In New York, according to an article in the January 19, 1975, New York Times, the average medical malpractice claim settlement amounts had increased from $6,042 in 1964 to $23,426 in 1974. Since both New York City and California are the highest medical malpractice cost areas in the United States, and appear to be experiencing a crisis now, occurrences in these two areas probably do not accurately reflect the trends nationwide. Unfortunately, recent comprehensive data is not available for all the States, at this time.

One of the major problems for the injured patient who is involved in a medical malpractice claim is the length of time it has taken to settle medical malpractice claims. It takes 10 years to resolve all of those cases which subsequently arise from medical injuries occurring in a particular year. This issue was examined in some detail by Baird et al. under contract with the Medical Malpractice Commission. The investigators found that the average time from the incident to resolution of the medical malpractice claim was from 3 to 5 years, depending upon the approach used in reaching a settlement. Actions at law requiring a jury verdict took an average of 5 years to settle, with 10 percent of these cases to be decided by a jury still pending after 6 years and 10 months. Baird et al. stated:

> It can be concluded from the preceding analysis that the time to resolve a medical malpractice dispute by existing formal methods is extraordinarily long, from the perspective of the negligently injured patient and the wrongfully accused physician.

I think we can all appreciate the hardship such delay can cause to a seriously injured patient.

Perhaps as lamentable as the delays that injured patients or their legal representative experience in obtaining payment is the amounts of professional liability insurance dollars that finally get to the patient.

The Medical Malpractice Commission, in addition to their other work, held public hearings around the country. According to the Commission report:

> One witness in Los Angeles told us: "I had a serious back injury, and was out of work for two years. I made a $22,000 settlement, and after the settlement I realized $3,000. The attorneys got the balance of the profits and split it with the doctors." We heard other witnesses testify similarly, and while we are not in a position to evaluate the credibility of these witnesses on the amounts they actually recovered, their combined testimony was compelling.

Estimates of the amount of the professional liability insurance premium dollar which finally reaches the injured patient or his legal representative are as low as 16 cents and as high as 38 cents. The remainder goes to insurance company profits, administrative costs, agents' commissions, and plaintiff and defense attorneys' fees.

Factors contributing to the high cost of medical malpractice insurance relative to patient benefits will be discussed in greater detail in future background papers on insurers' and lawyers' involvement in medical malpractice. Although the information in this area is admittedly imprecise, the amount of the medical malpractice insurance that gets to the

injured patient or his legal representative should be of great concern to the Congress when it begins to address itself to the medical malpractice problem.

One final point regarding injured patients pertains to claims with relatively small potential dollar value. As I mentioned earlier, the Medical Malpractice Commission estimated that attorneys accept only one out of eight cases. Many injured patients are rejected, because the amount of the claim is too small for the lawyer to recover what he considers to be an adequate fee. The amounts of potential recovery may have to be $5,000, $10,000, or more for highly skilled lawyers to take the case. These statements are not intended to imply that the contingent fee is the cause of lawyer unwillingness to take cases which they consider to have small potential dollar value. Most persons with small claims would probably be unwilling to pay a lawyer on a straight fee basis where the potential recovery is small, and many could not afford to pay the lawyer on such a basis. The loss of several thousand dollars in medical expenses and lost earnings is not insignificant to the injured patient, however, and some means need to be devised to enable the patient to recover where they have a just claim.

Up to this point, Mr. Speaker, I have addressed myself primarily to the question of the injured patient, and how well he fares in our present system of resolving medical malpractice disputes.

There is, in addition, the negative impact of medical malpractice on all consumers. The evidence, albeit tentative, is nevertheless disturbing regarding the extent of medical injuries that are occurring, many of which we must assume are preventable. We need a clearer picture of the number and nature of medical injuries that are occurring in this country.

Although again the evidence is tentative, some experts claim we are spending billions of dollars on defensive medicine, a concept which I discussed at some length in my February 19 paper on medical malpractice. If, as Dr. Egeberg stated at a recent briefing of Congressmen and Senators and their staffs, we are spending as much as $7 billion on defensive medicine, the cost to each person in this country would exceed $30 a year.

Finally, there is the cost of medical malpractice insurance itself. If the costs are a billion dollars, it adds about 1 percent to our national health costs and the rate of increase may be 10 times the rate of increase for medical prices generally. If as alleged, the amount that finally goes to the patient is less than 40 cents on a dollar, the waste is excessive.

NEED FOR PROTECTION OF FISH RESOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 5 minutes.

Mr. TALCOTT. Mr. Speaker, some things we read and hear these days would be amusing if they were not so tragic and so potentially dangerous to our national well-being.

For instance, it has often been repeated that "our free markets cannot survive secret and evasive purchases of our resources by foreigners, such as the Russian wheat deal and the Japanese purchases of our lumber and coal."

However, I have yet to hear or see those who make such complaints take to the airwaves or to the printed page to oppose or condemn the dredging and confiscation of our fish resources by other nations without any payment whatsoever and without any effort on their part to utilize conservation techniques.

Lumber is a renewable resource which we can increase by improved harvesting and conservation techniques. Coal is our most plentiful energy resource which we could beneficially use to supplement our energy shortfall or even use for international barter. At the very least, we do control the sale of these products.

On the other hand, we do not control our fish resources. Where are the complaints about "Russian wheat deals" and "Japanese lumber buys" when this more serious theft and malicious destruction by these same nations occurs every day in the oceans just 12 miles or less from our shores.

Our fish and other ocean food and chemical resources may soon be critical to American and world food requirements. The ocean, and the ocean beds, could supply most of our nutritional needs in the not-too-distant future.

However, our fish and marine food resources could be permanently depleted—as some already have been—unless we stop the stealing and destruction of our fisheries by foreign intruders. Therefore, we must act promptly and decisively to end this unchecked looting of a vital natural resource.

FEDERAL FIREARMS CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, today I am pleased to announce that the Subcommittee on Crime of the House Committee on the Judiciary will continue hearings on more than 20 proposals concerning amendments to the Federal firearms laws. During our first two hearings last week, a number of Members appeared before the subcommittee to comment on proposals which they have introduced on this issue. Because the interest among Members has been so overwhelming, I have scheduled a hearing for Thursday February 27, at 10:30 a.m. in 2237 Rayburn House Office Building for the purpose of hearing those who were unable to participate in the first two hearings.

Members wishing to testify or to submit a statement for the RECORD should address their requests to the House Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

A CITY BETRAYED—X

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Coastal States Gas Co. conducted its business very much in the way that a short trader in stock operates. They contracted to sell gas at a certain rate, but did not actually own the gas to cover that contract. This was perfectly all right, as long as the price of gas remained steady or went down. But unfortunately for Coastal and tragically for its customers, the price of gas started going up in the late sixties, and Coastal could no longer sell short. They either had to live up to their contracts, taking losses—or break those contracts.

Rather than lose money or go bankrupt, Coastal decided to try and break their contracts. Early in this decade, Coastal started renegotiating gas supply contracts as rapidly as possible, but could not do it fast enough to save the situation. More heroic measures were needed.

The biggest problem facing Coastal was that their larger, more sophisticated customers were determined to hold the company to its contracts. Coastal's chairman, Oscar Wyatt, decided on a two-pronged strategy to break the big contracts: Gentle persuasion, and an effort to get a State law passed that would enable him to break any contract he had, regardless of customer wishes or his own lawful obligations. If his big customers could not be talked into renegotiating their contracts, Wyatt aimed to use his so-called "Coastal States" bill in the legislature to see that things were done his way.

San Antonio and other big customers resisted the Coastal legislation, and eventually it failed to pass. But in the meantime there was tremendous pressure on the city public service board and other big customers to give in to Wyatt's demands.

Wyatt had a strong ally in San Antonio, in the form of businessman Morris Jaffe. Through the efforts of Jaffe and his friend Charles Becker, Wyatt hoped to charm San Antonio's ex-mayor, Walter McAllister, into supporting his cause. Private meetings were held with McAllister. Jaffe followed up on these with a letter to McAllister, outlining the case for Wyatt's demands. In this letter, Jaffe said that if San Antonio renegotiated, Wyatt would give the city a reliable gas supply for the next 25 years. McAllister seemed unmoved by this, so the campaign was stepped up.

Wyatt arranged to have one of his top lieutenants, Rue Thomas, get in touch with San Antonio's newspaper editors, to win them over. He planned, with the support of the newspapers and hopefully that of McAllister, plus other businessmen, to talk the city public service board into renegotiating its contract.

The campaign was coordinated through Coastal's secretary, Norman Davis, who got his marching orders directly from Wyatt. Wyatt informed Davis, according to Davis' notes of October 4, 1971:

> Rue Thomas is working to coach (1) S. A. newspaper editor; (2) another S. A. businessman; and (3) Jaffe.

Wyatt wanted a high-powered delegation to go to the city public service board to make a pitch for him. Walter McAllister, as one of the strongest citizens in the community, was vital to his effort. Wyatt evidently felt that Morris Jaffe was not the man who could win his case—but possibly he could talk McAllister into supporting Coastal. So Wyatt instructed Davis:

> Jaffe to talk to McAllister and support my plan. Jaffe not to participate in presentation. Instead, suggest three people to go before CPSB on Oct. 11: 1. Chas. Becker, 2. Newspaper editor, and 3. Local businessman, to talk about "gas shortage."

After thinking the plan over, Wyatt changed his mind about the delegation. He decided instead that a newspaper executive was to make the presentation alone. Presumably, of course, this would be done with the support of the business and community leaders that Davis, with Jaffe's help, was rounding up.

I find it extremely interesting that Wyatt wanted to make use of Charles Becker. Only a few months before, Becker had been elected to the San Antonio City Council. Was this with Wyatt's help? After all, Coastal had clearly invested in the city council election that spring. No records of those contributions exist, perhaps because they were part of the "anonymous" donors reported that year, or because the Coastal money had been funneled through other accounts. Possibly it was because Becker had gotten funds from Wyatt, or because he was a good friend of Morris Jaffe, or some other reason. Whatever the case, Wyatt wanted to be sure that Becker spoke up for Coastal. He did support Wyatt's cause, and in the election a couple of years later, when Becker ran for mayor, he reported large amounts of "anonymous" contributions.

Furthermore, he employed Wyatt's own public relations man in the 1973 election campaign, which was the most lavish and vicious municipal election campaign in many years—perhaps unprecedented in San Antonio's history. A good part of the Becker campaign was run out of a committee headed by Jim Dement, a large San Antonio builder. In recent times, Dement himself appears to have had some connections with Wyatt's business empire. Some say that Dement has received construction financing through Wyatt-dominated institutions.

Whatever Wyatt's reason for tapping Becker was, and whatever Becker's reason for taking up Wyatt's fight, the point is that if Wyatt was going to save his pipeline business in Texas, he had to break his contracts. He used every resource at his command—influence in the legislature, and influence and pressures on the San Antonio City Council. These efforts of Wyatt's were certainly helped along by unreported campaign contributions, and by his numerous business connections of one kind or another. The web of influence Wyatt cast over the city did not cause the city public service board to break its contract, however, and Coastal faced the hard reality of having to choose between honoring its contracts and losing massive amounts of money in the process, or letting its customers go short.

A few months after Wyatt's desperate bid to break the San Antonio contract, Coastal started a vicious curtailment program in San Antonio. The city had little or no warning of what was about to happen, and had less than a 10 day supply of fuel oil to run its generating plants with. San Antonio came to the brink of utter catastrophe.

All of this demonstrated very well that Oscar Wyatt did not intend to lose any money, contract or no contract. He aimed to bring San Antonio to its knees, by fair means or foul. When he could not buy the legislature or frighten his customers into compliance with his demands, he coldly and cynically decided to drive them to the very brink of disaster. A colder heart cannot be found than Oscar Wyatt's. His decisions and actions in restrospect look like those of a master criminal. Who suffers? Not Wyatt, except in the sense that his ego is hurt by adverse publicity. Only his customers are hurt—because they thought that Wyatt would live up to a contract that one and all, including his own attorney, said was ironclad—containing no "escape clauses" of any kind. Oscar Wyatt does not know the meaning of integrity or honesty.

STATEMENT ON THE BILL TO ESTABLISH THE ADMINISTRATIVE RULEMAKING CONTROL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, today I am introducing a bill which would control Federal agency rulemaking.

Embodied in the principles of Magna Carta, the Declaration of Independence, the Constitution of the United States, and its Bill of Rights is a basic concept that government must be by consent of the governed and that due process of law is essential. Would any average citizen seriously argue that a person should be deprived of liberty or property under decrees which no elected official has participated in promulgating? Yet, today the fact is that vastly more rules are made by the decree of an unelected bureaucracy than by the elected Members of Congress. Last year alone approximately 6,000 administrative rules were adopted by 67 Federal agencies, departments, and bureaus. In most instances, a consequence of violating these administrative rules is imprisonment or fine or both.

One only has to glance at the daily Federal Register to realize that Federal agencies have evolved into a fourth branch of Government with hosts of regulations that carry the force of law without benefit of legislative consideration. While it may be true that Congress has previously given—or abandoned—to the bureaucracy the power to enact these administrative laws, that does not itself justify continuing this practice. There is definitely a need to have administrative rulemaking to fill in the detailed gaps between the broad principles embodied in acts of Congress, but this does not mean that Congress should leave it to civil servants or appointed officials to pass thousands upon thousands of far-reaching laws that can put citizens in jeopardy of liberty or property without having anyone elected by the people or answerable to them involved in the process.

As the size and reach of the Federal bureaucracy has grown, the need to reexamine its force and power has come upon us. Curbs on administrative legislation, which may have not been needed in years gone by, may be needed today. We have too many examples of administrative excess and zeal, going far beyond any congressional intent. Congress now has the responsibility of facing up to a reexamination of the necessity of congressional control over the administrative process.

When an act of Congress contains the pithy section which reads something like this:

> The Secretary shall have the power to promulgate regulations to carry out the purposes of this act . . .

Then the citizen is at his peril. Congress has passed the buck, and the citizen must deal with people unaccountable to him and frequently unresponsive to him. Congress has done this far too often, and thereby has opened Pandora's box of administrative rules.

A "lawmaking" process follows upon these words quoted above, which process never again permits the Congress effectively to determine whether its intent has been followed.

After going through a series of procedures and hearings—all by civil servants or appointed officials—a rule comes forth. To test the validity of that rule, a citizen must go to court, or, at his peril, face prosecution. The standards adopted by the judiciary for review of administrative rules are lax indeed, are rarely effective and never go into the issues of policy contained therein.

The frustrations of going through the administrative process; the feeling that no one listens or cares; and the practical inability of an individual to face up to the faceless bureaucracy is all part of the scene—a scene that needs changing to make the rules and the bureaucracy more responsive to Congress and ultimately, thereby, to the people.

Under my proposal, whenever an administrative rule is adopted by an agency under procedures of the Administrative Procedure Act—section 553 of title V, United States Code—and a violation of the rule could result in a criminal sanction, then either House of Congress would have 30 days in which to pass a resolution disapproving of the adopted regulation. Passing of such a resolution by either House will have the effect of preventing the regulation from becoming operative.

My proposal will provide for an expedited procedure for bringing the resolution to the floor of the House or the Senate. Modeled after the procedures for consideration of recision and deferral messages from the President, it would allow prompt and efficient consideration and action by either body.

The procedure for consideration initially requires that all affected rules be placed before both Houses for a period of 30 days. If within this period of time a Member of either body introduces a resolution disapproving the specific rule, the resolution can be voted on, or can be referred to a committee, in which lat-

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ter event an additional 30 days is allowed for consideration and action by the particular House. A majority vote would be needed in order to refer the resolution to an appropriate committee which would then have a specified time to report its recommendations back to the House. A majority vote to adopt the resolution would nullify the proposed rule.

The full procedure provided by this legislation—which would be entitled "the Administrative Rulemaking Control Act"—would not in most, or even in many cases have to be followed to its end nor require that the numerous rules promulgated by the bureaucracy would have to be individually considered by Congress. Most rules are not controversial, and most others will clearly be consistent with congressional purposes and will not, therefore, be challenged. Still others which are challenged will be summarily dealt with and accepted, or infrequently, summarily rejected. Only a few will require close scrutiny by Congress, and in those instances they certainly deserve such scrutiny.

Finally, my proposal provides that if Congress fails to adopt a negative resolution, such inaction will not be deemed to be an expression of approval; thus, avoiding interference with any future litigation which may arise from an adopted rule.

Legislative review of administrative decisions has precedents in Congress, several of the States, and in other countries. From 1948 to 1973, all executive reorganization plans were required to be reviewed by Congress with either House authorized to disapprove within a certain period of time. The Budget and Impoundment Control Act of 1974 established similar procedures for proposed budget adjustments by the President. Five States have established required procedures for legislative review of and action on administrative regulations. In Great Britain statutes delegating power to make regulations of general applicability have usually required regulations to be laid before Parliament for negative or affirmative action. The more widely used negative action provides that if within a stated period either House resolves that the regulation be annulled, it shall have no effect. Similar requirements exist in Australia, Canada, and New Zealand law.

My bill would not destroy the administrative process; it will make it more responsive. It does not substitute congressional decision for administrative decision; it assures that those few administrative rules which clearly go beyond congressional contemplation are never inflicted on the public.

Most employees of the Government try to do a good and conscientious job and they indeed do so. We need their services and we respect them for it. But, those officials who are overzealous and think that they—not Congress—make the laws need to know that there is the eye of Congress looking over their shoulder and, which, when necessary, will spot the excesses so that Congress can remedy them.

The judicial process is not the way to solve the problem because that process is not available in all instances due to excessive cost, and is cumbersome and does not get to the heart of the problem itself. Traditional legislative oversight and repeal legislation is not the answer. That is ex post facto and not suited to dealing with routine rulemaking excess. Therefore, I propose to let Congress at least have the opportunity in advance of disapproving of rules which it believes exceed the original congressional intent and which could subject citizens to criminal punishment.

This bill does not commend itself solely to those who call themselves "liberals" or solely to those who call themselves "conservatives." It commends itself to those who are concerned about the place and plight of an individual in the face of a vast and sometimes unresponsive bureaucracy. It commends itself to those who believe that the basic principles of Magna Carta, the Declaration of Independence, the Constitution and its accompanying Bill of Rights are still valid—that no person should be deprived of liberty or property without someone elected by and answerable to the citizen being involved in the adoption of a decree that can place him in jail or impose a fine upon him.

This bill is not the final answer to administrative and bureaucratic problems. It is a first step that needs to be taken. I shall, in the future, propose other legislation dealing with the administrative process to make it more responsive, more open, more accessible, swifter—which is frequently a problem when needed regulation is unduly delayed and snarled in a game of legal technicalities—and more consistent with the needs of a modern society founded on enduring principles of freedom, democracy, and republican government.

ELIMINATION OF CHAUFFEUR-DRIVEN LIMOUSINES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 10 minutes.

Mr. HAMILTON. Mr. Speaker, I am introducing legislation today to eliminate the unnecessary and possibly illegal annual expenditure of taxpayers' money for the chauffeur-driven limousines used by about 770 lower-level Government officials in the Washington area.

My bill, which is identical to one being introduced by Senator PROXMIRE, would reduce the number of persons assigned these limousines to about 27: The President, the Vice President, the head of each executive department, the Chief Justice of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, the majority and minority leaders of both Houses, the majority and minority whips of both Houses, and the U.S. Representative to the United Nations.

Federal law already explicitly limits the use of these vehicles to the President of the United States, his cabinet members, and principal diplomatic, and consular officials. Yet, by virtue of an all too liberal interpretation of the law by the executive agencies, some 800 persons ride to and from their jobs daily in Government-owned cars driven by Government-paid chauffeurs. The cost to the taxpayer, in drivers' salaries alone, is about $13 million.

These are hard times. The President has called on us all to make sacrifices in a time of national difficulty. I agree with the President that sacrifices are necessary, as I agree with the President that unnecessary Government expenditures must be eliminated. These cars certainly fall in that category.

An expenditure for such a purpose is never justifiable; in these times it is just plain onerous. We are faced today with a depressed economy and an energy shortage. The American people are being asked to endure hardships and suffer deprivations they have not seen since World War II. How can we make such demands of the public if the sacrifices stop at the Government's own door? Government should be out front, pointing the way. But not in a chauffeured limousine.

In early 1973, I began the slow, painful process of extracting information about these chauffeured cars from one executive department, the Department of Defense. What I learned was that the DOD furnishes too many cars to too many persons and at too great expense to the American taxpayer.

At present, the DOD figure is 44 chauffeured cars. When I began my investigation, it was 52. As I read the law, it should be no more than four: the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force. The average annual cost per car, including chauffeur salaries and overtime, is more than $14,000. The average annual busfare should be less than $500. The cost to the taxpayer to provide these 44 persons with a free ride to work will be more than $635,000 this year. Although DOD has slightly reduced the cost from the 1973 high of $676,000 by shifting to smaller cars, that clearly is not enough.

The Honorable James R. Schlesinger, on assuming the duties of Secretary of Defense in July of 1973, made these remarks:

> We must be prepared to accept adjustment and change. There are luxuries that we shall have to do without.

I am in complete agreement with the Secretary's remarks, and I would apply them to the entire Federal Government. These chauffeur-driven cars are one of the luxuries we ought to do without.

I urge prompt and affirmative action on this bill.

DISAPPROVAL OF DEFERRAL OF FUNDS FOR MARINE-RELATED PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AUCOIN) is recognized for 15 minutes.

Mr. AUCOIN. Mr. Speaker, at a time when the specter of famine haunts so many areas of the world, and when hundreds of millions of people at home and abroad are looking to the sea as a potential source of food to supplement their diets, I find it alarming that the administration has proposed a deferral of funds which would give important assistance to the development of our ocean resources. Instead, this Nation should be doing all it can to increase our food-producing capability.

Yesterday, I introduced a resolution to disapprove the administration's proposed deferral of budgetary authority for operations, research, and facilities of the National Oceanic and Atmospheric Administration for fiscal year 1975. I am particularly concerned about the administration's deferral of $600,000 in grant-in-aid funding under the Anadromous Fish Conservation Act and the Commercial Fisheries Research and Development Act, as well as the deferral of $1,034,000 for the sea grant program. These programs, Mr. Speaker, are of great significance to the Nation's long-run ability to harvest the sea.

There are many examples of what these programs mean, Mr. Speaker, but let me use Oregon as an illustration. It serves as an excellent example. Oregon's portion of the $600,000 grant-in-aid funding has been used in this way:

First, to subcontract several studies concerning the development of new and better products from Oregon's food-fish resource;

Second, to make resource surveys of bottomfish and shrimp to determine the extent of the fishery so that sustainable yields may be identified;

Third, to make shellfish investigations;

Fourth, to develop and improve hatchery techniques—improvement of the Oregon pellet, a fish food, has led to better diets and healthier salmon and has greatly improved the annual salmon catch; and

Fifth, to fund research-management programs on anadromous fish stocks outside of the Columbia River system to better manage and protect U.S. stocks of salmon.

According to the National Marine Fisheries Service, the $600,000 reduction in funding for the Anadromous Fish Conservation Act and the Commercial Fisheries Research and Development Act would be spread equally among the States on a pro rated basis.

While this reduction on a State-by-State basis would appear to be small, the cumulative effect has profound implications for the future of programs funded under these laws. With annual cost-of-living increases these programs have had to be continually reduced in number so that the program budget could be balanced. The President's deferral now would result in a total reduction of about $51,179 to Oregon for these two programs for the last 5 months of the fiscal year. This will be in addition to the high inflationary costs which the programs must also continue to absorb, and the actual result in Oregon will be a loss of two research positions and a decrease in the number of salmon reared.

These cuts would come at a time when the Nation's fishing industry is having to adjust to foreign fishing practices which have been harmful to resource management efforts and which the Federal Government has proved impotent to prevent. Another consideration is the status of Canadian-American negotiations concerning the salmon resources of the Pacific Northwest. Reduction in grant-in-aid support of State/Federal research and management programs will impair ongoing cooperative salmon taking and recovery programs between these two nations. Since these programs represent only a part of a joint Canadian-American study of the salmon stock, a decrease in support for these programs would be viewed by Canada as a failure by the United States to live up to these agreements.

Turning to the deferral of $1,034,000 for the sea grant program, Mr. Speaker, this would have a devastating effect on our national marine research and development effort. Using Oregon as an example again, the following would be the effect of the administration's deferral:

First, reduced support of marine and commercial fisheries technology training projects;

Second, termination of support of a coastal zone management specialist;

Third, termination of studies to determine feeding habits of salmonid fishes in estuaries, and programs which would assist in protecting natural runs, managing hatchery releases, and predicting the effects of manmade changes on estuaries;

Fourth, termination of studies to evaluate the potential for a krill fishery off Oregon. Krill, the largest standing crop in the ocean, may equal the combined tonnage of all other marine life forms. The Soviet Union and Japan are already harvesting krill, and this project was the only one in the United States designed to develop this potentially largest of all fisheries;

Fifth, termination of studies to provide information on the nature and extent of commercial and recreational fishing on neritic reef fishes; and

Sixth, termination of a project to provide a guidebook to coastal and estuarine fish larvae off Oregon. This was requested by the Atomic Energy Commission and the National Marine Fisheries Service and would have assisted in ecological baseline studies and fishery management.

Program reductions such as these are not limited to Oregon, Mr. Speaker. When projected on a national basis, such reductions of congressionally appropriated funds will have tremendous negative impact on our efforts to increase our knowledge of the sea. If the administration's deferral is sustained, for example, Oregon State University has been told to expect a 10-percent reduction in its sea-grant funding, from $1.55 to $1.40 million, or about $155,000. When this amount is added to cost-of-living increases and increases due to inflation, the result is a 25-percent decrease in program capability. The effect of such decreases nationwide on our marine resources development effort is apparent.

Four other programs, unrelated to the marine-related programs I have just mentioned, are included in the President's deferral request. These are:

First. Funds to establish a National Severe Storms Forecast Center in Kansas City;

Second. Funds for procurement of radar data processing units for long-range weather radars;

Third. Funds in contracts and grants to universities for work on development of weather-related satellite remote sensing techniques; and

Fourth. Funds for the acquisition of minicomputers and display systems within the Weather Service.

To be very frank, I am not as concerned about the last four programs as I am about the two which are part of our national marine research and development effort. It is unfortunate that, according to the interpretation I have obtained from the Parliamentarian's office, in order to disapprove the President's deferral request for the two marine research programs, one must submit a resolution disapproving the entire deferral request. I understand fully the need for Congress to review carefully and critically all Federal expenditures to insure that such funding is necessary, appropriate, and in the national interest, and I believe that some of the President's proposed deferrals are justified and should be concurred with by Congress.

In my view, however, the much-needed resources of the sea will be ours only if we develop them wisely. The first conservation and research programs and the sea-grant program were established in order to carry out this policy. Therefore, because of the increasing demands which are being made upon our fishing and marine resources now, and because these demands will be magnified in the future, it is essential that the 94th Congress disapprove the President's proposed deferral of these vital funds.

NATIONAL EMPLOY THE OLDER WORKER WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, today I am introducing a resolution designating the second full week in March as National Employ the Older Worker Week.

I believe that such a reminder is particularly appropriate in 1975, a year when rampant inflation, growing recession, and worsening unemployment create special burdens for older Americans. While all of these factors clearly indicate that we need a national policy to maximize job opportunities for all workers, young and old alike, I believe that this resolution is necessary to focus particular attention on the problems facing our middle-aged and older workers.

Indeed, Mr. Speaker, I am hopeful that this resolution will persuade employers across the country of the advantages of hiring older workers, who are among the best trained and most productive members of the labor force. Several studies, Mr. Speaker, have clearly demonstrated these qualities. Moreover, old workers are likely to have strong records of attendance in their employment, and their productivity is often enhanced by experience and skills gained over years of past employment.

Mr. Speaker, consider the necessity of this resolution in light of the following Department of Labor statistics: Today, there are nearly 1.5 million unemployed persons in the 45-plus age bracket. In addition, the jobless level for middle-aged and older persons has risen by an astonishing 75 percent since last July.

However, Mr. Speaker, these statistics represent only the tip of the iceberg. Since older workers have such a difficult time, once they are unemployed, regaining employment, they become the hidden unemployed, who are not accounted for through current methods of compiling unemployment statistics.

Of the 20 million Americans who were 65 years and older in 1973, the Department of Labor estimated that 2.8 million were employed, 88,000 were unemployed, and 7.2 million people had retired or were too old to work.

That leaves more than 10 million people 65 and over for whom we cannot account.

Indeed, Mr. Speaker, experts estimated in 1971 that there were between 4 to 5 million people 55 years or over in need of some form of employment. This 1971 figure appears to be more realistic than the current unemployment statistics issued by the Department of Labor—1.5 million unemployed aged 45 and over. And I am sure the Senate's estimate has grown enormously in the past 4 years.

Mr. Speaker, as I urge my colleagues to endorse this resolution, I must also say a word about the impact of the President's tragically misguided economic policies on the lives of many older workers and older Americans in general.

As our Nation endures its worst economic crisis in 35 years, I wish to remind my colleagues that the administration is proposing to terminate two highly successful older worker employment programs which are designed to meet the unique needs of older workers.

Just last month, Mr. Ford asked the Congress to rescind the entire $12 million that we appropriated in fiscal year 1975 for the Older Americans Community Service Employment Act. This program provides more than 3,300 part-time jobs for older workers aged 55 and older who have poor prospects for employment. I might also add, Mr. Speaker, that the administration has failed to request an extension of this vital legislation which will expire at the end of this fiscal year.

In addition, the Department of Labor continues to state that after June of this year it will no longer fund the highly successful Operation Mainstream programs, which provide part-time work to more than 9,000 older workers under the Comprehensive Employment and Training Act.

Indeed, Mr. Speaker, when the administration's proposals to eliminate these vital programs are viewed alongside its recent attempts to limit increases in social security benefits and to increase the cost of food stamps, it becomes abundantly clear that the administration has placed the Nation's senior citizens at the bottom of the list.

Mr. Speaker, the administration policies in these respects represent what can only be described as a blatant disregard for human need.

Let me close by observing that as Congress works on the development of an economic program which will restore economic prosperity and full employment, we must not forget the older Americans who have already given so much to their country and who still have much to contribute.

I urge my colleagues on both sides of the aisle to join in reaffirming commitment to the older workers of our Nation by giving unanimous approval to this joint resolution. The resolution follows:

H.J. RES. 241

Joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Worker Week"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the second full calendar week in March 1975 as "National Employ the Older Worker Week", and calling upon employer and employee organizations, other organizations officially concerned with employment, and upon all the people of the United States to observe such week with appropriate ceremonies, activities, and programs designed to decrease employment discrimination because of age.

MATSUNAGA INTRODUCES HEALTH SECURITY ACT WITH STRENGTHENED MENTAL HEALTH PROVISIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 15 minutes.

Mr. MATSUNAGA. Mr. Speaker, it is common knowledge—and sad knowledge—that the United States is the only major industrial nation which lacks a comprehensive national health insurance program. Through the years we have heard debate among members of the health care industry, organized labor, politicians, and the health care consumer, as to the necessity for a health insurance plan. In my judgment, a consensus has developed: Democrats and Republicans, doctors and patients, hospitals and insurance companies—all responsible parties—agree that some form of national health insurance is essential in order to save our present health care system from total collapse. The evidence is all around us.

The past few years have witnessed sharp increases in the amounts spent for medical care. In fiscal year 1973, this Nation spent $94.1 billion for health and medical care—3½ times the amount spent in 1960 and nearly eight times the amount spent in 1950. In the past two decades, each person's average yearly health bill has grown from $78 to $441.

At the same time the cost of health care was skyrocketing, the quality of care was lagging. This lack of quality in our present health care is indicated by our failure to keep up with other industrial countries in such important health care factors as infant mortality, maternal mortality, and life expectancy. By these measurements, the United States ranks further behind other industrial countries than it did 15 or 20 years ago.

The most alarming evidence of the failure of our health care system is its inability to reach the many who need it most. The poor have twice as much illness, four times as much chronic illness, three times the heart disease, five times the eye defects, and five times as much mental retardation as the nonpoor.

After more than 30 years of trying, private health insurance has failed even to approach meeting the Nation's need for adequate coverage. In 1972, only 36 percent of persons under the age of 65 earning less than $3,000 were covered by any hospital or surgical insurance. Even the wealthy did not enjoy great protection. Only half of the population had major medical insurance, with the typical limit of reimbursement being $5,000. Health insurance coverage, in short, is nonexistent for many of the poor and inadequate for almost everyone else.

What is needed therefore, is a health insurance plan aimed at guaranteeing that every individual's right to health is not denied by external factors such as lack of ability to pay or geographical remoteness.

The National Health Security Act which I have introduced today is aimed directly at this goal and addresses the basic problems I have set forth. It affirms the sound judgment of the more than three score Members of this House who have joined in sponsoring a similar bill (H.R. 21), but it differs in a critical respect. My bill recognizes and responds more fully to the most insidious, destructive and commonplace health problem in America today: Mental illness. These are some of the tragic facts about mental illness:

Some 1.6 million Americans are under care in various mental health institutions.

Four million persons annually experience one or more episodes of care for mental disorders.

Of the 75 million children in this country, 7 million are handicapped and must learn to cope with that handicap if they are to survive outside of institutions or independent of local, State, or federally financed support.

Three percent of our schoolchildren require care for mental disorders. Ten percent require help for emotional problems.

Persons over 65 constitute only 10 percent of the population, but occupy 29 percent of all public mental hospital beds. Ironically, this same age group accounts for only 2 percent of the outpatient services rendered for mental problems. These people are going untreated.

Ten million Americans are alcoholics. Alcoholism is treatable as an emotional disorder and we must treat this disease.

In recent studies, Mr. Speaker, 10 percent of all children in a midwestern school setting were discovered to be under prescription for some kind of personality altering drug. I do not refer to unauthorized drug usage; I am speaking rather of legitimately prescribed depressants or stimulants which school authorities and parents urge as temporary treatment for children.

It is estimated, Mr. Speaker, that 1 in every 10 persons in the United States—in excess of 20 million people—need help with some sort of mental or emotional disorder.

Therefore, it is quite apparent that the inclusion of mental health coverage is an essential element in a truly comprehensive and effective Health Security Act.

One other aspect of the National Health Security Act which I have introduced today is worthy of mention. It attempts to address a very urgent crisis facing the quality of our health care system—that of medical malpractice. It is my hope that the inclusion of provisions directly concerned with this issue will help to alleviate this crisis, which threatens not only to add unnecessary costs to our present health care delivery system but also to mar the quality of the health care dispensed.

Mr. Speaker, I offer this National Health Security Act with much confidence.

What is needed is a national health insurance bill which guarantees to all persons the services which are now being provided to only a few individuals. This must be done with no diminution of the quality or availability of the services which the few now receive.

This is what the National Health Security Act which I have introduced would do.

What is further needed is a national health insurance bill which assures adequate treatment for mental as well as physical illness, and which marshals the health manpower, including the psychological as well as the medical providers who are trained to this task.

This is what the National Health Security Act which I have introduced would do.

A guarantee of health services will be a milestone toward guaranteeing health as a right of every American. By bringing the services of physicians and other providers of basic care within the economic reach of everyone—essentially by reorganizing the setting in which services are provided—the National Health Security Act will bring to fruition an American dream that has been ignored for far too long.

I am confident that the months ahead will bring a careful review of my bill and the many other proposals in the field by the Health Insurance Subcommittee of the Committee on Ways and Means, chaired by the able and distinguished gentleman from Illinois (Mr. ROSTENKOWSKI). The national dialog which will result will undoubtedly aid us in resolving what is truly a natioanl crisis.

I am hopeful that the bill which I have introduced today will form part of the basis for such a thoughtful and meaningful dialog.

THE PERSONAL SAFETY FIREARMS ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 30 minutes.

Mr. DRINAN. Mr. Speaker, of the many vital issues facing this Congress, few generate more controversy, more intensive lobbying, and more diametrically opposed points of view than the issue of Federal gun control. Most significantly, however, few issues are more important, more pressing, and more completely related to the quality of life in this country.

I would like to bring to my colleagues' attention, Mr. Speaker, a bill which I recently introduced, the Personal Safety Firearms Act of 1975 (H.R. 2433). While a more detailed explanation of this legislation will follow, the Firearms Act can be briefly described as providing for the registration of all firearms and the licensing of all gun owners. In addition, the bill prohibits the sale or delivery of "Saturday Night Specials," deadly but inexpensive handguns.

Our claim to be a civilized nation cannot be sustained until we enact tough, effective and enforceable Federal gun control laws that will put an end to the tragic and scandalous level of violence that permeates life in America.

We are a people who have become habituated to violence in our daily lives. Nothing symbolizes this fact more than the 25,000 gun deaths that occur in our Nation each year. The annual record of gun-related carnage is a national tragedy and international disgrace. Every year 12,000 homicides, 10,000 suicides, and 3,000 fatal accidents are caused by guns. Another 200,000 people are wounded by firearms resulting in paralysis, sterilization, dismemberment, blindness, deafness, and other disabling effects.

How long will the Congress avoid its clear responsibility to protect the public safety and the general welfare by allowing this gun-related slaughter to continue?

Mr. Speaker, the Massachusetts Council on Crime and Correction has provided me with some of the most up-to-date gun statistics available. It is crucial that Congress become aware of this compelling evidence:

There are approximately 40 million handguns in the United States. These handguns are easily concealable and highly lethal, causing accidents and murders by the thousands.

Nearly 3 million new handguns are produced each year in this country; one handgun is sold every 13 seconds.

The annual sales of handguns has quadrupled since 1963.

Fifty-four percent of all murders committed in 1972 were carried out with handguns. That rate was 63 percent last year.

In 1973, out of 131 policemen killed in the United States or Puerto Rico, 124 were felled by guns, 90 of them handguns.

Five billion rounds of ammunition are produced annually in this country by 10 manufacturers.

One out of every hundred deaths in the United States—including natural deaths—is caused by a gun.

On any given day an average of 69 people in the United States are killed by firearms. Of that total, 27, or more than 1 per hour, are killed by a handgun.

Most murders are committed by previously law-abiding citizens, the killer and the victim being acquainted. In only one-fifth of all homicides are offenders strangers to their victims. About 25 percent of murders occur within families.

More people—over 800,000—have been killed in America by privately owned guns since 1900 than the number of Americans who have died in all our wars since the Revolution.

The United States has more gun deaths every year than any other country in the world. In fact, the total number of gun deaths in all other free nations is exceeded by the number of gun deaths in the United States alone.

Mr. Speaker, these statistics, and dozens more like them, can no longer be ignored. In poll after poll, the citizens of this country have revealed their overwhelming desire for strong, effective gun control laws. Both the Harris and Gallup polls have found that two-thirds of our citizens favor registration of all firearms and the licensing of all gunowners. The people are weary with the dread of violence. They are outraged by congressional inaction. If we do not act swiftly and forcefully to establish Federal gun control laws, the Congress will have to share the responsibility for much of the violence and suffering caused by the unchecked proliferation and unregulated use of firearms in America.

WHY THE FEDERAL GUN CONTROL ACT OF 1968 HAS NOT WORKED

The Federal Gun Control Act of 1968 was a sadly inadequate compromise law that was virtually emasculated before its passage. It was further weakened by a 1969 law eliminating the act's dealer recordkeeping requirements with respect to the sale of long gun ammunition. In its major thrust, the 1968 act bans the interstate and mail-order shipment of firearms to individuals and forbids over-the-counter sales to minors. It prohibits the possession of guns by convicted criminals and certain undesirables, and also bars the importation of cheap, concealable, foreign handguns, responsible for so much violence in this country.

Unfortunately, however, that 1968 act is fatally flawed with so many loopholes that there are now more cheap, concealable handguns produced and privately owned in this country than ever before. Some of the most glaring deficiencies in the 1968 Gun Control Act include:

First. The importation of "Saturday Night Specials" was banned by the law, but the ban did not extend to the importation of their parts. As a result, total domestic assembling and production of these cheap handguns during 1970 exceeded 1 million—a total far higher than the number of foreign guns that annually flowed into this country prior to the 1968 act.

Second. The interstate ban on gun shipments was rendered meaningless by allowing licensed gundealers in different States to ship firearms between themselves with no restrictions. Since it is extremely easy to become a gundealer, many individuals obtain guns from other States merely by ordering them as "dealers" through other federally licensed sellers.

Third. The 1968 act contains no foolproof safeguards for gundealers to check the background, or even the identity, of

would-be gun purchasers. Neither are the purchasers' background or identity checked by local or State police; fingerprints are not even required. The purchaser's signed statement that he is not a felon, minor, or mental incompetent is almost always accepted after a driver's license is produced.

Fourth. Private individuals can transfer ownership or possession of their own legally purchased firearms to anyone within their own State. And "anyone" means anyone—any criminal, juvenile, lunatic, drug addict, or other incompetent who would not otherwise be permitted to purchase a gun. The 1968 law provides no penalty whatsoever for such clearly irresponsible and dangerous private gun transactions.

Because of these loopholes, Mr. Speaker, firearms are still available, in most instances, to any and all who want them. Whether legally or illegally, the ease with which firearms can be purchased in this country means that Congress has failed to exercise its full authority on the issue of gun control. How many more assassinations, how many more years of increasing gun-related crimes, how many more friends, neighbors, even relatives have to be gunned down on the streets and in their homes before the Congress will clearly see the need to enact tough and comprehensive gun control legislation?

PERSONAL SAFETY FIREARMS ACT OF 1975

Mr. Speaker, I believe that this Nation's tragic and shameful experience with firearms can only be reversed if all firearms are required by law to be registered, and all firearms owners are licensed. In addition, the irrefutable evidence linking handguns to crime must be acknowledged through a total ban on the production, possession and sale of the inexpensive and easily available handguns known as "Saturday Night Specials." These provisions are incorporated in my bill, H.R. 2433. Its sections are as follows:

TITLE I: REGISTRATION

The first provision of my bill requires the registration of all firearms—long guns as well as handguns. Firearms newly purchased after the passage of this act must be registered at the time of purchase, and guns already owned must be registered within 6 months.

The purpose of this registration procedure is to locate all guns in circulation, determine their number, and identify their owners. This information will prove to be of invaluable aid to law enforcement agencies in tracing those who commit crimes with firearms. If lost or stolen, registered firearms are more easily identified, and noncommercial transfer of guns will be more thoroughly recorded. This provision also makes registration a prerequisite to the purchase or sale of ammunition, since a valid registration certificate must be shown before a licensed dealer may sell ammunition.

An individual who carries a firearm must have the registration certificate with him at all times while he is carrying the firearm. Violation of the registration provision is a criminal offense punishable by imprisonment for up to 5 years or a fine of $5,000 or both. Therefore, simple possession of an unregistered firearm is an unlawful act, and subjects a violator to criminal penalties even before any other criminal activity takes place.

TITLE II: LICENSING

Licensing all gun owners will mean that for the first time in this country's history, strong and reasonable national standards will determine who will exercise the privilege of owning firearms. The licensing must be provided for either through a Federal program or through a State system which complies with certain minimal standards. A licensed dealer or private individual may not sell firearms or ammunition to any person unless that person has a State or Federal license.

The license will require identification of the holder including the individual's name, address, age, signature, and photograph. Persons who are under indictment, are fugitives from justice, or who have been convicted of a crime punishable by a term of more than 1 year may not receive a license. Similarly, individuals who cannot be relied on to possess or use firearms responsibly because of age, mental condition, alcoholism, drug addiction, or previous violations of firearms laws, are precluded from obtaining a license. All applicants will be thoroughly investigated before receiving a license and the would-be purchaser will no longer be the sole source of information as to his reliability.

As with the registration requirement, violation of the licensing provisions will result in a criminal penalty of not more than 5 years in prison or a $5,000 fine or both.

TITLE III: PROHIBITING SALE OR DELIVERY OF "SATURDAY NIGHT SPECIALS"

The third provision of the bill—the banning of domestic commerce in cheap handguns—is directed toward the elimination of the so-called Saturday Night Specials. These inexpensive and easily concealable guns have no legitimate sporting purpose; on the contrary, their sole use is in aiding the criminal in his illegal objectives, whether robbery, murder, or rape.

This section will remove from the market place any handgun which does not meet the criteria specified. These standards serve to ban all handguns without the sporting and safety features delineated in the bill. This ban, though not a total one against handguns, will effectively eliminate the ubiquitous and deadly Saturday Night Specials.

GEN. GEORGE WASHINGTON: THE BELLS TOLL FOR HIM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, the Father of our Country, Gen. George Washington, died on December 14, 1799, at his stately home, Mount Vernon, overlooking the Potomac River. Promptly hailed as "first in war, first in peace, and first in the hearts of his countrymen," he was greatly revered for many years and his Farewell Address is still read in both Houses of the Congress on his birthdays.

Soon after his death, vessels of the U.S. Navy, when passing Mount Vernon started the custom of passing craft honoring his memory. The earliest known description of such ceremony is that by Comdr. Charles Morris who, as young midshipman, had witnessed the impressive honors in May 1801, less than 2 years after Washington's death.

In a recent article in the U.S. Naval Institute Proceedings, Capt. William H. Gridley, U.S. Naval Reserve, retired, gives a vivid account of the evolution of this naval custom and of how in 1853 the women of the United States started the movement for the preservation of Mount Vernon for future generations.

In it I note with special interest that the naval honoring of George Washington's memory was not official until made so on June 2, 1906, by President Theodore Roosevelt after witnessing the impressive ceremony during a cruise on the Presidential yacht *Mayflower*.

As the naval custom, which was once widely practiced by other vessels, is not now generally followed, Captain Gridley appeals for all craft passing Washington's tomb to pay the tribute to the Father of our Country.

One of the best brief descriptions of Washington's life and achievements is that by Gen. William H. Wilbur entitled "The Making of George Washington," published by Patriotic Education, Inc., P.O. Box 1088, Deland, Fla. 32720. In this volume, General Wilbur ably describes the heritage that Washington left for the American people.

Captain Gridley's moving article follows as part of my remarks:

[From the U. S. Naval Institute Proceedings, February 1975]

THE BELL TOLLS FOR HIM

(By Capt. William H. Gridley, U.S. Naval Reserve, retired)

At noon on the anniversary of George Washington's 243rd birthday this month, U.S. naval stations and naval vessels throughout the world will fire a 21-gun salute, as has been the custom since 1818.

Another, even older Navy custom of honoring President Washington is the impressive ceremony that occurs wherever a Navy or Coast Guard vessel passes Washington's home at Mount Vernon.

As a ship nears the tomb of General Washington adjacent to the mansion, the crew forms on deck and attention is sounded. When opposite the tomb, "hand salute" is signaled. The ship's bell is struck eight times at five-second intervals, and the national ensign is lowered to half mast. If a band is embarked, the national anthem is played. At the end of the tolling, the ensign is raised to the peak; two blasts of the whistle signal "end of salute" and three "carry on."

The earliest known account of this ceremony is recorded in the autobiography of Commodore Charles Morris who, in May 1801, was on board the USS *Congress* as a midshipman, when she passed up the Potomac River to the new Navy Yard in Washington. He recalled:

"About 10 o'clock in the morning of a beautifully serene day, we passed Mount Vernon. Everyone was on deck to look upon the dwelling where Washington had made his home. Mrs. Washington and others of the family could be distinguished in the portico which fronts the river. When opposite the house, by order of Captain Sever, the sails were lowered, the colors displayed half-masted, and a mourning salute of thirteen guns was fired as a mark of respect to the memory of Washington, whose life had so recently closed, and whose tomb was in our view. The general silence on board the ship and around us, except when broken by the cannon's sound, the echo and re-echo of that sound from the near and distant hills, as it died away in the distance, the whole ship's company uncovered and motionless, and the associations connected with the ceremony, seemed to make a deep impression upon all, as they did certainly upon me. When the salute was finished the sails were again set, the colors hoisted, and we proceeded up the river."

Today's observance of these honors vary according to the size and complement of a ship but the tolling of the bell and the lowering of the flag is consistent.

The custom was adopted by other vessels passing the tomb, and thus, by the tolling of a bell, a tradition begun by the Navy played a part in preserving the home of our first President.

On a brilliantly moonlit winter night in 1853, Mrs. Louisa Cunningham was travelling by steamer from Alexandria, Virginia, down the Potomac and along the coast to Charleston when she was aroused by the bell and went on deck. Struck by the dilapidation of the mansion, she wrote her invalid daughter, Ann Pamela:

"I was painfully distressed at the ruin and desolation of the home of Washington and the thought passed through my mind: why was it that the women of his country did not try to keep it in repair, if the men could not do it? It does seem such a blot on our country!"

Ann Pamela Cunningham, immediately wrote a letter to the most influential newspaper in the south, the *Charleston Mercury*. Addressed to "Ladies of the South," she urged "that by your combined efforts, in village and country town, and city, the means may be raised, from the mites of thousands of gentle hearts upon whom the name has yet a magic spell, which will suffice to secure and retain the home and grave as a sacred spot for all coming time." Newspapers throughout the south reprinted the letter and the ladies responded warmly. The home was purchased in 1858 by the Mount Vernon Ladies Association, the first women's patriotic organization in the nation, who maintain the mansion to this day.

The naval honors were merely a custom in 1906 when President Theodore Roosevelt witnessed the impressive ceremony on board the Presidential yacht *Mayflower*. On learning that the honors were not official, he promptly made them so. General Order No. 22, dated 2 June 1906, designated the ceremony to be observed by all vessels of the United States Navy passing Mount Vernon between sunrise and sunset, and although the tenses skip from past to present to future, the meaning is crystal clear:

"Marine guard and band paraded; bell tolled and colors halfmasted at the beginning of the tolling of the bell. When opposite Washington's Tomb, buglers sound taps, marine guard present arms, and officers and men on deck stand at attention and salute. The colors will be mastheaded at the last note of taps which will also be the signal for 'carry on.'" The playing of the National Anthem was added to the ceremony in 1913.

This naval custom, once practiced by most river craft passing Mount Vernon, is now observed by only a few sailors, imbued, perhaps, with a deep awareness of our history and tradition.

On the eve of our nation's Bicentennial when so much of our national heritage is being burnished, it would seem fitting if all craft passing Washington's tomb at Mount Vernon were once again to pay tribute to the Father of our Country in this unique manner.

OPPOSING CUTS IN CHILD NUTRITION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RICHMOND) is recognized for 5 minutes.

Mr. RICHMOND. Mr. Speaker, I have today introduced legislation to extend the school breakfast, special food service for children, and supplmental feeding for women, infants, and children—WIC—programs of the Department of Agriculture past their June 30 expiration date. If the administration has its way, these programs will be terminated and the Government's role in providing nutritious food to our Nation's children will be severely impaired. While more comprehensive legislation will be introduced shortly in the House, I feel it is imperative that we put the administration on notice immediately that we will not tolerate the dismantling of these specific food and nutrition services to mothers and children. The administration's proposal to substitute block grants, at a seriously reduced funding level, for these and other food service programs may do irreparable damage to the health and welfare of many young children at a time when their families are already hard-pressed to provide adequately for them. It is the responsibility of the Federal Government to insure that a nutritionally adequate diet is available to all our children.

As an example of the growing sentiment around the country against reducing or eliminating child nutrition programs, the New York City School Breakfast Coalition, comprised of public health officials, school personnel, nutritionists, parents and community groups in the New York City area, recently passed a resolution expressing their outrage at the administration's proposal. This resolution is the product of a conference held last week in New York, and provides a good example of how the private and public sectors of our communities can join forces in combating such insensitive proposals, and seek to maintain these vital and needless to say, worthwhile programs. The resolution follows:

RESOLUTION

The Ford Administration, once again, has displayed its insensitivity to the nutritional needs of poor people by proposing to cut back significantly, the Federal funding for various Child Nutrition Programs. As part of its budget for fiscal 1976, the Administration proposes to replace the existing funding structure for individual Child Nutrition Programs with a single "block-grant" per State for all such programs. The Administration's proposal envisions a reduction of $600 million to $700 million in Federal food assistance under the "block-grant" proposal—an accomplishment of no merit since the price of these savings is the denial of vital nutritional aid to needy children.

Whereas the Ford Administration's proposal eliminates the vital day care, summer feeding, school breakfast, and Women, Infants and Children (W.I.C.) programs, and will result in an increase in the price of school lunches, thereby reducing the effectiveness of that program;

Whereas a secondary, but equally important effect of the proposal is that summer feeding program regulations, due to be issued this month, have not been issued, and consequently, millions of children may be denied the benefits of this program this coming summer;

Whereas in addition, the Administration has placed a 5% ceiling on cost-of-food adjustments for the period from July 1, 1975 to June 30, 1976 when current estimates put the rise of food costs for that period at 20%;

Be it resolved that we, the New York City School Breakfast Coalition and all supportive health and nutrition agencies and organizations concerned with child nutrition and the alleviation of hunger, declare that the proposed Administration actions are devoid of public sensitivity and an appreciation of the rights and needs of our nation's children, and we therefore demand that any and all such proposals be renounced. We call on President Ford to act in the interests of the people in preventing the implementation of these proposals.

S/February 21, 1975.

NEW YORK CITY SCHOOL BREAKFAST COMMITTEE.

Members of the Planning Committee include:

Evelina Antonetty, United Bronx Parents.

Norberto Caban, School Breakfast Program, District 4.

Patricia Caldwell, District Council 87.

Kathy Goldman, TAP Resources.

Jan Kernodle, Fund for the City of New York.

Ruth Larsen, New York City Department of Health.

Elizabeth Lopez, Human Resources Administration.

Rev. Leonard Miller, Interfaith Coordinating Council & Citizens Committee for Children.

Florence Rice, Harlem Consumers Education Council.

Arthur Schiff, Community Service Society.

Alice Scott, Food Research Action Center.

David Seeley, Public Education Association.

Vicky Spiegel, Community Council of Greater New York.

Joan Swan, American Friends Service Committee.

RISING UTILITY RATES A NATIONAL PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. FISHER) is recognized for 5 minutes.

Mr. FISHER. Mr. Speaker, in recent weeks, many in my congressional district, private citizens and local government officials, have expressed their concern over rising utility rates. I have met with representatives of local consumer groups seeking relief from spiraling utility costs. In some areas, electric bills have jumped as much as 100 percent in 2 months. Many young families, having bought their first homes, find their dream houses suddenly transformed into nightmares as utility bills begin to rival mortgage payments in competition for the monthly paycheck.

Rising utility rates are part of a larger national problem that concerns us all—the energy/economic crisis—with inflation and the price of imported oil steadily pushing fuel costs to ever-higher levels. The President has put forth a program, and Congress is now formulating its own comprehensive plan.

As we wrestle with the larger issue, I would urge, on behalf of the people of

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my district as well as other Virginians, that we move quickly to give some relief. What I urge does not resolve the whole problem, but will lighten the burden while a solution is sought.

Many local governments in Virginia have chosen to levy utility taxes in lieu of raising local real estate or personal property taxes. Reduction of these taxes, in the face of rising utility costs, would mean substantial revenue losses to the local governments, already financially hard pressed.

Under current provisions of the Internal Revenue Code, utility taxes are not deductible for Federal income tax purposes. Since the State of Virginia grants the same deductions as those granted by the Federal Government, utility taxes are therefore not deductible under its State income tax regulations either.

Virginians, then, are clearly at a disadvantage—paying a higher rate of income tax at both the State and Federal level than residents in other States that do not follow this method of taxation.

A change in Federal law would prompt a corresponding change in Virginia's income tax laws, preserve local revenue sources, and provide a new deduction for many Virginians. Such legislation, I feel, could be drafted to provide benefits to other States while still precluding deductions for such other special sales taxes as alcoholic beverages, tobacco, or other luxury items.

The last general congressional review of the State and local taxes that are deductible for Federal income tax purposes was in 1964. Another review is needed and is relevant in the consideration of general tax reform matters.

As a first step toward a change in legislation, I have asked the Joint Committee on Internal Revenue Taxation for comment on this proposal. I have asked also for information as to other taxes which would have to be treated similarly and estimates of overall revenue impact.

I expect to be introducing legislation in the near future and ask that it be given your fullest support.

EXEMPTING RURAL HOSPITALS FROM NEW HEW REGULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, I am today introducing legislation to correct a situation in rural America which has inadvertently threatened the operation of hundreds of small hospitals across America.

Under a set of HEW regulations which became effective February 1 of this year, all hospitals are required to set up a fairly complicated utilization review procedure as a precondition of their receipt of medicare and medicaid funds.

While the intent of Congress and the Department in proposing these regulations was clearly to protect the American taxpayer, the new regulations would have precisely the reverse effect in rural America.

In hospitals where there is only one staff doctor, for example, it is clearly impossible to consult a "disinterested physician" in reviewing the validity of an admission.

Mr. Speaker, the bill I am introducing today on behalf of myself and three Oklahoma colleagues would temporarily exempt rural hospitals from these regulations, and the PSRO requirements which would become effective at a later date. The bill directs the Secretary of HEW to develop, during the period that the regulations are suspended, a more realistic plan for utilization review in rural areas.

I ask that the text of the bill which is attached be printed in the RECORD at this point.

H.R. 3716

A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such Act (and the recently-approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any provision to the contrary in the Social Security Act or in any other law—

(1) the provisions of part B of title XI of the Social Security Act shall not apply with respect to any rural hospital (as defined in section 3 of this Act) during the eighteen-month period beginning on the date of the enactment of this Act;

(2) the provisions of subsection (f)(4) of section 506, the last sentence of section 1861 (k), and subsections (g), (h), and (l)(4) of section 1903 of the Social Security Act shall not apply with respect to any rural hospital (as so defined) during the eighteen-month period beginning on February 1, 1975; and

(3) the regulations on utilization review procedures for hospitals and nursing facilities (as a condition of participation in the medicare program) and on utilization control of care and services (under the medicaid program), as approved by the Secretary of Health, Education, and Welfare on November 25, 1974, and printed in parts II and III of the Federal Register for November 29, 1974 (Vol. 39, No. 231, pp. 41603–41618), shall not apply with respect to rural hospitals (as so defined) during the eighteen-month period specified in paragraph (2) of this section.

SEC. 2. The Secretary of Health, Education, and Welfare shall study and investigate alternative methods of utilization review and utilization control for rural hospitals (as defined in section 3 of this Act) with the objective of developing, for application to such hospitals in lieu of the provisions of part B of title XI of the Social Security Act and the relevant portions of titles XVIII, XIX, and V of such Act, one or more methods of utilization review and control which will more fully and realistically take into account the special needs and circumstances of such hospitals. The Secretary shall submit to the Congress no later than six months after the date of the enactment of this Act a full and complete report of such study and investigation, together with his recommendations (including suggestions for the implementation of the alternative methods of review and control recommended).

SEC. 3. As used in the first two sections of this Act, the term "rural hospital" means a hospital which is located in a community having a population of less than 50,000, but only if (as determined under regulations of the Secretary of Health, Education, and Welfare)—

(1) there is no other community which has a population of 50,000 or more within a ten-mile radius of such hospital;

(2) the combined average patient load for all hospitals within such ten-mile radius is less than forty per day; and

(3) the number of practicing physicians on the regular staff of such hospital does not exceed seven.

ETHIOPIAN ARMS REQUEST: LITMUS TEST OF CONGRESSIONAL-EXECUTIVE FOREIGN POLICY COOPERATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 10 minutes.

Mr. FASCELL. Mr. Speaker, according to press reports the executive branch is nearing a decision on a response to a request by the Government of Ethiopia for some $30 million in military supplies to be used in connection with its military operations against rebel elements in Eritrea. This request and the U.S. response present an excellent opportunity to test the recent statements by President Ford and Secretary Kissinger urging a new spirit of cooperation between the Executive and the Congress in the area of foreign policy.

Ethiopia is a long-time friend of the United States and we certainly must seriously take into account that government's request to us. On the other hand, the nature and timing of our decision may have long-term consequences for the United States which go far beyond the significance of any specific military situation which may now exist. Since it would appear that Ethiopia's military requirements are not critical at this moment it seems to me that the executive branch should delay any decision to provide large arms supplies to Ethiopia until there has been ample opportunity for the Executive to review with Congress the various options for and potential consequences of U.S. policy toward Ethiopia.

T. D'ARCY QUINN—DISTINGUISHED CITIZEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 10 minutes.

Mr. DANIELSON. Mr. Speaker, an outstanding citizen of the Alhambra, Calif., community, T. D'Arcy Quinn, will be honored at a community recognition dinner tomorrow, February 26, 1975, in Pasadena. I am pleased to join the Alhambra Chamber of Commerce on this occasion to recognize such a distinguished citizen, councilman, businessman and personal friend.

D'Arcy Quinn came to Alhambra in 1923 from Hoquiam, Wash., and soon became well-known in the automobile business through his custom body works shop, well-known as the "D'Arcy Coach Works," and his holding the first auto show in the San Gabriel Valley.

His career as a local government official began in 1947 with his election to the Alhambra City Council, and re-elections to the councilman position continued until 1974. He has served as mayor of Alhambra seven times during his tenure. D'Arcy Quinn was instrumental in the establishment of the State water project and successfully pushed the bond issue to insure its maintenance.

He consistently promoted significant community projects and improvements such as the city hall, which was completely paid for when completed, a county courthouse, a court consolidation, a new city library, the Alhambra Community Hospital, the Joslyn Senior Citizens Center, Granada Park swimming pool, fire stations, Almansor Golf Course, and numerous other community facilities.

Entering the investment and finance field in 1956, D'Arcy Quinn turned his automobile business over to his brother Arch and his foreman Vaughn Bryant. He now serves as director of various boards in a financial advisory position, including the southern California coastal water research project.

D'Arcy Quinn is one of the true pioneers of aviation. He started flying in 1920, before he came to Alhambra. Some of his first days in Alhambra were spent experimenting in and developing aviation, as he worked with Professor Merrill of the California Institute of Technology in performing wind tunnel tests on the Davis airfoil. D'Arcy Quinn may particularly be remembered for flying his plane over Alhambra Park each Memorial Day to drop roses. He is probably the only man ever to "loop-the-loop" in a Ford tri-motor over Hollywood at night.

I am happy to recognize T. D'Arcy Quinn on this occasion, and I share with the Alhambra Chamber of Commerce and all of the people of Alhambra and the San Gabriel Valley their appreciation to him for his many significant contributions to the community as a citizen, as a community leader and as a true friend.

THE RIGHT TO LIFE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 5 minutes.

Mr. ZABLOCKI. Mr. Speaker, it is with a deep sense of responsibility and concern that I am introducing a resolution today calling for a constitutional amendment to preserve and safeguard man's basic right to life, including the life of the unborn.

The right to life is the most basic of all human rights. It is a fundamental tenet of our society and form of Government that the State protect each of our lives until natural death occurs. Our very own Declaration of Independence written and approved nearly 200 years ago affirmed every individual's basic right to life:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are Life . . .

Yet, Mr. Speaker, on January 22, 1973, the Supreme Court in Wade and Bolton made a mockery of the right to life provision in the Declaration of Independence. It failed to offer the protection of the laws to this God-given and most basic human right.

Subsequently, we find ourselves in a society where abortion is becoming a common, everyday experience and where physicians and intellectuals freely discuss taking the lives of those whom they judge to be of no use to society.

Mr. Speaker, I along with millions of our fellow Americans, am greatly distressed with this downward thrust of this interpretation of American laws protecting the sanctity of life. It is already clear that the Supreme Court decision of January 22 has led to excesses and abuses never intended or envisioned by proponents and supporters of the decision. Supreme Court Justice White astutely foresaw this development in his disagreement with the Supreme Court arbitrary decision on the value of life which makes the worth of a potential human being dependent upon being wanted by his or her mother. In his dissenting opinion, Justice White argued:

At the heart of this controversy are those recurring pregnancies that pose no danger whatsoever to the life or health of the mother but are nevertheless unwanted for any one or more of a variety of reasons—convenience, family planning, economic, dislike of children, the embarrassment of illegitimacy, etc . . .

The fact is, human life irrespective of age, health, function or condition of dependency, guaranteed under our Constitution, must be preserved and protected. The unborn have long been held to have legal rights under the law. They have property rights. They may inherit property, family names, and in some societies, family titles. The rights to property have long been affirmed by the courts of this country. As such, they deserve to be safeguarded just as an adult is protected under existing laws governing homicide.

There is, of course, the difficult moral question which arises when the mother's life is seriously endangered by the continuation of pregnancy. In this case, it is clear that abortion may be permissible. This adheres to self-defense principles long established within our body of laws. We must remember, however, that abortion statutes are written to protect the unborn child—not to serve the whims of one or both parents, social planners, or popular faddists. Furthermore, the responsibility of saving the child should be equal to the responsibility of saving the mother in those cases where abortion is necessary.

This requirement is not arbitrary or vague in nature; rather, it serves a vitally clear and well-established purpose which is the protection of the civil rights of the unborn. The question most often raised by proponents of abortion is that the mother's civil rights should take precedence over the unborn child's, even to the point of killing the child. It is argued that each woman should have the final and only say with regard to her productive life. In Corkey against Edwards, the court ruled that a great deal more was involved than the simple question of a woman's right not to bear children:

The basic distinction between a decision whether to bear children, which is made before conception and one which is made after conception, is that the first contemplates the creation of a new human organism but the latter contemplates the destruction of such an organism already created.

The right to life, especially for the unborn, must be reaffirmed and protected. In that spirit, Mr. Speaker, I offer the following resolution to restore this most basic human right and to insure that this right is recognized and safeguarded under the Constitution of the United States:

RESOLUTION

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), that the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"SECTION 1. With respect to the right of life, the word 'person', as used in this article and in the fifth and fourteenth articles of amendment to the Constitution of the United States, applies to all human beings, including their unborn offspring, at every stage of their biological development, irrespective of age, health, function, or condition of dependency.

"SEC. 2. No unborn person shall be deprived of life by any person; provided, however, that nothing in this article shall prohibit a law permitting those medical procedures required to save the life of the mother when a reasonable medical certainty exists that continuation of pregnancy will cause the death of the mother, and requiring that person to make every reasonable effort, in keeping with good medical practice, to preserve the life of her unborn offspring.

"SEC. 3. Congress and the several States shall have power to enforce this article by appropriate legislation within their respective jurisdictions."

THE NEWSMEN'S RIGHT TO PRIVACY ACT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the inclusion of freedom of the press among the first amendment guarantees reflects the conviction of the Founding Fathers that the strength of democratic government depends upon the unrestrained diffusion of information. They saw the press as that organ of society with the power and responsibility to scrutinize self-interested sources of information and, out of that scrutiny, make it more likely that the public will ultimately hear the truth. Essential to the role of the press in a free society is the greatest possible accessibility of information to the newsman himself. This explains the critical dependence of the newsman on his sources. The integrity of the press as an alternative to official organs of information is

seriously jeopardized if the newsman's freedom to assemble reliable sources is infringed.

Recent years have seen an alarming upsurge of judicial and legislative demands for confidential information in the hands of the press—information which often yields the identity of confidential news sources. Rather than violate promises of secrecy, some reporters have gone to jail. Others are simply not pursuing the leads that would require confidentiality. Still others are discovering that formerly good sources are refusing to provide information. The impact of these subpenas constitutes an indirect, but ominous form of press censorship.

A number of measures have been introduced in this Congress to protect the press from the long arm of the subpena. These proposals give newsmen various degrees of privilege to refuse to disclose confidential sources before courts and legislative bodies. However, we have witnessed the use of a means of press intimidation not covered by the measures currently pending. It was reported in 1973 that the American Telephone & Telegraph Co. had surrendered the records of newsmen's telephone calls in response to a court request. In April of last year it was discovered that the FBI was using Jack Anderson's telephone records to trace the identity of his sources. In view of the essential role of the telephone in news gathering, any disclosure of a newsman's phone records constitutes a severe threat to the confidentiality of sources. It presents a coercive effect on freedom of the press as grave as any disclosure of information in the possession of the newsman himself.

To close this avenue of press intimidation, I am today introducing the Newsmen's Right to Privacy Act. This bill provides that the disclosure of information with respect to any member of the news media by a telephone or telegraph company will be lawful only in response to a court order requiring that disclosure. Such an order will follow a court hearing in which the newsman involved will have the right to participate. No order requiring disclosure may be issued unless it is found that disclosure will not reveal or threaten to reveal the identity of any source of information with respect to the newsman.

The only exception will be a finding by a U.S. district court that disclosure will serve a "compelling and overriding national interest." Enforcement will consist of criminal sanctions against companies and company employees who effect unlawful disclosure.

Mr. Speaker, I believe this bill provides a reasonable rule to guide courts in judgments on the validity of phone record subpenas. It recognizes the necessity of confidentiality to press freedom and thus affords confidence to the newsman and his sources that statements made in trust will remain so. At the same time, it recognizes the possibility of an overriding State interest, but places a severe burden on the Government to justify disclosure. It is a solution consistent with the primacy of freedom of the press as a first amendment guarantee. It is, I believe, a 20th century implementation of the wisdom of Tocqueville when he wrote 150 years ago:

> The more I consider the independence of the press in its principal consequences, the more I am convinced that it is the ... constitutive element of liberty.

RESOLUTION TO DISAPPROVE PRESIDENT'S DEFERRAL OF FUNDS FOR ARTIFICIAL HEART

(Mr. McKAY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. McKAY. Mr. Speaker, I am today introducing a resolution to disapprove the President's deferral of $4 million in fiscal year 1975 budget authority for the development of an artificial heart.

Work on a nuclear-powered artificial heart system has been conducted under contract with the Atomic Energy Commission. The program was begun in 1971 and is scheduled to be completed in 1976. Artificial ventricle development and animal implantation is being carried out at the University of Utah, Division of Artificial Organs, under Dr. W. J. Kolff, whose many accomplishments include development of the artificial kidney. Other segments of the system are being carried out by Westinghouse Astronuclear Laboratory and their subcontractor, North American Philips Laboratory, Los Alamos Scientific Laboratory, the Cleveland Clinic Foundation, Cornell University, Pacific Northwest Laboratory, and the University of Washington.

The Office of Management and Budget has recommended that this program be canceled after years of highly promising work and with 65 percent of the program complete. The project is only a few months away from demonstration of a totally implantable nuclear-powered artificial heart in a calf. That implementation would be the first of three such systems which have been planned through fiscal year 1977 to achieve a prototype artificial heart.

The decision to abandon this program is ill timed and wasteful of money and resources. The artificial heart program has been well planned and has run smoothly. It has operated ahead of its schedule and there is every indication that the program will continue to meet its carefully plotted objectives and milestones as they fall due. There is careful coordination with the National Heart and Lung Institute to insure that there is no duplication of effort, and there are plans to consolidate the AEC program with the NHLI program in December of 1976. Termination at this point would mean that the American people get no return on an investment of years of research and millions of dollars. To my way of thinking, it makes no sense to abandon a program after spending $11 million on it without first reaping the benefits it was designed to produce.

My resolution is as folows:

H. RES. 253

Resolved, That the House expresses its disapproval of proposed deferral D 75-115, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

I urge my colleagues to join in support of this very important measure.

HOUSE INTERNAL SECURITY COMMITTEE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, when the Democratic Caucus met on January 14 and voted the House Internal Security Committee out of existence, I brought to our colleagues' attention the matter concerning Mr. Nat Hentoff, a distinguished writer, a constituent, and someone who happens to be a good friend.

The gentleman from Missouri (Mr. ICHORD), then chairman of the HIS Committee, and I discussed before the caucus my unsuccessful attempt last year to secure all of the records of that committee pertaining to Mr. Hentoff—at Mr. Hentoff's request. Our colloquy terminated with Chairman ICHORD in effect saying that if I were to discuss the matter with him after the caucus it would be satisfactorily resolved. I met with the chairman. Unfortunately, the matter has yet to be resolved as is indicated in the correspondence which follows.

Indeed, my letter of February 21 on this matter apparently met with the former chairman's disbelief that I should not let the matter rest—he thought it was the product of an "overzealous member of (my) staff." I can assure the chairman that the letter of February 21 was mine. I am sorry if he feels I am being "overzealous" in this matter. But, I would submit that the protection of individual rights requires such persistence. For, the clandestine maintenance of files—especially of files with erroneous information in them—is a danger that subverts the freedom of all. And it demands a response from us, particularly since it has taken place in our own House.

Because this matter is important and demands the expungement of many of the HISC files now in the possession of the Judiciary Committee, I am setting forth the entire correspondence I had with the former chairman of the now defunct HIS Committee.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., February 1, 1974.

RICHARD H. ICHORD,
Chairman, Internal Security Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: I have been requested by Nat Hentoff, who has had some dealings with your Committee, to obtain access for him to the file on him maintained by your Committee. Would you permit him to see his file or alternatively, if you would not do so, allow me to view the file and report its contents to him. I believe that contents of the files maintained by your Committee should be available for inspection by the respective individual on whom the file is maintained, to at the very least, make certain that errors are corrected and explanations where necessary provided.

If I understood you correctly when we discussed the files of the Committee, some time ago, they contain no independent inquiry on the part of the Committee, but consist of a collection of news clippings and other public documents concerning the particular individual. If that is so, what harm could there be in providing Mr. Hentoff and anyone else similarly affected with access to these "biographical materials"?

I would appreciate your advising me as to whether access could be arranged, and if not why not.

All the best.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 12, 1974.

Hon. EDWARD I. KOCH,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN KOCH: In response to your letter of February 1, 1974, I have enclosed information found in a search of Committee indices concerning Mr. Nat Hentoff.

Sincerely yours,

RICHARD H. ICHORD,
Chairman.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., February 22, 1974.

Hon. RICHARD H. ICHORD
Chairman, Committee on Internal Security,
Washington, D.C.

DEAR MR. CHAIRMAN: I want to acknowledge with thanks your letter of February 12th and the enclosure.

Sincerely.

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C. July 3, 1974.

Hon. RICHARD H. ICHORD,
Chairman, Internal Security Committee,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: You will recall your providing, at my request, the HISC file on Nat Hentoff, a writer for the *Village Voice* and a constituent of mine.

Mr. Hentoff now advised me that he has ascertained that HISC "has two sets of dossiers on everyone they consider to be of sufficient political interest to maintain a file on; one set being the information you furnished to me; the other set having as Mr. Hentoff put it, "a lot more 'raw' information to use the argot of the secret police, and thereby a lot more damaging information—unchecked, unverified."

I am writing to you to ask whether Mr. Hentoff's information on the two sets of files is accurate; and if in fact two sets do exist, I would appreciate your providing me with the undisclosed file including all the raw, unverified data contained therein for examination by Mr. Hentoff. Since it concerns him, I believe he should be made aware of it. You will recall that on a prior occasion you advised me that the HISC files merely contain information culled from public sources such as newspapers. If there has been a change in the procedure, or if I did not understand you clearly on the nature of these files, I would be most obliged if you would provide me with what, in fact, the HISC files consist of.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 18, 1974.

Hon. EDWARD I. KOCH,
House Office Building,
Washington, D.C.

DEAR ED: This is in response to your letter of July 3, received July 8.

I do recall providing you with a report of information found in a search of committee indices regarding Nat Hentoff, and I recall further that in the village VOICE of March 7, 1974, Mr. Hentoff stated that you had "persuaded" me to send it to you. As you know, no persuasion was necessary. You made your request routinely, and we responded routinely and promptly.

Mr. Hentoff's column was filled with inaccuracies and misleading statements, and I have no reason to think that he would do otherwise with any further information which we might be able to furnish concerning him. However, that is not why I must deny his request, through you, for additional information.

The committee does maintain two types of files. One type is sometimes referred to as the "public" files. This does not mean that the public is free to browse among them. It simply means that these files consist of material from public sources. Such material could be found independently by any good researcher, and there is nothing secret about it, either in its content or in our methods of obtaining and processing it. In response to written requests from Members, the committee's reference service prepares reports based upon information in these public sources.

Like any other investigative body, this committee necessarily has files which contain lead material and confidential information. Material in these "investigative" files is not used for general reference purposes, and it is available only to key staff members—for investigative purposes, and as a basis for determining the need for hearings. I hardly think I need to point out that, because of the nature of these files, it is essential to maintain their confidentiality, and to prevent misuse of any information therein, by strictly denying access to all persons except the few key people who have immediate responsibility for investigations and hearings. Mr. Hentoff would have you and the public believe that this "raw" material is freely disseminated. This is not the case; moreover, neither I nor other members of the committee have direct access to these files.

Being an investigating committee, we necessarily record information regarding individuals, because the organizations whose activities we are concerned with are made up of individuals; however, the purpose of our investigations is to discover the facts regarding subversive organizations, to serve as a basis for legislation, rather than to assemble "dossiers" on individuals. In fact, whatever reports are compiled on individuals usually result from requests, such as yours in February, from Members of Congress who desire such information. Under normal procedure, it is only then that a folder is set upon the individual, as a repository for the Member's letter and the ensuing report of our findings.

I personally do not know what information, if any, relating to Mr. Hentoff may be in the investigative files of the committee. Disregarding Mr. Hentoff's penchant for publishing information from and about the committee, along with his inevitable diatribe, I believe you will understand the untenable position the committee would be placed in were I to set a precedent of releasing confidential information, even for private case.

If you have not had occasion to do so, you may be interested in reading the enclosed extract from "Cannon's Procedure in the House of Representatives" concerning committee papers. As you will note, the right of a committee to preserve secrecy of papers and proceedings has been sustained by Federal court.

Sincerely,

RICHARD H. ICHORD,
Chairman.

HOUSE OF REPRESENTATIVES,
Washington, D.C. August 15, 1974.

Chairman RICHARD ICHORD,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: I have introduced H.R. 694 which provides that individuals be apprised of records concerning them which are maintained by the House Committee on Internal Security.

There is legislation now being considered by the House Government Operations Committee which would permit any person to inspect his own file held by any government agency, to supplement the information contained therein, and would permit the removal of erroneous or irrelevant information. However, this legislation as presently drawn would affect only executive departments and agencies.

With respect to the House Internal Security Committee, I would ask you to hold hearings on the issue of their record-keeping procedures. The need for this is demonstrated by the fact that they have secret files—secret often from the Committee members themselves.

The enclosed statement from the Congressional record of last week in which I set forth correspondence between us on the dual filing system of HISC bears upon this matter

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 22, 1974.

Hon. EDWARD I. KOCH,
Longworth Office Building,
Washington, D.C.

DEAR ED: This is to acknowledge receipt of your letter of August 21, 1974.

I do not know what more I can say to you than that which I have already repeatedly reiterated both on the floor and in correspondence with you that this Committee's record keeping procedure is, as true in the instance of other committees of the House, a matter for regulation by the rules of the House, and that if any Member seeks any alteration in the rules of the House, there is an appropriate course to be taken to accomplish that purpose.

As to your bill H.R. 694, a copy of which you bring to my attention, I must wholly oppose any effort to regulate the activities of the committees of the House through bills or acts of Congress in which the Senate, the President, or the Judiciary participate.

Any such effort must be regarded as in blatant defiance of Constitutional processes and the principle of separation of powers. The provisions of article 1, section 5, of the Constitution expressly commit to each House the determination of the rules of its proceedings. As a Member of Congress with a sworn oath to uphold the Constitution, I must oppose any course that would thus improperly attack the independence of this body.

Yours truly,

RICHARD H. ICHORD,
Chairman.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., January 23, 1975.

NAT HENTOFF,
Twenty-five Fifth Avenue,
New York, N.Y.

DEAR NAT: At the Democratic Caucus held on January 13, the House Internal Security Committee was abolished and its jurisdiction was transferred to the Judiciary Committee. I used the opportunity to have a colloquy with Richard Ichord.

I told the Caucus of the prior attempts on my part to obtain the HISC files pertaining to you and that a file was furnished to me. But that you were later informed that there was a second file and when I made a request for that, access was denied. Ichord conceded the existence of the second file system—one being the simple collection of material and the other confidential in nature relating to actual investigations conducted by the Committee. He asked that I discuss the matter with him after the Caucus and he would see whether the file could be made available to me. On Tuesday of this week I met in his office and he exhibited the contents of the file to me. It contained references to the fact that on December 4 and 5, 1968 you attended the Bratislava Conference called by Dave Dellinger where 40 persons

participated in a meeting relating to the NLF. In the file were photostats of two applications that you had made for passports. The file that I saw was basically what I am describing to you.

All of the files will be transferred to the Judiciary Committee. It may be that were you to make the request of Chairman Rodino, he would permit you to examine the file yourself.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 4, 1975.

Hon. RICHARD H. ICHORD,
Chairman,
House Internal Security Committee.

DEAR MR. CHAIRMAN: After our conversation of January 21st I sent the original of the enclosed letter to Nat Hentoff. He then called me to tell me that he had never been to any "Bratislava Conference." Even if he had, I believe it is unreasonable and unwarranted for the government to have a file on an American citizen tracking his travels around the world, particularly when attendance of the conference was not a criminal act.

Even more insidious is that such files are maintained without the subject's knowledge. And as this case demonstrates, they apparently contain erroneous and potentially damaging information.

Since an error has been found in Mr. Hentoff's file—and further since it reveals that his travels were monitored, contrary to the fundamental rights of all Americans to go where they may, except for few and very defined limits, without being put under surveillance by the government, one can conclude that such information and errors have been amassed on many other people on whom these "second" and confidential files are retained. Furthermore, shouldn't everyone on whom these files exist be notified of their existence so as to have an opportunity to refute the information, and refute the allegations if they are erroneous? Even more basic, shouldn't these files be destroyed since at least some of the information they contain evidences practices that are an affront to our basic liberties to move about and assemble without suffering the chill of surveillance?

In view of this latest information and Mr. Hentoff's statement to me that he never attended the Bratislava Conference, I ask in all fairness that he be permitted to view the entire file. If the file is still within your custody and not yet transferred to the Judiciary Committee, I would appreciate your advising me as to whether or not you would afford him that opportunity.

All the best.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 18, 1975.

Hon. EDWARD I. KOCH,
Longworth House Office Building,
Washington, D.C.

DEAR ED: Your letter of February 4, 1975, with enclosure, was received during my absence over the Lincoln's Birthday recess and awaited me upon my return to Washington.

In the letter to Mr. Hentoff, a copy of which you sent me, you advised him that the Internal Security Committee's investigative file, which I permitted you to peruse, "contained references to the fact that on December 4 and 5, 1968, you (Hentoff) attended the Bratislava Conference called by Dave Dellinger where 40 persons participated in a meeting relating to NLF (National Liberation Front)." This, of course, is not an accurate statement as the record will disclose.

Your erroneous conclusion apparently rests upon your misconstruction of a three-sentence memorandum from an investigator to the then staff director in explanation of the inclusion of the Hentoff passport application in the files. This memorandum, however, makes clear that the investigator did not identify the area to which Hentoff traveled under this passport and nowhere is any reference made to his attendance at the Bratislava Conference. Indeed, a review of existing files discloses that there has never been any indication that Mr. Hentoff actually attended this conference.

It is a matter of record that the Bratislava Conference was held September 6 through 12, 1967, and not in 1968 as you misstated in your letter to Mr. Hentoff. It would appear that your confusion concerning the actual dates resulted from a misreading of a transmittal note which accompanied the delivery of the file to me and which you saw.

This note quoted from Dave Dellinger's testimony of December 4 and 5, 1968, before HCUA to the effect that "Dissent" magazine noted that Dellinger and others during their visits to Hanoi were invited to gather a group of about 40 American radicals to arrange a meeting with a group of Vietnamese counterparts. The Bratislava Conference, it was specifically mentioned, was held September 6–12, 1967.

Referring to your letter of February 4 addressed to me, you stated that you sent the letter to Mr. Hentoff following our conversation of January 21, 1975, on which date I exhibited the contents of his investigative file to you. My personal recollection, however, as supported by office records, indicates that I actually made this file available for your examination on January 20, 1975. However, I cannot extend this same courtesy to Mr. Hentoff for his personal review of the file as you requested. The property and records of the former House Internal Security Committee, as you know, have been transferred to the Committee on the Judiciary.

With best wishes.

Sincerely yours,

RICHARD ICHORD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 21, 1975.

Hon. RICHARD H. ICHORD,
House of Representatives,
Washington, D.C.

DEAR DICK: I have your letter of February 18th responding to mine of February 4th. Our correspondence reminds me of the movie "Rashomon" in which a number of observers of the same incident when reporting on it had totally different recollections. And each, I am sure engaged in an honest retelling of the incident. Apparently, each of us differs on our recollection of our conversation.

Let me recount to you my recollection. You will recall that after correspondence with you in February 1974, you gave me a copy of the information that your files allegedly had regarding Nat Hentoff. I had no reason to believe that what you gave was other than all of the information relating to him. I forwarded this material to Mr. Hentoff. Subsequently, Mr. Hentoff advised me that your Committee maintained two types of files and that he believed there was a second file which related to him which had not been furnished. I made an inquiry of you and you confirmed that your Committee indeed did maintain two kinds of files: one which you said is sometimes referred to as the "public files" and the other file as being "available only to my staff members for investigative purposes." All of that was reported in your letter of July 18, 1974.

Then on January 14, 1975 when the Democratic Caucus debated the question of transferring the functions of HISC to the Judiciary Committee, I engaged in a dialogue with you bringing to the attention of the Members that I had made the request on behalf of Mr. Hentoff for his second file and that you had denied me access to that file. In the course of the colloquy you stated that were I to see you subsequently, you would seek to accommodate my request.

Subsequently, I came to your office. Since I came in response to a telephone call from you, I do not have the meeting in my calendar. I thought it was on the 21st, but since you have a record of its being on the 20th, I am happy to accept that date. Whether it was the 20th or the 21st is not critical. At our meeting you exhibited a file which you told me was the investigative file. Prior to showing me the file you told me that the file indicated that Mr. Hentoff had attended a Bratislava Conference in 1968, that the conference had been called by David Dellinger and attended by 40 persons, and that they had received a telegram from a North Vietnamese officer. I asked you whether I might see the file and you said I could. I opened it and found two passport applications by Mr. Hentoff.

In your letter of February 18th you make reference to a letter of transmittal which accompanied the file and which you say I apparently misread. Not only did I not misread the letter, I never saw it. You did not show it to me. The Bratislava Conference which apparently is not mentioned in the file itself, was brought to my attention by you. Presumably you saw mention of it on the letter of transmittal.

Why is all this important? The first thing is that since the file I saw did not have any reference to the Bratislava Conference and did not include the letter of transmittal, one can only conclude that there is still another yet to be disclosed file on Mr. Hentoff. Second, what is most important is that had I not pursued this matter with you Mr. Hentoff and I would never have been apprised of the Bratislava Conference to which he allegedly had some connection. Furthermore, he would not have had the opportunity to tell me that he had never attended a Bratislava Conference, and we would not have known that you don't believe he attended a Bratislava Conference either, although I understood when we had our discussion on the 20th or the 21st that his appearance there was exactly why this file was being maintained.

In your letter you report that all of these files have been turned over to the Judiciary Committee. I will now ask Chairman Peter Rodino to allow me to see all of the files concerning Mr. Hentoff, including the letter of transmittal that you refer to and any other papers you did not show me.

I urge you Dick, do see "Rashomon."

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 24, 1975.

Hon. EDWARD I. KOCH,
Longworth Building,
Washington, D.C.

DEAR ED: I cannot believe that the attached is an example of your workload, but that of an over-zealous member of your staff.

Sincerely,

RICHARD H. ICHORD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 25, 1975.

Hon. RICHARD ICHORD,
Chairman, House Internal Security Committee, Washington, D.C.

DEAR DICK: I would like to clarify one aspect of our correspondence. My letter to Mr. Hentoff mentioned that his file contained references to the fact that on December 4 and 5, 1968 he attended the Bratislava Conference. My recollection, and of course I am not infallible, is that the references to the Bratislava Conference were orally provided by you to me, and that the folder itself which you gave me to look at merely contained the two passport applications. However, even if the folder did contain the letter of transmittal and the reference to the Bratislava Conference it is of little moment since the heart of the matter is Mr. Hentoff's right to examine that file and any other material which the now defunct HISC Committee maintained on him, particularly since you agree that he did not attend the conference and since it is not alleged that he is involved in any criminal matter or in any matter affecting the security of the United States.

It is for that reason that I am as you put it "zealous"—and I would hope that on reflection you would not think overly so. I feel compelled to make the request of Chairman Peter Rodino that Mr. Hentoff be given access to his complete file.

Sincerely,

EDWARD I. KOCH.

"ANYTHING GOES" APPROACH NO SOLUTION TO EDUCATION NEEDS

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, an increasing number of parents have in recent years become concerned over the "anything goes" attitude apparently widespread among public education authorities. If some of the attitudes expressed at the recent National Education Association conference on "educational neglect" are any indication, that concern is well-founded.

Berkeley psychology professor, William D. Rohwer, Jr., unveiled to the NEA members his plan to abandon the teaching of basic reading, writing, and arithmetic skills to students in the elementary grade levels, and to replace it with a scheme to allow the grade school children to select their own course of study. He also proposes eliminating conventional report cards and standardized achievement tests.

Professor Rohwer's thesis is that young children should be allowed to become successful achievers in school, no matter that the "success" of doing their own thing has nothing to do with their education. Tasting success during their early school years, he contends will improve their appetite for learning later. Presumably, they will learn to read somewhere down the road.

He neglects to mention how that appetite will be satisfied without the basic educational skills to pursue academic learning.

Rather than learning to read or solve arithmetic problems, the professor suggests that second-graders study "computer programing, winemaking, or the lore of professional baseball," if this is their desire. I fail to see how an 8-year-old functional illiterate, which is what the student who followed the "Rohwer Plan" would be, could even begin to program a computer, brew his own booze, or calculate Hank Aaron's batting average without basic reading and math skills.

I cannot help recalling the legal case of a high school student in San Francisco, near Professor Rohwer's modern education experimental farm of Berkley, who sued the local school board because he had reached the point of graduation and was still unable to read. The contention was that the "progressive school system" had denied him his right to an education by promoting him, rather than making certain that he had learned his lessons.

Allowing children in the formative years to follow their own educational inclinations is a disservice not only to them as individuals, but to the democratic system which demands an educated populace to function.

This thesis removes from teachers the role of inspiring and motivating youngsters to learn, and replaces it by telling students "if you have difficulty with a subject, follow the path of least resistance."

In an increasingly complex and verbal society, children need to become literate as early as possible simply to participate. Whatever happened to "if at first you don't suceed?" Apparently this is too reactionary to be included in some modern educators' teaching skills.

I insert the related newsclipping:

[From the Washington Post, Feb. 18, 1975].

DEFERRAL OF 3 RS TO JUNIOR HIGH URGED

(By Eric Wentworth)

If a second-grader would rather memorize Catfish Hunter's strikeout record than the multiplication tables, let the pupil do it, a Berkeley psychology professor proposed yesterday.

Teach arithmetic, and reading and all the other basic skills later at junior high school, Prof. William D. Rohwer Jr. said. The student probably will learn them better when he or she is older—and like them more.

Rohwer's proposal earned polite applause from a National Education Association audience of teachers and social activists assembled here for a conference on "educational neglect."

But don't expect to find the "Rohwer Plan" being adopted in hundreds of school systems next fall. It's a bit wide of the plate for most educators these days.

Rohwer's thesis is that educators may be neglecting as much as anything, all the differences in children's rates of development and in their intellectual strengths, weaknesses and interests.

He proposes abandoning the force-feeding of reading and arithmetic skills to children in elementary school. Likewise, he would do away with conventional report cards and standardized achievement tests.

These drastic steps would spare millions of children the "constant struggle dotted with repeated public notices of failure" which school has come to represent, he argues.

The University of California professor even wags a finger at the conventional approach of extra help for the child who runs into early trouble, say, learning to read. A child likely to have trouble in first-grade reading gets help in kindergarten. That same child, during first grade, gets special help to prepare for second grade, and so on.

As a result, Rohwer continues, the more time this child spends on reading the less time for other school pursuits at which he might do better.

"Thus," he concludes, "a child identified as in need of special help, precisely because of the special help, has less opportunity to learn other things than a child who is regarded as progressing normally . . . By the end of the third grade, he will be behind not only in reading, but in virtually every other school subject as well."

What should really count, according to Rohwer, is that youngsters become successful achievers by the time they finish high school. He would make junior high the period for students to master reading, arithmetic and the other basic skills they'll need for senior high.

As for second-graders, if they're ready to learn reading or arithmetic, geography or science—fine. But if their enthusiasms run to "computer programming, wine making, or the lore of professional baseball," that's all right too.

Children in elementary school, under Rohwer's proposal, simply would be required to pick study topics, pursue them extensively, and "succeed" in terms of work quality and completion. Tasting success rather than failure in their early school years, he contends, will improve their appetite for learning later—and increase the odds they'll ultimately achieve more.

ERNEST PALMISANO RECEIVES WELL-DESERVED ACCLAIM

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, it is always a pleasure to see the people we represent get national recognition for their accomplishments and talents. It is even more of a delight when we know personally that the notoriety is richly deserved.

Such was the case recently when I read James J. Kilpatrick's column in the Washington Star-News, entitled "In Shreveport, Success." Mr. Kilpatrick so appropriately praised the culinary mastery of a longtime personal friend and constituent of mine, Mr. Ernest Palmisano.

Out-of-State visitors have had a tendency to think only of New Orleans as the center of haute cuisine in Louisiana. At long last, Mr. Kilpatrick, outstanding journalist that he is, has set the record straight.

In a State which has a well-deserved reputation for fine cooking and good food, Mr. Palmisano has achieved new heights in his art. His story is one of hard work, perseverence and dedication. It deserves wide recognition. I insert the related newsclipping following my remarks. Then try his talents yourself.

The article follows:

[From the Washington Star-News, Feb. 12, 1975]

IN SHREVEPORT, SUCCESS

(By James J. Kilpatrick)

Had enough of doom and gloom? Had your fill of heavy stuff? Then consider, if you will, the life and times of Ernest Palmisano. The story has a moral to it.

The gentleman is the sole proprietor of Ernest's Supper Club Inc., located at 516 Commerce Street in downtown Shreveport. Until a few years ago, the waterfront neighborhood was little more than a slum. Its old warehouses offered shelter for rats and bums. No one came to Commerce Street by night.

But a few persons had imagination. Perhaps they knew what San Antonio and Denver and Atlanta had done with comparable neighborhoods. They saw a chance at "atmosphere." Most of the old waterfront buildings were structurally sound; they could be brought back to profitable life.

Shreveport went to work, and while much remains to be done, an amazing start has been achieved. A new convention center will add fresh impetus to the area's development.

Even on a dark and rainy night last week, Shreve Square was humming with the convivial sounds of good jazz and good times. And squarely in the middle of this modest renaissance one could find the local institution known as "Mr. Ernest."

At 64, he has the trim figure of a tackling dummy and, except when he smiles, the sad face of a St. Bernard. How did he get so big? Tasting." Most of his working day is spent in his spotless kitchens, eternally tasting the sauces that sustain his reputation.

He started earning that reputation as a boy of 11 in his native New Orleans. There his father ran an establishment in the finest tradition of free enterprise: a root beer parlor in front, a speakeasy in back. Young Ernest began at the "dish trough." After a while he graduated to busboy, then to waiter, then to bartender, then to assistant cook.

Today he operates a restaurant that draws customers from hundreds of miles away. It is a standing regional joke that Ernest's in Shreveport is the best restaurant in Dallas. Every weekend brings planeloads of hungry fans from New Orleans, Memphis and Jackson. The restaurant seats 200; it can serve 500 a night; most Saturdays he turns away twice that number.

Three ingredients have produced this success. These are work, hard work, and even harder work. About 10 o'clock every night, an insulated truck starts a six hour run down to New Orleans. There Ernest's agent haggles over every fresh fish; he will buy nothing that has ever been frozen. He buys fresh crabs and shrimp, fresh vegetables, specially baked bread. By early afternoon, the truck is back on Commerce Street. In white apron and billowing chef's cap, Ernest descends upon the kitchen like a great cumulus cloud. His aim is perfection.

He comes remarkably close to achieving it. A typical dinner begins with a platter of crab claws swimming in an oil-and-vinegar sauce. If guests fail to sop up the leftover sauce with hot bread, Ernest instructs them in the art. This is followed by a shrimp cocktail with a special tartar sauce of its own. Then a flaming crab soup, rich and spicy. Then a salad of Louisville lettuce (flown in twice a week). Finally an entree of red fish topped by lump crab. A white wine. Irish coffee. Dessert for those not yet stupefied. In 30 years as a roving reporter, I have never hit anything better.

Is our country raising a fresh generation of Ernests? One wonders. If a restaurateur these days attempted to employ an 11-year-old at the dish trough, the Feds would land all over him like a mushroom sauce. The demand for volume is so great that quality widely gets second place. A nation in a hurry will settle for the quick thaw and the fast grill. If you want the moral, this is it: Quality pays. And if you want to see for yourself, go to Ernest's in Shreveport—but call two weeks in advance.

"EVERYBODY'S BUSINESS," THE WORK OF CONGRESS

(Mr. RHODES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RHODES. Mr. Speaker, I am including with my remarks a treatise written by our minority clerk, Joe Bartlett, on the work of Congress. Joe has been helping the Congress with its work since he began as a page in August of 1941, and he draws from this experience some observations and suggestions which I believe you may find interesting.

The material follows:

"EVERYBODY'S BUSINESS"—THE WORK OF CONGRESS

(By Joe Bartlett)

"That which is everybody's business, is nobody's business," or so Izaak Walton quoted the wisdom of a friend. He probably did not have in mind the people's business as performed by their representatives in Congress assembled, but it bears some comparison.

In our own special, ingenious, brand of democracy—our elected, representative, republican form of government—the responsibility for the fundamental conduct of the people's business is so broadly shared as to lose identity and to escape attention.

To describe our representative system as merely "ingenious" is to vastly understate the tremendous respect and admiration that a third of a century of working within that system has engendered. It is brilliant; it is beautiful; and I am thoroughly convinced that such a visionary plan of self-government could only have been the inspiration of Divine collaboration. Still, I stop short of declaring it sacred. After all, it was devised as an arrangement among fallible and mortal men. And it is to be respected and appreciated not so much as a venerable national institution, but rather for its effectiveness and usefulness as an instrument serving our citizens so very well for such a long time.

However, even the finest instrument is no better than the hands that guide it, and while I can find precious little fault with our basic system of government, I must admit we have not always used that system as wisely nor as well as we might have.

Even some who are not as prejudiced as I, regard the House of Representatives, or at least, the Congress, as the heart of the American body politic. It is to this vital organ of government that I would invite your examination.

Many have a cursory concern for the Congress, and many—so very many—have diagnosed its ills and prescribed its cures, more often with detachment, if not disdain.

We will try to treat it differently. We will regard it not only with acute awareness from years of close association, but with unabashed affection. We want it to survive, but even more, we want it to prosper and perpetuate. We claim uncommon cause: we love this Republic!

If I have persuaded you of my profound admiration for our magnificent framework of government, as well as of my devotion to the collective heartbeat of our democracy in the assembled Congress, perhaps you will grant my deep sincerity and objectivity when I observe that the ordering of the procedures for performing the people's business is, in my opinion, altogether archaic and abysmal.

Before we commence our analysis, permit me to establish one standard, against which we will test every suggestion, every comparison, and every criticism. That standard will be: Does it serve the ends of democracy? For those of us who still believe in democracy—and this 200-year-old grand experiment of entrusting free men with the deciding of their civil destinies—we believe that that which truly "serves the ends of democracy," will surely best serve each of us within the democracy.

One ventures into this "nobody's land" of discussion at the certain risk of provoking somebody. We have heard others accused of self-serving and subterfuge behind a gossamer concern for congressional rehabilitation. Some have seen in every prescription for the improvement of Congress a power ploy on the part of the prescriber. It has been charged that maneuverings for advantage and favor have been the passion behind the myriad jurisdictional disputes. The specter of special interest has been sighted. And it has been alleged that most of the "cures" have been little more than cosmetic.

It is not our purpose to dismiss such subjective and temporal considerations as unimportant or unproductive. On the contrary, the exhaustive deliberations on such subjects in recent months have surely served many noteworthy purposes. We simply feel we can add little to these considerations.

Instead, we will try to deal in fundamentals—the basic procedures for the performing of the public business which have been almost totally ignored in spite of the super scrutiny of recent congressional reform movements.

Just for a starter: Can you imagine any business that would open its doors at twelve o'clock noon, and immediately send the bulk of its personnel off to lunch? How long do you think they could continue to open their doors at all? Yet, that is exactly what we in the Congress do every day! And does anyone really think that "best serves the ends of democracy?"

In the minds of some I am sure I am already being challenged for comparing the business of Congress to any other kind of business. I fully recognize the difference. Democracy, by its very nature, is not expected to be highly efficient or economical. There are transcending standards by which it should be judged. But that must not be used as an excuse for ignoring good, sensible practices. In fact, it is incumbent upon public officials to use the most efficient and economical methods they can devise, so long as they do not compromise the ultimate test: "Does it best serve the ends of democracy?"

During the Second Session of the 93rd Congress just concluded in December, the House met 159 days, for some 813 hours, or about five hours per day.

With our elaborate new computerized voting system we recorded 727 Roll Calls during 1974, which required over 205 hours—or about 41 full work days!

Most of these Calls, and most of this time, are directly attributable to the fact that a quorum of the House was not in attendance to do business. Pray tell, how could this serve the ends of democracy?

(Parenthetically, let me say there are some tremendous advantages to the new electronic voting procedure, but saving time has not, predictably, proven to be one of them.)

The 41 days we cite above does not include a great deal of time spent on a new "quickie quorum" whereby the bells are rung to summon the Members, and as soon as 100 register their presence, they quitclaim the Call, and the Committee continues, even as the attendance again drains away. The same faithful 100 provide the necessary number for the Call almost every time (although there is no record kept to show it) while the other 335 Members need no longer concern themselves at all about interrupting whatever they may be doing. This undoubtedly provides a convenience for some, but does it serve the ends of democracy?

Whenever one Member is absent, some half a million constituents are without representation in the House, just as surely as if they had been disenfranchised by any other means. How anyone can rationalize a dereliction of this high trust of representation is beyond me. Even if you can find some excuse for congressmen in general, you may be a lot less tolerant when the absentee proves to be your own congressman, in particular!

Through the years Congress itself has created and compounded more conflicts with the primary legislative duties of the congressmen than you could imagine. That certainly does not serve the ends of democracy, and it ought not to be countenanced.

It is to sorting out and rearranging and remedying these conflicts that I would bid you to reason along.

If we accept the premise that a maximum participation in the primary functions of the Congress—the enactment of laws—is desirable—nay, essential!—how do we achieve it?

It seems to me it is going to take some pretty courageous and comprehensive departures from a lot of bad work habits we have allowed to develop over the decades.

For a long time I have been advocating a reordering of the business of the whole session of Congress, and I was gratified to see the December organizational meeting adopted by the recent House reforms. But these are just Party caucuses, and if this year is any indication, they really do not give Congress the "running start" for which we had hoped. I would like to see Congress resume the original Constitutional requirement to meet the first Monday in December (Article I, Section 4) and formally organize . . . elect officers, adopt rules, select committees, receive the President's budget message (the second Monday in December), and adjourn to the second Tuesday in February.

This would commence a legislative year divided into four parts. This first period would be for overall budget determinations, with a preliminary Congressional budget statement being published one month later, on the second Monday in January, specifying exceptions to the President's budget message (notwithstanding the proposed timetable of the new Congressional budget program). These exceptions would be in terms of general outside limitations, not categorical specifications.

This first period would also be for the intensive and uninterrupted activities of the authorizing committees. So that when Congress came back on the second Tuesday in February, it could launch forth on authorizing legislation exclusively.

One of the most urgent needs of the legislative calendar is to reverse the incentive for the tardy reporting of measures by committees. Everyone is aware that controversial measures are regularly held back to arrive on the House Floor for consideration when the rush for adjournment distracts scrutiny and dissuades controversy. It is no secret that this bad habit has resulted in a lot of inferior legislation, and it certainly does not serve the ends of democracy.

The surest incentive for the early reporting of legislation would be a penalty for late reporting: Bills reported after April 1st would require a two-thirds vote for passage; bills reported after April 15th, a three-fourths vote for passage.

And aim to adjourn the authorizing session no later than May 1st.

Then send the Congress home for six weeks to consult their constituents on the programs that have been authorized, before they meet again to fund the programs. During this period the final, detailed Congressional budget would be published.

The Congress would reconvene the second Tuesday in June to commence a session devoted to "Appropriations and Budget Implementation." All other subject measures would be out of order unless the Speaker declared them essential, not merely convenient, and even then they would require a two-thirds vote for adoption.

The same incentives we cited above should apply to this session, with the penalty of a two-thirds vote required on bills reported after August 1st, and stepped up to a three-fourths penalty after August 15th. This session should target adjournment by the end of August.

If this rearranging of the Congressional session should cause the Country to want to establish a general election day a month earlier, in October, that might prove to be one of the best byproducts of the whole reform.

Now that we have considered revolutionizing the legislative year, let us look at some proposals for improving the legislative week and day.

If Congress organized its daily work more efficiently—and if it is going to obtain the diligent attendance of its Members, this efficiency will be obligatory—I contend that the public business can readily be accomplished in three legislative days a week. This would leave Mondays and Fridays completely free for committee work or other activities.

However, on Tuesdays, Wednesdays, and Thursdays, the House would convene at 9:30 A.M. for a morning session lasting for two hours. Then a mid-day break for two hours. The session would resume at 1:30 P.M., and aim to conclude by 4:30. Such an arrangement makes so much sense it hardly seems worth taking time to enumerate the virtues.

If this were to achieve the ends of democracy we seek, the Congress would have to take the most stringent measures to prohibit *any* other activities during the actual sessions of the House. And the attendance of a full House would be the greatest possible inducement, I assure you, to the expeditious consideration of the legislative business!

To register attendance and avoid a time-consuming quorum call, I would propose that the electronic system be activated at the time the bells are rung 15 minutes before the convening of both the morning and afternoon sessions, and the Members be instructed to record their presence at that time. The system would close when the gavel fell to call the House to order, and the Roll at that time would constitute the official attendance at that session.

A preacher once told me that the surest way to increase the size of your congregation is to estimate it, but I expect the above procedure would cause a substantial improvement in attendance in the House, at least for the Chaplain's inspiring, opening prayers, and if there is one thing we really need above all else it is the continued grace of Him whom we earlier acknowledged as the co-author of our framework of freedom.

Now, if all of these measures have failed to achieve that "essential maximum participation" in the primary responsibilities of representatives, Congress could use the Rolls obtained above to enforce a statute that has been the law of the land since 1856 requiring the Secretary of the Senate and the Sergeant at Arms of the House to withhold the pay of any Member not in attendance at any session (other than for illness). It might be a very effective measure to encourage diligence in the duties of democracy.

Methinks we have ventured about as far abroad as we dare on this first voyage into unchartered waters. I trust the experience has been thought provoking, if not too boggling, and that you will continue to give it your earnest reflection and abiding concern. *Making Congress work the very best we can is our most promising hope of preserving this beloved Republic!*

So, let us now summarize this unusual examination of the congressional conduct of the people's business—everybody's business—*your* business, and mine! First, we established the singular, supreme standard that all our endeavors should *"best serve the ends of democracy."* Secondly, we have adopted certain goals, such as *maximum participation*, as essential to that standard. Third, we have considered reorganizations that might contribute to our goals. We have proposed revolutionary restructuring of the congressional work day, the work week, and the legislative work year. And lastly, but most importantly, we have suggested incentives which might make these high aspirations attainable.

Would it all *serve the better ends of democracy?*

I believe it would.

WHITE PAPER ON SOCIAL SECURITY

(Mr. BURKE of Massachusetts asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, the social security program has come under fire recently for a number of reasons. Some of the criticisms of the system are legitimate, but many of them have been without substance and, in my opinion, highly irresponsible.

Legitimate questions concerning the financing of the program have been raised which must be and will be faced by the present Congress. Many of the attacks that have been made upon the social security program have resulted in a loss of confidence in the system by both present social security beneficiaries and present workers whose taxes are now being used to finance the program.

In an effort to give some perspective to the questions that have been raised, a white paper on social security entitled, "Social Security: A Sound and Durable Institution of Great Value," was released on February 10, 1975. This white paper was signed by five former Secretaries of Health, Education, and Welfare: Wilbur J. Cohen, Robert Finch, Arthur S. Flemming, John W. Gardner, and Elliot L. Richardson; and by three of the surviving Social Security Commissioners: Robert M. Ball, William L. Mitchell, and Charles I. Schottland.

I commend this white paper to the attention of my colleagues and the American people:

SOCIAL SECURITY: A SOUND AND DURABLE INSTITUTION OF GREAT VALUE

Nearly every American has a personal stake in the social security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and changing conditions. Public discussion addressed to improvement of the system is both necessary and helpful. But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have recurrently been made in the past, and as often have been found baseless. They have no more foundation now than they had when first made nearly forty years ago.

Social security has been probably the most thoroughly and continuously studied, both within and outside government circles, of any program ever enacted by Congress. On

five occasions, from 1938 to 1971, the system has been exhaustively reviewed by advisory councils established under congressional auspices and composed of economists and other social scientists and leaders of labor and business, including distinguished actuaries and leaders of the insurance industry. In each instance, the integrity of the system has been vigorously reaffirmed. This history, if it does nothing more, should foster a healthy skepticism toward the current destructive attacks.

The conclusions of these councils have carried much weight and have been an influential factor in bringing about the improvements that have been made in the system over the years. The current statutory advisory council will soon issue a report. Like its predecessors, it has a broad assignment—to review the entire social security program and advise how to make it best serve the public interest. We may well await the recommendations of this council and ensuing congressional hearings on substantive changes in the system which are being widely debated. But we should not wait to deal with irresponsible attacks on the soundness of the structure.

THE ASSURANCE OF FUTURE BENEFIT PAYMENTS

The most vicious of these attacks is the one charging that promised social security benefits may not be paid when they fall due twenty or thirty or forty years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law of the land. A claim to social security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However, one may define a "legal right", it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of social security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by entitling the system insurance, by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the social security commitment will be honored.

The social security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the Congress's 40-year record of responsible action on social security. If there are doubters among us, they should be reminded that a member of Congress who hopes for reelection will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress will ever do so.

THE NATURE OF THE CONGRESSIONAL COMMITMENT TO CONTRIBUTORS

The social security commitment differs in an important respect from that of a private insurance company, which in writing a policy fixes its terms in every detail for the life of the policy. Congress, by contrast, has of necessity built an element of flexibility into the national social insurance system. Thus, when Congress has amended the law to improve the benefit structure it has generally given the advantage of the change to those already on the benefit rolls as well as to those who are still contributing. Occasionally, improvement of the structure involves substitution of one benefit for another, as when a provision in the original Act for refund of certain contributions was replaced by the far more valuable provision of dependents' and survivors' benefits. One cannot say that under no circumstances will any individual in this massive system suffer some loss in some future contingency as a result of overall improvements in the system. Such adjustments must, of necessity, fall within the range of flexibility that has been reserved to Congress. What one can say with confidence is that the congressional sense of fair play, reflecting that of the public, gives assurance that the power of amendment will not be abused.

SOCIAL SECURITY IS PROPERLY DESCRIBED AS INSURANCE

It is occasionally asserted that social security is not in fact insurance, that so describing it is misleading, and that its trust funds are grossly inadequate. These assertions have been used by some to foster doubt that the promised benefits will be paid. All these assertions are unfounded.

Although the propriety of its use is a semantic question, the term "insurance" is not without significance to either the congressional or the public perception of social security. Social insurance is a concept long and well recognized across the world, and is one into which social security fits neatly. For good reasons, social insurance differs in important respects from private insurance, but it embodies the central element of financial protection against defined hazards, through a pooling of contributions and a sharing of risks, with benefits payable as a matter of legal right on the happening of stated events. It is fallacious to argue, as some persons do, that the workers' payments are not insurance contributions because they are taxes—all taxes are compulsory contributions, either for the general support of government or for some particular governmental activity, and these payments are none the less contributions to an insurance system because they are also taxes. Congress used the word "insurance" in the statute as one indication of the character of the commitment it was undertaking, and the Supreme Court of the United States has stated that the term "social insurance" accurately describes the program. While anyone has the privilege of dissent, the Court's approval should have put an end to charges that the nomenclature is deceptive.

THE ADEQUACY AND INTEGRITY OF THE TRUST FUNDS

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of social security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the social security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds. Charges that social security reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by every one of the advisory councils, and they were rejected unanimously as early as 1945 by the social security committee of the insurance industry. A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession. As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased derive in the main from this year's contributions by workers and their employers. As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern because his contributions are used to pay today's beneficiaries, or because his future benefits will be paid from future contributions.

OFT-REFUTED CHARGES

The charges thus far considered are, in their main outlines, repetition of earlier efforts to discredit the social security program, and they are no more valid now than they have been in the past. Repeatedly and consistently, Congress, after extended study by its responsible committees as well as the distinguished advisory councils, has found these charges to be without merit.

Other charges, though not new in themselves, have acquired a new emphasis because of the steady rise over recent years in the contribution rate and in the ceiling on taxable earnings, and these charges deserve consideration. The increase in the amount of contributions, of course, must be heavily discounted if one thinks in terms of purchasing power rather than of dollars, and in terms of the increase in personal incomes. But whatever the value of the dollar, providing a decent measure of economic security to the retired, to the disabled, and to widows and orphans is a hugely expensive undertaking. The questions that demand serious thought relate not so much to the total sum which the system raises by taxation as they do to the manner in which the burden is distributed.

THE SOCIAL SECURITY SYSTEM IS NOT REGRESSIVE

It is said, for one thing, that social security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages. If social security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. This charge illustrates, indeed, the fallacy of looking at the two parts of social security in isolation from each other, an approach which inevitably distorts the issues and loads the argument. The issue here is not whether social security *taxes* are regressive but whether the social security *system*, taking into account both benefits and contributions, is open to this charge. The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high. While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent. It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not

legitimate to argue, by disregarding the benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in social security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by social security than they are charged for the general support of government. No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for social security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOCIAL SECURITY GIVES CONTRIBUTORS A GOOD BARGAIN

Statements have been broadly disseminated that social security gives the contributor a poor bargain, and that he could do far better by investing the amount of his contributions in the private markets. This is not true. If we exclude speculative investments (including investment in the erstwhile "ever-rising stock market"), which can always yield some individual a windfall but can also yield a terrible loss, the individual under the social security system receives better value from the government than he could obtain elsewhere. With the automatic escalation of workers' benefit rights as wages rise, and the automatic cost-of-living increase for those already on the benefit rolls, there is no question at all that the worker receives protection worth more than his total contributions with interest. This is true even if all or most of the employer contribution is assumed to rest on the employee in final incidence (either in the form of lower wages or in terms of higher prices to him as a consumer). As long as protection for current workers is kept up to date via automatic escalation provisions there is no way for the social security contributor to get better protection for his or her money.

IMPROVING SOCIAL SECURITY FINANCING

Congress keeps a watchful eye on the actuarial balance of the social security system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10% to 15%. Much less than this will be needed in the early part of this period and more in the latter part. The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate or it could come from general revenues rather than from either. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 to, the active labor force in the United States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time. If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from social security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people reduce the burden of support for children. Thus active workers will not have to support any more non-workers than they do today as a result of these changed fertility rates, but under the assumptions they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be true, too, that over the long run productivity increases in the United States will help meet the problem of supporting an increasing number of older people.

The 1972 amendments provided for the automatic adjustment of benefits in accordance with increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed. The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used, current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. If in the future it seemed desirable for benefits to be increased even more, this could be done by legislation. Such a change in the formula would have two results: One, it would provide workers with a greater certainty that benefits would reflect their level of living at the time of retirement, or disability, or death; and, two, it would result in a substantially lower long-range cost than is shown by the current estimates.

WEIGHING THE ALTERNATIVES AND THEIR COSTS

Congress in the years ahead will by no means confine its attention to the problem of financing, but will examine a wide range of issues about particulars of the system. These particulars reflect past judgments of the best use to which available funds can be put, but those judgments have always been and are now open to reassessment. Some of these issues, however, have been seized upon by current critics of the system with the assertion that present provisions of the law are manifestly unjust and that this supposed injustice somehow affords a reason to abandon social security altogether or to change its basic characteristics as a contributory, earnings-related system. Neither part of this assertion holds water: each of these provisions is the product of a considered weighing of the equities, the costs, and of the arguments pro and con; each of them is subject to change, without disruption of the present system, if change of conditions or change of opinion is found to make that desirable.

THE RETIREMENT TEST

One of the provisions most frequently under attack is the test of retirement. This test, indeed, has been a bone of contention for many years with much support for its abandonment and for the automatic payment of benefits upon attainment of age 65. Basically, social security has been designed as insurance against loss of earnings, and loss of earnings does not occur automatically at age 65. The retirement test is the mechanism that is used to determine whether such a loss has taken place, its effect being reduction or suspension of benefits for periods in which earnings are above stated amounts. The amounts will be increased to keep up to date with rising earnings by the automatic adjustment provisions in present law and, of course, as in the past they may be further increased by amendments to the law, but the present structure of the test is probably as fair a method as can be devised if we are not to abandon retirement altogether as a condition of eligibility.

Some people believe, however, that this condition of eligibility is basically unfair in depriving people of benefits for continuing to work after reaching 65, and that it is undesirable because it stands in the way of people on the benefit roll who wish to supplement their social security income as much as they can. Those who support the retirement test point out that its abolition would cost the equivalent of a one-half of 1% increase in the combined employer-employee contribution rate and would benefit less than one-tenth of the people over 65 who are otherwise eligible for benefits. They ask whether funds in this amount are better used to supplement the incomes of those who still have substantial earning power or by spreading the funds among the nine-tenths who do not, or cannot, earn enough to bring them within the ambit of the retirement test. Arguments such as these have persisted over the years, but they have no bearing on the soundness or durability of the social security system; abolition of the retirement test would aggravate somewhat the problem of financing, but it would no more spell the doom of the program than does retention of the test. Congress has repeatedly concluded that adaptation of the test in response to rising levels of earnings is preferable to its repeal.

A different attack on the retirement test, however, does have destructive implications. This is the contention that if benefits are withheld on account of earnings, they should also be withheld on account of the receipt of private pension payments, dividends, interest, or other unearned income—in other words, that the payment of benefits should be conditioned on a means test. This change would deprive the program of one of its major strengths, its encouragement of people in their working years to supplement their social security protection through savings and private pension plans. The change, indeed, would in all likelihood mean the end of contributory social insurance, since the masses of self-supporting people would hardly put up with paying social security contributions if they knew they would get nothing in return unless they should ultimately fall into the ranks of the indigent.

SOCIAL INSURANCE—NOT A MEANS-TEST PROGRAM

Mechanisms for preventing destitution in old age or in the event of the death or dis-

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ability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for social security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into social security, could offer no comparable assurance to working people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency. Designing such a system, moreover, would raise many thorny questions in specifying who should receive benefits, how large they should be, and how, if at all, their amounts should be varied.

There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until after poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contribution to their own insurance protection? The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing or that Congress would be willing to compel them to provide noncontributory benefits without a means test and at a comparable level of adequacy to the thirty million people who now receive social security benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The benefits these people now receive are earned rights based on their past work and contributions, or on those of family members, thus reflecting their previous standards of living and serving in some measure as a reward for diligence. The benefits are payable without scrutiny of individual means and needs and so permit supplementation by anything the recipients have been able to save. Because they are payable as an earned right, the benefits accord with the self-respect of people accustomed to providing for themselves. It is small wonder that Congress and the people have preferred contributory social insurance to a system benefiting only those who can show themselves to be destitute.

The working portion of our population must, in one way or another, support that portion that is not working and does not have enough resources to meet the cost of living. Most non-working wives and children are supported, in normal course, by family breadwinners. The retired and the disabled, the widows and orphans, on the other hand, commonly have neither family support nor savings sufficient to maintain them, and some governmental mechanism is essential if they are not to be allowed to go hungry.

The ultimate question posed by current attacks on social security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

Critics who say that social security is nothing but a "welfare" program probably intend the remark to be pejorative. If so, in using this word they speak more truly than they know. Social security is indeed "welfare" in the true sense of the word, which is the sense also in which the Constitution uses it. The system was created by an exercise of the power of Congress to raise and spend money to "provide for the . . . . general welfare of the United States"—the welfare of all the millions of people who, though now self-supporting, would without social security quickly face destitution if or when earnings cease because of old age or disability, or support ceases because of death of a family breadwinner; as well, of course, as the welfare of the other millions who have already suffered one of these deprivations. "The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the vigors of the poorhourse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been too largely fulfilled to make for tolerance of those who would now destroy it.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Messrs. FLYNT, FRASER, MURTHA, and CHAPPELL, and Ms. ABZUG (at the request of Mr. O'NEILL), from today through Tuesday, March 4, 1975, on account of official business.

Mr. HOWARD (at the request of Mr. O'NEILL), for today on account of attending a funeral.

Mr. YOUNG of Florida (at the request of Mr. RHODES), for today, on account of official business.

Mr. BARRETT (at the request of Mr. EILBERG), for today and the balance of the week, on account of necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN today, for 45 minutes and to revise and extend his remarks and to include extraneous matter.

(The following Members (at the request of Mr. GRASSLEY) to revise and extend their remarks and include extraneous material:)

Mr. FORSYTHE, for 10 minutes, today.
Mr. YOUNG of Alaska, for 5 minutes, today.
Mr. HASTINGS, for 30 minutes, today.
Mr. TALCOTT, for 5 minutes, today.
Mr. BOB WILSON, for 60 minutes, February 27, 1975.
Mr. CONABLE, for 5 minutes, today.

(The following Members (at the request of Mrs. LLOYD of Tennessee) to revise and extend their remarks and include extraneous matter:)

Mr. CONYERS, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. LEVITAS, for 5 minutes, today.
Mr. HAMILTON, for 10 minutes, today.
Mr. AUCOIN, for 15 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. MATSUNAGA, for 15 minutes, today.
Mr. DRINAN, for 30 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. RICHMOND, for 5 minutes, today.
Mr. FISHER, for 5 minutes, today.
Mr. ENGLISH, for 5 minutes, today.
Mr. EVANS of Indiana, for 5 minutes, today.
Mr. FASCELL, for 10 minutes, today.
Mr. DANIELSON, for 10 minutes, today.
Mr. ZABLOCKI, for 5 minutes, today.
Mr. DOWNEY, for 5 minutes, on February 26.
Mr. THORNTON, for 20 minutes, on February 26.
Mr. SOLARZ, for 30 minutes, on March 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BURKE of Massachusetts, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $834.

(The following Members (at the request of Mr. GRASSLEY) and to include extraneous material:)

Mr. HASTINGS in two instances.
Mr. ARCHER in two instances.
Mr. GILMAN in two instances.
Mr. BROOMFIELD in two instances.
Mr. YOUNG of Alaska.
Mr. BELL.
Mr. CRANE in five instances.
Mr. DERWINSKI in three instances.
Mr. WHITEHURST in two instances.
Mr. HINSHAW.
Mr. GUYER in two instances.
Mrs. HOLT.
Mr. LAGOMARSINO.
Mr. ARMSTRONG in three instances.
Mr. RUPPE.
Mr. FINDLEY.
Mr. FRENZEL in five instances.
Mr. SHUSTER.
Mr. MOORE.
Mr. BUCHANAN in two instances.
Mr. MITCHELL of New York.
Mr. KASTEN in eight instances.
Mr. BOB WILSON.
Mr. J. WILLIAM STANTON.
Mr. DU PONT.

(The following Members (at the request of Mrs. LLOYD of Tennessee) and to include extraneous matter:)

Mr. HAMILTON in two instances.
Mr. ROSENTHAL in 10 instances.
Mr. SISK.
Mr. FLORIO in five instances.
Mr. WOLFF in three instances.
Mr. ANDERSON of California in four instances.
Mr. GONZALEZ in three instances.
Mr. SANTINI.
Mr. MCKAY.
Mr. BOLLING in two instances.
Mr. CONYERS.
Mr. TEAGUE in 10 instances.
Mr. ROUSH.
Mr. MCDONALD of Georgia in two instances.
Mr. JONES of Oklahoma.
Mr. MATSUNAGA.
Mr. NOWAK.
Mr. REUSS.
Mr. EDWARDS of California.
Mr. MIKVA.
Mr. BURKE of Massachusetts in four instances.

Mr. LONG of Maryland.
Mr. DENT.
Mr. HÉBERT.
Mr. FRASER.
Mr. NIX.
Mr. GREEN in two instances.
Mr. ROGERS in five instances.
Mr. BONKER in two instances.
Mr. DRINAN.
Mr. BOLAND in two instances.
Mr. SIMON.
Mr. DANIELSON in five instances.
Mr. ZABLOCKI.

ADJOURNMENT

Mrs. LLOYD of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 5 minutes p.m.) the House adjourned until tomorrow, Wednesday, February 26, 1975, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1974, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, D.C., February 20, 1975.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: This is a report to the Congress pursuant to Section 4 of the Act of August 28, 1958 (Public Law 85-804; 50 U.S.C. 1431-35), submitted to the Speaker of the House of Representatives pursuant to Rule XL of that House.

During calendar year 1974, the National Aeronautics and Space Administration, acting through its Contract Adjustment Board, utilized the authority of the above-cited statute as follows:

a. Under date of December 20, 1974, the Board authorized the adjustment of a contract with Automation, Inc. for one line printer modified to interface with the Honeywell DDP-516 Computer. The adjustment was granted on the basis that the Company incurred a loss as the result of the Government's action in delaying the award of the contract for about four months through amendments to the Invitation For Bids and changing the procurement procedure. As a result of the delay, the cost of the major item of the contract was increased by the supplier. The amount of the adjustment was $1,900.

b. During CY 1974, the Board also considered and denied one other request for extraordinary contractual relief under P.L. 85-804.

Sincerely,

JAMES C. FLETCHER,
Administrator.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

402. A letter from the Secretary of the Army, transmitting a copy of the Army's year-end report for 1974; to the Committee on Armed Services.

403. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on amendments and modifications to contracts in connection with the national defense executed by NASA during calendar year 1974, pursuant to section 4(a) of Public Law 85-804 [50 U.S.C. 1434 (a)]; to the Committee on the Judiciary.

404. A letter from the President, Jewish War Veterans, U.S.A., National Memorial, Inc., transmitting the annual audit reports of the organization for the fiscal years ended March 31, 1973 and 1974, pursuant to Public Law 88-504; to the Committee on the Judiciary.

405. A letter from the National Adjutant, Veterans of World War I of the U.S.A., Inc., transmitting the proceedings of the organization's 1974 national convention, its annual report, and its financial statements for the year ended August 31, 1974 (H. Doc. No. 94-61); to the Committee on the Judiciary and ordered to be printed with illustrations.

RECEIVED FROM THE COMPTROLLER GENERAL

406. A letter from the Comptroller General of the United States, transmitting a summary report on the financial status of selected major civil acquisitions funded by the Federal Government; to the Committee on Government Operations.

407. A letter from the Comptroller General of the United States, transmitting a report on the status and problems involved in Federal coal research; jointly to the Committees on Government Operations, Interior and Insular Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 2166. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowances and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes; with amendment (Rept. No. 94-19). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Currency and Housing. House Concurrent Resolution 133. Concurrent resolution to lower interest rates; with amendment (Rept. No. 94-20). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONABLE:

H.R. 3612. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the investment credit and the surtax exemption, and for other purposes; to the Committee on Ways and Means.

By Mr. ABDNOR:

H.R. 3613. A bill authorizing the construction of a dam and reservoir on the Little White River, S.D., (Rosebud site); to the Committee on Public Works and Transportation.

By Mr. ADDABBO:

H.R. 3614. A bill to amend the Internal Revenue Code of 1954 to allow handicapped individuals a deduction for certain commuting expenses; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H.R. 3615. A bill to amend title 38 of the United States Code to make certain that recipients of veterans pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 3616. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

Mr. ARCHER:

H.R. 3617. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ASPIN:

H.R. 3618. A bill to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress, and to provide for a comprehensive study of plutonium recycling; to the Joint Committee on Atomic Energy.

By Mr. AUCOIN (for himself and Mr. DUNCAN of Oregon):

H.R. 3619. A bill to provide for addition to the Fort Clatsop National Memorial of the site of the salt cairn utilized by the Lewis and Clark Expedition, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BIAGGI:

H.R. 3620. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Dr. Enrico Fermi; to the Committee on Post Office and Civil Service.

H.R. 3621. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

H.R. 3622. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3623. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. BRADEMAS (for himself, Ms. MINK, Mr. BELL, Ms. HECKLER of Massachusetts, Mr. CORNELL, and Mr. HANNAFORD):

H.R. 3624. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mrs. BURKE of California (for herself, Mr. ADDABBO, Ms. ABZUG, Mr. BROWN of California, Mr. JOHN L. BURTON, Mr. CARR, Mr. DRINAN, Mr. EDGAR, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. GUDE, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. KOCH, Mr. LONG of Maryland, Mr. MAGUIRE, Mrs. MEYNER, Mr. MITCHELL of Maryland, Mr. NIX, Mr. PATTISON of New York, Mr. RANGEL, Mr. RIEGLE, Mr. ROYBAL, Mr. SOLARZ, and Mr. STARK):

H.R. 3625. A bill to amend title 18, United States Code, to provide a penalty for the use of expanding (dum-dum) bullets in the United States; to the Committee on the Judiciary.

By Mrs. BURKE of California (for herself, Mr. STOKES, Mr. STUDDS, Mr. THOMPSON, Mr. WIGGINS, and Mr. WON PAT):

H.R. 3626. A bill to amend title 18, United States Code, to provide a penalty for the use of expanding (dum-dum) bullets in the United States; to the Committee on the Judiciary.

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By Mr. COLLINS of Texas:

H.R. 3627. A bill to amend section 924 (relating to commission of Federal felonies with firearms) of title 18 of the United States Code to make applicable to a first conviction under that section the rules for suspended or probationary sentences now applicable to second and subsequent convictions; to the Committee on the Judiciary.

By Mr. CRANE:

H.R. 3628. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. DENT (for himself and Mr. GUDE):

H.R. 3629. A bill to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens outside the United States; to the Committee on House Administration.

By Mr. DEVINE:

H.R. 3630. A bill to give greater assurance that national and regional needs are satisfied in times of shortage of natural gas and petroleum and its products; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY:

H.R. 3631. A bill to amend the Internal Revenue Code of 1954 to allow the deduction of the portion of certain taxes which is allocable to the construction of sewage treatment works; to the Committee on Ways and Means.

By Mr. DRINAN (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BEARD of Rhode Island, Ms. BURKE of California, Mr. CARR, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. HICKS, Ms. HOLTZMAN, Mr. MAGUIRE, Mr. MITCHELL of Maryland, Mr. PATTERSON of California, Mr. ROSENTHAL, Mr. ROE, Mr. ROYBAL, Mr. SCHEUER, Mr. SIMON, Mr. SOLARZ, Mr. STARK, Mr. THOMPSON, Mr. TSONGAS, Mr. WIRTH, and Mr. HANNAFORD):

H.R. 3632. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to increase the authorization for appropriations for the National Heart and Lung Institute by amounts equal to the increase in receipts from such tax; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 3633. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

H.R. 3634. A bill to amend title II of the Social Security Act to provide that the earnings standard used in determining whether a recipient of disability insurance benefits is able to engage in substantial gainful activity shall be the same as the exempt amount in effect under the regular earnings test for recipients of retirement and survivor benefits; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself and Mr. O'HARA):

H.R. 3635. A bill to provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. FORD of Michigan (for himself, Mr. GAYDOS, Mr. ROE, Mr. SARBANES, and Mr. STUDDS):

H.R. 3636. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; to the Committee on Education and Labor.

By Mr. FORSYTHE:

H.R. 3637. A bill to amend the Coastal Zone Management Act of 1972 in order to authorize financial assistance to coastal States to enable them to study, assess, and plan effectively with respect to the impact within their coastal zones of off-shore energy-related facilities and activities and to assure the maximum effectiveness of the coastal zone management plans of such States; and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

H.R. 3638. A bill to amend the Outer Continental Shelf Lands Act to provide for strict liability in the case of damage caused by oil spills, and for other purposes; jointly, to the Committees on the Judiciary, Merchant Marine and Fisheries, Interior and Insular Affairs, and Science and Technology.

By Mr. FRASER (for himself, Mr. BIESTER, Mr. BUCHANAN, Mr. DIGGS, Mr. WEAVER, and Mr. MAGUIRE):

H.R. 3639. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Affairs.

By Mr. FREY:

H.R. 3640. A bill to amend title 18, United States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. FREY (for himself, Mr. FORD of Tennessee, Mr. LUNGATE, and Mr. MITCHELL of New York):

H.R. 3641. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GIAIMO:

H.R. 3642. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits to the Committee on Veterans' Affairs.

H.R. 3643. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3644. A bill to amend the Social Security Act to assure that whenever there is a general increase in social security benefits there will be a corresponding increase in the standard of need used to determine eligibility for aid or assistance under State plans approved under title I, X, XIV, XVI, and XIX of such act; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. GIAIMO (for himself, Mr. COTTER, Mr. DODD, Mr. MCKINNEY, Mr. MOFFETT, and Mr. SARASIN):

H.R. 3645. A bill to provide one additional permanent district judgeship for the district of Connecticut; to the Committee on the Judiciary.

H.R. 3646. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 3647. A bill to amend the Federal Aviation Act of 1958 to permit aliens holding permanent residence visas to register aircraft in the United States, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HAMILTON:

H.R. 3648. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. HANNAFORD:

H.R. 3649. A bill to amend the National School Lunch Act and the Child Nutrition Act to extend certain authorizations of appropriations for 3 additional fiscal years; to the Committee on Education and Labor.

By Mr. HENDERSON:

H.R. 3650. A bill to clarify the application of section 8344 of title 5, United States Code, relating to civil service annuities and pay upon reemployment, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3651. A bill to amend title 5, United States Code, to provide that employees subject to certain pay limitations shall be credited, for civil service retirement and life insurance purposes, with the pay they would have received if such pay limitations were not applicable, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KASTEN:

H.R. 3652. A bill to amend the State and Local Fiscal Assistance Act of 1972 to extend the Federal revenue sharing program for an additional period, to periodically increase the amounts returned to States and local governments under such program, and for other purposes; to the Committee on Government Operations.

By Mr. KASTENMEIER:

H.R. 3653. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

H.R. 3654. A bill to amend the Internal Revenue Code of 1954 to permit the deduction of household and dependent care expenses by a married couple when one spouse is a full-time student to the same extent that such expenses could be deducted if both spouses were employed; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 3655. A bill to restrict the disclosure of information in the possession of telephone companies or telegraph companies concerning members of the news media; to the Committee on Interstate and Foreign Commerce.

By Mr. KREBS:

H.R. 3656. A bill to study certain lands in the Sierra National Forest, Calif., for the possible inclusion in the National Wilderness Preservation System; to the Committee on Interior and Insular Affairs.

By Mr. LENT:

H.R. 3657. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain interest on deposits in savings institutions; to the Committee on Ways and Means.

By Mr. LEVITAS:

H.R. 3658. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly, to the Committees on the Judiciary, and Rules.

By Mr. LITTON (for himself, Mr. ALEXANDER, Mr. AUCOIN, Mr. CARR, Mr. EMERY, Mr. FORD of Tennessee, Mr. HOWE, Mr. JEFFORDS, Mr. KREBS, Mrs. LLOYD of Tennessee, Mr. MAGUIRE, Mr. MANN, Mr. MATHIS, Mr. MIKVA, Mr. MOSS, Mr. OBERSTAR, Mr. OTTINGER, Mr. PATTISON of New York, Mr. PATTERSON of California, Mr. RICHMOND, Mr. SIMON, Mr. SOLARZ, Ms. SPELLMAN, Mr. WEAVER, and Mr. WIRTH):

H.R. 3659. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars to freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

By Mr. LUJAN:

H.R. 3660. A bill to prohibit the sale, alienation, or commitment of gold by the Secretary of the Treasury without prior approval by act of Congress; to the Committee on Banking, Currency and Housing.

H.R. 3661. A bill to amend the Foreign Assistance Act of 1961 to expand American exports by utilizing foreign currencies owned by the United States to pay foreign import duties on such exports, and for other purposes; to the Committee on Foreign Affairs.

H.R. 3662. A bill to provide for the conveyance of certain real property in Sandoval County, N. Mex.; to the Committee on Interior and Insular Affairs.

H.R. 3663. A bill to designate the Miners Hospital in Raton, N. Mex., a public health service hospital to be known as the "Miners' Rehabilitation and Medical Hospital"; to the Committee on Interstate and Foreign Commerce.

H.R. 3664. A bill to establish regional Federal Medical Malpractice Boards to reduce the expense of bringing, and the awards granted in, medical malpractice suits in the United States; to the Committee on the Judiciary.

H.R. 3665. A bill to provide that members of all commissions, councils, and similar bodies in the executive branch of the Government appointed from private life shall serve without any remuneration for their services other than travel, subsistence, and other necessary expenses; to the Committee on Post Office and Civil Service.

H.R. 3666. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

H.R. 3667. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

H.R. 3668. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence; to the Committee on Ways and Means.

H.R. 3669. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain social security taxes; to the Committee on Ways and Means.

H.R. 3670. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 3671. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

H.R. 3672. A bill to establish a national family health protection program under which the Federal Government, in cooperation with, and acting through, private qualified companies, will make adequate health insurance available to every individual and family in the United States regardless of their income; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. McEWEN:

H.R. 3673. A bill to authorize the Secretary of Agriculture to regulate the transportation of horses in commerce, and for other purposes; to the Committee on Agriculture.

By Mr. MATSUNAGA:

H.R. 3674. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. MIKVA (for himself, Mr. ROSTENKOWSKI, Mr. RUSSO, Mr. SCHEUER, and Mr. STOKES):

H.R. 3675. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

By Mr. MILLER of Ohio:

H.R. 3676. A bill to amend the National Flood Insurance Act of 1968 to continue the present federally subsidized flood insurance program in any locality where construction of an adequate flood protection system has begun, and to eliminate the compulsory features added to such program by the Flood Disaster Protection Act of 1973; to the Committee on Banking, Currency and Housing.

H.R. 3677. A bill to prevent the abandonment of railroad lines covered by the Rail Reorganization Act; to the Committee on Interstate and Foreign Commerce.

By Mr. NIX:

H.R. 3678. A bill to amend the Sherman Antitrust Act to clarify the intent of the Congress with respect to marketing cooperatives; to the Committee on the Judiciary.

By Mr. OBERSTAR:

H.R. 3679. A bill to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. OBEY:

H.R. 3680. A bill to declare that certain federally owned land is held by the United States in trust for the Lac Courte Oreilles Band of Lake Superior Chippewa Indians, and to make such lands parts of the reservation involved; to the Committee on Interior and Insular Affairs.

H.R. 3681. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. PICKLE:

H.R. 3682. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the authority of the Secretary of Health, Education, and Welfare with respect to foods for special dietary use; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS:

H.R. 3683. A bill to amend title II of the Social Security Act to make it clear that an individual who loses his or her entitlement to child's insurance benefits by reason of marriage may again become entitled to such benefits if divorced (while still otherwise entitled) before attaining age 22; to the Committee on Ways and Means.

By Mr. PEYSER:

H.R. 3684. A bill to amend the Older Americans Act of 1965 to provide that the Secretary of Agriculture shall buy beef and beef products for donation to nutritional programs for the elderly during fiscal years 1975 and 1976; to the Committee on Education and Labor.

H.R. 3685. A bill to authorize the Secretary of the Interior to establish a National Law Enforcement Heroes Memorial within the District of Columbia, and for other purposes; to the Committee on House Administration.

H.R. 3686. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 3687. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. PEYSER (for himself, Ms. ABZUG, Mr. CARR, Mr. CONYERS, Mr. DODD, Ms. FENWICK, Mr. FRASER, Mr. HARRINGTON, Mr. KOCH, Mr. ROSENTHAL, Mr. SOLARZ, Mr. STARK, and Mr. STOKES):

H.R. 3688. A bill to provide Federal assistance for programs of consumer's nutritional education; to the Committee on Agriculture.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 3689. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; to the Committee on Armed Services.

By Mr. RICHMOND:

H.R. 3690. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. RICHMOND (for himself, Ms. ABZUG, and Mr. ROSENTHAL):

H.R. 3691. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those acts; to the Committee on Education and Labor.

By Mr. ROUSH (for himself, Mr. BADILLO, Mr. BEVILL, Mrs. BURKE of California, Mr. CLEVELAND, Mr. CORMAN, Mr. DAVIS, Mr. EILBERG, Mr. FLOOD, Mr. GAYDOS, Mr. HANNAFORD, Mr. HECHLER of West Virginia, Mrs. HECKLER of Massachusetts, Mr. HINSHAW, Mrs. KEYS, Mr. MADDEN, Mr. MANN, Mr. OBEY, Mr. RODINO, Mr. ROE, Mr. SARBANES, Mr. SIKES, and Mrs. SULLIVAN):

H.R. 3692. A bill to amend the Communications Act of 1934 to provide grants to States and units of local government for the establishment, equipping, and operations of emergency communications facilities to make the national emergency telephone No. 911 available throughout the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 3693. A bill to authorize and direct the Secretary of Agriculture to study lands within the Keweenaw Peninsula of Michigan to determine if the lands should be acquired and administered as National Forest lands; to the Committee on Agriculture.

By Mr. SIKES:

H.R. 3694. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $10 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mr. SIKES (for himself and Mr LOTT):

H.R. 3695. A bill to amend the act establishing the Gulf Islands National Seashore to increase the amount authorized for the acquisition of private property to be included in the seashore; to the Committee on Interior and Insular Affairs.

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By Mr. SISK:

H.R. 3696. A bill to amend the eligibility requirements for an emergency loan from the Farmers Home Administration; to the Committee on Agriculture.

By Mr. TALCOTT:

H.R. 3697. A bill making a supplemental appropriation for the Department of Health, Education, and Welfare for the fiscal year ending September 30, 1976, to provide funds to conduct a study of the effects of the red tide on human health; to the Committee on Appropriations.

H.R. 3698. A bill to provide for paper money of the United States to carry a designation in braille indicating the denomination; to the Committee on Banking, Currency and Housing.

H.R. 3699. A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, and to establish a national registry of blood donors; to the Committee on Interstate and Foreign Commerce.

By Mr. TALCOTT (for himself, Mr. HORTON, Mr. JOHNSON of Pennsylvania, and Mr. YOUNG of Florida):

H.R. 3700. A bill to amend title 5, United States Code, to provide that the Director of the Office of Management and Budget be paid the annual rate of basic pay prescribed for Level I of the Executive Pay Schedule; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H.R. 3701. A bill to amend chapter 41 of title 38, United States Code, to improve job counseling and employment services for veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. TEAGUE (for himself and Mr. HAMMERSCHMIDT) (by request):

H.R. 3702. A bill to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WHALEN:

H.R. 3703. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. WHITE (for himself, Mr. LEHMAN, Mr. HINSHAW, Mr. BAFALIS, Mr. ERLENBORN, Mr. FUQUA, Mr. GREEN, Mr. UDALL, and Mr. MCKAY):

H.R. 3704. A bill to amend title 13, United States Code, to provide for a mid-decade sample survey of population, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.R. 3705. A bill to amend title 10, United States Code, to permit the recomputation of retired pay of certain members and former members of the armed forces; to the Committee on Armed Services.

By Mr. YOUNG of Alaska:

H.R. 3706. A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3707. A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ALEXANDER:

H.R. 3708. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

H.R. 3709. A bill to amend the Internal Revenue Code of 1954 to raise the estate tax exemption from $60,000 to $180,000; to the Committee on Ways and Means.

By Mr. BEARD of Tennessee:

H.R. 3710. A bill to authorize the One Hundred and First Airborne Division Association to erect a memorial in the District of Columbia or its environs; to the Committee on House Administration.

By Mr. BROYHILL (for himself, Mr. CRANE, Mr. BUCHANAN, Mr. DON H. CLAUSEN, Mr. LENT, Mrs. FENWICK, and Mr. HAMMERSCHMIDT):

H.R. 3711. A bill to provide authorizations for appropriations for the regulatory agencies of the Federal Government for fiscal years 1976, 1977, and 1978; jointly to the Committees on Interstate and Foreign Commerce, Public Works and Transportation.

By Mr. COHEN (for himself, Mr. ANDREWS of North Dakota, Mr. STOKES, Mr. MCKINNEY, and Mr. JEFFORDS):

H.R. 3712. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment; to the Committee on Banking, Currency and Housing.

By Mr. COHEN (for himself, Mr. ANDREWS of North Dakota, Mr. GUDE, Mr. STOKES, Mr. MCKINNEY, Mr. JEFFORDS, Mr. SARBANES, and Mr. BUCHANAN):

H.R. 3713. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in home heating and cooling by allowing individuals a credit for 25 percent of amounts paid or incurred for the installation of more effective insulation and heating equipment in existing residential structures; to the Committee on Ways and Means.

By Mr. DOWNING (for himself, Mr. WHITEHURST, Mrs. SPELLMAN, and Mr. WON PAT):

H.R. 3714. A bill to direct the Secretary of Transportation to make a comprehensive study of a high-speed ground transportation system between Washington, District of Columbia, and Annapolis, Md., and a high-speed marine vessel transportation system between the Baltimore-Annapolis area in Maryland and the Yorktown-Williamsburg-Norfolk area in Virginia; and if the study findings are positive, to direct that the Department of Transportation proceed with construction within 1 year from resources allocated for such programs or seek enabling legislation for additional resources if such is required; to the Committe on Public Works and Transportation.

By Mr. DRINAN:

H.R. 3715. A bill to require the President to take all necessary action to strictly enforce the regulation promulgated under section 4 of the Emergency Petroleum Allocation Act of 1973 and all orders issued under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ENGLISH (for himself, Mr. JARMAN, Mr. RISENHOOVER, and Mr. STEED):

H.R. 3716. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently-approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. FINDLEY (for himself, Mr. HAGEDORN, Mr. JOHNSON of Colorado, Mr. LITTON, Mr. MADIGAN, Mr. SEBELIUS, Mr. THONE, and Mr. ANDERSON of Illinois):

H.R. 3717. A bill to amend the Agriculture and Consumer Protection Act of 1973, as amended, for the purpose of terminating the requirement for the prior approval of the export sales of agricultural commodities; to the Committee on Agriculture.

By Mr. FOLEY (for himself, Mr. POAGE, Mr. WAMPLER, and Mr. SEBELIUS):

H.R. 3718. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products; to the Committee on Agriculture.

By Mr. FORSYTHE:

H.R. 3719. A bill to amend the National Environmental Policy Act to provide for the filing of certain supplemental information statements; to the Committee on Merchant Marine and Fisheries.

By Mr. FULTON:

H.R. 3720. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

H.R. 3721. A bill to amend title 18 of the United States Code to prohibit any person to travel in or use any instrumentality of interstate commerce to acquire a purported title to a stolen automobile; to the Committee on the Judiciary.

H.R. 3722. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed, and restore on behalf of certain veterans educational assistance benefits which had previously terminated; to the Committee on Veterans' Affairs.

H.R. 3723. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 3724. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the Committee on Veterans' Affairs.

By Mr. HOWE:

H.R. 3725. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. JENRETTE:

H.R. 3726. A bill to provide for the control of imported fire ants by permitting the judicious use of Mirex in coastal counties; to the Committee on Agriculture.

By Mr. JOHNSON of Pennsylvania:

H.R. 3727. A bill to prevent the abandonment of railroad lines covered by the Rail Reorganization Act; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. SYMMS, Mr. DU PONT, Mr. HENDERSON, Ms. HOLT, Mr. FAENZEL, Mr. COUGHLIN, Mr. GUDE, Mr. RUPPE, Ms. LLOYD of Tennessee, Mr. JEFFORDS, Mr. COHEN, Mr. KETCHUM, Mr. COCHRAN, Mr. LUJAN, Mr. PREYER, and Mr. HAMMERSCHMIDT):

H.R. 3728. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

By Mr. LITTON (for himself, Mr. SOLARZ, Mr. LAGOMARSINO, Mr. STOKES, Mr. ROYBAL, Ms. SCHROEDER, Mr. HAWKINS, Mr. ANDREWS of North Dakota, Ms. CHISHOLM, Mr. PATMAN, Mr. GILMAN, Mr. ASPIN, and Mr. HAGEDORN):

H.R. 3729. A bill to amend the Higher Education Act of 1965 to provide that institutions of higher education and vocational schools shall not be eligible for purposes of federally assisted student loans unless they carry out a policy of tuition refunds for students who withdraw from courses of study at such institutions or schools, and for other purposes; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. ROUSH, Mr. WOLFF, Mrs. SCHROEDER, Mr. JEFFORDS, Mr. CORMAN, and Mr. HAMMERSCHMIDT):

H.R. 3730. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. BOWEN, Mr. CARR, Mr. BROOMFIELD, Mr. HINSHAW, Mr. SYMMS, Mr. SEIBERLING, Mr. STARK, Mr. MITCHELL of New York, Mr. D'AMOURS, Mr. HENDERSON, Ms. CHISHOLM, Mr. KETCHUM, Mr. LAFALCE, Mr. FLOOD, and Mr. HYDE):

H.R. 3731. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render on site consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. BOLAND, Mr. NEDZI, Mr. WAGGONNER, Mr. GILMAN, Ms. SCHROEDER, Mr. FULTON, Mr. THONE, Mr. FORD of Tennessee, Mr. SARBANES, Mr. MOLLOHAN, Mr. DAVIS, Mr. CHARLES WILSON of Texas, Mr. THOMPSON, Mr. HECHLER of West Virginia, Mr. HINSHAW, Mr. FORSYTHE, Mr. WON PAT, Mr. BURLISON of Missouri, Mr. ROE, Mr. KREBS, Mr. CHARLES H. WILSON of California, Mr. COTTER, Mr. MOSHER, and Mr. MEZVINSKY):

H.R. 3732. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. MOLLOHAN, Ms. HOLTZMAN, Mr. EILBERG, Ms. ABZUG, Mr. RINALDO, Mr. RICHMOND, Mr. LAGOMARSINO, and Mr. BREAUX):

H.R. 3733. A bill to provide an excise tax on every new automobile in an amount relating to the portion of such automobile's fuel consumption rate which falls below certain standards, to provide an Energy Research and Development Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. MCCORMACK:

H.R. 3734. A bill to amend the Atomic Energy Act of 1954 to provide for improved procedures for planning and environmental review of proposed nuclear powerplants, and for other purposes; to the Joint Committee on Atomic Energy.

By Mrs. MINK:

H.R. 3735. A bill to amend the Mineral Lands Leasing Act to provide for a more efficient and equitable method for the exploration for and development of oil shale resources on Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. MEEDS, Mrs. SCHROEDER, and Mr. MOTTL):

H.R. 3736. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. SISK:

H.R. 3737. A bill to require that specific alien and citizenship status information be provided prior to the issuance of a social security card, to require that social security cards which cannot be duplicated be issued, to require that these cards be presented to employers by prospective employees before obtaining employment, to provide penalties against employers for violating the provisions of this act, and for other purposes; to the Committee on Ways and Means.

By Mr. TRAXLER:

H.R. 3738. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. WHITE:

H.R. 3739. A bill to amend the Immigration and Nationality Act to provide for the issuance of nonimmigrant visas to certain aliens entering the United States to perform services or labor of a temporary or seasonal nature under specific contracts of employment and fair employment conditions; to require an immigrant alien to maintain a permanent residence as a condition for entering and remaining as an immigrant to the United States, and for other purposes; to the Committee on the Judiciary.

Mr. WHITE (for himself, Mr. HORTON, Mr. MCKAY, Mr. CARR, Mr. REES, Mr. HOWE, Mr. SISK, Mr. EVANS of Indiana, Mr. KRUEGER, Mr. ROBINSON, Mr. FORSYTHE, Mr. MURPHY of New York, Mr. ABDNOR, Mr. BRECKINRIDGE, Mr. LAGOMARSINO, Mr. JOHNSON of California, Mr. MURTHA, Mr. RODINO, Mr. GUDE, Mr. LONG of Maryland, Mr. HINSHAW, Mr. WHITEHURST, Mr. KETCHUM, Mrs. HOLT, Mr. WALSH, and Mr. BOWEN):

H.R. 3740. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. WHITE (for himself, Ms. HOLTZMAN, Mrs. SCHROEDER, Mr. VANDER VEEN, Mrs. BOGGS, Mr. BUCHANAN, Mr. GILMAN, Mr. HICKS, Mr. YATES, Mr. TRAXLER, Mrs. SULLIVAN, Mr. TREEN, Mr. EILBERG, Mr. MAZZOLI, and Mr. WOLFF):

H.R. 3741. A bill to amend title XVIII of the Social Security Act to provide payment under part A (the hospital insurance program) for care and treatment furnished at a central radiation therapy treatment facility, and to provide full payment under part B (the supplementary medical insurance program) for radiation therapy services furnished by physicians to inpatients or outpatients of any hospital or any such facility; and for other purposes; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. BRADEMAS:

H.J. Res. 241. Joint resolution to provide for the designation of the second full calendar week in March 1975 as National Employ the Older Worker Week; to the Committee on Post Office and Civil Service.

By Mr. COUGHLIN (for himself, Mr. TAYLOR of North Carolina, Mr. BELL, Mrs. BOGGS, Mr. COCHRAN, Mr. CONABLE, Mrs. FENWICK, Mr. FLOOD, Mr. FRENZEL, Mr. GILMAN, Mr. HENDERSON, Mr. JOHNSON of Pennsylvania, Mr. RICHMOND, Mr. ROE, Mr. RUPPE, Mr. SARBANES, Mr. SCHEUER, Mr. TREEN, Mr. VANDER VEEN, and Mr. WINN):

H.J. Res. 242. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning May 12, 1975, as National Historic Preservation Week; to the Committee on Post Office and Civil Service.

By Mr. DENT (for himself and Mr. FULTON):

H.J. Res. 243. Joint resolution requiring congressional approval of postal rate increases; to the Committee on Post Office and Civil Service.

By Mr. MCCORMACK:

H.J. Res. 244. Joint resolution designating the square dance as the national folk dance of the United States of America; to the Committee on the Judiciary.

By Mr. PEYSER:

H.J. Res. 245. Joint resolution to authorize the President to proclaim the 22d day of April of each year as Queen Isabella Day; to the Committee on Post Office and Civil Service.

By Mr. SNYDER:

H.J. Res. 246. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

By Mr. WHITTEN:

H.J. Res. 247 Joint resolution providing for the designation of the first week in May of each year as Be Kind to Animals Week; to the Committee on Post Office and Civil Service.

By Mr. ZABLOCKI:

H.J. Res. 248. Joint resolution proposing an amendment to the Constitution of the United States to insure that due process and equal protection are afforded to an individual with respect to the right to life; to the Committee on the Judiciary.

By Mr. PERKINS:

H. Con. Res. 145. Concurrent resolution authorizing the printing of additional copies of the joint committee print of the Committee on Education and Labor and the Committee on Labor and Public Welfare entitled A Compilation of Federal Education Laws; to the Committee on House Administration.

By Mr. BRADEMAS:

H. Con. Res. 146. Concurrent resolution authorizing the printing of a revised edition of the booklet entitled "The History and Operation of the House Majority Whip Organization (94th Congress)"; to the Committee on House Administration.

By Mr. BINGHAM (for himself and Mr. MIKVA):

H. Con. Res. 147. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. FISH:

H. Con. Res. 148. Concurrent resolution; Northeast rail abandonment; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD:

H. Con. Res. 149. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

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By Mr. LUJAN:

H. Con. Res. 150. Concurrent resolution to collect overdue debts; to the Committee on Foreign Affairs.

By Mr. ROUSH (for himself, Mr. BADILLO, Mr. BEVILL, Mrs. BURKE of California, Mr. CLEVELAND, Mr. CORMAN, Mr. COUGHLIN, Mr. DAVIS, Mr. EILBERG, Mr. FLOOD, Mr. GAYDOS, Mr. HANNAFORD, and Mr. HECHLER of West Virginia):

H. Con. Res. 151. Concurrent resolution that it is the sense of Congress that the United States and the various political entities thereof should adopt 911 as the nationwide, uniform, emergency telephone number; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSH (for himself, Mrs. HECKLER of Massachusetts, Mr. HINSHAW, Miss HOLTZMAN, Mrs. KEYS, Mr. MCCLORY, Mr. MADDEN, Mr. MANN, Mr. OBEY, Mr. RODINO, Mr. ROE, Mr. SARBANES, Mr. SIKES, Mrs. SULLIVAN, and Mr. WOLFF):

H. Con. Res. 152. Concurrent resolution that it is the sense of Congress that the United States and the various political entities thereof should adopt 911 as the nationwide, uniform, emergency telephone number; to the Committee on Interstate and Foreign Commerce.

By Mr. COCHRAN:

H. Res. 250. Resolution amending rule XLIV of the Rules of the House of Representatives, relating to financial disclosure; to the Committee on Standards of Official Conduct.

By Mr. DRINAN:

H. Res. 251. Resolution to request that the Department of Justice investigate the Federal Energy Administration with respect to any possible conflicts of interests; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. Res. 252. Resolution to provide funds for the expenses of the investigations and studies by the Committee on House Administration; to the Committee on House Administration.

By Mr. McKAY:

H. Res. 253. Resolution disapproving the deferral of certain budget authority relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MORGAN (for himself, Mr. ANDERSON of California, Mr. BAUMAN, Mr. BIESTER, Mr. BINGHAM, Mr. CARNEY, Mr. CARR, Mr. COTTER, Mr. CRANE, Mr. D'AMOURS, Mr. EILBERG, Mr. FLOOD, Mr. GILMAN, Mr. HOWE, Mr. LENT, Mr. MCDADE, Mr. MCKINNEY, Mr. MATHIS, Mr. OBEY, Mr. PERKINS, Mr. PEYSER, Mr. SOLARZ, Mr. VANDER JAGT, Mr. BOB WILSON, and Mr. WIRTH):

H. Res. 254. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

By Mr. PEYSER:

H. Res. 255. Resolution calling for peace in Northern Ireland and the establishment of a united Ireland; to the Committee on Foreign Affairs.

H. Res. 256. Resolution relative to Irish National self-determination; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILIP BURTON:

H.R. 3742. A bill for the relief of Cenaro Barbosa and his wife Ramona; to the Committee on the Judiciary.

By Mr. DU PONT:

H.R. 3743. A bill for the relief of the Knights of Pythias Hall Co., of Wilmington, Del.; to the Committee on the Judiciary.

By Mr. EDGAR:

H.R. 3744. A bill for the relief of Maria Elena San Agustin; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 3745. A bill to grant a Federal charter to the Mid-Continent Railway Historical Society; to the Committee on the District of Columbia.

By Mr. KETCHUM:

H.R. 3746. A bill for the relief of Mrs. Elmer Andreotti; to the Committee on the Judiciary.

H.R. 3747. A bill for the relief of Teopista Sabelino; to the Committee on the Judiciary.

By Mr. RUPPE:

H.R. 3748. A bill granting authority to the Secretary of the Army to renew the license of the Ira D. MacLachlan Post No. 3, The American Legion, Sault Sainte Marie, Mich., to use a certain parcel of land in Saint Marys Fall Canal project; to the Committee on Public Works and Transportation.

By Mr. YATRON:

H.R. 3749. A bill for the relief of Ierotheos (Jerry) Kallias; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

35. By the SPEAKER: Petition of World War I Overseas Flyers, Milwaukee, Wis., relative to a memorial honoring the services rendered by the National Guard; to the Committee on House Administration.

36. Also, petition of the Ohio Energy Emergency Commission, Columbus, Ohio, relative to deregulation of the price of new natural gas; to the Committee on Interstate and Foreign Commerce.

37. Also, petition of the Jacksonville Chamber of Commerce, Jacksonville, Tex., relative to adjournment of Congress for a minimum of 4 months each year; to the Committee on Rules.

38. Also, petition of John F. Crane, San Diego, Calif., relative to solar energy; to the Committee on Science and Technology.

39. Also, petition of the City Council, Erie, Pa., relative to taxes on oil; to the Committee on Ways and Means.

SENATE—*Tuesday, February 25, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who art a spirit, infinite, eternal, and unchangeable in Thy being, and in wisdom, power, holiness, justice, goodness, and truth, we cannot comprehend all Thou art. But we rejoice we can know Thee. We have seen Thy glory once walking in human flesh, and we would serve Thee as He made known Thy presence and Thy will in the common life of man. Give us grace to live the servant-life as he lived it. Grant us an awareness of Thy nearness not only in great events but in the little acts of daily life—the kindly deed, the friendly gesture, the courteous consideration. Give us grace so to comport ourselves as always to advance Thy kingdom.

And to Thee shall be the praise and the thanksgiving. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, February 24, 1975, be approved.

Mr. ALLEN. I object, Mr. President.

Has there been an adjournment, I ask the distinguished majority leader?

Mr. MANSFIELD. No.

Mr. ALLEN. I do not believe this motion is required, then, is it?

Mr. MANSFIELD. It is not necessary.

Mr. ALLEN. I am hopeful, I state to the distinguished majority leader, that at the close of business today, the Senate will adjourn rather than recess, so that we can approve this Journal—it is accumulating—rather than to recess from day to day. I wish to interpose a standing objection to approval of the Journal piecemeal, I state to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, may I say that the Senator cannot oppose, on a standing basis, the reading of the Journal, but that if he wishes to oppose the reading of the Journal, he or somebody acting in his behalf should be on the floor of the Senate to make such a motion.

Mr. ALLEN. The Senator will be here, then.

Mr. MANSFIELD. May I say that, insofar as special consideration has been given—and I understand that the distinguished Senator has raised that question from time to time—he has been given his share, and more than his share, of special consideration by the leadership. For example, at the conclusion of the special orders today, he will be given special recognition for the second time, which is most unusual and which is generally not accorded to any Senator.

Second, I have noted some reference in the press to the effect that I asked Senator HATHAWAY to take the Chair yesterday. I wish to acknowledge that as a fact.

I also wish to state that I made a personal trip to see the distinguished Senator from Louisiana (Mr. JOHNSTON), who succeeded the distinguished Vice President, the Presiding Officer of this body, in the Chair, for 1 hour, and also to Mr. HATHAWAY on that occasion. I told them both not to recognize any written request for recognition and that they should be guided by Members who were on their feet first.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. ALLEN. I hope the Senator's statement does not suggest that the Senator from Alabama was, in any way, involved in that, directly or indirectly.

Mr. MANSFIELD. Not at all. But there have been references in the press to that, and I wanted the RECORD to be clear. Not at all. I want that understood.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be permitted to meet during the session of the Senate today.

Mr. ALLEN. Mr. President, reserving the right to object, when was the start of this legislative day?

Mr. MANSFIELD. Several days ago.

I will withdraw the request.

Mr. President, I make a unanimous-consent request that at this time the Senate go into executive session to consider a nomination on the calendar.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I hope the Senator from Alabama will not interpose an objection to committees meeting during the session of the Senate, because committees are meeting on legislation that deals with the economy, that deals with the energy problem, that deals with the recession, that deals with unemployment, that deals with the stimulation of the housing industry. I would hope that those committees would be permitted to meet.

Mr. ALLEN. The Senator from Alabama understands that that permission was granted at the start of this legislative day, possibly some weeks ago.

Mr. MANSFIELD. Some days ago. But it has been reiterated from day to day, just as a matter of information for the Senate.

Mr. ALLEN. I interpose no objection to committees meeting, and I hope they will churn out a large volume of work for the Senate to work on, instead of this rules change.

Mr. MANSFIELD. Not too large a volume of work, but, hopefully, work which will be significant and of value, in face of the difficulties which face the Nation today.

Sometimes I think we turn out too much work, pass too many bills; and I think it would behoove us to be a little more careful and not be so expeditious in the consideration of all kinds of legislation, but only in legislation which is vital to the interests of the Nation as a whole.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. I think we ought to have a clarification of this point, as to whether or not the permission granted to committees at the beginning of a legislative day carries through a number of successive calendar days. I am of the opinion that such permission must be granted anew on each calendar day. The fact that permission was given at the beginning of this legislative day, which began last Thursday or Friday, does not carry with it the permission for committees to meet on calendar day today. Conceivably, this could become a point in a court case at some future time, and I think we should have some clarification of it now.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. MANSFIELD. I agree with the distinguished assistant majority leader, because I think that the Senate should be prepared, on a day-to-day basis, to entertain objections to all committees meeting or specific committee meetings for specific purposes.

Mr. ALLEN. Mr. President, reserving the right to object, I am delighted that the distinguished Senator from West Virginia has raised this point, that unanimous consent must be given at the start of each calendar day for committees to meet. I am delighted that that is the rule.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Let us hear from the Chair if it is the rule or not.

Mr. MANSFIELD. I will wait for the Chair's ruling.

The PRESIDING OFFICER (Mr. ABOUREZK). The Chair rules that it pertains to calendar days. Therefore, a new consent is required each calendar day.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. MANSFIELD. The exception is, of course, the Committee on Appropriations. The Senate, as a matter of courtesy, at the beginning of each session, accords that committee permission to meet.

Furthermore, committees do have the right to meet, as I interpret the rules, until the conclusion of the morning business.

Mr. ALLEN. That being the case, the Senator from Alabama serves notice that if on the next calendar day the Senate has not adjourned, he will interpose an objection to committees meeting; because he does not feel that it is right to recess the Senate each day and carry this same item forward each day in its present status. So as long as we continue this recess process at the close of each day, the Senator from Alabama, on the following day, will interpose an objection to committees meeting. That can be resolved very easily if the Senate is adjourned at the end of a day. The Senator from Alabama will interpose no objection the following day to committees meeting.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. For the information of committees, they need not meet during the session of the Senate. They may meet when the Senate is not in session. They also may meet without consent, for the first 2 hours of the daily session, if there is no pending business transacted and no morning business.

Mr. ALLEN. That is all understood.

The PRESIDING OFFICER. Will the Senator from Montana renew his request?

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

U.S. POSTAL SERVICE

The second assistant legislative clerk read the nomination of William A. Irvine, of Pennsylvania, to be a Governor of the U.S. Postal Service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

The PRESIDING OFFICER. Does the acting minority leader seek recognition?

Mr. STAFFORD. The acting minority leader does not desire recognition at this time.

The PRESIDING OFFICER. Under the previous order, the Senator from New York (Mr. JAVITS) is recognized for not to exceed 15 minutes.

(The remarks made by Mr. JAVITS at this point appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Nebraska (Mr. CURTIS) is recognized for not to exceed 15 minutes.

THE PROPOSED AMENDMENT OF RULE XXII

Mr. CURTIS. Mr. President, I rise for the purpose of making some observations

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about Senate Resolution No. 4, the consideration that that proposal has received in the Senate in the last few days, and also a few comments concerning the Mondale motion which would take it up.

Mr. President, there are two very fundamental issues involved here. One of them is: Shall the Senate amend its rules so that three-fifths of those present can bring the debate to a close, or shall it remain two-thirds? That question has been with us for a long time.

The other question arises out of that. It has to do with the manner in which the Senate will proceed to make that determination, whether or not to keep the two-thirds rule or to go to the three-fifths rule. What is happening in reference to the Mondale motion, which provides that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately, putting this motion to end debate to the Senate for a yea-and-nay vote, and, upon the adoption thereof by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate, without further debate, the question of adoption of the pending motion to proceed to the consideration of Senate Resolution 4.

Mr. President, this is the most reactionary antiliberal proposal that has been made in this Senate in a long, long time. The very essence of the Senate, as a part of the legislative branch, is that all States shall have equal power in the Senate. With the House of Representatives basing their membership upon population, it means that the smaller States are outvoted in the House not twice but maybe 20 times by a State such as California. The Founding Fathers adopted a system of balance.

They provided that, in the Senate, not only does each State have the same number of Senators, but they explicitly provided that all States shall have equal voting power in the Senate.

How are we going to make our voices count unless we have an opportunity to state our views and attempt to influence the outcome?

It is rather interesting that the Presiding Officer of the Senate is not elected by the Senators. The Presiding Officer of the Senate comes from the executive. He is not chosen by the Senate to be our Presiding Officer, but he is a part of the executive branch and, as such, is bound by the constitutional traditional makeup of the Senate. How are we going to go about giving to each State or preserving for each State equal voice in the Senate? There is one thing that is sure: it means that the Senators representing any and all of the States shall have a right to arise and state their view. Any time a Presiding Officer, by use of the gavel, prevents Senators who arise and seek recognition to speak, when they are gaveled down and a motion is put, the Constitution is flagrantly violated because the States shall have been denied equal power. If one State has a right to send a Senator here to propose a motion, another State has a right to send someone here to take the opposite side and to state their views.

Now, Mr. President, the only way that the right of States for equal representation can be maintained is the way it has been done through the years. Through the years, if a Senator arose in his place and sought recognition, the putting of a motion was delayed until every Senator that arose and sought recognition was given an opportunity to speak except those motions which the rules of the Senate specifically provide shall be voted upon without debate.

If we follow any other course, if we proceed in a manner such that an individual can get the floor and say "I move thus and so," and that ends it, we have flagrantly violated the principle that every State is entitled to equal representation in the Senate.

The Constitution is not built on the premise that the first Senator who shouts, or the one who shouts the loudest, gets the floor to make his motion, and the others are denied the right to speak. That may be true in some meetings. It may be true in some organizations. But here we are bound by a constitutional provision that each State shall have equal representation; so there is no question of someone coming first. There is no question of someone being able to attract the attention of the Presiding Officer. So long as a Senator stands in his place and seeks recognition, he is entitled to be heard, unless by unanimous consent or proceeding under the written rules debate is brought to a close.

So much for the situation as to the Mondale motion to bring up this matter under a procedure that totally disregards the equal right of every Senator to be heard on it. Let us think about the change from two-thirds to three-fifths.

Some might say, "That is a small change; why do we not do it in a spirit of compromise?"

That is a valid argument, up to a point. But all these things have to be weighed as to what is good for the country. And I submit that when we have less than two-fifths of the Senate belonging to the minority party, we should never adopt a rule here that would permit the majority party to silence the minority should an occasion arise.

It may be argued that most issues are not that partisan. How do we know? How much bipartisanism was involved in the handling of the election contest for the State of New Hampshire? I am not saying that the minority was entirely right and the majority was entirely wrong, but I am saying that it is an illustration of the situation where the decision was on a party line. And I am surprised at my Republican colleagues who advocate a change in the rules which would make it impossible for the minority to carry on the debate if the majority chose to shut it off.

That is not liberalism, Mr. President. That is not progress. That is not advancement. That is reaction. That is tyranny of the majority.

I have watched a few filibusters. Most of them fail. The only way a filibuster can succeed is by getting the country behind it, and that is the sole purpose of it; the right of a Senator to speak at length in the hope of convincing his colleagues and the country that the proposed course is unwise.

We are a very complex Nation. We are not only a heterogeneous people, coming from many places around the world; our economy and our industrial attainments are complex. Our laws have to be complex. By the very nature of the size of the House of Representatives, they must operate under rules that limit debate.

What is wrong with having one place in this government where individuals can take the floor and talk, with the hope that they will be able to convince others, and to prevent the happening of something that is believed to be not best for our country?

There is always a sense of balance. I have never known anyone here, in my time, to get up and read the telephone book or a mail order catalog, or do any of those things. The minute a Senator departs from constructive debate, he loses his influence, and just as soon as a little group starts to filibuster on something that does not have a chance of appealing to the American people, that filibuster is doomed.

Mr. President, we are not faced at this time with an attack made by obstructionists to prevent legislation from being enacted.

The VICE PRESIDENT. The Senator's time has expired.

Mr. CURTIS. We are faced with a threat against the minority, and with the tyranny of the majority.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The VICE PRESIDENT. The Senate will now resume the consideration of the motion to proceed to the consideration of Senate Resolution 4.

The Chair wishes to state at this point that he has examined, with the assistance of the Parliamentarian, the precedents, and finds that the point of order raised yesterday by the Senator from New York against the motion by the Senator from Alabama that the Senate recess until 7 o'clock died when the hour of 7 o'clock arrived last evening with the Senate still in session.

The pending question is on agreeing to the motion of the Senator from Minnesota. Pursuant to the previous order, the Chair recognizes the Senator from Alabama.

Mr. ALLEN. Mr. President, may I inquire of the Chair, inasmuch as he has withdrawn the question which he submitted last night from the Senate, as to under what circumstances and for what purposes the Senator from Alabama is recognized, in the view of the Chair?

The VICE PRESIDENT. The Senator from Alabama is recognized pursuant to an order that was entered yesterday before the Senate recessed.

Mr. ALLEN. Was there any limitation imposed on the right of the Senator from Alabama to speak at this time?

The VICE PRESIDENT. The order was for recognition, but the pending question is nondebatable.

Mr. ALLEN. Very well. I am recognized for some purpose, I assume.

The VICE PRESIDENT. The Senator has the floor.

Mr. ALLEN. Having been recognized for this purpose, Mr. President, I am leading up to the making of a motion which I hope the Chair will submit to the Senate just as he submitted the question last night as being a constitutional question.

Now, let us review for a moment, if the Chair will indulge me to state the background for the motion. I assure him I will not delay the Senate long because I want to get to discussing this other motion.

Last evening——

Mr. MONDALE. Regular order, Mr. President.

Mr. ALLEN. The Senator from Alabama——

The VICE PRESIDENT. For a brief statement.

Mr. ALLEN. Very well.

On last evening the Senator from Alabama made a motion that the Senate recess until 7 o'clock. The distinguished Senator from New York (Mr. JAVITS) raised a point of order that no intervening motions were in order.

The Chair stated that that was a constitutional question, the matter of an intervening motion, and he would submit it to the Senate, and it was submitted to the Senate. Now he has withdrawn it from the Senate, and I am not arguing with the Chair's position in this regard.

The VICE PRESIDENT. It expired.

Mr. ALLEN. At this time, Mr. President, I make a motion and I ask the Chair to submit it to the Senate because it raises a constitutional question, just as did the motion last evening.

I move—will the Senator allow me to make the motion before he makes his motion?

The VICE PRESIDENT. The Senator from Alabama will proceed.

Mr. ALLEN. Mr. President, I move—and I ask the distinguished occupant of the chair to submit it to the Senate, I move—that the pending question be postponed until the next legislative day, and I ask that he submit it to the Senate as being a constitutional question.

Mr. MONDALE. Mr. President——

Mr. ABOUREZK. Mr. President, I move to table that motion.

Mr. ALLEN. The Senator has not been recognized.

The VICE PRESIDENT. The Chair yesterday submitted the point of order which was raised to the body as a whole. It was raised against the motion, so yesterday is precedent for submitting a point of order.

Mr. MONDALE. Mr. President——

Mr. ALLEN. Let the Chair rule.

Mr. MONDALE. The Chair has ruled, I believe, that the regular order requires a vote on the pending Mondale motion.

Mr. ALLEN. What was the Chair's ruling on my request for submission?

Mr. MONDALE. I would ask for the regular order.

The VICE PRESIDENT. The pending question is the motion offered by the Senator from Alabama.

Mr. ALLEN. Very well.

Mr. MONDALE. Mr. President, I move to table that motion and I ask for the yeas and nays.

Mr. ALLEN. I move that the Senate recess until 7 o'clock this evening, which was the same motion as yesterday.

The VICE PRESIDENT. There was a request for the yeas and nays.

Mr. ALLEN. I move we recess until 7 o'clock this evening, and I ask for the yeas and the nays.

The VICE PRESIDENT. The Chair has not recognized anybody for another motion yet.

The Senator from Alabama made a motion which will be voted on. I recognize the Senator from Minnesota.

Mr. TOWER. Mr. President, point of order.

Mr. MONDALE. I move to table the motion, and I ask for the yeas and nays.

Mr. ALLEN. Is the Senator moving to table?

Mr. TOWER. The motion of the Senator from Alabama is out of order.

Mr. ALLEN. I move to table the point of order. I move to table the point of order.

Mr. BAKER. I ask for the yeas and the nays, Mr. President.

Mr. MONDALE. Mr. President, who has the floor?

Mr. ALLEN. I move to table the point of order.

The VICE PRESIDENT. The question is now on the motion to table the point of order to the motion that was made, to table the motion of the Senator from Alabama.

Mr. GRIFFIN. A parliamentary inquiry, Mr. President. Was this not a similar situation or is this not a similar situation to the situation we had on yesterday where the Chair decided this was a matter of a constitutional issue to be submitted to the Senate?

The VICE PRESIDENT. The Chair has already submitted for a vote the point of order which was raised, and will call——

Mr. ALLEN. Mr. President, the point of order has been made against the motion. A point of order has been made.

Mr. ABOUREZK. Point of order, Mr. President.

The VICE PRESIDENT. There already was a motion to table the motion, and that takes precedence over a point of order against the motion.

Mr. JAVITS. I ask for the yeas and nays on the motion to table.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I move that the Senate recess until 7 o'clock this evening. I hope the Chair heard me.

The VICE PRESIDENT. The clerk will call the roll on this motion.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. MONDALE. Regular order.

Mr. CRANSTON. Regular order.

Mr. HARRY F. BYRD, JR. Mr. President, the Chair has not stated what the question is. The Senator from Alabama has made a motion to recess until 7 o'clock, and that is a privileged matter.

The VICE PRESIDENT. The Senator had not been recognized when the vote had started and, as I understand it, under the procedure when the vote has started it is too late then to make a motion.

The question is on agreeing to the motion to table the motion of the Senator from Alabama.

The legislative clerk resumed the call of the roll.

Mr. MAGNUSON. Mr. President, can we have order in front of the seats here so that we can not only hear how we are going to vote, but see how we are going to vote.

The VICE PRESIDENT. Order, please, in the Senate.

The legislative clerk resumed the call of the roll.

The VICE PRESIDENT. Order, please.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. SYMINGTON), the Senator from Texas (Mr. BENTSEN), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 55, nays 35, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—55

Abourezk	Cranston	Huddleston
Allen	Culver	Humphrey
Bayh	Eagleton	Inouye
Beall	Ford	Jackson
Biden	Glenn	Javits
Bumpers	Hart, Gary W.	Kennedy
Burdick	Hart, Philip A.	Leahy
Byrd, Robert C.	Hartke	Magnuson
Case	Haskell	Mansfield
Church	Hatfield	Mathias
Clark	Hathaway	McGee

McGovern	Packwood	Scott, Hugh
McIntyre	Pastore	Stafford
Metcalf	Pearson	Stevens
Mondale	Pell	Stevenson
Montoya	Proxmire	Tunney
Moss	Randolph	Williams
Muskie	Ribicoff	
Nelson	Schweiker	

NAYS—35

Baker	Garn	Roth
Bellmon	Goldwater	Scott,
Brock	Griffin	William L.
Buckley	Hansen	Sparkman
Byrd,	Helms	Stennis
Harry F., Jr.	Hollings	Stone
Cannon	Hruska	Talmadge
Chiles	Johnston	Thurmond
Curtis	Laxalt	Tower
Dole	Long	Weicker
Eastland	McClellan	Young
Fannin	McClure	
Fong	Nunn	

NOT VOTING—9

Bartlett	Domenici	Percy
Bentsen	Gravel	Symington
Brooke	Morgan	Taft

So the motion of Mr. MONDALE to lay on the table the motion of Mr. ALLEN was agreed to.

The VICE PRESIDENT. The pending question is——

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Does the Senator from Virginia have recognition to have the floor?

The VICE PRESIDENT. The Senator has the floor.

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate postpone the pending business for a period of 1 week.

Several Senators addressed the Chair.

Mr. TOWER. Mr. President, the motion of the Senator from Virginia is out of order, and I ask the Chair to rule.

Mr. HELMS. I ask for the yeas and nays.

Mr. MONDALE. Mr. President——

Several Senators addressed the Chair.

The VICE PRESIDENT. Since the pending motion was made under the Constitution and not under the rules, the Chair, under the precedents, submits the question to the Senate for its decision. Is the point of order well taken?

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from New York.

Mr. JAVITS. Mr. President, I move to table the point of order.

The VICE PRESIDENT. The question is on the motion to table.

Mr. MONDALE. I ask for the yeas and nays.

Several Senators addressed the Chair.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. SYMINGTON) and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 89, nays 2, as follows:

[Rollcall Vote No. 24 Leg.]

YEAS—89

Abourezk	Griffin	Montoya
Allen	Hansen	Moss
Baker	Hart, Gary W.	Muskie
Bayh	Hart, Philip A.	Nelson
Beall	Hartke	Nunn
Bellmon	Haskell	Packwood
Bentsen	Hatfield	Pastore
Biden	Hathaway	Pearson
Brock	Helms	Pell
Buckley	Hollings	Proxmire
Bumpers	Hruska	Randolph
Burdick	Huddleston	Ribicoff
Byrd,	Humphrey	Roth
Harry F., Jr.	Inouye	Schweiker
Byrd, Robert C.	Jackson	Scott, Hugh
Cannon	Javits	Scott,
Case	Johnston	William L.
Church	Kennedy	Sparkman
Clark	Laxalt	Stafford
Cranston	Leahy	Stennis
Culver	Long	Stevens
Curtis	Magnuson	Stevenson
Dole	Mansfield	Stone
Eagleton	Mathias	Thurmond
Eastland	McClellan	Tower
Fannin	McClure	Tunney
Fong	McGee	Weicker
Ford	McGovern	Williams
Garn	McIntyre	Young
Glenn	Metcalf	
Goldwater	Mondale	

NAYS—2

Chiles	Talmadge

NOT VOTING—8

Bartlett	Gravel	Symington
Brooke	Morgan	Taft
Domenici	Percy	

So Mr. JAVITS' motion to table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. STEVENSON). The question recurs on the motion of the Senator from Virginia. The Chair recognizes the Senator from Minnesota.

Mr. HARRY F. BYRD, JR. Mr. President.

Mr. MONDALE. Mr. President, in a moment, I am going to move to table the dilatory motion offered by the Senator from Virginia. I should like my colleagues to know what we are going through here.

Since the 14th of January, the Senate has repeatedly and overwhelmingly indicated its desire to amend rule XXII. A small minority, having lost that fight, has repeatedly resorted to irrelevant, dilatory tactics, hoping to frustrate the U.S. Senate in its obvious desire to change the rule and modernize it so that we can get some business done. Now we have this motion to postpone which is presented only, presumably, because its proponent thinks it is debatable.

Therefore, Mr. President, I make a motion to table the amendment to postpone—the motion to postpone of the Senator from Virginia and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. GRIFFIN. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. There is a sufficient second. The clerk will call the roll.

Mr. McCLURE. Parliamentary inquiry, Mr. President.

Mr. HARRY F. BYRD, JR. Parliamentary inquiry, Mr. President.

Mr. CURTIS. Point of order, Mr. President.

Mr. MONDALE. Regular order, Mr. President.

Mr. CURTIS. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The rollcall is in progress.

The legislative clerk called the roll.

Mr. HELMS. May we have order in the Senate, please? It is the duty of the Presiding Officer to keep order in the Senate.

The PRESIDING OFFICER. The Senate will be in order.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. McCLELLAN) and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 55, nays 37, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—55

Abourezk	Haskell	Moss
Bayh	Hatfield	Muskie
Beall	Hathaway	Nelson
Bentsen	Huddleston	Packwood
Biden	Humphrey	Pastore
Bumpers	Inouye	Pearson
Burdick	Jackson	Pell
Byrd, Robert C.	Javits	Proxmire
Case	Kennedy	Randolph
Church	Leahy	Ribicoff
Clark	Magnuson	Schweiker
Cranston	Mansfield	Scott, Hugh
Culver	Mathias	Stafford
Eagleton	McGee	Stevens
Ford	McGovern	Stevenson
Glenn	McIntyre	Tunney
Hart, Gary W.	Metcalf	Williams
Hart, Philip A.	Mondale	
Hartke	Montoya	

NAYS—37

Allen	Fannin	Morgan
Baker	Fong	Nunn
Bellmon	Garn	Roth
Brock	Goldwater	Scott,
Buckley	Griffin	William L.
Byrd,	Hansen	Sparkman
Harry F., Jr.	Helms	Stennis
Cannon	Hollings	Stone
Chiles	Hruska	Talmadge
Curtis	Johnston	Thurmond
Dole	Laxalt	Tower
Domenici	Long	Weicker
Eastland	McClure	Young

NOT VOTING—7

Bartlett	McClellan	Taft
Brooke	Percy	
Gravel	Symington	

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I ask unanimous consent that I might submit to the Chair a cloture motion relative to the motion to agree to the House amendment to S. 281.

The VICE PRESIDENT. Is there objection?

Several Senators addressed the Chair.

Mr. ABOUREZK. Reserving the right to object, Mr. President——

Mr. GOLDWATER. I object.

Several Senators addressed the Chair.

Mr. MONDALE. Mr. President, I have the floor.

Mr. ROBERT C. BYRD. Mr. President, I call attention to the fact——

The VICE PRESIDENT. The Senator from West Virginia.

Mr. ROBERT C. BYRD (continuing). When a Senator addresses the Chair he is supposed to be standing.

Several Senators addressed the Chair.

Mr. ROBERT C. BYRD. Therefore, the objection was not properly made.

Mr. GOLDWATER. I object.

The VICE PRESIDENT. Objection is heard.

The Senator from Minnesota.

Mr. MONDALE. Mr. President, understanding that the pending business, the regular order, now comes on the vote on the motion which we have been trying to vote on now for 2 full days, I ask for the yeas and nays on my motion of yesterday to end debate on the motion to consider Senate Resolution 4, and to vote to consider Senate Resolution 4. I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second and the yeas and nays are ordered.

Mr. MONDALE. And I call for the regular order.

Several Senators addressed the Chair.

Mr. CLARK. Regular order.

The VICE PRESIDENT. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Has not the Senator from Minnesota reserved the right to object?

Mr. MONDALE. No, not on this. I called for the regular order.

Mr. ALLEN. The regular order implies amendments and motions to postpone, so I ask recognition for the purpose of making a motion.

The VICE PRESIDENT. The Senator from Alabama.

Mr. ALLEN. Mr. President, in my remarks I am going to make a motion that this matter be postponed for 1 month.

The VICE PRESIDENT. The motion is not debatable, but if the Senator wants to make a few remarks he may.

Mr. ALLEN. I make the motion that this matter be postponed 1 month, and I ask recognition to discuss it.

Mr. MONDALE. Mr. President——

Mr. ALLEN. Mr. President, I have been recognized.

The VICE PRESIDENT. The Senator from Alabama has the floor.

Mr. ALLEN. The Senator from Minnesota has been recognized about 10 times here.

Mr. ABOUREZK. A parliamentary inquiry.

Mr. ALLEN. I do not yield for a parliamentary inquiry.

The VICE PRESIDENT. Does the Senator yield? He does not yield.

Mr. ALLEN. Mr. President, I believe, I would say, that while the Vice President was in the chair he recognized the distinguished Senator from Virginia to make a motion that this matter be postponed for 1 week. A parliamentary point of order was made by the distinguished Senator from Texas, and the Chair, very appropriately, said that that motion was not in order, and he made the ruling on the point of order that it was not in order, and then a motion was made to table the point of order, and that motion carried.

Now, Mr. President, what was the effect of that? The point of order made by the Senator from Texas that the motion of the Senator from Virginia was not in order was stricken. Therefore, the motion of the distinguished Senator from Virginia was in order and, under the Senate rules, is debatable.

So, Mr. President, what we have had here is an example of the steamroller at work. We have seen a determined majority seeking to change the rules by a method not countenanced by the rules.

A great drive is in progress right now to get this matter agreed to by the Senate prior to the cloture vote on tomorrow. Now, if the Chair will allow the Senator from Alabama to continue his discussion—and I understand that he has ruled that the Senator from Alabama may discuss the motion—it is not likely that there will be votes any time soon even on the Senator's motion.

Mr. President, the point is made by the proponents of Senate Resolution 4 that at some time during the beginning of a session they can amend the Senate rules by methods other than those provided by the rules.

Mr. President, the beginning of the session has ended, and I am in hopes that some time during the proceedings the Chair will rule that rule XXII is applicable in this area and that it will take a two-thirds vote to cut off debate with respect to Senate Resolution No. 4. I believe even the sponsors of the proposal concede that or else they would not be throwing the rule book out of the window here today.

Today and yesterday were sorry days in the history of the U.S. Senate—where Members of the Senate, a majority of them, are willing to resort to any method whatsoever to accomplish their ends.

Now, the distinguished Senator from Montana, when he made the point of order on Thursday that a motion to cut off debate by majority vote was not in order, that it was going against the rules, he said that those who sought that method were letting their desire to accomplish what they considered a worthwhile end justify any means to accomplish that end.

Well, I do not believe any end justifies the tactics we have seen here today and yesterday, when Senators on their feet clamoring for recognition could make motions well within the rules and were not given that opportunity, where Senators who offered motions were not given the right to explain those motions.

A sorry day in the U.S. Senate.

Mr. President, the issue is, Are we going to allow the majority to run roughshod over the rights of the minority? Are we going to allow the majority to flout the Senate rules, say they do not exist, yet at the same time we operate under the rules?

I do not believe in the final analysis that effort will prevail.

Mr. FONG. Mr. President, will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. FONG. Tomorrow we are expected to vote on the cloture motion. Does the Senator expect that those who advocate a change in rule XXII will raise a point of order that that cloture petition is not in order because we have no rules in the Senate at the present time?

Mr. ALLEN. No, I doubt if they will rule that, or if they will take that position. They will say it is a rule that is not a rule, I think that is what they will say they are entitled to a different type pretty well the attitude.

Mr. FONG. Does the Senator believe that there will be a point of order made to the question as to whether a two-thirds vote is necessary to stop debate on that Penn Central question?

Mr. ALLEN. No, I do not believe, and I might say this: The Senator knows there is a mixture of support here on these two issues, yet the distinguished Senator from Minnesota (Mr. MONDALE) and the distinguished Senator from Kansas (Mr. PEARSON) arrogate unto themselves this rule that they are entitled to change the Senate rules by a majority vote and cut off debate by a majority vote to get to that end.

Yet the proponents of the Penn Central legislation have to go the two-thirds route, which seems to make some people kind of second class citizens here in the Senate. The Penn Central people have to go the two-thirds route to cutoff debate.

The Senator from Kansas (Mr. PEARSON) and the Senator from Minnesota (Mr. MONDALE) take the position that they are entitled to a 50–51, or a simple majority rule, on cutting off debate, and while we should have one standard for Penn Central, and the Senator is supporting that, Penn Central would not be the only issue. Take anything; take the delay of the President's tariff. Any of these things would have taken two-thirds to cutoff debate.

But there is a special class of citizen here in the Senate constituting, I am sorry to say, more than 50 percent that say. Here today, gone tomorrow; that is of rule and that is the rule of applying

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cloture or choking off debate by a simple majority vote.

Now, this effort has been carried on for years here in the Senate and it looks like the fever is getting—fever pitch is a little harder right now to do this, and as I say, they are making a great drive to get this done before the cloture vote on tomorrow, and I am doubtful if that is going to take place. I am not absolutely sure. I am doubtful that it is going to take place; that this matter will be disposed of before the cloture vote.

Mr. FONG. Will the Senator yield?

Mr. ALLEN. I will yield for the question and then I will come back.

Mr. FONG. If the distinguished Senator from Alabama——

Mr. GRIFFIN. Would the Senator from Hawaii use his microphone?

Mr. FONG. If the distinguished Senator from Alabama does not anticipate that a point of order will be raised by the proponents who wish to change rule XXII to the number of votes that may be required to pass the Pennsylvania Railroad petition to close debate, suppose the Senator from Hawaii were to raise that point. What would the distinguished Senator from Alabama say would be the ruling of the Chair in that regard?

Mr. ALLEN. Well, I feel confident that the Chair would rule on the Penn Central that it would take a two-thirds vote to invoke cloture. I am confident, too, that if cloture is invoked by a two-thirds vote on Penn Central, the Vice President is going to rule that it is going to take two-thirds to invoke cloture on this rules change effort. That is the reason they are so hot to get some action on this to the point of going to the extremes that they have in flouting the Senate rules in order to try to get this legislation rammed down the Senate's throat and rammed down the country's throat, because this is an issue that is vital to the people of the United States.

If it just affected the Members of the Senate, that would be one thing. I could live with any rule. The point I have been making is that if we can agree that a majority in the Senate, a simple majority, can cut off debate just because a motion is made saying the majority can, the point of order is made against it, and this same majority votes to table the point of order, so I would feel that if this same majority decided, "Well, gee, it is awful hard to get 51 people to cut off debate, maybe we ought to cut that down to 40 people to cut off debate here in the Senate," so what would prevent them from offering a motion here on the rules change saying that 40 Senators could cut off debate.

The point of order would be made against it, these same 51 Senators who said that the majority could do it when the rules say it takes two-thirds. Well, they could just as easily say that 40 Senators could cut off debate.

So there is no end to this thing.

Some people who are advancing Senate Resolution 4 say, "Gee, we are for 60 percent cloture, but we are not for majority cloture." What do you think you are getting, except majority cloture? That is exactly what you are getting. It is handing to a group of Senators, numbering some 51, carte blanche to set any standard they want to, just because a majority can table any point of order. It is going to make this great, so-called, greatest deliberative body in the world just a disorganized horde of individuals. That is what is going to result, if this effort is followed to the extreme.

How can we deliberate on legislation milling around, as has been done here for the last 2 days in an effort to ram this thing down the country's throat?

Mr. FONG. Will the answer given by the distinguished Senator from Alabama——

Mr. ALLEN. I lost sight of the Senator's question, perhaps, in my answer.

Mr. HARRY F. BYRD, JR. May we have order in the Senate, Mr. President? This is an important matter.

The VICE PRESIDENT. There will be order in the Senate.

Mr. FONG. I am referring to the answer given by the distinguished Senator from Alabama that he contemplated the Chair would rule, should the Senator from Hawaii raise a point of order as to the number of votes that may be required to agree to the motion to invoke cloture on the Pennsylvania Railroad question. The distinguished Senator from Alabama said that he thinks the Chair would rule that it would require a two-thirds vote.

Mr. ALLEN. That is merely a judgment. He has not been in communication with the Vice President.

Mr. FONG. If the Chair does not rule that it will require a two-thirds vote and say that this is still a constitutional question because it is before a new Congress, then he must rule that it needs only a majority vote to be consistent. Is that true?

Mr. ALLEN. That would be true, yes.

Mr. FONG. But should the Chair rule that it requires a two-thirds vote to invoke cloture on the Pennsylvania Railroad motion, then the Chair would be inconsistent, would he not?

Mr. ALLEN. Yes. It would seem so to me. I am sure the Chair would not want to be inconsistent.

Mr. FONG. So you either have rules or you do not have rules. Is that correct?

Mr. ALLEN. That has always been the rule. Up to now it has always been the rule.

Mr. FONG. If we said that we have to follow rule XXII in the disposition of the motion filed by the distinguished Senator from Connecticut on the Pennsylvania Railroad question to invoke cloture by two-thirds vote, then you do have rules. The rules which were adopted last year are still the rules of the Senate this year.

Mr. ALLEN. Yes, sir.

Mr. FONG. If those are the rules of the Senate, then how can we now dispose of the question which is before us by a majority vote?

Mr. ALLEN. I do not feel we can. I would certainly agree with the distinguished Senator from Hawaii that we are operating under the rules. They carry forward from one session of the Senate to the next. There is no hiatus there. It is a continuing set of rules. It is provided in rule XXXII that they remain the rules of the Senate until they are amended as provided in the rules. As provided in the rules would mean that debate would have to be cut off, also as provided in the rules. So there is not any hiatus by which they can rush in and say, "Look, we are going to operate on a majority now during the beginning of the session." When does the beginning end is what concerns the Senator from Alabama. I rather believe it ended on last Thursday when an effort was made to bring this matter up and it died with the adjournment of the Senate that night.

Mr. FONG. The Senator from Hawaii would say that in this greatest deliberative body——

Mr. ALLEN. I will yield for a question. Will the Senator phrase it in such a way as to constitute a question?

Mr. FONG. My question is, How can this greatest deliberative body in the world have two sets of rules?

Mr. ALLEN. The Senator from Alabama is trying to keep them on the one-track system, not a two-track, not a double set of rules. A set for the favored few and a set for the rest of us is what the Senator from Alabama does not like to see.

Mr. FONG. I thank the Senator.

Mr. ALLEN. I thank the distinguished Senator from Hawaii for his fine comments and his penetrating questions.

Mr. WEICKER. With the understanding that the Senator from Alabama will not lose his right to the floor, would the Senator yield to me for the purpose of making a unanimous-consent request that a cloture motion be filed with the Chair?

Mr. ALLEN. If the Senator from Alabama can yield the floor temporarily for that purpose without losing his right to the floor and without a resumption of his remarks constituting other than a continuation of his first speech, he would be willing to yield briefly for that purpose. However, he has a number of points he wishes to make and he would not want too much time consumed on this cloture motion.

Mr. WEICKER. I understand.

The VICE PRESIDENT. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object——

Mr. ABOUREZK. I ask for regular order.

The VICE PRESIDENT. Is there objection?

Mr. ABOUREZK. I object.

The VICE PRESIDENT. Objection is heard.

Mr. WEICKER. Will the distinguished Senator from Alabama yield for a question?

Mr. ALLEN. I yield for a question.

Mr. WEICKER. Is it not amazing that we have on the one hand a group——

Mr. CLARK. Regular order, Mr. President.

Mr. WEICKER. I am asking a question of the distinguished Senator.

The VICE PRESIDENT. The Senator can yield for a question.

Mr. WEICKER. Is it not amazing that on the one hand we have the Senator from Alabama and those associated with him——

The VICE PRESIDENT. Regular order. Is this a question?

Mr. WEICKER. I once again would ask the Senator from Alabama——

The VICE PRESIDENT. Thank you.

Mr. WEICKER. If it were possible to get unanimous consent that he would not lose his right to the floor, would he yield to me for the purpose of submitting a cloture motion to the Chair?

Mr. ALLEN. I would be delighted to yield for that purpose if it also be agreed that the Senator from Alabama, when he resumes his remarks, will be considered as having merely continued with his first speech on this subject.

Mr. JAVITS. Mr. President, reserving the right to object——

Mr. ALLEN. There has not been any——

The VICE PRESIDENT. The question is objected to.

Mr. JAVITS. Mr. President, I have not objected. I have reserved the right to object.

The VICE PRESIDENT. Objection has already been heard.

Mr. ROBERT C. BYRD. Mr. President——

The VICE PRESIDENT. The Senator from Connecticut was talking.

Mr. ROBERT C. BYRD. The Senator from Connecticut had not made his request. He was just asking if the Senator from Alabama would yield for a request.

Mr. ALLEN. Mr. President, I must resume my remarks. It is getting too far afield now. At such time as agreement is worked out, the Senator from Alabama would be glad to yield——

Mr. TOWER. Will the Senator from Alabama yield for a question?

Mr. ALLEN. I will yield for a question only.

Mr. TOWER. Is the Senator from Alabama aware that the 15 largest States in the Union have well over 50 percent of the population of the United States?

Mr. ALLEN. Yes, I would feel that is probably accurate.

Mr. TOWER. Is it correct that those 15 States have 30 percent of the representation in the U.S. Senate?

Mr. ALLEN. Yes, that is unquestionably correct.

Mr. TOWER. Then is not the right of extended debate a protection for the representatives of a majority of the people of the United States, perhaps, under certain circumstances?

Mr. ALLEN. Yes. I think the Senator makes a good point.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. ALLEN. Yes, for a question.

Mr. ROBERT C. BYRD. For a question only, and with the understanding that the resumption of his remarks do not constitute a second speech.

My question is: Would he yield to the Senator from Connecticut for the purpose of allowing the Senater from Connecticut to offer his cloture motion and have it read, after which the Senator from Alabama would resume?

Mr. ALLEN. If the Chair will state that that unanimous consent has been given, at that time, the Senator from Alabama will yield for that purpose.

Mr. ROBERT C. BYRD. I make such a request.

Mr. JAVITS. Mr. President, reserving the right to object, I would like to state why, because I do not wish the Senator from Alabama to acquire by this unanimous consent any greater rights than he already has in terms of speaking on the floor, as we have certain contentions respecting the propriety of extended debate by the Senator from Alabama, which we should have a right to raise. Therefore, I ask the following parliamentary inquiry.

Mr. ALLEN. Mr. President, I object. I did not yield for that purpose. I yielded only for a question. I demand the regular order, and I demand the right to proceed.

Mr. ROBERT C. BYRD. I make the request.

Mr. ALLEN. The Senator from West Virginia should make the request of the Senator from New York first, before he asks me again.

Mr. ROBERT C. BYRD. Mr. President, if that is the attitude, I will not make that request again. There were no tricks involved in my request.

Mr. ALLEN. But it got far afield.

Mr. ROBERT C. BYRD. The Senator from Alabama would not be prejudiced in his rights, nor would the Senators on the other side of the question.

Mr. ALLEN. Yet, I will say that the distinguished Senator from New York was trying to raise some sort of parliamentary question. I am not yielding for that purpose.

The VICE PRESIDENT. The Chair recognized the point made by the Senator from West Virginia.

Mr. ROBERT C. BYRD. I make the request, and it is understood that reservations of objections are not debatable. If any Senator wants to object, let him make objection.

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. Reserving the right to object, is it understood, Mr. President, that I may yield for this purpose without losing my right to the floor and without the resumption of my remarks being counted as other than a continuation of my first speech?

The VICE PRESIDENT. That is the understanding of the Chair.

Mr. JAVITS. Mr. President, will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. If the Senator will allow me to yield.

Mr. JAVITS. For a question, nothing more.

Mr. ALLEN. I have the floor, if the Senator would like to propound a question.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama may be permitted to yield to me for not to exceed 1 minute, for the purpose only of my offering the motion which the Senator from Connecticut has in his hand, to invoke cloture, and with the understanding that the distinguished Senator from Alabama does not lose his right to the floor; that a resumption of his speech does not constitute a second speech; and that I will not be empowered to make any other motion or point of order, point of no quorum or any such thing.

Mr. ALLEN. I have never thought the Senator would. I never objected to yielding.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, the cloture motion is at the desk.

The VICE PRESIDENT. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The second assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Richard S. Schweiker, Jacob K. Javits, Robert T. Stafford, Mark O. Hatfield, Hiram L. Fong, Lowell P. Weicker, Jr., Edward W Brooke, James A. McClure, James L. Buckley, Charles McC. Mathias, Jr., Bob Packwood, William V. Roth, Jr., J. Glenn Beall, Jr., Howard H. Baker, Jr., Pete Domenici, Jake Garn, Clifford P. Case, Jennings Randolph.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. I thank the Senator from Alabama and all Senators.

Mr. WEICKER. I thank the distinguished Senator.

Mr. ALLEN. I thank the distinguished assistant majority leader. I assure him that the Senator from Alabama has been agreeable at all times to help facilitate the Penn Central issue in coming to a vote. I would be less than candid if I did not say that I am inclined to vote against the Penn Central bailout. I feel that it is not in the public interest.

I was a little amazed at the procedure in connection with this bill. The Department of Transportation went before the committee with a request up in the millions—I think about $275 million. If I am incorrect by plus or minus $10 million, I am sure the chairman of the Committee on Commerce will correct me on that.

Mr. MAGNUSON. That is correct.

Mr. ALLEN. I am delighted to hear the Senator say that I am correct in that figure.

Then, if I am not mistaken, the committee set the figure of the bailout at an additional $25 million and urged that

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upon the department. Then the bailout was passed in the Senate. The Senator from Alabama did object to a voice vote on that, without any debate, and he requested and obtained an agreement for 4 hours of debate, 2 hours on each side. I believe that only about an hour of debate was consumed on the floor of the Senate.

Then the bill went to the House, and the House thought that the figure in the Senate bill, by way of loan and grant—I say that in my opinion, this loan, in effect, is a grant—but they thought that figure was woefully inadequate, the figure was passed in the Senate, and they urged another $50 million or so on the Penn Central.

That, Mr. President, is what has been made the basis of the cloture motion at the desk.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Let me finish this line of thought with regard to the Penn Central.

On Thursday of last week, the Senator from Alabama, not wanting to hold up this issue, but still reserving his right to be against it, did agree that on Thursday of last week the issue could come to discussion and vote during a 1-hour period that was carved out of the time that was set or available for discussion of Senate Resolution 4. But that agreement did not meet with the approval of the proponents of Senate Resolution 4, who stated: "No. We have been waiting for weeks, and we want to work on this Thursday, without any time taken off." So the Senator from Alabama's efforts there were thwarted.

Then, on Friday of last week—which shows that the Senator from Alabama is not trying to hold up the Penn Central bailout, although he is going to vote against it—the Senator from Alabama right here on the Senate floor said—I assume it is in the RECORD. I have not bothered to check. Our Official Reporters of Debates are very, very efficient and they are accurate, and I am sure that that does appear in the RECORD. The Senator from Alabama said, "All right, let us vote on this Penn Central issue on Friday." That was Friday of last week. I said that in return for that vote, for my acceding to the request that a vote be had, I wanted to be recognized on Monday, on yesterday, and that prior to Monday—that is, on Friday—I wanted to have the opportunity to make a motion to bring up an innocuous measure on the Calendar.

So the distinguished majority leader, who was trying to seek a compromise in the Penn Central issue and who finally was forced to move for cloture, after conferring for quite some time—an hour and a half or so—with the proponents of Senate Resolution 4 and the proponents of the Penn Central issue came back and said, "No, we can't agree to that. We'll just go on."

Well, knowing that they were not going to get a vote on Friday, that they were not going to take the opportunity to get a vote, why did they not file a cloture motion then? That would have been very simple. They could file the cloture motion on Friday, have a session Saturday, and vote on the cloture motion on Monday. That was yesterday.

That was yesterday. So who has been dilatory in this matter? Not the Senator from Alabama. He has been pushing Penn Central along, reserving his right to vote against it.

I will tell the Chair why they did not file cloture on Friday. They knew they were not going to get a vote on it on Monday on Penn Central. The reason they did not file the vote on Friday was because their thinking with respect to the Penn Central issue was clouded by their greater interest in changing the Senate rules by this steamroller method. That was the trouble. Penn Central would have been gone long ago if it had not been for their greater interest in this effort to amend Senate rules by a method not provided by the rules.

I first called this effort to steamroller this change "through a backdoor approach," and it is something of a backdoor approach. But I later revised the "backdoor approach" to change it to "basement approach," because I do not believe it quite lives up to or justifies or deserves the moniker "backdoor approach." I am wondering if "basement approach" is low enough for this effort. I am wondering about "subway approach."

Well, I am hopeful that about the time they finish the subway here in Washington, this matter will come up for a vote. I hope not before then, and I hope not then.

Proof positive is available of the greater interest by those who push the Penn Central issue—I except from this statement the distinguished Senator from Connecticut (Mr. WEICKER), because it does not apply to him. Proof positive is shown of the attitude of a number of those who support the Penn Central and the rules change that they are more interested in the rules change. How do we prove that other than by their actions here in the Senate? Why are we not on Penn Central now? Because of the greater interest in the rules change.

This amendment to the Penn Central, adding these extra millions of dollars, came back to the Senate at 11:34 a.m. on last Thursday. Yet, with that message before us, and it would probably have taken only a very short time to dispose of it—the Senator from Alabama agreed to an hour's time—despite the fact that it could have been disposed of on Thursday, the proponents of this effort to gag the Senate rushed into their rules change. That was back on last Thursday. Why did they not push Penn Central? Well, they thought it might get in the way of the rules change, and their greater interest was in the rules change.

I am glad to see the distinguished Senator from California (Mr. CRANSTON) in the Chamber, one of the ablest of Senators. The distinguished Senator from California and I came to the Senate together in January of 1969. He took one position on the rules change and I took another. I was opposed to a rules change in 1969 and the Senator from California was not opposed to a rules change. A couple of years later, the Senator from Alabama still had the same position, but the Senator from California had come around to the position of the Senator from Alabama, and the Senator from Alabama welcomed him into the fold of those opposing a rules change.

I may say that one of the finest and greatest speeches made on the Senate floor in behalf of retaining rule XXII was the speech of the distinguished Senator from California.

A little later on, when I am looking for other arguments, other comments on this issue, I am going to get out that great speech by the distinguished Senator from California and advance some of those arguments to the Senate and to the distinguished Senator from California, hoping that, since he did change once on this issue and come over to the side of those opposing the change in rule XXII, I rather imagine that the 1971 CRANSTON would have been aghast at any such effort as is being perpetrated here at this time by the gag rule Senators, that he would not countenance that at all.

I will say this for the distinguished Senator: I have not heard him make a single statement in behalf of this rules change by throwing the rule book out of the window. He is a very effective, efficient head counter, and watchman here in the Senate for his side, but he has not said a word that I recall, and I have been here most of the time. So maybe the distinguished Senator from California has not gone too far but what a reading of his 1971 speech might bring him back over to the side of the minority.

A lot of the Senators pushing Senate Resolution 4 talk long and loud about the rights of the minority. They are very much concerned with the rights of minorities, as we all are. But here they are not much interested in the rights of the minorities in the U.S. Senate. They kick us around, slap us in the face, do anything that suits their fancy. But I am delighted that——

Mr. THURMOND. Mr. President, will the distinguished Senator from Alabama yield for a question, with the understanding that he will not lose his rights to the floor?

Mr. ALLEN. Yes; I will be glad to yield.

Mr. THURMOND. Upon resuming, it will not be considered a second speech on this subject?

Mr. ALLEN. I have the right to respond to a question without being in danger of losing the floor.

Mr. THURMOND. Is it not a fact that the U.S. Supreme Court has ruled that the U.S. Senate is a continuing body?

Mr. ALLEN. Yes, that is true.

Mr THURMOND. Does the Constitution of the United States provide that one-third of this body shall be elected every 2 years?

Mr. ALLEN. That is correct.

Mr. THURMOND. Was not the purpose of that provision to provide continuity for the U.S. Senate?

Mr. ALLEN. That is correct, yes.

Mr. THURMOND. Have there not been in the past treaties which remained from Congress to Congress, and still lay before this body?

Mr ALLEN. Yes, that is true.

Mr. THURMOND. Has not the genocide treaty been pending before the Senate for more than 20 years?

Mr. ALLEN. Yes, it has.

Mr. THURMOND. Does all this not suggest that the U.S. Senate is a continuing body, aside from the fact that the Supreme Court has so ruled?

Mr. ALLEN. Yes. And not only that, I cite to the distinguished Senator rule XXXII, which emphasizes that point and lays it to rest by saying that the rules of the Senate remain in full force and effect from one Congress to the other, and that any change in those rules has got to be by using the rules of the Senate, which provide for limitations on debate.

Mr. THURMOND. Was not a cloture motion filed concerning the Penn Central Railroad bill yesterday?

Mr. ALLEN. That is correct. It should have been filed Thursday or Friday, it would occur to the Senator from Alabama.

Mr. THURMOND. Did not the Chair receive that cloture motion under rule XXII?

Mr. ALLEN. That is correct.

Mr. THURMOND. Does the Senator from Alabama have any idea why there is one rule for the cloture motion on the Penn Central, and a different rule for the Senators from Missouri and Kansas?

Mr. ALLEN. From Minnesota and Kansas?

Mr. THURMOND. From Minnesota and Kansas.

Mr. ALLEN. No. The Senator from Alabama sees what the Senator is talking about, but he does not have any justification for it. I would have to state that there is no justification for two rules; we would all be entitled to equal treatment under the Senate rules as well as before the law, I would assume.

Mr. THURMOND. Did not the Chair respond yesterday, in response to a question as to whether cloture would be by a majority vote or two-thirds vote, that a two-thirds vote would be required for cloture on the Penn Central matter?

Mr. ALLEN. That is correct. That was his statement, and I am hopeful that somewhere down the line he will at least submit that question to the Senate for a direct vote, not just on some ancillary proceedings but on the direct question.

Mr. THURMOND. Does not all this suggest the present rules of the Senate are in effect now?

Mr. ALLEN. Yes, that is the judgment of the Senator from Alabama. I do not see how it could be otherwise. They have been invoking the use of them.

Mr. THURMOND. Does not the second part of rule XXXII of the rules of the Senate read as follows:

The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

Mr. ALLEN. That is correct. I noticed that the Senator emphasized the word "Congress," and there is a reason for that, I am sure. That is, they did not say, "from one Senate to the next Senate," because the Senate does not change. We have a new Congress, and it is designated by a different number. It is now the 94th Congress, but it is still the same U.S. Senate. This has been a continuing body from the start, and that is underscored there.

A little later I will talk about the compromise of 1959, where it was thought that this matter was laid to rest. It was for about 8 years, but it has come up again after a lapse of still another 8 years. So it looks as though at 8-year intervals they try this method of amending the Senate rules. We might call that the "8-year itch" to change the rules other than by the rules themselves. It seems to come along every 8 years.

Mr. THURMOND. What could this part 2 of rule XXXII mean when it says "The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules"?

Mr. ALLEN. It means just what it says.

Mr. THURMOND. Is not the wording there clear, concise, and to the point?

Mr. ALLEN. It certainly is.

Mr. THURMOND. When it says that the rules shall continue from one Congress to the next?

Mr. ALLEN. That is exactly right.

Mr. THURMOND. Then if rule XXXII provides that the rules of the Senate may not be amended except in accordance with the existing rules, and rule XXII provides that debate may not cease except if two-thirds vote cloture, how can debate be terminated by a majority vote?

Mr. ALLEN. The Senator from Alabama does not see any method, and he is doing everything he possibly can within the rules to prevent this effort to choke off debate with a majority vote, where the rules call for two-thirds.

Mr. THURMOND. I think I heard some Senator say that the Constitution provides that each house will make its own rules at the beginning of each session.

Mr. ALLEN. It is not there.

Mr. THURMOND. Does not the Consitution, in article I, section 5, paragraph 2 say that each House may determine the rules of its proceedings?

Mr. ALLEN. That is correct.

Mr. THURMOND. And it does not say "at the beginning of any session?"

Mr. ALLEN. Oh, no, absolutely not.

But, for the purpose of argument, let us accept that statement, that there is a different rule at the start of a session—at the beginning of a session, that is the great word they use, that there is a different rule, supposedly, at the beginning of a Congress, that enables them to say there is a hiatus there during which there are no rules.

The beginning of this session surely has ended, with all the actions we have taken here in the Senate. Certainly the beginning has now ended, and this special dispensation that they are claiming they are entitled to certainly has ended by now, even adopting their view, which I do not.

Certainly the beginning of the session has ended long since, and they are definitely under the Senate rules, including rule XXII. The existence and applicability of rule XXII was pointed out and demonstrated in the matter of the handling of the Penn Central cloture motion, showing that rule XXII is in effect, and as a matter of fact, the very Senate resolution, the motion with regard to the Senate resolution——

Mr. THURMOND. Does the Senator from Alabama know of any precedent in the 186 years that we have had a Congress in which less than two-thirds have stopped debate?

Mr. ALLEN. No, the Senator from Alabama does not recall any such thing happening.

Mr. THURMOND. The Senator from Alabama, I am sure, is familiar with the fact that throughout the Constitution there are various provisions where a majority cannot control, showing that when our forefathers wrote the Constitution, they were setting up a republic and not a democracy; therefore, a majority cannot control in many instances, such as overriding a veto, expelling a Member of the Senate, or ratifying a treaty. The Senator is certainly familiar with those provisions.

Was not the purpose of those provisions to prevent a majority from running roughshod over the minority?

Mr. ALLEN. Yes, that is my judgment.

Mr. THURMOND. The Senator is familiar with the fact, I am sure, that a majority crucified Jesus Christ?

Mr. ALLEN. That is true.

Mr. THURMOND. The Senator is familiar with the fact that a majority burned the Christians at the stake?

Mr. ALLEN. Yes, sir.

Mr. THURMOND. The Senator is familiar with the fact that the majority drove the Jews into exile.

Mr. ALLEN. Yes.

Mr. THURMOND. The Senator, I am sure, is familiar with the fact that the majority established slavery?

Mr. ALLEN. Yes.

Mr. THURMOND. The Senator, I am sure, is familiar with the fact that the majority chained to the stakes and surrounded with circles of flames martyrs throughout all the ages of world history?

Mr. ALLEN. Yes, sir.

Mr. THURMOND. The Senator, I am sure, is familiar with the fact that the majority jeered when Columbus said the world was round?

Mr. ALLEN. That is right.

Mr. THURMOND. I am sure the Senator is familiar with the fact that the majority threw him into a dungeon for having discovered a new world?

Mr. ALLEN. Yes, sir.

Mr. THURMOND. The Senator is familiar, I am sure, with the fact that the majority said that Galileo must recant or that Galileo must go to prison?

Mr. ALLEN. That is right.

Mr. THURMOND. The Senator is familiar with the fact, I am sure, that the

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majority cut off the ears of John Pym because he dared to advocate the liberty of the press?

Mr. ALLEN. Yes.

Mr. THURMOND. I am sure that the Senator is familiar with the fact that all down through history the majority have been tyrannical, and is not that the very reason why his type or structure of government was formed by our forefathers—to prevent that tyranny from happening to the minority?

Mr. ALLEN. That is correct; yes, sir.

Mr. THURMOND. Is that not the very reason why we have rule XXII today, more than a bare majority, from stopping debate and shutting off a Senator from any section of this country who wants to represent not only the Nation, but the people of his region or his State in order that their views may be heard on the floor of the U.S. Senate?

Mr. ALLEN. That is right.

Mr. THURMOND. Is the Senator not of the opinion that if we revise this rule and whittle it away by now cutting it to three-fifths, there will be another effort to cut it further, and we will ultimately end up with majority rule in the Senate, and the Senate will no longer be a deliberative body?

Mr. ALLEN. Yes, sir; I think that is true, and I feel that not only will that happen in the future, I would say it would happen right now if this effort succeeds, because that would show the right of the majority to impose cloture, for the three-fifths rule would be out of the window when a majority wanted to cut it off by a majority.

So what we are doing by going outside of the rules is certainly amounting to the establishment of majority cloture. So there is just no need of even talking about cloture, because it would just be a majority vote from then on.

Mr. THURMOND. Is not the Senator of the opinion that if this change should be made that we will be setting a course that is going to destroy the U.S. Senate as a deliberative body, and it will be no different, in effect, from the House of Representatives so far as possible is concerned?

Mr. ALLEN. That is correct. Yes.

Mr. THURMOND. Was that the purpose of the forefathers who wrote this Constitution——

Mr. ALLEN. I do not believe it was.

Mr. THURMOND [continuing]. To have one body that would speak at length and inform the people of the Nation about the issues of the day, and to caution them and to warn them about steps that might be detrimental to the protection and security of the people of this country?

Mr. ALLEN. That is right; yes, sir. I certainly agree with the Senator.

Mr. THURMOND. I wish to thank the able Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator from South Carolina for his very fine remarks and for the questions that he has propounded.

I asked for a print of this resolution, Senate Resolution 4, and was given a star print here which looks rather new and fresh, indicating recent printing of it, and I am just wondering if the reason for this is that in the star print—I might state for the record that a star print is a print made after the first print of a bill, after more sponsors have been added, but there do not seem to be any additional sponsors here that I can see. Possibly there are some.

But on yesterday, just in case there might be difficulty later on when Senate Resolution 4 has been brought up—and I rather imagine that in time it will come up for consideration—and if the contention is made that amendments cannot be made to Senate Resolution 4, the rules change, outside of the rules, I might add—if the contention is made that it is not subject to amendment, I noticed in the print of the resolution last night when we were looking at it, it seems to have a mistake here which says that rule XXVII of the Standing Rules of the Senate be amended to read as follows—and, of course, it is rule XXII, and when I called attention to that error, there seemed to be consternation in the ranks of the proponents of the resolution. But, sure enough, there it is. So I assume we are going to have that established as being amendable so that we can amend that.

I was also interested in examining the cloture motion that was filed yesterday on behalf of the Penn Central bailout legislation—and I was looking there to see who all signed it and, sure enough, pretty nearly everyone who signed it is also one of the sponsors of Senate Resolution 4.

They are almost identical. There are some exceptions. Out of curiosity I was checking to see who all was represented here, because it has been my thought, and I think it has been pretty well proved, that the sponsors of the Penn Central legislation, with the exception of the distinguished Senator from Connecticut (Mr. WEICKER), I always hasten to say, that they were more interested in this effort—and I hope to be able to say abortive effort—to change rule XXII so as to apply a gag rule here in the Senate—they are more interested in that gag rule effort than they are in the Penn Central.

That is pretty definitely shown by the refusal of Penn Central supporters to agree to votes on that issue when they thought that it might prejudice the rights of those who are sponsoring Senate Resolution 4.

Looking over the names of these people who signed the cloture motion on the Penn Central bailout, I notice that the name of the distinguished Senator from Minnesota (Mr. MONDALE), if it did not lead the list, because it is 10th here on the list originally, that, at least, it led the list of those who put their names on it and then marked the names off because he is the only one who did that, and that pretty well shows, Mr. President, that the distinguished Senator from Minnesota (Mr. MONDALE) did not want to be found guilty of operating under the Senate rules. He did not want to do that because if you sign up a cloture motion under rule XXII, that indicates you are willing to follow the Senate rules in choking off debate.

But he did not want to get himself in a box where he could successfully be accused of supporting the rules and supporting the following of the rules in the matter of invoking cloture. So he marked his name off of this original cloture motion, and it is marked off pretty well. It is just a little bit difficult to see the distinguished Senator's name there.

I was commenting last night on the fact that some of these signatures are almost not legible. In about 10 cases somebody has printed the names outside, opposite the names, indicating that some of the Senators possibly did not study penmanship too much when they were back in school.

The distinguished Senator from Nebraska (Mr. CURTIS) rose yesterday and asked if any of the Senators signed by mark, but I was glad I was able to inform the Senate that none of the Senators signed by mark. All signed something, even though in about 10 cases it is pretty well illegible without the aid of the printed name opposite them.

Mr. CURTIS. Would the distinguished Senator yield for a question?

Mr. ALLEN. Yes, I am delighted to yield for a question.

Mr. CURTIS. Is it true the proponents of Senate Resolution 4 assert the position that it is not subject to amendment?

Mr. ALLEN. No, sir, I do not believe so. I am glad the Senator asked that question because I am going to make the offer, I would be glad to make it any time, to agree to a unanimous-consent agreement, if we can agree on the promise of the distinguished Senator from Minnesota (Mr. MONDALE).

This is what he said on February 20, and it is at page 3844 of the RECORD of February 20, 1975, when we were in practically the same position back then as we are now, and the distinguished Senator from Minnesota had this to say:

> What are we seeking to do here?

He thought it was necessary to inform the Senate of what they were up to. I believe by that time the Senate knew.

He asked that rhetorical question:

> What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

Well, that is exactly the position we find ourselves in today, some 4 or 5 days later. But this is what the distinguished Senator from Minnesota said would be the status after the Senate Resolution 4 was brought up for consideration.

Let us see what he says:

> It will be available for amendment.

So that is contrary to the impression the distinguished Senator from Nebraska had based on the statement of the Senator from Minnesota (Mr. MONDALE):

> It will be available for amendment; it will be available for referral—

And here is the significant phrase:

> It will be available for debate.

Well, now, Mr. President, if the distinguished Senator from Minnesota can be believed—and I do not know of any Senators who cannot be—but if the distinguished Senator from Minnesota can be believed and if we would put in the RECORD as a unanimous-consent agreement this language, not of the Senator from Alabama, but of the Senator from Minnesota, we could proceed from there and the Senator from Alabama would be glad to yield the floor for that purpose.

Mr. CURTIS. Would the Senator yield for a further question?

Mr. ALLEN. For a further question, yes, sir.

Mr. CURTIS. Is it true that the statement of the distinguished Senator from Minnesota, just now read by my distinguished friend from Alabama, that that constitutes a true statement of the rules of the Senate?

Mr. ALLEN. Yes, sir, it does.

Mr. CURTIS. Is it not true that the rules of the Senate spell out which motions are debatable?

Mr. ALLEN. They do.

Mr. CURTIS. And which ones are not debatable?

Mr. ALLEN. Well, the motions having to do with adjournment or recess are not debatable. A motion to indefinitely postpone or a motion to table is not debatable.

Mr. CURTIS. What happens when a motion to recess or a motion to adjourn is made by a Senator who arises for that occasion?

Mr. ALLEN. Well, just suggest it to the Chair, makes his motion, if he can get recognition, I might say.

Mr. CURTIS. Does it not take precedence over all other motions?

Mr. ALLEN. Yes, a motion to adjourn is always in order.

Mr. CURTIS. A motion to adjourn takes precedence over a motion to recess?

Mr. ALLEN. Yes, that is correct.

Mr. CURTIS. But a motion to recess, does it take precedence over other motions?

Mr. ALLEN. It would take precedence over any motion other than a higher adjournment-type motion. Yes, sir, that is true.

Mr. CURTIS. Well, did the distinguished Senator from Alabama make a motion to recess at any time during these proceedings?

Mr. ALLEN. The Senator from Alabama has not made a motion to recess. He tried to make one, but the distinguished Presiding Officer—not now in the Chair—did not see the Senator from Alabama, but the Senator from Alabama made it orderly, but he was never recognized for that purpose.

Mr. CURTIS. At the time the Senator made his motion for recess for a period, was there any other motion pending?

Mr. ALLEN. No, sir. No, sir, not——

Mr. CURTIS. Was the Senator's motion to recess put to the Senate?

Mr. ALLEN. Of course, there was a motion pending, but I mean, this would take priority over that. Of course, the motion to proceed to the consideration of this Senate Resolution 4 was available, but the motion to recess would take precedence, yes, sir.

Mr. CURTIS. I will ask it this way: If the Senator from Alabama arose in the presence of the entire Senate, so it could be heard throughout the Chamber, made a motion to recess for a stated period?

Mr. ALLEN. Yes, sir, that is correct.

Mr. CURTIS. Was that motion put to the Senate?

Mr. ALLEN. No, sir, it was not.

Mr. CURTIS. In the opinion of the Senator from Alabama, should it have been under the written rules of the Senate?

Mr. ALLEN. Well, unquestionably it should have been put, the Senator from Alabama should have been recognized for that purpose.

The Senator from Alabama would say that he was not recognized for that purpose, but a motion to adjourn or to recess is always in order and he should have been recognized.

Mr. CURTIS. May I ask the Senator whether or not a unanimous consent is equivalent to having a vote taken and all the Senators present voting?

Mr. ALLEN. Now, Senator, with respect to——

Mr. CURTIS. Any matter, when a unanimous consent is put and there is no objection.

Mr. ALLEN. Yes.

Mr. CURTIS. Is that not equivalent to all Senators present voting for the proposition?

Mr. ALLEN. Yes, sir, that is correct. All have given assent to it.

Mr. CURTIS. Now, is it true that during the deliberations the last few days, a unanimous consent has been given for proceeding under rule XXII as is now printed?

Mr. ALLEN. Yes, sir, that is correct.

Mr. CURTIS. Does that constitute an affirmative vote by every Senator present of recognizing the existence and the validity and the force of rule XXII as it appears in the books?

Mr. ALLEN. That is certainly a good point and it impresses the Senator from Alabama greatly.

Mr. CURTIS. Would the Senator ask unanimous consent to have printed in the RECORD at this point rule XXII as it is now enforced in the Senate?

Mr. ALLEN. Well——

Mr. MONDALE. I object to that. I object to that.

Mr. CURTIS. I have not made any——

The PRESIDING OFFICER (Mr. GOLDWATER). I know of no suggestion made.

Mr. CURTIS. I just asked the question.

Mr. ALLEN. Well, I would be delighted to do it, I would say to the distinguished Senator, but the distinguished Senator from Minnesota seems to have some sort of an aversion to rule XXII and he has already indicated he would object.

I do not believe it would be worthwhile to make that request again. The less he sees of rule XXII the better he would like it. He does not want that in the RECORD, I assume.

Mr. CURTIS. I thank my distinguished friend for his responses. I certainly would like to see the rule printed in the RECORD so the general public, who do not have access to the rulebook, might know what we are talking about.

Mr. ALLEN. That is a good point, I will say to the distinguished Senator. For those who are interested in Senate rule XXII, interested in seeing it in the RECORD, I believe they would find rule XXII embraced in Senate Resolution 4, with the exception of the two-thirds being changed to three-fifths. That is another point that the Senator from Alabama would like to make, that the gag rule Senators apparently recognize the existence of rule XXII because Senate Resolution 4 amends rule XXII. How can you amend something that is not in being? How can rule XXII not be effective, as they contend, and yet when they go to amend it, they amend a nonexistent rule XXII? They, themselves, are conceding that rule XXII is in full force and effect when they amend it. If they thought rule XXII was not effective, all they would have to do would be to put in a rule and not number it anything. They would just say this would be the rule of the Senate.

They overlook the fact that this would show that rule XXII is effective. Their effort to change this rule XXII would obviously be subject to the very rule that they are seeking to amend in their effort.

Mr. CURTIS. Will the Senator yield for a further question?

Mr. ALLEN. For a question, yes.

Mr. CURTIS. Is it not true that the doctrine of estoppel comes in when a party makes use of a right, a law, or a principle for his benefit, that he is estopped from denying its existence?

Mr. ALLEN. I agree with the distinguished Senator.

Mr. CURTIS. I thank my distinguished colleague.

Mr. ALLEN. I was commenting a moment ago on these star prints of Senate Resolution 4, where they seek to amend rule XXII, at the same time saying there is no rule XXII in effect at this time.

The star print we had last night, a one-star print, had a typographical error in it. That is not too important. Ordinarily it could be amended very easily. But the gag rule Senators may not always agree with what the distinguished Senator from Minnesota said was going to be the rule when we got to Senate Resolution 4, where he said:

> It will be available for amendment. It will be available for referral. It will be available for debate.

That sounds more like the Senator from Alabama talking. The Senator from Minnesota assures the Senate that that will be the case as soon as we get to the consideration of Senate Resolution 4. I do not know when we are going to get there, but when we do get there it looks like, according to this assurance which the Senator from Minnesota has given all of us, we will have a fine time amending, referring, and debating that issue.

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In the event they forget that commitment, as it were, in the event their desire for this end of changing these rules by main strength and force, their desire to accomplish that end becomes so great that they are willing to accomplish it by any means available, they might wipe out that promise. I do not know how much resistance the Senator from Minnesota would give to that effort. I would think, surely, he would rise in the Chamber and say, "You cannot do this to me. I made a pledge here in the Chamber of the Senate that Senate Resolution 4 would be amendable; it would be referable; it would be debatable. You must not try any effort that would cause my statement, made in good faith, and received in good faith by the Senate, to be null and void."

We have constantly heard it said that the Senator from Minnesota, at the proper time, will insist, with his great oratory, his great influence, his great skill, and see to it that Members of the Senate do have the right to amend, to refer, and to debate Senate Resolution 4.

I am ready at any time. I would be willing to stop my debate at this time if a unanimous-consent agreement might be entered into, adopting as a unanimous agreement here in the Senate the promise of the Senator from Minnesota, that it is agreed that when Senate Resolution 4 is before the Senate for consideration it will be available for amendment; it will be available for referral; it will be available for debate.

I am ready at any time. The distinguished Senator from Minnesota (Mr. MONDALE) is in the Chamber. Any time that unanimous-consent agreement is entered into we can get this matter up for consideration. That is what they have been asking for. They have been trying for a long time, they say, to get Senate Resolution 4 up for consideration. The Senator from Alabama is willing to bring it up. The Senator from Alabama is willing to comply with that request, if the Senator from Minnesota will agree to it, that it is unanimously agreed that this matter will be considered by the Senate under those conditions. Why there is no agreement to that effect the Senator from Alabama does not know.

The Senator from Minnesota is in the Chamber. The Senator from Alabama is willing to comply with his request. All he would ask is that the Senator live up to the promise he made here in the Chamber as to the consideration that might be given to Senate Resolution 4. The Senator from Alabama is ready to comply.

I hear nothing from the Senator from Minnesota. And why not? The Senator from Alabama is at a loss to know. Does he have other stratagems that would cause the Senator from Minnesota to do contrary to what he has promised here in the record? Surely not. Surely not.

Who knows how many Senators were influenced on their vote on the motion that was then pending by the words of the sponsor of the motion, the Senator from Minnesota (Mr. MONDALE)? Who knows that that vote would have been the same had not the Senator from Minnesota made these assurances?

The Senator from Alabama does not mind this issue coming up for a vote if it comes up under the promise made by the Senator from Minnesota.

So why are we discussing this? Let us agree. The Senator from Alabama wants to proceed further, go to the next step. It has been a long and tortuous trail—the rule book out the widow, steamroller tactics here on the floor, a solid majority voting in a bloc, no matter what the issue or the discussion or the principle involved.

Here, again, we are seeing what Senator MANSFIELD meant, feeling that improper means are justified by an end that these Senators deem desirable. Senator MANSFIELD said he could not go along with that. I am not surprised.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. I will yield for a question.

Mr. CURTIS. Is the printed motion of the distinguished Senator from Minnesota (Mr. MONDALE) of February 24 in harmony with the statement he made in the record to which the distinguished Senator from Alabama has referred?

Mr. ALLEN. The motion made when?

Mr. CURTIS. February 24. Is it in harmony with the statement previously made by the distinguished Senator from Minnesota to which the Senator from Alabama has referred?

Mr. ALLEN. I believe it is. I believe that has to do with bringing on for consideration Senate Resolution 4.

In other words, the promise that the distinguished Senator from Minneosta made was that once Senate Resolution 4 became the business of the Senate, these conditions would apply. We have not yet reached that point.

The Senator from Alabama is saying that if the Senator from Minnesota will agree to the entering of a unanimous consent agreement that the promise he made on February 20 will be lived up to—that is all the Senator from Alabama is asking, that they live up to their promises—if the Senator from Minnesota will have it entered as a unanimous-consent agreement, that they will live up to their promise as set in the record. That does not seem to be too much to ask of a Senator or of a group of Senators, that they live up to their solemn assurances made on the floor of the U.S. Senate.

So the Senator from Alabama is ready to accede to their desire that Senate Resolution 4 be brought up and become the business of the Senate under this unanimous-consent agreement.

That is the point that the Senator from Alabama makes. But he is met with a great vacuum of silence, because apparently it is too much to expect that they would enter into an agreement to live up to their solemn assurances made on the floor of the U.S. Senate.

Mr. CURTIS. Mr. President, will the Senator yield for another question?

Mr. ALLEN. I yield.

Mr. CURTIS. Section 7, article I, of the Constitution reads:

> All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

It is the opinion of the distinguished Senator that that provides, in substance, that all bills are subject to amendment?

Mr. ALLEN. Yes, unquestionably. That is what they come before the Senate for, to be put in proper shape and to give each Senator an opportunity to express his view on the issue and to discuss it.

But the Senator from Minnesota has given his solemn assurance that that will be done. So even though he is not willing to enter into a unanimous-consent agreement, the Senator from Alabama must feel that that promise will be lived up to; because there is a code among Senators, I have been told, that they will comply with the promises and the pledges that have been made—certainly, those made on the floor of the Senate—and the Senator from Alabama is optimistic at this point.

Mr. CURTIS. Mr. President, if the Senator will yield further, I hold in my hand a printed motion offered by Senator MONDALE on February 24, legislative day February 21. Is it not true that it proposes to take up or to have a vote on Senate Resolution 4, without debate, without intervening motions, and without amendments?

Mr. ALLEN. Will the Senator let me look at it a moment?

No. I will have to state to the Senator that this is as the Senator from Alabama said, that all this has sought to do is to get a vote on the motion to proceed to the consideration of Senate Resolution 4, and it does not go beyond that. All this would do would be to get Senate Resolution 4 before the Senate. The Senator from Alabama is saying that once it comes before the Senate and it becomes the business of the Senate, then we have reason—some reason—to rely on the pledged word of the distinguished Senator from Minnesota, made on the floor of the Senate, that that would be subject to amendment, Senate Resolution 4.

Mr. CURTIS. I thank the distinguished Senator.

Mr. ALLEN. Mr. President, I was discussing the matter of the star print that I requested last night for examination, and I found that they are seeking under the printing of that resolution, to amend rule XXVII instead of rule XXII. I called attention to that, and it caused a considerable amount of consternation and dismay, because there was some thought on their part that they might possibly cut off amendments to that, and how could they offer to amend the typographical error if they would not allow other amendments?

But, Mr. President, I asked this morning—just a few minutes ago, as a matter of fact—for one of the star prints that I had last night; and lo and behold, I was given a brandnew Senate Resolution 4. One is a little yellowed with age and the other is brandnew, fresh, clean, with a new feel and a new smell to it.

I say the word "smell" advisedly. But this is star print 2. Lo and behold, star print 2 does not have a typographical error.

I then asked one of the young men who are pages here if I could not have a copy of the star print that they had last night.

"No, Senator," he said, "we destroyed those."

Apparently, we had a kind of book-burning last night when it was found that star print 1 had an error in it. So we come out with a brandnew, fresh, clean, smell. But it has the old smell, even though it has a superficial new smell—a new-smelling resolution that does not have this typographical error.

This cloture motion that was filed on Penn Central has the name of the distinguished Senator from Minnesota (Mr. MONDALE) in bold signature on that cloture petition. Then when he realized that he was advocating following the rules when he signed this petition, he decided he wanted to mark through his name; he wanted to come off of anything that suggested following the rules.

That was more than he could abide, Mr. President. If it became known that he was going to follow rule XXII, that would be bad, because he says there is not any rule XXII. He said:

> We are going to have a new Rule XXII and we are going to say that we are amending Rule XXII, yet there is not any Rule XXII.

It is hard to see the logic of their position.

Why did he not want to be a party to signing the cloture motion on rule XXII? It is pretty obvious. He does not want to concede that rule XXII is in effect, that to stop debate on an issue, one has to follow rule XXII and invoke cloture.

No, Mr. President, this subway approach that the Senators from Kansas and Minnesota are using to try to amend the Senate rules assumes, I guess, that there is a hiatus now, when we do not have any rule XXII, and that they can do what they want to by force of a majority of the Senators. They overlook the fact that before we had a rule XXII, debate was unlimited here. In the United States Senate, for a period of about 110 years, debate was absolutely unlimited. So when we talk about rule XXII—and some people are opposed to it—they seem to have the notion that rule XXII permits unlimited debate in the Senate. Actually, it is far from that. Rule XXII is not a rule of license, it is a rule of restriction. Since, before rule XXII, the Senate did not have any method of shutting off debate, with the advent of rule XXII, we do have a method of closing debate, that being the application of cloture, applying for it, 16 Senators, and then a vote 2 days later.

But they do not want to follow that route, because they feel that they do not have two-thirds, and I rather imagine they have not, because the votes have been pretty much around 40, 41, or 42 against their effort. And, of course, 34 would prevent the invoking of cloture. Mr. President, once the cloture motion with regard to Penn Central was introduced and accepted, whether they go through with it or not, it has been accepted as being a valid, in-force rule of the Senate. Certainly, when a vote has been taken and debate has been closed by a vote of two-thirds of the Senate, then unquestionably, there is a rule XXII, and it has been used in stopping debate.

Mr. President, we speak of our country as being a government of laws and not of men. We in the Senate are governed by the Nation's laws, but we are also governed by the rules of the Senate. I would feel that a Senator would be just as hesitant in breaking a Senate rule as he would in breaking a law of the land. That is what we have rules for—rules to govern the orderly procedure of business here, in the Senate. Well, Mr. President, today and yesterday, it did not look like we had a rule XXII or any other rules in the Senate, for that matter. The Senate was milling around like a mob, and mob rule pretty well was governing. Senators could not get recognized for making motions; questions were put with Senators loudly demanding recognition. So I wonder what we are coming to.

It was a bad day for the Senate, yesterday and today, a bad day for constitutional government. It was a bad day for the records of many Senators who, knowing what the rules require, are willing to take shortcuts. It makes one wonder where we are headed. The rules say one thing; the gag rule Senators go another, easier route. They know they cannot win under the rules, so they go the shortcut, the back door, the basement, the subway approach. Why not go in the front door?

Why not file a cloture motion? Why not admit, I say to the sponsors of Senate Resolution 4, the gag rule Senators, that they, too, are governed by the rules, that the rules are not just a halter to put on some Senators' necks, but that they are governed by those rules as well?

But, no, their philosophy is that might makes right, or, stated in another way, that the end justifies whatever means need to be employed.

The Senator from Alabama is never going to buy that philosophy. He will never be subjected to it as long as each man has a right to comment or to differ.

Mr. President, I turn now—unless the distinguished Senator from North Carolina has a question to present——

Mr. HELMS. Mr. President, will the Senator yield for a question?

Mr. ALLEN. For a question only.

Mr. HELMS. The Senator alluded earlier to the end of the beginning of the session.

Mr. ALLEN. That is right.

Mr. HELMS. When does the beginning of a session end?

Mr. ALLEN. It is hard to say. Some think the first day would be the beginning of the session, and the end of the first day would be the end of the beginning.

Mr. HELMS. Does the Senator from Alabama have the impression that there may be some in this Chamber who think that the end of the beginning might occur on Christmas Eve of this year?

Mr. ALLEN. If they harbor any such feelings, I hope they are disabused of those feelings by the distinguished Presiding Officer, by the Senate itself, or by those of us who are willing to discuss this issue.

Mr. HELMS. Here is the point I want to make, the point of the question: Is it not correct—it is according to figures available to me—that the Senate this year has already passed 20 Senate resolutions? Is that not correct?

Mr. ALLEN. I am not sure, but quite a number.

Mr. HELMS. Five concurrent resolutions, five joint resolutions, five Senate bills, one House concurrent resolution, one House joint resolution, and three House bills? If that is correct, I say to the distinguished Senator from Alabama, that is 40 pieces of legislation. Does that not constitute the end of the beginning?

Mr. ALLEN. I believe it would, I would just have to say. The Senator will also recall that this is not the first time this issue has been before the Senate. He will recall that last Thursday this very same effort was made, it did not succeed, and it became dead; it died with the adjourning of the session for that day.

If the Senator from North Carolina will indulge the Senator from Alabama in order that he might digress a moment, he would like to comment on the colloquy, the action that took place here in the Senate about 12:02 or 12:03, or possibly 12:05, I guess, this afternoon.

The distinguished majority leader sought to have the Journal for Saturday approved, and possibly the Journal for yesterday, I am not sure. But, you know, the Journal covers a legislative day, and strange to say, here in the Senate legislative days do not necessarily correspond to calendar days.

I have not been too happy with this policy of the leadership that when they close out business at the end of the day, the leadership has been recessing the Senate rather than adjourning the Senate, and that makes a great big difference, I will say to the distinguished Senator from North Carolina, whether the Senate is adjourned or recessed. It sounds about the same, you know, but it is not; and herein lies the difference: Any matter that is pending, like a motion to proceed, to be specific a motion to proceed to the consideration of a measure, would die with the adjournment of the day's session. But if the Senate recesses, then that same legislative day carries over, and it can be carried on and on. As a result of the recess, then, we are back where we were with respect to motions to proceed.

So the Senator from Alabama has felt that it might be fair to recess 1 day,

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and maybe to adjourn the next, but not to give one side such a top-heavy advantage by recessing and leaving the Senate exactly where it is day after day.

So the Senator from Alabama, when they wanted to get the Journal approved for yesterday and Saturday, I believe, had to object, because the legislative day has not ended. When they call a legislative day to an end, in other words, when they adjourn some night, then the following day the Senator from Alabama will certainly not interpose any objection to the reading of the minutes.

The Senator from Alabama would like to have the legislative day end sometime. It also limits the number of speeches that a Senator can make on a particular issue. In other words, if you make a speech today, tomorrow, on that same issue—it is pretty easy to get a new issue, but if you just had the same issue you would be limited to one more speech on that issue in a legislative day. But if the Senate adjourns, that starts over again. So they do not like to adjourn; they like to keep on recessing, to help the gag rule Senators who like to recess, you see.

So the Senator from Alabama, while he did not object to committees meeting this morning, did serve notice that if we do not adjourn tonight, and we recess instead, when the request is made on the next calendar day that the committees of the Senate may meet while we are in session, the Senator from Alabama will object.

All I am asking is that every now and then we adjourn. I do not care if we adjourn every night; it is all right to carry on 1 or 2 calendar days on 1 legislative day. That is all the Senator from Alabama asks.

But tomorrow, if we do not adjourn tonight, the Senator from Alabama is going to request that the committees not meet while the Senate is in session. The committees can meet, I believe, while the Senate is not in session, they can meet up through the morning hour, and they can meet after the Senate adjourns; but there will not be too many committees hanging around after the Senate adjourns, the Senator from Alabama does not believe.

I am hopeful that the leadership will adjourn the Senate tonight and let us wipe the slate clean, and come back here tomorrow, get rid of this cloture matter, and that we can decide this thing tomorrow. I believe we can.

Mr. HELMS. Mr. President will the Senator yield for another question?

Mr. ALLEN. Yes, I would be delighted to yield.

Mr. HELMS. The Senator from North Carolina has heard the expression of the view that the Senator from Alabama is holding up the pendency of the Penn Central vote. Is it not true that the Senator from Alabama offered a proposal which would permit the Senate to vote on Friday?

Mr. ALLEN. That was the first item of the request on the Penn Central which I had on the sheet of paper.

Mr. HELMS. Is it the belief of the Senator from Alabama that the proponents of this resolution are holding up action on that matter?

Mr. ALLEN. There is no doubt about that.

I would like to put a little background in about that. I inquired at the desk to find out when the Penn Central amendments came over from the House. They came over Thursday, February 20, at 11:34 in the morning.

Well, it was just a little bit after 12 o'clock when this bombshell was thrown here in the Senate in the shape of this effort to bring up Senate Resolution 4. So if they had really been interested in Penn Central they could have brought it up at 11:35 Thursday morning, and probably had it out of the way by 12 o'clock.

Mr. HELMS. If the Senator will yield further for a question, Mr. President—and it is more in the nature of a statement—I heard the distinguished Senator from Minnesota describe those who believed that the gag rule should not be imposed as being dilatory.

The shoe would be on the other foot, would it not?

Mr. ALLEN. Well, I doubt if that is the Senator's real opinion. I might have to place that in the category of remarks made here on the floor that we were trying to get him to agree to now, and I just wonder if he really believes that.

Mr. HELMS. I think, if the Senator from Alabama will yield further, the proposition stated by the Senator from Minnesota on that occasion ought to be in the record at this point just so the Senator will be aware of it.

Mr. ALLEN. Yes. I do not know, there are a lot of technicalities around here, and I do not know whether I want to put the thing in the record.

Mr. HELMS. At least at that time.

Mr. ALLEN. They might claim I yielded the floor, so I would not want to do that.

Mr. HELMS. At least at that time the Senator from Alabama would be perfectly willing to agree.

Mr. ALLEN. I will tell the Senator what I will do, I will read it into the record, I will say to the distinguished Senator from North Carolina.

Mr. HELMS. One other thing, while the distinguished Senator from Alabama is speaking about debate as free as possible in the Senate: Is he aware of a statement made by James Madison, President Madison, referring to the Senate, when he said:

> In order to judge of the form to be given to this institution, it will be proper to take a view of the ends to be served by it. These were, first, to protect the people against their rulers.

Mr. ALLEN. Yes, that is certainly a good thought

Mr. HELMS. He went on to say, and I quote:

> Secondly, to protect the people against the transient impressions into which they themselves might be led.

That is the point I think the Senator from Alabama is making.

Mr. ALLEN. I think the Senator is right.

I might point this out: A lot of Senators seem to think this is just an issue here in the Senate. Actually this rule or this desire for protection of the right to debate is not just a matter affecting the Members of the Senate whether they get to debate or not, but really one of the main purposes of it is as a safeguard against the power of the Executive, because we are not always going to have Executives who do not have a large voice in the affairs of Congress of the major party, and we might find a different alinement here in the Senate. But the right of debate is a protection of the entire legislative body, in a sense, from the power of the Executive because many administrations have had great influence here in the Senate, and it might be that Members of both parties might be against the effort of the administration.

But if we allow 51 to cut off debate or a majority, whether it is 51 or not——

Mr. HELMS. It could be 26.

Mr. ALLEN. That is right. If you have a simple majority that could cut off debate, you might find a Chief Executive throwing his weight around here a whole lot more, and instead of having a legislative tyranny we could well have an Executive tyranny. Right now we do not see anything in sight but a legislative tyranny, but it is possible we could have an Executive tyranny, and this debate limitation is a protection against legislative tyranny and Executive tyranny as well.

Mr. HELMS. Well, George Washington, I think it was George Washington, who described the Senate as a "cooling off process." That is the reason there was no limitation of debate in the beginning. I think the American people, I would say to the Senator, ought to understand that there is something much more fundamental in this discussion than, perhaps, they have been led to believe.

I commend the Senator for his comments, and I appreciate his yielding to me.

Mr. ALLEN. I thank the distinguished Senator from North Carolina.

Mr. President, I think it might be well at this time to discuss the compromise of 1959 having to do with rule XXII. At that time there were areas in connection with the cloture rule that were displeasing to Senators, both the gag rule Senators and the free debate Senators.

The gag rule Senators objected to the fact that the rule at that time required a constitutional two-thirds to cut off debate under rule XXII. That means that at that time two-thirds of the elected Members of the Senate had to join in and vote for cloture or else it could not be invoked.

Well, that put quite a hardship on the gag rule Senators. It gave the free debate Senators a little too much advantage.

There was another circumstance regarding the provisions of rule XXII, and that was cloture could not be invoked on debate on a motion to bring a rules change or any other measure, for that matter, to a vote. So the free debate Senators were not very well pleased over arguments made from time to time that the Senate rules did not carry over from one session of Congress to the other.

Mr. President, the guiding force in that compromise, as he was in many other compromises, was the then majority leader of the U.S. Senate, Senator Lyndon Johnson. The compromise that they reached back in 1959 was that the requirement for a constitutional two-thirds vote for cutting off debate would be reduced to two-thirds of those present and voting, provided the quorum was present.

That could be, under the existing rule, as few as 34, 34 Senators for a bare quorum could cut off debate here in the Senate under a cloture petition provided there were only 51 Senators present, a quorum, because there would be 34 for cloture and 17 against.

So a constitutional two-thirds would mean now 67, that would be pretty hard to get sometimes, getting 67 Senators to vote for gag rule.

So that was changed down to two-thirds of those voting which, as I say, could be as low as 34.

So, the other provision, as I say, that interested the free debate Senators was the fact that the argument was made from time to time that the rules of the Senate did not carry forward from one session to another.

So these objections of Senators on either side of the question, the gag rule Senators and the free debate Senators, were resolved. The constitutional two-thirds was cut down to two-thirds, motions to proceed to measures on the calendar were made subject to debate limitations, and then an amendment was added to rule XXXII that expressly provided that the rules of the Senate carried over from one Congress to the next Congress unless amended as provided in the rules.

So that compromise was worked out and the distinguished majority leader at that time, Senator Lyndon Johnson, said that he hoped that this would lay the matter to rest as to whether the Senate was a continuing body or whether it was not.

Now, if it is a continuing body—and as has been pointed out here on the floor, the Supreme Court of the United States has from time to time ruled that the Senate is a continuing body—then the rules of the Senate carry over from one Congress to the other and can be amended only as provided in the Senate rules.

Well, the Senate rules provide a method of ending debate, an exclusive method of ending debate, and that is the filing of the cloture petition by 16 Senators and the next calendar day but 1—in other words, 2 days later—a vote is taken.

Now, the gag rule Senators are trying to amend the rules by a method not countenanced by the rules. While accepting the existence of the rules, they claim that there are no rules, yet the distinguished Senator from Minnesota, when he introduced his Senate Resolution 4, gave 1 day's notice as required by the Senate rule. So his very first action in this connection was an acknowledgement of the existence of the Senate rule.

His second acknowledgement of the existence of the rules is that Senate Resolution 4, seeking to amend rule XXII, is an amendment of rule XXII, and how in the world can one amend something that does not exist? So the very nature of his document, his resolution, presupposes the existence of the rule.

So when one seeks to amend the rule, well, one has got to be governed by the method provided by that rule until such time as the amendment has been adopted.

Well, that is elementary. One cannot seek to amend the rules and at the same time say there is no rule, and that is exactly the kind of logic that there is in the effort of the gag rule Senators. Feeling that they do not have sufficient votes to invoke cloture, they are trying a method not provided or countenanced by the rule, in order to amend those rules.

The distinguished majority leader was highly critical of this effort and raised a point of order against this effort. He stated—and I wish I had a copy of his remarks, I had them at one time, possibly I can get it out of the RECORD—he made a great speech against this effort of the gag rule Senators. He said that maybe they think what they believe is a worthwhile end justifies the means that they are using.

Senator MANSFIELD said, "I do not agree. I do not agree."

I will say to the distinguished Senator from Minnesota (Mr. MONDALE), I do not agree with the means that are being adopted to ram this measure through without regard to the Senate rule.

That is what the majority leader said.

The assistant majority leader (Mr. ROBERT C. BYRD) made an eloquent address, pointing out that the Senate would rue the day that we turned this procedure into mob rule, or words to that effect.

That is what is going to result if we are not willing to abide by the rules. We are not much better than a person who picks and chooses the laws that he is going to be governed by. We are supposed to operate under the rules, and yet gag rule Senators, feeling the strength of a solid majority behind them, are seeking to run roughshod over a minority which is seeking to protest, in the best manner it has, under the rules.

That is something that sort of frightens the gag rule Senators. They do not like proceeding under the rules. And yet, Mr. President, the Chair yesterday, in response to a parliamentary inquiry, stated that this cloture motion on the Penn Central issue will have to be determined by a two-thirds vote here in the Senate, admitting the existence, applicability, and pertinency of Senate rule XXII.

(Mr. CURTIS assumed the chair at this point.)

Mr. ALLEN. I have stated before a time or two, and I will state again, that this Penn Central bailout issue, as the Senator from Alabama is wont to call it, could have been passed days ago.

But, Mr. President, the Members who are pushing the Penn Central bailout have a greater interest in Senate Resolution 4, seeking to amend the Senate rules. If they had not been so concerned with this backdoor approach to the amendment of the rules, they could have passed the Penn Central bailout long ago. But they are more interested in this rules change, this gag rule, than they are in Penn Central.

Mr. GOLDWATER. Will the Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. GOLDWATER. Tomorrow, as I understand it, we are to vote under the rule of cloture on the Penn Central resolution; am I correct in that?

Mr. ALLEN. That is correct.

Mr. GOLDWATER. I know the Senator cannot give a definitive ruling—it would require a ruling of the Chair—but would he assume that if we vote on the Penn Central matter we would be doing so under rule XXII?

Mr. ALLEN. Yes, sir. I believe the distinguished President of the Senate so stated, that it would require a two-thirds vote to cut off debate under the cloture provision. I believe he made that statement.

Mr. GOLDWATER. Would it be true that this body would be faced with the situation of voting under rule XXII when that very rule is being contested by a group of our colleagues?

Mr. ALLEN. Yes, that is exactly right.

Mr. GOLDWATER. Again I do not expect the Senator to be able to give a binding ruling, because, as I say, that would have to come from the Chair, but assume that a Senator representing those who want to change rule XXII raised a point of order, the point being that the Chair has already ruled, in effect, that a majority can change the rule, what would that, in the Senator's opinion, have as an effect on the Penn Central motion?

Mr. ALLEN. I believe that this effort would have no effect. I think the Vice President has stated that it would take a two-thirds vote. I do not believe the other point would apply. I would hope that he is about ready to abandon that position, anyhow. I would feel considerably encouraged if his ruling on the issue came after the cloture vote. I believe that is well nigh decisive of this question. If we are under the cloture rule as provided by rule XXII for Penn Central, why are we not under the cloture rule for all efforts to bring matters to a vote? I believe that a different rule will apply, and all further rulings and points of order, motions to table, will become moot because entirely new questions will be presented, in the view of the Senator from Alabama.

Mr. GOLDWATER. If the Senator will yield for a further question, assuming that someone raises a point of order before the vote is taken on the Penn Central and the Chair sustains the point that a majority rule will suffice—in other words we are not operating under rule

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XXII, an appeal is made and the ruling of the Chair is sustained. First, it is sustained. What effect, in the Senator's opinion, would that have?

Mr. ALLEN. If a point of order as to what is sustained?

Mr. GOLDWATER. As to whether we were operating under a majority rule or under rule XXII.

Mr. ALLEN. I think they might appeal from the ruling of the Chair. I do not anticipate that would be done. Really, any opinion I might have would not necessarily have a whole lot of weight with the Presiding Officer. The Senator from Alabama has advanced several points which have not been accepted. I would say unquestionably, based on the Chair's acceptance of the cloture motion, the statement from the Chair that two-thirds would be required under this cloture motion pretty well binds him to that ruling. I would feel having ruled that way with respect to Penn Central, that when this issue comes again before the Vice President, which I feel will be after that cloture vote, the Vice President will take a different view and he will concede that the beginning of the session has ended, and that there is no longer validity, if there ever was any, to the contention that at the start of a session a new and different rule applies.

Mr. GOLDWATER. I have another question, if the Senator will yield.

Mr. ALLEN. Yes, I yield.

Mr. GOLDWATER. If the Chair took that position, would the Chair not be inconsistent, if it held to a prior ruling that a majority rule could determine the resolution of that matter?

Mr. ALLEN. If the Chair persisted in that inconsistency, it would certainly be bad, but I am hoping that the inconsistent approach will become the rule rather than the exception. I am hoping that his ruling will be that two-thirds is required to cut off debate not only on the Penn Central issue, but also, having used the two-thirds requirement on Penn Central, the same two-thirds requirement is made as to Senate Resolution 4.

Mr. GOLDWATER. Mr. President, will the Senate yield for another question, or possibly two, not on a subject about which we have been talking?

Mr. ALLEN. I yield.

Mr. GOLDWATER. The Senator is aware, of course, as we all are, that it requires a two-thirds majority to sustain or override a Presidential veto. Would it not be natural, in the Senator's opinion, for those who are seeking to impose gag rule to have as their next objective a simple majority for the silencing of the President's privilege?

Mr. ALLEN. It could well be, because I used to point out that they would have to do more than just run roughshod over the Senate on that. They would have to amend the Constitution, which might be somewhat more difficult.

Mr. GOLDWATER. I thank the Senator.

The matter of the Penn Central vote tomorrow became of interest to me, because I think it is going to put some of our colleagues on a rather embarrassing and difficult log—that is, they are going to be for one thing on one side of the log and another thing on another side of the log; and if they try to get in the middle of that log, they are going to embarrass a lot of their colleagues who are looking to them for support.

Mr. ALLEN. Yes.

Mr. GOLDWATER. And it might be to the advantage of those of us who are opposed to Senate Resolution 4 to hope that they might take that step; because keeping the Penn Central alive, in the minds of some of our colleagues—not necessarily mine—is of as much importance to them, from a constituent standpoint, as a vote on Senate Resolution 4.

So I thank my friend from Alabama for the answers, and I commend him for the work he is doing. I feel that more and more, as hours go by, the American people are beginning to realize that they are having shot from under them one of the most dependable horses we ever created for the travel of the Senate.

Mr. ALLEN. I thank the distinguished Senator from Arizona for his fine comments and for the questions he has propounded. He has brought out splendid points.

Discussing a little further the cloture effort on the Penn Central issue, it is quite obvious that the proponents of the Penn Central issue—the leading proponents, I will say, and I except from this statement, as I have before, the distinguished Senator from Connecticut (Mr. WEICKER), because he is opposed to this effort to amend the Senate rules through the backdoor approach—but the Senators in the main who have taken the lead on pushing the Penn Central bailout owe a higher allegiance and a higher degree of interest to the fate of Senate Resolution 4.

In my judgment, most of the Senators supporting Senate Resolution 4—and I use the word most advisedly—could care less about the fate of Penn Central. They would gladly scuttle Penn Central, in the opinion of the Senator from Alabama, in order to pass Senate Resolution 4. They would gladly do it. Their first loyalty is to Senate Resolution 4. The Senator from Alabama does not profess any loyalty to the Penn Central issue. He states very frankly that he will vote against the Penn Central bail-out when that comes to a vote. But he has not prevented the issue from coming to a vote. On the contrary, he has sought on more than one occasion to bring it to a vote or to agree to an agreement or assent to an agreement that would bring it to a vote.

On last Thursday, the Penn Central amendments came over from the House and reached the desk at 11:34 Thursday morning.

Let me digress a moment to get a little history on the Penn Central issue.

We had already pumped approximately $190 million into Penn Central, but that is just a drop in the bucket. It was stated on the Senate floor, when we were debating the matter, when the measure was passed in the Senate some weeks ago, that it would take some $5 billion to rehabilitate Penn Central. Where is that going to come from? From the taxpayers. Where else? This is just a start of a steady stream of loans and grants that we are going to have to make to that railroad.

When the matter was first before the Senate some weeks ago, they were trying—I say trying; they made an effort to pass the bill without any debate or without even a rollcall vote. The Senator from Alabama wanted some little discussion of the matter, and it was agreed that a period be set aside for the proponents and the opponents, and it was debated about 2 hours, I suppose, and then it went over to the House.

The Senate bill appropriated a greater amount than the Department of Transportation asked for. I believe they asked for approximately $275 million. The committee said, "Well, that is not enough; let us raise that $25 million." And that is what they did.

Then, when it got over to the House, they said, "That is not enough; let us raise it $50 million." So that is the amendment they put on over there, adding an additional $50 million, plus or minus $5 million. I think it was in that near neighborhood.

Then it came back to the Senate and, as I say, it reached the Senate desk at 11:34 on Thursday morning. One would have thought that they would have brought it up straightaway. But, no, the gag rule Senators sponsoring Senate Resolution 4 decreed otherwise. They had an order to recognize the distinguished Senator from Kansas (Mr. PEARSON) at 12 o'clock, I believe, or thereabouts. They wanted a full day for discussion of Senate Resolution 4, or the motion to proceed to it. So, showing their interest in what they considered the top priority facing the Nation. Mr. President, can you imagine that? All the problems facing the Nation today and the Senators from Minnesota and Kansas say that changing this Senate rule from two-thirds to three-fifths in order to cut off debate is the most important issue facing this Nation.

The PRESIDING OFFICER. (Mr. CURTIS). Will the distinguished Senator yield to receive a message from the House?

Mr. ALLEN. Only if it is understood that I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ALLEN. And that I shall not be considered as making a second speech after the message has been read.

The PRESIDING OFFICER. It is so understood.

Is there objection?

There is none.

MESSAGE FROM THE HOUSE

At 4:12 p.m., a message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that, pursuant to section 194 of title 14 of the United States Code, the chairman of the Committee on Merchant Marine and Fisheries has appointed the following Members on the part of the House to serve as members of the Board of Visitors to the U.S. Coast Guard Academy for the year 1975: Mr. BIAGGI, Mr. DE LA GARZA, Mr. DU PONT, and Mrs. SULLIVAN, ex officio.

The message also announced that, pursuant to Public Law 301 of the 78th Congress, the chairman of the Committee on Merchant Marine and Fisheries has appointed the following Members on the part of the House to serve as members of the Board of Visitors of the U.S. Merchant Marine Academy for the year 1975: Mr. DOWNING, Mr. ZEFERETTI, Mr. MCCLOSKEY, and Mrs. SULLIVAN, ex officio.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. With all of the economic problems facing the Nation, all of our problems in the foreign relations field before us, what do the gag rule Senators say is the most important issue facing the Nation? I bet that if these gentlemen, one or both of them, were on "Meet the Press" or "Face the Nation" or something of that sort and they were asked the question: "Mr. MONDALE, what do you think are the most critical issues facing the Nation today, facing the U.S. Senate today?" I bet that the distinguished Senator from Minnesota would not have come out with a statement: "Why, changing those Senate rules, those oppressive Senate rules; that is the most important issue confronting the Senate."

I doubt if he would have said that. I believe he would have put Penn Central in there somewhere. But he does not here, on the floor; he does not say that here, on the floor. His actions say that the most important issue facing this Nation today is changing little old rule XXII.

Does he make a tremendous change in it? Well, he thinks it is important. And I do, too. But I do not place it ahead of the Nation's economic problem, the Nation's international problem, the problems of unemployment, inflation, high prices. What is the Senator doing in this connection? Is that not important? It might be important, but it is not that important to the Senator from Minnesota and to the distinguished Senator from Kansas. They say Senate Resolution 4 is the most important thing before the Senate.

Well, that is some set of priorities. I bet that he would not campaign out in Minnesota that way. Those dairy farmers out there say, "What about us?" Those wheat farmers out there say, "Well, what about our problems?"

"Oh, I am trying to get rule XXII changed."

Well, what of that? What of that? Let us do something about the Nation's problems; do not take up the time of the Senate with the backdoor approach.

When I first started talking about this approach that the Senators from Minnesota and Kansas are using in an effort to subvert the Senate rules, I called it a backdoor approach. Then, as the little discussion continued and the tactics of the proponents of this measure became obvious, I changed that to "basement approach." Then, when this Senate was turned into a disorderly mob on the Senate floor by the flouting of the Senate rules by Members, I changed that to a little lower status, "subway approach," lower down in the ground, at any rate. But a Member in the Senate has handed me a note making the suggestion that this ought to be called, not a subway approach, but a sewer approach. Possibly it should, because it does give off a pretty bad odor—a pretty bad odor—this effort to run a steamroller through this Chamber, running over the rights of a minority in the Senate.

The minority in the Senate is the only minority that the sponsors of Senate Resolution 4 do not give allegiance to. They are interested in every minority in the country, as we all are, but they are not interested in minority opinion, minority views, or minority rights, here in the U.S. Senate.

They take the position that might makes right, that an end they think desirable can be pursued and sought by means that are less than admirable.

I must say, Mr. President, that I am sincerely shocked and disappointed in the majority here in the Senate that has stooped to the tactics that they have stooped to, in order to accomplish this end.

Now where is the Senate, in the judgment of the Senator from Alabama? You know, he comes to the Senate thinking that he is going to the greatest deliberative body in the world, that every Member there is high-minded, that they are patriots, advocates of the concept that we are a nation of laws and not of men, that we are bound by rules of conduct and rules of ethics; that the famous rules of the Senate that have been handed down since the very first Senate, I guess, or very few Senates afterward—the Senate rules are based on the Senate Manual that was compiled by Thomas Jefferson while he was Vice President of the United States—that these are historic, time-honored rules and that no Senator would think of departing from the Senate rules. So it is frustrating to find, as the distinguished majority leader (Mr. MANSFIELD) said, that he did not agree with the moves being used to achieve an end with which he agreed. He agreed with the effort to get 60 percent cloture, but he did not agree with the means being used.

I will tell you, Mr. President, if the majority leader were to state here on the floor of the Senate that the effort which is being made by the Senator from Alabama with respect to the rules was a means not worthy to be used in an effort to accomplish a desired end, the Senator from Alabama would fold his tent and depart. The Senator from Alabama is not going to be guilty of using any means not provided by the Senate rules. I stand here today under the Senate rules. If I did not so stand, I would not be here.

But we have an effort that has been branded as unworthy by the distinguished majority leader, a man of great conscience and character. I would not want to buck that indictment, and I would not.

Let us get back to what are the most important issues facing the country. Is it the economy, inflation, recession, high prices—of everything but farm products? Is it the Penn Central railroad, the fact that it might close down operations? Some of us might think so. But not the sponsors of Senate Resolution 4. They do not think so. They think their resolution is. And they would like to have it said, "Mondale and Pearson break through and achieve a half-century-old desire."

That would be fine. I hope they get proper credit for it, but I surely would not want it. I would not want it said that I rammed through a measure with questionable tactics by throwing the rule book out the window, by saying that black is white and white black. I would want to follow the rules.

To follow the rules. Is it so difficult to follow the rules? I do not think so. Why cannot these gag rule Senators comply with the rules in bringing this issue to a vote?

Let us see what this famous rule XXII is. As I said a few moments ago, last night I asked for a copy of Senate Resolution 4, and was given the so-called star print, that showed a typographical error in that, instead of saying "Resolved, that rule XXII of the Standing Rules of the Senate is amended to read as follows," it said, "Resolved, that rule XXVII of the Standing Rules of the Senate is amended."

I pointed out that if they ever got to the point where they claimed no amendments could be offered to amend rule XXII, surely they would claim they could offer an amendment to correct that typographical error which said it was amending rule XXVII instead of rule XXII.

So I called that to their attention, and there seemed to be considerable dismay and consternation in the ranks of the gag people because, I am sure, they do not want to see any amendment to Senate Resolution 4.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. ALLEN. For a question only, yes, sir.

Mr. CURTIS. Has the Senator seen an attempt to vote cloture fail during the years that he has served in the Senate?

Mr. ALLEN. Yes; I have seen it fail a few times, and then later get it invoked—many times.

Mr. CURTIS. But with reference to the same piece of legislation?

Mr. ALLEN. Does the Senator mean on a rules change?

Mr. CURTIS. No; I mean in reference to legislation.

Mr. ALLEN. Yes; I have seen it invoked and not invoked.

Mr. CURTIS. Usually, is it not true, if it is turned down the first time, they try again?

Mr. ALLEN. That is true, yes, sir.

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Mr. CURTIS. Does the Senator believe that a filibuster can ever be successful unless those who are engaged in the filibuster can arouse the people of the country and get a substantial amount of people backing it?

Mr. ALLEN. I certainly agree with the Senator, and I have said on many occasions, that no extended debate or filibuster can succeed without the backing of public opinion.

Sometimes though measures are rammed through here without debate or without rollcall, and sometimes we just have to yell, "Stop, let us see what you are trying to do here. Let us give this a little thought." And I might state that on extended debate it really can accomplish a great deal in the matter of shaping legislation. It may be outrageous proposals will be toned down somewhat to make them more palatable to the Senate and to the people, and if we did not have this type of rule they could just ram anything through the Senate.

Mr. CURTIS. Does it follow, in the opinion of the distinguished Senator, that the more thoroughly something is debated the better legislation we will have in the end?

Mr. ALLEN. Yes; I think that is true.

Mr. CURTIS. Would it not be true that to take a contrary view would be to say if there is no debate at all, we would have better legislation?

Mr. ALLEN. That certainly is true.

Mr. CURTIS. Which would be, of course, very ridiculous.

Is there much legislation or are there many legislative proposals that come before the Senate where time is more important than the soundness of the legislation itself?

Mr. ALLEN. Very, very few; very, very few.

Mr. CURTIS. Is it the opinion of the Senator from Alabama——

Mr. ALLEN. I might say this: that cloture was invoked in rapid-fire order here in the Senate in December of last year on matters involving some minor tax matters—they were pretty large in some areas—but the trade bill, without a bit of debate on that subject, and the Senate imposed cloture by a vote of 71 to 19 on the very first try.

So it shows when the Senate wants to move on an issue they have no difficulty in mustering strength to invoke cloture.

Mr. CURTIS. It is not the opinion of the distinguished Senator from Alabama that there was wide support from the people of the country for a treaty?

Mr. ALLEN. Yes, I believe so.

Mr. CURTIS. Is it then the opinion of the Senator from Alabama that to encourage debate leads to sounder laws, and to discourage debate leads to a danger of unwise laws or ill-drafted laws being enacted?

Mr. ALLEN. Yes, I would certainly think so. Certainly the tactics of the sponsors of Senate Resolution 4 have been deplorable in this regard in not allowing debate, trying to cut off all debate even before the matter is discussed at all.

Mr. CURTIS. Would our country have been blessed in a greater way if the Constitutional Convention would have completed its work 3 months earlier but drafted a much inferior document?

Mr. ALLEN. No. By waiting a little while it had a document, came up with a document, that has survived for centuries and, doubtless, will continue to survive. That would not have been the case had there been hasty action.

Mr. CURTIS. Well now, the Senator is a member of the Committee on Agriculture. Would he say that to meet the agricultural needs of the country it is more important that an agricultural law be enacted, say, the first 8 weeks of a session or to take 16 weeks and have a better, more workable piece of legislation?

Mr. ALLEN. I would say it would be better to consider it carefully. Of course, the plight of the farmers is great and they do need some help, some relief.

Mr. CURTIS. Has there ever been, to the Senator's knowledge, a threat of extended debate at a time when time was important, involving the security of our country?

Mr. ALLEN. Well, of course, on the declaration of war we had to take quick action, but it was well-nigh unanimous.

Mr. CURTIS. To the knowledge of the distinguished Senator, was there any threat of extended debate at that time?

Mr. ALLEN. Not in the slightest.

Mr. CURTIS. Is there any way that the passage of Senate Resolution 4 would enhance the quality of the legislation that might be passed in the U.S. Senate?

Mr. ALLEN. On the contrary, I think it would open the door for much ill-conceived legislation. I think it would be highly detrimental to the public interest for this resolution to be adopted.

Mr. CURTIS. Does the Senator find in his travels around his States that the people are aroused at the many governmental obligations placed upon them, such as not only paying taxes but complying with regulations and laws and filling out questionnaires, making reports, and complying with inspections?

Mr. ALLEN. They are very much upset.

Mr. CURTIS. Does that point to the need for speeding up the enactment of laws or slowing down the enactment of laws?

Mr. ALLEN. I think they would like to see us repeal two or three laws for every one we pass. That would be my judgment.

I might say further, that the Senator from Alabama went back to Alabama and was there Friday night, Saturday, and Saturday night of this last week, and met with hundreds of people, three large crowds at which he spoke, and in comments from his constituents there, literally hundreds of people, the opinion expressed was that great favor was given to the efforts of the Senator from Alabama in seeking to prevent this effort to amend the Senate rules outside the rules themselves.

Mr. CURTIS. Does the Senator believe that to change the rule from two-thirds to three-fifths as to the number of Senators required to shut off debate will lessen or increase the expenditures out of the public treasury?

Mr. ALLEN. Well, that is a pretty simple and easy question. I think passing Senate Resolution 4 could add many tens of millions of dollars to the cost of Government by the easy passage of high spending measures.

Mr. CURTIS. Does the Senator believe that the enactment of Senate Resolution 4 would lessen or increase the number of laws with which our citizens must comply?

Mr. ALLEN. I think it would greatly increase the number of laws passed.

Mr. CURTIS. Does the Senator believe that to refuse to adopt Senate Resolution 4 would, in the end, prevent the enactment of the law that was to the best interest of our people and was widely supported?

Mr. ALLEN. Would the Senator repeat his question?

Mr. CURTIS. Does the Senator believe that the refusal of the Senate to adopt Senate Resolution 4 would lead to the prevention of laws that are needed and asked for by a wide sector of the population?

Mr. ALLEN. No, I do not think so at all. I think it would just allow the Senate to be a little more selective in its approach.

Mr. CURTIS. Does the Senator believe that the two-thirds rule grants more protection to the people than a three-fifths rule from hasty legislation that might be supported by loud and militant pressure groups, not representing a majority of the people?

Mr. ALLEN. Yes, sir, that is correct.

Mr. CURTIS. Is it not true that the longer that an erroneous idea or an erroneous proposal is exposed to debate, the lesser chance that it has of being enacted into law?

Mr. ALLEN. I beg the Senator's pardon.

Mr. CURTIS. Does the Senator believe that the longer time that an unwise or erroneous proposal is debated, there is a lesser chance that it will be enacted into law?

Mr. ALLEN. Well, I think that is right, and when public opinion catches up to what is going on, I feel that public opinion would make itself felt in its influence on the individual Members of the Senate.

Mr. CURTIS. On the other hand, if a proposal is wise and in the interests of our country, will extended debate lessen its value or chance of passage?

Mr. ALLEN. No; I do not think so. I think we would see much better legislation with a two-thirds proposal than with a three-fifths. I think we would have more selective and discriminating choice.

Mr. CURTIS. Does the Senator believe that the more information that is available about a proposed piece of legislation that better legislation will result therefrom?

Mr. ALLEN. Why, very definitely.

Mr. CURTIS. Does the Senator believe that adequate debate without restraints exposes error?

Mr. ALLEN. Yes, sir, I sure do.

Mr. CURTIS. Does the Senator believe that adequate debate without restraint brings to light good points and sound points in reference to legislation?

Mr. ALLEN. Yes.

I might point out that on this issue here, we have not had an opportunity to discuss the real issue involved, the constitutional issue, with the Presiding Officer, and his submission of the question on an extraneous motion was certainly not a submission of the constitutional question to the Senate, and I feel we would have come to the real point much better if this matter had been submitted to the Senate for its decision, and we would be talking about the constitutional point rather than going all around the issue.

Mr. CURTIS. Why do we find this provision in the Constitution:

> Immediately after they shall be assembled in Consequence of the first Election,—
>
> Speaking of the Senate:
>
> They shall be divided as equally as may be into three Classes. The Seats of the Senators of the first Class shall be vacated at the Expiration of the Second Year, of the second Class at the Expiration of the fourth Year, and of the third Class at the Expiration of the sixth Year; so that one-third may be chosen every second Year.

Why is that?

Mr. ALLEN. Well, the reason for that is making the Senate a continuing body so that there will be only a third of its Members coming up every 2 years. I think, unquestionably, that is it and so that there will be some continuity of a continuing body. Whereas the House does change every 2 years, the entire House, we need some continuity in the Senate.

Mr. CURTIS. In the Senator's study of the Constitution, does the Senator detect a continuous and conscious effort to bring about what might be termed as balance between various forces and States?

Mr. ALLEN. Yes, very definitely, very definitely. There was a compromise once.

Mr. CURTIS. Yes.

Mr. ALLEN. A series of compromises.

Mr. CURTIS. Well, is it not true that the term of the Chief Executive is one for a fixed term of years?

Mr. ALLEN. Yes, sir.

Mr. CURTIS. It expires on a date certain?

Mr. ALLEN. That is right.

Mr. CURTIS. Is that not true of the entire House of Representatives?

Mr. ALLEN. Yes, sir.

Mr. CURTIS. Now, as a matter of balance, is it the Senator's opinion that the Senate was established as a continuing body so that there would not be a complete turnover of the entire Government at one time?

Mr. ALLEN. Yes, sir, that is correct.

Mr. CURTIS. Is there anything in the Constitution, according to the study of the distinguished Senator, that would make it incumbent upon the Senate every 2 years to adopt a new set of rules?

Mr. ALLEN. None at all, and I think—I have been in the Senate only a short time, but I have studied the question—as far as I have been able to ascertain there has never been a readoption of the Senate rules here in the Senate, the same ones that we have had have continued on from early times on down to now.

There is no occasion for readopting them, because the Senate is a continuing body and the same rules apply to each Congress, so there is no need of adopting new rules, they carry forward automatically.

Mr. CURTIS. Does the Senator believe that the passage of Senate Resolution 4 would lead to fewer or a greater number of laws in the land?

Mr. ALLEN. Well, I believe it would increase the Senate's output, I believe. I believe it would.

Mr. CURTIS. Does the Senator find that the people of his State are clamoring for more laws?

Mr. ALLEN. No, fewer and better laws, I would say, plus repeal of some we have on the statute books.

Mr. CURTIS. Does the Senator find that they would consider that their happiness and their liberty would be enhanced if they could live under fewer laws?

Mr. ALLEN. That seems to be the view, yes, sir.

Mr. CURTIS. Does the Senator also find that certain militant pressure groups in the country oftentimes advocate more laws?

Mr. ALLEN. Yes, I find that that is certainly correct. I believe they are certainly advocating this Senate Resolution 4, some of these very groups the Senator is talking about. I think that might be one reason it received so much support in the Senate.

Mr. CURTIS. Then do you believe that any procedure which slows up the process of enacting a law is a protection to the people?

Mr. ALLEN. Yes, I would say to slow them up in the sense that by doing so we would end up with a better law, if, in fact, a law is needed at all.

Mr. CURTIS. Is it not true that sometimes an issue arises that on a particular day or for a few days it seems very imperative that national action be taken, only to find out that 10 days or 2 weeks later it was a wise decision not to seek a legislative remedy?

Mr. ALLEN. Yes, I believe there is something in that. I did not vote for cloture with reference to it, but I do not think the trade bill that we passed will live up to its advance billing. I believe that will be the panacea that many people seem to believe, and which became the prevalent thought here in the Senate. I believe it will fall far short of its expectations. But at the time everybody was clamoring for it, that we had to get it, so they rammed the cloture motion through and it passed by a vote of 71 to 19, showing that when the Senate does want to move, it can certainly move.

Mr. CURTIS. Does the Senator find that the small businessmen of his State are clamoring for more laws?

Mr. ALLEN. No. They are worrying about the Occupational Safety and Health Act, and heavy taxes. That is what they are worrying about.

Mr. CURTIS. Does the Senator find that local officials, attempting to serve people locally, are clamoring for more dictation, more laws, and more regulations from Washington?

Mr. ALLEN. No. As is the case with a large percentage of our people, of course, they are wanting more revenue sharing, I will say. They do not necessarily want additional laws, but they want additional moneys through some route. I do not think they are looking for more oppressive laws, though.

Mr. CURTIS. Can the distinguished Senator think of any good reason for adopting a procedure that will impose more laws on the people of our country?

Mr. ALLEN. I certainly cannot.

Mr. CURTIS. Is it the opinion of the Senator that freedom and liberty are enhanced by a multiplicity of laws being forced upon the people?

Mr. ALLEN. I do not see any help for the people there, no.

Mr. CURTIS. Does the Senator agree with the Senator from Nebraska that no true liberal can vote for Senate Resolution 4?

Mr. ALLEN. The liberals have used the extended debate a great deal. As a matter of fact, rule XXII came into existence as a result of what you might call liberal opposition or dovish opposition to the arming of the merchant marine of the United States, our merchant vessels, prior to America's entry into World War I. So the true liberals that the Senator speaks of ordinarily want freedom of expression.

Maybe some of these supporters of Senate Resolution 4 are pseudo-liberals. Has the Senator ever wondered about that?

Mr. CURTIS. All I can do is ask questions or the Senator from Alabama will lose the floor.

Mr. ALLEN. Yes, sir.

Mr. CURTIS. That gives me an advantage.

Does the Senator believe that to impose more laws on an intelligent, freedom-loving people as we have in America is an act of liberalism?

Mr. ALLEN. No, I do not think so. It is not an act of conservatism, either. It is kind of an unidentified type of action, a big-Government-type of action, I would say—social programs, big spending-type programs.

Mr. CURTIS. What is there to gain by adopting a procedure that speeds up and adds to the laws, regulations, and requirements placed upon this great free people that we have in America?

Mr. ALLEN. I really do not see the justification for it. I have been arguing against that for some little while.

Mr. CURTIS. Then would it not be a good idea to just lay aside Senate Resolution 4?

Mr. ALLEN. I think it would be.

Mr. CURTIS. For about how long? A year or two?

Mr. ALLEN. A decade, possibly.

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Mr. CURTIS. I assure the Senator if he propounds a unanimous-consent request to do so, I would not object.

Mr. ALLEN. I would be glad to propound one but some technical Senator might say that by propounding the unanimous-consent request this Senator has lost the right to the floor. He would not want to do that. I rather imagine some of these fellows would like to table something, move to adjournment, or something like that.

Mr. CURTIS. I have one final question: If the distinguished Senator from Alabama would find any sound reason for adding to the multiplicity of laws, regulations, requirements, penalties, and duties imposed on our people, that they should be increased, will he tell the Senator about it?

Mr. ALLEN. Yes. If I ever run into any reason the Senator will be the first to hear from me.

Mr. CURTIS. I thank the Senator.

Mr. ALLEN. Mr. President, I appreciate the remarks of the distinguished Senator from Nebraska and his fine questions.

It might be interesting to give a little history of the so-called filibuster.

Prior to the adoption of rule XXII there was no way to end debate in the U.S. Senate. But we got along fairly well during that time. I believe from 1807 to 1917 there was no method provided for limiting debate in the U.S. Senate.

During that time they had great Senators like Webster, Clay, Calhoun. In my home State we had Senators John T. Morgan, Edmund Pettus, Oscar W. Underwood—many, many great Senators during that period. As a matter of fact, I would say some of our greatest Senators made their names and their reputations here in the U.S. Senate during a period when debate could not be cut off at all. They could talk from morning until night. There was no method to cut it off at all. The Senate seems to have survived. I dare say that in the last couple of days we have not done much to enhance our image here in the Senate.

But I can say that back in the great days of the Senate, in the period from 1807 to 1917, the Senate saw its greatest days. They did not have any majority vote to cut off debate. They did not have any way at all. They had extended discussion every now and then. But does anybody know of any important measure that was defeated during that time, other than possibly the bill to arm our merchant vessels?

Mr. President, I think that shows the growth of the power of the Executive, the power of the President—which has diminished in the last few years.

President Wilson, back before the United States entered World War I and when our merchant vessels were being attacked by the German submarines, wanted to arm our merchant vessels. A President today—or in recent years, possibly—would think nothing of ordering the arming of vessels and possibly not even saying anything about it. He would have done it and thought nothing of it.

President Wilson was a strong President in many respects, but he did not have too great success with Congress. At any rate, he advocated a bill that would have allowed the arming of our merchant marine. Senators Norris and LaFollette and other liberal Senators, who were antiwar Senators, debated that bill to death, because there was no way to cut off debate. President Wilson attacked this group of Senators, and he referred to this little group of willful men, representing no opinion but their own, who brought the great Government of the United States to a halt. He said that there had to be some reasonable way to stop debate in the Senate. So in 1917 a rule, which is now rule XXII, was adopted; and that has been the rule, with some modest changes from time to time, since then.

Mr. President, some think of rule XXII as being a rule of the Senate that permits so-called unlimited debate. There is no such thing as unlimited debate in the Senate, because under the rule governing limitation of debate, rule XXII, debate can be brought to a close. But rule XXII does not confer any debating rights at all. They are just assumed. Rights to debate are assumed. We do not need a rule to permit Senators to debate—a special rule. That is governed by the rules saying what motions are not debatable. So rule XXII does not give any license to debate. All it does is to limit the right to debate. Now, on a debatable motion, a Senator can debate an issue as long as he wishes and is able to do so physically, until he is taken from the floor by cloture.

Mr. President, we have an issue here that is debatable. Rule XXII can bring an end to debate.

(At this point, Mr. ABOUREZK assumed the chair.)

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield for a question.

Mr. STENNIS. Mr. President, I was compelled to leave the floor a few minutes ago. I was going to ask the Senator from Alabama from whence comes this call for a change in the rules of the Senate. I am not referring to any Member personally, of course. I am referring now to the condition of the country with reference to energy, with the budget out of balance for energy, and it is certainly out of balance for money, and it is out of balance for inflation or lack of inflation. From where comes the demand here, at the beginning of this new year, for a change in rule XXII, which has been working so successfully? Where is the pressure? From where is the demand coming?

Mr. ALLEN. There is no demand whatsoever on the Senator from Alabama. As he was stating earlier, it is certainly a surprise and a disappointment to him that, with all the issues that the Senator from Mississippi is discussing—our farm problems, our economy, our energy, our inflation, our recession, our high prices—surely the Senator from Minnesota would feel that some of these issues should have a higher priority in his agenda of priorities than seeking to amend rule XXII by Senate Resolution 4.

I hazard the guess that if the Senator from Minnesota were called upon, on some national TV news show, to name the leading priorities in this Nation for governmental action, I seriously doubt that he would suggest amending rule XXII as being of paramount importance.

Yet his actions show that that is what he believes. That is the answer I would give to the distinguished Senator from Mississippi on that point.

Mr. STENNIS. I certainly have been in the channels of receiving communications, not only from my own State but from over the Nation, regarding these problems to which the Senator has referred, excluding for the time being foreign policy matters and foreign relations matters, on which we are in trouble, and I have not detected one iota of evidence that people are concerned or give a hoot about a change now in rule XXII.

Mr. ALLEN. They could not care less.

Mr. STENNIS. I just do not think of anything that could be more away from their interest at the time being.

I have just been called from the Chamber to see school people from Mississippi who wanted to see me about a very legitimate matter. They have been working now for years in conjunction with HEW with reference to schools, integration in schools. They had a court order put on them and they are trying to comply and now, all of a sudden, the money, or a great part of the money, is going to be cut off. The problems they have been trying to meet have been worked on and they have made some progress. But there is going to be cut off nearly all of the money now and HEW frankly said, "We have to send it where the demand is most; we have to send it to Boston." So they are going to take it away from those who have been working and trying.

I am in sympathy with any kind of trouble, any kind, in Boston. I do not hold that up with any glee or anything like that. I am talking about the justice of it and keeping faith. Now we have to try to keep them from cutting off that money, certainly, too soon.

My point is there is no pressure here about anyone failing to comply with the law with reference to the schools and, therefore, a bill needs to be passed, and all the legislation on that we can get in a book that we can think about. We have been working on it, having some success. So from these sources like that, there is no demand that I can imagine, much less that I have heard of, for any change in the rules of the Senate.

I had not mentioned this matter to the Senator before.

Mr. ALLEN. I certainly agree with the Senator.

Mr. STENNIS. I know his experience has been the same. I have not heard a claim made here on the floor, by any Senator, that there is a desire on the part of the people, or pressure—I mean legitimate political pressure—of any kind.

Mr. ALLEN. No evidence offered at all.

Mr. STENNIS. If the Senator will yield further for a question——

Mr. ALLEN. Yes sir.

Mr. STENNIS. I judge from his answer that he has no evidence of any real, genuine interest on the part of the people——

Mr. ALLEN. No.

Mr. STENNIS. Throughout the Nation.

Mr. ALLEN. That is certainly true. As a matter of fact, there is a whole lot more interest, the Senator from Alabama has found, in not giving this top priority over everything else. People resent this action on the part of the gag rule Senators to put this ahead of everything else on the Senate's agenda.

Mr. STENNIS. There might be some argument here that the Senator from Alabama and others should remove their resistance so we can get on, let this thing go the way it ought to go about the rules to get to other matters, including energy. But I know that there has been, really, no time lost in working on this problem of energy and fiscal affairs and inflation, on conservation of energy and as to new sources of energy.

I was proud to be a Senator the day I sat a great part of the day and heard the chairmen of subcommittees and committees that have been holding hearings here for the last several months on these problems that I have just referred to, the fine knowledge they had of the subject matter, the problem, the facts that they had to bring to those of us who had not been in those hearings, and their discussions of the possible remedies that could be applied. I was very proud of the work that they had done. It gave me a new understanding of the magnitude, though, of legislation that is necessary. That work is being carried on still.

It is not easy to get arrangements and agreements. The House of Representatives has competent people working on the same matter, and they have not yet gotten any agreement, as I understand it, with the membership of our body. I mention those things in total refutation of any kind of claim here that the Senator from Alabama is holding up things, holding up other urgent matters.

Mr. ALLEN. The Senator from Alabama is not worried about that.

Mr. STENNIS. I know the Senator from Alabama is not worried, but if there were any truth in it, I would be worried.

Mr. ALLEN. I say to the Senator from Mississippi that on Thursday the Senator from Alabama agreed to a vote on Penn Central. On Friday, he agreed to a vote on Penn Central, and he is ready to vote at such time as cloture is invoked. So the Senator from Alabama is not the one who is setting the priority, as being the top priority in the Nation, on Senate Resolution 4. He thinks that that resolution would have priority so far down the list that it could not been seen.

Mr. STENNIS. I thank the Senator from Alabama. If the Senator will yield further to a new question here.

Mr. ALLEN. Yes.

Mr. STENNIS. I shall bring up a new angle. Of course, the Senator from Alabama is so familiar with all phases of the Constitution, but just bring this into focus here, each State, of course—it is provided in the Constitution that each State shall have two Senators.

Mr. ALLEN. Yes.

Mr. STENNIS. And the provision is also in the basic law, is it not, that each Senator will have one vote?

Mr. ALLEN. That is correct.

Mr. STENNIS. That is written in bold letters there; is it not?

Mr. ALLEN. Yes, sir.

Mr. STENNIS. In that way, those who wrote this fundamental compromise—and that is what it was—in the Constitution of the United States as to the voting strength of the House of Representatives and the Senate were making certain that no Senate would ever qualify in any way a State having two votes—that is, one full vote to each Senator. Is that correct?

Mr. ALLEN. Yes, sir.

Mr. STENNIS. They put it beyond the rules of the Senate, put it beyond any presiding officer to touch.

Mr. ALLEN. Yes, sir.

Mr. STENNIS. It is further provided, is it not, in the Constitution, that that representation for each State would never be changed—and "never" is a long word—never be changed without that State's consent. Is that not true?

Mr. ALLEN. That is correct.

Mr. STENNIS. That, I think, underscores the rules of the Senate. That is what they were talking about, the Senate and the Senators, and certain things would prevail. So is it not true that there was put beyond doubt and beyond the reach of any future Senate——

Mr. ALLEN. Yes, sir, that is correct.

Mr. STENNIS (continuing). Changing in any way the representation or that representation's right to vote, each with one vote, and then said, it shall not be changed unless that State agrees; even if it be 1 State out of 13 or 1 out of 50, whatever it might become later, still that State would have to consent?

Mr. ALLEN. Yes, sir.

Mr. STENNIS. Still, we have had here now, by the ruling of one man—one man only—he is a constitutional officer and I am not talking about him personally, but he has made a ruling here that has swept aside the practices and written rules of almost 200 years. Is that not correct? That is the effect of the Rockefeller ruling, is it not?

Mr. ALLEN. That is correct, yes.

Mr. STENNIS. And opened the door to a near majority of this body changing those rules.

Mr. ALLEN. Yes.

Mr. STENNIS. Now, I know of one other person, and I am speaking with great deference to him; he is a great favorite of mine; I speak now of our former Vice President, the present Senator from Minnesota (Mr. HUMPHREY). He ruled the same way; and no other Vice President, as far as I know, has ever ruled that way. Is that not what the record shows?

Mr. ALLEN. Yes, I believe that is correct.

Mr. STENNIS. I know I have been through many debates with the Senator from Minnesota, and he was already committed before he ever became Vice President. He believed that with all of his heart and soul, and worked for it here day after day and some nights.

But I think it is a strange day when, with all this historical precedent, and especially in view of the last few years, when this rule as written now has been working, it seems to me, almost perfectly under the two-thirds rule, it is a strange day when it can all be swept aside here just by one person opening the door, and the momentary numerical strength happens to be in favor of the rule change.

Mr. ALLEN. I certainly agree with the Senator.

Mr. STENNIS. I commend the Senator for the work he is doing, and I am glad to be associated with him.

Mr. ALLEN. I thank the Senator for his comments and his questions, and the facts he has given.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Alabama yield for a question only?

Mr. ALLEN. Yes, I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator from Alabama be willing to yield the floor to me, not necessarily at this moment—he may wish to hold it further for a while—but would he yield to me for a unanimous-consent request that when the Senate completes its business today it stand in recess until the hour of 12 o'clock noon tomorrow with the understanding that when I make that request, if he wishes to discuss this matter a bit further, he may do so? I would like for other Senators to be on notice as to whether or not there will be further votes today, or whether we will stand in recess shortly.

Mr. ALLEN. I would like first to inquire if the distinguished assistant majority leader expects to use the first hour tomorrow in the traditional 1 hour of debate prior to the cloture motion being acted on tomorrow.

Mr. ROBERT C. BYRD. Mr. President, if I may respond without the distinguished Senator losing his right to the floor, and without the resumption of his remarks being considered a second speech, if the Senate recesses over until 12 o'clock noon tomorrow, it would be with the anticipation that the Senate would follow the cloture rule, that being that after the prayer there would be 1 hour of debate, and it would be with the understanding—and we could, if desired, include that in our unanimous-consent request—that that hour would be for the purpose only of debate on the cloture motion, after which the Chair would have the clerk call the roll to establish a quorum, after which there would be a vote on the motion to invoke cloture.

If the vote on the motion to invoke cloture fails, then the Senate would resume its consideration of the now pending matter. If cloture is invoked under the rule, then the Senate would have to proceed with the disposition of that matter to the exclusion of all other business, and when that matter, to wit, the Penn Central question, has been disposed of, then the Senate would resume its con-

sideration of the now pending matter at that time.

Mr. ALLEN. Who would have the floor on the resumption of our session?

Mr. ROBERT C. BYRD. The floor would be up for grabs; just whatever Senator is recognized by the Chair.

Mr. ALLEN. That does not seem to give the Senator from Alabama too much chance.

Mr. ROBERT C. BYRD. The Senator would have equal chance with every other Senator.

Mr. ALLEN. Well, theoretically.

Mr. ROBERT C. BYRD. May I say that based on my own observations, and I have not been able to be on floor at all times, I think the Senator has done right well in obtaining recognition.

Mr. ALLEN. I wonder who will be in the Chair at that time.

Mr. ROBERT C. BYRD. I have no way of knowing that.

Mr. ALLEN. I hope not a couple of fellows who have been up there earlier this session.

I wonder if I might inquire whether we might have a short quorum call in order that I might confer with others interested in the same problem.

Mr. ROBERT C. BYRD. Yes. Will the Senator allow me to ask, while he is conferring with others, that there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes, and that the period for the transaction of routine morning business not extend beyond 15 minutes, and that at the conclusion of the period for the transaction of routine morning business the distinguished Senator from Alabama be recognized, and that his recognition the second time not be considered a second speech? I do this because it is necessary that there be some space in the RECORD today allocated for the purpose of morning business.

The PRESIDING OFFICER (Mr. ABOUREZK). Is there objection?

Mr. MONDALE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, for a question.

Mr. MONDALE. How long is it anticipated that the quorum call would need to be?

Mr. ALLEN. Oh, I would not have in mind letting it go live. Just 10 or 15 minutes.

Mr. MONDALE. That would be all right.

Mr. ROBERT C. BYRD. It would be my thought that the period for routine morning business would suffice for a quorum, and if no Senators sought recognition, there would be a quorum call, with the understanding that following the quorum call the Senator from Alabama would retain his right to the floor.

Mr. ALLEN. Subject to morning business, which would be right before we go out?

Mr. ROBERT C. BYRD. I thought we would take care of the morning business at this time; or we can make it following the quorum call, if the Senator would prefer.

Mr. ALLEN. Well, any way the Senator wants to do it.

Mr. ROBERT C. BYRD. Then, Mr. President, if the Senator will yield under the same understanding——

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I shall shortly suggest the absence of a quorum, with the understanding that immediately following the quorum call the Senator from Alabama be recognized under the conditions as previously stated, and then, if we can reach the agreement we are attempting to reach, shortly after that, we would have a motion to recess until tomorrow, but prior to that motion to recess I would hope that we can get a period for the transaction of routine morning business included.

Mr. ALLEN. That sounds good.

Mr. ROBERT C. BYRD. Mr. President, under those conditions, if there be no objection, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

Mr. ALLEN. I thank the Chair for recognizing me in accordance with the unanimous-consent agreement, of course, and I am willing after having discussed the proposed unanimous-consent agreement suggested by the distinguished assistant majority leader with those Senators who do oppose Senate Resolution 4, and it is our agreement that we do agree to the unanimous-consent request.

Mr. ROBERT C. BYRD. Will the Senator yield to me for the purpose only of making that request at this time?

Mr. ALLEN. I yield to the Senator.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that after the prayer and the two leaders have been recognized under the standing order—with the understanding that the leaders can make no motion or do anything that would affect in any way whatsoever the pending matter—the distinguished Senator from Oklahoma (Mr. BELLMON) be recognized for not to exceed 15 minutes, after which the 1 hour under the cloture rule begin running on the motion to invoke cloture on the Penn Central matter, the time during that 1 hour to be equally divided between Mr. HARTKE and Mr. WEICKER; and provided further that—

Mr. President, what occurs thereafter, takes care of itself automatically.

Mr. MONDALE. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. If the Senator will allow me.

Mr. ALLEN. Yes.

Mr. MONDALE. As I understand it——

Mr. JAVITS. Will the Senator use his microphone?

Mr. MONDALE. Yes.

As I understand the proposed unanimous consent request, we would now go off the question of Senate Resolution 4 onto morning hour and Senate Resolution 4 would not come up again until after the cloture vote, if it is unsuccessful, or until after the completion of the railroad legislation, if it is successful.

Depending on when it comes up, the floor would then be open to proceed from the point we are now and the floor would be open; is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. ALLEN. What is the pending business, may I inquire.

Mr. ROBERT C. BYRD. Will the Senator yield to me further at this point?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. Let me restate my unanimous-consent request.

The answer is in the affirmative to both of the questions of the Senator from Minnesota.

I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that, following the prayer, the two leaders be recognized under the standing order, with the understanding that no motions in any way affecting Senate Resolution 4 be in order during that time; provided further, that, following the recognition of the two leaders under the standing order, Mr. BELLMON be recognized for not to exceed 15 minutes, after which the 1 hour provided under rule XXII on the motion to invoke cloture begin running, the time to be equally divided between Mr. HARTKE and Mr. WEICKER; provided further, that upon the disposition of the cloture vote, if the motion to invoke cloture fails, the Senate than resume its consideration of Senate Resolution 4, the question now pending, being again pending that point; and that, in the alternative, if the motion to invoke cloture carries, under the rule, the Senate proceed with the further consideration of the Penn Central matter until that matter is disposed of; at which time, upon the disposition of that matter, the Senate resume its consideration of Senate Resolution 4, with the question then before the Senate being the question in its present status.

Mr. MONDALE. Will the Senator yield for a question only?

Mr. ALLEN. Yes.

Mr. MONDALE. What you mean by status as it is now, the present parliamentary situation, is the floor would be open for recognition; is that correct?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. What is the pending business, Mr. President?

The PRESIDING OFFICER. The pending business is the motion of the Senator from Alabama to postpone the pending business for a period of 30 days, the pending question being the motion by the Senator from Minnesota.

Mr. ROBERT C. BYRD. That would be the pending question when the Senate resumes consideration of the matter.

Mr. MONDALE. What happened to the Senator's motion to postpone it for a decade?

Mr. ALLEN. That was just casual talk.

The PRESIDING OFFICER. Is there objection to the request? There being no objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, Mr. President, if the Senator will yield, we might now have a period for the transaction of routine morning business with the understanding that when that period is closed the Senate will stand in recess.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements limited therein to 3 minutes, such period not to extend beyond 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON THE RELATIVE STATUS OF THE ANG AND THE AFR

A letter from the Secretary of Defense, transmitting a secret document entitled "Report on the Relative Status of the ANG and the AFR (with an accompanying document); referred to the Committee on Armed Services.

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE VETERANS' ADMINISTRATION

A letter from the Deputy Director of the Office of Management and Budget reporting, pursuant to law, that the appropriation for the Veterans' Administration for Compensation and Pensions has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation for the fiscal year 1975; to the Committee on Appropriations.

REPORT OF THE ASSISTANT SECRETARY OF DEFENSE

A letter from the Assistant Secretary of Defense reporting, pursuant to law, on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under German Offset Agreement for the quarter October 1, 1974, through December 31, 1974; to the Committee on Appropriations.

REPORT OF THE ASSISTANT SECRETARY OF DEFENSE

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report on the Defense Manpower Requirements for the fiscal year 1976 (with an accompanying report); to the Committee on Armed Services.

REPORT OF THE GENERAL SERVICES ADMINISTRATION

A letter from the Acting Administrator of the General Services Administration transmitting, pursuant to law, a report on borrowing authority for the period ending June 30, 1974 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting, pursuant to law, a report on export administration covering the third quarter of 1974 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE SECRETARY OF DEFENSE

A letter from the Deputy Secretary of Defense reporting, pursuant to law, on the applications for a license to export goods or technology to the Soviet Union, Eastern Europe, or the People's Republic of China; to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION BY THE SECRETARY OF COMMERCE

Two letters from the Secretary of Commerce each transmitting a draft of proposed legislation (1) to authorize appropriations to carry out the Standard Reference Data Act; and (2) to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes (with accompanying papers); to the Committee on Commerce.

REPORT OF THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting, pursuant to law, the annual report of the activities of the Department of Commerce during fiscal year 1974 (with an accompanying report); to the Committee on Commerce.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on grants approved by the Department of Health, Education, and Welfare which are financed wholly with Federal funds (with an accompanying report); to the Committee on Finance.

REPORTS OF THE DEPARTMENT OF STATE

A letter from the Acting Assistant Secretary of State transmitting, pursuant to law, reports on foreign assistance obligations regarding Laos, Vietnam, and Cambodia; to the Committee on Foreign Relations.

PROPOSED LEGISLATION OF THE DEPARTMENT OF STATE

A letter from the Acting Assistant Secretary of State transmitting a draft of proposed legislation to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during fiscal years 1976 and 1977 (with accompanying papers); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a list of the reports of the General Accounting Office for the month of January 1975 (with accompanying papers); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on Federal coal research—status and problems to be resolved, multiagency (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improved cooperation and coordination needed among all levels of government—Office of Management and Budget Circular A-95, Office of Management and Budget, and other Federal agencies (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improvements needed in cost-effectiveness studies for major weapon systems, Department of the Army (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on government support of the shipbuilding industrial base, Maritime Administration, Department of Defense (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on premium pay for Federal inspectors at U.S. ports-of-entry, Department of the Treasury, Department of Justice, Department of Agriculture, Department of Health, Education, and Welfare (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on local housing authorities and ways they can improve their operations and reduce dependence on operating subsidies, Department of Housing and Urban Development (with an accompanying report); to the Committee on Government Operations.

PLAN FOR USE AND DISTRIBUTION OF JUDGMENT FUNDS AWARDED THE STILLAGUAMISH TRIBE OF INDIANS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed plan for the use and distribution of the judgment funds awarded to the Stillaguamish Tribe of Indians in Docket 207 before the Indian Claims Commission (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE ADMINISTRATION OF THE FREEDOM OF INFORMATION ACT

A letter from the Executive Director, Emergency Loan Guarantee Board, transmitting, pursuant to law, a report of the administration of the Freedom of Information Act, covering the period January 1, 1974, through December 31, 1974 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED AMENDMENT OF THE ANTITRUST CIVIL PROCESS ACT

A letter from the Attorney General of the United States, transmitting a draft of proposed legislation to amend the Antitrust Civil Process Act to increase the effectiveness of discovery in civil antitrust investigations (with accompanying papers); to the Committee on the Judiciary.

THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATION

A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting, pursuant to law, reports concerning visa petitions which have been approved according the beneficiaries of such petitions third preference and sixth

preference classification (with accompanying papers); to the Committee on the Judiciary.

NOTICE OF FINAL REGULATIONS AND GUIDELINES, TITLE III, ELEMENTARY AND SECONDARY EDUCATION ACT

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, notice of final regulations and guidelines, title III, Elementary and Secondary Education Act, section 306, supplementary educational centers and services; guidance, counseling, and testing (with accompanying papers); to the Committee on Labor and Public Welfare.

DEPARTMENT OF JUSTICE POSITIONS IN GRADES GS–16, GS–17, AND GS–18

A letter from the Assistant Attorney General for Administration, United States Department of Justice, transmitting, pursuant to law, a report on Department of Justice positions in grades GS–16, GS–17, and GS–18, January 1, 1974, through December 31, 1974 (with an accompanying report); to the Committee on Post Office and Civil Service.

REVIEW OF THE COMPTROLLER GENERAL OF RESCISSIONS AND DEFERRALS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, review of rescissions and deferrals transmitted with the President's Eighth Special Message (with accompanying papers); to the Committee on Appropriations, the Committee on the Budget, the Committee on Labor and Public Welfare, the Committee on Commerce, the Committee on Agriculture and Forestry, the Committee on Armed Services, the Committee on Public Works, the Committee on Interior and Insular Affairs, and the Committee on Finance, pursuant to order of January 30, 1974; and ordered to be printed.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution from the Legislature of the State of Hawaii; referred to the Committee on Agriculture and Forestry:

"HOUSE CONCURRENT RESOLUTION 20

"Requesting the Congress of the United States to direct the United States Department of Agriculture to maintain food stamp prices at their present level

"Whereas, the United States Department of Agriculture is responsible for formulating and administering a food stamp program under the Food Stamp Act of 1964 as amended; and

"Whereas, on December 6, 1974, the Secretary of Agriculture has proposed in the Federal Register (39CFR 47200) that the schedule of prices charged for food stamps be increased beginning March 1, 1975; and

"Whereas, the United States Department of Labor, Bureau of Labor Statistics, has reported that the Consumer Price Index increased 12.2 percent during the year ending December 31, 1974; and

"Whereas, the effect of inflation coupled with increased food stamp prices will be to make it impossible for the poorest families in the United States to afford to purchase enough food to meet the most minimal standards of decency and health; and

"Whereas, food stamps is the only nationwide assistance program because many states do not provide public assistance to poor, intact families in which the father works more than 100 hours a month; now, therefore,

"Be it resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1975, the Senate concurring, that the Congress of the United States is requested to direct the Secretary of Agriculture to maintain food stamp prices at their present level; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to members of Hawaii's Congressional Delegation, the President of the United States Senate, the Speaker of the United States House of Representatives, and the respective committees on Agriculture of the Senate and House of Representatives."

A concurrent resolution from the Legislature of the State of Louisiana; referred to the Committee on Banking, Housing and Urban Affairs:

"SENATE CONCURRENT RESOLUTION No. 21

"A concurrent resolution to memorialize the President of the United States, the Vice-President, the Council of Economic Advisors and the members of Congress to take appropriate action to provide an economic stimulus to the home building industry and to take appropriate action to encourage homeownership by middle and moderate income families, particularly young families

"Whereas, the United States Department of Commerce, in a recent report, stated that the number of new housing units begun in December, 1974, dropped to its lowest level in eight years and that the number of privately owned new houses and apartments started in the year 1974 was thirty-five percent less than in the year 1973; and

"Whereas, the virtual standstill and lack of productivity in the home building industry has a substantial deleterious effect upon many areas of our national economy, particularly those areas which provide materials and related services to this industry; and

"Whereas, the home building industry is a vital part of the construction industry as a whole, an industry which has a tremendous impact on the economic growth of our country; and

"Whereas, home construction is directly influenced by the ability of people to purchase homes; and

"Whereas, due to the high cost of financing homeownership, many moderate and middle income families, particularly young families, are unable to afford a new home or an already existing older home and find it necessary to live in rented houses or apartments long after they are otherwise ready to assume the responsibility of homeownership; and

"Whereas, homeownership constitutes a stabilizing influence on family life and thus has a positive effect on all areas of life as well as the national economy; and

"Whereas, in the preamble to the Housing Act of 1949, Congress set forth a national housing goal of "a decent home and suitable living environment for every American family", and in carrying out this goal, the federal government has provided financial assistance to lower income families to encourage homeownership; and

"Whereas, in order to encourage homeownership by middle and moderate income families, particularly among younger people, the federal government should consider providing financial assistance to such families, possibly through loans or subsidies on interest payments, commensurate with the income and needs, both present and future, of each individual family.

"Therefore, be it resolved by the Senate of the Legislature of Louisiana, the House of Representatives thereof concurring, that the President of the United States, the Vice-President, the members of the Council of Economic Advisors and the members of Congress are hereby memorialized to take appropriate action to provide an economic stimulus to the home building industry.

"Be it further resolved that the President, Vice-President, members of the Council of Economic Advisors and members of Congress are hereby memorialized to take appropriate action to encourage homeownership by middle and moderate income families, particularly young families.

"Be it further resolved that a copy of the Resolution shall be transmitted to the President of the United States, the Vice-President the members of the Council of Economic Advisors and the members of the congressional delegation of this state."

A concurrent resolution from the General Assembly of the State of South Carolina; referred to the Committee on Commerce:

"A CONCURRENT RESOLUTION TO MEMORIALIZE THE CONGRESS OF THE UNITED STATES TO TERMINATE DAYLIGHT SAVING TIME EACH YEAR AT MIDNIGHT ON THE SUNDAY FOLLOWING LABOR DAY

"Whereas, for the safety of children attending school and for the convenience, benefit and more effective operation of certain industries and the farmers of this State the General Assembly of South Carolina has concluded that an earlier termination of daylight saving time is appropriate. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the General Assembly by this resolution respectfully requests the Congress of the United States to take necessary action to annually terminate daylight saving time at midnight on the Sunday following Labor Day.

Be it further resolved that copies of this Resolution be forwarded to the Speaker of the United States House of Representatives, the Vice-President and each member of the South Carolina Congressional Delegation in Washington, D.C."

A resolution from the House of Representatives of the Commonwealth of Puerto Rico; referred to the Committee on Finance:

"RESOLUTION

"To express the (*concern*) of the House of Representatives of Puerto Rico (*with*) (*the* OPINION *recently issued by the United States Department of Justice*) *to the effect that the reimbursement of the 'license' fees collected on imported oil to our Treasury is not in order, and (to request) from the pertinent Federal authorities that* (*said* OPINION *be rendered ineffective*) accordingly

"STATEMENT OF MOTIVES

"Through the newspapers of our country, we have learned with real dismay that the United States Department of Justice has just issued an opinion on Puerto Rico which violates the fundamental principle of the American democracy, and directly violates the political relationship between the United States and Puerto Rico. The Federal Justice Department, reversing a continued fiscal record between the United States and Puerto Rico, ruled that it is illegal for the Federal Government to return to our Treasury the 'license' fees collected on imported oil.

"It is already known that President Ford has just levied a $3.00 tariff per barrel of imported oil. Being Puerto Rico one of the main importers of oil, the 'license' fees collected should revert into our Treasury. With the Federal Justice Department newly issued opinion, Puerto Rico shall lose that benefit.

"It is imperative, for the economy of Puerto Rico and the success of the petrochemical industry, that the aforementioned opinion of the Justice Department be repealed. We must not and cannot permit that such a serious injury be inflicted upon the people of Puerto Rico.

"Be it resolved by the House of Representatives of Puerto Rico:

"SECTION 1.—To express the concern of the House of Representatives of Puerto Rico with the opinion recently issued by the United States Department of Justice to the effect that the reimbursement of the 'license' fees collected on imported oil to our Treasury is not in order.

"SEC. 2.—To request from the President of the United States, the Honorable Gerald Ford, and from the Congress of the United States that such opinion be rendered ineffective accordingly.

"SEC. 3.—To send a certified copy of this resolution, duly translated into English, to the President of the United States, the Honorable Gerald Ford, to the Senate and to the House of Representatives of the United States, to the Honorable Jaime Benitez, Resident Commissioner in Washington, to Mr. Carlos Romero Barcelo as Chairman of the National League of Cities of the United States, to the press, radio and television stations of Puerto Rico for its broadcasting."

A resolution from the Legislature of the Commonwealth of Massachusetts; referred to the Committee on Finance:

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT A NATIONAL HEALTH CARE EXPANSION AND IMPROVEMENT ACT

"Whereas, The per capita cost of medical services is higher in the United States than in other developed nations; and

"Whereas, The health delivery system of the United States is significantly behind that of other developed nations in important categories; now, therefore, be it

"Resolved, That the General Court of Massachusetts hereby respectfully urges the Congress of the United States to enact a *national health insurance program* that will provide for expanded and improved benefits for the health care of all our citizens; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress of the United States and to each member thereof from the Commonwealth."

A resolution from the Legislature of the Virgin Islands; referred to the Committee on Finance:

"RESOLUTION No. 730

"Bill No. 6489—Tenth legislature of the Virgin Islands of the United States, regular session, 1974, to petition to the Governor and the V.I. Delegate to urge the Congress of the United States to amend the Internal Revenue Laws regarding their application to the Virgin Islands

"Whereas the internal revenue laws in force in the United States are likewise in force in the Virgin Islands; and

"Whereas the Virgin Islands is a separate taxing jurisdiction from the United States; and

"Whereas the internal revenue laws of the United States are being administered in the Virgin Islands in such manner as to tax certain United States citizens as 'Aliens', to tax United States corporations as 'foreign' corporations, and to deny Virgin Islands taxpayers certain elections, deductions and credits which are granted to all other U.S. citizens living in the Continental United States; and

"Whereas if all citizens of the United States are not accorded equal tax treatment, whether they be residents of the United States or residents of the Virgin Islands, a detrimental effect on business, investment and tax revenues in the Virgin Islands will undoubtedly result; and

"Whereas the term used to describe the manner in which the internal revenue laws of the United States are applied to the Virgin Islands is the 'mirror theory' or the 'mirror system' of taxation; and

"Whereas only the Congress of the United States is empowered to enact legislation which would effect a change in the internal revenue laws; Now, Therefore,

"Be it resolved by the Legislature of the Virgin Islands:

"Section 1. That the Legislature is in favor of eliminating the so called "mirror system" of taxation in all instances in which said system results in any United States citizen residing in the Virgin Islands or any Virgin Islands corporation being denied any deduction, credit, election or exemption under the Internal Revenue Code of 1954, as amended, by reason of the fact that the Virgin Islands is a separate taxing jurisdiction from the United States.

"Section 2. That the Legislature, in order to secure the revenue levels of the Government of the Virgin Islands, is in favor of limiting the amount of income taxes paid to the Virgin Islands Treasury by any taxpayer, to an amount equivalent to that which would be paid the United States Treasury were the Virgin Islands a state of the United States, since, in so doing, United States citizens residing in the Virgin Islands would have equal tax treatment whether they were residents of the United States or residents of the Virgin Islands.

"Section 3. That the Legislature hereby petitions the Governor of the Virgin Islands and the Virgin Islands Delegate to the United States House of Representatives to use their good offices in urging the Congress of the United States to enact legislation which would accomplish the sentiments of this Body as expressed in Sections 1 and 2 hereof.

"Section 4. That copies of this Resolution, immediately upon its passage, be forwarded to the President of the Senate, the Speaker of the House of Representatives, the respective chairmen of the House and Senate standing Committees on Ways and Means, and the Virgin Islands Delegate to the United States House of Representatives, Washington, D.C.

"Thus passed by the Legislature of the Virgin Islands on December 19, 1974."

A resolution from the Legislature of the State of Oklahoma; referred to the Committee on Foreign Relations:

"A RESOLUTION RELATING TO THE PRESENT DRUG PROBLEM IN THE UNITED STATES; MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO MAKE IT THE SENSE OF CONGRESS THAT THE TURKISH GOVERNMENT SHOULD PREVENT THE RESUMPTION OF OPIUM PRODUCTION; AND AUTHORIZING DISTRIBUTION

"Whereas, after a two-year limitation, the Turkish Government announced in July of 1974 that the opium poppy would once again be grown in Turkey; and

"Whereas, prior to the ban on the cultivation of the opium poppy, Turkey was the primary source of nearly eighty percent of the heroin that reached the United States; and

"Whereas, Turkey's action is in direct breach of a 1971 agreement wherein the United States was to pay for the loss of the opium crop; and

"Whereas, during the two years that Turkish fields lay fallow, the estimated number of United States addicts dropped from 600,000 to 200,000; and

"Whereas, narcotic officials fear it will be impossible to keep the heroin made from Turkish opium out of the United States market if the Turkish Government does not prevent the resumption of opium production in Turkey.

"Now, therefore, be it resolved by the House of Representatives of the 1st session of the 35th Oklahoma legislature:

"Section 1. That it is the firm conviction of the people of Oklahoma that the Congress of the United States make it the sense of Congress that the President of the United States should immediately initiate negotiations at the highest level of the Turkish Government to prevent the resumption of opium production and, if such negotiations prove unfruitful, to exercise the authority provided by the Congress under the Foreign Assistance Act to terminate all assistance to the Government of Turkey.

"Section 2. That duly authenticated copies of this Resolution, signed by the Speaker of the House of Representatives and attested by the Chief Clerk shall be transmitted to the President Pro Tempore of the United States Senate and to both United States Senators from the State of Oklahoma and to the Speaker of the House of Representatives of the United States and to each member of the House of Representatives from the State of Oklahoma."

A concurrent resolution from the Legislative Assembly of the State of North Dakota; referred to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION No. 4007

"A concurrent resolution for the ratification of a proposed amendment to the Constitution of the United States, prohibiting states from denying a citizen equality of rights under law on account of sex

"Whereas, the 92nd Congress of the United States of America at its second session, in both Houses by a constitutional majority of two-thirds thereof, adopted the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"JOINT RESOLUTION

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), that the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the Legislature of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE

"Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

"Section 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

"Section 3. This Amendment shall take effect two years after the date of ratification.

"Now, therefore, be it resolved by the Senate of the State of North Dakota, the House of Representatives concurring therein: ernor of the state of North Dakota, to the Constitution of the United States of America be and the same is hereby ratified by the Forty-fourth Legislative Assembly of the state of North Dakota; and

"Be it further resolved, that certified copies of this resolution be forwarded by the Governor of the state of North Dakota to the Administrator of General Services, Washington, D.C., and to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States."

A petition from the Legislative Council, the State of Wisconsin, requesting the Congress to hold public hearings on the Plan for Transfer of All the Assets of Menominee Enterprises Inc., A Wisconsin Corporation Pursuant to Sections 6(a) and 6(b) of the

Menominee Restoration Act which was submitted to Congress December 27, 1974; referred to the Committee on Interior and Insular Affairs.

A resolution from the General Assembly of the State of Rhode Island; referred to the Committee on Public Works:

"SENATE RESOLUTION MEMORIALIZING CONGRESS, THE RHODE ISLAND DELEGATION IN CONGRESS, THE PRESIDENT OF THE UNITED STATES, AND THE LEGISLATURES OF THE VARIOUS STATES TO SUPPORT LEGISLATION TO GRANT FUNDS TO THE VARIOUS STATES FOR THE PURPOSE OF PUBLIC WORKS PROJECTS

"Whereas, Because of the state of the economy in the State of Rhode Island and throughout the nation there is a high rate of unemployment, which condition is projected to become more severe; and

"Whereas, Funds available for such projects would create employment, and provide necessary public works projects for the State of Rhode Island and the various states of the nation; and

"Whereas, There is a need for hospitals, schools, playgrounds, conservation projects, wildlife protection, preservation of natural resources, playgrounds, highways, roads, streets, bridges, prisons, public buildings, and other public works projects in the State of Rhode Island and the various states of the nation; now, therefore, be it

"Resolved, That Congress, the Rhode Island delegation in Congress, the President of the United States, and the legislatures of the various states be memorialized and respectfully requested to support legislation to grant funds to the various states for the purpose of public works projects; and be it further

"Resolved, That the Secretary of State be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the presiding officer of the United States Senate, the presiding officer of the United States House of Representatives, to the Senators and Representatives from Rhode Island in the Congress of the United States, the President of the United States, and the presiding officers of the legislatures of the various states."

A concurrent resolution from the General Assembly of the State of Delaware; ordered to lie on the table:

"SENATE CONCURRENT RESOLUTION No. 12

"Congratulating United States Senator Joseph R. Biden, Jr., on his appointment to the Foreign Relations Committee of the United States Senate

"Whereas, the members of the General Assembly of the State of Delaware have learned with pride and appreciation of the appointment of United States Senator Joseph R. Biden, Jr., of Delaware to the prestigious Foreign Relations Committee of the United States; and

"Whereas, this appointment of Senator Biden is a signal honor for Delaware both because of the Senator's comparative youth and because Delaware rarely, in the history of the United States, has had the distinction of having one of its sons on this internationally-respected committee; and

"Whereas, Senator Biden through this appointment continues to fulfill the high hopes of the citizens of Delaware in the growth of his Senatorial career; and

"Whereas, the appointment of Senator Biden to the Senate Foreign Relations Committee speaks volumes for the respect in which he is held by his colleagues in the United States Senate; and

"Whereas, in his many statements and talks Senator Biden has given strong evidence of his unusual ability to analyze problems involving foreign policy; and

"Whereas, in his appointment to the Foreign Relations Committee at the age of 32 Senator Biden will be able to bring his fine mind and analytic powers to bear on the most difficult problem of our era, achieving and maintaining peace; and

"Whereas, Senator Biden began his service as a member of the Foreign Relations Committee on January 17 of this year.

"Now Therefore be it resolved by the Senate of the 128th General Assembly of the State of Delaware, the House concurring therein, that this resolution expresses the sincere congratulations of the General Assembly on the appointment of United States Senator Joseph R. Biden, Jr. to the Foreign Relations Committee of the United States Senate.

"Be it further resolved that this Concurrent Resolution also expresses the deep faith of the citizens of Delaware in Senator Biden's ability to serve with great distinction and purpose on this the most prestigious committee in the world's greatest deliberative body, the United States Senate.

"Be it further resolved that a copy of this Concurrent Resolution be transmitted to Senator Biden and that a copy be transmitted to Vice-President Nelson A. Rockefeller, the presiding officer of the United States Senate, for the purpose of inclusion in the pages of the Congressional Record as a permanent expression of the esteem in which Senator Biden is held by the citizens of Delaware through their elected representatives to the 128th General Assembly."

A resolution from the Department of Environmental Protection of the State of Maine relating to availability of sewage treatment funds; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, Budget, and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.J. Res. 210. A joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 94-21).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. RANDOLPH, from the Committee on Public Works:

Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS (for himself, Mr. FONG, Mr. ABOUREZK, Mr. BAYH, Mr. BROCK, Mr. BROOKE, Mr. BUCKLEY, Mr. CASE, Mr. CLARK, Mr. CRANSTON, Mr. DOLE, Mr. GRAVEL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. KENNEDY, Mr. MATHIAS, Mr. METCALF, Mr. MONDALE, Mr. MOSS, Mr. MCGEE, Mr. MCGOVERN, Mr. NELSON, Mr. PELL, Mr. RIBICOFF, Mr. ROTH, Mr. HUGH SCOTT, Mr. SPARKMAN, Mr. STEVENS, Mr. TUNNEY, and Mr. WILLIAMS):

S. 824. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purpoees. Referred to the Committee on Foreign Relations.

By Mr. CASE:

S. 825. A bill to amend the Outer Continental Shelf Lands Act to provide for strict liability in the case of damage caused by oil spills, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 826. A bill to amend the Coastal Zone Management Act of 1972 in order to authorize financial assistance to coastal States to enable them to study, assess, and plan effectively with respect to the impact within their coastal zones of off-shore energy-related facilities and activities and to assure the maximum effectiveness of the coastal zone management plans of such States, and for other purposes. Referred to the Committee on Commerce.

S. 827. A bill to amend the National Environmental Policy Act to provide for the filing of certain supplemental information statements. Referred to the Committee on Public Works.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 828. A bill to provide for addition to the Fort Clatsop National Memorial of the site of the salt cairn utilized by the Lewis and Clark Expedition, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. FONG (for himself, Mr. BEALL, Mr. BROCK, Mr. BROOKE, Mr. BUCKLEY, Mr. CHURCH, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. EASTLAND, Mr. FANNIN, Mr. GARN, Mr. HANSEN, Mr. PHILIP A. HART, Mr. INOUYE, Mr. MCCLURE, Mr. MCGEE, Mr. MOSS, Mr. PERCY, Mr. RANDOLPH, Mr. RIBICOFF, Mr. ROTH, Mr. STAFFORD, Mr. THURMOND, and Mr. TOWER):

S. 829. A bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65. Referred to the Committee on Finance.

By Mr. HUDDLESTON:

S. 830. A bill to waive the statute of limitations with regard to the tort claims of certain individuals against the United States. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 831. A bill for the relief of Mrs. Hoamwatie Paderat, Mr. Hemprashad Padaret, Miss Neranjanie Padaret. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 832. A bill for the relief of Kristen Marisol Kneebone. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 833. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas. Referred to the Committee on Commerce.

By Mr. HASKELL (for himself, Mr. HANSEN, and Mr. GARY W. HART):

S. 834. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools. Referred to the Committee on Interior and Insular Affairs.

By Mr. McCLURE:

S. 835. A bill to amend chapter 2 of title 16, United States Code (relating to national forests), to provide a share of timber receipts to States for schools and roads. Referred to the Committee on Agriculture and Forestry.

By Mr. STAFFORD:

S. 836. A bill to amend title 38, United States Code, to liberalize the provisions for payment of educational assistance benefits to certain disabled veterans. Referred to the Committee on Veterans Affairs.

By Mr. BUCKLEY:

S. 837. A bill for the relief of Rose Minutillo. Referred to the Committee on the Judiciary.

By Mr. McCLURE:

S. 838. A bill to authorize the Secretary of the Army to delegate to the States certain functions with respect to the location and plans for structures, excavations, or fills in or on certain navigable waters. Referred to the Committee on Public Works.

By Mr. HUGH SCOTT:

S. 839. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday. Referred to the Committee on the Judiciary.

By Mr. McCLURE (for himself, Mr. DOLE, Mr. DOMENICI, Mr. HANSEN, Mr. MATHIAS, Mr. METCALF, Mr. THURMOND, Mr. YOUNG, and Mr. CHURCH):

S. 840. A bill to amend the Funeral Transportation and Living Expenses Benefits Act of 1974 (88 Stat. 53) to also provide memorial transportation and living expense benefits to the families of deceased servicemen classified as prisoners of war or as missing in action. Referred to the Committee on Armed Services.

By Mr. NELSON (for himself and Mr. PHILIP A. HART):

S. 841. A bill to protect individuals against conduct creating serious potential environmental health hazards. Referred to the Committee on Public Works.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. FONG, Mr. ABOUREZK, Mr. BAYH, Mr. BROOKE, Mr. BUCKLEY, Mr. CASE, Mr. CLARK, Mr. CRANSTON, Mr. DOLE, Mr. GRAVEL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. KENNEDY, Mr. MATHIAS, Mr. METCALF, Mr. MONDALE, Mr. MOSS, Mr. MCGEE, Mr. MCGOVERN, Mr. NELSON, Mr. PELL, Mr. RIBICOFF, Mr. ROTH, Mr. HUGH SCOTT, Mr. SPARKMAN, Mr. STEVENS, Mr. TUNNEY, and Mr. WILLIAMS):

S. 824. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes. Referred to the Committee on Foreign Relations.

JAPAN-UNITED STATES FRIENDSHIP ACT

Mr. JAVITS. Mr. President, today, with 32 cosponsors, I introduce the Japan-United States Friendship Act. The bill sets aside 10 percent of the $320 million being received from Japan pursuant to the reversion of Okinawa to establish a trust fund to promote scholarly, cultural and artistic exchanges between Japan and the United States. The programs authorized and to be funded under the bill are to be administered by an independent commission. The bill is introduced in the form in which it passed the Senate on June 7, 1974.

Joining as cosponsors are: Senators FONG, ABOUREZK, BAYH, BROCK, BROOKE, BUCKLEY, CASE, CLARK, CRANSTON, DOLE, GRAVEL, HATFIELD, HATHAWAY, HUMPHREY, INOUYE, JACKSON, KENNEDY, MATHIAS, METCALF, MONDALE, MOSS, MCGEE, MCGOVERN, NELSON, PELL, RIBICOFF, ROTH, SCOTT of Pennsylvania, SPARKMAN, STEVENS, TUNNEY, and WILLIAMS.

I hope that such a measure will become law this year, as it is uniquely relevant to the time.

The relationship of the last 30 years between Japan and the United States is one of the most remarkable in the history of East-West relations. Evolving from the bitterness and enmity of total war, through a prolonged postwar occupation and a period of political tutelage, the present day Japan-United States relationship is one of cooperation, mutual respect and trust between allies and equals. This unique relationship grows out of the experience of the last 30 years and is the foundation for plans and aspirations for peace and development in Asia for the next 30 years.

Japan is the linchpin of America's foreign policy in Asia; it is our closest and most important ally in Asia and is our second largest trading partner. It is a world economic power in the non-Communist world second only to the United States, and is a working democracy with free institutions. The perpetuation of our mutually beneficial relationship with Japan will require mutual understanding as well as continuing intelligent diplomacy, mutual self-interest and reciprocal respect.

The programs to be established under this legislation are intended to contribute in a most important way to the consolidation of United States-Japan friendship through deeper mutual understanding and broader cultural ties. The peaceful reversion of Okinawa is a milestone of 20th century diplomacy and a significant symbol that we seek to commemorate. The return of Okinawa to Japanese administration under the Okinawa Reversion Agreement, approved by the Senate 84 to 6, provides that Japan pay $320 million to the United States over a period of 5 years as reimbursement of the cost to the United States for public utilities and other facilities on the island which were turned over to Japanese administration, plus some costs in connection with relocation of American facilities and employment of indigenous labor.

While the "Japanese miracle" is one of the major developments of the last half of the 20th century, relatively little is known and understood about the remarkable Japanese society and culture which produced such progress. The Japanese language is the least known in the United States of any of the world's greatest languages. Japanese art and literature are considered to be treasures by the experts but remain largely unexplored and unknown to the American public outside of a small group of scholars. It is essential to our national interest that we achieve a deeper and broader understanding of Japanese society and culture. This legislation could make a major difference, and it commands overwhelming support in academic circles.

Japanese studies programs presently are available in only a handful of American colleges and universities. Foundations are withdrawing their support for the most part from even the few existing programs, as such aid was never intended to be permanent but to get programs off the ground in the expectation that the U.S. Government could then step in with financial aid when the programs had proved their worth. Moreover, despite moderate increases in recent years, funds for the Fulbright-Hays exchange programs with Japan are still far below their 1966 peak. In all areas, Federal assistance has not been forthcoming on a scale to fulfill even minimum needs.

The Japan-United States Friendship Act establishes a Trust Fund within the U.S. Treasury which would draw interest. Additionally, tax-free gifts can be made to the Trust Fund. The interest, and up to 5 percent of the capital of the Trust Fund, would be available annually for the purposes designated in section 3 of the bill. The capital and unused interest in the Trust Fund remain in the Treasury in the form of Treasury bills. Actual annual expenditures would be between $2 and $3 million per year.

The Japan-United States Friendship Act has received a very favorable reaction in Japan as well as in the Senate since its original introduction in August 1972. It was passed by the Senate without a dissenting vote on June 7 but was not acted upon in the House of Representatives. Throughout its legislative history, the Japan-United States Friendship Act has enjoyed broad bipartisan cosponsorship.

Also, highly significant is the support of the academic community. This support was articulated most convincingly on May 1 and 2, 1974, when Prof. Edwin O. Reischauer of Harvard University and former U.S. Ambassador to Japan, Prof. Robert E. Ward of Stanford University and Prof. John W. Hall of Yale and others testified before the Foreign Relations Committee. As Professor Reischauer, the dean of American scholars on Japan, referring to the state of United States-Japan relations stated:

We have got to work hard to make up for this slide in confidence, in closeness of relationships that I think has gone on for the last few years, and it is for this reason that I see this [the Japan-United States Friendship Act] as being vastly more important today....

Professor Hall of Yale, who is chairman of the United States-Japan Cultural Conference, stated:

I would like to emphasize the fact that a critical gap in public communication and understanding continues to exist between the United States and Japan, the gap existing despite the increasing economic, political and cultural importance of Japan to the United States, and despite the fact that our diplomats and businessmen have gained each other's confidence and have learned to adjust their differences on a practical basis. . . . The Japan-United States Friendship Act will go a long way toward enhancing the effort.

I am hopeful that this bill will be acted upon soon in the Senate and the House of Representatives. Our relationship with Japan merits support in this form.

I ask unanimous consent to have printed in the RECORD the text of the Japan-United States Friendship Act, parts I and II of the report of the Foreign Relations Committee of May 29, 1974, articles that have appeared in the news media concerning this bill, and the names of the cosponsors of this bill in the 92d, 93d, and 94th Congresses.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Japan-United States Friendship Act."

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that—

(1) the evolution of the relationship between Japan and the United States from wartime bitterness to peacetime friendship and partnership is one of the most significant developments of the postwar period;

(2) the agreement between Japan and the United States of America concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo on June 19, 1970, is a major achievement and symbol of the new relationship between the United States and Japan; and

(3) the continuation of close United States-Japan friendship and cooperation will make a vital contribution to the prospects for peace, prosperity, and security in Asia and the world.

(b) It is therefore the purpose of this Act to provide for the use of an amount equal to a part of the sums to be paid by Japan to the United States in connection with the reversion of Okinawa to Japanese administration to aid education and culture at the highest level in order to enhance reciprocal people-to-people understanding and to support the close friendship and mutuality of interests between the United States and Japan.

ESTABLISHMENT OF THE FUND; EXPENDITURES

SEC. 3. (a) There is established in the Treasury of the United States a trust fund to be known as the Japan-United States Friendship Trust Fund (hereafter referred to as the "Fund").

(b) Amounts in the Fund shall be used for the promotion of scholarly, cultural, and artistic activities between Japan and the United States, including—

(1) support for studies, including language studies, in institutions of higher education or scholarly research in Japan and the United States, designed to foster mutual understanding between Japan and the United States;

(2) support for major collections of Japanese books and libraries at United States colleges and universities located throughout the United States;

(3) support for programs in the arts in association with institutions of higher education in Japan and the United States;

(4) support for fellowships and scholarships at the undergraduate, graduate, and faculty levels in Japan and the United States in accord with the purposes of this Act;

(5) support for visiting professors and lecturers at colleges and universities in Japan and the United States; and

(6) support for other Japan-United States exchanges consistent with the purposes of this Act.

(c) Amounts in the Fund may also be used to pay administrative expenses of the Japan-United States Friendship Commission, established by section 4 of this Act, as directed by that Commission.

(d) There is authorized to be appropriated to the Fund, for fiscal year 1975, an amount equal to 10 per centum of the funds paid to the United States pursuant to the Agreement Between Japan and the United States of America Concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo, June 19, 1970. Any unappropriated portion of the amount authorized to be appropriated for such fiscal year may be appropriated in any subsequent fiscal year.

THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION

SEC. 4. (a) There is established a commission to be known as the Japan-United States Friendship Commission (hereafter referred to as the "Commission"). The Commission shall be composed of—

(1) the Secretary of State;

(2) the Secretary of Health, Education, and Welfare;

(3) six members appointed by the President from among individuals who are (A) conversant with Japan-United States relations; (B) expert in the field of education, the arts, or the humanities; or (C) representative of the general public;

(4) the Chairman of the National Endowment for the Arts, who shall have no vote; and

(5) the Chairman of the National Endowment for the Humanities, who shall have no vote.

(b) The term of office of each of the six public members of the Commission appointed under clause (3) of subsection (a) of this section shall be three years, except that (1) such members first appointed shall serve as designated by the President, two for terms of three years, two for terms of two years, and two for terms of one year, and (2) any member appointed under such clause to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(c) Members of the Commission who are not regular, full-time employees of the United States shall, while serving on business of the Commission, be entitled to receive compensation at rates fixed by the President, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The President shall appoint the Chairman of the Commission. A majority of the members of the Commission shall constitute a quorum. The Commission shall meet at least twice in each year.

FUNCTIONS OF THE COMMISSION

SEC. 5. The Commission is authorized to—

(1) develop and carry out programs of public or private institutions for the promotion of scholarly, cultural, and artistic activities in Japan and the United States consistent with the provisions of section 3(b) of this Act;

(2) make grants to carry out such programs; and

(3) submit to the President and to the Congress an annual report of its activities under this Act together with such recommendations as the Commission determines appropriate.

ADMINISTRATIVE PROVISIONS

SEC. 6. In order to carry out its functions under this Act, the Commission is authorized to—

(1) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(2) receive money and property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property (including transfer to the Fund) for the purpose of carrying out the purposes of this Act, and any such donation shall be exempt from any Federal income, State, or gift tax;

(3) in the discretion of the Commission, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to the Commission with a condition or restriction, including a condition that the Commission use other funds of the Commission for the purposes of the gift, and any such donation shall be exempt from any Federal income, State, or gift tax;

(4) direct the Secretary of the Treasury to make expenditure of the income of the Fund and not to exceed 5 per centum of the annual principal of the Fund for the purposes of this Act, including the payment of Commission expenses if needed;

(5) appoint an Executive Director, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, who shall be compensated at the rate provided for a GS–18 of the General Schedule of such title;

(6) appoint and fix compensation of such additional personnel as may be necessary to carry out the provisions of this Act;

(7) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code;

(8) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(9) enter into contracts, grants, or other arrangements, or modifications thereof to carry out the provisions of this Act, or any other provisions of law relating to competitive bidding; and

(10) make advance, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

MANAGEMENT OF THE FUND

SEC. 7. (a) The Fund shall consist of—

(1) amounts appropriated under section 3(d) of this Act;

(2) any other amounts received by the Fund by way of gifts and donations; and

(3) interest and proceeds credited to it under subsection (b) of this section.

(b) It shall be the duty of the Secretary of the Treasury (hereafter referred to as the "Secretary") to invest such portion of the Fund as is not, in the judgment of the Commission, required to meet current withdrawals. Such investment may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

For such purposes, the obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States issued during the preceding two years then forming part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(e) In accordance with section 6(4) of this Act, the Secretary shall pay out of the Fund such amounts, including expenses of the Commission, as the Commission considers necessary to carry out the provisions of this Act.

S. 649

PURPOSE OF THE BILL

The basic purpose of the bill is to create a "Japan-United States Friendship Trust Fund," employing 10 percent (i.e., $32 million) of the proceeds from the Okinawa Reversion Agreement approved by the Senate in November 1971 by a vote of 84 to 6. Interest and possibly up to five percent of the principal annually from the proposed Fund would be used to support a variety of mutual educational and cultural studies, facilities, exchanges, and other activities between Japan and the United States.

BACKGROUND AND PROVISIONS

The initiative for this proposed legislation came from Senator Jacob K. Javits following the Nixon-Tanaka meeting in 1972, which particularly agreed on the need for better understanding between the United States and Japan. Expanded academic and cultural programs and contacts were seen as essential elements in that understanding—especially in view of the comparatively tiny Japanese language and area studies in the United States. The main sponsor of this legislation believed that the requirement for a better relationship between the two countries had never been greater, and that employment of some of the Okinawa Reversion funds would symbolize both a new attitude by the United States and a new stress on the independent status of Japan. Such funds were scheduled in the Agreement to be paid to the U.S. Treasury over a five-year period; more than $100 million had been received when the legislation was introduced.

To administer the programs noted above, the bill would establish a "Japan-United States Friendships Commission," composed of ten distinguished U.S. citizens, comprising the Secretary of State, the Secretary of Health, Education and Welfare, six public members appointed by the President, and the chairmen of the National Endowments for the Arts and the Humanities; the last two named persons would have no vote. The six public members would be freely chosen by the President from among individuals who are either specially conversant with Japan-U.S. relations, expert in the fields of education, the arts, or the humanities, or representatives of the general public. The bill would also provide necessary staff services and the usual management requirements for controlling such a Fund.

The position of the Administration, as expressed by the Department of State, subscribed entirely to the objectives of S. 649, but proposed a different means of attaining those objectives through an amendment to the Mutual Educational and Cultural Exchange Act of 1961. Instead of attempting to establish a trust fund, the executive branch suggested employing the remainder of the $25 million in GARIOA (Government and Relief in Occupied Areas) funds which in 1962 were expressly reserved for educational and cultural exchanges with Japan, subject to appropriation by the Congress. Something roughly in the neighborhood of $15 million in unencumbered funds remain in that GARIOA account. Under the Administration proposal these would underwrite U.S. exchanges with Japan for about ten years and then would be exhausted.

COMMITTEE ACTION

S. 649 was introduced on January 31, 1973, by Senator Javits for himself and 23 cosponsors (now totalling 30 in number) and referred to the Committee on Foreign Relations. Some delay was encountered in a vain attempt to compromise with the Administration position printed below:

DEPARTMENT OF STATE,
Washington, D.C., April 24, 1973.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to your letter of February 15 requesting the coordinated Executive Branch comments on S. 649, the Japan-United States Friendship Act.

There presently exists a critical gap in communication and understanding between Japan and the United States. The Department of State favors all efforts that contribute to the narrowing of this gap. The Department agrees that the establishment of a Japan-United States Friendship Trust Fund could contribute to better understanding and knowledge between the two countries by putting additional resources into certain important areas, notably Japanese Studies and American Studies at institutions of higher education in both countries.

However, the administration has proposed a revision in the method by which Federal funds are provided for foreign language and area studies programs in the United States. As you know, the 1974 Federal Budget proposes to eliminate categorical grant funding of foreign language and area studies programs of the Department of Health, Education, and Welfare in favor of expanded student aid. This reflects the shift in Federal support from categorical institutional aid to student assistance. Federal funds will still flow to the language and area studies centers from direct training support (Federal employees in international and national security areas) and through students receiving expanded student assistance who go there.

Many of the objectives of S. 649 can be accomplished by increased funding for educational and cultural exchange activities with Japan under existing authorities. We note that the President's Budget for FY 1974 requested increases under P.L. 87–256, the Mutual Educational and Cultural Exchange Act (MECEA). This would include increases for programs relating to Japan. If this request were approved in full, it would be possible to carry out a number of the activities proposed in S. 649.

As your committee will recall, the Congress in 1964 denied the Department's request to appropriate for cultural exchange purposes 25 million dollars of GARIOA (Government and Relief in Occupied Areas) repayment funds from Japan. By agreement with Japan, these funds are available only for educational and cultural exchanges with Japan, subject to appropriation by the Congress. These funds would have been used to establish a new foundation whose purposes would have been nearly identical with the purpose of S. 649.

The largest part of the GARIOA funds, now amounting to approximately 19 million dollars, remains in existence and unused. As discussed in the State Department authorization hearings with your Committee on April 4, the Department is considering ways for more rapid utilization of the remaining balance of these GARIOA funds.

The Department therefore would suggest prior consideration be given to the use of existing funds. To this end, we solicit the understanding and support of the Senate for the FY 1974 budget request for the MECEA program and for more rapid utilization of the GARIOA funds.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this report.

Sincerely yours,

MARSHALL WRIGHT,
Acting Assistant Secretary for Congressional Relations.

Public hearings on S. 649 were held on May 1 and 2, 1974. On the first day, acting Chairman Sparkman invited the bill's main sponsor, Senator Javits, to introduce the proposed legislation. That testimony was followed by statements favoring the bill from Professor Robert Ward of Stanford University, Mr. Henry Owen of the Brookings Institution, and Professor John Hall of Yale University. On May 2 the Administration's position was presented by John Richardson, Jr., Assistant Secretary of State for Educational and Cultural Affairs, who was accompanied by former U.S. Ambassador to Japan, Robert S. Ingersoll, now Assistant Secretary of State for East Asian and Pacific Affairs. That testimony was followed by a strong statement of support for S. 649 by Congressman Wendell Wyatt of Oregon, and by equally favorable testimony from Professor Edwin O. Reischauer of Harvard University, also a distinguished former U.S. Ambassador to Japan.

On May 9, 1974, Senator Sparkman, as acting Chairman, introduced the Administration's bill (S. 3468) by request. On the afternoon of May 21 the Committee on Foreign Relations met in executive session and decided, by voice vote and without objection, to order S. 649 reported favorably without amendment.

COST ESTIMATE

It is anticipated that an appropriation of $32 million would be approved on a lump-sum, no-year basis. In each of the next five years expenditures could not exceed the interest payments on that sum as well as (and reduced by) five percent of the principal of $32 million.

COMMITTEE COMMENTS

The Committee on Foreign Relations considers the relationship between Japan and the United States in all fields to be of signal importance and delicacy. Members believe S. 649 will support and strengthen that relationship, and they subscribe to the following excerpts from Senator Javits' statement introducing the proposed legislation:

* * * just 28 years ago U.S. relations with Japan were in a state of total war and were characterized by distrust and enmity. Today, Japan is a close ally, our second biggest trading partner, and a thriving democracy. Through intelligent diplomacy, mutual self-interest, and reciprocal respect, the relation-

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ship of 28 years ago has been transformed into a cooperative and mutually beneficial friendship that is unprecedented in East-West relations. Perhaps, the most significant symbol of this new United States-Japan relationship is the Okinawa Reversion Agreement * * *

This legislation is most timely. The "Japanese Miracle" is one of the major developments of the last half of the 20th century. But relatively little is known and understood in detail about the remarkable Japanese society that has achieved such progress. The Japanese language is probably the least known in the United States of any of the world's greatest languages. Japanese art and literature are treasures which remain to be more fully explored by American scholars and by the American public. It is essential to our national interest that we achieve a deeper understanding of Japanese society and culture. This act could make a major difference in this regard. It enjoys broad and enthusiastic support in academic and scholarly circles.

JAPAN-UNITED STATES FRIENDSHIP ACT SUPPLEMENTAL REPORT (PART II)

(To Accompany S. 649 and Report No. 93-885)

COMMEMORATION OF OKINAWA REVERSION TREATY

The central thrust of this bill is to commemorate institutionally the special significance and symbolism of the Okinawa Reversion Agreement (agreed to by the Senate on November 10, 1971, by a vote of 84-6). This agreement, which effected the return of Okinawa to Japanese administration, provides that Japan pay $420 million to the United States over a period of 5 years for repayment of the cost to the United States for public utilities and other facilities on the island and now turned over to Japanese administration. As pointed out by Mr. Henry Owen, director of the Brookings Institution, during the committee's hearings on May 1 and 2 on S. 649, this agreement:

"* * * was a turning point in United States-Japanese relations. It was an issue which threatened, if poorly handled, to poison those relations and, if well handled, it could mark the start of a new relationship, and it was well handled on both sides of the Pacific, and I think credit goes to both governments.

Using that event as the cornerstone of a (trust) fund * * * seems to me an extremely fortunate choice * * *"

Clearly, the Okinawa Reversion Agreement is an example of diplomatic cooperation, mutual respect, understanding consummated on a high level of statesmanship. In style and substance, the relationship between the United States and Japan must be maintained in the highest interest of peace and stability in the Pacific. Leading experts believe that the adoption of S. 649 is a significant step in support of that objective; the committee concurs in that judgment.

TESTIMONY OF WITNESSES

As pointed out in part I of this report, on May 1 and 2 the committee heard testimony from several distinguished Americans—Prof. Edward O. Reischauer, Harvard University and former U.S. Ambassador to Japan; Prof. Robert E. Ward, Director Center for Research in International Studies, Stanford University; Mr. Henry Owen, director of the Brookings Institution; Prof. John W. Hall, chairman, Department of East Asian Languages and Literatures, Yale University; Congressman Wendell Wyatt, and State Department witnesses. Written statements were submitted by Senators Tunney and Pong, Prof. Zbigniew Brzezinski, Director of the Trilateral Commission; Mr. Ward Morehouse, director, Center for International Programs and Comparative Studies, University of the State of New York; and others. All of these witnesses expressed their strong and enthusiastic support for S. 649. Speaking for the Department of State, Assistant Secretary of State for Educational and Cultural Affairs John Richardson, Jr., stated, "* * * we, therefore, heartily endorse the intent of S. 649. * * *."

Of particular interest to the committee was the testimony of Ambassador Reischauer, perhaps the most prominent American scholar of Japan. Referring to present state of Japan-United States relations, he stated:

"We have got to work hard to make up for this slide in confidence, in closeness of relationships that I think has gone on for the last few years, and it is for this reason that I see this (S. 649) as being vastly more important today * * *."

Professor Hall, Chairman of the United States-Japan Cultural, Educational Conference and who has been very much involved in that conference's work in connection with existing cultural and educational exchange programs with Japan, similarly stressed his support for S. 649:

"I would like to emphasize the fact that a critical gap in public communication and understanding continues to exist between the United States and Japan, the gap existing despite the increasing economic, political and cultural importance of Japan to the United States, and despite the fact that our diplomats and our businessmen have gained each other's confidence and have learned to adjust their differences on a practical basis. * * *. The Japan-United States Friendship Act will go a long way toward enhancing the effort."

The committee also carefully examined the mechanism established by S. 649 to implement the cultural, educational and artistic exchanges and programs contemplated.

In commenting on the self-sustaining nature of the Japan-United States Trust Fund established in the bill, Professor Ward stated:

"* * * I would prefer a permanent one (source of funds) of the sort that is contemplated in your bill (S. 649), that * * * would be a revolving fund * * * and that this be permanently available."

Both Mr. Owen and Professor Reischauer drew the committee's attention to the independent nature of the Japan-United States Friendship Commission set up by the legislation.

Mr. Owen:

"First, having an independent American committee disbursing money for these kinds of activities seems to me extremely useful, particularly when studies which involve questions of U.S. policy toward Japan are involved. There is naturally a feeling that the Japan Foundation[1] will simply not have the credibility of a similar study U.S. financed with U.S. funds. So I think having the American committee is extremely important."

Professor Reischauer:

"What the State Department does through its cultural affairs side, I think is very, very good, but like most of the programs of that sort it is basically focused on getting the other people to understand us. This one (S. 649) has that other focus of helping us try to understand them, which under present conditions is perhaps the bigger of the two problems."

The committee also considered a proposal submitted by the State Department during the hearings and subsequently introduced by Senator Sparkman by request on May 9. This legislation (S. 3468) would draw on an existing U.S. account in Japan pursuant to the agreement between the United States of America and Japan regarding the settlement of postwar economic assistance to Japan (signed in Tokyo on January 9, 1962), commonly referred to as the GARIOA Account (Government and Relief in Occupied Areas), on an annually appropriated basis over a period of 10 years. It should be noted that this account (now totaling approximately $17 million) is now being used, subject to annual appropriations, for existing Fulbright-Hays exchange programs with Japan and to rely solely on this account would add no new source of funds to the presently inadequate level of Japan-United States understanding and cooperation.

More importantly, the GARIOA Agreement grew out of the U.S. occupation of Japan, has been a constant irritant to our relations with Japan, and is hardly an appropriate symbol of a constructive, cooperative relationship of mutual self-respect: points constantly repeated during the committee's hearing on S. 649.

Ambassador Reischauer, who took a leading hand in the negotiations of the GARIOA Agreement and an earlier effort by the Department of State to augment United States-Japan cultural exchange programs, commented on the present State Department proposal: "* * * I am a bit appalled they (the State Department) are on the other side today * * *"

In addition, S. 3468 would establish no self-sustaining trust fund, and, therefore, would be temporary in nature. Finally, the Commission established under the State Department's proposal would have only the power to make recommendations to the President and the Secretary of State, who would in actuality administer the program as is presently the case with the existing Fulbright-Hays legislation.

However, the committee listened with interest to the recommendation of Congressman Wyatt and other witnesses that the GARIOA funds might be combined in an appropriate manner with the source of funds authorized to be appropriated in S. 649.

EXPLANATION OF PROVISIONS FOR TRUST FUND AND COMMISSION

The $32 million (which is 10 percent of the $320 million paid to the United States by Japan pursuant to the Okinawa Reversion Agreement) authorized to be appropriated by the Japan-United States Friendship Act will create a Japan-United States Trust Fund that would draw interest at the average rate of Federal obligation for the preceding 2 years.

The interest of the trust fund, gifts and donations, and up to five percent of the principal would be available for expenditure annually for the following purposes:

First, support of studies, including language studies, in institutions of higher learning of scholarly research in Japan and the United States, designed to foster mutual understanding between Japan and the United States;

Second, support for major collections of Japanese books and libraries at American colleges and universities located throughout the United States;

Third, support for programs in the arts in association with institutions of higher education in Japan and the United States;

Fourth, support for fellowships and scholarships at the undergraduate, graduate, and faculty levels in Japan and the United States in accord with the purposes of this act.

To administer these programs the bill establishes a Japan-United States Friendship Commission, composed of the Secretary of State, the Secretary of Health, Education and Welfare, and six public members, appointed by the President and to serve terms of 3 years on a rotating, staggered basis. The six public members would be selected from persons who are:

First, conversant with Japan-United States relations, or

Second, generally recognized experts in the field of education, the arts and the humanities, or

Third, representative of the general public.

The chairman of the National Endowment for the Arts and the National Endowment for the Humanities would serve as ex-officio, nonvoting members.

To administer the programs enumerated above, the Japan-United States Friendship Commission is empowered to expend annually, at its own discretion, the trust fund's annual and accumulated interest and up to 5 percent of the principal.

JAPAN-UNITED STATES FRIENDSHIP ACT COSPONSORS

92D CONGRESS (S. 3872)

Javits, Boggs, Brooke, Case, Cooper, Cranston, Fong, Harris, Hatfield, Hughes, Kennedy, Magnuson, Mondale, Muskie, Ribicoff, Roth, Stafford, Tunney.

93D CONGRESS (S. 649)

Javits, Abourezk, Brock, Brooke, Case, Cranston, Dole, Fong, Gravel, Hatfield, Hughes, Humphrey, Inouye, Jackson, Kennedy, McGovern, Magnuson, Metcalf, Metzenbaum, Mondale, Moss, Muskie, Nelson, Ribicoff, Roth, Scott, Pa., Stafford, Stevens, Tunney, Williams.

94TH CONGRESS

Javits, Fong, Abourezk, Bayh, Brock, Brooke, Buckley, Case, Clark, Cranston, Dole, Gravel, Hatfield, Hathaway, Humphrey, Inouye, Jackson, Kennedy, Mathias, Metcalf, Mondale, Moss McGee, McGovern, Nelson, Pell, Ribicoff, Roth, Scott, Pa., Sparkman, Stevens, Tunney, Williams.

Mr. CLARK. Mr. President, I am pleased to be able to join my distinguished colleague from New York (Mr. JAVITS) today in introducing the Japan-United States Friendship Act.

This is a most appropriate time for the consideration of such legislation. It is no secret that diplomatic and economic considerations at times have strained United States-Japanese relations in recent years, and there certainly is a need to strengthen the bond that has made Japan our friend, trading partner and ally for so many years.

This legislation would create a Japan-United States Friendship Trust which would be used to foster mutual understanding between the two countries by supporting cultural and academic exchanges. Funds for the trust would come from the money Japan is now paying to this country under the Okinawa Reversion Agreement of 1971.

In January, I was a part of the United States delegation to the Sixth United States-Japan Parliamentary Exchange Program Conference in Tokyo sponsored by Columbia University and the Japan Center for International Exchange. At the Conference, the members of the U.S. delegation, including several representatives from the House and Senate, conferred with a number of Japanese legislators, academics, and businessmen. The discussions involved wide-ranging topics—trade, investment, monetary policies, energy and food resources, political and military issues.

The conference was valuable from a number of standpoints, not the least of which was the tremendous learning experience that it offered. From my standpoint, it represented an opportunity to discuss with the Japanese the future of trade—especially in agricultural products—between our two countries, a topic of particular importance to Iowa and to the Nation.

This privately funded Conference provided an important link between Japan and the United States, the same kind of link that will be fostered by establishment of the Japan-United States Friendship Trust.

The funds from this trust—which also will be supported by gifts and donations—will be used to stimulate a variety of programs. These will include language studies in the institutions of higher learning in both countries, major collections of Japanese literature in this country, and fellowships, scholarships, and visiting professor and lecturer programs to foster mutual appreciation.

It will provide support for programs in the arts at colleges and universities in both countries.

The thrust of this legislation is to bring our two countries closer together: to cement the bonds of friendship that already exist and to foster the kind of mutual understanding that will enable us to deal effectively with problems of the future.

The bill we are introducing today was passed by a voice vote in the Senate during the 93d Congress. Unfortunately, it did not reach the floor of the House for a vote. I am confident, however, that it will receive the support of the 94th Congress, and I urge my colleagues to join in this effort to strengthen understanding between the people of this country and our friends in Japan.

By Mr. CASE:

S. 825. A bill to amend the Outer Continental Shelf Lands Act to provide for strict liability in the case of damage caused by oil spills, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 826. A bill to amed the Coastal Zone Management Act of 1972 in order to authorize financial assistance to coastal States to enable them to study, assess, and plan effectively with respect to the impact within their coastal zones of offshore energy-related facilities and activities and to assure the maximum effectiveness of the coastal zone management plans of such States, and for other purposes. Referred to the Committee on Commerce.

S. 827. A bill to amend the National Environmental Policy Act to provide for the filing of certain supplemental information statements. Referred to the Committee on Public Works.

INCREASED REGULATION OF OFFSHORE OIL AND GAS DRILLING

Mr. CASE. Mr. President, there can be no doubt today that we need to develop new domestic sources of energy in this country.

Eventually, it is my hope that we can reduce our dependence on petroleum, which currently is the source of 78 percent of the energy consumed in this country.

But it will take time to develop such alternative energy sources as nuclear fusion, solar energy, coal gasification and liquefaction, and geothermal energy. In the meantime, even with the best effort to curtail energy waste, we are going to need additional domestic supplies of oil.

One of the best prospects for increasing our supplies of domestic oil is the so-called frontier areas of the Outer Continental Shelf—OCS—off our Atlantic and Pacific coasts and in the Gulf of Alaska.

Unfortunately, there are some who have gained the impression that leasing of these lands will result in new production of millions of barrels of oil per day within the next year or so. This, of course, is not the case.

As the Environmental Protection Agency said in its comments on the draft environmental impact statement for the offshore leasing proposal:

(Project Independence Blueprint) data clearly refutes the underlying precepts of the programmatic decision to lease OCS lands very rapidly. The justification for rapid leasing assumed that leasing was a constraint on resource exploitation; while PIB (Project Independence Blueprint) indicates that materials are the constraint.

Much as we would welcome the earliest possible addition of Outer Continental Shelf oil to our energy supplies, the delay imposed by the shortage of materials does give us the opportunity to help insure that drilling in the frontier areas does not create undue problems for the environment or for our State and local governments.

Because we have this opportunity, I am today introducing a package of three bills which require greater preparation for offshore oil drilling in frontier areas. Companion bills are being introduced in the House simultaneously by Representative EDWIN B. FORSYTHE of New Jersey.

Briefly, these bills will:

Prohibit any offshore exploratory drilling until the affected coastal State has submitted to the Department of Commerce for approval a coastal zone management plan for areas most heavily impacted by exploratory drilling. The States would have 1 year in which to have the plan submitted and approved.

Prohibit any offshore production drilling until the affected coastal State has submitted and had approved a complete coastal zone management plan. The complete plan would have to be submitted and approved by June 30, 1977.

Stiffen requirements for environmental impact statements.

Require disclosure to the Federal Government of information about the nature, location, and magnitude of resources discovered during exploration.

Provide for regulation inspection of drilling sites.

Provide for reimbursement of States and local communities for additional costs of government services required because of drilling operations.

Establish funds to reimburse automatically persons damaged by an oil spill resulting from offshore drilling, provide for improved drilling technology, and help States plan for the economic, environmental, and social impact of offshore drilling and related onshore facilities.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

[1] The Japanese Government has established the Japan Foundation to expand cultural and educational exchanges with the United States and Southeast Asia; this foundation is scheduled to have an endowment of $100 million and may be expanded to $320 million.

UMI

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Outer Continental Shelf Lands Act (43 U.S.C. 1331–1343) is amended as follows.

(1) The first sentence of section 5 of that Act (43 U.S.C. 1334) is amended by striking out "shall prescribe such rules" and inserting in lieu thereof "shall, with the concurrence of the Secretary of Commerce, and the Secretary of Transportation.

(2) The second sentence of such section 5 is amended by inserting", in accordance with the preceding sentence," immediately after "Secretary".

(3) Such section 5 is further amended by inserting after the second sentence the following: "Such rules and regulations shall include a provision requiring the removal by the leasee of all structures sited in or on the outer continental shelf which have declared by the Secretary to be nonfunctional."

(4) Such section 5 is further amended by adding the end thereof the following: "The Secretary annually shall, after an opportunity for public hearings, review the rules and regulations prescribed by him under this section. In addition, the Secretary shall take action he deems necessary to ensure that each offshore drilling site operating under a lease issued under this Act be inspected at least once every 60 days to determine whether such site is being operated according to such rules and regulations and the terms of the lease issued for its operation."

(5) Section 9 of that Act (43 U.S.C. 1338) is amended by striking out "deposited in the Treasury of the United States and credited to miscellaneous receipts." and inserting in lieu thereof "paid by the Secretary to those States which are placed in an adverse fiscal position because of activities in or on the outer continental shelf conducted under a lease issued under this Act. Payments to any one adversely affected State shall be equal to the difference between the increase in tax revenues amounts received by such State (and its political subdivisions) as a result of such activities and the amounts expended by such State (and its political subdivisions) on governmental services required as a result of such activities. Any sums collected by the Secretary and not paid to any State under this section shall be deposited in the Treasury of the United States and credited to miscelleaneous receipts."

(6) Section 16 and 17 of that Act are redesignated sections 18 and 19, respectively.

(7) Such Act is amended by inserting immediately after section 15 the following:

"SEC. 16. STRICT LIABILITY.—(a) Notwithstanding any other provision of law, each lessee, and the Outer Continental Shelf Liability Fund (hereinafter in this section referred to as the 'Fund') shall be strictly liable without regard to fault, in accordance with the succeeding provisions of this section, for all damages, including clear-up costs, sustained by any person or entity (public or private) as a result of operations or activities at, related to, or in the vicinity of, any offshore drilling site operated by the lessee.

"(b) Notwithstanding any other provision of law, the owner or operator of any vessel (jointly or severally) and the Fund shall be strictly liable without regard to fault, in accordance with the succeeding provisions of this section, for all damages sustained by any person or entity (public or private) within the United States or within the coastal waters of the United States within 200 nautical miles of the shore line of the United States, which result from any discharge of oil from the operation of any offshore drilling site, including the transportation of oil from the drilling site to an onshore storage site.

"(c) Strict liability shall not be imposed under this section—

"(1) if the lessee, owner or operator of any vessel or transport, as the case may be, or the Fund, can show that the damages concerned were caused by an act of war, or negligence of the United States, or other governmental entity; or

"(2) with respect to the claim of a damaged party, if the lessee, owner, or operator of any vessel or transport, as the case may be, or the Fund, can show that the damage was caused by the negligence of the party sustaining such damage.

"(d) Strict liability for all claims arising out of any one incident shall not exceed $500,000,000, and the Fund shall be liable for all such claims not exceeding $500,000,000. If the total claims exceed $500,000,000, they shall be reduced proportionately. The unpaid portion of any claim may be asserted and adjudicated under other applicable provisions of Federal or State law. The liability of any lessee or owner or operator of any vessel or transport for damages in excess of $500,000,000 arising out of any one incident shall be determined in accordance with the ordinarily applicable rules of evidence.

"(e) The Fund is hereby established as a nonprofit corporate entity which may sue and be sued in its own name. The Fund shall be administered by the Secretary. The Fund shall be audited annually by the Comptroller General of the United States, and a copy of each such audit shall be submitted to the Congress.

"(f)(1) The Fund shall consist of moneys transferred into the Fund as follows:

"(A) Twenty percent of all money paid as bids on leases issued under section 8 shall be paid by the Secretary into the Fund.

"(B) The Fund shall collect from each lessee a fee of 10 cents per barrel of oil produced at any site leased under this Act.

"(2) Collections and contributions made under paragraphs (1)(B) and (1)(C) shall cease when the amount in the Fund reaches $500,000,000, and shall be resumed when the amount in the Fund falls below $500,000,000. The cost of administering the Fund shall be paid out of money in the Fund, and all sums not required for either administration or for the satisfaction of claims may be prudently invested by the Secretary in securities approved by him. Interest from such investments shall be paid into the Fund.

"(g) The strict liability applied under this section shall cease to apply to oil which has been brought ashore and removed from the shore storage facility.

"(h) In any case where liability without regard to fault is imposed pursuant to this section and the damages involved were caused by the unseaworthiness of the vessel or by negligence, the owner or operator of the vessel, or the Fund, as the case may be, shall be subrogated under applicable State and Federal laws to the rights under such laws of any person entitled to recovery hereunder. If any subrogee brings an action based on unseaworthiness of the vessel or negligence of its owner or operator, it may recover from any affiliate of the owner or operator if the respective owner or operator fails to satisfy and claim by the subrogee allowed under this subsection.

"(i) This section shall not be interpreted to preempt the field of strict liability or to preclude any State from imposing additional requirements.

"(j) If the Fund is unable to satisfy a claim asserted and finally determined under this section, the Fund may borrow the money needed to satisfy the claim from any commercial credit source, at the lowest available rate of interest, subject to approval of the Secretary.

"(k) For purposes of this section the term 'affiliate' includes—

"(1) Any person owned or effectively controlled by the vessel owner or operator;

"(2) any person that effectively controls or has the power effectively to control the vessel owner or operator by—

"(A) stock interest,

"(B) representation on a board of directors or similiar body,

"(C) contract or other agreement with other stockholders, or

"(D) otherwise; or

"(3) any person which is under common ownership or control with the vessel owner or operator.

"SEC. 17. RESEARCH FUND.—(a) There is hereby established the Outer Continental Shelf Research Fund (hereinafter in this section referred to as the "Research Fund") which shall be administered jointly by the Secretary, the Secretary of Commerce, and the Secretary of Transportation. Amounts in the Research Fund shall be available, in a manner to be prescribed jointly by the Secretaries named in the preceding sentence, to—

"(1) improve the technology related to the exploration and development of the oil and gas resources of the Outer Continental Shelf

"(2) develop baseline data relating to the marine environment on the outer Continental Shelf and

"(3) develop data regarding the impact of developing the oil and gas resources of the outer continental shelf on the marine and associated onshore environment.

"(b) The research conducted or funded, as the case may be, under paragraph (1) of subsection (a) may include downhole safety devices, methods of controlling blowing out or burning wells, methods for containing and cleaning up oil spills, improved drilling bits, improved flaw detection systems for undersea pipelines, new and improved methods of development in water depths of over 600 meters, deepsea diving systems and subsea production systems."

S. 826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 302 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451) is amended—

(1) by striking out "and" at the end of clause (g):

(2) by striking out the period at the end of clause (h) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new clause:

"(i) The Nation's coastal zone is significantly affected by activities on or in the outer continental shelf, such as the siting of energy producing facilities and the exploration, production, and development of oil and gas on the outer continental shelf."

SEC. 2. Section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453) is amended by adding at the end thereof the following new subsection:

"(j) 'Affected coastal State' means any State bordering on the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, or the Long Island Sound.

SEC. 3. The Coastal Zone Management Act of 1972 (16 U.S.C. 1451–1464) is further amended by adding at the end thereof the following new section:

"SEC. 316. (a) For purposes of this section—

"(1) The term 'offshore energy facility' means any facility of any kind the purpose of which is the production or generation of energy from the resources of the outer Continental Shelf, and which is located on or above such Shelf.

"(2) The term 'related onshore facility' means any facility located within, or adjacent to, the coastal zone of any affected coastal State which is required to support the development (including exploration) or operation, or both, of any offshore energy facility.

"(b)(1) Notwithstanding any other provision of this title or any other provision of law, no Federal agency may take any action which authorizes the commencing of, or the carrying out of, any preproduction, exploration (except geophysical exploration) with respect to any offshore energy facility within any area of the outer Continental Shelf before the affected coastal State—

"(A) develops pursuant to section 306(h) and the Secretary approves, a segment of the State coastal zone management program concerning the impact on the coastal zone of such State of activities related to the development and operation of offshore energy facilities in such area; or

"(B) certifies to the Secretary that the prohibition on such Federal agency action set forth in this paragraph shall not apply with respect to such area of the outer Continental Shelf.

"(2) Within 30 days after the date on which—

"(A) the Secretary approves the coastal zone management plan segment referred to in paragraph (1)(A) of any affected coastal State, or

"(B) any affected coastal State certifies pursuant to paragraph (1)(B) to the Secretary that the prohibition on Federal agency action is waived with respect to such state; any other affected coastal State (the coastal zone management plan of which has not been approved by the Secretary and which has not so certified such a waiver) which considers that such Federal agency action in such area of the outer Continental Shelf will, or may, have an impact on its coastal zone may petition the Secretary to suspend, or to prohibit, any such Federal agency action in that area. If the Secretary determines on the record after opportunity for agency hearing that any such Federal agency action in such area will or may, adversely affect the coastal zone of the coastal State submitting such petition, he may suspend, or prohibit, any such Federal agency action in such area for such time as he determines appropriate.

"(3) The prohibition on Federal agency action set forth in paragraph (1) of this subsection shall cease to apply after the close of the one-year period which begins on the effective date of this paragraph. The Secretary may not, pursuant to paragraph (2) of this subsection, suspend or prohibit any such Federal agency action for any period of time after the close of such one-year period.

"(c)(1) Notwithstanding any other provision of this title or any other provision of law, no Federal agency may take any action which authorizes the commencing of, or the carrying out of, any production from, or any production development of, any offshore energy facility within any area of the outer Continental Shelf before the affected coastal State—

"(A) develops, and the Secretary approves, the coastal zone management program of each State pursuant to Sec. 306; or

"(B) certifies to the Secretary that the prohibition on Federal agency action set forth in this paragraph shall not apply with respect to such area of the outer Continental Shelf.

"(2) Within 30 days after the date on which—

"(A) the Secretary approves the coastal zone management plan of any affected coastal State, or

"(B) any affected coastal state certifies pursuant to paragraph (1)(B) to the Secretary that the prohibition on Federal agency action is waived with respect to such state; any other affected coastal state (the coastal zone management plan of which has not been approved by the Secretary and which has not so certified such a waiver) which considers that such Federal agency action in such area of the outer Continental Shelf will, or may, have an impact on its coastal zone may petition the Secretary to suspend, or to prohibit, any such Federal agency action in that area. If the Secretary determines on the record after opportunity for agency hearing that any such Federal agency action in such area will, or may, adversely affect the coastal zone of the coastal state submitting the petition, he may suspend, or prohibit, any Federal agency action in such area for such time as he determines appropriate.

"(3) The prohibition on Federal agency action set forth in paragraph (1) of this subsection shall cease to apply after the close of June 30, 1977. The Secretary may not, pursuant to paragraph (2) of this subsection, suspend or prohibit any such Federal agency action for any period of time after June 30, 1977.

"(d)(1) Each appropriate Federal agency shall inform, on a continuing basis, all affected coastal states of the nature, location, and magnitude of potential resources in or on the outer Continental Shelf. Any lessee of any area of the outer Continental Shelf shall, upon obtaining any information described in the preceding sentence, transmit it to the appropriate Federal agency within 30 days, and such agency shall, within 15 days after receipt of such information transmit it to the appropriate affected coastal states.

"(2) Each Federal agency which has authority to grant licenses, leases, or permits for, or otherwise authorize, the exploration or development of resources in or on the outer Continental Shelf shall make available to the appropriate affected coastal states all information relating to the timing, location, and magnitude of any authorizing activity including any proposed long-term plans, in which that agency, is planning to engage.

"(3) In the process of granting licenses, leases, or permits for, or otherwise authorizing, the exploration or development of resources in or on the outer Continental Shelf, each appropriate Federal agency shall coordinate and consult with all affected coastal states likely to be impacted by such exploration or development and shall utilize, to the maximum extent practical, any data developed by any affected coastal state pursuant to subsection (e). Such coordination, consultation, and utilization shall be made an integral part of such agency authorizing process as soon as possible to enable each affected coastal state to plan for, and ameliorate, the effects of exploration and development on the Outer Continental Shelf.

"(e)(1) The Secretary may, subject to such terms and conditions as he deems appropriate, make grants pursuant to this subsection to any affected coastal state for the purposes of providing to such state financial assistance to carry out one or more of the following activities—

"(A) The collection and assessment of the economic, environmental, and social data which is necessary to enable such state to identify and designate those sites within or adjacent to its coastal zone which are suitable or unsuitable for the location of related on-shore facilities.

"(B) The development of a process for the selection and designation of such sites within, or adjacent to, its coastal zone.

"(C) The construction of such public facilities and works, and the provision of such public services, as may be necessary and appropriate to provide for the integration of any related on-shore facility into the community where sited.

"(2) No affected coastal state may receive any grant under this subsection unless such state—

"(A) is receiving a program development grant under section 305 and is making satisfactory progress (as determined by the Secretary) toward the development of a coastal zone management program under section 306, or is receiving an administrative grant under section 306;

"(B) demonstrates, to the satisfaction of the Secretary that any such grant will be used solely to carry out one or more of the purposes set forth in paragraph (1) of the subsection; and

"(C) in the case of a grant which will be used to develop a site selection process, demonstrates, to the satisfaction of the Secretary that the process so developed will be incorporated into the management program of the State developed under section 306.

"(3)(A) There is established in the Treasury of the United States an Affected Coastal States Fund (hereafter referred to in this paragraph as the 'Fund'). The Secretary shall make grants pursuant to this subsection from the Fund.

"(B) No affected coastal state may receive grants in any one fiscal year the aggregate amount of which exceeds 15 percent of the total amount which is available for disbursement by the Secretary during that fiscal year to all impacted coastal states pursuant to this subsection.

"(C) There is authorized to be appropriated to the Fund (i) $100,000,000 for each of fiscal years 1976 and 1977; and (ii) for fiscal years after fiscal year 1977 such sums as may be necessary to carry out the purposes of this subsection. Any appropriations made to the Fund shall remain available until expended."

S. 827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title I of the National Environmental Policy Act is amended by adding immediately after section 105 the following section:

"SEC. 106. (a) In addition to any statement that may be required under section 102(C)(i) with respect to any Federal action to lease any site on the outer Continental Shelf for the exploration and development of oil and gas, there shall be prepared by the responsible official—

"(1) before any reproduction exploration (except geophysical exploration) or preproduction development is commenced with respect to any such site, a supplemental statement on the environmental impact of such exploration or development which sets forth—

"(A) the specific environmental hazards associated with such exploration or development, and

"(B) the specific measures which will be taken by the lessee and the Federal agency concerned to alleviate such hazards including those performance standards which will be applied with respect to any equipment used during such exploration or development; and

"(2) before any production or production development is commenced with respect to any such site, a supplemental statement on the environmental impact of such production or development which sets forth—

"(A) the specific environmental hazards associated with such production and production development, and

"(B) the specific measures which will be undertaken by the lessee and the Federal agency to alleviate such hazards, including those performance standards which will be applied to any equipment used during such production or development.

"(b) Any supplemental statement prepared pursuant to subsection (a) shall be treated for purposes of consultation and public availability as if such statement had been made pursuant to section 102(C)(i)."

Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 828. A bill to provide for addition to the Fort Clatsop National Memorial of

the site of the salt cairn utilized by the Lewis and Clark Expedition, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. HATFIELD. Mr. President, today I introduce and send to the desk legislation to add the site of the salt cairn utilized by the Lewis and Clark Expedition to the Fort Clatsop National Memorial in Oregon.

The availability of salt was of the utmost importance to the Lewis and Clark Expeditions. Their journals tell us that during the preparations for the journey and on the trip itself the leaders were greatly concerned about having enough salt for their men. It was necessary because the strenuous physical activity involved in such an endeavor resulted in the loss of body salt, as well as to make their food more palatable.

When the expedition arrived at Fort Clatsop in December of 1805, it was imperative that their salt supply be replenished. Capt. William Clark wrote:

We haveing fixed on this Situation as the one best Calculated for our Winter quarters I deturmin'd to go as direct a Course as I could to the Sea Coast which we could here roar and appeared to be at no great distance from us, my principle object is to look out a place to make Salt.

The place was found and a group of men spent 2 months to produce 20 gallons of salt by a continuous process of boiling sea water in five "kittles." The site of that salt cairn is located in what is now Seaside, Oreg. The land is presently owned by the Oregon Historical Society which is willing to give it to the National Park Service as a satellite of the Fort Clatsop National Memorial, some 25 miles away.

I believe this action would be highly appropriate. The two areas are joined historically, and the designation of the salt cairn as a part of the Fort Clatsop National Memorial will result in better maintenance and identification of the area.

We in Oregon are fortunate to have Dr. E. G. Chuinard as the driving force behind this effort. Dr. Chuinard, who serves as chairman of the Oregon Lewis and Clark Trail Heritage Foundation Committee, has worked hard on this proposal with local government and interested citizens in an effort to protect this site. We owe it to our heritage to do so.

Mr. President, I ask unanimous consent that a letter to Dr. Chuinard from Mr. Thomas Vaughan, director of the Oregon Historical Society, be included in the RECORD at this point, because it includes useful background information and states clearly the society's willingness to give the property to the National Park Service.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON HISTORICAL SOCIETY,
Portland, Oreg., December 31, 1973.

E. G. CHUINARD, M.D.,
Portland, Oreg.

DEAR DOCTOR CHUINARD: As you know, the Oregon Historical Society worked very hard in 1900–01 to truly authenticate and establish the site of the Lewis and Clark salt works. Some of the very best scholars ever associated with this century-old learned society worked very hard on this problem (including T. C. Elliot, Ralph Budd, Judge Charles Carey, and George Himes, himself). They were as certain of that site as they were of the now well-established Fort Clatsop site, which bright jewel in the National Park holdings was also once owned by this society, and also once questioned as to accurate location.

As you know, we have resisted many private inroads into the historic Cairn property as our minutes frequently attest. We have safeguarded the site as originally instructed, secure in the fact that it would continually be recognized as the site in the Tillamook Head area, one which should increase in size and general recognition, with open access to the beach and the ocean.

As earlier stated I again declare the interest of the Board of Directors is that this unique and historically authenticated site, as established and successfully used by the Lewis and Clark expedition as a salt works, be given over by title to the National Park Service, the Department of Interior, United States Government to become an extension and satellite of the Fort Clatsop National Memorial. It is only logical to join these two important properties. Our Society Board unanimously supports this long established intention and has for many years.

As you may remember, I was Director of this Society when, in 1954, we all first began to work on the establishment of the Clatsop site. Many persons then said it was an impossible conception. What a wonderful park it is today; how much better it will be with the true salt operation formally associated with it. When it is available for proper development, any thought of a simulated salt making operation is in my personal estimation anathema.

Please inform our president, David Abram, or me of any way in which this Society can support the splendid work being undertaken, under your direction, by the Lewis and Clark Trail Heritage Foundation Committee. Following the expressions of our Board we wish to join however we can in assuring the success of this important national preservation project.

Sincerely yours,
THOMAS VAUGHAN, *Director.*

Mr. HATFIELD. Mr. President, I am pleased to have my colleague from Oregon, Senator BOB PACKWOOD, join me in introducing this bill today. Congressman LES AUCOIN, who represents Oregon's First Congressional District, is introducing a companion bill in the House, cosponsored by Congressman ROBERT DUNCAN.

I ask unanimous consent that resolutions adopted by the cities of Cannon Beach, Oreg., and Seaside, Oreg., be included in the RECORD, as well as editorials from the Oregon Journal and the Oregonian in support of this proposal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 74–13

Whereas, a replica of the Lewis and Clark Salt Cairn is established on a site which has been authenticated, in the City of Seaside, Oregon, and

Whereas, the site and replica are owned by different parties, and funds are not always available for development and maintenance, and

Whereas, the Salt Cairn was an important part of the Lewis and Clark Expedition and Fort Clatsop, and

Whereas, the present Salt Cairn should be an important adjunct to the present Fort Clatsop National Memorial which is maintained and operated by the National Park Department.

Therefore, be it resolved, That Common Council of the City of Cannon Beach, meeting in regular session, joins with the Governor's Oregon Lewis and Clark Trail Heritage Foundation, the City Council of Seaside, Oregon, and other interested parties, to petition the Congress of the United States, to direct the National Park Service to accept title to, develop and maintain this important part of the Lewis and Clark Expedition and the nation's historical heritage, the Lewis and Clark Salt Cairn in Seaside, Oregon.

Passed by the Common Council of the City of Cannon Beach, this 4th day of March, 1974.

RESOLUTION

Whereas, the Lewis and Clark Expedition, in conjunction with Fort Clatsop, constructed, at Seaside, Oregon, a location for extracting salt from the seawater, and

Whereas, the salt cairn at Seaside was an integral part of the operation of Fort Clatsop, even though it was located several miles from the Fort proper, and

Whereas, the salt cairn at Seaside, Oregon is of historic interest and should be included in the Fort Clatsop National Memorial, even though located several miles away.

Now, therefore, be it resolved, That Clatsop County Historical Advisory Committee, undertake to urge the Department of the Interior of the National Parks Service and the Government of the United States to include the salt cairn at Seaside, Oregon as a satellite or appendage of Fort Clatsop National Memorial.

[From the Oregon Journal, Jan. 18, 1974]

A GREAT STORY ABOUT SALT

The importance of salt in the affairs of humankind has been recognized throughout recorded history.

The meaning of the biblical quotation, "Ye are the salt of the earth," is based on this recorded history.

In the period of the Roman Empire, each soldier was given a regular "solarium," or salt allowance for money to buy salt, and from this came the word "salary."

It is in this context that the site in the city of Seaside, where members of the Lewis and Clark Expedition made salt in the winter of 1805–06, earns the right to be accepted as "nationally significant" in history.

When the party reached the end of the long trek from St. Louis in December, 1805, and built its winter quarters on the site of the present Fort Clatsop National Memorial near Astoria, the men were desperately in need of salt.

Next to building a shelter, a top priority was finding a spot where salt could be extracted from sea water not only to meet immediate requirements but to last the expedition on the return journey as far as the Great Falls in Montana, where the nearest cache was located.

The place, where in a period of two months 20 gallons of salt was obtained by a laborious process of boiling sea-water, was acquired by the Oregon Historical Society in 1910 through donation from Mrs. Charlotte Cartwright.

While the Salt Cairn is marked and preserved in perpetuity, and has received care from the Seaside Lions Club, it deserves to be upgraded and maintained on a level which it has never enjoyed before.

The Governor's Lewis and Clark Heritage Foundation Committee, headed by Dr. E. G. Chuinard, one of this nation's most dedicated Lewis and Clark buffs, is spearheading a drive for National Park Service acquisition

of the Salt Cairn as a satellite of Fort Clatsop. The project has the support of the Historical Society. It seems to be winning general approval in Clatsop County.

The approaching Bicentennial makes this an appropriate time to put renewed focus on all aspects of the Lewis and Clark journey. It is this region's major link with the nation's early history, since it was President Thomas Jefferson who commissioned the expedition, which in turn helped to pin down the nation's claim to this part of the continent.

Other things can be done further to identify and exploit the rich legacy of Lewis and Clark history in Clatsop County. One idea now being explored is construction of a bicycle trail by the Oregon Highway Division between Fort Clatsop and the Salt Cairn.

The National Lewis and Clark Heritage Foundation, headed by Robert Lange of Portland, will hold its annual meeting in Astoria next August. This organization hopefully will give its backing to the project of making the Salt Cairn a satellite of Fort Clatsop.

Federal legislation will be required. Sen. Mark Hatfield and Rep. Wendell Wyatt are interested. Fort Clatsop became a national memorial only because influential Oregon people and organizations put their weight behind the project. That is what it will take for the Salt Cairn project to be realized.

MEMORIAL PART MISSING

Salt was a vital commodity to the members of the Lewis and Clark expedition. Consequently, the site of the salt cairn in which they evaporated sea water to get salt to sustain them through the winter of 1805–6 is of historical importance. But its current condition does not reflect that fact.

The location of the cairn has long been known. It is on a small lot among residences near the promenade at Seaside and about 100 feet from high tide. The site was authenticated by authorities; and, in May, 1910, the private owner of the property deeded it to the Oregon Historical Society, "in trust for the people of the State of Oregon for historical purposes only."

A modest marker designates the site and its significance, and many have visited it over the years. But neither the site nor those who might want to visit it have received proper attention, for lack of suitable custodianship.

The Governor's Lewis and Clark Heritage Foundation Committee of Oregon and the Oregon Historical Society have studied the matter and prepared a reasonable recommendation: That the cairn be made a part of the Fort Clatsop National Memorial, a reproduction of the Lewis and Clark winter encampment just a few miles north of the cairn site.

This small but important expansion of the memorial to the historic expedition requires federal legislation. Senator Mark Hatfield has informed the sponsors that he is introducing a bill to that end. It deserves support. The cost would be infinitesimal, the dividends in awareness of the significance of the history of the Oregon Country considerable.

Mr. PACKWOOD. Mr. President, true history is a fragile possession, not easily discovered. When we are blessed, however, with tangible evidence of an historic and courageous endeavor then we, through the visible trace of efforts left by our forebears, grow stronger.

The Lewis and Clark Expedition, 1803–7, was one such endeavor that will forever mark American annals as a courageous enterprise. Spurred by fabulous reports of the unexplored Oregon country and led by Capts. Meriwether Lewis and William Clark, an intrepid band of explorers wound its way through the western half of the North American Continent for more than 3 years, reporting back to President Jefferson in February, 1807.

Surely, the evidence of this bold journey should be preserved to remind us of our strong foundations in the past and to prod us to maintain this frontier spirit in facing the future. This is why I am very pleased to join Senator HATFIELD in sponsoring legislation which seeks to expand the Fort Clatsop National Memorial to include the salt cairn built by the expedition a mere 100 feet from the Pacific Ocean.

Lewis and Clark arrived at their Pacific destination, at Fort Clatsop, during the winter of 1805–6. The value of salt to the expedition is made apparent by the many references to this commodity in the Lewis and Clark Journals; its importance was particularly made vivid by Captain Clark's insistence that immediately following the selection of where winter quarters were to be established—

I deturmin'd to go as direct a Course as I could to the Sea Coast which we could here roar and appeared to be at no great distance from us, my principal object is to look out a place to make Salt, blaze the road or rout that they men out hunting might find the direction to the fort if they Should get lost in cloudy weather—and See the probability of game in that direction, for the Support of the Men, we Shall Send to make Salt.

Back and forth, again and again, Lewis and Clark and their men trekked the same 7 miles from Fort Clatsop to the salt cairn during their winter stay. Twenty gallons of precious salt was the fruit of their difficult labor for the arduous journey of return to the eastern seaboard.

Today, the remains of this salt cairn, the evidence of a great era of American exploration, are maintained by the Oregon Historical Society. I think it entirely appropriate that this site of national historic significance be integrated into the Fort Clatsop National Memorial.

In sum, the value of the salt cairn is best expressed by the words of the Governor's Lewis and Clark Heritage Foundation Committee of Oregon; they are to be congratulated on their work and words:

The story of the western end of the Lewis and Clark Trail cannot be complete without proper recognition of the Salt Cairn, and this can best be done with it becoming a satellite component of the Fort Clatsop National Memorial.

In conclusion the committee noted—

Woodrow Wilson said: "A spot of local history is like an inn upon a highway: it is a stage upon a far journey: it is a place that national history has passed through. There mankind has stopped and lodged by the way."

The Salt Cairn is a spot of local history; it was a stage upon a far journey; it is a place that national history has passed through. We must see to it that national history shall not pass it by.

By Mr. FONG (for himself, Mr. BEALL, Mr. BROCK, Mr. BROOKE, Mr. BUCKLEY, Mr. CHURCH, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. EASTLAND, Mr. FANNIN, Mr. GARN, Mr. HANSEN, Mr. PHILIP A. HART, Mr. INOUYE, Mr. MCCLURE, Mr. MCGEE, Mr. MOSS, Mr. PERCY, Mr. RANDOLPH, Mr. RIBICOFF, Mr. ROTH, Mr. STAFFORD, Mr. THURMOND, and Mr. TOWER):

S. 829. A bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65. Referred to the Committee on Finance.

PROPOSAL TO PROVIDE 6⅔ PERCENT ANNUAL PREMIUM IN SOCIAL SECURITY BENEFITS FOR PERSONS RETIRING AFTER AGE 65

Mr. FONG. Mr. President, on behalf of myself and Mr. BEALL, Mr. BROCK, Mr. BROOKE, Mr. BUCKLEY, Mr. CHURCH, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. EASTLAND, Mr. FANNIN, Mr. GARN, Mr. HANSEN, Mr. PHILIP A. HART, Mr. INOUYE, Mr. MCCLURE, Mr. MCGEE, Mr. MOSS, Mr. PERCY, Mr. RANDOLPH, Mr. RIBICOFF, Mr. STAFFORD, Mr. THURMOND, and Mr. TOWER, I am introducing today a bill, S. 829, to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65.

S. 829 would expand choices open to older Americans under social security by providing that persons choosing to delay retirement will qualify for higher benefits on the same percentage basis as benefits are now reduced for early retirement.

It provides for an increase of 6⅔ percent in benefits for each year between age 65 and 72 that an individual elects to delay his or her receipt of social security retirement benefits. For those who choose to wait until age 72, benefits will increase at least 46⅔ percent.

Since continued work after age 65 may also raise the retiree's average monthly wage for social security benefit calculations, the actual maximum increment at age 72 could be well above 50 percent.

FLEXIBILITY AND EQUITY

The purpose of our bill is to make the social security system more flexible by giving the beneficiary more freedom in adapting its provisions to his or her situation.

The retiree will be able to elect the benefit approach which best suits individual need and desire. To maximize choice, the bill provides a benefit increase of five-ninths of 1 percent for each month that an individual chooses to continue employment after 65.

The proposed benefit increment is a first major step in correcting a serious inequity in social security which sharply penalizes the hundreds of thousands of persons who prefer to continue working or must work after age 65. Together with flat dollar liberalization of the earnings test, which now reduces OASDI benefits by 50 percent of earnings over $2,520 a

year, S. 829 moves us toward complete individual freedom in choice of time for retirement.

This bill would in no way interfere with or jeopardize the current right of a person to elect early retirement for social security benefit purposes.

As a simple matter of equity, our bill would recognize the principle of flexibility for those who delay retirement in much the same way as the law now recognizes the right of persons who choose to retire between 62 and 65.

A BEGINNING—NOT AN END

S. 829 is essentially the same as S. 2815, which I introduced in 1973 with cosponsorship by Senator TOWER, and reintroduced as S. 3386 in 1974 with multiple cosponsorship.

As I said then, my decision to propose a 6¾-percent annual increment was based on two considerations. The percentage is identical to the reduction percentage for early retirement. As a matter of fiscal and legislative practicality, it is probably the maximum increment percentage now attainable.

If, instead of our proposal, Congress authorized the full actuarial benefit increase which should be available if we assume full entitlement to social security benefits at age 65, the annual increment would be 12 percent. This is a laudable objective, but I do not believe we are able to go that far at this time.

First year cost of our bill to the social security system will be approximately $200 million. Long-range average cost would be approximately 0.21 percent of taxable payroll. While the bill contains no provision for financing, I strongly believe that all additional costs to the social security system should be properly financed from their beginning and I would expect the Committee on Finance to incorporate such language in the bill before reporting it out for floor action.

Currently those who choose to remain in the work force after 65 are entitled to a 1 percent annual increment in benefits. This provision, enacted in 1972, was welcome, but it does little more than recognize the social security taxes paid after 65. It falls far short of real equity. It is relatively ineffective in expanding choices open to older Americans.

It would be my hope that eventually we would amend social security to provide fully equitable consideration for those who continue work after age 65. Our proposal is a beginning, but not necessarily an end.

INFLATION MAY INCREASE INEQUITY

I have long been disturbed by the high share of social security costs now borne by working persons over 65. Older people who work are now actually paying over $4 billion a year, through benefit losses, as a subsidy to those drawing benefits.

There have been reports that the inflationary spiral of the past several years may have made many older Americans increasingly reluctant to retire because of fears that retirement income will be continuously less adequate in meeting their needs.

To the extent that this is true, it heightens the current law's inequitable treatment of those who defer retirement for any reason. Arguments for the 6⅔ percent annual increment, which were valid when I first introduced this legislation in 1973, thus become even more pertinent.

BALANCED RETIREMENT INCENTIVES NEEDED

Even so, it is small wonder that older persons are unwilling to remain in the work force, despite personal preferences. The actual return for continuing to work is not enough to impel him or her to continue. Not only does the full time worker lose social security benefits, but he or she must also pay income taxes and social security taxes on earnings. When these are added to expenses incurred in going to the job, often little if any net gain remains for the worker's own use.

The Nation's loss of wealth from waste of skills and experience among older Americans is substantial. More important is the economic and psychological loss to the individual through disinvolvement from life's mainstream. There is ample evidence that retirement is often accepted reluctantly because there is little practical choice in terms of economic advantages.

It is time that we counterbalance present incentives in society for early retirement with comparable incentives for later retirement. Without such balance, older Americans are denied full freedom of choice.

Comments from individuals and such distinguished organizations of older people as the American Association of Retired Persons and the National Retired Teachers Association convince me that older Americans—both employed and retired—feel strongly that they should have the right to choose. This demands flexibility in social security along the lines that we now propose.

During recent years, there has been a great deal of talk about need for a new national policy in aging. Despite some progress, and every step forward is good, we have not yet really come to grips with the challenges in our new era of aging.

Millions of words have been used in thousands of articles and meetings ranging from the White House Conferences of 1961 and 1971 to sessions in our smallest villages. In them all, there has been a call for action to give older Americans full freedom of choice—with honor, dignity, and self-respect. And yet too often our seniors find themselves treated as second-class citizens.

In examinations of need for a new national policy in aging—whether by authorities in medicine, economics, sociology, or other disciplines—one key element in our problem comes clear. There is need for a new look at retirement practices in this country. We need to reconsider obsession with the numbers game—our pursuit of retirement based solely on artificial chronological rules of age without regard for either actual abilities of older persons to participate in the Nation's productive forces or the desire of many for continued involvement in society's mainstream.

Deliberations by the real experts on aging—older persons themselves—have been no less emphatic about the need for new approaches to the question of retirement. We need to reinstate the principle that choices should be made by the individual in the light of individual abilities and individual desires.

No one would claim that this objective can be achieved through legislation alone. Education about the tremendous productive potential and the will for involvement among older persons may, indeed, be the most important element in solving the problem.

But there are some things that Congress can do. Perhaps most important will be decisions in Federal programs, such as social security, which will offer incentives for continued life-participation by older persons at least equal to current disincentives.

This bill to provide higher social security benefit increments for those who choose to delay retirement until after 65, in my judgment, is an essential step toward this objective. I urge its speedy and favorable consideration by the Congress.

Mr. WILLIAMS. Mr. President, I am pleased to join Senator FONG, the ranking minority member of the Senate Special Committee on Aging in cosponsoring legislation to increase the increment in social security benefits payable to individuals who delay their retirement beyond age 65.

As the former chairman of the Senate Special Committee on Aging, I have long supported efforts to increase the retirement security of our senior citizens. For more and more of America's 20 million persons who are aged 65 and over, the current runaway inflation is turning life on a fixed income into a nightmare.

Working men and women nearing retirement age are caught in the vise of rocketing prices with the prospect of retiring on a fixed income which may have little chance of keeping up with the inflationary spiral. This situation demands that our national retirement income policy provide a greater freedom of choice regarding retirement.

This bill would expand the choices open to older Americans under social security by providing that persons choosing to delay retirement will qualify for higher benefits on the same percentage basis as benefits are now reduced for early retirement.

Workers who now claim social security benefits before age 65 have their benefits actuarially reduced by 6⅔ percent for each full year. This bill would allow an increase of 6⅔ percent in benefits for each year between age 65 and 72 that an individual elects to delay his or her receipt of social security retirement benefits.

However, this bill would not interfere with the current right of any individual to elect early retirement. It simply allows the individual the alternative to elect to stay in the work force for a few more years and thereby increase the future benefit.

Recent reports indicate that early retirements at many firms are either sharply off or far below expectations. In some cases, workers who have reached mandatory retirement age are requesting special permisison to stay on for a year or two more, or until the economy becomes more stable.

Many older Americans are increasingly reluctant to retire because of their fear that their retirement income will not be sufficient to meet their needs. Declining market values for the assets of many private retirement plans have been translated into sharply reduced benefits which are badly needed supplements to the social security benefits.

But current personnel practices tend to favor compulsory retirement at a specified calendar age usually age 65 which is the normal retirement age under social security. Only about 14 percent of all aged Americans are in the labor force and the trend is clearly downward.

There are many barriers in our national retirement policies which prevent our senior citizens from remaining active during their later years. Many of our senior citizens argue that our national retirement policies should not encourage compulsory retirement at a specified age.

They point out that cronological and functional age do not necessarily coincide.

A predetermined date, therefore, will not provide an adequate index of the effects of aging upon a person's capacities to perform the job. A flexible retirement policy would be in harmony with the realities of functional aging, the wishes of many workers and employees, and the requirements of full productivity for the Nation.

By Mr. WILLIAMS:

S. 833. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas. Referred to the Committee on Commerce.

EMERGENCY ALLOCATION OF NATURAL GAS

Mr. WILLIAMS. Mr. President, the stated congressonal objectives in the Natural Gas Act direct the Federal Power Commission to provide a continuing and adequate supply of natural gas at reasonable prices. It has become increasingly clear that the Federal Power Commission is unable to meet this goal. Furthermore, the short term outlook for greater quantities of natural gas is dismal. The proposed solutions will not substantially increase the current supply for several years.

Until coordinated, long-term programs do solve the gas shortages severely affecting a great portion of the Nation, there is a desperate need to provide immediate interim relief. The shortfall must be allocated equitably throughout our Nation.

Recently the people of New Jersey, faced with one of the more serious unemployment problems in the Nation, received notificatoin of a proposed curtailment of natural gas to the southern half of the State. The proposal called for an overall cut of 30 percent in south Jersey's supplies. Since residential customers must receive the highest priority, the curtailment would have had a grave effect on other users such as schools and hospitals, and particularly industries.

It is significant that over 111,000 people earning an annual payroll of over $1 billion are now employed in manufacturing in this area. It contains 19 major industrial consumers employing 25,000 persons which depend on natural gas from the South Jersey Gas Co. These workers earn wages of over $284 million a year. Thus, 23 percent of those employed in manufacturing in this area are directly dependent on natural gas for their livelihoods, and companies dependent on natural gas provide nearly 30 percent of the wages attributable to industrial production in the south Jersey area.

It is worth noting that much of the industrial production dependent on natural gas in south Jersey is directly related to the production of essential goods and services throughout the Nation. Over half of the major natural gas consumers produce glass containers used for health care products, foods, beverages, and laboratory equipment. Others provide products which are also of critical importance to our Nation. Owens-Corning, for example, manufactures pipe and block insulation which are employed in the power generating, refinery, and defense industries.

Fortunately, the proposed curtailment to south Jersey has been temporarily avoided by a mild winter and a loosening of supplies from other sources. South Jersey can still expect to be cut back by 50 percent of its supplies next January. Industrial, commercial, and even residential customers could be affected. We must make every effort to avoid the catastrophic effects which disproportionate curtailments would have.

Although I have emphasized the problems which confront New Jersey, I am equally concerned over the shortages experienced throughout the Nation. The curtailment of natural gas has been particularly severe this winter. A continued supply of natural gas is equally essential to avoid serious economic dislocations.

Today I am introducing legislation to deal with this natural gas shortage on an interim basis until adequate supplies are readily available. This measure will grant the Federal Power Commission the authority to intervene in natural gas disasters. It enables the Commission to allocate natural gas to sections of the Nation facing natural gas emergencies which would curtail the operation of essential services. By authorizing the Federal Power Commission to act decisively in periods of extreme shortages, the uncertainties about future supplies that confront many natural gas users will be reduced.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 833

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Natural Gas Allocation Act of 1975".

SEC. 2. The Natural Gas Act is amended by redesignating sections 23 and 24 as sections 24 and 25, respectively, and by inserting before such sections a new section as follows:

"EMERGENCY ALLOCATION OF NATURAL GAS

"SEC. 23. (a) In any case where the Commission determines that the reduction of natural gas supplies in any area for residential heating or industrial purposes will seriously endanger the public health, safety, or welfare in such area, the Commission is authorized to issue such orders as may be necessary to provide for the allocation of natural gas subject to regulation under this Act either nationwide or in such areas as may be necessary in order to provide, in accordance with priorities established by the Commission, adequate supplies of natural gas for such purposes.

"(b) The Commission shall consult with the Administrator of the Federal Energy Administration prior to making or establishing any determinations, orders, or priorities pursuant to this section."

By Mr. HASKELL (for himself, Mr. HANSEN, and Mr. GARY W. HART):

S. 834. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools. Referred to the Committee on Interior and Insular Affairs.

Mr. HASKELL. Mr. President, the legislation I am introducing today renews an effort started last year. It amends the Mineral Leasing Act to provide that moneys due the States resulting from the leasing of Federal oil shale lands be made available for a variety of purposes.

The law now limits the States' use of these moneys to "the construction and maintenance of public roads or for the support of public schools or other public institutions, as the legislature of the State may direct."

The legislation, which passed the Senate last year, would permit each State to use its share of oil shale revenue for planning, construction and maintenance of public facilities, and provision of public services.

The need for this legislation is enormous.

The oil shale reserves in the Green River formation in Colorado, Utah, and Wyoming contain the equivalent of 600 billion barrels of oil—a quantity approximately equivalent to the entire known world reserves of oil. Others estimate the reserves may be as high as 1.8 trillion barrels, a total which would be 47 times the total U.S. reserves.

The vast majority of these deposits—approximately 80 percent—is on public lands.

This Nation has recently embarked on a program of leasing those public lands for the development of our shale resources. Through its prototype leasing program the Department of the Interior has leased two 5,000-acre tracts in Colorado and two 5,000-acre tracts in Utah. Two more tracts in Wyoming were offered for lease but were not accepted.

If, as seems likely, there is a substantial oil shale boom, State and local governments will have to provide a wide range of community service to large

numbers of new residents. Roads and schools are just part of such services.

Water and sewer treatment plants, health and emergency services, police and fire protection all must be considered, planned, and funded.

Once the Federal law is changed, local governments in the affected area can immediately begin using available funds to plan and provide the entire range of services growth will demand. The comparable change in State law has already been made.

The need to provide the necessary flexibility to State and local governments to use funds derived from sales, bonuses, royalties, and rentals of public lands for oil shale development is obvious. The local people will bear the impact of helping to meet national energy needs.

The legislation introduced today differs from S. 3009 which passed the Senate last May in one significant respect. It directs that the directly affected areas of the State be given a priority in use of these funds. The funds should not be regarded as ordinary revenue for the State, They have a special purpose and that purpose must be protected.

I have discussed the purpose and the desirability of this legislation with my colleagues on the Senate Interior Committee and with our colleagues on the House Interior Committee as well.

I am looking forward to early action on the measure. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That section 35 of the Act of February 25, 1920 (41 Stat. 450), as amended (30 U.S.C. 191), is further amended by striking the period at the end of the proviso and inserting in lieu thereof the language as follows: ": *And provided further*, That all moneys paid to any State on or after January 1, 1974, from sales, bonuses, royalties, and rentals of public lands for the purpose of development of or research concerning oil shale deposits may be used by such State and its subdivisions for (1) planning, (2) construction and maintenance of public facilities, and (3) provision of public services, as the legislature of the State may direct giving priority to those subdivisions of the State socially or economically impacted by the development or research activities."

By Mr. STAFFORD:

S. 836. A bill to amend Title 38, United States Code, to liberalize the provisions for payment of educational assistance benefits to certain disabled veterans. Referred to the Committee on Veterans Affairs.

Mr. STAFFORD. Mr. President, today I am introducing a bill to amend section 1661 of title 38, United States Code, to increase the eligibility of disabled veterans to the GI educational benefits.

In regards to the Veterans' Administration training under section 34 of title 38, United States Code, the present law states that any honorably discharged veteran who has served 18 or more months on active duty shall have 36 months GI bill entitlement.

Veterans with less than 18 months of service shall only be entitled to 1½ months of training for each month of active service.

Thus, in the case of a veteran who is discharged for a service connected disability prior to 18 months of active service, a full entitlement to educational benefits would not have accrued.

The Congress tried to anticipate such situations of service-connected disabled veterans when it developed chapter 31 of the Vocational Rehabilitation benefits.

Under chapter 31 the service-connected disabled veteran is eligible to receive vocational rehabilitation benefits which can include a college education. However, a veteran does become ineligible for further chapter 31 benefits when the Veterans' Administration classifies him as "rehabilitated."

There are cases where veterans have been classified as "rehabilitated" prior to their being able to complete college, and if those veterans were disabled before 18 months of active duty service, they would not have sufficient entitlement in order to complete their education.

I ask unanimous consent that a letter from a veteran, Randall B. Chlapetta, Jr., be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CLIFTON, N.Y.,
January 16, 1975.

DEAR SIR: I volunteer two years service for the U.S. Marine Corp to go to Viet Nam at the end of 1967, I was with the 3rd Marine division F.M.F. While serving I was wounded. They sent me home to St. Alban hospital, Long Island, N.Y., where I was discharge Sept. 13, 1968.

I just took advantage of my G.I. schooling for on the job training, as an off set cameraman. I was advised by the Veterans that Congress allowed more time on the program. I ask if I could have more time for on the job training, but was told that I only had 13 months.

The reason they gave me is I didn't complete the two full years in the Marine Corp.

I don't think this is fair to me or any other veteran. What ever length of time we signed up for the service, I feel we should receive the full benefits. We did not plan to be wounded. Therefore I do not see why we could not have the rest of the G.I. schooling for the length we signed up for.

I repeat, I do not think its fair for the veterans who could not complete their service time, to be allowed only the benefits for the time they put in.

I'm asking for your opinion and help. I feel that there are many veterans who will back me up on this matter. Also, the veterans who served in the war should be allowed to have their schooling for as long as they signed up in the service.

I'm not prejudice against the veterans that weren't in the war, but I think the veterans that were wounded should have more privileges than the others.

I would like to find out if there's any veterans who feel the same way as I do. If so I would like them to Sound Off.

Thank You

R. B. CHIAPPETTA, Jr.

Mr. STAFFORD. Mr. President, the pertinent facts that should be derived from this veteran's letter are that the veteran enlisted in the U.S. Marine Corps for 2 years in late 1967. He received a combat wound in Vietnam which necessitated his medical evacuation back to the United States and ultimately, his medical discharge.

The veteran was discharged on September 13, 1968, which gave him approximately 9 months of active duty service, and hence, under present law, he is only entitled to 13 months of GI educational benefits.

If the veterans' rehabilitation counselor determines that some other goal should be established for this veteran and it does not include a college education, this service-connected disabled veteran will be unable to obtain a college education if he so desires.

I believe that once a veteran has suffered a service-connected disability, he should receive full entitlement to all benefits, and it is to correct this inequity in the law that I am introducing this bill.

Simply, this bill would authorize full GI bill entitlements to any veteran who is medically discharged from service due to a service-connected disability regardless of actual months served on active duty.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that subsection (a) of section 1661 of Title 38, United States Code, is amended by inserting immediately after "active duty obligation," the following: "or served for a period of less than 18 months after such date and received a medical discharge because of service-connected disabilities,".

By Mr. McCLURE:

S. 838. A bill to authorize the Secretary of the Army to delegate to the States certain functions with respect to the location and plans for structures, excavations, or fills in or on certain navigable waters. Referred to the Committee on Public Works.

Mr. McCLURE. Mr. President, I am today introducing legislation intended to ease the burden created by what I consider has been an error in judgment in the operations of the navigational permit program run by the Army Corps of Engineers.

I introduce similar legislation last year as S. 4031. That bill was the subject of an extensive hearing by the Committee on Public Works. The record of that hearing demonstrated the need for early action during this session of the Congress.

Specifically, the bill allows the Secretary of the Army to delegate certain navigational permit authorities over the location of structures, excavations, or fills in navigable waters when the States have similar systems of permits. The bill would extend only to so-called navigable waters that are not regularly used for interstate transportation of commercial goods.

To understand this problem, we must go back to the 1899 Rivers and Harbors Act. Section 10 of that act created a system of Corps of Engineers permit covering the placing of any structure, excavation, or fill in navigable waters. The act, however, does not define what a navigable waterway is.

Over the years, through legal actions, the courts of the United States have established the definition of navigable waters. The latest definition is set out in section 209.260 of title 33 of the Code of Federal Regulations. Generally, that definition is that navigable waters of the United States are those waters which are presently, or have been in the past, or may be in the future, susceptible for use in purposes of interstate or foreign commerce.

Up until a few years ago, the Corps was using a loose interpretation of this definition which stressed the existing commercial navigability of the waterway. Not much attention was paid to previous commercial uses of a waterway or to waters with the potential of commerce. The waterway also had to go from a commercial starting point in one State to a final destination in another State, with no land links in between. Therefore, if the water was presently being used for commerce and if the commercial transportation was entirely waterborne, then the waterway was considered navigable. Permits were then required from the Corps, under the 1899 act, to insure that structures built into the water would not interfere with the flow of commerce.

In the late 1960's, the Nixon Administration recognized the damaging effects of pollution on the waterways of the United States and sought ways to control it. One tactic was to enforce another provision of the old 1899 Act: Section 13, which dealt with discharges into navigable waters. To insure that all waters would be included, and thereby protected from pollution, the definition of "navigable waters" was expanded. The end result was to broaden the Corps of Engineers' jurisdiction so that permits would be required for discharges as well as structures on virtually all of the Nation's waterways.

Eventually, jurisdiction for Federal pollution permits was transferred to the Environmental Protection Agency, with the Corps continuing to hold its traditional jurisdiction over structures.

But the Corps continued to use the broader definition of navigable waters.

The Corps was no longer concerned only with waters which were presently being used for interstate commerce; they were now concerned with waters which were once used for and/or could possibly be used in the future for commercial navigation. And they were no longer concerned only with waters which provided interstate transportation; they were now also concerned with waters which would or could serve as one link, in conjunction with land transportation, with the interstate movement of commerce.

This interpretation had a profound effect on the Corps' scope of jurisdiction.

In 1932, the Corps made a navigability study of the Spokane, St. Joe, St. Maries, and Coeur d'Alene Rivers and determined them to be nonnavigable. In 1950, the Corps evaluated the navigable status of Lake Coeur d'Alene, and determined that it and its tributaries were not considered to be navigable waters of the United States.

And yet, under the new interpretation, the Corps on January 2, 1974, declared that Lake Coeur d'Alene, Lake Chatcolet, Round Lake, Hidden Lake, and the lower reaches of the St. Joe River, Idaho, were navigable waters and subject to permits. In the two earlier studies it was determined that these waters were not being used as the sole highway for commerce; in 1974 it was determined that they form a link in a chain of transportation which carries commerce between the States. And yet there is no appreciable difference in the navigable status since the earlier studies—and there was no change in the law by any legislative body.

It is one thing to administer the law as it was intended. It is quite another to shift back and forth between interpretations of its administration. The situation is not unique to North Idaho. I know of at least two other examples, Kuapa Pond in Hawaii and Lake Oswego in Oregon. In each case, these are waters which would meet the current legal definition of "navigable water," and yet are not being used for commercial navigation. In fact, they have become essentially recreation-oriented waters.

This is particularly true at Lake Coeur d'Alene. The shoreline property is mostly owned by private citizens and the lake is lined with lovely summer and permanent homes. With few exceptions, the use of the water is now dominated by recreational endeavors—boating, fishing, swimming, and sailing. Cruise ships offer scenic trips the length of the 30-mile-long lake and up into the St. Joe River. Annual hydroplane boat races are held on Lake Coeur d'Alene. The lake lies on a major east-west thoroughfare, helping tourism to become one of the most important industries of the community—tourism that is mostly water-oriented.

The Corps' decision means that those residents will need both Corps and State permits for the construction of any additional docks or piers for boats and for any excavation or fills to perhaps add a patio or deck to a summer home.

It seems to me that there are many other waterways which are truly supporting commercial navigation and which are more deserving of the Corps' time and attention. In situations such as that at Lake Coeur d'Alene, it seems more appropriate to let the State handle the matter of permits and to let the corps devote its efforts to areas more truly navigable. That is the purpose of the bill.

There are certain stipulations, however. The bill does not allow the Secretary of the Army to delegate this permit authority to any State, which might have a situation comparable to that of Lake Coeur d'Alene, Kuapa Pond, or Lake Oswego. The bill specifies that the authority will be delegated only to those States which themselves have adopted a program to regulate and develop along waters that are navigable, but not commercially navigable. The issue here is not whether permits should be required, but rather whether the Federal Government must be involved in such a function. I maintain that it should not.

By Mr. McCLURE (for himself, Mr. DOLE, Mr. DOMENICI, Mr. HANSEN, Mr. MATHIAS, Mr. METCALF, Mr. THURMOND, Mr. YOUNG, and Mr. CHURCH):

S. 840. A bill to amend the Funeral Transportation and Living Expense Benefits Act of 1974 (88 Stat. 53) to also provide memorial transportation and living expense benefits to the families of deceased servicemen classified as prisoners of war or as missing in action. Referred to the Committee on Armed Services.

MEMORIAL EXPENSES FOR MIA'S AND POW'S

Mr. McCLURE. Mr. President, on March 22, 1973, we extended certain courtesies and benefits—similar to those given to the families of our returned POW's in 1973—to the families of our servicemen who died in captivity in Southeast Asia during the Vietnam conflict. We provided funeral transportation and living expenses to the families of those prisoners of war whose remains were returned to the United States after January 27, 1973, for burial.

But what about those servicemen who died while classified as prisoners of war or as missing in action, whose remains cannot be returned? The memories of these brave men should be no less respected than of those whose bodies have been returned to American soil. These men should be memorialized with such suitable honor and ceremony as befits our war dead. And their families should receive the same courtesies and expense benefits as extended to those families whose loved ones have been returned home for burial.

The measure I am introducing today will extend these expense benefits to the families of military personnel who died in captivity during the Vietnam conflict and for whom memorial services are held because their remains cannot be returned to the United States.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 2 of the Funeral Transportation and Living Expense Benefits Act of 1974 is amended by adding at the end thereof the following:

"(c) Likewise, those servicemen who died while classified as prisoners of war or as missing in action, but whose remains cannot be returned to the United States, should be memorialized and the same comparable courtesies and amenities should be extended to the families of these deceased military personnel.".

SEC. 2. Section 3 of such Act (88 Stat. 53), is amended to read as follows:

"SEC. 3. (a) The Secretary of Defense is authorized to provide funeral or memorial transportation and living expense benefits for the family of any deceased member of the Armed Forces who shall have died while classified as a prisoner of war or as missing in action during the Vietnam conflict.

"(b) Such benefits shall include transportation roundtrip from such family members' places of residence to the place of burial or memorialization for such deceased member of the Armed Forces, living expenses

and other such allowances as the Secretary shall deem appropriate.".

By Mr. NELSON (for himself and Mr. PHILIP A. HART):

S. 841. A bill to protect individuals against conduct creating serious potential environmental health hazards. Referred to the Committee on Public Works.

Mr. NELSON. Mr. President, Senator PHILIP A. HART and I will now jointly introduce two separate pieces of environmental health legislation. The first is a bill entitled the Environmental Health Act of 1975 and the second is a proposed amendment to S. 776, the Toxic Substances Control Act.

The purpose of each of these measures is to protect individuals threatened by certain kinds of conduct which cause very serious potential health hazards. Both measures address themselves to situations where a court is asked to enjoin conduct which creates a serious potential health hazard to human beings, but the risk cannot be proven for a certainty. Although procedurally very different, both the bill and the amendment exemplify a legislative policy that in such situations, it is better to err on the side of safety.

Senator HART will join me in cosponsoring the Environmental Health Act of 1975, and I shall in my remarks, address myself to the text of that bill. Senator HART will introduce, and I shall cosponsor, the amendment.

The text of the amendment was passed unanimously in the Senate last year on December 18, in the form of an amendment to the Coastal Zone Management Act. Both the bill and the amendment have been the subject of hearings and both have received substantial support from Government agencies and recognized experts in the field.

The need for this legislation is urgent—so urgent, in fact, that we believe the best way to proceed is by introducing both these measures. One, the amendment, amplifies the purposes of the toxic substances bill. The other, the separate bill, goes further by providing a clear, straightforward procedural mechanism for accomplishing a similar purpose.

Ironically, as I will explain in detail, I do not believe that either of these measures really changes the law. I believe it has for many years been the law that courts must protect human life and health when either is seriously threatened. However, some courts have expressed doubts about what the law is and how it should be interpreted. These two pieces of legislation are intended to eliminate all such doubts once and for all.

Until June of last year I would never have thought we need such legislation as we are introducing today. I believed that any court of law or any Government administrator, when faced with a real risk of such serious injury to human beings, would have made sure that the danger is removed. But on June 4, 1974, the U.S. Court of Appeals for the Eighth Circuit proved we do need such a law. On that date, the Eighth Circuit Court of Appeals lifted an injunction which Judge Lord of Minnesota imposed on the Reserve Mining Co. Reserve had been dumping taconite tailings into Lake Superior and the plaintiffs—which included the States of Wisconsin, Michigan, and Minnesota—proved to Judge Lord that there was a risk of cancer to those living in the Superior-Duluth region who ingested the water from the lake.

Judge Lord refused to "accept the company's argument that the discharge should continue until such time as it can be established that it has actually resulted in death to a statistically significant number of people. The sanctity of human life is of too great value to this court to permit such a thing," he said. Aware that "any environmental litigation must involve a balancing of economic dislocation with the environmental benefits," Judge Lord based his decision on his view that the defendants "have the engineering and economic capability to obviate the risk and chose not to do so in order to continue (the) profitability of the present method of operation." He put the whole issue into a few words and said, "This court cannot honor profit over human life and therefore, has no other choice but abate the discharge."

But in a shocking opinion, the appeals court said: "Judge Lord apparently took the position that all uncertainties should be resolved in favor of health safety."

Apparently, this court thought that in a case where tens of thousands of people were threatened with a potentially serious health hazard, all uncertainties should not be resolved in favor of health or safety.

The appeals court went on to say that Judge Lord's "determination to resolve all doubts in favor of health safety represents a legislative policy judgment, not a judicial one." In other words, that court has asked us in the Congress to provide specific legislation before it decides this case in favor of the people whose health is threatened. These two pieces of legislation, therefore, specifically respond to this part of the court's opinion.

As I stated above, I disagree with the eighth circuit's view of the law. I believe that the present law, even without this legislation, clearly protects the plaintiffs in the Reserve Mining case. I say this because I want no one to infer from our introducing these measures that I agree with the eighth circuit's notion that the law without such legislation does not protect the plaintiffs in the Reserve Mining case.

The Reserve Mining case has three key elements: First, there was a course of conduct which created a potentially serious health hazard. Second, the risk of harm was potential—not a certainty or a clear probability. And finally, it was decided that, since no one could be certain that a tragic result would occur, the course of conduct should not be stopped.

This, I submit, is more than misguided conduct; it is irresponsible in the extreme. To tolerate a serious potential health hazard when it is not absolutely necessary is unacceptable.

Mr. President, the Environmental Health Act of 1975, which we now introduce, addresses itself to this very kind of situation.

The bill is very specific and applies only in certain court proceedings:

First, the bill is restricted to proceedings brought under one of the statutes administered by the Administrator of the Environmental Protection Agency.

Second, it is triggered only when a party is seeking equitable relief—for example, an injunction, but not monetary damages.

Third, the course of conduct must involve a kind of "discharging, emitting, or manufacturing," and those words are defined in the bill.

Fourth, the potential risk created must be real, it cannot be a negligible risk or only a theoretical possibility.

Fifth, the potential health hazard must be a very grave one: death, serious illness or disease, or irreparable physical harm to humans.

In these highly urgent circumstances, the bill would shift the burden of proof to the party creating the grave risk to health and require that party to prove either that no threat to health exists, that the threat is negligible, or that other considerations outweigh the health threat.

In other words, this measure is aimed at those situations where some evidence of a serious potential hazard exists, but the evidence is inconclusive. The legislation would prohibit the potentially dangerous conduct until it could be proved to be safe, or until it could be shown that the benefit substantially outweighs the risk.

I was greatly encouraged by some of the very strong support received by this bill when it was introduced last year—in the form of an amendment to a bill entitled "The Environmental Protection Act of 1973". For example, Chairman Russell W. Peterson of the Council on Environmental Quality, testified that—

* * * * *

The amendment represents a conservative approach to judicial decision-making, in the sense that it resolves uncertainty in favor of protecting the public's health. Congress and the legislatures in this country have given high priority to keeping our communities in good health, and this measure would be consistent with that well established policy. The principal effect of the amendment will, of course, come in those cases where evidence falls short of showing an inescapable cause-and-effect connection between the defendants' activities and the disease or health hazard that is threatened.

The defendant then must establish that his activities are either safe or worthy of protection for other reasons, or else he must risk a court's order of appropriate equitable relief.

In these times, we have reached the point in our use of technology where we may sometimes permit polluting activities to take place before there has been time or opportunity to test the pollutants or to guarantee that the discharges are not hazardous. By this amendment we would take a step toward sound management. The general practices of the past would continue, except in those cases where on the basis of some evidence, a court would have reason to believe that a public health threat was created. The person responsible for creating that

threat must then establish that his activities are safe or are justified for other reasons.

To put the issue in perspective, consider the problem of a nineteenth century judge who might have been asked by a State health agency to enjoin the discharge of municipal sewage into downstream drinking water supplies. Until the discovery of "microbes" several decades later, neither party could have conclusively proven that the sewage caused disease. But in retrospect, it is shocking to think that a court might have been prevented from enjoining the discharge without the cause-and-effect knowledge that was first discovered several decades later.

The problems we face today are the same, only the stakes are higher. One of today's problems, cancer, involves several decades of latency between exposure and discoverable illness. The latency period means, in an ever increasingly mobile society, that in most instances it will be difficult, if not impossible, to associate an induced cancer with its cause. In fact, in the instance of the well-known cases of diethyl stilbesterol (DES), asbestos, and vinyl chloride if it weren't for the rare forms of cancer induced in occupational settings we might not have recognized the hazards of their production and use for years to come.

We are in the same position as the nineteenths century health authorities in that we know something, but certainly not everything, about the cause of our century's diseases. But the facts we do have should be given weight, and should not be discarded because we do not know everything. The courts should deal with the "unknowns" by favoring the safest course of action. They should act on the best knowledge available, as their sense of fairness might dictate, but they should not delay action while waiting for knowledge that is not available.

The second strong point is this proposal's flexibility. It does not create new causes of action. It applies to a limited class of cases, and only to the more serious cases within that class. It would retain in the court, the full power to balance all physical and economic considerations against the public's need for equitable relief.

A third principal effect of the amendment will be to improve the judicial process in these cases, by asking those who create risks to the public, to expeditiously come forward with all the facts they have early in the case. They would no longer sit back and refuse to come forward with their information until after the plaintiffs have made a strong case on the limited information available to them. By placing the burden on the defendant who is in the best position to offer information from his files, the courts can reach a decision more quickly and at less cost in pretrial expense.

* * * * *

In an October 4, 1974, editorial entitled, "Try It—It May Be Safe," the New York Times said:

Industries where such health risks have been uncovered would do well to consider a legislative risk to themselves. Senators Gaylord Nelson of Wisconsin and Philip A. Hart of Michigan have already introduced a bill that, under specified circumstances, would prohibit "potentially dangerous" activity of this sort until it is proved to be safe or it is shown that "the benefit substantially outweights the risk." The burden of proof would be placed where it belongs—on the shoulders of those who stand to gain from a risk otherwise confined solely to those who work for them.

Jeff Stansbury and Edward Flattau, the syndicated environment columnists, wrote on September 22, 1974, in the Louisville Courier-Journal:

Yet it is feared that without passage of this amendment a lot of environmental protection laws will remain emasculated. Since most of these laws' penalties are in the form of injunctions, how effective can the statutes be if plaintiffs suing under them must demonstrate they have been victimized before they can obtain relief?

Mr. President, in order to provide the legal context in which this amendment would operate, I would like to set forth in the RECORD at this point an analysis of the precedents in this area of law. These precedents make it clear that this amendment reinforces and clarifies the oft-stated principle that environmental health and safety is of utmost importance.

ANALYSIS OF PRECEDENTS

In any proceeding for injunctive relief, the court's decision is discretionary and based upon equitable principles. Initially, the party seeking the injunction against an alleged hazard or nuisance must establish by a preponderance of evidence that without injunctive relief, he, or the interests he represents, is presently or imminently threatened with irreparable harm. In addition, he must carry the burden of proving that there are feasible alternatives to the other party's actions. See generally, J. Moore, Federal Practice, Section 65 (2d ed. 1972); Krier, J., "Environmental Litigation" in Law and the Environment 105 (Baldwin and Page eds. 1970). If the complainant is unable to carry this initial burden of proof, judgment will be rendered against him.

However, where there are judicially or legislatively recognized public interests at stake, courts do have broad discretion and power to protect such interests. In *United States* v. *Nutrition Service Inc.*, 227 F. Supp. 375, 399 (W.D. Pa. 1964), the U.S. district court made it clear that this is a significant power which very much affects just what a plaintiff or complainant must prove when he brings a health hazard to the court's attention:

"There is sufficient showing where as here, the Government presents evidence of violations of the provisions of a statute enacted for the protection of the public. Nor is it necessary to demonstrate the precise way in which violations of the law might result in injury to the public interest. It is sufficient to show only that the threatened act is within the declared prohibition of Congress."

In other words, the court here was satisfied with proof of a technical violation and did not require extensive proof of just how the threatened acts could harm humans.

Environmental health has been stated to be an important, even paramount, public policy by both the Congress and the courts. Congress has in fact repeatedly declared that it is the Nation's policy "to promote efforts that will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man." NEPA, 42 U.S.C. 4321 (1970).

It stated this policy again in the Air Pollution Control Act:

"The purposes of this subchapter are . . . to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare . . ." 42 U.S.C. 1857(b)(1) (1970).

Similar unequivocal statements of public policy were expressed in the Federal Water Pollution Control Act:

"Standards of quality established pursuant to this subsection shall be such as to protect the public health or welfare." 33 U.S.C. 1160(c)(3) (1970).

Congress has also mandated that where environmental degradation is also causing harm to the public health, such pollution shall be abated.

"The pollution of interstate or navigable waters . . . which endangers the health or welfare of any persons, shall be subject to abatement. . . ." 33 U.S.C. 1160(a) (1970).

And with regard to air pollution:

"The pollution of the air in any state or states which endangers the health or welfare of any persons shall be subject to abatement as provided in this section" (42 U.S.C. 1857d (1970)).

Courts, as well, have recognized the importance and seriousness of the stakes that are involved in litigation concerning the health and safety of the public. They have, moreover, recognized that these "newer" interests are not only equal to traditional ones but also have declared that environmental health and safety are necessarily of paramount consideration.

Faced with a problem of having to decide novel, complex issues of scientific fact, the court in *Environmental Defense Fund et al.* v. *Ruckelhaus*, 439 F.2d 584, 594 (D.C. Cir. 1971) remanded the case for further testimony and substantiation noting.

"Courts are increasingly asked to review administrative action that touches on fundamental personal interests in life, health and liberty. These interests have always had a special claim to judicial protection in comparison with the economic interests at stake in a rate-making or licensing proceeding."

The court also made a special point to note that a threat to the public health is the most serious consideration where the standard of proof required is one of "imminent" hazard to the public. Because of the serious implications where the issue at stake is the public's health, a hazard should be considered "imminent" even though its impact will not be apparent for many years.

Noting that there was substantial disagreement between the two parties as to the validity of the evidence present the court, in *Ball* v. *Goddard*, 366 F.2d 177, (7th Cir. 1966), nonetheless, upheld the order withdrawing approval a new drug application because of the paramount interest in protecting the public health from potentially hazardous drugs.

In *United States* v. *Nutrition Service*, supra at 388, the court weighed the relevance of the different interests represented and determined that:

"Ordinarily where no harm may be accrued by delaying a process in judicial procedure, a delay or postponement should be granted. But where the public health is a matter of concern in such litigation as it is here, no possible delay or obstruction should be permitted."

The court concluded:

"Congress intended that all persons in the national domain be protected against any such injury and this is reason enough for preventing and irreparable injury existing or threatening the public." *United States* v. *Nutrition Service, supra* at 388.

This, then, is not only the law, but it is good common sense. Not only must courts now respect environmental concerns as important ones, but some interests, like some of those in the category of environmental health and safety, are paramount to others.

This is an important point because in deciding what is generally considered as "environment" or "environmental health" cases, courts virtually always are required to weigh these interests against other legitimate interests. That is, it is not enough simply to say "an environmental asset is being threatened"; we must also consider the value of the enterprise threatening it.

In this weighing process, some courts—like the court of appeals in the Reserve Mining case—have found themselves unable to break away from what the law used to be. The law for a long time gave great protection to economic interests, but rarely considered interests like those we now call environmental health and safety. And now, despite the un-

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equivocal mandates cited above, some courts still fail to give adequate weight to the fact that some environmental resources, once lost, can never be regained or compensated for. Even more imperative are threats to human health. Clearly Judge Lord was correct to value health over profits.

Thus, when the court of appeals in Reserve Mining said that only the legislature could make policy of the sort demanded by plaintiffs, it must not have realized that the legislature has already declared such policy and made it the law of the land.

Another problem faced by plaintiffs in environmental health and safety cases—like Reserve Mining—is that the facts are often very complicated, with highly complex scientific and statistical questions. As a result, a court is tempted to shy away from these difficult issues. This reticence, however, consistently discriminates against plaintiffs—the ones who must rely on such scientific arguments. The court in *Crowther v. Seaborg*, 312 F.Supp. 1205, 1232 (7th Cir. 1966), affirmed a refusal to enjoin a nuclear project bemoaning a "lack of knowledge" about atomic radiation and said that such lack of knowledge "is not the product of insufficient scientific inquiry, but rather of the complexity of the problem presented." Under the amendment introduced by Senator Hart and me, such lack of complete scientific knowledge will not prevent a court from enjoining a grave health hazard when it is brought to the court's attention.

Mr. President, I ask unanimous consent that the text of the bill as introduced be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this act may be cited as "The Environmental Health Act of 1975."

DEFINITIONS

SEC. 2. As used in this Act—

(A) "Administrator" means the Administrator of the Environmental Protection Agency;

(B) "discharging, emitting, or manufacturing" shall include, but not be limited to disseminating, dispersing, distributing, producing, processing, disposing of, or any other meaning which each of these words has under any Act administered by the Administrator, and shall include causing to discharge, emit, or manufacture;

(C) "a reasonable risk" means a risk where the possibility of harm or injury is not negligible; and

(D) "threat to public health" means a threat causing death, serious illness or disease, or irreparable physical harm.

PRESUMPTIONS

SEC. 3. In any proceeding requesting equitable relief pursuant to any statute administered by the Administrator or instituted at the request of the Administrator, other than a suit for review of a Federal administrative action, a showing by a party that any person is engaging in a course of conduct of discharging, emitting, or manufacturing any substance, where such conduct presents a reasonable risk of being a threat to public health, shall give rise to a rebuttable presumption that a threat to public health exists warranting the granting of such equitable relief as is deemed appropriate to protect the public against such threat.

BURDEN OF PROOF

SEC. 4. In any proceeding—which requests equitable relief pursuant to any statute administered by the Administrator or instituted at the request of the Administrator, other than a suit for review of a Federal administrative action—where a showing is made giving rise to a presumption under Section 3 of this Act, the person engaging in such course of conduct of discharging, emitting, or manufacturing shall have the burden or proving—

(A) that in fact no threat to public health exists or that the risk of any such threat is negligible; or

(B) that the physical and economic considerations in favor of such course of conduct outweigh all costs incident to the conduct, including any possible threat to public health.

DISCLAIMER

SEC. 5. Nothing in this Act shall in any way affect the burden of proof with respect to the question of whether a violation of any statute administered by the Administrator has been committed.

APPLICABILITY

SEC. 6. To the extent this title would otherwise apply, it shall apply in all proceedings pending at the time of its enactment, unless a court determines that its application in such a pending proceeding would prejudice the rights of a party.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 50

At the request of Mr. HUMPHREY, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 50, a bill to establish a national policy for guaranteeing to all Americans able and willing to work the availability of equal opportunities for useful and rewarding employment.

S. 276

At the request of Mr. TOWER, the Senator from Arkansas (Mr. MCCLELLAN) was added as a cosponsor of S. 276, a bill to repeal the Davis-Bacon Act.

S. 364

At the request of Mr. MCCLURE, the Senator from Mississippi (Mr. EASTLAND) was added as a cosponsor of S. 364, a bill to permit transfer of earned but unused purchaser credits between timber sales on the same national forest.

S. 390

At the request of Mr. CHURCH, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 390, a bill to provide a program of income tax counseling assistance for elderly individuals.

S. 463

At the request of Mr. THURMOND, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 463, a bill to amend the Internal Revenue Code of 1954 to encourage the use of recycled oils.

S. 525

At the request of Mr. RIBICOFF, the Senator from Idaho (Mr. CHURCH) and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 525, a bill to freeze medicare deductibles and copayments.

S. 772

At the request of Mr. TALMADGE, the Senator from North Dakota (Mr. BURDICK), the Senator from Indiana (Mr. HARTKE), tht Senator from North Carolina (Mr. HELMS), and the Senator from Minnesota (Mr. MONDALE) were added as cosponsors of S. 772, the Beef Research and Consumer Information Act.

S. 789

At the request of Mr. MCCLURE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 789, a bill to prohibit any pay increases for Senators and Congressmen.

S. 792

At the request of Mr. TUNNEY, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 792, the Part-Time Career Opportunity Act.

SENATE RESOLUTION 23

At the request of Mr. HUMPHREY, the Senator from Connecticut (Mr. WEICKER), the Senator from Washington (Mr. JACKSON), the Senator from North Carolina (Mr. MORGAN), and the Senator from Ohio (Mr. GLENN) were added as cosponsors of Senate Resolution 23, to disapprove the administration's proposed deferral of $50 million of the funds appropriated by Congress for HUD section 701 comprehensive planning grants this fiscal year.

SENATE RESOLUTION 85

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. MONDALE) and the Senator from New York (Mr. JAVITS) were added as cosponsors of Senate Resolution 85, relating to the appointment of a Food Coordinator to deal with both the short- and long-term hunger problems.

AMENDMENTS SUBMITTED FOR PRINTING

TOXIC SUBSTANCES CONTROL ACT—S. 776

AMENDMENT NO. 21

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. PHILIP A. HART. Mr. President, it is a pleasure to join my distinguished colleague, Senator NELSON, in introducing this amendment to the Toxic Substances Control Act (S. 776). The Toxic Substances Control Act is an appropriate vehicle for a congressional statement on the urgent need for a clarification of standards of proof in environmental health cases. Because the scientific evidence of health and environmental effects is so difficult to obtain with precision, and the costs of data collection can be so high, the standard of proof which a party must meet is of great importance. In many situations where the scientific evidence is tenuous or in equipoise, a procedural mechanism is essential to resolve close disputes in favor of the public interest as established by the considered political judgement of Congress. In certain statutes—for example, the Federal Environmental Pesticide Control Act, the standard of proof explicitly requires the private registrant to establish the safety of his product, but this specificity appears to be an exception to the general rule. In most cases, the burden of proof is, at least by implication or judicial gloss, on the opponent of continued use of a chemical. Until this burden is met, release of a potentially dangerous chemical into the marketplace and the environment continues. The public may therefore be exposed to the risk of a suspect chemical for an indefinite period of time while regulatory decisions are made.

It appears more equitable for the vendors of a chemical, who profit from its use and have superior access to pertinent data and other research resources, to carry a heavier evidentiary burden in these proceedings than the public. Further, the vendor's costs in studying the product are passed on to users of the chemical through market mechanisms, thereby spreading the costs equitably among the beneficiaries.

For these reasons, this amendment is vital to the future of public health litigation. It was prompted by a decision of a panel of the U.S. Court of Appeals for the Eighth Circuit in litigation involving the Reserve Mining Co. In the Reserve case, the panel stayed a lower court injunction against the company—thus allowing the company to continue its discharges—on the ground that the parties requesting the injunction "had failed to prove a demonstrable health hazard." It was made clear by the panel that the plaintiffs would have to show actual harm to human health before it could grant the relief requested.

It is our view that to require such proof of harm in many cases would ask of plaintiffs more than science is capable of delivering. The feared result of such a requirement is that polluting activities may continue which severely risk—but do not demonstrably harm—the health of the public. Under this amendment, such proof of actual harm would not be required of the Government or of private plaintiffs in lawsuits alleging a risk to the public health as a condition precedent to the court granting injunctive relief.

A provision similar to this amendment was passed by the Senate as an amendment to the Coastal Zone Management Act Amendment in December 1974. Additionally, it has received the endorsement of the Environmental Protection Agency and the Council on Environmental Quality.

In sponsoring this amendment, it is not my intention to make any judgment on the merits of the Eighth Circuit panel's decision. Rather, this amendment expresses the intent of Congress that courts fully consider risks to the public health—potential as well as demonstrable hazards—when claims for equitable relief are argued.

The Subcommittee on the Environment has scheduled hearings on the Toxic Substances Control Act for next week. It is my hope that the Congress will move quickly on both the Toxic Substances Control Act and on this important amendment impacting the future of environmental health law.

NOTICE OF RESCHEDULING OF HEARING

Mr. METCALF. Mr. President, the Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs, has rescheduled the hearings on S. 391, the "Federal Coal Leasing Amendments Act of 1975," for May 6, 7, and 8. These hearings were originally scheduled for February 25, 27, and 28. The hearings will begin at 10 a.m. in room 3110, Dirksen Senate Office Building.

NOTICE OF HEARING ON NATURAL GAS PRICING

Mr. STEVENSON. Mr. President, for the past 16 months the Senate Commerce Committee has conducted an intensive review of natural gas pricing. Seventeen hearings, over 180 witnesses, and hundreds of hours of staff and Senate manhours have gone into the effort.

Therefore, the Subcommittee on Oil and Gas Production and Distribution will hold a markup session on March 11 in Room 5110 at 10 a.m. to consider natural gas bills pending before the subcommittee, including S. 187, S. 269, S. 310, S. 319, S. 320, S. 353, S. 504, S. 594, S. 692, and S. 701.

In the intervening 2 weeks, the committee will receive comments on these proposals from concerned parties. Such comments should be received by the Senate Commerce Committee, Subcommittee on Oil and Gas Production and Distribution, Room 5202, by Friday, March 7, 1975.

I expect the subcommittee to proceed rapidly with the markup until work on the bill is complete and it is reported to the full committee.

ADDITIONAL STATEMENTS

SOYBEANS IN THE PEOPLE'S REPUBLIC OF CHINA

Mr. HUMPHREY. Mr. President, I wish to point out a very informative article in the January 1975 issue of Soybean News entitled, "Soybeans in the People's Republic of China."

The article provides the observations of Dr. R. L. Bernard on soybean production in the PRC. He visited that country during August-September 1974 as a member of a team of plant scientists. I had the privilege of visiting the PRC at the same time as a member of the U.S. congressional delegation.

The author, who is an expert on soybean research at the University of Illinois, reports how and where soybeans are grown. He describes where research is being carried out and indicates that the research objectives are: First, higher yield; second, high oil content; third, resistance to pests; fourth, adaptation to intercropping; and fifth, strong stems.

Several of the basic diseases are indicated, such as the soybean pod borer, soybean mosaic, soybean stunt, bud blight, and leaf disease target spot.

I have urged earlier that the United States and the People's Republic of China cooperate in establishing a joint soybean research institute to work together in dealing with common problems.

To further this objective, I have introduced S. 697. This could and should be a cooperative venture between our two great countries in order to further soybean production and encourage improved diplomatic relations.

Mr. President, I ask unanimous consent that this informative article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Soybean News, January 1975]

SOYBEAN IN THE PEOPLES REPUBLIC OF CHINA

(By Dr. R. L. Bernard)

Dr. Richard L. Bernard, ARS–USDA and the University of Illinois, visited the PRC in August-September, 1974. He was a member of an American Plant Science delegation which consisted of ten scientists and two Americans who are specialists on China. Dr. Bernard is in charge of the U.S. world soybean germplasm collection. In an interview with your editor, Dr. Bernard expressed the following observations.

The purpose of the trip, sponsored by the Chinese Association of Agriculture, was to initiate contact with Chinese plant scientists to encourage and implement future exchange of scientific information and plant materials. For twenty-five years there has been very little exchange between the U.S. and PRC.

The soybean is very widely grown in China. However, it is considered to be a major commercial crop in only the three northeastern provinces. Large amounts of soybeans are sold from that area to the state for making traditional soy food products such as soy sauce and various bean curds for sale throughout China. These foods represent an important high-protein part of the diet. Soy product foods are in such demand in the Shanghai area that they are the main food items which must be rationed in the markets there.

In most of eastern China soybean plants can be seen growing in waste areas, gardens, and small fields even where it is not a major crop. In the Peking and Sian areas, the ripe seeds are used in food products usually by the grower himself or at least within the commune. In the Nanking, Shanghai, and Canton areas, the soybean is used as a green vegetable in addition to using the ripe seeds. Large quantities of soybeans are sold in the market when they are in the green pod stage. In some areas the soybean seed or the whole plant is used for livestock feed. The plant is also used for green manure or hay as it was in this country on much of our acreage until World War II.

CROPPING PRACTICES

In the Northeast, soybeans are planted in late April or May and harvested in September and October. The season is considered too short to permit double cropping. Seeds are planted 5 cm deep on top of ridges formed about 20 cm high and 60 cm apart (24 inches). Ridge planting keeps excess water from the seedlings and provides a warmer seedbed in early spring. A good plant population is about 170,000 plants per hectare. That is only half the U.S. rate.

Planting is done by hand or with a planter. Hand-thinning is often practiced. Manure is applied at the rate of 30 to 40 tons per hectare (2.471 acres). Soybeans are rarely irrigated in this area. Hand weeding is the common practice but some herbicides are used on highly mechanized farms. Soybeans are usually harvested with a hand sickle, and after a little drying are threshed with an electricaly powered cylinder thresher.

An unusual planting pattern was observed in central Kirin province where virtually all soybeans are intercropped with corn. Six to eight-row strips of soybeans are planted between much wider strips of corn.

In other areas of eastern China the ways of growing soybeans are as varied as the climate, topography and cropping systems into

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which they must fit. Soybeans, more than any other crop, are used to plant in what otherwise would be wasted land. They are seeded along ditch banks, stream banks, terrace walls, roadsides, paddy dikes, field margins and any other odd shaped piece of land too small or too steep for commercial crops. "Normal" cultural practices are almost nonexistent under these conditions. Weeds are sometimes controlled by hand clipping or with grazing livestock. Although soybean stands and growth are poor, some food or feed is produced from land which would otherwise be unproductive.

Soybeans are found throughout China with some small fields in most areas. Soybeans are intercropped with corn or sorghum in the North and with fruit trees, bananas, mulberries, etc. in the South. Everywhere soybean plants are seen in small gardens around farm homes, and are often the predominant plant in the garden. Soybeans may be double cropped after winter grains in the North. In the South two crops are possible.

BREEDING

The major soybean breeding center Dr. Bernard visited was the Kirin Academy of Agriculture at Kungchuling. Two other stations visited were the Genetics Institute in Peking and the Northwest College of Agriculture located west of Sian in Shensi province. There are other breeding centers in the northeastern provinces of Heilungkiang and Liaoning. There may be only a few small breeding or testing programs elsewhere in China.

Soybean breeding has evolved since 1949 from an early stage when local varieties were gathered, evaluated and superior selections were popularized to the present stage. They now develop improved varieties through intervarietal hybridization followed by pedigree selection. Approximately 80 percent of the soybeans seeded in Kirin province are improved varieties developed at academies or agricultural colleges. In other parts of China where soybeans are not an important commercial crop, local varieties are much more dominant.

Soybean breeding was started at Kungchuling after 1949 by first collecting local varieties. In 1956 growers throughout China were asked by the Ministry of Agriculture and Forestry to collect local varieties. At Kungchuling the better local varieties were identified and promoted. Kirin local varieties have a growing period ranging from 110 to 140 days and seed size ranging from 10 to 20 grams per 100 seeds. The predominant plant type is indeterminant with semi-determinant next and determinant last. Predominant characteristics of varieties currently grown in Kirin are white flowers, gray pubescence and about one-third have narrow leaves. Scientists preferred the narrow leaves "to get better light penetration" but they didn't feel that seed yield was necessarily higher.

Intervarietal crossing has involved varieties from Kirin and other provinces in China. Pollination is done on an unusual time schedule with emasculation beginning at 5 AM and pollination from 8 to 10 AM. After 10 the pollen is gone. A winter nursery on Hainan Island is used to grow F_1 and alternate generations to accelerate the breeding program. There was about one hectare of F_2 populations being grown at Kungchuling involving about 50 different combinations. The F_2 to F_5 generations are grown in progeny rows there (1300 in 1974) and visually selected lines are performance tested in subsequent years.

Final strain testing is done in a regional test grown at Kungchuling and over 30 other locations in the province. The 1974 test consisted of 25 varieties including experimental strains developed at Kungchuling and at 5 district research institutes. The Kungchuling tests were at 2 population rates in plots 5 rows wide spaced 60 centimeters apart and 10 meters long in 4 replications with 1 replication at a higher fertility level. The expected yield level was 2000 to 3500 kilograms per hectare (30 to 50 bushels per acre). There was also a test of 11 U.S. varieties of maturity groups I to IV being grown at Kungchuling for the first time. Amsoy 71, Beeson, Calland, Clark 63, Corsoy, Harosoy 63, Kanrich, SRF 307, Wayne, Wilkin, and Williams were the U.S. varieties being tested. Growth was good with a height of nearly 4 feet on the taller varieties with no lodging, partly because of the low population of 170,000 plants per hectare. The varieties were similar to their appearance in the U.S. except Williams was stunted and poorly podded.

In addition to intervarietal hybridization, a mutation breeding program is underway using x or gamma rays to develop early maturity. Some progeny rows in the R_2 generation appeared to be earlier than the check variety.

Objectives of their breeding program are: (1) higher yield, (2) high oil content, (3) resistance to pests, (4) adaptation to intercropping, and (5) strong stems. They have developed 8 improved varieties at Kungchuling and popularized them in the Kirin province and nearby areas.

The major pest problem in Kirin is the soybean pod borer. Fields not treated with insecticide have 10 to 20 percent of the pods infested. A local variety has been found to have moderate resistance. Although soybean mosaic is not considered important in the breeding program, Dr. Bernard observed that a mosaic-like disease appeared to be affecting yields. Aphids are a major insect problem but resistant varieties have not been found.

The only cultural research on soybeans was seen at Kungchuling where experiments were conducted on intercropping with corn. Preliminary results indicated 6 row strips of soybeans alternated with corn produced more total yield from the land.

The soybean breeding program at the Genetics Institute, Peking, started in 1968 with emphasis on disease resistance. Two varieties have been developed which are resistant to purple stain and are being grown by farmers. The main disease problems now are 3 viruses, soybean mosaic (the most serious), soybean stunt, bud blight, and the leaf disease target spot. Soybean mosaic stunted plants were almost podless and had much more severe symptoms than plants associated with the disease in the U.S. Resistance has been identified by observing plants in the field, checking with inoculation tests and by use of the electron microscope. Two varieties were found to be moderately resistant and 2 appeared to be immune.

Having found disease resistance, their next step will be to breed for yield and lodging resistance. Determinant varieties having lodging resistance are being grown in the lowland, and indeterminant varieties are grown which do well in poor soil areas in the upland. North of Peking soybeans of an indeterminant type with medium to small seeds were interplanted with corn and grain sorghum but did not appear to have good yields in competition with the taller crops. Grown alone, the varieties appeared to be much better.

Soybean breeding at the Northwest College of Agriculture west of Sian was initiated more than 10 years ago and is in cooperation with the nearby Academy of Agriculture which is the source for germplasm. Their first objective is to develop early maturing varieties to be planted after wheat harvest in mid-June for harvest during the first half of October. Disease resistance is their second objective with work concentrated on an unidentified virus which causes stunting of the plant and wrinkling of the leaves. The only other disease considered is bacterial leaf spot. Although pod borer is the most important insect pest, adequate resistance has not been found.

A new determinant variety was developed in 1970 at the College by pedigree selection. It grows 70 to 80 centimeters tall when planted after wheat, matures early in 105 to 110 days, is shatter resistant and virus resistant. Farmers are growing it in central Shensi province. Local varieties in Shensi are used for bean curd or annual fodder for cattle and hogs. There are a number of black-seeded indeterminant varieties grown for fodder. Sometimes the threshed grain is fed to cattle and hogs.

In the remainder of China there does not appear to be much soybean research. Because the crop is widely grown in China and is an important source of protein, especially in the diet of rural people, Dr. Bernard believes more research is justified in the PRC.

WILD SOYBEANS

The wild soybean is a source of germplasm that is apparently not being used in China. It occurs in many areas and was observed to be abundant in the Northeast. Perhaps it was eradicated from any agricultural areas of China since it was not found in the Peking, Sian and Canton areas. It was only found in forest parks and wasteland around a factory and airport in the Nanking-Shanghai area.

At the Institute of Botany of the Academy of Science at Peking the herbarium has a collection of about 100 sheets of Glycine soja from 17 provinces or regions. An interesting report of G. hainanensis (or Teyleria koordersii) was found by Dr. Bernard at the herbarium of the Sun Yat Sen University in Canton. This specimen, collected in 1933 on Hainan Island was listed as an annual with seeds and pods appearing to be close to G. soja. However, the pods occur in rather large clusters and have up to 7 seeds per pod which would make it an interesting variant G. soja, if not a distinct species. This species should be obtained for further study and as potential germplasm for soybean breeding.

POSTHUMOUS CITIZENSHIP FOR ROBERT E. LEE

Mr. HARRY F. BYRD, Jr. Mr. President, on Monday, February 10, 1975, the Fairfax County Board of Supervisors approved unanimously a resolution calling upon the U.S. Senate to act favorably on Senate Joint Resolution 23, a resolution to restore posthumously full rights of citizenship to Gen. Robert E. Lee.

The Fairfax resolution was introduced by the Honorable John F. Herrity, supervisor from Springfield district. It was unanimously approved by the Fairfax County Board of Supervisors, acting on behalf of the people of Fairfax County, the largest political subdivision in the Commonwealth of Virginia. Mrs. Jean Packard is chairman of the board.

I ask unanimous consent that a copy of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Offered by Supervisor John F. Herrity, Springfield District, February 10, 1975

Whereas Senator Harry Byrd, United States Senator of Virginia, has submitted to the Senate Judiciary Committee a resolution asking that the citizenship of General Robert E. Lee be fully restored; and

Whereas General Robert E. Lee had applied to President Andrew Johnson for amnesty and restoration of citizenship June 13, 1865 under the President's Amnesty Proclamation of May 29, 1865; and

Whereas General Lee's application for citizenship was not acted on, despite vocal support by General Ulysses S. Grant, because it did not include an oath of allegiance; and

Whereas General Lee later submitted the oath of allegiance when he learned of its requirement; and

Whereas General Lee's affidavit was apparently lost and not discovered until 1970; and

Whereas General Lee's application for citizenship and oath of allegiance have satisfied the conditions of the 1865 Amnesty Proclamation but have yet to be approved; and

Whereas General Robert E. Lee is the only one of the Confederate Soldiers not reinstated as a citizen of the United States; and

Whereas General Lee was a man of high character, noble nature, and great moral courage, who won respect and devotion from opponent and follower alike; therefore

Be it resolved that the Fairfax County Board of Supervisors wholeheartedly endorses General Robert E. Lee's application for citizenship and respectfully requests the United States Senate to look with favor on Senate Joint Resolution No. 23 so that this great American may finally receive the citizenship he so rightfully deserves.

BROADCAST JOURNALISM AWARD

Mr. JAVITS. Mr. President, I previously commended to the attention of my colleagues an ABC news investigative documentary on health care of children.

This impressive electronic journalism was one, in a series of outstanding public-interest programs, in the "ABC News Close Up" series.

I recently learned that Dr. William J. McGill, president of Columbia University, chose Av Westin, ABC News vice president and director of television documentaries, to receive the prestigious Alfred I. duPont-Columbia University Award for the "ABC News Close Up" series.

I ask unanimouus consent that the full text of the American Broadcasting Co. release, with respect to the announcement of the award, given in recognition of the distinguished and educational contribution of this new series, be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

AV WESTIN AND ABC NEWS CHOSEN AS RECIPIENTS OF THE ALFRED I. DUPONT-COLUMBIA UNIVERSITY AWARD IN BROADCAST JOURNALISM FOR THE "ABC NEWS CLOSE-UP" SERIES

Av Westin, ABC News Vice President and Director of Television Documentaries, and ABC News have been chosen as recipients of the prestigious Alfred I. duPont-Columbia University Award in Broadcast Journalism for the "ABC News Close-Up" series it was announced Sunday, Feb. 2, by Dr. William J. McGill, President of Columbia University.

The "Close-Up" series was described by the award's jurors as "the most consistently gripping and outspoken series of TV reports since 'See It Now.' Put together by a stable of top TV talents, 'Close-Up' had a unique willingness to dig out evil, show it unvarnished on the screen and then give it a name and address."

Mr. Westin and ABC News will receive the award for "the best in broadcast journalism for the year 1973–74," at the sixth annual presentation at the Graduate School of Journalism on Columbia University's Morningside Heights campus on March 21.

Also receiving an award will be WPVI–TV, the ABC Television Network affiliate in Philadelphia, for its investigative report, "Public Bridges and Private Riches." Receiving a citation at the awards presentation will be KAUM, the ABC Owned FM Radio Station in Houston, for its report, "Mass Murders."

The award winners were selected by a seven-member jury working in conjunction with the Alfred I. duPont-Columbia University Survey of Broadcast Journalism, an independent study of news and public affairs broadcasting across the country.

The judging was the most extensive in the history of the awards and involved nationwide screening by duPont correspondents and monitors in over 300 communities and final evaluation of the 650 individual examples of broadcast journalism suggested for consideration by the jurors.

The jurors said of their task, "The lengthening lists of awards and citations that this jury is commending say much about the quality of broadcast journalism. When networks and stations set their minds to news coverage and documentary and are willing to expend talent and money, they frequently achieve distinguished results. The jury finds its task of screening prize-winners increasingly rewarding and difficult with every passing year."

The jury said of WPVI–TV's production, "'Public Bridges and Private Riches' is a distinguished piece of local investigative reporting. Taking a Delaware Valley scandal, WPVI's reporters ranged wide and then, in a carefully built 30-minute program, circled in ever-tightening spirals and finally swooped down on the venal public servants who were benefiting themselves and their relatives at the public's expense."

TAX EXPENDITURES: A LITTLE NOTICED $91 BILLION TAX LOSS

Mr. HUMPHREY. Mr. President, in the 1976 budget, for the first time ever, the Office of Management and Budget provided a special analysis estimating the cost of tax expenditures to the Federal Treasury and the American taxpayer. This summary shows that the Treasury will lose $91 billion this fiscal year through special provisions of the U.S. Tax Code.

In the past these figures have only been available at irregular intervals, and I wish to compliment OMB for providing them voluntarily in the 1976 budget. This is important data and I hope that this practice will be continued in all future budgets.

Because it is buried in a little noticed section of the budget, I wish to direct my colleagues attention to a summary of this huge tax expenditure, and I would like to provide for the RECORD an analysis of the tax expenditure budget, which was prepared by Tax Analysts and Advocates.

Mr. President, I ask unanimous consent that these items—"Tax Expenditure Tables by Function," and "Special Report—Tax Expenditure Budget: Pluses and Minuses"—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TAX EXPENDITURE TABLES BY FUNCTION

[In millions of dollars]

Description	Corporations			Individuals		
	1974	1975	1976	1974	1975	1976
National defense:						
Exclusion of benefits and allowances to Armed Forces personnel				650	650	650
Exclusion of military disability pensions				65	75	85
International affairs:						
Exclusion of gross-up on dividends of DOC corporations	55	55	55			
Exclusion of certain income earned abroad by U.S. citizens				90	95	100
Deferral of income of domestic international sales corporations (DISC)	870	1,070	1,320			
Special rate for Western Hemisphere trade corporations	50	50	50			
Agriculture:						
Expensing of certain capital outlays	170	145	155	580	480	495
Capital gain treatment of certain income	30	20	25	520	280	340
Natural resources, environment and energy:						
Expensing of exploration and development costs	750	950	1,235	80	100	130
Excess of percentage over cost depletion	1,815	2,200	2,610	305	370	445
Capital gain treatment of royalties on coal and iron ore	5	5	5			
Timber: capital gain treatment of certain income	130	145	155	55	60	60
Pollution control: 5-year amortization	35	30	20			
Commerce and transportation:						
$25,000 corporate surtax exemption	3,270	3,590	3,570			
Deferral of tax on shipping companies	35	35	40			
Railroad rolling stock: 5-year amortization	70	60	55			
Bad debt reserve of financial institutions in excess of actual	1,000	¶,030	980			
Deductibility of nonbusiness State gasoline taxes				865	850	850
Community and regional development:						
Housing rehabilitation: 5-year amortization	35	45	35	50	70	60
Education, manpower and social services:						
Child care facilities: 5-year amortization	5	5	5			
Exclusion of scholarships and fellowships				195	210	190
Parental personal exemptions for student age 19 and over				655	670	690
Deductibility of contributions to educational institutions	155	160	155	355	405	435
Deductibility of child and dependent care expenses				230	240	250
Credit for employing public assistance recipients under work incentive program	5	5	5			
Health:						
Exclusion of employer contributions to medical insurance premiums and medical care				2,940	3,340	3,745
Deductibility of medical expenses				2,125	2,375	2,630

Footnotes at end of table.

TAX EXPENDITURE TABLES BY FUNCTION—Continued

[In millions of dollars]

Description	Corporations			Individuals		
	1974	1975	1976	1974	1975	1976
Income security:						
Exclusion of social security benefits:						
Disability insurance benefits				235	260	280
OASI benefits for aged				2,530	2,655	2,940
Benefits for dependents and survivors				410	435	480
Exclusion of railroad retirement system benefits				160	170	180
Exclusion of sick pay				255	275	295
Exclusion of unemployment insurance benefits				1,050	2,370	3,830
Exclusion of workmen's compensation benefits				520	570	620
Exclusion of public assistance benefits				75	85	90
Net exclusion of pension contributions and earnings:						
Employer plans				4,790	5,200	5,740
Plans for self-employed and others				230	410	710
Exclusion of other employee benefits:						
Premiums on group term life insurance				680	740	805
Premiums on accident and accidental death insurance				40	45	50
Privately financed supplementary unemployment benefits				5	5	5
Meals and lodging				175	180	190
Exclusion on capital gain on house sales if over 65				10	10	10
Excess of percentage standard deduction over minimum standard deduction				1,260	1,370	1,420
Additional exemption for the blind				15	15	15
Additional exemption for over 65				1,150	1,200	1,250
Retirement income credit				100	75	70
Veterans benefits and services:						
Exclusion of veterans disability compensation				485	525	550
Exclusion of veterans pensions				25	30	35
Exclusion of GI Bill benefits				290	255	250
General government: Credits and deductions for political contributions				10	25	50
Revenue sharing and general purpose fiscal assistance:						
Exclusion of interest on State and local debt	2,805	3,155	3,505	1,060	1,160	1,260
Exclusion of income earned in U.S. possessions	350	350	350	5	5	5
Deductibility of nonbusiness State and local taxes (other than on owner-occupied homes and gasoline)				6,955	8,820	9,950
Business investment:						
Depreciation on rental housing in excess of straight line	105	115	120	375	405	420
Depreciation on buildings (other than rental housing) in excess of straight line	285	280	275	220	220	215
Expensing of research and development expenditures	605	630	660			
Capital gain: corporate (other than farming and timber)	745	595	755			
Investment credit	3,690	4,160	4,420	880	905	950
Personal investment:						
Dividend exclusion				320	340	360
Capital gain: individual (other than farming and timber)				6,150	3,280	4,165
Exclusion of interest on life insurance savings				1,420	1,620	1,820
Deferral of capital gain on home sales				255	285	315
Deductibility of mortgage interest on owner-occupied homes				4,870	5,590	6,500
Deductibility of property taxes on owner-occupied homes				4,060	4,660	5,270
Deductibility of casualty losses				255	275	300
Other tax expenditures:						
Exemption of credit unions	105	115	125			
Deductibility of charitable contributions (other than education)	290	295	285	3,820	4,485	4,840
Deductibility of interest on consumer credit				2,435	2,885	3,460

Note: All estimates are based on the tax code as of Jan. 1, 1975.

Source: Office of Management and Budget; Treasury Department.

TAX EXPENDITURE BUDGET: PLUSES AND MINUSES

Last week, for the first time ever, the official federal budget was accompanied by an estimate of the cost to the Treasury of tax expenditures: a whopping $91 billion for fiscal 1975, more than one-fourth the size of the $349.4 billion in direct outlays projected in the budget document: (See pages 4 and 5 for tables listing the tax expenditures.)

The estimated cost of these tax revenues foregone because of departures from generally accepted tax policy will be $81 billion for fiscal 1975, about equal to the $78.3 billion estimated a year ago for fiscal 1975 by Tax Analysts and Advocates. (See Tax Notes, January 21, 1974, page 4.) The current figures were prepared by the Treasury Department and published by the Office of Management and Budget in Special Analyses, a supplemental document to the budget.

While the Executive Branch has resisted the idea of regular publication of tax expenditures ever since a total was first put together in 1968, this release by OMB was voluntary. The new budget law, passed last year by Congress, requires regular publication of tax expenditure figures by the administration beginning with the fiscal 1977 budget.

NO OMB ANALYSIS

"Tax expenditures are one means by which public policy objectives are pursued by the federal government," OMB wrote in Special Analysis F to the budget. "In most cases, they can be viewed as alternatives to budget outlays, credit assistance or other instruments of public policy."

In spite of the implication that tax expenditures rank as an equal alternative to direct spending, OMB gives no indication it has made any analysis—nor intends to—of the effectiveness of the tax expenditure programs. If some program included in the main budget increased by $10 billion from one fiscal year to the next, OMB could surely be counted on to comment on the reasons.

The first tax expenditure figures issued under the aegis of the federal government were prepared in 1968 at the direction of Stanley S. Surrey, who served the Kennedy and Johnson Administrations as Assistant Secretary of the Treasury for Tax Policy; the figures were included in the fiscal 1968 annual report of the Secretary of the Treasury.

(They were made public on the last day in office of the Johnson Administration in January 1969. But the tax news that day was dominated by the statement to the Joint Economic Committee by Treasury Secretary Joseph W. Barr that more than 200 high-income taxpayers, including several millionaires, paid no federal income taxes.)

Treasury published no further tax expenditure figures until threatened with a Senate amendment to the Revenue Act of 1971 requiring such disclosure. The amendment, sponsored by Sen. Jacob Javits, R-N.Y., was dropped in the House-Senate conference committee when Treasury officials agreed to make such reports regularly but asked that they not be a statutory requirement. Tax expenditure figures were prepared by Treasury in 1972 and 1973 but no government figures were released between June 1973 and now.

WHAT IS A TAX EXPENDITURE?

The term "tax expenditure" is capable of systematic definition, using a standard economic concept of income. A rigorous definition, however, proves impractical for political discussion. A systematic definition would include among tax subsidies such things as the tax-free status of imputed net rent of personality (cars, clothing, etc.), gifts and bequests, and charities' receipt of gifts.

A more useful definition is one which draws upon common experience. Under such a definition, a "tax subsidy" is a deliberate governmental departure from generally accepted tax accounting principles defining net income. Such a "departure" results in collecting less tax.

Most of the deviations, which admittedly require the exercise of judgment and are open to criticism, are due to difficulty of measurement, negligible dollar amounts, acceptance of the separate-entity theory of corporations, and problems of tax administration. Fundamental aspects of progressivity such as rate differentials, personal exemptions, and the low income allowance are not considered tax expenditures. Nor are the foreign tax credit, the effect of income splitting and head-of-household treatment, or the standard deduction. There is broad agreement as to what a "tax expenditure budget" should contain. The OMB listing generally follows this consensus with noteworthy exceptions.

As the OMB report states, tax expenditures are in many cases substantially equivalent to direct outlays of similar amounts of money to accomplish the same goals. Looked at this way, the fiscal 1976 tax expenditure budget is another $91 billion of federal spending—representing a federal effort 25% again as large as the conventional budget.

Pulling all the tax expenditures (or "tax subsidy") figures together enables citizens to examine the total effort of the federal government in a given field. Good illustrations of the usefulness of this more comprehensive picture are contained in the fiscal 1975 budget (see the index to that document for references).

OMB'S APPROACH TO THE TAX EXPENDITURE BUDGET

OMB has made a contribution to analysis of the problem by departing from previous formats for the tax expenditure figures. The new format allows for two new categories which are not elsewhere used in the budget documents, "personal investment", and "business investment", reflecting the tax system's stimuli to essentially private activity, e.g., buying and selling stock in a personal portfolio.

The OMB has muddled the waters, however, by abolishing the housing category, which would have totalled $13.7 billion for fiscal 1976. OMB may be sensitive to the criticism that it spends much more time scrutinizing the effectiveness of the considerably smaller loan and direct spending programs for housing, but none at analyzing the effectiveness of the massive tax expenditure program for the housing category. One response is to abolish the housing category and disperse the tax expenditure elsewhere, but this does not help analysis.

Departing from past Treasury practice, OMB declined to offer totals of categories or of the entire budget. OMB offered two reasons why this should not be done: (1) some arithmetic totals would be too low, because repealing two or more tax subsidies would put taxpayers in increasingly higher brackets, whereas the estimates are based on average brackets; and (2) other arithmetic totals would be too high, because repealing two or more tax expenditures in the case of a moderate income family would bring them down to the standard deduction but not below, limting the revenue gain for such repeal, whereas many of the estimates ignore this possible limit.

This OMB position can be criticized as follows. First, since corporations generally have neither a progressive marginal rate structure nor a standard deduction, corporate tax expenditure figures may be freely added. Second, the "too high" problem in the case of individuals only arises when one is aggregating many tax expenditures which are predominantly used by middle-income families, such as state income and property tax deductions. If one were aggregating more controversial preferences, such as those for capital gains and municipal bond interest, the totals would be conservative. Third, the "too high" and "too low" problems may be small or may cancel each other out, but OMB sheds little light on this. Last, totals are meaningful as a way of indicating relative magnitude; and as long as participants in policy debates agree on estimating rules, neither side should worry about dependent variables or hesitate to use the totals. Errors in totals only become important when one is estimating revenue and macroeconomic effects of major tax legislation, and when Ways and Means marks up such legislation it will assuredly have access to better totals.

OMB has abandoned another important feature of Treasury's presentation of the tax expenditure budget—tables showing the income class incidence of tax expenditures. Treasury's 1973 report showed, for example, that 51% of the $7 billion capital gains tax subsidy went to families with adjusted gross income of more than $10,000 while 84% of the $.7 billion tax benefit for the military went to families with incomes of under $15,000. These tables are crucial if any effort is to be made to determine whether the benefits from the expenditures actually reach the persons whose behavior is sought to be influenced or who are sought to be helped.

ADR LEFT OUT

OMB has left out at least two major tax subsidies which appeared in Treasury's previous publications and has left out one important expenditure which was included in TA/A's tax expenditure budget for FY 1975. Left out are (1) the tax deferral for the unrepatriated profits of foreign subsidiary corporations, (estimated by TA/A at $375 million for FY 1975), and (2) the asset depreciation range (ADR), (estimated at $1.5 billion by TA/A for FY 1975). OMB cites theoretical grounds for the first deletion and supports the omission of ADR by suggesting that previous depreciation rules amounted to a tax penalty. The force of this suggestion is diminished when it is recalled that previous guidelines were shorter than industry averages and still allowed for acceleration. The item left out, which TA/A did list, is the nontaxation of capital gains at death, which was estimated to cost $5.4 billion in FY 1975. OMB explains that taxing such gains would be overly difficult to administer and that, therefore, such gains should not be part of the tax base. OMB also has left out the revenue loss from the exclusion of U.S. possessions income, which cost $90 million in FY 1975 (according to the TA/A analysis).

Also left out is the proposed tax credit for mortgage investment that the Ford Administration has included in its Financial Institutions Act. The credit, equal to 3% of interest income from mortgages, would be available to any investor in mortgages, including individuals. It is designed to replace the bad debt reserve, which will cost an estimated $1 billion in fiscal 1976, fifth largest tax subsidy on the corporate list.

EXPLANATIONS NEEDED

In certain cases, the fiscal 1975 numbers are dramatically higher than TA/A or Treasury computations for recent past years. This may mean that Treasury, which did the new estimates for OMB, now have access to better tax return data, or has improved its computing or estimating capability in other ways. Treasury should be asked to explain how it reached some of the new figures. Examples are:

[Millions of dollars]

Item	TA/A fiscal year 1975	Treasury-OMB Fiscal year 1975	Treasury-OMB Fiscal year 1976
DISC	$240	$1,070	$1 320
Excess bad debt reserve deductions by financial institutions	360	1,030	980
Tax exempt State and local bonds	3,700	4,315	4,765
Deduction of half of long-term capital gains	6,500	3,280	4,165
Lower rate for corporations' capital gains	390	595	755

REVIEW AND ANALYSIS OF TAX EXPENDITURES

The direct outlay budget and off-budget loan programs undergo extensive review. The federal agencies and OMB have hundreds of cost-effectiveness studies under way at any given moment. The budget requests are reviewed by the approximately two dozen congressional authorizing committees and a like number of Appropriations Committee subcommittees.

This is not true with tax expenditures. Neither the many executive agencies, nor OMB, nor the non-tax congressional committees have a formal role in the analyzing tax spending. When the tax expenditure budget gets to Ways and Means, there is no application of subject matter expertise to the problems such a budget raises. While the technical advice available to the Ways and Means Committee is quite good, the staff of the Joint Committee on Internal Revenue Taxation usually gets spread rather thin and must give primary attention to the technical aspects of tax legislation.

It is possible to praise too generously the annual review which the agencies, OMB, the authorizing committees, and the appropriations subcommittees give to the regular budget. Nevertheless, a number of independent viewpoints have at least an annual crack at the outlay programs. In the tax subsidy area, however, there is no governmental program to study the effectiveness of these programs. Given that OMB has responsibility for studying the effectiveness of all federal programs, it is ironic that it has presented a $91-billion tax expenditure budget for FY 1976 without mentioning that there is no cost-efficiency analysis of tax expenditures anywhere in the federal establishment.

RESTRUCTURING OUR RAILROADS

Mr. CASE. Mr. President, I have just learned that, beginning on March 17, the Rail Services Planning Office of the Interstate Commerce Commission will hold hearings in 23 cities throughout the Midwest and Northeast United States on a preliminary plan for restructuring seven bankrupt railroads, including the Penn Central.

Under the Regional Rail Reorganization Act of 1973, as amended, the U.S. Railway Association is required to publish the preliminary system plan on February 26. Then the RSPO is to hold hearings throughout the region to receive the views of the public. After the hearings are completed, the RSPO will analyze the plan and transmit a report of its findings to the USRA by April 28.

Following receipt of the RSPO report, and after taking into account the views of the public, the USRA is required to publish a final system plan and transmit it to the Congress by July 26 of this year.

I have been advised by the ICC's Rail Services Planning Office that Senators who wish to testify at the upcoming hearings should have their staffs make arrangements either with Larry Lesser or Jean Lesure of the RSPO on (202) 254-3287 by March 1.

For the benefit of my colleagues, I ask unanimous consent to have printed in the RECORD a brief RSPO explanation of the Regional Rail Reorganization Act of 1973 and its implementation to date, as well as a February 18 ICC news release and notice which lists the hearing sites, dates, and procedures.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., February 18, 1975.

RAIL SERVICES PLANNING OFFICE ANNOUNCES PUBLIC HEARINGS ON USRA PRELIMINARY SYSTEM PLAN

The Rail Services Planning Office (RSPO) of the Interstate Commerce Commission will hold public hearings on the U.S. Railway Association's recommendations regarding the restructuring and discontinuance of certain service of bankrupt railroads in the Northeast and Midwest.

The Association is scheduled to issue a preliminary system plan February 26 with recommendations for restructuring the bankrupt railroads and the discontinuance of service for certain rail lines operating with light density traffic. The bankrupt railroads affected are the Ann Arbor, Central of New Jersey, Lehigh Valley, Lehigh and Hudson River, Penn Central, Reading and possibly the Erie Lackawanna.

Hearings are to be conducted in 23 locations and commence March 17. These hearings are being held to provide local communities, consumer groups, labor, rail freight users and other interested parties an opportunity to present their views on the preliminary system plan.

Planning Office Director, George M. Chandler said, "We will be reviewing the Association's recommendations to assess whether the preliminary system plan meets both the letter and spirit of the Regional Rail Reorganization Act of 1973. Testimony from the public will have a major impact on the Office's report to the Association and Congress."

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He added, "My staff has already provided assistance to thousands of persons who are seeking to protect their businesses, their jobs and their communities while the reorganization takes place. We welcome and encourage participation and stand ready to help in any way we can."

The dates, locations and rules for the hearings are contained in the attached Notice of Public Hearing, Ex Parte No. 293 (Sub. No. 5). The notice also outlines the assistance available to the public.

Advance copies of USRA's preliminary system plan will be available for review in all ICC Field Offices within the region during the first week of March.

For further information contact: Government and Industry Liaison Section (202) 254-3294 and 254-3287.

INTERSTATE COMMERCE COMMISSION: NOTICE OF PUBLIC HEARING—EX PARTE NO. 293 (SUB NO. 5)

REVIEW OF THE UNITED STATES RAILWAY ASSOCIATION'S PRELIMINARY SYSTEM PLAN RAIL SERVICES PLANNING OFFICE HEARINGS

Present: George M. Chandler, Director, Rail Services Planning Office, to whom the above-captioned proceeding has been referred pursuant to Section 207(a)(2) of the Regional Rail Reorganization Act of 1973.

Pursuant to Section 207(a)(2) of the Regional Rail Reorganization Act of 1973, notice is hereby given that the Rail Services Planning Office will conduct hearings on the Preliminary System Plan of the United States Railway Association:

It is therefore ordered that:

(1) The following dates and hearing sites are established together with the local coordinator who will receive requested appearance times at the respective hearings:

Monday, March 17–Friday, March 21, 1975

Albany, New York—Hearing Room A, at the New Legislative Office Building, South Swan and State Streets, Albany, New York. Contact: Marjorie Maxwell, c/o ICC Office, 518 New Federal Building, Maiden Lane and Broadway, Albany, New York 12207 Phone: 518-472-2273.

Buffalo, New York—John Lord O'Brian Hall, University of Buffalo, Amherst Campus, Amherst, New York. Contact: Anne Siler, c/o ICC Office, 612 Federal Building, 111 West Huron Street, Buffalo, New York 14203, Phone: 716-842-2008.

Hartford, Connecticut—Rooms 148 and 149, State Department of Transportation Building, 24 Wolcott Hill Road, Wethersfield, Connecticut. Contact: Diane Sevey, c/o ICC Office, 324 U.S. Post Office, 135 High Street, Hartford, Connecticut 06101, Phone: 203-244-2560.

Trenton, New Jersey—Labor and Industry Building, Room 1203 John Fitch Plaza, Trenton, New Jersey 08625. Contact: Elizabeth Guttenberger, c/o ICC Office, 204 Carroll Building, 428 East State Street, Trenton, New Jersey 08608. Phone: 609-599-3511.

Harrisburg, Pennsylvania—Holiday Inn Town, 2nd and Chestnut Streets, Harrisburg, Pennsylvania. Contact: Sandra R. Diehl, c/o ICC Office, 278 Federal Building, 228 Walnut Street, Harrisburg, Pennsylvania 17108. Phone: 717-782-4437.

Pittsburgh, Pennsylvania—Courtroom #2, 8th Floor, U.S. Post Office and Courthouse Building, 7th and Grant Streets, Pittsburgh, Pennsylvania. Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412-644-2929.

Columbus, Ohio—Ohio Departments Building, 65 South Front Street, Columbus, Ohio. Contact: Mary A. White, c/o ICC Office, 220 Federal Building and U.S. Courthouse, 85 Marconi Boulevard, Columbus, Ohio 43215. Phone: 614-469-5620.

Lansing, Michigan—City Council Chambers, Lansing City Hall, Capitol and Michigan Streets, Lansing, Michigan. Contact: Mary Brown, c/o ICC Office, 225 Federal Building, 325 West Allegan Street, Lansing, Michigan 48933. Phone: 517-372-1910.

Indianapolis, Indiana—Indiana Convention and Exposition Center, 100 South Capitol Avenue, Indianapolis, Indiana. Contact: Frances Sterling, c/o ICC Office, Century Building, 8th Floor, 36 South Pennsylvania Street, Indianapolis, Indiana 46204. Phone: 317-269-7701.

Springfield, Illinois—Hotel St. Nicholas, 4th and Jefferson Streets, Springfield, Illinois. Contact: Janice Livingston, c/o ICC Office, 414 Leland Office Building, 527 East Capitol Avenue, Springfield, Illinois 62701. Phone: 217-525-4075.

Tuesday, March 18–Friday, March 21, 1975

Boston, Massachusetts—Minnehan Auditorium, Massachusetts Division of Employment Security and Government Center, Causeway Street, Boston, Massachusetts. Contact: Elaine Spencer, c/o ICC Office, 150 Causeway Street, Room 501, Boston, Massachusetts 02114. Phone: 617-223-2372.

Monday, March 17—Wednesday, March 19, 1975

Montpelier, Vermont—Auditorium, Pavilion Office Building, Montpelier, Vermont. Contact: Carol Perry, c/o ICC Office, 87 State Street, Room 303, Montpelier, Vermont 05602 Phone: 802-223-8435.

Providence, Rhode Island—Hearing Room, 2nd Floor, Division of Public Utilities and Carriers, 169 Weybosset Street, Providence, Rhode Island. Contact: Josephine M. Long, c/o ICC Office, 187 Westminster Street, Room 402, Providence, Rhode Island 02903 Phone: 401-528-4306.

Salisbury, Maryland—Auditorium, Delmarva Power and Light Company, Route 13 and Naylor Mill Road, Salisbury, Maryland. Contact: Essie Cooper, Rail Services Planning Office, ICC 12th and Constitution Avenue, N.W., Washington, D.C. 20423 Phone: 202-254-3294.

Washington, D.C.—Hearing Room A, Interstate Commerce Commission, 12th and Constitution Avenue, N.W. Washington, D.C. 20423. Contact: Essie Cooper, Rail Services Planning Office, ICC, 12th and Constitution Avenue, N.W., Washington, D.C. 20423 Phone: 202-254-3294.

Charleston, West Virginia—Rooms A and B, 2nd Floor, State Office Building, 1900 Washington Street E., Charleston, West Virginia. Contact: Margaret C. Thompson, c/o ICC Office, 3108 Federal Building, 500 Quarrier Street, Charleston, West Virginia 25301 Phone: 304-343-6181 Ext. 354 or 355.

Chicago, Illinois—Everett McKinley Dirksen Building, Courtroom 2503, 219 South Dearborn Street, Chicago, Illinois. Contact: Nancy Clawson, c/o ICC Office, Everett McKinley Dirksen Building, Room 1086, 219 South Dearborn Street, Chicago, Illinois 60604 Phone: 312-353-7275.

Friday, March 21, 1975

Green Bay, Wisconsin—Room 201, City Hall, 100 North Jefferson Street, Green Bay, Wisconsin. Contact: Gail Dougherty, c/o ICC Office, 135 West Wells Street, Room 807, Milwaukee, Wisconsin 53203 Phone: 414-224-3183.

Monday, March 24—Wednesday, March 26, 1975

Syracuse, New York—Onondaga County War Memorial Auditorium, 515 Montgomery Street, Syracuse, New York. Contact: Eleanor Ivanoff, c/o ICC Office, O'Donnell Building, Room 104, 301 Erie Boulevard W., Syracuse, New York. Phone: 315—473-3440.

Scranton, Pennsylvania—U.S. Naval Reserve Center (Wilkes-Barre/Scranton Airport) Spruce Street, Avoca, Pennsylvania. Contact: Mildred A. McDonough, c/o ICC Office, 309 U.S. Post Office, North Washington Avenue and Linden Street, Scranton, Pennsylvania 18503. Phone 717—344-7111. Ext. 324.

Akron, Ohio—Akron Public Library, 55 South Main Street, Akron, Ohio. Contact: Carolyn E. Halloran, c/o ICC Office, 181 Federal Building, 1240 East 9th Street, Cleveland, Ohio 44199. Phone: 216—522-4000.

Erie, Pennsylvania—Federal Building and Courthouse, Courtroom A, 2nd Floor, 6th and State Street, Erie, Pennsylvania. Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412—644-2929.

Fort Wayne, Indiana—Room 265, Federal Building, 1300 S. Harrison Street, Fort Wayne, Indiana. Contact: Cassandra Forbes, c/o ICC Office, 345 West Wayne Street, Room 204, Fort Wayne, Indiana 46802. Phone: 219—422-6131.

(2) Pursuant to Section 205 (d)(2) of the Regional Rail Reorganization Act of 1973, attorneys have been retained by the Office to provide free legal assistance to communities, users of rail service and other interested parties in the preparation of their testimony on the Preliminary System Plan. The assistance of these attorneys may be obtained pursuant to the hearing rules set forth below.

(3) The following uniform rules, procedures, and practices for the hearings are established:

(a) Pursuant to Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 only testimony relevant to the United States Railway Association's Preliminary System Plan will be received.

(b) Oral testimony will be limited to fifteen minutes.

(c) Persons who wish to testify at the hearings should call or write the local contact coordinator who is identified in Part (1) of this notice.

(d) Prospective witnesses will be asked to provide: their name, address, telephone number, business association, if any, the general areas of the Preliminary System Plan to which their testimony will pertain, and the date and time when they wish to appear. This information will be relayed to an outreach attorney from the Office of Public Counsel. If prospective witnesses need the assistance of an outreach attorney, they should so inform the contact coordinator.

(e) The outreach attorney assigned to the hearing city will schedule all witnesses and either the attorney or the local contact coordinator will notify prospective witnesses of confirmed hearing appearance times. The outreach attorney will attempt to accommodate prospective witnesses who appear at the hearing without a prescheduled appearance time.

(f) In order to facilitate the creation of a comprehensive and well-organized record, the outreach attorneys will attempt to schedule prospective witnesses according to the general area of interest which their testimony will address.

(g) All written material for the record should be submitted on 8½ x 11 paper in six copies at the hearing or sent directly to the Rail Services Planning Office, 1900 L Street, N.W., Washington, D.C. 20036. Statements sent to the Office should arrive no later than March 28, 1975, and should indicate the hearing site most convenient to the witness' home or place of business. Since the Office has a very short time for review of the testimony, statements received after March 28, 1975, will be made a part of the record but may not be reviewed by the Office.

(h) Witnesses with common interests are urged to make joint submissions. In order to prevent unnecessary duplication in the record, written statements which essentially correspond to oral presentations will not be received by the outreach attorneys at the hearing.

(i) The proceeding is legislative, not judicial in nature. It is designed to elicit public views on the Association's Preliminary System Plan. Witnesses will not be required to testify under oath nor will there be any cross examination or rebuttal testimony. Only questions from the presiding officer and the representative of the Office of Public Counsel will be permitted.

(j) In order to insure that the public is fully informed of the contents of the Preliminary System Plan and its possible impacts upon communities and rail users, the usual Interstate Commerce Commission limitations on radio and television coverage during the hearing will be relaxed. The presiding officer will permit live news coverage in the hearing room, provided that the conduct of the media representatives and the presence of radio and television equipment do not disturb the orderly conduct of the proceeding. Where court room facilities are used, however, the rules of the court regarding media participation will apply. The customary rules of the Commission prohibiting smoking and talking during the hearing will apply.

(k) Hearings will commence and end on the days specified in Part (1) of this notice.

(l) Hearings will convene promptly at 9:30 a.m. and adjourn at 5:30 p.m. An evening session will be scheduled on the first day if appearance times are requested. The evening session will commence at 7:30 p.m. and adjourn at 10 p.m. Additional evening sessions may be scheduled at the discretion of the outreach attorney and the hearing officer.

ROBERT L. OSWALD,
Secretary.

U.S. SENATE,
Washington, D.C., February 18, 1975.

MEMORANDUM

To: Honorable Clifford P. Case
From: W. D. Rossiter, Professional Staff, Minority

Enclosed you will find a copy of the ICC Press Release of February 18, 1975, announcing dates for public hearings on the U.S. Railway Association's preliminary system plan regarding the restructuring and/or discontinuance of certain service of bankrupt railroads in the Northeast and Midwest.

Particular hearings of interest to you, if any, are circled.

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., February 18, 1975.

Honorable CLIFFORD P. CASE,
Washington, D.C.

DEAR SENATOR CASE: The Rail Services Planning Office will conduct public hearings on the United States Railway Association's preliminary system plan, the week of March 17, 1975. The Regional Rail Reorganization Act of 1973 mandated a limited time for this Office to gather and analyze testimony for its evaluation of the preliminary system plan, thereby precluding extensive hearing schedules.

The enclosed news release will advise you of the hearing locations. In addition to news coverage generated by this release, you may also wish to encourage other interested parties to testify at the hearings.

I would like personally to invite you to testify at a hearing site convenient to you. If you wish to participate, please have someone on your staff contact Larry Lesser or Jean Losure on 202/254-3287 by March 1, so that we can make time available at a time convenient to you.

Sincerely,

GEORGE M. CHANGLER,
Director.

LITHUANIAN INDEPENDENCE DAY

Mr. RIBICOFF. Mr. President, February 16 marked the 57th anniversary of Lithuanian Independence Day. This day holds a special place in the hearts of all people who cherish human freedom because it reminds us of the struggle for freedom that has dominated Lithuanian history in our lifetimes.

To its credit the U.S. Government has maintained a policy of nonrecognition of the forcible incorporation of Lithuania into the Soviet Union. This policy demonstrates our strong support for the Lithuanian people's just aspirations for freedom and independence. For despite having their sovereignty denied them, the Lithuanian people remain courageous and remind the world that they still long for the liberty that all people deserve.

It has taken gallant individuals like Alexander Solzhenitsyn to call our attention to the repressive nature of the Soviet society under which the Lithuanians are made to live. The Senate has responded to these dismaying accounts with legislation aimed at granting new freedoms to persons subjected to these conditions. It is my hope that the Senate will continue to support such measures which express the overwhelming sentiment of the American people toward those individuals oppressed in this way. It is through such actions that the finest tradition of American humanitarian concern and love for individual freedom can be conveyed.

Perhaps as we approach our Bicentennial and recall the experience of gaining our own freedom and independence, we can sympathize with the plight of these people. They are a people deprived of the right of self-government in a free and open society—the very cornerstone upon which our own Nation was founded.

The Lithuanian people enjoyed an all-too-brief period of national self-determination as the Republic of Lithuania. This was cut short by the Soviet aggression. Let us hope that as we celebrate the 200th anniversary of our independence, the Lithuanians can gain their freedom again and continue to celebrate it without interruption.

SURFACE MINING CONTROL AND RECLAMATION ACT

Mr. FANNIN. Mr. President, on February 20, 1975, Secretary Morton, through Assistant Secretary Carlson, placed in the hearing record the economic analysis of the impact of S. 7, the Surface Mining Control and Reclamation Act of 1975. I want to share the administration's assessment with my colleagues and therefore ask unanimous consent to print in the RECORD that analysis.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

POTENTIAL ECONOMIC IMPACTS AS A RESULT OF S. 7, H.R. 25, AND H.R. 3119

[In millions of tons]

Potential reductions in output	H.R. 25 (congressional)	H.R. 3119 (administration)
During the transition period	15–50	15–50
Longrun	48–141	33–80

POTENTIAL OIL IMPORTS

If 141 million tons of coal had to be replaced by imported oil, an additional 608 million barrels of oil per year or 1.7 million barrels a day would be needed. But not all coal can be replaced by oil. It is estimated that 80% would be replaced by oil and 20% by underground-mined coal. On that basis the U.S. would need to import 486 million barrels of oil per year or 1.3 million barrels a day which, at a price of $11 per barrel, would add $5.4 billion per year to U.S. foreign exchange outflow.

POTENTIAL EMPLOYMENT IMPACT

If coal output were reduced by 141 million tons of coal, the first-year direct employment impact would be 26,100 jobs lost (based on 225 work days a year and an average daily output of 24 tons per miner). For each direct job lost in mining, .8 jobs or 20,880 additional jobs would be lost indirectly, resulting in a total employment impact of 46,980 jobs. This is a first-year impact and it can be expected that a large proportion of the unemployed would ultimately find jobs in other mines or other sectors of the economy.

FIRST-YEAR GNP IMPACT

If coal output were reduced by 141 million tons of coal, at an assumed average price of $25 per ton, there would be a direct reduction of purchasing power of $2.1 billion. There would also be additional ripple and spillover effects, although in the longrun the effect would be less if resources are employed in other parts of the economy.

A reduction in output of 141 million tons is estimated to impact on small mines, 52 million tons; steep slope mining, siltation, aquifiers, 68 million tons; other losses including alluvial valley floors, 21 million tons. Total 141 million tons.

ADDITIONAL COSTS TO PRODUCERS FOR H.R. 25 AND H.R. 3119

	Average cost per ton	
	H.R. 25 (Congressional)	H.R. 3119 (Administration)
Small surface mines:[1]		
Permit costs	$0.30	$0.20
Steep slope costs	.55	.45
Impoundment costs	.19	.03
Reclamation fund fee	.35	.10
Total	1.30	.78
All surface mines:[2]		
Permit, steep slope, and impoundment costs	.50	.33
Reclamation fund fee	.35	.10
Total	.85	.43
All surface and underground mines:[3]		
Permit, steep slope, and impoundment costs	.24	.16
Reclamation fund fee	.30	.10
Total	.54	.26

[1] Estimated annual output affected by 1976—40,000,000 tons.
[2] Estimated annual output affected by 1976—330,000,000 tons.
[3] Estimated annual output affected by 1976—684,000,000 tons.

Notes: These are intermediate cost estimates in 1975 dollars, which could vary by 20–30 percent in either direction.

Additional costs, which are not included in the above figures because they are hard to quantify, for additional capitalization requirements, alluvial valley floor protection, aquifer restoration, citizen suits, designation of lands as unsuitable for surface coal mining, exploration permit costs, moratorium on coal leasing on Federal lands, removal of siltation structures, restrictions on mining in National Forests, surface owner consent for exploration and mining, could add an additional 25–50 percent to the cost estimates for H.R. 25.

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QUESTIONS AND ANSWERS ON ENERGY AND ECONOMIC ISSUES

Mr. HUMPHREY. Mr. President, today I would like to comment on the administration's economic-energy program and outline my specific economic package.

As you know, it was my privilege to appear on the NBC television news interview show, "Meet the Press," on Sunday, February 16, 1975. In preparation for that appearance, I extensively reviewed the present economic situation. This review focused specifically on both the administration's energy package and the administration's economic package.

I wish to share this review with my Senate colleagues. This review utilized a question-and-answer format and focused on eight major areas: The general economic situation, the administration's economic-energy proposals, other energy issues, my tax and housing proposals, monetary policy, the Federal budget, unemployment, and general economic statistics.

I ask unanimous consent to include the review in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL ECONOMIC SITUATION

Question. What is the present unemployment and income situation?

Answer. The rate of unemployment in January was 8.2 percent. This is the highest level since the end of the Depression. In the last year of the Johnson Administration, the unemployment rate was 3.4 percent. It has never dropped back to that level in the 6 years since the Republicans took over.

The rate of unemployment has climbed faster in the last 3 months—by 2.2 percentage points—than in any other 3-month period since the Depression.

7.5 million workers were unemployed in January. This is the highest level since 1940, when 8.1 million were unemployed. In 1969, 2.8 million workers were unemployed.

If we include those who want full-time jobs but can find only part-time work and those workers who are so discouraged that they have dropped out of the labor force, the rate of unemployment in January would have been 10.9 percent.

One way of measuring the cost of high unemployment is the amount of lost production which results. In 1974, the U.S. economy lost $109 billion of potential output because the economy was below full employment. In 1975, based on Administration projections for unemployment, we will lose about $200 billion in output; in 1976, another $250 billion. In the 3-year period 1974–76, therefore, the U.S. economy will lose over $600 billion in output which would have been produced if the economy were operating at 4-percent unemployment.

Unemployment, of course, cuts income as well as production. Real Disposable Income has declined by 3.2 percent in the current recession. The decline has been almost twice as large as in any other post-war recession. Real spendable weekly earnings, the most comprehensive measure of the average worker's take-home pay, declined 5.3 percent in 1974 on top of a 3.4 percent decline in 1973. This brings the real take-home pay of the average worker back to where it was in 1965.

According to a Congressional Joint Economic Committee study, Inflation and the Consumer in 1974, it would take the family at a modest budget level (of about $13,000 per year) 14.5 percent more income in 1974 just to maintain its 1973 standard of living. The price of all major consumption items increased by more than 10 percent in 1974. But the increased taxes—both personal income and payroll—outstripped the price of all consumption items in their rate of increase.

Question. In 1937 Franklin Roosevelt stood on the steps of the Capitol and said that he saw a nation of 125 million, one-third of home were ill-housed, ill-fed and ill-nourished. What would he see today?

Answer. Today, if Gerald Ford really looked at this nation beyond Washington, he would see twenty-five million poor, seven and a half million idle and many more millions of families wondering whether they will become victims of the growing recession.

Question. Senator, you have had a chance to study the current economic situation very closely before your Committee in the last few weeks. Just how bad do you think conditions are?

Answer. By almost every economic indicator, we are on the brink of a depression in this nation. Whether we have a depression or not will depend on the ability of the President and the Congress to move together in the next 60 to 90 days to:

Substantially cut taxes;

Provide a massive job program;

Break the stranglehold which the Federal Reserve now has on this nation's economy;

And get housing construction moving again.

ADMINISTRATION PROPOSALS

Question. What's wrong with President Ford's economic and energy package? Why are the Democrats so opposed to it?

Answer. The program he has proposed is inadequate, ill-conceived, and inequitable. The proposed tax cut is too small, the proposed higher energy prices would more than offset the tax cut, and the tax cut will help the wealthy, not the low and middle income family.

The Administration's policies would greatly accelerate inflation and do nothing to reduce the deepening recession and rising unemployment.

This program is socially and politically unacceptable to the American people. 7.5 million people are now out of work and this could rise to 9 million, or 10 percent, by the end of the year. The President's plan would do nothing to reduce this tragic level and put people back to work. It's estimated that the President's energy proposal would add over 400,000 to the ranks of the unemployed. In fact, the President admits that we can expect unemployment in excess of 6 percent for the rest of the decade.

This is wrong.

The President's plan will also push prices up another 3% this year, which means more double-digit inflation.

Put simply, the President's priorities are confused. He seems more concerned with reducing oil imports than reducing unemployment.

Question. Senator, would you agree that at least the Administration now recognizes the urgency of the recessionary problem and is moving toward the right objective.

Answer. I am afraid I cannot agree. Mr. Ford's economic advisers are still more concerned about inflation than recession. This means that they are willing for this country to suffer through a recession in order to dampen inflationary pressures. This is a tragic and misguided policy. And it is the type of economic thinking which could lead us into even more economic trouble.

Just look at the primary goals of Mr. Ford's advisers:

Mr. Simon and Mr. Greenspan openly admit that their policies are designed primarily to fight long run inflation.

Dr. Kissinger, for foreign policy reasons, has strongly advocated a tax on crude oil which economists say will cause the loss of another 400,000 jobs and push prices up susbtantially.

The Federal Reserve Board has pursued a tight money policy designed to fight inflation by keeping interest rates high.

The inflation fighters are clearly in the drivers seat. They have the President's ear. They advocate anti-inflationary policies, while the recession deepens and takes its toll in jobs, income and savings.

Question. Does the President's program provide fiscal stimulus?

Answer. No. Taken as a whole—tax cut, expenditure, restraint, and energy proposals—the President's program would add no stimulus to the budget. At best it is neutral. In the opinion of most of the expert witnesses who have testified before the Joint Economic Committee, it would actually have a restrictive impact, certainly in 1976 and beyond. That is, from the point of view of combatting recession, adopting the President's proposals would do little or nothing in the battle against recession.

By itself, the tax rebate proposal would provide some temporary stimulus. Even together with the energy package it would still provide some temporary stimulus. This would be heavily concentrated in the third quarter of 1975. But temporary stimulus is not enough. There has been virtual unanimity among expert witnesses before the Joint Economic Committee that a longer term tax reduction is required if recession is to be overcome.

When the expenditure restraint proposals are added in, the small temporary stimulus from the tax rebate is nullified. The proposed ceiling on social security and other income support programs is an interference with an automatic stabilizer provided under present law. We would obtain as much immediate stimulus by doing nothing and letting the automatic stabilizers work, as we will from the President's program.

Once the impact of the temporary tax rebate runs its course, the President's program will have a restrictive impact because not all of the increased energy costs paid by consumers will be rebated. Oil companies will receive some excess profits which will not be covered by the windfall profits tax and the rebate. Coal companies will probably reap large excess profits. It is unlikely that these profits will be fully or quickly returned to the spending stream. This will have a restrictive effect just like the increase in the price of imported oil did last year.

Question. The debate over energy and economic policies between Congress and the President seems to have turned into quabbling. Can this Nation afford such confrontation politics in a period of economic crisis?

Answer. I don't believe the Nation can afford political confrontation now because we must be united in our efforts to achieve economic recovery.

It was with that in mind that I and a bipartisan coalition of 14 members of the Joint Economic Committee wrote to the President and urged him to delay the unilateral imposition of oil import fees, and instead make a tax cut the first priority.

We also urged him to set up a congressional and executive task force to develop a mutually agreeable energy policy.

This is the kind of cooperation the American people expect and deserve.

Frankly, there is no excuse for the President's rhetorical brow-heating of Congress. It is a vain attempt to force the Congress to "rubber stamp" proposals that are, as I have said, inadequate, ill-conceived, and inequitable.

Question. The President claims Congress has been dragging its feet in responding to his proposals. Is this true?

Answer. The President is wrong. Congress is not delaying.

First of all, it took the Administration six months to recognize that we were in a serious recession and that we needed a tax cut instead of a tax increase.

In Kansas City, on October 15, the President told the Nation not to buy, but to conserve, to save. One month later, he told us to spend, to get the economy moving. From October to nearly Christmas, he was campaigning for his tax increase. By the first of the year he had changed his mind and was calling for a tax cut.

It was only in mid-January that we received the outline of his latest program. In fact, the Congress has only had his full package to review for less than two weeks. The Administration's energy bill was introduced only on February 5, 1975; as yet, there is no Administration tax proposal in the form of legislation before the Congress.

And this package is so seriously deficient that Congress will not be coerced and rushed into passing it.

Hasty and unwise action is not what this Nation needs.

Finally, the Congress is moving ahead on its own economic and energy package. The Ways and Means Committee has completed action on a tax cut which Congress will enact in the next 30 days. In addition, the leadership of both Houses have nearly completed a comprehensive economic and energy package.

Question. What does Congress—or the Democrats—propose as an alternative to the President's Economic-Energy Package?

Answer. Here is what the Democrats must do: Our first priority now is economic recovery—that means jobs.

In the next 60 days, Congress must:

(1) Cut taxes by $30 billion to get enough money into the hands of consumers;

(2) Create a million additional public service jobs;

(3) Establish a new Home-loan bank so all Americans can afford to buy a home at an interest rate that does not exceed 7%

(4) Pass a strong energy conservation measure which will not throw us deeper into recession, but will curb energy waste.

(5) And, to fight inflation, Congress must give the Wage-Price Council the power to delay price increases and to roll them back if unjustified.

(6) Congress will be calling on the Federal Reserve to join the economic recovery effort by cutting interest rates and expanding credit.

(7) Finally, the Administration must release impounded funds for housing, roads, water and sewer facilities and so on to stimulate demand.

Question. What impact would your proposals have on the economy? How does this compare to the President's program?

Answer. As Chairman of the Joint Economic Committee, I have had both of these programs examined by Chase Econometrics and the Wharton Forecasting School at the University of Pennsylvania. Let me give you some of their projections:

	Chase	Wharton
Unemployment rate at the end of 1976:		
Ford program	8.4	7.5
Humphrey alternative	7.5	6.7
Inflation during 1976:		
Ford program	9.5	7.5
Humphrey alternative	6.6	6.2
Real economic growth during 1976:		
Ford program	3.5	2.7
Humphrey alternative	5.7	4.0

As you can see, this program will not cure all of our problems by any means, but it certainly goes much further than the Administration's policy. Note that the Humphrey program includes:

$30 billion personal tax cut:
$10 billion on 1974 liabilities—rebate.
$20 billion tax reduction for 1975.
$3 billion investment tax credit (10%).
Removal of 5% ceiling on Social Security, etc.
$8 billion public service jobs program to employ 1,000,000 people.
10% increase in the money supply (M1).

Question. Your proposal might reduce unemployment but it would increase the size of the deficit and this could in turn add to the inflation problem. Wouldn't your proposals be more inflationary than the Administration's?

Answer. Absolutely not. The President's advisers are projecting a rate of inflation of about 11 percent in 1975. A great deal of this inflation is, of course, due to the President's proposals to hike the price of energy. If we do not allow the price of energy to freely float upward, and we restore economic growth and productivity, I believe we can bring the rate of inflation down to seven percent by the end of this year. And I think we can get inflation down to five percent in 1976, if we don't make any more economic mistakes. Of course, based on the track record of the Administration, this is a colossal "IF".

Question. We are in a recession to a great extent because the automobile industry is in a recession. Yet if we get the automobile industry humming again, this could well aggravate the energy shortage. How can we deal with this long-run inconsistency in our economic system?

Answer. I think we must encourage the automobile industry to produce cars that are fuel efficient. We can do that by creating government incentives to encourage consumers to purchase cars with good fuel efficiency. We can also do it by setting performance standards requiring that Detroit produce more efficient cars by 1977. This is what I propose.

Finally, we must put additional resources into improving mass transportation for our cities and rail transportation.

Question. The Administration has been successful in freeing the market for most farm goods from production controls. Yet, we now see the Senate Agriculture Committee considering more controls. Do we need more agriculture controls which push up government spending and worsen our deficit?

Answer. No one wants to restore the huge farm subsidies and tight planting controls of the past. What we do want is a program that does the reverse of the Administration's program. Right now, farm prices are falling and food prices are going up. Neither farmer nor consumers are happy. But the only thing they see for this year is more of the same.

We are putting together a farm program to do the reverse of the Administration's plan. We want to give the farmer a better return while cutting food price inflation. And the way to do that is to return stability to farming. That will encourage the large plantings we need to stabilize food prices and still meet our export and food aid commitments to starving nations. We need a natioal food policy which relates the needs of farmers and consumers. Such a policy must deal with the issue of food reserves, a fair return for our farmers and improved ways of monitoring our exports.

Question. What do you see this year for food prices?

Answer. We have the lowest carryover stocks on hand now in many years. I would expect retail food prices to rise this year a minimum of 10 to 12 percent if we have a good growing year. If we have some trouble like in 1974, or a really bad year, we could see retail prices go up as much as 20 percent. A real break for housewives right now appears to be beef. Herds are large and quite an inventory adjustment is underway.

Energy:

Question. You are very critical of the impact the President's energy package will have on the economy. What are your specific criticisms of that package?

Answer. The Library of Congress estimates the direct costs of the President's energy-tax-decontrol program at $50.3 billion in primary fuel prices and electric rates alone. This total equals 3 percent of the estimated $1.5 trillion in GNP for 1975.

This includes nothing for mark-ups pyramided on higher fuel costs, not for price increases for petrochemical substitutes like natural fertilizers, aluminium, etc. Nor does it allow for resulting wage claims and wage-price spiral effects. For example, if the Ford plan is enacted, the airline industry will have to cut its capacity 25 percent, ground 450–500 aircrafts, and furlough 45 to 50,000 airline employees in the next 90 days. To stay even financially, they will have to increase fares by eighteen percent.

The $50 billion in increased costs estimated by the Library of Congresses study break down as follows:

Action	1975 Cost in billions
$2 Tariff and excise tax on crude oil	$12.6
Decontrol of old domestic oil	11.0
Excise tax on natural gas (37¢ m.c.f.)	8.3
Deregulation of new natural gas (cost rises year-by-year to estimated $17.7 billion by 1981–82)	5.4
Coal price increases	5.2
Inclusion of construction work in progress in utilities' rate bases (assuming all States adopt this change)	6.8
Inclusion of pollution control investments in utilities' rate bases (rising to cumulative at $22 billion, 1975–79)	1.0
Total	50.3

Question. What is your energy program, Senator?

Answer. Democrats reject the President's target of cutting imports a million barrels a day. This proposal would only worsen the recession and increase inflation.

There is nothing magic or sacred about the figure of one million barrels. What we need is a sensible program to achieve self-sufficiency by the end of the decade without needlessly punishing the American people.

The broad strategy of the Democratic program will include four major elements:

A comprehensive, mandatory conservation program.

The creation of an Energy Production Board to expand domestic supplies, and create emergency stockpiles.

The creation of a new energy trust fund to finance this program.

The establishment of a stand-by program of allocation and rationing to protect the U.S.

The conservation program could save 500,000 barrels a day this year and 3–4 million barrels by the end of the decade.

Some of the specifics in the Democratic Mandatory Conservation Program will be:

Mandatory mileage standards for all cars.

Immediate cash rebates for purchasing small economy cars.

A tax credit program for insulation and other home energy saving improvements.

A strictly enforced 55 mph national speed limit.

Increased funds for mass transit and rail development, and energy efficient appliances.

Question. Proposals for a gasoline tax keep recurring. Recently this idea surfaced again in modest form among proposals for a Democratic consensus on energy as a means of financing an energy conservation program. Do you think Congress will adopt such a proposal?

Answer. Congress is very very reluctant to adopt a gasoline tax. First, it is very unpopular with many people. Second, the auto industry is prostate at present and is exerting a powerful depressive pressure on our weak economy, and we are loath to do anything to hamper its recovery. I would say that a

modest tax to finance an energy program might receive consideration, but no large gasoline conservation tax should be passed.

Question. How do you feel about gasoline rationing?

Answer. I think we should provide gasoline rationing authority so that this power will be available to the President in case of a sudden new embargo or other emergency shortage situation. I do not feel, however, that we should impose rationing now. It would inevitably cause more unemployment, for instance in service stations and in recreational industries such as ski lodges, summer hotels and beach communities. And we cannot afford this now.

I believe we should attack the problem of gasoline conservation through strict enforcement of the 55 mph speed limit, incentives to purchase efficient automobiles and mandatory engine performance standards. And, of course, through fostering mass transit and other such measures as will not affect people's jobs.

Question. The National Academy of Sciences last week released a study by its Resources Council which estimates the remaining US oil and gas reserves at much lower levels than heretofore set by the U.S. Geological Survey. How do you gauge the significance of this report? Do you think it means any basic change in our prospects for achieving energy independence?

Answer. If these new estimates turn out to be accurate, then it will, of course, be more difficult for the U.S. to achieve the desired degree of self-sufficiency and to sustain it. On the other hand, as former Energy Administrator John Sawhill has pointed out continuously, we will never really know what is available under the continental shelf and in other promising places like Alaska until we actually drill and explore these areas. So I think we must at least proceed with exploratory drilling to get a better idea of what we have while also preserving our environment in the process.

Question. President Ford and the oil industry have called for de-regulation of natural gas in order to stimulate production. Do you agree?

Answer. No. De-regulation would push natural gas prices up 500 to 600 percent and have little impact on production for years. The last thing we need now is more inflation. In addition, it would allow the Arab oil producers to determine our natural gas prices—something I think we all oppose.

We should, however, do two things:

1. Cut out the waste of gas by utilities and other industries that could burn coal instead. The gas now burned in a Texas utility instead of coal could be used to heat homes next year in Chicago or Minnesota.

2. Let the price of new gas rise slowly as production costs go up. This would not add to inflation but would still stimulate production by enabling producers to continue exploration.

THE BUDGET

Question. Don't we already have huge deficits because of excessive governmental spending? Won't these large deficits provide enough stimulus to the economy?

Answer. The current deficits are caused by the recession and not excessive Federal spending. The President's fiscal 1976 budget deficit of $52 billion illustrates this dramatically.

If we maintained the level of unemployment we had in 1974—about 5½ percent—the Federal Government would collect about $40 billion more in tax revenues than we will actually collect this year.

The deficit will also be large because the Federal Government will spend about $18 billion for income support for the unemployed, roughly twice as much as we were spending at a five percent rate of unemployment.

In other words, almost none of the current deficit is due to new Federal spending.

In fact, if we had an unemployment rate of four percent instead of the current eight percent, we would have a budget surplus of about $12 billion. This illustrates the impact of the recession on the budget.

Question. How much would the Democratic program cost? How much will it increase the deficit?

Answer. Not as much as you might think because we would also cut the budget in some areas and the restoration of economic growth would increase tax revenues.

First, we would cut the President's budget by about $10 billion in the area of defense, foreign aid, and by eliminating the energy equalization payments he proposed to pay out to offset the higher energy costs of his program.

Second, we would expand expenditures for social security, food stamps, medicare, jobs, and housing—but this would only be about $5 billion in excess of the President's budget.

Finally, the $30 billion tax cut I propose would sufficiently stimulate economic growth so that it would only cost about $20 billion in lost revenues.

What this all means is that the net increase in the deficit for fiscal 1976 would be approximately $10 billion.

Question. Wouldn't the larger deficits associated with your plan start us back on the road to more inflation?

Answer. Deficits can cause inflation in a period of economic boom because they represent demands the economy can't meet. But that is not what is causing the present inflation.

Today we have cost-push inflation stemming from the oil embargo, the decline in productivity due to the recession, and anti-competitive pricing policies of some large business firms.

I might add that the biggest threat to price stability is the President's energy proposals, which most experts believe will increase the rate of inflation three or four percent in the first year. If such energy proposals are not enacted—and they will not be in the form the President has proposed them, I believe we can get the rate of inflation down to about seven percent by the end of this year despite the budget deficit.

Question. You mentioned budget cuts. What are the specific programs in the budget you would like to see cut?

Answer. In a budget as large as this one, there are bound to be large areas of waste and programs that the country does not need, even if they were properly managed. The potential savings are enormous, and these funds could then be put to much more productive use or returned to the taxpayer.

I would start with Defense. The Administration talks about a $94 billion defense budget—that is what will be spent in fiscal 1976. But it is requesting authority from Congress to spend $108 billion, and this amount could increase.

I do not believe the defense program, which is already very large, needs to be increased by 18 percent. There have been no changes in international conditions, in my judgment, to justify this rise in defense.

I expect Congress to examine very closely this year a number of questionable projects such as the B-1 bomber, the new tank, the SAM-D missile, and the large multi-billion dollar request to pay for a number of ships which we thought should have been already paid for, as well as the large civilian payroll and some of our overseas deployments. Reductions in defense alone could exceed $10 billion.

Our Foreign Aid Bill is far too high. In the area of military assistance, $2.4 billion is requested for grants, plus $560 million for credit sales. In addition, another $1.5 billion goes for "Indochina Postwar Reconstruction" and "Economic Security Assistance." And this does not include the $522 million recently requested for Vietnam and Cambodia as an add-on to last year's budget. I will support sharp reductions in this area.

Space is another category that can be usefully trimmed back. The Nation ought to consider whether we can afford the luxury of such things as the Space Shuttle at a time when it is critical that we concentrate our energies in the most productive way. This may need to be deferred.

UNEMPLOYMENT JOBS

Question. You and other Democrats have criticized the economic and energy proposals of the President because they will do very little to reduce unemployment. By the President's own admission, which now may be conservative, unemployment will stay at eight percent or more during 1975 and 1976. You and your Democratic colleagues have said that the first priority must be to put America back to work. How do you intend to provide jobs for the 7.5 million unemployed?

Answer. The President's estimate of eight percent unemployment is unfortunately too conservative. Based on the testimony we have received before the Joint Economic Committee, I believe the unemployment rate will exceed 9 percent soon and could go to 10 percent. And the longer we delay the worse the situation will get. The economic program I have already outlined will reverse the trend of higher unemployment and get our economy moving. The tax cut, lower interest rates, and all of my proposals have this as the number one priority.

But, more specifically, I believe we must:

1. First, force the President to spend the billions he has impounded for important public projects (housing, sewage treatment, public facilities, hospitals, etc.), which our communities desperately need and which also create decent private sector jobs.

These impoundments now total in excess of $20 billion. These are funds authorized and appropriated by Congress, but they remain unspent by the Administration, since 1972 in some cases.

Second, create a Home Loan Bank to assure every American family the opportunity to borrow most of the cost of buying a decent home at an interest rate that will never exceed 7 percent. We must prevent construction workers from always being the first casualties of recession.

3. Third, provide an additional 1 million public service jobs, at least, with an automatic increase of 250,000 jobs each time the unemployment rate rises by ½ percentage point; and we should do this in the next 30 days.

Let me emphasize, however, that public service employment is not a permanent solution to unemployment. It is, at best, only an interim arrangement to deal with the recession.

4. Fourth, cut taxes $30 billion to restore consumer purchasing power and create jobs.

5. Fifth, emphasize to the Federal Reserve System that it must increase liquidity and reduce interest rates to stimulate demand and jobs.

The alternative proposal I have outlined here today—what we might call a Democratic alternative—would reduce unemployment by about two percentage points, or two million people, by the end of 1976. Over the next five years it would create eight million jobs.

TAXES AND HOUSING

Question. What is your tax program, Senator?

Answer. First of all, I think I should tell you why most Democrats believe Mr. Ford's tax program is inadequate:

His $16 billion tax cut is too small to stimulate a $1.5 trillion economy.

It is a one-time only cut that will not keep the money flowing to consumers.

And it is unfair by providing most of its benefits to the well-to-do.

Faced with the highest unemployment levels since the Depression, I believe we must pass, in the next 30 days, a tax cut of $30 billion; this is twice as big as the President's and $10 billion larger than the one proposed by the Ways and Means Committee. This must be the cornerstone of economic recovery.

Here are the components of my program:

First, a tax rebate of slightly over $10 billion on 1974 taxes to be received by consumers in March or April. This will directly stimulate demand when we need it most. The rebates will average 10 percent of 1974 incomes with a minimum of at least $50 per person.

Second, a permanent $20 billion tax cut on 1975 and later years which is focused most heavily on low and moderate income families and individuals. These families have been the hardest hit by inflation and must receive the lion's share of any permanent tax reductions. The specific components of my permanent tax cut programs are:

Increase the low income allowance from $1,300 to $1,800 to help the lowest income levels;

Reduce taxes for those who use the standard deduction and who do not itemize by increasing the standard deduction from 15 percent to 17 percent of income; also, the ceiling on maximum standard deductions should be increased by $500 to $2,500. This will simplify tax returns and help both low and middle income families and individuals;

Reduce taxes for all income levels by raising the personal exemption to $900 per person from the present $750;

Cut taxes for all workers with incomes of $14,100 or less using a refundable tax credit tied to the level of payroll taxes paid by these workers; and finally,

Stimulate business investment in job creating facilities through an increase in the investment tax credit to 10 percent from the present 7 percent.

In total, this package cuts taxes $30 billion with $27 billion going to individuals. It is balanced between immediate rebates of $10 billion and permanent long-run cuts of $20 billion. It is a good package which will provide the stimulus not present in the Administration's proposal to get our economy on the move.

Question. How would a family of four with an income of $15,000 fare under your tax plan?

Answer. Their taxes would be cut by $400, more than double the tax cut allowed under the Administration's plan.

Question. Some Democrats in Congress continue to call for wage and price controls or a strengthening of the Wage and Price Stability Council. Why do we need more controls when inflation seems to be heading down, or at least is only a secondary problem to recession now?

Answer. I am completely opposed to reimposition of across-the-board wage and price controls at this time.

At the same time, there are several reasons why the powers of the Wage and Price Stability Council should be increased. It is a "toothless tiger" now. It should be given subpoena power, and the ability to delay or roll back unjustified price hikes.

We still have serious inflationary pressures in our economy. In fact, despite idle capacity of almost 25 percent now (as reported by the Federal Reserve), we do not see consumer prices or non-food wholesale prices falling. We have a great deal of stickiness in our prices due to government regulations and noncompetitive pricing practices of business. It has taken a depression in autos and housing for those industries to even consider price cuts. The cost of medical care, rubber and other items continues to rise.

Finally, President Ford has estimated that we will average over 9 percent inflation during 1975 and 1976. Without his energy package, the rise will still be 7 percent. That's too high. And to the extent price monitoring by the Wage and Price Stability Council can reduce inflation, we should do what we can to make that Council effective.

Question. The Housing industry continues to spearhead the decline in our economy. What can be done to stimulate housing and put this important industry back on its feet.

Answer. As I have said before, there is no way out of a national recession as long as the housing industry is in a depression. Housing and construction are simply too central to the total health of our economy. Today this sector is in horrible condition.

Housing starts in 1974 fell 35 percent, the steepest one year drop since 1943. In December, building permits reached their lowest point on record, a sad indicator for the future. More than 650,000 homes are unsold and unoccupied, at a time when 13 million Americans lack adequate housing.

Unemployment in the construction industry exceeds 15 percent nationally, with 30 percent or more of these workers without jobs in many parts of the country.

These aren't the facts of a slow-down or a recession, they are the dismal data of a housing depression.

I am proposing three urgent steps to get this critical sector moving.

First, the Administration should release the remaining $1.75 billion in housing funds provided by the Brooke-Cranston Bill last Fall.

Second, it must release the almost $1 billion in impounded funds that were appropriated as far back as 1973. The Administration is still sitting on these funds when they are desperately needed for housing.

Third, I'm calling on the Congress to establish a Federal Home Loan Bank to permanently put most Americans within reach of a decent home. We passed the 1949 Housing Act which said we wanted every American to have a decent home. Well, we've failed miserably.

And, one of the main reasons for our failure is because we have not kept *interest rates* at reasonable levels. Most families cannot afford to tie themselves to a long-term mortgage at an 8.5 percent to 10 percent rate of interest.

My Federal Home Loan Bank would assure that every American could borrow money for a decent home at an interest rate of not more than 7 percent.

The new Bank will raise its funds by selling its own bonds at relatively low rates of interest. It will then use these funds, working through our banks and Savings and Loan institutions, to assure that mortgage rates for adequate housing stay at 7 percent or below.

Question. Would your Federal Home Loan Bank prevent the boom or bust cycle we have in the housing industry?

Answer. Yes. In fact, that would be the primary structural change in the housing industry brought about by the Bank.

For the first time, the housing industry would be isolated from monetary policy. A tight money policy by the Federal Reserve Board of Governors will no longer be able, as it is now, to throw the housing industry into a tail spin. This industry will be isolated for the first time from monetary policy; it will for the first time have an assured source of continuing capital inflow.

I cannot understand the impact on housing my proposed Federal Home Loan Bank will have. It will finally enable most Americans to have a home of their own.

Question. How will your Federal Home Loan Bank help the housing industry right now?

Answer. In two ways. First, it will begin offering 7 percent home loans immediately. Short term interest rates are below 6 percent and the Bank can simply borrow these funds and make them available for mortgages. In that way, it will short cut the 9 or 10 percent being asked by many mortgage bankers.

Second, it will use some of its funds to assist unemployed homeowners avoid foreclosure. Men and women who face the loss of their jobs also face the loss of their homes as their ability to carry a mortgage falls. The Bank can bridge the gap between jobs by providing emergency mortgage payments, if necessary, to avoid foreclosures.

MONETARY POLICY

Question. Monetary policy and money supply are terms used to describe credit availability. Do you think the average American realizes the importance of monetary policy to his job?

Answer. No. I think we in the Congress have a teaching job to do. We must let constituents know that monetary policy is as important to the conduct of economic policy as is goverment spending and taxation. For example, if we have a tight monetary policy—a policy where the Federal Reserve System's Board of Governors decides to slow down the growth of the money supply or even to reduce the money supply—then banks run short of funds to loan out. That means small businessmen, farmers and consumers can't renew existing loans coming due and must reduce their level of purchases which means unemployment increases.

That's why economists and Senators talk so much about the money supply—about the availability of credit. It's a vitally important factor controlling inflation and unemployment. When the money supply grows slowly or falls, unemployment usually increases. And when the money supply grows fast, more credit is available and jobs are created, pushing down unemployment.

Finally, there is some confusion because economists disagree about what actually composes the money supply. Some say it is the total value of all currency, coins and checking accounts, which is called M. Others say it is the total of currency, coins, checking accounts, plus savings accounts.

Question. You and others in the Congress have been quite critical of Arthur Burns and the policies of the Federal Reserve Board. What is wrong with the FED's policies and what would you have them do differently?

Answer. The Federal Reserve's policies have focused primarily on fighting inflation, even though we are in a recession that began 13 months ago. During this period, when we should have been expanding the money supply and lowering interest rates, the Federal Reserve was tightening the money supply and pushing interest rates to historic levels. I believe the FED aggravaged the recession with these policies.

Although the Federal Reserve now claims it has reversed its policies, the evidence is not there. The basic money supply has only increased about one percent in the last six months and actually declined in January. As you would expect under these conditions, interest rates continue to be at levels most people cannot afford; the FHA housing mortgage rate is still 10 percent.

These high interest rates may be good for the banks, but they are not good for the country; such policies must be reversed. It is for that reason that Senator Proxmire and myself have introduced a Senate resolution directing the Federal Reserve to increase the money rapidly enough this year to promote economic recovery.

Question. You mentioned that you and Senator Proxmire have introduced a resolution that would direct the Federal Reserve to expand the money supply more rapidly this year, and to consult regularly with Congress on what should be the Nation's money

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and credit policies. Do you believe the Federal Reserve, which considers itself an independent agency, will pay any attention to such a directive?

Answer. I think the Federal Reserve must join the team in the battle against recession if they are to fulfill their responsibility to the American people. They have simply got to become part of a coordinated government economic policy and our resolution would achieve that.

I would also point out that the Constitution gave Congress the duty ". . . to coin money and regulate the value thereof . . ." If the Federal Reserve insists on pursuing policies that further worsen the recession, Congress will simply have to legislate tighter control over the Federal Reserve.

The following are the major provisions of the monetary resolution:

"Therefore be it resolved that the Congress of the United States hereby directs its agent, the Federal Reserve Board, to

"(i) take appropriate action in the first half of 1975 to increase the money supply at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery; and

"(ii) maintain the long-run growth of the money supply commensurate with the economy's long-run potential to increase production so as to effectively achieve the goals of maximum employment and stable prices.

"Pursuant to this directive, the Federal Reserve shall consult with Congress at semi-annual hearings before the Committees on Banking about its money supply growth targets and other monetary policy actions required in the upcoming six months."

Question. A lot of Democrats have come out in favor of credit allocation—particularly for housing. Yet, Treasury Secretary Simon has said that credit allocation would create a "national credit police state" run by "a new brigade of bureaucrats." Do you agree?

Answer. No. I totally disagree with him. Our only experience with credit allocation has shown that it works well. The Federal Reserve System had a tight system of credit controls over bank loans to foreigners from 1965 to 1974. In fact, this successful experience has led Dr. Brimmer and Sherman Mizell to endorse credit allocation. They are both ex-members of the Federal Reserve Systems Board of Governors.

Dr. Brimmer recently noted that a system of credit allocation would be both workable and efficient. He also noted that the previous credit allocation program was administered by only three or four staff members and that compliance was "remarkably good."

So, it has worked in the past. We should use it to at least ease the liquidity squeeze now faced by small businessmen and the housing industry. These sectors are last in line at the bank windows with the large corporations in front. Yet, they need the bank credit in many cases much more than do their larger, better financed competition.

We need to allocate credit in this country, if the people's savings are to be used to finance the things our citizens want and need.

I am sick and tired of being told that there isn't enough capital available to build houses, to revitalize our cities, and to keep small business in business.

The people are fed up with this kind of talk. They are not stupid. Every day the papers tell of additional millions of dollars going overseas to finance new plants for multinational corporations and robbing America of jobs. Every day they read about the millions being spent by speculators looking for a quick buck in the gold market, in real estate, and in speculation on everything from wheat to cocoa.

The capital needs of America are too great for important purposes, to see our savings tied-up or frittered away in this way.

Credit allocation can put the peoples' needs at the front of the line to the bankers window.

GENERAL STATISTICS OR "ECONOMIC BAD NEWS"

The Federal Reserve Board reported that industrial production declined 3.6 percent in January, the biggest drop in any month since the Great Depression.

The Labor Department reported that a record 5.6 million jobless workers were receiving unemployment compensation benefits in the week ended January 25.

Alan Greenspan, Ford's chief economic adviser, said the unemployment rate may rise about 8.5 percent, which he had predicted would be the peak.

The automobile industry reported that sales declined to a 13-year low in the first 10 days of February, despite the lure of price rebates.

The Federal Reserve Board reported a sharp contraction of the money supply in January—at an annual rate of 9.3 percent—contrary to its efforts to spur the economy by accelerating monetary growth.

ECONOMIC STATISTICS

Unemployment	January 1974	December 1974	January 1975
Unemployment rate (percent)	5.2	7.2	8.2
Number unemployed (millions)	4.7	6.6	7.5
Percent unemployed:			
Blacks	9.2	12.5	13.1
Teenagers	15.5	18.1	20.8
Blue collar workers	5.9	9.3	11.0
Heads of households	2.9	4.6	5.2
Automobile workers	9.2	21.3	24.0
Construction workers	9.1	14.9	15.0
Regional			

[Percentage change at annual rate]

Prices	December 1973 to December 1974	Most recent 3 mo
CPI (all items)	12.2	10.1
CPI (food)	12.2	14.6
WPI (all items)	20.9	13.1

	December 1973	December 1974
Average hourly earnings (constant dollars)	2.92	2.82
Spendable average weekly earnings (constant dollars)	94.25	89.12
Real per capita disposable income	[1] 2,945	[2] 2,846

[1] Average, 1973.
[2] Average, 1974.
[3] Annual rate, 1974:4.

Money and housing	1972 August	1973	1974 August	1974 December (annual rate)
Housing starts	2,378.5	2,057.5	1,134	868
Percent decline			−52	−63
Mortgage rate—New homes		8.19	9.55	
Price rate		8.02	10.80	[1] 10.23

[1] January 1975.

ANNUAL RATES
(3 mo ending January 1975)

Money, supply (January–December 1974)	last year	last 6 mo	
Money:			
M1	4.45	1.4	−0.2
M2	7.06	3.8	4.2

	1973	1974	1974
GNP (billions)	1,294.9	1,396.7	1,428.0
Percent change	11.8	7.9	3.3
GNP (constant dollars)	839.2	821.1	803.7
Percent change	5.9	2.2	−9.1

(Unified budget)	Fiscal years— 1974	1975	1976
Federal receipts (billions)	264.9	278.8	297.5
Expenditures (billions)	268.4	313.4	349.1
Deficit (billions)	−3.5	−34.7	−51.9

ECONOMIC LOSS FROM RECESSION

[In billions of dollars]

	Actual conditions in 1974	Administration predictions 1975	Administration predictions 1976	Conditions with 4 percent unemployed— 1974	Conditions with 4 percent unemployed— 1975
Federal receipts	264.9	278.8		282	323
Federal expenditures	268.4	313.4		267	306
Surplus (+), deficit (−)	−3.5	−34.7		15	17

	Actual conditions in 1974	Administration predictions 1975	Administration predictions 1976	Conditions with 4 percent unemployed— 1974	Conditions with 4 percent unemployed— 1975
Potential GNP	1,506.6	1,737	1,944		
Actual GNP	1,395.9	1,498	1,686		
Lost output	109.8	239	258		

HIGHER EDUCATION LEGISLATION

Mr. DOMENICI. Mr. President, the 94th Congress will be giving serious consideration to higher education legislation. All of the major Office of Education programs authorized by the Higher Education Act and higher education programs of the 1972 Education Amendments will expire in this Congress. The student aid programs will be of particular interest because they have the greatest impact on access to postsecondary education and equality of opportunity.

I would like to bring to the attention of my colleagues a bill which I am pleased to cosponsor which could be an important supplement to other higher education legislation emerging from this Congress. S. 666 would allow an income tax credit for a portion of a taxpayer's savings for the payment of his own or his dependent's postsecondary educational expenses. I believe it would be particularly attractive to those millions of middle-income Americans who bear the brunt of the tax burden but who seem to receive so little of the services.

S. 666 would provide a modest reward to those families who have the "misfortune" to be of moderate incomes but who are willing to set aside from their own revenues savings toward the future education of their children. These are the people whose taxes really pay for the greatest portion of Federal expenditures but whose children are not needy enough to qualify for most Federal student aid programs. I believe that people in the middle-income range are caught in an inflationary vise of increasing costs and decreasing purchasing power. S. 666, by giving a small tax credit, might create an incentive to save for postsecondary education.

Mr. President, I am sure that my colleagues are aware of the skyrocketing costs of postsecondary education. The National Center for Educational Statistics has estimated that annual tuition and room and board charges for public and private universities have nearly doubled over the past decade from $2,202 at a private university in 1964 to nearly $4,000 in 1974 and from $1,051 at a public university to close to $2,000 in 1974. The College Scholarship Service—CSS—looks at postsecondary expenses in perhaps more realistic terms including estimates for books, transportation, and personal expenses as well as tuition and room and board. Their figures from "Student Expenses at Postsecondary Institutions 1974–75" estimate the average expenditures for resident students at public 4-year institutions to be $2,400 a year; at 4-year private institutions $3,039; at propriety institutions $3,817; at 2-year private schools $3,617; and at 2-year public schools $2,153.

The commuting student is not in a much better position either. There was a time when we thought that the student who lived at home and attended school nearby was actually saving his or her parents a considerable amount. College Scholarship Service—CSS—figures show that they do save some money, but on the average only about $400 per year. CSS reports that commuting students must also eat and today's rising food costs involves increased expenditures. Besides, the student must still get to school, whether by public transportation or private vehicle. That, too, costs more.

The Federal student aid programs under the Higher Education Act focuses primarily on the needy student and that is probably as it should be. The major program available to middle-income families is the guaranteed student loan program. This program has had its problems, not the least of which has been a tight money market. I believe that we should try to encourage those people who plan ahead—those who save for their own or their children's educations.

S. 666 would do so and at the same time help to provide a stable source of private funds for home mortgages and construction loans, another area hard hit by the present economic crisis. The savings plan on which a tax credit would be allowed in S. 666 would have to be at savings and loan associations, mutual savings banks, and other federally insured financial institutions which invest at least 50 percent of their assets in residential realty mortgages and residential construction loans.

As we examine the provisions of the Higher Education Act, especially those programs which are intended to increase access, I believe the need for S. 666 is clear. Escalating education costs have put postsecondary education and training beyond the reach of many low-income and lower-middle-income families. Now middle-income families have been caught in the price squeeze. If our title IV student aid programs are to concentrate on students from low-income families, then a tax credit plan like S. 666 becomes all the more imperative. Students from middle-income families have become the new needy, and with the exception of student loans, there is little student aid available to them.

We must also look to the institutions of higher education. They have also been caught in the inflationary spiral and have had little choice but to pass many of their cost increases on to the students. When Congress enacted the Higher Education Act in 1965, the Federal commitment was to institutions as well as to students—to improve quality as well as opportunity. This past month I have had the opportunity to meet with representatives of the postsecondary educational community in New Mexico and have heard their concerns about their ability to maintain quality programs in their institutions. I have talked with financial aid officers, college presidents, deans, and others. I believe that we must look at title IV and the other titles of the Higher Education Act. I have some ideas, developed in part from my discussions with Mexico educators, which I intend to incorporate in legislative proposals. Until I do so, I would like to recommend S. 666 to my colleagues for their serious consideration.

NEW JERSEY COMPANY HELPS FEED THE WORLD

Mr. WILLIAMS. Mr. President, my State of New Jersey is usually thought of as an urban-suburban State and it is, in fact, the most densely populated State in the Nation. However, many parts of "the Garden State" are still important farming areas, and our State continues to this day its historic and dynamic association with the agricultural industry.

Another important industry in New Jersey is chemical manufacturing. Sometimes these two industries—chemical and agricultural—overlap. This happens regularly, and with welcome results, at the agricultural center operated by American Cyanamid Co. near Princeton.

This center sprawls over 640 acres and encompasses dozens of laboratories, barns, pens, greenhouses, and pastures. Here, scientists work to solve the problems that hamper farmers and interfere with agricultural production. The products developed at this center help farmers, literally, to feed the world. We in New Jersey are proud to have this facility located in our State, and I ask unanimous consent that an article describing the center be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Cyanamid News, January 1975]

AGRICULTURAL CENTER OPERATED BY AMERICAN CYANAMID CO.

The problem is simple to state but complex to solve—help farmers feed and clothe a world population whose consumption increases 40 percent every ten years. Cyanamid's Agricultural Center near Princeton, N.J. is committed to solving that problem through research and product development.

The Ag Center includes dozens of laboratories. There are rooms which can duplicate any of the world's climates. Barns, pens, greenhouses and pastures dot the 640 acres the center encompasses. Jobs range from farm laborer to scientist, with some of the world's top scientists in fields such as animal and plant metabolism, bacterial genetics and organic chemistry located there.

Statistics—no matter how impressive—don't tell the story of what really gets done at the center, however. What goes into getting a product such as a herbicide or an antiparasitic onto the market?

Work on a possible product is done in response to a particular need of food and fiber production problems. Veterinarians, farmers, extension workers and Cyanamid personnel the world over keep the Ag center scientists acquainted with problems that need solutions. Several years and possibly millions of dollars could go into the research and development alone for a new product before it reaches the market.

Once the need for a new plant or animal-related product has been established, the first step is for the scientist working on the problem to find a chemical compound to fill that need. Of great importance at this point is the center's chemical file, which has more than 150,000 chemical compounds on file. The file is built up by contributions not only from the center itself but from Cyanamid laboratories at Pearl River, N.Y., Bound Brook, N.J., Stamford, Conn. and outside sources.

Using the file's resources, the scientist can ascertain if the particular compound he needs is already in existence and if so, can it be used for what the scientist now intends. Work is also done on it by synthesis chemists, who try to create an analogue of the original compound which is more effective, or less difficult to manufacture or has some other desirable improvement.

The best candidate is then selected for further evaluation, but it still could be dropped if it turns out to be too expensive, has undesirable side effects on the plant or animal it is supposed to protect, if it harms the environment or if it is not substantially better than a competitive product.

The candidate compound is thoroughly tested to assure safety to the animals or plants, to the users of the drug or pesticide, to the people making the compound, and most importantly, to the people consuming the food resulting from its use.

While safety studies are being completed, the scientists in product development determine the best dosages to use for the best effect. In what form it should be administered, how often it should be used and when and how it can be manufactured are just a few of the things to be decided.

Of utmost importance is determining what happens to the compound in the plant or animal once it has achieved the desired effect. Does it change into other compounds, and if so, do these remain in parts of the animal or plant? New techniques to detect and measure such residues must be developed for each new compound, and they must be sensitive enough to detect less than one-millionth of an ounce of the residue in a pound of the food product.

If the compound survives such extensive testing, it is ready to be tried under actual field conditions. Cyanamid people work with farmers and university experiment stations in carrying out these tests throughout the United States and the world over.

The end result of all this? A petition for registration, a document reporting everything known about the product. Only after careful review is registration granted and only with such registration can the product go to market. In the case of pesticides, the petition goes to the Environmental Protection Agency in Washington, D.C.; animal products petitions go to the U.S. Food and Drug Administration.

Throughout the entire process the determination of the environmental effects of the compound under study is always of prime importance. For example, Cyanamid scientists helped develop the ultra low-volume application technique of insect control which reduces the amount of insecticide going into the environment.

Determining a need, finding a possible answer and testing that answer until it is considered the best possible product to fill a particular need—that is the essence of the work done at the Ag Center. As a result agricultural research has become a world-wide technological focal point for assisting food and fiber production, and a major facet of Cyanamid's diversified operations.

SMOKING AND HEALTH

Mr. MOSS. Mr. President, a number of articles and papers on the cigarette health hazard have come to my attention recently and are worthy of our study and review. The problem of cigarette smoking, albeit as serious as ever, is perhaps one of the most solvable health matters there is. The legislative steps which the Congress has taken in the past 10 years clearly demonstrates our commitment to effectively making the public aware of the health hazards of smoking. Unfortunately, we still have a number of contradictory government policies which I am interested in eliminating. These include tobacco subsidy programs and unreasonably low taxes on cigarettes.

Within the next few months I intend to introduce a legislative package designed to treat these various matters. In the meantime, however, I ask unanimous consent that three recent articles and papers on cigarette smoking be printed in the RECORD. These are by Dr. Luther R. Terry, former Surgeon General in the U.S. Public Health Service, Dr. Jeremiah Stamler, professor of medicine and cardiology at Northwestern University Medical School, and Susan Harlap and A. Michael Davies of the Department of Medical Ecology at Hebrew University.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From American Lung Association Bulletin]

SMOKING AND HEALTH: LOOKING BACK—AND AHEAD

(By Luther L. Terry, M.D.)

(NOTE.—Luther L. Terry, M.D., was Surgeon General of the U.S. Public Health Service from 1961 to 1965, and it was he who appointed the advisory committee that wrote the landmark 1964 report, "Smoking and Health." Dr. Terry served as a career officer with the U.S. Public Health Service until his retirement from that organization. At present Dr. Terry is on leave from his post as professor of medicine and community medicine at the University of Pennsylvania and is serving as president of University Associates, Inc., Washington, D.C.)

It has been ten years since the first Surgeon General's report was released. I remember well the sensation it caused and the wide coverage it received. The findings implicated cigarette smoking as a cause of cancer, coronory heart disease, and pulmonary illness. The report concluded: "Cigarette smoking is a health hazard of sufficient importance in the United States to warrant remedial action."

That was the beginning.

GOVERNMENT ACTION

The report put the government on record officially as recognizing cigarette smoking as a health hazard. Then in 1965, Congress passed the first national act regulating the labeling of cigarettes. The law required all cigarette packages sold in the U.S. to carry the warning:

"Caution: Cigarette Smoking May Be Hazardous to Your Health."

That's the best we could get out of Congress, and, considering the opposition from the influential tobacco-raising states, it is a miracle that we got even that much. But, however small the gain in actual magnitude, we felt that strategically it was a tremendous advance. Congress had taken official action to compel the tobacco companies to post a danger sign on cigarettes.

The law also required the Federal Trade Commission to make an annual report on the manufacture, promotion, and sale of cigarettes. It also required the Department of Health, Education, and Welfare to issue annual, supplementary reports, summarizing new research on the relationship between smoking and health.

The next significant advance came in 1967, when, as a result of a law suit, the Federal Communications Commission ruled that the fairness doctrine, hitherto applied only to political campaigns, should be operative also in the cigarette smoking controversy. Broadcasters who carried cigarette commercials were thereby required to give a significant amount of time to warnings on the risks of smoking.

This opened the way for the American Cancer Society, the American Heart Association, the American Lung Association, and the Public Health Service to launch a massive antismoking campaign on television and radio. The impact of this campaign was seen quickly in a substantial reduction in cigarette sales and the mounting number of ex-smokers.

In 1969, faced with mounting pressure for reforms, the National Association of Broadcasters (the trade organization) produced a plan for a step-by-step phase-out of televised cigarette commercials, culminating in their complete elimination in 1973. Three days later, the FTC called on Congress to ban all cigarette advertising from the electronic media. After considerable debate, Congress passed the Public Health Smoking Act of 1970. The law banned all advertising of cigarettes on electronic media, starting January 2, 1971. This ban is still in effect today.

Recently, Congress passed legislation to ban the advertising on the airwaves of little cigars, which were really cigarettes masquerading as small cigars.

The smoking law of 1970 did not require that cigarette packages and advertisements carry information about the tar and nicotine content of the cigarette. But, when the FTC announced hearings on this subject, the industry offered voluntarily to print tar and nicotine contents of cigarettes in advertisements.

CHANGES IN CONSUMPTION AND COMPOSITION OF CIGARETTES

What has all this legislation, regulation, and education accomplished? I believe that there is a tide running for us in our efforts to eliminate, or at least reduce, the influence of cigarette smoking as a causative agent in disease. I believe, too, that this tide will continue to increase in strength and at an accelerated rate.

The statements in the press that there has been a sharp increase recently in cigarette smoking seem to belie this impression. But a closer examination of the data will support the view that, if the situation is not getting much better, it is at least not getting worse.

The FTC reports that in 1971 the total gross consumption of cigarettes in the U.S. reached 547.2 billion cigarettes, surpasing the previous high mark of 540.3 billion reached in 1968. However, if we look at per capita consumption figures, a considerably different picture emerges. If you consider population increases, the average number of cigarettes consumed per person per year has actually dropped from 4,345 in 1963 to nearer 4,000 in 1972.

There is another dimension to consider, and that is the lethal capacity of the cigarette. The cigarette of today is not the cigarette of ten or fifteen years ago. First, 70 percent of all cigarettes sold have a filter which is capable of eliminating 30 percent of the tar content. Second, tobacco growers have been breeding a variety of different tobaccos with lower tar and nicotine content. Third, the manufacturers have been introducing into the composition of many cigarettes a substantial quantity of tobacco stems. Stems have a much lower tar and nicotine content than the leaf. Further, this stem content is produced as homogenized sheets which burn more quickly and produce less tar.

Dr. E. Cuyler Hammond of the American Cancer Society estimates that the average cigarette smoked today has 50 percent less tar than the average cigarette of 15 years ago.

According to Dr. Hammond's studies and other epidemiological studies, the risk of incurring various types of cancer, as well as coronary and pulmonary ailments, is roughly proportional to the quantities of tar and nicotine inhaled. If that is the case, then we can say that, by virtue of this one factor alone, the overall risk has been reduced by roughly half if per capita consumption rates remain relatively constant.

We cannot expect that the change in the average cigarette is going to be as great a help to those who have been smoking the more harmful kind of cigarette for 20 to 30 years as it would be for those who have just recently started to smoke and inhale the less harmful cigarette from the start.

There is already some preliminary research showing that the risk of lung cancer and other illnesses associated with smoking has been significantly reduced for smokers who have changed to filter cigarettes during the past ten years. If further research demonstrates the benefit to be a substantial one, then we can anticipate that changes to the much safer cigarette of today will ultimately result in much lower mortality rates for the various illnesses associated with smoking.

The cigarette industry has not only gone ahead to produce a less lethal cigarette but is also advertising the low-tar, low-nicotine cigarette as a safer product. No, the advertisements do not actually say so. But the message is implicit in the huge billboard displays for such cigarettes as Doral and True, which carry as their main message the words, low tar—low nicotine. This amounts to an educational campaign by the tobacco industry for the low-tar and low-nicotine cigarette and a reinforcement of the subliminal message that tar and nicotine are harmful and that cigarettes as a whole are harmful. We expect this type of advertising will result in not only a greater swing to the safer cigarette but actually an increase in the number of people who want to quit entirely. There already exists some evidence that this effect does take place. The point I am making is that we have cracked the basic resistance not only in public consciousness but also in the industry itself.

THE NEXT STEPS

The critical index is, of course, how many people have stopped smoking. We have evidence that in the past seven years, more than 29 million cigarette smokers have given up smoking. It is my opinion that this trend is going to continue to accelerate in the next few years. I base my prediction on my faith in the cumulative psychological impact of our educational campaigns and all the other forces which have been put into motion.

Where do we go from here?

First, we must intensify our campaign of public education on the hazards of cigarette smoking. Second, the restrictions on smoking must not stop with the hospitals and health professions. They must be enforced in government buildings, public places, and in offices and factories. You may think that this works a hardship on hard-core smokers who find it impossible to do without their cigarettes. Nevertheless, we know from experience that, when hard-core smokers are prohibited from smoking in classrooms, in doctor's offices, and on the job, they do so and without great hardship.

Third, Dr. Daniel Horn, director of the National Clearinghouse for Smoking and Health, points out that the task remaining has shifted. The primary aim is no longer only to develop a level of concern about the effects of smoking on health but also to encourage people to take some concrete action. We now need to advise people about the most useful and suitable procedures for giving up smoking, emphasizing that the procedures may vary for different people. We also need to provide encouragement, particularly among those who have previously tried to quit and failed, by offering assistance and support in their efforts to quit smoking. And finally, we need to create and foster a more supportive climate that will prevent the return to smoking.

The role of the government in the fight against smoking is critical, and I believe we must continue to press the government to take a stronger stand in many areas. Maximum tar and nicotine levels on all cigarettes should be set by legislation or by federal agencies.

The warning labels should be made more effective. The print both on the pack and in the advertisements is so tiny that the message is obscured. I believe that the warning should be as bold as the skull and crossbones used on poisonous substances. Furthermore, I think the content of the warning is much too ambiguous. I want the warning to say in very large type that the cigarette in this pack will contribute to the development of cancer of the lungs, larynx, and other organs, as well as coronary heart disease, bronchitis, emphysema, and other pulmonary ailments.

I also believe that a law should be passed banning the advertisement of cigarettes in all media.

If we carry forward these proposals, it may be possible to reduce cigarette smoking in the U.S. by another 50 percent in the next ten years. It may be possible to reduce the harmfulness of the average cigarette by an additional 50 percent within the next two years. This will put us in a position to set the next strategic objective: to reduce cigarette smoking to an absolute minimum. It is possible. I believe it can be done.

THE RECENT DECLINE IN DEATH RATES FROM PREMATURE CORONARY HEART DISEASE IN THE UNITED STATES: IS IT REAL? IF SO, WHAT ARE ITS POSSIBLE CAUSES?

(By Jeremiah Stamler, M.D., Professor and Chairman, Department of Community Health and Preventive Medicine, and Dingman Professor of Cardiology, Northwestern University Medical School, Chicago, Illinois)

Evidence is mounting that the United States may at long last be "over the hump" in regard to the epidemic of premature heart attacks—the No. 1 killer and crippler of Americans (particularly American men) in the prime of life.

National mortality data for the most recent five years of record—1968 through 1972—indicate a downturn in the coronary death rate averaging 8.7 per cent for white men age 35–64 (11.4% for those age 35–44, 7.3% for those age 45–54, and 7.4% for those age 55–64). Downward trends were also recorded over this period for black men age 35–64, and for white and black women age 35–64.

These findings have produced cautious excitement among heart researchers and others concerned with the mass onslaught of heart attack in this country. They suggest that at long last a start has been made in turning the flank of this great modern plague.

For years prior to the late 1960s, the statistics on the trend of heart attack mortality were grim, especially for men in the prime of life. From 1940 to 1950 male death rates—already high in 1940—rose 23.0 per cent for white men age 35–64, 16.8 per cent for black men of the same age. From 1950 to 1958 they rose another 4.3 and 5.8 per cent respectively. From 1958 to 1967 they tended to level off on a high plateau for white men of this age, with a 0.4 percent further rise in the death rate; for black men age 35–64, an additional increase of 9.2 per cent was recorded.

It is this background of high and rising rates since World War II—plus the mounting efforts of the heart movement to clarify the causes of the epidemic and bring them under control—that has stimulated keen interest in the recent decline.

More detailed examination of the 1968–72 trend—i.e., plotting a trend line over the five years for each 10-year age-sex-race group—reveals the following additional facts: For each of the three age groups (35–44, 45–54, 55–64), the downward slope was greater for white men than for white women. Uniformly, it was statistically significantly different from zero (from a horizontal slope) for the white men of these three age strata, but not so for the white women age 35–44 and 45–54. As a result, the large sex differential in the coronary death rates—a white male to white female mortality ratio averaging 4.5 for the 35–64 age group in 1968—tended to decrease. This was a reversal of an earlier long-term trend. This ratio rose steadily in the 1940–50 and 1950–58 periods, since coronary mortality rates—always sizeably higher for white men than white women—rose for white men, but declined for white women. During the 1958–67 period, this ratio tended to be stable, since white male rates (as already noted) were stable on a high plateau, and the long-term downward trend for white female rates ceased for white women age 35–44 and 45–54.

The downward trend for black men for the 1968–72 period has also aroused considerable interest, particularly since the mortality rates for this group rose significantly for all three previous time periods (1940–50, 1950–58, 1958–67), and (unlike the rates for white men) showed no tendency to level off in the 1958–67 period. This downward trend for black men from 1968 to 1972 was particularly marked and significant for the age group 35–44.

Are these down trends real—or are they spurious? It is this writer's scientific assessment that they are real. Of course, experience over the remainder of the decade—data on whether the trend continues in the mid- and late-1970s—will be decisive. At present it is noteworthy that the decrease in the death rates for heart attacks for American men of these ages has been accompanied by a decline in mortality from All Causes. This is of great interest since for the previous period—1958–67—All Causes mortality rates were stable for white men ages 35–64 and stable or on the increase for black men of this age.

What are possible causes for the downturn in the mortality rates for premature heart atttack? Several possibilities merit attention:

Cigarette smoking is one of the three major risk factors for heart attack. Since the mid-1950s, large numbers of American adults have quit cigarettes. This is particularly true for men. Thus, data from the National Center for Health Statistics indicate that of men age 25–34, 63.6 per cent were cigarette smokers in 1955, 58.9 per cent in 1966—a decline of 7.4 percent. For men age 35–44 and 45–54 similar findings were recorded, with declines of 8.2 and 8.4 per cent respectively. (In contrast, the proportion of women smoking cigarettes rose—10.2, 16.1 and 45.1 per cent for these three age groups respectively.) The proportion of former cigarette smokers among men of these age strata rose sizeably from 1955 to 1966—from 12.5 to 18.2 per cent for men age 25–34, from 15.3 to 24.1 per cent for men age 35–44, from 17.6 to 27.7 per cent for men age 45–54. These were increases of ex-smokers of 45.6, 57.5 and 57.4 per cent respectively. (The proportion of women who became ex-smokers was much smaller.)

These trends continued and became more marked over the years 1966 to 1970 following publication of the Report to the Surgeon General on Smoking and Health (1964), and the start of systematic efforts by governmental and voluntary agencies to publicize the harmful effects of cigarette smoking. Data are available on these trends from 1966 to 1970 from surveys done by the National Clearing House on Smoking and Health (Department of Health, Education, and Welfare). Over these years, there was a further decline of 23.6 per cent in the proportion of men age 25–34 smoking cigarettes. This decrease was 19.3 per cent for men 35–44, 19.9 per cent for men 45–54, 21.6 per cent for men 55–64. (For this period, the decreases in proportion of women smoking cigarettes were again much less than for men.) The proportion of men who were former smokers rose sizeably—for men age 25–34 by 41.6 per cent, age 35–44 by 43.4 per cent, age 45–54, by 32.3 per cent, and age 55–64 by 33.5 per cent. (During this period there was also a sizeable increase in the per cent of women who became ex-cigarette smokers.)

Data from large-scale long-term prospective epidemiologic studies in the U.S. make it possible to estimate the possible impact of these changes in cigarette smoking on coronary mortality. They indicate that the decrease in use of cigarettes could be an impor-

tant factor contributing to the decline in coronary death rates from 1968 to 1972.

Moreover, the type of cigarettes smoked changed considerably. A marked shift occurred away from cigarettes of high nicotine and tar content. It is not possible—based on data currently available—to estimate the possible effect of this change on rates of premature heart attack mortality, but this trend also may be contributing to the downturn.

High blood pressure is a second widely prevalent risk factor for premature heart attack. Prior to the publication in 1967 and 1970 of the results of the Veterans Administration Cooperative Study on Antihypertensive Agents, most of the medical profession was uncertain whether modern drugs for treatment of high blood pressure were efficacious, with a favorable benefit to risk ratio. This was one of the important reasons why only small proportions of hypertensives were shown in repeated surveys to be on treatment and controlled. For example, the survey in Baldwin County, Georgia in 1962 reported only 14.0 per cent of all hypertensives treated and controlled; the National Health Examination Survey of 1960–62, 16.3 per cent; the Alameda County, California survey of 1966, 22.6 per cent.

Limited data available indicate that if this situation has undergone change in recent years, it has been slow and modest. However, population screening of over 150,000 persons by the Hypertension Detection and Follow-Up Program in 14 centers across the country in 1973 yielded a figure of 37.9 per cent of hytertensives on treatment and controlled. The conclusion suggested by these data—i.e., the proportion of hypertensives on treatment and controlled has risen in recent years—is supported by data on sales of antihypertensive drugs, which also have been rising.

Data available from prospective epidemiologic studies of young adult and middle-aged Americans—as well as data from the VA Antihypertensive Trial—permit estimates of the possible impact of improved antihypertensive therapy on coronary mortality. They suggest that improved treatment for a sizeable proportion of persons with high blood pressure may be contributing to the decline in death rates from premature heart attack over the years 1968–72.

The third major risk factor for premature coronary heart disease is diet-dependent hypercholesterolemia (high level of the fatty material cholesterol in the blood). Three nutritional factors tend to raise blood cholesterol levels—saturated (hard) fat intake, dietary cholesterol intake, and excess calorie intake (leading to obesity). Reduced saturated fat and cholesterol intake, as well as avoidance or correction of obesity tend to lower serum cholesterol levels. (Increased intake of polyunsaturated fats exerts a similar effect to a mild degree.)

There are five main sources of saturated fat and cholesterol in the U.S. diet—meat fat, dairy fat, egg yolk fat, fat in commercial baked goods, and fat used as such for cooking, spreads and salads. Long-term trends of consumption of these items by Americans have been complex. Intake of meat fat—particularly from beef—has tended to rise steadily since the years of the Great Depression in the 1930s. This rise proceeded quite steadily from the years of World War II, through the 1940s, 1950s and 1960s. The available data indicate it levelled off in the early 1970s.

Intake of dairy fat tended to decline over this entire period. (Use of low-fat and fat-free milk products rose substantially.)

Intake of egg yolk fat has also been on the decline since the 1950s.

As to the fats and oils used in commercial baked goods, and as such for cooking, salads and spreads, butter and lard consumption have declined markedly over these post-World War II years. Intake of margarines, shortenings, other fats and oils (principally cottonseed, soybean, peanut, corn, safflower oils) has steadily increased. Composition of margarines and shortenings has undergone change, with recent introduction of "soft" margarines and less hydrogenated vegetable shortenings, i.e., they have tended to become lower in saturated and higher in unsaturated fat content. Overall, the origin of these "visible fats" has undergone a marked shift, away from animal sources (predominantly saturated) and toward vegetable sources. Whereas 25 years ago visible fats were in the majority from animal sources (principally butter and lard), by 1965 the ratio of animal to vegetable fats was already about one to two (about 33% from animal sources), and it has decreased further since.

In summary, declines in consumption of dairy fat, egg yolk fat, animal fat in commercial baked goods, spreads and cooking fats all meant decreased saturated fat and cholesterol from these sources. However, steady increases in meat fat—especially beef fat—meant sizable increases in saturated fat and cholesterol consumption, almost canceling out the other effect, so that total saturated fat and cholesterol intake remained high and fell only slightly over the entire time period. Polyunsaturated fat intake increased slightly overall due to increased use of oils, and less hydrogenated (hardened) vegetable shortenings and margarines.

Intake of calories has remained high, especially in relation to level of physical activity of work and leisure, so that obesity is a mass phenomenon.

While precise estimates are very difficult, it is possible that the overall changes in diet composition have led to a small decline in average serum cholesterol level of the population. Data from recent surveys of population samples—compared to findings in the 1950's and early 1960's—do indeed suggest that serum cholesterol levels of middle-aged Americans are averaging slightly lower nowadays.

Again, data from prospective studies permit estimates of the possible effects of such suggested reductions in serum cholesterol levels on rates of mortality from coronary heart disease. Such estimates are compatible with the hypothesis that the modest changes in American nutrient intake over the last decade, possibly leading to modest declines in average serum cholesterol levels, may be making a contribution to the recent downturn in mortality rates from premature coronary disease.

A major development over the last decade has been the widespread establishment of coronary care units (CCUs) in hospitals throughout the country. Data are available suggesting that the CCUs have sizably lowered in-hospital mortality of persons with heart attack, chiefly by preventing arrhythmic death. However, about 70 per cent of deaths from heart attack occur outside the hospital. This is due to the fact that all-too-often—with both first and recurrent attacks—coronary death occurs instantaneously or in a matter of minutes. Given this basic harsh fact about the nature of this disease, the net impact of CCUs on coronary mortality rates of necessity has been limited. Nevertheless it is possible that they have contributed to the recent downturn in the mortality rates.

Other improvements in medical care for patients with frank clinical coronary heart disease may also be contributing to reduced coronary mortality rates, e.g., pacemakers.

None of the data currently available make possible any realistic assessment as to whether large-scale use in recent years of coronary by-pass surgery is or is not contributing to the downturn in coronary mortality rates.

As has happened in the past with epidemic disease, public health and medical practice respond on a wide front—set in motion a whole series of measures—to bring the onslaught under control. When the death rates finally do begin to decline, it is not easy to pinpoint the precise contribution of each component of the effort to its success. But the really important thing is the achievement—and further efforts along safe lines to extend, intensify and accelerate it.

[From The Lancet, March 30, 1974]

INFANT ADMISSIONS TO HOSPITAL AND MATERNAL SMOKING

(By Susan Harlap and A. Michael Davies, Department of Medical Ecology, Hebrew University—Hadassah Medical School, P.O. Box 1172, Jerusalem, Israel)

SUMMARY

Admissions to hospital during the first year of life were recorded in a prospective study of 10,672 infants whose mothers' smoking habits were known. Infants with major congenital malformations, and those dying before their first birthday, were excluded. The infants of mothers who smoked had significantly more admissions for bronchitis or pneumonia, especially in the winter, and more injuries. They were also admitted more frequently, though not significantly so, for upper-respiratory-tract infections, gastroenteritis, childhood infectious diseases, and other diagnoses. The excess of bronchitis and pneumonia in the group exposed to smoke increased with increasing number of cigarettes smoked by the mother. It occurred within subgroups of birth-weight, social class, and birth order. It was seen mainly in infants aged 6–9 months, while at older and younger ages there was no significant effect of maternal smoking. The findings support the hypothesis that atmospheric pollution with tobacco smoke endangers the health of non-smokers.

INTRODUCTION

Cigarette smoking contaminates the atmosphere,[1] and in closed smoke-filled rooms, non-smokers passively inhale smoke components.[2] While non-smokers exposed to tobacco smoke may experience nose and eye irritation, cough, and headache,[3] the relevance of these symptoms to objective measurements of health has not been established.

We have measured the frequency of hospital admissions in a population of West Jerusalem infants whose mothers' smoking habits were known, to test the hypothesis that passive smoking is associated with an increased risk of respiratory disease. In addition, smoking mothers and their infants might be more liable to accidents, since carbon monoxide and other constituents of tobacco smoke alter sensory and motor function.[3] Furthermore, since smoke pollution in the home should be worse when windows are closed and ventilation reduced, any effect of smoking on morbidity should be greater in winter than in the summer.

In West Jerusalem, hospital inpatient data are a more sensitive index of infant morbidity than in other populations. Paediatrician-G.P. and hospital care are equally available to all, and the reluctance of paediatricians to visit homes added to the availability of hospital beds are associated with hospital-admission rates which are probably the highest in the world.[4] 18% of liveborn infants are admitted at least once before their first birthday, some of them several times, so that the rate of admission episodes is over 25 per 100 liveborn.

MATERIALS AND METHODS

We have made use of data collected in the record-linked Jerusalem Perinatal Study, described elsewhere.[5] A file, stored on magnetic tape, has been opened for every infant born since 1964 to a mother who lives in West Jerusalem. The file contains information

Footnotes at end of article.

taken from birth certificates and labour-ward books, and is updated with data on deaths and malformations reported from multiple sources.

During 1965–69, all admissions to Jerusalem's three paediatric wards were recorded for infants born since the beginning of the study. The information added to the file included the dates of admission and discharge and the first three diagnoses recorded on the discharge summary, as well as events taking place in hospital and measurements of haemoglobin and weight.

In 1965–68, data from an antenatal interview were added to the file. 68% of pregnant women were interviewed, those attending certain municipal mother-and-child health clinics and hospital-based antenatal clinics. Most interviews were done from the fourth month of pregnancy onwards,[6] and defined indices of health and behaviour were recorded, including details of smoking.

We divided the number of admission episodes to hospital during the first 365 days of life into the following diagnostic categories:

Bronchitis or pneumonia if either or both was among the first three diagnoses recorded on the hospital discharge summary (I.C.D.[7] codes 480, 490–502, 518–529).

Upper-respiratroy-tract infections without mention of bronchitis or pneumonia (51, 391–4, 470–9, 481, 510–7).

Gastroenteritis without mention of respiratory infections (40–9, 517–2, 764, 784.1, 785.6).

Other infections and inflammatory diseases, without mention of gastroenteritis or respiratory tract infections (1–39, 50, 52–139, 340–3, 370–9, 400–416, 468, 482–3, 531–2, 536–9, 575–7, 582–3, 590–3, 600, 605, 607, 609, 614, 617.0–2, 630, 690–9).

Injuries and poisoning regardless of other diagnoses (800–999).

All other diagnoses.

RESULTS

There were 11,350 liveborn infants whose mothers had been interviewed in pregnancy, 678, who had major congenital malformations[8] or died before their first birthday, were excluded, leaving a study population of 10,672. At the time of the interview, 9.2% of the mothers were smokers, and 7.4% had given up smoking earlier. For the total population studied, there were 25.4 admissions per 100 babies aged under 1 year.

The infants of smokers had significantly more admissions to hospital, 30.0% compared with 24.9% for those of non-smokers (table I). They had higher rates of admissions for bronchitis or pneumonia and more (13.1 per 100) than the infants of non-smokers (9.5 per 100) and more for injuries or poisoning (1.0 *v.* 0.4 per 100). They also had more upper-respiratory-tract infections, gastroenteritis, infectious and inflammatory diseases, and other diagnoses; though for each of these last four categories the differences between infants of smokers and non-smokers were not statistically significant. Infants born to smokers were in hospital for an average of 384 days per 100 infants before their first birthday, 151 of them for bronchitis or pneumonia. These rates were 334 and 114, respectively, for the infants of non-smokers. However, there were no significant differences between the groups, exposed or not exposed to smoke, in average duration of each type of admission episode.

TABLE I.—ADMISSION RATES (PER 100 INFANTS) BY DIAGNOSIS AND MATERNAL SMOKING CHARACTERISTICS

Diagnosis	Non-smokers (9,686)	Smokers (986)	Total (10,672)
Bronchitis and pneumonia	9.5	[1] 13.1	9.8
Upper-respiratory tract infections	4.8	[2] 5.3	4.9
Gastroenteritis	6.4	[2] 6.5	6.4
Other infectious diseases	1.1	[2] 1.2	1.1
Injuries and poisoning	.4	[2] 1.0	.5
Other	2.9	[2] 3.1	2.9
All	24.9	[1] 30.0	25.4

[1] P<0.001.
[2] Not significant.
[3] P<0.01.

Admissions for bronchitis or pneumonia increased in frequency with increasing number of cigarettes smoked by the mother (table II). There were no significant increases for any of the other diagnoses measured separately. Infants of mothers who had given up smoking had fewer admissions than those whose mothers had never smoked. This difference, which can be explained by the higher standard-of-living of those who gave up smoking, is not, however, statistically significant for any single diagnostic category. Infants born to former smokers spent fewer days in hospital in the first year of life (231 per 100 infants, 79 of them for bronchitis or pneumonia), and their admission episodes tended to be shorter for each diagnosis.

TABLE II.—ADMISSION-RATES (PER 100 INFANTS) BY DIAGNOSIS, MATERNAL SMOKING, AND NUMBER OF CIGARETTES SMOKED DAILY

Diagnosis	Nonsmokers		Smokers (cigarettes per day)			Total (10,672)
	Never smoked (8,900)	Former smokers (786)	1 to 10 (747)	11 to 20 (179)	21 plus (60)	
Bronchitis and pneumonia	9.6	7.8	10.8	16.2	31.7	9.8
All other	15.5	15.1	16.4	17.3	23.3	15.6
Total	25.1	22.9	27.2	33.5	55.0	25.4

Note: Differences among 3 categories of smokers: for bronchitis and penumonia, P<0.001, for other diagnoses, not significant.

Women who smoke give birth to smaller infants,[1] and birth-weight is an important predictor of admission to hospital in West Jerusalem.[4] Admissions for bronchitis or pneumonia are more frequent in infants who are smaller or larger than average at birth; while for other diagnoses, increasing birth-weight predicts a decreasing probability of going to hospitals. Table III shows that the excess of admissions for bronchitis or pneumonia in the passively smoking infants could not be wholly attributed to lower birth-weights, rates being higher than in the infants of non-smokers for all three birth-weight groups.

Two other important predictors of admission to hospital are social class, based on the husband's occupation, and birth order. In West Jerusalem, smoking mothers tend to be of higher social class, and, independently of this, they have smaller families. Table IV shows that the effect of maternal smoking on rates of bronchitis or pneumonia was seen within each subgroup of social class. A similar trend was seen for birth order.

The excess of admissions for bronchitis or pneumonia in the group exposed to smoke was greater in the winter than in the summer (table v). For admissions in November to March, the rate in the exposed group was 46% higher than in the infants of non-smokers. For admissions in April to October, the excess was 24%. Of all the winter admissions for bronchitis and pneumonia, 4.2% were due to the effects of maternal smoking, compared to 2.4% of those in summer. Furthermore, for the rates of admissions for bronchitis and pneumonia attributable to smoking in the population as a whole, there was a threefold excess of winter over summer (0.26% compared to 0.08%), again a highly significant difference. These winter-summer differences are independent of small differences between smokers and non-smokers in the distribution of month of birth.

The excess risk associated with maternal smoking was not uniform throughout the first year of life. In the first 5 months of life there were no significant differences between infants born to smokers or non-smokers in rates of admissions for bronchitis or pneumonia. Between the ages of 6 and 9 months, on the other hand, there were greatly increased rates of lower respiratory disease in the group exposed to smoke, both in the summer and in the winter. Toward the first birthday, differences between the two groups again disappeared.

The excess of admissions for injuries and poisoning in the infants of mothers who smoked was confined to first-born children (table vi). Although the numbers are small, the differences are most unlikely to be due to chance.

TABLE III. ADMISSION-RATES (PER 100 INFANTS) BY DIAGNOSIS, BIRTH-WEIGHT, AND MATERNAL SMOKING

Diagnosis	Birth-weight (g.)						Total (including unknown)	
	<2,999		3,000 to 3,499		3,500+			
	Smokers (297)	Nonsmokers (2,326)	Smokers (415)	Nonsmokers (4,098)	Smokers (264)	Nonsmokers (3,195)	Smokers (986)	Nonsmokers (9,686)
Bronchitis and pneumonia	19.2	12.3	9.6	8.2	12.1	9.0	13.1	9.5
All other	22.6	19.9	14.5	14.8	15.2	13.3	16.9	15.5
Total	41.8	32.2	24.1	22.8	27.3	22.3	30.0	24.9

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TABLE IV.—ADMISSIONS (PER 100 INFANTS) BY DIAGNOSIS, SOCIAL CLASS, AND MATERNAL SMOKING

Diagnosis	Social class: High — Smoker (392)	High — Non-Smoker (2,644	Medium — Smoker (327)	Medium — Non-Smoker (3,619)	Low — Smoker (267)	Low — Non-Smoker (3,423)	Total — Smoker (986)	Total — Non-Smoker (9,686)
Bronchitis and pneumonia	6.6	3.9	15.6	9.0	19.5	14.3	13.1	9.5
All other	10.2	9.3	19.9	13.5	23.2	22.3	16.9	15.5
Total	16.8	13.2	35.5	22.5	42.7	36.6	30.0	24.9

[1] Ranked by husband's occupation.

TABLE V.—ADMISSION RATES (PER 100 INFANTS) IN WINTER (NOVEMBER-MARCH) AND SUMMER (APRIL OCTOBER) BY DIAGNOSIS AND MATERNAL SMOKING

Diagnosis and season	Smoking characteristics of mother: Nonsmoker	Smoker	Total	Relative risk (rate for smokers/rate for nonsmokers)	Admissions attributable to smoking (percent of total population)
Bronchitis and pneumonia:					
Winter	6.1	8.9	[1] 6.4	1.46	0.26
Summer	3.3	4.2	3.4	1.27	.08
All other:					
Winter	5.3	5.5	5.3	1.04	.01
Summer	10.2	11.4	10.3	1.12	.11
Total:					
Winter	11.4	14.4	[2] 11.7	1.26	.27
Summer	13.5	15.6	13.7	1.16	.19

[1] P<0.001.

[2] P<0.01.

TABLE VI.—ADMISSION-RATES (PER 100 INFANTS) TO HOSPITAL FOR INJURIES AND POISONING BY BIRTH ORDER AND MATERNAL SMOKING

Birth rank	Non-smokers	Smokers	Total
1st-born	7	7	15
	.3	[1] 2.2	.5
2d or later born	31	3	34
	.4	[2] .5	.4
Total	39	10	49
	.4	[2] 1.0	.5

[1] P<0.001.
[2] N.S.
P<0.01.

DISCUSSION

This study relies on information on maternal smoking which was collected antenatally. It is not known how closely smoking in early pregnancy or mid-pregnancy correlates with habits after the birth and in the baby's first year, but it seems reasonable to assume that for most mothers, smoking characteristics would have remained the same. However, there would inevitably have been some smoking mothers who subsequently gave up the habit, and others, especially former smokers, who took it up later. As a result, this study tends to underestimate true differences between infants of smokers and non-smokers, rather than the opposite.

An unexpected finding was the absence of a significant excess of upper-respiratory-tract infections in the group exposed to smoke. Since smoking causes pathological changes in the upper, as well as lower respiratory tract [1] and upper-respiratory-tract illness is increased in smokers,[10] a measurable excess of upper-tract morbidity was predicted in the passively smoking infants. Hospital inpatient morbidity, however, is a poor indicator of the incidence of upper-respiratory-tract illness since most infants with colds, influenza, pharyngitis, and otitis media would not be admitted. There was a slight excess of hospital admission in each group exposed to smoke, not only for upper-respiratory-tract illness but also for gastroenteritis and other diagnoses. This excess, while not statistically significant, was observed consistently within the demographic subgroups, and may represent a small though subtle difference between smokers and non-smokers.

Another unexpected finding was the excess of injuries in the first-borns of smokers. An excess was predicted for all birth-order groups, since substances in tobacco smoke may reduce visual and hearing acuity among other indices of sensory and motor function.[1, 10] Smokers might, therefore, be more liable to accidents, but why the excess should be confined to first-born babies is not clear. In children under 1 year, a proportion of injuries in all birth orders will be due to child abuse,[11] rather than to accidents, and in this context the interaction between birth order and smoking may be of interest.

This study provides convincing evidence that passive smoking increases acute lower-respiratory-tract disease, at least in infants. The results differ from those of previous studies of parental smoking and child health. Shy et al.,[12] studying second-grade schoolchildren, found no relationship between respiratory illness and parental smoking. Cameron et al.,[13] on the other hand, did show an excess of acute respiratory illness in children exposed to smoke at home. The excess was only slight, however, in children under 5; it increased with increasing age, and may have been an effect of the children's smoking actively.

This study is consistent with material published recently by Colley et al.[14] Reanalysis of their data shows a significant association between lower-respiratory-tract illness under the age of 2 and smoking at age 20. This association could be mediated through an effect of passive exposure to parents' cigarette smoke in early childhood, since smoking in young adults is correlated with parental smoking.

There is clearly a need for controlled studies in which objective indices of illness are related to measured levels of environmental pollution by cigarette smoke. Meanwhile, it would seem wise to discourage parents from smoking, if only for the sake of the health of their children.

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Requests for reprints should be addressed to S. H.

FOOTNOTES

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HIGHWAY ROBBERY VIA THE ICC

Mr. BUCKLEY. Mr. President, in recent months, there have been increasing reports of the ways in which regulatory agencies add to the cost of living of the consumers they are supposed to be protecting.

President Ford suggested last year that we consider establishing a commission to study needed reforms in this area. Legislation establishing such a commission was not adopted during the last session of Congress, but I hope that it will be enacted this year.

Mr. President, the cost of living is constantly escalating and it seems to me that we owe a duty to the American people in searching out ways in which we can eliminate unnecessary laws and regulations that contribute to their burden. I ask unanimous consent to have printed in the RECORD an article from Reader's Digest by Mr. Mark Frazier entitled "Highway Robbery—Via the ICC." In this article Mr. Frazier examines in detail the ways in which regulation supposedly promulgated in the public interest actually results in a situation that is in the interests of no one and should be corrected.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HIGHWAY ROBBERY—VIA THE ICC

(By Mark Frazier)

A truck full of furniture, en route from Dallas to San Diego, detours 800 miles out of its way—adding 12 hours to the trip and squandering 160 gallons of fuel. Reason: arbitrary federal regulations.

In Atlanta, Ga., a trucking company announces plans to lower rates on truckloads of tire treads bound for Ohio to save its customers $400 a trip. But it is prevented from making the cut. Reason: arbitrary federal regulations.

Along the main interstate routes between Milwaukee, Wis., and Birmingham, Ala., trucks roll along with trailers empty, even though depots at both ends of the line would gladly give them cargo. The truckers are permitted to haul freight one way only, and must make the 1000-mile return trip empty. Reason: arbitrary federal regulations.

Responsible for these and hundreds of other interstate-trucking regulations is the Interstate Commerce Commission. Every day, its regulatory roadblocks prevent the speedy, efficient transport of the goods we buy and sell. Economists totaling the bill say that ICC edicts cost consumers from $5 billion to $10 billion a year in higher prices for everything from tuna fish to television sets—as much as $200 a year for the average U.S. family.

Few would have predicted such a destructive role for the ICC when it was set up in 1887. Its handful of employees were supposed only to protect customers and rail lines from discriminatory pricing and rate wars. But, during the 1930s and '40s, pressured by railroads losing business to other forms of transportation, Congress brought interstate trucking and barge lines under ICC regulation to end "cut-throat competition" throughout the nation's transportation system.

Today, the commission boasts more than 2,000 employees, in 78 offices around the country. Operating on a budget of $34 million a year, the agency claims to be doing a better job than ever. A host of critics disagree. Says Sen. William Proxmire (D., Wis.): "The ICC has become a captive of the transportation industry itself. Instead of regulating transportation to avoid monopoly and increased prices, it has established monopolies, reduced competition, and ordered high and uneconomic rates to cover the costs of inefficient producers."

How does an agency that claims to protect the public actually cost it billions of dollars in higher prices? Consider these aspects of the ICC's sweeping authority:

1. The ICC dictates which truckers can go into interstate business. In reports to Congress, the agency claims that, by controlling "entry into transportation," it "fosters a balanced, stable and responsive trucking system." Facts belie the statement. Each year, hundreds of qualified companies seeking to win operating rights are turned down by the ICC. Many more are intimidated and do not ask, out of fear that protests from established firms will tie up their cases in costly litigation—and out of the likelihood that the ICC will rule against them in the end. "The ICC has a disturbing tendency to be protective of the large carriers," says Robert Gallagher, a New York attorney who specializes in transportation matters.

The application of Checker Transfer & Storage is a case in point. Checker has hauled household goods in South Carolina for 27 years, using licenses owned by a number of giant van lines. Each time the company makes an interstate trip, it must pay an average of ten percent of the revenues to the big van companies that hold the permits it needs.

In August 1972, Checker asked the ICC for a modest interstate license of its own. A half-dozen nationwide van lines and one regional competitor who already held such permits filed immediate protests. Checker had to spend $5,000 in legal fees to present its case. None of these complainants challenged Checker's service or denied the charge that they shunned the short-haul interstate traffic Checker specialized in. Nevertheless, the commission, after a wait of 20 months, rejected Checker's application—thus forcing the line to continue paying virtual kickbacks for the right to haul goods in interstate commerce.

Why such turndowns? Incredibly, the commission has set as virtual policy that no applicant may cite lower costs, faster service or greater responsiveness to customers as reasons for receiving a permit. Evidence that existing service may be inefficient or overpriced is considered irrelevant and inadmissible. Only if the applicant can prove that established carriers lack the capacity to haul specific traffic will the commission decide that "public convenience and necessity" demand approval of a new certificate. In the words of commission chairman George Stafford, the policy is to guarantee that carriers conforming to ICC requirements "will not have their profits drained by unwarranted or destructive competition." If the profits are not fat enough, he states, existing companies will have no "inducement" to expand.

2. The ICC determines what a commercial trucker can and cannot carry. Certificates granted by the agency, spelling out the specific items that a trucker may haul (only livestock and raw agricultural products are exempt from ICC regulations), are sometimes so irrational as to be ludicrous—if they were not so injurious to the economy. Thus, some truckers are permitted to carry only unexposed film; exposed film must be hauled by someone else. Other truckers may transport plastic pipe but not metal pipe. Officials at Quaker Oats, starting up a new pizza-making plant in Jackson, Tenn., have had to face problems with certificate-hobbled truckers. Trucks hauling tomato paste to the plant from California are not allowed to carry pizzas back. Trucks bringing pizza crusts from Denver must also return empty.

"The situation is absured," says Mike Parkhurst, a former trucker who now edits the trucking magazine *Overdrive*. "It's as if American Airlines could only carry people from east to west, while United took passengers from west to east."

The commission defends its practice of regulating cargo rights as "stabilizing" the transportation industry. If truckers could haul whatever cargoes they could find, says the ICC, a dog-eat-dog scramble for shipments might force many firms out of business. Cargo restrictions also protect truckers by creating a need for more trucking activity; in limiting what one carrier may carry back to his point of origin, the ICC gives another driver a job. But consumers, of course, pay for the second truck to carry what could have been taken by the first.

Indeed, regulated truckers today travel empty an estimated 30 percent of their miles—triple the percentage for unregulated carriers, according to a widely respected 1970 report on the ICC co-authored by Robert Fellmeth and members of the Ralph Nader research staff.

3. The ICC decides what areas truckers may serve. The commission has parceled out hundreds of thousands of routes, often detailing to the mile just where an individual trucker may go. Thus, certificates may restrict service to one side of a street or to roundabout roads rather than more direct highways. Agency rules require Cedar Rapids Steel Transportation, for example—hauling 60 truckloads a week to Chicago from St. Paul—to go 80 miles out of the way, through Clinton, Iowa. If a factory changes its gate location, truckers sometimes even have to apply for new authority to pick up and deliver.

The ICC claims that its control over routing prevents "harmful and wasteful effects of unrestrained operations." But each day hundreds of truckers are prevented from taking the quickest, most economical route to their destination. While no one knows exactly the amount of fuel that would be saved by eliminating all the circuitous routing, conservation organizations such as the Sierra Club put the sum at tens of millions of gallons a year.

Last April, after strenuous protests from environmentalists concerned with the waste, the commission did eliminate a number of flagrant abuses. But many truckers are still threatened with heavy fines or even jail terms for taking the most direct routes.

4. The ICC permits the trucking industry to fix its own prices. Interstate rates are set by 148 "rate bureaus"—regional associations of truckers—and are put into effect automatically unless an aggrieved party goes to the expense of asking the ICC to intervene. Justice Department lawyers note sardonically that trucking executives would land in jail if their "rate bureau" meetings took place in almost any other business. Says John Snow, of the Department of Transportation: "They are in a situation that almost every industry would like to be in. They can sit down and veto the rates of their competitors."

Truckers who try to lower rates often learn to regret it. Each year, rate-bureau attorneys file hundreds of protests with the ICC, charging that truckers' independent proposals to reduce rates constitute "unfair competition." Thus, when Poole Trucklines of Alabama told customers that it was reducing by 35 percent its rate on hauling paper products, the Southern Motor Carriers Rate Conference protested to the ICC that the action was "unjust and unreasonable." The commission agreed, forcing the firm to cancel its reduction. Since 1970, the ICC has excised more than $3 million from carriers and their customers, via the courts, for charging less than rate-bureau fees.

The price-fixing system uses the carrot as well as the stick. By forcing rates up to high levels, the rate bureaus have convinced most regulated truckers that there is little reason to engage in price competition with one another. The result is that regulated truckers have an estimated profit of 15 percent—twice that of most industries.

Would free competition really lower prices? Prof. Thomas Gale Moore, of Stanford University, notes that when ICC regulations were removed from frozen vegetables in the 1950s, shipping rates dropped 20 percent and more. He predicts savings of billions of dollars a year if all rates were to be set by the free market.

Clearly, drastic reforms are needed in these four areas. They will, however, be hard-fought.

Former ICC chairman Anthony Arpaia warns that major truckers oppose change, and that they "constitute a powerfull lobby with plenty of money on Capitol Hill." The American Trucking Associations, for instance, dominated by large trucking firms with protected route and cargo rights, pay for a persuasive Washington staff of 240. "We think the law is perfectly all right the way it is," says ATA president William Bresnahan. Since the more driving they do, the more they are paid, many truck drivers, too, support present wasteful policies. And the Teamsters Union, ably represented in Washington by 125 full-time staffers, also profits from ICC rules that create empty trucks and circuitous routes.

Reform is even more difficult because of the cozy relations between the regulated and the regulators. Of 14 commissioners who have left the ICC for new employment since 1958, 12 found jobs representing the industry they once controlled. The Nader report argues that job-switching between the ICC and the industry has become so frequent that "deferred bribes" are the norm.

The special-interest obstacles to reform, then, are enormous. But encouraging signs ar nonetheless spreading. The head of the House Interstate and Foreign Commerce Committee, Rep. Harley O. Staggers (D., W. Va.), now believes that the agency should scrap rules creating roundabout routes and empty trucks. Early this year, President Ford is expected to ask Congress to reform the commission as part of the Administration's effort to curb inflation—by loosening the regulatory system to allow greater competition. "It's bad enough to pay the salaries of bureaucrats when they do nothing," says a spokesman for the National Taxpayers Union. "It is even worse to pay to have them skewer us the way the ICC is doing."

The effort will die, however, unless enough citizen support steps forward. Consumers have already lost billions of dollars to ICC-protected cartels. It is time for us to demand that Congress put a stop to this highway robbery.

A SAFEGUARD AGAINST OVERPAYMENT OF INCOME TAXES

Mr. WILLIAMS. Mr. President, as the former chairman of the Senate Committee on Aging—and now the ranking majority member—I have had a longstanding and deep concern about income tax overpayments by the elderly.

In fact, hearings that I conducted as chairman of the committee in 1970 helped to pave the way for a number of safeguards to protect older Americans from paying more Federal income tax than required by law.

One such example was the committee's checklist of itemized deductions.

Many elderly persons have told me time and time again that this publication has not only helped them in preparing their returns, but it has also saved them money.

Another advantage of this summary is that it provides guidance in determining whether it would be desirable for a taxpayer to itemize his deductions or claim the standard deduction or the low-income allowance.

Consequently, I am delighted that the Committee on Aging has continued to update the checklist of itemized deductions each year.

And, this year's summary, it seems to me, is an especially helpful and useful document for young and old taxpayers alike.

LABOR AND MANAGEMENT IN AUTO INDUSTRY AGREE ON BASICS OF NATIONAL ECONOMIC ENERGY PROGRAM AND REJECT ADMINISTRATION'S PROPOSALS

Mr. HUMPHREY. Mr. President, the Joint Economic Committee is presently in the midst of its annual hearings on the economy. I have found these hearings to be extremely informative as the ideas of a broad spectrum of individuals have been presented. The committee members have learned much from the ideas of leading economists, Government economic officials, businesssmen, and union officials.

On February 19, the JEC was privileged to have before it two outstanding leaders in the auto industry, Henry Ford II and Leonard Woodcock. We were particularly interested to hear what they had to say, because the auto industry has been the industry hardest hit by the recession, with a current unemployment rate of 24 percent.

In listening to Mr. Ford's testimony, I was very pleased to discover that we were in complete agreement on his four major points. First and foremost, Mr. Ford stressed that unemployment is now the "most critical and most immediate national problem." He felt that in taking steps to stop the recession, we should not be so frightened by inflation that we do too little, too late to restore economic growth. One statement, in particular, clearly showed the depth of his feeling on the unemployment problem:

> The American people will not and should not accept policies that would lead to nearly seven percent unemployment as late as 1978, as the Administration has projected.

I find it quite significant that such a direct, forceful statement comes not from a liberal economist, but from a chief executive officer of one of America's largest companies.

Mr. Ford went on to state that an absolutely necessary element in helping stop the recession is a tax cut, which he said should meet five criteria: It should be quick, large, simple, temporary, and be for both individuals and corporations. I have long agreed with these criteria and feel that the tax bill I have introduced meets all of them.

A third major point he raised, which has been supported by virtually every witness who has appeared, is that there must be a significant easing of monetary policy. Mr. Ford went on to point out, however, that even with this nearly unanimous agreement, "nothing has happened." I share in his dismay that during December and January, when the economy was taking its deepest plunge in terms of decreased output and increased unemployment, the money supply actually decreased sharply. In fact, since last June the annual growth rate has averaged only about 1 percent. I cannot stress strongly enough that this is abhorrent, as there is simply no way this recession can be reversed until more money begins to flow into the economy. Mr. Ford's suggested monetary growth rate of 6 to 8 percent, I feel, should be the minimum, for even that is less than the expected rate of inflation, which means the real money supply would not be expanding.

Finally, in regard to the President's energy proposals, Mr. Ford's principal concern was over the timing involved. This stemmed from his feeling that reducing unemployment and restoring economic growth must be our first priority. He, therefore, recommended stretching out the price increases and consumption decreases associated with the President's energy program over a longer period than the President has recommended.

It is notable that the top leaders from both sides of the auto industry bargaining table were in such complete agreement on the fundamental economic problems in America and what needs to be done to correct them.

Leonard Woodcock began by painting a very grim picture of unemployment. For example, during 1975, well over 20 million Americans will experience some unemployment, Mr. Woodcock noted, with 7 or 8 million experiencing periods of idleness of longer than 3½ months. In light of such facts, Mr. Woodcock called for a stimulus of upward of $18 billion directed to individuals.

To help alleviate the hardships caused by unemployment, he indicated the UAW's strong preference for federalizing the unemployment compensation system. His proposed Federal benefit standard would replace 66⅔ percent of a jobless worker's fulltime weekly wage up to an amount equal to the statewide average weekly wage.

In addition, the UAW President advocated a major Federal program of public service jobs. The minimum funding for such a program would approximate one-half of 1 percent of the Federal budget when the national unemployment rate is 4 percent or lower. An additional one-half of 1 percent of the budget would be earmarked for each 1 percentage point increase in the unemployment rate. In fiscal 1976, this program would create between 1.25 and 1.5 million public service jobs, at a cost of about $10 billion.

In the energy area, Mr. Woodcock emphasized the same point that Mr. Ford, and virtually every nonadministration witness, has stressed so far before the JEC; namely, that there simply is no absolute need for reducing imports by the end of this year by 1 million barrels of crude per day. The economy is in too precarious a state to attempt such drastic action, particularly since the President's program would impose a burden on the country of $40 to $50 billion in 1975 in direct costs alone. Why launch into a massive program that will heighten inflation and deepen the recession, all for the sake of a short-run goal? That appears quite arbitrary.

Mr. Woodcock suggested six positive actions Congress could take in the energy area: First, reform the basic structure of the system for the supply and consumption of natural gas; second, establish a National Energy Production Board; third, create a strategic oil reserve slightly less than the President's proposal; fourth, authorize, but do not implement at this time, standby emergency authority to deal with emergency shortages; fifth, enact an import quota system, but do not put it into effect at this time; and sixth, pursue antitrust and other measures to prevent abuse of monopoly power among the energy companies.

I feel that the above points deserve serious attention, both by my colleagues in the Congress and, I would hope, by economic decisionmakers within the administration. They show that top labor and top management can come together in agreeing on the fundamental economic problems this country faces and the most appropriate remedies for them. I believe this should be seen as a very encouraging sign by the American people.

These two witnesses certainly did not support the basic thrust of the administration's economic-energy package, nor have the vast majority of JEC witnesses in the past 3 weeks. This fact alone—the lack of basic support by economists, businessmen, and labor leaders—provides a very strong case for rejecting the President's program, particularly when there is near unanimity that it is simply too costly in light of current economic conditions. The energy problem must be resolved, but not "overnight" at the expense of jobs and output.

Once again, the question is one of resolving priorities and the verdict is in—strengthening the economy must be the Nation's No. 1 priority, in order to get Americans back into productive jobs and to stop the tremendous loss in output we are currently experiencing.

I ask unanimous consent that the testimony of Mr. Henry Ford II be printed at this point in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

[NEWS RELEASE]

NEWS DEPARTMENT.
Dearborn, Mich.

Following is a text of remarks by **Henry Ford II**, chairman of the board, **Ford Motor Company**, before the Joint Economic Committee of the Congress, Washington, D.C., on Wednesday, February 19, 1975:

I appreciate this opportunity to give you some of my views on the state of the economy and how I think it can be improved.

I know you have already heard and studied a bewildering variety of proposals for solving the nation's economic problems, and I am not going to add to your burden. I have neither the competence nor the confidence to offer specific advice on such matters as taxes and the Federal budget, and I am not going to try.

My role here today, as I see it, is to speak as a concerned businessman who has some familiarity with the mood of some of your constituents, and with the problems of one major industry. If my remarks are found lacking in specific recommendations, perhaps I can make up for the deficiency by calling attention to basics that are in some danger of being neglected.

There seems to general agreement that the **United States is facing three critical economic problems—unemployment, inflation and energy. I would add to this list a fourth** problem which is more than an economic problem, but makes the economic problems harder to solve.

The fourth problem is the growing lack of public confidence. People who can still afford to spend have stopped spending because they are afraid they won't be able to keep up the payments. Businesses are cutting capital spending because profits have fallen so low and the outlook for a reasonable return is so uncertain. People who would rally behind government programs to solve the nation's economic problems can't find a rallying point because no programs have been adopted.

Day by day the public is exposed by television and the press to Administration spokesmen denouncing Congress for doing nothing, and Congressional spokesmen denouncing the Administration for trying to do the wrong things. And day by day the problems mount and nothing is decided. People are rapidly coming to the conclusion that nobody knows what to do, nobody is steering, the problems are running away with us and the country is headed straight for disaster.

Of course, there are bound to be honest differences of opinion on the appropriate course of action—especially when we have a Republican Administration and a large Democratic majority in Congress. But I know I speak for many of your constituents when I say that I believe the time has come for Republicans and Democrats—conservatives and liberals—the Administration and Congress—to stop focusing on the other side's errors and to start searching for common ground.

The place to start is to agree that unemployment is now the most critical and most immediate national problem. Reducing unemployment must take precedence because the unemployment rate we are now suffering can be reduced and because the human effects of unemployment are so devastating. In my judgment, the American people will not and should not accept policies that would lead to nearly 7 per cent unemployment as late as 1978, as the Administration has projected.

We must not be so frightened by the perils of inflation that we do too little, too late to restore economic growth. In fact, if timely action is not taken to stop the recession, it may gather so much momentum that there will be no way to stop it except through actions that are so strong and so long-lasting that they will guarantee more inflation down the road.

The second point on which it should be possible to reach agreement is that a tax cut is necessary to stop the recession and put people back to work.

In my opinion, there are five criteria that such a tax cut must meet. It should be quick. It should be large. It should be simple. It should reduce taxes for both individuals and corporations. And it should be temporary. Everything else, in my opinion, is secondary.

It should be quick because every American has more to lose from any delay in tax reduction than any American stands to gain from one tax reduction formula or another. It should be large because we need a large tax cut to halt the momentum of this recession. It should be simple so that people understand what it will do for them. It should provide relief for both individuals and corporations because we need to stimulate both consumer spending and business investment. And it should be temporary because it is obvious that Congress will not enact a large permanent tax cut without lengthy debate over tax reform and because a large permanent cut would be inflationary unless expenditures are brought under control.

There is a third essential step on which nearly unanimous agreement has long since been reached. And yet, for reasons which escape my understanding, nothing has happened. Everyone seems to agree that easier monetary policy is necessary to halt the recession. The Federal Reserve has announced its intention to provide moderate monetary growth. There is a widespread impression that monetary policy has already been eased, but this is simply not so.

During December and January, the money supply decreased sharply and during the whole period since last June the annual growth rate has averaged only about 1 per cent. This means, of course, that the real money supply, adjusted for inflation, is much smaller than it was seven months ago. I believe that the monetary growth rate should be raised to the range of 6 to 8 per cent for a short period in order to make up for the lack of appropriate growth over the past seven months.

As the rate of inflation subsides, real money balances increase, and recovery begins, the monetary growth rate can and should be reduced to prevent a new burst of inflation. But I do not understand how the Federal Reserve can permit a sharp contraction in the money supply at a time of sharply rising prices and sharply declining economic activity. This, it seems to me, is a sure formula for a longer and deeper recession.

I believe the American people have every right to expect the members of their government to set aside partisan differences, to agree that unemployment must be reduced quickly and to provide the tax cut and the money growth that are necessary to stop the recession and put people back to work. Prompt accomplishment of this three-point agenda is absolutely essential. Every day of delay creates unnecessary hardship, erodes public confidence in both government and business and weakens the foundations of our free society. Until this simple agenda is accomplished, we cannot afford the luxury of disagreeing over matters that are less basic or less urgent.

Gaining control of inflation is no less basic, but is certainly less urgent at this time. As long as our economy has so much unemployment and so much unused capacity, there is little risk that lower taxes and a bigger money supply will lead to still higher prices rather than more real growth. Timing is crucial. The way to get recovery without sowing the seeds of future inflation is not to take weak action to stimulate the economy, but to take vigorous action quickly, and to end it just as quickly when the need has passed.

In the energy area, we tend to think that the main problem is the high price of imported oil. It seems to me, however, that two other problems are even more important. One is that we are still trying, by one expedient or another, to avoid the painful but necessary adjustment to the end of the era of cheap energy. We are not running out of energy but we are running out of low-cost petroleum and natural gas, and this would be true even if the OPEC nations had not imposed a huge price increase. We must adjust to the impending depletion of cheap energy sources by developing new energy sources which will no doubt be more expensive and by using all our energy supplies less wastefully and more efficiently.

The need to adjust is not a temporary requirement, but a lasting one involving every aspect of our complex economy and our whole way of life. Fortunately, there is a simple and effective way of assuring the necessary adjustment without getting the government permanently involved in planning and controlling every aspect of our economy. That way, as the President has recommended, is to let the price of energy reflect its rising value.

Rationing is not a viable alternative. It would involve greater hardships, greater inequities, major inefficiencies and would do nothing to expand energy supplies. Since the

problem is not to achieve a temporary reduction in petroleum consumption but a total and permanent revision of our whole system of energy production and use, rationing cannot possibly to the job.

I am pleased to see that Congressional support for gasoline rationing as the key to national energy policy seems to be waning. But I am disappointed by the continuing reluctance to let the marketplace perform its classic function.

As long as we keep the prices of old oil and of natural gas below their market level, we will encourage people to waste these valuable resources and discourage both the expansion of oil and natural gas supplies and the development of other energy sources.

The other basic problem in the energy area is the growing dependence of the United States on interruptible foreign oil supplies. Petroleum consumption already has been reduced by higher prices and by recession and will fall again if the price of old oil is deregulated. I believe that it will also be necessary to go even farther by imposing oil taxes such as the President recommended. I am not sure, however, that the public can be persuaded to accept this additional shock right now or that it is really essential to do so right now.

I conclude, therefore, that price increases and consumption decreases might be stretched out over a longer period than the President has recommended. Such a stretch-out would permit families, industries and the economy as a whole to make the necessary adjustments at lower cost and with less hardship and disruption.

Mr. Chairman, let me turn now to the situation in our industry. As you know, declining automotive sales have contributed substantially to the severity of the recession. Our industry has had the dubious distinction of leading the downturn—partly because of the oil embargo and public uncertainty over gasoline prices and supplies, and partly because of the large price increases on 1974 and 1975 models that were necessary to recover part of the huge cost increases experienced during and after the preceding period of price control.

Industry car sales, including imports, have fallen from an annual rate of 12.3 million in the first quarter of 1973 to 7.3 million in the fourth quarter of last year. Unemployment in the auto industry, as reported by the Bureau of Labor Statistics, was 20 per cent in December, and 24 per cent in January.

Sales improved substantially toward the end of January because of price rebates offered by all four domestic manufacturers, and the sales rate for the 30 days ending February 10 rose to about 8½ million. This is, of course, encouraging. Because of the worsening cost-price squeeze, price rebates on today's scale cannot continue, however, and what will happen to car sales when the present rebates end is anybody's guess. Personally, I see no chance for a sustained improvement in car sales until consumer confidence begins to improve and the economy as a whole begins to recover.

The automobile manufacturers have been criticized because we have been urging the government to stimulate the economy and have not tried to rescue ourselves and lead the economy out of recession by slashing prices across-the-board. Speaking only for Ford Motor Company, we have not adopted a general price cut because we cannot.

The current temporary price rebates on selected products were adopted as an experimental effort to rekindle consumer interest and reduce excessive inventories of certain car lines. It would be an entirely different matter for us to reduce all our prices and keep them down.

In spite of retail price increases averaging about $1,000 per car since the end of the 1973 model year, our profit margin has reached the vanishing point. A price reduction would cost us far more than we could possibly save as a result of higher volume and lower fixed costs per unit. We cannot reduce prices at this time because we could not survive by selling more cars and losing money on every car we sell.

We recognize, of course, that our future sales growth will be severely limited if car prices continue to increase as much as they have recently. But the rise in car prices cannot be slowed until cost increases are slowed. And this, in turn, depends primarily on the government's success in stimulating economic recovery without bringing on a new round of inflation, and on the government's willingness to restrain the sharply rising costs of government-mandated standards controlling our products and our plants.

Mr. Chairman, in my thirty years as a businessman, I have never before felt so uncertain and so troubled about the future of both my country and my company. It is not too much to say that the very survival of our free society may depend on finding good solutions to the three basic economic problems I have mentioned today:

We must restore economic growth and reduce unemployment.

We must gain control of inflation.

And we must learn to use petroleum and other energy sources more efficiently.

Whatever progress may be made in the near future, the United States will be striving toward each of those goals at least for the rest of the 1970's. Ford Motor Company is compelled by its own business interests to work toward each of those same three goals.

To restore our profits, we must increase our sales and our production and put our employees back to work.

To restore and maintain the growth of our sales, we must hold down both the price of cars and the cost of driving them.

To hold down driving costs, in spite of high and rising gasoline prices, we must make large improvements in the fuel economy of our products.

Because of the enormous economic role of our industry and its products, our success in working toward these goals will have a significant influence on the nation's success.

That is why I believe that Congress should be concerned over the major obstacles placed in our way by safety, damageability and pollution control legislation and by standards established pursuant to that legislation.

We estimate that statutory and proposed standards for the 1976 through 1980 model years could add more than $800 to the retail price of the average Ford-built car. Our present projections indicate that if the statutory emission standards and proposed new safety and damageability standards become effective, the average fuel economy of our 1980 cars might be six-to-eight miles per gallon less than it could be if 1975 standards were continued.

During the past three years, we have invested an average of about $200 million a year to meet car, truck and plant standards, and the rate of investment will have to go up sharply during the next few years if we have to meet presently scheduled standards.

As you may know, we have pledged that Ford will do its part to reach the President's goal of 40 per cent improvement in the average fuel economy of new cars by 1980, if emission standards are no more stringent than the President has proposed. This will require reductions in the sizes of cars, further expansion of small car production and sales and major technological changes that, together, will take investments of hundreds of millions of dollars. It is difficult to see where the money is going to come from if our sales are depressed by the need to pass on the cost of other government standards and our capital is depleted by the investments required to meet those standards.

Whatever margin of error there may be in the numbers I have cited, the fact remains that government standards for the next five years represent a major obstacle to our efforts—and the nation's efforts—to keep price down, restore economic growth, reduce unemployment and conserve petroleum.

This obstacle can be removed, without abandoning the health, safety and environmental goals established by Congress, by deferring any further tightening of standards for five years.

Not one of the future vehicle standards now on the books would lead to any large short-run improvement in environmental quality or public health and safety. Every one of them could be deferred for five years with no significant slackening in health and safety progress.

The air will get cleaner over the next five years, for example, even if emission standards are left at their present level, because older, dirtier cars will be replaced by new cars that meet today's stringent standards.

When the legislation underlying vehicle standards was enacted, Congress could not have foreseen that the major costs would come at precisely the time when the nation could least afford them. That time has arrived, however, and the choice seems clear. Because the major benefits of this legislation already have been achieved, no great harm will be done if the major costs that lie ahead are deferred until a better time. Meanwhile, Congress would have an opportunity to consider carefully whether the remaining benefits really are worth their cost to the American people, and our industry would have the time it needs to achieve such benefits at lower cost.

LITHUANIAN INDEPENDENCE DAY

Mr. BUCKLEY. Mr. President, on February 16, Americans of Lithuanian descent observed the 57th anniversary of the establishment of Lithuania as an independent nation. February 16th is also the 724th anniversary of the Lithuanian State. Today, however, the people of Lithuania continue to live under Communist domination as they have for over 30 years. I, for one, look forward to the day when once again, the Lithuanian people will be free and independent.

During December of last year, I visited the Soviet Union and there was able to confirm my belief that the tyranny of the Soviet State is real. That tyranny extends throughout the Soviet Union and Eastern Europe and reaches into the lives of each and every citizen of this massive empire. Moscow continues to maintain a strangle hold on all of its people in hopes of solidifying control and insuring loyalty to the Communist way of life. This has not been possible for the Soviets, and we need only look to the bravery and indomitable spirit of the Lithuanians to know the reason why.

We have had a unique opportunity to witness the bravery of these people in our experience with Simas Kudirka. I was honored to play a small part in securing his release and I have had the privilege of meeting this remarkable individual on two different occasions. I am grateful for the concern of many interested Americans and especially for the help of many energetic members of the Lithuanian community who worked so long and hard to make his return possible. Mr. Kudirka has given us rare insight into conditions there as they really are. He has experienced first hand the horrors of the Gulag Archipelago. He has known the hypocrisy of the freedoms supposedly guaranteed all citizens under the Soviet constitution. He has told us of his own struggle for freedom, and has voiced the hopes of many of his countrymen.

We all owe Simas Kudirka a great debt. His example has served to strengthen our guard in our dealings with the Soviet State. Basic human freedoms must be granted before there can be true détente. I am grateful to him, and I am grateful to all Americans of Lithuanian descent for reminding us how much more there is to do.

CONSTITUTIONALITY OF GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, in article III of the Genocide Convention, "direct and public incitement to commit genocide" is declared punishable. This provision has come under attack several times, usually on the grounds that it would violate rights guaranteed by the Constitution. This argument just will not stand up.

Our sacred freedoms of the press and of speech must indeed be safeguarded. However, a distinction has been drawn by the Supreme Court between speech protected by the Constitution and direct incitement to action. In the case of Brandenburg against Ohio, the Court said:

> . . . the constitutional guarantees of free speech and free press do not permit a state to forbid or proscribe advocacy . . . of law violation except where such advocacy is directed to inciting or producing imminent lawless action and is likely to produce such action.

Clearly advocacy is protected as a right of free speech under the Constitution. However, incitement to commit illegal action is not protected by the Court's view.

The Genocide Convention clearly states that legislation passed by signatory nations to give effect to the provisions of the Convention must be drawn up only "in accordance with their respective Constitutions." The Courts' interpretation shows that making incitement to commit genocide punishable is absolutely in accord with the Constitution of the United States. I hope that this body will act to ratify the Genocide Convention with all deliberate speed.

THE 57TH ANNIVERSARY OF THE REPUBLIC OF ESTONIA, FEBRUARY 25, 1975

Mr. THURMOND. Mr. President, February 24 marks the 57th anniversary of the Declaration of Independence of the Republic of Estonia. Estonia is one of three countries commonly known as the Baltic States.

While Estonian Independence Day is observed on February 24, Estonia is not, in reality, an independent nation. This small country was annexed in 1940 by the Soviet Union and remains a part of the Soviet Union today. In spite of the occupation of their country, the desire of the Estonian people for freedom and self-determination remains strong and unyielding.

Mr. President, the three Baltic States, who were former members of the League of Nations, have yet to experience the implementation of the third article of the Atlantic Charter. This article addresses itself to the restoration of self-government to those nations who have been forcibly deprived of this right. As a result, Estonia has been deprived the opportunity to shape her future in light of her own national interests and also the opportunity to be represented in the community of world nations.

In order to call attention to the plight of these brave people, I ask unanimous consent that a petition to the United Nations General Assembly from the Estonian Democratic Movement and the Estonian National Front be printed in the RECORD at the conclusion of my remarks.

Mr. President, I hope the United Nations will soon address itself to the question of true freedom for Estonia and all the Baltic States, and that the next Estonian Independence Day will find Estonia a truly free and independent nation.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

TO THE GENERAL ASSEMBLY OF THE UNITED NATIONS ORGANISATION

The Estonian Democratic Movement and the Estonian National Front present to the General Assembly of the United Nations the following memorandum, concerning the fate of the Estonian nation.

In view of the fact:

That existence of different nations constitutes the riches of the humanity;

That as a result of forcible levelling and assimilation of national cultures the humanity grows poorer;

That national independence is main condition for the survival of a nation and her culture;

That one of the basic features in the development of the world during the last decades has been the emergence and growth of independent national states-members of the UNO;

That the International Covenant of Economic, Social and Cultural Rights (art. 1), the Declaration of the Granting of Independence to Colonial Countries and Peoples (par. 2) as well as other analogous UNO documents declare the right of all nations to self-determination, under which they shall freely determine their political status, and exercise their economic, social and cultural development;

That in accordance of the Universal Declaration on Human Rights (art. 21, par. 3) the power of government lies in the peoples' will, which must be expressed through periodic and unfalsified elections . . . and forms, that guarantee the freedom of voting;

That Estonia, a former internationally recognized independent state and member of the League of Nations (beginning from 1921) was in 1940 forcibly deprived of her national independence and reduced in fact to the status of a colonial territory;

That as a result of such status and the policy of the Soviet government, aimed at the gradual assimilation of all nationalities living on the Soviet territory into a Russian-dominated nation, there has arisen a serious threat as to the further national, political and spiritual existence of the Estonian nation;

That the states—signatories of the Atlantic Charter (including the Soviet Union) committed themselves (art. 3) to promote restoration of sovereign rights and self-government to those peoples, who have been forcibly deprived of them;

That the aforementioned commitment has not been fulfilled solely in the case of the three Baltic nations, including Estonia;

That under the colonial rule the Estonian nation has not been guaranteed the fulfillment of the articles 3, 8, 9, 10, 11, 12, 13, 14(1), 18, 19, 20, 21, 26(2), 27(2) of the Universal Declaration on Human rights, articles 1, 8(14), 13(3), 15(3) of International Covenant on Economic, Social and Cultural Rights and articles 6, 7, 9, 10, 12, 14, 17, 18, 19, 21, 22 of the International Covenant on Civil and Political Rights

the Estonian Democratic Movement and the Estonian National Front

DEMAND:

1. Restoration of the independent Estonian state in the frontiers fixed by the 1920 Tartu peace-treaty between the Estonian Republic and Soviet Russia;

2. Admission of Estonia as a former member of the League of Nations to United Nations membership;

To these ends the Estonian Democratic Movement and the Estonian National Front consider necessary:

a) To liquidate the existing colonial administration, which does not correspond to the art. 21 par. 3 of the Universal Declaration of Human Rights, depends entirely on the Soviet central government and is an instrument of the latter's imperialist and chauvinistic aims;

b) To liquidate the Soviet military bases on Estonian soil and withdraw from Estonia all Soviet military personnel (who, under the agreement between Estonia and the Soviet Union were stationed for 10 years only, the agreement expired in 1949);

c) Up to the formation of national organs of government through free democratic elections to place Estonia temporarily under the UNO administration and to introduce to Estonia the UNO's peace-keeping forces;

d) Pending the UNO administration, opportunity for return to Estonia must be given to all persons of Estonian nationality, who have been forcibly deported from Estonia (including these detained on political reasons), or who have left Estonia at their own will, also to all other persons, who have been citizens of the Estonian Republic, and to their descendants;

e) To restore normal political life and to create conditions for really free democratic elections (under the supervision of the UNO observers) in order to form a representative body of the Estonian people—the Constituent Assembly.

All political parties and groups, who respect the democratic principles and the right of peoples to national independence, may participate in the elections to the Constituent Assembly.

In the elections to the Constituent Assembly suffrage belongs to all those persons at least 18 years old, who have been (or among whose parents at least one has been) citizens of the Estonia Republic, or who were born on the Estonian territory.

The Estonian Democratic Movement and the Estonian National Front are convinced that only the implementation of the aforementioned considerations and demands permits the United Nations Organisation to exercise consistently her obligations which lie on her in accordance with the articles 1, 2, 4, 5 of the Declaration on the Granting Independence to Colonial Countries and Peoples, article 1 par. 3 of the International Covenant on Civil and Political Rights and articles 103, 104, 105 of the UNO Charter.

The Estonian Democratic Movement and the Estonian National Front demand the UNO to take effective steps in order to abol-

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ish the immoral, inhuman and illegal Soviet colonial rule in Estonia and to compel the Soviet Union not to hinder the restoration of the legal rights and national sovereignty to the Estonian nation.

Estonians will never accept the colonial status of their fatherland.

At present, when even the smallest nations of the world have been recognized the right to national independence, the Estonian nation looks forward to urgent and real help from the United Nations Organisation.

CHIEF JUDGE DAVID L. BAZELON

Mr. RIBICOFF. Mr. President, Chief Judge David L. Bazelon has completed 25 years of service on the U.S. Court of Appeals for the District of Columbia Circuit. For the past 12 years, he has been the court's chief judge. To mark this occasion, the Georgetown Law Journal compiled a symposium.

Judge Bazelon has been an outstanding judge and has made significant and lasting contributions to the entire field of jurisprudence. The article from the October 1974 issue of the Georgetown Law Journal is most interesting and worth the attention of my colleagues.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHIEF JUDGE BAZELON'S CONTRIBUTIONS TO THE LAW

(By William J. Brennan, Jr.*)

In recognition of Chief Judge David L. Bazelon's 25 years of service on the United States Court of Appeals for the District of Columbia Circuit and his 12 years as the court's chief judge, the *Georgetown Law Journal* has compiled the following symposium. We honor Chief Judge Bazelon not because he has served on the court for a quarter century, however, but because he has made numerous contributions to the law. We use the 25th anniversary as an occasion to assess those contributions.

The articles herein reveal Chief Judge Bazelon's 25 years as exciting and not infrequently controversial ones. Whether one agrees with his conclusions—he has stimulated intense criticism as well as admiration—one must respect the creativity and rigor of his work. His opinions have provoked practitioners, scholars, and jurists to scrutinize many established and developing precepts of law and have challenged them to integrate into the law insights from other disciplines. He often has led the way in demanding that the Government act responsibly and responsively when it takes action affecting industries or individuals and that citizens be enabled to hold the Government accountable for its actions. In his most noted effort, Chief Judge Bazelon has attempted to define more clearly the troublesome concept of criminal responsibility. Chief Judge Bazelon has not always successfully pressed his views, but he has always forced the issues into the open and in so doing has strengthened the integrity of the law.

INTRODUCTION

People are not neutral about Chief Judge David L. Bazelon. He deeply pleases some. He deeply distresses others. I have not risked a poll but am confident that the deeply pleased outnumber the deeply distressed. But agree or disagree with him, it is common ground that he is among the outstanding judges of American judicial history. In his quarter century as a court of appeals judge, twelve years as chief judge, he has authored an extraordinary number of distinguished and well-known opinions. Central to all of them is the theme that judges must perfect the adversary process as the essential tool for monitoring the performance of other disciplines to which a complex society must look for aid in resolving myriad complex legal controversies. For the judge reminds us that what the law provides is a method for seeking wisdom, not wisdom itself.

None of Judge Bazelon's opinions has received as much attention as his opinions and other writings on criminal responsibility and, especially, the insanity defense. Beginning with his seminal opinion in *Durham* v. *United States*,[1] whose importance is not measured by the number of courts that have adopted its approach (few, after all, have done so) but rather by the extent of the debate and re-examination that the opinion touched off, and including his recent concurring and dissenting opinion in *Brawner* v. *United States*,[2] where he rejected the *Durham* formulation of the insanity defense and pointed the way toward a more profound consideration of the underlying issues than had ever previously been attempted, Judge Bazelon has stood in the forefront. Even the critics of his approach to the insanity defense would surely agree that his prominence in this area is richly deserved, for it has been earned by hard work, relentless probing of the issues, and an unwillingness to leave any assumption, no matter how ancient, unexamined.

What the prominence of Judge Bazelon's opinions on the insanity defense has tended to obscure, however, is the remarkable quality of all of his opinions and the extent of the impact his opinions have had on the development of the law in diverse and less rarified areas. Perhaps because he is known, above all else, for his writings on the insanity defense, too little attention has been paid to his work in these other areas, even though the same exceptional characteristics of mind that animate his approach to the insanity defense are evident in all of his opinions.

Thanks to the unique jurisdiction of the federal courts in the District of Columbia, particularly as it existed prior to the recent Reorganization Act, the cases submitted to Judge Bazelon's court have regularly been challenging and important. In addition to handling the type of judicial business that pervades the federal system, Judge Bazelon and his colleagues have had the opportunity (some might say the burden) of serving as the court of last resort on issues of local law. This special responsibility has had the greatest importance in the area of the criminal law, since the jurisdiction of the court has permitted its use of supervisory powers in areas where other federal courts could intervene pursuant to constitutional command, or not at all. If Judge Bazelon has written more opinions on the insanity defense than any other federal judge, it is largely because his court has confronted a larger number of insanity defense cases than all of the other courts of appeals combined. There is hardly an issue of importance in the criminal law on which Judge Bazelon has not written one of the leading opinions. Moreover, the District of Columbia courts have traditionally played a unique role in the resolution of public law questions of nationwide importance. In part because Congress has often made no other forum available, and in part because interests of convenience so direct, much of the litigation brought by and against the federal government is heard in the District of Columbia courts. As a result, Judge Bazelon has written opinions of exceptional importance in areas far removed from the insanity defense and the criminal law, opinions concerned with the powers and responsibilities of administrative agencies, the availability of tax benefits to organizations that discriminate on the basis of race, broadcasters' rights under the first amendment, the constitutional right of young people to vote, the dictates of the environmental protection laws, and many, many more.

Running through all of his opinions is evidence of several very remarkable qualities and each of these qualities deserves careful consideration. Perhaps most important is the boldness of his thought. Judge Bazelon once said of the late Judge Edgerton, who probably had a greater impact on his approach to the law than anyone else, that the judge treasured a remark made by Mr. Justice Brandeis: "[I]f we would guide by the light of reason, we must let our minds be bold."[3] Not only Judge Edgerton, but most assuredly Judge Bazelon as well, has heeded that advice. He has never refused to ask a question merely because it has never been asked before. Nor has he shied away from proposing an answer merely because it has never been proposed before. He has often taken positions that he knew would generate substantial criticism from his colleagues, legal scholars, or the general community, and he would be the first to admit that the criticism has in some instances proved sound. In a far greater number of cases, however, the logic of his argument has been compelling and a view that only recently seemed a radical departure from established principles is now accepted as obviously correct. Having exposed himself to criticism for carrying an argument to what he viewed as its logical end, Judge Bazelon has time and again made it easier for other judges, including Supreme Court Justices, to announce that they too had reached the same conclusion.

Tempering the boldness of his approach is an extraordinary willingness to subject his own positions to rigorous analysis and, where necessary, to abandon a view that proves untenable. The *Brawner*[4] case is just one instance where Judge Bazelon has stepped away from an approach that he had previously urged, reasoning that the approach could not, to his disappointment, achieve the necessary results. Few judges have shown so great a willingness to learn from experience and to maintain flexibility in their views.

A third important quality is Judge Bazelon's firm conviction that asking the right questions is often a great deal more important than getting the right answers. Since he has devoted most of his attention to the frontiers of legal analysis, grappling with questions that no one has yet considered, searching for answers to problems that do not yield to quick analysis, Judge Bazelon has often had to content himself with opening up an area for inquiry. But he has developed that technique to a truly remarkable extent, not only asking the questions in a manner that facilitates analysis, but more important, making unmistakably clear the significance of the questions and the need to begin moving toward an answer.

Finally, I would emphasize Judge Bazelon's eclectic approach to the law, an approach that few other judges have begun to master. He has an uncanny ability to discern connections between problems that to others had appeared unrelated. The result has often been a new and startling insight into an old problem. But Judge Bazelon goes far beyond an able use of the analogy as an aid to analysis. Pervading the hundreds of opinions he has written in 25 years is evidence of his unfailing hostility to artificial barriers that limit the kinds of information that will be taken into account in the resolution of legal problems. In his writings on the insanity defense, to take but one example, he has consistently demanded that the question of legal responsibility be resolved not on the basis of logic or legal analysis alone, but with reference to all available information about the defendant—including all the information that the social sciences can provide in explanation of the vagaries of human behavior. The interdisciplinary approach that Judge Bazelon has pioneered is by now well accepted in the law schools (although it has not yet had so great an impact in the courts), as evidenced not only by the proliferation of interest in law and psychiatry, but also by the increasing awareness that economists, political scientists, anthropologists, and many others have an opportunity to bring to bear on the resolution of legal analysis the products of their research.

More than any other judge, David Bazelon has struggled to open the doors of the nation's courts to just this kind of information. In all likelihood, his long and continuing struggle to break down barriers to the free flow of information and to establish a means by which the expertise of countless disciplines may illuminate the law will, in the long run, prove far more important and more memorable than the opinions on the insanity defense that initially brought him into national prominence. For beyond championing the adversary process as law's most effective tool for monitoring the performance of the psychiatric discipline, he has said:

"Much of what I have said however, applies equally well to the public surveillance of other highly specialized professions on which the operation of our complex civilization depends. Today every profession is being challenged by those who believe that trust should rest not on mystique but rather on what the public knows about its exercise of its expertise. Challenging the expert and digging into the facts behind his opinion is the lifeblood of our legal system, whether it is a psychiatrist characterizing a mental disturbance, a physicist testifying on the environmental impact of a nuclear power plant or a Detroit engineer insisting on the impossibility of meeting legislated automobile exhaust-emission standards by 1975. It is the only way a jury—or the public—can decide whom to trust."[5]

I shall close on a personal note. I know better than most how intensely, indeed passionately, Judge Bazelon lives and breathes his aspirations for better use by judges of the adversary process. Over many years we have lunched together at least twice a week with our noble friend, Milton Kronheim, Sr. On Sunday mornings we pace several laps around the Kennedy Center. He literally agonizes about the awesome responsibility of deciding on inadequate information the lives and fortunes of people. The lack of provision to the jury of all arguably relevant information about an accused's freedom of choice is for him the supreme obscenity. It is no happenstance that his worries focus particularly upon the fate of the indigent or member of a deprived minority, for each is the primary victim of this deficiency of the legal system. I doubt that I have persuaded him, but his work above any other's has pointed the way to the cure.

FOOTNOTES

*Associate Justice, Supreme Court of the United States.

[1] 214 F. 2d 862 (D.C. Cir. 1954).

[2] 471 F. 2d 969, 1010 (D.C. Cir. 1972) (Bazelon, C. J., concurring and dissenting).

[3] Burns Baking Co. v. Bryan, 264 U.S. 504, 520 (1924) (Brandeis, J., dissenting).

[4] Brawner v. United States, 471 F. 2d 969, 1010 (D.C. Cir. 1972) (Bazelon, C. J., concurring and dissenting).

[5] Bazelon, *Psychiatrists and the Adversary Process*, Scientific Am., June 1974, at 23.

Footnote at end of article.

ON THE COMMEMORATION OF ESTONIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, on this, the 57th anniversary of Estonia's declaration of independence all those for whom the words freedom and democracy have deep and special meaning join in paying tribute to the courage and determination of the Estonian people. Estonia today is a captive nation and for much of its history, has known foreign domination. Since 1940, its people have been forced to endure the terror of both Nazi and Communist occupation. Its history before World War I shows centuries of rule by one foreign master after another. But, for a brief period of 20 years from 1920 to 1940, Estonia enjoyed the freedom for which her people had waited so long, and to which we know she will one day return.

As a free and independent nation, Estonia had a constitution which emphasized human rights and dignity and guaranteed the rights of minorities. A modern scholar has termed the Estonian constitution "the mature deliberation of a people staunchly devoted to the cause of democracy and impelled to the creation of a regime of social and political liberty by every tradition of a somber past." Estonia joined the League of Nations, and became widely respected as a leader of small nations and as an outspoken proponent of peace. Estonia's contributions to the League of Nations were significant due in part to the large number of skilled Estonian public servants who served the world organization in Geneva. This was a time of peace, stability, and economic prosperity for Estonia.

As Nazi Germany and the Soviet Union plotted and maneuvered for strategic advantage in the months before the outbreak of World War II, Estonia fell victim to Soviet aggression as did her sister Baltic nations. She was incorporated into the Soviet Union, an act that the United States has never recognized as valid.

The story of Estonia during the Second World War is one of mass arrests, deportations, slave labor, executions, and the total abolition of civil liberties and individual freedoms. Regardless of whether the oppressors were Nazi or Communist, the Estonian people suffered.

With the end of the war, the Soviets reoccupied the little country, and began a systematic campaign to erase Estonian culture and national identity. They deported thousands of people to the Asiatic areas of the Soviet Union, and repopulated the areas along the Baltic with people brought from deep inside the Soviet Union. Businesses, farms, and institutions were taken over and managed by the Soviets. Total censorship, bans on travel, and confiscation of private wealth became standard features of the Soviet occupation.

Today, although the Estonians' condition has eased to some extent, they must still follow the dictates of a foreign power and their puppets. They must still wait for the time when they can choose their own leaders and decide their own course.

Our recognition of Estonian Independence Day serves as a reminder to the Estonian people and to their countrymen around the world that they are not alone; that the people of the United States join with them in their cause. As we commemorate this occasion, we call attention to our faith and that of Estonians in all countries that one day Estonia will again take its rightful place alongside the free nations of the world.

THE ENERGY CRISIS

Mr. LEAHY. Mr. President, during their midwinter meeting in Washington, D.C. last week, the National Governors' Conference adopted three policy positions relating to various aspects of the energy crisis.

Gov. Thomas P. Salmon of Vermont, chairman of the Committee on Natural Resources and Environmental Management, testified before the Energy Subcommittee of the Committee on Interstate and Foreign Commerce of the House of Representatives setting forth the NGC position on national energy policy. Governor Salmon has been in the forefront among his colleagues in urging energy conservation and in implementing innovative measures in Vermont to save fuel.

The NGC position calls for a greater role for the States in formulating a national energy policy and in implementing whatever policy is eventually adopted. On February 7 I urged a State-administered mandatory allocation program as an alternative to the President's energy proposals, and I am heartened by the fact that the Governors are calling for greater State responsibility in this area. In that regard I should also point out that the Vermont General Assembly recently approved a joint resolution opposing the proposed tariff on imported oil.

Mr. President, I ask unanimous consent that a copy of that joint resolution along with Governor Salmon's testimony and the policy positions adopted by the National Governors' Conference on National Energy Policy, on Coal, and on the Outer Continental Shelf Energy Resources be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION RELATING TO THE PROPOSED TARIFF ON IMPORTED OIL

Whereas, the tariff on oil imported into the United States called for by the President of the United States would result in increased oil costs for customers purchasing the imported oil, and

Whereas, the New England States are almost entirely dependent on imported oil for their fuel needs, and

Whereas, the people of New England cannot afford to pay the increased price of imported oil without severe hardship, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the Governor of this state is about to meet with the Governors of the other New England States to plan and put into action an effort to prevent the tariff on imported oil, and be it further

Resolved: That the General Assembly strongly support the Governor of this state and urge him to convey to the President, the Congress and the other Governors of New England the plight of many Vermonters presently unable to pay fuel bills, and be it further

Resolved: That the Secretary of State be

directed to send copies of this resolution to the President of the United States, to our Congressional delegation and to the Governors of the New England States.

TESTIMONY OF GOV. THOMAS P. SALMON

Mr. Chairman and members of the committee:

We are grateful for the opportunity to appear before you today. I must point out that I have several different responsibilities. First, and foremost, I am the Governor of Vermont. In addition, I am privileged to serve as Chairman of the National Governors' Conference Committee on Natural Resources and Environmental Management (which is the Committee with jurisdiction in the field of energy matters). Further, I am Chairman of the New England Governors' Conference and State Co-chairman of the New England Regional Commission. My prepared testimony is presented in my role of Chairman of the National Governors' Conference Committee. I am prepared to answer questions, however, with regard to any of the other responsibilities entrusted to me.

By a nearly unanimous vote, the Nation's Governors yesterday adopted a statement of principles regarding national energy policy (a copy of which I attach). In addition, these Governors adopted resolutions in the specific areas of Outer Continental Shelf Energy Resources and Coal (copies of which are attached).

The Governors are heartened by the fact that the debate here in Washington is making development of a national energy policy and program close to reality. We cannot afford to take this effort off the front burner until the debate and negotiations are successfully concluded.

In the interest of brevity I will not attempt to analyze the Omnibus Energy bill which the President has sent to the Congress. Instead, I would like to amplify some of the views reflected in the Governor's Policy Positions in this field.

First, the Governors are convinced that no aggressive, comprehensive effort has yet been made to utilize conservation as a prime method of reducing America's use of energy. We think that this should be the prime first initiative in the quest to reduce dependence on foreign oil. Fossil fuels are finite. We are concerned in the immediate future with reducing dependence on foreign sources, but we cannot conceive that America or the World ever again will be in a position where nonrenewable fuels can be squandered. There is no affluence in waste.

In designing an energy conservation plan, bear in mind that one million barrels a day means four billion dollars a year. Judged in this perspective, the Nation can certainly do a full-bore program. Moreover, what we spend for conservation stays in America. Money for imported oil goes overseas.

The Governors are no strangers to the conservation effort. For more time than I care to remember, we were fairly lonely voices. As far back as June, 1973 we said "The Nation's Governors are dedicated to promoting the conservation of energy to slow down the increase in demand which far exceeds our population increase. The saving of energy will help relieve the depletion of resources and increase the time period for developing more efficient energy sources." The Governors are prepared to shoulder their part of the responsibility and welcome a national effort which includes all levels of government and private organizations and individuals.

We are deeply distressed that so many facets of the Omnibus bill include a pre-emption of basic State government responsibility. The innovative capacity of 50 States should not be so casually dismissed. The Federal Trade Commission found, in reviewing America's response to the Arab Embargo situation, that "one of the most important elements of the program has been the role and performance of the States. . . . By providing basic information, by being responsive to citizen concerns, by matching supplier and purchasers, and by judiciously allocating their set-aside supplies, the States have in the main kept the program afloat."

The "Oregon Plan" was an innovation, first by one State, and then adapted with variations by a dozen others to adapt local actions to National conditions. California has committed itself to producing a thermal performance standard for all buildings. My own State is actively innovating both utility rate formulas and heat storage systems to reduce peak loads of electric utilities plus incentives for absolute reduction in use of electricity. Maryland, several years ago devised and implemented a power plant siting program which served as a model for the Nation. The State of Washington is carrying this a step beyond to cover all energy facilities.

All this is really by way of saying that the States are trying out new ideas and new methods. This process should not be stultified by a federal pre-emption which, in the quest to upgrade conditions in a few isolated States, would produce a single approach to the exclusion of specific programs designed for different challenges and opportunities. We think it would be better for the federal government to work *with* the States. We all tend to work harder and better when we are respected than when we are ordered to march to someone else's drum beat.

The Nation's Governors are encouraged that a single, comprehensive program position is evolving here on Capitol Hill and by the likelihood that negotiations between the President and the Congress may be only weeks away. We respectfully suggest that representation by the Governors in these negotiations would be appropriate. There should be a third chair at that table. Nobody has a monopoly on good—or bad—ideas. What is needed is a blending of the best that each of us can conceive in terms of effectiveness, feasibility and acceptance by the American people who elected each of us.

When fuel becomes scarce; and when businesses and individuals are threatened by energy-induced uncertainties, the phone rings in the Governor's office. It is our personnel and our institutions which must inevitably carry a major share of the front line work. It is no boast to say that we have earned our credentials and no idle claim that we are prepared to assume responsibility.

There is a national problem which requires national policy and national programs to solve it. Federal action is not enough. States cannot do it alone. Every sector of the society must be involved.

POLICY POSITION ON NATIONAL ENERGY POLICY

(Adopted by the National Governors' Conference, Mid-Winter Meeting, Washington, D.C., February 20, 1975)

The Nation's Governors appreciate the President's initiative in stimulating debate and action on proposals to deal with this Nation's energy situation.

The nature of our present economy coupled with growing problems of energy availability and higher prices make strong coordinated and clear action necessary by all governmental levels and the individuals alike.

The people of this country are receptive and responsive to actions which need to be taken when the problems to be met are clearly described and when realistic, achievable objectives are set forth.

A conservation program of massive proportions must be the central focus of our Nation's short-range energy management program. The federal government has a responsibility for necessary national leadership in the accomplishment of such a program on largely a voluntary basis. To date, we have no such overall logically integrated effort. Consequently, those who have concluded that voluntary citizen actions have been either too slow or inadequate fail to recognize that we simply do not have a real program in place. Rather, we have at hand today only the concept—not an overall integrated plan. Such a comprehensive conservation plan must be adopted quickly. It should set forth specific, understandable and measurable goals and objectives for collective and individual actions. It should be coordinated through all levels of government and should be amply financed and staffed.

A properly constructed program will build on existing elements already underway. It would recognize the key factor of automotive efficiency and use. It would support positive measures and incentives to accomplish needed objectives. The following would be appropriate ingradients in this intensive public and private activity.

(1) Accelerated and stronger standards for automobiles, including gasoline usage requirements and taxes and other disincentives on inefficient vehicles. While this element would mandate change for a prime user of petroleum resource, this would provide an economic stimulus to the industry after a redesign period.

(2) A more vigorous enforcement of the 55 mile per hour speed limit.

(3) Stronger programs for public transportation including more federal commitment.

(4) Tax and other incentives for conservation actions.

(5) Better and more intensive educational efforts on a national scale with necessary adaptations to differing state and local requirements.

(6) Accelerated state energy management programs with federal financial support.

This conservation initiative should be prepared and implemented quickly. Close monitoring for the next four to six months will enable decisions to be made as to whether additional action would need to be taken if basic objectives are not being met.

If additional measures are necessary to accomplish conservation objectives, then the price mechanism or allocation programs could be brought into play. Prices will necessarily rise as a result of efforts to increase supplies and to discourage wasteful uses of scarce resources—such increases should be phased to avoid abrupt impacts and all opportunity for adjustment. Tied to this approach should be a stand-by allocation program if inadequate progress towards meeting our reduced usage goals is made. If the allocation process, through volumetric limits is used, the program should be in conformance with previously prepared plans and should provide the flexibility necessary to minimize inequities or the carrying of unfair burdens by regions or individual States. Allocation management plans should involve the States in an appropriate capacity. Such a program should be implemented only if the foregoing elements fail of successful achievement.

This plan, based on immediate broad-gauged conservation, has the most promise of quick effective action, citizen receptivity and response with achievement or reachable goals. Together with back-up program of price-supported usage adjustments and a stand-by allocation program, the country will be prepared to chart its way towards an energy ethic which stresses wise use of energy with a clearer recognition of necessary fundamental changes to be made over the next several years, along with the encouragement of immediate alternate energy source development.

POLICY POSITION ON COAL

Given that:

1. The world's reserves of oil and natural gas will not let us continue our dependence on these sources of energy.

2. It is in the national interest to limit the importation of oil.

3. An energy program is being formulated that will cause coal to be a *more significant* energy source by the year 2000

Therefore, the Nation's Governors resolve that:

1. The development of a comprehensive coal program that stimulates both production and utilization must protect the physical, social and economic environment of the producing region.

2. The perfection of coal desulfurization technologies is vital. ERDA should make coal desulfurization its first priority.

3. Tax credits and other considerations should be granted to industry and utilities to convert to coal and to States lacking adequate transportation facilities to transport coal.

4. Coal conversion processes offer a near term (50–100 years) solution to the availability problems of oil and natural gas. The federal government should sponsor extensive research and development programs in advancing conversion technology for coals. This must be paralleled by the federal financing of pilot conversion plants in all coal producing regions.

5. Department of the Interior, in cooperation with the States, must act to protect the environment of coal producing States giving attention to subsurface as well as surface reclamation.

Specific areas of concern are:

1. that a commitment be made to total reclamation as directed by state land use decisions;

2. that provisions be made for state use of all exploratory drill logs of subsurface material and soil analysis;

3. that the surface owner must be adequately protected and fully compensated for hardships encumbered by mineral development;

4. that the quality of air and water not be diminished through coal mine activity;

5. that research should be stepped up on returning refuse to the subsurface.

6. It must be recognized that accelerated coal extraction activities will place unusual demands on state and local governments to serve the needs of the workers. In so far as these increased demands are stimulated by out-of-state demands for energy from coal—either by district transfer of coal or by transfer of electricity and/or gases derived from the coal—the costs of those services should be proportionately borne by the ultimate user of the energy.

7. That state laws relative to the protection of the environment, the siting of energy-related facilities, land-use planning and the use and regulation of intrastate water rights should not be preempted by federal laws, rules or regulations.

POLICY POSITION ON OUTER CONTINENTAL SHELF ENERGY RESOURCES

1. Proposals for the development of outer continental shelf energy resources must be an integral part and be reviewed in light of a comprehensive, balanced energy policy. The energy policy developed should reflect not merely the proposed uses for offshore oil and gas, but also a consideration of whether such offshore development is necessary in light of prudent conservation measures and alternative sources of energy. The nation's energy policy that finally emerges should be truly national in scope and developed and implemented in partnership with the States. Full and early opportunity for public review and comment should be afforded as new policies are formulated or when changes to existing policy are proposed.

2. The continental shelf is a great public natural resource which should be managed with scrupulous care to insure the long-term productivity of all its resources and a fair economic rate of return to the public.

3. The Governors believe it is in the public interest to promptly explore the OCS to determine the extent of energy resources that exist. However, the exploration program of an OCS tract must be separated from the decision to develop and commercially produce that tract. Therefore, the proposed Department of Interior leasing schedule should be revised to reflect and insure the requirements of equity and efficiency. Specifically, the government should establish, in cooperation with the States, a phased and measureable production objective for offshore oil and gas. This objective should reflect the role of OCS oil and gas in import substitution and its relation to other sources (including production from naval reserves, existing OCS leases, and onshore production).

On the basis of a phased production objective, a revised leasing schedule should be established which would take into account objective environmental rankings, hydrocarbon prospects, regional energy needs and economic impacts, transportation and refinery linkages, costs and productivity of development, material, manpower and capital constraints.

Prior to initiation of OCS production on any OCS tract, the full requirements of the National Environmental Protection Act should be strictly observed.

4. An OCS program must include an evaluation of sometimes conflicting national goals and assumes that in some instances for areas of exceptional nonpetroleum resource value, no petroleum producing activities should be permitted if the production will seriously jeopardize those other resources. The Governors believe that it is in the public interest that such total restrictions be imposed in appropriate cases.

5. Development, production, transportation and onshore facility plans should be submitted for approval to the Department of the Interior, but only after the potentially impacted coastal States have reviewed such plans in order to ensure consistency with state coastal zone management plans and other applicable state statutes and regulations. Since the plans should be reviewed for consistency with State coastal zone management programs, the Governors believe that adequate time, as determined by Congress, should be afforded states to develop such coastal zone program before any OCS production commences.

6. Present leasing procedures should be changed to assure an equitable return to the public and efficient management and development of OCS resources. The Governors recognize that no single leasing method is ideal. However, the present cash bonus bidding plus low fixed royalty system does not adequately balance the need for a fair return to the public with the need to provide industry with reasonable incentives to explore and develop our OCS resources.

7. The Governors further believe that the following administrative or legislative reform should [ALSO] be implemented:

a) An effective institutional mechanism must be established to ensure an ongoing working relationship with the potentially affected state governments. Through this mechanism, the States should have timely access to data necessary for planning to avoid or minimize adverse impacts and chaotic development and have further opportunity to participate fully in both technical and policy decisions affecting the program.

b) The States should participate in the decision to permit production of and OCS tract and should also share responsibility for review of the adequacy and implementation of environmental safeguards and OCS regulations.

c) The Governors will endeavor to coordinate the participation of the various state agencies in this process, with a view to improving the overall efficiency of resource management decision making. Federal funding is required for onshore planning and impact mitigation. With such federal assistance, the States must dedicate sufficient personnel to expansion of their planning and regulatory capabilities with respect to economic, environmental, land use and energy planning aspects of coastal zone management.

8. The Governors believe that any OCS program will have substantial financial impact on affected states. Anticipated onshore development will require States to plan for and eventually finance public facilities to cope with the impact of that development. Since the OCS program is a national one, we believe there is a clear federal responsibility to assume the necessary related costs of that development. Adequate federal funds should be made available now, to States to enable them to stay ahead of the program and plan for onshore impact. Once the program commences, provision should be made for federal assistance such as the application of federal royalty revenues to affected coastal and adjacent States in compensation for any net adverse budgetary impacts and for the costs of fulfilling State responsibilities in the regulation of off and onshore development.

9. A major oil spill or blowout can have devastating effects on the coastlines and the economies of the coastal states. Fairness dictates that the oil industry should be strictly liable for all cleanup and consequential damages flowing from a spill and that this liability be unlimited. If the federal government posits that it is in the national interest to limit the liability of those who cause the spills, then the full risk should be shared on a national level with insurance to cover the difference between what the oil company pays and what the State is forced to absorb.

SUMMARY OF KEY POINTS

1. OCS is a national resource.

2. Prompt exploration of OCS is in the public interest.

3. Exploration of OCS areas should be separated from the decision to produce from individual OCS tracts for oil and gas.

4. A phased production objective should be established relating OCS resources to import substitution, other oil and gas sources, and demand reduction measures.

5. A new leasing schedule should be developed, taking into consideration these production objectives as well as environmental ranking, regional energy needs and economic impacts, transportation and refinery linkages, and material, manpower and capital constraints.

6. New leasing procedures should be adopted to ensure an equitable return to the public as well as efficient development and management of OCS resources.

7. Administrative or legislative reforms should be introduced to provide for a more effective state role in resource management, and more timely availability of necessary data for state planning needs.

8. Federal funding is needed to assist the coastal States in coping with planning needs and adverse impacts of OCS development.

9. Strict liability and no-fault compensation measures are essential.

10. The States should increase their efforts and participation in resource management decision making and regulations.

THE EMERGENCY USE OF DDT AND THE TUSSOCK MOTH

Mr. McCLURE. Mr. President, 1 year ago this week Russell E. Train, Administrator of the Environmental Protection

Agency, allowed the emergency use of DDT to control a tussock moth epidemic in Northwest forests. This was done after full compliance with the National Environmental Policy Act, including the filing of a NEPA statement.

The Forest Service, USDA, recently developed a report titled "Answers to Public Concerns About DDT and the Tussock Moth." I ask unanimous consent that this report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ANSWERS TO PUBLIC CONCERNS ABOUT DDT AND THE TUSSOCK MOTH

CURRENT QUESTIONS

1. Why was the 1974 spray program using DDT carried out?

The tussock moth outbreak caused varying degrees of damage on some 799,000 acres in Washington and Oregon during 1971, 1972, and 1973; with the later year being the most devastating. As of the end of 1973, some 88,000 acres had been seriously damaged with large numbers of trees killed, 292,000 acres moderately damaged with scattered tree mortality and top kill, and 419,000 acres lightly damaged with scattered top kill.

The total merchantable timber killed through 1973 has been calculated at 332 million board feet with a loss value of $28.1 million after subtracting salvage values. An additional $30.8 million in losses occurred as damage to immature trees, reduced growth loss, increased fire protection costs, and reforestation expenses. Complete rehabilitation is now required on most of the heavily damaged areas and some of the moderately damaged areas. Congress provided $1.3 million in 1973 to start the first phase of this program.

The 1974 treatment program was necessary to prevent additional losses of this kind. The 1973 fall egg mass survey showed that populations would be high enough in 1974 to cause these same types of damage on about 649,000 acres. Since some of this area had been defoliated previously, it was especially vulnerable to loss from any additional defoliation.

Continuing evaluations during the winter and early spring months including a laboratory examination of insect egg viability and the presence of a natural virus disease reduced the area proposed for treatment to about 455,000 acres.

DDT was the only chemical available which had previously been proven to be effective in controlling the Douglas-fir tussock moth. Many other chemicals including Dylox, Sevin 4-Oil, Zectran, Bloethanomethrin, other pyrethins, and 2 microbial agents (*Bacillus thuringiensis* and nucleopolyhedrosis virus) had been tested. Some of these materials were not satisfactory; others appeared promising, but required additional large-scale testing to establish their effectiveness under operational conditions. No other materials were registered or had been proven effective on a large-scale operational basis.

The proposed action was subjected to very thorough public review through a National Environmental Policy Act environmental statement, public meetings, press conferences, and posted public notices. Most of those responding felt strongly that the treatments should be carried out.

2. How much area was actually treated with DDT?

Almost 427,000 acres were treated with DDT in the three States of Oregon (166,000), Washington (185,000), and Idaho (76,000). A total of 421,000 acres were treated with ¾ of a pound of DDT dissolved in one gallon of solvent and fuel oil per acre. About 5,600 acres were treated with ¼ and ½ pound rates in a test of reduced dosage rates.

3. Were the DDT treatments successful?

Yes, the effect of DDT on the Douglas-fir tussock moth populations was dramatic. there was an overall corrected mortality reduction of 96.8 percent within 4 days. Feeding in the treated areas ceased immediately. The 21 day postspray weighted insect mortality averages for all units was 98.8 percent. Analysis also shows significant differences in the number of undamaged new needles between treated and untreated areas in most of the control units. Overall tree condition by the fall of 1974 was significantly better in the treated areas than in the untreated areas, particularly where insect populations were high.

It has been determined that the treatment on the 427,000 acres prevented an additional loss of 411 million board feet of timber with a value of $11.6 million after subtracting salvage values. In addition, the treatment prevented a loss of $23.8 million in damage to immature trees, growth loss, reforestation expense, recreation loss, and increased fire protection costs. These estimates assume the treatments prevented about 90 percent of the damage that would have otherwise occurred in areas treated.

4. Was the tussock moth population collapsing and, if so, why was treatment necessary?

Studies of previous outbreaks strongly indicated that the population would collapse during 1974—at least, in the areas where visible damage had occurred during 1973 and in previous years. Egg viability and virus determination studies in the laboratory indicated the collapse would not occur quickly enough to prevent serious damage on the areas recommended for control.

The collapse did occur earlier than anticipated on some 106,000 acres and these were not treated. However, about 155,000 acres not previously scheduled were treated because of newly discovered populations and defoliation that became visible during the treatment program.

Natural insect population collapse in most areas, especially those not very seriously damaged in prior years, does not occur until late in the year—*after* most of the damage for that year has been done. Treatments are applied early in the year to quickly reduce tussock moth populations to a level low enough to prevent continued serious feeding.

The outbreak was not just a single outbreak all in the same development cycle. Rather it was a series of outbreak areas lasting over a total period of 5 years. Almost 500,000 acres that were previously defoliated had gone through the complete cycle by the end of 1973 and were not included in the 1974 treatment program. Most of the serious damage occurred on those areas. The DDT treatment was applied only to areas partially damaged previously and newly threatened areas where insect populations were still high enough to cause serious additional damage during 1974.

5. Was the amount of 1973 damage overestimated as used in making projections for expected 1974 damage? What about the trees that "greened up" unexpectedly?

In parts of the older outbreak areas some of the defoliated trees "greened up" in the spring of 1974. Above normal moisture during the winter of 1973–1974 and favorable growing conditions probably contributed to this good and somewhat abnormal flush of growth. However, during the dry fall of 1974 some of this new foliage turned brown, particularly on west and south slopes. On areas where the "green-up" persisted through the fall, the salvage program was adjusted. The amount of trees killed did not change very much from original estimates. The volumes to be salvage logged will be very close to original estimates (about 300 million board feet on Federal and public lands, and 200 million board feet on private lands). The magnitude of the increased fire protection job was not decreased appreciably. The projections were also based on loss data from previous outbreaks and so were probably quite accurate.

6. Was an attempt made to get permission to use DDT to control the tussock moth prior to 1974?

The U.S. Department of Agriculture requested the emergency use of DDT early in 1973 for control of the outbreak in Oregon and Washington during 1973. The States of Oregon and Washington, the Walla Walla Chamber of Commerce, Boise Cascade Corporation, and others also applied for the emergency use of DDT. All requests were denied by the Environmental Protection Agency.

7. What progress was made during 1974 towards understanding of insect populations, developing alternative environmentally acceptable control agents and better detection methods?

A large and extensive research and development program was carried out during 1974 on over 80,000 acres of infested timber lands set aside for these purposes. The investigations involved cost nearly $2 million and included:

Insect population dynamics and impact determinations

Determination of effect of aerial applications of nucleopolyhedrosis virus and *Bacillus thuringiensis* 1 year after application

Aerial testing of Dylox 1.5-oil, Sevin 4-oil and *Bacillus thuringiensis* on large plots under operational conditions in Oregon, Montana, and Idaho

Aerial testing of Dylox 1.5-oil, Sevin 4-oil, DDT, Orthene, and *Bacillus thuringiensis* on a series of small-scale experimental plots using varying dosage rates in Oregon and Idaho

Ground applications of 14 experimental materials applied to individual trees in Oregon

Ground applications of *Bacillus thuringiensis* to small groups of trees in New Mexico

Chemical identification and development of the tussock moth sex pheromone for improvement of detection methods

Sevin 4-oil applied at the rate of 2 pounds active ingredient per acre gave satisfactory control under operational conditions. It probably will be registered for this purpose in the near future. Both of the microbial agents gave good control in some cases and appear very promising for eventual registration after some additional larger scale testing and nontarget effect investigations. They cannot be recommended for large-scale use at this time.

8. Why were the planned pilot control projects using microbial agents in Idaho aborted?

A large-scale aerial test using nucleopolyhedrosis virus and *Bacillus thuringiensis* in two new outbreak areas in Idaho had to be cancelled just prior to spraying because insect populations did not develop as expected. This early decline in these areas did not fit the typical pattern of a massive virus epidemic resulting in a collapse. Instead it involved a variety of natural control factors including low egg viability (possibly caused by weather factors), predation by ants, and an unexpected heavy aphid population which prevented young tussock moth larvae from feeding. This did not occur in the outbreak areas that were treated.

9. Did environmental nontarget damage occur as a result of the treatments?

A total of over 4,000 samples of water, air, vegetation, litter, stream sediment, benthic invertebrates, fish, birds, deer, elk, sheep, coyotes, chipmunks, mice, shrews, human blood, milk, and livestock have been collected for analysis. About 1,100 of these have been analyzed to date. The results are about as expected from similar studies in the past.

This effort which involved over 200 people and 26 agencies and organizations is continuing. It is the largest monitoring effort ever undertaken on a forest pest control project.

Livestock

The amount of DDT in the fat of cattle grazed on treated areas range from less than 1 to 73 parts per million (ppm) with an average of 19 ppm. As of January 8, a number of cattle on the Colville Indian Reservation that had grazed on treated areas until mid-November 1974 or later still exceeded the legal marketable meat residue tolerance level of 5 ppm (range of 5 to 57 ppm). These animals will not be marketed until the DDT levels drop below 5 ppm. The Environmental Protection Agency lowered the permitted DDT residue level in marketable meats from 7 ppm to 5 ppm (on a fat basis) as of August 13, 1974 (Federal Register, Vol. 39, No 157).

A special study to determine the amount of DDT residues in sheep grazed on treated areas and the rate of residue decline after being removed from the treated areas has been completed. Values of up to 54 ppm were detected in fat tissues of lambs grazed on treated areas. Residue levels declined at a slower rate the longer the lambs were grazed on the treated areas. Some lambs that grazed for about 40 days on DDT treated forage had slightly over 5 ppm DDT in their fat after feeding up to 4½ months on untreated forage.

A special Animal Plant Health Inspection Service (APHIS) surveillance study is being carried out to determine if slaughtered livestock exceeding the 5 ppm legal tolerance level are getting into the market. Only 2 animals have been found that exceed this level, neither of which went into the market. No trace of DDT was found in 172 of the 359 animals sampled during October, November, December 1974. Less than 3 ppm was found in the remaining 185. APHIS has just announced the removal of marketing restrictions as of March 1 for most animals grazed in the treated areas.

Big Game

On the basis of analyzing only a few of the postspray deer and elk fat samples collected during the hunting season DDT residue levels of up to 31 ppm for deer and 48 ppm for elk have been found.

The DDT residue is found almost entirely in the fat of these animals which is normally not consumed. Analyses of the red meat of several deer and elk show DDT residue levels of only 0.07 to 0.25 ppm on a total tissues weight basis.

Humans

None of these levels pose a human health hazard. A very large public health safety factor is used in the establishment of food residue tolerance levels. There are no documented cases of fatal DDT poisoning in man. In one study (Hayes and Associates) human subjects were fed doses of DDT as high as 35 milligrams per day for 21.5 months. No clinical or laboratory evidence of an adverse effect as observed after up to 5 years following completion of the feeding.

Another study of workers in a DDT factory in California conducted by the U.S. Public Health Service found some with up to 630 ppm DDT in their fat after a long and continued exposure. None of these employees suffered any ill effects.

No adverse effect was observed or reported occurring to people directly associated with the handling, mixing or application of DDT during this project.

Birds

A total of 19 dead birds were found in treated areas. Five of these have been analyzed for DDT residues and 3 have been reported to have high enough levels of DDT (on the basis of brain tissues analyses) to have caused death. The remaining 2 birds were well below these levels. One other bird has not been analyzed. The rest were too decomposed to permit residue analysis. Some "normal" bird mortality occurs regularly in forest areas.

Special constructed nest boxes were erected in a number of treated and untreated representative forest areas to attract nesting birds. A total of 12 mountain bluebird, 1 western bluebird, and 9 house wren nests were observed in treated areas. A total of 44 mountain bluebird, 9 western bluebird, and 5 house wren nests were observed in untreated areas. These nests were checked at intervals to determine if nestling mortality occurred from starvation due to a lack of insect food or the direct ingestion of DDT. The DDT was applied after egg laying and incubation were complete or underway. There was no lack of food for nestling birds in the treated areas. No significant differences in eggs layed, eggs hatched, or nestling survival between spray and nonspray areas was detected.

Field biologists were asked to report any abnormal bird behavior observed during and following spray applications. Their reports indicate a possible change in distribution but no significant losses.

Fish

No fish mortality was observed. There was no DDT-related fish or mussel mortality in live boxes placed in streams during spray operations.

Other insects

As expected, DDT had a severe short-term effect on aquatic and terrestrial insects. Some waters were treated and in these cases the loss of aquatic insects was especially severe. However, late fall surveys indicate that these insect populations were recovering.

10. What plans are being made for tussock moth research and development during 1975?

A total of $1.6 million has been provided in special Federal funds to carry out an accelerated USDA research and development program (R&D) during 1975. The work will be done by Forest Service and private research units over a 3-year period. Testing of a number of chemicals and microbial agents will be carried out to determine the best application equipment, timing, and formulations to be used and the effect on nontarget organisms. The factors influencing natural fluctuations of population will be identified and the importance evaluated. New methods of predicting tussock moth population changes and expected damage and integrated pest management strategies will be developed.

11. What is the current status of Douglas-fir tussock moth infestations in the Northwest?

In early August 1974 an infestation of Douglas-fir tussock moth was detected in the lower Flathead and Jocko River Valleys in western Montana. This consisted of several localized infestations near St. Ignatius and Ravalli and a large area of infestation along the shore of Flathead Lake, northwest of Polson where about 10,000 acres of Douglas-fir suffered varying degrees of defoliation. Major landowner in the infested area is the Flathead Indian Reservation with numerous intermingled small landowners also involved. Egg mass surveys indicate that 2,800 acres within this area will exceed the treatment criteria of 0.1 egg mass/1,000 square inches of foliage surface during 1975 There is also a small outbreak in the Kamloops area of British Columbia, Canada.

12. What plans are being made for control of the Montana outbreak?

The Flathead tribal council has indicated that they wish to reserve that portion of the outbreak occurring on tribal lands for a pilot control project of the Douglas-fir tussock moth virus. Current plans are to apply virus to these areas in a large-scale test as a part of the accelerated tussock moth R&D program. At the present time, there are no plans to treat the other non-Indian lands. A laboratory evaluation of egg masses collected last fall is currently underway to determine if non-viable eggs, egg parasites, and virus are present in sufficient numbers to cause this population to collapse naturally in time to prevent serious damage.

If the egg viability levels are low and the virus incidence high, the treatment plans will be cancelled.

OTHER BACKGROUND QUESTIONS

A. What is the tussock moth and what does it do to the forests?

The Douglas-fir tussock moth (*Orgyia pseudotsugata*) is one of the most injurious insect pests of Douglas-fir and true firs in the West. In the Northwest, where outbreaks have been found only east of the Cascade Mountains, Douglas-fir and grand fir are the primary hosts. After the caterpillars have fed on favored hosts, they may migrate short distances to other species and continue feeding.

Damage has also been recorded on subalpine fir, ponderosa pine, lodge-pole pine, western larch, Engelmann spruce, and other trees and understory plants intermingled with the preferred hosts. Ornamental Colorado blue spruce in urban areas is frequently damaged.

The caterpillars hatch in May or June from egg masses laid the previous fall and feed on foliage until about mid-August. When mature, they pupate and emerge shortly thereafter as adult moths. Winged males mate with the wingless females; egg masses are deposited on or near the empty cocoons. The egg masses represent the potential for defoliation the following year.

Populations can develop explosively in an outbreak year. Patches of trees throughout the infested area may be completely stripped of their foliage and killed, while other stands suffer lesser damage. A significant expected increase in growth volume is lost in addition to a loss of merchantability of large parts of the partially defoliated trees. The heavily damaged areas become especially susceptible to wild fire with a high risk possibility of consequent loss of watershed and wildlife cover.

B. How are trees damaged by larval feeding?

Larvae of the Douglas-Fir tussock moth can feed on both the curent year's new foliage and the older needles. Heavy larval populations can completely defoliate trees in a single growing season. Many trees suffering this degree of defoliation die. The chance of a tree dying decreases with lesser amounts of defoliation. Douglas-fir appears to suffer more damage than grand fir. Many trees that survive partial defoliation are weakened and may succumb to a later attack by bark beetles. Surviving trees exhibit reduced diameter growth for 2 to 3 years, and some suffer top kill with a resultant loss in seed production, height growth, and merchantable wood Seedlings and saplings, as well as mature trees are attacked.

C. Does the tussock moth affect humans directly?

Yes, many people suffer a skin allergy or respiratory reaction on exposure to larvae and cocoons. During 1972–73 the Oregon State Health Division investigated the impact on humans working in the infestation area and reported that a significantly increased health hazard occurred, particularly during hot, dry weather. Seventy-five to ninety percent of the people working in infested areas experienced some irritation (itching, skin rash) due to the tussock moth hairs.

D. Does the insect spread to other parts of the forest?

There is no evidence to indicate tussock moth outbreaks expand significantly beyond the boundaries of the initial infestation. The female moth is wingless, thus cannot migrate to other areas of the forest to lay eggs. The young larvae, however, are covered with hairs and can be carried by air currents for several miles. The presumed long-distance spread of Douglas-fir tussock moth larvae from infested to uninfested areas during an epidemic is actually the result of localized populations building up to epidemic levels "in place."

E. What causes the collapse of outbreaks?

The Douglas-fir tussock moth has many natural enemies, including parasite, predators, and disease organisms. Many of these factors, as well as starvation (where trees are severely defoliated), contribute to the natural decline of outbreaks, but a natural virus seems to be the single factor most commonly associated with collapse.

F. What criteria were used in deciding where control was needed?

Entomological data were the basic criteria used including: (a) presence of new egg masses, (b) new egg mass density expressed as egg masses per thousand square inches of foliage, (c) ratio of new to old egg masses, (d) incidence of natural virus, and (e) spring larval population density.

A new egg mass density of one-tenth egg mass per 1,000 square inches of foliage is the basic criterion for consideration of control. Another criterion is a ratio of new to old egg masses exceeding 1 to 1, indicating an increasing population. Areas which contain small numbers of new egg masses, but are adjacent to areas of potentially high infestations, were included as necessary to make control units conform to natural topographic features (such as ridge tops).

Laboratory examinations of egg masses collected from sample plots were made during the winter months to measure incidence of natural virus, egg parasitism, and egg viability. Areas suffering negligible or light defoliation were excluded from treatment if the incidence of virus infection equaled or exceeded 30 percent. Areas suffering moderate to heavy defoliation, where the risk of another year's feeding would result in extensive losses were excluded from proposed control units if the virus level exceed 50 percent.

G. Would DDT be used again to control a forest insect outbreak?

It would depend entirely on the seriousness of the outbreak and the availability of alternate control methods. The policy of the U.S. Department of Agriculture and the Forest Service is to practice and encourage the use of those means of practicable, effective pest control which results in maximal protection against pests and the least potential hazard to man, his animals, wildlife, and other components of the natural environment. However, it is necessary at times to use persistent pesticides, such as DDT, in emergency situations where no other effective alternatives are available. If it becomes necessary to use persistent pesticides, they will be used in minimal effective amounts, and applied only to the infested area at minimal effective frequencies.

H. Is a complete report on the project available?

A final report on the operational phases of the project including a detailed description of all areas treated, an analysis of all results, and an interim report on the monitoring studies is currently being prepared. It will be available for distribution about April 1, 1975. The monitoring investigations will be continued through July 1975. A final report on this aspect should be available early in 1976. Some longer range animal and bird effect studies may be continued on for an extended period of time.

ISRAELI BOMBING OF CIVILIANS IN SOUTHERN LEBANON

Mr. ABOUREZK. Mr. President, I have called attention on a number of occasions to the savage bombing of civilians in southern Lebanon by Israel. While what has happened in southern Lebanon has been largely ignored by the U.S. press, Judy Coburn has recently returned from the Middle East and has published the following story in the March 7, 1975, issue of New Times magazine.

I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ISRAELI'S UGLY LITTLE WAR

(By Judith Coburn)

THE ARQUOB, SOUTHERN LEBANON.—Rashaya Fuqhar, once a prosperous little village of 2,000 Christian Arabs, is now a near ghost town. Known for its simple but striking brown and tan pottery, its kilns are now cold. In the past year, five villagers have been killed and over 30 wounded by Israeli air and artillery bombardment. The pottery factory has been smashed by bombs. Scores of others have been damaged by shelling. Hundreds of the village's residents are now refugees, having fled to the slums of Sidon and Beirut to the north. Only 100 residents remain. A few of the villagers still farm, but most of them are afraid to because the fields are strafed.

We visit St. George's, the Greek Orthodox Church, now the center of life in the village. The dim interior is grimy but charming with its crowded display of 19 chandeliers donated by benefactors. After five straight days of bombing in May 1974, the residents who couldn't afford to flee left their houses and moved into the church. "We know it isn't really safe," admits the village mukhtar (mayor), "but people feel safer in one place. It is faith and some superstition that we won't be killed in God's place," but already cracks have appeared in the walls and roof from the impact of nearby shells. And in October, the roof caught on fire from an incendiary shell. In one end of the room, people have made beds of coffins.

A tour of the village shows the crumbling houses, abandoned possessions, a cemetery with shattered crosses and memorial wreaths blackened by air strikes. An old woman holds up an intact American-made shell, which seems to be a casing for dropping propaganda leaflets. She squints into the sun for the photographer beside her smashed house. Up the road, a threshing field is now marked by a burned-out tractor and a large blackened smear. Mrs. Fedha Gebran tells us how her husband, Elias, was killed August 7 in a bombing raid. She, her 15-year-old son and six others were wounded in the attack. Her hand and breast are still bandaged. She still weeps, two months later, describing the day. Her husband was the only wage earner in the family of nine; they now receive a little money from a newly formed charity group, the Council of the Whole South. We return to the village in silence.

There are scores of villages like Rashaya Fuqhar in southern Lebanon. Beginning in 1968, and almost daily in recent months, the Israelis have subjected villages like Rashaya Fuqhar and a handful of Palestinian refugee camps in southern Lebanon to attacks by airplane, artillery, tanks and gunboats. Israeli commandos invaded Lebanese villages and Palestinian refugee camps, forceably checking identifications, blowing up houses, killing villagers and taking prisoners.

The Israelis call the areas "Fatahland"—it is "the Arqoub" to the Lebanese—and it is from this wild terrain, leading to the approaches of Mount Hermon, the Israelis say, that Palestinian commandos run their operations against Israel border settlements and bases. The Israelis say that the purpose of their campaign against the South is to stop commando operations by killing all the commandos in the area or by pressuring the villagers to expel the guerrillas from their midst. The Israeli military command insists it is attacking only military targets—"bases" or "concentrations" of guerrillas—and kidnapping only members of terrorist groups and those Lebanese who work directly with them.

But, as Americans discovered in Vietnam, it is never quite that simple. Bombing is not a selective weapon. Intelligence about enemy presence in villages, especially when gathered by photo reconnaissance or foreign agents, is often faulty. A six-week investigation in Lebanon indicates that, as in Vietnam, large numbers of civilians are being caught in a net cast for guerrillas. We visited scores of Lebanese villages and five Palestinian refugee camps where hundreds of civilians—including women and children—had been wounded or killed. The Israelis are using the full range of sophisticated savagery known to our own military in Indochina: shells, bombs, phosphorous, incendiary bombs, CBUs and napalm. Much of it is supplied to the Israelis by the American aid program. Statistics are difficult to find and often inexact, but well-informed diplomats in Beirut and United Nations officials have compiled a surprising set of reliable numbers. They note the Israeli government reports about 800 Israelis have been killed in recent years in terrorist attacks, but they estimate that the Israelis have killed about 3,500 people in their raids on villages and refugee camps in Lebanon, Syria and Jordan. The Lebanese government says 301 Lebanese civilians were killed and 682 Lebnaese wounded in Israeli attacks between January 1968 and August 1974, most of them in the last year. Figures for Palestinian civilians killed are not available, but observers estimate they must be at least twice as high as for the Lebanese.

Our travels in the area also suggest that the Israeli campaign has not been successful in isolating the guerrillas. Indeed, as in Vietnam, it appears to have enhanced their credibility. Only a few Lebanese we spoke with blamed the Palestinians for the bombing. A comment by one man from Rashaya Fuqhar is typical, "Now that the Israelis are bombing our village, too, we see what the Palestinians have suffered all these years." As for the Palestinians, the bombing seems to have increased their bitterness and strengthened the hand of the political groups who favor bloodshed over compromise.

In light of the failure of the Israeli policy to achieve its announced goals, there is considerable speculation that the bombing might have another purpose. Most Lebanese and some diplomats in Beirut believe that the Israelis are pursuing a "scorched earth" policy in southern Lebanon designed to drive all population from the area and establish a DMZ. "Why burn crops, unless that's the purpose?" asks one high official of the Lebanese Foreign Ministry. "The commandos buy *their* supplies in Beirut anyway." Statements by Israeli officials do little to quiet these fears; last April, when he was still defense minister, Moshe Dayan told newspaper reporters that unless the Lebanese stopped the Palestinian raids, "We will step up the raids until the people find it impossible to live there. Their homes will be destroyed and the whole area will be deserted." And in a chilling echo of "Pentagonese," the Rabin government told Israelis last June that it was abandoning its previous policy of "retaliation" in southern Lebanon for a policy of "preemptive strikes."

The human suffering behind the antiseptic words is, as always, chilling:

Ein el-Hilweh, a Palestinian refugee camp near Sidon, has been bombed countless times. Last June, a poor neighborhood of Lebanese and Palestinians, including a school, was leveled. Hundreds of refugees have moved into another school. "What will we do when classes begin?" wails a teacher. An old man pokes through the rubble of his house. Although the man is Lebanese, on the one wall that still stands hangs a cheap tinted portrait of Yasir Arafat.

A young boy from near Rashaya Fuqhar says that last winter he and his friends found an intact shell, like the ones they collected and sold for lamps. But when he picked this one up, "a jelly ran out." He was badly burned on his leg, arm and hand.

The road to Rashaya Fuqhar runs by a sparkling brook, and a cafe has been built over the water. But it has been smashed repeatedly by bombs. The last time, a bridal reception was taking place and the bride was killed.

Along the same road, we pass damage from a raid that morning. A school has been hit. In the field across the way, an old Lebanese farmer tramps sadly through his olive grove. Some of the trees are ancient with huge girths. Many are shattered from bombs, others burned by phosphorous. "Every week I see more," says the old man of his trees, "sleeping like women on their sides."

Near Sidon we stop at a lemon grove, now home for three branches of an extended family of 43 Palestinian refugees. Their homes were destroyed in a raid June 20 on Ein el-Hilweh Camp. Six of the family—four children and two women—were killed. Now they are sleeping outside. Winter is coming and they are worried. The owner of the grove wants them to leave. They are his laborers, but he thought they would stay only until their homes were rebuilt. But the United Nations says there is no money for rebuilding.

Nabatieh Refugee Camp, the closest camp to the border. Here, as in other refugee camps we visit, the PLO makes no effort to hide evidence of armed soldiers in the camps. But at Nabatieh, as in the other camps, it is homes, clinics and schools that have been hit. Nabatieh was nearly leveled in an attack last May 16. A United Nations report says of the camp, "60 percent destroyed, 20 percent severely damaged and 20 percent partially destroyed." We see no houses with roofs, few with four walls.

Eighteen Palestinian refugees were killed that day and 91 were wounded. No one knows how many were civilians and how many were commandos. But officials from the United Nations Relief Works Agency (UNRWA), which manages the camps, doubt that many guerrillas were hurt because the PLO had tried to evacuate the camps the day before. "The people who were hurt were those who wouldn't leave their belongings. Thank God most did. It could have been a lot worse," says one UNRWA official. UNRWA estimates the rebuilding of Nabatieh will cost $1 million. "Just so they can bomb it again," sighs one official. But UNRWA itself has a $39 million deficit of its own just for operating expenses this year. So the fate of Nabatieh Refugee Camp is uncertain.

Near Merj'Uyun, capital of the Arqoub, the depressing tour continues. We visit Ismail, a young goatherd shot the day before by an Israeli patrol, in the area's one hospital. He lies stiffly in sheets soaked with his own blood, seemingly still shattered by his misfortune. The nurse translates into French. He was tending his goats, saw the soldiers coming in a jeep. "I was frightened—they take people—I ran—they shot." That is all. He doesn't know why the soldiers fired, why they came. He doesn't know any Palestinians, except "they are Arabs." The room is a crush of onlookers, gawking at the Americans. "Why American planes to the Israelis?" drones a young hospital attendant in my ear. We leave the room. The nurse reports the hospital sees several hundred casualties fom the Israeli attacks every year, more recently. "In May and June [during the heaviest raids] we had people in the halls, even on the steps. We had to send the sick people home and the worst cases to Sidon and Beirut." She hesitates. "That young man will die. Half his back is gone."

Tel Aviv—In Israel the bombing and other operations in Lebanon are not an issue. The newspapers print one-paragraph items about the bombing of "guerrilla concentrations" in Lebanon. Raids are talked about as "retaliatory." Reporters with questions about the raids are treated with hostility. After weeks of insistence, I finally received an interview with an Israeli general who is the top briefer for the IDF, the Israeli Defense Forces. After putting the interview off-the-record, he answered my first question sarcastically. "What bombing?" Pressed further, he elaborated, "We have no security problem in the North." (Pause) "And besides there haven't been any in months." Told I had visited the south of Lebanon in the last month, he finally said, "We feel Lebanon is not exercising its duties as a sovereign state to control the Palestinian enclave in 'Fatahland.' If Lebanon has internal problems like this, she will have to bear the consequences." He insisted, as do all Israeli officials, that attacks are only on military targets and that the targets are "carefully pinpointed." Security prevented further discussion.

There is little dissent about the bombing in Israel. Most leftist critics of the government seem puzzled by questions about the bombing. "Unfortunate but necessary," is the standard line. Few people are aware, or believe, that civilians are being hurt. Only groups like the far-left Matzpen liken the bombing to U.S. policy in Indochina and argue that the end does not justify the means. However, in the wake of the recent rash of guerrilla operations, a few Israeli columnists have begun to point out the ineffectiveness of the operations against Lebanon, and suggest that the raids continue at least partly for domestic consumption. It is apparently difficult for the Isaelis to believe, as it was for the Americans in Vietnam, that the strategic results of their firepower are negligible.

Beirut—The Israelis insist that Lebanon must bear the consequences for allowing the PLO to operate on her soil. But the fact is, the Lebanese are in trouble no matter what they do. Lebanon's tiny 12,000-man army and one-squadron air force are no match for the Israelis. Nor does she relish the prospect of an all-out confrontation with the Palestinians, after such a push in 1973 nearly caused a civil war in the country. The 1973 clash and an earlier one in 1969 left hundreds of casualties, civilian as well as military. In 1973 Lebanese leftists joined the Palestinians, and several of Lebanon's private armies used the occasion to settle scores. A shaky truce was negotiated only after the Lebanese Air Force had bombed five Palestinian refugee camps near Beirut, wounding hundreds. Since then, the Lebanese have stepped up security, driving guerrilla military operations underground, while political and social welfare arms of the PLO continue to operate openly. It is the fervent but not naive hope of most Lebanese that the Palestinians will stop their raids in Israel. But until then, there is not much they can do. "If the huge Israeli forces can't stop the Fedayeen from coming in, how do they expect us to keep them from going out?" a young Lebanese captain asked plaintively. Individual incidents still occur between Lebanese security forces and the Palestinians, often precipitated by guerrillas refusing to show papers or trying to run the roadblocks in the South. Recently, newspapers were full of reports of a shoot out between Lebanese military police and a party of Palestinians on a deserted road.

On the international level as well, Lebanon must steer a straight course between the Scylla and Charybdis of her Arab neighbors and Israel. Each new round of attacks by Israel is followed by offers of arms, men and missiles from Egypt, Libya, Saudi Arabia and especially Syria. In recent months, Egyptian President Anwar Sadat has offered to station five squadrons of MIG-21 interceptors in Lebanon. Syria has offered soldiers and SA-6 antiaircraft missiles. (The PLO says the Syrians are already equipping the Palestinians with the shoulder-fired "Strella" missiles the U.S. found were so lethal to helicopters in Vietnam.) But the Lebanese have refused men and planes so far, fearing they would draw them further into the Mideast conflict. They fear Syrian troops for other reasons, too; there is a long history of Syrian interest in Lebanese territory. When the Lebanese bombed the camps in 1973, the Syrians sent large numbers of troops into Lebanon and cut off trade. A recurrent Lebanese nightmare has the Syrians and the Israelis dividing the tiny country.

Lebanon's inability to control the Palestinians or to protect her people from the Israelis has also had a political toll inside the country. Security problems were one of the factors in the fall of the most recent government last September. The crisis has brought demands from the right to expel the Palestinians and from the left to take up Syrian and Russian offers to construct a missile defense system for the country. The Beirut newspapers are regularly studded with reports of, on the one hand, agreement between the government and the PLO to curtail armed activities in the South and, on the other, meetings between PLO, Syrian and Lebanese officials about defense of the country. It is government by balancing act. In July the Lebanese got a ten-year, $1 billion commitment from Arab defense ministers to build up the Lebanese Army. The government successfully headed off a PLO demand that the money be channeled through the guerrilla organization. The government's failure to provide adequate security in the South has also added fuel to a quasi-separatist movement of the area's Shiite Muslims, who charge that they and the underdeveloped South are neglected by the government, which is dominated by Christians and Sunni Muslims.

On trips south, we see the ambiguity of relations between the Palestinians and the Lebanese. Almost no one in Lebanon believes that the PLO regularly uses Lebanese villages as staging areas for military operations. Villagers in the area, although they do not deny they have occasional contact with Palestinians, insist they give them no aid or quarter in their villages. The tensions that have been created by the bombing, in addition to competition that has grown up between the refugees and poor Lebanese for jobs, lead most observers to doubt guerrillas would adopt a Lebanese village as a permanent base. "Most Lebanese sympathize with the Palestinians," a local Lebanese official says, "but all they would need is one person who didn't to compromise their security." Lebanese intelligence is also said to have its own strong roots in many villages in the area.

A stronger case can be made that the guerrilla raids against Israel are run from the Palestinian refugee camps. Guerrillas certainly live in the camps. Planning sessions may be held in camps and arms may be stockpiled there. All visits are conducted by PLO guides, and most questions on military matters are turned aside for security reasons. But the camps, with their crowded quarters

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and well-developed grapevines, seem ill-suited for the launching of secret raids, even in spite of what seems to be near universal support for them in the camps. Most of the camps are relatively far from the border, near major Lebanese towns, and are closely watched from outside by Lebanese police. The one "operations" base we visited briefly was an abandoned house close to the border and nearly hidden in a grove of trees. Well-informed diplomats in Beirut believe that some of the Palestinian raids may be run from Syria, and a few from inside Israel itself by Palestinians still living there. Such reports, even if true, would not be acknowledged by the Israelis. They cannot bound Syria as they do Lebanon without risking a fifth Mideast war, and to admit raids are conducted by their own Arabs would be to concede that the Palestinians inside Israel are not as happy as the government insists they are.

American officials in Beirut agree the raids on Lebanon are largely ineffective. "We discovered in Indochina that bombing couldn't even stop large movements of men and supplies," says one official. "It certainly can't stop three-man raiding teams." But the bombings have become so routine that virtually no one—and certainly not the Americans—wastes much time protesting them. "Frankly, I don't think it's much of an issue," says one embassy official in Beirut. "The Israelis make it clear they will continue the attacks, and continue them whether or not there are fewer cross-border raids." (In recent months, as the PLO has reached for respectability, there have, in fact, been fewer Palestinian raids—about one a month—while Israeli attacks have been almost daily.) Another U.S. official told me, "Golda Meir first said there were no Palestinians. Now the Israelis admit there are Palestinians, but no Palestinian civilians."

But the balance of terror in Lebanon may not be so stable in the future. It is a real possibility that the situation there could trigger the new Mideast war that so many Israelis and Arabs expect. In recent weeks, the heaviest ground fighting yet between Israeli commandos, Palestinian guerrillas and Lebanese soldiers has broken out. The Lebanese Army is now getting more advanced anti-tank weapons from the American government, presumably to defend itself against the tanks we send the Israelis. The Palestinians are now stockpiling "Strella" missiles, increasing the likelihood that the Israelis will begin to lose planes over Lebanon. And with chances of a permanent Mideast agreement receding, there is a good chance that the Palestinians will step up raids into Israel. If that happens, few doubt that the Israelis would at least consider an invasion of Lebanon, a move that would surely prompt Syrian intervention on a massive scale. It is a scenario that is only too plausible.

In the meantime, the toll of civilian casualties builds slowly, inexorably. The bombing has become so routine that it goes largely unreported in the American press, a fact that amazes European reporters on the scene, who devote equal space to Arab and Israeli suffering. But the truth is, American editors like their violence spectacular, and after years of reporting the news from Indochina, Americans don't get terribly excited about air strikes anymore. Which is why very few Americans know or care that last year, in southern Lebanon, there were civilian casualties equal to Maalot every month.

DOUBLE STANDARD FOR LEE?

Mr. HARRY F. BYRD, JR. Mr. President, on February 20, 1975, the Covington Virginian carried an editorial calling for the restoration of full rights of citizenship for Gen. Robert E. Lee. This fine daily newspaper, editored by Horton P. Beirne, provides the city of Covington, Va., and the surrounding Virginia counties of Alleghany, Bath, and Botetourt, and the West Virginia counties of Pocohontas and Green Brier with primary news coverage.

In his editorial, entitled "Double Standard for Lee?" Mr. Beirne writes:

It is befitting and right that Congress take positive action even though it is a few years late in coming. The name and reputation of this Great Virginian should be cleared.

I agree. This is a step which should have been taken by the Nation as a whole long ago.

I ask unanimous consent that the Covington Virginian editorial, "Double Standard for Lee?", be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOUBLE STANDARD FOR LEE?

One of the more controversial issues which faced the beginning of the Ford administration was the question of whether or not to grant amnesty to U.S. citizens who had left the country to evade serving with the U.S. Armed services. There were two sides to this issue and many persons opposed granting a pardon to those who had left the country. However, a grace period was given and those who returned were given a full pardon with citizenship rights.

Thus, through goodness and humaneness, the President and the U.S. Congress opened their heart and granted forgiveness to all who requested it. Even President Nixon received a full and complete pardon.

But this is somewhat of a double standard. For the third time in four years, U.S. Senator Harry F. Byrd of Virginia has introduced a bill in the Senate requesting Congress to restore citizenship to the late Confederate General Robert E. Lee. Senator Byrd has been unsuccessful in three attempts to have this highly respected and deserving citizen's Citizenship Rights restored. The bill is before the same Congress that has sanctioned the granting of a pardon for those who did not and would not serve their country.

General Lee's citizenship was withheld because he took up arms against the United States in 1861. Perhaps he served a lost or incorrect cause, but at least he did fight for what he and many, many others thought was right. He did not run from duty. After his duty was over, he did as much or more than any other individual to restore the harmony of the Union. He served the United States as best he could in a profession which had far-reaching effects—President of Washington (now Washington and Lee College) College. From this position he was able to influence young minds who would be the leaders who would work for a more perfect Union.

Lee was granted amnesty when he signed an oath of allegiance. Lee wrote President Andrew Johnson requesting that his rights as a citizen be restored and the letter bore the endorsement of Lee's former foe, Union General Ulysses S. Grant. However, citizenship has never been restored to the famed General, even 105 years after his death.

Senator Byrd is again seeking restoration of General Lee's citizenship. It is befitting and right that Congress take positive action even though it is a few years late coming. The name and reputation of this Great Virginian should be cleared. It can be cleared by the same forgiving Congress who agreed to pardon the deserters of this decade.

Let Senator Byrd and the Congress know you agree that Lee's citizenship should be restored. Write the Senator at The Senate Office Building in Washington, D.C. or drop a note to the United Daughters of the Confederacy, 1015 Cliffwood Circle, Clifton Forge, Virginia. This group will forward the letters to the proper officials.

RAYMOND MOLEY

Mr. THURMOND. Mr. President, too seldem do we see the kind of dedication to American Constitutional principles which were exemplified in the life and service of Raymond Moley. For well over half a century he left his imprint on the public life and dialog of our Nation, until his death earlier this month at the age of 88.

Perhaps Raymond Moley is best remembered by those with long experience in American affairs as the chief "Brain Truster" in the first administration of President Franklin D. Roosevelt. In the excitement of those "First Hundred Days," it was Mr. Moley who served as the President's top adviser. He was, in fact, the architect of many of those early policies aimed at reversing the crushing economic depression of that era.

Furthermore, it was his catch phrase—the "New Deal"—which became the trademark for that administration and by which it is remembered to this day.

This eminent man came to Washington after a decade at Columbia University where he was a professor of politics, government and public law. They were years well spent, imparting to his students the wisdom of his teachings, and gaining the insights of a nation.

Although Professor Moley rode the wave of New Deal popularity in those heady days of change, he broke with the administration four years later. As the Federal machinery grew more complex and pervasive he saw a menace to our cherished constitutional system. In support of his conscience, he switched to the Republican Party where he provided his influential counsel for many years.

He was an ardent advocate of American government at its best and an undeterred foe of politics at its worst. His columns in Newsweek magazine guided and goaded both the electorate and the elected from 1937 to 1968. Professor Moley knew the American process as it should be and as it was practiced. His words reflected that deep knowledge for a generation of people throughout this country.

Shortly before his retirement from Newsweek, I stated in the Senate July 13, 1967:

I wish to pay tribute to one of the best Democrats and one of the most remarkable Republicans I have ever known—both in the same man, Professor Raymond Moley.

It was an assessment of his principled outlook and actions affecting the United States of America with which I still concur.

Mr. President, the recent death of Raymond Moley was a great loss to all who knew him and profited by his vision of America. However, his work and the concept of our Constitution and the law which he shared with his countrymen will endure as part of our national heritage. He was an outstanding American and I join in extending deep sympathy to his wife and family.

CRISIS FOR LIVESTOCK PRODUCERS OF AMERICA

Mr. ABOUREZK. Mr. President, we are considering bailing out the Penn Railroad by approving a grant for that system of $347 million. We do this to avoid disruption of our transportation system on the entire eastern seaboard. We do this because it is an emergency.

There is another emergency of similar gravity in rural America: the financial crisis for the livestock producers of this country, a crisis that is the result of a falling market, a drought, a blizzard, and in some cases, of farmers who consigned cattle to American beef packers and were never paid for them.

The crisis for many of these livestock producers is as severe as it is for the owners of Penn Railroad. If the Congress does not provide, within a matter of weeks, an emergency line of credit at low interest rates for the victims of these disasters, thousands and thousands of farmers are going to be out of business.

But another aspect of that crisis was described in an article in the Minneapolis Tribune Sunday, February 23. As a result of the more depressed livestock market and USDA policies, farmers are planting more and more land. That has implications far beyond the current livestock crisis, creating a crisis for all of agriculture which could in turn trigger a depression not unlike that of the 1930's.

I ask unanimous consent that the article written by Warren Wolfe about one of these farmers be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARMERS STUNG BY UNINSURED CATTLE LOSSES DURING BLIZZARD

(By Warren Wolfe)

MARSHALL, MINN.—Ray Heard spent Jan. 10 to Jan. 12 riding out the worst blizzard in years. He spent the next few days digging out 37 dead steers on his farm near Ivanhoe, Minn.

"After a year like '74, when we've been selling cattle for less than it costs us to feed them, all I needed was a loss like that," he said. "But I thought, 'Thank God I've got comprehensive insurance.'"

That's what he thought until he talked to his insurance agent, who informed him that comprehensive insurance covered just about everything but blizzards.

What Heard needed was blizzard insurance, but unfortunately he didn't know it existed, and his insurance agent had never told him it was available. In fact, the agent didn't even know the rates.

It was that costly discovery that led Heard and a dozen friends to organize a conference in Marshall Saturday on blizzard-insurance problems. Attending were Jon Wefald, Minnesota agricultural commissioner; representatives of three major farm organizations; seven state legislators; insurance representatives, and about 125 farmers.

"One reason we called this meeting," Heard explained, "was to see if there are enough like us to file a class-action suit to recover blizzard damages from our insurance agencies. We think they were deceptive in their dealings with us."

There was substantial agreement at the conference that some insurance agents have been lax in explaining to farmers what was not covered and what additional coverage is available.

"Obviously we have done a lousy job of informing the public or we wouldn't be here today" said Bob Provost, president of the Minnesota Insurance Information Center in Minneapolis. But he argued that few farmers would have bought the blizzard insurance anyway.

"The last blizzard like this was 35 years ago. If your agent had come around in July and asked if you wanted blizard insurance you would have laughed him off the place," Provost said.

Blizzard insurance is available at 5 cents per $100 of coverage, a price many farmers in the audience said they now are eager to pay.

The members of the House and Senate insurance committees at the conference agreed to seek legislation requiring insurance agents to tell their clients what their insurance does not cover, perhaps with a coverage checklist.

There was little talk during the conference of suing the insurance companies, although Tom O'Malley, assistant state insurance commissioner, told the farmers they could sue their agents if they feel, as one farmer did, that their agents were negligent by promising full coverage but not including blizzard insurance.

Wefald said he would support a class-action suit against insurance companies if farmers eventually pursue that course, but most of his speech was a denunciation of "politicians, both Republicans and Democrats" who are pursuing a policy of cheap food that drives farmers out of business.

And he cautioned that continued expansion of crop acreage will drive farm prices down. "With rising production costs, a sharp drop in prices could be disaster for thousands of farmers," he said.

"I try to tell my friends in the Twin Cities, 'How would you feel if you lost 25 to 30 percent of your income and were threatened with a mortgage foreclosure?' That's what you fellas are looking at."

For Heard, organizing yesterday's conference was a continuation of political activity he started years ago. As a member of Associated Milk Producers, Inc., he helped organize its political action group and spent hours in the halls of the state capitol seeking votes for farm-related legislation.

"I had a high-school teacher who taught us all the 93 ways a bill can be defeated, and that's probably the best preparation for this sort of thing I could have gotten."

A heart attack last July forced him to pull back a little.

"But I've been a doer all my life," he said Friday as he prepared for the conference. "But I guess I can take care of myself and do this sort of organizing every once and a while and still make it for a few more years. Hell, my dad had a couple of bad heart attacks and he was going strong long after they thought he'd be dead."

Heard, 55, bought his farm 10 miles from the South Dakota border in 1950 with a GI loan after service in World War II. He was solely a dairy operator until a few years ago "when I could see that I'd better diversify, or I'd get stung." So he added livestock to his dairy operation.

"It seemed like a good idea," he said. "Trouble was, the bottom fell out of the livestock market too." He stopped dairying after his heart attack and kept only the livestock.

"Things have been terrible for the livestock producer," Heard said. "The average producer lost over half his equity in his cattle simply because of falling prices between Jan. 1, 1974, and Jan. 1, 1975. And everything we fed those cattle has just sort of disappeared. We're selling calves now for $75 that it cost us $200 to raise."

Then came the blizzard and the discovery that the losses weren't insured.

"Actually, I was pretty lucky when you consider some of the other guys. I only lost 37 of about 155 head. I've got some friends who lost 150 head or more. Those guys are really set back. It's no wonder some of these fellows are getting set to plow under their pasture and plant row crops."

And that brings up something that concerns Heard, for the long run, even more than the depressed prices and the blizzard losses: the chance that "we're going to kill the land with all this crazy rush to plow up and plant every last acre of farm land we've got. In Lincoln County alone—and we're a pretty small county—we've plowed up more than 30,000 additional acres in just the last four years. So what's that mean?

"Our soil moisture is about four inches below normal in the topsoil with nothing in the subsoil. So if it's too dry this year that topsoil is going to blow away. If it's too wet it's all going to wash off. And if we have a perfect year we're going to have such a crop that we'll flood the market and wreck the farm economy for the next six or seven years," he predicted.

Heard and others would like to see the Soil Conservation Service, which finances some conservation techniques and helps farmers implement others, receive more money to do its job. They'd like to see a better disaster-loan program for farmers and they'd like to see more regard by state and federal politicians for protecting the quality of the land.

"But I won't kid you. I don't know what the answer is. And I've talked to some of the old timers, the retired fellows who went through the dust bowl of the '30s. They just shake their heads about the situation today."

HUMAN RIGHTS AND POLITICAL IRRESPONSIBILITY

Mr. McGOVERN. Mr. President, last week, the United Nations Commission on Human Rights adopted two resolutions censuring the state of Israel for desecrating Moslem and Christian religious shrines and for abridging the religious freedom of non-Jews.

These resolutions are just the latest in a series of attacks on Israel by United Nations' agencies. Virtually every unbiased observer agrees that the attacks are totally unjustified; and they carry little meaning in the international community. But the adoption of such resolutions is often seen as an easy way of appeasing Israel's enemies.

It is particularly ironic that some of the supporters of these resolutions are, themselves, among the greatest violators of human rights in the world today. And, with regard to the desecration of religious shrines, the greatest such desecration in recent history took place on Jewish shrines during the period prior to 1967.

These United Nations resolutions will have little effect on Israel. And they will have virtually no effect on the negotiations in the Middle East. What they will affect—and greatly damage—is the credibility of the Human Rights Commission. From now on, it will be seen by more and more persons as nothing more than another forum for political debate and demagoguery. And, if these resolutions on Israel are an indication of the agency's role, that perception will be a correct one.

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LITHUANIAN INDEPENDENCE DAY

Mr. STEVENSON. Mr. President, I am pleased to join my fellow Americans and my colleagues in the Senate in recognizing the proud people of Lithuania who are observing this month the 57th anniversary of their Declaration of Independence and the 724th anniversary of the founding of the Lithuanian State.

Although 35 years have elapsed since the Soviet Union forcibly annexed their nation, the Lithuanian people remain confident that they will once again know and enjoy freedom.

The Lithuanian people have earned the admiration of the free peoples of the world for the dignity and spirited determination with which they have endured 35 years of captivity and oppression. Theirs is a daily struggle to maintain their language and tradition, and to achieve religious freedom and basic human rights.

If the much heralded détente between the United States and the Soviet Union is to become a viable relationship, there must be a relaxation of curbs on religious and personal freedom in the Soviet Union. This includes the recognition by the Soviet Union of the right of Lithuanians and others to emigrate if they so choose.

FEDERAL PROGRAMS FOR REUSING RAILROAD STATIONS

Mr. HUGH SCOTT. Mr. President—

"Time is against us—water seeps deeper—cracks widen between stones," warns New York architect Norman Pfeiffer in behalf of America's aging, discarded and imperiled train stations—almost 20,000 of them, representing every conceivable architectural style alive here between 1830 and 1950.—Newsweek, Sept. 9, 1974.

In response to Pfeiffer's warning, on January 21 I introduced a bill (S. 251) to further cultural activities by making unused railroad stations available to communities for use as community arts and cultural centers. My interest in this effort was enhanced as a result of a workshop on reuse of railroad stations last July at Indianapolis sponsored by the National Endowment on the Arts and other organizations. The workshop produced many good ideas from local government officials, urban renewers, bankers, developers, railroad officials, and preservationists.

Mr. President, I ask unanimous consent that "Federal Programs for Reusing Railroad Stations," prepared by the Advisory Council on Historic Preservation for the Indianapolis Workshop, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The Advisory Council on Historic Preservation, created by the Historic Preservation Act of 1966, occupies a unique and official role as the Executive-Congressional agency assigned broad responsibilities for historic preservation within our governmental system. The Advisory Council's role in this Conference on Re-Use of Railroad Stations grows out of responsibilities set forth under the 1966 legislation.

". . . in face of ever-increasing extensions of urban centers, highways, and residential, commercial, and industrial developments, the present governmental and nongovernmental historic preservation programs and activities are inadequate to insure future generations a genuine opportunity to appreciate and enjoy the rich heritage of our Nation.

". . . it is necessary and appropriate for the Federal Government to accelerate its historic preservation programs and activities, to give maximum encouragement to agencies and individuals undertaking preservation by private means, and to assist State and local governments and the National Trust for Historic Preservation in the United States to expand and accelerate their historic preservation programs and activities."

The Advisory Council is a 20-member body. Ten of its members are named by law. They are Cabinet officers, the heads of the major Federal agencies, the Secretaries of Interior, Agriculture Commerce, Housing and Urban Development, Transportation, Treasury, the Attorney General, and the General Services Administrator. Other members, also named under the Historic Preservation Act of 1966 are the Secretary of the Smithsonian Institution and the Chairman of Historic Places (also created by the Historic Preservation. They, along with ten citizen members, named by the President for their special expertise in the field of historic preservation, are charged with reviewing Federal, Federally funded and Federally licensed undertakings which have an impact on properties listed in the National Register of Historic Places (also created by the Historic Preservation Act of 1966). Executive Order 11593. "Protection and Enhancement of the Cultural Environment," signed by the President in May 1971, placed additional responsibilities on Federal agencies including that of considering the impact of their plans and programs on historic and cultural properties which are determined to be eligible for listing in the National Register.

In effect, the Council brings together broad public and private concern within the preservation arena under its Executive and Congressional authorities. The Council also has a close liaison relationship with state agencies which are concerned with nominating properties of state and local significance to the National Register and with implementing Federal preservation grant programs that have an impact on National Register properties. Its various authorities and roles provide the Council with the opportunity, the occasion, to play a role in the examination of most preservation issues in which national agency mandates and federal funds might be involved.

As the result of one element of its Congressionally mandated responsibilities, the Council is, of course, deeply concerned over the impact of Federal agency programs on all historic structures—including railroad stations (whether or not they are functioning in their original capacity)—which have been determined to be structures of architectural, historic and/or cultural significance in terms of the development of the Nation's history and its cultural and technological development or the development of the particular area of which such a structure might be a part. Beyond its role in terms of the past, however, the Council is also concerned with the role of such structures in today's society and economy as well as in the culture and economy of the future.

As the National Trust for Historic Preservation celebrates its first quarter century, it tells the world that "Preservation is progress." Few of us would argue but I suggest that it is even more. Alvin Toffler's predictions of future shock lend even greater importance to the need for physical evidence of the individual and National past if we are to provide the continuity which will enable us to avoid the alienation, the shock of the future which Toffler finds otherwise inevitable. Preservationists have heard, perhaps too often, John Steinbeck's line, "Without our past, how will we know it's us?"

In 19th century America and until the days of World War II, in many towns, large and small, dead or alive, there was one point of contact with the outside world—not the traffic light, not the highway interchange, but the station, the depot, the point of entry and the point of departure for the people and goods which changed those towns from the crossroads where it all began to communities in the broadest sense. The Western United States is dotted with ghost towns abandoned because their promise of mineral or agricultural riches did not live up to expectations. Even more towns, however, found themselves without a future when the railroad, the anticipated link to civilization, passed them by, little towns 25 miles north or south of the station where, when the railroad failed to arrive, there was little or no way for anything or anyone else to arrive either. It was the railroad and the station—the depot—which served as the point of contact with other towns—with cities, with ideas, with commerce, with progress.

In the introduction to Reusing Railroad Stations which has identified the scope of our concern, Norman Pfeiffer comments:

"There is an appealing, persistent image of pioneers subduing the wilderness of early America by horseback, covered wagon, and ship. But it was the railroads that truly conquered the continent, both causing and following the transformation of the United States from an agricultural nation. Historically, the railroads represent our ingenuity at its most daring. For over a century they provided mass transportation of raw materials, finished goods, and people at an unprecedented scale. Without their mobility, comfort and relative economy, the United States could not have fed its industrial revolution or attained today's technological sophistication."

But technological sophistication led to new forms of transportation with different kinds of economic incentives and pressures. Federal subsidies contributed to the development of our system of air transport before and after the second World War. Federally supported maritime programs insured that water transportation continued to serve as an element in a military as well as commercial system for moving goods within the Nation's lakes and between our own and foreign ports. Again, in the name of military necessity, a trust fund was created to provide a favorable source of revenues for the development of a system of interstate highways. All programs for the development of other forms of transportation plus the free enterprise tradition which has been associated with the maintenance of a system of railroads in this country, have contributed to the decline of railroads as part of this country's transportation system. And with the decline of the system, has come the inevitable decline in need for stations and what they once represented as an element on the urban scene.

The creation of the National Rail Passenger Corporation (AMTRAK) was an effort—some have called it too little too late, to give life to a truncated passenger rail system as one element in a transportation system more typified by airports and super-highway interchanges than by the once important depot.

What is the role of the Federal government and the passenger rail system which it has created today?

In 1974 the Federal government owns no stations—except for its interest in the Union Station in Washington, D.C.—and that has become, or is fast becoming, a station in name only. AMTRAK owns no stations and AMTRAK's interest in carrying passengers extends only to a concern for a stopping place, a train stop, much like a bus stop, and not a great deal more. And so, the railroad station, as an urban transportation entity, does not function as it was designed to function because, in all too many cases, that function no longer exists.

As we have seen in the catalogue of National Register railroad stations, a great number of railroad stations have received official recognition for their character, their quality, their distinction and have been included in the National Register of Historic Places. Those and others have been recorded for the Historic American Buildings Survey. But there are still other stations—not so significant or not yet recognized—which may well merit preservation on different grounds—perhaps because of the significance of their physical presence at the heart of the community, whether hamlet or metropolitan area, perhaps because they have contributed a sense of place to a particular grouping of people in a particular geographic area for decades or, in some cases, a century or more, or perhaps simply because someone or some group likes the station itself.

Mount Royal Station in Baltimore, the Nation's first city station, was among the first to go—as a station. It was also among the first structures of such character or distinction that public concern and public support were such that another role for the building, as a building, emerged. Today it is the home of the Maryland School of Art and may well weather its second century in that capacity. Mount Royal Station was adapted and reused without benefit of Federal funds. Other stations and former stations have benefited from Federal programs. And, others, greater in numbers perhaps, have found a contemporary use and a future because of interest, support and enthusiasm of private individuals and groups who recognized not only what the station and the building which housed it had been but who have also had a clear view, a vision, of what that station might become.

What possibilities now exist—in terms of Federal programs—and in terms of the national programs of non-Federal agencies—for contemporary uses and a similar future for stations other than Mount Royal in Baltimore, the Lehigh Station in Ithaca, the Chattanooga Choo Choo or the Sweet Briar College Station in Virginia?

The idea may seem novel but it should be mentioned that first of all, a station might well serve as a station. AMTRAK must sell its tickets somewhere and AMTRAK's passengers must emerge somewhere. And AMTRAK authorities acknowledge that, all other things being equal, there is no reason that AMTRAK cannot use an historic railroad station, an architecturally or historically significant station, as a transportation facility—a station. Obviously, AMTRAK's limited passenger demands do not require the same sort of physical resources which were required in the days of six or eight or fourteen trains a day—all with passengers—through many of the small and medium sized towns across the Nation. And so, other uses for the space within the station must be found.

But AMTRAK may well be the most significant component in resolving the future of the stations since it offers the promise of becoming a potential tenant in any reused station where AMTRAK service is provided. Thus, AMTRAK can provide potential developers with the economic first step—the first tenant—the determining factor in deciding that a station is a feasible development prospect.

More important, perhaps, AMTRAK and its demands for station facilities place a control of sorts on a property, one which can serve as a claim for its retention while the options for its retention emerge and develop. This factor gives railroad stations an advantage which is not enjoyed by other structures—churches and candy factories and schools—for which developers and adaptive uses are sought.

But AMTRAK is not the only possibility; other kinds of transportation facilities might well be located—with appropriate support from the Federal government—within the physical facility which one served as a station.

DEPARTMENT OF TRANSPORTATION

1. The Department of Transportation, through its Federal Aviation Administration's (FAA) Airport Development Assistance Program (ADAP) is one possibility.

Today FAA capital grants are available for the purchase of the land for airport terminals but not for the design and building of such terminals outside designated airport areas nor for the construction of related roadway and landside facilities. However, even though FAA financial assistance for terminal construction is not available, the Airport Airways Development Program may, in the future, have potential as a source of funding for projects such as railroad stations. When the Airport Development Assistance Act (ADAP) of 1973 first passed the Senate in February of 1973, it included a provision which would make the Airport and Airways Trust Fund available for funding air terminals. Although this provision was expunged by the time the final bill was signed in June of 1973, there remains substantial support for the inclusion of such a funding provision in airport development legislation now pending before the Congress.

Those who have followed this legislation are hopeful that this issue of terminal funding will be finally resolved during the 93rd Congress. Passage of such a provision is strongly supported within the FAA and by the efforts of the influential lobbying body, the Airport Operators Council (AOCI).

During the past five years, the FAA has also investigated the feasibility of constructing heliport areas in multilevel intercity transportation complexes. FAA may well be prepared to expend funds for that portion of the transportation center including, perhaps a railroad station, used as a heliport, although such heliport areas in intercity transportation are yet to be fully demonstrated as viable.

2. Another Department of Transportation related possibility for railroad station reuse grows out of existing programs of the Department's Urban Mass Transportation Administration (UMTA).

UMTA capital grants are widely available for the construction, or rehabilitation of bus terminals, rapid transit and new system terminals, and for linkages between mass transit and other modal terminals. The Federal share for these projects is ⅔ with the locality (or state) providing ⅓ project cost.

Technical study grants are available for economic feasibility studies which might include railroad station reuse or, engineering or architectural surveys of historically significant railroad stations as one element in a program of improvements in a mass transit system. For example: Efforts to preserve and rehabilitate the San Diego Santa Fe Depot will be aided by a $1.5 million grant from UMTA. The city will turn the depot into a transportation complex including trains, buses, airport ticketing facilities and connections and tourist services as well as shops and a restaurant. It is important to note that UMTA can fund only those areas of the project which involve transit activities. Private developers will invest $3.8 million in the project which will cost an estimated $5.8 million.

3. The Federal Highway Administration (FHWA) is another possibility.

For example, FHWA construction funds are available for the construction of fringe and corridor parking facilities if parking is connected with a mass transportation facility. Such parking facilities will generally be funded only if they are located outside a central business district. FHWA funds can also be expended for the construction of links connecting parking or inter-modal terminals and for building bus ramps, shelters, or terminal buildings. Section 142 of the Federal-Aid Highway Act of 1973 permits funding of bus-auto terminals within the general category of passenger loading and parking facilities. Yet to be resolved is the question as to whether extensive bus terminals (perhaps former railroad stations) lie within the statute's authorization to build "bus passenger loading areas and facilities, including shelters."

DEPARTMENT OF AGRICULTURE

The Department of Agriculture has several programs through its Farmers Home Administration (FHA) activities which might provide assistance to those who are seeking the means for funding railroad station projects.

4. Through the Farmers Home Administration's Community Facilities Grants and Loans programs certain assistance for rail stations seems possible. Under the Grants Program, grants are made to local governments and other political subdivisions to promote the development of business enterprise in rural areas. Such FHA projects must lead to the immediate development of private business or industrial enterprises. Grants can be made to cover the cost of acquiring and developing land and/or existing facilities, for providing support facilities such as gas or electric service lines, for fees and costs for legal, engineering, fiscal, advisory, recording and planning services.

The development of support facilities on a railroad station site as a means for attracting business and industry to the site might be eligible for funding under this program. This is a fairly new program and has not been used, to date, in connection with rail station projects.

5. Under the FHA Community Facilities Loans programs, railroad stations might benefit through loans to local governments or other political subdivisions of States, to nonprofit organizations, or for the construction, enlargement, extension or other improvements of community facilities in rural areas. Recipients of such loans can include local governments or other political subdivisions of States such as districts and authorities, and to nonprofit corporations which meet certain rigid program requirements. Loans must be applied to facilities in rural areas and in towns of not more than 10,000 population. These loans can cover the cost of acquisition and development of land and/or existing facilities for providing or supporting services or programs with social, cultural, or recreational benefits or for industrial or business development.

A public agency or a nonprofit organization could receive such FHA Community Facilities loan monies for the adaptive use of railroad stations as, for example, community libraries, courthouses, or public recreation areas. Borrowers must be unable to obtain the necessary funds for such activities from other sources at reasonable rates and terms. This, too, is a relatively new program and one which has not yet been applied to specific rail reuse projects.

6. Under the FHA Business and Industrial Loan program, funds can be made available to any legal entity, to individuals, to public and private organizations to support the development or expansion of business, industry and other sources of employment. Under this program loans can be made to local governments and other political subdivisions of States such as districts and authorities, to profit making and non-profit organizations and to individuals for projects located in rural areas or in cities of not more than 50,000 population. Priority is given to project

applications for rural communities and towns with populations of 25,000 or less.

The program offers promise to those interested in the development and reuse of railroad stations since loans can be applied to the cost of acquisition and development of land and or of existing facilities. Although the program has not yet been used for such purposes, any legal entity should be eligible for such loans for railroad station projects since the program specifically authorizes monies for business and industrial acquisition, conversion, modernization, and construction.

DEPARTMENT OF THE TREASURY

7. The Treasury Department administers General Revenue Sharing, which might prove to be the most comprehensive funding program which could be used in railroad station reuse projects. Under Revenue Sharing, payments are made to States and to certain local governments for capital expenditures authorized under state and local law and for operating and maintenance expenditures for: environmental protection, financial administration, health, libraries, public safety, public transportation, recreation and social services. States, general units of local government including counties, townships and municipalities, Indian tribal governments and Alaskan native villages are eligible to receive Federal monies under this program.

Nongovernmental agencies and private organizations such as preservation groups may request and receive General Sharing funds from State and or local governments if their financial laws permit such transfers of funds. The Federal Government has no specific authority to designate the distribution or allocation of such funds and preservation projects, including projects for reusing rail stations, must compete for a share of these funds along with other State and local agencies. Of the $30.2 billion authorized for distribution over a five year period under the State and Local Assistance Act of 1972, very little has to date been allocated to preservation activities. It seems realistic, albeit unfortunate, to assume that even less Federal money will be allocated to preservation activities than had been available under the various Federal categorical grant programs which Revenue Sharing has replaced.

At the same time, Seattle has reserved $600,000 of the City's General Revenue Sharing funds for the establishment of an historic preservation revolving fund. The fund is managed by the semi-antonomous public agency, the Historic Seattle Preservation and Development Authority, which has used the funds primarily for restoring historic properties in the Pioneer Square Historic District.

DEPARTMENT OF COMMERCE

The Department of Commerce has a number of programs designed to promote economic development and employment which might be applied to railroad station projects.

8. The Economic Development Administration (EDA) through its Technical Assistance Program's grants and services activities can provide planning assistance to individuals, to State and local governments and to nonprofit organizations for financing economic development planning. Planning assistance can take the form of resource surveys, feasibility studies and preliminary design plans all of which might apply to station projects.

9. EDA's Public Works Impact Program can provide grants to State and local governments and non-profit organizations for public works projects in areas of high unemployment. This program, a part of a broad program of grants and loans under the Public Works and Development Facilities activity of EDA, can make grants of 80% of the cost of land acquisition or acquisition, construction or renovation of facilities. Rail station projects are eligible for funding if there is a particular need which they might fill in the area and if the cost of labor will represent a substantial proportion of the project's total cost. The program gives priority to projects that would benefit the long-term unemployed or low income groups and to projects that would create a long term opportunity for the establishment or expansion of business and industry. The future of the program is uncertain; however, if it is continued and if funding for it is increased it is a promising source of funding for rail station projects such as that in St. Louis County, Minnesota, which received a $352,000 grant for the acquisition and renovation of Duluth's Union Depot, an 1892 Norman style railroad station which will be converted into a cultural center to include railroad and industrial museums.

10. Also under EDA's Public Works and Development Facilities activity, the Long Term Employment Program, if continued and funded at an increased level, might serve as a stimulus for railroad station redevelopment. The Long Term Employment Program gives grants and loans to State and local governments and to public and private non-profit organizations for public works projects which improve opportunities for the establishment or expansion of business or industry or which assist otherwise in the creation of employment for the unemployed or for low income groups. State and local governments are eligible for assistance under this program as are Indian tribes and public and non-profit organizations which seek funds for projects located in redevelopment areas or economic development centers which have been so designated by EDA.

This program can provide basic grants to cover up to 50% of the cost of acquiring and developing land or the cost of acquiring, constructing or renovating facilities including machinery and equipment. The program can provide loans in conjunction with grants usually only in those cases where applicants are unable to provide the local share of matching funds from other sources.

11. Another Department of Commerce activity, the Business Development Loan Program, can provide long term low interest loans to individuals, State and local governments and to local development groups to assist them in the establishment of new businesses or in the expansion of existing firms in designated redevelopment areas or in designated economic development centers. Such loans might be used in establishing businesses in railroad stations converted to another use if the project is such that it creates new sources of employment and if it does not involve the relocation of existing businesses.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

12. As of the end of Fiscal Year 1974, HUD, once the major Federal funding agency for preservation activity in urban areas, has only a program of Comprehensive Planning and Management Grants (the "701 Program") which might be of assistance to those who are searching for possible Federal funding to assist in the rehabilitation of railroad stations for adaptive use. Under the 701 Program, grants can be made by HUD to States, metropolitan areas and planning agencies, to cities with a population of 50,000 or more and to Indian tribal bodies. Through the States, 701 grants from HUD can also be made to counties, to cities with less than 50,000 population, to local development districts and to economic development districts. Historic preservation planning activity, including that related to railroad stations, is eligible for assistance if it is undertaken as part of a comprehensive planning program.

Funding may be available for surveys of architecturally and historically significant rail stations, for a study of the present or a potential relationship between an historic or architecturally significant station and other components of comprehensive planning in an area, or in order to provide preliminary cost estimates on station property rehabilitation proposals. As an example of the sort of activity which is possible under the 701 program, in Natchez, the Mississippi Research and Development Center received a grant for an historic resource survey and inventory for a designated area of Natchez.

HUD'S proposed Community Development Block Grant Program (the Congressional version of the Administration's proposal for community development special revenue sharing and identified in its Administration version as "The Better Communities Act", now scheduled to go to a conference committee of the Senate Committee on Banking, Housing and Urban Affairs and the House Banking and Currency Committee, for a reconciliation of the differences between the House and Senate versions of "the Housing and Community Development Act of 1974", HR 15361 and S. 3066), if adopted, will replace a number of HUD's categorical grant programs which have been subject to a funding moratorium for some 18 months including the Open Space Land Program, Urban Renewal Programs (including Neighborhood Development Programs) and HUD's Rehabilitation Loan and Grant Program.

13. If adopted, the 1974 Community Development Block Grant Program will make it possible for HUD to provide community development grants for any of the purposes formerly funded by the now defunct categorical grants programs including the acquisition, rehabilitation and improvement of historic properties. Those eligible for the Community Development Block Grants, if the Legislation is adopted as now proposed, will include Standard Metropolitan Statistical Areas (SMSA's), cities with population of more than 50,000, urban centers with greater than 20,000 population and, for the first five years of the new program, those other communities which qualified for funding under the "hold harmless" provision covering active Model Cities programs and Urban Renewal projects approved during the 1968-1973 period. Other communities which might qualify include those selected by the States for the receipt of State discretionary funds.

Under current proposals for the Community Development Block Grant program, substantial Federal monies will be available for preservation funding on a matching basis. Railroad station adaptive reuse programs may be able to receive grants under this program by working through the chief executive officer in each SMSA. Those interested in preservation projects including those relating to railroad stations should seek funds under this program as soon as it becomes effective, tentatively 1 January 1975.

HUD's Neighborhood Development Programs (NDP), although ineligible for new funding after January 1973, can sometimes give approval for requests for incorporating plan changes for historic preservation activities within ongoing urban renewal projects if such plan changes will not increase project budgets. NDP's can provide loans, grants and advances to State and local public agencies which are authorized to undertake projects for the redevelopment of deteriorated urban areas. Under this program when active, historic preservation capital grants were available on a ⅔–⅓ basis up to $90,000 in Federal funds for each project. Under this program, surveys, inventories, rehabilitation and restoration feasibility studies were possible. In Sheboyagan, Wisconsin, for example, the city's urban renewal agency surveyed and inventoried historic properties within the 495 acre NDP.

HUD's Open Space and Land Program, also ineligible for funding since January 1973, provided grants to State and local public bodies to improve, acquire and restore areas, sites and individual structures of architectural and historic value. Under this program, a $20,000 grant assisted in the conversion of the Duluth, Minnesota, Union Depot, into a city cultural complex designed to house a museum, the county historical society, the Duluth Art Institute and perhaps a new theatre.

Another HUD program, also discontinued in January 1973, was the Rehabilitation Loan and Grant Program designed to provide loans and grants to repair and rehabilitate properties located within HUD assisted urban renewal, neighborhood development or code enforcement projects.

DEPARTMENT OF THE INTERIOR

14. Interior, through the National Park Service's National Register Program and though the Historic Preservation Grants In Aid Program, can assist railroad station projects.

NPS can provide matching grants to assist States and Territories in surveys and inventories of historic resources (including railroad stations), in preparing and implementing State Historic Preservation Plans (basically a State statement of preservation priority projects for which the State is prepared to supply matching funds) and by assisting the States in programs relating to the acquisition and development of properties including railroad stations which are listed in the National Register.

It is important to note that funded projects must conform to the State's Historic Preservation Plan which must be approved by the National Park Service's Grants Program. (The National Park Service program also makes grants to the National Trust to support a wide range of its activities which will be discussed separately).

Under this Grants program, the Petoskey, Michigan, C&O Railroad Station received a $7,403 grant for structural repairs as part of a program converting the station into a museum.

The National Park Service anticipates an increase in requests for funding railroad station preservation projects under its historic preservation grants program.

15. The Department of the Interior and Department of Agriculture sponsor a joint Youth Conservation Corps program designed to provide summer employment on conservation projects for young people. Under DOI, members of the Youth Conservation Corps are assigned to conservation activities under the direction of DOI's Bureau of Land Management. This year, for the first time, the program is permitting YCC participants to assist in conservation activities on nonfederal lands. Either Federal agency (Interior or Agriculture) can operate a conservation project under this program or activities can be undertaken by nonprofit organizations under contract to either Interior or Agriculture. YCC paticipants must be 15–18 and permanent U.S. residents. They can work on salary or as volunteers and, although it is difficult to involve YCC participants in projects such as railroad station adaptive reuse, such participation seems possible.

NATIONAL ENDOWMENT FOR THE ARTS

The National Endowment for the Arts, through its Architectural and Environmental Arts Program, can undertake a variety of activities which can assist those who are interested in Federal programs which can be applied to railroad stations.

16. The Endowment's Public Education and Awareness Program has served as the Federal catalyst for generating public and private interest in the adaptive use of railroad stations. Under this program, grants can be made to individuals, nonprofit organizations, and to State and local governments, usually on a matching basis.

The Endowment has made grants for several projects relating to the preservation of railroad stations including a $20,313 grant to Roger Hagan for his documentary film on creative uses of railroad stations; a $23,550 grant to Educational Facilities Laboratory for the preparation of the book, Reusing Railroad Station, which will be supplemented by a second publication resulting from the Indianapolis July 22–23 Conference on Reuse of Railroad Stations; a $3,260 grant to a New Jersey graduate student for a survey of railroad stations in that State in order to determine their suitability for acquisition and use as cultural activity centers; and a grant to assist in underwriting the Indianapolis July 22–23 Conference.

17. The National Endowment's National Theme Awards Program, also part of its Program in Architecture and Environmental Arts, gives grants to individuals, nonprofit organizations and to State and local governments for planning and organizing projects and programs in the field of architecture and urban design. This program has granted up to $80,000 to communities for innovative and creative project approaches in theme areas such as City Edges and City Options.

18. The Endowment's Architecture and Environmental Arts Program, through its Professional Education and Development Program, makes grants to individuals, institutions of higher education and to nonprofit organizations to support basic research in building design and in order to improve the education of design professionals. Under this program, grants can be made to specific preservation related activities including perhaps, those related to railroad station reuse, and might be used for research in building design and in the preparation of restoration plans for certain types of buildings.

NATIONAL ENDOWMENT FOR THE HUMANITIES

19. The Endowment for the Humanities might well, through its Division of Grants, fund individual grants or fellowships or nonprofit organizations for projects relating to some aspect of railroad stations development such as, perhaps, the analysis and survey of historically and architecturally significant rail stations of a particular style and period.

The Endowment for the Humanities is especially interested in projects that bear on major issues of contemporary concern. It should be noted that the Endowment does *not* provide funding assistance to cover construction or restoration costs.

APPALACHIAN REGIONAL COMMISSION

20. The ARC might be able to assist in a railroad project through its program to provide supplements to Federal grant programs and to assist state research, technical assistance and demonstration projects, especially by providing supplemental funds for construction, land acquisition and/or equipment for eligible applicants including States (and subdivisions and instrumentalities of the States) and private nonprofit organizations.

ARC funds might be used as supplemental grants for the restoration, rehabilitation or improvement of facilities such as railroad stations if such grants would meet the purposes of the State's redevelopment plan and in non-Federal sources have supplied at least 20% of eligible development costs.

ARC funds have been used for projects for the restoration of public buildings and might well be used for feasibility studies on railroad station proposals if they could be characterized as beneficial to the economic and social development of an area.

REGIONAL DEVELOPMENT COMMISSIONS

21. Seven Regional Development Commissions provide supplementary grants to help State and local governments meet matching requirements under Federal grant-in-aid programs. The commissions undertake interstate economic development planning and promote those activities which might foster economic development in each of the seven regions.

Railroad station reuse projects could be funded if such projects were consistent with a commission's economic development goals for the area. For example, the Upper Great Lakes Regional Commission provided a $200,000 supplemental grant for use in converting Duluth's Union Depot into the city's new cultural complex, a $2.5 million project which received other funding from private foundations, individual and corporate donations, and several Federal programs.

Also, Northeast Regional Commission gave $100,000 in grants to the city of Lowell, Massachusetts, for its "center city development program" to revitalize the city's core area.

SMALL BUSINESS ADMINISTRATION (SBA)

22. The Small Business Administration would seem to be a promising source of Federal funding assistance for railroad station projects through SBA's State and Local Development Company Loan programs. These programs are designed to make equity capital and long term loans to small businesses and to assist in construction, conversion or expansion of business facilities to include the purchase of land, buildings, equipment and machinery. State Development Corporations concentrate on the creation of jobs and on increasing the economic development potential of businesses. Local Development Corporations might assist a community in the acquisition or improvement of a railroad station which could then be leased or sold to a small business. Participation loans under the Local Development Corporation programs have been used for the purchase and restoration of historic structures which have subsequently been used for profit-making activities.

23. SBA's Business Loan and Economic Opportunity Loan programs would also seem to merit investigation by those who are seeking Federal funding assistance for historic preservation projects such as railroad station reuse. These programs are designed to provide small businesses with assistance in covering the costs of construction, conversion and expansion of business facilities including the acquisition of land, buildings, machinery and equipment and to provide flexible credit to low-income of disadvantaged would-be entrepreneurs. These loans would seem to be especially appropriate for those who are seeking assistance in converting a building such as a former railroad station into a viable office or commercial space. SBA Business Loans ranging in size from $18,000–$40,000 assisted in financing the adaptive use of historic buildings which are now functioning as commercial enterprises in Alexandria, Virginia.

24. TVA's Operation Townlift, through which TVA's professional staff assists communities in the Tennessee River Valley area with planning services, might be of assistance with railroad station reuse projects located in that part of the country. This program assisted one small Mississipi town by providing preliminary plans for the conversion of the community's 19th century courthouse into a museum and information center on the basis of which the town sought (and received) an historic preservation grant from HUD.

GENERAL SERVICES ADMINISTRATION

25. GSA is, like AMTRAK, a major potential force in the adaptive reuse of railroad stations of any category by virtue of its capability to lease space in such stations for the use of Federal office space. GSA cannot make funds available for the restoration or rehabilitation of a station which is to be converted to office space but, by virtue of its commitment to lease space, potential developers are in a better position to finance their own efforts to rehabilitate station[illegible]

for that matter, any historic property in which GSA is prepared to lease space). GSA is somewhat constrained by the fact that it serves as the agent for Federal agencies and any space which it is prepared to lease must meet the requirements (or must be capable of being rehabilitated and adapted in order to meet the requirements) of Federal agency tenants.

THE NATIONAL TRUST FOR HISTORIC PRESERVATION

26. The National Trust is not a Federal agency but its programs can serve as an adjunct to Federal programs and can give guidance as to the best way to use that funding which is available under Federal programs. In many cases the National Trust, better than any other group, can aid preservation efforts including those which relate to the adaptive use of railroad stations through providing advice, aid, comfort, guidance and the benefit of its own experience and that of others with similar or related objectives.

The Trust provides professional advise on preservation problems through its Department of Field Services. In addition, its departments can provide professional expertise relating to historic property programs and activities. (Administration. Architecture (historical and restoration)), Career counseling, Decaparative arts Curatorship, Fund Raising, Historical Building Surveys, Horticulture, Legal techniques of Preservation, Logistical Conference Coordination, Museology, Planning, Property Interpretation, Property Management, Public Relations, and Publications. In addition, the Trust's Department of Field Services provides two financial assistance programs, Consultant Service grants for matching funds to assist in securing the services of qualified professional consultants on preservation problems such as those which relate to rail station reuse. The National Historic Preservation Fund assists nonprofit Trust member organizations in their preservation activities including, for example, stations, in the establishment and operation of local revolving funds. The Trust conducts conferences, regional workshops, meetings and seminars on specific preservation issues such as preservation law, building codes, historic districts and building crafts.

The Trust serves as a central mechanism for the collection and dissemination of information relating to the broadest range of preservation activities, public and private, for profit and nonprofit, and at every level of government.

The Trust is now preparing *A Guide to Federal Preservation Programs*, a 400 page study which is scheduled for publication later this year. This Guide, in draft, has been most helpful in the preparation of this paper. It should be of great assistance to those historic preservation interests which are trying to involve the Federal Government—financially—in their efforts to preserve historic structures including, of course, railroad stations.

In conclusion, some general observations.

Fortunately, no one expects Federal programs to provide the life saving impetus in efforts to reuse the eclectic collection of structures which have served and which will continue to serve, in some cases, as railroad stations. Some of these stations, by virtue of their architectural integrity and others, because of their lack of that integrity, are capable of attracting the economic, the political and the emotional support which will guarantee their future for one use or another. Other such structures may be lost because they lack that support and, in many cases, the communities where they were located will be poorer by their absence from the urban or the rural ambience of which they were a part.

To save these stations and to save historic structures of any category, whether firehouse or roundhouse or courthouse, and to give them a future as viable and functioning elements on the contemporary scene, there must be some vision, some foresight, some perspicacity, some passion, some private commitment, some community support, some historic or architectural or cultural quality or distinction and, on occasion, there must be some Federal money.

COMMISSIONING OF THE U.S.S. "SOUTH CAROLINA"

Mr. THURMOND. Mr. President, in December of 1970, in Newport News, Va., the keel was laid for a nuclear powered, guided missile frigate. I had the privilege of attending this ceremony, and a year and half later, in July of 1972, I also attended the launching of the ship. I am now happy to report that on January 25, 1975, the same ship was commissioned in the U.S. Navy and entered our Nation's service bearing the proud name U.S.S. *South Carolina*.

This brandnew vessel is not the first to be called after my home State. In fact, four other ships of the same name have served in the U.S. Navy, and another, a European ship under charter to South Carolina, played a significant role in the American Revolution. Thus, the new U.S.S. *South Carolina* will be part of a long and historic tradition. With her size of 10,000 tons, her length of 596 feet, her top speed of 30 knots, and her strong armaments, both nuclear and conventional, I have every confidence that she will prove fully worthy of her distinguished predecessors.

I am not the only one to have taken an interest in this ship. The whole State of South Carolina has followed its building and testing with keen anticipation. As I saw for myself, many South Carolinians traveled to Norfolk for the commissioning on January 25. One week later, on February 1, a turnout of thousands welcomed the ship to Charleston for Patronesss ceremonies. The people of South Carolina have always favored keeping our Navy strong and up to date, and they are highly gratified to be represented by a vessel which contributes so notably to this end.

It was a moving experience to hear so many people cheering the U.S.S. *South Carolina* in Norfolk and Charleston. I wish that others would take the same attitude that these crowds displayed toward our Nation's defense. The sad fact is that our Navy is losing the strategic superiority it has enjoyed for some many decades. Although some people seem indifferent, I feel that this trend is highly dangerous. The construction of more ships like the U.S.S. *South Carolina* would be a significant step toward reversing it. As an added benefit in these times of recession, increased shipbuilding would also provide new jobs and stimulate related sectors of the economy. I urge Congress to give serious consideration to a program which would help, at the same time, in the defense of freedom and the restoration of economic stability.

Mr. President, at the commissioning of the U.S.S. *South Carolina* on January 25, 1975, I had the honor of delivering an address. An earlier address I had given at the laying of the keel was kindly inserted in the CONGRESSIONAL RECORD of December 3, 1970, by Representative THOMAS N. DOWNING of Virginia and the late Representative L. Mendel Rivers of South Carolina. My remarks on the occasion of the launching were inserted in the CONGRESSIONAL RECORD of July 25, 1972, by Representative DOWNING. In order to complete the historical documentation, I ask unanimous consent that my address of January 25 of this year be printed in the RECORD at the conclusion of my remarks. In addition, I ask unanimous consent that an article about the U.S.S. *South Carolina* that appeared in Sandlapper magazine in the issue of January–February 1975, be printed along with it.

There being no objection, the address and article were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR STROM THURMOND

Secretary Middendorf, distinguished members of the Congress, Governor and Mrs. Edwards, Lt. Governor and Mrs. Harvey, officers and men of the uniformed services, and especially those of the U.S.S. South Carolina, Mrs. Buzhardt, Mr. Diesel, my fellow South Carolinians, and other distinguished guests, and ladies and gentlemen:

It is indeed an honor to be present for the commissioning of this nuclear powered ship bearing the name South Carolina. Our state has a proud tradition—a tradition which has been inextricably tied with the history of our country as have the ships that have borne the name of our great State.

I can think of no greater way to open the 200th anniversary year of our nation than by commissioning this ship with the name of one of the original 13 colonies.

This ship, a powerful instrument in insuring free passage for all ships on the waters of the world, has some interesting ancestors.

ANCESTOR SHIPS

The Carolina, leading ship of the tiny expedition that settled South Carolina three hundred years ago, should surely be considered the first of these, although she was not, strictly speaking, a Man-Of-War. She was, however, a "fighting ship," not because of the meager armament that she carried, but because of the dangers which she faced and overcame. She fought her way through storms which wrecked two of her companions, and made an amphibious landing on territory claimed by the hostile Empire of Spain. Her success established South Carolina as the southwestern outpost of the English-speaking world.

Other ships, among them some named Carolina and South Carolina, carried settlers during the ensuing century to the new world, and helped our State grow and prosper. As a leader in the fight for American independence, South Carolina undertook to play its part in naval affairs, notably by commissioning the frigate South Carolina, built in Holland.

A celebrated and formidable ship, carrying 40 guns, her keel was about 160 feet long and strong as a castle. She defeated a number of prize vessels and helped in the capture of the Bahamas before her own capture by the British in December 1782.

During the Confederate War another fighting ship was named after South Carolina, not by her proper name but by her nickname, the Palmetto State. An early ironclad ram constructed in Charleston, she was for a time successful in driving off the Federal blockade.

The most recent ship to be named after the State was the battleship South Carolina, commissioned in 1910. Like the ships of Theodore Roosevelt's "Great White Fleet," this South Carolina carried as the figurehead on her prow a replica of the Great Seal of the United States. The figurehead from the *South Carolina* was saved and now graces the main entrance-way under the north portico in the State House in Columbia.

NEW SOUTH CAROLINA

The new *South Carolina* is a ship of great capability. She is equipped to fight against submarines, surface ships and aircraft. In both forward and after launchers, she carries missiles to shoot down enemy aircraft. Her missile magazines are also designed to hold the Harpoon anti-ship missile now being developed by the Navy. Topside she carries the latest missile and gun fire control radars and sensors. Below her waterline she carries a powerful sonar to guide her attack on submarines using her anti-submarine rocket launcher, torpedoes and helicopter.

This *South Carolina*, like the early ships named *Carolina*, has no smokestack. Within her hull are two nuclear reactors that provide the steam to run her engines, drive her electrical generators, and heat and air condition her living spaces. The nuclear cores that were installed in her before delivery contain enough nuclear fuel to make her self-sufficient in energy for at least 10 years. With today's price of oil, that feature is a real plus.

The fact that this ship will not need refueling for a decade represents not just a notable feat of engineering achievement, it represents a new and necessary dimension in the capability of naval warships.

As each of you know, our industry and our daily lives are inseparably tied to foreign oil and the policies of foreign governments. We now must face the fact that we are not, as a nation, entirely self-sufficient.

NUCLEAR POWER ADVANTAGE

Ships like the *South Carolina* are not dependent on foreign bases, nor on oilers, to supply the vast quantities of fuel our ships need to operate at combat tempo in forward areas. Nuclear powered forces can transit long distances at high speed, conduct sustained combat operations, then retire to remote areas of low threat for replenishment of combat consumables. In contrast, oil-fired ships must refuel every several days or must limit their speed to conserve fuel.

Nuclear power enables us to provide our major warships now, in time of peace, with the fuel they will need in time of war. Thus, the limited supplies of fuel oil that we will be able to provide in combat can be reserved for the aircraft and land vehicles for which there is no other possible fuel.

OTHER SOUTH CAROLINA CONNECTIONS

As a member of the Senate Armed Services Committee, I can tell you that today's event had another South Carolina connection besides the naming of this ship. South Carolina was the home of the late Congressman L. Mendel Rivers. Mendel Rivers recognized the need to provide nuclear powered ships for our Navy. In fact, it was Mendel Rivers who led the fight for the *South Carolina* and the *Carolina*, *South Carolina's* sister ship. He conducted extensive hearings in the House and pointed out to his fellow Congressmen the need for our first line warships to be nuclear powered.

It was Congress, not the President, or even the Navy that took the lead in demanding nuclear ships. This fight continues as just last year it took considerable effort within my own Committee to win approval of the additional nuclear frigates needed by our Navy.

RICKOVER'S COURAGE

This fight was made possible by one of the world's greatest Admirals, Hyman Rickover. A pioneer in nuclear engineering, his skill and courage were largely responsible for the nuclear ships in our Navy today.

Further, under the able leadership of Secretary J. William Middendorf and Chief of Naval Operations, Admiral J. L. Holloway, I predict our Navy will rise to even greater heights to meet the challenges we shall face in future decades.

If this nation is to continue its role in world affairs and maintain the security of its shores, we need to provide the Navy with modern ships such as *South Carolina*.

I am greatly honored to be here and extend to Captain Neel and his crew, on behalf of the people of South Carolina, best wishes as this ship is formally commissioned into the Navy and continues the tradition of South Carolina in the service of the nation.

[From the Sandlapper magazine, January–February 1975]

PROUD NAME LAUNCHED AGAIN

This month the newest ship in the U.S. Navy takes her place in the fleet. She is the *USS South Carolina*, commissioned out of the Norfolk, Va., Naval Station. She is the fifth ship to bear that name.

The first *South Carolina* appeared in 1780, amid European political intrigue. Construction of the continental state frigate had actually begun in Amsterdam, Holland. She had been called *L'Indien*, and her building had been authorized by the U.S. commissioners in France, Arthur Lee, Silas Deane and Benjamin Franklin. Later that year, John Paul Jones sailed for France with the hope of assuming command of the new frigate, but the Dutch government, under pressure from George III, sold the uncompleted *L'Indien* to Louis XVI of France. For more than two years the 40-gun frigate lay idle while American and European agents schemed to obtain her. Finally, in May 1780, Louis granted the frigate to the Duke of Luxembourg, who then chartered her to the state of South Carolina, represented by Comm. Alexander Gillon. Gillon changed the name to *South Carolina*.

The ship was actually completed in Texel, Holland, and made her maiden voyage in August 1781, manned by a crew of 550 men, including 300 French Marines. The remainder of the crew was composed largely of American sailors from British prisons. *South Carolina* captured several ships en route to Charleston in 1781, then proceeded to her next assignment in Havana, Cuba, where she led the combined American-Spanish expedition to capture the Bahamas. Later, she was blockaded in Philadelphia and taken by three British men-o-war off the Delaware Capes.

This first *South Carolina* was a weakly built ship: Her combination of heavy French guns and extreme length may have made her appear as a sleek, powerful ship, superior to the stubby men-o-war prevalent in the British Navy, but she was too hard to handle. Her shortcomings in hull strength caused special consideration to be given to the hull design of the first newly built frigates of the American Navy, the *Constitution* and the *Constellation*.

The first *South Carolina* which actually served in the U.S. Navy was a schooner in the U.S. Revenue Service (Coast Guard) and was built in Charleston in 1798. The 187-ton schooner and its complement of 35 men were placed under naval jurisdiction for operations against French privateers in the Caribbean. Under the command of Capt. John Payne, she cruised off Cuba and Haiti for several months before returning to Charleston in 1799 to resume service as a Revenue Cutter.

Later that year, the second *South Carolina* was built in Charleston, apparently under the name *Protector*. Hers was a brief life as a coastal patrol vessel. She was sold at Charleston in 1802.

The third *South Carolina* was a screw steamer built in Boston in 1860. Ironically, she was part of the blockade squadron during the Civil War which attempted to seal off the harbors at Galveston and Charleston. She was decommissioned in 1865 and sold at a public auction in 1866.

In 1910 the fourth *USS South Carolina* was commissioned at the Philadelphia Navy Yard. The 452-foot vessel had a displacement of 16,000 tons, a designed speed of 18.5 knots and a complement of 51 officers and 818 men. Her original armament included eight 12-inch .45-caliber guns, twenty-two 3-inch .50-caliber guns, four one-pounders, two .30-caliber guns and two 21-inch submerged torpedo tubes. The maximum thickness of her armor was 12 inches.

After a shakedown cruise she visited Charleston in April 1910 to receive a silver service from the state. She continued to call at such ports as Copenhagen; Waxholm, Sweden; Constadt, Russia; and Keil, Germany. In 1914 she landed Marines to guard the U.S. Legation at Port-au-Prince, Haiti. She also landed a force at Vera Cruz, Mexico. In 1917 she was assigned to duty as a gunnery training ship before becoming part of the escort for a troop convoy bound for France. After the Armistice, she made four troop transport runs from Brest, France, returning 4,505 veterans to the states. She was decommissioned in 1921, in accordance with the Naval Armament Limitation Treaty.

This is the tradition that the newest *USS South Carolina* must live up to. Among the first trappings of a new seagoing vessel is an appropriate crest. The Patriot's Point Development Authority selected a design by Edward Ziegler, a student at North Augusta High School. The distinctive red, white and blue coloring associates the ship with the U.S. Navy. The ship's motto is intentionally the same as the state's: "Prepared in mind and resources." The field of white and five stars indicate that this is the fifth *South Carolina* to see service.

The ship that this crest represents is a 10,000-ton, nuclear-powered guided missile frigate. Her length is 596 feet and she has a designed speed of 30 knots. She is well-armed: two Tartar missile systems; an anti-submarine rocket system; two 54-inch .54 caliber lightweight guns; and four torpedo launchers. Long-range sonar rounds out her capabilities as a three-dimensional warship. She is manned by 33 officers and 512 men, under the command of Capt. William C. Neel.

The keel of older ships was the major strength of the hull. From the keel other members would be added until the ship was complete. This careful positioning and certification of the keel has carried through time until on Dec. 1, 1970, the keel of the USS *South Carolina* was laid at the Newport News Shipbuilding and Drydock Co. The ancient tradition of announcing the keel "truly and fairly laid" was completed by Mrs. Margaret Middleton Rivers. The major address of the day was given by Sen. Strom Thurmond. Other officials participating were Secretary of the Navy John Chafee; Adm. Elmo Zumwalt, chief of naval operations; Vice-Admiral H. G. Rickover, director of the Naval Nuclear Propulsion Program; and L. C. Ackerman, President of Newport News Shipbuilding. The late congressman L. Mendel Rivers gave the closing remarks following the keel laying.

The launching was held on July 1, 1972. The launching indicates that the ship's underwater hull has been completed and it is ready to enter the final stages of construction.

A third event prior to commissioning is unique to nuclear powered ships. This is the "in service" date. At that time the crew moves aboard the ship and assumes responsibility for the operation of the ship during the sea trials that shortly follow. These trials were held in middle and late October of 1974.

The modern commissioning ceremony is derived from ancient pagan rituals which attended the launching of new ships. Phoeni-

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cians, Greeks, Romans, Vikings—all seagoing people formulated a ceremony to ward off evil spirits and denizens of the sea. While these demons are no longer of major concern to seamen today, the experienced sailor feels a certain ancient, mysterious presence of the wide ocean.

In direct lineage with the rituals of the sea, the formal naval commissioning ceremony, a custom deep in naval tradition, marks the formal inception of a man-o-war into the country's naval forces. In the early days of the U.S. Navy, no formal procedure was defined. Thus, a ship's commissioning came after that vessel had raised its first colors and received its officers and crew. The first log entry was made, orders to the commanding officer were issued and the ship put to sea. The final, formal step is the unfurling of the commission pennant, a long thin flag bearing seven stars and a single red and white stripe.

As the USS *South Carolina* takes its place in the fleet, she becomes part of the 200-year tradition of ocean-going warships of this state and nation. She sails in the hope that fair winds and a following sea will mark her service as a gallant representative for her namesake state.

VERMONT FARMERS NEED CREDIT RELIEF

Mr. LEAHY. Mr. President, family farmers are able to survive economically only if they have adequate credit to purchase the materials essential for production. For the vast majority of them it is axiomatic that if they are unable to obtain that credit, it will not be long before they will be forced to abandon farming.

That is why Congress over the years established a three-tiered farm credit system—commercial banks, the Farm Credit Administration, and finally the Farmers Home Administration to provide credit of last resort, when it cannot be obtained elsewhere, to help family farmers stay on the land.

Today, there are certain weaknesses in the operation of the Farmers Home Administration which we must correct if that agency is to fulfill adequately the purpose for which it was established.

First of all, we must make it possible for the Farmers Home Administration to refinance its loans—an authority possessed by almost all lending institutions but lacking in this agency.

Second, Congress must appropriate adequate funds for personnel and the Administration must hire them so that the agency can get on with the job it has to do. The fact is that the Farmers Home Administration has been so seriously shortchanged in terms of personnel that the servicing of loans essential to the success of the system is not occurring as often as it should be.

Third, because travel money for county personnel has been so severely restricted by blanket travel restrictions recently imposed, many of the operations of the agency have come to a virtual halt. It seems unbelievable, but the fact is that in many instances badly needed loans are being delayed or denied because travel restrictions prevent FHA agents from assessing the need for a loan or from servicing a prospective one.

Fourth, Congress should relax some of the restrictive limitations which it has placed on the operating loan fund which is preventing many farmers from receiving help this year.

Finally, we must make adequate appropriations for operating loans for farmers who will be forced to leave the land unless they can obtain credit for feed and supplies to tide them through the current economic squeeze in many agriculture areas of the country. I join with the distinguished chairman of the Committee on Agriculture and Forestry (Mr. TALMADGE) in his call for an additional $200 million for the current fiscal year to enable the FHA to meet that need.

These are serious problems, and I am hopeful that we can resolve them quickly here in Washington. Under normal circumstances, these difficulties would be sufficient to hobble any Federal agency. Unfortunately, in my State of Vermont they are compounded by a quality of program implementation that is meanspirited to say the least.

The farmers in Vermont are largely dairymen. Dairy farmers along with all livestock producers are in desperate straits because of skyrocketing costs of feed and other essential inputs on the farm.

Compounding this is the fact that businessmen who would ordinarily extend short-term credit to farmers can no longer do so because of the deteriorating state of the economy. In short, the situation is extremely serious for many dairy farmers who must get credit now to buy the hay they need to get through the winter.

Ordinarily, we would thank heaven we have Farmers Home to fill in this yawning economic gap. But, that does not appear to be the case.

Vermont is relatively fortunate in that there are still unobligated FHA funds available, at least for the short run, for operating loans whereas FHA allocations in many States have been depleted. Nevertheless, hundreds of Vermont farmers have called and written me complaining of the unreasonable obstacles preventing them from obtaining credit from Farmers Home. State Agriculture Commissioner Leo O'Brien, an outstanding public servant truly dedicated not only to the problems of agriculture in general but also to the needs of individual farmers, has briefed me on numerous occasions and has traveled to Washington to make clear to me the critical situation in which Vermont dairymen find themselves.

Why, then, is this happening? My distinguished colleague from Vermont in the House of Representatives (Mr. JEFFORDS) and I recently discussed this situation with Mr. Frank Elliott, Administrator of the Farmers Home Administration. We found him anxious to help Vermont dairymen out of their difficulties, and he assured us of his cooperation in trying to resolve existing problems. If New England regional officials would show the same concern, the problems themselves would not be nearly as acute as they are.

Mr. President, let me cite an example of the kind of thing that is going on in Vermont, and this is only one of hundreds of similarly documented cases that have come to my attention.

In May 1974 a dairy farmer in my State made application for a loan and was told that he would receive a decision by July. In June a local dealer sold this farmer 10 cows based on a verbal commitment from Farmers Home officials that the loan was going to be approved. The cows were delivered in August. In October the nervous dealer again went to Farmers Home and was told by the local supervisor that the loan had been approved and that the money would be available in January 1975.

By November the farmer still had no word as to whether the loan was approved or not. At that time the rural and farm family rehabilitation project of the University of Vermont made inquiry in his behalf and was told that the loan had been rejected because of problems in getting information together on soil maps in order to plan use of the land.

Finally, in December an FHA official visited the farmer and told him the loan had been turned down because his production was too low and he did not have the repayment ability. Even worse, he told the farmer that the State office had made the decision in July—6 months earlier.

The capstone on this debacle came when the official asked the farmer to sign papers to auction off his property in 2 weeks. The farmer immediately consulted a lawyer and was advised not to sign any such papers with Farmers Home.

Here is a case of an agency that is supposed to protect marginal farmers trying to force one out of business. It is an inexcusable example of bureaucratic ineptitude and insensitivity.

This incredible insensitivity was further revealed in a recent interview with Sherman K. Sprague, State Director of the Farmers Home Administration, which appeared in the Barre-Montpelier Times-Argus. Mr. Sprague is quoted as saying that his agency cannot be expected to keep financially pressed farmers in business because "we are not a welfare agency." As if that were not offensive enough, he went on to say that:

> FHA has found farmers with financial difficulties are the same ones who go out and buy a new color TV, a new car and a new snowmobile.

Mr. President, these words are reminiscent of all the tired old cliches and hackneyed phrases mouthed by those who oppose Federal programs of assistance to those in our society requiring help.

In this instance they are an insult to every farmer in Vermont—and there are thousands of them—struggling to make ends meet so that they and their families can remain on the land. They are an affront to those farmers who are being forced to sell everything they own in order to repay a loan made to purchase hay. I know of farm sales that are occurring in the snow right now in Vermont because of a $7,000 FHA loan. I expect that these situations exist in part because of attitudes, such as that expressed by Sprague. The farmers of Vermont deserve better from their public servants.

The Farmers Home Administration went into business in perilous economic times, similar to those in which the Nation is now floundering. Its job was to keep farmers in production at nearly all costs. Local supervisors were hired to work with borrowers—to help them with their budgeting and farm operations to insure that at some point loans could be repaid. I am aware of situations in which a loan was in default for years as local supervisors worked with borrowers to improve their operations in such a way as to become able to repay their obligations.

That is the way it was. That is the way it ought to be. That is not the way it is today in Vermont.

Mr. Sprague blames the rules and procedures sent from Washington for his present conduct. But I know that although there are rules, those rules are flexible and the State director usually has the final say on whether a farmer survives or is forced out of business.

Mr. Sprague should understand that he is not operating a bank, but an agency of the U.S. Government created to assist farmers in financial need who cannot obtain help from private lending institutions. In these difficult economic times he appears to be using his post to subvert the intent of Congress. The current situation cannot be allowed to continue, and I will urge the Secretary of Agriculture and General Elliott of the Farmers Home Administration to take immediate steps to correct it.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, the period for the transaction of morning business is closed.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 11:30 a.m., following a recess. After the two leaders have been recognized under the standing order, Mr. BELLMON will be recognized for not to exceed 15 minutes, after which the 1 hour under the cloture rule will begin running. Mr. HARTKE and Mr. WEICKER will be in control of the time during that hour. At the close of that hour, a quorum of the Senate will be established, after which the automatic rollcall vote on the motion to invoke cloture on the Penn Central matter will occur. If cloture is not invoked, the Senate will return to the consideration of Senate Resolution 4, the pending question being on the adoption of the motion by Mr. ALLEN that the motion by Mr. MONDALE be postponed for 30 days. The Allen motion is a debatable motion.

If, on the other hand, cloture is invoked on the Penn Central matter, the Senate will proceed, to the exclusion of all other business, until that matter is disposed of, after which the Senate would resume consideration of the Allen motion—re Mondale motion, Senate Resolution 4, as aforestated.

I wish to emphasize that there will be at least one rollcall vote tomorrow—and, in all likelihood, additional rollcall votes.

RECESS UNTIL 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 11:30 a.m. tomorrow.

The motion was agreed to; and at 5:59 p.m. the Senate recessed until Wednesday, February 26, 1975, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 25, 1975:

IN THE AIR FORCE

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35 and 837, title 10, United States Code:

To be major general

Brig. Gen. Richard Bodycombe, 382-16-3379FV, Air Force Reserve.

Brig. Gen. Vincent S. Haneman, Jr., 151-16-6938FV, Air Force Reserve.

Brig. Gen. Gilbert O. Herman, 197-10-0623FV, Air Force Reserve.

Brig. Gen. Edwin R. Johnston, 254-09-0677FV, Air Force Reserve.

Brig. Gen. David Waxman, 134-09-4998FV, Air Force Reserve.

To be brigadier general

Col. Charles E. Corcillius, 339-12-4973FV, Air Force Reserve.

Col. Thomas A. Diab, 028-16-8513FV, Air Force Reserve.

Col. Donald P. Dressler, 018-22-3151FV, Air Force Reserve.

Col. Robert K. Elliott, 494-14-5150FV, Air Force Reserve.

Col. Joseph W. Kovarick, 186-18-0190FV, Air Force Reserve.

Col. Jack N. Kraras, 458-12-2958FV, Air Force Reserve.

Col. John E. Lacy, 499-14-3228FV, Air Force Reserve.

Col. Walter R. Longanecker, Jr., 218-16-0542FV, Air Force Reserve.

Col. John E. Taylor, Jr., 048-18-7764FV, Air Force Reserve.

Col. Justin L. Townsley, 286-12-3418FV, Air Force Reserve.

Col. James L. Wade, 448-12-6122FV, Air Force Reserve.

Col. Edwin D. Woellner, Jr., 270-12-0409FV, Air Force Reserve.

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of major general:

Harold Chase

Robert E. Friedrich

IN THE ARMY

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant under the provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Abbott, James W., 500-58-4917.
Adams, Anthony J. L., 354-48-0769.
Alexander, David N., 400-82-5976.
Allen, Douglas L., 237-78-4665.
Anderson, Johnny M., 462-70-2180.
Andreasen, John P., 474-66-9502.
Applin, David L., 182-46-4283.
Arnold, John J., 268-44-4549.
Ault, David B., 492-58-1424.
Ballard, Glen L., 572-64-9813.
Banken, Paul R., 267-15-6026.
Barnhurst, Kevin G., 528-82-7549.
Barton, David W., 293-52-6076.
Bauer, Cary M., 305-50-1691.
Bauercis, David L., 511-58-9140.
Beacon, Steven P., 556-84-4626.
Bednarek, John M., 228-68-5704.
Bell, Michael L., 217-66-8133.
Bell, Richard R., 225-76-1549.
Bennett, Robin R., 437-72-5767.
Bentley, Mackie A., 448-50-0343.
Berg, Bryan S., 330-46-8507.
Berg, Eric W., III, 266-82-1464.
Birchfield, Gary D., 409-82-6282.
Bishop, James R., 445-46-2753.
Bobo, John C., 464-82-5008.
Bock, Bradford R., 035-32-7787.
Boetig, Christopher, 093-46-3609.
Bolick, Joseph A., 264-74-6395.
Bond, Stephen J., 529-80-6869.
Boneparte, Isaac C., 251-94-6461.
Boney, Glen M., 587-56-7069.
Borneman, Harland M., 388-60-5560.
Bourne, Stephen J., 432-02-1735.
Bourque, Stephen A., 043-42-2833.
Bowens, Curtis M., 225-84-5242.
Bowers, Walter R., 454-90-1898.
Bowman, Stephen W., 413-76-0324.
Bridgman, Michael L., 256-76-4568.
Britt, Willie L., 244-80-4392.
Brosmer, Gerard T., 286-48-7442.
Brown, Bruce T., 231-84-4178.
Brown, Clifton N., 378-52-3196.
Brown, Kent H., 461-04-8970.
Brugh, Kone, 218-64-8250.
Bryant, Alan C., 460-96-2932.
Bundy, Bernard E., 169-42-5161.
Burke, Richard W., 312-52-6806.
Burkholder, Duncan M., 445-98-8990.
Burks, Martin V. III, 230-76-0959.
Burns, David C., 231-80-6265.
Busse, Charles W., 331-46-4675.
Butler, David K., 258-94-0903.
Butler, Ronald C., 454-90-9455.
Byes, Robert A., 521-76-7682.
Byrnes, John D., Jr., 434-76-7389.
Cameron, Joel W., 540-60-6137.
Campbell, William S., 409-96-7216.
Canniff, Richard W., 261-78-6325.
Canter John V., 263-02-0784.
Card, Willard S., 572-66-2868.
Carlile, Gale P, II, 447-54-7119.
Carnohan, Christopher P., 548-92-9715.
Carr, Melvin J., 528-74-2390.
Cartwright, Patrick T., 457-90-6057.
Casey, Edward J., 019-44-3214.
Catten, Lorenzo L., 227-72-3356.
Cearley, William T., 256-88-6580.
Christensen, Andrew, 068-46-7768.
Christy, Ralph D., 435-96-5068.
Cleveland, Russell, 567-96-8580.
Clouse, Robert C., 277-44-2774.
Coley, John M., 163-46-6509.
Collazo, Reinaldo, 584-62-8059.
Cordova, Vincent R., 585-48-2367.
Coslow, David D., 327-48-3593.
Cox, David W., 299-44-9929.
Crenshaw, John H., Jr., 226-80-1907.
Cull, Daniel R., 399-58-3673.
Cunningham, Kevin R., 137-46-7145.
Cunningham, Robert, 255-78-3139.
Cupp, James A., 409-98-5567.
Curci, Michael J., 170-44-9437.
Cygrymus, Richard E., 191-44-8720.
Davidson, Ronald J., 407-76-8713.
Davis, Kenneth C., 112-42-0644.
Davis, Samuel S., 456-96-1128.
Davis, William W., 508-62-9304.
Dawson, Lawrence E., 415-94-9277.
Deyo, Francis T., 008-32-3370.
Diaz, Carroll G., 438-88-9564.
Diggs, Robert A., 225-76-7882.
Disterlic, Peter, 446-44-2661.
Dobson, James R., 251-86-0343.
Dockstader, Theodore L., 083-44-8254.
Donnelly, Patrick J., 198-44-7317.
Donovan, John V., 033-38-8455.
Dosch, Terrance L., 504-64-9609.
Douglas, Scot G., 565-78-7271.
Doyal, Michael J., 231-76-2916.
Drabkin, David A., 089-44-7173.

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Driver, Donald C., 453-92-3262.
Duke, William P., 424-66-2513.
Dulaney, Michael R., 402-72-4544.
Dumenil, Joseph H., 457-92-2158.
Duncan, Jerome A., 253-84-6883.
Elliott, Frederic T., 266-29-5432.
Ellis, Charles V., 430-04-3053.
Emehiser, Frederic, 518-52-7246.
Estelmann, Stephen, 230-66-3835.
Eubanks, Kenneth L., 435-74-5559.
Evans, Joe T., Jr., 427-94-4100.
Ewing, Thomas M., 400-78-3957.
Faught, Scott W., 226-84-3134.
Faul, Timothy K., 501-70-6987.
Finlay, John S., IV, 264-19-4864.
Finley, Thomas J., 199-38-3734.
Fisher, Daniel M., 368-56-7978.
Fitzsimmons, Dennis, 267-84-1556.
Fleming, Daniel E., 301-40-3305.
Fletcher, Benjamin, 578-70-9271.
Flood, Randall G., 445-54-6526.
Foley, Christopher, 564-96-1986.
Fontaine, Yves J., 169-48-2513.
Fontenot, Douglas J., 435-90-8693.
Ford, Ricky W., 419-76-6219.
Forshag, Russell S., 437-92-9337.
Foxx, Alfred H., Jr., 265-92-1556.
Fridovich, David P., 263-80-6568.
Frith, Steven A., 410-96-4220.
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Hazlett, John E., 405-66-3432.
Herko, John R., 233-74-1017.
Hernandez, Jose G., 223-84-0618.
Heston, Myron E., 513-46-6456.
Heynen, Stephen J., 396-50-9696.
Hill, Lawrence D., 244-90-3292.
Hill, Ray, 256-82-8714.
Hines, Charles J., 413-90-4909.
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Hooper, James C., 212-52-5697.
Howard, John J., 526-82-7334.
Huau, Patrick J., 262-11-1965.
Hudec, Chris L., 295-44-4313.
Hudson, Ira H., 256-90-2365.
Humphrey, Charles R., Jr., 463-94-0535.
Hunt, Richard D., 575-66-3254.
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Hurt, Richard D., 521-76-7290.
Ingram, Sterling P., 223-76-2259.
Irissarri, Gerald J., 563-84-3362.
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Jenkins, Evon, Jr., 262-08-6132.
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Kollmann, Gary K., 122-46-3262.
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Little, Bobby A., 240-84-0758.
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Long, Gary K., 520-54-0780.
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Love, Albert N., 526-80-4966.
Love, Charles K., 431-94-2391.
Low, Rodney D., 223-84-1995.
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Magliochetti, Frank, 079-44-8967.
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McDonald, Michael E., 417-74-9783.
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Montgomery, David E., 513-58-6024.
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Mund, David L., 132-42-7876.
Muse, Gayland D., 280-44-0672.
Myers, Robert J., 224-76-8420.
Naegle, Michael C., 528-66-0398.
Napier, James T., 107-36-2469.
Neal, William B., 430-04-1341.
Neuman, Jose L., Jr., 575-66-2367.
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Newton, James W., 020-42-3008.
Oates, Jerry D., 151-44-1352.
Oberlin, Rickie D., 297-44-4655.
Olson, Bruce L., 528-68-5369.
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Patton, Daniel A., 214-54-1042.
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Perry, Randy, 243-88-4041.
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Powell, David S., 443-48-0794.
Powell, Richard G., 228-68-9665.
Pownall, Jerry D., 429-04-3295.
Pratt, John J., 283-52-1988.
Preston, Joseph W., 402-74-5293.
Prestwood, Stephen D., 416-66-5283.
Proctor, Jerry V., 503-54-4580.
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Pumphrey, Richard D., 356-42-4273.
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Ragland, Willie W., 587-78-8633.
Raimer, Mark S., 532-48-2427.
Rambow, David J., 532-52-4883.
Randolph, William J., 587-56-6749.
Rawcliffe, Fred M., 528-74-9736.
Reed, Charles F., 458-78-3475.
Reed, Edward E., 557-72-3890.
Reynolds, William B., Jr., 465-04-1612.
Rhodes, Kenneth R., 450-04-9529.
Rice, Paul A., 499-56-4780.
Rittenhouse, David, 267-15-6270.
Robertson, Robert G., 587-10-4428.
Rogers, Wessie C., 245-84-1384.
Rohrdanz, Frederick C., 412-90-1627.
Rosenberger, John D., 482-66-3493.
Rountree, James V., 135-40-2855
Royer, Lenear, III, 417-64-7822.
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Saczawa, Ralph A., 011-38-2253.
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Sams, Upshaw H., Jr., 416-70-4523.
Savage, John W., III, 587-42-1836.
Schelder, Phillip C., 225-66-3329.
Schneider, Frederick C., 465-86-9320.
Schneider, Terrance, 521-76-2377.
Schonefeld, Bernard G., 453-94-5067.
Schrum, Steven C., 427-94-4440.
Sebenoler, Richard, 576-62-7927.
Shannon, Michael P., 526-04-2932.
Sims, Michael K., 214-58-1784.
Sirmon, Wayne E., 423-64-9557.
Sisco, Stanley F., 458-92-1813.
Slaughter, David W., 518-54-2902.
Slone, Darrell, 283-40-4186.
Smith, Brent L., 431-11-7957.
Smith, Forrest H., Jr., 432-82-6168.
Smith, Oliver E., Jr., 454-92-5560.
Smith, Steven W., 225-78-3994.
Southlander, Noble R., 466-98-6121.
Spencer, Homer A., 423-60-4403.
Sporn, James R., 151-42-8508.
Stahl, Eddie D., 410-92-5835.
Stanton, Robert W., 217-52-7044.
Staus, Ronald G., 501-48-2809.
Stephan, Dennis E., 463-78-4685.
Stevenson, Charles, 406-58-9816.
Stipe, Gary L., 517-58-3308.
Stockler, Joseph R., 159-38-1532.
Storer, Mark E., 269-52-1330.
Stratmoen, David M., 585-36-4650.
Strobel, Mark A , 476-64-1922.
Stuckey, Ronnie D., 431-98-5226.
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Sutton, Richard E., 243-88-5403.
Swinney, Phillip W., 509-48-8528.
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Taber, Richard B., 047-44-1080.
Tanner, William F , Jr., 101-42-0478.
Taylor, Robert L., 049-42-7462.
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Tucker, Edward B , Jr., 227-70-0414.
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Turner, Steven G., 225-66-3466.
Vanderwall, Gregory C., 540-70-9776.
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Velga, Edwin F., 461-84-1405.
Vernon, Walter L., 248-80-6141.
Waks, Larry E., 220-56-4044
Walpole, Harold W., 558-84-3918.
Wardell, David E., 408-90-8172.
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Warren, Thomas D., 379-58-1707.
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White, Kenneth C., 251-98-4067.
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Widner, Kevin D., 225-64-8793.
Williams, Arthur E., 035-38-2947.
Williams, David L., 462-82-4818.
Williams, Harold D., 425-94-3096.
Wilson, David B., 420-78-1453.
Windham, Orval, 587-34-6504.
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Winslow, Harold L., 267-82-6141.
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Woeste, Dennis C., 275-52-2586.
Wolfe, Paul G., 356-42-1728.
Wood, Kenneth R., 416-68-2083.
Woods, John C., 196-42-4554.
Woolford, Michael W., 215-60-4033.
Wright, Edward J., 066-46-7564.
Wright, Thomas H., 023-44-2263.
Wright, Walter E., 408-82-8573.
Wright, William M., 230-78-7932.
Yardley, Alvin J., 528-80-9435.
Young, John L., III, 529-80-0786.
Zigoris, Thomas, 275-44-4731.

CONFIRMATION

Executive nomination confirmed by the Senate February 25, 1975:

U.S. POSTAL SERVICE

William A. Irvine, of Pennsylvania, to be a Governor of the U.S. Postal Service for the remainder of the term expiring December 8, 1976.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

IS DEPLETION BREAK REALLY AN ENEMY?—THE PRICE OF OIL: ACHILLES HEEL

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1975

Mr. TEAGUE. Mr. Speaker, a recent editorial in the Fort Worth Star-Telegram takes up the question about our oil depletion allowances. The considerations by this body concerning the elimination of our present depletion allowances could have grave consequences on the Nation and I strongly urge each and every Member of Congress to heed the advice and sensible suggestions made in this editorial. Along with this editorial I attach a copy of Percentage Depletion Rates for Domestic Mineral Production under the Tax Reform Act of 1969, which I am sure will be informative to my colleagues and the general public.

Finally, Mr. Speaker, I would like to add an additional editorial from the Washington Post of December 30, 1974 by George C. McGhee entitled, "The Price of Oil: Achilles Heel." The writer points out that the problem is not one for international oil companies, but "can only be resolved by governments." I commend this sound editorial to you, my colleagues, and the general public.

The editorials follow:

[From the Fort Worth Star-Telegram, Jan. 22, 1975]

IS DEPLETION BREAK REALLY AN ENEMY?

Someone should write a book titled "All the People Need To Know About the Oil Depletion Allowance but Aren't Being Told by Certain Members of Congress."

The length of the title suggests a thick volume, and indeed it would be. But here are a few of the highlights it might include:

First, oil and natural gas aren't the only items on which the depletion "tax break" is given. There are six depletion rate brackets, beginning with 22 per cent and ranging down to five.

In the 22 per cent bracket, along with oil and natural gas, are 42 other minerals. The list begins with antimony and includes, in addition to items most people never heard of, such things as asbestos, bauxite, cobalt, lead, manganese, mercury, titanium, tungsten, uranium and zinc.

Getting a 15 per cent allowance are copper, gold, oil shale, iron ore and silver.

A 14 per cent bracket takes in 37 minerals, including borax, four kinds of mineral-bearing clay, potash and talc. The final entry in this bracket is "Other minerals not covered elsewhere."

In other words, all minerals are covered by some depletion allowance. Those not in the top bracket with oil or one of the lower brackets, which include gravel, sand and stone, are in the 14 per cent bracket.

The question raised by all this is why, if every mineral is covered by some sort of depletion tax break, is Congress picking on the oil depletion allowance as an evil that must be done away with?

That question casts a still more puzzling shadow in the light of some other facts about the oil and gas depletion allowance.

Invariably, in their attacks on the provision, depletion allowance foes in Congress label it a "tax break" for the "big oil companies."

Actually, the giants like Exxon, Mobil, Texaco and Gulf are not the big beneficiaries of the depletion allowance.

That's because they possess little of the holdings on which depletion allowance applies. The independent operators hold most of the royalties and, therefore, gain most from the "tax break."

Depletion allowance foes err again in their assessment of the effects of the allowance.

They give the impression that it just helps wealthy "oil men" get richer by giving them fatter profit margins. In fact, its main effect, so far as "oil men" are concerned, is to encourage investment in oil and gas exploration and drilling operations.

For instance, it enables oil companies to pay more to landowners for drilling rights and, thus, makes more drilling sites available.

As for the consumer, the most important effect of the depletion allowance probably is its tendency to reduce the price at which oil companies sell gasoline and other products. This might come as a surprise to some consumer advocates who persist in attacking the depletion allowance as a tool for robbing the poor (consumers) to help the rich (oil men).

But informed critics of the allowance, such as Thomas Field of Taxation with Representation, concede the point. They base their opposition on the claim that tax breaks for the oil industry subsidize oil consumers at the expense of taxpayers in general.

A rather lame point, that, it seems to us, since taxpayers in general ARE oil consumers.

To summarize, doing away with the oil and gas depletion allowance would have two major effects. It would eliminate an inducement for exploration, at a time when it's needed more than ever before. And it would sock the consumer with another push on fuel prices on top of those already effected by Arab oil price increases and other inflationary factors.

This suggests to us a shorter, and more explicit, name for our book on eliminating the depletion allowance:

"Baloney!"

PERCENTAGE DEPLETION RATES FOR DOMESTIC MINERAL PRODUCTION: UNDER THE TAX REFORM ACT OF 1969

NOTE.—The depletion rates specified in the law are all subject to the limitation that the deduction cannot exceed 50% of the net income from each producing property or, in the case of hard minerals, operating unit.

22 PERCENT DEPLETION APPLIES TO THESE MINERALS

Antimony, Anerthosite (to the extent alumina and aluminum compounds extracted therefrom), Asbestos, Bauxite, Beryllium, Bismuth, Cadmium, Celestite, Chromite Clay, (to the extent alumina and aluminum compounds extracted therefrom).

Cobalt, Columbium, Corundum, Fluospar, Graphite, Ilmenite, Kyanite Laterite (to extent alumina and aluminum compounds extracted therefrom), Lead, Lithium Managanese, Mercury.

Mica, Molybdenum, Nephelite Syenite (to extent alumina and aluminum compounds extracted therefrom), Nickel, Oil and Gas, Olivine, Platinum Platinum Group, Metals, Quartz Crystals (Radio Grade) Rutile.

Slock-Steatite, Talc*, Sulphur, Tantalum, Thorium, Tin, Titanium, Tungsten, Uranium, Vanadium, Zinc, Zircon.

UMI

15 PERCENT DEPLETION APPLIES TO THOSE MINERALS

Copper, Gold, Iron Ore, Oil Shale, Silver.

14 PERCENT DEPLETION APPLIES TO THESE MINERALS

Alpite, Barite, Bentonite, Borax, Calcium Carbonates, Clay, Ball*, Clay, China*, Clay, Sagger*, Diatomaceous Earth, Dolomite.

Feldspar, Fullers Earth, Garnet, Gilsonite, Granite, Graphite (Flake)*, Gypsum, Limestone, Magnesite, Magnesium Carbonates, Marble.

Metal Mines (not otherwise named), Mollusk Shell*, (when used for chemical content), Phosphate Rock, Potash, Quartzite, Rock Asphalt, Slate*, Soapstone.

Stone*, (dimension or ornamental), Talc, Thenardite, Tripoli, Trona, Vermiculite, Other minerals not covered elsewhere.

10 PERCENT TO THESE MINERALS

Brucite, Coal, Lignite, Perlite, Sodium Chloride, Wollastonite.

7½ PERCENT TO THESE MINERALS

Clay and Shale* (used for sewer pipe or brick), Clay, Shale, and Slate* (used as lightweight aggregates).

5 PERCENT TO THESE MINERALS

Clay* (used for drainage and roofing tile, flower pots, etc.), Mollusk Shells*, Gravel, Peat, Pumice, Sand.

Scoria, Shale*, Stone*, If from brine wells—Bromine, Calcium Chloride, Magnesium Chloride.

*Note differing rates, depending on use or quality.

[From the Washington Post, Dec. 30, 1974]

THE PRICE OF OIL: ACHILLES HEEL

(By George C. McGhee)

Because of the high OPEC oil price, the free (i.e., non-Communist) world without really appearing to know what is happening to it, is starting a long slow descent into economic catastrophe. Many commentators have correctly analyzed the seriousness of the problem, however, no one has yet reached what I consider to be the unavoidable conclusion as to what must be done. This is not a problem for the international oil companies. They are helpless. It can only be resolved by governments. Yet world leaders seem mesmerized—hoping the problem will go away. Our foreign ministries and oil experts busily elaborate small schemes around the periphery of the problem. It is seemingly not understood that there is *no way* in which the problem can be solved by market forces. President Ford and President of France Giscard d'Estaing agreed recently at Martinique to a meeting between oil consuming and producing states. This is in itself a welcome development. However, I believe I can demonstrate that such a meeting holds no hope for a solution unless it leads to a reduction in the price of oil.

Let's look at the alternative solutions held out by conventional wisdom, focusing on the next five years.

1. *Reduction of demand.* Percentage possibilities are small. The U.S. goal of reducing 1 million barrels a day, which is not being met, is only 6%. This will be more than offset by natural decline in U.S. production and announced denial of Canadian supplies. The oil needs of Europe and Japan are mainly for industry, those of the developing world for agriculture and essential energy, and therefore less elastic than ours. The current Japanese goal is a 3% reduction. The Common Market hopes only to limit increases in oil demand over the next 10 years to 3.5% a year.

2. *New oil and other energy sources.* Substantial new non-OPEC oil, from the North Slope, North Sea and offshore U.S., is 4–5 years away—new energy sources 10–15 years. This timing can not be appreciably altered by increased prices. All will be high cost. At no time in the foreseeable future will the world need less OPEC oil than we now consume.

3. *Recycling the OPEC surplus.* The present deficit of the consuming countries with OPEC arising out of their 100 billion a year oil bill is $60 billion, $40 billion for the developed countries and $20 for the undeveloped. No one holds out hope that these deficits can be decreased appreciably over the next five years by increased exports to OPEC. Free world fiscal institutions simply can't stand the strain of recycling the estimated $450 billion OPEC surplus over the next five years. A basic problem with all recycling schemes is that the money doesn't go to the poorer countries who need it to buy oil unless someone guarantees repayment. To the extent that the producing countries do not extend credit directly to the deficit countries, the burden falls on the U.S. and Germany, who alone are in a position to pay. This we couldn't afford to do even if we wanted to.

Even if everything is done that Secretary Kissinger proposed in his Chicago speech of November 14th, and there is no reduction in the oil price, the problem will remain with all of its grim aspects. Italy will still go bankrupt because it cannot pay its oil bill and will probably turn either to a Communist or a rightist government. Former German Chancellor Willy Brandt recently proposed that the Common Market relegate England and Italy, because of financial difficulties caused principally by their oil deficits to second-class status. This would be the beginning of the end for the Market. Brazil falters in its economic climb because of oil costs. Starvation in India and Bangladesh, largely a result of a shortage of funds for fertilizer and food because of the oil price, proceeds apace. Because of our high oil bill, the U.S. appears to be "locked into" a recession which would otherwise "bottom out" much sooner.

The world must have its 30-million barrels a day of OPEC oil but cannot find the means to pay the deficit that was created, literally overnight, by the increase in oil prices. No matter how justified it may have been on theoretical economic grounds, the increase simply created too great a hiatus in the world's trade and payments to be assimilated. The international trade in petroleum at current prices equals that of all minerals and foods combined. The price increase levied an onerous tax on every oil consumer. It reduced correspondingly means of payment and hence world demand for other goods and services creating the present world depression, including an estimated 1.2 million of the U.S. unemployed.

Combined action to lower the price is made more difficult because the consuming countries are divided. They look at the same problem from different vantage points.

Some, like Italy and the South Asian countries, are paralyzed into inaction by fear of having their oil cut off.

Others, like France and Japan, seem to have just enough confidence to think they can bluff it through alone—with special deals on oil prices and compensating sales of goods.

Germany and the U.S., the strongest exporters and least dependent on foreign energy, are relatively immune. We could both, if we were on our own, survive the oil price. This makes it even more difficult for our leaders to assume responsibility for those sacrifices required to save the rest of the world before their disaster engulfs us too.

A solution is also made more difficult by the general confusion surrounding the problem—its highly technical nature and the misinformation provided by the self-seeking. There is much sympathy, particularly in the undeveloped world, for the producing countries that have until recently been denied the benefits from their own natural heritage. However, just because the world in recent years paid only $1.50 a barrel for Middle East oil when the U.S. domestic price was close to $3—doesn't mean that we can all now afford to pay between $10 and $11. England, Italy, France and Japan are, as a result, running deficits in their balance of payments of between $7-$10 billion a year. A $10 billion deficit for Italy is, per capita, the rough equivalent of $40 billion for the U.S. Only Germany, of all the leading industrial countries, shows a positive payments balance. The U.S. balance turned negative last month, largely because of the $24 billion that we must now pay for imported oil.

Some tend to accept the oil price because it is a "market" price, overlooking the fact that it results from an arbitrary quadrupling of the price by a producers' cartel. Others muse that what goes up must come down—that surpluses and deficits go in cycles. There is a complacement theory that inflation in the non-producing countries will level the oil price. Inflation can, like death, solve any problem, but only in the cruelest possible way—by increasing the price of all the needs of the deficit countries. The OPEC countries, moreover, have continued to edge their price along as fast as inflation (35c a barrel at their last meeting). Despite their promised 9 months standstill, they are unlikely to permit much price slippage. Some believe that everything will come out all right if we will just be patient and let the Arabs invest their oil profits in our land and stock market.

But the problem will not "just go away." It goes on inexorably—day and night. It will continue into the future as far as we can see—well beyond the limit of the "time bomb" now ticking away under the free world's economy. The debts arising out of the oil price are cumulative and irreversible. The interest cost on oil debts alone, and the interest on unpaid interest, will "snowball," until it becomes intolerable. The threat posed by the possible withdrawal of recycled funds from our banks and stock markets increases daily, particularly in the U.K. and other weaker countries. A proposal has been made by a knowledgeable group that the producing countries accept half the oil price from deficit countries in local currencies under soft loan conditions. Such a plan should be welcomed if it is the only way a beginning can be made. I regret to say, however, that even if acceptable to the OPEC countries, I believe it will ultimately end in defaults and recriminations.

The plain fact is that there is no real alternative to lowering the OPEC oil price. And this means lowering it substantially—to something between $6–$7 a barrel. Since most OPEC producing costs are negligible, this price will still give the countries collectively more income than they can currently spend internally, with a surplus for investment. This is also just about our present average domestic price, which we should stick with as an example. Such a reduction would save all consuming countries together $45–$55 billion a year in their deficits with OPEC, leaving a balance which could be handled. And this *is* a solution—the *only solution.*

Because this way out is not seen clearly, extremists leap over it and propose more drastic military solutions—the landing of marines and the seizure of the oil fields. This is sheer fantasy. I very much hope that the rumored contingency planning in the Pentagon for such a course has no official status. There are a dozen reasons, apart from the expected Soviet reaction, why military action would not work—why it would result in another Abadan withdrawal-Suez invasion-Vietnam intervention fiasco for the Western powers. None of us nor any combination of us can control and run by force the oil fields of the world. Most importantly—it is not necessary.

The oil states are living in an unreal world. Most of the countries to whom they sell their oil will never be able to repay the loans they are of necessity making. When their credit is exhausted and they can no longer obtain oil, they will turn against the oil producers, who will not be able to withstand the aroused force of world opinion. The rulers of the oil states are vulnerable. There are many rivals for their new wealth. They are not as strong or united as they appear. Although gratitude has never been a redeemable currency in international relations, our record of past support for the key OPEC rulers—and their countries—entitles us to a hearing in behalf of a beleaguered world.

In this situation only the United States can provide leadership. Only we have the major cards to play. We must in such an endeavor have the backing of Germany, Japan, England and, after Martinique, hopefully, also France. For once developed and developing countries have a basis for a common cause. We must use persuasion, the exertion of moral force in appealing to the reason and higher instincts of the OPEC leaders to cooperate in averting a world crisis by lowering the oil price. We must provide assurances for their countries' security, which would be imperilled by a world depression and economic collapse that could be exploited by the international communism. We must guarantee protection against price inflation in their future purchases from us. We must offer a new regime between producing and consuming countries that will be fair to both and with which both can live. The planned meetings between consumer and producer countries and among consumer countries, can assist in this process. I believe that the OPEC leaders can be made to see that it is in their interest as well as the interest of the world's peoples that a supportable price level for oil be set.

But if this approach fails, the consuming countries must proceed to use every political and economic means that we have—which are more powerful than we think—to bring about the necessary price reduction. At the appropriate time it will not be difficult for those responsible to write the scenario as to how this can be accomplished with minimum disruptive effect. The producing countries are totally dependent on the free world industrial states and our companies for the technical and managerial basis for their oil production and ambitious development plans. They need our banks and markets to preserve the value of their surplus funds and to earn a high return. They need our transportation and other international facilities. The Communist bloc cannot provide similar resources. Indeed, the key producing countries live in a part of the world that has over the centuries been the prime target of Russian expansion. They need our arms, which they are now purchasing on a large scale, and the continued support of our military establishment. They need our political support.

What we otherwise make available gladly, we must be prepared where necessary to withhold—if the alternative is the demise of the free world institutions. There are risks involved and possible unpleasantness, but this must be accepted. If all else fails the "crunch" must come. And if it comes I am convinced that the interests of the free world as a whole will prevail—without war—and that the price of oil will come down. Because it *must* come down. There is no other way to avert disaster for us all, producers and consumers alike.

HOW EUROPE AND JAPAN TAX OIL AND GASOLINE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FRASER. Mr. Speaker, our European and Japanese allies have had to cope for some time with severe balance-of-payments problems because of dependence on oil imports. We might do well to look at how these countries have distributed taxes on petroleum products. I include in the record at this point charts comparing the tax component in the market price of oil and various oil products in Europe, Japan, and the United States:

TAX COMPONENT IN THE MARKET PRICES OF FUELS IN THE EUROPEAN COMMUNITY

City and country	Light distillate (heating oil) (as of January 1974)	Heavy fuel oils (industrial fuel) (as of January 1974)	(Regular) gasoline (as of January 1973)
Dusseldorf, Germany	12.5	20.3	73.92
Paris, France	20.6	15.1	71.78
Milan, Italy	11.8	13.6	76.95
Rotterdam, Netherlands	15.9	19.3	73.41
Brussels, Belgium	24.8	18.3	78.42
Luxembourg, Luxembourg	16.0	9.2	68.09
London, United Kingdom	6.4	12.8	
Copenhagen, Denmark	15.1	14.8	53.38
Dublin, Ireland	6.32	6.32	61.82

[1] Rotterdam, where the Arab embargo was in effect longer than in the United States, had no tax on heating oil in 1973 and only a 4.1 percent tax in October 1973. By contrast, the tax on industrial fuel had been 23.3 percent of the market price in October 1973 and was reduced to 19.3 percent in January 1974.

Note: Compiled from statistics furnished by the Statistical Office of the European Community.

COMPOSITE WORLD PETROLEUM TAXES, FEBRUARY 1975

Country	Total consumer-government taxes on average barrel of oil (in U.S. dollars)	Final price to consumer for average barrel of oil (in U.S. dollars)	Tax component in market price (percent) (for average barrel)
United States	$2.50	$16.40	15.24
Western Europe	8.40	22.77	27.11
Japan	4.00	18.00	22.22

Note: Compiled from statistics furnished by the Fuels and Energy Office, Department of State.

WORLD TAXES ON SELECTED FUELS, NOVEMBER 1974

Country	Regular gasoline			Heating fuel			Diesel fuel		
	Price (U.S. dollars)	Tax (U.S. dollars)	Tax component in price (percent)	Price (U.S. dollars)	Tax (U.S. dollars)	Tax component in price (percent)	Price (U.S. dollars)	Tax (U.S. dollars)	Tax component in price (percent)
United States	0.53	0.12	22.64	0.38	0.02	5.26	0.49	.12	24.49
France	1.30	.74	56.92	.45	.08	17.78	.88	.47	53.40
Italy	1.70	1.16	68.24	.44	.20	43.48	.80	.38	47.5
West Germany	1.17	.74	63.25	.46	.01	2.17	1.23	.71	57.72
United Kingdom	1.27	.63	53.85	.38	.02	5.26	1.01	.53	50.96
Japan		.46	36.22	.39			.74	.20	27.03

NOTES: Tax figures include value added tax where applicable. Compiled from statistics furnished by the Federal Energy Administration.

TAX REBATE POLL

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BONKER. Mr. Speaker, as the Congress is about to debate the Tax Reduction Act of 1975 (H.R. 2166) I would like to bring to the attention of my colleagues a recent poll which was taken in the State of Washington. The survey, conducted by Opinion Northwest and published in the Seattle Post-Intelligencer on February 10, 1975, revealed that one-third of those contacted responded that they would save money rather than spend it for new goods:

SEATTLE POST-INTELLIGENCE REBATE POLL: MOST WOULD PAY UP BILLS

If the Congress approves a rebate on 1974 incomes taxes, most of Washington's citizens will use the money to pay some bills, according to a poll conducted for the P–I late last month.

The Opinion Northwest telephone survey revealed that more than one third of the 632 adults contacted said they would settle debts rather than save the money or spend it for new goods.

The survey indicated that 37.3 per cent would pay bills, 31.2 per cent would stash the rebate in the bank, and 20.6 per cent would go shopping with the refund cash and 10.9 per cent were undecided.

In the P–I poll, more women than men said they would choose to save the money. Men were more inclined to spend it. The age group 25 to 34 voted strongest, 53.4 per cent, for paying bills.

The survey also showed that more persons in income brackets of over $20,000 a year favored saving whatever tax rebate comes their way, while more individuals in the lower bracket of less than $10,000 a year, would pay off debts.

The responses by age, sex and income were:

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	Male	Female	18-24	25-34	35-54	Over 55
Save the money	26.0	36.9	27.7	29.1	35.8	28.7
Spend it for new goods	23.1	18.9	21.3	12.2	17.9	31.2
Pay some bills	39.1	35.6	43.6	53.4	34.1	23.6
Undecided	11.8	10.6	7.3	5.3	12.2	16.5

	Less than $10,000	$10,000 to $20,000	Over $20,000
Save the money	26.0	34.3	35.8
Spend it for new goods	20.5	20.7	23.5
Pay some bills	41.6	38.7	29.8
Undecided	11.9	6.3	11.1

RUSSIA'S JEWS: ISOLATED AND PERSECUTED

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ZEFERETTI. Mr. Speaker, in recent years, much has been made of the word détente. Those who wish peace at any price speak of it in tones of desperation nowadays, because most of yesterday's hopes have emerged as today's disappointments. After all the visits, communiques, press coverage, and toasts, the Western World still confronts a Soviet Union whose internal policies and foreign adventurism belie the smiles, promises, and wishful thinking of those who believe the Bolshevik revolutionaries of the past have become today's agrarian reformers.

Russian weapons pour into military adventure-minded Arab states of the Middle East, accompanied by Soviet technical personnel whose main task is to teach Syrian and Egyptian military people how to use these weapons, which include some of the most sophisticated offensive weapons systems to be found: Scud ground-to-ground missiles, MIG-25 fighters and the latest armored technology. All of this is aimed at seeking to insure Israel's destruction. While some American observers point to this, however, the apologists for such Russian geopolitical maneuvering babble about the United Nations and turn their back on these facts.

However, the most damning proof of the unchanging nature of so much of the Soviet regime is to be found in how the 3.5 million Jews of Russia are treated today. Nowhere except in the Arab world is more vicious, uncompromising anti-Semitism encountered. Persecution and discrimination against these Soviet citizens continues unabated in most areas of that vast land. Passports continue to bear specific uncomplimentary appellations for Jews. Crude anti-Semitic propaganda continues unabated throughout Russia, finding prominent display in the largest communications organs. All this is government sponsored.

In the area of emigration from Russia, the conclusion is even more enlightening and damning. The number of Jews allowed to leave the Soviet Union fell by more than 40 percent in 1974, and signs indicate Moscow will cut this flow even more in 1975. In January 1975, only 1,250 Jews managed to leave Russia. If that figure holds for the rest of this year, 20 percent fewer Jews will leave Russia than the 20,000 who departed last year.

Russian arguments that applications for exit visas and departure permits have significantly decreased are universally rejected. More Jews than ever seek to leave Russia. At least 130,000 Soviet Jews have filed initial applications for exit permits western sources know about. And the actual figure is probably far higher.

From source after source, we in the West are finding out that official harassment of Jews seeking to leave and pressure on their families have substantially increased. Further, the Russian bureaucracy contains so many built-in obstacles that strict application of Russian law and rules can make it virtually impossible for many, if not most, Jews to depart. For example, by a strict interpretation of a law preventing emigration of Russians holding national security jobs, even a Jewish private in the Red Army could be halted from leaving that country.

What this all boils down to is that practically nothing has changed within Russia insofar as treatment of its Jewish citizens is concerned. This cannot help but inform us in the most obvious manner that Russia as a viable, free society is in its infancy. All that has changed is that a Jew or some other dissident within the system is not immediately and automatically shot for expressing views contrary to those held and promulgated by the Soviet state. But that is as far as the thaw goes. One trickle does not make a spring torrent.

If Russia has progressed so little in the face of so much enlightenment over the years in other closed societies, how can we as a Nation place reliance upon her word in other areas? If the 2,000-year-old "great hate" of Jew-baiting and anti-Semitism is alive and well in Russia, this is a clear message to us, who are being asked to place our trust in her word on disarmament agreements. I for one feel that how a nation treats its previously persecuted minorities and dissidents is a measure of that country's maturity as a society. If it cannot mature internally, then it is largely incapable of dealing effectively or honestly with foreign neighbors. Until the Soviet regime shows, by ending its overbearing and hateful policies toward such totally innocent people, and allows them to emigrate freely, I do not feel most-favored-nation status should be granted by this country to Russia. Nor do I feel we should allow ourselves to be led, as a Congress, by the nose by Secretary of State Kissinger, into approving any relaxation of our guard toward Russia in a military sense.

If we fail to take heed of these very obvious signs, we shall deserve the fate that inevitably will overtake us.

LINCOLN WIT AND WISDOM

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WHITEHURST. Mr. Speaker, each February we celebrate the birthday of Abraham Lincoln. Recently a constituent of mine sent me an article from the Lincoln National Life Insurance Co. magazine the Emancipator, which quotes Mr. Lincoln on the subject of good government. My constituent asked that I insert this article and share Abraham Lincoln's wise words with my colleagues.

The article follows:

LINCOLN WIT AND WISDOM

Abe Lincoln, whose birthday we celebrate in February, was a wise man. He laid down some guidelines for good government which are worth passing along. Here they are:

You cannot bring about prosperity by discouraging thrift.

You cannot strengthen the weak by weakening the strong.

You cannot lift the wage earner by pulling down the wage payer.

You cannot help the poor by destroying the rich.

You cannot keep out of trouble by spending more than your income.

You cannot further the brotherhood of man by inciting class hatred.

You cannot build character and courage by taking away a man's initiative and independence.

You cannot help men permanently by doing for them what they could and should do for themselves.

THE 101ST AIRBORNE DIVISION

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BEARD of Tennessee. Mr. Speaker, in our relatively brief history, we have been fortunate to have experienced comparatively few wars, and—except for the tragic War Between the States—no armed conflict on American soil.

When, however, we have been called to arms, the United States has responded heroically and we have been able to field many outstanding fighting units, which have served their country bravely.

Mr. Speaker, one of the most notable of these fighting forces has been the Army's 101st Airborne Division, a helicopter-borne "cavalry" unit which most recently distinguished itself in Southeast Asia. Few military units possess such a proud tradition as the 101st. A look at its recent leadership sets the tone for this group: Gen. Maxwell D. Taylor and William C. Westmoreland, both former Chairmen of the Joint Chiefs of Staff, have commanded this division, as has the present superintendent of the U.S. Military Academy at West Point, Gen. Sydney Berry.

Today, I am proud to introduce legislation which will, if enacted, authorize a permanent memorial in the Nation's Capital to these brave men—both living and dead—of the 101st. I feel that enactment of this legislation and erection of such a memorial would be a fitting recognition of the 101st's heroic deeds by the Congress, the Government and the people of the United States.

Mr. Speaker, I hope that we will see quick action on this bill, despite the other pressing matters which confront us.

DR. HANCHO C. KIM

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GUYER. Mr. Speaker, news reports have a way of presenting widely different accounts on a given subject. I thought it would be helpful for us to have a firsthand version of the recent Korean election.

One of the observers at the Korean vote of referendum happened to be my friend of many years, Dr. Hancho C. Kim, an American citizen, born in Korea and well acquainted there. Dr. Kim was a student at my alma mater, Findlay College, Findlay, Ohio, and since that time has become a most ardent citizen and successful businessman. Since college days, he has earned the popular title of ambassador of good will for both countries and has brought a finer concept of understanding, friendship, educational exchange, and cultural enrichment. Just recently, Dr. Kim contributed 10,000 volumes of books for our college library in Findlay and has established a sister college relationship between Findlay College and a Korean university.

He has returned home to Washington, and may I have consent to record some of his observations of the referendum as he reported them to me:

In Dr. Kim's opinion, the nationwide vote on the Yushin Constitution, actually a vote on the past 2 years' activity of the regime of President Park Chung Hee, was a real and substantially accurate statement of the will of the South Korean people.

The final vote recorded gave President Park a 73-percent majority in his favor, with an 80-percent turnout of eligible voters.

Dr. Kim believes that Mr. Park has indeed won and truly merited the vote and the approbation of the majority of his people.

In relation to the referendum, Dr. Kim states that, while the opposition was both vociferous and prominent, Mr. Park called a meeting of his cabinet and leaders of his own party at Chang Wa Dae prior to the referendum, and at the meeting Mr. Park insisted on a fair and free vote in the referendum. He told the gathering emphatically that he would hold them responsible if an "unfair polling atmosphere" prevailed, in any regard, in the referendum.

Dr. Kim explains that this was, indeed, a sincere and thoroughly-thought-out policy on the part of President Park, and by no means a synthetic waving of the flag.

On February 12, 1975, 2 days before the balloting, the Prime Minister, certainly with Mr. Park's full accord, went on television nationwide to exhort the Korean people to come to the polls and to cast their vote either for or against the administration.

As noted further on, this likewise, in Dr. Kim's view, was no window dressing.

The Prime Minister particularly urged the opposition to vote freely and in utmost numbers, in order that there might be settled once and for all, their claim that the Park regime lacked real, valid, and fervid popular support.

Early in February, the Secretary General of the ruling Democratic Republican Party proposed to the New Democratic Party and to other opposition parties the formation of a bipartisan committee to oversee the election and to assure fair conduct in the balloting. While he was not accorded full cooperation by opposition leaders, it was arranged for both opposition and DRP judges and poll watchers to be present at various polling places to assure that voting was conducted with fairness to all sides. Judges and watchers from both sides were present at the polls wherever the opposition parties cooperated to send their representatives.

The NDP itself preferred to boycott the proposal and did so.

Dr. Kim states that the views and actions of both NDP and of other opposition spokesmen were freely carried in the Korean press and in the days leading up to the referendum date, and he has shown me the Korean daily papers from those dates, both editions in Korean and editions in English, and indeed, his assertion appears to be accurate.

Then, too, observers from the New York Times, the Washington Post, the Manchester Guardian, and of many other reputable journals were accorded a free hand to observe and to report the referendum as they actually saw it and to comment upon it without restriction or restraint.

In Dr. Kim's view, President Park gave compelling evidence prior to the voting that he not only had no intention of influencing the election, but rather that his deep concern was that the referendum might not demonstrate conclusively the full and complete range of the extent of the opposition to his policies.

Dr. Kim, who is personally acquainted with President Park, believes that Mr. Park had realistically estimated the extent of the backing for his policies within the Korean population. He had, therefore, no question in his own mind, even before the referendum took place, that the Korean people were with him in the great majority.

The opposition to him, on the other hand, has been extremely vocal and dramatic during the past several years, so much so as to give the impression abroad, and even in Korea itself, that they outnumbered those who favored the President's policies, and that, in fact, the President remained in office only by virtue of ruthless dictatorial and oppressive measures taken against the religious and popular leaders who opposed him.

Dr. Kim is convinced, from his on-the-scene observation, that the real purpose of the referendum, then, was not primarily to ratify Mr. Park, but rather to place in full view, both in Korea and before the rest of the world, exactly how much support the opposition could really put together under the most favorable circumstances and with the actual and sincere encouragement of the Park regime itself.

As noted, the balloting attracted 80 percent of the Korean voting population, according to U.S. correspondents, although voting was not compulsory and no penalty resulted from staying away from the polls.

The results of the balloting showed that all opposition voters together constituted no more than 27 percent of that voting population, even though prominent and influential church and civic leaders stand at the head of that opposition.

This was a rather devastating demonstration of the favorable status the achievements of President Park and of his cabinet and associates enjoy at all levels of Korean life, and especially in the grass roots of the Republic.

Even more so, however, did it demonstrate conclusively and clearly the minority status of the opposition when the shouting died and the chips were down and the simple number of heads was all that counted.

It is true, according to Dr. Kim, that a small number of opposition voters rallied in the churches and in an auditorium by way of boycott of the referendum, thereby attempting to cast doubt on the representative nature of the voting.

Dr. Kim points out, however, that it can be seen, even from U.S. press reports, that this action cannot, by any stretch of the imagination, reflect any substantial question on the actual outcome of the voting, or on the significance of it.

He calls attention to the mathematical fact that if all the voters who remained away from the polls for any reason had, in fact, come to the polls as a solid phalanx and each had voted "no," the total vote would obviously still show a decisive Park victory as the outcome with all the elements of the opposition having been freely heard and cordially invited to attend.

Dr. Kim feels that the epitome of democracy prevails when a president willingly places his record and his policies fully in the balance, submits them to the expression of the will of the people and offers to resign forthwith if the vote goes against him. This Mr. Park has done with courage and good will, according to Dr. Kim, and the question of the extent of his support among the people of Korea has now been answered.

Dr. Kim slyly remarks, too, that such a referendum, initiated voluntarily, could well be the very natural act of a man feeling so serene and secure that he has the genuine support of a majority of his people that he is willing to make the offer.

He feels, then, that President Park Chung Hee has "given the world not only a stunning demonstration of his popularity with the Korean people, but a superb example of practical Democracy as well."

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SLOWING THE TAX TREADMILL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. CRANE. Mr. Speaker, a recent Wall Street Journal editorial has placed the fate of indexation of all Federal taxes upon those who have the power in this matter; namely, the Democrats on Capitol Hill. A long-time advocate of this most necessary program to stop the "perverse interaction between inflation and progressive taxes," the Journal reports that the Ford administration has abandoned executive initiative to de-index the Federal Government. Actually, this development is altogether consistent with past executive policy to encourage an inflationary economy, and thus invite deficit spending. Because of the inherent incentives to prolong this disguised profit in the Federal budget, we can always expect our Federal Government to ignore the insidious effects of inflation on all sectors of American society. The editorial exposes the underlying rationale:

Currently the government's income is not only indexed to hold real income constant, it is super-indexed, so that its real income is increased by inflation. Since the government also controls the policies that cause or cure inflation, this is probably society's number-one conflict of interest.

Now that statistics compiled by the Joint Economic Committee have revealed that real income tax rates for middle income families last year rose 26.5 percent—whereas the inflation rate averaged 12 percent—this situation is finally making an impression on my colleagues on the other side of the aisle. They have come to realize that, ultimately, middle- to lower-income taxpayers have become the primary victims of distortions in our tax system—a fact many of us have been pointing out for many months.

The new liberal interest is coupled with long standing support from many conservatives. It has been a principal tenet of Milton Friedman's new society. In the last few weeks it has also been specifically proposed by a group of conservative Congressmen led by New York's Jack Kemp.

Indeed, among the many other specific proposals submitted by our group to revive our economy, our February 5 special order brought this inequity and weakness in our revenue-raising structure into clear perspective. We urged immediate adoption of indexation by this body. Therefore, my colleague from Pennsylvania (Mr. COUGHLIN) and I have already introduced comprehensive, bipartisan bills—H.R. 231, H.R. 1816, H.R. 1817—to provide cost-of-living adjustments in the income tax rates, in the amount of the standard, personal exemption, in depreciation deductions, and in the rate of interest payable on other obligations of the United States. We are pleased to welcome many Democrat cosponsors of these bills: Our colleague from Alabama (Mr. FLOWERS); our colleague from West Virginia (Mr. HECHLER); our colleagues from Massachusetts (Mr. MOAKLEY and Mr. BOLAND); our colleague from South Carolina (Mr. DAVIS); our colleagues from Pennsylvania (Mr. EILBERG and Mr. MURTHA); our colleagues from Florida (Mr. FASCELL and Mr. PEPPER); our colleagues from New Jersey (Mr. HELSTOSKI and Mr. ROE); our colleague from New York (Mr. LAFALCE); our colleague from Georgia (Mr. MATHIS); and our colleague from Michigan (Mr. NEDZI).

Now the burden rests squarely with the Democrat leadership in both Houses to assure that this measure receives serious consideration.

Mr. Speaker, let me again remind my colleagues of our responsibility and obligation to eliminate the critical conflict of interest now being exploited by the Federal Government by removing our current practice of double taxation and thus restoring equity in the tax structure.

The Wall Street Journal's editorial, "Slowing the Tax Treadmill," February 13, 1975, follows:

SLOWING THE TAX TREADMILL

The Congressional Joint Economic Committee reported the other day that the biggest price increase in the current inflation has come in the price of government. While food rose 11.9% and transportation rose 14.3%, the income taxes paid by a middle-income family increased 26.5%.

The report strikes us as highly significant, especially since the committee is chaired by the redoubtable Hubert Humphrey. It is a welcome sign that the liberal community is awakening to the dangers of a high tax load, and more specifically to the tax-increasing effect of progressive taxes during a period of inflation. As the committee noted, the chief tax increase came not because of congressional action, but simply because inflation pushes everyone into higher and higher tax brackets.

As further evidence of liberal concern, we note that The Washington Post editorially goes so far as to blame the current recession on this aspect of the tax laws: "The basic reasons for it are no mystery. First of all, the country has had a series of terrific tax increases over the past two years. . . . Even though the avcrage family had less buying power, inflation was raising its income taxes by pushing it into higher tax brackets just as the economy began to slow down. Instead of cutting taxes to combat recession, government unintentionally increased them."

We would hope that this liberal concern will mature into broad-based support for indexing the income tax, that is, inserting automatic adjustments to offset the effects of inflation. Canada has already adopted this proposal, and these columns have been urging it on the United States for some time now. The new liberal interest is coupled with long-standing support from many conservatives. It has been a principal tenet of Milton Friedman's new society. In the last few weeks it has also been specifically proposed by a group of conservative Congressmen led by New York's Jack Kemp.

Liberal discovery of the perverse interaction between inflation and progressive taxes has been spurred by the observation that this effect is most heavily felt by middle- and lower-income taxpayers.

This is bound to be true so long as there is any maximum rate. Obviously the fellow paying 72% is not going to be pushed into a higher bracket (though a greater proportion of his income will be pushed into the top bracket). So it's hard to see how the liberals are going to solve this concern by increasing taxes on the rich; the only real answer is indexing.

Conservatives are interested, among other reasons, because of the hope that indexing might be some sort of discipline on government. As it is, the federal government is perhaps the only segment of society that actually profits from inflation, which is why we have called the adjustment proposal "de-indexing the government." Currently the government's income is not only indexed, to hold real income constant, it is super-indexed, so that its real income is increased by inflation. Since the government also controls the policies that cause or cure inflation, this is probably society's number one conflict of interest.

To whatever extent the government's spending is related to its income, indexing might slow spending. This may make it hard to sell to some liberal lawmakers, who may not want to give up the luxury of having more real resources to devote to liberal programs without the necessity of voting for higher taxes. Conversely, indexing is opposed by conservatives who think it would slow income but not spending. Apparently it was killed within the Ford administration by Arthur Burns, who feared it would further bloat future deficits and exacerbate his problems in running monetary policy.

Yet indexing would be a far better investment in the future than the administration's one-shot tax rebate, a purely political sop to tax cutting with little or no long-range economic impact. Since the administration has dropped the ball, we can only hope that Senator Humphrey and other Capitol Hill Democrats will pick it up, starting hearings on the not insignificant problems of working ont the correct details. An indexing system would make the government face up to its policies, and as the Post suggests, would give it a truer picture of its impact on the economy.

But most of all, it would end the unseemly spectacle of the government taking more taxes from the people already suffering the tax of inflation. In the end, the liberals are right. The strongest argument for indexing the income tax is the argument deriving from equity.

ESTONIAN INDEPENDENCE OBSERVANCE

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. NOWAK. Mr. Speaker, on February 24, 1975, Americans of Estonian descent commemorated the 57th anniversary of the declaration of independence for the Republic of Estonia. It is unfortunate at this time that its status is that of a conquered nation.

After many years of Czarist Russian domination, the proclamation of Estonian independence in 1918, however, was only a flicker of light. Those high hopes were dashed by the Soviet invasion and takeover in the summer of 1940.

During more than 30 years of forced internship, this small yet resourceful country has been exploited by an unwanted overseer. Despite the suppression of many human rights and attempts at Russification, Estonians continue to uphold their cultural independence and pursue their quest for political freedom.

Estonian's struggle to regain the right of self-determination, should not be forgotten. The United States must continue its policy of nonrecognition of Soviet territorial claims over Estonia.

POLICY STATEMENT ON INFLATION-RECESSION

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BUCHANAN. Mr. Speaker, it was my pleasure recently to receive from the Birmingham area chamber of commerce which serves the metropolitan area of the Sixth Congressional District of Alabama a policy statement on inflation and recession.

I would commend this policy statement to my colleagues. The chamber has attempted not only to pinpoint the source of our economic woes, but has gone a step further than many experts in Washington—it has outlined specific solutions.

The chamber's statement shows a carefully considered and informed understanding of many of our problems. It is my pleasure to share it with you at this time.

POLICY STATEMENT ON INFLATION-RECESSION

(By the Birmingham Area Chamber of Commerce)

The United States economy is dominated by inflation, the most serious threat facing the nation today. Running at a rate which is intolerable to our economy and our society, inflation goes far beyond endangering our economic life. If it is not moderated substantially in the immediate future, there is no way the nation can prevent the present economic decline from becoming a major recession. If these trends (inflation-recession) continue, it will be impossible to maintain our position of international leadership.

While Birmingham's economy does not yet seriously reflect all of the negative aspects of inflation, it will ultimately reflect national trends. Recognizing that the Birmingham Area, because of its heavy concentration of industry and minority population, could conceivably suffer more from prolonged inflation than other parts of the nation, it is necessary that an immediate effort be made to convince Congress that it must put politics aside and act in the best interest of the national economy.

While the Chamber favors self-restraint by business in its pricing policy and by labor in its wage demands, it continues to strongly oppose mandatory wage and price controls as well as specific federal wage and price guidelines. In keeping with its policy of direct political action in behalf of its membership in protecting the Free Enterprise System, and its belief that the competitive market system must be continued as the best method of allocating and directing goods and services—rather than reinstitution of wage and price controls—the Birmingham Area Chamber of Commerce adopts the following as its statement of policy on inflation-recession and its recommendations for congressional action.

The Birmingham Area Chamber of Commerce calls upon the Congress to create an anti-inflationary policy and to set the example for the rest of the nation by:

1. Reducing federal spending by at least $10-12 billion below the $305 billion budget figure, during fiscal year 1975.

More than $1,792,800,000 (Federal employee raises—$700 million; Railroad Retirement Act—$285 million; and Veterans' Benefits—$807.8 million) of the taxpayers' money could have been saved in the past few months alone if the Congress had not approved inflationary programs that could have been delayed until the economy has improved.

2. Recognizing that not only must the federal budget be balanced, but that it must show a surplus for fiscal year 1976 in order to effect a reduction of the national debt.

3. Recognizing that no federal agency or department should be exempt from mandatory budget cuts and that there must be a moratorium on new spending programs.

4. Assuring that greatest budget-cutting attention is given to those programs which have increased at the fastest rate during recent years.

5. Making every effort to implement the latter and the intent of the Congressional Budget Act of 1974, recognizing that it will not be enough to establish reduced budgetary ceilings, but that spending outside these ceilings must not be permitted.

6. Making certain that savings from budget cuts, along with revenues produced by any additional taxes that might be levied, are used specifically for the reduction of the national debt rather than as funds available for expenditure.

7. Assuring a continuing effort to improve the administration of the welfare system with a view toward getting people off the welfare rolls and into permanent employment.

8. Encouraging the creation of more jobs within the private sector, rather than public employment programs, as the means of avoiding excessive unemployment. Specifically, this should be done by:

a. Urging the nationwide adoption of career education and counseling in at least grade 7 through 12.

b. Supporting the full implementation of existing work-study and cooperative education programs.

c. Supporting the full implementation of the Comprehensive Employment and Training Act.

d. Revising minimum wage legislation to insure that jobs for the young and unskilled are not curtailed by high wage rates that cannot be related to productivity.

9. Considering programs providing for public employment only after the private sector has been given a full opportunity to function as the "creator of jobs," and then only within geographic areas known to be suffering from an unemployment rate of not less than 6.5% for at least three consecutive months, and where the individuals involved here have been unemployed for a minimum of 26 weeks.

10. Provide tax incentives as a means to escalating capital investment and increasing the supply of capital goods by:

a. Retaining depletion allowances.

b. Liberalizing allowable depreciation methods.

c. Liberalizing the investment tax credit.

d. Modifying the capital gains tax structure to encourage the movement of capital from stagnated investments to those with greater growth potential.

11. Continuing support of the Federal Reserve Monetary Policy of moderate tightness as long as inflation and credit restraints are necessary.

12. Extending the application of anti-trust laws to labor unions when their monopolistic powers tend to impede competition and raise consumer prices.

13. Repealing the Davis-Bacon Act, in order to save taxpayers millions of dollars each year, where government-financed construction is concerned. This will insure that the labor cost involved will be in line with that for local construction projects, rather than based on a higher union scale rate applicable in another area.

14. Encouraging individuals to save more by providing a tax exemption of up to $500.00 per individual on incomes derived from personal savings.

15. Correcting balance of trade and balance of payment deficiencies by developing a selective foreign aid program that considers, first, our own national interest as opposed to the pouring of hundreds of millions of dollars into countries that perpetually delight in turning their backs when the United States needs their support.

16. Providing a means of substantially lowering the interest rate the U.S. Government must pay on bonds by creating a government security convertible into gold.

17. Revising the "Clean Air Act", "Water Pollution Control Act", and the "Occupational Safety and Health Act" to reduce the cost of implementation and achieve a better balance between environmental-safety objectives and job creation needed for continuing economic growth.

In adopting this statement, the Birmingham Area Chamber of Commerce expresses its continuing belief that *recession is a direct result of inflation*. While the actions necessary to effectively control inflation are politically unpopular, those in government service are fully capable of developing and implementing an effective control program when their constituents have made them aware that there is a voter mandate demanding immediate congressional action.

The first and most critical step toward stopping inflation is the balancing of the federal budget and reduction of the national debt, and the prime responsibility for correcting the nation's economic woes lies with the Congress.

JONES RELEASES RESULTS OF DISTRICTWIDE SURVEY

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. JONES of Oklahoma. Mr. Speaker, for the past month, my office has been tabulating the results of over 14,000 questionnaire responses which were returned to my office by citizens of Oklahoma's First Congressional District.

The results of this districtwide survey are now complete, and I would like to take this opportunity to share our findings with my colleagues here today. I include at this point in the RECORD my statement on our survey results, and the precise response given each question as it was asked:

QUESTIONNAIRE RESULTS FROM OKLAHOMA'S FIRST CONGRESSIONAL DISTRICT

WASHINGTON.—Representative James R. Jones today announced the results of his January 1975 survey of the views of voters in Oklahoma's First Congressional District. Jones reported that over 14,000 individuals responded to this questionnaire.

"I was very pleased with this response," Jones said, "because the questions which were asked deal with current national economic recovery and energy legislation that will affect every citizen."

Jones' first question dealt with alternative proposals now being considered to encourage energy conservation. Opinion was fairly close on the proposed excise tax on all crude oil: 44.5 percent were opposed to such a tax; 42.8 percent favored the tax; and 12.7 percent were undecided. With regard to a retail tax on gasoline at the pump: 50.5 percent were opposed; with 33.3 percent favoring such a tax; and 16.2 percent undecided. Opinion was strongest on the subject of possible gasoline rationing: 54.8 percent opposed rationing; 33.2 percent were in favor of rationing; and 12 percent remained undecided.

Jones' next question concerned relaxation

UMI

of environmental controls to ease the energy problem. 77.8 percent favor relaxation of controls; 21 percent are opposed; and 1.2 percent were undecided.

On the subject of windfall profits tax by the petroleum industry: 72.5 percent of those responding favored a windfall profits tax with a plowback credit for energy research and development; 24.8 percent opposed such a tax; and 2.7 percent were undecided.

The remaining three questions concerned various proposals which are being discussed for our national economic recovery; 68.8 percent of those responding supported suspension of general revenue sharing until we have a balanced budget; 28.5 percent favored continued general revenue sharing; and 2.7 percent were undecided.

In response to the question of whether we should establish a Federal agency similar to the depression-era Reconstruction Finance Corporation to assist failing businesses; 63 percent opposed creation of such an agency; 34 percent were in favor of this proposal; and 3 percent were undecided.

Jones' final question concerned re-establishment of Federal wage/price controls. The majority, 65.8 percent opposed wage/price controls; 32.5 percent supported wage/price controls; and 1.7 percent were undecided.

[In percent]

	Yes	No	Undecided
1. President Ford has called for a major energy conservation program to reduce consumption and our dependence on foreign oil. In order to achieve these goals, do you favor Congress granting the President authority for:			
(a) An excise tax on all crude oil	42.8	44.5	12.7
(b) A retail tax on gasoline at the pump	33.3	50.5	16.2
(c) Gasoline rationing	33.2	54.8	12.0
2. Do you favor a 5-year relaxation of environmental controls to ease our energy problem?	77.8	21.0	1.2
3. Do you favor a windfall profits tax on the petroleum industry with a plowback credit for profits invested in energy research and development?	72.5	24.8	2.7
4. It appears there will be a substantial, recession-fighting tax cut enacted by Congress. In order to reduce the impact on our budget deficit, do you favor a suspension of the $6,000,000,000 annual revenue sharing payments to States and cities until the budget is again balanced?	68.8	28.5	2.7
5. Do you favor creation of a Federal agency along the lines of the depression-era Reconstruction Finance Corporation to assist failing businesses with direct Government financial assistance?	34.0	63.0	3.0
6. Do you favor reestablishing Federal controls on wages and prices?	32.5	65.8	1.7

THE POLITICS OF INTEREST RATES

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FRENZEL. Mr. Speaker, I insert in the RECORD today the following editorial from the Minneapolis Tribune of February 18. Primarily it deals with the difficult subject of Minnesota's restrictive usury rate ceiling in a way that I believe is unusually objective. The effect of Minnesota's usury statute in times of tight money is that Minnesota's potential homeowners are protected from buying a home, and Minnesota's savings are shipped out-of-State for mortgages elsewhere.

The article also contains some sage advice on current congressional efforts to meddle in credit markets. The editorial points out the fact that the Federal Reserve Board is hardly "promoting economic strangulation." Rather obsolete State laws like Minnesota's usury statute are doing the strangling.

The editorial follows:

[From the Minneapolis Tribune, Feb. 18, 1975]

THE POLITICS OF INTEREST RATES

Interest rates are to some Democrats what the torero's cape is to a bull. When the subject of money cost captures their attention, they figuratively lower their heads and charge at it with a single-mindedness that prevents any concern about whether they are attacking the right target.

For example, last week the Minnesota AFL–CIO renewed its opposition to proposals that the Legislature raise the 8-percent interest ceiling on conventional mortgages for homes. The reason for the housing problem, said AFL-CIO President David Roe, is not that interest rates are limited, but that "some 80 percent of all Americans are priced out of the market for a new home," and that costs of existing housing have gone up as well.

The main reason for rapidly rising housing costs has been rapidly rising labor costs. We doubt that Roe would favor a rollback in labor costs to what they were a few years ago, when conventional mortgages rates were around 8 percent.

To insist that mortgage interest, unlike wages, should be exempted from the effects of inflation on the marketplace seems to us unrealistic. But that is what Minnesota's usury law does, at a time when federally insured mortgages carry a rate higher than the 8 percent limit. Lenders in this state have little economic incentive to provide conventional loans for home buyers.

On short-term rates and the availability of bank credit, Sen. Humphrey demonstrated a similar fixation Sunday. Accusing the Federal Reserve Board of "promoting economic strangulation," he warned the board to "shape up."

Three principal means of monetary adjustment are available to the Federal Reserve Board. One is the sale to member banks, or the purchase from them, of government securities. Since last fall, the board has been buying securities, thus adding to the cash held by the banks.

Another monetary tool is the board's jurisdiction over bank reserve requirements, which it has reduced to make available an additional $2 billion in lendable bank funds. Third, the board sets the discount rate, the interest rate at which member banks borrow from the Federal Reserve. Since December, when the discount rate was 10 percent, the board has lowered the rate to the present one of 6¾ percent.

That doesn't sound like monetary "strangulation," a term that might better apply to the Minnesota usury law.

A BARRIER-FREE ENVIRONMENT FOR THE HANDICAPPED

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BRADEMAS. Mr. Speaker, on February 20 I introduced House Congressional Resolution 134, stating the sense of Congress that there should be a barrier-free environment for all handicapped Americans.

On Monday, February 24, the New York Times included an article describing a book produced by two New York City employees, "Barrier-Free Design, Accessibility for the Handicapped," reminding engineers, contractors, and architects to be mindful of the environmental difficulties the handicapped face.

Because I believe this review is an excellent brief description of the obstacles that handicapped persons frequently face, I include it at this point in the RECORD:

BOOK ISSUED ON AID FOR HANDICAPPED—AIMED AT KEEPING BUILDERS MINDFUL OF SPECIAL NEEDS

(By C. Gerald Fraser)

An architect who designed a bathroom with the handicapped in mind was asked to sit in a wheel chair and use his creation. Things went well until he tried to leave the bathroom, rode through one door and bumped into a modesty wall, having no space to maneuver.

Getting into and leaving buildings; using elevators, water fountains, telephones and switches; reading signs; hearing signals, and generally moving about are concerns for a variety of handicapped persons.

To help policy makers, architects, engineers, contractors and others who design and build, to be mindful of such problems, two city employes have produced a 31-page, magazine-size booklet, "Barrier-Free Design, Accessibility for the Handicapped."

Many of the features written about and illustrated in the booklet are required by the city's building code to be incorporated into buildings constructed in the city.

The booklet shows, for example, the proper width of doors, the proper height of water fountains and telephones for the handicapped, what equipment a shower used by the handicapped should have, how to shape handrails and how to design parking lots.

The authors are Phyliss L. Tica and Julius A. Shaw. Mrs. Tica is director of transportation services for the handicapped in the Transportation Administration. Mr. Shaw is chief of the Bureau of Operating Services in the Department of Public Works.

They developed their design by collecting existing data and by first-hand experiments. They hope that their work receives exposure and is put into curriculums and architects' and engineers' reference works.

The booklet—Publication #74–3—may be obtained through the Institute for Research and Development in Occupational Education, Center for Advanced Studies in Education, The Graduate School and University of New York 33 West 42d Street, New York, N.Y. 10036. There is no charge.

AID TO THE UNEMPLOYED IN INDIANA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HAMILTON. Mr. Speaker, as economic conditions have worsened, many of my constituents have found themselves in need of emergency aid, but have been unable to find a comprehensive source of information concerning the various programs available.

Many have called or written my office seeking help. In order to be able to assist them as much as possible, I have had my staff prepare a guide to the economic aid programs available in my district.

I wish to share this guide with my colleagues, especially those from Indiana, in the hope that it may be of help to them in assisting their own constituents:

A GUIDE TO ECONOMIC AID PROGRAMS

I. COMMUNITY ACTION PROGRAMS

These are the only agencies that act as clearing houses for social services information. Their Outreach program functions to find out what is needed, refer clients to the proper agencies and then follow up to ensure proper services are provided. They also act as advocates, interceding on behalf of the poor in disputes with government agencies.

Eligibility

Their mandate is to help those below the poverty line, but they will assist anyone in economic trouble. No stringent guidelines are followed.

Availability of services

All 9th District counties except Fayette, Franklin and Decatur are served by C.A.P.S.

Locations

L.O.W. Economic Development Corporation (Washington County), P.O. Box 205, Mitchell, Phone 849–4457.

Lincoln Hills Development Corporation (Harrison County), P.O. Box 113, Troy, Phone 547–8621.

BBJ Community Action Agency (Human Services, Inc.) (Bartholomew, Brown, Jackson) Box 588, Columbus, Phone 372–8047.

Floyd County Economic Opportunity Corporation (Floyd) Room 122 City-County Bldg., New Albany, Phone 945–2349.

Clark County Community Action Agency (Clark) 201 National Avenue, Jeffersonville, Phone 282–0456.

Southeastern Indiana Economic Opportunity Corporation (Switzerland, Dearborn, Ohio, Ripley), 237 Main Street, Aurora, Phone 926–1585.

Ohio Valley Opportunities, Inc. (Jefferson, Jennings, Scott) First and Broadway, Madison, Phone 265–5858.

Monroe County Community Action Program (Monroe), 101 S. College Avenue, Bloomington, Phone 339–3447.

II. UNEMPLOYMENT COMPENSATION

Regular State program

Benefits

Payments of $60 to $100 a week, determined by number of dependents. Maximum period of assistance is 26 weeks, determined by the salary bracket during the base period, 10–1–73 to 9–30–74.

Requirements for Eligibility

Must have made $500 during the base period.

Must have worked during the last six months of the base period.

Must have worked in a field covered by the program. Usually farm and domestic work are not covered.

Must register for work and be willing to accept work in field of experience.

Extension of Benefits

As of 1 February, 1975, outstanding claims may be extended by up to 50 per cent, i.e. a 26 week entitlement would be increased to 39 weeks. Claims already expired before 1 February may not be reopened for extension.

Special unemployment assistance

This is a Federally funded program administered through the State. Its purpose is to extend unemployment compensation to persons not normally covered by existing programs, and to aid high-unemployment areas. All of Indiana qualifies as a high-unemployment area.

Benefits are the same as for the regular state program except that entitlement periods may not be extended past 26 weeks.

Requirements

Must have earned $500 within a year of the day claim is filed. Not necessary to have worked during last six months as in regular plan.

Eligibility requirements are more flexible. Occupations not covered by the regular program may meet its requirements.

Applicants should file claims at nearest Indiana Employment Security Division Office. A social security card and a list of all employers for whom applicant worked during last 52 weeks are required.

Work registration requirements are same as regular plan.

Limitations

This is a temporary program authorized only until March 31, 1976. No claim may be filed after December 31, 1975 unless the program is extended by Congress.

III. FOOD STAMPS

Benefits

Free or discounted food. Stamps are bought at a state Food Stamp office and used like money at the grocery store.

Eligibility

In general, the eligibility requirements are the same as for welfare or Township Trustee poor relief. Households not on assistance may still be eligible if income does not exceed specified limits in relation to their size:

Family size:	Income in dollars
1	194
2	230
3	406
4	513
5	606
6	700
7	793
8	886
9	959
10	1,032

For families over 10, add $73 for each additional member.

A family's resources, including cash on hand, stocks and bonds, savings and checking accounts, property, automobiles and other personal property are considered in deciding eligibility. Except for deductible items, total family resources may not exceed $1,500 except when a member is over 60; then, the limit is $3,000. Generally, one car, a house and lot, household goods, life insurance policies, pension funds and personal effects are deductible.

Benefits

Each family is allowed to buy a maximum number of stamps every month, according to its size. Stamp prices vary with ability to pay as measured by net income and family size. Net income is calculated by subtracting the following deductibles from gross income:

Ten percent of earned income, but not more than $30 a month.

Federal, state and local income tax, FICA tax, retirement payments, union dues and some types of garnishments.

Medical costs of more than $10 a month except for special diets.

Child or invalid care costs when necessary to enable member to work or take part in job training.

Tuition and required fees for education, but not books, supplies, school meals or transportation.

Unusual expenses such as fire, flood or theft loss or funeral costs.

Court-ordered support or alimony payments.

Shelter costs if more than 30 percent of household income as calculated after all other deductions. Includes rent, mortgage payments, utilities, real estate taxes, basic fee for one telephone, special local assessments. (Only for place of residence.)

The following table indicates food stamp costs to families of varying sizes and incomes. Note that a family of 4 with a net income of $452 would pay $130 for food stamps worth $154. The same family with a net income of $81 would pay $19 for $154 worth of stamps and would be ineligible for the program if its income were to rise to $540.

FOOD STAMP ALLOTMENTS AND PURCHASE REQUIREMENTS (EFFECTIVE JAN. 1)

48 States and District of Columbia	Number of persons in household							
	1	2	3	4	5	6	7	8
Monthly coupon allotment	$46	$84	$122	$154	$182	$210	$238	$266
Monthly net income and monthly purchase requirement:								
$0 to $19.99	0	0	0	0	0	0	0	0
$20 to $29.99	1	1	0	0	0	0	0	0
$30 to $39.99	4	4	4	4	5	5	5	5
$40 to $49.99	6	7	7	7	8	8	8	8
$50 to $59.99	8	10	10	10	11	11	12	12
$60 to $69.99	10	12	13	13	14	14	15	16
$70 to $79.99	12	15	16	16	17	17	18	19
$80 to $89.99	14	18	19	19	20	21	21	22
$90 to $99.99	16	21	21	22	23	24	25	26
$100 to $109.99	18	23	24	25	26	27	28	29
$110 to $119.99	21	26	27	28	29	31	32	33
$120 to $129.99	24	29	30	31	33	34	35	36
$130 to $139.99	27	32	33	34	36	37	38	39
$140 to $149.99	30	35	36	37	39	40	41	42
$150 to $169.99	33	38	40	41	42	43	44	45
$170 to $189.99	36	44	46	47	48	49	50	51
$190 to $209.99	36	50	52	53	54	55	56	57
$210 to $229.99		56	58	59	60	61	62	63
$230 to $249.99		62	64	65	66	67	68	69

FOOD STAMP ALLOTMENTS AND PURCHASE REQUIREMENTS (EFFECTIVE JAN. 1)—Continued

48 States and District of Columbia	Number of persons in household							
	1	2	3	4	5	6	7	8
$250 to $269.99		64	70	71	72	73	74	75
$270 to $289.99		64	70	77	78	79	80	81
$290 to $309.99			82	83	84	85	86	87
$310 to $329.99			88	89	90	91	92	93
$330 to $359.99			94	95	96	97	98	99
$360 to $389.99			100	104	105	106	107	108
$390 to $419.99			106	113	114	115	116	117
$420 to $449.99				122	123	124	125	126
$450 to $479.99				130	132	133	134	135
$480 to $509.99				130	141	142	143	144
$510 to $539.99				130	150	151	152	153
$540 to $569.99					154	160	161	162

48 States and District of Columbia	Number of persons in household							
	1	2	3	4	5	6	7	8
$570 to $599.99					154	169	170	171
$600 to $629.99					154	178	179	180
$630 to $659.99						178	188	189
$660 to $689.99						178	197	198
$690 to $719.99						178	202	207
$720 to $749.99							202	216
$750 to $779.99							202	225
$780 to $809.99							202	226
$810 to $839.99								226
$840 to $869.99								226
$870 to $899.99								226

Because of administrative delays, food stamp recipients usually must wait more than six weeks before receipt of the first stamps. No interim relief is available except possibly from the Township Trustees or private agencies.

IV. TOWNSHIP TRUSTEES

Township trustees are budgeted a small amount of money for "poor relief." They do not operate continuing relief programs, but could assist those who are experiencing delay in getting food stamp approval.

Township relief budgets are so small that some run out of money before year's end and can do nothing until the next appropriation. Also, since the trustees' offices are often open only a few hours a day, it may be difficult to track one down.

Some trustees hire no employees, do no investigation and rely on person-to-person interviews to determine eligibility. They have sole discretion in deciding who gets money and how much.

V. SUPPLEMENTAL SECURITY INCOME

This is a nationwide program designed to aid the aged, blind and disabled. State programs for these groups have been ended.

Definitions

Aged: over 65

Blind: vision no better than 20-200 with correction or tunnel vision (limited visual field of 20 degrees or less.)

Disabled: physical or mental impairment which prevents a person from doing any substantial work and is expected to last at least a year or to result in death.

The SSA is strict in determining disability. A person may be unable to do any work that is available near his place of residence or even in his state, may be unable to do any full-time work at all and still be considered employable by SSA. A single doctor's statement that a person is disabled is not sufficient proof; SSA reviews medical records and examination results and makes its own decision in each case.

Requirements

Income must be below $438 a quarter for an individual or $657 a quarter for a couple except $60 a quarter of retirement income and $195 plus half of remainder of earned income may be deducted.

Resources (bank accounts, cash on hand, stocks, etc.) must be less than $1,500 for an individual or $2,250 for a couple. Homes, cars, personal effects and household goods of "reasonable value" are not counted so long as they are essential to self-support.

Benefits

A person living alone receives $146 a month while a couple receives $219 a month. Under certain conditions the amount is reduced, usually because the recipient receives extra income from some other source or is hospitalized for an entire month.

Disability claims should be filed at the nearest Social Security Office.

VI. SOCIAL SECURITY DISABILITY

This program is an extension of Social Security. It differs from SSI because it is open only to those who have earned Social Security credits. Criteria for determining disability are essentially identical, but benefits *can* be much higher than under SSI, depending on yearly average income under Social Security.

Eligibility

Work Credits

Length of work needed depends on age at time of disablement:

Under 24—One and a half years in the three-year period ending when the disability begins.

24 through 30—Half the time between age 21 and the time of disablement.

31 and older—Five years of work out of the last ten years before disablement.

Years need not be continuous or in units of full years.

The Blind

Some special provisions are made for the blind. Most important is a relaxed definition of "disabled" for blind between 55 and 65.

Persons Eligible

Disabled workers under 65 and their families.

Persons disabled before age 22.

Disabled widows, disabled dependent widowers, disabled divorced wives (under some conditions).

Medicare

Available to anyone who has been entitled to disability checks for two or more consecutive years.

Benefits

Calculation of benefits is complex. The table below is only a guide:

Average yearly earnings after 1950

Maximum family payment:

$141	$923
297	3,000
489	5,000
549	6,000
598	7,000
651	8,000
689	9,000
722	10,000

In general, the disabled person will not be paid at all for the period between the time he applies and five full months later. If the disability began at least six months before he made application, some back payment can be made, but the waiting period of five months will still be in force.

A person already recovered from a disability that lasted a year or more may receive back payment if he files within 14 months of his recovery.

VII. MEDICAID

Those who qualify for Medicaid receive free medical and dental care. Hospital and physician charges, dental work, eyeglasses and prescribed medicine are covered as are certain necessary appliances such as crutches and wheelchairs.

Some limitations are placed on the kind and amount of dental work and on such things as the frequency of eyeglass replacement. Unusual equipment needs (wheelchairs, hearing aids, etc.) must be approved by the State Welfare Department.

Eligibility

AFDC—all eligible AFDC recipients are covered.

Aged, blind and disabled—coverage for this group is the same as for dependent children. Eligibility requirements are roughly parallel to the SSI guidelines.

VIII. AID FOR DEPENDENT CHILDREN

This is the core program for Indiana welfare assistance. Payments are made to the parent who cares for a dependent child.

Eligibility

Any dependent child under 18 who has been deprived of the support of one or both parents and whose remaining parent or guardian is unable to adequately support him/her is eligible. One parent must be dead, incapacitated or absent if the child is to be eligible. Indiana, unlike some other states, makes no provision for the father who is unemployed but lives at home.

Benefits

Maximum benefit is $150 for a parent and one child plus $50 for each additional child. The benefit amount is determined on a case-by-case basis, taking into account any outside income. Food stamps are not counted as outside income.

Any child eligible for AFDC is also eligible for Medicaid as is the parent who cares for him/her.

IX. VETERANS ADMINISTRATION

While the Veterans Administration offers no social services programs, certain of its benefits could be of use to the veteran with economic difficulties, especially hospitalization and vocational training. In addition, those with service-connected disabilities can receive pensions, vocational rehabilitation services, etc.

Free hospitalization

Any veteran—but not his family—can receive free in-patient care at veterans hospitals, even for non-service-connected injuries or diseases. Limited out-patient care is available to those patients who would require hospitalization without it. Two veterans hospitals are located near the 9th District: Indianapolis and Louisville.

Educational benefits

The VA will provide payments for vocational training for any veteran within 10 years of his discharge date. Some limitations are imposed, but most training is acceptable so long as it is part of a program toward an identifiable vocation. A few areas (such as bartending) are prohibited. Programs are:

1. On-the-job training. The veteran works for an employer at a journeyman's wage while the VA pays the employer part of the salary.

2. College level training. The veteran receives monthly checks while he attends a college or university. Payment is calculated according to the number of dependents and number of credit hours enrolled. Full-time (12 or more credit hours) monthly benefits range from $270 for a single veteran to $366 for one with two dependents. In addition, $22 a month is provided for each dependent over two.

3. Correspondence courses. VA pays 95 per cent of cost.

TRAFFIC ACCIDENTS ARE A BIGGER THREAT THAN CRIME

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SHUSTER. Mr. Speaker, I commend to my colleagues the following article by Jerry V. Wilson which appeared recently in the Washington Post and other papers.

It is time we Americans woke up to the urgent need to increase our emphasis on highway safety.

The article follows:

TRAFFIC ACCIDENTS ARE A BIGGER THREAT THAN CRIME

WASHINGTON.—A couple of decades ago, I was sitting through a night course in police administration, sort of half-dozing with most of the other students, when a classmate, a motorcycle officer, shocked us all awake by arguing that a most effective way for government to save lives would be to empower the police to execute summarily a few traffic offenders.

Predictably, that discussion rapidly evolved into examination of theoretical and practical difficulties such as selecting offenders to be executed, and preventing abuses of such discretion for personal motives.

The notion of shooting traffic offenders came from a more prestigious source in 1968 when then-Atty. Gen. Ramsey Clark, addressing arguments against policies of shooting looters to the National College of State Trial Judges, rhetorically asked: 'Why not shoot drunken drivers? What is it that causes some to call for shooting looters when no one is heard to suggest the same treatment for a far deadlier and less controllable crime?"

Obviously, neither of them seriously believed that traffic offenders should be shot. But their hyperbole underscores the disparate levels of toleration that Americans have for traffic accidents and traffic offenders as contrasted to crime and criminals.

During 1973, murderers killed 19,500 Americans while traffic accidents killed 55,800. Injury data show a somewhat similar distribution pattern. Crime reports don't give a precise tally of personal injuries inflicted by criminals, but it is virtually certain that criminals inflicted no more than 750,000 personal injuries during 1973; in that same year, traffic accidents caused a reported two million personal injuries.

And what of the monetary costs? U.S. News and World Report recently published an estimate placing the cost of crime at nearly $90 billion annually. But by examining the details of that estimate and of a technically similar computation prepared in 1967 for the Katzenbach Commission, you will find that most of the "costs" go to exchanges of money in gambling and other victimless crimes, to losses in white collar crimes, and to budgets of criminal justice agencies. The direct cost of "serious crimes" is about $5 billion annually.

During the past five years, what have been the direct costs for your crime losses plus the cost of your crime insurance? And what have been the direct costs to you for traffic accidents plus the cost of your automobile accident insurance? You are an unusual American, or you don't own an automobile, if your direct personal costs of crime have been the greater.

Despite the larger number of deaths and injuries and the higher costs from traffic accidents, opinion polls invariably register a greater public concern over crime. This attitude may partially reflect the fact that traffic accident costs are offset by a benefit, namely, a fast and convenient mode of transportation.

More important to the public attitude than the cost-benefit ratio, however, is the common misconception that traffic fatalities, injuries, and costs are incurred by "accidents," whereas crime fatalities, injuries, and costs are inflicted by "offenders." The fact is that at least two-thirds of all traffic deaths result from improper driving. And alcohol consumption by drivers is an indicated factor in at least one-half of all fatal accidents.

None of this is to suggest that crime is not a growing problem. Nor is it to propose that rapists, robbers, and burglars should be dealt with less severely. But if fear of crime is keeping you off the streets of your community, you should understand that the far greater threat to your life, limb and property comes from some "law-abiding" neighbor, or perhaps from yourself.

A "STRANGULATED" NATION GOES TO WAR OVER OIL

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. REUSS. Mr. Speaker, the February 23, 1975, issue of the Washington Star-News carried an article by David H. Baris on Japan's dependence on American oil prior to World War II and the impact of the American oil embargo against Japan in 1941. Mr. Baris is a former professional staff member of the House Conservation and Natural Resources Subcommittee. I would like to share his article, entitled "A 'Strangulated' Nation Goes to War Over Oil", with my colleagues:

A "STRANGULATED" NATION GOES TO WAR OVER OIL

(By David H. Baris)

Should the United States go to war for oil?

Two years ago, no one would have thought of asking that question. Since then, the oil-producing nations have quintupled the price of oil, and the Western industrialized countries have lived through a traumatic oil embargo and serious economic woes.

In recent weeks, the question of invasion has been raised unabashedly. President Ford and Secretary Kissinger have suggested that the United States might go to war if actions of oil-producing nations caused the "actual strangulation of the industrialized world."

All this has stirred up a debate on whether any economic action by oil-producing nations would justify military action. While such a debate now seems hypothetical, it would not be if another Israeli-Arab conflict flared up and an oil embargo ensued.

History has recorded similar debates. One in particular is worth relating here. Thirty-four years ago, another country, feeling strangled by actions of an oil-producing nation, anguished over whether or not to go to war. Its decision was to do so.

On July 26, 1941, the United States, which supplied 70 percent of Japan's oil needs, froze all of Japan's assets in the United States. The measure brought all financial and import and export trade transactions in which Japanese interests were involved under the control of the U.S. government. Both Japan and the United States knew what this meant—no longer could Japan purchase oil from the United States.

Shortly after the U.S. action, Great Britain and the Netherlands East Indies took similar steps. Quite suddenly, expansionist Japan found itself cut off from its foreign oil supply.

During the intense debate in Japan which followed these measures, the chief of the Japanese Naval General Staff likened his country to a patient who was certain to die if it did nothing, but might be saved by taking a dangerous course. An historian later wrote that the freezing of Japan's assets "produced feelings similar to those that grip a man when a noose is placed around his neck."

With only a two-year oil stockpile and a domestic source of oil which amounted to only 12 percent of its needs in 1941, Japan desperately sought a secure oil source for expanding its empire and increasing industrial production. The alternative—severe belt-tightening and withdrawal from conquered areas of Asia—was deemed unacceptable. Japan instead opted for the lure of cheap, plentiful oil and other natural resources in the Netherlands East Indies.

But between the Indies and Japan lay a long ocean supply route. This supply line was vulnerable to disruption from America's Pacific Fleet, based at Pearl Harbor. A decisive strike against Pearl Harbor could eliminate or substantially diminish that threat.

On Dec. 7, 1941, Japan, carrying out its fateful decision, attacked Pearl Harbor. Thus began U.S. involvement in World War II.

Perhaps war was inevitable, sooner or later, in the light of Japan's push for empire. The oil embargo certainly hastened the date.

Since 1936, Japan had sought to dominate the Asiatic continent by conquering China and expanding into Southeast Asia. One of Japan's main objectives was to gain bases and raw materials to make itself economically self-sufficient. However, Japan's very lack of self-sufficiency hindered its becoming self-sufficient. It lacked the most crucial of all raw materails—oil. Ranking 22nd among the world's oil-producing nations, Japan depended upon foreign oil for 90 percent of its needs—four-fifths of it coming from the United States, 10 percent from the Netherlands East Indies, and the remainder from such diverse sources as Mexico, Bahrein and Rumania.

Recognizing that its national goals were dependent upon an adequate oil supply, Japan instituted its own "project independence," beginning as early as 1934. It subsidized drilling operations and set high prices for refinery products, to stimulate expansion of capacity.

In addition, Japan reduced oil consumption drastically in uses not considered vital to national interest. In 1938, it instituted a gas rationing system. To meet the challenge of the Anglo-American-Dutch embargo, and to permit greater military stockpiling, the civilian use of gasoline was reduced from 6.3 million barrels in 1940 to 1.5 million barrels in 1941. In that year, almost all civilian motor traffic was abolished, including taxi-cabs and buses. The government compelled operators of essential vehicles to equip their conveyances with wood or charcoal burners.

Japan also made a Herculean effort to develop its own energy sources. In 1938, it put into effect a seven-year plan for developing synthetic oil producing facilities. But the plan proved to be a failure: For the entire seven-year period, the Japanese met only 9 percent of the 43.6-million-barrel target production.

What made Japan especially edgy was that, in the face of Japanese expansionism, the

members of the oil cartel—the United States, Great Britain, and the Netherlands East Indies—were becoming more and more hostile. The war in China, begun by Japan in 1937, destroyed American property and killed American citizens. Then, Japan signed the Tripartite Pact with Germany and Italy in September 1940. In 1940 and 1941, Japan escalated its demands for military concessions in the British and French Asian possessions and for oil in the Netherlands East Indies.

Debate had been smouldering on whether the United States should impose a ban or restrictions on oil exports to Japan.

Until 1941, U.S. policy was guided by the warning given President Roosevelt by the American ambassador to Japan in 1939: "If we cut off Japanese supplies of oil and if Japan then finds that she cannot obtain sufficient oil from other commercial sources to insure her national security, she will in all probability send her fleet down to take the Dutch East Indies." Since the United States did not consider itself prepared for war, it was not willing to risk war.

Therefore, throughout 1939 and 1940, the United States was careful not to reduce or stop the flow of oil, although it took steps to reduce the export of other vital materials. The one exception was a ban on the export of aviation fuel in July 1940, but the Japanese easily circumvented the ban by converting other products. During this period, a State Department representative helped to convince the Dutch East Indies and the two oil companies operating there not to cave in to the Japanese demands for more oil.

But by 1941, the debate on whether to impose controls on oil exports to Japan had heated up. The proponents of a cutoff had been arguing that the increasing oil stockpile accumulated by Japan would eventually be used against the United States. When the Japanese on July 24, 1941 took over French Indochina air and naval bases, from which attacks on Singapore, the Philippines, and the Netherlands East Indies could be launched, this argument prevailed.

The embargo surprised the Japanese and persuaded them to make an intensive review of the nation's readiness to wage war. The powerful Planning Board, which coordinated the vast, complex structure of Japan's war economy, found the country's resources meager and only enough for a quick, decisive war to gain the riches of the Indies. "If the present condition is left unchecked," the president of the board asserted, "Japan will find herself totally exhausted and unable to rise in the future.'. He believed that the freezing of assets by the oil cartel would bring about Japan's collapse within two years, and he urged that a final decision on war or peace be made "without hesitation."

Marquis Kido, who was in daily contact with the emperor and often was asked for advice, thought that Japan had no choice but to avoid war. He thought the wisest course was "to go through unspeakable hardships and privations" for ten years.

But the military had the power to determine policy, and the military was not willing to be leashed for ten years.

By the late summer of 1941, the general staffs of Japan's army and navy grew less interested in continuing negotiations with the United States and more interested in attempting a solution through force. The time factor was becoming ever more compelling: each day of additional delay meant the expenditure of another 12,000 tons of oil. A "now or never" psychology was beginning to take hold. According to Robert Butow, an historian of this period, Japan felt "like a fish in a pond from which the water was gradually being drained away."

The Army and Navy finally agreed on a strategy, including a plan to attack Pearl Harbor. First to be hit were Pearl Harbor, Singapore, Guam, Midway and other Anglo-American bases, with Japan hoping to knock out the naval bases from which the American and British fleet units could operate against Japan's convoy routes.

On January 5, the Japanese made their first landing in the Dutch East Indies—at Brunei in northwest Borneo. Important oil centers fell in rapid succession. The oil treasure for which the Japanese had gone to war was theirs in just over two months.

The Dutch operators of the wells and refineries had intended to demolish them in case of Japanese invasion. In some localities, they were able to do so, but in others, the Japanese captured installations intact.

Assuming the worst, Japan landed drilling equipment, pumps, and labor crews with its invading forces. In a short time, some wells were cleaned out and new ones drilled. A number of wells were producing within two months of the invasion, and during the second year of occupation, the Japanese were able to produce crude oil at 76 percent of the 1940 total. Near the end of that year, they produced five million barrels per month, or 90 percent of the pre-war average.

But the allied war strategy in the Pacific was to impose a blockade on Japan, and in particular, to cut off Japan's oil supplies militarily. The blockade soon became successful. U.S. forces accomplished the rapid reconquest of Kwajalein, Saipan, and Guam. By the end of 1944, Japan imported only 4,975,000 barrels. In 1945, its imports were confined to the few thousand barrels brought in during January and February.

After the battles of early 1945, when Japan lost the Philippines and Okinawa, U.S. forces sat astride its vital life line. Strategically, the war was won.

LITHUANIAN ANNIVERSARY

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. LONG of Maryland. Mr. Speaker, on February 16, 1975, Americans of Lithuanian descent celebrated the 57th anniversary of the establishment of the Republic of Lithuania. In addition, this date was designated as a commemoration of the 724th anniversary of the founding of the Lithuanian state. As the United States approaches her own bicentennial, Americans should recognize and congratulate those nations who are celebrating anniversaries of their own.

Lithuania's celebration is not untempered by difficulties. Even as she enters her 58th year, this European nation is engaged in a very real strugle. Since 1940, Lithuania has been resisting political domination by the Soviet Union. While many of the basic freedoms of the Lithuanians have been limited by the Soviets since this forced annexation 35 years ago, neither their national spirit, nor their determination to achieve their full sovereignty have been dampened in the least. The United States and other western powers have given strength to the Lithuanian cause by refusing to recognize the validity of the forced annexation. This of course, has given strength to Lithuania's quest for freedom. The true credit for Lithuania's strength of spirit and determination must however, be given to the Lithuanian people themselves.

The freedoms for which Lithuania struggles today should be meaningful to all Americans. Self-determination and religious freedom were what America fought for almost 200 years ago.

THE TALKING STAR OF ARTHUR CLARKE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. TEAGUE. Mr. Speaker, the American Way magazine January 1975 issue contained a significant article on the contributions of our space program authored by Mr. Richard C. Hoagland. The article summarizes well the direct down-to-earth practical benefits that are accruing from our national space program. He particularly points out the contributions being made by the advance technology satellites to education and medical services and the opportunities these devices provide for the future. I recommend this article for the reading of my colleagues and the general public:

THE TALKING STAR OF ARTHUR CLARKE

(By Richard C. Hoagland)

This year, Arthur Clarke's revolutionary Applications Technology Satellite (ATS–6) will relay vital educational TV directly to thousands of villages from Alaska to India.

From Little Russian Mission, Alaska, to the subcontinent of India, the poor, the underprivileged, the neglected of planet Earth have at last received a gift from the Space Age to call their own. Invisible beyond the blue, it spins, the first satellite dedicated to the forgotten masses of Earth: symbolically, a talking star.

It was twenty-nine years ago this winter that the idea for this satellite revolution was conceived. Its inventor was Arthur C. Clarke, a young flight lieutenant in the RAF. Clarke has since become one of the world's best-known popularizers of space flight and its applications to human needs through his outstanding science and science fiction writing. The best known of the latter is probably the screen epic. *2001: A Space Odyssey*, directed by Stanley Kubrick.

In 1945, in an issue of *Wireless World*, this new instructor of ground crews in the care and feeding of radar aircraft landing systems, published the first proposal for a satellite communications network. To quote Clarke: I think it will be possible in a few more years to build radio-controlled rockets which can be steered into orbits beyond the limits of the atmosphere and left to broadcast scientific information back to Earth . . . there are an infinite number of possible stable orbits, circular and elliptical. One orbit, with a radius of 42,000 km (22,300 miles), has a period of exactly 24 hours. A body in such an orbit, if its plane coincided with the earth's equator, would revolve with the earth and thus remain "stationary" above the same spot on the planet. It would remain fixed in the sky of a whole hemisphere and, unlike other heavenly bodies, would neither rise nor set. Using material ferried up by rockets, it would be possible to construct a "space station" in such an orbit. It would be provided with receiving and transmitting equipment and could act as a repeater to relay transmissions between any two points on the hemisphere beneath, using any frequency which will penetrate the ionosphere. If

directive relays were used (antennae) the power requirements would be very small as direct line of sight transmission would be used . . . a transmission received from any point on the hemisphere could be broadcast to the whole of the visible face of the globe, and thus the requirements of all possible services would be met.

Clarke envisioned a vast array of broadcast services: postal, telephone, radio and television, as streaming down from the sky to *individuals* equipped with appropriate receivers and small antennae—collection devices about a foot across, he thought, should be more than adequate. His system, possible with the technology available in 1945, would have been built around bulky and fragile tube radio equipment. To transistors or their descendants, integrated circuits which make possible hand-held computers and radios the size of sugar cubes, Clarke did not refer, even if he had foreseen their development. The simple truth of the matter was that, even with tube-technology, it was possible to reach anyone on Earth from space, *directly*, by satellite—even in 1945! What happened, then, in the intervening quarter of a century between the beginning of the dream and its final realization early this year? What is the difference between reference to satellite systems currently flashed on TV screens during newscasts, and the direct broadcast system originally conceived by Clarke? And why isn't one satellite communication system just as good as another?

To understand the vast difference in potential between satellite relay systems currently being used by networks, telephone companies and a variety of other enterprises, and those proposed almost thirty years ago by Clarke, we must review a brief amount of history. The first communications satellite launched by man was a basketball-sized device called *Courier*. Because of severe weight limitations caused by the lack of powerful rockets, *Courier* was able only to carry a small, relatively weak transmitter. This meant that sensitive, large and very expensive ground receiving equipment was necessary to communicate with the new "bird." However, since NASA, the Army and Air Force (all participants in this early experiment) already possessed the necessary tracking antennae, this handicap was of little importance. Followup spacecraft—*Telstars*, *Relays* and *Early Birds*—continued this tradition of *Courier*, partly because of now-proven design, but mostly because the ability to lift the necessary weight of a hefty transmitter into orbit was still lacking. Thus, the current satellite communications systems have evolved, as do all other human institutions, not by detailed foresight, but by making the best of an existing situation. The result, in 1974, is a large and growing system of relatively small and "weak-voiced" satellites in orbit, interconnecting a growing number of large and expensive ground stations located in countries all around the world.

Today's satellite "traffic" (to use communications jargon for telephone calls, computer data or television programing) is routed from wherever it originates, via existing telephone circuits, to the nearest ground station, flung spaceward by the transmitter located there, relayed by the satellite to a distant ground station, where the signal is caught and amplified billions of times before it is routed via that country's existing land telephone network to its destination. Thus, today's satellite systems favor developed countries (with extensive communications systems) over developing countries. They favor rich nations over poor and they are dominated by the communications carriers of each participating country. Lost in this evolution was the Arthur Clarke idea of satellite relay directly from home to home, even separated by half the world. With existing satellites, only receivers, antennae and transmitters costing millions of dollars can communicate with the invisible, motionless relays beyond the sky. Until now.

It was a moment of historical significance when, on the morning of May 30, 1974, the world quietly entered a new era. In that clear dawn, as the world's first direct broadcast satellite, *ATS–6*, thundered aloft from Cape Kennedy, planet Earth entered the age of direct communication by satellite with inexpensive home receivers—the Age of Arthur Clarke's Dream.

In a small classroom in Tuba City, Arizona, located high on the Colorado plateau east of the Grand Canyon, a group of students, including Navajo Indians from the vast reservation surrounding Tuba City, wait for the signal from Denver, Colorado. In eight other Southwestern states and fifty-five other isolated communities spread across the rugged beauty of these mesas, canyons and deserts, approximately 5,000 students are waiting. This school, like all others, is proud of its brand-new satellite control which is capable of receiving live color television directly from the "star" they cannot see. On the roof of their school and on other roofs throughout the Southwest, a new form has appeared—the ten-foot preformed fiberglass immobile antenna, gazing toward the southern sky, and the satellite hanging invisible 22,300 miles above the Galapagos Islands.

The teacher adjusts a knob on the receiver console in the corner of the classroom and a hush falls across the expectant group. Their first lesson. "Planning a Career in Twentieth Century America," is about to begin, beamed live to their school from a spacecraft whose picture proudly decorates one wall of this room. An image forms upon the screen of the color set mounted at the front of the room. Electronically, fifty-six separate classrooms have become one.

It is howling night upon the tundra: the temperature is minus 50° F.; the wind screams through the blackness at more than 120 miles an hour. In a small clinic at Fort Yukon, an island of warmth and safety from the storm, a group of worried people is gathered. One of them is a professional, a nurse. The others are native Eskimos, the owner of the general store and the constable of this tiny community (population 630) slightly above the Arctic Circle.

There is a problem. On an examining table lies Peter Esau, ten years old. In the corner, standing before a deceptively simple-looking console, on which is mounted a color TV screen, the nurse adjusts the gain on the electrodes attached to Peter's body. Medical signals fed by the wires into the console swiftly become assembled data bits, flashed along with the sound and picture from the TV camera in the clinic to the fiberglass antenna mounted in the attic of this converted store; up in the howling night the electronic data flies—beyond the atmosphere, across 25,000 miles of space separating this antenna from the satellite above the warm Galapagos. Functioning like an orbiting switchboard, the satellite promptly retransmits the data back toward the earth, where, a fraction of a second after leaving the worried group in Fort Yukon, it arrives on the color screen of a doctor and his staff in Tanana, 200 miles away.

With professional concern, the physician scans the read-outs on Peter's temperature and respiration, glancing occasionally at the TV screen to view his patient. However many times this scene is repeated, the doctor cannot help but marvel at the clarity of the picture, the noise-free data on his patient and the semi-miraculous nature of this service which he, with the aid of the invisible satellite, provides. With regular satellite "tele-medicine" service, *ATS–6* makes possible this service for Alaska's Eskimos, Aleuts and Indians, in spite of nights like this one, with a storm blotting out air service and normal radio. Peter's only hope rests with the small transmitter at Fort Yukon and this receiver 200 miles away. In between, an electronic lifeline in the sky, the satellite silently spins on.

In Arthur Clarke's vision, these and a hundred other scenarios were made possible by the position and accessibility of a direct synchronous communications link. In reality, through the availability of NASA's *ATS–6* since the spring of 1974, these scenarios have become commonplace across the North American continent.

ATS–6 is the first spacecraft to be equipped with a thirty-foot unfolding mesh antenna. Oriented toward the 17.5 degree disc of Earth, seen from the synchronous altitude of 22,300 miles, this antenna focuses the broad range of electromagnetic frequencies *ATS–6* can transmit toward very small stations on the ground. It can also collect relatively weak transmission from such ground stations. Thus, the cost and complexity of ground equipment is lowered, and its level of availability to average users increased, by placing the sophistication and complexity in the relatively benign environment of space. It is the beginning of the second era in building the global village envisioned by Clarke, long before Marshall McLuhan.

To take full advantage of the unique capabilities of *ATS–6*, NASA, in conjunction with a host of other agencies—the Department of Health, Education and Welfare, the Federation of Rocky Mountain States, the Corporation for Public Broadcasting and many others—conceived a series of cooperative projects for direct experimental broadcasts of educational and health information to vast segments of the United States. In these experiments, ranging from teacher training via direct school-to-school satellite conferences to the exchange of health data between veterans' hospitals via individual hospital antennae, *ATS–6* is being used essentially twenty-four hours a day to explore the uses, techniques and problems of such a revolutionary tool.

In areas of little or no regular communication (the Alaskan heartland, for instance), the satellite beams direct TV to eighteen isolated communities in order to explore the uses of such a breakthrough in areas of basic oral development, health education, early childhood education and in-service teacher training. Spread across 571,000 square miles, most of these small communities of Indians, Eskimos and Caucasians have no television capability at present. With *ATS–6*, they have essentially "joined" the United States for the first time.

Besides the satellite, built by Fairchild Industries under the direction of NASA's Goddard Spaceflight Center, the key component of this revolutionary step is the small, inexpensive ground station designed jointly by the Lister Hill National Center for Biomedical Communications, NASA and the Federation of Rocky Mountain States. The stations are solid-state throughout, very simple in operation and maintenance (utilizing mainly replacement plug-in boards) and modular in design. This latter element means a particular location can be changed from a receive-only installation (the one most used in all the experiments) to a receive-TV/transmit-audio, or to a receive-TV, transmit-TV, simply by the addition of other modular units. Such interchangeability, plug-in maintenance and modular design were developed by the Hewlett-Packard Corporation, Hughes Aircraft, Prodelin and Westinghouse. It is the heart of low-cost, any-citizen access to direct satellite transmission.

After the first year of experimental operation of its various educational and health telecommunications experiments within the United States, NASA plans to move the satellite to a point just east of Lake Victoria, East Africa, for the second half of *ATS–6*'s revolutionary role as a communicator to the poor.

UMI

It is the cool of the evening. Most of the village, even the women, graceful in their flowing saris, have gathered to see the unveiling of this strange device. Representatives of the government, efficient men who seem very good with tools and wire, have been tinkering all afternoon with the disc-shaped artifact atop the tallest building near the square. Members of the *panchayat*, the village council, are among the last to arrive, slowly taking seats upon the ground before the platform erected by the government men. It is rumored that this evening the stars will talk to men, that the machines the government men have labored over during the day can bring messages down from the sky.

Sarwan, who is twelve, watches this activity with ill-concealed impatience. He knows what is about to happen. He has asked the men the government has sent. They say this machine is like the radio the *panchayat* have played each week for as long as he can remember, only better. It will be radio with pictures, and he will see places he has only seen in books. His teacher seems very excited by what the government men have been doing, so he cannot help but think it must be very good. His teacher has said that he might even see pictures on the machine of the place which made the star that sends all of the sounds and pictures.

Sarwan looks up into the gathering dusk. A few bright stars have appeared, but none seems big enough to do something so important. Then, all thought of stars is swept away from Sarwan's mind, as a tiny moving picture appears on the box mounted on the platform in the square. Sarwan feels a chill of delight as he recognizes his village on the screen and then, in disbelief, sees himself as he stood watching the round object being hauled up to the roof where it now sits, silent, looking at the stars.

Sarwan begins to realize that this night is only a beginning.

On September 18, 1969, NASA and the Indian Space Research Organization entered into an agreement of immense value to the underdeveloped nations of the world. Beginning in 1975, *ATS–6* will broadcast four hours of daily television programing (produced by All India Radio of the Indian Ministry of Information and Broadcasting) directly to 5,000 low-cost receivers and antenna systems across thousands of rural Indian villages containing some twenty million people! Information on family planning and hygiene, agricultural techniques, school instruction, teacher education and occupational skills will be transmitted for the first time to millions of people without extensive conventional television systems. In many villages, the electrical power necessary for the television sets will come from bicycle generators pedaled in relays by enthusiastic village boys.

Within this Satellite Instructional Television Experiment lies the power to change the world—to provide, *direct* to the people most in need, the information and tools necessary to halt population growth, increase food production, enhance health care and enlarge their vision of the planet upon which they live.

It is one of those sunny, relatively warm January afternoons in New York City which almost makes one forget that it is winter. A group of observers is gathered by the fountains of Lincoln Center, showcase for a city which boasts of its cultural diversity. The object of their attention is a circular-shaped artifact about eighth feet in diameter, tipped at a rakish angle and apparently pointed at the sky above the plaza to the south. A black cable snakes from this device, across the court and into the Lincoln Center Library, where additional guests mill around, waiting for the event which has brought them together. A picture appears in full color, projected upon the auditorium screen. A conductor, 50,000 miles away, raises his baton. The concert begins.

Late this month, from January 28 to 30, the Lincoln Center for the Performing Arts will feature a three-day exhibit: "The Future of TV and the Performing Arts." As part of this exhibit, the Center will include a pioneering demonstration—a live, direct-broadcast satellite stereo concert direct from Denver to New York, via *ATS-6*. Sound and picture will be transmitted via the Rocky Mountain States area ground station and received on the Lincoln Center Plaza with a tiny, eight-foot antenna and associated electronics. The potential for hall-to-hall satellite concerts, as well as concert hall-to-home programing, via future satellites, is obvious.

This writer was recently privileged to "borrow" *ATS-3* (predecessor of *ATS-6*) for a demonstration direct-satellite broadcast of live programing. Titled "Science—Life, Liberty, and the Pursuit of Happiness," the show was an overview of the influence of science and technology on the future, which included the potential of direct-broadcast satellites. It was aired by Pacifica Radio from New York, a non-profit, listener-supported FM network. Among the distinguished panelists was Captain Jacques Cousteau, who joined the program electronically via a small transmitter and receiver aboard his research vessel, *Calypso*, while filming an ABC–TV special, north of the Yucatan peninsula. Thus, direct broadcast enfranchises even those who may be thousands of miles from the nearest land.

ATS–6 is many things to many people. To airline pilots, it is working toward an eventual system of integrated satellites which will allow more reliable communication with control centers, better positional information and, consequently, safer operation.

To a farmer in Afghanistan, *ATS–6* will result in more food for both his family and his neighbors. As the world increasingly feels the full impact of the race to cultivate more land, grow more crops and feed more millions in a growing population, *ATS-6* can, indirectly, aid in this fight.

NASA, through *ATS-6* and its descendants, plans to relay, direct to regional centers in desperate need, the resource and environmental information necessary to keep worldwide food production ahead of rising demand. Such essential crop, pest and weather data gathered by other satellites will be collected by *ATS-6* and fed immediately to people most in need. Thus, *ATS-6* is the forerunner of an entirely new technology.

However, to the people most affected—American Indians linked by satellite from school-to-school; the Eskimo child who at last can feel that he is truly a part of the United States; and the Indian villager who, through *ATS–6*, will learn what he can do to make his tomorrow better than today—*ATS-6* means hope.

CONGRESS FAILED TO ACT

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. DU PONT. Mr. Speaker, in its first test of fiscal responsibility, the 94th Congress has failed miserably. At a time when inflation is tearing our economy apart, when the projected budget deficit for the coming fiscal year is a minimum of $53 billion, the Congress has refused to substantially cut the Federal budget.

Acting under the new budget procedure adopted by the Congress, the President has proposed to rescind $949.4 million in appropriations. The President reviewed the 1975 budget, and found 40 Federal programs in which he believed expenses could be reduced and the taxpayers dollars saved.

But the Congress did not have the muscle or the stomach to make these cuts, and the Appropriations Committee reduced the President's rescissions to $119.7 million. I do not believe that fighting inflation, or cutting Federal expenditures, is solely a subject for campaign rhetoric. It is a subject that demands action by the Congress. But when the time comes for action, when the time comes bite the bullet and vote for the cuts, the Congress suddenly weakens and votes only a quarter of the cuts requested.

Mr. Speaker, I am not suggesting that the Congress should be a rubber stamp for the President's decisions in considering rescissions. As a matter of fact, I was pleased that Congressman MICHEL'S amendment, which I supported, did not include Hill Burton moneys. These were funds which had been previously included in the budgets of many hospital construction and refurbishing projects around the country. As the Comptroller General pointed out, this would have had a significant negative effect on many health care facilities.

Mr. Speaker, I supported the Michel amendment—which failed—to approve $545 million in rescissions, in addition to the $119.7 million approved by the Appropriations Committee, and the Conte amendment—which carried—to cut $122.9 million in additional rescissions. I reluctantly voted for the entire bill on final passage, frankly because $242.6 million in rescissions is better than none at all. But I am disappointed that Congress did not accept its responsibility and vote the additional $322 million in rescissions contained in the Michel amendment and recommended by the President.

CARPERS WRONG ON CIVIL SERVICE

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. MITCHELL of New York. Mr. Speaker, Mr. Bun B. Bray, Jr., the former staff director of the House Post Office and Civil Service Committee's Manpower Subcommittee, recently authored an article about the Federal civil servant and I commend it to the attention of my colleagues:

CARPERS WRONG ON CIVIL SERVICE

(By Bun B. Bray, Jr.)

With the current economic downswing we again hear the ole refrain—"There are too many people working for the government and besides they are overpaid and underworked."

During the past 30 years we have noted there is always a strong criticism of federal workers when times get bad. Then, during prosperity the debunkers feel sorry for the government people. They can't get any better jobs. They are "shiny-seated government clerks."

Within the past few months several stories have appeared criticizing the civil service, the number of people working for the government and government pay. In fact, the stories have appeared in magazines varying from Playboy to U.S. News and World Report.

Likewise, identical articles have been inserted by different senators and representatives at different times in the CONGRESSIONAL RECORD.

All this has the appearance of an organized effort to build the myth that federal employees are not as good workers as those in our private economy. It has strong resemblance to the reference to civil service employees as "bloated bureaucrats" by administration officials two and three years ago.

One tends to suspect government contractors have an interest.

Let's look at the criticism of federal employees and then the facts:

"Government employment is much too high," they say. Did you know that federal employment increased less than 15 percent between 1964 and 1974? There are fewer federal employees today per 1000 people in our population or per 100 businesses than there were in 1964.

The critica merely lump federal employment with state and local governments, that have had a 150 percent employment increase in ten years, a far cry from the 15 percent increase in the U.S. government.

Now let's look at federal civil service pay. The 950,000 white collar employees, over the objection of the administration, got a 5.5 percent pay raise last October. Yet a presidential-appointed board, from private industry, this fall recommended a 7.2 percent raise.

The pay for 700,000 blue collar workers is based on the annual review of the pay of like work in the private sector of our economy.

If wages in the private sector go up 10 percent in one of the 135 wage board areas, then the federal laborers and artisans also get a raise of about 10 percent.

In another wage area the increase might be less than 5 percent depending on the wage change in the private economy.

Can you imagine the top managers in a private corporation going five years without a raise? It has happened in the U.S. government.

Then comes the ole argument—"Employee productivity is low in the government."

The General Accounting Office has studied employee productivity in the departments and agencies for over three years. Comparisons have been made with productivity data in many private corporations. The federal employee is just as good, and often better, as compared to those workers outside government.

Now is the time for federal employees to work singly and collectively to make certain our U.S. citizen understands and appreciates the dedication, skill and efficiency of our 2.8 million federal employees.

An excellent challenge.

URGES END TO GRAIN EXPORT CONTROLS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FINDLEY. Mr. Speaker, today I am introducing a bill to outlaw prior approval requirements on agricultural export sales.

This bill would prohibit the Secretary of Agriculture from imposing any prior approval requirements on export sales of feed grains, wheat, soybeans and other agricultural commodities. Both voluntary and mandatory approval requirements would be outlawed.

In October, the Secretary ordered a voluntary prior approval requirement on large grain export sales. This not-so-subtle export control will undoubtedly have an inhibiting effect on U.S. crop production if it is not immediately terminated. Many farmers already are planning production cutbacks for this year.

If the American farmer—who must pay prices reflecting world demand for his fuel, fertilizer and equipment—cannot be assured a price for his products which reflects world demand, he will not heed USDA's push for all out production.

The result inevitably will be higher food prices for consumers and less food for the world's hungry.

The Agriculture Department has hinted unofficially that it may remove controls on all crops but corn. I see no reason to discriminate against corn. The corn approval requirement should be lifted also. Although the 1974 crop was the smallest in recent years, there is no great corn shortage.

Futures prices have been falling sharply in the last month, reflecting a strong supply, brought on by reduced livestock feeding.

Several farm groups have already expressed their strong support for my legislation. William Kuhfuss, President of the American Farm Bureau Federation said, "Unrestricted export trade for farm products is essential to our national economy and our international position."

National Association of Wheat Growers Executive Vice President Jerry Rees said:

USDA's intervention in the market has reduced exports and prices to farmers. This does not mean lower consumer prices. In fact it could have the opposite effect as lower world wheat prices have affected our ability to pay for high cost imported oil.

Harold Dodd, president of the Illinois Farmers Union, calls himself one of the most ardent supporters of this bill.

National Farmers Union President Tony Dechant said he welcomes and endorses the proposal. The administration's political interference with the freedom of farmers to enhance their prices through export sales is unfair.

Oren Lee Staley, president of the National Farmers Organization, said:

We agree with your proposal that the Secretary of Agriculture should not have absolute control on contracts for export sale.

American Soybean Association Executive Vice President Ralph T. Jackson said:

The federal government's current efforts to control commodity exports are detrimental to U.S. farmers and consumers. Beyond that, it has an adverse effect on this nation's relationship with other nations that we need to count as our friends and allies.

REPUBLIC OF LITHJANIA: 57TH ANNIVERSARY

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. RUPPE. Mr. Speaker, on February 16 of this year Americans of Lithuanian descent celebrated the 57th anniversary of the establishment of the Republic of Lithuania. It was founded as an independent state in 1918 and flourished as an agricultural and industrial society. However, 22 years later, the Soviet Union occupied the country, and the freedoms that the Lithuanians had come to know and cherish were short lived. However the spirit of and desire for independence and liberty have never been extinguished; Lithuanian descendants dream of the day when their homeland is once again free.

The United States shares that dream. We formally recognized Lithuanian independence in 1922. After the Soviet invasion, our Government has never revoked that recognition and has not acknowledged the incorporation by the Soviet Union of Lithuania and its sister states of Latvia and Estonia. We must stand firm. We must encourage freedom and protest oppression throughout the world. In this light we must, on this anniversary, join with the Lithuanians in this country and throughout the world in reaffirming our beliefs that these people should be able to return to their homeland and enjoy the freedom which is rightfully theirs.

THE FBI AND "SAFE HOUSES"

HON. ANDREW J. HINSHAW

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HINSHAW. Mr. Speaker, as the Congress begins committee oversight hearings into the operations of the FBI and CIA, I think it is important to keep in perspective our goals for these agencies. Additionally one of the considerations of the respective committees may be to examine the administrative directives implementing the congressional intent of the statutory authority under which these two agencies function.

In this regard I am inserting in today's CONGRESSIONAL RECORD a very enlighting article written by Mr. Joseph Alsop which appeared in the February 24, 1974, issue of the Washington Post:

THE KGB'S "SAFE HOUSE"

(By Joseph Alsop)

Thus far only one fact of real importance has emerged from the rumpus about domestic surveillance by the CIA and FBI. This country, in fact, turns out to be shockingly vulnerable to the Soviet Union's ruthless, omnipresent KGB because of a shockingly incompetent and ill-advised counterintelligence system.

As an illustration, consider the truly bizarre ukase issued by the late J. Edgar Hoover toward the end of the 1960s. By order, the director of the FBI provided a gigantic, gloriously convenient "safe house" for the KGB's all too numerous agents and any other spies happening to be in Washington.

A "safe house," of course, is the intelligence community's label for a place where foreign agents can meet their local contacts in perfect security to make payoffs or to transmit orders or to pick up information. Just to add an extra touch of fantasy, the Hoover-provided safe house was no less than the second center of the U.S. government, the huge U.S. Capitol with all its grounds and dependencies.

Under the terms of the Hoover ukase, the Capitol complex was put strictly off-limits for all the FBI's counterintelligence men. Yet the FBI has a legal monopoly on all counterintelligence within the territorial limits of the United States. Hence Hoover's ukase meant that known Soviet spies who were known to be about to make an American contact known to be dangerous, could still be sure of doing so with perfect impunity—provided they just named a rendezvous in the off-limits part of Capitol Hill.

All this seemed downright incredible to me when it was first reported by Ron Kessler of The Washington Post. My own check has fully sustained Kessler's story, however. There is only one significant point that remains in some doubt. It is no more than 95 per cent certain that the Hoover ukase remains in full force and that the Capitol, therefore, continues to be a KGB safe house. That 95 per cent certainty is too close for comfort, one must add.

Furthermore, I think I know why Hoover issued his ukase. For background, you must first understand that the KGB maintains an enormous number of spies in this country. As a measure remember that we are priority No. 1, where as Great Britain is no more than priority No. 4. Yet when the KGB grew overbold in Britain, the Foreign Office had to expel 105 well-authenticated KGB men.

Second, you must understand that with such ample human resources, the KGB has long given a lot of its men part-time or full-time assignments on Capitol Hill. By the mid-1960s, there were somewhere between 20 and 30 KGB men dealing with the U.S. Congress or with the countless staff people the Congress and its committees employ.

This does *not* mean that KGB were constantly seeing senators and representatives. On the contrary, they were known to concentrate rather heavily on the lawmakers' personal staffs and also on the committee staffs.

But this is almost a distinction without a difference. Nowadays, in truth, domineering and able staff members largely control the thoughts and acts of all too many lawmakers, especially in the Senate. Great numbers of left of center staff members on the Senate side of the Capitol also constitute a quasi-independent power bloc. They all work together, all protect one another and often join to extend their bloc's power by planting friends and allies in new senatorial offices.

I myself believe that this unknown, unseen power bloc is an unhealthy new political growth. Yet I must hasten to add that it was *not* and is *not* necessarily improper for these people—or indeed for anyone else on Capitol Hill—to see the KGB men who have swarmed there for so long. The KGB men, of course, were all masquerading, and still are masquerading, as Tass correspondents, embassy secretaries, trade experts and so on.

Particularly on the left of the political spectrum, however, the FBI watch that J. Edgar Hoover staffed with his ukase showed an astonishing number of KGB contacts on Capitol Hill. It would have looked remarkably bad if anyone had made a public issue of them. Furthermore, President Johnson was tempted to do just that toward the end of his second term; and President Nixon actively wished to do just than in 1969.

It was about then that the Hoover ukase was issued. I feel sure, therefore, the aim was to suspend the FBI's former careful watch on the Capitol in order to be protected from Congress if the White House went too far in its revelations.

So there you have it—a horrifying story which is pretty likely to be going on this minute. The story is horrifying, of course, because foreign espionage is a damnable serious business, even in a free society like ours.

It is so serious, in turn, because it is dangerous to have a government, a press, an academic world and the ranks of science all bristling with people like Kim Philbey; Guy Burgess and Donald MacLean. I hope and think this is not our situation; but this is certainly the situation the KGB has been going all out to produce ever since the United States became the unique giant power in our half of the world.

If you reflect upon this story, you find that its main lesson is the singularly unprofessional character of the FBI approach to counterintelligence—at any rate under the leadership of the aging J. Edgar Hoover. Nor is this at all surprising. To have truly professional counterintelligence you have to know the story from the beginning, which is in Moscow in the case of the KGB.

The CIA, of course, is supposed to know all about Moscow. But another appalling revelation of the current CIA–FBI rumpus is the bloody bitterness of the FBI-CIA feud. The two agencies never worked together until new liaison arrangements were made by new leaders a year ago. This kind of crippling non-cooperation can too easily recur, too.

Again, the rumpus has glaringly revealed the recurring dominance of domestic politics in the FBI counterintelligence work, at any rate in the Hoover era. It was politics that caused the former FBI director to create the KGB safe house. It was politics, too, that caused him to ignore President Johnson's order to have a look at the peace movement's foreign links, thereby spurring Johnson to call in the CIA.

In short, the foolish may credit the argument that the CIA-FBI rumpus has uncovered a grave threat to our civil liberties. But more sensible people will instead perceive an open invitation to the KGB.

REPUBLIC OF ESTONIA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. CRANE. Mr. Speaker, at a time when we hear a great deal of discussion about détente and an easing of tensions between East and West, the unfortunate fact is that millions of men and women continue to live under Communist tyranny, and continue to see their own national life destroyed by those who have, since 1971, been practicing a brutal militarist form of colonialism.

February 24, 1975, marks the 57th anniversary of the proclamation of independence of the Republic of Estonia. Even though Estonia has been occupied by Soviet Russia for several decades, the desire of the subjugated Estonian people for freedom and self-determination remains strong.

I would like to share with my colleagues two memoranda, submitted to the Secretary General of the United Nations, the Honorable Kurt Waldheim, and to the General Assembly of the United Nations, by two dissident Soviet Estonian groups calling themselves the Estonian Democratic Movement and the Estonian National Front.

The articles follow:

To the Secretary General of the United Nations Organisation, Mr. Kurt Waldheim.

YOUR EXCELLENCY: The Estonian National Front and the Estonian Democratic Movement address to you a Memorandum, which applies for the restoration of the independent Estonian state with the aid of the UNO as well as for admission of Estonia to the UNO membership. In doing so we are guided by the fact that the three Baltic states (incl. Estonia) are the only states—former members of the League of Nations—who after the World War II have experienced no implementations of the 3rd article of the Atlantic Charter, relating to the restoration of sovereign rights and self-government to those nations who have been forcibly deprived of them. We would like to bring to your attention the well-known fact that the fate of the Baltic states was determined in 1939–1940 not by the peoples of these states, but through a secret deal between two imperialist powers, who fixed their respective spheres of influence at the expence of their smaller neighbours. All subsequent developments in the three Baltic states (incl. an electoral farce of 1940, on the basis of which Estonia was "admitted" to the Soviet Union) must be seen as efforts to give a more decent and legal form to an action that really was an annexation of small states by a great power, carried out under the military occupation and with the use of a brutal force.

This annexation was never recognized by the democratic states of the world. As the result of this the Estonian nation has been denied an opportunity to shape freely her destiny in her own national interests and possibility to be represented in the community of world nations.

In addition to the loss of political independence a serious threat to the very existence of the Estonian nation as such has gradually arisen: a perspective of her assimilation among the Russians, settling unhindered and in growing numbers on the Estonian territory; an assimilation which is planned and favoured by the Soviet government.

The following tables indicate proportional changes among various nationalities living in Estonia:

TABLE I

Year	Total population (in thousands)	Estonians (in thousands)	Estonians (percent)	Russians [1] (in thousands)	Russians [1] (percent)	Other nationalities (in thousands)	All non-Estonians (in thousands)	All non-Estonians (percent)
1934 [2]	1,064	980	92.1	60	5.6	24	84	7.8
1939	1,197	893	74.6	267	22.3	37	304	25.4
1970	1,356	925	68.2	381	28.1	[3] 49	430	31.8
Increase 1934–70	+292	−55	−5.6	+321	+436.0	+25	+346	+312.0

[1] Including Ukrainians and Byelorussians.
[2] Excepting the areas near Petseri and Narva, inhabited mostly by Russians; after the World War II these areas were separated from Estonia and merged with the Russian Federation.
[3] Now mostly Russianized.

As the Table II indicates, migration from other Soviet Republics (mainly from the Russian Federation) has considerably increased during the last decade. From the overall increase during the years 1961—70 (152,000) the mechanical increase totalled 92,500, i.e. 61%. At the same time considerable percentage of the natural increase is due to the local Russian population.

TABLE II.—INCREASE OF POPULATION 1951-70 [1]

Years	Total increase	Natural increase	Migrants from other Soviet Republics	Average annual increase
1951–70	270.1	124.1	146.0	13.5
1951–55	58.5	30.5	28.0	11.7
1956–60	59.7	34.2	25.5	11.9
1961–65	75.1	32.0	43.1	15.0
1966–70	76.8	27.4	49.4	15.4
1970	19.0	6.4	12.6	19.0

[1] In thousands.

Note: Data concerning the post-war period are obtained from the statistical yearbook "Narodnoye Hozyaistvo Estonskoi SSR v 1970 godu", Tallinn 1971.

The influx of Russian migrants has been officially justified by the need of manpower for rapidly expanding industry. In fact, economically groundless boosting of industry serves as a cover for Russification. During the period of 1940—1970 total Soviet industrial output has increased by 1188%, that of Estonia by 2779%; industrial output in Estonia has increased annually by 11.7%, the productivity by 7.6% only. The gap is being filled up with the help of Russian emigrants who receive various facilities at the expense of local population, e.g. cheap communal flats out of order. At the same time the majority of Estonians have to build the so-called cooperative flats at their own expense. The Russians are concentrating mainly in big towns and big factories, which are subordinated directly to Moscow and have no connection with the economy and needs of Estonia.

Your Excellency, we are aware that your native country was—almost at the same time as Estonia—forcibly annexed by her big neighbour. Your country has benefitted by the victory of democratic powers in the World War II. Due to that fact her independence has been restored and you—as a representative of your country—are the Secretary General of the world's largest representative body. Our country has so far been denied restoration of her lost national independence and when our representatives (in the lull betwen German and Soviet occupation in September 1944) set up an Estonian National Government, which appealed for the implementation of the article 3 of the Atlantic Charter, they were arrested by the Soviet authorities and sent to Russian labour-camps. Since the political field was left open to semi-russianized colonial bureaucracy. These self-styled "Lost sons of people" have no right to speak on behalf of the Estonian people. Actually they are not elected by the people, but appointed to their posts by Soviet colonial administration. Such collaborators exist among every subdued nation as they existed also in Austria during the German occupation. At the same time the majority of Estonian people is so intimidated and remembers so well the bloody bachanalias of Stalin era, that they consider the display of any discontent equal to suicide.

You may ask: why bother the UNO with such old problems at the moment, when the world body is overburdened with more urgent issues? Some people in the West may also say: you are not directly assimilated at the moment, you do not starve, you are doing comparatively well economically, some of you are allowed to visit the western countries, you have got your national culture etc. As a result your situation is really not so bad.

We reply: the problem of existence and independence of a once recognized nation cannot grow old—it is simply long overdue and therefore the more urgent. If it didn't emerge at once after the World War II (at the Potsdam Conference) it is because in our case the aggressor found herself—as a result of the attack by her former partner—in the camp of democratic states. These states didn't cope with the delicate problem of her former annexations, hoping probably to come to terms with her on more urgent and important issues. So they practically ignored the fate of the Baltic states. The result of that policy of neoappeasement, that naive faith in the goodwill and reliability of the totalitarian state was more annexations in the eastern part of Europe, more aggression in Korea, etc.

Why, then, cannot we accept the concept, according to which our present situation is comparatively tolerable? We cannot accept it.

Because existence without any real guarantee as for the future, with constantly increasing influx of Russian colonial element is worse than no existence at all;

Because liberties and rights that are hypocritically proclaimed, on paper, but never allowed to be implemented, are worse than no liberties at all;

Because overt colonialism tends to produce slaves or freedom-fighters, but the system of disguised colonialism, pseudo-liberties and double-talking produces only spiritual bastards and double-talkers, a kind of people, who fear even their minds thinking about certain truths and drawing conclusions (security men hear!) or who are accustomed to think one way and speak the other way.

Such system of double-talking, constant intimidation and oppression, lack of any guarantees as concerns security of an individual and future of a nation, the system of direct or indirect lies, one-sided and distorted information, lack of spiritual and political freedom, any real alternative and responsibility tends to distort the consciousness of the nation to such extent that she becomes accustomed to see in the unnatural natural. In the lie a truth, in dictatorship and terror the highest form of democracy, and as a result is ready to merge without resistance in the "great Russian nation" under the cover of the so-called Soviet nation theory.

In the present state of affairs there are only two alternatives left for the Estonian people:

(a) if she doesn't resist, she is allowed to Russianize slowly and gradually;

(b) if—on the contrary—she offers active resistance, the whole nation will be dealt with quickly and brutally, the intellectual and other active elements of the nation will be jailed and deported, the rest of the population subjected to intense Russification and repressions. One must not miss the fact that the Soviet colonial rulers will never feel themselves safe and secure in their illegally and unjustly seized possessions until all non-Russian population of those possessions is Russified.

We would like to remind you that denial of truth and democratic forms of government, regime of military occupation and oppression of spiritual freedom, subjugation of national culture to communist censorship and propaganda, lack of independent thinking and action, lack of freedom of conscience can never be compensated by show of certain progress in economy and living-standard, still meagre and one-sided and exagerated by the propaganda machinery, especially in comparison with that of the neighbouring Finland.

We would also like to remind you that the price of any important administrative, scientific or cultural post, the price of any foreign journey (which depends on the recommendation of the local Communist Party branch) is in fact intellectual and moral self-abnegation.

The UNO is helping to national independence many nations, who have never had such independence in the modern sense of the word. Even the smallest nations and territories (e.g. Maldives, Bauru etc.) have been recognized the right to be independent states. On the 29th of August, 1972, the UNO recognized Puerto-Rico as a territory, which has inalienable right to selfdetermination and independence, despite of the fact that the Puerto-Ricans have had several occasions to express freely, their will, occasions that the Estonians have never had under the Soviet colonial rule.

We find that the responsibility of the UNO towards the three Baltic States, who have precedent of internationally recognized national independence and who have lost it not by their own fault, is much greater.

Immediately after the end of the World War II and before the beginning of the Potsdam Conference, a western author wrote as follows:

". . . the history of Estonia, Latvia and Lithuania puts a question to the peacemakers of tomorrow: will they accept the lesson of the past and restore those Small States to their rightful place of independence so that the Baltic nations can once more live their lives in liberty, contributing, as before, to European peace and progress? That is the Baltic question. Unless it is answered aright, the peacemakers of tomorrow must fail us."

We ask now: Will the Peacemakers of today fail the Baltic nations once more?

That is the question to which we expect answer from the community of world nations.

Tallinn, October 24, 1972.

THE ESTONIAN DEMOCRATIC MOVEMENT.
THE ESTONIAN NATIONAL FRONT.

COAL FIELD TRAGEDIES CONTINUE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SIMON. Mr. Speaker, as the Nation searches for a means to become energy self-sufficient, it is becoming clear that "King Coal" will again assume a key role. With the advent of coal gassification and liquefaction, the demand to mine more coal will be great. Many more millions of tons of coal will be mined using the energies of a special kind of worker, the coal miner.

Presently, the coal miner works under conditions that you and I, Mr. Speaker, would find unacceptable. A man entering the mines for the first time knows that he faces many dangers. He knows that after a number of years he will find breathing more and more difficult. He knows that his heart will become weakened. And every day he knows that danger from roof falls, explosives, and the dangers of working with heavy machinery await him. Coal mining is one of the most dangerous professions in the Nation.

To its credit, the Congress has taken an active role in protecting the coal miner. When Congress saw the damage being done by "Miners' Asthma" or "Black Lung" they acted. And when Congress recognized the other physical dangers that miners face each day, they acted. However, there is more to be done.

I would like to call to the attention of my colleagues an editorial that appeared in the February 11, 1975, Washington

Post, "Coal Field Tragedies Continue." This editorial points out that the dangers of working in the mines continue to grow. Last year, in my southern Illinois district, 9 men lost their lives and over 465 were injured in mine accidents. Congress must take every step necessary to help insure the safety of the coal miner.

The Mining Enforcement and Safety Administration has the responsibility to provide leadership in mine safety. The present Administrator, James M. Day, came to his position without any special qualifications and his Senate confirmation has twice been returned to the President.

It is imperative that a new Administrator be named to the Mining Enforcement and Safety Administration, someone with a keen understanding of the problems faced in the mines. I suggest to President Ford that if he is unable to find a qualified replacement for Mr. Day, he look to the ranks of Congress for his replacement. I further suggest that our colleague, Mr. KEN HECHLER, has the necessary qualifications. More important, he has demonstrated an attitude of concern which should be the first qualification required for a person in this position. I might add that I have not talked to Mr. HECHLER about this.

The text of the editorial follows:

[From the Washington Post, Feb. 11, 1975]

COAL FIELD TRAGEDIES CONTINUE

While public officials and executives of energy companies seek ways to increase the nation's coal production, the men who dig the coal continue to labor in their extremely hazardous occupation. According to the Mining Enforcement and Safety Administration of the Interior Department, work fatalities in 1974 came to a total of 130. This was only two fewer than the 132 fatalities in 1973. Measured in terms of tons of coal produced, the preliminary data of 1974 show no improvement over 1973; deaths occurred at a frequency rate of 0.22 per million tons produced in both years. No major disasters occurred in either year on the scale of the Farmington or Blacksville disasters—so little public attention was paid to the (mostly) single-fatality accidents. Significantly, strip mine deaths totaled 23 in 1974, up from 1973; the figures refute the often-heard industry arguments that strip mining is acceptable because of its natural safety.

What these statistics suggest is that safety continues to get low-priority in many areas. A recent two-month investigation by the United Mine Workers Journal, for example, revealed that "despite more than 140 fatalities and 16,000 injuries in West Virginia during the last three years, operators have paid an average fine of less than $9 per safety violation." As small as the fines were—each could have amounted to $3,000—nearly half of the ¢586,000 in penalties assessed remain uncollected or on appeal. Fines are meant to be a deterrent, but if the risk of a heavy fine is small, then it is tempting for a coal company to let safety slide. Accident inspections by the Interior Department regularly note the failures of coal companies. The UMW Journal examined the fates of nine men killed by roof falls in August 1973. Federal, state and union inspectors "found four kinds of company failures that killed the nine roof fall victims: lack of supervision, lack of training, lack of physical safeguards and inadequate inspections."

Can coal mining be made safer? Of course it can, depending on a number of factors ranging from company diligence, to the union's use of the rights acquired under the latest contract, to leadership in Washington. On the last point, there is a decided lack of leadership in the Mining Enforcement and Safety Administration. Its administrator is James M. Day, an official who came into the field of coal mine safety with no special qualifications. He had been a lawyer and a Republican Party campaign worker. His nomination has gone twice to the Senate for confirmation, but was returned on both occasions. Sen. Richard S. Schweiker (R-Pa.) notes that "Mr. Day's record shows far more concern for politics than it does for mine safety." Sen. Harrison Williams (D-N.J.) adds: "Much of the objection to [Mr. Day's] confirmation stems from the fact that the appointment appears to be based on party politics, rather than on qualifications." The UMW has called on President Ford not to resubmit this nomination.

There is no shortage of qualified candidates for this important post. With more and more calls for increased production, the least to be done is to make sure that concerns for safety are not pushed aside. Rep. Ken Hechler (D.-W.Va.) points out that in the injury rates, coal miners are not standing still. In the three years following passage of the 1969 Coal Mine Health and Safety Act, injuries reached a total of 46,869; during the three years before the act, they came to 40,117. Such figures are staggering, but even more so is the fact that so many officials—within government and within some of the energy companies—accept them as a matter of course.

THE RECORD OF ARAB TERRORISM—I

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. NIX. Mr. Speaker, we have heard a good deal in the last few months about the efforts of some Arab terrorist groups to give themselves a more "moderate" and "responsible" image.

I suggest that despite the public relations efforts of these groups, they remain totally committed to the annihilation of Israel. I suggest that we evaluate the goals and the motives of these terrorist bands not by their rhetoric, but by their record.

I have compiled a list of the major terrorist incidents perpetrated by these groups since the 1967 Six Day war, which I will offer for the RECORD in three installments. The first installment lists terrorist acts committed from the end of that war through 1969:

CHRONOLOGY OF TERROR

1967

Aug. 28—A mine blows up an Arab vehicle in the Gaza strip, injuring four Arabs.

Sept. 15—A terrorist mine derails three cars of a Haifa-bound train at Tulkarm, West Bank.

Sept. 19—El Fatah terrorists blow up several Jewish homes in Jerusalem, injuring seven.

Sept. 20—Explosives are discovered in the USIS library in Tel Aviv.

Sept. 21—An explosion wrecks a cannery at Kibbutz Givat Haim.

Sept. 23—Two terrorists ambush and wound an Israel border policeman in Nablus, West Bank, with hand grenades and submachinegun fire.

Sept. 24—Terrorist saboteurs blow up a farmhouse in Moshav Ometz, killing a three-year-old boy—the first Jewish victim of Arab terrorism since the Six-Day War. Three days later, an El Fatah band kills two Israel border guards at Tulkarm, West Bank. Two captured terrorists admit to the mining which killed the boy.

Sept. 29—A bomb is dismantled in the U.S. embassy in Tel Aviv one minute before it was timed to explode.

Oct. 2—Four terrorists murder a 20-year-old Israeli at Kibbutz Hamadia, blast a house and escape to Jordan.

Oct. 7—An explosion wrecks the radio antenna at Jerusalem UN headquarters.

Oct. 8—A time-bomb discovered in a crowded Jerusalem moviehouse is dismantled 17 minutes before it was to go off.

Nov. 5—Explosives destroy three fodder silos and a grain storage building at Kibbutz Sdeh Eliyahu.

Nov. 7—Israel security troopers battle Arab infiltrators in the Hebron hills; seven Arabs die.

Nov. 7—Seven Israel soldiers are wounded when their truck hits a newly-planted mine in the Beisan Valley.

Nov. 14—A mine explodes in an unfinished truck at a Dodge assembly plant in Nazareth.

Nov. 17—A terrorist bomb blast wrecks the Kfar Ruppin water pumping station.

Nov. 29—Terrorists pepper a densely-populated area of Petach Tikva with mortar shells, injuring one youth.

Dec. 3—Two terrorists die, while exploding a section of the Jerusalem-Tel Aviv railway line at Beit Shemesh. Bomb blasts also damage a reservoir at Almagor and road equipment in the Golan Heights.

Dec. 8—Israel troops track and kill six El Fatah terrorists hiding in a cave south of Nablus, West Bank; twelve are captured.

Dec. 10—Terrorists blast a fuel storage tank at Kibbutz Maoz Haim.

Dec. 12—An Israel army patrol clashes with a band of Arab saboteurs two miles east of Lod Airport. One Israel soldier and one Arab die, while four Israelis are wounded. Three terrorists escape into the nearby hills.

Dec. 13—Forty-two Arabs are injured, 21 severely, when a hand grenade explodes in a crowded Gaza market place. Two die of wounds.

1968

Jan. 11—An Arab saboteur dies in Haifa trying to blow up the Eilat-Haifa oil pipeline.

Jan. 17—A driver of an oil truck is seriously wounded in El Arish, Sinai, when his truck hits a land mine.

Feb. 13—Five Arab saboteurs die in a clash with Israelis near Tulkarm, West Bank.

Feb. 14—One Israeli and eight terrorists die in a battle as infiltrators cross the Jordan River.

Mar. 4—An Israel Druse guard, father of nine, dies when an explosion rips through a tractor depot in Jerusalem.

Mar 18—A school bus in Eilat runs over a mine killing two adult escorts and injuring 28 children.

Apr. 20—An Israel military patrol loses two soldiers while killing 13 Arab infiltrators in Jericho, West Bank.

Apr. 21—Two Israeli Arabs die when an exploding mine wrecks their car in Kfar Tabor.

June 8—A detonation pencil wounds a child near the Zion Cinema in Jerusalem.

July 23—Three PFLP terrorists hijack an El Al jetliner with 38 passengers and 10 crew aboard to Algiers. Algerian officials demand that Israel free 24 Arab terrorists in exchange for the release of seven Israel crew members and five Israel passengers who are detained for 39 days. Israel ultimately releases 16 convicted Arab infiltrators.

Aug. 9—A hand grenade kills one child and severely wounds two others in a crowd waiting outside a movie house in Khan Yunis, Gaza strip.

Aug. 18—Terrorists in Jerusalem explode five grenades, injuring 14.

Aug. 21—Explosives are discovered in the courtyard of the United States consulate in Jerusalem.

Sept. 4—Three blasts near the Tel Aviv central bus station kill one man and injure 51. The PFLP claims credit.

Sept. 9—An explosion in a Gaza marketplace wounds an Israeli Arab driver and 15 others, including two Jews.

Sept 13—Marauders in the Negev murder three Druse watchmen.

Sept. 16—Eight bazooka rockets hit the town of Beisan, injuring eight civilians.

Oct. 8—A grenade thrown into a crowd outside the Cave of the Patriarchs at Hebron, West Bank, injures 48 Jews, eight seriously.

Nov. 22—Twelve die and over 50 are injured when a terrorist bomb explodes in the main Jerusalem marketplace. The PFLP claims responsibility.

Dec. 26—Two PFLP terrorists open fire on an El Al Boeing 707 at Athens Airport, killing one Israel passenger and seriously wounding an Israel stewardess. This attack sparked Israel's raid on Beirut Airport two days later.

Dec. 31—Katyusha rockets fired from Lebanon kill three at Kiryat Shmonah. Explosives are discovered on a school bus carrying 60 children in Ein Karem.

1969

Jan. 3—Several northern Israel settlements come under rocket attack from Lebanon. The attack is assumed to have been carried out by Arab terrorists with knowledge of the Lebanese army.

Jan. 27—An exploding bomb wounds three on a train at Kiryat Gat.

Feb. 2—Two Arab boys, aged nine and 16, die and 10 are injured by a grenade explosion in a crowded Gaza square.

Feb. 3—A hand grenade thrown at a truck kills two and injures nine in Gaza.

Feb. 12—Terrorist explosions at the bus station in east Jerusalem wound two Arabs.

Feb. 18—Four PFLP terrorists machinegun and firebomb an El Al jet taxiing for take-off at Zurich Airport. Five persons are injured, including a seriously wounded trainee pilot. Among those passengers unhurt is Gideon Rafael, Director General of the Israel Foreign Office. Airport police capture three attackers, while an Israel security guard on board the plane shoots and kills the fourth terrorist.

Feb. 22—A bomb explosion in a Jerusalem Supersol supermarket kills two and injures eight. The PFLP claims responsibility.

Feb. 25—A bomb explodes in the British consulate compound in Jerusalem. The PFLP claims credit.

Feb. 26—Terrorists murder the mukhtar (headman) of El-Bruej village, Gaza strip.

Mar. 6—A terrorist explosion in the Hebrew University cafeteria in Jerusalem injures 29 students and faculty members. The PFLP claims responsibility.

Apr. 9—Jordan-based terrorists fire 30 to 40 rockets into Eilat, injuring 13. El Fatah claims responsibility. Four terrorists are arrested in Jordan for the attack and then released.

Apr. 29—An exploding mine kills one bus passenger in Tiberias.

May 22—Attempt to assassinate David Ben-Gurion in Copenhagen thwarted.

May 30—PFLP terrorists in the Golan Heights blow up the Trans-Arabian pipeline.

June 21—Three bombs explode near the Western Wall in Jerusalem, killing one, injuring five.

June 25—Terrorist bombs wreck the Haifa pipeline. The PFLP claims responsibility.

July 23—A terrorist time-bomb kills one Israeli and injures another in Tel Aviv. El Fatah claims credit.

July 24—In Haifa, a booby-trapped watermelon explodes, injuring one. Two other bombs are defused.

Aug. 2—Terrorists based in Lebanon fire three rockets into Kiryat Shmonah, injuring one.

Aug. 8—Two Israelis are killed and 12 wounded when their bus hits a mine in northern Israel. The PFLP claims responsibility.

Aug. 17—Incendiary bomb in a "Marks and Spencer" store in London.

Aug. 18—Act of sabotage against Israel Tourist Office in Copenhagen.

Aug. 23—Sabotage in a Jewish school in Teheran.

Aug. 25—A bomb explodes in the Zim Israel Navigation Company offices in London, injuring two women. It is the fourth in a series of similar attacks carried out against Jewish and Israel businesses in London. In Izmir, Turkey, a PFLP-trained Jordanian student is killed and another injured when a bomb intended for an Israel trade pavilion explodes prematurely.

Aug. 29—Two PFLP terrorists hijack a TWA jetliner carrying 113 passengers and crew to Damascus. The Boeing 707 was on a flight from Rome to Athens. After landing, the cockpit explodes. Syria releases the hijackers and detains two male Israeli passengers, including Hebrew University physiology professor Dr. Shlomo Samueloff, for 99 days. They are released in exchange for 13 Syrians held by Israel.

Sept. 2—Two die, including a nine-year-old boy, when terrorist rockets fired from Lebanon hit Kiryat Shmonah.

Sept. 8—Grenades thrown at Israel Embassy in The Hague and the El Al office in Brussels.

Sept. 8—Grenade thrown at Israel Embassy in Bonn.

Sept. 9—Teenaged terrorists, members of the PFLP's "tiger cubs," hurl grenades at Israel embassies in Bonn and The Hague and at the Brussels El Al office where four persons are injured.

Oct. 23—Five explosions rip through residential areas in Haifa, killing one Israeli and injuring 14. The PFLP claims responsibility.

Nov. 9—Time bomb discovered at Jewish Community Center in Berlin.

Nov. 19—A grenade thrown at an Israel military vehicle misses and kills a three-year-old Arab boy in Khan Yunis, Gaza strip.

Nov. 27—Two PFLP terrorists hurl a grenade into an El Al office in Athens, killing a two-year-old Greek boy and wounding 14. The terrorists are apprehended.

Dec. 12—Bomb discovered in El Al office in Berlin.

Dec. 21—Police at Athens Airport arrest three PFLP members carrying arms and mimeographed announcements of a hijacking, before they board a TWA flight originating in Tel Aviv and bound for New York.

Dec. 27—Leon Holz, an American tourist, dies when terrorist gunfire riddles his bus near Dura, West Bank.

LITHUANIAN INDEPENDENCE DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GILMAN. Mr. Speaker, I have long advocated the right to self-determination for the Baltic State of Lithuania.

It was on February 16, 1918, that the Lietuvos taryba or Council of Lithuanian Independence met in Vilnius, declaring themselves to be a free and independent state without allegiance to any outside powers.

Some say it is unrealistic to continue to observe the date of an independence gained so slowly and destroyed so rapidly such a long time ago. Despite our recognition that the prospects for this small Baltic nation regaining its precious freedom are slim, we cannot ignore the fact that there is an intense desire on the part of Lithuanians to once again be self-governing.

Today, in honoring the hopes, dreams, and ideals of the Lithuanian people, may the free world join together in praying for the re-establishment of their national sovereignty.

ENERGY FACTS

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARMSTRONG. Mr. Speaker. America is on the verge of an energy disaster.

Already many families have suffered serious inconvenience because of shortages of gasoline, fuel oil and natural gas. But lines at the gas pump and scattered closings of schools and factories are only a sample of the hardship that is inevitable if Congress does not reverse trends of recent years.

Our country's prosperity is based directly on an enormous consumption of energy: The United States, with about 6 percent of the world's population, consumes approximately 35 percent of the world's energy.

But, domestic production of energy is not keeping pace. It has not for several years. Every day the gap between U.S. consumption and domestic production—particularly of oil and natural gas—grows wider. We are becoming more and more dependent on foreign sources of energy. As a consequence, our prosperity—indeed, the very future of our country—is now hostage to decisions made in foreign capitals.

This is an intolerable situation.

Two years ago, I submitted 11 recommendations to close the energy gap. If these proposals—or those submitted by others—had been acted on promptly, we would already be well on the way toward resolving our present dilemma. Unfortunately, not one important piece of legislation was enacted by the 93d Congress.

I now realize the main reason for inaction is that many Americans—including Members of Congress, I regret to say—still do not appreciate the seriousness of the situation. They seem to believe the problem will go away if ignored long enough. This Nation has enjoyed such an abundance of cheap natural resources, including energy, for so many years that a lot of people just cannot accept the true facts.

Even now many people do not believe the shortage is real. They sincerely think this whole crisis has been trumped up by the oil companies and public utilities to scare consumers and force higher prices.

This underlying skepticism about the real causes of the energy shortage is the chief obstacle to a responsible long term solution of the Nation's increasingly urgent energy problems.

UMI

In order to bring the Nation's energy needs into focus, the following Energy Facts digest has been prepared for use by the Republican Task Force on Energy and Environment. It gives a good overview of the problem we are facing, and I commend it to the attention of every Member of the House:

ENERGY FACTS

I. U.S. ENERGY USE—1950-74

A. CONSUMPTION IN ENERGY EQUIVALENTS OF BILLION BARRELS OF OIL PER YEAR

	1974	1970	1960	1950
Petroleum	5.90	5.00	3.45	2.35
Natural gas	4.30	3.62	2.15	1.07
Coal	2.45	2.36	1.78	2.22
Hydroelectric	.52	.39	.21	.12
Nuclear	.14	.10		
Total	13.30	11.47	7.55	5.76

Note: The 13,300,000,000 barrels of oil equivalent consumed by the United States also equals 78 quadrillon Btu's . . . or an average of 37,500,000 barrels of oil a day . . . or 215 trillion Btu's a day.

B. CONSUMPTION BY ACTUAL FUEL TYPE

[In percent]

	1974	1970	1960	1950
Petroleum	44	44	44	39
Natural gas	32	31	27	18
Coal	18	21	25	38
Hydroelectric	4	4	4	5
Nuclear	1			

Note: Energy imports amounted to 15 percent of total needs and are projected to reach 25 percent by 1985.

C. THE ENERGY USERS, BY SECTOR—1950-74

[In percent]

	1974	1970	1960	1950
Industrial	32	31	34	36
Transportation	25	24	25	27
Residential/commercial	22	24	24	23
Electrical generation energy loss	15	15	11	9
Nonenergy (petrochemicals, etc.)	6	6	5	5

Note: 56 percent of all transportation energy use is by automobiles (also 14 percent of total energy use).

D. ENERGY EFFICIENCY, OVERALL—1950-74

[In percent]

	1974	1970	1960	1950
Energy used	47.5	50.5	49.4	53.8
Energy lost	52.5	49.5	50.6	46.2

E. THE ENERGY LOSS (WASTE) BY SECTOR—1950-74

[In percent]

	1974	1970	1960	1950
Electrical power generation	62.5	64.8	66.7	77.9
Residential/commercial	26.0	25.4	30.0	25.0
Industrial	25.0	24.3	29.6	25.0
Transportation	76.0	75.5	75.5	75.6

II. PETROLEUM

A. HISTORIC U.S. SUPPLY AND DEMAND PATTERNS

[In billions of barrels per year]

Year	Domestic demand	Domestic production	Imports	Imports as a percent of demand
1950	2.38	2.19	.19	8
1955	3.10	2.73	.37	12
1960	3.59	2.93	.66	18
1962	3.80	3.04	.76	20
1964	4.03	3.21	.82	20
1966	4.41	3.47	.94	21
1968	4.90	3.86	1.04	21
1970	5.37	4.12	1.25	23
1971	5.55	4.12	1.43	26
1972	5.99	4.34	1.65	28
1973[1]	6.30	4.24	2.16	35
1974[1]	6.64	3.97	2.67	40

[1] Based on preliminary figures supplied by FEA.

B. OIL, NUMBER OF DOMESTIC WELLS DRILLED ANNUALLY

	New production wells	Total wells drilled	Total wells in production
1950	24,000	NA	466,000
1955	32,000	NA	524,000
1960	22,200	40,700	591,000
1962	21,700	38,700	592,000
1964	21,000	38,600	588,000
1966	15,900	30,500	583,000
1968	13,800	26,300	554,000
1970	12,600	23,400	531,000
1971	11,400	21,400	517,000
1972	10,800	21,400	508,000
1973	9,555	15,600	497,000
1974[1]	10,700	17,000	

[1] Preliminary.

C. THE PETROLEUM END-USERS . . . WHO ARE THEY? HOW EFFICIENT?

[In percent]

	1974[1]	1970	1960	1950	Percent energy wasted
Transportation	55	53	53	52	76
Residential/commercial	15	18	21	20	26
Industrial	10	11	14	16	24
Nonenergy (petrochemicals, etc.)	12	11	9	7	(2)
Electrical generation	8	7	3	5	65

[1] Estimate.
[2] Used as product.

D. IMPORTS . . . THE DOLLAR COST

	Amount (billions)
1960	$1.6
1965	2.1
1967	2.1
1968	2.4
1970	2.8
1971	3.3
1972	4.3
1973	7.6
1974	23.6
1977[1]	32.1
1985	52.4

[1] Projected by FEA—Assuming no major policy changes.

III. NATURAL GAS

A. HISTORIC U.S. SUPPLY AND DEMAND PATTERNS

[In trillions of cubic feet per year]

	Domestic consumption	Domestic production	Imports	Imports as a percent of demand
1950	5.9	6.3		
1955	8.9	9.4		
1960	13.0	12.8	.2	1.5
1962	14.3	13.9	.4	2.8
1964	15.7	15.3	.4	2.5
1966	18.0	17.5	.5	2.8
1968	20.0	19.3	.7	3.5
1970	22.6	21.8	.8	3.6
1971	23.5	22.6	.9	3.8
1972	23.5	22.5	1.0	4.2
1973	23.6	22.6	1.0	4.2

B. NATURAL GAS, HISTORY OF PRODUCTION WELLS

	New production wells	Total number of producing wells
1950	NA	65,000
1955	3,600	71,500
1960	5,300	90,800
1962	5,800	97,000
1964	4,900	103,100
1966	4,100	112,500
1968	3,300	114,400
1970	3,800	117,500
1971	3,700	120,200
1972	5,100	121,200
1973	6,400	124,200
1974[1]	7,000	

[1] Preliminary.

C. NATURAL GAS END-USERS

[In percent]

	1974	1970	1960	1950
Industrial	43	43	48	53
Residential/commercial	33	33	33	27
Electrical generation	21	18	13	10
Nonenergy (petrochemicals, etc.)	2	3	3	7
Transportation	2	3	3	3

D. NATURAL GAS, THE COST/PRICE DILEMMA

	Average cost per new well	Drilling cost per foot	Price/mcf[1] (current cents)	Price/mcf (1958 cents)
1964	$104,800	$18.57	15.4	15.2
1965	101,900	18.35	15.6	15.1
1966	133,800	21.75	15.7	14.7
1967	141,000	23.05	16.0	14.4
1968	148,500	24.05	16.4	14.1
1969	154,000	25.58	16.7	13.7
1970	160,700	26.74	17.1	13.3
1971	166,600	27.70	18.2	13.5
1972	157,800	27.78	18.6	14.0
1973	NA	NA	21.6	13.2

[1] Interstate gas—Average National Price Entering Pipeline.

E. THE IMMEDIATE IMPACT

Shortfalls in supplies and imports have already created curtailments and denials of service to new customers at a rate of 7 percent in 1973, and 14 percent in 1974.

IV. COAL

A. CONSUMPTION AND PRODUCTION, 1950-73

[Millions of short tons per year]

	Domestic demand	Domestic production	Exports[1]
1950	494.1	560.4	29.0
1955	447.0	490.8	54.1
1960	398.0	434.3	37.7
1962	408.8	438.0	40.2
1964	445.5	503.0	49.3
1966	497.7	546.8	50.7
1968	509.0	556.7	51.7
1970	523.9	612.6	72.4
1971	502.2	560.9	58.0
1972	525.7	596.5	56.0
1973	569.3	602.5	[2] 32.0

[1] Totals will not add because of stockpiling.
[2] Estimate.

B. COAL—THE NOTABLE CHANGES

	Number of mines	Percent of coal surface mined	Average price per short ton
1950	9,429	23.9	NA
1960	7,865	31.4	$4.69
1965	7,228	35.1	4.44
1968	5,327	36.9	4.20
1970	5,601	43.8	6.26
1971	5,149	50.8	7.70
1972	4,879	48.9	8.25
1973			9.30
1974			[1] 12.85

[1] Average January–June.

C. COAL END-USING SECTORS

[In percent]

	1974[1]	1970	1960	1950
Electrical generation	59	57	40	18
Industrial	38	38	46	45
Residential/commercial	2	3	10	22
Nonenergy (chemicals etc.)	1	2	2	2
Transportation			2	13

[1] Estimate.

ELECTRICITY—IT'S NOT ALL WATER OVER THE DAM

A. WHAT TURNS THE GENERATORS?

[In percent]

	1974[1]	1970	1960	1950
Coal	51	52	59	58
Natural gas	26	27	23	16
Oil	13	14	9	16
Hydropower	5	6	9	10
Nuclear	5	1		

[1] Estimate.

B. THE CONVERSION LOSS PROBLEM

Depending on the fuel mix burned under the steam boiler, the conversion of fossil fuels to electrical energy results in a loss of 65–75 percent of the potential energy (or an efficiency of only 25–35 percent).

Older style nuclear plants have an efficiency as low as 1 percent with effective breeder reactors, however, the efficiency may approach 80 percent (20 percent energy waste) . . . but in any case, the amount of heat thrown off is massive.

C. NUCLEAR POWER, OPERABLE PLANTS AND CAPACITY

	Number of plants	Capacity (Thousands of kilowatts)
1960	4	321
1965	7	856
1970	13	5,622
1971	15	7,770
1972	21	31,123
1973	29	20,105

D. THE NUCLEAR FUTURE, A FEW OBSERVATIONS

1. By Jan. 1, 1973, 131 nuclear power plants were under construction or had reactors on order.
2. By Jan. 1, 1975, construction of 60 of those nuclear plants had been postponed 1–3 years . . . and 18 had been cancelled outright.
3. In some states, it now requires approval from 36 different state and federal agencies to site and build a nuclear plant—stretching lead times to 10 years.
4. Two principal problems are still not solved to the regulatory groups' satisfaction . . . the waste disposal problem and the reactor cooling system.
5. Even so, the electric utilities plan over 30 percent of the new power plants built in the next 10 years as nuclear (and almost 50 percent of the generating capacity).

VI. WHAT'S LEFT, U.S. DOMESTIC FUEL RESOURCES

[Measured in years remaining of supplies with the United States and Alaska (including off-shore shelves)]

	Best case estimate	Worst case	Consensus
Petroleum	290	10	40–50
Coal	880	50	300–400
Natural gas	80	12	40–50
Oil shale	600	(1)	[2] 200
Nuclear fission	(3)	30	?

Note: This is merely a compilation of "expert" estimates.

[1] Not usable.
[2] Limited use.
[3] Infinite (breeder reactor).

THE 350TH ANNIVERSARY OF THE FOUNDING OF MOUNT WOLLASTON

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, it was my honor and privilege to attend a mass on February 15, 1975, which commemorated the 350th anniversary of the founding of Mount Wollaston in 1625, which is now known as the city of Quincy. Later in the evening, a dinner was held to mark the 135th anniversary of the church St. Mary's, in which the mass had been celebrated.

We, who attended the mass that evening, were privileged to have as the guest speaker Archbishop Fulton J. Sheen, of New York Archbishop Sheen is a familiar face to millions of Americans, and his name is known to even more. So when he speaks quite a few people listen to what he has to say. I, too, was very interested in what he had to say when he rose to speak that evening, and I believe that my colleagues might share this interest.

On February 18, 1975 an article appeared in the Patriot Ledger that was written by Maurice F. Reardon. This article gives an account of the archbishop's sermon, and this point I would like to insert this article, and one that lists the notables attending the events, into the RECORD; so that you, and my colleagues, may have the benefit of the archbishop's remarks:

[From the Quincy (Mass.) Ledger, Feb. 18, 1975]

TWELVE CELEBRATE MASS NOTING FOUNDING OF MOUNT WOLLASTON

QUINCY.—In the concelebrated mass commemorating the 350th anniversary of the founding of Mount Wollaston in 1625, which is now known as the City of Quincy, chief celebrant was the Rt. Rev. Msgr. John Mullarkey assisted by 11 other prelates.

Among them were Most Rev. Lawrence Riley, auxiliary bishop of Boston; Most Rev. Joseph Maguire, Rt. Rev. Msgr. Richard Hawko, Rt. Rev. Msgr. Mark Keohane, Rev. Fr. Thomas Croke, Rev. Fr. John Tierney, Rev. Fr. James Hart, Rev. Fr. John McMahon (pastor of St. Mary's Church), Rev. Fr. John Dacey, Rev. Fr. Joseph Downey and Rt. Rev. Msgr. James Scally.

Archbishop Fulton J. Sheen of New York delivered the sermon for the mass.

In the evening, a dinner marking the 135th anniversary of the church was held in the church hall.

Among the officials either attending the services or acting as ushers were Rep. James A. Burke, D-Milton; Clifford Marshall, Norfolk County sheriff, City Councilor-Sen. Arthur H. Tobin, D-Quincy; Mayor Walter Hannon, City Councilors John Quinn, Joseph LaRaia, Leo Kelly, Warren Powers, Dennis Harrington, James Sheets and John Lydon.

Also attending were Rep. William Delahunt, D-Quincy, and Rep. Joseph Brett, D-Quincy.

Senior usher at the mass in terms of seniority was Edward A. Scolamiero of 351 Copeland St., who has served as usher at St. Mary's for 47 years.

[From the Patriot Ledger, Feb. 18, 1975]

"AGE OF EGOISM" WORRIES BISHOP SHEEN

(By Maurice F. Reardon)

QUINCY.—Archbishop Fulton J. Sheen still retains in his 80th year that magnetic quality of presence, the piercing eyes, plus that humorous, human, and elemental appeal with which television audiences throughout the nation have become so familiar.

RETREAD

In a brief interview Saturday in the rectory of St. Mary's Church in West Quincy, Bishop Sheen, in answer to a query, smiled and said, "I am not retired—I'm retreaded," explaining that he is presently being carried in a new series of lectures on America on some 132 television stations throughout the nation.

Bishop Sheen had flown into Logan Airport from New York on Saturday afternoon to deliver the sermon at a concelebrated mass on the 350th anniversary of the founding of Mt. Wollaston, which is also the 100th anniversary of St. Mary's Church.

Bishop Sheen said he still maintains a busy schedule of commitments. In the past year he has spoken at 42 universities around the United States. He is planning to fly to Ireland where he will deliver sermons during Holy Week. And in June, he will be in the Philippines to conduct a retreat for the bishops of the Philippines and Southeast Asia.

AGE OF EGOISM

Bishop Sheen, commenting on the quality of life in the United States, with its "turning away" from the teachings of Christ, said that we are "living in the age of egoism—the self—which is the antithesis of Christ."

He stressed that the present nadir of the Catholic Church is "not a new phenomenon."

"The church has always had its 'Good Friday to Easter Sunday syndrome'," Bishop Sheen said, explaining that such periods as we are now going through exemplify the "Good Friday" with the historical resurgence of faith signifying the "Easter Sunday."

He said that the present practice of the mass being said in English instead of Latins, as had formerly been the case, "is as it should be."

Turning again to present day conditions he said that "selfishness is devouring America, and until we become Christians again, recognizing the primacy of Christ on the cross those conditions will remain with us."

He said, however, that in his travels throughout the country and talking with students in universities and colleges, he is convinced of a latent readiness among them for a return to the teachings of Christ, conceding at the same time "we who are older are not always the proper example."

CHANGES

Speaking at mass to the congregation which filled the 100-year old church, Bishop Sheen said, "We have probably had more changes in the last 20 years in the church than in all its previous history.

"Suddenly, there is a change, a new liturgy, aberrations in the teaching of theology, causing you to become disturbed," Bishop Sheen said.

He noted that about every 500 years the church "undergoes a turbulent change," citing the fall of Rome, the Moslem incursion into Europe to within "120 miles of Paris and to the gates of Vienna. The church once had 600 diocese in North Africa, now we have but five."

He drew a laugh from the congregation when he told them that when he had received the invitation from Rev. John McMahon, pastor of St. Mary's, to speak, he had "gone to the public library and read considerably about Quincy (deliberately

pronouncing Quincy correctly) so that when I go before the judgment seat I will be filled to overflowing with information regarding your city."

DEMONIC INFLUENCES

He spoke of the heresies which are the mark of our times such as "God is dead, and, the demonic influences which are confusing millions."

Christianity, he said, is not a constant thing, "it dies and rises again to life, we are always between Good Friday and Easter Sunday.

"God works through a creative minority," he said. "The few that are good, they make a parish, a nation, the world.

"We should not be concerned about the troubles of our day, these are wonderful days to be alive."

He said that we should not allow ourselves to be "carried along with the times. A dead body floats down stream, the strong swim against the current.

"Sin is not the worst thing in the world. Without it there could be no denial of sin."

OIL DEPLETION ALLOWANCES

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GREEN. Mr. Speaker, the Democratic Caucus, by a vote of 153 to 98, today adopted my resolution concerning the oil depletion allowance. The text of the resolution is as follows:

Be it resolved:

(a) That the Democratic Members of the House Committee on Rules are hereby instructed by the Democratic Caucus to vote for a Modified Closed Rule for consideration of The Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof) making in order, and providing for a separate vote on, the attached amendment offered by Mr. Green of Pennsylvania, to repeal the percentage depletion allowance for oil and gas effective January 1, 1975 and waiving all points of order to such amendment. Said amendment shall not be subject to amendment except as specifically authorized by the Rules Committee. The Democratic Members of the House Committee on Rules are further instructed to meet and report to the House Floor The Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof) with such modified closed rule, waiving points of order to the Green Amendment and precluding amendments to said Green Amendment except as specifically authorized by the Rules Committee, as soon as possible, but not later than five (5) legislative days from the adoption of this resolution. It is further provided, however, that this resolution shall not preclude the Rules Committee from making in order other amendments to the Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof).

(b) That the Democratic members of the House Committee on Rules are further instructed that such Modified Closed Rule make in order, and provide for a separate vote on, the attached amendment to the aforementioned Green Amendment, offered by Mr. Wilson of Texas and waive all points of order to such amendment. Said Wilson amendment shall not be subject to amendment except as specifically authorized by the Rules Committee. The Democratic members of the House Committee on Rules are further instructed to meet and report to the House Floor The Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof) with such modified closed rulemaking in order the aforementioned Wilson Amendment as an Amendment to the aforementioned Green Amendment, waiving all points of order to the Wilson Amendment and precluding amendments to said Wilson Amendment except as specifically authorized by the Rules Committee, as soon as possible, but not later than five (5) legislative days from the adoption of this resolution. It is further provided, however, that this resolution shall not preclude the Rules Committee from making in order other amendments to the Tax Reduction Act of 1975 (H.R. 2166 or any clean version thereof).

My amendment, which will be offered during the floor consideration of the Tax Reduction Act is as follows:

AMENDMENT TO BE OFFERED BY MR. GREEN OF PENNSYLVANIA

H.R. 2166 is amended by adding, at the end of Title III, the following new Title:

"TITLE IV—REPEAL OF PERCENTAGE DEPLETION FOR OIL AND GAS

REPEAL OF OIL AND GAS DEPLETION

"SEC. 101. (a) Section 613(b)(1)(A) of the Internal Revenue Code is amended by striking out the words "oil and gas wells," and by substituting therefor the words "certain gas wells as defined in subsection (e)."

"(b) Section 613(b)(7) of such Code is amended by:

"(1) Deleting "or" at the end of subparagraph (A) thereof;

"(2) Deleting the period at the end of subparagraph (B) thereof and by inserting, in lieu thereof, "; or"; and

"(3) Adding the following new subparagraph after such subparagraph (B): "(C) Oil and gas wells."

"CERTAIN GAS WELLS

"SEC. 102. The following new subsection is added to Section 613 of the Internal Revenue Code:

"(e) SPECIAL RULE FOR CERTAIN GAS WELLS.—

"(1) The gas wells referred to in Section 613(b)(1)(A) are—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas sold under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of Section 613(b)(1)(A).

"(2)(A) The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975 shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under Section 611 with respect to such product.

"(C) The term 'domestic' refers to petroleum from an oil or gas well located in the United States or in a possession of the United States.

"(D) The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(E) The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Federal Power Commission, the price for which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence.

"EFFECTIVE DATES

"SEC. 103. The amendments made by sections 101 and 102 of this bill shall apply to oil and gas produced on or after January 1, 1975."

LET'S REALINE

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BAUMAN. Mr. Speaker, Randolph Buehler, editor of the St. Mary's Beacon, published in Leonardtown, St. Mary's County, Md., has written an excellent editorial regarding the need for a general philosophical realinement of our political parties.

As Mr. Buehler suggests, such a change in our political system would give a home to many millions of people who are dissatisfied with our present party realinements, and with good reason. The article follows:

LET'S REALINE

American political parties have had a long and somewhat confused history. At first, the parties were easily recognizable and an individual could readily align himself with one or the other. One was either a Federalist or an anti-Federalist, a Whig or a Tory.

As the nation grew, however, the parties became more complicated. It became harder to explain exactly what being a Whig or a Democrat meant. At such times, third or minor parties would appear on the scene to push specific issues and give those who were disgruntled with the major parties something to identify with.

Often, new parties emerged from the confused times, or one of the major parties would adopt the third party philosophy. Such an instance occurred in 1854 when the Republican party was formed, primarily as an opponent of slavery. The Populists and Progressive parties were adopted for the most part by the early 20th Century Democrats.

We feel that such a confused period exists today. It is an extremely difficult task to say exactly what a Democrat is or what a Republican is. The parties have become vast all-encompassing umbrella organizations that lately have bred little more than confusion. Perhaps one of the reasons so few citizens vote is that they do not feel they have any choice. Often voters will indicate that both parties are the same. Internal squabbles over philosophy have damaged both party images.

The Republicans have such extremes as conservative Barry Goldwater and moderate to liberal Nelson Rockefeller. The Democrats have their George Wallaces and their Ted Kennedys. It has become extremely hard for the average citizen to align himself with either national party.

In this light, we find a statement at the recent Conservatives of America convention to be quite workable. It was suggested that a realinement of parties was necessary. This re-alinement would be into liberal and conservative camps, instead of Republicans and Democrats.

Such a re-alinement would help stop the confusion about party loyalties. It would also give people an obvious choice when election time came. They could select from basic philosophies. This would also perhaps make it more difficult for the image, or media, candidate to be elected. He would, instead, have to have a firm platform to run on instead of his looks, smile, and speaking voice.

We feel that a re-alinement into liberal and conservative camps would do more for the country's political ailments than the creation of a third party. It would also give the electorate something it has not had in recent elections—a clear-cut choice on issues.

WHERE IS UNITED STATES HEADED?

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARCHER. Mr. Speaker, I have been very concerned over the continuing growth in power and the increasing expenditures of the Federal Government. As Government expands, individual liberty contracts. Advocates of new programs to be undertaken by the Federal Government appear more vocal in our society; every problem identified in our country appears to them to require an expansion of Government power and additional expenditures of Federal money in order to reach a solution. Despite the obvious failure of many Federal social programs and interference with our economic system, the call is always for more and more of the same. A popular theme in certain of these political and academic circles is "income redistribution." They view the Federal Government as providing the mechanism for some utopian scheme to more equitably divide the income and resources in our country.

Unfortunately these advocates of big government conveniently ignore history. The great advancement of the United States was because of a reliance on the free enterprise system. Our Nation advanced because we provided individual freedom and economic incentives to our citizens. This system has provided a great amount of material benefits for the American people. We cannot distribute or redistribute the wealth if we are following economic and social policies which will destroy the sources of creating additional wealth in our country. The free enterprise system has been the chief ingredient over these many years in assisting all of our population to share in material goods without becoming slaves of the Central Government.

Where are we headed if we follow the advocates of big government? Prof. G. Warren Nutter of the University of Virginia Economics Department provided an excellent analysis where we are headed in a speech given before the Southern Economic Association. He presented a perceptive social analysis and warned against the consequences of big government and inflation; he discussed the real significance of the welfare state for our Nation and other nations. Some alarming statistics were given showing how much Government spending takes as a percentage of our national income. I would like to enter into the RECORD this article which appeared in the Wall Street Journal of January 10, 1975:

WHERE ARE WE HEADED?

(By G. Warren Nutter)

Momentous turning points in social history can occur with amazing speed. The last great upheaval in peacetime Western society occupied a single decade, the thirties, and it put its lasting imprint on political, economic, and social trends of the succeeding decades. Whatever might be said about the continuity of historical forces, the Great Depression propelled radical change to the foreground by transforming, virtually overnight in the reckoning of history, the traditional Western conception of the good society.

Those who did not live through the thirties may find it hard to imagine that the events of a decade could work such profound and lasting change on social attitudes developed over centuries. Having experienced those years, I have no trouble doing so. What I recall most vividly is the sense of shock and despair that colored social thought. The hardship of the moment was bad enough, but even worse was fear of what the uncertain future would bring.

Confidence was hardly inspired by looking elsewhere. Bad times were spread throughout the world, and societies most akin to ours were coping badly. There was Britain, for example, stuck in the rut of unemployment through the twenties as well as the thirties. Other nations of Europe had scarcely escaped inflation and even hyperinflation before being plunged into depression. The strains had proven too strong in Italy, and democracy had crumbled. A decade later, Germany was to follow a similar but more gruesome course. Meanwhile, the Soviet Union was building the very model of the totalitarian state, that most modern of political inventions. A variety of isms sprang into being, and it began to look as if one or another might be the wave of the future.

In a word, things were a mess and we sought a way out by creating a welfare state at record speed. Let the size of government, in the sense of its power to command the nation's resources, be measured by the fraction of national income accounted for by government spending of all types at all levels. That fraction doubled in 10 years, rising from 12% in 1929 to 24% in 1939, when the real national product had roughly recovered to its 1929 level. Dividing spending into two parts, defense and all other (which I shall call "domestic"), we find that the fraction of national income attributable to each doubled, although defense spending still amounted to only 1.6% of national income in 1939.

UPS AND DOWNS OF GOVERNMENT

During the next decade, the size of government moved up and down with the demands of war, demobilization, and subsequent threats to national security. At its peak in 1944, government spending had risen to 56% of national income, at its low point in 1947, it had fallen to 21%. While defense spending was rising relative to national income, domestic spending was falling, and vice versa. In 1944, for example, domestic spending accounted for only 8% of national income as compared with 11% in 1929. Between 1929 and 1949, the fraction of national income attributable to total government spending rose by 3 percentage points, but that net rise encompassed a decline of 1.4 percentage points for domestic spending. In other words, the growth of government was more than accounted for by expansion of the defense effort.

GOVERNMENT SPENDING AS PERCENTAGE OF NATIONAL INCOME

	Total spending [1]	Defense spending [2]	Domestic spending [3]
1929	11.9	0.8	11.1
1933	26.6	1.5	25.1
1939	24.2	1.6	22.6
1944	56.4	47.9	8.5
1949	27.2	6.1	21.1
1953	33.2	16.0	17.2
1959	32.8	11.5	21.2
1960	32.0	10.3	22.0
1961	34.9	11.2	23.7
1962	34.9	11.3	23.7
1963	34.6	10.5	24.1
1964	33.9	9.7	24.2
1965	33.1	8.9	24.2
1966	34.2	9.8	24.4
1967	37.2	11.1	26.1
1968	38.0	11.0	27.0
1969	37.6	10.2	27.3
1970	37.8	9.3	28.5
1971	37.5	8.3	29.1
1972	39.1	7.9	31.2
1973	38.6	7.0	31.6

[1] Expenditures of federal, state, and local government as defined in national income accounts.
[2] Purchases of goods and services for national defense as defined in national income accounts.
[3] Total spending minus defense spending.
Source: Economic Report of the President, 1974, pp. 249, 265, and 328.

Over the fifties, the ups and downs of defense once again set the trend. Until 1958, domestic spending by government represented a smaller share of national income than in 1949.

To recapitulate, government doubled in relative size over the first decade after 1929 and grew by another third over the next two decades. But all the latter growth and then some came from the expanded defense effort. Domestic spending by government actually constituted a slightly smaller percentage of national income in 1959 than in 1939. The initial shock of the social revolution was rather quickly absorbed, and a new state of equilibrium then seemed to prevail.

But not for long. Beginning with the early sixties, a new trend has established itself: Regardless of what happens to the defense effort, domestic spending by government steadily rises faster than national income. Only in two years—1962 and 1965—has this relative upward movement faltered. And the pace has accelerated: From 1963 through 1968, the percentage of national income represented by domestic spending of government rose from 24 to 27, or by 12%, from 1968 through 1973, it rose from 27 to 32, or by 17%. Despite the Vietnam war, introduction of the all-volunteer armed forces, and mounting problems of national security, the fraction of national income spent for defense has been lower in every year since 1959 than it was then. Today, the fraction is lower than in any year since 1950.

SOME REASONS FOR LAMENT

It may come as no surprise that I lament the resurgent growth of the welfare state for a number of reasons.

First, I submit the following proposition: The bigger a democratic government becomes, the weaker it tends to be. As proof, I offer the current state of affairs in democracies throughout the world. Look at the parliamentary governments. In case after case, the leading party is managing to stay in power by the skin of its teeth. If it has a majority of seats, it is a slim one, often based on a minority of the popular vote. Governments frequently must be built through formal or informal coalitions that permit factions or splinter parties to wield power far in excess of their popular vote. Governments rise and fall in close elections in which the small swing vote makes the difference. Thus the British Labor Party is said to have

scored a victory in the most recent election because it acquired a paper-thin majority in the new parliament as compared with its holding of the largest minority in the old one. It did so by capturing less than 40% of the popular vote. In Germany, the tiny Free Democratic Party holds the balance of power in an uneasy coalition, whose major partner—the Social Democratic Party—usually gets fewer votes than the opposition. In Italy, it seems proper to say that there is no government at all, only a succession of caretakers. And so it goes.

The presidential democracies have their close elections, too. Witness France last year and our own country in 1960 and 1968. We had our landslides as well in the presidential elections of 1964 and 1972 and in the congressional election last year. But they have not exactly conveyed lasting power to the winners, and hence seem to be symptoms of the same basic instability. In both 1964 and 1972, the overriding issue was ideological, as one candidate in each case called for radical change in the role of the welfare state. The electorate convincingly rejected the bid for drastic curtailment in the one case and drastic expansion in the other. And the cloud of Watergate hung over the recent congressional election. Our landslides seem to be against, not for, something.

If weak government is so widespread among democracies, one naturally suspects that there is a common set of causes at work. I would argue that one important cause in common has been the who-whom dilemma raised by big government. Who is to benefit at the expense of whom? The answer is fairly simple when the welfare state is small enough. If a quarter or less of national income is flowing through the hands of government, it may seem plausible to a large majority that needed taxes can be collected from the remaining minority. Politicians can credibly campaign on the platform of "soaking the rich." But not when the tax take rises to 30%, 40% or 50% of national income. Voters promised growing benefits from the welfare state must begin wondering whether they will receive more than will be taken from them.

A politician who puts together a successful coalition of the electorate by promising everybody pie in the sky and accordingly gets elected by a handsome majority is bound to lose support when the bill must be paid. Even with the most skillful use of hidden taxes, he will find it increasingly difficult to persuade the public that mutual exploitation is beneficial to all. The margin of voters who have more taken from them than they receive must grow with the welfare state. It is therefore normal for elections to become close and for minorities to coalesce into powerful third forces.

There are, after all, two natural equilibriums for the welfare state: one in which the majority benefits at the expense of the minority, and the other in which the minority benefits at the expense of the majority. Once the welfare state reaches a certain relative size, the first is ruled out by the facts of life, and the second by the nature of democracy. That leaves only the borderline situation in which half try to gain from the other half. That circumstance, I would argue, so weakens government as to imperil democracy as well.

It is the weakening of democratic government taken together with the underlying who-whom dilemma that largely explains, I believe, why inflation has erupted virtually everywhere in the democratic world. Governments are driven to spend without visibly taxing. Inflation becomes the easiest way out, and it acquires a momentum of its own. Once started, it cannot be stopped without endangering the holy of holies: full employment. The insecurities of unemployment are in part replaced and in part supplemented by those of inflation. Mixing inflation and unemployment means in effect that neither can be controlled without putting democratic institutions under heavy stress.

THE THIRTIES AGAIN

Far be it from me to be a prophet of doom, but I do believe that we may face a social crisis as serious as the thirties unless a way is quickly found out of this vicious circle. A democratic public will endure many hardships, but it cannot live with the prospect of perpetual insecurity. If the sense of insecurity is not removed by democratic means, the public will seek another political solution. A few years might well mark another momentous turning point in social history.

Once I had the experience of being in an honest-to-goodness train wreck. It happened one January morning in 1953, when the Federal Limited plowed into the anteroom of the Washington Union Station and crashed through the floor. I remember watching a television report that evening, in the comfort of a drink at home. The commentator was questioning eyewitnesses, and at one stage he asked a red cap whether it had crossed his mind that, if the train had not crashed through the floor, it might have broken through the columns holding up the ceiling, torn through the crowd in the waiting room, and run out into the street. The red cap scratched his head and said, "Well, I don't know. But now that you mention it, it sure enough was headed in that direction."

Well, I don't know whether there will be a wreck. I hope and trust not. But the inflation express sure enough is headed in that direction. If we at least comprehend that fact, perhaps we shall be able to do something about it.

JAMES M. STUART

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GUYER. Mr. Speaker, recently the Ohio House of Representatives officially honored Mr. James M. Stuart of Dayton, Ohio, upon the auspicious occasion of his retirement from active civic life and service as a member of the board of directors of the Dayton Power & Light Co.

James M. Stuart has been a part of the Dayton Power & Light family since his entrance into his business world. He is a personification of the "American dream" that a hard-working and dedicated individual can indeed inaugurate a career at the lowest rung of the corporate ladder and reach the apex of the corporate would by utilizing his outstanding talents to the benefits of his fellow workers and community. James Stuart, as a corporate executive, never lost touch with the ordinary worker, the backbone of any business enterprise; he continued to be concerned for their welfare by utilizing his positions on their behalf.

James Stuart enthusiastically and effectively committed himself to many worthwhile civic causes, by serving as a trustee of the Charles F. Kettering Foundation, as a director of Junior Achievement of Dayton, as president of Dayton Boy's Club, and a variety of other noteworthy civic organizations. His devotion to the betterment of his community is renown; as a community leader and business executive he has proceeded to implement both the spirit and the goals of equal opportunity for all, regardless of race, religion, color, or sex.

Mr. Stuart has pledged himself to the concept of providing meaningful higher education by serving as a concerned member of the board of trustees respectively of Wilmington College and Wilberforce University, and as a member of the University of Dayton's associate board of trustees. His dedication to the goals of higher education have earned him well-deserved recognition. He has been awarded the honorary degrees of doctor of humanities, doctor of laws, and doctor of commercial science, which are a fitting recognition for a man who is a scholar in his own right.

I join in offering well-deserved recognition to James M. Stuart and wish to extend my personal appreciation of his long and dedicated service to his community, his State, and his country.

James M. Stuart has truly demonstrated a consistent high level of achievement in many areas of service and outstanding enrichment of our community and civic life. I join in saluting one of Ohio's finest and noblest sons and corporate officials.

NATIONAL HOLIDAY BILL IN HONOR OF DR. MARTIN LUTHER KING, JR.

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MIKVA. Mr. Speaker, it gives me great pleasure to join my distinguished colleague, Congressman CONYERS, in cosponsoring his legislation to make Dr. Martin Luther King, Jr.'s birthday a national holiday.

Few of our Nation's leaders have had as dramatic an impact on the goals and values of our Nation as Dr. King. His tireless efforts to achieve equal rights for all Americans and to eliminate poverty and social injustice serves as a model for all people seeking social and economic equality. His life demonstrates to all of us that revolutionary changes in our social and political institutions can be achieved by peaceful and nonviolent means.

Dr. King had a dream—a dream that all citizens, white and black, rich and poor, would enjoy the same rights and privileges and have the same opportunity to develop and further their individual potential and capabilities. The Nation needs to remember this dream. It stirred our conscience and promoted decency in the past. It can inspire and guide us in the future.

Before Dr. King's tragic and untimely death, he issued a challenge to the American people:

Now let us begin. Now let us re-dedicate ourselves to the long and bitter—but beautiful—struggle for a new world. This is the calling of the sons of God, and our brothers wait eagerly for our response. Shall we say the odds are too great? Shall we tell them the struggle is too hard? Will our message be that the forces of American life militate against their arrival as full men, and we send our deepest regrets? Or will there be another message, of longing, of hope, of solidarity with their yearnings, of commitment to their cause, whatever the cost? The choice is ours, and though we might prefer it otherwise we must choose in this crucial moment of human history.

Mr. Speaker, I urge my colleagues to support Mr. CONYERS' bill to set aside January 15 as a day of national self-reflection and rededication to the struggle to which Dr. King gave his life.

A LOSS FOR COMMON CAUSE

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HÉBERT. Mr. Speaker, the liberal antidefense lobbying organization, Common Cause, conducted a vindictive and vicious campaign to unseat me and three other Southern conservative committee chairman.

I have denounced Common Cause publicly in an effort to let the American people know what this anti-national-defense lobbying group is up to in this Congress. And I will continue to keep track of its operations because I feel the people have a right to know.

I do not object to Common Cause's promotion of liberal ideas, but I do object to its attempt to portray itself to the American people as an organization that is fighting for the common man or so-called average citizen of all persuasions.

In this connection, on February 3, 1975, U.S. District Court Judge John H. Pratt dismissed a suit Common Cause had brought against the National Association of Manufacturers.

Common Cause sought to force NAM to register and report under the Federal Regulation of Lobbying Act. Apparently this represents the first time Common Cause has been successfully challenged for lack of standing.

NAM challenged Common Cause's basic right to bring suit since the Lobbying Act is a criminal statute and therefore enforcement is reserved to the Justice Department.

Since Common Cause is now running the Congress through the liberals in the House, I found it heartening that the court took steps to prevent this organization from trying to run the Justice Department as well.

I enclose at this point in the RECORD the particular of the case Common Cause et al. against National Association of Manufacturers:

[U.S. District Court for the District of Columbia, Civil Action No. 74–1114]

COMMON CAUSE ET AL., PLAINTIFFS, VERSUS NATIONAL ASSOCIATION OF MANUFACTURERS, DEFENDANT

MEMORANDUM AND ORDER

This action seeks declaratory and injunctive relief to require defendant, a national multi-purpose trade association, to register under the Federal Regulation of Lobbying Act (FRLA) and file with the Congress the quarterly reports required under the Act. 2 U.S.C. §§ 201–207. It comes before the court on defendant's motion to dismiss, based on several grounds, the chief of which allege (1) plaintiffs' failure to state a cause of action, and (2) plaintiffs' lack of standing. Plaintiff has responded in opposition in a lengthy and well-prepared memorandum of authorities. In addition, the parties have filed supplemental memoranda. We grant defendant's motion to dismiss for the reasons which follow.

Plaintiffs' failure to state a cause of action

Defendant contends that the FRLA is a penal statute since it explicitly provides that violations shall be misdemeanors punishable by a fine of not more than $5,000.00 or by imprisonment for not more than twelve months, or both. 2 U.S.C. § 269(a). It does not dispute the doctrine that the existence of a civil remedy may be implied from the passage of a penal statute, but claims that the doctrine is limited to cases where the violation of the statute causes injury to the class for whose benefit the statute was enacted or where a private right of action exists at common law for the commission of a tort. *Odell* v. *Humble Oil and Refining Co.*, 201 F.2d 123 (1953). It claims that the doctrine of an implied civil remedy does not apply to the present facts because the plaintiffs were not the primary beneficiaries of this statute, citing the legislative history and its judicial interpretation by the Supreme Court in *U.S.* v. *Harriss*, 347 U.S. 612, 625 (1954). Plaintiffs rely upon *Borak*,[1] *Wyandotte*,[2] and related cases, but particularly the decision of this Court in *Common Cause* v. *Democratic National Committee*, 333 F. Supp. (1971)[3].

While this matter is not completely free of doubt, we conclude that a private right action does not exist under the present facts. Without question, FRLA is a criminal statute which does not provide for a civil remedy. In *Harriss, supra*, after pointing out the "myriad pressures to which they (members of Congress) are regularly subjected" and the importance from the point of view of good government of "their ability to properly evaluate such pressures," the Court said:

"Toward that end, Congress has not sought to prohibit such pressures. It has merely provided for a modicum of information from those who for hire attempt to influence legislation or who collect or spend funds for that purpose. *It wants only to know who is being hired, who is putting up the money and how much.*" (Emphasis supplied) *Harriss, supra*, p. 625.

In view of such interpretation, we cannot accept the contention that plaintiffs are within the class that the statute was particularly intended to protect, other than as a part of the general public. As plaintiffs have pointed out, this is one of the three criteria noted in *Wyandotte, supra*. (Plaintiffs' Memorandum in Opposition, p. 14). As for the additional consideration concerning whether the criminal liability is inadequate to ensure full effectiveness of the statute, plaintiffs ignore the fact that because of its restrictive interpretation of the Act in *Harriss, supra*, the Supreme Court effectively dampened enforcement under the Act. Any complaints concerning the Act's weaknesses and failure to be implemented should be directed to Congress.

Furthermore, defendant has already been threatened with criminal enforcement by the Department of Justice but obtained a permanent injunction against said prosecution. *National Association of Manufacturers* v. *McGrath*, 103 F. Supp. 510 (1952).[4] We conclude that a private cause of action not otherwise authorized by statute cannot be inferred (1) in the light of the evident legislative intent and the effectuation of the purposes intended to be served by the Act, and (2) where the legislation expressly provides for a criminal sanction, the coverage of the statute should not be expanded to provide a civil remedy. *National Railroad Passenger Corp. et al.* v. *National Association of Railroad Passengers*, 414 U.S. 453, 457–458 (AMTRAK). Plaintiffs fail to state a cause of action.

Lack of standing to sue

In view of the foregoing, it is not necessary to dwell on plaintiffs' lack of standing because consideration of questions of standing, while somewhat overlapping, are dependent upon a prior finding that a cause of action exists. *Amtrak, supra*, p. 456. However, even assuming plaintiffs have a private cause of action, when none is authorized in the statute, plaintiffs do not meet the test in *Flast* v. *Cohen*, 392 U.S. 83 (1968). Since they are not specific beneficiaries of the statute, the injury they complain of represents the generalized interest of all citizens in adherence to statutory requirements. Such an interest, however well motivated, does not import the concrete adverseness required by the "case or controversy" provisions of the Constitution. *Reservists Committee to Stop the War* v. *Richardson*, 42 U.S.L.W. 508 (1974).

For the foregoing reasons, it is by the Court this 3rd day of February, 1975,

Ordered, that defendant's motion to dismiss be and is hereby granted.

JOHN H. PRATT,
U.S. District Judge.

[1] *J. I. Case* Co. v. *Borak*, 377 U.S. 426 (1964).

[2] *Wyandotte Transportation Co.* v. *United States*, 389 U.S. 191 (1967).

[3] Appeal dismissed as moot.

[4] Vacated as moot because of failure to substitute as a party a new Attorney General who, during the interim period, had succeeded Mr. Howard McGrath.

SLATER FAMILY GETS TOP NEW YORK STATE FARM AWARD

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HASTINGS. Mr. Speaker, it is with special pride that I call to the attention of my colleagues to an announcement by the Farmers Home Administration of the U.S. Department of Agriculture that they have chosen Mr. and Mrs. Alan J. Slater and their three children as the New York State Farm Family of the Year.

Mr. and Mrs. Slater and their children, Bonnie, Alan, Jr., and Timothy, are constituents of mine who operate a 345-acre dairy farm on the Walker Road near Randolph, N.Y.

For those who say there is little opportunity for achievement in America the story of the Slater family stands as solid and inspiring evidence to the contrary.

In a period of 10 years they have taken a losing farm operation and transformed it into a profitable one through hard work and the application of sound business practices and better farming procedures.

The effort has not been without its personal hardships which might have discouraged others. Since taking over op-

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eration of the farm in 1964, Alan lost two fingers in an accident but was back to work in little more than it took him to go to the hospital. Fire destroyed their barn and part of their herd. Alan, Jr., suffered a broken leg and his lovely wife, Nancy, developed diabetes, which necessitates a monthly trip to New York City for treatment to ward off blindness.

Today the Slater family maintains a herd of 84 Holsteins and raises corn, oats, and hay; and have increased the family net worth more than five times what it was 10 years ago.

The farm operation is truly a family affair. Nancy keeps the books while Bonnie helps with the milking and the two boys feed the calves and perform other chores.

I know my colleagues join with me in offering the Slater family heartiest congratulations. Theirs is a most heartening success story and their selection as the New York State Farm Family of the year most deserving.

THE 125TH ANNIVERSARY OF HIRAM COLLEGE

HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. J. WILLIAM STANTON. Mr. Speaker, it is with special pride that I call to the attention of my colleagues the 125th anniversary on March 1, of the founding of Hiram College in my northeastern Ohio district. This small, private, liberal arts college has had great impact on higher education in America. Nationally reputed for academic innovation, Hiram pioneered the single course study plan, the 3–3 study plan, the "new" curriculum, extramural studies and international education. These bold new methods of education have brought well-deserved distinction to this college of only 1,250 students.

Hiram College, originally called the Western Reserve Eclectic Institute, was founded by members of what is today known as the Christian Church in 1850. The college has molded the talents and abilities of vast numbers of distinguished doctors, ministers, educators, business leaders, and a President of the United States. James A. Garfield, our 20th President, was an early graduate of Hiram and later served as its president.

Located in a scenic, rural area of northeastern Ohio, the campus is about 35 miles southeast of Cleveland and about the same distance from Akron, Youngstown, and Warren. By air, it is an hour and a half from the east coast and an hour from Chicago. Hiram's ideal location combines the quiet beauty of nature with easy access to major population centers and their cultural resources.

Mr. Speaker, this weekend educators, students, alumni and friends will gather at Hiram to celebrate its 125 years of educational service to the State of Ohio and the Nation. I welcome this opportunity to pay tribute to this milestone and to congratulate my good friend, Elmer Jagow, who dynamically leads Hiram today. May the next century and a quarter see Hiram College continue to prosper and to contribute significantly in the great tradition that will be celebrated on March 1.

ABORTION

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. DENT. Mr. Speaker, in the aftermath of the recent right-to-life demonstration on January 22, 1975, I have received a number of pieces of mail from my constituents on both sides of this highly controversial issue.

Speaking eloquently in favor of strong right-to-life legislation is a young woman, Miss Kathy Kane, an eighth grade student whose essay took first place in a contest sponsored by St. John the Baptist School in Unity, Pa. I would like to include it here for the benefit of my colleagues:

ABORTION: A NATIONAL TRAGEDY

Human life is a very precious and beautiful gift, given by God our Creator. There is no greater value than life because our life is partially God's life and there is no greater value than God. To live in a country which is free is truly a privilege. But is our country free to all people? The United States Supreme Court passed an amendment on January 22, 1973 that the act of abortion was a personal decision made by the mother. It is not ours or anyone else's right on Earth to determine if life is to be destroyed. Many people, however believe in these unjust killings. The reasons for this aren't very stable and are probably just excuses for their guilty feeling inside.

The United States Government claims a child still unborn doesn't have a physical being. It is a medically proven fact that the baby, from the first moment it is conceived, has a physical self. Very small, but that form of life is still there.

Human people have no right to act like God in a sense of taking it upon themselves to destroy a life, a life which is in existence. If people wanted to act like God they would share life in a way that all men are welcome to it.

Next year our country will be celebrating the bicentennial. It will be 200 years since the Declaration of Independence was first signed. This new idea is explained at the beginning of the Declaration:

"We hold these truths to be self-evident, that all men are created equal and endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

It goes on to say, "If the existing government does not secure these rights it is the people's responsibility to abolish that government and institute a new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness."

Is our government living up to that document?

The government already has abortion legalized—what will be next? The sick, aged, mentally retarded, physically handicapped or any citizen that is merely unwanted.

The U.S. Supreme Court believes that mothers have the right to kill their own unborn child, because they are not legally persons. They claim children may be killed to preserve her mother's happiness.

It is our duty as citizens of this country to try to alter the Supreme Court's beliefs so that these unnecessary killings will cease to be.

If we start killing anyone we wish, where will this country be? For one thing there won't be much of a country left.

Stop and think what if your mother hadn't chosen life?

On the other side of the issue is a profoundly thought provoking letter written by a well respected and highly successful pediatrician in my district:

Hon. JOHN DENT,
House of Representatives,
Washington, D.C.

DEAR SIR: Recently, the second anniversary of the Supreme Court decision on abortion was marked. The activity of the so-called "Right-to-Life" groups spurs me to write to you and share with you the feelings of a children's and babies' surgeon. Having gone to medical school over a decade ago, I have observed a dramatic reduction in the illness and death of young women following bloody back room attempts at abortion. The knowledge that a safe, legal abortion can be obtained has virtually eliminated this misery.

Recently, medical advances have allowed early prenatal diagnosis of conditions which would surely result in the birth of a child who could be severely mentally retarded, severely deformed, or have a catastrophic genetic disorder. Common sense and economic considerations alone would be reason enough to allow a parent to undertake abortion of such a fetus. Having observed the frighteningly high rate of family dissolution following birth of children with severe deformities, I know the devastating effects that such a child has on his parents and siblings. A life of suffering and dependency is not worth this cost.

The anti-abortionists argue that abortion cheapens human life. Rather, abortion gives an opportunity for parents to have wanted children to avoid the misery of deformed and unwanted children. Those of us who take care of babies and children daily see the sorrow and regret associated with many deformed and unwanted children. As the sensational pictures of the anti-abortionists have published would indicate, abortion is not a pretty thing. But neither is human suffering. Abortion is a private thing between woman and fetus; the miserable product of many of these pregnancies is a public matter with enormous emotional and economic cost.

Any thinking person recognizes the difficult position of members of Congress, but the emotional nature and political sensitivty of the issue of abortion necessitates courage. Please do not yield to the vocal pressures of the "Right-to-Life" groups. The Supreme Court decision should be allowed to stand as it is without interfering legislation. Let us uphold the value of life by allowing every newborn baby to have the opportunity of being wanted and of being physically and mentally sound.

I think my colleagues will agree that these two statements make very clear some of the difficult decisions we must make in formulating legislation on this issue.

FESTIVAL OF PURIM

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GILMAN. Mr. Speaker, the festival of Purim, a holiday recalling a fight for freedom thousands of years ago, has a pertinent message for all of us today.

The Purim holiday commemorates the saving of the Jewish people of Persia from the hand of an oppressive conspiracy bent on their destruction. Their fate was avoided by appealing to the proper authorities, who used the channels of government to dispose of the conspiracy.

May the observance of this holiday serve as a sober reminder to those who seek to impose their will through extra-governmental means. Let it be remembered that, throughout history, those who have known freedom have fought those who sought to subvert the liberty of any people. May the entire world recognize that the American people, having known and loved such freedom, will not be swayed by forces, domestic or foreign, which seek to alter the course of policy in other than a forthright manner.

As the Jews whom we remember at Purim subdued those sinister forces which sought to set the sovereign state against a portion of its people, so too let us dedicate ourselves to help all freedom loving people find solutions to their oppressive burdens through the recognized channels of government.

A free nation can do no more, and a civilized world can tolerate no less.

THE 57TH ANNIVERSARY OF LITHUANIA'S INDEPENDENCE

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. KASTEN. Mr. Speaker, the Lithuanian World Congress, meeting in August 1958 under the auspices of the American Lithuanian community, adopted a unanimous resolution declaring that Lithuanians continue fiercely resisting the alien rule of the Soviet Union and asserting that Lithuanians have not accepted and never will accept Soviet slavery.

Lithuanian courage is admirable. Their resolve to remain free reflects an inalienable right. We recognize that, and as a leader in the free world, it is our duty to encourage and foster Lithuanian national independence and individual freedom.

We have never recognized that nation's incorporation into the Soviet Union. We recognized the Lithuanian government on July 27, 1922, and we continue to maintain diplomatic relations with the representative of the former independent government.

Throughout our history we have championed the rights of the oppressed by opening our doors to anyone wanting to enter our melting pot, by providing both monetary and moral support, and by speaking out against those nations who would end freedom and individuality.

Lithuania no longer exists on the maps, but it will not die in the hearts of those whose origins are closely tied to a people so determined to maintain their freedom.

On February 16, Americans of Lithuanian origin or descent will commemorate the 57th anniversary of Lithuania as free and independent. With our support and through our continued observation of this anniversary, independence may once again become a reality.

HIDDEN COSTS IN AUTO REBATES ARE COSTING CONSUMERS MILLIONS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ROSENTHAL. Mr. Speaker, hidden costs in the rebate programs of the auto manufacturers are costing consumers up to $75 and beyond. As a result, new car buyers are not getting the full price reduction they expect.

This is because two manufacturers do not permit their dealers to apply the amount of the rebate to their down payment, thus forcing customers who finance their purchases to pay interest on the amount of the rebate. And since the amount of the rebate is part of the purchase price, all buyers are forced to pay sales tax on the rebate, too. That can be as much as 8 percent in New York, or $48 on some cars.

If the car makers would cut their prices up front instead of using the "rebate" gimmick, consumers could save over $75 on the purchase of a car with a $300 rebate.

The rebate plan is a ruse by the manufacturers to avoid being caught with lower prices if there is another Government price freeze.

The two smaller U.S. auto manufacturers, Chrysler and American Motors, do not permit their dealers to deduct the rebates from the amount of the sale; instead, customers must wait 4 to 6 weeks to get their money. Since 2 out of 3 new car buyers finance their purchase, the total financed would include the amount of the rebate and the sales tax on the rebate, and he would have to pay interest on those sums, too. As a result, the "big three" can profit doubly on new car sales because each owns its own credit finance company.

Elimination of the rebate-delay restriction could mean a savings of approximately $50 for the customer who buys a $4,000 automobile on which there is a $300 rebate and which is financed at 10 percent over 3 years. With an 8-percent sales tax, that rebate is trimmed by another $24.

I have asked the Chairman of the Federal Trade Commission to look into the rebate practice for possible deceptive advertising and other misleading trade practices. If these are found to exist, the auto companies should be ordered to make restitution to their customers.

In addition, I also wrote to the presidents of Chrysler and AMC urging them to change their rebate programs as soon as possible and with adequate publicity to educate consumers about the change and the potential savings.

The present system has an unintended inflationary impact and a hidden unnecessary cost. I believe the companies should give their customers the option of taking an immediate before-tax deduction from the dealer-customer price agreement or waiting, as they now must, the 4 to 6 weeks it takes to get the rebate check from the factory.

Although the rebate programs are scheduled to end for all four manufacturers on Friday, February 28, dealers are pressuring Detroit to continue the rebate into spring because they are spurring sales. Ford, GM, and AMC are known to range from cool to downright negative about continuing, but hard-pressed Chrysler, which started the whole thing, may once again force them into offering the refunds.

ESTONIAN INDEPENDENCE DAY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McDONALD of Georgia. Mr. Speaker, 57 years ago, on February 24, 1918, Estonia was established as a free and independent nation. Yesterday, Americans of Estonian origin and descent commemorated this anniversary.

Estonia had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

This takeover began with the German-Soviet Treaty of August 23, 1939, which assigned the independent Baltic Republics of Estonia, Latvia, and Lithuania to the Soviet sphere of influence. Between September 28 and October 10, 1939, the Soviet Union forced, through political coercion and threat of military force, these three Baltic Republics to sign agreements permitting the establishment of Soviet military bases on Baltic territory. Then in June 1940, the Soviets effected a total military occupation of these countries, installing unconstitutionally and undemocratically appointed pro-Soviet governments. The annexation was completed one month later when the countries were illegally and forcibly incorporated into the U.S.S.R.

This military takeover constitutes a violation of international treaties and of all principles of international law. Thus the Soviet regime in Estonia lacks any legal basis and must be regarded only as a temporary military occupation. In this regard, it is important to note that the major free countries of the world, including Britain, Canada, France, Italy, and the United States, have never recognized the legality of the Soviet occupation.

With respect to the morality of the Soviet military takeover, consider the following. While preparing for the final act of subversion, the Soviets instituted a reign of terror. It is estimated that 60,000 Estonians were arrested, impris-

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oned, and then either executed or herded into freight cars and exiled to distant parts of the Soviet Union. Some 30,000 Estonians fled to Sweden, and another 33,000 to Germany. Fourteen months later when the Red army was evicted by the Nazis, Estonia's population had been reduced by at least 10 percent as the result of the first Soviet occupation. After their reoccupation in 1944, the Soviets again began mass deportations: By 1954 approximately 140,000 Estonians had been deported.

Today, amidst the rhetoric and euphoria over "newly emerging nations," little thought or concern is expressed for those nations which remain submerged by the Soviets. While a coalition of Soviet cutthroats and American soft-drink tycoons are denouncing the breakdown of the United States-Soviet trade agreement, little attention is being given those who may prefer their freedom to a sip of Pepsi-Cola in a Soviet prison.

This is why it is so important for those concerned with human rights and freedom to keep the issue of the occupied Baltic nations such as Estonia before the public. Détente, trade agreements, and SALT are to no avail if we ignore the systematic repression of the fundamental human rights of men in one-half of our planet.

TRIBUTE TO DR. RALPH MOSES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. LAGOMARSINO. Mr. Speaker, on Sunday, February 23, Temple Beth Torah honored Dr. Ralph Moses of Port Hueneme, Calif., with a testimonial dinner.

Mr. Speaker, I would like to take this opportunity to express my personal thanks and appreciation to Dr. Moses for the tireless efforts and service he has accorded civic and temple activities throughout the past 20 years.

There is so much that can be said about Dr. Moses' accomplishments as a humanitarian, religious leader, and civic leader.

After graduation from Ventura High School, Dr. Moses became a student at UCLA. On his 18th birthday his education was interrupted by his service in World War II. After the war he returned to UCLA for his bachelor of science degree and then University of California for his degree in optometry; and in 1952, Dr. Moses opened practice in Port Hueneme. He soon became very involved in civic activities, some of which included chairman of the local Red Cross drive, chairman of the Community Chest drive, chairman of the City of Hope drive, UJA drive, just to mention a few. Dr. Moses has also served as Port Hueneme City Councilman for the past 10 years. His assiduity and perseverance as a city councilman and prominent civic leader has afforded him the admiration and respect among his colleagues and members of the community.

Mr. Speaker, I am pleased to have this opportunity to join the many friends in honoring Dr. Ralph Moses, a truly dedicated individual.

LITHUANIA

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BROOMFIELD. Mr. Speaker, 57 years ago the state of Lithuania became a free republic, seeking to provide for its people the basic human rights of freedom and self-determination.

On February 16, Lithuanian Americans celebrated the anniversary of this independence, something their fellow countrymen in the homeland have been unable to do since the Soviet Union forcibly annexed their country along with the Baltic States of Latvia and Estonia in 1940. For 22 years before this unconscionable act of aggression the Lithuanian people succeeded in their noble experiment, and enjoyed the fruits of freedom.

Despite living under the tyrannical Soviet rule, the people of Lithuania have not lost their desire to return to this free and independent state. Soviet oppression has been unable to crush the spirit of these strong-willed people, and the desire for freedom that burns brightly in their hearts and minds.

These brave people have been supported in their cause by the various Lithuanian-American organizations who continue to fight the battle for Lithuanian independence. I am pleased to join these organizations and the millions of Americans of Lithuanian descent in supporting this struggle, and hope our country's steadfast refusal to recognize the Soviet annexation of Lithuania will continue to give hope and encouragement to the people of that nation.

We in this country, which will celebrate 200 years of independence next year, must not abandon the efforts to reestablish Lithuanian independence. Let us raise our voices loud and clear in support of this cause, and show the people of Lithuania we have not forgotten them.

Mr. Speaker, at this point I would like to include a resolution adopted by the American Lithuanians of Metropolitan Detroit on the occasion of Lithuanian Independence Day:

RESOLUTION

We, the American Lithuanians of Metropolitan Detroit, assembled this day of February 16, 1975 at the Lithuanian Cultural Center, 25335 W. Nine Mile Rd., Southfield, Mich., to commemorate Lithuania's Declaration of Independence on Feb. 16, 1918 in Vilnius, whereby the sovereign Lithuanian state was restored, to remember the Lithuanian people who have fought and died for their country, to condemn the occupation and annexation of Lithuania by the Soviet Union on June 15, 1940, to protest the continuous colonization and severe religious persecution of Lithuania by the Russians.

Now, therefore let it be resolved:

1. That we express our sincere gratitude to the Administration and Congress of the United States of America for the continued non-recognition of the incorporation of Lithuania into the Soviet Union;

2. That we request the President of the United States of America to instruct his delegation at the European Security Conference to demand the restoration of independence to Lithuania;

3. We request that the family of the Lithuanian defector Aloyzas Jurgutis be allowed to leave the Soviet Union;

4. That copies of this resolution be forwarded to the President of the United States of America, the Senators and members of the Congress of the State of Michigan.

THE BICENTENNIAL—WHAT IT WASN'T

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ROUSH. Mr. Speaker, several weeks ago I had the pleasure of hearing an address on our Bicentennial that impressed me so much I asked the author to allow me to print it in the CONGRESSIONAL RECORD so that the Members of the House and their constituents could have the benefit of reading it as well. Prof. Michael Downs, of Indiana University at Fort Wayne, is the author and I commend his historical review to your attention:

THE BICENTENNIAL—WHAT IT WASN'T

Let me begin with a paraphrase of Voltaire, "The American Revolution was neither American, nor a Revolution." He didn't say anything like this but I like to think he would have if he knew what we know now and if he were alive to see the direction in which our bicentennial celebrations are tending. At any rate this is the theme of what I will say today.

I do not need to remind you that what happened 200 years ago this year has come down to us as the beginning of a war between English colonists in America and their mother country, a revolution. But not all of the English colonists were involved. Samuel Eliot Morrison estimates that at least half of our ancestors never rallied around either the British or any of the various colonial flags. Furthermore, at least 10% of the remaining half fought on the side of Britain. If we mean by "The American Revolution," the conflict that began in April of 1775 and lasted until British forces evacuated New York City in November 1783, we are not commemorating the notion of a people embattled, or a nation armed. That kind of national consciousness and consensus still lay before us then, and may not have been accomplished until the War of 1812, according to some historians, or the Civil War, according to others. Indeed, the Kerner Commission intimated that the realization of such an "American Community" still lies before us 200 years after the "shot heard round the world." What made the War American, or us American, may not, finally, be any more than a geographic place name.

Well, American or not, wasn't it a revolution? Two hundred years ago the world was short of revolutionary experience and quickly, perhaps too quickly, fastened that title on our war. Since then the world's experience in revolution has broadened and deepened considerably. Political Scientists have begun to take various revolutions apart, so to speak, in order to learn more about them. This has led, with the passing of time to the establishment of classifications, "Classic Revolutions," according to the theorists, follow a more stately and determined pattern than their less radical relatives, the colonial revolutions.

Drawing upon the models based on the experience in France and Russia the course of the classic revolution thus proceeds: there is, first of all, a regime that has governed successfully for generations; its authority is unquestioned, its subjects united in support of its policies. The full weight of precedent, tradition, of what Edmund Burke called prejudice, press down, creating an impressive stability rooted in the ages. This stability and order are illusory, however, for the entire political system has atrophied and can no longer respond to change. Under the pressure generated by unaccommodated gradual change, push comes to shove, and the whole thing comes tumbling down in revolution. Following the upheaval there will be a period of acute instability. This is understandable—the office holders of the old regime, often anyone even remotely connected with the old regime, will be purged, exiled, imprisoned, or executed. That's part of what makes revolutions and while it creates plenty of new places to be filled at the top of the political system it results in a serious shortage of experienced people to fill them. A period of experimentation or trial and error then occurs and lasts until the new officials discover that while regimes change, problems do not. Slowly but surely they fall into the habit of coping with these problems using many of the same techniques and policies employed by their predecessors. Like most of us they are also defined by their enemies. In both the case of France and the case of Russia this process was hastened by the advent of a strong leader who recognized the need of many people for a reassertion of order. Napoleon and Stalin are the players for this role. And with this, the circle is complete—stability — revolution—instability—stability. Or as they say "The more a thing changes the more it is the same."

Contrast this with a colonial revolution of war of liberation. In reference to this model our war has more in common with the struggle of Ghana prior to 1954 than it does with the French Revolution. Instead of being stable, colonial countries are, by their nature, unstable. They have no long traditions of their own to draw upon. The institutions and processes which inspire confidence and support in the mother country are far away and not often easily transferred to a new place. The question which, when answered, takes care of our own personal insecurity or instability, "What am I supposed to do?" is answered easily in the homeland and not so easily in the colony. The first political and social tasks of the colonists is to build stability—some efforts may consist of copying older models but much will be new, composed of adaptations and rigged on the spur of the moment. In this case the time for revolt comes as the search for stability reaches the point where it seems to be nearly over. The American Colonies, left by Britain to their own devices, were close to that point, when quite suddenly the British government unilaterally ended the period of statutory neglect and attempted to reimpose control over much of colonial life. Then the war began. It proved to be an interruption in the process of creating stability. With the war behind them the colonies took up where they left off and built an order, which like the wedding dress, was something borrowed, something new. The cycle here is only partial—instability—revolution—stability.

We may look beyond these two models of revolution to the question of change, specifically, the amount of change. In politics we view change within four areas, officeholders, policies, institutions, and means employed, in order to determine whether the change should be termed incremental, extensive or revolutionary. More particularly we look at how many offices changed hands, what degree of change took place in official policies, were old institutions eliminated and new ones built and if the means used to effect these changes were within the definition of what was ordinary.

The answers to these questions are disappointing to those who cherish the idea that our war of independence was a thorough political revolution. The least disappointing answer can be given in regard to means. There is no doubt that the colonists engaged in armed insurrection and that that was certainly outside the pale of law and custom, even on the frontier. By itself such an act is not a full-fledged revolution—such events had occurred before, Bacon's rebellion for instance, without really effecting any great change. That institutions changed after the war is obvious, although the constitution didn't come along until 1787 and the Articles of Confederation were so ineffectual that they were not equal to solving the problems that the old colonial regimes had faced. But many institutions of local government remained unchanged. At the state level the essential structures had been in place for generations, and in townships and towns all over the country the war did not alter much the old institutions and offices—sheriffs, selectmen, assessors—in fact we have many of them around today. In the place where the attention of the colonists to their political affairs was most acute, change was the least. New offices and institutions were created at the top and the center but not at the bottom. And what was assembled was very familiar and recognizable to most of the colonists—usually variations on an old theme. An examination of policies, the way governments deal with problems, indicates that extensive changes took place; in regard to the western lands, trade and commerce, the war made a difference. But the Indians and the debt problems seem not to have been dealt with very differently.

Though this summary is brief I think that even though the war we celebrate made a difference, an extensive change in the colonies, the difference was not so great to be classified as a revolution. Keep in mind, too, that the classic revolutions offer us far more dramatic evidence of change in these four areas, and they undergird their political revolutions with social and cultural revolutions. In both France and Russia the church lost its place in the scheme of things through persecution and proscription. In France an attempt was made to renumber the years and change the names of the months. In Russia marriage was, in effect, abolished by removing legal recognition of its contract. In both countries entire educational systems were drastically changed; and in Russia the economic system was no longer recognizable after the period of so-called war communism.

In America society and the economy were almost untouched by the war at least so far as change is concerned. Historians strain to discover the dramatic effects of our "Revolution." Their labors are not really rewarding. The reason for this is that the changes date back much further and take place more gradually than is usually the case with revolutions. If they started instead with 1607 or 1620 better results could be produced. Those are the years when something new began. We have chosen 1775 to commemorate because a war and its beginning are more arresting and definable than the instant at which people in the colonies discovered that a willingness to work was more important in persons than their religious beliefs, or the series of technological discoveries that made it possible for all of us to share the luxuries of the rich and gave equality a new definition and application, or the date at which more Americans lived in cities than in the country. Each of these is more a part of our Revolution than that war. We have had a revolution but it is not the one we usually talk about. So little is it like a war; so much is it like a vast continuous movement. The Industrial Revolution is more our model, a slowly gathering mass, working gradual miracles, renovating and innovating at the same time, an event with only a year to be cited at the beginning and only the future before it. Like Rome neither were we built in a day, nor even in the 10 years between 1775 and 1785.

Concentrating on the War during our Bicentennial Celebration has distorted the meaning of our "Real Revolution." When John Adams said that the revolution had happened in the minds and hearts of men; when Eric Hoffer said that America was the only new thing that was happening in History they moved discussion of the Revolution from the realm of events and placed it in the realm of experience. In a democracy the revolution, then, is not something that happened once, at a specific time and place in history, but an experience for every citizen, at every time and every place. We must each make our own revolution, and for that matter our own republic, in our hearts and minds.

Not only have we distorted the meaning of our Revolution but we may be in danger of blighting the bicentennial so that we will find it difficult to celebrate our Revolution. The revolution in our hearts and minds is not well served by the efforts of Chambers of Commerce, Tourist Associations and other entrepreneurs to exploit the bicentennial by staging ersatz or pseudo historical pageants and rebuilding old inns, by ransacking museums and attics throughout the country for spinning wheels, uniform buttons, and muskets and by the manufacture and distribution of buttons, coloring books and three-cornered hats. If newspapers and advertising are any reliable indication this is a pronounced tendency. We may reach a point where some bicentennial commissions will have to take their cue from the opponents of commercialism in Christmas and ask that George Washington be put back in the bicentennial. Later generations might want to read neo-Beardian analysis of the bicentennial along with the original Beard's economic interpretation of the American Constitution. It would be a shame, and unworthy, if the only purpose of the celebration was to increase revenues.

This is a plea for balance, a hope that some care will be given the more tenuous side of our revolution, the internal experience—there is much that pleases the eye in all that is planned; not nearly enough to lift the heart and beguile the mind.

ANNOUNCEMENT OF HEARINGS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary will continue its hearings on FBI oversight on Thursday, February 27, at 10 a.m., in room 2141 of the Rayburn House Office Building.

Witnesses on that date will be Edward H. Levi, Attorney General of the United States, and Clarence M. Kelley, Director of the FBI.

Persons interested in submitting statements for the record may address their inquiries to the House Committee on the Judiciary, room 2137, Rayburn House Office Building, Washington, D.C. 20515.

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SCIENTISTS ON ENERGY POLICY

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McCORMACK. Mr. Speaker, about a month ago, one of the most prestigious groups of scientists in the United States issued a public statement concerning the energy crisis, and the options available to our Nation in providing solutions for it.

Unfortunately, this statement did not receive the attention it deserved in the press, and many Members of Congress and average citizens were thus deprived of its counsel. The spokesman for this group was Dr. Hans Bethe, who is one of the most revered physicists in the world today—a Nobel laureate in physics from Cornell University. In addition, 31 others of the Nation's leading scientists joined in making this statement. Among them were a total of 11 Nobel laureates in physics, chemistry, physiology, and medicine.

The statement is of great importance to the Congress, to the administration, and to the people of the United States because it sets forth inescapable facts which must govern much of our Nation's energy policies for the future. I am bringing it to public attention at this time partially because it did not receive coverage it should have received in the press and broadcast media, and partially because it should be read as background factual information by every person who has any responsibility or any interest in formulating a meaningful and constructive energy policy for our country. The statement follows:

SCIENTISTS' STATEMENT ON ENERGY POLICY

WASHINGTON, D.C., January 16—We, as scientists and citizens of the United States, believe that the Republic is in the most serious situation since World War II. Today's energy crisis is not a matter of just a few years but of decades. It is the new and predominant fact of life in industrialized societies.

The high price of oil which we must now import in order to keep Americans at their jobs threatens our economic structure—indeed, that of the Western World. Energy is the lifeblood of all modern societies and they are currently held hostage by a price structure that they are powerless to influence.

In the next three to five years conservation is essentially the only energy option. We can and we must use energy and existing energy sources more intelligently. But there must also be long range realistic plans and we deplore the fact that they are developing so slowly. We also deplore the fact that the public is given unrealistic assurances that there are easy solutions. There are many interesting proposals for alternative energy sources which deserve vigorous research effort, but none of them is likely to contribute significantly to our energy supply in this century.

Conservation, while urgently necessary and highly desirable, also has its price. One man's conservation may be another man's loss of job. Conservation, the first time around, can trim off fat, but the second time will cut deeply.

When we search for domestic energy sources to substitute for imported oil, we must look at the whole picture. If we look at each possible energy source separately, we can easily find fault with each of them, and rule out each one. Clearly, this would mean the end of our civilization as we know it.

Our domestic oil reserves are running down and the deficit can only partially be replaced by the new sources in Alaska; we must, in addition, permit off-shore exploration. Natural gas is in a similar critical condition; in the last seven years new discoveries have run far below our level of gas consumption. Only with strong measures could we hope to reverse this trend.

We shall have to make much greater use of solid fuels. Here coal and uranium are the most important options. This represents a profound change in the character of the American fuel economy. The nation has truly great reserves of these solid fuels in the earth. Our economically recoverable coal reserves are estimated to be 250 billion tons and exceed the energy of the world's total oil reserves. Our known uranium ores potentially equal the energy of 6,000 billion tons of coal; lower grade ore promises even more abundance.

The U.S. choice is not coal *or* uranium; we need both. Coal is irreplaceable as the basis of new synthetic fuels to replace oil and natural gas.

However, we see the primary use of solid fuels, especially of uranium, as a source of electricity. Uranium power, the culmination of basic discoveries in physics, is an engineered reality generating electricity today. Nuclear power has its critics, but we believe they lack perspective as to the feasibility of non-nuclear power sources and the gravity of the fuel crisis.

All energy release involves risks and nuclear power is certainly no exception. The safety of civilian nuclear power has been under public surveillance without parallel in the history of technology. As in any new technology there is a learning period. Contrary to the scare publicity given to some mistakes that have occurred, no appreciable amount of radioactive material has escaped from any commercial U.S. power reactor. We have confidence that technical ingenuity and care in operation can continue to improve the safety in all phases of the nuclear power program, including the difficult areas of transportation and nuclear waste disposal. The separation of the Atomic Energy Commission into the Energy Research and Development Administration and the Nuclear Regulatory Commission provides added reassurance for realistic management of potential risks and benefits. On any scale the benefits of a clean, inexpensive, and inexhaustible domestic fuel far outweigh the possible risks.

We can see no reasonable alternative to an increased use of nuclear power to satisfy our energy needs.

Many of us have worked for a long time on energy problems and therefore we feel the responsibility to speak out. The energy famine that threatens will require many sacrifices on the part of the American people, but these will be reduced if we marshall the huge scientific and technical resources of our country to improve the use of known energy sources.

Signed by:

Hans Bethe[1]—Organizing Chairman; Cornell University Laboratory of Nuclear Studies.

Luis Alvarez[1]—Lawrence Radiation Laboratory, Berkeley, Calif.

Peter Auer—Laboratory of Plasma Studies, Cornell University.

William O. Baker—President, Bell Telephone Laboratories.

John Bardeen[1]—Department of Physics, University of Illinois.

Robert F. Bacher—Department of Physics, California Institute of Technology.

Felix Bloch[1]—Department of Physics, Stanford University.

Norris E. Bradbury—Former Director, Los Alamos Scientific Laboratory.

Harold Brown—President, California Institute of Technology.

Richard H. Chamberlain—Chairman, Department of Radiology, University of Pennsylvania.

Cyril L. Comar—Chairman, Department of Physical Biology, Cornell University.

Arthur Kantrowitz—AVCO-Everett Research Laboratory.

Ralph E. Lapp—Energy Consultant, Alexandria, Va.

Joshua Lederberg[1]—Department of Genetics, Stanford University.

Willard F. Libby[2]—Department of Chemistry, University of California, Los Angeles.

Franklin A. Long—Center for Science, Technology and Society, Cornell University.

Edwin M. McMillan[2]—Director, Lawrence Radiation Laboratory, Berkeley, Calif.

Kenneth S. Pitzer—Dept. of Chemistry, University of Calif., Berkeley, Calif.

Edward M. Purcell[1]—Dept. of Physics, Harvard University.

I. I. Rabi[1]—Professor of Physics, Emeritus, Columbia University.

Norman Rasmussen—Dept. of Nuclear Engineering, Mass. Institute of Technology.

Roger Revelle—Director, Harvard Center for Population Studies.

Glenn T. Seaborg[2]—Associate Director, Lawrence Berkeley Laboratories.

Frederick Seitz[1]—President, Rockefeller University.

Edward Teller—Lawrence Livermore Laboratory, Livermore, Calif.

James A. Van Allen—Chairman, Dept. of Physics, University of Iowa.

Warren Weaver—Mathematician, New Milford, Conn.

Alvin Weinberg—Former Director, Oak Ridge National Laboratory.

Victor F. Weisskopf—Department of Physics, Mass. Institute of Technology.

Edward Wenk, Jr.—Director, Program in Social Management Tech., U. of Washington.

Eugene Wigner[1]—Professor of Theoretical Physics, Princeton University.

Richard Wilson—Department of Physics, Harvard University.

[1] Nobel Prize in Physics.

[2] Nobel Prize in Chemistry.

[3] Nobel Prize in Physiology and Medicine.

ESTONIAN ANNIVERSARY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FLORIO. Mr. Speaker, February 24 marks the anniversary of declaration of independndnce in Estonia and its founding. Estonia is an integral part of the Baltic States which was invaded and occupied by the Soviet Union after the signing of the peace and nonaggression treaties of 1920 and 1932.

After declaring its independence on February 24, 1918, and signing the peace and nonaggression treaty of 1920 with the Soviet Union, Estonia remained independent and became a member in the League of Nations in 1921.

In 1939, Nazi Germany and the Soviet Union secretly signed a protocol which divided Eastern Europe into spheres with Estonia and Latvia in the sphere of the Soviet Union, and Lithuania in Nazi Germany's sphere. Thus, the Baltic States lost their newly acquired independence.

In 1941, the Nazis again took control of the entire Baltic States, and occupied them for 3 years, until the Soviet Union regained control.

The United States does not recognize the incorporation of the Baltic States into the Soviet Union. On behalf of the many Estonian-Americans we must support efforts to gain independence for Estonia.

VOICE OF DEMOCRACY WINNER

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McKAY. Mr. Speaker, each year the Veterans of Foreign Wars conduct a voice of democracy essay contest. It is an opportunity for secondary school students throughout the country to compete for scholarships, at the same time expressing their feelings on selected patriotic themes.

This year, the winner from Utah is a talented high school junior from Springville, Kaye Whiting. She has been active in student government, drama and music at Springville High School, and was co-editor of the student newspaper.

Mr. Speaker, I feel that Kaye Whiting's winning essay in the voice of democracy competition would be of interest to my colleagues, and I submit it to the RECORD for their benefit.

MY RESPONSIBILITY AS AN AMERICAN CITIZEN

Be grateful my friend each soul do lift
For American Freedom a precious gift
Of Democracy rights and opinions to voice
Be grateful my friend, for this land so choice.

Three years ago in my history class, the teacher asked me the following question:

What do you owe your country?

Being only thirteen years old at the time, my response was an intelligent, I don't know.

One year later, I came to a sudden realization of what my responsibilities as an American citizen are.

It was a hot day in June 1972. Our family was busily packing and preparing for our annual summer vacation. This year it was to be a very special vacation. We were going to a strange new land; and as Thornton Wilder so eloquently put it, it was a land where people didn't speak English, and didn't even want to! Each of us learned two or three foreign words, and somehow felt adequately prepared to face the great adventure.

It took us three long days to reach our anticipated destination. We arrived on a Monday, but by Tuesday I was longing for the good old United States of America. Oh, not that it wasn't interesting to learn another culture, and awake to new sights and sounds, but surprisingly, I missed the many simple but necessary things that I often take for granted in America—simple things like pure running water, cleanliness and food passed by our government inspection. And because motion sickness is a problem with me, I really missed smooth roads and highways. I missed proper police protection and good medical care.

While we were at the beach, I saw many little street urchins much younger than myself, selling food they had brought from home. Well, I just thought the boys were earning a little spending money, but I soon discovered that these boys had to work for their survival, and often times the survival of their families. You see, in that country, the schools were not free and compulsory like mine are. In fact education ended at the sixth grade, unless you could afford to go on, thus explaining the high rate of illiteracy.

Also, when we were at the beach my little brother was stung by a jelly fish. My mom and dad quickly rushed him to the doctor. The doctor gave him several shots in his arm. He slashed the area where he was stung and because of improper sanitation precautions be developed severe infection.

I often witnessed long processions of families mourning along the road, as they slowly walked to the cemetery. Our guide informed us that many babies died each summer because of non-refrigerated food, disease, dysentery and improper medical care.

How grateful I am for America's advanced technology, for her high standard of living. How proud I am to be part of a country so great!

I am still quite young, in my teens, and I am sure that I have much to learn about responsibilities. Because, I believe that knowledge comes with age and experience. Therefore, my parents or grandparents could answer to their responsibilities much more adequately than myself. But I am the one who must answer! And I know, if that same history teacher were to ask me today: What do you owe your country?

I would proudly answer, gratitude!

My greatest responsibility as an American citizen is to be grateful. And to express that gratitude by serving—oh, not necessarily in war or something dramatic, but to take advantage of the wonderful opportunities around me each day. To do well in school, so that some day I might become a contributing member of society. To be grateful for the simple things I enjoy each day like pure running water. To be grateful for the important things like my educational system and transportation to and from school.

Yes, our greatest responsibility young or old, is to be grateful! To appreciate those before us who have fought and died for our freedom, and to honor those in the future who preserve the freedom of our children.

How grateful I am for America's history, for her sacred heritage. And as the 200th birthday of America nears, my responsibility is more increased, for all that we are, we owe America!

HOUSE JOINT RESOLUTION 219—CONTINUING APPROPRIATIONS, FISCAL YEAR 1975

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. MOORE. Mr. Speaker, it is with great hesitancy that I found it necessary to vote "nay" today on final passage of House Joint Resolution 219. I found it necessary to do so because this resolution unfortunately contained two totally different matters. The first was the approval of $3½ billion for foreign aid and the second was several Labor-HEW programs which may well have had merit.

I found it necessary to vote "nay" as a protest against the $3½ billion expended for foreign aid. I feel strongly that the people of this country are tired of paying their tax money in foreign aid to countries which often do not appreciate it or then use those funds to compete by means of Government subsidies with industry and agriculture in our own country. At a time when we have the largest proposed deficit since World War II, very high inflation, recession and 40 percent of our earnings going to taxes, I feel foreign aid should be further reduced well below the amount funded in this measure. Had this foreign aid funding not been in this resolution, it would have been possible for me to have given the human resource provisions funding additional consideration.

VOICE OF DEMOCRACY CONTEST

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SANTINI. Mr. Speaker, each year the Veterans of Foreign Wars and its Ladies Auxiliary conducts a voice of democracy contest, in which secondary students from around the Nation compete by speaking and writing on the meaning of our precious heritage.

I was so impressed by the eloquence and profundity of the speech of the contest winner from Nevada, Marguerite Hall of Las Vegas, that I wish to share it with my colleagues in the Congress.

Marguerite is the daughter of Mr. and Mrs. Albert Hall of Las Vegas. She is a senior at Las Vegas High School, is active in speech and debate, and wishes to pursue a career in the theater or in politics.

I hope my colleagues will read Marguerite's speech, which follows:

MY RESPONSIBILITY AS A CITIZEN

We, the American people, have been endowed by our Creator, with certain inalienable rights, and among them are life, liberty, and the pursuit of happiness.

My responsibility as an American citizen is to protect and defend those rights. My responsibility is to accept and exercise to my fullest capabilities, my God-given right for freedom.

The young people of today have lost contact with the brilliantly ethereal foundation of our country.

One simple word; easily written, so easily spoken, more easily forgotten—so few of us really know what it means for so few of us have ever lived without that gift to each American citizen, freedom. Freedom of speech, freedom of religion, freedom to think and live the way we choose.

That freedom is taken for granted like the air we breathe, and, in essence, it is the air we breathe because freedom is the life's breath of this country. It is the strength and sustenance behind Americanism.

If I hold any truths at all to be self evident, I hold true that I am responsible for the fate of my Americanism.

So often, people make the mistake of believing that freedom is kept and held as an object of security to be used only to fall back on in time of need.

Not so! Freedom is not a cushion to soften your life. Freedom is not only a gift and a right but a responsibility and a struggle. A constant fight that never ends.

An individual such as myself struggles for something he/she wants or needs and eventually it can be attained. That's the struggle, that's the freedom. To be free to go after what I want and get it no matter what race, creed, or color I be. And that statement is true even though some people don't choose to believe it. For where else in the world can a person who feels he is being mistreated say:

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"I have my rights!"?

And indeed, I have my rights; my right to live and breathe as a functioning human being, my right to liberty and happiness.

And with those rights go my responsibilities as a citizen; my responsibilities to those precious rights that give me freedom.

My responsibility as an American citizen is to struggle for my freedom. For, the moment I stop the struggle, my freedom is lost. As long as I have my freedom, I will be content for I will be reaching out for my goals. And, as a reach them, I will have love. And then my responsibility will be to reach out and touch the other people of the world with the freedom, happiness, and love that my country made it possible for me to have.

JAMES JORDAN

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mrs. HOLT. Mr. Speaker, it is not unusual for a Member of Congress to remark upon the retirement of a distinguished constituent, but I believe special recognition should be given to the career of James Jordan, who has just retired as the commissioner of corrections in Maryland.

In his youth, he knew poverty, but he also knew the honorable way to escape poverty. His career is a story of hard work, pride, achievement, and distinguished service to his Nation and his State.

His early years saw him employed in a shoe factory, as a railroad worker, as a stevedore. He struggled to obtain an education. He served his country with valor in the Second World War and the Korean conflict. He was a teacher in the education program of the Maryland prison system before advancing through the positions of assistant warden, warden, and deputy commissioner, to the rank of commissioner.

Mr. Jordan's first military experience was in 1943, when he joined the Army at the height of the Second World War. He served in Europe with Gen. George S. Patton's Third Army, participated in five major campaigns in Europe and one in the Philippines.

He was completing his studies toward a degree at Morgan State College when the Korean conflict erupted in 1951. Commissioned a second lieutenant, Mr. Jordan served as a combat officer and earned a battlefield promotion to first lieutenant.

During both wars, he won 14 awards and decorations, including the Bronze Star, the Combat Infantry Badge, and eight battle stars.

Following the Korean conflict, he completed his work for a degree from Morgan State College and became an instructor in the education program of the Maryland prison system, where his talents and ambition were recognized.

In a career marked by steady advancement, he attained the position of deputy commissioner in 1970 and was appointed commissioner of the prison system in 1971.

As commander of the system, he quickly served notice that his first priority was the protection of the public from the criminals committed to his custody. Reform programs would not be allowed to weaken security.

Jordan became a somewhat controversial figure because of his commitment to public safety. He proposed building new maximum security and medium security prisons. He tightened security at work camps.

His dedication and courage were demonstrated during a 1973 inmate rebellion at the Maryland Penitentiary, where the convicts took several guards as hostages.

He did not hesitate or negotiate. Jordan led his guards in a direct assault on the affected section of the prison. His quick response surely saved the life of one hostage, who was hanging by the neck when his rescuers surged in to free him.

James Jordan has now retired as the Maryland commissioner of correction. He is a man of action forced into retirement by coronary problems.

The State of Maryland has lost the services of a brave and exemplary public servant, but I believe we should all join in wishing him a long and happy retirement.

LITHUANIAN ANNIVERSARY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FLORIO. Mr. Speaker, the 16th of February marks the 724th anniversary of the founding of the Lithuanian State, and this date marks the 57th anniversary of the establishment of the modern Republic of Lithuania.

The people of Lithuania enjoyed the fruits of freedom and independence from 1918 to 1940. Yet the freedoms they worked so hard for were to be shortlived for in 1940, Lithuania, as well as other Baltic States, Latvia and Estonia, were invaded and forcibly annexed by the Soviet Union. Since that time, the people of Lithuania have remained under the control of the Soviet Union, except for a brief period during the Second World War when Lithuania fell under Nazi control.

Despite being under authoritarian governmental control, the people of Lithuania have never lost their will and taste for freedom and independence. This spirit holds even today, and I am certain Lithuanians look to our Nation, as the epitome of a free and independent nation, to help to restore their freedom and dignity.

I am pleased today to participate in this annual observance of our Lithuanian heritage. I am certain that the United States and the American people will continue to share and support these people and their Baltic State in their striving to achieve the freedom they once attained.

REMOVING EARNINGS LIMITATIONS ON SOCIAL SECURITY RECIPIENTS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARCHER. Mr. Speaker, there has been much discussion in recent months involving our social seourity system and the entire program does require a thorough examination. One of the outstanding inequities in the social security program has been the provision in the law which imposes an earnings limitation on those individuals receiving social security benefits. This provision is a serious limitation on the senior citizens of our country.

Individuals between the ages of 65 and and 72 who are eligible for social security benefits are penalized if they desire to continue working. The limitation on earnings for a social security recipient in 1975 is $210 a month or $2,520 a year. If any money is earned above $210 a month, this amount will slash benefits by $1 for every $2 earned. This provision applies to the man who is drawing benefits on his earnings and applies to his wife if she is drawing benefits on her husband's earnings. The limitation does not apply to anyone over the age of 72 and does not apply to unearned income from sources like dividends, interest, and rentals.

This limitation in the law is an affront to millions of American citizens between the ages of 65 and 72 who paid into the social security system during their working years with the expectation of receiving benefits at age 65 without any restrictions attached.

When these individuals are ready to draw benefits, the Federal Government informs them that they cannot earn above a certain amount of money each month or they will be penalized by a reduction in their monthly social security benefits. Overall, this provision is a serious interference with the basic rights of the individual citizen to earn as much income as he or she desires according to the individual's own initiative and ability.

One of the greatest resources we have in the United States is the senior citizen. Our senior citizens possess the knowledge, the experience, and the insight we need in our troubled society. These senior citizens possess a wealth of talent and experience which could be utilized in all fields throughout the United States. It is both cruel and heartless to deprive a person who wants to continue working of the experience of working by penalizing the person through reduced benefits.

We have authors, engineers, businessmen, teachers, restaurant workers—people in all professions—who desire to make substantial contributions to our society beyond the age of 65 by continuing to work. Some of our senior citizens feel both needed and wanted and useful if they are allowed to continue in a career. Yet, these same individuals are deterred from making their maximum contribution to society in their golden years because we have a provision in our law which will reduce their social security benefits by $1 for every $2 they earn. Our society should remove this restriction which prevents our society from utilizing the full talents of our senior citizens.

It is my hope that this Congress will recognize the need to encourage the contributions of our senior citizens and to remove a deterrent to that contribution. We need to remove the earnings limitation on social security recipients so that our senior citizens can continue to be productive without being penalized.

CLIMBING UNEMPLOYMENT

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. GRASSLEY. Mr. Speaker, we in Washington, have engaged in quite a bit of rhetoric lately regarding the climbing unemployment statistics in this country. Congress is considering several Federal programs to alleviate this problem. As a former meat packing employee, I am aware that unempolyment is a disasterous occurrence—devastating to families who no longer have an income to depend on. I agree we cannot allow the jobless rate to rise any higher.

I do not, for instance, want to see 1,300 Mason City, Iowa, residents without work. These people may very well become unemployment statistics within 6 months if the Armour & Co. meatpacking plant where they work closes down. The company has notified its empolyees that the shutdown is a distinct possibilty because the Mason City plant is no longer profitable.

Lately, Armour has been hit with several Government agency regulations that would result in plant alterations costing several million dollars. The U.S. Department of Agriculture ordered the company to install a new scalding tank last summer. During the installation of the tank, operations at the plant were virtually halted, costing the company quite a bit of money due to lost production. The plant has never fully recovered from this setback.

If this was not enough of a hardship—the Environmental Protection Agency also had a few expensive alterations for the plant to implement. One is for the installation of smoke emission control devices in the plant smoke stack. This stack is used only sporadically, during brief periods of the year when the natural gas pressure is low and the plant must burn coal. The cost of the smoke pollution control device is $1,050,000. In addition to this expense, the EPA expects Armour to contribute $550,000 toward the construction of Mason City's new $3.7 million sewage treatment plant.

I am not saying that reasonable pollution control regulations are not needed, nor am I saying these Federal regulations were the sole cause of Armour's decision to close down the Mason City packing plant. Still, the added expense certainly must have been taken into consideration when the decision was made.

Since first arriving in Washington I have urged the executive branch of the Government to be alerted to the problems that existed at the plant. I requested the White House consider Executive Order 11821 in regards to the stringent Federal regulations imposed on the Armour meat packing plant. This order, signed by the President last November, says under section 3(b):

In developing criteria for identifying legislative proposals, regulations, and rules subject to this order, the Director (of the Office of Management and Budget) must consider, among other things, the following general categories of significant impact:

b. effect on productivity of wage earners, business or government at any level;

It is paradoxical that the Congress has been busy drafting legislation to provide public service jobs and unemployment benefits for workers who have been laid off—while down at the other end of town the bureaucrats are enforcing Federal regulations that contribute to the rising unemployment rate. The Federal Government cannot continue to pump hot air and Federal dollars into one side of the bulging unemployment balloon, only to allow it to pop a leak somewhere else, somewhere like Mason City, Iowa.

FEDERAL RESERVE SYSTEM

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. FRENZEL. Mr. Speaker, today I am introducing in the RECORD a statement by Norman Macrae, deputy editor of the Economist, which appeared in the annual report of the First National Bank of Minneapolis.

I think the article is particularly timely when Congress is considering tinkering with the authority and responsibility of the Federal Reserve System. Written by an observer from England, it tells an interesting story that each Member of Congress should review before voting on legislation relating to the Federal Reserve System.

I congratulate the bank for publishing and distributing this fine article and attach it herewith:

THE INTERNATIONAL FINANCIAL CHALLENGE

(By Norman Macrae)

In each year since the end of World War II real gross world product has increased, and over the whole period it has more than trebled. In these brief three decades mankind has therefore added to its annual production by more than twice as much as it did in all the previous millennia of its existence.

While the main engine of this remarkable advance has been the increase in technological know-how, which is likely to accelerate in the decades ahead because the breakthrough in data processing means that the growth of usable knowledge is hardly likely to slow down, the lubricant has been the rather surprising success of the world's financial mechanism in getting savings flows to broadly the right places to seize the investment opportunities provided by this advancing technology. Those who say that "the good years are over" are really afraid that in these next several years this financial mechanism may temporarily seize up, because of intolerable inflation or world slump or even both at once.

The most reasonable answer to their fears is that the problems of these middle three years of the 1970's are going to look large, but will prove manageable unless we make some quite unnecessary new mistakes. Do let us be clear how we have got where we are, so as to see where we should decide not to go next.

PITCHING MONETARY POLICIES

I ternally, most big countries now know how to pitch their monetary policies in broadly (though not brilliantly) the right directions, increasing money supply when there is a danger of recession and restricting it when there is a danger of overheating. Contrary to left wing prophecies of three decades ago, the private financial institutions in all big capitalist countries have then diverted this available money to serve capital investment needs rather efficiently, both when the local system is stock-market-oriented (which progressively fewer are) and when it is bank-oriented (which relatively more are). Interestingly, in the socialist and communist countries it is this harnessing of available capital to the most efficient productive processes which has failed miserably. Even when their technological innovation has been impressive, the standard of living in the communist countries has remained despairingly low.

Internationally—and at one time this seemed very serious—the big industrial capitalist countries have never had a mechanism for worldly coordination in increasing or curbing world money supply by the amounts required. Anxious conferences of Groups of Ten and Committees of Twenty finance ministers have therefore been held to discuss how to achieve coordination, but by the time these decision-non-making bodies have reached formal agreement on how to deal with some supposed problem (e.g., how to increase international liquidity), the problem for which there is at last an agreed solution has been replaced by another also requiring seemingly immediate attention. The resourcefulness of the bankers and businessmen who engage in international financial transactions has generally managed to solve the previous problem for them.

The unofficial modus vivendi for the international monetary system in the 1960's was that the United States was allowed to run a balance of payments deficit up to the amount where the excess dollars it thus spent in the outside world equalled the amounts of dollars that foreigners were eager or at least willing to hold and then to lend to each other mostly through the Eurodollar market. American corporations were then able to bring their technological and managerial know-how to other countries by establishing multinational corporations in them without grave balance of payments constraints, although one could see the point of the complaint by a nationalist Frenchman that "we are lending money to the Americans to enable them to buy us. The other props of the system were that there was generally not a danger that all countries would expand their economies by too much at the same time, because fixed exchange rates ensured that countries in balance of payments deficits (except America) were bound to slow their internal demand, and this helped restore their balances of payments to rights and also usually slowed their internal inflations.

STRAINS ON THE SYSTEM

In 1968 a series of strains were laid on the system. Sterling's devaluation in Novem-

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ber, 1967, had put the dollar in the front line of possibly overvalued currencies and most foreigners became less willing to hold so many dollars in consequence; also the Vietnam war plus the Great Society caused overheating in America, and the riots in Paris in May of 1968 helped to spin off inflation across Europe. Most countries therefore tightened their financial policies, and in 1969–71, for the first time since World War II, the big industrial countries all went into a minor economic slowdown at the same time. This time the slowdown did not work in significantly slowing wage inflation because labor unions had become more militant, and it also obviously did not improve deficit countries' balances of payments (because they could only improve at the expense of surplus countries' balances of payments, and now those surplus countries were slowing their demand too). In August of 1971, President Richard Nixon therefore loosened the balance of payments constraint by floating world exchange rates, and he led the world into the boom of 1971–73 by reflating demand behind a protective barrier of price and pay restraints.

The world boom of 1971–73 meant that all countries were now re-expanding demand a bit too strenuously at about the same time, and this caused a sharp upsurge in the prices of raw materials that were in inelastic supply. Then in late 1973, when high world commodity prices and internal inflation were beginning to puncture the boom in the big industrial countries anyway, the Arab nations, under stress of nationalist emotion in a very brief war, quadrupled their asking price for oil. So long as this quadrupled asking price for oil is paid, the Arabs will be running a balance of payments surplus of about $60 billion a year with the rest of the world. And this has four mutually contradictory effects, which provide a temptation for governments and central banks to follow disastrously wrong financial policies as they did in and just after 1929.

First, the quadrupling of oil prices has intensified world cost inflation, and the orthodox reaction to that is to tighten monetary and fiscal policies. Second, the Arabs have added to world demand deflation by taking $60 billion a year from other people's spending and trying to add it to their own intended saving, and the orthodox reaction to this threat of increased unemployment is to relax monetary and fiscal policies. Third, the $60 billion a year payments surplus run by the Arabs means that all other countries taken together must run a $60 billion a year payments deficit, and the orthodox reaction to payments deficits is to tighten policies. Fourth, the Arabs are adding in a most lopsided way to world liquidity because they are depositing much of their $60 billion a year of new savings on very short term with a few very big banks, and these banks cannot prudently lend on at longer term to precisely the businesses and countries which have been made most hungry for credit by the world disruptions which the rise in oil prices has caused.

CONTINUING THE DEBATE

Let us consider these four problems—inflation, slump, payments deficit and recycling—in reverse order. It is vital to keep debating the right policies towards all of them, because it could be easy for the governments of the free nations to muddle the world into wrong policies towards each.

On recycling, the first need is that central banking authorities should be ready to stand behind any institution or country from which short-term petrodollars are suddenly withdrawn, especially as the Arabs will presumably use their great new power to cause financial chaos as a more powerful weapon than oil price rises when next their quarrel with Israel flares. The second need is to provide some bridging mechanism through which short-term petrodollars can be mobilized for longer-term investment needs (IMF? Joint consortia on which the Arabs could be offered both participation and guarantees?). The wrong policy would be if government authorities responded to these financial troubles by telling banks that the path of prudence is to lend less money. In the same way as the Federal Reserve's cautious policy in 1930–33 reduced American money supply by about one-third and thereby made the world slump inevitable. It is disturbing that the first reaction of some central banks after the Herstatt affair in 1974 was to mutter that more stringent controls are needed in the Eurodollar market.

On payments deficits, somebody had better realise that nearly all the industrial countries that are forecasting rises in their gups next year are predicting that their exports to each other will rise by more than their imports from each other. And obviously all won't. The danger is that some may try to make these false forecasts come truer by beggar-my-neighbour import restrictions, while the real need now is going to be to open frontiers further and bring freer trade back to favour, because freer trade is a powerful weapon to combat inflation.

The apparently opposite problems of countering slump and inflation sit uncomfortably close together, because one of the reasons for fearing slump is that the previous inflationary boom soared slightly out of control in most countries. In their most recent fiscal years twenty of the 24 OECD countries were running budget deficits. The double digit price inflation in most countries has made ordinary households worried about how they will meet their family expenses six months ahead, so there has been a marked slowing in expenditures on such discretionary items as consumer durables and vacations. At the same time there has been a squeeze on corporate liquidity all round the world. During the inflation a sizeable proportion of reported company profits have been inventory profits, which are not real profits in the sense that they do not create cash; but corporations have been paying dividends and interest payments and some taxes out of these supposed inventory profits, which means that they have been borrowing to meet them. When many businesses round the world have really been borrowing to meet their interest payments on past borrowing, it is not only bankers who should feel that their hair is beginning to stand on end. And if the inventory profits, which have made the borrowing look respectable, turn suddenly to inventory losses, the whole financial system will need to be operated with very cool sophistication.

TIGHTROPE POLICY

The present world slowdown in demand therefore cannot properly be met by reflation and expansion of the money supply. That would make worse the world inflation which is now big enough to be part of the threat of world slump. The proper course can only be to reduce the overload gently, to try to bring down the annual rise in money supply all over the world to a level which does not fuel the present scale of inflation, but simultaneously to make sure that this slowing of the rate of rise in money supply is not so sharp as to cause a real credit crunch. This is the sort of tightrope-walking policy which the skilled tightroper should not find difficult. When the feel of the rope shows that weight is being put a little too much to one side, then the proper course is to lean a little more to the other, and in that way the man who knows his job will reach the other side all right. But it is not the sort of policy which can be planned and specified in advance: the tightrope walker does not state that he will reach the other side by walking on a compass course of 337½° or North-North-West, and set out accordingly and insouciantly. One trouble is that some politicians, and occasionally even central bankers, do like to operate on pre-planned compass courses in very much that way.

A hundred years ago, the English political writer Walter Bagehot said that the pressure of events was changing the nature of both businessmen and soldiers, so that what was needed in each profession now was not a romantic animal, dashing at forlorn hopes, animated by frantic sentiment, full of fancies . . . but a quiet, grave man, busied in charts, exact in sums, master of the art of tactics, occupied in trivial detail.

As the longest and most exciting period of continuous economic growth in history reaches an awkward corner, this is what is going to be needed in our financial system, too.

BIPARTISAN COOPERATION IN FOREIGN AFFAIRS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ZABLOCKI. Mr. Speaker, President Ford and Secretary of State Kissinger in recent statements, have called for nonpartisanship and cooperation between Congress and the executive branch in the field of foreign policy. This is an objective which is widely shared on Capitol Hill. However, the administration's avowed desire for such a partnership approach too often is accompanied by denunciations of certain congressional foreign affairs actions with which the executive disagrees.

Bipartisan cooperation must involve, it seems to me, both: First, a willingness by the executive to consult with Congress in the process of forming foreign policy, not just after the administration has reached a decision; and, second, a recognition of Congress' duty to oppose some executive proposals, when Congress believes this to be in the national interest, as well as to support others.

These essentials were ably set forth by the Honorable THOMAS E. MORGAN, chairman of the Foreign Affairs Committee, to Secretary Kissinger recently. Following is an excerpt from Chairman MORGAN's remarks, and an informative article, by Senior Time Magazine Correspondent John L. Steele, who helped prepare "The Private Papers of Senator Vandenberg":

REMARKS BY CHAIRMAN THOMAS E. MORGAN

Chairman MORGAN. Mr. Secretary, before you begin today I want to say that I have taken note of the speech you made in Los Angeles on January 24. This is the speech in which you proposed a "new national partnership" between the executive and the Congress in the conduct of Foreign Affairs.

First, in regard to what you said about non-partisan support of foreign policy, I am sure you know that this committee has been non-partisan in most of its actions over the years. I and others have been strong supporters of bipartisanship in foreign affairs during our years in Congress.

Second, as for the relationship between Congress and the executive in foreign affairs, I agree that both have their constitutional responsibilities—and that cooperation is necessary.

But this does not mean that the Congress should automatically approve whatever the executive proposes. We have a duty to propose—or in some cases to oppose—according to our best judgment as to what is in the national interest.

Also, in consulting with Congress, the executive should consult with us before decisions are made—not merely inform us about them afterwards.

Thirdly, you spoke in your speech about Congress tending to "Legislate in detail the day-to-day or week-to-week conduct of our foreign affairs." Yet the examples you mention—the trade bill restrictions concerning the Soviet Union and oil countries, and the aid bill restrictions on Turkey—seem to me to be expressions of policy, and not just a day-to-day negotiating detail.

Lastly, I can assure you that this committee will approach the tasks ahead in a spirit of cooperation and in a constructive way.

And we welcome the desire you have expressed for a truly national foreign policy.

[From the Washington Post, Feb. 25, 1975]

FOREIGN POLICY: THE VANDENBERG MODEL

(By John L. Steele)

President Ford's call upon the Democratic-controlled 94th Congress to grant him the same kind of bipartisan foreign policy cooperation advanced to President Truman by the Republican 80th Congress almost 30 years ago is an estimable one. And so is the President's evocation of the memory of his one-time Michigan mentor, Sen. Arthur Vandenberg, who was the prime mover in keeping domestic politics out of at least a partial spectrum of foreign affairs. The trouble with the Ford suggestion is that it is so much more easily made than implemented. And if the beneficient idea is to get off the ground at all, President Ford and his foreign policy surrogates had best remind themselves of some of the rudiments of the Truman-Vandenberg enterprise and exactly what the nature of that "un-partisan" venture (the usage preferred by Vandenberg) was.

First, it was based on no mere consultation between a Democratic President and his Secretaries of State (Stettinius, Byrnes, Marshall and Acheson) on the one hand, and on the other, Vandenberg, at that time the predominant Republican foreign policy spokesman.

The price of Republican foreign policy cooperation, as painstakingly engineered by Vandenberg, was very high indeed. It involved essentially a trade off of some important executive branch prerogatives in foreign and defense policies in return for Republican support in the legislative branch of the government. It involved a Democratic President's willingness to grant a Republican senator a major role in policy formulation, in return for the latter's willingness and ability to mobilize his own fragmented party behind some major post-war programs.

President Ford now has challenged the Democratic dominated Senate and House to give him "the same consideration that Senator Vandenberg sought and got for President Truman." He might well have offered the Congress what Senator Vandenberg sought and got from President Truman. This, because Vandenberg always drove a hard bargain in terms of policy formulation, in return for what he gave in terms of policy support. Surely President Ford and Secretary of State Kissinger can expect no less of a hardheaded bargain from a Democratic Congress if they seek a reincarnation of that bygone era in a much more fragmented, less clear-cut world. A few specific citations of the Vandenberg input to the Truman output:

The Greece-Turkey military and economic aid program of 1947. "The Administration made a colossal blunder" by ignoring the United Nations in presenting its then novel assistance program to Congress, Vandenberg wrote in some pencilled notes to himself at the time. With the Truman administration's acquiescence, he rewrote the very structure of the program so that it fell within the guidelines of the U.N. Charter, including a provision regarded as drastic at that time, permitting the U.N. Security Council or its General Assembly to terminate the American program whenever U.N. action was thought to make U.S. assistance "unnecessary or undesirable," and waiving the U.S. veto power in the Security Council on this matter. Only then would Vandenberg push the program to overwhelming Senate approval.

The Marshall Plan program for the post-war economic rebuilding of Western Europe in 1948. Here Vandenberg's demands in formulation of the long-term, unprecedented program were considerable in number and substantial in kind. And all were granted by the Democratic administration.

They included a preparatory, extensive stock taking of U.S. resources, financial and physical, in order to safely undertake such a program, including its potential impact on U.S. industry, labor, agriculture and managerial talent. The result was an overloaded five-foot shelf of books comprising an unusual national audit. A staggering $17 billion, four-and-a-quarter year program authorization was abandoned in favor of a generalized authorization to fund the program in amounts deemed necessary each year by the President and the Congress. Provisions dealing with Europe's self-help obligations and responsibilities were vastly strengthened with an ultimate sanction of individual country program terminations in event of serious non-compliance. Direction of the enterprise was taken out of State Department hands and lodged instead in an independent Economic Cooperation Administration headed by a cabinet level executive under direct presidential control. And finally, in an ultimate use of Vandenberg muscle, the Senator vetoed the President's proposed appointment of an international lawyer, Dean Acheson, to run the program in favor of the appointment of an able business executive, Paul G. Hoffman.

The North Atlantic Treaty of 1949. Vandenberg's participation in the development of this mutual security pact was of a long-term nature, in retrospect dating back to his tenure as a delegate to the 1945 U.N. Charter Conference at San Francisco. Here, he championed inclusion in the Charter of provisions for regional peace-keeping arrangement, and through Article 51, the stipulation of an inherent right of individual and collective self-defense which could be exercised until such time as the U.N. Security Council acted effectively to maintain peace and security. Vandenberg and Nelson Rockefeller, then an Assistant Secretary of State, were instrumental in overriding heavy opposition to these Charter provisions. Their aim then was to preserve an emerging Inter-American peace keeping system. But only three years later, these same Charter provisions provided the legal basis for keeping a much broader security effort within the U.N. Charter, but outside the Security Council veto. By 1948, the hardening cold war necessitated a U.S. security undertaking with Western Europe, and the senator in most intimate, secret collaboration with Secretary of State George C. Marshall and Under Secretary Robert A. Lovett used the provisions as the legal basis for drafting the so-called Vandenberg Resolution which, when accepted overwhelmingly by the Senate, provided advance approval for negotiation of the North Atlantic Treaty itself. Vandenberg kept in close touch with the treaty negotiations and here, too, his influence was felt on these points and the precise wording of the key. Article 5, pledging each signatory to take such action "as it deems necessary in * * * use of armed force" to * * * attack; (2) preservation of Senate treaty ratification and congressional war declaration functions, and (3) a "self-help and mutual aid" formula in developing a joint capacity to resist aggression. Infinite care and intensive preparation resulted in an 82 to 13 Senate vote for a bold, new security commitment.

This is merely a sampling of the participation and shared responsibility, running far beyond mere consultation, involved in a bipartisan enterprise which President Ford now commendably seeks to revive. He faces in this an even more difficult chore than did President Truman because the issues are more subtle. They no longer represent the black-and-white confrontation with a monolithic cold war threat and, finally, there is no immediately discernible Democratic counterpart to Vandenberg, a difficult, proud, but exceedingly talented achiever. Furthermore, President Ford might well remember that Vandenberg himself always regarded bipartisanship as of fairly limited scope; it never included the conundrum of China policy, only sometimes Latin America and the Middle East and never domestic matters even though they might have implications abroad. The President is ambitious indeed when he would seek to place under the blanket of Democratic congressional cooperation such matters as mediation in Cyprus, policies vis-a-vis the oil barons of OPEC, and the conditions under which most favored nation treatment and easy credit would be afforded the Soviet Union.

President Ford and Secretary Kissinger might profit by reading Vandenberg's own definition of his joint enterprise with the political enemy, made in one of his last public addresses, in February 1949. It alludes to the price which must be paid for bipartisanship:

"During the last two years, when the Presidency and Congress represented different parties, America could only speak with unity, and therefore with power, through some instrument of liaison. So-called bipartisan foreign policy provided the connecting link. . . . It helped to formulate foreign policy before it ever reached the legislative stage. Otherwise it would not have worked. Let's be clear about that. It was not a carbon copy process. There are outstanding Republican trademarks in every act that Congress passed. It was a meeting of minds. Thus we achieved substantial unity. Our government did not splinter. It did not default. It was strong in the presence of its adversaries."

Above all, bipartisanship did not mean passive acquiescence to Vandenberg. And that, too, might be worth remembering today.

ESTONIAN ANNIVERSARY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WOLFF. Mr. Speaker, I would like to take this time to remind my colleagues that yesterday marked the 57th anniversary of the declaration of the independence of the Republic of Estonia. Unfortunately, this proud Republic no longer appears on our maps, as it was siezed by the forces of the Soviet Union during the turbulent years of World War II.

It is very popular to speak of détente. While we must pursue an easing of international tensions and increased understanding, we must not forget that there are a significant number of people in the world that cannot be described as free, that do not enjoy the basic human rights. In our quest for detente, we can not forget these people.

I call upon my colleagues to join me in commemoration of the establishment of the Republic of Estonia and in reaf-

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firming our efforts to bring about the independence of these valiant people.

NOW ACCOUNTS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. DRINAN. Mr. Speaker, on Friday I inserted in the Extensions of Remarks the first part of an article by Katherine Gibson entitled "The Early History and Initial Impact of NOW Accounts." The final half of that article follows:

THE EARLY HISTORY AND INITIAL IMPACT OF NOW ACCOUNTS—CONCLUSION

ACTION AT THE FEDERAL LEVEL

Two Federal agencies had limited power to control the spread of NOW accounts in Massachusetts. The FDIC, which regulated interest rates of the mutual savings banks it insures, could have imposed a zero interest rate ceiling on NOWs, thus eliminating their competitive advantage over checking accounts; however, only 8 to 167 mutual savings banks in the state are federally insured. The Federal Reserve could have affected the negotiability of NOW drafts by classifying them as non-cash items for clearing processes. However, there were legal and political problems with this suggestion and it appeared that an alternate clearing system could be developed nullifying the effect of this policy. Therefore, because the regulatory agencies were unable to reach an accord on issues of such far-reaching implications and because it seemed most appropriate for the permissibility of NOW accounts to be decided by legislation, the issue was brought to Congress.

The first bill, introduced in February, 1973 by Rep. Fernand St Germain (D., R.I.), would have abolished all NOW accounts. Other bills provided for the extension of NOW accounts to all financial institutions in the United States. Both the House and Senate banking committees held hearings in March and April.[11] Testimony by Governor George W. Mitchell, representing the Federal Reserve Board, dealt with the major concerns of most witnesses—competitive equity among different types of financial institutions, which involves both equality of powers and equality of regulatory requirements, and benefits to the small depositor. The specific recommendations of Governor Mitchell involved authorizing all depository institutions "to offer money transfer services on savings accounts that bear interest, and that are used primarily for household purposes" upon the condition that appropriate action would be taken to equalize interest rate ceilings and reserve requirements on NOW accounts for all financial institutions.

Congressional considerations culminated in the passage of Public Law 93–100, signed into law on August 16, 1973, which authorized mutual savings banks, commercial banks, S&Ls and cooperative banks in Massachusetts and New Hampshire to offer NOW accounts subject to the supervision and regulation of the appropriate agency (the Federal Reserve, the FDIC, the FHLBB or the Massachusetts Bank Commissioner). P.L. 93–100 extends the FDIC's authority to regulate interest rates to include non-federally insured mutual savings banks but the Massachusetts Bank Commissioner retains interest rate control of non-federally insured co-operative banks). No institution outside of these two states was permitted to offer interest-bearing NOW accounts. In essence, these two states were to be laboratories for an experiment testing the effects of a partial enactment of the Hunt Commission recommendation on broadening the depository powers of thrift institutions.

The regulatory agencies issued similar, but not identical, regulations for their respective constituencies. All institutions were permitted to pay a maximum interest rate of 5 percent on NOW accounts and their advertising efforts were limited to media aimed primarily at residents of the two states. The Federal Reserve imposed an additional restriction on member banks—no more than 150 drafts could be drawn on a NOW account during a given 12-month period. However, this limitation was removed October 17, 1974. Reserve requirements against NOW funds are the same as the requirements on other savings accounts at each institution. Congress had not included uniform reserve requirements against NOW deposits in the law and equalizing reserve requirements could not be accomplished by regulation.

Individuals and non-profit organizations may hold NOW accounts but businesses are not allowed to do so. The original regulations of the Federal Reserve Board and the FDIC excluded governmental agencies but because of a difference in wording, the FHLBB order appeared to permit them to hold NOW accounts at S&Ls. After one such account was opened, the FHLBB amended its regulations to prohibit governmental NOW accounts effective October 29, 1974. Then in November the Federal Reserve and the FDIC amended their regulations in order to allow governmental units to open savings accounts at commercial banks. This change included NOW accounts, thus creating a new discrepancy among the regulations of the Federal agencies.

THE SPREAD OF NOW ACCOUNTS

Under these rules, commercial banks, S&Ls, and cooperative banks were authorized to begin offering NOW accounts as of January 1, 1974, and 129 of them had done so as of October 31, 1974. The chart shows the extent to which each type of institution has become involved in NOW accounts. In both New Hampshire and Massachusetts, savings banks, which have been authorized to accept NOW accounts for a longer period of time, dominate in numbers of institutions offering NOW accounts and in total balances held. Seventy-three percent of total NOW account deposits in the two states ($270.8 million) were held by savings banks as of October 31, 1974. Even for savings banks, however, NOW account deposits equal only 1 percent of their 1973 year-end total deposits. NOWs represent an even smaller share of deposits for the other institutions. The monthly survey by the Federal Reserve Bank of Boston shows that new NOW accounts at all institutions combined were being opened at a rate of 13,425 per month in the first half of 1974. However, 55 percent of these accounts were opened by transferring funds from another account which the depositor held with the same institution. Thus, even the 1 percent figure overstates the gain in savings banks deposits created by NOW accounts.

Until January 1974 all the mutuals in Massachusetts imposed a 15¢ charge for each draft; since then there has been a steady rise in the number of savings banks offering free drafts. Only 17 percent of the Massachusetts mutuals continued to charge 15¢ in October 1974, while 61 percent of the savings banks have removed all service charges. For a person with an average balance of $200 who writes 10 checks a month it would be more advantageous to maintain a "free" checking account at a commercial bank than to open a NOW account under the 5 percent, 15 cents charge per draft terms, but preferable to open a NOW account under the no-charge conditions.

IMPACT ON OTHER NEW ENGLAND STATES AND THE MUTUAL SAVINGS BANK INDUSTRY

The most significant impact of NOW account activity in Massachusetts and New Hampshire on other New England states so far has been in Connecticut. There, the commercial banks joined the mutual savings banks in supporting compromise legislation which gave savings banks and S&Ls checking account powers, to become effective no later than December 31, 1975,[12] but prohibited the introduction of NOWs. The bill, introduced in March 1973, faced no opposition and cleared both houses of the legislature unanimously in April. Two years earlier a bill to give savings banks checking account powers had been vigorously opposed by the commercial bank industry.

In Maine, a special commission appointed by the governor to recodify the statutes administered by the Department of Banks and Banking, has recommended proposals which include checking accounts for thrift institutions and NOW account powers for thrifts and commercial banks. These proposals will be presented to the 1975 session of the Maine legislature. The NOW account recommendation would, of course, be dependent on a change in current Federal legislation.

In Rhode Island, each of the six savings banks and two of the four building and loan associations own a commercial bank and therefore have nothing to gain from introducing NOW accounts. In fact, Rhode Island had extended demand deposit powers to credit unions in 1970 and 12 credit unions presently offer checking accounts. Loan and investment companies were also authorized to accept demand deposits in 1971; however, the only institution that satisfies the financial conditions imposed by the law already owns a commercial bank and has not acted under this provision.[13]

There has been no action yet in Vermont to expand the powers of the state's six mutual savings banks. Among the New England states, Vermont has the smallest percentage of total time and savings deposits at savings banks.

Savings banks in New England are a substantial portion of the industry, holding 28 percent of the total savings bank deposits in the United States. However, New York dominates the industry with 57 percent of all savings bank deposits. Therefore, the recent introduction of payment accounts in New York is particularly significant. Payment order of withdrawal (POW) accounts, first offered on May 22, 1974, resemble NOW accounts except that no interest is paid on the accounts. The New York State Banking Superintendent promptly released regulations authorizing payment accounts but prohibiting automatic transfers from a depositor's interest-bearing savings account to his POW account. The superintendent said that the ban on automatic transfers was necessary to insure that such accounts do not violate the Federal law limiting interest-bearing NOW accounts to Massachusetts and New Hampshire. The regulations also limit payment accounts to individuals and nonprofit organizations and impose reserve requirements on payment accounts equal to those on commercial bank demand deposits. At least six mutual savings banks in New York had opened payment accounts within three weeks after the regulations had been introduced. However, on December 12 the appellate division of the State Supreme Court ruled that the Banking Superintendent did not have the authority to permit payment accounts. The New York Banking Commission is planning to appeal this decision.

A different adaptation of NOW accounts has been adopted by the Western Savings Fund Society in Philadelphia. This version, called a WOW account, would allow depositors to write an unlimited number of negotiable orders at no charge on regular savings accounts earning 5¼ percent interest. However, WOW depositors have to bring or mail their payment orders to the bank to be signed by a bank official before the draft is valid. The Pennsylvania Attorney General ruled on September 11, 1974 that the plan is permissible under law.

Most recently, Farmers and Mechanics Savings Bank, Minnesota's only mutual savings bank, announced its decision to begin offering non-interest bearing NOW accounts but was prevented from initiating the program by a ruling from the Minnesota Commissioner of Banks. The Commissioner based his prohibition on the absence of express authorization of negotiable withdrawal orders in the state statute governing the powers of savings banks.

CONCLUSION

The NOW account innovation in Massachusetts and New Hampshire has successfully surmounted all the legal obstacles, has been implemented by a significant number of institutions, and has attracted $271 million in deposits through October, 1974. It has also inspired imitation in New York and Pennsylvania and was a major factor in facilitating the passage of legislation in Connecticut authorizing demand deposits at mutual savings banks beginning in 1976. Among the New England states, only Vermont and Rhode Island have not reacted to the development of NOWs, and the unusual institutional arrangements in Rhode Island make any action there unlikely.

If legal challenges do not prevent savings banks in New York from offering their variations of NOW accounts, the impact on the mutual savings bank industry could be profound. Prior to 1972, 33 savings banks in the United States had the authority to accept demand deposits. Assuming that New York and Maine allow savings banks to accept some type of NOW or checking account by 1976, only 30 of the 485 mutual savings banks in the country will not have such powers, including the six Rhode Island mutual savings banks which own commercial banks. Thus, the industry would have essentially accomplished one important step in the effort to become "full-service" institutions in meeting the financial needs of families, regardless of what Congressional action takes place on broader Administration proposals based on the Hunt Commission Report.

The impact of NOW accounts is greater, however, than the effect on the mutual savings bank industry. The legislative package submitted to Congress by the Administration in August 1973 included a recommendation that the NOW authorization for commercial banks and thrifts be extended nationwide. If this proposal were adopted, it would give all consumers the option of opening the equivalent of an interest-paying checking account. Congressional action on this point will be affected by the current activity in Massachusetts and New Hampshire.

[11] See U.S. House Committee on Banking and Currency, Hearings on H.R. 4070, H.R. 4719 and H.R. 4988, March 13–15, 1973. Also U.S. Senate Committee on Banking, Housing and Urban Affairs, Hearings on S. 892, S. 1008, S. 1256 and S. 1257, March 20–22, 1973.

[12] The law in Connecticut provides that mutual savings banks will be authorized to accept demand deposits after 12/31/75 or earlier if Federal legislation giving checking account powers to mutual savings banks is adopted before that date.

[13] Building and loan associations are state-chartered institutions similar to S&Ls. A loan and investment company is similar to a Morris Plan or industrial bank. A law in Rhode Island specifies that a loan and investment company must have capital accounts over $1 million and deposit accounts over $5 million and obtain prior approval from the Board of Bank Incorporation before beginning to accept demand deposits. The Greater Providence Deposit Corp. is the only L&I which meets the criteria; it owns the Greater Providence Trust Company which has a commercial bank charter and therefore can accept demand deposits, although it is not considered by the Federal Reserve Bank to be a commercial bank for purposes of the Bank Holding Company Act of 1956 since it does not make commercial loans. State-chartered, insured credit unions with over $1 million in shares and deposits also may accept demand deposits, after obtaining approval from the Bank Commissioner.

REPUBLIC OF LITHUANIA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ANDERSON of California. Mr. Speaker, last Sunday, February 16 was a sad day for people of Lithuanian descent. That day was the 57th anniversary of the establishment of the modern Republic of Lithuania on February 16, 1918.

Lithuania lost her freedom and independence in June 1940 when the Russian Army marched in and the Lithuanian Government was overthrown. Lithuania was made a Soviet republic, a Communist satellite.

The Lithuanian people have never lost hope that someday they will again live in a free and democratic nation. The Lithuanian spirit remains unbroken despite Moscow's attempts to impose cultural hegemony. The Lithuanian people live with constant persecution in a daily struggle for greater autonomy, religious freedom, and basic human rights.

In an era of détente with the Soviet Union, we tend to ignore or simply write off the Lithuanian and other Baltic peoples' struggle for freedom. Rather we should see that détente provides a chance for greater freedom for the people behind the Iron Curtain. Hopefully détente with the West will foster a relaxation of repression within the Soviet Union.

Here in the United States, Americans of Lithuanian descent are continuing to call attention to the tragic plight of the Lithuanian people.

We must support this effort.

Therefore, I am submitting for the RECORD the following resolution adopted by the Lithuanian-American Community of the U.S.A., Inc.:

RESOLUTION

Unanimously adopted at a mass assembly of Lithuanian-Americans and their friends, living in Southern California, sponsored by the Lithuanian-American community of the United States, Western Division, held on Sunday, December 23, 1974, at 12:15 p.m. at the Marshall High School Auditorium (3939 Tracy Street, Los Angeles, California, 90027) in meeting and honoring Mr. Simas Kudirka, a Lithuanian seaman, who in November, 1970 jumped from a Soviet fishing trawler to a Coast Guard ship tied alongside and several hours later was surrendered to the Russians, triggering worldwide outrage, after four years of suffering and torturing by the Soviet Communists in the Soviet prisons and slave-labor camps, finally in November, 1974 he and his family landed in America.

Whereas the Soviet Union took over Lithuania by force of arms in June, 1940; and

Whereas the Lithuanian people are strongly opposed to foreign domination and are determined to restore their freedom and sovereignty which they rightly enjoyed for more than seven centuries in the past; and

Whereas all representatives of the United Nations, including the Soviet Union, signed the Declaration of Human rights ten years ago, but the Soviet Union has failed to live up to the principles and goals of the aforementioned declaration; and

Whereas the government of the Soviet Union, through a program of deportations and resettlement of peoples, continues in its effort to change the ethnic character of the populations of the Baltic States; and

Whereas scores of new States were established and founded since 1945 in Asia and Africa and admitted into the United Nations; and

Whereas it has been the firm and consistent policy of the government of the United States to support the aspirations of Baltic peoples for self-determination and national independence; Therefore be it

Resolved, That we, Americans of Luthuanian origin or decent, reaffirm our adherence to American democratic principles of government and pledge our support to our President and our Congress to achieve lasting peace, freedom and justice in the world; and be it further

Resolved, That the President of the United States carries out the expression of the United States Congress contained in H. Con. Res. 416 (89th Congress) by bringing up the Baltic States question in the United Nations and demanding the Soviets to withdraw from Lithuania, Latvia, and Estonia; and be it finally

Resolved, That copies of this resolution be forwarded this day to the President of the United States, Secretary of State Henry Kissinger, United States Ambassador to the United Nations, John A. Scali, and selected members of the United States Congress.

DRAFT MAIN REPORT OF THE LONG ISLAND SOUND REGIONAL STUDY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WOLFF. Mr. Speaker, over 3 years ago, Senator ABRAHAM RIBICOFF and I coauthored legislation to authorize a 3-year study of Long Island Sound. This effort led to an Executive order of the White House expanding the jurisdiction of the New England River Basins Commission to include Long Island Sound. The Executive order confirmed our belief that the preservation of Long Island Sound was not only important to the Northeast region, but that it was to the benefit of the country as a whole that this principal waterway be protected now and for future generations.

Recently, the New England River Basins Commission completed and released the draft main report of the Long Island Sound regional study. It is a plan which offers many unique and workable approaches to deal with the needs of the Long Island Sound region.

As one of the originators of this study, I want to again congratulate the commission for its report. I would also like to share with my colleagues in the House my comments on the draft plan, which I recently submitted to the commission. It is my hope that the draft plan will lead to development of a comprehensive program for saving Long Island Sound and its precious natural resources.

The full text of my comments on the "Draft Main Report of the Long Island Sound Regional Study" follows:

STATEMENT OF THE HONORABLE LESTER L. WOLFF ON THE DRAFT MAIN REPORT OF THE LONG ISLAND SOUND REGIONAL STUDY

Over three years ago, I and Senator Abraham Ribicoff of Connecticut co-authored legislation to authorize a three-year study of Long Island Sound. This effort, combined with the support of state and local officials and an aware public, led to an Executive Order of the White House expanding the jurisdiction of the New England River Basin Commission to include Long Island Sound. Today, the vital task of saving Long Island Sound remains, but with the completion of the Long Island Sound Regional Study's draft report, we have taken a major step toward insuring lasting protection of this irreplaceable natural resource. I believe that the New England River Basins Commission should be congratulated for the results of the effort and insight that went into the draft report.

The draft report offers many unique, and I think, workable approaches to deal with the needs of the Long Island Sound Region. Of paramount importance is the report's focus on the need for effective management of the Sound—management on both a short- and long-term basis. The draft plan is most significantly, a study of *how* Long Island Sound can be perserved. We have gone far beyond the question of *if* it can or should be saved. With the commitment made, it is imperative that we now get on with the task of implementing the "how", creating the mechanisms necessary for effective management of the Sound.

After 3½ years and a financial commitment of $3½ million, it would be tragic if the Long Island Sound Study draft report were simply "shelved". I recognize that long-term management mechanisms will require further evaluation and negotiation. However, there is no reason why *immediate* interim management arrangements cannot be made. The draft plan recommends the creation of an "Interim Long Island Sound Management Program". It is a recommendation which I support as essential for insuring the continuity of the Sound Plan while longer-term management mechanism are being developed. The interim management structure is possible through the resources available under the Coastal Zone Management Act of 1972. Through the federal grant support available under the 1972 Act, the States of New York and Connecticut are able to establish an interim management structure, to be staffed by the coastal zone agencies in the two states—a structure which can provide a basis for a joint venture in the protection of Long Island Sound. The interim arrangement is a workable, low-cost mechanism for pursuing implementation of the "Plan for Long Island Sound" during the 2–3 year period in which the States will develop detailed coastal zone management plans.

In conjunction with the Interim Plan, I am particularly in agreement with the draft report's recommendation regarding the need for local participation in both decision-making processes and in planning. The Interim Management Structure should not be viewed nor conceived as a means of concentrating decision-making and planning powers in the hands of "higher" authorities. Local governments must be invited and encouraged to participate fully in the policy-making decisions that are made in a regional context, particularly at this stage where development of long-range management structures are being made. In addition, local citizen input, as well as public hearings, continue to be essential if the public interest is to be served.

The Governors of the States of New York and Connecticut have the authority to institute an Interim Management Program for the Sound. It is a concept which I hope will be viewed in a favorable light.

In terms of long-range management for the Sound, few people have questioned that the present fragmented approach is incapable of responding to the multi-faceted problems relating to Long Island Sound. The Sound encompasses a diverse and ever-changing area, which I feel must look to a regional planning program for its future management. Again, however, I stress the importance of any future mechanism managing the Sound to recognize the strengths of our local governments and their ability to participate fully in the planning and decision-making processes. Regional authorities must be cautioned against impinging upon local land use decisions, a practice that can only lead to antagonism and an unwillingness on the part of local authorities to participate in regional matters. It would be tragic if this kind of fragmentation and dissension were to occur. Therefore, programs such as that undertaken by the Villages of Baxter Estates and Port Washington North to plan for the use of their adjacent shoreline should be supported in the long-range management mechanism for the Sound. I also agree with the draft report's recommendation that local governments be allowed to override decisions by a ⅔rds vote, as I feel that this will assure local authorities of more than just token input into policy-making decisions and will serve to safeguard local values and characters.

I believe it is also important, to insure against further fragmentation and to guarantee full public awareness, that a commission be established, similar to the New England River Basins Commission, which would be authorized to coordinate the planning and actions of all Federal agencies involved in the region's affairs. I believe that through existing Federal law, the "Water Resources Act", such a commission is possible. In addition to providing a focus for the activities of all Federal agencies involved with the Long Island Sound Region, such a commission could as well provide a forum whereby state and local officials and the general public could participate in the planning and implementation phases of Federal programs affecting the region. I believe this kind of commission is important if we are not to find the Federal government acting independently of the needs and concerns of the region.

I had planned to limit my comments on the draft report primarily to its recommendations for management of the Sound, as I feel that the question of effective management will determine whether the Sound Study will have the impact we envisioned in terms of preventing further degradation of the Sound and its coastline. However, I do want to discuss briefly the report's recommendations regarding the need for greater recreation opportunities within the Sound Region. The Land and Water Conservation Fund, established through Federal legislation, was intended by the Congress to be a major source upon which states and localities could draw for increasing and enhancing recreational opportunities. The Fund could very well serve as the lifeblood for the Long Island Sound Heritage to develop a recreational strategy and master plan for the Sound Region. However, with the present nationwide authorization for the Fund held at $300 million annually, we could never hope to meet the commitment which the draft report has recommended for the Long Island Sound Heritage. I have been leading efforts in the House of Representatives for the past year and a half to increase the funding authorization for the Land and Water Conservation Fund from its present $300 million to an eventual $800 million authorization. This is a far more realistic figure in terms of the recreational needs of this country, in particular the needs of our heavily populated urban and suburban areas. I also feel that revenues from any future offshore oil drilling leases should be considered as a source of income for increasing the Land and Water Conservation Fund. In addition to supporting the recommendation for greater recreational opportunities within the Sound Region, I endorse the importance of protecting the Port Washington Sandpits and the wetlands in Udalls Cove as an integral part of any future recreational master plan for the Sound Region.

Finally, I would like to reiterate my concern over the importance of participation in the process of developing and implementing a management mechanism for the Sound. It was, to a large extent, a concerned, aware public which made the Long Island Sound Study a reality. Meaningful public participation and input must not end with the completion of this major step toward preserving the Long Island Sound Region.

A MORE EFFECTIVE ROLE FOR OUR STATES IN THE NATION'S CLEAN WATER CAMPAIGN

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. KASTEN. Mr. Speaker, on January 28, 1975, Mr. CLEVELAND and 22 of his colleagues in the House reintroduced a bill, H.R. 2175, from last Congress which amends title II of the Federal Water Pollution Control Act Amendments of 1972. According to the author, this bill, commonly referred to as the "Cleveland bill," is designed to accelerate the development and approval of municipal sewage treatment projects by enlarging the responsibility, authority, and capability of the States, making them genuine partners in the Federal-State program.

Today, I proudly offer my name as a cosponsor to this measure. To fully appreciate the reasons behind my decision, it is perhaps necessary to provide some background information on the very problems which the bill attempts to address.

In October 1972, Congress passed the Federal Water Pollution Control Act Amendments over President Nixon's veto. The act, which set as a national goal the achievement of "zero discharge" of pollutants by 1985, provides for stringent regulations to be achieved toward that national goal, including the attainment of "best practicable technology" by 1977, and "best available technology" by 1983.

For municipal sewage treatment facilities, "best practicable technology" has been defined by the Environmental Protection Agency—EPA—as achieving "secondary treatment," or simply stated, sedimentation followed by biological treatment of wastes. This being an extremely costly proposition, Congress authorized $18 billion in contract authority to States throughout the country for constructing municipal waste treatment facilities, including $5 billion for fiscal year 1973, $6 billion for fiscal year 1974, and $7 billion for fiscal year 1975. Sewage treatment funds, which are distributed to the States according to "needs," can be obligated by the States only upon approval of each project by the Environmental Protection Agency.

Due to a variety of reasons, however, the obligation of waste treatment construction funds by the Agency has been proceeding at a rate far below expectation. Last year, following oversight hearings on the FWPCA by the House Public Works Committee, Mr. Wright identified some of those problems:

The clean water program—the bold initiative of the last Congress, by which we sought urgently to put in motion a massive clean-up of the Nation's streams—has lagged and faltered for the past 15 months.

Cut to less than half its intended size by a series of arbitrary executive impoundments, the program has been further emasculated by an almost unbelievable proliferation of administrative red-tape.

Incredible though it may seem, the administration has managed to construct a fantastic maze of baffling guidelines, burgeoning regulations, bewildering paperwork, and ever-changing directives which have brought what was an ongoing program to a virtual halt.

These "bureaucratic impoundments" have choked off the flow of funds even more drastically than the overt Presidential impoundments.

While it is not quite apparent as to where the blame should be placed, it is nevertheless essential that the program for approving municipal construction grant projects be expedited, particularly in view of the recent Supreme Court decision this week which makes available $9 billion for the construction of these facilities.

Mr. Speaker, I strongly believe that H.R. 2175 is the necessary vehicle for increasing the rate of obligation of these funds through the "State-certification" procedures established by the bill. Basically, States meeting the appropriate qualifications can enter into agreements with EPA to carry out specific responsibilities required under the construction grant program, which is the past have been assumed by EPA offices here in Washington. In addition, H.R. 2175 would ultimately reduce the unnecessary duplication of Federal and State efforts and provide for a more continuous rate of approval of construction projects and subsequent obligation of sewage treatment funds.

If we are to achieve the goals set forth under the Federal Water Pollution Control Act Amendments of 1972, we will need to utilize the capabilities of the State and local governments and enlarge upon their responsibilities in the municipal sewage treatment construction program. I feel that H.R. 2175 would best accomplish this and urge all my colleagues to support this measure.

"EVERYBODY'S BUSINESS—THE WORK OF CONGRESS"

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ARMSTRONG. Mr. Speaker, I hope every Member of the House will take a few minutes to read Joe Bartlett's thought-provoking report "Everybody's Business—The Work of Congress."

Few Americans have our friend Joe Bartlett's intimate knowledge of how the House really works and fewer still care as deeply for the survival of the House as a viable policymaking body.

In our hearts, most of us realize that Congress is less and less able to cope with today's problems. Archaic procedures and inordinate attention to trivia at the expense of major issues are increasingly diverting Members' attention from hard decisions that Congress must make.

In "Everybody's Business," Joe Bartlett identifies a number of serious issues and suggests some ingenious solutions to problems which have concerned many of us.

IGA WILD HORSE AND BURRO ACT

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WHITEHURST. Mr. Speaker, when man introduces a nonnative species into a new area, the results can be disastrous. The jackrabbits in Australia and the water hyacinths in Florida are two cases in point.

In 1971, Congress, with the best of intentions, passed the Wild Horse and Burro Act, to protect these animals on Federal land. What we overlooked, however, was the fact that these feral burros and wild horses are aggressive and prolific, and they are multiplying to the detriment of a number of native species. Indeed, as a result of the encroachment of the nonnative burros and wild horses, two species of native wildlife, the sonoran pronghorn and the desert bighorn sheep, are on the verge of extinction.

What man has brought about, it seems to me, man has a responsibility to attempt to rectify. This I have tried to do in introducing H.R. 2935. My bill would provide the Department of the Interior with additional means to manage the herds of burros and wild horses and thus bring them into better balance with the native species.

Because many of the herds are in inaccessible areas, it is important that Interior be permitted to use aircraft in locating them. Let me stress that this in no way means that the animals will be driven over cliffs or slaughtered wholesale for dog food. My bill specifies that humane standards shall be maintained in the use of aircraft and mechanized vehicles.

I am taking the liberty of introducing, at this point in the RECORD, two articles on the subject which have appeared recently and which I believe put the problem into perspective:

FERAL BURRO HEADACHE

Are feral burros really an endangered species? Probably not to anyone who is familiar with the habitat and life history of the animals.

First of all, there is no such thing as a "wild" burro. Feral burros are descendants of animals which either escaped or were turned loose by their owners.

They're smart, they're tough, they're prolific and now, most importantly, they are absolutely protected by federal law. And thereby hangs a tale.

Despite substantial evidence to the contrary, feral burros were placed on the protected species list thanks to the lobbying efforts of preservationists who contend burros are nearly extinct. Nothing could be further from the truth. In fact, desert bighorn sheep, already suffering from depleted population numbers for several years, are now even worse off because they have to compete with the burros for habitat and food.

The only areas where bighorns can escape competition with burros are regions with very sparse food and water. In a feral burros study conducted in 1963, researcher Thomas J. McMichael found that one burro can eat as much food as three bighorn sheep. Add to this the fact that burros, which many times use the same waterholes as bighorns, use those waterholes year-round, while the sheep only use them during the summer.

Because of this, many game biologists believe the forage around a waterhole will be eaten back so far from the water that bighorns will not use it because they refuse to venture that far out on barren land.

Consider too that burros reproduce like wildfire. They normally have colts every year and the survival rate is close to 100%. On the other hand, only 20% to 30% of the bighorn lamb crop lives through the first year.

When it comes right down to competition for survival between bighorns and feral burros, the evidence appears to strongly indicate it's no contest; the burros will win every time.

Yet, ironically, killing a feral burro is a federal offense with a $2,000 fine and a possible six months term in jail. Killing a bighorn sheep is only a misdemeanor.

If, by now, you're wondering how an animal on the so-called "verge of extinction" can give excedrin headaches to game management people in California, Arizona, and Nevada, don't ask anyone around here.

You'll have to go to Washington, D.C. to find the answer.

DISASTER ON THE WESTERN RANGE

(By Ted Trueblood)

Sportsmen should be aware of a situation building in the West that will have a grave impact on native wildlife if not corrected. The Wild Horse and Burro Act of 1971, unless amended to give range managers adequate means to control these animals, is a greased slide to disaster. The all-time classic example of legislation stemming purely from emotion, it will, in its present form, lead to these results:

1. Extermination of two endangered species, the Sonoran pronghorn and the desert bighorn sheep, plus an inevitable decline in other game populations. These include elk, mule deer, California bighorns, antelope, upland gamebirds, and small mammals.

2. The devastation of forage plants essential to both domestic livestock and big game.

3. Severe damage to watersheds, leading to siltation of streams and reservoirs; flooding and drought; loss of fish, waterfowl, and upland game habitat; and decrease in the supply of usable water, vital in the arid West for both irrigation and domestic purposes.

4. The bankrupting of ranchers, some of whom still occupy the land settled by their fathers or grandfathers.

5. Eventual decimation by starvation and disease of the horses and burros themselves.

Most of the public land on which wild horses and burros roam is administered by the Bureau of Land Management (BLM) of the Department of the Interior; nearly all of the remainder by the Forest Service (FS) of the Department of Agriculture. The Wild Horse and Burro Act directed the Secretaries of Interior and Agriculture to report to Congress thirty months after its passage.

The Secretaries' recommendations last summer made two important points: First, due to lack of information when the act was passed, there are a great many more animals than anyone thought at the time. Second, use of aircraft to capture them, and their sale or donation to individuals and organizations must be allowed. This, the only sensible approach, will bring howls of protest from environmentalists who love wild horses but have never seen one.

Yet experienced horsemen will tell you that the most humane, as well as the most efficient, and sometimes the only, way to capture wild horses is by the use of aircraft.

Wild horses are found in Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, and Wyoming; burros are in all of these states but Colorado and Montana. New Mexico reported only seven horses on BLM lands, however, while 10,010 of the 10,581 burros counted by the BLM in 1973 were in Arizona and California. Somewhere in Idaho there are supposed to be eight burros.

While I was working in New York City, I formed a lasting friendship with Hermann Kessler, who was born, grew up, and spent his working life there. He showed me the city as no one else could have. Now that he is retired, I have shown him and his wife Helen, who has a similar urban background, a pretty fair chunk of the West. Crawling along dust-and-rock road in the eastern Oregon desert, we saw six or eight horses on a hillside half a mile away.

"Wild horses!" Helen exclaimed.

"Stop! Stop!" Herman commanded. I stopped. He scrambled out with his telephoto lens and began taking pictures. When he ran out of film he got back into the car and we went on.

After several slow miles, during which Hermann and Helen chattered excitedly about wild horses, Helen said, in a plaintive voice, "They are wild, aren't they?"

I wanted to answer, "Yes," but I'm a poor liar. The best I could do was: "They might be. The BLM figures there are about 1,900 wild horses in this county. But they could belong to some rancher, too."

"You've lived here all your life!" Hermann exclaimed, "Do you mean to tell me you can't tell a wild horse from a tame one?"

"No. And neither can anybody else. Most wild horses are small and scrawny, but the only way to be sure is to get close enough to see a brand. Even then you can't be positive. Some privately owned horses have never been branded and sometimes the hair covers the brand so you can't see it."

My friends were disappointed. They had read so much about wild horses—most of it highly emotional and written by people who knew very little about them—that seeing a few might easily have been the highlight of their trip. "Well, at least," Helen finally said, "they can't butcher them for dog food any more. Thank goodness!"

Hers was a typical urban reaction. In fact, she may have spoken for most Americans. Yet unless the BLM and FS are permitted to control the number of feral horses on the Western range, my dire predictions will inevitably come true. And not only must the range managers be allowed to do it, they must be given the money and the means. Under the act, they are not.

When the great emotional appeal was culminated into law with the passage of the Wild Horse and Burro Act of 1971, the wild horse was considered endangered, with an estimated 17,000 in all the West. Now, after more thorough counting, we have learned that there are more than 17,000 in Nevada alone! The BLM reports that there are 27,000 unclaimed horses and 10,680 burros on the public lands it manages plus an additional 17,000 horses and 100 burros that have been claimed as privately owned.

Most folks' mental picture of a wild horse is a magnificent stallion, nostrils flared, mane and tail flying in the wind, standing on a hilltop and defying all the world, a direct descendent of the horses that escaped from the Spanish conquistadors and later changed the lives of the Plains Indians.

Not so. Most of them are inbred, small, and scruffy. In the area of southwestern Idaho and southeastern Oregon where I have hunted for many years, and which I can discuss from personal observations, all of the feral horses are descended from escaped or released domestic stock.

Frank Baltzor still rides for cattle at 67. He lives in Oregon near the Idaho line and runs cows in both states, and he still lives on the ranch where he was born. He probably knows as much about horses as any man alive and he has a fantastic memory. Here is what he told me about the wild horses on this particular range:

"In the early 1900s, there were more horses than cattle—and a lot of horsemen. My father was one of them. When the farmers shifted from horses to tractors and the Cavalry went mechanized, you couldn't sell a horse. Some ranchers went broke. Others switched to cattle, kept their best horses for saddle stock or work teams and let the others go. That's where the so-called wild horses in this area came from."

I hunt on a 10- by 30-mile strip of public land with natural barriers on both sides. A big horse drive in the 1940s, with more than fifty riders and several planes, took about 5,000 horses off. Since then, local ranchers have rounded some up from time to time. They took 400 in 1968, leaving about 65. The BLM counted 120 in February 1974, and estimated the total at 150.

In late fall and winter I see bands of these horses on land that is grazed during the summer by cattle. But at other seasons they range farther west into country so rough cattle don't use it. Here the horses compete with mule deer and bighorn sheep for the forage and water, which is indeed a scarce resource.

The native sheep in this area was the California bighorn. It was once abundant. I went by Ralph Page's place nearby one day and stopped to visit. He had recently dug out a spring to increase the flow of water and in the process had uncovered a number of Indian artifacts, plus the heads of seven bighorn rams, all well preserved in the muck below the spring.

The sheep were all gone by about 1910, mostly because they had no resistance to diseases carried by domestic sheep. After range use changed to cattle foraging, the Oregon Game Commission released seventeen California bighorns in 1965. They have done very well and the herd numbered approximately 100 in 1974. But they can't compete with an unlimited number of horses, which range farther from water than cattle and graze the rough country sheep prefer.

Grazing on the public range is regulated by animal unit months (AUMs). An AUM is one cow or a cow and calf (it gets its meals from the mother), or five sheep for one month. But horses are calculated at double the rate for cattle; one horse equals ten sheep.

Wild horses increase at a rate of about 20 percent per year. The BLM projects that the present 1,900 feral horses in Malheur County, Oregon, will total 16,000 by the year 2000. That number would consume 192,000 AUMs of forage annually.

This county, by a recent Game Commission estimate, had 2,480 antelope, 31 percent of Oregon's entire pronghorn population. It had more than 50,000 mule deer; the nucleus of an important bighorn population, already mentioned; and 100 or so elk that use part of it for winter range. All of these animals, as well as upland birds and small mammals, would suffer from an uncontrolled increase of horses. Any area, no matter how large, can produce only so much food—so much and no more.

The range manager is responsible for the sustained yield of forage for both domestic livestock and game animals, for watershed protection, for recreational opportunities, and for other benefits under the principle of multiple use.

He has these tools; With domestic livestock he can control the number on the range. He can regulate the length of the grazing season. He can set it early or late, or withdraw certain areas from all use if he deems that advisable. In the case of big game, through cooperation with the state game commission, he can control numbers.

But under the Wild Horse and Burro Act he is virtually handcuffed. And these animals are on the range the year-round. You should see, as I have, what a herd of "wild and free-roaming" horses does to a range during our normally mild and wet weather of November and early December—hoofprints 6 inches deep, skid marks 5 feet long on the steep, muddy slopes, clumps of native grass uprooted, chewed, and then tossed aside.

The manager may, if a range is overstocked with wild horses or burros, move some of them to another—provided he can catch them and the other range was inhabited by these animals on December 15, 1971. He may exclude all domestic livestock. He may place horses or burros in the custody of individuals, organizations, or other government agencies, but there may be no "commercial exploitation." As a last resort, he may destroy excess animals in the most humane manner that is possible.

Without adequate funding, forbidden to use aircraft, lacking experienced horsemen capable of rounding up these animals, and not being allowed to transfer title from Federal to private ownership, what can the range manager do? Sadly, his best efforts will be ineffectual and, barring amendment of the act, more and more western ranges will eventually present the same dilemma as that already existing on the BLM-administered Susanville District of northeastern California and northwestern Nevada.

Here, a 1973 inventory showed 2,506 horses, a 20 percent increase from the year before. In the summer 12,000 deer and 2,300 antelope use this range; in winter, the use increases to 30,000 deer and 4,300 antelope. Cattle also graze the area. There was a shortage of about 35,000 AUMs of forage last year. It is still deteriorating and erosion is increasing.

Under the Wild Horse and Burro Act, the BLM can forbid cattle on this range. The two game commissions involved can set seasons to reduce the numbers of deer and antelope.

But without workable means to control horse numbers, these two partial remedies are only temporary, at best. Feral horses and burros are tough, adaptable, aggressive, and destructive. Formerly there were 5,000 desert bighorn sheep in Death Valley National Monument. Less than 600 remain, due to competition from feral burros, which have been protected by California law since 1952.

Nobody I know, including ranchers whose livelihood depends on grazing the public range, wants to see the wild horse and burro exterminated. But unless the range managers are given authority, funds, and feasible means to control their numbers—as they now have with livestock and game—ranchers, sportsmen, and the general public will suffer.

CALLING THINGS BY THEIR RIGHT NAMES

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BOLLING. Mr. Speaker, there follows a sensible and sound discussion of defense spending and transfer payments in relation to the current economic situation and proposed Federal spending. Its author, Herbert Stein, is now professor of economics at the University of Virginia and former Chairman of the Council of Economic Advisers under President Nixon. This article appeared in the Wall Street Journal of February 20, 1975:

CALLING THINGS BY THEIR RIGHT NAMES

(By Herbert Stein)

James Reston recently argued that our economic crisis is a reason, additional to others he raised, for the U.S. not to extend itself to aid Israel. Other commentators, including Eric Sevareid, have used our economic plight as a reason for not giving aid to South Vietnam. Mike Wallace, on television the other day, said, referring to the defense program, that times are tougher now, there's less to spend and none to waste. And in comment on the January rise of unemployment this paper said "it is providing new congressional debating points for blocking administration attempts to raise Vietnam aid and to greatly expand the defense budget."

All of these are disturbing examples of an error into which loose and exaggerated description of our economic condition leads us. Whatever our economic problems may be, they do not include being a poor country—too poor to defend ourselves. Our potential output is around $1.5 trillion. To say that there is any near serious economic limit to devoting another $1 billion, $5 billion, or $10 billion to our national defense, reducing the output available for all other purposes by .07% or .35% or even .7%, is silly.

But we are not using all of our potential output. We are only using, say, 90% of it, and we have a lot of labor and capital unemployed. Is this the economic crisis that keeps us from spending more for defense? The argument seems to be backward. We were surely not in a better position to spend more on defense 18 months ago, when our resources were utilized closer to capacity than they are today. Were any of those who oppose defense spending on economic grounds today for it in 1972? I doubt it.

LOOKING AT THE 1930'S

In the middle of the 1930s our potential output, in real terms, was about one-fourth of what it is today. We were using a much smaller proportion of that potential than we are today. If we have had an economic crisis in our history that was it. But President Roosevelt didn't think it imprudent to put a few battleships in the budget as part of the recovery program (even though he was not a Keynesian). And most people would now agree that it would have been even more prudent to put in more battleships and a few thousand aircraft as well.

Unfortunately, my conservative friends are providing ammunition for the doves, to mix a metaphor, by carrying on as if government spending is the root of all evil—or at least the root of inflation which is the root of all evil. We seem to have developed a new Micawberism which says: "Outlays $297.5 billion, receipts $349.4 billion, result bliss, but outlays $349.5 billion, receipts $297.5 billion, result misery."

But the railroad line from excessive total spending to inflation and ruin runs through several stations: inadequate taxation, excessive deficit and, in some theories, excessive monetary expansion to finance the deficit. It is possible to leave the train at intermediate stops, so arrival at the final destination is not inevitable, once we increase spending.

Recently the administration and some others have been focusing on the growth of federal transfer payments as the main problem. This is a step towards clarification. The central issue is about how the national output should be used, by whom and for what. "Total federal expenditures" is not a meaningful category from that standpoint. It is not even a good measure of the extent of federal government control of the economy or the society. A classification of expenditures permits identification of the disadvantages of particular kinds of activity without the implication that all expenditures—including defense—share them equally.

It has been argued, notably in this newspaper, that big federal transfer payments are a (the?) cause of both recession and inflation. The scenario offered is that transfer payments are payments received without working, and usually on the condition of not working, and therefore cause not-working, or unemployment, reducing the supply of output and raising its price. There is probably something to this as one of a number of factors that have caused the equilibrium rate of unemployment to rise gradually over the course of the past 20 years. For example the average weekly unemployment compensation check has risen from 41% of average weekly spendable earnings (private nonfarm economy) in 1954 to 44% in 1964 and 48% in 1974. This may have had an effect on the willingness to be unemployed. But it has not necessarily reduced the supply of labor.

We have had a substantial increase in the proportion of the population, especially of the female population, that participates in the labor force; this may be caused in some degree by the availability of more generous unemployment compensation. Also, if unemployment compensation permits more careful job search there may be a favorable effect on productivity. And, anyway, if the rise of transfer payments has been a drag on the secular rise of output this is not inflationary; it only requires an appropriate monetary adjustment.

But the more important point is that no change in the transfer payment system, or in the tax-transfer system, can explain an increase of two million in unemployment (seasonally adjusted) between October 1974 and January 1975. All those auto workers didn't suddenly decide that it wasn't worth working, taxes and unemployment benefits being what they are.

The trouble is that the people who are against defense spending and the people who are against transfer payments want to prove everything they are against is bad economics and bad macroeconomics. When I was on the Council of Economic Advisers Senator Proxmire was always trying to get me to answer the question whether defense spending was more inflationary than other spending. I thought the question was unanswerable (such differences as there are being undetectable with the crude instruments at my disposal) and uninteresting. The answer would not have received much weight in my judgment about the proper size of the defense program. I would give similarly low weight to the macroeconomic effects of transfer payment programs.

The issues seem to me much simpler.

I am tempted to say that the issue is between those who want to defend the country and those who do not, but that may be tendentious. Let me say that there are people who believe that the U.S. is exposed to an external military threat, which is a more likely cause of disaster than insufficiency of consumption in the U.S., or inflation, or inadequate economic growth, or excessive inequality of income. They believe that this external threat can be reduced by more U.S. defense spending, including military aid, and they are willing to devote more of the national income, including their own, to that purpose.

There are other people, or perhaps mainly the same people who, in their capacity as taxpayers, as the people who put up the money, and not as macroeconomists, think that the tax-transfer system has gone too far or is growing to fast. Some of their income is taken from them in taxes and returned to them as "government benefits"; they would rather keep more of that to dispose of themselves. Some of their income is taxed away and given to other people whose income level may not be very different from theirs, and possibly even higher; they don't like that. Some of their income is taxed away and given to poor people; they support this on compassionate grounds, but not without limit, and they think the limit is, for the time being, near at hand. This is not a saintly attitude, but they do not believe it is the function of government to force saintliness upon them. The private practice of saintliness is freely open to those who prefer that line of work.

DEFINING THE ISSUES

There are people who disagree with both of these sets of propositions—as they relate to defense and as they relate to transfer payments. These are not macroeconomic issues. They are not issues between monetarists and Keynesians, inflation-phobes and stagnation-phobes, economic planners and free-marketeers. They are not issues on which people's attitudes change with the business cycle. And they have little to do with the current crisis or non-crisis in the economy.

These issues were never more clearly put to the American people than in the 1972 election. President Nixon supported a strong defense and belittled welfare "handouts." Senator McGovern could not escape the impression that he wanted to dismantle the defense establishment and give every man, woman and child $1,000 a year. That election seemed to show a large public preference for the bigger defense program and smaller transfer payments.

Whether the American people have changed their minds about this is unclear. The 1974 congressional elections were not sharply focused on these issues. We are obviously going to have a big national debate on these questions in the next year or two. This debate will be better reasoned if we will treat defense spending and transfer payments as instruments of national security and income distribution policy first, and only secondarily, if at all, as means for doing something about inflation or recession.

VETERANS' PENSIONS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ANDERSON of California. Mr. Speaker, I am today reintroducing two bills which I believe are of critical importance to many veterans and their dependents or survivors. I have sponsored similar legislation in previous Congresses, and I regret that the House of Representatives has not yet acted on these important issues.

The first bill, the World War I Pension Act, would provide a $150 a month for either the World War I veteran or

his widow. The second bill seeks to correct an injustice in our system whereby recipients of veterans' pensions have their benefits reduced when monthly social security benefits are increased.

WORLD WAR I PENSION ACT

No group of patriots has been so often overlooked and so long neglected as those Americans who served, and served valiantly, during World War I.

A number of factors have led to this unfortunate and unjust situation:

The education of a veteran of World War I averaged that of about a sixth grader, yet no Government educational assistance was waiting for him when he laid down his arms.

The Government did not help him find employment, as is the case of more recent veterans. Nor were there veterans' hospitals available as they are today.

Pension systems such as social security were not created until long after World War I ended, and by then most veterans of the First World War were too far along in life to build up maximum social security benefits.

As a result, we find that approximately 500,000 World War I veterans—most of whom have at least one dependent—are scraping out a meager existence on less than $4,200.

The pension system that is in effect is a type of welfare that is beneath the dignity of those who have contributed greatly to our country—not only by their war service—but also through the years as private citizens.

For example, a married veteran of World War I, whose annual income is $500 or less, is entitled to $172 a month pension—or $2,064 per year. No pension is payable to such a veteran whose annual income exceeds $4,200.

The veteran without dependents is eligible for a pension only if his annual income is less than $3,000. His maximum monthly pension—based on an annual income of less than $300—is $160, or $1,920 a year.

It is obvious that in this time of spiraling inflation these pensions are far from adequate. Over the past year alone, the cost of living has risen at a rate of over 12 percent. Food costs, which comprise about 27 percent of the elderly's budget, have increased by more than 12 percent since November 1973, for a staggering total of 34 percent since November 1972.

But what about the other group of World War I veterans—just under half of the total surviving veterans—who receive no pensions? How can we continue to forget their service to our country, and deny them the pension to which I believe they are entitled?

To correct the injustice that has led to the financial plight of the World War I veteran, I am reintroducing the World War I Pension Act which would provide a $150-a-month pension for either the veteran or his widow. This pension would be paid to the veteran, not on a welfare basis, but because he earned it defending our country.

Mr. Speaker, of the 5 million people who served our country in uniform during World War I, only about 1 million are still alive, and their average age is 80. According to mortality rates for males ages 80 to 84, the caseload for the veterans will decrease by 10 percent each year. Once the average age reaches 85, the mortality rate increases to almost 20 percent each year. We are running out of time to repay our debt to these valiant men and women.

REDUCTION IN VETERANS PENSIONS

The second bill I am reintroducing today would make certain that recipients of veterans pensions will not have the amount of their pension or compensation reduced because of increases in monthly social security benefits.

Approximately 784,000—or 76.6 percent—of all veterans receiving pensions, and 694,000—or 75.5 percent—of veterans' survivors receiving pensions, also receive social security benefits. Consequently, about 1.2 million pensioners suffered a reduction in death or disability pension payments beginning in January 1973 as a result of the 20-percent increase in social security payments provided for by Public Law 92-336.

A similar reduction was expected to take place this January, because of the 11-percent social security increase which took effect in two steps in 1974. Fortunately, Congress acted to avoid such a reduction for most recipients by enacting Public Law 93-527, which increases maximum annual income limitations for eligible veterans and their survivors by $400 and provides an average 12-percent increase in the rates of pensions.

However, this was just an interim measure. Next January, veterans can expect their pensions to be reduced because of the 1975 social security cost-of-living raise; and reductions will continue to take place every year unless we take action.

I have received numerous letters of protest from constituents whose veterans' pensions have been reduced in the past, because of social security increases. I agree with them that those receiving pensions should receive the full benefit of all increases approved by Congress.

Mr. Speaker, I know that inflation rages, and I know that it takes its toll on all Americans, not just veterans. But, the difference is that these men and women gave up something—whether an arm or leg, or the opportunity to finish school, or a few years out of their lives—they gave up something to preserve this great country. And now, it is our turn to repay our debt to them.

ALASKA'S VOICE OF DEMOCRACY CONTEST WINNER

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. YOUNG of Alaska. Mr. Speaker, at a time in our Nation's history when voter participation is at an alltime low and citizens have apparently decided to protest by not becoming involved, I have found a ray of sunshine.

Miss Sheri Fisher of Chugiak, Alaska, entered the Veterans of Foreign Wars' Voice of Democracy Contest and won. Miss Fisher's speech entitles her to travel to Washington, D.C., to compete for the finals. Her speech is sincere and demonstrates a great deal of awareness concerning our system of government.

I submit Sheri Fisher's speech for the RECORD:

MY RESPONSIBILITY AS A CITIZEN

(By Sheri Fisher)

"The citizens of a country guide the destiny of the nation," it has been said. As a young citizen, a part of that destiny lies in my hands. A small part, maybe, but a part nevertheless.

To be worthy of my citizenship, I must give something to my country. As the late John Fitzgerald Kennedy said, "Ask not what your country can do for you, ask what you can do for your country." And although, I don't expect to be called to serve in a war, or run for an office as yet, there are ways that I can do my part.

Although I am under the age of nineteen, our state's legal voting age, that is no excuse for me to sit idly, and watch the world go by. If our country is to continue to function in a responsible manner, it takes everybody's help, not just our man in the White House.

I believe that our country can be even greater than it is now! But people must start young to learn the responsibilities of citizenship. From the time I was old enough to understand, I have been reciting the Pledge of Allegiance, probably my first step on the road to being a good citizen. And so it should be. In the words, "One nation, under God, indivisible, with liberty and justice for all," I find comfort. It is gratifying to know that through the work of each and every citizen, we have come to be able to believe in this.

Through classes in school in social studies, history and government, each year I have acquired a deeper understanding of my responsibilities as a citizen. I know that I must prepare myself now for the challenges I will later find when voting for the leaders of my country. I must feel that my vote is more than just a piece of paper.

At the school level, a citizen can certainly contribute. By membership in various clubs, I have learned the necessity of cooperation and the need for compromise. Both of these are equally important in everything we do. If we cannot get along and come to a decision on something as small as who will be chairman of the Prom committee, why should we then expect that the leaders of our nation would find it easy to make decisions which influence our entire lives?

I have learned that there is a time to speak and a time to listen. I have been present while my parents discussed political issues and the opinions of various politicians. I have participated in elections for class and club officials at school, and I have attended PTA and School Board meetings. At all these times, with all these people, with all their varied interests, it is easy to see how our government must sometimes find it difficult to arrive at a decision acceptable to all. Even at this level the governmental process is at work and I plan to participate at every opportunity.

When I reach the age of nineteen, I will have the privilege of voting. I will then be able to help choose the leaders of my community, state and country, and I plan to freely exercise this responsibility. But until that time, I can still exert my citizenship by familiarizing myself with our voting procedures, and by becoming involved in the issues and questions of my time. I don't want to be one of those people who merely votes for those he has heard of, or for those who are his friends, or worst of all, by merely marking every other line on a ballot. I plan to be an "informed voter", and until I get my chance, I can still urge others to study the issues and candidates carefully and then vote as they believe best.

After I reach voting age, if I am called for jury duty, I will gladly serve. By sitting on a jury, I can see firsthand how justice is administered to the citizens of our country, and therefore understand the governing process even better. By having an integral part in a decision concerning a person's rights, possessions or even life, I would be able to see more clearly my responsibility to weigh both sides of the case. As a citizen in an important position, I would have to judge fairly, as this is how I would wish to be judged were I in the situation.

A citizen should be ready and willing to answer when his country calls, whether it be to war, to serve in a political office, or to sit on a jury. In return he is assured of protection and given special privileges, such as the right to worship in his own way, and the right to vote when he is of age.

For these reasons I strive to fulfill my responsibilities as a citizen in every possible way.

The key word of good citizenship is involvement. Contributions to the school, community, state and country are all important for each is a stepping stone to the other. By being involved in the affairs of the world around him, a person is definitely on the road of a good citizen.

QUINCY HERITAGE, INC.

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, the following is part of a series of articles published by Quincy Heritage, Inc., concerning Bicentennial activities in Quincy, Mass. Quincy Heritage is doing an excellent job of bringing the historical events of Quincy into focus for the Bicentennial, and for this reason I am submitting articles on their programs for your attention each day this week:

FOUR DOUBLE WINNERS

Four Quincy residents who entered the Quincy Heritage poster and slogan contests were double winners.

Rita Kearns of 36 Summer St., Quincy, who captured the top $300 poster prize also earned $10 in the slogan coutest, submitting the entry, "Birthplace of Patriots—Quincy".

Arthur Tucker of 1 Bittern Rd., Adams Shore, received a total of $110 in the two contests, winning the $100 second prize in the poster contest and earning an added $10 for his slogan contest entry, "Pride in Our Past . . . Planners of the Future".

Another double winner was Joseph Gildea Sr., of 45 Division St., North Quincy. He won $25 in each contest, landing fourth prize in the poster contest and sixth prize in the slogan contest for his entry, "Quincy, 350 Years of Heritage, Pride and Progress".

Rick Deutsch of 126 Darrow St., Houghs Neck, was the fourth multi-winner, earning $10 in both contests. His slogan entry was, "Quincy's Rich Heritage is Our Common Wealth".

One interesting set of winners was a mother-daughter duo, Mrs. Gail McDougall of 22 Martensen St., Quincy Point and her eight-year-old daughter Nancy both won $10 in the poster contest. Another daughter Bonnie earned an honorable mention in the poster contest.

SLOGAN HONORABLE MENTION

The following won honorable mention in the Quincy Heritage Slogan Contest:

Priscilla J. Abate, 25 Royal St.
Steven Affannato, 49 Winthrop St.
Mrs. Joseph M. Ahern, 40 Butler Rd., Apt. 32.
Virginia A. Aitken, 16 Hanna St.
Mildred Alfano, 369 Copeland St.
Chris Anderson, 324 Manet Ave.
Dave Anderson, 88 Narragansett Rd.
Helen Anderson, 28 Apthorp St.
Paul Anderson, 69 Gilbert St.
Tammy Andreko, 31 Taffrail Rd., Apt. 4
Mark Andrews, 11 Herbert Rd.
Mark Anson, 9 Quadrant Circle.
Bruce A. Aristide, 156 Brook Rd.
Ernest Aristide, 156 Brook Rd.
Virginia Assmus, 215 Taffrail Rd.
Maureen Bacon, 4 St. Germain St.
Laura Baker, 80 Charles St.
Patrick Bambery, 42 Delano Ave.
Deborah Barkhouse, 2 Keyes St.
Bernice Barrett, 82 Ruggles St.
Kathy Barret, 426 Palmer St.
Mrs. Margaret Barret, 72 Marlboro St.
Jeanne Barry, 184 Marlboro St.
Ronald Beaudoin, 576 Sea St.
Constance Behm, 41 Harvard St.
Sean Bennett, 49 Bird St.
Maureen Bent, 33 Vershire St.
Henry J. Bertolon, 96 Connell St.
Marion Beston, 30 Ruggles St.
Mrs. Joan Biagini, 389 Belmont St.
Marla Bloom, 15 Agawam Rd.
Barbara Blowers, 32 Weymouth St.
Dorothy C. Blyth, 117 Standish Ave.
Patrice Bohmbach, 210 Rock Island Rd.
Paul Bondarick, 124 Albatross Rd.
Pat Bonner, 16 Sextant Circle.
Holly Susan Borden, 40 Lurton St.
Carl Bossi, 27 Wollaston Ave.
George Bouchard, 17 Binnacle Lane.
A. Bouchie, 18 Terrell St.
Kevin Boudreau, 21 Rockland St.
Ruth C. Boutiller, 57 Channing St.
Paul Boyd, 31 Binnacle Lane.
Mark Breble, 27 Crosby St.
Patricia A. Brennan, 9 Yardarm Lane.
Joseph E. Brett, 254 Fenno St.
Ralph Browning, 85 Mearns Ave.
Robert Buckmann, 32 Yardarm Lane.
Darlene Burke, Merrymount School, Grade 4.
David Burke, 24 Joseph St.
Kathryn M. Burke, 27 Willow Ave.
Stephen Cady, 24 Lurton St.
Irene Calpa, 16 Petrel Rd.
Alice A. Callahan, 26 Hodgkinson St.
David A. Callahan, 26 Hodgkinson St.
Susan Callahan, 54 Lenox St.
Lori Camillieri, 37 Lunt St.
Bonnie Campbell, 667 Sea St.
Mike Cangemi, 159 East Elm Ave.
Ellen Caramanica, 32 Bay View Ave.
Kaarin Carbona, 57 Arthur St.
Diane Cardillo, 70 Curlew Rd.
Christine Carvello, 35 Quadrant Cir.
Bobby Cavigne, 15 Oneida
Mary Cedrone, 33 Wampatuck Rd.
Howard Chadbourne, 2 Yardarm Lane.
Christopher Chevalier, 176 Federal Ave.
Steven Chiasom, Broadmeadows School Grade 7.
Joseph M. Chiasson, 18 Yardarm Lane.
Guy G. Chiocchio, 22 Richie Rd.
Jeane Christian, 153 Common St.
Nancy Cirillo, 55 Faxon Park Rd.
Dianne Cirino, 95 Assabet Rd.
Mrs. Ann Clabb, 479 Quincy Shore Dr.
Rogin Clifford, 1154 Sea St.
Cindy Coakley, 6 St. Germain St.
Charlotte Coates, 45A Wayland St.
Barbara Collier, 125 Palmer St.
Joseph J. Collins, 108 Warren Ave.
Mrs. Sam Collins, 106 Nighingale Ave.
Katherine Connally, 11 Dale Ave.
Sandra Connick, 37 Peterson Rd.
Carmel Connolly, 11 Dale Ave.
Clare Connolly, 28 Madeleine St.
Nancy A. Connolly, 130 Doane St.
Mrs. Thomas Connors, 183 Safford St.
Mrs. Anthony F. Constantino, 36 Newcomb St.
Wayne Cooper, 19 Watson Terr.
Yvonne Cooper, 19 Watson Terr.
Patsy Corehan, 47 Ridgeway St.
Diane Coska, 95 Independence Ave.
Jane Cotter, 189 Babcock St.
Brian Critcher, 43 Curtis Ave.
Jean Crossen, 60 Highfield Rd.
Esther R. Cullen, 27 Oval Rd.
Michelle Cullen, 100 Doane St.
Theresa Cullen, 100 Doane St.
Steve Currie, Bays Water Rd.
Donna Dahlquist, 130 Doane St.
Joe Dalon, 345 Palmer St.
Laura Darrow, 95 Palmer St.
Arthur Davis, 211 Manet Ave.
Lisa Davis, 32 Berlin St.
Bonnie Deane, 97 Doane St.
Daniel Dellamano, 36 Taffrail Rd.
John DeLuca, 9 Walker St.
Bernice DePietro, 24 Neponset Rd.
Donna DePietro, 24 Neponset Rd.
Eddie Dever, 437 Quincy Shore Dr.
Ann L. DiMatteo, 9 Lillian Rd.
Irene DiSalvo, 82 Brackett St.
Robert F. DiSalvo, Jr., 82 Brackett St.
Frank Doherty, 112 Billings Rd.
George Doherty, 19 Hughes St.
Patrick Doherty, 112 Billings Rd.
George Dolbec, 117 Lansdowne St.
Suzy D'Olimpio, 15 Grogan Ave.
Jean Donahue, 25 Riverbank Rd.
Jeffrey Donald, 70 Babcock St.
Mrs. Mary Donlin, 12 Elcott St.
Fran Donovan, 101 Lenox St.
Paul Dooley, 16 Colby Rd.
Rev. Jerome Doyle, 386 Hancock St.
Frank Dragone, 72 Captain's Walk.
Robin Drohan, 53 Wall St.
Scott Drohan, 53 Wall St.
Jim Ducey, 158 Taffrail Rd.
James Dunn, 50 Bay View Ave.
John Dunn, 74 Willet St.
Mrs. Duval, 38 St. Germain St.
George Engelmann, 274 Palmer St.
Debbie Engren, 13 Manet Ave.
Kevin Fallon, 286 Billings Rd.
Donald Farley, 30 Grandview Ave.
Bridget Feeney, 240 Highland Ave.
Toby Felton, 575 Quincy Shore Dr.
Theresa Ferris, 64 Captain's Walk.
Martha Flemming, 338 Rock Island Rd.
Daniel Flynn, 35 Botolph St.
Larry Flynn, 121 Taffrail Rd.
Peter Flynn, Merrymount School, Grade 4.
Theresa Forgeron, 822 Sea St.
Geralyn Foy, 51 Dickens St.
Penny Francis, 14 Riverbank Rd.
Marla Galluzzo, 90 Brook St.
Darlene Gardner, 264 Manet Ave.
Michael Gillespei, 22 Sextant Cir.
Mary F. Gillis, 3 Darrow St.
Mark Giordani, 351 Manet Ave.
Debby Glufling, 31 Bicknell St.
Mrs. Linda E. Gordon, 57 Marlboro St.
Ruthanne Gorman, 44 Russell St.
Susan Grabowski, 24 French St.
Mary Graham, 17 Pelican Rd.
Pat Graham, 103 Taffrail Rd.
John Grahan, 32 Shed St.
Morgan Gray, Merrymount School Grade 4.
Kathy Greenan, 942 Sea St.
Michael Greenan, 942 Sea St.
Margery Grenon, 274 Washington St.
Michael Gulizia, 44 Ratchford St.
Mrs. Mary Hogan, 1000 Southern Artery.
Dave Hall, 24 Norten Rd.
Debby Hanly, 161 Rock Island Rd.
Pat Hannsen, 45 Albertina St.
Laurie Hansen, 46 Rhude St.
Wayne Hansen, 46 Rhude St.
James B. Hardie, 943 Southern Artery.
Dorothy Hayden, 160 Bromfield St.
Lauren Hays, Merrymount School, Grade 4.
Kathleen Anne Henry, 88 Bartlett St.
Roy A. Higgins, 15 Wilgus Rd.
Beth Hill, Merrymount School, Grade 4.
Paul Hines, 32 Colby Rd.
Nancy Hourihan, 299 West Squantum St.

John Houten, 106 Narragansett Rd.
Mike Hussey, 10 Hobamack Rd.
R. Hussey, 10 Hobamack Rd.
Joseph Irvine, 34 Waban Rd.
Jean Jablonski, 70 Faxon Rd.
William Jensen, 44 Kidder St.
Ray Johnson, 18 Gilmore St.
Carol Jones, 16 Winthrop Ave.
Mrs. Ruth L. Jordan, 111 Brook St.
Billy Joyce, 96 Center St.
William Joyce, 79 Edwin St.
John Keenan, 83 Lincoln Ave.
Russell Lawrence Kelcourse, 110 Rhoda St.
Krissy Kelly, Merrymount School, Grade 4.
Ann Kenny, 69 Lenox St.
Jean Keyes, 75 Post Island Rd.
Charles Kidney, 85 Spring St.
Mrs. Neil Kirby, 59R Crosby St.
Cathy Kneeland, 219 Taffrail Rd.
Paul Knowles, 52 Yardarm Ln.
David Krantzberg, Merrymount School, Grade 4.
Amy Krasner, 45 Narragansett Rd.
Tony Kraunelis, 43 Victor Rd.
Debby Lacey, 80 Lind St.
Kevin Lally, 27 Franklin St.
Lori Ann Landry, 44 Quarterdeck Rd.
John Leahy, 970 Sea St.
Leonard Liuzzi, 79 Elm Ave.
Marie P. LoCicero, 32 Station St.
Loui Lombardi, 171 Kendrick Ave.
Paula Lynch, 937 Sea St.
Sharon Lynn, 95 Shed St.
Anne MacDonald, 1109 Sea St.
Laurel MacDonald, 1109 Sea St.
Nancy MacDonald, 74 Copley St.
Wanda MacKay, 6 Bicknell St.
Cheryl MacKenzie, 26 Taffrail Rd.
Robert MacLennan, 22 Bennington St.
Kim MacPherson, Merrymount School, Grade 4.
Anne T. Magglore, 96 Common St.
Paul Maguire, 122 Palmer St.
Maureen Mahler, 977 Sea St.
Karen Mahoney, 72 Captain's Walk.
Donna Maloney, 46 Victoria Rd.
Lucio Malvistuto, 35 Plymouth St.
Mike Manganaro, 36 Taffrail Rd.
Isabelle Mann, 55 South St.
Judith A. Marani, 216 Quincy Ave.
Paula Matthews, 113 Spring St.
Dennis Mayhew, 73 Pawsey St.
John McClintock, 175 Atlantic St.
Mary McConville, Merrymount School, Grade 4.
Paul McConville, 29 Chickatabot Rd.
Miss Helena T. McCormick, 28 Oval Rd.
Kerri McCready, 67 Winthrop Ave.
Paul McDermott, 175 Beale St.
Margaret McDonald, 120 Darrow St.
Lorrie McDonough, 36 Ratchford St.
Kathryn L. McDougall, 60 Butler Rd.
Deborah Ann McFetridge, 173 Billings St.
Joseph McGee, 27 Peal St.
Mrs. Thomas F. McGinnis Jr., 23 Barham Ave.
James Warren McGrath, 1000 Southern Artery.
Cathy McGregor, 53 Forest Ave.
Catriona McGregor, 53 Forest Ave.
Winifred McHugh, 28 Cummings Ave.
Gail McKeon, 85 Charles St.
Paula McLarnon, 9 Charlesmount Ave.
Janice McLaughlin, 298 Highland Ave.
Betty McLoughlin, Merrymount School, Grade 4.
Barbara McManus, 108 Doane St.
Donna McManus, 110 Billings St.
John McManus, 108 Doane St.
Kathy McManus, 80 Curlew Rd.
John McNeil, 42 Babcock St.
Patricia McPhillips, 377 Palmer St.
Michele Meegan, 105 Taffrial Rd.
Jim Megnia, 9 Brockton Ave.
Kevin Mellyn, 26 Bay View Ave.
Anita Milano, 299 Billings Rd.
Laura Miller, 20 Hood St.
Robert Minicucci, 18 Franklin St.
Danny Malloy, 25 Overlook Rd.
Veronica Monti, 52 Mears Ave.
Glenn Moody, 13 Rodger Ln.
Cory Morrison, 12 Oneida St.
David Morrow, 114 Doane St.
Carolyn Mullen, 21 Bowes Ave.
Ann P. Murphy, 23 Northfield Ave.
Charles L. Murphy, 122 Everett St.
Billy Murray, 168 Sea St.
Richard Nelson, 101 Babcock St.
Marie Nichols, 55 Shirley St.
Charlene Nicholson, 50 Quarterdeck Rd.
James Noenicks, Merrymount School, Grade 4.
Laura Noenicks, 226 Sea St.
Dave Noturangelo, 215 Taffrail Rd.
Patti Novak, 21 Overlook Rd.
Donna O'Brien, 17 Plover Rd.
Mrs. Dorothy O'Brien, 60 Marlboro St.
Karen O'Rourke, 45 Broady Ave.
Anthony Panasci, 40 Babcock St.
Laura Paolucci, 166 Sumner St.
Howard Park, 7 Doyle Terr.
Miss A. Dorothy Parsons, 45 Gay St.
Joseph Pattavina, 279 Sea St.
Rita Pattavina, Merrymount School, Grade 4.
Mrs. Jean Peachey, 53 Hamilton St.
Judy Pellicane, 57 Hobamack Rd.
Charles Peter, 7 Alberton St.
Dagmar L. S. Peurala, 63 Kent St.
Robert Piscatelli, 78 Camden St.
Cameron Porter, 44 Wedgewood St.
Janice Porter, 44 Wedgewood St.
Daniel Prescott, Doane St.
Mrs. Fred Prizioso, 34 Roberts St.
John Princiotto, Warwick St.
Diane Raftery, Merrymount School, Grade 4.
Mark Rand, 1092 Sear St.
Lorraine Renzi, 70 Shed St.
John Ricciuti, 31 Stoney Brae Rd.
Cliff Richardson, 32 Captain's Walk.
Patricia Ridlen, 191 Rock Island Rd.
Laura Riley, 23 Marine St.
Mary Beth Riley, 129 Doane St.
Louis Rizzo, 53 Shore Ave.
Nancy Roberts, Merrymount School, Grade 4.
Tom Roche, 1356 Quincy Shore Dr.
Tom Rollins, 93 Edgewater Dr.
Fannie Ross, 73 Bicknell St.
Mrs. James W. Ross, 13 Plover Rd.
William Ross, 13 Plover Rd.
Marianne Rudolph, 930 Sea St.
James B. Russo, 59 Hall Pl.
Katherine M. Ryan, 30 Edinboro Rd.
Kevin Ryan, 263 So. Central Ave.
Mrs. Connie Sabatini, 18 High School Ave.
Joan Sacchetti, 14 Tinson Rd.
Mrs. Betty R. Sawyer, 107 Waterston Ave.
Kathy Schuerch, 43 Bayview Ave.
Diane Shaw, 337 Rock Island Rd.
Tracy Shaw, 10 Homestead St.
Janice Siddens, 37 Calvin Rd.
Laura Signorini, 153 Centre St.
Jack Silverstein, 399 Adams St.
Christine Strois, 14 Hardwick Rd.
Kevin Smith, 15 Quadrant Circle.
Margaret Smith, 34 Ardell St.
Patty Smith, 31 Grace Rd.
Dale Solander, 22 Homer Rd.
Gordon Spencer, 361 Palmer St.
Dave Spring, 153 Norfolk.
Doris Monroe Stackpole, 23 McGrath Highway.
Paula Stanziani, Merrymount School, Grade 4.
Susan Stearns, 22 Quarterdeck Rd.
Thomas Steen, 1 Wall St.
Michelle Straughn, 69 Taffrail Rd.
Kevin M. Sullivan, 57 Alrick Rd.
Maureen Sullivan, 57 Alrick Rd.
Michael Sullivan, 28 Grace Rd.
Robert A. Sullivan, 288 Fayette St.
Thomas D. Sullivan, 57 Alrick Rd.
Joanne Swanton, 10 Samoset Ave.
John D. Sweet, 15 Channing St.
Frances Tantillo, 76 Phipps St.
Janet Tantillo, 76 Phipps St.
Donna Taylor, 212 Manet Ave.
Jeff Taylor, 212 Manet Ave.
Felix Tenaglia, 83 Montclair Ave.
Mark Thibotte, 21 Homer Rd.
Ann Marie Thurston, 95 Taffrail Rd.
Sandra Thurston, 95 Taffrail Rd.
Tim Tobin, Merrymount School, Grade 4.
Daniel Todd, 49 Havilend St.
Linda Trubiano, 81 Thornton St.
Debbie Valentino, 9 Pequot Rd.
Bern Van Tassell, 109 Macy St.
Mike Van Tassell, 109 Macy St.
George J. Wagner, 97 Hollis Ave.
Denise Walkamsa, 35 Rhude St.
Theresa Ward, 6 Bittern Rd.
Mrs. Alicia Wayland, 31 Dale Ave.
Karl Weaver, 21 Sextant Cir.
Ann Weidner, Merrymount School, Grade 4.
John E. Whelton, 29 Sealund Rd.
Elizabeth Whyte, 1 Beacon St.
Elliott R. Whyte, 1 Beacon St.
John W. Wilson, 114 Rawson Rd.
Karen Worth, 1232 Sea St.
Mrs. Jordan S. Zecker, 29 Channing St.

SLOGAN WINNERS

Following are the 27 winners in the Quincy Heritage Slogan Contest:

1st Prize—$300: William Mitchell, 24 Gilmore St.
2nd Prize—$100: Wayne Batson, 28 Spring St.
3rd Prize—$50: Jo McShane, 56 High St.
4th Prize—$25: Kenneth L. Miner, 70 Pelican Rd.
5th Prize—$25: Eleanor Coughlin, 152 Holbrook Rd.
6th Prize—$25: Joseph N. Gildea, 45 Division St.
7th Prize—$25: L. K. Battista, 14 Avon Way.
8th Prize—$10: Michael Jovanic, 62 Town Hill St.
9th Prize—$10: Peter Orio, 365 Manet Ave.
10th Prize—$10: Cheryl Shaw, 171 Babcock St.
11th Prize—$10: Harold Beston, 30 Ruggles St.
12th Prize—$10: Mrs. Theresa Connell, 36 Whitney Rd.
13th Prize—$10: Nora Cuddy, 115 East Elm Ave.
14th Prize—$10: Rick Deutsch, 126 Darrow St.
15th Prize—$10: Rita Kearns, 36 Summer St.
16th Prize—$10: John A. Laukkanen, 53 Woorcliff Rd.
17th Prize—$10: Mrs. Thomas Mulroy, 25 Eustis St.
18th Prize—$10: Dorothy Q. Murray, 6 Booth St.
19th Prize—$10: Mrs. Evelyn Oshry, 35 Rawson Rd.
20th Prize—$10: William Rochelle, 50 Maypole Rd.
21st Prize—$10: Brian T. Sullivan, 57 Alrick Rd.
22nd Prize—$10: Arthur Tucker, 1 Bittern Rd.
23rd Prize—$10: James Sullivan, 44 Rawson Rd. [Grade 6 Parker School].
24th Prize—$10: Laurel MacDonald, 1109 Sea St.
25th Prize—$10: Marla Bloom, 15 Agawam Rd.
26th Prize—$10: George J. Wagner, 97 Hollis Ave.
27th Prize—$10: Sandra Thurston, 95 Traffrail Rd.

THE SEVEN TOP SLOGANS

Following are the top seven slogans in the Quincy Heritage slogan contest and their authors:

First-place: William Mitchell, "Adams To Atoms".
Second-place: Wayne Batson, "Quincy: City of Presidents, Progress and Pride".
Third-place: Jo McShane, "Quincy—Backbone of Granite Born To Endure".
Fourth-place: Kenneth L. Miner, "Quincy: Cherishes the Old, Welcomes the New".
Fifth-place: Eleanor Coughlin, "Quincy, Mass., Where the Past and Present Blend".
Sixth-place: Joseph N. Gildea Sr., "Quincy, 350 Years of Heritage, Pride and Progress".
Seventh-place: L. K. Battista, "Quincy—Engraved in History—United in Spirit".

MUSIC FESTIVALS ARE PLANNED FOR 1976

Looking forward to 1976, Quincy Heritage is planning two music festivals to capture the spirit of the city's Bicentennial and 350th anniversary celebrations.

Created by Greg Larkin, a professor of music at Eastern Nazarene College, both festivals are designed for the enjoyment of the citizens of the city.

The first festival, to be held early in 1976, will feature music written during the American Revolution. Both choral and instrumental groups will participate in the festival which will take place in the Church of Presidents.

The second festival program, slated for July 4, 1976, will feature patriotic music performed by choral groups and bands in the city, including those from the Quincy schools. Selections performed will range from songs written since the birth of the nation to the present.

This festival will take place on the steps of the United First Parish Church in Quincy Square.

In May, 1976, the Southeastern Massachusetts Band Festival will take place in Quincy. This festival of high school bands will incorporate the theme of Quincy Heritage.

In addition, the annual Pops Concert performed by the Quincy Symphony Orchestra will take on special meaning in 1975 as the city celebrates its 350th anniversary.

THE JUDGES

Two panels of judges were named to select the 54 winners who shared the $1,500 in prizes in the Quincy Heritage poster and slogan contests.

A cross-section of the community, they represented professional expertise, civic interest, education, men, women and youth. The 10 judges, five for each contest:

POSTER: Robert Brandt, executive vice-president and general manager S. Gunnar Myrbeck & Co., Quincy; Joseph Donahue, Quincy architect; Ronald Iacobucci of 10 Hyde St., Quincy, a student at Boston College; Walter Lunsman, director of Arts and Humanities for the Quincy Public School system and Mrs. Annette Paglierani, member of the Quincy Art Association.

SLOGAN: Rev. Alicia Corea, Houghs Neck Congregational Church; School Supt. Dr. Lawrence Creedon, Martin McKeon, MBTA assistant director Community Affairs; Thomas Nutley, Boston Gas Co. public affairs specialist and George D. Reardon, past president South Shore Chamber of Commerce.

LIKE TEACHER, LIKE STUDENT

The saying goes, "Like father, like son", but in the Quincy Heritage slogan contest, the saying switches to "Like teacher, like student".

Wayne Batson, seventh grade student at Broadmeadows Junior High, captured second place in the Quincy Heritage slogan contest, only one place behind his social studies teacher William Mitchell who won the top prize.

Wayne won $100 for his entry, "Quincy: City of Presidents, Progress and Pride".

QUINCY'S HISTORIC MINUTES ON WJDA

A total of 15 historic minutes telling the story of Quincy will be aired over Radio Station WJDA throughout 1975.

The first historic radio spot was heard Monday morning at 8:21.

This venture was made possible by the joint sponsorship of Corcoran, Mullins, Jennison Inc. of Quincy and the Peabody Construction Co., Inc. of Quincy which provided $5,000 to finance the historic moments.

Narrated by professionals in the advertising field, the 15 minutes will be rotated throughout the year with one minute aired per day at 8:21 a.m.

MY RESPONSIBILITY AS A CITIZEN

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. SISK. Mr. Speaker, one of my constituents, Miss Julia Ann McDermott of Turlock, Calif., has been privileged to be named the California State winner in the Veterans of Foreign Wars' Voice of Democracy contest. The theme of the contest was "My Responsibility as a Citizen." I am extremely proud of Miss McDermott's achievement and wish her every success in the final judging which will be held here in Washington next month. I think it would be of great benefit to each of us to read her outstanding speech and I am, therefore, submitting it with the hope that you will find it as inspiring as I did:

MY RESPONSIBILITY AS A CITIZEN

(By Julia Ann McDermott)

America is like the keyboard of an expensive piano. Some of the keys are white, and some are black. Some are sharp, others flat. There are major keys, and minor ones. Each key has it's own individual note and tune. When you play them together, the result is a beautiful melodious harmony. The name of this song is democracy, the basic principle that upholds the foundations of our government, the one great ideal that has made America the most honored, talked about, and looked-up-to country in the entire world.

But this democracy is dependent upon us. Each and every citizen must meet his or her responsibility in order to maintain the beauty of our nation, preserve it from corruption, and keep the name America as shining and pure as it has been for almost two centuries.

Our responsibility to our country consists of three things—having a duty to America, recognizing that duty, and then doing your duty to the best of your ability. If Americans did not live up to their responsibility, our nation would never have become as great and as powerful as it is today.

Every citizen's duty to America is a unique one—tailored to individual talents and abilities. But there are some duties that belong to all citizens, such as the duty to vote in elections, assuring our country of the finest government officials. There is also the duty to obey the laws of our land, that have been ruled just and fair by our own judicial system.

Another responsibility that goes with citizenship is to live in peace with our fellowmen. Prejudice, discrimination, hate and animosity are not signs of responsible citizens. Truly responsible Americans accept all people, of all races, creeds, colors and sexes as equals, nothing more, nothing less.

Loving and caring about our country and its people is also an important part of a citizen's responsibility. The fact that love is a part of responsibility is difficult for some people to understand and accept. But if we do not love our fellowmen, if we cannot live in harmony with them, then we are shirking the duty of all Americans.

Not only should we love our country's people, we should love our country itself, for patriotism, a love of country, is essential in the molding of an honorable American citizen. As James Madison once said: "He who loves not his country can love nothing."

Being an American is an honor. While anyone can live in this beautiful nation, and legal citizenship is relatively easy to obtain, being worthy of this citizenship takes a little more effort. No one is worthy of the name American until he or she can be termed an asset to this nation, a help, not a hinderance, a responsible American citizen who lives up to the demands that history, tradition, and patriotism have placed on every person in America.

Our America is a wonderful country. It has been called the "land of the free" and the "home of the brave". All of us are free, because in America the word "citizenship" is synonymous with the word "freedom". But in order to assure ourselves of all the freedoms granted us in the Constitution, we must accept the responsibility that will keep these freedoms intact. We must not only be free, we must be brave. Brave enough to make known our views, to fight for what we believe in. Brave enough to face up to the responsibilities of citizenship, and not to shirk our duty when our country calls us.

Being an American citizen is an honor, but being a responsible American citizen is an even greater honor that all of us can be proud of. If you can honestly say "I am a responsible American citizen. I have a duty to my country, I know that duty, and I fulfill my responsibility to the best of my ability," then you are an honor and an asset to the great American keyboard, and worthy of the opportunity to keep the symphony of American democracy ringing loud and clear in the ears of the entire world for generations to come.

THE FEDERAL REVENUE SHARING EXTENSION ACT OF 1975

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. KASTEN. Mr. Speaker, I am today introducing legislation to extend and modify the State and Local Fiscal Assistance Act of 1972. Since its implementation in 1972, revenue sharing has resulted in the annual distribution of approximately $6 billion to State and local governments. It has permitted these governments to undertake and expand programs in a variety of areas ranging from financial administration to health and pollution control. It has reversed the accelerating trend toward increased Federal responsibility and initiative which we have witnessed in recent years. It has helped make the States and localities partners with, instead of clients of, the Federal Government. Perhaps most importantly, revenue sharing allows State and local government units to determine their own priorities and to approach them in the way they feel is most appropriate. In a very real sense it allows the people to have a share in shaping their future and structuring their environment.

My proposed amendment includes the following provisions:

First, an extension of the State and Local Fiscal Assistance Act of 1972 for an additional 10¾ years past the present expiration date of December 31, 1976. The new expiration date would be September 30, 1987.

Second, an increase of $20 million annually in appropriations.

Third, removal of the priority expenditures classifications limiting the purposes to which local government units can put revenue sharing funds.

Fourth, finally, the inclusion of a pro-

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vision to require that State and local jurisdictions give citizens the opportunity to comment on, and be involved in, the preparation of the planned use reports.

The rationale for the first two provisions is obvious. They simply serve to extend and expand a program which is both popular and effective. As of the January 1975 quarterly payment, some 39,000 State and local government units have benefited from the distribution of approximately $17.3 billion. It has significantly improved the critical financial situation of many of these units by allowing local officials to channel funds to the areas where they are badly needed and can be most efficiently used. I am sure that my colleagues in the Congress are familiar with the beneficial effects that revenue sharing has had on their districts.

Revenue sharing has also been lauded as being much less costly to administer than most Federal aid programs. I believe that extending the program into 1987, rather than for a shorter period of time, will serve to maximize this benefit by allowing the governmental units receiving funds to make their plans and establish their priorities in the knowledge that they can count on a smooth, continuous flow of revenue sharing funds for an extended period of years. It will permit State and local governments to undertake commitments to longer range projects that require revenue sharing funds for completion.

Under the present act, local government units must restrict the spending of the funds they receive to certain types of expenditures that the act establishes as priority expenditures. My amendment would eliminate this restriction. There are a number of reasons for taking this step.

In the first place, we must bear in mind one of the original purposes of revenue sharing: to allow State and local governments to decide, based on their superior familiarity with local conditions, how the available funds can best be spent to accomplish local goals. By establishing priority expenditures for local governments, we are immediately undermining this purpose. We may even be causing the revenue sharing funds to be spent in a less efficient manner than would be the case if local governments were completely free of Federal direction in their use.

Second, the determination of what projects fall within the priority expenditures classifications has meant the creation of additional bureaucratic redtape at both the Federal and local levels. The results are longer delays in the flow of funds from the Federal to the local level and increased administrative costs in a program that is praised precisely because such costs are low.

Finally, even if we make the highly questionable assumuption that it is desirable for the Federal Government to attempt to channel revenue sharing funds into specific areas at the local level, it seems doubtful that the establishment of priority expenditures for localities accomplishes this. Upon receipt of revenue sharing funds, local governments simply transfer their funds, which would have been used for priority expenditures, to other areas, and use the revenue sharing funds on the projects which the Federal Government has established as priority expenditures. What this means is that the juggling of accounts which the priority expenditure requirement puts local governments through does nothing to influence the spending pattern. Even if this were not the case, the list of priority expenditures is sufficiently inclusive and sufficiently vague to permit almost any local expenditure to fall into one of the categories. One may easily deduce from these facts that the establishment of priority expenditures to control the use of revenue sharing funds has done little but make the administration of the program more costly and difficult.

Yet we must acknowledge a legitimate desire to see that revenue sharing funds are wisely spent, although it is apparent that the establishment of priority expenditures for localities is not an effective way of accomplishing this goal. I submit that this goal may be achieved by formulating a mechanism by which citizens can participate in the disposition of revenue sharing money. For this reason I have included in my amendment a provision to require that state and local jurisdictions give citizens the opportunity to comment on and be involved in the preparation of the planned use reports. Currently, State and local governments must publish in a general circulation newspaper within their geographic area a statement on how the allocated funds are to be spent and a similar report after the expenditures have taken place. Additionally, they must inform the news media of the publication of these reports.

However, the result of these steps is only to inform the public of actions that have already taken place. I would propose a series of public hearings or some similar mechanism to give citizens an opportunity to participate in the actual formulation of priorities and the allocation of revenue sharing funds. In this manner, we can both provide citizens with a greater opportunity to participate in their government and insure responsible control over the use of these funds.

I urge favorable consideration of this legislation at the earliest possible date.

CITATIONS FOR PATROLMEN DOUGLAS FELDMAN AND GEORGE DISCH

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. WOLFF. Mr. Speaker, recently, I had the privilege of presenting medals of merit to two Nassau County, N.Y., police officers in acknowledgement of their outstanding acts of courage and heroism in the course of duty.

At a ceremony attended by Nassau County Police Commissioner Louis J. Frank, I had the pleasure of conferring citations upon Patrolman Douglas Feldman of the third precinct and Patrolman George Disch of the sixth precinct for their performances above and beyond the call of duty. I would like to share with my colleagues in the House the citations which were presented to Patrolmen Feldman and Disch, which cite in detail their acts of bravery in service to the community. We can rest a little easier that men like Patrolmen Feldman and Disch are protecting our constituencies; they represent the best traditions of this Nation's law enforcement community.

The citations conferred upon Patrolmen Feldman and Disch read as follows:

CITATION

Congressman's Medal of Merit
Ptl. Douglas Feldman, Shield No. 395
Nassau County Police Department

For valor and heroism, Ptl. Douglas Feldman, acting in the finest traditions of the Nassau County Police Dept. and with complete disregard for his own personal safety, did, on the morning of August 27, 1974, expedite the rescue of a victim from a burning building.

Upon arrival at 1 Vanderbilt Drive, Mineola, N.Y., Ptl. Feldman, together with Mineola Volunteer Fireman Louis Buttacoli, fought his way through the blazing and smoke filled premises to search for the occupant, James O'Connell, who had been rendered unconscious by smoke inhalation.

Breaking down a locked door with their bare hands, they carried Mr. O'Connell to a hallway where artificial respiration was administered prior to his removal to the Nassau County Medical Center by police ambulance.

Ptl. Feldman's outstanding act of courage has distinguished him to his fellow police officers and to the community he serves. It is with honor and respect that this Congressman's Medal of Merit is awarded Douglas Feldman.

CITATION

Congressman's Medal of Merit
Ptl. George E. Disch, Shield No. 887
Nassau County Police Department

For valor and heroism, Ptl. George Disch, acting in the finest traditions of the Nassau County Police Department and with complete disregard for his own personal safety, did, on the morning of December 8, 1974, awaken seven sleeping inhabitants of a burning building and lead them to safety.

On patrol in the Village of Roslyn, N.Y., Ptl. Disch noticed smoke pouring from an old three-story frame house at 36 Main Street and rushed into the building in search of occupants.

He alerted the seven residents of the boarding house, then expeditiously evacuated them from the flaming building and summoned the Roslyn Fire Department. Ptl. Disch suffered smoke inhalation from the dense fumes and subsquently was treated at North Shore Hospital in Manhasset.

Ptl. Disch's outstanding act of courage has distinguished him to his fellow police officers and to the community he serves. It is with honor and respect that this Congressman's Medal of Merit is awarded George Disch.

BAN THE BOOM

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ROSENTHAL. Mr. Speaker, British Airways plans to request clearance to begin a series of 50 test flights this spring of its supersonic transport, the Concorde, into and out of New York City's Kennedy International Airport.

It is my hope that the Federal Aviation Administration and the Port of New York Authority will hang out the unwelcome sign for this noisy polluter that threatens our sanity and our atmosphere. Unfortunately, neither of these agencies is known for its concern about the impact of aircraft noise on citizens.

British Airways' intention to begin the test flights—with an eye on regular SST passenger service sometime next year—indicates the need for reevaluation of FAA regulations governing supersonic air travel and the noise-polluting sonic boom that it produces.

The current FAA sonic boom regulation, according to the agency, is designed to protect the people of the United States from exposure to sonic booms that can be detrimental to their senses and sanity. While ostensibly banning the sonic boom over the continental United States and its territories, the loopholes in the FAA's regulation are so large that a full-size SST can fly through them. Specific authorization can be given for civilian aircraft to exceed mach 1, the speed of sound, in any region that the FAA designates a test area. That could mean around New York City's JFK Airport, where the Concorde would first land, or Los Angeles, San Francisco, Dallas-Fort Worth, or any city with an international airport.

Under the provision that a flight be necessary for aircraft development, the FAA can issue clearance for a supersonic flight after an environmental impact statement is made. While the FAA concedes it should not permit environmentally unacceptable authorizations for test flights, we all know that FAA is more lax about what is environmentally acceptable than the rest of us.

The FAA regulation represents a step backward in the Government's original promise to prohibit civilian supersonic flights in the United States. It leaves the door open for approval of the sonic boom, a hazard to the health, welfare, and property of the American people—a door that should be permanently shut. It is with that in mind that I have introduced legislation to prohibit all civilian aircraft flights that would produce a sonic boom over the United States, its territories, possessions, and territorial waters. The advantage of this legislation is that it does not contain the loopholes of the FAA regulation that allows sonic boom-producing flights for such vague reasons as assisting aircraft development or studying sonic boom effects. Nor does it permit the FAA to change or waive its provisions at whim and without regard to the wishes of the Congress.

The 92d Congress took the decisive step of taking the American Government and the American people out of the supersonic aircraft business. It is now time for this Congress to take the initiative in assuring that foreign SST flights will not prove a menace to the American people. We can do this by acting decisively to impose an absolute ban on sonic boom by all civilian aircraft in U.S. airspace.

ADDITIONAL FUNDS FOR CAMBODIA

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. RHODES. Mr. Speaker, this body is currently attempting to decide whether to accept or reject President Ford's request for additional funds for Cambodia in the current fiscal year. The President has attached great importance to this request. It is my judgment that each and every Member of this House—regardless of party—has a solemn responsibility to consider all of the facts before reaching final judgment.

We should consider very carefully, for example, the assessment of the President of the United States and his military advisers that, unless Congress grants additional funds, Cambodia will be virtually powerless to resist Communist takeover. Without the funds contained in the President's request, the Cambodian Army will run out of ammunition in less than a month.

The issue is not purely military in nature; it also involves humanitarian concerns. Severe food shortages are already beginning to plague the Cambodian people. If Congress does not provide funds for continued deliveries of rice and other staples of life, millions of people will find their ability to survive severely and cruelly impaired. The Department of Defense has announced that a $180,000 a day airlift of rice from Saigon to the ravaged city of Phnom Penh will begin today. This effort to feed the people of Cambodia can only be maintained if Congress agrees to the President's request for new funds.

It is my view that the current plight of Cambodia, as well as the President's request for additional funds, represents a highly critical question that this Congress cannot effectively dodge. Congress decided some time ago that the United States could no longer afford to invest the lives of American citizens in foreign wars in Southeast Asia. That was a wise decision, one with which I wholeheartedly concur. But now we face a corollary decision. Are we now prepared to make it our Nation's policy that we will no longer provide economic assistance and moral support to small countries fighting for their right to be free? Are we prepared to declare to the world community that the United States has neither the will nor the resources to be a reliable partner in—let alone the leader of—the ongoing struggle against Communism?

Mr. Speaker, the American people have stood together as sentries at the gate of freedom for many, many years, and at considerable cost and sacrifice. Is it their will that America's vigil be brought to an abrupt end now? My judgment is that it is not. At the very least, I implore all of my colleagues to consider all the facts with profound and solemn candor.

A copy of a letter from the President follows:

THE WHITE HOUSE,
Washington, February 25, 1975.

Hon. JOHN J. RHODES, M.C.,
Minority Leader,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN RHODES: I wish to convey to the House of Representatives my deep concern over the present critical situation in Cambodia. An independent Cambodia cannot survive unless the Congress acts very soon to provide supplemental military and economic assistance.

Unless such assistance is provided, the Cambodian army will run out of ammunition in less than a month.

The Cambodian people are totally dependent on us for their only means of resistance to aggression. The Communist forces now attacking have a constant, massive outside source of supply from the North as has been demonstrated by their ability to sustain the current heavy offensive.

If additional military assistance is withheld or delayed, the Government forces will be forced, within weeks, to surrender to the insurgents.

The economic situation is almost as difficult. Refugees forced to flee their homes by the Communists' repressive measures and scorched-earth policies have poured into Phnom Penh and other cities. Severe food shortages are already beginning. If the Congress does not provide for continued deliveries of rice and other essential supplies, millions of innocent people will suffer—people who depend on us for their bare survival.

The Government of the Khmer Republic has demonstrated on countless occasions its willingness to negotiate a compromise political settlement to bring peace to its tormented land. It has been proved over the past two years that the progressive cutbacks of American support have only undercut the possibilities of negotiation by encouraging a ruthless enemy in the hope of obtaining a total victory.

These are the harsh realities which the Congress must bear in mind as it considers the Administration's request for supplemental assistance to Cambodia.

It has been a basic policy of this Government to give material support to friends and allies who are willing and able to carry the burden of their own self-defense. Cambodia is such an ally.

This is a moral question that must be faced squarely. Are we to deliberately abandon a small country in the midst of its life and death struggle? Is the United States, which so far has consistently stood by its friends through the most difficult of times, now to condemn, in effect a small Asian nation totally dependent upon us? We cannot escape this responsibility. Our national security and the integrity of our alliances depend upon our reputation as a reliable partner. Countries around the world who depend on us for support—as well as their foes—will judge our performance. It is in this spirit and with this sense of responsibility, Mr. Speaker, that I urge rapid and favorable action on my request for additional assistance to Cambodia.

Sincerely,

GERALD R. FORD.

GARRETT COUNTY SCOUT APPRECIATION DINNER

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BYRON. Mr. Speaker, recently it was my pleasure to participate in the

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Garrett County Scout appreciation dinner at Oakland, Md.

This program indicated once more how dedicated community leaders add immeasurably to the development of the young people in the community. It was a heartwarming experience to meet the scouting leaders present at the dinner and to see their dedication to the young men of the county and the scouting program. The dinner was an outstanding success under the leadership of Mr. Merritt Feather.

I would also like to commend the scouting leaders present:

PROGRAM

Opening ceremony, Boy Scout Troop.
Invocation, Rev. Lawrence Sherwood.
Welcome—Master of Ceremonies Merritt Feather.
Group singing—Leader Merritt Feather.
Review of 1974—Pat Fischetti.
Recognitions—Stanley Callis.
Introduction of Speaker by Merritt Feather.
Speaker—Rep. Goodloe E. Byron.
Benediction—Rev. Lawrence Sherwood.
Retiring of colors—Boy Scout Troop.

SCOUTING PARTNER ORGANIZATIONS AND THEIR UNIT LEADERS

Troop No. 31—B.P.O. Elks, Oakland, Md.—Butch Sliger.
Troop No. 54—St. John's Lutheran Church, Red House, Md.—Don Rolf.
Troop No. 70—Bethel United Methodist Church, Mt. Lake Park, Md.—Leo Martin.
Troop No. 75—Bayard Lions Club, Bayard, W. Va.—Dave Ridings.
Troop No. 82—American Legion Post No. 208, Accident, Md.—Paul Frank.
Troop No. 93—Bradley Manor Community Club, Oakland, Md.—Richard Beeman.
Troop No. 95—Bausch & Lomb, Inc., Mt. Lake Park, Md.—Bill Ridgell.
Troop No. 99—American Legion Post No. 71, Oakland, Md.—Tom Bittinger.
Pack No. 31—B.P.O. Elks, Oakland, Md.—Lorraine Gnegy.
Pack No. 41—Crellin Elementary P.T.A., Crellin, Md.—Delbert Knotts.
Pack No. 45—Rotary Club, Friendsville, Md.—Don Frazee.
Pack No. 54—Red House Elementary P.T.A., Red House, Md.—Ken Cassidy.
Pack No. 70—Garrett Lodge, Knights of Pythias, Oakland, Md.—Dale Fike.
Pack No. 75—Bayard Grade School P.T.A., Bayard, W. Va.—Ray McCauley.
Pack No. 80—Deep Creek Volunteer Fire Department, McHenry, Md.—Don Bowman.
Pack No. 93—Bradley Manor Community Club, Oakland, Md.—Duane Yoder.
Pack No. 95—Bausch & Lomb, Inc., Mt. Lake Park—Calvin Paugh.

MARY B. JOHNSON, NOTRE DAME HIGH SENIOR FROM SPRINGFIELD, MASS., STATE WINNER OF 28TH VFW SPONSORED VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BOLAND. Mr. Speaker, the Massachusetts State winner of the 28th annual Voice of Democracy scholarship program is, I am proud to say, Miss Mary B. Johnson from my home city of Springfield. She is the daughter of Mr. and Mrs. James Johnson of 78 Mayfair Avenue and a senior at Notre Dame High School in Springfield.

The Voice of Democracy scholarship program, sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary, is conducted annually in our Nation's secondary schools. It is a national broadcast scriptwriting program which provides an opportunity for high school students in public, private, and parochial schools to think, write, and speak up for freedom and democracy.

"My Responsibility as a Citizen," theme for the program this year, focused the attention of youth on the obligations of citizenship and called for a personal evaluation of their responsibility in preserving democracy as a way of life in our Republic. Upward of 500,000 students participated in this year's program. At each level of judging—school, community, district, and State—winners were selected from the evaluation of the judges using three basic criteria. These criteria and the maximum point value assigned to each were content, 45; originality, 35; and delivery, 20.

Miss Johnson will be among the other State winners who will come to Washington, D.C., expense free, March 7–12, to compete for one of five national scholarship awards provided by the Veterans of Foreign Wars. The first-place national winner receives a $10,000 scholarship for college; second place, $5,000; third place, $3,500; fourth place, $2,500; and fifth place, $1,500. In addition, the monetary value of scholarships and awards presented by the VFW and its Ladies Auxiliary to the winners of the post, county, district, and State levels will be in excess of $475,000 this year.

Mr. Speaker, the Voice of Democracy program was originated by the broadcasting industry and the U.S. Office of Education 28 years ago. For over a quarter of a century now it has had the continuing support of the national and State associations of broadcasters and secondary school principals. Broadcasters and educators alike have been enthusiastic in their endorsement of this Veterans of Foreign Wars-sponsored Voice of Democracy program, and have contributed generously of their time and expertise in the program's development.

I wish to commend those organizations who have sponsored and contributed to the success of the program. And I congratulate Miss Johnson for the honor she brings to her family, her high school, and city as the Massachusetts State winner. I ask permission to have Miss Johnson's prize-winning script included at this point with my remarks in the RECORD:

MY RESPONSIBILITY AS A CITIZEN

(By Mary B. Johnson)

The following is a case history of a patient now recovering from a near-fatal disease.

The patient—

The United States of America, the land itself and its 210 million inhabitants.

The disease—a serve case of apathy, a lack of vision and a sense of despair.

Prognosis—chances for recovery—excellent, but only with the prescribed medication of a new sense of rebirth, vision and laughter.

Today, we feel disillusioned, because our Constitution allows us to envision what perfection in government truly can be.

Our Bill of Rights grants us the freedom to write, to march, to assemble peacefully in our yearning to achieve all that is possible to improve the human condition in America, not only for this generation but for our posterity. I see my role as an American citizen, as one of not just accepting our American history but questioning and learning from it, not criticizing the events of the past several months, but praising our due process of law; not denouncing the future but anticipating it.

Since the birth of our country, our soil has been irrigated with the blood of its sons and daughters. Gettysburg was consecrated by those who fought there. Today, we must not only dedicate our battlefields, but also ourselves, as individuals, as American citizens, to that guiding principle which we recite daily. We honor that indivisible nation with liberty and justice for all.

After we have renewed ourselves as United States citizens, dedicated to the ideals of freedom and individual rights and are ready to defend those rights as our forefathers did, to maintain this country as a vital democracy, then may we take our places as citizens of a free world, and achieve for it what we have tried to achieve for ourselves.

President John F. Kennedy once said, "We in this country, in this generation, are by destiny, rather than choice, the watchmen on the walls of world freedom. We ask, therefore, that we may be worthy of our power and responsibility, that we may exercise our strength with wisdom and restraint, and that we may achieve in our time and for all time, that ancient vision of peace on earth, good will toward men."

Our goal is clear, to see that the righteousness of our cause always underlies our strength.

This is the challenge proclaimed unto us, now let us rise to meet it!

GARDENING GROWTH

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to bring to the attention of my colleagues a few items dwelling on the increasing back-to-the-soil movement in the Nation, and especially right here in the Capital Metropolitan Area.

An article by Sheilah Kast in yesterday's Washington Star describes a meeting of the Arlington County Board, at which several dozen gardeners showed up to defend their rented community gardening plots, but sat and watched instead while the board voted to triple the number of plots to be rented out this season. There will now be 225 20- by 30-foot plots in Arlington, rented for $15 each.

Now every county in the Washington area has some type of community gardening program, and a sampling of my mail is even more convincing of the tremendously widespread popularity of this pastime which is even greater than I had ever imagined it could be when I introduced my Bicentennial seed bill, H.R. 280. You know of this bill, no doubt, which would allow the Department of Agriculture to distribute free on request up to three packages of food-producing vegetable seeds to American households.

I have a letter from Albuquerque, which I have excerpted briefly following this statement, where the city is throwing in free water and free fertilizer from its city disposal plant. I have letters from Ohio, Minnesota, Maryland, Wisconsin, Hawaii, and many from my home State of Massachusetts.

One community group in Georgia has sent me a documented report of a 2-year experiment in community gardening, right down to the last penny used by 500 people and the last penny's worth of food harvested. Here I would like to include a brief statistical summary of the Telfair County Neighborhood Service Center 1972 community gardens, run in conjunction with the Heart of Georgia Community Action Council:

In 1971, with no experience, Telfair County had 20 gardens involving 94 families, 501 people, and 300 acres of land. Free seed and fertilizer distributed at a cost of $984 yielded a harvest of $5,967, or a 6–1 return;

In 1972, they had 76 gardens, 114 families, 500 people on 20½ acres which returned an average of 8–1;

Of 76 gardens, 34 were tended by senior citizens between the ages of 60 and 84, with yields on those gardens reaching as high as 22–1, 23–1, 25–1, 27–1, and 29–1. The largest garden was worked by 80 people of 16 families, and several were worked by single gardeners.

The movement is moving without us, the country is moving again by itself in another field where we can lend a hand without too much cost to the harried taxpayer.

My Bicentennial seed bill would authorize $6 million for free seeds. But really, there are a lot of people who cannot afford seeds, who have really not had much incentive to buy seeds. Now this tremendous community gardening explosion and the Bicentennial seed program can serve as incentives for each other. With the back-to-the-soil movement growing, there will be more interest in the seeds to join in the movement.

And the last thing I really want to see is the use of food stamps for purchasing seeds. I think it can be taken pretty much for granted that the millions of people who have joined the food stamp program in the last year have done so to avoid going hungry in the present, not so they could grow food to eat several months in the future. Food is a commodity you consume, obviously, not one you invest in, especially with food stamps.

The Bicentennial seed bill is now awaiting a hearing in the Agriculture Committee's Subcommittee on Domestic Marketing and Consumer Affairs. Last year it was reported out to the House favorably but did not get voted upon prior to adjournment. I hope this session, we can get action fairly quickly to insure operation of the Bicentennial seed program in time for the spring 1976 planting season.

When I send around a letter soon, asking for cosponsors for the Bicentennial seed bill, H.R. 280, please join me in support of community gardening and the back-to-the-soil movement in America.

ALBUQUERQUE, N. MEX.

Congressman JAMES A. BURKE,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: Your prompt answer to my letter gives me additional reason to push forward on my program here in New Mexico that matches yours, but in a small way. On January 1 of this year I presented to the City Council of Albuquerque a resolution, in the name of the elderly people, requesting action on a gardening program through which the City will make available to all citizens unused city owned land, together with the use of equipment when not in use for public purposes. The Human Affairs Committee of the Council heard the petition and unanimously reported "ought to pass". The full council hears the petition and assures me of passage on Monday, March 3. The efficient Parks and Recreation Department of the city has volunteered to head up the program and I am doing publicity and organizing. Youth groups, including the Vocational Education department of the schools endorse and will participate in the program and other youth groups, joined by the church people assure me they are all for it as are the combined garden clubs. The city promises free water, no small object here in this climate, and fertilizer from the city sewerage disposal plant, all for free. It looks as if we are in business. But this part of the program is only one phase of a four phase program to prepare for what we believe is coming—created shortages of food to push up prices . . .

Sincerely,

JOHN P. MURPHY.

GARDEN PLOTS TRIPLED WITHOUT EXPECTED FIGHT

Fifty determined gardeners showed up, ready to storm the Arlington County Board in defense of community garden plots, but found they didn't have to.

The County Board was on their side Saturday—without even hearing testimony, it tripled the 75 plots it rented last year.

Not wanting to cut short its generosity there, the board asked its staff to search for private land, such as the Vepco right-of-way on Four-Mile Run that might be turned over to gardeners.

Board member Everard Munsey, an outspoken opponent of Interstate Route 66, drew laughter when he suggested planting over the I–66 right-of-way in North Arlington.

"Under any conceivable set of circumstances, there isn't going to be any construction during this year's growing season," he said.

"Or next," interjected Thomas W. Richards, a fellow board member and I–66 opponent.

"Or ever, as far as I'm concerned," Munsey replied, adding that the highway question will be hung up in court at least a year even if the Secretary of Transportation approves the road.

Munsey also suggested the 118-acre Pentagon City tract, which stands vacant while its owners negotiate for a buyer who wants to develop it. But Board Chairman John W. Purdy noted that the tract is home to a lot of rabbits.

"Great, they could hunt and grow vegetables at the same time," Munsey joked.

"No, the rabbits will eat the lettuce," Purdy answered.

The board also raised the rent on the plots from $10 to $15. But Brian Van Linda, a medical student who did his first organic gardening last summer, said yesterday, "It's still a good buy. You get a lot of vegetables very cheap.

"I grew up right outside of New York City and you sort of get out of touch with how things grow," Van Linda said. "The community garden concept is really good because you have a dozen other people to tell you where to plant certain things, where to fertilize, where to get seeds and where to go for help. Without that, it can take you three or four years to learn."

Mary L. Smith, who organized the 13 plots at N. 10th and Nelson Streets for organic gardening, said saving money was a bigger factor than getting back to nature for most of those with whom she worked.

Arlington, which rented 20-by-30-foot plots for the first time last spring, was the last of the Washington area jurisdictions to join the "victory" garden bandwagon as inflation hoisted food prices. Mrs. Smith says the community plots are especially important in Arlington, where more than half the residents are apartment dwellers with little or no access to the land.

She used to rent a plot in Purcellville, an hour's drive from her home, but two years ago caught such a bad case of poison ivy on a strange farm that she had to quit.

"So I missed the 1973 season, and that's what made me decide I'm going to make Arlington County produce," she said.

In addition to Mrs. Smith's spot and another across Nelson Street, gardeners will be returning to the 3000 block of S. Glebe Road and 1600 block of Key boulevard.

A total of 150 new plots will be available at S. Illinois and 5th Streets South, on Greenbrier Street behind Yorktown High School, and at the Fort Barnard water tower. Interested gardeners can contact the Virginia Polytechnic Institute Cooperative Extension Service at 558-2475.

THREAT TO NATIONALIZE THE UTILITIES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as the war in Southeast Asia entered its final phases in 1972, a broad range of radical Marxist leaders in the United States began to develop plans to redeploy the militant, dissident forces of the antiwar movement. As the antiwar coalitions ended, new alliances were formed and the disruptive energies of the Vietcong's fifth column were directed against new targets. Among these have been industries related to the production and distribution of energy, and in particular the public utilities.

Many radical "consumer" groups have seen the energy shortage as a prime opportunity for developing greater economic pressure against the utilities. Observing the rampant inflation caused by many years of massive Government deficit spending, the activist groups have sought to pressure the utilities by denying them rate increases to meet costs and expand to meet demand. The radical "consumer" activists hope to force nationalization of the utilities as a first step toward socialism by bankrupting them.

In my own State of Georgia, the admittedly socialist Georgia Power Project, which has allied itself with assorted leftists, liberals, and labor organizations, has had surprising success in building pressure to prevent the Southern Co.

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subsidiary, the Georgia Power Co., from obtaining money for new construction.

This article by Anthony Harrigan, the executive vice president of the United States Industrial Council, clearly sets forth the pressures on our public utilities and the economic fallacies in the call for Government takeover.

THE POWER REALITIES

Among the most critical problems facing Americans in a period of combined inflation and recession is that of the availability and cost of electric power. Unless there is improved public understanding of the situation in which utilities find themselves, the country could be confronted with the threat of nationalization of investor-owned utilities. The cost of nationalization to the taxpayers in terms of dollars and lost efficiency would be staggering.

The power companies are being asked to meet a tremendous demand for energy. As a result of the foreign oil crisis, many citizens plan to rely on electricity even more than in the past. *Business Week* recently estimated that the utilities, in order to meet rising demands, will have to spend $232 billion for construction of new generating plants and transmission facilities.

Finding this vast sum for plant expansion is an unprecedented problem for the electric power industry. Utilities are pressed to the wall by the cash squeeze. Moreover, fuel costs have soared. Since 1965, they have increased several hundred per cent and the cost of borrowing has doubled.

In order to obtain funds necessary for expansion—indeed for survival—power companies have gone to state regulatory commissions, requesting higher rates and pass-through charges for fuel cost increases. But resistance to such increases is mounting. State regulators are under heavy political pressure to withhold increases, despite the obvious need of the utilities.

In a number of states, Nader-type activist groups have emerged, which demonstrate and seek to present utilities as demons and which call for political limits on electricity charges.

The more responsible state regulatory commissions will not be intimidated. In Virginia, for example, Commissioner Preston Shannon is on record as saying: "You can't make rates by plebiscite. Otherwise the utilities will go down the drain." Not all state regulators are likely to be so responsible and far-sighted.

Furthermore, there is the problem of state legislatures taking shortcuts around the commissions by decreeing a limit on rate increases on passthrough of fuel costs. That type of political action is a design for economic disaster. The economic pressures on the utilities are real. They cannot be abolished by legislative fiat. Legislative bans on rate increases will not build new power plants or prevent brownouts.

The proponents of nationalization are waiting in the wings, of course. They welcome any sabotage of free enterprise and the free market system. Sen. Lee Metcalf (D-Mont.) is calling for a National Grid Corp. that would build new power lines with government funds.

No one wants to pay more for electricity or any other service he enjoys. No one wants to pay more for gasoline, a pound of hamburger or a loaf of bread. But the nation is in the grip of an inflationary situation caused by prolonged, excessive government expenditure. The general public and private business are suffering as a result. It will be a long time before the pains are eased.

In the meantime, nothing would be more disastrous than a shift to federal involvement in the electric power business. If there is anything that the American people should know by this time, it is that government intervention is not a cure all. Government-controlled utilities would have to build the same new plant capacity sought by investor-owned utilities—and government would get the money by imposing crushing new taxation on the American people. There's simply no way to get something for nothing.

The need now, therefore, is for better public understanding of the financial situation facing utilities. Unless they can operate at a profit, they cannot raise money—form capital—to build new generating plants. This means that rate structures must be adequate.

Unquestionably, many power users are shocked at their electric bills. But that's no justification for falling for the demagogic appeals of politicians who want to ban rate increases. Gasoline today also is about twice as costly as several years ago—and it will be more expensive in the future. The American people simply have to understand that the era of cheap energy is at an end.

The immediate need is for electric energy conservation on the part of the individual homeowner. In the average home, considerable economies can be effected by restricting use of electricity. Efficient utilization of power, not political wrath, is the common sense approach for concerned consumers.

RECESSION BEGINS TO RESEMBLE DEPRESSION

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. ZEFERETTI. Mr. Speaker, America's jobless rate in January 1975, reached its highest level since the Great Depression of the thirties, rising to a sickening level of 8.2 percent of our entire work force. These Government figures, stark as they are, do not begin to describe the dimensions of human suffering spreading across the face of our country. Certainly I see it daily in my own congressional district.

Nearly 1 out of every 12 workers willing to work was without meaningful employment, and by now the figures are even higher. In January alone, at least 930,000 Americans lost their jobs; 2,230,000 people have lost their employment in just the past 5 months, ample indication of the momentum of this quasi-depression. Nor are these figures the full story. We have little idea of how many people are out of work and have totally exhausted their unemployment benefits. They do not show up accurately in Government figures. Another unnoticed category is the partially employed person, who may be working as little as 1 day per week, who cannot make ends meet or support a family, yet who is carried on the Government's statistics as employed. Citizens falling into these two categories alone might add 1 full point to the 8.2 percent figure.

The number of jobs in our economy declined by at least 640,000, fourth such monthly decline in a row, as employers cut back production and laid off workers. This situation is now feeding on itself, as more layoffs in turn lead to less spending and pileups of already swollen inventories. In turn, this means even more layoffs.

Our Government seems to be observing this situation with a strange detachment. Only a few days ago, the administration predicted a 1975 figure of 7.5 percent jobless, which of course has already been exceeded. Virtually every economist of note predicts that even an 8.5 percent jobless rate is conservative; that we may reach a 10 percent unemployment level shortly. My memories of the Great Depression are both vivid and sad. To me, 10 percent joblessness means depression, not recession. It means it is time for the Federal Government to start addressing itself with energy to the plight of our people. To my regret and consternation, no significant moves have been forthcoming.

Several indicators tell me national initiatives are required. For example, never since World War II began have we sustained such a high jobless rate. Also, the downturn has spread far beyond the auto industry, as for the third month in a row the number of jobs declined in approximately 80 percent of all U.S. industries, rising in only 20 percent. The average work week shortened while the actual duration of time people are out of work has lengthened. Six percent of all adult men were without work, 8.1 percent of adult women and 5.2 percent of all heads of households.

It is critical for us, as elected Representatives, to translate the human misery these figures mean into constructive action as swiftly as possible. Sad to note, there seems to be a real lack of comprehension in the White House about what is happening to people. Diets are poorer in millions of homes. Clothing is worn thin on many school-age children in midwinter.

Vital purchases of necessities, such as shoes and tires, are being indefinitely postponed. Actual want and malnutrition are spreading in many cities. High Government officials only need to travel to any major urban area and walk the streets to see for themselves. I see all this in Brooklyn. I know others of my colleagues are witnessing the same in their congressional districts.

If we can afford to pour money into foreign aid, the United Nations, and a variety of subsidies and tax breaks for the rich which do not benefit the Nation, we can afford to alter our budgetary priorities to alleviate this state of affairs. Nor am I speaking of or advocating charity or giveaways.

I favor tax cuts for the average working person, but feel they should be far more substantive than those proposed. Let us get some real purchasing power into the hands of our people; $100 is not going to alter any family equation substantially. Most of all, we need some large scale public works measures. By reviving the old Civilian Conservation Corps and Works Projects Administration concepts, Government could provide meaningful employment while guaranteeing a good return for the Nation.

CCC could take several million jobless young people off the streets, placing them into rural or semirural environments, working on constructive projects of lasting value to the United States, particularly in the area of conservation. They also would be put into healthy, rather than corrosive environments, and could send money earned home to their families. A WPA-style effort could repeat in urban settings with adults what CCC accomplishes in nonurban areas. Public works projects immediately coming to mind are sewage treatment plants, slum clearance, and lower income housing endeavors. All are badly, even desperately needed in many places. In the case of sewage treatment plants, at least, there is a backlog of several years' worth of construction projects begging for attention. The same is true of mass urban transit work, which nicely complements our belated realization that a massive switch away from private automobiles in our cities is essential.

Here then are national priorities, all much needed and long overdue, which, if seriously undertaken, could swiftly and dramatically put people to work. The Nation would benefit for years to come and million of jobless Americans would have incomes once again. I do not pretend to offer instant solutions for what ails our society. But even an insensitive person can see how serious our difficulties are now, how fast they are worsening and some of our obvious alternatives. Such experiments once worked for America, and there is no reason why they should not be tried again now that similar conditions prevail.

There is something terribly sad about an able-bodied person, willing to work, standing in an unemployment line. Extended joblessness saps the dignity and self-respect of a parent and head of a family. It is a tragic waste. Our Nation has so much unfinished business; so much that cries out to be done. By marrying a partial cure for unemployment with long-overdue public works, we at least would begin to generate activity and a sense of momentum. Now we are at a total standstill insofar as economic initiatives are concerned.

Above all, we must do something, not merely talk about the seriousness of the situation. If the administration will only wring its hands, then it is the solemn priority and responsibility of Congress to take some initiative. This is what we were elected to do by the people.

STATUS OF THE ARMY

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. HAGEDORN. Mr. Speaker, last week I attended a briefing given by the Secretary of the Army, Mr. Howard "Bo" Callaway, on the "Status of the Army." I was most impressed with what I heard.

The Army's leadership and management efforts have resulted in significant accomplishments. The volunteer Army is working—more than enough young men and women joined the ranks in 1974. Of even greater significance is the fact that quality and readiness have not been sacrificed to obtain recruits.

Today, all 13 of our active Army divisions are ready for combat. Two years ago only four of these divisions were labeled ready. This readiness did not stop at active units. There has been a great increase in Reserve component readiness. This increased readiness was not accomplished without a substantial amount of hard work. Our soldiers performed splendidly under the wise management and leadership efforts of our Army's leaders. Secretary Callaway mentioned the great assistance rendered by Congress in building today's Army. He was especially appreciative of the stability we had given in strength and resources.

Perhaps the most significant accomplishment was and is in the area of personnel. "More than enough" recruits is a rather general phrase—specifically, the Army recruited more than 218,000 soldiers in 1974; in other words the population of an entire city—Syracuse, N.Y., or Grand Rapids, Mich. Quality was maintained in gaining these new soldiers. Eighty-five percent are already in the top three mental categories, and the Army hopes to reduce the content of the lowest acceptable mental category input to less than 13 percent this year.

Education is an important factor in quality. I was impressed to find that the Army's high school graduate level content is now at 74.5 percent of the total enlisted force—an increase of almost 4 percent from 2 years ago. By 1977 it is expected that 10 percent of the Army's enlisted soldiers will have 1 or more years of college. Truly, quality is up. This is reflected in the indicators of good discipline. Desertion and absent without leave rates are at their lowest level since 1969.

Equal opportunity is not just a slogan in today's Army and their records prove it. Minority group enlistment and reenlistment rates show an awareness of opportunity. Black male enlistment is about 26 percent of the total. Among the Army's senior enlisted ranks, 9.7 percent are black, while the Army had 14 black officers of star rank in 1974. Women have recognized the opportunities that exist in the Army—over 90 percent of the jobs are open to them. Last year, over 20,000 women with no prior service joined the Army.

In summary, I feel very secure in knowing that Secretary Callaway and his Army leaders are doing such a great job. I feel confident that our fine soldiers make up a truly fine Army.

COMMENTS BY THE PORTUGUESE-AMERICAN COMMUNITY OF THE FIFTH CONGRESSIONAL DISTRICT OF MASSACHUSETTS ON PUBLIC LAW 92-318

HON. PAUL E. TSONGAS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1975

Mr. TSONGAS. Mr. Speaker, members of the Portuguese-American community in the Fifth District of Massachusetts have expressed their concern to me about provisions of Public Law 92-318. I believe that the letter they have written to me makes a number of excellent points in reference to this law. I commend it to the attention of my colleagues:

PORTUGUESE-AMERICAN
COMMUNITY OF THE FIFTH DISTRICT,
February 20, 1975.

DEAR CONGRESSMAN TSONGAS: We believe the Congress of the United States has seriously erred by the inclusion of the "Portuguese" as part of the minority in PL92-318. We believe it sets a precedent which may eventually lead to other European National Origin groups being included as part of the minority in future bills which in turn would lead to an erosion of Federal efforts to help those of our fellow Americans who have suffered discrimination based on race.

With respect to PL92-318, we further believe that immigrant children whose primary language is Portuguese do not suffer by being placed immediately in English-speaking classes. Rather, we believe that they benefit from the interaction with English-speaking youngsters. There is plenty of evidence in the 5th that, where there is no segregation, there is no difficulty in immigrant children making an easy entry into our American school system. One merely has to examine the large numbers of Portuguese (as well as Greek) immigrant children in the 5th to ascertain the truth that non-interaction with English-speaking children (i.e., segregation) is the villain and not bilingualism. Immigrant children are not segregated and therefore do not suffer while traveling the road to complete Americanism.

In terms of Portugal's human contribution to the American scene (foregoing any mention of her contribution to the world during the daring age of exploration when her population was only 1,250,000), we merely have to examine the contributions of John Philip Sousa, William Madison Wood, the industrial giant who built the American Woolen Empire at the turn of the century; Cardinal Humberto Medeiros, an immigrant at age fifteen who started his American adventure by working in Fall River's mills as a floor sweeper and who managed to rise to his lofty perch through personal merit, without the aid of bilingual classes; Professor Francis M. Rogers of Harvard University; Lawrence Oliver, another immigrant at the age of twelve, who became a philanthropic industrialist in San Diego; Hal Peary, the great Gildersleeve of radio and movie fame; Karen Valentine, the rising young star of TV; Congressman Paul Sarasin of Connecticut. Whatever the field of endeavor, tiny Portugal's immigrants have contributed to America in the past, are doing so in the present, and will continue to do so in the future.

The one million Americans of Portuguese descent unequivocally and respectfully state to the Congress of the United States that we can, and will continue to, compete freely with all our fellow Americans, on individual merit in all fields of endeavor, and that we neither seek, nor need, any advantage, whether by law or executive fiat, over our fellow Americans.

We respectfully request an amendment to PL92-318 which will delete the word "Portuguese" from that law.

Very sincerely,

JOSSPH MILTON FREITAS,
JOSEPH ANTHONY CAMARA.

UMI

SENATE—*Wednesday, February 26, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

Chaplain Simeon Kobrinetz, Deputy Director, the Chaplain Service of the Veterans' Administration, offered the following prayer:

Almighty and Eternal God, we are grateful for the gift of life and hope. Strengthened by Thy blessings we enter with greater commitment on the paths that lie before us.

As we reflect upon our responsibilities to our Nation and its citizens, may we be guided by Thy hand and find inspiration in Thy word.

This month we have commemorated the birthdays of two great American Presidents. They have given our Nation dignity of purpose and the courage to act in times of adversity. Their commitment to the freedom of all men will continue to serve as a shield of honor—a banner of distinction.

May Thy divine providence grant us the resolve to strengthen the moral and spiritual fabric of our Nation. United in these efforts may the works of our hands bring us peace and justice, hope and freedom.

Blessed shalt Thou be when Thou comest in and blessed shalt Thou be when Thou goest forth. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, February 25, 1975, be approved.

Mr. ALLEN. Reserving the right to object——

The PRESIDENT pro tempore. Objection is heard.

Mr. ALLEN. I believe I mentioned to the majority leader on yesterday I was hopeful that we would adjourn last evening rather than to recess, and the Senator from Alabama has expressed his disapproval of the method of having piecemeal approval of the Journal during a legislative day, and inasmuch as we are still in the same legislative day and we did recess last night rather than adjourn as requested by the Senator from Alabama, I am constrained to object.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

Mr. ALLEN. Reserving the right to object, I did give notice to the distinguished majority leader on yesterday that inasmuch as he had not adjourned the Senate in recent days, preferring to recess, that I would make objection to the meeting of committees during the sessions of the Senate, and I stated that whenever the Senate was adjourned on the next day the Senator from Alabama would have no objection. He does not want to prevent the Senate committees from acting, and he would——

Mr. MANSFIELD. Mr. President, in view of a recent development, I will withdraw my request.

Mr. ALLEN. I wanted to state further, if the Senator will bear with me, the Senator from Alabama urges the distinguished majority leader to adjourn the Senate at the close of business today so that we can have no question about this. But at this time he does not object to the request.

Mr. MANSFIELD. I will not push the request at this time.

CLEAN AIR AND FUEL ECONOMY—ANOTHER CROSSROADS

Mr. MANSFIELD. Mr. President, just 3 years ago I wrote a letter to the Senator from Maine (Mr. MUSKIE) expressing concern that the intent of the Clean Air Act was in danger of being frustrated. At that time I expressed the conviction that by remaining steadfast, the Congress and the agency we created—the Environmental Protection Agency—could point the automotive companies in directions that would significantly reduce air pollution.

The Congress and the Environmental Protection Agency did, in fact, implement such action. The sequence of events that followed included the adoption of emission standards for 1975 model year cars which, while not yet achieving the degree of control required to fully protect the public health, are a big step in the right direction.

To their credit, the automotive companies have responded to our legislative directives by cutting polluting emissions in half and actually improving fuel economy by 13.5 percent over 1974 cars. There is evidence that the 1975 autos are getting better gas mileage than the 1968, or precontrolled models.

It is gratifying to see that old-fashioned American know-how still resides in Detroit. It is also gratifying to know that the Environmental Protection Agency has withstood the pressures that were brought to bear on it during the past 5 years.

Now we stand at another crossroads in this on-going struggle to restore a healthy environment. The technical problems are different this time, but the answers still must be found within the letter of the law and the intent of the Congress when it wrote into the Clean Air Act the amendments of 1970 and 1974 dealing with automotive emission.

One technical report not yet evaluated by the scientific community raises the possibilty that catalyst equipped cars will emit some sulfate. There is no convincing evidence that sulfate emissions will cause a public health problem. But, let us assume such evidence is forthcoming. There are at least two ways to eliminate sulfate emissons in current technology. Let us not cut back on the control of known poisons—hydrocarbons and carbon monoxide—to avoid a potential problem with sulfates.

Under the oversight of the Congress, the EPA and the auto industry have come a long way. The goal of clean air is in sight but we must all stay the course.

NO NEARER THE U.S. GOAL IN CAMBODIA

Mr. MANSFIELD. Mr. President, in view of the publicity surrounding the situation in Indochina, specifically the alleged need for funds in Cambodia and South Vietnam, the campaign being put on by the administration, plus the departure of Members of Congress to have a firsthand look-see at the situation in South Vietnam—I believe that Cambodia is sort of an afterthought—I ask unanimous consent that a commentary by Mr. Arnold R. Isaacs which appeared in the Baltimore Sun of February 23, 1975, entitled "No Nearer the U.S. Goal in Cambodia" be printed at this point in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

NO NEARER THE U.S. GOAL IN CAMBODIA

(By Arnold R. Isaacs)

(NOTE.—Mr. Isaacs, chief of the Hong Kong Bureau of The Sun, served as a correspondent for the paper in Indochina during the American involvement there.)

PHNOM PENH, CAMBODIA.—President Ford's effort to rescue Cambodia with extra military aid is the latest chapter in an American involvement that has been enveloped from the start in controversy, official deception, false hopes and tragic miscalculations. The involvement began six years ago this month with the secret bombing of what was then still neutral territory—an act of deception that now seems symbolic of all that followed.

Since then the rationale of U.S. policy has changed with almost the regularity of the Indochina monsoons, blossoming finally into an outright commitment to prevent a Communist military victory at almost any cost short of direct American military action. About the only consistent factor in the years of American involvement has been the steady march of devastation across what had been one of Southeast Asia's most pleasant countries. Drawn into a war it did not want and was not prepared to fight, Cambodia has probably suffered more misery in shorter time than either Vietnam or Laos.

Though casualty statistics are hazy, it has been roughly estimated that the killed and wounded among civilians and soldiers on both sides have mounted to about 10 per cent of the entire population of 7 million. Of the 5 million Cambodians living in government-controlled territory, fully two-fifths are refugees. The ruined economy provides no jobs, wartime inflation has driven food prices sky-high, and with the American-backed regime of Marshal Lon Nol now compressed into less than one-fifth of the country's land area, there is virtually no chance for refugees to return to their farms.

Many more Cambodians among the 2 million in the Communist-held countryside have also been uprooted, and the latest report of Senator Edward M. Kennedy's subcommittee on refugees estimates that altogether half of all Cambodians have lost their homes in the war.

President Ford, in announcing his request for $222 million supplemental military aid appropriation, said the U.S. objective "is to restore peace and to allow the Khmer people an opportunity to decide freely who will govern them. To this end, our immediate goal in Cambodia is to facilitate an early negotiated settlement.

Now such talks are on the horizon, however, and while expanded military aid may keep the Lon Nol government afloat a while longer its position on the battlefield is so weak that there seems little incentive for the Communists to open peace talks.

Communist lines are so close to Phnom Penh that not only bomb and artillery blasts, but even the stutter of heavy machine guns can be heard during the sweltering nights. All roads to the city have been cut for the last year and the vital Mekong River lifeline, along which all civilian supplies must move, has been blocked since January 30.

President Ford's statement in his aid request was the latest in a long series of American declarations that have set ever-changing U.S. goals in Cambodia.

During the secret bombing of the Cambodian sanctuary areas used by the Vietnamese Communists, ordered by former President Nixon during his first month in office, Mr. Nixon publicly proclaimed that the U.S. was respecting Cambodian neutrality. When the bombing became a public controversy later, Mr. Nixon supported it as having been necessary to protect American troops in Vietnam, and he said Prince Norodom Sihanouk, then Cambodia's ruler, had privately sanctioned the bombing—a claim the prince later denied.

The open phase of American involvement was ushered in by the coup against the Sihanouk regime on March 18, 1970. Seven weeks later, with the hopelessly unprepared Khmer Army campaigning with naive optimism against North Vietnamese troops, Mr. Nixon sent in American units for what he called a "limited" offensive against the sanctuaries.

Not only would the operation protect Americans in Vietnam being killed by Communists operating from Cambodian bases, Mr. Nixon said, but it would also attack "the headquarters for the entire Communist military operation in South Vietnam." It was an objective that proved, like most American objectives in Cambodia in the ensuing years, to be unattainable.

Support for the new Cambodian government, headed by Marshal Lon Nol, was clearly a secondary consideration for Mr. Nixon in 1970, and when the offensive touched off wide domestic opposition, administration aides sought to give the impression the U.S. was not being saddled with yet another Indochinese client state.

Two weeks into the Cambodian invasion, William P. Rogers, then Secretary of State, said the President had authority to give the Lon Nol government a few million dollars for ammunition and some arms. He added: "Obviously any larger program would require congressional approval. I don't think we have crossed that bridge. We have no present plans to embark on that kind of program."

The Cambodian war did not go away, however, and American military aid to the hapless Cambodian Army grew to some $390 million during the first two years of the fighting.

U.S. troops were withdrawn June 30, 1970, with President Nixon proclaiming the operation had been a vast success. To get drawn into the permanent direct defense of Cambodia, Mr. Nixon said at the time, ". . . would have been inconsistent with the basic premises of our foreign policy." He did, however, authorize continued American air strikes on Cambodian territory.

Answering congressional and other critics who questioned his legal authority to commit Americans to war in Cambodia, Mr. Nixon declared he acted on the basis of the President's "constitutional right . . . to use his powers to protect American forces when they are engaged in military actions."

For the next two and a half years that remained the premise for American actions in Cambodia, and though Mr. Nixon continued to increase military aid he did not undertake any formal commitment to the defense of the Lon Nol government. The Cambodian Army, meanwhile, having entered the war in the naive expectation of receiving all the help it needed from Washington, reeled from defeat to defeat while the Lon Nol government, drenched in corruption and inefficiency, steadily lost popular backing.

During the same period of time the character of the Cambodian war changed as the North Vietnamese and Viet Cong—practicing what could have been called the Communist version of Vietnamization—trained and gradually turned over much of the combat to Khmer Communist troops.

The basis for American actions in Cambodia changed drastically with the signing in Paris of the Vietnam peace agreement, which took effect January 28, 1973.

The agreement declared no ceasefire in Cambodia or Laos. It contained an article requiring the signatories to "put an end to all military activities" in those two countries—but without saying when this should take place. On the grounds that the North Vietnamese were not honoring the agreement and were remaining in Cambodia Mr. Nixon ordered the continuation of American bombing—though the North Vietnamese might just as well have argued they did not have to leave because the Americans had not suspended military actions.

The day after the Paris agreement took effect, President Lon Nol issued a declaration that he would halt offensive operations—but said he would continue to reoccupy territory held by the enemy and would fight if he met resistance. In view of the constant defeats of his army, the proposal was clearly unrealistic, and although the Americans supported it verbally it was quickly forgotten.

In statements on the Paris peace, Henry A. Kissinger kept dropping hints that peace in Cambodia was not far off—presumably, though he never said so explicitly, as the result of an unwritten understanding between the U.S. and North Vietnam.

"We can say about Cambodia that it is our expectation that a de facto ceasefire will come into being over a period of time relevant to the execution of this agreement," Mr. Kissinger said on January 24, 1973. "Our side will take the appropriate measures to indicate that it will not attempt to change the situation by force. We have reason to believe that our position is clearly understood by all concerned parties."

The expected cease-fire did not develop, however, and in an action that has still not been fully explained the U.S. began in late March to increase the bombing to unprecedented levels. American air power was used in a manner that had been unknown even during the fiercest fighting in South Vietnam. Though the U.S. revealed few details—American correspondents in Indochina at the time were regularly told by U.S. military officials that information would be handed out only at Pacific headquarters in Honolulu—it became clear that the sortie rate of B–52 bombers and smaller tactical fighter-bombers was exceptionally high.

Not only were the levels high—the Pentagon later reported that 27,600 tactical sorties and 7,700 B–52 sorties dropped 300,000 tons of bombs during the intensified campaign—but the tactics were disturbingly different from those used previously in the war.

B–52's, for example, which had been used in South Vietnam almost entirely in unpopulated jungle areas, were carpet-bombing in heavily inhabited regions close to Phnom Penh and along major highways.

This reporter, who was in Cambodia during that period and later traveled through some of the bombed areas, saw one stretch of villages so heavily bombed that not a house was standing and hardly a blade of grass grew for five miles along Highway 4 between the capital and the town of Kompong Speu.

Though no specific figures were ever compiled, journalists and non-American military observers in Phnom Penh were virtually unanimous in the belief that there were substantial civilian casualties due to American bombing. One accidental B–52 strike hit the government-held town of Neak Leung and killed over 130 persons, most of them soldiers' dependents.

The bombing attracted surprisingly little attention at first in the U.S., which seemed convinced that the war had been ended by the Paris agreement. As the realization of events in Cambodia grew, however, congressmen and other administration critics began to question the legality of the continued air war. Mr. Nixon had justified actions in Cambodia by his right to protect American troops, the critics argued, and now that all Americans were out of Vietnam—the last troops left March 28—the bombing was no longer legal.

It took the administration some weeks to come up with an answer, but on April 30 it produced a legal memorandum describing the bombing as "a meaningful interim action to bring about compliance" with the Paris agreement—in other words, as Secretary Rogers said, to force Hanoi to honor Article 20 and withdraw from Cambodia. The memorandum said the bombing strikes "do not represent commitment by the U.S. to the defense of Cambodia as such." The argument did not deal with the fact that the insurgent forces were already predominantly Cambodian.

As months passed with no sign of an end to the Cambodian conflict, Congress debated—and on August 1 passed—legislation ordering an end to the bombing—the first time it had ever acted to stop military action. During the debate the administration floated stories that delicate negotiations were under way. But the stories were never confirmed by any other sources and the negotiations never materialized.

Mr. Nixon, adamant to the end, warned Congress 12 days before the cutoff that it would undermine the prospects for peace talks. But when the deadline came he observed it, declaring at the same time that military aid to Marshal Lon Nol would continue. It was only after the bombing halt that the Paris agreement rationale—in which American actions in Cambodia were explained as directed toward North Vietnam—was finally dropped, and Washington began describing its policy as one of holding the weak Cambodian government together while awaiting peace talks.

American aid—not counting the cost of the 1973 bombing—had risen to more than $600 million a year when Mr. Nixon declared February 2, 1974, that the U.S. would provide "maximum possible assistance" to the Cambodian government.

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"I am confident that under young vigorous leadership and that of your government, the Republic will succeed in these endeavors," Mr. Nixon wrote Marshal Lon Nol—a fulsome note that must have come as something of a surprise to American diplomats in Phnom Penh who had long since concluded the marshal was much more liability than an asset.

After five years of shifts and changes, The Americans had finally committed themselves to defending the Lon Nol government. A year later President Ford had reaffirmed the commitment—but the chances of reaching the American goal seem as slim as ever.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Does the acting minority leader desire to be heard?

Mr. DOMENICI. Mr. President, I yield my time.

The PRESIDENT pro tempore. Under the previous order, the Senator from New Mexico, Mr. BELLMON, is recognized for not to exceed 15 minutes.

Mr. DOMENICI. Mr. President——

Mr. BELLMON. I have been promoted. I appreciate that.

Mr. DOMENICI. As much as I would like to claim the Senator from Oklahoma, he is not from New Mexico, and I would like the record corrected.

The PRESIDENT pro tempore. That was a slip of the tongue.

The Senator from Oklahoma (Mr. BELLMON).

Mr. BELLMON. Thank you, Mr. President. I yield 30 seconds to the Senator from Kansas.

PRIVILEGES OF THE FLOOR—SENATE RESOLUTION 4

Mr. PEARSON. Mr. President, I ask unanimous consent that a member of my staff, Mr. Arthur Hill, be allowed the privilege of the floor during the debate and votes on Senate Resolution 4.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE MIDDLE EAST

Mr. BELLMON. Mr. President, almost 5 years ago I made a statement on the Senate floor calling attention to certain aspects of the developing crisis in the Middle East, hoping that by doing so a more balanced debate on the situation would result. My remarks were precipitated by the decision of 74 Members of the U.S. Senate to urge the President to allow the immediate sale of additional planes to Israel. I rose to question the feeling that seeking a military answer in the Arab-Israel conflict was in the long-range interest of any of the countries concerned, including the United States.

Today I renew my call for a more even-handed American posture—and heartily applaud the efforts of our distinguished Secretary of State, Henry Kissinger, to break an impasse in the disengagement negotiations between Egypt, Israel, and Syria.

The Secretary of State has just returned from a 10-day tour of the Middle East and Europe. He has returned with heartening news, expressing confidence the momentum has been revived to achieve success in the step-by-step approach to settlement of differences between the Arabs and Israelis.

I, for one, strongly support this continuing initiative by Secretary Kissinger, and want the record to show my fervent wishes for the success of his efforts in the interest of peace, and in our Nation's interest.

In 2 weeks the diplomatic genius of Secretary Kissinger will be further tested when he returns to Middle East capitals for a further round of talks with Arab and Israeli leaders. I wish him well in his endeavors. I am confident Secretary Kissinger's credibility will serve again as it has in the past as an adequate conduit for constructive communication.

The Secretary remains convinced that a step-by-step approach to the problem is more likely than any other to achieve results. Some critics maintain that the step-by-step approach is too slow; that what is needed now is a full-blown conference of all the interested parties to achieve a comprehensive settlement of all issues. Other critics advocate in effect the halting of constructive endeavors to bring the parties closer.

I think both these categories of criticism are unhelpful to the Secretary in his delicate role as a catalyst between the antagonists in the Arab-Israeli dispute.

On the record, the facts bear out Dr. Kissingers viewpoint. Although the negotiations leading to the cease-fire agreements between Israel and Egypt and between Israel and Syria were difficult, the results have been dramatically effective.

There have been no significant violations of those agreements by either side. It is clear that tensions between the participants have lessened, and that mutual trust and confidence have grown. Thus, those steps already taken have been productive. It is now time to move to the next steps.

This is why I support the present initiative of the Secretary of State—and why I feel his present endeavors are so important for the peace and progress of much of the world. His negotiations must succeed.

Dr. Kissinger's approach seems to me to be eminently logical and practical. In the first place, the step-by-step approach allows each side to take politically manageable steps one or two at a time. It allows each side to test the intentions of the other side while avoiding risks which are regarded as unacceptable at the time.

It allows each side to demonstrate to its supporters that it can reasonably expect to obtain further benefits as other steps are taken. With each step, perceptions on both sides change, thus creating new perceptions and permitting additional steps that perhaps seemed impossible only months before.

Moreover, as each step is taken, each side gains a better understanding of the political necessities of life for the other side. The serious discussion of the issues involved, and the stress laid by each side on elements important to it, enhance the mutual, realistic awareness that is so vital to the peaceful resolution of conflict situations.

Another virtue of Dr. Kissinger's step-by-step approach is that it allows the negotiators to deal with the more easily resolved issues first, setting aside more complex issues until the process produces sufficient mutual confidence.

In his efforts to establish mutual confidence, the Secretary was pointedly candid in his emphasis to both sides that the situation in Washington has changed. And no wonder. The mood of the country has changed markedly since the 6-day war of June 1967.

In June of 1967, war was believed to have settled the issue once and for all. In the aftermath of the Israeli's 6-day victory, there was euphoria generated by the belief that the Arabs had finally been convinced of the futility of armed confrontation with Israel, and that the Arabs would thereafter reluctantly accept the reality of Israel.

But it did not happen that way—and now, almost 8 years later—I sense our country, deeply concerned with energy-related economic problems at home, is impatient for a more evenhanded attitude toward Arabs and Israelis. Thank Heaven, for the hour is late and the stakes are high.

Explosion of a fifth war in that tragic area could spell a new and tougher oil squeeze, widespread financial chaos and the most serious threat to world peace in decades. It is only to be expected that recent opinion samplings have revealed a substantial majority of Americans are opposed to the United States selling arms to either Israelis or Arabs.

Mr. President, at this point I ask unanimous consent that a recent survey of American opinion on the Middle East in Time magazine be inserted in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

A TIME SURVEY: UNITED STATES AND ISRAEL

Essential to any Middle East peace deal is U.S. support, or lack of support, for Israel and possible American willingness to guarantee a settlement. These questions were explored in an opinion survey completed last week for TIME by Yankelovich, Skelly & White Inc. Some of the results based on a national probability sample of 1,046 adults:

Regarding support for Israel, 41% favor a cutback in military aid, while 37% think it should continue at present levels, and 8% would increase it. National sentiment, according to these results, has scarcely changed in the past year. But 63% of those surveyed believe that the U.S. should not sell arms to either Israelis or Arabs.

By a margin of 52% to 35%, with 13% uncertain, they oppose any formal treaty pledging the U.S. to support Israel with arms and troops in case of attack. In light of the lessening U.S. enthusiasm for foreign aid and involvement, the minority figure is impressive. A majority of 53% are also opposed to stationing a permanent U.S. peacekeeping force in the Middle East while a hefty 41% are willing and 6% are unsure. Of those who oppose such a move, 16% would change their minds if Soviet troops were also part of any major-power peacekeeping effort.

What should the U.S. do to break the monopoly of oil-producing nations? Of those interviewed, 41% favor an embargo on U.S. food sales to these countries, while 46% oppose the idea. An evenly divided number—44%—favor and oppose U.S. refusal to buy oil overseas, even if such a reduction means hardship at home. An overwhelming 81% of respondents are opposed to any U.S. military takeover of the oilfields.

Mr. BELLMON. Mr. President, much has happened since June 1970, when I took the floor of the Senate favoring an evenhanded policy in the Middle East, My concern then, as it is now, was that our Nation—which committed itself to a tragic gamble on the side of war in Southeast Asia—not repeat that mistake in the Middle East. Instead, I urged then as now that this time we take a chance on the side of peace.

The dispute between the Arab nations and the State of Israel over Palestine has embroiled that area of the world in military turmoil for more than 25 years, resulting in great loss of life and property, causing economic stagnation because of the heavy expenditures for defense, postponing the economic and social development vital to the region's peoples, adding to world tension and creating in its course deepseated but not insurmountable animosities.

It is this animosity which challenges the diplomatic skill of Dr. Kissinger in the Middle East. It is this deepseated animosity which other leaders of our Government must keep in mind in dealing with Middle East issues.

Even though the United States has directed its efforts toward finding a peaceful settlement of this vexing and complex problem and has engaged in a series of discussions with the major powers and with the parties to the conflict, I feel that it is imperative that the Members of Congress now support our Secretary of State to the end that he may exert all of the means at our disposal in bringing this dispute to a just settlement.

It is necessary that the United States keep open all lines of communication with all of the interested and involved nations. It serves the purpose of no one by reducing contacts or by turning a deaf ear to the entreaties and legitimate complaints of the Arabs or the Israelis—and no peace will be found among nations whose leaders have closed minds. This country cannot afford the luxury of becoming irrevocably locked into the cause of only one side in this long-festering dispute.

Our country is morally committed to assuring the survival of Israel. At the same time, our American populace, yearning for peace in the Middle East and prosperity at home, is leaning more than ever toward a policy of compromise rather than confrontation.

Now is the time to move toward a lasting Middle East agreement, one which both sides can live with. Present leaders of the Arab world are far more moderate and more able to make concrete peace agreements than the next generation of Arab leaders is likely to be. The acts of Egyptian President Anwar Sadat, for example, have shown that he is for peace. We must seize this opportunity and help President Sadat and other Arab and Israeli leaders find that peace.

Israel must realize that another war, regardless of the damage it may cause to the Arabs, will not bring tranquility and peace, that greater destruction wrought on Arab States will bring greater hatred and sow the seeds for further conflict.

The Arabs, on the other hand, must realize that Israel has a right to exist and that neither the United States nor any other responsible country in the world would be prepared to relinquish its moral obligations to maintain the independence and existence of Israel.

In the interest of peace, the leaders of the belligerent countries must act to dispel long-held illusions and arrive at a settlement of the conflict which has troubled the Middle East for so long. This Nation can help with a vigorous pursuit of a settlement—which is what Secretary Kissinger has undertaken.

It is with optimism that I observe this country coming to a crossroads in Middle East relations—and in the name of peace and prosperity, I am confident we will seek an evenhanded solution to the problem of achieving a lasting settlement.

Mr. President, I sincerely urge all Members of the Congress to support Secretary Kissinger in his quest for peace in the Middle East. The peace and prosperity of much of the world depends upon the leadership which only the United States can provide at this time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BELLMON. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I want to say that I am in full accord with what the distinguished Senator from Oklahoma has said relative to the efforts of the Secretary of State Kissinger in the Middle East. While I disagree completely and unequivocably with the administration's position about additional funds for South Vietnam and Cambodia, I agree unequivocally with the efforts being made by our Secretary of State who is walking through mine fields in the Middle East, who has made some progress on the basis of his visit this month and who, hopefully, will make greater progress, though the course will be more difficult, on his return to the Middle East in March.

Also, while I have always been against intervention in the Indochinese area, because I felt we had no business there and that our well-being and security were not involved, I would be equally against intervention in the Middle East, because confrontation is not the answer. Neither is the answer in the issuing of statements which can be delineated in a way which indicates that we are looking forward under certain circumstances to such an event happening.

May I say that I also agree with the Secretary of State insofar as his recommendations toward Turkey are concerned because I believe there, he is on the right track. If something is not done to alleviate the situation, not only will we lose Turkey, but also Turkey may well become more involved in the affairs of the Middle East in the future.

If that occurs it would be a happening of the greatest significance. I am not talking about Turkey being at the lower end of NATO, where she is needed, but that also is a possibility. Perhaps at the same time, if a shift away from us occurs, a shift toward the Soviet Union will result.

Furthermore, I think it is in the interest of Greece to see the realities of this situation, and to recognize what the possibilities are insofar as its own interest, welfare, and future are concerned.

I just want to indicate to the distinguished Senator, whom I commend for taking the floor this morning, that while I disagree very vigorously with the Secretary of State, the President, and the administration in certain areas such as Indochina, I do agree with the steps being taken in the Middle East to try and bring about a settlement, if possible, between the Arabs and the Israelis. I do agree with the Secretary of State on his China policy, and the President's, may I say, and I do agree with both of them on their attitude toward the Greek-Turkish-Cypriot situation.

I commend the distinguished Senator for making his statement this morning. I want to assure him that in the areas which he has covered under the outlines which I have stated, I intend to give my full and complete support to the Secretary of State in the areas which were covered, which does not include all the areas in the world.

Mr. DOMENICI. Will the Senator yield?

The PRESIDING OFFICER (Mr. LEAHY). The time of the distinguished Senator from Oklahoma has expired.

Mr. MANSFIELD. Are we under a controlled time now?

The PRESIDING OFFICER. We are.

Mr. MANSFIELD. Mr. President, if the Senator from Indiana would allow me, I would ask him to yield not to exceed 5 minutes to the distinguished Senator from Oklahoma.

Mr. HARTKE. I yield.

Mr. BELLMON. Mr. President, I thank the distinguished majority leader for yielding time. Let me say in response to the statements of the majority leader that his expression of support for the efforts of the Secretary of State in the Middle East will be immensely valuable to Dr. Kissinger as he undertakes this difficult period of negotiations. I feel, as the majority leader has said and as I tried to say in my statement, that the answer in the Middle East is not confrontation but negotiation. I believe that in the Secretary we have a man who has proven his ability in this area. I believe we now have in the country an attitude that will make his negotiations more possible of success. I really appreciate the comments that the majority leader has made this morning.

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Mr. DOMENICI. Will the Senator yield?

Mr. BELLMON. I yield to the Senator from New Mexico.

Mr. DOMENICI. I, too, want to commend the Senator from Oklahoma for his superb remarks with reference to the Middle East, especially those which call attention to the fact that the role of America there certainly is as a peacemaker. I think it is timely that the Senator from Oklahoma brings this matter to the Senate. I think it is also fortunate that the majority leader was present, heard the remarks, and so eloquently expressed his support for the efforts of our distinguished Secretary of State with reference to the Middle East. I believe the Senator should be commended for doing this at this time.

Everyone should know this is one of the real trouble spots of the world, not only because of its historic confrontation as an arena of confrontation, but also because of all the other new economic conditions that center around it.

I want to join the majority leader in commending the Senator for bringing it to the attention of the Senate and thus to our people, encouraging support for the role of our Secretary in the negotiating efforts in the Middle East.

Mr. BELLMON. I thank the distinguished Senator from New Mexico very much for his comments.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate resumed the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The PRESIDING OFFICER. Under the previous agreement the Senate now begins 1 hour of debate before the Senate votes to whether to invoke cloture on a motion to agree to the House amendment to S. 281, the time to be equally divided and controlled by the Senator from Indiana and the Senator from Connecticut.

Mr. HARTKE. Mr. President, last Friday after debate on this measure, I moved to accept the House amendment to the bill that the Senate passed on January 29, S. 281. Because the merits of this measure were thoroughly discussed by the Senate on January 28 and 29, and again last Friday, I really have little more to say. Previous debate has fully explained to the Members of the Senate what is involved in this legislation and the reasons why I moved to accept the House amendments and why cloture must be invoked to pass this critical measure.

At this point, the issue is relatively simple. The additional interim assistance authorized in S. 281 is required in order to allow the bankrupt rail carriers in the Midwest and Northeast to continue operations beyond this week. While I could go on to explain how this legislation is designed to increase critically needed maintenance while assuring that the improvements financed will not be paid for twice when the properties are transferred pursuant to the final system plan for the reorganization of these railroads 1 year from now, I believe that the previous debate on these matters has fully explained the merits of the legislation. All that the Senate needs to decide today is whether it wants to continue essential rail operations in the Northeast and Midwest—in an area that contains 42 percent of the entire population of the United States—or whether it would rather continue to debate the issues surrounding Senate Resolution No. 4.

I would like to emphasize the fact that a shutdown of the rail transportation system in the Northeast and Midwest would affect every State in the Union. The railroads involved employ directly more than 100,000 workers. The Penn Central alone operates in 16 States, the District of Columbia, and two Canadian Provinces. The area served by this carrier includes 55 percent of the Nation's manufacturing plants and 60 percent of the manufacturing employees. More than 1 million tons of freight and more than 300,000 passengers move on Penn Central track every 24 hours. More than 20 percent of all freight cars loaded in the United States pass over Penn Central trackage. The Nation's railroads all interconnect, and a shutdown in the Northeast would affect shippers even on the west coast. There are simply not enough barges and trucks in the United States to handle the freight needs of the Northeast and Midwest, even if the material could be diverted to other modes of traffic—and some of it simply cannot move by any other means. In addition, the Penn Central alone provides service to more than 50 U.S. military installations in the Northeast and Midwest.

The Interstate Commerce Commission estimates that a complete and abrupt shutdown of Penn Central would result in a 5.2-percent decrease in the rate of economic activity in the region, and a 4-percent decrease in the rest of the Nation. An 8-week shutdown would cause the gross national product to fall at a rate approaching 10 percent. The effects of a shutdown in many States outside the region are illustrated by the following facts:

North Dakota shipped 3,000 carloads over the Penn Central in 1974.

Georgia shipped 115,000 cars over the Penn Central in 1974.

Kansas shipped 30,000 cars over the Penn Central in 1974.

Idaho shipped 13,500 cars over the Penn Central in 1974.

Iowa shipped 53,000 cars over the Penn Central.

New Hampshire shipped 26,000 cars over the Penn Central.

Oregon shipped 38,000 cars over the Penn Central.

Vermont shipped 19,000 cars over the Penn Central.

Wisconsin shipped 93,000 cars over the Penn Central.

That illustrates what I am talking about—that the whole interconnecting system involving the Penn Central would affect the entire Nation.

Mr. President, I hope that my colleagues here are beginning to gain an appreciation why the Senate Commerce Committee adopted and is recommending to the Senate the cheapest possible solution to the current crisis. If any Member of this body can suggest a solution more in harmony with the public interest, I would be more than happy to abandon this legislation and adopt such an approach. Frankly, I do not believe that is possible.

There was some discussion on the floor during this past week over the need to have a long range comprehensive approach. I hope that the Members of the Senate are aware that the U.S. Railway Association today released the preliminary system plan, and that this plan represents such a long-range comprehensive approach. The Regional Rail Reorganization Act, approved by this body late in the 1st session of the 93d Congress, created the U.S. Railway Association, the planning and financing agency which was designed to create a plan for a new rail system in the region. Hearings will now be held on this preliminary plan, and the final plan will be submitted to Congress for approval in late July of this year.

This comprehensive plan will hopefully produce a healthy rail system in the Midwest and Northeast so that the Members of this body will not have to consider more interim legislation such as the measure presently before us. I would like to emphasize, however, that this is not the last time that I will be coming before the Senate requesting additional assistance to maintain an adequate transportation system in the United States.

I believe I have stated to the Senate previously some of the estimates for rehabilitation that have been made. I am pleased to report that the recently released preliminary system plan is hopeful for the possibility of financing rehabilitation solely through the use of guaranteed loans, which would not require substantial direct Federal outlays, at least for the creation of a viable freight system in the region. Substantial Federal outlays probably will be required. however, to fully implement the goals of the Regional Rail Reorganization Act and the Members of the Senate should be on notice that they will be called to authorize significant Federal expenditures in order to bring our rail transportation system up to a reasonable standard. Not only will the rehabilitation costs in the region be substantial, but the sickness in our rail transportation system which is so evident in the Northeast and Midwest is by no means limited to these regions.

I will not at all be surprised if a substantial number of railroads outside the region enter bankruptcy proceedings in the not too distant future; Congress may well be forced to take a national perspective in dealing with rail transportation problems. Both the need for substantial expenditures on rehabilitation in the Northeast and Midwest and the prospect of further railroad failures elsewhere in the Nation indicates the need for some basic policy changes in the area of transportation and I am hopeful that the work of the Senate Commerce Committee on these needed policy changes will bear fruit during this coming year.

Mr. President, I do not believe it necessary to further explain to the Members of the Senate the economic consequences of failure to pass the legislation before us. If cloture is not invoked and this legislation is not passed, the United States of America will be facing a depression that will make our current economic situation look very attractive.

I hope that every Member of this body who is considering casting a no vote today gives serious thought to the real world consequences such a vote could mean.

I also hope that some Senators who do not feel that they can bring themselves to support this measure will at least support the cloture motion. I think everyone recognizes at this point that the Penn Central matter is a substantive issue, not a procedural question, which must be dealt with at this time. I am hopeful we can proceed to the pending business and have a final vote on this measure.

I hope we can proceed with the cloture motion successfully and that we can have a vote immediately thereafter, without any prolonged debate, upon the matter of the substantive legislation itself.

I also invite the attention of the Senate to the fact that another matter will have to be taken up after this vote, and that is the appropriation for this authorizing legislation. I hope that we are not involved in a delay in that matter, because both measures are absolutely necessary before the matter is resolved.

The Transportation Appropriations Subcommittee, under the chairmanship of my distinguished colleague from Indiana, has reported the appropriation favorably to the full committee. Senator McCLELLAN has favorably reported the measure to the floor. So all that is necessary is to go ahead and approve this measure, which has already been passed by the House of Representatives and is awaiting action here. In other words, we would like now an opportunity to get the job done.

The PRESIDING OFFICER (Mr. GARY W. HART). The Chair recognizes the Senator from Connecticut.

Mr. WEICKER. Mr. President, I will address myself for a few moments to the subject matter before the Senate.

First, I thank my distinguished colleague, Senator HARTKE, for sticking with this matter in the way he has, with both patience and expertise. Neither he nor I like to have it said that we are bailing out the Penn Central Railroad or that this particular type of vehicle satisfies our philosophical needs or, indeed, our approaches toward the crisis existing in the rail industry today.

As I said before, we are simply trying to clear away the debris that has been placed on the scene by a combination of forces, the highlights of which probably would be the mismanagement of the Penn Central which had been a viable operation; the inaction of the ICC; the failure of the executive branch and the legislative branch to develop a national transportation policy; the policy of the railroad industry, itself, to recognize problems in the future and fail to attack them in a voluntary way.

This is what has brought us to the present situation. It is not our desire to reward any of the actors of that drama but, rather, to preserve the innocent from further economic damage. In that category, I would place the employees of the Penn Central and the employees of the railroads which connect into the Penn Central. I would also place in that category of the innocent those whose jobs depend upon the materials delivered by the Penn Central. In other words, it encompasses a broad spectrum of the economy.

We are not here pleading the cause of either the stockholders or the creditors or those in management who ripped off the Penn Central—not at all. As I have indicated before, the history of mismanagement there is one deserving not of congressional assistance but, rather, of a free trip to the pokey.

It would, indeed, be derelict, I think, if the U.S. Senate, the House, and the President disregarded this clear threat to an already wobbly economy.

Some indicate that there seems to be a similarity between this type of operation and, let us say, the Lockheed loan, which I opposed vigorously. As a matter of fact I, together with Senators PROXMIRE and TAFT, conducted an extended debate on that matter. There is no comparison. In the Lockheed case, it was a private corporation which expected to stay in business, which was not in bankruptcy; and the purpose was to loan money which was to further their corporate interests and the interests of their shareholders and creditors—which moneys were being used, I might add, to buy products from without the United States which were readily available within the United States. There is no comparison between the two.

I serve notice right now that if any American corporation falls on its backside, then we should recognize that that is what the free enterprise system is all about. It is not a guarantee of success. It also envisages failure. It would not be my intent, except where the public interest demands—a broad public interest outside the corporate interest—to plead for any such loans or guarantees for any American corporation. Rather, we desire to clear off the debris and hopefully lead into the creation of a balanced transportation system.

Mr. President, the events of the past several days include the Penn Central debate, the unveiling of the Midwest-Northeast rail reorganization plan of USRA today, the facts developed in the debate, which show that even our strongest, healthiest railroads could have a great deal of difficulty in the future. They now earn the lowest return on investment of any situation within the free enterprise system, so trouble is spelled ahead very clearly. That fact was definitely brought out in the debate. In addition, the fact that, as I understand it, there are other railroads that are close to a fate similar to that of the Penn Central, this has led me to the following conclusion, and I would like to state it rather broadly here, with the idea that I intend to pursue it more specifically with the development of legislation in the months ahead.

I cannot, in all conscience, continue to support Federal moneys being expended in order to cover expenses or subsidizing operating deficits. It is not my desire to see a total nationalization of our rail system, because, indeed, there are still very healthy aspects to the railroad industry, and why destroy them? But it must be clear by now that we have to develop a viable rail transportation system that encompasses both passengers and freight—this is not the case today—and that if indeed we are to achieve our maximum capability and mobility, it has to be done tomorrow.

I would suggest to my colleagues a plan whereby the Federal Government would take over the roadbeds and the trackage—all of the roadbeds and all of the trackage in the United States—and would be responsible for its maintenance and its improvement, and that would be the Federal contribution, period.

In doing that, the Federal Government would also be able to set the standards of safety and service. Clearly this, then, would be a boon to those railroads that are viable, ongoing businesses, and which I would hope would remain in the private sector, but it would also, then, enable others to contract with the Federal Government, be they State transportation authorities or be it some entrepreneur, to develop passenger and freight service in those areas not covered by existing lines. Additionally, it would free this body from accepting deficits and subsidizing those deficits for decades ahead.

Mr. President, what is more important to me, I think to Congress, and I think to the American people, is not the specific issue of the past as represented in the Penn Central loans, but the promise of better things ahead. At the present time, the passenger aspects of intercity rail transportation are covered by Amtrak, but, in essence, Amtrak is running the same trains over the same routes in the same way. All that can result from that is the same deficits, except this time they will not be deficits picked up by private enterprise, but are the deficits we already know, that are thrown into the laps of the American people.

Why, then, should not the money, so far as Amtrak is concerned, go into research and development and capital improvements, in order to break that cycle?

Obviously, any type of rail service in the United States is not going to make a great deal of money, but at least we can avoid the type of horrendous deficits we are confronted with here today. But we cannot do it as long as all that our

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innovation and creativity consists of is coming in and asking for money, money to cover the past. New ideas are needed, new equipment is needed, new roadbeds are needed, and as long as we are willing to appropriate moneys, based on operating deficits, for capital improvements, research and development, I think we can create that portion of the transportation system that relates to the passenger and do it excellently.

Now, insofar as the Midwest and the Northeast are concerned, and the CONRAIL plan, again here the difficulty lies in the prospect of continuing money having to be appropriated by Congress to cover deficits. The continual political pressures that are going to be exerted as to where rail lines should go—and there is not one Member of this body who does not feel them; as soon as that plan was unveiled, we started to catch it in the neck. Everybody wants rail service, every little line is going to have to be kept right in place, and nothing is going to change regarding deficits except that this time the taxpayers will be responsible for them.

Why not put the Federal Government in the same position relative to rail service that the Federal Government is in with regard to highways? The Federal Government builds highways. Those highways are used by private enterprise and by private individuals, yet they pay a share, too, to make sure of its upkeep and its maintenance.

Why not apply the same rule to rails? Why not make it a clearly defined undertaking insofar as Federal assistance is concerned, specifically the maintenance, the upkeep, and the improvement of the roadbeds, so that those railroads that are viable understand where they stand, and Congress will understand what its commitment is, and we thus avoid the concept of total nationalization, and achieve a degree of flexibility within the free enterprise system?

Indeed, if the demand is there, truly, then it will so be reflected by those who wish to run over that particular section of trackage, be it a transportation authority of a State or a private entity or individual who cares to run the service.

I just mention these random thoughts in a general way, because I think it only fair that if we ask the taxpayers of this country to give their money to keeping the economy whole, at least insofar as railroad operations affect the economy, we do offer to them the promise of something better. We are tinkering around. There is a lot of good in Amtrak. There is some good in the report issued by USRA; there is some good in the Con-Rail concept. But I think it is time that we got our act together.

So, Mr. President, my plea today does not so much relate to this legislation. I think that has been well gone over in the debate of the last several days. But it tries to focus on what I feel our obligations to be for the future.

Here we are, the strongest nation in the world, the most affluent, replete with the greatest talent technologically and scientifically, and yet we probably rank at the bottom of the list when it comes to our rail systems. I hope that our efforts will very clearly be directed not any more at operating deficits, although there will undoubtedly be some additional requests—we have made that clear—but on a total plan as it relates to rail service.

One last comment: I want to reiterate that over the past several years, people have talked about millions of dollars as it relates to Penn Central. Senator HARTKE and I have made it clear that in order to achieve a good rail transportation system, we are talking about billions and we are not trying to fool our colleagues on that point. And yes, these figures seem staggering within the course of one particular year. But I have to point out that it has been, now, a matter of some almost 25 years when only about one-half of 1 percent of the Federal transportation dollar went to our rail systems. So if we have nothing, it is because we have spent nothing. Even though this seems like a large amount in this year, when we compare the total amount, I would say probably in the last—I am just going off the top of my head, extrapolating figures in the last several years—I imagine that in the last 20 years, the Federal commitment has only been several billion dollars—over 25 years I am talking about—whereas the highway commitment has been $4, $5, and $6 billion every year.

I am all for that commitment; I do not object to it. But, please, let us not show this great shock and surprise and amazement as to these amounts of money that are now being requested. What I am saying is I would rather spend more money now to assure that we have the system capable of making our people mobile, rather than having to live with the past and, indeed, have the money go down a rathole. And I think, quite frankly, at, least by my interpretation of the facts and the events, that is exactly what this bill is about. I do not portray it any other way to you.

For one who dreams of great rail systems in this country, this is money down the rathole. It covers the past. Let us now proceed to consider the future.

Mr. PEARSON. Will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from Kansas.

Mr. PEARSON. Mr. President, I wish to congratulate the distinguished Senator from Connecticut on his statement. What I have to say will be largely repetitious of the point he has developed so well.

I think there is a continuing misunderstanding of the basic issues involved in this legislation today. The facts are simple enough; but in their totality, they have become quite complicated. The situation today is that there are eight class I railroads in the northeastern part of the United States that are in bankruptcy. It has been determined that six of these railroads cannot even be recognized under section 77 of the Bankruptcy Act.

In response to that situation, and in response to a national rail need, a national economic need, and a national security need, Congress last year passed the Regional Rail Reorganization Act. As a matter of fact, just today, the preliminary system plan pursuant to that act was issued. That report, in very general terms, recommends that some 6,200 miles of rail line be abandoned, and that the rest of the bankrupt lines be consolidated into one system. The ICC will now hold hearings on this particular matter. But the real question is: Are we going to keep these railroads just alive, just existing long enough so we can have a chance to reorganize them under our private enterprise system?

If we do not want to do that, if that is the kind of bailout that offends us, the next step is obvious—nationalization. It is a word no one would use in this Chamber a few years ago, but that is the situation we are faced with today. I do not know whether there will be more interim financing needed. This amount was larger than we anticipated. At the end of the line, there is $1.5 billion to establish the Consolidated Rail Corporation. Already that estimate is in question.

The purpose for which the money here is to be appropriated sounds and looks very much like a bailout. That word is the key word used in all of this debate. However, it is something larger than that. It is a determination as to whether we are going to have a national rail transportation system or whether we are not; and secondarily, what sort of system are we going to have? Will we give private enterprise one last shot under this particular procedure to go forward?

I wish to congratulate not only my colleague from Connecticut but also the distinguished Senator from Indiana for their leadership.

Mr. MONDALE. Will the Senator yield?

Mr. PEARSON. I do not have the floor.

Mr. WEICKER. I yield for 2 minutes to the distinguished Senator from Minnesota.

Mr. MONDALE. I intend to vote for cloture on the Pennsylvania Central Railroad. However, I rise to object emphatically to any suggestion that by operating under rule XXII or by voting cloture under rule XXII, the proponents of Senate Resolution 4 waive any rights which they may have under the U.S. Constitution.

In pursuing Senate Resolution 4, we operate under article I, section 5, of the Constitution and our right to change the rules are pursuant to that provision to the extent that we operate under the rules of the Senate as adopted by previous Congresses. We do so only to the extent that we do not inhibit our constitutional right to change those rules. On January 14, when I introduced Senate Resolution 4, I said that:

By operating under the Standing Rules of the Senate, the supporters of this resolution do not acquiesce to the applicability of certain of those rules to the effort to amend rule XXII; nor do they waive any rights which they may obtain under the Constitution, the practices of this body, or certain rulings by previous Vice Presidents to amend rule XXII, uninhibited by rules in effect during previous Congresses.

I continue to adhere to that statement and also to the statement of Senate Resolution 4. The opponents of Senate Resolution 4 have forced a resort to old rule XXII by paralyzing the will of the Senate. They cannot, by that action, force waiver of constitutional rights. We operate under article I, section 5. Those rights obtain and will be pursued by those of us who support Senate Resolution 4.

Mr. President, I ask unanimous consent that the following pages of the RECORD be reprinted: 12, on January 14, 1975, 2016 on February 3, 1975; 4111 of February 24, 1975; and 4226, February 25, 1975, which set forth the clear understanding of the leadership to that effect. I quote the distinguished majority leader, Senator MANSFIELD, who said, when we introduced the cloture petition:

Nothing would be changed as far as the present parliamentary situation was concerned, and the purpose of offering the cloture petition at this time is to try to bring some relief to Penn Central.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, Jan. 14, 1975, p. 12]

RESOLUTION TO AMEND RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. MONDALE. Mr. President, I submit on behalf of myself, the distinguished Senator from Kansas (Mr. PEARSON), and a large group of Senators listed on the resolution, a resolution to amend rule XXII of the Standing Rules of the Senate.

The effect of the resolution is to amend rule XXII so as to reduce from two-thirds to three-fifths of the number of Senators present and voting required to limit debate under rule XXII.

Mr. President, in accordance with the provision of rule XL of the Standing Rules, I also send to the desk a notice in writing that I shall hereafter move to amend rule XXII as I have previously stated.

Mr. President, I ask that the resolution and notice be received and printed in the RECORD and that the resolution go over under rule XL so that it can be taken up on the next legislative day for consideration, consistent with the unanimous-consent order previously requested.

Mr. MANSFIELD. That is contemplated to be Friday.

Mr. MONDALE. I thank the distinguished majority leader.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. THURMOND. Mr. President, as I understand it, the Senator is introducing an amendment to rule XXII at this time? That is the only step he is proceeding with at this moment?

Mr. MONDALE. That is correct. I am filing a notice of intent and asking that the resolution lie vore for 1 legislative day, as contemplated by the rules. As I understand the unanimous-consent agreement, the resolution will be called up on Friday.

Mr. MANSFIELD. The Senator is correct.

Mr. MONDALE. Mr. President, I wish to state, as has been traditional at the commencement of efforts to amend rule XXII, that, by operating under the Standing Rules of the Senate the supporters of this resolution do not acquiesce to the applicability of certain of those rules to the effort to amend rule XXII; nor do they waive any rights which they may obtain under the Constitution, the practice of this body, or certain rulings by previous Vice Presidents to amend rule XXII, uninhibited by rules in effect during previous Congresses.

Mr. President, I ask unanimous consent that during the consideration of the amendment to rule XXII, Mr. Robert Barnett of my staff be granted floor privileges.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, in order to nail down doubly the protection accorded to the Senator and his cosponsors, I ask unanimous consent that, notwithstanding any delay in the consideration of the resolution, all proceedings, rights and privileges concerning the efforts to change rule XXII of the Standing Rules of the Senate be reserved, so that proponents of such a change not be prejudiced in any way in the actual commencement of the consideration of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered, and the resolution will go over under the rule.

The resolution and notice are as follows:

S. RES. 4

Mr. Mondale (for himself, Mr. Pearson, Mr. Abourezk, Mr. Bayh, Mr. Bentsen, Mr. Biden, Mr. Brooke, Mr. Burdick, Mr. Case, Mr. Clark, Mr. Eagleton, Mr. Glenn, Mr. Hart of Colorado, Mr. Hart of Michigan, Mr. Hartke, Mr. Haskell, Mr. Hatfield, Mr. Huddleston, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Javits, Mr. Kennedy, Mr. Leahy, Mr. Magnuson, Mr. Mathias, Mr. McGovern, Mr. McIntyre, Mr. Montoya, Mr. Moss, Mr. Muskie, Mr. Nelson, Mr. Packwood, Mr. Pastore, Mr. Pell, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Scott of Pennsylvania, Mr. Stafford, Mr. Stevenson, Mr. Symington, Mr. Tunney, and Mr. Williams.

Resolved, That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

NOTICE OF MOTION TO AMEND CERTAIN SENATE RULES

In accordance with the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to amend Rule XXII of the Standing Rules in the following particulars:

Resolved, That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

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"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the

measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

[From the CONGRESSIONAL RECORD, Feb. 3, 1975, p. 2016]

UNANIMOUS-CONSENT AGREEMENT—SENATE RESOLUTION 4

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no action be taken prior to Thursday, February 20, 1975, in respect to Senate Resolution 4, a resolution amending rule XXII of the Standing Rules of the Senate, with respect to the limitation of debate, provided that all the rights of all Senators may be fully protected and reserved.

Before the Chair puts the request, may I say that it is anticipated—and I cannot include this in the request—that on the 20th of February, some action will be taken on Senate Resolution 4.

Mr. ALLEN. Mr. President, reserving the right to object—and I shall not object—the distinguished assistant majority leader was kind enough to include me in the negotiations arriving at this result. It would be understood, of course, that if there were any change of this unanimous-consent request, the various Senators on both sides of the question would be consulted.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. ALLEN. The Senator made his request with reference to Senate Resolution 4. Might it be broadened to include any other method of seeking to amend rule XXII?

Mr. ROBERT C. BYRD. That would be my understanding of it, and I would include that in the request.

Mr. MONDALE. Mr. President, reserving the right to object—and I shall not object—as I understand this unanimous-consent request, there will be no action on proposed rule changes—that is, on rule XXII, Senate Resolution 4—until February 20, 1975.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. MONDALE. And, from February 20 on, all the rights which any Senator has under the rules will obtain in the pursuit of rules changes.

Mr. ROBERT C. BYRD. The rights any Senator possessed today would remain available at that time.

Mr. MONDALE. And, should any Senator wish to change this understanding, I assume that both sides would be notified.

Mr. ROBERT C. BYRD. They would. I gave that assurance, and it would be by unanimous consent.

Mr. MONDALE. I have checked with my chief cosponsor, the Senator from Kansas (Mr. PEARSON). He is fully agreeable to this understanding. I think the Senate should be informed that one of the reasons for setting that date is that we have a rather substantial delegation of Senators on official business at the NATO conference, and it is difficult to bring this matter up prior to February 20.

Mr. ALLEN. Reserving the right to object further, with regard to this group of Senators who are now in Yugoslavia, is the fact that the Senator anticipates a heavy majority vote from those Senators the reason he wants to wait until the 20th to consider that matter?

Mr. MONDALE. It is my opinion that we will get a heavy majority of all reasonable Senators.

Mr. ALLEN. There are some Senators who are not very reasonable, though.

Mr. MONDALE. I have never found that to be true.

Mr. ALLEN. I thank the Senator.

Mr. CRANSTON. Mr. President, reserving the right to object, and I shall not object, I assume that this understanding would mean that those Senators on either side could depend on the joint leadership to protect those on either side under this agreement.

Mr. ROBERT C. BYRD. The Senator is correct, and the joint leadership will make every effort to do that.

Mr. GRIFFIN. Reserving the right to object, and I shall not object either, I wish to join in providing the assurances that are indicated as far as the joint leadership is concerned. I also thank the Senator from Minnesota for reciting that he had consulted with the Senator from Kansas (Mr. PEARSON), who is very much interested in this matter, and for the information in the RECORD that he has agreed also under this unanimous-consent agreement.

I have no objection.

Mr. ROBERT C. BYRD. Mr. President, let me retract my statement. I cannot give assurance that the joint leadership will do anything. I made that statement feeling that that would be the position of the joint leadership, and I am glad that the distinguished assistant Republican leader has made the statement that he just made.

[From the CONGRESSIONAL RECORD of Feb. 24, 1975, p. 4111]

* * * from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL) is absent on official business.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Rhode Island (Mr. PELL) would each vote "nay."

I further announce that the Senator from Minnesota (Mr. HUMPHREY) is absent attending a hearing.

Mr. GRIFFIN. I announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT) would vote "nay."

The result was announced—yeas 28, nays 57, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—28

Allen, Baker, Bellmon, Brock, Buckley, Byrd, Harry F., Jr., Curtis, Dole, Domenici, Eastland, Fannin, Fong, Garn, Goldwater, Hansen, Helms, Hruska, Johnston, Laxalt, McClure, Roth, Scott, William L., Sparkman, Stennis, Stone, Talmadge, Thurmond, Tower.

NAYS—57

Abourezk, Bayh, Beall, Bentsen, Biden, Brooke, Bumpers, Burdick, Byrd, Robert C., Cannon, Case, Chiles, Church, Clark, Cranston, Culver, Eagleton, Ford, Glenn, Griffin, Hart, Philip A., Hartke, Hatfield, Hathaway, Hollings, Huddleston, Inouye, Jackson, Javits, Kennedy, Leahy, Magnuson, Mansfield, Mathias, McGee, McGovern, McIntyre, Metcalf, Mondale, Montoya, Morgan, Moss, Muskie, Nelson, Nunn, Packwood, Pastore, Pearson, Proxmire, Randolph, Ribicoff, Schweiker, Stafford, Stevenson, Tunney, Weicker, Young.

NOT VOTING—14

Bartlett, Gravel, Hart, Gary W., Haskell, Humphrey, Long, McClellan, Pell, Percy, Scott, Hugh, Stevens, Symington, Taft, Williams.

So Mr. ALLEN's motion was rejected.

The VICE PRESIDENT. The Senator from Montana.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it

Mr. MANSFIELD. What is the next order of business?

The VICE PRESIDENT. The pending question is the motion to table an appeal of the Senator from Alabama.

Mr. MANSFIELD. Mr. President, I would like to make a unanimous-consent request of the Senate. The reason I would like to make it at this time is that I would like to lay down a cloture petition on the pending legislation so that it would be possible—if otherwise impossible—to come to a vote on Wednesday, and I would not like to have it mixed in with the parliamentary situation which has developed since earlier this afternoon.

So, Mr. President, I ask unanimous consent that at this time a cloture petition may be presented and read without any prejudice to the situation which has been developing this afternoon.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

The clerk will read——

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object——

The VICE PRESIDENT. I am sorry——

Mr. MANSFIELD. I ask that the petition be withheld.

Mr. WILLIAM L. SCOTT. Reserving the right to object, Mr. President, I would ask the majority leader, does that mean that we would be operating under rule XXII, or without prejudice to rule XXII?

Mr. MANSFIELD. No, it would not change the situation which exists at the moment.

Mr. WILLIAM L. SCOTT. Perhaps the Chair could tell us, are we now operating under rule XXII of the Rules of the Senate, whereby a cloture petition may be filed?

Mr. MANSFIELD. Could not be filed.

Mr. ALLEN. Reserving the right to object, may I inquire of the distinguished majority leader if it is his plan, at the close of business today, to adjourn the Senate so that the cloture petition may become operative?

Mr. MANSFIELD. The Senator is correct.

Mr. MONDALE. Will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, when we adjourn, the cloture petition would become operative.

Mr. MONDALE. Will the Senator yield?

Mr. MANSFIELD. Yes.

Mr. MONDALE. As I understand the situation, there are four or five motions pending which could determine whether Senate Resolution 4 is pending business.

In addition to that, we can take notice of the fact that the Vice President has ruled that it is the right of the Senate under the Constitution to do so. We can also take notice of the fact that the Senate has been held up for about 2 hours with a series of dilatory motions to prevent the Senate from working its will in establishing the rules so that we can go on with the business of the Senate.

It is the strategy of the opponents of the change of our rules to hold the Penn Central Railroad, and thousands of employees who work for them, hostage to their demand that we drop our attempts to change rule XXII.

As I understand the motion of the majority leader, and the unanimous-consent agreement that was arrived at, we will proceed with Senate Resolution 4 as though the cloture petition had not been filed, and proceed to action as though they were different matters. Am I correct in that?

Mr. MANSFIELD. If the Senator will yield, it would be the intention of the majority leader to move that the Senate stand in recess tonight so that the pending situation could remain alive.

When I made the unanimous-consent request, I stated that nothing would be changed, as far as the present parliamentary situation was concerned, and the purpose of offering the cloture petition at this time was to try to bring some relief to the difficulties which confront the Penn Central, the Erie-Lackawanna and other railroads, through a vote on the cloture petition on Wednesday.

I do not know whether the Senate will agree to that.

I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Could the Senator tell me, would a two-thirds vote be necessary to impose cloture under the unanimous-consent request?

Mr. MANSFIELD. Yes.

Mr. ALLEN. Will the Senator yield?

Mr. WILLIAM L. SCOTT. Will the Senator include that?

Mr. MANSFIELD. That is under the rules.

Mr. ALLEN. Will the Senator yield further?

Mr. MANSFIELD. Yes.

Mr. ALLEN. I understood the Senator's intention to be to adjourn the session.

Mr. MANSFIELD. I have rethought my position.

Mr. ALLEN. That being the case, I have rethought my position, and I impose an objection.

Mr. MONDALE. The unanimous consent was agreed to, was it not?

The VICE PRESIDENT. That is right.

Mr. MANSFIELD. No; I had asked to withdraw it, so it was not agreed to.

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. I object.

The VICE PRESIDENT. Objection is heard.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Indiana.

Mr. HARTKE. I would just like to call the attention of the Senate to some facts of which they may not be aware.

I have received a telegram from the Penn Central which I would like to have printed in the RECORD. It is not long. I would like to read it.

The telegram is addressed to me from the trustees of the Penn Central.

At 10 a.m. today——

Mr. MANSFIELD. May we have order, Mr. President?

The VICE PRESIDENT. The pending question is a motion to table an appeal and debate is not in order.

Mr. HARTKE. Mr. President, I ask unanimous consent that I may proceed, even in view of the——

The VICE PRESIDENT. Is there objection?

Mr. ALLEN. Mr. President, reserving the right to object, may I have an equal amount of time?

[From the CONGRESSIONAL RECORD of Feb. 25, 1975, p. 4226]

* * * hour of debate, and it would be with the understanding—and we could, if desired, include that in our unanimous-consent request—that that hour would be for the purpose only of debate on the cloture motion, after which the Chair would have the clerk call the roll to establish a quorum, after which there would be a vote on the motion to invoke cloture.

If the vote on the motion to invoke cloture fails, then the Senate would resume its consideration of the now pending matter. If cloture is invoked under the rule, then the Senate would have to proceed with the disposition of that matter to the exclusion of all other business, and when that matter, to wit, the Penn Central question, has been disposed of, then the Senate would resume its consideration of the now pending matter at that time.

Mr. ALLEN. Who would have the floor on the resumption of our session?

Mr. ROBERT C. BYRD. The floor would be up for grabs; just whatever Senator is recognized by the Chair.

Mr. ALLEN. That does not seem to give the Senator from Alabama too much chance.

Mr. ROBERT C. BYRD. The Senator would have equal chance with every other Senator.

Mr. ALLEN. Well, theoretically.

Mr. ROBERT C. BYRD. May I say that based on my own observations, and I have not been able to be on floor at all times, I think the Senator has done right well in obtaining recognition.

Mr. ALLEN. I wonder who will be in the Chair at that time.

Mr. ROBERT C. BYRD. I have no way of knowing that.

Mr. ALLEN. I hope not a couple of fellows who have been up there earlier this session.

I wonder if I might inquire whether we might have a short quorum call in order that I might confer with others interested in the same problem.

Mr. ROBERT C. BYRD. Yes. Will the Senator allow me to ask, while he is conferring with others, that there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes, and that the period for the transaction of routine morning business not extent beyond 15 minutes, and that at the conclusion of the period for the transaction of routine morning business the distinguished Senator from Alabama be recognized, and that his recognition the second time not be considered a second speech? I do this because it is necessary that there be some space in the RECORD today allocated for the purpose of morning business.

The PRESIDING OFFICER (Mr. ABOUREZK). Is there objection?

Mr. MONDALE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, for a question.

Mr. MONDALE. How long is it anticipated that the quorum call would need to be?

Mr. ALLEN. Oh, I would not have in mind letting it go live. Just 10 or 15 minutes.

Mr. MONDALE. That would be all right.

Mr. ROBERT C. BYRD. It would be my thought that the period for routine morning business would suffice for a quorum, and if no Senators sought recognition, there would be a quorum call, with the understanding that following the quorum call the Senator from Alabama would retain his right to the floor.

Mr. ALLEN. Subject to morning business, which would be right before we go out?

Mr. ROBERT C. BYRD. I thought we would take care of the morning business at this time; or we can make it following the quorum call, if the Senator would prefer.

Mr. ALLEN. Well, any way the Senator wants to do it.

Mr. ROBERT C. BYRD. Then, Mr. President, if the Senator will yield under the same understanding——

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I shall shortly suggest the absence of a quorum, with the understanding that immediately following the quorum call the Senator from Alabama be recognized under the conditions as previously stated, and then, if we can reach the agreement we are attempting to reach, shortly after that, we would have a motion to recess until tomorrow, but prior to that motion to recess I would hope that we can get a period for the transaction of routine morning business included.

Mr. ALLEN. That sounds good.

Mr. ROBERT C. BYRD. Mr. President, under those conditions, if there be no objection, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

Mr. ALLEN. I thank the Chair for recognizing me in accordance with the unanimous-consent agreement, of course, and I am willing after having discussed the proposed unanimous-consent agreement suggested by the distinguished assistant majority leader with those Senators who do oppose Senate Resolution 4, and it is our agreement that we do agree to the unanimous-consent request.

Mr. ROBERT C. BYRD. Will the Senator yield to me for the purpose only of making that request at this time?

Mr. ALLEN. I yield to the Senator.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that after the prayer and the two leaders have been recognized under the standing order—with the understanding that the leaders can make no motion or do anything that would affect in any way whatsoever the pending matter—the distinguished Senator from Oklahoma (Mr. BELLMON) be recognized for not to exceed 15 minutes, after which the 1 hour under the cloture rule beginning running on the motion to invoke cloture on the Penn Central matter, the time during that 1 hour to be equally divided between Mr. HARTKE and Mr. WEICKER; and provided further that—

Mr. President what occurs thereafter, takes care of itself automatically.

Mr. MONDALE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes.

Mr. MONDALE. As I understand it——

Mr. JAVITS. Will the Senator use his microphone?

Mr. MONDALE. Yes.

As I understand the proposed unanimous-consent request, we would now go off the question of Senate Resolution 4 onto morning hour and Senate Resolution 4 would not come up again until after the cloture vote, if it is unsuccessful, or until after the completion of the railroad legislation, if it is successful.

Depending on when it comes up, the floor would then be open to proceed from the point we are now and the floor would be open; is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. ALLEN. What is the pending business, may I inquire.

Mr. ROBERT C. BYRD. Will the Senator yield to me further at this point?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. Let me restate my unanimous-consent request.

The answer is in the affirmative to both of the questions of the Senator from Minnesota.

I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow; provided further, that, following the prayer, the two leaders be recognized under

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the standing order, with the understanding that no motions in any way affecting Senate Resolution 4 be in order during that time; provided further, that, following the recognition of the two leaders under the standing order, Mr. BELLMON be recognized for not to exceed 15 minutes, after which the 1 hour provided under rule XXII on the motion to invoke cloture begin running, the time to be equally divided between Mr. HARTKE and Mr. WEICKER; provided further, that upon the disposition of the cloture vote, if the motion to invoke cloture fails, the Senate then resume its consideration of Senate Resolution 4, the question now pending, being again pending that point; and that, in the alternative, if the motion to invoke cloture carries, under the rule, the Senate proceed with the further consideration of the Penn Central matter until that matter is disposed of; at which time, upon the disposition of that matter, the Senate resume its consideration of Senate Resolution 4, with the question then before the Senate being the question in its present status.

Mr. MONDALE. Will the Senator yield for a question only?

Mr. ALLEN. Yes.

Mr. ALLEN. Mr. President, will the Senator yield 2 minutes to me?

Mr. WEICKER. I will yield 2 minutes to the distinguished Senator from Alabama, and then 10 minutes to the distinguished Senator from Virginia.

Mr. ALLEN. If the Senator will look a little closer at the statement by Senator MANSFIELD, he will see it was a gratuitous statement. Certainly there was no unanimous consent given which would constitute a waiver on the gag rule resolution.

It is all right for the Senator from Minnesota to come in and say, "We are not waiving our rights to claim that we are not operating under rule XXII when we use rule XXII." So the Senator says, "I am going to invoke cloture under rule XXII but it does not apply to me. It applies to these other fellows."

So I think the Senate understands the position that the Senator from Minnesota is seeking to carve out for himself, that cloture under rule XXII must be used by everybody else, and he joins in that effort to get cloture but, as for him, he thinks he can ram through a resolution outside the rules in a back-door approach to seek to amend the rules.

I do not believe the Senator or the Presiding Officer will buy that theory.

The PRESIDING OFFICER. The Chair recognizes the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, the Senate passed S. 281 authorizing $275 million as a bailout for the Pennsylvania Railroad. That action was taken on January 29.

Now, the House passed H.R. 2091 authorizing $347 million as a bailout for the Pennsylvania Railroad on February 19 of this year.

I point out, Mr. President, that in the 3 weeks between passage of the Senate and House bills the projected need has risen by $72 million for a 1-year period, namely, from $275 million to $347 million.

Talk about fast inflation—that is an increase of 26 percent in 21 days.

So what the Senate will be called upon to vote on, presumably today, is an additional $347 million for the Pennsylvania Railroad to help bail out the Pennsylvania Railroad.

The able Senator from Kansas, in his comments a few moments ago, asked the Senate to give one last shot— let me repeat, one last shot—by appropriating this $346 million.

Mr. WEICKER. Mr. President, will the distinguished Senator yield for a brief comment?

Mr. HARRY F. BYRD, JR. I yield.

Mr. WEICKER. I do not want to be misleading here. I did not say one last shot.

Mr. HARRY F. BYRD, JR. I said the Senator from Kansas.

Mr. WEICKER. I beg the Senator's pardon. I wanted to make it clear because I never tried to mislead the Senator from Virginia that something else might lie ahead.

Mr. HARRY F. BYRD. I am certain of that. In the first place, I did not mention the Senator from Connecticut. I mentioned the comment which I understood the Senator from Kansas to make, not the Senator from Connecticut. As I recollect, the Senator from Connecticut—and I wish he would correct me if I misheard him, but, as I understood the Senator from Connecticut, he said that passing this legislation is like pouring money down a rat hole. Did I understand the Senator from Connecticut correctly?

Mr. WEICKER. In the context, which is what I said, of building a rail system in this country, it is pouring money down a rat hole, there is no question about it.

Mr. HARRY F. BYRD, JR. I thank the Senator, and that is the position I have taken since December 30, 1970, more than 4 years ago. That is when the first appropriation was passed by the Senate of the United States. I said at that time the passage of that legislation was pouring money down a rathole. The proponents of that legislation, I contended, and the Pennsylvania Railroad I contended, would be back before Congress seeking more appropriations, and that is exactly what has happened.

Now, in 1970—the financial history is this, in 1970—Congress passed H.R. 19953, Penn Central emergency aid, providing for $125 million in guarantees. I opposed that because I thought that was just the beginning of many millions of dollars and hundreds of millions of dollars that would go to the bailout of this bankrupt company. Now, that was in 1970.

In 1973 Congress passed H.R. 9142, the Regional Rail Reorganization Act, providing for $85 million in grants, plus $150 million in guarantees.

Then we come to the pending legislation which provides for $197 million in grants and $150 million in guarantees, for a total in this year of 1975 of $347 million.

Now, in addition, the 1973 act authorized these amounts: operating subsidies $180 million; design for new system $43 million; labor protection $250 million; for a total in that year of $473 million.

So that the grand total of sums authorized to date and proposed for authorization in the pending bill is $1,180,000,000.

Moreover, the $150 million in loan guarantee authority in the 1973 act is only an interim guarantee authority to be charged against a total authority of $1.5 billion for the long-term reorganization.

Thus, Mr. President, the total potential commitment is $2.553 billion. Yet we are being asked today to appropriate $347 million, which the able and conscientious Senator from Connecticut has stated frankly and sincerely to the Senate is pouring money down a rathole when taken in context with the development of a strong rail system.

So I find that I must oppose, must vote against, this additional bailout for the Pennsylvania Railroad. I do not like to do it, but I see no end to it. I repeat, I see no end to it.

Another aspect that persuades me to vote in the negative, and persuaded me in the beginning to vote in the negative, is that I have not yet obtained—and maybe it is available now—but I sought in debate on December 30, 1970, I sought in that debate to determine just what assets the Pennsylvania Railroad had in its various companies.

Now, I made this statement. I quoted the Senator from Rhode Island. The Senator from Rhode Island said that the railroads are mortgaged up to their necks, but then the next sentence is the one that I am particularly concerned with, "with assets of $4 billion to $7 billion."

With assets of $4 billion to $7 billion. Now, what has happened to those assets? Have those assets been used? Should not those assets be used before the taxpayers be called upon to use tax funds?

Now, if there is information available, if the assets are available or if the information on the assets is available, the Senator from Virginia would be glad to have that information. But I am quoting now from the statement made by the Senator from Rhode Island, December 1970, in which he stated that the assets of the Penn Central conglomerate totaled $4 billion to $7 billion, and nobody knew exactly how much.

Well, 4 years and 2 months have gone by since then and maybe there is available information as to whether it is $4 billion or $5 billion or $6 billion or $7 billion, and if so, what has happened to that? Has that money been used for purposes that the taxpayers are now being called upon to appropriate funds to use to bail out the Penn Central?

So I submit that until the Penn Central conglomerate uses its own assets, that it is unwise and unnecessary and undesirable to call on the taxpayers. I submit that those tremendous assets of the Penn Central conglomerate should be used first.

I yield to the Senator from Indiana.

Mr. HARTKE. Mr. President, I just want to explain, that I understand what the Senator from Virginia is saying. I would like to explain that it is not just a simple matter of going to those assets and claiming them.

The court has in its jurisdiction the assets it can reach, and they have used all the assets that are permissable.

Now, there are two ways that the Government can get to them. One of them is to go ahead and permit the liquidation of the railroad and then they will sell the assets.

The other one is to nationalize them.

Mr. HARRY F. BYRD, JR. May I ask the Senator from Indiana, what are the total assets?

Mr. HARTKE. Some estimates are as high as $14 billion.

Mr. HARRY F. BYRD, JR. How much?

Mr. HARTKE. $14 billion.

Mr. HARRY F. BYRD, JR. $14 billion?

Mr. HARTKE. Right, that includes all the equipment, and everything else. The right-of-way and everything.

Mr. HARRY F. BYRD, JR. I might say to the Senator from Indiana, in the debate on December 30, 1970, it was stated by the Senator from Rhode Island, and I believe by the Senator from Indiana but I am not positive of that, but I do know the Senator from Rhode Island said there was somewhere between $4 billion and $7 billion.

Mr. HARTKE. I think maybe that is——

Mr. HARRY F. BYRD, JR. So it was underestimated at that point.

Mr. HARTKE. That is one estimate of the rehabilitation costs.

Mr. HARRY F. BYRD, JR. Well, that is not——

Mr. HARTKE. I do not know to which assets he is referring, either. The difficulty——

Mr. HARRY F. BYRD, JR. Anyway, the new figure that the Senator from Indiana has is that the total assets of that Penn Central conglomerate is $14 billion?

Mr. HARTKE. Approximately. There is at this moment no definitive statement of assessment of all those assets, but we heard estimates that the total assets might be as much as $14 billion.

That is one reason the creditors want to liquidate the railroad, because as far as they are concerned, they probably could have gotten more of their money than they can under a reorganization employing a cram down theory.

In other words, what the Government has done is to cram this down to the extent of making the asset owners go ahead and take this type of reorganization rather than go through liquidation.

Liquidation has its definite problems. One of them is that as far as operations are concerned, are in an unsure position.

The second is that it makes it almost impossible to come forward with any type of rail transportation system unless we spend as much as $14 billion merely to acquire assets instead of what we are spending. That is the difficulty.

Mr. HARRY F. BYRD, JR. I think this has been a very worthwhile discussion. I read the paper very carefully, but I never saw the statement made.

Mr. HARTKE. This really is a question that was raised before the Supreme Court, as to whether or not the creditors could get at these assets the Senator is talking about. The creditors——

Mr. HARRY F. BYRD, JR. The total assets is the figure the Senator from Virginia is particularly interested in.

Mr. HARTKE. Yes, but that includes locomotives, it includes boxcars, it includes right-of-way, it includes worn-out track.

In some cases the steel, the rails themselves, are of tremendous value.

Mr. HARRY F. BYRD, JR. Is it not correct the Penn Central conglomerate has a great deal of real estate property?

Mr. HARTKE. Yes.

Mr. HARRY F. BYRD, JR. And does it not have virtually all types of investments?

But in any case, a significant figure has been developed by this debate and I thank the Senator from Indiana.

Mr. HARTKE. Let me point out, I do not want to say that this is an assessment which ultimately is to be used as far as any payments are concerned.

Mr. HARRY F. BYRD, JR. I understand, but the best——

Mr. HARTKE. What I am saying is that one alternative is to nationalize this system, and I think that could take as much as $14 billion.

The other side of the coin is that we could liquidate, and if we liquidate and get to the assets, then we stop the whole railroad system.

Now, these are the only two alternatives that I know of.

Mr. HARRY F. BYRD, JR. I am not speaking of alternatives. I merely am trying to establish the fact, which I think the Senator from Indiana has already established now. In reply to my question, the Senator from Indiana stated that the total assets were roughly, the best the committee can determine, about $14 billion.

Mr. HARTKE. That is merely an estimate.

Mr. HARRY F. BYRD, JR. That is right.

Mr. HARTKE. I should point out that the court may come in and make a decision that is far——

Mr. HARRY F. BYRD, JR. And, anyway, it is a very substantial sum.

Mr. HARTKE. Let me say that $7 billion is not an unreasonable amount—$14 billion is probably a more exaggerated figure.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. HARTKE. All right.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. WEICKER. Mr. President, I would like to just make a couple of remarks emanating from the discussion presented by the distinguished Senator from Virginia.

No. 1, I would like to respond to the Senator from Virginia as to why the difference in price between the original Senate bill and the bill passed in the House.

The moneys originally requested of the Senate were based on the fact that the railroad would get an increase in its freight rates. That increase was denied. Therefore, that figure went out the window.

The House knew that when they got the legislation and upped the price.

Then, also, the Erie Lackawanna is involved in this legislation now, so that upped the price.

So that is the reason, and it is a valid question the distinguished Senator raised, but that is the reason for the difference on the price tag as between the two.

Now, let me make this clear, as clear as I can. I am not a highway man. Ever since I have come to Congress, I pleaded for better rail systems. Nobody has responded and we are paying the bill now.

I am not an operating deficit man. I pleaded in the Amtrak legislation that money be earmarked for capital improvement and R. & D., so we could get out of the deficit-type situation.

Lastly, I have absolutely nothing but ill will toward the Penn Central and its former management.

Balanced against that, I just am not willing to let the innocent suffer and they are the ones going to lose their jobs either directly, if they are employed by the Penn Central or indirectly, if their jobs touch upon those goods and services delivered by that particular railroad.

I want to make clear that both the distinguished Senator from Indiana and myself are, No. 1, not committed to a good rail system today. We have been committed to it for years but nobody will go ahead either in the legislative or executive branch of Government and provide it. Then they complain when you get a God-awful tab like this which does not build one single piece of trackage or create one locomotive, freight car, or passenger car. This money could have been spent on that. But neither the executive nor the legislative branches of Government, up until most recently, have provided the entities within which to accomplish that type of operation. You are getting the bill today.

This report came out in 1973. I am going to repeat it, because this is what you are paying for today. You are not paying for the Penn Central, but the following:

> The Penn Central's collapse stemmed from the complex interaction of a number of factors, including questionable management policy, the misdeeds of individuals, Federal regulatory policies and practices, an inadequately developed national transportation policy, the national economy, deteriorating business conditions in the Northeastern part of the United States, the inability of the private sector to respond to these changes, and successful competition from other modes of transportation.
>
> In the last several decades, railroads operating in the Northeast and Midwest found themselves in an environment where the national economy was changing, reducing the importance of the principal commodities carried by railroads and therefore, the role of the railroads in the transportation system. The percentage of the gross national product represented by agriculture, mining, and nondurable goods—heavy users of rail freight transportation—declined during the 1960's; a trend toward locating factories closer to consumer markets reduced the demand for transportation services; the 1960–61 and 1968–70 recession had a pronounced impact; in the late 1940's and early 1950's railroads virtually abandoned hauling goods in less than carload lots;

It will be noted that there are two substantial areas of Federal failure; the failure on the part of the regulatory agencies and the failure of the Congress and the executive to develop national transportation policy.

This bill is the tab for those omissions. So regardless of whatever blame is put on the shoulders of that rather unfortunate group that ran the railroad, part of the

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blame lies on that rather unfortunate group that has been charged with the responsibility of legislatively and executively developing our transportation policy here in this country.

As I said, I have to stand here in the nature of preserving jobs, nothing more—not building a railroad and not creating anything—and ask the Congress and the American people to pay the tab for these misdeeds when indeed my whole legislative life has been saying let us build, let us create, a decent rail system, both mass and intercity, rather than to go ahead and involve ourselves in deficits.

CLOTURE MOTION

The PRESIDING OFFICER (Mr. GARY W. HART). The time for debate having expired, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to agree to the House amendment to S. 281, an Act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Vance Hartke, Harrison A. Williams, Lowell P. Weicker, Jr., J. Glenn Beall, Philip A. Hart, John O. Pastore, Wendell H. Ford, Jacob K. Javits, John Glenn, Robert C. Byrd, Mike Mansfield, Richard S. Schweiker, Patrick J. Leahy, Robert Dole, Hiram L. Long, Alan Cranston, Joseph R. Biden, Jr., Frank Church, Abraham Ribicoff, Walter D. Huddleston, Frank E. Moss, William V. Roth, Jr.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 12 Leg.]

Allen	Culver	Laxalt
Bentsen	Ford	Mondale
Brock	Goldwater	Pearson
Byrd, Harry F., Jr.	Hart, Gary W.	Ribicoff
Byrd, Robert C.	Hartke	Sparkman
Church	Javits	Williams
	Johnston	

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk	Case	Garn
Baker	Chiles	Glenn
Bayh	Clark	Griffin
Beall	Cranston	Hansen
Bellmon	Curtis	Hart, Philip A.
Biden	Dole	Haskell
Brooke	Domenici	Hatfield
Buckley	Eagleton	Hathaway
Bumpers	Eastland	Helms
Burdick	Fannin	Hollings
Cannon	Fong	Hruska
Huddleston	Metcalf	Scott, William L.
Humphrey	Montoya	Stafford
Inouye	Morgan	Stennis
Jackson	Moss	Stevens
Kennedy	Muskie	Stevenson
Leahy	Nelson	Stone
Long	Nunn	Talmadge
Magnuson	Packwood	Thurmond
Mansfield	Pastore	Tower
Mathias	Pell	Tunney
McClellan	Proxmire	Weicker
McClure	Randolph	Young
McGee	Roth	
McGovern	Schweiker	
McIntyre	Scott, Hugh	

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. SYMINGTON) is necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

The PRESIDING OFFICER (Mr. GLENN). A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to agree to the House amendment to S. 281, an act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule, and the clerk will call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, a parliamentary inquiry.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRY F. BYRD, JR. Mr. President, does it take a two-thirds vote to shut off debate on this matter?

The PRESIDING OFFICER. Under XXII, it takes two-thirds of the Senate present and voting to shut off debate.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Are we proceeding under rule XXII?

The PRESIDING OFFICER. We are proceeding under rule XXII.

Mr. CURTIS. It is a rule of the Senate?

The PRESIDING OFFICER. We are proceeding under rule XXII.

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Is it a fact that the sponsors of Senate Resolution 4 reserve their rights under the Constitution?

Mr. ALLEN. I believe that is a constitutional question.

The PRESIDING OFFICER. The rights of all Senators were preserved by unanimous consent last evening.

Mr. MONDALE. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. SYMINGTON) is necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

The yeas and nays resulted—yeas 86, nays 8, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—86

Abourezk	Garn	Metcalf
Baker	Glenn	Mondale
Bayh	Goldwater	Montoya
Beall	Griffin	Moss
Bellmon	Hansen	Muskie
Bentsen	Hart, Gary W.	Nelson
Biden	Hart, Philip A.	Nunn
Brock	Hartke	Packwood
Brooke	Haskell	Pastore
Buckley	Hatfield	Pearson
Bumpers	Hathaway	Pell
Burdick	Hollings	Proxmire
Byrd, Harry F., Jr.	Hruska	Randolph
	Huddleston	Ribicoff
Byrd, Robert C.	Humphrey	Roth
Cannon	Inouye	Schweiker
Case	Jackson	Scott, Hugh
Chiles	Javits	Scott, William L.
Church	Johnston	Sparkman
Clark	Kennedy	Stafford
Cranston	Laxalt	Stevens
Culver	Leahy	Stevenson
Curtis	Long	Tower
Dole	Magnuson	Tunney
Domenici	Mansfield	Weicker
Eagleton	Mathias	Williams
Eastland	McClure	Young
Fannin	McGee	
Fong	McGovern	
Ford	McIntyre	

NAYS—8

Allen	Morgan	Talmadge
Helms	Stennis	Thurmond
McClellan	Stone	

NOT VOTING—5

Bartlett	Percy	Taft
Gravel	Symington	

The PRESIDING OFFICER (Mr. GLENN). On this vote there are 86 yeas and 8 nays. Two-thirds of the Senators present and voting having voted in the affirmative, the motion is agreed to. Each Senator is permitted 1 hour for debate.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

Mr. HARTKE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The motion to concur in the House amendment to S. 281.

Mr. HARTKE. Mr. President, I thank the Senate, for whatever reasons Senators voted for cloture, for giving us a chance to bring this debate to a close.

Mr. STENNIS. Mr. President, may we have order?

THE PRESIDING OFFICER. The Senate will be in order.

Mr. HARTKE. Mr. President, I would hope we could proceed immediately to a vote. I am not interested in a rollcall, and if we could, I would ask the Chair to go ahead and proceed, unless someone else wishes to speak.

Mr. ALLEN. Mr. President, I yield myself 15 seconds.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. I make the point of order that my right to debate this measure has been improperly limited by the provisions of rule XXII, which is not as yet a rule of the Senate.

The PRESIDING OFFICER (Mr. GLENN). The Chair overrules the point of order.

Mr. ALLEN. What was the ruling?

The PRESIDING OFFICER. The Chair overrules the point of order.

Mr. ALLEN. I yield myself an additional 15 seconds. Is the effect of the Chair's ruling, then, that rule XXII is in full force and effect?

The PRESIDING OFFICER. The ruling of the Chair is that rule XXII has been invoked.

Mr. ALLEN. That is not the question that the Senator from Alabama asked to be ruled upon. I asked the Chair if rule XXII, in order to limit the right of the Senator from Alabama to debate, is in full force and effect. That is the point the Senator from Alabama is making.

The PRESIDING OFFICER. The Chair repeats his answer that the Senate has invoked rule XXII. Is there further debate?

Mr. MONDALE. Regular order, Mr. President. Regular order.

Mr. ALLEN. The Senator from Alabama wishes to reassert his point of order, because he does not feel that he has had a proper explanation. I make the point of order that rule XXII not being in full force and effect, the procedure under rule XXII improperly limits the right of the Senator from Alabama to debate this question.

The PRESIDING OFFICER. The Chair overrules the point of order.

Mr. ABOUREZK. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator can appeal that.

The Senator from South Dakota.

Mr. ALLEN. I will accept the offer of the distinguished Senator now presiding over the Senate. I will appeal the point of order.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. ABOUREZK. If the Senator from Alabama takes the position at this point that rule XXII is not in effect is he then prevented at a later date from invoking rule XXII himself?

The PRESIDING OFFICER. The Chair will not entertain a hypothetical situation. [Laughter.]

Mr. ALLEN. Mr. President, I yield myself an additional 30 seconds in order to establish this point. The Chair having overruled the point of order made by the Senator from Alabama, the Senator from Alabama appeals the ruling of the Chair and calls for the yeas and nays.

Mr. ABOUREZK. I move to table, Mr. President.

Mr. MONDALE. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. MONDALE. Mr. President, I move to table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. Order will be maintained. The clerk will suspend calling the roll until order has been established.

The clerk will proceed.

The second assistant legislative clerk resumed the call of the roll.

Mr. NELSON. Mr. President, the Senate is not in order. Senators are conversing in the asiles and the well of the Senate.

The PRESIDING OFFICER. The Senate will be in order. Those who wish to talk should retire to the cloakroom and the others take their seats. The clerk will not call the roll until the Senate is in order.

The clerk will proceed.

The second assistant legislative clerk resumed the call of the roll.

The PRESIDING OFFICER. Can we have quiet in the Chamber, please, while the roll is being called.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—92

Abourezk	Curtis	Humphrey
Allen	Dole	Inouye
Baker	Domenici	Jackson
Bayh	Eagleton	Javits
Beall	Eastland	Johnston
Bellmon	Fannin	Kennedy
Bentsen	Fong	Laxalt
Biden	Ford	Leahy
Brock	Garn	Magnuson
Brooke	Glenn	Mansfield
Buckley	Goldwater	Mathias
Bumpers	Griffin	McClellan
Burdick	Hansen	McClure
Byrd, Harry F., Jr.	Hart, Gary W.	McGee
	Hart, Philip A.	McGovern
Byrd, Robert C.	Hartke	McIntyre
Cannon	Haskell	Mondale
Case	Hatfield	Montoya
Chiles	Hathaway	Morgan
Church	Helms	Moss
Clark	Hollings	Muskie
Cranston	Hruska	Nelson
Culver	Huddleston	Nunn
Packwood	Scott, Hugh	Talmadge
Pastore	Scott, William L.	Thurmond
Pearson	Sparkman	Tower
Pell	Stafford	Tunney
Proxmire	Stennis	Weicker
Randolph	Stevens	Williams
Ribicoff	Stevenson	Young
Roth	Stone	
Schweiker		

NAYS—0

NOT VOTING—7

Bartlett	Metcalf	Taft
Gravel	Percy	
Long	Symington	

So Mr. MONDALE's motion to lay on the table the appeal of Mr. ALLEN was agreed to.

The PRESIDING OFFICER. The question is on the motion to concur in the House amendment.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Mr. President, a parliamentary inquiry. What is the pending question?

The PRESIDING OFFICER. The motion to concur in the House amendment to S. 281.

Mr. MOSS. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. MOSS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I yield myself 10 minutes.

Mr. President, the reason I made the point of order that rule XXII——

Mr. HANSEN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ALLEN. That rule XXII is not in full force and effect was to establish the principle that, in fact, it is in full force and effect, because the Senator from Alabama had no idea that the Chair would sustain his point of order and allow him, and others, the right of unlimited debate on this issue.

So then the Senator from Alabama, for the record and for the parliamentary situation, made the point of order that rule XXII is not in full force and effect and that, for that reason, the right of the Senator from Alabama to speak was improperly being limited.

Not being satisfied with a mere overruling of that point by the Chair, which, in effect, took the exact opposite position from the position of the Senator from Alabama, the Senator from Alabama, for the purpose of the record and the parliamentary situation, made the point of order that rule XXII is not in effect and the Chair overruled that point of order. Then the Senator from Alabama took an appeal from that ruling in order to give the Senate an opportunity to say whether the Chair is right in, in effect, saying that rule XXII is in full force and effect. So he took exactly the opposite position from the position advocated for the purpose of parliamentary procedure by the Senator from Alabama.

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Not being satisfied with a mere ruling from the Chair that rule XXII is in effect, and that is what the overruling of the point of order constitutes, he wanted to get an expression from the membership of the Senate. So the Senate by unanimous vote, including the vote of the Senator from Alabama, has said that the ruling by the Chair was correct when the Chair said that it is wrong to say that rule XXII is not in full force and effect.

So the Chair has finally accommodated the Senate by stating its views with respect to rule XXII. I am delighted that this ruling has been made, and the Senator from Alabama hopes that the distinguished President of the Senate will be advised of this point of order and the overruling by the Chair of the point of order, and that he, too, will take the same position as to rule XXII now being in effect as to all matters on which debate has not heretofore been limited. That would apply specifically to Senate Resolution 4 because no action whatsoever has been taken on that.

I reserve the remainder of my time.

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Am I correct that the Presiding Officer——

The PRESIDING OFFICER. Will there be quiet in the Senate so the Chair can hear the Senator from Minnesota?

Mr. MONDALE. Did the Presiding Officer simply rule that rule XXII had been invoked? Was that all that the Presiding Officer ruled? Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. MONDALE. The Presiding Officer also ruled, as I understood it, that no other rights that exist, including those under unanimous consent, were waived as a part of this point of order; is that correct?

The PRESIDING OFFICER. That was raised as a parliamentary inquiry earlier, but it was not part of the point of order.

Mr. MONDALE. Mr. President, I yield myself 5 minutes.

Mr. President, the record of our proceedings are as clear as they could possibly be from the very day that this Senate convened. It was understood on January 14, and on several occasions since then, that those of us who were pursuing a change with Senate Resolution 4 did not lose our rights to pursue those changes, notwithstanding the fact that the first day of the session had expired or that intervening business had been undertaken, or that rule XXII was invoked on other matters. Our right to change that rule flows from the Constitution, article I, section 5. The Senate has repeatedly voted to sustain our right to do so. Those who oppose the right of the Senate to assert its authority under the Constitution to change its rules at the beginning of each session try to do so with resort to rules which were developed not in this Congress but in previous Congresses, and seek to sustain the position that if you were in the Senate in 1959 you could somehow bind the Senate in 1975.

We reject that. There have been no waivers. I put in the RECORD earlier that on two, three, or four occasions there have been unanimous-consent agreements. Yesterday there was a unanimous-consent agreement entered into with the acquiescence, incidentally, of the Senator from Alabama (Mr. ALLEN) which stated that immediately after the conclusion of the railroad bill we would resume the business on the amendments of Senate Resolution 4; namely, the change in our rules. Therefore, it is as clear as it could possibly be that the Senate stands by the principle that the majority has the right to change its rules and that none of us has lost his rights to do so as we proceed under that unanimous-consent agreement.

Mr. JAVITS. Mr. President, I think the moment has come now, as Senator MONDALE has already indicated, to lay out what is the policy and the principle which we, who are for this rules change, are following——

Mr. ROBERT C. BYRD. Mr. President, I ask for regular order.

The PRESIDING OFFICER. Regular order having been demanded, the debate must be germane to the pending motion.

Mr. JAVITS. Mr. President, the pending motion is with reference to railroad financing. Mr. President, I am addressing myself to that issue because in this instance, and in other instances, railroad financing, or any other kind of financing, may prove to be impossible unless we have some way of bringing any matter to a vote in this Senate. To show its relevance and germaneness, we have just made it possible to vote on railroad financing in danger of railroad closing by voting cloture. Therefore, in all respect to the Chair and the Senator from West Virginia, it is very pertinent to address oneself under the rule of germaneness to the occasion on which this Senate may, in a critical situation, enable itself to perform its duty. That is all that I am addressing myself to at this time.

Mr. ROBERT C. BYRD. Will the Senator yield for a parliamentary inquiry?

Mr. JAVITS. I yield.

Mr. ROBERT C. BYRD. What is the pending business before the Senate?

The PRESIDING OFFICER (Mr. HELMS). The business before the Senate is a motion to agree to the House amendment to S. 281.

Mr. ROBERT C. BYRD. I ask for regular order.

The PRESIDING OFFICER. Regular order having been demanded, Senators may speak only to that question.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is it germane to address oneself to the issue of coming to a vote on this question?

The PRESIDING OFFICER. The Chair advises the Senator that the Senate has already voted to come to a vote on this question after 100 hours of debate at most.

Mr. JAVITS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is it germane to discuss the general issues of railroad financing or the ability to finance failing railroads, with a view toward the contingency that this represents a precedent, that there may be other failing railroads, with respect to which we also will have to come to a vote?

The PRESIDING OFFICER. The Chair advises that if that matter is in the House amendment, of course, it would be germane.

Mr. JAVITS. Mr. President, one other point, and I shall not take very many minutes.

I must say it is rather anomalous—and I say this to the Senator from West Virginia—that an effort is made to prevent the discussion by me of a matter to which two speakers have already addressed themselves without any objection, particularly as I gave no indication whatever that I would take an inordinate amount of time, and I do not think I ever do.

Be that as it may, Mr. President, I will address myself to that part of the issue which the Chair has held to be germane.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. JAVITS. I yield.

Mr. ROBERT C. BYRD. Mr. President, I respect the observation that the distinguished Senator from New York has just made. I did not ask for the regular order until a proponent and an opponent had spoken. I thought that both Mr. ALLEN and Mr. MONDALE having presented their views, it was time then to ask for the regular order.

May I say that at 2:30 p.m. today, the Pastore rule will not be in further effect.

Mr. JAVITS. That is a half hour from now. I hope the Senator will not require me to stall for a half hour, because I do not want to do that. Why do we not just say that I go ahead for 2 or 3 minutes? I have that short a time in which to explain what I have in mind.

I would not have risen, because I have great confidence in Senator MONDALE, who has carried the torch, so far as I am concerned, in this session and the previous session, with Senator PEARSON—a torch which I and Senator Douglas, Senator HART, Senator CHURCH, and Senator HATFIELD have carried for some years. But there is a point to be added, and that point relates to that section of our rules which is rule XXXII——

Mr. ROBERT C. BYRD. Mr. President, I have to ask for the regular order. I am sorry to do this against the Senator from New York, but I have already explained that I did not do it against the Senator from Alabama; therefore, I felt that I ought not do it against the Senator from Minnesota. Beyond that, I think we should stick to the business until the time for the Pastore rule of germaneness has expired.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum, on my time.

The PRESIDING OFFICER. The clerk will call the role.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I wonder if I might inquire of my colleagues——

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The Senator will not continue until the Senate is in order.

Mr. JAVITS. Mr. President——

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. WEICKER. Mr. President, I wonder if I might inquire of my colleagues as to what the chances are of bringing the matter of the Penn Central to a vote—if not now, in the very near future. Not being involved in the other controversy, I should like to see if I could invoke some sort of a response on this question, as to whether or not we can go to a vote or whether there is going to be considerable debate and parliamentary maneuvering.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. JAVITS. Mr. President, I agree with the Senator from Connecticut; and now that I have had an explanation from the Senator from West Virginia, I agree with him. We should get to a vote on this. I believe there will be an opportunity to elucidate my position in due course. So, Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. HARRY F. BYRD, JR. Mr. President——

The second assistant legislative clerk proceeded to call the roll, and Mr. ABOUREZK voted in the affirmative.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. MONDALE. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 10 minutes, and I plan to discuss the issue at hand.

Mr. WEICKER. Mr. President, will the Senator yield? I in no wise wanted to cut him off. He has been in the Chamber during the debate and has addressed his comments to the Penn Central matter.

Mr. HARRY F. BYRD, JR. I fully understand.

Mr. ROBERT C. BYRD. Furthermore, he stated to the Senate yesterday that he desired to have something to say on the matter pending. He was attempting to get recognition before the rollcall was responded to.

Mr. HARRY F. BYRD, JR. I thank the Senator. I shall not be long. I yield myself 10 minutes.

The PRESIDING OFFICER. The Chair is going to insist on order in the Senate. The Senator will suspend.

Senators will take their seats or take their conversations to the cloak room.

The Senator may proceed.

Mr. HARRY F. BYRD, JR. Mr. President, the Senate is faced with a difficult situation in regard to the Penn Central Railroad.

No one wants to have the Penn Central cease to operate; but, on the other hand, there is the grave question of national policy involved.

Mr. President, may we have order?

The PRESIDING OFFICER. The Chair begs the indulgence of all Senators and the galleries. We must have complete order in the Senate, and we will have it before the Senator proceeds.

The Senator may proceed.

Mr. HARRY F. BYRD, JR. Mr. President, this matter first came up in 1970. The Senate debated it at some length on December 30, 1970.

At that time, the Senator from Virginia made the assertion that, in his judgment, enactment of that legislation, of the appropriation, would be a bottomless pit for the American taxpayer.

The able Senator from Connecticut, one of the managers of today's bill, stated on the floor of the Senate this morning that, in the context of the development of a national railroad system, the appropriation of $347,000, which is involved in the measure which the Senate will vote on, is pouring money down a rathole, and I agree. I agree with that. That is why I find it very difficult to support such legislation.

Mr. President, I want to correct the RECORD. I misspoke myself. I said "$347,000," and I meant $347 million. I could understand myself making a mistake the other way, but I do not know how I could ever figure that the Senate would ever bother with a sum of $347,000. [Laughter.]

I want to give some financial history. In 1970, H.R. 19953 was enacted. That provided $125 million in guarantees. In 1973, H.R. 9142 was enacted. That provided grants of $85 million and guarantees of $150 million.

In addition, that 1973 act authorized these amounts: operating subsidies, $180 million; design of new system, $43 million; labor protection, $250 million. Those figures add up to $473 million.

So the grand total of the sums authorized to date and proposed for authorization in the pending bill is $1,180,000,000.

Moreover, the $150 million in loan guarantee authority in the 1973 act is only an interim guarantee authority, to be charged against a total authority of $1.5 billion for the long-term reorganization.

Thus, the total potential commitment, Mr. President, is $2,553,000,000.

The pending legislation—and incidentally, I voted to invoke cloture so that the matter could be brought to a vote today, even though I am opposed to the legislation. The pending legislation provides for a total of $347 million. This is $72 million more than the Senate approved on January 29.

Another aspect of this matter that gives the Senator from Virginia a great deal of concern is that the Penn Central conglomerate has huge assets.

In the debate of 1970, it was stated by both the distinguished Senator from Indiana (Mr. HARTKE) and the distinguished Senator from Rhode Island (Mr. PASTORE) that the assets of the Penn Central conglomerate were somewhere between $4 billion and $7 billion.

No one knew exactly how much.

Now, this morning, in debating the pending measure, the Senator from Virginia put the question to the distinguished Senator from Indiana (Mr. HARTKE), the manager of the bill, as to the best estimate he could give—and we all realize it can be only an estimate—as to the assets of the conglomerate.

The distinguished Senator from Indiana replied and emphasized that it was only an estimate and that it could be less, but the figure he gave was $14 billion.

Well, whether it is $14 billion or $7 billion or $4 billion or somewhere in between, there are tremendous assets which will go to somebody.

I submit that before we pour more money down this rathole, Congress ought to know more about those assets, and before the taxpayers are called upon to put up their money, those assets should be utilized.

For the reasons I have enumerated, Mr. President, I shall vote in opposition to the pending legislation further to bail out this bankrupt company.

There are 10,000 or 12,000 bankruptcies every year. Where do we stop bailing out bankrupt companies with the tax funds of the American wage-earner.

As I say, while this company is technically bankrupt, it is admitted by all sides——

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. HARRY F. BYRD, JR. I yield myself 3 minutes.

It is admitted by all sides that there are tremendous assets running into the billions of dollars.

Mr. President, at this point, I ask unanimous consent to have printed in the RECORD the debates on the original Penn Central legislation, which took place in the Senate on December 30, 1970, and also, a statement I made in the Senate on July 26, 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Mr. BYRD of Virginia. Mr. President, I find this legislation a very difficult one on which to pass judgment.

We are faced with a very difficult situation. No one wants the Penn Central Railroad to cease to operate. On the other hand, there is a grave question of national policy involved—a new policy and one which can have far-reaching consequences.

I would like to address several questions, if I may, to the distinguished Senator from Indiana.

First, in reading the committee report, I find a number of letters from various govern-

mental officials, but they seem to refer to legislation other than the particular bill under consideration. Am I correct in that?

Mr. HARTKE. The Senator is basically correct. What happened was that the administration submitted a recommended bill to lend money to the railroads before the Penn Central went into reorganization. Before the bill was actually introduced and before hearings were conducted, the railroads entered reorganization. The strike threat occurred in December, then there was a wage increase, which precipitated the action which is being taken at this time.

The bill itself was worked out by the committee at a very late date. It has the endorsement of the Department of Transportation and it has been passed by the House of Representatives.

Mr. BYRD of Virginia. I thank the Senator.

In the letter from the Assistant Comptroller General he mentions that the bill then under consideration used the figure $750 million. Was the original proposal to permit loans up to $750 million, or guarantee of loans up to $750 million?

Mr. HARTKE. The administration bill requested that the committee authorize the guaranteeing of loans up to $750 million without any restrictions as to the railroad's condition and without any requirement that the railroad be in reorganization.

Mr. BYRD of Virginia. Who submitted that bill?

Mr. HARTKE. That bill was submitted on behalf of the administration.

Mr. BYRD of Virginia. Was it submitted by the Interstate Commerce Commission or the Justice Department?

Mr. HARTKE. By the Department of Transportation. It was introduced by the ranking minority member of the committee on request of the Department of Transportation.

Mr. BYRD of Virginia. The bill under consideration at the moment is H.R. 19953. I assume that that is precisely the same as S. 4595.

Mr. HARTKE. For all intents and purposes it is, with the exception of some minor technical amendments.

Mr. BYRD of Virginia. There is no basic difference in the two?

Mr. HARTKE. There is no basic difference in the two.

Mr. BYRD of Virginia. I have not had an opportunity to study H.R. 19953, but I did have an opportunity to study S. 4595 and it seems to me it is a very well drawn proposal and has incorporated in it restrictions which, in my judgment, should be in legislation of this type if we are being to pass legislation of this type. I think the committee did an excellent job in preparing the bill and in writing restrictions into the bill, assuming it is wise to pass such legislation.

Mr. HARTKE. I thank the Senator from Virginia for saying that. Let me point out to him that what we wanted in this bill was to have it as tightly drawn as possible. We had the interest of two groups in mind: the U.S. taxpayers and the user of the railroad's service. So the prime purpose of the bill is to lend money to run the railroad. Assistance would go only to railroads that were in reorganization and where cessation of service was imminent.

Mr. BYRD of Virginia. This proposal would permit Government guaranteed loans up to $125 million?

Mr. HARTKE. That is correct.

Mr. BYRD of Virginia. And that $125 million could go to one railroad or to several or more railroads?

Mr. HARTKE. The Senator's statement is correct.

Mr. BYRD of Virginia. What about the interest on those loans? Who is to pay the interest on the loans?

Mr. HARTKE. It is a guaranteed loan. The debtor pays the interest.

Mr. BYRD of Virginia. The loan itself will be made through commercial sources?

Mr. HARTKE. The loan would be made by a commercial enterprise. The loan itself would be approved by the Department of Transportation. The interest would be in addition to the actual loan itself.

Mr. BYRD of Virginia. Then, we are not dealing with $125 million; we are dealing with $125 million plus the interest on $125 million?

Mr. HARTKE. Plus the interest; that is correct.

Mr. BYRD of Virginia. Which the Government will pay to a commercial enterprise——

Mr. HARTKE. The Government payment would be only in the event of default. The Government will not make any payment unless there is a default. What it is making is a guarantee of the loan.

Mr. BYRD of Virginia. Who pays the interest?

Mr. HARTKE. The railroad.

Mr. BYRD of Virginia. The railroad will pay interest on the loan until it comes in default?

Mr. HARTKE. That is right.

Mr. BYRD of Virginia. And then if it comes in default, the Government pays the interest as well as the principal?

Mr. HARTKE. That is right. It has responsibility for the loan and it would assume all the rights and obligations of the original debtor.

Mr. BYRD of Virginia. But until the loan is in default, the interest is paid by the railroad itself?

Mr. HARTKE. That is right.

Mr. BYRD of Virginia. Did I understand the Senator from Indiana to say, or perhaps it was the Senator from New Hampshire or the Senator from Kentucky, that the ICC has already made a $20 million——

Mr. HARTKE. No, I want to correct that.

I have here a recapitulation of the total amount of guaranteed loans, and I ask unanimous consent that the entire list be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD.

LOAN GUARANTEE APPLICATIONS APPROVED

Railroad	Number of applications	Total amount guaranteed
Boston & Maine	5	$3,000,000
Central of New Jersey	2	20,000,000
Chicago & Eastern Illinois	2	14,800,000
Erie-Lackawanna	1	15,000,000
Georgia & Florida	2	1,934,950
Lehigh Valley	5	21,823,000
Missouri-Kansas-Texas	3	34,000,000
Mason	2	10,500,000
Penn Central (formerly New York Central)	1	40,000,000
New Haven	4	23,159,400
New Haven trustees	2	12,500,000
New York, Susquehanna & Western	2	855,000
Norfolk Southern	2	7,300,000
Pittsburgh & West Virginia	2	3,000,000
Reading	1	30,000,000
Total	36	133,971,350

LOAN GUARANTEE APPLICATIONS STATEMENT SHOWING FOR APPROVED APPLICATIONS THE TERM OF GUARANTEE, RATE OF INTEREST, AND PURPOSE OF LOAN

Finance Docket No.	Railroad	Amount approved	Term of guarantee (years)	Date of final maturity	Rate of interest (percent)	Purpose of loan
20429	Boston & Maine	$3,000,000	15	Dec. 1, 1974	5	(1).
21865	Do	3,000,000	15	July 1, 1975	5	(1).
21615	Do	1,000,000	6	July 1, 1965 [2]	4⅛	(1).
22231	Do	1,000,000	15	Oct. 15, 1977	5	(1).
22639	Do	1,000,000	8	July 1, 1966 [2]	4¾	(1).
	Total	9,000,000				
21555	Central of New Jersey	15,000,000	15	July 1, 1976	5	(4).
22640	Do	5,000,000	15	Dec. 1, 1978	5	(1).
	Total	20,000,000				
21210	Chicago & Eastern Illinois	3,000,000	15	July 31, 1975	5¼	(1).
22361	Do	11,800,000	15	Dec. 31, 1977	5	(4).
	Total	14,800,000				
21494	Erie-Lackawanna	15,000,000	15	June 1, 1976	5¼	(1).
	Total	15,000,000				
20517	Georgia & Florida	934,960	10	Dec. 31, 1970 [3]	5	(4).
20518	Do	1,000,000	10	Dec. 23, 1970 [3]	5½	(4).
	Total	1,934,960				
20760	Lehigh Valley	5,923,000	15	Aug. 1, 1974	5.0059	(1)
21300	Do	5,000,000	15	June 15, 1975	8½	(1).
21539	Do	2,500,000	4	May 17, 1976	6	(1).
21776	Do	5,000,000	15	Nov. 1, 1976	4½ and 5	(1).
22339	Do	3,400,000	15	May 1, 1977	4¼	(1).
	Total	21,823,000				
21454	Missouri-Kansas-Texas	15,000,000	15	May 1, 1976	5	(1).
21552	Do	6,000,000	15	June 1, 1976	4¾	(1).
22577	Do	12,000,000	15	June 1, 1978	5⅜	(1).
	Total	34,000,000				

Note: Table incomplete.

INTERSTATE COMMERCE COMMISSION, BUREAU OF ACCOUNTS, SECTION OF FINANCIAL ANALYSIS—PT. V LOANS RECONCILIATION OF DIFFERENCES IN AMOUNTS FOR SAME ITEMS SHOWN IN ANNUAL REPORT (SCHEDULE 6) TO TREASURY DEPARTMENT AND STATEMENTS FURNISHED BUREAU OF BUDGET BY BUDGET AND FISCAL OFFICE

Railroad	Amount of loan outstanding as of June 30, 1970: Treasury report	Statement to Bureau of Budget	Items in Budget statement which are under or over amounts for similar items in Treasury report: Under	Over
Boston & Maine	$3,216,667	$3,216,667		
Central of New Jersey		15,075,573		[1] $15,074,573
Chicago & Western Illinois	6,838,996	6,838,996		
Erie-Lackawanna	12,000,000	12,000,000		
Lehigh Valley	11,285,000	11,285,000		
Missouri-Kansas-Texas	30,040,000	30,040,000		
Monon	7,450,000	7,450,000		
New Haven	2,719,800	15,409,032		[1] 12,689,232
New Haven Trustees	12,500,000	12,500,000		
New York, Susquehanna & Western	229,300	229,300		
Norfolk Southern	$5,800,000	$5,800,000		
Penn Central (formerly New York Central)	16,900,000	16,900,000		
Pittsburgh & West Virginia	600,000	600,000		
Reading	28,000,060	28,000,000		
Total	137,579,763	165,344,568		$27,764,805
Difference	27,764,805			

[1] Explanation: Amount paid by United States upon default—no further contingency—therefore not included in Treasury report. Amounts applied against principal of loan in finance docket No. 20398 as result of settlement between Department of Justice and Trustees, and amounts applied against principal of unsecured loan in finance docket No. 21299 as a result of settlement of certain claims. Amounts applied against principal of Central of New Jersey loans as a result of income received on collateral and proceeds from maturing Treasury bills.

Difference:	
New Haven	+$14,375,000
Finance docket No. 20398	1,057,868
Finance docket No. 21299	627,900
Total	−1,685,768
Net, New Haven	+12,689,232
Central of New Jersey	+16,995,000
Financial docket No. 21555	$1,583,517
Financial docket No. 22640	335,910
Total	−1,919,427
Net, Central of New Jersey	+15,075,573
Net total	+27,764,805

Note: The above differences are due to the fact that the Treasury report (schedule 6, "Supplementary Statement of Commitments and Contingencies") shows the contingent liability of the United States as of the date thereof whereas the statements furnished Budget include the unpaid balance on defaulted loans of New Haven and Central of New Jersey which are still a debt due the United States (even though the lenders have been paid through supplement appropriations). Such defaulted loans are excluded from the Treasury report since they are no longer a contingent liability of the United States.

Mr. COOK. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

Mr. COOK. The point I was trying to make was that the Penn Central Railroad at the time it went into receivership was the recipient of a title V loan from the ICC. I think the original principal of that loan was $40 million or $50 million. It had paid the loan down to some $19 million-plus as of the time it filed in receivership. The ICC was notified by a group of New York banks that it was holding the U.S. Government responsbile for the balance of the loan.

Mr. BYRD of Virginia. I thank the Senator.

Am I correct in assuming that if the entire $125 million is loaned to the Penn Central, the Penn Central will owe the Government the $125 million plus the $20 million which was guaranteed by the ICC?

Mr. HARTKE. The law does not provide that assistance will go to the Penn Central. It is not required that a loan of $125 million be made by the Department of Transportation, although, I want it clearly understood, there is nothing in the bill which would prevent any loan in that amount being made. Any outstanding loan presently made under title V of the Interstate Commerce Act of 1958 would be in addition to any loans made under the provisions of this act.

The act of 1958 has expired.

Mr. COOK. Mr. President, if the Senator will yield, I think it is only fair to say also that the ICC is a creditor, a secured creditor by reason of its mortgage, in the receivership proceedings under chapter 77. As a matter of fact, I am of the opinion that they had five mortgages, including all of the equipment of the railroad, I am not sure, as opposed to all of the assets of the railroad other than the rolling stock and fixtures. But I think the point that the Senator from Indiana is making, first of all, is that this $125 million includes all of the railroads that are presently in receivership that would qualify.

Mr. BYRD of Virginia. That is correct; I understand that.

Mr. COOK. I think the testimony was that the Penn Central could really get along on $64 million. Is that not correct?

Mr. HARTKE. $62 million to $64 million.

Mr. COOK. And I would have to say that the $20 million under the previous title V loan is a secured claim in receivership, under the chapter 77 action already in the courts.

Mr. BYRD of Virginia. I thank the Senator from Kentucky.

Let me ask the Senator from Indiana this: Is it not true that the Penn Central has assets of a value of between $5 billion and $6 billion?

Mr. HARTKE. It has assets. The value of those assets is certainly open to question. The estimates have been between $4 billion and $7 billion, depending on who makes the estimate, and when. But there is no question that they hold assets other than railroad assets in large amounts, all of which are severely mortgaged.

Mr. BYRD of Virginia. The Penn Central has assets of billions of dollars, somewhere between $4 billion and $7 billion?

Mr. HARTKE. Yes. Let me make clear, I do not want to exercise any judgment. We tried to find out from the trustees. They are attempting to place what they consider a reasonable value on those assets, also. Some of the assets are of a nature that has value only to a railroad as an operating corporation. Other assets include land holdings such as the Southwest Corp. or Vita Corp. They hold an interest, for example, in Madison Square Garden.

Mr. BYRD of Virginia. All of those are valuable assets. The Great Southwest Corp, owns land in Texas which is a very valuable asset.

Mr. HARTKE. There is no question that it is a very valuable asset, but it is severely encumbered.

Mr. BYRD of Virginia. Let me ask this: Is the Penn Central on a calendar year basis or a fiscal year basis?

Mr. HARTKE. I am sorry, I cannot give that information to the Senator.

I am informed they are on a calendar year basis.

Mr. BYRD of Virginia. Does the Senator from Indiana or the committee have figures which show the profits of the Penn Central in previous years?

Mr. HARTKE. Yes, we have all those. Those have been presented as a result of the hearings.

The real cause of the financial condition which led to the failure of the bond issue early this year was the bad return for the first quarter of 1969.

Mr. BYRD of Virginia. I am interested, though, in the——

Mr. HARTKE. Let me say also that we have great difficulty in making any definitive assessment of the profit and loss structure. Mr. Wirtz, who is one of the trustees under reorganization, testified that the accounting procedure produced information which had very little relation to the truth.

Mr. BYRD of Virginia. Does the committee have, and could the Senator state to the Senate, the profits or losses, as the case may be, for the Penn Central since it became the Penn Central, and prior to that, going back, say, just to pick a figure, to 1960, 1961, or 1962, the profit and loss on both the Pennsylvania Railroad and the New York Central?

Mr. HARTKE. We can obtain those.

Let me say again that we feel at this moment we have gone into it in depth. We have the financial statements as they were filed, which could be made available to the Senate. But I wish to say also at this time that those financial statements unfortunately, according to statements of the trustees under reorganization, are not of the character which is considered most reliable, even though they were filed with the Interstate Commerce Commission, and even though the instance, the Penn Central stock—I am taking this from memory, but I think at one time it was up to 87.

Mr. BYRD of Virginia. Were they not filed with the Internal Revenue Service?

Mr. HARTKE. Yes, they probably were.

Mr. BYRD of Virginia. And the Securities and Exchange Commission?

Mr. HARTKE. Yes.

Mr. BYRD of Virginia. The railroads must have been profitable because the stocks, for instance, the Penn Central stock—I am taking this from memory, but I think at one time it was up to 87.

Mr. HARTKE. I wish to point out, as I did when the Senator was not present, that there are several unanswered questions regarding the Penn Central merger. Before the merger, the New York Central was beginning to move

out of its financial crisis. It was able to meet most of its current obligations without much difficulty. In other words, it was reasonably healthy. The Pennsylvania Railroad, on the contrary, was losing money during that same period of time, and it was basically a sick company and very short of cash.

The merger of those two operations resulted in a substantial increase in the market value of the stock. It did go up to over $80 a share, but that was probably based at least partly on speculation, certainly based partly upon reports which, at this moment, are open to question. Up to this time even the trustees in reorganization have not been able to unravel the situation.

A complete investigation of this matter has not been possible up to this time, and it is important to remember that management is no longer in control.

I would like to make another point which has been missed in the discussion here: There are groups of people who would prefer liquidation of this railroad. The Penn Central Co., which is the holding company, requested that we not proceed with this legislation. Very simply, an operating railroad which returns nothing on the investment may be less valuable to the stockholders and the holding company than a railroad which ceases operation. Of course, it would perform no service, but the fact remains that the stockholders and the holding company might be in a better position by having the liquidation and getting a part of their investment out of the liquidation.

There is also the idea on the part of some stockholders and some other people that nationalization would provide an alleviation of the stockholders' and the creditors' difficulties, in that they feel there would be a moral obligation, or even a legal obligation, requiring that after nationalization, if it did occur, the Government would make those investors whole. To a great extent, there are some of us who feel that the management and some of the creditors are certainly not entiteld to be made whole, because of their prior folly.

Mr. BYRD of Virginia. When did the merger take place between the New York Central and the Pennsylvania?

Mr. HARTKE. It was scheduled for 1965, if I am not mistaken, and it was consummated, I think—the merger proceedings began in 1965, and it did not actually go into effect, I think, until 1968 or early 1969. I shall have that for the Senator in a moment.

Mr. BYRD of Virginia. Then the operation for the year 1968 was a profitable operation?

Mr. HARTKE. That is hard to say. It was reported as being profitable.

Mr. BYRD of Virginia. Well, do we not have to, unless we can prove the figures wrong, go by the official figures that are submitted?

Mr. HARTKE. No; too many of the figures have already ben repudiated.

Mr. BYRD of Virginia. Repudiated by whom?

Mr. HARTKE. By the trustees in reorganization. The trustees in reorganization put very little value upon the bookkeeping procedures prior to their taking over.

The merger occurred in February 1968, that is when it was actually consummated.

Mr. BYRD of Virginia. What profit did the railroad show for 1968?

Mr. HARTKE. I do not have that.

Mr. BYRD of Virginia. The Senator does not have that?

Mr. HARTKE. I do not have that here.

Mr. BYRD of Virginia. Is it not correct that companies which are listed on the New York Stock Exchange or the American Stock Exchange—even over-the-counter stocks, for that matter—have to file detailed statements with the Securities and Exchange Commission?

Mr. HARTKE. Yes. They file with the ICC, too.

Mr. BYRD of Virginia. Also, in this case, with the ICC.

Mr. HARTKE. Yes. I do not have those.

Mr. BYRD of Virginia. Despite that, there is a view among the trustees that the figures submitted to the SEC and to the ICC were inaccurate.

Mr. HARTKE. The statement made by the trustees in the committee hearings was to the effect that those figures bore very little relation to the truth.

Mr. BYRD of Virginia. Frankly, I do not know how I would vote on this legislation if the roll were called right now. I think it is a difficult question to decide.

What I am trying to understand is this: Here is a company, or two companies, which at one time was profitable. The company now has assets of between $4 and $7 billion. Yet, the taxpayers are being called upon to bail them out to the extent of $125 million.

Mr. HARTKE. Let me say to the Senator that this is not just a unique situation with the Penn Central, although the Penn Central was probably the most aggravated and the most outstanding due to the fact that the Penn Central is the largest transportation company in the United States and the largest railroad system in the United States.

Two factors are involved. One is the question of profit and loss. Because part of the profits were paper profits and part of the revenue, even with the Great Southwest Corp., was reflected as profit but now is being written off as a loss. Second, that management is no longer there. Although I think there is no question that the entire operation of the Penn Central needs to be reviewed in depth, the old management is no longer there. We are talking here, as has been said many times before, about assisting not management, but trustees responsible under law to a Federal court.

As of now, the stockholders themselves are not in control of the operation. The creditors are in either a secured or unsecured position. Even some of the tax payments of the Penn Central to local communities throughout the Nation have been ordered held in abeyance by the court. The entire operation now is under the control of the court.

I point out that this bill is not intended to benefit and, hopefully, is drawn in a fashion in which there would be no benefit whatever to the stockholders or to the prior management or to anyone of that nature. We are attempting here, as I said earlier—and that is the sole concern—to provide for a service which is needed in the national interest.

Mr. BYRD of Virginia. I understand fully in that regard. But the fact is that, whether it is controlled by the court or controlled by the previous management or controlled by the stockholders, those assets are still there.

Mr. HARTKE. The figures the Senator has asked for are available in the committee. We have them on file with the committee. But they are of very little value to us now.

So far as the assets are concerned, the assets of the holding company or of the railroad company itself—the holding company is not in reorganization at the present time. Only the transportation company is in reorganization. The court and the trustees have attempted to get at every available bit of cash and every asset. They are attempting to dispose of nonrailroad assets.

So far as the final analysis is concerned, there is no question that this bill is drafted in such a fashion that the railroad would be required, before it would be able to obtain a loan, to make sure that all those assets would be used to the fullest extent possible to provide necessary operating cash.

Mr. BYRD of Virginia. If we are to have a bill, I like the way the bill is drawn.

I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays on the bill.

The yeas and nays were not ordered.

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COTTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays on the bill.

The yeas and nays were ordered.

Mr. HARTKE. I want to reiterate a point about the accounting procedures. The accounting procedures used by the company, as the trustees testified to us, tended to put the best light on everything. Those are their own words. The assets, of course, were valued at a figure which was most attractive so far as the public is concerned—not necessarily false, but, as I said, to make it appear that the railroad was in sound financial condition.

Mr. BYRD of Virginia. That is why the Senator from Indiana indicated that it was difficult to tell whether the assets were $4 billion or $7 billion or somewhere between.

Mr. HARTKE. I do not want to make the statement that the value is between $4 and $7 billion. It has been estimated that they have a value between $4 and $7 billion. For example, what is the value of Madison Square Garden if it went on the block tomorrow? I do not know. We might be able to say what its cost was originally. But the Penn Central has a 25-percent interest in Madison Square Garden. This is not something one can trade every day in the marketplace.

Mr. BYRD of Virginia. The bill as drawn impressed me as being well drawn and a bill calculated to protect the taxpayers to the greatest extent possible. It is not the bill itself that concerns me as much as it is the policy we may be establishing here and what is going to come after this.

As I recall, the distinguished Senator from Indiana mentioned earlier in the debate that the Penn Central—I believe he said the Penn Central, rather than all the others, not counting the other roads—the Penn Central alone will need between $400 million and $450 million in the next 3 years. Am I correct in my understanding?

Mr. HARTKE. The Senator is correct.

Let me elaborate on that. I want to comment upon this in regard to what the Senator from Arkansas has said. So far as establishing a precedent is concerned, this does not establish a precedent, if we refer to title V of the act of 1958. Under that act there was loaned $243 million. The Interstate Commerce Commission administered the guarantee provisions.

Mr. BYRD of Virginia. How much of that has been paid back?

Mr. HARTKE. A great deal of it has not been paid back. Some of it is actually in default.

I think it is only fair for the Senate to know that the entire transportation industry of this Nation is on the verge of collapse—financial collapse.

Mr. BYRD of Virginia. The Senator is speaking now not just of railroads but also of the airlines?

Mr. HARTKE. I think the airlines, the trucking industry, the railroad industry—all of them. We have a transportation crisis of major proportions on our hands, which is not being met; and I might say that I think too little attention is being given to it.

I think the strike itself, which was diverted by a 1-o'clock-in-the-morning decision, is a forerunner of some of the things we are going to have in the future. I am not talking about labor trouble or lack of labor settlements alone. I am talking about the financial condition of these transportation companies. Their primary concern is lack of available cash, the so-called cash flow. When they cannot pay their employees, no matter whether they have assets by the billions, when they do not have enough money on hand and cannot dispose of those assets in the marketplace, they have to go into bankruptcy; or, if they are a railroad, they go into reorganization.

I want it clearly understood that I insisted that the Interstate Commerce Commission report to us what railroads could have been eligible under the legislation to which the Senator from Virginia referred earlier, which was requested by the Department of Transportation, and which had an aggregate loan guarantee authority of $750 million. The ICC said there were 16 railroads in the United States which might have qualified under that provision. There are only four today which would qualify under the bill before us. This gives the Senator some idea of how severely limited this measure is. But I do not want the Senator from Virginia to be under a misapprehension. I do not want him to come back in March, April, or May and have him say to me, "Well, I thought we settled that matter in December." We are not settling the matter. We are bailing out the Penn Central in effect, and I think that should be clearly understood, because I am convinced, as are the trustees and as are many other people, that unless we do take this action—and I think the Senator from New Hampshire and the Senator from Vermont and others would agree—the Penn Central will cease operations on or about January 8. Some would have us, the Congress, make the finding that cessation of service is imminent. We are not making that finding. We are laying down the criteria. The Department of Transportation would have to make the finding under these guidelines.

Mr. BYRD of Virginia. I might say to the Senator from Indiana, who consistently throughout this debate has made it clear, that this does not solve the problem——

Mr. HARTKE. That is right.

Mr. BYRD of Virginia. That this is only one step in a possible long-range solution of the problem. The Senator from Indiana has made it clear that far more—at least I understood him to say—far more public funds will be sought by Penn Central, or by the trustees of Penn Central in the coming months.

That is the part that disturbs me more than does this particular bill. As I understand it, we are getting into what we might call a bottomless pit when we analyze, as the Senator from Indiana has done, and assuming he is correct in the way he has analyzed the difficulties of some of the transportation companies, there will be no limit to the amount of money the taxpayers may be called upon to put up.

Mr. HARTKE. I think that is a fair interpretation but I add this one thought, it is hoped that money would not all have to come from Federal sources. It is hoped that some of the assets to which the Senator has previously referred can be freed. The trustees have assured me that they will continue to do just that, to attempt to divest themselves of present assets which are not necessary to the operation of the railroad. Included with that would be the Great Southwest and Arvita corp.; but not many purchasers for those items are readily available in the marketplace.

Mr. BYRD of Virginia. They should utilize those assets of the corporation before they begin to call upon the taxpayers. The bill does not——

Mr. HARTKE. In substance it does.

Mr. BYRD of Virginia. In each case the Secretary shall consider the feasibility of requiring the railroads to dispose of nonrailroad assets as a condition of a guarantee—the feasibility——

Mr. HARTKE. There is a reason for that, that in some cases we might force them to divest themselves of an asset at a ridiculously low price as a condition precedent to obtaining a loan. The trustees have assured me that they will make every effort to make this railroad self-sustaining.

Now there is also the possibility that if the railroad were required to divest itself, after January, there would be no purchaser whatsoever, or the assets might go at 10 cents on the dollar. On the other hand, certain assets are necessary which might in the long-run cost the Government and the railroad more money in divestment than if the asset were held.

Mr. BYRD of Virginia. In reading the letter of November 23 addressed to the chairman of the committee by Mr. George M. Stafford, the Chairman of the ICC, he says this:

We cannot say with any certainty whether bankrupt carriers would find a market for trustee certificates in the absence of Government guarantees. However, we feel that absent such Government guarantees, the trustees certificates could properly only be marketed, if at all, at such exhorbitant interest rates and other conditions as to make them unacceptable.

I hope we will not adopt legislation merely because a railroad, or any other company, must go out into the marketplace and pay the normal interest rates. All interest rates are high these days.

Mr. HARTKE. The Senator raises a good point. This question was raised in the committee and raised in the hearings and we, as a result of an executive session, instructed the trustees to come back with a prospectus to issue certificates to see whether they could not go that final step. However, when the examination of this proposal was made, it was found that there would not be anyone who would be interested in buying the certificates, that it would incur a substantial additional expense just for preparation of what would appear to be a useless gesture.

Mr. BYRD of Virginia. Does the Senator from Indiana have any indication what interest rate might be paid on the Government-guaranteed loans?

Mr. HARTKE. I have no idea. I would imagine within the neighborhood of other guaranteed loans of the Government at the present time.

Mr. BYRD of Virginia. I realize the great problem which the committee is seeking to handle, and I am rather distressed that we have to consider a bill of this magnitude on the 30th day of December, just a few days before the end of this Congress.

But it seems to me that the ramifications of this are such that whatever we do, whether we approve or disapprove it, the ramifications are great.

If we approve it, we set a precedent for future great demands on the taxpayers, and the difficulties facing the transportation system may be very great if we do not approve the bill.

I want very frankly to say that I am in a quandary as to what to do in regard to it.

I do not like the idea of a great big company with all of the assets it has, coming to the taxpayers and demanding that the taxpayers bail them out to the extent of $125 million plus interest, if they are in default on their loans.

But I think this, as I have said before, but I want to emphasize it again, that if Congress is going into legislation of this kind, the bill brought in by the Senator from Indiana and approved by the committee of which he is a member seems to be as restrictive as it appears possible to make.

But I cannot get out of my mind the fact that this great company has tremendous assets. I do not see why it is not logical to dispose of some of those assets and not have them come to the taxpayers to ask for this amount of money.

Mr. HARTKE. I want to thank the Senator from Virginia for raising these questions. They are questions which are on the minds of practically every one of us. We are in the position of choosing not what is the best approach but rather what is the least evil. As of now, so far as I am concerned, I think it is a greater evil to have the whole railroad operation of the Penn Central system stop operating while we are in adjournment. We are about where we were on the railroad strike, about in the same spot, only in this case, the whole system goes down because there is no cash.

Mr. BYRD of Virginia. Is it not correct that the trustees have stated they could not operate this far, yet they have operated this far?

Mr. HARTKE. The trustees have never made this statement. This is part of the difficulty. The statement, of course, was made in the committee by a financial officer of the former operation, a financial officer who is no longer with the corporation.

Mr. BYRD of Virginia. Mr. President, everyone coming before a congressional committee says, "Unless you give us all we want, we cannot survive for more than 10 days." Every governmental agency says, "You must give us every dollar we ask for or we cannot survive."

I was wondering if these people were not in the same category.

Mr. HARTKE. Mr. President, if I thought for a moment that the Penn Central could survive as an operation and provide this service even until the next Congress convened, I would not be in the postion I am now of advocating the passage of this legislation today.

This is not something that I suggest. I am not happy to be here. I am here urging the Senate to pass this legislation based on the information available to me. I think that it is preferable to the other alternative. That alternative, in my opinion, is that we will have a major railroad system which will close its operation because it cannot meet the payroll roughly in the period after the first week of January 1971.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

Mr. BAKER. Mr. President, I say to the Senator from Virginia that I thoroughly agree with the recommendations made by the Senator from Indiana, bearing in mind—as I am sure the Senator does—that this railroad is operated by a panel of distinguished trustees who are not chosen by the railroad stockholders or even the railroad's creditors or the public, but are appointed by a U.S. District Court judge who had a very precise set of requirements and responsibilities under the terms of the statute.

By the same token, some very precise responsibilities devolve on the trustees by reason of the statute requiring them to report to the court whether or not they can or should continue the asset—in this case the railroad—as a going concern.

The most that we, or the Commerce Committee, can do is to accept in good faith the representations of these trustees. The trustees came to us within a day or two after Congress acted. They said that as a result of many factors, including the wage adjustment, their cash balance—not their assets—would go negative, as they put it in, say, the first week in January. No one can be precisely accurate in that respect. But it would be in early January.

The point is that those of us on the Commerce Committee feel that we ought to trust the judgment of these distinguished Americans who are the trustees. We have no alternative except to trust their judgment. They are there and are close to the event. They are under statutory obligation to in-

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form the court and us according to their best judgment.

They told us that if we do not do this or something like this, they will have to close the railroad while we are home on vacation. Closing down the railroad would be a terrible mistake. It would leave the steam generating plants in the Northeast without coal. Closing the railroad while Congress was out of session would be unconscionable.

I join with the Senator from New Hampshire and the Senator from Indiana in being most reluctant to be in this spot. However, we find that we have no other realistic alternative.

Mr. BYRD of Virginia. Mr. President, I concur in the Senator's appraisal of the trustees. I think they are distinguished Americans. I know that they were appointed by the court.

I point out that practically everyone that comes before a congressional committee is a distinguished American. Most of them are appointed by the President. That does not mean that we must follow them blindly. To do so would be a great disservice to the taxpayers—the wage earners who supply the money the Government spends.

I admit the trustees are distinguished Americans. I think they are very outstanding Americans. I think that they have a tough assignment. That does not mean that they are correct.

I did not have the benefit of reading the testimony before the committee. I would like to read the testimony. Is the testimony available?

Mr. HARTKE. The testimony is available. It is not printed. It is in transcript form.

Mr. BYRD of Virginia. Mr. President, I would like to read the testimony. I assume, however, that I would not have time to read it before the Senate acts on the legislation. However, I would like to read the testimony because this is an important matter.

This is a matter of grave national policy and one which can have very far-reaching consequences on our taxpayers and our Government. I regret that the time element is such that the committee hearings have not been printed and distributed.

Mr. President, I thank the Senator from Indiana.

Mr. HARTKE. Mr. President, I thank the Senator for a very informative discussion.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. ERVIN. Mr. President, I commend the Senator from Indiana for the very frank exposition he has made of this bill and of the reasons which prompt the committee to bring this bill to the Senate.

I have gotten somewhat rusty on my knowledge of receivership law and reorganization law. This is a tragic situation. Am I not correct in saying this railroad—the New York Central and the Pennsylvania which merged under the name of the Penn Central—has more passengers to haul than any other railroad and has more freight to haul than any other railroad in the country?

Mr. HARTKE. Mr. President, the Senator is correct. This is the largest transportation company in the United States. A great percentage of the trade on the eastern seaboard is hauled either directly or indirectly by the Penn Central Railroad.

Mr. ERVIN. Mr. President, as I understand it, when the Penn Central Railroad was placed in receivership by the U.S. district court, the obligation of the Penn Central to make any payments other than current operating costs was stayed.

Mr. HARTKE. The Senator is correct. Not only were they stayed, but after the filing of the petition for reorganization, there was a petition on behalf of the trustees to stay the payment of property taxes to local communities.

This has caused hardship for many local communities. The financial condition of the railroad was that bad.

Mr. ERVIN. Mr. President, under the order of the court, the trustees must use every penny of the current revenue to pay the current operating expenses of the railroad.

Mr. HARTKE. All of the revenue must be used for the operation of the railroad. Very little of it is going for any other purpose.

We have an unfortunate situation in that the revenues have declined. Part of that decline is due to the fact that the service which they were supposed to be able to afford has not been possible under the present financial conditions of the railroad.

Mr. ERVIN. Mr. President, what reasonable hope is there of bailing the Penn Central out of its present situation except through continued aid from the taxpayers if the Penn Central cannot pay its current operating costs out of current receipts, since it has no other obligations it has to pay?

Mr. HARTKE. Mr. President, their present situation is such that it takes all the money they can collect to operate railroads from their receipts.

I want to make one clarifying point. They also pay off equipment certificates.

The difficulty here very simply is that if these certificates are not paid off, there is the right of repossession by the equipment owners. The railroad would then be without the equipment with which to run the railroad.

Mr. ERVIN. Mr. President, as I understand the Senator from Indiana, there is a corporation which has assets of an undetermined value precisely, but its assets are certain to exceed several billion dollars, and we are told they cannot even borrow up to $125 million on those assets.

Mr. HARTKE. They cannot borrow that much or anything like that much.

I think that it has been very well established, that the encumbrances upon the assets are of such a nature and the potential for repayment is so poor that private assistance is just not available.

Mr. ERVIN. But under the law the courts have authority to authorize the trustees to borrow money for the payment of current expenses and make the obligation incurred for those moneys a lien which takes precedence over all other expenses.

Mr. HARTKE. That is correct. This is exactly what would be authorized by the court and in turn guaranteed by the Federal Government, and those certificates, in view of all the evidence, are not now saleable certificates.

Mr. ERVIN. The committee is assured by the trustees, I take it, that notwithstanding the fact that they have the possession of assets worth several billions of dollars, and notwithstanding the fact that the court has authority under the law to make any obligation the trustees incur for current expenses take precedence over all other obligations, they cannot borrow $125 million under those circumstances.

Mr. HARTKE. Unfortunately, that is the situation.

Mr. ERVIN. The only way they can borrow money is that they have to come to an institution, namely the Federal Government, which already owes $383 billion, and which will have to spend $22 billion additional for payment of interest on that obligation, in order to get help.

Mr. BAKER. Mr. President, will the Senator yield on that point?

Mr. ERVIN. I do not have the floor.

Mr. HARTKE. The Senator from North Carolina has the floor.

Mr. ERVIN. No, the Senator from Indiana has the floor.

Mr. HARTKE. No, the Senator from North Carolina has the floor.

Mr. ERVIN. I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, I wish to add this observation to the answers to the inquiries of the Senator from North Carolina by the chairman of the subcommittee.

I inquired of the trustees, of some of the officers of the previous management, as to why, with assets of several billion dollars, loans could not be negotiated on even a short-term basis to meet current operating requirements. The trustees indicated that they had attempted, on a trustee certificate basis, to borrow money for these requirements that we are now concerned with.

I asked if my recollection of reorganization law was accurate in that trustee certificates, under the act, would be a first and prior lien on the assets of the bankrupt, superior to all claims except other costs of administration. The record of the hearings discloses they auswered in the affirmative.

I asked them if it were not strange that with assets of several billion dollars, and the offer of a first lien on those assets, they could not borrow $125 million. They came back at a subsequent hearing and said that yes, it was strange but they could not do it for two reasons. One reason was that for money in that amount, would-be creditors, the lenders, were more concerned with how cash flow would be generated to permit debt service on the loan; and second, whether or not the railroads might be operated in such a manner that all assets were consumed in the cost of operation so that there would be nothing left with which to pay creditors.

The short version of that is, strange as it seemed to me and my colleagues, the trustees represented to us categorically and directly that even on a first-lien basis they had tried and had been unable to borrow the money without Federal guarantees.

Mr. ERVIN. It seems to me that what we are discussing is a matter of policy. The stockholders and creditors make their contributions for stocks, in capital stock, and in their loans to a company for the purpose of making a profit. Now, we have reorganization laws under which you can take one of these public utilities and squeeze everything out of it, all of the obligations. I hate to see things like that done. But between those who go in and buy stock in a corporation to make a profit, and those who make loans to a corporation for the purpose of making a profit, and those who are merely interested as taxpayers and have no take in it, it seems to me that it would be better to take that reorganization and let the loss fall upon the stockholders and creditors. I am talking about the old creditors. It would be better to do that than for the taxpayers to have to pick up the burden of private enterprise. I am not in favor of nationalization of the railroads. I think individuals can run anything better than the Government. I think individuals might be able to run the Government better.

I am not for nationalization but I think this business of everybody coming to the Federal Government to be bailed out of their financial worries is something we will have to face up to and I think the taxpayers are entitled to better representation in Congress than they get when Congress does those things.

Mr. HARTKE. This legislation provides no benefit to any creditor or any stockholder whose interest vested before the railroad went into reorganization. In fact, one of the conditions the legislation provides is that the certificates to which the Senator previously referred cannot be sold without a guarantee. That is a fact the Secretary must find. So this is not a benefit to a corporation. We are simply concerned with a simple fact of life. If what we believe is true, and I think it was the feeling of the committee members that it is true, the railroad is not going to be operating as a railroad the first week in January. The question is not whether you

are going to take no action and still have a railroad. There will be no railroad.

Mr. ERVIN. How long have they been in receivership?

Mr. HARTKE. They went into receivership in June.

Mr. ERVIN. This proposition would appeal to me a little more strongly if the trustees had come to Congress and first submitted a plan of organization which would have the tendency to make it certain that the railroad could operate in the future free from all accumulated debts of the past.

Mr. HARTKE. They are. They have no obligation to pay that.

Mr. ERVIN. No, but it has not been reorganized.

Mr. HARTKE. No, there has not been a reorganization. That is not an easy matter.

Mr. ERVIN. I realize it is not an easy matter.

Mr. HARTKE. These trustees have been with this committee almost on a week-to-week if not day-to-day basis. I think they are doing the best they can to keep the railroad running. They have not asked for a handout, but only as a matter of last resort they have asked for the guarantee of a loan. I happen to prefer the direct loan but that has nothing to do with the basic question.

The question is, Are we going to have a railroad called the Penn Central operating in January, 1971? It is my opinion we will not unless this legislation passes. We will not provide any benefit to the old management, the old corporation, the old creditors, or stockholders or anyone else. We are trying to keep the coal going in the generating plants, the merchandise moving, and 40 percent of the railroad passenger service moving.

Mr. ERVIN. Do we have any reasonable hope or expectation—sometimes hope exceeds expectation—that if we pass this bill the Penn Central trustees will not be back in March?

Mr. HARTKE. To the contrary I want to make clear that we can expect them back and should expect them back, and I hope everyone understands this is not a panacea and it is not a cure-all. This is emergency legislation to keep the railroads going while Congress is in recess. That is all it is.

Mr. BYRD of Virginia. Did I understand from the Senator's reply to the Senator from North Carolina, which was similar to his reply to the Senator from Virginia, that the railroad cannot reasonably be expected to become self-sustaining under this legislation?

Mr. HARTKE. This legislation will not do that, and there should be no impression to the contrary. No one that I know of even contends that this legislation is going to make the railroad self-sustaining. Every evidence is to the contrary.

Let me reiterate what I said to the Senator from Arkansas. The trustees have said they are going to need approximately $450 million to keep them going in the next 3 years. That is to keep the operation going. Hopefully, that amount does not have to come from the Federal Government. But let us face it. We are dealing with a transportation crisis. We are dealing with the fact that if the Penn Central collapses, people and merchandise are not going to move and this country could be at an absolute standstill.

Mr. BYRD of Virginia. If the Senator from North Carolina will yield further for an observation, the legislation itself, on page 2, says that the trustees—

"Upon approval by the court, may apply to the Secretary for the guarantee of certificates. The Secretary, after consultation with the Commission, is authorized to guarantee such certificates upon findings in writing that . . ."

Six items are listed. No. 5 is that "the railroad can reasonably be expected to become self-sustaining." And yet all of us say it cannot reasonably be expected to become self-sustaining under this legislation.

Mr. HARTKE. Not under this legislation.

Mr. BYRD of Virginia. That is what the legislation says must happen.

Mr. HARTKE. May I just clarify that point? If there were no hope, if there were no assurance, that the railroad could ever become self-sustaining, then this provision of the statute would prohibit that loan from being made. But the trustees have assured us that the railroad can become self-sustaining, that it can become viable, that if given time and some financial assistance, it can repay these loans with interest, and that it can divest itself of assets which are nonrailroad operating assets, and that they can produce a viable transportation company. That is the entire basis on which this bill is predicated. I would not want anyone to believe, infer, or think that this legislation would make any railroad self-sustaining.

I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, there are several matters "in the works" that might have an ameliorating effect upon the whole railroad transportation problem. One of them is Railpax, which legislation we passed a short time ago, whereby railroads will be able to relieve themselves of passenger service and make freight service self-sustaining and possibly put it on a profitable basis.

That is our expectation, is it not?

Mr. HARTKE. That is the expectation. The names of the directors of that organization have been submitted to us, and we have been able to act on that, insofar as the committee is concerned, just yesterday.

Mr. PASTORE. Is it not a fact that the Government guarantee constitutes a primary lien upon the properties of the railroads?

Mr. HARTKE. That is absolutely right.

Mr. PASTORE. So, in the event something eventually happens, if the property has to be taken under a nationalization program, the U.S. Government could be made whole; could it not?

Mr. HARTKE. There is no question about that.

Mr. PASTORE. Mr. President, will the Senator yield further?

I think what we are losing sight of in this debate is that this is stopgap legislation. It is emergency legislation to deal with a very, very serious situation that confronts the railroads, particularly these in the hands of trustees.

The Penn Central Railroad is a railroad that services the whole New England area. The New England and New York-New Jersey, Pennsylvania and Delaware area, I daresay, is the biggest contributor to the coffers of this country, more so than any other region of this country. There is a highly concentrated industrial complex in that part of the country. I am not boasting now; I am simply stating a fact.

If these railroads grind to a halt—and there is no question that that is likely to happen in the early part of January, and that is the reason they are in the hands of courts—do Senators realize the catastrophe we will have in this country, the number of people who will be out of work? If freight service comes to a halt, we can imagine what will happen to the industrial complex of this Atlantic seaboard region and, in turn, what will happen to the income of the U.S. Government?

I am not saying this ought to be an excuse for a handout. We all understand that. But this is an emergency measure.

The administration came before our committee and suggested that the Secretary of Transportation be given authority to loan money, with Government guarantees, up to $750 million.

Am I correct in that?

Mr. HARTKE. That is exactly right.

Mr. PASTORE. We thought that was going a little too far for the first bite. Not only that, but there was no time limit on it, and it was all left to the discretion of the Secretary of Transportation.

So what happened? Things got worse and worse and worse. So, finally, the Penn Central ended in the hands of the court. I have been the greatest critic of the sloppy way the Penn Central conducted its business. There is no question about that. I have already said that if we were going to give this amount of money as credit to the Penn Central, I would be against it. But we are actually giving it to the trustees who are mandated by the court to keep the railroad running. That is the question before the Senate, and the only question.

Does the Senate want the railroads that are in the hands of trustees to stop as of the middle of January, or does it want them to continue so that we can come back here to see what can be done on a permanent basis? That is what this is all about. We are trying to protect the Government as much as we can by giving it the first lien on the property. The money is going to be borrowed from private corporations on Government guarantees. They cannot borrow money now because they are mortgaged up to their necks. That is the reason why we have approved this measure from the committee.

That is about as simple as I can make it. That is about as simple as it is.

If Senators do not believe the railroads should run, then vote against the bill, but if they want to give them a chance by breathing a little life into them until we can come back here and see what can be done, I say vote for the legislation.

Mr. BYRD of Virginia. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield.

Mr. BYRD of Virginia. The Senator from Rhode Island said the railroads are mortgaged up to their necks. With assets of $4 billion to $7 billion, what do the mortgages total?

Mr. HARTKE. There are cases in which the mortgage is probably higher than the present market price.

Mr. BYRD of Virginia. Total properties?

Mr. HARTKE. I am going to tell the Senator that that information is not totally available.

Mr. BYRD of Virginia. Then we could not properly say that they are mortgaged up to their necks when we do not know what that is.

Mr. HARTKE. But the assets are carried at a higher value than that at which they probably could be disposed of.

Mr. BYRD of Virginia. In certain cases.

Mr. HARTKE. In most cases I would estimate.

Mr. PASTORE. The point I make is that it is a sorrowful affair. I hope I am not being put in the position of being the devil's advocate. As a matter of fact, there is no one who has been more critical of them than I have been.

But we are not giving this to Saunders; we are not giving this to Perlman; we are giving it to the trustees. They have been appealing to us to do this in order to keep the railroad going. That is about all it amounts to, and I hope some Senators will realize how serious the situation is.

I do not approve of this awful situation. It is a tragedy in American transportation, and I do not want to be standing on this floor defending it. All I am saying is that the trustees have come before our committee, they have talked to me on the telephone, and they say, "Unless you do this, we have got to stop running the railroads." That is all it amounts to. I say to Senators, if you want to stop the railroads, vote against the bill. If you want to keep them running, vote for it.

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I know Senators can pick this thing apart and make it look ridiculous, and I would agree with them. But that is about all I can say.

Mr. JAVITS. Mr. President, I ask unanimous consent to yield momentarily to the Senator from Kentucky without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, having made the remarks that I have in regard to this approach, let me, in many ways, back up what the Senator from Rhode Island has said, though it sounds rather strange for me to say this.

We have been listening to what a major industry apparently is about to obtain from the Federal Government, or what the Federal Government will ultimately obtain from the taxpayers. I think the points of the Senator from Virginia are well taken, and those of the Senator from North Carolina. But I think we are forgetting something.

We are forgetting the fact that an agency of the Federal Government had a great deal to do with this merger. An agency of the Federal Government had a great deal to do with the fact that when this merger took place, the New York Central and the Penn Railroad by virtue of the ICC had to start a mutual operation as the Penn Central the first year of merger. They had to do this while also trying to overcome almost a $400 million deficit. Also when they wanted to merge, the ICC made them take the New York, New Haven & Hartford, and made them pay royalties to other railroads because they had the open coal movement to Detroit, Cleveland, and Chicago, and also made them take furloughed employees back on their payroll. So we are not just talking about what a railroad has done to the American people, or what it is about to ask of the U.S. Government. We are talking about what the Federal Government has done to a railroad that carries a million tons of freight a day, and 300,000 passengers a day.

I do not like this bill, but I think we are overlooking these facts. I am sorry that the Senator from Arkansas is not here, but since he made the remark that all of this somehow or other is the railroads' fault, I think this ought to be cleared up. Because, there are some remarkable railroads in this country that are extremely profitable.

I might suggest that the hearings will show, if Senators will read them, that Mr. Perlman said this was never a merger, it was a takeover, and Mr. Perlman showed statistically that the New York Central never reached its debt limit during negotiations to merge, and that the Pennsylvania Railroad had to ask on three different occasions to increase its debt limit.

So I can only say that we must look at the whole picture. The Penn Central merger was a victim of the ICC. As a result of that victimization, the testimony will show that again Mr. Perlman said that when the B. & O. and the C. & O. were merged, either the Pennsylvania or the New York Central was eliminated from end to end service, and it became necessary to have parallel service in the eastern corridor of the United States. As of that day, Mr. Perlman said, he knew those railroads were dead.

Mr. PASTORE. I do not dispute anything the Senator has said.

Mr. COOK. I am agreeing with the Senator.

Mr. PASTORE. But the fact remains that the question before us now is, Where do we go from here? That is the question, is it not?

Mr. COOK. I agree with what the Senator is saying. My only point was that from some of the colloquy it appeared that somehow or other all the blame for this was being put on the railroads. It appeared that all of sudden the railroads were asking for this, and were getting away with something.

Truly, they have been a victim of denial after denial of freight increases. They have been a victim to the extent that they have had to create and establish conglomerates. I think the Senator from Indiana will agree that they have been a victim of the very system that was created to make a viable railroad system, and had to go out and try to find other means to make a living. They have not been successful.

Mr. PASTORE. But will the Senator agree that there was a personality clash between Saunders and Perlman?

Mr. COOK. I would say that there was not only a personally clash between Saunders and Perlman, but that there was a personality clash between every employee of the New York Central and every employee of the Pennsylvania.

Mr. PASTORE. But when they went to the ICC to merge, they painted a rosy picture.

Mr. COOK. One of the ways in which they were victimized was that they were ordered to take over the New Haven. They tried hard not to, but that was one of the conditions of the merger.

Mr. PASTORE. But all that is past history.

Mr. COOK. I agree.

Mr. PASTORE. The point I am making is, now, today, What is going to happen after the middle of next month? That is what we are trying to solve here today. Recriminations will not solve anything this afternoon; it is a matter of a little bit of help to the trustees, to keep the railroad going to the sake of the public interest.

Mr. JAVITS. Mr. President, I would appreciate having the attention of the Senator from Indiana, as I intend to address myself to the matter of the bill before the Senate.

Mr. President, we are seeing but the tip of the iceberg in respect to this matter. The debate has certainly, I think, touched on some of it, but by no means all, and I speak from the following two positions: First, as the ranking member of the Labor and Public Welfare Committee, I have had to contend with railroad strikes for some years now, including one very recently which we are still in. All we have is a stay now, until March 1, which is the date we fixed—about a 60-day stay. The railroad unions may yet walk out, Mr. President.

The second thing which affects me is the condition of the money markets and the securities markets, which directly affect this bill. Mr. President, there is no question about the fact that notwithstanding the large assets of the lines—that is, the Penn Central lines—that by no means guarantees that they are going to be able to borrow money on trustees' certificates. As a matter of fact, the experience with lenders upon these trustee certificates has been rather unsatisfactory in many cases because it is a matter over which courts and appellate courts have jurisdiction. There are many claims, naturally, with respect to the operations of these railroads, including compensation and other hazards which they run. Hence, it is very understandable that without a U.S. guarantee, considering the depth of the problems that the Penn Central faces, the trustees will find themselves unable to borrow money, notwithstanding the first lien status of the trustee certificates.

I really think that, taking that point—and I know there is no doubt about its validity—it is very hard to see how we can fail to pass this bill if we want to keep the Penn Central operating. And the overwhelming evidence is that it would materially affect the economy if it stopped.

For example, there would be a 3-percent decrease in the gross national product 8 weeks after the railroad ceases operation, and an unemployment level for the Nation of 8 percent, rather than the present 5.9 percent, if the railroads should stop. In addition, it would be a very material blow to electric utilities, which depend very heavily upon coal transported by Penn Central. It would be a very material blow to manufacturers of all kinds, from iron and steel to consumer products. The Penn Central is the second largest grain hauler in the United States.

Mr. President, without these services, not only would our country be very materially injured, but also our national security would be very materially jeopardized. It is inconceivable that we could let the railroads stop. What would happen, in my judgment, without any question, would be a takeover of the railroad by the United States and its continued operation under those auspices—probably a very much more expensive thing than to make the guarantee of $125 million which is now contemplated.

So I do not think there is any question about the fact that this bill should be passed. I shall support it, and I hope the entire Senate will support it. Inasmuch as this is the very end of the session, I hope we will simplify our problems by adopting, insofar as we can, the House bill, so that the matter can be closed up and become law and the trustees can go ahead and borrow this money and keep the road operating, before we have a new Congress, with all that that implies in the way of delay due to the organization of both bodies.

As I said earlier, this is but the tip of the iceberg. The rest of the iceberg touches a number of matters. First, the general poor position of liquidity of the American business system. This is true not just of Penn Central but also many other corporations, including railroads. I hope many Senators will not become subject to a state of euphoria, for we have by no means surmounted the financial and economic crunch which this country faces. We have not effectively controlled inflation. It still goes on, roughly at the rate of 6 percent a year, which is a completely unacceptable level. We have not dealt with the tradeoff which is far too expensive in the way of employment, which is now up to 5.9 percent and could go to 6 percent and more. Even the most optimistic economists predict that.

We have not dealt with the international balance of payments, which is still seriously dangerous to us, including the callability of more than $20 billion in dollar obligations which are held around the world by many people and especially by the central banks of the world. We still have not overcome the grave competitive dangers we face in the world, with competitors, in a commercial sense, dashing ahead of us by virtue of greater automation and, in many fields, better technology.

Mr. President, these are very, very grave troubles faced by the United States. A very major trouble is the push upon wages, where inflation is being discounted as much as it is in interest rates, with a resultant increase in the cost of American productivity and severe damage to the American economy. Generally speaking, that does not promise well for our economy's immediate future.

With all those things facing us, a rationalization of the problem of the liquidity of American corporations, many of which find themselves incapable of borrowing in present markets, is very serious. I would seriously invite the attention of the Senate to the fact that we ought to be acting not just on the Penn Central but also on the general liquidity crisis in the country, and giving our Government officials a range of authority which would be great enough to head off disasters other than Penn Central, which could very well be impending tomorrow and for which we would be quite as unprepared as we were for Penn Central.

Seven hundred and fifty million dollars was requested as guarantee authority for transportation alone. It should have been granted, and we might have avoided the worst of this particular failure. Some $5 billion is suggested in a bill of my own, also as guarantee authority to provide liquidity

generally to aspects of the American business system which render services essential to the public interest and the public security and which may very well tomorrow be in the same liquidity crisis that Penn Central is in today.

The second thing, aside from liquidity, which needs attention is the ultimate resource of the country in the event of stoppages caused by labor-management problems in respect of the railroads. I think it is shocking that at this late date we are still improvising ad hoc measures with respect to railroad strikes which can immobilize the railroads of the country.

Of course, it is very clear that an important problem which is faced by the trustees operating Penn Central is the wage increase which we, ourselves, were compelled to legislate as part of the way to head off a railroad strike which would have been, for all practical purposes, a general strike in the United States.

Mr. President, the other lesson we must draw from this bill is the fact that we urgently need legislation. And there is legislation before us—including an administration bill—I might add, on which we have not even been able to get a hearing in the Committee on Labor and Public Welfare, to deal with the danger of national paralysis strikes such as a railroad strike. I would certainly hope that Senators will take from the need for passing this bill on an emergency basis the deep lesson which is involved, and which requires action also upon a bill dealing with national paralysis strikes.

Finally, Mr. President, when I rose, I was going to discuss the very thing which was touched on by the Senator from Kentucky (Mr. COOK). Aside from our contribution and our fault in respect of this whole matter, in leaving the United States without the needed kind of guarantee authority, and without laws to deal with the danger and threat of a national strike, such as a strike on the railroads, we now turn to the ICC. An examination in depth, I should like to advise the Senator from Indiana, the chairman of this particular subcommittee, is certainly required as to the responsibility of the ICC in bringing this particular railroad to its knees and to a liquidity crisis which could happen to others.

In addition to what the Senator from Kentucky has presented to the Senate, as to whether this merger, which was brought about in the way he described, was desirable or undesirable, we have the additional fact that the ICC itself is encumbered with almost as many work rules and old traditions and shibboleths with respect to the operations of the railroads and their rate structures, and so forth, as is true in respect of labor practices in so many aspects of the railroad industry, which we have been trying to rationalize for years. And the delay and the time it takes before filing a petition and getting action from the ICC is again a critical aspect of this situation.

I hope very much that the committee itself will look into this whole question of the contribution to the problem which the ICC is making in its own operations—probably unwittingly, except for the basic internal practices of the ICC and how it has operated for years in respect of the railroads and the health of the railroads.

The Senator from Arkansas (Mr. FULBRIGHT) has raised a pertinent inquiry. It may very well be that we cannot operate the railroads in the way we have been operating them. I yield to no one in this Chamber as an advocate of the private enterprise system or how it best serves the public interest or its critical essentiality to the freedom of this country. I know enough about that system not to want to see a breakdown. But in my judgment, we are asking the railroads of the country under private enterprise to carry an impossible task. That is why we organized Railpax. Whatever may be the objections to it, at least it is going at the central issue involved, and we may have to go further than that. We cannot shrink from the possibility that much of our railroad mileage may have to be taken over and operated in some governmental or quasigovernmental form.

I would strongly urge that we insist that this question be analyzed and studied, and that the Congress be briefed on it, and that we do not shrink from those decisions, especially for those Senators and Representatives who are the most heavily interested in seeing the private enterprise viable and successful. There is nothing more certain to break it down, to damage that system more, than failure. There is nothing that will help it more than success.

I think that this is a very serious case in point, and we should learn the lessons from this particular crisis which we face today. I thoroughly agree with the Senator from Rhode Island (Mr. PASTORE) that there is nothing whatever we can do about this crisis except to pass the bill. So that I hope the Senate will pass it.

The PRESIDING OFFICER. (Mr. SCHWEIKER). The bill is open to amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

Mr. BYRD of Virginia. Mr. President, the Senator from Indiana has kindly given me the statement of the trustees balance sheet, January 1 and September 30, for the 2 years, both 1969 and 1970. I notice on the balance sheet an income statement where it is charged during the 9 months of 1970 a figure called miscellaneous income charges of $18,952,705.

The reason that figure stands out in my mind is that for the preceding 9 months of the preceding year, the miscellaneous income charges were only $2,009,752.

What I am wondering, whether the statement is really as bad as it appears to be, when the miscellaneous income charges were increased ninefold in one 9-month period.

Mr. HARTKE. I understand what the Senator is saying. However, I am not in a position to give a definitive answer to the Senator. I might call his attention to the fact that if he will go to the net income and net loss figures, it shows a comparable net loss of $49 million in 1969, in the same period, $233 million in 1970.

Mr. BYRD of Virginia. That is when we take into account the fixed charges. As I understand it, the trustees do not need to take into account——

Mr. HARTKE. I quite agree.

Mr. BYRD of Virginia. The fixed charges, so that the comparable figure, it would seem to me, would be a profit of $48 million against a loss of $124 million.

Mr. HARTKE. That is a fair figure, but even those figures will not hold up in the present situation, because it includes, in addition, other revenues which are not strictly operating revenues.

Mr. BYRD of Virginia. I realize, Mr. President, that the figures cannot be made available today, since we are at the end of the session and a vote is about to be had on the bill; but could I ask the committee to furnish me with the information on these miscellaneous income charges, which have gone up ninefold in 1 year under the trusteeship, and also if the committee would furnish to me the statement submitted by Penn Central as to its earnings, profits or losses, going back to the time the two companies merged, and also the earnings and statements of the Penn Railroad, separately, along with the New York Central?

Mr. HARTKE. Those figures will be provided. Let me say that Penn Central is the holding company and the Penn Central Transportation Co. is the operating company. I think what the Senator wants is the Penn Central Transportation Co. figures. We will be glad to supply them.

Let me point out that they have about 50 accountants working full time on the statements. That is part of the difficulty. If the Senator will read the comments, he will find that the trustees have been attempting to find out what the assets are, what the encumbrances are, and whether there is any possibility of a sale. There was a period, for example, where they could not find all their locomotives.

Mr. BYRD of Virginia. I appreciate the difficulty in a company as large as Penn Central, but if the committee could furnish me with these figures, I would appreciate it.

Mr. HARTKE. We will be more than glad to do that.

Mr. BYRD of Virginia. Was it not 170 holding companies?

Mr. HARTKE. Those were the holding companies in the Penn Central operation, that is correct.

Mr. BYRD of Virginia. I thank the Senator.

[From the CONGRESSIONAL RECORD, July 26, 1973]

FINANCING FOR PENN CENTRAL

Mr. HARRY F. BYRD, JR. Mr. President, to expedite the work of the Senate, I want to speak very briefly on legislation which will be before the Senate tomorrow. It is S. 2060, the Emergency Rail Services Act Amendments of 1973.

There is a time limitation on that legislation. For that reason, I wanted to put into the record tonight some comments on that legislation.

Mr. President, on the 30th of December 1970, the Senate passed legislation which provided for a $125 million loan guarantee for the Penn Central Railroad. During the course of that debate I stated this on page 20122: That the legislation then pending—

"Is only one step in a possible long-range solution to the problem. The Senator from Indiana has made it clear that far more—at least I understood him to say—far more public funds will be sought by Penn Central or by the trustees of Penn Central in the coming months."

Then I stated:

"That is the part that disturbs me more than does the particular bill. As I understand it, we are getting into what we might call a bottomless pit of tax funds."

So I opposed and voted against that legislation for a $125 million Federal loan guarantee for the Penn Central.

Now we come to today and on the calendar we have S. 2060, which will be taken up tomorrow. What does it do? Up to this point we have been involved in loan guarantees. This bill would authorize the appropriation of $210 million from the Federal Treasury for the Penn Central Railroad. I am just wondering where this is going to stop.

I recognize the importance of the Penn Central tracks. I recognize the importance of having a good railroad transportation, but, after all, this is a private company. It has been through the years. And what concerns me about the pending legislation is that it does not solve anything. There are various plans floating around, but this in itself is not a plan. All the Congress will be doing is authorize the expenditure of $210 million out of the Federal Treasury as a continued bailout for a failing business enterprise.

I recall also it was just last week that the Senate, after a 12-minute consideration, passed legislation authorizing loan guarantees of between $2 and $3 billion to the railroads for the acquisition of rolling stock. Then we come to this week and we have legislation which will be voted on tomorrow for $210 million out of the Federal Treasury for the Penn Central Railroad.

I have considerable concern as to the amounts of money which the Congress is appropriating to private business enterprises. I am hopeful that some consideration will be given to a feasible plan to take care of the

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Penn Central without calling on the taxpayers every year or so for more and more funds.

The particularly undesirable aspect of this is that no plan has been agreed upon by the various parties. This is just pumping $210 million more into failing business enterprises. Many corporations all over this country go into bankruptcy every year. There are many thousands of them. The last time I checked, it was 11,000.

How much more money are we going to pour into these failing corporations and these bankrupt corporations? How many more corporations is this Congress going to undertake to bail out?

Mr. HARRY F. BYRD, JR. I reserve the remainder of my time.

Mr. GOLDWATER. Mr. President, I yield myself 5 minutes.

Mr. President, it is not easy to see any American corporation or company or individual enterprise face bankruptcy or face the threat of closing. Yet what we are being asked to do here this afternoon, while it might prolong the life of the Penn Central, gives no guarantee that it will insure it. I believe we are establishing a very dangerous precedent. I said the same thing when we advanced money to Lockheed Aircraft Corp. and I say the same thing about the Penn Central. If we can advance money to Penn Central and to Lockheed, why cannot the corner family store come in here and ask for money to be used to pay its bills and prevent bankruptcy? Why cannot any company or, as far as that goes, any individual American come to the Congress of the United States and ask financial assistance and, by this precedent, expect to get it?

I think it is very dangerous. We are already, as has been said by the distinguished Senator from Virginia, throwing money down many, many rat holes, far more holes than we have rats, and that is kind of hard to believe in this country. I do not want to see this Senate go on record, or this Congress go on record, as favoring the continued bailout of companies, no matter how big they are.

Not every company in this country today is in good shape. I visited with some of my copper mine people this morning. The demand for copper is down for the first time in many, many years and the world price and the national price have gone down. This has resulted in unemployment in my State, in New Mexico, Montana, and in other States in the West, including Utah, where copper is mined. Yet they are not coming in here asking that we advance them money so that they can carry themselves through. True, they are in much, much better condition than the Penn Central.

The Penn Central has been a long time getting into this bad shape. I think we made a mistake, when we first entertained the idea of advancing them money, when we did not insist that the company clean up its practices, modernize its system. In fact, we might say that to almost any railroad in this country as of now: "Put down some new track, buy some new equipment." They say, "We do not have the money to buy it." They probably do not have the money to buy it because they have not been giving the kind of service they should have been giving down through the years.

Mr. President, my effort is not to downgrade Penn Central for its efforts, or the efforts of any corporation in this country. I merely want to put myself on record as being firmly opposed to the Congress of the United States appropriating taxpayers' money to bail out any company in this country, I do not care whether it is the biggest corporation or the smallest individual business, and I shall vote against it.

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

I was chairman of the subcommittee a few years ago handling appropriation bills for transportation, and I very definitely remember the problem of railroad transportation for what I will call our Eastern States, particularly.

I strongly supported the concept of some experimental transportation practices that they wanted to inaugurate from Boston to Washington, as I remember, and then from New York to Miami. We had those experiments, and I supported them for several years, recognizing the problem. And it just may be—I have not checked it, but I believe that I supported the first appropriation in this matter, involving the Penn Central.

But it has gone on so long, Mr. President, and has reached such proportions, that I believe some protest vote, anyway, if nothing more, should be registered here against this pattern that we are setting up. Certainly I want to see them come out of the hole, and still hope they will.

I have no prepared speech, but I just happen to have in my pocket here some figures that are authentic with regard to applications that we already have.

The national debt of $487 billion is just the beginning, just the start of real obligations that we already have.

We hear references to the social security obligations that have already accrued. These are amazing figures. Fortunately we have a financial system for that, that I hope is sound and will continue sound, but at the same time we have obligations that have accrued for which no appropriation has yet been made from the Government's standpoint, according to these figures, running over $1,000 billion, or very close thereto.

We have certain compensation guarantees in the way of veterans' compensation and pension funds, something that is not going to be neglected, of around $177 billion.

There are certain Government guarantees in other fields of $159 billion.

I want to make the additional practical point, too, that as I understand there would be a much better chance for this Penn Central line to come out, so to speak, if the management would just agree that there are certain so-called feeder lines that are part of the Penn Central system but are more or less feeders, that do not pay their way and will not prospectively pay their way, that perhaps should be cut off as appendages and sold for whatever they will bring. I know nothing about railroads, operating them, or anything of that kind. But until there is a stronger showing made here, and especially since this sets a precedent under which all areas of the country will have to be treated equally for spending billions and billions of dollars, I think under these conditions I will not further, for the time being at least, support this measure.

I am just not willing to agree that this cannot be done by private enterprise. I think it can be done. With sounder progress being made, and a better plan being made for the Government to temporarily hold them up and help them become solvent, I would perhaps support it. But we are wandering around in that field, and I say that with all deference, of course, to the managers of the bill. I know that we have bills that make all kinds of trouble along this line, and are hard to terminate.

Mr. President, I yield the floor.

Mr. HATFIELD. Mr. President, today is a very significant day for the future of railroads in the Northeastern and Midwestern regions of the United States. Today the Senate will continue to consider and vote on an additional $347 million subsidy for the Penn Central Railroad and other smaller railroads in the Northeast. This is just another in what promises to be a series of governmental "bailouts" of this beleaguered railroad system. Also today, the U.S. Railway Association—USRA—releases their preliminary report on the consolidation of these railroads into one system—hopefully with improved efficiency and a greater profitmaking capability.

I shall vote reluctantly in favor of the continued subsidy to the Northeastern railroads. This is only to keep them viable until the USRA can implement the system plan under the stewardship of a new consolidated corporation to be known as ConRail. The need for a more efficient nationwide rail system for purposes of hauling both passengers and freight, in light of the current concern for the wise use of our energy resources, justifies this additional Federal aid. The economic dislocations that would result if these railroads were allowed to collapse outweigh my dislike for Government bailouts of this kind.

With the release of the preliminary report by the USRA we hear talk of nationalizing the railroads. I wish to remind my colleagues of an alternative to complete collapse and nationalization as designated in the original law—Public Law 93-236—creating the USRA. This is the concept of the "employee stock ownership plan." In the Regional Rail Reorganization Act of 1973, section 206(e)(3) provides for the implementation of ESOP "to the extent practicable." Having looked at the USRA report I see no indication that such a plan will be used to help restore the railroads to financial health.

Nowhere in the "preliminary system plan" released today, is there any mention of ESOP, either with regard to its possible use or in explanation of why it is not to be used. This fact will be the subject of a letter which I will send to the Board of Directors of the USRA. If ESOP is not going to be implemented at all, I think we in the Congress should at least know why.

Mr. President, so that I may bring this matter to the attention of my colleagues once again, I would like to resubmit for the RECORD my "Dear Colleague" letter of November 5, 1973, as well as some background materials in support of the ESOP concept. I hope that this idea has not been forgotten, and that it will still be considered as a possible alternative to the general collapse or total nationalization of the railroad system in the United States.

I ask unanimous consent that the letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., November 5, 1973.

DEAR COLLEAGUE: Soon the Senate will begin consideration of legislation to revitalize the bankrupt rail systems of the Northeast. I believe this offers an opportunity for a full discussion of possible alternatives to nationalization.

Increasing federal subsidies are not sufficient to prevent continued deterioration and future labor-management conflicts. Federal solutions, in their present form, are an open invitation to bailouts of other ailing railroads and industries. Our railroad crisis is merely one more in a growing parade of examples where a bankruptcy in leadership and vision has led to a vacuum in our corporate sector which, not surprisingly, has been filled by increasing government powers and controls and new and more costly bureacracies.

I am, therefore, proposing an amendment to whatever bill passes the Senate. This amendment would signal a healthy, new direction for the proposed Northeast Rail Corporation and the Federal National Railway Association, as proposed by the Pearson-Beall amendment, by adding a provision to the financing and labor relations sections of this bill which would explicitly mandate "to the maximum extent practicable" the use of an Employee Stock Ownership Plan for financing transfers of corporate assets and future expansions of the reorganized system. Enclosed is a copy of this amendment, together with a comparison of ESOP financing with conventional debt financing and a one-page summary of how this amendment would benefit taxpayers, workers, railroad users, and the public generally if applied to the future system under projections of the Department of Transportation.

The Employee Stock Ownership Plan is, in my opinion, the most important innovation in investment finance developed in recent years. The ESOP would spread stock ownership systematically among all employees, at no personal risk to themselves and without reducing their take-home pay or other benefits. And by building a vested and growing property stake and rising dividend incomes into each member of the corporate team, anyone—management, union officials, and blue collar workers alike—would share a unity of interest in the growth and profitability of the Northeast Rail Corporation, if this is the approach adopted by the Congress. Technological improvements, now viewed as a threat to workers, become a growing source of each worker's retirement and preretirement income under an ESOP. Thus, by offering significant equity opportunities to its work force, the new rail corporation would not only begin on a more viable footing, but, through its ESOP, can offer taxpayers some hope for an efficient, unsubsidized and relatively strike-immune rail system in the Northeast corridor.

From a taxpayer's standpoint, this amendment would add no Federal costs to the present railroad proposals now being considered. In fact, the ESOP is, I feel, our only hope for converting what is today a significant tax loser into a future, tax-paying member of the corporate community. The ESOP's advantages for meeting this crisis and other kinds of economic problems have received extensive treatment in many business and scholarly journals and in several important books on the future of the American economy. A growing number of labor leaders have recognized the ESOP as offering new horizons for democratic unionism. And from a moral and political standpoint, we have nothing to lose and everything to gain by adding an ESOP provision to the Northeast Rail bill.

I sincerely hope that you will join me as a co-sponsor of this amendment to provide all employees of the proposed Northeast Rail Corporation an equal and fair opportunity to share in its ownership. Should you wish to do so, or if you have any questions, please contact me or have a member of your staff contact Tom Imeson at x53753 by Tuesday, November 13.

Kindest regards.

Sincerely,

MARK O. HATFIELD,
U.S. Senator.

COMPARISON OF CONVENTIONAL DEBT FINANCING WITH EMPLOYEE STOCK OWNERSHIP FINANCING

The process by which newly formed capital (improved land, new structures, and new tools) is brought into existence under conventional financing techniques can be functionally analyzed from the following example. Suppose a corporation has done its feasibility study for a contemplated expansion (self-liquidation within a reasonable period of years is the essential logic of business investment) and concludes it should spend One Million Dollars for new tools in order to increase output of goods and services for which it foresees a profitable market. The corporation goes to its bank or other lender, convinces the lender of this "feasibility," and borrows the necessary funds—let's say repayable in installments over five years. The picture looks something like this:

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The important aspects of this technique of finance are:

When the loan is paid off *incremental productive power* equivalent to One Million Dollars of tools has been built into a stationary stockholder base. An individual may sell stock which he owns in the corporation, and another individual *with capital* may buy the stock, but no net *new capital owners* are created in the process.

Since, as a matter of fact, virtually the entire personal ownership of productive capital in the U.S. economy lies in the top 5% of wealthholders, it is clear that a principal contributor to this *concentration of ownership of productive power* (productive input being the business basis for personal outtake or income) under the double-entry bookkeeping logic of a market economy lies in a technique of finance that builds all incremental productive power into a tiny stock ownership base that already owns *functionally excessive* productive power, having in mind that the ultimate economic purpose of production is consumption. Those who must constitute the great majority of ultimate customers for business—the people with present and potential unsatisfied consumer needs and wants—do not acquire incremental productive power through this process. Those who are in fact already excessively productive (in relation to their present or potential consumer needs or wants) acquire all incremental productive power.

The other principal methods of financing new capital formation, those using internal cash flow such as retained earnings, investment credits, depletion, accelerated depreciation, etc., all have precisely the same concentrating effect. In the aggregate, all of the conventional techniques of finance above mentioned accounted for nearly 98% of new capital formation during the past decade.

The sole remaining financing method, the sale of new equities for cash, has the same concentrating effect: the new stock is sold to people with capital who can pay cash for it.

In short, the logic used by business in making investment—the logic of investing in things that will pay for themselves—is not available to the 95% of Americans born without family capital ownership. As the nonhuman factor increases in quantity and in relative productive power, its ownership remains concentrated in a stationary fraction of the population. With rare exceptions, employees, including executive employees, do not own functionally significant amounts of productive caiptal.

Business finance, because of our incomplete national economic policy (a failure to interpret the Employment Act of 1946 as requiring a broadening of the ownership of capital in order to achieve "maximum purchasing power" in the hands of those who need it) and our attempt to solve the income-distribution problem entirely through employment, has failed to recognize the importance of creating new owners of capital *without diminishing* the *take-home pay* of labor. Business operates in such a way as to deprive even the employees, both sub-managerial and managerial, of the great corporations (1,000 of which produce nearly 80% of the goods and services of the private sector) of effective means of legitimately acquiring the ownership of viable holdings of capital.

The end result, to which businessmen naturally object, is that it falls to Government to close the purchasing power gap which occurs when 5% of families (who own all the capital) acquire ownership of all incremental per capita productive power, and the majority, with most of the unsatisfied product needs and wants and rising expectations stimulated by all the modern techniques, acquire ownership of none of the incremental productive power. The techniques government must use to close the purchasing power gap, and the effects of its actions, are too well known to dwell on here:

Welfare redistribution of every imaginable kind.

Redistributive taxation of every conceivable kind.

Subsidization of employment, both within and outside government, of millions of people who would not be employed except for the subsidies, the cost of which subsidies are a social burden upon the present and future of the economy directly affecting the quality of the life of the people, although the conventional wisdom overlooks them in evaluating the performance of the economy.

The adoption of myriads of pieces of legislation encouraging employees to demand and receive more pay for less work, even to the point of demanding increasing pay for no work input whatsoever. All such costs go into the prices of products, thus creating inflation, artificial scarcities and a decline in the economic quality of life, where plentitude and growth in the affluent quality of life should prevail because it is consistent both with the objectives of business, with its technical capabilities and with the desires of the people.

A rising sense of strife between management and labor, and between the rich and the poor—a natural result of governmental redistribution.

A growing sense of economic alienation and helplessness, the natural result of not owning capital in a world where most of the wealth is produced by capital.

The fiscal integrity of government is being destroyed at every level, as a result of our defective corporate strategy and incomplete economic policy that attempts to solve the income distribution problem through employment alone rather than jointly through employment and broader ownership of capital, the other factor of production. From the municipality, the county, and the

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state, to the Federal government and the United Nations, staggering but still growing debt (the not-so-secret source of our precarious present prosperity) is being piled upon unwilling taxpayers and the taxpayers of the future, while the underproductive and non-productive masses demand more welfare, more subsidies, more redistribution.

The solution is to facilitate financing a significant portion of new capital formation, and normal business changes in the ownership of existing assets, by techniques that legitimately build the ownership of viable capital holdings into corporate employees without taking anything from their take-home pay or their universally inadequate (or non-existent) savings, and to do this by making the self-liquidation investment logic, traditionally used by the corporation itself, available to the corporate employee to whom capital ownership is traditionally only a frustrated dream—the frustrated American Economic Dream.

The basic building block for bringing about such change in the pattern of ownership of capital in the U.S. economy is ESOP financing (the possible variations are numerous). Using the assumptions referred to in connection with the discussion of traditional financing, Model I it may be described as follows:

* * * * *

The most important aspects of the ESOP financing techniques are:

The loan is made not directly to the corporation, but to a specially-designed ESOT that qualifies as a tax-exempt employee stock bonus trust, or money-purchase pension trust designed to be invested in employer stock, under Section 401(a) of the Internal Revenue Code. Such trusts normally cover all employees of the corporation; their relative interests are proportional to their relative annual compensation (however defined) over the period of years that the financing is being paid off. The trusts are normally under the control of a committee appointed by management and its membership may include labor representatives.

The committee invests the proceeds of the loan in the corporation by purchasing newly issued stock at its current market value.

The trust gives its note to the lender, which note may or may not be secured by a pledge of the stock. If it is so secured, the pledge is designed for release of proportionate amounts of the stock each year as installment payments are made on the trust's note to the lender and the released stock is allocated to participant's accounts.

The corporation issues its guarantee to the lender assuring that it will make annual payments into the trust in amounts sufficient to enable the trust to amortize its debt to the lender. Within the limits specified by the Internal Revenue Code, such payments are deductible by the corporation as payments to a qualified employee deferred compensation trust. Thus the lender has the general credit of the corporation to support repayment of the loan, plus the added security resulting from the fact that the loan is repayable in pre-tax dollars.

Each year as a payment is made by the corporation into the ESOT there is allocated proportionately among the accounts of the participants in the trust a number of shares of stock proportionate to the participant's allocated share of the payment. Special formulas have been designed to counteract the relatively high proportion of early amortization payments used to pay interest and the relatively high proportion of later amortization payments used to repay principal.

As the financing is completed and the loan paid off, the beneficial ownership of the stock accrues to the employees. Most trusts are designed to permit the withdrawal of the portfolio in kind, subject to vesting provisions, either at termination of employment, or at retirement. However, it is desirable to so design the ESOT that any dividend income on shares of stock that have been paid for by the financing process and then allocated to the employees' accounts be distributed currently to the employee-participants, thus giving them a second source of income.

Diversification of the trust can be achieved after a particular block of stock has been paid for by exchanging the stock, at fair market value, for other shares of equal market value. Since the trust is a tax-exempt entity, such diversification is without tax impact.

While there is temporary dilution of the equity of existing shareholders at the outset, due to the fact that both stock and a limited and special type of loan obligation are outstanding, each year as the corporation repays its debt in pre-tax dollars through the trust, a cash accumulation is set aside that eventually, either within the financing period or thereafter, taken in conjunction with the considerations mentioned in the following paragraph, restores the dilution because of the yield on invested net worth of the tax saving.

When all factors are considered, including the cost and relative inadequacy of most alternative private retirement systems (for which the ESOP becomes a substitute), the probable costs and losses to the corporation resulting from (i) the inevitable demands of employees for progressively more pay in return for progressively less work input where they have no opportunity to accumulate significant capital ownership over a reasonable working lifetime; (ii) the shrinkage of markets for the corporation's products or services from the otherwise inevitable inflation of its product prices; and (iii) the added costs to the employer from alienation and demotivation of employees not enabled to acquire capital ownership in an economy where capital is a chief productive factor, etc., the cost of capital under Model II ESOP financing over the long term, i.e., beyond the financing period, is no greater, and will normally be less than the cost of capital resulting from any of the techniques discussed under Model I above.

REORGANIZED NORTHEASTERN RAILROAD SYSTEM BENEFITS TO BE DERIVED UNDER EMPLOYEE BUYOUT THROUGH ESOP FINANCING

THE U.S. ECONOMY IN GENERAL

An efficient, unsubsidized, strike-immune rail system in the Northeast corridor.

A dramatic example of how a sick industry can be revived by creating a unity of interest between management and organized labor through widespread access to corporate ownership and dividend incomes among all employees . . . without affecting traditional jurisdictional prerogatives of management vis-a-vis union leadership.

A positive alternative to nationalization and current trends toward nationalization and taxpayer bail-outs of our railroads.

Cuts government costs and reduces pressures on almost bankrupt present railway workers retirement system . . . yet raises the tax base.

WORKERS EMPLOYED AFTER REORGANIZATION

No reductions in present pay levels, present retirement contributions, and other present employee benefits.

An opportunity to buy and pay for a sizeable chunk of stock in the new company ($10,000 on the average per worker), and to own this stock in the same way as America's wealthiest families accumulated their property holdings: through access to corporate credit, with personal risk cut off by the insulation given under law to a corporation.

No taxes paid on any worker's property acquired through the ESOP, on any appreciation in value of a worker's holdings, or dividends, as long as these assets remain "sheltered" within the ESOP.

In addition to wages, a second income from dividends on stock held by the ESOP for each employee during his working years (an estimated supplement of almost $3,200 per year for the average employee after 5 years, based on conservative profit projections of the U.S. Department of Transportation). Dividend checks received by workers on-the-job or upon their ultimate retirement or displacement by automation are, of course, subject to personal taxes, the same as paychecks.

An opportunity to share with his fellow workers additional company stock and diversified holdings of other companies or real estate, acquired through future financings by the ESOP, as the new corporation expands, adds new and more efficient equipment, or otherwise seeks new sources of income.

A better answer to automation than demoralizing featherbedding, make-work, spread-work, etc.

A personal stake in cost-cutting and higher corporate profits, thus enabling the industry to become more competitive, to grow faster, to expand into new territories, and generate new jobs.

An inflation-proof capital estate to pass on the one's heirs.

AMENDMENT PROPOSING CONSIDERATION OF AN EMPLOYEE STOCK OWNERSHIP PLAN IN FINAL SYSTEM PLAN

On page 5, between lines 23 and 24 insert the following new subsection and renumber accordingly:

"(5) 'Employee stock ownership plan' means a technique of corporate finance that uses a stock bonus trust or a company stock money purchase pension trust which qualifies under Section 401 (a) of the Internal Revenue Code in connection with the financing of corporate improvements, transfers in the ownership of corporate assets, and other capital requirements of a corporation and which is designed to build beneficial equity ownership of shares in the employer corporation into its employees substantially in proportion to their relative incomes, without requiring any cash outlay, any reduction in pay or other employee benefits, or the surrender of any other rights on the part of such employees."

On page 26, between lines 2 and 3 add the following new paragraph and renumber accordingly:

"(8) improving employee motivation and raising employee incomes and productivity by maximizing opportunities of railroad employees to participate as stockholders in their employer corporations."

On page 31, between lines 23 and 24 insert the following and renumber accordingly:

"(1) the manner in which employee stock ownership plans shall, to the extent practicable, be utilized for meeting the capitalization requirements of the Corporation, taking into account (a) relative cost savings compared to conventional methods of corporate finance; (b) labor cost savings; (c) potential for minimizing strikes and producing more harmonious relations between labor organizations and railway management; (d) projected employee dividend incomes; (e) impact on quality of service and prices to railway users; and (f) otherwise promoting the objective of this Act of creating a financially self-sustaining railway system in the Midwest and Northeast region which also meets the service needs of the region and the Nation;

On page 44, line 19 after the word "Act." insert the following:

"In making loans the Association shall consider whether the applicant has an employee stock ownership plan and shall give preference to applicants who have such a plan."

Mr. BELLMON. Mr. President, I rise in opposition to S. 281, the Regional Rail Reorganization Act Amendments of 1975. The purpose of this bill is to increase the level of Federal Government support to the Penn Central Railroad by providing $125 million in Federal grants and $150 million in loan authority beyond what has already been approved by Congress.

This proposal raises some very fundamental questions: How far is the Congress willing to go? How much Federal funds will eventually be required to sustain railroad services in this region in view of inflationary pressures, enhanced competition, and past mismanagement practices. During the Senate debate on the merits of the Railroad Reorganization Act of 1973, the Congress was faced with an unfortunate dilemma. We were told then we must either provide a large Federal subsidy or else railroad services in the midwest and northeast regions of our Nation would come to a sudden halt resulting in economic chaos. Faced with this choice, Congress approved $85 million in grants and $150 million in loan authority to "bail-out" the Penn Central Railroad. Since then, Penn Central has shown very little improvement and has now returned to Congress for another massive dose of Federal funds to correct their financial ills. Although I fully recognize that inflation and increased fuel costs have further eroded the company's cash flow and caused a decline in revenues, we must face today the serious question whether such an additional expenditure of the taxpayers' dollar will eliminate the problem or merely aggravate what appears to be a vicious wasteful operating circle.

Although Congress has apparently committed itself to a continued governmental involvement in this area through the establishment of a quasi-governmental agency, the U.S. Railway Association, the issue still remains: How many millions of additional Federal funds must be appropriated before the Penn Central Railroad system is able to operate on a profitable basis? No one has been able or willing to answer this question. Once again, we are told that Penn Central faces an emergency situation; that it will be unable to meet its payroll unless Congress acts and acts now; that all the grant and loan moneys under the Regional Rail Reorganization Act of 1973 have been exhausted. Once again, we are told that if funds are not provided, the Penn Central freight and passenger service along 20,000 miles of line will come to a halt.

The facts speak for themselves. The Penn Central is a huge mismanaged corporation which has squandered its resources. Much of its problem can be traced to its meddling in activities totally unrelated to the transportation business. To make this point I ask unanimous consent that two newspaper articles be inserted in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibits 1 and 2.)

Mr. BELLMON. Mr. President, the solution to the Penn Central's problem lies not with Congress but with its own management and with the ICC. I cannot vote to spend tax dollars in a vain attempt to preserve a wasteful, careless corporation that could and should solve its own problems.

EXHIBIT 1

SIX FLAGS PARKS IN DEFAULT

LOS ANGELES.—Great Southwest Corp., a land developer and operator of amusement parks including the Six Flags facilities in Arlington, Tex., Atlanta and St. Louis, said it is in default under its major credit agreements for $4.25 million.

The firm is a subsidiary of the Pennsylvania Co., which is a subsidiary of the Penn Central Transportation Co., parent of the bankrupt Penn Central Railroad.

For several months, Great Southwest has been negotiating a debt restructure and recapitalization plan with its major creditors and equity holders.

EXHIBIT 2

PENN CENTRAL CO.'S GREAT SOUTHWEST CORP. RESTRUCTURES ITS DEBT

LOS ANGELES.—Great Southwest Corp., a Penn Central Co. affiliate in deep financial trouble for many months, said it completed a $154 million financial restructuring involving 83 debt and equity holders.

Bruce C. Juell, Great Southwest president, said that as a result of the plan, he holds "guarded optimism" for 1975 and that he expects the company to operate profitably after the restructuring. For 1974 the real estate and amusement park company expects to report a loss of more than $20 million, Mr. Juell said.

"We are out of danger now—but with two caveats," he said. "We are quite dependent upon our amusement parks remaining profitable. Also our company has a negative net worth of about $24 million."

The PRESIDING OFFICER (Mr. HELMS). The question is on agreeing to the motion to concur in the House amendment to S. 281. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senate will be in order.

The legislative clerk resumed the call of the roll.

At this point the Vice President assumed the chair.

Mr. MATHIAS. How am I recorded?

The VICE PRESIDENT. The Senator from Maryland is not recorded.

Mr. MATHIAS. Aye.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. MCGOVERN) and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Nebraska (Mr. HRUSKA) would each vote "yea."

The result was announced—yeas 62, nays 30, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—62

Abourezk	Hartke	Moss
Baker	Haskell	Muskie
Bayh	Hatfield	Nelson
Beall	Hathaway	Pastore
Bentsen	Hollings	Pearson
Biden	Huddleston	Pell
Brooke	Humphrey	Randolph
Buckley	Inouye	Ribicoff
Bumpers	Jackson	Roth
Case	Javits	Schweiker
Clark	Johnston	Scott, Hugh
Cranston	Kennedy	Sparkman
Culver	Leahy	Stafford
Domenici	Long	Stevens
Eagleton	Magnuson	Stevenson
Eastland	Mathias	Tower
Fong	McClellan	Tunney
Ford	McGee	Weicker
Glenn	McIntyre	Williams
Griffin	Metcalf	Young
Hart, Philip A.	Mondale	

NAYS—30

Allen	Dole	Morgan
Bellmon	Fannin	Nunn
Brock	Garn	Packwood
Burdick	Goldwater	Proxmire
Byrd, Harry F., Jr.	Hansen	Scott, William L.
Byrd, Robert C.	Helms	Stennis
Cannon	Laxalt	Stone
Chiles	Mansfield	Talmadge
Church	McClure	Thurmond
Curtis	Montoya	

NOT VOTING—7

Bartlett	McGovern	Taft
Gravel	Percy	
Hruska	Symington	

So the motion to concur in the House amendment to S. 281 was agreed to.

Mr. HARTKE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Indiana.

Mr. HARTKE. Mr. President, I ask unanimous consent to have the bill as it has been passed printed in the RECORD.

The VICE PRESIDENT. Will the Senator speak louder?

Mr. HARTKE. I ask unanimous consent to have the bill as it was passed printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

SEC. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716(a)(1)) is amended by inserting "and express" immediately after "rail".

SEC. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

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"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

SEC. 4 (a) Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (i) affirm its previous order or (ii) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

SEC. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

SEC. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

SEC. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"SEC. 215. (a) PURPOSES.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) CONDITIONS.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) OBLIGATIONS.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) CONVEYANCE.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

SEC. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215(a)(1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

SEC. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"SEC. 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

Mr. HARTKE. Mr. President, I would like to express my thanks to several distinguished Senators who assisted in the passage of this legislation. Mr. President, I ask unanimous consent if I might proceed to thank the staff people who helped on this?

Mr. ROBERT C. BYRD. For how long?

Mr. HARTKE. For 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I want to express my thanks to the Senator from Connecticut for his assistance and contributions; he is a great spokesman on railroad transportation. I think this is a good vote on the question.

Mr. President, let me express my thanks to the ranking minority member (Mr. PEARSON) and the chairman of the full committee (Mr. MAGNUSON) for the work they have done in making this possible.

Mr. President, I would like to have printed in the RECORD a list of names of individuals on the staff and ask unanimous consent that each one of these be extended personal thanks on my behalf for the fine work they have done.

The VICE PRESIDENT. Will the Senators suspend so we can hear the distinguished Senator?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Lynn Sutcliffe, Tom Allison, Paul Cunningham, John Burns, Mal Stenett, Art Pankopf, John Kirtland, Jeff Bakers, Robert Joost, Loyal Snyder, Chris O'Malley, Jennifer Gulnan.

ORDER OF BUSINESS

Mr. HARTKE. Mr. President, I would like to address myself to the leadership for a moment. If the chairman of the Committee on Appropriations is here—

we have just passed the authorizing legislation and I would like to ask a question as to whether it would be possible for us to proceed immediately to the consideration of House Joint Resolution 210, which is the measure which appropriates the funds pursuant to this authorization?

Mr. MONDALE. Will the Senator yield?

Mr. HARTKE. Yes, but I ask unanimous consent at this time that we move to consideration of House Joint Resolution 210.

Mr. MONDALE. I object.

The VICE PRESIDENT. Is there objection?

Objection is heard.

Mr. MONDALE. I have no objection, if the Senator will yield, to filing a cloture petition.

The VICE PRESIDENT. Will the Senator speak louder?

Mr. MONDALE. I do object.

The VICE PRESIDENT. Will the Senator use his microphone?

Mr. HARTKE. Mr. President——

The VICE PRESIDENT. The Senator from Indiana.

Mr. HARTKE. Mr. President, now, let me find out what the Senator from Minnesota is objecting to.

The Senator objects to the fact that we put this down as the pending business?

Mr. MONDALE. Yes; as I understand the regular order, the pending business now is to return to Senate Resolution 4 as the pending business, and I think we should follow the regular order.

I have no objection to filing a cloture petition on the appropriations bill if the Senator wishes to do so, but I do object to changing the regular order, as I understand it.

Mr. HARTKE. Let me ask to see if this will work. I would like to ask unanimous consent that the Senate proceed to the appropriations bill, which is House Joint Resolution 210, and I ask unanimous consent that at this time that bill be passed.

Mr. CHILES. Reserving the right to object——

Mr. MONDALE. I object.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator's 2 minutes have expired.

The objection is heard.

Mr. HARTKE. Mr. President, can I be recognized?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator may proceed for 1 additional minute.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARTKE. I would like at this time to ask unanimous consent to file a cloture petition on House Joint Resolution 210.

Mr. ALLEN. Reserving the right to object, as I understand the rules——

The VICE PRESIDENT. The Senator from Alabama.

Mr. ALLEN. As I understand the rule, in order for a cloture petition to be filed, the business against which the cloture petition is filed must be the pending business or the unfinished business.

Inasmuch as this bill is neither, the Senator from Alabama would be glad to have it made the pending business.

[Laughter.]

The VICE PRESIDENT. Is there objection?

Mr. HARTKE. What I would like to do is ask unanimous consent that notwithstanding the rule requiring it to be the pending business, that the Senator from Indiana be permitted to present to the Senate a cloture petition on House Joint Resolution 210.

Mr. ALLEN. Well, if it is made pending business subject to debate, the Senator from Alabama is ready.

Mr. GOLDWATER. Mr. President, I object.

Several Senators addressed the Chair.

The VICE PRESIDENT. Objection is heard.

The Senator from West Virginia.

ORDER TO VACATE SECOND CLOTURE MOTION—S. 281

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the second cloture motion which was filed yesterday on the Penn Central measure be vacated.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President——

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The VICE PRESIDENT. The Senate will now resume consideration of the motion to proceed to the consideration of Senate Resolution 4. The pending question is the motion of the Senator from Alabama to postpone consideration of the motion of the Senator from Minnesota for 1 month.

Mr. MATHIAS. Mr. President——

The VICE PRESIDENT. The Senator from Maryland.

Mr. MATHIAS. Mr. President, as the Chair has just stated, we do now resume debate on the motion by the very distinguished Senator from Alabama to postpone consideration of the motion by the Senator from Minnesota for a period of a month, an additional month.

This motion, of course, is the latest in the long and imaginative and creative efforts by opponents to Senate Resolution 4 to prevent the Senate from acting on the proposal to change rule XXII.

I think it is worthy of note at this time that on no less than 27 occasions the Senate has been effectively prevented from voting on the Mondale motion through the use of quorum calls, motions, and similar parliamentary practices.

In the same period, the Senate has voted no less than eight times on motions, the purpose of which is to delay the action of the Senate in this effort.

I think it is of real importance the Senate be allowed to vote on the merits of the resolution. Therefore, Mr. President, I move to table the motion of the distinguished Senator from Alabama to delay consideration of the Mondale motion for 1 month and I ask for the yeas and the nays on that motion.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The Senator from Montana.

Mr. MANSFIELD. Mr. President, I make the point of order—all right.

The VICE PRESIDENT. The question is on the motion to table.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. The Senate will be in order.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. MCGOVERN), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 57, nays 34, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—57

Abourezk	Hart, Philip A.	Montoya
Bayh	Hartke	Moss
Beall	Haskell	Muskie
Bentsen	Hatfield	Nelson
Biden	Hathaway	Packwood
Brock	Huddleston	Pastore
Brooke	Humphrey	Pearson
Bumpers	Inouye	Pell
Burdick	Jackson	Proxmire
Byrd, Robert C.	Javits	Randolph
Case	Kennedy	Ribicoff
Church	Leahy	Schweiker
Clark	Magnuson	Scott, Hugh
Cranston	Mansfield	Stafford
Culver	Mathias	Stevens
Eagleton	McGee	Stevenson
Ford	McIntyre	Tunney
Glenn	Metcalf	Weicker
Hart, Gary W.	Mondale	Williams

NAYS—34

Allen	Fannin	McClure
Baker	Fong	Morgan
Bellmon	Garn	Nunn
Buckley	Goldwater	Roth
Byrd, Harry F., Jr.	Griffin	Scott, William L.
Cannon	Hansen	Stennis
Chiles	Helms	Stone
Curtis	Hollings	Talmadge
Dole	Johnston	Thurmond
Domenici	Laxalt	Tower
Eastland	Long	Young
	McClellan	

NOT VOTING—8

Bartlett	McGovern	Symington
Gravel	Percy	Taft
Hruska	Sparkman	

So Mr. MATHIAS' motion to lay on the table Mr. ALLEN's motion to postpone was agreed to.

Mr. MANSFIELD. Mr. President——

Mr. ALLEN. Mr. President——

The VICE PRESIDENT. The Senator from Montana.

Mr. MANSFIELD. Mr. President, in an attempt either to speed up the procedure which has developed or to delay it still further, I would like to renew a motion which I have made previously, with some slight modifications attached thereto.

Mr. President, I make the point of order that the pending motion by the Senator from Minnesota (Mr. MONDALE) is out of order, insofar as it precludes debate, intervening motions, and amendments.

Mr. BROOKE. Mr. President——

Mr. ALLEN. Mr. President——

The VICE PRESIDENT. This being a constitutional question the Chair will submit to the Senate for debate and determination the question: Is the point of order raised by the Senator from Montana well taken?

Mr. BROOKE. Mr. President——

The VICE PRESIDENT. The Senator from Massachusetts.

Mr. BROOKE. Mr. President, I move to table the point of order made by the distinguished majority leader, and ask for the yeas and nays.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Is there a sufficient second?

Mr. ALLEN. A parliamentary inquiry.

Mr. BROCK. Mr. President——

The VICE PRESIDENT. The clerk will call the roll.

Mr. ALLEN. A parliamentary inquiry, Mr. President. A parliamentary inquiry.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON), are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT), and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT), would vote "aye."

The result was announced—yeas 46, nays 43, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—46

Abourezk	Hathaway	Nelson
Bayh	Huddleston	Packwood
Bentsen	Humphrey	Pastore
Biden	Inouye	Pearson
Brooke	Jackson	Pell
Burdick	Javits	Proxmire
Case	Kennedy	Randolph
Clark	Leahy	Ribicoff
Cranston	Magnuson	Schweiker
Culver	Mathias	Scott, Hugh
Eagleton	McIntyre	Stafford
Ford	Metcalf	Stevenson
Glenn	Mondale	Tunney
Hart, Philip A.	Montoya	Williams
Haskell	Moss	
Hatfield	Muskie	

NAYS—43

Allen	Eastland	McClure
Baker	Fannin	McGee
Beall	Fong	Morgan
Bellmon	Garn	Nunn
Brock	Goldwater	Roth
Buckley	Griffin	Scott,
Bumpers	Hansen	William L.
Byrd,	Hart, Gary W.	Stennis
Harry F., Jr.	Helms	Stevens
Byrd, Robert C.	Hollings	Stone
Cannon	Johnston	Talmadge
Chiles	Laxalt	Thurmond
Curtis	Long	Tower
Dole	Mansfield	Weicker
Domenici	McClellan	Young

NOT VOTING—10

Bartlett	Hruska	Symington
Church	McGovern	Taft
Gravel	Percy	
Hartke	Sparkman	

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Chair wishes to make a statement. The Senate having voted to table the point of order questioning the propriety of the motion of the Senator from Minnesota, insofar as it precludes debate, intervening motions, and amendments, thereby affirming the propriety of the motion in this regard, the motion now is to be put to the Senate for an immediate vote. The question is now on agreeing to the motion of the Senator from Minnesota.

Mr. LONG. Mr. President, I would like to comment on what the Chair did a few minutes ago.

The VICE PRESIDENT. The Senator from Louisiana will make his comment.

Mr. LONG. Mr. President, what I observed a few minutes ago—perhaps the Chair does not know any better, but this is one of the most improper decisions made by the Chair during the 26 years I have served here. A motion was made, a Senator was standing on his feet making a parliamentary inquiry, and he made it three times before the first name was called and answered on that roll.

Under the rules of the Senate, Mr. President, the Chair is under the burden of recognizing any Senator who is on his feet demanding recognition, and he is under the burden of asking the Senator, if it be a parliamentary inquiry, what is his parliamentary inquiry. He is under the burden of giving that man a chance to make his motion, suggest the absence of a quorum, or whatever the Senator wishes to do.

The Presiding Officer presides over the Senate. He is not privileged to vote in this body except in the case of a tie, and he does not own this body. If that is the way we are going to do business in this body, with a man standing asking for recognition to state a parliamentary inquiry or suggesting the absence of a quorum, or seeking recognition for whatever purpose, and the Chair denies that man a right to be heard, then, Senators, you are wasting your time asking for a two-thirds vote; you have one-man cloture right now.

I can recall when Lyndon Johnson used to be tough in his administration of this body, and he used to try to help us pass his program when he was President of the United States. I used to jokingly tell him, "I can tell you how you can pass a bill for the repeal of section 14(b). All you have to do is get somebody in that Chair who will bang the gavel and say, 'The yeas and nays have been ordered, and the clerk will call the roll.' Of course, you would probably have to haul people out of the Chamber kicking, screaming, and yelling while the clerk calls that roll. You might need to call in the District police to enforce it, but it can be done."

Now, Mr. President, I have seen some pretty unusual things done in State legislatures. I know that back in the days when my father was Governor of the State, he was confronted with the fact that the opposition had far better parliamentarians than his group of insurgents who managed to win the last previous election. To overcome the fact that they had better parliamentarians, he sought and obtained a rule which said that by a simple motion which would not be debatable, the rules could be suspended. So, whenever the Long floor leader arose with his bill, usually his first motion was to suspend the rules, which motion was not debatable, and from that point forward the body would run the way the presiding officer and the majority wanted to do.

Mr. President, this Government of ours may very well depend for its survival on the rights of a man to stand and be heard and explain why he thinks the majority might be in error, and what is a majority in the beginning might not be a majority after a measure has been discussed, and the people have had a chance to consider the reasoning of a person.

Now, just today, Mr. President, I have been pursuing something that I started several days ago, to see whether we can work out a fair compromise of this issue that preserves the integrity of the Senate, that will give us a two-thirds majority cloture for this Congress, and see how it works—for this Congress only.

My approach has always been to take the view that it is not important who is right. What is important is what is right, and I did not originate that. That came from a group known as the Moral Rearmament people, an idealistic group of young people who did the best they could for their world right after World War II.

I think, Mr. President, that reasonable people can work together and resolve this impasse in which we find ourselves in a manner of good will and without

denying anyone his rights and without bulldozing, usurping, or denying anyone his power or his rights.

Now, I would say, Mr. President, that in this type of thing I have witnessed today the rules do not mean anything. We are supposed to be operating by that Constitution. And what is that supposed to mean? It is the Vice President, and that is all.

Mr. President, I thought I was going to help this administration on some things where, all things being equal, it looked as though they had a point to say for their side and, perhaps, we ought to give them a chance to prove their point. But I must say that I have grave doubts about any administration that would countenance the kind of conduct I just saw. I have seen it happen in the Senate but without exception, those who did it, apologized for it.

I can recall the time when Dan Brewster left the Chamber and Wayne Morse wanted him censured, and I saw Alben Barkley do an equally indefensible thing. I was there on that occasion. He adjourned the Senate having just refused to recognize the man who wanted to speak. It was I on that occasion, and I am proud to say a Republican Member at that time, Mr. Morse from Oregon, arose the next morning to chastise the Chair.

I have researched the RECORDS just to show that something that was improper had happened in the history of the Senate, and it was not to be found in the RECORD. I just wanted to say a few words, but I had the right to be heard. I found it was not in the RECORD. Apparently someone knew more about how the RECORDS were kept than I did because the permanent RECORD did not show that statement by myself and by the Senator from Oregon on the following day.

I want this in the RECORD, Mr. President. I have never in my life seen it happen in the Senate that a man can be standing trying to seek recognition, for whatever purpose, and the Chair can just go right on ahead and say, "The yeas and nays have been ordered and the clerk will call the roll," call the roll—tell the clerk, "Call the roll."

On this particular occasion, I noticed the clerk was a little slow calling the roll because he saw the man demanding recognition. The man at the desk knew that man had a right to be recognized, for whatever purpose.

What is this? Is this still the Senate of the United States? Is this the place that I wanted to serve from the days I sat there in that gallery and was 12 years old? Or is this some place where we are going to rule by the rule of might makes right? Will we just, if we cannot find some way to prevail upon people to see it our way, run over people roughshod? Is that the kind of body this is? I do not believe so, Mr. President. I believe that we have time for people to reason, for people to accommodate one another, for people to respect the rights of other people, and for this Senate to be the place that I always wanted to serve in. The Senate must be a place where a man's rights as a representative of that State are respected, and a place where the Senate, over a period of time, perhaps not as efficiently as a body controlled by a dictator, would bring about a judgment that recognized and reflected the wisdom and the collective judgment of every Member in this body after he had had a chance to study and fully appreciate the rights of others.

I say, Mr. President, we have reached a time when men of good will should reason together. What temporary gain anyone achieves today is a very, very minor thing in the history of this Nation. I think it is far more important that we set a precedent in this area that will serve this Nation rather than one that would disserve this Nation.

Now, if permitted to do so, I will try to get my colleagues to reason together and to accommodate the majority as well as the minority. I think the majority leader has been trying to do that.

Mr. MANSFIELD. Mr. President, will the Senator yield for a question?

Mr. LONG. Yes, I yield.

Mr. MANSFIELD. I was very much impressed with the possibility raised by the distinguished Senator from Louisiana to the effect that we have a three-fifths, a constitutional three-fifths—I would leave it at 60 just to make sure because that would be an advance—rather than a three-fifths of those present and voting. To me that would be a reasonable answer, and if it would be possible to arrive at some sort of informal gentleman's agreement, that that might be given the utmost consideration and possibly agreed to, I would be prepared to ask unanimous consent that the appropriation bill, the supplemental appropriation bill, be called up and considered and that then the Senate stand in recess until tomorrow in the hope that men of different viewpoints could get together.

I want to make it very plain that I am not talking about three-fifths of those present and voting. I am talking of a constitutional three-fifths, which would call for 60 Members rather than the present provision which calls for two-thirds of those present and voting.

I would never under any circumstances vote to impose cloture by a bare majority. But I do think that, just as Lyndon Johnson was largely responsible for bringing about a change in the two-thirds rule, if there is a possibility now to bring about a further change which would retain the flexibility of the Senate and protect the minority, that it would be worth considering on the basis of the suggestions which I have made, which are based, in turn, on the proposal suggested by the distinguished Senator from Louisiana.

Mr. LONG. I thank the distinguished Senator.

May I say, Mr. President, that it is my honor to serve with the Senator from Minnesota on the Finance Committee. He is a very valuable member and a very fair-minded one, one who is seeking to do what the good Lord gives him the light to do, just as I am; to try to do what he thinks is right and what he thinks is in the Nation's interest.

Now, I have made the Senator this proposition many times in the Finance Committee, and I have made other propositions. I have said, and I say, to the Senate what is important is what is right. It is not important whether you are right or I am right. What is important is what is right.

Now, I am willing to give you a chance to prove you are right about this, and I usually ask for a condition, provided you give me the chance to prove I am right. I would like to have the favor returned so that we can say——

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. LONG. Yes.

Mr. GOLDWATER. I would like to have the Senator yield to me so that I may make a parliamentary inquiry.

Mr. LONG. I wish to finish this thought first and then I will yield, might I say to the distinguished Senator.

I will simply say this: So far as this Senator is concerned, it would be all right with the Senator from Louisiana for this session only to say that we will have a simple straight majority cloture, so far as I am concerned, to see how it works. My guess is that if we have simple majority cloture, the Senate would want to go back to two-thirds or something else in 2 years by the time they had gone through it. But if we are going to experiment with a new rule, we could not have a better time than now when we have a Democratic Congress, a Republican President, a man who is basically conservative, in the White House, and a Congress that is overwhelmingly liberal, where one does check against the other. So there really could be no better time than now to experiment with a new rule.

Frankly, the point was made to me, if it works. Well, that almost dictates they will change the rules from this point forward.

My reaction is that if it works that well, I am sure that would be the case, but, of course, experience would have to dictate whether we think it is a good or bad idea.

But having debated this question for a good number of years, I would hope we could work toward that solution whereby we give those who want to change the rules to provide for a 60-percent cloture vote an opportunity to move in that direction; to try and see how it works for this Congress. If it works well I would assume that would be the case thereafter; otherwise there would be no prejudice and we could start back where we began.

I yield to the Senator for a parliamentary inquiry, but I ask unanimous consent that I might yield without losing my right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, is there anything in the rules that states that the Presiding Officer must recognize a Senator asking recognition?

The VICE PRESIDENT. It requires that the Chair should recognize the first Senator who rises, addresses the Chair, but it was a nondebatable motion, and it was a parliamentary inquiry, and the parliamentary inquiry is only at the sufferance of the Chair and is not in

the rules, recognized, and there was precedence, the Chair——

Mr. GOLDWATER. The Chair does not have to recognize anyone who rises to make a parliamentary inquiry?

The VICE PRESIDENT. Does not have to respond.

Mr. GOLDWATER. Even though the Chair could not help but hear him?

The VICE PRESIDENT. That is not the question, if the Senator will excuse me. He does not have to answer him. It says so right here in the precedents of the Senate. The Chair may decline to respond; the Chair may decline to answer a parliamentary inquiry.

Mr. GOLDWATER. That is correct. That is what it says, but I never thought I would see the day when the Chair would take advantage of it.

The VICE PRESIDENT. Well, the Chair——

Mr. STEVENS. Will the Senator yield?

The VICE PRESIDENT. Excuse me. The Chair would like to comment.

In view of the statements that have been made about the Chair, the Chair would like to say that I observed the parliamentary procedures to the best of my ability. If there was any evidence of discourtesy to the distinguished Senator from Alabama, I apologize. I did not mean that and I think evidenced by my recognition of him yesterday it is quite clear that was not my intention. I would like to state that it was a procedure on a motion that was not debatable that was taking place. The Senator from Massachusetts had called for the yeas and nays, the clerk was counting to see whether there was an adequate number supporting that. I then ordered the rollcall. He was still counting and I do not think there was any rule violated since the rollcall had started.

Therefore, the Chair would hope the Senator from Louisiana would understand the situation as it exists.

Mr. LONG. Mr. President, at a minimum, the Chair could have stated he was not going to recognize anyone for a point of order and refer to the rule. If the Senator wanted to suggest the absence of a quorum, he could have at least had the opportunity at that point to suggest the absence of a quorum.

I yield to the Senator.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. LONG. Mr. President, I ask that I might reserve my right to the floor.

The VICE PRESIDENT. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I would like to read from the official transcript citing the events which took place just prior to the last vote, the most crucial vote, perhaps, that this Senate has taken in the last several decades.

Mr. MANSFIELD. Mr. President, in an attempt either to speed up the procedure which has developed or to delay it still further, I would like to renew a motion which I have made previously, with some slight modifications attached thereto.

Mr. President, I make the point of order that the pending motion by the Senator from Minnesota (Mr. MONDALE) is out of order, insofar as it precludes debate, intervening motions, and amendments.

Mr. BROOKE. Mr. President——

Mr. ALLEN. Mr. President——

The VICE PRESIDENT. This being a constitutional question the Chair will submit to the Senate for debate and determination the question: Is the point of order raised by the Senator from Montana well taken?

Mr. BROOKE. Mr. President——

The VICE PRESIDENT. The Senator from Massachusetts.

Mr. BROOKE. Mr. President, I move to table the point of order made by the distinguished majority leader, and ask for the yeas and nays.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Is there a sufficient second?

Mr. ALLEN. A parliamentary inquiry.

Mr. BROCK. Mr. President——

The VICE PRESIDENT. The clerk will call the roll.

Mr. ALLEN. A parliamentary inquiry, Mr. President. A parliamentary inquiry.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, if the distinguished Presiding Officer is not going to recognize anyone for a parliamentary inquiry, we are at a time that we do not know whether we are going by the U.S. Senate rules, the Constitution, the laws of the United States, or the whim of the Vice President.

So when the Vice President, in a situation like that, refuses to recognize a Senator for a parliamentary inquiry and the Senator is on his feet, simply goes ahead and puts the motion, puts the motion and tells the man to call the roll, Mr. President, that, I must say——

The VICE PRESIDENT. The Chair would remind the Senator it was a nondebatable motion under the rules.

Mr. LONG. Mr. President, under these rules, I do not know if it is nondebatable. A man has a right to suggest the absence of a quorum.

The VICE PRESIDENT. The Chair has to state the rules.

Mr. LONG. He had the right to suggest the absence of a quorum. He had a right to make his parliamentary inquiry. He had a right to make a motion to adjourn. He had a right to make a motion to postpone. He had all sorts of rights, Mr. President, which he did not have on that occasion.

All I say, Mr. President, is that the Chair has apologized. If he wants to take his apology back, he may do so, but it seems to me that what he did was most improper.

From what I have seen the Chair do, just to do that during the time I have been here, I do not think, Mr. President, we have reached the time here in the Senate when we have dropped to that kind of tactic for this Senate to work its will——

Mr. STEVENS. Will the Senator yield?

Mr. LONG (continuing). To give a chance to men of good will to work together, by this action does not care.

I yield to the Senator from Alaska.

Mr. STEVENS. Without the Senator losing his right to the floor.

Mr. President, I do not think anyone in this body has greater respect for the occupant of the chair than I.

I come from a very small State in population and very often find myself in the position where I must seek special consideration for my State.

I voted for the first time the other way on this last vote because I believe in a change of these rules to 60 percent. But I also believe in the final analysis, whether it is 50 percent, 60 percent, 67 percent, or whatever it might be, my success in representing the desires and aspirations of the people of Alaska really, in the final analysis, rests upon the courtesy that exists in this body, one Senator to another and one Senator to the Vice President.

With all due courtesy to the Vice President, I would urge that the Vice President listen to what my good friend says—we do not agree a lot of times—and the Vice President has apologized. I think the Senator from Alabama should accept the apology. But I do not believe, really, that the Vice President recognizes how vital it is for senatorial courtesy to be extended to one another, all 101 of us, in order to accomplish the purposes for which we were sent here.

I would urge also that those people that I have been voting with heretofore on the current proposition listen to the majority leader at this time and give the majority leader an opportunity to see if we can work out a compromise on the basis of a constitutional 60 percent, because I, as a Republican, hear my President castigating the Congress for not getting anything done, and I as a Senator sit here and I am participating in something that is delaying the work of the Senate. I believe it is high time that somehow or other we work this thing out. I think with due courtesy to the Vice President I would hope that we would listen to the majority leader at this time.

If it is in order, and I do not know if it is in order—I would ask my friend from Louisiana—I think we ought to suggest the absence of a quorum and have a chance to consider this matter. I leave it to the majority leader.

The VICE PRESIDENT. The Chair would like to comment on the comment of the Senator from Alaska and say that the majority leader spoke 2 days ago about the use of dilatory tactics, delaying action in this Chamber. A parliamentary inquiry at that point I considered was in the direction of dilatory tactics, and I was trying to speed action, not impede action. I agree totally with the Senator about courtesy. I have tried to express on every action of mine courtesy and respect to every Member of this Senate.

Mr. HELMS. A parliamentary inquiry.

Mr. LONG. I ask that I might yield to the majority leader, Mr. President.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, might I say that the President of the Senate, the Presiding Officer, was correct when he mentioned to the Senate my queries the other day which appeared in the RECORD relative to dilatory tactics; that is, postponements, a lack of a quorum, recess, adjournment, and so forth and so on. I was getting a little bit exasperated and a little bit fed up. I am in pretty good shape physically. I can run back and forth and keep up with all these quorum calls which the distinguished Senator from Alabama and others have instituted. But I did not think the Senate looked good hopping around like a bunch of jackrabbits and considering nothing of substance. It was because of that, and because there was no way, in the rulebook or the Senate procedures that I could find, that I made the motion that I did today.

In view of the statement or the suggestion made by the distinguished Senator from Louisiana (Mr. LONG), I would like at this time, and I shall wait to see whether the Senate will approve or not, first, to ask that the Senate turn to the consideration of the appropriation bill covering the Penn Central and Erie-Lackawanna, and related railroads; and, second, to ask that the Senate stand in recess until the hour of 12 o'clock noon tomorrow. If it is impossible to get up the supplemental appropriation bill covering the railroads, I would be prepared then to make a motion just to recess in the hope that it would be possible in the meantime to work out, if only for this Congress only, a change in the rules which would call for a reduction from two-thirds of those present and voting to a constitutional three-fifths. In other words, an automatic 60 votes to shut off debate. I do not know what the attitude of the Senate will be in this respect. I will not make the motion now, but I would like to make that proposal after the debate on the present subject matter is concluded. If the Senate sees fit to agree, fine and dandy. If it does not, fine and dandy.

Mr. LONG. I wish the Senator would propound his unanimous consent request; ask for the unanimous consent. If he can get it, I am sure the Senate will let us recess.

Mr. MANSFIELD. First, Mr. President, I ask unanimous consent——

Mr. BROCK. Reserving the right to object——

Mr. ABOUREZK. Will the Senator yield?

Mr. CURTIS. Will the distinguished Senator from Louisiana yield, Mr. President?

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent, if the Senator will pardon me, that it be in order for the Senate to turn to the consideration of House Joint Resolution 210, to dispose of it within a 10-minute period, the time to be equally divided between the chairman of the Committee on Appropriations and the ranking member. I think the issue is quite clear. And at the conclusion of that consideration, and a rollcall vote, I would assume, that the Senate then stand in recess until the hour of 12 o'clock noon tomorrow.

The VICE PRESIDENT. Is there objection?

Mr. McCLELLAN. Reserving the right to object, and I do not want to object, I want to proceed, I would like to proceed with the consideration of the appropriation bill, but 10 minutes may be too short a time. I would ask the majority leader to amend his motion by making it 20 minutes. There may be an amendment. I am not sure. On each amendment, I would ask that there be 10 minutes.

Mr. MANSFIELD. One-half hour with 10 minutes on each amendment and debatable motion or appeal.

The VICE PRESIDENT. Is there objection?

Mr. BROCK. I reserve the right to object, Mr. President, until I find out if we have an opportunity to conclude the present discussion before we proceed to the consideration of this appropriation measure. I have some things I would like to say. I was on my feet, and I would like to have some time.

Mr. MANSFIELD. Of course.

Mr. BROCK. If I have that assurance——

Mr. MANSFIELD. Could the Senator give an idea of how much time he would want?

Mr. BROCK. Five minutes or no more than 10 for myself.

Mr. MANSFIELD. How about the Senator from Nebraska?

Mr. CURTIS. Five minutes.

Mr. MANSFIELD. I ask unanimous consent, Mr. President, that both the Senator from Nebraska, the Senator from Tennessee and the Senator from Virginia be allocated not to exceed 10 minutes each, and that the distinguished Senator from South Carolina and the distinguished Senator from Idaho (Mr. McCLURE) be recognized for not to exceed 5 minutes each.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. And that the Senator from Louisiana keeps the floor in the meantime.

Mr. LONG. I do not think the latter part is necessary, Mr. President. I suppose the majority leader plans to make his motion to recess at the conclusion of the present discussion.

Mr. MANSFIELD. Has the Chair ruled on the request to take up the——

The VICE PRESIDENT. It has been ordered, without objection.

Mr. MANSFIELD. After that is disposed of, it would be the intention of the majority leader that the Senate would stand in recess until the hour of 12 noon tomorrow.

Mr. LONG. I ask that the majority leader be recognized, then. It is not necessary for the Senator from Louisiana to be recognized.

The VICE PRESIDENT. The Senator from Tennessee.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. BROCK. Mr. President, I would like to add my own thoughts to those of the Senator from Louisiana. I was on my feet along with the Senator from Louisiana—Mr. President, I would like very much to have order.

The VICE PRESIDENT. There will be order in the Senate, please. Order.

Mr. McCLURE. Mr. President, the galleries are not in order.

The VICE PRESIDENT. There will be order in the galleries, too, please.

Mr. BROCK. Mr. President, I believe most us in this body if not all, understand the pressures that the Vice President was under in the parliamentary situation, and his concern with what he describes as dilatory tactics. As the record was pointed out by the Senator from Virginia, I was also on my feet seeking recognition on a point of order or a parliamentary question.

Mr. MANSFIELD. Mr. President, may we have order?

The VICE PRESIDENT. There will be order in the Senate, please.

Mr. BROCK. I think it is fair to point out——

Mr. HANSEN. The Senate is not in order, Mr. President.

The VICE PRESIDENT. Will the Senators please take their seats?

Mr. BROCK. I think it is fair to point out, Mr. President, that the Senator from Tennessee on no occasion during this entire sequence and this entire debate has offered or spoke for a motion that you would call a dilatory tactic. I simply was on my feet to protect my own rights. I regret very much that I was not given an opportunity for recognition.

I also regret that we are describing the tactics of the opposition of those of us who have been engaged in this particular fight as dilatory tactics, when all we have been seeking to do is to gain the opportunity for debate under the rules of the Senate as we understand them and as they are clearly written.

I do not understand how the Senator from Louisiana can work out a deal with the proponents of the current measure, which I do not consider a bill but, rather, a device to get a constitutional 60-vote majority, when the very precedents that have been established in this body in the last 2 weeks lead me to the absolute conviction, as the majority leader and the majority whip have said, that we are on the verge of a 51-vote cloture. That is the effect of the rulings we have had in this body. That is the effect of the votes behind the rulings sustained by a majority of this body.

How can you go back and say that the 51 votes do not count anymore? How can you repeal the actions of the Senate when it has acted in disregard of its own rule and its own Constitution? I do not see how you can.

It does not make any sense to me to try to negotiate unless there is a greater evidence of faith than I have seen so far. I do not consider the use of such tactics or devices as clear evidence of sincere effort to accommodate all the Members of this body in effectuating a responsible change in our rules. We have not exercised that kind of debate. We have not lived under any rules. We have been acting as if there were none, except those that the majority wanted to adhere to. Any rule it did not like, drop it; it does not matter anymore.

I resent that greatly. I fear for the

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legislative process in this body unless the Senate decides, in its wisdom, that something more is at stake than 67 or 60 or 51 votes and the gagging of a Member of this body, and that is the rules and procedures and the respect of one for another that make this body a continuing and terribly important institution in the freedom of man.

Mr. HARRY F. BYRD, JR. Mr. President——

Mr. CURTIS. Mr. President——

The VICE PRESIDENT. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I think it is unfortunate that——

The VICE PRESIDENT. Order, please.

Mr. HARRY F. BYRD, JR. I think it is unfortunate that the Vice President gave as a reason for not recognizing two Senators, who clearly were on their feet, seeking recognition, the reason that it was dilatory tactics. It is unfortunate, because it does not conform with the statement made to the Senate by the Vice President, himself. I read from page 4110, February 24, 1975:

> Mr. JAVITS. At what point is a motion such as that just made by the Senator from Alabama dilatory?
>
> The VICE PRESIDENT. The Chair is advised by the Parliamentarian that there is no dilatory motion unless cloture has been invoked.

My parliamentary inquiry at this point is this: Had cloture been invoked on the pending measure?

The VICE PRESIDENT. The Chair's position is that the Senator from Alabama did not rise to make a motion. He rose for a point of inquiry.

Mr. HARRY F. BYRD, JR. Another point of inquiry, Mr. President: The Vice President will be presiding over the Senate, presumably, with great frequency. The Senate comes in early, stays late.

Presumably, the Vice President will be in the chair most of the time. Will it be the policy of the Chair not to recognize a Senator for a parliamentary inquiry?

The VICE PRESIDENT. The Chair's position is to recognize Senators whenever they rise, if they are on their feet and are appropriately, under the terms of the rules of the Senate, seeking recognition.

Mr. HARRY F. BYRD, JR. Senators cannot raise questions until the Chair gives recognition and authority to proceed. The record clearly shows that two Senators were on their feet, but I will not go over that again. It is a part of the record.

I did want to invite the Chair's attention to the fact that under the rules of the Senate, as stated by the Vice President himself, on February 24, on page 4110, there is no dilatory motion until cloture has been invoked.

The VICE PRESIDENT. I stand by that statement.

Mr. CURTIS addressed the Chair.

The VICE PRESIDENT. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I commend the distinguished Senator from Louisiana for what he has done on this day to preserve the integrity of the Senate of the United States.

There is nothing personal about the position I take. I respectfully disagree with the rulings of the Vice President. The Vice President, who presides here, is a member of the executive, as I said yesterday. He has no responsibility or authority to assume a role of expediting the business or preventing dilatory action. Of course, dilatory action is not prohibited by the rules, unless cloture has been invoked.

A very important principle is involved here, and it is that each State is entitled to equal representation in the U.S. Senate. That is the reason why we have established over all these years a procedure that if someone rises to be recognized, all putting of motions and the like are suspended until that Senator has a chance to state at least why he seeks recognition. It may be that if he is faced with a motion to table, he cannot rise for the purpose of debating it, unless the motion is withheld.

I have been here a little while, and it has been the custom, to the point where I would say it is the rule of the Senate, that if a Senator rises to be recognized, the putting of motions is suspended until he can state the reason why he seeks recognition. If you abandon that, how can we maintain the very important constitutional provision that every State is entitled to equal representation in the Senate? How can you represent your State if you cannot be recognized?

If the Presiding Officer is faced with three, four, or five people seeking recognition, there are only two choices: One is to recognize one of his selection, or to recognize them all. The procedure has been—and I maintain it is so well established that it is a rule—that the Chair recognizes every one of them.

I have known of no instance where the Presiding Officer has gone ahead and put motions or taken other actions at a time that Senators were seeking recognition. It may well be that after they state their purpose for arising, they may have to be informed that a motion to table is not debatable, or that there has been a unanimous consent and the time has expired. But there is no such procedure in the U.S. Senate of a Presiding Officer gaveling Senators down in order to expedite the business. There is not any rule against taking time.

Let us think about this word dilatory. If one is anxious to get something done, what another Senator may do may be dilatory. But if one is anxious to have the Senate stop and think or to consider a question, then it is an aid to thoughtful consideration rather than dilatory. Mr. President, I submit the proposition that, unless we do away with the very fundamental constitutional principle that every State is entitled to equal representation here, when a Senator arises he must be recognized, at least to the point of stating the purpose for which he arises. And if he arises for a purpose that he cannot proceed with, he should be so informed. This is not a voluntary organization, it is not an organization that is at liberty to do anything it pleases and to delegate to a Presiding Officer, one of their number, power to do something. Our only right to be here is under the Constitution and it says that every State shall have equal representation.

Does that not mean equal right to state to the Presiding Officer one's purpose for seeking recognition?

Again, Mr. President, I wish to say that I do not enjoy this speech. I certainly do not mean anything personal about it. I think the distinguished Vice President is called upon to preside and have this experience in the Senate at a time when many decisions have arisen. I realize that there is no other body like the U.S. Senate, no other organization like the U.S. Senate, and the ordinary rule of choosing a chairman because he can hurry things through does not apply to the U.S. Senate. We are in the position of representing our States equally. The only way we can do that is to be recognized. If someone seeks recognition, he should be recognized to the point where he can state why he seeks it and then, if there is a valid reason under the rules that he cannot pursue what he seeks, he must abide by the rules.

I yield the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, with the consent of the Senators, the distinguished Senator from South Carolina (Mr. HOLLINGS), whom I did not recognize previously, be recognized for 2 minutes. Of course, that will apply to any other Senator who requires recognition. Not now; at the conclusion of the others who have been recognized previously.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. THURMOND. Mr. President, I regret the action that was taken a few moments ago. In the 21 years I have been in the Senate, I do not think I have ever seen a Senator fail to be recognized. I wish to ask the Vice President a question, because I think this is most important. I realize he is a new Presiding Officer.

Did the Vice President see the distinguished Senator from Tennessee to my right, whom I was watching and who was seeking ardently to get recognition?

The VICE PRESIDENT. The Chair did not see the Senator from Tennessee, who was seeking recognition. The Chair was trying to follow the check that was being made by the clerk as to whether a sufficient number of hands were up in order to have the rollcall. The only person the Chair heard was the Senator from Alabama, who was seeking to raise a parliamentary inquiry.

Mr. THURMOND. Did the Chair see the distinguished Senator from Alabama when he made the parliamentary inquiry, and made it over and over, as the record that was just read shows?

The VICE PRESIDENT. The Chair did not see the Senator from Alabama. The Chair heard the Senator from Alabama saying that he wanted to make a point of inquiry.

Mr. THURMOND. I just checked with the Parliamentarian, and it has always been my understanding that until the first name is called, even though the roll has been ordered to be called, a Senator has a right to be recognized. Something might come up at the very last second and if a Senator seeks recognition and speaks loud enough to be heard, or a Senator can be identified as desiring recognition, as I understand it, he should be recognized.

Is that the thinking of the Chair?

The VICE PRESIDENT. Under the precedents, re parliamentary inquiry, the Chair may decline to respond to a parliamentary inquiry. It is in the rule book.

Mr. THURMOND. The Chair may fail or decline, but is it not proper for the Chair to hear the point and then decide after he has heard the point, rather than to ignore the point and refuse to allow the Senator to make the point?

The VICE PRESIDENT. In light of the discussion that has taken place in this Chamber and my being the servant of the Senate, there is no question as to the expression of the will of the Senate, and the Chair will conform.

Mr. THURMOND. Mr. President, I wish to commend the distinguished Senator from Louisiana and the others who have expressed themselves on this matter. I think it is most important, until the first name has been called, for a Senator to be recognized in order that his State may be heard from, and in order that he, as a United States Senator, may be heard from. Whether his position is a popular position or not makes no difference. Whether his position is in accord with the Presiding Officer or not makes no difference. He has a right to be heard. I regret very much what happened here on this occasion, because I hope that a precedent has not been set where in the future a Presiding Officer can recognize or fail to recognize a Senator who seeks recognition before the first name has been called after the order has been made to call the roll.

Mr. President, not in the history of this Senate has debate ever been shut off without two-thirds of the Senators present voting to do so. A very drastic change is proposed here. It deserves the utmost consideration. It deserves the fullest debate, and it is an issue that requires the attention of the people of the country, in order for them to express themselves to their Senators. A great many times, debate is helpful, because the people of the Nation may not know the questions involved and the seriousness of these questions, until their Senator takes the floor and explains to the Nation what he is trying to do in their behalf.

It is most urgent, in my opinion, for debate not to be shut off until the required number has been reached.

In this case, it has been stated that there were no dilatory motions, because there could not be any, as has already been stated, until after cloture has been voted.

I hope that no precedent has been established today that will permit any Presiding Officer in the future to fail to recognize any Senator before the first name on the roll call has been called. I am disturbed over what has occurred, and I believe the Senate is disturbed. Those who favor this amendment and those who oppose making this change are disturbed, because, after all, this is said to be the greatest deliberative body in the world, but this will no longer be true if the Presiding Officer fails to recognize a Senator and give him the right to make the points that he feels are essential to the debate on the issue in question.

The VICE PRESIDENT. In answering or commenting on the questions you asked, the Chair does not recognize the ideological purposes of one Senator or another. The Chair recognizes Senators on the basis of leadership, or the first person seen on his feet.

I should like to point out that the Chair recognized the distinguished Senator from Alabama yesterday, who was given the opportunity to speak for the entire day. So it is not as though the Chair was discriminating, and I do not want you ever to think that it is. That was not the Chair's purpose or desire, and if there is any feeling on the part of the Senator from Alabama, I have already apologized if he should have felt that way.

The Senator from Idaho is recognized.

Mr. McCLURE. I thank the Chair for recognizing the Senator from Idaho.

I take part in this colloquy rather reluctantly, but I think it may be necessary—reluctantly because I think the passions of Members may lead to comments, either from the Senator from Idaho or from others, which might, upon reflection, better have been withheld. The very fact that emotions have been aroused by the parliamentary sequence of events may lead to some recognition and appreciation of the importance of those events, and the passions with which certain positions are held by various Members.

We may, by some unanimous-consent device, arrive at a conclusion of the business before the Senate with respect to rule XXII, but that does not cure either the precedents that have been made in this body nor the damage that has been done to the fragile fabric of freedom which tyrants have always sought to rend, and sometimes have succeeded.

Men and women have died for the issue of freedom, and a part of those freedoms are embodied in the rights of minorities. One of the first rights in this country was over whether or not we would adopt a constitution that did not have embedded in it the Bill of Rights—a bill of rights which was not addressed to the rights of a majority but which was addressed to protecting the rights of minorities.

Even a minority of one in these United States, one person out of over 200 million, still has rights under the Constitution of the United States—rights which the majority cannot trample, simply because that majority has power.

The history of this Republic of ours was dedicated rather uniquely to the proposition of the rights of the poor, the weak, and the defenseless, and some of the most classic debates in our history have been around the question of whether or not the majority was going to be permitted to trample those minority rights simply because the majority had the power to do so.

In 1968, the U.S. public watched the Democratic Convention in Chicago, and there was a spirit of revulsion across this country as they saw minority rights, on the floor of that convention hall in Chicago, trampled by a presiding officer who refused to recognize the rights of the people within that body to present motions or to make statements which they desired to make.

Yes, the Presiding Officer had the authority and the power, and he exercised it; and the American people turned their backs away from that abuse of authority.

We have just recently seen a President of the United States resign from office, not because of anything that was inherently illegal in his actions, but because of an abuse of authority which the American people found repugnant. The American people and the Members of the Congress, responding to that feeling of the American people against an abuse of authority, put pressure upon the President of the United States that led to his resignation, not because of the crime that was committed but because of the arbitrary use of authority which he arrogated onto himself.

So it is with heavy heart that I see not only the efforts made in other places at other times by arbitrary authority in the hands of one or many to trample the rights of a minority underfoot, but I see that invade the Halls of this Senate and I say with a very heavy heart that no matter what unanimous-consent agreement is reached here, and I hope one can be arrived at, it cannot cleanse the blot on the record of the Senate.

The VICE PRESIDENT. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, the Senator from South Carolina would only rise briefly to straighten out these rules. I have great affection for the distinguished occupant of the Chair. The Vice President and I took office as Governors of our separate States back in 1959. I served with him for 4 years as a member of the Governors' conference, and I know he is sincere and genuine when he says he means no discourtesy. He has always, even though we differed during those 4 years on many votes and items within the conference, he has always been a man of the greatest courtesy.

But unfortunately, Mr. President, the distinguished Vice President is about as confused as he can be when he tries to measure the rules of the U.S. Senate with his view, on the one hand, that since the majority leader was alluding to dilatory tactics, he has been charged with a duty to decide or take a part in the particular debate, and thinks he is helping things along, or on the other hand, when he thinks that since he recognized the Senator from Alabama yesterday when presumably "he did not have to," showing how fair he was yesterday, he does not have to recognize him today.

The rules of the U.S. Senate say that a Senator shall be recognized. Do not let that Parliamentarian confuse the Presiding Officer about the rule respecting a parliamentary inquiry. A parliamentary inquiry and the right of recognition are

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two different things. I threw my mind into neutral gear when we got various parliamentary rulings around here that could not be defended, because I found it helped my personality not to get frustrated.

I found, when the Chair ruled about the right of recognition, the reference to that rule on page 588 of Senate procedure which says that the Chair may decline to answer parliamentary inquiries. That goes to the point where a Senator is trying to give a last minute argument. A Senator may want to do that, after everything has been debated he may hope to get his message over to his colleagues, and the point of view of his State, and he states his argument in the form of a parliamentary inquiry that no Presiding Officer could possibly answer, and that is the reason for the provision of that rule.

But let us look at the rule, Mr. President.

Mr. President, I ask unanimous consent to continue, if I can, and without objection I shall.

Mr. MANSFIELD. How much time does the Senator wish to have?

Mr. HOLLINGS. About 3 minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia be recognized for 5 minutes.

Mr. HOLLINGS. Let me be recognized because I am sure the Presiding Officer and the Parliamentarian cannot show me in these rules where Senators shall not be recognized.

He has pointed out that he does not have to answer a parliamentary inquiry. But let us look at the rule: Rule XIX:

When a Senator desires to speak, he shall rise and address the Presiding Officer, and shall not proceed until he is recognized, and the Presiding Officer shall recognize the Senator who shall first address him.

The Presiding Officer shall recognize the Senator.

Which one? The one who shall first address him.

Now, let us look at the rule book of the Parliamentarian for all kinds of references to recognition, and if we turn to page 673, and we find the language where the Parliamentarian in his Senate procedure book says:

It is the duty of the Presiding Officer to recognize the Senator who first addresses him. . . .

On further, and next to the paragraph at the bottom:

The Chair should recognize the Senator who first addresses him—

Again turning to the top of page 674:

Every Senator—

We do not have to talk about courtesy, it is a matter of right—
in due time has a right—

In the Parliamentarian's language—
to recognition before the Senate acts on an issue unless by unanimous consent—

There are plenty of rules in here to seat a Senator. If I am out of order the Presiding Officer has a perfect way to take me off my feet. He can ask that I be seated, rule me out of order, and then that is appealable. So the ultimate ruling of actually getting this floor is retained within the body itself, on appeal to the Senate in the last instance.

Referring again—not about this parliamentary inquiry but about recognition. Let us not slough this one off. It talks about going up to the Chair, which is a matter of courtesy and habit and tradition, and many times a Senator, while this distinguished Presiding Officer is going to be presiding, he will have Senators say, "I have been here and I have got to go and catch this plane, and I wish you would recognize me."

It says there:

The Senator who gave the notice should rise at the specified hour, the Senator previously addressing the Senate having yielded the floor, and address the Presiding Officer in order to obtain recognition; however, a Senator who has given such notice is usually recognized as a matter of courtesy, based on custom only, since there is no provision in the rule entitling him to recognition as a matter of right.

First, they are talking about seriatim:

If another Senator first rises and addresses the Chair, it is the duty of the Presiding Officer, under the rule, to recognize such Senator when he insists upon the right to the floor.

That is the language in the rules and the Senate Procedure book, and the parliamentary rulings, the right to the floor, the duty to be recognized, and I think the Presiding Officer ought to get better advice from the Parliamentarian.

The Vice President, poor fellow, has only been here a month, trying to keep up with all of these programs, getting the Domestic Council straight, and I do not blame the Presiding Officer. But do not get caught up with the debate and get caught up with the idea of fairness, "Because I recognized you yesterday then I think I ought to look around and recognize somebody else tomorrow."

The Senator from Alabama can stand here and keep on under these rules. We have got a way to shut him up. It is stated in these rules. But the Senator has got to be recognized, he has a right under the rules, and the Presiding Officer should really, in addition to his apology, reverse that ruling and not confuse it with the answer to a parliamentary inquiry. That is a different thing. We are talking about the right of recognition here today.

Mr. WILLIAM L. SCOTT. Mr. President, I realize the difficult job that the Vice President has to perform in presiding over the Senate. All of the Members of the Senate, not as Vice President but as Presiding Officer, have faced the same fact that the Vice President is called upon to face each day. It is the practice in the Senate to have the more junior Members preside over the Senate, I think oftentimes because the more senior Members do not want to be tied down to the chair, so it is quite easy to be sympathetic with the Vice President.

I recall though in the last few days both Senators from Virginia were on their feet seeking recognition prior to the rollcall starting, and both of us have failed to be recognized, I think quite improperly, and I am in general agreement with the statements that have been made.

I think, however, Mr. President, that we have carried this far enough. If the Senate can get the message to the Presiding Officer, I think we have done it. If we have not done it now, I do not think we will ever get that message to the present occupant of the Chair.

I would like to add one further comment, however. I would call the Presiding Officer's attention to a paragraph on page 395 of Senate Procedure which is entitled "Chair Does Not Participate In" and it reads as follows:

The Presiding Officer has no right to engage in conversation with Senators on the floor; he should not participate in debate. Nevertheless, the Presiding Officer on a few occasions has taken the liberty of making certain remarks in the nature of debate in the absence of a point of order being made.

I would say to the distinguished Vice President that this is the procedure prepared by Dr. Riddick, long-time Parliamentarian of this body, in 1974, just before he left office.

Now, I think the Members of the Senate have been partly responsible for the colloquy that has taken place between the Chair and the Members of the Senate. So I do not say this in a critical vein but I thought the Presiding Officer should know that this is a part of the procedure in the Senate.

Mr. MORGAN addressed the Chair.

Mr. MANSFIELD. Mr. President, how much time does the Senator desire?

Mr. MORGAN. Two minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator be recognized for not to exceed 3 mnutes.

Mr. MORGAN. While we are on the question of the fairness, I would like to comment on an incident on yesterday which, I think, the Chair is not to blame for.

Like the Senator from South Carolina, I had not been too concerned about the motions and the debates until I was present in the Senate either yesterday or the day before, and I observed that the Chair failed to recognize the Senator from Alabama, much as the situation was today. The Chair announced at that time that the clerk had begun to call the roll.

I had not heard the clerk call anyone's name, so I made some inquiry as to whether or not he had called the roll, and I was informed that a Member of one side or the other was standing at the clerk's desk to get his vote in the very moment that the Vice President called for a rollcall in order to prevent a point of inquiry, and this was a normal procedure.

I think it is not only important that we conduct our proceedings in a method of fairness but I think it is also important that they appear to be fair, and if that is a gimmick to cut off debate, it is one that I think should not be allowed, and it is one that I find no rules for or no provisions for in the Senate rules.

But I would again point out that if this was error, that it is not attributable to the Vice President because I understand that it has been the custom in the past.

The VICE PRESIDENT. I do not think, if the Senator will forgive me, that I was presiding when this incident took place.

Mr. MORGAN. Mr. President, that was my recollection, but I would add that from that point on, my attitude became a little different about the proceedings and I am not sure whether—I was of the impression, but at any rate, I am not blaming the Chair because I understand it has been the custom in the Senate to do just that.

Mr. MANSFIELD. Mr. President——

The VICE PRESIDENT. The Senator from Montana.

Mr. MANSFIELD. Mr. President, I would like to make what I hope will be a constructive suggestion, and that is that the precedent by means of which Senators have risen to make a parliamentary inquiry be honored in the observance, even though it is not in the rules and procedures of the Senate.

I make this suggestion most respectfully because in my many years in this body the usual practice has been to recognize a Senator regardless of the circumstances if he raised a point of order, and the presiding officer had to assume that that point of order was legitimate.

FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at this time, under the previous agreement, the Senate turn to Calendar No. 23, House Joint Resolution 210, that it be laid before the Senate, and made the pending business, and I ask for the yeas and nays on final passage.

The VICE PRESIDENT. The joint resolution will be stated by the title clerk.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, with an amendment.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, which had been reported from the Committee on Appropriations with an amendment.

On page 2, beginning with line 15, insert:

CAPITOL BUILDINGS AND GROUNDS

CAPITOL GROUNDS

For an additional amount for "Capitol Grounds" to enable the Architect of the Capitol to convert squares 680, 681 West, and 722, now a part of the United States Capitol, Grounds, for use as temporary parking facilities for the United States Senate, $134,000, to remain available until June 30, 1976.

ACQUISITION OF PROPERTY AS A SITE FOR PARKING FACILITIES FOR THE U.S. SENATE

For an additional amount for "Acquisition of property for a site for parking facilities for the United States Senate", $866,000, to remain available until expended.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. There are 15 minutes for each side.

Mr. McCLELLAN. Mr. President, the further urgent joint resolution we bring before the Senate today would appropriate $143,175,000. Of this amount, $125 million is for operating assistance for the Penn Central and other railroads in reorganization under the Regional Rail Reorganization Act. These funds are urgently needed to insure that essential rail service will be continued in the Northeast and Midwest regions of the country during this reorganization process. The railroads have experienced critical cash shortages as a result of the coal strike, the decline in shipment of automobiles, and the current recession.

The balance of the joint resolution would provide additional office space for the House of Representatives as well as critically needed parking facilities for the Senate. The other body provided a total of $17,175,000 in the bill to take over a building in southwest Washington that is being vacated by the Federal Bureau of Investigation. This is entirely a House matter and, in keeping with longstanding custom that each branch of Congress determines its own needs, no change was made to these items by the Senate.

The committee received testimony from the Architect of the Capitol of the urgent requirements of the Senate for additional parking spaces. The construction of the extension of the Dirksen Office Building will take away 335 parking spaces. The Architect has recommended that $134,000 be used to convert three squares that are part of the Capitol grounds near Union Station for parking use. Two of these squares have been used by Metro for the construction of the subway and are now ready to be landscaped. Hence, it is urgent that a decision be made about converting these squares before Metro unnecessarily spends money on restoring them if they are to be used for parking.

The committee has also provided $866,000 as an additional appropriation for the acquisition of square 724 from the Dirksen Office Building for eventual use as a Senate garage. This acquisition is duly authorized.

I yield to the distinguished Senator from North Dakota.

The PRESIDING OFFICER (Mr. ABOUREZK). The Senator from North Dakota is recognized.

Mr. YOUNG. Mr. President, this is not a complex bill, as explained by the distinguished chairman of the committee (Mr. McCLELLAN). Part of the provisions would normally be contained in the legislative appropriations bill for both the House and the Senate. These are things we have to do. The major item is $125 million to provide relief to the Penn Central Railroad and other Northeast railroads.

This, I think, is a debatable subject. I do not know how long we can continue to finance public railroads, but in this case I see no other alternative. These rails are important to the northeastern part of the United States, and, I have been told, they would have to discontinue service within a matter of 2 or 3 weeks.

So I see no alternative but to appropriate the money contained in this bill. I hope the bill will pass as reported.

Mr. McCLELLAN. Mr. President——

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendment be agreed to.

The PRESIDING OFFICER. Without objection, the committee amendment is agreed to.

Mr. McCLELLAN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 4, after line 15, insert the following:

"GENERAL PROVISION

"SEC. 101. Section 205 of the Supplemental Appropriations Act, 1975 (Public Law 93-554) is hereby repealed: *Provided*, That none of the limitations on Travel included in the regular appropriations for fiscal year 1975 shall be exceeded."

Mr. McCLELLAN. Mr. President, I will try to be brief. This amendment would repeal the general provision, included in the Supplemental Appropriations Act, 1974, enacted on December 27, which placed a limitation on travel expenses, including subsistence allowances of Government officers and employees. That provision does not provide nor allow any exemptions or exceptions to the limitation for any agency or activity of the Government and applies equally to the executive, legislative, and judicial branches of the Federal Government. Briefly, I shall explain the background of this limitation.

When the Supplemental Appropriations Act was being considered in the Senate, an amendment was offered from the floor by the distinguished Senator from Delaware (Mr. ROTH) with a number of cosponsors, to limit Government travel expenditures to 75 percent of the amount expended for such in the preceding fiscal year. The objectives of this Roth amendment to reduce expenditures, were roundly supported, and it was accepted and taken to conference.

Under closer examination and study of the Roth amendment by the conferees, and after having checked with a number of agencies which, by the way, all clamored for exceptions and exemptions, it was determined by the conferees that the effect of the limitation as accepted by the Senate was of such severe proportions that it would cause many vital Government functions to cease and be seriously disrupted. Accordingly, the conferees modified the limitation to one which it was thought would be workable and less restrictive than the original provision.

The conference report language relating to that provision reads:

The conferees are in sympathy with the objective of curtailing all unnecessary Government travel and thereby reducing expenditures and conserving scarce energy resources. Accordingly, it is the intent of the conferees that this provision apply to all Government officers and employees in the Executive, Legislative and Judicial branches of the Government. In addition, it is the intent of the conferees that the Appropriations

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Subcommittees conduct a continuing review of Government travel costs of individual departments and agencies with a view toward achieving further economies and reductions where practicable.

The implementation of this limitation which was based on the fiscal year 1975 budget estimates required that it be carried out on an account by account basis.

Many agencies and departments have been in touch with the House and Senate Appropriations Committees regarding the problems created by this limitation, even though modified, in effectively and efficiently carrying out their assigned duties and responsibilities. I will not attempt to elaborate on these problems, as many Senators are aware of them, having heard from their constituents and from the agencies as to why certain projects and programs must be halted. Several Senators have written the Appropriations Committee to take action in connection with this matter.

Since no exemptions or exceptions were permitted under the travel limitation, many agencies with regulatory and enforcement responsibilities, including safety inspections, have had to sharply curtail field work. Agencies involved in construction activities—such as Bureau in the Department of the Interior, Corps of Engineers—have had to slow down and curtail their work. Routine operation and maintenance activities on Government lands and projects have been adversely affected.

The limitation is causing such unanticipated and unintended results that many programs and functions will have to cease unless the limitation is removed.

The major reasons why the travel limitation is causing these problems follow:

First. The budget estimates upon which the limitation is based were prepared approximately a year in advance of the beginning of the current fiscal year. The estimates did not anticipate the fast pace of inflation, including the large fuel cost increases that occurred.

Second. Poor base budget estimates notwithstanding the inflation factor.

Third. Unanticipated requirements added by Congress without corresponding increases in funds to carry out the additional directives.

Fourth. The limitation was placed on the departments and agencies during midyear after 6 months of the fiscal year had already passed. Many agencies' actual costs in the first half of the year were at such rates that once the limitation was imposed, the obligations and commitments as planned for the entire year are now disrupted, and insufficient flexibility remains under the limitation for the rest of the fiscal year.

Mr. President, I have talked to the chairman of the Appropriations Committee of the House of Representatives and advised him that I would propose such an amendment here today. I am of the opinion, from his remarks, that this amendment will likely be accepted by the House, hopefully so, and that no conference will be required.

I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I believe under normal conditions the Government could live with these limitations, but we have a large number of people unemployed now. The best way to handle these programs, such as those that come under the Corps of Engineers, the Bureau of Reclamation, and other agencies, is to have more travel if they are to provide additional jobs for the unemployed.

Mr. McCLELLAN. Mr. President, I might make one other observation. This limitation was not imposed until the fiscal year was about half over. Therefore, it really amounted to a limitation of about 20 percent of the past appropriations.

I believe this needs examination each year, of course, in an appropriation bill. This amendment was offered on the floor, and we took it to conference with the result that we reduced it to 10 percent, but that still had the effect of a 20-percent reduction over the previous year.

It has not worked. Therefore, I hope we will have unanimous agreement that this amendment to be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I ask that the RECORD show that the Senator from Virginia voted "no."

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I understand that the author of the amendment we are discussing is on his way to the Chamber. We did let him know that this would come up.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HOLLINGS. Mr. President, chapter I of House Joint Resolution 210 provides a total of $18,175,000 in supplemental appropriations for the legislative branch. The bulk of this amount, $17,175,000 to be exact, is for the House of Representatives to provide additional office space, primarily at the former FBI Fingerprint Building they have acquired at Second and D Streets SW. Due to the passage of two recent acts, the other body deems that it has a critical need for additional space, and in accordance with the long standing custom that each body determines its own needs, we have made no change to the House items.

The committee received testimony from the Architect of the Capitol regarding similarly urgent items for the Senate, particularly with regard to employee parking. I am sure it is generally known that excavation will soon get underway for the extension of the Dirksen Building. This will eliminate 258 parking spots in the eastern half of square 725 along with 77 spaces in the basement area of the Dirksen Building, or 335 spaces in all. The Architect and the chairman of the Rules Committee have found three squares of the Capitol Grounds by Union Station that, if converted to parking, will offset 300 of this loss and require $134,000. In addition, the Architect can create 60 additional spaces in square 724 that we are taking for eventual use as a Senate garage by demolishing unnecessary small structures and by changing the configuration of the lot—so there will actually be a net gain of 25 spaces.

The urgency comes about because Metro is presently using two of the squares in connection with construction of the subway. Metro is duty-bound to restore those two squares to their former landscaped condition but it would be a waste of money to do that if we are going to make them into temporary parking lots. Metro is finished with those squares and must pay their contractor penalties of $2,500 a day for any delays in finishing up work on the squares. By taking this action now, Metro will not incur unnecessary costs, and will either do a portion of the work of turning the squares into a parking lot, or provide funds in the amount of the cost of relandscaping. Negotiations are currently underway with Metro to work out the details.

The committee has also included $866,000 for an additional appropriation for the acquisition of properties and related costs in square 724 that will eventually be used for a Senate garage. We appropriated $4,075,000 in the Supplemental Appropriations Act, 1973 for the taking of the privately owned properties in this square, including relocation allowances to the owners and occupants, the demolition of any buildings not required for Senate use, and the use of the acquired properties by the Senate.

The Senate had previously acquired the Plaza Hotel and also took over the former Immigration Building in this square, both of which are being used for Senate office space. This additional appropriation is required because of the relocation costs for the owners and occupants and the altering of the Immigration Building and the Capitol Hill Hotel—Carroll Arms—into office space is costing more than originally estimated.

The committee reduced the amount for square 724 by the amount needed to convert the three squares into parking lots. The committee has specifically denied the funds for the demolition of the Hill Apartments building. This is a solid six-story structure that might be needed for Senate office space during the construction of the Dirksen extension, and the committee believes that it should not be razed until the Senate's requirements are more certain.

Mr. BAYH. Mr. President, chapter II of House Joint Resolution 210 would provide $125 million in operating assistance for the Penn Central, the Erie Lackawanna, and the other railroads in reorganization under the Regional Rail Reorganization Act of 1973, as amended. The original authorization of $85 million for this type of assistance has been fully appropriated and made available to the railroads by the Federal Railroad Administration. However, testimony before the committee indicates that a serious cash shortage has developed for these railroads in recent months due to such factors as the coal strike, the decline in auto shipments, and the current recession in the economy. The additional funds provided by this resolution are necessary immediately to keep these railroads operating currently and for the next several months. Penn Central has shown that it cannot meet this week's payroll without additional funds. This would dictate an immediate embargo of all traffic and would set in motion a chain of events that would be catastrophe for the entire Nation.

These railroads serve an area in which over 40 percent of the Nation's people reside and which produces over half of the Nation's industrial output. The Penn Central alone employs some 80,000 people and operates over a rail system of around 19,000 miles. The adverse impact of such a shutdown would not be confined to the Northeast and Midwest, however. These railroads are an integral part of a national rail system which links the entire country. The Northeast railroads receive over 300 cars daily from Alabama, over 640 from California, and over 500 from Minnesota. In return, these companies send out around 700 cars a day to Texas, 200 to the State of Washington, and over 500 to Tennessee. It has been estimated that a 2-month embargo on traffic by these railroads would reduce the gross national product by 3 percent and reduce overall economic activity by almost 4 percent. In addition, a shutdown at this time, when the Nation desperately needs to find more energy efficient means of transporting its goods as well as its citizens, would cripple the efforts that are presently underway to develop a modern and efficient rail system in this country.

In urging passage of this appropriation, I am not condoning the practices of the Penn Central management over the past 30 years. Much of the rail system in the Northeast was built in the early 1900's and has not been properly maintained since World War II. But the situation we are facing today is one where we either appropriate these funds or the railroads will cease operations. We simply cannot allow that to happen.

Mr. President, I urge the Senate to accept the committee's recommendations.

THE FEDERAL TRAVEL AMENDMENT

Mr. ROTH. Mr. President, although I strongly support the assistance being given the Penn Central as necessary to the economy of the Eastern seaboard I greatly regret that this legislation is eliminating the limitations—Federal travel agreed to last year. I recognize that there were certain hardships created by this legislation, but it would have been preferable in my judgment, to correct those situations where there were true hardship, while leaving the restraints in other arcas of governmental activity. Originally, I intended to make the limitation apply to the Government as a whole, so that the executive branch would have the discretion to decide where travel could be prudently restrained. Unfortunately the parliamentary situation was such that this was not possible.

In any event, the limitation has been eliminated, because of complaints received from many agencies, some valid, others undoubtedly questionable.

I regret the unwillingness of the executive branch to try to find means of making savings without jeopardizing legitimate activities. They are the only ones that can intelligently decide what travel is necessary and what travel is unnecessary. No one wants to limit travel that is essential to vital services of the Government, whether it be by the executive, judiciary, and Congress. What I do want to eliminate is travel that can be dispensed with without interrupting vital Government service. The executive branch could, I am convinced, come up with a proposal that would have protected essential travel while achieving the general objectives of this travel limitation. It did not do so and as a result, we now have the sad spectacle of the Government telling the American people to restrain their use of energy, but failing to lead by example. It is hard to explain to the people back home that they must sacrifice when the Federal Government shows no willingness to tighten its belt. The time is for some hard decisions to be made by the Government at every level. I hope and urge the executive and other branches of Government to do so with respect to travel in the next fiscal budget.

Mr. President, I shall vote against this legislation for the reasons already set out. I will support the appropriation for the Penn Central as a vital step to restore necessary mass transportation services.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. McCLELLAN. I yield back the remainder of my time.

Mr. YOUNG. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The joint resolution, having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Missouri (Mr. SYMINGTON), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea".

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. HRUSKA) is necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

The result was announced—yeas 60, nays 30, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—60

Abourezk	Hartke	Montoya
Baker	Haskell	Moss
Bayh	Hatfield	Muskie
Beall	Hathaway	Nelson
Bentsen	Hollings	Pastore
Biden	Huddleston	Pearson
Brooke	Jackson	Pell
Buckley	Javits	Randolph
Bumpers	Johnston	Ribicoff
Case	Kennedy	Schweiker
Clark	Leahy	Scott, Hugh
Culver	Long	Sparkman
Domenici	Magnuson	Stafford
Eastland	Mathias	Stevens
Fong	McClellan	Stevenson
Ford	McGee	Tower
Glenn	McGovern	Tunney
Griffin	McIntyre	Weicker
Hansen	Metcalf	Williams
Hart, Philip A.	Mondale	Young

NAYS—30

Allen	Curtis	Nunn
Bellmon	Dole	Packwood
Brock	Fannin	Proxmire
Burdick	Garn	Roth
Byrd, Harry F., Jr.	Goldwater	Scott, William L.
Byrd, Robert C.	Hart, Gary W.	Stennis
Cannon	Helms	Stone
Chiles	Laxalt	Talmadge
Church	Mansfield	Thurmond
Cranston	McClure	Tower
	Morgan	

NOT VOTING—9

Bartlett	Hruska	Percy
Eagleton	Humphrey	Symington
Gravel	Inouye	Taft

So the joint resolution (H.J. Res. 210) was passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HARTKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 30 minutes, with statements limited therein to 5 minutes.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

A TRIBUTE TO THE VICE PRESIDENT

Mr. CRANSTON. Mr. President, as the Senator from Alabama has noted, I have not heretofore spoken on the matter of the rule XXII change during the debates, although I have been active in that matter. I wanted to speak after discussion of the Vice President's rulings and procedures began, but I was in the cloakrooms, involved in discussions of the compromise that emerged from the very statesmanlike suggestions that came from the Senator from Louisiana and the majority leader. I came back to the floor hoping to be able to comment, because I gathered that the Vice President was being criticized roundly on both sides of the aisle. When I managed to get back to the floor, however, the matter had been taken from the Senate floor and we were on the matter of the Penn Central Railroad.

I wish to say that I understand the feelings of those who have commented in

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a critical way on the procedure followed by the Vice President, and I understand the ruffled feelings that existed on the Senate floor and that led to the efforts to work out a compromise—which I very much hope will work. Again, I pay tribute to the Senator from Louisiana, who is now here, for his very fine intervention in this matter.

It seems to me, however, and I wanted to get this into the RECORD, that the Vice President has presided over the Senate in this matter in perhaps one of the most difficult times that have ever confronted a Vice President so soon after he has entered the Vice Presidency. I know that he has prepared himself with great diligence. He has studied the rules very carefully; he has studied the precedents. He has consulted widely. He has had the benefit of some very fine staff work, I believe. And, of course, he has had a torent of advice from both sides of this issue, with people importuning him to do this, to do that or the contrary, or to do something else.

I feel that the Vice President has presided under very difficult circumstances and made his rulings with great confidence, with great competence, and with great courage. He was listening attentively and, I think, was guided a great deal by the Parliamentarian, who is a man who knows the precedents and the rules very, very well. He was also making his own judgments. The Vice President was seeking to be fair.

There were times when I was not too pleased with the recognitions that came. There were times when I felt that he might have recognized somebody on a different team. So I think there have been people of both sides of the controversy who at times have not been totally pleased. But it has been my feeling that he has sought to be as fair as possible.

Quite plainly, he did go by the rules and the precedents in the particular incident that provoked the heated discussion and the heated aftermath.

On the matter of courtesy in recognizing individual Senators when they are on their feet at particular moments. When one is confronted by rules and precedents that say one thing and when courtesy might say something else, I can understand that a man presiding so early in his career as Vice President might feel that he was bound by the rules and the precedents and by what, I think, the Parliamentarian told him. That is my understanding of the thinking behind the actions taken by the Vice President. Once again, I wish to pay tribute to him for his high competence, his courage, and his sense of confidence about what he is doing. I think he is doing it very well.

MESSAGE FROM THE HOUSE

At 11:32 a.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974; and the joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE FEDERAL ENERGY ADMINISTRATION

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report for the period of October through December 1974 concerning imports of crude oil, residual fuel oil, refined petroleum products, natural gas, and coal; domestic reserves and production of crude oil, natural gas, and coal; refinery activities, and inventories (with an accompanying report); to the Committee on Interior and Insular Affairs.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

Two petitions from the Statewide Committees Opposing Regional Plan Areas, Powell Butte, Oreg., relative to redress of grievances; to the Committee on Government Operations.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, was read twice by title and referred to the Committee on Appropriations.

HOUSE BILL REFERRED

The bill (H.R. 3260) to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93–398), and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39), and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974, was read twice by title and referred to the Committee on Appropriations and the Committee on the Budget, pursuant to the order of January 30, 1975.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. Res. 91. An original resolution relating to the activities of the Committee on Foreign Relations in facilitating the interchange and reception of certain foreign dignitaries (Rept. No. 94–22).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD:

S. 842. A bill for the relief of the Mondakota Gas Co. Referred to the Committee on the Judiciary.

By Mr. BELLMON (for himself and Mr. BARTLETT):

S. 843. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals. Referred to the Committee on Finance.

By Mr. HUDDLESTON:

S. 844. A bill for the relief of Dr. Benedicto Principe and his wife, Erlinda Madula Principe. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 845. A bill to amend the Internal Revenue Code of 1954 to provide that an individual who suffers a casualty loss as the result of a major disaster may disregard the amount of any grant or cancellation of any loan made under a State disaster assistance program for purposes of determining the amount of that individual's casualty loss deduction and of determining his gross income. Referred to the Committee on Finance.

By Mr. HUGH SCOTT (for himself, Mr. MANSFIELD, Mr. GRIFFIN, Mr. SPARKMAN, Mr. CASE, Mr. STENNIS, and Mr. TOWER):

S. 846. A bill to authorize the further suspension of prohibitions against military assistance to Turkey, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 847. A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN:

S. 848. A bill to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 849. A bill to clarify the eligibility of small business homebuilding firms for assistance under the Small Business Act. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McGOVERN (for himself, Mr. KENNEDY, Mr. HUMPHREY, Mr. PHILIP A. HART, and Mr. CLARK):

S. 850. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children, the special supplemental food program, and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs. Referred to the Committee on Agriculture and Forestry.

By Mr. MOSS:

S. 851. A bill to direct the National Aeronautics and Space Administration to conduct a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere, and for other purposes. Referred to the Committee on Aeronautical and Space Sciences.

By Mr. HARTKE (for himself and Mr. PEARSON):

S. 852. A bill to amend the Rail Passenger Service Act. Referred to the Committee on Commerce.

By Mr. METCALF:

S. 853. A bill relating to the sale of certain timber, cordwood, and other forest products. Referred to the Committe on Interior and Insular Affairs.

By Mr. NELSON:

S. 854. A bill to amend the Foreign Military Sales Act to require congressional approval for any sale, credit sale, or guarantee involving a major weapons system or major defense service, and to require congressional approval of the total amount of sales, credit sales, and guaranties made to any country or international organization. Referred to the Committee on Foreign Relations.

By Mr. THURMOND:

S. 855. A bill relating to the age and service requirements for the resignation and retirement of justices and judges of the United States. Referred to the Committee on the Judiciary.

By Mr. DOMENICI (for himself and Mr. MONTOYA):

S. 856. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the eastern New Mexico water supply project, New Mexico, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. PHILIP A. HART (for himself and Mr. RIBICOFF):

S. 857. A bill to provide for the independence of certain regulatory agencies of the Federal Government, and to increase the accountability to the public of such agencies. Referred to the Committee on Government Operations.

By Mr. HANSEN:

S. 858. A bill to amend title 38, United States Code, to authorize a program of assistance to States for the establishment, expansion, improvement, and maintenance of cemeteries for veterans. Referred to the Committee on Veterans' Affairs.

By Mr. BURDICK:

S. 859. A bill directing the Corps of Engineers to undertake the relocation of certain water intakes of the city of Williston, N. Dak., threatened with siltation. Referred to the Committee on Public Works.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 860. A bill to amend the Fair Labor Standards Act of 1938 with respect to certain agricultural hand harvest laborers. Referred to the Committee on Labor and Public Welfare.

By Mr. CHURCH (for himself, Mr. JOHNSTON, Mr. FANNIN, Mr. HANSEN, Mr. SPARKMAN, Mr. GRAVEL, Mr. CRANSTON, Mr. TUNNEY, Mr. HUMPHREY, Mr. CURTIS, Mr. McGEE, Mr. BAYH, Mr. ABOUREZK, Mr. BUCKLEY, Mr. MONTOYA, Mr. MOSS, Mr. BAKER, Mr. EASTLAND, Mr. HATFIELD, Mr. McCLURE, Mr. BENTSEN, and Mr. TOWER):

S. 861. A bill to amend section 4 of the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. CHURCH:

S. 862. A bill to amend the Social Security Act to provide for the coverage of certain drugs under part A of the health insurance program established by title XVIII of such act. Referred to the Committee on Finance.

By Mr. PEARSON (for himself, Mr. HARTKE, Mr. STEVENSON, and Mr. WEICKER):

S. 863. A bill to regulate commerce by improving the procedures of the Interstate Commerce Commission with respect to abandonments of lines of railroad and terminations of rail service and by providing for the continuation of essential but economically nonviable local rail services, and for other purposes. Referred to the Committee on Commerce.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 864. A bill to amend the act entitled "An Act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school," approved August 8, 1953. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S.J. Res. 37. A joint resolution to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame. Referred to the Committee on Aeronautical and Space Sciences.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BELLMON (for himself and Mr. BARTLETT):

S. 843. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently approved regulations relating thereto) on utilization review and utilization control under the medicare, medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals. Referred to the Committee on Finance.

Mr. BELLMON. Mr. President, today I am introducing legislation on behalf of my distinguished colleague from Oklahoma (Mr. BARTLETT) and myself. This proposal would place an 18-month moratorium on HEW regulations establishing utilization review boards for hospital admissions of medicare and medicaid patients in certain rural hospitals.

This legislation would exempt rural hospitals:

First, located in communities with a population less than 50,000, if there is no other community which has a population of 50,000 or more within a 10-mile radius of such hospital:

Second, the combined average patient load for all hospitals within a 10-mile radius is less than 40 per day; and

Third, the number of practicing physicians on the regular staff of such hospital does not exceed seven.

In addition, this proposal would mandate the Secretary of HEW to study alternative methods of utilization review for rural hospitals with the objective of developing one or more methods of review which will more realistically take into account the special needs and circumstances that exist in rural areas. The Secretary of HEW would be required to submit his recommendations to Congress no later than 6 months after the enactment of this proposal.

Although I am fully aware of the need to prevent the overutilization of medicare and medicaid payments, the recent regulations promulgated by HEW to accomplish this objective do not take into account the unique situation which exists in the rural medical community. For this reason, we are asking for a delay in implementation of these regulations in order to permit time for the development of a more practical approach to the problem as it exists in rural areas.

The regulations, which went into effect on February 2, have created a critical situation for rural hospitals in Oklahoma and throughout the Nation. Action must be taken now if we are to remedy this problem.

Let me explain. Basically, these regulations require the establishment of utilization review boards consisting of two or more physicians to review hospital admissions of medicare and medicaid patients within 24 hours after admission. The failure of rural hospitals to fully implement these regulations before April 1, 1975, will result in the withholding of Federal reimbursement for these patients. The regulations further state that the utilization review committees "shall not be composed of medical or other professional personnel who are directly responsible for the care of the patient—or are financially interested in the hospital."

These regulations have placed rural hospitals in an untenable position and in certain cases will be impossible to implement. Regulations are needed which recognize the special problems that exist in the rural medical community. Problems in implementation are numerous. The small staffs available for rural hospitals make it almost impossible to comply with the 24-hour requirement. Many hospitals do not have nor can they afford the necessary medical staff to fully implement the utilization review boards. Either the hospital must let nonmedical personnel make medical decisions regarding the necessity for hospital admissions or else rely on the assistance of doctors in surrounding communities. The distance and time factors involved create a difficult situation at best. This problem is compounded when one considers that the nature of rural medical practice is such that even a team of doctors from surrounding communities may not qualify because most of these doctors have been involved in the treatment of the hospital's patients at some time.

Quite frankly, these regulations are designed for larger hospitals located in metropolitan areas and represent the classic case where the executive branch has ignored the needs of one major segment they have attempted to regulate—in this case, the rural medical community.

Therefore, it is only reasonable that this emergency legislation be enacted immediately delaying the implementation of these unfair regulations for 18 months. This will permit the time necessary to develop a plan which will accomplish the worthwhile objective of preventing the overutilization of medicare and medicaid payments as well as one

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tailored to meet the special conditions which exist in the rural areas.

Mr. President, I recently received correspondence from Mr. L. E. Rader, director of the Department of Institution, Social, and Rehabilitative Services of the State of Oklahoma. His letter documents well the problem as it exists in Oklahoma. Mr. President, I ask unanimous consent that his correspondence be printed in the RECORD at this point, together with a statement prepared by Senator BARTLETT in connection with the introduction of this proposed legislation.

There being no objection, the correspondence and statement were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF INSTITUTIONS, SOCIAL AND REHABILITATIVE SERVICES, DEPARTMENT OF PUBLIC WELFARE,
Oklahoma City, Okla., February 21, 1975.

Hon. HENRY BELLMON,
U.S. Senator,
Washington, D.C.

DEAR SENATOR BELLMON: We are very much concerned about the impact of the conditions of participation required of our hospitals and nursing homes in implementing the "Utilization Review" program in Oklahoma.

The rural hospitals and most of the nursing homes do not have sufficient physician and non-physician personnel to establish a Utilization Review Committee. This will mean that many of these institutions will be forced to terminate their operations. As you can readily see, this will seriously affect our health program in Oklahoma.

We request that the implementation of the Utilization Review regulations be deferred. It would appear that Congress should enact legislation that would permit rural areas to continue to have hospitals and nursing homes in order to retain physicians. Without facilities, the physicians will locate only in metropolitan areas.

I have attached a copy of a letter that I have written to Caspar W. Weinberger, Secretary of Health, Education, and Welfare. You will note that I have asked whether payment for services provided under Title XIX will be subject to Federal Financial Participation, pending final implementation of the regulations.

Very truly yours,

L. E. RADER,
Director, Institutions, Social and Rehabilitative Services.

DEPARTMENT OF INSTITUTIONS,
SOCIAL AND REHABILITATIVE SERVICES,
Oklahoma City, Okla., February 21, 1975.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: You recently published, with an effective date of February 1, 1975, the requirement for additional utilization review in every hospital. In Oklahoma this is causing a great deal of concern, particularly among the smaller hospitals, since the requirements are almost impossible for hospitals in remote areas to meet.

I have been told that the hospitals are being given until April 1 to implement these requirements, but I do not have that officially. I have also been informed that there is a question as to whether any hospital in the State at this moment is meeting the new regulation.

The purpose of this letter is to request your assurance that payments made for Title XIX services will be subject to Federal Financial Participation, pending final implementation of the regulation.

It is imperative that you give an immediate reply of assurance, relative to Federal Participation, in order that we may continue making payments to hospitals for services rendered after February 1, 1975.

Very truly yours,

L. E. RADER,
Director, Institutions, Social and Rehabilitative Services.

STATEMENT BY SENATOR BARTLETT

Mr. President, today, I am introducing legislation with Senator BELLMON, along with a companion bill in the House of Representatives by Congressman GLEN ENGLISH, to effect greatly needed relief for small rural hospitals throughout the United States from the Utilization Review and Professional Standards Review Organization (PSRO) regulations issued recently by the Department of Health, Education, and Welfare.

This legislation simply delays the effect of the new regulations on the small hospitals for a period of 18 months, thereby giving the Secretary of DHEW time to develop more realistic methods of utilization review for the rural health care facility.

Although this is a critical problem in Oklahoma, it is one faced in every State in our Nation where small (less than 50,000 persons) communities operate health care facilities with a regular staff of seven or fewer practicing physicians.

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 845. A bill to amend the Internal Revenue Code of 1954 to provide that an individual who suffers a casualty loss as the result of a major disaster may disregard the amount of any grant or cancellation of any loan made under a State disaster assistance program for purposes of determining the amount of that individual's casualty loss deduction and of determining his gross income. Referred to the Committee on Finance.

STATE DISASTER ASSISTANCE TAXATION RELIEF ACT

Mr. HUGH SCOTT. Mr. President, on behalf of myself and my able colleague (Mr. SCHWEIKER), I introduce legislation to grant badly needed tax relief to the victims of major natural disasters.

I refer to this bill as the State Disaster Assistance Taxation Relief Act, and its purpose is to eliminate the Federal taxation of financial assistance made by the States to the victims of such disasters. It would do so by amending the U.S. Internal Revenue Code to allow an individual—in determining a casualty loss deduction or gross income for Federal income tax purposes—to disregard the amount of any grant or the cancellation of any loan made under a State disaster assistance program.

Mr. President, this legislation represents an attempt to finally resolve a problem that became apparent in the days following Hurricane Agnes, the June 1972 tropical storm that ranked as the worst major natural disaster in the Nation's history to that date. Final property damage caused by heavy rains and the severe flooding of some 5,000 square acres of land, much of it in Pennsylvania topped $3 billion representing the destruction of or major damage to 38,907 dwellings and mobile homes, 1,684 farm buildings, and at least 3,000 businesses.

Major efforts by impacted States as well as the Federal Government were required for recovery, a process which has not been fully completed even today. Yet, for many Agnes victims, hopes raised initially were later dashed by Federal tax bills that ate up much of the assistance granted by Pennsylvania and neighboring States. Because of the way the Federal law is now interpreted, those recipients of State aid via direct grant or forgiveness of a loan were taxed on the proceeds.

While our bill would apply retroactively to tax years after December 31, 1971, in order to cover the victims of Hurricane Agnes, the situation which it seeks to correct is not an isolated one. The burden of Federal taxation resulting from State disaster relief efforts has become all too familiar to the victims of the more than 100 occurrences that have been officially designated as major disasters since that date.

In my opinion, there is a basic irrationality to the taxing of State disaster relief assistance. State relief payments come from the State taxpayers—or from Federal funds collected nationwide. To reduce these relief payments for the purpose of increasing tax revenues is not only wrong in principle; it also has the unhappy effect of leaving disaster victims with strong distaste and cynical disillusionment as to their Government's commitment to meaningful relief efforts.

Mr. President, I am hopeful that this important legislation will gain widespread support. Therefore, I ask unanimous consent that its text in its entirety be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 845

A bill to amend the Internal Revenue Code of 1954 to provide that an individual who suffers a casualty loss as the result of a major disaster may disregard the amount of any grant or cancellation of any loan made under a State disaster assistance program for purposes of determining the amount of that individual's casualty loss deduction and of determining his gross income

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125, and by inserting after section 123 the following new section:

"Sec. 124. Certain State disaster assistance.

"Gross income does not include amounts furnished by a State to an individual by way of grant, loan cancellation, or otherwise as financial assistance on account of losses suffered by that individual in connection with a disaster occurring in an area subsequently determined by the President to warrant assistance by the Federal Government under the Disaster Relief Act of 1970.".

(b) Section 165(h) of such Code (relating to losses) is amended by adding at the end thereof the following: "For purposes of determining the amount deductible under this section in connection with a loss attributable to such a disaster, amounts received by an individual which are excludible from gross income under the provisions of section 124 shall not be taken into account as compensation for such loss under the provisions of subsection (a) of this section.".

(c) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 124. Certain State disaster assistance.
"Sec. 125. Cross references to other Acts.".

SEC. 2. The amendments made by the first section of this Act apply to taxable years beginning after December 31, 1971.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 847. A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, I am pleased to introduce today, for myself and Mr. GRAVEL, a bill to establish the Seward National Recreation Area.

The bill would establish a Seward National Recreation Area encompassing spectacular forests, glaciers, lakes, rivers, wildlife, and other resources in the Chugach National Forest and nearby lands on the Kenai Peninsula in Alaska. It would contain approximately 1.4 million acres and would be administered by the Secretary of Agriculture as a part of the Chugach National Forest.

Rich in history, spectacularly beautiful, the Seward National Recreation Area contains a wealth of recreation resources and opportunities. Its boundary lies about an hour's drive away from Anchorage, which is Alaska's most populous city, and the air crossroads of the world.

The story of civilization within the proposed recreation area began in late 1700's. The fur of the sea otter attracted Siberian fur hunters and Russian traders, who enlisted as hunters the original inhabitants of the region—the Kenaitze Indians. In the 1850's, gold was first discovered, and in 1888, the town of Hope welcomed a discovery at Resurrection Creek which started a human stampede in search of the precious metal.

Wildlife is a main attraction of the area. Moose wander near the main roads at certain times of the year, and Dall sheep and mountain goats can be seen on the steep mountain slopes. There are black bear, brown bear, and abundant porcupines and grouse. Hunting is good and fishing very popular, particularly when the salmon are running.

Most of the recreation area is rugged mountainous terrain with a maximum elevation of around 6,000 feet. The combination of mountains, lakes, streams, glaciers, and a variety of vegetative cover, produce a striking and varied landscape.

Ice fields and glaciers are prevalent. The recreation area includes one of the largest ice deposits in North America, the Harding Ice Field. It also contains one of the major established glacial attractions in Alaska—the Portage Glacier. This outstanding geological feature draws thousands of persons each year from all sections of the Nation and from many parts of the world. From a parking lot observation point on the western edge of Portage Lake one can get an excellent view of the face of the glacier, the expanse of the lake itself, and the steep surrounding mountains. The unique feature of this panorama, however, is the floating mass of gigantic icebergs which regularly calve off the face of the glacier. These irregular chunks of ice drift across the lake and come within close range of the observation point. Few other places in the world afford such a closeup view of icebergs from a vantage point on land.

Our bill is patterned after legislation which established other national forest recreation areas. It directs the Secretary of Agriculture to manage recreation areas for public outdoor recreation benefits and conservation of biotic, scenic, scientific, geologic, historic, and other values. Management, utilization, and disposal of natural resources are permitted so long as they are compatible with the recreational purposes and programs in the area. Minerals are withdrawn from location and entry under the mining laws, but can be leased or removed under permits by the Secretary of the Interior if the Secretary of Agriculture determines these would have no significant adverse effects on administration of the area. Permits and leases can contain conditions prescribed by the Secretary of Agriculture to protect the area's resources.

The Secretary is also directed to cooperate with the State of Alaska and its subdivisions in administering the area.

Copies of a map of the proposal national recreation area are available in the office of the Chief of the Forest Service in Washington and in the Alaska Regional Forester's office in Juneau.

Mr. President, enactment of my bill will bring an important new concept to bear in the management of Federal recreation resources in Alaska. This will establish the first Federal recreation area in the 49th State. I hope for and look forward to its early consideration.

I ask unanimous consent that the bill be printed in the RECORD.

There being on objection, the bill was ordered to be printed in the RECORD, as follows:

S. 847

A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to provide for the public outdoor recreation use and enjoyment of certain spectacular forested areas, geological areas, lakes, rivers, and streams, and other recreational features and resources on the Kenai Peninsula in the State of Alaska by present and future generations and the conservation of scenic, scientific, historic, geologic, and other values contributing to public enjoyment of such lands and waters, there is hereby established, subject to valid existing rights, the Seward National Recreation Area (hereinafter referred to as the "recreation area"), comprising approximately one million four hundred thousand acres. The boundaries of the recreation area shall be those shown on the map entitled "proposed Seward National Recreation Area", dated February 1971, which is on file and available for public inspection in the Office of the Regional Forester, Alaska Region, and in the Office of the Chief, Forest Service, United States Department of Agriculture.

SEC. 2. The administration, protection, and development of the recreation area shall be by the Secretary of Agriculture (hereinafter called the "Secretary") in accordance with the laws, rules, and regulations applicable to the national forest system, in such manner as in his judgment will best provide for (1) public outdoor recreation benefits; (2) conservation of biotic, scenic, scientific, geologic, historic and other values contributing to public enjoyment; and (3) such management, utilization, or disposal of natural resources as in his judgment will promote or are compatible with, and do not significantly impair the purposes for which the recreation area is established.

SEC. 3. Within one year after the effective date of this Act, the Secretary shall publish in the Federal Register a detailed description of the boundaries of the recreation area and such description shall have the same force and effect as if included in this Act: Provided, however, That correction of clerical and typographical errors in such legal description may be made.

SEC. 4. The boundaries of the Chugach National Forest are hereby extended to include all of the lands not presently within national forest boundaries lying within the recreation area as described in accordance with section 1 of this Act. Notwithstanding any other provision of law, the Federal property located within the recreation area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the purposes of this Act.

SEC. 5. Within the boundaries of the recreation area the Secretary is authorized to acquire lands, waters, or other property, or any interest therein, in such manner as he considers to be in the public interest to carry out the purposes of this Act. Any lands, waters, and interests therein owned by or under the control of the State of Alaska or any political subdivision thereof may be acquired only with the consent of such State or political subdivisions. Moneys appropriated from the Land and Water Conservation Fund shall be available for the acquisition of lands, waters, and interests therein for the purposes of this Act. Lands acquired by the Secretary or transferred to his administrative jurisdiction within the recreation area shall become part of the recreation area and of the Chugach National Forest.

SEC. 6. The Secretary shall permit hunting, fishing, and trapping on the land and waters under his jurisdiction within the recreation area in accordance with applicable Federal and State laws; except that the Secretary may issue regulations designating zones where and establishing periods when no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, fish or wildlife management or public use and enjoyment. Except in emergencies, any regulations pursuant to this section shall be issued only after consultation with the Alaska Department of Fish and Game.

SEC. 7. The lands within the recreation area, subject to valid existing rights, are hereby withdrawn from location, entry, and patent under the United States mining laws. The Secretary of the Interior, under such regulations as he deems appropriate, may issue permits or leases for the removal of the nonleasable minerals from lands or interests in lands within the recreation area, and he may permit the removal of leasable minerals from lands or interests in lands within the recreation area in accordance with the Mineral Leasing Act of February 24, 1920, as amended (30 U.S.C. 181 et seq.), or the Acquired Lands Mineral Leasing Act of August 7, 1947 (30 U.S.C. 351 et seq.), if the Secretary of Agriculture finds that such disposition would not have significant adverse effects on the administration of the recreation area: Provided, That any lease respecting such minerals in the recreation area shall be issued only with the consent of the Secretary of Agriculture and subject to such conditions as he may prescribe. All receipts derived from permits and leases issued under the authority of this section for removal of nonleasable minerals shall be paid into the

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same funds or accounts in the Treasury of the United States and shall be distributed in the same manner as provided for receipts from national forests. Any receipts derived from permits or leases issued on lands within the recreation area under the Mineral Leasing Act of February 25, 1920, as amended, or the Act of August 7, 1947, shall be disposed of as provided in the applicable Act.

SEC. 8. The jurisdiction of the State of Alaska and the United States over waters of any stream included in the recreation area shall be determined by established principles of law. Under the provisions of this Act, any taking by the United States of water rights which are vested under either State or Federal law at the time of enactment of this Act shall entitle the owner thereof to just compensation. Nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws.

SEC. 9. The Secretary shall cooperate with the State of Alaska or any political subdivisions thereof in the administration of the recreation area and in the administration and protection of lands within or adjacent to the recreation area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Alaska or any political subdivision thereof of its right to exercise civil and criminal jurisdiction within the recreation area, or of its right to tax persons, corporations, franchises, or other non-Federal property, including mineral or other interests, in or on lands or waters within the recreation area.

By Mr. McGOVERN (for himself, Mr. KENNEDY, Mr. HUMPHREY, Mr. PHILIP A. HART, and Mr. CLARK):

S. 850. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children, the special supplemental food program, and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs. Referred to the Committee on Agriculture and Forestry.

THE IMPORTANCE OF CHILD NUTRITION

Mr. McGOVERN. Mr. President, following the release of the President's budget, I expressed strong opposition to the Agriculture Department cuts in the food stamp and child feeding programs.

For some time, I have been unhappy with the administration of these programs by the Department of Agriculture. It seems that despite the strongest possible support in Congress, the Secretary of Agriculture and his subordinates are constantly searching for ways to restrict them.

I had the opportunity last week to discuss this problem rather bluntly with Secretary Butz. Our discussion then, during a hearing of the Committee on Agriculture and Forestry, focused primarily on the food stamp program. Fortunately, the Congress has already put a resounding stop to the regulation signed by him to cut back the food stamp program.

I told Mr. Butz that I believed he had an essentially negative attitude toward his Department's feeding programs. He did not deny that; in fact, he said that he believed the growth of the Nation's feeding programs somehow threatened the well being of his Department's basic agricultural programs.

Nothing could be further from the truth. In fact, the viability of the Department of Agriculture depends on a healthy mix of programs serving the farmer, the consumer, needy families and all the Nation's children.

While the Secretary's attempt to cut back the food stamp program has received the most publicity, he is also proposing to cut back the Nations child nutrition feeding programs in an equally ill-advised manner.

In one proposal, Mr. Butz seeks to eliminate:

First, diet supplementation for 650,000 low-income women, infants, and children in 48 States;

Second, 2½ billion school lunches for children from middle-income homes;

Third, milk for tens of millions of young schoolchildren;

Fourth, all meals for any child in a day care center, Head Start center; and

Fifth, all school breakfasts, taking food away from over 1½ million young children each day.

What makes this action particularly foolhardy is that it comes at a time when these programs, tried and proven, could be a real help to the people of this country, without a great increase in cost.

At a time when food costs are rising over 15 percent per year, when unemployment is hitting recordbreaking numbers, when double digit inflation is bewildering almost everyone, when the farm economy is in trouble, and when local economies need a boost, the Federal nutrition programs are in a unique position to be used to help, not to hurt, our people.

Congress stopped cold the Secretary's assault on food stamps. I believe Congress will not let him turn back the clock on 30 years of progress in protecting the health and well-being of the 31 million American children who participate in the child nutrition programs.

I am increasing my effort to stop him from doing it today. I am introducing a bill, not just to stop him from cutting back, but to extend and improve these vital programs. I fully expect Congress to pass this legislation. I hope the President, as he finally decided on food stamps, will not veto it.

The purpose of this bill is to make certain that the children of this country do not lose out through the termination of these nutrition delivery systems. Programs which end on June 30 of this year include the special food service program, which involves day care feeding, Head Start feeding, and summer feeding; the WIC program, which feeds high-protein diet supplementations to low-income women, infants, and children; the school breakfast program, which provides a nutritious morning meal to almost 2 million American schoolchildren each day; and the commodity program as it pertains to school lunches.

In the budget proposal for the Food Nutrition Service of the Department of Agriculture for fiscal year 1976, there are absolutely no funds for these programs. Instead, Mr. Butz proposes a bloc grant that reduces overall child nutrition funding by about $600 million. If the administration is successful, tens of millions of dollars in benefits going to schoolchildren in our local communities will be lost. Over 3 million children a day will totally lose benefits they are now receiving. This does not include the between 5 and 10 million children who will soon drop out of the school lunch program if the ill-advised administration bloc-grant proposal succeeds.

I have already put in the RECORD my criticism of this bloc-grant proposal and described its disastrous effect on the school lunch program.

Combined with this radical reduction of the school lunch program, the elimination of the special food service programs, the breakfast program, and the WIC program will result in the end of food benefits for 13 million children.

We cannot permit this to happen.

When I think of these children, and how important and valuable these meals are for them, I am convinced of the foolishness of these plans for termination and cutback.

I plan to fight the bloc-grant proposal as vigorously as I know how.

This bill is the first effort in a series of moves I hope will end in the strengthening and expansion of our food programs.

These are not new programs in most instances. With one exception, they are tried and true social programs which the States and local communities have come to use efficiently and which have come to mean a great deal to our people. Dollars spent on these programs accrue to the benefits of our farmers, our local working force, our food industries, and most importantly of all, our children.

As chairman of the Select Committee on Nutrition and Human Needs, I have become a believer in the value of good nutrition. I am convinced that it is one of the most effective forms of preventive medicine available to us. I am convinced that feeding a child in school is one way to insure a healthy future citizen. This bill is a fairly modest one, given the scope of the numbers of persons involved.

In this bill the breakfast program is merely extended. There are no increased funds requested. The same is essentially true of the summer food program. We ask that the Secretary do his best to get the information to the communities that the school breakfast program is available to them. I am concerned that relatively few children participate in the breakfast program, as compared to the lunch program. I feel that this meal is just as important to their health and well-being as lunch.

I intend to shortly introduce legislation to change the summer food program in a much more comprehensive manner.

This bill also extends commodity support programs for school lunches. This important provision has two components. First, we must maintain commodity support for school lunches because schools are in need of this support. Without it, lunch costs would go up and children would drop out of the program. We know this from experience. The second part of the commodity section requires that the Secretary give back to schools some of the flour and oil which he has decided to keep out of the school commodity program this year. This loss has hurt schools, especially those in rural areas. And I intend to restore these traditional commodities to the schools this year, as well as maintain the level of other high protein foods donated to the schools.

This bill also continues the authorization for the day care nutrition program, the Head Start nutrition program, and the summer food program. These programs have historically been part of what is known as the special food service program.

The essential change proposed under this legislation is that children in these programs will now receive the benefits of the national school lunch program. That is, they will receive the fixed reimbursement rate with the escalator clause attached to it for automatic adjustment. They will receive advance payments. They will, in most instances, receive commodities. They will receive money for nonfood assistance. They will receive funding based on their total participation. These changes will, hopefully, allow these programs to reach more children.

This bill includes for the first time in Federal nutrition legislation, orphanages, homes for the mentally retarded, and homes for the handicapped, and so forth. I think it is time that we bring these children into equal treatment with their brothers and sisters who are attending public schools. My research shows that children who are institutionalized are receiving much fewer nutritional benefits than those in schools, and I do not think this is fair. I hope through this legislation to give these children equal treatment.

The irony of the special food service program, up until the present, has been that funds are returned unspent, while thousands of children are waiting for these services in the States. This situation has arisen essentially because of an unclear and confusing policy on the part of the Department that has left the States and local projects in doubt as to what benefits are available for children in their service institutions. In some cases, I must say, the Department did not have a very clear legislative mandate to work from.

This bill will, hopefully, straighten out these problems by attaching many of the characteristics of the school lunch program to the special food service program.

Young children who participate in day care, Head Start, summer food, and the special supplemental food programs are going to need these programs desperately in the upcoming months. It is my hope that this legislation will pass quickly so that those States and local projects which are unsure of their future because of the termination of the current authorization will be given hope and something to plan for.

This legislation also extends and expands the WIC program. The WIC program is one of our very most promising. It is in need of some revision this year, but that is to be expected with any pilot project. The Select Committee on Nutrition and Human Needs has held extensive hearings in the area of diet supplementation for high-risk persons, and the recommendations before the committee plus the knowledge gained from the observation of local WIC projects has been incorporated in this bill.

Many WIC administrators, nutritionists, nurses, and participants were consulted in the formulation of this new legislation.

The Nutrition Committee has been collecting data from State WIC directors, and the initial perusal of that data indicates overwhelming acceptance and the success of the WIC program. Almost every State has the desire and capability to expand their WIC programs right now.

I think the initial idea behind the WIC program, that it makes the most sense to supplement people's diets during their most vulnerable periods, and their periods of greatest growth, still makes a great deal of sense today. In addition, I think it is saving the taxpayer's money. I think it is cheaper to help someone for pennies when they are in their formative years, than to attempt to pull along someone who is only partially employable because of a health defect, or someone who is a slow learner, or someone born with a birth defect.

We are all concerned about controlling inflation, Mr. President. However, I think it is misguided, to say the least, to cut off these programs at this time.

The true test of programs like this is not how well they function when the economy is riding high, but how well they function when the economy is undergoing difficulties, and the people need their benefits the most.

I think it is important for Congress to send the parents of these children and the children themselves a message which says we are not going to desert them and that we recognize the importance of these programs for them.

Mr. President, these programs are effective. The people like them. They work. I would hope someday that we introduce legislation which will expand them all considerably.

Mr. President, I ask unanimous consent that the accompanying bill, and the section-by-section analysis be printed in the RECORD at this point.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 850

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The National School Lunch and Child Nutrition Act Amendments of 1975."

SCHOOL BREAKFAST PROGRAM

SEC. 2. Section 4(a) of the Child Nutrition Act is amended by inserting after "and June 30, 1975," "and subsequent fiscal years".

SEC. 3. Section 4 of the Child Nutrition Act of 1966 is amended by adding the following subsection:

"(c) As a national nutrition and health policy, it is the purpose and intent of the Congress that the school breakfast program be made available in all schools where it is needed to provide adequate nutrition for children in attendance. The Secretary is hereby directed, in cooperation with State Educational agencies, to carry out a program of information to the schools in furtherance of this policy. Within 90 days after the enactment of this legislation, the Secretary shall report to the Committees of jurisdiction in the Congress his plans and those of the cooperating state agencies, to bring about the needed expansion in the school breakfast program."

MATCHING

SEC. 4. Section 7 of the National School Lunch Act is amended by adding the following sentence at the end of such section:

"*Provided, however,* That the total state matching of $3 for $1, as required in the third sentence of this section with adjustments for the per capita income of the State, shall not apply with respect to the payments made to participating schools under Section 4 of this Act for free and reduced price meals: *Provided further,* That the foregoing proviso does not apply in the case of State level matching as required under the sixth sentence of this section."

INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

SEC. 5. Section 9(b) of the National School Lunch Act is amended by deleting "75 per centum" in the last sentence of said section and substituting 100 per centum."

NONPROFIT PRIVATE SCHOOLS

SEC. 6. Section 10 of the National School Lunch Act is amended to read as follows:

"If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match federal funds made available for use by such nonprofit private schools, the Secretary shall disburse the funds directly to the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by nonprofit private schools within the State participating in the school lunch program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7: *Provided,* That beginning with the fiscal year ending June 30, 1974, the Secretary shall make payments from the sum appropriated for any fiscal year for the purposes of section 4 of this Act directly to the nonprofit private schools in such State for the same purposes and subject to the same conditions as are authorized or required under this Act with respect to the disbursements by the State educational agencies."

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 7. Section 12(d)(7) of the National School Lunch Act is amended to read as follows:

"'School' means any public or nonprofit private school of high school grade or under and any public or licensed nonprofit private residential child caring institution, including, but not limited to orphanages, homes for the mentally retarded, homes for the emotionally disturbed, homes for unmarried mothers and their infants, temporary shelters for runaway children, temporary shelters for abused children, hospitals for children who are chronically ill, and juvenile detention centers."

COMMODITIES

SEC. 8. Section 14 of the National School Lunch Act is amended by striking out "June 30, 1975" and inserting in lieu thereof "Sept. 30, 1976" and by adding at the end thereof the following paragraph:

"(3) Among the products to be included in the food donations to the school lunch program shall be such cereal and shortening and oil products as were provided in the

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fiscal year 1974. Such products shall be provided to the school lunch program in the same or greater quantities as were provided in the fiscal year 1974 and shall be in addition to the value of commodity donations, or cash in lieu thereof, as provided for in Section 6 of this Act."

SEC. 9. Section 6(e) of the National School Lunch Act is amended by adding the following language at the end of said section:

"*Provided further*, That not less than 75 per centum of the assistance provided under this subsection shall be in the form of foods purchased by the United States Department of Agriculture for the School Lunch Program."

SEC. 10. Section 6(a)(3) of the National School Lunch Act is amended by adding the following at the end of said section:

"The value of assistance to children under this Act shall not be considered to be income or resources for any purposes under any Federal or State laws, including laws relating to taxation and welfare and public assistance programs."

SEC. 11. Section 3 of the Child Nutrition Act of 1966 is amended by deleting the second sentence and inserting in lieu thereof:

"For the purposes of this section 'United States' means the fifty States, Guam, Puerto Rico, and the District of Columbia."

SUMMER FOOD PROGRAM

SEC. 12. Section 13 of the National School Lunch Act is amended by deleting subsection 13(g) and revising subsections 13(a), 13(b), and 13(c)(2) to read as follows:

"(a)(1) There is hereby authorized to be appropriated such sums as are necessary for the fiscal years ending June 30, 1976, and June 30, 1977, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit food service programs for children in service institutions. For purposes of this section, the term 'service institutions' means public institutions or private, nonprofit institutions that develop special summer programs providing food service similar to that available to children under the National School Lunch or School Breakfast Programs during the school year. To the maximum extent feasible, consistent with the purposes of this section, special summer programs shall utilize the existing food service facilities of public and nonprofit private schools. Any eligible institution shall receive the summer food program upon its request.

"(a)(2) Service institutions eligible to participate under the program authorized under section 13 of the National School Lunch Act shall be limited to those which conduct a regularly scheduled program for children for areas in which poor economic conditions exist and from areas in which there are a high concentration of working mothers. Summer camps that otherwise qualify as institutions under this subsection shall be eligible for the summer food program if attending children are maintained in continuous residence for no more than one month."

13(b) The Secretary shall publish proposed regulations relating to the implementation of the summer food program by January 1 of each fiscal year, and shall publish final regulations, guidelines, applications and handbooks by March 1 of each fiscal year.

13(c)(2) In circumstances of severe need where the rate per meal established by the Secretary under subsection (c)(1) is insufficient to carry on an effective feeding program, the Secretary may authorize financial assistance not to exceed 80 per centum of the operating costs of such a program, including the cost of obtaining, preparing, and serving food. Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to equipment and services. In the selection of institutions to receive assistance under this subsection, the State educational agency shall require the applicant institutions to provide justification of the need for such assistance. The maximum allowable reimbursement for service institutions authorized to receive assistance under this subsection shall be set at 80 cents for lunches and suppers served, 45 cents for breakfasts served, and 25 cents for meal supplements served, with the above maximum amounts being adjusted each March 1 to the nearest ¼ cent in accordance with charges for the 12-month period ending the prior January 31 in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. The initial such adjustment shall be made on March 1, 1976, and shall reflect the change in the series food away from home during the period January 31, 1975, to January 31, 1976.

SPECIAL FOOD SERVICE PROGRAM

SEC. 13. The National School Lunch Act is amended by adding the following section:

"SEC. 16. (a)(1) There is hereby authorized to be appropriated such sums as are necessary to enable the Secretary of Agriculture to formulate and carry out a program to assist States through grants-in-aid and other means to initiate, maintain, or expand non-profit food service programs for needy children in institutions providing child care. Any funds appropriated to carry out the provisions of this Section shall remain available until expended.

(a)(2) For purposes of this section, the term "institution" means any public or private non-profit organization where children are not maintained in permanent residence including but not limited to day-care centers, settlement houses, recreation centers, family day-care centers. Headstart centers, and institutions providing day care services for handicapped children. No such institution shall be eligible to participate in this program unless it has either local, State or Federal licensing or approval as a child-care institution, or can satisfy the Secretary that it is in compliance with the applicable Federal Interagency Day Care Requirements of 1968. Provided, however, that lack of tax exempt status shall not prohibit eligibility for any institution under this section.

The term "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa and the Trust Territory of the Pacific Islands. Any institution shall receive the Special Food Service Program upon its request.

(b) APPORTIONMENT TO THE STATES:

(1) For each fiscal year beginning with the fiscal year ending June 30, 1976, the Secretary shall make special food service payments no less frequently than on a monthly basis to each State educational agency in an amount no less than the sum of the product obtained by multiplying (a) the number of breakfasts served in special food service programs within that State by the national average payment rate for breakfasts under section 4 of the Child Nutrition Act of 1966 as amended, (b) the number of breakfasts served in special food service programs within that State to children from families whose incomes meet the eligibility criteria for free school meals by the national average payment rate for free breakfasts under section 4 of the Child Nutrition Act of 1966 as amended, (c) the number of breakfasts served in special food service programs, within that State to children from families whose incomes meet the eligibility criteria for reduced price school meals by the national average payment rate for reduced price school breakfasts under section 4 of the Child Nutrition Act of 1966 as amended, (d) the number of lunches and suppers served in special food service programs within that State by the national average payment rate for lunches under section 4 of the National School Lunch Act, (e) the number of lunches and suppers served in special food service programs within that State to children from families whose incomes meet the eligibility criteria for free school meals by the national average payment rate for free school lunches under section 11 of the National School Lunch Act, (f) the number of lunches and suppers served in special food service programs in that State to children whose families meet the eligibility criteria for reduced-price school meals by the national average payment factor for reduced-price lunches under section 11 of the National School Lunch Act, (g) the number of snacks served in special food service programs in that State by 5 cents, (h) the number of snacks served in special food service programs in that State to children from families whose incomes meet the eligibility criteria for free school meals by 20 cents, (i) the number of snacks served in special food service programs in that State to children from families whose incomes meet the eligibility criteria for reduced-price school meals by 15 cents. The rates established pursuant to subsections (g), (h), and (i), shall be adjusted semiannually to the nearest one-fourth cent by the Secretary to reflect the changes in the series for food away from home of the Consumer Price Index published by the Department of Labor Statistics of the Department of Labor: *Provided*, That the initial such adjustment shall be effective January 1, 1976, and shall reflect changes in the series food away from home during the period June through November 1975. Reimbursement for meals provided under this subsection or under subsection (2) of this section shall not be dependent upon collection of moneys from participating children.

(2) For each fiscal year beginning with the fiscal year ending June 30, 1976, the Secretary shall make further special food service payments no less frequently than a monthly basis to each State educational agency in amounts equal to the sum of the product obtained by multiplying the number of breakfasts, lunches, suppers and snacks served in special food service programs within that State by institutions that are determined to be especially needy by the difference between the cost of providing such meals (which shall include the full cost of obtaining, handling, serving and preparing food as well as supervisory and administrative costs and indirect expenses, but not including the cost of equipment provided for under section 18 of this Act) and the respective rates for such meals specified in subsection (1).

(3) No later than the first day of each month, the Secretary shall forward to each State an advance payment for meals served in that month pursuant to subsections (1) and (2) of this section, which payment shall be no less than the total payment made to such State for meals served pursuant to subsections (1) and (2) of this section for the most recent month for which final reimbursement claims have been settled. The Secretary shall forward any remaining payment due pursuant to subsections (1) and (2) of this section no later than 30 days following receipt of valid claims; Provided, that any funds advanced to a State for which valid claims have not been established within 90 days shall be deducted from the next appropriate monthly advance payments, unless the claimant requests a hearing with the Secretary prior to the ninetieth day.

(c) Meals served by institutions participating in the Program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served free to needy children. No physical segregation or other discrimination against any child shall be made because of his inability to pay, nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names or other means. No institution shall be prohibited from serving a breakfast, lunch, dinner and snack to each eligible child each day.

(d) Funds paid to any State under this section shall be disbursed by the State agency to institutions approved for participation on a non-discriminatory basis to reimburse such institutions for all costs including labor and administrative expenses, of food service operations. All valid claims from such institutions shall be paid within 30 days.

(e) Irrespective of the amount of funds appropriated under section 13 of this Act, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446 a-1), shall be donated by the Secretary of Agriculture to institutions participating in the special food service program in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs. The amount of such commodities donated to each State for each fiscal year shall be, at a minimum, the amount obtained by multiplying the number of lunches served in participating institutions during that fiscal year by the rate for commodities and cash in lieu thereof established for that fiscal year in accordance with the provisions of Section 6(e) of the National School Lunch Act.

(f) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall withhold all funds provided under this section and shall disburse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

(g) The value of assistance to children under this section shall not be considered to be income or resources for any purpose under any federal or State laws, including laws relating to taxation and welfare and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

(h) There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expenses under this section.

(i) States, State educational agencies, and service institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

SEC. 14. The National School Lunch Act is amended by adding the following section:

"SEC. 17. As a national nutrition and health policy, it is the purpose and intent of the Congress that the Special Food Service Program and the Summer Food Program be made available in all service institutions where it is needed to provide adequate nutrition for children in attendance. The Secretary is hereby directed, in cooperation with State educational and child-care agencies, to carry out a program of information to the schools in furtherance of this policy. Within 90 days after the enactment of this legislation, the Secretary shall report to the Committees of jurisdiction in the Congress his plans and those of the cooperating State agencies to bring about the needed expansion in the Special Food Service and Summer Food Program."

NONFOOD ASSISTANCE

SEC. 15. The National School Lunch Act is amended by adding the following section:

"SEC. 18. (1) Of the sums appropriated for any fiscal year pursuant to the authorization contained in section 13 and section 16 of the Act, $5,000,000 shall be available to the Secretary for the purpose of providing, during each such fiscal year, nonfood assistance for the special food service program, and the Summer Food Program, pursuant to the provisions of this Act. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of $5,000,000; provided, that such an apportionment shall be made according to the ratio among the States of the number of children below age 6 who are members of households which have an annual income not above the applicable family size income level set forth in the income poverty guideline prescribed by the Secretary under Section 9(b) of the National School Lunch Act.

"(2) If any State cannot utilize all of the funds apportioned to it under the provisions of this section, the Secretary shall make further apportionments to the remaining States. Payments to any State of funds apportioned under the provisions of this subsection for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this section shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this section to assist institutions determined by the State to be especially needy:

"(3) For purposes of this section, the term 'State' shall mean any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(4) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall withhold all funds apportioned under this section and shall disburse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section."

SPECIAL SUPPLEMENTAL FOOD PROGRAM

SEC. 16. Section 17 of the Child Nutrition Act of 1966 is revised to read as follows:

"(a) The Congress finds that substantial numbers of pregnant women, infants, and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition and/or health care. Therefore, it is the intent of this act to provide supplemental nutritious food as an adjunct to good health care during these critical times of growth and development in order to prevent the occurrence of these health problems.

"(b) For each fiscal year the Secretary shall make cash grants to the health department or comparable agency of each State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare for the purpose of providing funds to local health or welfare agencies or private nonprofit agencies of such State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education and Welfare, serving local health or welfare needs to enable such agencies to carry out health and nutrition programs under which supplemental foods will be made available to all pregnant or lactating women and to infants determined by competent professionals to be nutritional risks because of inadequate nutrition and inadequate income, in order to improve their health status. Such program shall be carried out without regard to whether a food stamp program or supplemental food program or a direct food distribution program is in effect in such area.

"(c) In order to carry out the program provided for under subsection (b) of this section during each fiscal year, the Secretary shall use $300,000,000 out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). In order to carry out such program during each fiscal year, there is authorized to be appropriated the sum of $300,000,000, but in the event that such sum has not been appropriated for such purpose by July 1 of each fiscal year, the Secretary shall use $300,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $300,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). Any funds expended from such section 32 to carry out the provisions of subsection (a) of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out the provisions of such subsection, and such reimbursements shall be deposited into the fund established pursuant to such section 32, to be available for the purpose.

"(d) Whenever any program is carried out by the Secretary under authority of this section through any State or local or nonprofit agency, he is authorized to pay administrative costs not to exceed 25% of the projected program funds provided to each State under the authority of this section. Provided, that each health department or comparable agency of each State, Indian tribe, band, or group recognized by the Department of Interior; or the Indian Health Service of the Department of Health, Education, and Welfare receiving funds from the Secretary under this section shall, by January 1, each year, for approval by him as a prerequisite to receipt of funds under this section, submit a description of the manner in which administrative funds shall be spent, including, but not limited to, a description of the manner in which nutrition education and outreach services will be provided. Outreach funds shall be used to search out those most in need of the benefits of this program. The Secretary shall take affirmative action to ensure that programs begin in areas most in need of special supplemental food. Provided further that during the first three months of any program, or until the program reaches its projected caseload level, whichever comes first, the Secretary shall pay those administrative costs necessary to successfully commence the program."

"(e) The eligibility of persons to participate in the program provided for under subsection (a) of this section shall be determined by competent professional authority. Participants shall be residents or members of populations served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

"(f) State or local agencies or groups carrying out any programs under this section shall maintain adequate medical records on the participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section. The Secretary shall convene an advisory committee made up of representatives from the Maternal and Child Health Division, of the Department of Health, Education, and Welfare, the Center for Disease Control, the Association of State and Territorial Public Health Nutrition Directors, the American Academy of Pediatrics, the Na-

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tional Academy of Science—National Research Council, the American Dietetic Association, the American Public Health Association, the Public Health Service and others as the Secretary deems appropriate. This committee shall study the methods available to successfully and economically evaluate in part or in total, the health benefits of the Special Supplemental Food Program. Their study shall consider the usefulness of the medical data collected and the methodology used by the Department of Agriculture and the Comptroller General of the United States prior to March 30, 1975. Their study shall also include the applicability to an evaluation of the Special Supplemental Food Program of Federal and State health, welfare and nutrition assessment and surveillance projects currently being conducted. The purpose of this advisory committee shall be to determine and recommend in detail how, using accepted scientific methods, the health benefits of the Special Supplemental Food Program may best be evaluated and assessed. This advisory committee shall report to the Secretary no later than December 1, 1975. The Secretary shall submit to Congress his recommendations based on this study no later than March 1, 1976.

"(g) Definition of terms used in this section—

(1) "Pregnant and lactating women" when used in connection with the term "at nutritional risk" includes mothers up to six months post partum from low-income populations who demonstrate one or more of the following characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth (underweight, obesity, or stunting). Such term (when used in connection with the term "at nutritional risk") also includes low-income individuals who have a history of high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia.

(2) "Infants" when used in connection with the term "at nutritional risk" means children under five years of age who are in low-income populations which have shown a deficient pattern growth, by minimally acceptable standards, as reflected by an excess number of children in the lower percentiles of height and weight. Such term, when used in connection with "at nutritional risk", may also include children under five years of age who (A) are in the parameter of nutritional anemia, or (B) are from low-income populations where nutritional studies have shown inadequate infant diets. Any child participating in a non-residential child care program shall not be excluded from participating in the WIC program.

(3) "Supplemental foods" shall mean those foods containing nutrients known to be lacking in the diets of populations at nutritional risks and, in particular, those foods and food products containing high-quality protein, iron, calcium, vitamin A, and vitamin C. Such term may also include (at the discretion of the Secretary) any commercially formulated preparation specifically designed for women or infants. The contents of the food package shall be made available in such a manner as to provide flexibility based on medical necessity or cultural eating patterns.

(4) "Competent professional authority" includes physicians, nutritionists, registered nurses, dietitians, or State or local medically trained health officials as being competent professionally to evaluate nutritional risk.

(5) "Administrative costs" include costs for outreach, referral, operation, monitoring, nutrition education, general administration, start-up, clinic, and administration of the State WIC office.

(h) (1) There is hereby established a council to be known as the National Advisory Council on Maternal, Infant, and Fetal Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of fifteen members appointed by the Secretary. One member shall be a State Director of the Special Supplemental Food Program, one member shall be a State Fiscal Director for the Special Supplemental Food Program (or the equivalent thereof), one member shall be a State Health Officer (or equivalent thereof), one member shall be a project director of a special supplemental food program in an urban area, one member shall be a project director of a special supplemental food program in a rural area, one member shall be a State Public Health Nutrition Director (or equivalent thereof), two members shall be parent recipients of the Special Supplemental food program, one member shall be a pediatrician, one member shall be an obstretrician, one member shall be a person involved at the retail sales level of food in the special supplemental food program, two members shall be officers or employees of the Department of Health, Education, and Welfare, specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to maternal, infant, and fetal nutrition, and two members shall be officers or employees of the Department of Agriculture, specially qualified because of their education, training, experience, and knowledge in matters relating to maternal, infant and fetal nutrition.

(2) The eleven members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that the nine members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(3) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

(4) The Council shall meet at the call of the Chairman but shall meet at least once a year.

(5) Eight members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(6) It shall be the function of the Council to make a continuing study of the operation of the Special Supplemental Food Program and any related Act under which diet supplementation is provided to women, infants, and children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

(7) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(8) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

(i) On September 1, 1975, the Secretary shall forward to each State an advance payment for the month of September pursuant to subsection (c) of this section which shall not be less than the total payment made to such State for the month of July 1975, pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for the month of September 1975 no later than 30 days following the receipt of valid claims. Thereafter, on the first day of each month the Secretary shall, in a similar manner, forward an advance monthly payment to each State pursuant to subsection (c) of this section which shall not be less than the total payment made to such State in the second preceding month pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for such month no later than 30 days following receipt of valid claims: *Provided*, That any funds advanced to a State for which valid claims have been established within 90 days shall be deducted from the next appropriate monthly advance payment, unless the claimant requests a hearing with the Secretary prior to the ninetieth day. On each July 1 and on each January 1 the Secretary shall publish in the Federal Register the amount of advance payments to be made to each State pursuant to this subsection for that month.

SCHOOL BREAKFAST PROGRAM

(Section 2)

This section merely extends the School Breakfast Program for three more years.

(Section 3)

This section directs the Secretary of Agriculture to carry out a program of information to States in regard to the School Breakfast Program. National participation in this program is only 10% of the School Lunch Program. Some schools may be uninformed as to the availability or the benefits of this program, and this section is an attempt to reach them and bring them into participation.

MATCHING

(Section 4)

This section makes a technical change in the $3:1 State matching requirement under the National School Act. It is needed because the nature of the School Lunch Program is changing slightly with more free meals being served. The result is that States are unable to meet, in every instance, the matching requirements as much of this money has come from paying children. This change will not affect the amount of appropriated funds needed from the State or local level.

INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

(Section 5)

This section increases the eligibility for reduced price lunches to include more children from middle-income families. Last year this provision was also slightly expanded, and resulted in increased participation by tens of thousands of children daily. In many States, this helped keep total participation levels equal to the year before, as many other paying children dropped out of the program as food costs went up. This section is specifically intended to help those lower-middle income families who have felt the pinch of greatly increased food prices and have children in school. By expanding the eligibility for reduced price lunches, children from families whose incomes aren't so low as to qualify them for a free lunch but who come from working families with not a great deal of income, will be able to participate in the School Lunch Program, instead of dropping out. This section should help stem the flow of millions of paying children who have dropped out of the program in the last few years.

NON-PROFIT PRIVATE SCHOOLS

(Section 6)

This section makes a technical change, deleting some matching language that is no longer needed as a result of the newer performance funding requirements of the National School Lunch Act.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

(Section 7)

This section changes the definition of school to include licensed non-profit private residential institutions such as orphanages, homes for the mentally retarded, etc.

Currently only 9.3% of children in institutional care participate in the National School Lunch Program. The rest receive some federally donated commodities and some milk assistance. However, they receive nothing approaching the benefits of the School Lunch Program, in commodities or per meal reimbursements.

The vast majority (80%) of these children would be eligible for the School Lunch Program if they resided at home. The purpose of this section is to give them the same valuable nutritional support through the School Lunch Program as other children their age receive, who live at home and attend school. In their bloc grant proposal for all child nutrition programs, the Administration provides in their budget for per meal reimbursements to institutionalized childreu. This section does the same.

COMMODITIES

(Section 8)

This section extends per meal commodity donations for the School Lunch Program. These commodities provide the foundation for this important program, and help support our agricultural market. School lunch administrators and personnel are overwhelmingly in support of this extension. Without it, school meal costs would increase drastically, because many school districts cannot get commodities at the same price the Department of Agriculture can, nor could they inspect or grade the foods with the same efficiency. If schools lost the commodities and lunch prices went up, a large number of the 25 million children receiving meals each day would either pay higher prices than they are now paying, receive inferior meals, or drop out of the program.

In addition to maintaining commodity support for the School Lunch Program, this section restores to the School commodity program flour, oil and shortening. The Department of Agriculture has withheld these commodities this entire school year while increasing shipment of them overseas. As a result, they are unavailable to schoolchildren for the first time in many years. Their loss has hurt local school districts that had facilities and employees intact to prepare foods from them, and the children who had been receiving them for years. Their loss has also been a factor in the increased prices paid this year by participating children. This section merely restores those cereal, shortening, and oil products which had previously been available to the schools.

COMMODITIES

(Section 9)

This section continues the current practice of providing the bulk of the commodity assistance to the School Lunch Program in the form of food, not cash to purchase food. USDA and Nutrition Committee studies show the purchasing power advantage held by USDA. If assistance under this section were given to schools in cash and not commodities, the local school districts would be presented with an added fiscal burden, as purchasing the same foods as USDA would cost them more, thus driving up the cost to children and driving some from the program. Authorization for this practice ends this year.

(Section 10)

This section makes a very minor addition to the National School Lunch Act, by excluding benefits of the school lunch program from computation of income under any Federal or State laws.

(Section 11)

This section makes Puerto Rico eligible for the Special Milk Program.

SUMMER FEEDING

(Section 12)

The summer food program is extended for two years with minor changes. The section places a ceiling on reimbursement rates that may be paid for meals served in especially needy institutions participating in the program, with a provision that this ceiling be adjusted annually in accordance with changes in the food away from home series of the Consumer Price Index. (This is the same adjustment formula used in the school food programs.

The ceiling for lunches served in needy institutions would be set at 80 cents, a level 9.5% above the 73 cent maximum set by USDA for last summer's program.

This section would also make the program available to short-term residential camps for low-income youngsters. When Rep. Charles Vanik (D.-Ohio) sponsored the legislation that created this program in 1968, he stated on the House floor that the intent of the legislation was to include such camps, but USDA has arbitrarily barred their participation by regulation.

SPECIAL FOOD SERVICE PROGRAM

(Section 13)

This section of the bill would bring the Special Food Service Program for children (under which reimbursements are provided to non-residential child care institutions for meals served to attending children) into accordance with the same procedures and requirements that apply in the school lunch and breakfast programs. As in the school programs, participating institutions would be required to collect income statements from parents or guardians, and institutions would then receive the same per meal reimbursements, and the same per meal amounts of commodities, as are provided the schools in the school food programs.

This should lead to more effective and efficient operation of the program. At present, States are hindered by an archaic apportionment formula under which some States never have enough money and other States return funds unspent each year. In addition, at present some poor children are barred from the program solely because their day-care center is not located in a hard-core poverty area, while non-poor children within a poverty area receive as much reimbursement per meal as poor children. The procedures of the school food programs, which have proven effective for providing reimbursement on behalf of each participating child in accordance with the income of the child's family, would resolve these inequities and greatly strengthen and regularize program operations.

Reimbursements would continue to be available for the serving of suppers and meal supplements in that small percentage of participating institutions which provide these meals.

This section also makes the special food service program available for the first time to licensed, non-profit family day care centers, which are currently excluded from the program solely on the basis of Agriculture Department regulations.

(Section 14)

This section acknowledges the intent of Congress to make available the Special Food Service Program and the Summer Feeding Program to all eligible children. The Secretary of Agriculture is directed to devise a plan of information to the States, to educate them as to the availability of these programs.

NON-FOOD ASSISTANCE

(Section 15)

This section directs the Secretary of Agriculture to make available and apportion among the States $5,000,000 for equipment assistance to the Special Food Service Program and the Summer Food Program. Both of these programs, according to administrators who have testified before the Select Committee on Nutrition and Human Needs, and according to GAO, have suffered from lack of money for equipment. This section for the first time mandates a certain amount of equipment money for these two programs, and should assist them in providing clean and professional nutrition delivery programs.

SPECIAL SUPPLEMENTAL FOOD PROGRAM

(Section 16)

This section extends and expands the program known as WIC (Women, Infants, and Children).

This program provides high-protein diet supplementation to low income women, infants, and children found to be at nutritional risk. The idea behind the original pilot legislation was to reach people during those critical periods when nutrition intervention would do the most good for them and therefore give the taxpayers the best return on their tax dollar.

This section makes WIC a permanent program. The response from the States warrants no less of a commitment.

This section attempts to correct many of the problems which have been discovered during this initial implementation period, and reflects extensive input from WIC administrators and participants which has been received by the staff of the Select Committee on Nutrition and Human Needs.

The medical evaluation component has been revised so that some of the problems of the early evaluation which have been discovered and discussed by the GAO can be corrected. The new evaluation component requires the Secretary to meet with a group of experts in the field of maternal, fetal, and infant nutrition. This group will have studied the original evaluation, taken a look at existing health and nutrition assessment methods, and developed a plan for implementing a specific evaluation geared to the WIC program, and/or a plan for using WIC data in other assessments, if either is feasible. This way, there is a potentiality for using the acceptable data gathered in the first evaluation and devising new methods. It is hoped a smaller in-depth study over a longer period of time will be possible to determine the impact of this diet supplementation.

This section also increases the percent of total funds available for administrative expenses and includes within that increased monies for nutrition education and outreach. The need for both an increase in administrative funds and provisions for nutrition education have been emphasized repeatedly by WIC administrators as necessary to make the program work effectively.

The components of administrative expenses are clearly spelled out; start-up costs are allowed in sufficient amounts to allow any program to get itself off the ground; women are allowed to continue to receive foods for six months after birth, as opposed to six weeks, in order to allow them a longer period to catch up from nutritional depletion resulting from childbirth; children are allowed to participate through five years of age; not four, in an attempt to expand slightly their nutritional coverage during the preschool years; the food package is made flexible enough to cover certain medical needs or cultural eating patterns; advance payments to the States are required; and, a National Advisory Council is established for maternal, fetal, and infant nutrition.

This Council will be composed of administrators, health professionals, nutritionists, State and local WIC directors, and WIC participants. They will meet with the Secretary of Agriculture on a regular basis as an advisory panel, and issue a report once a year. This report will include the results of their oversight, and recommendations for the improvement of maternal, fetal, and infant nutrition programs.

By Mr. MOSS:

S. 851. A bill to direct the National Aeronautics and Space Administration to conduct a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere,

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and for other purposes. Referred to the Committee on Aeronautical and Space Sciences.

UPPER ATMOSPHERIC RESEARCH AND MONITORING ACT OF 1975

Mr. MOSS. Mr. President, several weeks ago the Senate Committee on Aeronautical and Space Sciences held a hearing on the Earth's upper atmosphere. At this hearing eminent scientists from both inside and outside the Government testified as to the considerable concern in the scientific community about the effects of various substances finding their way into the upper atmosphere. This concern has been dutifully and clearly reported by the press and, consequently, has generated great public concern. The purpose of the hearings before the committee was to find out what factually is known about the upper atmosphere and its problems, what is theoretical, and what should be done now.

Mr. President, without any exaggeration that hearing was one of the most interesting I have ever attended. To put the hearing in proper perspective, let me develop quickly what it is that concerns our scientists and the public.

Life on Earth is protected from the Sun's ultraviolet radiation by a thin layer of ozone in the stratosphere. Without this layer of ozone to absorb most of the Sun's ultraviolet radiation, life on Earth cannot exist. Based largely on the results of theoretical studies, some scientists recently have predicted the destruction of stratospheric ozone molecules by some chemicals being released into the atmosphere in enormous quantities. The theory predicts that chemicals, such as the Freon gas used in refrigeration units and spray cans, remain in the atmosphere for very long periods of time, gradually rising to the stratosphere, and, through a complicated catalytic process, destroy ozone at prodigious rates. It also has been suggested that the enormous amounts of nitrogen fertilizer being used around the world have similar long-term destructive effects on the ozone in the upper atmosphere. What concerns the scientific community and the public is the clear possibility that some things being done here on earth might result in destroying substantial amounts of stratospheric ozone.

Along with the reported effects of various chemicals on the Earth's upper atmosphere has come the realization that: First, little of what we know about the upper atmosphere is based on experimental evidence; second, there are surprisingly few trained experts in this field, perhaps not more than a hundred in the entire world; and third, efforts to understand what happens in the upper atmosphere have been piecemeal and fragmented. The hearing before the committee bore all of this out.

All of the witnesses heard by the committee agreed that based on the theoretical evidence we might be running into serious problems with the upper atmosphere. They agreed that the processes of the upper atmosphere are extremely complicated. There were some differences of opinion as to the degree of the seriousness of the problem but we did not hear any scientific argument or evidence which contradicts the theoretical conclusions. The witnesses agreed that a better research, technology and monitoring program is necessary to understand the upper atmosphere and its problems. They also agreed that this program should have as its long term objective the better understanding of the upper atmosphere but that the near term objective should focus on the stratosphere. The witnesses also agreed that because of the nature of the stratosphere this is a worldwide concern requiring close international cooperation.

Mr. President, there have been proposals to immediately ban substances that in theory have an adverse effect on the upper atmosphere. But after considering some of the substances in question, such as the nitrogen fertilizer required to grow the world's food and Freon used to run most of the world's refrigeration systems, it is clear to me that we simply cannot ban every substance that might have an adverse effect. What is needed is a well planned and focused research, technology, and monitoring program which will provide an understanding of the upper atmosphere and its problems and determine whether or not the theoretical conclusions are correct.

Mr. President, the agency of the U.S. Government best able to carry out such a program on the Earth's upper atmosphere is the National Aeronautics and Space Administration which possesses unique capabilities to conduct research on the upper atmosphere using both direct- and remote-sensing techniques. NASA has wide experience, not only in the atmospheric science of the Earth but also in studying the atmospheres of other planets so as to increase our understanding of the chemistry and physics of planetary atmospheres generally. I might point out that an event of significance leading to the questions being raised about the Earth's atmosphere was the discovery that the atmospheric chemistry of Venus is controlled by chlorine even though chlorine is a very minor constituent—about 1 part in 10 million—of that atmosphere.

Therefore, Mr. President, I am introducing a bill which provides that the National Aeronautics and Space Administration in cooperation with other Federal agencies shall begin immediately and carry out a program of research, technology, monitoring, and other appropriate activities directed to the purpose of understanding the physics and chemistry of the upper atmosphere. In carrying out this program the Administrator of NASA must make all results available to the appropriate regulatory agencies and otherwise provide for the wide dissemination of the results.

Mr. President, I feel certain that my colleagues will be hearing more and more regarding these problems in the weeks ahead. Therefore, I commend this bill to their attention, and ask unanimous consent that it be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Upper Atmospheric Research and Monitoring Act of 1975".

SEC. 2. (a) It is the purposes of this Act to provide for an understanding of and to maintain the chemical and physical integrity of the earth's upper atmosphere.

(b) The Congress declares that it is the policy of the United States to undertake an immediate and appropriate research, technoloy, and monitoring program that will provide for understanding the physics and chemistry of the earth's upper atmosphere.

SEC. 3. For the purpose of this Act the term—

(1) "Administrator" means the Administrator of the National Aeronautics and Space Administration, and

(2) "upper atmosphere" means that portion of the earth's sensible atmosphere above the troposphere.

SEC. 4. (a) In order to carry out the purposes of this Act the Administrator of the National Aeronautics and Space Administration, in cooperation with other federal agencies, shall initiate and carry out a program of research, technology, monitoring and other appropriate activities directed to understanding the physics and chemistry of the upper atmosphere.

(b) In carrying out the provisions of this Act, the Administrator shall—

(1) arrange for participation by the scientific and engineering community, of both the nation's industrial organizations and institutions of higher education, in planning and carrying out appropriate research, in developing necessary technology and in making necessary observations and measurements;

(2) provide, to the maximum extent practicable and consistent with other laws, for the widest practicable and appropriate participation of the scientific and engineering community in the program authorized by this Act through the use of contracts, grants and scholarships; and

(3) make all results of the program authorized by this Act available to the appropriate regulatory agencies and provide for the widest practicable dissemination of such results.

SEC. 5. In carrying out the provisions of this Act, the Administrator, subject to the direction of the President and after consultation with the Secretary of State, shall make every effort to enlist the support cooperation and appropriate scientists and engineers of other countries and international organizations.

SEC. 6. The Administrator shall submit to the President, annually, for transmittal to the Congress, a report on the activities being carried out pursuant to this Act, together with a description of accomplishments achieved in the implementation of this Act.

SEC. 7. Except as otherwise provided in this Act, the Administrator shall, in carrying out the functions under this Act, have the same powers and authority the National Aeronautics and Space Administration has under the National Aeronautics and Space Act of 1958 to carry out its functions under that Act.

SEC. 8. (a) There are authorized to be appropriated $50,000,000 to carry out the provisions of this Act during fiscal years 1975, 1976, and the 3-month transition period between fiscal year 1976 and fiscal year 1977.

(b) Notwithstanding any other provision of the law, no appropriation may be made to the National Aeronautics and Space Administration to carry out the purposes of this Act for any fiscal year after fiscal year 1976, except the transition period, unless previously authorized by legislation hereafter enacted by the Congress.

By Mr. HARTKE (for himself and Mr. PEARSON):

S. 852. A bill to amend the Rail Passenger Service Act. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, on behalf of myself and Senator PEARSON, I introduce by request a bill to amend the Rail Passenger Service Act, and ask unanimous consent that the letter of transmittal, statement of need, and text of the bill be printed in the RECORD.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., February 11, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate, Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a bill to amend the Rail Passenger Service Act (the "Act") to authorize additional appropriations under section 601(a) of the Act.

The Amtrak Improvement Act of 1974 (P.L. 93-496) authorized $200 million in appropriations to finance Amtrak's operating deficit for Fiscal Year 1975. In order to insure continued operation of Amtrak services through Fiscal Year 1975 as required by the Act, an additional $63 million in grant authorization will be required.

In June 1974, Amtrak estimated its gross operating deficit for FY 1975 at about $150 million. Because of higher costs for wages and fuel and the cost of providing added services to meet increased demand, the estimated deficit was increased to $238.2 million in September of 1974. At that time it was made clear that the revised estimate did not include certain contingency costs which, if they occurred, would raise the deficit even higher. Because of the realization of certain of those contingent costs and an unanticipated decline in revenues during the first six months of FY 1975, the estimated loss for FY 1975 is now expected to be $325.0 million. The enclosure identifies the changes in the Amtrak FY 1975 deficit estimates and the need for new authorization.

Amtrak's actual experience during the first six months of FY 1975 shows that net revenues for the year will be $5.2 million less than anticipated, after taking into account the offsetting effects of the fare increase instituted in November 1974, the one planned for April, 1975, and increased charges, beginning in January of this year, on food and beverage service. Amtrak attributes this revenue decrease to the downturn in the economy.

On the expense side, Amtrak has included $99.1 million in new expenses which were previously included in Amtrak's budget estimates as contingency items: they are (1) railroad performance incentive payments of $21.5 million; (2) settlement of the Amtrak/Penn Central contract at $22.9 million; (3) additional car overhaul program expenses of $5.0 million; and (4) increased operating costs due to inflation of $49.7 million.

To offset in part these additional cost increases and revenue decreases whose combined impact is $104.3 million, Amtrak plans a cost reduction program which is estimated to save $13.5 million and which includes a reduction in force, savings in crew costs and improved equipment utilization. An adjustment in prior year billing charges will result in savings of $4.0 million. However to avoid drastic curtailment or even cessation of service, the additional authorization for grant assistance must be available by the end of March. A curtailment of service would adversely affect Amtrak's ability to provide service and generate revenues during the critical early months of its summer peak season.

While the Department in the very near future intends to submit its proposals to Congress for FY 1976 and beyond, the urgency of this matter requires the submission of this legislation at this time.

The Office of Management and Budget has advised that enactment of this legislation would be in accord with the President's program.

Sincerely,

JOHN W. BARNUM,
Acting Secretary.

Identification of changes in Amtrak fiscal year 1975 deficit

	Dollars in millions
Revenue:	
Net revenue decrease resulting from decrease in anticipated ridership (−$28.5 million) partially offset by fare increases (+$23.2 million)	$5.2
Expenses:	
Increase in costs not previously funded:	
Railroad performance incentive contract costs	21.5
Settlement of Amtrak/Penn Central service contract	22.9
Car overhaul program	5.0
Costs due to inflation	49.7
Total new expense items	99.1
Subtotal—Change in deficit before cost reductions	104.3
Cost Reduction Actions and Adjustments:	
Amtrak cost reduction effort	13.5
Adjustment for prior year charges	4.0
Total cost reductions and adjustments	17.5
Net change in deficit	85.8
New authorization required:	
Previous Amtrak fiscal year 1975 deficit estimate	238.2
Net change in deficit	86.8
Revised fiscal year 1975 deficit	325.0
Less funds currently available	247.1
Additional fiscal year 1975 supplemental appropriations required	77.9
Less currently available authorization	14.9
New authorization required	63.0

S. 852

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 303(d) of the Rail Passenger Service Act (45 U.S.C. 543(d)) is amended by inserting immediately after the third sentence the following: "This limitation upon compensation shall not apply, however, in the event the Board determines with respect to a particular position or positions that (1) a higher level of compensation is necessary, and (2) is not in excess of the general level of compensation paid officers of railroads in positions of comparable responsibility.".

SEC. 2. Section 601(a) of the Rail Passenger Service Act (45 U.S.C. 601(a)) is amended by striking out "534,300,000" and inserting in lieu thereof "597,300,000".

By Mr. METCALF:

S. 853. A bill relating to the sale of certain timber, cordwood, and other forest products. Referred to the Committee on Interior and Insular Affairs.

Mr. METCALF. Mr. President, I introduce for appropriate reference a bill to amend chapter 15 of the Mining Lands and Mining Laws, 30 U.S.C. 601–604, and related laws. It is identical to S. 1498, which I introduced last year. This act provides general authority to sell a wide variety of mineral and vegetative materials from public lands, including such Federal holdings as the national forests. It authorizes large competitive sales and deals also with regulation of vegetative materials—everything from ferns to timber.

For a number of reasons these acts need to be modernized and that is one purpose of my bill. Another is to improve the ability of the Bureau of Land Management and the Forest Service to make small sales of forest products, especially on a semicompetitive or a negotiated basis.

One special area of concern to me is improvement in the sale of salvage forest products on the public lands. For example, the Forest Service has a $2,000 limit on the sale of salvage forest products by other than advertised competitive sales. However, the authority in title 30 of the United States Code permits the sale of up to 250,000 board feet of timber by other than an advertised sale. The Forest Service cannot use the authority in title 30 as written.

On the other hand, there is a wide variation in the value that 250,000 board feet of timber may have in Montana, Washington, or Arizona. My bill seeks to make these authorities consistent. In addition, it seeks to give the land management agencies the opportunity to review the service they ought to be giving to smaller producers of common varieties of materials and minerals, various vegetative products and timber to improve resource utilization and better meet their obligation to the small businessman.

I have met in the past with a number of very small forest producers. Because they have severely limited capital they can purchase only small sales.

They described to me the numerous opportunities to comb the forest—either following up after a large timber sale—or picking up small clumps of dead, dying, or diseased trees.

Such sales are now limited by law and regulation and by procedures which make them more costly to the agencies to process than they ought to be. They also impose burdens on the small gypo logger that reduce his chance to break even.

In the broader and larger picture of timber supply and demand, these sales are not going to change the national picture. However, they could transform the present marginal operator into a taxpaying small businessman while contributing as well to forest improvement.

We need to keep in mind that some trees are affected by a disease that may damage part of them and that other trees die naturally, singly or in clumps. The salvage sale is thus an important tool in efficient forest management, for it is selection cutting of a sort that ought to be encouraged.

The bill would provide for a $5,000 top limit on small negotiated sales and in the case of forest products, a 250,000 board feet limit, whichever is less. I hope the hearings will develop whether this is the best way to encourage this program, while providing sensible limits. I hope that the Forest Service will be prepared to discuss its current $300

limit on a single green slip sale. The agencies should be prepared to address the issue of proper pricing.

While I have not included in the bill a provision to amend the reporting requirements in 30 U.S.C. 602(b), I would be interested in views on how these can be simplified with adequate protection to the public interest. Finally, agencies can suggest ways to improve the on-the-ground service to small operators while getting the maximum in forest management benefits.

By Mr. NELSON:

S. 854. A bill to amend the Foreign Military Sales Act to require congressional approval for any sale, credit sale, or guaranty involving a major weapons system or major defense service, and to require congressional approval of the total amount of sales, credit sales, and guaranties made to any country or international organization. Referred to the Committee on Foreign Relations.

Mr. NELSON. Mr. President, this legislation represents a step forward in the effort to restore the Congress' role as an active partner in helping to formulate and oversee U.S. foreign policy. Basically, this legislation would give the Congress the opportunity to evaluate in advance and set guidelines for the U.S. foreign military sales program. The bill would require the President to submit to Congress an annual report containing a forecast of the dollar amounts of foreign military sales proposed to be made to each country during the next fiscal year. In addition, the forecast would include the types and numbers of major weapons systems and major defense services proposed to be transferred. Congress would then be given the opportunity to consider the proposed arms sales program and set guidelines for, place restrictions on, and/or make additions to, the administration's proposed plans. Congress would not be expected to approve each individual sale necessarily but rather merely to establish a framework and parameters for the total sales program.

In fiscal year 1974 the U.S. Government sold over $8.2 billion worth of weapons to some 70 different foreign countries. This total is more than twice the $3.8 billion in weapons sold in 1973. Moreover, the 1974 total is more than nine times the total dollar amount of sales made in 1970. Clearly we are in need of a new congressional review mechanism to keep up with the rapid increase in this sales program. Congress must be given the timely information necessary to exercise its oversight responsibility in this crucial area.

In fact, the rapid increase in sales continues unabated. The Pentagon recently released figures showing that in the first 7 months of fiscal year 1975 the United States sold $4.6 billion worth of arms abroad with about $3.6 billion of that going to the volatile Mideast area. In fact, in the last quarter of 1974, the Defense Department sent out letters of offer to sell weapons to various countries representing over $6.6 billion worth of armaments. At this rate, the United States could commit itself to selling over $25 billion worth of weapons abroad per year. The dollar amounts involved and the rapid increase of these sales are truly staggering.

The magnitude of the amounts involved in the foreign military sales program becomes clear in comparison to the total amounts of U.S. military assistance. For example, the Congress in fiscal year 1974 approved a total of $2.8 billion in military assistance. The total figure for the foreign military sales program last year was over two and a half times as great. The following table compares the amounts involved in these programs:

Comparison of total dollar amounts for all forms of U.S. military assistance and for FMS (foreign military sales)

	Military assistance	*FMS*
Fiscal year 1970	2.9	0.9
Fiscal year 1971	3.5	1.6
Fiscal year 1972	4.0	3.2
Fiscal year 1973	3.7	3.8
Fiscal year 1974	2.8	8.2

As is evident from this table, the level of military assistance has been steadily decreasing while the level of foreign military sales has increased dramatically and in fact has exceeded the total amount of military assistance in the last 2 years.

Congress has the opportunity to thoroughly consider in advance the proposed military assistance programs contained in the Foreign Assistance Act. And yet no such chance is afforded the Congress in the case of military sales—even though military sales represent a much more significant arms total.

The obvious reason for the difference in the approaches to congressional consultation in these two instances is the fact that in the case of foreign aid, Congress must appropriate funds, whereas, in the case of foreign military sales only those sales transacted on a credit or guaranty basis require Government expenditures and thus also require congressional authorization. The question really is whether this difference in the funding mechanism of these two types of military aid should really make any substantive difference in the way in which Congress is consulted in each instance.

Whether a weapon is given to a foreign country, sold on credit to it, or sold on cash terms to the country in question has no relevance to the foreign policy implications of the arms transfer. The fact remains that the vast amount of foreign military sales which the U.S. Government is engaged in has foreign policy implications just as vast. Regardless of how the arms transfers are accomplished, Congress should be in a position to consider the foreign policy implications of arms transfers in advance and in a comprehensive manner. The Defense Appropriations Subcommittee of the Senate recognized just how important these sales are in its report last year on the Defense Appropriations bill:

> The political and economic impact of foreign military sales on the United States and recipient foreign countries is immeasurable.

The report went on to state:

> The Committee is particularly concerned that long term security interests of the United States might be jeopardized by large cash sales of sophisticated weapons systems in areas of potential conflict. Recent arms sales to the Middle East, Greece and Turkey have created severe political military, and economic repercussions on both the United States and the international community. These conflicts weaken detente, threaten superpower confrontation, and have profound economic consequences.

In conclusion the report states that:

> At present, Congress has little meaningful statutory control over cash sales which are the largest category of foreign military sales.

Surely this is an area which deserves more congressional attention than it has previously received.

Mr. President, I ask unanimous consent that the portion of the Appropriations Committee's report on the Defense Appropriations bill dealing with "Sales of Military Equipment to Foreign Governments" be placed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NELSON. The recent decision by the administration to lift the embargo on arms to Pakistan serves to emphasize the importance of our arms sales policy decisions, decisions which are taken without sufficient congressional consultation. Such a decision will obviously have a great impact on United States-Indian relations, Indian-Pakistani relations, and the stability of the area. Some maintain that it will result in a new arms race. This may or may not be the case, but should not the Congress have an opportunity to examine the complex issues produced in this and other instances? Are we going to continue to allow the executive branch to make major decisions affecting our foreign policy without adequate congressional consultation?

In fact, the newspapers have been filled recently with a long list of major arms deals. In none of these cases has Congress had the opportunity to thoroughly consider the important issues involved before the deals were finalized. Some of the deals have been announced are the following:

The United States last month confirmed that it is selling some 60 F–5 jet fighters to Saudi Arabia at a cost of over $750 million.

The United States has agreed to sell Iran 80 F–14's, the Navy's most sophisticated jet fighters.

The Pentagon recently announced that technical assistance and training contracts with Iran and Saudi Arabia total $676 million.

The level of United States weapons and training and being provided to Iran and Saudi Arabia lead some people to believe that the United States is actually stimulating an arms race in the Persian Gulf. In fact, these deals could be construed as placing the United States in the awkward position of supplying weapons to both the major rivals in the Persian Gulf as well as both sides in the Arab-Israeli arms race.

Obviously, these deals and others raise serious foreign policy questions. These questions deserve to be carefully considered and debated on their merits in the Congress before the significant foreign policy decisions are made.

Last year Congress made a good beginning in asserting its oversight function in this area by enacting into law—as part of the Foreign Assistance Act—a provision based on a bill which I introduced in the Senate in 1973 and again in 1974. This newly enacted law requires that Congress be notified of any proposed foreign military sale in excess of $25 million. Congress then has a period of 20 calendar days in which to veto such a proposed sale by adopting a concurrent resolution expressing disapproval of the transaction. If no resolution is passed in this time period, the sale may be finalized.

This was a step in the right direction. However, more needs to be done. Congress needs the opportunity to look at the foreign military sales program in more than just an ad hoc, piecemeal fashion. It should be able to view the proposed program in its entirety and evaluate the proposed sales in relation to each other.

More importantly, the Congress should be given the chance to pass judgment on the administration's justifications and plans for these sales. The Congress has a responsibility to be involved in the critical initial stages of policymaking in this area so that it may establish guidelines for, set restrictions on, or make other additions to the proposed program of foreign military sales.

By providing the Congress with a forecast of the proposed sales program in advance and requiring congressional approval in principal, this legislation would allow Congress to live up to its responsibility. In addition, this bill, by requiring a projection of foreign military sales over a 5-year period, would provide a useful measure of long-range planning and thinking in a field full of long-range impact. The weapons we sell today will be around for a long time.

At the same time that Congress should be involved in helping to set guidelines and parameters for our arms sales program, it should assiduously avoid meddling in the day-to-day conduct of foreign relations. With this in mind the legislation does not attempt to require a report on each and every proposed arms sale. Rather, a forecast of the total dollar amount and type of major weapons and major defense services to be transferred to a country in a given year is required. After congressional approval of the proposed arms sales program, any arms sales falling within the parameters established by Congress would be allowed.

A major weapons system is one defined as costing over $50 million in research and development or $200 million in production. This definition includes most significant weapons. A major defense service is defined as one which materially increases the military capability of the recipient country.

Under the terms of this legislation, Congress would be charged with authorizing a maximum amount of sales for each country or international organization involved in the program. However, Congress would be free, after setting a dollar ceiling, to allow the President some flexibility in exceeding this amount should the Congress wish to grant this discretionary power. Furthermore, Congress would be free to set whatever other restictions it wanted to on the program, including restrictions on the types and/or numbers of weapons to be transferred and restrictions on the types of defense services to be transferred.

The legislation includes a waiver provision whereby the President may waive the requirement for prior congressional approval in cases where he deems that such a waiver is vital to the security of the United States.

One of the provisions of this bill should help the executive branch in preparing a well thought-out policy with regard to these sales. The bill requires the President to submit a justification for the foreign military sales program as a whole as well as for the arms sales to individual country or international organization including an explanation of the manner in which the furnishing of defense articles or defense services to a particular country or international organization will support U.S. foreign policy objectives, strengthen the security of the United States, and promote world peace.

The apparent lack of thorough evaluation of the merits and drawbacks of the present U.S. arms sales policy in the Persian Gulf was cited by Michael Getler in a recent article in the Washington Post:

> U.S. government officials acknowledge that neither the Nixon nor Ford administration has carried out a major National Security Council study of where the Persian Gulf arms race might lead 10 years from now, as it usually done with crucial issues.

One of the key provisions of the bill would require the administration to submit a statement outlining the impact of the proposed sales on U.S. foreign policy, on regional balances and arms races, on arms control policies and negotiations, on the defense production capability of the United States, on the military preparedness of U.S. Armed Forces, and on war reserve stocks.

The issues cited in this proposed impact statement are precisely the ones which need to be addressed by the Congress. Two questions relating to the relationship of arms sales to U.S. military readiness were raised by a recent—October 1974—GAO report on the foreign military sales program in Iran:

First. To what extent does the sale of first-line military equipment impact on the readiness of U.S. forces? and;

Second. To what extent does the requirement for U.S. military advisers with sophisticated skills in limited supply reduce U.S. readiness by causing shortages in these skills in U.S. units?

The GAO study stated that supplying Iran with advisers on the present scale could "adversely affect the readiness status of U.S. forces."

The wisdom of supplying sophisticated weapons not yet fully stocked in U.S. arsenals was also questioned in a recent report issued by the Defense Appropriations Subcommittee of the Senate:

> The recent sale of 80 F–14 fighter aircraft to Iran could considerably reduce the combat capability of the U.S. Armed Forces. These aircraft, the most sophisticated fighter aircraft available, will be delivered to Iran prior to the planned U.S. Navy force being fully equipped.

In conclusion, the GAO report raised some of the issues to be considered and suggested greater congressional involvement in overseeing this rapidly expanding field of arms sales:

> As the volume of cash sales under the Foreign Military Sales Act increases, the foreign policy impact also increases. Even though GAO found no firm contradictions with the requirements of the Foreign Military Sales Act, it questions (1) the impact of such sales on the arms race, (2) the extent and character of the military requirement, (3) the legitimate self-defense needs of the purchasing country, and (4) other criteria set forth in the act.
>
> In 1973 and 1974 oil-producing countries, particularly those in the Persian Gulf, accumulated vast amounts of capital from the increased price for oil. For example, even with the high level of purchases, Iran's international monetary reserves increased from $992 million to $5.4 billion in the nine months ending June 30, 1974. The oil-producing countries, in total, increased their reserves by $16 billion (or 125 percent) in the same period.
>
> These countries are using this capital to increase arms purchases. For example, Iran agreed to purchase more arms from the United States in 1974 than did the rest of the entire world combined in any other preceding year.
>
> The Congress does not systematically receive timely information on the volume and make-up of such cash sales or on the nature of the military capability they provide the buyer. Although the Congress is provided information on deliveries of arms sales for cash, such deliveries often come several years after the sales take place. Estimates of current and future year cash sales are provided, but only in dollar totals by country.
>
> GAO suggests, therefore, that the Congress, as a means of securing timely information for its policy deliberations, may want to require the Executive Branch to periodically furnish information on the volume and nature of major cash sales that could materially increase the military capability of the purchasing nation.

The GAO report raises another important issue which Congress should deal with, namely the fact that the U.S. Government is not fully receiving all the recoverable costs of the foreign military sales program. Thus, in fact we are subsidizing foreign countries which can afford to pay their full share of the costs. The report made the following conclusion.

> The United States is conducting its arms sales program to Iran at considerable cost to the United States, although the law requires recovery of all costs to the maximum extent possible.
>
> The principle of full cost recovery should be implemented in military sales to countries like Iran which are financially capable of paying. To the extent that U.S. costs are not recovered, they become a form of invisible grant aid.
>
> Unrecovered costs include at least $10.5 million in administrative costs and $24.2 million in unrecovered interest costs on Export-Import Bank loans for arms purchases. The Bank made the loans at lower interest rates than it paid on its borrowings, some of which were from the U.S. Treasury.
>
> It seems incongruous that, despite her current great wealth and massive arms purchases, Iran still owes the United States $36 million in past-due debts incurred mostly right after World War II.

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Of the total amount of $8.2 billion worth of weapons sold abroad in 1974, over $6.5 billion went to countries located in the volatile Mideast region. Approximately $4 billion worth of weapons was sold to Iran alone. In addition, Saudi Arabia purchased close to $600 million worth of arms in 1974. No one can say for sure what impact this massive and continuing infusion of arms will have in this area of the world. But one thing is certain, Congress should have the opportunity to consider in advance arms sales such as these which have wide-ranging implications for U.S. commitments and U.S. foreign policy. Clearly foreign military sales have become a major instrument of U.S. foreign policy. And it is only proper that the legislative branch should be consulted in the crucial initial stages of policy formulation.

Mr. President, I ask unanimous consent that a table provided by the Department of Defense be placed in the RECORD at the conclusion of my remarks. This table, listing the dollar amounts involved in foreign military sales orders, is indicative of the importance of foreign military sales.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NELSON. The providing of weapons or defense services to foreign countries represents an important U.S. commitment which can lead to greater and greater U.S. involvement. This has gotten us into trouble in the past and could easily do so again. Charles Yost, a respected and veteran diplomat, makes this point quite well in a recent article in the Christian Science Monitor:

> Moreover, as we learned to our cost in Vietnam, arms supplies may be the first slope on a long toboggan ride. Recipients have to be trained in the use of American arms. That means advisers and military missions. It is often difficult for advisers to avoid becoming involved in local politics. If war breaks out, they may be asked to give advice in the field, to pilot planes, to fire rockets.
>
> At the end of the toboggan slide the United States may find itself embroiled in a prolonged local war or drawn into another confrontation with the Soviet Union.

Mr. President, the issues involved in the arms sales program are complex. There are a variety of arguments used to support arms sales, including the following:

First, arms sales are useful in helping to supply our allies when they cannot supply themselves;

Second, the sales allow us to maintain influence over the recipient governments;

Third, they provide a useful mechanism for correcting our balance of payments and helping to pay for oil;

Fourth, they are helpful in preserving regional balances of power;

Fifth, the sales help to maintain internal security in the recipient countries; and finally

Sixth, if we do not sell the arms, someone else will.

The arguments used against the sales are also varied:

First, the sales lead the United States to make greater and greater commitments to a country, commitments which no one originally intended;

Second, the United States can maintain very little, if any, control over the use of the weapons, once sold;

Third, there is a good chance the arms will be used, thus adding to the total of 10 million people killed by conventional arms since World War II;

Fourth, the sales may actually spur regional arms races and thus lead to instability;

Fifth, the sales may aid totalitarian regimes in their efforts to suppress legitimate interest groups in their own countries;

Sixth, the United States has the dubious distinction of being the leading arms merchant in the world and we should take actions to reverse this trend;

Seventh, selling sophisticated weapons often detracts from the readiness of the U.S. arsenal;

Eighth, the sales represent a diversion of much needed resources not only on the part of the United States but also on the part of the recipient countries; and

Ninth, indiscriminate sales sometimes result in situations where both sides in a conflict use U.S.-made weapons. The instances of India and Pakistan and Greece and Turkey are cases in point:

It is of course not possible to categorically declare that all sales are good or all sales are bad. Quite obviously a multitude of particular factors must be taken into consideration in addition to the general issues cited above.

For whatever reasons, it is apparent from recent sales trends that both the Pentagon and the State Department have been more enthusiastic than usual in their promotional activities in behalf of the arms sales programs. Maybe the reasons for the sales are valid; maybe they are not. But in any case, Congress must be given an opportunity to discuss these vital questions.

Recently the providing of training and other defense services by the United States to foreign countries has received some attention in the press, as well it should. The recent announcement by the Pentagon of the awarding of a $77 million contract to the Vinnell Corp. of Los Angeles to train Saudi troops to protect oilfields served as a catalyst to public interest in this aspect of our foreign military sales program. This legislation will allow the Congress to consider proposals to provide defense services as well as defense articles. The importance of these services is emphasized by figures recently released by the Pentagon indicating that the U.S. Government and private teams were training military personnel in 34 countries under contracts worth $727 million.

Mr. President, Congress has a special obligation to carefully review our arms sales program in light of the fact that the United States is far and away the world leader in arms exports. From 1964 to 1973, the United States exported more arms than the rest of the world combined. In fact, from 1964 to 1973 the United States exported more weapons than the rest of the world combined in each and every year except 1972. In 1973 the figures for actual arms exports—as opposed to arms "sales," some of which are not delivered for a year or more—for the leading four exporters were as follows:

[In billions]

U.S.	$5.0
U.S.S.R.	$2.5

[In millions]

France	$500
Britain	$333

Clearly, we are the pace-setters in this deadly and wasteful conventional arms race. It is time that we showed restraint in this area. And it is past time for Congress to be thoroughly consulted before U.S. arms sales policies are implemented.

Mr. President, the issues involved in arms sales are complex; the effects are far reaching; the stakes are high; and the present level of congressional consultation and oversight is inadequate. The U.S. Government, which sells over twice as many arms as any other country, has a responsibility to carefully consider the implications of these vast arms sales. This responsibility extends to the legislative as well as the executive branch. This legislation would give the Congress the mechanism necessary for careful review of the important issues involved in the foreign military sales program.

Mr. President, I ask unanimous consent that the text of the bill, as well as materials relating to this issue, be printed in the RECORD at this point.

There being no objection, the bill and materials were ordered to be printed in the RECORD, as follows:

S. 854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 2 of the Foreign Military Sales Act is amended by adding at the end thereof the following new section:

"SEC. 25. Congressional Approval.—(a) Not later than February 1 of each year, beginning in the calendar year 1976, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a report which shall include the following:

"(1)(A) A statement which shall set forth—

"(i) the total amount of cash sales from stock under section 21, contracts for the procurement of defense articles or defense services under section 22, credit sales under section 23, and guaranties under section 24 of this Act proposed to be made during the next fiscal year to each country or international organization the name of which is set forth in such statement pursuant to clause (ii) of this subparagraph;

"(ii) the country or international organization to which such sale, credit sale, or guaranty is proposed to be made; and

"(iii) in the event any such sale, credit sale, or guaranty involves a major weapons system or a major defense service, a full and complete description of such major weapons system or such major defense service.

"(B) The President may, from time to time, submit additional statements with respect to any of the matter specified in paragraph (1)(A) of this section.

"(2) A projection which shall set forth the total amount of such sales, credit sales, or guaranties expected to be made to each country or international organization during the next 5 fiscal years. In the event such sales, credit sales, or guaranties are expected to involve a major weapons system or a major defense service, such report shall to the maximum extent possible describe fully and completely such major weapons system or major defense services, and shall set forth the name of the country or international organization to which the sale, credit sale, or guaranty thereof is expected to be made.

"(3) An explanation and justification for—

"(A) the total foreign military sales program;

"(B) the foreign military sales program with respect to each country and international organization to which sales, credit sales, or guaranties are made thereunder; and

"(C) any sale, credit sale, or guaranty involving a major weapons system or major defense service;

as described in the projection transmitted under paragraph (2) of this subsection, including an explanation of the extent to which the matter set forth in clauses (A), (B), and (C) of this paragraph will—

"(i) support the foreign policy objectives of the United States;

"(ii) strengthen the security of the United States; and

"(iii) promote world peace.

"(4)(A) An impact statement describing fully and completely the effect of the matter set forth in clauses (A), (B), and (C) of paragraph (3) of this subsection with respect to—

"(i) balances of power and arms races in each region of the world in which such sale, credit sale, or guaranty is expected to be made;

"(ii) international negotiations and efforts directed at the achievement of arms control;

"(iii) the defense production capability of the United States;

"(iv) the military preparedness of the armed forces of the United States; and

"(v) the War Reserve Stocks.

"(B) In the preparation of that portion of the impact statement relating to clauses (A)(i) and (A)(ii) of this paragraph, the President shall consult with the Director of the Arms Control and Disarmament Agency.

"(C) Not later than 30 days following the receipt of a request made by the Chairman of the Committee on Foreign Relations of the Senate or the Chairman of the Committee on Foreign Affairs of the House of Representatives for additional information with respect to a statement transmitted under paragraph (1)(A) of this subsection, such information shall be transmitted to such Chairman.

"(b)(1) After consideration by the Congress of a statement transmitted pursuant to subsection (a)(1)(A) of this section and the passage of a concurrent resolution approving—

"(A) a maximum amount of sales, credit sales, and guaranties with respect to a specified country or international organization during the next fiscal year, the President may make sales, credit sales, and guaranties to such country in an amount not exceeding such maximum amount; and

"(B) a sale, credit sale, or guaranty involving a major weapons system or major defense service;

the President may mak such sale, credit sale, or guaranty, subject to any limitations, prohibitions, and authorities contained in such concurrent resolution.

"(2) Any or all of the matter set forth in paragraph (1) of this subsection may be included in a single concurrent resolution of approval.

"(3)(A) No sale, credit sale, or guaranty involving a major weapons system or major defense service may be made unless the Congress by concurrent resolution approves such sale, credit sale, or guaranty.

"(B) No other sale, credit sale, or guaranty may be made unless—

"(i) the Congress has approved by concurrent resolution the country or international organization to which such sale, credit sale, or guaranty is to be made;

"(ii) the total amount of sales, credit sales, and guaranties previously made to such country during such fiscal year does not, when added to the amount of such sale, credit sale, or guaranty, exceed the maximum amount approved under paragraph (1)(A) of this subsection; and

"(iii) such sale, credit sale, or guaranty is made in accordance with all limitations, prohibitions, and authorities referred to in paragraph (1) of this subsection.

"(c) The provisions of subsection (b) of this section shall not apply with respect to any particular sale, credit sale, or guaranty if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of the waiver in which he certifies that such waiver is vital to the security of the United States."

(b) Section 47 of such Act is amended by—

(1) striking out the word "and" at the end of clause (1);

(2) striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new clauses:

"(3) 'major weapons systems' means a weapons system which costs, over the life of its development or production in—

"(A) research, development, testing, and engineering, in excess of $50,000,000; or

"(B) procurement, in excess of $200,000,000; and

"(4) 'major defense service' means any defense service (as defined in section 644(f) of the Foreign Asistance Act of 1961) which materially increases the military capability of the country to which it is rendered."

[From the Washington Post, Jan. 25, 1975]

SELLING ARMS IN THE PERSIAN GULF

The Persian Gulf countries keep buying American weapons and the United States, cheerfully and mindlessly, keeps selling them. In the face of a great deal of melancholy experience to the contrary, our government apparently continues to assume that other nations will never be so wanton as actually to use the exceedingly powerful armaments on which they are spending billions of dollars a year. The whole subject is a difficult one for American officials to discuss in public since the putative reasons for our conduct are transparent and the real reasons are rather shabby.

In fact, we are selling these weapons partly to pay for oil, partly to butter up the governments that have oil to sell, and partly to preserve jobs in the American aircraft and armaments industries. Weapons experts are now a very substantial item in our foreign trade. This country sold more than $8 million in arms in the last fiscal year, nearly all of it to Middle Eastern countries. Almost $4 billion worth went to Iran alone. The current volume of sales is certainly no lower. The United States is now pouring very modern arms at an astounding rate into a region that is at once the most volatile in the world and one on which all of the world's industrial economies depend for their basic fuel.

In his press confernce this week, President Ford found himself confronted with a question on those weapons shipments. He responded first with a reference to the American efforts to work out a peace settlement between Israel and her Arab neighbors. There the United States is carrying on an intensive and continuous diplomatic campaign in behalf of peace. Arms sales there are justified in order to keep the balance of forces from tipping while the talks go on, and to ensure that the passage of time does not benefit one side at the expense of the other.

But then the President, proceeding to progressively weaker arguments, added that we sell these arms also to "maintain the internal security" of some of these countries. Internal security? The Grumman F-14, of which Iran has ordered some 80, flies at well over twice the speed of sound with missiles aboard. Grumman is now preparing to send a contingent of some 2,000 engineers and technicians to Iran to maintain these planes and train Iranians. They will raise to about 12,000 the number of Americans currently employed in Iran in one aspect or another of the arms business. Some of our sales to Iran have involved the establishment by American companies of production plants there. They constitute insurance that, should Iran choose to use its new equipment, it would not find itself entirely dependent on American shipments and American policy for its supplies of parts and ammunition.

President Ford further suggested to his press conference that our arms sales are also intended to maintain "equilibrium in arms capability" among the purchasing nations. While that logic may apply well to Israel and the adjacent Arab states, it makes no sense at all in the Persian Gulf where Iran's power now far exceeds that of any other state in the region. To take one highly ominous example, Iran is now reported to have two battalions of heavy artillery operating inside the borders of its old enemy, Iraq, in support of the Kurdish rebellion against the Iraqi government. Iraq, which does not have guns of sufficient range to meet this challenge, has altogether predictably gone to Moscow for help. The United States obviously is not creating a balance in the Persian Gulf but, on the contrary, has built an imbalance that forces the Iraqis toward the Soviet Union. This effect is particularly unfortunate since Iraq has given considerable evidence of understanding very well the dangers of too close a relationship to the Russians, and has been trying to avoid precisely the kind of dependence into which this country is now inadvertently helping to push it. There are, incidentally, indications that the level of intermittent fighting along the Iraqi-Iranian border is rising. There is, of course, no intensive and continuous diplomatic campaign by the United States in behalf of peace along Iraq's borders.

Iran is not, certainly, the only nation in the Persian Gulf that the United States is arming. This country is currently helping to rebuild, for example, the armed forces of Saudi Arabia. The Saudis are now rich enough to need a great deal of military protection from all of their neighbors—including our other customer, Iran.

The unpleasant possibilities here are manifest. The sporadic border incidents between Iran and Iraq might easily expand into much more serious fighting. It is quite conceivable that trouble of the most bloody sort might break out over offshore drilling sites in the Gulf itself. To consider the worst and most dangerous of possibilities, spreading warfare in the Gulf, might prevent oil tankers from moving in and out of the docks at all. The Gulf states, with their fat bank accounts, could afford it—at least in the financial sense. The rich industrial nations, which depend on Persian Gulf oil, could not. But nobody in the United States government seems to be worrying much about that.

[From the New York Times, Jan. 27, 1975]

MERCHANTS OF DEATH

Millions of words have been written in the past three decades about the dangers of nuclear war and rightly so. But the arms that have killed more than ten million human beings since World War II have all been conventional weapons. Most of them have been

obtained through an international arms trade that makes Basil Zaharoff and the other "merchants of death" of an earlier era look like peanut venders.

The United States unfortunately leads the world in arms sales, which the oil billions of the Arab states and the oil-payments deficits of the arms-producing industrial nations are turning into perhaps the world's fastest growing commerce.

The recent contract for $750 million with Saudi Arabia for sixty American F-5 jet fighters and the training of pilots is unique, however. It carries the United States a long way toward becoming a large-scale supplier of both sides in both of the Mideast's main arms races, and between Arabs and Israelis and that between Iran and the Arab states bordering the Persian Gulf.

In the year ended last June, American arms sales abroad more than doubled to $8.5 billion. Almost $7-billion of that was for the volatile Middle East, with Iran alone getting $4 billion on top of $2 billion the year before. Apart from $1.5 billion of arms grants to Israel during and after the October 1973 war, gift arms in recent years have been reduced sharply by Congressional opposition to the arms trade. But cash sales now have soared far above the levels of arms aid the Congress found objectionable.

The irony is that arms gifts were under the control of Congress. Cash arms sales are not as yet. Arms gifts went primarily to allies and were designed to advance foreign policy interests or the security of the United States. The current level of arms sales appears to be unrelated to any coherent policy at all, despite what President Ford said at his press conference. Decisions appear to be made on an ad hoc basis without over-all plan or high-level policy review.

The predominant factor in the booming business seems to be a directive by President Nixon on Dec. 20, 1973, creating an interdepartment committee to spur exports, including arms sales, for balance-of-payments reasons. The rationale evidently was that if the United States did not sell arms, other nations would.

But there obviously are other factors. The armed services have always been interested in foreign purchases that, by increasing the production run, reduce the per-weapon cost for the Pentagon's budget. American arms companies, when unrestrained by Government policy, naturally will sell for profit to any buyer.

When prospective buyers have the kind of cash the oil-producing countries now possess, extraordinary results follow. Perhaps the most extraordinary is the agreement of the Joint Chiefs of Staff to the sale to Iran of some of the nation's most advanced weapons—such as the Navy's new F-14 jet fighter—simultaneously with their introduction into the American armed forces.

The arms trade is no longer simply a hand-me-down business for getting rid of obsolete, second-hand weapons. The Soviet Union has supplied Syria with MIG-23 swing-wing interceptors before providing them to its Communist allies in Europe. France and Britain are seeking foreign orders not only to help oil payments, but to help their defense industries survive. France now exports more than half of its aerospace output.

After the 1967 war, the United States repeatedly sought Soviet agreement to limit arms sales to Israel and its Arab neighbors and Moscow always refused. In the Persian Gulf, it is the United States—through its enormous arms sales to Iran's Shah, who talks openly of reviving the glory of Persia's ancient empire—that has spurred a multination arms race. Soviet arms sales to Iraq helped trigger the Shah's action. Now, even the tiniest of sheikdoms is acquiring jet fighters.

In theory, American influence for peace can be stronger with countries dependent on American—rather than Soviet—arms and a flow of American spare parts and ammunition. But Soviet arms transfers now appear to be running at half or less of the American level, with those of France and Britain still further behind.

Control and limitation of arms transfers to the developing countries—and especially to the tinderbox area of the Middle East—will not be easily achieved. But it will not be achieved at all if the United States abandons moral leadership by becoming the leader in arms sales. In view of the apparent indifference of the Ford Administration to this dirty business, Congressional action to revive an American policy of restraint and leadership by example is an urgent necessity.

[From the Baltimore Sun, Feb. 26, 1975]

SUPER-POWER AS SUPER-PEDDLAR

Congress is gradually awakening to the fact that Uncle Sam's role as arms merchant to the world challenges congressional efforts to get a better grip on foreign policy. While the Congress has been making much of legislation to curb presidential war powers, control foreign aid and limit the use of treaty-like executive agreements, the Nixon and Ford administrations have been making it big in weapons sales. Defense Secretary James R. Schlesinger reported this month that cash sales of arms jumped from $1 billion four years ago to $6.6 billion in the fiscal year ended last June.

If credit sales are added, this figure grows to $8.3 billion, even without adding military aid. It would come as no real surprise should annual sales at today's inflated prices grow quickly to $10 or $12 billion, thus consolidating guns as an export second only to butter, i.e., agricultural products. American weapons are flooding the Middle East and the Persian Gulf, on a per capita basis the world's most densely armed regions.

Arms sales are an extension of foreign policy, and the Executive Branch is thus continuing to involve and commit this country abroad with little oversight from Congress. This mockery of all that Vietnam should have taught us did produce, in the adjournment rush of the 93d Congress, an amendment sponsored by Senator Gaylord Nelson that requires the government to notify Capitol Hill in advance of any weapons deal amounting to more than $25 million. Congress then has 20 days to veto the contract by concurrent resolution.

This kind of information is useful and may someday even bring about a congressional veto, but it is clearly inadequate. Congress should require detailed impact statements from the executive branch on how particular arms deals will affect efforts to limit world armaments and present and future American policy. When the administration sells $3.7 billion worth of arms to one country (Iran) in one year (fiscal 1974) it has various military, economic and geopolitical objectives—most, we suspect, of a tactical nature. These contracts may indeed help redress our trade imbalance with Iran, create defense jobs, maintain the oil-price dialogue and make Iran's formidable armed forces dependent on U.S. resupply. But this dependence also constitutes an American commitment to make parts available—a commitment of potentially troubling consequence whether it is kept or dropped. What, for example, would we do if Iran were to come in conflict with Saudi Arabia, which bought $600 million in U.S. arms last year, or with Israel, which is highly dependent on the U.S. supply line (and Iranian oil)? When Senator Kennedy proposed an unlikely six-month moratorium on arms sales to the Persian Gulf, Mr. Schlesinger had a breathtaking reply: "We are engaged in attempting to maintain influence in these areas, to maintain close relationships, and arms represent a symbol of these kinds of relationships."

Arms may indeed be a symbol of U.S. relations with other nations, but they are a symbol we should lament deeply. While we eschew the proliferation of nuclear weapons, we and our fellow arms peddlars—the Russians, the British, the French, the Swedes—are proliferating a frightening array of sophisticated "conventional weapons" to Third World nations whose military expenditures will soon take up nearly as much of their gross national products as those of developed nations. This arms sale policy, essentially unchecked by Congress, is making the world's danger areas steadily more dangerous. At a time of economic downturn, legislators may be reluctant to put a clamp on arms traffic that provides jobs. But if Congress is to live up to the foreign policy responsibilities it so often proclaims, it will seek to check and balance arms sales as it has foreign aid, executive treaties and presidential war powers.

[From the New York Times, Feb. 26, 1975]

ARMS SUPPLIER

With the emergence of the United States as chief supplier of weapons and military training aid in the Persian Gulf—not to mention the dubious decision to lift the embargo on arms to Pakistan—insistent questions are being raised about American policy toward the entire area in general and toward the booming international arms trade in particular.

In the past year, the United States has sold about $5 billion in arms and training services to Iran and Saudi Arabia, the two major rivals in the Persian Gulf area, and small amounts to Kuwait and Oman. The $4-billion of arms sales to Iran, on top of $2 billion the year before, dwarfs the $1.5 billion of arms grants to Israel during and after the October 1973 war. It has helped to stimulate the new Saudi Arabian military effort, which now finds the United States arming the chief petroleum producer of the oil cartel—against which the Ford Administration has refused to exclude military action in the event of economic "strangulation" of the West.

The Saudi arms sales and military training deals could be considered as putting the United States on both sides of the Arab-Israeli arms race as well as that in the Persian Gulf—perhaps increasing the need for arms aid to Israel to maintain a military balance in the Middle East. Although distant from the Arab-Israeli battlefields of the past, Saudi Arabia has sent symbolic troop units to the area and is a major financier—along with Moscow—of the extensive military efforts of Egypt, Syria and, perhaps indirectly, the Palestinian guerrillas. Other "non-battlefield" Arab countries, such as Libya, have transferred arms purchases to Egypt after pledging not to do so.

Similarly, the decision to allow export of lethal arms to both Pakistan and India—however even-handed it may be juridically—is in fact a stimulus to the arms race in the subcontinent, an exacerbation of Indian-Pakistan relations, a blow to American relations with India and new evidence of the "tilt" toward Pakistan.

The Persian Gulf, however, is the fundamental problem now, since the new large-scale American role as arms merchant has its origin there. What remains unclear is the threat against which Iran is being so heavily armed and why the Shah is being sold some of America's most sophisticated weapons such as the Navy's F-14 jet fighters, simultaneously with its introduction into the American armed forces. This is far from the hand-me-down arms trade the world has known in the past.

Soviet arms sales to Iraq undoubtedly have something to do with the Shah's decision to build up Iran's military forces. But the size of the Iranian effort vastly exceeds that of Iraq and appears primarily to reflect the grandiose ambitions of the Shah, who has talked openly of reviving the glory of Persia's ancient empire. Is this something Washington can safely ignore?

It can be argued that American refusal to sell weapons would not restrain the Persian Gulf arms race and would merely leave Iran and Saudi Arabia to turn for arms to France, Britain and even—unlikely as this is for conservative monarchies—to the Soviet Union. Arms sales abroad also help the Pentagon to keep important production lines open and to reduce the unit cost of its own purchases.

But does this justify the apparently unrestrained size of the Persian Gulf deals or the substantial involvement of American personnel on the ground, in the training of technicians and combat units? Technical assistance and training contracts with Iran and Saudi Arabia total $676 million, as compared with $51 million with 32 other countries around the world.

In the past, American civilian contractors have been brought in primarily to teach foreigners how to operate and maintain the equipment they sell. But the recent $77-million contract to Vinnell Corporation for training four battalions of the Saudi national guard would introduce American civilians for the first time to train substantial combat units of a foreign nation.

Senator Kennedy has proposed a six-month moratorium on arms sales to Persian Gulf states—including arms already contracted for, unless Congress approves a Presidential policy statement justifying such sales. With or without such legislation, there is urgent need for a fundamental reassessment by Administration and Congress together of the arms and other policies upon which the United States is now embarked in the Persian Gulf area.

EXHIBIT 1

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1975—REPORT, AUGUST 16, 1974

SALES OF MILITARY EQUIPMENT TO FOREIGN GOVERNMENTS

This Committee views with concern the dramatic increase in cash sales of U.S. military equipment to foreign governments. Actual cash sales of $5.9 billion during fiscal year 1974 far exceeded the original DOD estimate of $3.9 billion. Cash sales over the past decade have totaled $19.1 billion—of which $9.5 billion was negotiated during the past two years.

The political and economic impact of foreign military sales on the United States and recipient foreign countries is immeasurable. Of more direct interest to this Committee, however, is the real and potential impact that the sale of military equipment has on the security interests and objectives of this Nation and on defense expenditures.

The recent sale of 80 F-14 fighter aircraft to Iran could considerably reduce combat capability of the U.S. Armed Forces. These aircraft, the most sophisticated fighter aircraft available, will be delivered to Iran prior to the planned U.S. Navy F-14 force being fully equipped.

Of equal concern is the impact on U.S. military forces of supplying foreign nations with military equipment withdrawn from Department of Defense inventories and operational forces and the additive cost of replacing the equipment. These withdrawals may compromise the readiness of U.S. armed forces to meet national security demands. The incremental cost of replacement often requires additional funding. A prime example is the $133 million included in the FY 1974 Defense Supplemental Appropriations Act to provide the additive funds required to replace equipment provided to Israel during the October 1973 Middle East conflict.

The Committee is particularly concerned that long term security interests of the United States might be jeopardized by large cash sales of sophisticated weapons systems in areas of potential conflict. Recent arms sales to the Middle East, Greece, and Turkey have created severe political, military, and economic repercussions on both the United States and the international community. These conflicts weaken détente, threaten super-power confrontation, and have profound economic consequences.

The demonstrated and potential impact of cash weapons sales on DOD appropriated funds as well as on long term U.S. security interests places a special obligation on this Committee to exercise careful oversight of developments in this area. At present, Congress has little meaningful statutory control over cash sales which are the largest category of foreign military sales. Therefore, the Committee will require prior notification of future cash sales of military equipment to foreign governments which exceed $25,000,000; provide for the introduction of new weapon systems to the inventory of foreign armed forces; or when cumulative military cash sales to any foreign government exceed $50,000,000 in any fiscal year.

EXHIBIT 2—FOREIGN MILITARY SALES ORDERS

[Value in thousands of dollars; fiscal years]

	1950-64	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1950-74
Worldwide	5,162,667	1,251,952	1,547,741	999,729	804,809	1,557,597	921,576	1,644,239	3,271,719	3,865,703	8,262,549	29,290,311
Argentina	49,049	1,270	7,233	6,511	14,860	3,975	10,947	14,148	16,556	16,328	8,928	149,805
Australia	272,087	324,963	47,073	118,568	32,769	33,738	61,553	59,890	117,802	27,353	35,074	1,130,870
Austria	35,742	6,219	2,167	2,181	6,041	1,118	1,326	3,791	2,405	2,654	3,056	66,698
Belgium	78,746	6,515	6,310	15,412	2,203	9,754	4,404	2,999	4,728	6,214	9,896	147,181
Bolivia	741	28	132	5	17	3	----	44	5	42	155	1,172
Brazil	19,277	23,625	223	26,452	4,265	11,413	2,538	21,269	34,089	17,276	58,739	219,166
Burma	1,505	53	91	113	100	46	7	84	273	246	111	2,631
Canada	651,836	42,402	71,192	21,713	18,280	15,875	53,358	28,836	37,521	91,254	93,920	1,126,186
Chile	15,992	2,181	1,058	2,560	4,117	1,699	7,699	2,968	6,185	15,012	68,194	127,665
China (Taiwan)	2,116	1,995	4,996	14,347	46,510	36,917	32,649	64,736	78,430	202,166	88,264	572,226
Colombia	10,181	150	496	98	56	141	158	2,168	5,466	1,293	1,085	21,293
Costa Rica	902	----	(1)	----	----	----	----	----	34	----	----	935
Cuba	4,510	----	----	----	----	----	----	----	----	----	----	4,510
Denmark	31,075	8,206	7,338	9,098	9,126	10,378	6,933	15,996	14,512	11,714	20,863	145,240
Dominican Republic	1,494	115	266	1	(1)	----	----	31	16	78	32	2,034
Ecuador	2,553	----	119	114	1,410	14	20	315	4	----	----	4,650
Egypt	356	2	(1)	----	----	----	----	----	----	----	----	358
El Salvador	877	18	35	15	514	6	----	11	(1)	70	399	1,945
Ethiopia	663	(1)	30	12	4	7	6	----	10	----	469	1,201
Finland	----	(1)	1	1	1	(1)	----	1	63	----	12	79
France	281,191	11,192	8,912	6,448	7,281	6,264	3,429	5,994	7,552	8,693	21,092	368,048
Germany	2,263,781	309,498	166,872	190,167	149,533	592,368	242,404	179,409	942,076	218,770	218,612	5,473,492
Ghana	1	----	(1)	----	----	----	61	(1)	----	2	187	251
Greece	1,297	470	471	7,958	15,334	11,210	29,187	24,785	181,926	57,087	434,926	764,845
Guatemala	980	444	545	101	317	153	464	8,126	2,344	3,709	989	18,174
Haiti	224	----	----	----	----	----	----	----	----	----	288	512
Honduras	1,010	13	4	6	59	----	----	----	27	5,468	702	7,288
Iceland	14	----	----	----	----	----	----	----	(1)	436	47	498
India	52,278	1,874	389	1,988	1,574	163	2,094	856	1,515	(1)	215	62,947
Indochina	8,542	----	----	----	----	----	----	----	----	----	----	8,542
Indonesia	622	----	1	1	24	----	(1)	18	(1)	148	148	962
Iran	1,285	68,857	124,158	147,953	69,365	235,879	113,284	396,613	528,022	2,103,787	3,794,369	7,588,574
Iraq	1,919	10,783	87	361	----	(1)	----	----	----	----	----	13,152
Ireland	(1)	----	----	(1)	1	----	(1)	11	248	197	17	475
Israel	7,121	59,998	72,134	9,294	75,196	312,944	44,790	379,961	399,712	197,114	2,117,623	3,675,887
Italy	193,483	41,554	37,668	20,721	101,364	37,547	37,249	24,926	81,094	91,421	45,051	712,048
Jamaica	(1)	1	1	3	3	(1)	8	9	3	7	43	77
Japan	119,164	16,744	16,734	10,146	20,276	51,899	21,533	11,286	47,057	52,055	57,725	424,617
Jordan	2,263	39,653	1,627	28,282	33,214	13,419	29,367	26,419	19,547	9,213	50,916	253,891
Kenya	----	----	----	----	----	(1)	----	----	----	----	----	(1)
Korea	286	----	----	9	1,504	3,368	----	480	9,081	1,297	81,424	97,449
Kuwait	----	(1)	----	----	----	----	----	----	(1)	53	18,154	18,207
Lebanon	331	1	67	2,235	48	55	1,575	187	299	5,137	9,700	19,635
Liberia	1,146	77	----	----	----	----	----	----	----	1,368	648	3,240
Libya	687	52	541	15,524	2,389	1,674	5,447	632	2,873	174	19	30,012
Luxembourg	816	466	457	88	1	113	101	93	24	627	21	2,805
Malaysia	30	17	563	509	1,608	1,323	1,837	272	40,124	1,432	1,248	48,963
Mali	----	----	----	----	----	----	5	48	48	----	----	137
Mexico	9,893	573	101	802	96	399	12	437	175	894	411	13,792
Morocco	60	----	6,040	697	9,671	7,931	2,437	2,310	7,833	2,651	8,302	47,932
Nepal	----	----	----	----	----	----	----	11	----	80	1	92
Netherlands	45,498	15,681	24,193	25,057	6,426	4,864	7,608	2,837	29,380	35,460	17,600	219,606
New Zealand	15,457	22,213	5,214	9,454	11,991	30,066	5,442	7,594	4,159	3,105	4,852	119,548
Nicaragua	2,016	26	5	87	103	2	93	674	92	134	133	3,365
Niger	----	----	----	----	----	----	----	----	----	----	8	8
Nigeria	335	----	5	10	----	2	----	----	2,409	687	4,476	7,924

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EXHIBIT 2—FOREIGN MILITARY SALES ORDERS—Continued

	1950–64	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1950–74
Norway	12,699	21,252	12,913	38,355	56,873	24,117	9,746	25,827	21,959	14,285	50,311	288,339
Pakistan	33,331	1,319	1,147	5,571	14,968	22,462	4,592	22,532	449	22,079	7,895	136,345
Panama	13					3	14	9	6	1,618	1,887	3,550
Paraguay	342	34			1		(1)			27	12	417
Peru	21,374	3,715	2,664	3,338	1,221	981	2,195	1,526	900	24,590	43,620	106,123
Philippines	4,249	260	137	439	237	454	843	1,107	468	708	5,047	13,947
Portugal	5,223	425	115	497	774	500	1,067	1,156	3,234	564	2,513	16,068
Saudi Arabia	87,026	8,443	8,652	48,462	4,645	4,220	14,854	95,815	342,295	83,984	587,698	1,286,113
Senegal									6			6
Singapore				1	841	196	2,476	1,988	5,908	7,601	12,078	631,089
South Africa	3,082	(1)	56	1	1	4	1		2	1		3,149
Spain	5,003	28,813	22,636	122,942	8,707	14,072	25,940	110,687	24,819	57,020	147,796	568,435
Sri Lanka	3	(1)	(1)			1			(1)			4
Sweden	27,585	880	449	723	8,010	108	265	883	1,548	1,879	6,988	49,319
Switzerland	46,980	492	1,344	602	24,950	19,576	4,435	515	11,808	3,259	8,394	122,355
Syria				1								1
Thailand	1,219	12	1	10	10	3,829	21,150	48	16,978	1,920	19,931	65,108
Trinidad/Tobago							85					85
Tunisia	2,874	11								2,169	737	5,791
Turkey	422	129	804	922	139	2,096	2,524	1,154	5,452	212,435	17,143	243,219
United Kingdom	492,575	154,707	849,573	48,755	16,260	17,512	63,205	46,825	125,778	110,997	45,079	1,971,267
Uruguay	2,305		56	300	0	26	241	1,982	1,684	1,612	1,156	9,390
Venezuela	70,641	10,529	11,687	9,769	1,138	1,173	777	1,677	42,761	24,662	4,377	179,192
Vietnam	5					2			2	1,155	4	1,167
Yemen											2,634	2,634
Yugoslavia	10,547	2	185	323	214	212	41	12	106	717	4	12,363
Zaire			1,142	166	226	(1)	54	16,928	286	715	1,339	20,856
International organizations	143,679	3,660	18,630	23,426	17,915	9,235	37,045	17,365	39,150	94,191	16,839	421,139

[1] Less than $500.
[2] Includes $1,500,000,000 for which payment was waived pursuant to the fiscal year 1974 emergency security assistance legislation.

Note: Totals may not add due to rounding.

By Mr. THURMOND:

S. 855. A bill relating to the age and service requirements for the resignation and retirement of justices and judges of the United States. Referred to the Committee on the Judiciary.

Mr. THURMOND. Mr. President, the workload of Federal judges at all levels has increased to the extent that it is becoming increasingly difficult for a person of the age of many of them to keep up with their workloads. In Government and private industry, individuals with a number of years' service are permitted to retire earlier than at age 65.

Under current law, any judge of the United States who resigns after attaining the age of 70 years and after serving at least 10 years continuously will receive as retirement the salary which he was receiving when he resigned. Any judge of the United States may retire from regular active service after 10 years' service at age 70, and after at least 15 years' service at age 65. He will receive as retirement the salary of his office, which means that one who transfers to the senior status and continues to perform judicial duties will continue to draw the salary of active Federal judges.

Many districts who have such senior judges are receiving invaluable assistance since the President, with the advice and consent of the Senate, appoints a successor to a judge who transfers to senior status.

It is the considered opinion of many judges that the present retirement act should be amended so as to permit a judge to retire or resign at an earlier age. My bill would give a judge the option to retire or resign at age 62 after at least 18 years service, and then graduate the retirement age upward so that a judge could retire or resign at age 63 after 17 years service, at age 64 after 16 years service, at age 65 after 15 years service—as provided for retirement only in the present act, at age 66 after 14 years service, at age 67 after 13 years service, at age 68 after 12 years service, at age 69 after 11 years service, and at age 70 after 10 years service—as provided in the present act.

This would serve several purposes. It would allow a judge who had given the most productive years of his life in the service to his country to retire at an age early enough that his health and interests would permit him to enjoy his remaining years without the full burden of responsibility that an active judge now has. It also would provide for additional judge-power since another active judge is appointed to take the place of the senior judge who still performs judicial duties. Finally, it would help to remove some judges before they reach the stage where they are physically or mentally unable to perform the duties of their offices.

Mr. President, I am sending to the desk this legislation to accomplish an opportunity for accelerated retirement. I ask unanimous consent that it be printed in the RECORD and referred to the appropriate committee for consideration.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 855

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 371 of title 28, United States Code, is amended to read as follows:

"§ 371. Resignation or retirement for age

"(a) Any justice or judge of the United States appointed to hold office during good behavior who resigns after attaining the age and meeting the service requirements, whether continuous or otherwise, of subsection (c) of this section shall, during the remainder of his lifetime, continue to receive the salary which he was receiving when he resigned.

"(b) Any justice or judge of the United States appointed to hold office during good behavior may retain his office but retire from regular active service after attaining the age and meeting the service requirements, whether continuous or otherwise, of subsection (c) of this section. He shall, during the remainder of his lifetime, continue to receive the salary of the office. The President shall appoint, by and with the advice and consent of the Senate, a successor to a justice or judge who retires.

"(c) The age and service requirements for resignation or retirement of a justice or judge of the United States under this section are as follows:

"Attained Age	Years Service
62	18
63	17
64	16
65	15
66	14
67	13
68	12
69	11
70	10".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to any justice or judge of the United States who retires on or after the date of enactment of this Act.

By Mr. DOMENICI (for himself and Mr. MONTOYA):

S. 856. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the eastern New Mexico water supply project, New Mexico, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, today I am introducing a bill to authorize the Secretary of the Interior to construct, operate, and maintain the eastern New Mexico water supply project. I am pleased to be joined by my distinguished colleague Mr. MONTOYA.

This project is a single-purpose proposal which would provide a supplemental municipal and industrial water supply for several eastern New Mexico cities including but not limited to Clovis, Eunice, Hobbs, Jal, Lovington, Portales, San Jon, Tatum, and Texico. Water for the project would come from the existing Ute Dam and Reservoir on the Canadian River. The main features of the project will consist of an aqueduct system and pumping plants to deliver the water from Ute Reservoir to the project cities.

The eastern New Mexico water supply project is necessary because irrigation is increasing in Roosevelt County and considerable agricultural expansion is still taking place in the Clovis and Tatum-Lovington-Hobbs area.

Most all of the municipal and industrial water supply for the project cities is obtained by pumping from ground water. Because of the development of ground water supplies for irrigation in the area and the attendant decline of the ground water level, it appears that there is little ground water available to meet additional requirements.

There are no perennial streams on the southern high plains. Ground water contained in the Ogallala formation, which underlies the Southern high plains, is the major source of usable water for the project cities. Ground water in much of the project area has already been appropriated for municipal, industrial, and irrigation use.

The current heavy pumping of ground water from the Ogallala formation presents a condition which may require a reduction of irrigation usage to provide for projected municipal and industrial requirements and which will ultimately exhaust the supply for all uses.

Surface water controlled in Ute Reservoir will provide a dependable water supply to supplement the project cities' water supply.

The Bureau of Reclamation has submitted its feasibility report on this proposed project to the Secretary of the Interior. The Commissioner of Reclamation, G. G. Stamm, in his letter submitting the report to the Secretary of the Interior, states:

The construction of the Eastern New Mexico Water Supply project represents a desirable water resource that will alleviate future water shortages.

Mr. President, the Ute Dam and Reservoir was constructed by the New Mexico Interstate Stream Commission to provide control for some of New Mexico's unused Canadian River water. In order to develop the eastern New Mexico water supply project, it will be necessary to install spillway gates on the Ute Dam. The gating of the spillway and the marketing of the reservoir yield are the responsibilities of the Interstate Stream Commission.

In this regard, on October 18, 1974, the Interstate Stream Commission recommended that the New Mexico State Legislature enact legislation authorizing funding of the installation of the spillway gates on Ute Dam, the expenditure of funds to be contingent upon execution of the water supply contracts for 40,000 acre-feet annually. The Commission has authorized negotiations of a water supply contract with the Eastern New Mexico Inter-Community Water Supply Association.

In addition, the New Mexico Legislature is now acting on legislation authorizing funding for the installation of spillway gates on Ute Dam.

Mr. President, I think it is important to point out that the project costs, allocated to municipal and industrial water supply, shall be repayable to the United States in not more than 50 years under the provisions of either the Federal reclamation laws or the Water Supply Act of 1958. Repayment of project costs shall include interest on the unamortized balance.

It is my hope that the Congress will act in an expeditious manner on this important legislation.

Mr. President, I ask unanimous consent that the pertinent part of a letter which I received from Lloyd A. Calhoun, an attorney in New Mexico, be included in the RECORD. I would also ask that the bill be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to construct, operate, and maintain the eastern New Mexico water supply project in accordance with the Fedcral reclamation laws (Act of June 17, 1902; 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and the provisions of this Act and the plan set out in the report of the Secretary on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purposes of delivering water for municipal and industrial use for several eastern New Mexico cities, including but not limited to Clovis, Eunice, Hobbs, Jal, Lovington, Portales, San Jon, Tatum, and Texico. The principal features of the project shall consist of an aqueduct system and pumping plants to deliver water from existing Ute Reservoir to the project cities.

SEC. 2. (a) Project costs, allocated to municipal and industrial water supply, shall be repayable to the United States in not more than fifty years under either the provisions of the Federal reclamation laws or under the provisions of the Water Supply Act of 1958 (title III of Public Law 85–500, 72 Stat. 319 and Acts amendatory thereof or supplementary thereto): *Provided,* That, in either case, (1) no payment need be made with respect to project capacity for future water supply until such supply is first used, and (2) no interest shall be charged on such cost until such supply is first used, but in no case shall the interest-free period exceed ten years.

(b) The interest rate used for computing interest during construction and interest on the unpaid balance of the costs of the project shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction of the project is commenced, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

(c) The Secretary is hereby authorized to contract with the State of New Mexico for the retention of water in Ute Reservoir for the conservation and development of fish and wildlife resources and the enhancement of recreation opportunities; provided that payment to the State under this contract shall not exceed $3,000,000 or one-half of the cost of installing spillway gates on Ute Dam, whichever is the lesser.

SEC. 3. (a) The Secretary is authorized to enter into a contract with a qualified entity or entities, for delivery of water and for repayment of all the reimbursable construction costs.

(b) Construction of the project shall not be commenced until a suitable contract has been executed by the Secretary with a qualified entity or entities.

(c) Such contract may be entered into without regard to the last sentence of section 9, subsection (c), of the Reclamation Project Act of 1939.

(d) Upon execution of the contract referred to in section 3(a) above, and upon completion of construction of the project, the Secretary shall transfer to a qualified contracting entity or entities the care, operation, and maintenance of the project works.

(e) Upon complete payment of the obligation assumed, including appropriate interest charges, the contracting entity or entities, their designee or designees, shall have a permanent right to use the aqueduct and related facilities of the Eastern New Mexico Water Supply Project in accordance with said contract.

SEC. 4. There is hereby authorized to be appropriated for construction of the Eastern New Mexico Water Supply reclamation project the sum of $91,265,000 (July 1974 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein. There are also authorized to be appropriated such additional sums as may be required for the operation and maintenance of the project.

HOBBS, N. MEX.,
February 20, 1975.

HON. PETE V. DOMENICI,
U.S. Senate, Washington, D.C.

DEAR SENATOR DOMENICI: This is to express my personal appreciation for your continuing interest in the Ute reservoir project and to keep you apprised of developments within the Eastern New Mexico Inter-Community Water Supply Association.

Following our meeting with you in Portales on August 29, a hearing on the Department of the Interior Draft Environmental Statement (Int. DES 74–78) was conducted by Mr. Tom Garrity, Solicitor for the Department of the Interior. All except one of the members of the Association were in attendance and testified at this hearing which was held in the ENMU campus Union Building in Portales on October 8, 1974. Testimony was strongly in favor of the project. A copy of the transcript of this hearing is enclosed for your files. Also enclosed is a copy of comments by Steve Reynolds, Secretary of the New Mexico Interstate Stream Commission.

You no doubt are advised currently on the status of the bill now in the New Mexico legislature seeking authorization of funding to construct gates upon the spillway of Ute dam to make some 44,000 acre-feet of water per year available for sale. It would be some 40,280 acre-feet per year of this volume of water which our members seek to acquire.

The measure was passed by the House 56 to 6. Tuesday afternoon, February 18, the Conservation Committee of the Senate passed the bill unanimously, and it next goes to the Senate Finance Committee for consideration. A copy of original Senate Bill No. 26 is enclosed. Both it and House Bill No. 27, as passed, were amended by substituting $7.5 million for the $6.3 million appearing in the enclosed copy.

In recent weeks, I have met with representatives of each of the member cities in reviewing the project and making certain that all are familiar with the project developments and that each continues to recognize the need for the project and is prepared to commit when the time will require their doing so.

There is no doubt whatever that implementation of the project is absolutely essential to the survival of the area in which the nine communities are situated. A dependable and supplemental source of water simply has to be acquired and we well know that the Ute reservoir is our only sure hope. While there is a strong difference of opinion in certain areas of New Mexico, it would be highly detrimental to all areas of the state for this area to be deprived of its potential to develop by reason of an inadequate water supply.

Your continued interest in behalf of our membership is most earnestly solicited, and I invite you to call on me personally for whatever support I may be able to provide.

Respectfully yours,

LLOYD A. CALHOUN.

By Mr. PHILIP A. HART (for himself and Mr. RIBICOFF):

S. 857. A bill to provide for the independence of certain regulatory agencies of the Federal Government, and to increase the accountability to the public of such agencies. Referred to the Committee on Government Operations.

Mr. PHILIP A. HART. Mr. President, I am introducing today legislation to increase the independence and public accountability of the independent regulatory agencies. The Independent Regulatory Agency Reform Act seeks to achieve these purposes by the following measures:

First, to reduce excessive influence over the agencies, I propose that agencies be required to submit budget estimates and legislative recommendations directly to Congress without clearance by the Office of Management and Budget or any other executive agency; that the agencies be given authority to decide whether its own lawyers or the Attorney General will represent the agency in civil litigation; that the President's power to remove commissioners be restricted to a finding of neglect of duty or malfeasance in office; and that Presidential appointments of chairmen of the commissions be made subject to the advice and consent of the Senate.

Second, to increase the independence and competence of agency personnel, I propose that a majority of commissioners on any agency be persons with no previous employment or substantial financial connection with any regulated industry; and that the conflict of interest rules for post-agency employment be strengthened by prohibiting commissioners from representing any person before the commission in a professional capacity and from accepting employment or compensation from any industry regulated by his commission for a period of 24 months following termination of his services as commissioner.

Third, to increase congressional oversight of the independent regulatory agencies, I propose that the reporting requirements of agencies to Congress be increased; that information requests by committees performing oversight functions be answered in 10 days; and that the access of such committees to agency data be increased.

Fourth, to increase public participation in agency proceedings, I propose that, upon a showing of need, the agencies will pay attorneys fees and other costs of participation by citizens in agency proceedings; and that the agencies be required to disclose congressional ex parte communications before the effective date of any proposed rule.

These reform measures would apply, when appropriate, to the following agencies: **The Civil Aeronautics Board; the Consumer Product Safety Commission; the Federal Communications Commission; the Federal Maritime Commission; the Federal Power Commission; the Interstate Commerce Commission; the Nuclear Regulatory Agency Commission; and the Securities and Exchange Commission.**

The alphabet agencies of the Federal Government—the independent regulatory commissions—have enjoyed an unaccustomed notoriety in recent months. Long neglected by everyone—the President, the Congress, and the public—except the special interests they are supposed to regulate, the agencies have suddenly become a focus of national attention.

Economists struggling to master inflation increasingly criticize the anticompetitive practices fostered by economic regulation of some of these agencies; private industry has become more vocal about the burdens of regulation on business activity; and consumers attack the agencies for regulating too little and too late and with an industry bias to boot. It is clearly time to reexamine the jurisdiction and performance of the agencies.

Both the Commerce Committee and the Government Operations Committee in the Senate will conduct a study of the cost and benefits of the impact of regulation on the Nation's economy, a study which I support. Proposals for selective deregulation or expansion of regulation will be before the Congress in 1975–76. While these studies of the substantive jurisdiction and impact of the agencies are clearly important, we should move ahead with reforms of agency procedure and structure which are timely now. Such reforms are necessary for efficient and objective regulation in the public interest, whatever Congress decides the scope of the regulation should be.

The bill which I am introducing today attempts to restore the charter of independence with which the regulatory agencies were originally vested by Congress. Independent regulatory agencies were created to be triply independent: of the executive branch, of industry domination, and of political pressures. Independence is an elusive goal, for however we change the structure of the agencies, these pressures will exist; all we can try to do is maintain a healthy balance among them. In recent years, the balance in these agencies, which were originally established as arms of Congress, has shifted significantly toward the executive branch.

The reform measures in this bill attempt to restore an equilibrium, by increasing congressional oversight of and consumer participation in agency activities. It is my hope that this legislation will provoke debate on the proper relationship of the regulatory agencies to Congress and the executive.

I make no claim for the originality of these reforms. Most have been the subject of hearings in the House and Senate over the last 5 years. Some have been enacted into law for specific agencies. It is for this reason that the Senate can move responsibly to consider these reforms without years of further study. I particularly hope that these reforms, if enacted, will increase the scope and intensity of congressional oversight of these commissions whose impact on the daily life of the public has reached extraordinary proportions.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 857

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Independent Regulatory Agency Reform Act of 1975".

SUBMISSION OF BUDGET ESTIMATES DIRECTLY TO CONGRESS

SEC. 2. (a) Section 206 of the Budget and Accounting Act, 1921 (31 U.S.C. 15), is amended—

(1) by striking out "No" and inserting in lieu thereof the following: "(a) Except as provided in subsection (b) of this section, no"; and

(2) by adding at the end thereof the following new subsection:

"(b) Each of the following agencies shall transmit its estimates and requests for regular, supplemental, and deficiency appropriations directly to the Senate and House of Representatives simultaneously with any transmittal of such estimates and requests to any other agency of the Government: the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, and the Federal Maritime Commission. Such estimates and requests shall reflect the judgment of that agency. Estimates and requests transmitted pursuant to this section shall be in addition to, and not in lieu of, estimates, requests, and proposals transmitted pursuant to any other provision of this title.".

(b) The last sentence of section 207 of such Act (31 U.S.C. 16) is amended by inserting after "shall have authority" a comma and the following: "except as otherwise provided in section 206(b),".

(c) The amedments made by this section shall apply with respect to budgets and requests for fiscal year 1976 and thereafter.

DIRECT SUBMISSION OF LEGISLATIVE RECOMMENDATIONS

SEC. 3. Any communication respecting legislation, made by the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, and the Federal Maritime Commission, shall be submitted by that agency directly to the Congress.

CLEARANCE TO OBTAIN INFORMATION NOT REQUIRED

SEC. 4. (a) Chapter 35 of title 44, United States Code, is amended—

(1) by inserting in the first paragraph of section 3502, immediately after "General Accounting Office", a comma and the following: "the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Federal Maritime Commission, and the Consumer Products Safety Commission,"; and

(2) by adding at the end thereof the following new section:

"§ 3512. Exemption of regulatory agencies

"Any determination to collect information, any plan or form to be used in the collection of information, and the collection of information, by the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Federal Maritime Commission, and the Consumer Product Safety Commission shall not be submitted to, or subject to the approval of, the Office of Management and Budget or any other authority.".

(b) The analysis of such chapter 35, immediately preceding section 3502, is amended by adding at the end thereof the following new item:

"3512. Exemption of regulatory agencies.".

CONTROL OF LITIGATION

SEC. 5. (a)(1) Section 201 of the Federal Aviation Act of 1958 (49 U.S.C. 1321) is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Board is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Board may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Board the Solicitor General shall represent the Board in any civil action to which the Board is a party before the Supreme Court.".

(2) Section 1008 of such Act (49 U.S.C. 1488) is amended by striking out "Board or the Administrator, as the case may be," and inserting in lieu thereof "the Administrator".

(b) Section 4 of the Communications Act of 1934 (47 U.S.C. 154) is amended by adding at the end thereof the following new subsection:

"(p)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(c) Section 201 of the Energy Reorganization Act of 1974 (P.L. 93–438) is amended by adding at the end thereof the following new subsection:

"(g)(1) Notwithstanding any other provision of law whenever, in any civil proceeding involving this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(d) Section 21 (e) of the Securities and Exchange Act of 1934 (15 U.S.C. 78u (e)) is amended to read as follows:

"(e)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(e)(1) Section 17 of the Interstate Commerce Act (49 U.S.C. 17) is amended by adding at the end thereof the following new paragraph:

"(13)(A) Notwithstanding any other provision of law whenever in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(B) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(2) Section 2323 of title 28, United States Code, is amended by striking out the first and fourth paragraph; by striking out "The Interstate Commerce Commission and any" in the second paragraph and inserting in lieu thereof "Any"; and by inserting "Interstate Commerce" before "Commission, in which" in such second paragraph.

(f) Section 310 of the Federal Power Act (16 U.S.C. 8251) is amended—

(1) by inserting "; LITIGATION" immediately after "EMPLOYEES" in the section heading;

(2) by inserting "(a)" immediately after "SEC. 310."; and

(3) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of law whenever, in any civil proceeding arising under this Act, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commisison the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.".

(g) Section 102 of Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) is amended by adding at the end thereof the following:

(e)(1) Notwithstanding any provision of law whenever, in any civil proceeding, the Commission is authorized or required to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, the Commission may elect to appear in its own name by any of its attorneys designated by it for such purpose.

"(2) Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party.

(h)(1) The second sentence of section 22(a) of the Consumer Product Safety Act (86 Stat. 1207; P.L. 92–573) is amended by striking out "by the Commission (with the concurrence of the Attorney General)" and inserting in lieu thereof "in accordance with section 27(b)(7) of this Act".

(2) Section 27(b)(7) of such Act is amended to read as follows:

"(7) notwithstanding any other provision of law, to appear in a court of the United States, or to be represented therein by the Attorney General of the United States, whenever in any civil proceeding arising under section 19 of this Act the Commission is authorized or required to appear in a court of the United States and the Commission elects to appear in its own name by any of its attorneys designated by it for such purpose. Upon the request of the Commission the Solicitor General shall represent the Commission before the Supreme Court in any civil action to which the Commission is a party."

(j) Section 2348 of title 28, United States Code, is amended—

(1) by inserting ", other than proceedings to review orders of the Federal Communications Commission or the Nuclear Regulatory Commission" before the period at the end of the first sentence; and

(2) by inserting "(other than such Commissions)" after "The agency" where it first appears in the second sentence.

(k) Subsection (c) of this section and the amendments made by this section shall not apply to any civil action commenced before the date of enactment of this Act, but, in any civil action commenced before such date in which the Board or any commission referred to in such amendments or such subsection has an interest, attorneys for that Board or such Commission (as the case may be) may, by leave of the court, appear as the friend of the court.

APPOINTMENT AND TENURE OF AGENCY CHAIRMAN, VICE CHAIRMAN, AND OTHER MEMBERS

SEC. 6. (a)(1) Section 201(a)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1321 (a)(2)) is amended—

(A) by inserting immediately before the period at the end of the first sentence the following: "and for no other cause";

(B) by striking out "inefficiency, neglect of duty," and inserting in lieu thereof "neglect of duty," and

(C) by striking out "designate annually" in the last sentence and inserting in lieu thereof "appoint, by and with the advice and consent of the Senate,"; and by adding at the end thereof the following: "Any member appointed as Chairman or Vice Chairman shall serve as such until the expiration of his term as a member of the Board (except that he may continue to serve as Chairman or Vice Chairman, as the case may be, for so long as he remains a member and his succesor as Chairman or Vice Chairman has not taken office). An individual may be appointed Chairman or Vice Chairman.".

(2) Section 201 (a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(3) A member of the Board shall not for a period of 24 months following the termination of his services as a Board Member represent any person before the Board in a professional capacity or accept employment or compensation from any industry subject to this Act."

(3) Section 201 (b) of such Act is amended by adding immediately after the first sentence the following new sentence: "A majority of the members of the Board, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Board.".

(b)(1) Section 4(a) of the Communications Act of 1934 (47 U.S.C. 154(a)) is amended by striking out "the President shall designate as Chairman." and inserting in lieu thereof the following: "shall be appointed Chairman by the President, by and with the advice and consent of the Senate. Any member appointed as Chairman shall serve as such until the expiration of his term as a member of the Commission (except

that he may continue to serve as Chairman for so long as he remains a member and his successor as Chairman has not taken office). An individual may be appointed as a member at the same time he is appointed Chairman. The members of the Commission may be removed by the President for neglect of duty, or malfeasance in office but for no other cause.".

(2) Section 4(b) of such Act is amended—

(A) by striking out the penultimate sentence and inserting in lieu thereof the following new sentence: "A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act."; and

(B) by adding at the end thereof the following new sentence: "A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity in industry regulated by the Commission.".

(3) The first sentence of section 5(a) of such Act is amended by striking out "designated" and inserting in lieu thereof "appointed".

(c) Section 201(b) of the Energy Reorganization Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(3) A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees, or wages from, or represented in a professional capacity, an industry regulated by the Commission.

"(4) A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act."

(d) (1) The first sentence of the first section of the Federal Power Act (16 U.S.C. 792) is amended by striking out all that follows "consent of the Senate," and inserting in lieu thereof "one of whom shall be appointed as Chairman by the President, by and with the advice and consent of the Senate. The Commissioner so appointed shall be the principal executive officer of the Commission and shall serve as Chairman until the expiration of his term as a Commissioner of the Commission (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed Chairman. Any member of the Commission may be removed by the President for neglect of duty or malfeasance but for no other cause.".

(2) Section 3 of Reorganization Plan Numbered 9 of 1950 (64 Stat. 1265) is no longer effective.

(3) The second paragraph of the first section of such Act is amended by adding at the end thereof the following: "A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(e) (1) The fourth sentence of the first section of the Federal Trade Commission Act (15 U.S.C. 41) is amended to read as follows: "The President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed as Chairman.".

(2) Section 3 of Reorganization Plan Numbered 8 of 1950 (64 Stat. 1264) is no longer effective.

(3) The sixth sentence of the first section of such Act is amended by striking "inefficiency" and inserting immediately before the period at the end thereof the following: "but for no other cause".

(4) The first section of such Act is further amended by adding at the end thereof the following new paragraph: "A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(f) (1) Section 4(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended by adding at the end thereof the following: "The President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed as Chairman. The members of the Commission may be removed by the President for neglect of duty, malfeasance in office but for no other cause. A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(2) Section 3 of Reorganization Plan Numbered 10 of 1950 (64 Stat. 1205) is no longer effective.

(g) (1) Section 11 of the Interstate Commerce Act (49 U.S.C. 11) is amended to read as follows:

(A) by inserting immediately before the period at the end of the fourth sentence the following: "but for no other cause";

(B) by striking "inefficiency" from the fourth sentence; and

(C) by adding at the end thereof the following: "The President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed as Chairman. A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(2) Section 3(a) of Reorganization Plan Numbered 1 of 1969 (83 Stat. 859) is no longer effective.

(h) Notwithstanding any provision of Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) the President shall appoint a Chairman from the Commission's membership, by and with the advice and consent of the Senate; and the Commissioner so appointed shall serve as Chairman until the expiration of his term as Commissioner (except that he may continue to serve as Chairman for so long as he remains a Commissioner and his successor as Chairman has not taken office). An individual may be appointed as a Commissioner at the same time he is appointed as Chairman. A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act. A majority of the members of the Commission, including the Chairman, shall be appointed from among persons who, in addition to any other qualifications imposed by this Act, have not been employed by, or received (directly or indirectly) substantial profits, fees or wages from, or represented in a professional capacity an industry regulated by the Commission.".

(2) Section 102(b) of Reorganization Plan Numbered 10 of 1950 (75 Stat. 840) is no longer effective.

(i) Section 4 of the Consumer Product Safety Act is amended as follows:

(1) In subsection (c), the second sentence thereof is amended to read as follows: "A majority of members of the Commission, including the Chairman, shall be appointed from among persons not (1) in the employ of, or holding any official relation to, any person engaged in selling or manufacturing consumer products, or (2) owning stock or bonds of substantial value in a person so engaged, or (3) who are in any other manner pecuniarily interested in such person, or in a substantial supplier of such a person."

(2) At the end thereof add the following new subsection:

"(l) A member of the Commission shall not for a period of 24 months following the termination of his services as a Commissioner represent any person before the Commission in a professional capacity or accept employment or compensation from any industry subject to this Act."

(j) The amendments made by this section shall not apply to the service as Chairman or Vice Chairman of any Board or Commission, or to the service on any Board or Commission referred to in this section, of any person who was serving as Chairman, Vice Chairman, or member of that Board or Commission on the date of enactment of this Act, except that in the case of a person serving as Chairman, Vice Chairman, or member for a fixed term such amendments and subsection shall apply at the end of such term.

INDEPENDENCE IN APPORTIONING APPROPRIATIONS

SEC. 7. (a) Section 3679 of the Revised Statutes of the United States (31 U.S.C. 665) is amended—

(1) by inserting in the first sentence of subsection (d)(1), immediately after "the judiciary," the following: "an independent regulatory agency,";

(2) by inserting in the fifth sentence of subsection (d)(2), immediately before the period at the end thereof a comma and the following: "but does not include an independent regulatory agency";

(3) by inserting in subsection (g), immediately after "the judiciary,", the following: "an independent regulatory agency,"; and

(4) by adding at the end thereof the following new subsection:

"(j) (1) The Comptroller General of the United States shall review from time to time actions taken by each independent regulatory agency under this section. The Comptroller General shall make such recommendations as he considers appropriate to such agency whenever he determines that such agency is not complying with the provisions of this section, or is able to improve its administration of this section. Any such determination or recommendation shall be promptly reported to Congress.

"(2) When used in this section, the term 'independent regulatory agency' means the Civil Aeronautics Board, the Federal Communications Commission, the Nuclear Regulatory Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission or the Federal Maritime Commission.

(b) The amendments made by this section shall apply with respect to appropriations made for fiscal year 1976 and thereafter.

INFORMATION FOR CONGRESS

SEC. 8. (a) Chaper 3 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 306. Reports to Congress by independent regulatory agencies

"(a) For purposes of this section, the term 'independent regulatory agency' means the Nuclear Regulatory Commission, the Civil Aeronautics Board, the Federal Communications Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission, and the Federal Maritime Commission.

"(b) Each independent regulatory agency shall submit to the Senate and House of Representatives an annual regulatory activity report within thirty days after the end of each fiscal year. The report shall include information about every significant change in regulatory policy as implemented in rules and regulations of the agency or in an adjudication by the agency, every judicial decision which materially affects the administration of the agency's regulatory authority, a progress report on all proceedings before the agency, a progress report on all investigations by the agency, a progress report on any other agency actions which Congress requires, and such other information as the Congress may require.

"(c) Each independent regulatory agency shall submit to the Senate and the House of Representatives a planning report within ten days after the end of the fiscal year beginning July 1, 1976, and every fourth fiscal year thereafter. The planning report shall include a summary of every important change of regulatory policy during the preceding four fiscal years, an analysis of the coordination between the agency and every other agency or department the jurisdiction of which overlaps that of the agency, a summary of proposed rules, regulations, investigations, studies, administrative procedural or organizational changes, and the reasons therefor, and any legislative recommendations.

"(d) Each independent regulatory agency shall provide to the Senate and to the House of Representatives all information, data, estimates, and statistics which the Senate and House determine to be necessary in the performance of their oversight duties and functions with respect to that agency within ten days of a request for such information. The Senate and House, and their authorized representatives, shall, for the purpose of identifying and securing material necessary to the performance of their oversight duties and functions with respect to each such agency, have access to and the right to examine any books, documents, papers, records, or computer programs of each independent regulatory agency.

"(e) The reports required to be submitted by this section shall be submitted in addition to any other reports required to be submitted by an independent regulatory agency under any other provision of law."

(b) The analysis of such chapter 3 is amended by adding at the end thereof the following new item:

"306. Reports to Congress by independent regulatory agencies.".

CONGRESSIONAL APPROVAL OF PROPOSED RULES

SEC. 9. (a) Subchapter II of chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 560. Disclosure of congressional ex parte communications with independent regulatory agencies

"Not later than thirty days before the effective date of any proposed rule and not later than ten days after it issues any order, as defined in section 551(6) of this title, each independent regulatory agency shall make available to the public a description of every written and oral communication on behalf of any party affected by that rule or order from any Member of Congress to any Commissioner, Board member, administrative law judge, employee, or agent of the independent regulatory agency concerning or relevant to the proposed rule or order.".

(b) The analysis of such subchapter II is amended by adding at the end thereof the following new item:

"560. Disclosure of congressional ex parte communications with independent regulatory agencies.".

EFFECTIVE DATE WITH RESPECT TO AGENCY PROCEEDINGS

SEC. 10. The provisions of this Act apply only to agency proceedings which are initiated after the date of enactment of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 860. A bill to amend the Fair Labor Standards Act of 1938 with respect to certain agricultural hand harvest laborers. Referred to the Committee on Labor and Public Welfare.

Mr. HATFIELD. Mr. President, when Congress passed the Fair Labor Standards amendments last year section 25 of the law, prohibiting the employment of children under the age of 12 in agricultural harvests except under very limited circumstances, caused grave concern among the people of Oregon.

They are concerned for good reason. As I indicated in testimony before the Senate Labor Subcommittee last December, the application of section 25 this year will immediately eliminate temporary summer job opportunities for over 5,000 young Oregonians; it will seriously threaten the economic future of certain Oregon crops, most notably strawberries, which have historically been dependent on students of all ages for their harvest; and, by so threatening these crops, the law will place in jeopardy the future job opportunities of some 38,000 older pickers, adults, and teenagers alike. Additionally, thousands of Oregon jobs in cannery and transportation operations are threatened by this action of Congress.

I would like to make clear to my colleagues the gravity of this situation in Oregon, the pressures that the agriculture industry has come under in recent years, and also statistical data and personal recollection which reflect the conditions under which Oregon children have worked for years. I am hopeful that, given the evidence that has recently been compiled in Senate hearings, my colleagues will understand the need for immediate action to amend section 25 of the Fair Labor Standards Amendments of 1974.

After the ban on children working in the fields became known, I received a storm of letters from outraged Oregonians who believed that Congress, in imposing the ban, had not taken Oregon's situation into account. In a little over a month I received 1,200 letters from children, educators, and parents. They were accompanied by editorial protests, and by telephone calls from concerned growers who saw no recourse but to plow under their crops.

Many of the letters I received were from children under the age of 12. I would like to give my colleagues some examples of what these young Oregonians had to say. From a young man: "Will you please try to change the law about strawberry picking? I don't have any other way to make money now. My sister can't pick strawberries because my dad works and my mom picks with my sister and I can't stay home alone and I can't pick so I don't know what I'm going to do."

Or another letter, this time from a young lady:

I am writing about the berry picking. I really think that people 9 and over are quite capable of picking berries. I am in the fifth grade and I really think that we are capable

In the bill presented today, I seek only to accomplish a change in the 1974 amendments which will allow the children of permanent State residents to again help harvest crops for a limited period of time in the healthy and constructive environment which has characterized Oregon's traditional experience with its children.

Mr. PACKWOOD. Mr. President, last year, after three tries, Congress passed new minimum wage amendments which were finally signed into law as Public Law 93-259. Included in those amendments was a provision—section 25(b)—to prohibit children under 12 years of age from working in agriculture, a provision which probably escaped the notice of most Senators. Those who examined section 25(b) of the new law most likely assumed that it was designed to protect migrant children against abusive child labor practices. This is and was an objective which we all share.

But as is so often the case, this provision has had a far broader effect than we foresaw in approving the new law. In my State of Oregon, and in the States of Washington, Michigan, and Maine in particular, section 25(b) has had the unintended effect of depriving our young people of a valued and traditional summer activity—berry and bean picking.

Many of those who have studied the history of abusive child labor in the 19th and early 20th century have difficulty differentiating those horrors from the real nature of Oregon's berry and bean picking during the summer months. I doubt that the grassroots opposition to the new prohibition which has been expressed to me, would have occurred had any of the historical conditions of "child labor" existed in Oregon today.

In Oregon, parents are furious that their children are being deprived of their first work experience, their first opportunity to earn money, and to learn responsibility and the value of a dollar.

The loudest outcry has come from the youngsters themselves, who have found a hard time trying to understand why anyone in Washington would tell them they can no longer pick strawberries and beans on their vacations. These youngsters are angry and disappointed. They look upon picking as a social occasion with their friends, "something to do" in the summer, instead of "just sitting around," and importantly as one of the few ways they can earn some spending money.

Mr. President, we in Congress are obligated to ask ourselves if the under-12 prohibition is related to the needs of migrant children or if it is necessary to protect other children from dangerous or abusive conditions.

It should be emphasized that we are unanimous in our concern over the welfare of migrant children, and agree that these children need and deserve special protections. We would also concur in the strong belief that all youngsters should be protected from dangerous or abusive practices in agriculture or elsewhere.

But is berry or bean picking, for these nonmigrant children, dangerous or abusive?

The Oregon Workmen's Compensation Board reports no serious injuries among the 10,000 children under 12 who worked harvesting beans and berries in 1973. The board reports only seven minor injuries, and even of this infinitesimal number, several were clearly not related to berry and bean picking—for example, a bruised back from falling off a ladder. Clearly, if bean and berry picking were a hazardous activity, neither parents nor children would be as anxious as they are to participate.

Mr. President, aside from the inherent value of permitting these youngsters to continue in their summer picking jobs, I should point out the significant role young Oregonians play in Oregon's agricultural economy. Quite simply, removal of Oregon's young people from picking beans and berries would have a ripple effect which would more aptly be described as a tidal wave. Given our current economic woes, we can hardly afford to disregard the potential for more disruption.

First, the 10,000 to 14,000 pickers under 12 years old stand to lose close to a million dollars in summer income. With the additional lost income by mothers and siblings over 12 who would also be forced from the fields, the total lost income from picking would approximate $1½ million annually.

Oregon's farmers, who have just recovered from devastating transportation in rail and shipping failures, would lose something in the vicinity of 9,000 tons of strawberries alone, and together with Washington's farmers, would sacrifice approximately $4 million in lost income.

Next the processors. Oregon and Washington together have 33 strawberry processing plants, small companies which, of course, are highly dependent upon the pickers and farmers for continuation of their operations. The current under-12 prohibition would mean the loss of about 1,800 jobs in these processing plants, and a reduced payroll of about $1½ million. It should be noted here that many of these employees—also seasonal workers in many cases—are adults without otherwise marketable skills. Without processing jobs, they would in many cases be forced to seek lower paying jobs in picking or elsewhere, or would remain unemployed.

And what about the processing plants themselves? Processing plants operate only seasonally, during just a few months of the summer and fall. The season begins with strawberries, and there is no substitute product. Without strawberries, processing plants would just not operate until later crops come in. Seasonal processing already carries a heavy burden. That burden would be increased, and importantly, shifted over to other products, and reflected in farther increases in costs of processed foodstuffs. And no one needs to be reminded about the meaning of rising food costs. And so the ultimate impact falls on the consumer as well, who is already too much overburdened with the effects of an inflationary and now recessionary economy.

Mr. President, the legislation which Senator HATFIELD and I are today introducing, reflects all of these concerns, and is designed to provide very specific remedies. Our proposal would apply only to local hand harvest labor, not to migrant children. Migrant children would continue to have the special protections Congress intended. It would leave in place existing prohibitions against children participating in jobs which are dangerous, and would limit the maximum period of allowable work to 13 weeks per year, while school is not in sesson. Parental consent would continue to be required.

Mr. President, in closing, let me again emphasize that I believe Congress has unintentionally and unwisely restricted thousands of nonmigrant children from participating in a traditional and healthy summer activity, which I myself, and hundreds of thousands of Oregon adults enjoyed as children. I would welcome questions from any Senators on the nature of the work or on the provisions of our bill, and urge speedy action to preserve these jobs for the next picking season.

By Mr. CHURCH (for himself, Mr. JOHNSTON, Mr. FANNIN, Mr. HANSEN, Mr. SPARKMAN, Mr. GRAVEL, Mr. CRANSTON, Mr. TUNNEY, Mr. HUMPHREY, Mr. CURTIS, Mr. MCGEE, Mr. BAYH, Mr. ABOUREZK, Mr. BUCKLEY, Mr. MONTOYA, Mr. MOSS, Mr. BAKER, Mr. EASTLAND, Mr. HATFIELD, Mr. MCCLURE, Mr. BENTSEN, and Mr. TOWER):

S. 861. A bill to amend section 4 of the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

SMALL REFINERS RELIEF ACT

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to exempt small refiners from the adverse economic impact of the Federal Energy Administration's crude oil entitlement program. I am joined in cosponsorship of this measure by my distinguished colleagues Messrs. JOHNSTON, FANNIN, HANSEN, SPARKMAN, GRAVEL, CRANSTON, TUNNEY, HUMPHREY, CURTIS, MCGEE, BAYH, ABOUREZK, BUCKLEY, MONTOYA, MOSS, BAKER, EASTLAND, HATFIELD, MCCLURE, BENTSEN, and TOWER.

In passing the Emergency Petroleum Allocation Act, Congress granted to the President specific temporary authority to deal with the shortages initially precipitated by the Arab oil embargo. The President was further directed to promulgate a regulation providing for the mandatory allocation of crude oil, residual fuel oil, and refined petroleum products.

Congress, however, made its intent clear in section 4(b)(1)(D) of the Emergency Petroleum Allocation Act of 1973 that allocation and pricing regulations were to provide for "preservation of an economically sound and competitive petroleum industry, including the priority needs to restore and foster competition and to preserve the competitive viability of small refiners."

These small refiners provide the competitive edge in an otherwise highly concentrated industry, dominated by the large vertically integrated multinational oil corporations. Very often, it is the small refiner that provides jobbers and independent marketers their only source of products and often at a list price below those of the major brand name companies. Through the provisions of the mandatory allocation program, these savings are then passed along to the consumer.

To comply with the requirement of the Mandatory Allocation Act that crude oil costs be "equitable" and that competition be preserved, the President, acting through the Federal Energy Administration, created the entitlements system. The program sought to spread the financial benefits associated with refining price-regulated "old" oil—that oil controlled at the $5.25 per barrel price—equally among all refiners—both large and small—without actually allocating supplies of oil to refiners. The mechanism for effecting this equalization is a system of tickets in which refiners with percentages of "old" oil higher than the national average must buy "entitlements" from those refiners with percentages of old oil lower than the national average.

The FEA premised the program on the partially correct assumption that certain small refiners were harmed economically because of their disproportionate reliance upon crude oil sold at uncontrolled prices—$11-plus per barrel. Yet, in fact, no matter how the pie is sliced, small refiners—as a group—come out the big losers. Those who must purchase entitlements, including as many as 40 to 50 percent of all small refiners, may end up paying as much as $25,000,000 per month for the right to refine controlled crude oil which many have been processing long before the allocation program came into being. On the other hand, small refiner sellers of entitlements, who depend more heavily on uncontrolled crude oil, are being squeezed by the high price of $11-plus oil.

With respect to the small refiners who must buy—and also those who can sell—entitlements, it makes no sense to me to rob Peter to pay Paul. In the end, the result is the same, the competition provided the industry by small refiners will be greatly reduced.

While the nature of the Federal Energy Administration's entitlement program is extremely complex and while its goal is laudable, the harsh fact remains that unless the impact of this program is somehow tempered, the additional costs to many small refiners will force these businesses to reduce or terminate their refining operations. Such an unfortunate circumstance will come at a time when the President has expressed the need for the Nation to establish new refineries.

The Justice Department recognized the importance of this competition when it filed formal comments on the entitlements program in September 1974. The Department, at that time, urged an exemption for small refiners as essential to preserve their competitive potential.

At the urging of representatives of those small refiners that will be most adversely affected, and particularly because a number of independent marketers in Idaho have suggested this course of action, I am introducing this measure to exempt small refiners whose capacity did not, on January 1, 1975, exceed 100,000 barrels per day from the requirement of purchasing entitlements under the FEA regulation. However, the bill also provides that the rights of small refiners to sell entitlements are not to be restricted. It is hoped in this manner to protect the entire small refiner industry and thereby to enhance their competitive position.

I consider this proposal a working draft by which the Congress might consider this matter in depth. It is altogether possible that changes will be made and a hearing record established.

A refiner's capacity is defined, under the legislation, to include the capacity of any person who controls, is controlled by, or is under common control with the particular refiner, and so the small refiner exemption will not be available to individual refinery divisions or subdivisions of large oil companies. I ask unanimous consent that a list of U.S. refiners, including the refining capacity reported by refiners as of December 1, 1974, appear at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. As I indicated previously, if the entitlements program is not made the subject of congressional scrutiny, it is altogether possible that small refiner buyers of entitlements could end up paying some of the country's oil giants large sums of money for entitlements the majors have to sell; a vital subsidy for those who do not need it. At the very least, I am hopeful that this proposal will prompt a renewed inquiry, on the part of Congress, into the need for refinement and adjustments in this program.

I urge the Congress to act promptly on this measure, for in doing so, competition in the petroleum industry will be enhanced by assuring that no small refiner will be substantially injured or forced to close down because of entitlement purchases or sales.

I ask unanimous consent that the text of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h) Insofar as any regulation promulgated and made effective under subsection (a) of this section shall require the purchase of entitlements, or the payment of money through any other similar cash transfer arrangement aimed at equalizing the cost of crude oil to domestic refiners during the existence of a two-tiered market for crude oil, such regulation shall exempt those refiners whose total refining capacity (including the refining capacity of any person who controls, is controlled by, or is under common control with such refiner) did not exceed on January 1, 1975, one hundred thousand barrels per day from said requirement: *Provided*, That nothing herein shall be taken to restrict the right of any small refiner as defined in section 3(4) of this Act to receive payments for entitlements or through any other such cash transfer arrangement.".

SEC. 2. The amendment made by the first section of this Act shall be deemed to have taken effect as of January 1, 1975.

Petroleum refiners in the United States, Puerto Rico, the Virgin Islands, and Guam—Operating capacities as of December 1, 1974

Companies controlling more than 1000,000 b/d crude oil capacity:

	Capacity d/b
Exxon Corp. (Exxon Co., U.S.A.):	
Baton Rouge, La. 70821	431,000
Port Arthur (Baytown), Tex. 77520	413,000
Linden (Bayway), N.J. 07036	268,000
Billings, Mont. 59103	45,000
Benicia, Calif. 94510	86,000
Total	1,243,000
Shell Oil Co:	
Wood River, Ill. 62095	255,000
Deer Park (Houston), Tex. 77536	294,000
Martinez, Calif. 94554	100,000
Wilmington, Calif. 90744	90,000
Norco, La. 70079	240,000
Anacortes, Wash. 98221	88,000
Gallup, N. Mex. 87301	17,000
Odessa, Tex. 79760	29,000
Total	1,113,000
Texaco, Inc:	
W. Tulsa, Okla. 74101	50,000
Lockport, Ill., 60441	72,000
Lawrenceville, Ill. 62439	84,000
Eagle Point, N.J. 08093	68,000
Amarillo, Tex. 79105	20,000
El Paso, Tex. 79998	17,000
Casper, Wyo. 82601	21,000
Los Angeles, Calif. 90744	75,000
Port Arthur, Tex. 77640 and Port Neches	453,000
Puget Sound, Wash. 98221	85,000
Convent, La. 70723	140,000
Total	1,105,000
Standard Oil Co. (Indiana):	
Amoco Oil Co.:	
Baltimore, Md. 21226	11,000
Casper, Wyo. 82601	37,592
Mandan, N. Dak. 58554	48,000
Salt Lake City, Utah 84103	38,000
Savannah, Ga. 31402	15,033
Sugar Creek, Mo. 64054	103,000
Whiting, Ind. 46394	360,000
Wood River, Ill. 62095	102,000
Yorktown, Va. 23690	48,000
Texas City, Tex. 77590	320,000
Total	1,082,625
Standard Oil Co. of California:	
Richmond, Calif. 94802	190,000
El Segundo, Calif. 90245	220,000
Bakersfield, Calif. 93308	26,000
Barber's Point, Hawaii 96801	35,000
Nikishi, Alaska 99611	20,000
Chevron Oil Co.:	
Perth Amboy, N.J. 08861	80,000
El Paso, Tex. 79998	65,000
Salt Lake City, Utah 84110	43,000

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Petroleum refiners in the United States, Puerto Rico, the Virgin Islands, and Guam—Operating capacities as of December 1, 1974—Continued

Chevron Asphalt:	
Baltimore, Md. 21203	14,000
Blakely Is., Ala. 36601 [1]	
North Bend, Ohio 45238 [1]	
Portland, Oreg. 97208	18,000
Standard Oil Co. (Kentucky):	
Pascagoula, Miss. 39567	280,000
Total	991,000
Gulf Oil Corp.:	
Port Arthur, Tex. 77640	312,100
Philadelphia, Pa. 19101	168,500
Toledo, Ohio 43697	48,800
Cincinnati, Ohio 45001	42,100
Venice, La. 70091	22,700
Santa Fe Springs, Calif. 90670	49,800
Belle Chase, La. 70037	180,102
Sequoia Refinery Corp.:	
Sequoia, Calif. 94547	27,000
Bayamon, P.R. 00936	37,800
Total	888,902
Mobil Oil Corp.:	
Torrance, Calif. 90503	124,000
Ferndale, Wash. 98248	64,000
Buffalo, N.Y. 14240	43,000
Paulsboro, N.J. 08066	98,000
East Providence, R.I. 02915	
Augusta, Kans. 67010	50,000
Beaumont, Tex. 77704	325,000
Joliet, Ill. 60434	160,000
Total	871,000
Atlantic Richfield Co.:	
Point Breeze, Pa. 19101	185,000
Carson, Calif. 90745	185,000
East Chicago, Ind. 46312	140,000
Houston, Tex. 77001	187,500
Cherry Point, Ferndale, Wash. 98248	98,000
Total	795,500
Amerada Hess Corp.:	
Port Reading, N.J. 07064 [2]	0
Purvis, Miss. 39475	28,000
Kings Hill, St. Croix, V.I. 00850	700,000
Total	728,000
Sun Oil Co.:	
Marcus Hook, Pa. 19061	163,000
Toledo, Ohio 43693	120,000
Tulsa, Okla. 74102	67,000
Ducan, Okla. 73533	48,500
Puerto Rico 00918	85,000
Corpus Christi, Tex 78403 [3]	55,600
Total	549,100
Union Oil Company of California:	
Lemont, Ill 60439	152,000
Beaumont, Tex. 77627	120,000
Los Angeles, Calif. 90744	108,000
Rodeo, Calif. 94572 [4]	111,000
Total	491,000
Standard Oil Company of Ohio:	
Lima, Ohio 45804	165,000
Toledo, Ohio 43616	120,900
Marcus Hook, Pa. 19061 [5]	141,000
Total	426,000
Phillips Petroleum Co.:	
Woods Cross, Utah 84087	23,000
Great Falls, Mont. 59401	5,700
Borger, Tex. 79007	95,000
Kansas City, Kans. 66115	85,000
Sweeny, Tex. 77480	85,000
Martinez, Calif. 94553	110,000
Total	403,700
Continental Oil Co.:	
Egan, La. 70531	15,000
Ponca City, Okla. 74601	117,000
Westlake, La. 70669	83,000
Commerce City, Colo. 80022 (Denver)	28,500
Billings, Mont. 59103	52,500
Wrenshall, Minn. 55797	20,000
Sheboygan, Wis. 53082 [6]	
Paramount, Calif. 90723 [7]	35,000
Santa Monica, Calif. 93554 [7]	8,000
Total	395,000
Ashland Oil Co.:	
Catlettsburg, Ky. 41129	135,000
Buffalo, N.Y. 14120	60,000
Canton, Ohio 44706	60,000
Findlay, Ohio 45840	10,000
Louisville Refining Co.:	
Louisville, Ky. 40201	25,000
Valvoline Oil Co.:	
Freedom, Pa. 15042	6,500
Northwestern Refining Co.:	
St. Paul Park, Minn. 55071	62,336
Total	358,836
Marathon Oil Co.:	
Robinson, Ill. 62454	195,000
Detroit, Mich. 48217	65,000
Texas City, Tex. 77590	61,000
Total	321,000
Cities Service Oil Co.:	
Lake Charles, La. 70604	
East Chicago, Ind. 46312 [8]	
Total	268,000
Getty Oil Co:	
Delaware City, Del. 19706	140,000
Skelly Oil Co:	
El Dorado, Kan. 67042	78,731
Total	218,731
Coastal States Gas Producing Co.:	
Coastal States Petrochemical Co.:	
Corpus Christi, Tex. 78403	185,000
Derby:	
Wichita, Kan. 67201	27,982
Total	212,982
American Petrofina, Inc.:	
Mt. Pleasant, Tex. 75455	26,000
Eldorado, Kan. 67042	22,500
Port Arthur, Tex. 77640 [9]	83,300
Cosden Oil Co.:	
Big Springs, Tex. 79720	60,000
Total	191,800
Kerr-McGee Corp.:	
Wynnewood, Okla. 73098	34,000
Dubach, La. 71235	11,000
Cotton Valley Solvents Co.:	
Cotton Valley, La. 71018	11,000
Southwestern Refining, Inc.:	
Corpus Christi, Tex. 78408	114,000
Total	170,000
Commonwealth Oil Refining Co., Inc.:	
Ponce, Puerto Rico 00731	161,000
Champlin Petroleum Co.:	
Enid, Okla. 73701	53,800
Corpus Christi, Tex. 78408	62,186
Wilmington, Calif. 90744	30,600
Total	146,586
Murphy Oil Corp.:	
Superior, Wisc. 54880	45,400
Meraux, La. 70075	92,500
Total	137,900
Koch Refining Co.:	
Pine Bend, Minn. 55165 [10]	110,000
Clark Oil & Refining Corp.:	
Blue Island, Ill. 60406	69,023
Hartford, Ill. 62048 [11]	38,000
Total	107,023
Tenneco Oil Co.:	
Chalmette, La. 70043	103,000
Total capacity of companies controlling more than 100,000 b/d crude oil capacity	13,564,585
Companies controlling 30,001 to 100,000 b/d crude oil capacity:	
Crown Central Petroleum Corp.:	
Pasadena, Tex. 77001	100,000
Oil Shale Corp.:	
Bakersfield, Calif. 93303 [12]	40,000
El Dorado, Ark. [13]	47,000
Total	87,000
Charter International Oil Co.:	
Houston, Tex. [14]	70,000
Kern County Refinery, Inc:	
Bakersfield, Calif. 93307	15,900
Total	85,900
Texas City Refining Inc.:	
Texas City, Tex. 77590	74,500
Farmland Industries, Inc.:	
CRA, Inc. (Cooperative Refinery Association):	
Coffeyville, Kan. 67337	48,338
Phillipsburg, Kan. 67661	20,500
Scottsbluff, Nebr. 69361	5,000
Total	73,838
Tesoro Petroleum Corp.:	
Carrizo Springs, Tex. 78834	13,000
Newcastle, Wyo. 82701	10,000
Kenai, Alaska 99611	38,000
Wolf Point, Mont. 59201 [15]	2,500
Total	63,500
United Refining Co.:	
Warren, Pa. 16365	52,000
Osceola Refining Company:	
West Branch, Mich. 48661	9,500
Total	61,500
Pennzoil Co.:	
Rouseville, Pa. 16344	10,000
Eik Refining Co.:	
Falling Rock, W. Va. 25079	4,200
Atlas Processing Co.:	
Shreveport, La. 71109	45,000
Wolfs Head Oil Refining Co.:	
Reno, Pa. 16343	2,100
Total	61,300
Husky Oil Co.:	
Cheyenne, Wyo. 82001	24,171
Cody, Wyo. 82414	10,800
Salt Lake City, Utah 84054	25,000
Total	59,971
Apco Oil Corp.:	
Cyril, Okla. 73029	12,440
Arkansas City, Kans. 67005	46,230
Total	58,670

Hawaiian Independent Refinery, Inc.:	
Pacific Resources:	
Barbers Point, Oahu 96706 [16]	54,833
National Cooperative Refinery Association:	
McPherson, Kans. 67460	54,150
Howell Corp.:	
Corpus Christi, Tex. 78408	47,000
Howell Hydrocarbons:	
San Antonio, Tex. 78299	3,600
Total	50,600
Diamond Shamrock Corp.:	
Sunray, Tex. 79086	46,393
Pasco Inc.:	
Sinclair, Wyo. 82334	46,000
Powerline Oil Co.:	
Santa Fe Springs, Calif. 90670	46,000
Earth Resources Co.:	
Delta Refining Co.:	
Memphis, Tenn. 38109	43,900
Farmers Union Central Exchange, Inc.:	
Laurel, Mont. 59044	42,500
Famariss Oil & Refining Co.:	
Monument, N. Mex. 88265	5,000
Lovington, N. Mex. 88260	37,000
Total	42,000
Monsanto Co.:	
Alvin, Tex. 77511	42,000
Total Leonard Inc.:	
Alma, Mich. 48801	42,000
Pride Refining Inc.:	
Abilene, Tex. 79604	36,500
Toro Petroleum Corp.:	
Ryder System:	
Port Allen, La. 70767	36,000
Swift & Co.:	
Vickers:	
Bell Oil & Gas:	
Ardmore, Okla. 73401	32,500
Total capacity of companies controlling 30,000 to 100,000 b/d crude oil capacity	1,341,555
Companies controlling 10,001 to 30,000 b/d crude oil capacity:	
Navajo Refining Co.:	
Artesia, N. Mex. 88210	29,930
Witco Chemical Corp.:	
Oildale, Calif. 93308	11,000
Bradford, Pa. 16701	9,000
Hammond, Ind. 46320	9,800
Total	29,800
Edington Oil Co.:	
Long Beach, Calif. 90805	10,500
Long Beach, Calif. 90805	19,000
Total	29,500
Guam Oil & Refining Co., Inc.:	
Agana, Guam 96910	29,500
Rock Island Refining Corp.:	
Rock Island, Ind. 46268	29,500
Good Hope Refineries, Inc.:	
Good Hope, La. 70004	29,450
Texas Eastern Transmission Corp.:	
LaGloria Oil & Gas Co.: Tyler, Tex. 75701	28,000
OKC Refinery Inc.:	
Okmulgee, Okla. 74447	25,000
Quaker State Oil Refining Corp.:	
Emlenton, Pa. 16373	3,000
St. Mary's (Ohio Valley), W. Va. 26170	5,000
Newell, W. Va. 26050	10,000
Farmer's Valley, Pa. 16701	7,000
Total	25,000
Mohawk Petroleum Corp. Inc.:	
Bakersfield, Calif. 93302	22,100
Little America Refining Co.:	
Casper, Wyo. 82636	22,000
First General Resources Co.:	
The Refinery Corp.: Denver, Colo. 80022	21,500
North American Petroleum Corp.:	
Shallow Water, Kans 67871	10,000
La-Jet Corp.:	
St. James, La. 70086	11,000
Total	21,000
Southland Oil Co.:	
Yazoo City, Miss. 39194	4,200
Lumberton, Miss. 39455	5,800
Sandersville, Miss. 39477	11,000
Total	21,000
Crystal Oil Co.:	
Longview Refining Co.:	
Long View, Tex. 75601	7,500
Adobe Refining Co.:	
La Bianca, Tex. 78558	5,000
Berry Asphalt & Refining Co.:	
Stephens, Ark. 71764	3,240
Crystal-Princeton Refining Co.:	
Princeton, Ind. 47670 [17]	4,500
Total	20,240
Dow Chemical Co.:	
Bay City, Mich. 48706 (Chemical plant)	5,000
Bay Refining Co.:	
Bay City, Mich. 48706	15,000
Total	20,000
San Joaquin Refining Co.:	
Oildale, Calif. 93308	20,000
Winston Refining Co.:	
Fort Worth, Tex. 76101 [18]	20,000
Midland Cooperatives, Inc.:	
Cushing, Okla. 74023	19,600
U.S. Oil & Refining Co.:	
Tacoma, Wash. 98421	18,500
Fletcher Oil & Refining Co.:	
Carson, Calif. 90744	18,000
Hunt Oil Co.:	
Tuscaloosa, Ala. 35401	18,000
Indiana Farm Bureau Cooperative Association, Inc.:	
Mount Vernon, Ind. 47620	17,500
Marion Corp.—Refining Division:	
Theodore, Ala. 36606 [19]	17,250
Shaheen Natural Resources of New York:	
MacMillan Ring-Free Oil Co., Inc.:	
Signal Hill, Calif. 90806	12,200
Norphlet, Ark. 71759	4,400
Total	16,600
South Hampton Co.:	
Silsbee, Tex. 77656 [20]	16,017
Sunland Refining Corp.:	
Bakersfield, Calif. 93302	15,000
West Coast Oil Co.:	
Oildale, Calif. 93308	15,000
Canadian Hydrocarbons Ltd.:	
Thunderbird Resources Inc.:	
Kevin, Mont. 59464	5,123
Westland Oil Co.:	
Williston, N. Dak. 58801	5,000
Westco Refining Co.:	
Cut Bank, Mont. 59427	4,658
Chinook, Mont. 59523 [21]	
Total	14,781
A. Johnson & Co., Inc.:	
Newington, N.H. 03801	14,000
Golden Eagle Refining Co., Inc.:	
Golden Eagle, Calif. 90745 [22]	13,000
Beacon Oil Co.:	
Hanford, Calif. 93230	12,100
Newhall Refining Co., Inc.:	
Newhall, Calif. 91322	11,500
Arizona Fuels Corp.:	
Fredonia, Ariz. 86011	3,000
Major Oil Corp.:	
Roosevelt, Utah 84066	7,500
Total	10,500
Total capacity of companies controlling 10,001 to 30,000 b/d crude oil capacity	690,868
Companies having 10,000 b/d crude oil capacity and less:	
Allied Chemical Corp.:	
Union Texas Petroleum:	
Winnie, Tex. 77665	9,400
Allied Materials Corp.:	
Stroud, Okla. 74079	5,500
Bayou State Oil Corp.:	
Hosston, La. 71043 [23]	3,500
NGL Supply, Inc.:	
C&H Refinery:	
Lusk, Wyo. 82225	450
Calumet Industries, Inc.:	
Calumet Refining Co.:	
Princeton, La. 71067	2,000
Anchor Gasoline Corp.:	
Canal Refining Co.:	
Church Point, La. 75025	3,500
Caribou Four Corners Oil Co.:	
Woods Cross, Utah 84087	5,000
Kirtland, N. Mex. 87417	2,000
Total	7,000
Claiborne Gasoline Co.:	
Lisbon, La. 71048	6,500
Charles J. Wood Petroleum Co.:	
Cross Oil & Refining Co. of Arkansas:	
Smackover, Ark. 71762	6,000
Crystal Refining Co.:	
Carson City, Mich. 48811	6,200
Dingman Oil & Refining Co., Inc.:	
Sabre Oil & Refining Co.:	
Bakersfield, Calif. 93308	3,500
Dorchester Gas Producing Co.:	
Cargray, Tex. 79097 (White Deer, Texas)	1,388
Eddy Refining Co.:	
Houston, Tex. 77001	3,250
Edgington Oxnard Refinery:	
Oxnard, Calif. 93032	2,500
Evangeline Refining Co., Inc.:	
Jennings, La. 70546	4,000
Flint Ink Corp.:	
Flint Chemical Co.:	
San Antonio, Tex. 78211	1,500
Gary Operating Co.:	
Gary Western Co.:	
Gilsonite, Colo. 81521	8,000
Giant Industries Inc.:	
Bloomfield, N. Mex. 87413	9,600
Gladieux Refinery, Inc.:	
Fort Wayne, Ind. 46803	8,500
Gulf States Oil & Refining Co.:	
Quitman, Tex. 75783 [24]	4,500
J & W Refining, Inc.:	
Palestine, Tex. 75801 [25]	10,000
Kentucky Oil & Refining Co.:	
Betsy Layne, Ky. 41605	1,000
Lakeside Refining Co.:	
Kalamazoo, Mich. 49005 [26]	4,000
Laketon Asphalt Refining, Inc.:	
Laketon, Ind. 46943	8,500
Mid-America Refining Co., Inc.:	
Chanute, Kans. 66720	3,000
Mid-Tex Refinery:	
Hearne, Tex. 77859 [27]	7,500
Morrison Petroleum Co.:	
Woods Cross, Utah 84087	1,500
Mountaineer Refining Co., Inc.:	
LaBarge, Wyo. 83123	700
National Oil Recovery Corp.:	
Bayonne, N.J. 07002	3,000
Northland Oil & Refining Co.:	
Dickinson, N. Dak. 58601	5,000
Oriental Refining Co.:	
Greybull, Wyo. 82426 [28]	150

Footnotes at end of table.

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Pioneer Refining Co.:	
Nixon, Tex. 78140	2,200
Plateau, Inc.:	
Surburban Propane Gas Corp.:	
Bloomfield, N. Mex. 87413	7,500
Road Oil Sales, Inc.:	
Bakersfield, Calif. 93308	1,500
Saber Petroleum Corp.:	
Corpus Christi, Tex. 78403 [23]	9,000
Sage Creek Refining Co., Inc.:	
Cowley, Wyo. 82420	1,000
Seminole Asphalt Refining Co.:	
St. Marks, Fla. 32355	6,000
Somerset Refining Co.:	
Somerset, Ky. 42501	2,900
Sound Refining Inc.:	
Kewanee Oil Co.:	
Tacoma, Wash. 98401	4,500
Southwestern Refining Co.:	
LaBarge, Wyo. 83123	500
Texas Asphalt & Refining Co.:	
Euless, Tex. 76039	6,000
Texas Fuel & Asphalt Co., Inc.:	
LaCosta, Tex. 78039	1,500
Thagard Oil:	
South Gate, Calif. 90280 [24]	3,222
	=
Thriftway Oil Co.:	
Bloomfield, N. Mex. 87413	4,020
Graham, Tex 76046	800
Total	4,820
	=
Tonkawa Refining Co.:	
Arnett, Okla. 73832	5,000
United Independent Oil Co.:	
Tacoma, Wash., 98421	500
V-1 Oil Co.:	
Glenrock, Wyo.	1,000
	Capacity b'd
Vulcan Asphalt Refining Co.:	
Cordova, Ala. 35550	5,000
Warrior Asphalt Corp.:	
Tuscaloosa, Ala. 35401	3,000
Western Refining Co.:	
Woods Cross, Utah 84087 [25]	10,000
Wickett Refining Co.:	
Wickett, Texas 79788 [26]	5,362
Wireback Oil Co.:	
Plymouth, Ill. 62367	1,200
Yetter Oil Co.:	
Colmar, Ill. 62327	1,000
Young Refining Corp.:	
Douglasville, Ga. 30134	5,000
Total capacity of companies having 10,000 b'd oil capacity and less	228,842
Grand total operating capacity for the United States, Puerto Rico, the Virgin Islands and Guam	15,625,850

FOOTNOTES

[1] Some asphalt plants are shut down during winter months and do not report any capacity to FEA.
[2] Closed down.
[3] Formerly Sunnide Refining Co.
[4] Includes Arroyo Grande Refinery.
[5] Formerly BP.
[6] "Purchased from Empire International Inc. about 1969 and has been shut down ever since. It used to have 5,000 capacity but it is doubtful if it will ever be put back on stream."
[7] Formerly Douglas Oil of California.
[8] Shutdown.
[9] Formerly BP.
[10] Formerly Great Northern Oil Co.
[11] "Hartford planned expansion ready April 1, 1975".
[12] Formerly Tosco-Petro.
[13] Formerly Lion Oil Co., Monsanto.
[14] Formerly Signal Oil & Gas Co.
[15] Formerly Spruce Oil Corporation
[16] Capacity as of 1 December expected to increase during allocation period.
[17] Formerly R. J. Oil Refining Co.
[18] Formerly Fort Worth Refining Co.
[19] Formerly Alabama Refining Co., Inc.
[20] Capacity as of 1 December expected to increase during allocation period.
[21] Formerly Diamond Asphalt Co. Some asphalt plants are shutdown during winter months and do not report any capacity to FEA.
[22] Formerly Carson Oil Company.
[23] Two refineries combined
[24] Formerly Wood County Refining Co.
[25] Formerly Anderson Refining Co.
[26] "Plant shut down since Sept. 2, 1974 for rehabilitation—uncertain as to when it will be back on stream."
[27] "Note: New facility—hope to go on stream about July 1974. They will call us when ready."
[28] Formerly Gordon Refinery Co., owned by Flank Oil Co.
[29] "Looking for land to locate refinery purchased from Sun-hope to go on stream Oct., 1974—by Dec. 1974?"; Capacity as of 1 Dec. expected to increase during allocation period.
[30] Formerly Lunday-Thagard Company.
[31] "Hope to start up Oct. 15, 1974 (Start up 'near the end of Dec.')" Capacity as of 1 Dec. expected to increase during allocation period.
[32] Formerly Crown Refining Company, Inc.
[33] Capacity as of 1 December expected to increase during allocation period

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By Mr. CHURCH:

S. 862. A bill to amend the Social Security Act to provide for the coverage of certain drugs under part A of the health insurance program established by title XVIII of such act. Referred to the Committee on Finance.

COVERAGE OF ESSENTIAL OUT-OF-HOSPITAL PRESCRIPTION DRUGS UNDER MEDICARE

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to extend medicare coverage to include out-of-hospital prescription drugs which are necessary for the treatment of crippling or life-threatening afflictions.

Medicare now provides coverage for most prescription drugs which are administered while patients are confined to a hospital or skilled nursing facility. But it does not provide protection for older or disabled Americans who require drugs on an outpatient basis.

This lack of coverage is one of the most serious gaps in the entire medicare program.

For fiscal year 1973 the elderly's expenditures for drugs and drug sundries amounted to almost $2.1 billion. And the overwhelming proportion of this total—approximately 88 percent—was financed from private resources.

In fact, private expenditures by the aged for drugs rank second only to hospital care. Drugs now account for almost 23 percent of all private health expenses for older Americans.

Perhaps even more significant, this cost falls most heavily upon those who can least afford it—the low-income aged who suffer from chronic conditions. Approximately 15 percent of all older Americans are afflicted with severe chronic conditions. And drug costs for this group are nearly six times as great as for younger Americans.

Today one of the greatest threats to the economic security of the elderly is the high cost of illness.

Despite the valuable protection which medicare provides, it covers only 40 percent of the aged's health care costs. And, this coverage is clearly on the decline.

Per capita medical expenses for persons 65 or older amount to $1,052 per year, or nearly 3 times as great for individuals in the 19 to 64 age category and over 6 times as great for persons under 19.

The net impact is that the elderly now pay more in out-of-pocket payments for health care than the year before medicare became law. In 1973 an aged person directly paid an average of $311, or $75 more than in 1966.

Coverage of out-of-hospital prescriptions for crippling or life threatening conditions would clearly be an important and helpful step in closing a major gap in medicare coverage.

This protection is, in my judgment, not only indispensable for the elderly, but it is also long overdue.

The need for this coverage has been reaffirmed time and time again by numerous leading authorities, including a Presidential Task Force on Aging, the 1971 Social Security Advisory Council, the White House Conference on Aging, and national senior citizen organizations.

Today some hospital stays are prolonged simply to enable medicare patients to obtain reimbursements for their drug costs. This practice is not only wasteful, but it also drives up medical expenditures because institutionalization is the most expensive form of health care.

During the past Congress the Senate again put itself on record in support of medicare coverage for essential out-of-hospital prescription drugs. Unfortunately no action was taken on that proposal in conference committee.

This year, however, I am hopeful that medicare coverage can at long last be extended to prescriptions necessary for the treatment of crippling or life-threatening afflictions.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 226(c)(1) of the Social Security Act is amended by striking out "and post-hospital home health services" and inserting in lieu thereof "post-hospital home health services, and eligible drugs".

(b) Section 1811 of the Social Security Act is amended by inserting "and eligible drugs" after "related post-hospital services".

(c) Section 1812(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and "; and

(3) by adding after paragraph (3) the following new paragraph:

"(4) eligible drugs.".

(d) Section 1813(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(4) The reasonable allowance, as defined in section 1813, for eligible drugs furnished an individual pursuant to any one prescription (or each renewal thereof) and purchased by such individual at any one time shall be reduced by an amount equal to the applicable prescription copayment obligation which shall be $1."

(e)(1) Section 1814(a) of the Social Security Act is amended—

(A) by striking out "and" at the end of paragraph (6);

(B) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and "; and

(C) by inserting after paragraph (7) the following new paragraph:

"(8) with respect to drugs or biologicals furnished pursuant to and requiring (except for insulin) a physician's prescription, such drugs or biologicals are eligible drugs as defined in section 1861(t) and the participating pharmacy (as defined in section 1861(dd)) has such prescription in its possession, or some other record (in the case of insulin) that is satisfactory to the Secretary."

(2) Section 1814(b) of such Act is amended—

(A) by inserting "(1)" after "(b)",

(B) by inserting "(other than a pharmacy)" immediately after "provider of services",

(C) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(D) by redesignating clauses (A) and (B) of paragraph (1) as clauses (i) and (ii), respectively, and

(E) by adding at the end thereof the following new paragraph:

"(2) The amount paid to any participating pharmacy which is a provider of services with respect to eligible drugs for which payment may be made under this part shall, subject to the provisions of section 1813, be the reasonable allowance (as defined in section 1822) with respect to such drugs."

(f) Section 1814 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Limitation on Payment for Eligible Drugs

"(j) Payment may be made under this part for eligible drugs only when such drugs are dispensed by a participating pharmacy; except that payment under this part may be made for eligible drugs dispensed by a physician where the Secretary determines, in accordance with regulations, that such eligible drugs were required in an emergency or that there was no participating pharmacy available in the community, in which case the physician (under regulations prescribed by the Secretary) shall be regarded as a participating pharmacy for purposes of this part with respect to the dispensing of such eligible drugs."

(g) Part A of title XVIII of the Social Security Act is further amended by adding after section 1818 the following new sections:

"MEDICARE FORMULARY COMMITTEE

"SEC. 1819. (a)(1) There is hereby established, within the Department of Health, Education, and Welfare, a Medicare Formulary Committee (hereinafter referred to as the 'Committee'), a majority of whose members shall be physicians and which shall consist of the Commissioner of Food and Drugs and of four individuals (not otherwise in the employ of the Federal Government) who do not have a direct or indirect financial interest in the composition of the Formulary established under this section and who are of recognized professional standing and distinction in the fields of medicine, pharmacology, or pharmacy, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The Chairman of the Committee shall be elected annually from the appointed members thereof, by majority vote of the members of the Committee.

"(2) Each appointed member of the Committee shall hold office for a term of five years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, one at the end of each of the first five years. A member shall not be eligible to serve continuously for more than two terms.

"(b) Appointed members of the Committee, while attending meetings or conferences thereof or otherwise serving on business of the Committee, shall be entitled to receive compensation at rates fixed by the Secretary (but not in excess of the daily rate paid under GS-18 of the General Schedule under section 5332 of title 5, United States Code), including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(c)(1) The Committee is authorized, with the approval of the Secretary, to engage or contract for such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Committee such secretarial, clerical, and other assistance as the Formulary Committee may require to carry out its functions.

"(2) The Secretary shall furnish to the Committee such office space, materials, and equipment as may be necessary for the Formulary Committee to carry out its functions.

"MEDICARE FORMULARY

"SEC. 1820. (a)(1) The Committee shall compile, publish, and make available a Medicare Formulary (hereinafter in this title referred to as the 'Formulary').

"(2) The Committee shall periodically revise the Formulary and the listing of drugs so as to maintain currency in the contents thereof.

"(b)(1) The Formulary shall contain an alphabetically arranged listing, by established name, of those drug entities within the following therapeutic categories:

"Adrenocorticoids,
"Anti-anginals,
"Anti-arrhythmics,
"Anti-coagulants,
"Anti-convulsants (excluding phenobarbital),
"Anti-hypertensives,
"Anti-neoplastics,
"Anti-Parkinsonism agents,
"Anti-rheumatics,
"Bronchodilators,
"Cardiotonics,
"Cholinesterase inhibitors,
"Diuretics,
"Gout suppressants,
"Hypoglycemics,
"Miotics,
"Thyroid hormones,
"Tuberculostatics,

which the Committee decides are necessary for individuals using such drugs. The Committee shall exclude from the Formulary any drug entities (or dosage forms and strengths thereof) which the Committee decides are not necessary for proper patient care, taking into account other drug entities (or dosage forms and strengths thereof) which are included in the Formulary.

"(2) Such listing shall include the specific dosage forms and strengths of each drug entity (included in the Formulary in accordance with paragraph (1)) which the Committee decides are necessary for individuals using such drugs.

"(3) Such listing shall include the prices at which the products (in the same dosage form and strength) of such drug entities are generally sold by the suppliers thereof and the limit applicable to such prices under section 1822(b)(1) for purposes of determining the reasonable allowance.

"(4) The Committee may also include in the Formulary, either as a separate part (or parts) thereof or as a supplement (or supplements) thereto, any or all of the following information:

"(A) A supplemental list or lists, arranged by diagnostic, prophylactic, therapeutic, or other classifications, of the drug entities (and dosage forms and strengths thereof) included in the listing referred to in paragraph (1).

"(B) The proprietary names under which products of a drug entity listed in the Formulary by established names (and dosage form and strength) are sold and the names of each supplier thereof.

"(C) Any other information with respect to eligible drug entities which in the judgment of the Committee would be useful in carrying out the purposes of this part.

"(c) In considering whether a particular drug entity (or strength or dosage form thereof) shall be included in or excluded from the Formulary, the Committee is authorized to obtain (upon request therefor) any record pertaining to the characteristics of such drug entity which is available to any other department, agency, or instrumentality of the Federal Government, and to request suppliers or manufacturers of drug and other knowledgeable persons or organizations to make available to the Committee information relating to such drug. If any such record or information (or any information contained in such record) is of a confidential nature, the Committee shall respect the confidentiality of such record or information and shall limit its usage thereof to the proper exercise of its authority.

"(d)(1) The Committee shall establish such procedures as it determines to be necessary in its evaluation of the appropriateness of the inclusion in or exclusion from the Formulary, of any drug entity (or dosage form or strength thereof). For purposes of inclusion in or exclusion from the Formulary the principal factors in the determination of the Committee shall be—

"(A) the factor of clinical equivalence in the case of the same dosage forms in the same strengths of the same drug entity, and

"(B) the factor of relative therapeutic value in the case of similar or dissimilar drug entities in the same therapeutic category.

"(2) The Committee, prior to making a final decision to remove from listing in the Formulary any drug entity (or dosage forms or strengths thereof) which is included therein, shall afford a reasonable opportunity for a formal or informal hearing on the matter to any person engaged in manufacturing, preparing, compounding, or processing such drug entity who shows reasonable ground for such a hearing.

"(3) Any person engaged in the manufacture, preparation, compounding, or processing of any drug entity (or dosage forms or strengths thereof) not included in the Formulary which such person believes to possess the requisite qualities to entitle such drug to be included in the Formulary pursuant to subsection (b) may petition for inclusion of such drug entity and, if such petition is denied by the Formulary Committee, shall, upon request therefor, showing reasonable grounds for a hearing, be afforded a formal or informal hearing on the matter in accordance with rules and procedures established by such Committee.

"LIMITATIONS ON MEDICARE PAYMENT FOR CHARGES OF PROVIDERS OF SERVICES

"SEC. 1821. (a) Any provider of services as defined in section 1861(u), whose services

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are otherwise reimbursable, under any program under this Act in which there is Federal financial participation on the basis of 'reasonable cost', shall not be entitled to a professional fee or dispensing charge or reasonable billing allowance as determined pursuant to this part.

"(b) A fee, charge, or billing allowance shall not be payable under this section with respect to any drug entity that (as determined in accordance with regulations) is furnished as an incident to a physician's professional service, and is of a kind commonly furnished in physicians' offices and commonly either rendered without charge or included in the physicians' bills.

"REASONABLE ALLOWANCE FOR ELIGIBLE DRUGS

"SEC. 1822. (a) For purposes of this part, the term 'reasonable allowance' when used in reference to an eligible drug (as defined in subsection (h) of this section) means the following:

"(1) When used with respect to a prescription legend drug entity, in a given dosage form and strength, such term means the lesser of—

"(A) an amount equal to the customary charge at which the participating pharmacy sells or offers such drug entity, in a given dosage form and strength, to the general public, or

"(B) the price determined by the Secretary, in accordance with subsection (b) of this section, plus the professional fee or dispensing charges determined in accordance with subsection (c) of this section.

"(2) When used with respect to insulin such term means the charge not in excess of the reasonable customary price at which the participating pharmacy offers or sells the product to the general public, plus a reasonable billing allowance.

"(b)(1) For purposes of establishing the reasonable allowance in accordance with subsection (a) the price shall be (A) in the case of a drug entity (in any given dosage form and strength) available from and sold by only one supplier, the price at which such drug entity is generally sold (to establishments dispensing drugs), and (B) in any case in which a drug entity (in any given dosage form and strength) is available and sold by more than one supplier, only each of the lower prices at which the products of such drug entity are generally sold (and such lower prices shall consist of only those prices of different suppliers sufficient to assure actual and adequate availability of the drug entity, in a given dosage form and strength, at such prices in a region).

"(2) If a particular drug entity (in a given dosage form and strength) in the Formulary is available from more than one supplier, and the product of such drug entity as available from one supplier possesses demonstrated distinct therapeutic advantages over other products of such drug entity as determined by the Committee on the basis of its scientific and professional appraisal of information available to it, including information and other evidence furnished to it by the supplier of such drug entity, then the reasonable allowance for such supplier's drug product shall be based upon the price at which it is generally sold to establishments dispensing drugs.

"(3) If the prescriber, in his handwritten order, has specifically designated a particular product of a drug entity (and dosage form and strength) included in the Formulary by its established name together with the name of the supplier of the final dosage form thereof, the reasonable allowance for such drug product shall be based upon the price at which it is generally sold to establishments dispensing drugs.

"(c)(1) For the purpose of establishing the reasonable allowance (in accordance with subsection (a)), a participating pharmacy, shall, in the form and manner prescribed by the Secretary, file with the Secretary, at such times as he shall specify, a statement of its professional fee or other dispensing charges.

"(2) A participating pharmacy, which has agreed with the Secretary to serve as a provider of services under this part, shall, except for subsection (a)(1)(A), be reimbursed, in addition to any price provided for in subsection (b), the amount of the fee or charges filed in paragraph (1), except that no fee or charges shall exceed the highest fee or charges filed by 75 per centum of participating pharmacies (with such pharmacies classified on the basis of (A) lesser dollar volume of prescriptions and (B) all others) in a census region which were customarily charged to the general public as of June 1, 1975. Such prevailing professional fees or dispensing charges may be modified by the Secretary in accordance with criteria and types of data comparable to those applicable to recognition of increases in reasonable charges for services under section 1842.

"(3) A participating pharmacy shall agree to certify that, whenever such pharmacy is required to submit its usual professional fee or dispensing charge for a prescription, such charge does not exceed its customary charge."

(h) Section 1861(t) of the Social Security Act is amended—

(1) by inserting ", or as are approved by the Formulary Committee" after "for use in such hospital"; and

(2) by adding at the end thereof the following new sentence: "The term 'eligible drug' means a drug or biological which (A) can be self-administered, (B) requires a physician's prescription (except for insulin), (C) is prescribed when the individual requiring such drug is not an inpatient in a hospital or extended care facility, during a period of covered care, (D) is included by strength and dosage forms among the drugs and biologicals approved by the Formulary Committee, (E) is dispensed (except as provided by section 1814(j)), by a pharmacist from a participating pharmacy, and (F) is dispensed in quantities consistent with proper medical practice and reasonable professional discretion."

(i) Section 1861(u) of the Social Security Act is amended by striking out "home health agency," and inserting in lieu thereof "home health agency, pharmacy,".

(j) Section 1861 of the Social Security Act is further amended by adding at the end thereof the following new subsection:

"Participating Pharmacy

"(dd) The term 'participating pharmacy' means a pharmacy, or other establishment (including the outpatient department of a hospital) providing pharmaceutical services (1) which is licensed as such under the laws of the State (where such State requires such licensure) or which is otherwise lawfully providing pharmaceutical services in which such drug is provided or otherwise dispensed in accordance with this title, (2) which has agreed with the Secretary to act as a provider of services in accordance with the requirements of this section, and which complies with such other requirements as may be established by the Secretary in regulations to assure the proper, economical, and efficient administration of this title, (3) which has agreed to submit, at such frequency and in such form as may be prescribed in regulations, bills for amounts payable under this title for eligible drugs furnished under part A of this title, and (4) which has agreed not to charge beneficiaries under this title any amount in excess of those allowable under this title with respect to eligible drugs except as is provided under section 1813(a)(4), and except for so much of the charge for a prescription (in the case of a drug product prescribed by a physician, of a drug entity in a strength and dosage form included in the Formulary where the price at which such product is sold by the supplier thereof exceeds the reasonable allowance) as in excess of the reasonable allowance established for such drug entity in accordance with section 1822."

(k)(1) The first sentence of section 1866(a)(2)(A) of the Social Security Act is amended by striking out "and (ii)" and inserting in lieu thereof the following: "(ii) the amount of any copayment obligation and excess above the reasonable allowance consistent with section 1861(dd)(4) and (iii)".

(2) The second sentence of section 1866(a)(2)(A) of such Act is amended by striking out "clause (ii)" and inserting in lieu thereof "clause (iii)".

(l) The amendments made by this section shall apply with respect to eligible drugs furnished on and after the first day of January 1976.

SEC. 2. (a) Section 1401 (b) of the Internal Revenue Code of 1954 (relating to rate of hospital insurance tax on self-employment income) is amended—

(1) in clause (3), by striking out "1978" and inserting in lieu thereof "1976",

(2) by inserting after clause (3) thereof the following new clause:

"(4) in the case of any taxable year beginning after December 31, 1975, and before January 1, 1978, the tax shall be equal to 1.0 percent of the amount of the self-employment income for such taxable year;",

(3) in clause (4), by (A) striking out "(4)" and inserting in lieu thereof "(5)", and (B) striking out "1.10" and inserting in lieu thereof "1.2",

(4) in clause (5), by (A) striking out "(5)" and inserting in lieu thereof "(6)", and (B) striking out "1.35" and inserting in lieu thereof "1.45", and

(5) in clause (6), by striking out "(6)" and inserting in lieu thereof "(7)", and (B) striking out "1.50" and inserting in lieu thereof "1.60".

(b) Section 3101(b) of such Code (relating to rate of hospital insurance tax on employees) is amended—

(1) in clause (3), by striking out "1977" and inserting in lieu thereof "1975",

(2) by inserting after clause (3) thereof the following new clause:

"(4) with respect to wages received during the calendar years 1976 through 1977, the rate shall be 1.0 percent;",

(3) in clause (4), by (A) striking out "(4)" and inserting in lieu thereof "(5)", and (B) striking out "1.10" and inserting in lieu thereof "1.2",

(4) in clause (5), by (A) striking out "(5)" and inserting in lieu thereof "(6)", and (B) striking out "1.35" and inserting in lieu thereof "1.45", and

(5) in clause (6), by (A) striking out "(6)" and inserting in lieu thereof "(7)", and (B) striking out "1.50" and inserting in lieu thereof "1.60".

(c) Section 3111(b) of such Code (relating to rate of hospital insurance tax on employers) is amended—

(1) in clause (3), by striking out "1977" and inserting in lieu thereof "1975",

(2) by inserting after clause (3) thereof the following new clause:

"(4) with respect to wages paid during the calendar years 1976 through 1977, the rate shall be 1.0 percent;",

(3) in clause (4), by (A) striking out "(4)" and inserting in lieu thereof "(5)", and (B) striking out "1.10" and inserting in lieu thereof "1.2",

(4) in clause (5), by (A) striking out "(5)" and inserting in lieu thereof "(6)", and (B) striking out "1.35" and inserting in lieu thereof "1.45", and

(5) in clause (6), by (A) striking out "(6)" and inserting in lieu thereof "(7)", and (B) striking out "1.50" and inserting in lieu thereof "1.60".

By Mr. PEARSON (for himself, Mr. HARTKE, Mr. STEVENSON, and Mr. WEICKER):

S. 863. A bill to regulate commerce by improving the procedures of the Interstate Commerce Commission with respect to abandonments of lines of railroad and terminations of rail service and by providing for the continuation of essential but economically nonviable local rail services, and for other purposes. Referred to the Committee on Commerce.

LOCAL RAIL SERVICES ACT OF 1975

Mr. PEARSON. Mr. President, I introduce today, for myself, and Mr. HARTKE, Mr. STEVENSON, and Mr. WEICKER, the Local Rail Services Act of 1975. I ask unanimous consent that the text of this bill, along with a section-by-section summary of its provisions, be printed in the RECORD immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, the U.S. rail transportation system has suffered for many years because the Congress and the Interstate Commerce Commission have failed to establish a rational policy for light density line abandonments. Because of archaic accounting procedures adopted by the Commission, and protracted proceedings required by the Commission in considering petitions for abandonment, the railroads have been forced over the years to serve thousands of miles of light density lines at a financial loss. Because some light density branch line operations are uneconomic, the railroads have neglected their duty to maintain these lines at the minimum standards required for efficient rail transportation. As the maintenance of these properties has deteriorated, revenues attributable to the properties have declined and service to shippers and receivers has fallen below any reasonable standard which may be applied to the duties of a common carrier.

Mr. President, because of the failure of the Congress and the Commission to define a pragmatic and effective policy for abandonment, hundreds of communities throughout the United States suffer from marginal rail service and the prospect of termination of service and abandonment of rail properties. Most of these communities suspect that their rail service is in jeopardy, but they cannot anticipate the date upon which they will be forced to turn to alternative modes for essential transportation services. The notice to communities, shippers and receivers, under existing procedures is contemporaneous with the filing of a petition for abandonment with the ICC.

Under current practices, those communities and shippers who choose to protest a proposed abandonment are illequipped to refute the evidence submitted by the carrier to justify the petition. The railroads usually are successful in documenting their case for abandonment of a property because the carriers, and only the carriers, have the information and economic data upon which such decisions rationally can be made.

Mr. President, the bill we introduce today contains several crucial elements which must be incorporated in a responsible abandonment policy and program. Our proposal provides for notice to interested parties well in advance of any abandonment of rail properties or termination of rail services on a line. The bill provides that carriers by rail should not be obligated to continue without adequate compensation uneconomic services to communities. The legislation reflects the view, however, that certain rail services, while uneconomic to the carrier, are nonetheless essential to the economies and survival of local communities which rely upon such services for access to the mainstream of the national economy. Therefore, our legislation provides for subsidies, at the option of the affected States and localities, to maintain essential rail services and provide the performing carrier with a reimbursement of his cost and a reasonable return.

Mr. President, under the bill we introduce today, a State or locality would be required to provide 30 percent of the subsidy needed to forestall abandonment or termination of rail services. The Federal share of such subsidy would be 70 percent for a maximum term of 8 years. After the expiration of the 8-year term of Federal participation, the affected local communities could make the decision either to permit the abandonment or to continue operations at their own cost.

Mr. President, the Committee on Commerce was confronted with a difficult policy question during consideration of the Regional Rail Reorganization Act of 1973. The committee recognized that any rational restructuring of the bankrupt carriers in the 17-State region would, of necessity, entail the abandonment of thousands of miles of uneconomic branch lines and duplicative main lines. Today the U.S. Railway Association, in publishing its preliminary system plan, has recommended that some 6,200 lines of railroad right-of-way be abandoned. It is apparent that the Committee was essentially correct in anticipating this determination.

Mr. President, our Committee on Commerce in the Regional Rail Reorganization Act adopted, in modified form, a proposal which I initially submitted in August 1972. The proposal, essentially, was to provide a local-option alternative to abandonment with authority for Federal and local sharing of any operating subsidy cost. Under the terms of title IV of the act, the States and localities in the Northeast and the Midwest region now have the opportunity to continue services on those lines designated as candidates for abandonment in the plan. I anticipate that services considered essential to the economies of local communities in the region will be subsidized rather than abandoned.

Because authority for operating subsidies under title IV of the 1973 act expires after only 2 years, it is necessary for Congress now to establish a reasonable follow-on program upon which State and local planners can depend for a degree of stability in their essential local rail service pattern. The legislation we offer today provides the needed stability. When the Regional Rail Reorganization Act was approved initially in the Senate, this rail assistance program was made available nationwide. Unfortunately, the Senate had no choice but to recede in conference and limit the benefits of title IV to the affected 17-State area.

Mr. President, the legislation we offer today establishes a single national policy for rail line abandonment in America. The eligibility for rail assistance and subsidy is extended nationwide. Also, adequate appropriation authorization of $100 million per year is provided to insure that each locality threatened with abandonment will have the opportunity to secure Federal matching funds to maintain rail services considered essential.

Mr. President, I conclude by suggesting that the cost of this legislation will be limited by the degree of commitment of the States and localities to their access to the national rail transportation system. I am gratified that some of my colleagues on the committee have joined me on the introduction of this bill. I urge that it be scheduled for hearings at the earliest possible time.

S. 863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Local Rail Services Act of 1975".

SEC. 2. Sections 1(18) through 1(22) of the Interstate Commerce Act (49 U.S.C. 1(18)-1(22)) are amended to read as follows:

"(18) No carrier by railroad subject to this part shall undertake the extension of any of its lines of railroad or the construction of a new line of railroad, and no such carrier shall acquire or operate any additional line of railroad or any extension thereof or engage in transportation over or by means of such additional or extended line of railroad, unless and until the Commission has issued a certificate that the present or future public convenience and necessity require or will require the construction or operation of such additional or extended line of railroad. Notwithstanding this paragraph and section 5, carriers by railroad subject to this part may, without the approval of, but with notification to, the Commission, enter into contracts, agreements, and other arrangements for the joint ownership or joint use of spur, industrial, team, switching, or side tracks.

"(19) The application for, and issuance of, a certificate required by paragraph (18) shall be subject to such rules and regulations (as to hearings and other matters) as the Commission may from time to time prescribe. The provisions of this part shall apply to all proceedings relevant thereto. Upon receipt of an application for such a certificate, the Commission shall notify and send a copy of such application to the Governor of each State in which such additional or extended line of railroad is proposed to be constructed or operated. Such Governor and any other interested person shall have a right to be heard on such application, in the manner and to the extent provided hereinafter with respect to the hearing of complaints on the issuance of securities. A copy of such notice shall also be published for three consecutive weeks in a newspaper of general circulation in each county in or through which such line of railroad is proposed to be constructed or operated, and a summary thereof shall be published in the Federal Register.

"(20) The Commission may (a) issue the certificate required by paragraph (18) in the form requested by the carrier in its application therefor; (b) refuse to issue such certificate; or (c) issue such certificate with modifications limiting it to only part of the

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line or extension requested in such application. The Commission may condition the issuance of such certificate upon compliance with such terms and conditions as are required, in its judgment, by the public convenience and necessity. Upon issuance of such certificate, and not before, the applicant carrier by railroad may proceed with the construction or operation covered thereby: *Provided*, That such carrier complies with any applicable terms and conditions imposed by the Commission.

"(21) The Commission may, upon petition by any person or upon its own initiative, authorize or require any carrier by railroad subject to this part to provide adequate, efficient, and safe facilities for the performance of its car service obligation under this part: *Provided*, That no such authorization or order shall be made unless the Commission finds that the expense involved therein will not impair the ability of the carrier to perform its obligations to the public.

"(22)(A) No carrier by railroad subject to this part shall abandon all or any portion of a line of railroad (hereinafter in this section referred to as 'abandonment') or terminate rail service over all or any portion of a line of railroad (hereinafter in this section referred to as 'termination') unless and until the Commission has issued, in accordance with this paragraph, a certificate declaring that the present or future public convenience and necessity permit such abandonment or termination. Such a carrier may file with the Commission, in accordance with such rules and regulations as to form, manner, content, and documentation as the Commission may from time to time prescribe, an application for such a certificate of abandonment or termination, including a notice of intent to abandon or terminate. Abandonments and terminations shall be governed by the provisions of this paragraph and of any other applicable Federal statute, notwithstanding any inconsistent or contrary provision of the laws or constitution of any State and notwithstanding any otherwise applicable decision or order of, or any pending proceeding before, any administrative or judicial body of any State.

"(B) A carrier filing a notice of intent with the Commission pursuant to this paragraph shall simultaneously certify to the Commission that a copy of such notice (i) has been served by mail upon the Governor of each State and the chief executive of each political subdivision thereof in which is located any portion of the line of railroad involved in the proposed abandonment or termination; (ii) has been posted in each terminal and station on such line of railroad; (iii) has been published for three consecutive weeks in a newspaper of general circulation in each county in which all or any part of such line of railroad is located; and (iv) has been mailed to all shippers and receivers who have made significant use (as determined by the Commission in its discretion) of such line of railroad during the preceding 12 months. The application and any notice required by this subparagraph shall be filed with the Commission and served, posted, published, and mailed not less than 90 days prior to the proposed date of abandonment or termination.

"(C) Upon the filing of an application for abandonment or termination, and during the 90-day period required by subparagraph (B) between such filing and the proposed date of such abandonment or termination, the Commission shall, upon petition by any person or upon its own initiative, investigate the action proposed in such application. If no such investigation is commenced, the Commission shall issue the certificate required by this paragraph at the expiration of such 90-day period, upon a finding that the public convenience and necessity permit the abandonment or termination proposed in such application. If an investigation is commenced, the Commission shall postpone the effective date of such abandonment or termination, in whole or in part, pending the outcome of such investigation: *Provided*, That an order of the Commission to such effect shall be served upon any carrier affected thereby not less than ten days prior to the expiration of such 90-day period. No such postponement shall extend more than 7 months beyond the date when such abandonment or termination would otherwise have become effective. If, upon the conclusion of such investigation, the Commission finds that the public convenience and necessity do not permit such abandonment or termination, it shall refuse to issue such certificate. Any such investigation may include public hearings, pursuant to such reasonable rules as the Commission may prescribe, at any location on or reasonably adjacent to the involved line of railroad. Such hearings may be held upon the request of any interested party or upon the Commission's own motion. The burden of proof in any such investigation shall be upon the carrier seeking to abandon or terminate.

"(D) Actual abandonment or termination shall take effect no less than 60 days after the Commission issues a certificate upon an order finding that such abandonment or termination is consistent with the public convenience and necessity. Such order may authorize the abandonment or termination described in the application filed with it or only a specified part thereof. The Commission may condition the issuance of such a certificate on compliance with such terms and conditions as are required, in its judgment, by the public convenience and necessity. In determining whether to issue such a certificate, the Commission shall consider such factors as it finds appropriate, including but not limited to the following: losses in operating the line of railroad involved, as measured by costs of service, including maintenance cost and the cost of repairs and improvements necessary to operate such line at the physical standard necessary to provide safe, reliable, and efficient rail service; extent of actual use of, and need for, such line by shippers and receivers; the interests of carrier employees affected; and the requirements of an efficient and economical transportation system.

"(E)(i) Notwithstanding any other provision of this part, abandonment or termination shall be authorized and the required certificate issued by the Commission if the avoidable costs of providing rail service plus a reasonable return on the value of the rail properties involved in the applicable line of railroad exceed the revenues attributable to such rail properties. The terms, 'avoidable costs of providing service', 'reasonable return on the value', and 'revenues attributable to the rail properties', and variants thereof, as used in this Act, shall be defined as provided in section 205(d)(3) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985, 45 U.S.C. 715(d)(3).

"(ii) Whenever the Commission makes a finding that the public convenience and necessity permit an abandonment or termination, the Commission shall concurrently make a determination of the extent to which the avoidable costs of providing rail service plus a reasonable return on the value of the rail properties involved exceed the revenues attributable to the line of railroad or the rail service involved.

"(23) Any construction or operation contrary to paragraph (18) of this section and any abandonment or termination contrary to paragraph (22) of this section may be enjoined by any appropriate district court of the United States in a civil action commenced by the United States, the Commission, the attorney general of an affected State, a commission or transportation regulatory body of an affected State, or any party in interest. Any carrier by railroad which violates, and any director, officer, receiver, operating trustee, lessee, agent, or other person acting for or employed by such carrier who knowingly authorizes, consents to, or permits any violation of the provisions of paragraph (18), (19), (20), (21), or (22) of this section shall, upon conviction, be fined not more than $5,000 or imprisoned for not more than three years, or both.

"(24) The authority granted to the Commission under paragraphs (18) through (22) of this section shall not extend to the construction, acquisition, or abandonment of spur, industrial, team, switching, or side tracks which are located, or intended to be located, wholly within one State, or to street, suburban, or interurban electric railways which are not operated as part of any general system of rail transportation.

"(25)(A) Within 120 days after the date of enactment of this paragraph, each carrier by railroad subject to this part shall prepare and submit to the Commission, and publish in accordance with such regulations as the Commission shall prescribe, a full and complete diagram of its transportation system. Such diagram shall include a full description of such carrier's low-density rail lines, as that term shall be defined by the Commission. The Commission, in adopting by rule a definition of "low-density rail lines" for purposes of this part, may adopt standards which vary by region of the Nation or by railroad or groups of railroads. Such diagram shall further identify any line of railroad which such carrier by railroad plans to seek authority to abandon or over which it plans to terminate rail service. A carrier by railroad shall amend such diagram to reflect any change in its transportation system and as the Commission may otherwise prescribe.

"(B) No carrier by railroad subject to this part shall abandon any line of railroad or portion thereof, or terminate rail service over any such line or portion, if such abandonment or termination is opposed by any person who has used such line or service during the preceding 12 months or if such abandonment or termination is opposed by any State or political subdivision thereof in which such line is located, unless such line of railroad has been identified as a line which such carrier by railroad plans to seek authority to abandon or over which it plans to terminate rail service on the diagram required by subparagraph (A) and such diagram has been on file with the Commission for a period of not less than 12 months.

"(26) No carrier by railroad subject to this part shall abandon any line of railroad or portion thereof, or terminate rail service over any such line or portion, unless and until such carrier has arranged adequately to protect the interests of employees affected by such abandonment or termination. Such protective arrangements shall be those agreed to by such carrier and the representatives of its employees or, in the absence of such agreement, as the Commission shall determine. Such protective arrangements shall be included in an order to be issued by the Commission at the end of the 90-day period, or during the 7-month period, whichever is applicable. Any such arrangements shall protect individual employees for a period of not less than six years (or for a shorter period equivalent to the duration of their employment with such carrier with respect to any employee with less than six years seniority) from the date first affected, against a worsening of their positions with respect to their employment. Such arrangements shall include such provisions as may be necessary:

"(A) to provide for notice, negotiation, and timely execution of implementing agreements: *Provided*, That the abandonment or termination may take effect pursuant to the Commission's order if it does not affect the interests of employees. Whenever any implementing agreements have not been executed prior to such abandonment or termination, or within 30 days thereafter, either party may submit any unresolved questions in connection with such protective arrangements for binding arbitration. The arbitration decision shall, if possible, be rendered within 30 days after such submission, but if such decision is for any reason delayed beyond such period, the rights of the parties to such arbitration shall not be affected;

"(B) to preserve all compensation (including subsequent wage increases), rights, privileges, and benefits (including fringe benefits, such as pensions, health care, and vacations, for the same length of time and under the same conditions that such benefits are accorded to employees of the carrier in active service or on furlough, respectively) granted to such employees under existing collective bargaining agreements or otherwise; and

"(C) to provide for the arbitration of disputes, arising out of such protective arrangements, which cannot be settled by the parties. In such arbitrations the burden shall be upon the carrier party thereto to prove that the employee was not affected by the abandonment or termination. In no event shall said arrangements provide benefits less than those established pursuant to section 5(2)(f) of this Act and section 405 of the Rail Passenger Service Act (45 U.S.C. 565).

"(27)(A) Whenever the Commission finds that the public convenience and necessity permit abandonment or termination, and a shipper, a State, a local or regional transportation authority, the Secretary of Transportation, or any other person or government entity, or any combination of the foregoing, offers in order to maintain rail service assistance—

"(i) which covers the difference between the revenues attributable to the rail properties involved and the avoidable costs of providing rail freight service plus a reasonable return on the value of the rail properties involved; or

"(ii) for the purchase of all or any portion of a line of railroad; and

the Commission receives notification of such an offer, it may order, with regard to such rail properties or portion thereof, an additional postponement of abandonment or termination for not to exceed 90 days after the date of such receipt, in order for arrangements to be completed for such assistance or purchase. Upon receipt of notification that any such rail service assistance or purchase agreement has been completed, the Commission shall indefinitely postpone any proposed abandonment or termination so long as such agreement and any successive agreements are in effect.

"(B) Upon the request of any person or entity apparently qualified to offer to provide rail service assistance or to purchase all or any portion of a line of railroad, a carrier by railroad subject to this part shall promptly make available to such person or entity its most recent reports on the physical condition of the property which it seeks to abandon or over which it seeks to terminate service, together with such traffic, revenue, and other data necessary to ascertain the amount of assistance that would be required to maintain existing rail service.

"(28) Petitions for abandonment which are filed and pending with the Commission on the date of enactment of this paragraph shall be governed by the provisions of section 1 of this Act which were in effect on such date, except that they shall be subject to paragraph (27) of this section.".

SEC. 3. (a) The Secretary of Transportation (hereinafter referred to as the "Secretary") shall provide financial assistance, in accordance with this section, for the purpose of rail service assistance. For purposes of paragraph (b) of this section, the Federal share of such rail service assistance shall be 70 percent and the State share shall be 30 percent.

(b) As used in this section, "rail service assistance" means subsidies calculated to cover the difference between the revenues attributable to the rail properties involved and the avoidable costs of providing rail freight service plus a reasonable return on the value of the rail properties involved. Such assistance may be utilized to cover the costs of operating adequate and efficient rail service or applied to the purchase of the rail properties involved.

(c) Each State is entitled to receive an amount for rail service assistance, from 50 percent of the funds appropriated each fiscal year for such purpose, in the ratio which the total rail mileage in such State (as determined by the Secretary and measured in point-to-point length, excluding yard tracks and sidings) bears to the total rail mileage in all the States (measured in the same manner): *Provided*, That the entitlement of each State shall be not less than one-half of 1 percent of such 50 percent of the funds appropriated. Each State may receive for rail service assistance, from the other 50 percent of the funds appropriated, such sums as the Secretary may, in his discretion, grant. For purposes of this section, the term "State" shall include any State or territory in which is located the rail properties of carrier by railroad subject to part I of the Interstate Commerce Act (49 U.S.C. 1 et seq.). Any portion of the entitlement of any State which is withheld, in accordance with this section, and any such sums which are not used or committed by a State during the preceding fiscal year, shall be reallocated among the other States in amounts equal to the ratio which the total rail mileage in such State (as determined by the Secretary and measured in point-to-point length excluding yard tracks and sidings) bears to the total rail mileage in all States (measured in the same manner).

(d)(1) A State is eligible to receive rail assistance, pursuant to subsection (b) of this section, in any fiscal year if—

(A) the State has established a suitable State rail transportation plan;

(B) such State plan is administered or coordinated by a designated State agency and provides for the equitable distribution of such assistance among State, local, and regional transportation authorities;

(C) such State agency has authority and administrative jurisdiction to develop, promote, supervise, and support safe, adequate, and efficient rail services; employs or will employ, directly or indirectly, sufficient trained and qualified personnel; and maintains or will maintain adequate programs of investigation, research, promotion, and development, with provisions for public participation;

(D) the State provides satisfactory assurance that it will adopt and maintain such procedures as it or the Secretary deems necessary for financial control, accounting, and performance evaluation, in order to assure proper use of Federal funds; and

(E) the State complies with the regulations of the Secretary issued under this section.

(2) For the purposes of paragraph (1) of this subsection, a State plan for rail transportation and local rail services is not suitable unless such plan provides for prompt determination and evaluation, in accordance with applicable criteria established by regulation by the Rail Services Planning Office of the Commission, or its successor, of—

(A) the total direct and indirect costs of any proposed abandonments of lines of railroad or portions thereof, and of any proposed terminations of rail service over any lines of railroad or portions thereof, in such State, and the total and itemized direct and indirect costs of providing affected areas of such State with the same level of transportation services by any other mode of transportation. Such costs shall include any applicable costs attributable to (i) fuel consumption and energy utilization; (ii) operating costs and capital expenditures; (iii) damage to the environment; (iv) reduction in the amount of goods and services produced in such areas; (v) reduction in the value of commercial and residential property in such areas; (vi) increased unemployment, welfare, retraining, or relocation benefits for individuals or companies adversely affected thereby; and (vii) reduction in property, sales, and other tax revenues received by governments in such States; and

(B) the total direct and indirect benefits of maintaining any lines of railroad or portions thereof proposed to be abandoned, and of continuing rail service proposed to be terminated, to such State and affected areas thereof in comparison with the total direct and indirect benefits of abandonment and termination accompanied by provision for the same level of transportation services by any other mode of transportation.

(3) No Federal rail service assistance shall be provided to maintain rail service under this section unless (A) the direct and indirect benefits of maintaining such rail service exceed the direct and indirect costs thereof, as determined by the State as provided in paragraph (2) of this subsection; and (B) rail service is, by comparison with other available transportation services, the low cost mode of transportation for the route, area, or transportation need involved, as determined by comparing the costs evaluated by the State in accordance with paragraph (2) of this subsection.

(4) No rail services are eligible for rail service assistance pursuant to subsection (b) of this section except:

(A) those freight rail services which were being provided on the date of enactment of this Act; and

(B) those rail freight services eligible on the date of enactment of this Act for rail service continuation subsidies under section 402 of the Regional Rail Reorganization Act of 1973 (87 Stat. 985, 45 U.S.C. 762).

(e) The Secretary shall pay to each State an amount equal to its entitlement under subsection (b) of this section. Any amounts which are not expended or committed by a State pursuant to subsection (b) during the ensuing fiscal year shall be returned by such State to the Secretary, who shall redistribute such amounts in accordance with the last sentence of subsection (b) of this section.

(f) The Secretary may provide rail service assistance pursuant to a rail service assistance or purchase agreement for any period not to exceed 8 years after the date of enactment of this act.

(g)(1) Each recipient of financial assistance under this section, whether in the form of grants, subgrants, contracts, subcontracts, or other arrangements, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives shall, until the expiration of three years after completion of the project or undertaking referred to in paragraph (1) of this subsection, have access for the purpose of audit and examination of any books, documents, papers, and records of such receipts which in the opinion of the Secretary or Comptroller General may be related or pertinent to the grants, contracts, or other arrangements referred to in such paragraph.

(3) The Secretary and the Comptroller

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General shall regularly conduct, or cause to be conducted, (A) a financial audit in accordance with generally accepted auditing standards, and (B) a performance audit of the activities and transactions assisted in accordance with generally accepted management principles. Such audits may be conducted by independent certified or licensed public accountants and management consultants approved by the Secretary and the Comptroller General, and they shall be conducted in accordance with such rules and regulations as may be prescribed by the Comptroller General. The Secretary shall receive, maintain and make available to any interested person at cost a copy of any such audit.

(h) If the Secretary, after reasonable notice and opportunity for a hearing, finds that a State is not eligible for rail service assistance under subsection (c) of this section, payment to such State shall not be made.

(i) There are authorized to be appropriated to carry out the purposes of this section such sums as are necessary, not to exceed $100,000,000 for each of the eight fiscal years including and following the date of enactment of this Act.

SECTION-BY-SECTION SUMMARY

Section 1.—Short title of "Local Rail Services Act of 1975".

Section 2.—(1) Amends sections 1(18) through 1(22) of the Interstate Commerce Act to restate existing law relating to the extension of existing lines of railroad and to the construction of new lines of railroad.

(2) Adds the following new paragraphs to section 1 of the Interstate Commerce Act to provide for the abandonment of rail lines and the termination of rail service:

Paragraph (22)—(a) Restates existing Commission authority to issue certificates of public convenience and necessity permitting abandonments.

(b) Requires a rail carrier seeking to abandon to give notification to the affected Governors, localities, and shippers at least 90 days prior to effective date of the proposed abandonment.

(c) During such 90-day period the Commission may investigate the proposed abandonment upon its own motion or upon petition by any interested person. If such investigation is commenced, the abandonment may be postponed for not more than 7 months pending the outcome of such investigation.

(d) If the Commission issues a certificate authorizing abandonment, actual abandonment shall take effect no less than 90 days thereafter. In determining whether to issue such certificate, the Commission must consider certain specified factors.

(e) The Commission is required to permit abandonment if the avoidable costs of providing rail service plus a reasonable return on the value of the rail properties involved exceed the revenue attributable to such rail properties.

Paragraph (23)—Provides for suits to enjoin any construction or abandonment contrary to the Interstate Commerce Act and penalties for such action.

Paragraph (24)—Restates existing law limiting the authority of the Commission so as not to extend to switching and side tracks and street railways not part of a general system of transportation.

Paragraph (25)—(a) Requires each railroad to submit to the Commission, within 120 days after the date of enactment of this Act, a complete diagram of its transportation system and identify any low density or other rail lines which it plans to abandon.

(b) No carrier may abandon a rail line if the abandonment of such line is opposed, unless it has been identified for 12 months on the diagram filed with the Commission as one which the carrier plans to abandon.

Paragraph (26)—Provides for protective arrangements for employees adversely affected by any abandonment.

Paragraph (27)—(a) Provides that whenever a shipper, State, local or regional transportation authority, the Secretary of Transportation, or any other person offers financial assistance to maintain rail service which the Commission determines may be abandoned, the Commission may postpone the abandonment for 90 days to allow for the arrangement of rail service assistance and shall indefinitely postpone the proposed abandonment for so long as a rail service assistance agreement is in effect.

(b) Requires a railroad receiving rail service assistance to provide certain data to the offeror of such assistance.

Paragraph (28)—Petitions for abandonment pending with the Commission on the date of enactment of this Act shall be governed by the provisions of the Interstate Commerce Act which were in effect on such date.

Section 3.—(a) Requires the Secretary of Transportation to provide financial assistance for the purpose of maintaining rail freight service. The Federal share of such assistance shall be 70 percent and the State share shall be 30 percent.

(b) Defines "rail service assistance" and provides that such assistance may be utilized to cover the costs of operating adequate and efficient rail service or applied to the purchase of the rail properties involved.

(c) Entitles each State to receive for rail service assistance a minimum of one-half of 1 percent of 50 percent of the funds appropriated. Permits the Secretary to make discretionary grants for rail service assistance from the other 50 percent of the funds appropriated.

(d) To be eligible to receive rail service assistance, a State must establish a suitable State rail transportation plan. A State plan is not suitable unless it provides for determination and evaluation, in accordance with certain criteria, of total costs of any proposed abandonment of a line of railroad and total benefits of maintaining any such line. No rail service assistance proposal is eligible for Federal financial assistance unless the benefits of maintaining the involved rail service exceed the costs and the rail service is the low-cost mode of transportation. Rail freight services are not eligible for assistance unless they are being provided on the date of enactment of this Act or were eligible on the date of enactment for rail service continuation subsidies under the Regional Rail Reorganization Act of 1973.

(e) Entitlement funds not expended by a State shall be returned to the Secretary for use as additional entitlement rail service assistance.

(f) Federal participation in rail service assistance agreements under this section may not exceed a period of 8 years.

(g) Provides for auditing by the Comptroller General of rail service assistance projects.

(h) Payment shall not be made to a State until it is eligible for rail service assistance under this section.

(i) Authorizes to be appropriated not to exceed $100 million for each of the 8 fiscal years including and following the date of enactment of this Act.

Mr. HARTKE. Mr. President, I am pleased to cosponsor the Local Rail Services Act of 1975. This act would extend the Federal Rail Services Continuation Subsidies program originally authorized in the Regional Rail Reorganization Act to the States outside the Northeast and Midwest region for a period of 8 years.

This act is needed for two reasons. First, many States outside the Midwest and Northeast are now served by branch lines which are essential to local communities but are uneconomical in that revenues from such lines are less than the costs of providing service. These lines are a burden on the railroads providing that service and a threat to the financial stability of the now nonbankrupt railroads. So long as these plans continue to be uneconomical, they also do not receive proper maintenance from the railroads. This insures that the lines will continue to be allowed to degenerate and thus discourages the location of additional industries on the line which might help make the line economical.

The program of Federal and State subsidies proposed in this bill would remove this threat and permit continuation of essential rail services while the bill's relaxed abandonment standards would permit the railroads to discontinue operations.

Second, this bill will permit communities in the Midwest and Northeast, where the U.S. Railway Association has proposed the abandonment or subsidization of 6,200 miles of lines, to assure local shippers that subsidies would continue beyond the 2 years provided in the Regional Rail Reorganization Act. In my own State of Indiana, for example, USRA has proposed that 806 miles of line be abandoned or subsidized. No industry is going to locate on a line or expand in order to generate enough traffic to make a line economically viable if it expects a line will be abandoned within 2 years. This bill would give the small communities and shippers served by these uneconomic lines the time to either generate more traffic or provide for an orderly transition to other modes of transportation.

Mr. President, this bill would only provide Federal assistance where a state is willing to pay 30 percent of the costs of subsidy and the direct and indirect benefits of continuing service exceed the direct and indirect costs; and where, all economic, social and environmental costs considered, rail is the low cost mode of providing the needed transportation. The bill would therefore set an important precedent for future transportation investments. It says in effect that the Federal Government will not subsidize transportation projects unless they return benefits and in excess of the costs of subsidy and there is no other mode of transportation available that is less costly in terms of all direct and indirect costs.

Mr. President, I am also pleased to announce that the Subcommittee on Surface Transportation will be considering this bill in hearings this session. These hearings will focus on what the needs of the Nation's rail transportation system are and all means, including the abandonment and subsidy programs proposed in this bill, to insure adequate and efficient rail service to the Nation.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 864. A bill to amend the act entitled "An Act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school", approved August 8, 1953. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, I would like to introduce a measure today to remove a potential reverter from land now owned by the Catholic Bishop of Northern Alaska, near Cooper River, Alaska.

In 1953, Private Law 152 authorized the transfer of 452 acres of land to the Bishop for the sole use as a mission school. The Church paid above the appraised value of this property. The school was built on this site and for 15 years was used for this purpose. Subsequently this school was closed.

Dut to the increased financial upkeep of this abandoned building, the church would like to sell this land which is now necessary to support the construction of the Alaska pipeline. It is time to remove this cloud on the title and return the land to productive use—both the Catholic Church and the State of Alaska will be the beneficiaries.

Mr. President, I ask unanimous consent to have my bill printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school", approved August 8, 1953 (67 Stat. A53), is amended by deleting "for use as a mission school".

By Mr. MONTOYA (for himself and Mr. DOMENICI):

S.J. Res. 37. A joint resolution to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame. Referred to the Committee on Aeronautical and Space Sciences.

Mr. MONTOYA. Mr. President, on behalf of my colleague Senator DOMENICI and myself, today I introduce legislation to authorize the administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame in Alamogordo, N. Mex.

This is the same joint resolution which I introduced late in the last session. Unfortunately, time prevented the Congress from giving this measure complete consideration, but I hope that the Aeronautical and Space Sciences Committee will be able to do so this year during the ongoing authorization hearing.

Mr. President, I ask your unanimous consent that following these remarks, there be printed in the RECORD three items which will help my colleagues understand the scope of this project. The first item is the text of the joint resolution itself. The second item is the statement I made last year upon introducing the bill. The final is a paper prepared for me by U. W. Hess and Dwight Ohlinger pointing out the fact that what is proposed here is a dynamic institution dedicated to a continuing program of education in all aspects of space history and space science. This an important point.

Another important point is the international character of the proposal. We all recognize that space is not the domain of only one nation. Nor has the space program come about without the contributions of brilliant men and women from throughout the world. It is fitting, therefore, that the sponsors of the project have interested the International Academy of Astronautics in the proposal.

The final point I would like to make in these brief introductory remarks is that the construction of the Space Hall of Fame will be a fitting contribution to our bicentennial celebrations. Our accomplishments in space deserve to be highlighted as one of our greatest accomplishments, and I think it would be appropriate for the proposed Hall of Fame to be the focal point for that aspect of the bicentennial program.

There being no objection, the joint resolution and material were ordered to be printed in the RECORD, as follows:

S.J. RES. 37

To authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame.

Whereas accomplishments in space and aeronautical exploration have highlighted man's achievements in the twentieth century;

Whereas there is a need to preserve and display the work of men and women who have contributed significantly to these achievements and to preserve and display the artifacts and space hardware which they have used, in a more educational, accessible, and permanent manner;

Whereas such a display would unite all countries of the world in a cooperative effort to honor such achievements; and

Whereas Alamogordo, New Mexico, has been a focal point in space and aeronautical exploration and research since Robert Goddard conducted his pioneering rocket experiments in the State: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) upon application by the International Space Hall of Fame, Incorporated, (hereinafter referred to as the "Corporation") of Alamogordo, New Mexico, the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Administrator") is authorized to make a grant in an amount not to exceed the Federal share of the cost of constructing a museum and suitable facilities in Alamogordo, New Mexico, for the presentation and display of objects of historical or scientific significance in the space programs of the United States and other nations.

(b) For the purposes of this joint resolution the Federal share is 70 per centum.

SEC. 2. No grant may be made under this joint resolution unless the Administrator determines that—

(1) the construction to be carried out under the application will be undertaken in a timely and economic manner and will not be of elaborate or extravagant design or materials; and

(2) the State of New Mexico and other sources will pay from non-Federal sources an amount not less than $3,040,000 toward the cost of such construction.

SEC. 3. There are authorized to be appropriated to the National Aeronautics and Space Administration not to exceed $7,040,000 to carry out the provisions of this joint resolution.

By Mr. MONTOYA:

S.J. Res. 254. A joint resolution to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame. Referred to the Committee on Aeronautical and Space Sciences.

Mr. MONTOYA. Mr. President, today I introduce legislation to authorize the Administrator of the National Aeronautics and Space Administration to make a grant for the construction of facilities for the International Space Hall of Fame in Alamogordo, N. Mex.

American scientists and astronauts have made a unique achievement in the history of space science. They have contributed to the complex research programs and difficult missions which have helped to insure the U.S. leadership in aeronautics and space exploration. These scientists, who made sure we got there, and the astronauts, who went there, were men who dared to raise their heads above the mountaintops. They had unconceivable dreams, high hopes, and even greater courage. They used their knowledge gained through long years of research to turn their ideas into action and their dreams into reality. Men such as these are the true wealth of our country, not the gold reserves in Ft. Knox.

Our country has progressed because of the achievements of these space pioneers. Their deeds have not merely improved our past, but have accelerated us into the future. Never have we been projected into the future so swiftly and so dramatically as when we took our first step into space.

The future is certainly of utmost importance, yet our past is just as great. It is the motivation of our tomorrow. Today's science and art will become our traditions, and these traditions need to be preserved. These space pioneers deserve to be honored. Their monument should be built as a symbol of our present-day life—complex and challenging, yet very exciting.

During the troubled Vietnam and Watergate years, we certainly have had a shortage of real heroes—someone we could look up to and admire. The astronauts filled this vacuum. A hall of fame will be a place to honor these men; but more important, it would be a place which will honor the noble act which invoked the fame in the first place.

It is only fitting that this space institute be located at the site where the earliest phases of space travel experimentation was conceived and conducted. The State of New Mexico, and the Alamogordo area specifically, provide that historical setting.

Alamogordo is located in the Tularosa Basin, close to the White Sands Missile Range and Holloman AFB where pioneer work in missile development was conducted. Captured German V-2's were fired here; the first objects to escape the pull of gravity were fired here; the inertial guidance system was perfected here; and research in aero-med, which enabled man to live in space, was accomplished here. Doctor Goddard, the great rocket pioneer carried on his research at the nearby city of Roswell.

The city of Alamogordo has eagerly assumed the responsibility of establishing an International Space Hall of Fame. City officials have successfully presented the space institute concept to the State of New Mexico and to various space-related agencies and organizations. As a result of their endeavors, $3.04 million has already been contributed, $1.8 by the State of New Mexico and the remainder from private donations. Forty-five acres of land for the project have been donated by New Mexico State University, and $3 million worth of space artifacts and space

hardware has been made available on a rotating basis to the Hall of Fame by the Smithsonian.

This project has also received the support and the endorsement of NASA, local U.S. Air Force and Army installations, and the International Academy of Astronautics—IAA. The latter organization is comprised of the world's top space scientists. The Academy, headed by Dr. Charles Draper of MIT, has agreed to select the nominees for the International Space Hall of Fame. IAA is also considering Alamogordo as the site for its 1976 conference, which is expected to attract 3,000 participants.

From its inception, the international aspects of this project have been emphasized. Space scientists and astronauts and cosmonauts from the United States, the U.S.S.R., England, France, Belgium, West Germany, Sweden, Italy, and 20 other countries will be honored side by side in the Hall of Fame. It will take an international effort of cooperation to see this project realized.

The space institute will be a scientific and educational project, with the objective of providing a center for exhibition, study and research in the field of space science. To achieve this aim, the facilities of the institute will consist of the Hall of Fame, an auditorium, an amphitheater, and a planetarium.

The Hall of Fame will serve as a museum to honor those who have contributed to man's advancements in space. The $3 million worth of space artifacts and space hardware on loan from the Smithsonian Institution will also be housed here. There will be displays of moon rocks, satellites, rockets, space apparel, experiments, moon vehicles, historical artifacts, sun and moon photos, and scientific exhibits related to space. Participation displays will consist of demonstrations of the principles of physics and other scientific disciplines. Because the space pioneers devoted most of their time to getting to and being in space, their busy schedules left them little opportunity to keep diaries and detailed accounts of their space experiments and adventures. In order to compensate for this gap in documentary material pertaining to their firsthand experiences, a remedial program is planned by the Hall of Fame to tape-record the personal recollections of the astronauts, cosmonauts, and space scientists.

The auditorium will be a major multipurpose facility for large groups. It will serve the function of accommodating large international scientific conferences as well as New Mexico State University student gatherings and drama productions.

The amphitheater will be used to explain to large groups the major elements and operation of our largest space rocket. It will also be used for an outdoor pageant, simulating the firing of a Saturn V.

And finally, the planetarium will provide an outstanding means of education in celestial mechanics. It will offer demonstrations of the real and apparent motions of celestial bodies as seen from earth and as actually occurring. Special enrichment programs will provide a look at the constellations, the moon and the planets. Stories of the planets drawn from ancient mythology will be contrasted with the knowledge gained in the past decade. New Mexico State University will have use of the facility, and will assist in seminars and symposiums on space-related sciences. The planetarium will be a great aid to teachers and to elementary, high school and college students in learning about astronomy and the world in which we live. All of the facilities of the space institute will enhance university graduate programs. The planetarium has the future potential of providing astronomy and space navigation training to the astronauts, as was the case with the Apollo crew who trained at the planetarium in Chapel Hill.

The planetarium will be a great asset to the entire southwestern part of our country. There are five planetariums of the highest precision type in the world installed and operated in the United States. However, all are located in the East—in Boston, New York, Rochester, Chicago, and Chapel Hill.

Once built, the space institute will be self-sustaining. It has the benefit of being located near many southwestern tourist attractions. Alamogordo is close to the White Sands National Monument which has 665,000 visitors annually and Carlsbad Caverns with 850,000 visitors a year. Also nearby are recreation areas which cater to hunters, campers, fishermen, and skiers. The Apache tribal ceremonies also attract many tourists to the near-by Mescalero Reservation. There are ample lodging facilities, and Alamogordo is located near Interstate 10, a major East-West route, and Interstate 25, a major North-South route.

The city of Alamogordo will need a grant in the neighborhood of $7 million in order to complete the construction of this project. They need a grant to match the $3.04 million contributed so far and an additional $4 million for the planetarium.

INFORMATION ON THE INTERNATIONAL SPACE HALL OF FAME

New Mexico, 49th in per capita income, spends 37 percent of state revenues alone on education. Educating the next generation is the key to developing all other assets and natural resources of the state. Consistent with this outlook, the State legislature during the February 1973 session, without a dissenting vote, passed a one million eight hundred thousand dollar appropriation for construction of the first building of an International Space Hall of Fame, to be located at the Alamogordo Branch of the New Mexico State University. This historic memorial to mankind's mightiest technical and intellectual achievement will be open to the public in the Bicentennial year, beginning 4 July 1976. News files of the past two decades of space achievement will become historical archives, celebrating outstanding contributions to the exploration of space, elected for individual recognition.

Commemorative historical and educational exhibits, including outdoor pageants reenacting manned spaceflights with the original gantries, spacecraft, film and sound records simultaneously available to earphones in six languages, will tell visitors how man orbited the earth and landed on the moon. This will give employment to hundreds of students and inspiration to thousands of school children.

A second unit will be a Zeiss Model VI planetarium already reserved at the Zeiss Company for the International Space Hall of Fame. A project for raising the down payment by advance sale of tickets to all the school children of the state good for admission during the bicentennial year is under consideration. The exhibits, pageant and planetarium can be self-sustaining by admission charges and concession profits. The library, archives and a lunar and planetary geology specimen collection will provide research material for graduate students and scholars. Active research on solar energy technology supported by the National Science Foundation, including the heating and air conditioning of the buildings, is in the planning phase. A space communications station and Schmidt telescope will be installed to train students and provide public demonstrations. The original Mercury, Gemini and Apollo gantries will be moved by barges from Cape Canaveral via the Gulf Coast, Mississippi River and inland waterway to Tulsa, Oklahoma, and thence by trains and trucks to Alamogordo, for erection on prepared pads at the Alamogordo site. The corresponding spacecraft assemblies will be mounted for launch on the gantries, with elevators and platforms to carry visitors up to the space cabins. Resort hotels and a convention center funded commercially are in the plans. Economic feasibility studies by the New Mexico State University, based on tourist traffic and other indicators, strongly support the potential for self-sustaining operation of the International Space Hall of Fame.

On 1 December 1974 the Governor of New Mexico and his Commission on the International Space Hall of Fame celebrated a ground-breaking ceremony for the International Space Hall of Fame on 46 acres of the New Mexico State University, Alamogordo Branch campus.

The State Highway Department is rebuilding an access road from Highway 54-7 to the college into a broad avenue with median strip, and plans a north extension of another avenue (Scenic Drive) from the college site to Highway 82.

In addition to the Governor's Commission on the International Space Hall of Fame, the Alamogordo Chamber of Commerce and Chambers of Commerce of most of the cities and towns of New Mexico have given endorsement and whole-hearted support to the project. The Alamogordo City Council, the Committee of Fifty of the Alamogordo Chamber of Commerce, the Alamogordo Motel Owners' Association, and numerous private citizens have given financial support and their personal efforts to promoting the International Space Hall of Fame.

The International Academy of Astronautics has rendered the good offices of its Historical Committee in nominating candidates for commemoration in the Hall of Fame, and will hold its annual meeting in Alamogordo during October 1976. Commemorative medallions by a prominent mint will be sold to help defray the costs, and a Bicentennial project by the Federal Commission, with promise of matching funds, has been initiated.

The Smithsonian Institution supplied a study on a Western Space Museum accomplished for NASA in 1972. The Aviation and Space Museum of that institution is authorizing appropriate artifacts on indefinite loan from NASA to the International Space Hall of Fame for exhibition.

Bids for the first building will be issued in February 1975, and construction is projected to begin in March for completion by 4 July 1976.

All of the foregoing is to establish that the International Space Hall of Fame has the whole-hearted support of the Governor and legislature of New Mexico, the municipal governments and service organizations of New Mexico cities and towns, the state institutions of higher learning, and the citizens of Alamogordo, Albuquerque, Roswell, Las Cruces, Hobbs, Deming, Lordsburg, Silver City, Ruidoso, Tularosa, La Luz, Portales, Lovington, Gallup, Las Vegas, Farmington, and many other population centers in the state. The value of appropriations, property acquisition, state and community service contributed to the International Space Hall of Fame to date considerably exceeds $3 million.

The educational, commemorative, quality-of-life enhancement and employment potential of this International Space Hall of Fame fully justifies the Federal support sought in S.J. Resolution 254 to the Senate of the United States.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 8

At the request of Mr. DOLE, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of the bill (S. 8) to designate November 11 of each year as Veterans Day and to make such day a legal public holiday.

S. 34

At the request of Mr. HATHAWAY, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of the bill (S. 34) to amend the Forest Pest Control Act.

S. 199

At the request of Mr. WEICKER, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 199, a bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 327

At the request of Mr. JACKSON, the Senator from Pennsylvania (Mr. HUGH SCOTT) was added as a cosponsor of the bill (S. 327) the Land and Water Conservation Fund Amendments.

S. 425

At the request of Mr. WILLIAMS, the Senator from Alabama (Mr. SPARKMAN), the Senator from Washington (Mr. JACKSON), the Senator from South Carolina (Mr. THURMOND), the Senator from Nevada (Mr. LAXALT), the Senator from Connecticut (Mr. WEICKER), the Senator from Vermont (Mr. LEAHY), and the Senator from North Carolina (Mr. MORGAN) were added as cosponsors of S. 425, the Foreign Investment Act of 1975.

S. 506

At the request of Mr. CHURCH, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 506, a bill to amend the Water Resources Planning Act to extend the authority for financial assistance to the States for water resources planning.

S. 699

At the request of Mr. DOLE, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of the bill (S. 699) to permit Senators to use mobile offices in their home States.

S. 760

At the request of Mr. THURMOND, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of the bill (S. 760) to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes.

S. 829

At the request of Mr. FONG, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of the bill (S. 829) to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65.

SENATE JOINT RESOLUTION 35

At the request of Mr. RANDOLPH, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of Senate Joint Resolution 35, a joint resolution referring to the National Employ the Older Worker Week.

SENATE RESOLUTION 39

At the request of Mr. METCALF, the Senator from Connecticut (Mr. WEICKER) and the Senator from Oklahoma (Mr. BELLMON) were added as cosponsors of the resolution (S. Res. 39) providing for radio and television coverage of Senate proceedings.

SENATE RESOLUTION 48

At the request of Mr. SPARKMAN, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of Senate Resolution 48, urging continuing efforts in behalf of Americans missing in action in Southeast Asia.

SENATE CONCURRENT RESOLUTION 11

At the request of Mr. RANDOLPH, the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Iowa (Mr. CLARK), the Senator from Iowa (Mr. CULVER), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New York (Mr. JAVITS), the Senator from Vermont (Mr. LEAHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), the Senator from Utah (Mr. MOSS), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Vermont (Mr. STAFFORD), the Senator from Illinois (Mr. STEVENSON), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of Senate Concurrent Resolution 11 to express as a national policy that all citizens have the right to live and work in a barrier-free environment.

SENATE RESOLUTION 90—SUBMISSION OF A RESOLUTION CONGRATULATING OCEANA COUNTY, MICH.

(Referred to the Committee on the Judiciary.)

Mr. GRIFFIN submitted the following resolution:

S. RES. 90

Whereas the State of Michigan is one of the country's great fruit and vegetable producing States, and

Whereas the people of Oceana County have announced plans for the second annual National Asparagus Festival for June 13–15, so as to call attention to this important product, and

Whereas the people throughout the country know and enjoy the asparagus produced in Oceana County: Now, therefore, be it

Resolved, That the Senate of the United States extends its congratulations to Oceana County, Michigan, and for its plans for a National Asparagus Festival; and, be it further

Resolved, That it is the sense of the Senate that the week of June 13–15 should be proclaimed as National Asparagus Week.

SENATE RESOLUTION 91—ORIGINAL RESOLUTION REPORTED RELATING TO THE ACTIVITIES OF THE COMMITTEE ON FOREIGN RELATIONS

(Placed on the calendar.)

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following original resolution:

S. RES. 91

Resolved, That (a) effective on the date on which this resolution is agreed to, the activities authorized by Senate Resolution 247, 87th Congress, agreed to February 7, 1962, are extended to include the interchange and reception in the United States of prominent officials of intergovernmental organizations.

(b) Effective for the fiscal year ending June 30, 1975, and for each fiscal year thereafter, the fiscal year limitation on expenses incurred under such Senate Resolution 247 is increased to $10,000.

SENATE RESOLUTION 92—SUBMISSION OF A RESOLUTION PROVIDING FOR INVESTIGATIONS AND STUDIES BY STANDING COMMITTEES

(Referred to the Committee on Rules and Administration.)

Mr. CLARK (for himself, Mr. BENTSEN, Mr. BROCK, Mr. CASE, Mr. GARY W. HART, Mr. HARTKE, Mr. HASKELL, Mr. HUMPHREY, Mr. JAVITS, Mr. KENNEDY, Mr. MCGEE, Mr. MCGOVERN, Mr. RIBICOFF, and Mr. TUNNEY) submitted the following resolution:

S. RES. 92

Resolved, That (a) each standing committee of the Senate, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of the application, operation, administration and impact of laws or parts of laws, including regulations prescribed thereunder, the subject matter of which is within the jurisdiction of such committee in order to—

(1) ascertain and identify those areas covered by such laws and regulations in which differences exist in their application, operation, administration and impact because of sex;

(2) determine whether the differences in application, operation, administration and impact because of sex are—

(A) consistent with the proposed amendment to the Constitution relating to equal rights; and

(B) (i) appropriate and justifiable; or

(ii) unduly and unnecessarily discriminatory on account of sex;

(3) determine whether, and the extent to which, any such differences in application, operation, administration, and impact because of sex should, in the public interest, be removed, modified, or continued without change; and

(4) cooperate, as appropriate, with respective House committees in—

(A) identifying the differences in application, operation, administration, and impact on account of sex; and

(B) determining whether any such differences in application, operation, administration, and impact because of sex should, in the public interest, be removed, modified, or continued without change.

(b) Each such standing committee—

(1) shall submit to the Senate, as soon as practicable during the first regular session of the present Congress, a preliminary report of the results of its investigation and study, together with such recommendations as the committee considers appropriate; and

(2) shall submit to the Senate, not later than October 1 of the year in which the second regular session of the present Congress is held, a final report of the results of its investigation and study, together with such recommendations as the committee considers appropriate.

Any such report which is made when the Senate is not in session shall be filed with the Secretary of the Senate.

UMI

SEX DISCRIMINATION AND THE LAW

Mr. CLARK. Mr. President, in recent years this country gradually has awakened to the rights and needs of American women. As with the country, the majority of the Congress has come to realize that laws which treat women and men differently are inherently unfair.

To move from recognizing a problem to eliminating it in a democratic process does require patient, persistent effort. But too much patience has been required of the women of this Nation who have not been granted the full benefits and rights due every American citizen.

Today I am introducing a resolution to reaffirm our commitment to equal rights and to help prepare for the ratification of the equal rights amendment—ERA.

The ERA was first proposed in 1923 by the National Women's Party, and it was introduced in nearly every Congress until 1972, when it finally was approved by the Congress—49 years later. But the process remains unfinished. As a constitutional amendment, the ERA must be approved by 38 States before it can take effect. Thirty-four of the States, including Iowa, have ratified the ERA. With North Dakota's ratification of the ERA, the approval of only four more States is needed before the ERA becomes a part of the Constitution. The process must be completed by March 22, 1979.

Despite the setbacks in several legislatures last week, there is still a fair chance that the ERA will be ratified this year. In any case, it is imperative that Congress demonstrate its commitment to equal justice and application of the laws without regard to irrelevant sexual criteria. In short, the Congress needs to eliminate instances of sex discrimination from Federal law.

While the work goes on in the State legislatures, Congress cannot afford simply to rest until the 38th State finally ratifies the ERA. Instead, Congress ought to be preparing now for its approval by eliminating unwarranted references to gender in our Nation's laws.

Right now there are a great many laws whose application and impact are discriminatory and are inconsistent with the principle of equal rights. Under this resolution, the standing committees of the Senate will conduct a complete investigation of instances of sex discrimination within their jurisdictions. Differences based on sex which exist in the application, operation, administration and impact of laws will be identified. A final report of the results of the investigation, together with recommendations, will be submitted to the Senate not later than October 1, 1976.

Although such a task is large, it is manageable. Iowa already has provided an example of how to proceed: all references to gender have been eliminated from the Iowa Code. On the national level, the groundwork has already been laid by the Justice Department, the U.S. Commission on Civil Rights, and Ruth Bader Ginsburg and Brenda Feigen Fasteau, two noted authorities on women's legal problems. Using a computer printout furnished to the Commission on Civil Rights by the Department of Justice, they have surveyed the United States Code and have identified and assessed those statutes inconsistent with the ERA.

So the information is already available. The argument that this task is too unwieldly is simply not a cogent one because much of the work has already been done. It will only be necessary for the standing committees to avail themselves of existing data and to decide what changes are required to ensure equal rights.

Because so much of the work has already been completed, no new allocations of funds or staff are anticipated to carry out the intention of this resolution. With its passage, committees will perforce become more attuned to the existence of sex discrimination and will be compelled to consider the justice of that discrimination.

Even if the task of equalizing the statutory treatment of women and men were overwhelming, we would have no choice but to assume that task. If we believe in the fundamental principle that citizens of the United States deserve equal chances regardless of sex, the Senate should do its part to create an environment in which men and women are considered first as American citizens, not as male and female.

SOME PROGRESS

While women have waited patiently for lawmakers and the courts to acquire some sensitivity and understanding for the scope of discrimination against women, Congress has made some progress. The 93d Congress which completed its work in December has charted a steady movement toward correcting the disparity of treatment between men and women in this Nation.

Perhaps its most important success was to provide equal credit opportunity for women and men. The consumer credit protection amendment prohibits discrimination based on sex or marital status, while the Housing and Community Development Act prohibits sex discrimination in federally related mortgage loans.

There are at least nine other pieces of legislation approved by the 93d Congress which either directly or indirectly address the principle of equal treatment: Women's Equality Day, Little League Baseball for both girls and boys, the enlistment and commissioning of women in the Coast Guard Reserve, the Small Business Act, the Comprehensive Manpower Act, the Crime Control Act, the rape prevention amendment unfortunately vetoed by the President, the Fair Labor Standards Act amendments, and the pension reform bill. But as important as these successes are, much remains undone.

Because of their traditional roles as mothers and homemakers, many women find standard working hours inconvenient and disruptive. Nearly three-fourths of working women have children under 18 years of age; and one of every three mothers with preschool children is working. Most women who work do so out of financial necessity, not for diversion. Thus, women who work and who have children to care for have a particular problem. Standard working hours, although they appear nondiscriminatory on the surface, place an unusual hardship on working mothers. This is the kind of issue which does not personally confront most men, but it is a problem which every working person with primary responsibility for care of children could expound on at length.

Many of us in the Senate have become aware of this problem thanks to the work of the Senator from California (Mr. TUNNEY) who has written the flexible hours bill for people unable to work standard working hours. But how many more issues are there which appear nondiscriminatory but which tend to place an unfair burden on women?

There are no doubt many more issues which male legislators have difficulty understanding, and that understanding is needed in every legislature—State and Federal. The increasing awareness of male legislators to women's legal problems and the election of women to public office can bring us closer to a fairer society. The 1975 Iowa Legislature, for instance, now includes 14 women, a 50-percent increase over the previous legislature. The U.S. House of Representatives experienced a gain of two women this year. Although the progress is slow, the addition of women into the political arenas of this Nation must become a permanent trend.

The election of more women, the gradual chipping away of laws which discriminate against women, the passage of the ERA by the Congress and 34 States—these are indications that the country has become aware of the need for change from the traditions that have unfairly excluded women from the mainstream of American life. However, the most that can be said, even now, is that we have only begun.

UNFINISHED BUSINESS

To meet the promise this Nation has made to every citizen, including women, we must work simultaneously on several fronts. One, which is addressed by the resolution I am introducing today, is the need to alter present laws to make them consistent with the ERA.

A second front is one with which every Member of this Congress is familiar: the problem of compliance and enforcement of laws which the Congress has passed. Laws are meaningless when they go unenforced. And the legislative gains made by and on behalf of women too often are among those left to languish.

A particularly disturbing example is title IX of the Educational Amendments of 1972. Mr. President, as difficult to believe as it may be, after 3 years HEW has yet to publish final guidelines for title IX. Providing equal educational opportunities, as title IX does, should not be delayed any longer.

There is nothing which Americans believe in more than the ability of a good education to equalize opportunity. Right now, women's earnings are about 60 percent of men's, and the Department of Labor has estimated that 20 percent of the disparity between men and women's salaries is due to different levels and types of training, education, and work experience. Title IX will help remedy that differential, but only if title IX is enforced.

Is title IX being enforced? The plain answer is that it is not. William Raspberry's column printed in the Washington Post on February 19, 1975, makes apparent the extent to which HEW's Office of Civil Rights may even be subverting the principle of equal rights. I find it disturbingly ironic that the very office on whom women must rely to rectify discriminatory treatment is the office which is seemingly hampering the creation of equal opportunity.

I ask unanimous consent that the article, "Representative HAWKINS on Affirmative Action," be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. The Congress has acted. The law has been promulgated. Yet title IX goes essentially unenforced. HEW, and particularly the OCR, should not doubt the seriousness of our intent to provide women with the educational opportunities which they have been wrongfully denied in the past. They must issue the regulations without additional delay, as they have been able to do with other civil rights legislation. And they must issue regulations which are no less strong than title IX itself.

Another example of a law without force is the new Educational Equity Act incorporated in the Educational Amendments of 1974. Congress will have an opportunity to signal its seriousness in this matter in the appropriations process this year. Unless this act is funded adequately, it cannot be effective.

A final example of laws without sufficient force is presented by the Equal Employment Opportunity Commission's—EEOC—backlog. The EEOC was formed to enforce laws dealing with antidiscrimination in employment. How well is the EEOC able to perform its job?

Lynne Darcy, the coordinator for the National Task Force on Compliance of the National Organization for Women, testified before the House Subcommittee on Equal Opportunities on September 18, 1974. Here is her assessment:

> As the situation now stands, a charging party may wait *3 to 5 years* before a charge is resolved by the EEOC, and the chances are only *1 in 4* that a charge, once investigated, will be resolved, since employers are aware that EEOC has very limited resources for litigation. In addition, conciliation agreements are rarely monitored or enforced. *The situation is clearly untenable.* (Italic added.)

Mr. President, the Congress must equip EEOC with the staff and resources sufficient to do its job. In turn, the EEOC must be committed to eradicating employment discrimination in this Nation.

There is a variety of other problems which need our attention. I have already mentioned the flexible hours bill. In addition, the Child and Family Services Act is a matter which should be taken up soon. The Senate and House passed a version of the child care act as long ago as 1971, only to have it vetoed by the President.

We still have no adequate child care facilities and programs, yet the need for child care centers, after school programs and other child and family services has escalated since 1971.

The need is obvious: over 6 million families, about 12 percent of all families, are headed by women, and close to two-thirds of those families include children. In addition, there are millions of families—where both the father and the mother work and, consequently, desperately need a safe and educationally sound place to leave their children—that would benefit from the enrichment programs proposed in the Child and Family Services Act. And it is important to note that Senator MONDALE and his subcommittee have devised a fiscally responsible means of financing these programs so that families who could afford to pay for these services would contribute a fair share.

Mr. President, I cannot begin to list all the legislation required to create a situation where men and women are treated equally and fairly. There is a need to open military academies to women. There is a need to deal with the growing problem of rape and the treatment of rape victims in this country. There is a need to eliminate discrimination from tax and inheritance laws, social security benefits, and insurance. There is a need to insure that equal rights is not a passing fad—that the few gains in equal employment opportunities recently made not be eroded by the current economic problems which we are facing.

Women have been waiting—increasingly impatiently—for the predominately male political, economic, and educational structures to recognize the abilities, contributions, competence, and potential of female Americans. They should not be made to wait any longer.

The arguments that we should wait until the ERA is ratified, or wait until individual court cases are litigated piecemeal, or wait until some unspecified future date are dilatory tactics that are unacceptable. If it is right to create a society unmarred by sex discrimination, it is right to work on that task not next year, not year after next, but this year, now, in this Congress. The Senate has the power to correct inequities. Its will and its seriousness will be tested this year.

We can and should create a fairer society—and, in my judgment, a more successful and rewarding society for all Americans in which every person is treated with dignity and respect and one in which everyone can grow to her or his fullest potential as a human being.

I ask unanimous consent that the following excerpted conclusions of the Ginsburg-Fasteau study, entitled "The Legal Status of Women Under Federal Law," be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[Excerpts From "the Legal Status of Women Under Federal Law]

CONCLUDING COMMENT—I. CONGRESSIONAL RESPONSIBILITIES FOR COMPREHENSIVE REVISION: PRINCIPAL DIRECTION OF NEEDED REFORM

Equalization of the treatment of women and men under federal law is an overdue task which should command priority attention in Congress. . . . [M]yriad unwarranted differentials clutter the U.S. Code. Many are obsolete or of minor importance when viewed in isolation. But the cumulative effect is reflective of a society that assigns to women, solely on the basis of their sex, a subordinate or dependent role.

Several of the differentials . . . could not survive judicial scrutiny even without an equal rights amendment to the Constitution. All of them are vulnerable under the national commitment to eradicate gender-based discrimination, evidenced most dramatically by the overwhelming approval Congress gave to the equal rights amendment. The statutory revision . . . should be commenced with diligence and dispatch. As we enter the closing quarter of the twentieth century, join in the celebration of International Women's Year in 1975, and prepare for our bicentennial, federal law should not portray women as "the second sex," but as persons with rights, responsibilities and opportunities fully equal to those of men.

We have recommended that the laboring oar in the revision process be wielded by Congress itself. . . . Each standing committee should deal with the laws falling within its subject matter domain. The eventual product might be an omnibus bill aimed at eradicating all discriminatory or unnecessary gender-based provisions or references. Alternately, amendments might be introduced Title-by-Title. A congressional effort of this dimension could serve as a model for similar efforts in the states, and in other nations.

Three aspects of comprehensive revision warrant special emphasis. First . . . review should encompass the manifold regulations prescribed under the various laws . . . . Second, all antidiscrimination statutes should be canvassed so that sex may be added to the catalogue in instances where, currently, it is not included. Third, Congress should advert to the concept that pervades the Code and that must be rooted out if the principle of equal rights, responsibilities and opportunities, free from gender-based discrimination is to achieve realization—the notion that the adult world is (and should be) divided into two classes: independent men, whose primary responsibility is to win bread for a family; dependent women, whose primary responsibility is to care for children and household. . . . [A]llocation of responsibilities within the family is a matter properly determined solely by the individuals involved. Government should not steer individual decisions concerning household or breadwinning roles by casting the law's weight on the side of (or against) a particular method of ordering private relationships. Rather, a policy of strict neutrality should be pursued. That policy should accommodate traditional patterns. At the same time, it should assure removal of artificial constraints so that women and men willing to explore their full potential as human beings may create new traditions by their actions.

EXHIBIT 1

[From the Washington Post, Feb. 19, 1975]

REPRESENTATIVE HAWKINS ON "AFFIRMATIVE ACTION"

(By William Raspberry)

Rep. Augustus F. Hawkins (D-Calif.) wants in on the debate over "affirmative action."

The debate has been heating up since last December when Peter Holmes, head of HEW's Office for Civil Rights (HEW–OCR), issued new guidelines to "clarify" the responsibility of colleges and universities in hiring minorities and women for faculty positions.

The guidelines followed sustained pressure from certain groups, including some college and university faculty members, to soften HEW's requirements. Or, as it was usually put, to make certain that misinterpretation of the requirements did not lead to "reverse discrimination."

Congressman Hawkins has taken a good, hard look, and what he sees is not reverse discrimination but "HEW–OCR's abrogating its responsibility under the law."

Under the Holmes clarification, college and university presidents, formerly under the im-

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pression that they would have to increase their hiring of minority and women faculty members, on pain of losing their federal funds, now know better.

The clarification goes in two important directions. Those university chiefs who want to increase their minority and female representation were told that they cannot advertise in any way that might seem to discourage white, male applicants.

And those who don't want to change their hiring practices were told that they won't really have to, so long as they are careful to make sure that the list of rejected applicants contains the appropriate number of minorities and women and so long as none of the rejects is demonstrably better qualified than those who are hired, with the university itself the sole judge of qualification.

The requirements, guidelines and clarifications have their roots in Executive Order 11246 (as amended), which calls for federal contractors to ban ethnic, religious or sex discrimination in their hirings practices. It also requires them to take "affirmative action" to see to it that their practices are not discriminatory. Violation of the order could lead to cancellation of government contracts, although it rarely has.

"HEW-OCR is responsible under the executive order to enforce the order's provisions in all the (approximately 1,000) higher educational institutions having contracts with the federal government," Hawkins points out. "In light of (Holmes' "clarifying" memo), a major concern being expressed by growing numbers of minorities and women seeking college faculty employment, by minority contract compliance officers, by civil and human rights advocates, and by some members of Congress, is the question of HEW-OCR's employment enforcement inadequacies."

There also are growing doubts over HEW's willingness to enforce equal-employment provisions, "since its obvious interests are in the supposed preferential treatment being given to minorities and women," Hawkins told The Washington Post.

The real issue—in fact, the only issue—is the systematic, consistent, deliberate denial of equal employment opportunities to minorities and women by institutions of higher education, and the encouragement HEW-OCR has given these institutions to continue their policy of discriminatory hiring of faculty."

The discrimination is continuing, says Hawkins, even though the widespread charges of "reverse discrimination" might give the impression that minority and female professors are flooding the college campuses.

He cites data from the Civil Rights Commission report of last month showing that between 1968 and 1973 the percentage of blacks rose only from 2.2 to 2.9. The increase of women faculty members during the same period was from 19.1 per cent to 20 per cent.

"Clearly, the promise of equal employment opportunity has not been achieved in institutions of higher education," the Civil Rights Commission said, charging that "HEW's failure to enforce the executive orders has played no small role in frustrating this objective."

Hawkins, looking at the same data, sees clear evidence of HEW-OCR's foot-dragging in response to its federally mandated obligation."

"Mr. Holmes wants to make a major case for so-called reverse discrimination," said the chairman of the Equal Opportunities subcommittee of the House Committee on Education and Labor. "If reverse discrimination truly exists, it must be operating in a vacuum, since those persons supposedly experiencing this kind of discrimination (white, Anglo-Saxon Protestant males) still overwhelmingly control all of our nation's colleges and universities.

"They have not suffered any meaningful employment problems; the continued low numbers of minorities and women in college and university faculty positions attest to this fact."

He said Holmes' office has no realistic affirmative action policy and "obviously they need some assistance in this matter."

"That assistance is forthcoming," Hawkins promised.

SENATE CONCURRENT RESOLUTION 20—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE APPROPRIATION OF SUPPLEMENTAL MILITARY AID TO SOUTH VIETNAM AND CAMBODIA

(Referred to the Committee on Appropriations.)

A BANKRUPT POLICY IN SOUTHEAST ASIA

Mr. TUNNEY. Mr. President, the American taxpayer has just been confronted with a dismal picture of continuing economic stagnation and heavy pressure to limit Government spending. What we do not need, to add to this burden, is a further, futile expenditure of over half a billion dollars in Southeast Asia in the next 5 months.

Congress has appropriated $700 million for military assistance to South Vietnam for the current fiscal year, and authorized spending $200 million for Cambodia—both figures exclusive of various kinds of assistance through the Agency for International Development, which help the military effort. President Ford has now asked for a supplemental appropriation in this fiscal year—which has just 5 months to go—of $300 million for South Vietnam, and $222 million for Cambodia.

Mr. President, this is an echo of a bankrupt policy. At this time last year, the Nixon administration made a similar request for some $250 million in extra spending authority for South Vietnam, with exactly the same rationale—without more arms, the Thieu regime would collapse. Congress refused to grant the supplemental authority, and South Vietnam did not collapse.

Today we are hearing the same refrain. But the administration is not merely suggesting that some emergency aid be given to take care of a temporary shortage of arms. It is setting the stage for a massive permanent increase in American arms shipments to Southeast Asia. The American people may not realize the magnitude of this supplemental request. With $700 million appropriated for the full fiscal year 1975 for South Vietnam, a $300 million supplemental for the last 5 months would indicate a doubling of arms shipments. And the administration request for $1.3 billion for fiscal year 1976 indicates that this new, doubled rate of arms shipments is intended to continue for at least the next 18 months. The same is true on an even greater scale for Cambodia, where the administration wants a supplemental appropriation for 5 months which is larger than the original appropriation for 12 months. And the fiscal year 1976 request for Cambodian arms will be a stupendous $450 million, double this year's appropriation and over half the total military aid program worldwide. Is this a strategy of disengagement?

Mr. President, I submit that this supplemental request is completely unjustified. Rather than doubling the rate of expenditure in Southeast Asia, we should be continuing the trend of phasing it out. This supplemental appropriations request represents more of the mentality which got us into Vietnam in the first place—more spending, more guns, more soldiers will solve the problem.

The truth is that only the Vietnamese and Cambodians themselves will solve their problems, through negotiations. This has been the simple fact for almost 30 years, but American leaders have rarely realized it. A further infusion of American arms will not save South Vietnam or Cambodia, but will only persuade the present governments to fight on. Surely no one thinks that Saigon or Phnom Penh will be able to turn the tide and defeat their enemies, even with 10 times more arms. Any great increase in American arms shipments will only be matched by new shipments from the Soviet Union or China. The situation is at a stalemate, or worse, and it will do no good for us to send more money down a bottomless pit. We must instead stay on our present course—a steady and rapid phasecut of our financial support for the Thieu regime.

The failure of the parties involved to adhere to the Paris peace agreement is surely the fault of both sides. At no time after the agreements were signed did President Thieu appear genuinely willing to attempt the political compromises outlined in the agreements. He kept North Vietnamese negotiators cordoned off in a compound at an army base. He used his massive American assistance to try to expand his territorial control. Unfortunately, the United States has helped the Thieu regime consistently in its failure to seek a negotiated settlement. We have given material and political support which undermined the peace accords, starting even before they went into effect, which could then be legally replaced. It is small wonder that the North Vietnamese were skeptical, and did not for their part adhere to the agreements either. One result has been our inability to make an accounting of our MIA's and POW's. Last year the Congress made a finding that the peace agreements had been broken by both sides.

Now the United States has announced that it is officially renouncing the peace agreement, and will not adhere to its provisions, because of North Vietnamese violations. Already American reconnaissance planes are overflying the North, and Vietcong areas in the South, contrary to provisions of the agreement. What will be next: Armed planes to protect the reconnaissance flights; reintroduction of American advisers; more troops to protect our advisers? Mr. President, we seem to be on the same path which our Nation started down 12 years ago, an inching into quagmire.

It is most sad that President Ford refuses to take a more realistic view of American's priorities. American prestige has long since been tarnished by our involvement in Vietnam, and can receive no boost by continuing to wastefully prop up two corrupt dictatorships.

Once and for all, our leaders must break away from the light at the end of the tunnel syndrome. State Department officials, and now President Ford as well, have been saying that it will be possible to phase out American financial and military aid to South Vietnam within 3 to 5 years—if only we give a big enough boost now to "get them over the hump." Well, South Vietnam has been on a 12-year hump, and it has yet to get over it. I submit that there is no reasonable likelihood, given a continuation of current policies, that we will ever be extricated from a $2 billion a year "habit" in Southeast Asia.

We must make the firm decision that it is in America's interest to disengage from Southeast Asia, and leave the solution of the political problems there to the parties. We must set a schedule for ending our financial assistance and end it. Our domestic stringencies, no less than international realities, require a rapid phaseout of this expensive, and endless subsidy.

Mr. President, I believe my colleagues in the House and the Senate agree with the points I have been discussing. In order to formalize that agreement, I am today submitting a concurrent resolution stating that no supplemental military assistance should be appropriated for South Vietnam or Cambodia in this fiscal year, and calling for a firm schedule to terminate all military assistance. The resolution also calls on the U.S. Government to adhere to all the terms of the Paris peace agreements, and make new efforts to negotiate a true peace in Southeast Asia with the other parties concerned.

Mr. President, I hope this resolution will be supported by my colleagues in both Houses. I am convinced that it represents the wishes of the American people.

I ask unanimous consent to have the text of the concurrent resolution printed in the RECORD at this point.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 20

Whereas a settlement of the present conflict in South Vietnam and Cambodia is vital to the peace and security of Southeast Asia and is in the best interests of world peace and stability; and

Whereas a settlement depends upon the right of the Vietnamese people to determine their own destiny pursuant to The Vietnam Agreement and Protocols, signed January 27, 1973; and

Whereas Article 3 of the Agreement On Ending The War And Restoring Peace In Vietnam (the Agreement) states that: "The parties undertake to maintain the cease-fire and to ensure a lasting and stable peace"; and

Whereas Article 20 of the Agreement states that: "Foreign countries shall put an end, to all military activities in Cambodia . . ., totally withdraw from and refrain from reintroducing . . . troops, military advisors and military personnel, armaments, munitions and war material"; and

Whereas a massive increase in the financial assistance for military use in Vietnam and Cambodia would undermine the purpose and the goals of the Agreement and the ability of the Vietnamese and Cambodian people to achieve their own sovereignty as called for in Articles 1 and 20 of the Agreement; and

Whereas the Agreement has been further undermined by the recent statements of the United States government suggesting that it would not be bound by all the provisions of Agreement because of North Vietnamese violations; and

Whereas the lack of negotiations between the parties under the Agreement precludes the United States from achieving an accounting of American personnel listed as Missing In Action as called for in Article 8 and the Protocol on Prisoners and Detainees; Now therefore, be it

Resolved by the Senate (the House of Representatives concurring), That, no supplemental military appropriations be made in this fiscal year to South Vietnam or Cambodia:

SEC. 2: That, a firm schedule be set for the ending of military, financial assistance by the United States to Vietnam and Cambodia, concurrent to the greatest practicable degree with similar reductions in military assistance by the other signatories and endorsing parties to the Agreement;

SEC. 3: That, the United States adhere to all terms of the Agreement, and make all efforts to renew diplomatic negotiations between the signing parties and the other endorsing countries to resolve the current conflict, achieve an accounting of United States personnel, and create a lasting settlement.

SENATE CONCURRENT RESOLUTION 21—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO SHIPMENT OF ARMS TO PAKISTAN AND INDIA

(Referred to the Committee on Foreign Relations.)

Mr. HOLLINGS (for himself, Mr. CHURCH, and Mr. CRANSTON) submitted the following concurrent resolution:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States embargo against the shipment of arms to Pakistan and India should be reinstituted without delay.

Mr. HOLLINGS. Mr. President, it seems that insofar as South Asia is concerned, our diplomats never learn. About the only lesson they derive from making a mistake is how to make the same mistake all over again. And that is exactly what is happening right now with regard to our policy for India and Pakistan.

The administration has announced that the United States is lifting its 10-year-old embargo on the sale of arms to Pakistan.

There is no justification for lifting the embargo. This particular step at this particular time erodes further the already fragile position of the United States in that area of the world. It undoes in one fell swoop the painfully slow progress that has been made in moving forward from the chaos and bitterness of recent years. Pakistan and India have been taking a few very halting—but nevertheless forward—steps. And the United States and India had gradually begun emerging from the recrimination caused by our wrong headed and disastrous policy at the time of the war for Bangladesh. A new American Ambassador was on his way to India, hopefully to inaugurate an era of better feeling. All of these developments are now in serious jeopardy, thanks to the precipitous and ill-advised lifting of the embargo by the Ford administration.

Mr. President, I am not going to recite the lengthy history of our policy on the subcontinent. I believe that observers such as Chester Bowles were essentially correct in believing that our initial decision to supply arms to Pakistan—taken in the early 1950's—was based on misguided and erroneous assumptions that bore no relation to the long-term strategic interests of the United States. Our concept of what Pakistan would be able to do for us in the eventuality of a direct Soviet move into the Middle East was vastly overblown. And, by initiating the arms shipments, we fueled an ever-escalating arms race on the subcontinent that has, first, encouraged open warfare between India and Pakistan on more than one occasion; second, opened the road to Soviet penetration of India through the supply of arms and aid; and third, diverted the scarce national resources of India and Pakistan from economic development to military stockpiling. Whatever our intentions were—and I am certain they were good and honorable—the policy was bankrupt from the start. To go back to arms sales now compounds the felony.

I remember back in more hopeful days—in those early days of the New Frontier—the talk was about developing India as the great example of democracy and economic prosperity in Asia, in contrast to its neighbor China, thereby winning hearts and minds all through the third world. It was an ambitious agenda—beyond the power of any country to bring about. Yet when we stop to think that almost everything we have done in the 1970's has worked against the better interests of the United Sates in South Asia, and has only weakened the ability of India to address its gigantic social problems—we can only wonder in amazement. There has been no realism, no sense of proportion, attached to our policy on the subcontinent. From those first assurances of President Eisenhower that our military aid to Pakistan would never be diverted for use against India—a commitment impossible to fulfill—to our completely mistaken attitude over Bangladesh, and now to this resumption of arms sales to Pakistan—every step has cost us influence.

Just as the Soviets were quick to take advantage before, so they are poised again now. While our new Ambassador is forced to cool his heels in Thailand, because of the reception which awaits him in India, the Soviet Defense Minister, Marshal Grechko, has just been given a red-carpet welcome, and he no doubt goes to India bearing arms and other assistance.

Mr. President, I am today introducing a concurrent resolution putting Congress squarely on record in favor of reinstituting the arms embargo. I hope we can act on this promptly. And I hope that the administration will reconsider—and leave all talk of "tilts" and the like as reminders of a bleaker past rather than as policy prescriptions for today and tomorrow.

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AMENDMENT SUBMITTED FOR PRINTING

RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 4

AMENDMENT NO. 22

(Ordered to be printed and to lie on the table.)

Mr. BROCK submitted an amendment intended to be proposed by him to the motion of the Senator from Minnesota (Mr. MONDALE) in connection with the resolution (S. Res. 4) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 20

At the request of Mr. DOLE, the Senator from New York (Mr. BUCKLEY) and the Senator from Idaho (Mr. MCCLURE) were added as cosponsors of amendment No. 20, intended to be proposed to House Joint Resolution 210, making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

NOTICE OF HEARING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, March 5, 1975, at 10:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Thomas J. Meskill, of Connecticut, to be U.S. circuit judge for the second circuit, vice J. Joseph Smith, retired.

Any persons desiring to offer testimony in regard to this nomination, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN), the Senator from North Dakota (Mr. BURDICK), the Senator from Nebraska (Mr. HRUSKA), the Senator from Pennsylvania (Mr. HUGH SCOTT), and myself as chairman.

NOTICE OF HEARINGS ON FINANCIAL CONDITION OF LOCAL HOUSING AUTHORITIES

Mr. SPARKMAN. Mr. President, I should like to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs will hold 2 days of oversight hearings on the financial condition of local housing authorities on March 11 and March 14, 1975.

The hearings will be held in room 5302 of the Dirksen Senate Office Building and will begin at 10 a.m. each day.

The subcommittee would welcome statements for inclusion in the record of hearings.

NOTICE OF HEARINGS ON EMERGENCY HOUSING

Mr. SPARKMAN. Mr. President, I should like to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs will hold 4 days of hearings—March 17 through March 20—on emergency housing and housing/energy legislation. The bills include S. 587, S. 591, S. 655, S. 660, S. 748, S. 751, S. 773, and titles X and XI of S. 594.

The hearings will be held in room 5302 and will begin at 10 a.m. each day.

Those wishing to present testimony before the subcommittee on these bills should contact Dorrie Thomas, of the Housing Subcommittee staff, room 5226, Dirksen Senate Office Building, 224-6348.

The subcommittee would also welcome statements for inclusion in the record of hearings.

ANNOUNCEMENT OF CONSUMER PROTECTION HEARING

Mr. RIBICOFF. Mr. President, the Committee on Government Operations will hold a hearing on Thursday, March 6, at 10 a.m. in room 3302, Dirksen Senate Office Building, to receive testimony relating to S. 200, the Consumer Protection Act of 1975, from representatives of the U.S. Chamber of Commerce and the National Association of Manufacturers.

These two witnesses were scheduled to testify on February 24. However, insufficient time was available. Because these witnesses are most important as leading opponents of S. 200, I feel that it is important to give them sufficient time and the full attention of the committee to present their views on this important legislation. I urge as many members of the committee as possible to attend. The public is invited.

NOTICE OF HEARINGS ON REORGANIZATION OF THE FIFTH AND NINTH JUDICIAL CIRCUITS

Mr. BURDICK. Mr. President, I wish to announce that open public hearings have been scheduled before the Subcommittee on Improvements in Judicial Machinery on S. 729, a bill to improve judicial machinery by reorganizing the fifth and ninth judicial circuits, by creating additional judgeships in those circuits, and for other purposes.

These hearings are a continuation of 6 days of hearings held in September and October 1974 on this same subject matter.

The hearings will be held on March 18, 19, and 20, 1975, in room 6202 Dirksen Senate Office Office Building, beginning at 10 a.m. each day.

Those who wish to testify or submit a statement for inclusion in the record should communicate as soon as possible with the Subcommittee on Improvements in Judicial Machinery, 6306 Dirksen Senate Office Building, 224-3618.

NOTICE OF HEARING

Mr. KENNEDY. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing on the Senate Subcommittee on Health, Committee on Labor and Public Welfare.

The hearing is scheduled for April 8, 1975, beginning at 10 a.m. in room 4232 of the Dirksen Senate Office Building. Testimony is invited regarding three bills presently before the committee concerning malpractice insurance for physicians, other health professionals, and institutional health care providers. S. 188, S. 215, and S. 492 will be the focus of these hearings.

For further information regarding the hearings, you may wish to contact Dr. Stuart Shapiro with the Senate Health Subcommittee at 224-9786. Those wishing to testify or submit a written statement for the hearing record, should write to Dr. Shapiro at the Senate Subcommittee on Health, Committee on Labor and Public Welfare, room 4228 Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARINGS

Mr. MUSKIE. Mr. President, I would like to announce a series of Budget Committee hearings to prepare for reporting our first concurrent resolution on the Budget in April. These hearings will focus on major issues having significant fiscal impact in fiscal 1976.

The committee will receive testimony from public spokesmen, Administration officials, and other Senators as we work toward producing a budget resolution containing aggregate totals for spending and revenues for fiscal 1976.

The hearings will begin on Tuesday, March 4. Additional hearings will take place March 5 through March 7, March 10 through March 14, and March 17 and 18.

On Tuesday, March 4, the committee will concentrate on the impact of the 1976 budget on jobs and the economy. Among the witnesses will be Leonard Woodcock, president of the United Auto Workers; Jerry Wurf, president of the American Federation of State, County, and Municipal Employees; Vernon Jordan, executive director of the National Urban League; and a panel of distinguished business leaders. This hearing will begin at 10:30 a.m. in room 4232, Dirksen Senate Office Building.

On Wednesday, March 5, the committee will examine how the 1976 budget affects State and local governments. Appearing to testify will be a panel of governors from the National Governors Conference and a panel of mayors from the National Conference of Mayors and League of Cities. This hearing will begin at 10 a.m. in room 6202 Dirksen Senate Office Building.

On Thursday, March 6, the committee will focus on the various energy policy options and their impact on the 1976 budget. Among the witnesses to be testifying will be Frank Zarb, Administrator of the Federal Energy Administration and Charles Schultze, Senior Fellow at the Brookings Institution. This hearing will begin at 10 a.m. in room 6202 Dirksen Senate Office Building.

On Friday, March 7, the hearings will concentrate on fiscal policy in the 1976 budget. Among the witnesses to be testifying are Senator HUBERT HUMPHREY, chairman of the Joint Economic Committee; and Prof. Gerard Adams and James Tobin. This hearing will begin at 10 a.m. in room 6202, Dirksen Senate Office Building.

The hearings will continue the following week with testimony from Alan Greenspan, chairman of the Council of Economic Advisers; James Lynn, Director of OMB; Arthur Burns, Chairman of the Federal Reserve Board; Secretary of Defense James Schlesinger; and Secretary of HEW Caspar Weinberger. Further details of these hearings will be announced next week.

All of these hearings will be open to the public.

ADDITIONAL STATEMENTS

AID TO SOUTHEAST ASIA

Mr. THURMOND. Mr. President, an interesting article by Walt W. Rostow, national security adviser to the late President Lyndon B. Johnson, published in the Washington Star-News February 16, 1975, makes a strong case for aid to Southeast Asia.

Mr. Rostow also warned that far-reaching ill effects will come from efforts in the Congress to dictate foreign policy. He noted that similar moves by the Congress in the early part of this century contributed substantially to the coming of the Second World War.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR STAKES IN SOUTHEAST ASIA

(By Walt W. Rostow)

From all accounts, a majority in the Congress appears seized of the idea that we should limit our military assistance to Cambodia and South Vietnam in the face of the military offensives they confront, despite the judgment of the executive branch that this may well lead to Communist victory in the area.

Those supporting this limitation are in the position of arguing that it would be better for the people of Southeast Asia to have peace than war, even if peace brings Communist control. They also say that the American people have had enough of Southeast Asia, and a majority of our citizens supports a cut-off of aid to the area.

It is understandable after all that has transpired over the last 30 years that the American political process should generate moods like these; but, as George Kennan wrote in another context: "History does not forgive us our national mistakes because they are explicable in terms of our domestic politics." What if the destruction of independent non-Communist states in Southeast Asia should irreversibly lead not to "peace" but to greater instability and conflict in the world than we already know?

Specifically, members of Congress ought to consider these four points before casting their votes.

Whatever moral judgments or domestic political imperatives may move individual members of Congress, the United States will appear to the rest of the world to have knifed in the back an embattled ally. And we will have done so after that ally had successfully held his own over the more than five years since American troop withdrawals began, accepting increased casualties, despite an American-negotiated truce settlement that has not been honored by Hanoi and on whose enforcement Washington has not insisted once our prisoners were home.

A part of that settlement was the understanding that we would supply the South Vietnamese with arms to match those mounted against them. There is no North Vietnamese weapon that does not come from its allies in Moscow and Peking. It is inevitable that an American cut-off of military supplies to Southeast Asia shakes our alliances in every part of the world. Our allies may differ in the weight they attach to events in Southeast Asia; but they are all vitally affected by the record of American reliability in honoring its treaty commitments and other promises.

A loss of confidence in American reliability could lead to further nuclear proliferation. A good many countries have moved close to the threshhold of nuclear weapons production. One barrier that has thus far prevented their taking this fateful step is the greater advantage of explicit or implicit security ties with the United States than the development of independent nuclear capabilities can provide. An American foreign policy dominated by moods of a Congress prepared to alter unilaterally treaty relations as well as agreements made by the executive branch, is not likely to commend itself as the foundation for national security to a number of important nations in a world they perceive as still potentially dangerous. By several routes, nuclear proliferation increases the chances of nuclear war.

In Southeast Asia itself, the action of Congress may well lead to a larger war rather than to peace. That action will signal to other powers a definitive American abandonment of interest in Southeast Asia and set off a scramble for power to fill the vacuum.

The situation in the region differs in a number of ways from that in 1965. Thailand and Indonesia, for example, are stronger now, and perhaps some of the other states as well. On the other hand, the long line of the Mekong still renders Thailand vulnerable to a Communist conquest of Indochina; and the fate of Burma runs with that of Thailand, as both parties have long recognized. Since independence, the Indian foreign policy has systematically regarded the independence of Burma (and Malayasia, too) as a direct vital interest. Thus, a congressional cut-off of military aid could set in motion a confrontation between India and China, as well as a Chinese-Russian confrontation. Both confrontations now carry the potentiality of nuclear war.

Finally, the resources of Southeast Asia, until recently a factor of negligible interest, have increased in importance to Japan and Western Europe as well as to the United States; that is, the oil of Indonesia and the potential deposits of the South China Sea. In a world enmeshed in a long-term energy crisis, the sea routes which Indochina dominates assume increased importance.

This is not the first time in our history that the Congress has exercised intimate control over foreign policy. The first time it happened, in the 1780s, it yielded such dangers to the republic that the nation reluctantly accepted the Constitution under which we have lived successfully for almost 190 years. The last time it happened, between 1918 and 1940, the policy of the United States contributed substantially to the coming of the Second World War.

The voices now dominant in the Congress, echoing their isolationist predecessors, are once again seeking to impose their vision of how the world ought to be, as opposed to the way the world really is. Those who know better are mainly silent; cowed by the media, tired from a long enervating struggle, unwilling to say what they believe after the bruising battles of the past generation. But history is without pity—even for the United States. To quote Kennan again: "A nation which excuses its own failures by the sacred untouchableness of its own habits can excuse itself into complete disaster."

And this time the disaster could be nuclear war.

THE CAMBODIAN CRISIS

Mr. HUMPHREY. Mr. President, the best information available this morning in Washington indicates that the Cambodian forces of President Lon Nol are increasingly unable to mount an effective defense. They have been unable to reopen Cambodia's vital Mekong river supply routes. It now appears doubtful that they can insure the security of the Phnom Penh airport which represents that country's last means of supply from the outside world.

On the civil side, the Phnom Penh Government is clearly unable to provide even the minimum functional distribution of food to the starving. Its economy has clearly collapsed.

Neither Cambodia's military or economic problems result from a lack of resources. Both food and ammunition are available in greater quantities than can be moved into the beseiged capital.

At the present time the Cambodians are consuming approximately 500 tons of ammunition each day. If the supplemental funds were approved, there is little or no reason to believe that the additional increase in ammunition supply over the 500-ton consumption rate could turn the tide for the Lon Nol government. But even more significantly, it is very doubtful that increased supplies of ammunition can be moved into the country and then distributed, in view of blocked river routes and an airport which may be closed any day.

These facts are well known to the President and to the Secretaries of State and Defense. The best intelligence estimates available to them must suggest, if not conclude, that Cambodia's defense is highly questionable even if the additional aid were available today. Other evidence confirms that negotiation between the Lon Nol government and the insurgents is out of the question because it is as evident to the latter as it is to U.S. experts that President Lon Nol cannot survive and that he has lost the confidence of his people.

Knowing this, it is misleading and unfortunate for the President and the Secretaries of State and Defense to tell the American people that Phnom Penh will fall if the Congress does not act. They know that in all likelihood Phnom Penh cannot be saved even with additional money.

Thus it is unfair for the administration to seek to lay at the feet of the Congress the blame for a rapidly deteriorating situation in Cambodia.

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The Congress has already supplied nearly $1.8 billion in economic and military assistance to Cambodia since 1970. This year alone we have provided $452 million in aid.

We have no defense commitment to the Lon Nol government. The Congress has repeatedly declared this in legislation which both President Nixon and President Ford have signed into law. The administration itself has heretofore disclaimed any defense commitment to Cambodia. Instead of seeking to make the public believe that some obligation exists, the administration should join with the Congress and urge that President Lon Nol and his group now step aside and allow others to arrange an immediate cease fire and emergency relief measures.

The Lon Nol government is beyond help but the Cambodian people are not. We should recognize now that the limiting factor in Cambodia is not our aid but Phnom Penh's will. We should acknowledge that the only course we can now follow is to alleviate the suffering of the Cambodian people and supply food for the population.

The Congress and the executive branch should take action together without recrimination and finger pointing. There is blame enough on all sides. What we must do now is to stop the slaughter of the innocents.

Mr. President, I ask unanimous consent that my opening statement on Cambodia, made as chairman of the Subcommittee on Foreign Assistance and Economic Policy at our hearing on the supplemental request, be printed in the RECORD.

I also ask unanimous consent that an excellent editorial on Cambodia in the Washington Post of February 21, 1975, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATOR HUBERT H. HUMPHREY'S OPENING STATEMENT

It is ironic that this, the first session of this newly created Subcommittee on Foreign Assistance and Economic Policy of the Committee on Foreign Relations, should be concerned with the question of authorizing supplemental military assistance to Cambodia. Most of us favor and would like to focus the attention of this subcommittee on, programs of economic development and efforts to improve the lives of poor people. But since the days of the Marshall Plan and Point Four we have seen foreign aid turned increasingly to political purposes with far greater priority attached to the military and political assistance rather than to programs designed to feed and to improve the standards of living of the less fortunate areas of the world. As much as we would like to put the contentious issues of Indochina behind us, it appears we must confront them once again.

Earlier this year, the Administration submitted a request for a $578.3 million to provide economic, military and food assistance to Cambodia. Portions of that request were considered in this Committee and its recommendation was that all the requested food aid should be provided, that $100 million of economic aid be provided and that $200 million in military aid be authorized for the entire fiscal year—all for a total of $377 million. We put a firm ceiling of $377 million on the total aid that could be provided. Subsequently, the Administration sought and obtained as part of the final Foreign Assistance Act authority to use $75 million from the so-called drawdown of existing Defense Department stocks of supplies and ammunition to augment the $200 million military assistance program. Thus, the total presently available for assistance to Cambodia is $452 million—a rather substantial sum.

The Appropriations committees have not yet acted upon the FY 1975 aid program authorization. Nevertheless, we are informed by the Executive Branch that regardless of what action the Appropriations committees take, the entire $275 million authorized for Cambodia military assistance, including the drawdown authority, has already been obligated.

Last month the President indicated his intention to request a supplemental authorization to provide an additional $222 million in military assistance for Cambodia. At the request of the Executive Branch, the Chairman of our full Committee, Senator Sparkman, introduced a bill, S. 663, to authorize this assistance. It is that bill which we are now convened to consider.

If approved, the Administration's request would remove the ceiling and on the basis of its present planning, allow the Administration to give Cambodia at least $745 million, or $167 million more than requested as the fiscal year began. And the total could go much higher. If the ceiling is lifted, it would mean that vast amounts of Public Law 480 commodities could be shipped to Cambodia—provided they could be delivered—and, possibly, that both economic and military assistance funds would be transferred from programs in other countries for use in Cambodia.

Since this bill was submitted, the military and economic situation in Cambodia has deteriorated drastically. We are told that supplies of ammunition in Phnom Penh are severely limited and that the rice on hand in Phnom Penh will last no more than another month. The Mekong River, upon which the capital of Phnom Penh has been dependent for its supplies over the past few years, has now been closed by the forces which oppose the Cambodian government. The only supplies which are reaching Phnom Penh today are those which are flown in by air. Such shipments consist almost entirely of ammunition.

As long as a year ago this Committee was advised by its staff that Cambodia's economy had, for all practical purposes, ceased to exist and that only the determined efforts of the American Embassy kept the governmental machinery moving.

Many of us will remember, and perhaps be unable to forget, the newspaper story which appeared in the Washington Post on Friday, February 21 concerning Cambodia. The story was entitled, "A Child Dies in Phnom Penh." It described the death of a two year old boy who perished for lack of food. According to the story, he died not because "there is not enough food in the city but because there is no distribution system to help the vast majority of poor people who can no longer afford to feed their children enough to keep them healthy." Indeed, there are thousands of tons of rice for Cambodia on hand in Vietnam and in transit but Cambodia's army cannot clear the banks of the Mekong River to ensure its passage.

We need to consider this afternoon whether the legislation before us will do anything to alleviate this problem. In addition, we need to consider whether the passage of this legislation would bring about an end to the war, whether it would shorten it, or indeed, whether it would only prolong the fighting with no prospect other than continued conflict between the two competing Cambodian factions.

We need to know what the prospects are—if any—for a cease-fire or a commencement of negotiations between the authorities in Phnom Penh and those who direct the forces opposing the central government.

At the time the aid request for this fiscal year was originally submitted, Secretary Kissinger stated that the "increasing strength" of the government of Cambodia would "encourage the Khmer Communists toward a political settlement rather than continued conflict." Secretary Kissinger also wrote a year ago, "We are convinced that with U.S. military and diplomatic support the Khmer Republic's demonstration of military and economic viability will persuade their now intransigent opponents to move to a political solution of the Cambodian conflict." Since that was written the United States has spent a half billion dollars providing the support Secretary Kissinger requested.

We must also take note of Secretary Schlesinger's statement yesterday to the effect that the United States' word would be "suspect" in the Middle East, China and elsewhere unless the supplemental money is approved. In this connection I would cite Section 655(g) of the Foreign Assistance Act which states that the provision of aid to Cambodia "shall not be construed as a commitment by the United States to Cambodia for its defense." That statement of policy, originally enacted by the Congress in 1971, has been reincorporated in every foreign aid bill since that date and duly signed by the President. Notwithstanding that strong disclaimer, it cannot be said that an extraordinary effort has not been made to aid the Cambodians. In fact, since the overthrow of Prince Sihanouk, and with the program currently planned for this fiscal year, the Lon Nol government would have received a total of $1.75 billion in United States aid. If the supplemental legislation is approved, that total would go above $2 billion—at a minimum.

It seems to me that events in Cambodia have gone far beyond the point where we should be concerned about trying to support continued military actions on the part of the Phnom Penh forces and should turn our attention instead to the alleviation of the terrible suffering and bloodshed occurring on both sides in this civil war. How does it make any sense to ask for $222 million worth of ammunition which can't be delivered when children are starving and the Cambodian people are desperate for peace?

We are pleased to have as our primary witness this afternoon, Philip Habib, Assistant Secretary of State for East Asian Affairs. Mr. Habib is an experienced diplomat and a forceful advocate. We hope that you will lay the situation out for us in its plainest terms, Mr. Habib.

CAMBODIA'S AGONY

Senator Humphrey asked the right question yesterday at a Senate hearing on aid for Cambodia. How will the provision of more aid, he said, ease the suffering of the Cambodian people and hasten the end of the war? For Mr. Humphrey feels—and we suspect he represents a congressional majority on this point—that simply to vote more aid, without there being a reasonable expectation that it will be "effective," is becoming more pointless, if not also more cruel, by the day. There is starvation in Phnom Penh, and the insurgents are gaining steadily. Just to keep the Lon Nol government in office, without providing either relief for the people or the prospect of a settlement in Cambodia's civil war, seems less and less worthwhile.

Unfortunately, the administration has yet to show that it understands the basis of these congressional doubts. Ignoring the relentless deterioration of the Lon Nol government's entire position, the administration keeps intoning that it seeks only an "early compromise settlement," even while it acknowledges that the chances of such a settlement are receding from sight. In fact, the evident deeper American purpose in Cambodia is to uphold its credibility or, as Secretary of Defense Schlesinger put it on Sunday, its "word." This is the basis on which officials urge Congress not to "desert" an "ally," as Congress considers a request for $222 million more in military aid on top of $377 million already obligated in all categories in this fiscal year.

We think this plea arises from a misperception of the Congress as well as of the American relationship to Cambodia. Cambodia is not an "ally," after all, but a state haphazardly and extra-constitutionally made an American client by the American "incursion" of 1970. The Congress does not so much wish to "desert" Cambodia, we think, as to spare it further destruction. We see not so much a congressional desire to escape the responsibility which the United States took on five years ago, as a wish to discharge that responsibility in a way which leaves Cambodians in a position to appreciate the results.

Perhaps the choice before Congress will be mooted by the collapse of the Lon Nol regime in the next few months. It is hard to see what keeps it upright, anyway. But while that denouncement would bring the current agony of Cambodia to a close, it would do so plainly as a result of the withholding of vital support by the United States. That is not the kind of message which the administration or responsible congressmen or, for that matter, we ourselves would like to see sent around the world—if there is any choice left.

We think there may be such a choice, one which leaves it to Cambodians, not Americans, to determine the future of their own country. It comes down to Lon Nol. Because of his closeness to the Americans, the insurgents refuse to accept him as a partner in a negotiation or in a compromise settlement. Without him, the insurgents insist, they would negotiate an agreement to end Cambodia's civil war. With him, they will fight on. Their demand, enforced by their military and political momentum, puts Lon Nol in the excruciating position of having to decide whether he could serve his country better by remaining in office or by resigning. A Congress which hesitates either to support a seemingly endless war or to dump a client state could well consider conditioning its further backing of the Cambodian government on the decision made by Lon Nol. Those who would find this course too extreme or chancy should explain how it will fare better for Cambodia, or the United States, for Lon Nol to stay.

BICENTENNIAL DECLARATION

Mr. RIBICOFF. Mr. President, the Bicentennial celebration represents a great juncture in American history. It is a time to rediscover the ideals which made this country great and to forge new ones which will prepare us for a third century of independence.

The Bicentennial is a time for us all to wonder at the spirit and principles that gave us Bunker Hill and the Bill of Rights—and a time to reflect on those principles.

The Bicentennial marks a starting point into an era just as foreboding and full of promise as faced the farmers, the shopkeepers, the lawyers 200 years ago. It is a time to scan the horizon for new ideas and new inspiration to fortify the Nation against the challenges ahead.

Some of our Nation's most distinguished citizens have signed their names to a Bicentennial declaration that sets down a promise for a second American revolution. I would like to add my name to those who stand by this declaration, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A BICENNTENNIAL DECLARATION

This great country of ours stands at a crucial turning point in its history. We face new and serious problems and uncertainty as to the future.

Two hundred years ago, our founding fathers stood at a similar crossroads. Beset then by grave doubts, they ultimately resolved to stake everything on a handful of ideas and ideals.

They forged those ideas and ideals into founding principles and then fought to uphold them. The American Revolution brought forth a new system of government based on freedom, justice, and individual rights.

Today we are called upon to maintain and improve that system and to fulfill those principles in a world growing increasingly interdependent. We are called upon to resolve our problems in many areas such as the economy, education, the environment, equal opportunity, freedom of choice.

We, the undersigned, before—and we feel confident we reflect the sense of the American people—that we have reached the point in our history when a second American Revolution is called for, a revolution not of violence, but of fulfillment, of fresh purposes, and of new directions.

We believe that the Bicentennial of our founding offers just such an opportunity. To realize this potential, we believe the Bicentennial must be based on four fundamentals.

Let us be inspired by our origins, and by the challenges we face.

If we are not today an inspired people, we need to be reminded that we once were, and must be again. There is high inspiration to be found in the great deals that created our country. The phrases that have been worn smooth by use have fresh and urgent meaning for us today—"government by consent of the governed," "the blessings of liberty," "all men are created equal," "a nation of laws." The Bicentennial can and must become a time to celebrate those ideals, and to celebrate them in the profound sense of renewal and dededication.

Let us make the Bicentennial a great period of achievement, nationally and in every community.

What our forebears did 200 years ago had never been done before. What we must do today is equally unprecedented. At every level in our society, there is an urgent need for achievement—in education, housing, transportation, the arts, communications, new ways of solving social problems, new methods of setting goals for the future, increased citizen participation in government. We believe that dedicating the Bicentennial to achievement is the way to put the sense of alienation and powerlessness behind us, to become once again the masters of our own destiny.

Let us commit ourselves to a Bicentennial Era, to at least the same time span required for the founding of our nation.

The first American Revolution neither started nor ended on the Fourth of July, 1776. Thirteen difficult years elapsed between the signing of the Declaration of Independence and the creation of an enduring system of government based on the Constitution. Many of the problems of today are different from those of 200 years ago, but they are at least as grave. Therefore, the second American Revolution will require at least a comparable period of time to grow strong and firm roots. We endorse the concept of a Bicentennial Era from 1976 to 1989 as a realistic period for tough-minded planning and accomplishment.

Let us put our trust in individual initiative, in the participation of each individual citizen.

Our great experiment in democracy will surely erode unless the Bicentennial Era becomes a time when we once again assert the primacy of individual initiative in moving our country forward. Governmental units at all levels must play a vigorous part. But the primary responsibility lies with the people not with government. Let each of us, acting alone and in groups, take our own initiatives. There is work for all—for each individual—in every part of the country, of every color, creed, age, and ethnic background. That work must begin now.

For our part, we, the undersigned, pledge ourselves to spread this message throughout the land, and to undertake our own individual initiatives. We earnestly invite our fellow citizens, all those who share our vision of what the Bicentennial Era can mean and accomplish, to lend their time, their energy, and their spirit to the work that lies ahead.

CAPITAL FORMATION AND INDIVIDUAL FREEDOM

Mr. BROCK. Mr. President, 4 or 5 years ago most of the Congress scoffed at the "experts" who predicted an energy crisis. Yet, when that crisis arrived, many seemed surprised. They should not have been, because intelligent people had spent years presenting the hard facts to us. Today, another crisis is on the horizon. This is a crisis in our capital formation markets.

While current problems in the capital markets seem small and limited, they are going to rapidly escalate into critical proportions that will affect every American. The mounting capital needs for energy, for jobs, for Government, and for the economy will not be met if we continue our present policies. It is that simple.

In a recent address to the Economic Club of Chicago, the president of the Chase Manhattan Bank, Mr. Willard C. Butcher, discussed our capital formation needs. I found his speech to be an excellent analysis both of the causes and possible cures for our problems in the capital markets. Like Mr. Butcher, I also feel that our country must immediately reevaluate its attitude toward capital formation and allocation.

We cannot have a growth economy when four out of five available investment dollars are being consumed by Government—as they will be in the next 2 years. Unemployment will not drop when homebuyers and small businessmen find the interest rate increasing as it will with the proposed deficit. We will not have orderly economic growth with our prices exploding upward—as they will with exploding Federal spending. We must, as Mr. Butcher states, have a new policy that placed the highest priority on developing a growing pool of capital. We must use that capital for productive purposes.

I ask unanimous consent that Mr. Butcher's excellent remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

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CAPITAL FORMATION AND INDIVIDUAL FREEDOM: A TIME TO CRY "WOLF"

(By Mr. Willard C. Butcher)

I'm very disturbed about what I see taking place in this country. I am disturbed about the economy—not so much that we are in a recession as some of the senseless ways we try to get out of it. Not so much by inflation as by the fact we try to counteract and make up for it, rather than cure it.

I am disturbed by the fact that people aren't being told enough about the essential nature of our economy and our economic problems. I am distressed by the media, and by what seems to be either their failure to understand what makes our economy work, or their inability or unwillingness to communicate that knowledge.

I am disturbed by the kind of politics-as-usual in Washington that puts less emphasis on solving our problems than on who will get the credit if they are solved, or the blame if they are not. And I'm disappointed in much of the Nation's business community, which is either too indifferent, too resigned, or too frightened to communicate forcefully with the people.

I am troubled by the erosion of personal freedom that has taken place and continues to take place, and by the complacency with which many Americans surrender their right to make choices, to render judgments, and to exercise control over their own lives and destinies.

Fundamentally, I am concerned over the way we are giving up, bit by bit, what America really stands for. And before this evening is over, I hope to have transmitted to you some of my sense of unease and alarm.

My subject today is capital formation and economic policy, which takes in a lot of territory. So let's look at where we stand, where we want to go, and what we need to get there.

To start with, our total private capital plant today amounts to some 3.2 trillion dollars, of which 1.8 trillion dollars represents our industrial capacity. Almost two-thirds of that amount—or 1.1 trillion—was developed and invested in just the past ten years.

It was a tremendous achievement. But it was not enough. We did not meet some of our country's basic needs.

It was not enough because our industrial plant today is deficient. It is estimated that it is fully two years older than that of Europe and Japan, and there is a fundamental correlation between modern plant and productivity. A tabulation of growth rates by the OECD of twenty advanced economies for the 1960-1970 decade put the United States pretty close to the bottom—in eighteenth place, with average annual growth of only 4%. Japan headed the list with an 11% growth rate.

It's significant that in this period Japan was putting about a third of its GNP into investment spending, while we put less than a sixth of ours to work as capital. To catch up and stay caught up can cost as much as $225 billion over the next ten years.

Our capital investment has not been enough because we fell behind our needs in financing the search for more sources of energy. For self-sufficiency alone, it is estimated that we in this country will have to provide about $850 billion over the next ten years, which equals about 80% of our total industrial investment in the past ten years.

It was not enough because we have fallen short of meeting our transportation needs—for mass transportation of people and more energy-efficient transport of goods, which means mainly by rail. That could require a ten-year investment of another $225 billion.

Then there is the matter of our employment needs. There is no better—indeed no other—way to create new jobs than by supplying capital to provide the tools, the supplies, and the materials that jobs require. Economists tell us that it takes anywhere from $20,000 to $30,000 in capital investment to back up every worker in American industry.

All in all, to meet these needs over the next ten years will require more than twice as much capital as the last ten. How have we arrived at that figure? Considerable economic analysis indicates that from today until early 1985, investment spending of 2.5 trillion constant dollars is projected, on the assumption that we will see a continuation of our relatively slow growth rate of 4% a year. Add in inflation, at a presumed rate of approximately 5% a year, and that comes to 3.6 trillion current dollars. If inflation were to be 6 or 7%, the figure would be somewhat higher. But, for illustrative purposes tonight, I will use 5%.

However, in terms of what we really need for industry alone—not including housing—for energy, for bringing our industrial plant up to date, for the higher quality of life we are demanding—the overall figure could go up to $4.1 trillion. In other words, we have to build considerably more industrial America in the next ten years than we've got standing out there now.

There are obviously many challenges facing our country now: Inflation, energy, employment, production. But, to my mind, the single greatest challenge is in finding ways to provide such unprecedented amounts of capital in such a short span of time.

So where is all that money—4.1 trillion dollars going to come from. The simplest—and most simplistic—way to answer is to look at where investment capital has come from over the past ten years and to project it out over the next ten, as best we can.

In doing that, I will take a banker's liberty and use the words capital interchangeably. To the user, both credit and capital represent resources for productive capacity, and the difference is only one of classification, not of function. To the supplier, the ability to extend credit is, in the final analysis, predicated on a capital base.

The banks, especially major money center banks, are the ones that have come through in the credit pinches. I don't know how much longer we can continue to do that. In the short range, the ability of the banks to further make funds available to the economy will depend, for the first time in my memory, not so much on monetary ease and growth in the money supply, but rather on the adequacy of the banking industry's own capital and its ability to attract sizable portions of the capital generated by others.

In other words, although credit can be efficiently channeled *through* banks, that is not where capital really comes from. The real sources of capital and credit in this country are individuals and corporations—the savings of people like you and me and the cash flow, made up of retained earnings and depreciation reserves, of corporations and businesses like yours and mine.

Over the last ten years these sources provided $1.6 trillion, of which less than a third was in personal savings, less than a sixth in corporate retained earnings, and more than half in depreciation allowances. On the basis of the same projection of growth and inflation rates that were used for investment spending, the total for the next ten years should go up to 3.8 trillion dollars.

We are estimating that $1.2 trillion will come from personal savings, $600 billion from retained earnings and $2 trillion from depreciation allowances.

Now, 3.8 trillion is a lot of dollars. But from that we must first deduct a trillion dollars that will be needed—and almost certainly provided—for housing. Then we have to take out whatever will be required for ten years of Government deficits and negative balances of payments with the rest of the world. Considering the start being made with the projected federal deficits in the first two years of the decade, we may be lucky if there is as much as $2.6 trillion left for building and rebuilding our industrial capacity. Set against the needs of $4.1 trillion, we have a shortfall of one trillion, five hundred billion dollars. This means we will be underinvesting every day—*every day*—for the next ten years—400 million dollars.

This state of affairs, I submit, is unacceptable. Moreover, there are far too many signs that tell us that even 2.6 trillion will not be available for productive investment. For one thing, the motivation for personal savings in this country seems to grow weaker all the time. For another, in spite of significant changes that have been made, the provisions for depreciation allowances by American business are considerably less than that of other nations with which we compete. And finally, profits as a percentage of total income have been seriously declining since the mid-1960's. Indeed, the share of profits as a percentage of gross national product has been moving down since the Second World War, and the present period represents its lowest level ever—with the exception of the 1930's, hardly a period of economic progress to which appropriate levels of investment should be compared.

Let me talk for a minute about profits. To my mind, there are three functions that profits perform. First, they provide a return on capital; second, profits are an indication of how well a business has managed its resources; and third—and of overriding importance—profits are a source of capital for a business or a nation.

I wince whenever I hear the expression, "excess profits." I don't know what it means. Excess over what? What is excessive?

We have been given some insight about profit trends by George Terborgh, the economist of the Machinery and Allied Products Institute. Extrapolating from his figures, we find that after-tax profits of the Nation's nonfinancial corporations, after adjusting for the increases in cost of equipment and inventory to their replacement levels, dropped from $36 billion in 1965 to an estimated $24 billion in 1974—and down to 16 billion in constant dollars. And retained earnings, which should be a major source of capital, were insufficient to finance any additional productive capacity. In fact, the Treasury Department has estimated this shortfall at $10 billion.

I hardly consider that excessive. The point really is that there is no such thing as excess profits for a company that needs capital.

As if the grim consequences of capital shortage were not enough, we are now confronted with the specter of new Government policy and action that could cripple our capital markets even further.

Among the more mindless measures now sailing merrily through the house banking committee is a bill requiring the Federal Reserve to "conduct monetary policy in the first half of 1975 so as to lower long-term interest rates." I wonder if anyone can tell me how in the name of monetary madness the Federal Reserve, already hard put to hold down the rates on 90-day maturities, could even hope to control the interest rate on bonds maturing in the year 2005.

Another measure, the Reuss bill, proceeds to allocate credit toward those purposes that it deems to be useful—such as low- and middle-income housing, investment for technological innovations and increasing competition, loans to State and local governments, small business and agriculture,

working capital for established businesses, and loans for such other purposes as the government—not the people—considers useful and proper.

Now you might logically expect that my chief concern over mandatory credit allocation would be with its effect on the banking industry. Wrong. Certainly if we can survive gyrating monetary policy in this country, massive shifts in the flow of funds around the world, and the great damage done to capital and money markets, we in the banking community can survive credit allocation. What really concerns me is whether the national economy can survive it, and whether the people should be forced to submit to what Treasury Secretary William Simon properly characterized as a Police State.

After all, it is not such a long step from the constraints written into the act itself to having the government say, "you can finance a condominium in Florida but not a summer home on Lake Michigan." Or, "you can finance the Government deficit, but not the needs of a private company."

I submit that the Solomon who's going to allocate credit in this country will possess more power than a bald man should have or a good man would want. I would be hard put to improve on Secretary Simon's testimony on this bill before the house banking committee, so I will just quote some of the things he said:

"Control would extend to every loan made by every creditor in the country. Every family that wanted to buy a home or a car, every man or woman who needed a personal loan, every farmer who wanted to buy new equipment on credit, every employee who wanted to borrow from his local credit union, every small businessman who needed a loan, every corporation that wanted to enter the capital markets, every city or State that wanted to float a bond, every school board that needed money to build new schools—each and every one of us, in fact, would find that our financial plans were totally under the control of the Federal Government.

"In effect, this bill would establish a national credit Police State."

Most European countries that have tried credit controls have found it to be a very efficient method of raising interest rates, not lowering them.

Admittedly, all Government spending amounts to resource allocation. It removes funds from the mainstream of the economy and assigns them to many worthy, but mostly non-productive, purposes. It seems to me that, after various levels of Government have disposed of an ever-increasing share of our resources—in fact doubled its share of 25 years ago—the American people and their free enterprise system ought to have the right to allocate in their own way whatever is left over.

It has been said, and rightly so, that there wouldn't be any credit at all if somebody didn't allocate it. Some say that it's the banks that allocate credit. In a sense, that's true. But, unlike government, we are no monolith. There are 14,000 banks in the country, and thousands or other lenders who make the credit decisions. More importantly, our role is that of an intermediary in the real market which, after all, is nothing but the desires and demands of 200 million people, the true allocators of credit and resources in a free society.

We are all familiar with the nature and the normal course of development of government regulation. As the American people know from much unhappy experience, we are quickly bogged down in a web of inelastic and unchangeable rules. Isn't it interesting that our most troubled industries today—railroads, airlines, utilities—are among the most regulated?

Consider the experience of the energy industry, crippled by capital starvation. In 1954 the Federal Power Commission ruled that natural gas shipped across state boundaries could not exceed a base price, and this price was held to unrealistically low levels for twenty years, during which the price of almost everything else kept going up. Of course this brought distortions to the market place. Gas was used extravagantly, rather than in the more sparing manner it would have been consumed in a free market. Coal-burning equipment was dismantled. Exploratory drilling rigs were transported overseas, where drillers found it more worthwhile to seek out new deposits.

And it was not until our cheap imported oil disappeared that there was a recognition of the fact that inadequate incentives had resulted in insufficient reserves of gas.

I see still another parallel, in terms of timely warning. It was no great secret that our energy consumption was growing and our sources becoming less reliable, back in the years when we still had time to do something about it. Oil companies kept telling the nation and the government about it. So did others, including the chase.

As far back as 1952, we published a study warning against government disincentives to the continuing search for natural gas. We raised more caution flags in 1956, 1957, and 1961 about the industry's ability to continue "to deliver low-cost petroleum energy." And seven years ago we said, "The United States cannot afford actions . . . that jopardize the future supply of any form of energy and thereby increase the nation's vulnerability."

There were those at the time who accused us of crying, "Wolf." We were simply facing hard facts, and stating those facts.

The situation is not much different today. We face an equally hard set of facts regarding the level of capital formation and mounting capital needs—for energy, for jobs, for the economy, for all of us. We are crying, "Wolf," and we mean it. What we are saying is that a continuation of present policies, let alone an escalation of those policies, will lead us—in ten or fifteen years, or perhaps sooner—to a situation of far greater peril than that we face today.

In essence, our great need is not one of finding ways to shift, assign, or allocate capital and credit, but of moving toward a much more favorable atmosphere for its creation. The highest priority of our economy today should lie in the nurture and stimulation of capital formation, because everything else we want grows out of that.

What we need for the long term is an ever-growing base of personal savings, so that more people will have a larger and larger stake in our total economy, and in the stability of our currency. Capital formation must become everybody's business.

Given the needs for capital in our future, what must then be the implications for sane economic policy? Simply this: We must have a policy that places the highest priority on developing a growing pool of capital, and on the use of that capital for productive purposes. The implementation of this policy in legislation and regulation should stress incentives and the removal of disincentives to that process. In this vein, I would like to suggest some specific areas where positive action could contribute toward this end.

High on the list would be more realistic methods of determining depreciation allowances for plant, equipment, and inventory, to reflect more fully their current costs, rather than historical costs.

Second, I would like to see some method of preferential tax treatment for retained corporate earnings used for investment purposes—whether this were to be brought about by uniformly applied investment tax credits, a lower tax rate for profits specifically earmarked for investment, or some other method. In this connection, I would commend President Ford's excellent suggestion that preferred stock dividends be treated as a business expense.

Third, there is a pressing need to ameliorate the relatively harsh treatment of capital gains, as compared with that of most other countries.

Fourth, we need stability in monetary policy. Changes, when they are deemed necessary, should be subtle and gradual, so that they do not dislocate any sector of the economy. I am not arguing against moderate use of monetary policy, but this does not mean that the violence of rate changes should be a continuing source of amazement to all of us.

And finally, we need every possible measure that would make for a freer market economy, including the removal of regulations that have outlasted their time and the dismantling of agencies that have outlived their purpose. This would include rejection of controls, most notably wage nad price controls, which inevitably hamper the interplay of natural forces in a free economy.

I hope many of you will join me in actively calling for policies of this kind, regardless of what ranks first and what second on your own schedule of priorities.

I believe the American people are ready to listen and to understand. But, to be effective, we must be ready to speak in *their* terms. Economic systems, capital requirements, and money flows are terms we, as businessmen, use every day. Jobs, paychecks, and freedom of choice as consumers are things *every* American understands. It is in those terms that we must speak to the American public.

There are many signs on the horizon that our message is becoming more acceptable. Last month we heard Leonard Woodcock, president of the United Auto Workers, say that auto manufacturers couldn't cut prices because they had to build up their "paper thin" profits, in order to boost employment. Certainly that ought to suggest to all of us in both labor and management that we can be allies in this battle for a free and prosperous America. Recently, it was Senator Proxmire who voiced concern about the expansion of Federal activity, and I quote: "The economy may be on the verge of a permanent economic straitjacket if the will of an apparent majority of the electorate and of the leadership of the House and Senate prevails."

I believe that perhaps one can be more hopeful than Senator Proxmire about Congress. Obviously, this Congress is young and eager to make changes. Its members appear to be intelligent and educated, and may not be too easily stampeded. But, like any Congress, it is a sensitive barometer of its various constituencies, of what the American people really feel and think. That's why our fellow countrymen are the audience we must reach with the facts about the everyday economics of their lives.

Business has been told many times that it needs to sell itself to America. I disagree. Business must sell America to America—its strengths, its greatness, its potential for creating the most human and prosperous society on earth—in short, ladies and gentlemen, we must sell America on the value of its liberties and individual freedoms.

JERRY PETTIS

Mr. CRANSTON. Mr. President, the sudden death last week of Congressman Jerry L. Pettis came as a deep personal

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tragedy as well as an untimely loss to California and the Congress. Jerry will be sorely missed—particularly by his many friends in the California delegation, for whom he consistently provided such outstanding bipartisan leadership.

I would like to share with my colleagues an editorial taken from the Barstow Sun-Telegram, which pays eloquent tribute to this gifted and compassionate man. Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Barstow (Calif.) Sun-Telegram, Feb. 16, 1975]

JERRY L. PETTIS

The shock of the death of Jerry L. Pettis, member of Congress from the 37th District of California, will linger long with deepest sadness.

The crash of his plane Friday, which he was piloting, in the mountains north of Beaumont in San Gorgonio Pass, ended the outstanding career of this fine public servant at its peak. He would have been 59 next July.

The tragedy brought to an untimely close a record begun more than seven years ago of uninterrupted devotion to the House and to the people who chose him as their representative.

Pettis brought to his office a rare and valuable blend of experience and talent. He was special assistant to the president of United Airlines for four years after his Air Force service as an instructor and pilot with the Air Transport Command in the Pacific Theater in World War II.

He then turned to his own private businesses and formed four successful companies. Moreover, he found time to teach economics as a Loma Linda University professor, and served as vice president of the university as well as chairman of its Board of Counselors.

At this point in his life he was drawn to a desire to devote his energies and abilities to the people of his congressional district and to the people of the United States through its House of Representatives.

He was elected first in 1966 and was re-elected every two years since. He was that kind of a man—a representative, admired and respected by those in his Republican party and those in the Democratic party alike.

His qualities did not go unnoticed in the House. He became a leader of the California congressional delegation and at his death was a member of the powerful Ways and Means Committee. This gave him the influence which he used widely both in the interests of the nation as a whole and in the interests of his district and his state.

His level-headed judgment will be missed in the House of Representatives, of course. But he never allowed the weight of his responsibilities there to keep him from the people in his district, or throughout the Inland Empire.

He kept close to them, listened to them, helped them and visited them frequently—the mark of a congressman living up to the finest tradition of dedication to constituents.

The nation has suffered a great loss with the death of this honorable and compassionate and earnest man. Even greater, though, is the loss mourned by those of us who will ever remember his gracious smile, good humor and constant concern for us and our problems.

There will be other congressmen to represent us. But not another Jerry L. Pettis.

MEETING THE FOOD AID TARGET

Mr. HUMPHREY. Mr. President, the New York Times included a compelling editorial on February 20 entitled "Food Flim Flam?"

We conducted hearings last week in our Senate Committee on Agriculture and Forestry on food aid and the world hunger problem. One of the central issues of the hearing was whether it will be possible to ship the 5.5 million tons of food programed under the recently announced $1.6 billion level.

It took the administration about 7 months to reach a decision on its food aid levels for the year. Now, while the level of food aid is encouraging, there is genuine concern about being able to ship this volume.

The administration claims that it plans to make every effort to ship the entire volume, but some doubts have been expressed that the most needy nations will receive equal priority with the countries where political commitments are involved.

At the hearing last week, I served notice that we in the Congress planned to monitor the shipping issue closely. I hope the administration keeps its word, because the implications of the editorial are serious.

Mr. President, I ask unanimous consent that this worthwhile editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOOD FLIM FLAM?

Suddenly, after only three weeks in the sun, the Administration's promise of increased food aid for the world's hungriest people seems to be shriveling up, in plain view of everyone who had banked on the assurance from President Ford and Secretary of State Kissinger.

When he spoke at the World Food Conference in November, Mr. Kissinger reiterated the Administration's pledge to increase food aid in the face of this year's acute hunger crisis. It took the Administration two and a half months to make that promise concrete with a pledge at the end of January to increase food aid from 3.5 million metric tons to 5.5 million metric tons. Late as it was, the promise was welcome news.

Now, however, Administration spokesmen are already voicing doubt that the food aid goal can be met this fiscal year. Such doubt seems well founded. The Administration has not yet completed allocating the 5.5 million metric tons among the recipient countries. Even more critical is the fact that the private voluntary agencies which are most directly concerned with delivering food to hungry people have not yet received their allocations from the Administration and are thus unable to complete their planning.

In addition to energizing a languid decision-making process in the bureaucracy, the problem of making good on the Administration's humanitarian promises depends on rapid solution of the logistics of procuring, shipping and delivering the food. Ironically, although humanitarian concerns generated the pressures on the Administration to increase food aid, it is the humanitarian rather than the political food assistance that is jeopardized. The logistical problems involved in meeting Secretary Kissinger's political commitments seem already to have been ironed out. There appears, as yet, to be less urgency in solving the problems of shipments to the nations severely affected by hunger, although last month Assistant Secretary Thomas C. Enders promised a priority effort to expedite such shipments. Despite that assurance, by last week only 20 per cent of the food aid targeted for this fiscal year had actually been shipped. If that intention is not made concrete very soon, then it may look to a hungry world that while American promises may be fairly reliable on "political" food, our word on simple starvation carries a good deal less weight.

COMMUNIST COUP IN PORTUGAL

Mr. THURMOND. Mr. President, in the February 20, 1975, issue of the Augusta Chronicle newspaper there appeared an article by Jeffrey Hart entitled, "Why No Alarm at Communist Coup?" in Portugal.

This report by Mr. Hart is worthy of the attention of the Congress as it points to various lessons which all responsible elements in this country should weigh carefully.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY NO ALARM AT COMMUNIST COUP?

(By Jeffrey Hart)

For some reason, only vague and, most general accounts have been carried by our national media about what is actually happening today in Portugal. Our wire services and our major newspapers maintain correspondents in Lisbon. Nevertheless, the American people remain largely in the dark concerning developments profoundly affecting their interests.

In a nutshell, the Communist Party, with about 10 per cent support in basically conservative Portugal, is attempting a kind of slow-motion coup d'etat.

If that succeeds, and the issue remains very much in doubt, totalitarianism will descend on yet another nation, Soviet power will leap-frog into Western Europe, Portugal will provide a base for revolutionary agitation in Spain and elsewhere, and Soviet naval power will surge westward, with advanced bases in Portugal and the Portuguese Azores. The strategic impact upon the U.S. position in the Mediterranean would be immense.

Yet the media take a ho-hum attitude toward all this, and give largely perfunctory coverage to events as they develop.

Communist coup strategy was implicit in the recent move to create a single monolithic trade union organization, the practical effect of which was to give the Communist Party effective control over the Portuguese labor movement. Ominously enough, the Coordinating Committee of the Armed Forces Movement, which really runs the country, came down on the Communist side of the issue.

Significantly, this proto-coup involved considerable risk for the Communists and their allies. The other principal parties in the present government, the Socialists and the Popular Democrats, might have resigned over the issue, and in the ensuing power struggle the Coordinating Committee might have stepped in to run the country directly. This, in turn, could have provoked a counter revolution by moderates and conservatives in the armed forces and elsewhere.

The question naturally arises, therefore, of why the Communists moved so overtly and so riskily to seize control of the unions.

To this question there is only one answer. The Communist move arose out of the party's own political weakness. In light of a recent poll showing Communist support around 10 per cent, the party moved to institutionalize what support it does have, chiefly in the labor movement, the universities, and the communications media. The unions are the Communists' largest and most stable power base.

In theory, a national election is supposed to take place this spring for a constituent assembly. In a reasonably clean election there is little doubt that the Communists would fare badly. How this election will be conducted, however, if indeed it ever is conducted, has become the subject of rising doubts.

Voter registration involves putting some five million people on the rolls, and this is being carried out by existing local authorities. Prior to the coup, these local authorities were mostly loyal followers of dictators Salazar and Caetano, but after the Spinola coup last year they were replaced by assorted opponents of the old regime collected in the Portuguese Democratic Movement. During the past year, crucially, tough Communist politics has increased the party's leverage in the movement, the Socialists and Popular Democrats often withdrawing. General Spinola himself has complained in public about the non-representative character of local government, and if the elections are held this could be a crucial factor. It is by no means clear who will supervise the voting and count the ballots, for example.

It is obvious today that the Portuguese Democratic Movement, which dominates government at the local level, is little more than a Communist front. Indeed, party leader Alvaro Cunhal went so far recently as to advise party members to cross over politically to the Movement.

Meanwhile, political guerrilla warfare is being carried on against the non-Communist parties, a half dozen of which had expected to run in the spring election. Several parties have been banned for alleged "fascism." Socialists have had major rallies banned. The moderate-right Social Center Democrats have had their meetings broken up by toughs as the authorities sat on their hands. In the media, reports of non-Communist political activity are often censored by Communist editors, journalists and printers.

American television and print media cheered up the coup that brought down the Caetano dictatorship, but they appear to have gone to sleep regarding subsequent developments. Moreover, at a moment when the CIA could be lending discreet support to pro-Western interests in Portugal, the CIA has been largely immobilized by the media-generated atmosphere of suspicion in Washington.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee. In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks the unclassified notification I have just received.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPARKMAN. Mr. President, the committee has also received two classified notifications of proposed arms sales, one on February 20 and the other on February 24. The classified notifications are on file in the main committee office.

These notifications of letters of offer by the United States should be available for public discussion by the Members. Obviously, from time to time, the notice of the proposed issuance of a letter of offer may include information which must be classified for proper national security reasons.

However, I would expect the executive branch to use classification on a very limited basis and as infrequently as possible. I do not believe that complete classification of the two notifications at issue now can be justified.

I have asked the staff of the Committee on Foreign Relations to discuss this problem with the executive branch. I hope an understanding allowing maximum public disclosure can be achieved shortly.

EXHIBIT 1

OFFICE OF THE DIRECTOR, DEFENSE SECURITY ASSISTANCE AGENCY, AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA,
Washington, D.C., February 21, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 75-9, which contains information concerning a proposed Letter of Offer in excess of $25 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director.

TRANSMITTAL NO. 75-9—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE FOREIGN MILITARY SALES ACT, AS AMENDED

a. Prospective Purchaser: Iran
b. Total Estimated Value: $31,493,192
c. Description of Articles or Services Offered: 147 Vehicular Radio Systems, support equipment, spare parts and services
d. Military Department: Army
e. Date Report Delivered to Congress: 24 Feb. 1975.

BRITAIN'S VERY SPECIAL PROSECUTOR

Mr. RIBICOFF. Mr. President, recently the New York Times carried an article by Alvin Shuster about a British institution of immediate relevance to the United States.

The article explains how Britain's permanent special prosecutor has kept partisan politics separate from law enforcement since the office was founded in 1879. Though the public prosecutor is formally responsible to the politically selected Attorney General, he operates nearly autonomously in making decisions on the merits with regard to prosecutions. The present Director of Public Prosecutions, Sir Norman Skelhorn, has served in this manner under four Attorneys General. The ultimate weapon of the special prosecutor against political pressure is resignation—an action which could cause a furor in Parliament somewhat akin to the reaction in the United States which followed the dismissal of Archibald Cox in October 1973.

A permanent special prosecutor for this country is one of the primary reforms of the Watergate Reorganization and Reform Act of 1975, which I introduced earlier this month. While parallels between the domestic institutions of different nations are never exact, we can learn particularly from the experience of Britain. In anticipation of the hearings which the Government Operation Committee plans to hold on the Watergate Reorganization Act, I hope that other Members of Congress will join me in studying the beneficial impact which a permanent special prosecutor has had in Great Britain.

Mr. President, I ask unanimous consent that the article, "Britain's Very Special Prosecutor," from the New York Times of February 3, 1975, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN'S VERY SPECIAL PROSECUTOR—LEGAL WATCHDOG IS GUARANTEE AGAINST POLITICAL INFLUENCE

(By Alvin Shuster)

LONDON, February 2.—Britain's independent special prosecutor is so independent that he has never met a prime minister and so special that people generally are unclear about what he does.

But Sir Norman Skelhorn, Director of Public Prosecutions for 11 years, ranks as one of the most important men in the esteemed British legal system. He symbolizes the division between politics and the law.

While there may have been some debate in Washington over the special Watergate prosecutor and whether to make the job permanent, there are no doubts in British minds about the value of Sir Norman's role. With wide-ranging powers, he functions as the general overseer of serious crime in an atmosphere devoid of political influence.

This insulation from politics is a blessing to Sir Norman, of course. What is worrying him these days is the rise in crimes of violence, which he regards as symbolic of an erosion of traditional British respect for law and order.

MORE CRIME, NEW PROBLEMS

The pace of his day and the files that flow into his office reflect current trends. The latest official report showed that crime in England and Wales rose by 19 per cent in the first nine months of 1974, with serious offenses leading the way.

Moreover, Sir Norman and the police are facing increased challenges because of the rise of the Irish Republican Army terrorism in England. The violence has prompted anti-I.R.A. legislation, with new categories of crimes that Sir Norman will help prosecute.

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In all such cases the special prosecutor operates under a general principle that has often been pronounced: The decision on prosecution has to be made on its merits without political or other pressure. That is how it has worked with only rare exceptions.

Not for 50 years has serious scandal touched the system. The downfall in 1924 of the first Labor party Government, headed by Ramsay MacDonald, was generally attributed to its political pressure to drop a sedition case against John Ross Campbell, editor of a Communist party magazine.

THE ULTIMATE WEAPON

The case has stood as a shining lesson to governments since. As Sir Norman notes, the executive leans over backward to make certain that there is never a whiff of political influence on the prosecution.

The director's ultimate weapon against interference is clear: All he has to do is resign; the resulting furor in Parliament would undoubtedly bring out the reasons why and a government would suffer serious embarrassment and dire consequences.

The 65-year-old Public Prosecutor, who has a ruddy complexion, a beaky nose and a calm manner, works from a spacious office in a remodeled Victorian building overlooking St. Jame's Park. He directs a staff of 160, including 60 lawyers and other experts on the law who help him make up his mind whether to prosecute.

Sir Norman, who was appointed to the job by the Home Secretary after practicing more than 30 years in the courts, maintains a close working relationship with the Attorney General—now Samuel Silkin. This post is political and shifts with the party in power. Sir Norman is responsible to the Attorney General, who in turn answers to Parliament, so they often meet to discuss pending cases.

Sir Norman, whose office dates from 1879, has wide discretion in a variety of criminal cases, but some prosecutions, including those involving the Official Secrets Act, corruption and the Race Relations Act, require the approval of the Attorney General.

POLICE INSTITUTE MOST

All attorneys general profess to separate their political instincts from their constitutional and legal duties. And Sir Norman, who has served under four, feels that he has been lucky because he has detected no effort to exercise political control.

"An Attorney General would resign too if he thought he was being leaned on by the Prime Minister or senior ministers on a pending prosecution," a former Attorney General said. "The A.G., however, sometimes has to consult formally with colleagues involving say, the national interest."

Most prosecutions are pursued without the help of the Public Prosecutor or the Attorney General. Ninety per cent are carried through by the police, who send only serious crimes to Sir Norman's office.

Sir Norman has the power to intervene in any case, even a relatively minor one, at any time at any level. He also receives a steady flow of communications from citizens asking him to look into various allegations. He orders police inquiries in response to some.

Letters are always checked because of a case in 1911. A man wrote to the then director suggesting an inquiry into the mysterious death of a cousin. It led to the conviction of a landlord for poisoning with arsenic. As a reminder the handwritten letters hang on a wall outside Sir Norman's office.

THE PRELIMINARY PENN CENTRAL REORGANIZATION PLAN

Mr. GRIFFIN. Mr. President, I am deeply disturbed by reports concerning the preliminary rail plan prepared by the U.S. Railway Association—USRA—for reorganizing the Penn Central and other bankrupt railroads. As I view it, the plan singles out Michigan, the State most severely affected by the current economic crisis, for disproportionate cutbacks in rail service.

Out of 6,200 miles of bankrupt rail track which would not be included in the USRA plan, about 1,150 miles, or nearly 19 percent, is located in Michigan. And USRA is considering an additional 200 miles for possible abandonment.

On the other hand, Michigan's share of total rail lines in the 17-State region served by the bankrupt railroads is only about 10 percent. Thus, the USRA plan imposes an unusually severe burden on the State least able to afford it.

While the USRA proposal is something of an improvement over the rail plan proposed last year by the Department of Transportation, it fails to provide, insofar as Michigan is concerned, a "rail service system adequate to meet the rail transportation needs and service requirements of the region," as mandated by Congress.

For example, the plan would isolate the Upper Peninsula from rail service to the rest of the State.

It would reduce rail car ferry service across Lake Michigan.

It would eliminate rail lines in areas where there have been important discoveries of oil and gas, in contravention of Congress directive to preserve to the extent possible "railroad trackage in areas in which fossil fuel national resources are located."

It would exclude from the new rail system lines that have a good potential for future growth based on evidence submitted at last year's hearings before the Interstate Commerce Commission.

It would also wipe out a segment of the Detroit-Chicago Amtrak route, one of the fastest growing passenger lines in the Nation.

And, above all, it certainly does not conform to Congress goal of a restructured rail system which would minimize "job losses and associated increases in unemployment and community benefit costs in areas in the region presently served by rail service."

At a time when Michigan's economy desperately needs a "shot in the arm," the USRA plan is the wrong medicine at the wrong time.

Obviously, restoration of the Penn Central system is important to the economic health of Michigan and other Midwest and Northeast States. But profitability should not override all other considerations, particularly when there is some doubt about the alleged unprofitability of certain other lines to be discontinued under the USRA plan.

Of course, it is recognized that some uneconomical lines will have to be excluded from the new rail system and Congress has established a Federal rail subsidy program to meet local needs for continued rail service. However, subsidy funds are limited both in time and amount.

Under the Federal formula, Michigan is entitled to 10 percent of the funds because it has 10 percent of the bankrupt track. Yet, the USRA plan would concentrate 19 percent of abandonments in Michigan. That is unfair and simply unacceptable.

Fortunately, the reorganization process has not been completed. The ICC will be holding hearings on the USRA plan in both Lansing and Traverse City, March 17 and 24, respectively. Previous ICC hearings were helpful in getting important modification of the rail proposal advanced by the Department of Transportation.

However, time is running out. It is essential that the U.S. Railway Association give greater consideration to the information presented at these hearings and revise its plan accordingly.

RULES OF PROCEDURE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

Mr. RIBICOFF. Mr. President, pursuant to title 2, United States Code, section 190a–2, I hereby submit the rules of procedure adopted by the Committee on Government Operations at its first organization meeting on January 28, 1975.

I ask unanimous consent that rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE ADOPTED BY THE COMMITTEE ON GOVERNMENT OPERATIONS

(Pursuant to Section 133B of the Legislative Reorganization Act of 1946, as Amended)

RULE 1. MEETINGS AND MEETING PROCEDURES OTHER THAN HEARINGS

A. *Meeting dates.* The committee shall hold its regular meetings on the first Thursday of each month, when the Congress is in session, or at such other times as the chairman shall determine. Additional meetings may be called by the chairman as he deems necessary to expedite committee business. (Sec. 133(a), Legislative Reorganization Act of 1946, as amended.)

B. *Calling special committee meetings.* If at least three members of the committee desire the chairman to call a special meeting, they may file in the offices of the committee a written request therefor, addressed to the chairman. Immediately thereafter, the clerk of the committee shall notify the chairman of such request. If, within three calendar days after the filing of such request, the chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the committee members may file in the offices of the committee their written notice that a special committee meeting will be held, specifying the date and hour thereof, and the committee shall meet on that date and hour. Immediately upon the filing of such notice, the committee clerk shall notify all committee members that such special meeting will be held and inform them of its date and hour. If the chairman is not present at any regular, additional or special meeting, the ranking majority member present shall preside. (Sec. 133(a), Legislative Reorganization Act of 1946, as amended.)

C. *Meeting notices and agenda.* Written notices of committee meetings, accompanied by an agenda enumerating the items of business to be considered, shall be sent to all committee members at least three days in advance of such meetings. In the event that unforeseen requirements of committee business prevent a three-day notice, the committee staff shall communicate such notice by telephone to members or appropriate staff assistants in their offices, and an agenda will be furnished prior to the meeting.

D. *Open business meetings.* Meetings for the transaction of committee or subcommittee business shall be conducted in open session, except that a meeting or portions of a meeting may be held in executive session when the committee members present, by majority vote, so determine. The motion to close a meeting, either in whole or in part, may be considered and determined at a meeting next preceding such meeting. Whenever a meeting for the transaction of committee or subcommittee business is closed to the public, the Chairman of the committee or the subcommittee shall offer a public explanation of the reasons the meeting is closed to the public. This paragraph shall not apply to the Permanent Subcommittee on Investigations.

RULE 2. QUORUMS

A. *Reporting legislation.* Eight[2] members of the committee shall constitute a quorum for reporting legislative measures or recommendations (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

B. Transaction of routine business. Five members of the Committee shall constitute a quorum for the transaction of routine business, provided that one member of the minority is present.[3]

For the purpose of this paragraph, the term "routine business" includes the convening of a committee meeting and the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments.[4] (Rule XXV, Sec. 5(a) Standing Rules of the Senate.)

C. *Taking sworn testimony.* Two members of the committee shall constitute a quorum for taking sworn testimony: *Provided, however,* That one member of the committee shall constitute a quorum for such purposes, with the approval of the chairman and the ranking minority member of the committee, or their designees. (Rule XXV, Sec. 5(b), standing Rules of the Senate.)

D. *Taking unsworn testimony.* One member quorum for taking unsworn testimony. (Sec. of 1946, as amended.)

E. *Subcommittee quorums.* Subject to the provisions of section 5(a) and 5(b) of Rule XXV of the Standing Rules of the Senate, and section 133(d) of the Legislative Reorganization Act as amended, the subcommittees of this committee are authorized to establish their own quorums for the transaction of business and the taking of sworn testimony.

F. *Proxies prohibited in establishment of a quorum.* Proxies shall not be considered for the establishment of a quorum.

RULE 3. VOTING

A. *Quorum required.* No vote may be taken by the committee, or any subcommittee thereof, on any measure or matter unless a quorum, as prescribed in the preceding section, is actually present.

B. *Reporting legislation.* No measure or recommendation shall be reported from the committee unless a majority of the committee members are actually present, and the vote of the committee to report a measure or matter shall require the concurrence of a majority of those members who are actually present at the time the vote is taken. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

C. *Proxy voting.* Proxy voting shall be allowed on all measures and matters before the committee, or any subcommittees thereof, except that, when the committee, or any subcommittee thereof, is voting to report a measure or recommendation, proxy votes shall be allowed solely for the purposes of recording a member's position on the pending question and then, only if the absent committee member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. All proxies shall be addressed to the chairman of the committee and filed with the chief clerk thereof, or to the chairman of the subcommittee and filed with the clerk thereof, as the case may be. All proxies shall be in writing and shall contain sufficient reference to the pending matter as is necessary to identify it and to inform the committee as to how the member wishes his vote to be recorded thereon. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

D. *Announcement of vote.* (1) Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee. (Sec. 133(d), Legislative Reorganization Act of 1946, as amended.)

(1) Whenever the committee by rollcall vote acts upon any measure or amendment thereto, other than reporting a measure or recommendation, the results thereof shall be announced in the committee report on that measure unless previously announced by the committee, and such announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment thereto by each member of the committee who was present at that meeting. (Sec. 133(b), Legislative Reorganization Act of 1946, as amended.)

(3) In any case in which a rollcall vote is announced, the tabulation of votes shall state separately the proxy vote recorded in favor of and in opposition to that measure, amendment thereto, or recommendation. (Sec. 133(b) and (d) Legislative Reorganization Act of 1946, as amended.)

RULE 4. CHAIRMANSHIP OF MEETINGS AND HEARINGS

The Chairman shall preside at all Committee meetings and hearings except that he shall designate a temporary Chairman to act in his place if he is unable to be present at a scheduled meeting or hearing. If the Chairman (or his designee) is absent ten minutes after the scheduled time set for a meeting or hearing, the senior Senator present of the Chairman's party shall act in his stead until the Chairman's arrival. If there is no member of the Chairman's party present, the senior Senator of the Committee minority present shall open and conduct the meeting or hearing until such time as a member of the majority enters.[1]

RULE 5. HEARINGS AND HEARING PROCEDURES

A. *Announcement of hearings.* The committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date. (Sec. 133A (a), Legislative Reorganization Act of 1946, as amended.)

B. *Open hearings.* Each hearing conducted by the committee, or any subcommittee thereof, shall be open to the public unless the committee, or subcommittee, determines that the testimony to be taken at that hearing may (1) relate to a matter of national security, (2) tend to reflect adversely on the character or reputation of the witness or any other individual, or (3) divulge matters deemed confidential under other provisions of law or Government regulations. (Sec. 133A(b). Legislative Reorganization Act of 1946, as amended.)

C. *Radio, television, and photography.* The committee, or any subcommittee thereof, may permit the proceedings of hearings which are open to the public to be photographed and broadcast by radio, television, or both, subject to such conditions as the committee, or subcommittee, may impose. (Sec. 133A(b), Legislative Reorganization Act of 1946, as amended.)

D. *Advance statements of witnesses.* A witness appearing before the committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least one day prior to his appearance, unless this requirement is waived by the chairman and the ranking minority member, following their determination that there is good cause for failure of compliance. (Sec. 133A (c), Legislative Reorganization Act of 1946, as amended.)

E. *Minority witnesses.* In any hearings conducted by the committee, or any subcommittee thereof, the minority members of the committee shall be entitled, upon request to the chairman by a majority of the minority to call witnesses of their selection during at least one day of such hearings. (Sec. 133A (e), Legislative Reorganization Act of 1945, as amended.)

RULE 6. COMMITTEE REPORTS

A. *Timely filing.* When the committee has ordered a measure or recommendation reported, following final action the report thereon shall be filed in the Senate at the earliest practicable time. (Sec. 133(c), Legislative Reorganization Act of 1946, as amended.)

B. *Supplemental, minority, and additional views.* A member of the committee who gives notice of his intention to file supplemental, minority or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the committee report may be filed and printed immediately without such views. (Sec. 133 (e), Legislative Reorganization Act of 1946, as amended.)

C. *Draft reports of subcommittees.* All draft reports prepared by subcommittees of this committee on any measure or matter referred to it by the chairman, shall be in the form, style, and arrangement required to conform to the applicable provisions of the Standing Rules of the Senate, and shall be in accordance with the established practices followed by the committee. Upon completion of such draft reports, copies thereof shall be filed with the chief clerk of the committee at the earliest practicable time.

D. *Cost estimates in reports.* All committee reports, accompanying a bill or joint resolution of a public character reported by the committee, shall contain (1) an estimate, made by the committee, of the costs which would be incurred in carrying out the legislation for the then current fiscal year and for each of the next five fiscal years thereafter (or for the authorized duration of the proposed legislation, if less than five years); (2) a comparison of such cost estimates with any made by a Federal agency; or (3) a statement of the reasons for failure by the committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (Sec. 252(a), Legislative Reorganization Act of 1970.)

RULE 7. SUBCOMMITTEES AND SUBCOMMITTEE PROCEDURES

A. *Regularly established subcommittees.* The committee shall have five regularly established subcommittees, as follows—

Permanent Subcommittee on Investigation.

Intergovernmental Relations.

Reports, Accounting and Management.

Federal Spending Practices, Efficiency and Open Government.

Oversight Procedures.[1]

Footnotes at end of article.

B. *Ad hoc subcommittees.* Following consultation with the ranking minority member, the chairman shall, from time to time, establish such ad hoc subcommittees as he deems necessary to expedite committee business.

C. *Subcommittee membership.* Following consultation with the majority members, and the ranking minority member, of the committee, the chairman shall announce selections for membership on the subcommittees referred to in paragraphs A and B, above.

D. *Subcommittee meetings and hearings.* Each subcommittee of this committee is authorized to establish meeting dates and adopt rules not inconsistent with the rules of the committee.

E. *Subcommittee budgets.* Each subcommittee of this committee, which requires authorization for the expenditure of funds for the conduct of inquiries and investigations, shall file with the chief clerk of the committee, not later than January 10 of that year, its request for funds for the 12-month period beginning on March 1 and extending through and including the last day in February of the following year. Each such request shall be submitted on the budget form prescribed by the Committee on Rules and Administration, and shall be accompanied by a written justification, addressed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities; addressed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities; (2) its accomplishments during the preceding year; and (3) a table showing a comparison between (*a*) the funds authorized for expenditure during the preceding year, (*b*) the funds actually expended during that year, (*c*) the amount requested for the current year, and (*d*) the number of professional and clerical staff members and consultants employed by the subcommittee during the preceding year and the number of such personnel requested for the current year. (Sec 133(g), Legislative Reorganization Act of 1946, as amended.[7]

FOOTNOTES

[1] S. Res. 131, 93d Cong., 1st sess., considered and agreed to July 20, 1973, redesignated sections 8 and 9 as sections 9 and 10, respectively, and a new section 8 was added authorizing a sum not to exceed $89,672 from July 20, 1973 through February 28, 1974, for a study and investigation of Government procurement practices. S. Res. 131 also amended redesignated section 10 so as to increase committee expenses not to exceed $1,930,000. Redesignated section 10 amended again to increase committee expenses not to exceed $1,956,000 by S. Res. 215, 93d Cong., considered and agreed to Dec. 20, 1973.

[2] Amended January 30, 1974.

[3] Amended January 28, 1975.

[4] Amended November 7, 1973.

[5] Adopted December 9, 1974.

[6] Amended January 28, 1975.

THE ENERGY DEBATE

Mr. HUMPHREY. Mr. President, the current issue of the Nation magazine of March 1, 1975, carries statements by two of our colleagues in the Senate. Both deal provocatively and incisively with different pieces of the complex energy puzzle.

In an exchange with Wilson M. Laird of the American Petroleum Institute, Senator ERNEST HOLLINGS argues the case for "some very fundamental reforms in the management of our precious oil and gas resources on Federal offshore lands." As chairman of the National Ocean Policy Study, which has recently published a series of comprehensive reports on Outer Continental Shelf and ocean resources, the views of our colleague from South Carolina deserve careful consideration.

Later in the same magazine, Senator JAMES ABOUREZK deals concisely with the controversial issue of natural gas. While his conclusions may require further consideration, he forthrightly raises and clarifies some of the problems involved with deregulation.

If Congress is to enact, and the American people are to accept, an effective and equitable energy program, we all must better understand the complex issues involved. These statements by Senators HOLLINGS and ABOUREZK, I believe, help to raise the level of the energy debate.

Mr. President, I ask unanimous consent that the statements from the Nation be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

[From the Nation magazine, Mar. 1, 1975]

OFFSHORE OIL—LETTER TO THE EDITOR

WASHINGTON, D.C.—Sen. Ernest F. Hollings . . . errs in "Oil & Influence: The Rush to the Sea" [*The Nation*, Jan. 18] when he charges that the Federal Government's plan to accelerate the sale of offshore oil and gas leases constitutes "one of the biggest potential giveaways of all time." He is also wrong when he says the proposed offshore leasing program would be carried on without environmental protection, without concern for pollution of beaches, and without a fair return to the public.

As the Senator knows, the Federal Government gives away nothing when it sells the right to search for oil and gas in offshore waters. If anything, these sales can be said to produce "windfall profits" for the Government, because oil companies pay into the U.S. Treasury enormous amounts of cash before any drilling begins—money which may not be recovered for many years, if ever. . . .

As for the environmental protection, the oil companies and the Federal Government follow the complex procedures prescribed by law to make certain that every possible step is taken to prevent environmental damage in connection with expanded offshore activities. A preliminary environmental programmatic statement dealing with the leasing of 10 million acres on the outer continental shelf was prepared some months ago, and hearings were slated to be held in Trenton, N.J., Santa Monica, Calif., and Anchorage, Alas., beginning early in February. In addition, specific hearings will be held in each area. . . .

The industry takes pride in its exceptional safety record. More than 18,000 wells have been drilled in U.S. offshore waters over the past quarter-century, and one could count on the fingers of one hand the number of significant oil spills. None of those spills caused permanent econogical damage. Drilling and spill-control technology are constantly moving forward.

Senator Hollings is the victim of misinformation when he charges that the oil and gas companies are deliberately holding back production from thousands of wells in the Gulf of Mexico in efforts to force higher prices. The Federal agencies who are responsible for regulating such matters have investigated that recurring rumor and have announced that there is no truth in it. . . .

The Senator complains that new leases sold in 1975 could "produce no energy in the next few years when we need it," so he recommends delaying any action until the Government can organize its own exploratory drilling program. . . . The oil-exporting nations have quadrupled their prices because they know we and other nations cannot get along without imports. They would be delighted to see us give up on developing our greatest potential source of energy—the offshore area which is comprised mostly of the Federal outer continental shelf.

WILSON M. LAIRD,
American Petroleum Institute.

WASHINGTON, D.C.—The essential differences in viewpoint between Mr. Laird and myself stem, I believe, from our different approaches to predicting the consequences of a massive offshore leasing program in 1975. While Mr. Laird relies primarily on the industry's past record, I believe that a quantum leap in the acreage sold this year, including large portions of the "frontier" areas, would bring about such fundamental changes as to make past experience insufficient—perhaps even irrelevant—in assessing the future.

We also disagree sharply about the question of delay. In my opinion, a coordinated exploration program of major offshore structures will give us information on resources much faster than the checkerboard system of exploratory drilling on individual leases.

The major element operating in this year's decision making on outer continental shelf (OCS) issues is uncertainty. We simply have no idea of the extent or the value of the resources we propose to sell immediately to private industry. We cannot plan ahead and determine the proper rate of extraction for those resources to conserve them and *sustain* our hoped for independence of imports until alternative energy sources become available, because we don't know if they will last for ten years or fifty years at today's growth rates. Once we lease, the industry has the sole prerogative of determining the extraction rate best suited to its own economic interests, but not necessarily to the national interest.

The long-term environmental impacts of large-scale leasing and development are similarly unknown. The draft environmental impact statement to which Mr. Laird refers does not, unfortunately, inspire confidence in the Interior Department's understanding of the impacts. Out of almost 1,500 pages, for example, the statement devotes only 30 pages to a superficial and unenlightening discussion of land use and socioeconomic impacts of offshore oil development on nearby coastal regions. . . .

I have noted with interest that Secretary Morton apparently no longer shares Mr. Laird's confidence in the industry's explanations about nonproducing wells in the Gulf of Mexico. On January 23 the Secretary called upon seventeen leaseholders to explain within thirty days why their wells are not producing, with a threat of lease termination if the circumstances prove unjustified. . . .

The 94th Congress will be considering some very fundamental reforms in the management of our precious oil and gas resources on federal offshore lands. . . .

ERNEST F. HOLLINGS,
Chairman, National Ocean Policy Study.

[From the Nation magazine, Mar. 1, 1975]

HOW TO PAY MORE TO GET LESS

(By Senator James Abourezk)

WASHINGTON.—As a solution to one aspect of the current energy crisis, the merit of the Ford Administration's proposal to repeal present regulatory control over natural gas sales is less than self-evident. It requires no doctorate in economics or psychology to know that a shortage in an essential commodity tempts sellers to exact excessive profits from their captive buyers.

Nonetheless, the industry's long campaign for decontrol—two earlier attempts were vetoed by, respectively, Presidents Truman and Eisenhower—as well as its efforts to draw sustenance from the present shortage, suggest the desirability of taking a close look at the arguments assembled by the oil industry and the Administration in support of decontrol. First, we are told, regulation of the prices at which producers sell natural gas at the wellhead does not work; by holding prices "artificially low," regulation discourages the producers, thus limiting exploration and development. Second, while conceding that deregulation will raise the consumer's gas bill, the proponents of decontrol contend that higher prices are essential if the supply of natural gas is to be increased. Third, the argument runs, present shortages are intolerable, and deregulation is the only hope. None of these arguments has merit.

The claim that regulation has not worked is a rewriting of history that assumes the public to have a very short memory indeed. From the advent of federal regulation in 1954 until 1969, the volume of natural gas sold in interstate commerce increased dramatically—from 5 trillion cubic feet in 1954 to 14 trillion cubic feet in 1969—and the largest portion of this growth occurred during 1961–69, when the wellhead price was relatively stable, at approximately 17¢ per 1,000 cubic feet (Mcf). Though it is often forgotten now, natural gas was in oversupply as recently as the mid-1960s, after a decade of federal regulation. Thus for at least fifteen years, until 1969, regulation of natural gas prices by the Federal Power Commission did work to assure the nation an adequate supply of this basic energy source at a reasonable price.

But while there is no basis for the claim that regulation has not worked, there may, unfortunately, be some basis for the charge that it is not working now. Beginning in 1970, the Nixon appointees on the commission accepted the oil industry's premise that the way to avoid impending shortages of natural gas was to allow higher prices; and when these higher prices led not to increased supplies but to even greater shortages, the commission responded with still higher prices. Admittedly, federal "regulation," as it is now being implemented by the FPC, is not working and cannot be expected to work, but that is hardly the fault of the regulatory statute, and is no argument for its repeal.

The fact that the FPC has adopted a policy of allowing the industry repeated price hikes, as long as it can maintain a shortage, while unfortunate on substantive grounds, does at least provide a performance record for evaluating the second argument—that higher prices will end the gas shortage. That is precisely the theory that the FPC has, at the oil industry's urging, followed for the past five years, and it has led to *higher prices, but no more gas.* In 1971, the commission raised the price for new supplies from 19¢ to 26¢ per Mcf, on the strength of the industry's representation that adequate supplies would be forthcoming at 26¢. When the shortage persisted, the commission in 1972 and 1973 devised a series of exceptions to permit new sales in the 35¢-to-45¢ range; when these techniques, of dubious legality, failed to increase supply, the commission, in June 1974, raised the price for all new and much old gas to 50¢ per Mcf; and in December 1974 it increased the level to 58¢—*three times the level in effect in 1971!* And each increase has been granted without any examination of the profits being made by the industry prior to the increase!

The reason exorbitant prices, with concomitant exorbitant profits for the industry, have not and will not end the gas shortage is simple enough. The same handful of companies which account for the vast majority of natural gas sales and control the majority of gas reserves—Exxon, Mobil, Texaco, Gulf, Shell, Standard of Indiana, Continental, Phillips—also control every competing energy source, including oil and coal. Thus, if the gas shortage forces an industry in Indiana or a university in New Jersey to switch from gas to oil, the same producers reap the large additional profits guaranteed by the Administration's policy of permitting the price of domestically produced oil to be fixed not by free market forces but by the OPEC cartel.

While the gas shortage is indeed intolerable, a feeling that we should "do something" should not lead us to adopt a deregulation proposal that will transfer vast sums of money from the already depleted pockets of the consumer to the already overstuffed pockets of the energy industry, without any real probability of easing the shortage. Nor is this issue simply one of the oil industry versus the consumer; it is becoming increasingly evident that escalating energy costs, while exceedingly profitable for the oil companies, are inexorably crushing other major segments of the economy—from automobiles to utilities.

Given the oil industry's pervasive control over all energy sources, is there any constructive action that can be taken? Fortunately, there is. The bulk of new gas supplies is expected to come from underwater coastal areas, controlled by the federal government. We are not reduced to pleading, through the device of constantly higher prices, with the oil companies to please produce *their* gas. The untapped reserves belong to all of us, and increased public participation in and control over the development of reserves on federal lands may well be the only long-range solution both to the gas shortage and to the broader energy shortage of which it is a part. Surely it makes little sense for the federal government, through the Interior Department, to continue granting federal leases on these prolific offshore areas to the international oil companies at a time when, because of an Administration policy that rewards continuing shortages with ever higher prices, it becomes in the economic interest of these companies to limit production.

Remedial legislation is certainly in order, but deregulation of natural gas prices is precisely the wrong remedy.

E. IRVIN CHENEY HONORED

Mr. TALMADGE. Mr. President, it always gives me a great deal of pleasure to take note of outstanding public service, and such a record has been compiled by B. Irvin Cheney as clerk of the Wilkes County Board of Commissioners in Washington, Ga.

Mr. Cheney retired in January after 55 years of county government service and his many friends and associates honored him with a testimonial dinner.

I congratulate Mr. Cheney on his long record of dedication to duty and for the countless contributions he made over more than half a century to progress in Wilkes County and the State of Georgia. I salute him for a job well done and wish him every happiness in his retirement.

MR. ROONEY GOES TO WASHINGTON

Mr. RIBICOFF. Mr. President, recently, CBS telecast an extremely informative news special.

"Mr. Rooney Goes to Washington" was a capsule view of the way the Federal bureaucracy works. Andrew A. Rooney, a nonpolitical reporter with no previous Washington experience, came to Washington for 2 months to take a fresh look at some of our bureaucratic institutions. What he found was bureaucratic momentum, agencies which have outlived their usefulness, occasional subversion of the civil service merit system, and pervasive administrative delay. Governmental runaround and secrecy contributed to Rooney's frustration in learning about the Government his taxes help support; so did the sheer size and scope of Government with its flood of paperwork. If those of us in Government would listen to these kinds of commonsense observations by the citizens we are supposed to serve, our Government would surely operate more effectively and equitably.

Mr. President, the Government Operations Committee has just recently reported out Senate Resolution 71, which authorizes a major review of the Nation's regulatory agencies. A program such as "Mr. Rooney Goes to Washington" shows clearly why such a review is so long overdue, and so badly needed.

Mr. President, in order to give this first-rate television program the continuing attention it deserves, I ask unanimous consent that the transcript of the CBS news special, "Mr. Rooney Goes to Washington," be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

CBS NEWS SPECIAL: MR. ROONEY GOES TO WASHINGTON

CBS News Writer-Producer Rooney. People want to know what's going on in Washington. Last year nineteen million Americans came here trying to find out. They spent most of their time lined up outside someplace. The trouble with that is, like tourists anywhere, they leave no smarter about the place than they were when they came.

The Washington Monument dominates the city the way the Eiffel Tower dominates Paris. And during most of the day, tourists surround it like Indians circling a wagon train. You can see it from almost any place you're apt to be in Washington.

(Martial music with montage of Washington Monument shots.)

Washington is a pretty city and it's easy to spend all your time looking at the buildings. The monuments to past Presidents are a major attraction to Americans trying to get closer to their past: the Lincoln Memorial, the Jefferson, the Kennedy Center, and the Watergate.

This broadcast isn't about any of those things.

My name is Andy Rooney. Several months ago CBS sent me to Washington to see what a non-political reporter with no previous knowledge of that place could find out about it. It was a good assignment, like spending two months as a tourist in a foreign country with the company paying the bills. In the next hour, I'm going to tell you what I was able to find out about the bureaucracy—and what I wasn't able to find out.

(Fireworks—Music—Titles.)

(CBS News Special: "Mr. Rooney Goes to Washington.")

(Announcements.)

ROONEY. The first thing I did in Washington was to try to find my way around. It's all right to say you're going to do some investigating, but it's embarrassing the first day when you go out the door and don't know whether to turn left or right to get to the White House.

I spent several days with a camera crew just looking around and taking pictures.

SPEAKER (at committee meeting): Testifying on H.R. . . .

UMI

ROONEY. No one can stand being a tourist for long though, and there are things a guide book never tells you about a place.

Two and three-quarters million people are paid $35-billion a year to work for the Federal Government. We kept trying to find out exactly why it is our Government has grown so big and why there are so many bureaus in the bureaucracy.

One of the reasons seems to be that almost every committee, every agency or every department is established by law, but there's never anything in that law about putting the agency out of business when its job is done. Once established, a Government agency, like a Government job, is practically immortal. If a committee or agency has a name that makes it sound out-of-date, it doesn't go out of business; it just changes its name.

We kept asking people if what they were doing was really necessary or if it was something the Government ought to be doing for us. We thought maybe Civil Defense was something out-of-date that we could do without. We had a nice talk with the Director of Civil Defense—John E. Davis. The first thing we found out was it isn't called that any more.

JOHN E. DAVIS. Two years ago, we changed our name to Defense Civil Preparedness Agency. We wanted to be more inclusive, to look at natural disasters as well as preparation against survival from a nuclear attack.

ROONEY. Well, people say that you are an agency in search of a mission.

DAVIS. Quite to the contrary, this organization has taken on a currency role and I refer to the natural disasters we have frequently occurring in practically all sections of the United States. There's none that escape—tornadoes, hurricanes, earthquakes, winter storms.

ROONEY. I'm confused about the Office of Emergency Preparedness in relation to you. Is there any overlapping there?

DAVIS. We are the Office of—Oh, Office of Emergency Preparedness? Of course, that was a year ago in July, by Executive Order. It was separated and part of it now, of the Office of Emergency Preparedness, is called Office of Preparedness, which is in GSA, responsible generally for the continuity of Government and certain emergency plans that were—had been associated with OEP. And part of it, the—the disaster relief generally, FDAA, Federal Disaster Assistance Agency, is over in HUD. And they administer the rehabilitation and—and have some responsibilities for assisting states as we do, but they've been—we—we've been assigned the mission of helping local communities prepare for these natural disasters. And that generally is where we get the authorities for what we're doing in the natural disaster field.

ROONEY. We've been looking at some of your literature that you've been publishing and we're particularly interested in this one—"Protecting Mobile Homes From High Winds". Is telling people how to protect their mobile homes from tipping over a function of Government?

DAVIS. It's just one of these things that was done because of our professional knowledge and the fact that it was something that people wanted today.

ROONEY. I was taken with this one phrase in here. "Mobile homes meet a real need in our society: they are attractive, comfortable, and provide low-cost housing." Now, for a Government booklet to say mobile homes are attractive! I never heard anybody call a mobile home attractive before.

DAVIS. Well, it's——

ROONEY. Why would a Government booklet call a mobile home attractive?

DAVIS. Well, I think that—This is a matter of opinion. Certainly the manufacturers of mobile homes (and I imagine those that live in it) to them, that is the case. And so it's all a relative thing.

ROONEY. What is your budget, total budget?

DAVIS. Eighty-two million dollars last year and it appears that it's under consideration by the Congress now, and I think it will be approximately the same amount.

ROONEY. With the draft over, I thought our Government might be saving money by closing the Selective Service Agency. We talked to the Director, Byron Pepitone, a retired Air Force Colonel. We asked him what Selective Service was doing now that it wasn't selecting anyone any more.

PEPITONE. We have become an organization in standby—much as an organization in the sense of insurance against an emergency. We're not inducting anyone, you see. The authority to do so has expired. But our staff and our offices have been reduced by a quarter—by three-quarters.

ROONEY. How much is your budget?

PEPITONE. In the spring of 1973, before inductions stopped, we were operating on—on a budget of approximately a hundred million dollars. Our request to the Congress for the Fiscal Year '75 forthcoming will be for $47-million.

ROONEY. Is that the absolute minimum that it costs to do nothing—not to draft anyone?

PEPITONE. Forty-seven million dollars is a very small amount to guarantee that, should you have to augment that force, you have the capacity to do it in a timely fashion.

ROONEY. What would happen to your operation if you spent only twenty million?

PEPITONE. Well, my personal opinion is that if it gets much below the present level, we might just as well decide that we don't need it.

ROONEY. It's hard to show the size of Government. It isn't as though you could get everyone who works for it to pose for one big class picture. And of course, it hasn't always been this big either.

In 1930, half of all Government employees were mailmen. Now there are a lot more mailmen, but they represent only 25% of all Government workers. And back then, there was no such thing as a Department of Health, Education and Welfare. Our health, education and welfare were pretty much our own business.

Well, of course, things have changed. Today there are 127,000 HEW employees. The Agency occupies space in fifty-seven buildings in the Washington area alone.

We thought it would be interesting to find out how many Government buildings there are in the Washington area. We asked the General Services Administration for a complete list. They told us they didn't have one, but they could get us one—for a hundred and fifty dollars. So we paid them a hundred and fifty dollars, and here's the list they gave us.

This is a list of every Government building in the Washington area. [Computer printout unravels to the floor] It seemed like a good idea at the time. I don't know exactly how to show it to you, but every one of those lines represents a building. As far as I know, this is the only one of these lists in existence.

Now this is a list of every building our Government owns all over the world. The CIA may have a pad or two in Budapest that isn't listed here, but substantially these are our real estate holdings—something like 500,000 buildings our Government owns.

The General Services Administration is an interesting operation. What it is, it's a combination landlord and superintendent for all Government buildings. If you need a whole new building or just a box of rubber bands, you go to the General Services Administration. Now, this is *their* catalog: about anything you'd want in here, and there are quite a few things you wouldn't want, too.

Here's a chair. They have sixteen different kinds of chairs, for instance. There are eighteen grades of Government servants, so I suppose there's one chair for each grade. And we figure the bottom two grades have to stand.

Here's the rubber bands, if you want rubber bands. This one here is Federal Specification ZZROO1415. So the Government's got just about everything you want, if you work for it.

We wondered where all this stuff in the book came from, so we went out to one of the General Services warehouses to look around.

What would you like? Here's leather gloves—boxes of leather gloves—more leather gloves. Mops? I imagine the mop handles will be coming along. Some kind of lock. I don't know what that is.

String. There are two balls for toilet bowls. A couple of dictionaries. You want a dictionary? Pans, pots, pans. Wrenches.

What would you like? Name plates for stores? Fronts of deska? Here's paint rollers. And where would the Government be—You thought this was just a figure of speech? Genuine Government Red Tape!

I don't think there's anything more discouraging for a taxpayer who likes to think that he's doing something important for his country than to see something like this. You look at a box of something, and you say to yourself: "There go my taxes"—not democracy or freedom or a battleship or anything—just a box of stuff!

(Announcements)

ROONEY. This chart on the wall here shows all the ranks of Civil Service workers in Government. There are eighteen different grades (and there are ten steps in each grade too) but we're not going to get into that. And we aren't going to get into "double dipping" either. In Washington, double dipping is the practice of retiring from the Army, Navy or Air Force, and then taking a job in Civil Service so that you get two salaries.

There are most Government workers in Grade Five—172,000. Each of them makes a minimum of $9,000. And it costs the Government a billion and a half. Grades 16, 17, and 18 all make $36,000. You'll see that Grade 16 is listed at thirty-five-five, but actually Grade 16 makes $36,000 too—after he's been in the Government for about twenty minutes. It's one of the problems in Government. All three top grades make the same, so there's not much advantage to getting to be the boss—except possibly you get to go home a little early on Friday.

If Civil Service worked the way it's supposed to work, it would be fine. If someone needs a certain kind of employee, he goes to his Department's Employment Office and they find someone in their card file who fits his job description.

PERSONNEL AGENT [to job applicant]: What I'll do is, like, now that I know you have the requirement, I'll get people in every day and I can kind of rush them in getting their applications in and in good form.

ROONEY. According to the people we talked to, it doesn't work ideally very often, though. Something like this is more apt to happen.

Say I'm in a management position in Government. I have a job open. My old college roommate needs a job, but the description of the job in my office doesn't match his qualifications. He worked in the real estate business for a while. He had a job in a bank once. His father is Italian. And he was editor of our college newspaper. I want to help my old roomy, so I get him to apply to Civil Service. He puts down all his qualifications.

A short while later, I go to Civil Service and I say, "Say, that job I have is changed. What I need now is someone with newspaper

experience to help our office with some real estate dealings in an Italian neighborhood. He should have knowledge of mortgages and bank loans." So someone at Civil Service takes that information, feeds it into his computer, and presto! Guess whose name pops up? My old college roomy.

The Civil Service Payroll represents only half of what the Government pays out in salaries every year. The names in this book represent something else. These are the people who work for Government but are not Civil Service. In other words, these people were all appointed to their jobs. This thing really makes good reading, too. Look at some of the titles in here! We've taken some out and posted them here on the board:

Secretary to the Secretary.
Secretarial Attendant to the Secretary.
Chauffeur to the Secretary.

Apparently the Chauffeur doesn't have a Secretary himself.

And then there are all these Confidential people:

Confidential Staff Assistant.
Confidential Staff Assistant to the Associate Director.
Confidential Assistant.
Confidential Staff Assistant.
Confidential, confidential, confidential!

In Washington, a Confidential Assistant is the person, if you don't want to know something, you go and ask him and he won't tell you.

This is a beauty:

Associate Deputy Administrator.
Deputy Associate Administrator.
And down, in further:
Deputy Assistant Secretary.
Special Assistant to the Assistant Secretary.
Staff Assistant to the Deputy Assistant Secretary.
Assistant Administrator for Administration.
Deputy Assistant Administrator for Administration.

And it goes on like that.

Government officials are always saying there aren't any more Federal employees now than there were twenty years ago. This sounds good until you find out what the reason is. The reason is an awful lot of Government work in Washington is being done by private companies now, on contract.

I grew up thinking Big Government and Big Business were enemies. Well, imagine how surprised I was to find out they're really best friends—very close buddies. As a matter of fact, in Washington, they get along so good it scarces the life out of you.

The Department of Defense, for instance, has eighty thousand people on its payroll who arrange contracts with private companies who actually do the work. There are hundreds of companies in Washington which do nothing but advise the Government.

Here's a little example we looked into. This is a report on Urban Mass Transportation presented by the Secretary of the Department of Transportation to the President of the Senate. At the time it was Gerald Ford:

"DEAR MR. PRESIDENT: I am pleased to submit the Department's study of Urban Mass Transportation, needs and financing, et cetera. . . .

"Sincerely,

"CLAUDE S. BRINEGAR."

Well, now, you'd think this had been prepared by the Department of Transportation, wouldn't you? Well, it wasn't. It was prepared by a private company called Peat, Marwick and Mitchell. We got hold of the contract Peat, Marwick had to do this study. They were paid $260,564 to do this. Would anyone know it was done by them? Would the Senate or the public know? Not from anything you could find in this book—because Peat, Marwick and Mitchell's name isn't mentioned anywhere in it—not even in fine print.

The trouble with contracting is that it makes it even harder for all of us to find out where our money's going. We tried for months to get someone at Peat, Marwick and Mitchell to talk to us about this. They refused.

What are they hiding? There's no law they have to talk to us, of course, but, well, it is our money.

One of the obvious problems is that when a private company gives advice to the Government in some special area and also has private clients in that same area, it seems very unlikely that the advice they give the Government will do their private clients any harm.

Here's another example of contracting. We were looking through the Commerce Business Daily one day. I never heard of it before, but it's important to people in Washington doing business with the Government. It lists contracts up for bids, contracts let, that sort of thing. We came on this one small contract. We've had it blown up here so you can all see it.

"Prepare Guideline to be used for the rewriting of all Navy technical manuals to the ninth grade level."

They're to be paid $65,622—a company called Biotechnology. (That "Biotechnical" was a mistake.)

Now that seemed interesting, so we set out trying to find out more about it.

First, we called Biotechnology. We didn't get far.

(On phone): Andy Rooney, CBS News. Rooney, R-O-O-N-E-Y. Well, check with him, will you, and see if he'll talk to me? He's not there right now, huh? Do you think he went somewhere? Is he apt to be in again today?

I'm always amazed at how a secretary can sit three feet from a guy and not know whether he's in or not.

(On phone): Oh, you don't think he'll be back today? All right, put me on hold. Fine! I've been on hold before. Out of the building, eh?

She's asking him whether he's in or not, I think.

(On phone): Uh-huh. What time's he apt to be in, do you know? Do you know what time he's apt to be in? Around eleven? Yeah, okay. Well, do you think if I call him around—He may go right to lunch from—instead of coming in at eleven? Hm-hm! That's an early lunch. Yeah. Do you know whether he has a lunch appointment or where he would be going? Hm-hmm. Will he call in and let you know whether he's coming in or not? He wouldn't let you know about that? And if he's not coming in, he won't tell you? Hm-hmm. Okay. Well, why don't I try you again at eleven, then, and see if you know anything?

We drove over there one day just to make sure that the company really exists, and took pictures of one of their buildings. Several days later, much to our surprise, we got through to the company's president.

(On phone): Andy Rooney, CBS News. How are you? I've been trying to get you for a long while. Would you be able to tell me, you know, who—who you're dealing with in Navy? Is that a secret? I just wondered if, you know, if you could talk to us on camera some day about how it goes and what you do and that sort of thing? Well, are they apt to say they don't want any publicity at all on it? If you can get approval from the Navy, we could talk on camera. Well, could—would you check it with them or should I?

They told me they couldn't talk about it without Navy permission. So we went to the Navy. You haven't seen red tape until you deal with the Navy. We talked to them. A lot of them!

(On phone): I was just trying to find out, you know, what—what was happening, what the Navy was doing with their manuals. I had been trying to talk with some people at a company named Biotechnology. Are you familiar with them? Yeah. I—I—You know, it just doesn't seem like anything very sneaky to me. I don't see why they wouldn't talk about it. They were reluctant to talk until they had gotten some sort of clearance from the Navy. I then talked to a Mr. Shihda, and he—he referred me to a Mr. Tarbell, and Mr. Tarbell referred me to Mr. Cleverly. And then, I guess, he referred me to you. Is there any—Do you think there would be any objection to my talking to the people at Biotech? All right. Thanks a lot. Okay.

After weeks of phone calls, we reached someone in the Navy who said it was all right to talk to Biotechnology about it—if it was all right with them. Back to Biotechnology!

(On phone): Okay, thank you.

You won't be surprised to learn that Biotechnology still refused to talk to me. We were really interested now and we were able to get hold of the Navy study on which that contract was based. (Looking through reports on desk) A lot of junk here! This is it. So, armed with this study, we went to the Navy and had an interview with Admiral Frederick Palmer, the man in charge of implementing this study.

ROONEY. Are you having all the manuals rewritten to a ninth grade level of comprehension?

Admiral PALMER. I think that needs a little—a little explanation, because I think that you need to—to go further and find out ninth grade according to what standard.

ROONEY. Has this contract been executed yet?

PALMER. No.

ROONEY. They haven't done the work?

PALMER. No.

ROONEY. We had tried to contact Biotechnology. Do you know Biotechnology?

PALMER. No, I do not.

ROONEY. It just seems strange to us that the officer in charge of implementing this study never heard of Biotechnology or of this chart (on page 51) dividing all potential Navy enlistees into four categories: "Socially Assertive Team Leaders"—"Uninvolved Reward Seekers"—"Active Manual Satisfaction Seekers" — "Unrealistic Self-Improvement Seekers."

I saw a report and it divided Navy enlistees into four categories: Socially Assertive Team Leaders, Uninvolved Reward Seekers, Active Manual Satisfaction Seekers, and Unrealistic Self-Improvement Seekers. You recognize them in the Navy?

PALMER. I haven't the foggiest notion of what you're—you're talking about. I hope I can get a copy of that to look into it.

ROONEY. Wasn't that in Part Two of your study?

PALMER. I don't recall that at all.

ROONEY. I think it was.

PALMER. Was it? Do you have the page number of that?

ROONEY. No, I don't. I—It was—It was known as the Grey Study.

PALMER. I'll sure look it up. Let me get a note of that right now.

ROONEY. If you had your report with you, I think it's probably in there.

PALMER. Grey Study, Volume Two, you say? Thank you.

ROONEY. We're not drawing any conclusions about the Navy or this little company. They're probably both fine, but these contracts sure make it difficult for the citizen to find out where $65,000 goes.

And keep in mind that contract was only one of 583 that appeared in the Commerce Business Daily that day. We didn't have time to check the other 582.

Having struck out at both Peat, Marwick, Mitchell and Company and Biotechnology, we went to a company called McKinsey. McKinsey, though unknown to the public, is an important name in the high and inner circles of Government. We'd all like to tell the Gov-

ernment what to do once in a while. Well, McKinsey not only gives advice to the Government, but the Government takes it and pays them for it. Robert Fri, a vice president, talked to us.

What would your contracts with Government run to? A hundred thousand dollars? A hundred million dollars?

ROBERT FRI (laughing). Well, that's—there was one with the Department of Transportation that we just—we just finished, a study over there for Secretary Brinegar. That contract was quoted in Jack Anderson's column at $365,000—which I assume is about right.

ROONEY. Would you at the same time be doing work for General Motors when you were doing something for the Department of Transportation?

FRI. Oh, I think the sense of your question is "Could we be serving an industrial client?" And the answer is yes. But we would be serving it from a different office with different people. We have internal controls to make sure that there's no conflict.

ROONEY. What about just a list of the Government Agencies that you do work for. Is that a—then an available thing, or is that a secret too?

FRI. Well, let me tell you some that I know have appeared in the press or otherwise mentioned publicly over the last few years.

ROONEY. In other words, there are some that you would—

FRI. There are some I prefer—

ROONEY. —prefer not to mention?

FRI. —not to mention. We serve the Veterans Administration, the Peace Corps, the Department of Transportation that I mentioned earlier.

ROONEY. But the ones that interest me most are the ones that you won't tell me. (Laughing)

FRI. That's a representative list. We serve the Office of Management and Budget, the Treasury Department.

ROONEY. Why wouldn't you tell me?

FRI. It's simply a practice of the firm to—that we're not the ones who tell publicly who our clients are.

ROONEY. In other words, the Government would come to you and give you this contract and say, "But don't tell anybody about it."

FRI. No, they don't say that. And I'm not—I'm not trying to dodge your question. I'm just being true to the standard practice of the firm, which is a carry-over largely from the private sector. But we still observe it here, to the extent that—that our relationship with a client is not widely known.

ROONEY. Is there a way we could find out what McKinsey's total income for one year was from the Government contracts?

FRI. Well, it would be in the several hundred thousand dollar range.

ROONEY. Well, that one you mentioned was three hundred and eighty-five thousand, so—

FRI. Yes.

ROONEY. It certainly would be several hundred.

FRI. Yeah.

(Announcements.)

ROONEY. Power is always slipping away from most of us and into the hands of the very few. I guess we all worry about it, but if you spend some time in Washington, you get thinking that Congress, at least, isn't really very dangerous.

Almost everything we do is a fact before Congress knows what's happened. Take sex, for instance—or the economy, if sex offends you. Our national habits have changed in regard to both sex and money. But Congress didn't have a thing to do with either of them. We establish our own rules of how we live and all Congress can do is make them official and make them apply to everybody the same way.

Even if a Congressman wanted to become some kind of a dictator, he couldn't do it. He's too busy.

Congress is disorganized, overworked, and very little of what they do becomes law. If one of them is for something, another is against it. We're lucky they don't get along because it offers all of us a great deal of protection.

Rep. TENO RONCALIO (D-Wyo.—speaking at Congressional committee meeting). Otherwise, we ought to attach this kind of a rider to every single bill that goes through the Congress, on any growth, any programing whatever, where the Feds come back and say, "Well, if you don't do it this way, you don't get—you don't participate in the American Dream." On that basis, Mr. Chairman, I have to be against this amendment.

Rep. BELLA ABZUG (D-NY). Would the gentleman yield?

RONCALIO. Sure.

ABZUG. May I ask council, do we not have in our bill at present . .

ROONEY. We can't get cameras into the House of Representatives, so we don't have film of a little argument that we saw break out one day between Congressman James Cleveland of New Hampshire and Congressman Pierre duPont of Delaware. We went to their offices later and talked to each of them about that.

I heard you speak on the floor of the House a few days ago. You were trying to get money for people in a ski area because they said they were in trouble because it hadn't snowed much. Is protecting businessmen from the elements a function of Government?

Rep. JAMES CLEVELAND (R-New Hampshire). I think so. I'm sure you're acquainted with flood insurance and disaster insurance. And I think that we have various Federal programs to assist people that have been victims of some natural dis—disaster.

ROONEY. Is not snowing a natural disaster?

CLEVELAND. Well, apparently, it didn't fall within the provisions of any existing law and that's why I got the amendment through that I did.

Rep. PIERRE DUPONT (R-Delaware). My reaction to that is that we've come to the ultimate in Government law. We're paying people because it isn't snowing where they live.

ROONEY. But what do you say to Congressman Cleveland who says there are five thousand people in New Hampshire who aren't going to eat well enough because it didn't snow; they need help?

DUPONT. Well, you say, "Jim Cleveland, you're a good friend and you're a nice guy, but we shouldn't be paying people because it doesn't snow. If it doesn't snow, it doesn't snow, and that's one of the things we live with."

CLEVELAND. The ski industry is—is—is really quite important to Northern New England and Northern New York. It employs a great many people and it particularly employs a lot of college students who are attending colleges in those areas. It's weekend work for them when most of the action is—

ROONEY. But that day on the floor of the House, I—I was sort of amused and I suppose you weren't. But Congressman du Pont said that it had been raining in Rehoboth Beach where he has a lot of constituents and the people who sold bikinis were in trouble and that he wondered if they would be eligible for support because it was raining in—at the beach.

CLEVELAND.—Well, the—I think—the answer is that if there was a prolonged period of rain and dismal weather, I would think that a resort type area might be eligible for this.

DU PONT. And the other thing you can say to him, although he probably wouldn't like it, is "Jim, if we start the subsidies this year, and it snows less next year, you'll be back for more. It's an endless program. And furthermore, if it does snow next year, you'll be back for this amount anyhow, 'cause you'll say if we stop the subsidies now, nobody will make any money and the result is pretty soon we'll be paying people whether it snows or not."

ROONEY. Congressmen and women do most of their work in committee session. A lot of those are closed to the public, but a lot are open too. And tourists ought to spend more time at these and less time hanging around down by the Washington Monument.

We listened in on about thirty committees. (Sounds of committee speakers in background) You often pick up interesting little bits of information.

Sen. WARREN MAGNUSON (D-Washington). The price of wheat to the farmer is a very small item in the price of a loaf of bread, whether it goes up or down.

Committee CHAIRMAN. That's very true.

MAGNUSON. And there are many occasions, I guess you've found out, where the price of wheat would go down and the price of a loaf of bread would go up.

CHAIRMAN. Could you, for the record, and the record will stay opened——

ROONEY. In Washington, everything is "for the record" which usually means: Let's not waste time with it.

Assorted committee members. "Your statement in full will be entered in the record of the hearing at this point." "Your statement which you have presented to us will be incorporated in the record in full." "I wonder if my statement can be entered in the record?" "Your statement will be reproduced in full." "We have your full statement here. It will be placed in the record in full." "Mr. Dickie, I believe you skipped over some parts of your statement and——" "Yes." "Your statement will be entered in full in the record."

ROONEY. Washington is probably the only place in the whole world where there are more writers than readers. Everyone is writing something, having it duplicated or printed and distributing it to everyone else. No one, it seems, is actually reading much of it.

The U.S. Government Printing Office in Washington has committed more words to more paper than any other printing plant in the whole world. The Congressional Record alone is a monumental job of printing. Eight hundred and thirty linotype operators and editors work all night putting it out.

This is a more or less average day's Congressional Record. We've counted and there are four thousand more than half a million words in this. That's just for one day.

Let me read you the way Congress open each session. First there's a prayer, and then the Speaker of the House or the Senate makes a motion—in this case, Senator Mansfield. He says, "Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of (the previous day) be dispensed with." Well, consent is always given—thank God!—because it would take sixty solid hours to get through reading just this one day's Congressional Record. And by that time, of course, they could have had three more sessions of Congress.

Behind these fireproof doors at the Federal Records Center are two-and-a-half-million boxes of papers that probably ought to be burned. These cardboard coffins are headed for the crypt. They're being saved, not so much because they're important, but because—like your own Sunday paper—someone couldn't stand the thought of throwing them out without reading them. And they couldn't stand the thought of reading them.

Filing costs the Government two billion eight hundred million dollars a year, about thirteen dollars apiece for every American.

Your name is in here somewhere. And so is your father's.

Not all Government records are kept though. The Pentagon is a regular secrets factory. And most of the secrets it produces every day are destroyed right here where they're made. This is the biggest secrets disposal mill in the whole universe.

When people from a Pentagon office have papers they want to destroy, they bundle them up, bring them to this disposal center, sign for them, and stand by until they've been chewed and digested by this machine. According to a usually reliable Pentagon source, there are (in addition to the secrets) usually a few unfinished crossword puzzles that go in here to be uncycled.

About how much of this do you run through a day?

Pentagon paper-shredder supervisor. Well, on the average of ten to fourteen tons of dry paper.

ROONEY. And those are—those are all secrets?

SUPERVISOR. All secrets, as far as I'm concerned.

ROONEY. Boy, that's a lot of—ten tons of secrets is a lot, isn't it?

SUPERVISOR. Yep.

ROONEY. Do you ever get curious about what's on those?

SUPERVISOR. No, sir. You get to the point where you don't pay any attention to what goes in.

ROONEY. And there's no possibility of anybody reading this, is there?

SUPERVISOR. I'd say! Take a look at it. If you can read that, why, I'll give you my next month's salary.

ROONEY. You might think the Government isn't aware of the proliferation of paperwork in its operation. Wrong. The Government has had studies done of the problem—lots of them. Every book in this pile represents a study of some kind about the paperwork problem.

"We've had a study done." That's what you hear all over Washington. Having a study done is an end in itself. Actually doing something about a study is something else.

We went in to talk to Mark Koenig, who was called Assistant Archivist for Records Management. He was sort of in charge of trying to cut down on Government paperwork.

What's the cost of Government paperwork?

KOENIG. The last estimate we had from the General Accounting Office is fifteen billion dollars a year.

ROONEY. Fifteen billion for paperwork!

The Paper Management Office tries to encourage people to cut down on paperwork by having a contest every year. We have one of the letters sent out by a department head telling his people how to enter their nominees. The letter seemed like sort of a bad way to start out saving paper. We've stuck it upon the wall here. It says: "The purpose of the award is to honor those Federal employees who have contributed significantly to the efficiency or cost reduction of Federal paperwork systems. Nominating procedures are described in the prospectus, but one change is necessary. Six copies of any nomination, rather than four, should be submitted." Well, now, that's a bad start when you're trying to save paper.

The Awards Ceremony itself was a combination luncheon and cocktail party. It began at 11:15 in the morning. It was a big event and very pleasant, but not in itself a good example of saving paper. There was paper everywhere you looked and in great quantity. You wonder whether maybe the Paperward Award wasn't costing the Government more in paper than it was saving it.

(Film montage depicting Paperwork Awards preparations and ceremonies.)

We weren't sure why the Paperwork Awards ceremony was opened with a military color guard marching into the dining room. But, of course, we'd never been to a paper saving award ceremony before, so what do we know?

(Martial music—color guard—"Order, Arms!"

Awards hostess. I welcome you, on this glorious autumn day, to this wonderful presentation. We will now have lunch.

ROONEY. This is the Superbowl of paper saving. We thought they were picking just one Government money saver, but it turns out there were lots of them.

Awards presenter. There's one overriding factor. The overriding factor is simply that all of these people are winners.

ROONEY. They gave out forty-one awards, some of them to as many as eight people. Actually, you could come away from this affair with the idea that the Government wasn't wasting money at all on paper—that it was actually making money on it.

ROONEY. Saving this kind of money, we could become a rich nation again.

Paper savers (midst applause). "Oh!" That's—" "Oh, he saved about—" "Congratulations!" "Congratulations!" "Thank you." "Thank you very much." "Going to look pretty; going to look nice." "Hey, all right." "Thank you." "Congratulations." "Okay." "Bye-Bye." "So happy for you." "Where you gonna go?" "You going to go and have a drink with us?" "Oh? Say, that would be great." "You know Phil?" "I'm not—I'm not going back to the office." "Oh, you're not?" "Nah!" "Yeah."

ROONEY. There's almost always some place to go except back to work in Washington. There are a thousand little parties every week and it seems as though some people go to all of them. In Washington, the amenities often take up more time than the business.

Secretary of State HENRY KISSINGER. And when I publicly admit that I do not know something, you can believe me. (Laughter). So I look forward to—to—

ROONEY. The pace of the city is slower than in the cities that make something. There are more "Time Outs"—more days off. Lunch doesn't always mean eating.

You do this on your lunch hour?

Jogger (crossing bridge over Potomac). Or whenever.

ROONEY. There's a lot of this going on in Washington. How come?

ANOTHER JOGGER. It just seems to be that way. I don't know.

ROONEY. What's your job?

Second jogger. I'm over at the Pentagon.

ROONEY. How many miles do you run a day?

Third jogger. Five.

ROONEY. Five miles. Where do you work?

Third jogger. Pentagon.

ROONEY. Everything will still be here tomorrow. The Government isn't making anything.

(Announcement.)

ROONEY. The United States Government pays out something like $95-billion a year in subsidies. It seems as though every company and every professional organization has an office in Washington to represent its interests.

(Photo montage with sound effects depicting D.C. lobbies/organizations.)

Almost every bill passed in Congress influence the distribution of money and the trick is to get more out of the Government than you're putting in. Everyone knows the tax break the big oil companies get, but you don't hear much about the others. The lumber industry, for instance, gets a subsidy of a hundred and thirty million. The Federal Government pays out two hundred and forty-four million to fourteen shipping companies. Every American seaman is subsidized for about twelve thousand dollars. And that's in addition to what the shipping company pays the sailor.

And you don't have to look to the giants of industry either to find money being handed out. We were wandering through the Rayburn Congressional Office Building one day and came on an Association of Beekeepers trying to talk Congress out of some money.

Bee cage promoter. But without the humble honeybee, agriculture couldn't survive. There's about 90 plants in agriculture—blueberries, apples, oranges, lemons, lots of other plants—where the honeybee is completely indispensable. We have to have the services of this little animal in—again to bring the male and the female plants together.

ROONEY. Are you a beekeeper?

Processor. No. We're honey processors.

ROONEY. I see. And what is the purpose of this meeting?

Processor. The purpose is to educate the Congress on the needs of the honey people.

ROONEY. How much help from the Government does the honey business get?

Honey businessman. If you want me to be very candid, we don't get as much as we would like, we would like to ge more help, that's one of the reasons that we're up here today.

ROONEY. What sort of help do you need from the Government?

Honey businessman. Well, for instance, insecticide poisoning sometimes kills our colonies. And, of course, that stops our production.

ROONEY. Are you reimbursed for that?

Honey businessman. We are reimbursed for this.

ROONEY. Have you personally gotten money from the Government?

Honey businessman. Yes, I have, on a couple of different occasions, very small amounts.

ROONEY. And how much did you get?

Honey businessman. Ah—

ROONEY. Roughly?

Honey businessman. Five hundred dollars.

ROONEY. Well, he isn't the only one who got a little something. It turns out that last year alone we paid a million and a half dollars to beekeepers who said some of their bees had died under unfortunate circumstances.

Bee cage promoter. I'll put my hand down here, and if I jerk it back fast you'll know that I missed.

ROONEY. It's all perfectly legal. You don't have to be dishonest to get rich off the Government.

One of the reasons so many of us don't feel so good about Government is we've had dealings with the people who work in it. Ideals like democracy are only pure and clear in a book or at a distance where you can't make out any of the details. Good Government doesn't seem nearly so good when you're being run around by some junior clerk in the License Bureau.

But we're determined not to be all negative. There are good things about Washington and some very good public servants.

We talked to some people who aren't heads of departments, don't have any big deals going, and aren't in the headlines. They're just competent people working in Government jobs.

Phillip Hughes of the General Accounting Office was one of them. He and his wife came here from Seattle twenty-five years ago and still live in the same house they bought then. On the three mornings a week he plays handball, Mr. Hughes doesn't get in till almost 8:00.

Did you choose Government as a career or did it just sort of happen to you?

HUGHES (laughing). I guess I'm not real sure. I think, at least periodically, I re-chose it. I'm a product of the Depression era, as most of us—all of us my age—are. And I was concerned when I was in college with the kinds of things that got us in the plight we were then in and about ways to get out of it. That led me to get in the business of social and economic research and that got me into Government. And I've been sort of plowing my way along ever since.

UMI

ROONEY. Has there been any change in the attitude of people going into Government?

HUGHES. I think interest in Government, and the enthusiasm for it, waxes and wanes depending on what's going on. I think the Kennedy and Johnson years brought a burst of interest on the part of young people in particular, and perhaps on everybody's part, in Government—some feeling that Government could save the world. We've been disillusioned from that, those of us who were—who may have been at least partly convinced of it. But from my standpoint, I've found the Government a continuing source of fascination and an opportunity, at least at times, to feel that you have some grip on the world in which we live and on your own personal destiny and future.

ROONEY. I'm interested in your saying that you're disillusioned. You mean from time to time you have been?

HUGHES. Yes, I think we had more confidence in the '60's that good Federal programs, well administered, could do things; could eliminate poverty, and so on. Those good programs won't by themselves do it.

ROONEY. Is there to much Government in America?

HUGHES. Well, again, I'm—As a bureaucrat, that's a terrible question to ask me. But I—I guess I don't think so. There needs to be a central, at least a central source of inspiration, a source of exploration, and it seems to me Government is the—is really the only place to do that. But it needs to be done better than we've done it yet.

ROONEY. In general terms, do you find the Government represents the public interest or its own interest? Is it a self-perpetuating organization?

HUGHES. Well, all organizations tend to perpetuate themselves—all organizations and individuals. That's the nature of the world. But I think Government more nearly represents the public interest than any other entity that we have. And I—you know, I find it quite responsive. Most public servants, whether elected or—or appointed (or bureaucratic, as I am, in a sense) I think I want to respond to their perception of the public interest. Now, nobody's perfect in perceiving it. But I think most of us in Government try.

ROONEY. So that's some of what we found out about Washington.

Our society has become so interested in the visual aspects of everything, it's easy to forget that there are no pictures of the most interesting things that go on in the world. In Washington, it's not only hard to get pictures; it's hard to find out anything about anything. People hide things there's no reason for them to hide. Everyone has a public relations person who is more interested in obscuring the truth than revealing it. Every time you ask a question, you get the impression they aren't thinking so much about what the honest answer is, but about what answer would make them look best. The truth doesn't enter into it unless it happens to coincide with their own best interests.

Now, that doesn't make Government people unique, of course, but it makes you madder when you're being deceived with your own money.

It's very apparent that we all ought to know more about what's going on in Washington. The people who think everything is wrong down there are as far from the truth as the people who don't think anything is wrong. It's not being run by evil people, it's being run by people like you and me. And you know how we have to be watched.

SENATOR McINTYRE ADDRESSES ENERGY CRISIS AND ITS BASIC IMPACT ON AMERICA'S FUTURE

Mr. HUMPHREY. Mr. President, in a recent address to the Exchequer Club, my friend and colleague from New Hampshire (Mr. McINTYRE) called for a national energy policy aimed at "total emancipation from a dependence on fossil fuels that has eroded every component of real national security."

In this thoughtful speech, Senator McINTYRE expressed the urgency of solving our energy problems through specific and direct actions—and he is to be commended for this demonstration of the nature of clear and effective decision-making. He pointed out that—

National security and our collective right to life, liberty and the pursuit of happiness rests with the energy decisions we make in the next few days, the next few months, the next few years at most.

Senator McINTYRE has correctly stated what is most important for all of us to realize. The energy crisis does not merely raise the possibility of long gas lines, or higher electric bills. No, the energy crisis, unless acted on promptly and wisely, threatens the very fundamentals on which this Nation was established.

I wholeheartedly endorse Senator McINTYRE's conclusion that—

We must proceed with all due haste to research, to develop, to put into widespread use those non-fossil, non-nuclear sources of energy that will not pollute, cannot be embargoed, do not lend themselves to cartel control, won't provoke global hostilities, and are in endless and abundant supply.

Mr. President, I compliment the Senator from New Hampshire for his leadership on the critical energy questions that confront our Nation and, in particular, how this crisis relates to our national security. I ask unanimous consent that Senator McINTYRE's remarks on February 19 to the Exchequer Club be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

YARDSTICK FOR SURVIVAL

(By U.S. Senator THOMAS J. McINTYRE)

I want to talk about national security. And I want to talk about it in terms of total concept.

I believe our national security has been critically eroded by one of the costliest errors in human judgment since man came upon this earth.

And I would like to begin a consideration of how we can survive this error by asking a basic question: What is national security?

Let me suggest that national security is above all else the ultimate guarantor of our right to life, liberty and the pursuit of happiness. In considering what contributes to real national security, let's dispense with the obvious. Reason, common sense, and a recognition of the dark side of human nature demand that we maintain an adequate arsenal and a prudent defense policy until mankind at least ascends a few more steps on the ladder we call civilization.

But surely there are other components, and I offer these:

1. The relaxation of global tensions and hostilities.

2. A physical environment that neither threatens mankind, nor is threatened by mankind.

3. A healthy, vigorous and competitive economy.

4. The people's trust and confidence in the logic and fairness of Government policy and programs.

If you agree, then ask yourselves: What single element has weakened all four of these components in recent months?

What single factor has heightened global tensions? Hurt or threatened the health of our people? Raised havoc with the world economy? Plunged us into a near-depression? Undercut confidence in leadership and policy?

Would you agree that in a word the answer is "oil?"

Would you agree that in a phrase the answer is the industrialized world's enslavement to sources of energy that will soon be exhausted, that can't be renewed, that pollute the world we live in, that lend themselves to ruthless exploitation and blackmail politics, that breed greed, envy, chaos, and war?

I believe that this enslavement—coupled with a blind refusal to research and develop clean, renewable alternative energy resources—must, indeed, be one of the most calamitous errors in human judgment since time began.

And that error is being compounded by the day!

You think not? Then let me challenge you to square President Ford's call for thousands of new oil wells, 30 new major refineries, and a doubling of oil and natural gas output in the next ten years with the results of the study just released by the National Academy of Sciences. That study concludes that the United States will run out of oil and natural gas in the next 25 years!

Moreover, 70 percent of the remaining oil and most of the natural gas reserves are located in Alaska, under the seas, or in the tar sands of Canada or the shale rock of Colorado.

This means an unavoidable increase in extraction and delivery costs, further inflation of wholesale and retail prices, and immense new environmental protection problems. And all this amidst the certainty that time and supply are fast running out.

And may I suggest that there is a high risk corollary to this primary folly, the gamble that development of nuclear and coal resources can be brought along fast enough to bail us out by the time we exhaust oil and natural gas supplies.

Now let me make this clear. I am not paranoid about nuclear energy. Nor am I an eco-freak who lies awake nights worrying about the survival of the whooping crane.

But when I consider the incredible sums we've poured into nuclear energy development since World War II—and measure that investment against the meager returns; when I consider the huge capital costs involved in setting up nuclear generating plants; when I consider the enormous amounts of energy it takes to build reactors and prepare their fuel; when I consider the radiation risks, the solid waste disposal problems, and the disturbing thought that a proliferation of nuclear power sites throughout the world seems certain to invite sabotage by terrorists then I must question the practicality of putting so much of our research and development egg into that particular basket.

Nor am I convinced that it is in our best interests to go all-out to exploit the subsurface coal reserves of Montana, Wyoming, North and South Dakota.

If we take the most optimistic estimate of the size of those reserves and measure it against the most ambitious plans for extracting and using them, we come up with an exhaustion date of 1996. My friends, that's only 21 years away! And when we factor in the legitimate doubt that the terrain and the water supplies of those states can sustain mining and power generation without damaging the region's immense capacity for food production—and add to that the increasing political opposition to coal exploitation in these states—well, I don't see how anyone can be sanguine about the prospects.

What I am saying, then, is this: The energy-economy program advocated by the Ford Administration makes every assumption about the supply of fossil fuels except the one asumption that is certain: the supply is fast running out and will never come back.

Moreover, and I say this with regret, the alternative program proposed by my own political party just this week may be more humane, and may be on sounder economic ground, but it is still locked into the straitjacket of conventional energy wisdom. For like the Ford program, the Democratic alternative calls for accelerated exploration for oil on the Outer Continental Shelf, a raiding of the Naval Petroleum Reserves in Alaska and Elk Hills, coal conversion incentives, full production of natural gas potential, and the rapid expansion of nuclear power. And like the Ford program, it pays only lip service to the development of those renewable, non-fossil energy sources which would give us, finally, true national security.

All right, if I feel both parties are committed to the wrong energy path, what am I going to do about it? Well, appreciating the mystifying ramifications of the energy-economic crisis—many of which confound my level of expertise and the resources of my staff—I can only say that I will try to do what I can, where I can, with what I do understand.

First of all, I intend to measure everything I do—whether it is the votes I cast as an individual Senator, the exercise of my Committee responsibilities, or the legislation I introduce or support—against the yardstick of what it would do to enhance those components of true national security I outlined earlier.

And, because I believe that all of these components have been compromised and weakened by our enslavement to fossil fuels, I will further measure each act against what it will do to hasten the day of complete emancipation.

Now I concede the cautioning impact harsh reality makes upon this noble goal. We have to survive the immediate crunch. And to do it may well mean speeding up the search for fossil fuels, may well require a temporary relaxation of environmental standards, and may mandate still higher energy costs.

But let's keep clear the distinction between a necessary backing up to get a running start toward emancipation—and continued surrender to fossil fuel dependence. The goal of emancipation from fossile fuel dependence is not visionary nonsense. It is a goal within reach—if we just make the effort.

Are we to say that a nation that set out to break the mystery of the atom, and did it in four years, that set out to put a man on the moon, and did it in twelve years, cannot master the technology of harnessing the sun, the wind, the tides, the ocean currents, and the heat locked deep within the earth?

To respond to the immediate crisis, the first priority is the restoration of a free and healthy economy—and regaining the people's trust in the logic and fairness of government policies and programs.

To spur the economy, we must have a tax rebate and a tax reduction that will benefit most those who need it most; a freeing of impounded funds, more public service jobs; incentives to stimulate the housing industry; as well as other incentives to increase production and employment.

At the same time, we must discourage any act that would increase energy costs until the economy is again on the rise—and that most emphatically includes the tariff on imported oil and the lifting of remaining controls on domestic fuel prices.

Closing down the flow of imported oil by stepped up tariffs not only boosts consumer prices and increases the pressure on our own national oil reserves, it unnecessarily fans the friction between us and the Middle East producers. I don't believe in knuckling under to those nations, but neither can I see any sense in arbitrarily closing off supplies that can help us save our own. At least not right now. For our most pressing need is to conserve what we have, to make it last until we can replace it.

Beyond the conservation measures already proposed, I really would like to see tax and mortgage rate incentives for installing solar heating and cooling systems, for instance, and incentives for small businesses to get into alternative energy source research and development.

And I think we would be wise to develop standby fuel allocation programs in case the situation worsens, and to be prepared to face a gradual taxation of energy consumption to discourage over-use. Taxes collected could be used to fund more energy research. Should the need arise, I would suggest an Energy Lifeline Plan, which would be, in effect, an energy luxury tax.

Under this plan, every American would be allotted a share of energy to meet his normal requirements. There would be no tax on usage up to the limit of that allotment. But anyone who consumed more than his allotment—be it gasoline, fuel oil, electricity or natural gas—would pay an increasingly stiff tax for excess usage.

Taxes on gasoline, for example, would be collected from evernone at the point of purchase, but could be rebated to those who stayed within their allotment through the tax withholding system, or through increases in unemployment or Social Security benefits. I believe that incentives for individuals and businesses to cut down on consumption, a graduated tax on energy consumption, if needed, leaning hard on car manufacturers to reduce model size and increase mileage, and a change in utility pricing systems to discourage excess consumption, would do much to stretch our remaining fossil fuel supplies.

But if the people are to accept willingly the burden of energy austerity and pay the taxes and the prices that austerity may require, then they must be protected against rip-offs that weaken their trust and confidence in leaders and institutions. In my judgment, one of the first things we can do to give the people that assurance is to cut the major oil companies down to accountable size. To help accomplish this, I am proposing two bills.

The first is the Petroleum Marketing Moratorium Act, a piece of legislation that would forbid any of the nation's largest integrated oil companies from acquiring any more marketing outlets. This would serve to protect the last remaining area of effective competition within the industry. The second bill, which I will introduce with other members of the Senate Select Committee on Small Business, is a logical follow-up to the first.

This bill, called the Free Enterprise Petroleum Act, would break up the nation's big oil companies. It would forbid pipeline companies from transporting products they produced or manufactured, and it would prohibit refiners from marketing finished products unless they qualified as "independents." Independent refiners are those who buy three-fourths of their crude oil and sell most of their products at the refinery. In addition to this legislation, I am also planning a series of investigative hearings on the role of small business in energy research and development, with an eye to encouraging competition in this area. I think it almost goes without saying, however, that the single most important action that could assure the average citizen his government was treating him fairly is the kind of tax reform that would close loopholes that let oil companies pay a lower rate of income tax than a factory worker or a secretary.

As a member of the Senate Banking Committee, and particularly as Chairman of the Subcommittee on Financial Institutions, I'd like to make two points. The first is that our economic difficulties, worsened by the oil situation, have not escaped our financial institutions. As most of you know, my Subcommittee has been considering legislation designed to make our financial community better able to adjust to economic shifts, particularly shifts in interest rates.

I plan to push these proposals forward in the Financial Institutions Act of 1975, which I expect will be introduced by the Administration next week.

The more we can increase competitiveness and flexibility through restructuring of our financial institutions, the better we'll be able to meet the needs of those sectors of our economy that rely most heavily on a viable thrift industry, particularly housing, and the better we'll be able to absorb any further "oil shocks" to our financial system.

In addition to financial restructuring, there is a second point that needs to be raised. What should our public policy be with respect to the recycling of petrodollars back into our economic system?

Clearly it is in our best interest to encourage the return of OPEC surpluses into productive investments within our economy. The problems are:

1. How do we encourage stepped-up investment?

2. And what national concerns need protecting in the process?

The fact that this money is highly concentrated in the hands of relatively few potential investors, the fact that this money tends to be highly political, the fact that these surpluses are the result of monopolistic pricing, and the fact that a number of potential investments tend to be more political than others, means that we need, at the very minimum, to establish criteria outlining the nature of our concerns. This may well require certain reporting and disclosure arrangements, certain anti-discriminatory provisions, and, conceivably, limits on the magnitude or types of investments into designated sectors. These areas clearly need further exploration and study.

The other side of the coin is the incentive to the OPEC countries to engage in longer-term, more individual types of investment. Here we have to minimize the political problems which attach to this type of investment and attempt to use more purely professional investment expertise in the recycling process.

Finally, I turn to the responsibilities—and opportunities—I have as Chairman of the Armed Services Subcommittee on Research and Development. In this role I devote a great deal of my time to the constant search for technological break-throughs that will enhance our national security.

Perhaps the time has come for this research and development effort to go beyond the development of new technologies for the weapons of war. If it is truly in the interest of national security to develop renewable, non-fossil and non-nuclear sources of energy, as I believe, perhaps this effort should be given a very high priority in our defense planning.

The immediate benefits to the military are obvious, it seems to me, for what could be more reassuring than constant energy supply at stable costs. But the over-all impact would go far beyond the military. In effect, the development and use of alternative energy by the armed forces would serve as a demonstration project for the nation, and the technological advances made through military research and development could be quickly adapted for civilian use.

So perhaps my particular role should be that of focusing on the importance of this issue in Subcommittee and Committee, and asking that specific programs of energy research be carried out within the Defense R&D budget.

My Research and Development Subcommittee is, after all, the only subcommittee in the Senate which deals exclusively with

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our nation's research and development efforts.

Now given the fragility of international oil supply lines, the inevitability of total oil depletion and the very real risks of nuclear energy proliferation, one might assume that long range national security planning would include research into alternative energy sources. Not true. In fiscal 1975, the Federal government is devoting a total of $1.67 billion to direct research and development in energy. The Department of Defense, which has a $9 billion R&D budget, is spending a mere $5 million on energy R&D—and this $5 million is directed solely at finding ways to conserve use of existing fuels in existing vehicles and structures. Nothing—not one red cent—is being spent to find other sources of energy. And the Fiscal '76 budget is just as sterile.

Now you might ask whether that kind of research is being done by other government agencies. Here, again, we find a discouraging record. Of the total $1.67 billion the Federal government has budgeted for energy R&D only $102 million goes toward alternative energy research. In contrast, more than nine times that amount is earmarked for research in nuclear energy.

It seems to me that the military offers a particularly appropriate opportunity to demonstrate the potential for non-fossil fuels.

The feasibility of solar heating, for example, has been amply proved in residential structures, but inducing conversion to solar heat in the private market is a discouragingly slow process. In contrast, a vast amount of military construction is begun each year and if we mandated that a percentage of this construction must not only employ energy-saving technologies but must install non-fossil fuel heating and cooling systems we could avoid the problems private builders have with building codes and zoning restrictions, and there would be no need for incentives like tax breaks and low-interest loans.

By spending Defense research and development—and construction—money on a weapon of peace like alternative energy, perhaps we could accomplish three worthwhile goals:

The logic and sanity of such a program could rebuild trust and confidence. The program could provide many public service jobs of validity and demonstrable worth. And the results of that spending could so clearly establish the economic and the technological feasibility of alternative energy use that it could serve as an inspiration and a model for civilian construction in every part of the country.

And now, in closing, let me sum up:

1. Our enslavement to fossil fuels has eroded national security because it has weakened every component of security.

2. The only certainty we have about the supply of fossil fuel is the certainty that it will soon be gone. In the case of oil and natural gas, perhaps 25 years. In the case of subsurface western states coal, perhaps only 21 years.

3. The vast sums poured into nuclear energy thus far have produced disheartening results. And the world-wide crash program to build nuclear generating plants may well elevate the risk of radiation pollution and terrorist sabotage.

4. Despite these facts, both major political parties still cling to the conventional wisdom about energy, while paying only token heed to the promise of alternative sources.

There is still time to break out of this conventional thinking. But not much.

In my judgment, National Security and our right to life, liberty and the pursuit of happiness, rest with the decisions we make in the next few days, the next few months, the next few years at most.

We must breathe health, vigor and competition back into our economy. We must conserve what conventional energy resources we still have. We must bring the major suppliers of conventional energy down to accountable size. We must eliminate the multinational corporation middle-man from international negotiations. And, most importantly of all, we must proceed with all due haste to research, to develop, and to put into universal use those non-fossil, non-nuclear alternative sources of energy—energy sources that will not pollute, cannot be embargoed, do not lend themselves to cartel control, won't provoke global hostilities, and are in endless and abundant supply.

If you agree with me that present and projected energy policy is based upon a fossil fuel supply situation that is no longer what it was—and will *never* be again, upon reaction instead of action, and upon concepts growing more obsolete by the day; if you agree that the time has come to break ground for new ideas and new policies and to *plan ahead*—one year, five years, half a century and more; then I ask you to join with me in using the goals I've outlined as a yardstick to measure every program, every policy, every piece of legislation that presents itself from this time forward.

PSYCHIATRY PAYS MORE ATTENTION TO THE ELDERLY

Mr. MUSKIE. Mr. President, as chairman of the Subcommittee on Health of the Elderly of the Special Committee on Aging, I have been concerned for some time about a general unawareness of mental health needs of older Americans.

The committee, in a November 1971 report, declared:

Widespread confusion and contradictions in public health policy on mental health care of the elderly are causing heavy economic, social, and psychological costs among older Americans and their offspring.

That report, "Mental Health Care and the Elderly: Shortcomings in Public Policy," expressed special concern about: limited attention given to older persons at community health centers, so-called dumping of elderly patients from State hospitals into inappropriate and often wretched quarters, and a general lack of understanding about mental health problems related to aging.

Soon after that report was issued, I introduced legislation calling for a Presidential Commission on Mental Illness and the Elderly American, as recommended by the report and by leading professional organizations related to psychiatry and psychology.

That legislation was passed in modified form last year as part of a bill later vetoed. I intend to seek early action in 1975 on that legislation.

A recent issue of the National Observer carried an important article: "Psychiatrists Pay New Heed to Mental Problems of Aged." I found this article to be very informative about shortsighted attitudes which cling stubbornly in many people's minds. One such attitude existed in the minds of psychiatrists themselves; they seemed to discount the needs of older persons. Some apparently believed that mental illness in the elderly is not reversible. The tragic consequences of such attitudes can be seen in many institutions, where older patients may be regarded as "senile" and therefore beyond help. And yet, it has been demonstrated again and again that the right treatment—sometimes it is merely a change in dietary habits—can lead to dramatic change in the patient's condition.

I believe that the article is timely and useful. I ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PSYCHIATRISTS PAY NEW HEED TO MENTAL PROBLEMS OF AGED

(By Dwight Buell)

Sigmund Freud, the founder of psychoanalysis, said patients older than 50 generally couldn't be analyzed and treated successfully because they were too set in their ways. So for years American psychiatrists saw few elderly patients at all.

Now this is changing. As the aged population swells, more psychiatrists are taking an interest in gerontology and in ways of helping the elderly cope with the psychological stresses of aging. Moreover, psychiatrists are discovering, to the surprise of some, that most elderly people are emotionally healthy and that whatever mental disorders they do suffer are often reversible.

These and other unexpected findings about psychiatry for the elderly stem largely from the efforts of the 14-year-old Boston Society for Gerontologic Psychiatry. With an international membership of 150 psychiatrists, psychologists, social workers, clergymen, and other professionals, the organization has produced a wealth of scholarly research in three books and in its Journal of Geriatric Psychiatry.

FEW REALLY HELPLESS

Many of its members devote part of their private practices to elderly patients, even holding therapeutic sessions in the homes of the elderly or visiting them on their deathbeds.

"The usual image of an old person as being sick and helpless is highly misleading," says Dr. Martin A. Berezin, an associate clinical professor of psychiatry at Harvard Medical School and a founder of the society. He estimates that less than 5 per cent require custodial care.

COPING WITH AGING

"Most of the elderly are emotionally healthy people who retain the same life-style, drives, and coping mechanisms as in their younger days, although perhaps with some diminution of degree," adds Berezin, who is 61.

"An elderly person will only be rigid if he was rigid when he was younger. A person who had a calm and happy disposition in his younger days is likely to respond to old age in the same frame of mind. As long as the elderly can maintain the same life-style to which they've been accustomed, they are able to cope with the problems of aging," says Berezin.

Dr. David Blau, 47, says many old people can be rehabilitated: "Many of the mental disorders of the elderly, contrary to what many believe, are reversible. Even those with permanent brain damage can be helped with supportive therapy. The type of therapy for common upsets like confusion, disorientation, memory loss, and other more serious problems varies in depth and frequency as it does with younger people." Blau is an assistant clinical professor of psychiatry at Harvard Medical School and president of the gerontologic society.

HELP FOR THE DYING

But the elderly do pose special problems. "They have less reserve with which to cope with their problems," says Berezin. "Frequently, they can't turn to their friends or spouses for support because they are dead or inaccessible. In addition, their options for fulfilling long-suppressed ambitions, such as a 70-year-old woman's desire to have a baby, are severely limited."

The dying elderly need special help because, says Blau, doctors, nurses, and families tend to avoid them. Some elderly people find that pets help combat loneliness. Says Blau: "Anything a psychiatrist can do to make them feel someone cares is a marked service."

STAYING "INVOLVED"

Besides trying to inculcate a belief that one's past life has been relevant and worthwhile, the psychiatrists say, they often can show the dying that their fantasies about death, such as the fear of being abandoned or of suffering the wrath of God, are often based on childhood illusions. The psychiatrists say that death is faced with the greatest equanimity in familiar surroundings.

The key to successful aging seems to be to stay actively involved in life as long as possible. Many men who die soon after retirement are those who couldn't accept retirement because they were "Horatio Alger types who worked mainly because it was expected of them," says Berezin.

Something else that seems to help, these experts say, is planning ahead psychologically—as well as economically—with institutional support. They say this can help ease the trauma of change resulting from retirement in a youth-oriented society that undervalues the rich experience and balanced judgment that the elderly may possess.

COUNSELING FAMILIES

The devastating impact that the loss of their roles can bring to retired men helps explain why suicide is more prevalent in that group than in any other except adolescents, the psychiatrists say. A psychiatrist can try to bolster the self-esteem of those who think their masculinity is threatened.

Psychiatrists often find themselves counseling families struggling to cope with the management of the aging at least as much as they counsel the elderly themselves. Relatives of the dying often are overwhelmed and driven to escapist behavior by "anticipatory grief" that cannot be resolved because death and loss have not yet occurred.

SOME CHILDREN TOO SOLICITOUS

Says Berezin: "If the rest of the family is upset, it will be communicated to the dying person." A family conference before death in which the realities of the situation are explained can be helpful, the psychiatrists say. A professional counselor can be of value if he understands the family's sense of helplessness and gets the relatives to admit that they're upset. A dying person feels better if he or she knows others are concerned.

One widespread belief that Blau has challenged is that children often unload their aging parents on institutions and society. To the contrary, often they are overly solicitous, he finds.

TERROR OF NURSING HOMES

While most nursing homes concentrate on custodial care, the importance of personnel trying to understand the behavior of elderly residents is emphasized in annual seminars that the society conducts for nursing-home employes. The seminars also are designed to increase the professional self-esteem of nursing-home personnel in an industry beset by low morale and high employe turnover.

The gerontologic psychiatrists say an elderly person is often terrified of entering a nursing home because of the industry's poor image. The nursing home also represents a "closed door" that marks the approaching end of their lives.

Says Dr. Stanley Cath, a recent seminar speaker: "At least until recently, within a year one-third of the new residents would be dead because of their rage at being abandoned and the fear they would not be kept if they expressed their feelings."

One way to ease the shock of relocation, these experts agree, is to involve the elderly person in the choice of a nursing home and to have a "greeter" present when someone new arrives. In addition, a staff should try to make new residents feel that it is acceptable for them to express their feelings.

Nursing-home personnel need to know everything they can about a new resident and his or her background and personality to assure suitable matching of roommates and proper respect for the new resident as a person. "A new resident should be allowed everything of his own past life, such as his own bed, pictures, alarm clock, to help him or her retain a sense of identity," says Cath.

COUNSELING THE DYING

He concludes that "residents are human organisms that need to replace lost relationships with members of the staff in the attitude, 'I care for you; you have meaning.' This attitude doesn't happen by itself."

The nursing-home resident facing death wants to feel competent in dealing with the present, writes Dr. Bernard A. Stotsky. More than that, he or she needs the assurance that someone else, such as a clergyman, "comprehends what he is undergoing and has also soberly weighed and deeply felt the central issues of loneliness, abandonment, and expectation and fear of death."

WHAT HIGH ENERGY COSTS MEAN TO THE RUTH McINTYRES

Mr. McINTYRE. Mr. President, on January 30 of this year, the Coos County, N.H., Democrat, a local, and very fine New Hampshire paper, carried an article which caught my attention. The article concerned a Miss Ruth McIntyre, no relation I might add, and her efforts to cope with the current economic situation.

I will ask that the text of this article be printed in the RECORD, Mr. President, for it explains in poignant terms the impact that our current economic situation is making on peoples' lives. The cruelest part of this situation is the harsh toll it exacts from those who can least afford it, especially our senior citizens.

I would hope, Mr. President, that, as we become increasingly involved with the fine print of legislation, we will not become so preoccupied as to forget the human factor involved in all governmental deliberations and decisions, nor turn our back on those who most need help.

Mr. President, I ask unanimous consent that the full text of the article "What High Energy Costs Mean to One Whitefield Woman" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT HIGH ENERGY COSTS MEANS TO ONE WHITEFIELD WOMAN

WHITEFIELD.—"At this moment I have less than $2. I am very poor right now."

Miss Ruth McIntyre lives on a fixed income. By her very nature, she accounts for every penny of every expenditure she makes during the year. Armed with bills and a religiously-kept record of expenses, she was able to accurately illustrate to the Democrat the frustration and difficulty of meeting expenses in this time of inflation.

Her income is derived from two sources. On the third week of each month she receives a Social Security check for $191.30. Having owned her home in town, she has been able to rent the lower floor. Her tenant pays her $75 in cash the first of every month for a total of $266.30 per month, or $3,095.60 per year.

Against that income she must weigh her expenses. Her largest expenditures are for oil, electricity, food and taxes. "I've kept an accurate account," said the former Whitefield Town Clerk. "I pay over $100 a month for oil. When it went over $100 a month I began to pay them on a budget plan. That was $40 a month. Now it is up to $50, and if I can, I pay $60. But I never came out ahead last year. I had to take money out of the bank to clear it up."

To illustrate the ravages of inflation, Miss McIntyre revealed that in the 1972–73 heating season, she purchased 2,858 gallons of fuel at a cost of $589.24. During the 1973–74 season she purchased 2,176 gallons—682 less than the year before—but paid $685.48—$96.24 more, for the fuel.

"Twenty-five dollars for electricity, I've never heard of such a thing," she complained as she produced a stack of Public Service bills. "It cost me $25.24 for electricity in December. Now I have an electric stove, a hot water heater, a TV, and a toaster. I have the lights on in one room at a time, one light at a time."

Food, too, is expensive, but it is the one bill Miss McIntyre has some control over. "I get meals on wheels, five days a week, one meal a day . . . it costs me $3.75 (a week) for my noon meals," she said. Other food must be ordered and delivered from a local market because she is confined to a wheelchair. Her total food bill averages around $60 a month. "And you can be sure I don't buy much meat," she added.

Smaller but necessary expenses chisel away at the remainder of her income. After meeting food, fuel and electric bills, she has about $100 left over each month to divide among a phone bill, cleaning and laundry expenses, clothing, property and building maintenance, water rents, fire insurance payments and budget payments to Weeks Memorial Hospital in Lancaster. Money must be squirreled away, too, to meet the taxes on her home. When things are paid up, there is simply no more money left over at the end of the month.

She is in no position to bear the brunt of higher fuel costs due to the President's proposed imported oil tariff or another increase in Public Service's fuel adjustment charge or even a telephone rate hike. "I'm down to rock bottom. You can't be sick, and it's a good thing I don't smoke," she said. She couldn't afford the cost of cigarettes now.

Miss McIntyre is not unaccustomed to adversity. She lost her mother when she was four and a stepmother when she was six. Polio crippled her in her second year, and she lost a leg at 18 when a corrective operation backfired.

Nevertheless, she earned a degree in business administration from UNH and returned to town to work for Judge Bowker. She held the town clerk post here for 13 years until she lost an election three years ago. Lamenting over the loss of the job, she said it would have helped offset the rise in costs and kept her "in the swing of things."

Prices are rising. Miss McIntyre said she has nowhere to turn but is optimistic about a proposed 12 percent increase in Social Security benefits in June. "That is if Gerald Ford doesn't cut it. We need that 12 percent, we really do," she said, tears streaming down her face.

GOVERNMENT PLANNING ESSENTIAL

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate an excellent editorial in the New York Times

of February 23 entitled "The Need To Plan—For Economic Policy."

It is becoming increasingly obvious that one of the shortcomings of our governmental structure is its failure to have any appropriate planning body either at the executive or the congressional level. The time to remedy this glaring inadequacy in our governmental institutions is now. Faced with the problem of shortages in critically needed supplies and raw materials, the evermore complex problems of fiscal and monetary policy, and the increasing demands upon our physical and human resources, it is imperative that the Federal Government do a better job of planning and forecasting.

The editorial in the New York Times speaks for itself. It says in plain and direct terms what the problems are that confront us and the need to plan for economic policy. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE NEED TO PLAN—FOR ECONOMIC POLICY

Why is planning considered a good thing for individuals and businesses but a bad thing for the national economy?

The traditional (and ideological) answer is that individuals and businesses, with limited resources, should have long-range goals to which they can relate their day-to-day decisions, but at the national level planning is bound to be inefficient and an unwarranted interference with the freedom of individuals and businesses to make those decisions in accordance with their own best judgments.

Whatever validity that anti-government planning view may have had historically, it is becoming increasingly impractical and costly—as a small but growing number of businessmen, labor leaders, politicians, economists and scientists now recognize. Henry Ford 2d, more outspoken than most of his business colleagues, has said the auto industry and others need to learn to live with dwindling supplies of oil and other materials, and hence there is a concomitant need for national planning in order to match scarce resources with consumption in an equitable and efficient manner.

But the importance of planning ahead goes beyond the problem of preserving economic health in the face of diminishing energy and other resources; it also relates to long-range tax and budget policies to avoid inflation. There is a need for integrated programs to ensure that critical national goals are met in such areas as housing and urban development, transportation, health, education, protection of the environment and to provide full employment for the nation's continuously expanding labor force.

The day-by-day operation of private markets cannot deal with all those objectives; all of them involve the participation of government through taxation, public expenditures, regulation, subsidies, and foreign economic policy. Government is involved, in fact, in virtually all aspects of the economy in this country—as in all other modern industrial economies. The more than $300 billion the United States Government currently spends each year only partly measures its total weight in the economic system.

Given the present and prospective role of government in the United States economy, the issue is no longer whether government planning would interfere with private business but whether the Federal Government should act in so uncoordinated and shortsighted a way as it now does.

Efforts by government to look farther ahead and to gather, analyze and publish the information on which it is basing its policy decisions would help private industry to make its own planning decisions—without governmental coercion of the private sector. Industries would still be free to make their own investment decisions, but they would do so on the basis of more complete information about long-term trends as affected by government policies. Not only the Administration but Congress, private industry, labor, and other groups in the society would participate in the ongoing national debate over planning and in the establishment of national goals.

There are different routes that could be followed toward a more rational approach to economic policy in the United States. One is that proposed by Senator Hubert Humphrey in his Balanced National Growth and Development Bill, which would establish a planning agency within the Executive Office of the President; this would bring together scattered existing Federal planning bodies, including the Office of Management and Budget and the Council of Economic Advisers. Other possible designs would be to model the new agency on the National Resources Planning Board of the Roosevelt Administration, on the system of indicative planning followed in France, or to create a new body that would be responsible jointly to Congress and the White House.

Whatever the ultimate administrative and political design—and this could emerge only from full Congressional hearings and debate—greater order and perspective are needed in the American governmental process and in the economy and society. Planning may have its flaws and dangers, but the traditional planless approach has already proved its capacity for producing disasters.

OKIE—BADGE OF HONOR

Mr. HANSEN. Mr. President, our good friend and colleague, the junior Senator from Oklahoma (Mr. BARTLETT) is proud to be called an Okie. When he was Governor of that great State he popularized the term in attracting new business enterprise to Oklahoma with Okie badges and other promotional material advertising Okie as meaning "Oklahoma, Key to Industrial Expansion."

The Modesto Bee of Modesto, Calif., recently published an editorial on the history and evolution of the word Okie.

The Okies who migrated to California during the dust bound days of the 1930's were not always welcome in their adopted State, as some will remember from John Steinbeck's "The Grapes of Wrath."

But now, as the Modesto Bee concluded, the sting has gone out of the word, and Okie's are proud to wear their pins as a badge of honor.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From The Modesto Bee, Feb. 10, 1975]

"OKIE" GOES TO COLLEGE

The word Okie continues to take on respectability. A news story the other day said Sonoma State College will offer a course in the "contemporary impact" of the Dust Bowl migration of the 1930s, including research into Okie literature, music and folklore.

They will be mining a rich vein. The great folksinger Woody Guthrie came from Okemah, Okla.

What struck us, though, was the casual use of the word Okie in describing the course. As many in the San Joaquin Valley can testify, it was a fighting word 35 or 40 years ago an expression of cruel contempt for those from the Great Plains who were wiped out by drought and dust storms and sought a new life in California. Many encountered exploitation and abject poverty.

Researchers have traced the use of Okie back to the days when Oklahoma was still a territory. The word was just descriptive then. But something happened.

In John Steinbeck's "The Grapes of Wrath," Tom Joad heard the bad news from a stranger who had preceded him to California: "Okie use' to mean you was from Oklahoma. Now it means . . . you're scum."

But as times got better the word started losing its edge, as words do, to the point that in 1968, Dewey Bartlett, then governor of Oklahoma, now a U.S. Senator, tried to turn it into a massive promotional stunt. It became OKIE, meaning "Oklahoma, Key to Industrial Expansion." There were badges and honorary OKIE certificates. In fact, an OKIE pin and flag were placed in the ascent stage device of Apollo 10, courtesy of astronaut Thomas Stafford of Weatherford, Okla., and presumably they are still in orbit around the sun.

There was a backlash to all this OKIEism and in 1971 the Oklahoma Legislature adopted a resolution designating "Oklahomans" as the official name of citizens of Oklahoma ("Oklahomans is a beautiful, musical sound . . .")

But even though the boosterish use of Okie wore thin back in Oklahoma, the sting continued to go out of it.

At a picnic in Fresno for former residents of Sequoyah County, a young woman redefined it for Bee columnist Woody Laughnan. An Okie, she said, is "somebody who is kind of countryish and likes country-Western music."

In "Okie from Muskogee," the singer-composer Merle Haggard half-seriously used Okie as a synonym for someone who was put off by draft protests and other aspects of the social revolution ("We like livin' right and livin' free").

You can pick your own meaning. The point is, even though some people still wince at the memories it evokes, Okie has lost the dehumanizing charge it carried a generation ago. A sign of progress, maybe.

OCCUPATIONAL LEAD POISONING

Mr. WILLIAMS. Mr. President, lead poisoning is a terrible malady. Like a time bomb ticking away, the lead lies dormant in the body, building up year after year to eventually cause serious debilitating illness.

Beginning in the early 1800's there has been increasing recognition of hazards to health associated with lead. It was found that lead could be absorbed by inhalation or ingestion, and that lead absorption was responsible for loss of movement in printers fingers exposed to heated lead type and for "dry grippes" in pottery and glass workers.

The prevalence of lead poisoning in ancient times is speculated upon, and it has been suggested that Rome fell because of the prevalence of lead poisoning—plumbism—in its citizens. It seems likely that, with the ignorance that existed with regard to the hazards of lead and on methods of limiting exposure, there was a significant incidence of plumbism until its recognition in recent times generated preventative procedures.

A description of effects of lead absorption can be graphic when based on effects seen in industries earlier in this century. Thus, one can describe effects of lead poisoning, from studies of many years ago, such as loss of appetite, metallic taste in the mouth, constipation and obstipation, anemia, pallor, weakness, insomnia, headache, nervous irritability, muscle and joint pains, fine tremors, encephalopathy, and colic.

In 1973, NIOSH released a criteria document which made recommendation for an inorganic lead standard in the work place. The NIOSH standard recommendation was designed to protect the health and safety of workers for an 8-hour day, 40-hour week over a working lifetime. Sufficient technology now exists to permit compliance with the recommended NIOSH standard.

It is now 1975, 2 years after the NIOSH criteria document was released and OSHA still has not proposed a comprehensive health standard to prevent lead poisoning in the workplace.

To illustrate my point, I ask unanimous consent that the following two articles be printed in the RECORD on lead poisoning: The first article, from January 1975, issue of Steel Labor, deals with lead exposure at a lead smelting operation in Granite City, Ill., the other story, from the December 6, 1974, edition of the Evening Times of Trenton, N.J., deals with lead poisoning at a battery factory in Trenton.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

LEAD POISONING—A JOB DISEASE AT NL INDUSTRIES

NL Industries has eliminated the word "lead" from its former corporate name of National Lead Industries, but it has done little to eliminate the exposure to lead of Local 6496 Steelworkers employed at the company's Hoyt Plant lead smelting operation in Granite City, Ill.

The plant—located just a few blocks away from the city's downtown business district—has buildings more than 60 years old and some 200 workers producing lead shot, rolled sheet lead, solder wire and lead pipe. They trudge daily through the plant, where lead dust clings to their boots and blackens their faces. The plates in auto batteries are the main source of the lead, and the huge tonnage melted down by NL Industries each year has made it one of the country's largest secondary lead producers.

For the past five years, District 34 Director Lloyd McBride, Staff Rep. George Becker and the local union have been attempting to force the company to take action directed at reducing the high lead concentrations existing in the air and around the work areas of the plant. Their efforts have been hampered by a lack of government safety standards on lead exposure and the company's own casual attitude toward its employes' health.

Last November the union won its first victory, when a team of federal health experts filed a 27-page report that found one-third of workers given a series of medical tests were above the level "which some effects of lead poisoning may be anticipated." Complete with technical evaluations and tables, the report said: "Based on this evidence and upon environmental observations and measurements, it is concluded that toxic exposures to lead are occurring within the facility studied."

The federal investigators who released the report were with the National Institute for Occupational Safety & Health (NIOSH), an agency within the HEW Dept. which acts as a research arm on safety standards for OSHA.

Although the report is only "advisory" and cannot be enforced, it carries more weight than some agencies with greater authority. According to Becker—who is also safety coordinator for District 34—NL industries claimed it would immediately begin adopting the NIOSH recommendations to reduce lead exposure of its workers.

At first, Becker requested NIOSH to evaluate lead contamination of the Hoyt Plant workers—which the agency refused—so he asked NIOSH to investigate the company's 20-year practice of handing out a drug known as "versenate" to its employes. The drug is in pill form and is supposed to act on lead in the blood, causing it to pass out of the body, but Becker doubted its long term use was safe.

Arguing that versenate was a "cheap out" used by the company to avoid more costly re-engineering of the smelter, Becker found some union members who had been taking two pills three times a day, seven days a week for anywhere up to 19 years. There were versenate users without a prescription and one who was reported taking a whole bottle (250 tablets) every two weeks for years. A survey by the local showed more than 100 were using the drug.

When NIOSH examiners arrived at the smelter last March, they were so disturbed by the poor work practices and lead dust in the plant, that they proceeded to do a complete investigation of both the drug's effect and the degree of lead contamination.

Air samples taken by NIOSH revealed lead levels in "the majority of areas sampled were found to contain excessive atmospheric lead concentrations." The one federal air standard for lead (2 milligrams per cubic meter) was even exceeded inside the respirators worn by several workers in the plant.

The report found insufficient evidence to declare versenate a dangerous drug in its use at the plant, but NIOSH did say the drug did little to reduce high lead levels found in blood samples.

In a meeting last month with the officers of Local 6496, Director McBride declared his full support of the report, saying, "Any course of action we follow that doesn't seek to enforce this advisory ruling would be irresponsible." He added that "Already too many workers at the Hoyt Plant have suffered damage to their health." He recalled numerous cases of lead poisoning in the company's records, severe enough to have required emergency hospital treatment with blood transfusions—and more probably went unreported.

Over the past few years, Becker said the company has forced several employes on early retirement, claiming they had a bad heart or some similar health problem, when the cause for the bad health was lead poisoning. Until recently, the company has kept limited records on its employes, causing difficulty collecting workers' compensation benefits. Becker says of three cases where Local 6496 members were forced to retire, the union has only been able to win a state compensation benefit for one of them after a three-year court fight.

Emphasizing "prevention" of lead exposure as the issue, rather than "evidence" of lead poisoning, Becker says the union has been successful in improving safety provisions in the contract. The contract requires a blood lead test for employes every six months, coveralls, safety boots, glasses and other items like respirators.

Local 6496 President Steve Lelik has become an outspoken critic himself of the company's safety program. As an example, he cites an air pack unit (it has a hood and independent air supply) which has remained damaged and out of use for the past nine months, despite his demands to get it repaired. He sums up the company's attitude toward the problem by noting a foreman's recent comment to him: "You're not leaded until your teeth fall out."

Lelik admits that his fellow employes don't fully recognize the danger of lead exposure, but he is hopeful that the NIOSH decision posted in the plant and the company's promise of following the recommendations will change all of that.

ON BEING LEADED—

Lead has been reported as a hazardous substance in medical journals for hundreds of years, but the effects of short or long-term exposure are sometimes difficult to recognize. Like with certain other toxic metals, once it enters the body, it builds up faster than the body can eliminate it.

Lead poisoning can damage the blood, heart, brain, nerves, kidney and liver. At first a victim may only feel tired, irritable and have a poor appetite. It may progress, as lead build up continues, to cause headaches, double vision and sleepless nights.

At times, a victim can be seriously poisoned for 10 years and more before having an acute attack so intense that it is often mistakenly diagnosed as appendicities.

If the accumulation of lead is allowed to go its course, the victim gets a blue "lead line" along the gums that becomes extremely painful and usually results in the teeth falling out.

THE NIOSH REPORT

A number of recommendations were made by the NIOSH investigators to establish a program that would effectively reduce the dangerous exposure levels of lead at NL industries. The report stated that engineering methods should be used to reduce airborne lead concentrations to the federal standard of 0.2 mg/m3.

"Respiratory protection should not be accepted as a satisfactory method for reducing exposure to lead on a permanent basis," NIOSH declared, adding that "medical therapy" like the distribution of versenate "is not an acceptable form of control."

The report also offered among other recommendations:

After one-year of employment, workers should be given a blood test every six months. If blood levels exceeding 0.080 milligrams per 100 grams of blood are found, then the worker should be immediately transferred to plant areas of minimal exposure and referred to a physician.

Smoking, drinking and eating should be permitted only in areas in which hand washing facilities exist to minimize ingestion of lead particles.

FUMES SEEN POISONOUS—NADER STUDY REPORTS COULD PLANT DANGERS

(By Emily Van Ness)

Workers are being poisoned by lead fumes and dust at the Gould battery plant on Calhoun Street in Trenton because of the company's failure to provide adequate safety devices, according to findings of a health study group of Ralph Nader's.

In a report to the Gould union, Local 108 of the United Electrical, Radio and Machine Workers of America, the consumer advocate group stated that approximately one-fifth of the 210 workers studied at the plant have been lead poisoned in the last two years.

The local went on strike three weeks ago over the critical issue of lead poisoning.

This is the second time the Gould plant in Trenton has been attacked by Nader for lead poisoning health hazards. The first study two years ago was made after the union went to Nader for help in evaluating lead poisoning problems at the plant.

COMPANY DOUBTS

John F. Smith, vice-president and general manager of the Trenton Gould division, said yesterday that the company "questioned Nader's conclusions."

"What Nader calls 'lead poisoning' other members of the medical community using the same statistics would call lead absorption or lead intoxication, which are less serious," said Smith.

He said the company is "doing everything possible" to protect the safety of its workers, but admitted that in "certain areas" of the plant lead air levels exceeded state and federal limits.

According to him, the company has spent more than $200,000 in the last two years to improve the ventilating system at the Trenton plant and intends to "spend more."

Specialists in inorganic lead air pollution at the National Institute for Occupational Safety and Health, a branch of the U.S. Department of Health, Education, and Welfare, say that sufficient technology exists to keep workers in industrial lead plants from being lead poisoned.

ORDER ON WAY

The Trenton division is one of 19 divisions throughout the country owned by Gould, Inc., headquartered in Chicago. The company's sales last year totaled $739.7 million.

An order of compliance demanding that the company cleanup eleven areas of the plant where air lead levels are in violation of state and federal standards is being issued, officials at the Bureau of Engineering and Safety in the N.J. Department of Labor and Industry said yesterday. They would not disclose how much in excess of the law air lead levels at Gould were.

In some areas of the plant, according to the Nader report, air breathed by workers contained more than 2,000 micrograms of lead per cubic meter—10 times higher than the federal standard.

Last February, Gould was cited for lead dust and fumes violations in five areas of the plant by the Bureau of Engineering and Safety, which is responsible for overseeing worker safety in 30,000 factories throughout the state.

Violations were subsequently corrected in only two areas.

LONG A PROBLEM

James L. Conlon, chief of the Bureau of Engineering and Safety, said recently that the Gould plant has been "a long-standing problem."

But further action against the company has not been taken up until now, he said, because it "appeared that they were trying to correct their problems."

In its first study two years ago, the Public Citizen's Health Research Group, said yesterington, D.C., formed by Ralph Nader, found that residents living near the plant, in addition to workers in the plant, were in danger of lead contamination.

In a subsequent investigation the Bureau of Air Pollution Control in the N.J Department of Environmental Control, which is concerned primarily with pollution effects on the community, found no pollution dangers for people living in the vicinity of the plant and gave Gould an "all clear" on its pollution control procedures.

Dr. Sidney Wolfe, director of the Public Citizen's Health Research Group in Washday that while dangers to people living in the vicinity of the plant "have probably abated", the seriousness of lead poisoning at Gould has "If anything, worsened rather than improved."

39 MEN LEFT

Thirty-nine men have been forced off the job in the past two years because of the amount of lead in their blood.

Lead poisoning is a disease caused by the absorption and build-up of lead in the body. Small amounts of lead are a normal part of the body's make-up, according to doctors.

But excessive accumulation can lead to permanent brain damage and mental retardation, as well as cause severe gastrointestinal, liver, kidney, blood, and central nervous system disability and sometimes death.

There have been no deaths at Gould attributed to lead poisoning, nor any reported cases of brain damage or mental retardation.

Dr. Charles Fisburn, of Milwaukee, medical consultant on industrial lead problems, was unavailable for comment on the Nader report.

Wolfe said yesterday that there was no way of knowing the possible extent of brain damage or mental retardation among workers because no tests for that have been conducted.

He expressed concern that the families of workers might be in danger of lead contamination from lead dust carried home on workers' clothes and bodies. There have been no reports of lead poisoning among members of workers' families to date.

CAUSES ANEMIA

The single most serious result of excessive lead absorption by the body is the interference with the production of "heme", a constitutent of the red blood corpuscles. This results in anemia, according to the National Institute for Occupational Safety and Health.

The Nader group used anemia as the criteria for lead poisoning in its report.

Of the 210 workers whose records were examined, 39, of 18.6 percent, have had lead poisoning during the past two years, according to the latest report. This is almost double the number found two years ago when Nader first studied the medical records of workers in the plant.

The Nader group's findings are based on the monitoring of periodic blood tests made by the Company on workers to determine the amount of lead in their blood and periodic air lead level readings.

Employees in "high lead areas"—those where the lead in the air exceeds 200 milligrams per cubic meter of air—are given blood tests every three months by the company. The others are tested every two months.

Two years ago, the Nader group concluded that the urine test used by the company to detect lead poisoning was "worthless" and the Company did away with it.

The Company's use of 60 micrograms of lead per 100 grams of whole blood as the "danger sign" of possible lead contamination in workers is "unsafe", said Dr. Wolfe.

SIGNIFICANT AMOUNT

According to the Nader group's findings there has been a "significant" amount of lead poisoning occurring among workers with blood lead levels between 40 and 60 micrograms.

The company was further rapped for treating workers "after" they have contracted lead poisoning and prescribing respirators and personal hygiene measures instead of cleaning up the air and removing the workers.

Wolfe said he was recently offered a tour of the plant by the management on the condition that he not talk to the press. He declined.

"Battery making is a highly profitable business. I'm convinced they could correct the problem if they wanted to hire good engineers and spend the money. But they don't. They consider the workers second-class citizens. They're even thinking of moving their offices further away from the plant," said the health study group director.

The chief of the state Bureau of Engineering and Safety agreed that respirators and strict employe hygiene should be only "temporary solutions". He said that Gould will be given 30 days from the date the order is served to correct violations or show plans for correcting violations. If it fails to do this, a law suit could result, Conlon said.

The state prosecutes about 100 companies a year for worker safety violations.

MAINE LEGISLATURE SUPPORTS REVENUE SHARING REENACTMENT

Mr. MUSKIE. Mr. President, the Maine Legislature recently adopted a joint resolution urging Congress to support reenactment of the general revenue sharing program.

In this resolution, the legislature noted that since 1972, Maine governments—some 500 in all—have received $124 million of vitally needed fiscal assistance through revenue sharing. It went on to note the increasing burdens which inflation has placed on Maine taxpayers and on Maine communities caught in the squeeze between escalating prices and rising demands for governmental services.

Mr. President, I want to assure the people of my State of my continued support of general revenue sharing. Last week, in a speech before a Conference on Federalism sponsored by the Advisory Commission on Intergovernmental Relations, I reaffirmed that support. At the same time I outlined my conviction that we must seek to resolve some of the very real problems that presently exist in the program, particularly with respect to current formulas, incentives for State and local tax reform, and civil rights enforcement.

I ask unanimous consent that the text of my speech, as well as a copy of the joint resolution of the Maine State Legislature, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Joint resolution memorializing the Congress of the United States to support the reenactment of the General Revenue Sharing program

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition your Honorable Body, as follows:

Whereas, the State of Maine, her 16 counties and her 496 municipalities have received $124,000,000 of vitally needed fiscal assistance through the allocation of federal dollars under the General Revenue Sharing Program; and

Whereas, these Revenue Sharing dollars are received directly from the Federal Government by the State, the counties and the municipalities with a minimum of federal paperwork, enabling the citizens to use the funds to meet their self-determined priorities; and

Whereas, the citizens of Maine view state, county and local officials as being accountable for the expenditure of Revenue Sharing funds, and citizens as having ultimate control of their priorities through the governmental processes; and

Whereas, the taxpayers of Maine are being severely affected by the spiraling and unprecedented rate of inflation in costs of

government as well as in their private lives; and

Whereas, the current inflationary rate is undermining the ability of government to provide essential services to their citizens within reasonable levels of taxation; and

Whereas, the General Revenue Sharing Program, which began in 1972, will terminate in 1976 unless the 94th Congress authorizes an extension of the State and Local Fiscal Assistance Act of 1972; and

Whereas, the 107th Maine Legislature endorses the continuation of the General Revenue Sharing Program in order to insure that vitally needed federal assistance will be provided to Maine; now, therefore, be it

Resolved: That we, your Memorialists, respectfully request and urge that each Member of the United States Congress from the State of Maine publicly state his support for the reenactment of the General Revenue Sharing Program in order that citizens of Maine may be informed of their commitment to continuing their flow of resources back to the People of the State of Maine; and be it further

Resolved: That a copy of this Resolution, duly authenticated by the Secretary of State, be forthwith forwarded to each Member of the United States Congress from the State of Maine.

REMARKS OF SENATOR EDMUND S. MUSKIE

I am glad to have an opportunity to speak to you today on a subject of such great interest to all of us.

I want to begin by saying that I continue to be a firm supporter of revenue sharing.

Having made that clear, I want to say also that revenue sharing—as we now know it—faces rough sledding in Congress. The title of my remarks uses the word "renewal" as if re-enactment were a foregone conclusion. That may be so, but it will be neither automatic nor easy.

I do not mean to play the role of the alarmist here this afternoon. Nevertheless, I think that candor is in order. For if we are going to insure the continuation of revenue sharing in anything resembling its present form, we cannot afford to overlook or underestimate the opposition that has mounted against it.

Revenue sharing has been an important shot in the arm for our federal system.

But there have been problems, and those problems have generated opposition that we must deal with to re-enact the program.

That opposition is remarkably similar to the arguments raised against revenue sharing back in 1971 and '72. Fiscal conservatives then opposed revenue sharing because it separated the easy task of spending money from the difficult one of raising it. Liberals opposed the idea because they wanted Federal money to be spent on specific social programs. Neither group trusted State and local officials to spend the money responsibly.

But, today there are new arguments that may be raised.

Those who opposed the unfettered giveaway of federal money three years ago now have an enormous federal deficit to worry about. It is not inconceivable that they could select revenue sharing as one area ripe for budget-cutting.

Those who three years ago wanted revenue sharing funds tied to specific social programs have since seen revenue sharing used to justify drastic cutbacks in the very programs they supported. And they have seen revenue sharing funds going to some communities with little need, and into projects with little social impact.

In the middle, there are many in Congress who are simply indifferent to the fate of revenue sharing. It is not an issue that generally stirs passions in its support.

To be sure, the constituents of revenue sharing will be able to rally considerable support for their cause. Working to their benefit will be the current disarray of the economy, which has many state and local governments in their worst fiscal shape since the depression, with promises of harder times to come.

That these conflicts will be resolved, through renewal of revenue sharing, may not be in doubt. The form that resolution will take is a different matter.

Those critics who feel revenue sharing is a retreat from national social goals may want to attach more strings to the money, or require an application process to insure that only worthy projects are funded.

Those critics who feel that revenue sharing is too expensive and that the money is just being thrown away may want to subject revenue sharing to the annual appropriations process, or limit the life of the program to one or two years only.

We who support a continuation of revenue sharing—in more or less its present form—must be prepared to meet these efforts, by focusing on constructive alternatives. And it is not too soon to begin that process now.

First and foremost, we must redefine what revenue sharing actually is, and what it was intended to accomplish.

During the first years of operation the program has, unfortunately, acquired a mistaken identity.

To many, it has come to mean a retreat from social progress, even though it was never intended to replace ongoing social programs.

For many others revenue sharing was a victim of the expansive rhetoric of the New Federalism—a "new American revolution" which promised to reverse overnight the imbalance of generations of increasingly centralized government.

When measured against such a promise, it is small wonder that revenue sharing comes up short.

If there is one thing we all should have learned from our experiences of the 1960's, it is that programs which over-promise will invariably leave hopes unrealized, and confidence undermined.

As we begin anew the debate on revenue sharing we must not allow that to happen again. We must re-define revenue sharing in terms of its original purposes which were, in fact, quite limited.

First, to relieve the fiscal problems of hard-pressed local governments with inadequate or inflexible tax bases.

Second, to reduce the regressive burden of State and local taxes by substituting revenues from progressive federal income taxes.

And *third*, to give people at the State and local levels the resources and the flexibility to develop solutions suited to their unique problems.

Returning to these relatively modest—but extremely meaningful—goals is necessary as the Congress considers re-enactment.

The proper role for revenue sharing is, and always has been, that of a complement—not a substitute—for a balanced mix of general revenue sharing, block grants, and categorical programs.

When measured by this more limited test, we find that the success column for revenue sharing is longer than the critics would have us believe.

In most cases, revenue sharing monies have gone into worthwhile programs. Hot lunches for the elderly, improved police protection and health care, and new sewage treatment facilities are just some of the successes.

In many other instances, State and local taxes have been held down because of revenue sharing. And I might add that in many of our urban areas holding down property taxes is a worthy social objective.

The plain fact is that—matching the record with the original goals—revenue sharing is a demonstrated step forward. And once the bugs have been ironed out, its potential is even greater.

Which brings us to the next round of difficult questions. Once we have agreed upon our objectives, we have to make some tough choices about how we want to achieve them. Some of these choices are necessary because of flaws in the program that have become evident since 1972. Others are choices that should have been made before revenue sharing was ever enacted, but which were avoided in the spirit of compromise deemed necessary to get any program at all.

Perhaps the most difficult question of all is *if* it makes sense—or *if* we can afford—to give something to everybody under revenue sharing, whether they need it or not. That is what we did in 1972, in order to get a bill. As a result, we gave revenue sharing critics some of their best ammunition.

I personally do not think it does make sense—and I do not think we can afford—to give revenue sharing money to certain units of government simply because they exist, but serve no substantial governmental function. I don't think it makes sense—nor do I think we can afford—to give money to affluent communities with no demonstrated need for assistance, while big cities with big problems have arbitrary limits imposed on the amount they can receive.

The old formula gave us a consensus, which was needed at the time. But in the process, we lost sight of our purpose.

So our first tough choice this time around must be to rewrite the revenue sharing formula to insure that greater emphasis is placed on need.

We need to raise or eliminate the ceiling that holds down payments to cities, relative to other communities in the same State. We must find a better way to judge the amount all governments should receive, and adjust the formula where it deprives cities of needed funds because they are located in relatively affluent States.

At the same time, we need to revise the 20% floor where it benefits wealthy communities or governments with very limited functions.

A second difficult question that faces us in renewing revenue sharing is the matter of incentives for tax reform at the State and local levels.

During the original debate on revenue sharing, a number of members of Congress—including myself—wanted to explore the possibility of using revenue sharing assistance as an incentive to State and local governments to move toward more progressive tax structures.

In the search for a consensus on a revenue sharing bill, that idea was abandoned. This time around, we should consider reopening that question.

To be sure, tying tax reform to revenue sharing is going to be unpopular with a good many people. But we must consider the argument of critics that revenue sharing has actually shored up regressive State and local tax systems. For every time a local government has been able to cut property taxes because of revenue-sharing funds—as necessary as that may be in some instances the pressure for reform is weakened.

A third major focus of the revenue sharing debate must be on improved civil rights enforcement. The problem here is not one that we avoided during the original debate, but one which has reared its head since that time. The U.S. Civil Rights Commission has just released a blistering report confirming the poor enforcement of the civil rights provisions of the Act.

In our upcoming efforts to enact a renewal of revenue sharing, we must make it very clear that simply because these funds are

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free, they are not a blank check to discriminate. We must also assure that the Office of Revenue Sharing has the staff to enforce the law.

And we must assure for local citizens the opportunity to participate more fully in decisions about how revenue sharing money will be used.

These three major areas of change that I have outlined will not please everyone. If all were adopted, there would be some disappointed governments who would receive less than under the present formula. Some might, in fact, receive nothing at all.

But we must recognize that a large part of our present problem is that in 1972 we *did* try to please everyone, with consequences we may not want to repeat.

Today, in 1975, there is a growing realization that the size of the federal pie is limited—and that we simply may not be able to afford spending money where it is not needed. Nor may we be able to continue propping up State and local tax structures which do not make the most efficient and fair use of the tax base throughout the nation.

I said at the outset of my remarks that we supporters of revenue sharing must focus our efforts carefully. This means sticking to limited objectives, and not promising more than the program can produce.

It also means ensuring that we get the most for our money, by fully considering the tough choices I have described.

The health and vitality of our federal system demands the continuing attention of us all. Revenue sharing is only a part of that effort, but one well worth fighting for.

THE FUTURE HOMEMAKERS OF AMERICA

Mr. HUDDLESTON. Mr. President, recently, the Future Homemakers of America celebrated National FHA–HERO Week with the theme of "Vocational Education for Productive Careers." I would like to call special attention to this group, its activities and worthwhile contributions to the development of our Nation's youth.

Founded June 11, 1945, the Future Homemakers of America has a national membership of half-a-million young men and women in 12,000 chapters located in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and American schools overseas. Any student who is taking or has taken a course in home economics or related occupations is eligible for membership.

There are two divisions to the organization—FHA and HERO. FHA places major emphasis on consumer education, homemaking and family life education combined with exploration of jobs and careers, while HERO—Home Economics Related Occupations—places major emphasis on preparation for jobs and careers with recognition that workers also fill multiple roles as homemakers and community leaders.

FHA is an integral part of the home economics program that operates through the school system.

Through its objectives of helping young people assume their roles in society through home economics education, family vocational preparation and community involvement, FHA emphasizes personal growth and the individual's desire to work for change rather than recognition, aware or status.

FHA is sponsored by the U.S. Office of Education and the American Home Economics Association and provides opportunities at the national, State and local levels for student initiative and directive in planning and carrying out individual and chapter projects.

I commend this group, its objectives and programs, and salute the members and staff for their outstanding contributions to the youth of America.

FEDERAL RESERVE ANALYSIS OF JOINT ECONOMIC COMMITTEE ECONOMIC PROGRAM ALTERNATIVE

Mr. HUMPHREY. Mr. President, today I am releasing a letter prepared by Dr. Arthur Burns, Chairman of the Board of Governors, Federal Reserve System, containing his evaluation of an alternative to the President's economic program.

In his letter, Dr. Burns estimates that the alternative program I have suggested could bring the Federal deficit for fiscal 1976 to nearly $100 billion—$20 billion more than his estimated $80 billion deficit under the President's program.

I strongly disagree with Dr. Burns' calculations.

The calculation of a $100 billion deficit is based on several unrealistic assumptions.

First, he assumes that the $17 billion outlay savings requested in the fiscal 1976 budget will not receive congressional approval. Undoubtedly some of these reductions will not be approved, but others will be, thus the net increase will be much smaller than $17 billion.

Dr. Burns further assumes that all spending requested by the President for such things as national defense, foreign aid, and energy compensation payments will be made—this is also unrealistic.

If Congress does not adopt the President's energy program, if it reduces Federal spending for defense, and if it cuts the request for foreign assistance, all of which are likely and necessary, the deficit will be correspondingly reduced.

While it is probable that the deficit in fiscal 1976 will be higher than the $52 billion figure in the budget document, Dr. Burns' $80 billion estimate for the administration program or $100 billion estimate for the alternatives I suggest is certainly an exaggeration.

One of the most significant comments made in Dr. Burns' letter is that he does not regard a 9-percent target rate of growth to be an unreasonable objective. He goes on to say that this cannot be achieved by spending or increasing the money supply, but it must be achieved by rebuilding public confidence.

I would suggest that the Federal Reserve's monetary policies—erratic, shrouded in secrecy and unpredictable—have contributed significantly to the lack of public confidence in the Federal Government's ability to manage the economy. Dr. Burns' letter itself provides an excellent example of this. The only reference to what monetary policy should be is contained on page 5 where he says:

Of course monetary policy should provide for an adequate and reasonable expansion in the Nation's supply of money and credit, so that those who wish to borrow and are creditworthy can finance their needs on reasonably liberal terms.

No one can disagree with this eminently reasonable statement. The area of disagreement would come in defining the words "adequate and reasonable expansion in the Nation's supply of money and credit." We have yet to be told what Dr. Burns regards as adequate and reasonable in the current economic environment.

In commenting on the effect of increasing the rate of growth of the money supply on inflation, Dr. Burns is careful to note that "a prescription for rapid monetary growth, however defined, will in the end prove highly inflationary." I quite agree with Dr. Burns that over an extended period of time rapid rates of growth in the money supply would prove inflationary.

However, for the shortrun, virtually all witnesses testifying before the Joint Economic Committee have agreed that the money supply needs to grow at least as rapidly as the economy. This means that if we are going to reach that 9 percent growth rate which Dr. Burns regards as reasonable, we must have at least a 9 percent increase in the supply of money for the short term. I might note that in an evaluation of these same proposals, which I released earlier this week, Chairman Alan Greenspan of the Council of Economic Advisers states:

We believe that price behavior will not be modified immediately by either monetary or fiscal stimuli, if resources are substantially underemployed.

I suggest that in our current environment, with the unemployment rate at 8.2 percent and rising, resources are substantially underemployed and will probably remain substantially underemployed for the foreseeable future.

The alternative program which Dr. Burns analyzed was made up of the following policy changes: First, a $10 billion rebate on 1974 tax liabilities; second, a permanent reduction in personal income tax of $20 billion; third, an increase in the investment credit to 10 percent; fourth, a public service jobs program large enough to employ a million people; fifth, an increase in the money supply of about 10 percent.

These proposals do not represent the final recommendations of the Joint Economic Committee. We are continuing our evaluation of economic alternatives and the committee's final recommendations will be contained in its annual report to Congress, scheduled to be issued in March.

I thank Dr. Burns for his prompt response to my request for an evaluation of these alternative proposals.

Mr. President, I ask unanimous consent that Dr. Burns' letters be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL RESERVE SYSTEM,
Washington, D.C., February 21, 1975.

Hon. HUBERT H. HUMPHREY,
Chairman, Joint Economic Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am glad to have this opportunity to respond to your letter of February 11, asking for my evaluation of public policy alternatives designed to promote a prompt and vigorous economic recovery. We at the Federal Reserve fully recognize the human misery and heavy economic loss that has been caused by the current economic recession, and we—as much as you and your colleagues in the Congress—want to be sure that every responsible action to help restore our nation's prosperity is fully considered, and adopted.

I am doubtful, however, that even larger Federal deficits will have the hoped-for results. The size of the deficit that could eventuate, even from the Administration's program, is not widely understood. Leaving aside the measures embodied in the President's energy program, the Administration's proposals call for temporary tax reductions amounting to $16.3 billion, as you know. But in addition, the substantial increases in Federal expenditures called for in the budget document still contemplate savings in outlays aggregating $17 billion in fiscal 1976. Nearly all of these savings require Congressional assent, which may well not be forthcoming. Moreover, the unified budget expenditure totals do not include off-budget outlays, which are expected to expand to over $10 billion in both this and the 1976 fiscal year. Finally, we need to keep in mind the larger tax reductions that appear to be taking shape in the Congress.

Making allowance for these understatements in the budget, and still overlooking the outlays of government-sponsored corporations, it appears to me that the true budget deficit (given the Administration's economic assumptions) will be substantially higher than the official figure for fiscal 1975 and that it would exceed $80 billion in fiscal 1976, rather than the $52 billion figure of the budget document. You now propose tax relief of an amount that even exceeds the figure that has emerged from the House Ways and Means Committee, besides an additional $8 billion in expenditures primarily to finance expanded public service employment. These proposals may bring the deficit for fiscal 1976 to nearly $100 billion, after allowing for the revenue-producing effects of the additional income created and for reduced outlays on account of unemployment compensation.

A budget deficit of this size, taken by itself, would surely add to private sector income. But often overlooked is the effect that the financing of such a deficit would be likely to have on our capital markets. Once economic recovery has set in, and perhaps sooner in view of the anticipatory concerns of market participants, the combination of swollen Federal credit demands and expanding private credit requirements would put an overall debt-raising burden of extraordinary proportions on our financial system. The result could well be sharply higher interest rates and tight credit conditions that would tend to choke off private credit demands and the increases in spending that such credit would have financed.

This problem is apparently anticipated in the package of policy alternatives that you propose, since it includes the stipulation that the rate of growth in the narrow money supply (M_1) be increased to about 10 per cent. As I have often stated, I firmly believe that a prescription for rapid monetary growth, however defined, will in the end prove highly inflationary and defeat the objective of lower interest rates that it seeks to achieve.

A 10 per cent growth in the narrowly defined money stock is well beyond the rates of expansion we have before seen for any extended period. The increased supply of money and credit associated with it might for a time hold down short-term interest rates. But the inflationary fears of long-term investors would be aggravated by this explosion in the money supply, and they would demand higher interest rates in an effort to protect the future purchasing power of their capital. Higher long-term interest rates, in turn, would tend to choke off any recovery in housing, exacerbate the financial problems of our State and local governments, and deter many business firms from going ahead with their capital spending plans. Moreover, once the swollen money supply did in fact begin to generate a higher rate of inflation, even short-term interest rates would rise—perhaps to levels far higher than would otherwise have prevailed. The notion that a large Federal deficit should or could be readily financed, if only we would create enough new money to finance it, is dangerously naive. This is the road to ruin.

Turning next to your third question, I find it very difficult to say what maximum rate of economic growth represents a realistic expectation over the next two years. We are currently experiencing a serious decline in economic activity. Once such a movement is underway, it is practically impossible to know how deep or how prolonged it may prove to be. I can say, however, that my long experience in business cycle analysis has taught me not to underestimate the strength of a cyclical recovery.

Once the base for recovery has been laid—that is, as excess inventories are liquidated, more efficient business practices introduced, financial liquidity restored, and other imbalances that had developed in the course of the preceding boom eliminated—the subsequent recovery has usually been much faster than seemed possible at the time. I would not be surprised to see a robust recovery in economic activity, once it begins later on this year, as I am inclined to think it will. Given the economic adjustments that are now taking place, an increase in real GNP averaging 6–10 per cent in the first year or perhaps year and a half of recovery would not be extraordinary.

This brings me, finally, to your second question as to the public policies that might foster real growth at a 9 per cent rate from the fourth quarter of 1975 on through 1976. I do not think that this is an unreasonable objective. The human and other resources to support such a rate of growth should be readily available, with the possible exception of energy. To bring about that growth, however, a strengthening in public confidence will be required—on the part of the nation's families, businesses and investors alike. Massive Federal deficit spending and an explosive expansion in money and credit will not contribute to this objective, and it could well destroy the emerging base on which a resurgence of public confidence can be built.

The recent advances in the stock market are an encouraging development. In part, higher stock prices reflect the easing in credit market tension and the declining trend of interest rates. More importantly, however, I believe that the improvements in the stock market and long-term credit markets are telling us that progress is being made in dampening what have been widespread and strongly held fears that inflation will intensify in our country over the years ahead. We have made real progress in combating our inflationary problem in recent months. And as the new sense of movement towards price stability spreads to businessmen and the consuming public, new confidence can be generated in the future and expanded spending plans can be set in place.

Government policy has an important role to play in this process. Of course, fiscal action is desirable and necessary in order to deal with the recession. Those who lose their jobs must be assisted by unemployment compensation, by public relief when necessary, and by opportunities for productive temporary employment in public service jobs; those whose real incomes have suffered from the inflation, even though they are employed, are entitled to reasonable tax relief. Of course, monetary policy should provide for an adequate and reasonable expansion in the nation's supply of money and credit, so that those who wish to borrow and are creditworthy can finance their needs on reasonably liberal terms. And the enduring need of policy is to do everything within the capacity of government, to encourage improvements in productivity and to establish conditions under which prices and wage rates are set in more competitive markets. Meaningful progress in this direction would go far to set us again on the path of lasting, noninflationary prosperity.

Sincerely yours,

ARTHUR F. BURNS.

OCEAN FLOOR MINING

Mr. METCALF. Mr. President, almost 2 years ago the Acting Legal Adviser to the Department of State wrote Chairman JACKSON of the Senate Committee on Interior and Insular Affairs:

Prudence dictates that we also begin at once to formulate a legislative approach . . .

The letter of March 1, 1973, was signed by Mr. Charles N. Brower, who at that time was also Acting Chairman of the Inter-Agency Task Force on the Law of the Sea.

Yesterday, Secretary of the Interior Rogers C. B. Morton created an Ocean Mining Administration to promote and encourage ocean mineral resource recovery from the seabed and subsoil beyond the limits of national jurisdiction.

In the words of the press release:

Secretary Morton underscored the importance of ocean mining to our future raw materials needs. "By 1990 the United States can become a net exporter of nickel, copper and cobalt, if we ensure a healthy, stable investment climate for ocean mining now. This would reduce our present high level of dependence on other countries for several of these metals."

The Secretary said that he has "every hope that in 1975, a critical year for the ocean miner, the Third United Nations Conference on the Law of the Sea will be concluded successfully."

"The Administration, however, mindful of its responsibilities to reduce wherever possible our nation's vulnerability to interruptible or high cost sources of raw materials, will have to be prepared to act through a domestic program to secure our access to ocean minerals. We must create an investment climate which will promote the development of this new minerals frontier while at the same time protecting the ocean environment," Secretary Morton said.

Today's Wall Street Journal included an article headlined: "Mining of Ocean Floor by U.S. Concerns In 1976 Is Proposed if UN Stalls on Pact."

I congratulate that part of the executive branch of our Government which understands our increasing dependency

on third-world nations for minerals basic to our economy and the difficulty—if not impossibility—of achieving international agreement. I ask unanimous consent that the press release, the covering letter by Mr. Jack W. Carlson, Assistant Secretary of the Interior, and the Wall Street Journal article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR
Washington, D.C., February 24, 1975.

HON. LEE METCALF,
Chairman, Subcommittee on Minerals, Materials and Fuels, Interior and Insular Affairs Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR METCALF: I thought you would be interested in learning of the action the Secretary has taken to establish an Ocean Mining Administration within the Department of the Interior. The new Administration will be under my direction and will serve as the focal point for our efforts to promote the development of a stable investment climate for ocean minerals recovery, under conditions that protect the environment.

We continue to be hopeful that the Third UN Law of the Sea Conference will soon reach agreement on a satisfactory international system for managing minerals recovery from the seabed beyond national jurisdiction. In that event, the new Ocean Mining Administration will be in place to begin immediately the comprehensive task of harmonizing our programs with those established through the treaty. However, I believe that we must also be prepared if the Law of the Sea Conference does not reach a timely and successful conclusion, given our responsibilities to reduce wherever possible the Nation's dependence on foreign sources of raw materials.

The initial tasks of the Ocean Mining Administration will be to plan for the future of ocean mining, to develop policy and regulatory procedures and to complete a thorough analysis of the environmental effects of ocean mining. The new office will attach the highest priority to early completion of this analysis.

I hope that you will be pleased to learn of the Department's serious commitment to encouraging the development of this new minerals frontier. The Department will make every effort to keep you and your staff fully informed on a continuing basis of our activities in this area.

Sincerely,

JACK W. CARLSON,
Assistant Secretary of the Interior.

INTERIOR SECRETARY MORTON ESTABLISHES THE OCEAN MINING ADMINISTRATION

Secretary of the Interior Rogers C. B. Morton today created an Ocean Mining Administration to promote and encourage ocean mineral resource recovery from the seabed and subsoil beyond the limits of national jurisdiction.

The Ocean Mining Administration will develop policy for deep ocean minerals recovery, and implement a domestic program to provide new sources of nickel, copper and other minerals from the seabed.

Secretary Morton underscored the importance of ocean mining to our future raw materials needs. "By 1990 the United States can become a net exporter of nickel, copper and cobalt, if we ensure a healthy, stable investment climate for ocean mining now. This would reduce our present high level of dependence on other countries for several of these metals."

The Secretary said that he has "every hope that in 1975, a critical year for the ocean miner, the Third United Nations Conference on the Law of the Sea will be concluded successfully."

"The Administration, however, mindful of its responsibilities to reduce wherever possible our nation's vulnerability to interruptible or high cost sources of raw materials, will have to be prepared to act through a domestic program to secure our access to ocean minerals. We must create an investment climate which will promote the development of this new minerals frontier while at the same time protecting the ocean environment," Secretary Morton said.

Under the direction of the Assistant Secretary for Energy and Minerals, Jack W. Carlson, the Ocean Mining Administration will supervise the conduct of ocean mineral technology and resource assessment programs within the Department and oversee the carrying out of the Department's responsibilities in the ocean mining field with respect to compliance with the National Environmental Policy Act.

Carlson said, "We must begin now to plan for the development of this important mineral resource, and the Ocean Mining Administration will serve as the focal point for our efforts in this area. We expect this industry to grow to a $6 billion investment by 1990. But we must act now." Assistant Secretary Carlson also stressed the Department's concern that ocean mining activities not endanger the marine environment, and indicated that one of our first actions will be to ensure that appropriate analyses are conducted of the potential environmental effects of seabed recovery operations.

Leigh S. Ratiner, 35, who has been Director of the Ocean Mining Development Office on the staff of the Assistant Secretary—Energy and Minerals, has been designated as Administrator of the Ocean Mining Administration.

From January to June, 1974, Ratiner was the Deputy Assistant Administrator for International, Political and Economic Affairs at the Federal Energy Office, on loan from his position as Director for Ocean Resources in the Interior Department, in which he had served since 1972.

Before 1972 he was staff Director of the Office of Ocean Affairs in the Department of Defense. Between 1963 and 1966 Ratiner was an attorney in the Federal Aviation Agency, specializing in international air law negotiations. Ratiner has been a negotiator at many international conferences and is presently serving as the principal United States representative in Committee I at the Law of the Sea Conference, which deals with the mineral resources of the deep seabed, and with the creation of new international institutions for their administration.

Ratiner is a native of New York City. He holds a B.A. degree from Grinnell College, 1959; an LL.B. degree from the University of Pennsylvania, 1962; and a Masters in Comparative Law from Southern Methodist University, 1963. He and his wife, Catharine, have a daughter, Cris, 14, and a son, Tony, 11, and live in Annandale, Virginia.

[From the Wall Street Journal, Feb. 26, 1975]

MINING OF OCEAN FLOOR BY U.S. CONCERNS IN 1976 IS PROPOSED IF UN STALLS ON PACT

(By Jerry Landauer)

WASHINGTON.—The Interior Department is proposing to let U.S. mining companies scoop up valuable minerals from the ocean floor starting next year if the United Nations by then hasn't negotiated a new treaty governing use of the seas.

The department's proposal, being circulated to other Cabinet officers by Interior Secretary Rogers Morton, would authorize the government to issue mining licenses, insure corporate investments against political harassment by other countries and issue rules for ocean mining in what's currently a legal no-man's-land far beyond American shores.

Until now the Executive Branch has opposed unilateral action to recover minerals—chiefly cobalt, copper, nickel and manganese—from ocean territory that isn't within national jurisdiction. The U.S. government has declared that resources lying beyond 200 miles from the shore of any nation belong to "all mankind." But the slow tempo of international negotiations to agree on particulars may make it necessary for the U.S. to go it alone, some officials contend.

"We've been awfully patient," one policymaker says. "We've been negotiating for seven years. They (poor countries mostly) are diddling us. We just can't put up with being diddled any more."

Secretary Morton made that point more delicately yesterday in announcing creation of an Ocean Mining Administration under Leigh S. Ratiner to develop plans for licensing U.S. companies. Mr. Morton expressed "every hope" that the United Nations conference on the law of the sea, scheduled to reconvene in Geneva next month, will succeed. However, he added, the Ford administration must be "mindful of its responsibilities to reduce wherever possible our nation's vulnerability to interruptible or high-cost sources of raw materials."

Secretary Morton's measure, which is expected to be introduced in Congress shortly, fixes a deadline of Jan. 31, 1976, for wrapping up any new sea-law treaty, thus putting pressure on the UN delegates to agree. If no treaty were submitted to the Senate by that date, the Interior Department could start issuing mining licenses by the summer of 1976, assuming a six-month period for preparing regulations and filing environmental-impact statements. By 1990, according to Assistant Interior Secretary Jack W. Carlson, ocean mining could generate investments of as much as $6 billion.

Four companies—Kennecott Copper Corp.; Deep Sea Ventures, a subsidiary of Tenneco Inc.; International Nickel Co.; and Summa Corp., privately owned by Howard Hughes—have together invested more than $100 million to develop ocean-mining technology.

Kennecott and Deep Sea Ventures have built pilot plants to demonstrate the feasibility of recovering so-called "manganese nodules" from the ocean floor and extracting quantities of nickel, copper and cobalt. Some of the companies, in association with foreign concerns, are prepared to invest as much as $400 million to $500 million for each operational mining unit, government officials say. One purpose of the government insurance plan is to help the companies borrow.

The black, tomato-size nodules that are the major objective of Mr. Morton's legislative initiative generally lie in a vast expanse of ocean floor between Hawaii, Southern California, and Mexico. In many cases, the nodules contain 2.5% copper; in the U.S. some copper ore is being mined that contains just 0.5%. Besides copper, the ocean bottom is expected to yield valuable supplies of nickel and cobalt. Mr. Ratiner is confident that as a result of deep-sea mining the U.S. will be able to reduce imports of nickel from 82% to 34% of domestic consumption by 1985, and to eliminate any need to import cobalt. In 1973, U.S. industry imported 77% of its cobalt requirements. Imports of manganese could be cut roughly in half.

Under Mr. Morton's proposal, companies intending to mine the oceans wouldn't be required to pay any royalties to the U.S. government, except for some user charges to cover the salaries of government regulators. And, though the legislation doesn't say so specifically, the companies conceivably could be entitled to depletion allowances for the minerals mined.

One possible peril to Mr. Morton's proposal in Congress is opposition from the Pentagon. a State Department source suggests. Some military men want the government to desist from claiming right to deep-sea minerals in exchange for treaty clauses guaranteeing warships unrestricted rights to sail through strategic international straits, especially the Straits of Gibraltar. Potentially, too, any unilateral approach to mining minerals could invite retaliation by nations in position to harass the passage of supertankers—on the pretext of pollution control, for example.

Outweighing these considerations is the growing belief within the government and especially in industry that some exporters of raw materials are stalling the UN conferences merely to protect themselves against commercial competition. "Their rhetoric is that these minerals belong to everybody," one U.S. negotiator says. "In practice, this means that nobody is getting them."

Indeed, it may be more than a coincidence that some of the loftiest language about the common mineral heritage of mankind is coming from delegates representing Peru, a major copper exporter; Zaire, a key producer of cobalt, and India, which produces manganese.

Algeria, a leader of the Organization of Petroleum Exporting Countries, or OPEC, is taking the toughest line of all. That nation, in particular, is demanding agreement that resources lying beyond 200 miles from any shore belong to all nations, putting oil deposits under the oceans safely beyond exclusive reach of the U.S. and other oil consumers.

MORE DIRECT CONGRESSIONAL CONSULTATION WITH THE FEDERAL RESERVE SYSTEM—A MUST

Mr. HUMPHREY. Mr. President, yesterday I had the privilege of testifying before the Senate Committee on Banking, Housing and Urban Affairs on the crucial question of the congressional role in setting this Nation's monetary policy.

The hearing was held to discuss Senate Concurrent Resolution 18, which was introduced by the able chairman of the committee, Mr. PROXMIRE, myself, and 14 other colleagues.

The purpose of this important resolution is twofold. First, it is intended to nudge the Federal Reserve System toward a monetary policy that promotes a full employment economy with stable prices. Second, it establishes a more sensible congressional role in this crucial area of economic policy.

I am delighted that Senator BUCKLEY joined me in testifying before the committee in favor of Senate Concurrent Resolution 18.

This is not an attempt to hamstring the Fed or to politicize monetary policy. However, it is an effort to bring monetary policy back within the overall framework of national economic policy.

The Fed has been a "one man team" for far too long, it is time it began working in a coordinated way with the Congress and the executive branch.

We must harmonize tax policy, budget policy, wage and price policy, and energy policy, with monetary policy, if we are to achieve our Nation's economic goals. All Federal policy should be moving in the same general direction, and in a reinforcing manner. We cannot afford to have credit availability and interest rate levels determined in a vacuum and by an institution that at times appears to be in a private world of its own.

I believe that, despite Dr. Burn's protestations, this resolution will help put the Fed back on the team, without reducing its legitimate independence.

Mr. President, I ask unanimous consent that my testimony before the Senate Committee on Banking, Housing and Urban Affairs, on Senate Concurrent Resolution 18, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR HUBERT H. HUMPHREY

Mr. Chairman, I welcome the opportunity to appear before you and your very distinguished colleagues on the Committee on Banking, Housing and Urban Affairs in support of Senate Concurrent Resolution 18 which you introduced last week. I am especially delighted that Senator Buckley is here to join in this fight for a monetary policy that promotes a full employment economy with stable prices. A sensible, congressional role in this area of economic policy is not a partisan matter.

Nothing we do in economic policy is more important than what we do about money, interest rates, and credit. If we continue a policy of tight money, we will worsen or prolong a recession that has already been to some extent caused by a lack of credit and high interest rates. If we start pouring money into the economy without careful control, on the other hand, we will start another inflationary spiral. In other words, we must walk a narrow path between stringent—I might say stingy—and excessive money and credit expansion.

The resolution I am privileged to co-sponsor with Senator Proxmire and Senator Buckley and sixteen other Senators is a very modest first step in establishing a congressional role in the formulation of monetary policy. The resolution basically does three things:

First, it directs the Federal Reserve Board of Governors to take appropriate action in the first half of 1975 to increase the money supply at the rates necessary to promote economic recovery.

Second, it directs the Federal Reserve Board of Governors to maintain a steady long-term monetary policy commensurate with the full potential of the economy, maximum employment and stable prices.

Finally, the Resolution requires the Federal Reserve to consult with Congress on money and credit policy at semiannual hearings before this committee and the Committee on Banking in the other House.

Let me briefly explain why I believe each of these provisions is important.

NEED FOR CONGRESSIONAL MONETARY POLICY

The final provision of the resolution, that which requires regular congressional consultation in the formulation of monetary policy, is in many respects the most important part of this resolution. One of the major deficiencies of Federal economic policy in recent years, in my opinion, has been the lack of coordination among the many institutions that are responsible for executing such policy. The Department of Agriculture was subsidizing the Russians to buy our wheat in 1972, for example, while the Cost of Living Council was expressing concern about a food shortage at home and calling for the monitoring and management of food exports. There are countless other examples of where the right hand of government economic policy has not known what the left hand of government was doing.

Nowhere has this lack of coordination been greater than in the area of congressional economic policy. In the past, for example, dozens of committees and subcommittees have gone their own way in carving up the budget and setting fiscal policy by default. Thank God we had the good sense to correct these budget and fiscal deficiencies in our economic policy by enactment of the historic Congressional Budget Control Act of 1974. Under this act, as you know, Congress will be required to set the overall level of taxes, expenditures, and the size of the budget deficit or surplus in light of economic conditions. We would then debate our national priorities in the context of these limits.

Yet congressional economic policy remains seriously deficient because of our failure to develop a policy on money and credit. Although Dr. Burns and other members of the Federal Reserve Board frequently testify before many committees of Congress, they really do not tell us much about money and credit policy. When you ask the important questions on monetary policy—how much the money supply will be increased, what will be the interest rate objectives of the Federal Reserve, and what will be the availability of credit—a shroud of state secrecy falls over the hearing. The Federal Reserve will simply not inform us about their intentions with respect to monetary policy, nor do they consult with the Congress about what we believe should be the course of monetary policy in the light of other economic actions.

It is impossible for me to see how we are to set comprehensive and sensible economic policies as long as this situation persists. The lack of coordination is harmful because the Federal Reserve can undo whatever the Congress does on tax and spending policy. The secrecy is unnecessary and adds to the uncertainty about money and credit. The German Bundesbank, for example, has no such secrecy and has publicly announced it will increase the money supply eight percent this year. I believe this is a case where we can take a lesson from the Germans, who by the way have had the best economic performance in the world in recent times.

Our resolution would simply bring the Federal Reserve and Congress into open, sensible coordination on monetary policy. This Committee would serve as the focal point for the expression of congressional views on monetary policy, just as the Budget Committee is the focal point on budget policy. I believe this would be a major, long-term improvement in the way Congress treats economic policy. It could end the harmful secrecy that now surrounds monetary policy. The resolution would also enable Congress to fulfill its constitutional duty . . . "to coin money and regulate the value thereof, . . ."

NEED FOR IMMEDIATE MONETARY EXPANSION

As important as such long-term reform will be, our immediate need is to expand the money supply and lower interest rates in order to promote economic recovery. We are, as all of you know, in the worst economic slump since the Depression. The official unemployment rate is 8.2 percent and, if account is taken of discouraged and part-time workers, the real rate of unemployment is about 11 percent. This means that there are at least 10 million people unemployed or underemployed.

To some extent, the seriousness of the recession and its prolonged duration are the product of tight money and high interest rates. And the recovery from recession, will depend upon the expansion of the money

supply and the lowering of interest rates. This is not my opinion alone, although I share it, but the opinion of the vast majority of the people who study these matters carefully. To document this, I have attached to my statement summaries of the witnesses who have testified on monetary policy before the Joint Economic Committee.

One can also see that money and credit policies have been too tight by examining the statistics on monetary policy. The monetary supply, that is currency and checking accounts, has grown at drastically slower rates over the last six months than in previous periods. From January 1972 to mid-1973 money grew, on the average, according to the Federal Reserve Bank of St. Louis, at a rapid 8.6 percent annual rate. Over the next year, money growth slowed to a 5.4 percent rate. Since mid-1974 money has grown at about a one percent annual rate, and in the most recent quarter the money supply has actually declined. Thus, the most important component of our money and credit system, and the one over which the Federal Reserve has the most control, has dried up completely.

Even if other measures of the money supply are examined, the picture is much the same. Whether measured by what the economists call M1, M2, or any of the eight money aggregates alluded to by Chairman Burns in testimony before the Joint Economic Committee, there has been a sharp and damaging deceleration in the rate of growth since last spring. All measures of money and credit supply dropped sharply in 1974, particularly in the last six months.

The fact that these measures of money and credit currently show no growth, or a sharp decline in the rate of growth, does not mean the Federal Reserve has done nothing to expand the money supply and lower interest rates. Late last year and early this year, the Federal Reserve made modest efforts to expand the money supply, principally by lowering the discount rate and reserve requirements. These efforts have not reversed the decline in the money supply, however, according to Dr. Burns and others, because the banks, business, and consumers of the country lack sufficient confidence to utilize the supply of credit that is being made available. They cite the sharp decline in business loan demand, for example, as evidence that people do not want to borrow money now because they are uncertain about the economic outlook.

I find no reason to disagree with this point of view. In fact, I believe that a general lack of confidence within the country is deepening the recession and choking off all forms of economic activity. The real question is, how can we restore confidence in our economy and in our money and credit markets?

Confidence will return, in my view, only when the people see that their government has a policy to restore economic growth and bring back jobs. Not only is such a policy not evident in the actions of the Federal Reserve, but I believe the Board's current stance adds to uncertainty. Because of the secrecy that surrounds the system, no one knows what money and credit policies the Federal Reserve will follow in the next six months. We do not know if they will continue their very timid efforts to expand the money supply and lower interest rates, or if they will take the aggressive action necessary to bring the economy back up to the cruising speed of normal economic growth. Nor do we know if they will slam on the brakes again, aborting the recovery just as it is getting underway. Under these circumstances, how can business and consumers pursue investment and spending plans with any confidence? The answer is—they cannot.

To restore confidence, therefore, we must have a money and credit policy that accelerates the economy back up to a sensible cruising speed. Resolution 18 does just that. It recognizes that money supply growth has been too slow and interest rates too high in recent months. The resolution therefore requires the Federal Reserve to take action immediately and here let me quote, "to increase the money supply at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery."

If this directive is followed, I believe we can get the economy back up to its proper cruising speed. Given the current level of unemployment, a proper cruising speed would be real economic growth of eight to ten percent in 1976. This in turn requires large increases in the money supply and much lower interest rates than we have had in recent experience. (In view of the almost zero growth of the money supply in the last six months, we need at least an eight to ten percent rate of growth in the money supply in the next six months. In fact, it may be necessary to increase the money supply even more than that in the short-run if we are to reach these grotwh tragets and reduce unemployment.)

In addition to expanding the money supply, I believe Dr. Burns and the Federal Reserve Board could increase confidence by telling the banks that they can be more liberal in their loan activities. A little jawboning by the Federal Reserve Board at this point, could well encourage the banks to use the funds they have available.

When I say that compliance with this resolution will aid economic recovery, I am of course assuming that it is done in conjunction with a comprehensive package of other economic actions, including a large tax cut and a substantial increase in public service jobs. If this is done, I believe we can make substantial progress toward restoring economic growth without adding to inflation. This view is shared by most of the witnesses who have appeared before the Joint Economic Committee and, to some extent, shared by Mr. Greenspan, the Chairman of the Council of Economic Advisers. I submit a copy of a February 19th letter from Mr. Greenspan, acknowledging that a comprehensive package of economic stimulus, including an eight percent increase in the money supply (M1), would increase real GNP by about two percentage points above the levels forecast under the program proposed by the President by the end of 1976. And this would occur with less unemployment and inflation.

NEED FOR STEADY LONG-RUN MONETARY EXPANSION

While a rapid expansion of the money supply is needed in the next six months to a year, we must guard against an excessive expansion that accelerates inflation. The eight percent increase in the money supply in 1972, coming in a period of substantial economic boom, surely contributed to the inflation of 1973. We must also guard against the roller coaster variations in money and credit that we have had in recent years. Those charged with the responsibility of driving the Nation's money machine must stop alternating between driving hell-bent down the road causing inflation, and slamming on the brakes so sharply it causes recession and unemployment The money supply (M1) has fluctuated wildly in recent years.

This has got to stop. Those who are driving the Nation's money machine have to attain and maintain a sensible cruising speed if we are to maintain healthy economic growth and stable prices. The second provision of our resolution would accomplish this by directing that the Fed, and again I quote, "maintain long-run growth of the money supply commensurate with the economy's long-run potential to increase production, so as to effectively achieve the goals of maximum employment and stable prices." In other words, we must in the long-run strive to maintain a steady growth of money and credit instead of the wild gyrations of the past. This will help us to avoid both inflation and recession.

I hope the Committee has found my comments useful and are persuaded to adopt Resolution 18. Nothing is more important to the health of our country in the next year than a sensible money and credit policy. Resolution 18 indicates that Congress recognizes its responsibility in this area by instructing the Federal Reserve that the first priority in money and credit policy should be economic recovery and jobs. The resolution also provides long-term guidance to the Federal Reserve that should prevent extreme fluctuations in money supply and interest rates in the future. Finally, the resolution provides a continuing institutional focus for open consultation between Congress and the Federal Reserve for the formulation of money and credit policy.

APPENDIX A—EXCERPTS FROM JOINT ECONOMIC COMMITTEE HEARINGS

Gardner Ackley (January 23, 1975):

Dr. ACKLEY. The very minimum assignment for monetary policy in such a period, in my judgment, should be to expand the money supply about in line with the growth of potential output valued in then current prices—certainly, so long as the rate of inflation is continually and appreciably diminishing. This describes what would be an essentially neutral stance for monetary policy....

I personally would argue that Federal Reserve policy now and in the next year or two ought not merely to be neutral, but instead strongly expansionary. I favor a discretionary monetary policy, both in booms and recessions, rather than a steady, mechanical expansion of some variant of M. Thus, if M1 should expand at a 9 percent or 10 percent rate over the next year, it would not disturb me at all....

I am not sure they will understand better if I say the sum of currency and demand deposits of nine and ten percent would be entirely appropriate. However, I don't think anybody should get hooked to a particular number. It seems to me they ought to do what needs to be done to help assure recovery. If they should take 12 instead of ten it still wouldn't disturb me.

Senator HUMPHREY. Is the present money supply or rate of money supply adequate?

Dr. ACKLEY. It seems to me the recent rate of growth of money supply is inadequate.

Senator HUMPHREY. Over the past year?

Dr. ACKLEY. Well, the past year had two halves but certainly over the year as a whole very much so, and in the second half very distinctly so.

Paul W. McCracken (January 23, 1975).

Dr. MCCRACKEN. The relationship between the money supply broadly defined to include net time deposits and GNP has been quite stable, and historical experience suggests that for us to achieve the projected 12 and 10 percent rises in GNP (in current dollars) during these two years of expansion an essentially parallel increase in M2 would be needed, and it would mean a somewhat slower rise in M1. Moreover, it is monetary policy during these early months of 1975 that is establishing the basic path for the economy toward the latter part of the year. Judgments vary about the extent to which monetary policy has the capability itself to take the initiative and produce the needed economic expansion, but there would at least be broad agreement that this rate of monetary expansion is a necessary condition. And the trend of thinking has been to assign an increasingly important role to monetary policy as a determinant of the course for the economy. The three percent per year path for M1 during the last three months and the 6½ percent path for M2 are far short of

what we should be seeing now if the latter part of 1975 is to have reasonable assurance of resuming vigorous expansion. . . .

Yes, the President's program in my judgment is adequate to promote an expansion of economic activity by the later part of the year, providing it is accompanied by appropriate monetary policy. If it is not accompanied by appropriate monetary policy an even larger fiscal package will also produce disappointing results. At the same time I would have no serious problem in quantitative terms with the magnitude of fiscal stimulus somewhat larger than the President proposed but - would consider the President's package adequate with that very important proviso about monetary policy....

During the last quarter, if I remember correctly, money expansion was 3.1 percent, at an annual rate of 3.1 percent. As Professor Ackley indicated, by the way, 1974 was two distinctly different periods. It was probably too rapid in the first part of the year and entirely too restrictive in the second half and really I helped to set the stage for the current recession. . . .

Now, as best one can translate that into what it means for the rate of growth in the money supply, what would that mean? That would seem to me to mean a rate of expansion certainly not less than eight percent for M1, probably closer to ten percent, because the economy generally will be rising a little more rapidly than the rate of gain. . . .

Now, in my own judgment I think these things can be worked out, once again providing that we have an appropriately expansive monetary policy.

Now you raised the larger question on monetary policy. I really do think that the question you are raising there is one that in the final analysis, somewhere down the pike, is going to have to be re-examined, namely, the position of decision-making about monetary policy in the structure of governments.

Hendrik Houthakker (January 29, 1975)

Dr. HOUTHAKKER. What has already happened in the current recession is bad enough, but my concern is further increased by looking at recent monetary policy. According to the weekly figures, which admittedly are somewhat inadequate for analytical purposes, the money supply has been falling for several weeks, and is now no higher than it was three months ago. It is true that interest rates have declined somewhat but this should not be interpreted as indicating a less restrictive monetary policy. The fall in interest rates appears to be due not to easier monetary policy but to a decline in the demand for money, which is normal in a deep recession. There is much evidence that a sustained fall in money supply will lead to a fall in money GNP, and hence to an even steeper fall in real GNP when prices are rising. Since the apparent reduction in the money supply is only a few weeks old, and may be due primarily to international factors, I do not want to make too much of it. Nevertheless, it would not be amiss to remember what Freidman and Schwartz had to say about the effects of perverse monetary policy on the early development of the Great Depression. . . .

Senator HUMPHREY. As an anti-recession program are the President's proposals enough, Dr. Houthakker?

Dr. HOUTHAKKER. I believe that very much depends on monetary policy. As fiscal policies go, the proposal is certainly not enough, although I would certainly not suggest anything bigger than that. I think it is important that some assurance be obtained from the Federal Reserve.

Senator HUMPHREY. He did not address himself to monetary policy in his message.

Dr. HOUTHAKKER. I don't believe he did.

Senator HUMPHREY. Do you consider that a vital part of the anti-recession program?

Dr. HOUTHAKKER. I believe it is the most vital part.

Senator HUMPHREY. What would you indicate as a factor to a monetary policy, what kind of easing of money supply and credit?

Dr. HOUTHAKKER. To go to a five percent growth range in money supply and stick to it would be a great help compared to the performances we have apparently had during the last few months.

But my point is, it is very misleading to look at interest rates in regard to monetary policy, because they reflect demand and supply. In a recession demand for money tends to fall and that in itself will bring interest rates down. With an expansive monetary policy the supply would have to increase, too. The statistics which we have at the moment suggest that supply has gone down, therefore, I believe it is misleading to talk about an easing of monetary policy. We just have not had it yet. . . .

Senator HUMPHREY. Do you have any suggestions as to how you might deal with the Fed up in New York?

Dr. HOUTHAKKER. Well, the situation is such that if I am right in thinking the execution of the monetary policy is at fault there would have to be personnel changes, because this has been a longstanding problem, and I believe that the Federal Reserve has not been able to carry out its stated intentions. . . .

George Perry (January 29, 1975).

Dr. PERRY. I am not a monitarist, so I have less confidence in putting precise numbers on how rapidly the money supply should grow. But I would suggest that the five percent strikes me as inadequate. We have reached our present condition with a growth rate of a little over four percent. I think five is much better than what we have gotten recently, which has been no growth rate at all in the money supply. I think that is a terrible monetary policy at a time like this. . . .

Franco Modigliani (February 14, 1975).

Dr. MODIGLIANI. There was some weakness in consumer spending, and that has been reinforced by the monetary policy because I believe—and many by now believe with me—that consumer spending, particularly in durables, is significantly affected by the stock market, and the stock market was sent into a spin by the policy of crazy-tight policy.

Now, thank God I am on record as having written, even though it is not published, before this happened telling the Fed, if you will stick to six percent, you will not be able to achieve the goals of the Administration. You will end up with heavy unemployment. . . .

On the other hand, I am quite convinced that, as the Board of Governors is now composed and now operating, we will never get eight or nine percent money supply growth, that as we make some efforts to push the economy up and as income is expended, we will find that they will sit on their six or seven percent, and they will create a new credit squeeze, which will turn the economy around and let me say it this time, in my forecast because before I made some before this Committee proved right. If that happens, we would have exactly the repetition of the '58—'59—'60 episode, where the economy begins to recover, the Federal Reserve slaps on rates, and we get right back into recession in '60. . . .

Michael Evans (February 14, 1975).

Dr. EVANS. Arthur Burns will whip out a speech about how inflation is a menace to society, and will pass around copies of a book which is called "Prosperity and Inflation" which was written some 25 years ago, and so forth and so on. And he will go on and he will put the squeeze on the money supply and we will have interest rates which I am absolutely convinced will be higher than the interest rates which were reached in the peak of 1974 unless somebody steps in and does something about it.

I think this is extremely serious and we have to worry, not only about how to get the economy moving but how to keep it moving, because we can have a $20 billion, $30 billion, even a $40 billion tax cut, I would not go quite that high, but a sizeable tax cut this year is what we need. But if we are going to choke it off next year with restrictive monetary policy, then what is the point of it all?

COUNCIL OF ECONOMIC ADVISERS,
Washington, D.C., February 19, 1975.

DEAR MR. CHAIRMAN: This is in response to your letter of February 11 in which you requested an evaluation of the economic impact of a number of proposals; including a $10 billion rebate of 1974 taxes, a permanent reduction in the tax rates that will initially reduce taxes by $20 billion at an annual rate, a $3 billion increase in the investment tax credit, a $8 billion expansion in outlays for public service employment starting in fiscal 1976 and maintained thereafter, and the substitution of offsetting reductions in federal outlays for the proposed ceiling on transfers.

We have examined the effect of these proposals within the framework of the DRI and the Chase Econometrics quarterly forecasting models. I believe that the results of the simulations are at best only partial answers to your questions. The models do not contain a well developed and comprehensive framework for the analysis of the financial market implications of your proposed program; nor do the models adequately capture the dynamics of the interactions between the real and the financial sector. My own experience suggests that the models and most analysts usually underestimate movements in the economy during the early stages of both declines and recovery in business activity. The models did not capture the sharpness of the decline in late 1974 and early 1975 and they may also be underestimating the sharpness of the recovery which we expect later this year.

THE FISCAL PROGRAM

Within the constraints of the models, the fiscal program you have asked us to analyze would be expected to raise real GNP by 1½ to 2 percent above the levels forecast under the program proposed by the President by the end of 1976. The unemployment rate would be 0.5 to 0.8 percentage points lower and the NIA deficit would be approximately $20 billion higher. About one-third of the $33 billion *ex ante* cost of the stimulus program still operative in the fourth quarter of 1976 would be recouped by the income induced growth in revenues.

Since the structure of these models is similar, both the Chase and DRI models are fairly close regarding the output-raising effects of increases in government expenditure Both models show that the $8 billion increase in public service payrolls, which is treated generically like an increase in Government purchases, would raise real GNP by about ½ of one percent by the fourth quarter of 1976. As for the cut in personal taxes in the Chase model, the $20 billion permanent tax cut would raise real GNP by about 2 percent while in the DRI model the $20 billion tax cut has about the same effect as an $8 billion increase in purchases. The CEA would estimate that a $20 billion permanent tax cut would have effects on real GNP that are about twice as large as those of an $8 billion expenditure increase. Since the multipliers for transfer payments are expected to be similar to the tax multipliers, the substitution of roughly $5 billion in transfer payments for $5 billion of defense purchases would be slightly contractive. The $3 billion investment tax credit raises GNP by about ¼ percent. To

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sum up the particular formulations of the model structures given a growth of M_1 ranging between 7 percent (Chase) and 8 percent (DRI) the combined fiscal changes yield an increase in real GNP by between 1½ and 2 percent by the end of 1976, and as a result, show a lower unemployment rate would be lowered by between 0.5 and 0.8 percentage points.

MONETARY POLICY PROPOSAL

The econometric models disagree on whether increased monetary growth would raise real output strongly in 1975 and 1976. The Chase model has interest rates stay high in spite of faster growth in M_1. As a result the savings inflow into thrift institutions remains small. Housing starts never get above the 1.8 million level in that model and other interest-sensitive spending recovers much less in the DRI simulation. Thus, the income velocity of money declines. As this decline will tend to be reversed subsequently, inflation could again flare up even if the money supply increases less rapidly in 1977–78 than in 1975–76.

THE EFFECT UPON INFLATION

We believe that price behavior will not be modified immediately by either monetary or fiscal stimuli if resources are substantially underemployed. Most econometric models agree that the short-run inflation penalties are small if they even exist at all under such conditions. Nevertheless the long-term inflationary potential of 10 percent growth in M_1 is serious. For instance, in the DRI model maintaining 10 percent growth in M_1 through 1976 feeds a much higher rate of growth in M_1 (12–14 percent), drives interest rates down to very low levels, and thus creates an explosion in private housing starts up to the 2.6 million annual level by the fourth quarter of 1976. A level of 2.6 million conventional starts (excluding mobile homes) is clearly unsustainable as is the low level of interest rates.

The large growth in liquidity and real balance that a prolonged period of rapid monetary growth would induce would, however, surely lead to an increase in the rate of inflation as the recovery progresses. If the rate of growth of the money supply is then slowed, interest rates will rise immediately as increased business and consumer demand for loans is satisfied by a reduction in bank liquidity. For example, attempts to unload government securities will drive up interest rates. On the other hand, if the rate of growth of the money supply is not slowed, inflation will accelerate even more in the course of the later stages of recovery and beyond as inflation premiums raise the level of nominal interest rates. In this way 10 percent growth in M_1, if maintained for two years, will inevitably lead to a recurrence of high rates of inflation in 1977 if not in 1975. In fact, great instability in the rate of growth of the money supply would eventually turn out to be a cause rather than a cure for recessions. After 1976 this high rate of monetary expansion would increasingly be reflected in higher prices. Accelerating inflation would then threaten to destabilize the economy anew in 1977–78.

There are several additional points that must be considered in assessing these or any forecasts for 1975 and beyond. The forecasts are surrounded by a wide band of uncertainty and the probable range of error even approaches the differences between our forecasts based upon the President's program and the alternative solutions under the assumptions that you have provided. In addition, the forecasts neither reflect nor adequately evaluate the risks of a financial backwash from the very large federal deficits. These difficulties may not be serious during 1975 but the risk of choking off some of the recovery during 1976 and beyond cannot safely be ignored. These are problems which we cannot examine adequately within the currently available models but the probability of serious adverse effects in 1976 and thereafter obviously rises with both the size of the deficit and the strength of the recovery.

I sincerely hope that this response is useful to you and your committee in your policy deliberations.

Sincerely yours,

ALAN GREENSPAN,
Chairman.

RULES OF PROCEDURE FOR COMMITTEE ON THE BUDGET

Mr. MUSKIE. Mr. President, in accordance with the provisions of the Legislative Reorganization Act, I hereby submit the rules of procedure for the Committee on the Budget. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules of procedure were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE FOR THE COMMITTEE ON THE BUDGET

I. MEETINGS OF THE COMMITTEE

1. The Committee shall hold its regular meeting on the first Thursday of each month. Additional meetings may be called by the Chairman as he deems necessary to expedite Committee business.

2. Each meeting of the Committee on the Budget of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the Committee or subcommittee, as the case may be, determined by record vote of a majority of the members of the Committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(a) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(b) will relate solely to matters of the Committee staff personnel or internal staff management or procedure;

(c) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(d) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

(e) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

II. QUORUMS

1. Except as provided in paragraphs 2. and 3. of this section, a quorum for the transaction of Committee business shall consist of not less than one-third of the membership of the entire Committee; provided, that proxies shall not be counted in making a quorum.

2. A majority of the Committee shall constitute a quorum for reporting legislative measures or recommendations; provided, that proxies shall not be counted in making a quorum.

3. For the purpose of taking sworn or unsworn testimony a quorum of the Committee and each subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may submit his vote by proxy if the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded.

IV. HEARINGS AND HEARING PROCEDURES

1. The Committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the Committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date.

2. A witness appearing before the Committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least one day prior to his appearance, unless this requirement is waived by the Chairman and the ranking minority member, following their determination that there is good cause for failure of compliance.

V. COMMITTEE REPORTS

1. When the Committee has ordered a measure or recommendation reported, following final action the report thereon shall be filed in the Senate at the earliest practicable time.

2. A member of the Committee who gives notice of his intention to file supplemental, minority or additional views at the time of final Committee approval of a measure or matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the Committee. Such views shall then be included in the Committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the Committee report may be filed and printed immediately without such views.

SEARCH FOR THE GOVERNMENT'S SOUL

Mr. WILLIAMS. Mr. President, the most depressing aspect of our current economic malaise is the difficulty we have in comprehending the impact of unemployment in human terms.

We preoccupy ourselves with statistics, with economic models, with trend charts.

The Committee on Labor and Public Welfare, which I have the privilege to chair, is striving to reach through the statistics and comprehend the human deprivation that recession has inflicted upon so many millions.

By official estimate of the Bureau of Labor Statistics, there were 7.5 million unemployed in January. Without counting the 850,000 who have given up hope of finding a job, the total is still greater than the population of New Jersey—my home State and the eighth largest.

New Jersey's own unemployment tragedy is one of the worst in the Nation,

with the statewide unemployment rate hovering near 11 percent and pockets of unemployment where the percentage of jobless is half again as high as the average.

The committee explored the human condition in New Jersey's jobless areas earlier this month with hearings in Passaic on February 12 and in Camden on February 13. We came away with a profound sense of apprehension about the established course of economic policy at the Federal level.

I do not hesitate to predict that these apprehensions will reverberate in committee hearings in other sections of the Nation in the weeks ahead.

Mr. President, I was moved to speak on these matters today by an editorial in the New York Times of Monday, February 24. The editorial recalled Franklin D. Roosevelt's admonition that times such as these call for "government with a soul."

The nucleus of the editorial is in this statement:

Disenchantment that springs from a growing feeling of uselessness, particularly among the young, is the most serious threat to a nation's security.

Our preoccupation with the statistics on our economic condition does not serve us well in this regard.

We gain a sense of security from being able to say that unemployment is only 8 percent today, compared with 25 percent in the depths of the Depression.

But our sense of security is false, numbing our sensitivity to the sharp and uncomfortable realities.

In point of fact, unemployment reached no higher than 19 percent in the Depression, and in raw numbers, there were fewer unemployed on the average in the first 7 years of the New Deal than are jobless today.

On February 5, I advised the Senate of these facts and introduced into the RECORD a Library of Congress study that documents these conclusions. The material appears on page 2550 of the RECORD that day.

Mr. President, the committee did not travel to New Jersey in search of the Government's soul, but we found that the many witnesses who appeared before the committee, along with the hundreds who gathered outside the hearing rooms, were engaged in such a search.

For many reasons, some of the best of which are detailed in the Times editorial, such compassion as we are able to muster must be manifested in our actions and clearly perceived by those who have been told by the administration that they can expect to endure joblessness for many months. Otherwise, the security which we take for granted may be abruptly shaken.

I ask unanimius consent that the editorial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 24, 1975]

GOVERNMENT WITH A SOUL

"Unemployment," said Franklin D. Roosevelt in 1930, "is a problem of the entire community. It is a major social tragedy for the individual who is denied the opportunity to work and earn, but it does not stop there, and if not soon corrected will have a long-time depressive effect. . . ."

The economists' protestations that 1975 is different from 1930 cannot obscure the fact that the human equation remains essentially the same. To the man or woman responsible for a family's support or to the youth ready to embark on that first independent job, the reality of forced idleness is pragmatically and psychologically a deadly blow. Yet, with unemployment already at 8 per cent or more, the Ford Administration's emphasis is on the need to face a protracted period of high levels of joblessness. There seems only dim awareness in the White House that those 7.5 million who could not find jobs last month—roughly the equivalent of the entire population of New York City—are not percentages but people.

Today's young Americans have grown up amid the traumatic divisions over the war in Vietnam and the sordid experience of Watergate. Are they now to be told that they have a rendezvous with uselessness? As these young people see their families' fiscal foundations shaken and their own economic future in question, are they expected to believe their Government's insistence that national security demands increased defense appropriations, while expenditures for social and humane programs must be cut?

Disenchantment that springs from a growing feeling of uselessness, particularly among the young, is the most serious threat to a nation's security. The best shield against such disenchantment is an effective mobilization of human resources to build a better and more equitable society. More than ever, in Franklin Roosevelt's words, "America calls for government with a soul."

SENATOR CHURCH WARNS OF RISKS IN OIL CONFERENCE

Mr. PHILIP A. HART. Mr. President, the distinguished Democratic Senator from Idaho (Mr. CHURCH) has written an important critique of the administration's proposal for a conference between the oil producing and oil consuming nations. I believe that this is one of the most comprehensive analyses that I have seen of the risks inherent in such a conference and the need for an alternative approach. I commend this article to my colleagues as an informative discussion of the complex energy issues which are before us.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 23, 1975]

COPING WITH THE CARTEL: AN ALTERNATIVE PROGRAM

(By FRANK CHURCH)

A world energy conference looms on the horizon. Under strong pressures from the French, the Ford administration is attempting to turn last year's Washington Energy Conference into a formal consumer-producer negotiation which seeks to institutionalize—and thereby legitimize—the intolerably high oil prices being imposed on the world by the OPEC cartel.

This summit strategy is fraught with error. The consumer nations are in disarray. They would have to negotiate from a position of transparent weakness. In these circumstances, any agreement coming out of such a world energy conference would bear the signature of our surrender to the oil producer cartel. So far, however, there has been little discussion of the domestic and foreign policy implications of the Ford administration's commitment to a world energy conference. This is strange, indeed, since the United States appears embarked upon a strategy that will give OPEC—the Organization of Petroleum Exporting Countries—insurance for a long, sumptuous life, rather than a strategy designed to shrink its markets and drive down the price of oil.

The administration has scheduled a preliminary consumer-producer dialogue for March, at which an agenda is to be considered for a negotiating conference later in the year. Last month, Secretary of State Henry Kissinger unveiled the American negotiating position: The oil consuming countries "should be prepared to offer producers an assured price for some definite period so long as this price is substantially lower than the current price." Although no specific figure was used, the administration has privately indicated that it has in mind a $7 to $8 a barrel price plus an indexing system to protect the oil producers against inflation. On the "or else" side, the administration has threatened the producers with a solid consumer front in the 1970s and a world oil surplus in the 1980s.

THREE WEAK LEGS

None of the three legs of the Ford administration's world energy conference strategy is testworthy.

First, OPEC cannot be expected to take seriously the Kissinger vision of emerging consumer solidarity. The industrial governments, including our own, cannot even forge strong national energy policies, let alone agree upon a united front. As long as the OPEC governments can extract more than $10 for a barrel of oil, why should they volunteer to sell for less?

Politically, these governments are all under strong pressures at home to maximize their national incomes. Whether the threat comes from a military coup or from rival politicians seeking power, no chief executive in any of these countries can expose himself to the charge that he is selling out his countrymen by giving the Western "imperialists" cheaper oil. This is no less a reality today than it was at the time of the 1970–71 Tehran and Tripoli agreements when the multinational oil companies were repeatedly told by "our moderate friends," Saudi Arabia and Iran, that they could not get by with less money for their oil than the "radicals" in OPEC. As long as the cartel is alive and well, these internal political pressures will make it quite impossible for OPEC to grant Kissinger's plea for a $2 or $3 reduction in the oil price.

Second, the Ford administration's fancied consumer alliance is a house of cards. It simply won't hold up in joint negotiations with OPEC. The following factors create an endemic division which will self-destruct the solidarity of the consumer governments' bargaining position even before they reach the conference table:

1. While the United States is still a larger oil producer than any single OPEC member, Europe and Japan are almost completely dependent upon the cartel's oil for the maintenance of their industrial economies.

2. As large importers of Arab oil, Europe and Japan have already gone the distance in disassociating themselves from the American position of support for Israel.

3. Veiled threats of U.S. military action against the oil producers have created extreme anxiety in the capitals of Europe and Japan, prompting immediate denunciations of the American President and Secretary of State.

4. With the advent of détente among the superpowers, much of the old meaning has gone out of the common anti-Communist objective that Europe and Japan shared with the United States during the Cold War.

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5. The nature of the new adversary is unprecedented, with the industrialized democracies facing not an openly hostile Communist superpower but 13 sovereign Third World nations justifying the high price of their natural resource on the basis of alleged exploitation in the past. Taken together, these factors gravely threaten the prospects for consumer solidarity.

Finally, the Ford administration's world energy conference strategy calls for congressional legislation that it just won't get. With the American economy sliding into deep recession, the Congress has concentrated on blocking the Ford domestic energy program in order to better help the American people get jobs. Seldom has Capitol Hill seen such swift and concerted opposition to a presidential program than that which congealed against Mr. Ford's oil tariffs and excise tax proposals.

According to the administration's own spokesmen, the program's higher fuel costs would have severe contractionary effects on the economy by removing $45-$50 billion of consumer purchasing power, a sum which would not be wholly returned to the American people through tax rebates. At the same time, the Ford energy program would send another shock wave of inflation through the U.S. economy—on top of the waves already generated in the past year by OPEC. Otto Eckstein, a former member of the President's Council of Economic Advisers, estimates that the Ford program would drive up the cost of living by an added 4 per cent in its first year alone. In short, Congress is in no mood for more stagflation, especially the self-inflicted kind.

The fact is that the administration's whole energy program—at home and abroad—is in sad shape because it does not address itself to the pressing need of the oil-consumer nations: the need to bring down the high price of oil.

NO FLOOR PRICE

Indeed, the Ford administration would treat the common ailment of high prices by increasing them still further, in the unrealistic hope that higher energy prices will bring forth more supply and cut down demand. To achieve these objectives, so the argument goes, we must inflict the social cost of a high energy price floor on the American people. Under present circumstances, however, the Ford program is fundamentally flawed. To begin with, the U.S. economy is an oil/automobile-based economy. Even large fuel price increases dampen demand only marginally—though at great inflationary expense to the economy, as recent OPEC price actions have amply demonstrated. According to a recent Joint Economic Committee report, a 30-cent-a-gallon increase in gasoline prices would reduce consumption by only 500,000 barrels a day. A 10-12-cent-a-gallon increase under the Ford program, therefore, could be expected to make only a small dent in present consumption, far short of meeting the President's target of one million barrels a day by the end of 1975.

Raising fuel prices is also the most expensive and the least efficient way to stimulate new oil production at home. Since the giant OPEC price hikes in late 1973, the principal limitation on the U.S. oil industry's search for additional domestic supplies has *not* been the lack of incentive. Newly discovered domestic oil is sold at the uncontrolled world price of $11-plus per barrel; for every barrel of "new" oil produced, moreover, one barrel of "old" oil, price-controlled at $5.25, may be sold at the uncontrolled price, thus making the real marginal price of "new" oil $17 per barrel. Thus it could not have been the lack of price incentive that caused U.S. oil production to decline 600,000 barrels a day last year.

The bottleneck to increased domestic oil production has so far been a severe shortage of steel pipe for drilling operations. Over the next several years, another important limiting factor may be the opposition of our Atlantic and Pacific coastal states to mushrooming off-shore oil production. These problems must be overcome as soon as possible—if necessary, by direct intervention on the part of the federal government.

But setting a high price floor under the entire U.S. energy market is the worst way to generate alternative energy supplies. The specter of OPEC cutting its price at some future date in order to undermine costly American alternative energy sources can be dealt with by direct U.S. government contract guarantees for specific investments. In this manner, we would target our subsidies—as we normally do in other cases—at far less cost to the American people than asking them to pay for all their fuel at pegged-up prices.

Indeed, Congress has already enacted legislation—the Federal Non-Nuclear Energy R & D Act of 1974—which provides $2 billion each year for the next decade for energy research and development projects and authorizes the U.S. government to guarantee the purchase price for high-cost energy investments in such high-risk alternatives as coal gasification, oil shale and geothermal power. The Senate Interior Subcommittee on Energy R&D, which I chair, will take an active role in helping the Energy Research and Development Administration select the most promising energy projects. The projects which are chosen to have price guarantees on their output will be shielded against the threat—however remote—of a sudden avalanche of cheap Middle East oil imports.

To guard against the "downside" risk that foreign oil producers might also render our high-cost domestic petroleum production uncompetitive, we must adopt a long-range national security program which does not repeat the mistakes of the oil import quota system. In the event foreign oil prices drop significantly, the United States should be in a position to benefit from the development. At the same time, we must not allow our dependency on foreign oil to increase beyond our capacity to control our vulnerability in the event of another supply interruption. To achieve these twin objectives, we should adopt an import quota system to regulate the flow of overseas oil imports. If we succeed in breaking the oil cartel, cheap imports could be allowed in the U.S. market as fast as domestic production could be shut-in on a standby basis. Direct federal subsidies, funded from the savings derived from cheaper oil, would be extended to domestic producers as compensation for the strategic flexibility gained.

In this manner, the American people would derive both the economic benefit of a cheaper foreign energy source and the strategic security of a strong oil industry at home. Unlike the former quota system and the Administration's present price floor plan, this proposal would not recklessly deplete our domestic energy resources nor unnecessarily penalize U.S. economic growth as the price for accomplishing a short-term and inflexible national security program.

THE FOREIGN IMPACT

Equally important, though as yet not widely recognized, are the adverse foreign policy consequences of the Ford energy program. As far as one can tell, President Ford misreads its effect on OPEC pricing policy.

By raising U.S. oil prices, now the lowest in the world, above existing international levels, the President would increase the basic fuel cost input in American manufactured goods. This, in turn, would increase their cost to the oil producing countries which rely on American imports. Iran, an OPEC price leader which has doubled its American imports in the past year, would probably be the first to react. With the present power that OPEC wields over the world energy market, its member countries would, at a minimum, raise their petroleum prices still higher to cover the inflationary increase, all in the name of the cartel's policy of keeping its purchasing power intact. Even worse, though less probable, is the possibility that internal OPEC pressures might lead to a decision to match the new American domestic price penny for penny.

Hoisting U.S. energy prices above the rigged world oil market would also serve to further weaken the consumer front. The Europeans and the Japanese fear OPEC's reaction to a new wave of American-sponsored inflation. Once again, Europe and Japan would bear the full impact of the higher oil prices by virtue of their great dependence on imported oil. Unfortunately, this scenario would be playing itself out at a time when world public opinion is becoming more receptive to the American perception of OPEC as tyrannizing the Third World. Amid the general confusion resulting from the Ford program and the OPEC response, the critics of "American hegemony" would gain fresh attention.

Given the present monopoly in world oil, my great fear is that the Ford administration will lead the consumer nations to the summit where our weaknesses will be exposed and magnified for all the world to see. If this occurs, OPEC can be expected to pressure our allies to accept present prices with an automatic escalator to offset future inflation. At this point, the United States could lose all control of the situation. Iran, for example, could offer France bilateral concessions in return for her support. Similar enticements could be given others. The United States might soon find itself isolated, under heavy pressure to ratify an agreement dictated by the oil cartel. Moreover, if OPEC gets its way, the world energy conference could well become the model for a "New Economic Order" dominated by future raw material cartels. In short, the dangers are just too great for the United States to engage in reckless oil summitry.

AN ECONOMIC ALLIANCE

The enormous economic power that the OPEC governments possess today undermines the dominant position the United States has maintained with respect to Western Europe and Japan since the end of World War II. Beyond our guarantee against the remote threat of Russian occupation, there is simply nothing America can offer countries like France and Italy in the near future that can affect their national existence as much as the supply and the price of OPEC-controlled oil.

As OPEC's financial resources grow, its member states are accumulating larger political influence in foreign capitals. In 1974 alone, Iran committed $8 billion in grants and loans, hard and soft, to countries in need. The Shah extended loans of $1 billion or more each to France, Britain and Egypt. By stretching out the debt of their customers, the oil producers are taking some of the sting out of their large and sudden price increases. Many of their surplus petrodollars, which some have feared would bring down our Western banks through reckless withdrawals, are instead being left in selected consuming countries as a form of foreign aid. Thus OPEC extends its web of influence over many of the same governments which would sit with us at any world energy conference.

OPEC'S PROBLEMS

OPEC is one of history's most remarkable success stories. World consumers are presently paying tribute to 13 countries, scattered across the globe, with profound economic, cultural, social and religious differences.

At OPEC meetings, for example, the Libyans refuse to speak directly to the Saudi Arabians. The two OPEC superpowers, Saudi Arabia and Iran, have an intense historical rivalry. The Iraqis are bitter enemies not only of Kuwaitis but of the Shah. There are conservative and representative monarchies, rightist and leftist military regimes, and even a democracy or two. There are Christians and Moslems of differing sects. Large discrepancies also exist in crude oil reserves, population, production costs, nonoil resources, incomes, development expectations and foreign policy objectives. Yet these manifold differences have been subsumed in the common advantage the OPEC members derive from selling their oil at a cartel price.

The key to OPEC's pricing policy for the moment rests in the hands of Saudi Arabia. As the world's largest petroleum exporter, it has been accumulating revenues far exceeding the needs of its 8 million subjects. In 1974, King Faisal's oil revenues increased fivefold to $25 billion, leaving $19 billion for foreign commitments after his allocation for internal spending. Despite a rapidly expanding budget, the king would feel no economic pinch if he ordered Aramco to cut last December's 8 million barrels a day production in half.

If U.S. government attitudes and world public opinion were not important factors, the Saudi government could increase its revenues even further by keeping more of its oil in the ground and adjusting its prices upward; smaller OPEC members desiring greater revenues would almost surely follow the Saudi lead. By the same token, Saudi Arabia has the power to lower OPEC's money supply by adjusting its prices downward; other cartel members would be forced to match the new price or lose their outlets to the world's largest exporter.

While Arabian oil imports at the present time only represent a small portion of U.S. energy requirements, the price of Arabian oil nevertheless sets OPEC's prices in the world energy markets. Since uncontrolled U.S. "new" oil prices have risen to world levels, the Saudis effectively exercise a major influence over American energy prices.

The non-Communist world is currently consuming 42 million barrels a day, of which OPEC supplies approximately 27. OPEC has so far succeeded in shutting in over 11 million barrels a day of its total capacity of over 38. During the second half of 1974, the cartel's production cutbacks were absorbed largely by Kuwait, Libya and Venezuela. The distribution of these cutbacks resulted primarily from the unwillingness of these OPEC members to bring their prices down in line with "Arabian Light" crude—the cartel's pricing benchmark.

Nevertheless, world demand for petroleum has continued to fall with the deepening world recession this year. In January, Saudi Arabia and Iran, the relatively low-priced OPEC producers, have each had to take 10 per cent production cutbacks. With tanker rates depressed, Libya is no longer in a position to dictate the price it wants and has been compelled to accept the most drastic production slashes within OPEC.

If the world economy continues to sag and demand for petroleum falls further, OPEC will experience considerable strain if Saudi Arabia does not absorb most of the production losses. Otherwise, OPEC might well fumble if its members were forced to agree on sharing production cutbacks. If the world economy returns to a reasonable growth pattern, however, the allocational dilemma that OPEC is experiencing will increasingly be resolved by rising petroleum consumption in the United States, Europe and Japan.

THE ALTERNATIVE

The issue, then, is: How do we break out of this vicious circle? A realistic policy must concentrate on three lines of action:

First, we must deny OPEC nations their guaranteed access to our markets. Existing arrangements between individual OPEC governments and the international oil companies do not serve this objective.

In order to break up this cozy arrangement, Congress should create a Federal Purchasing Agency to buy foreign source oil—and then allocate it among domestic refineries on a geographically equitable basis. Such a federal corporation could maximize U.S. bargaining leverage by negotiating directly with foreign producers who want access to the U.S. market. It could seek sealed, competitive bids, shopping around for the cheapest oil, not bound by traditional contractual arrangements such as that of Exxon and Mobil in Saudi Arabia as well as in Iran. As matters now stand, the two largest OPEC producers have effectively foreclosed price competition as a result of Iran's requirement that it automatically be paid as much for its oil as Saudi Arabia. The competitive mechanism of the Federal Purchasing Agency would encourage price-cutting among foreign oil exporters who want a larger share of the American market.

Secondly, we must have a real gas conservation program which comes to grips with Detroit. Significant savings in gasoline will come only with the sale of more small cars. Currently, the average gallon consumption of a U.S. automobile is 13.1 miles per gallon. By raising this average to 15.7 miles, we can save 1.4 million barrels a day. By raising it to 18 miles per gallon, we can achieve a 2.5-million-barrel-a-day cutback in imported oil, a far larger reduction than President Ford hopes to achieve by 1978.

I would have Congress place an excise tax on gas-guzzling passsenger cars, coupled with a tax rebate on the purchase price of smaller makes that give higher mileage. Instead of pouring an additional $2 billion into highway construction, I would amend the Highway Trust Fund to permit cities and states to use a bigger percentage of their share of the Trust Fund for mass transit purposes. However, I support the administration's plans for improving the insulation of buildings.

Most important, we must launch a massive national program to increase domestic energy supplies from coal, oil shale, tar sands, nuclear fusion, solar and geothermal sources. Harnessing the vast human resources of this nation, we can meet this challenge just as we met the challenge of the Manhattan Project and the Apollo program. We must not forget that America is the Saudi Arabia of coal; once we overcome the present technical and environmental difficulties, coal will provide us with a reliable energy source for centuries to come.

Of course, full utilization of U.S. petroleum resources, including those on the Outer Continental Shelf and in Alaska, must be a major component of our development program. No demand restraint measures can exert sufficient pressure to break the cartel if not combined with an aggressive policy of supply stimulation.

As we reduce consumption and expand supply in these ways, the Federal Purchasing Agency could effect corresponding cuts in our foreign oil imports. No drastic shortage of fuel, no dreaded rationing, need result from such an approach. Furthermore, we could adopt this program without fear of worsening the recession or postponing recovery. I would favor more aggressive measures, calculated to bring faster pressures to bear on OPEC, but it is obvious that neither the Republican administration nor the Democratic Congress is prepared to ask the American people for the kind of belt-tightening such a course would demand.

If we wed our conservation gains to a receding level of imports, and add a crash program to maximize U.S. and non-OPEC oil production, OPEC will be faced with the prospect of a steadily shrinking market.

By the same token, the U.S. government should be as interested as the British government in the speed at which North Sea oil can be developed. Making Britain self-sufficient in oil not only aids a major ally financially but removes from the market a major consumer of OPEC oil. The same applies to Mexico and other important emerging petroleum producers. Every new producer helps to diversify global oil supplies and increases the difficulties for OPEC in allocating production. Some OPEC governments will feel the pinch sooner than others. We should eventually begin to see the first crack in the cartel price structure, as weaker members compete to maintain their market shares.

While there is no guarantee that this alternative program will break OPEC, the Administration's world energy conference strategy runs a double risk. If it succeeds, the oil consuming nations will legitimize the monopoly prices of the oil producer cartel. If it fails, consumer solidarity will be shattered, inflicting unnecessary damage to our long-standing relationships with Europe and Japan. My proposal would avoid these pitfalls while offering a reasonable possibility of stimulating centrifugal forces within OPEC. If it succeeds, OPEC will begin to disintegrate; if it fails, the costs are minimal.

KUWAIT CELEBRATES INDEPENDENCE

Mr. HARTKE. Mr. President, I would like to bring to the attention of my colleagues that yesterday, February 25, was the National Day of Kuwait, an independent nation in the northwest corner of the Arabian Gulf.

The discovery and development of oil in Kuwait illustrates the impact of this energy source in creating a social revolution, capable of changing the standards and lifestyle of the Kuwaiti people that have dominated the society for centuries. Today Kuwait has 10 hospitals with 3,505 beds, 40 dispensaries, 36 dental clinics and 148 school clinics, where all the services are free to all citizens and residents. Kuwait also boasts of 90 elementary, 68 intermediary, 21 secondary schools, and a university population of over 3,000 students. The total expenditures on public education are over $120 million or 5 percent of her gross national product.

Significantly Kuwait is the world's largest donor in terms of gross national product. Kuwait estimated net official development aid—ODA—disbursements amounted to $240 million, 7.5 percent of GNP, in 1971; $138 million, 3.5 percent of GNP, in 1972; and $207 million, 4.8 percent of GNP, in 1973. Including its purchases of World Bank bonds, Kuwait's aid amounted to 6.10 percent of GNP in recent years, to which should be added sizable private investments in a number of developing countries, making Kuwait by far the world's largest donor in terms of GNP. In 1974 Kuwait's subscriptions to multilateral institutions and to Arab and African countries amounted to over $1 billion, or more than 10 percent of Kuwait's expected oil income this year of $8–9 billion. Over 90 percent of Kuwait's aid has been in the form of grants, mainly on a bilateral basis.

The largest aid category is financial grant assistance to Egypt, Jordan, and Syria. Kuwait also has for many years

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provided grant assistance to the Arab countries of the Persian Gulf, averaging $6 million annually through the General Authority for the South and the Arabian Gulf. Kuwait also established the Kuwait Fund for Arab Economic Development, the first development fund in the Arab world, created in 1961 as an autonomous agency of the Kuwait Government.

I take this opportunity to salute and congratulate the Amir Shaykh Sabah al Salem Al Sabah, Prime Minister Shaykh Sabir al Ahmad al Jibir Al Sabah, the government, and the people of the State of Kuwait on her national holiday.

MRS. SARAH A. ROUNDS—OLDEST FOSTER GRANDPARENT

Mr. PELL. Mr. President, today I would like to share with my colleagues a truly inspirational story from the February/March issue on Aging.

Mrs. Sarah A. Rounds is Rhode Island's oldest foster grandparent. She is 90 years old, and she has worked in this fine program for 7 years. She has shown great determination as a foster grandparent, as this article indicates.

That the foster grandparent program attracts volunteers as concerned and as thoughtful as Mrs. Rounds is a tribute to the great worthiness of this project, in which older adults help small children in a very personal and effective relationship.

Mr. President, I ask unanimous consent to have the article in Aging magazine regarding Mrs. Rounds printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NINETY-YEAR-OLD GREAT GRANDMOTHER OLDEST RHODE ISLAND FGP

Mrs. Sarah A. Rounds has the distinction of being the oldest Foster Grandparent in Rhode Island, having served a project since its inception in 1968.

Last Mother's Day, Mrs. Rounds was found unconscious in her home, the victim of a heart ailment. Now, however, she is working 20 hours a week at the J. Arthur Trudeau Memorial Center and says she has no plans to retire.

Mrs. Rounds also spends her time cleaning house, taking walks, and shoveling snow when needed.

Like the other 63 Foster Grandparents in Rhode Island, 10% of whom are men, Mrs. Rounds is taken to work each day by bus, gets a free hot lunch, health insurance, checkups, and a $32 weekly stipend.

"Lots of people ask me what I'm doing it for," Mrs. Rounds said, "I tell them because I want to. Where else could I go with a small pension? I've kept my little home together by helping those kids out. Besides, it's not just a job, we worry about them completely."

SOUTH VIETNAM AND CAMBODIA: NATIONS OF REFUGEES

Mr. KENNEDY. Mr. President, in the course of the Congressional Study Mission's visit to South Vietnam, I hope my colleagues will have an opportunity to see first hand the massive humanitarian problems confronting the Vietnamese people.

As fighting intensifies throughout the countryside, each new day produces more refugees, orphans, and civilian war casualties. It is apparent that as the war drags on, the refugees who are fleeing their homes face the same tragic problems which existed before the ceasefire agreement. The refugees may be new, but they are leaving behind the same old battles of the same old war.

While the full extent of the war's impact upon the land and people of South Vietnam will perhaps never be known, it is apparent that as the cease-fire war continues, more and more refugees and displaced peoples will be added to the grim legacy of the Indochina war.

Last month, the Subcommittee on Refugees, of which I am chairman, released the text of a preliminary report on humanitarian problems in South Vietnam and Cambodia—2 Years After the Ceasefire.

In the report, the subcommittee estimated that since the Paris Agreements, 1,413,000 refugees were displaced in South Vietnam—818,000 in 1973, and 594,000 in 1974.

The cease-fire war raging in South Vietnam is clearly as dangerous as the old war. When the 1973 and 1974 toll of wounded and killed civilians is added to the official accounting of military casualties, 339,822 Vietnamese were killed or wounded in 2 years of fighting.

In Cambodia, the refugee situation in Phnom Penh and the countryside defies accurate description. Nevertheless, from recent newspaper reports it is painfully clear that the humanitarian problems of the Cambodian people grow more desperate each day. The Cambodian Government has virtually lost control of the countryside—leaving thousands of refugees without adequate food or shelter. What little food is getting through to the capital has not prevented widespread malnutrition, nor in some cases, starvation. Despite our Government's announcement yesterday that the United States will begin airlifting food into Phnom Penh, the plight of the Cambodian people requires more than the airlifting of food. It requires our best efforts to insure that voluntary agencies receive adequate portions of this food so that their programs can continue.

Mr. President, we have a commitment to help end the suffering of the Vietnamese and Cambodian people—not a commitment to supply ammunition so that an endless war can go on. I ask unanimous consent that several newspaper articles pertaining to the humanitarian plight of these two countries be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 26, 1975]

CHILDREN STARVING IN ONCE-LUSH LAND

(By Sydney H. Schanberg)

PHNOM PENH, CAMBODIA, February 25.—Five years of war, with the resultant shortages and astronomical prices, have finally produced serious malnutrition in this once-bountiful country—and children are beginning to die in numbers. Scenes like the following are ordinary today:

A 3-month-old infant, his body wasted by severe malnutrition, lies in a bamboo basket. An oxygen tube is in his nose and an intravenous feeding tube in his arm, which is shrunken into a twig-like thing. Abandoned in a poor section of Phnom Penh, he was found by a pitying old woman who named him Lach Sao and took him to the nearest medical facility, the Chinese Hospital. But when the hospital learned she could not pay, it stopped all treatment and discharged the infant. The bewildered woman then carried him to a center of World Vision, an international relief agency here—and despite the oxygen and the intravenous feeding it is much too late. He dies the same day.

In a World Vision clinic, Ah Srey, a 2-month-old girl, grossly dehydrated from starvation, has just been brought in by her grandmother. Ten days before they were caught in the maelstrom of a battle a few miles from Phnom Penh. In the panic, the family became separated and the grandmother found herself alone with the child. For 10 days they have been surviving on handouts and scraps or garbage. The child had been malnourished before. Now she is a skeletal horror little more than bulging eyes and a protruding rib cage. Every few seconds she produces a wail that racks her body. In three hours she is dead.

On the tabe next to Ah Srey is an older child—19 months—who is dying right now. His name is Nuth Saroeun. From his mouth comes a steady whimper and rattle. His father was killed by a rocket three months ago. His 25-year-old mother, also suffering from malnutrition (she has beri-beri and her feet are going numb), stands at his side sobbing. A doctor tries to force a tube down the child's throat to get out the mucus that is blocking his breathing. Suddenly the child utters a tiny cry that sounds like "Mak" ("Mother") and then his head slumps and he is gone.

Waves of mothers carrying gravely ill children—swollen children, children with stick-like concentration-camp bodies, children with parchment skin hanging in flaccid folds, coughing children, weeping children, silent children too weak to respond anymore—press forward every day against the doors of the relief agency clinics, desperate to get in. But there are not enough doctors or nurses or medicine or food for them all so for every 500 who come, only 200 or so can be treated—only the most serious cases.

"How do you think I feel," said a Western doctor, "having to turn away 300 from our clinic every morning?"

Sometimes mothers burst into tears in the clinics simply out of relief that they have been allowed in with their children.

But even those who can get in must surmount more obstacles. Most of the children should be immediately hospitalized, but the hospitals here are full of war wounded and there is almost no room for malnourished children. The only beds are the ones that become available when other children die in the few special children's centers here.

Americans have stepped up an emergency airlift of supplies from Thailand because the insurgents have blockaded Cambodia's main supply line, the Mekong River, but until now the cargo these planes have brought is all military aid, mostly ammunition. There has been no food.

Yesterday the United States administration announced that beginning this week the airlift would begin bringing rice to Phnom Penh—but this is only to replenish stocks and maintain the status quo. The astronomical price of rice will not change, and the many Cambodians who are hungry now will continue hungry.

There are no accurate survey figures yet, but everyone involved in the Cambodian relief effort here believes that at minimum, from the firsthand evidence, tens of thousands of children are now dangerously malnourished and that at least dozens are dying daily—most of them in and around this capital city, bursting with refugees.

Yet it is not the official refugees—those living in campus or otherwise being fed by

the relief agencies with U.S. food and funds—who are suffering most. It is instead the marginal people everywhere—those who are refugees but not registered as such, those who are trying to scrape by without a humiliating dole, underpaid civil servants, office workers, ricksha pedalers and even soldiers.

In short, it is the general population that has been driven—over five years of having to eat less and less because they lack money—to a point of critical nutritional weakness.

"They're on the brink," says Dr. Penelope J. Key, World Vision's medical director. "The children have reached the cumulative point where large numbers are being struck by a sudden deterioration. A year ago we were seeing only a few malnourished children, and these were all under 3. The numbers are large, and some of the children are 10 and 11."

Agencies like World Vision, Care, Catholic Relief Services and the Red Cross are helping—mostly with American aid—feed and provide medical care and shelter for 400,000 people in Cambodia these days. But it is nowhere near enough: At least every other person in this country of seven million is a refugee from the war.

No sight is more common here than an oxcart caravan of villagers raising clouds of yellow dust as they flee the latest fighting. Many people have been uprooted three and four times. Even new refugee settlements erected by the relief agencies are sometimes burned down by the Communist-led insurgents, and the displaced must move on again.

Cambodia before the war was a country so rich in her food produce that even the very poor were never hungry. Everyone had a piece of land and there were always bananas and other fruit growing wild and a river or stream nearby where fish could be easily caught.

A LAND OF LANDLESS NOMADS

Now it is a country of landless nomads with empty stomachs—human flotsam living amid damp and filth in the flimsiest of shanties, thatch shacks and sidewalk leantos. The countryside is charred wasteland that either belongs to the Cambodian insurgents or is insecure, so the population huddles in the cities and towns, doing marginal work that never pays enough to feed a family adequately. Growing numbers of children and adults are taking to begging.

Under the Phnom Penh Government's distribution system each person is allowed 275 grams of rice at Government-controlled prices. The World Health Organization says a bare minimum daily diet is 450 grams. This means that those Cambodians—maybe hundreds of thousands of them—who cannot afford to buy any more rice at the black market price are simply going hungry.

In early 1970, just before the war began, rice was 6 riels a kilogram on the open market. Now it is 350.

Even when people can put together enough to buy rice, they have no money left for the supplements to balance their diet—fish, beef, vegetables and fruit.

In such conditions adults usually become only weak, but children begin to fail. The children have all the classic forms of malnutrition—kwashiorkor, marasmus, beri-beri and the vitamin deficiencies that lead to blindness—but they are succumbing also in their debilitated state to pneumonia, tuberculosis, dysentery and a host of other diseases. Virtually no child arrives at a clinic with only malnutrition.

"NO EXCUSE FOR IT"

"Kids are dying who shouldn't die," said Robert Beck, a World Vision doctor. "They die in our arms. It's hard to believe. There's no excuse for it."

Humanitarian relief for Cambodia has always been given a much lower priority by the White House than military aid. Ironically, the families of foot soldiers are among the worst sufferers here. They travel with their husbands and fathers and they are often shifted to a new battlefront suddenly, without food. The pay is sometimes late. Many of the children showing up at malnutrition clinics in Phnom Penh are children of soldiers—demoralizing truth for a government that is depending on its army for survival.

Although children are starving, the authorities here say that despite the latest insurgent offensive and the Mekong blockade, food supplies here right now are "adequate" for the next month or more.

"Up to now," said a Western diplomat, "the Cambodians have shown a tremendous ability to survive their physical hardship. But their strength has been sapped. And by now they've reached their limit and are beginning to topple."

[From the New York Times, Feb. 24, 1975]

MONTAGNARDS, DECIMATED BY THE WAR, SURVIVE IN MAKESHIFT REFUGEE TOWNS

(By Fox Butterfield)

DAK TO, SOUTH VIETNAM, February 17.—Late in the afternoon the montagnard women and old men come trudging back along the highway, the women carrying wicker baskets filled with firewood, and M-16 automatic rifles. The old men carry the babies.

There are few young men left in this makeshift district capital. They were almost all killed when the North Vietnamese overran the original Dak To in their 1972 spring offensive, and in repeated attacks before that.

Now the Saigon Government has herded the survivors of Dak To and its seven component villages together 35 miles to the south of the original town on this hard-scrabble site on the southern side of Kontum City. Out of a population of 33,000 in 1972, there are fewer than 10,000 here.

In Dak Po Dan village, made up of Sedang tribesmen, there are only 10 able-bodied men left.

Their fate is the fate of many of the montagnards, the aboriginal hill tribesmen of nonethnic Vietnamese origin who have suffered more than any other group in Vietnam from the war.

LOSS OF 300,000 ESTIMATED

Although there are no really accurate statistics available, an American with long experience in the Central Highlands, where most of the montagnards live, estimates that out of the one million in 1960, there are perhaps only 700,000 today. One study suggests that about 70 per cent of all montagnards have been made refugees by the war.

And resettlement, as here at Dak To, does not mean improvement in their living conditions.

Whether by accident or design, the new Dak To was deposited on Route 14 under the menacing shadow of Chupao Mountain, an infamous, rocky outcropping where for six weeks in 1972 North Vietnamese troops kept the only road between Kontum and Pleiku blocked. Dozens of B-52 strikes and ground assaults turned Chupao into a charred, cratered hulk, but did not dislodge the Communists; they later left by themselves.

Now the Sedang tribesmen have been given Chupao to farm on. "We were told we could have as much land as we want, but it does not grow," said the village chief of Dak Po Dan, a handsome dark-skinned man with a thick shock of black hair.

The Sedang women, in their traditional long black skirts, can be seen burning the brush and cutting away the remaining jungle cover on Chupao, so they can plant corn, manioc and rice. Because of the meager harvest, however, many of them must also hire themselves out as laborers to nearby Vietnamese farmers for 60 cents a day.

The clearing of the mountain, of course, has the advantage to the Government of making it more difficult for the Communists to take up ambush positions and thus has helped keep the vital road from Kontum to Pleiku open.

The Government did provide the tribesmen with tin roofing for their houses, which are otherwise made of split bamboo, and gave them a nine-month supply of rice when they first arrived. There is also a small elementary school.

But that was all. "It is second-class treatment," said the Rev. Gabriel Brice, a French Catholic priest who has lived with the Sedang since 1947.

Neglect, if not open contempt, has long characterized Vietnamese treatment of the montagnards, whom many Vietnamese call "moi," or "savage." In reaction, in the last few months an armed rebellion of dissident tribesmen has broken out in Darlac province to the south.

A SERIOUS THREAT JUST NOW

The rebellion poses a serious threat to the Government's control in the Highlands, where many isolated garrisons are manned largely by montagnard troops, it is particularly serious because it coincides with recently stepped up Communist attacks and with sudden growth of dissent among a wide range of long passive groups, including opposition politicians and the Cao Dai and Hoa Hao religious sects.

The montagnard rebellion has not spread to Dak To, but Father Brice, a gruff, cynical man with a white beard and skin chapped by constant exposure to the sun, does not see much hope for the future. "Toujours la guerre," he said, looking out over the Sedang's houses, which all have deep bunkers around them carved into the red clay soil.

On the wall of Father Brice's church there is a religious drawing of a lamb being slaughtered. And inexplicably, it is accompanied by some Commandments written in English: "Thou shalt not steal, thou shalt not commit adultery, thou shalt not kill."

[From the New York Times, Feb. 24, 1975]

SIEGE IN CAMBODIA TOWN TRAPS 30,000 REFUGEES

(By Sydney H. Schanberg)

NEAK LUONG, CAMBODIA, February 23.—This is a town where fear has become so normal that people hardly ever talk about it any more.

They simply spend their lives underground and out of sight—sleeping, eating and sometimes hushing their crying children as they huddle in sandbagged bunkers, in trenches under their stilted houses, or deep in the recesses of half-destroyed buildings.

Even so, the shells and bullets of the Communist-led insurgents that periodically explode and whine through town find their way to the people huddled there. The casualties mount—children, women, soldiers—but always more civilians than soldiers, because the shelling and shooting are blind.

There is no Government evacuation plan for the 30,000 people, mostly refugees from the countryside, who have massed in this isolated Mekong River town 38 miles southeast of Phnom Penh. A few can bribe their way out on Government helicopters, but the rest are trapped here until whatever is going to happen happens.

A month ago, in the early days of the siege of Neak Luong, the danger was all from the insurgents' shelling. Now there are new enemies—hunger and disease.

A fraction of the civilians—about 6,000—are being fed at subsistence level by a humanitarian agency, Catholic Relief Services, whose American-provided supplies will stretch only that far. The rest of the civil-

lans are living far below subsistence, on rice gruel or less.

Every child in Neak Luong is in some stage of malnourishment. "He's the best we have here," said a Filipino nurse, pointing to a bony 6-year-old boy hanging around the small Catholic relief hospital in hope of a handout. "He's in good health by our standards."

The children gather by the dozens around a Western newsman, holding out their hands like the mendicants they have been forced to become.

SLIPPING TOWARD DEATH

Some have swollen bellies. Some are shrunken. A 10-year-old girl has dehydrated to the size of a 4-year-old. Harsh bronchial coughs come from their throats, marking the beginnings of pneumonia and tuberculosis. All have dysentery. Their noses run continuously. Their skin has turned scaly. Every scratch on their legs and arms becomes an ulcer.

Without help, these children are slipping toward death. Others have already died.

Malnutrition is serious in Phnom Penh, the capital. But in Neak Luong it will soon become a disaster unless enough food is brought in to sustain these people adequately.

Some food is supplied by parachute drops and by helicopter, but almost all of this is for the military garrison. The civilians, as always in this five-year war, have no priority.

A few shops remain open in the center of town, but their owners are acting out of habit, for they have nothing of present value to sell—only old stocks of rubber sandals, beer, flashlight batteries and toothpaste.

Even when some rice does find its smuggled way to the market, it costs twice as much as in Phnom Penh, and very few can afford to buy it.

Neak Luong is the Phnom Penh Government's last major post on the lower Mekong. There are a few military beachheads farther down the river, but their hold is tenuous.

From the start of this year's insurgent offensive on New Year's Day, the Cambodian rebels seized control of two-thirds of the 60-mile stretch of river from Phnom Penh to the border with South Vietnam. By emplacing heavy guns on the banks, and more recently by mining the water, the insurgents have blockaded the river which used to serve as the route for 80 per cent or more of Phnom Penh's vital supplies of food, fuel and ammunition—all provided by American aid.

No river convoys have made the trip upstream from South Vietnam for nearly a month.

Phnom Penh is being temporarily supplied by airlift, however, and it already had sizable stocks on hand when the blockade began. Neak Luong's stocks are marginal and the town lives from day to day.

The occasional rockets that fall on Phnom Penh bear no resemblance to the steady shelling and machine-gun fusillades that rain on Neak Luong around the clock. Every building is marked with bullet and shrapnel holes—"air conditioning" as it is sardonically called here.

Though the Government forces will probably be able to hold Neak Luong, since they have enough heavy artillery and napalm bombs to keep the enemy forces from fighting their way in, they have been unable to push the insurgents out of shelling range. In fact, the insurgents are closer than they were a month ago, particularly northwest and east of the town. A month ago, there was only shelling from a distance; now the town is a target of close-in rifle fire.

Still, there is no noticeable panic here, for Cambodians are given more to fatalism than hysteria.

"Sir, please be careful, the bullets are coming this way," a Cambodian refugee worker says politely but without urgency to a visitor.

"Our work gets interrupted all the time," says the doctor at the Relief Hospital matter-of-factly. "Rockets fall and we have to run for cover."

The doctor's wooden barracks hospital has a good deal of "air-conditioning." Even as he talks, a rocket explodes about 100 yards away. And somewhere else in town there are new wounded and dead.

In a meadow on the northern edge of Neak Luong, a dozen gravely wounded soldiers lie on stretchers, awaiting evacuation by helicopter. They wait for a long time, and as they wait blood drips steadily thorugh their bandages.

"Help me, help me," a young soldier with a bleeding stomach wound cries out again, his head tossing in pain.

A medical corpsman standing beside him bends over slightly and waves away the flies that keep gathering on the bandage.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I rise today to express support for the Genocide Convention and to emphasize the value of its indirect effects.

Acute nationalism, bred in a world too long without proper moral leadership and example, leads to exploitation of the weak by the strong—the most notorious and oft cited example being the Nazi persecution of the Jews during World War II. We, as Americans, seem to be falling prey to that same harmful chauvinism. Blinded by the veil of self-concern, we have lost sight of the benevolent goals of global coexistence which we habitually preach.

The Genocide Treaty would provide a desperately needed symbol to the people of the United States and the world. This symbol in ratification would remind Americans of an intended goal of morality in leadership and example that our Founding Fathers sought to achieve in the Declaration of Independence and the Bill of Rights. It is a morality dependent on an increased awareness of all people and peoples, which transcends all national borders.

I urge ratification as a gesture to reestablish world peace as the goal of this and all nations.

SUPPORT FOR THE EASTERN NEW MEXICO WATER PROJECT

Mr. MONTOYA. Mr. President, I am pleased to join my colleague from New Mexico in sponsoring legislation which would authorize the eastern New Mexico water supply project, which would serve several communities in eastern New Mexico. This project will make water available for the industrial and municipal uses of Clovis, Eunice, Hobbs, Jal, Lovington, Portales, San Jon, Tatum, Texico and other communities which may elect to participate.

The authorization of the eastern New Mexico water project will mean that areas of New Mexico which are on a collision course with a worsening water situation will obtain some relief. Estimates by experts in the field warn that the ground water supply, in the areas to be served by this project, will reach peak utilization by 1980, and will decline from that point on.

It shoud be noted that the water which will be provided by this project will not lead to uncontrolled growth in the area, but rather will allow service to be provided to essentially an existing population.

Mr. President, the Southern High Plains, which is the area of New Mexico which will be served by this project needs to have an assurance that water will be available to the area in perpetuity. This project would provide, on an annual basis, 40,280 acre-feet of water to the communities of eastern New Mexico who elect to participate. The water available from this project will help to conserve the ground water aquifer which currently supplies nearly all of the water used in the area for industrial, agricultural, and municipal purposes.

Mr. President, there is wide community support for this project, a necessary ingredient in any reclamation project. Also, the Bureau of Reclamation of the Department of the Interior has recommended that this project be authorized to be constructed, operated and maintained by the Secretary of the Interior. Support for this project has also come from State officials, including the distinguished State engineer, Mr. Steve Reynolds.

Mr. President, water is a commodity in short supply in New Mexico. This project holds out the promise of a new supply being available for future generations. I urge that the members of the Senate Interior Committee act quickly and favorably on this matter so that the full Senate can also act with dispatch on this very important bill.

SUPPORT FOR THE SCHOOL LUNCH AND CHILD NUTRITION ACT AMENDMENTS OF 1975—S. 850

Mr. KENNEDY. Mr. President, on February 4, President Ford announced his proposal to drastically cut federally funded nutrition programs for needy people.

The measure that is being introduced today to amend the School Lunch and Child Nutrition Act is specifically designed to continue those vital food assistance programs.

Across the Nation 650,000 women, infants and children receive diet supplements under programs the President plans to eliminate; 2.5 billion school lunches are provided annually to needy school children under the school lunch program that the administration seeks to reduce; tens of millions of young children get milk in school from the school milk programs that the administration would eliminate; and meals for children in day care centers, Head Start and in school breakfast programs would be taken away if the administration has its way.

I am particularly concerned about the need to enact the legislation introduced today by Senator McGOVERN and others of us who have been long time proponents of programs to feed needy children.

Recession and inflationary problems clearly demand a vigorous program to revitalize the economy. Yet the Federal Government too often seems to believe that budget cuts must begin with those who would suffer the greatest. Nutritionists, physicians, and other health experts repeatedly insist that adequate nutritional benefits for children are required to lay the foundation for proper physical, mental, and emotional development. Denying food assistance to those young children who are most at risk is a sure way to court disaster.

Breakfast is the most important meal of the day for all age groups. It is especially important for children. Yet breakfast is the meal most likely to be missed. The failure to eat breakfast and the resulting effect upon the emotional and nutritional well-being of school age children is particularly striking. It represents a problem about which many persons are unaware, and one which cuts across all social and economic boundaries. The effect, however, is visited most severely upon those children who are most vulnerable—children from working class and poor families.

That statement appears in a report by the Massachusetts Advocacy Center on the school breakfast program in my home State.

Two years ago, less than 2 percent of all schoolchildren in the State ate school breakfasts. But the State legislature passed a law requiring all schools to provide breakfasts for needy children. Thus, failure to extend the Federal child nutrition programs means that State programs would simply collapse. That would be unfortunate.

All school feeding programs in Massachusetts' schools should reach the half million youngsters who are members of families with low incomes.

That is the reason I am so concerned about this legislation. For these amendments to the Child Nutrition Act will insure decent meals for so many children that do not receive them now.

Mr. President, I am pleased to be associated with this legislation and I intend to work for its timely passage.

EMERGENCE OF DUAL STANDARD SEEN IN BRITISH NORTH SEA OIL PLANS

Mr. DOLE. Mr. President, I wonder if this is not an appropriate time to acknowledge certain facts about the international environment that we all recognize, and that we have yet to come to grips with. We have a curious mentality in America, and I do not say it is entirely a bad thing, that prevents us from responding to or even acknowledging unfriendly acts on the part of our friends.

It is a bit like turning your head and holding your tongue when you notice one of your dinner guests pocketing the silver. In the same vein, when our friend, the Shah of Iran, leads the pack in boosting oil prices, we do not begin to wonder if he is not our friend after all. We find excuses for the action, we accept his protestations of friendship to spare him embarrassment, and we look down our noses at those OPEC states who are not so effectively represented by public relations counsel as the Shah may be.

Now that is a tradition maintained by our State Department, and they clearly love tradition, and I am not concerned here with making them unhappy.

RESPONSE TO OPEC ACTION

But when we see similarly unfriendly acts right in our own neighborhood, I think we need to recognize them for what they are.

The health of the entire world economic system today is at the mercy of the OPEC nations. If we choose not to treat hostile political acts for what they are, and respond in an appropriate manner, then we have to find some means of mitigating the effect of those acts. In the present instance, we have to come up with energy sources that are, first, cheap and plentiful; and second, not controlled by those who bear us grudges or have political ambitions, or wish us ill simply because we have been so generous toward them for so many years.

I understand that the acquisition of such cheap, plentiful, and protectable sources of energy is the purpose of Project Independence. At the rate we in the Congress are moving to accomplish the goals of that project, we may end up running our cars with rubberbands, but I know everyone's heart is in the right place, and maybe someday we will have some positive action in that area.

ALTERNATIVE OIL SOURCES

In the meantime, we are going to have to depend on such sources of energy, and specifically oil, as we can find outside the clutches of the OPEC nations.

One of those potential sources is in the North Sea in British territorial waters. As we know, a number of American companies bid for leases in the North Sea. They incurred certain contractual obligations, which the British Government would certainly have expected them to meet, and the British Government incurred contractual obligations as well.

BRITISH TAX ON NORTH SEA OIL

These companies undertook substantial financial risk to explore for oil and have undertaken further financial risk to prove discoveries and to prepare for production. Now that these risks—some of them—have paid off, and a major energy resource is about to become available, Mr. Wilson's government proposes to change the rules. Mr. Harold Lever, Wilson's economic and financial adviser, came with the Prime Minister on his recent visit, and has met with various officials of our Government and of the oil companies engaged in North Sea drilling, to say that their leases will be nationalized, either voluntarily, or by statute. And the oil will be subject to a tax, at a rate of 45 percent as announced yesterday, beyond corporate taxes and royalties.

The net result of all this is to render unprofitable in many instances ventures that might have been profitable and, thereby, energy-productive, if the British had elected to honor the commitments made when it first licensed the companies to drill in British waters.

And the most remarkable aspect of all this is that we have heard nothing whatsoever from the White House or the State Department or the entire host of proliferating bureaucracies being established to cope with the energy problem.

DUAL STANDARD SEEN

I find it especially remarkable as I look at the millions of barrels of American oil which the British Petroleum Co. is sitting on in Alaska. I find it remarkable when I consider the holdings of Shell Oil Co. in the United States. It seems to me that these and similar British holdings must be considered as the British program to nationalize the petroleum contracted for by American companies in Great Britain goes forward.

We must recognize Great Britain's desire to make a fair return on its own natural resources, and we recognize its right to do as it wishes in this matter—even if that involves abrogating contracts entered into in good faith. But it troubles me that the United States should persist in remaining subject to a dual standard of international responsibility and, I must say, of international morality.

Last fall, we heard a few murmurs about the fact that energy is as indispensable a commodity as food, and that if the United States were to be robbed blind for reduced amounts of the energy it needs, perhaps we ought to be less generous in supplying other nations with those commodities that we possess. And there was the predictable outcry against America. When other countries hold us up, they are exercising their sovereign rights. When we respond to protect ourselves, we are using blackmail.

OPEC EXAMPLE FOLLOWED

I think it is time, and well past time, to recognize that we do have some call on our friends and allies in the world. We have a right to expect them to honor contractual obligations toward our national companies as we honor theirs. We have a right to expect them to be as considerate of our needs as we have been of theirs. And we have a responsibility to pursue those expectations. Because by acquiescing in these international muggings, we invite their repetition.

Now that the OPEC nations have established a precedent, that they can threaten our vital interest with impunity, the British pursue the same course.

And they are not alone.

Canada is the major source of our imported oil. Prime Minister Trudeau paid us a friendly call a little more than a month ago, and told us he thought he might not let us have any more oil from Canada. Until that decision is made, the Canadians are matching OPEC price increases dollar for dollar. They have just increased their export charges on oil again, and we now pay $12 a barrel for Canadian oil. The people of Canada, at the same time, pay $6.50 per barrel.

Another source is immediately to our south, where substantial reserves of oil have been discovered. As soon as it was discovered, the Government of Mexico began talking to us like the Government of Saudi Arabia.

In the Norwegian sector of the North Sea, American companies are being threatened. The proposal there is to tax the take at 90 percent. That, of course, is confiscation—not taxation.

TIME TO END OUR SILENCE

We have invited much of this by our silence.

UMI

I think the time has come when we must admit that we need protection from our friends just as much as we need protection from those who are not our friends.

Mr. President, I ask unanimous consent to have printed in the RECORD a series of news clippings which pertain to, and explicate, the situation to which I refer.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Platt's Oilgram News Service, Nov. 14, 1974]

UNITED KINGDOM AIMS FOR "SUBSTANTIAL" HIKE IN GOVERNMENT TAKE WHILE KEEPING COMPANY INCENTIVE

NEW YORK October 13.—The British Labor government's oil policies are based on the "guiding principle" that the nation as a whole must benefit from the revenues furnished by its North Sea oil and gas fields, according to Lord Balogh, Minister of State for Energy.

Speaking at a Financial Times Oil Daily 'Oil and Governments" seminar here, he said that two consequences flow from this principle:

There must be a "substantial increase" in government take. (On his London departure for the seminar he had said that "a government take of 80% isn't far removed from what we are thinking about.")

The companies must be given a rate of return sufficient to keep them active in the North Sea. We want to see the North Sea developed as fast as is reasonably possible, "at least over the next years."

The British government has chosen participation as its method of achieving its oil and gas objectives, Lord Balogh said, adding that the government will retain the option for majority participation in future licenses and now negotiate for such participation in existing licenses.

He disclosed that Secretary of State for Energy has already written to all current licensees of commercial oil fields inviting them to participation talks "over the next few weeks" with the government's designated representatives (see 10/31 ONS).

Participation is the best way for the government to achieve its interests, he said, because it not only provides a "fair share" of profits but also provides direct knowledge in the operations of the oil industry.

At the same time, he added, participation is the best way of involving government in oil operations from the company point of view because it increases the cash flow through government contributions to costs and it has less effect on a company's rate of return than taxation.

The British government has established as a first priority the bringing in of oil production "as rapidly as possible" and building it up to "a substantial level as quickly as possible," the Energy Minister said. Meanwhile, he added, "we must be careful that we don't overprejudice our ability to control depletion rates later in the 1980s. . . ."

The government must eventually acquire the power to control development and production, the British official said.

He expressed full support of the British government for the OECD International Energy Program saying:

"Even though we shall be self-sufficient in oil by the end of the decade, this (international) cooperation is just as important for the UK as for other participants in the agreement."

Lord Balogh said it is necessary that existing North Sea licenses be renegotiated because "there is considerable economic rent, largely created by the quadrupling of oil prices in the past year, which neither the government nor the licensees foresaw when the licenses were issued."

Charles J. DiBona, American Petroleum Institute executive vice president, chided Lord Balogh on the renegotiation of existing leases "because they have proven to be successful." Such changing of the ground rules is inconsistent with economic theory that calls for success to be rewarded in proportion to the assumed risk and the risks taken by the companies exploring the North Sea were enormous, he said.

[From the Petroleum Intelligence Weekly, Dec. 2, 1974]

UNITED KINGDOM NORTH SEA TAX SEEN SLASHING OIL PROFIT HOPES

Speculative calculations indicate that oil company profit margins on British North Sea oil are likely to fall far short of an industry goal of at least $2 a barrel, as a result of the government's planned new oil and gas revenue tax. The profit margin could run from a likely $1.26 to an optimistic $1.78, according to reasonably justifiable numbers suggested to PIW last week by some industry sources. The $2 a barrel goal has been held necessary because of "unprecedentedly high" development costs. The government hasn't indicated what rate it has in mind for the new tax, and it won't be set officially until next spring. But calculations were being made on the basis it probably won't exceed 65% and is unlikely to be less than 45%. Other assumptions are that North Sea oil is currently worth at least $11 a barrel, operating costs will average $2 and development costs $1.50 (or effectively $2.25, since 150% of outlays will be deductible).

The new petroleum revenue tax (PRT) will clearly become Britain's chief source of revenue from the North Sea, and the present corporation income tax could even become less important than oil royalties. Should the price of oil decline to $6, company profit margins could fall to only 53¢ to 62¢ a barrel, the calculations indicate. In figuring the 52% corporation tax, interest and depreciation costs are estimated at $1.50 a barrel. Interest isn't deductible against PRT. The calculations below show how profit margins would work out with the above assumptions. (They don't show the effect of accelerated depreciation allowed on the corporation tax in initial years of output.)

	Petroleum revenue tax and assumed tax rate			
	$11 sales price		$6 sales price	
	65 percent	45 percent	65 percent	45 percent
Crude oil value	$11.00	$11.00	$6.00	$6.00
Less 12.5 percent royalty	−1.38	−1.38	−.75	−.75
Less operating cost	−2.00	−2.00	−2.00	−2.00
Less uplifted development cost	−2.25	−2.25	−2.25	−2.25
Taxable base	5.37	5.37	1.00	1.00
Petroleum revenue tax	3.49	2.42	.65	0.45
Corporation tax:				
Crude oil value	$11.00	$11.00	$6.00	$6.00
Less 12.5 percent royalty	−1.38	−1.38	−.75	−.75
Less operating cost	−2.00	−2.00	−2.00	−2.00
Less depreciation and interest	−1.50	−1.50	−1.50	−1.50
Less petroleum revenue	−3.49	−2.42	−.65	−.45
Taxable base	2.63	1.92	1.10	1.30
Corporation tax (at 52 percent rate)	1.37	1.92	0.57	0.68

	Petroleum revenue tax and assumed tax rate			
	$11 sales price		$6 sales price	
	65 percent	45 percent	65 percent	45 percent
Government take:				
Royalty	$1.38	$1.38	$0.75	$0.75
Petroleum revenue tax	3.49	2.42	.65	.45
Corporation	1.37	1.92	.57	.68
Total Government take	6.24	5.72	1.97	1.88
Company profit margin:				
Crude oil sales price	11.00	11.00	6.00	6.00
Less Government take	−6.24	−5.72	−1.97	−1.88
Less operating cost	−2.00	−2.00	−2.00	−2.00
Less depreciation and interest	−1.50	−1.50	−1.50	−1.50
Total	1.26	1.78	.53	.62

PROFIT MARGIN

Some oil companies last week were terming North Sea oil no better than a marginal operation under the proposed new tax. Should the government offer "good commercial terms" for purchase of a 51% interest in the oil fields, they'd now look favorably on such a transaction, one executive says. But he makes it clear the companies expect to be compensated for lost profits on the 51% of production they'd sell. A major complication remain the fact that the government wants to keep separate its discussions of participation and the new tax rate. The companies contend the two must be considered together.

[From Platt's Oilgram News Service, Dec. 9, 1974]

UNITED KINGDOM TELLS ITS PLANS FOR PRODUCING, REFINING, UTILIZING NORTH SEA OUTPUT

LONDON, December 12.—The British government's policies for producing, refining and marketing North Sea oil were disclosed by Secretary of State Eric Varley here today.

The government wants production built up "as quickly as possible" to a level of 2-million to 2.8-million b/d by 1980 and 2-million to 3-million b/d throughout the 1980s.

It expects that two-thirds of the output will be refined in the UK, which means that refining capacity should reach 3-million b/d in the early 1980s, compared with about 2.8-million currently. At the same time, the government is looking for an increase in upgraded refining capacity to produce more light ends, such as gasoline and naphtha, to cut imports of these products.

The remaining one-third would be used domestically or exported. "There will be a ready market in Europe and elsewhere for the remainder and we shall be able to get the benefit of the sulfur premium," Varley said.

Varley promised that the government's production policy wouldn't mean delays on development of finds already made up to the end of 1975 under existing licenses. If delays on finds made in 1976 or later proved necessary, there would be full consultation with the companies, he added, "so that premature investment is avoided."

Also, he said, there won't be any cuts in production from current or 1975 discoveries "until 1982 at the earliest or until four years after the start of production, whichever is the later."

As for oil found after 1975 under an existing license, there would be no production cuts "until 150% of the capital investment in the field has been recovered," Varley said.

Wherever production cuts are necessary, they would "generally" be limited to 20% "at most," he added.

Varley said that authority for his office to control production rates would be requested in forthcoming oil legislation. "How or when such powers may be used in the 1980s and 1990s will depend on the extent of total finds, on the world oil market and on the demand for energy," he said. There would also be economic influences to consider so the government couldn't be "expected to define, before any oil has come ashore and when large parts of the sea remain unexplored, a long-term production pattern."

In the longer term, said Varley, the British National Oil Corp., to be set up by next year's petroleum bill, "could have an important role to play in exploring areas yet to be licensed and in establishing potential fields whose reserves could be husbanded or developed quickly in accordance with the widest national interest."

This, added Varley, "is for the future, and does not affect present licenses, but I think it right to state our more immediate intentions now." He also said that production plans for any finds made in the Celtic Sea shouldn't be regarded as settled.

In his statement on refining and marketing North Sea oil, Varley estimated that oil finds of between 2-million and 3-million b/d could be worth $11.65-billion at current prices.

UK oil demand is expected to be 2.4-million b/d in the early 1980s, he said, adding: "We shall not wish—nor would it be technically feasible—to meet all our demand from North Sea. Firstly, North Sea oil is unsuitable for making bitumen and lubricating oils and some imports of heavier crude are needed for this purpose. Secondly, it is very low in sulfur . . . and the oil is likely to command a substantial premium."

Varley pointed to the advantages of refining the oil in the UK to realize the higher value of products, but he added: "This extra value is uncertain in the next few years since there may be a world surplus of refining capacity and that may tend to depress product prices."

He said "we might reasonably expect" that two-thirds of the British North Sea oil output would be refined in Britain at existing refineries and at those already planned for southeastern England.

Varley said he would seek powers in the coming oil bill to insure that refinery development in future complied with national oil policy.

[From the Petroleum Intelligence Weekly, Jan. 6, 1975]

UNITED KINGDOM STIRS FEARS OF OIL TAKEOVER WITHOUT PAYMENT

Britain's effort to stave off a threatened year's delay in development of the North Sea Thistle oil field is having an unexpected side effect: It's aroused fears in some industry circles that companies could face backdoor nationalization without compensation if they're unable to raise their share of development funds for any proven find (PIW Dec. 30, p. 8). The government assured four of the six members of the so-called "Halibut group" that it would assume development obligations of either or both of the two others—United Canso and Tricentrol—should they default on their share of development obligations for Thistle. But the assurance "does not detail any guarantee of, or obligation towards" either United Canso or Tricentrol. The government wouldn't compensate them for any of their past costs, but would take their respective 20% and 10% shares of Thistle output.

Some oilmen find it particularly galling that the financing difficulties being experienced by two of Thistle's smaller partners—and now also Burmah Oil, as well as other (p. 3)—relate in part to uncertainties over the government's "petroleum revenue tax" and negotiations to buy 51% participation in North Sea fields. Soaring costs and reduced reserve estimates are also a factor.

In the Thistle case, however, the government would step into the breach only as a last resort, acting only if no other acceptable arrangement could be made regarding assignment of any defaulting partner's interests. Should either United Canso or Tricentrol default, the other four members of the Halibut group—Burmah Oil, Champlin, Santa Fe and Charterhouse—would have first call on acquiring their stakes. These could also be sold outside, the Burmah's own financial difficulties would appear to increase the chances this might be necessary. All U.K. license changes require government approval.

The Thistle guarantee is likened by some to the rescue operations the British Government has mounted—last week for Burmah Oil, and recently for some U.K. manufacturers. They regard these moves as quite different from forced nationalization. But they concede the end result could be the same.

[From the Oil and Gas Journal, Jan. 20, 1975]

UNITED KINGDOM RETHINKING NORTH SEA TAX POLICIES

The British Labour Government is having serious second thoughts on its tax policies toward North Sea oil operators. At press time a statement was due from Paymaster General Edmund Dell outlining the government's revised attitude.

The change stems from vigorous industry opposition and outspoken criticism of the tax proposals contained in the oil-taxation bill now before the House of Commons.

The oil companies have zeroed in on the application of a flat tax rate on a field-by-field basis, saying this could only hamper future investment in the sea and make development of some of the smaller fields uneconomic. Some, notably Amoco, have protested application of the tax to older producing gas fields in the southern North Sea. Amoco has run a series of full-page advertisements in British newspapers stating its case.

In its new approach, it's believed the government will yield to some of the industry criticism, especially in its approach to the taxing of smaller fields. It's also expected to backtrack on applying the tax to the southern gas fields, since this would amount to changing the rules in the middle of the game. But no change is expected in its demand for 51% participation in the northern oil and gas fields, though that too has come under industry fire as breach of contract.

Along that line, Harold Lever, chancellor of the Duchy of Lancaster, who has been a leading figure in negotiations with the oil companies on the participation issue, startled the industry on Jan. 10 when he said in a television interview that "they (the companies) are quite free to say no and it would be effective—it is their license and we respect the contractual obligations we have entered into."

There's no coercion or pressure of any kind placed upon the companies, Lever added. "Every move the government has made," he said, "has been open and fully respectful of our contractual obligations. So it will remain."

In its bid for the 51% participation, the government reportedly has assured the companies that its majority share of production will be made available to them on a buyback basis, and at discounts to cover compensation for its share.

Lever has expressed repeatedly his government's determination to acquire the majority control over North Sea oil operations, but he always emphasizes that it must be a "voluntary" act on the part of the oil companies. With Burmah Oil Co.'s recent acceptance "in principle" of 51% participation as part of its financial bailout by the Bank of England (OGJ, Jan. 6, p. 31), Lever acquired a trump card.

The Burmah affair, the withdrawal of Canada's United Canso through sale of its 20% interest in Thistle field to Germany's Deminex, and the several cuts in various exploration programs in the sea (OGJ, Jan. 13, p. 20), jolted government officials into realization that their policies are indeed endangering Britain's hopes for self-sufficiency in oil by 1980.

While last week's statement was expected to reflect some changes in governmental approach, no precise rate of taxation is expected to be announced until late February or early March.

UNITED CANSO

The deal to sell the British subsidiary of United Canso Oil & Gas Ltd., Calgary, to Deminex is subject to approval by the company directors and the British Government.

The German firm will acquire United Canso's 20% interest in North Sea's Thistle field and 50% of Celtic Sea Block 106/28.

Details of the proposed sale have not been disclosed.

The Canadian company has holdings in Canada, the United States, Australia, and Venezuela. A Norwegian subsidiary will continue to be owned outright by the parent company and plans eventual participation in the Norwegian sector of the North Sea.

NEW PLATFORM SITES

British industry received at least one encouragement last week when the government approved three new sites for offshore concrete platform construction at Portavadie on Loch Fyne and Campbelltown (which are in Argyllshire) and at Hunterston in Ayrshire. This brings the total of platform-construction sites to 10.

In making the announcement, the Department of Energy said "oil companies no longer need look overseas for their concrete platform requirements."

The House of Commons approved the Offshore Petroleum Development (Scotland) Bill on Jan. 14 by a vote of 192–155, a government majority of 37. It empowers the secretary of State for Scotland to acquire, either by agreement or through compulsion, any land in Scotland which is needed for exploration of North Sea oil. It also removes the requirement for a public hearing on such acquisitions.

FORTIES DELAYED

British Petroleum, meanwhile, said it has revised its drilling plan for its Forties field, which is 3 months behind schedule because of weather. It intends to drill into the most productive part of the structure in hopes of bringing the field on stream next August.

The company has two more production modules to mount on the Graythorpe One platform before it can commence development drilling.

In another development, Texaco North Sea UK said it has spudded the fourth well on its part of Brent Field in British Block 3 4, a 100% Texaco holding. New site is near the center of the block about 5 miles south of 3 4–3.

The Drillmaster rig will drill the new well.

Across the way in Norway, in the extreme southern portion of Norwegian waters close to the Danish demarcation line, Amoco

UMI

Norge scored what appeared to be a significant oil discovery in small fractional Block 2/11. The structure is believed to extend into Danish waters—and, if so, could lead to development there which could add to Denmark's meager production.

[From Reuters, Feb. 4, 1975]

BRITAIN'S OIL TAX STRUCTURE WILL BE READY SOON

NEW YORK, February 4.—British Government Cabinet Member Harold Lever said his government should have its tax structure for North Sea oil companies ready by the end of the month.

At a press conference here Lever said that the new tax structure would not be connected with the government's negotiations to acquire 51 percent holdings in oil fields in the North Sea. Lever is in charge of the negotiations.

He said the announcement of the tax structure would quicken the pace of the negotiations, which are currently at an informal level.

Lever, who is in New York for discussions with bankers and oil executives, said that the British government's participation plans were in no way aimed at increasing financial gain for the British government and that the oil companies should have no fear that they would lose money because of it.

Lever said Britain wanted the participation so that it could ultimately determine how its oil was used.

[From the Oil Daily, Jan. 24, 1975]

NORTH SEA FINANCING PROBLEMS MAY BE CAUSED BY UNCLEAR REGULATIONS

HOUSTON.—Small companies are having financial problems with their North Sea Operations because the British government has not detailed future participation and taxing policies, Oil Daily's international editor said here.

Addressing a world offshore forum sponsored by the Oil Daily and three other publications, Bart Collins said although exploration and development costs in the North Sea have doubled during the last year, the price of crude oil has gone up more than 400%.

Banks are unwilling to complete normal production financing arrangements until they can make a firm computation of debt servicing, principal repayment and overall profitability of North Sea field development, he said.

Collins urged the British government to keep its promise to reveal participation and taxation details in February.

The London Financial Times, Petroleum Times and Fairplay International Shipping Weekly joined The Oil Daily in sponsoring the forum.

[From Dow Jones, Feb. 4, 1975]

BRITISH OIL NEGOTIATOR SAYS GOVERNMENT OFFERS "A FAIR DEAL" ON NORTH SEA OIL

NEW YORK.—British oil negotiator Harold Lever at a press conference here reiterated his government's position that oil companies "won't lose financially" from planned 51 percent government takeover of British North Sea oil fields.

He added that if companies don't agree voluntarily to government participation the British Cabinet will accomplish the takeover by statutory powers. He added that the companies are "under no threat."

BRITISH NEGOTIATOR AND NORTH SEA OIL

NEW YORK.—British Oil Negotiator Harold Lever told a press conference here even if statutory powers are taken by the British cabinet the same principles of justice and "a fair deal" will be applied, he said.

Lever said the British government will give the companies "full and fair payment" for its participation. The British government will pay 51 percent of future costs plus an income factor to compensate the companies for past outlays, he said.

"All we want is control of 51 percent of the vital national resource coming from the North Sea", he said.

Lever said he was willing to guarantee the oil companies "more oil than they would lose" from accepting government participation by drawing on the government's available royalty oil.

Lever said he expects the government to announce its new tax rates on North Sea oil profits by the end of the month.

"The tax rates have nothing to do with participation," he said. "Were not holding the tax rate over companies heads to get better participation deals," Lever said.

U.K. OFFSHORE
OPERATORS ASSOCIATION, LTD.,
London, September 27, 1974.

C. E. H. TUCK, Esq.,
Head of Petroleum Production Division, Department of Energy, London.

DEAR SIR: In response to your invitation, the UKOOA wishes to offer the following comments on your letter of 3rd. September, 1974 concerning the Government's proposed legislation to control certain aspects of licensees' activities on the Continental Shelf.

The past policy of HMG has been to encourage exploration in the North Sea and the success record of industry has confirmed the wisdom of this policy as well as the ability and capability of the oil industry to cooperate in achieving national objectives, when given the opportunity to do so. Industry and Government by virtue of Production Licenses entered into firm contracts within the framework of existing laws and Regulations, which were believed binding for the full licence term and major obligations were undertaken on the basis of confidence in the integrity of contracts.

From the first days of exploration for gas in the southern part of the North Sea, industry has accepted the challenge and the financial risk of operating at the limit of current technology in a hostile environment which has grown increasingly severe as the search moved northwards.

Your letter of 3rd. September must be interpreted as a proposal to change a highly successful policy, and to legislate amendments to contracts (i.e. Licences) under whose terms companies and groups of companies have made heavy expenditures and have committed to high future investments.

Industry accepts that it may be necessary, and at times mutually beneficial, to modify legislation where it can be shown that the rules are inadequate or are not achieving their original purpose, but we submit that:

1. Government and industry have had an outstanding history of co-operative effort in relation to legislation and regulations and it is disappointing that the major changes comtemplated are proposed without adequate prior consultation and, further, that only a few weeks have been given to respond on matters of such vital importance.

2. The proposed legislation, which reflects a change in basic concept and fundamental policy, will in our view undoubtedly result in a slow down of activity due to the present and future uncertainties introduced, and will thus not contribute to the government's declared objective of making the U.K. self-sufficient in oil at the earliest possible date.

3. Once the Government enacts retroactive legislation, which would unilaterally amend existing contracts, a basic uncertainty and lack of trust would result between the Government, industry, and its sources of finance. Such loss of confidence and incentive would certainly be difficult to restore.

We agree that, if an industry does not carry out its agreed undertakings, government has not only the right but the obligation to take action and if necessary impose controls. However, we consider that the oil industry to date has conscientiously and effectively fulfilled its obligations.

We are not at this time in a position to submit a representative industry commentary on the 15 specific proposals listed in the attachment to your letter, because it is already apparent that considerable divergence of opinion exists as to the correct interpretation of some of the proposals. We accordingly suggest an early meeting to clarify the Government's intentions and assist us to prepare constructive comments.

Following this we would be ready, as in the past, to co-operate fully with the Petroleum Division in arriving at a framework of new regulations which would be acceptable to both the Government and Industry.

Your faithfully,

J. J. REYNOLDS,
President.

DEPARTMENT OF ENERGY,
London, September 3, 1974.

U.K. OFFSHORE OPERATORS ASSOCIATION,
London.

DEAR SIR: In his recent Statement of Government policy on offshore petroleum development, the Secretary of State for Energy said that amongst his proposals were new powers over licensees to control various aspects of their activities. I attach a note which sets out what we have in mind. Ms will be clear, the intention is to apply these changes to existing licenses by legislation. Licenses issued in future rounds would also be subject to these new arrangements which would be incorporated in Regulations made at the time. We shall need to consider later whether other changes are also desirable for future licenses.

The list is not necessarily exhaustive. There are some further aspects of royalty policy on which we have not yet formed a final view. Some minor and tidying-up changes in the present regulations may also be necessary. And we shall also want to take account of any suggestions for further changes made to us as a result of our consultations. Treatment of land licenses is still being considered.

I should like to emphasize that the Government is anxious to have the industry's views before deciding on the implementation of these proposals and to give full weight to the industry's legitimate interests. It would therefore be most useful for us if you could send us, if possible by 1 October, any comments you wish to make on our proposals or on any other changes you would like to suggest.

Your sincerely,

CLARENCE TUCK.

Enclosures.

1. CONTROL OVER THE RATE OF PRODUCTION

The Government proposed to take power to control the level of production in the national interest (in addition to the powers proposed in paragraphs 5 and 6 below). We recognize the importance of this question to the industry and would especially welcome their comments about how such a control could be operated most efficiently and equitably. In particular we recognize the industry's desire to achieve a reasonable level of profitability and to borrow to finance developments on reasonable terms, and invite suggestions about how to reconcile these objectives with the Government's ability to exercise effective control over production where necessary.

2. INTERIM DETERMINATION OF ROYALTY

The Secretary of State would be empowered to impose for all production where royalty value is disputed an interim settlement of the value of petroleum for royalty purposes, and to receive payment based on that value, until final determination of the value is made. This will involve the application to licenses issued under the first three rounds of the 1971 Amendments to the Petroleum Production Regulations. When the final value has been established, any necessary adjustment would be made to correct previous over or under payment.

3. REMISSION OF ROYALTY

The Secretary of State would be empowered to remit royalty in whole or in part in order to encourage production which would not otherwise in his judgement be commercial. Notwithstanding the total or partial remission for a period, the Secretary of State would have power in respect of royalty for a later period to restore the full rate or further vary the rate.

4. ROYALTY IN KIND

The Secretary of State would be empowered to demand royalty to be paid in kind. Notice would be given of such intention an appropriate time before the start of the relevant royalty period, and similar notice would be given * * * of any financing agreement which the licensee had previously made.

The Secretary of State would be empowered to call for exploration programmes where in his opinion there was insufficient activity, to reject the proposed programme if he felt it to be unreasonable and unsatisfactory, and to revoke the license if no reasonable and satisfactory programme were implemented. Since most licensees would be unwilling to retain and pay for a block where there was little chance of a discovery, or to do nothing where the prospects were good, it is unlikely that this power would have to be used very frequently; but it would be necessary in a case where for one reason or another a licensee having completed his initial obligatory programme was unable, or unwilling, either to carry out further necessary work or to surrender his licence, voluntarily. Our general intention is only to ensure that as much exploration is carried out as may reasonably be expected of conscientious and efficient licensees.

5. DEVELOPMENT PLANS

The Secretary of State would be empowered to have development plans for all fields submitted to him for approval, to reject them if they were not in accordance with good oilfield practice, and to require revised plans to be submitted.

7. OWNERSHIP OF A LICENCE

The Secretary of State would be empowered to revoke a licence in the event of any substantial direct or indirect changes in the ownership or control of a licensee. We are proposing a power to revoke because it does not appear practical to require prior formal authorisation of all substantial changes in the ownership or control of a licensee. We are however willing to consider ways of reducing or eliminating the need for the sanction of revocation. There would for example be provision for giving the licensee an opportunity to reverse or modify changes of which he was not aware in advance. The Secretary of State would issue informal guidelines as to what changes of ownership or control he would regard as substantial so that licensee could as far as possible consult well in advance about any such proposals.

8. AGREEMENTS WITH THIRD PARTIES

Any arrangements whereby a party other than the licensee shares directly or indirectly in the profits of a licence would need to be submitted to the Secretary of State for his approval. The purpose of the power would be to give the Secretary of State an opportunity to monitor, and if necessary, control, illustrative and royalty agreements. The status of such agreements already in existence would not of course be affected and our general policy on illustrative agreements will be unchanged.

9. CHANGE OF OPERATOR

The Secretary of State would have power to require any proposed change of operator to be submitted to him for his approval. The Secretary of State would not unreasonably withhold such approval, and the power would not be used in such a way as to impede arrangements for the unitisation of a license. Present operators would of course be able to carry on without this approval.

10. PROVISION OF INFORMATION

The Secretary of State would have power to require a licensee to give him any information which he may specify relating to the licensee's operations. This power would cover financial as well as technical or geological information and information about purchasing policies and purchases of goods and services for UK offshore operations. It would also give the Secretary of State a reserve power to appoint an auditor or assessor to inspect a licensee's books and records where necessary.

11. RELEASE OF INFORMATION

The Secretary of State would be empowered to authorize the release of geological, technical and scientific information supplied to him along the general lines of the provision laid down in the 1971 Amendments to the Petroleum (Production) Regulations 1966.

12. CIVIL LIABILITY

All licensees would be required to satisfy the Secretary of State at any time that they had entered into arrangements which will ensure the * * * course of his operations at that time. This power would be deliberately phrased to allow licensees to make such arrangements as they and the Secretary of State considered to be appropriate for the peculiar circumstances and needs of each licensee. For instance, the power for pollution damage if arrangements made under it by a licensee were satisfactory to the Secretary of State; and would enable guarantees or bonds to be used if appropriate rather than straightforward insurance. The power would be such as to allow the licensee's insurance or other cover to evolve in step with the needs of his operations at any time.

13. FLARING AND REINJECTION OF GAS

All licensees would be required to seek the Secretary of State's permission before any gas was flared. Permission would be granted only if there were in the Secretary of State's judgment no practical alternative to such flaring. The power would be framed to take account of the possibility of an imperative need to flare gas in an emergency on safety grounds, in circumstances when it would not be practical to seek and obtain permission. The Secretary of State would also require proposals for the reinjection of gas to be submitted to him for his approval.

14. NON-FUEL USE OF GAS

The consent which S9 of the Continental Shelf Act 1964 requires the Secretary of State to give to supply of gas landed in the UK, if it is for non-fuel use, will be made discretionary, i.e., the Secretary of State will be empowered to give or withhold consent. This will put non-fuel use on all fours with other possible uses of Continental Shelf gas.

15. PIPELINES

The Secretary of State would have new powers over the construction, development and use of offshore pipelines. The powers would be independent of the license terms and would be directly applicable to any party engaged in the relevant activities. The chief features of the proposed legislation are as follows:

(i) the construction of all offshore pipelines would require the authorisation of the Secretary of State;

(ii) the Secretary of State could require lines to be constructed so that third parties might use them; or could require third party use, at charges fixed if necessary by him, in a pipeline already constructed. The provisions would facilitate the development of smaller fields and help to reduce the number of lines built;

(iii) the Secretary of State would have power to require measure to control pollution;

(iv) the Secretary of State would have power to impose requirements as to safety and health of workers, and as to construction standards;

(v) the Secretary of State would have power to call for any information about the operation, ownership and finances of a pipeline, on the same basis as information about production and exploration;

(vi) arrangements under which a person other than the pipeline owner shared in the profits of a pipeline would require the approval of the Secretary of State, who could give it subject to conditions.

WHAT ARE THE POLICY OPTIONS OPEN TO THE NEW PRODUCERS?

(Speech by Lord Balogh, Minister of State for Energy)

It is an honour and a privilege to have been asked to deliver the Opening Address at the Financial Times and Oil Daily Conference.

Having been an obstreperous academic critic, I have in my new incarnation acquired some first-hand knowledge of the subject of this conference from the Government side. The process of having become a Junior Minister at a time when my advancing years would normally have called for me to become less rather than more responsible is a strange one. I apologize in advance to those whom my transformation to a model of reticence and circumspection will surprise.

The theme of the Conference "Oil and Governments" could hardly be more opposite or important at a time when producer countries, oil consuming countries, and not least those countries who are, or hope to be self-sufficient in energy, all face major problems.

Turning now to the 'policy options open to new producers', their emergence reminds us of an important change taking place in the distribution of the oil-producing industry. Traditionally the consuming countries of Western Europe have drawn all or nearly all their oil supplies from unstable areas, with very low oil demand of their own, mainly in the Middle East. Recent discoveries in and around the North Sea—which we owe to the enterprise and technological skill of the oil industry—have transformed this prospect. It now looks as if the United Kingdom can become, by any standards, a major oil producer.

It is exceptionally difficult to estimate our future reserves and we are confronted here with the limits of technology and unforeseen difficulties may occur. On the other hand, we might have a breakthrough in being able to exploit more fully existing reserves and get access to new reserves at depth. This explains the very great discrepancies between estimates. My Department has been very conservative, and rightly so, as the plans must be founded on certainty rather than surmise. I myself have criticized this tendency when in opposition, but I quite understood it then and I understand it now and I have been transferred into a more responsible position.

We hope that by the beginning of the next decade we shall be able to produce 2–3 million barrels a day. That is to become more than self-sufficient. It will raise our status as oil producers to the level of Iraq, Libya and Canada. Professor Odell, whose estimates in the past have been surprisingly accurate, predicts an output of 8–10 barrels a day for the whole of the shelf—that is including Norway and other countries. There is at the moment, however, no firm evidence that these estimates can in the foreseeable future be converted into reality. As I have said, the UK is not the only country in this newly discovered territory. Norway will soon pro-

duce much more oil than she needs and has recently forecast production of 1 million barrels a day in the early 1980's; her ultimate potential is almost certainly much higher than this. The Netherlands have the biggest gas field in the world. As exploration intensifies, other neighbouring countries, like France, Denmark and Ireland, may also find substantial quantities of oil or gas.

If this change is important to the oil industry, it is vitally important to the countries themselves. Perhaps the most striking thing about the oil industry is the vast size of the sums involved. We expect by the beginning of the next decade to be producing, if current prices continue, oil to the value of £5,000 million a year or even more. The total value of oil reserves on the UK Continental Shelf at present prices could with further probable discoveries amount to more than £100,000 million. The balance of payments advantage we get will also be measured in thousands of millions of pounds. There will be big new opportunities too for our offshore supplying industry and encouragement for the growth of technologically advanced industries, like the petrochemical industry, in the U.K.

In short, the discovery of North Sea oil is perhaps the most important economic development in the UK since the Industrial Revolution. It is something on which we must get our policies right. If we go too far one way or the other, the penalties we have to pay as a nation could be very great. Hence, the intense public debate about it during the past two or three years and hence the high priority which the present Government has given to it.

The guiding principle of our policy is this. The nation as a whole must enjoy the participation in revenues furnished by the North Sea fields. There can be no doubt that at the moment there is considerable economic rent, largely created by the quadrupling of oil prices in the past year, which neither the Government nor the licensees foresaw when the licenses were issued. And this rent has accrued on a scarce and valuable resource, and one which by an Act of Parliament going as far back as 1934, belongs to the nation. We wish to end the period of uncertainty as soon as possible. We regret that the complexity of the problem has prevented us acting as quickly as we would have wished. I can assure the companies, however, that we shall do our utmost to be fair and say to the American companies in particular, that their interests will be safeguarded in strict equity with those in which British involvement is present.

From this guiding principle, two consequences flow. The first is that there must be a substantial increase in Government take. The Chancellor of the Exchequer will introduce into the House of Commons later this month a Bill to give effect to the new profits tax foreshadowed in the White Paper we published in July and in his Budget speech. The Secretary of State is inviting the companies to talks on participation, a subject I shall deal with separately. As to the rate of the tax, which has not yet been announced, it will be designed to get a fair share of benefits for the nation—while also giving the companies a fair deal. I hope that this assurance will be taken in the spirit it is given.

The second consequence—and this is one I want to emphasize—is that we intend to leave the companies a rate of return on their investment sufficient to keep them active in the North Sea. We do not want to do anything to discourage the companies. As I said earlier, we recognize and respect their considerable technical achievements in the North Sea and we hope we shall continue to have the benefit of their skill and expertise in developing it. Prospective profits even on the most conservative basis are such that this is, I am sure, consistent with a big increase in Government take and I would mislead you if I implied anything else. But we do not intend the increase to be so big that it will leave the companies with insufficient profits to retain their interest. Anything else would be against the interests of the United Kingdom. For the fact is that we and the companies have considerable identity of interest. We both, at least over the next years, want to see the North Sea developed as fast as is reasonably possible. In short, we intend to give a fair deal both to the nation and to the companies.

Our chosen method for doing so is participation. The White Paper issued in July said that it would be a condition of all future licenses that the State should have an option of majority participation, and that the Government would be inviting holders of current licences to negotiations to discuss majority participation in them also. The Prime Minister announced when the new Parliament met that Mr. Harold Lever would be in charge of the detailed negotiations assisted by Mr. Edmund Dell, who chaired the Public Accounts Committee, whose report on oil has become one of the classics of Government papers, and myself. I can now tell you that Eric Varley, the Secretary of State for Energy, wrote yesterday to each of the licensees for the oilfields so far declared commercial, to invite them to such talks with Mr. Lever over the next few weeks. We naturally hope that the negotiations will be quick and successful.

Why do we think participation is the best way of achieving the interests of the State and the companies? For the State it has the enormous advantage of not only providing a fair share of profits, but also giving it direct knowledge and expertise in the operations of the oil industry. Regulation from without, by edict, can never be as satisfactory for us as direct participation, as a partner, in the licence. Virtually every other oil-producing country in the world has therefore adopted participation as the right way for the State to involve itself in the operations of its oil industry. I can mention, outside OPEC, such countries as Norway, the Netherlands, Denmark, Australia, New Zealand, and the Canadian provinces. All the oil—and gas—producing members of the European Economic Community have participation in oil and gas in one form or another. So we are doing nothing very new or radical. We are following, not setting, examples.

I said that participation is also the best way from the company's point of view of involving the State in oil production. This is because the State contributes to costs, that is it increases the cash flow—a consideration of increasing importance in the North Sea today. Depending on the detailed terms agreed, the effect of participation on a company's rate of return can be much less than the effect of tax. Indeed, we would really like to regard participation as a form of partnership between public and private sectors to which each has something to contribute and from which each has something to gain. Perhaps I can emphasise one or two things about participation as we see it to dispel any possible misunderstandings. First, we hope to establish successful cooperation with the companies on participation. Secondly, we shall not discriminate between companies. Thirdly, we shall be very willing to listen to any proposals the companies put forward designed to make participation work on a fair and equitable basis. Finally, it must not be forgotten that capital depreciation which will be handled in an equitable way is perhaps the most important factor in determining internal rate of return.

This brings me to another topic which all new producers have to face: the problem of Depletion Policy. This is a subject which can raise a good deal of public interest because it is closely linked to that rather emotive word conservation. I do not wish to in any way underestimate the importance of conservation, but question whether it can ever be seen separately from broad aspects of economics. Oil and gas can only be used once. The objective of a depletion strategy is to ensure that they are used when they give the most benefit—this means balancing a high level of benefit over a shorter period against a lower level of benefit over a longer period. To do this, it is necessary to try to visualize the time when the production of hydrocarbons is declining or has ceased, as well as the time when a high rate of production is possible.

But having stated the broad objective, it is essential to underline the importance of the problem of uncertainty. There is uncertainty about the size of the reserves: this is very well illustrated by a glance at the bottom row of figures in a table* produced by my Department for a report to Parliament in May of this year. It showed estimated United Kingdom reserves in the areas already licensed running from a proven total of 895 million tons through probable and possible figures to a total for the three categories of roughly 3,000 million tons. We now know that we can count on much more than the lowest of these figures. But we are faced with great uncertainties in the range of reserves, as Professor Odell's recent calculations show, and the choices facing us could vary enormously between the extremes. Moreover, there is uncertainty about medium and long-term trends in world oil and gas supplies and their prices. The events of the last couple of years make it unnecessary to elaborate this point further.

But whilst it is necessary to consider the objectives of depletion policy and to emphasize the problem of uncertainty, we must be realistic. That we need oil is undisputed; the industrialized countries used oil for 57% of their energy needs in 1973 and it accounted for 46% of Britain's energy consumption in the same year. Whilst some degree of substitutions as between fuels can be undertaken, this tends to be a long term process. For example, one can decide to build more coal-fired or nuclear power stations in the future, to reduce dependence on oil for electricity generation. Such decisions have no effect on oil consumption now. One can also endeavor to save all forms of energy, oil amongst them, by improving the efficiency with which it is used. That is why the Government has set up the Advisory Council on Energy Conservation, which held its first meeting recently.

None of this alters the fact that there is no alternative for us at present but to rely very heavily on oil for our energy needs. Last year we used around 100 million tons, all of it imported. This dependence on imported oil puts the well-being of our industrialized society at risk in two ways. First, as we found out last winter, a shortfall in supplies can cause very great difficulties; any prolonged shortfall poses a serious threat to the entire functioning of our society. But, as we also found out last winter, and have been finding out ever since, even assured supplies, (and our present supplies are not assured even at the huge price we now have to pay) are a heavy burden on the balance of payments and thus on the standard of living of each and every one of us. In the first nine months of this year the cost of net oil imports was £2,000 million.

Against this background, our first priority is to bring production of oil in as rapidly as possible. We reaffirm the Government's determination as expressed in our White Paper to ensure that oil production from the Continental Shelf is built up to a substantial level as quickly as possible. The reality is that we must have this build up to indigenous production to ease our balance of payments problem and to increase our security of supplies. But within this constraint we must be careful that we do not over-prejudice our ability to control depletion rates later in the 1980's should we be fortunate enough to prove to have very large reserves, and should a conservation policy involved control over rates of depletion appear to be advantageous to Britain and her trading partners.

*Department of Energy—Production and Reserves of Oil and Gas in the United Kingdom. Page 15.

But all this is on the widest national and international plane, and I should now turn to another dimension which has a strong bearing on the options facing us or any other new producer of oil. If we are to contemplate the ability to control rates of depletion of oil and gas, this means taking powers to do so—every producing country does this. At the moment our principal method of exercising choice has been in the timing and extent of licensing rounds. To this we must add the ability to control development and production. But the exercise of these powers must be harmonised both with the interests of the companies and the technical needs of maintaining and increasing recovery ratios. They will not be used in an arbitrary fashion. We are about to announce publicly how these powers will be used so that firms can plan sensibly and banks lend in the knowledge that their security will be safeguarded. We intend to minimise uncertainty about the Government's policy towards a great asset. We want to assure the maximum possible confidence about our intentions to those directly involved in the North Sea, to their creditors and our trading partners, but above all to the British people. We shall, therefore, have regard to the interest of companies who have invested or who are contemplating investment in offshore oil. We must have regard to the interests of banks, who may be called upon to finance development. We must have regard to the industries supplying equipment. As I have said earlier, we intend to leave the companies a rate of return on their investment sufficient to keep them active in the North Sea and commensurate with the risks involved in these operations.

I should now like to make some brief reference to the International Energy Agreement—to be signed in a few days' time—in which most of the major oil consuming countries will now be participating. We welcomed the initiative of Dr. Kissinger last year which resulted in the Washington Energy Conference being held. We welcomed too, the setting up at that Conference of the Energy Co-ordinating Group which has now resulted in this Agreement. We can derive some comfort that an Agreement of such complexity and detail should have been worked out in the space of nine short months and adhered to by so many countries.

The arrangements provide participants with equal ability to withstand the effects of major oil shortages for a very long period with the minimum of economic sacrifice. As you know, the Agreement provides a framework for further co-operation on energy conservation, the development of alternative sources of energy and related matters. And there are arrangements too for promoting co-operation between consumer and producer countries. We shall be looking for opportunities for purposeful discussions as well as for other forms of co-operation.

The British Government has always supported strongly the concept of international co-operation to deal with world energy problems, because it is clear that these can only be effectively tackled on a multinational basis. Even though we shall be self-sufficient in oil by the end of the decade, this co-operation is just as important for the UK as for other participants in the Agreement. It is vital to our economic interests that our trading partner should be strong. The Agreement gives powerful protection to the economies of all participants and that is why the Agreement is important to us.

May I sum up what was—because of the complexities of the problems—an unavoidably longish exposition.

We are determined—following the Manifesto on which we fought and won the recent election—to secure a large share for the nation of the discovery of British Shelf oil and gas, We shall, however, within this framework encourage oil companies to continue, indeed increase their activities in our waters, the excellence and inventiveness of whose activities we are the first to acknowledge. We have chosen participation as the main vehicle of a closer involvement in the work of exploration and development in order to secure knowhow and enable us to get automatic first-hand information on production costs and financial results. To fashion the means of implementation of this policy we shall form a British National Oil Corporation which will administer the public share in the great licensee consortia. Our tax and depreciation and depletion policy will be conceived so as to enable the oil companies to face the future with confidence and benefit fairly from past and future effort.

We shall in this way contribute to the restoration of the balance of the international energy market which has been disturbed, indeed shaken, by the sudden price-hike of OPEC. In the meantime, we are eager to participate in international physical and financial monetary arrangements to mitigate the immediate and unprecedented problems which have arisen as a result of that policy.

If my contribution to this expert forum has helped to a greater understanding and confidence in my Government's intentions and policies I shall be gratified.

Mr. DOLE. I further wish to have it noted that I have written to Senator LONG requesting that hearings be held by the appropriate subcommittee of the Finance Committee as rapidly as possible, with special concern focused on the North Sea question.

PETROLEUM CONSERVATION

Mr. BROCK. Mr. President, as the Congress considers various petroleum conservation measures, it is important that the regional effects of each be carefully studied. No one region of the Nation should be forced to bear a disproportionate share of the conservation burden. Likewise, no region should be allowed to avoid bearing its fair share of the burden.

Prof. William Johnson of George Washington University has prepared a number of tables on petroleum use and total energy use by State and by region. I ask unaminous consent that the tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1

Region	Total net petroleum and natural gas energy consumed in all nonindustrial sectors: Million Btu/capita	Rank	Total net energy consumed in all sectors: Million Btu/capita	Rank
New England	214.6	3	211	9
Middle Atlantic	180.4	6	229	7
East north-central	171.8	7	291	3
West north-central	212.9	4	270	5
South Atlantic	164.4	8	215	6
East south-central	150.7	9	273	4
West south-central	271.7	1	487	1
Mountain	219.7	2	313	2
Pacific	180.6	5	225	8
National average	191.3		287	

TABLE 2.—1972 ENERGY CONSUMPTION, BY REGION

Region	Petroleum consumed in transportation: Barrels per capita	Rank	Petroleum consumed in households and commerce: Barrels per capita	Rank	Petroleum consumed in all nonindustrial sectors: Barrels per capita	Rank	Petroleum consumed in all sectors: Barrels per capita	Rank
New England	12.6	8	14.1	1	34.1	1	36.8	1.
Middle Atlantic	12.4	9	8.5	2	25.5	2	27.1	3.
East north-central	13.6	7	5.3	4	19.8	8	21.5	8.
West north-central	16.8	3, 4	6.6	3	23.8	5	25.4	6.
South Atlantic	15.4	5	4.5	6	24.4	3	26.9	4.
East south-central	15.0	6	3.6	7, 8	19.0	9	20.5	9.
West south-central	19.2	1	3.6	7, 8	23.3	6	35.5	2.
Mountain	18.9	2	4.6	5	24.3	4	26.7	5.
Pacific	16.8	3, 4	2.3	9	21.3	7	23.2	7.
National average	15.4		5.6		23.7		28.8	

Source: U.S. Department of the Interior, "Fuel and Energy Data, United States by State and Region, 1972," Washington, D.C., 1974.

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TABLE 3.—1972 ENERGY CONSUMPTION BY STATE

	Petroleum consumed in transportation		Petroleum consumed in households and commerce		Petroleum consumed in all nonindustrial sectors		Petroleum consumed in all sectors	
	Barrels per capita	Rank	Barrels per capita	Rank	Barrels per capita	Rank	Barrels per capita	Rank
National average	15.4		5.6		23.7		28.8	
Alabama	15.0	32	3.5	39	18.9	46	20.1	47
Alaska	33.7	1	9.4	10	45.2	1	50.5	2.
Arizona	17.0	18, 19	2.7	46	20.9	37, 38, 39	22.4	40.
Arkansas	17.0	18, 19	6.5	19, 20	25.7	19	27.2	24, 25.
California	16.5	24, 25, 26	1.2	50	20.1	41	21.8	43.
Colorado	17.5	16	4.2	35	22.2	33	23.4	36.
Connecticut	12.0	47	9.2	13	30.7	9	33.7	11.
Delaware	14.6	34	9.6	9	32.9	6	43.2	4.
Florida	16.9	20, 21	2.8	45		14	30.6	16.
Georgia	17.3	17	3.3	42, 43	21.8	35	24.0	34.
Hawaii	24.5	3	1.7	49	40.0	4	39.5	5.
Idaho	16.5	24, 25, 26	7.3	16	24.7	24	26.9	26.
Illinois	13.1	41, 42	5.4	25, 27, 28	19.9	42	22.3	41.
Indiana	16.9	20, 21	7.7	14	25.0	21	27.6	21.
Iowa	15.9	27	6.7	18	23.2	29	25.4	30.
Kansas	18.2	11, 12	4.0	36, 37, 38	22.7	31	24.7	31, 32.
Kentucky	14.1	35, 36	3.4	40, 41	17.7	48	19.8	48.
Louisiana	16.5	24, 25, 26	1.8	48	19.0	45	36.6	8.
Maine	17.7	14, 15	16.9	1	40.5	3	49.3	3.
Maryland and District of Columbia	12.2	45	6.9	17	25.3	20	24.3	22, 23.
Massachusetts	11.9	48	16.1	2	36.3	5	38.0	7.
Michigan	13.5	38, 39	5.1	30	19.8	43, 44	20.9	45.
Minnesota	15.4	28, 29	8.6	13	24.6	25	26.7	27.
Mississippi	15.3	30	5.0	31	22.0	34	24.1	33.
Missouri	16.8	22, 23	5.4	26, 27, 28	22.4	32	23.1	38.
Montana	20.9	5	6.1	23	27.4	17	31.6	12, 13.
Nebraska	18.3	10	6.2	22	24.9	22	26.1	29.
Nevada	24.1	4	4.9	32	29.5	11	31.0	14.
New Hampshire	12.6	44	15.6	3	31.4	7	35.3	9.
New Jersey	13.8	37	10.3	7	30.9	8	33.8	10.
New Mexico	19.8	7	4.0	36, 37, 38	24.8	23	27.3	22, 23.
New York	11.9	49	9.3	11, 12	26.3	18	27.2	24, 25.
North Carolina	14.1	35, 36	5.8	24	21.1	36	23.9	35.
North Dakota	19.4	8	9.3	11, 12	29.1	12, 13	30.9	15.
Ohio	13.1	41, 42	3.3	42, 43	16.7	49	18.1	50.
Oklahoma	17.7	14, 15	5.2	29	23.0	30	24.7	31, 32.
Oregon	16.8	22, 23	6.5	19, 20	23.5	28	26.2	28.
Pennsylvania	12.1	46	6.3	21	20.9	37, 38, 39	22.9	39.
Rhode Island	13.4	40	13.4	5	29.6	10	31.6	12, 13.
South Carolina	14.8	33	4.0	36, 37, 38	19.8	43, 44	22.2	42.
South Dakota	18.4	9	9.9	8	29.1	12, 13	30.0	19.
Tennessee	15.4	28, 29	2.9	44	18.4	47	19.4	49.
Texas	20.7	6	3.4	40, 41	24.4	26	39.1	6.
Utah	18.2	11, 12	4.5	34	24.0	27	28.1	20.
Vermont	13.5	38, 39	14.7	4	28.8	15	30.1	18.
Virginia	17.8	13	4.8	33	28.2	16	30.3	17.
Washington	15.2	31	5.4	26, 27, 28	20.9	37, 38, 39	23.2	37.
West Virginia	11.6	50	2.0	47	14.0	50	20.6	46.
Wisconsin	12.8	43	7.5	15	20.6	40	21.4	44.
Wyoming	31.8	2	10.9	6	43.3	2	50.6	1.
Mean	16.7		6.6		25.6		28.6	
Standard deviation	4.4		3.8		6.7		7.9	
Mean/standard deviation	3.8		1.7		3.8		3.6	

Source: U.S. Department of the Interior, "Fuel and Energy Data, United States by State and Region, 1972" Washington, D.C., 1974.

TABLE 4

	Petroleum consumed in all nonindustrial sectors		Total net energy consumed in all sectors	
	Million Btu/capita	Rank	Million Btu/capita	Rank
Alabama	67.7	49	314.0	11.
Alaska	38.4	50	542.0	3.
Arizona	198.8	18	230.0	34.
Arkansas	217.3	11	297.0	14.
California	186.5	29	215.0	42.
Colorado	214.7	12	275.0	20.
Connecticut	192.5	21	181.0	49.
Delaware	213.5	13	272.0	22.
Florida	193.2	19	165.0	50.
Georgia	155.7	41	222.0	35.
Hawaii	212.7	14	185.0	48.
Idaho	167.2	36	285.0	16.
Illinois	184.3	31	269.0	23.
Indiana	191.0	23, 24	398.0	6.
Iowa	206.2	17	368.0	25, 26.
Kansas	308.2	2	365.0	8.
Kentucky	149.5	40	261.0	27.
Louisiana	262.9	7	644.0	2.
Maine	233.6	10	274.0	21.
Maryland and D. of C	174.7	34	216.0	40, 41.
Massachusetts	234.8	9	218.0	38.
Michigan	174.2	35	268.0	25, 26.
Minnesota	191.8	22	259.0	28.
Mississippi	188.1	27	279.0	19.
Missouri	186.1	30	239.0	32.
Montana	210.3	16	363.0	9.
Nebraska	238.0	8	284.0	17.
Nevada	269.2	6	283.0	18.
New Hampshire	190.7	25	213.0	43.
New Jersey	211.5	15	220.0	36, 37.
New Mexico	271.9	5	390.0	7.
New York	183.6	32	192.0	46.
North Carolina	129.8	48	198.0	45.
North Dakota	191.0	23, 24	269.0	24.
Ohio	157.5	38	306.0	13.
Oklahoma	278.3	4	310.0	12.
Oregon	152.6	42	250.0	29.
Pennsylvania	156.4	39	291.0	15.
Rhode Island	189.4	26	207.0	44.
South Carolina	130.7	47	216.0	40, 41.
South Dakota	193.1	20	220.0	36, 37.
Tennessee	133.9	45	243.0	31.
Texas	282.5	3	506.0	4.
Utah	187.6	28	351.0	10.
Vermont	158.3	37	189.0	47.
Virginia	180.9	33	218.0	39.
Washington	136.2	44	247.0	30.
West Virginia	133.0	46	414.0	5.
Wisconsin	152.9	43	231.0	33.
Wyoming	372.8	1	684.0	1.
National average	191.3		287.0	
Mean	192.7		288.7	
Standard deviation	56.4		109.2	
Mean/standard deviation	3.4		2.6	

SURFACE MINING

Mr. FANNIN. Mr. President, the Senate Interior Committee today begins its markup of S. 7, the Surface Mining Control and Reclamation Act of 1975. At this time, I believe it is essential that my colleagues be aware of some of the developments since the Senate and the Congress last considered surface mining during the closing days of the 93d Congress. When the Senate last considered the adoption of the conference report of S. 425, in December 1974, I spoke against that bill for a variety of reasons, not the least of which was the projected loss of coal production which would result if the bill became law. The President agreed with my assessement and vetoed it. In this new Congress, the conference report was reintroduced on January 15 and is labeled S. 7. I said before that we have insured under this legislation that three results will follow from enactment of this bill:

First. The consumers of this Nation will pay more for electricity.

Second. This Nation will have less electricity available because of production shortages in the range of 15 to 50 million tons per year for the first year and 48 to 141 million tons per year thereafter.

Third. An estimated 46,980 jobs will be lost.

I repeat now there is no reason for the Congress to invalidate 32 State laws governing surface mining with a bill as defective as this. Sixteen of the largest coal producing States have amended their State laws with more stringent environmental standards to insure reclamation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a survey of State surface coal mining programs compared with proposed Federal legislation as well as a survey of 15 States and recent amendments to their regulations for coal surface mining.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE SURFACE COAL MINING PROGRAMS COMPARED WITH PROPOSED FEDERAL LEGISLATION

SUMMARY CHART

The chart summarizes information obtained through telephone interviews with the official most concerned with coal surface mining in each state. The format contained thirty-one questions about permit and plan requirements, public notice requirements, performance bonds, requirements for abatement of pollution and siltation during the mining operation itself, the timing of the required reclamation, future land use, grading requirements, revegetation requirements and survival standards, penalties, budget, inspection procedures, number of outstanding permits, and orphaned mine site programs. The interviewees agreed that the format covered their state programs thoroughly and agreed with the overall assessment of their program relative to the proposed Federal program.

STATE LEGISLATION COMPARED TO PROPOSED FEDERAL LEGISLATION

States with coal surface mining	Year of basic law and years amended	Administrative: Less restrictive	Administrative: As restrictive	Environmental: Less restrictive	Environmental: As restrictive	Status of orphaned coal mine sites
Alabama	1969 Surface Mining Act	X		X		Fund getting started.
Alaska (1 surface coal operation)	Alaska Land Act 1960, amended 1964, 1966, 1969	Only 1 surface coal mine at present				No program, many old sites from old Federal lease program. The 1 operator reclaiming old sites.
Arizona	Coal being surface mined on Indian lands; no State laws to cover Indian lands. No other coal surface mining in State.					
Arkansas	Open cut and Land Reclamation Act, 1971	X		X		No provision for old mines.
California	No bituminous coal extraction—only lignite. A surface mining bill will be introduced next year.					
Colorado	Colorado Open Mining Land Reclamation Act, 1973	X			X	No program. New operations on old sites doing some reclamation.
Georgia	Georgia Surface Mining Act, 1967, effective statewide, Jan. 1, 1969.	X		X		No legislation concerning orphaned mine sites.
Idaho	Idaho Surface Mining Act, 1971, Idaho Dredging and Placer Mining Act of 1954, amended 1955, 1957, 1969, 1970, 1971.	X		X		No program.
Illinois	Surface Mine Conservation and Reclamation Act, 1971	X		X		No program. Some reclamation by new operators on sites.
Indiana	Surface Mine Reclamation Act of 1967, amended 1974, still have outstanding permits from 1941 law.	X			X	Have done an inventory of orphaned lands—6,000 acres.
Iowa	The surface mining law of 1967 amended in 1973	X		X		No program. Have 12,000 acres of old sites. New operations on old sites do reclamation.
Kansas (mining operation)	Mined Land Conservation and Reclamation Act of 1968, amended in 1974.	X		X		No progress.
Kentucky	XXVIII Kentucky laws, ch. 350, 1966, amended in 1972 and 1974.	X		X		A very small scale program of $1.5 million. State has purchased 600–700 acres, Job Corps doing grading.
Maryland	Strip mining laws of the State of Maryland, 1967, amended 1969, 1974.	X		X		Have a $30/acre tax for orphaned sites and new operations are reclaiming old sites.
Missouri	The land reclamation law, 1971	X			X	No program.
Montana	Strip Mining and Reclamation Act of 1973, amended in 1974.		X[1]		X[1]	Only one orphaned area of 1,000 acres being reclaimed privately.
New Mexico	1972 Coal Surface Mining Act	?		?		Only one large orphaned site that will be reclaimed as part of a new operation.
North Dakota (lignite only)	Reclamation of Strip Mined Lands, 1970, amended 1971, 1973.	X		X		No program.
Ohio	Law enacted in 1972	X			X	Have 300,000 acres unreclaimed mineral land. Have 4 cents per ton tax, but have not begun a program.
Oklahoma	The Mining Lands Reclamation Act, 1971, amended 1972.	X		X		Have mapped old sites; some reclamation being done by new operations.
Pennsylvania	Surface Mining Conservation and Reclamation Act, 1971 and clean stream law, amended in 1970.	X			X	New operators have reclaimed 35,000 acres in past 10 years. Orphaned sites reclaimed if part of a particular watershed pollution abatement program.
South Dakota	Surface mining land reclamation law of 1971, amended 1973.	X		X		No program.
Tennessee	Tennessee surface mining law, 1972, amended 1974	X		X		A program funded by fees. Currently cannot reclaim privately owned land except as part of an experimental or watershed program.
Texas	No State regulation of coal surface mining. Will soon be a top coat state. Bills defeated in last 2 sessions of legisiature.					
Utah	No mined land reclamation law; currently no coal stripping, but there is a large quantity of high quality, low sulfur coal that is strippable.					
Virginia	Surface Mining of Coal Act, 1972, amended in 1974	X		X		Program begun in 1972, but have had to use funds for enforcement program, so only able to handle small acreages.
Washington (1 surface coal operation)	Surface Mine Reclamation Act, 1970	X		X		No program.
West Virginia	West Virginia Surface Mining and Reclamation Act of 1967, amended in 1971.	X			X	Have had a program for 10 years. Department spends 25 percent of time on this program.
Wyoming	Wyoming Environmental Quality Act, 1973, amended in 1974.	X			X	No program.

[1] Very high standards.

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STATISTICS

States with ongoing strip mining operations:

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Missouri, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wyoming.

(Utah has strippable coal, but it is not now being stripped.)

States with only one ongoing operation:

Alaska, Washington.

States having programs that approach proposed Federal standards administratively and environmentally:

Montana.

States having programs that approach proposed Federal standards environmentally:

Colorado, Indiana, Missouri, Montana (very high standards), Ohio, Pennsylvania, West Virginia, Wyoming.

States having no regulation of coal strip mining, but having strippable coal:

Arizona—strip mining on Indian lands; nowhere else at present.

California—lignite only; state will probably enact a strip mining bill next session.

Texas—legislature defeated bills last two sessions, one will be introduced next session.

Utah—no coal stripping but lots of strippable reserves that are low in sulfur; Governor has said there will be no stripping.

States with orphaned mine sites programs:

Alabama—fund just getting started.

Indiana—lands inventoried.

Kentucky—small scale program.

Maryland.

Ohio—has a 4-cent-per-ton tax for a fund, but has not begun a program.

Oklahoma—has mapped old sites.

Pennsylvania—old sites reclaimed if part of a watershed pollution abatement program.

Tennessee—cannot spend the money on private lands unless part of experimental or watershed program.

Virginia—program started but due to increase in permit applications funds used for enforcement.

West Virginia—program has been operating 10 years.

States enacting or amending legislation since January, 1972:

Colorado, Iowa, Kentucky, Maryland, Montana, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Virginia Wyoming.

SUMMARY OF STATISTICS

Twenty eight States have on-going coal strip mining operations. Of these, two have only one on-going operation. Twelve States produce 93 percent of the coal nationally mined (West Virginia, Kentucky, Pennsylvania, Illinois, Ohio, Virginia, Indiana, Alabama, Tennessee, Wyoming, New Mexico and Montana—1972 Minerals Yearbook). Each of these 12 States currently has regulations on surface mining.

Six of the 12 major producing States have high environmental standards, while only Montana has high administrative standards. Since 1970 all twelve States except Alabama have either enacted new coal mining legislation or amended old legislation.

Four of the 28 States with coal strip mining have no State regulation. In Texas, coal strip mining bills have been defeated in the last two sessions of the legislature, although coal mining is increasing. Utah has no coal stripping now but there is a substantial amount of strippable coal in the States. California's lignite strip mining is still not regulated by the State. Arizona's only coal stripping takes place on Indiana lands and is not regulated by the State.

Ten States have programs for reclaiming old mine sites. Only West Virginia and Pennsylvania have been able to do substantial amounts of orphaned mine site reclamation; the remaining States have programs which are just getting started. Virginia has had to use money from the orphaned mine fund for its enforcement program due to an increase in applications for coal strip mining.

FIFTEEN STATE SURVEY OF CHANGES IN STATE REGULATORY PROGRAMS FOR COAL SURFACE MINING

In this section we discuss the changes made in the state regulatory programs for fifteen states—the fifteen states with the most strippable coal reserves. These are in order:

Demonstrated strippable coal reserve by State in millions of short tons

Montana	42,562
Wyoming	23,674
North Dakota	16,003
Illinois	12,223
Alaska	7,399
Kentucky	7,354
West Virginia	5,212
Ohio	3,654
Missouri	3,414
Texas *	3,272
New Mexico	2,258
Indiana	1,674
Kansas *	1,388
Alabama	1,184
Pennsylvania	1,181

* Figures from the Office of Fossil Fuels differ from figures given by the regulatory agencies in Kansas and Texas, probably due to different measurement techniques and definitions.

Source.—Demonstrated Strippable Coal Reserve Base of the United States, January 1, 1974, Office of Fossil Fuels, U.S. Bureau of Mines.

The information for this section was gathered through telephone interviews with only the staff of the state regulatory agencies concerned with coal strip mining. The information gathered was on a general level rather than a specific level and cannot be considered comprehensive. There follows a list of changes in legislation and regulations for each state between 1971 and 1974, implementation of these changes, and a chart showing changes in the number of regulatory technical staff between 1971 and 1974, the production of surface mined coal in 1971 and in 1973, the number of mines in 1971 and 1974, the number of technical staff per mines in 1971 and 1974, and the number of technical staff per million tons of surface mined coal in 1971 and 1973.

CHANGES IN LAWS AND REGULATIONS GOVERNING COAL SURFACE MINING SINCE 1972

Montana—Unless otherwise noted, all changes made in 1973:

1. Under the Strip Mine Siting Act of 1974, provision made for regulation of access areas.
2. Contour mining banned.
3. Permits made annually renewable.
4. Bonding limits raised.
5. More specific information required in mining and reclamation plans—geologic cross sections, maps, ownership of minerals, wells.
6. Public notice.
7. Clear authority to deny permission to mine—under different sets of criteria.
8. Mandatory topsoil segregation and replacement.
9. Specific authority for citizen's mandamus.
10. Increased civil and criminal penalties, use of state attorney general instead of local attorneys general.

Implementation

The Siting Act of 1974 had a grandfather clause which only affected two small operations. These two companies are still mining under old contracts which allow them to mine without giving a resource inventory of access areas and to mine without saving topsoil, which they are doing voluntarily however. For the rest of the operations the old contracts were cancelled within six months after passage of the 1973 Act.

Wyoming—all changes made in 1973:

1. Surface land owner consent provision. Without consent the operator must post a damages bond.
2. Requirements for a permit application spelled out.
3. Reclamation plan submitted simultaneously with the mining application—both to be approved by surface owner.
4. The operator to publish a notice of intent to mine once a week for four consecutive weeks in the local newspaper.
5. Provision for written objections to plan and public hearings.
6. Creation of Environmental Quality Council, appointed by Governor.
7. A license to mine required for each permit.
8. The operator's annual report to include maps, cross sections, aerial photographs, a revised timetable of operations for reclamation and mining.
9. A special license required for exploration by dozing.
10. Bonding requirements increased.
11. Provision for solid waste management.
12. Penalties increased.
13. Increased provision for judicial review.
14. Requirement for publication and distribution of rules and regulations.
15. Increased provision for access to records.
16. Relief from taxation on pollution control investment.
17. Creation of advisory boards on pollution prevention, abatement, and control.

Implementation

Every operator must comply by July 1, 1975. Operations on new land which began after July 1, 1973, had to comply immediately. Getting sufficient detail from operators on old sites on how they plan to comply is difficult.

North Dakota—all changes made in 1973:

1. Requirement for regrading to rolling topography and original contour wherever possible unless land to go to other use requiring a different topography.
2. Provision for saving topsoil to a depth of two feet.
3. Bond raised.
4. Provision for reseeding as many times as necessary to reestablish vegetation.

Implementation

There was a grandfather clause, with no cut-off date for universal compliance. Old operations are encouraged to comply and most are regrading and reseeding, but are not saving topsoil.

Illinois—no changes made since 1971.

Alaska:

No legislative or regulatory changes since 1971. In 1972, however, the leasing stipulation included provision for a reclamation plan.

Kentucky:

1. Increased fees for permit with provision for half the money collected to go to the affected county (1972).
2. Increased bond (1972).
3. Water quality regulations introduced (1971).
4. Revegetation requirements increased (amount of seed, mulch, topsoil saving optional) (1973).
5. Concurrent reclamation (1973).
6. A liming requirement (1973).
7. Sediment dam requirement (1973).
8. Transportation plan requirement for hauling of coal on state and Federal highways (1974).
9. Bond increased further (1974).
10. Before grading bond released, the area must be limed to a pH of 5.5 (1974).
11. No permit issued if mining would adversely affect wild rivers (1974).

Implementation

The new laws became effective immediately. Violations of the new laws occur, but it is unclear how much of this is due to the old operation/new law problem and how much would occur anyway.

West Virginia—no changes since 1972.

Ohio—all changes made in 1972:

1. Grading to original contour required.
2. Topsoil segregation and saving provision.
3. Performance bond increased to the estimated actual amount of reclamation.
4. The plan must detail provisions for prevention of discharge of acid water and sediment.

Implementation

As operators applied for new licenses they came under new law. The rules, however, are before the State supreme court as being significantly different from those announced at a public hearing. The difficult point in the regulatory procedures is getting sufficient information into the plan.

Missouri:

The 1971 Land Reclamation law was the first reclamation law. Amendments will be proposed for the 1975 legislature.

Implementation

Any mining done after March 28, 1972 came under the new law. Operators applied for permits under the new law. Trouble with compliance was minimal due to cooperation between industry and environmental groups (after a fight) in proposing a law that both agreed to.

Texas:

No law regulating coal surface mining.

New Mexico:

Law passed in 1972. Prior to that there was no law regulating coal surface mining.

Implementation

All operations have come into compliance under permit renewal procedures.

Indiana—amended in 1974:

1. Bonds and fees increased
2. Entire bond can be held by Division of Reclamation until vegetation is reestablished.

Implementation

The new amendments were implemented as new permits were given. Holding the entire bond until revegetation is established has encouraged faster reclamation. Otherwise the operation having new permits do not differ significantly from pre-amendment operations.

Kansas—changes made in 1974:

1. Reclamation board moved from Department of Labor to State Corporation Commission.
2. Fees now depend on the number of acres actually affected by a mining operation previously were $50 per application.
3. Bond amount increased.
4. Regrading to be done with soil adequate to support plant growth comparable to previous growth.
5. The Reclamation Board increased from 9 to 13 members.

Implementations

The new law has a grandfather clause, but the old operations differ very little from the post-1974-law operations.

Alabama:

No changes have been made in the state coal surface mining regulatory program since the 1969 Surface Mining Act.

Pennsylvania—no changes since 1972:

FIFTEEN-STATE SURVEY

[Changes in regulatory technical staff[1] production of surface mined coal, and number of mines in the 15 States with the most strippable coal reserves]

State	Technical staff		Production of surface mined coal (in tons)		Number of mines		Staff per number of mines		Staff per million tons coal produced	
	1971	1974	1971	1973	1971	1974	1971	1974	1971	1973
Montana	1	13	7,000,000	16,000,000	3	7	0.33	1.86	0.14	0.81
Wyoming	1	5	8,700,000	14,840,000	10	11	.10	.45	.12	.34
North Dakota	1½	2	5,821,076	7,183,364	14	12	.04	.17	.09	.28
Illinois	3	8	28,961,313	28,971,317	36	34	.08	.24	.10	.28
Alaska	0	0	786,000	900,000	1	1	0	0	0	0
Kentucky	4	11	66,469,795	64,145,581	842	703	.004	.02	.06	.17
West Virginia	18	43	25,914,742	19,791,256	[3]335	[3]261	.05	.16	.69	2.17
Ohio	7	35	38,570,000	9,558,000	267	377	.03	.09	.18	1.18
Missouri	1	2	4,000,000	4,654,000	9	13	.11	.15	.25	.43
Texas	0	0	(2)	(2)	2	3	0	0	0	(2)
New Mexico	0	[4]5½	7,000,000	[5]7,000,000	2	5	0	1.1	0	.79
Indiana	4	5	21,400,000	24,484,784	[3]42	[3]66	.10	.08	.19	.20
Kansas	1	0	1,153,252	1,308,012	6	4	.17	0	.83	0
Alabama	4	4	12,168,741	12,110,312	100	150	.04	.03	.33	.33
Pennsylvania	6	11	31,311,965	[6]32,611,534	1,018	1,016	.005	.01	.19	.34

[1] Includes inspectors if they have technical training (defined as college level or higher training) in a field related to mining and/or reclamation.
[2] Permits.
[3] The U.S. Bureau of Mines does not release production figures due to the small number of mines.
[4] Actually 11 part-time inspectors.
[5] Amount of surface mined coal will be increased considerably for 1974.

Mr. FANNIN. Mr. President, I also wish to draw the attention of my colleagues to a resolution which was delivered to me and several of my colleagues from the Oklahoma Legislature. On January 22, 1975, the Oklahoma Legislature adopted House Concurrent Resolution No. 1002 urging the Federal Government to exempt Oklahoma, Kentucky, Pennsylvania, North Carolina, West Virginia, South Carolina, Tennessee, Maryland, and Indiana from any Federal law regulating land reclamation as a result of surface mining. This resolution demonstrates that these States have enacted strong, thorough surface mining laws which best meet the needs of their States. Thus, Federal legislation on this nature is not needed. Federal lands already are covered by regulations administered by the Secretary of the Interior.

Mr. President, I ask unanimous consent that the enrolled Oklahoma House Concurrent Resolution No. 1002 be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSE CONCURRENT RESOLUTION No. 1002

A concurrent resolution urging the Federal Government to exempt Oklahoma and the other member States of the Interstate Mining Compact from any Federal law regulating land reclamation as a result of surface mining; and directing distribution

Whereas, various members of Congress, representatives of federal and state agencies, representatives of environmental groups, and other interested persons met in April, 1964, to discuss the condition of the environment; and

Whereas, these individuals determined that the states had not fulfilled their responsibilities by requiring land reclamation in the coal mining industry; and

Whereas, they further stated that if the states assumed their responsibilities, Congress should not impose an arbitrary set of laws, rules and regulations on the states; and

Whereas, Oklahoma has accepted this responsibility by enacting "The Open Cut Land Reclamation Act" in 1967, which required the reclamation of land subjected to surface disturbance by open cut mining of any mineral; and

Whereas, through the efforts of the mining industry, this law was repealed in 1971 with the enactment of a stricter and more efficient reclamation law, "The Mining Lands Reclamation Act"; and

Whereas, as a result of the environmental meeting in April, 1964, eight other states not only passed reclamation laws covering the surface mining of coal and other minerals, but also joined together in the Interstate Mining Compact as a means of gathering and disseminating information and statistics and of coordinating efforts to obtain the most efficient method of reclamation; and

Whereas, the Compact States include Kentucky, Pennsylvania, North Carolina, Oklahoma, West Virginia, South Carolina, Tennessee, Maryland and Indiana; and

Whereas, the reclamation laws of these States have been effective, thus eliminating any need for a dual system of regulation; now, therefore, be it

Resolved by the House of Representatives of the 1st session of the 35th Oklahoma Legislature, the Senate concurring therein:

SECTION 1. That the federal government exempt Oklahoma and the other member States of the Interstate Mining Compact from any federal law regulating land reclamation as a result of surface mining.

SEC. 2. That authenticated copies of this Resolution be transmitted to the Honorable Gerald R. Ford, President of the United States of America; the Honorable Rogers C. B. Morton, Secretary of the Interior; the Federal Energy Administrator; to each member

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of the Oklahoma Congressional Delegation; the Honorable John McClellan, United States Senate, State of Arkansas; the Honorable Henry Jackson, United States Senate, State of Washington; the Honorable Mike Mansfield, United States Senate, State of Montana; the Honorable Morris Udall, United States House of Representatives, State of Arizona; the Honorable Patsy Mink, United States House of Representatives, State of Hawaii; the Honorable James B. Edwards, Governor of South Carolina; the Honorable Arch A. Moore, Jr., Governor of West Virginia; the Honorable Milton J. Shapp, Governor of Pennsylvania; the Honorable Marvin Mandel, Governor of Maryland; the Honorable Julian Carroll, Governor of Kentucky; the Honorable James E. Holshouser, Jr., Governor of North Carolina; the Honorable Ray Blanton, Governor of Tennessee; and the Honorable Otis R. Bowen, Governor of Indiana.

Mr. FANNIN. Mr. President, earlier this week I placed in the RECORD a summary of the economic impact which S. 7 would have if the bill were enacted. This summary came from the Department of the Interior during a hearing on February 20. I now have available to supplement that analysis, an estimate of the increase in reclamation cost due to the proposed Surface Mining Act as it would relate to a specific coal company, the Pittsburg & Midway Coal Co. This Midwest company has quantified in terms of cost many of the bill's provisions on a per ton basis and then translated those costs to the ultimate recipient of electricity, the consumer.

In summary, coal currently is selling for approximately $5.50 per ton to a nearby utility. An estimated $4.42 per ton will be added, because of enactment of S. 7, plus an increase due to productivity losses. Using the fuel adjustment formula for the utility, the cost to the consumer will amount to at least an 8.4-percent increase over current rates which are already 18 percent above a year ago. Remember this 8.4-percent figure represents only the cost that can be estimated, because of the provision of S. 7 and does not reflect estimated costs to those States where a utility will be unable to purchase coal due to production losses and will be forced to rely upon imported high-priced foreign crude.

Mr. President, I ask unanimous consent that this entire analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

PITTSBURG & MIDWAY MINING CO. ESTIMATE OF INCREASE IN RECLAMATION COSTS DUE TO: PROPOSED SURFACE COAL MINING CONTROL AND RECLAMATION ACT OF 1974

A. INTRODUCTION

The proposed Surface Mining Control and Reclamation Act legislation (S. 425) after its pocket veto by President Ford in December, 1974 has been reintroduced in the 94th Congress for its passage as S. 7 and H.R. 25. At the same time the Department of the Interior has recently proposed revision of 30 CFR part 211 regulations governing coal mining operations on public and Indian Lands. The most important and significant aspect of proposed revision of 30 CFR part 211 by the administration is that they would incorporate performance standards with respect to Federal Lands to reclaim lands in substantially the same manner as will be required in S.B. 425 of 93rd Congress (except for Sec. 712 thru 716 covering surface owner protection clauses).

B. ADDITIONAL COST TO THE COAL PRODUCER DUE TO NEW LEGISLATION

The proposed Federal Surface Coal Mining legislation or revision of 30 CFR part 211 regulations by the Department of Interior will result in incurring additional cost for reclamation and complying with many other provisions. However, it is not possible to relate explicitly all the specifics of the proposed legislation into additional cost to the producer due to degree of subjectivity involved in the interpretation of the act. There are some provisions of the act for which accurate costs can be estimated given a set of parameters. These are tangible costs and include items such as moving of spoil material, elimination of highwayy banks, grading of land to approximate contour level and the reclamation fee of 35¢ per ton of coal produced by surface coal mining for the restoration of previously mined areas. Most of these tangible costs have distinct relationship with spoil geometry, coal seam thickness and pitch, ground surface pitch, depth and slope of initial box cut and final highwall cut, type of equipment used for grading to original contour, spoil swell factor etc.

There are many other additional costs which will surely be incurred if the proposed legislation is approved; but these costs have no bearing on general mine parameters described above under tangible costs. The intangible costs include such items as cost of the publications of blasting schedules and contacting of people who might be affected by mining activities; cost of maintaining hydrologic integrity; costs involved in the analysis of all strata for toxic compounds; fees for posting reclamation bonds; the cost of litigation which is sure to arise out of adoption of the proposed legislation; cost of seeding, reseeding, fertilization and guaranteeing to grow vegetation on mined out areas for prolonged periods of time; cost of additional clerical personnel to maintain detailed records of mining activities and reclamation engineers to work on these problems etc. All these intangible costs are to a large extent dependent solely on the specific characteristics of a particular mining operation and thus there is difficulty in assigning an explicit relationship to any of these costs. However, we shall try to closely estimate these costs to represent Western strip coal mining areas.

C. TANGIBLE COSTS

In order to evaluate the tangible costs involved in the proposed legislation it is necessary to consider an idealized strip mine situation so that a model could be developed to aid in cost studies. Several assumptions are made to facilitate the creation of the model. These assumptions are:

(1) The coal seams are horizontal, homogeneous and uniform in thickness;

(2) The topography has a uniform slope increasing uniformly in the direction of mining and or Highwall;

(3) The width of mining cut is uniform regardless of overburden depth;

(4) Track type bulldozers and wheel tractor scrapers are used for regrading mined out areas to original contour level;

(5) Mining will continue until a final specified mining depth is reached, (in this case 200 ft. is specified);

(6) A uniform thickness of topsoil is prevalent throughout the mining area; and

(7) Strict adherence to the requirements of the legislation is maintained.

The model that is developed here requires that general mine parameters be specified. These parameters are as follows:

(1) the thickness of the coal seam in feet (1 to 100 feet);

(2) alope of the ground surface in degrees (2 to 20 degrees);

(3) depth to the top of the coal seam at the box-cut (25');

(4) the final mining depth to the coal (200');

(5) the swell factor of the overburden material (25%);

(6) the slope angle of the highwall (67 degrees) and the slope angle of the spoil piles (39 degrees) measured in degrees from a horizontal reference;

(7) the width of each mining cut in feet (100 ft.);

D. INTANGIBLE COSTS

As was mentioned elsewhere in this report, the intangible costs are largely dependent solely on the specific characteristics of a particular mining operation. However, an attempt will be made here to generalize these costs to fit all strip coal mining situations in the Western U.S.:

Proposed article in S.B. 425, effect, and additional intangible cost/acre in 1975 dollars

502(f)(1); there will be at least one inspector every 3 months without advance notice; negligible.

505(b); any State law or regulation that is more stringent than the Federal Regulation will not be inconsistent with the Federal Regulation. And Federal Regulation which is more stringent than the State regulation shall not be considered inconsistent; ignored.

505(c) mining must commence within three years of the issuing of the permit; negligible.

507(b)(6); the specific mining plan has to be published in a newspaper of general circulation for four successive weeks prior to the application for the permit; $3.

507(b)(11); a determination of the hydrologic consequences of the mining and Reclamation must accompany the application permit (assume one hole/100 acres @ 500 ft. depth); $100.

507(b)(16); all drillhole logs, coal seam thickness data, coal seam analysis, chemical analysis of potentially acid or toxic horizons and stratum lying immediately underneath the coal to be mined are to accompany the application for mining permit (assume one hole/50 acres @ 200 ft. depth and analyze 10 soil samples and 10 coal proximate and ultimate analyses); $50.

509(a); a reclamation bond of no less than $10,000 shall be filed with the regulatory authority. The amount of the bond is determined by the authority. (Assume $2,000/Acre bond for an average life of 5 years @ ½% bond fee annually assume also that 100 acres will be distributed annually); $25.

510(b)(5); stopping adverse effect on valley floors underlain by unconsolidated stream laid deposits so that farming and ranching can be practiced; $100.

513(b); any person with a valid legal interest or the officer or head of any Federal, State or Local governmental agency shall have the right to file objections to the proposed initial or revised application for mining permit. (Assume a 5000 acre lease would have at least two law suits to this effect incurring $5,000/site—a one time cost); $2.

515(b)(2); restore land to higher or better uses in such a manner as to not create a public hazard vegetation, reseeding for 5 years fertilizing, etc.; $700.

514(b)(4); stabilize all surfaces to effectively control erosion; $50.

515(b)(10(A); minimize the disturbance to the prevailing hydrologic balance by (a) preventing water or removing water from contact with toxic materials (b) treating drainage to reduce toxic content, and (c) casing, sealing or otherwise managing bore holes; $50.

515(h)(10)(B); the suspended solids content of any surface water is not allowed to increase above premium levels (Need additional water impoundments); $100.

515(b)(10)(C); all temporary or large sil-

tation structures must be removed from drainage after revegetation; $25.

515(b)(10)(D); the recharge capacity of any aquifer must be restored to premium conditions; we can't even venture to estimate such a cost which could be tremendous.

515(b)(10)(E); the hydrologic integrity of alluvial valley floors in arid and semi arid areas of the country must be maintained. (Assume General Hydrology not including recharge of aquifers); $550.

515(b)(11); all refuse materials including coal processing wastes must be compacted in layers, contoured and revegetated; $250.

515(b)(15)(A); provide written notice of all blasts to local governments and residents who might be affected. A log of all blocks, and magnitudes must be kept for two years. (Assume 2 men will be working one shift/day to meet this regulation—100 acres will be mined annually); $300.

517(b)(2); if an aquifer which significantly influences groundwater on or adjacent to the mine is disturbed then the operator shall (a) monitor the quality and quantity of surface drainage as desired by the mining authority, (b) keep track of all precipitation and (c) keep all well logs and borehole data; $50.

521(a)(2); the Federal government can order an immediate cessation of surface coal mining for non compliance with the proposed regulation; ?

527(c); for coal mines west of the 100th meridian which involve multiple seams additional regulations will be forthcoming; ?

Sec. 716; surface owner protection clause; $100.

All other regulations—unforeseen circumstances, citizens suits, legal staff, litigations, penalties etc.; $145.

Grand total intangible costs, $2,600.

[Due to mechanical limitations the tables refered to will be printed in a subsequent edition of the RECORD.]

Mr. FANNIN. Mr. President, I read with interest the recent U.S. News & World Report article "Those Shocking Electric Bills and the Complaints They Bring" dated February 24, 1975. It reported that anger at soaring utility rates is spreading like wildfire across this country, causing some people to react by cutting their power off completely and other consumers to cut back their usage drastically. The power companies have been hit by higher fuel prices, higher interest rates on capital needs for expanded generator capacity, the astronomical cost of environmental controls, and finally, inflation. This report charts the rising cost of electricity in many areas, including Washington, D.C., where electric rates have increased in 1 year, 1973–74, 25.1 percent. Power rates are up 19.3 percent in Atlanta, 29.1 percent in Cleveland, 32.8 percent in Boston, 21.7 percent in Los Angeles, and 37.6 percent in New York City.

Surface mined coal provides more than one-half of the feed stock for utilities in this country. The coal industry last year produced nearly 600 million tons and the future demand for coal mounts every day because of the pressure caused by high priced foreign crude oil, and yet the Congress is hellbent on passing a surface mining bill that will result in a loss of from 48 to 141 million tons of coal. For every million tons of strip coal production lost, 3,333,000 barrels of oil will be required as an alternative fuel at least in Arizona, because of the Btu content of coal available there and because neither natural gas nor nuclear power are available in the short term. To substitute this 3,333,000 barrels of oil for each million tons of coal will cost the Arizona electric consumer over $37 million per year per million tons. Even proponents of this bill such as Senator JACKSON and Representative UDALL concede the bill will increase coal production costs. There is no doubt that consumers will be asked to pay very heavily for the folly of this Congress if we ignore all of the economic impacts and pass this surface mining bill.

Mr. President, there is one other pertinent set of facts which resulted from the Interior Committee's hearings on February 10, 1975. The Department of the Interior responded to written questions from both the House and the Senate on specific provisions of the bill visa-vis the administration's bill, S. 652. I ask unanimous consent that these questions and answers be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTION FROM FRED CRAFT, MINORITY COUNSEL, SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE

QUESTION

Assuming that any surface mining legislation approved by the Congress and the President would result in the loss of some annual production of surface mining coal, is it possible for the industry to compensate for this loss without the resumption of leasing of federally-owned coal?

ANSWER

It is not possible to answer this question with an unqualified Yes or No. Whereas significant reserves of coal are now under lease, about half of the mining units involving Federal coal leases are already under long term contracts. It does not logically follow that the remaining Federal leases are located in relation to existing mining operations which would guarantee that those operations could continue and be expanded without additional Federal leases and prospecting permits. Also, many power plants cannot readily be converted from one coal to another.

It can only be categorically stated that it would be indeed more probable that the estimated loss of production could be recaptured after a few years by existing or new operations if the leasing of federally-owned coal was resumed. Conversely it can be assumed that it will be more difficult and less probable that the loss of production due to the passage of a surface mine bill can be recaptured if Federal leasing is not resumed. Only a precise analysis of each ongoing operation and its adjacency to Federally-owned coal could reflect each individual probability for the need for additional leasing so as not to disrupt ongoing operations.

QUESTIONS SUBMITTED FOR SENATOR RICHARD STONE, FLORIDA

QUESTION

1. What application does the S. 652 bill have to minerals other than coal? If the bill does, in fact, apply to minerals other than coal, what research has been conducted on the economic impact of the bill on these minerals?

ANSWER

The Administration bill as well as S. 7 applies to minerals other than coal in the aspects. Title VI of S. 7 and Title V of the Administration bill give the Secretary the Authority to designate Federal lands unsuitable for mining operations for minerals or materials other than coal. Before such an action is taken a public hearing must be held and valid existing rights are not to be affected by such a designation. Exploration is not to be prevented.

Section 711 of S. 7 and Section 609 of the Administration bill call for a study of reclamation standards for surface mining of other minerals. The study is to be completed within eighteen months (twelve for sand and gravel) and is for the purpose of determining whether standards of the coal legislation could be applied to other minerals, and for discussing alternative mechanisms for reclamation.

Inasmuch as no valid existing rights are to be affected by the designation of lands unsuitable for mining and inasmuch as the study will have no immediate impact, there should be no immediate economic impact of this bill in its application to minerals other than coal.

To the degree that reclamation standards and technology comparable to those required by the proposed legislation were to be imposed upon the mining of other minerals than coal, costs comparable to those projected for this bill would be anticipated.

Finally, S. 7 and H.R. 25 would establish a State Mining and Minerals Resources and Research Institute program which could include research on all minerals. However, the Administration bill deletes this title because it represents an unnecessary new spending program, duplicates existing authorities for the conduct of research, and could fragment existing research efforts already supported by the Federal government.

QUESTION

2. What provisions are in the bill to prohibit mining of land considered "unsuitable"? If such provisions are in the bill, what safeguards are there to prevent capricious and arbitrary designation of such "unsuitable" lands?

ANSWER

Each bill contains provisions to prohibit the mining of land designated unsuitable for surface coal mining. The Administration bill varies from S. 7 in several instances. A public hearing on a request for such a designation, although provided for, is not mandatory in every case as required by S. 7. The Administration bill does not institute a total ban on surface coal mining in the National Forests as does S. 7. The Administration bill does not prohibit mine access or haulage roads from joining public roads as S. 7 might be interpreted to do.

The Administration bill and S. 7 prevent capricious and arbitrary designations of lands as unsuitable for surface coal mining by providing for public hearings, written decisions, prior to any such designation, the preparation of a detailed statement concerning the impact of such a designation, and, under other sections, judicial review. It is also expressly provided in both bills that no lands may be designated as unsuitable on which operations are being conducted on the date of enactment or where substantial legal and financial commitments were made prior to September 1, 1974.

QUESTION

3. What provisions are contained in the bill for appraisal of other surface mining industries and possible need to extend the provisions of this bill to those minerals? Who makes the determination, and upon what guidelines, as to the need for such remedial legislation with respect to other minerals?

ANSWER

As stated in the answer to Question 1, each bill provides for an 18 month (12 in the case of sand and gravel) study of the need for reclamation standards for surface mining of other minerals. The study is to be conducted by the National Academy of Sciences-National Academy of Engineering, or other en-

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tities as contracted with by the Chairman of the Council on Environmental Quality. The Congress, based upon the recommendations of the President and the results of the study, of course, will make the determination as to the need for remedial legislation with respect to other minerals.

QUESTION

4. What provision does the bill make for avoidance of conflicts and overlapping authority with regulations of EPA and other government agencies?

ANSWER

Both bills provide that nothing in the bill shall be construed as superseding, amending, modifying, or repealing a large number of Acts, including the National Environmental Policy Act of 1969. They also provide that nothing in them shall effect in any way the authority of any Federal Agency to include surface mining regulations in instruments dealing with lands under their jurisdiction. Each bill also requires each Federal Agency to cooperate with the States and the Secretary of the Interior to the greatest extent practicable in carrying out the provisions of this Act.

Each bill contains requirement that the Secretary of the Interior obtain the written concurrence of the Administrator of the Environmental Protection Agency with respect to those regulations and those sections of State programs which relate to air or water quality standards. Each requires the Secretary, prior to approving a State program, to solicit and publicly disclose the views of EPA, the Secretary of Agriculture, and the heads of other Federal agencies concerned with or having expertise pertinent to the proposed State programs.

QUESTION

Since the amount of coal contained within alluvial valley floors is tiny compared with other strippable coal reserves in the West, is it not an unnecessary sacrifice of our most valuable and productive agricultural lands to strip in these areas?

ANSWER

In the absence of a clear understanding of the extent of alluvial valley floors, it is difficult to accept a characterization of strippable alluvial reserves as "tiny" compared to other Western reserves. But even should this ratio be later determined to be relatively low, it does not alter the fact that over the next decade, reserves contained in Western alluvial floors could constitute a significantly low. It does not alter the fact that over burden is significantly shallower and easier to remove than in other strippable reserves, making them within the foreseeable future a more economically viable source of energy supply. Economic considerations should be allowed to play their legitimate role in determining the use at any given time for lands for which several uses are possible, always assuming that these considerations include the full cost for reclamation for further use. Because we believe that reclamation of alluvial valley floors is possible, and that where such possibility does not clearly exist mining should not proceed, no "sacrifice" of agricultural lands is seen as forthcoming or necessary.

QUESTION

Why is the Administration advocating language which would exempt "potential" farming or ranching lands from restrictions on permits to mine through alluvial valley floors, when coal companies in Montana are supporting such language in State legislation?

ANSWER

The Administration believes that without this qualification a stringent interpretation of the permit issuance provision could bring to a halt much new coal production in alluvial valley floors in the West. It is our understanding that similar but not identical language is reluctantly endorsed by several surface coal mining companies in legislation now before the Montana legislature. They apparently believe that while this language will not immediately impact ongoing operations, eventually very large amounts of reserves will be sterilized. New mining operations in the West would have to develop reserves located in different areas where mining costs were significantly higher.

QUESTION

Does the Mine Enforcement Safety Administration (MESA) sanction strip mining within 500 feet of active underground mines?

ANSWER

At the present time the Mine Enforcement Safety Administration does not contain in its regulations a prohibition of mining within a certain distance of an active underground mine and does permit mining within 500 feet of active mines where such activities do not endanger miners safety.

One of the purposes of this bill is to encourage full recovery and use of our Nation's resources. To accomplish this end every effort, within the bounds of mineworkers safety and environmentally sound practice, should be utilized. The same reasoning for which the Administration advocated the removal of the restrictions on mining within 500 feet of abandoned mines would apply to the restriction so placed on active mines. The barrier pillar which would remain between a stripping operation and an active underground mine could constitute an unnecessary resource loss which might not be recovered at a later time. It is our view that if this resource could be mined without endangering the safety of the miners involved, then it should be mined.

VIOLATIONS OF THE ACT: IMMUNITY FOR COAL COMPANIES

Question

Is not the effect of [the] Administration [citizen suit] amendment an attempt by the industry and the Administration to do an "end-run" on Congress? Is not the effect of immunity from the provisions of the Act another way of saying that Congress can spend four years debating a piece of legislation only to have the executive branch—through the promulgation and enforcement of regulations—broadly interpret the Act, while giving the industry immunity from violating provisions of the Act?

Answer

The Administration supports the use of citizen suits as an enforcement device in surface mining legislation. Under the Administration provision suits would be allowed to compel mine operator compliance with applicable rules, regulations, permits and orders—that is requirements specifically applicable to the operator. Citizen suits would not be permitted against operators where it was alleged that the regulations or permit were in violation of the Act. To remedy such situations, suit should be brought against the regulatory authority.

Both the Administration proposal and S. 7 provide appropriate full review and opportunity for participation in the rulemaking and permit-granting process which will protect legitimate concerns. Where unforeseen circumstances result in a serious and unforeseen hazard from an operation, the citizen may compel the Secretary or the regulatory authority to act immediately. Immediate shutdown of an operation is authorized, while if actual damage to a citizen is occurring, section 520 grants jurisdiction to the Federal courts to entertain a civil action without regard to jurisdictional amounts or diversity. Finally, all existing rights are preserved.

The Administration provision does not undercut citizen enforcement, since it allows such suits where operators are not complying with applicable rules, regulations, permits or orders and allows citizen participation in promulgation and review of rules and regulations.

"ABSOLUTE" TERMS

Question

Why is the term "prevent" when used in [the] context [of the testimony of the Interior Department witness at a West Virginia hearing on Coal Mine Waste embankments last July] considered a "flexible term" while when it is used in H.R. 25 it is an "inflexible" term which causes trouble?

Answer

Following the July 23, 1974, public hearing on proposed regulations governing coal mine refuse piles and impounding structures held in Charleston, West Virginia, the Secretary published findings of fact in the Federal Register (39 FR 38660, Nov. 1, 1974). Finding (23) states that, "Abandonment plans for refuse piles must have provisions to prevent future impoundment of water to ensure their stability. Abandonment plans for impounding structures must have provisions to either prevent future impoundment or in the alternative prevent major slope instability in order to ensure their stability."

In the case of these proposed regulations "prevent" is an inflexible term just as it is in H.R. 25. Future impoundment of water behind abandoned structures is a very destabilizing factor that may endanger lives and therefore must be prevented. Technology in the form of the construction of diversion ditches and other preventive measures is readily available to prevent such future impoundment of water, and therefore compliance with these proposed regulations is not unreasonably inflexible. No such technology exists to enable an operator to comply with the preventive provision of H.R. 25, and therefore those provisions are unreasonably inflexible because a court would have no choice but to give the language the literal interpretation. For example, the requirement that surface coal mining be conducted "so as to prevent additional contributions of suspended solids to streamflow . . ." (§ 515 (b)(10)(B) is unreasonably inflexible in light of the nature of surface mining and the present state of technology.)

NECESSITY TO WRITE SPECIFIC REQUIREMENTS

Question

[T]he regulations recently circulated by the Department to be applied to Federal lands are, in general, a mere restatement of the standards of the legislation (with some serious weakening modifications).

Is this a signal to the Committee that if any changes are to be made, in H.R. 25, such changes should be in the direction of writing more specifications into the law in order to make certain that Congressional intent is carried out?

Answer

The Administration bill and the recently proposed regulations which will apply to the reclamation of surface mined Federal coal lands contain those general performance standards which the Congress and the Administration agree should be included in a good reclamation program. Throughout the progress of S. 425 and H.R. 11500 there was little disagreement on these standards. Where there was disagreement, they reflect the Administration position. The objections to S. 425 as reported by the Conference committee and to S. 7 and H.R. 25 now before the Congress, are that the Secretary has little flexibility in choosing methods by which these goals can be reached.

The Administration bill and the proposed regulations would allow the Secretary to make site-specific determinations on whether the performance standard relating to approximate original contour needs to be varied to achieve the approved land use, taking into consideration the climate, terrain, and other significant physical features of the area to be mined. In the proposal regulations these specific decisions will be made by the Area Mining Supervisor. The "gaps" in the regulations will be filled after an on-site inspection and thorough consideration of each standard in relation to that location. No surface mining will be allowed where reclamation cannot be accomplished.

The performance standards in S. 7 and H.R. 25, with the few changes recommended by the Administration, represent a satisfactory effort to balance the need for general performance standards and the need for adequate guidance in achieving them. Any changes in the direction of writing more specifications into law would be both unnecessary and unreasonably restrictive.

Question

Why has there been a continued push to weaken the provisions in H.R. 25 concerning waste impoundments and how does this relate to the delay in promulgating new regulations for the construction of waste impoundments?

Answer

It is the Administration's position that there should be strong and reliable regulations to provide for safe and adequate construction of waste impoundments. However, these regulations must include realistic requirements which would not unreasonably restrict construction of such impoundments. It is the Administration's opinion that the provisions in H.R. 25 concerning impoundments could be unduly restrictive in determining the location of impoundments. These provisions, if not amended, could preclude almost all construction of impoundments because it is almost impossible to provide a feasible location where, if failure should occur, there would not be some danger to public safety. Almost any impoundment or dam in the Nation, if it were to fail, could create a hazard to public safety.

Proposed new regulations, promulgated by the Department under the "Coal Mine Health and Safety Act of 1969," have now been formulated after a long period of delay due in recent part to problems encountered in obtaining approval of the environmental impact statement. A final statement has now been submitted for legal approval, after which the new regulations will be published in the Federal Register.

EQUIPMENT VARIANCE

Question

Why . . . is [an equipment] variance necessary and isn't it a wide open loophole to allow an operator to use his equipment just for the profitable mining of coal while ignoring sound reclamation practices?

Answer

Section 402(d) of the Administration bill provides that the permittee or the applicant for a petition the regulatory authority for a variance from the return to approximate original contour requirements during the interim period if he demonstrates to the satisfaction of the regulatory authority that he has not been able to obtain the equipment necessary to comply with such standards.

Several important safeguards are provided in section 402(d) to protect against abuses in the administration of this provision for equipment variances. Before such a variance is issued the regulatory authority must publish a notice and offer an opportunity for a public hearing. Any decision to grant or deny a variance would be subject to the strict standards of the Administrative Procedure Act. The operator would have to conduct his operation so as to meet all other interim standards, and the alternate surface configuration must be stable and in accordance with a mining and reclamation plan approved by the regulatory authority. The operator must also demonstrate that the approved modification to the return to approximate original contour requirement will not cause hazards to health and safety of the public or significant imminent environmental harm to land, air, or water resources. Furthermore, the variance would only apply to the relatively short duration of the interim period.

Section 402(d) is not "a wide open loophole to allow an operator to use his equipment just for the profitable mining of coal while ignoring sound reclamation practices." With the safeguards provided in section 402(d), the equipment variance is a reasonable measure permitting coal to be surface mined in an environmentally sound and approved manner while equipment is unavailable to the operator through no fault of his own. It must be remembered that there are serious backlogs of orders for heavy earthmoving equipment and that not all coal is surface mined with the same equipment used in the reclamation of mined land. For example, coal is often surface mined by draglines, shovels and trucks, whereas bulldozers are needed for return of the land to approximate original contour.

Question

How do you justify including a proviso which would allow the regulatory authority to waive the required "determination of hydrologic consequences" if "adequate data" is available without any requirement that a site specific determination be made?

Answer

Under the present language of S. 7 pertaining to the hydrologic data to be submitted with an application, the applicant would have to provide the hydrologic data even where the data are already available; this creates a potentially serious and unnecessary workload for small miners. The site investigation required for the permit application could provide adequate information which could determine, along with any available hydrological data from adjacent areas, whether or not a permit should be issued.

CITIZEN SUITS

Question

The Administration contends that the citizen suit provision of H.R. 25 is unacceptable as it allows a citizen to sue for a violation of the Act as well as for a violation of the permit of regulations. It is argued that the provision of H.R. 25 would result in attack on the validity of a permit after such has been issued through the administrative process.

(a) Why is the citizen suit provision of H.R. 25 unacceptable when a provision identical, in substance, to it was approved by the President when he signed the Deepwater Ports bill into law just a few weeks ago?

(b) A similar citizen suit provision is found in Ohio law. Has the Administration any information that the Ohio law has led to harrassment? (In fact no suits have been brought under the Ohio Statute since its enactment in 1972).

Answer

(a) The citizen suit provision is one among many factors in consideration of both bills. The risk of adverse developments resulting from citizen litigation relates to the entire law and not merely the similarity of the citizen suit provision itself.

Surface mining legislation differs from deepwater ports legislation in that the former involves a large number of possibilities for litigation because of the large number of mines and potential issues. The uncertainties, ambiguities and greater detail in statutory specification of standards in H.R. 25 and S. 7 increase the possibility of adverse consequences of citizen suits. In contrast, relatively few deepwater ports are contemplated, the operation of that legislation was substantially simpler and clearer and the consequences of successful litigation likely to be less significant.

(b) The Ohio citizen suit provision is substantially different from those of S. 7 and H.R. 25. Only the State Attorney General and persons adversely affected or about to be adversely affected can bring suits directly against the operator. When another class of persons, i.e. "residents", have knowledge that the Ohio laws or rules promulgated thereunder are not being enforced, their only recourse is an action in mandamus to require the public officials to enforce the law or rules. Additionally, the Ohio citizen suit provision does not provide for the awarding of costs of litigation, the filing of a bond, or attorney fees all of which are included in S. 7 and H.R. 25.

Question

Can you explain why provisions dealing with subsidence which the Department has claimed accounted for most of the production losses is not addressed in the President's letter?

Answer

While it is true that in the Department of Interior's May 27, 1974, report sent to the House Interior Committee showed that there would be a major loss in production due to the provisions of H.R. 11500 relating to the subsidence control aspects of underground mining, there have since been adopted changes in the language improving this provision to the point where the Administration no longer considers this a major source of production loss. The specific impoverishing language referred to includes the wording "adopt measures consistent with known technology" and also the inclusion of the proviso, "That nothing in this subsection shall be construed to prohibit the standard method of room and pillar continuous mining".

Our consistent position has been that measures taken to control land surface subsidence, resulting from underground mining, are proper. We feel that the language as now written in S. 7 is consistent with our position and offers proper safeguards while not being unreasonably restrictive.

Question

Why is there a discrepancy between Secretary Morton's November 19 letter in which he reported an estimated coal production loss at 14–38 million tons per year and the present Administration estimates at 48–141 million tons per year?

Answer

The estimated coal production loss at 14–38 million tons per year represented the estimate during the year immediately following the passage of the bill or for the interim period and was related to current production. The estimate at 48–141 million tons per year represents the estimate at the time and for the period following full implementation of the legislation. It is based on what the planned production would have been at that time to meet the goals of Project Independence.

Question

Where are the analysis and data to back up the assertions of estimated coal production loss at 14–38 million tons per year and at 48–141 million tons per year?

Answer

Production losses were arrived at by examining the likely impact of various provisions of the bills on projected production, and estimating the losses associated with adjusting or curtailing such production to meet the various requirements. Current coal prices and the application of present mining methods and site selection procedures were assumed

Production loss figures for the first full year of the interim period represent cutbacks only in current production operations. The coal production loss at 14–38 million tons per year during the year immediately following the passage of the bill or for the interim period was documented on a July 30, 1974, analysis by the Bureau of Mines of the potential production impact of H.R. 11500 (S. 425) as passed by the House on July 27, 1974. A copy of this document is enclosed.

The coal production loss of 48–141 million tons per year or those coal production loss figures for the first full year of complete implementation at the legislation represent losses to projected production. The assumptions underlying these figures follow:

(1) Coal prices would not increase

(2) Mining technology would remain at its present state

(3) New mining areas would not be opened in the West

(4) Capital investments would not increase in mining and related industries.

If the reverse of any of the above assumptions occurred, the overall coal production could increase.

Coal production losses for this period were related to projected production for that period. In the Project Independence Blueprint for coal specific target goals were established for two scenarios; "Business-As-Usual" and "Accelerated Development." It would be assumed that any production figure lower than the surface mine production target goal for that year represents a loss which would have to be made up from underground mine production in order to meet the total mine production anticipated for that year. Assuming full implementation by 1977, when the target level for surface mine production under the "Business-As-Usual" scenario is 394 million short tons and under the "Accelerated Development" scenario is 519 million tons.

An explanation of the scenarios follows:

BUSINESS-AS-USUAL SCENARIO

In arriving at the production figures listed it was assumed that no significant expansion in coal production would occur between 1975–1977 because of the long leadtimes required for new mine development. For the years 1977–1980, however, it was assumed that there would be available for new mines or additional expansions. It was also assumed that after 1975 there would be some acceleration in the development and installation of stack gas scrubbers to permit the use of large volumes of otherwise nonpermissible coal; that current manpower shortages would be somewhat alleviated and that adequate transportation facilities for shipping coal would be available.

The following additional assumptions were also made in arriving at the Business-As-Usual figures: that there would be no major disruptions to coal production as a result of new legislation; that existing mining methods would continue to be utilized in the earlier years; that significant increases in the production of low-sulfur western coal would occur after 1977; and that production from deep mines in the East would decline over the years as the emphasis shifts to low-sulfur western coal.

ACCELERATED DEVELOPMENT SCENARIO

In arriving at the production estimates for the Accelerated Development Scenario the following assumptions were made in addition to those made under the Business-As-Usual scenario: that some of the present requirements of the Clean Air Act would be relaxed; that substantial coal leases would be issued on Federal lands; that States would not impose any seriously adverse regulation on surface mining; that there would be adequate capital to finance major new mining operations; that there would be no significant manpower or transportation limitations; and that new technologies for utilizing and converting coal would be developed rapidly.

The data basis to support the various assertions is derived from a multitude of material. A basic document which contains both historical and forecast information is the Final Task Force Report of Project Independence Blueprint for coal of November 1974. In addition, a number of reference documents, reports of investigations, etc., were used as well as a review of the reclamation associations for various states and state reclamation agencies.

The analysis of the loss within the range of "minimum" to "maximum" depends on the interpretation of the various provisions of the legislation and of the implementation of these provisions. Anticipated losses therefore stem from the technical and administrative burden placed on the surface mine operation.

ESTIMATED PRODUCTION LOSSES UNDER COAL SURFACE MINING CONTROL LEGISLATION

[In millions of tons annually]

	Interim period				Complete implementation			
	H.R. 25-S. 7		H.R. 3119-S. 652		H.R. 25-S. 7		H.R 3119-S 652	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Small mines [1]	11	22	11	22	22	52	15	30
Steep slopes, siltation, aquifers [2]	3	16	3	16	15	68	7	38
Other losses, including alluvial valley floors [3]	1	12	1	12	11	21	11	12
Total	15	50	15	50	48	141	33	80

[1] Small mines include those mines producing 50,000 tons or less annually. These mines produced approximately 40,000,000 tons in 1973. It is anticipated they could produce 52,000,000 tons in 1975.
[2] Estimated production losses due to requirements concerning spoil on downslopes, reclamation to approximate original contour, siltation constraints, aquifer protection, and hydrologic problems.
[3] Anticipated other losses represent those losses, in addition to losses from alluvial valley floor constraints, due to varying interpretation of and compliance with the legislation, manpower and equipment problems, and decrease in productivity.

Question

To what extent can the Department of the Interior apply its proposed regulation on "diligent development . . . etc." to outstanding leases?

Answer

All coal leases were issued pursuant to the Mineral Leasing Act of 1920, which requires that coal leases be issued upon the condition of diligent development and continuing operation of the mine or mines. New draft diligence regulations are being reviewed internally and where appropriate will be made applicable to outstanding leases.

Mr. FANNIN. Mr. President, in conclusion, I would ask my colleagues to seriously measure whether this Nation can afford such an expensive and disastrous bill as S. 7, the Surface Mining Control and Reclamation Act of 1975.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question is on agreeing to the motion of the Senator from Minnesota (Mr. MONDALE) with respect to Senate Resolution 4.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. BAYH. Mr. President, today we are once again making an effort to amend rule XXII of the Standing Rules of the Senate regarding the number of votes necessary to cutoff debate on any matter pending before this body.

We are voting today, as we did last week and on Monday, on a series of complicated parliamentary maneuvers designed to give this body a chance to express its will on whether it wishes to adopt Senate Resolution 4, a resolution which would allow the Senate to cut off debate on a pending matter by a margin of three-fifth of those Senators present and voting, as opposed to the practice

of the past few Congresses where the margin was two-thirds present and voting. Senators from both political parties have attempted to change rule XXII in exactly this manner on several different occasions. I have supported those efforts in the past, and I do so today.

We have heard arguments during these past days of debate on rule XXII from those who oppose our resolution. They insist that we are leading this body down a path of doom. They argue that we are not only ignoring minority rights, but we are establishing a precedent for future despots who will have the control of the Senate in their hands alone. Mr. President, given the operation of the Senate over the last few legislative days, I find this indeed an ironic statement. To quote from an excellent Washington Post editorial this morning:

As Senator Allen has so amply shown this week, a single senator with a sure grasp of the rules has many weapons for delaying action and frustrating the majority.

A change of the filibuster rule will do nothing to remove those weapons from those in the minority who cares to use them.

For those Members of the Senate who feel that we are seeking to destroy minority rights by supporting the series of parliamentary motions made by Senator MONDALE and Senator PEARSON I can only say that I am sure that none of the cosponsors of Senate Resolution 4, myself included, want to abrogate the minority's right to be heard. By changing the number of Senators necessary to bring a pending matter to a vote, we are not attempting to stifle full and adequate debate on any issue. What we are attempted to prevent is legislative paralysis. Only by allowing the Senate to come to a vote on pending legislation can we respond to the vital questions before us during this troubled time in the expeditious and timely manner.

I think it is important, Mr. President, that we recognize this is not a new problem before the Congress. When cloture was first created by the Congress in 1917 as a means for ending debate on pending motions, many of these very same arguments were debated on the floor of the Senate. Since we adopted the cloture rule in 1917, there have been exactly 100 cloture votes in the Senate. Cloture has succeeded under the two-thirds rule on only 24 of these occasions, even though a majority of those voting supported cloture motions on 82 different occasions.

Of the 100 cloture votes since 1917, 44 received a three-fifths majority, 20 more than those that actually succeeded under the two-thirds rule. Thus a change to three-fifths does not leave minority rights unprotected. It merely gives the majority a better chance.

Over the years we have seen many examples of vital and timely issues left unanswered by the Senate because of the inability of the majority to achieve the necessary margin of two-thirds. Ironically, in many of these instances, the question at hand was the protection of minority rights; for example, the use of the filibuster to block anti-poll tax laws in the 1940's; to prevent the passage of fair employment legislation in 1946 and 1950, to thwart civil rights legislation in 1957 and 1960, to stop voting rights legislation in 1966; to block open housing legislation in 1968 and to prevent the passage of voter registration legislation in 1973. In many of these cases the use of the filibuster prevented the Senate from voting on the pending measure; in others just the threat of the filibuster was enough to kill the legislation.

In the past Congress it was the filibuster that killed the consumer protection agency, killed the tax cut that might have well alleviated our current recession, killed the repeal of the oil depletion allowance, and delayed the enactment of meaningful campaign reform legislation. In this Congress I am told, we can expect filibusters on the extension of the Voting Rights Act, the consumer protection agency, and on no-fault insurance.

While it is true, Mr. President, that I remain basically opposed to the use of unlimited debate in this body to frustrate the will of a commanding majority, I find myself equally opposed to the actions of the Senate which represent the other extreme—using cloture to cutoff debate on a piece of major legislation before the Senate can possibly be expected to examine thoroughly the merits of that legislation.

During the closing weeks of the last Congress, we witnessed several examples of abuse of proper procedure in this manner. We witnessed the filing of a cloture petition on the Eximbank Conference Report after only a few hours of debate, a report which contained significant changes from the legislation that originally passed the Senate some months before the filing of a cloture petition on the trade bill after only 1 hour of debate, a bill which was perhaps the most important piece of legislation enacted by the 93d Congress; even the filing of a cloture petition on a minor tax bill before it had even been placed on the calendar—a clear violation of existing Senate rules.

If we are to be able to command the respect of the American people we cannot allow for abuses of the legislative process on either extreme. We cannot allow for the arbitrary ending of debate on an issue before all the sides of the question have been fully and fairly examined, and we cannot allow for the capricious use of the filibuster to delay the enactment of vital legislation. As legislators, we must continually strive for the balance between the two extremes.

One way to achieve that balance is to amend the existing rules, just as we have done on other rules on previous occasions, to make it easier for the Senate to respond to the needs of the Nation. Surely, Mr. President, we owe this to the American people. We cannot afford to allow dilatory and capricious abuse of procedure to make the institutions of government incapable of action.

Mr. President, I think that all of us here today have a special responsibility to prevent the continuing erosion of public faith in elected representatives and in the Congress itself. Such an erosion of faith has been an unwelcome reality over the last few decades. The public, frustrated at climbing inflation and deepening recession has grown weary of a Congress that cannot enact meaningful tax reform legislation. That same citizenry has grown more cynical after watching the exploits of Watergate unfold before them while one or two Members of the Senate delay the enactment of meaningful campaign reform legislation to prevent a repetition of these very problems. I wonder, Mr. President, how long we can expect the public to maintain confidence in an institution which can be crippled from taking meaningful and expeditious actions by the will of a small minority? I urge the Senate to take this opportunity today to restore America's faith in her governing institutions by approving Senate Resolution 4, a resolution which will make the Senate a more responsive and democratic institution.

ORDERS FOR RECOGNITION OF SENATORS MANSFIELD AND GRIFFIN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the Senator from Montana (Mr. MANSFIELD) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that after Senator MANSFIELD has been recognized on tomorrow, the assistant Republican leader (Mr. GRIFFIN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at the hour of 12 noon.

After the two leaders or their designees have been recognized under the standing order, the distinguished majority leader (Mr. MANSFIELD) will be recognized for not to exceed 15 minutes, after which the distinguished assistant Republican leader (Mr. GRIFFIN) will be recognized for not to exceed 15 minutes, after which the Senate will resume consideration of Senate Resolution 4 on the pending question, that being on agreeing to the motion of the Senator from Minnesota (Mr. MONDALE).

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:25 p.m. the Senate recessed until Thursday, February 27, 1975, at 12 noon.

UMI

HOUSE OF REPRESENTATIVES—*Wednesday, February 26, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Thou wilt keep him in perfect peace, whose mind is stayed on Thee; because he trusteth in Thee.—Isaiah 26: 3.

Our Father God, we thank Thee for the gift of a new day and for the opportunities to serve Thee and our country. In this moment of prayer we give ourselves unreservedly to Thee and pray for the guidance of Thy Spirit as we approach the tasks that confront us and the problems that cry aloud for solution.

Let not the moods of discouragement defeat us nor the feelings of disillusionment make us give way to despair—but even in low spirits may we look up to Thee, who art ever with us and in Thee find strength for each day, wisdom for each hour, and love for each moment.

In these troubled times keep our minds on Thee that we may lift the burdens and lessen the fears which weigh so heavily upon so many of our people.

Humbly we pray for Thy help as we endeavor to do good for our beloved country.

In the spirit of Him who went about doing good we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Vice President, pursuant to Public Law 93–642, appointed Mr. JAVITS as a member, on the part of the Senate, of the Harry S Truman Scholarship Foundation Board of Trustees.

And that the President pro tempore, pursuant to Public Law 93–344 and on the recommendation of the chairman of the Senate Committee on the Budget, appointed, with the concurrence of the Speaker of the House of Representatives, Alice M. Rivlin as director of the Congressional Budget Office.

CRIME DOES PAY IN MEDICARE AND MEDICAID

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to discuss the oversight procedures which currently monitor our national health programs, medicaid and medicare. The cost incurred by the Federal Government in maintaining these programs is enormous. In 1973 the total medicare payments for services and items furnished to beneficiaries was $9.5 billion and for medicaid, $8.713 billion. Few would oppose the expenditures if the money were well spent. Unfortunately, even a cursory look at these programs reveals instances of mismanagement and corruption. As the Congress considers a comprehensive national plan, we are obliged to examine closely our existing health organizations and how they have been functioning.

The most debilitating problem of medicare and medicaid in particular is the lack of regulation over the programs. This has resulted in extensive and costly abuses with little response from the Federal Government. Few indictments have been issued against those who have illegally enriched themselves on medicaid and medicare. There are some 23,000 nursing homes in this country, most all of which receive either medicaid or medicare support, or both, and several hundred thousand physicians also receive such funds.

At the end of 1973, there were 78 medicare cases pending with U.S. attorneys. Of this number, indictments have been obtained, or criminal information filed in 32 cases. Of the 40 medicare fraud convictions in 1973, only 6 were in the hospital insurance program, involving hospitals, skilled nursing facilities, and home health agencies. These six were the first convictions ever in this area. The other 34 convictions were almost entirely against physicians. I found it impossible to obtain accurate statistics regarding medicaid prosecutions. Unfortunately, it seems that vendors have been given a free hand in the dispersal of medicaid and medicare funds.

When federally funded health insurance for the elderly and impoverished was first suggested in the early 1960's it was vigorously opposed by associations such as the American Medical Association and the American Hospital Association. Their feeling at that time was that the proposed health insurance plans would interfere with their right to determine what kind of treatment their patients required, and what that treatment was worth. The outcome of the battle was a program which freely poured billions of dollars into the health industry with a minimum of regulation to show how that money was used. This disastrous compromise bestowed upon nursing homes and other providers, the power to extract huge excess profits from the Government.

Licensing and inspection of nursing homes that care for medicaid patients is left to the States. Furthermore, the States determine who is eligible for medicaid. While all States are supposed to submit comprehensive information on medicaid fraud quarterly to HEW, many States are apparently not even aware of the requirement.

Even when the Department of HEW surveys the States on medicaid reimbursements, it cannot always get an answer. In April 1974, the Medical Services Administration of the Department sent a survey to all the States requesting statistics on physician reimbursement and physician participation in medicaid. The administration was never able to get the information from the District of Columbia, New York, Pennsylvania, Wyoming, and Guam. I am following up today with my own State in an effort to get it to meet its obligation to provide the requested information.

Furthermore, when fraud is found, all the Government auditor generally does is force the operator abusing the programs to give back the money—most often without interest. The case is often not sent to the district attorney for criminal prosecution—and many that are sent to the DAs are turned down—and rarely is any move made to lift the operator's license. No attempt is made to deter the operator from trying again.

The medicare program, which pays for hospital care and 100 days after a stay in a hospital, is administered by the Social Security Administration—SSA. The SSA divides up the Nation into 10 regions with each region having "program integrity specialists" who follow up on complaints which come in concerning fraud or abuses of the program. I am told that there are approximately 80 program integrity specialists working throughout the country under the program integrity branch of SSA. The primary source of investigations are calls from informants. Rarely will the specialists initiate their own investigations, nor do they undertake any systematic program reviews. Under title XVIII—medicare—this type of oversight is done by intermediaries such as Blue Cross.

In December of 1974 I endeavored to secure statistics on the number of indictments and convictions secured in the States for medicare and medicaid fraud. But, I found that no reports have yet been compiled by the Department of HEW. Although a first set of reports were due on July 30, 1974, and title XIX first required that the quarterly medicaid reports be made to HEW in 1972, I am advised that no information will be available before the end of March 1975. Therefore, in an effort to obtain this information from the States, I sent the following letter to the attorney generals of each of the 50 States.

DECEMBER 10, 1974.

DEAR MR. ATTORNEY GENERAL: The cost of medicaid and medicare is enormous. If the money were well spent, there would be few who would oppose the expenditures. But, there is a general feeling here in Congress and in the public at large, that both programs are clouded with massive fraudulent practices involving physicians, and the proprietors of facilities such as nursing homes, whose bills are paid by these programs.

I have ascertained from the Social Security Administration that since 1966 there have been a total of seven referrels to the Justice Department of alleged fraudulent practices. In five of the cases, the U.S. government refused to prosecute; in one there was a conviction with a $5,000 fine and a 4-year suspended sentence; one case is pending. I have also been advised by the Social and Rehabilitation Service at HEW responsible for medicaid claims that they have no compiled statistics of any kind concerning fraudulent cases in their program.

I would appreciate knowing whether your State has any statistics on the number of frauds, and their dispositions, in either of these two programs beginning with 1966, and if so, would you provide me with the statistical information available regarding the number, the nature of the fraud, and the disposition, including civil and criminal penalties that may have been imposed.

Next year the Congress is embarking on a legislative effort to obtain comprehensive national health insurance. It would be helpful to know what efforts have been made under the existing programs to uncover fraudulent practices, the extent of the practices, and the dispositions of the cases, once uncovered. If your office is not responsible for either of these programs, I would appreciate your forwarding this letter to the appropriate State official who can furnish this information.

I would very much appreciate your giving this request prompt attention—the matter is urgent.

Sincerely,

EDWARD I. KOCH.

The responses I received to the questionnaire were startling. Here, in table form, are the statistics I received from the States which responded:

RESPONSES FROM ATTORNEYS GENERAL ON CURRENT FRAUD INVESTIGATIONS OR CONVICTIONS SINCE 1966

State	Medicare cases concluded	Medicaid cases concluded	Pending cases	Comments
Alaska	0	0		
Arizona	No stats	No stats		
California			1,060	For 4th quarter of 1974; 15 complete action, total cases referred to prosecution/administrative procedures, 15.
Colorado		No stats		
Connecticut		3 (since 1971)	15	7 of the 15 cases pending were referred to law enforcement offices; 8 still under investigation by the Department of Welfare.
Delaware		No stats		
Florida	12			
Georgia		No stats		
Guam	0	0		
Hawaii	0	2		
Idaho	0	0		
Illinois	1	0		
Indiana		3	10	
Kentucky	No stats	0		
Louisiana	do	No stats		
Maine		8		2 nursing homes.
Maryland		13		From Oct. 1, 1973, to Nov. 30, 1974.
Massachusetts		12		
Minnesota	No stats	No stats		
Missouri	do	do		
Montana	do			
Nebraska	0			
New Jersey		4,500 cases investigated.		
New Mexico	0	3 miscellaneous		
New York		2		
Nevada	0	0		
North Carolina	0	8 prosecuted		15 providers suspended from participation.
Ohio		2		
Oklahoma		25 fraud		40 program abuses.
Pennsylvania	No stats	No stats		
Rhode Island	0	do		
South Carolina		Many	3	
Texas		30 cases investigated.		
Vermont	0	0		
Washington	0	0		
Wisconsin				Only local statistics.

[1] "No stats": No statistics are maintained by the State agencies.

Note: Letters indicate no figure available at this time. The following States and territories did not respond to my inquiry: Arkansas, Iowa, Kansas, Mississippi, New Hampshire, North Dakota, Puerto Rico, South Dakota, Tennessee, Utah, Virgin Islands, West Virginia, and Wyoming.

Many States maintain that they keep no statistics at all on either the medicare or medicaid programs, which is very interesting since the medicaid information must be sent quarterly to the Department of HEW. Eleven States, the Virgin Islands, and Puerto Rico did not respond to my survey. The numbers from those States who did respond indicate an incredibly low incidence of wrongdoings. We have seen too many individual instances of malfeasance to believe that these low figures indicate a lack of wrongdoing. To me they indicate that the Federal Government has not done an adequate job in policing the use of medicaid and medicare funds which not only allows fraud to go unchecked, but actually encourages it. Nursing home operators and their collaborators can engage in illegal dealings safely because there is little risk of being caught, and if caught, virtually no risk of being punished. At most, States like California and New Jersey seemed to have a large number of cases under "investigation" but showed no convictions.

Mr. Speaker, I along with 17 other Members of Congress, have requested that the General Accounting Office conduct an investigation into the internal auditing procedures which exist within the medicaid and medicare programs. Until we can efficiently monitor our national health care programs, the American people will be paying an enormous burden for a poor quality of medical care. Compassion must displace greed and the Government is the only agency to remove the current monetary incentives for medical dealers.

LEGISLATION FOR CONSTRUCTING 20 NUCLEAR POWER PLANTS TO REPLACE OIL BURNING PLANTS

(Mr. THORNTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THORNTON. Mr. Speaker, the special quality of this Nation is its enthusiasm for tackling difficult problems, not quiet acceptance of circumstances.

Our circumstances are these—we are beset with a continuing inflation, the best cure for which is increased productivity; we are faced with a growing recession and unemployment; and we are faced with a growing dependence upon foreign energy resources making our economy vulnerable to forces beyond our control.

Two weeks ago today I outlined to a joint session of the General Assembly of Arkansas several proposals to put unemployed people to work on programs designed to reduce demands for oil and gas and to use our Nation's technology and the great productive capacity of our people to develop needed energy resources while restoring health to our national economy.

At that time I called for construction of at least 20 nuclear power plants to replace oil burning plants using nearly a million barrels of oil each day.

Today I am introducing such a bill and this afternoon I have reserved a special order to discuss it.

UMI

FERTILIZER PRIORITY NEEDED

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, the national and world food supply is threatened with further decreases and our domestic economic problems are about to be compounded because of the shortage of fertilizer in our country. This urgent fertilizer shortage has resulted because of nationwide natural gas curtailments for fertilizer plants. In order to prevent further food shortages abroad and increases in food prices here at home, today I am introducing a bill which would establish a priority for natural gas used to produce fertilizer and other agricultural chemicals.

At spring planting time when food production must be increased in order to meet demands both here and abroad, we must act to prevent fertilizer manufacturers across the country from having to shut their doors because they lack the natural gas necessary to continue production. Our spiraling inflation rate will be forced even higher by increased food prices unless we act now.

Millions of people throughout the world look to the United States to supply their food needs. Americans look to Congress to halt the economic problems at home. Therefore, we must insure an adequate supply of food and this production depends directly on an adequate supply of fertilizer and other agricultural chemicals. These cannot be produced without adequate natural gas. I hope all Members of the House will join me in supporting this bill.

POOR ENERGY PROPOSALS PROPOSED BY CONGRESS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, for several weeks now, I have been lamenting the fact that the Democratic leadership in the Congress had failed to come up with an alternative to President Ford's energy program.

Well, I cannot do that any more. The distinguished chairman of the Ways and Means Committee (Mr. ULLMAN) according to press reports this morning, has indeed announced the Democrats' alternative.

I read these reports eagerly, because I genuinely hoped for some constructive ideas that might form the basis for a real solution to the energy problem. But I was sadly disappointed. Indeed, I was incredulous.

The program calls for a gasoline tax of 40 to 50 cents a gallon. Forty to fifty cents a gallon. I simply cannot believe that the American people will stand for such a burden, nor should they.

Worse yet, the Ullman program contains a coupon rationing system, which is inherently unfair, incredibly costly and totally unworkable.

If the Congress cannot come up with better ideas than these, we do not deserve the respect of our constituents nor the support of the American people.

CONCERNING ENVIRONMENTAL IMPACT STATEMENTS AND STATES' MATCHING FUNDS AND THE HIGHWAY PROGRAM

(Mr. HOWARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOWARD. Mr. Speaker, on December 11, 1974, the U.S. Court of Appeals for the Second Circuit in the Conservation Society of Southern Vermont versus Secretary of Transportation, et al., held that the Federal Highway authority must formulate and prepare its own impact statement to assess the environmental effects of proposed federally funded highway projects.

This ruling has had the effect of stopping any new highway projects in the three States within the jurisdiction of the second circuit, namely, Vermont, Connecticut, and New York.

Due to the current national effort during this period of recession, with spiraling unemployment, to provide jobs within the construction industry, I have drafted legislation which would remove the restraints imposed by the Vermont case.

It is to be noted that in the decision of the Vermont case, reference is made to contra opinions in the 4th, 5th, 8th, 9th, and 10th circuits; within these other circuits are 33 States, the Canal Zone, and Guam. Consequently, it would appear that the second circuit has imposed a standard for the preparation of environmental impact statements more rigid than those required in a majority of the States.

It should also be noted that there is reason to believe the Vermont case will be appealed to the Superme Court.

One problem raised in the event of an appeal of the Vermont case to the Supreme Court is that the time consumed before the Supreme Court rules on that case will go beyond the present urgent need to provide as much employment in those States as possible.

To alleviate the unemployment problem in those three States, therefore, I have introduced a bill which would enable the Secretary of Transportation to adopt as his own any environmental impact statement prepared by the State.

The Vermont case above referred to also held that although the project involved was only a 20-mile segment of a highway that extended for 280 miles, the environmental impact statement should have included a study of the 280 miles.

Included in my bill is a provision intended to leave with the Secretary of Transportation the final decision as to how extensive an environmental study has to be in order to conform with the intent and purpose of the National Environmental Policy Act.

Also, Mr. Speaker, I am today introducing a bill which would permit an increase in the Federal matching share for Federal-aid highways and certain mass transit projects approved during the period February 12, 1975, to the end of this fiscal year. These increases could be up to 100 percent Federal share to be advanced to a State, upon request, from a State's existing Federal apportionment. In return, the State must agree to pay back such increases to the Federal Government by December 31, 1976. Failure on the part of any State to honor this commitment would result in the withholding of future Federal-aid project approvals in the State.

Mr. Speaker, this bill offers a solution to problems many States are presently experiencing in meeting the matching requirements for the construction of Federal-aid highways. As you know, the President on February 12 of this year suddenly released $2 billion in impounded highway funds to provide a stimulus to our declining economy. The States, of course, did not anticipate this release, and many States are simply unable to meet the additional requirements for State matching. In order to meet the goal of obligating the entire $2 billion before the end of the fiscal year, I believe we must relax temporarily the matching requirement. Any increases advanced to a State for this purpose would be paid back to the Federal Government.

I sincerely urge my colleagues to support both of these important measures to provide jobs and to stimulate our declining economy.

CONGRESSIONAL RESPONSIBILITY IN ENERGY CRISIS

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I would like to respond to the partisan observations made earlier by the gentleman from Illinois (Mr. MICHEL) regarding the fact that if certain tax proposals take place on petroleum that we as Congressmen will not deserve the respect of the people.

Mr. Speaker, I attended a hockey game last night at the Capital Center, and during the intermission a half-dozen Members of this body and a few Members of the other body were booed, howled at, laughed at, and ridiculed. We do not now have respect from the people in this country—or about as much as most lawyers or bankers.

I believe that we are here to write the best law we can, in the best interest of the people and not to worry about respect of people. That is my response to the criticism of my party that was just made.

STATE INSURANCE BOARD CHAIRMAN MAKES SYSTEM WORK

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, Dr. Stanley A. Arbingast, director of the Bureau of Business Research at the University of Texas, once described the 20th century as the "Insurance Age."

Through the ages man has evolved and refined the insurance process by which risks are pooled to reduce the uncertainty of financial loss.

The importance of insurance has a positive influence on the economy in States. The industry provides employment, capital resources and financial protection.

In my home State, the insurance industry is regulated by a three-member board, the State Board of Insurance.

Its current chairman, Joe Christie, is highly regarded in regulatory circles as an individual determined to make the system work, both for the consumers and for the industry. He is ably assisted by two other outstanding commissioners, Hon. Ned Price and Hon. Durwood Manford.

The Dallas Morning News recently carried an article on the Texas State Board of Insurance and I would like to commend it to the attention of my colleagues:

CHRISTIE INSURES AGENCY FAIR PLAY

(By Al Altwegg)

Joe Christie likes to quote Thomas Jefferson on the proper role of government in our society.

Jefferson, he says, said government should give people the conviction that it is serving them well.

Christie likes to give people the conviction he is following that percept of Thomas Jefferson.

What Joe Christie is doing concerns the people of Texas, because he is—and has been for the past two years—chairman of the State Board of Insurance, which regulates, he notes, the Number One industry in Texas, larger than oil and gas and larger than agriculture.

Christie had been a state senator from West Texas and run an unsuccessful race for lieutenant governor when Gov. Dolph Briscoe tapped him to be chairman of the insurance board.

That board, Christie recalled in a speech in Dallas last week, then had a reputation of being controlled by the industry it was supposed to regulate. And at the time, the chairmanship had been vacant four years while governors tried to fill the post and the state senate kept turning down the nominees.

When Christie came along, he was nominated and confirmed in two days. He joshes that he knew too much about his ex-colleagues in the senate. They may have known him, for he is gaining a reputation around Texas as a man who is accomplishing his Jeffersonian goal.

Christie gave a progress report in his Dallas speech. The occasion was a luncheon given by M. Cullum Thompson, president of United Fidelity Life Insurance Co., to celebrate the company's passing of two milestones, $100 million in statutory assets and $1 billion in insurance in force.

What Christie was able to report were several steps he felt proud of:

1. Licensing of Adjustors, the first people an insurance customer comes in contact with on the occasion of a loss. If they are bad apples, they can do a lot of harm, Christie feels, and with licensing he now has a tool which will let the state board drum such apples out of the barrel.

2. The last session of the Legislature passed the Life Guarantee Act, which puts the other life insurance companies behind the policies of any life company that falls in its contractual obligations to policyholders. "No longer," says Christie, "will a widow or orphan wake up and find they have nothing."

3. The Legislature also closed loopholes in the insurance holding company act, giving the state board the power to take a hard look at any holding firm seeking to acquire a Texas insuror. "We screen these applicants very carefully," Christie says.

4. Finally, the Legislature also passed a bill "which instills some competition in auto insurance." Christie says the state board is encouraging "variations" in auto rates, and there are now over 170 companies offering Texans such rates.

Christie also is proud of two studies the state board commissioned from the LBJ School of Public Affairs.

One, Christie says, backed up his belief that Texans should be offered a choice between the present "fee for service" method of delivering health care or the prepaid approach, stressing more preventive medicine and exemplified by so-called health maintenance organizations (HMO's).

"I don't know which is more inefficient," Christie says, "the way we deliver our mail or the way we deliver our health service. All I'm interested in is giving people a choice."

The second study, he says, looked at every state having no-fault auto insurance and concluded that the idea would cost Texans money instead of saving them money.

Christie is also rather proud of the internal operations of the state board of insurance, which has been reviewed for the first time by a management consultant firm which "found it one of the most inefficiently run organizations they'd ever seen."

The upshot of it all was that, instead of contemplating construction of a new additional building for $20 to $30 million, thousands of filing cabinets and a number of employes have been eliminated—the employes by attrition.

Christie's pride in the progress of the insurance board's operations is exemplified by his statements that he is sure that state board was not unique in its past inefficiencies and "I hope what we've done will spread to other agencies, by example."

Christie is also working on plans to try to make insurance policies more readable, more easy for an ordinary insured to understand, less incomprehensible because of its legaleze.

He is also attempting to get state board writers of letters educated in the principles of more understandable letters, an effort he calls "not a minor undertaking."

The total effort, according to Jee Christie, is summed up this way: "Our task is to regulate an industry even-handedly, showing neither favoritism not antagonism."

REPAIRING ROADBEDS OF RAILROADS—EMPLOYMENT OPPORTUNITY

(Mr. HEINZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEINZ. Mr. Speaker, the U.S. Railway Association today released its preliminary system plan for restructuring the railroads in the Northeast and Midwest pointing out the urgent need for manpower to fulfill the vast rehabilitation requirements of railroad track beds. At the same time 8 million Americans are out of work and the rate is increasing despite the fact that this year we will spend $1.3 billion on public service jobs.

Railroad beds are in such a deplorable condition that in many cases trains cannot exceed 10 miles per hour. Yet while these roadbeds deteriorate, our unemployment rate soars. Everyday hundreds of individuals are being laid off while real jobs exist in restoring the much needed tracks for the railroads under ConRail.

While the Education and Labor Committee considers public service job legislation, the Congress must coordinate its efforts and let the right hand know what the left hand is doing by combining the Federal effort to improve our rail system and provide employment by unifying these goals.

Mr. Speaker, the time has arrived for this Government to put our national priorities in perspective. We cannot continue to use Federal tax dollars to provide jobs just for the sake of putting people to work. We must put people to work but we also must determine some logic for the types of jobs we create.

USRA estimates that more than half of the track miles in ConRail will be in need of immediate repair, requiring rehabilitation on as much as 1,600 track miles per year. This requires an effort far beyond the present capabilities of ConRail but conceivably within the limits of our goal to put people to work in areas that will stimulate our economy. At the same time we can return beneficial equity interest to the Federal Government for the improvements provided by public service employees. Surely this makes much more sense than the proposals to put people to work maintaining public buildings or cleaning streets.

Mr. Speaker, the question I want to ask this Congress is, why, if we have roadbeds that are in some cases 25 years behind in their maintenance, and at the same time we have millions of people looking for work who want productive work, we cannot find a way in this Congress to put those people to work on those railroad beds where the work is productive and where the work is needed? I look forward to working with any and all interested Members of Congress in making this idea a reality as soon as possible.

WILSON AMENDMENT TO THE GREEN AMENDMENT OF THE TAX BILL

(Mr. CHARLES WILSON of Texas asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. CHARLES WILSON of Texas. Mr. Speaker, at yesterday's meeting of the Democratic Caucus, the Rules Committee was instructed to vote for a modified closed rule on the Ways and Means Committee's Tax Reduction Act. That rule would make in order both an amendment by Mr. GREEN, of Pennsylvania and an amendment by me to Mr. GREEN's amendment.

Mr. GREEN's amendment would eliminate the oil depletion allowance; my

amendment to his would retain the depletion allowance for only a very small, but highly significant segment of the industry—the independent wildcatters, who drill nearly 90 percent of all new area wells.

CONSERVATION AND DEVELOPMENT OF RESOURCES FOR THE FUTURE

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House the gentleman from Arkansas (Mr. THORNTON) is recognized for 20 minutes.

(Mr. THORNTON asked and was given permission to revise and extend his remarks.)

Mr. THORNTON. Mr. Speaker, for many years the American vision has been a future of abundance. If we needed more food products we moved a little further west and cultivated more land to increase our agricultural productivity. When natural resources were needed we scratched them off the surface of our land always in the belief that if we needed more we could dig a little deeper. Even during the Great Depression years the challenge was only to organize our economic and industrial systems and to improve our technology in order to develop and distribute resources which we believed were unlimited.

In recent years we have come face to face with a new kind of experience in which the real limits of our world are now being explored.

Today the challenge is not merely how we can develop our natural resources but also how to use them more wisely and how to develop alternatives for future years. I think today even more than at any time in the past we must heed the words of Adlai Stevenson when he said in his address to the Social Council in Geneva, Switzerland in 1965 that:

> We travel together, passengers on a little space ship, dependent on its vulnerable reserves of air and soil; all committed for our safety to its security and peace; preserved from annihilation only by the care and work and, I will say, the love we give our fragile craft.

As we consider the many problems which confront our Nation today, our faltering economy beset by inflation and by recession and our increasing dependence upon vulnerable supplies of energy, I am concerned that we have not always looked with enthusiasm toward our Nation's ability to meet these challenges, that we have not approached these challenges with the confidence that we have the resources, the human resources, to accomplish the work that needs to be done.

At a time of high unemployment, why not put the American people to work solving the energy problem by, for example, employing them to install insulation, increase the use of storm windows in public buildings and perhaps in the homes of the elderly?

On previous occasions our commitment to our programs has been in areas where work was needed. During the Great Depression we needed roads and we built roads. More recently we recognized the importance of environmental concerns and so we put our people to work improving our environment.

Now at a time when the resources, the human resources of this Nation could be well used to eliminate some of the drain and waste in our consumption of oil and gas, why not put the American people to work on those kinds of programs?

Mr. Speaker, what I am really trying to say is this: Instead of restrictions, instead of finding ways to cut back on our resources, why not meet the challenge by finding ways to put our people to work to reduce demands for scarce fuels by wise programs of conservation. This can be enhanced by needed changes in our tax laws such as repealing the excise tax on radial tires and the imposition of excise taxes on automobiles which are not fuel efficient. We should also put our technology to work now in developing alternative sources of energy supply. Such programs would have the effect of providing employment while meeting our Nation's needs for adequate supplies of energy which are not vulnerable to interruption by forces beyond our control.

Twenty nuclear plants would have the effect of eliminating consumption of some 220 million barrels of oil each year. Yet the sad statistics are that the construction of nuclear facilities is diminishing mainly because of the requirements for front-end capital with which to construct these very expensive plants even though after being constructed they have the capacity to produce electricity at far more economic rates than are available from any other fuel sources and to do so in the safest and most environmentally acceptable method of generating electricity which is now available.

I know that we are eventually going to move into the areas of fusion, solar power, geothermal and other permanent solutions to our energy problems; but in the middle term I think it is essential that we find ways to develop nuclear energy so that our dependence upon oil and gas under steam generating boilers can be reduced. That is why I have today introduced a bill calling for the establishment of a governmentally owned corporation to undertake the planning, design and construction of not less than 20 nuclear-powered generating plants to be located and constructed in cooperation with the private sector and interested groups.

The front end money for these plants can be provided by the Government. Upon completion, the plants may either be sold or leased to private industry; or operated by the Power Resources Authority so that the plants can begin producing electricity at the lowest possible cost.

Mr. Speaker, this is merely one of a number of steps which needs to be taken. Many others have been presented by other Members of this body.

There are many ways that we can reduce our consumption of energy and develop alternative energy resources for the future without disrupting our economy.

I believe the bill I have introduced will benefit the economy while increasing supplies of energy. A section-by-section analysis of the bill follows:

SUMMARY

TITLE

Section 1. Provides that the Act may be cited as the "National Power Resources Act of 1975."

FINDINGS

Section 2. States the findings of the Congress that:

(a) the national interest requires adequate facilities for the production of energy to prevent energy shortages from jeopardizing interstate and foreign commerce;

(b) the prompt development of nuclear facilities is required to reduce dependence upon resources of oil and natural gas;

(c) capital investments necessary to finance the prompt construction of nuclear power generation plants are beyond the capacity of any single company;

(d) the national interest requires that nuclear facilities be sited and constructed giving consideration to availability of other energy resources, environmental impact, and other relevant factors;

(e) a national effort by government in cooperation with the private sector is required for the construction of nuclear power generation plants.

STATEMENT OF POLICY

Section 3. States the policy of the federal government to establish a National Power Resources Authority to

(a) select location for, design, and construct not less than 20 nuclear power generation plants;

(b) to invite the participation of private industry in selecting sites for the construction of nuclear power generation facilities and the possible development of complete nuclear energy centers;

(c) to make available to private industry on suitable terms the completed power generation facilities or to operate the facilities to produce and sell electric power for distribution and resale.

States that the cost of providing capital for construction shall be considered a cost of national security funded through appropriations, subject to a reasonable return to the government upon the cost of facilities sold or leased.

CREATION OF CORPORATION; DIRECTORS

Section 4. (a) Creates the "National Power Resources Authority".

(b) Provides for the selection and appointment of members of the board of the Corporation.

(c) Designates the members of the board first appointed as the incorporators.

(d) Makes provision for the terms of office of members of the board.

(e) Provides for quorum requirements and appointments to fill vacancies in board membership.

(f) Provides for compensation for members of the board and the reimbursement of expenses.

(g) Forbids members of thee board to be engaged in other business.

(h) Provides that the board shall exercise the powers of the corporation.

(i) Provides for an oath of office by members of the board.

OFFICES AND EMPLOYEES OF THE CORPORATION

Section 5. (a) Authorizes the board to appoint employees of the Corporation and to fix their compensation.

(b) Provides that each contract to which the Corporation is a party shall be considered a contract to which the United States is a party for purposes of the Act of March 3, 1931 (40 U.S.C. 276a), and for the payment of prevailing rates of wages.

(c) Extends the benefits of Chapter 81 of Title 5 of the United States Code to employees of the Corporation.

(d) Forbids political tests or qualifications in appointments and promotions.

CORPORATE POWERS

Section 6. Provides for the general powers of the Corporation and the power of eminent domain in accordance with the provisions of Section 8 of the Act.

SPECIFIC POWERS AND DUTIES

Section 7. (a) Sets forth the specific powers and duties of the Corporation, including:

(1) the selection and location of sites for nuclear power plants and the planning, acquisition, construction and operation of facilities;

(2) invitation to Federal, State, and local agencies and to electric utilities and citizens' groups to participate in selection of locations for the construction of facilities, and coordination with the provisions of the Energy Reorganization Act of 1974;

(3) Establishment and maintenance of high standards of safety and environmental protection and the consideration of other national energy needs and programs.

(b) Authorizes the Corporation:

(1) where the private sector participates in selection of locations and in financing and construction, to enter into agreements for the lease or sale of completed plants and facilities;

(2) where no agreement is entered into under the preceding paragraph, to establish terms for the sale or lease of facilities; or

(3) to operate completed nuclear power generation plants and to produce, sell and deliver electric power.

(c) Prohibits the Corporation from entering into agreements for the sale, lease, or operation of plants with noncitizens or with corporations or associations substantially controlled by noncitizens of the United States.

EMINENT DOMAIN

Section 8. Gives to the Corporation the power of eminent domain in the name of the United States and designates the Corporation as the agent of the United States.

CORPORATE OFFICE AND BOOKS OF ACCOUNT

Section 9. Requires the Corporation to keep complete and accurate books of account and to select a location for the principal office of the Corporation.

REPORTS

Section 10. Requires the Corporation to make annual reports to the President and to the Congress.

BONDS

Section 11. (a) Authorizes the Corporation to issue and sell bonds, notes, and other evidences of indebtedness.

(b) Provides that payment of principal and interest on bonds issued by the Corporation shall be guaranteed by the United States.

(c) Sets forth the general requirements for the issuance of bonds.

(d) Provides that bonds issued by the Corporation shall be exempt both as to principal and interest from State and local taxing authority except estate, inheritance, and gift taxes.

(e) Declares the intent of this section to provide adequate authority and administrative flexibility to obtain necessary funds for the Corporation's activities and for the construction of the section to effectuate that intent.

APPROPRIATIONS

Section 12. Authorizes to be appropriated without fiscal year limitation $10,000,000,000 for the purpose of carrying out the provisions of this Act.

ALASKA VILLAGE DEMONSTRATION PROJECT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, the EPA is ready to proceed with the reconstruction of the Alaska Village demonstration project at the village of Wainwright, Alaska. I am introducing this bill to increase the original authorization to meet the new inflation-impacted cost estimates for the project. It is my hope action can be taken in the near future so the EPA can begin work in May. The bill follows:

H.R. 3813

A bill to amend the Federal Water Pollution Control Act in order to increase the authorization for the Alaska village demonstration projects.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 113(d) of the Federal Water Pollution Control Act is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000".

OFFSHORE DRILLING AND MARINE ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FORSYTHE) is recognized for 10 minutes.

Mr. FORSYTHE. Mr. Speaker, yesterday I introduced a legislative package to regulate the development of the oil and gas resources of the Outer Continental Shelf. With this Nation's pressing energy needs, I believe offshore drilling is inevitable. However, as I said yesterday, this offshore activity can and must be regulated.

Today, I would like to examine some of the marine environmental issues surrounding the development of offshore oil and gas reserves. In the coming days, I will explore the technological ability of the oil industry to reduce marine oil pollution and I will examine the potential onshore environment impact related to offshore drilling.

The extent to which the marine environment is impacted by offshore oil and gas development depends, of course, on the incidence of oilspills. Statistical analysis reveals that between 1964 and 1972 there were only 4 oilspills of 5,000 or more barrels resulting from offshore drilling activities. This represents an accident rate of only 0.022 of 1 percent. If one looks at the period between 1953 and 1972, when virtually all offshore oil and gas wells were drilled, the accident rate for spills of 1,000 or more barrels was only 0.005 percent.

The 4 spills over 5,000 barrels discussed above resulted from transfer operations and cargo handling during exploratory and production drilling. Yet, to see the whole picture one cannot neglect the fact that a typical 10,000 foot offshore exploration well will generate approximately 2,100 barrels of waste cuttings weighing about 1,840,000 pounds.

This same well will also produce another 506,000 pounds of drilling mud waste. Often these cuttings and the drill mud are mixed with oil and, unfortunately, a typical disposal method is to pitch these wastes into the sea.

Nor do the spill statistics point out how oil companies frequently dispose of petroleum polluted water which is found buried next to oil deposits and which is brought to the surface with the oil. The typical well produces an average daily volume of 420,000 barrels of these "formation waters." Of that amount, it is not unusual for 180,000 barrels to be treated at the well site and dumped into the sea. The remaining 240,000 barrels are transported to shore for treatment and release. However, whether the oil-water separation treatment occurs at the well site or onshore, the separation process is not a totally clean one and often results in low-level oil pollution.

While the amount of oil introduced into the marine environment as a result of platform operations may not qualify as a major spill, it is nevertheless clear that low-level oil pollution may accompany offshore drilling operations. But, oil introduced into the marine environment because of oil-water separation and from the discharge into the ocean of drill cuttings and drilling mud represents only part of the problem.

Surface oil, whether created by a massive spill or a continuous discharge, may sink to the bottom by combining with particles in the water column or because of its heavy weight. Once settled upon the bottom, oil may persist in releasing its fractions into the ocean's waters for as long as 2 to 3 years in sandy areas of even longer where significant amounts of silt or mud are located. Although limited analysis has been done regarding the persistence of petroleum hydrocarbons in sediments, it is possible that some oil pollutants may survive for years or even decades. For example, oil spilled at West Falmouth, Mass., still remains in subtidal and marsh sediments over 3 years after the spill. Furthermore, buried oil discovered in the Santa Barbara Channel occurred from natural seepages over 25,000 years ago. The continued persistence and the possibility of spreading by bottom deposits may substantially delay ecological recovery of a community through constant repollution and continued toxicity. Clearly, because of the altering of the sediment characteristics, many affected areas will become unsuitable for marine organisms normally found there.

Yet, offshore drilling operations may result in oil being introduced into the marine environment by factors not directly related to drilling and production operations. Tanker and barge accidents, for example, and the cleaning, bunkering, ballasting, and pumping of oil from these vessels can result in significant oil pollution.

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Similarly, waste discharges from refineries and petrochemical plants continue to pollute the rivers, bays, and creeks of coastal communities. Releasing up to several thousand gallons of oil per day, refineries daily pollute at concentrations of up to 10 to 100 parts per million with petrochemical plants polluting at even greater proportions.

The diversity of these spill factors and the variables associated with their incidence make it extremely difficult to predict the volume of oil which may be introduced into the marine environment because of offshore petroleum operations.

While predicting the volume of oil spillage is difficult, an analysis of the probable affects of that oil on the marine environment is even more difficult. Previously conducted research is inadequate. The data regarding the chemical, biological, and physical changes in the environment resulting from the continually increasing volume of petroleum hydrocarbons found in the world's oceans lacks completeness regarding first, the life history of certain species and second, certain biological information such as species fertility, survivorship, and larval life patterns. Without knowing this data, which will tell marine researchers what is the normal environmental conditions, it is difficult to determine what is the abnormal condition.

Although selected field studies have been conducted at actual spill sites, the infrequent occurrence of catastrophic oil-spills coupled with their status as a relatively new phenomena have prevented comprehensive analysis of short- and long-term ecological effects. Further, difficulties in duplicating natural conditions and the lack of standardization of bioassay testing methods have successfully precluded effective laboratory testing.

Nevertheless, one can identify numerous factors which all interact to determine a particular region's vulnerability. For instance, spills occurring in inshore areas will have a far different and perhaps a more severe impact than spills occurring at the drill-site because of the probability of inshore spills reaching environmentally sensitive coastal and estuarine areas.

Similarly, accidental spills of major proportions will have substantial immediate consequences, while chronic low-level spills will have subtler impacts occurring for a longer duration.

The severity of impact also parallels the physical characteristics of the oil. Saudi Arabian crude, for example, will have completely different effect than a refined South American oil. The differences are directly related to the oils' chemical make-up, since oil is a composite of thousands of hydrocarbon compounds each having various degrees of solubility, volatility, and toxicity.

Basically, three types of hydrocarbon compounds are found in petroleum oils: First, alkanes (also called paraffens of saturates; second, alkenes—which are only found in refined products; and third, aromatics—the most toxic of the three. Clearly, oil containing greater fractions of aromatics pose the most serious environmental problems. Thus, an oil slick only 1 or 2 days old having concentrations of soluble aromatics as low as 0.1 ppm may be lethal to marine organisms in larval stages. Adult marine organisms exposed to 1–100 ppm may be dead within a few hours. Thus light fuel oils containing more aromatics may effect marine organisms through toxicity, while heavy fuel oils may do more mechanical damage by smothering organisms.

The environmental impact of spilled oil is also influenced by the amount and concentration of oil. The degree to which the oil, as it spreads, is weathered by natural degradation, and whether the oil is concentrated in small areas where it will do more damage are major factors in determining spill toxicity.

The response of marine organisms to spilled oil depends not only upon the above factors but also upon the individual species sensitivity.

In the marine environment, individual organisms may be killed through first, destruction of the more sensitive larvae and fish eggs, second, direct exposure to water-soluble toxic hydrocarbon components which interfere with cellular and subcellular processes, and third, direct coating which may smother individuals by disrupting body insulation abilities of warm blooded animals and by interfering with such mechanical activities as movement and feeding.

Oil introduced into the marine environment will also have many indirect effects. Drastic physical changes in habitat which may destroy food sources or cause massive migrations. The incorporation of hydrocarbons in organisms may taint otherwise edible species with carcinogenic elements or cause genetic mutations. Chemical clues needed for survival, feeding, and reproduction may be disrupted. Although these indirect impacts do not result in the immediate death of marine organisms, the potential for long term effects is clear.

A major oil spill will have a different impact on marine organisms according to their mobility. Less mobile organisms are more likely to be trapped and killed by the oil. Finfish, on the other hand, normally swim away from an oil-impacted area. Because their surfaces are oil repellant, there have been few reports of spilled oil being directly toxic to these fish. However, the absence of these reports must be viewed circumspectly since laboratory testing has shown that petroleum and its refined products are quite toxic to various species of finfish.

Fish, however, are a vital renewable natural resource and while the effects of an oil spill on mature fish could be vast, the effect in fish larvae is even more sinister. Oil is 10 to 100 times more toxic to fish larvae and can destroy the breeding ground of various species—threatening future generations of fish. Man could be destroying his present as well as his future.

How marine fish organisms respond to oil pollution has serious implications for man. For example, a large spill would probably have two immediate effects on the commercial fishing industry in the affected area, first, a reduction in the catch size as fishing gear becomes fouled by the spilled oil and second, a drop in fish sales due to the contamination of those fish. In the mid-Atlantic region, a massive spill could severely effect New Jersey's $53 million commercial and recreational fishing industry which last year, employed approximately, 2,700 men directly with another 4,000 individuals involved in the processing industry.

Again, using New Jersey as an example, a complete ban against the taking of shellfish because of tainting such as that imposed after the spill near West Falmouth, Mass., could have disastrous effects for my States' shell fishermen who catch approximately 35,000,000 pounds of shellfish a year. Furthermore, the impact on the shellfish industry would be an enduring one since it could be as long as 17 years before destroyed beds have regenerated are able to produce at pre-spill levels.

Although New Jerseys' most important commercial fish, the menhaden, of which 60,000,000 pounds are caught annually, will probably be unaffected by massive larvae destruction, the hogchoker, which has four different age classes wintering simultaneously in an estuary will be very vulnerable. Because of the possibility of interrupting spawning process, another vulnerable species is the summer flounder, a game fish sought by over 1,800,000 middle-Atlantic salt water sport fishermen. In fact, last year, sport fishermen caught approximately 4,000,000 flounder. If these fish disappear, the impact on the mid-Atlantic recreation industry would be catastrophic.

Perhaps the most vulnerable marine organisms, however, are those birds living in or near estuarine waters. Not only are their mortality rates catastrophically high but their recovery rates are very low. Consequently, the possibility of extinction is not infeasible.

The danger of spilled oil to bird populations was made clear by the *Torrey Canyon* spill which resulted in the death of between 40 to 100 thousand birds. Unfortunately, this land count figure—may be a small proportion of the birds actually killed since it is estimated that only 5 to 15 percent of the dead birds washed onto shore.

Furthermore, immediate death is only one part of the problem because birds produce young at a rate of only two to three young a year, have a lengthy maturation rate of at least 3 to 4 years, and enjoy a longevity rate which may reach 40 years in some cases.

Of course, the effect of any spill depends largely upon the extent of the spill and the season in which it occurs. For example, a spill occurring in the winter months off the New Jersey coast could have a severe impact upon those species which make up the 356,000 waterfowl wintering there. The primary effect upon these birds, many of which are diving birds, is to coat their feathers with clinging oil particles. This disruption of the birds insulation and buoyancy abilities may cause them to sink and drown, to freeze, or become diseased. Unfavorable changes may also occur in their feeding, behavior, and reproductive patterns. During the spring new birds arrive off the New Jersey coast and should the spill occur after March 1, future generations of black ducks, mallards, and Canadian geese which breed in New Jersey's estuaries during the spring could be reduced. High mortality rates for Mid-Atlantic waterfowl will not only affect the entire ecosystem but will reduce the enjoyment of the 7 million bird-watchers, 5 million wild-life photographers, and 3 million water-fowl hunters located throughout the United States.

Thus far, I have spoken only of the effects of major oil spills. However, as I indicated substantial low-level pollution can occur through natural seepages and through the disposal of drilling wastes.

Studies indicate that as much as 50 ppm of oil may be continuously discharged from each oil-formation water separator unit, resulting in a contaminated surface area downstream of the platform. Obviously, freemoving fish and aquatic mammals will actively avoid the region.

However, less mobile organisms, such as phytoplankton, zooplankton, and shrimp, all of which anchor the food chain, may be swept through the impacted areas and killed. Other consequences of low-level hydrocarbon concentrations involve the disruption of photosynthesis and resipration. These low level but persistent oil discharges may also effect life processes concerned with survival, feeding, reproduction, and development of the young. For example, crude oil dissolved in concentrations of 20 to 40 ppb has affected the feeding behavior of lobsters.

Obviously, only a tiny portion of the widely dispersed species will be contaminated; nevertheless, the distinct possibility of the tainting and displacement of fish and fish feeding stocks cannot be ignored.

Mr. Speaker, it is clear that the placement of petroleum-drilling platforms on the Outer Continental Shelf could result in the introduction of oil into the marine environment. It is also clear that this oil may have a seriously adverse impact on the ocean environment.

The extent of the potential damage is sufficient to warrant our most careful consideration. It is significant enough that it should give us pause about the wisdom of plunging ahead with unregulated offshore drilling. I believe the information I have presented today argues eloquently for the prompt enactment of the environmentally protective legislation I introduced yesterday. While, this Nation needs the energy that lies below the Outer Continental Shelf, it is irresponsible to proceed with offshore drilling in a manner that will destroy the marine life of the Outer Continental Shelf.

PUBLIC WORKS EMPLOYMENT: A STEPPINGSTONE TO THE FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, stripped to its barest essentials one of the most important single challenges facing our Nation today is getting our more than seven and a half million jobless citizens together with jobs.

Our tradition of Government activity in helping the unemployed find work is more than four decades old, and our efforts have focused on both the private and public sectors of our economy.

The current economic and employment crisis can be a steppingstone for the future if a public works employment program which builds investments in community improvement is a part of our recovery package. But it will be a stumbling block if we simply throw money at the problem creating what amounts to leaf-raking activities without making the jobs and money serve also as building blocks for the future.

We have taken two principal approaches to the problem, particularly since 1960. Congress has made Federal resources—dollars and technical assistance—available to a variety of public and private groups working toward creating expanded productive job opportunities. And, specifically in the past year, we have funneled money into the State and local government sector for hiring the unemployed and underemployed for work in providing public services.

A congressional action of major importance in this area was the passage during the final days of the 93d Congress of the Emergency Jobs and Unemployment Assistance Act—EJUAA. I single out this law for discussion for two reasons. First is the variety of approaches in dealing with the unemployment problem which the law embodies. And, second is the current philosophical conflict between the administration and the Congress which threatens to block achievement of the aims which prompted the Congress to enact the law.

The EJUAA did three basic things:

Expanded the public service employment program authorized under the Comprehensive Employment Training Act:

Expanded the number of persons who can receive unemployment insurance checks and the number of weeks they can receive them; and,

Created public works employment programs that can both provide jobs for the jobless and a long-range or permanent improvement for the communities in which the jobs are located.

The course of economic history makes it clear that thus far we have been on an employment roller coaster. First we are up in terms of the jobs available to those of our citizens who want to and can work. Then we are down so far that unemployment levels are totally unacceptable, as is the case now. The time is long past for putting an end to our habit of legislating by crisis. We must initiate a two-prong approach which deals with our unemployment on both a short-term and long-term basis. And we must do it in such a way that the investment of taxpayers' dollars that we make gives us the greatest possible return in human and economic terms.

For me, the provisions of the EJUAA bring into sharp focus some of these human and economic questions for which we as a Congress and as a Nation must find solutions. Foremost among these questions are:

Will the same programs work as well for the countryside as for the cities?

Should these programs generate direct, indirect, and induced jobs, or just one or two of these types?

Should our goal be solely to put the jobless to work, or should it be to put the jobless to work and help keep those who are already employed working?

Should our jobs programs be solely directed at putting our citizens on payrolls, or should they have a double-barreled effect of providing employment and long-term or permanent community improvements?

Should the effectiveness of our jobs programs be evaluated simply on how many people find work and how rapidly, or on that factor plus others such as their contribution to increasing the gross national product, their impact on bringing into full use our Nation's production and consumption capacity?

Our national experience with the public service employment programs authorized under the Comprehensive Employment and Training Act and expanded under the EJUAA makes the answer to our first question clear. Public service employment programs are far more effective for cities and densely populated counties where the demands for public services are very heavy. In countryside areas the number of public service jobs is far less, though the burden of joblessness is no less cruel.

Therefore, public service employment programs offer more hope to the cities than to the citizens of the countryside. What the countryside needs most is another kind of effort—a public works employment program.

A public works employment program, such as that authorized under title X of the Public Works and Economic Development Act which was authorized in the EJUAA, makes good human and economic sense in a number of ways. It puts people to work. It has the potential of taking up destructive slack in our private construction and production industries, thereby creating indirect and induced jobs as well as generating direct jobs. It provides long-term or permanent community and public improvements.

In its unbridled effort to deprive the public works employment program of funds and fatten up the public service employment programs thereby increasing the Federal jobs assistance to the metropolitan areas, the administration seems to be forgetting the crushing unemployment problems of the citizens of the countryside and the need to generate employment in nonmetropolitan areas.

I am gratified that my Subcommittee on State, Justice, Commerce, and the Judiciary of the Committee on Appropriations has rejected the efforts to cripple the public works employment program by recommending against the rescission of the $125 million appropriated for title X.

The administration argues that the program is too expensive and that the jobs are not generated until too late in the unemployment cycle.

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I believe that, when a fair and comprehensive evaluation of the impact of an effective public works employment program is made, the facts will not support the administration's contention. It is true that the public works employment program, on the surface, is more expensive than a straight public service employment program. But a public works employment program puts people to work directly on the project involved; it creates a demand for products from the Nation's manufacturing system which employs other persons; it produces public improvements which will continue to benefit the communities and the Nation even after the jobs program has ended; and, when the income earned by our citizens working on these projects and in the businesses and industries providing the products and services for the project is spent, it helps maintain or generate jobs for still other citizens. To get a true picture of the cost of public works employment programs we must consider all these factors.

Further, I believe that the response of the Federal, State, and local government groups to the directives of section 1004 of title X of the Public Works and Economic Development Act demonstrates that there are thousands of labor intensive public works employment projects that are ready to go into operation soon as their sponsors have funds. Under the terms of section 1004 the groups submitted to the Secretary of Commerce this month a listing of projects which they would undertake if they had the funds. To be eligible, the projects had to be:

Labor intensive, use more money for jobs than materials;

Subject to a substantial portion of the work being completed within 12 months; and,

Able to contribute significantly to the reduction of unemployment in an eligible area.

I will include in the RECORD, at the end of my remarks, information from just three of the groups which submitted recommendations for public works employment projects under title X. I offer this data as an illustration of the availability of public works employment projects which are ready to go and just waiting on funding.

This is by no means whatever a complete listing of the recommendations the Secretary of Commerce received or of the creative and innovative approaches to using such a program that have been suggested. Nevertheless, I believe my colleagues will find it useful for purposes of initial discussion of the public service employment versus public works employment controversy.

Finally, I would conclude with a brief comment on the need for Congress to take action on establishing the permanent mechanism for a public works employment program which would be triggered by rising unemployment levels. One of the problems which has made itself clear both in the effort to implement the public works impact program of some years ago and the title X public works employment program is that the mechanism is not in place for monitoring on a continuing basis the existence of plans for projects which could achieve the goal of putting the jobless to work rapidly.

I believe that the Congress must establish such a capability for monitoring within the Department of Commerce. In addition, we must gear up so that when national unemployment reaches and remains at a level of, say, 6 percent for 3 consecutive months, the project funding can be immediately appropriated and necessary project selection and fund allocation work can be completed within 30 days after the unemployment rate moves on to the 6.5 percent level and remains there for 3 consecutive months.

Except in times when the unemployment levels are high enough to trigger the funding of projects under the public works employment program, it would be necessary for Congress to appropriate on an annual basis only the funding necessary for the monitoring and data-gathering and dissemination functions.

Enactment of such a program for public works employment as permanent legislation is a critical step toward providing our Government with essential capability for quick response to rising unemployment problems. The existence of such a program would help us avoid the patchwork, rush analysis of potential projects which we have so often found ourselves doing in critical unemployment situations. Such a program would encourage long-term planning and would let Congress avoid the need for the crisis-response legislating that we have been doing in our efforts to relieve the Nation's unemployment problems.

I include the following:

THE OZARKS REGIONAL COMMISSION,
Little Rock, Ark., February 7, 1975.

Hon. WILLIAM ALEXANDER, Jr.,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ALEXANDER: Bill Fribley, Federal Cochairman of the Ozarks Regional Commission, asked that I send you a copy of all Title X (Public Works and Economic Development Act of 1965) projects submitted from the State of Arkansas through the Ozarks Regional Commission.

I am enclosing an index of all projects with the total number of potential jobs, and the funds requested. A copy of the projects will follow as soon as they can be duplicated and shipped.

We feel the tremendous response (more than $25 million in requests) in a very short time (just over one week) shows the need for this kind of program, and the interest State and local governments have in participating.

Thank you for your interest. If we can provide additional information, please let us know.

Sincerely,

THOMAS C. MCRAE,
Arkansas Liaison Officer.

	Amount	Approximate jobs
Total for 62 State of Arkansas projects	$9,110,905.06	1,262
Total for 123 projects in 8 planning and development districts	16,338,309.00	2,000
Total amount of projects submitted	25,449,214.06	3,262

NORTHWEST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Baxter County road improvements	$75,800	6
2. Benton County road improvements	104,000	8
3. Siloam Springs bridge construction	60,900	9
4. Boone County road impovements	71,137	8
5. Madison County road improvements	66,000	8
6. Marion County road improvements	76,350	9
7. Newton County road improvements	71,000	8
8. Jasper water system improvements	68,475	7
9. Searcy County road improvements	81,340	10
10. Marshall street improvements	265,788	33
11. Washington County road improvements	402,576	16
Subtotal	1,343,366	122

WHITE RIVER PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. County road maintenance and park improvements, Cleburne County	$30,000	5
2. County road maintenance and park improvements, Fulton County	30,000	5
3. County road maintenance and park improvements, Independence County	60,000	9
4. County road maintenance and park improvements, Izard County	30,000	5
5. County road maintenance and park improvements, Jackson County	60,000	9
6. County road maintenance and park improvements, Sharp County	30,000	5
7. County road maintenance and park improvements, Stone County	30,000	5
8. County road maintenance and park improvements, Van Buren County	30,000	
9. County road maintenance and park improvements, White County	60,000	9
10. County road maintenance and park improvements, Woodruff County	30,000	5
11. Flood controk, city of Diaz	20,000	3
12. Flood control, city of Cotton Plant	20,000	3
13. Flood control, city of Bald Knob	20,000	3
14. Flood control, city of McCrory	20,000	3
15. Newport Park improvements	20,000	3
16. Calico Rock Park and drainage project	15,000	3
17. Bebee City park	15,000	3
18. Independence County service building	100,000	20
19. Jackson County service building	100,000	20
20. Cleburne County service building	100,000	20
Total	820,000	143

EAST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Keiser water system	$180,000	45
2. West Memphis water treatment	282,851	6
3. Marked Tree municipal building—Site preparation	5,000	4
4. Marked Tree park improvements	5,600	6
5. Marked Tree drainage	15,000	6
6. Marked Tree municipal improvements	10,000	6
7. Paragould train station	133,000	55
8. Marianna City park	25,000	12
9. Forrest City park improvements	30,000	28
10. Jonesboro creek clearance	175,000	63
11. Jonesboro northside drainage	92,000	25
12. West Helena library	100,000	39
13. West Helena street project	72,000	38
14. Jonesboro Washington street drainage	160,000	45
15. Jonesboro community center	18,400	9
16. Craighead forest recreation area	31,000	8
17. Jonesboro northside park	17,300	9
18 Jonesboro park system improvements	5,400	4
Total	1,362,951	408

SOUTHEAST ARKANSAS ECONOMIC DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Community building, Prattsville	$35,000	12
2. Community building, Arkansas City	35,000	12
3. Community building, Kingsland	35,000	12
4. Community building, Rison	35,000	12
5. Community building, Star City	35,000	12
6. Community building, Dermott	35,000	12
7. Community building, Gould	35,000	18
8. Municipal building, Dumas	200,000	37
9. County office building, Star City	200,000	37
10. Community building, Hermitage	35,000	12
11. Community building, Wilmar	35,000	12
12. Community building, Wilmott	35,000	12
13. Community building, Gillett	35,000	12
14. Community building, DeWitt	35,000	12
15. Community building, Altheimer	35,000	12
16. Community building, Humphrey	35,000	12
17. Community building, Leola	35,000	12
18. Municipal building, Monticello	250,000	33
19. Community building, Eudora	35,000	12
20. Community building, Hamburg	35,000	12
21. Community building, Mitchellville	35,000	12
Total	1,280,000	329

CENTRAL ARKANSAS ECONOMIC DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. War Memorial Park development—City of Little Rock	$540,000	40
2. DeValls Bluff City Park and water	60,000	13
3. Clarendon riverfront campground	40,000	20
4. Conway—Park development	100,000	10
5. Jacksonville—Recreation park	50,000	6
6. Upgrade water distribution system—City of Little Rock	120,700	14
Subtotal	910,700	103

WEST CENTRAL ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1 Clearing and site preparation for Arkadelphia Central Park	$100,000	18
2 Okolona Public Recreation and Elderly Center	77,507	16
3. Montgomery County community improvements	50,000	14
4. Hot Springs, water service adjustment, Malvern Road	120,000	12
5. Hot Springs, Wood Street drainage improvements	106,000	12
6. Hot Springs, Racetrack Drive improvements	205,000	21
7. Malvern, Town Creek drainage	200,000	16
8. Arkadelphia, Mill Creek drainage	75,000	15
9. Morrilton, remodling municipal building	262,160	7
10. Recreation park, Conway County	50,000	20
11. Renovation community center, Dardanelle	60,000	15
12. Danville Recreation Park	60,000	20
13 Yell County, Sulphur Springs Park	20,000	8
14. Smiley Bayou, drainage flood control	50,000	15
15. Pope County, works assistance to rural communities	30,000	20
16. Historical restoration, Pope County	25,000	4
17. Renovate museum, Clarksville	30,000	10
18 Rural road assistance, 10 counties	300,000	20
Subtotal	1,820,667	263

SOUTHWEST ARKANSAS PLANNING AND DEVELOPMENT DISTRICT

Project title	Amount	Approximate jobs
1. Texarkana, drainage (Nix Creek)	$84,000	12
2. Magnolia, South High Street	42,000	8
3. Camden, multiple improvements	26,000	5
4. Magnolia, park improvements	25,000	5
5. Magnolia, sanitary landfill	50,000	5
6. El Dorado, park improvements	35,000	6
7 Nashville, park improvements	34,000	8
8. Hope, multiple improvements	65,000	10
Total	361,000	59

WESTERN ARKANSAS PLANNING AND DEVELOPMENT DISTRICT, INC.

Project title	Amount	Approximate jobs
1. Old city restoration	$2,000,000	214
2. Van Buren industrial park	1,310,000	43
3. Alma Park improvements	27,550	11
4. Greenwood Park improvements	27,550	11
5. Crawford County industrial park	165,000	65
6. Fort Smith Port	300,000	19
7. Sebastian water users	3,000,000	136
8. St. Edward Mercy Hospital, city of Paris	1,400,000	43
9. Westark Community College, job training facility	173,100	8
10. Westark Community College, outdoor recreation physical fitness facility	31,000	20
11. Westark Community College, redecorating occupational education facility	5,425	3
Subtotal	8,439,625	573

THE APPALACHIAN REGIONAL COMMISSION,
Washington, D.C. February 11, 1975.

Hon. BILL ALEXANDER,
House of Representatives,
Washington, D.C.

DEAR MR. ALEXANDER: This is in reply to your letter requesting a copy of the information the Commission submitted to the Secretary of Commerce pursuant to Section 1004 of the Public Works and Economic Development Act of 1965.

Because of the time constraints (the Secretary's letter was dated January 21, 1975), many of the 1,060 projects submitted were brief descriptions only, not complete applications. In addition, there was substantial confusion on the local level between public service job projects eligible under Title I of P.L. 93–567, and those eligible as public works job opportunity projects eligible under Title III of P.L. 93–567.

Because of the time constraint and the brief descriptions, it was not possible to give each project a thorough review. The Commission has to date only received, catalogued, and transmitted them to the Secretary.

We have now begun the necessary review. This process, I am sure, will reduce the number eligible for Title X assistance because I am told many are actually public service job projects.

The Commission has also made application for $10 million in Title X funds to carry out a home renovation and insulation project in the region. I am enclosing a copy of our letter concerning this project and a brief description.

The Commission is aware that the Federal Energy Administration (FEA) is submitting a list of Mine Area Restoration projects totalling approximately $25 million in Title X funds. These projects are, if approved by the Secretary, to be administered jointly by FEA and the Commission, using the authority in Section 302 and 205 of the Appalachian Regional Development Act of 1965 (40 App USC 302 and 205). I am enclosing a copy of a letter we have sent to the Secretary endorsing this FEA proposal.

In line with your request, I will continue to keep you advised as we submit our further reviews and comments to Secretary Dent.

With best wishes.

Sincerely,

DONALD W. WHITEHEAD,
Federal Cochairman.

THE APPALACHIAN REGIONAL COMMISSION,
Washington, D.C., February 5, 1975.

Hon. FREDERICK B. DENT,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: In accordance with your letter to the Appalachian Regional Commission of January 21, 1975, we are happy to transmit on behalf of the thirteen Appalachian States and the Appalachian Regional Commission completed "Inter-Agency Survey Reporting Forms for Proposed Activities Under the Job Opportunities Program."

In submitting these projects to the Appalachian Regional Commission, the Appalachian States acted under a very severe time constraint. The short time before your deadline of February 5th for submission of these projects to your office—only two weeks after receipt of your letter—made impossible the usual thorough analysis and integration of these projects with State Appalachian Development Plans by either the States or our staff. The lack of time and specific criteria also made it impossible to determine with certainty the eligibility of these projects. Nevertheless, we are confident that the projects which meet all of your criteria and ARC's will amount to a substantial portion of the total submitted and, once all the criteria are made clear, the Appalachian States and local development districts can ably assist in determining those which are eligible and merit priority funding.

Our staff did make an effort to provide summary tables for each State's projects where time permitted. In addition, those projects with labor requirements of 75 percent or more of project cost are identified and, as is shown on the attached summary table, these would require $56 million.

Included among these projects is one generated by the Appalachian Regional Commission staff which relates to renovation of housing and conservation of energy in the region. This project clearly meets the priority needs of both the Commission program and your legislation.

We have some concern that your review of the quality of these projects will necessarily be constrained due to the paucity of information required. We do recognize that there may be some confusion between Title I of the Emergency Job and Unemployment Assistance Act which deals with Public Service Employment and Title III which creates Title X of the Public Works and Economic Development Act. While time did not permit thorough screening and checking with the States for this factor, we will work with you in doing so.

We transmit these survey forms in accordance with the terms of your letter and information provided by Mr. Nat Maryn. Full funding of all of the attached projects would require an aggregate of $237 million in Federal funds under the new Title X of the Public Works and Economic Development Act. Recognizing that some of the projects may prove to be either of low priority or ineligible, nevertheless, of the total submitted, $56 million alone is for projects having 75 percent or more for labor costs. In light of the fact that there is only $125 million appropriated at this time for these purposes, however, we are formally applying for only $25 million on behalf of the Appalachian Regional Commission. Given the magnitude of need evidenced by these submissions, it may be quite appropriate to discuss with you additional funding for these purposes.

The Appalachian Regional Commission will continue to review these projects for consistency with Appalachian State and regional plans. We intend to submit additional material prior to the statutory deadline of February 15, 1975. We recognize the urgency for action and would like to take this opportunity to offer the full resources of the Appalachian Regional Commission and the States to help you implement this critical job creation program promptly.

Sincerely,

APPALACHIAN REGIONAL COMMISSION,
DONALD W. WHITEHEAD,
Federal Cochairman.
JOHN D. WHISMAN,
States Regional Representative.

Attachments.

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SUMMARY OF PROPOSED ACTIVITIES UNDER THE JOB OPPORTUNITIES PROGRAM

State	Number of projects	Total Federal funds	Federal funds in projects with 75 percent or more labor costs
Alabama	224	$17,695,874	$9,770,140
Georgia	29	4,211,850	436,350
Kentucky	62	4,270,726	1,161,668
Maryland	70	23,214,595	2,199,287
Mississippi	101	9,451,472	4,309,972
New York	46	9,896,441	2,073,522
North Carolina	106	10,634,259	4,529,988
Ohio	102	8,629,556	2,833,400
Pennsylvania	26	7,414,070	3,424,355
South Carolina	53	9,477,696	1,744,441
Tennessee	34	10,754,238	415,000
Virginia	8	974,814	356,400
West Virginia	210	110,832,501	16,049,857
ARC	1	10,000,000	6,900,000
Total	1,061	237,458,094	56,204,380

FEBRUARY 14, 1975.

Hon. FREDERICK B. DENT,
Secretary of the Department of Commerce, Washington, D.C.

DEAR MR. SECRETARY: The purpose of this letter is to transmit the capability of the Civil Works Directorate, U.S. Army Corps of Engineers to perform work under authority of Section III of the recently enacted Emergency Jobs and Unemployment Assistance Act (P.L. 93-567). The analysis of our budget as required will be forwarded separately on 19 February 1975. This information is provided in accordance with understandings reached in a meeting between Brig. Gen Kenneth E. McIntyre, Mr. Nat Maryn and other members of our respective staffs on 9 January 1975. This information has also been provided to the Secretary of the Department of Labor.

Capabilities for the various Military Departments will be provided under separate cover in response to your letter to the Secretary of Defense dated 21 January 1975.

The total capability for the Corps Civil Works program is $137.8 million. Of this total, $114.7 million is included to perform operation and maintenance functions at our water resource development projects. $23.1 million is included for construction of recreation facilities at completed projects. This latter account is referred to as the Code 710 Program. All estimated costs are 100% Federal costs.

There is no legal requirement that local interests contribute any portion of the expenses for the Code 710 Programs. It is important to note, however, that the Administration presently requires, as a policy matter, that a contract be entered into with an appropriate non-Federal agency who must agree to pay 50% of the development costs and assume the O&M responsibilities for any recreation area targeted for the expenditure of Code 710 funds. Therefore, it would be necessary for the Administration to waive this policy requirement to enable us to utilize that portion of our above capability identified as Code 710.

As soon as funds are made available to the Corps they can be obligated. Actual work can be initiated with a maximum of 30–40 days lead time and will be completed within one year.

We have the capability to employ 19,314 people, representing 135,660 man-months of employment, under this program. Our total capability includes $111.1 million for labor costs. Although we have not analyzed the composition of labor requirements it appears that the bulk of the people we would hire would fit into the Blue-Collar Skilled and Unskilled Labor classifications.

The work which we propose will generally be accomplished by hired labor and equipment rental. However, some work will be done by contract. The legal and administrative requirements for implementation of the Davis-Bacon Wage Rate Act will be adhered to as applicable to the type of work to be performed.

The work items which we have included in our proposed program constitutes a partial backlog of items which we have not been able to accomplish due to personnel and budgetary limitations. Accomplishment of this work will meet local needs by placing facilities and natural resources in a better state of repair for use and enjoyment by the local people. Each year the backlog of important work becomes greater. The long term benefits to be gained by catching up on these work items will be very important in the proper management of water resource projects for the American people.

Sincerely,

J. W. MORRIS,
Director of Civil Works.

PROHIBITION OF FLIGHTS OF SUPERSONIC AIRCRAFT OVER AND OUT OF THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, it gives me great pleasure today to reintroduce, with 20 distinguished colleagues as cosponsors, legislation to prohibit flights of supersonic aircraft into, over or out of the United States, pending favorable environmental studies by the Environmental Protection Agency, the Secretary of Transportation, and the Congress.

As you will note from the names of our colleagues who have joined together in the effort to prevent flights of the SST, a noisy, uneconomic, and environmentally questionable aircraft, concern is being expressed from coast to coast of our great Nation.

Further, Mr. Speaker, fears, well-founded fears, I might add, have been expressed regarding the British-French Concorde in the very home of these gigantic white elephants which our good friends and allies would like us to help bail out of trouble.

At the close of my remarks today, I will present for the RECORD a letter I received this week from Mr. John Butler, chairman of the Heathrow Association for the Control of Aircraft Noise, in London, England. Mr. Butler's group, which represents more than 20,000 members in Great Britain, has been contending with the Concorde for years, and I hope that the House will be able to profit from our sister nation's experience, negative though it has been.

As Mr. Butler so eloquently points out, the Concorde represents a threat quite apart from the potentially severe ozone layer effects, and the resulting incidence of skin cancer, which I have dealt with at length in previous statements, and will again summarize briefly later today.

To quote Mr. Butler:

This aircraft will be, by the manufacturer's calculations which we assume to be optimistic, at least as noisy as the noisiest aircraft now in operation. I do not know whether it might not be helpful to your case, and ours, if you attempted to ban Concorde from Kennedy simply on grounds of excessive landing and takeoff noise which adversely affects the environment on the ground.

Precisely the point, Mr. Speaker, and the one which I first raised on January 29 when discussing my legislation in the wake of an announced 50-flight test series request for John F. Kennedy Airport outside New York, perhaps as early as May.

As I said nearly 1 month ago, it really makes no difference if the SST is finally judged environmentally safe in the strictest sense, because the fact is that we in America today already suffer too much noise. We do not need any more.

And we most especially do not need a gratutious intrusion from across the seas when Congress, in its wisdom, has already ruled that American manufacturers cannot and should not build an SST.

Now, Mr. Speaker, let me turn to the environmental threat to the ozone layer of the Earth's atmosphere for a moment, a topic upon which I have already addressed the House on a number of occasions this year. I am happy to present for the RECORD an editorial from a leading newspaper in New York, Newsday of Long Island, which sums up the problems and fallacies in any attempt to "revive" the SST either at home or abroad.

This editorial very kindly calls attention to my efforts to gain a congressional investigation of a report by the Department of Transportation minimizing the environmental effects of the SST, and I would again ask my colleagues to encourage the Office of Technology and Assesment to undertake this effort in behalf of the American people. It is becoming increasingly evident, I am sorry to say, that we in Congress must rely on our own resources if we are to get a truly accurate assessment of even so grave a danger as destruction of the Earth's ozone layer.

I hope that the OTA will be able to consult with two distinguished atmospheric researchers, Dr. Thomas Donahue, chairman of the Department of Atmospheric and Oceanic Science, University of Michigan, and Dr. Harold Johnston, an atmospheric chemist at the University of California, Berkeley. Both of these gentlemen have had extensive remarks already presented by me for the RECORD, and I would again ask the privilege of commending their findings to the attention of the House.

According to both of these gentlemen, and despite the optimistic publicity allowed by the Department of Transportation, the fleet of Concorde-type SST's due to be in operation by the 1990's could cause as many as 300,000 cases of skin cancer in the United States alone during the operational life of the aircraft.

Now it may well be that the noise and ozone problems with SST's can be ironed out, as is suggested by Dr. Alan Grobecker, manager of the DOT's climatic assessment study which is so strongly challenged by myself and others. Indeed, Dr. Grobecker was kind enough to write me and express the hope that I would call attention to sections of his report which mentioned the necessity of improvements before the SST could be environmentally acceptable.

However, Mr. Speaker, let me once again point out that Congress heard a very full debate on the necessity and utility of the SST in 1971, and I, for one, have heard absolutely nothing in the meantime to prompt me to change my mind.

In conclusion, Mr. Speaker, let me say that while the Federal Aviation Administration has yet to issue its final recommendation on the Concorde, I fear that if the tenor of the information it is receiving, and upon which it will base its recommendation, is that of Dr. Grobecker's report and its surrounding publicity, then we are in very grave trouble indeed.

I must reluctantly conclude that we face the real possibility that the express will of Congress is about to be circumvented in a highly questionable manner, and it is for this reason that 20 of my colleagues and I have today submitted our bill to ban all SST flights until we are fully satisfied as to the acceptability of these aircraft.

As one of my constituents, Mrs. Jean Wood, of Port Washington, N.Y., pointed out to me recently:

A true conservationist is a person who knows that the Earth is not given to him by his fathers, but borrowed from his children.

Thank you, Mr. Speaker. I now submit for the RECORD, my bill and its cosponsors, the editorial from Newsday, and the letter from our British friends opposed to the SST:

H.R. —

A bill to prohibit the commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful to operate a supersonic aircraft, manufactured in the United States or in a foreign nation, for a commercial flight at supersonic or subsonic speeds in the navigable airspace of the United States until—

(1) the Congress, by law, approves findings by the Administrator of the Environmental Protection Agency that the operation of such supersonic aircraft in the navigable airspace of the United States will not have detrimental physiological or psychological effects on persons on the ground and will not have detrimental effects on the environment; and

(2) the Secretary of Transportation shall have made affirmative findings, and submitted a written report thereon to the Congress, that the operation of supersonic aircraft in the navigable airspace of the United States meets all noise, environmental, and safety standards prescribed under the Federal Aviation Act of 1958 with respect to the operation of aircraft in the navigable airspace of the United States.

LIST OF COSPONSORS

Ms. Abzug; Mr. Addabbo; Mr. Badillo; Ms. Burke; Mr. Carr; Mr. Eilberg; Mr. Ford (Tenn.); Mr. Harrington; Ms. Holtzman; Mr. Koch; Mr. Mitchell (Md.); Mr. Pattison (N.Y.); Mr. Rangel; Mr. Roybal; Mr. Scheuer; Mr. Seiberling; Mr. Solarz; Mr. Studds; Mr. Tsongas; Mr. Yates.

KEEPING THE CONCORDE OUT OF KENNEDY

Britain and France, the sponsors of the white-elephant Concorde supersonic jetliner, are asking the Port Authority of New York and New Jersey to open Kennedy Airport for at least 50 Concorde demonstration flights.

Tactically, this effort to move into transatlantic commerce is brilliant. Like a skillful burglar inserting his crowbar at the weakest spot in a door, the Anglo-French forces have found a gap in the American defense against this affront to the environment and to the economics of air transport.

As Kennedy Airport's proprietor, the Port Authority has the power to grant or deny permission for these demonstration flights. But the 12 Port Authority commissioners are relatively immune to pressure from the governors and legislatures—and therefore the people—of New York and New Jersey. They were appointed, not elected, and they have no constituency except the holders of Port Authority bonds. They shouldn't be the final authority on this crucial decision.

In New York, Governor Carey has made it clear he wants to bring the state's public authorities back under the control of government. He and New Jersey's Governor Brendan Byrne should cooperate in moving legislation to curb the broad policymaking powers of their Port Authority appointees.

The Concorde decision is important because the demonstration flights would begin the complex process of winning U.S. Department of Transportation approval for scheduled Concorde flights across the Atlantic. Beyond the state-level initiative, we strongly support the effort by Representative Lester Wolff (D-Kensington) to win passage of a bill in Congress that would flatly ban all SST flights in this country pending a full environmental study.

These high-flying, supersonic planes destroy the earth's ozone layer. Thomas M. Donahue, a University of Michigan scientist, has estimated that 500 SSTs could destroy 40 per cent of the ozone in a single year, causing hundreds of thousands of new cases of skin cancer. Donahue's estimate and a Department of Transportation study that minimized the effect on the ozone are the subject of controversy. The careful environmental study demanded by Wolff is clearly a necessary prelude to any responsible decision on the Concorde.

Beyond the plane's impact on the economy of air transport, the Concorde costs twice as much to buy and twice as much to operate as a 747 jetliner. It will serve an affluent elite, and if it doesn't produce profits its losses will be reflected in the fares of subsonic flights, because that's the way airline economics works: Heavily traveled routes help pay for less traveled ones. As one analyst put it, the Concorde would be a case of the masses paying for the classes.

It was a foolish venture from the beginning, and Congress acted wisely in refusing to subsidize an American effort to produce an SST. Britain and France, on the other hand, made a mistake. But that doesn't mean the rest of the world has to pay for it.

HEATHROW ASSOCIATION FOR THE CONTROL OF AIRCRAFT NOISE,
Chiswick, London, February 21, 1975.

Representative LESTER WOLFF,
House of Representatives,
The Capitol,
Washington, D.C.

DEAR MR. WOLFF: I am writing on behalf of this Association to welcome the bill that you introduced in the House last month to ban overflights by supersonic aircraft in the U.S.

HACAN is an association which has been in existence since 1966 to bring pressure on government to reduce the nuisance caused by aircraft noise in the environs of Heathrow. Currently our membership, which includes affiliated amenity societies, tops 20,000. Our objections to Concorde are based on the fact that it is noisier on take-off and landing than any aircraft currently operating through Heathrow. We are promised a quieter model for service conditions by Lord Beswick, the minister responsible. But even this aircraft will be, by the manufacturer's calculations which we assume to be optimistic, at least as noisy as the noisiest aircraft now in operation—a British tri-jet model called the Trident.

Clearly our interest is to prevent aircraft like Concorde using Heathrow because of its sub-sonic noise; your interest of course is to prevent the machine flying at supersonic speeds to the hazard of the environment. It may, however, be possible, even if your bill is passed through Congress, for SSTs to use Kennedy on transatlantic flights since they would not need to overfly U.S. territory at supersonic speeds. I do not know whether it might not be helpful to your case, and ours, if you attempted to ban Concorde from Kennedy simply on grounds of excessive landing and take-off noise which adversely affects the environment on the ground!

May I wish you good luck in your endeavours, which we will follow with great interest.

Yours sincerely,

JOHN BUTLER,
Chairman.

A CITY BETRAYED—NO. 11 SERIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

(Mr. GONZALEZ asked and was given permission to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, this will be known as "A City Betrayed, No. 11 Series."

I have over a period of time, embodying now 11 separate occasions, addressed myself to the House through this forum in order to point out the rather tragic circumstances besetting my native city of San Antonio, Tex., the unbelievable ramifications of its problem involving high and low individuals in the social totem pole, in the economic totem pole, and on the financial and political totem pole.

Also, I have stated, not as extensively as I shall, God willing in the future, what some people have considered simply astounding, the web of intrigue and connection between crime, highly sophisticated organized crime, and the various and sundry elements in our society.

I feel impelled to speak out. Now, reverting to the sorry history involving San Antonio's gas problem, remembering that San Antonio is rated as the 11th largest city in the Nation and the 3d in the State of Texas, the seriousness of this problem can very well be appreciated.

Probably the first outsiders to suspect that the company that took over the contract in San Antonio—as I have pointed out, under very suspicious, mys-

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terious, and questionable circumstances, known as Coastal States Gas Co., and its main factotum or owner, Oscar Wyatt, in particular—were less than trustworthy—were the auditors.

Now, every one of these companies is supposed to have auditors. We have seen where this has been a matter of national concern in the case of Watergate, in the recent indictment of attorneys and accountants with respect to falsification of documents, and so forth. On the financial front we have seen the wholesale scandals brought about by the defrauding of millions of Americans by dishonest corporate officers.

In order to do that, it had to be based mostly on insiders dealing and information, either with the unwitting or the incompetence and the lack of knowledge on the part of otherwise respectable auditors. The company auditors play a very important part in any enterprise, and this is true in San Antonio to a certain extent.

They were the first ones in the case of San Antonio—we discover now through happenstance, because one of the attorneys had a penchant for writing notes to himself—who suspected things were wrong.

The notes revealed that the company auditors were the first to get nervous years ago. Problems started coming up with the auditors at least as far back as 1964. Norman Davis, the long-time attorney for Coastal States, reporting on a colleague's statement about the auditors' suspicions—and I quote from his notes:

> Today, top partners of T/R (Touche, Ross & Company) just don't believe us, and are suspicious of us, because we have withheld info from them and have intentionally misled them—can't make another misstep with them.

The nervous Coastal executives were counseled, according to Davis' notes, and I quote this counsel:

> Have to assure the auditors that we will take steps to see to it that past mistakes, any failure of information, et cetera, will be unintentional.

Coastal had become careless, and the financial backers and the auditors had to be calmed down. The natives were getting restless. Presumably, this was done somehow.

Years later, in 1973, Davis reported on another conference by nervous Coastal executives. This time, the problem was how to defend against damages arising from Coastal's failure to deliver gas required by contracts. During the discussion. Wyatt commented that there would be no problem with a lawsuit from the city of Austin, and maybe even from San Antonio, because he was hoping to break the contract with San Antonio or renegotiate the contract.

Davis noted, and I quote from his notes:

"OSW—"

That is Oscar S. Wyatt—

> OSW comments, no exposure to Austin because delivered annual contract quantity by early December. SA (San Antonio) is being renegotiated, etc.

Among other things, the conferees planned to defend Coastal against damage suits by claiming that gas curtailments had been caused by plant breakdowns, acts of nature, and other uncontrollable events. But, Davis summarized the conclusion of a colleague, and I quote:

> The total volumes curtailed were far in excess of the volumes cut off by physical breakdowns (plant down, etc.)—so this would not be a good defense.

Wyatt at this time was clearly hoping that he could still renegotiate his contract with San Antonio and prevent a lawsuit. He was enlisting the very mysterious aid of the present mayor of the city of San Antonio and the equally mysterious colleague in business who he had business with, Mr. Marcello, the widely known citizen of New Orleans.

Obviously, Oscar Wyatt was still hoping to break that San Antonio contract.

At long last, after years of systematic lies and deception, however, Wyatt finds himself cornered by the truth. He has very much at stake, much to lose. It is little wonder that he lies even more today than he did a year or two ago, or 10 years ago, to protect himself. He has everything to lose if the whole maneuvering, his connections with the mayor of San Antonio, with the mayor's mysterious business partner, with other business elements in San Antonio, were ever to come out. It involves millions of dollars.

As I pointed out in the case of Glen Martin, the other man involved in the contract in 1961, who has been estimated to have reaped anywhere from $15 to $18 million, the tragedy, Mr. Speaker, is that the helpless people and the citizens of San Antonio are in their clutches. I am speaking of constituents, I am speaking of the poor and disabled and those on social security who cannot pay their present fuel bills.

So it is necessary that the story come out because it is indispensable in seeking and finding the solution to San Antonio's prices at this time, as I hope to suggest at the end of the series, in which I hope to tie up all of these loose ends. Nobody has done it. This has, naturally, aroused the antagonism and bitter denunciations from local people, including some of the criminal element. It was not happenstance that the notorious Carrasco, the great dope-peddling king, who finally ended up in the great shootout at Huntsville State Prison, should have mentioned only one man before he died, in derogatory terms, in hateful terms. Why, of all of the public officials in far-away Huntsville, Tex., should that criminal have mentioned Congressman HENRY GONZALEZ as his enemy?

There is good reason, and I think that when I complete my story all of my colleagues and all who care to read the record will know and understand full well.

CONSUMER AFFAIRS SUBCOMMITTEE BEGINS EDUCATIONAL SESSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, tomorrow the Consumer Affairs Subcommittee, which I am privileged to chair, begins its first of several hearings designed to determine exactly what problems face consumers in our country today.

At tomorrow's hearings, which will begin at 10 a.m. in room 2128 of the Rayburn House Office Building, representatives of a number of major consumer organizations will appear. They will discuss what they feel are the major legislative needs of consumers in the coming months. Tomorrow's tentative witnesses will be: George Myers, director of public relations, Credit Union National Association—immediate past president, Consumer Federation of America; Arnold Mayer, legislative representative, Amalgamated Meatcutters and Butchers Workmen; Judy Kory, president, Virginia Citizens Consumer Council; Mark Silbergeld, Consumers Union; Carol Foreman, executive director, Consumer Federation of America; John Brown, National Public Interest Research Group; Ralph Brown, Urban League; Hall Sisson, Communications Workers of America; and Prof. Fairfax Leary, professor of law, Temple University.

In future sessions the subcommittee plans to hear from officials of the various Federal governmental agencies involved in consumer affairs such as Mrs. Virginia Knauer, Presidential Adviser on Consumer Affairs, representatives of the Federal Trade Commission, and of the Federal Reserve Board.

It is also my hope that business groups such as the U.S. Chamber of Commerce, National Association of Manufacturers, and the American Bankers Association will appear before the subcommittee. These sessions are, of course, open to the public and should provide an excellent tool for Members to obtain deeper insight into consumer problems.

CONGRESSMAN McFALL SAYS AMPOWER HAS 50 COSPONSORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MCFALL) is recognized for 10 minutes.

Mr. MCFALL. Mr. Speaker, approximately 50 other Members join with me in sponsoring the energy conservation and development bill that I reintroduce today.

This show of support for the Ampower legislation reflects the widespread concern in this body to find a fair and effective way of stimulating domestic exploration for new oil and gas sources. It is particularly timely in view of current efforts to develop new sources off the Outer Continental Shelf and elsewhere.

This legislation, which I first introduced as H.R. 3111 on February 10, would provide for the establishment of a National Energy and Conservation Corporation—to be called Ampower—similar to the Tennessee Valley Authority.

Ampower would provide competition in the marketplace, which is the traditional American way, to bring oil and gas prices down. The corporation would be a new source of risk capital to share with private enterprise, especially smaller companies. The corporation would be capable of doing exploration and other preliminary work to assist companies with limited resources. Then Ampower would lease tracts for production to the independents and the smallest entrepreneurs as well as the giant corporations.

In the other body, Senator STEVENSON introduced a bill of similar intent, S. 701, on February 17.

GUN CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, on February 18 and 20, my friend and colleague Congressman JOHN CONYERS, the chairman of the Subcommittee on Crime, held the first in a series of public hearings on the question of gun control legislation.

These hearings provided a forum for many points of view on this issue but nearly every witness during the 2 days expressed the opinion that some form of Federal gun control legislation is urgently needed.

I hope that the House will heed the message that was presented to the subcommittee and that this body will be able to enact some form of gun control legislation before this session ends.

At this point in the RECORD, Mr. Speaker, I would like to submit a copy of my testimony before the Subcommittee on Crime:

STATEMENT OF THE HONORABLE RALPH H. METCALFE BEFORE THE HOUSE JUDICIARY COMMITTEE ON CRIME, FEBRUARY 20, 1975

Mr. Chairman, the Subcommittee is to be commended for holding these hearings on gun control legislation.

This Subcommittee will have to examine all points of view in the days and weeks ahead. And, indeed it should. You will examine the Constitutional question and the relationship of the Second Amendment to proposed legislation. You will examine the position of citizens concerned about the enlarging of government activity and the diminishing of citizens' rights.

In the final analysis though, you will have to come to grips with the fact that in 1973 alone, there were 10,340 homicides by handguns. You will have to decide how best to provide for the common good.

My own city of Chicago is an example of the problems we confront. Commander Joseph DiLeonardi, writing in the January 1975 official publication of the Chicago Police Department, stated that the city of Chicago in 1974 experienced 970 deaths by homicide and that the "major vehicle of homicide is the handgun. In 1974, there were 669 homicides committed by firearms and 73.24% of these were handguns." Commander DiLeonardi continued to say that this "type of homicide can only be prevented by a total ban on the manufacture and sale of handguns . . ."

The Uniform Crime Report for the United States for 1973 (issued in September, 1974) states that in 1973 there were 19,510 murders committed in the United States. In 1973, firearms predominated as the weapon most often used. If we break down the murder rate by type of weapon used, we find that 67% were killed by firearms in general and 53% of the homicides were committed with handguns. This was an increase of 2% over the preceding years.

How many handguns exist in the United States? The U.S. News and World Report estimates around 40 million handguns, or about one handgun for every five persons. The Task Force on Firearms, in its Staff Report to the National Commission on the Causes and Prevention of Violence, estimated that there were "90 million firearms in civilian hands in the United States . . . 35 million rifles, 31 million shotguns, and 24 million handguns . . ." (in 1968).

The Criminal Justice Coordinating Council of the City of New York issued a report in November, 1973 in which it estimated that there were between 25 and 40 million handguns in the United States at that time and there were approximately 2.5 million handguns sold in the United States every year.

Comparatively speaking, the United States has more owners of handguns per 100,000 population by far than any other country. Great Britain has under 500 handgun owners per 100,000; Israel, 1,000; Canada, 3,000; then, the United States with an estimate of 12,000–20,000 per 100,000.

Mr. Chairman, at this point in the record I would like to include a list of cities and the handgun murder rate in those cities as prepared by the Library of Congress.

HANDGUN MURDER IN SELECTED U.S. CITIES, 1973

City	Total murder		Murder with firearm	Murder with handgun	
	Number	Rate per 100,000		Number	Rate
Atlanta	263	53.0	212	191	38.4
Boston	135	21.1	83	69	10.8
Chicago	864	25.7	614	549	16.3
Cleveland	277	36.9	222	202	26.9
Detroit	672	44.5	465	343	22.7
Houston	263	21.3	200	164	13.3
Los Angeles	489	17.4	276	172	6.1
New York City	1,680	21.3	851	810	10.3
Philadelphia	430	22.1	253	213	10.9
Pittsburgh	48	9.2	22	18	3.5
San Francisco	107	14.5	63	44	6.1
Washington, D.C.	268	35.4	161	154	20.3

Source: Basic data were obtained from FBI files. Rates were calculated by CRS, using 1970 census population data.

Is there any public sentiment for handgun control legislation? A Gallup poll conducted in 1974 indicates that 72% of those interviewed indicated that they were in favor of gun registration. There was a breakdown according to size of city which I found interesting: 85% of those interviewed in cities with a population of 1,000,000 and over were in favor of gun registration, 15% were not; 76% of those who lived in cities with a population over 50,000 and under 500,000 were in favor of gun registration, 24% were not; 62% of those interviewed who lived in towns with a population of under 2,500 were in favor of gun registration, 38% were not.

Also, 78% of the non-white citizens polled were in favor of gun registration, 22% were not; 71% of the white citizens polled were in favor of gun registration, 29% were not; so, there does not seem to be any great disparity of opinion according to race according to this Gallup poll.

The City Council of Chicago passed a resolution (February 24, 1972) in which it called on the Congress to prohibit the ownership and manufacture of handguns.

The Chicago Tribune, in the lead editorial on October 20, 1974, called on the Congress "to prohibit the manufacture of handguns or handgun parts in the United States."

WBBM radio, in an editorial on February 6, 1974, said "We'd like to see all handguns banned."

The Superintendent of the Chicago Police Department is on record in favor of a national prohibition on handgun purchase.

The leading candidates for the Democratic nomination for the Mayor of Chicago have taken a position in favor of stronger handgun control on the national level to "ban the manufacture, importation and sale of handguns" except for law enforcement purposes.

Gentlemen, my assessment of the mood of the citizens from the area which I represent leads me to one inevitable conclusion and that is, the citizens are ready for, if not already demanding, gun control legislation.

Black people are among the greatest victims of handgun crime in America. The people in the First Congressional District of Illinois know the terror of uncontrolled handguns. They know that the only solution to this epidemic of violent handgun crime is an absolute ban on the manufacture, sale and distribution of these weapons throughout the United States.

There are some who say that criminals, not guns, kill and stiffer penalties should be meted out to those who purchase, own, carry, or use firearms. The fact that some one will serve a long jail sentence will, in my opinion, not be very helpful to a homicide victim, nor very consoling to survivors of the victim. Nor do I think longer jail terms will deter individuals from using handguns. Further, the Uniform Crime Report for the United States for the Year 1973 states that "In 1973, murder within the family made up approximately one-fourth of all murder offenses." There were 19,510 murders committed during this period and 67% of the homicides were committed through the use of firearms and 53% were committed with the use of handguns.

Chicago's Police Superintendent Rochford pointed out that Americans are dying "from firearm accidents at the rate of about 2,900 per year," and that "another 20,000 persons suffer accidental injuries each year from firearms." Rochford continues by saying that "Firearm accident rates follow the pattern of firearm ownership." Over half of all fatal firearm accidents occur in or around the home and about 40% of the victims are children.

A further point might be made to those who say that people, not guns, kill and who advocate stiffer jail sentences as a result—and that point is an economic one.

Robert Sherrill in his book "The Saturday Night Special" states that "It costs $4,141.00 to keep a man in Lorton nine months . . . The Attorney General of New Jersey . . . figured it up [and said] . . . If that punitive notion had been in effect in New Jersey for the past seven years, it would have cost $6 billion to keep those people in jail." I am not against stiffer jail sentences, but to concentrate on that seems to me to ignore the influence of handguns altogether.

According to an article in the December 1, 1974 Chicago Tribune, the chances of an individual in Chicago in 1974 being murdered were four times greater than in 1950; one person out of every 35 who died in Chicago in 1974 was a murder victim and 63% of these murders were committed by handguns.

What is society's responsibility in the area of handguns? John Mill, in his Treatise on Liberty, states that: " . . . the fact of living in society renders it indispensable that each should be bound to observe a certain line of conduct towards the rest." And I would think that that statement means that society has a responsibility to protect itself from the aberrant action of certain of its citizens—and, eliminating the means whereby an injurious action is effected, certainly

seems to me, at least, to be a legitimate responsibility of the Congress as the elected body having responsibility.

Mr. Chairman, while preparing for these hearings, I briefly reviewed the hearings held before Judiciary Subcommittee Number 5 in June of 1972. The legislation before that Subcommittee then is basically the legislation pending before this Subcommittee now.

On January 16, 1975 I introduced H.R. 1533. This bill would prohibit the importation, manufacture, sale, purchase, transfer, receipt or transportation of handguns except by members of the Armed Forces, law enforcement officials or licensed importers, manufacturers, dealers and pistol clubs.

I strongly urge the Subcommittee to report out legislation which would meet these objectives and sharply curtail handguns in the United States.

Thank you.

TAX REVISIONS—1975

(Mr. ROSTENKOWSKI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, in recent weeks, I have introduced five separate bills which would amend various sections of the Internal Revenue Code. All five bills were tentatively approved by the Committee on Ways and Means during the 93d Congress. All were included in the list of tentative decisions agreed to by the committee as of November 18, 1974. However, as the committee attempted to expedite passage of a more simplified tax package, most of the sections of the draft bill, including these five, were dropped from the legislation that was eventually reported from Ways and Means.

Each of these five bills has been reintroduced in this Congress because, although they relate to different areas of the tax code, all five would help to bring more equity into the administration of our tax system.

At this point in the RECORD, I would like to briefly outline each of these bills:

H.R. 3052, to clarify the tax treatment of the gain on the lapse of options to buy or sell securities: H.R. 3052, would amend the Internal Revenue Code of 1954 with respect to the definition of unrelated business income. This legislation would rectify an inconsistency which presently exists in the tax law in regard to the treatment of tax-exempt organizations. Such organizations, including educational institutions, may seek to augment their investment income by granting options to purchase securities held in their portfolios.

If an option of this type is exercised, thus requiring the organization to sell the security, the premium received for the option is treated as part of the proceeds on the sale of the security itself. Any gain on such a sale is not subject to the unrelated business income tax, because that tax does not apply to investment income such as dividends, interest and capital gains.

If, on the other hand, the option is permitted to lapse, or is terminated, the organization retains the income it received for the option. Yet, although such income also is derived from the investment activities of the organization, the Internal Revenue Service holds that it is subject to the unrelated business income tax.

There is no rational basis for continuing this disparate treatment. The unrelated business income tax is intended to discourage exempt organizations from competing with taxable businesses. Given this purpose, there is no more reason for taxing the income derived from the lapse of options than there is for taxing the capital gains of exempt organizations. No competition with taxable businesses is involved in the production of either type of income.

The Internal Revenue Service's present position results from an historical fortuity. Under the Internal Revenue Code of 1939, income from the lapse of an option was considered short term capital gain, and as such was exempt from the unrelated business income tax. For reasons wholly unrelated to the present issue, such income was reclassified as ordinary income in the Internal Revenue Code of 1954. Although the 1954 change was directed at nonexempt taxpayers, it had the effect, apparently unintended, of subjecting such income in the hands of exempt organizations to the tax on unrelated business income.

During consideration of the Tax Reform Act of 1969, and again in August 1970, the Treasury Department indicated it would not oppose an amendment which would restore the pre-1954 code tax status. It did so after considering the legislative history of section 512 and the practice of exempt organizations with regard to the granting of options.

Enactment of the amendment at this time is particularly appropriate. The Chicago Board of Trade has organized the Chicago Board Options Exchange as the first national securities exchange to offer trading in options. Trading on the exchange began over 1 year ago and its successful development and expansion depends in no small part on the participation of tax-exempt organizations such as educational institutions. At the present time their participation is unnecessarily discouraged by the present tax treatment of the income from lapsed or terminated options.

Moreover, in view of current budgetary and fiscal restrictions, educational institutions, particularly our major universities, have an unusual and immediate need to supplement their investment income. The proposed provision would permit such institutions to realize the maximum return from their portfolio holdings without subjecting those holdings to any unusual investment risk.

The revenue loss which would result from this legislation is at most minimal. Educational institutions and other tax-exempt organizations are at present reluctant to engage in the writing of options because of the present restrictions of the unrelated business income tax on options that are not exercised.

This is the third consecutive Congress into which I have introduced this legislation. There has never been argument to the substantive provisions of this bill. In fact, the Internal Revenue Service does not oppose the change and in both the 92d and 93d Congresses, the bill was unanimously ordered reported by my Ways and Means Committee.

I trust that this Congress will also see the value of this legislation.

H.R. 3053, to exempt State lotteries from certain Federal prohibitions: My second bill, H.R. 3053, is an integral step toward helping our financially troubled States. In the past three Congresses, considerable progress has been made in assisting States with their mounting financial problems. In the 92d Congress, a monumental revenue sharing package was enacted specifically to allow States to hold the line on their taxes while they met the constantly increasing demand for services.

It is obvious that the problems that revenue sharing was designed to alleviate are most acute in our urbanized, industrial States. Their sharp population increase in the 1960's forced these States to search for many new methods to finance their skyrocketing State budgets. For many of these States, the answer became a lottery of some type. Since the enactment of the New Hampshire lottery in March of 1964, a dozen States have followed suit in an attempt to raise money for education, for health care, and for distribution to the various cities and towns under their jurisdiction.

In my own State of Illinois, the revenues from the lottery are used to help balance the budget of a State that has been particularly hard hit by an increased demand for State services. The Illinois lottery, which began operations last August, has already raised $27,000,000—net—in its first 6 months of operation, which represents 43 percent of the gross ticket sales, for this purpose. The most current projections indicate that the lottery may raise as much as $56,000,000—net—in its first 11 months of operation on a projected $130,000,000 of gross ticket sales; again, 43 percent of gross sales.

In light of these new developments in State financing, I was greatly disturbed to learn that the Internal Revenue Service presently plans to revive a relatively obscure excise tax provision to impose an excise tax on the gross re-receipt of all lottery revenues, except those lotteries in which the ultimate winner is determined by a horserace.

This narrow exception was enacted in 1964 when New Hampshire commenced its lottery for education. Such an excise tax does little but discourage States from embarking on such innovative methods to solve their own problems. In addition, we must remember that present law also requires that all lottery winnings be included as income in the year in which they are received—so, lottery receipts are already quite heavily taxed at the Federal level.

It is my understanding that while the Treasury Department feels obligated to enforce the excise tax, it would not object to congressional legislation to relieve them of this obligation. I believe that the legislation which I have introduced to exempt from the excise tax, State-run lotteries conducted for the benefit of the State and its residents, will solve the problem. It will relieve the harsh impact of double taxation which not only would deplete the financial return to the State, but would also discourage other States from introducing lotteries to better their financial needs.

H.R. 3054, a bill relating to the Federal excise tax on beer: All too often in recent years, the financial pages of our local newspapers have been forced to announce the termination of yet another small business. The type of city may change, the type of business may change, but the story remains depressingly the same. It appears that we are living at a time when the only path to survival for the small businessman is to sell out and be thankful he could.

Such a pattern of consolidation is troubling to me. I do not like to think that we have come to the time when bigness is the only road to survival in our economic system. For, if it is, much of the individuality and uniqueness that has made our country will be forever lost.

In Chicago, one clear example of this trend has been in the brewing industry. As the ethnic center of our country, Chicago was long the home for many of our most famous smaller breweries; breweries which developed products that added to our city's uniquely diverse atmosphere. In the last 25 years, however, the city of Chicago has watched the number of its breweries decrease from 48 to but 1. In this regard, Chicago is but one example of an incredible national trend. In the State of Wisconsin, the number of breweries has decreased in the last 25 years from 72 to 8. A sad story for a region that has long prided itself on its beer craftsmen. Nationally, the figures are not much different—from 466 to 56 in the same period of time.

While these figures outlining the decline of the individual breweries are in themselves clear, the message of bigness becomes unmistakable when this sharp decline is contrasted with the continuing increase in beer sales in recent years. In each of the last 14 years—through 1972—sale and production of beer and ale have annually established new highs. Thus, at a time when an industry is prospering, the individual smaller brewer is nonetheless becoming virtually extinct.

The demise of the small brewery can be attributed to many factors. The closings have been caused by many of the problems typical of our inflationary times. In addition, the small brewer has been beset by one problem that is unique to his industry. He is taxed heavier than any other domestic industry except one. He is the target of not only State taxation, but double Federal taxation as well. In addition to the usual Federal income tax, brewers must pay an excise tax of $9 on each barrel they brew. This $9 excise tax can be contrasted with average profit per barrel of only a little over a dollar. Such heavy taxation undoubtedly hits hardest on the small brewer, the man who has neither the capital nor the credit to expand his facilities to take advantage of the growth in industry-wide sales. As a result, he finds it easier to sell his business to those brewers who have the capacity to better bear the heavy financial burden. While this might very well streamline an industry, I seriously doubt that it is as good for American tradition or for the American consumer.

As a result of this, I have introduced legislation to ease the financial burden on the small brewers of this Nation. My legislation would reduce the Federal excise tax on small brewers from $9 to $7 a barrel. This reduction would only apply to brewers that produced less than 2 million barrels a year and even then, only to the first 60,000 of their barrels.

Through the years, Federal excise taxes on beer have risen from $1 to $9 a barrel. As is the case with most excise taxes, increases usually came on a "temporary basis" during a time of national emergency. Unfortunately, as is also usually the case, these "temporary" increases have remained now firmly entrenched in the Internal Revenue Code. The effect of my legislation would be to repeal—for the small brewer's first 60,000 barrels, the $2 increase that was levied to help finance Federal expenditures during the Korean conflict.

This small reduction will not itself insure the financial stability of the remaining small breweries in our Nation. It will, however, give those brewers a badly needed boost in capital to help them in their struggle to both remain open and remain a refreshing diverse part of the American scene.

H.R. 3055, to amend the Internal Revenue Code relating to distilled spirits. This legislation, which I introduced for myself, Mr. LANDRUM, Mr. WAGGONNER, and Mr. CLANCY, would amend the distilled spirits plant provisions of the Internal Revenue Code in order to remove certain restrictions that are presently incorporated in the code. This legislation would remove restrictions that are not necessary for effective enforcement of the revenue and regulatory aspects of the law. Removal of these provisions would also have the effect of facilitating and encouraging experts.

These provisions would have no adverse effect on the amount of revenue that would be collected by the Internal Revenue Service.

I introduced this same bill in the 92d and 93d Congresses. The Treasury Department, in response to a request from my Committee on Ways and Means, has already reported favorably on this legislation. I am therefore hopeful that this bill will be before the House early in this session of the Congress.

I would like to insert in the RECORD at this point, a brief explanation of the various sections of this legislation.

SECTION-BY-SECTION ANALYSIS OF THE BILL

SECTION 1—"IN BOND FOR EXPORT"

Section 1 of the bill would eliminate the requirement of showing on the label of gin and vodka bottled in bond for export, the name of the distiller. Such information serves no useful purpose, and since gin and vodka are produced from neutral spirits, compliance with the statute means showing the distiller of the neutral spirits which may be a person different from the producer of the gin or vodka; the showing of such distiller on the label could even be deceptive to the consumer.

SECTION 2—"DRAWING FOR BULK IMPORTED GOODS BOTTLED IN UNITED STATES"

Section 2 of the bill would authorize allowance of drawback of tax on bulk imported goods which are bottled in the United States and exported therefrom. Because of the limitation to goods "manufactured or produced in the United States" in existing law, imported distilled spirits are not subject to drawback under section 5062(b). However, by virtue of section 5523, I.R.C. reduction in proof and bottling or packaging are deemed to constitute manufacturing under section 311 of the Tariff Act of 1930. (19 U.S.C. 1311). This amendment would make the export standards of Section 5062(b) consistent with those in Section 311.

SECTION 3—"DISTILLED SPIRITS RETURNED TO BONDED PREMISES"

Section 3 of the bill would permit the bottler or packager to return to an export storage facility on bonded premises distilled spirits which would be eligible for drawback under Section 5062(b). The return of the spirits must be solely for the purpose of storage pending withdrawal for export, or other withdrawal without payment of tax authorized under Section 5214(a), or free of tax under Section 7510.

This section also permits the bottler to return to appropriate storage facilities on the bonded premises distilled spirits which he had bottled in bond after tax determination. Such spirits may be withdrawn for any purpose for which distilled spirits bottled in bond before tax determination may be withdrawn from bonded premises.

Appropriate amendments are made to provide for the remission, abatement, credit, or refund of tax on spirits returned to bonded premises under this section.

The amendments made by this section are designed to simplify and encourage export transactions.

SECTION 4—"WITHDRAWALS TO CUSTOMS BONDED WAREHOUSES"

Section 4 of the bill would authorize withdrawal of distilled spirits from bonded premises without payment of tax or transfer to any customs bonded warehouse. This provision applies to spirits bottled in bond for export and to spirits returned to bonded premises under section 5215(b). The amendment is designed to simplify and encourage export transactions.

SECTION 5—"REMOVAL OF SAMPLES FOR RESEARCH, DEVELOPMENT, OR TESTING"

Section 5 of the bill would make a reasonable extension of the purposes for which samples may be removed without payment of tax to include plant research in addition to laboratory analysis. This amendment is similar to the recent amendment to Section 5053 relating to beer.

SECTION 6—"MINGLING AND BLENDING OF DISTILLED SPIRITS"

Section 6 of the bill would permit distilled spirits plant proprietors to commingle distilled spirits within 20 years of the date of original entry rather than the existing 8 years. The section also eliminates the requirements of existing law that the mingled spirits be placed in the same barrels and that the mingling must be for further storage in bond. Proper administration of the distilled spirits tax and regulatory provisions does not require the limitations on commingling to 8 years or the return of the distilled spirits to bonded storage. From a practical standpoint, the use of the same package is an unnecessary restriction.

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SECTION 7—"USE OF JUNIPER OILS IN PRODUCTION OF GIN"

Section 7 of the bill would authorize the use of the extracted oils of juniper berries and other aromatics in the production of gin without incurrence of the rectification tax in addition to the present system of redistillation of a pure spirit over juniper berries and other aromatics. This amendment will permit production of gin with greater uniformity and without loss in quality.

SECTION 8—"LOSS OF PROVISIONS FOR SPIRITS BROUGHT IN FROM PUERTO RICO AND THE VIRGIN ISLANDS"

Section 8 would extend to bulk spirits brought into the United States from Puerto Rico or the Virgin Islands the same loss provisions now applicable to imported and domestic spirits.

Due to an oversight when the law was amended to permit entry of such spirits into bond the provisions applicable to imported and domestic spirits were not extended to spirits brought in from Puerto Rico or the Virgin Islands. Enactment of this section would cure inequities in the present law.

SECTION 9—"EFFECTIVE DATE"

The Act would become effective on the first day of the first calendar month which begins more than 90 days after enactment. This will give the Treasury Department and the distilling industry sufficient time to modify procedures under the statutes amended.

H.R. 3487, a bill to allow the investment tax credit with respect to certain leased commuter cars. This bill would adjust the investment tax credit on leased urban mass transit properties. Under existing investment tax credit provisions, property owned or used by a governmental unit is not eligible for the 7-percent investment tax credit. This means that the Government as lessor cannot pass the tax credit through to its lessee as is normally permitted a lessor. In enacting this provision, Congress apparently did not contemplate the situation toward which this legislation is directed. Congress was concerned about the circumstances wherein public funds are solely used in making the investment in personal property, and in that case did not wish the lessee of the investing governmental unit to have the credit passed through to it by the lessor.

The situation which has come to my attention involves the investment in mass transportation equipment by the Illinois Central Railroad which, because under the Federal law they could not take ownership of the property involved, were denied the investment tax credit.

My proposed bill would permit the lessor-governmental unit to pass the credit through to its lessee of qualified urban mass transit property. The amount of the credit would be based on the private entity's payment toward the cost of the property during the first 5 years of the lease. The Federal Government's grant is not included in the computation of the investment tax credit available to the lessee.

The investments by the private entities in new commuter car equipment serve in the congressional purposes in adopting the Urban Mass Transportation Act of 1964. Such purposes are: First, to assist in the development of improved urban mass transportation facilities, equipment techniques, and methods; second, to encourage the planning and development of areawide urban mass transportation systems; and third, to provide assistance to State and local governments in financing such systems, all with the cooperation of public and private mass transit companies. The subject would also be consistent with the congressional intent of the tax laws to allow the tax credit to lessees where the investment in qualified property is not made solely by a governmental unit.

The proposed legislation would aid the development of urban mass transit facilities and systems. It would offer a clear incentive to private entities engaged in the public transportation industry which are requested to bear part of the total cost of acquiring commuter equipment when the funds are not available to the local governmental authority. It would lessen the penalty incurred by the priviate entity in being denied ownership of the equipment and the resulting tax benefits.

In this instance, the Illinois Central Railroad leased commuter cars for a period of 25 years and was required to pay the nonFederal portion of the cost of 130 commuter cars in 1971 and 1972 during construction of the equipment in an amount approximating $13.3 million. The commuter line would have purchased a one-third interest in the commuter cars for $13.3 million but was unable to do so because of the requirements of the Urban Mass Transportation Act of 1964. The cars are, and must be, owned by the mass transit district involved. Had the railroad been permitted to purchase an interest in the equipment, the legislation I now introduce would be unnecessary. The railroad would have been eligible for the tax credit on its investment and also would have been taking accelerated depreciation on the equipment. The mass transit district involved is a governmental agency without taxing power. In order to secure the one-third local or State share for construction of the equipment, the transit district had to resort to the railroad for assistance. Without the railroad's payment the project would not have proceeded.

What is also unfortunate is that the $13.3 million investment is not permitted to be included in the railroad's rate base for determining its commuter fares and therefore, the railroad will probably receive no return on this substantial investment. The commuter operations are not expected to permit a reasonable return even on the substantial existing investment in commuter operations wholly apart from the $13.3 million investment.

Congress has expressed its concern about the problems in securing an efficient mass transportation system throughout the Nation. Obviously, there will be required cooperation of the governments involved and the private mass transit companies. The legislation I have introduced would encourage cooperative efforts of interested parties toward resolving our mass transportation problems.

FLOATING NOTES OF CITICORP

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, I would like to bring to the attention of the Members a copy of a letter I have forwarded to Chairman Ray Garrett, Jr., of the Securities and Exchange Commission with respect to the $650 million floating note issue which Citicorp marketed in July 1974. I have presumed to send a copy to Congressman JOHN E. Moss, chairman of the Subcommittee on Oversight and Investigations of the House Commerce Committee.

Inasmuch as this matter involves the Nation's second largest bank, First National City Bank—"Citibank"—it should be of equal or greater interest to our three banking agencies so I have also sent copies to the Comptroller of the Currency, James E. Smith, the Chairman of the Board of Governors of the Federal Reserve System, Dr. Arthur F. Burns, and the chairman of the Federal Insurance Deposit Corporation, Frank Wille.

In this connection, I also call the Members' attention to the complaint, dated July 5, 1974, filed in the United States District Court for the Southern District of New York, against the Board of Governors of the Federal Reserve System by the Bowery Savings Bank, and the National Association of Mutual Savings Banks, in which it is alleged that these floating notes should be subjected to Federal Reserve regulations D and Q.

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C., February 24, 1975.

Hon. RAY GARRETT, Jr.,
Chairman, Securities and Exchange Commission, Washington, D.C.

DEAR MR. GARRETT: On July 24, 1974, with your approval, Citicorp, the holding company for the First National City Bank, issued a prospectus for the sale of $650 million so-called floating notes. I am very concerned about the scope of disclosure in this prospectus. It was a "first", and has become a model for offerings of this type.

As I understand it, corporations may use in their prospectuses unaudited quarterly figures subject to the condition that such figures fully and fairly describe the company's quarterly position. In my opinion, Citicorp's quarterly figures for 1973 and 1974 showing actual loan loss chargeoffs in Citibank, do not accurately reflect losses sustained at those times. Citicorp represents that on June 30, 1974 Citibank may legally declare a dividend in the amount of the bond issue, $650 million. Presumably, this figure is obtained by plugging actual loan loss figures for the first and second quarters (see table below) into the statutory formula of Section 60 of Title 12 of the United States Code:

ACTUAL LOAN LOSS MINUS TAX BENEFIT

	Quarter			
	1st	2d	3d	4th
1973	6,836	6,814	14,728	48,254
1974	6,880	8,523	14,000	59,780

You will note that in both years approximately 83% of the Bank's total losses are deferred to the third and fourth quarters.

The statements in the prospectus do not contain any explanatory footnote, but it is extremely unlikely in a Bank the size of Citibank that any seasonal factor could cause such large fluctuations in revenue.

Of course by manipulating the actual charge-off figure a bank may arbitrarily increase the amount of legally available profits from which dividends may be declared under 12 U.S.C. 60(b). There is no evidence in the prospectus that Citibank has employed an objective accounting method—or any method at all—in choosing to write its loans off in this manner. Both the S.E.C. and the Comptroller have the authority to prevent illegal manipulation of 12 U.S.C. 60 by promulgating guidelines for reporting unaudited quarterly figures which represent loan loss charge-offs. As this same pattern of loss activity has been observed in the prospectuses of other banks offering floating rate notes, it is time that authority were exercised. The S.E.C. might consider insisting on audited figures.

I am also concerned by the fact that while the prospectus is careful to highlight the Bank's legal ability to declare a dividend, any discussion of the Bank's actual ability to make such a payment is conspicuously absent. Citibank did not pay dividends to Citicorp in 1972 or 1973. Nor did it declare a dividend in 1974. However, Citicorp has paid dividends of $75 million in 1972, $86 million in 1973, and $98 million in 1974. The logical inference is that Citicorp is paying these dividends with money borrowed in the commercial paper market. In addition to being a practice of doubtful legality, it is one which should certainly be disclosed to the potential investor and discussed in the holding company's prospectus.

While I appreciate the values served by the equity method of accounting, it is singularly inappropriate as a method of disclosing the cash position of a bank vis-a-vis its holding company. The Bank's assets are not the holding company's assets.

When Citicorp is allowed to represent—

"In the determination of the dividend policies of Citicorp its Board of Directors consider the earnings of Citibank available for the payment of dividends to Citicorp. Citicorp would anticipate that a portion of such earnings would be paid to it as dividends if such payment were required as a source of funds to pay Citicorp dividends in the future."

a consolidated statement is irrelevant. It is the liquidity of Citibank which is in issue, and the Commission ought to require that a statement providing this particular information be included in the prospectus.

The prospectus, moreover, neatly sidesteps disclosure of the nature and extent of Citibank's foreign investments—another factor affecting the Bank's actual ability to pay dividends. A geographic break-down of domestic and international net income is qualified by the statement—

"It is not practicable to make a precise separation of the domestically oriented business from the part of the business resulting from operations in foreign countries and derived from customers in foreign countries; accordingly, the separation set forth below is based upon internal allocations which necessarily involve certain assumptions". (p. 13 Citicorp prospectus).

Such assumptions are never defined. The investor has no facts on which to base a judgment as to the soundness of the Bank's loans in foreign countries.

While you or the banking agencies may lack the statutory power to do so, don't you think that the directors, officers, attorneys, and accountants who represent a bank holding company should be completely independent and different from those of the bank? After all the Bank directors as trustees owe their first duty to the Bank's depositors. Here the holding company's need for the dividends may clash with the obligation of the Bank's directors to retain the dividends. If necessary, should we not pass legislation to effect this?

I would appreciate hearing from you what you can do to correct this situation.

Sincerely,

WRIGHT PATMAN,
Vice Chairman.

[In the U.S. District Court, Southern District of New York]

COMPLAINT

The Bowery Savings Bank, National Association of Mutual Savings Banks, by its President Kenneth L. Birchby and Savings Bank Association of New York State, by its President Joseph C. Brennan, Plaintiffs, v. Board of Governors of the Federal Reserve System, Defendant.

The plaintiffs The Bowery Savings Bank ("Bowery"), the National Association of Mutual Savings Banks and Savings Banks Association of New York State, by their attorneys, Cadalader, Wickersham & Taft, for their complaint allege:

1. This action for declaratory judgment arises out of the provisions of Section 19 of the Federal Reserve Act, as amended, 12 U.S.C. § 461 and Regulations D and Q of the Federal Reserve Board, 12 C.F.R. §§ 204 and 217 respectively, issued pursuant to said act.

2. Jurisdiction of this Court is based upon Sections 1331 and 2201 of Title 28 of the United States Code.

3. The amount in controversy exceeds $10,000 exclusive of interest and costs.

4. Venue properly lies in the Southern District of New York pursuant to Section 1391 (e) of Title 28 of the United States Code. The plaintiffs have their principal places of business in the Southern District of New York.

5. Plaintiff Bowery is a New York State mutual savings bank organized and existing by virtue of the laws of the State of New York and maintains its principal place of business at 110 East 42nd Street, New York, New York.

6. Plaintiff National Association of Mutual Savings Banks is an unincorporated association existing under the laws of the State of New York, and has its principal place of business at 200 Park Avenue, New York, New York. Its 475 members, representing $108 billion in assets, are mutual savings banks conducting and authorized to conduct the business of savings banking under and by virtue of the laws of various states throughout the United States. Kenneth L. Birchby is the President of this association. This association brings this action on behalf of itself and in the interest of its members.

7. Plaintiff Savings Banks Association of New York State is an unincorporated association existing under the laws of the State of New York, whose members are 118 mutual savings banks chartered under the laws of the State of New York. Its principal place of business is in the City of New York, State of New York. Its members conduct the business of savings banking in various counties of the State of New York, including the County of New York. Joseph C. Brennan is the President of this association. This association brings this action on behalf of itself and in the interest of its members.

8. The defendant Board of Governors of the Federal Reserve System is an agency of the United States empowered and authorized by the Federal Reserve Act to regulate the business of members of the Federal Reserve System and their affiliates for purposes germane to this action, including all National Banking Associations ("National Banks").

9. On information and belief certain registered bank holding companies registered under the Bank Holding Company Act of 1956 which are affiliates of National Banks subject to the provisions of the Federal Reserve Act are about to and have expressed their intention to issue or their interest in issuing unsecured small denomination notes ("Notes"). These issuers include the holding company affiliates of Chase Manhattan Bank, N.A., Bank of America, N.A. and First National City Bank ("Citibank"). The Notes will yield interest in excess of the rates prescribed by Federal Reserve Board Regulation Q; and the requirements for reserves prescribed by the Federal Reserve Board pursuant to Regulation D are to have no certain application to the proceeds of such Notes.

10. Bowery and the member of plaintiffs National Association of Mutual Savings Banks and Savings Banks Association of New York State (collectively referred to as "Associations"), are within the group sought to be protected by authority granted to defendant to expand the scope of Regulations D and Q.

11. One such bank holding company, Citicorp, which owns all of the capital stock of Citibank, has presently pending before the United States Securities and Exchange Commission a certain preliminary prospectus dated June 27, 1974 with respect to the issuance, offer and sale to the public of $850,000,000 of such Notes ("Citicorp Notes") and is seeking registration for such an offering to the public.

12. The funds, or a portion of such funds, so obtained by such bank holding companies will be used directly or indirectly in the banking business of their affiliate National Banks or to maintain the availability of funds for the benefit of such banks.

13. Issues of such Notes seek to attract and compete for funds which otherwise would be invested in time or savings deposits of Bowery as well as with mutual savings institutions which are members of the Associations.

14. Bowery has requested that the Federal Reserve Board coordinate with the Securities and Exchange Commission on the applicable disclosures regarding the application of Regulations D and Q to the issuances of the Notes. The plaintiffs have requested that the defendant regulate the issuance of the Notes by subjecting this issuance (and proceeds) to Regulations D and Q.

15. Unless the defendant so regulates the issuance of the Notes, Bowery and the members of the plaintiffs Associations will suffer irreparable competitive injury.

16. In a certain letter dated July 2, 1974 from the defendant to the Honorable Ray Garrett, Jr., Chairman of the Securities and Exchange Commission, concerning the Citicorp Notes the defendant has recognized that:

". . . the result of the large offering—and any other offering like it, whether issued by bank holding companies or other corporations—can well be to divert the flow of savings from the residential mortgage market and to deprive home buyers of needed mortgage financing. It is not clear, therefore, that an offering of this type is in the public interest at this time."

17. In disclaiming authority to apply Regulation D to the entire offering of the Citicorp Notes, and apparently disclaiming any power to apply Regulation Q or to amend Regulation Q to apply to interest payable on any part thereof, the Board states that it lacks the necessary statutory powers:

"The Board's present statutory powers do not authorize it either to prevent or to regulate the terms of the Citicorp issue. The legislative history of the 1969 amendments

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to the Federal Reserve Act, which authorized the Board to determine what types of obligations issued by affiliates of member banks may be deemed to be deposits for purposes of the Board's regulations, makes it clear that such authority applies only to the extent that the proceeds of such affiliate obligations are used for the purpose of supplying funds to a member bank. To the extent that the proceeds of the Citicorp Notes may be *used for supplying funds to member banks*, they would be subject to reserve requirements, but not otherwise." (Emphasis supplied).

17. With specific reference to the Citicorp Notes the issuer describes the proposed "Use of Proceeds" on page 3 in its preliminary prospectus as follows:

"The net proceeds from the sale of the Notes offered hereby are expected to be applied to the repayment at maturity of commercial paper issued by Citicorp. See "Capitalization". Citicorp has issued commercial paper principally to finance the activities of its subsidiaries other than Citibank, including Advance Mortgage Corporation, Nationwide Financial Services Corporation and Citicorp Credit Services, Inc. See "Business—Related Services and Activities". Citicorp expects to continue to issue commercial paper to repay outstanding commercial paper as it matures and to finance expansion of the activities of its subsidiaries, including Citibank. With the anticipated continued growth of Citibank and other Citicorp subsidiaries, Citicorp also expects that it will, on a regular basis in the future, engage in additional financings in character and amount to be determined as the need arises."

18. Defendant has the statutory power to apply Regulations D and Q to the Citicorp Notes and proceeds thereof, and any similar issuances by other bank holding companies, for the following reasons, among others:

(a) On information and belief Citibank has been able to avoid paying any dividends to Citicorp, thereby retaining for its own capital base its entire net income for two and one-quarter years—amounting to approximately $550 million. Citicorp dividends during this period, in the amount of $186.2 million (to meet the expectations of Citicorp shareholders—formerly shareholders of Citibank) have been paid through funds supplied by intricate borrowings by Citicorp and by decreases in loans financed from previous borrowings (largely through commercial paper). These previous borrowings are now "expected" to be refinanced from the sale of Citicorp Notes. The defendant has the statutory power to characterize the proceeds from the Citicorp Notes as "deposits" for purposes of Regulations D and Q by reason of the use of previously borrowed funds, intended to be refinanced by the Citicorp Notes, to benefit Citibank by enabling it to retain earnings otherwise payable as dividends to its shareholders.

(b) On information and belief, pending application of the proceeds to the repayment at maturity of commercial paper issued by Citicorp, the proceeds "may be used for supplying funds" to Citibank. The defendant has the statutory power to apply Regulations D and Q at the very least pending such application of proceeds.

(c) The defendant has the statutory power to treat debt issuances of Citicorp on a "first-in-first-out" ("FIFO") method of tracing funds used by or for the benefit of Citibank. Hence, even if the present "expected" use of proceeds is not deemed for the benefit of Citibank, funds resulting from a subsequent debt issuance (and benefiting Citibank directly or indirectly) may be attributed *pro tanto* to the proceeds of the instant Citicorp issue. Defendant has the statutory power to apply Regulation D to such proceeds on a FIFO basis, and Regulation Q as then applicable to all of the Citicorp Notes.

(d) Accordingly, the defendant has the statutory power to apply Regulations D and Q to the Citicorp Notes by reason of past Citicorp uses of funds to be refinanced (as described in (a) above), of current proposed Citicorp uses of proceeds described in (b), and/or by reason of future uses of proceeds from the Citicorp Notes under tracing described in (c).

20. Pursuant to Section 19 of the Federal Reserve Act, the defendant has the statutory power to apply the reserve requirements of Regulation D to the proceeds of the entire offering of the Citicorp Notes or similar obligations. Similarly, the defendant has the statutory power to regulate certain of the terms of the Citicorp Notes or similar obligations by the application to them or requirements of Regulation Q. The exercise of such statutory powers is plenary whether or not the proceeds are traceable to the direct use of banks which are members of the Federal Reserve System.

21. In the event that Section 19 of the Federal Reserve Act is construed so as to apply "only to the extent that the proceeds of such issuance are used for the purpose of supplying funds to banks which are members of the Federal Reserve System," then:

(a) in those circumstances where the issuer identifies the Notes, proceeds of which are to be so used, the defendant has the statutory power to subject to Regulations D and Q such proceeds and Notes as so identified;

(b) in those circumstances in which the issuer does not so segregate the Notes and proceeds to be so used, thereby rendering identification not feasible, the defendant has the statutory power to subject the entire issuance to the terms of Regulations D and Q; and

(c) failure by the issuer to facilitate the determination of whether Notes and proceeds therefrom serve the purpose of supplying funds directly or indirectly to or for the benefit of banks which are members of the Federal Reserve System shall in no way disable the defendant's full use of its statutory power to determine that interest payable on all or any part of a Note issuance is subject to Regulation Q, and that all or any portion of the proceeds are subject to Regulation D.

Wherefore, plaintiffs pray for judgment in their favor declaring that the Board of Governors of the Federal Reserve System has the statutory power under Section 19 of the Federal Reserve Act to regulate the terms of Note issuances by bank holding companies as described hercin for purposes of determining whether, and to what extent, proceeds shall be deemed "deposits" for Regulations D and Q, and for such other relief as the Court deems just and proper.

Dated: New York, N.Y., July 5, 1974.

CADWALADER, WICKERSHAM & TAFT,
By ——— ———,
A Member of the Firm.

MARVIN WATSON—MAN OF GREAT ACHIEVEMENTS AND ABIDING FAITH

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, several weeks ago my good friend, W. Marvin Watson, spoke at the 50th anniversary of the Chamber of Commerce in Jacksonville, Tex.—which is one of the fast growing and rapidly developing towns in the First Congressional District of Texas. Marvin Watson has distinguished himself both in government and in business, and as his remarks in Jacksonville confirm, he is also a man who loves his country and his God, and who accepts His guidance in all things.

I believe Marvin Watson's words are especially important today. They speak to the faith and dedication of a single town and its people, and they speak too in a larger sense of those qualities that have shaped our Nation, the qualities that have made us great, the qualities that have rewarded us as a free people, and the qualities that assure us, in these difficult times, that America still has what it takes. There may be those who would say that faith alone has little power against the immensity of the world and its problems. But as Marvin reminded his audience: "A candle is small. But where there is darkness all about, men will come to share the light and will no longer fear the dark."

Mr. Speaker, I insert Mr. Watson's speech into the RECORD:

SPEECH OF MARVIN WATSON

I am grateful to have the opportunity to be with you and you'll forgive me if I tell you that another of the very nice things about being able to come here was I was told I'd have a chance to say some nice things about Luci Johnson Nugent. I never pass up a chance to do that.

I was remembering something about Luci the other night when we were talking about what separates folks who make the most of life from folks that don't.

The difference is attitude—believing in what you're doing, believing in what's right, being loyal to the folks that love you, and looking for the good in everybody, whether they love you or not. And then being stubborn about the whole business.

In 1960 there were some volunteers in Washington who believed Senator Lyndon Johnson should be President.

And because we believed that, we meant to do something about it.

So we set up a campaign headquarters.

I walked in one night and there off in a corner was Luci, stuffing envelopes. She was about ten or eleven then, I guess, and here she was in this office with all these though old political operators.

She was doing a good job on those envelopes, but I didn't think she should be there and I told her that.

Well, she didn't agree with me at all.

I will not forget what she said, "He's my daddy, and I expect to help him."

We discussed all that a bit, and I knew I wasn't going to win without some reinforcements.

By and by, Mrs. Johnson came by in the car and I went out to see her. I told her Luci was in there working with all those old people, and I thought she ought to be home doing her homework.

So Mrs. Johnson went in and she had a try at it.

But I think it was hard for her to say no to Luci anyway, and Luci had the best of it because she was working for a good cause. And she stuffed envelopes till about midnight.

The point, she didn't just believe in something. She was a little stubborn about it.

I had the honor to serve with President Johnson during his Presidency.

I learned first-hand his feelings about America and her people. He didn't just believe in us. He was pretty stubborn, about the way he believed in us.

He loved this nation, and he sure loved Texas. When he served Texas, he served her with all his heart.

He expected the best from us, and he gave his best to us. When he went to the White House, he did things the same way.

Lyndon Johnson struggled with all his great heart to bring peace to America and to the World.

Here at home, he saw his dreams for America written into law. He didn't just believe in civil rights, he acted on what he believed.

He didn't just believe in better education, conservation, health care, and an economic opportunity for all, he didn't just believe in a great society.

He did something about these things.

He was stubborn about what he believed. And because he was, we all walk in a light cast by Lyndon Johnson.

I like to think also, that like Luci—though perhaps not in such great abundance as her—we all possess some of his great spirit.

Though it is his legacy, it is also a legacy of this land where we were born and raised.

I read about the founding of Jacksonville, and how one of General Thomas Rusk's soldiers, Jackson Smith, rode through here scouting Gum Creek and found a place so lovely that he decided to come back and live here.

It took him nine years.

That's a while, but he apparently loved this place, and he'd made up his mind what he wanted, and he was a little stubborn about it.

So he came back, and built a place to live, and that was the beginning of Jacksonville.

The lesson of what he did and why, seems to have stuck.

Basically, it's just that you have to believe in a thing awfully hard, and love it a lot to get the most out of it.

From what I've been able to learn, that is the story of Jacksonville.

In a larger sense it is the story of America. And in the largest sense, I think it is the story of all human happiness.

No man can look around this city, see the record of progress written here in every index of accomplishment, and not say to himself, "These folks have a right to be proud of themselves."

And I know you do take pride in what this city and this Chamber of Commerce have achieved together.

Jacksonville has led our state in industrial development for cities of your size for the last four years.

Yours is a prosperous economy, and that is no small achievement when you look at our national economy today.

Now, that we have spent our way into inflation, I see some government experts expect to spend us back out again.

I don't think it will work.

Today, we have a situation that some people call stagflation.

It defies all the rules of classical economic logic.

We have a recession and inflation at the same time.

Production is down, and prices are up.

High prices ought to stimulate production, but for various reasons—production is off.

When people ought to be saving their money, they are spending more.

They are spending most all of it.

And the Government is having trouble figuring out what to do when the people do not respond to the economic situation the way the rules say they should.

This is a complicated problem.

But the first thing we need is confidence in our national economy—the kind of confidence that you have in your local economy.

One of the first steps toward restoring confidence in the national economy is for the Government to restore fiscal responsibility to the budgetary process.

We need a balanced federal budget.

Now that sounds like the standard brass-bound, copper-plated conservative answer to everything from hives to discourteous children.

So let me explain myself.

When the government operates with an unbalanced budget, it has to borrow to make up the deficit.

No matter how bad things look, the United States Government has a very good credit rating, and it can get the money.

But the supply of money is limited.

We're not like Germany in the 30's—we can't just print more money.

So when the Government needs money, it borrows.

And when it borrows money, there is just that much less for anybody else to borrow.

And if you can't get money, you can't build your factory, you can't extend your warehouse, you can't build your new house, and the total impact of all the things you can't do is to reduce productivity all across the broad range of the economy.

You have more dollars buying fewer goods, and pretty soon you have inflation, so your dollar is worthless.

If the rate of inflation is 2 percent or 3 percent, a person can buy bonds that bring 6 percent or 7 percent and stay ahead of the curve.

But if the rate of inflation gets up to 10 percent or 12 percent or more the way it is today, then people know there isn't any point in saving, because that is like throwing money away.

They put it in the bank and when they take it out, it's worth less than it was when they put it in.

So people don't save.

And when they don't save, that is just that much less money available to lend to people for their factories and warehouses and homes.

So I don't maintain that fiscal responsibility and a balanced budget will cure hives, but I do say it would help cure some of our economic difficulties.

But you are ahead of the economic difficulties.

You have something more than a prosperous local economy—you have a diversified economy, which tends to protect you from the ebb and flow in commercial progress that occurs within most industries, and most towns.

The Jacksonville Chamber of Commerce can take a lot of credit for this, as it can take great credit for so many of the achievements that flow from economic progress.

I want to take note of the fact that Jacksonville has some pretty valuable exports, as well, one of whom is a Vice-President of Occidental Petroleum and a good friend of mine—George Williamson.

He is our youngest operational Vice-President.

He manages over a billion dollar annual program of our company.

He is important to us, and we appreciate him.

It seemed to me, as I read of your accomplishments, that they might be sufficient to persuade some people that they could sit back and relax for awhile, and rest on their laurels.

But then I read two editorials of the "Daily Progress," and they don't talk about what has already been accomplished.

No. They reveal a people and a city with too much self-confidence to fall into the trap of self-congratulation.

They accept what has been done, and they talk about the need for a new library, new streets and highways, new housing.

They talk about even further industrial development, about improving the airport, and expanding recreation programs for your young people.

They talk about further improvements in educational facilities.

So as you look back on fifty years of progress in cooperation with the people, business, and industry of Jacksonville, you mark this occasion not as a period, but a comma—not an end, but just the beginning.

There is an old American saying: "Hats off to the past; coats off to the future."

That is the tradition in which you act, and in which I know you will continue to act.

It would be difficult to overestimate the importance of keeping this tradition alive in America today.

On every hand, we hear the voices of pessimism and defeatism, we see the ravages of atheism.

The entertainment so many of our people seek, and which is so available to them, is no longer the wholesome refreshment of the spirit that delights and sustains, but rather is the sordid sensationalism that denies and destroys.

In many places new notions of how to educate our young people are contributing to a harmful permissiveness and a falling away from those beliefs which are so vital to the maintenance of a strong and free nation.

When you travel around America and you go to the great metropolises with hundreds of thousands of people governed by huge bureaucracies spending millions of dollars, it is sometimes easy to equate size with importance.

And you have to wonder what a small city can do to preserve and advance the greatness of America.

Well, David was small, and Goliath was a giant.

But David was a believer, and God was with him.

Over two thousand years ago Athens, Greece was small.

In all the barbarian world at that time, one little city state, gave birth to an idea, an idea called freedom, that all the armies of all the tyrants since that time have not been able to destroy.

A candle is small. But where there is darkness all about, men will come to share the light of that candle and will no longer fear the dark.

Jacksonville may not be a metropolis.

But the spirit that lives there, that has made this a wholesome place, a beautiful place, and a prosperous place to live and to raise up families, and worship—that spirit will stand against all the darkness, and doubt, and despair, that the world can throw against it.

This is why the achievements of this city and its people working together are so vital.

Not because of what you provide for yourselves, but because of what you provide for all of our people.

You can call it a good attitude.

A positive attitude.

You can call it hope.

You can call it a anything you like, but it is a flame which affirms that a great people still inhabit this land.

All Americans need to be reassured of it, and given renewed confidence in themselves and their capacity for greatness.

And all the world needs to know it too, so that those with conquest in their hearts will not be tempted, and so that those who need to know that liberty and decency and hope live in the world can look to us, as they have for two hundred years, and still find those perfect things here in America.

All power, all strength, all ambition, even virtue itself, must unite, must be given leadership, must be channeled into a greater achievement and further progress.

This has been the role of the Jacksonville Chamber of Commerce.

It is a success story.

It speaks for itself.

And what it says is that the spirit of America is alive, and well, the spirit of mankind is healthy and strong, that faith and hope still guide the affairs of man if men will let them.

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Tonight, as we remember the past with pride, let us look to the future with confidence.

We have a heritage to pass on, and a legacy to live up to.

With the attitude which characterizes Jacksonville, the faith that is reflected in your plans for the future, the hard work, that is reflected in all you have accomplished thus far, with a stubborn devotion to the ideals which have served you well in the past, I know that you will pass on the same legacy of greatness which you have inherited.

I am very, very proud to be here and to be a part of this occasion.

I thank you, and I hope to return to celebrate another fiftieth anniversary with you.

WILD AND SCENIC RIVERS STUDIES OF THE TONGUE RIVER, WYO.

(Mr. RONCALIO asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. RONCALIO. Mr. Speaker, today I am introducing legislation to include a portion of the Tongue River, in Sheridan County, Wyo., in studies for possible future inclusion in the Wild and Scenic Rivers System.

The justifications for this proposed inclusion are many. The river is of outstanding natural beauty, possessing wilderness characteristics, and having high water quality. A recent Tongue River composite, prepared by the Tongue Ranger District of the Bighorn National Forest gives the river the highest possible ratings for esthetics.

Land within the area provides habitat for moose, black bear, and a wide variety of nongame species. The area supports large numbers of elk and mule deer. Several species of grouse and other upland game birds are plentiful, and Golden Eagles are commonly observed. The river also supports an abundance of game fish in prime condition. The Wyoming Game and Fish Commission rates the river as a class 2 stream fishery—"very good trout waters-fishery of statewide importance."

Of even greater importance, however, is the expected expansion of industrial development in northeastern Wyoming. The Bighorn National Forest is recognized as the recreation mecca for northeastern Wyoming. In the spring of 1974, Gillette, Wyo., a 2-hour drive from the Tongue River area, received widespread coverage from the national news media when a coal mining boom in the Powder River Basin brought about a quantum increase in population.

Problems concommitant to such sudden increases in population are myriad, and have become topics of statewide discussion and concern. Problems related to sudden population growth will be a new experience for many of the State's inhabitants. There will be a need and demand for increased recreational opportunities to help cope with these problems. This area could well provide for many of the increased outdoor recreational needs of the State.

As well, as this massive energy resource development effort continues to get underway, in Wyoming, there is a growing demand for our water and commitment of our streams to meet the needs of coal development and power generation. As these related changes—population influx, and increased energy development—move ahead in Wyoming it is essential that full review and consideration be taken of those streams with unique and particularly scenic qualities, to provide for effective management and protection, before they are radically and possibly irreversibly altered. I believe that we must move now to protect and preserve such streams if we are to retain these in their natural state for the enjoyment and use of future generations and for their contribution in the natural state to their ecosystem. The Tongue River, is certainly one such river.

As I said when I first introduced this legislation in the last Congress, I received many requests from Sheridan County and from people who have enjoyed the Tongue River in its natural state for fishing, recreation, and its scenic qualities, asking that this legislation be introduced. There is strong support for this legislation from the Sheridan County Sportsmen's Association, Bighorn Audubon Society, and the Sheridan County Commissioners. I strongly urge that my colleagues here in the House move to include this portion of the Tongue River in the studies to determine its feasibility as a Wild and Scenic River.

AMERICAN POLICY CONCERNING: MIDDLE EAST, ARMS CONTROL, AND LONG-RANGE ENERGY PLANNING

(Mr. YATES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. YATES. Mr. Speaker, our colleague, the gentleman from Arizona (Mr. UDALL), recently spoke at the Academic Conference of the Friends of the Hebrew University of Jerusalem on the occasion of the 50th anniversary of the university.

In his speech, Mr. UDALL clearly and succinctly outlined principles and goals to guide American policy in three major areas of current concern: The Middle East, arms control, and long-range energy planning.

This thought-provoking piece eloquently addresses issues that are of great concern to all Americans.

I commend it to my colleagues for their reading.

The text of his remarks follows:

Ladies and Gentlemen:

I am honored to join you tonight in celebrating the happy event of the 50th anniversary of the Hebrew University.

Perhaps more than any other people, the Jewish people have traditionally placed a high value on knowledge and on education.

Since the return to Israel, through all the years of hardship and the struggle for mere survival—the Jewish people sustained and nourished a magnificent university which has now grown into an institution of internationally recognized stature.

The contribution of Hebrew University—the doctors, lawyers, economists, agriculturalists, engineers, and scholars it has produced—to the strength and prosperity of Israel—can hardly be overestimated.

So in a sense, what we are really celebrating tonight is the fruit of a wise decision. The choice to invest very scarce human and material resources in a great university.

For Israel, that choice was neither simple nor obvious but it reflected and still reflects a wise appreciation for *true* national self-interest—that the greatness of a nation is founded upon its appreciation and fostering of education and enlightenment.

Tonight I want to spend a few minutes sharing with you my thoughts on similar decisions facing the United States.

For I believe we are at a watershed. A time when it has become vitally important for Americans to come to a new understanding of where *our* true national interest lies.

Today is a time to discard old assumptions, and to abandon policies that no longer match the reality of current conditions.

A time to cast off the ties that bind us so pitifully to the status quo, and a time to take a fresh look at those policies whose momentum has carried us to places we would never have *chosen* to go.

The deepening troubles we face—in the economy, in energy, and in the international arena—have caused heightened concern, yet they give us the opportunity to unite in a serious effort to grasp the basics of our current condition, and the devise policies tailored to what we see, rather than what we might hope or wish to see.

I have no doubt that we can do it. It will require qualities lacking in past years perhaps, but they are there, and are waiting to be called up:—intellectual honesty, political courage, and a measure of wisdom.

Thomas Carlyle wrote: "Adversity is sometimes hard upon a man; but for one man who can stand prosperity, there are a hundred who will stand adversity."

The same holds true for nations.

No one here doubts, I am sure, that our decisions concerning American policy in the Middle East will affect our national interest and security to a very great degree. My own view of the principles that should guide those decisions is the following:

First, and most fundamental, our policy must be based on the realization that the continued existence of Israel is in the national security interest of the United States. Israel is a fully democratized nation, sharing with us a common Judaeo-Christian heritage. As such, it is our only natural and fully dependable ally in this pivotal, crucially important region of the world. While we continue to seek to create and strengthen friendly relations with the Arab nations of the Middle East, we cannot forget the unique relationship we share with the State of Israel.

Second, in both its policy statements and in its negotiating posture, the United States must separate the OPEC oil issue from the Arab-Israeli problem. Anyone with a sense of history can come to no other conclusion than that an attempt to extract Israeli concessions, in return for oil benefits, will lead to one inevitable result: further and tougher Arab demands. Even if by some miracle the Arab-Israeli dispute were to be solved tomorrow, the oil cartel would be no less strong, no less firm in its intent, and the energy crisis no less real. I reject the linkage. America rejected it last winter. America will reject it again.

Any doubts on this matter should have been set to rest by two recent and extremely disturbing events. Twice during January, the government of Kuwait warned French banks that Kuwait would not participate in major syndications unless three firms were excluded. The three—Warburg of London, the Rothschild merchant banks of London and Paris and Lazard Freres & Cie of Paris—are all controlled by Jews. Such demands amount to nothing less than international blackmail: if ever presented to this nation, they must be rejected with complete conviction and firm resolve.

Third, we need not confuse and torment ourselves with hypothetical questions of when, and under what conditions, we would send American troops to the Middle East. The Israelis do not want our troops, a few weeks ago the Israeli Ambassador to the United States told me, "We do not want to be attacked by the Soviets. Equally, we do not want to be saved by the U.S. . . ."

They want arms to defend themselves, and these we must send. This requires no blank check, no surrender of American judgment to Israeli requests. It requires us to send enough arms to enable Israel to maintain a balance of strength with the Arab states, which will enable Israel to survive.

It also requires us to make a serious and immediate effort to slow the exploding arms race in the Middle East.

Fourth, the Soviets should in some way be brought into the process of achieving a Middle Eastern peace. Regardless of whether or not we believe that peace in that region is in Russia's self-interest, we can agree that their current exclusion from the negotiations leaves them no alternative but to try to undermine or destroy whatever initiatives Secretary Kissinger proposes. They must be given a participation stake in the eventual solution, or there will be no lasting peace in this troubled region.

I am concerned with our expanding efforts to become the arms supplier to all belligerents in the Middle East. The arms race demands serious reexamination. The worldwide trade in *non-nuclear* arms has grown from a world expenditure of about $300 million in 1952 to a total of nearly $18 billion this year—a 6000% increase.

The American contribution to this deadly race is estimated to be $12 billion. Among 57 major arms exporters, we alone contribute ⅔ of the total.

The arms trade is not a private business. It is carried on by governments, but as the trade doubles and redoubles, it has become less and less clear how the endless purchase of arms serves the interest of the nations these governments represent.

If we are, as we hold ourselves to be, the single greatest power in the world which is dedicated to peace—

And since we are, as the facts tell us, the single greatest producer of the tools of war—

We owe it to ourselves and to our hopes for the future to initiate serious study of the ways and means to control the international conventional arms trade.

What should be controlled? By whom, and under what types of agreement? These are questions for which we have no answers—but we must not wait much longer before trying to find them.

The nuclear arms race also demands our attention. The Vladivostok accords of last November may symbolize an end to the quantitative nuclear race, but the door has been left open to an equally dangerous and vastly expensive, qualitative race. Not only was the number of allowed MIRVed warheads set higher than anyone believes necessary for any strategic purpose, but no limitations were placed on the destabilizing programs to improve accuracy, on the status of cruise missiles, mobile-based missiles, and other new systems.

We must also devote more serious effort to achieving the comprehensive nuclear test ban to which we publicly dedicated ourselves more than a decade ago. First in the Limited Test Ban Treaty of 1963, and again in the Nuclear Nonproliferation Treaty of 1968, we stated our determination to end "all test explosions of nuclear weapons for all time."

Since then, little progress has been made. A good deal of the blame lies with Russia, but we also have been reluctant to commit ourselves in fact to our stated purpose.

Both nations must now realize that the overriding danger that we both face is the growing membership in what is no longer an exclusive nuclear club. Unless Russia and the United States show a serious desire to control their own nuclear menace, the other nations of the world will be understandably reluctant to limit themselves. The Nuclear Nonproliferation Treaty is scheduled for international review this May, and in this climate, it will require our strongest possible efforts to preserve it.

On the domestic scene, we also have some serious rethinking to do. We are passing from an era of cheap and abundant materials and energy to an era of shortage.

This is no cause for despair. The pangs of the transition will continue to be painful for a while, but once we understand the cause of the problem, we have the resources to effect its cure.

The shortsightedness of our wasteful energy policies has been pointed out for years by a few knowledgable people, but the "can doers" and "grow grow grow" philosophy carried the day.

As recently as November 1973, Richard Nixon said: "There are only 6% of the people in the world living in the United States, and we use 30% of all the energy. That isn't bad; that is good. That means we are the richest, strongest people in the world, and that we have the highest standard of living in the world. That is why we need so much energy, and may it always be that way." Well, as was so often the case—Richard Nixon was dead wrong. That isn't good; it is bad. It means not that we are strong or rich or great; but that we are greedy, lazy, and above all, terribly wasteful.

Until we all accept this fact; realize that our free ride is over, and learn to use resources wisely, recycle wherever possible, and cut energy waste wherever it can be found—until that day, the troubles of the past year can only grow worse.

The central failure of our Federal energy policy has been that it has consistently refused to accept what I see as the unavoidable necessity of embracing energy conservation as a positive, powerful, central principle of energy policy. Not as a fail-safe or stopgap measure to close the gap between what we want and what we have.

Our immediate attention in the next few months must be to the emergency measures needed to reverse economic trends and to care for the unemployed—our walking wounded.

But very soon, we must turn our attention to adopting energy conservation policies. Not only will a policy of limited energy growth not harm our economic recovery; on the contrary, energy conservation and thrift is the essential framework on which long-term economic health will be built.

The greatest economist of this century, John Maynard Keynes, wrote, "Practical men, who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist." The irony is that Keynes himself is now one of those defunct prophets. And there are many more.

Defunct prophets—invalid assumptions—outdated policies. The challenge for this nation is to identify and discard them all. And when we have done so we can make new decisions—as wise as that one made on Mount Scopus 50 years ago—that we have gathered to commemorate tonight.

PERSONAL EXPLANATION

Mr. VANIK. Mr. Speaker, yesterday, on rollcall No. 27, the vote on the budget rescission bill, I am recorded as not voting. I was present, and I remember having cast my ballot in the computer system. I voted "yea" in favor of the legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. KETCHUM (at the request of Mr. MICHEL), for the remainder of the week on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 60 minutes, today, and to include extraneous matter.

(The following Members (at the request of Mr. GRASSLEY), to revise and extend their remarks, and to include extraneous matter:)

Mr. YOUNG of Alaska, for 5 minutes, today.

Mr. FORSYTHE, for 10 minutes, today.

(The following Members (at the request of Mr. DAVIS), to revise and extend their remarks, and to include extraneous matter:)

Mr. ALEXANDER, for 30 minutes, today.

Mr. NOWAK, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Ms. HOLTZMAN, for 5 minutes, today.

(The following Members (at the request of Mr. THORNTON), to revise and extend their remarks, and to include extraneous matter:)

Mr. MCFALL, for 10 minutes, today.

Mr. FITHIAN, for 5 minutes, today.

Mr. METCALFE, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GRASSLEY), and to include extraneous matter:

Mr. BIESTER.

Mr. ARCHER in two instances.

Mr. BROOMFIELD.

Mr. WHALEN.

Mr. STEELMAN.

Mr. ASHBROOK in two instances.

Mr. CRANE in three instances.

Mr. BROWN of Ohio.

Mr. DERWINSKI in three instances.

Mr. GOODLING.

Mr. MICHEL.

Mr. HEINZ in two instances.

(The following Members (at the request of Mr. DAVIS), and to include extraneous matter:)

Mr. CHARLES WILSON of Texas.

Mr. GAYDOS in 10 instances.

Mr. MINETA.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. KASTENMEIER.
Mr. DINGELL.
Mr. MATHIS.
Mr. NIX.
Mr. BOLAND in two instances.
Mr. CARR.

(The following Members (at the request of Mr. THORNTON), and to include extraneous matter:)

Mr. HALL in two instances.
Mr. MCDONALD of Georgia.
Mr. HARRIS.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Thursday, February 27, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

408. A letter from the Under Secretary of Housing and Urban Development, transmitting the first annual report on the coinsurance program under the National Housing Act, pursuant to section 244(f) of the act (88 Stat. 680); to the Committee on Banking, Currency and Housing.

409. A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting notice of proposed regulations for bilingual vocational training under the Vocational Education Act of 1963, as amended, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

410. A letter from the Administrator, Agency for International Development, Department of State, transmitting a report on the review of the level of defense expenditures by the Syrian Arab Republic, conducted pursuant to section 620(s) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

411. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92-403; to the Committee on Foreign Affairs.

412. A letter from the Governor, Farm Credit Administration, transmitting a report on the administration's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 522(d); to the Committee on Government Operations.

413. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on control of sulphur oxides, pursuant to section 119(k) of the Clean Air Act, as amended (88 Stat. 255); to the Committee on Interstate and Foreign Commerce.

414. A letter from the Administrator, Federal Energy Administration, transmitting a semiannual report on the economic impact of Federal Energy Administration actions, pursuant to section 18(d) of Public Law 93-275; to the Committee on Interstate and Foreign Commerce.

415. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for the period July-December 1974, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

416. A letter from the Assistant Secretary of Defense (International Security Affairs), transmitting notice of the intention of the Department of Defense to consent to the loan of certain U.S.-origin military equipment by the Government of the Republic of Vietnam to the Government of the Khmer Republic, and, in the event of its loss or destruction, to consent to its replacement with equivalent equipment which may be provided under U.S. military assistance to the Khmer Republic, pursuant to section 401(a)(2) of the Armed Forces Supplemental Appropriation Authorization, 1966, as amended, and section 505(e) of the Foreign Assistance Act of 1961, as amended; jointly, to the Committees on Armed Services, and Foreign Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

417. A letter from the Comptroller General of the United States, transmitting a report on Federal agencies administering programs related to marine science activities and oceanic affairs; to the Committee on Government Operations.

418. A letter from the Comptroller General of the United States, transmitting a report on the need for a better system of adjusting salaries of top Federal officials; jointly, to the Committees on Government Operations, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on Feb. 25, 1975, the following report was filed on Feb. 26, 1975*]

Mr. BOLLING: Committee on Rules. House Resolution 259. Resolution providing for the consideration of H.R. 2166. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes (Rept. No. 94-21). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McFALL (for himself, Mr. TEAGUE, Mr. ESHLEMAN, Mr. ASHLEY, Mr. BADILLO, Mr. BRADEMAS, Mr. BROWN of California, Mrs. BURKE of California, Mr. CARNEY, Mr. CORMAN, Mr. COTTER, Mr. DOMINICK V. DANIELS, Mr. DANIELSON, Mr. DRINAN, Mr. EDWARDS of California, Mr. EILBERG, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. HAWKINS, Mr. HELSTOSKI, Mr. HUBBARD, and Mr. HUNGATE):

H.R. 3750. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. McFALL (for himself, Mr. TEAGUE, Mr. HAMMERSCHMIDT, Mr. JENRETTE, Mr. LEGGETT, Mr. MEEDS, Mr. MOAKLEY, Mr. MOTTL, Mr. MURPHY of Illinois, Mr. NEDZI, Mr. NIX, Mr. O'HARA, Mr. PEPPER, Mr. RICHMOND, Mr. ROE, Mrs. SCHROEDER, Mrs. SPELLMAN, Mr. STRATTON, Mrs. SULLIVAN, Mr. WON PAT, and Mr. YATES):

H.R. 3751. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. McFALL (for himself, Mr. TEAGUE, Mr. YATRON, Mr. ZABLOCKI, Mr. SOLARZ, Mr. VANDER VEEN, and Mr. GILMAN):

H.R. 3752. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. ARCHER:

H.R. 3753. A bill to provide that certain provisions of the Natural Gas Act relating to rates and charges shall not apply to persons engaged in the production or gathering and sale but not in the transmission of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H.R. 3754. A bill to provide that certain criminal penalties imposed as a result of the failure of an individual to answer to questions submitted in connection with a census or survey conducted under title 13, United States Code, shall not be applicable to any census taken under section 142 of such title; to the Committee on Post Office and Civil Service.

By Mr. BAUMAN:

H.R. 3755. A bill to establish priority allotments for natural gas used to produce fertilizer and agricultural chemicals; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOMFIELD:

H.R. 3756. A bill to promote public confidence in the integrity of Federal employees by requiring such employees to make certain financial disclosures; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. CASEY:

H.R. 3757. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H.R. 3758. A bill to amend title 5 of the United States Code to provide for the designation of the 11th of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. DON H. CLAUSEN:

H.R. 3759. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. CLEVELAND:

H.R. 3760. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. CLEVELAND (for himself, Mr. WRIGHT, Ms. ABZUG, Mr. ANDERSON of California, Mr. ANDREWS of North Dakota, Mr. BALDUS, Mr. BEARD of Rhode Island, Mr. CONABLE, Mr. COUGHLIN, Mr. D'AMOURS, Mr. HARRINGTON, Mr. HASTINGS, Mr. HINSHAW, Mr. JEFFORDS, Mr. KASTEN, Mr. KEMP, Mr. KRUEGER, Mr. MCEWEN, Mr. MCKINNEY, Mr. MINETA, Mr. ROE, Mr. RUPPE, Mr. SARASIN, Ms. SCHROEDER, and Mr. THONE):

H.R. 3761. A bill to amend title II of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works and Transportation.

By Mr. CLEVELAND (for himself, Mr. WRIGHT, Mr. MOSHER, Mrs. SPELLMAN, Mr. TSONGAS, Mr. VANDER VEEN, Mr. WINN, Mr. WHITEHURST, and Mr. YATRON):

H.R. 3762. A bill to amend title II of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works and Transportation.

By Ms. COLLINS of Illinois (for herself, Ms. ABZUG, Mr. BURKE of Massachusetts, Ms. BURKE of California, Mr. CARTER, Ms. CHISHOLM, Mr. DANIELSON, Mr. FLORIO, Mr. HALL, Mr. HARRINGTON, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mrs. HECKLER of Massachusetts, Ms. HOLTZMAN, Mr. METCALFE, Mr. MOORHEAD of Pennsylvania, Mr. NIX, Mr. PATTISON of New York, Mr. RANGEL, Mr. ROSENTHAL, Mr. RYAN, Mr. SOLARZ, Mr. STOKES, Mr. WOLFF, and Mr. YATRON):

H.R. 3763. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums (to be administered by a newly created Assistant Secretary in the Department of Housing and Urban Development), to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking, Currency and Housing.

By Ms. COLLINS of Illinois (for herself, Ms. ABZUG, Mrs. BOGGS, Ms. BURKE of California, Ms. CHISHOLM, Mrs. FENWICK, Mrs. HECKLER of Massachusetts, Mrs. HOLT, Ms. HOLTZMAN, Ms. JORDAN, Mrs. KEYS, Mrs. LLOYD of Tennessee, Mrs. MEYNER, Ms. MINK, Ms. SCHROEDER, Mrs. SPELLMAN, Mrs. SULLIVAN, Mr. BURKE of Massachusetts, Mr. CORMAN, Mr. VANDER VEEN, Mr. PICKLE, Mr. HELSTOSKI, Mr. RANGEL, Mr. JACOBS, and Mr. FRENZEL):

H.R. 3764. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois (for herself, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BLANCHARD, Mr. BOLAND, Mr. BRODHEAD, Mr. BROWN of California, Mr. CARR, Mr. CARTER, Mr. CLAY, Mr. CONYERS, Mr. COUGHLIN, Mr. DANIELSON, Mr. DAVIS, Mr. DELLUMS, Mr. DIGGS, Mr. DUNCAN of Oregon, Mr. EDWARDS of California, Mr. EILBERG, Mr. FAUNTROY, Mr. FINDLEY, Mr. FORD of Tennessee, Mr. FRASER, Mr. GAYDOS, and Mr. GILMAN):

H.R. 3765. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou test for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois (for herself, Mr. GUDE, Mr. HALL, Mr. HARKIN, Mr. HARRINGTON, Mr. HASTINGS, Mr. HAWKINS, Mr. HAYES of Indiana, Mr. JENRETTE, Mr. KOCH, Mr. LAGOMARSINO, Mr. MATSUNAGA, Mr. MELCHER, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. MOORHEAD of California, Mr. MOORHEAD of Pennsylvania, Mr. MURPHY of New York, Mr. NIX, Mr. OBERSTAR, Mr. PATTEN, Mr. PATTISON of New York, Mr. PEPPER, Mr. PERKINS, and Mr. PEYSER):

H.R. 3766. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois (for herself, Mr. RIEGLE, Mr. RISENHOOVER, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SANTINI, Mr. SARBANES, Mr. SIMON, Mr. SOLARZ, Mr. STOKES, Mr. TREEN, Mr. TSONGAS, Mr. WAXMAN, Mr. CHARLES WILSON of Texas, Mr. CHARLES H. WILSON of California, Mr. WOLFF, and Mr. YOUNG of Georgia):

H.R. 3767. A bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 3768. A bill to amend section 3303(f) of the Internal Revenue Code of 1954 with respect to the payment of unemployment taxes by certain nonprofit organizations; to the Committee on Ways and Means.

By Mr. DELANEY:

H.R. 3769. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. DERRICK (for himself, Mr. MANN, Mr. DAVIS, Mr. HOLLAND, and Mr. JENRETTE):

H.R. 3770. A bill to designate the Veterans' Administration hospital in Columbia, S.C., as the William Jennings Bryan Dorn Veterans' Hospital; to the Committee on Veterans' Affairs.

By Mr. DINGELL:

H.R. 3771. A bill to make it a Federal crime to murder or assault a fireman or law enforcement officer engaged in the performance of official duties by any person traveling in interstate commerce or using any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

H.R. 3772. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. CASEY, Mr. BROWN of California, Mr. BOLAND, Mr. MAZZOLI, Mr. STARK, Mr. FISH, Mr. DE LUGO, Mr. BADILLO, Mr. ASHLEY, Mr. WOLFF, Mr. MOAKLEY, Ms. HOLTZMAN, Mr. WHITEHURST, Mr. FOLEY, Mr. THONE, Mr. VANDER JAGT, and Mr. STUDDS):

H.R. 3773. A bill to prohibit the sale of "Saturday night special" handguns in the United States; to the Committee on the Judiciary.

By Mr. ERLENBORN (for himself, Mr. MICHEL, and Mr. CRANE):

H.R. 3774. A bill to amend section 218 of the Social Security Act to provide that a policeman or fireman who has social security coverage pursuant to State agreement as an individual employee and not as a member of a State or local retirement system may elect to terminate such coverage if he is subsequently required to become a member of such retirement system; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 3775. A bill to assure protection of environmental values while facilitating construction of needed electric power supply facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 3776. A bill to amend section 121 of the Internal Revenue Code of 1954 to provide that the exclusion from gross income of gain on the sale of a principal residence held for more than 5 years provided by that section will be available without regard to the age of the taxpayer; to the Committee on Ways and Means.

H.R. 3777. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

H.R. 3778. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 3779. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

H.R. 3780. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

H.R. 3781. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3782. A bill to amend title XVIII of the Social Security Act to provide payment under the supplementary medical insurance program for optometrists' services and eyeglasses; to the Committee on Ways and Means.

H.R. 3783. A bill to amend section 121 of the Internal Revenue Code of 1954 (relating to gain from sale or exchange of residence of individual who has attained age 65) to lower to 60 the age at which the benefits of that section may be elected and to increase the amount of gain which may be excluded under such section; to the Committee on Ways and Means.

By Mr. HEINZ:

H.R. 3784. A bill to amend the Internal Revenue Code of 1954 to extend and liberalize the amortization provisions for pollution control facilities; to the Committee on Ways and Means.

H.R. 3785. A bill to amend the Internal Revenue Code of 1954 to allow an individual to elect a tax credit for 50 percent of his charitable contributions in lieu of the deduction allowed for such contributions; to the Committee on Ways and Means.

By Mr. HOWARD (for himself, Mr. JONES of Alabama, Mr. HARSHA, Mr. WRIGHT, Mr. SHUSTER, Mr. NOWAK, Mr. TAYLOR of Missouri, Mr. JOHNSON of California, Mr. DON H. CLAUSEN, Mr. ANDERSON of California, Mr. ROE, Mr. MCCORMACK, Mr. JAMES V. STANTON, Mr. MINETA, Mr. HOLLAND, Mr. OBERSTAR, and Mrs. LLOYD of Tennessee):

H.R. 3786. A bill to authorize the increase of the Federal share of certain projects under title 23 United States Code; to the Committee on Public Works and Transportation.

By Mr. HOWARD (for himself, Mr. JONES of Alabama, Mr. HARSHA, Mr. WRIGHT, Mr. CLEVELAND, Mr. NOWAK, Mr. WALSH, Mr. JOHNSON of California, Mr. DON H. CLAUSEN, Mr. ANDERSON of California, Mr. ROE, Mr. MCCORMACK, Mr. JAMES V. STANTON, Mr. BREAUX, Mr. GINN, Mr. MINETA, Mr. HOLLAND, and Mr. OBERSTAR):

H.R. 3787. A bill to amend section 109 of title 23 United States Code relating to the preparation of certain statements on highway projects in the States of New York, Vermont, and Connecticut; to the Committee on Public Works and Transportation.

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By Mr. KASTENMEIER (for himself, Mr. STEELMAN, Ms. ABZUG, and Mr. HARRIS):

H.R. 3788. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. LONG of Maryland:

H.R. 3789. A bill to provide for the application of the Sherman Act to persons engaged in the business of organized professional team sports; to the Committee on the Judiciary.

By Mr. MATHIS:

H.R. 3790. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 3791. A bill to authorize equalization of the retired or retainer pay of certain members and former members of the uniformed services; to the Committee on Armed Services.

H.R. 3792. A bill to repeal the Occupational Safety and Health Act; to the Committee on Education and Labor.

H.R. 3793. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit of certain Federal agencies by the Comptroller General; to the Committee on Government Operations.

H.R. 3794. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as part of any applicable implementation plan; to the Committee on Interstate and Foreign Commerce.

H.R. 3795. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard Technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. OBEY (for himself, Mr. LENT, Mr. MCHUGH, and Mr. MOORE):

H.R. 3796. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for sanitation and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

By Mr. PATMAN:

H.R. 3797. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products made in whole or in part of imported meat be labeled "imported" at all stages of distribution until delivery to the ultimate consumer; to the Committee on Agriculture.

H.R. 3798. A bill to reestablish November 11 as Veterans Day; to the Committee on Post Office and Civil Service.

H.R. 3799. A bill to amend the Small Business Act to expand the definition of small business concern to include agribusinesses; to the Committee on Small Business.

By Mr. PEPPER:

H.R. 3800. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 3801. A bill to make certain technical and perfecting amendments to the Education Amendments of 1974 (Public Law 93-380); to the Committee on Education and Labor.

By Mr. ROGERS:

H.R. 3802. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for cooperative housing corporations, condominium housing associations, and certain homeowners' associations and to tax the unrelated business income of such organizations; to the Committee on Ways and Means.

By Mr. RONCALIO:

H.R. 3803. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Tongue River, Wyo., for potential addition to the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STARK (for himself, Mr. BLANCHARD, Mr. CARNEY, Mr. CARR, Mr. COUGHLIN, Mr. DRINAN, Mr. EDWARDS of California, Mr. EILBERG, Mr. EVANS of Indiana, Mr. FORD of Tennessee, Mr. HARRINGTON, Mrs. HECKLER of Massachusetts, Mr. HELSTOSKI, Mr. JEFFORDS, Mr. KREBS, Mr. MILLER of California, Mr. TAYLOR of North Carolina, Mr. TRAXLER, Mr. WHITEHURST, and Mr. YATRON):

H.R. 3804. A bill to amend the Bank Holding Company Act of 1956 to make it applicable to alien individuals; to the Committee on Banking, Currency and Housing.

By Mr. STEED (for himself, Mr. ENGLISH, and Mr. RISENHOOVER):

H.R. 3805. A bill to provide price support for milk at not less than 85 percent of the parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. STEELMAN:

H.R. 3806. A bill to amend title 38 of the United States Code so as to provide that public or private retirement, annuity, or endowment payments (including monthly social security insurance benefits) shall not be included in computing annual income for the purpose of determining eligibility for a pension under chapter 15 of that title; to the Committee on Veterans' Affairs.

By Mr. STUDDS:

H.R. 3807. A bill to amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 3808. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes; jointly to the Committees on the Judiciary, Merchant Marine and Fisheries, Interior and Insular Affairs, and Science and Technology.

By Mr. THORNTON:

H.R. 3809. A bill to create a National Power Resources Authority for the development of nuclear power facilities, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. WALSH:

H.R. 3810. A bill to amend chapter 34 of title 38, United States Code, to authorize additional payments to eligible veterans to partially defray the cost of tuition; to the Committee on Veterans' Affairs.

By Mr. WOLFF:

H.R. 3811. A bill to amend the Outer Continental Shelf Lands Act to insure that leases of the Outer Continental Shelf for the recovery of oil and gas are issued only to citizens of the United States; to the Committee on Interior and Insular Affairs.

H.R. 3812. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 3813. A bill to amend the Federal Water Pollution Control Act in order to increase the authorization for the Alaska village demonstration projects; to the Committee on Public Works and Transportation.

By Mr. CEDERBERG:

H.J. Res. 249. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. DINGELL:

H.J. Res. 250. Joint resolution providing for the designation of the fourth week of April of each year as Police Officers Wives Association Week"; to the Committee on Post Office and Civil Service.

By Mr. MATHIS:

H.J. Res. 251. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. PICKLE:

H.J. Res. 252. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. LONG of Maryland:

H. Con. Res. 153. Concurrent resolution expressing the sense of the Congress that the United States should call an international conference to limit the sale of arms to the Middle East; to the Committee on Foreign Affairs.

By Mr. MATHIS:

H. Con. Res. 154. Concurrent resolution to collect overdue debts; to the Committee on Foreign Affairs.

By Mr. MITCHELL of Maryland (for himself, Ms. BURKE of California, Mr. CLAY, Mr. DUNCAN of Oregon, Mr. DODD, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. MIKVA, Mr. SIMON, Mr. STARK, Mr. STOKES, and Mr. YOUNG of Georgia):

H. Con. Res. 155. Concurrent resolution expressing appreciation to Mr. Frank Wills; to the Committee on the Judiciary.

By Mr. PERKINS (for himself, Mr. DENT, Mr. EALENBORN, and Mr. QUIE):

H. Res. 257. Resolution to provide funds for the expenses of the investigation and study of welfare and pension plans to be conducted by the Committee on Education and Labor; to the Committee on House Administration.

By Mr. ROGERS:

H. Res. 258. Resolution disapproving the proposed deferral of $1,034,000 for sea-grant program grants (proposed deferral D75-94) contained in the President's message of November 26, 1974; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FAUNTROY:

H.R. 3814. A bill for the relief of Veronica Knowles; to the Committee on the Judiciary.

By Mr. FLOWERS:

H.R. 3815. A bill for the relief of Joseph J. Andrews; to the Committee on the Judiciary.

H.R. 3816. A bill for the relief of John A. Townsley; to the Committee on the Judiciary.

H.R. 3817. A bill for the relief of The Billings Gazette, The Idaho Statesman, The Independent Record, The Newspaper Agency, Utah State Press Association, Inc., Arizona Daily Sun, and Williams News; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 3818. A bill to validate the conveyance of certain land in the State of California by the Southern Pacific Transportation Co.; to the Committee on Interior and Insular Affairs.

By Mr. MITCHELL of Maryland:

H.R. 3819. A bill for the relief of Rosita J. Baclagon; to the Committee on the Judiciary.

H.R. 3820. A bill for the relief of Anthony Mohamed Kalkal; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

40. The SPEAKER presented a petition of Mrs. Helen Stagnaro, Stockton, Calif., and others, relative to vehicle taxes based on power; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2166

By Mr. CHARLES WILSON of Texas (amendment to the amendment offered by Mr. GREEN):

Strike out sections 101 and 102 in the text of the amendment offered by Mr. GREEN to H.R. 2166 and insert in lieu thereof the following new section:

SEC. 101. REPEAL OF PERCENTAGE DEPLETION IN CASE OF OIL AND GAS WELLS.

(a) IN GENERAL.—Part I of subchapter I of chapter 1 (relating to deductions with respect to natural resources) is amended by adding at the end thereof the following new section:

"SEC. 613A. DENIAL OF PERCENTAGE DEPLETION IN CASE OF OIL OR GAS WELL.

"(a) GENERAL RULE.—Except as otherwise provided in this section, the allowance for depletion under section 611 with respect to any oil or gas well shall be computed without reference to section 613.

"(b) SPECIAL RULE FOR CERTAIN GAS WELLS.—

"(1) IN GENERAL.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of section 613(b)(1)(A).

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) NATURAL GAS SOLD UNDER A FIXED CONTRACT.—The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) NATURAL GAS.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(C) REGULATED NATURAL GAS.—The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Power Commission, the price of which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convicing evidence.

"(c) 3,000 BARREL-A-DAY CRUDE OIL EXEMPTION; 18,000,000 CUBIC FOOT NATURAL GAS EXEMPTION.—

"(1) IN GENERAL.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to—

"(A) so much of the taxpayer's average daily production of domestic crude oil as does not exceed 3,000 barrels, and

"(B) so much of the taxpayer's average daily production of domestic natural gas (other than natural gas with respect to which subsection (b) applies) as does not exceed 18,000,000 cubic feet.

"(2) AVERAGE DAILY PRODUCTION.—For purposes of paragraph (1), the taxpayer's average daily production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, shall be determined by dividing his aggregate production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies) during the taxable year by the number of days in such taxable year.

"(3) EXEMPTIONS TO BE DETERMINED ON A PROPORTIONATE BASIS.—

"(A) DOMESTIC CRUDE OIL.—If the taxpayer's average daily production of domestic crude oil exceeds 3,000 barrels, the barrels to which paragraph (1) applies shall be determined by taking from the production of each property a number of barrels which bears the same proportion to the total production of the taxpayer for such year from such property as 3,000 barrels bears to the aggregate number of barrels representing the average daily production of domestic crude oil of the taxpayer for such year.

"(B) DOMESTIC NATURAL GAS.—If the taxpayer's average daily production of domestic natural gas exceeds 18,000,000 cubic feet, the production to which paragraph (1) applies shall be determined by taking from the production of each property a number of cubic feet of natural gas (not including natural gas to which subsection (b) applies) which bears the same proportion to the total production of the taxpayer for such year from such property as 18,000,000 cubic feet bears to the aggregate number of cubic feet representing the average daily production of domestic natural gas of the taxpayer for such year.

"(4) BUSINESSES UNDER COMMON CONTROL; MEMBERS OF THE SAME FAMILY.—

"(A) COMPONENT MEMBERS OF CONTROLLED GROUP TREATED AS ONE TAXPAYER.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer.

"(B) AGGREGATION OF BUSINESS ENTITIES UNDER COMMON CONTROL.—

"(i) If 50 percent or more of the beneficial interest in two or more corporations, partnerships, trusts, estates, or other entities is owned by the same or related persons (taking into account only persons who own at least 5 percent of such beneficial interest), the exemptions provided by this subsection shall be allocated among all such entities in proportion to the respective production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, during the period in question by such entities.

"(ii) If more than 50 percent in value of the outstanding stock of a corporation (taking into account only stockholders who own at least 5 percent in value of the outstanding stock), or more than 50 percent of the beneficial interest in an estate or trust (taking into account only persons who own at least 5 percent of such beneficial interest), is owned by persons who own domestic oil-producing or domestic gas-producing properties, then under regulations prescribed by the Secretary or his delegate, such corporation, estate, or trust shall be entitled to the exemptions provided by this subsection only to the extent that one or more of the shareholders, or owners of beneficial interests, as the case may be, elects to have all or a portion of its exemption allocated to such corporation, estate, or trust; except that the total exemption of the corporation, estate, or trust resulting from such allocation shall not exceed 3,000 barrels of oil, or 18,000,000 cubic feet of natural gas, with respect to its average daily production.

"(C) ALLOCATION AMONG MEMBERS OF THE SAME FAMILY.—In the case of individuals who are members of the same family, the exemptions provided by this subsection shall be allocated among such individuals in proportion to the respective production of domestic crude oil during the period in question by such individuals.

"(D) DEFINITION AND SPECIAL RULES.—For purposes of this paragraph—

"(i) the term 'controlled group of corporations' has the meaning given to such term by section 1563(a), except that section 1563(b)(2) shall not apply and except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a),

"(ii) a person is a related person to another person if such persons are members of the same controlled group of corporations or if the relationship between such persons would result in a disallowance of losses under section 267 or 707(b), except that for this purpose the family of an individual includes only his spouse and minor children, and

"(iii) the family of an individual includes only his spouse and minor children.

"(5) SALE OR ACQUISITION OF OIL OR GAS DEPLETION PROPERTY.—

"(A) TRANSFEROR.—If oil or gas depletion property is sold or otherwise disposed of by the taxpayer in any taxable year ending after December 31, 1974, the amount of the appropriate limit referred to in paragraph (1) shall be reduced, for taxable years following such year—

"(i) unless clause (ii) applies, by an amount which bears the same ratio to such limit as the taxpayer's average daily production from such property for such year bears to the taxpayer's average daily production from all producing properties for such year, or

"(ii) by an amount (not greater than the taxpayer's average daily production from such property for such year) which the taxpayer may designate in such manner as the Secretary or his delegate shall by regulations prescribe.

"(B) ACQUISITION BY TRANSFEROR OF OTHER PROPERTY.—The reduction provided by subparagraph (A) shall be decreased (but not below zero) by the sum of—

"(i) the taxpayer's average daily production from producing property (other than property to which subparagraph (A) applied and property acquired from a taxpayer described in subparagraph (D)) acquired by the taxpayer after the sale or other disposition of property to which subparagraph (A) applied, and

"(ii) the amount of the reduction under subparagraph (A) with respect to any oil or gas depletion property acquired by the taxpayer after a sale or other disposition of other property to which subparagraph (A) applied.

"(C) TRANSFEREE.—In the case of any taxpaper who acquires any oil or gas depletion property, no part of the production from such property may be taken into account by the taxpayer under this subsection for the taxable year in which such property is acquired, and in any succeeding taxable year the amount of such production taken into account may not exceed the amount of the reduction which occurred with respect to such property under subparagraph (A).

"(D) RELATED PARTIES.—This paragraph shall not apply in the case of the sale or

other disposition of any property between persons with respect to whom the rules of subparagraph (A), (B), or (C) of paragraph (4) apply immediately following such sale or other disposition.

"(E) TRANSFERS OF INTERESTS IN BUSINESSES UNDER COMMON CONTROL.—If there is any sale or other disposition of an interest in a business described in subparagraph (A) or (B) of paragraph (4), then (under regulations prescribed by the Secretary or his delegate) such sale or other disposition shall not result in an increase in the aggregate exemptions allowed under this subsection with respect to oil or gas depletion properties held on the date of such transfer by such business the interest in which is transferred or by the transferor of such interest.

"(F) OIL OR GAS DEPLETION PROPERTY DEFINED.—For purposes of this paragraph, the term 'oil or gas depletion property' means any property interest (including an interest in a partnership, trust, or estate) with respect to the income from which a deduction for depletion is allowable under section 613 for domestic crude oil or domestic natural gas but only if the underlying mineral property is capable of producing oil or gas in commercial quantities on the date of transfer of such property.

"(d) LIMITATION BASED ON QUALIFIED INVESTMENT.—

"(1) GENERAL RULE.—So much of the deduction allowed for depletion as is computed by reference to section 613 by reason of subsection (c) shall not exceed for any taxable year an amount equal to the sum of the taxpayer's qualified investment and qualified investment carryback for the taxable year.

"(2) QUALIFIED INVESTMENT.—For purposes of paragraph (1), any person's qualified investment for any taxable year is the amount paid or incurred by such person during such taxable year (with respect to areas within the United States or a possession of the United States) for—

"(A) intangible drilling and development costs;

"(B) the following items if paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States:

"(i) aerial photography;

"(ii) geological mapping;

"(iii) airborne magnetometer surveys;

"(iv) gravity meter surveys;

"(v) seismograph surveys; or

"(vi) similar geological and geophysical methods;

"(C) the construction, reconstruction, erection, or acquisition of the following items but only if the original use of such items begins with such person:

"(i) depreciable assets used for the exploration for or the development or production of oil or gas (including development or production from oil shale); converting oil shale, coal, or liquid hydrocarbons into oil or gas; or refining oil or gas (but not beyond the primary product stage);

"(ii) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines,

"(D) secondary or tertiary recovery of oil or gas, or

"(E) the acquisition of oil and gas leases (other than off-shore oil and gas leases), but the aggregate amount which may be taken into account under this subparagraph for any taxable period shall not exceed one-third of the aggregate of the amounts which may be taken into account by the taxpaper under subparagraphs (A), (B), (C), and (D) for such period,

plus the following amounts—

"(F) 100 percent of any amount taken into account under subparagraphs (A) and (B) if such amount was not claimed as a deduction for the taxable year or if such amount was deducted without any tax benefit for the taxable year or any prior taxable year, and

"(G) 100 percent of the aggregate amount taken into account under subparagraph (C).

"(3) Qualified investment carryback.—For purposes of paragraph (1), a person's qualified investment carryback shall be the amount, if any, by which the amount of the person's qualified investment for a taxable year exceeds so much of the deduction allowed for depletion as is computed under section 613 by reason of subsection (c) (determined without regard to this subsection) shall be a qualified investment carryback for the preceding taxable year.

"(e) PRODUCER MUST BE INDEPENDENT.—

"(1) RETAILERS EXCLUDED.—Subsection (c) shall not apply in the case of any taxpayer who directly, or through a related person, sells oil or natural gas, or any product derived from oil or natural gas—

"(A) through any retail outlet operated by the taxpayer or a related person, or

"(B) to any person—

"(i) obligated under an agreement or contract with the taxpayer or a related person to use a trademark, trade name, or service mark or name owned by such taxpayer or a related person, in marketing or distributing oil or natural gas or any product derived from oil or natural gas, or

"(ii) given authority, pursuant to an agreement or contract with the taxpayer or a related person, to occupy premises owned, leased, or in any way controlled by the taxpayer or a related person.

"(2) REFINERS EXCLUDED.—Subsection (c) shall not apply in the case of any taxpayer where such taxpayer or a related person engages in the refining of oil or natural gas.

"(3) RELATED PERSON.—For purposes of this subsection, a person is a related person with respect to the taxpayer if a significant ownership interest in either the taxpayer or such person is held by the other, or if a third person has a significant ownership interest in both the taxpayer and such person. For purposes of the preceding sentence, the term 'significant ownership interest' means—

"(A) with respect to any corporation, 5 percent or more in value of the outstanding stock of such corporation,

"(B) with respect to a partnership, 5 percent or more interest in the profits or capital of such partnership, and

"(C) with respect to an estate or trust, 5 percent or more of the beneficial interests in such estate or trust.

"(f) DEFINITIONS.—For purposes of this section—

"(1) CRUDE OIL.—The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(2) NATURAL GAS.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(3) DOMESTIC.—The term 'domestic' refers to production from an oil or gas well located in the United States or in a possession of the United States.

"(4) BARREL.—The term 'barrel' means 42 United States gallons."

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 613(b)(1) (relating to 22-percent depletion rate for certain minerals) is amended to read as follows:

"(A) oil and gas, to the extent allowable under section 613A;".

(2) The last sentence of paragraph (7) of section 613(h) (relating to 14-percent depletion rate for certain other minerals) is amended by striking out "or" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or ", and by adding at the end thereof the following new subparagraph:

"(C) oil or gas wells."

(c) Clerical Amendment.—The table of sections for part I of subchapter I of chapter 1 is amended by inserting after the item relating to section 613 the following new item:

"Sec. 613A. Denial of percentage depletion for oil and gas wells."

EXTENSIONS OF REMARKS

MINUTE OF CONCERN

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CARR. Mr. Speaker, while there is justified national concern over the direction of our energy consumption, and whether we will be able to maintain our current standard of living as an energy-consuming Nation, there is also concern among many of my constituents as to our direction in pursuit of oil.

The East Lansing Friends Society has put its concerns in the form of a statement which I request be inserted in the RECORD at this point:

MINUTE OF CONCERN

The East Lansing, Michigan, Meeting of the Religious Society of Friends is deeply concerned by the threats of military action against oil producing nations to guarantee a large and dependable supply of low priced petroleum for the American economy. We are especially concerned by the recent statement of Secretary of State Henry Kissinger, given to Business Week magazine on December 23, 1974, with the concurrence of the President, that military action would be considered "where there's some actual strangulation of the industrialized world," presumably through reduced oil shipments.

We strongly protest diplomacy using threats of war. In our judgment such threats are unwise and unwarranted, especially for the sake of unlimited oil supplies. We believe such threats are unwise for several reasons. First, these threats from a rich and powerful nation challenge the integrity and the dignity of fellow members of the human community, who are and remain our brothers and sisters, and part of God's creation, no matter how much we may disagree with specific policies they may adopt. Second, they add immeasurably to the level of tension in the Middle East, already one of the most explosive political settings on the earth. Third, these threats alarm other nations, both allies and neutrals, who fear that they may be drawn against their will into disruptive and deadly war. Finally, and most important, war is never as simple and tidy a course of action as its proponents anticipate. The costs, both direct and indirect, of a Middle East war involving one or more major powers are likely to far exceed, in human and financial terms, the possible rewards of such a course of action.

The United States is still in the process of healing the terrible wounds of the Vietnam war, which drained us of blood, material resources, unity, and left us with severe inflation and unemployment. The consequences of another war may well be exhaustion and isolation rather than economic renewal and increased trade.

We also believe such threats are unwarranted. First and foremost, the rise in petroleum prices and the oil embargo have rather forcefully pointed out that the United States and the western industrial world are sooner or later going to have to live more simply and with less oil. Petroleum is only one of the nonrenewable resources whose supplies in the long run are going to diminish. Calls for cheap and unlimited oil supplies can only postpone the day of reckoning for economies wedded to lavish use of petroleum.

We believe that we should set our own energy house in order rather than aggressively laying claims to resources over which we have no intrinsic rights. The United States has been extremely slow to implement a variety of energy conservation measures ranging from energy efficient transportation to building insulation. The United States has the world's greatest coal reserves, which preclude the possibility of sustained economic strangulation, provided that significant initiative and leadership are taken in facilitating wise and efficient use of these resources. Other sources of energy, such as solar and wind power, await only a meaningful commitment and effective demand for development. We believe the U.S. should mobilize its resources for both flexibility and efficiency in energy utilization, rather than for a selfish war of energy acquisition.

Second, it appears to us that we have not exhausted all possibilities of peaceful cooperation with oil producing nations. A variety of avenues of negotiation exist, and we believe that the immense diplomatic resources of the United States should be devoted to humane and peaceful persuasion, not to threats of war.

We call upon the President and Secretary of State to lead the United States in policies of peace and self-restraint with the oil producing nations. We do not believe that the hardship caused by limited oil supplies can justify a war whose one sure result is more bloodshed and hate in a world yearning for justice and love.

BETHEL PARK CHAPTER, DECA, AN EXAMPLE OF YOUNG AMERICANS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. GAYDOS. Mr. Speaker, all of us, I know, are familiar with the Distributive Education Club of America, an organization dedicated to helping young Americans pursue a career in the field of marketing and distribution.

Working through schools and in cooperation with the local business community, DECA seeks to fill the needs of young people who want to contribute to and become a part of our society. I am pleased to report that in Bethel Park High School in the 20th Congressional District of Pennsylvania, DECA has succeeded admirably. Its acceptance by local employers, who willingly participate in the program, is proof of its popularity and worth.

Each year, the members of the Bethel Park Chapter of DECA, which now is 10 years old, sponsors a banquet for those who work with the students as a gesture of thanks for their interest and efforts. This year's event, which included a demonstration of magic by Ralph Smaltz, a DECA student, and an address by Mr. Leonard C. Staisey, chairman of the Allegheny County Board of Commissioners, was highlighted by the presentation of awards to local employers, the Bethel Park School Board and two DECA members for outstanding achievement.

Miss Patty Peterson, president of the Bethel Chapter of DECA, lauded local businessmen for providing students with more than just on-the-job training and experience. "Your understanding, consideration and concern," she told them, "make you more than just employers."

Mr. Harold Meeks, who accepted the award on behalf of the school board, pinpointed the reasons for DECA's success. He said:

It is due to intelligent, industrious young people, who at an early age demonstrate the desire to be productive; it is due to dedicated teachers and a group of cooperative and understanding employers, without whom the program could not operate.

And, Dr. Eugene Spence, superintendent of Bethel Park Schools, summed up the feelings of local educators and administrators:

We are grateful to the employees for what they do for our young people; we are even more grateful to our young people for what they do for us.

The recipients of the two "Outstanding Student Awards" were Miss Peterson and Mr. David Dickson. The presentation was made by Mr. Gary Clingan, a past president of the Bethel Chapter of DECA, in recognition of leadership and dedication to the program.

Mr. Speaker, I am extremely proud to represent young Americans such as the members of the Bethel Chapter of DECA. I would like to enter the names of the officers into the RECORD, along with those of the school coordinators and businesses who work so closely with these fine young people.

Bethel DECA Club officers: Patty Peterson, president; Marie Guerra, vice president; Jean LaBoon, vice president; Dana Volcheck, recording secretary; Laurie Latsko, corresponding secretary; Carolyn LaBoon, treasurer; Brenda Mercer, reporter; Dave Dickson, parliamentarian; Karen Norwood, historian; Sheila McClelland, chaplain, and Barbara Lawrence, artist.

Coordinators: Mr. Andrew A. Fiorentini and Mr. Ronald Kachuriak. Participating businesses: Autenreith's, Bethel Bakery, Cheese Board, Giant Eagle, Gimbel's, Hughes & Hatcher, Joseph Horne Co., Kaufmann's, Kinney's, Lerner Shop, Miller's Hardware, Orleans Leather Shop, Park Shirt Laundry, Plaza Furniture, Princess Ann Bakery, Sears, Roebuck & Co., Seymour's, Sheraton Motor Inn, and Thorofare Market.

VOICE OF DEMOCRACY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. GOODLING. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy Contest in which young Americans write a theme on "My Responsibility as a Citizen."

I am pleased that Julie E. Gibble, of York, Pa., has been selected to represent the State of Pennsylvania in the final judging to be held here in Washington during March. I would like to share Miss Gibble's thoughts on her responsibilities of citizenship with you—I think that she has presented her feelings in an original and inspiring manner:

VOICE OF DEMOCRACY

What is my relationship, as an American citizen, to my government? I feel that the following analogy is very appropriate to answer this question.

A cuckoo clock hangs, ticking rhythmically, on the living room wall. There is a tiny label on the bottom that reads "Hand Carved in the Black Forest". This clock, of beautiful polished wood, has been in my family for generations. Each person that owned it gave it a place of honor on the wall in his living room and wound it every night to keep it running.

An electric clock would be more practical, in that it wouldn't need winding. Dusting its smooth surface would be easier than polishing tiny carved spaces, but somehow, visualizing that woodworker putting love and hard work into the clock makes me feel responsible to wind it regularly and to dust it carefully. Besides, thinking of my ancestors that took such pains to take care of the clock, makes me feel responsible not to let it stop.

Imagine all the thought, planning, time, and delicate work involved in carving each tiny leaf and balancing each fine spring. And I especially love the little bird that pops out regularly to tell me what time it is.

A few times something happened that the clock wouldn't tick and the small bird wouldn't come out. But with a little attention and careful examination the ticking would resume and the cuckoo would again sound on every hour.

I live in a country that was hand crafted. The entire governmental system here came into being with the hard work of men. A lot of hope and planning went into leaving a home country to start over in a completely new place.

Our government was with our families for many years. Ever since I can remember, few people have ever had reason to be ashamed to say that they live here. Our ancestors showed their respect openly, like hanging a cuckoo clock on the living room wall. The people of this nation have celebrated on national days, paid taxes to the country, developed the country, and even died for our country.

Maybe someday a new form of government, more efficient than this one, will come into being. But we will still display our way, always remembering the careful handcrafting involved in it.

But, like a cuckoo clock, sometimes a spring in our government unwinds, and no voice is heard on the hour. As keeper of the clock, I carefully examine the whole clock. With patience, knowhow, and a little time to mend, the government will return to its former order.

What can I do? I'm not one lucky enough or skilled enough to build a clock or build a nation, so how can I feel a part of our government?

A clock has many parts. It needs springs, wheels, nuts, bolts, and pins. I can be an individual, my own person, and still be an integral part of my nation. I add my views by writing my Senators and Representatives or by running for an office myself. Like each different part of a clock, each person here can have his own role in the running of his

nation. No matter how small the part I may play, my help is crucial to the total clock.

The upkeep of a government, like that of a clock, must not be neglected. It must regularly be wound, by our voting, to keep it running. It must regularly be dusted, also, and all particles of dirt wiped out for good working order.

All the thought and planning behind each law and every branch of our ruling power is amazing. Like a well built clock, our government has survived for many years. It can still be trusted to keep accurate time. With my love and careful attention and yours also, it can last for many more years.

Help the United States by being a good keeper of the clock. It would be a shame to see such a precious heirloom run down.

WILLIAM JENNINGS BRYAN DORN VETERANS' HOSPITAL

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. DERRICK. Mr. Speaker, today I have had the pleasure of introducing a bill along with the other Democratic Members of the South Carolina delegation, to name the veterans' hospital in Columbia, S.C., the William Jennings Bryan Dorn Veterans' Hospital.

Congressman Dorn served for 26 years as the Representative of South Carolina's Third Congressional District. During his years of faithful service to the people of South Carolina, he was a staunch defender and proponent of the rights of the American veteran.

Bryan Dorn was for many years the vice chairman of the House Veterans' Committee and served as chairman of the committee during the 93d Congress.

Congressman Dorn was a coauthor of the cold war GI bill of rights and author of the Veterans Pension and Readjustment Act. These are but two of his numerous achievements on behalf of the Nation's veterans. In the performance of his duties, Bryan Dorn never failed to exhibit the qualities of fairness, reason, and honesty. He was a frank and forthright legislator who devoted himself to the needs and welfare of those American men and women who served in our Nation's armed services.

America's veterans, many of whom have sacrificed at great inconvenience and personal loss to themselves and their families, truly had a great friend in William Jennings Bryan Dorn.

I can think of no other individual more worthy of this honor. I would also like to note that the disabled veterans of South Carolina urge this Congress to name the Columbia hospital in honor of him.

Bryan Dorn has gained the respect and admiration of the people of the Third Congressional District and the Nation.

On behalf of myself and the other Democratic Members of the House from South Carolina, I urge the passage of this bill. It is but a small token compared to the years of honorable service and dedication to the American veteran by a distinguished public servant.

CONSUMER FEDERATION OF AMERICA

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASPIN. Mr. Speaker, Congress is now in the process of formulating a viable alternative energy and economic plan for the Nation. Included in this should be input from the States, local governments, the American people, and from all phases of the economic community.

In view of this, I wish to share with my colleagues, the excellent ideas and concrete proposals of the Honorable Patrick J. Lucey, Governor of the State of Wisconsin. Governor Lucey's remarks were delivered to the Consumer Federation of America on January 30, 1975, and I feel they are significantly timely in view of the work currently being conducted by the Congress.

Governor Lucey is also the recognized leader of the movement to unite farmers and consumers, both of whom are the victims of large corporate and Government interests.

Governor Lucey's remarks follow:

SPEECH BY GOV. PATRICK J. LUCEY TO CONSUMER FEDERATION OF AMERICA

It is a pleasure to be here today and offer what I hope are some appropriate remarks to help set the tone of this important farmer-consumer conference.

I have always been puzzled when I hear people say that the farmers and the consumer are natural enemies. It has always seemed to me that in fact both have suffered much greater harm from large corporate and government interests.

This was true one hundred years ago. It is regrettably true today as well.

As school-children, all of us learned about the greedy corporate giants and the ruthless way in which they exploited the people and the resources of our land in their unrestrained lust for profit.

Their actions were an injustice against God's earth and man's dignity.

For some, however, the penalty was especially harsh.

In those days of agricultural revolution, farm expenses remained abnormally high. Farmers were subjected to excessive rail freight rates—in return for poor service.

They paid high prices for machinery and other manufactured products and they suffered under high interest rates and realized minimal returns for their products.

But things were not well in urban America, either.

In urban America there was filth, injustice and poor health. A dreary sweat-shop existence was shared by men, women and young children.

But as the limits of tolerance were reached, resistance began to build. The Grangers, the Greenback Party, Populists, the Farmers Union and labor unions became rallying points for the frustrations and disgust of the oppressed.

Strength was found in numbers. And survival became the fruit of persistence.

Reform, sometimes promoted by a muckraking press, was felt in the public sector as well. The robber barons were brought to their knees. Or so we were told.

Have we really put to rest the robber barons and corrupt officials who existed on spoils, slush funds and government favors? Or do they continue to live—more respectably and less flamboyantly, perhaps—but continue to live in the board rooms of domestic cartels and the offices of our public buildings?

Two decades ago the president of General Motors made an oft-quoted statement about what's good for his firm and what's good for America. At the time, the comment caused quite a stir.

But in fact, our national policies are good for General Motors—and Standard Oil—and B. F. Goodrich—and General Foods. There is no doubt about it.

And what do we have to show for the decades of tax privilege and government protection that these corporate giants have received?

From the auto manufacturers, we got products that are unsafe inefficient, gas-guzzling, resource-consuming, air polluting and self-destructing (usually before they are paid for).

From the major oil concerns—land, resource and market manipulation.

And from the giants of the food processing industry, product for human consumption that have little or no nutritional value, and that may even be harmful to your health.

It adds up to a grim picture—a grim picture for farmers and consumers. And it would be impossible for any economist, sociologist or philosopher to persuade me that the latitude we give those with the ability to abuse the public interest—is in the public interest.

But yet, we have those who argue that position, and argue it with vigor as our elected and appointed public servants.

Many of them are right here in this city, or at least visit it frequently.

One is the Secretary of Agriculture. A secretary who came to Washington as a corporate food consultant.

Another was one of the secretary's former employees—who left his job, and this city, to help engineer a grain deal with the Soviet Union—a deal that brought a lot of money to the corporate giant he worked for, and took a lot of money from the American farmer and consumer.

Another was the right hand man to our nation's former energy czar—a post he undoubtedly felt very comfortable in due to his ties with Phillips Petroleum.

Another almost became the czar himself—until it was discovered he had a personal interest in oil and oil shippers (a point amply emphasized by the consumer federation, I might add).

Another FEO adviser is commonly called "Mr. Oil Shale." On one hand he promotes synthetic fuels for his big energy contractors. On the other he consults with FEO, advising how the federal government might promote—or subsidize—synthetic fuel development. (By the way, "Mr. Shale" got his training at taxpayer expense, as supervisor of the U.S. Bureau of Mines oil shale experiments in Colorado.)

And finally there are the 37 top-level Food and Drug Administration officials who according to a Congressional Committee, left their jobs and promptly joined or served as consultants to companies they had been regulating.

These examples give us a glimpse of the pattern of power in Washington. And in the present energy, economic and agricultural crises, it is not a good picture at all.

Our nation and the world are in the throes of international, political, and natural resource turmoil. It is a turmoil that touches every energy producing, energy consuming and third world nation. And it touches us, here, today.

After months of delay—supposedly for thoughtful deliberation—we have seen in the past two weeks a series of initiatives by the President. The national administration has proposed what it calls a "comprehensive energy plan." The Congress—finding itself

passed by the tortoise—is opening an eyelid and contemplating the race at last.

Without question the President has—commendably—recognized the need for energy action. But he has not recognized the need for equal energy sacrifices, nor profit discomfort for domestic oil producers.

Let's face facts. On January 15th, the President proposed a new energy partnership—a cartel, if you will—between domestic oil interests and the federal government. Quite simply, the proposals offered by the administration were the product of a philosophy that continues to hold: What is good for GM and Standard Oil is good for America. And whether consciously or not, the President sought the advice of the same types of people who sold us gas-guzzling cars with tail fins and chrome stripping—and brought us the Santa Barbara Oil Spill.

What the President failed to say, however, is that the new cartel is created at the expense of the American consumer and the American farmer.

We see it in Wisconsin.

Wisconsin's dairy agriculture is widely recognized. We also raise substantial quantities of field and cash crops, and have diversified livestock production. Ours is a typical agricultural state, and so our experiences and problems are similar to those in other Midwestern states.

And so it disturbs me to learn that Wisconsin farmers will suffer—and suffer greatly—under the President's proposed energy policies.

An average Wisconsin dairy farm—operated as a unit by a family—is about 186 acres, with 35 cows milked on a daily basis.

President Ford's oil tariff policies will mean an increase of $210 a year in gas and diesel fuel costs for that farmer.

The President's immediate and total deregulation of natural gas at the well-head will mean a $327 a year increase in fertilizer costs.

And the President's energy policies, as they affect utilities, will mean another $75 annually for electrical power needed for such things as milking machines, coolers and also unloaders.

Higher energy costs also will face farmers—as they do urban dwellers—in the use of their family auto, in the heating of their homes and in the consumer products that have petroleum components or bases.

The President's energy policies will be the final blow for some Wisconsin farmers. Our dairy agriculture is already depressed. Farmers last month were losing 16 cents on every gallon of milk they sold.

The smart managers will see that the skyrocketing production costs of last year—baler twine went up 275%—will be repeated this year. And they'll be making their management decisions based on that general pessimism.

Wisconsin farmers will be looking for corners to cut. And where will they cut them? Our experts say farmers will try to get by with reduced fertilizer applications. The result, of course, will be lower yields, our Agriculture Department says up to 15%.

Higher costs of operation and lower yields can only mean higher consumer prices. Yet surely it is clear that the American family farmer—and consumer—are both coming out on the short end of the stick.

But that will not be the case with the corporate producer—the vertically and horizontally integrated food and fiber conglomerates.

Without a doubt, those corporate farms, owned by firms like Tenneco, Gulf and Western, W. R. Grace, Del Monte, Getty Oil, Goodyear, Monsanto, Union Carbide and Dow Chemical will not hesitate one second in passing the increased costs along to the consumer.

If the potential impact on consumers of the increased energy costs at the farm level is substantial, the cost of energy needed to process, package and transport foodstuffs is even greater. And here there is no doubt—the cost will be passed on entirely to the consumer.

The food processing business helps make agriculture Wisconsin's number two industry. But the energy price Wisconsin must pay—in both quantity and cost—is substantial.

Vegetable processing requires significant amounts of electrical energy and natural gas for canning equipment, cleaning and cooking. Meat processing is also energy-intensive. Gas-fired boilers heat millions of gallons of water needed for sanitation and meat preparation. In dairy processing, the President's proposals may increase the cost of processing milk another 10 cents a gallon.

The President's investment tax credit is not going to help our farmers, either.

The tax credit proposal seems to be designed for the big grain producers of the plains. The smaller, family livestock and dairy operations will not share very much in the President's $4 billion tax credit, because of current economic conditions and the type of equipment needed for their operations.

But if the proposed energy policies will impose special hardships on the Wisconsin farmer, there are still additional burdens which both farmers and consumers will have to carry as a result of the President's special interest energy program.

By removing price controls from domestic oil, the President will strengthen the hands of large oil corporations in their effort to price the smaller, less-diversified retailers out of the market. These fiercely independent retailers have long suffered at the hands of the giants. In Wisconsin, we passed a law protecting the franchise rights of these business operators. But most of these small stations depend upon gasoline sales for their mainstay. And wholesale deregulation of domestic prices will give the majors power to enact selective pricing actions to undercut the independents and force them out of business. Then, of course, the majors will raise the price again—for farm and non-farm consumers alike.

By imposing the across-the-board tariff on oil, rather than concentrating on gasoline—which has the greatest potential for effective conservation—the President will be hurting those who are least able to cut energy consumption. Fuel oil and natural gas—both going up in price—are staples. Many people will be hard-pressed to cut their use and those with low and fixed incomes—especially in cold climates—will be hurt the most.

As we look at the courageous actions of some Western European leaders, it is a national humiliation for the United States to continue to guzzle fuel as if there were no tomorrow. Tomorrow has in fact arrived.

Clearly, it is Washington's responsibility to develop fuel policies that not only provide some immediate relief, but are designed to prevent our nation from slipping into relapses similar to the economic and energy problems we face today.

Clearly, it is in the interest of those gathered here today to join together as a "people's lobby" and to demand a national energy policy which protects the public interest and not the well-oiled special interests. Such an energy policy should include the following twelve points:

1. The federal government should impose—as an alternative to the President's tax plan—restrictions on importation of oil and a crude oil price equalization program that prevents supply and price manipulation. The quotas should be imposed gradually to minimize the impact on foreign policy, provide time for further development of domestic production, ease the inflationary impact and allow conservation policies to take hold.

2. Allocation floors should be established to equitably distribute the shortage among states. States that excel in fuel conservation should not be penalized but be allowed to carry allocation surpluses from month to month. But we should not penalize oil companies that anticipate and set aside fuel for demand changes.

3. Mandatory energy conservation policies should be imposed equitably and with force. For example, states that ignore—or blunt through minimal enforcement or penalties—the 55 mile per hour speed limit should suffer loss of highway funds or experience other penalties.

4. Mandatory efficiency standards for air conditioning units should be imposed.

5. National labeling standards of appliance efficiency should be required.

6. Financial incentives should be provided to non-OPEC members to encourage production from new oil sources outside OPEC.

7. Congress should reenact a strong strip-mining bill, similar or stronger than that vetoed by the President, so the full potential of coal can be developed with minimal environmental impact.

8. The government should launch immediate investigations into methods of allocating energy revenue to compensate for social and environmental costs associated with energy development and use.

9. We should end the oil depletion allowance and foreign tax royalty and severance taxes that simply make the oil companies tax collectors for the foreign oil cartel.

10. We should institute a nation-wide energy conservation education program for every man, woman and child. The program would teach that energy is a limited resource and that energy conservation is not only a patriotic opportunity but a necessity for survival.

11. Nation-wide mandatory conservation standards in all structures should be imposed, covering all new homes, businesses, industries and public buildings.

12. A national efficiency standard of at least 25 miles a gallon must be mandated for each domestically-produced car.

The requirement for automobile efficiency would only be part of an even broader energy-transportation program that is needed to break us of our gas-guzzling habits.

To date little has been done to redirect and rebuild our national transportation system. The federal government has shown minimal interest in promoting balanced transportation. Instead it has stood idly by while urban trolley lines, interurban lines, bus service and rail passenger routes have deteriorated into shambles.

Supposedly, the President's energy and economic policies propose the investment and reinvestment of federal revenue to promote new jobs. But the fatal flaw of the President's job program is in reinforcing the same wasteful auto-economics that took us down this dead-end road.

Any comprehensive energy policy developed here in Washington must address transportation efficiency and service. The federal government should be providing funding necessary to draw upon the skills of engineers, managers and production workers in Detroit and elsewhere and redirect those skills to areas of energy efficiency.

Immediate federally-supported retooling and retraining is needed for the production of:

1. Energy-efficient cars that get at least 25 miles to a gallon.

2. Thousands of new buses for urban transportation systems gasping for life and for intercity service that has fallen to a sad level of despair.

3. Modern rolling stock for our deteriorating rail freight and passenger lines.

The circumstances also are right for the Congress and the President to recognize the

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inevitability of rail roadbed nationalization, consistent with the public ownership of highways, airports and port facilities. Start-up and accelerated service loans and investments are also needed to inaugurate new and improved public transportation systems in both urban and rural areas.

In addition, transportation rate restructuring that emphasizes efficiency and minimizes deadheading is a national necessity.

As we address these important transportation problems, we should remember that more than half of the petroleum consumed by this nation is consumed in transportation—and 80 percent of that on the highways. That recognition should be enough to sustain our determination—if only by fear.

I suppose what I find most discouraging about the mess we are in is that we are suffering from a disease called "leadership anemia."

Some years ago, John Kennedy wrote a book called "Profiles in Courage." It was about a group of elected officials who were prepared to suffer abuse and hardship to defend what they believed was in the public interest.

Today, I am convinced the American people are prepared to endure abuse and hardship—if it is applied fairly to the corporate giants as well as to the farm and non-farm consumers. It is the courage of our citizens which must be matched by those with the responsibility to provide leadership. And this, too, must be your task.

But not all that is happening at this time is cause for discouragement.

Some hope can be found in the fact that our President is an honest man and he has proposed what he believes is a forthright solution to our most pressing problems.

Some hope can be found in the fact that our Congress appears willing at last to move on the issues of energy and economy, although we will have to wait and see whether they are truly serious.

And some hope can be found in gatherings such as this where hope must spring eternal.

And though we are gathered in a place a great distance from the prairie townships chartered by the Grange—or the urban shops organized by AF of L . . . we are here with their purpose, and their resolve.

We are here to recognize and honor their commitment to unity—unity in times of distress—persistence in the face of peril.

In many respects, it is no different today. The arena is larger and there are more performers. But the principles—the truths—remain.

They are truths that should bring man, woman and child to respect each other—the land—and the resources which we must conserve.

Truths that place a responsibility in leaders to lead—and in all to care.

Truths that tell us to join together today, as those before joined together yesterday.

Truths that tell us the opportunity for redirecting our nation—and the responsibility for saving it—is ours in this time.

It is up to us to act.

COMMUNITY RELATIONS SERVICE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. WOLFF. Mr. Speaker, all of my colleagues share my concern over the need to ease racial tensions and violence in our Nation's cities. I wonder, though, how many of us are fully aware of the work done by the Justice Department's Community Relations Service in heading off potential trouble areas. I noted with interest former Attorney General Saxbe's recent speech calling for stronger support for the Community Relations Service, and I thought my colleagues would also be interested in some of his comments with regard to the future of CRS. I would like to include in the RECORD a part of the Washington Star-News article covering Mr. Saxbe's speech:

Former Atty. Gen. William B. Saxbe drew expressions of surprise from former colleagues in the Justice Department when he proposed, in a speech last night, a doubling of the budget for the Community Relations Service.

Other officials said they had not heard Saxbe even mention the service during his year at the Justice Department and that he had not proposed the budget increase while he was attorney general.

But in his speech—prepared at the department before his resignation became effective on Monday, when he was sworn in as ambassador to India and delivered before a meeting of school principals in Columbus, Ohio, last night—Saxbe cited the CRS as the model for the kind of program the federal and state governments should join in to head off racial violence in the nation's cities.

"I propose that the federal government join with state and local governments in a new nationwide program to prevent and reduce racial tensions and violence," he said.

"My concern stems not only from potential school problems. Violence has occurred in some areas when minority families moved into white neighborhoods. And there also has been trouble over alleged employment discrimination.

"As one integral step, I recommend that the Community Relations Service be rebuilt to its level prior to a sharp cutback in 1972—and then expanded substantially beyond that."

CLOUDED HORIZONS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ARCHER. Mr. Speaker, as the 94th Congress debates the Federal budget and our economic program with certain changes to come in our tax structure, we should be aware of any future consequences of our actions. Mr. William Randolph Hearst, Jr., editor-in-chief of the Hearst Newspapers, had an excellent commentary on this very topic. He reminds us of the problems with deficit spending by the Federal Government and cities the problems in Great Britain. He warns us against undertaking a policy of seeking merely to spread the wealth while ignoring policies which would create additional economic development. I would like to enter this column in the RECORD:

CLOUDED HORIZONS

(By William Randolph Hearst, Jr.)

LONDON.—This column will be somewhat shorter than usual as it is being written on the TWA plane taking me back to London.

I had to curtail my visit over here a couple of weeks ago and return to New York for personal and business reasons. So please consider this as chapter two of the same news-gathering trip.

Joe Kingsbury Smith, our chief foreign writer and my long-time traveling companion, is again joining up for a more comprehensive look-see into what is happening on this side of the Atlantic. Watch for our forthcoming reports.

Meanwhile, of course, the big news of the week was all the continuing economic woe promised for the United States by President Ford's federal budget for fiscal 1976. It was a major international story since the bleak picture he forecast means more of the same for most other democracies of the Free World.

Mr. Ford finally admitted that the U.S. is in what he called a serious recession—and in reality it may even be worse than that. Call it what you will, recession or depression, we certainly are bogged in the most critical economic mess since World War II, as are so many of our friends.

I am frankly baffled by some aspects of the proposed $349.4 billion budget, with its projected record peacetime deficit of $51.9 billion. Even the experts are unable to explain clearly why unemployment is expected to hover at about 8 per cent throughout next year in a time of inflation. And nothing could be more divided than the conflicting views on what to do about the energy shortage.

Reading all the varying contentions of the White House, the Democratic-controlled Congress and the supposed experts takes on a curious air of familiarity here in Great Britain. Something of the same sort of divisiveness has been going on in England for decades, with matters getting progressively worse all the time.

A specific parallel comes quickly to mind. I'm afraid that the U.S., like our closest ally, has been undermining its economic strength by forever expanding social welfare programs and pump-priming labor giveaways. Labor in both our countries is always right up front in demanding to share the fruits of industry—as it should—but it almost never volunteers to share in the losses.

Ralf Dahrendorf, director of the London School of Economics, states flatly that Britain declined to its present despairing condition largely because it placed its emphasis on spreading the wealth in the worldwide economic upsurge following World War II instead of encouraging more plant development.

"It concentrated on redistribution of wealth through nationalization, setting up of socialized medicine and other welfare benefits when the unparalleled chances of expansion in the postwar era arose," Dahrendorf declares.

"Then it sought expansion when the prevailing mood became one of redistribution and inflation."

One need only look at President Ford's proposed budget to see how far this nation of ours has gone in its own emphasis on taxing the producers to help the nonproductive.

The largest share of every dollar in the proposed new budget—39 cents—is earmarked for direct benefit payments to individuals.

Despite, this, the Democratic majorities in Congress seem hell-bent to enlarge rather than cut back such aid programs. Their leaders already are on record as determined to kill Mr. Ford's modest proposal to set a 5 per cent limit on Social Security increases and other programs geared to cost of living changes in fiscal 1976.

If all this sounds like I am worried about so-called "creeping socialism," there's a good reason. I AM worried about it. Other democracies in the past have fallen because economic conditions have led the people to vote away their freedom while under the delusion that an all-powerful government would protect and take care of them.

At the same time I don't want to appear as negative as what has been written here may suggest. My perennially optimistic nature convinces me that our present stagflation-energy crisis will be overcome eventually—just as other grim crises of our past always have been worked out.

In the long run, compromise and cooperation will do the trick. Despite their deep political and ideological differences, the White House and Congress already show signs of seeking constructive mutual accommodation wherever at all possible.

HELP IN CLEARING UP THE ENVIRONMENT: THE POLLUTION CONTROL ACT OF 1975

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. HEINZ. Mr. Speaker, I am today introducing the Pollution Control Act of 1975. Evidence continues to mount of the pressing need to intensify our environmental cleanup drive. No one can deny any longer the critical danger to the public health posed by photochemical smog resulting from automobile pollution. But we are only now beginning to fully comprehend the deadly threat to people caused by industrial pollution, particularly sulfates, sulfur dioxides, and fine particulate matter. There is, therefore, no turning our backs on the Nation's commitment to a clean environment.

There also can be no denying the increasing difficulty American industry is experiencing in generating the huge capital funds necessary not only to fight pollution, but to build new job-creating capacity as well. In 1969, Congress enacted the present law allowing 5-year amortization of pollution control expenditures. It was adopted as encouragement for business and industry to make the expenditures necessary to meet strict pollution control regulations. Congress did so, not only because it recognized the urgent need to protect and enhance the environment and guard the public health, but also because Congress fully realized that these necessarily tough regulations would generate tremendous, new demands for investment capital.

The 5-year amortization period, therefore, was intended as a device to encourage environmental cleanup while easing the heavy financial drain caused by that cleanup. Unfortunately, however, that congressional intent is not being carried out.

At present, few if any businesses are claiming the 5-year pollution control amortization because in order to use that option, other more beneficial tax provisions—such as the 7-percent investment tax credit and accelerated depreciation range—must be set aside. Moreover, since the useful life of some pollution abatement facilities is rather short, and much uncertainty and delay is usually involved in certifying equipment for amortization, many corporations simply do not bother with special amortization. Rather they choose to depreciate these pollution control facilities on the same basis as other assets. The present law, therefore, pays mere lipservice to cleaning up the environment.

Mr. Speaker, my bill, the Pollution Control Act of 1975, would assure realization of the original intent of Congress when we enact the special amortization provisions for pollution control expenditures. In brief summary, the bill would:

First, provide for amortization of pollution control expenditures over 3 years rather than 5 years;

Second, allow these expenditures to be eligible for both the pollution control facility amortization provision and the 7-percent investment tax credit;

Third, permit amortization to begin when pollution control expenditures are made rather than awaiting the actual commencement of operations by the facility; and

Fourth, allow amortization of certified pollution treatment facilities used in connection with a plant or other property in operation before January 1, 1974—not January 1, 1969 as in present law.

Mr. Speaker, at a time of tight credit and rising prices, it is financially unrealistic and further inflationary to expect industry to make the needed but vast investments in pollution abatement equipment. If we want to protect people's health—and we must—we will have to change the present 4-year-old pollution control tax writeoff which actually penalizes those working to conform with the law. We can do this without weakening our environmental standards.

As the Ways and Means Committee considers various tax proposals, I sincerely hope that the committee will consider the Pollution Control Act of 1975 for inclusion in the legislation it reports.

DETERIORATING INTERNAL SECURITY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASHBROOK. Mr. Speaker, little attention is being given to the security of our Nation. Intelligence agencies are being probed. A book has been published blowing the covers of many American agents outside of this country. The author of that book did some of his "research" in Cuba.

Here in the United States the Subversive Activities Control Board has been eliminated, the Internal Security Division of the Department of Justice has been eliminated, the House Committee on Internal Security has been eliminated.

The intelligence services of the Soviet Union and Communist China must be watching with glee while the effectiveness of American security agencies is reduced.

At this point I include in the RECORD the text of a column by Joseph Alsop which deserves attention. The text follows:

THE KGB'S "SAFE HOUSE"

(By Joseph Alsop)

Thus far only one fact of real importance has emerged from the rumpus about domestic surveillance by the CIA and FBI. This country, in fact, turns out to be shockingly vulnerable to the Soviet Union's ruthless, omnipresent KGB because of a shockingly incompetent and ill-advised counterintelligence system.

As an illustration, consider the truly bizarre ukase issued by the late J. Edgar Hoover toward the end of the 1960s. By order, the director of the FBI provided a gigantic, gloriously convenient "safe house" for the KGB's all too numerous agents and any other spies happening to be in Washington.

A "safe house," of course, is the intelligence community's label for a place where foreign agents can meet their local contacts in perfect security to make payoffs or to transmit orders or to pick up information. Just to add an extra touch of fantasy, the Hoover-provided safe house was no less than the second center of the U.S. government, the huge U.S. Capitol with all its grounds and dependencies.

Under the terms of the Hoover ukase, the Capitol complex was put strictly off-limits for all the FBI's counterintelligence men. Yet the FBI has a legal monopoly on all counterintelligence within the territorial limits of the United States. Hence Hoover's ukase meant that known Soviet spies, who were known to be about to make an American contact known to be dangerous, could still be sure of doing so with perfect impunity—provided they just named a rendezvous in the off-limits part of Capitol Hill.

All this seemed downright incredible to me when it was first reported by Ron Kessler of The Washington Post. My own check has fully sustained Kessler's story, however. There is only one significant point that remains in some doubt. It is no more than 95 per cent certain that the Hoover ukase remains in full force and that the Capitol, therefore, continues to be a KGB safe house. That 95 per cent certainty is too close for comfort, one must add.

Furthermore, I think I know why Hoover issued his ukase. For background, you must first understand that the KGB maintains an enormous number of spies in this country. As a measure, remember that we are priority No. 1, whereas Great Britain is no more than priority No. 4. Yet when the KGB grew over-bold in Britain, the Foreign Office had to expell 105 well-authenticated KGB men.

Second, you must understand that with such ample human resources, the KGB has long given a lot of its men part-time or full-time assignments on Capitol Hill. By the mid-1960s, there were somewhere between 20 and 30 KGB men dealing with the U.S. Congress or with the countless staff people the Congress and its committees employ.

This does *not* mean that KGB were constantly seeking senators and representatives. On the contrary, they were known to concentrate rather heavily on the lawmakers' personal staffs and also on the committee staffs.

But this is almost a distinction without a difference. Nowadays, in truth, domineering and able staff members largely control the thoughts and acts of all too many lawmakers, especially in the Senate. Great numbers of left of center staff members on the Senate side of the Capitol also constitute a quasi-independent power bloc. They all work together, all protect one another and often join to extend their bloc's power by planting friends and allies in new senatorial offices.

I myself belief that this unknown, unseen power bloc is an unhealthy new political growth. Yet I must hasten to add that it was *not* and is *not* necessarily improper for these people—or indeed for anyone else on Capitol Hill—to see the KGB men who have swarmed there for so long. The KGB men, of course, were all masquerading, and still are masquerading, as Tass correspondents, embassy secretaries, trade experts and so on.

Particularly on the left of the political spectrum, however, the FBI watch that J. Edgar Hoover staffed with his ukase showed an astonishing number of KGB contacts on Capitol Hill. It would have looked remarkably bad if anyone had made a public issue of them. Furthermore, President Johnson was tempted to do just that toward the end

of his second term; and President Nixon actively wished to do just that in 1969.

It was about then that the Hoover ukase was issued. I feel sure, therefore, the aim was to suspend the FBI's former careful watch on the Capitol in order to be protected from Congress if the White House went too far in its revelations.

So there you have it—a horrifying story which is pretty likely to be going on this minute. The story is horrifying, of course, because foreign espionage is a damnably serious business, even in a free society like ours.

It is so serious, in turn, because it is dangerous to have a government, a press, an academic world and the ranks of science all bristling with people like Kim Philbey; Guy Burgess and Donald MacLean. I hope and think this is not our situation; but this is certainly the situation the KGB has been going all out to produce ever since the United States became the unique giant power in our half of the world.

If you reflect upon this story, you find that its main lesson is the singularly unprofessional character of the FBI approach to counterintelligence—at any rate under the leadership of the aging J. Edgar Hoover. Nor is this at all surprising. To have truly professional counterintelligence you have to know the story from the beginning, which is in Moscow in the case of the KGB.

The CIA, of course, is supposed to know all about Moscow. But another appalling revelation of the current CIA–FBI rumpus is the bloody bitterness of the FBI–CIA feud. The two agencies never worked together until new liaison arrangements were made by new leaders a year ago. This kind of crippling non-cooperation can too easily recur, too.

Again, the rumpus has glaringly revealed the recurring dominance of domestic politics in the FBI counterintelligence work, at any rate in the Hoover era. It was politics that caused the former FBI director to create the KGB safe house. It was politics, too, that caused him to ignore President Johnson's order to have a look at the peace movement's foreign links, thereby spurring Johnson to call in the CIA.

In short, the foolish may credit the argument that the CIA–FBI rumpus has uncovered a grave threat to our civil liberties. But more sensible people will instead perceive an open invitation to the KGB.

ILLINOIS ASSEMBLY HONORS ROBERT JUCKETT

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. O'BRIEN. Mr. Speaker, the Illinois State Assembly was deeply saddened by the death of Representative Robert S. Juckett February 2, 1975. Bob and I served in the State assembly at the same time and worked closely together on legislation for the handicapped. He was one of our outstanding leaders and will be missed greatly by his family, friends, colleagues, and constituents. I would like to insert in the RECORD today the following resolution passed by the general assembly in Bob Juckett's honor.

HOUSE RESOLUTION

Whereas, our beloved colleague Representative Robert S. Juckett was called from our midst by his Lord and Creator on Sunday, February 2, 1975; and

Whereas, Bob had been struggling long and valiantly for over ten months in silence and courage against leukemia; and,

Whereas, Representative Juckett was a superb representative of the people, giving unstintingly of his time and boundless talents and energy for over eight years in this House; and,

Whereas, he was respected and loved by every member of this House, whose friendship he sought regardless of party; and,

Whereas, Representative Juckett was a true leader of great spirit and wisdom and humanity, who served his fellow man in a multitude of capacities during his forty-two years of life among us; and,

Whereas, millions of Illinois citizens depended upon him to fight for their needs in the General Assembly, where he championed such diverse causes as opportunities for handicapped peopl , election reform, improvement in services for mentally ill and retarded persons, right turn on red traffic provisions, special education for handicapped children, township government, public access to government meetings, flood control, state government reorganization; and

Whereas, Representative Juckett never lost sight of his belief that in voting on appropriations, he was spending the citizens money and not some impersonal "government" money; and,

Whereas, throughout his service among us, he held firm to his guiding principles and philosophy of government doing for people only that which they absolutely cannot do for themselves, of the protection of individual liberty being the only purpose for government, and of an individual's right to dispose of his own property according to his own desires; and,

Whereas, to his last day in this world Bob Juckett worked tirelessly for his constituents and for all who called on him for help, serving each as a personal ombudsman; and,

Whereas, even as he took his oath of office at Lutheran General Hospital in Park Ridge, Illinois, on January 8, 1975, he expressed his love of service in these characteristic words, "It's a great feeling, there's really no description that you can give, when you're called upon to serve your fellow man"; and,

Whereas, his friends and constituents in his home of Park Ridge, and in his fourth district of Skokie, Golf, Morton Grove, Niles, East Maine, Park Ridge, Des Plaines, Mount Prospect, Prospect Heights, and Arlington Heights, and all citizens of Illinois, will miss him sorely; and,

Whereas, the members of this House already feel the blow of his loss and will miss Bob Juckett for his forthrightness, his courage, his talent, his integrity, his wisdom, and his friendship; now, therefore, be it

Resolved, by the House of Representatives of the Seventy-ninth General Assembly of the State of Illinois, that we do express to his family and to the world our shock and grief at the untimely loss of State Representative Robert S. Juckett, that we do in his honor rededicate ourselves to the service and liberty of the People of the State of Illinois, and that we do express our admiration and appreciation of his service here among us; and, be it further

Resolved, that as a further mark of respect, this House do now adjourn.

PERSONAL STATEMENT

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ARMSTRONG. Mr. Speaker, In checking the RECORD for February 20, I am dismayed to find that I am recorded as voting in favor of House Joint Resolution 210, the supplemental appropriation which included funds for the Penn Central Railroad.

It was not my intention to vote in favor of this appropriation for reasons outlined in my remarks on February 19 and in my views published with the committee report.

Apparently an error has occurred which has caused me to be so recorded.

ILLEGAL ALIENS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. WOLFF. Mr. Speaker, our Nation is confronted with a serious problem posed by the large number of illegal aliens within our borders. The Subcommittee on Immigration of the Judiciary Committee today held hearings on a measure to counter this problem. At this time, I would like to insert into the RECORD a copy of testimony I submitted on this measure. My testimony indicates why I feel that a stronger measure is necessary:

STATEMENT BY CONGRESSMAN LESTER L. WOLFF ON LEGISLATION TO DEAL WITH THE PROBLEMS OF ILLEGAL ALIENS

Mr. Chairman, I submit this testimony firmly convinced that there is a great need for fast action by the Congress to counter the problem of illegal aliens but uncertain whether H.R. 982 is the best bill to accomplish this goal.

First permit me to briefly discuss the problem, particularly as it pertains to the New York Metropolitan area.

Immigration officials estimate that there are six to seven million illegal aliens in the United States and, according to the Commissioner of the Immigration and Naturalization, the figure could be as high as ten to twelve million. In the New York Metropolitan area alone there are estimated to be between one to one and a half million illegal aliens.

These illegals present us with several distinct problems. First, they hold jobs that are vitally needed by the increasing number of unemployed citizens. Former Attorney General Saxbe estimated that approximately one million jobs nationwide are held by illegal aliens. In the New York region, there are estimated to be 100,000 aliens holding "higher paying" jobs and the average salary of illegals apprehended last year was $150 per week.

Second, these aliens, and especially those that are unemployed, pose a distinct drain on civic services. An unknown number receive welfare and Medicaid benefits. Schools, hospitals and other public services are used with little difficulty.

In many cases, these aliens use these services without filing Federal, state or local tax returns. They use our services without paying for them. Last June, a Congressional committee estimated that $100 million in income tax revenue to the Federal government was lost because of illegal aliens.

In addition, there is a drain on our balance of payments. Many illegal aliens routinely send money to their relatives in their native lands, either for safe keeping or to assist their relatives. Congressman Rodino has estimated that more than $1 billion is "removed from our economy" yearly by illegal aliens.

This is the nature of our serious problem. Perhaps the best way for us to come to grips with this problem is to deal with the principal reason we have such a large number of illegal aliens. For the most part, these people come to the U.S. lured by the promise of jobs. If we can make it more difficult for illegals to obtain jobs, we will reduce the incentive for them to enter our nation in the first place.

H.R. 982 deals with this by making it a Federal crime to knowingly hire an illegal alien. However, this measure has no real "teeth" in it as no penalties are set forth for the first offense. It is only after a second offense, if it occurs within two years of the first, that a penalty can be administered.

On the other hand, H.R. 257, legislation introduced by Congressman Mario Biaggi, would make it an immediate Federal offense for an employer to knowingly hire illegal aliens. The first offense would not be punished by a mere warning, but by a $500 fine or six months in jail. The second offense would be punishable by a $1,000 fine or one year in jail. This measure contains significantly more meaningful sanctions and, consequently, will act as a greater deterrent. It will be more effective in convincing employers not to hire illegals.

H.R. 257 has an additional benefit, not included in H.R. 982. It provides for an additional 2500 personnel for the Immigration and Naturalization Service.

One of the principal problems confronted by the Service is its attempt to prevent illegals from entering the country and apprehending and deporting those that are already here, is the lack of manpower and funds. As Henry E. Wagner, the investigations chief of the New York region said ". . . we don't have the money or manpower to carry out the law." Because of this money and manpower squeeze, the Immigration and Naturalization Service has had to revise its policies. It no longer pursues illegal aliens who have been apprehended but fail to appear for deportation hearings. Inquiries from the Social Security Administration are no longer handled with any priority, which means that illegals are easily issued Social Security cards, often used as proof of citizenship, and are eligible for benefits. As a result of these cutbacks, brought about by increasing work load and constant personnel, the number of illegal aliens seized in the Metropolitan area of New York has declined by 30 to 50%.

It is imperative for us to increase the Services staffing so that it can become a viable force in controlling the illegal alien problem. H.R. 982 does not do this. H.R. 257 does.

In conclusion, I urge the Committee to take meaningful action on the problem of illegal aliens. While H.R. 982 is an important step in the right direction, I feel that H.R. 257 would be a much more meaningful measure and I urge its adoption.

Thank you.

HOUSE INTERNAL SECURITY COMMITTEE SHOULD BE RESTORED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASHBROOK. Mr. Speaker, the 1975 Conservative Political Action Conference was held February 13–16 in Washington, D.C. The conference, sponsored by the American Conservative Union and Young Americans for Freedom, was attended by hundreds of concerned citizens from across the Nation.

An important part of the conference was the adoption of resolutions. One of these related to the House Committee on Internal Security. Conference participants voted overwhelmingly that the House Committee on Internal Security should be restored as a standing committee of the House of Representatives.

I agree wholeheartedly with the sentiments of this resolution. Our Nation needs a strong anti-Communist and anti-subversive unit. I urge my colleagues to restore this important committee.

Following is the text of the resolution.

HOUSE COMMITTEE ON INTERNAL SECURITY

Whereas the House Committee on Internal Security has effectively investigated and exposed the activities of subversive revolutionary and terrorist groups such as the S.D.S., K.K.K., the Symbionese Liberation Army, and the Communist Party U.S.A.; and

Whereas recent international and domestic events amply demonstrate the continuing need for such a committee; and

Whereas the abolition of House Committee on Internal Security and the transfer of its jurisdiction to the House Judiciary Committee will almost certainly mean the end of its effectiveness as an anti-communist and anti-subversive unit;

Therefore be it resolved that the House Committee on Internal Security be restored as a standing committee of the House of Representatives.

CONGRESSMAN MO UDALL CALLS FOR PROTECTION OF COMPETITION IN AMERICAN ECONOMIC LIFE

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. KASTENMEIER. Mr. Speaker, our colleague, Mo UDALL of Arizona, recently addressed the American Bar Association Conference of Bar Presidents on the evils of economic concentration in American industry and the heavy cost caused to society and the free enterprise system by the absence of vigorous competition in the business community.

In his speech, Mo UDALL set forth a progressive program to cope with the dangers of economic concentration. He proposed the creation of a congressionally authorized commission to analyze the performances of a number of key American industries to determine whether Government should be taken to assure productivity, efficiency and competition. In addition, he called for other reforms, such as strengthening the enforcement of antitrust laws by the Justice Department and the FTC, the possible breaking up of food and energy conglomerates and the abolishment of the ICC.

Mr. Speaker, Mo UDALL has presented a significant plan to prevent a few behemoths of industry from dominating the economic life of our Nation. I commend to the attention of our colleagues his remarks to the Chicago conference of ABA Bar Presidents on February 21:

THE FUTURE OF ANTI-TAUST

(By Representative MORRIS K. UDALL)

Our economy is in deep trouble. We are in the worst recession since the '30's and things aren't going to get any better for a while. We are suffering from inflation and rising unemployment at the same time—a combination economists used to think impossible.

We face shortages of raw materials. We face really serious environmental problems. We face sagging productivity.

These difficulties are serious, but they are not fatal.

What can be fatal is our continued reluctance to face the issue squarely—to admit that the economy has fundamental problems and that it needs fundamental solutions.

Instead, what we are getting is blind flailing. Last year the President told us we were going to whip inflation and passed out WIN buttons. This year he proposes energy taxes so heavy and so broad that the price of absolutely everything will go up. Maybe he'll soften the blow by passing out LOSE buttons. I believe that our economy is basically strong. It can provide jobs and a decent standard of living to all Americans.

But it will do so only if we have the vision to look at the long-range problems, and the courage to undertake the necessary reforms.

We Americans pride ourselves on having a free enterprise system in which producers compete freely for the consumer's dollar. We believe that through vigorous competition this kind of system stimulates innovation and discovery, promotes efficiency and best distributes resources to serve consumer desires.

I agree with that philosophy. I believe in free enterprise. But I am afraid that there is a wide gap between the philosophy we preach and the business we practice, for the vigorous competition on which our system is based has disappeared from broad sectors of the economy.

We have 400,000 manufacturing firms in this country, but a mere 200 control two-thirds of all their assets. Industry after industry is dominated by a handful of giant companies. Whether the concentration takes the form of monopoly or oligopoly, the result is the same. Competition is stifled, and the foundations of the free enterprise system are undercut.

We all know the cost. We see it in lack of innovation, in inefficiency, and in higher prices. And we see it in the loss of markets to foreign competitors and in the inevitable government intervention and regulation.

Let's look at a few examples.

With four firms controlling nearly half the market, price competition has always been sluggish in the steel business. Each company knows that if it cuts prices the others will match it, and nothing will be gained, and that if it alone raises prices, it will lose its shirt. So in steel we have follow-the-leader pricing. Not a conspiracy—but the effect can be the same.

Moreover, lack of competition has led to sluggishness in the industry. The basic oxygen process—the most important technological breakthrough in this century—was perfected by an Austrian company in 1950. Why, then, did it take American companies a decade or more to make the switch? Hundreds of millions of dollars were wasted as a result. In fact, even though we have the biggest steel industry in the world, almost all the major advances in the business for the last two decades have come from abroad.

Take an industry of more immediate concern to the consumer: food.

Food prices have gone through the roof—up 35% in the last two years, but Secretary Butz tells us that the amount the farmer gets has barely changed.

The middlemen and the supermarket chains, which collect ⅔ of the American food dollar, tell us that higher costs are to blame. What about lack of competition?

In 1966 the National Commission on Food Marketing recognized the anti-competitive effects of excessive concentration in the food industry. Yet, today, three companies sell 82% of our cold breakfast cereal. Four sell 70% of our dairy products, and 80% of our

canned goods. And just one sells 90% of the soup in the country.

At the retail level, 2 to 4 chains sell the vast bulk of the food in almost every one of our metropolitan areas.

Last year Safeway's profits went up 51%; DelMonte, 43%; American Can, 32%; and Amstar—which dominates the sugar business—was up 250%.

We know that when companies don't compete on price, they tend to compete on other things—particularly advertising. Food processors and distributors spend over $4 billion a year on advertising—much of it on new products that no one wants.

The Federal Trade Commission has attempted to estimate the cost of concentration in this industry. In just 13 food lines the FTC estimates that overcharges amount to $2 billion per year. A yet-to-be-released staff study concludes that if the food oligopolies were broken up, prices would drop by 25%. Now *there's* a way to whip inflation.

Or, look at automobiles. In 1921 we had 88 firms in this industry. By 1935 there were 10 left, and you know where we are today: the big 3 make 97% of the cars manufactured in the United States. Even counting imports, they control 83% of the sales.

That doesn't just mean high prices—it means limited choice. It took the big 3 years to come up with the small cars—they might never have done so if it hadn't been for increasing competition from abroad.

To a certain extent they also control our future choices, for they control all research into alternative engines, auto safety, and emissions control.

The same big 3 that control the car industry also dominate the production of buses and trains. Last year, GM manufactured more than half our city buses, 90% of the bus engines, and 80% of our rail locomotives.

This kind of control has had disastrous effects on our transportation system. Since a bus or train can carry many more people than a car, GM had every incentive to push car sales and discourage mass transit.

Testimony to a Senate committee last year indicated that over the years GM bought and tore up electric railway systems in 56 cities throughout the country—including New York, Philadelphia, Baltimore, and Los Angeles. Some riders switched to GM buses—more bought GM cars.

The fact is that the big 3 shape America's ground transport system. And the system they have produced—roads clogged with millions of cars and trucks, pouring out pollution and consuming vast amounts of oil, while mass transit remains virtually nonexistent—that system simply won't do.

The Federal Government may have to reorganize the rail and bus equipment industries, building new plants and selling them to private investors if necessary, to increase capacity and promote competition.

The energy industry poses even bigger problems. A few huge corporations dominate the oil and natural gas businesses from the ground to the refinery, and for gasoline, of course, all the way to the pump. While the industry is not statistically very concentrated, it has hardly behaved in a competitive fashion. The oil majors are tied more subtly together through a complex network of overlapping directorates, joint ventures, and product exchange agreements.

We all know about the price rises in the last year. But did you know that in the ten months of 1973 before the Arab boycott and the cartel, the price of refined oil went up 40%?

The major oil companies control most of the supplies of crude oil. That has made it hard for independents to build badly needed new refineries. The main pipelines have been routed for the convenience of the majors, putting the independents at a competitive disadvantage.

The majors commonly engage in joint ventures in exploration and development, making competition with each other unlikely or impossible.

The Trade Commission has alleged in a current suit, that the majors manipulated the prices they charge at each stage of production to freeze out competitors.

The Federal Government is auctioning off vast areas of off-shore land for oil and gas exploration. Unfortunately, the way the system works, the winning bidders have to put out large amounts of cash—as much as $200 million—for each tract. And they must do so before they know whether they will find any oil. That is too risky and expensive for small companies. So the same big oil companies are buying up most of the oil lands of the future—making the industry even less competitive.

Moreover, the oil majors now have heavy holdings in alternative fuels—natural gas, coal, shale, and nuclear power. The oil majors are now in a position to limit future energy supplies and new energy technologies to maintain their profits.

From automobiles to cigarettes to chewing gum to soap, the story is repeated over and over again—concentration is now a prominent, perhaps a dominant, characteristic of our economy.

Concentration means high prices. That is a burden at any time. It is a burden we simply cannot afford at a time when spiraling inflation threatens both progress and prosperity. Concentration can also mean inefficiency, lack of innovation, and stagnation. That, too, is a burden we cannot afford. With raw materials getting scarcer and the environment getting dirtier, the free ride of the last century is over. But we can always afford the kind of growth that comes from efficiency—from the ability to produce more from less, and from the ability to innovate.

We must increase productivity if we are to meet the rising challenge of foreign competition, and if we are to restore economic growth.

Finally, concentration means power. It means too much control over our lives in the hands of corporate executives answerable to neither the public nor the marketplace.

Is concentration the cause? Is it the source of our economic maladies? Of inflation? Of slumping productivity?

In some industries, the answer is clearly yes. But in many cases we just don't know. Simple rules can often be powerful tools for understanding a complex situation, but often they will prove to be inadequate.

That there are two or three companies which share the bulk of the market and make substantial profits, does not necessarily give us the answer we need.

A commitment to a free enterprise system means a commitment to competition; and when there is competition, there are always some who lead the race, and some who win it. Indeed, the opportunity to lead is the incentive we count on to get competitors in the race, and, once in, to encourage them to compete hard, to take risks, to get in front and stay there.

We choose to play the game by not telling each competitor exactly how fast he can and must run, what his style should be or what course to follow. Our free enterprise view has been that each competitor does best and the public benefits the most if we act merely to prevent obstacles and hindrances to their forward motion.

We don't allow those in the lead to put up barriers behind them or to trip those who want to take the lead away. Each competitor must depend on moving forward himself—rather than on slowing down those behind him.

And we prohibit the front runners from agreeing to bunch together to prevent those behind from breaking through their lines. If the front few happen to come together on the track when all are moving forward at top speed, they are within the rules. But not if they do so deliberately.

The trouble, of course, is that it is very hard to tell whether the four steel companies or the three automobile or two bleach companies out in front are still racing, or whether they have all slowed down at the same time to block the others on the field.

But when you see prices and profits going up, and innovation going down, it's not hard to believe that they decided it was easier to coast along together than to compete alone.

And when you look out across the economy and see many races slowing down and the racers in front getting fat and sluggish, it's hard not to conclude that the rules don't work well enough any more.

Our racing rules have always been the anti-trust laws. Enforcement of these laws is the responsibility of both the Federal Trade Commission and the Justice Department.

Both have shown increasing vigor in the last two years, and I hope that trend continues. Their efforts will be aided by new legislation passed in the last session of Congress, which stiffens penalties for price fixing and expanded the Trade Commission's authority to protect consumers from unfair practices.

We must do more, however. These two agencies need a greatly enlarged staff if they are to adequately meet their responsibilities, and we must seek ways to keep politics out of anti-trust cases—to guarantee that there is no repetition of the ITT case.

Better enforcement will help, but it is not enough. We may have to rewrite the rules.

The Clayton Act prevents anti-competitive mergers regardless of intent. But when a giant grows more gigantic without merger, the only way to attack existing monopolies and prevent new ones is through section 2 of the Sherman Act. That statute makes it unlawful to try to monopolize an industry, but again the issue is usually intent—as inferred from behavior.

As trial lawyers, you can appreciate that analyzing the behavior of a huge corporation to prove its intent is a massive undertaking—often an impossible and generally an unrewarding one. Should intent really be the only touchstone for effecting structural change? I don't think so.

Six years ago the Government charged IBM with monopolizing the computer industry. In the discovery that followed, IBM produced 40 million documents. The anti-trust division of the Justice Department was making little headway with this mountain of paper until it obtained access to the retrieval and data bank system Control Data set up for a parallel civil suit. Control Data apparently spent three million dollars on that system. That compares with the anti-trust divisions' entire yearly budget of $15 million.

Obviously, the Government cannot police the whole economy this way.

We must recognize that the existing rules are not adequate for the task ahead. We all wish for easy formulas—a list of ten do's and don't—you turn the key and presto! economic propriety. That has not worked and I don't think adding a few more such rules will work either.

The answer, I believe, lies in approaching the problem industry-by-industry, determining what ails each critical sector, and prescribing the precise remedy that it requires.

This is not a difficult undertaking if the commitment is there. The number of really critical industries in our country is small—

ten, perhaps twenty at the very most, dominate our economic health. First we must look at how each economically crucial industry is performing, considering criteria of efficiency, innovation, price and profit. If it is performing well, then it is of no consequence whether there are two or two hundred competitors in the field.

For those which are not performing well, we analyze the peculiar factors which contribute to the problem and prescribe a set of remedies tailored to the specific conditions. These might take any of several forms: Government subsidies of a new competitor, changes in Government procurement practices, regulation, deconcentration, and many others.

This job can be performed by an *ad hoc* commission created by the Congress with a limited life-span and a clearly defined goal. Congress then must be prepared to consider and act on the commission's recommendations.

The procedure I have just outlined would be a giant step towards a healthy, competitive economy—but only a first step. There are several other major changes that would have to be made. Let me touch on some of them briefly.

We have got to ferret out and correct the myriad ways in which the tax code favors big companies over small ones.

The corporate income tax is riddled with concessions, exceptions, loopholes, and just plain give-aways. Except for the first $25,000 in earnings, corporations are supposed to pay a flat 48% tax. But in 1973, the average for the 143 biggest corporations for which data was available, was less than 24%.

There are many reasons: Export tax subsidies, foreign tax credits, and an investment tax credit based on the size of a company's earnings. Then of course there is the oil depletion allowance, which is based on the amount of oil produced, rather than the number of new holes drilled, and therefore helps the giant firms more than the small wildcatter who shoulders much more of the risk.

These sorts of tax provisions—as well as many others, including the estate tax and various excise taxes—are helping to push the whole economy towards bigness and away from competition.

Yet another source of trouble is the patent system. Originally designed to promote progress by encouraging inventors, today the system frequently allows big companies to get bigger by keeping inventions—often ones that are not properly patentable—out of the hands of their smaller competitors.

That is one of the ways that GE, AT&T and Xerox came to dominate their industries.

Part of the problem is in the Patent Office. The Office has a two and one half year backlog. Its staff is overworked and relies heavily on what applicants allege. Fully 70% of the litigated patents are eventually held invalid. But such challenges are time-consuming, costly, and risky, and few small companies can afford the cost.

The Patent Office should be given the resources it needs to streamline its procedures and improve its investigations. Applications that should be denied, should be denied quickly.

In addition, we should consider shortening the period of patent protection.

And we should look for ways to prevent patent holders from stifling competition by putting greater limits on restrictive licensing.

Anti-competitive policies pervade the Federal Government, but probably the worst culprit of all is the regulatory agency.

Government policies have protected concentration—not competition—in many of the regulated industries, often they have erected impenetrable barriers to any company which seeks to enter the field with better products or lower prices.

Transportation economists estimate that price fixing and waste allowed by the three regulatory agencies in this field—the CAB, the ICC, and the Maritime Commission—cost consumers between $8 and $16 billion a year.

From its creation, the CAB has restricted competition in the airline industry. It has not approved entry of a new trunk carrier since 1938.

Just last fall it rejected an application by Laker Airways, a private British carrier, to fly regularly scheduled New York to London flights for $125 each way—less than half of the present fare.

The CAB does not have jurisdiction over flights within a single State. As a result, there is vigorous competition, for example, on the Los Angeles to San Francisco route. That competition has driven the price down to $21.

The Washington to Boston flight is only a few miles longer, but is regulated by the CAB. Result?—The fare is $45—more than double.

That's the good news. Now, for the bad news—the ICC.

This agency divides up the country and allocates each area to just a few trucking firms. In other words, it creates oligopolies.

One ambitious firm—Gateway Transportation—is trying to compete on the route from Pittsburgh to Jacksonville, Florida. Because the ICC has awarded the direct route to someone else, Gateway's truck must make the trip via Cincinnati, Ohio—more than 200 miles out of the way.

The ICC, in fact, is so busy preventing competition in interstate trucking that it forces truckers to travel empty about 40% of the time. Somebody over there still hasn't gotten the message about the energy crisis.

We need to limit the authority of the regulatory agencies—to get them out of the business of regulating competition—whenever and wherever possible.

We should end the CAB's authority to set fares and restrict routes. I think you would be amazed at how the airlines could discover ways to reduce rates if they had to compete for their business.

As a matter of national policy, we may want to maintain service on low-traffic routes to small cities, and that may require some kind of subsidy, but the savings would far outweigh the cost.

As for the ICC, the time has come to abolish it. The Commission was established in 1880's to prevent price gouging by the monopolistic railroads, but the railroads lost their monopoly when the truck arrived on the scene, and the ICC lost its function. Since then, the ICC has stood firmly and steadfastly—in the *way* of competition.

I have taken you on just a quick tour of the field—but I hope I have been able to make my case. If we are to strengthen and preserve our free economy, we must act. We must take the power from the board room and return it to the market. We must replace concentration with competition to keep prices down, efficiency up, and economic power responsible.

The vitality of competition comes from the desire of business to grow and prosper. There is no villainy in that instinct—it is essential to a vigorous economy.

But when businesses get too successful or too big, they may begin to strangle competition.

Then Government must intervene. It must act as a referee, to limit and redirect growth when it threatens competition. This creative tension between business and government means litigation, which cannot displease you. But it also means an economy able to meet the challenges of the last quarter of the 20th century—an economy which truly serves its true masters—the American people.

THE CITY OF PICO RIVERA BENEFITS FROM REVENUE SHARING

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. DANIELSON. Mr. Speaker, I would like to take this time to share with my colleagues a letter from Councilman Frank Terrazas, of Pico Rivera, explaining the use which the city has made of revenue-sharing dollars, as provided under the Revenue Sharing Act of 1972.

With the general revenue sharing program scheduled to run through December 31, 1976, it becomes necessary for the 94th Congress to reconsider the program. Therefore, I am submitting for the RECORD the text of the letter from Councilman Terrazas explaining that in Pico Rivera 50 percent of the revenue sharing funds are used for law enforcement, and 50 percent used for plant facilities in their parks and recreational field. Continuation of the general revenue sharing program to allow the city of Pico Rivera to continue providing such services to its citizens.

During future consideration of the extension of the general revenue sharing program, I hope that the fine work the city of Pico Rivera has made of its revenue sharing funds will be brought to mind. Councilman Terrazas' letter reads as follows:

CITY OF PICO RIVERA,
Pico Rivera, Calif., December 26, 1974.

Hon. GEORGE E. DANIELSON,
Congressman, State of California,
Los Angeles, Calif.

GOOD MORNING CONGRESSMAN! I greatly appreciate your latest correspondence to me concerning the consideration by the Congress relative to the continuation of revenue sharing. I was not aware that the Congress in this session was debating the issue and to the extent of calling it to our attention at this time, is appreciated. Your interest as indicated in your correspondence prompts me to supply what Pico Rivera has accomplished and projected in terms of its revenue sharing distribution.

The City of Pico Rivera incorporated 17 years ago, does not have a property tax; therefore, our entire revenue picture is predicated on the economy of not only the country, but the metropolitan area in which the city is located. If the economy is such that currently is the case, the dollar is inflated and the citizens and businesses are in a recession as it relates to their economic growth. The efforts of municipal government must then reduce their services or find supplemental income from other sources.

Revenue sharing, through the distribution of Federal dollars provided through Federal Income Tax, has relieved the economic stress and strains of this municipality operating without a property tax. Initially, this Council in complying with the Federal Guidelines and the intent and purposes of the Revenue Sharing Act, desires to accomplish two goals: (1) To provide safer streets and a maintenance of public safety to its citizens; (2) to increase the social well-being of our citizens. To accomplish this, 50% of our annual revenue sharing dollars is devoted to law enforcement. Those dollars provide public relations officers within the police department and three teachers in law enforcement personnel. These instructors provide instruction in the elementary, secondary and high school level as well as ex-

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tend the day for adults. Its purpose is to develop a better relationship of the understanding of the laws of the City, our society in this State, and the duties and responsibilities of law enforcement carrying out its responsibility.

Secondly, half of our revenue annual sharing dollars is devoted to plant facilities in our parks and recreational field. We have constructed bicycle trails, night lighting for boys' and girls' softball and baseball diamonds, playground equipment for tiny tots and adults. Our efforts here are to provide a social climate within the community that will permit, through the construction of these facilities, a wholesome vehicle where children and parents together can participate in a worthwhile and constructive recreational activity. The Council is committed to continue, through use of revenue sharing dollars, this policy.

I recognize that the Congress of the United States has a great burden and difficult decisions in terms of the economy on the one hand, and the stability of the government on the other. As a local official, I cannot help but believe that the stonewall of our governmental exercise is the strength, responsiveness and the effectiveness of local government. The continuation of revenue sharing in my judgment, would assist and be indicative of the Congress belief in this objective.

Very truly yours,

FRANK TERRAMAS,
Councilman.

JAMES M. STUART

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. WHALEN. Mr. Speaker, Dayton, Ohio, and the surrounding metropolitan area have been fortunate through the years to have many citizens who have translated their concerns for the community's welfare into activities which have resulted in great benefits to all area residents and, indeed, to all Americans. One of these remarkable gentlemen, James M. Stuart, recently retired from his civic life and from the business world. In recognition of the innumerable contributions Mr. Stuart made to the city's business, education, and civic endeavors, the Ohio House of Representatives last week adopted a resolution in his honor.

In inserting the text of that resolution here in the RECORD, I take the opportunity to join in the expressions of praise for this distinguished American, James M. Stuart:

A RESOLUTION—H.R. No. 65

To extend recognition to James M. Stuart upon the auspicious occasion of his retirement from active civic life and as a member of the Board of Directors of the Dayton Power and Light Company.

Whereas, The members of the House of Representatives of the 111th General Assembly wish to take this opportunity to give well-deserved recognition to James M. Stuart upon the auspicious occasion of his retirement as a member of the Board of Directors of the Dayton Power and Light Company and from active civic life, and wish to extend our sincere thanks for his long and effective service on behalf of the citizens of Ohio; and

Whereas, James M. Stuart has been a part of the DP&L family since his entrance into the business world. He is a personification of the "American Dream" that a hard-working and dedicated individual can indeed inaugurate a career at the lowest rung of the corporate ladder and reach the apex of the corporate world by utilizing his outstanding talents to the benefits of his fellow workers and community. James M. Stuart, as a corporate executive, never lost touch with the ordinary worker, the backbone of any business enterprise; he continued to be concerned for their welfare by utilizing his positions on their behalf; and

Whereas, James M. Stuart enthusiastically and effectively committed himself to many worthwhile civic causes, by serving as a Trustee of the Charles F. Kettering Foundation, as a Director of Junior Achievement of Dayton, as President of Dayton Boys' Club, and a variety of other noteworthy civic organizations. His devotion to the betterment of his community is renowned; as a community leader and business executive he has proceeded to implement both the spirit and the goals of equal opportunity for all, regardless of race, religion, color, or sex; and

Whereas, James M. Stuart has pledged himself to the concept of providing meaningful higher education by serving as a concerned member of the Board of Trustees respectively of Wilmington College and Wilberforce University, and as a member of the University of Dayton's Associate Board of Trustees. His dedication to the goals of higher education have earned him well-deserved recognition. He has been awarded the Honorary Degrees of Doctor of Humanities, Doctor of Laws, and Doctor of Commercial Science, which are a fitting recognition for a man who is a scholar in his own right; therefore be it

Resolved, That the members of the House of Representatives of the 111th General Assembly of Ohio, in adopting this Resolution, hereby commend James M. Stuart for his consistently high level of achievement and for his many worthwhile contributions to society; and in so doing, salute one of Ohio's finest citizens and corporate officials, wishing him Godspeed; and be it further

Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to James M. Stuart; to the Chairman of the Board of the Dayton Power and Light Company; to the Dayton Daily News; and to the Journal Herald, Dayton; and to the Kettering-Oakwood Times.

MEMBERS OF CONGRESS FOR PEACE THROUGH LAW

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CARR. Mr. Speaker, yesterday, in a letter to the Congress, President Ford reiterated his request for additional military and economic aid to Southeast Asia. He further stated that the Governments of South Vietnam and Cambodia would collapse should we fail to comply with his request. It is a theme we have heard all too often and have repeatedly acted upon at the expense of our citizens here at home.

With the signing of the Paris peace accord, the American people were led to believe that U.S. involvement in Indochina had finally come to an end—that we could now turn our attention to our elderly, the jobless and other disadvantaged citizens.

And now—2 years after—we are being asked to give $300 million more in aid to South Vietnam and $222 million more to the Government of Cambodia. We are being asked to give these governments 3 more years of U.S. commitment.

Mr. Speaker, I am tired of the shallow promise that the war will soon be over. On February 6, 85 Members of Congress, myself included, sent a letter to President Ford stating our strong belief that we cannot afford to waste our time on debate of this issue while the needs of our own people are once again neglected.

All 85 signators belong to Members of Congress for Peace Through Law—a 9-year-old bicameral and bipartisan group of legislators. I request that the letter be inserted in the RECORD at this point:

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We, the undesigned Members of Congress for Peace through Law, write to you on a matter of very great concern—the extent and direction of the continuing U.S. involvement in Indochina.

What particularly disturbs us is the clear implication in remarks made by the Secretary of State and the Vice President and by yourself in a recent news conference that this only partly resolved issue—one of the most divisive in the nation's history—is being reopened for debate. We had thought that the American military withdrawal, the Peace Agreements negotiated by the Administration and the clearly and repeatedly expressed Congressional mandate to gradually eliminate the American role in Indochina had settled the matter. Apparently, that is not the case.

We remain resolute in our conviction, supported by the legislation passed in the 93rd Congress, that continuing American military and economic involvement in Indochina will not bring that unhappy region closer to a lasting peace. While continuing high levels of American assistance may perhaps prolong the life of the incumbent South Vietnamese and Cambodian governments, we can see no humanitarian or national interest that justifies the cost of this assistance to our country. Although the phased withdrawal of American support will not in itself bring peace to the region, it is equally clear that its continuation will not do so either.

Another prolonged disagreement over events in Vietnam and our policy there may well lead to acrimonious accusations over who "lost" Indochina, reminiscent of the China debate over two decades ago. The result of that earlier experience was to freeze U.S. options in Asia for a quarter of a century. We must at all costs avoid a repetition of such a struggle which would set the Congress against the Executive.

It is especially unfortunate that the internal debate over Indochina should resume at a time when we are confronted by so many pressing domestic and international problems. These problems do not have easy solutions. They require an extraordinary degree of accord between our two branches of government and among the industrialized and developing nations.

This is not the time for another divisive debate that can only impede the development of the cooperation so necessary in dealing with the complex problems of global inflation, domestic recession, and growing shortages of necessary raw materials. Instead, we need to work together.

We believe the time is now at hand when our government must make a decision, too long postponed at a tragically high cost to both the people of Indochina and to our own citizens, as to how we will extricate ourselves from the situation in Southeast Asia once and for all.

We write to ask you and your most senior advisers to accept this expression of our views in a spirit of conciliation. We should get on with the important work ahead of us. Innovative leadership both from you and the Congress will be needed more than ever.

Accordingly, we are prepared for a serious, unemotional dialogue on the immediate problem of ending our involvement in Indochina responsibly and honorably. We are not prepared for it to continue indefinitely.

Sincerely,

LIST OF SIGNATORIES—SENATE

Dick Clark (D-Iowa), James Abourezk (D-S.D.), Alan Cranston (D-Cal.), Philip A. Hart (D-Mich.), Floyd Haskell (D-Colo.), William D. Hathaway (D-Me).

Mark O. Hatfield (R-Ore), George S. McGovern (D-S.D.), Adlai E. Stevenson III (D-Ill.), John V. Tunney (D-Cal.), Harrison Williams, Jr. (D-N.J.), Hubert H. Humphrey (D-Minn.).

HOUSE OF REPRESENTATIVES

Bella A. Abzug (D-N.Y.), Joseph P. Addabbo (D-N.Y.), Thomas L. Ashley (D-Ohio), Les Aspin (D-Wis.), Herman Badillo (D-N.Y.), Jonathan B. Bingham (D-N.Y.), Michael T. Blouin (D-Iowa), Edward P. Boland (D-Mass.), John Brademas (D-Ind.), George Brown, Jr. (D-Cal.), Yvonne B. Burke (D-Cal.), John L. Burton (D-Cal.), M. Robert Carr (D-Mich.), Silvio O. Conte (R-Mass.).

John Conyers (D-Mich.), James C. Corman (D-Cal.), Ronald V. Dellums (D-Cal.), Charles Diggs (D-Mich.), Robert F. Drinan (D-Mass.), Don Edwards (D-Cal.), Joshua Eilberg (D-Penna.), William D. Ford (D-Mich.), Donald M. Fraser (D-Minn.), Bill Frenzel (R-Minn.), William J. Green (D-Penna.), Gilbert Gude (R-Md.), James M. Hanley (D-N.Y.), Thomas Harkin (D-Iowa), Michael Harrington (D-Mass.).

Elizabeth Holtzman (D-N.Y.), James J. Howard (D-N.J.), Andrew Jacobs, Jr. (D-Ind.), Barbara Jordan (D-Tex.), Robert Kastenmeier (D-Wis.), Martha Keys (D-Kan.), Edward I. Koch (D-N.Y.), Robert L. Leggett (D-Cal.), Torbert Macdonald (D-Mass.), Paul N. McCloskey, Jr. (R-Cal.), Mike McCormack (D-Wash.), Andrew Maguire (D-N.J.), Spark M. Matsunaga (D-Hawaii), Lloyd Meeds (D-Wash.).

Ralph H. Metcalfe (D-Ill.), Edward Mezvinsky (D-Iowa), Parren Mitchell (D-Md.), John J. Moakley (D-Mass.), William S. Moorhead (D-Penna.), Charles A. Mosher (R-Ohio), Gary A. Myers (R-Pa.), Edward Pattison (D-N.Y.), Joel Pritchard (R-Wash.), Charles B. Rangel (D-N.Y.), Thomas M. Rees (D-Cal.), Henry S. Reuss (D-Wis.), Frederick W. Richmond (D-N.Y.), Donald Riegle, Jr. (D-Mich.), Peter W. Rodino (D-N.J.).

Benjamin Rosenthal (D-N.Y.), Edward Roybal (D-Cal.), Fernand St Germain (R-R.I.), Patricia Schroeder (D-Colo.), John Seiberling (D-Ohio), Fortney Stark, Jr. (D-Cal.), Gerry Studds (D-Mass.), James Symington (D-Mo.), Frank Thompson, Jr., (D-N.J.), Morris K. Udall (D-Ariz.), Charles H. Wilson (D-Cal.), Antonio B. Won Pat (D-Guam), Henry Helstoski (D-N.J.), Dick Ottinger (D-N.Y.), Ken Hechler (D-W. Va.).

HELP FOR CHARITIES AND TAXPAYERS: THE RELIGIOUS AND CHARITABLE DONORS' TAX JUSTICE ACT

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. HEINZ. Mr. Speaker, everyone is aware of the economic impact that inflation has had on the average wage earner. But, as the Ways and Means Committee and the House continue to consider tax reform legislation, little attention has been paid to the social implications of inflation, especially as it affects our religious and charitable institutions.

These traditional American institutions, which have played a major role in the fulfillment of our religious, moral, educational, and recreational needs, are in danger from the impact that rapidly rising prices are having on their economic lifeline, voluntary charitable contributions.

My research of the most recent Internal Revenue Service data uncovered that while the average charitable contributions increased by 9.2 percent from 1966 to 1968, the 1968 to 1970 increase was only 3.7 percent. This sharp decline came during a period in which the rate of inflation was less than half of the current rate.

Since virtually all of these groups depend, to a large degree, on the generosity of the American people, there is a real concern that many may not survive our current inflationary spiral.

For these reasons I am today introducing the Religious and Charitable Donors' Tax Justice Act. My bill would amend the Internal Revenue Code of 1954 to allow each taxpayer to choose either the present deduction for charitable contributions or a tax credit for 50 percent of his or her charitable contributions, whichever is most beneficial. There would be a limit of $500 tax credit per individual return per year, with a $1,000 credit limitation for those filing a joint return.

My bill gives hard-pressed taxpayers an extra benefit while taking nothing away. It does not repeal or alter the present tax deduction for charitable contributions. What my legislation does do is give taxpayers a choice between something old—the present deduction—and something new, a tax credit of 50 percent of the annual total of his or her charitable contributions, up to a maximum credit of $500 per year on an individual return or $1,000 on a joint return. A tax credit reduces the taxes you owe, dollar for dollar, and so is much better for most taxpayers than a deduction which only reduces the taxable income on which you figure how much you owe in taxes. It is up to the taxpayer to decide what choice helps most.

Under present law, the deduction permitted for charitable donations mainly benefits people in high tax brackets. For example, an individual with a taxable income of $10,000 who gives his church $500 is entitled to a mere $125 tax savings. But the individual who makes $50,000 and also gives his church $500 saves up to $300 in taxes. This is clear discrimination against low- and middle-income taxpayers.

My tax justice bill, which employs a tax credit, will assure those who are not wealthy a tax benefit from charitable contributions as substantial as that already enjoyed by those who are. The tax credit would allow each taxpayer to continue his or her generosity toward the church or other institutions without depriving his or her family of life's basics.

I believe this approach would create incentives for Americans to increase their religious and charitable donations. By doing so, it would help strengthen this Nation's churches and religious groups, private educational institutions, cultural groups and other entities such as the March of Dimes and the heart and cancer research organizations which rely entirely on charitable donations.

Since first introducing this measure on June 28, 1974, I have received many endorsements from a wide variety of religious groups and organizations. For example, the following is a quote from a letter that the Catholic University Alumni Association sent to its members:

The "Heinz Bill" proposes an effective remedy to the current situation wherein the inflationary spiral has detrimentally affected charitable giving. As such it is of enormous importance to all connected with the Catholic University of America, bearing closely upon the vital source of sustaining income known as the annual fund.

Enactment into law could substantially multiply our potential to contribute to worthy causes such as CUA, while adhering to the limits of budget we all have.

This support, and that of other organizations, is particularly meaningful as the Ways and Means Committee continues to proceed with tax reform legislation. It is my hope that this or legislation similar to the Religious and Charitable Donors Tax Justice Act can be included in any tax reform legislation either by the committee or by means of a floor amendment.

THE RECYCLING OF PLUTONIUM

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASPIN. Mr. Speaker, today I am introducing legislation to bring under control a very dangerous technological innovation: The recycling of plutonium.

The Nuclear Regulatory Commission now plans to license the extraction of plutonium from spent nuclear reactor fuel and its subsequent fabrication and use as fuel in light water reactors. The economic benefits of proceeding with plutonium recycle now are small. The risks, and the possible large-term costs, are great.

The dangers of plutonium recycle are simply stated: Plutonium is a destructive substance of unprecedented versatility and power. As a poison, it is lethal in microscopic doses. As the raw material of nuclear explosives, 10 pounds of it is ample for a fair-sized bomb. We could do the terrorists and criminals of this world no greater favor than to make this element an article of commerce, transported across the country in quantities measured in tons.

Thanks in no small part to the voice of Theodore B. Taylor, plutonium safeguards is no longer a side issue in the planned conversion to a "plutonium economy." For the first time, keeping this substance out of the wrong hands is being treated as an important problem of plutonium recycle. It is to be hoped that,

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with careful planning, the risk of plutonium diversion can be brought down to an acceptable level; always remembering that the only acceptable level is zero risk. We would be insane to build into our core energy technology a vulnerability to blackmail.

We have assigned to the NRC, and its predecesor, the regulatory arm of AEC, responsibility for overseeing the safety of nuclear power. We should expect that no responsible regulator would proceed to license the plutonium traffic without first designing and making plans to implement a fail-safe safeguards system. But look at AEC's Draft Gesmo, the draft environmental statement on plutonium recycle:

> Some possibility remains that an attempted act of theft or sabotage could be successful or partially successful. The probability of a successful act of sabotage or theft depends on many factors . . . the number and complexity of these factors . . . make probability assessment of a successful act of theft or sabotage not susceptible to precise quantification.
>
> The safeguards system has as its objective achieving a level of protection against such acts to insure against significant increase in the overall risk of death, injury, or property damage to the public . . . it is judged that this objective will not be fully met by current safeguards measures; however, present development programs have been carefully reviewed and other concepts which could significantly improve safeguards have been identified . . . studies on some of these aspects . . . are underway and other studies . . . are being initiated.
>
> The Commission has a high degree of confidence that through implementation of some combination of the above concepts the safeguards general objective set forth earlier can be met for Pu recycle. Indications at this time point to decisions on upgrading within about one year after issuance of the final Gesmo statement—Draft Generic Environmental Statement on Mixed Oxide Fuel, Wash-1327, August 1974, Volume 1, pp. S-6, S-7.

In other words, the Commission does not believe present safeguards systems are adequate, does not now have in hand a plan for an adequate safeguards system, and will not have such a plan ready until a year after its final impact statement is issued. Yet "the Commission has a high degree of confidence" everything will turn out all right in the end. How can the Commission know that a plan which does not even exist will be foolproof? But any system which is less than fool-proof is intolerable.

No safeguards system can be more reliable than its components: Separation plants, fabrication plants, reactors, and the transportation links among them. One promising safeguards proposal would put separation plants, where plutonium is extracted from spent fuel, and fabrication plants, where the plutonium that is extracted is refashioned into fuel pellets for reuse, side by side, or even in the same building. This would eliminate the hazardous step of transporting refined plutonium on common carriers, subject to shipment diversion and hijacking. But this "integrated fuel cycle facility" or "nuclear park" proposal is still in the idea stage: NRC has no present plan to require it. Once NRC has licensed separate facilities and its licensees have constructed them, the nuclear park option may be lost. The same applies to the possibility of designing plants which will make materials accounting easier. In present plants, one-half of 1 percent is considered the limit of error in materials accounting. This seems impressive until one considers that one-half of 1 percent of a single ton of plutonium is enough to make a bomb, and that the plutonium economy planned by NRC will involve hundreds of tons of plutonium per year.

We should work on the development of better materials accounting systems. But plants built today have to be built with today's designs. If NRC proceeds to license construction now, the chance of basic improvements in materials accounting will be lost.

A few years' delay in developing plutonium recycle facilities will give the industry and the commission breathing time in which to plan an efficient and reliable safeguards system to replace the nonplan presented in NRC's environmental statement on plutonium recycle.

But the legislation I have introduced will do more than slow down the process. It will remove the crucial decision—the decision to permit plutonium to become a commodity—from the NRC altogether, and guarantee that the elected representatives of the people will decide. Do we want the raw material of nuclear weapons in routine commercial traffic? This is not a decision we should delegate to a regulatory agency, particularly not to one which has already decided to proceed with plutonium recycle though it admits that no adequate safeguard system has been designed.

The Congress needs two things in order to make a reasonable decision on this matter: Time and information. This bill would provide both: Time, by forbidding NRC from proceeding before we have a chance to act; and information, by requiring the Office of Technology Assessment to undertake a study.

To act on this problem by inaction, to allow NRC to proceed with plutonium recycling before the safeguards problem is solved, would be an abdication of our responsibilities. The text of the bill follows:

H.R. 3618

A bill to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress, and to provide for a comprehensive study of plutonium recycling.

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Plutonium Recovery Control Act of 1975."

FINDINGS

SEC. 1. The Congress finds that—

(1) the Nuclear Regulatory Commission proposes to license the extraction of plutonium from spent reactor fuel and its subsequent use in mixed-oxide reactor fuels;

(2) plutonium is both a highly toxic substance and the possible raw material for nuclear explosive devices;

(3) the establishment of a commercial plutonium industry and the consequent production and transportation of large quantities of plutonium may increase the likelihood of diversion of plutonium from legitimate channels to use by criminal or terrorist organizations;

(4) the possible adverse effects of plutonium diversion are so great that even a small probability of successful diversion is unacceptable;

(5) present plans for safeguarding plutonium as set forth in the Generic Environmental Statement on Mixed Oxide Fuels, are inadequate;

(6) delay in the establishment of plutonium extraction and re-use facilities will have no substantial adverse economic effect, but will provide time for careful planning of safeguards systems for economy and reliability;

(7) the final decision on whether the economic benefits of plutonium recycling are great enough to counterbalance its social costs and risks should be made by the Congress, and not by a regulatory agency.

SEC. 2. (a) Except as provided in subsection (b), the Nuclear Regulatory Commission, established by section 201 of the Energy Reorganization Act of 1974 (Public Law 93-438, 88 Stat. 1242), shall not license, permit, or otherwise authorize—

(1) the operation of any nuclear power reactor using recycled plutonium fuel; or

(2) the construction or operation of any facility which reprocesses or recovers plutonium from spent nuclear power reactor fuel or from production reactor products.

(b) The provisions of subsection (a)(2) of this section shall not apply with respect to—

(1) any construction activity undertaken in conformity with a construction permit issued pursuant to the Atomic Energy Act of 1954 (68 Stat. 919) before January 1, 1975; or

(2) any recovery of plutonium for military or research and development purposes.

(c) The prohibitions of subsection (a) of this section shall remain in effect until the Congress, after having adequate time to study the results of the investigation described in section 3, to hold the necessary hearings, and to consider the various alternatives available to the Nation, provides otherwise by law.

SEC. 3. (a) The Office of Technology Assessment shall conduct a comprehensive study of the recycling of plutonium for the purpose of determining the extent of the dangers to the public health and safety and to the environment resulting from such recycling. Such study shall be completed not later than three years following the date of the enactment of this Act, and shall include—

(1) investigation of the toxicity and carcinogenic characteristics of plutonium, the development of illicit markets for the sale of plutonium, and the fabrication and use of unauthorized nuclear devices made from plutonium;

(2) investigation of the risks of the unauthorized diverison or theft of plutonium, the development of illicit markets for the sale of plutonium, and the fabrication and use of unauthorized nuclear devices made from plutonium;

(3) investigation of the full range of economic costs and institutional implications, including threats to civil liberties, of the safeguards measures needed to minimize the unauthorized diversion or use of plutonium;

(4) investigation of the need for plutonium as an energy fuel and of non-plutonium strategies for meeting national energy requirements;

(5) investigation of alternative means of handling and containing plutonium on the assumption that the use of recycled plutonium as nuclear power reactor fuel is not permitted in the forseeable future; and

(6) consideration of the development of systems for the use of plutonium which will assure the protection of the public health and safety and of the environment.

(b) In conducting the study required by subsection (a) of this section, the Office of Technology Assessment shall seek the assistance of a broad range of public and private groups with information or expertise relevant to the subjects of the study and shall assist and encourage the participation of the public in all phases of the study. The Office shall have the power to enter into contracts with individuals or corporations for the purposes of conducting the study, but shall not enter into contracts with any corporation or person which in the judgment of the Office might have a significant financial interest in the development or utilization of recycled plutonium fuel.

(c) All Government agencies shall cooperate to the fullest extent with the Office and shall provide access to their personnel and data. At the request of the Office, any Government agency shall furnish any information which the Office deems appropriate for the purpose of conducting the study under this section. The Office is further empowered to compel the delivery of any information in the possession of the National Laboratories which the Office deems necessary for conducting the study.

"(d) There is authorized to be appropriated, for use in carrying out this section, not to exceed $75,000,000.

"SEC. 3. For purposes of this Act—

"(1) the term 'plutonium' means pure plutonium, plutonium oxide, or any other plutonium compound;

"(2) the term 'recycled plutonium' means any plutonium recovered or separated from spent nuclear reactor fuel or production reactor products;

"(3) the term 'recycled plutonium fuel' means any nuclear reactor fuel containing recycled plutonium, including fuel containing mixed oxides of uranium and recycled plutonium;

"(4) the term 'spent nuclear power reactor fuel' means any material which forms part of a used fuel assembly for a nuclear power reactor."

CHALMERS WYLIE SUPPORTS BSA S.M.E. PROGRAM

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. BROWN of Ohio. Mr. Speaker, my colleague from Ohio's 15th District, CHALMERS P. WYLIE, has long been active in the Boy Scouts of America—from his youth when he participated actively as a troop member through current leadership and support of Scouting programs.

As a strong supporter of Scouting myself, I wish to commend my colleague for his continued activity in Scouting as it was illustrated in a recent editorial in the Clintonville Booster, a weekly newspaper serving north Columbus, Ohio.

So that I may share with my colleagues these comments on Scouting and CHALMERS WYLIE'S support of the program, I am placing the editorial in the RECORD at this point:

[From the Clintonville Booster,
Feb. 19, 1075]

"SURVIVAL KIT" RELATES SUPPORT FOR SCOUTS

During the very first year when the Clintonville Woman's Club was built a tradition was begun of hosting a key program of Boy Scouting. This breakfast, re-kindled on February 1, kicks-off "Sustaining Membership Enrollment" or the S.M.E. Program for Olentangy District of the Boy Scouts.

Congressman Chalmers Wylie addressed the breakfast meeting. We believe his remarks and the incident relating to Scouting are worth repeating as an editorial endorsement of the SME program.

"BIG CHUCK" FOR BSA AND SME

"The challenge for you the reader and the scout leaders who attended is, '. . . to strengthen the powerful tool for helping boys to fulfill citizenship responsibilities.' That tool is the Boy Scouts of America. Scouting teaches boys how to cope with problems; it is really a partnership of youth and age.

"To enlist those persons who are concerned and will support scouting, invite them to consider scouting tasks. Seek their support through a commitment of money, time and talent. This is the purpose of the start of the Sustaining Membership Enrollment Drive which is a yearly activity.

"Chalmers P. Wylie is a concerned adult scouter who is referred to by the members of Troop 156 as "Big Chuck." Here is why.

"In the summer of last year, Troop 156 ventured to the Adirondacks in New York State. At the beginning of a back pack hike, Congressman Wylie twisted a knee which has been somewhat sensitive since being injured in basketball playing days. He had to make a walking stick from a sapling to finish the hike.

"Congressman Wylie's office in Washington, D.C., has a certificate displayed on the wall. That certificate was the award for completing this hike. At Congressman Wylie's home, he has that walking stick displayed. It has been shellacked. On the side of the handle is carved the name 'Big Chuck.' On the shaft of the walking stick are carved the the initials of each of the boys who participated in the hike. The stick was a gift of the boys. The boys know Chalmers Wylie as 'Big Chuck.' He knows himself to be self-reliant in a trying situation.

"Let's get behind scouting to help teach our boys. Be prepared—do that good turn again and again and again.

"When that scout leader calls at your home, receive him and show him evidence of your support of this youth service in your community by contributing as a concerned friend of scouting."

INTRODUCTION OF "SATURDAY NIGHT SPECIAL" HANDGUN PROHIBITION LEGISLATION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. DINGELL. Mr. Speaker, during the 93d Congress, along with my friend and colleague, BOB CASEY, I introduced H.R. 12553 and H.R. 12554, identical bills to halt the sale in the United States of certain handguns known as "Saturday Night Specials." Today, again with the gentleman from Texas (Mr. CASEY), and joined by several of our distinguished colleagues, I am reintroducing that legislation.

For the record, the original bill I introduced at the outset of the 93d Congress, H.R. 3611, also to prohibit the sale of certain handguns in the United States, was strengthened during the last Congress by my introduction of H.R. 12553 and H.R. 12554. It is this "strengthened" version we are reintroducing today.

I believe this legislation is a workable, moderate, and politically realistic approach. It does not impinge on the rights of law-abiding citizens to buy and use handguns for sporting and defensive purposes, and I believe it will enjoy their support.

Essentially, the bill would prohibit handgun manufacturers and importers—who all are federally licensed under existing law—from manufacturing, importing, or assembling from parts a "Saturday Night Special" for sale in the United States.

As many Members are aware, one of the principal problems in drafting any such bill is to accurately define "Saturday Night Special." People familiar with firearms know generally what is meant: crudely made, pot-metal handguns selling for as little as $10 or $15. Of poor quality and scant durability, the "Saturday Night Special" is unsuitable for sporting, target, or defensive use, but it is uniquely attractive to the criminal as a cheap, disposable weapon.

Yet the formulation of a precise definition has been difficult. One bill passed by the Senate in the 92d Congress was so loosely worded that it also would have banned many high-quality handguns purchased by honest citizens for legitimate purposes. Many people suspected—rightly—that the bill was a Trojan Horse for an attack on private handgun ownership generally, and the measure died in the House.

Another problem is to be specific enough to avoid leaving administrative officials wide discretion to decide what the law means. The way in which some city governments have stretched and twisted loose language in gun control laws to harass and discourage responsible citizens from owning firearms provides ample reason to distrust any bill that affords broad opportunities for arbitrary "reinterpretation."

The bill that I am introducing today, like my earlier bill, clearly identifies, and is confined to, "Saturday Night Specials." And it eliminates any need for unfettered discretionary powers in the hands of administering bureaucrats.

It would supersede a present hodgepodge of administrative regulations which pertain only to imported handguns, and which cannot effectively remove "Saturday Night Specials" from the market.

The bill establishes an objective standard of quality which all new handguns—no matter whether manufactured domestically or imported—must meet, or be banned from sale.

"Saturday Night Specials" would be prohibited by rating the metal from which they are made by three scientific criteria: a minimum liquidus melting temperature of 1,000° F, a minimum ultimate tensile strength of 55,000 pounds per square inch; and—where powdered metal is used—a minimum density of 7.5 grams per cubic centimeter.

Only those handguns which meet all three criteria could be manufactured, imported, or assembled for sale in the United States.

By their very nature, "Saturday Night Specials" cannot meet these criteria. Virtually all of them are made primarily of low-strength materials—such as zinc alloy—that permit the use of diecasting

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and other cheap manufacturing techniques costing as little as one-twentieth as much as conventional methods using strong steel or aluminum alloys. This prime characteristic of "Saturday Night Specials" accounts for both their poor quality and their low price.

Manufacturers of high-grade handguns avoid these cheap methods and materials in the construction of major parts critical to strength and durability. In "Saturday Night Specials," however, such parts are flimsy and perilously close to the margin of safety. For this reason, a quality standard is an effective means of distinguishing "Saturday Night Specials" from handguns suitable for legitimate defensive and sporting use.

This legislative approach was received very favorably when it was first embodied in H.R. 3611. The Illinois Legislature adopted the bill as a State law, as have several local jurisdictions. Citizens across the country, including a number of engineers and other technical people, have responded by volunteering their expertise to further improve the bill, suggesting ways to broaden its coverage and make it stronger.

The bill which I am introducing today includes many of their suggestions, and goes far beyond the original measure, which imposed a single minimum 800° F melting point criterion on handgun frames. It will apply the three minimum requirements mentioned above to each of the following major structural parts of handguns: the frame—sometimes also called the receiver, the barrel, the cylinder of a revolver, the slide of an automatic pistol, and the breechblock of any other pistol. These parts are the ones critical to strength and safety. It should be noted that smaller parts that may be assembled to these larger components are not included, since their mechanical properties often are of necessity quite different.

In this bill, the liquidus melting temperature—that is, the point at which an alloy turns completely from a solid to a liquid—has been raised considerably above the 727-degree Fahrenheit melting point of the zinc commonly employed in "Saturday Night Specials," to provide a safe margin against metallurgical variations.

The ultimate tensile strength—the load required to actually break a bar of metal by pulling it apart—requirement was added because there are a few metals suitable for cheap diecasting which melt at temperatures higher than 1,000 degrees F. However, none of these can meet the ultimate tensile strength requirement. Alloy A–380, for example, a common aluminum diecasting alloy which could be utilized in "Saturday Night Specials," has an ultimate tensile strength of 48,000 pounds per square inch. By comparison, high-strength aluminum parts produced by costly forging and machining have an ultimate tensile strength as high as 83,000 pounds per square inch.

The third criterion—density—pertains only to the use of powdered, or sintered metal. It has come to my attention that a few "junk" handguns now are being made by this process, in which steel granules molded in the shape of a part are fused solid by high heat. A melting point criterion is inappropriate here, and superficially high tensile figures can be achieved.

However, this is deceptive, for the strength of sintered metal parts is determined by their density. For example, the auto industry uses powdered metal to fabricate automatic transmission gears; but to obtain the high density required, large presses and expensive dies must be utilized to compress the sintered part afterward under enormous pressure. "Saturday Night Special" manufacturers skip this costly operation, and produce cheap sintered parts lacking elasticity and impact resistance. Good enough for a "junk" handgun, but too brittle and unsafe for the major structural components of a quality arm.

Hence, a density level has been added to this bill to weed out "Saturday Night Specials" made of poor quality sintered parts.

Together these three requirements not only would eliminate every "Saturday Night Special" now being produced but would make circumvention extremely difficult.

I should emphasize that the provisions of this bill are easy to enforce and would take full effect 90 days after enactment without the need for further administrative approvals, promulgation of regulations, advisory committees, laboratory testing, or other redtape that has festooned many other proposals that have been circulated in the past.

And, unlike the Senate bill I mentioned earlier, this bill places the burden of compliance on those most knowledgeable and best able to obey its requirements: the manufacturers and importers. This point is extremely important, since virtually all Federal firearms law violations are classed as felonies, no matter how minor.

By cutting off "Saturday night specials" at their source, my bill would not subject ordinary citizens who might buy or sell a handgun in good faith to the risk of criminal prosecution for unwittingly running afoul of technical provisions—the Senate bill contained 37 technical criteria, and would have held ordinary citizens criminally responsible for failure to understand all of them.

A few words of explanation might be helpful on another point. After H.R. 3611 was introduced, I was contacted by several technical writers who had received the impression that each individual handgun produced would have to be subjected to a melting test—which of course would be ruinous to the finish and heat treatment even of high-grade firearms. That is not the case at all. This bill is best understood by comparing it to a ban on soft drinks containing cyclamates. No authority is provided—or needed—for the Secretary of the Treasury, who administers the Federal firearms laws, to require melt testing, or prior approval of each handgun. This simply is not necessary, any more than it is necessary to open each bottle of soft drink to look for cyclamates.

Rather, this bill would be enforced in very conventional fashion: if a firm is discovered to be manufacturing or importing for sale a handgun made of materials known not to meet the prescribed specifications, that firm is in trouble.

It should be understood that the liquidus melting point and the ultimate tensile strength of materials used in the construction of handguns are well known in the trade. A glance at any metallurgical manual reveals, for example, that 7071-T6 high tensile strength aluminum—which is not a die-casting alloy—would meet the requirements of this bill, while AG40A zinc alloy—which is Zamak, commonly used in "Saturday night specials"—would not.

Obviously, each manufacturer knows what materials he is using, and if he desires to avoid the risk of a felony conviction, he will make sure that he complies with the laws requirements, much the same as he presently complies voluntarily with the law that each handgun must be serialed, marked with his firm name, and duly entered on his records.

It has been suggested that this bill might be circumvented by the use of plastics. All available evidence indicates that to be an imaginary problem. The criteria in this bill refer to materials generally, not just metals. Both the melting point, and the tensile strength of polycarbonates and fiberglass—which are the two plastics sometimes used for nonstressed parts of certain firearms—are far too low and too weak to be used for structural components. These plastics turn to liquid well below 400° F, and most have tensile strengths no higher than 10,000 pounds per square inch, not even close to the requirements of this bill.

In summary, manufacturers of handguns would be forced by this bill to produce only those handguns meeting a quality standard of durability and safety that make them suitable for legitimate use, or go out of business. Either way, the "Saturday night special' will be driven off the market.

Let me say at this point that I have no objection to low-priced handguns as such. I do not believe that firearms ownership ought to be reserved for the affluent. A citizen of ordinary means, if he is responsible and law abiding, has just as much right to buy and own a handgun for lawful purposes at a price he can afford as a rich man does. Manufacturers ought to be able to meet such legitimate demand through a full spectrum of price.

The reason that I am proposing to treat "Saturday Night Specials" differently from other handguns is not the price, but the fact that the very nature of "junk" handguns precludes much legitimate use.

The appeal of the "Saturday Night Special" to the criminal element is that it is cheap and expendable. It is a "throwaway" gun. It can be bought for a pittance—which is a prime consideration to somebody who needs a gun for a stickup—and it can be discarded without hesitation if the need arises. Quality is not important—what the criminal really needs is an instrument of coercion—a threat.

The "junk" handgun fills that bill, and has little other usefulness.

As the H. P. White Laboratory tests, commissioned several years ago by the U.S. Treasury Department, demonstrated, some of these guns are defective when new, and many break within the first few dozen rounds. Significantly, many of these "Saturday Night Specials" suffered failures from fracture of one of the major structural parts.

It is a plain fact of economic life that quality costs money. It is no accident that a good quality handgun—not a "Saturday Night Special"—today costs between $50 and $100, and many of the most popular models are priced in the $100 to $200 range.

A prohibition on the manufacture, importation, or assembly of "junk" handguns would mean that many casual buyers—particularly those with criminal intentions who want a "throwaway" gun—will be unwilling or unable to make the substantially greater investment necessary for a quality arm.

In introducing this bill, I do not mean to suggest that criminals are able to walk into a gunshop and buy a firearm legally the way an honest citizen can. That is just not true.

The Gun Control Act of 1968 already prohibits the sale of handguns to a person under 21, or to a person outside the State of his residence. It also prohibits the sale of any kind of firearm to a person convicted of—or even under indictment for—a felony; as well as to any person who is a fugitive from justice; an unlawful user of narcotics or of any depressant or stimulant drug—including, I might add, marihuana; or to any person who has been committed to any mental institution.

These are very stringent restrictions, backed up by penalties of 5 years in prison or $5,000 fine or both, and they apply to "Saturday Night Specials" the same as any other firearm. To the extent, however, that "junk" handguns change hands in illegal channels—often to youthful purchasers at giveaway prices—they would be cut off at their source by this legislation.

The cosponsors of the "Saturday Night Special" bill are as follows:

LIST OF COSPONSORS

Mr. Dingell, Mr. Casey of Texas, Mr. Brown of California, Mr. Boland, Mr. Mazzoli, Mr. Stark, Mr. Fish, Mr. de Lugo, Mr. Badillo, Mr. Ashley, Mr. Wolff, Mr. Moakley, Ms. Holtzman, Mr. Whitehurst, Mr. Foley, Mr. Thone, Mr. Vander Jagt, Mr. Studds.

The text of the bill is as follows:

H.R. 3773

A bill to prohibit the sale of "Saturday Night Special" handguns in the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 921(a) of title 18 of the United States Code is amended by inserting after paragraph (20) the following:

"(21) The term 'handgun' means a firearm designed to be held and fired by the use of a single hand. The term also includes a combination of parts in the possession or under the control of a person from which a handgun can be assembled. The term does not include antique firearms, or any firearm which comes within the definition set forth in section 5845(a) of the Internal Revenue Code of 1954.

"(22) The term 'basic structural component' means any or all of the following single parts (including a permanent assembly forming such single part) of a handgun; frame, barrel, cylinder, slide, and breechblock."

SEC. 2. Section 922 of title 18 of the United States Code is amended by adding at the end thereof the following:

"(n) It shall be unlawful for a licensed manufacturer or licensed importer to manufacture, assemble, or import, for the purpose of sale in the United States, any handgun, knowing or having reasonable cause to believe the basic structural components thereof are made (1) of any material having a melting point (liquids) of less than 1000 degrees Fahrenheit, or (2) of any material having an ultimate tensile strength of less than 55,000 pounds per square inch, or (3) of any powdered metal having a density of less than 7.5 grams per cubic centimeter.

SEC. 3. Section 925(d) of title 18 of the United States Code is amended

(1) by striking out "or" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4), and inserting "; or" in lieu thereof; and

(3) by inserting immediately after paragraph (4) but before the final sentence the following new paragraph:

"(5) is a handgun which is not prohibited from being manufactured, imported, or assembled for sale in the United States by Section 922(n) of this chapter."

SEC. 4. The amendments made by this act shall take effect on and after the ninetieth day after the date of its enactment.

INTEGRITY OF FEDERAL EMPLOYEES

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. BROOMFIELD. Mr. Speaker, a majority of the 2½ million men and women employees in the legislative, judicial, and executive branches of our Federal Government are people of integrity with sincere dedication to better government.

The average citizen, however, does not have that impression of our Federal employees. On the contrary, more and more people are losing confidence in the integrity of the staff personnel who administer our Federal Government.

This may be due in part to activities and actions over the past several months involving ethics in governmental management. Another factor may be the fact that alleged mischief in Washington is considered news and reported by the media, whereas the average citizen hardly ever hears about the honest Federal employee because honesty is assumed and not considered news.

Nevertheless, it is our responsibility, as representatives of the people, to reduce to the absolute minimum wrongdoing among Federal employees. The success of our Government will be decided ultimately by the ethics that undergird it and the confidence the people have in it. We took one step in this direction when we adopted a Code of Official Conduct for the Members of the House of Representatives. I am asking that we take another step.

Today I am introducing legislation that will help restore lost confidence in the integrity of our Federal employees. My bill, like the Code of Official Conduct for the Members of the House of Representatives, provides for the financial disclosure of income. It does not go as far as the code we adopted for ourselves, and I do not believe this is necessary. It does not require the reporting of assets and liabilities, stocks and bonds, as the Code of Official Conduct for the Members of the House of Representatives does. My bill calls for the reporting of income only. The objective of my bill is to determine the amount and source of income received in excess of $1,000 of the salary paid by the Federal Government.

I am aware we cannot legislate ethical conduct, but we can legislate procedures to reduce wrongdoing and make it more easily detected. In introducing this bill, I am subscribing to the philosophy that "an ounce of prevention is worth a pound of cure." It will be a greater deterrent to wrongdoing than the Criminal Code, and wrongdoing may be more easily detected and proved than the obtaining of the evidence required in the Criminal Code.

The opportunity for misuse of trust exists for our Nation's employees. We owe it to the many who do not abuse that trust to establish procedures to eliminate the small handful that do.

The aim of this bill is to make the running of our Nation's Government more honest in actuality and appearance. It will serve as an example to other organizations and institutions and a reminder to our Federal employees and the American people that "we care." It will help restore and justify the confidence of the American people in our Nation's Government now and during the years ahead.

PENTAGON RECRUITING BUDGET SHOULD BE CUT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ASPIN. Mr. Speaker, now that they are filling their quotas and unemployment is extremely high the Pentagon should cut back on its proposed $553.5 million recruiting budget for next year. The Pentagon should be able to cut its recruiting budget by at least 25 percent and possibly as much as 50 percent.

Mr. Speaker, I hope the Pentagon will voluntarily cut the budget but I must warn them that Congress might cut the request on its own if the Pentagon fails to reduce its budget.

Last December the military recruited 105 percent of its quota. With unemployment among 16 to 19 year olds above 20 percent, there is no need for the elaborate advertising and slick gimmicks of our current military recruiting campaigns. The military has a perfect opportunity to save some money while still maintaining the concept of the all-volunteer force.

It is interesting to note, Mr. Speaker, that the military is now becoming increasingly choosy about who they even recruit.

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In the last month of 1974, 96 percent of the enlistees were of average or above average mental categories according to Pentagon tests. This is the brightest group to enter the military since the statistics on mental ability were first collected in May 1951.

Since the introduction of the all-volunteer army, recruiting budgets have grown steadily rising $85 million in just the last 2 years.

During a recession everyone including the Pentagon should tighten their belt and reducing the recruiting budget seems like a perfectly logical and reasonable way of doing it.

ECONOMIC PLIGHT OF OUR COTTON PRODUCERS

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. MATHIS. Mr. Speaker, this administration has made many eloquent remarks in the last 3 years concerning the target price concept for agricultural commodities and its tremendous benefits to both the farmers and the consumers. Much has been said in the past few years about the need to increase our acreage production and that the continued high prices on the worldwide market would guarantee a high level of prices to the American farmer. Whenever I hear spokesmen for the Department of Agriculture deliver their much rehearsed colloquy, I am only reminded of the economic plight which faces our cotton producers. I am inserting a sales receipt for cotton sales from one of my constituents, and I think this one invoice exemplifies the plight of the American farmer at this time.

PURCHASE INVOICE (NO. 58), DUNN'S COTTON GIN

[Shellman, Ga. Jan. 20, 1975, County Randolph, Seller David Hipp, Farm ——, Address Weston, Ga., No. Bales ——]

Grade	Receipt No.	Net weight
42-34	5,191	492
42-33	5,199	491
42-34	5,203	503
42-34	5,203	507
42-34	5,204	491
51-34	5,205	509
42-34	5,206	501
41-34	5,207	507
51-34	5,208	518
41-34	5,209	504
42-33	5,210	512
42-34	5,211	482
42-34	5,212	501
42-34	5,213	509
51-34	5,215	509
51-34	5,224	365
Total, Invoice No. 58		7,901
Invoice No. 57		12,935
Invoice No. 56		12,803
Invoice No. 55		12,807
Invoice No. 54		12,440
Invoice No. 53		12,264
Total		171,150
Total at $33.60		$23,906.40
Less warehouse charge		365.00
Storage to date		362.00
Less cotton board ($1 per bale)		146.00
Total		23,033.40

As my colleagues will see, my constituent sold 71,150 pounds at a price of 33.60 a hundredweight. After deducting storage charges, his check amounted to $23,033.40. As I am sure most of you know, the target price for cotton was established by Congress at 38 cents a pound. Let me emphasize, however, Mr. Speaker, that this constituent will not receive any cash differential because the target price on cotton was figured for the first 5 months of last year. The average of those first 5 months was above 38 cents, so, consequently, my constituent does not receive any differential. Also, let me add, Mr. Speaker, that when this particular cotton was being grown and harvested, the estimated cost of production ranged from 40 to 50 cents a pound. This farmer has lost money on his cotton crop, and I seriously doubt he will grow cotton next year under these same conditions. The same illustration can be used not only for cotton but for all other commodities and unless Secretary Butz changes his attitude toward established and proven farm programs, the American consumer, as well as the farmers, will be seriously affected in the future.

SOCIAL SECURITY: $1.3 TRILLION UNDER THE RUG

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. MICHEL. Mr. Speaker, an editorial in the Wall Street Journal effectively points out that the much-publicized recent statement of eight former HEW officials was an exercise in irresponsibility.

The eight had gotten together to attempt to deflect the mounting criticism of the social security system. But rather than deal with the specifics of that criticism, they chose to cloud the issue by resorting to invective. They attacked the motives of the critics, calling them "vicious," "destructive," and "irresponsible."

Resorting to name-calling when you do not have the facts is a debating technique as old as time, but it has never been a very good one. Nor is it in this case. The simple fact is that social security is in trouble over the long haul, and the only way to avoid disaster is to act now.

One of the eight former Secretaries of HEW, Wilbur Cohen, claimed that we were trying to scare old people. Let the record be clear, it is not today's old people who ought to be scared. If you are 70, your social security check is going to keep on coming for the rest of your life. But if you are 40, it may not, and so as one of the critics of social security, I am trying to scare not old people, but rather young people who will surely suffer if the system is not radically changed.

I include the Journal editorial to be printed here in the RECORD:

[From the Wall Street Journal, Feb. 12, 1975]

$1.3 TRILLION UNDER THE RUG

We note that eight ex-bigwigs from the Department of Health, Education and Welfare trotted out a stack of Bibles on which to swear nothing was wrong with the Social Security System. Suggestions that there is a serious problem, they said, are "destructive," "irresponsible" and "baseless."

Apparently the former HEW and Social Security heads were upset because discussion of the system's actuarial deficits has caused some recipients to worry about whether they will receive their next check. We would also like to do our part to calm such fears. We cannot realistically conceive of a way the system would not meet its obligations in the next few years.

We do take exception, though, to Wilbur Cohen's willingness to extend the same assurances out of "20, 30 or 40 years" and indeed to say that failing to do so is "vicious." Social Security is a pay-as-you-go system, meaning that benefits to be collected 40 years from now must be financed out of what the economy produces 40 years from now. Whether in the next 40 years the economy grows fast enough to afford such benefits depends heavily on government economic policies, not least the level of taxation, to which Social Security's payroll tax contributes.

We further take exception to the claim that the current debate is nothing more than a rerun of the arguments that took place when the system was founded. No one we know of seriously wants to abolish the system. For that matter, we are quite content with the fact that it is something different from the usual private pension plan.

Back in the original debates one big issue concerned the accounting problem. The pro-Social Security forces won, and accounting for the system is not done on the "full reserve actuarial concept" that would apply to a private pension system. Rather, to reflect the pay-as-you-go aspect, a new and less stringent method of accounting was developed.

Under this "dynamic assumptions" method, the actuarial deficit of the Social Security System is now $1.3 trillion over the next 75 years, discounted to present value. This is the first time the official actuarial concept has shown a deficit of any such proportions.

Somehow it seems to us that if you are facing a deficit of such size, it is not exactly irresponsible to take some notice of the fact. Indeed, it somehow seems to us the irresponsible thing to do is to sweep the $1.3 trillion under the rug.

HOME HEALTH CARE

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. STEELMAN. Mr. Speaker, I am including for the RECORD a statement submitted to the Subcommittee on Health and Environment by the National Association of Home Health Agencies. It endorses legislation which Congressman FRASER and I have introduced, the Home Health Services Act of 1975 which would expand our programs of home care for the elderly as a cost-saving alternative to institutionalization in hospitals and nursing homes. The statement is as follows:

The National Association of Home Health Agencies supports H.R. 1736 and the Home Health Services Section of H.R. 2954 that provides grants for expansion of Home Health Services and training of personnel to provide Home Health Services. We urge the Committee to retain this section in their bill.

In a speech to the American Association of Retired Persons on January 20, 1975, Casper Weinberger, Secretary of HEW, stated:

". . . It is becoming increasingly obvious that government reimbursement programs are encouraging this warehousing of Older Americans. Government reimburses more for institutional care than it does for care in the patient's home. Because home health services have been under-financed by government, programs like Medicare, Medicaid and public medical assistance provide home health service benefits for only a narrow segment of the older population. That is the way the laws are written.

This is perhaps the major reason why people end up in institutions—it is the only way they can receive care for long-term illnesses. Yet what we are often dealing with among many older people is primary social and economic dependency, not a need for health care in an institution.

These social and economic needs could often be met much better and less expensively with home care programs that would allow older people to remain in their own homes—where they would rather be anyhow.

Nursing homes are not cheap to build. Nor is care in them cheap: The cost of caring for a person in a nursing home now averages around $12,500 in New York City. For example, nursing homes cost the Medicaid system over $600 million annually in New York State. Taking into account current construction plans in that State, which call for a substantial increase in nursing home and similar beds over two years, nursing home Medicaid costs will soon exceed $1 billion in that State alone.

Many of these additional beds would in all likelihood not be needed if adequate home care programs existed. And depending on the level of care needed, care of the elderly at home could be financed for between $3,000 and $9,000 a year.

But today, home services do not exist on anywhere near the scale needed. Nor do we have the reimbursement mechanism to meet the total need. Yet both economics and common humanity argue that we should have these home-care services.

From the recent past to the present, our concerns have been necessarily limited to getting nursing homes up to standard. That work must continue. But for the future, our concerns must also encompass the broader range of treatment options for long-term care of the aging—home health services, nursing homes, outpatient clinics and hospitals . . ."

In spite of the mounting evidence that Home Health Care would be both a cost effective and humane approach to providing needed care, the number of home health Medicare certified agencies dropped from 2,350 in 1970 to 2,247 in 1974 due to restrictive interpretation of the Medicare home health benefit and other funding problems. About half of the agencies provide only two types of services—nursing plus one other—instead of a full range of services. Hospital based home care programs, which often offer a wide range of services, have found the same problems in trying to expand as have the community-based agencies. Only 230 of a total of some 7,000 hospitals have such programs. In addition to expansion funds, training funds are needed:

To *increase* the availability of trained home-oriented paraprofessional personnel;

To *provide* business management training for Agency administrators, and

To *provide* continuing education for existing staff.

Presently, the Medicare, Medicaid Program does not provide an adequate reimbursement mechanism to create resources for development and expansion. Payments from these programs are made to certified Home Health Agencies only after services have been rendered and make no allowance in their cost formulas for development and expansion of Home Health Services. The service expansion funds would enable these existing Home Health Agencies to:

a. Extend services into unserved areas;

b. Add Homemaker/Home Health Aide services and other services to existing home health agencies;

c. To expand the number of services an existing home health agency can provide;

d. Improve the quality and cost-effectiveness of home health services, for example, improving staff productivity, developing a utilization review program, or an improved system of service demonstration to reduce paperwork, etc.

Many health education programs do not include a home health service field experience program in their curriculum. We urge the Committee to require that all educational institutions receiving federal funds be required to include such a program in their curriculum.

The increasing costs of health care alone dictates that we need to provide ready access to Home Health Services for all Americans as an effective alternative to institutional care. This requires that funds be appropriated *now* to develop a supply of quality home health services that is capable of meeting the increased demand.

Therefore, we strongly urge you to retain the Home Health Services section in the Committee bill and include a requirement that all educational institutions training health professions include a home health field experience program in their curriculum.

Thank you for the opportunity to submit our views on this vital issue.

THE RECORD OF ARAB TERRORISM

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. NIX. Mr. Speaker, yesterday I inserted in the RECORD the first of three installations of a list of Arab terrorist incidents committed since the 6 day war in 1967.

Today, I continue the grim record of terror for the years 1970–72. These years include such incidents as the massacre at Lod Airport of 28 civilians by Japanese terrorists working for Palestinian terrorists, the beginning of the "letter bomb" campaign, and the bloody attack on Israeli athletes at the Munich Olympics.

The material follows:

CHRONOLOGY OF TERROR

Jan. 1—A grenade tossed into a Jerusalem market place kills one Arab and wounds four. In Hebron, West Bank, a grenade thrown at an Israel army vehicle kills two Arabs and injures another.

Jan. 9—Christian Belon, a Frenchman, hijacks a Rome-bound TWA jet to Beirut. While praising the act, the PFLP denies any involvement. Released five days later, Belon is invited to be the house guest of Lebanese Interior Minister Kemal Jumblatt.

Jan. 21—Israelis strike across the Jordanian border at guerrilla camps in Safi. Guerrillas fight back, five are killed. Jordanian and Saudi Arabian troops participate.

Jan. 24—An ammunition-filled truck explodes in Eilat, killing 18 Israel soldiers and injuring 42. El Fatah and the PFLP both claim credit.

Feb. 10—A grenade blast in Khan Yunis, Gaza strip, injures 84 Arabs and one Israeli.

Feb. 10—Eleven passengers are wounded and one Israel passenger killed when two Jordanians and one Egyptian hurl grenades into an airport transit lounge and an airport bus at Munich Airport. The bus was carrying the passengers, including Israel Defense Minister Moshe Dayan's actor son, Asaf, to a London-bound El Al jet. The PFLP and the Action Organization for the Liberation of Palestine both claim credit. Israel radio claims the Syrian government supplied weapons. (Three days later, a fire in a Munich community center kills seven elderly Jewish residents; police suspect arson.)

Feb. 17—Police at Munich Airport arrest three armed Arabs suspected of planning to hijack an Israel airliner.

Feb. 21—Forty-seven passengers and crew die as a Swissair jet en route from Zurich to Tel Aviv explodes over Switzerland. Among the 13 Israel victims are Hebrew University professor Dr. Hanoch Milvitzky, head of the Department of Chest and Heart Surgery, and Hanoch Lev-Cochav, former Director of the Israel Labor Ministry. In Beirut, the PFLP takes credit, but retracts two days later. The same day, an Austrian Airlines jet, carrying Israel-bound mail from Frankfurt to Vienna, lands safely at Frankfurt after a bomb rips a hole in its belly 11 minutes after take-off.

Feb. 22—Olympic airliner hijacked in flight from Beirut to Athens.

Feb. 24—Terrorists fire on a tourist bus in Haloul, West Bank, killing an American woman and injuring two others.

Feb. 27—Grenade attacks in Gaza kill one Arab boy and injure 39 others.

Mar. 11—Terrorists strike in Gaza. Grenades wound 22 persons waiting for a bus. Terrorists blow up an Israel labor office in Jabaliya. Two Israel civilians die in a grenade attack near Khan Yunis.

Mar. 19—A bomb explosion in Gaza's central square injures 12 Arabs.

Mar. 29—Terrorists blast U.S. property in Beirut, exploding a bomb 300 feet from the American embassy. The PFLP takes credit.

Apr. 16—Palestinian demonstrators and guerrillas attack the U.S. embassy in Amman and set the American cultural center on fire. Saiqa, the Syrian-backed terrorist group, claims the demonstration was in protest against the upcoming visit of U.S. Assistant Secretary of State Joseph Sisco.

Apr. 23—A terrorist grenade injures three American tourists and a dozen other persons in Nablus.

Aug. 25—Explosion in El Al office in Istanbul.

May 4—Two El Fatah members kill the wife of the Israel embassy's first secretary in Asuncion, Paraguay. They had intended to murder the Israel ambassador.

May 22—Eight children and three adults die and 21 are wounded when terrorists ambush a school bus in Avivim. The PFLP claims responsibility.

May 29—Israel troops in Kibbutz Maoz Haim kill 11 Arab terrorists crossing the frontier from Jordan.

June 7—Terrorists in Amman kidnap Morris Draper, a U.S. embassy diplomat, and release him the next day.

June 9—Explosion in El Al office in Teheran.

June 10—El Fatah terrorists in Amman kill Maj. Robert P. Perry, U.S. embassy assistant army attache, as they invade his home. The PFLP holds 58 foreigners hostage in two Amman hotels; they are released unharmed four days later.

June 12—A nine-year-old girl dies and eight other persons are wounded by a rocket explosion in a Beisan playground.

June 28—Terrorists fire on Kiryat Shmonah, killing one Israeli and wounding another.

July 2—An Israel patrol in the West Bank intercepts and kills nine terrorist infiltrators.

July 22—Six terrorists hijack an Olympic Airways jet en route from Beirut to Athens.

They release the 53 passengers in Athens after the Greek government promises to free seven Arab terrorists from prison. The Popular Struggle Front in Damascus claims responsibility. The guerrillas take the plane to Cairo where they are greeted by a representative of President Nasser.

Aug. 5—Terrorist shells injure five Israel teenagers in Metulla.

Aug. 21—Terrorists in Amman kidnap Salim al-Sharif, a prominent Palestinian editor, thought to favor a Middle East settlement.

Sept. 6, 9—The PFLP hijacks TWA, Swissair and BOAC jetliners to the Jordanian desert. The planes are blown up Sept. 12 after evacuation of all the passengers. Some 55 Western nationals are held hostage in Jordan, the last not released until Sept. 29.

Sept. 6—PFLP terrorists seize a Pan American 747 jet bound from Amsterdam to New York and force it to land in Beirut, where it is loaded with explosives. After continuing to Cairo, the plane is blown up less than two minutes after the 173 persons on board are evacuated.

Sept. 6—Two PFLP terrorists fail to hijack an El Al plane bound for New York from Amsterdam, with 155 on board. Security guards kill one hijacker, an American; Leila Khaled, an accomplice, is handed over to London authorities; she is later released.

Sept. 16—Fighting in Amman between Jordanian army troops and Palestinian guerrillas erupts into a nine-day civil war.

Oct. 6—Two parcels with grenades addressed to the Embassy of Israel in London and the El Al office there found in the BOAC London office.

Nov. 6—Terrorists explode two bombs in the Tel Aviv central bus station, killing one and wounding 34; El Fatah claims credit.

Dec. 19—Israelis and terrorists trade fire across the border near Ainata, Lebanon; three guerrillas die.

1971

Jan. 2—A terrorist grenade kills two Israeli children, aged seven and five, when their car is blown up in Gaza.

Feb. 2—Forty-four pounds of explosives hidden in a tire go off in a Gaza post office, injuring 61 Arabs.

Apr. 19—Police thwart a plot to set off fire-bombs throughout Israel during the tourist-packed Passover season.

Apr. 19—A group of five terrorists (an elderly French couple, two sisters from Morocco and a French tourist) seized on arrival in Israel.

Apr. 21—Three Israel army officers die and four are wounded when their vehicle hits a terrorist mine in Beit Govrin.

May 17—Four armed terrorists kidnap and murder Efraim Elfrom, Israel Consul-General in Istanbul.

June 6—Two Arabs are found dead in Gaza—the 49th and 50th killed in the terrorist campaign against "collaborators."

June 11—A speedboat attacks an Israel-chartered oil tanker near the Bab el-Mandeb straits, 1300 miles south of Eilat. The PFLP claims credit.

June 11—Two Arabs die in a terrorist grenade blast in Gaza.

June 12—A terrorist bomb kills two Arabs and wounds 89 others in a crowded Gaza bus.

June 24—Two Arabs die and 44 persons are injured in Khan Yunis, Gaza strip, by a grenade tossed into a market.

July 7—Terrorist rockets kill four persons, including a five-year-old girl, and wound 30 others, in Petah Tikva.

Sept. 5—Two attempts in El Al planes on their way from New York to Israel thwarted. Explosive charges smuggled in by women tourists, one from the Netherlands, the other from Peru. Both women arrested on arrival at Lod, but later released as they had been unwittingly used by two Arab terrorists.

Sept. 8—A Palestinian terrorist armed with a hand grenada hijacks a Jordanian jetliner en route from Beirut to Amman. After landing in Benghazi, Libya, where the hijacker surrenders, the plane flies the passengers to Amman.

Sept. 19—A four-year-old Arab girl dies and five tourists are injured in a grenade blast in Jerusalem.

Nov. 28—Jordanian Prime Minister Wasfi Tal is gunned down in the Cairo Sheraton Hotel by Black September.

Dec. 15—A gunman in a crowded London intersection opens fire on the limousine of the Jordanian ambassador to Britain, who suffers hand wounds.

Dec. 26—An Arab woman in Gaza is killed by a grenade.

1972

Jan. 4-6—Israel police in Jerusalem and Tel Aviv intercept more than a dozen parcel bombs addressed to Israel public officials.

Jan. 6—An Israel Defense Ministry engineer is decapitated while inspecting construction sites in the Golan Heights. His murderers flee with his head into Syria.

Jan. 10—Three terrorists firing rockets into Safed are killed by an Israel army patrol.

Jan. 11—Three guerrillas die in a raid on Kibbutz Yiron.

Jan. 16—Terrorists attack an American Baptist hospital car in Gaza, killing an American nurse and wounding a Baptist minister and his daughter.

Feb. 6—Oil tanks set on fire in the Netherlands by members of Black September.

Feb. 6—Five Jordanians murdered in West Germany by Black September on charge of collaboration with Israel.

Feb. 8—A plant manufacturing motors blown up in Hamburg.

Feb. 22—Arab terrorists seize a Lufthansa 747 jet en route from New Delhi to Athens and take it to Aden. Among the 172 passengers is Joseph P. Kennedy, III, son of the late Senator Robert F. Kennedy. Lufthansa pays $5 million ransom.

Feb. 22—Oil pipeline damaged near Hamburg (Black September).

Feb. 23—Terrorists from Lebanon fire a bazooka point blank at a young couple who have just left a Bar Mitzvah celebration in northern Israel; both die.

Feb. 24—Two Israel soldiers die in northern Israel when terrorists attack their car.

May 8—Four Black September terrorists hijack a Sabena 707 in a flight from Brussels to Tel Aviv. After holding the plane and its 97 passengers and crew captive for 21 hours at Lod Airport, they are overpowered by Israel paratroopers masquerading as repairmen. Two hijackers and a passenger die.

May 30—Three Japanese terrorists working for the PFLP methodically machinegun dozens of people at Lod Airport terminal. Twenty-eight victims die, including 16 Puerto Rican pilgrims and Prof. A. Katzir-Katchalsky, noted Israel physical chemist. Seventy-eight are injured. Two terrorists die.

June 20—Terrorists in northern Israel ambush a tourist bus, killing two.

Aug. 5—Oil tanks blown up in Trieste by Black September.

Aug. 16—Two Black September terrorists induce two British girls to carry a bomb-loaded phonograph on an El Al 707 jet at Rome. The plane takes off, withstands the blast and returns safely.

Aug. 25.—A grenade tossed into the crowded central square in Gaza kills one Arab boy and injuries 25 Arab workers and one Israeli.

Sept. 4—Hal Rashad Shawa, mayor of Gaza, escapes assassination as his car is raked by grenades and small arms fire.

Sept. 6—Black September terrorists invade the rooms of the Israel Olympic team at Munich. Two Israel team members are murdered outright. Terrorists kill nine others at a Munich airbase when German sharpshooters fail in a desperation ambush. Five terrorists die in the fray.

Sept. 10—Member of Israel Embassy in Brussels shot and wounded by Black September.

Sept. 19—Booby-trapped envelopes sent out by terrorists to addresses in Israel and abroad. One of them kills Dr. Ami Shechori, Agricultural Counsellor, the Israel Embassy in London.

(This incident starts Black September's letter-bomb campaign. By November 1, more than 65 booby-trapped letters had been sent to Israel embassy officials and business offices around the world, President Nixon, New York Hadassah leaders, Jordanian government authorities, and a 75-year-old Jewish woman in Dusseldorf. Many mail-bombs bore Dutch or Malaysian postmarks.)

Oct. 29—The three surviving Palestinian guerrillas from the Munich massacre are freed by West Germany as two Black September terrorists hijack a Lufthansa 727 jet to Libya.

Dec. —Terrorist group uncovered in Greece. Planned to arrive by ship to Haifa on a suicide mission. The terrorists came from Lebanon.

Dec. 20—A bobby-trappd motor car left the Lebanese Fatah base Nahar Al-Bared and arrived in Europe in order to sabotage an Israel Embassy.

Dec. 24—Terrorist arriving from Beirut arrested in London in possession of weapons and explosives, which he planned to use against an Israel embassy in Scandinavia.

Dec. 28—Six members of the Israel diplomatic mission to Bangkok seized and held as hostages. They were released after 19 hours. The terrorists flew to Cairo.

CORPORATIONS SHORT CIRCUIT STATES TOO

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. HARRIS. Mr. Speaker, corporations not only dodge Federal taxes and enjoy tax advantages in Federal tax laws, they also "get away with murder" at the State level. James Rosapepe in a January 1975 article in the Washington Monthly shows how increased tax revenues can come to State governments with a minimal of effort—auditing. For example, in my own State, he points out, the first year Virginia audited out-of-State corporation tax returns, the Commonwealth collected more than $1 million from 54 multistate corporations. California, he says, gets $9 in new revenue for every dollar spent on corporate field audits.

I would like to share this concise and illuminating article with my colleagues. It follows:

CORPORATIONS AND STATE TAXES: THE BIG ONES GET AWAY

(By James Rosapepe)

(NOTE.—James Rosapepe was staff director of Fred Harris' Tax Action Campaign.)

To the average taxpayer, battered for years with reports of tax dodging by the nation's biggest corporations and richest families, new revelations of tax avoidance by the big boys tend to lack shock value. Nelson Rockefeller didn't pay a penny in federal income taxes in 1970. So what else is new?

But even the most cynical of us may be surprised by the estimate by some of the nation's top state tax officials that perhaps half the tax money legally owed state governments by the big corporations goes uncollected every year. "Avoidance of state tax liabilities by America's largest corporations has reached scandalous proportions," says Byron Dorgan, North Dakota's 32-year-old state tax commissioner. Lost revenue totals "hundreds of millions and perhaps billions of dollars," Dorgan estimates, and it is the result not of the legal forms of tax "avoidance" so characteristic of loophole-ridden state corporate tax laws, but of good old-fashioned, illegal, tax evasion. The reason they get away with it is simple: most states can't enforce the tax laws.

When Virgina changed its tax laws in 1972 from "straight line" depreciation to the much more generous "accelerated" depreciation allowed under federal law, state tax officials were surprised to find that most companies were not saving any money as a result of the change. After some inquiries, the officials discovered why: the companies had been using the "accelerated" depreciation schedules for years, in clear violation of Virginia law. But as the state's Deputy Tax Commissioner, Stuart Connock, explains, "The Department never checked, and the companies sure didn't volunteer the information."

A similar situation prevails in Illinois, which collected almost $235 million in corporate taxes in 1972. State Revenue Department official Harry Spellman told the *Chicago Tribune* last year that "If we spent $2 million [to improve the system], we could recover $50 million more." If the scale of evasion prevalent in Illinois is typical of that in the rest of the nation—and there is no reason to think it is not—non-payment of corporate taxes probably cost the 50 states over $700 million in 1972.

Corporate income taxes are not the only state taxes evaded on a large scale by businesses. For example, Albert Stoessel, former president of the Iowa Petroleum Association, estimates his state loses $50 million a year in uncollected diesel fuel taxes—a particularly hard area to enforce, since diesel fuel is chemically similar to non-taxed home heating fuel. Sales taxes are another area of undoubted abuse. Bill Brown of the Committee on State Taxation, a big-business group known as COST, claims, "There's a lot more sales tax revenue that they are not collecting than they have any idea. I say that on the basis of what the companies tell us in confidence." Illinois officials say they are losing around $25 million in cigarette tax revenue alone, and they won't even guess about total sales tax losses.

According to a 1974 report by New York State Comptroller Arthur Levitt, the state has been losing millions of dollars because the tax department has never collected from some 31,000 employers who have failed to turn over state taxes withheld from their employees' paychecks.

TAKING OFF THE GLOVES

Over the last few years several states have toughened up their enforcement efforts. Their experience demonstrates that massive corporate tax evasion is no myth—and that it is surprisingly easy to control.

Until 1973, Virginia had never sent its auditors to out-of-state corporate headquarters to check corporate tax returns. In the first year it started doing so, the state collected more than $1 million from 54 of the 6,000 multistate corporations doing business in Virginia. "In a lot of cases it was just a matter of dropping by the corporate offices to pick up the check," one Virginia tax official said. "They knew they owed us the money, but we'd never asked for it before." Fifty-four down, only 5,946 to go.

In North Dakota, Commissioner Dorgan's aggressive enforcement efforts increased the state's corporate tax receipts by nearly 30 per cent in two years. Since 1969 an average of 20 per cent of this revenue has been collected from audits, and Dorgan thinks he's just scratched the surface. Idaho, too, has collected 20 per cent of its recent corporate tax revenues through auditing, and the state's Chief Corporation Auditor, Frank L. Medlin, says improved enforcement efforts will soon yield even more "sizable tax recoveries."

But the best illustration of what a good auditor's division can do is in California. The state's Franchise Tax Board has 240 corporate auditors who collected an extra $51 million in 1972, including $35.8 million from field audits of 6,026 multistate corporations. To these substantial savings must be added the millions of dollars businesses paid voluntarily, aware that they were likely to be audited. Admitting in a *Wall Street Journal* interview that California has the toughest corporate tax enforcement around, U.S. Steel's Director, Arthur Hauser, said, "If we could get out of there, we would save a lot of money."

The most obvious difference between California's enforcement program and those in other states is its extensive network of trained auditors. In addition to its in-state staff, California has 200 field auditors located throughout the country, including those permanently based in offices in New York and Chicago. Idaho, by way of comparison, has six corporate auditors, all operating out of Boise. Even when the difference in the two states' population is taken into account, California clearly is devoting a greater effort to its program. You don't have to be a Wall Street tax lawyer to figure out which state ITT or GM is more likely to try to bilk at tax time.

Most other states resemble Idaho rather than California. Kentucky has 45 field auditors, who are responsible for auditing sales and personal income as well as corporate taxes. Vermont has 12. The deficiencies in Missouri's auditing operation are so great that U.S. District Court Judge William R. Collinson declared in a recent decision that "the enforcement of the tax laws in this state is notoriously lax and slipshod, apparently because the legislature will not appropriate the money to employ sufficient persons to even begin to adequately police the system."

"One of the facts of life is that most states are limited in resources," confesses Eugene Corrigan, executive director of the Multistate Tax Commission, a joint agency of 21 state governments. "They just can't afford the major operation of auditing a giant corporation." Corrigan points out that it's the multistate, and often multinational, corporations with dozens of subsidiaries that are the source of most state enforcement problems.

"We don't have the resources or personnel to go to New York and audit the tax books of U.S. Steel, for example," admits Missouri's state revenue director, James R. Spradling. "It takes highly knowledgeable, highly trained people to audit giant companies like that," adds Corrigan, "and most states just don't have them."

CLOSED BOOKS

To solve that problem, the Multistate Tax Commission (MTC) was set up in 1967 to audit firms which operate nationwide. "These big corporations are not above telling different stories to each state—telling Illinois for example that certain income was produced in Indiana and telling Indiana the income came from Illinois," Corrigan explains. "What we are trying to do is joint audits for several states so a company can't do that." In the first nine months of the Commission's joint audit program, it recovered $2.5 million for the states from just ten corporations.

But as the states have closed in on the corporate tax evaders, North Dakota's Dorgan says, "We've run into really vicious resistance." A dozen of the nation's top corporations, including U.S. Steel, Proctor and Gamble, General Mills, and Standard Brands, have so far refused to open their books to the MTC's auditors. And a coalition of 82 large corporations, led by these firms and joined by, among others, ITT, Green Giant, IBM, and International Harvester, have sought an injunction from the U.S. District Court in New York to put an end to joint corporate audits and to disband the MTC (the companies claim it is an unconstitutional compact among the states). The case has been pending for two years as lawyers for each side keep exchanging briefs, and no decision is in sight. The leaders of the MTC see the lawsuit as a diversionary tactic aimed at keeping the Commission busy defending its very existence rather than uncovering corporate tax evasion. "I spend days on end answering court papers," Corrigan says.

Meanwhile, the same corporations are prowling the halls of Congress, attempting to short circuit the MTC through federal legislation. Coordinating the fight is the probusiness COST, whose members include a number of the companies that are plaintiffs in the New York suit.

The principle which underlies the companies' various efforts, as explained by Bill Brown of COST, is as follows: "It's not a case of the states versus business, at all. Our view is simply that the commission is not acting within the law." Brown claims that corporate executives in his group do not object to joint audits in principle; rather "our members are concerned about the rules and regulations on auditing adopted by the MTC." While corporate spokesmen prefer to characterize their dispute with the MTC as "technical," Brown admits "the biggest problem is divided and foreign source income."

This matter of "foreign" income is a complicated question, near the heart of the states' tax problems. Most states determine a multistate corporation's tax liability by calculating the firm's nationwide profits and then applying the state corporate tax rate to the state's proportional share of those profits. The big corporations' major objection to the MTC is that it treats foreign source and dividend income just like any other income and requires conglomerates and multinationals to be taxed as a complete unit, the way the corner drugstore is. The ins and outs of this are too complicated to explain briefly, but enough money is at stake that the companies have mobilized for a real fight in Congress.

PUTTING CALIFORNIA IN ITS PLACE

COST's major efforts in this session of Congress have been on behalf of S. 1245 (sponsored by liberal Senators Charles Mathias, Abraham Ribicoff, and Hubert Humphrey). The key provision of S. 1245 would, in most cases, bar the states from taxing profits from foreign sources and dividends from corporate subsidiaries. Thus, by excluding foreign profits and other dividends, S. 1245 limits the taxable income of multinationals, like the oil companies, and of conglomerates with far-flung subsidiaries, like ITT. Brown of COST points out that only two or three states, among them California, now tax these dividends, and he stresses that S. 1245 would guarantee "uniformity" by getting these states, as well as the MTC, in line.

Byron Dorgan denounces S. 1245 as "a massive tax giveaway program for the largest corporations," and so far he and his colleagues at the MTC have managed to keep the bill bottled up in the Senate Finance Committee.

But the fight continues at the state level as the big corporations try to undermine the MTC and its joint audit efforts. Earlier this year, when Missouri Revenue Director James Spradling asked the state legislature for permission to join the Commission's joint audit program, large corporate interests, including the Missouri Oil Council, led the opposition. In Indiana, the State Chamber of Commerce

UMI

has announced that "efforts to end Indiana's participation in the Multistate Tax Compact" is one of its top lobbying priorities in the 1975 legislative session.

Given the widespread political popularity of taxing giant corporations, it is somewhat surprising that Dorgan is just about the only state official who has attempted to focus public attention on corporate tax evasion. One reason may be that he is the only elected tax commissioner in the nation. While California's corporate tax laws are supervised by the Franchise Tax Board, which is made up of two elected officials and one appointee, its chief administrative officer is appointed. And in the great majority of the other states, the position of tax director is appointive, similar to the Commissioner of the Internal Revenue Service at the federal level.

Like so many appointed officials at any level of government, many state tax directors tend to see as their constituency not the public but the big corporations they are supposed to audit. Or they may develop incestuous personal and professional relationships with the companies. Illinois Revenue Director Robert Allphin is on leave from his regular job as tax manager of Pittsburgh Plate Glass. Paul Dillingham started out with the Kentucky Revenue Department and now manages Coca Cola's tax business as a corporate vice president, while Arizona State Tax Commission Chairman John Hazelett previously handled state tax matters for an aircraft firm. A familiar story, but it helps explain why state tax officials are not beating down the doors of the daily press with exposes about corporate tax evasion.

This particular case of governmental surrender to corporate pressure would be discouraging if the solution were not so obvious: auditors, auditors, and more auditors. Experience in dozens of states shows that when the corporations are audited, they pay more taxes; when they are not audited, they pay less. For example, of the 13,736 corporations that California field audited in 1972, 44 per cent owed the state more money and only five per cent had been overtaxed.

Indeed, for a governor or state legislature trying to balance the state's budget, tax auditing is one of the few areas in which the state can save money by expanding the payroll. State auditing of large, multistate corporations normally returns to the states anywhere from $5 to $10 for each dollar spent on auditing. In its first year of corporate field audits, Virginia was earning a return of 12 to 1. Obviously the ratio will decrease as the state moves from detecting the most obvious evasion to more sophisticated and complex cases. But even California, with its highly developed audit operation, still produces nearly $9 in new revenue for every dollar spent on corporate field audits.

For years the federal government has known that the best way to insure voluntary compliance with income tax laws is to have a staff of auditors ready to catch reluctant taxpayers. It's time for the states to apply the same principle to the corporations.

STEEL'S NO-STRIKE PACT VINDICATED

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. GAYDOS. Mr. Speaker, while members of other labor unions are queuing up in unemployment lines today, the Nation's steelworkers generally are looking forward to a good work year. One of the reasons for this is the no-strike agreement negotiated by the United Steelworkers of America and the basic industry 2 years ago.

I. W. Abel, president of the USWA, says the pact, which appears to have put an end to the boom-and-bust cycles that formerly gripped the industry every 3 years, has been vindicated. "It justified our feeling, our faith, that we, in fact, had found a better way," Mr. Abel has said.

Mr. Speaker, I am inserting into the RECORD for the consideration of my colleagues an article which appeared in the January 31 issue of the Pittsburgh Press which describes the present status of the steel industry. I am certain they will find it interesting and informative:

STEEL HUMMING AS OTHERS LAG

(By Dale McFeatters)

WASHINGTON.—While members of other unions are being laid off, I. W. Abel's basic steelworkers are fully employed and are likely to remain so throughout the year.

And that, said the president of the United Steel Workers (USW) union, is vindication enough of the controversial experimental negotiating agreement—a no-strike agreement with the basic steel industry that made Abel's name anathema to the far left.

Thanks in large part to that two-year-old agreement, Abel said, the steel industry "today is an island of relative economic stability amidst a dangerously declining economy." He listed these developments:

Despite the drop in auto industry and construction orders, industry order books are full for the year. Orders from the oil and shipbuilding industries make up the difference.

Imports have been cut from 18 million tons of steel to 13 million tons while exports are up from two million to six million tons. Abel said that's because American steel salesmen can now guarantee delivery without fear of a strike.

Industry profits are among the highest ever, employment is steady and the average hourly wage this month is $6.94.

Under the agreement the union pledged well in advance of contract expiration to forgo a national steel strike.

In turn, the steel industry agreed to certain guaranteed wage and fringe improvements with any unresolved issues to go to binding arbitration.

The result was a fat three-year contract last year, settled three months early.

The contract also ended the boom-and-bust cycle in the steel industry in which every third year steel users stockpiled massive amounts of steel in anticipation of a strike.

When the contract was settled peacefully—as it has been ever since 1959—the industry would sit idle until the users worked off their swollen inventories.

Abel discussed his 10-year stewardship of the union with a group of labor reporters yesterday.

At 66 and with mandatory retirement when his term expires in two years, Abel's remarks were something of a valedictory.

There was a good deal of self-congratulation, but Abel quoted the late United Mine Workers President John L. Lewis: "He who tooteth not his own horn, the same shall not be tooted."

Other areas where he chose to toot the horn:

The USW has its highest membership ever, 1.4 million, surpassing the stricken United Auto Workers (UAW) as the nation's largest industrial union. It is also the largest union in Canada.

The union's net worth is $109 million, a 500 per cent increase in 10 years.

The union's officers bit the bullet and got a dues structure that will go up as the membership's pay goes up.

And there was the union's effort in getting the Pension Reform Act passed last year, a personal triumph for Abel who fought with Congress and a good bit of the rest of the labor movement to get it passed.

But for Abel it all comes back to the fact that his membership in basic steel is working—"all this means jobs saved, buying power saved, communities saved"—and his experimental negotiating agreement is vindicated.

"It justified our feeling, our faith, that we in fact had found a better way," he said.

SYMM'S REMARKS—EXTENDED TO GEORGIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. McDONALD of Georgia. Mr. Speaker, some people claim that the CONGRESSIONAL RECORD is filled with remarks that are often inane and of little value, and thus that the RECORD is generally ignored by the media and the public. To whatever extent this may be true, the following confirms that RECORD remarks which are cogent and pertinent to the concerns of the American people do indeed get far more attention than one might expect.

On January 2, 1975, the editor of my hometown newspaper, the Marietta Daily Journal wrote a column based on our colleague STEVE SYMMS' RECORD remarks of December 20, 1974. It is not often that a Republican from the Northwest draws the attention of the media in a Democratic district of Georgia. To have done so is a compliment to the effectiveness of my colleague's satire. The column, entitled "Save Our Santas From Government," detailed the Government's attack on our two Santas, Saint Nicholas and the free enterprise system.

Some may complain that the free enterprise system should not be viewed as a Santa Claus, since Santa brings his gifts free of charge whereas under free enterprise everything has a price. But observe that Santa Claus brings gifts only to those who have been good for the past year; that is, he rewards virtue. Likewise the free enterprise system rewards those who are virtuous, unless one believes that pursuit of happiness, self-respect, self-reliance and productivity are not virtues.

The only thing I would like to add to my colleague's comments is to point out that there is a third Santa, of sorts: Uncle Sam. When he first appeared on the scene almost 200 years ago, his activities were limited to those of policemen and judge. But more and more, particularly in the past 40 years, he has been competing with our other two Santas.

There are, however, some crucial differences among the three.

The mythical Santa, along with his elves and reindeer, works for free. But here in the real world, everything has a cost. The question is: Who pays the price and who receives the reward? Our free enterprise Santa creates wealth: The price is productive work, the reward is the producer's well-being.

Our Uncle Sam Santa doesn't create wealth, he redistributes it. The producers pay the price, but receive little of the reward. Much of it goes to Uncle Sam's elves, the bureaucrats; they don't work for free. The rest is returned; some to those who produced it, some to those who did not as their reward for being nonproductive.

And so we have a Santa Claus competition. In the real world, however, a Santa who rewards productivity and a Santa who punishes it cannot compete indefinitely. Which one survives depends on what we consider a virtue.

The article follows:

SAVE OUR SANTAS FROM GOVERNMENT

(By Steve McMullan)

Though it has not become public knowledge as yet, it appears that Santa Claus may have made his last trip this holiday season. He's in big trouble with the Federal Government.

This bad news about Santa Claus came to light Dec. 20, when Rep. Steven D. Symms, an Idaho Republican, got up before his fellow Congressmen to detail the crimes of Santa Claus and inform the nation that the jolly man in the red suit might well wind up in Federal prison before another Christmas rolls around.

Rep. Symms remarks were published in The Congressional Record, and are quoted from that source:

"Mr. Speaker, rumors are flying around Washington to the effect that this may have been Santa Claus' last year of operation. Sources within the Federal bureaucracy are privately indicating the jolly old man is in big, big trouble.

"Apparently, from the Federal Government's point of view, Santa has been 'getting away with murder' for years now, 'breaking every law in the book,' as they put it. And indeed, the time has come to crack down on this unconscionable situation.

"Here is the inside scoop on Santa's long list of infractions:

"First. Operating a flying sleigh in absence of certification by the CAB, a clear violation of the Civil Aeronautics Act of 1938.

"Second. Unlawfully competing with the U.S. Postal Service on air mail deliveries.

"Third. Violating EPA requirements for emissions control devices on his reindeer.

"Fourth. Breaking the Sherman Anti-trust Act by maintaining a strict monopoly in his profession.

"Fifth. Violating the Fair Labor Standards Act by failing to pay his elves the minimum wage or proper overtime benefits.

"Sixth. Engaging in unfair promotional advertising designed to prey on the defenseless minds of children, a violation of Federal Trade Commission regulations.

"Seventh. Failing to secure an ICC permit and an assignment of certified routes by the Interstate Commerce Commission.

"Eighth. Violating numerous Operational Safety and Health Administration—OSHA—regulations by operating an 'unsafe workplace.'

"Ninth. Passing out candy canes and goodies not approved by the Food and Drug Administration.

"Tenth. Ignoring the edicts of the Equal Employment Opportunity Commission and the Civil Rights Act of 1964 by failing to institute a quota system in his workshop based on race, religion, sex, and size—too many elves.

"Eleventh. Making toys which were not approved by the Consumer Product Safety Commission.

"Twelfth. Failing to declare the cookies and milk which are out for him as taxable income with the IRS.

"Thirteenth. Transporting firearms across State lines as Christmas presents.

"Fourteenth. Avoiding State and Federal taxes on his sleigh, not to mention licensing, registration, and having an operator's permit.

"Fifteenth. Making various infractions of National Labor Relations Board regulations; including the maintenance of a nonunion shop and unfairly competing with the chimney sweeps' union.

"Mr. Speaker, it is said that these are but a sampling of Santa's more serious Federal offenses, which taken in total, will almost certainly put the man in red out of business for good. At present, we are told St. Nick is frantically searching for a lawyer, but that no one as yet is even willing to come up to his defense. Apparently it is an open, and shut case. Maybe the ACLU will come to his rescue!

"Mr. Speaker, meanwhile, there is another Santa Claus of sorts in this country which operates the whole year 'round. It has served us all well for many many years but is presently in the same predicament as Saint Nick, and as a result, is being pushed to the brink of extinction. It is called the American free enterprise system. Will anyone come to its defense?"

Well put, Rep. Symms. We only hope your colleagues in the House and Senate will take your remarks to heart, and save both our Santas from the Federal Government.

WINTERING OVER IN ANTARCTICA

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. TEAGUE. Mr. Speaker, recently, the groundhog failed to spot his shadow on his "special day." Hopefully, this means spring is not far away. But as we anticipate this balmy season here, winter is rapidly approaching in the Antarctic. About this time in February at McMurdo Station, the sun is very low on the horizon; during the daylight hours it will appear to set as it goes behind Mount Discovery. It then reappears like a sunrise about one hour later on the other side of Mount Discovery, seeming to give two sunrises and sunsets. This continues for about 3 weeks and then it will begin to disappear entirely at McMurdo, a few days later also disappearing at the South Pole, and at about the 21st of March they being their 6 months of darkness.

A group of approximately 50 scientists will conduct laboratory tests and experimentations at the South Pole studying temperature, wind, air currents, magnetic forces, auroras, ice and land formations, conducting trapping operations, and many similar types of studies. These studies are of immense value to the United States and to the world and these same studies are being conducted similarly by other scientists from 11 other nations.

Antarctica is one of the least understood continents of the world, but we are finding out more about it, thanks to studies carried on by the National Science Foundation.

On January 9 of this year, a group of U.S. officials made a trip to Antarctica to participate in the dedication of the new research station named in honor of the first two explorers to reach the geographic south pole—the Amundsen-Scott South Pole Station—which will be the focal point for research there for many years to come.

It was 47° below zero at the dedication—and this was summertime there—so the crews who will man this station are a hardy breed indeed. But the work they do in this stark and pristine environment is exciting, rewarding, and an important link in man's effort to understand himself and his world.

I salute the scientists, technicians, and explorers who have dared the elements to study this frozen wonderland. I would like at this time to reprint in the RECORD the speech delivered by Congressman J. J. PICKLE at the dedication of the new Amundsen-Scott South Pole Station, January 9, 1975. The speech and the program from the dedication follow:

REMARKS BY CONGRESSMAN J. J. PICKLE

Good afternoon, Ladies and Gentlemen: I am honored to be here on this historic occasion. We traveled over 10,000 miles and lost over seventeen hours somewhere along the way to the Pole, and by now I'm not sure how many times I've crossed the Date Line or literally run in circles. Some say that is a natural tendency for politicans—or scientists.

Modestly, I must admit we do not have anything like this in Texas—yet. But as different as it is here, as unique as Antarctica is, I am pleased to note that the South Pole does have one thing in common with my home town of Austin, Texas—the South Pole has exactly the same longitude as my city.

Our industrialized world looks southward towards Antarctica and still views it as the last frontier on earth to be explored or exploited. I suspect that Antarctica looks northward on us and, with some cause, withholds judgment. We have made overtures toward this white-coiffured beauty and she suspects our intentions. We have, in essence, said "we love you", but that is not enough. Like any ardent suitor, we owe her a reaffirmation of our good intentions.

Some of our advances have been ill thought out and we now regret them. We are paying a price for our actions. The massacre of seals and penguins early in the century now deprives us of these things and embarrasses us, so it is much easier to forget these actions.

Fortunately, we have progressed a long way in our suit of mistress Antarctica. We realize that she has much to offer if approached with respect and understanding. The suitors have banded together in the Antarctic Treaty, recognizing one another's rights and privileges, reserving the right to observe another's actions, and sharing knowledge of her character and make up.

Coming through loud and clear is the realization that this cold southern land plays a major influence on our environment, the weather, and the ocean currents. She has things to offer which can be of value to man if used properly, and she can tell us much about our work that should improve our understanding of the world and our use of it.

Under the treaty, measurements and findings made here at the Pole and at other stations around the continent are shared by interested nations. All work on weather is added to other data to contribute to the world weather watch where the information is consolidated with and analyzed with that

from the rest of the world. Correlations made by interested researchers of the annual snow accumulation here at the South Pole show predictive comparisons to temperature variations in the northern hemisphere a decade later.

Unspoiled and undeveloped, this stark, beautiful land waits patiently for us to make further advances. We must combine our efforts as a family of nations to protect her honor. It is to be fervently hoped that no one of these nations will indiscriminately thrust upon Antarctica an unwise attempt at exploitation. By treaty and honor we are bound to woo her and work together and share together the new knowledge that this continent will, in time, reveal to us.

The Congress of the United States has recognized our duty to continue international research and development. We have only just begun. What we learn can be as important or more important than what we learn in outer space.

As a Member of Congress, I state again that our country is interested in research and science and not in careless exploitation or development. We are not unmindful of the many possibilities for development and will not remain inactive if unilateral development is attempted by others, but we continue our pursuit of science as partners, friends, and neighbors. I hope the Congress will remain committed to that course.

If world conditions permit, and if our partners remain steadfast in their agreement to conserve this continent, mankind can grow richer through these programs of international cooperation. This is the one place in the whole world where environment comes first.

The station we dedicate today is yet another announcement to the world that we propose to move onward in the area of polar science. I sincerely commend the National Science Foundation for its prudent and progressive and invaluable work in Antarctic exploration and the projects that have brought these nations closer together. I express my thanks also to the agencies and institutions that are involved and especially the work of the dedicated military and civilian personnel which make this progress possible.

My best wishes to those who follow now in using this station. We hope that their results will continue the progress already underway.

DEDICATION

AMUNDSEN-SCOTT SOUTH POLE STATION

SOUTH POLE STATION, ANTARCTICA,
90° SOUTH,
January 9, 1975.

Schedule of events

Welcome—Dr. Robert E. Hughes, Assistant Director, National and International Programs, National Science Foundation.

Invocation—Lieutenant Commander Merlen F. Howe, Chaplain Corps, U.S. Navy, U.S. Naval Support Force, Antarctica.

Remarks—Dr. Norman Hackerman, Chairman, National Science Board.

Remarks—Honorable J. J. Pickle, Congressman from Texas, United States House of Representatives.

Remarks—Dr. Tore Gjelsvik, President, Scientific Committee on Antarctic Research.

Remarks and Message from President Gerald R. Ford—Dr. H. Guyford Stever, Director, National Science Foundation.

SOUTH POLE STATION

The original Amundsen-Scott South Pole Station, dedicated on January 23, 1957, is named for the first two men ever to reach this isolated spot, Roald Amundsen and Captain Robert F. Scott. It was one of seven scientific stations established by the United States during the International Geophysical Year.

The geographic South Pole was first reached by the Norwegian explorer, Amundsen, and his four companions on December 14, 1911. Approximately one month later Scott and four other Englishmen stood on the same spot. Scott and his party perished on the return journey.

The original South Pole Station, designed to last only a few years, was transported to Antarctica as a group of pre-fabricated buildings and established on the surface of the ice cap. The entire station was air-dropped by C–124 "Globemaster" aircraft. Since then it has gradually disappeared under the accumulated snow and today is virtually buried.

Construction of the new station, built primarily by U.S. Navy Construction Battalion Units, commenced in November of 1971. It was designed by architects of the U.S. Navy's Facilities Engineering Command.

The most impressive structure at the New South Pole complex is the aluminum geodesic dome. Fifty meters in diameter, the dome rises from the hard-packed ice surface to 16 meters at its highest point. It houses three buildings containing living and working quarters. Adjacent buildings, protected by large metal archways, contain workshops, laboratories, medical facilities, the power plant, and fuel storage facilities.

The first winter-over crew at the new station will be entirely civilian. The last Navy crew to winter-over left "Old" South Pole Station in November of 1974. A civilian firm, Holmes and Narver Inc., of Anaheim, California, will operate the station under contract to the National Science Foundation.

The new Station is a testament to the early pioneers and to those who continue to dedicate themselves to America's scientific efforts at the bottom of the world.

KISSINGER LETTER REGARDING NATHANIEL DAVIS

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. BIESTER. Mr. Speaker, since the New York Times and Washington Post printed only excerpts of Dr. Kissinger's letter to Organization for African Unity Secretary Mboumoua regarding Nathaniel Davis' nomination as Assistant Secretary of State for African Affairs, I am inserting the full text of that letter in the RECORD for the information of my colleagues:

DEAR MR. SECRETARY GENERAL: The text of the "Consensus Resolution" of the OAU Council of Ministers commenting upon the nomination by the President of the United States of Nathaniel Davis to the important position of Assistant Secretary of State for African Affairs has been brought to my attention by press accounts.

The selection of senior officials for posts in the United States Government is a function of American sovereignty. Unlike the established procedures for accrediting Ambassadors for whom agreement is sought, the selection of Assistant Secretaries of State remains a purely internal, domestic concern. The United States Government would never comment publicly upon the choices of other sovereign governments in filling any of their public offices. Under commonly accepted principles of international decency it has the right to expect the same of other governments, particularly of those whom it has regarded as friends. You will understand, Mr. Secretary General, the depth of my dismay in learning from the press of this unprecedented and harmful act of the Council.

Ambassador Davis, as you know, is a brilliant career officer in our Foreign Service. President Ford and I repose paticular trust and confidence in him. Indeed, he has served with great distinction in high posts in our public service under Presidents Kennedy, Johnson and Nixon as Deputy Associate Director of the Peace Corps, Minister to Bulgaria, Ambassador to Guatemala, Ambassador to Chile and as Director General of the Foreign Service. He is not yet fifty years old. The post to which he has been nominated by the President is one to which we attach very great importance. Mr. Davis was selected in order to give new impetus and inspiration to our African policy. I have full confidence in his ability to fill this vital position with distinction. I am certain that the African statesmen with whom he will be dealing will learn to respect him as I do.

I cannot believe, Mr. Secretary General, that the members of the Council were aware that Ambassador Davis, while serving in the Peace Corps under President Kennedy, traveled widely as Africa, that he was a marshal in the great 1963 Civil Rights March in Washington led by Dr. Martin Luther King, that he has served for periods totaling five years as an Assistant Professor at Washington's leading black institution, Howard University, and that he has devoted many years of his spare time as a volunteer worker among the disadvantaged black citizens of Washington. I am truly saddened to learn of the manner in which the Council has besmirched the reputation of this outstanding man who was selected precisely because we believed that he possessed the breadth of view and the compassionate understanding for a new approach to this vital position. To suggest that such a man has a mission to "destabilize" Africa, a continent with which we have enjoyed excellent relations and in whose development it is our policy to assist is unacceptable and offensive. (I might also add that the word "destabilize" is one coined by a newspaper reporter, not one ever used by any U.S. official to describe our activities in any country.)

I would ask you to communicate to the African heads of State at the earliest possible moment the text of this message in order that the regret felt in the United States over this unfortunate and unfair action is well understood.

THE UNITED NATIONS: A DYING DREAM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CRANE. Mr. Speaker, for some time it has been apparent that far from being a force for peace, the United Nations has been a disruptive force, encouraging terrorism and international disorder rather than opposing and ending it.

The United Nations has welcomed such totalitarian states as Communist China to membership while expelling such other member states as Taiwan, which has never been in violation of the Charter. The United Nations has welcomed the leaders of nongovernmental and terrorist organizations such as Yasir Arafat of the Palestine Liberation Organization, while suspending such long-time member states as the Republic of South Africa. The U.N. has repeatedly passed resolutions condemning the actions of such nations as Israel and Portugal, while remaining silent about the mass murders which have been committed by the Soviet Union, the Communist Chinese, and a number of dictational regimes in Africa.

Unfortunately, it has been our own Government which has been largely financing the disruptive activities of the United Nations. This must be changed, and to effect such a change I have introduced legislation which would reduce our contribution to the U.N. budget from approximately 31 percent to 5.6 percent. This will be effected by making population, as a percentage of the total population of U.N. member states, the basis for the annual contribution of the United States. The reduction would have meant a savings to the American taxpayer of $338 million in 1973.

Most important is the need for us to realize that the U.N. has become not a hope for peace but a potential cause of disorder. Discussing the initial hopes many held for the U.N. and the reality of that organization today, columnist James J. Kilpatrick points out that—

It was a mission impossible, designed to self-destruct. The Security Council has not maintained peace, and the Assembly has degenerated into a mere tom-tom, sounding the beat of Third World propaganda.

The most recent session of the U.N. General Assembly should convince even the U.N.'s long-time friends and supporters in this country that their good will has been abused and that the dream they once had has now become a nightmare. Discussing that session, The Chicago Tribune noted that—

The Third World flouted rules and custom and a common respect for decency . . . The spreading miasma of bias and hatred permeating the U.N. can produce only revulsion and mistrust on the part of the more developed democracies . . .

I wish to share with my colleagues the column, "A Dream Dying?" by James J. Kilpatrick, which appeared in the Washington Star-News of January 7, 1975 and the editorial "Suicidal Impulses at the U.N.," which appeared in The Chicago Tribune of December 29, 1974, with my colleagues, and insert them into the RECORD at this time:

[From the Washington Star-News, Jan. 7, 1975]

A DREAM DYING?

(By James J. Kilpatrick)

NEW YORK.—The United Nations is one of the great tourist attractions of New York, ranking ahead of the Bronx Zoo and behind Rockefeller Center, but it becomes increasingly difficult to perceive any other useful purpose in the U.N.'s continued existence. Little would be lost if we sawed it away from the East River and let it float out to sea.

When it came into being, nearly 30 years ago, it was supposed that the U.N. would do three things: The Security Council would maintain international peace; the General Assembly would provide a forum for responsible international debate; and the associated agencies would perform certain international services.

It was a mission impossible, designed to self-destruct. The Security Council haa not maintained peace, and the Assembly has degenerated into a mere tom-tom, sounding the beat of Third World propaganda. Only the associated agencies have functioned according to plan, and these would have done as well if the U.N. had never come into being.

Colgate W. Darden Jr., one of the wisest Americans of this century, is among many idealists who have given up on the U.N. Darden will be 78 next month. As a young man, scarred by the brutal horrors of Verdun, he campaigned for the League of Nations. He served as wartime governor of Virginia, later as president of the University of Virginia. In 1945, he threw his energies behind the U.N. Ten years later, he served as a U.S. delegate to the General Assembly.

A few weeks ago, Darden spoke at Virginia Military Institute of his mounting disillusion. He had not changed his mind about the need for machinery to promote world peace; he did not believe that "world government" could be made to work, and he saw "little real hope" in the United Nations.

"The U.N.," said Darden, "has shown with its greatly enlarged membership a marked disposition to impose unreasonable burdens upon the more advanced industrial nations. It appears bogged down in petty bickering and self-serving ventures.

"We witness tug-of-war between the undeveloped and the developed nations rather than reasonable collaboration which is essential if the pressing problems overhanging us are to be solved, or even dealt with effectively. The structure of the present organization should be re-examined, and if it cannot be revamped so as to bring about a reasonable balance between the members it should be abandoned and some other plan devised."

Former Senator Peter Dominick of Colorado voiced the same view in a farewell address to the Senate last month. Like Darden, he has seen war at first hand; he has consistently supported the U.N., "imperfect though it may be," as a useful mechanism for world peace. Now he too is fed up.

"The 1974 General Assembly," said Dominick, "by reaching new heights of irresponsibility and hypocrisy and setting new records for ignoring its own rules has made it crystal clear that, far from representing a hope for peace, it is in fact an obstacle to it."

What would happen if the United States formally withdrew from the U.N.? Nothing very much. The United Nations would sputter along for a few years, passing windy resolutions and making impotent gestures, but the structure of world power would not be altered. Questions of war or peace would be resolved as they always have been resolved, by arms or by negotiation. The international service agencies, even now headquartered in Geneva, Berne, Montreal, Rome and Vienna, would function as before.

It would be charged, of course, that the United States had killed the U.N., but the charge would be untrue. A dream dies of its own accord when the dreamer awakes. Darden and Dominick, who believed in the dream, speak for many U.N. supporters who now see the dream disolve.

[From the Chicago Tribune, Dec. 29, 1974]

SUICIDAL IMPULSES AT THE U.N.

In the dying days of the dying year, those whose hopes have rested with the United Nations must view the future with foreboding.

They have agonized thru a General Assembly session in which the long-suffering United States finally lost its patience and cried that the assembly is ruled by "a tyranny of the majority." With these words, U.S. Ambassador John Scali made it plain that this country is fed up with the knee-jerk majority by which the Third World has repeatedly imposed its prejudiced view on the assembly. The majority, moreover, consists largely of governments which are accustomed to governing tyrannically at home, and have no understanding of democracy as we know it.

Mr. Scali warned that American participation in the U.N. requires the support of the people and of Congress, and "I must tell you honestly that this support is eroding—in our Congress and among our people."

If continued, that erosion could prove costly indeed to the U.N. The U.S. provided 40 per cent of funds spent by the organization between 1945 and 1970 and 29 per cent in 1973—some $410 million.

That support, tentative at best, has been imperiled during the last session by a series of unrealistic, hypocritical, and often spiteful and unproper gestures which make it clear that the majority has jettisoned the U.N.'s principles of peace and order in favor of a program of hatred and impatience. Or it may be more accurate to say that those who believe in hatred and impatience have become a majority in the U.N.

The Third World flouted rules and custom and a common respect for decency by insisting that Yassir Arafat of the Palestine Liberation Organization be invited to address the assembly, even tho he represents no nation, and thus in effect rewarding the P.L.O. for the dastardly acts of terrorism that have been committed in its name. Assembly President Boutefika of Algeria compounded this offense by treating the P.L.O. leader as if he were a head of state.

At the same time, the U.N. General Conference cut off Israel's $12,000 UNESCO cultural allocation for 1975. The Lebanese delegate said that "Israel is a state which belongs nowhere because it comes from nowhere." And this despite the fact that Israel has been a member of the U.N. longer than most U.N. members and longer than almost any of the Third World countries. To act on this theory while according a hero's welcome to the leader of what is not even a state at all is the height of illogic.

Further, Israel's right to state its own case was curbed, and many of those who voted to give Mr. Arafat a forum made a mockery of that word by then refusing even to listen to the Israeli response.

The assembly majority denied South Africa a seat at this session [and probably would have expelled it] because of its policy of apartheid; yet the same majority found no need to condemn the mass killings and other flagrant violations of human rights in Uganda and Burundi, two Third World members.

The spreading miasma of bias and hatred permeating the U.N. can produce only revulsion and mistrust on the part of the more developed democracies upon which the U.N. depends primarily for its support. And yet the more Third World countries are admitted—some no bigger than an Illinois county—the less chance there is of reforming the structure of the U.N. That being so, the only visible hope for the U.N. rests on the ability of the U.N.'s more responsible members to persuade the majority of the danger of its biased folly before the erosion of support on the part of intelligent people becomes irreversible.

NEED TO DEREGULATE NATURAL GAS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. ARCHER. Mr. Speaker, I have introduced a bill which would provide for the deregulation of natural gas. It is my belief that such deregulation will assist us in meeting the challenge of our current energy crisis.

Presently, natural gas supplies over one-third of our energy needs and is expected to be a significant source of energy in the future. It is the cleanest of all energy sources in terms of environmental pollution. It is versatile and easy to transport. Currently it is in short supply. It is in short supply not because our deposits have been exhausted but because producers are not developing this source due to a lack of incentive. Since 1954 when Federal price controls were imposed, exploratory drilling for natural gas has fallen by about 30 percent.

Since 1954 our reserve of natural gas has declined while the demand for natural gas has been increasing, stimulated by the artificially imposed low price. This combination of increased consumer demand for natural gas and reduced exploratory and development efforts have brought about a shortage of natural gas. Research groups, both government and private, have estimated that large natural gas deposits exist within the United States, especially in offshore locations. Development of and access to this fuel would help us in meeting the energy crisis: we would have additional supplies and the natural increase in price would help reduce excessive consumer consumption as individuals would turn to some alternative fuels. The price for natural gas would be determined by the supply and demand factor in the marketplace rather than governmental regulations.

If we continue our present policy regarding natural gas, we will be preventing further exploration and development due to a lack of incentive. I believe ending Federal controls over the price of natural gas would help us conserve our existing reserve of natural gas while providing a mechanism to attract investment capital to natural gas exploration and development. It is my hope that this Congress will act soon to pass a bill to deregulate natural gas.

SENATE—*Thursday, February 27, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

"Drop Thy still dews of quietness,
Till all our strivings cease;
Take from our souls the strain and stress,
And let our ordered lives confess
The beauty of Thy peace."
—JOHN GREENLEAF WHITTIER (1807–92).

Our Father God, all the wars of our need lead to Thy throne. Without Thee we are impotent to do our highest and best for the Nation. With Thee we can do all things needful for this Republic. When so many care so deeply about the ways by which this body serves the whole Nation, supply us with Thy renewing grace, and move us to a deeper commitment to truth and to selfless service. "With malice toward none, with charity for all, with firmness in the right as Thou dost give us to see the right," help us to bind up the wounds, become our brother's brother and strive to finish the great work to which we have been called.

And to Thee shall be all the thanksgiving and the praise. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, February 26, 1975, be approved.

Mr. ALLEN. I object.

The VICE PRESIDENT. Objection is heard.

A DECENT MAN

Mr. MANSFIELD. Mr. President, in this morning's Wall Street Journal is published an article under the heading "Politics and People," by Alan L. Otten, with the subheading "A Decent Man," referring to President Ford—his candor, his honesty, his straightforwardness. It is an excellent article, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS AND PEOPLE
(By Alan L. Otten)
A DECENT MAN

WASHINGTON.—Maybe a lot of us are being too rough on Jerry Ford.

First, he wasn't showing enough leadership, and then he was selling too hard. He wasn't doing enough to halt inflation, and then he wasn't doing enough to undo recession. Conservatives complain the deficit's too big, and liberals that it's too small.

Almost completely overlooked in all this is another aspect of the Ford presidency—that so far he's managed to remain an honest, open, decent human being. And with the public's unprecedented distrust of government and politicians in general and of Presidents in particular, that's not an insignificant contribution.

It's always important, after all, just what kind of person the President is. It's not only that he's the man our children are supposed to look up to, as Richard Nixon piously proclaimed in one of those TV debates with John Kennedy, but also that he sets a tone and pattern of conduct for his administration. Right now, that tone and pattern can either further enlarge popular disaffection and alienation, or conceivably start reducing them.

Mr. Ford is not only a lot smarter than his critics suggest, but he's also an unusually honest and straightforward man, of considerable personal and professional integrity. He tends to say what he thinks and means what he says—an occasionally unsettling change from his immediate predecessors.

When GOP congressional leaders used to meet with Mr. Nixon, Sen. Hugh Scott reports, they had to stay wide awake to make sure the White House didn't slip a fast one by them. Now, he says, "there are no fast ones. You don't have to listen extra-careful."

Mr. Ford and his top aides are currently being chided for suggesting that the economic future may not be quite as bleak as their own budget projections indicated. Yet certainly he deserves continued praise for having permitted his economic counsellors to issue those frightening figures in the first place.

Or consider his answer during last month's TV interview, when NBC correspondent Tom Brokaw asked whether he was bothered by repeated reports that he wasn't smart enough for the job.

John Kennedy would have evaded with a wisecrack. Lyndon Johnson would have demolished with sarcasm. Richard Nixon would have overkilled with cant. Mr. Ford, with sensible restraint, merely cited his good record in law school and his steady rise to leadership in Congress.

Already the Ford administration has been comparatively open considerably longer than most people expected. The President is holding frequent press conferences, as he promised; if he uses them primarily to flog Congress for acting too slowly on economic and energy problems, that's more a criticism of the press for failing to pin him down on the tough questions than a criticism of him for skillfully employing the conference to his own advantage.

He's also been talking to many governors and other people on his travels, and inviting to the White House liberal Republican Senators, university presidents, civil rights leaders and other groups that haven't been there in a long while. White House staffers and other top administration officials are relatively accessible and seem willing to talk fairly freely, without worrying whether they're straying a few inches from the party line or without constantly looking over their shoulders to see whether a Marvin Watson or Bob Haldeman is marking them down in a little black book.

Nor does Mr. Ford appear uptight about possibly being overshadowed by more brilliant subordinates. His decision to put Vice President Rockefeller in charge of the Domestic Council and to let him staff it with his own people was the decision of a reasonably secure individual. Mr. Nixon certainly never gave Vice President Agnew or Vice President Ford that much leeway.

Mr. Ford's Cabinet appointments so far have been of notably high caliber, and again, hardly suggest a man seeking a comfortably consenting corps of advisers. Even his widely-criticized failure to act faster to remove Nixon holdovers who've outlived their usefulness is the failing of a decent man who can't quite bring himself to fire people.

Over and over, decency and genuineness turn up as the key words in any Ford portrait. He attacks Congress strenuously—but civilly. He challenges its policies but not its motives.

He honestly enjoys the job, and doesn't pretend otherwise. He doesn't constantly picture himself as unhappily bearing this dreadful burden (sigh!) only for the good of the country. His spontaneous humor—not the one-liners his speech-writers prepare and which he frequently botches, but rather his off-the-cuff comments at press conferences and other appearances—may not be sophisticated, but it's real.

It's easy to overstate the case, of course. As this column suggested soon after Mr. Ford's inauguration, institutional pressures will undoubtedly keep pulling him the other way—tending to make him less open and more secretive, less honest and more evasive, less accessible and more withdrawn, less relaxed and more paranoid. It's almost always happened that way before.

Even more importantly, moreover, Mr. Ford will continue to be judged primarily on policies and performance; on the programs he fashions to rebuild the domestic economy and to help preserve world peace, and on the effectiveness with which he carries those programs through. And it's right that the primary focus should be there.

Yet in this post-Vietnam, post-Watergate era, it would be wrong and unfair if his more personal contributions to the American presidency were slighted or ignored.

EXPRESSION OF CONFIDENCE IN THE VICE PRESIDENT

Mr. HUGH SCOTT. Mr. President, before yielding my time, I think I am duty bound to say that I have great confidence in the Presiding Officer of this body and that however tempers may rise, I hope that we will have an opportunity for them to cool.

I respect the differing points of view of all Senators equally. I know that the distinguished majority leader will concur with me in saying that what we wish to find is a resolution of our difficulties and our problems and a cooling of the atmosphere.

I believe that I am in conscience bound to say that; and because I have that confidence, I want it recorded here and now.

Mr. MANSFIELD. Mr. President, just to make a comment, I agree with the distinguished Republican leader.

Mr. HUGH SCOTT. I thank the distinguished majority leader. I think the leadership owes that obligation to the Presiding Officer.

I now yield the remainder of my time, or such part of my time as he may desire, to the distinguished Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Pennsylvania.

THE RIGHTS OF MEMBERS OF THE SENATE

Mr. WEICKER. Mr. President, in light of certain events which have transpired in this Chamber in the past 24 hours, I respectfully suggest a terse reminder of why this body has respected in the past, and I hope will continue to respect in the future, the right of every Member to speak. Therefore, Mr. President, I submit these seven reasons for protecting the rights of Members who do not represent the majority view at a particular moment: Marcus Tullius Cicero, Cato, Thomas Moore, Martin Luther, Edmund Burke, Abraham Lincoln, Winston Churchill.

Mr. President, I yield back the remainder of the time of the Republican leader.

ORDER OF BUSINESS

The VICE PRESIDENT. Under the previous order, the Senator from Montana is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I yield such time as the distinguished Senator from Vermont (Mr. LEAHY) may desire out of the 15 minutes allotted to me.

The VICE PRESIDENT. The Senator from Vermont is recognized.

Mr. LEAHY. I thank the majority leader.

EXPRESSION OF CONFIDENCE IN THE VICE PRESIDENT

Mr. LEAHY. Mr. President, I find the point that I am about to address somewhat of an unusual one, especially as I am the first Democrat ever elected to the Senate from the State of Vermont, and, quite frankly, as one who stated on numerous occasions many reservations I had when the President of the United States appointed the present Presiding Officer as Vice President. But I think that because of those two reasons, I can perhaps speak with less of an ulterior motive on this subject than most people.

I have heard distinguished Senators here state at some length their concern about the Presiding Officer's handling of the Chair. It is my own—and perhaps neophyte—feeling that the present Presiding Officer has been a model of fairness, a model of candor, and a model of distinguished concern in some very difficult times during the past few days. So, setting aside any partisanship, this Senator, anyway, would like to compliment the Chair. It has been an extremely difficult time. I think the Chair has acted not only from his distinguished position but, what is more important to the Senate, the distinguished position of the Presiding Officer, in a way that he does not have to apologize for it to anyone.

At least, this representative of Vermont feels that way, Mr. President. I felt compelled to make that statement.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the conduct of routine morning business, with a time limitation of 3 minutes per Member attached thereto, and that the period not extend beyond a half hour.

The VICE PRESIDENT. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair appoints the following Senators to the United Nations Law of the Sea Conference, to be held in Geneva, Switzerland, March 17–May 10, 1975: Senators MAGNUSON, MUSKIE, PELL, MCINTYRE, HOLLINGS, JOHNSTON, CASE, STEVENS, and BUCKLEY.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to 10 U.S.C. 4355(a), appoints the following Senators to the Board of Visitors to the U.S. Military Academy: the Senator from Rhode Island (Mr. PASTORE), the Senator from Vermont (Mr. LEAHY), the Senator from Maryland (Mr. MATHIAS), and the Senator from Virginia (Mr. SCOTT).

The Chair, pursuant to 10 U.S.C. 6968(a), appoints the following Senators to the Board of Visitors to the U.S. Naval Academy: the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. CULVER), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Maryland (Mr. BEALL).

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

(The remarks made by Mr. BUCKLEY at this point appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

UMI

The VICE PRESIDENT. Without objection, it is so ordered.

The time for morning business has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended for an additional, not to exceed, 15 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senator from New York.

(The remarks made by Mr. JAVITS at this point appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to 10 U.S.C. 9355(a), appoints the following Senators to the Board of Visitors to the U.S. Air Force Academy: the Senator from Wyoming (Mr. McGEE), the Senator from Colorado (Mr. HART), the Senator from Alaska (Mr. STEVENS), and the Senator from Michigan (Mr. GRIFFIN).

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:18 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the enrolled bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

At 1:10 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR FISCAL YEAR 1975, PUBLIC ASSISTANCE, SOCIAL AND REHABILITATION SERVICE

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Health, Education, and Welfare for "Public assistance, social and rehabilitation service," has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation for the fiscal year 1975; to the Committee on Appropriations.

REPORT ON THE HUD COINSURANCE PROGRAM

A letter from the Under Secretary of Housing and Urban Development, transmitting, pursuant to law, the first annual report on the HUD coinsurance program (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

PROPOSED PUBLIC BROADCASTING FINANCING ACT OF 1975

A letter from the Acting Director, Office of Telecommunications Policy, transmitting a draft of proposed legislation to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting and for other purposes (with accompanying papers); to the Committee on Commerce.

TRANSFER OF MILITARY EQUIPMENT

A letter from the Assistant Secretary of Defense in the nature of notification, pursuant to law, of the consent of the Department of Defense to the disposition of certain military equipment by the Government of the Republic of Vietnam by loan to the Government of the Khmer Republic; to the Committee on Foreign Relations.

REPORT OF THE RAILROAD RETIREMENT FUND

A letter from the Secretary of the Railroad Retirement Board reporting, pursuant to law, on the activities of the Board for the calendar year 1974; to the Committee on the Judiciary.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON THE EDUCATION OF DISADVANTAGED CHILDREN

A letter from the Committee on Mandated Studies transmitting, pursuant to law, a report on the research plan on the mandated study of compensatory education (with an accompaning report); to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, without amendment:

S. Res. 23. A resolution disapproving the proposed deferral of budget authority to carry out the comprehensive planning grants program under section 701 of the Housing Act of 1954 (Rept. No. 94–23).

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.R. 3260. An act to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. oc. 93–398), and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39), and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974 (Rept. No. 94–24).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. GRIFFIN, from the Committee on Commerce:

Robert J. Corber, of Virginia, to be an Interstate Commerce Commissioner;

William T. Coleman, Jr., of Pennsylvania, to be Secretary of Transportation.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LONG, from the Committee on Commerce:

The following officers of the U.S. Coast Guard for promotion to the grade of rear admiral:

Malcolm E. Clark
Robert A. Duin
David F. Lauth
Sidney A. Wallace
William S. Schwob

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 27, 1975, he presented to the President of the United States the enrolled bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BUCKLEY (for himself, Mr. BAKER, Mr. RANDOLPH, and Mr. MORGAN):

S. 865. A bill to promote more efficient use of the Nation's construction resources, to foster the preservation of buildings of historic or architectural significance, and to enhance the social and economic environment within and surrounding Federal office buildings. Referred to the Committee on Public Works, by unanimous consent.

By Mr. EASTLAND:

S. 866. A bill for the relief of Patrick Andre Tasselin and his wife, Fabienne Francoise Tasselin. Referred to the Committee on the Judiciary.

By Mr. JAVITS:

S. 867. A bill to amend the act entitled "An act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928). Referred to the Committee on Interior and Insular Affairs.

By Mr. INOUYE:

S. 868. A bill to provide for minimum rate provisions by nonnational carriers in the foreign commerce of the United States, and for other purposes. Referred to the Committee on Commerce.

S. 869. A bill for the relief of Charles Bennie, Walter H. Jensen, and Charles W. Soule. Referred to the Committee on the Judiciary.

By Mr. FONG:

S. 870. A bill to place the position of Director of the Office of Management and Budget, in level I of the executive schedule under section 5312 of title 5, United States Code. Referred to the Committee on Post Office and Civil Service.

By Mr. FONG (for himself, Mr. BROCK, Mr. CHURCH, Mr. DOMENICI, Mr. FANNIN, Mr. HANSEN, Mr. RANDOLPH, Mr. STAFFORD, and Mr. WILLIAMS):

S. 871. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the 65-year age limitation. Referred to the Committee on Labor and Public Welfare.

By Mr. HATFIELD (for himself and Mr. ABOUREZK):

S. 872. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates. Referred to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

S. 873. A bill for the relief of James D. Davidson, Vincent W. S. Hee, and Kay M. Mochizuki. Referred to the Committee on the Judiciary.

S. 874. A bill for the relief of Antone R. Perreira. Referred to the Committee on the Judiciary.

By Mr. GARY W. HART:

S. 875. A bill to authorize the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. ABOUREZK (for Mr. JACKSON and Mr. FANNIN) (by request):

S. 876. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1976. Referred to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA (for himself, Mr. DOMENICI, and Mr. ABOUREZK):

S. 877. A bill to direct the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 878. A bill to designate the Veterans' Administration hospital in Columbia, S.C., as the "Wm. Jennings Byran Dorn Veterans' Hospital." Referred to the Committee on Veterans' Affairs.

By Mr. MOSS:

S. 879. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to require itemized budget requests for funds to provide relocation assistance. Referred to the Committee on Government Operations.

By Mr. McGOVERN (for himself, Mr. ABOUREZK, Mr. BURDICK, Mr. CASE, Mr. CLARK, Mr. CHURCH, Mr. DOMENICI, Mr. HUMPHREY, Mr. MANSFIELD, Mr. McGEE, Mr. METCALF, and Mr. HUGH SCOTT):

S. 880. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans. Referred to the Committee on Veterans' Affairs.

By Mr. HATFIELD (for himself, Mr. CLARK, and Mr. McGOVERN):

S. 881. A bill to establish an Office of Food Administration for a temporary period in order to develop coordinated national policies on domestic and foreign food assistance programs. Referred to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY:

S. 882. A bill to extend and revise the special supplemental food program. Referred to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY (for himself, Mr. CLARK, Mr. McGEE, and Mr. McGOVERN):

S. 883. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility with which to participate in efforts to alleviate the suffering and human misery of hunger and malnutrition and for certain other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENS:

S. 884. A bill to provide needed facilities and services not otherwise available for the accommodation of visitors in the areas administered by the National Park Service, by authorizing the Secretary of the Interior to guarantee loans which are part of concessioner investments in such facilities and services, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY (for himself, Mr. JACKSON, and Mr. MAGNUSON):

S.J. Res. 38. A joint resolution to bestow United States citizenship upon Leif Ericson. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUCKLEY (for himself, Mr. BAKER, Mr. RANDOLPH, and Mr. MORGAN):

S. 865. A bill to promote more efficient use of the Nation's construction resources, to foster the preservation of buildings of historic or architectural significance, and to enhance the social and economic environment within and surrounding Federal office buildings. Referred to the Committee on Public Works, by unanimous consent.

PUBLIC BUILDINGS COOPERATIVE USE ACT OF 1975

Mr. BUCKLEY. Mr. President, I send a bill to the desk, and I ask unanimous consent that it be referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I am today introducing legislation that seeks to make the Federal Government a better neighbor in the cities of our Nation. I see this bill as a way to enhance the environment of our cites while saving money.

It is legislation that will also conserve energy and natural resources, while producing new jobs.

I do not see this as miracle working. Rather, it is an effort to bring greater flexibility—with some relatively small changes in the law—in the way we acquire and use Federal office buildings. The changes in this bill are reasonable, and I believe that they offer the prospect of substantial benefits to the American public.

Specifically, this bill authorizes two new options in the manner in which the Federal Government acquires and operates its office space. The bill would allow, for the first time, a cooperative, private-public use of space in Federal office buildings. And it would encourage the renovation—"recycling" might be the better word—of existing buildings into new Federal offices, where appropriate.

What kind of building policy should we have? What kind of a Federal environment should we foster? When asked that question more than a decade ago, Prof. Daniel P. Moynihan came to this conclusion:

The policy shall be to provide facilities in an architectural style and form which is distinguished and which will reflect the dignity, enterprise, vigor, and stability of the American national government. Special attention should be paid to the general ensemble of streets and public places of which Federal Buildings will play a part.

A recent staff report to the Federal Architectural Task Force, established under the National Endowment for the Arts, contained a quotation that stated what I submit is the basic problem:

The very term "public building" has become a contradiction: no one in his right mind now goes into a public building except on business.

This bill seeks to ameliorate that situation, to bring the public back into our public buildings. It seeks to breathe new life into Federal buildings. And to do it at less ultimate cost to the taxpayers.

The significant sections of the legislation are sections 2, 3, and 4. Section 2 lists a number of policy directives to the Administrator of General Services, directives that are implemented in sections 3 and 4.

Section 3 amends the Public Buildings Act of 1959, encouraging the Federal Government to purchase and rejuvenate older buildings when that proves practicable, and to convert those buildings into new Federal office space. Such an approach—an effort to recycle what is worthy and well built in our architectural heritage—would produce many benefits.

It would save energy. The design of older buildings is less extravagant in energy use than most present buildings. This revivalist approach would also save the consumption of energy needed to tear down and replace the old building. And it would usually prove cheaper than replacement construction. Since renovation tends to be more labor-intensive, per dollar invested, it would mean jobs. Further, it is often work that can be accomplished far more expeditiously than wholesale demolition and replacement.

At a hearing held yesterday, the General Services Administration testified to the Public Works Committee that a $1 million investment in repair and improvement work on existing Federal buildings produces five times as many new jobs as $1 million in new construction spending. While such figures may not prove exact or comparable for the type of renovation work that is contemplated in this bill, I am convinced that this legislation can and will have a substantial and effective payoff in worthwhile employment.

Possibly most significant, renovation projects would recapture some of the beauty of the past, making our cities more livable by fostering continuity and progress in our cities.

The bill directs that GSA contract with the National Trust for Historic Preservation for an inventory of possible local renovation alternatives whenever GSA initiates a survey of building needs.

But this is not an effort to pick an occasional historic building and then renovate it. I would anticipate the Trust and GSA would find opportunities for renovation in many older, run-down office buildings, warehouses, railway stations, theaters, and so on. The purpose would not be to preserve the interior as originally constructed but to convert the interior into modern offices, saving as much of the basic structure as proves to be wise.

This approach will prove both useful and frugal. The object of a Federal building policy is not to demolish and build, demolish and build because the Tax Code encourages such an approach in the private sector.

The object must be the spending of the taxpayers' money in the wisest and most effective possible way.

And, I might add, any effort to utilize older buildings may also have the salutary effect of slowing the push toward the consolidation of all Federal offices in one giant concrete monolith per city. We can reasonably question whether or not the local Secret Service office must be across the hall from the local Forest Service office.

But as we try to utilize the past, we must also seek to revitalize existing and future Federal offices, to the benefit of employees and visitors alike. Too often, we surround the Federal employee with an architectural moat. He has no place to eat, except in the building cafeteria. He has no place to shop, except possibly at a cigar stand. And the general public—the people who paid for the building—certainly has every reason to shun the building, except when forced there on business between 9 and 5.

We must open up our Federal buildings, encouraging public use of what they have paid for. The recent staff report to the Federal Architectural Task Force sought to "encourage a more lively pedestrian setting in and around these buildings." The report went on to urge that "multiuse" be "not just allowed but vigorously promoted."

Section 4 of the bill, in amending section 210 of the Federal Property and Administrative Services Act of 1949, would permit such multiuse or cooperative use. This section would grant GSA authority to lease ground-floor space of Federal office buildings for "commercial, cultural, educational, or recreational" uses.

Such expanded uses of ground-floor space would, of course, serve the employees of the building. They would serve the visiting public. Most significantly, I believe, they would bring new life, new activity, and new vitality to the blocks around that Federal office building.

Many examples of cooperative planning and use exist. New York City has pioneered in a good-neighbor approach, encouraging complexes that mix governmental, commercial, residential, and educational space. The basement of the Pentagon houses an area as big as a football field with a bakery, clothing stores, jewelers, banks, florists, drugstores, camera stores, and candy stores. Possibly the most active proponents for such a program are the Canadians, who are developing a number of mixed-used office facilities in Ottawa, with about a quarter of the space rented for commercial use.

Such a broadened horizon in usage should also prove to be a substantial cost-saver for the taxpayers. The most valuable space in most office buildings is the space on the ground floor. Instead of wasting this prime space in rows of desks and files, the bill would make it available at commercial rates.

The purpose, of course, is not to make GSA the Nation's landlord. Cooperative use is a limited tool. I would not expect it to work everywhere. And it should only be tried where local governments agree. But it is a policy that should have the ancillary benefit of enhancing employee morale and efficiency.

I recognize that neither renovation nor mixed cooperative use can prove applicable everywhere. Many occasions exist when rejuvenation of an area can be achieved only with new construction. And cooperative use, though it might prove profitable, is not necessary in many downtown locations. Recognizing such variations, the legislation mandates no change. It permits change, allowing this flexibility when it is desired by local people and GSA.

I am honored that three of my distinguished colleagues on the Public Works Committee have joined in sponsoring this bill. Specifically, the distinguished chairman of the full committee, Mr. RANDOLPH, the ranking minority member of the full committee, Mr. BAKER, and the new chairman of the Subcommittee on Buildings and Grounds, Mr. MORGAN, are each cosponsors of this legislation. I recognize Chairman RANDOLPH'S deep and strong interest in the effort to make the Federal building program a more flexible one, a program that is meshed with the national effort to conserve energy and produce new jobs. His cosponsorship is greatly appreciated by me, indicating as it does his longstanding desire to tackle problems, not partisan politics.

The Senator from Tennessee (Mr. BAKER) is a member of the Federal Architecture Task Force. As such, he has a great interest and knowledge in problems and issues involving urban architecture. His counsel to me over the years has been wise, and his cosponsorship of this bill is deeply valued.

And I am pleased that one of the new members of the committee, the Senator from North Carolina (Mr. MORGAN), who is chairman of the Buildings and Grounds Subcommittee, has also agreed to cosponsor the bill. I thank him and look forward to our working together in the years ahead.

Mr. President, I ask unanimous consent that an article in the Washington Post be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INSTITUTIONAL ISOLATION

(By Wolf Von Eckardt)

There is nothing public about our public buildings.

The General Services Administration designs them exclusively for various federal pursuits and, as a new report by the federal architecture task force of the National Endowment for the Arts points out, "No one in his right mind goes into a public building except on business."

This is bad for the government and worse for the neighborhood and GSA knows it—or should.

It is bad for the government because institutional isolation is always bad. It can only benefit from an interplay between government activities and community life.

Besides, the interplay undoubtedly helps the morale and efficiency of federal employees who work in a building like the new Garnisonen in Stockholm, which includes restaurants and snack bars, exhibit halls, auditoriums, gymnasiums and a sauna, as well as offices.

The Garnisonen houses the Swedish equivalent of our GSA. It was designed as a truly public building in that the public is welcome and offered amenities private developers usually fail to offer. The public spaces have movable partitions, to meet changing public needs.

What's more, the government makes some money on renting out space in its buildings.

Single-minded use of government buildings is bad for the city because, as everyone knows, the buildings die after the clerks have gone home. If you have a lot of government buildings clustered together, as in Washington's Federal Triangle, the entire business district suffers gangrene.

The Canadians have learned this and now devote about a quarter of the space in new government office buildings to private commercial use. They hope to provide the kind of shops that keep cities lively, such as barber shops, bookstores, and interesting restaurants, which the private developers pass up because they demand rents that only banks and airline offices can afford.

The GSA is now beginning to pay lip service to the "multiple use" idea. But it is not doing anything about it. It's not legal, GSA bureaucrats say.

GSA is authorized by Congress to assign space to a federal agency, they argue, but says nothing about nonfederal agencies. "Consequently," says a May, 1972, memorandum by GSA's general counsel, ". . . We lack the requisite authority to plan, design and construct a new building, or alter an existing building, to include such features as theaters, libraries, dining quarters, stores, etc., for the use of the general public."

GSA has written this narrow and questionable interpretation of the law (the Public Buildings Act of 1959) into its guidelines and has made only few exceptions. It now allows commercial activities in federal buildings under the auspices of the Minority Enterprise Program, for instance. Some agencies can sell their own products. The U.S. Geological Survey sells maps, the U.S. Mints sell collectors' coins and the Office of Economic Opportunity sells Appalachian handicrafts on the ground floor of its Washington headquarters.

But, as the arts endowment report points out, a few coins or candlesticks, or even stands operated by the blind or by minority enterprises, is not what it is all about. What it is all about is to use public buildings to enhance the quality of public life in the city.

The government needs all the space it can build, says GSA. Besides, Congress wouldn't like it. So we can't do it.

Yes, you can, says the endowment's federal architecture project staff—if you consult local officials and then tell the Office of Management and Budget as well as Congress of the community advantages of multiple use and charge rent to recoup the additional cost.

We can't do it, says GSA, because it threatens security—people might steal paperclips or secrets, or demonstrate or throw bombs.

No excuse, says the endowment report. People also misbehave in private buildings. Lock your offices or perhaps even the elevators. Besides, there is less crime and vandalism when there are people around. It's those dead-at-night office buildings that are dangerous.

If you want to mix uses, says GSA, mix them in privately owned buildings. We rent government space in private office building in Crystal City, for instance, but only the upper floors. The ground-floor space is too expensive.

That's just the point, says the endowment. Speculative developers care about high rents, not urban vitality. The government could afford to rent space along the street for activities people enjoy.

But a lot of areas don't have any people on the street, says GSA.

We don't expect you to open a flower stand in the Atomic Energy Commission along U.S. 70 at Germantown, says the endowment. But if the government wants to help the inner city survive, it should locate federal employment centers downtown—in multipurpose buildings.

We couldn't help much, says GSA. The Supreme Court wants all federally owned facilities tax exempt. If we house private enterprises in our buildings it would be also tax exempt and therefore unfair competition.

Oh, c'mon, says the endowment. You can get payments-in-lieu-of taxes. You can charge fair rents. You could do all kinds of things to overcome these obstacles administratively with new guidelines if only you wanted to.

It should all be much easier, says the endowment report, since the Federal Building Fund was started last summer. Federal agencies now pay rent to GSA for their office space. If GSA can collect rent from the U.S. Treasury, it should also be able to collect rent from a flower shop or pizza parlor.

The Defense Department has for years now operated one of the largest and most thriving regional shopping centers in the Washington area—the Pentagon Concourse.

It contains a department store, bakery, clothing stores, jewelers, shoe repair, government bookstore, two banks, a florist, a drug store, a camera shop, candy stores, a cafeteria and other services. It grosses some $6 million in sales a year. The Pentagon did it with special legislation. And if we had anything just nearly like it in the Federal Triangle serving tourists as well as the federal employees, we would not have to worry about downtown gangrene.

But since GSA can think only of reasons not to open up its public buildings to the public, the endowment recommends an executive order that places special emphasis on good urban design and multi-use development of federal buildings to attain it. Will someone please tell President Ford?

Congress, especially the House and Senate Public Works Committees, might also take an interest in this subject. There are a lot of architects, city planners, city officials, realtors, developers around the country happy to testify at a public hearing what public use of public buildings could do to make our cities more viable and livable.

Mr. BAKER. Mr. President, I am very pleased to join with my distinguished colleague from New York (Mr. BUCKLEY) in sponsoring this legislation, the Public Buildings Cooperative Use Act of 1975. I commend Senator BUCKLEY on his initiative.

As one of 13 members of the task force that is working with Executive Director Bill Lacy to study the guiding principles for Federal architecture, I have had the opportunity to weigh the options that may be available through programs for cooperative and adaptive use. I support fully the intent of this bill. I believe it is fitting that someone, who has not been connected with the task force, mold these thoughts into legislation.

The rationale that has been presented in the floor statement of the ranking minority member of the Subcommittee on Buildings, Mr. BUCKLEY, is sound. We must work to make the Federal Government a better neighbor in every city. We must bring the public back to our "public" buildings.

I share his thinking that this approach will produce a variety of benefits.

By permitting the General Services Administration to lease ground-floor space of Federal office buildings for shops and restaurants and cultural activities, we would bring new life and vitality to the Federal neighborhood. This bill will also generate savings in both cost and energy.

By encouraging the Federal Government to buy old buildings, then rejuvenate them into new Federal office space, we have a chance to recycle worthy monuments from our past. And that work will mean new jobs, and usually a savings in energy.

Mr. President, I am particularly pleased that Chairman RANDOLPH and Senator MORGAN have joined with Senator BUCKLEY and me in sponsoring this legislation. Chairman RANDOLPH'S leadership in developing answers to problems relating to Federal employees and energy use is known to each of us. I am pleased to be associated with him. And I am gratified that Senator MORGAN, the new chairman of the Buildings Subcommittee, has joined with us.

I am hopeful that this sign of bipartisan interest will enable us soon to conduct hearings on this bill, then move it to the floor for full Senate consideration.

By Mr. JAVITS:

S. 867. A bill to amend the act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (78 Stat. 928). Referred to the Committee on Interior and Insular Affairs.

Mr. JAVITS. Mr. President, I send to the desk for introduction today, and it is being similarly introduced in the other body, a bill relating to the Fire Island Seashore in New York, a Federal development of which we are extremely proud.

The bill would increase the authorization figure in respect to the Fire Island Seashore by $10 million, and it would give the Secretary of the Interior the authority to go to the appropriate U.S. district court for injunctive relief against any action covered by the Fire Island Seashore Act which is inconsistent with the purposes of the act or which is considered adverse to the protection and development of the national seashore.

The $10 million figure is attributable to the estimate of the National Park Service that it will take $7.15 million to complete acquisitions and condemnations in respect to the seashore.

That is an estimate and could, of course, go up on further condemnations, and the power to the Secretary to seek injuctive relief is because there is very serious threat to the seashore in respect to certain uses of private property which are part of or contiguous to the seashore.

In 1964, the Fire Island National Seashore was established:

For the purposes of conserving and preserving for the use of future generations certain relatively unspoiled and undeveloped beaches, dunes, and other natural features within Suffolk County, New York, which possess high values to the Nation as examples of unspoiled areas of great natural beauty in close proximity to large concentrations of urban population . . ." 16 U.S.C. § 459e(a).

The seashore, a long narrow stretch of unstable sand reef varying from several hundred yards to a half mile in width, forms a barrier separating the ocean from the bays and protects the bays and the mainland of southern Long Island from the Atlantic Ocean. It contains an impressive array of seashore resources of an extremely fragile nature. The ocean beaches were and where not eroded are wide, clean and gently sloping. The dunes were and where not eroded are stabilized by beach grass, bayberry, other vegetation and some low lying pitch pine. On the bay side, wetlands and marshy areas contribute to the ecological resources of the bays which run almost the length of the southern shore of Long Island. Except for facilities at Smith Point County Park and Robert Moses State Park, there are no roads, highways or parking lots within the seashore, a factor which imparts a special character to the seashore. Access to the seashore is primarily by means of scheduled ferry service and private boats. Motor vehicles gain access to the seashore by bridges at Smith Point County Park to the east and Robert Moses State Park to the west.

The eastern portion of the seashore is, for the most part, undeveloped and in its natural state. The western portion, however, contains several predominantly summer communities. While inholdings of private property within a public park are not desirable, especially on a resource as fragile as the seashore, a compromise was worked out to reconcile the local interests with the national interest of preserving Fire Island. The then Secretary of the Interior Stewart L. Udall, reported this compromise to the Congress:

Also located in the western half of the island are several small but rather intensively developed communities. Under the provisions of the enclosed draft bill these communities, as well as the owners of more scattered improved properties, could retain their present state of development as long as adequate zoning approved by the Secretary of the Interior is in effect, and the development remains compatible with the purposes of a national seashore.

Consequently, the act directs the Secretary to issue regulations specifying zoning standards with which local zoning ordinances must conform and gives the Secretary the right to approve local zoning ordinances—16 U.S.C. 459e-2. The development of any property not in accordance with approved zoning is subject to condemnation by the Secretary. Thus, any development taken pursuant to a variance or exception from approved zoning laws, which variance or exception is not approved by the Secretary, subjects the property to the power of condemnation of the Secretary—16 U.S.C. 459e-1.

Pursuant to the act the Secretary promulgated regulations—36 C.F.R., part 28. The regulations establish minimal standards which must be met if private property is to be exempt from condemnation. Four local governments have zoning jurisdiction on the seashore. Since the passage of the Fire Island National Seashore Act in 1964, the Secretary has approved only one of those zoning ordinances, that of the town of Islip. Consequently, the Secretary can condemn any development, not only noncomforming development, in

any of the three other jurisdictions. During the period of 1965–73, the local jurisdictions granted at least 320 variances. Of these, the superintendent of the seashore received notice of 86 and objected to 65 as not consistent with the purposes of the Seashore Act. Nevertheless, not one piece of property has been condemned for violation of the Seashore Act's zoning requirements.

In 1972, 17 individual property owners on the seashore brought an action against the Secretary of the Interior, National Park Service officials and the local governments on behalf of themselves and 12 civic associations on the seashore which have a membership of about 1,500 persons. This action sought to enjoin any further development inconsistent with the act until such time as the Secretary prepared, issued, and implemented an environmental impact statement as required by the National Environmental Policy Act (NEPA)—42 U.S.C. 4321 et seq. After a hearing on plaintiff's motion for a preliminary injunction to stop any further inimical development on the seashore, the district court found:

Plaintiffs demonstrate beyond peradventure that the period since 1964 has seen continuing development of the residential use of the portions of Fire Island not taken in condemnation, and has witnessed the granting of a very large number of variances. It is estimated, on the basis of aerial surveys, that a 32% increase in building has occurred from 1964 through 1973. The affidavits demonstrate that such intensification of use, and the corresponding expansion of commercial uses, in the opinion of eminently qualified experts, has materially increased the ecological effect on the island's limited water resources and has increased the risk if not the actuality of water contamination from septic tank run-off and sea water intrusions, and that for all that appears the burgeoning use of the island may already have resulted in exceeding the ecologically optimum population of the island, and must continue to do so if residential and related commercial development is suffered to continue.

Notwithstanding, the court denied the preliminary injunction on the ground that it lacked jurisdiction to do so.

This decision was affirmed by the U.S. Court of Appeals for the Second Circuit. *Biderman v. Morton*, 497 F. 2d 1141 (2d Cir. 1974). The circuit court began its opinion by stating:

"Efforts by environmentalists to preserve our natural habitat—in this instance, Fire Island—cannot help but strike a sympathetic chord. Indeed, this is particularly true where, as here, this laudable purpose appears frustrated by a federal statutory scheme which, despite its lofty terms, provides a mere chimera of environmental protection . . ." 497 F. 2d at page 1142.

The Court concluded its opinion by stating:

". . . In their justifiable frustration, plaintiffs have sought relief from the courts but it is clear that only Congress can provide the remedy. . . . Nevertheless, precatory though our words must necessarily be, we cannot help but urge those with the power and authority to preserve this gem of an island to halt their procrastination and get on with the urgent business of saving this charming and fragile outpost of nature before the encroachments of haphazard development irrevocably despoil it." 497 F. 2d at pages 1148–49.

Despite the fact that the Seashore Act was passed in 1964, no master plan to govern development nor any environmental impact statement as required by NEPA yet exists. A draft master plan was prepared in 1965 but found inadequate. A second draft master plan and draft environmental impact statement was prepared in 1973 in response to the lawsuit but were also recalled as inadequate. A third draft master plan and second draft environmental impact statement has just been prepared and released. They have not yet been approved by the Secretary. When and if they are, they will then be the subject of public hearings after which they may or may not become final depending on whether or not they have to be modified. Thus, a final master plan and final environmental impact statement are still more than a year away despite the fact that the Seashore Act was passed in 1964 and NEPA in 1970.

It is therefore necessary for Congress to provide the Fire Island National Seashore with improved environmental protection. Such additional protection is of great importance now, since no final master plan or environmental impact statement is in existence to govern future development, and building could be rushed to completion before implementation of the master plan. Wholesale building and development continue on the seashore without regard to the requirements of the Seashore Act. For example, a large piece of land known as tract 2203 was sought to be condemned many years ago by the Secretary. Over vigorous local opposition this property was revested, and the present owner has filed plans to subdivide and develop the tract. The Superintendent of the seashore has opposed this development and recommended that the Secretary condemn it. However, the Secretary needs additional funds for this purpose and also needs the power to halt the development without the use of the condemnation power. This bill would provide both the funds to condemn this land and the power to enjoin development.

Giving the Secretary the injunctive power to further the purposes of the Seashore Act is clearly constitutional. There exists a paramount Federal interest in the preservation of Fire Island. This paramount national interest is expressed not only specifically in the Fire Island National Seashore Act but also generally in the National Environmental Policy Act—NEPA. These statutes establish the overriding Federal concern with the protection of such an ecologically unique and valuable resource.

To carry out this paramount national interest, courts may enjoin the action of private parties or even local governments which are inconsistent with the national interest or prevent its fulfillment. *Perez* v. *Campbell*, 402 U.S. 637 (1971); *Radio Station WOW* v. *Johnson*, 326 U.S. 120 (1945); *Savage* v. *Jones*, 225 U.S. 501 (1912).

Courts have enjoined the actions of private persons which interfere with the paramount national interest as expressed in NEPA. *Silva* v. *Rommey*, 473 F. 2d 287 (1st Cir. 1973); Citizens for *Clean Air, Inc.* v. *Corps of Engineers*, 349 F. Supp. 696 (S.D.N.Y. 1972).

Furthermore, it has been specifically held that zoning restrictions can be imposed on private property for esthetic or environmental considerations. *Berman* v. *Parker*, 348 U.S. 26, 33 (1954); *City of St. Paul* v. *Chicago, St. Paul, Minn, and Omaha RR Company*, 413 F.2d 762, 767 (8th Cir. 1969).

The restrictions imposed by the National Seashore Act, which is now being backed up by injunctive powers, are eminently reasonable. Only development which is inconsistent with the Seashore Act would be subject to injunction. Development which conforms to the zoning standards spelled out in the act and regulations would be allowed.

Recently, the National Park Service has suggested in the latest draft master plan that the western part of Fire Island be dropped out of the National Seashore to avoid problems of condemnation and presumably to save money. This is not an acceptable way to deal with the protection of a valuable resource such as Fire Island.

If the Fire Island National Seashore is to be preserved as Congress intended in 1964, the additional money and powers provided in this bill are a basic minimum to achieve that end. I intend to seek early hearings on this bill and the entire problem.

I ask unanimous consent that a copy of an Interior Department memo containing pertinent information on Fire Island and its administration and the text of the bill be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JAVITS. For all these reasons, Mr. President, this bill commends itself very highly to us in New York and, as I say, will be sponsored by the local Members of the House in the other body.

S. 867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 10 of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (78 Stat. 928), is amended by deleting "$16,000,000" and inserting in lieu thereof "$26,000,000".

(b) Section 7(c) of such Act is amended by adding immediately after the first sentence thereof the following new sentence: "In addition to any other statutory authority available to him under this Act or any other law, the Secretary, in carrying out his duties under this Act to administer, protect, and develop Fire Island National Seashore, is authorized to petition an appropriate United States district court for injunctive relief concerning any action covered by the provisions of this Act which the Secretary determines is inconsistent with the purposes of this Act, or which he considers adverse to the protection and development, in accordance with the purposes of this Act, of the area comprising the national seashore, and the United States district courts shall have jurisdiction to receive, consider, and act upon any such petition.".

BRIEFING STATEMENT—FIRE ISLAND

1. Fire Island National Seashore was authorized by Public Law 88–587 passed September 11, 1964.

2. The purpose of the area is to preserve a section of barrier beach off the south shore of Long Island, to provide recreation and natural open space for the enjoyment of all.

Support for establishment of the park came from residents and conservationists who did not want to see a road constructed on Fire Island as proposed by Robert Moses. A severe storm in 1962 had a sobering effect on homeowners on the island and led to a feeling that much of the open space on the island should be preserved. Also there was a substantial interest in strengthening erosion control measures and zoning controls on the island.

3. The boundary extends 29 miles from the east boundary of Robert Moses State Park to Moriches Inlet. Sixteen million dollars has been authorized for land acquisition and of this figure, less than one percent remains unobligated. The water boundary extends 1,000 feet on the oceanside, and up to 4,000 feet on the bayside.

A. The Federal Government holds title to 2,733 acres.

B. The State of New York holds title to all ocean front lands below mean high water (a legal point not accepted by all.) We are now in process of having these lands before Federal areas transferred from the State of New York.

C. The Towns of Brookhaven and Islip hold title to all bay bottom lands except a small tract at Sailors Haven.

D. The Towns of Brookhaven and Islip also hold title to several tracts within our boundary—totaling 204 acres.

E. Title held by private citizens or village governments and associations totals 1048 acres.

F. Suffolk County holds title to 1519 acres.

4. Federal Jurisdiction is Proprietory and extends to all lands in Federal ownership plus lands and waters of the State of New York adjoining fast lands of Federal ownership.

5. Budget for Fiscal Year 1974 is $617,400.

6. Staffing: 28 Permanent and 50 Temporary.

7. Visitor Use for Calendar Year 1972 was 578,702. Use was predominately from Long Island and Metropolitan New York.

8. Developed Areas:

A. Watch Hill:
(1) Marina 150 boats.
(2) Concession-contract.
(3) Ferry Service—special use permit.
(4) Campground—reservation system.
(5) Protected swimming beach.
(6) Nature Trail.

B. Sailors Haven:
(1) Marina 30 boats.
(2) Concession-contract.
(3) Ferry Service—special use permit.
(4) Protected swimming beach.
(5) Nature area—Sunken Forest.
(6) Boardwalk and cement trail systems.

9. Undeveloped Areas:

A. Eight mile zone (from Watch Hill east to Smith Point County Park) is to be left largely undeveloped.

B. Talisman is to be developed as third major public use area when funds permit.

C. Westend Strips. These are too small for development as major public use areas.

10. Conceptual Master Plan Draft:

A. Attempts to solve certain resource and public use problems, i.e.:
(1) Visitor access:
(a) Parking on mainland.
(b) Ferry service and lateral movement (concession).
(2) Carrying capacity of developed areas.
(3) Priority placed on day use areas rather than more marinas.
(4) Natural zones to be placed in low development priority.
(5) Visitor exeprience defined.

B. Major recommendations:
(1) Acquisition of Coast Guard tract.
(2) Maintain ferry and parking sites.
(3) Dune protection zone—undeveloped lands along dune line within communities.

C. Areas to be developed are Watch Hill, Sailors Haven, and Talisman.

D. Acquisition funds required—$7,150,000 estimate.

(1) For mainland parking and ferry terminal sites 80 acres	$2,000,000
(2) Beach strand in front of communities (60 feet) 50 acres @$25,000	1,250,000
(3) Dune zone within communities 40 acres @$35,000	1,400,000
(4) Enforcement of zoning standards—7 actions per year for two years @ $150,000 each	
(5) Acquisition of tract #2203—8.5 acres	500,000
Total	7,150,000

E. Increase of annual operating funds—$260,000.

(1) 5.5 man years.

(2) Temporary positions for beach protection, beach clean-up, enforcement of beach buggy regulations, etc., 16 man years.

11. Environmental Impact Statement:

A. Provided environmental data regarding suggested development plan.

B. Set forth overwash principle of barrier islands as a factor governing development.

C. Suggests erosion control philosophy.

12. Status of Law Suits:

A. First complaint action filed August 9, 1972.

(1) Requested an Environmental Impact Statement for Fire Island National Seashore.

(2) Asked National Park Service to control beach vehicle travel.

(3) Asked National Park Service to acquire ocean front beaches.

(4) Other issues:
(a) Zoning standards and action.
(b) Development in communities.

(5) Plaintiff filed interrogatories March 20, 1973.

(a) Reply included preliminary draft of Master Plan and Environmental Impact Statement.

(6) Motion for dismissal denied, but no decision—pending completion of Master Plan and Environmental Impact Statement.

B. Plaintiff's arguments and preliminary motion of injunction filed August 22, 1973.

(1) Points of complaint:

(a) Inadequacy of Environmental Impact Statement and Master Plan.

(b) Overwash theory contested.

(c) Continued and past failures of National Park Service to carry out provisions of Act.

(2) Asked National Park Service to refrain from giving approval for the issuing of or granting building permits, variance permits for dredging, building on dunes or wetlands. National Park Service should issue vehicle permits only for essential services and for health and safety of Fire Island National Seashore residents and visitors.

(3) Reply by Government September 13, 1973 agreed to items of injunction except:

(a) Superintendent may approve applications for building permits containing no variances, exceptions, or adverse locations by providing plaintiff in court on 30 day notice.

(b) We want to continue to manage vehicle control:

(1) Proposed vehicle regulation amendments submitted for court review.

(2) Seashore would issue permits subject to change and approval of regulations as proposed.

(2) Seashore would issue permits subject to change and approval of regulations as proposed.

(3) Items of injunction do not effect Federal land management and public use except beach buggy operations.

13. Status of Planning:

A. Survey on environmental assessment of non-Federal lands developed and proposals advertised. Necessary to complete Environmental Impact Statement:

(1) $68,000 study under contract with Jack McCormack and Associates.

(2) Study to be completed by September 1, 1974.

(3) Survey covers:
(a) Land use inventory.
(b) Land ownership inventory.
(c) Existing development.
(d) Evidence of environmental manipulation.
(e) Environmental pollution.
(f) Topography.
(g) Geomorphology and coastal processes.
(h) Soil.
(i) Ground, water hydrology.
(j) Vegetation and flora.
(k) Fauna.
(l) Estuarine quality.
(m) Assessment of storm damage.
(n) Historical, cultural and archeological resources.
(o) Needs to maintain presence on existing Federal lands.

14. Erosion Control:

A. Saltaire—Ocean Bay Park proposals to construct groins *objected* to by the National Park Service and Town of Islip. (Now before Corps of Engineers.)

B. National Park Service—Corps meetings September 6, 1973, opened discussions and established positions of each agency. Plans are to follow up with a review of Corps' plan for hurricane protection and submit comments. Plan not received from the Corps.

15. Beach Vehicle Control:

A. Kismet (Lighthouse Shores) versus Town civil action appeal heard by Suffolk County Supreme Court ruling that Town lack jurisdiction.

B. Seashore vehicle amendments have been submitted to Washington for printing in Federal Register.

16. Beach Strand Acquisition:

A. Letters have been sent to property owners in east end to determine their interest in donating strips to Federal Government—response has been limited and with little interest in donating.

B. Condemnation case regarding acquisition of beach strand in front of Seaview has resulted in information that costs would likely exceed $1,000,000. This figure exceeds available funds, and it has been recommended case be withdrawn without prejudice or cost to Federal Government.

17. Private Development on Lands in Seashore District:

A. Private owners and developers have asked town for building permit and right to subdivide undeveloped lands in the seashore district—(tract 2203).

B. By provision of the enabling legislation development of this land would subject it to condemnation.

C. Costs for acquisition of this tract would likely exceed remaining acquisition funds authorized by Congress.

18. Revision of Master Plan and Environmental Impact Statement will be completed as soon as McCormack information is provided. Hopefully this will be before end of 1974.

19. Public meetings will be held on Master Plan and Environmental Impact Statement.

20. New legislative authority will be sought as need is clearly identified in planning documents. This most likely will be in 1975.

By Mr. INOUYE:

S. 868. A bill to provide for minimum rate provisions by nonnational carriers in the foreign commerce of the United States, and for other purposes. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, I introduce today a bill which I introduced in the last Congress, then known as Senate bill S. 2576. This legislation, often re-

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ferred to as the "third flag bill," is absolutely vital for the continuation of the American merchant marine. It is not legislation that in any way gives any perference to the American merchant marine; it is not legislation which in any way costs the taxpayer any money; there is no subsidy involved; there is no appropriation involved.

The situation that exists in our American foreign trade today if allowed to continue regardless of the amount of subsidies that we may pay or the cargo preference that we may set for Government-financed cargo will soon see the end of the American flag on the world seas. We are experiencing today a new sense of nationalism in many nations who are using their merchant marine not as an instrument of commerce but as an instrument of economic destruction; as an instrument of foreign policy; and as an economic device which can be just as devastating as the torpedoes of World War II.

The bill that I have introduced today can resolve that situation. Without it, the United States will soon be a secondary power to the Russian merchant marine. We cannot pick up a maritime trade publication these days without noticing the new construction that is going on for the Soviet flag operations. It was only recently announced that that nation was involved in the construction of 33 new container ships. These vessels operate not between Russia and the United States, but they operate in the foreign trade between the United States and Japan; they are operating now in the foreign trade between the United States and Europe, and they are operating at rates which are destructive to the American flag's future.

The problem, however, is not simply limited to the Eastern or Soviet bloc; it was only recently announced that 17 nations in the Caribbean would soon be banding together to form their own nationalized consortium for shipping. Again in that area, we cannot foretell what their policies will be, but we can only believe that they must have motives for forming such a consortium which must be inimicable to the future of our own merchant marine. The U.S. foreign trade is the largest element of foreign trade in the world, and yet it is the only really open element of foreign trade.

With a few minor exceptions, we exercise no prohibitions against flags of foreign nations participating in our foreign trade. Our Nation, therefore, faces a choice. The first choice is closing our foreign trade, going into closed conferences, restricting the right of new carriers to come into our trade. This choice is not acceptable to the free trade concept of the United States. It is not a choice that this country should make.

The second alternative is the legislation I have introduced today. The bill is a simple one, it in no way abridges the long-held policy of keeping our foreign commerce open. It does not set a rate floor; it does not set a rate ceiling; it allows flexibility in all ratemaking. What it does provide is that where national flag carriers between United States and any country, for example, Japan, have particular rates, then a third flag carrier coming into that trade cannot go below the lowest rates set by any national flag carrier unless the third flag carrier is first able to prove that the rate is compensatory on a fully distributed commercial cost basis.

This leaves complete freedom to the Japanese carrier to set his own rates and to the U.S. carrier to set his own rates, but it does not leave freedom to those who would use their merchant marine as an economic torpedo. This bill was considered in the last Congress, with two hearings having been held before the Merchant Marine Subcommittee of the Senate Commerce Committee.

I believe that it is not necessary that further hearings be held, but I believe that the chairman of the subcommittee and the chairman of the full committee will agree it would be well if this legislation were allowed to sit with the Commerce Committee for a period of 2 weeks, so that if anyone wishes to comment, they would have an opportunity to comment on this legislation before it is brought to the floor for a vote.

Finally, I would close by pointing out to the Members of the Senate that only recently the President of the European Economic Shipowners Association, not only endorsed this legislation, but stated:

European Governments should follow the example of the third flag carrier bill now in the Washington's legislative mill.

Mr. President, I look forward to the most expeditious passage of this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 18 of the Shipping Act, 1916 (46 U.S.C. 817), is amended by—

(a) striking *deleting* from paragraph (2) of subsection (b) the phrase *clause*: "which results in an increase in cost to the shippers *shipper.*";

(b) striking *deleting* the second sentence of said paragraph (2), which reads: "Any changes in the rates, charges, or classifications, rules, or regulations which result in a decreased cost to the shipper may become effective upon the publication and filing with the Commission."; and

(c) inserting at the end thereof a new subsection (c), as follows:

"(c) From and after 90 days following enactment hereof, every *of this section,* no nonnational flag carrier in any given trade in the foreign commerce of the United States shall not maintain rates or charges in its tariffs filed with the Federal Maritime Commission in that trade that are lower than the lowest corresponding rate or charge of any national flag carrier in that trade unless said rate or charge is first determined by the Commission as provided herein to be compensatory on a commercial cost basis.

Whenever after said 90-day period there shall be on file or newly filed with the Commission by any nonnational flag carrier a rate or charge effective in that given trade and whenever such rate or charge in the given trade is lower than the lowest corresponding rate or charge of any national flag carrier, then such filing shall be rejected if newly filed, or deemed newly filed and rejected if on file pending a final determination by the Commission, after hearing, concerning the lawfulness of said rate or charge if the Commission, in its discretion, determines that such rate is probably not compensatory on a commercial cost basis either through its own investigation or upon a reasonable showing by a national flag carrier. However, the Commission may stay any such rejection at any time within 30 days after the filing of such complaint or issuance of such order, upon a good cause showing by the nonnational flag carriers that there is a reasonable probability that the nonnational flag carrier will be able to prove after hearing, that the rejected matter is not in violation of this subsection. When any such rejection is stayed or when any such rate or charge is approved after hearing, the rate or charge of the nonnational flag carrier may then become effective upon the date specified by the Commission but not earlier than its originally filed effective date. At any hearing under this subsection, the burden of proof to show that the rate or charge is not lower than the lowest corresponding rate or charge of any national flag carrier or that such rate or charge is compensatory on a commercial cost basis, shall be upon the publishing nonnational flag carrier. Rates or charges which have been rejected by the Commission are void and their use other than during a stay of rejection is unlawful unless authorized by the Commission after hearing as provided in this subsection. For the purposes of this subsection—

"(i) the term 'national flag carrier' means a common carrier by water operating vessels on regular berth services to and from United States ports of call that are documented under the laws of the United States or the other country in the given trade;

"(ii) the term 'nonnational flag carrier' means any common carrier by water operating in the given trade, other than a national flag carrier; and

"(iii) the term 'given trade' means the trade between the United States and another country.".

By Mr. FONG (for himself, Mr. BROCK, Mr. CHURCH, Mr. DOMENICI, Mr. FANNIN, Mr. HANSEN, Mr. RANDOLPH, Mr. STAFFORD, and Mr. WILLIAMS):

S. 871. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the 65-year age limitation. Referred to the Committee on Labor and Public Welfare.

Mr. FONG. Mr. President, on behalf of myself and Mr. BROCK, Mr. CHURCH, Mr. DOMENICI, Mr. FANNIN, Mr. HANSEN, Mr. RANDOLPH, Mr. STAFFORD and Mr. WILLIAMS, I am introducing today a bill, S. 871, which would amend the Age Discrimination in Employment Act so as to extend its provisions to persons over 65 as well as those between the ages of 40 and 65.

It is identical in language to a bill which I introduced as S. 2499 during the 93d Congress with cosponsorship by Senator FRANK CHURCH, the distinguished chairman of the Special Committee on Aging. I am especially pleased with the additional bipartisan cosponsorship which the proposal has today.

As ranking minority member of the Special Committee on Aging, I have shared with Senator CHURCH and other committee members a deep concern about the way our society both overtly and insidiously imposes second class citizenship on many older Americans.

One of the most serious manifestations of this second class status comes from the practice of denying jobs to persons past 65 solely because of chronological age. For many this creates totally unjustified economic hardship. That such denials are often totally unrelated to productive abilities, experience and willingness to work has been repeatedly shown by job performance studies.

That we have a law which prohibits age discrimination in employment only below age 65, is in itself discriminatory because it could be interpreted as a legal and moral sanction for such discrimination after 65. This alone, it seems to me is a most valid reason for removal of the age ceiling in the Age Discrimination in Employment Act. I think it would be most unfortunate if this well-intended statute, because of its age 65 ceiling, should be used as an excuse by employers to deny job opportunities to older persons.

Employment studies are extensive showing capabilities and dependability of workers past 65. Many are extremely desirable employees. Equally clear is the fact that older Americans—both employed and retired—deeply resent rejection of any citizen's right to employment just because he or she happens to have had a certain number of birthdays. And that "65" should be the number is totally unsupportable on a scientific basis.

To the extent that age discrimination prevents employment among persons over 65 who are able and willing to work—and there may be tens of thousands—our Nation suffers a loss in wealth which their voluntary use of skills and experience can produce. At a time when America is faced with shortages of many goods and services, this becomes especially shortsighted.

Even more important to the individual is the way in which age discrimination in employment after 65 can interfere with abilities of older persons to supplement other income through work, either part time or full time. How we, as a nation, can continue such arbitrary interference with the rights of older Americans to help themselves to acquire necessities and comforts of life is a matter which, in my judgment, is incapable of defense.

Beyond economic factors in employment discrimination based on age is the relationship it can have on the older person's health. For many individuals past 65, the psychological, emotional, and physical benefits to be derived from continued involvement in our Nation's productive activities can be even more important than the money they earn. We have no right to permit denial of their rights to such fulfillment.

Support is lent to this view by a recent statement of the American Medical Association's Committee on Aging. The AMA committee said:

The increase in life expectancy and higher health levels will prove of little benefit to man if he is denied the opportunity to continue contributing his skills at a certain chronological age, whether this be 45, 65, or 85 years.

This medical view with reference to the health of older persons is reinforced by the frequently expressed opinions of older Americans themselves.

Currently Federal law does prohibit job discrimination based on age for persons from 40 through 64 by Government employers and employers of 20 persons or more. I believe that similar protection should be extended to persons past 65. This is what our proposal would do.

Employment discrimination based on age, is somewhat more complicated than discrimination based on race or sex—especially in enforcement of laws against it. It is also true that problems such discrimination creates are less dramatic than some other problems related to aging. Neither of these considerations, however, excuses delay or inattentiveness to the principle of equal employment opportunities for both the middle-aged and the old.

A recent report by the National Council on Aging, "A Comparative View of Services to Age Groups as reported in the Employment Security Automated Reporting System", stated:

There are numerous barriers to employment of the worker over 40. Most are based on the irrational beliefs of employers, personnel managers—and sometimes the workers themselves—about the capabilities and potentials of the middle-aged and older worker. The data presented here demonstrate that this age group receives proportionately less service from the public Employment Service than do younger applicants seeking jobs.

It is imperative that America reexamine its employment and retirement policies—both overt and subtle—to the end that all persons, regardless of age, have the clear right to participate in the productive activities on which our total wealth ultimately depends.

An enlightened policy of work opportunity for older Americans who want gainful employment will benefit us all, young and old. Today's worldwide inflation, for example, is partly due to shortages of goods and services generating from rapid acceleration of demand in almost all nations. At least some of this demand-supply imbalance could be alleviated through use of skills offered by older persons who are denied the chance to work solely because of age.

There should be ample opportunity for retirement by older Americans, but such retirement should be with dignity, honor, and income adequacy. At the same time, we should make every effort to assure that such honorable retirement policies are not used as an excuse to deny work opportunities to able persons who want to continue in gainful employment.

Members of the Special Committee on Aging and most other Members of Congress, I believe, understand the seriousness of our need for fair employment practices related to age and for more enlightened retirement policies. The need for action, however, goes beyond legislative initiatives. We need to develop an entirely new attitude toward older people and their right to work in all parts of society—employers, Government, labor unions, educators, public opinion makers.

I believe that the Federal Government nonetheless does have a responsibility to provide leadership toward more sensible, more humane employment and retirement practices. This begins with legislation and vigorous implementation of legislation by the executive branch. These initiatives are essential to creation of the new attitude toward aging and employment which needs to permeate the whole fabric of our society. Enactment of S. 871 will be a step in this direction.

Mr. WILLIAMS. I am pleased to join Senator FONG, in sponsoring legislation which would amend the Age Discrimination in Employment Act so as to extend its provisions to persons age 65 and over.

As the former chairman and now ranking member of the Special Committee on Aging, I have long supported efforts to encourage the employment of older Americans. I was an original sponsor of the Age Discrimination in Employment Act of 1967.

This act had a three-fold purpose:

To promote employment of older persons based on their ability, rather than age;

To prohibit arbitrary age discrimination in employment; and

To help employers and workers find ways of meeting problems arising from the impact of age on employment.

Recent studies by the Senate Aging Committee and the Department of Labor indicated a need to strengthen and expand the provisions of the act. Last year, Congress enacted three measures which I sponsored designed to strengthen and improve the act by:

First, extension of coverage to Federal, State, and local government employees;

Second, broadening of the application of the act to include private employers with 20 or more employees; and

Third. Increasing the authorized funding level to strengthen enforcement activities.

Currently, the act does prohibit job discrimination based on age for persons from age 40 through 64. The next logical step is to extend similar protection to persons past 65. This is what our proposal would do.

Increasing complaints have been generated by those affected by the limitation during the more than 7 years of experience under the law. These complaints stem from the tendency in society to overlook the ability, experience and contributions associated with age in favor of youth.

The fact that the law only covers persons below age 65 may reinforce the trend toward decreasing participation of persons 65 and over in the labor force. In 1960, the participation rate for men 65 and over was 32.2 percent and by 1971, it had dropped to 24.6 percent. This rate is projected to drop even lower in the next decade.

It is argued that this trend should be encouraged since it is the natural result of an increasingly leisure-oriented society which is providing increased social security retirement benefits supplemented by private or public pensions. However, this argument does not square with the facts.

For the past 3 years, we have investigated and studied the private pension system in the Senate Labor Committee. Our investigations show that many older Americans did not collect their expected

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benefits even after long years of service under a private plan.

Many workers fell prey to the eligibility requirements buried in the fine print of the pension contract. While others lost their benefits when their plan was terminated after the sponsoring company was sold, merged or moved out of their locality.

Time and again, we learned about people who spent their entire working life—20, 30 or even 40 years—looking forward to retirement, only to see their pensions disappear to causes beyond their control.

To prevent such hardships in the future, we recommended and Congress enacted the new standards of the Employee Retirement Income Security Act of 1974 for private plans. But for those who have already lost benefits or for those with inadequate benefits, employment after 65 is the only answer.

Unfortunately, many barriers exist today for older Americans who want to remain active during their later years. Age discrimination exists because so many people in this Nation are victims of misinformation and their own prejudices.

They believe without the benefit of facts that skills or abilities always decline after a certain age. They are quick to assume that older employees should be removed "to make way for the young." They fail to understand the vital need for experienced workers and executives in almost any work setting and their contributions to the economy.

Clearly, no employee should remain in a position if he or she cannot meet its demands and the law recognizes this fact.

However, no employee should be forced out of a job opportunity simply because of reaching a certain age.

Such judgments should be made on the basis of the facts, not blanket assumptions. Age discrimination can take many forms. Want-ads blatantly set age limits for new applications. A job description can exert a subtle form of discrimination by setting qualifications that are appropriate for young workers but completely irrelevant for someone with 30 years of experience.

Our Nation is the big loser when the varied talents and experience of older workers are overlooked or ignored.

This measure is designed to insure older Americans will be judged on the basis of their own individual merits and ability. This is nothing more than any other American worker can expect.

By Mr. HATFIELD (for himself and Mr. ABOUREZK):

S. 872. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates. Referred to the Committee on Post Office and Civil Service.

Mr. HATFIELD. Mr. President, under title 39 of the United States Code, preferred postal rates are allowed to certain categories of "qualified nonprofit organizations." By amendment in 1962 and in 1967, Congress extended this privilege to State highway and development agencies.

The legislation which I propose today will further broaden title 39 to include publications of State conservation and wildlife departments and would, at present, cover some 45 periodicals. It should be noted that only two of these periodicals carry any advertising at all, and that the remainder depend for their existence on fees paid by readers and/or fees paid to the conservation agency by users of the outdoors. Despite this narrow financial base and solid emphasis on informational matter, these magazines must presently travel through the mails at the same rate paid by commercial magazines, all of which have advertising revenues.

The legislation I propose is identical to a measure introduced in the House by Congressman WILLIAM D. FORD, and would permit needed conservation revenues, now spent on mailings, to be rechanneled into fish and wildlife conservation programs. Moreover, this legislation should lead to an expansion in scope and dissemination of these magazines, thereby markedly increasing available opportunities for environmental education. Mr. President, I ask unanimous consent for the text of my bill to be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 872

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3626 of title 39, United States Code, is amended by inserting "(a)" immediately before "If the rates" and by adding at the end thereof the following new subsection:

"(b) In the administration of this section, one conservation publication published by an agency of a State which is responsible for management and conservation of the fish or wildlife resources of such State shall be considered a publication of a qualified nonprofit organization which qualifies for rates of postage under former section 4358(d).".

SEC. 2. (a) Section 2401(c) of title 39, United States Code, is amended by striking out "3626" and inserting in lieu thereof "3626(a)".

(b) Section 3627 of title 39, United States Code, is amended by striking out "3626" and inserting in lieu thereof "3626(a)".

By Mr. GARY W. HART:

S. 875. A bill to authorize the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and builders in purchasing and installing solar heating—or combined solar heating and cooling—equipment. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. GARY W. HART. Mr. President, this country has committed itself to a goal of achieving energy independence by reducing imports of expensive foreign oil. Many of the programs which have been proposed to achieve this goal unfortunately would have adverse impacts on both the Nation's economy and the environment. The development of solar energy, however, is one way this country can reduce its dependence on foreign oil without disrupting the economy or polluting the environment. The bill I am introducing today will further that development by establishing low-interest loans to finance the construction of solar heating and cooling in private homes and in multifamily apartments. The attraction of this bill is that once the system is installed and the loan is paid for, the cost of solar energy to the individual homeowner, as well as damage to the environment, is virtually nil.

Solar energy for heating and cooling should prove to be an important contribution to energy self-sufficiency in the short term and could supply a large fraction of new energy requirements in the long run. The Solar Energy Task Force report, recently released as part of the Federal Energy Agency's Project Independence Study, maintains that solar heating and cooling is capable of producing the energy equivalent of 260,000 barrels of oil a day by 1985. At projected prices of $11 per barrel, a balance-of-payments saving of $1.04 billion per year would be realized. By 1990, this potential savings rises to 700,000 barrels per day and an annual balance-of-payments saving of $2.8 billion per year. The FEA report maintains however, that energy savings of this magnitude can be realized only if the United States adopts an "accelerated development effort" for solar energy.

Power for solar home and water heating is not a fictional energy source of the future. Solar power can be tapped with today's technology. As long ago as 1972, before the so-called energy crisis, a National Science Foundation panel on solar energy stated that—

There are no technical barriers to the wide application of solar energy to meet U.S. needs.

As the FEA solar task force report concludes:

There appear to be no insurmountable technical barriers to the implementation of solar energy systems, and several systems show early promise to achieving cost competitiveness with conventional systems. Solar energy systems, moreover, would conserve domestic fossil fuels and reduce dependence on imports while creating new exportable technology products, thus improving the U.S. balance of trade. Sociological and environmental impacts resulting from the utilization of solar energy systems are expected to be relatively small. Development of solar energy systems will provide producers and users of energy with alternative choices of energy supplies.

Solar energy must now be taken from the demonstration stage and placed in American homes. The administration does not seem prepared to make that commitment. In fact, the President's entire energy package contains only one passing reference to solar energy. It alludes to the need for further research and development of technology for all forms of energy, including fossil fuels, nuclear fission and fusion, solar and geothermal.

Obviously, it is now up to Congress to complete a wide-ranging solar energy program by passing legislation to promote the use and implementation of existing solar technology.

The last Congress initiated that effort by passing two major bills: the Solar Heating and Cooling Demonstration Act (Public Law 93-409), and the Solar Energy Research, Development, and Demonstration Act (Public Law 93-473). Support for these solar energy measures cut across lines of party and political ideology.

At present, two barriers keep this country from realizing the potential of solar heating and cooling. First, current unsubsidized solar energy must compete with conventional energy sources which are subsidized by the Government. Second, although solar heating and cooling systems cost virtually nothing to operate, construction and installation of such systems involve significant amounts of front-end capital. A potential consumer, willing to buy and install a solar unit economically competitive with alternate technologies, most likely will have difficulty in obtaining sufficient front end capital in today's tight money market.

Today, I am introducing a bill which will eliminate these barriers by providing a short-run boost to the development of solar power in the form of low-interest Government loans. The interest rates on these loans will be pegged to the rate at which the Federal Treasury can borrow money. Thus, the long-term effects on the U.S. economy and the national debt will be minimal. Such loans will be available to both individual homeowners and to persons engaged in building residential structures. Consequently, the loan program will have a broad impact on the home improvement, residential, and apartment construction industries.

Unlike many incentive programs which use tax rebates or tax exemptions, this program will not benefit the rich at the expense of the poor. Use of the tax system to enhance demand by providing subsidies for various sectors of the economy have had an unpleasant history of destroying the progressive character of our tax system. As a result of tax loopholes that allow the rich or special interests to escape carrying their share of the tax burden, public confidence in our tax system has been eroded. Loan programs do not have this drawback. They produce equal incentives to a wider range of income groups.

I have calculated the expense that homeowners and builders will incur if they use the low-interest loan program to finance the purchase and installation of solar heating and hot water equipment for a single-family home. Using December 1974 energy prices, I have compared these expenses with the cost of oil and electricity replaced by solar equipment. The results of that comparison are indicated in a table which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Region	Average energy costs per 10^6 Btu			Typical yearly energy bill for alternative systems			
						70 percent solar with 30 percent oil	
	Oil [1]	Electricity [1]	Solar [2]	100 percent oil [1]	100 percent electric [1]	1st 8 years [2]	After 8 years [2]
North East	$4.13	$14.07	$5.95	$547	$1,647	$633	$144
Middle Atlantic	3.77	12.02	5.95	414	1,322	566	124
East North Central	3.61	9.91	5.95	542	1,238	684	163
South Atlantic	3.84	7.56	5.95	307	605	425	91
West North Central	3.74	8.47	5.95	411	932	682	123
East South Central	3.63	6.15	5.95	235	399	341	70
West South Central	3.63	7.85	5.95	106	228	152	31
Mountain	3.83	8.44	5.95	421	929	586	127
Pacific	4.19	8.50	5.95	159	323	205	47

[1] These numbers do not include the capital cost of conventional equipment. Fuel costs are based on a Bureau of Labor Statistics survey conducted in December 1974. Conversion efficiency rates of 0.7 and 1 were assumed for oil and electricity respectively.

[2] The dollar figure comprising the cost of solar energy represents purchase and installation costs of a solar energy system using the proposed low interest loan financing with an 8-year amortization. Expenses therefore cease after 8 years. The calculations also assume $7 per square foot solar costs and FEA Solar Task Force Thermal data.

Mr. GARY W. HART. Mr. President, these calculations demonstrate that solar heating, when amortized over 8 years, is considerably cheaper than electric heating and is only slightly more expensive than oil. Solar energy is actually more economical when one realizes that after 8 years when the loan has been paid off, solar energy expenses will be virtually zero. Furthermore, once the equipment has been purchased and installed, solar expenses will not rise. Oil and electricity prices, on the other hand, will inevitably be subject to dramatic increases as resources continue to diminish in the next few years. For example, the administration's proposed cut in foreign oil imports will result in a 20-percent increase in heating oil and electricity prices over just a few months.

I am very pleased to have been able to work with Congressman GUDE who will be introducing similar legislation in the House.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 875

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND PURPOSE

SECTION 1. (a) The Congress finds that the heating and cooling of private homes accounts for a significant portion of our national energy consumption, and that the expected substantial increases in the cost of oil, gas, and electricity will significantly and adversely affect millions of American homes. The Congress further finds that, with technologies for solar heating having developed to the point of commercial application and improved solar heating units becoming increasingly available, and with technologies for solar cooling expected to reach the point of commercial application within a relatively few years, a program of Federal assistance in purchasing and installing solar heating equipment or combined solar heating and cooling equipment can provide a new opportunity for the efficient heating and cooling of homes despite the energy shortage.

(b) It is the purpose of this Act to provide a source of financial assistance for homeowners and builders to enable them to purchase and install solar heating equipment or combined solar heating and cooling equipment while substantially reducing energy use.

AUTHORIZATION OF LOANS

SEC. 2. (a) In order to carry out the purpose of this Act, the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to make loans as provided in this section to individuals and families owning and occupying one- to four-family residential structures, and to persons engaged in the construction of residential structures of any kind, to assist them in purchasing and installing qualified solar heating or qualified solar heating and cooling equipment in such structures.

(b) A loan made under this section with respect to any residential structure shall—

(1) be in such amount, not exceeding 75 percent of the cost of purchasing and installing the equipment involved, and not exceeding—

(A) $6,000 in the case of a one- to four-family structure,

(B) $5,700 per dwelling unit in the case of a multifamily structure containing 5 or more but less than 25 such units,

(C) $5,400 per dwelling unit in the case of a multifamily structure containing 25 or more but less than 100 such units,

(D) $4,840 per dwelling unit in the case of a multifamily structure containing 100 or more but less than 200 such units, or

(E) $4,500 per dwelling unit in the case of a multifamily structure containing 200 or more such units,

as may be necessary to enable the owner or builder of such structure to purchase and install qualified solar heating or qualified solar heating and cooling equipment which is suitable and appropriate for such structure, including the cost of any necessary modifications in the structure itself, taking into account the climatic, meteorological, and related conditions prevailing in the region where the structure is located, as established by the Secretary in regulations prescribed by him and in effect at the time of the loan;

(2) bear interest at a rate equal to the average market yield (computed as of the end of the calendar month preceeding the month in which the loan is made) on all marketable interest-bearing obligations of the United States then forming a part of the public debt, (with such average yield, if not a multiple of one-eighth of 1 per centum, being adjusted to the nearest such multiple), plus one-half of 1 per centum for administrative costs;

(3) have a maturity not exceeding—

(A) 8 years in the case of a one- to four-family structure, or

(B) 15 years in the case of multifamily structure,

except that if the loan is made to the builder of a structure which is sold to another person for occupancy, rental, resale, or any other purpose, the maturity of the loan shall not extend beyond the date of the sale to such other person; and

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(4) be subject to such additional terms, conditions, and provisions as the Secretary may impose in order to assure that the purpose of this Act is effectively carried out.

(c) Each application for a loan under this section shall be accompanied by detailed plans for the purchase and installation of the proposed equipment and an estimate of the costs involved. No such application shall be approved unless the Secretary finds that the proposed equipment is suitable and appropriate and will be effective, that the costs will not be excessive, and that the purchase and installation of the equipment will not involve elaborate or extravagant design or materials.

(d) In making loans under this section, the Secretary shall impose such standards and take such actions as may be necessary or appropriate to assure that the funds provided for such loans under section 6 are allocated equitably to both one- to four-family structures and multifamily structures.

QUALIFIED SOLAR HEATING AND QUALIFIED SOLAR HEATING AND COOLING EQUIPMENT

SEC. 3. (a) For the purpose of this Act—

(1) the term "qualified solar heating equipment" means equipment which utilizes solar energy to provide heating for a residential structure (including all necessary fittings and related installations) and which is certified by the Secretary—

(A) as being designed to meet more than 40 percent of the total heating needs (including domestic hot water) of the type of structure for which it is intended, or substantially all of the needs of such a structure for domestic hot water (where its remaining heating needs are met by other methods), and

(B) as meeting minimum standards (as developed under the Solar Heating and Cooling Demonstration Act of 1974 (Public Law 93–409)) with respect to durability of parts, efficiency, ease of repair, availability of spare parts, acceptability of cost, technical feasibility of design or proven workability, and such other matters as the Secretary may consider relevant or appropriate; and

(2) the term "qualified solar heating and cooling equipment" means equipment which utilizes solar energy to provide both heating and cooling for a residential structure (including all necessary fittings and related installations) and which is certified by the Secretary—

(A) as being designed to meet both the heating needs of the type of structure for which it is intended, to the extent required by paragraph (1)(A) of this subsection, and substantially all of the cooling needs of such a structure, and

(B) as meeting minimum standards (as developed under the Solar Heating and Cooling Demonstration Act of 1974 (Public Law 93–409)) with respect to the matters specified in or under paragraph (1)(B) of this subsection.

(b) In carrying out its functions under the Solar Heating and Cooling Demonstration Act of 1974 and in support of the objectives of this Act, the Energy Research and Development Administration shall—

(1) establish a mechanism or procedure (or both) for the inspection and evaluation of each type or model of solar heating and solar heating and cooling equipment, making provision for dealing with applications received from manufacturers and for the consideration of comments received from homeowners already using such equipment,

(2) review each new solar heating or solar heating and cooling unit, system, or component entering the maket,

(3) periodically (no less often than once every three years) review all outstanding certifications granted with respect to solar heating or solar heating and cooling equipment, and recommend the prospective rescission of such certifications (or appropriate modifications in the equipment involved) whenever it finds that such equipment no longer meets applicable standards or criteria,

(4) periodically transmit its findings and recommendations under this subsection to the Secretary for use in the performance of his functions under subsection (a) of this section, and

(5) take such other actions, and impose such other conditions and requirements, as will promote the objectives of this Act.

DISSEMINATION OF INFORMATION

SEC. 4. The Secretary shall provide to any person upon request by that person (without regard to whether or not such person is making or proposes to make application for a loan under section 3) full, complete, and current information concerning recommended standards and types of qualified solar heating or solar heating and cooling equipment appropriate for use in residential structures of varying sizes and types and in various regions of the country.

PENALTIES

SEC. 5. Any person who makes any false statement or misrepresents any material fact for the purpose of obtaining a loan under this Act, or who violates any provision of this Act or of a loan contract entered into under this Act, shall be fined not more than $1,000 or imprisoned not more than 1 year or both.

APPROPRIATIONS; REVOLVING FUND

SEC. 6. There are authorized to be appropriated not to exceed $100,000,000 to provide an initial amount for the program under this Act, and such additional sums thereafter as may be necessary to carry out such program. Amounts appropriated pursuant to this section and any amounts received by the Secretary as repayments of loans made under this Act shall be placed in and constitute a revolving fund which shall be available without fiscal year limitation to the Secretary for use in carrying out this Act.

EFFECTIVE DATE

SEC. 7. The authority of the Secretary to make loans under this Act shall become effective six months after the date of the enactment of this Act, and shall expire ten years after such date. Upon the expiration of such ten-year period, the revolving fund established under section 6 shall be transferred into the general fund of the Treasury, and any amounts received thereafter as repayments of loans shall be paid into the Treasury as miscellaneous receipts.

By Mr. ABOUREZK (for Mr. JACKSON and Mr. FANNIN) (by request):

S. 876. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1976. Referred to the Committee on Interior and Insular Affairs.

Mr. ABOUREZK. Mr. President, I introduce for appropriate reference a bill to authorize appropriations for the Indian Claims Commission for fiscal year 1976, pursuant to a 1972 amendment to section 6 of the Indian Claims Commission Act. That public law required the Commission to submit to Congress an annual authorization for its appropriations; a report reflecting the progress on the remaining cases; and a projected date for the completion of such cases.

I plan to call hearings on this legislation before the Subcommittee on Indian Affairs at an early date to take testimony from the Commission members and other interested individuals regarding the Commission's authorization request for the 1976 fiscal year.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated to carry out the provisions of the Indian Claims Commission Act, 25 U.S.C. § 70, during fiscal year 1976, such sums as may be necessary to continue the program of the Indian Claims Commission.

By Mr. MONTOYA (for himself, Mr. DOMENICI, and Mr. ABOUREZK):

S. 877. A bill to direct the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTOYA. Mr. President, it is my pleasure to introduce today, with the cosponsorship of my colleague from New Mexico (Mr. DOMENICI) and the distinguished chairman of the Indian Affairs Subcommittee, the Senator from South Dakota (Mr. ABOUREZK), legislation which will move toward allowing a great injustice to be rectified. The white man's propensity for taking Indian land, followed by years of neglect and oversight, have resulted in the Zuni Pueblo of New Mexico being deprived of nearly 5 million acres of land and eventually of their opportunity to file an aboriginal land claim. The legislation which we are introducing today, if it is passed by the Senate and the House, will allow this independent and proud band of American Indians to seek justice before the U.S. Court of Claims.

THE ZUNI SALT LAKE

This legislation would do two things. First of all, it would provide for Zuni control of 560 acres of land which has sacred religious significance to the Zuni Indian Tribe. These acres surround the sacred Zuni Salt Lake, land which, for reasons unclear to us, was not included within the Zuni Reservation when, in 1877, President Rutherford B. Hayes set aside a very small Zuni Reservation. Subsequent requests, of record as early as 1880, that the small acreage of special significance be added, have gone unheeded.

The history books and legend prove that for several hundred years, the Zuni Indian Tribe has gathered salt from the Zuni Salt Lake. Over the centuries, the salt was valued not only for its use in Zuni homes, but as an item of trade. Sylvester Baxter, a Boston newspaper reporter, said in 1882 that—

> In recognition of the ownership of the Zunis in this lake, other Indian tribes who get there have always paid them toll for the privilege, and the lake has been a considerable source of revenue for them.

After Coronado had conquered the Zuni Pueblo in 1540, he reported with apparent surprise that within the village there was "salt, the best and whitest I have ever seen in all my life," noting that the salt had been brought from "a lake a day's journey distant."

History books record that, over the centuries, the Zunis built structures around the lake for priests and believed the lake to be very sacred. The interior of one of the volcanic peaks which rises out of the lake is considered especially sacred, and only a chosen few of the priesthood were allowed to descend into the crater.

The legislation would direct the Secretary of the Interior to acquire the 560 acres of land immediately surrounding the Zuni Salt Lake, from the State of New Mexico who, by my understanding, are willing to trade this land and to hold that land in trust for the Zuni Indian Tribe. Five years ago, the Zuni Indian Tribe paid $250,000 to acquire the right to mine salt, which right, as I read the history books, was probably theirs already. It is now time to restore to them the few hundred acres surrounding the lake.

This beautiful and sacred piece of nature should be supervised and looked after by its proper caretakers, the Zuni Indian Tribe.

ABORIGINAL LAND CLAIM

Second, this legislation would allow the aboriginal land claims of the Zuni Indian Tribe to be litigated before the U.S. Court of Claims and, if the Court of Claims finds merit in their claim, to order compensation to be paid.

When the Indian Claims Commission was created in 1946 to hear such claims from all tribes, there was provided a five-year statute of limitations. For reasons which are not completely clear, the Zuni Indian Tribe failed to file such a claim. The Zunis are the only tribe with a significant claim known to have neglected to file for consideration.

In explanation, there are allegations against some of the Zuni officials. But the facts are these: A new Zuni administration consisting of Conrad Lesarlley, Governor, and seven others, was installed on April 11, 1951. And on that same date a letter was sent to the area Director of the BIA signed by Governor Lesarlley, the Lieutenant Governor, and the head Teniente. This letter informed the area BIA Director that—

> The Zunis do not believe that we have a claim be filed; however, if we should at a later date discover that we have a claim, we shall notify you immediately.

Governor Lesarlley later reported that he thought the letter he signed had something to do with homestead allotments. It is obvious that the tribe did not understand the implications of its actions.

Further details, together with documentation, are available in a paper prepared by Dr. Richard Hart of the American West Center at the University of Utah in Salt Lake City. Mr. President, I ask unanimous consent that the paper "Factors Relating to Zuni Land 1900–51" be inserted in the RECORD at the conclusion of my remarks in its entirety so this matter might be documented to the fullest extent.

Mr. President, equity and justice demand that this oversight be corrected and that the claim for aboriginal land rights of the Zuni Indian Tribe be heard before the proper tribunal and decided upon its merits.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACTORS RELATING TO ZUNI LAND, 1900–51

(By Richard Hart, Prepared for the Zuni Pueblo)

I. ENCROACHMENT ON ZUNI LANDS AND DEPREDATIONS COMMITTED AGAINST THE PEOPLE

Shortly after the Zunis' Reservation was formed in 1877, the Pueblo's leaders had protested that it was entirely too small, and should extend, at least, to include the Zuni Salt Lake, some thirty miles below the bottom tip of the reservation line in order to begin to encompass their territory.[1] But their plea went unheard and what land they were legally entitled to was inadequately surveyed and the boundaries were unmarked. They had lost a great deal of their land and water, not to mention religious shrines and sacred places, but they did not know how much until the twentieth century. Much of what was no longer legally theirs, was still used by the people well into the twentieth century, for grazing, farming, hunting, and religious purposes. But all of their lands were constantly subject to trespass and depredation, both in the nineteenth and twentieth century.

In 1906 it was reported that the Zunis were being prevented from gathering salt from the Zuni Salt Lake. They had gathered salt there for centuries. It was in their former territory, but now, as western New Mexico was becoming more heavily populated, a New Mexican had leased the lake and was hindering the Zunis' age-old source of salt, besides restricting an important religious shrine.[2]

In 1908 there were pressures from settlers in Arizona to use water stored for the Pueblo behind a dam recently constructed on the Reservation. The Governor of Arizona was enlisted by the settlers in the effort and the Commissioner of Indian Affairs was considering the idea favorably. But the man who had built the dam, and who was incidentally dedicated to improving the agricultural condition of Zuni lands, protested. This engineer, John B. Harper, was influential in saving this water for the tribe.[3] The dam proved ineffective, though, and in the next few years filled with silt because of inadequate silt-control measures.

In the following year the Governor of Zuni, Dathlana, wrote to the Commissioner of Indian Affairs in attempt to explain some of the people's problems. He averred that there was trespassing occurring on the Zunis' lands and complained of the agent's inaction in preventing the encroachment.[4]

In April of 1910 the agent assigned to the Zunis wrote to the Commissioner of Indian Affairs that, "The Mexicans are crowding in on the south, the Mormons on the east and the Navajos on the north and west, and the Zunis are fearful lest everything be taken up and they crowded into their little reservation which is entirely inadequate to their needs."[5] The next month the agent explained that land used by the Zunis traditionally was being taken by Navajos. "The land has been pastured for a great many years by the Zuni Indians but the Navajos have come in recently and taken possession of the same." He continued that the Zunis were coming to believe that "Washington does not like them any more."[6]

In 1912 a delegation of Zunis, including Governor William J. Lewis, his wife Margaret A. Lewis, who acted as interpreter, and Dick Tsanaha traveled to Washington, D.C., to issue a statement concerning some of the people's problems. A few of their problems included encroachment on Zuni land by Navajos, white squatters living on Zuni land, and the delegation asserted that "the Mexicans who are in the neighborhood allow their stock to come on to our reservation and destroy the crops to the detriment [sic] of our own grazing.' Some Spanish speaking settlers, it was mentioned, had built a house on the reservation and the BIA Supervisor of Stock refused to evict them. The official was charged with being prejudiced against the Indians.[7]

In 1912 a new superintendent, Robert J. Bauman, was assigned to the Zuni Pueblo. The Zuni people remember Bauman as being aloof and unsympathetic to the people's needs.[8] Early in 1913 Bauman responded to the charges of trespassing on the reservation. He said that there were no Mexicans trespassing in either of the farming areas around Pescado and Ojo Caliente. The Mexicans complained of by the Zunis, Bauman reported, lived miles off the reservation and the Zunis were in the habit of ranging their cattle outside of their reservation in that area. Whites did occasionally water their cattle near Nutria Springs, he said, but they made a good effort to keep their stock off reservation land."

In 1916 a Special Agent inspected the Zuni Reservation. Part of his remarks were directed at depredations committed against the Indians. "I presume," he said, "that the Indians do not really know the number of horses and cattle they lose yearly from stealing and killing of their stock. . . . The Superintendent reports that horse and cattle thieves range that section. Where cases of theft have been promptly reported, some of the thieves have been caught, but that is the exception."[9]

One noted author commented on the Pueblos' status in New Mexico's courts. Leo Crane suggested that the Pueblo Indians had practically no recourse against trespassing herds. While all they could do was to drive intruding stock off their land, if they were caught trespassing, it almost certainly meant imprisonment.[11]

In 1920 it was reported that cattlemen and others in the area surrounding the Zuni Reservation were attempting to gain control of part of the Zunis' water rights.[12]

In the early 1940's the Zunis' reservation was fenced, thus eliminating some of the trespassing on their lands.[13] But a memorandum dated May 27, 1943, which was enclosed with a series of reports on the United Pueblos Agency sheds light on the state of affairs at Zuni. It reads in part, "The one on Trespass has been intentionally softened since we know that especially at Zuni, considerable trespass has taken place of which we had knowledge. Thought if this was brought out too strongly, the Agency could be accused of not properly administering the lands by permitting trespass to continue. This article has been written with the intention of justifying the Agency's action, or lack of action."[14]

II. FACTORS RELATING TO ZUNI FACTIONALISM

Throughout the period from 1846 to about 1865 it had been in the interest of the United States Military to maintain an alliance with the Pueblo of Zuni. In the early years the posts and expeditions in what was considered the frontier needed the Zunis not only as guides and allies in military operations, but also to supply food in the form of corn for both men and animals. But with the suspension of Navajo/U.S. hostilities and Bosque Redondo a new pattern of relationships with the Pueblo began to form. By 1880 there were several groups of interested parties representing the United States at the Pueblo often with divergent aims and methods. Among them were missionaries, ethnologists as well as the military.

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In 1879 Frank Hamilton Cushing arrived at the Pueblo and embarked on a project to study the Zuni people's culture and religion for the Smithsonian Institution under Major John Wesley Powell. At about the same time, a permanent teacher was appointed to live at the Pueblo, with authority from the government through the Presbyterian Board of Home Missions. Cushing was concerned with the way the Zuni Tribal Government worked, and was in fact a member of the Priesthood of the Bow, in which capacity he took part in the tribal judicial process of trying those accused of crimes. The teachers were interested in converting the Indians to Christianity and substituting the laws and processes of the United States for those of the tribe. Often there was conflict.

The earliest mention of conflict was in 1881 when the teacher, T. F. Ealy, reported to Agent Ben M. Thomas that Cushing was interfering with the school.[15] Shortly thereafter, Ealy was replaced by Samuel A. Bentley. The year before Thomas had given Cushing authority "to aid the Native Chiefs, and to insist upon both his [Thomas'] own, and my [Cushing's] authority, in vindicating and carrying through their mandates."[16]

Cushing explained the controversy which developed.

"At the time, there was a refractory convert of the Mormons named *Wa'mu'n* or, in Mexican, Roman [Ramon] Luna, who ever since his conversion, had denied the authority of all the chiefs and Council of Zuni and who refused on the grounds of his Mormon claims, to listen to the commands of either 'Washington,' or any of his emissaries. He went off to his farm at Pescado, and refused to either submit or come to the agent. Dr. Thomas being compelled to leave without seeing him, gave directions to me before the council to bring him, with the aid of the chiefs, to terms, and make him pay the penalty of his disobedience, by twenty days of hard work, or by furnishing wood to the Mission. He promised, in case the man proved refractory, to either furnish me irons, or request the Commanding Officer of Fort Wingate to do so. Roman being informed of this, sent a message of defiance to me, saying that, if I came after him, he should kill me, or die himself. As the head of Fire of the Chiefs, I started the day following for Pescado.

"Arriving, I entered the house in which Roman was living, without opposition, offered the cigarette of Peace,—which he accepted,—told him I had come after him, accepted no refusal, and took him back to the Council. All of the Chiefs were present, and gave with myself, the order that he should get a four ox team wagon load of wood for the mission. The debate was hot but he acceded. I gave the man his own time. Several months passed by. Roman began to talk again, and went off to visit the Mormons one of whom, named Samuel Tenney told him they would back him up, and he again became defiant, saying that he had refused the Council, and that any Zuni who listened to its voice would be a fool. At this time, contrary to the orders of the Head Chief, my 'brother,'[17] he permitted a Navajo to plant and pasture his sheep on the Reservation, and became so impertinent as to personally oppose my entrance into one of the Summer Ceremonials. I had the War Caciques and Chief shut him up, entered and soon after sent into the Post for the Handcuffs, which were in due time given me. I then called a Council to which we had to bring Roman by force. He at first refused our commands, but afterward promised to abide by them.

"During my absence in the Coconino Country he became desperate and unruly again, seizing another man's Peach orchards, on the claim that they belonged to him by right of Gentile descent. On my return, I was informed of this and begged by my brother Chiefs to assemble another council. I told them to wait my movements; meanwhile Roman again reported that he should kill either the Governor or myself, if we again entered his house, to call him to Council. I immediately ordered a Council to be heralded, and Roman not coming in, I started alone for his house. He had loaded a gun and placed it in the corner of his room. I entered and commanded him to come to the Council. At first he refused, making a start for his gun; but I laid my hand roughly on his arm commanding to come or he should be bound and brought by force. He followed me. He again came to terms and I gave him ten days in which to execute his promise. The ten days passed and meanwhile, Lt. Bourke came to pay me a visit before his return Eastward. He had a small detachment of soldiers with him. Roman, without reference to this prepared his arms and said he intended to kill me. Learning this, I informed Lieutenant Bourke of the state of affairs, showing him a letter from General Sherman which you kindly had him write for me. . . .

I asked him if I could call on him for his moral support, and he replied that I certainly could, as a measure of protection. Accordingly, on the evening of the 28th inst. we filed out, and drew up before the house of Roman, backed by and by the request of all the council, which assembled for the purpose. A dance inside was the occasion for some delay, when suddenly, Roman armed with an immense rifle, sprang up through the roof and cocking it leveled it at my breast, calling out that "I should die that night, and that then he should. That he was ready." I commanded him in a loud voice to 'come down, or I would fetch him down.' A second command, (when he saw that I did not flinch,) brought him to the ground; when the lieutenant and his men disarmed him, and marched him off to the House of the Governor, where we made him acknowledge before the Council his obligations to the Great Father, the Agent, the Chiefs of Zuni, forswear his allegiance to the Mormons, and promise on the day following, to get the load of wood. This he did, expressing his regret to the council, and saying he had been led to suppose by the Mormons that he could do as he pleased. On the morning following, he took a load of wood to the missions,—where he was questioned, received promise of pay for his wood, contrary to Dr. Thomas' directions, was told that he had done right in refusing the Council and Cushing, and assured that Cushing would be sent off the Reservation, and the Captain of soldiers would be severely punished.[18]

"The name of this Missionary is S. Bentley. The most proper and elegant term for him I can find, is a Spanish one—"uno Ladrone y Fanfarron [a thief and a bum]. I would like to give its English equivalent, but under such circumstances, quotations, from foreign languages are considered more gentlemanly, while quite as expressive. I have met several of these whining martyrs (!) to the cause of Jesus, since my sojourn in this country, and they have invariably proved to be most unscrupulous rascals, and unchristianly breeders of trouble; opposing the progress of science, and by their overbearing dispositions, jealousies, and canting zeal, defeating their own ends, as well as those of the Government in permitting their presence,—the Education of Indian youth.

"I believe the one at hand is here as 'U.S. Indian Teacher,' although he claims to be agent and supreme master of the Zunis, with the privilege of turning me or any of my party—without reference to their moral standing or scientific objects—out of the Pueblo, and off the Reservation. I beg you will ascertain, so far as practicable, his standing and the extent of his authority: For I began my investigations, believing, that I was under the orders of Spencer T. Baird and Major J. W. Powell, of Washington, D.C., which gentlemen, by virtue of a bill passed by Congress and the U.S. Senate, had secured special privileges for their assistants and officers, either in trading for material with which to enrich the National Museum or in the pursuit of Ethnographic researches on behalf of the Bureau of Ethnology and Smithsonian Institution. I should infinitely prefer to die by the bite of a rattlesnake, than to be compelled to give up my investigations at their present stage, on account of the rantings of the Don Fanfarron.

"When I returned from the Country of the Coconinos, I found Mr. Bentley here as new Teacher. His plans were good, and I promised to further them to my best ability—so far as possible without jeopardizing my own work. I have not once forgotten this promise, and have, on several occasions, aided the man in his studies of the Zuni language, turning over to him one of my vocabularies, and writing out several grammatical rules for his use. He begged my advice, and I had it to offer on one occasion only. He was constantly talking about how, if an 'Indian Chief or anyone else,' offered opposition to him, disrespect, or in any way offended himself, he should 'knock the stuffin out of him,' or 'Break his head,' or 'give him a sidewinder,' or take a 'fence-pole to him,' or if the Indians didn't furnish wood for him, he should 'tear down the corrals,' and any man who opposed him would be 'laid out, that was all'—I quote verbatum the elegant and constant expressions of a laborer in the 'Fold of Christ' who believes that—'Except ye become as little children, ye shall not enter the Kingdom of Heaven.' I did remark after hearing a few such speeches, that the 'Science' was unknown in Zuni, and that during a residence here of two years, I had never seen one Indian strike another, and that as I once tried the game to my own disadvantage, I did not think its employment would speed the work of conversion, or advance the cause of education, or popularize the gentleman who introduced it. But I was informed that I knew nothing of Indian Character. 'If I had passed twenty seven years among Indians, I would know more about them'; and since then whenever the good word of advice has risen to my lips, I have swallowed it.

"Some days before these occurrences (regarding Roman) one of the Secret Medicine Orders, being in session, the High Priest came and asked me if I would not like to have his Society give me a dance in my own house and an exhibit of some of their medical powers, in honor of Col. Stevenson and Lieutenant Bourke. I replied gratefully, 'yes:' for it was the highest possible honor. The dance was performed, in the presence of Col S., Mr. Mindeleff, Mr. Bentley, and myself, but the Missionary got up with a frown, and left before the ceremonial was half completed. Having never been this honored by the Indians he felt jealous of the distinction they gave me. Since then, he has constantly been casting mud and slime in my pathway, by telling the Indians I was not what I had been representing myself, that I had come here to write about all their secret affairs, and when I sent my papers East, I was paid for them and that was the way I was enabled to live; that Washington did not give commissions to boys, but only to men like himself; that they must not come to me anymore for council, but to him; that I was a liar and would get them into trouble, and that if they asked me to interpret for them, I would surely deceive them, etc., etc., etc.

"When, unaware of all this, I paid a visit to the man, and asked him if he had received his wood, he replied by requesting the immediate presence of Lt. Bourke and myself. Lieut. Bourke sent his compliments to the gentleman and declined his invitation, stating that he had a room in the House of the Governor, where he would receive and listen to the Missionary; to which the latter retorted by saying that he had 'merely thought to save himself the trouble of Reporting Messrs. Bourke and Cushing to the Departments.'

"Col. Stevenson urged me to have a conference with the irate bull-dozing representative of the House Missions, promising to be present and I accepted the invitation. On the evening of the 29th I went down in company with Col. Stevenson. My Missionary friend talked of the weather and health etc., etc., until I respectfully drew his attention to the fact that he had requested my presence for a cross examination. He replied that he had sent for Mr. Graham the trader. I informed him I had done the same, and that the gentleman would be at hand shortly. His arrival was the occasion of a second reminder from myself, which nettled the Missionary a little, and he began:—

"Mr. Graham, Mr. Cushing is a dangerous man. At my face, he is a perfect gentleman, behind my back he tried to undermine my authority with the Indians; 'Address your remarks to me, Mr. Bentley, I will hear you through Sir, and then reply,' said I. But the gentleman, like a hound that has stolen a bone did not like to speak directly to me, but continued his remarks to Messrs. Graham and Stevenson. To be brief, the substance of them was as follows:

"That I was a liar; that I had made grave charges concerning the former Missionary, (which I would substantiate I replied). That I had caused the Governor to remove him and Mrs. Stevenson from the sacred dance a few days previously—as he had been informed by Pedro Pino and other Indians (to which I replied that it was a question between the veracity of Pedro Pino and the other Indians, and Mr. Cushing, and that Mr. Cushing would state that either Pedro Pino and the other Indians, or else their reporter, were liars.) and the Reverend gentleman remarked that he preferred the testimony of the Indians, that I was not only unreliable but that I was in the habit of interpreting falsely between Indians and Americans. That I claimed to be a chief to Americans, but that he denied my position as such among the Indians. I asked him to inform me how it was that the Indians obeyed my commands; but he didn't inform me, and why it was that no other Americans questioned the veracity of my translations even those who were intimately associated with me—Lt. Bourke, Mr. Mindeleff, Mr. Graham, and others, to which he replied no one understood Zuni but myself and therefore no one's testimony amounted to anything—he knew how to put two and two together, and had not been a lawyer seventeen years for nothing.

"He said that his authority was supreme here, and that I had no business to make any orders in Zuni. I informed him that by authority of the agent, Dr. Bentley and Mr. F. H. Cushing were both at liberty to dictate to a limited extent in Zuni. That Dr. Thomas had officially requested my aid and sanctioned my authority as a chief, had requested me to bring Roman Luna to terms, see that the Indians supplied wood for the Mission, take care of affairs between the Zunis and the Navajos, etc., etc., that in all other matters the U.S. Teacher was his (Thomas') sub-agent, that on the strength of this I compelled the Navajo Sa ga ta he, to turn over six sheep to the Former Missionary, for trespass and had, after four councils, by authority of all the chiefs and my own as one of them, compelled Roman Luna to get wood for him, and that he objected to the best service I had ever done him, that I moreover, had a right to command in Zuni as a chief of native choice, a right sanctioned by the Treaty of Guadaloupe and a treaty now in Zuni, securing to the Zunis the right of Personal Property, Government, and Religious protection from the United States, that if the Indians saw fit to choose a foreigner as one of their chiefs, they had a right to do so, and that said chief had the right of executing the duties, and to live much as I had heretofore, relying upon my moral conduct, which no one could attack and a law of congress which Col. Stevenson was aware of, and my position in the Smithsonian (which the Reverend Gentleman denied), all of which accounted for my presence in the Pueblo.—to defend me.

"Mr. Bentley then remarked that I had ordered Roman Luna to get wood for him, in order to undermine his character and authority, had never secured such directions as I claimed from Dr. Thomas, and had done a rash act, in which Lt. B. had assisted me without authority (he was unaware of the letter I held) and that if I issued another order in Zuni, he should ruin me, turn the Indians against me, so that they would drive me out. He would simply and entirely 'crush' me and 'inform the scientific world how unreliable were my investigations.'

"I asked him if he saw the bracelet of china shells on my wrist, and understood the rank it gave me.[19] If he saw more than a few of the Indians with such bracelets, and that my membership in the exotic order (he denied exotic orders among the Zunis) would make the time of my final separation from the Indians a necessary time of difficulty for me, requiring in all probability the assistance of cavalry escort. I told him I thought the Indians believed in me, and even if they did not, each member of our order was sworn to eternal fraternity and fidelity, and that once a Priest of the Bow, always so.—'Ah that was a humbug.'—'Did you not witness some of my initiating ceremonials?'—'Ah well Mister Cushing they's a good deal of humbug in all that, and the proof of the Pudding is eating it.'—'Quite true and although we shall work apart henceforth, I doubt not we shall both chew at one string and find the proof therein.' 'I shall ruin you Mr. Cushing,' said the 'Christian Gentleman' 'and depend on it.' 'Very well Sir, do as you please, Mr. Bentley, and I wish you a very pleasant night.'

"I have since reported to Dr. Thomas in the official form the subjection of Roman Luna, and in a subsequent communication, have requested Dr. Thomas to pay an early visit of investigation to the Pueblo.[20]

The letter reveals much. Cushing used the military to cause his wishes. In one breath he claims power (he seems to have magnified his position somewhat) through the Zunis having given him a position of authority, and in the next accuses Pedro Pino [Lal-lu-ah-tsal-lu] of being a liar. The most interesting aspect of the letter is his anger at Bentley for threatening to tell the Zunis that he was writing of their sacred ceremonies and being paid for it, and that this was his true purpose of being there. Of course these accusations were true and Cushing's deceit becomes more apparent. With two apparently powerful government representatives working on the reservation, trying to achieve exactly opposite goals, it is not surprising that the Zuni themselves had problems in forming policy to deal with the United States Government. In March of 1881, it was reported that Bentley was leaving the Pueblo.[21]

Cushing, who adopted the title "1st War Chief of Zuni, Assistant Ethnologist," was instrumental in revealing and opposing a land scheme advanced by one Major W. F. Tucker, a plan which would have resulted in the settlement by Anglos of Zuni lands. Although the young ethnologist . . . was successful in countering this scheme, he encountered the wrath of Tucker's father-in-law, General John A. Logan, then Senator from Illinois. Senator Logan advised the director of the Bureau of Ethnology that he would smash the infant agency if Cushing was not recalled."[22]

The Zunis, during this critical period, and perhaps losing faith in their leaders who had trusted Cushing, elected a new Governor Yacqui Pie who replaced the leadership of Ba:lawahdiwa, whose family had remained in power for nearly sixty years at Zuni.[23] Cushing commented on the growing tension at the Pueblo just before this change. "The result of these and other injustices [trespassing and depredations] the Indians are suffering at the hands of out-laws, is—that they are becoming excited and quite unmanageable. I deeply regret to inform you that among those who try to subvert the authority of the chiefs in attempting to check their people from any promiscuous acts of violence, is—as a leading spirit—Ramon Luna. I fear he is rapidly becoming violent again. I have had much difficulty in keeping the Indians from making a raid on travelers, to the Southward, and I am sorry to learn that in nobly assisting me the Governor has been encountered and publicly abused by Ramon. I heard Ramon counselling [sic] his followers a few days since to go into the southern country and kill anyone who might found off the roads."[24] Ramon Luna, later known as Mormon or Mu:ma, would later become Governor of Zuni.

The agent to the Pueblos also noted a growing dissension at the Pueblo and reported in 1883 that "there are two antagonistic elements whose antagonism goes so far that it keeps this Pueblo, I believe, behind, superstitious and divided. They are fighting against each other. There is no peace there, but on the contrary they are machinating against each other all the time. I believe this state of affairs is what hinders this Pueblo from improving, and hearing the words of the Agent to them. . . ."[25]

Further dividing the Pueblo, were the events which took place after Cushing left the Pueblo. As noted, Cushing had been a Priest of the Bow, in the Zuni religion and had participated in the trials of individuals accused of various crimes. After his departure, local law enforcement officials, military officers, Indian Agents and others cooperated in arresting the Priests of the Bow on several occasions. In 1886 one Priest of the Bow was arrested,[26] for doing precisely what Cushing had previously participated in—trying those accused of crimes in the Zuni way. Two were arrested in 1892.[27] Four were arrested in 1897.[28]

At the same time as the last arrests were being made, an effort to suppress the Zunis' religion was begun.[29] This carried through into the first decade of the twentieth century, when troops occupied the Pueblo during the annual observance of "Sha'lak'o" a Zuni blessing ceremonial.[30]

In the 19th century, the Zunis had been under the jurisdiction of the Pueblo Indian Agent located in Albuquerque or Santa Fe. In 1920 they were separated and a superintendent was sent to live nearby and administer government policy. The Zunis had always been isolated, historically—in Spanish times, Mexican times, and in the early period of the United States. In fact, an investigator for the Board of Indian Commissioners later erroneously stated that the reservation for the Zunis was not instituted until 1902.[31]

The Zunis remained isolated. The Superintendent was often the sole voice in matters of government policy. Being the only link between the Zunis and the Bureau, often he could formulate and carry out his own policy towards the Indians. Throughout the first half of the twentieth century the Zunis were considered, administratively by the Bureau, to be in a somewhat separate, unique position.[32]

In 1908 another controversy which divided the people began to take form. The Catholic church wished to reopen its mission at the Pueblo (they had been absent since 1821) and officials of that church sent various

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letters to government officials and spent time trying to influence the Zunis in order to allow their return.[23]

In 1909 the Zuni tribal officials of Zuni, led by Governor Juan DeDiose,[24] wrote to the Commissioner of Indian Affairs, complaining that their agent was working at odds with tribal officials.[25]

But the major growth of factionalism at Zuni began in the 1920's. In 1922 a group of friends of the Indians discovered that Albert Fall, a New Mexican of the Harding administration had presented to congress a bill, which became known as the Bursum Bill. It was alleged that this bill proposed to give squatters on Pueblo Indian land clear title to that land. John Collier, then Secretary to the American Indian Defense Association, and a Taos Indian went from pueblo to pueblo urging the Indians to act, and suggesting that an All-Pueblo Council be formed to help fight for Pueblo Indian rights. "They decided to take their case to Washington, and chose seventeen of their leaders for this mission. Among those chosen was the Sun Priest of Zuni. No Sun Priest had ever left the Zuni Pueblo before."[26]

Two political divisions had formed at the Pueblo. Members of the Zuni "progressive" faction were reported to be actively attempting to form a movement to reclaim lands formerly used by the tribe, but which were outside of the reservation boundaries.[27] Another faction was reportedly supported by the Bureau of Indian Affairs Superintendent to Zuni, and was opposed to making any claim to land. It was also reported that this second political faction, when in power, moved in opposition to the All-Pueblo Council and later opposed the Pueblo Land Board.[28]

Collier described the way he saw what happened next. "Its [the Indian Bureau's] strategy of counterattack became manifest within a few months after the Pueblos had struck their first blow. The campaign followed these lines: The Pueblos and their friends were racketeers, taking money from the sympathetic public under false pretenses. They were anti-American, and subversive. In fact, they were 'agents of Moscow.' They were cultists of Indian paganism; and the pagan cults were horrible, sadistic and obscene. They were seeking to discredit and weaken the United States Government . . . Commencing with the Pueblos' actions of 1922, the destruction of the native religions that yet lived was viewed by the Indian Bureau as a *political* necessity . . . The Bureau sent out inspectors. These men collected pornographic gossip about the tribes, among whom no pornography existed at all. Much of the gossip was unprintable. The Bureau submitted it for scrutiny to no Indian and to no ethnologist. The foul pages, numbering 193, were photostated and turned over to various emissaries under the seal of confidence, as well as to leading editors, churchmen, and heads of women's organizations. I got my personal copy from the editor of the *Saturday Evening Post*, entirely innocently on his part.

"Then the Bureau struck publicly. These 'agents of Moscow,' the Pueblos and their friends according to the Bureau's publicists, were likewise the emissaries of pagan religions unspeakably bloody and foul, though, as a matter of common knowledge, the Pueblos were 'pagan' but Christian too. Unprintable exhibits were circulated by the Bureau in 1923."[29]

At Zuni the situation was aggravated by an incident involving the noted archeologist, Frederick Webb Hodge. Hodge and a group of scientists had been excavating ruins on the reservation since 1917, particularly the site of Hawikku.[30] In 1923, during the Zuni observance of the Sha'lak'o two brothers by the name of Cattel, in the employ with the Heye Foundation, and allegedly connected with Hodge, attempted to take motion pictures of this religious ceremony. Collier once described the Zuni Sha'lak'o as the "closest thing we have to the mighty dramas of the Greeks."[31] To the Zuni people the attempted photography of the Sha'lak'o was a serious insult.

Normally at Zuni the six Caciques were not to indulge in the mundane matters of tribal government, but when they believed they perceived a grievous mistake being made they could, with unanimous consent, remove the governor and his council. In this case, in 1923, two of the caciques expressed a desire to remove the incumbent governor and his council.

After investigating, Collier explained what next happened like this, the "Indian Bureau did, some ten months ago, execute, partly by direction and partly by a none-the-less compulsive indirection, a coup d'etat which overthrew the traditional government, which suspended the age-old authority of the committee of high-priests [Caciques] and established a dictatorship responsible to the Indian Agent. Religious and civil procedures and results were involved. Not nearly the whole story, nor the most (to Americans) humiliating parts of it, have yet been made public." Collier suggested that what the Cattel brothers had done was wrong, but added "that it is perfectly understood by everyone who has gone into the Zuni situation, that the intratribal disagreements which grew out of the making of pictures by scientists at Zuni were merely episodic, save that they were used by the Indian Bureau and its apologists as a justification for the coup d'etat referred to above."[32] Collier charged in his memoirs, that the Bureau officials resorted to "outright acts of violence in setting up the new Zuni council."[33]

The controversy over the Bursum Bill continued. One problem which the Pueblos faced during this period, said Collier, involved the peoples' access to information. "Various espionage statutes, not successfully defied until 1922 and not repealed until 1933, when combined with other conditions blanketed the Indians and the Indian country in the silence of a living tomb."[34]

It was also charged that the Bureau was attempting to suppress the Zunis' religion. In 1923 Commissioner of Indian Affairs Burke issued a statement making recommendations about the handling of Indian religions. The recommendations included the following: "That the Indian dances be limited to one each month in the daylight hours of one day in the midweek, and at one center of each district; the months of March, April, June, July and August being excepted. (No dances in these months.)

"That none take part in the dances or be present who are under 50 years of age.

"That a careful propaganda be undertaken to educate public opinion against the dance."[35]

In 1924 the Commissioner made orders barring Zuni children from certain of their people's religious observances. Collier commented in a national magazine, "At Zuni the withdrawal of children from the Government school for even four days for their sacred initiation has been outlawed. This oppression is not threatened but is actually going on now [1924]. At Zuni the ancient hierarchical system of choosing officials has been nullified and a dictatorship has been established. The overthrow of the Zuni system of government, religion and life was formally begun last December and is progressing at this writing."[36]

Responding to charges that they had been involved in the conflict at Zuni, the Bureau of Catholic Indian Missions made an investigation at Zuni in 1924. Collier arrived for part of the meetings to air the other side of the controversy. The two Zuni factions consulted, called "Protestant" and "Catholic," were questioned extensively, but neither the Catholic organization nor the Indian Rights Association was able to clearly make the other side out to be the villain.[37]

Through the efforts of Collier and others the tribal government at Zuni again changed hands in 1924. In January of 1925 the religious leaders of Zuni wrote to the Commissioner of Indian Affairs, complaining that their superintendent had confiscated the official emblems of office from the secular officials. They charged that Superintendent Bauman refused to return these emblems to the proper officials. The Caciques said that their people would "always suffer" for the wrongs being done to them.[38]

Superintendent Bauman responded to the charges that he had unlawfully taken the tribes' property by suggesting that the Zunis in office were troublemakers. One, he said, was circulating a petition among the people, "purporting to be a request to the Pueblo Land Board asking for lands outside of the present limits of the reservation, on the grounds that they had been used by the Indians many years ago." He continued, "I am somewhat at a loss as to recommending what action should be taken concerning the parties who are fomenting the trouble."[39]

In 1926 there were again protests from across the country that Superintendent Bauman had again installed a new council at Zuni.[40] Bauman denied that he had done anything wrong,[41] but shortly thereafter a new superintendent was appointed to the Pueblo.

In November of 1926 a group of Zunis who claimed to have been illegally deposed by Bauman wrote to the new superintendent. "We are officials of Zuni Pueblo," the men began "who were put aside through actions by Superintendent Bauman, your predecessor, the canes of office being taken away from us and given to men who have never been legally installed as officers of Zuni.

"It is necessary that you, at this time, shall know the facts although you were not responsible for causing them. This Pueblo attempted to hold a meeting during last March, its object being to discuss and take action upon the Indian Judge Bill and specially the Indian Oil Bill. Employees of the Indian Bureau forcibly took away from and destroyed,[42] the Congresssional Records and copies of the bills and thereafter the overthrow of our customary government took place as stated above.

"Now, there was called on October 5th, one month ago, a meeting of the Council of all the New Mexico Pueblos, a regularly called meeting called by the President of the Council. This meeting concerned the Zuni tribe because the subject of our land claims was considered, and likewise the Oil Bill, and Judge Bill, and other matters important to us. The men never legally installed as the Zuni official, but recognized, as we understand it, by the Indian Bureau, withheld from the Zunis the knowledge that the All-Pueblo meeting had been called, and they did not attend the meeting, nor did the President or Secretary of the All-Pueblo receive any acknowledgement of this call. That is what happened two years ago likewise, during the earlier time when an illegal Zuni government had been established by Superintendent Bauman—the time when the Pueblos decided that they would be represented before the Pueblo Board and the courts by independent attorneys . . .

"The present officers, never legally installed, came into power through a successful effort, by Superintendent Bauman, to prevent Zuni Pueblo from knowing about, and declaring itself about, the Judge Bill that authorized the Superintendents to put any Indian in jail for six months without court trial, and the Oil Bill that took more than one-third of the Indian oil royalty from executive reservation for taxes, and denied our

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claim of ownership to our executive reservations. And these same illegal officers have made it clear that they will act to prevent Zuni Pueblo from asserting its claim to its Spanish Land Grant before the Pueblo Lands Board and the Courts. Therefore, we are compelled now to make the facts known to you as in this letter, and to protest against an arrangement which has already cut Zuni off from the All-Pueblo Council and which, if continued, will cause Zuni to be represented in the new Indian Bureau council by spokesmen having no rights according to our well-known customary law, who were placed in power not by the Zunis but by intrigue following upon violence by Superintendent Bauman and who, as events have already proved, are irresponsible toward the Zuni tribe and even hostile in the supreme matters of our land and our liberty of religious custom."[43]

In 1927 the District Superintendent promised that a new election would be held at Zuni soon,[44] but it was not in that year, and in 1928 the Superintendent of the Pueblo reported that the situation had become acute.[45] In March of that year a date for a new election was set, with BIA officials to be there in order to prevent any illegality.[46] In mid-1928 a slate of officers were approved, on which the entire group of Zuni religious officials (electors) could agree upon.[47]

The "conservative" or "traditional" governor and council selected in 1928 served in office until 1933, with seemingly little friction within the Pueblo. In 1933 more division was noted. John Collier, recently appointed Commissioner of Indian Affairs under the Roosevelt administration, was charged with favoring one of the political divisions at Zuni. He denied it,[48] but the Zunis' superintendent reported that *he* would not recognize one of the Zunis' candidates for governor. Superintendent Trotter said that this candidate could not be recognized as governor because he did not represent the tribe, the reason being, reported the superintendent, that the man had separated from his wife.[49] However, Trotter commented that the office would not interfere with the selection of the tribal officers so long as it was "made in accordance with their custom and that representative Zunis be chosen for these positions."[50]

The *Daily Gallup Independent*, on March 21, 1933, commented on the situation. "The outcome [of the election at Zuni] is very much in doubt as the 'ins' have possession of the Lincoln cane with the nine points of the law that go with this possession. However, the agitation continues and whether the pressure becomes strong enough with the caciques to cause them to take action, it is being closely watched by Indian service officials who see in the agitations aid for their programs.

"Indian service men point out that only thru [sic] action of the younger people could the caciques be forced from old age customs thereby bringing a really 'new deal' to the Zunis."[51]

In July, 1933, Superintendent Trotter reported to Commissioner Collier that, "It is my belief that a great majority of the Zunis would welcome some change in the method of handling their affairs, and I feel that some sympathetic official or representative of your office should come here and assist in working out some plan whereby their [the Zunis'] tribal officials could be selected in some manner that would make of it a representative body."[52]

At about this time the effects of the Brookings Institute's report on "Law and Order in the New Mexico Pueblos, 1931–1932" were being felt in the Bureau. The report called for broad administrative changes in the structure of Bureau affairs in the southwest and also suggested that factionalism had developed at most of the Pueblos in New Mexico during the same time period—the first three decades of the twentieth century.[53]

By October of 1933 the Zuni people were split so badly that no officials were actually in power and the Pueblo was again in a state of political chaos. In mid-October at a council held at the Superintendent's office, it was reported, a majority of the religious leaders were willing to approve a group of officers "because of their interest in getting more aid for the Zunis, and to work with Mr. Trotter for that purpose." But the superintendent refused to recognize any officials who were not picked by the entire council, in the traditional way. In November the Zunis, reportedly, had agreed to select their officials by a standing vote at a mass meeting.[54]

In January of 1935 the meeting was held and the newspapers reported that the Zunis had adopted a "New Deal" government.[55] Henry Gaspar, a "progressive," had been elected by the people of Zuni as Governor, with a mixed slate of officers in the council.

During the period of World War II there was more division politically at Zuni.[56] In 1943 the governor at Zuni was impeached by the people and it was said that the Zunis were having problems in adjusting to their new form of government.[57]

The Superintendent of the United Pueblos wrote, in 1948, that "most of the pueblos which have changed or are changing from the old to the more modern pattern of civil organization are functioning relatively well, except Zuni . . . This stasis within the tribe was due in large part to a lack of experience of the people in handling their own government, due to strong paternalistic Federal control of the civil affairs of the group up until 1935."[58]

During the period between the end of the war and the early 1950's it has been reported that serious divisions again were evident in the Pueblo. The Tribal Councils could not work together and the Bureau was not sure who was in control.[60] Sometime early in 1951, probably between February and April, it has been alleged that Bureau officials supported only one of the political factions at Zuni and that a new governor and council was installed by the Bureau.[70] No council metings were held following this event, the people of Zuni were divided and their political system was reported in chaos.

In 1953 this governor was given the choice of resigning or being impeached.[70a] The factionalism at the Pueblo resulted in a situation between 1955 and 1957 in which two parties claimed to be the proper administration holding office.[70b] It was not until 1970 that the Zuni people adopted a constitution.

III. FORMAL AFFAIRS BETWEEN THE UNITED STATES GOVERNMENT AND THE ZUNI PUEBLO

Since a treaty was signed between the United States and Zuni in 1846 the people of that Pueblo always considered themselves as allies to the U.S. There is no record of there ever having been any armed conflict between the United States and Zuni. The patriotism of the Zunis has been noted throughout the last one hundred and thirty years. Brvt. Lt. Col. Edward Canby, commander of the Navajo Expedition in 1861 commented, "The people of Zuni are quiet and well disposed towards the government and people of the United States and are entitled to kind and considerate treatment from all who may have business with them in pass[ing] through this Pueblo."[71] A member of the Wheeler Expedition in 1873 said "the people were very kind and considerate, and have done all in their power to make our stay as pleasant and agreeable as possible . . ."[72] A member of a Bureau of American Ethnology expedition in 1879 stated, "They are an industrious, kind people ever ready to assist the whites."[73] General William Tecumseh Sherman, in 1878, reported that the Zuni people deserved the "friendly conduct of all Americans . . . [I] recommend that the farms, gardens, stock, and property of the Zunis be respected. They seem industrious, friendly and worthy . . ."[74]

The Zunis' Reservation had been formed in 1877 and an addition made in 1883,[75] but it was unclear to both the Zunis and to those living around the Zunis just which land was Indian as it had not been surveyed. There was a preliminary survey in 1908, marking the boundaries of the reservation and when the Zunis became aware of the small extent of their lands they petitioned the government.[76] In 1911 the government attempted another survey of the Zunis' land. This time the Zunis demonstrated their opposition to what they considered would be a further limitation of their territory. During the night survey markers were stolen by the Indians and carried.[77]

The Zunis complaints as to the limits of their reserve prompted the government to send a special investigator to the Pueblo in 1913. He reported that there were indeed insufficient lands on the reservation for the Zunis to survive.[78] A short time later in 1917 further additions were made to the reserve.[79]

In the late 1930's Congress authorized the purchase of lands to the south and north of Zuni to be held in trust for the tribe. These two acquisitions by the government came to be known as the Zuni North Purchase and the Zuni South Purchase.

By about 1930 the Zunis became aware that the government was planning stock-reduction for the Pueblos. Knowing that they didn't have enough range, and that if they were forced to reduce their sheep it would mean serious financial trouble, between 1930 and 1940 the tribe attempted to institute methods of managing their ranges, and thus anticipate a debilitating reduction of their stock.[79]

When World War II broke out in Europe, domestic problems increased, with the Indian Service being hardest hit.[83] The Zunis' reservation had recently been fenced and it proved to be smaller than they anticipated.[82] The land status in and around the reservation was in a disordered and confused state, yet when the United Pueblo's Agency prepared Land-Status reports in 1940, every pueblo was covered except Zuni.[83]

The Zunis were now facing stock-reduction and their economy was in trouble. Yet immediately after the bombing of Pearl Harbor, in the winter of 1941, the Secretary of the Interior reported that the Zunis were sending aid to the victims of the bombing. "In the pueblo of Zuni in New Mexico the Red Cross drive was announced from the housetops and the canvassing started in a blinding snowstorm. Each household contributed wheat, corn, or hay, or whatever there might be available. One family donated $6 and two rings."[84]

The Zunis were reported to have been careful to register for the draft.[85] During the period beginning in 1941 until the end of the war a total of 213 Zuni men served in the United States' armed forces. This total represented about 10% of the population of the Pueblo.[86]

One problem Zuni officials faced during the war centered around obtaining draft deferments for religious leaders. It was considered so important that the High Priests, who ordinarily would never deal with a civil matter such as this, joined with the governor in requesting exempt status for Zuni Priests.[87]

During the period of stock-reduction the Zunis allege that the government handled the program badly. Some categorized it simply as theft—the government stole their stock and slaughtered it, they didn't receive adequate, or sometimes any remuneration. Zunis have charged that those handling the program didn't bother, often, to find out whose stock was being liquidated, so that

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some people were paid for stock that wasn't theirs and some weren't paid at all.[88]

The Bureau official who was Area Realty Officer during this period, Mr. Dewey Dismuke explained the Bureau's role. The object, he said, was to increase the quality of Indian herds and decrease the quantity. The Indians were encouraged to dispose of wethers and aged steers which were kept for food. Mr. Dismuke said he helped the Zunis, and other tribes, rid themselves of broomtail horses, as horses are much harder on range than cattle. The horses were advertised and then sold to the highest bidder, bring $5 to $6 a head and being mostly shipped to a dog food factory. The money received was used to buy improved strains of bulls and rams for breeding purposes at the Pueblo. The Pueblos, Mr. Dismuke stated, were always advised of the intent of the programs to be carried out and never was a program instituted without the consent of the Indians.[89]

In 1948 Mr. Dismuke was instrumental in instituting a program for the Pueblos of New Mexico which was aimed at consolidating the Indians' land holdings. The first results of the Land Consolidation Program and the largest results, came about in 1949. Having met with the New Mexico Cattlemen's Association and the New Mexico Sheep Grower's Association, and gaining their support, together with congressmen from New Mexico, Mr. Dismuke was able to influence the passage of a bill (Public Law 226, 63 Stat. 604, 605) which added approximately 450,000 acres of land to various Indian Reservations. Zuni received its North and South Purchase Areas, which resulted in an additional 56,-155.11 acres for the reservation.[90] Further additions were made to the Zuni Reservation under this program in 1962 (610.0 acres).[91]

IV. EFFORTS TO INCREASE THE ZUNIS' LAND BASE, 1900–1950

In 1908 the Superintendent of the Zunis' Reservation wrote to the Commissioner. "I would . . . most respectfully request," he said, "that the Zuni Reservation be extended about six miles on the west into Arizona. This would give the Indians a chance to farm lands which can easily be watered from the large reservoir at Blackrock, and will also afford good pasture lands for their sheep. . . ."[92]

On January 22, 1909, the Zuni Tribal Council drafted the following resolution to the Commissioner:[93]

We, the officers of the Zuni Pueblo in council assembled renew our allegiance to our Government and express our appreciation of what that Government has done, and is doing, for our people, would beg the honor of presenting to you the following petition.

Whereas; in years gone by, before the White man settled in our country, our forefathers roamed over the valleys and hills, of our native land, unmolested and free to go where they wished and had ample room whereon to graze their flocks and herds, and;

Whereas; The present reservation is entirely inadequate to afford sufficient pasture for our sheep, as so much of it is broken by steep and rugged hills and deep ravines and canyons and the water is found in so few places.

Therefore; Be it resolved that we humbly petition you to use your influence, with Congress, to have the boundaries of our reservation extended so as to include pasture lands on the south, east, and north sides and some farming lands on the west.

Later in 1909 a new Zuni Governor, Dathlana, also wrote to the Commissioner requesting more land. ". . . As the reservation is now it is so [sic] small to feed their cows, horses, & sheep. We are very scarce of water, most of the water is off the reservation. We are very anxious to have it made larger, if possible. If the lines were left as the late Frank Cushing made them we should be satisfied.[94] We are very poor people and do not have the money to pay for surveying to take up land outside."[95]

In 1909, one further request was made, by Father Anselm Weber, who also requested an addition to the reservation. "Everyone who passes through the narrow, cliff-bound Zuni Valley, where rock-and-sand-and-adobe hills abound as soon as you leave the agricultural and irrigable lands in the lowest part of the valley, knows that the grazing lands of the Zuni Reservation amount to very little.

"Therefore I would submit to your thoughtful consideration the plan of temporarily extending the Zuni Reservation about on township, more or less, as the character of the land may suggest, to the northwest, west and south, and also to the east where feasible . . . all practically unoccupied land, land which the Zunis are now using as grazing land. . . ."[96]

In early 1910 the Zunis' agent asserted that land used by the Zunis traditionally was being taken by Navajos. "The land has been pastured for a great many years by the Zuni Indians but the Navajos have come in recently and taken possession of the same."[97]

In August of 1910 the Zunis' agent reported that the Zunis would "be very hard up in a few years" if they didn't receive an extension of grazing land.[98]

In 1912 a newly elected Zuni Tribal Council petitioned the Commissioner: [99]

Whereas: for ages past, before this part of the United States was made a part of our country, and for many years afterwards, our people inhabited, used and considered as their rightful possessions, the hills and valleys (as shown by the ruins of ancient villages) on all sides, adjacent to, but not now included in our reservation, and

Whereas: A great part of the present reservation is rough, rocky and broken canyons where no grass will grow for our sheep, and

Whereas: The farming land which may be put under irrigation for us by our Government will not be sufficient for our support without our flocks, and

Whereas: Navajos, Mexicans, and Americans are now crowding us off from the grazing lands lying outside of our reservation which we heretofore have been using and our flocks are thereby deprived of sufficient pasture.

Therefore: Be it resolved that we humbly petition you to use your influence with Congress to have the boundaries of our reservation extended so as to include lands on the north and south sides thereof . . .

Later in the year representatives of the Zunis visited Washington to press for more land. On the 23rd of September they left the following petition with the Commissioner: [100]

We, the undersigned delegates of the Zuni Pueblo, New Mexico, desire to make the following statement for your consideration regarding the addition of lands to our present reservation. We need lands badly for grazing purposes. We should like to have the lands added to our reservation which we filed with you in April of this year. The Council instructed us to lay this matter before you, and that is why we came here. It was taught that the Inspector would probably come sooner if we came here than if we did not come to see you personally . . .

[In talking of their sheep the delegation commented] This is the only means they have of making their living. If they don't do this, they will have to starve. They do not get anything from the Government. The traders don't give them very much for the wool and pelts. They only get about eight cents a pound for the wool, and we know it is worth more than that . . .

In 1915 the Governor of Zuni and over fifty other Zunis wrote another petition to the Commissioner, suggesting an alarming need for grazing. The Council requested the Commissioner to "use the great influence of your office in securing for us the aid which we so urgently need." [101]

A newspaper article in 1917 suggested that the Zunis were losing the use of thousands of acres of land. "William Bosson, formerly of Socorro County," the article read, "liked the looks of the grass to the northwest of the village of Zuni, and proceeded to lease several thousand acres of railroad land which controls the feed. He has begun the development of stock water by drilling wells and has already secured a good supply.

"But the Zunis now are opposed to having an American so close to their reservation and wish to secure the retirement of Mr. Bosson. It appears that the Indians have always, for centuries past, grazed their sheep in that particular range and are getting worked up over the fact that Mr. Bosson refuses to allow them to continue their time-honored custom." [102]

In 1918 citizens living around Zuni protested against the extension of Zuni land. The Board of County Comissioners of McKinley County and the McKinley County Bank sent lengthy telegrams to New Mexico's congressmen. One telegram reported that the "Indians own or control very sufficient area,[103] and another requested that the government "prevent extensions permanently, if possible." [104]

In 1925 the Zunis' superintendent reported that there was a petition circulating at the Pueblo, "purporting to be a request to the Pueblo Land Board asking for lands outside of the present limits of the reservation, on the ground that they had been used by the Indians many years ago." [105]

In 1926 a group of Zuni officials petitioned their superintendent to be allowed among other things, to file a claim with the Pueblo Land Board.[106]

Despite the divisions in the Pueblo in the 1930's, there was one thing the people could agree upon. The resolution petition written in 1934 read, in part, "It is the earnest desire of all the Zuni Indians that we may have lands adjacent to the Reservation so that we may be enabled, with a sufficient number of sheep, to be a self-supporting people. In order to do this, we are hopeful that we may have the additional lands to the northwest of our reservation and to the south which were formerly used by our people; and we earnestly request the assistance of your office in securing this land for our people." [107]

Between the years 1935 and 1937 Zuni Governor Henry Gaspar escorted government officials to visit areas in Arizona which the Zunis claimed to have used and possessed for centuries. The Zunis at that time received verbal permission, reportedly, to use the areas for religious purposes.[108] Later, in the 1940's, further efforts were made by the Zunis to secure a title to these areas.[109]

In 1946 a number of Zunis wrote to the Commissioner of Indian Affairs concerning land problems. In December of 1946 the Zuni Tribal Government under Governor Henry Gaspar wrote the Commissioner requesting that the North and South Purchase areas, still at that time under Government control, be added to the reservation.[110] Accompanying the petition from the tribal authorities, were letters from dozens of Zuni cattlemen who claimed to have used the land. Watecalu said, "I am one of the members of the Zuni Pueblo. My great grandfathers lived on sheep and cattle industry for many years before our land was crowded in by non-Indian settlers. . . . My people are lived [sic] on farming and stock raising for many years. We know how use [sic] our grazing lands as well as our farming lands. We are willing to follow the regulations, that has [sic] been set out by Service people.

"Every year Washington office tell [sic] us to reduced [sic] our sheep and cattle. And we do it willing. Regardless of what it [sic] will happen in years to come. For the truth no Zuni Indian would like to lived [sic] on twenty nor thirty head of sheep as individual where as a man had more than five children to support. We Indians very much anxious to get more lands for our children." [111]

Wekeema Eriacho commented, "We have always used these areas prior to the purchase of these lands and have had free grazing before we were asked to pay leases on them." [112]

Payne said, "We have always use [sic] these lands and present this information to prove so." [113] Laniate Noble said he had a home in the area "before reservation was made for Zuni." [114]

The efforts by Zuni Governor Henry Gaspar in 1946 to claim the area in Arizona for religious use by the Zunis prompted the tribe's sub-agent to comment, "The Zunis have for a long time been interested in secure [sic] legal protection of their Sacred Lakes Area in Arizona. As I understand the situation, some action to secure such protection was initiated by Mrs. Stevens [115] before the first World War (perhaps as early as 1906). The area is near Hunt, Arizona and has a prominent place in Zuni mythology." [116]

In 1948 Governor Leopoldo Eriacho wrote to the Commissioner, "One of the most important things we are in need of is more grazing land if our people are to be self-supporting and to be kept off the dole. Too, we think we had better tell you why we are asking for more land . . . Before we were fenced in we have [sic] about [53,000] head of sheep and 2,000 head of cattle. With this number we could live and get by without much help. Those days when a drought came we would drift our sheep and cattle in every direction, taking advantage of all rough, unused land and kept moving until it rained and then we would drift back to our own reservation and seldom did we ever have any trouble with or were criticized [sic] by our white range neighbors, but now since we are fenced in and the land around us have been thickly settled. Now the only way we can use it is to buy it. At this time our livestock is down to around 18 to 30 thousand sheep and 6 to 700 head of cattle and we well know our tribe cannot survive on this number." [117]

V. THE ZUNIS' FAILURE TO FILE A LAND CLAIM WITH THE INDIAN CLAIMS COMMISSION 1946–1951

Because of widespread criticism of Bureau policy in the 1920's, Secretary of Interior Hubert Work requested a survey of Indian administration. The report, published in 1928 and known as the "Meriam Report" had marked influence on future policy of the government. One section dealt with the problems Indian tribes had in getting a land claim admitted to court. "Not only," the report read, "is the permission of the government necessary before an Indian tribe may commence suit against the government, but also no contract that the tribe may make with an attorney to represent it either in court or before Congress has any validity unless it is approved by the Secretary of the Interior. The position of the government as at once the Indian suitor's guardian and the adverse party to the suit is an anomalous one, but one that must be assumed, if the Indians are to be protected. . ." [118]

After the close of World War II, in 1946, during the administration of Indian Commissioner William Brophy, sufficient pressures had mounted both in and outside of the government to prompt the passage of the Indian Claims Commission Act. This act gave Indian tribes a specific judicial avenue through which they could sue for damages they believed they had suffered. Notably, tribes could sue for compensation for lands which they believed the Government had taken without payment. The Statute of Limitations for filing a claim, under the act, ran, originally, from August 13, 1946 to August 13, 1951.

In 1947 Zuni Governor Henry Gaspar was replaced by Leopoldo Eriacho. Governor Eriacho, during his term of office is recalled today in connection with his efforts to establish the status of Zuni Tribal land.[119] He was also interested in the Zunis' Spanish Land Grant and spent considerable time and effort obtaining old documents held by the Zunis which related to the grant and delivering them to the Bureau of land Management archives in Santa Fe.[120]

By June of 1947 the Indian Claims Commission was actively attempting to inform Indian tribes of their rights under the 1946 act. On June 11, 1947, Chief Commissioner Edgar E. Witt and the Associate Commissioners sent materials explaining the act to the Superintendent of the United Pueblos Agency to be forwarded to Zuni Governor Eriacho.[121] Zuni leaders today report that Governor Eriacho received the materials, but was involved in no meetings concerning them. He did not move to institute a claim for the Zunis, a fact which the Zunis cannot explain.[122]

In 1948, a period when the Zunis were having serious factional disputes,[123] the tribal government complained by letter to the Superintendent of the United Pueblos Agency that they were receiving bad representation on their reservation from the Bureau. Noting that their agent was on a leave of absence, Governor Eriacho and his council requested "that this man be removed from our Agency at once and be replaced by some western man who has some business knowledge and one who knows something about livestock, farming and someone who knows a little of our way of life.

"We specifically request that we have a chance to know who is being sent out and that we be given time to investigate this man and decide if we want him. We do not feel that we are being unreasonable in this request . . . we have had one Eastern Hotshot after another and who has done nothing but mess things up and keep us all upset. Last year we had one, this year we have another. Now we are due another. We are fed up on this and do not want any more of it. We kindly request that you notify us by letter so we can know what step to take to be relieved of this bad condition, should we not be granted this request.[124]

The council also reported that the Zuni tribe was faced with a very poor financial condition. In a letter to Secretary of Interior, the council said, ". . . we Zuni-People have always been very, very thoughtful and careful in making any requests for help from Washington and your files will show, that we have seldom ask [sic] for much help. Our people are proud people and do not ask or want relief. We want to be independent and self-supporting.

"At the start of the war, we were about on [sic] verge of having to ask for help but the war boom and increase [sic] demand for Indian hand-made jewelry, soldier's checks and increase [sic] value of what little wool, lambs and cattle we had. We took advantage of the war, jewelry market and got by fine. Now, we are finding it harder, day by day to get by.

"We have made surveys in our own way since January, this year. And we find that the only way a good part of our tribe has been able to get by has been to abuse our credit among the traders to such an extent that this coming winter may find some of us in a destitute condition. We have compiled a list of things we are in desperate need of and writing our Acting Commissioner, requesting that the same will be given sincere consideration." [125] The three main requests were a new well to supply culinary water for the Pueblo, land leveling equipment in order to improve the farming areas, and more grazing land.

Senator Dennis Chavez of New Mexico urged the Commissioner to respond to the Zunis' requests.[126] By November of 1948 the Bureau Area Director reported to both Governor Eriacho and the Commissioner efforts were being made to accede the Zunis' requests. Senator Chavez's son, Peter, was being made a Field Clerk on the reservation and the Area Director reported that, now in 1948, "for the first time, we now have a strong administrative setup at Zuni . . ." [127] The former agent had been re-stationed elsewhere. It was noted that there was a need for a new culinary water supply but hoped that the Zunis themselves, together with the All-Pueblo Council, would be able to solve that problem. The governor was informed that "the outlook for obtaining additional grazing land is not optimistic." [128] It was hoped that in the future the Bureau could assist the Zunis with land leveling, but the most important emphasis of the communications centered on the Zunis putting more reliance on the All-Pueblo Council.[129]

By 1951 the political situation within the Zuni tribe was in a serious condition. It is reported that the Tribal Council could not work together and the Bureau wasn't sure which political division was in control.[130] The five year Statute of Limitations under which a tribe might file a claim with the Indian Claims Commission was about to run out. In February of that year, Eric T. Hagberg, Area Director for the Bureau, wrote to both the Governor of Zuni and to Pete Chavez, BIA representative on the reservation. To Chavez: "In our uncertainty as to who is Governor this year, can you have this taken care of one way or another. Thanks." [131] Below this message to Chavez was the following message to the Governor of Zuni: [132]

"Dear Governor: You will remember how often we have discussed your rights and opportunities under the Indian Claims Act. Now Commissioner Myers has asked me to remind you that you and your people can file claims in the Indian Claims Commission only until August 12 of this year. After that, as the Commissioner says, 'Claims that may be presented to the Commission will be forever barred unless filed by that date, and the Congress will not consider special legislation with respect to any such claims that are not filed in time.'

"The Commissioner would appreciate knowing whether you and your people believe you have a claim within the jurisdiction of the Claims Commission, and right away, so that he can plan to give all possible help to all Indians, advising them of their rights under this Claims Commission law.

"So I would appreciate your letting me know by February 19:

"(1) Do you and your people believe you have a claim?

"(2) Do you wish to file a claim?

"Please let me know about this, so I can tell the Commissioner. If you have any questions about your rights, and about the law, let me know so we can talk them over with you. It would help if we can have your decision in writing."

There was no immediate response from the Pueblo.

Sometime during the next few months, it had been alleged, Bureau officials ousted one political faction from power and supported the installation of the other division.[133] It was reported, however, the old council held the emblems of authority, so that there was question as to who was in power. No council meetings were held and the people of Zuni were in a divided state.[134]

It has been alleged that BIA authorities confiscated the emblems of authority from the old Zuni council on April 11, 1951 and installed the new council into office. The new administration consisted of Conrad Lesarliey, Governor; Latone Wyaco, Lieutenant Governor; Leo Quetawki, Head Teniente; and five

Footnotes at end of article.

councilmen, Pat Sessaky, Silas Sanchez, Sid Neutmoya, Bisa (Bissenti), and Lorenzo Chavez.[135] On April 11, 1951 a letter was sent to Area Director Hagberg from Zuni: [136]

"Dear Mr. Hagberg: This has reference to your letter of February 9, 1951 addressed to the Governor of Zuni Pueblo regarding our rights and opportunities under the Indian Claims Act.

"I wish to inform you that we do not believe that we have a claim to be filed; however, if we should at a later date discover that we have a claim we shall notify you immediately. As previously stated, at the present time we are unaware of any claim that the Zuni tribe might have."

The letter was signed by Conrad Lesarliey, Governor of Zuni Pueblo; Latone Wyaco, Lieutenant Governor; and Leo Quetawki, Head Teniente. The letter was received by Hagberg on April 16,[137] and on the 17th he forwarded a copy of it to the Commissioner of Indian Affairs with a note which read, "I am enclosing a copy of a resolution passed by the Zuni Tribal Council, pertaining to the Indian Claims Commission and possible claims that the Zunis might have. You will note that they do not feel they have a claim and have advised me of their decision; should, however, they find at a later date that they have a claim, they will, of course, notify us. The Zunis have been fully advised of their rights under the Claims Act and have made this decision with full knowledge of its meaning and its consequences." [138]

The man who was charged with the responsibility of explaining the Indian Claims Commission Act to the Zuni Pueblo was Mr. Dewey Dismunke, Area Realty Officer. Mr. Dismuke said he held several meetings at the Pueblo with Zuni officials and "old-timers." He reported that all conversations held by the Zuni Council concerning the land-claim were held in Zuni, which he could not understand. The Council decided it did not have a claim against the government.[139]

Mr. Dismuke said he did not in any way advise Zunis to file a claim, adding that it would have been inappropriate for a government official to encourage an Indian tribe to sue the Federal Government. Mr. Dismuke said that the Zunis were more disorganized than any of the other Pueblos. As reasons for not filing he suggested the passage of the 1949 act may have been one—it was better for the tribe to receive land than money, as Indians were likely to squander money. He also suggested that the religious leaders of Zuni, the Caciques, may have influenced the council against filing, but could give no reason why they might be so inclined. Mr. Dismuke said that a stenographer took notes at all meetings held with the Council, but these records have not been located.[140]

Pete Gonzales, who was the extension agent at Zuni for many years, a kind of sub-agent,[141] reported that he could recall no meetings at Zuni concerning the Indian Claims Commission,[142] though he tried to attend all Council meetings.[143] Sidney Neutmoya, a member of the Lesarliey Council, reported that there was no interpreter present and that Governor Lesarliey was alone in making the decision and that most of the Council was not informed of the decision until the next evening,[144] facts which barred the letter from status of a formal resolution, as all members of a Council must be informed of any question and then sign it, in order for it to be legally binding in the traditional Zuni way.[145] Another member of the Lesarliey Council, Lorenzo Chavez, reported that he knew nothing of land claims during this period.[146]

Governor Lesarliey reported that he thought that the letter he signed had something to do with allotments.[147] In the early 1960's the Zunis' tribal attorney reported the same thing, "It is my understanding that at the time that the Zuni governing body was approached regarding whether or not they had a claim, that there was a misunderstanding . . . The then governor, and two other members of the council, who considered this and talked with Bureau officials and signed an affidavit that the Zunis to their knowledge had no claim, actually were confused by the Homestead Act, or claim which was presented to them at the same time." [148]

Mr. Simpson commented further, in a letter dated May 5, 1960. "In the representations you and other members of the Tribal Council have made to me, it appears that the leadership of the Zuni Tribe was not properly advised or apprised by the Bureau of Indian Affairs, of the rights under the 1946 Act, nor the five year extension added thereto by Congress. This, you have explained was principally due to the fact that the Zuni leadership did not speak English and that the communications addressed to them were in English and without benefit of interpretation." [149]

VI. EFFORTS OF THE ZUNIS TO FILE A LAND-CLAIM SINCE 1951

Dr. Sophie Aberle, who was Superintendent to the United Pueblos Agency during part of the period when the Zunis could have filed a land claim, reported that many versions of what a land claim was were given to the tribes in the area during this period. She also reported that she and her husband, William Brophy who was attorney for the Pueblos, had completed research concerning the possibility of a Zuni claim and had concluded that there were good possibilities. She said they wondered that a claim had never been filed.[150]

Following criticism which charged him with doing an inadequate job, Mr. Lesarliey resigned as Governor of Zuni in 1953[151] Latone Wyaco, Lieutenant Governor under Lesarliey, was made Governor. Governor Wyaco's successor was Teddy Weahky, who was also forced to resign shortly after he took office. The old factionalism in the Pueblo precipitated a situation which led to two separate administrations, through the years 1955–1957, one led by Casa Appa and one by Leopoldo Eriacho, both claiming to hold office. Finally on January 10, 1957, Mr. Calvin Eustace was made Governor of Zuni Pueblo.[152]

Shortly after Governor Eustace took office, he and another Zuni, Fred Bowanie, visited the National Archives in Washington. After reviewing old War Department records, they were convinced that there was documentary evidence supporting a land-claim against the United States.[153]

Encouraged by this, Governor Eustace corresponded with the Gallup Area Office, seeking an avenue to approach the filing of a claim. Mr. Dismuke replied on February 10, 1958, "You asked me to determine whether or not a claim against the Government might now be filed under the 1946 Indian Claims Act or any extension thereof. The particular act referred to is the Act of August 13, 1946. This act provided that claims could be filed during the five year period following August 13, 1946, but no claim existing before such date but not presented within such period could thereafter be submitted. This was the provision of the original act and upon investigation, I find there has not been any extension thereof which would permit claims to be filed at this time.

"There have been numerous attempts made to have this act amended but without success as of this date. I trust the above answers your question." [154]

Nevertheless, the Zuni tribe began negotiations to engage an attorney in a claims contract. The negotiations continued into the next administration of Governor Warren Ondelacy. Representative Thomas G. Morris, in a communication to the Commissioner of Indian Affairs in 1961, said that the Eisenhower administration, 1953–1961, "refused to grant the necessary approval for them to enter into such a contract." [155]

In 1961 a claims contract was approved by the Bureau between the Zuni Pueblo and attorney Raymond Simpson. The contract was set to run until December, 1970.[156]

Governor Ondelacy in 1961 communicated with Mr. Simpson in an effort to find out what should be done at the Pueblo concerning a land claim.[157] Meetings were held at Zuni concerning the case. The following Zuni administration, headed by Governor Fred Bowanie, again attempted to promote a filing. On November 29, 1963, Governor Bowanie, Lieutenant Governor Calvin Eustace, Lorenzo Chavez (A member of the Lesarliey council), Dewey Dismuke, Raymond Simpson and others met at Zuni and held a meeting, much of which concerned the possibilities of filing a land claim.[158]

In 1965 a new governor, Robert E. Lewis, was elected to head tribal operations at the Pueblo of Zuni. He requested information concerning the claims contract. The Area Tribal Operations Officer has reported, of Simpson's claims contract, that all available records in the Bureau were checked but officials were "unable to find any record that the contract was ever renewed or that any action was ever taken by Mr. Simpson to fulfill the terms of his contract." [159]

In 1967, Governor Lewis and the Zuni Tribal Council again requested the Area Office to report if there was any way a claim might be filed.[160] Again the tribe was informed that there were few possibilities.[161]

In the late 1960's Governor Lewis' Council conducted a survey of the members of the tribe, which disclosed that one of the major concerns of the Zuni people was to find a way to file a land claim. Efforts continue to find an avenue for filing a claim.

FOOTNOTES

[1] T. F. Ealy to Pueblo Indian Agent, March 6, 1880, Register of Letters Received, Pueblo Indian Agency, 1879–80, RG 75, Archives Branch, Denver Federal Records Center (hereafter, DFRC).

[2] Alpheus A. Keen to Herbert J. Hagerman, June 12, 1906, RG 75, Letters Received (hereafter L–R), 1881–1907, 1906–51558, National Archives (hereafter, NA).

[3] "Report of Supt. Harper on request of K. K. Udall on behalf of Arizona people for use of water from Zuni Reservoir," RG 75, Central Classified Files, 1351–08–341, Zuni, NA.

[4] DiClana [sic] to Commissioner, September 25, 1909, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[5] Oliver to Commissioner, April 22, 1910, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[6] Oliver to Commissioner, May 2, 1910, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[7] William J. Lewis, Margaret A. Lewis, and Dick Tsanaha to Commissioner, September 23, 1912, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[8] Notes from a meeting with Governor Robert E. Lewis, Councilman Chester Gaspar, Councilman Harold Tuscon and Richard Hart, January 17, 1974, at the Zuni Tribal Office Building.

[9] Bauman to Commissioner, January 22, 1913, RG 75, Central Correspondence Files, 1907–1939, Zuni, NA.

[10] "Report of Special Indian Agent, W. W. McMonihe, on the Inspection of the Zuni School and Agency and Reservation," July 26, 1916, RG 75, NA.

[11] Crane, Leo, *Desert Drums: The Pueblo Indians of New Mexico, 1540–1928*, Rio Grande Press; Glorieta, New Mexico, 1972, especially pp. 178–180.

[12] Letters 1920–1922, Central Classified Files, RG 75, 100194–1920–341, Zuni, NA; and Zuni Mineral Water Company to Secretary of the Interior, May 17, 1920, RG 75, Central Classified Files, 43930–1920–307.4, Zuni, NA.

[13] Henry Gaspar and Zuni Tribal Council to William Brophy, December 6, 1946, NA, Suttand Division (hereafter SD).

[14] Formhals to Aberle, memorandum, May 27, 1943, NA, SD.

[15] Ealy to Agent, 1881, RLR, PA, DFRC.

[16] Cushing to Baird, December 4, 1881, National Anthropological Archives, Smithsonian Institution (hereafter NAASI).

[17] Ba:lawahdiwa.

[18] On November 29, Cushing reported to Thomas that he had arrested Roman Luna, and noted "insubordination" and "interference" by Bentley, Cushing to Thomas, November 29, 1881, Pueblo Indian Agency (hereafter PIA), DFRC, Register of Letters Received (hereafter RLR). Bentley also reported Cushing's "arrest of one of the leading Zuni Indians," and asked if he (Cushing) had that authority. Bentley to Thomas, November 29, 1881, *Ibid.*

[19] Bourke reported that "for each man killed in war, they [the Zunis] are allowed to wear on wrist four small sea shells. Patricio [Ba:lawadiwa] had on his arm twenty of these, corroborating his statement that in years gone by he had made 5 Navajos bite the dust." Bloom, Cushing claimed to have taken a Navajo scalp. "Pueblo Pages," Lansing B, "Bourke on the Southwest," *New Mexico Historical Review*, Vol. 8–13 (1933–38) p. 243. *The Journal*, February 28, 1882, from NAASI clipping file.

[20] Cushing to Baird, December 4, 1881, NAASI, *op. cit.*

[21] Thomas to Graham, March 27, 1882, Copies of Miscellaneous Letters Sent, PIA, DFRC.

[22] Cushing, Frank H. Cushing *My Adventures at Zuni* with an introduction by Oakah L. Jones, Jr., Filter Press, Palmer Lake, Colorado, 1967, from Jones, p. VI. During part of this controversy Logan was a candidate for the Vice-Presidency and Cushing's attack on him was very damaging.

[23] Yacqui Pie and Quala Mona to Grover Cleveland, June 12, 1885, RG 75, L–R, 1881–1907, 24768–1885, L, NA.

[24] Sanchez to Commissioner Price, August 20, 1883, enclosing Cushing to Sanchez, August 17, 1883, RG 75, L–R, 1881–1907, 16208–1883, C, NA.

[25] Sanchez to Commissioner, December 10, 1883, RG 75, L–R, 1881–1907, NA.

[26] *Santa Fe Daily New Mexican*, March 5, 1886, p. 4, col. 2.

[27] Robertson to Chas. Hunt, October 18, 1892, CMLS, PJA, DFRC. Robertson to Marmon, October 3, 1892, *ibid.*

[28] Godfrey to Adjutant General, September 22, 1897, L–R, 1881–1907, 54703–1899, NA.

[29] *Ibid.*

[30] Oliver to Commissioner, December 10, 1908, RG 75, L–R, PA, DFRC.

[31] Malcolm McDowell, "Report on the Zuni Indian Reservation, New Mexico," pp. 4–5, from the papers of Hugh L. Scott which he accumulated while serving on the Board of Indian Commissioners, 1919–1933, NAASI, =4525 (pt.).

[32] Crane, *op. cit.*, 1972, pp. 2, 66.

[33] For a brief look at one side of the dispute in these early years, see: Wilken, Robert L. *Anselm Weber, O.F.M.: Missionary to the Navajos, 1898–1921*, Bruce Publishing Company, Milwaukee, 1953.

[34] On the document his name is incorrectly given as Kwan; Antonio.

[35] Zuni Officials to Commissioner, January 22, 1909, copy from Zuni Tribal Office Building Files.

[36] John Collier, *From Every Zenith*, Sage Books, Denver, 1963, p. 132.

[37] Bauman to Commissioner of Indian Affairs, March 27, 1925, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[38] Usstisy [Eustace] et al. to Supt. of Zuni Res., n.d. [1926] RG 75, Central Correspondence Files, 1907–1939, 22809–1918–113. l, Zuni NA.

[39] Collier, John *Indian of the Americas: The Long Hope*. New York, W.W. Norton, 1947, pp. 253–255.

[40] Later during an investigation undertaken by the Bureau of Catholic Indian Missions, made in 1924, it was alleged by one of the Zuni factions, that "a great many of the Indians objected [in 1917] to Hodge excavating here. Even at the present time there is a strong sentiment against it. The people do not think it is right to dig up the dead. It was necessary for Hodge to have the local officials with him to do that. The Indian Office gave a permit to Mr. Hodge to excavate, provided it was approved by the Indian officers. The officers here were supposed to talk to the people about it. Hodge hired quite a few to work for him." The implication to be reached from the tone of the report was, of course, that Hodge had bribed the Zuni government in order to enable him to continue his work. Transcript of proceedings of an investigation by the Bureau of Catholic Indian Missions at Zuni in 1924, vertical file on "Zuni," Museum of New Mexico.

[41] Collier, 1963, *op. cit.*, p. 137.

[42] Collier to editor of *Indian Truth*, November 2, 1924, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[43] Collier, 1963, *op. cit.*, p. 138.

[44] Collier, 1947, *op. cit.*, pp. 244–245.

[45] Collier, John "Persecuting the Pueblos," *Sunset Magazine*, July, 1924, pp. 50, 92–93. Collier was quoting from a Bureau document, a "supplement" to circular 1665, dated 1923.

[46] *ibid.*, p. 93.

[47] Investigation by the Bureau of Catholic Missions, *op. cit.*

[48] Usstisy [Eustace] et al. to the Commissioner of Indian Affairs, January 24, 1925. RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[49] Bauman to Commissioner of Indian Affairs, March 27, 1925, *op. cit.* For further information concerning the controversy during this period see the following articles. John Collier, "Plundering the Pueblo Indians," Sunset Magazine, January 1923, pp. 21–25, 56. John Collier, "The Pueblos' Last Stand," *Sunset Magazine*, February 1923, pp. 19–22, 65–66. John Collier, "No Trespassing," *Sunset Magazine*, May 1923, pp. 14–15, 59–60. John Collier, "The American Congo," *The Survey*, August 1923, pp. 467–476. John Collier, "The Pueblo's Land Problem," *Sunset Magazine*, November 1923, pp. 15, 101. John Collier, "Persecuting the Pueblos," *Sunset Magazine*, July, 1924, pp. 50, 92–93. John Collier, "The Pueblo Lands," *The Survey*, February 15, 1931, pp. 548–549.

[50] Hagerman to Commissioner, May 5, 1926, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113, Zuni, NA.

[51] Bauman to Commissioner, telegram of May 19, 1926, *ibid.*

[52] On the Commissioner's copy of this letter the word "destroyed" has been crossed out.

[53] Usstisy, et al., to Superintendent of Zuni, n. d. [1926], RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[54] Faris to Commissioner of Indian Affairs, February 11, 1927, RG 75, Central Correspondence files, 1907–1939, 22809–1918–113.1, Zuni, NA.

[55] Trotter to Commissioner of Indian Affairs, February 8, 1928, *ibid.*

[56] Faris to Commissioner of Indian Affairs, March 31, 1928, *ibid.*

[57] Trotter to the High Priests of Zuni, May 21, 1928; Trotter to the Commissioner, May 21, 1928; High Priests of Zuni to Whom it May Concern, May 29, 1928, *ibid.*

[58] Collier to Trotter, August 25, 1935, RG 75, Zuni L–R, NA.

[59] Trotter to Commissioner, January 20, 1933, RG 75, L–R, Zuni, NA.

[60] *ibid.*

[61] "Politics Breaks Zuni Calm, 'New Deal' demanded," *Daily Gallup Independent*, March 21, 1933, *ibid.*

[62] Trotter to Commissioner, July 17, 1933, *ibid.*

[63] Brookings Institution, Committee on Survey—Mary Louise Mar (chairman), Elizabeth Long and Paul Gordon, "Law and Order in the New Mexico Pueblos, 1931–1932," Institute for Government Research, Washington, D.C.

[64] Trotter to Collier, November 21, 1934, RG 75, Zuni, L–R, NA.

[65] "Zuni Vote Topples Ancient Oligarchy," undated, unidentified newspaper clipping and "Lincoln Cane Goes to First Elected Governor of Zuni," undated, unidentified newspaper clipping from RG 75, L–R, Zuni, NA.

[66] Notes from a meeting with Governor Robert E. Lewis, Councilman Chester Gaspar, Councilman Harold Tucson, Richard Hart and Dr. Floyd A. O'Neil, January 17, 1974 at the Zuni Pueblo.

[67] John Adair, and Evon Vogt "Navajo and Zuni Veterans: A Study of Contrasting Modes of Culture Change," *American Anthropologist*, No. 4, Pt. 1, October–December, 1949, p. 549.

[68] Aberle, S. D. "The Pueblo Indians of New Mexico: Their Land, Economy and Civil Organization," *American Anthropologist*, Memoire 70, October, 1948, pp. 64–65.

[69] Notes of a conversation with Governor Robert E. Lewis and the Tribal Council of Zuni with Richard Hart, September 5, 1973 at the Zuni Pueblo.

[70] Field Notes from conversations with Richard Hart, Lt. Governor Theodore Edaakie and Councilman Chester Gaspar, August 24, 1973 at the Zuni Pueblo. Notes from a meeting with Governor Robert E. Lewis and the Zuni Tribal Council and Richard Hart, September 5, 1973, *op. cit.*

[70a] *Ibid.*

[70b] Minutes of a meeting held January 10, 1957 at the Zuni Pueblo, L–R, Zuni, NA, SD.

[71] Edward Canby to Pedro Pino, January 15, 1861, Hodge-Cushing Collection, Southwest Museum (hereafter H–C, SWM).

[72] Francis Klett to Pedro Pino, July 23, 1873, H–C, SWM.

[73] Tillie [Matilda Coxe] Stevenson to Pedro Pino, November 7, 1879, H–C, SWM.

[74] W. T. Sherman to Pedro Pino, September 10, 1878, H–C, SWM.

[75] See Map A.

[76] Zuni Officials to Commissioner of Indian Affairs, January 22, 1909, from the Zuni Tribal Office Building files.

[77] Farmer to Dunnington, July 8, 1911, RG 75, L–R, PA, DFRC. A series of letters concerning this episode were sent and received by the Bureau throughout the summer of 1911.

[78] Bauman to Commissioner, July 12, 1913, RG 75, Central Correspondence Files, 1907–1939, Zuni, L–R, NA.

[79] See Map B.

[80] Aberle to Collier, September 21, 1940, L–R, Zuni, NA, SD.

[81] Collier, 1963, *op. cit.*, p. 300.

[82] Henry Gaspar and Zuni Council to William Brophy, December 6, 1946, NA, SD.

[83] "Land Status Report, 1940," United Pueblos Agency (now Southern Pueblo Agency) Files.

[84] *Annual Report of the Interior Department*, 1942, Washington, Government Printing Office, p. 239.

[85] Notes from an interview with Mr. Dewey Dismuke by Richard Hart, January 18, 1974, at Mr. Dismuke's home in Albuquerque.

[86] Adair and Vogt, 1949, *op. cit.*, pp. 547–548.

[87] *Ibid.*, p. 548.

[88] An interview conducted by D. Corydon Hammond with Chester Gaspar, September 1,

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1967, Doris Duke No. 94; an interview conducted by Hammond and Bowman Paywa, August 9, 1967, Doris Duke No. 83; *American Indian Oral History: The Duke Collection*, American Indian History Project, American West Center, University of Utah. The tapes and bound transcriptions from the Duke Project at Zuni are stored in the Western American Section of the University of Utah Library. Also: an interview conducted by Richard Hart with Nathaniel, June 4, 1973, transcript of tape.

[99] Interview with Mr. Dismuke, January 18, 1974, *op. cit.*

[100] See Map. C.

[101] "Land Consolidation Program, 1948–1962," memo supplied by Mr. Dismuke and *ibid.*

[102] William J. Oliver to Commissioner, November 30, 1908, RG 75, Central Correspondence Files, 1907–1939, 79281–1908–309, Zuni, NA.

[103] Zuni Officials to Commisioner of Indian Affairs, January 22, 1909, copy from Zuni Tribal Office Building Files.

[104] Frank Hamilton Cushing, an ethnologist working for the Bureau of American Ethnology, had lived at the Pueblo from 1879 to 1884. While there he determined what the Zunis' territory had been before the area became part of the United States. He lectured in the East in later years, describing that land as encompassing more than ten times the territory of the reservation today.

[105] DiCiana [sic] to Commissioner, September 25, 1909, RG 75, Central Correspondence Files, 1907–1939, L–R, Zuni, NA.

[106] Weber to Commissioner, April 22, 1909, RG 75, CCF, 1907–1939, 27392–1909–301–Navajo. NA.

[107] Oliver to Commissioner, May 7, 1910, RG 75, DDF, 1907–1939, Zuni, L–R, NA.

[108] Oliver to Commission, August 15, 1910, RG 75, L–R, Zuni, NA.

[109] William J. Lewis and Zuni Council to the Commissioner of Indian Affairs, April 24, 1912, RG 75, DDF, 1907–1939, Zuni, L–R, NA.

[110] William J. Lewis, Margaret A. Lewis, and Dick Tsanaha to Commissioner, September 23, *ibid.*

[111] Zunis to Commissioner of Indian Affairs, April 28, 1915, RG 75, General Correspondence Files, 1907–1939, Zuni, L–R, NA, also found in DFRC.

[112] "Indians Object to Confiscation of their Range," n.d., newspaper clipping, RG 75, PA, L–R, DFRC.

[113] Board of County Commissioners of McKinley County to Hon. W. B. Walton, March 8, 1918, PA, L–R, RG 75, DFRC.

[114] McKinley County Bank to Hon. W. B. Walton, March 9, 1918, *ibid.*

[115] Bauman to Commissioner of Indian Affairs, March 27, 1925, *op. cit.*

[116] Usstisy, et al., to Superintendent, n.d., *op. cit.*

[117] Lallo et al. to Commissioner, RG 75, Central Classified Files, 46562–1934–310, Zuni, NA.

[118] Helander to Olson, April 19, 1946, Memo, from Zuni Pueblo Tribal Office files.

[119] *Ibid.*

[120] Henry Gaspar et al. to Commissioner Brophy, December 6, 1946, letters received, Zuni, NA, SD.

[121] Watecelu to Commissioner, December 6, 1946, *ibid.*

[122] Wekeema Eralcho to Commissioner, December 5, 1946, *ibid.*

[123] Payne to Commissioner, December 4, 1946, *ibid.*

[124] Lanlate Noble to Commissioner, November 5, 1946, *ibid.*

[125] Sub-agent Olsen probably meant Matilda Coxe Stevenson, an ethnologist for the Bureau of American Ethnology who worked at Zuni between 1879 and 1910. Ko luwala:wa is a small lake which is very sacred to the Zuni people, and is the site spoken of here. The Zunis believe they depart to Ko luwala:wa after death.

[126] Olsen to Evans, memorandum, April 1, 1946, copy from the Zuni Pueblo Office Building files.

[127] Eriacho and Zuni Council to Commissioner, July 14, 1948, RG 75, L–R, Zuni, NA, SD. During the years 1948–1950 the area around Zuni was hit with a severe drought. Hodge, Frederick Webb "Zuni Witchcraft Again," *The Masterkey*, Vol. 25, No. 1, p. 7.

[128] Institute for Government Research, *The Problem of Indian Administration*, John Hopkins Press, Baltimore, 1928, p. 808.

[129] Notes from a conversation between Richard Hart and Pete Gonzales, former Bureau employee at the Zuni Pueblo, made on September 5, 1973. Mr. Gonzales also recalled the efforts of Governor Gaspar to claim the area around Ko luwala:wa.

[130] Land Grant papers of the Zuni Pueblo, No. 54. Leopoldo J. Eriacho, on March 9, 1954, deposited some papers with the office of the BLM in Santa Fe. "He said he had brought the papers contained in this envelope. He requested that the papers be given to no one since it had taken him two years to secure them . . . ."a note reads. The papers are now stored in the New Mexico State Archives in Santa Fe.

Nathaniel Nasheboo, who was associated with Governor Eriacho during this period reported that the Governor acquired the documents and took them to Santa Fe at his own expense. (Transcript of a taped interview between Richard Hart and Nathaniel Nasheboo, June 4, 1973.)

The officials of Zuni during this period received no pay, had no office, and had to take care of tribal affairs in their spare time. (Interview of Lt. Gov. Theodore Edaakie and Councilman Chester Gaspar, at Zuni on August 24, 1973; transcript of a tape.)

wealthy Governor, and because most of the

Because of the need for an independently Zunis' problems centered around a need for more grazing land, most of the Juni Governors during this period were successful stock men. (Adair and Vogt, *op cit.*, p. 556.)

[131] Witt et al. to Eriacho, June 11, 1947, from Indian Claims Commission files.

[132] Transcript of a tapcd conversation with Lt. Gov. Theodore Edaakie, Councilman Chester Gaspar and Richard Hart, made at the Zuni Pueblo on August 24, 1973.

Asked why Governor Eriacho didn't file, Nathaniel Nashcboo indicated that the Governor probably didn't understand the statute of limitations. He reported that they once spoke with a lawyer and that he told them, following his explanation, "that they could file anytime, they knew the ropes." (Nasheboo interview, op. *cit.*)

[133] Notes from a conversation with Governor Robert E. Lewis and the Zuni Tribal Council, September 5, 1973. It was reported that the period between 1948 and 1951 was particularly bad.

[134] Eriacho et al. to Hagberg, July 14, 1948, L–R, Zuni, NA, SD.

[135] Eriacho and Zuni Council to Secretary of Interior, July 14, 1948, L–R, Zuni, NA, SD.

[136] Lawrence N. Stevens to Hagberg, telegram, October 12, 1948, L–R, Zuni, NA, SD.

[137] Hagberg to Commissioner, October 15, 1948, L–R, Zuni, NA, SD.

[138] Acting Commissioner Zimmerman to Leopoldo Eriacho, November 10, 1948, L–R, Zuni, NA, SD.

[139] *Ibid.*; Hagberg to Commissioner, October 15, 1948, *op. cit.*; and Hagberg to Eriacho, October 15, 1948, L–R, Zuni, NA, SD. This emphasis on the All-Pueblo Council was probably an indication of the growing mood which eventually led to the policy of termination. The Zunis were considered for termination but found unready. ("Summary Statement of Withdrawal Status, April, 1956,") L–R, Zuni, NA, SD.

[140] Notes of a conversation with Governor Robert E. Lewis, et al., September 5, 1973, *op. cit.*

[141] Hagberg to Chavez and Hagberg to Governor of Zuni (same letter), February 9, 1951, Zuni Pueblo Office Building Files.

[142] *Ibid.*

[143] Notes from conversations with Theodore Edaakie and Chester Gaspar by Richard Hart, August 24, 1973.

Notes from a meeting with Governor Robert E. Lewis and the Zuni Tribal Council by Richard Hart, September 5, 1973.

[144] *Ibid.*

[145] *Ibid.*

[146] Lesarlley, Wyaco and Quetawki to Hagberg, April 11, 1951, Zuni Tribal Office Building Files.

[147] *Ibid.*

[148] Hagberg to Commissioner, April 17, 1951, Pueblo Office Building Files.

[149] Notes from an interview made by Richard Hart with Dewey Dismuke, January 18, 1974, at his home in Albuquerque, N. Mex.

[150] Ibid.

[151] Notes from a conversation between Richard Hart and Alice Duffy, former Secretary to the Area Office Director, September 4, 1973.

[152] Notes from a conversation between Richard Hart and Pete Gonzales, September 4, 1973.

[153] Alice Duffy conversation, *op. cit.*

[154] Notes taken from a conversation with Sidney Neutmoya (one of the Lesarlley Council in 1951) by Richard Hart, translated by Governor Robert E. Lewis, September 5, 1973.

[155] Transcription of a tape recording made at the Zuni Pueblo on November 20, 1963. Present were Zuni Governor Fred Bowanie, Zuni Lieutenant Governor Calvin Eustace, Councilman Lorenzo Chavez, Dewey Dismuke, Superintendent Richard Butts, Zuni Tribal Attorney Raymond Simpson, and others; from the Zuni Tribal Office Building Files.

Edaakie and Gaspar, August 24, 1973, *op. cit.*

Neutmoya, September 5, 1973, *op. cit.*

Raymond Simpson to Governor Calvin Eustace, May 5, 1960, L–R, Zuni, NA, SD.

[156] November 20, 1963 meeting, *op. cit.*

[157] Edaakie and Gaspar, *op. cit.*

[158] November 20, 1963 meeting, *op. cit.*

[159] Simpson to Eustace, May 5, 1960, *op. cit.*

[160] Notes from a conversation with Dr. Sophie Aberle and Richard Hart, September 5, 1973.

[161] Edaakie and Gaspar, August 24, 1973, *op. cit.* Gonzales, September 4, 1973, *op cit.* Lewis and Council, September 5, 1973, *op. cit.*

[162] Minutes of a meeting held January 10, 1957 at Zuni, L–R, Zuni, NA, SD.

[163] November 20, 1963 tape transcription, *op. cit.*

[164] Dismuke to Eustace, February 20, 1959, from the Zuni Tribal Office Building files.

[165] Morris to Commissioner John Crow, May 29, 1961, L–R, Zuni, NA, SD.

[166] Roland E. Johnson to Governor, Zuni Pueblo, August 31, 1973, memorandum, from Zuni Pueblo Tribal Office Building files.

[167] Ondelacy to Simpson, July 25, 1961, Zuni Pueblo Tribal Office Files.

[168] November 20, 1963, transcript, *op cit.*

[169] Johnson to Governor, August 31, 1973, *op. cit.*

[170] Superintendent of the Zuni Agency to Area Director, memorandum, May 1, 1967, Zuni Tribal Office Building Files.

Mr. DOMENICI. Mr. President, it is with a great deal of pleasure that I join my colleagues in introducing a bill to direct the Secretary of the Interior to purchase and hold 560 acres of land in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona.

The people of New Mexico are proud of the mutual trust and friendly relationships that we have with the Zuni people. The Zuni Tribe is well into its program to achieve self-determination and deserves credit for the progress that they have made in training and putting Zuni members into responsible positions of leadership formerly occupied by members of the Bureau of Indian Affairs. The Zunis as a people have a cultural tradition which leads to a nonaggressive method of problem solving and have demonstrated the ability to bring about change through peaceful means.

As is often the case, a people of passive and gentle behavior are often disadvantaged by the imposition of the non-Indian culture. The Zuni Tribe has always looked to the U.S. Government for protection of its way of life. Through the long history of the relationship between the United States and the Zuni Tribe, the Zuni people have always treated the United States with respect and have acquiesced in the judgment of the representatives of the United States. It has long been known that the Zuni Tribe occupied lands in the past which were much more expansive than the lands to which they are confined on their present reservation. No one can argue that the grazing lands and cultivated lands are adequate to supply the needs of the tribe whose birth rate is double that of the national average and whose mortality rate is half that of the national average.

I have met with representatives of the Zuni people on many occasions and they have expressed to me a desire to correct some injustices which prior to this time they had been too timid or reticent to mention. The Zuni Tribe has never been compensated for lands which were taken or occupied by the United States. The Zuni people have repeatedly made requests for additional lands, but have never had the inclination to aggressively confront the Government in a direct manner to achieve that end. The Zunis have preferred to make their needs known and rely upon the judgment and sense of fair play of the Government to deal justly with them.

Unfortunately, the United States has not responded to this somewhat low key and seemingly slow pace of the Zuni in dealing with the Bureau of Indian Affairs or other government agencies. As a result, the Zuni Reservation does not include their major sacred shrine located at Zuni Salt Lake, some 18 miles south of the reservation border located on 560 acres. Likewise, the Zuni Tribe did not file a claim against the United States under the Indian Claims Commission Act for lands taken by the United States, in part from an apparent misunderstanding, but also for fear that such an action would somehow jeopardize their relationship with their trustee.

It is interesting to note that during the period of time allowed under the Indian Claims Commission Act in which tribes had to file their claims that the Zuni Indian Tribe never employed legal counsel. They were involved in a land reconsolidation program which added measurably to the reservation acreage. It was the common feeling among the Zuni people at that time that if they were to file a claim against the United States that it would somehow jeopardize the land reconsolidation program.

It becomes readily apparent that the Zuni people have always trusted the United States to treat them fairly and have never been self-assertive or militant. Under these circumstances, I feel that the United States is held to a high fiduciary responsibility in dealing with the Zuni people. Accordingly, I introduce this legislation to correct two significant problems which now face the Zuni people, which need immediate correction.

First, this bill will return to the Zuni Indian Tribe approximately 560 acres in which the sacred Zuni Salt Lake is located. The tribe will then be free to use this shrine for religious purposes in perpetuity.

Second, this bill will confer jurisdiction on the Court of Claims to allow the Zuni Indian Tribe to prosecute a claim against the United States for lands taken which belong to the Zuni Indian Tribe. There is no question in my mind that the Zuni Tribe should have an opportunity to try its claim on the merits and should not be precluded from so doing.

I am proud to be of assistance in helping the Zuni people to obtain what is rightfully theirs and display to them on behalf of the United States our desire to treat them fairly and equitably as they have treated us.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 878. A bill to designate the Veterans' Administration Hospital in Columbia, S.C., as the "Wm. Jennings Bryan Dorn Veterans' Hospital." Referred to the Committee on Veterans' Affairs.

Mr. THURMOND. Mr. President, I am pleased to introduce a bill to name the Veterans' Administration Hospital in Columbia, S.C., for former Congressman William Jennings Bryan Dorn.

Congressman Dorn served with great dignity in the U.S. House of Representatives for 13 terms. During his many years in Washington, he acquired a vast store of knowledge and experience. His expertise in Veterans' Affairs was, and remains, particularly noteworthy.

He was instrumental in helping numerous deserving veterans all over the Nation.

Bryan Dorn was a member of the House Veterans' Affairs Committee for 24 years, and served as chairman of the committee for his last 2 years in the Congress. He showed distinguished leadership for the cause of veterans during his entire congressional career.

Mr. President, I can think of no better way to recognize that leadership than to name the Columbia VA Hospital in his honor.

Mr. President, I send the bill to the desk for appropriate reference, and ask unanimous consent that it be placed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 878

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Veterans' Administration hospital at Columbia, South Carolina, shall hereafter be known and designated as the "Wm. Jennings Bryan Dorn Veterans' Hospital" Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the "Wm. Jennings Bryan Dorn Veterans' Hospital".

By Mr. MOSS:

S. 879. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to require itemized budget requests for funds to provide relocation assistance. Referred to the Committee on Government Operations.

Mr. MOSS. Mr. President, during the 1960's it was brought to our attention in the Congress that many people were being removed from their homes and businesses as a result of government construction. We were made aware that the right of eminent domain provided adequate compensation only for the value of the property taken and that it failed to provide for all of the other expenses and inconveniences which were caused by eminent domain proceedings such as moving, transportation, and relocation costs. We also found that, in many instances, those who were being relocated were not the property owners, but were tenants and they were receiving no compensation for their loss of use of property or their sometimes very expensive need to relocate. To correct these inequities to those who were the real users of the property, the 92d Congress enacted the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970. The act has served its intention very well by providing assistance for tenants, businessmen, or homeowners when they were forced to relocate as a result of acquisition of their property by the Federal Government or by any agency using Federal funds. Many people who were previously turned out into the cold have, under this act, received and been assured of relocation whether for their housing or their business and adequately compensated for the inconvenience caused them by a Federal program.

Mr. President, the Uniform Relocation Assistance Act has, as I said, compensated all of those who became financial victims of Government acquisitions or condemnation proceedings. However, while it has acted to serve well those for whose benefit it was intended it has been brought to my attention that in its present form the act has caused the loss of some very valuable State or Federal programs. This is so because the act failed to authorize specific moneys to the agency for carrying out the purpose of this act, while carrying out its intent. The money to carry out this act has necessarily come out of program funds within the various agencies and has thereby made it necessary to terminate some very important and worthwhile programs. An example of this has recently taken place in my home State of Utah. The State Board of Education has found

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it necessary to build a new physical facility. The site which has been selected for construction of the facility required the displacement of many persons from their homes and businesses. As a result the act required the State to pay relocation assistance in the amount of approximately $250,000 for relocation, because part of the funds to be used for the facility are Federal funds. The end result of this relocation will be a loss of $250,000 from the State's title I Federal funds and, therefore, the termination of some very important vocational education and handicapped training programs. This loss to the State of Utah is only one example. I have been advised by the regional agency that this problem is recurring and causing a great deal of suffering and loss benefits.

Mr. President, the amendment I offer today will resolve a problem which the act has perpetuated simply by allowing the agencies, in their request for appropriations, to add as a line item the funds necessary to carry out the act.

Mr. President, I urge the Senate to give this amendment its earliest consideration and to act quickly to prevent any further damage being done to many beneficial programs.

By Mr. McGOVERN (for himself, Mr. ABOUREZK, Mr. BURDICK, Mr. CASE, Mr. CLARK, Mr. CHURCH, Mr. DOMENICI, Mr. HUMPHREY, Mr. MANSFIELD, Mr. McGEE, Mr. METCALF, and Mr. HUGH SCOTT):

S. 880. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans. Referred to the Committee on Veterans' Affairs.

WORLD WAR I VETERANS' PENSION

Mr. McGOVERN. Mr. President, last April I introduced legislation designed to provide guaranteed pensions for World War I veterans and their widows. Since that time, the economic situation has worsened, inflicting great financial strains on all Americans. But, ironically, the segment of our population which is probably suffering the most is also the group least able to cope with the increased economic burden. I am speaking of the elderly, especially those on fixed incomes, whose punctured pocketbooks seem to be deflating at a rate much quicker than that of the ballooning cost of living.

I do not feel that is proper treatment for any citizen of the United States and particularly not for our war veterans. I have often said that you can best judge a country by the way it treats its elderly. While we do have many fine programs intended to aid elderly Americans, it is obvious that we have fallen short of any decent commitment to those who have grown older and wiser watching several more conflicts go by and waiting for recognition of their own service to their country.

World War I veterans deserve a decent income in this time of financial uncertainty. Most of them are living out their final years on a meager income of social security and a small, income-related veterans' pension. Every time their social security goes up, their pension from the VA goes down. In many cases, they end up with less total income than they had before the social security raise. More than ever they are deserving of the recognition and compensation they should have received half a century ago.

In the last session of Congress, I attempted to bring the Senate's attention to the readjustment needs of Vietnam veterans. Aided by strong support from the Senate and the House, we not only passed substantial increases in GI bill benefits, but we also overwhelmingly overrode the President's veto of the bill. Now our Nation's latest group of veterans has been granted educational benefits approaching those offered Americans who fought in World War II.

This was one of the strongest arguments used by both myself and by major veteran's organizations in fighting for the expanded GI bill—that the Vietnam era veterans were entitled to the same level of benefits received by veterans of World War II. Given the overwhelming success of the World War II readjustment programs as documented in several studies, it is difficult, if not impossible, to argue with that reasoning.

It is also reasonable to extend that argument to our treatment of the men and women who served during the first worldwide conflict. If we do, we find that World War I veterans have been neglected to a degree that can only cast shame on every other effort this Nation has made to provide some compensation in civilian life for those who have served honorably in the Armed Forces.

Their situation must be made clear in order to understand the debt owed veterans of the First World War. When the war was over, there was no Veterans' Administration to counsel those who were fortunate enough to come home from the devastations of war. At that time there was no GI bill to help pay for the education of these young veterans who had set aside personal plans and ambitions to take their country's cause during a time of conflict overseas. In 1921 the men and women returning from the war were young and they had the rest of their lives to look forward to. They were proud and optimistic, strong, and idealistic. Although they did not receive the many benefits that veterans of later wars received, they were, at that time in their lives, more easily able to cope with the readjustment problems they faced and the sacrifices they had to make to get back on their civilian feet and fully integrate themselves into society. But these people are not young anymore. The average age of the World War I veteran is 79. While the inequities could be theoretically remedied by offering the same benefits to World War I veterans that veterans since that war time era have received, realistically we know that the job counseling and educational entitlement cannot benefit them now. But an unrestricted pension would guarantee the World War I veterans comfortable lives in their later years.

Mr. President, the veterans of the First World War have done a great deal for our country. They have earned our help and they need it now. Decorative medals and campaign ribbons will just not sustain them in these times of financial need. I am, therefore, introducing for appropriate reference a bill identical to one introduced by Congressman FREY in the House to provide a guaranteed pension for all World War I veterans. I hope that we can take immediate action to correct a grave injustice.

By Mr. HATFIELD (for himself, Mr. CLARK, and Mr. McGOVERN):

S. 881. A bill to establish an Office of Food Administration for a temporary period in order to develop coordinated national policies on domestic and foreign food assistance programs. Referred to the Committee on Agriculture and Forestry.

Mr. HATFIELD. Mr. President, today I am introducing legislation to create an Office of Food Administration in the Executive Office of the President to be headed by an administrator appointed by the President by and with the consent of the Senate. Senators CLARK and McGOVERN join me in introducing this legislation.

The bill is designed to create an operation similar to that managed from 1914 to 1924 by Herbert Hoover at the request of President Wilson. The history of that effort is readily available, and I summarized it in testimony before the Select Committee on Nutrition and Human Needs on December 18, 1974. That testimony can be found in the RECORD of December 19.

Let me briefly outline the dimensions of Hoover's food relief program.

During and after World War I, millions of people in central and eastern Europe and Russia were threatened by starvation. The United States responded magnificently. American food relief for Europe began in 1914 with the creation of the Commission for the Relief of Belgium under the chairmanship of Herbert Hoover and continued under other auspices until 1924. In all, 33 countries and millions of people were aided by the shipment of 34 million tons of commodities at a cost of $5 billion. Today's cost would be about $20 billion.

This was accomplished even in years when there was no "statistical" surplus available. Remarkable efforts were made in Germany, against the stubborn opposition of some allies and those who denounced the relief as treasonable feeding of the enemy. And also in Russia in 1922 and 1923, when an estimated 20 million people were fed, despite objections to assisting "Bolsheviks."

But the most rewarding operation was the child feeding program. Hoover realized that "stunted bodies and deformed minds in the next generation were not the foundation on which to rebuild civilization." Under his direction, 14 to 16 million children were fed at a cost to the United States of $325 million, the largest part of which came from charitable contributions.

When a similar situation arose in Europe in World War II, President Truman took the lead in urging Americans to adopt voluntary conservation measures. With little or no commodity surplus, increased aid had to be managed by reducing consumption. So Truman proposed that Americans eat no meat on Tuesdays; no poultry or eggs on Thursdays; save a slice of bread every day; and that restaurants serve bread and butter only on request. He also asked that distilleries close temporarily to save grain.

As a result of Truman's plea, 2½ million tons of grain were sent to Europe in just 60 days. That is nearly half the food we will send in this entire fiscal year.

The world's need for food aid has never been greater. We have spent considerable time in the past year discussing the causes and ramifications of the world food crisis. Yet our response has been sluggish at best. It is not because we lack food—shortly after the World Food Conference we learned that the grain was available if we were willing to pay for it. It is not because we lack the funds—the $2 billion needed to meet our share of the world food contribution is less than 0.2 percent of our GNP. It is not because we do not care—nongovernmental agencies report that contributions have increased. We simply lack leadership.

After the United States committed itself at the World Food Conference to increasing its food aid through Public Law 480, the final funding decision took months as the Agriculture Department, the State Department, and the Office of Management and Budget haggled over how much, to whom, and at what cost. When Congress declared that at least 70 percent of title I, Public Law 480, aid had to be sent according to humanitarian rather than political needs, the State Department balked at this supposed "interference" and further delay resulted.

All this took 3 months. If we had moved at Truman's pace, we could have shipped between 3 and 4 million tons of food in that time, and we would not be worrying now whether we could ship all the aid by June 30, 1975.

The food administrator I propose could put an end to this bureaucratic delay and exert the leadership to mobilize Americans in support of a coherent and humane food aid policy.

My bill would create the Office of Food Administration in the Executive office of the President, to be headed by a food administrator to be appointed by the President with the consent of the Senate. The Cabinet-level administrator would be the President's principal adviser on food assistance programs at home and abroad. He would ascertain the availability of food to carry out such programs and the means for funding them. He would recommend to the President the minimum level of funding for Public Law 480, with emphasis on the humanitarian purposes of the act. He would formulate and recommend to the President a national nutrition policy for the United States, so that we would not ignore hunger here at home while we help feed others abroad. He would formulate and recommend to the President policies to improve agricultural production at home and abroad, so we can have enough food to supply emergency aid and so the developing nations can move toward agricultural self-sufficiency.

I emphasize that the bill specifically directs the Secretary of State, the Administrator of AID, the Secretary of Agriculture, and the heads of other departments and agencies of the Federal Government food assistance programs to cooperate fully with the administrator. I do not intend to create another bureaucrat to debate with his fellows, but someone to put an end to self-serving arguments and bring order out of chaos.

With all due respect to my colleague Senator HUMPHREY, I must say at this point that his Senate resolution to authorize the appointment of a "food coordinator" is not sufficient to the task. His bill would not have the effect of law and it would not specifically direct and require the heads of other agencies to cooperate fully with the "coordinator" in the fulfillment of his duties. I suspect, therefore, that the "coordinator" would do little more than coordinate paper and have no influence over policy.

Mr. President, our food aid programs need direction, and that requires tough legislation.

As an indication of the authority the administrator I propose would have, he would serve as chairman of the interagency committee which oversees questions of food assistance. That committee, with representatives from USDA, the State Department, AID, and the Defense Department, among others, has been meeting regularly to parcel out U.S. food aid since its creation by Executive order during the Eisenhower administration, but it has come to our attention only recently.

In addition, the Food Administrator I propose would serve on the advisory committee established by section 407 of Public Law 480, and would be authorized to call meetings of that committee should the acting chairman fail to do so in the time prescribed by law, or for emergency purposes.

Mr. President, in developing food assistance policies the Administrator would take into consideration the role of nongovernmental agencies, and would utilize their services and facilities to the maximum extent possible, as Hoover did when he was Food Administrator. These voluntary agencies can frequently do a better job of food relief than governments can, but it is difficult for the average contributor to know which one is doing what for whom. The Administrator could clarify this situation for the American public.

In a similar role, the Administrator would submit to the Congress and to the people of the United States periodic reports on the progress of his plans for ending world hunger by 1985, as resolved by the World Food Conference, and on the status of nutrition in the United States.

Finally, Mr. President, section 8 of my bill declares that the Office of Food Administration and the Office of Food Administrator shall terminate 4 years after the appointment of the first Administrator. I have no desire to create another sprawling bureaucracy. If the Congress wants to continue the office, it can do so easily enough.

Mr. President, our foreign food assistance program should not be a stepchild to be considered only on an ad hoc basis when the reality of world hunger occasionally dawns upon us. We need a coherent, humane policy administered by a single office whose sole responsibility is foreign food assistance. At a later date I will be proposing amendments to Public Law 480 which will further enhance our efforts to eliminate world hunger. In the meantime, I hope we can get early hearings on this legislation, and I urge other Senators to join Senator CLARK, Senator McGOVERN, and me in sponsoring this bill.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 881

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is established within the Executive Office of the President an office to be known as the "Office of Food Administration".

(b) The Office of Food Administration shall be headed by an Administrator who shall be appointed by and with the advice and consent of the Senate.

SEC. 2. (a) The Administrator shall be the President's primary adviser on all matters relating to food assistance programs carried out by the Federal Government domestically and abroad, and shall be responsible for formulating and implementing the policies for such programs.

(b) In carrying out his functions under this Act the Administrator shall, among other things—

(1) ascertain annually the food requirements for domestic and foreign assistance programs, ascertain the availability of food to carry out such programs, and ascertain the means available for funding such programs;

(2) recommend to the President the minimum level of assistance which should be made available to foreign countries under the Agricultural Trade Development and Assistance Act of 1954, such level of assistance to be determined on the basis of the availability criteria prescribed in section 401 of such Act, except that primary consideration shall be given to the humanitarian purposes of such Act;

(3) formulate and recommend to the President a national nutrition policy for the United States;

(4) make periodic reports to the people of the United States and to the Congress on the progress of plans for solving the world hunger problem and on the status of nutrition in the United States;

(5) submit to the Congress from time to time such recommendations for legislation as he deems necessary to implement the policies formulated by him under this Act;

(6) formulate and recommend to the President programs to improve the agricultural production of the United States and foreign countries and to achieve agricultural self-sufficiency in the developing nations, and recommend minimum funding levels for these programs.

SEC. 3. The Administrator, so long as his office exists, shall—

(1) serve as chairman of any inter-agency food aid committee which oversees questions relating to food assistance, and

(2) serve as a member of the advisory committee established in section 407 of the Agricultural Trade Development and Assistance Act of 1954. The Administrator shall be authorized to call meetings of the advisory committee established in section 407 of the

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Agricultural Trade Development and Assistance Act of 1954 should the acting chairman fail to do so in the time prescribed by law, or in times of emergency.

SEC. 4. The foreign food assistance policies formulated by the Administrator under this Act shall be directed toward the elimination of world hunger by 1985, as resolved by the World Food Conference.

SEC. 5. In developing food assistance policies under this Act, the Administrator shall take into consideration the role of non-governmental agencies and organizations and, in order to utilize the services and facilities of such agencies and organizations most effectively, the Administrator shall, to the maximum extent practicable, coordinate such policies with such agencies and organizations.

SEC. 6. The Secretary of State, the Administrator of the Agency for International Development, the Secretary of Agriculture, and the heads of other departments and agencies of the Federal Government concerned with food assistance programs shall cooperate fully with the Administrator in carrying out his functions under this Act.

SEC. 7. The Administrator shall receive compensation at the same rate provided for level I positions in the Executive Schedule under section 5312 of title 5, United States Code.

SEC. 8. Four years after the date on which the Administrator has been appointed, the Office of Food Administration shall terminate together with the office of the Administrator.

SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. HUMPHREY:

S. 882. A bill to extend and revise the special supplemental food program. Referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, I am today introducing a bill to extend and expand the special supplemental food program commonly known as WIC—women, infants, and children.

The program is designed to provide high-protein diet supplementation to low-income women, infants, and children, found to be at nutritional risk. The idea of the original pilot legislation was to reach people during those critical periods when nutrition intervention would do the most good for them and, therefore, give the taxpayers the best return on their tax dollar.

This program has brought a strong response from the States and the recipients under the program. We should move to make WIC a permanent program.

This bill attempts to correct problems which surfaced during the short life of the program. I might add that this program has been a success in spite of the many obstacles thrown up by the administration.

Under my bill, the funds for administrative expenses would be increased, with nutrition education and outreach to be included as administrative costs. The need for increased administrative funds, and provision for nutrition education, have been emphasized repeatedly by WIC administrators as necessary to make the program work more effectively.

The administrative expenses to be allowed are more clearly spelled out in this bill with startup costs provided for in sufficient amounts to get a program off the ground. Women are allowed to continue to receive foods for 6 months after birth, as opposed to 6 weeks, in order to allow them a longer period to catch up from nutritional depletion resulting from childbirth; and children can participate through 5 years of age, not 4, in an attempt to expand slightly their nutritional coverage during the preschool years.

The bill also provides for the establishment of a National Advisory Council on maternal, fetal, and infant nutrition. This council will be composed of administrators, health professionals, nutritionists, WIC directors, and WIC participants. They will meet with the Secretary of Agriculture on a regular basis as an advisory panel. Each year the council will prepare a report providing recommendations for the improvement of maternal, fetal, and infant nutrition programs.

The medical evaluation component has also been revised, under this bill, to overcome some of the earlier problems which have been discovered and identified. The new evaluation component requires the Secretary to meet with a group of experts in the field of maternal, fetal, and infant nutrition. This group will review the original evaluation, look at existing health and nutrition assessment methods, and develop a plan for implementing a specific evaluation geared to the WIC program.

The administration's intentions for WIC were clearly stated in the Food and Nutrition Service briefing memo dated January 31, 1975:

WIC—program to be terminated regardless of action on the block grant.

What this means is there will not be a WIC program next year unless the Congress is willing to fight for it, because the President does not want it.

The WIC program was authorized by the Congress in 1972, and it is an important first step in decreasing the number of malnourished children, the number of birth defects due to malnutrition, and the rate of mental retardation due to malnutrition.

Instead of playing games up by proposing a "block grant" approach to assure the demise of the program, the administration should have joined in the effort to improve the program by offering its own suggestions.

I had hoped that the administration would have learned a lesson from the failure of its efforts to increase the costs of food stamp coupons.

But it seems that there is an almost diabolical administration plan to hit at the most needy persons in our society.

I would expect that this legislation may become a part of a larger child nutrition bill. But, I feel that it is worth taking a special look at this very interesting and unique program.

Mr. President, I ask unanimous consent that the text of this bill to extend and revise the special supplemental food program be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 882

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 17 of the Child Nutrition Act of 1966 is revised to read as follows:

"(a) The Congress finds that substantial numbers of pregnant women, infants and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition and/or health care. Therefore, it is the intent of this act to provide supplemental nutritious food as an adjunct to good health care during these critical times of growth and development in order to prevent the occurrence of these health problems.

"(b) For each fiscal year the Secretary shall make cash grants to the health department or comparable agency of each State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare for the purpose of providing funds to local health or welfare agencies or private nonprofit agencies of such State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare, serving local health or welfare needs to enable such agencies to carry out health and nutrition programs under which supplemental foods will be made available to all pregnant or lactating women and to infants determined by competent professionals to be nutritional risks because of inadequate nutrition and inadequate income, in order to improve their health status. Such program shall be carried out without regard to whether a food stamp program or supplemental food program or a direct food distribution program is in effect in such area.

"(c) In order to carry out the program provided for under subsection (b) of this section during each fiscal year, the Secretary shall use $300,000,000 out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). In order to carry out such program during each fiscal year, there is authorized to be appropriated the sum of $300,000,000, but in the event that such sum has not been appropriated for such purpose by July 1 of each fiscal year, the Secretary shall use $300,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $300,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). Any funds expended from such section 32 to carry out the provisions of subsection (a) of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out the provisions of such subsection, and such reimbursements shall be deposited into the fund established pursuant to such section 32, to be available for the purpose.

"(d) Whenever any program is carried out by the Secretary under authority of this section through any State or local or nonprofit agency, he is authorized to pay administrative costs not to exceed 25% of the projected program funds provided to each State under the authority of this section. *Provided*, that each health department or comparable agency of each State, Indian tribe, band, or group recognized by the Department of Interior; or the Indian Health Service of the Department of Health, Education, and Welfare receiving funds from the Secretary under this section shall, by January 1, each year, for approval by him as a prerequisite to receipt of funds under this section, submit a description of the manner in which administrative funds shall be spent, including, but not limited to, a description of the manner in which nutrition education and outreach services will be provided. Outreach funds shall be used to search out those most in need of the benefits of this program. The Secretary shall take affirmative action to ensure that programs begin in areas most in need of special supplemental food. *Provided further* that during the first six

months of any program, or until the program reaches its projected caseload level, whichever comes first, the Secretary shall pay those administrative costs necessary to successfully commence the program."

"(e) The eligibility of persons to participate in the program provided for under subsection (a) of this section shall be determined by competent professional authority. Participants shall be residents or members of populations served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

"(f) State or local agencies or groups carrying out any program under this section shall maintain adequate medical records on the participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section. The Secretary shall convene an advisory committee made up of representatives from the Maternal and Child Health Division of the Department of Health, Education, and Welfare, the Center for Disease Control, the Association of State and Territorial Public Health Nutrition Directors, the American Academy of Pediatrics, the National Academy of Science—National Research Council, the American Dietetic Association, the American Public Health Association, the Public Health Service and others as the Secretary deems appropriate. This committee shall study the methods available to successfully and economically evaluate in part or in total, the health benefits of the Special Supplemental Food Program. Their study shall consider the usefulness of the medical data collected and the methodology used by the Department of Agriculture and the Comptroller General of the United States prior to March 30, 1975. Their study shall also include the applicability to an evaluation of the Special Supplemental Food Program of federal and State health, welfare and nutrition assessment and surveillance projects currently being conducted. The purpose of this advisory committee shall be to determine and recommend in detail how, using accepted scientific methods, the health benefits of the Special Supplemental Food Program may best be evaluated and assessed. This advisory committee shall report to the Secretary no later than December 1, 1975. The Secretary shall submit to Congress his recommendations based on this study no later than March 1, 1976.

"(g) Definition of terms used in this section—

(1) "Pregnant and lactating women" when used in connection with the term "at nutritional risk" includes mothers up to six months post partum from low-income populations who demonstrate one or more of the following characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth (underweight, obesity, or stunting). Such term (when used in connection with the term "at nutritional risk") also includes low-income individuals who have a history of high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia.

(2) "Infants" when used in connection with the term "at nutritional risk" means children under five years of age who are in low-income populations which have shown a deficient pattern of growth, by minimally acceptably standards, as reflected by an excess number of children in the lower percentiles of height and weight. Such term, when used in connection with "at nutritional risk", may also include children under five years of age who (A) are in the parameter of nutritional anemia, or (B) are from low-income populations where nutritional studies have shown inadequate infant diets. Any child participating in a non-residential child care program shall not be excluded from participating in the WIC program.

(3) "Supplemental foods" shall mean those foods containing nutrients known to be lacking in the diets of populations at nutritional risks and, in particular, those foods and food products containing high-quality protein, iron, calcium, vitamin A, and vitamin C. Such term may also include (at the discretion of the Secretary) any commercially formulated preparation specifically designed for infants or mothers. The contents of the food package shall be made available in such a manner as to provide flexibility based on medical necessity or cultural eating patterns.

(4) "Competent professional authority" includes physicians, nutritionists, registered nurses, dietitians, or State or local medically trained health officials as being competent professionally to evaluate nutritional risk.

(5) "Administrative costs" include costs for outreach, referral, operation, monitoring, nutrition education, general administration, start-up, clinic, and administration of the State WIC office.

(h) (1) There is hereby established a council to be known as the National Advisory Council on Maternal, Infant, and Fetal Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of fifteen members appointed by the Secretary. One member shall be a State Director of the Special Supplemental Food Program, one member shall be a State Fiscal Director for the Special Supplemental Food Program (or the equivalent thereof), one member shall be a State Health Officer (or equivalent thereof), one member shall be a project director of a special supplemental food program in an urban area, one member shall be a project director of a special supplemental food program in a rural area, one member shall be a State Public Health Nutrition Director (or equivalent thereof), two members shall be parent recipients of the Special Supplemental food program, one member shall be a pediatrician, one member shall be an obstetrician, one member shall be a person involved at the retail sales level of food in the special supplemental food program, two members shall be officers or employees of the Department of Health, Education, and Welfare, specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to maternal, infant, and fetal nutrition, and two members shall be officers or employees of the Department of Agriculture, specially qualified because of their education, training, experience, and knowledge in matters relating to maternal, infant and fetal nutrition.

(2) The eleven members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that the nine members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(3) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

(4) The Council shall meet at the call of the Chairman but shall meet at least once a year.

(5) Eight members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(6) It shall be the function of the Council to make a continuing study of the operation of the Special Supplemental Food Program and any related Act under which diet supplementation is provided to women, infants, and children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

(7) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(8) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

(i) On September 1, 1975, the Secretary shall forward to each State an advance payment for the month of September pursuant to subsection (c) of this section which shall not be less than the total payment made to such State for the month of July 1975 pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for the month of September 1975 no later than 30 days following the receipt of valid claim. Thereafter, on the first day of each month the Secretary shall, in a similar manner, forward an advance monthly payment to each State pursuant to subsection (c) of this section which shall not be less than the total payment made to such State in the second preceding month pursuant to subsection (c) of this section and the Secretary shall forward any remaining payment due pursuant to subsection (c) of this section for such month no later than 30 days following receipt of valid claims: *Provided, however*, That any funds unspent by a State shall be returned to the Secretary. On each July 1 and on each January 1 the Secretary shall publish in the Federal Register the amount of advance payments to be made to each State pursuant to this subsection for that month.

By Mr. HUMPHREY (for himself, Mr. CLARK, Mr. MCGEE, and Mr. MCGOVERN):

S. 883. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility with which to participate in efforts to alleviate the suffering and human misery of hunger and malnutrition and for certain other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. Mr. President, I am today introducing legislation to make certain improvements in the Food for Peace program.

The bill deals with three basic areas. The first section was approved on two occasions by the Senate, the most recent being the waning days of the 93d Congress. It was not acted on, however, by the House of Representatives. The purpose of the section is to assure the availability of food aid, even during periods of short supply. The administration supported a bill in the last session which was identical except for one minor word change.

A great deal has been written on the need to maintain our food aid during periods of short supply. In recent years the volume of our food aid has declined as supplies have grown tighter and prices escalated on the commercial markets.

But at the same time, the need for food aid has not disappeared. While many

former food aid recipients are now our customers on the commercial market, bad weather has meant that food aid will continue to be needed for some years to come.

As the world's major food surplus country, we can hardly avoid playing a key role in this area. We have urged other nations to increase their food aid, and this has happened in recent years.

The second section of the bill is designed to give first priority to those countries most in need of our food assistance. The food-for-peace program has been used, and sometimes misused, in furthering other goals.

I do not oppose providing food aid to meet legitimate political goals, and the program can, at the same time, develop future markets for our commodities.

But I do want to see the program improved with humanitarian objectives given first priority.

In an era of food scarcity, we need to utilize this valuable resource with greater care than ever before. It needs to be tied to our development effort to maximize agricultural production.

We can no longer operate the program as if we have plentiful supplies, and the administration must be more willing to have the Congress participate in making the food allocations.

The bill also provides for improvements in the reporting requirements on food aid. There has been an unwillingness on the part of the administration to be forthcoming in terms of sharing program information on food aid.

The Congress and the public need this information, and it is needed on a quarterly basis. Because of the changes in prices as well as the availability of commodities, this data should be furnished, as provided in this bill, by country, commodity and cost.

The administration should not look on food aid as their preserve. The programing of food aid is very much a congressional concern and particularly at times when prices are high and supplies are in short supply. We need to keep tabs on what is happening and how the program is being implemented.

These reporting provisions of the bill would provide the basis for a useful and regular exchange between the executive and legislative branches on food aid.

Mr. President, I ask unanimous consent that the full text of my bill to strengthen the food-for-peace program be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking the period and inserting a comma and the following: "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of this Act".

SEC. 2. Section 401 of the Agricultural Trade Development and Assistance Act of 1954 is further amended by inserting "(a)" after the section designation and adding the following new subsection (b):

"(b) In programming food aid under this Act, first priority is to be given to those countries most in need of this assistance. In carrying out this requirement, reference shall be made to the studies and reports of the United Nations indicating those countries most in need of food aid. The humanitarian criterion upon which food aid allocations are made shall be published and made available at the same time the food assistance report is submitted to the Congress as required by section 408 of this Act, as amended."

SEC. 3. Section 408 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(a) By inserting "(a)" after the section designation.

(b) By adding the following new subsection:

"(b) In addition to the report required by subsection (a) of this section, the President shall make the following reports each year to the Senate Committees on Agriculture and Forestry, Foreign Relations, Appropriations, and Budget, and the House of Representatives Committees on Agriculture, Foreign Affairs, Appropriations, and Budget:

"(1) A report submitted not later than March 15 each year on the projected food aid programmed for the next fiscal year. The report shall specify commodity levels and costs by country and by commodity, and grant and concessional sales programs shall be treated separately.

"(2) During each fiscal year, quarterly reports submitted not later than 30 days after the end of each quarter showing the food aid actually provided during such quarter by country, commodity, commodity amounts, and costs. The quarterly report shall include an explanation of any revision of 20 per centum or more in the levels or costs of commodities programmed for any country.".

By Mr. STEVENS:

S. 884. A bill to provide needed facilities and services not otherwise available for the accommodation of visitors in the areas administered by the National Park Service by authorizing the Secretary of the Interior to guarantee loans which are part of concessioner investments in such facilities and services, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, today I am introducing legislation which would authorize the Secretary of the Interior to guarantee loans used to finance the construction of visitor centers and other facilities in areas under the jurisdiction of the National Park Service.

Specifically, the Secretary would be authorized to guarantee up to 90 percent of the actual cost of a particular improvement. However, a $25 million ceiling would be placed on the aggregate unpaid principal amount of outstanding loans guaranteed under the act. Moreover, a loan could not be guaranteed unless the Secretary finds—First, that the concessioner is unable to obtain the necessary funds without a loan guarantee; second, that the proposed improvement is economically sound; and third, that the proposed improvement is necessary and appropriate for the public use and enjoyment of an area administered by the National Park Service. In order to insure the necessary financing, a revolving fund would be created, with contingency borrowing authority vested in the Secretary of the Interior in the event that at any time the moneys in the fund were not sufficient to pay an amount owed by the Secretary on account of a loan default.

The introduction of this bill is necessitated by the fact that because the legal title to all improvements erected in areas administered by the National Park Service vests in the U.S. Government, it is very difficult to obtain private capital on a long-term basis to construct such improvements. Moreover, the present economic situation makes it difficult to obtain the necessary financing.

Mr. President, I believe that the establishment of visitor centers and related facilities in areas not now served by these improvements would promote public use and enjoyment of our national parks, wilderness areas, wildlife refuges, and other areas of this type. Since the act stipulates that new facilities and services could be instituted only if they are consistent with the preservation and conservation of areas administered by the Park Service, the natural environment of these withdrawals would not be impaired.

In my State of Alaska, which has numerous areas of great natural beauty, tourism would be stimulated with a concomitant beneficial impact on our entire economy. At the same time, many thousands of Americans would be able to experience the scenic beauty and splendor of Mount McKinley National Park, the Glacier Bay and Katmai National Monuments, and other areas administered by the Park Service in my State. Similar public enjoyment and economic benefits would result in many other parts of the United States. For all of these reasons, I urge the prompt enactment of the bill that I have introduced today.

I ask unanimous consent that this legislation be reprinted at this point in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

POLICY AND PURPOSE

SECTION 1. It is hereby declared to be the policy of Congress to encourage private persons and corporations to provide and operate facilities and services for the accommodation of visitors in the areas administered by the National Park Service of the Department of the Interior, but only to the extent that such facilities and services are necessary and appropriate for the public use and enjoyment of such areas, and are consistent with their preservation and conservation. However, it is recognized that as legal title to all improvements erected in areas administered by the National Park Service vests in the United States Government, private capital to construct these facilities is not available from conventional sources for long-term financing.

It is the sense of the Congress that the Secretary of the Interior should adopt such policies and take such action as may be necessary or appropriate to implement the foregoing policy, and, in furtherance of that policy, it is the purpose of this Act to authorize the Secretary of the Interior to guarantee loans obtained by concessioners to finance such facilities. To the degree consistent with the best interests of the parties, these loans should be obtained from sources local to the area served.

DEFINITION

SEC. 2. As used in this Act—

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "concessioner" means a holder of a concession contract with the Department of the Interior, who is authorized to provide and operate, under the supervision of the National Park Service, facilities and services for the accommodation of visitors in areas administered by the National Park Service.

(3) The term "concession contract" means the contract to provide and operate facilities and services granted to the concessioner by the Department of the Interior.

(4) The term "improvement" means any facility used or to be constructed, repaired, or improved in an area referred to in paragraph (2), including equipment to be purchased and used in connection therewith by a concessioner pursuant to the request and subject to the approval of the Secretary, for the purpose of enabling the concessioner to furnish accommodations or to perform services to the public, as such accommodations and services are defined in the concession contract.

(5) The term "financing" shall mean any loan, advance of credit, or bonds or notes issued under a trust indenture.

(6) The term "lender" includes the original maker of any loan and his successors in interest, or the purchaser of a bond or note, except that in the case of a loan or advance of credit involving a trust indenture and an issue of bonds or notes thereunder, it means the trustee designated in such trust indenture and his successors and assigns as trustees, but does not include the holders of the bonds or notes issued under such trust indenture.

(7) The term "actual cost of an improvement" means, as of any specific date, the aggregate (as approved by the Secretary) of (a) all amounts paid by or on account of the concessioner on or before that date, and (b) all amounts the concessioner is then obliged to pay from time to time thereafter, for an improvement.

(8) The term "possessory interest" means the rights of the concessioner in improvements recognized in the concession contract.

GUARANTEE OF LOANS

SEC. 3. (a) When the Secretary determines that not less than 10 per centum of the cost of the improvement will be furnished by the concessioner from sources other than the lender whose financing is to be guaranteed, the Secretary is hereby authorized to guarantee such lender against loss of principal and interest on any financing made by such lender to any concessioner. Such guarantee shall be made on such terms and conditions, and pursuant to such regulations as the Secretary may prescribe, but in no case shall the Secretary pay, pursuant to any such guarantee, an amount in excess of 90 per centum of the actual cost of an improvement.

(b) The faith of the United States is solemnly pledged to the payment of each guarantee made pursuant to this Act.

(c) The aggregate unpaid principal amount of outstanding loans guaranteed under this Act shall not exceed $25,000,000.

GUARANTEE RESTRICTIONS

SEC. 4. No loan shall be guaranteed under this Act, unless the Secretary finds—

(1) that the concessioner would be unable to obtain the necessary funds for the improvement without such guarantee, and in the amount thereof;

(2) at or prior to the time the guarantee is made, that the improvement with respect to which the financing is or will be executed is economically sound; and

(3) that the improvement for which the financing is or will be executed is necessary and appropriate for the public use and enjoyment of an area administered by the National Park Service.

FINANCING GUARANTEE FUND

SEC. 5. (a) There is created a National Park Service Guaranty Fund (hereinafter referred to as the "fund"), which shall be used by the Secretary as a revolving fund for the purpose of carrying out the provisions of this Act. Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund, or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

(b) The Secretary is authorized to fix a guarantee fee in connection with each financing guaranteed under this Act. Such charge shall not be less than one-quarter of 1 per centum per annum, nor more than one-half of 1 per centum per annum of the average principal amount of the financing outstanding. Fee payments shall be made when payments are first advanced under the loan agreement or trust indenture and on each anniversary date thereafter. All such fee payments shall be computed and shall be payable to the Secretary under such regulations as the Secretary may prescribe.

(c) All moneys borrowed by the Secretary under section 7, and all fees collected in connection with financing guaranteed under this Act, shall be deposited in the fund.

DEFAULTS ON FINANCING

SEC. 6. (a) In the event of an act or failure to act which gives the lender the right to mature any financing guaranteed under this Act (any such event being referred to herein as a default), and if there is a failure on the part of the concessioner to remove and remedy the default within thirty days thereafter, the lender shall have the right—

(1) in the case of a default in respect to the payment of principal or interest or the payment of any amount to provide for the payment of guarantee charges to the Secretary, to demand payment at or before the expiration of sixty days after any such default; or

(2) in the case of any other default, including but not limited to a substantial default or continued unsatisfactory performance under the concession contract to demand at any time during the continuance of such default, payment by the Secretary of the unpaid principal amount of such financing and of the unpaid interest thereon to the date of payment. Upon the making of any such demand, the lender shall assign the financing instrument and any obligations evidencing the same to the Secretary. The Secretary may at any time during the continuance of any default notify the lender in writing that a default exists, specifying the same, and that by reason of such default the Secretary intends to terminate the guarantee sixty days after such notice is received by the lender. The lender shall be entitled to demand payment by the Secretary as above provided at any time during such sixty-day period, whether or not the default is removed and remedied, and if the lender shall fail to make such demand, the guarantee may be terminated by the Secretary on or after the expiration of such period. Within a period of thirty days from the date of any such demand, the Secretary shall accept the assignment and promptly pay to the lender the unpaid principal amount of such financing and unpaid interest thereon to the date of payment; except that in any case in which the Secretary has given notice of intention to terminate the guarantee pursuant to the foregoing provisions, the Secretary shall not be required to accept such assignment if, prior to the expiration of such thirty-day period, he shall find that there was no default or that such default was removed and remedied prior to any such demand.

(b) In the event the Secretary shall accept the assignment of a financing agreement upon the default of a concessioner pursuant to subsection (a), he shall take such action against the concessioner or any other parties liable under the financing agreement thereunder as, in his discretion, may be required to protect the interests of the United States and of the lender as they may appear. In any event, and in addition to all other remedies which may be available to the Secretary as a matter of law, or pursuant to the concession contract or the financing agreement, the payment made by the Secretary to the lender under subsection (a) shall constitute a primary lien against the entire possessory interest of the concessioner under the concession contract of such concessioner, without any limitation to the improvements which were acquired by means of the defaulted obligation. The Secretary shall require as a condition of entering into the guarantee herein provided for, that the concessioner shall agree—

(1) default in the financing shall constitute a default under the concession contract;

(2) the Secretary shall have the right, in addition to the rights granted under the concession contract, to offer for sale not only the possessory interest of the concessioner, but all other property of the concessioner which may have been pledged to secure the loan, with any excess of the proceeds of such sale over any amount paid by the Secretary pursuant to subsection (a) to be paid to the concessioner.

If the Secretary shall determine that the interests of the United States do not require the sale of the possessory interest of the concessioner, he may make such agreement with the concessioner as, in the opinion of the Secretary, will result in remedying the default.

(c) Any amount required to be paid by the Secretary pursuant to subsection (a) shall be paid in cash.

BORROWING AUTHORITY

SEC. 7. If at any time the moneys in the fund are not sufficient to pay any amount the Secretary is required to pay by section 6(a), the Secretary is authorized to issue to the Secretary of the Treasury notes or other obligation in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued hereunder and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Funds borrowed under this section shall be deposited in the fund, and redemptions of such notes and obligations shall be made by the Secretary from the fund.

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INCONTESTABILITY OF GUARANTEES

SEC. 8. Any contract of guarantee entered into by the Secretary under this Act shall not be terminated, canceled, or otherwise revoked for any reason, except as provided in section 6, and shall be conclusive evidence that the financing complies fully with the provisions of this Act; and any contract of guarantee so entered into shall be incontestable from the date on which it is entered into, except for fraud, duress, or mutual mistake of fact.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary for the administrative expenses incurred in carying out the provision of this Act.

By Mr. HUMPHREY (for himself, Mr. JACKSON, and Mr. MAGNUSON):

S.J. Res. 38. A joint resolution to bestow U.S. citizenship upon Leif Ericson. Referred to the Committee on the Judiciary.

LEIF ERICSON HONORARY U.S. CITIZEN

Mr. HUMPHREY. Mr. President, as Americans, we have long been celebrating Columbus Day and the important contributions Christopher Columbus made in his discovery of America. However, we tend to forget the seemingly small, yet vital, part others have played in the discovery of our Nation. One such man, with whom I share a common Norse ancestry, is Leif Ericson.

Leif Ericson was born around A.D. 970 in Iceland. Born the son of the famed warrior, explorer, and discoverer of Greenland—"Eric the Red," Leif became famous after he became the first navigator to sail directly from Greenland to Norway, without stopping at Iceland. Leif arrived in Norway during the reign of King Olaf Tryggvasson, who had just converted to Christianity. The king commissioned Leif to return to Greenlannd to spread this new faith to the natives who were believers in the Norse mythology with its pagan gods and goddesses.

There are two traditional accounts of Leif's discovery of America, between the years of 1000 and 1004. One is the "Iceland version" which states that Leif accidentally discovered America when strong winds drove him off course on a voyage from Iceland to Greenland. Leif named the new land Vinland because of the land's plentiful supply of grapes. He stayed in Vinland only long enough to gather timber and wild grapes, and then returned to Greenland.

The second tradition is called the "Greenland version." This version is the one that recent evidence upholds; it states that a contemporary navigator of Leif's, Bjarni Herjolfsson, after being driven off course, chanced upon Vinland, but did not land. Upon his return, Leif followed Bjarni's directions and was the first to land and explore Vinland. He built a small settlement and spent the winter there before returning to Greenland.

Before 1963, the evidence supporting Leif Ericson's discovery was vague and circumstantial. His discovery was mentioned in three manuscript sagas that contained narratives of various Icelandic explorers, including Leif Ericson. In these manuscripts, Vinland is described and the natives were called Skraellingers. The only other evidence that supported the early discovery was a map drawn around A.D. 1570 by Sigurd Stefansson which labeled the northern coast of North America, in the vicinity of Newfoundland, as "the Land of the Skraellings."

In 1963, however, in the Newfoundland village of L'Anse aux Meadows, Dr. Helge Ingstad discovered evidence of a Norse settlement. Radioactive carbon tests substantiated, beyond a doubt, that the unearthed remains of Norse artifacts dated back to around A.D. 1000.

Then, in 1965, there was another major breakthrough of evidence. Yale University and British museum scholars painstakingly pieced together proof of the existence of a map that dates at least 50 years before Columbus sailed on his historic voyage to America. Drawn in brown ink on a piece of dry parchment measuring 11 by 16 inches, the map clearly shows the Western Hemisphere in the upper left-hand corner. The map also shows two rivers that cut into the land, which are conjectured to be the Hudson Straits and the Gulf of the St. Lawrence.

Organizations like the Leif Ericson Society, the "Sons of Norway"—the world's largest organization of Scandinavian Americans comprising 86,000 members—and "Svenskarnas Dag," have done much in keeping the name of such a great man alive and remembered. Previously, by a joint resolution, Congress set aside October 9 as a special day commemorating Leif Ericson for distinguishing himself in the exploration of America some 500 years before Christopher Columbus.

On behalf of the above organizations, I would like to go a step further by introducing this resolution, not only as a tribute to Leif Ericson, but also as tribute to Americans of Scandinavian descent. These people have long proved themselves to be brave and loyal Americans carrying on the tradition of exploration first started by their courageous Norse ancestors. They have exhibited their own pioneering spirit by sailing to the same new land. Because of their accomplishments, Scandinavian Americans have every reason to take pride in their individual heritage and its contribution to American culture.

What Leif Ericson stands for is something all Americans can be proud of—he is a symbol of man's unending quest for progress and an exploration of the unknown that surrounds him. We are all pioneers; even though we no longer have any new worlds to discover on earth, we still have our own secret dreams and goals. It is only appropriate that we recognize the importance of this individual by making him an honorary citizen of the United States, a small tribute for his contributions to our society.

Mr. President, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 38

Whereas Leif Ericson of Iceland played a significant part in the discovery and exploration of North America; and

Whereas Leif Ericson, a brave Norse navigator, was the first known explorer to sail and land along the coast of North America, around Anno Domini 1000; and

Whereas Congress, by a joint resolution has proclaimed October 9 as Leif Ericson Day; and

Whereas Leif Ericson's accomplishments are a tribute to Scandinavian-Americans who have carried on the tradition of exploration first started by their courageous Norse ancestor; and

Whereas Leif Ericson is a symbol of something all Americans can be proud of—man's unending quest for progress and an exploration of the unknown that surrounds him: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Leif Ericson shall hereafter be known as a citizen of the United States of America.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 66

At the request of Mr. KENNEDY, the Senator from Ohio (Mr. TAFT) and the Senator from Maryland (Mr. BEALL) were added as cosponsors of the bill (S. 66), the Nurse Training and Health Services and Health Revenue Sharing Act of 1975.

S. 114

At the request of Mr. INOUYE, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 114, a bill to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 5 years, shall be treated, for benefit purposes, as if such marriage had been legally valid.

S. 123

At the request of Mr. INOUYE, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 123, a bill to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title.

S. 323

At the request of Mr. Moss, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of the bill (S. 323) to regulate commerce and to protect petroleum product dealers from unfair practices, and for other purposes.

S. 353

At the request of Mr. Roth, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of the bill (S. 353) to authorize the Federal Power Commission to allocate scarce supplies of natural gas.

S. 474

At the request of Mr. HOLLINGS, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Tennessee (Mr. BAKER), the Senator from Delaware (Mr. BIDEN), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arkansas (Mr. BUMPERS), the Senator from Iowa (Mr. CLARK), the Senator from New Mexico (Mr. DOMENICI), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Maine (Mr. HATHAWAY), and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of S. 474, a bill concerning changes in status of members of the Armed Forces who are in a missing-in-action status as a result of their service in Indochina.

S. 482

At the request of Mr. KENNEDY, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the bill (S. 432) the National Medical Malpractice and Arbitration Act of 1975.

S. 510

At the request of Mr. KENNEDY, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of the bill (S. 510) the Medical Devices Amendments of 1975.

S. 532

At the request of Mr. HASKELL, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of S. 532, a bill to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers.

S. 625

At the request of Mr. KENNEDY, the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Dakota (Mr. McGOVERN), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New Jersey (Mr. CASE), the Senator from Vermont (Mr. LEAHY), and the Senator from California (Mr. TUNNEY) were added as cosponsors of the bill (S. 625) the Emergency Health Benefits Act of 1975.

S. 667

At the request of Mr. BEALL, the Senator from Pennsylvania (Mr. HUGH SCOTT) was added as a cosponsor of S. 667, a bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes.

S. 732

At the request of Mr. DOLE, the Senator from Utah (Mr. Moss) was added as a cosponsor of S. 732, a bill to grant a preference in employment in the competitive civil service to individuals who have served an enlistment in a National Guard or Reserve unit.

S. 850

At the request of Mr. McGOVERN, the Senator from Conecticuit (Mr. RIBICOFF) was added as a cosponsor of the bill (S. 860) the National School Lunch and Child Nutrition Act Amendments of 1975.

ADDITIONAL STATEMENTS

THE STATES AND THE NATION

Mr. McGEE. Mr. President, the RECORD is a daily compilation of history. I note that the National Endowment for the Humanities is providing for a series of writings on the history of our beloved States and the District of Columbia for the Bicentennial.

This series will be entitled "The States and the Nation."

I am proud to announce that Prof. T. A. Larson, nationally known historian at the University of Wyoming, has been selected to write the volume on my State. Professor Larson, like Wyoming, is known for firsts. Upon his retirement, forthcoming this year, he will have accumulated credentials as a teacher and historic author that distinguish him as a special American.

I urge my colleagues to read this forthcoming series on the States tnd the Nation as part of their personal celebration of the Bicentennial.

I ask unanimous consent that information provided on the Bicentennial history series and the accomplishments of Prof. T. A. Larson be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE STATES AND THE NATION SERIES

T. A. Larson, author and historian at the University of Wyoming, has agreed to write the volume, "Wyoming: A Bicentennial History", in the forthcoming Bicentennial State Histories series entitled "The State and The Nation."

"The States and The Nation," a fifty-one volume series covering every state plus the District of Columbia, is being produced by the American Association for State and Local History through grants from the National Endowment for the Humanities (NEH) totaling more than $600,000. Support for the project is a major part of Endowment programs to provide good reading for the public for the Bicentennial of American Independence, and to develop resources in state and local history.

Professor Larson's volume will be an interpretive essay, characterizing the peoples of Wyoming historically and showing the relationship of their state's history, their particular experiences, their applications of democracy, and their values, to those of the nation as a whole.

Professor Larson is amply qualified for the task. A past member of the editorial boards of Pacific Historical Review and the Western Historical Quarterly, he is the author of most of the articles on Wyoming published in encyclopedias in the past twenty-five years, and his book, "History of Wyoming," published by the University of Nebraska Press in 1965, won the American Association for State and Local History Award of Merit in 1966. Numerous journals have published his articles on a variety of subjects, including the women's rights movement in Western America.

Dr. Larson has lived in Wyoming since 1936, when he came to Laramie as a member of the University of Wyoming's Department of History. He holds the B.A. and M.A. degrees from the University of Colorado (1932, 1933) and the Ph.D. from the University of Illinois (1937). He has also studied at the University of Chicago and the University of London. He was born in Wakefield, Nebraska, in 1910.

Currently the University of Wyoming's William Robertson Coe Distinguished Professor of American Studies, Dr. Larson served as head of the university's Department of History from 1948 to 1969 and directed the School of American Studies there from 1959 to 1969. He was visiting professor of history at Columbia University, 1950–1951, and a member of the U.S. National Commission for UNESCO, 1963–1966. In 1966, he received the University of Wyoming's G. D. Humphrey Distinguished Faculty Award.

Dr. Larson is a member of Phi Beta Kappa; the Western History Association, which he served as president, 1970–1971; the American Historical Association; the Organization of American Historians, on whose Executive Committee he served, 1961–1964; and the Wyoming Historical Society, of which he was president, 1957–1958. During World War II, he served with the U.S. Navy (1943–1946).

In addition to his journal articles and award-winning "History of Wyoming," Mr. Larson's writings include "Wyoming's War Years," 1941–1945 (1954); and "Bill Nye's Western Humor" (1968), which he edited.

Twenty-three authors in The States and The Nation series have been announced previously. They are: Bruce Catton, Michigan; Louis B. Wright, South Carolina; David S. Lavender, California; Joe B. Frantz, Texas; Wilma Dykeman (Mrs. James R. Stokely), Tennessee; Elting Morison, New Hampshire; Jay Saunders Redding, Delaware; Norman C. Clark, the state of Washington; Gloria Lore Jahoda, Florida; Oliver Jensen, Connecticut; Charles S. Peterson, Utah; Kenneth S. Davis, Kansas; Lawrence C. Powell, Arizona; Marshall Sprague, Colorado; John Alexander Williams, West Virginia; Joe Gray Taylor, Louisiana; William R. Hunt, Alaska; F. Ross Peterson, Idaho; Richard J. Jensen, Illinois; Clark C. Spence, Montana; Richard N. Current, Wisconsin; David L. Lewis, the District of Columbia; and Charles T. Morrissey, Vermont.

The AASLH selects authors for its Bicentennial series together with a distinguished advisory committee. Chairman of the advisory committee is James Morton Smith, director of the State Historical Society of Wisconsin. Other members are Roscoe Born, vice editor of The National Observer; Vernon Carstensen, professor of history at the University of Washington; Michael Kammen, professor of history at Cornell University; Joan Kerr, consulting editor to American Heritage Publishing Company; Richard Ketchum, former head of the book division of American Heritage; A. Russell Mortensen, assistant director, Archaeology and Historic Preservation, National Park Service; Lawrence W. Towner, director and librarian of the Newberry Library; and William T. Alderson, director of the American Association for State and Local History. Gerald W. George of the AASLH staff is Series Editor for the Bicentennial State Histories.

COLOR IT DANGEROUS

Mr. BEALL. Mr. President, I first called to the attention of the Congress and the country the work of Dr. Ben Feingold with respect to food additives and hyperactive children in October of 1973.

I refer my colleagues to page 35403 of the RECORD for that day. Dr. Feingold had found that by altering the diet of hyperactive children, dramatic results in the behavior of such children were achieved.

Thereafter, I had exchanged numerous letters with Dr. Feingold, the Food and Drug Administration, and the National Institutes of Health. In addition, I invited the Food and Drug Administration to my office to discuss Dr. Feingold's findings. However, the Food and Drug Administration refused to pursue Dr. Feingold's work and efforts.

Fortunately, however, NIE was more receptive, and with my support and endorsement, NIE authorized a followup study of Dr. Feingold's research. On

June 18, 1974, I announced in the Senate that NIE had awarded a grant of $50,000 to Dr. C. Keith Conners of Harvard to determine if Dr. Feingold's dramatic results could be replicated. Apparently, Dr. Conners has achieved the same dramatic results as Dr. Feingold.

Mr. President, the New York Times recently carried a story announcing a shift in attitude by the FDA with respect to Dr. Feingold's work. Although late, I certainly welcome FDA's interest in Dr. Feingold's hypothesis. I ask unanimous consent that the article from the New York Times be printed in the RECORD. In addition, Mr. President, Dr. Feingold has recently authored a book, "Why Your Child Is Hyperactive," which was published last month documenting his frustrating efforts to interest the Food and Drug Administration in his efforts. I ask unanimous consent that the Washington Post review of Dr. Feingold's book by Colman McCarthy be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 9, 1975]

F.D.A. IN SHIFT, TEST DIET FOR HYPERACTIVE

By Lucinda Franks

The Food and Drug Administration, after discounting for almost two years the contention of a California pediatrician that hyperactivity and learning disability in children can be triggered by artificial food flavors and colors, is now helping to test the validity of his research.

Since 1973, Dr. Ben F. Feingold of the Kaiser-Permanente Medical Center in San Francisco has treated hundreds of hyperkinetic children on a special diet free of foods containing synthetic flavors and colors. He maintains that the diet has enabled about 50 per cent of his patients to return to normal or near-normal behavior. Within a month, he says, they can usually be taken off powerful tranquilizers and amphetamine stimulants that have been used to control their wild behavior.

The 74-year-old pediatrician has complained that since he first wrote of his findings the Food and Drug Administration has been "like a brick wall, giving me no support, only discouragement, as though they were representatives of the food industry, rather than a government agency."

"It is true that at first we were skeptical," concedes Richard Ronk, who is head of the agency's Department of Color Additives. "Dr. Feingold did not back his claims."

"Now we admit that there might certainly be something to it, but a lot more testing is needed," he continued. "I personally would hope it was true. It would help thousands of kids."

A GROWING PROBLEM

Dr. Feingold, who is chief emeritus of Kaiser-Permanente's Allergy Department, estimates that about 5-million children suffer from hyperkinesis-learning disability in this country. The term itself is relatively new and not precisely defined; it takes in a constellation of symptoms, including hyperactivity, impulsive and sometimes violent behavior and the inability to concentrate. Most experts agree that the diagnosis of hyerkinesis has been steadily and alarmingly increasing in recent years.

Medical researchers have tried to link hyperkinesis to a variety of factors, including the presence of excess lead in the blood. But no one has yet established its cause.

Dr. Feingold believes the rapid rise in the use of food chemicals parallels the rise in the incidence of hyperkinesis. He maintains that children of a certin genetic profile are victims of the proliferation of artificial "kid foods"—cereals the colors of the rainbow, potato chips in five different flavors, soda pop and powdered drink mixes that are mostly chemicals. He says that he has found similar reactions among certain children who eat some fruits and vegetables containing a "natural salicylate radical" that is similar to acetylsalicylic acid in aspirin.

In Dr. Feingold's Kaiser-Permanente or "K-P diet": foods containing artificial colors and flavors and foods containing the aspirin-like radical, such as oranges, tomatoes, peaches and cucumbers, are prohibited. A minor infraction spells disaster.

"One candy bar loaded with additives can make a child hit the roof," he says. "It might take a week for him to come down."

DYES UNDER ATTACK

The pediatrician's thesis is one of many attacks on artificial colors and flavors by some scientists and consumer groups who feel that the safety of many additives has not been satisfactorily proven.

Critics argue that since artificial colors and flavors have no nutritional value but are designed solely to sell more products by making them more colorful and palatable, the consumer should not have to bear any risk.

One of the most recent controversies over artificial additives involves the most widely used food dye, Red No. 2. Some research scientists within the Food and Drug Administration have argued that more testing is needed to clear the dye from suspicions that it may cause cancer and fetal death. The Food and Drug Administration is now reconsidering its earlier intention to give the dye a clean bill of health.

Dr. Feingold, whose book, "Why Your Child Is Hyperactive," was published last month by Random House, says he began writing letters to the Food and Drug Administration in May, 1973, telling the agency of his clinical studies with hyperkinetic children, urging it to encourage the marketing of more foods free of artificial colors and flavors, and pressing it to require fuller disclosures of additives on food labels.

Although the Federal Food, Drug and Cosmetic Act requires food manufacturers to state the presence of artificial coloring or flavoring on most food labels (butter, cheese, and ice cream are exceptions and need not list any ingredients), Dr. Feingold complains that the tiny print on the labels is sometimes illegible and that many foods do not obey the requirements, a charge which the Food and Drug Administration concedes is probably true.

Moreover, pediatric medicines almost always contain artificial coloring. As a result, he says, parents have a sometimes impossible task of keeping their children on his diet. Indeed, he argues, the drugs prescribed for hyperkinetic children, because they can contain synthetic dyes, may themselves be injurious.

A CHANGE OF MIND

In a letter dated June 7, 1974, Dr. John Jennings, associate commissioner for medical affairs of the Food and Drug Administration, wrote Dr. Feingold that the agency thought his proposal for a symbol to be used on food packages to denote the absence of artificial colors and flavors would constitute "negative labeling" and would be of "no advantage to the consumer."

But last October, the F.D.A. apparently changed its mind. The agency sent Dr. Feingold a letter stating that its regulations would not prohibit the use of such a symbol on a food label provided the manufacturer did not claim that natural ingredients were any safer than artificial ones.

In another significant move the agency was instrumental in persuading the Food Research Institute—a department of the University of Wisconsin that receives funds from the government and the food industry—to set up a highly controlled extensive study that would use laboratory techniques to scientifically measure the affect, if any, of artificial colors and flavors on hyperkinetic children.

If this one-year test supports Dr. Feingold's hypothesis, more must follow. The next step would be tests to see which—if not all—of the many artificial colors and flavors are dangerous. Then more tests would be necessary to determine whether different children are affected by diff rent additives.

BOSTON STUDY CITED

The new interest in Dr. Feingold's data is due, in part, to a preliminary study funded by the National Institute of Education, conducted in Boston by Dr. Keith Connors, who has been working with hyperkinetic children since 1930. He tested 10 to 12 children, who at different times received both the K–P diet and a control diet.

"Out of 10 children, eight underwent unexpected, dramatic changes, clearly in line with Dr. Feingold's studies," he said. "I'm pretty much of a skeptic, but in my opinion, we definitely have something here."

Dr. Conners now intends to conduct a larger experiment on the K–P diet involving 100 children.

[From the Washington Post, Jan. 23, 1975]

COLOR IT DANGEROUS

"Why Your Child Is Hyperactive." By Ben F. Feingold, M.D. (Random House, 211 pp. $7.95)

REVIEWED BY COLMAN M'CARTHY

Last May in New Orleans for the annual convention of the Institute of Food Technologists—an occasion when scientists, salesmen and others gather to display their latest efforts to doctor and chemicalize our food—I kept thinking of Dr. Ben Feingold. He is the San Francisco pediatrician and allergist who received national attention when his work caught the interest of Washington Post reporter Morton Mintz. In October, 1973, Mintz reported in Feingold's studies showing that food colorings and flavorings are involved in the behavior of many hyperactive children, who, for undetermined reasons, are mostly boys: following the article, Mintz received more mail than on any other subject he has written about in 12 years.

In New Orleans, my thoughts were in Feingold's work whenever I walked among the exhibit booths that hawked the newest fake color and flavor that many 'oor' companies add to products that would otherwise rate as garbage. This is where the illness of hyperkinesis-learning disability (H-LD) may originate—in the colorings and flavorings injected into such foods as cookies, ice cream, fruit punches, hot dogs, dry cereal and others.

We do not learn from this careful and well-organized book what Feingold thinks of fake food artists—only those with a stomach for the bizarre should go among them—but we discover his thoughts about some 5 million children in the United States who suffer from hyperkinesis. It is a disease that shows up in the personality and behavior of the victim: unable to concentrate or sit still, self-injury, fits, disruptions. "Most of the children," Feingold writes, "don't want to be bad. They don't want to be on drugs. They don't want to be in learning disability classes. They are not subintelligent. In my opinion, they are chemically abused. These children are normal. Their environment is abnormal."

The "bad" children to whom Feingold refers are not really delinquent, any more than alcoholics are "bad" people. Feingold notes that almost 100 different symptoms have been listed in medical publications for hyperkinesis-learning disability, which is also known as minimal brain dysfunction. The symptoms range from mild to uncontrollable. About half the children are treated with drugs "as a matter of management."

Feingold's interest in the possible links between hyperkinesis and additives was roused when some of his allergy patients had behavioral changes when he put them on special diets. Feingold studied the research on immunology and wondered: "Was it possible that the artificial flavorings and colorings were causing the behavioral disturbances? The time factor favored it. The additives, particularly the flavorings, had not been used in any great quantity until after World War II. Most of the synthetic additives, aside from colors, were less than 35 years old. Could the mass of convenience foods and the great tangle of additives have anything to do with the recent alarming incidence of H-LD?

'There seemed to be circumstantial evidence. A Standard & Poor's graph projecting the dollar-value increase in artificial flavors looked very much like a graph indicating the rising trend of H-LD for the same period. A soft-drink graph displayed a certain parallel to the increased incidence in hyperactive children, and the synthetics were often used in the soft beverages."

Rather than becoming another prescription-happy physician—your respectable junkie who unthinkingly believes drug company pitches—Feingold conducted studies among groups of children. He created the "K-P" diet (many sample diets are included in the book), the initials coming from the Kaiser-Permanente health program he is associated with in San Francisco. The diet takes the children off, first, all foods artificially flavored and colored; and second, all fruits and vegetables containing natural salicylates (tomatoes, cucumbers, apples, grapes, oranges and peaches, among others).

Feingold reports many case histories showing surprising successes. One child had all hyperkinatic symptoms disappear within three weeks. Others showed similar positive results. In all, about 50 percent of the children on the K-P diet responded favorably, and 75 percent were taken off drugs.

Feingold's book has the ring of alarm to it, as well it should. He is suggesting that we not only may be making millions of our children sick but that we then turn around and support doctors, pharmacists and drug companies to "manage" the illness.

Such a message is likely to be dismissed as heresy among the true believers who trust the fake food companies and the Food and Drug Administration. Feingold can be quickly put down by those in power; his studies were "unscientific," they were of limited range, and besides who is he—just a tinkering allergist—to say he has the answers. Doesn't Feingold know that we must see the bodies falling dead in the street, before there is "absolute proof?", and action can be taken?

That is a standard response: citizens must prove something is dangerous rather than the manufacturer prove it is safe. Indeed, when Feingold wrote the FDA asking this supposed protector of the public health to require the use of the words "No Artificial Color or Flavor" on foods to so inform the shopper, the FDA wrote back saying nothing doing. "We know of no credible scientific evidence to distinguish between a natural flavor and its synthetic counterpart with respect to any safety questions," an FDA official said. "For these reasons any representations to the contrary—i.e., that there is such a link, or that there is a safety difference between natural and artificial counterparts—would be false or misleading. Similarly, any use of a symbol raising or referring to such connotations would be equally misleading."

This is classic FDA thinking. Don't stir up the public. Leave their hackles unraised. It also reveals how quick the agency bats down someone like Feingold who was doing on his own what the FDA should have been doing long ago: testing hyperactive children and their diets. Assuredly, Feingold is a lone doctor, and his experiments may lack foolproof certitude, but is he suspect because of that?

For the parents who wrote so many letters to Morton Mintz when his Feingold story ran, the answer is no. Too many citizens suspect that they cannot trust the food companies, and they know that the FDA is uncaring or underfunded, or else it would be leading the way to find answers, not telling Feingold to go away merely because he wants the consumer to see clearly that the food he is buying is fake.

For now, Feingold's book is a valuable warning. It is alerting us not only to his own findings—that colorings and flavorings are a possible cause of hyperactivity among some children—but also to the unsettling fact that if parents want to act to protect their child, they will likely have to do it on their own. The best help they may get is not from the medical community, the FDA nor the food companies, but from this book.

CALIFORNIA'S EARLY CHILDHOOD EDUCATION PROGRAM

Mr. CRANSTON. Mr. President, the February 26 edition of the New York Times carries a perceptive and complimentary article about California's unique program in early childhood education, spearheaded by the State superintendent of public instruction, Dr. Wilson A. Riles.

I am deeply pleased to see recognition given this outstanding program, and in view of its importance, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PREVENTIVE EDUCATION

American education has devoted too much of its resources to massive remedial instruction, and not enough to the prevention of failure. Wasteful of manpower and funds, this policy is even more severely flawed in human terms. The frustrations suffered by children who cannot keep up with their peers are hard to erase, even with superficially effective remedial work.

Since the existing approach is so demonstrably unsatisfactory, the decision of California's education authorities to replace it with preventive pedagogy is a triumph of common sense. The new Early Childhood Education program in that state relies on the oldest recipe—intimate personal attention to every child.

Specifically, the program calls for the availability in each classroom of one adult for every ten children, to make sure day after day that no youngster is left behind in those early years, between ages 4 and 5. It is then, as all expert testing shows, that the foundations are laid for reading, numbers, the comprehension of new ideas and the responsibilities toward oneself and one's neighbors.

Precisely such strategies have long been applied to the most successful private schools and to a few recent programs for the disadvantaged. The crucial difference in the California plan, however, is that it is intended across the board rather than exclusively for either the rich or the poor. The program thus avoids the high risk of failure that confronts any approach that does not benefit most children.

The new plan must still skirt two graveyards of educational innovation: quick claims of easy victory and obsessive reliance on instant statistical feedback. Wilson Riles, California's unorthodox Superintendent of Public Instruction, has wisely allowed individual schools to draw their own pedagogical roadmaps.

That means time will be required to determine the best ways of conducting preventive education.

Since the program relies heavily on a combined force of teachers, paraprofessionals and volunteers, its success depends on each school ingenuity in establishing cohesion in a staff of such disparate background and capacities. In addition, the experiment will represent a challenge to the teacher-training institutions to shift their focus to the actual classroom scene.

The California experiment gives new urgency to enactment of the Child and Family Services bill, the successor to the Child Development bill vetoed by former President Nixon. The combination, in home and school, of early diagnosis and preventive care in child rearing, nutrition and education places emphasis on joyous learning rather than on painful remedies for failure.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, we as Americans, have been blessed with a country whose success in economic and other terms is unprecedented in the history of the world. We have been extremely fortunate in all respects. We hold, as a country, a position of such power and high standing that any action we take, whether it involve domestic or international policy, will be carefully scrutinized by the rest of the world and will not pass unnoticed or without some effect on the policies of other countries. We must set high standards through example. The ratification of the Genocide Convention would be such an example.

In a statement to a subcommittee of the Foreign Relations Committee of the Senate, Francis Goldman, president of B'nai B'rith, stated:

When the General Assembly of the United Nations approved the Genocide Convention, its action met with almost universal applause. The Genocide Convention was regarded as a historic milestone in the effort of civilized peoples to bring international law and practice abreast of the conscience of mankind. Our great country has always been in the forefront of this vital struggle. We cannot now abandon the fight, for it is in our security interests as well in the interest of justice and freedom. We must retain the faith of freedom loving and democratic peoples throughout the world. Such action by ourselves and other free peoples of the world will bring nearer the day when all peoples will demand and receive the protection of the international rule of law. We owe it to ourselves and posterity to make every effort to achieve this goal.

The issue involves more than just the prevention of Genocide. Again, I urge ratification as at least a partial fulfillment of our responsibility to all nations.

MIA'S IN INDOCHINA

Mr. STENNIS. Mr. President, in a Senate speech nearly a year ago, March 19, 1974, I discussed the situation with respect to MIA's—the missing-in-action in Indochina—and the problems which had evolved for the families of the MIA's. In the intervening year the situation has not changed materially and the problems

UMI

remain, intensified by a year of fruitless waiting.

The MIA problems are many and complex, but I think there are two overriding questions involved:

First: What can be done to expedite the accounting for MIA's which was promised in the wake of the Vietnam agreement but has not yet been received? Of course this broad question embraces whether any of those listed as "missing" might conceivably be held in Indochina prisons.

Then, in view of this continuing uncertainty, should the military service secretaries go ahead with their proceedings in which the status of individuals now classed as missing can be changed to presumed dead?

New initiatives by the executive branch and new legislation by the Congress may be required if answers are to be provided for these and other MIA questions.

As one step along the way, however, I have written to President Ford urging that he appoint a top-level citizens' commission to study the present MIA situation. Creation of such a commission has been requested by the league—that is, the League of Families of American Prisoners and Missing in Southeast Asia—and the request has been supported by veterans' groups and by a number of our colleagues here and in the House.

I think a careful, dispassionate objective study of the current MIA situation by a respected group of concerned citizens would be helpful to the President, the Congress, and the MIA families, some of whom now feel that no one else is concerned about their problems.

I hope the President will follow this course of action. I ask unanimous consent that my letter to him may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 27, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I know you have been asked, by the National League of Families of American Prisoners and Missing in Southeast Asia, among others, to appoint a special Commission, with top-level membership, to consider MIA problems. I surely hope you will decide to appoint such a Commission.

As Chairman of the Senate Armed Services Committee, I have closely followed POW and MIA developments since before the Vietnam agreement in 1973. It is clear to me that MIA families were promised a full accounting for Americans missing in Indochina, and they have not yet received that accounting.

Despite this uncertainty, however, the Service Secretaries have power (which has been challenged in the Courts) to change the status of MIAs from missing to presumed dead. In their frustration, many MIA families feel that this administrative power may be used at any time to write-off all the MIAs and the entire MIA problem. I am confident that there is no such intent, but I can understand the concern of these MIA families.

I do not in any way minimize the difficulties involved for an MIA Commission. Clearly, there is no easy way to secure an accounting for MIAs, especially given the erosion of the cease-fire agreement, and the other MIA problems are also complex. I believe, however, that all interested parties would profit from a careful, dispassionate, objective study of all the questions involved. The findings and recommendations of such a Commission could point the way to Congressional action, as well as to executive initiatives, which could help solve these problems and ease some of the understandable concerns of MIA families.

May I urge you, once again, to give this matter favorable consideration.

With personal good wishes,

Sincerely,

JOHN C. STENNIS.

ON "HELPING" SOUTH VIETNAM

Mr. McGOVERN. Mr. President, I do not think we can read too much about the meaning of the administration's request for additional military aid for South Vietnam, and the adverse consequences should that request be approved. Such hopeless action would only prolong the suffering and repression of the people of Vietnam. Yet the administration has never attempted to understand this conclusion. Instead, President Ford and his advisors prefer to repeat the traditional words and phrases that have accompanied so many similar proposals conceived by the growing attitudes and policies of militarism. They call this the justification of their request, but they have never bothered to define these words or explain what these cliches really mean—to Vietnam or to the United States.

In an article appearing in Commonweal, Edward S. Herman has questioned the words of the administration spokesmen and has attempted to translate them into terms which present a more realistic view of the likely effect of another $300 million for South Vietnam. I would like my colleagues to have an opportunity to look behind the administration's rationale by looking deeper into the meaning of the words they use, and I therefore ask unanimous consent that the article "On 'Helping' South Vietnam" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON "HELPING" SOUTH VIETNAM

(By Edward S. Herman)

$300 MILLION MORE?

In each period of expanding American intervention in Indochina a virtually identical set of rationalizations, clichés and fabrications is set forth to justify the renewed effort to maintain in power Washington's chosen instruments of rule. In early 1975, President Ford and Defense Secretary Schlesinger have been repeating these now traditional routines, and once again the mass media report them without comment as "news," thus serving once again as propaganda instruments for the war party, still firmly in control of the executive branch of government. The Orwellian (or Biercian) quality of these clichés has been so striking that in 1968 I could not resist putting some of them into a *Great Society Dictionary*. The following selections show that seven years later these Orwellisms are as applicable as ever:

Aggression, n.—Providing aid and comfort to the side that we oppose. (See "Assistance.")

Commitment, n.—Among the multitude of promises made and obligations incurred in the past, the one consistent with the line of action now planned. Sometimes a purely hypothetical obligation, self-imposed to lend moral sanction to actions decided upon today; in this case it is referred to as a "solemn commitment." Syn.—Preference.

Help, v.—See "Save."

Independent, a.—Aligned with us. (See "Satellite.")

Save, v.—Destroy. As in, "It became necessary to destroy the town in order to save it." Syn.—Help.

Self-determination, n.—The right of a people to select a government acceptable to us.

Once again we are being urged to honor our commitments and come to the aid of an alleged victim of aggression, although we have been and still are the only non-Vietnamese direct participant in the Indochina fighting; although we committed ourselves in the Paris Agreements to non-intervention in the internal affairs of South Vietnam (chap. 2, article 4); and although our client, Thieu, has quite openly refused to abide by the peaceful means of reconciliation laid out in the Agreements, in exact repetition of Diem's behavior from 1954 on. Once again, as in 1954–1964, the North Vietnamese and PRG are alleged to be "flagrantly" violating the relevant Agreements, although even a moderately attentive reader of the newspapers knows that neither Thieu nor Kissinger took the Agreements seriously, or intended to follow through on them, except for implementing the exchange of American POW's for withdrawal of U.S. direct combat forces. At the very time of his signing the Agreements, Thieu made it clear that he would not allow the promised freedom of expression, political organization and movement of people within South Vietnam, and for two years his violations have been consistent and comprehensive. Since the ceasefire, also, continued intervention in Indochina has cost the American taxpayer a staggering $8.2 billion, but once again it is claimed that only a little more aid will do the trick. For 25 years there has always been a "light at the end of the tunnel," but always some billions of dollars away!

The most basic of all the clichés, however, and the only one that I want to consider more fully, is that we are "helping South Vietnam." President Ford now tells us that we need an additional $300 million, fast, to "help South Vietnam." "South Vietnam" sounds like a country or people, not a Southeast Asian mafia, and the request to "help" has a superficially humanitarian touch, especially when tied in with related clichés on "aggression" and our solemn "commitments." Congressmen and the media have difficulty with these phrases, since to challenge them would be to question our very *ends*, not merely the cost effectiveness and probability of success of our means. They would have to deal with the painful fact (spelled out below) that we are backing an unrepresentative and venal clique who survive only by our largesse and force (past and threatened), and who are actually the *enemy* of the South Vietnamese majority.

This situation is hardly confined to South Vietnam. The American war party (Gerald Ford a long-standing member) has gravitated toward a regular sponsorship of "friendly fascists" in the Third World. This is usually rationalized on the grounds of our "security interests"—the friendly fascists will be friendly to *us*, and allow us to use them for our purposes, if we will allow them to be *unfriendly* to ("control" and milk) their own populations. Whatever the security benefits of this tradeoff, it is not easy to argue that we were, for example, "helping Greece" when we gave consistent support to Papadopolous and his torturers between 1967 and 1973. It is by no means clear in that case, or others as well, that we were even helping our "security interests."

In Indochina, also, it is doubtful that U.S. security interests were helped one iota by our immense and costly 25-year intervention. The position of the Left is stronger now in Cambodia and Laos than it was in 1964. Our faction in Vietnam is more dependent on external sustenance than ever. And the earlier rationale of inherent Chinese expansionism and implacable hostility is now widely recognized to have been partly ideological claptrap, partly a cover for a simple desire to dominate. But the American war party hangs on in its dogged effort to determine who rules South Vietnam. And its investment there is so great that it must argue on all levels—we are not merely pursuing our (increasingly obscure) self-interest there, we are really "helping South Vietnam."

"Helping South Vietnam" for Gerald Ford is helping Thieu and his colleagues stay afloat. But there is no positive relationship between Thieu and "South Vietnam," if South Vietnam means either "the majority of South Vietnamese" or the interests of this majority as they perceive those interests. The points summarized below indicate that helping Thieu should be considered synonymous with "inflicting damage on South Vietnam."

(1) The Saigon government has never been selected by the South Vietnamese people in a meaningful free election, or by force resting on an indigenous base. Diem was imported from the U.S. and installed in power by Americans, and his successors have been chosen by or "cleared" with Americans. Free elections were rejected by our faction while they were still feasible (1956–1960), and they were not possible after 1965 because South Vietnam was subject to foreign occupation. (For most of the period 1968–74, the U.S. had more troops in South Vietnam than the Soviet Union found necessary in Czechoslovakia to keep its preferred faction in power.)

(2) The Saigon authorities have admitted time and again that they are unable to compete with the PRG on a purely political basis, and therefore need continued U.S. military intervention. A top Saigon general told George Kahin in 1967, "Frankly, we are not strong enough now to compete with the Communists on a purely political basis." (A large compilation of such statements was published by me in American Report, May 7, 1971.)

(3) This minority status—and dependence on external force—was confirmed by the chief U.S. official expert on the NLF (PRG) and also by the most famous and experienced of American pacification officers. Douglas Pike, in his book Vietcong, makes the bald statement that the NLF was the only "truly mass-based political party" in South Vietnam. The late John Paul Vann, in an Internal Army memo of 1965, stated that "a popular political base for the Government of South Vietnam does not now exist," and that the Saigon regime "is, in fact, a continuation of the French colonial system of government with upper-class Vietnamese replacing the French."

(4) Vann referred to our faction as "intrinsically opposed to the social revolution in progress." It was and is a small urban and military elite that has always regarded the peasantry—80 percent of the population prior to "urbanization" by violence, and still a majority—as a hostile mass needing to be "controlled" and "pacified." This is why massive defoliation of the countryside, the forced transfer of vast numbers of peasants (10.4 million, or a majority of the entire population, according to the Senate Subcommittee on Refugees), the systematic bombing and burning of hamlets, was participated in and accepted by the Saigon junta. In the words of Senator Edward Kennedy, reflecting on the evidence of Thieu's unconcern for refugees: "In the field of refugee care and in many other fields the Government of South Vietnam has been engaged in the systematic looting of its own people."

(5) The Saigon faction supported by the U.S. war party is one of the most corrupt and brutal in modern history. It holds more political prisoners than the vast Soviet Union—a recent calculation shows that per 10,000 population there are 50 political prisoners in South Vietnam, four in Indonesia and 0.4 in the USSR. And it tortures more people more systematically than any regime of modern times. It is the last word in the police state, as is well documented in the NARMIC/VRC publication *After the Signing of the Paris Agreements: Documents on South Vietnam's Political Prisoners* (1973), and Holmes Brown and Don Luce, *Hostages of War: Saigon's Political Prisoners* (AFSC, 1973).

(6) The Thieu government "represents" at most 15 percent of the population, consisting mainly of a rapidly diminishing part of the small Catholic minority, plus a congeries of mainly parasitic elements that have grown up on the basis of war and U.S. dollars—military officers, military contractors, bureaucrats, pimps and speculators It stands in an actively hostile relationship to at least 85 percent of the population. The Third regime survives because it represents the *American* war party. As far back as 1959 David Hotham, describing how Diem "has crushed all opposition of every kind, however anti-Communist it might be," with the resources provided him by the U.S., concluded that "Diem's main supporters are to be found in North America, not in Free Vietnam." This is even more valid today as a description of the support base of the Thieu regime.

(7) A very large fraction of American "aid" and "help" to South Vietnam has been used to forcibly "pacify" the rural population of South Vietnam. (A crucial question, never discussed in the mass media and rarely in debates in Congress, has always been: "Why do we and our Saigon ally have to 'pacify' a people supposedly being victimized by somebody else's 'aggression'?") The war party in Washington has contributed trivial and tokenistic amounts for matters like health and education, but fantastic sums for killing. In 1968 public health outlays in Vietnam by AID totaled $28 million, while overall expenditures on Vietnam were at least $28 billion—a ratio of one to a thousand. Outlays for Vietnamese police and prisons have been consistently larger than those for schools—more than 20 times as great in fiscal 1974. A great deal of military and economic aid to South Vietnam is stolen. That which is not, however, *has a negative value for the majority of South Vietnamese*, as it sustains a long-term and cruel effort to control them by force and compel them to submit to a faction agreeable to an outside party.

The Congressional Record of June 16, 1967, contains a powerful letter written by "a hard-charging Marine 2nd Lieutenant" who found very quickly that instead of fighting Communist aggressors "90 percent of the time our military actions were directed against the people of South Vietnam," and that his mission as a soldier was "to pound a people into submission to a government that has little or no popular support among the real people of Vietnam." This is still the *de facto* role of "aid" to Saigon and the Ford-Pentagon version of "helping South Vietnam."

(8) It has long been a part of the intervention rationale that we are opposing prospective tyranny and keeping open the door to freedom. The fact that we have been supporting a tyranny all along has caused some muting of this claim, although we are still alleged to be interested in freedom in Vietnam "at some future date"! The war party in Washington, however, actually appears to *prefer* tyrannies—right-wing ones—as more manageable and consistent with our interest. Witness the positive support given to military dictators in preference to going democracies in Chile, Guatemala, Greece, Brazil and the Dominican Republic. The American war party may or may not like democracy in the U.S., but externally it clearly finds it an obstacle to its designs. In the Pentagon Papers, which were not intended for public view, the discussions of the reasons for intervening in Vietnam show that democracy in South Vietnam as well as the lives and welfare of the Vietnamese population were entirely irrelevant to U.S. policy-makers.

In sum, when Gerald Ford asks for $300 million to "help South Vietnam," we must translate as follows: the minority faction in Saigon that we put into power, and whose bills we still pay (85 percent of the Saigon budget), is unable to survive without still more. It is true that it steals and tortures on an unprecedented scale, and treats its citizenry as a hostile population to be repressed by violence. But Thieu is our choice and will do our bidding. If we stop funding him now, we—that is, the war party in Washington—will have lost control in South Vietnam, and power in Saigon will be returned to the Vietnamese! Even worse, Lyndon, Dick, Henry and Gerald will now go down in the historical record, finally and conclusively, as not merely responsible for profoundly immoral acts, but also as having failed badly even in the pursuit of their own narrow version of America's self-interest.

THE ROCK ISLAND RAILROAD

Mr. STEVENSON. Mr. President, the collapse of the Rock Island Railroad would cost thousands of its employees their jobs and seriously disrupt freight and passenger service in an area that extends from the Great Lakes to the Gulf of Mexico and from Chicago to the Continental Divide. The Rock Island's plight is a monument to the Nation's failure to develop a sound transportation policy.

During the Senate's consideration of the 1973 Regional Rail Act, I was instrumental in securing the adoption of language which allowed the Rock Island and certain other railroads on the verge of bankruptcy to apply to the U.S. Railway Association for funding to maintain essential operations.

The USRA has now refused to grant the Rock Island funds which the Rock Island claims that it needs to maintain operations. I want to know why. I want to know why the Rock Island was being refused help on the same day the USRA was presenting its preliminary system plan for the reorganization of railroads in the Northeast and at the same time the Senate was considering an additional $347 million in aid to the Penn Central. If the 1973 Act was inadequately funded to help the Rock Island, or if it was believed that the Rock Island was not worth saving, I want to know why the Department of Transportation did not come to Congress and say so.

I also want to know why shippers, passengers, and employees did not know how perilous the Rock Island's situation was until yesterday. I want to know why the Rock Island's board and management, the Department of Transportation, the Interstate Commerce Commission and the U.S. Railway Association did not inform the Congress and the public about the gravity of the Rock Island's condition and recommend solutions.

The essential services of the Rock Island must be provided—by the Rock Island or by other carriers. And the mis-

takes the Government has made in regard to the Rock Island—and the Penn Central—must not be made in regard to other railroads.

I have discussed this matter with Senator HARTKE, chairman of the Senate Surface Transportation Subcommittee, and he has agreed to convene hearings as soon as possible on the Rock Island and the future of other endangered railroads. The Congress has already empowered one agency—the USRA—to grant emergency aid to the Rock Island. The USRA has turned the Rock Island down, and I believe it is doubtful that the Congress will wish to provide direct assistance to the Rock Island. But certainly there is a duty on Congress' part to study the ramifications of the current situation. It is my home that these hearings will force the agencies of the Government—the Department of Transportation, the Interstate Commerce Commission, and the U.S. Railway Association included—to face up to the Rock Island situation and develop a national perspective on the plight of the railroads.

We cannot continue to act piecemeal. First, the Penn Central and six other railroads went under. Today the Rock Island faces the same fate. Which will be next?

It is time that we had a national transportation policy. That is why the Department of Transportation was created almost 8 years ago. I call upon our President and our new Secretary of Transportation to complete that task.

Instead of developing a balanced transportation system, the President has released $2 billion from the highway trust fund to build more highways. It appears that there is a $1 billion surplus in the airport and airway trust fund. Pan Am stock is being sold to Iran, and railroads are going bankrupt. With the energy crisis underscoring the need for an efficient transportation system based heavily on rails, the Government is continuing to subsidize the more inefficient modes of transportation. I hope these hearings will enable the Government to develop a balanced transportation system, as well as aid those who are dependent on the Rock Island railroad.

SMALL REFINERS RELIEF ACT OF 1975

Mr. TUNNEY. Mr. President, I was delighted to join with Senator CHURCH and 20 other colleagues in sponsoring the Small Refiners Relief Act of 1975 which was introduced yesterday.

This legislation will provide small refiners whose total refining capacity does not exceed 100,000 barrels per day with an exemption from the requirement to purchase entitlements under the Federal Energy Administration's crude oil equalization program. This legislation has become necessary because of FEA's repeated refusals to provide anything more than temporary relief for small refiners in the face of estimates that the program will cost them millions of dollars.

I think it is absolutely outrageous that FEA, after countless meetings with Members of Congress and with representatives of small and independent refiners, has refused to amend this program to permanently exempt small refiners, making it essential that Congress act to protect them.

While I have fully supported the intent of the program, which is to more equally distribute amounts of the lesser expensive "old" oil among all segments of the industry through an entitlements program, I have been opposed from its inception to the idea of forcing small refiners to purchase entitlements. Certainly there can be no question that the two-tier price system has created a great number of inequities by establishing different prices for "new" versus "old" oil. For the most part, the major oil companies have controlled access to supplies of the cheaper domestic crude leaving small and independent refiners no alternative but to pay the skyrocketing cost of new imported foreign crude oil.

This descrepancy was the reason FEA created the crude oil equalization program and it will unquestionably be beneficial to a majority of small and independent refiners who are now running almost nothing but new oil.

However, my concern is with the small refiners who have historically run large amounts of domestic crude oil and who must now purchase entitlements because they are refining more than the national average of "old" oil. In my State of California, for instance, a number of these refiners run "old" oil because they are located inland and have been unable in the past to obtain imported crude due to the lack of common carrier pipelines.

Additionally, both the State and Federal Government sponsor royalty crude programs which permit small refiners to purchase large amounts of crude from domestic production both onshore and from the Outer Continental Shelf. I feel very strongly that these refiners should not be penalized for their dependence upon sources of "old" oil that have never been available to the majors.

Finally, in response to numerous protests since the program began in November, FEA in special rule No. 3, delayed full implementation of the program for a period of 3 months—November, December, and January—permitting a phase-in period for the first 30,000 barrels per day a small refiner runs. These refiners are completely exempted from the requirement to purchase entitlements the first month, the second month they must purchase only one-third of the required entitlements, and the third month the program will go into full effect. Special rule No. 3 has now been extended for 1 month to cover December's entitlement but the refiners will have to begin purchasing January entitlements in March.

In passing the Emergency Petroleum Allocation Act of 1973, the Congress clearly intended that FEA insure the "preservation of an economically sound and competitive petroleum industry and to preserve the competitive viability of independent refiners, small refiners, nonbranded independent marketers and branded independent marketers."

However, the cost of purchasing the number of entitlements that this group of small refiners would need in order to refine the "old" oil they have historically run, will be absolutely prohibitive and I am deeply concerned that a number of these companies in California will be forced completely out of business as a result.

The Department of Justice in its September 30, 1974, opinion recognized the problems that might arise for small refiners and recommended that FEA amend its regulations to provide an exemption such as the one being proposed today.

The Department commented that—

> We would suggest that consideration be given to simply exempting certain small refiners from the entitlements scheme as it now stands. Some small refiners have been fortunate to have access to a supply of old oil and rely on more old oil than they would be allowed to under the allocation of old oil without buying entitlements. . . . We believe that FEA could exempt these small refiners from the proposed regulations. . . . To force these small refiners to buy entitlements so they can continue to use their supply of old oil would force these refiners to raise their prices, which would place them in a loss competitive position vis-a-vis the majors. . . . Such an inequitable result must be avoided if the small refiner segment is to remain healthy and viable. After all, the purpose of this regulation under the statute is to "preserve the competitive viability of independent refiners," not impede it.

Mr. President, of the 19 small refiners in California, 13 are potential purchasers under this program for the month of December and the cost to them could very well run into millions of dollars. It is absolutely essential that the Senate act quickly on this legislation to prevent any further hardship to refiners in California and across the country.

There has been too much delay already as a number of my colleagues and myself attempted to work out a compromise with FEA. It is now clear that FEA never intended to grant any exemption and its case-by-case review of exception requests has been going on since December with only one decision having been made. If this type of inaction and deliberate delay is allowed to continue much longer, we would not have to worry about helping the small refiners because they will be out of business. This is completely unacceptable to me and I hope that hearings will be held immediately and that the Small Refiners Relief Act of 1975 will be passed as soon as possible.

EXTENDING UNEMPLOYMENT COMPENSATION TO FILL AN URGENT NEED

Mr. WILLIAMS. Mr. President, I share the sense of urgency with which two bills, S. 766 and S. 767, were introduced under the joint sponsorship of Senators JAVITS, RIBICOFF, HART, GRIFFIN, NELSON, and myself.

The legislation was introduced under deadline pressure.

In April, thousands upon thousands of unemployed Americans will be receiving the last of the unemployment compensation benefits that have kept them from starvation's door since they were laid off. In June, thousands more will exhaust the special unemployment compensation benefits for workers who had not previously been covered by the Federal-State unemployment insurance system.

In each case, the legislation would extend the benefits for 13 more weeks. Over the course of that time, approximately 2 million unemployed Americans would otherwise lose their benefits under unemployment compensation and be forced to seek public assistance, putting a further strain on already overburdened State and local government budgets.

The basic programs to be amended by S. 766 and S. 767 were enacted last December as the Emergency Unemployment Compensation Act (Public Law 93-572) and the special unemployment assistance program, which is title II of the Emergency Jobs and Unemployment Assistance Act (Public Law 93-567).

At that time, Congress was eager to alleviate the adverse impact of a November unemployment rate of 6.5 percent with 6 million persons out of work. It was our intention to see to it that those Americans suffering worst from the recession—those who lost their jobs through no fault of their own and were unable to find new employment—would have at least a measure of continued income security.

Since then, the recession has worsened gravely. Unemployment has taken its largest 1-month leap in the history of Federal recordkeeping, adding an astounding 1 million persons to the unemployed rolls by the end of January.

The national unemployment rate reached 8.2 percent in January, but that figure concealed other disheartening factors. Pockets of unemployment of double the rate for the Nation as a whole exist in many places—in my home State of New Jersey, for example. Moreover, the latest figures do not reflect the estimated 875,000 Americans who have lost hope and quit looking for a job altogether.

Clearly, the emergency unemployment compensation measures enacted by Congress in December have been proved by events to be inadequate, and this legislation is required.

The urgency with which we have introduced these bills extends as well to two other measures introduced earlier to deal with the special conditions of unemployment that have arisen in the current recession.

The first would provide legislative authority to expand and extend the emergency public service jobs program to provide employment for several times the number of persons covered by existing funding. It is our goal to see a total of at least 1 million public service jobs filled this year by those who have no other hope for work.

The other bill would provide health insurance coverage for those who lost group coverage when they were laid off or who were not covered by group health insurance in their last job.

The Labor and Public Welfare Committee is moving rapidly to bring these two additional measures to early consideration so that they may be reported to the Senate for action.

It is my sincere hope that the bills to extend unemployment compensation benefits an additional 13 weeks can also be acted upon by both bodies of the Congress at the earliest possible time.

ENERGY CONSERVATION

Mr. STENNIS. Mr. President, very soon, I hope, this Congress will adopt an energy program to deal with our present energy crisis. It quite possibly will take the form of a compromise between the position of the administration and that of the majority party in the Congress who are going to offer a plan. While much of the program will deal with efforts to increase our domestic supplies of petroleum, a great portion of it will and should deal with conservation. It is imperative to our existence that we end wasteful—and I underscore that word wasteful—uses of our energy.

While I do not completely vouch for the following figures, I recently read that five-sixths of the energy used in transportation, two-thirds of the fuel consumed to generate electricity, and almost one-third of the remaining energy we use is discarded as waste heat. I am told that this Nation consumes some 630 quadrillion Btu's annually and that if we save 1 percent of that we would have another 100 million barrels of petroleum at our disposal.

Mr. President, I am convinced that much of this waste can be eliminated, especially in the transportation sector. Last year some 96.6 billion gallons of gasoline were consumed for highway use. This is equivalent to 4.6 billion barrels of crude oil. Three years ago, the transportation sector accounted for over half of U.S. petroleum consumption and about one-fourth of total U.S. energy consumption.

We can reduce dramatically our usage of gasoline if we leave off nonessential driving and improve the miles per gallon of gasoline our automobiles get. We drive cars today that are capable of going twice the speed limit, weigh 2 tons or more and have more horsepower than Lindbergh's *Spirit of St. Louis*. The extremely heavy weight of automobiles, their tremendous horsepower and the emission control requirements have caused the miles per gallon of gasoline an average automobile can travel to continue to drop annually in spite of our highly advanced technology.

While a pollution-free society is highly desirable, these laws we have passed placing these pollution control devices on automobiles have, to a large extent contributed to the decline in the miles per gallon of gasoline the average automobile gets.

Mr. President, I was very happy to learn recently that the automobile manufacturers have pledged to spend some $5 billion over the next 5 years to improve the miles per gallon of gasoline for the average automobile by some 40 percent if they are not required to install further emission control devices now scheduled to be required in 1977 and 1978 until the 1982 model year. I am heartened by this, Mr. President. I believe it can be accomplished and I believe we should tell them to proceed "full steam ahead." They are not asking that we relax the present controls—just do not require any more pollution controls than we now have in effect.

Let us make as a top priority the improving the miles per gallon of gasoline our automobiles can travel. Temporarily, pollution control can be deferred for a time at least. I believe this approach is vitally necessary at the present time. We just cannot maintain the present pace with respect to pollution control to the exclusion of a program to rapidly increase the miles per gallon of gasoline our automobiles get. I can support this, and I shall.

To carry out these purposes of conservation, it is not necessary to put the automobile manufacturers in a straightjacket. I am impressed with their offer to produce cars that will bring about this saving in gasoline by increasing the mileage produced by each gallon of gasoline. I hope and believe the method adopted by the manufacturers and the Congress will be to have the engines produced within a year's time will average out so many miles to the gallon. This will prevent having to outlaw all large engines.

I am not unmindful, Mr. President, of the fact that conservation alone is not the answer. We must, of course, increase our domestic production of petroleum. I have and will continue to support the many research and development programs. I support measures to assure a proper incentive to petroleum producers who go out and spend billions to find oil and natural gas. But these programs are, unfortunately, longrange in nature and some action must be taken soon to assure that we conserve what we have. This entire energy program must be balanced—conservation and increased domestic supplies. Neither standing alone can solve our problems in this area.

So, I would hope, Mr. President, that we could move on this particular aspect of our energy problem rapidly. The automobile companies are ready to move on this, and I believe that we should give them the go-ahead now.

VIETNAM

Mr. STEVENSON. Mr. President, one of the reasons that the administration has had difficulty assembling a group of Congressmen to visit South Vietnam is that many, if not most, have been there at least once already. More visits are not likely to change our views.

I visited South Vietnam in the summer of 1971 to observe the Thieu regime's conduct of the elections for the South Vietnamese legislature. General Thieu, with his power supplied by the United States, aborted the ostensible U.S. purpose for its involvement—self-determination for the people of South Vietnam in the elections that summer. The war for self-determination was culminated that fall in General Thieu's one-man election to the presidency.

It became plain to most Members of the Congress long ago that the administration was embarked upon a futile at-

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tempt to support an unpopular, repressive regime in derogation of our own stated purpose and best principles.

The administration suggests that South Vietnam must be saved from the Communists. South Vietnam is non-Communist, and in as much need of salvation from General Thieu as from Hanoi or the PRG. Continued U.S. involvement is about all that keeps the conflict going, and were it not for that provocative involvement, the South Vietnamese would have little to fight about. The people of South Vietnam are resisting the United States and its ally, the regime of General Thieu. Take away the U.S. presence, and even at this perilously late date, a reconciliation of conflicting political interests in South Vietnam could lead to a viable, non-Communist state. The administration's continued support for the Thieu regime is the surest way of guaranteeing a Communist takeover.

On my visit to South Vietnam in 1971 a young man burned himself to death outside my hotel wrapped in a poster which protested U.S. involvement in his electoral process. Many of the individuals with whom I talked, most of them non-Communist, were subsequently arrested. Madame Ngo Ba Thanh was arrested within minutes after my meeting with her, beginning what became one of the more celebrated cases of political repression in South Vietnam. In the course of these meetings, I encountered Ngo Cong Duc then a journalist and independent political figure in South Vietnam. Mr. Duc was the publisher of Tin Sang, Saigon's largest newspaper, and head of the South Vietnamese Association of Newspaper Publishers. During the 1971 elections, Time magazine said:

Ngo Cong Duc is far and away the most popular candidate in Vinh Binh . . . he is now a national personality and in any fair election would be an odds-on favorite to win . . . as the campaign ended last week, western diplomats were still hoping for Duc's victory.

Unfortunately, after representing Vinh Binh for 4 years, Mr. Duc lost in what many observers felt was a fixed election.

I met Mr. Duc in his office during a minor riot occasioned in some way by his opposition to General Thieu. Like others of the political opposition, he was forced to flee South Vietnam, and I did not see him again until only a few days ago in my somewhat calmer office here in Washington. He gave me a statement on the political situation in South Vietnam which makes, far better than can I, many of these points about the counterproductive nature of U.S. support for General Thieu.

It should be stressed by those of us who seek to reduce funding for the Thieu regime that our purpose is not to abandon, but indeed to aid, the people of South Vietnam. Our purpose is not to write off our investment of blood and dollars but to redeem it at long last by permitting the people of South Vietnam to determine their own future under a non-Communist government. If Thieu were to leave office and be succeeded by a government capable of governing with some popular support, it could be in a position to negotiate a settlement. With Thieu out of power, the Congress might reconsider its position on U.S. aid to South Vietnam. It opposes increased aid for the Thieu regime, not necessarily aid for South Vietnam.

Mr. President, what Mr. Duc says is echoed by South Vietnamese of many persuasions and backgrounds. I ask unanimous consent that his statement be printed in the RECORD so that it may be read by my colleagues and more hopefully by members of the executive branch.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PROSPECTS FOR A POLITICAL SETTLEMENT IN SOUTH VIETNAM

(By Ngo Cong Duc)

As a Vietnamese, I will not oppose U.S. aid to my country if it will help our people to realize peace and democratic freedoms. If I believe that an aid cut-off to and the deprivation of the $300 million from the Thieu regime will lead to the entire collapse of that regime and then to the establishment of a Communist regime in South Vietnam, I will not ask for any aid cut-off.

I have read Senator Sam Nunn's report to military aid to South Vietnam. His report can be summarized in the following way:

1. North Vietnam and the PRG have increased their infiltration of men and equipment into the South, and also their military activities. Both have thus violated the Paris Agreement.

2. "The Paris Accord ended direct U.S. military involvement in South Vietnam, but the question remains: what are U.S. responsibilities and interests after 10 years of massive investment in South Vieanam."

On the basis of these 2 reasonings, Senator Sam Nunn proposes that Congress gives more aid to South Vietnam. The Senator's position can be interpreted as that of those who now argue for increased aid to the Thieu regime.

From my viewpoint, North Vietnam and the PRG did increase their military activities *because the Nguyen Van Thieu regime and this Administration have refused to implement the Paris Agreement so a political settlement can be reached among and by the South Vietnamese for South Vietnamese*. On the other hand, the fundamental threat at this moment to the Thieu regime's survival does not lie with the 300,000 PRG/North Vietnamese soldiers or with the supposed shortage of ammunition of ARVN forces, but with the opposition to the regime of about all South Vietnamese groups and religions. The threat also lies with the Saigon soldiers who no longer have the morale to continue the war. Senator Nunn's report does not quite emphasize these fundamental weaknesses of the regime.

At the present time, the Thieu regime is at once subjected to pressure from 3 sides:

1. The military activities of the PRG and North Vietnamese troops.

2. The opposition of about everyone in South Vietnam: Catholics, Buddhists, Hao Hao Cao Dai, journalists, intellectual circles, etc. . . .

3. Saigon's forces do not want to fight, especially the regional forces.

1. BEHIND THE MILITARY ESCALATION

As I said earlier, I believe that the PRG and North Vietnam have increased their military operations before the refusal of the Thieu regime to implement the Paris Agreement. The PRG is also fighting to gain the right to participate in the political life of South Vietnam in a framework determined by the people of South Vietnam and the Paris Agreement. This PRG right has been recognized in the Agreement. However, the Thieu regime has not implemented the release of political prisoners, and has not recognized the Third political force that is crucial to the formation of the National Council of Reconciliation. That Council is the turning point on the road toward national reconciliation, the ending of the war, and toward peace.

Current increased military activities tend to favor the PRG. More than ever before, the military and political potentials of the PRG are growing because all South Vietnamese are opposed to Thieu. Thus time is on the PRG side.

1a. MISTAKEN U.S. POLICIES CONTINUED

What had happened in Vietnam was the waste of hundreds of billions of dollars in support of disastrous policies of past U.S. Administrations. These disasters are continued today. The Vietnam policy-makers remain the same, with the same outlook. They still feel that they can rely on the might of the dollar to solve the problem.

To oppose communism and fight a people's war by using a corrupt and unpopular group that has led the South Vietnamese to a state of extreme poverty and starvation, will only result in failure. If South Vietnam has not yet fallen to the PRG, it is because the people there have not yet accepted communism. But when the people can no longer bear living under this corrupt Saigon dictatorship, they will be forced to chose the other side.

1b. FAILURE OF MILITARY STRATEGIES

To seek a military situation, from continued intervention that has brought desolation upon our country to the Vietnamization of the war, has cost greatly to the people and economy of this country. Not only in terms of lives and money, but also in terms of world opinion and other countries' attitudes toward the U.S.

Now, the U.S. military policy has to end because the American people and the Congress will not let this Administration spend away untold billions more of dollars—billions that really belong to American citizens—for the indefinite future and without any hope of success. Consequently, these disastrous policies will end, sooner or later.

In the course of such policies, the U.S.-backed generals in Saigon have brought more and more disasters upon the South Vietnamese. Now, the people have become extremely weary, and expressed a deep hatred for that corrupt leadership that seeks more war. This will further weaken the Saigon side.

To continue the war will only weaken the Saigon side also vis-a-vis the PRG. At a time when South Vietnam is engaged in warfare, North Vietnam begins a healthy program of national reconstruction. If things continue as they are, South Vietnam could not escape coming under the influence of North Vietnam in about 5 years' time.

1c. MORE AID, MORE FUEL FOR WAR

To increase aid to Thieu now will force Hanoi and the PRG to escalate their military activities. Escalation begets escalation, and the U.S. will be forced to susbtantially increase its aid. At that time, obstacles to peace will increase and make more difficult the process of restoring peace.

At some point in time, the U.S. must consider again re-intervention in Vietnam.

To increase aid will also induce Thieu to deal even harsher with his opponents, and to weaken the anti-communist and Third Force groups.

Without aid increases, I believe that the Thieu regime would not collapse because of a military offensive.

Contrary to Vice-President Rockefeller's claim that one million Vietnamese would be liquidated if the PRG takes over, Hanoi and the PRG do not have the capability to do so. Nor do they have the capability to take over the South by military force.

We can compare the military forces on both sides; we can also compare the number of supporters on both sides, the areas of control and influence. Although Thieu does not have the support of the people, the PRG has only seized in concentrated attacks a few provincial cities and districts. Although Saigon's forces have the potential to resist the PRG on the battlefield, their potential has been much weakened because of the corruption. This is also the judgment of the U.S. mission.

This war has already brought much sufferings to the people of South Vietnam, brought the country's economic collapse, and created much weariness within the military. Everyone wants peace.

North Vietnam and the PRG cannot continue the war for the following reasons:

Otherwise the people of South Vietnam will condemn them;

Hanoi needs to rebuild and to reconstruct the economy of North Vietnam;

The people of North Vietnam also want peace; and

The PRG is also quite weary of the war, and its current objective is to gain the right to participate in the political life of South Vietnam in the framework of the Paris Agreement.

The people of South Vietnam are not yet willing to accept the take-over of the South by military force. It is thus not possible for North Vietnam to succeed in such enterprise. This would be particularly true if South Vietnam has a non-corrupt leadership that advocates peace, national reconciliation, and that strives to build a healthy national economy. If North Vietnam goes back to war without the people's support, the war will result in a hopeless stalemate. Under such a circumstance, North Vietnam would fear greatly foreign intervention.

2. THE POLITICAL SETTLEMENT: TO REALIZE PEACE

Only a new U.S. policy that realizes peace can end this war and also salvage the Saigon regime from total collapse. A political solution will not push South Vietnam into the hands of North Vietnam and wil not generate the damaging consequences of, for instance, U.S. military strategies. And the process to realize peace demands that Thieu must go and that the Paris Agreement be implemented.

2a. ADVANTAGES OF A POLITICAL SETTLEMENT

A. Help Vietnam restore peace and consolidate that peace.

B. End America's waste of resources in Indochina.

C. Help those who belong to the Saigon regime and to the Third Force to consolidate their forces in order to attract the support of the majority of the population.

D. Help realize the conditions for economic reconstruction in Vietnam, and the beginning of developing trade between Vietnam and the U.S. and other countries.

2b. WHY SUCH A SOLUTION NEEDS THIEU'S OUSTER

A. Mr. Thieu will continue to ruin and destroy every effort toward peace and a political settlement as long as he remains in power. His actions since 1967 have indicated that.

B. Thieu's actions weaken the anti-communist side and the Third Force as well. These 2 forces must be healthy in a political competition if South Vietnam is to remain non-Communist.

C. No force or side trusts Thieu, and no one can seriously talk to Thieu about a political solution.

3. THIEU'S POLICY: FORCE THE U.S. TO STAY WITH HIM AND SUPPORT HIM

Thieu has 3 action slogans which he uses to fascinate past and present Administrations:

"Aside from Thieu, there is no else to do the job."

"If Thieu falls, South Vietnam will be lost."

"North Vietnam aims at conquering South Vietnam."

The media here has been intoxicated to a certain extent by these 3 action slogans. Because of Mr. Thieu's policies and actions, those Vietnamese who might consider themselves as possible successors to Thieu or who have potential have been eliminated or discredited one way or the other. As long as the U.S. does not change its policy, these persons will never surface.

4. THE TRANSITION PERIOD

If the U.S. Congress cuts the aid to the Thieu regime, the following situation would develop.

a. The Vietnamese who are with the Saigon regime such as the Catholics and many in the military will have a new leadership that will replaco Thieu.

b. The Buddhists and other Third Force elements will organize themselves and strengthen their Third Force.

c. Thieu and his corrupt group will leave the country.

4a. THE CHANGE AT THE TOP

According to the views of Father Tran Huu Thanh which would include those of others in the Catholic movement, there will be a collective leadership within the following framework:

1. A leadership Council;
2. A head of state; and
3. A premier.

These views could be applied to the transition period. A leadership that appears to have broad support would be able to attract more cooperation from various elements. According to Father Thanh, this new leadership will strive to:

Sustain the morale of the administration and the military.

Win the support of the people whenever possible.

Develop the economic potential of South Vietnam to attract cooperation inside and outside of Vietnam.

The Saigon regime can have as members of this new leadership Council: Former Economics Minister Au Truong Thanh; Lawyer Nguyen Van Huyen, former Senate President of Saigon's National Assembly; Gen. Cao Van Vien, presently the Chief of General Staff; Gen. Ngo Quang Truong, the Commander of I Corps; Nguyen Ngoc Huy, leader of the Progressive Party; Nguyen Huu Hanh, former director of the National Bank of Vietnam; etc. . . .

5. PROCESS TO REALIZE PEACE

The new leadership in Saigon will call for a cease-fire and the demarcation of zones of control. The Third Force and the Buddhists will support such a call.

The 2 administrations will return to the negotiating table;

Saigon will release all political prisoners, and restores democratic freedoms;

The Third Force elements will unite themselves now that democratic freedoms exist, and prepare themselves for participation in the National Council of Reconciliation;

Formation of the National Council;

Holding of general elections for a Constituent Assembly;

Proclamation of one single Constitution for South Vietnam;

The withdrawal of North Vietnamese troops from the South;

The formation of one single army for South Vietnam;

The signing of an Agreement between the South and the North to guarantee the Peace (economic relations, establishment of the framework for the national reunification of the country by peaceful and democratic means); and

General elections according to the Constitution.

The responsibility of the United States vis-a-vis the people of South Vietnam, after more than a decade of intervention, is now not to intervene in our internal affairs so we can decide our own future. This, the U.S. has already pledged by signing the Paris Agreement. After the failure of U.S. military policies, it is time that the United States let us chose our policy of peace and national reconciliation.

SENIOR OPPORTUNITIES AND SERVICES PROGRAM—UNREALISTIC ADMINISTRATION BUDGET TRIMMING

Mr. TUNNEY. Mr. President, the administration once again has turned its back on the impoverished senior citizen. Nowhere in the supplemental appropriation for the remaining months of fiscal 1975 is there an ounce of compassion for the welfare of the aged. One of the more blatant omissions is the failure to designate funds for the senior opportunities and services program, funded through March 31 by continuing appropriations to the Community Services Administration—formerly, the Office of Economic Opportunity.

Independent evaluations of this program have consistently established that it is effective in identifying and meeting the needs of the elderly poor. The program has produced significant improvements in the aged's sense of dignity as well as their physical and emotional well-being. This, above all other Community Services Administration programs consistently has been able to secure local matching funds at an extraordinarily high level—clear evidence of community-wide support for SOS.

It appears to me that the administration is attempting to pit budget cutbacks direcly against human welfare, an intolerable trade-off. I have sent Senator MAGNUSON, chairman of the Labor-HEW Appropriations Subcommittee the following letter expressing my heartfelt concern.

COMMITTEE ON THE JUDICIARY,
Washington, D.C., February 26, 1975.

HON. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor; Health, Education, and Welfare, Senate Appropriations Committee, Washington, D.C.

DEAR MR. CHAIRMAN: I strongly urge the Subcommittee to recommend supplemental appropriations through the end of FY 1975 for the Senior Opportunities and Services program now funded by continuing appropriations through March 31. Since its inception in 1967, the SOS program has assured that OEO sponsored programs, such as legal services and emergency food and medical services "serve, employ and involve" the aged poor to the maximum extent possible. In 1973 alone, nearly 1 million aged poor received 7.9 million individual services from local SOS programs. Additionally, the program has succeeded in improving conditions of the elderly in many other ways including economical, psychological, nutritional and medical. Such additional funding will go a long way to aid the senior citizens of our nation, many of whom live below the poverty level.

President Ford, apparently in an effort to cut the budget, has recommended the discontinuation of the SOS program as of the last quarter of this year. I strongly disagree with Administration values that put the dollar sign above human well-being, in this case the well-being of the senior citizen community.

The SOS program provides the sole source of direct, Community Services Administration aid for the aged citizen living at or below the poverty level. All other programs, pitifully funded for the remainder of the year as a result of the Administration's proposed rescissions, are funded under HEW's auspices and are not primarily geared toward the needs of those in the low-income bracket.

The entire Western Region receives little more than $2 million for its countless SOS programs. This figure is the same as in FY 1973. Since 1973, California has received the same appropriation of $825,180 each year for SOS programs, despite increased inflation and the increased number of poor senior citizens. Los Angeles receives only $140,000 for its programs. San Francisco receives no direct SOS funds. The San Francisco area Community Action Agencies believed the SOS program to be of such priority that they used $203,696 of their local initiative funds to keep SOS operating in that city. One program alone services over 11,000 poor senior citizens. More than 100–150 additional individuals whose lives could be improved by the SOS program are identified each day in that city.

Clearly, the effect of this budget-cutting will be to add to the burden of senior citizens already hard hit by inflation and recession and to cripple one of the few services which offers them a chance to live with dignity. The budget needed for this program is minuscule in comparison to the effect it has and the needs it serves.

The continuing appropriation which has funded the SOS program through the first nine months of this fiscal year totalled $7.5 million, half the Senate-proposed authorization of $15 million. Because a total of $10 million was originally obligated to this program by the Administration, I believe the $2.5 million difference is the minimum required to carry SOS through the remaining four months of FY 1975.

I would hope this figure would be adjusted upward by the Subcommittee to take into account the effect of our 12.5% rate of inflation. CSA estimates that at least $3.75 million would be a more appropriate figure to insure that SOS programs now operating can be maintained at the same quality level in the next four months.

Again, I urge you to weigh the need against the cost, and appropriate the funds to continue this worthy effort which serves over 1 million of our senior citizens.

Sincerely,

JOHN V. TUNNEY,
U.S. Senator.

RULES OF SELECT COMMITTEE ON NUTRITION

Mr. McGOVERN. Mr. President, section 133B of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, requires the rules of each committee to be published in the CONGRESSIONAL RECORD not later than March 1 of each year.

In accordance with this section, I ask unanimous consent that the rules of the Select Committee on Nutrition and Human Needs be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES AND PROCEDURES OF THE SENATE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

(Adopted September 6, 1968)
(Amended November 5, 1969)

1. COMMITTEE MEETINGS

(a) The Chairman of the Committee, or if the Chairman is not present, a member designated by the Chairman of the Committee, shall preside at all meetings.

(b) The regular meeting date of the Committee shall be the second Friday of each month at 10 A.M. The Committee shall convene at the call of the Chairman at such times as are necessary to transact Committee business.

2. EXECUTIVE SESSIONS

(a) For the purpose of conducting an Executive session, seven members* of the Committee actually present shall constitute a quorum. No measure or recommendation shall be reported from the Committee unless a quorum of the Committee is actually present at the time such action is taken.

(b) Proxies will be permitted in voting upon the business of the Committee by members who are unable to be present; these proxies to be valid must be signed and assign the right to vote to one of the members who will be present.

(c) There shall be kept a complete record of all Committee action. Such records shall contain the vote cast by each member of the Committee on any question which a "yea and nay" vote is demanded.

The Clerk of the Committee, or his assistant, shall act as recording secretary of all proceedings before the Committee.

(d) No person other than members of the Committee and members of the staff of the Committee, shall be permitted to attend the Executive sessions of the Committee, except by special dispensation of the Committee or the Chairman thereof.

3. HEARINGS

(a) No hearing shall be initiated unless the Committee or the Chairman of the Committee has authorized such hearing.

(b) All hearings shall be open to the public unless an Executive hearing is specifically authorized by the Committee.

(c) Any witness summoned to a public or Executive hearing may be accompanied by counsel of his own choosing who shall be permitted while the witness is testifying to advise him of his legal rights.

(d) No confidential testimony taken or confidential material presented in an executive hearing of the Committee or any report of the proceedings of such an executive hearing shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the Committee.

(e) Any member of the Committee shall be empowered to administer the oath to any witness testifying as to fact.

(f) The Committee shall so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least seventy-two hours before a hearing and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee.

4. SUBCOMMITTEES

The above rules shall apply to all duly constituted Subcommittees of the Committee.

CONTINUING VIOLATIONS OF HUMAN RIGHTS IN CHILE

Mr. ABOUREZK. Mr. President, the General Assembly of the Organization of American States has planned its next meetings for the middle of April. One of the major considerations which will be taken up will be the "Report on the Status of Human Rights in Chile," prepared by the Inter-American Commission on Human Rights and submitted to the OAS last November. I am somewhat mystified that a report of the depth and ramifications of the one prepared by the Commission has not had more attention in the Congress or the national press.

In light of the revelations last fall that the CIA was authorized to instigate the lawlessness, confusion, and outright subversion, the fact that our Government must bear part of the burden for the loss of over 15,000 lives, the torture and barbaric acts on thousands more, and the exile of another 10,000 people, as reported in the Commission's study, must be underscored. I was interested, therefore, in a Washington Post story recently which reported that Secretary of State Kissinger had assured former Ambassador Orlando Letelier that the CIA would not be involved in the domestic affairs of his country. Unfortunately, Letelier and the Chilean Government had the misfortune to believe that statement and the former Ambassador was one of those imprisoned for a year and a half on Dawson Island by the Chilean junta.

No one in this country will ever know the names of the thousands of hapless Chilean citizens who remain imprisoned and who continue to be tortured and assassinated by the repressive Chilean police force. No one will ever know the entire scope of activity which our own Government played in the overthrow of the Allende government. But no one can ever deny that the tragic and unforgettable events which have occurred as a result of our intervention have changed the course of Chilean history forever.

The Secretary has recently announced plans to visit several Latin American countries in the near future to reestablish a much needed dialog between the United States and these people. I hesitatingly support these plans and I am sincerely hopeful that productive accomplishments and true dialog can be achieved through the Secretary's initiative.

Although I favor the resumption of United States-Latin American dialog, there is one aspect of the upcoming trip to which I am adamantly opposed. This is in regard to the Secretary's announcement that he will also visit Chile in an effort to normalize U.S. relations with the Chilean junta. In light of the fact that our Government is responsible for that military regime taking its illegal action to assume power, and cognizant of the repulsive repercussions which have since occurred, I cannot think of a more inappropriate and ill-conceived action on the part of the Secretary of State.

As long as the junta insists on continuing to practice the gross and widespread violations of human rights against its own citizens, as the Inter-American Commission's report charges, official contact and negotiations on the normalization of relations between the United States and Chile should not even be considered.

I am sure that a great number of my colleagues join with me in continuing to express grave concern over the tragic events in Chile. I would hope that the Secretary, too, could demonstrate to the people of Chile, including the thousands of current victims, exiles and Chilean sympathizers, that the U.S. Government recognizes its responsibility for the tragic events of the last 18 months, and will do all that it can to demonstrate its reaffirmation in the basic and undeniable human rights of all people. Certainly, part of this demonstration should include an unquestionable official reluctance to associate, beyond simple diplomatic recognition, with the murderous regime in power.

Mr. President, the report by the Inter-American Commission on Human Rights is an extraordinary document. It should be required reading for anyone at least remotely concerned with the continuing events in Chile. I ask unanimous consent that the conclusions and recommendations of the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON THE STATUS OF HUMAN RIGHTS IN CHILE

CHAPTER XVI: CONCLUSIONS

After a careful analysis of background information, and particularly after having made on-the-spot observations during a brief but very intensive mission, the Commission has collected information, which, after rational analysis, it feels is sufficient to assert that, under the regime instituted in Chile beginning September 11, 1973, extremely serious violations of human rights occurred.

The Commission realizes the exceptional circumstances which resulted in the advent of that regime, with the employment of force and bitter confrontation. It does not count as violations of human rights, the losses of life that occurred on both sides in the first few days of this process, so that it may entirely avoid the consideration, which otherwise would be essential, the legality or illegality and the justice or injustice, of the actions of the previous regime, a topic which is outside its competence.

But, after having examined the events subsequent to the consolidation of the new Government, determined the content of the measures issued by the Junta, visited the jails and detention camps for political prisoners, had access to mass communication media, interrogated hundreds of persons, of all social levels and political affiliation, reviewed judicial files, attended War Councils, contacted various national and international agencies aiding many people during those months, and after having traveled in the performance of its duties, to widely separate places in the territory of Chile, the Commission has arrived at the firm conviction that on some occasions by action of the Government of Chile through its official measures, and on other occasions by actions of its agents (in the latter cases it is not possible to determine whether the actions of such agents are in response to orders received from their superiors) very serious violations have been committed in Chile—by acts of commission or omission of the present Government—against the following human rights, which are set forth in international documents signed by that country:

1. *Right to life.* While executions by shooting without prior trial in the application of the so-called "law of flight", had ceased, the right to life could not be considered adequately protected in the proceedings of War Councils, which had handed down and repeatedly were handing down, death penalties in circumstances that do not satisfy the requirements of due process. The fact that the sentences had been commuted in most cases did not eliminate the certain risk to the right of life implied by such proceedings, nor was it enough to erase the tremendous harm caused to the accused and his family during the period of uncertainty as to what would finally occur. (See Art. 1 of the American Reclamation of the Rights and Duties of Man).

2. *Right to personal safety.* This right had been and was directly and seriously violated by the practice of psychological and physical abuse in the form of cruel and inhuman treatment. This is the conclusion from coinciding statements and testimony from persons of the most varied social condition, of very varied cultural levels and opposing political convictions, who were detained or were residing in widely separated places. The Commission has seen and heard persons affected as a result of such abuses and has collected convincing statements and testimony regarding cases of violation of the right of personal safety, consisting in torture, abuse and inhuman treatment which, because of their intensity and probable consequences, also involve on occasion actual threats to the right to life. The use of electric shock, the threat of harm to close relatives, sexual attacks, covering the person with a hood, blindfolding the person for weeks, etc., are reasonably proven facts. (See Arts. I and XVII of the above-mentioned American Declaration). The Commission does not assert that a "policy of torture" was practiced or might have been practiced, but it is in a position to assert that no effective "policy against torture" had been carried out.

It should be noted that in the Commission's interviews with the Ministers of the Interior and of Defense, they stated their concern regarding this subject and indicated it was the firm intent of the Chilean Government to eliminate torture, and if any cases were found, to punish those responsible. To that end, they requested any assistance that the Commission might provide.

3. *Right to personal liberty.* Ten months after the events of September, around 5.500 persons remained deprived of their liberty, according to figures supplied by some of the ministers. Many of these persons had been arrested without any charges brought against them, and they continued in detention without being brought before the courts, by virtue of the authority granted by the Constitution to the President of the Republic under the supervision of the Congress. The situation was even more serious due to the fact that there were also many persons regarding whom it was not known whether they were free or imprisoned, or even whether they were living or dead. (See Arts. VIII and XV of the American Declaration).

4. *Remedy of amparo and habeas corpus.* The remedy of *amparo* had been rendered absolutely ineffective, since the Magistrates of the Judiciary were satisfied with replies from the Ministries, that such and such a person was detained "by virtue of the powers authorized under a state of siege", or that he was not detained, without investigating the evidence provided by the petitioner. The Magistrates did not require that the prisoner be brought before them to verify that he was alive, or to determine where he was detained, or to determine whether the constitutional provision prohibiting keeping him prisoner in jails or together with common criminals, etc., were being complied with. (See Art. XVIII of the American Declaration).

5. *Guarantees of due process.* These guarantees were found to be seriously affected. In many cases, the right to be tried by a court established by law prior to the alleged offense, and in general the right to a regular trial had been violated and was being violated. Retroactive application of the "state of war" has constituted a flagrant violation of basic rights.

Statements made by the accused, under the pressure of psychological or physical torture, to the arresting official rather than to the trial judge, have been taken as "confessions". The proceedings of War Councils have constituted a massive violation of the guarantees of due process. (See Art. XXVI of the American Declaration).

6. *Freedom of expression and communication of thought and of information.* None of the mass communication media are free to disseminate thought or inform the public. These media operate between the extremes of censorship and self-censorship. Official pressure was being exerted also on publishing houses. As a general rule, these media could only publish news and ideas approved by the authorities. (See Art. IV of the American Declaration).

7. *Right of assembly.* This right was virtually suspended (See Article XXI of the American Declaration).

8. *Freedom of association.* Political parties, agencies, organizations and movements have been dissolved or declared "in recess", which means the prohibition of any kind of political activity in the broad sense. Other organizations, like labor unions for example, are prevented from any effective action. (See Art. XXII of the American Declaration).

9. *Freedom of opinion and equality before the law.* The Commission found that, as a result of Decre-Law 77, Marxism is generically considered as a felony. The term "Marxism" is used as though it were a label for a crime. Consequently, any individual professing Marxist ideology is considered as a criminal, regardless of whether he can be shown to have actually committed acts defined as crimes under criminal law. He can therefore be punished for "what he is" or for "what he thinks", regardless of "what he does". The commission of the same act in the same circumstances can give rise to different legal consequences depending on the persons who committed the act and their political ideology, without any rule of justice or reasonableness to justify such disparity of treatment. (See Arts. IV, II and XVII of the American Declaration).

10. *Political rights.* Such rights have been abolished. Since the supression of representative bodies has been accompanied by the destruction for the voters' register, which, according to the Government, it will take years to reconstruct, no possibility is seen of a fairly rapid return to normalcy in these institutions. (See Arts. XX and XVIII of the American Declaration).

It can be asserted in conclusion that the Commission's on-the-spot findings show that under the regime instituted on September 11, 1973, in Chile, repeated violations have occurred of the rights set forth in Articles I, II, IV, VIII, XXVII, XXVIII, XX, XXI, XXII, XXV, and XXVI of the American Declaration of the Rights and Duties of Man.

CHAPTER XVII: RECOMMENDATIONS

1. On July 29, the Commission sent to the Government of Chile the preliminary recommendations resulting from the note transcribed in Chapter XV of this report.

2. After reaching the conclusions summarized in the previous chapter, the Commission feels it is its duty to make the following recommendations to that Government:

1. In order to safeguard the rights referred to in Article 1 of the American Declaration of the Rights and Duties of Man, and with the promptness required by these circumstances, an exhaustive, detailed, speedy, and impartial investigation of the following acts should be ordered:

(a) The imposition of cruel conditions of living, punishment and forced labor on certain prisoners, as occurred for example in the case of those who were confined on Dawson Island.

(b) The use of psychological and physical torture in the following establishments: 38 Londres Street in Santiago; Air Force War

*Amendment approved by the Committee on November 5, 1969, provided that seven members actually present shall constitute a quorum. The amendment was approved at the time the Committee requested an increase in its total membership to 14 by the addition of one minority member selected from the Senate at large. The former Rule 2(a) provided that a majority of the Committee actually present constitutes a quorum.

School in Santiago; a section of the Santiago Military Hospital; Central Bureau of Investigations in Santiago (a place known as "La Patilla"); Tejas Verdes; and the Navy ship "Esmeralda";

(c) The reception of persons arriving at Tres Alamos, the Santiago Central Jail and Capuchinos, Tejas Verdes and Buen Pastor detention centers with visible signs of having been subjected to torture or maltreatment, without the officials of those establishments having denounced such facts to their superiors;

(d) The conduct of the officials who directly or indirectly have been indicated in this report as performing, participating, instigating or covering up the acts indicated in the above points.

The Commission feels that such an investigation should be carried out so that: (a) unity of viewpoint may be ensured in establishing and evaluating the facts, for which purposes the persons performing this task should be able to take action throughout the territory of the country, and (b) any reasonable possibility of suspicion that those responsible for the investigation do not have the essential independence and resources to properly carry out their mission may be excluded *a priori*.

The Commission considers, finally, that this mission must comprise the exact identification of those responsible for the facts indicated in this recommendation, for their subsequent trial by regular judicial officials of Chile in accordance with the relevant provisions of Chilean law.

2. That, in order to safeguard the rights referred to in Article XXV of the American Declaration, a rapid survey should be made of the status of all persons who are still deprived of their liberty without any charges being brought against them, in order to release all those who do not constitute a serious and certain danger for the maintenance of public peace.

3. That, in order to safeguard the rights referred to in Article XVIII of the American Declaration, and pursuant to the authority exercised by the Chilean Government Junta, precise rules should be enacted to ensure that even in "time or state of war", when, during the state of siege, the President of the Republic, in exercise of the exceptional authority granted to him by Article 72.17 of the Constitution, orders the arrest of a person, petitions of *amparo* and *habeas corpus* on behalf of the prisoner before a civil judge, and the intervention of that judge, shall require administrative officials to bring the prisoner before the judge, to provide him with a complete copy of the decree under which the detention was ordered, to inform him exactly where the prisoner is being detained, and to inform him immediately of any subsequent transfer to another place of detention.

4. That, in order to safeguard the rights referred to in Article XVI of the American Declaration, and pursuant to the authority exercised by the Government junta, a remedy of review should be established to make possible a full examination of all of the verdicts handed down by the Councils of War, in order to verify the regularity of the proceedings and to decide on their validity, appropriateness and, as the case may be, the possibility of reducing the penalties imposed, with particular reference to those verdicts in which by whatever route, or by resorting to whatever argument, there has been retroactive application of the "state of war" or more severe rules than those in force at the time the allegedly unlawful acts began, or penalties have been imposed only because of the ideas or convictions of the accused.

5. That, in order to safeguard the rights referred to in Articles I and XIV of the American Declaration, the means available to the office responsible for locating persons detained or whose whereabouts are unknown should be expanded by requiring all officials in charge of establishments of any kind where persons are detained to submit, within the brief period that may be set for the purpose and under the strictest responsibility a detailed list of such persons, indicating the name they claim and the name on the identification document, if the two are not the same; date of birth; complete address at their last residence or that of their family. It would also be desirable to enclose a photograph of the prisoner, in view of the fact that, as the Government stated, there are often serious difficulties in identifying persons because of the fact that there are persons who have several identification documents under different names. The Central Information Office should process all such data, in order to be able to provide reports requested from them by those who claim to be parents of persons presumed to be imprisoned, or by any lawyer so requesting. The Director of the establishments to which we have referred should be required to report by telegram, within 24 hours, on any release or new admission that occurs.

6. That, in order to safeguard the rights referred to in Article XVIII of the American Declaration, independent labor courts should be speedily reestablished and the special provisions contained in Decree-Law 32 should be eliminated.

7. That, in order to safeguard the rights referred to in Article XX of the American Declaration, steps to effect the most rapid reconstruction of the voters register with the assistance of modern techniques should be immediately adopted so that the citizens of Chile will be able to exercise their political rights without unnecessary delay.

8. That, in order to safeguard the rights referred to in Article IV of the American Declaration, steps should be adopted to progressively restore freedom of expression of thought, both by individuals and through the mass communication media, without prejudice to holding responsible those who might abuse the exercise of that freedom, pursuant to the provisions of ordinary law on the subject.

9. That, in order to safeguard the rights referred to in Articles I, VIII, and XV of the American Declaration, consideration should be given in the future reform of the Constitution to lessening the President's authority during a state of siege, by granting to prisoners who are not charged with a crime the right to leave the territory of the country.

THE NATION'S RAILWAYS

Mr. McGOVERN. Mr. President, in the Washington Post of February 23, William H. Jones discussed the problem of the Nation's railroads in an article entitled "Righting the Rails."

Mr. Jones stated that the U.S. Rail Association, in its preliminary system plan released February 26, would suggest consideration of a plan in which the Federal Government would own all rail facilities. The association did recommend this as one of a number of alternatives.

In both 1972 and 1974, I introduced a resolution which called for a study of precisely that method of operation. I asked for Federal ownership of all rails, rights-of-way, signal systems, and other appurtenances. They then would be leased back to the rail companies on the basis of a users' fee, much as in the case of the Panama Canal, airport and airway facilities, and highways.

Now that the U.S. Railway Association preliminary plan is released, I ask unanimous consent that Mr. Jones' Washington Post article be printed in the RECORD as further demonstration of the growing interest in federally owned facilities as one method to rescue our rail lines and to operate them to fill the country's transportation needs. Given the railroad's energy efficiency, our shortages of petroleum products, and our growing awareness of environmental hazards produced by other kinds of transportation, I trust that we will be encouraged finally to consider in depth this most practicable of alternatives.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 23, 1975]

RIGHTING THE RAILS

(By William H. Jones)

Because of the protracted economic recession, federal planners have concluded that it is impossible at this time to establish a profitable railroad to supplant bankrupt lines in the Midwest and Northeast.

Therefore, they will recommend this week virtually nationalization of all major rail facilities in the densely populated region—with federal ownership, rehabilitation and continual maintenance of the currently dilapidated system for at least the rest of the 20th Century.

Like the interstate highway system, built and subsidized largely with federal money and truckers' taxes, the government-owned railroads would be used by operating companies that would remain in the private enterprise system.

Eventually, planners hope the private enterprise firm may be able to assume ownership of the rail facilities company as well—but only after the heavy debt is paid off, and that could take up to 30 years.

This drastic solution to the nation's railroad crisis—Rep. Brock Adams (D-Wash.) last week called it a "permanent emergency"—is certain to be labeled by many persons as the first step toward nationalizing the entire U.S. railroad industry. But supporters of the idea say it may be the only alternative, at this troubled crossroads in American economic history, to total federal rail control.

Nevertheless, federal ownership and control over such a significant element in the nation's economic life has little precedent. The government did take over railroads temporarily during World War I, it established the Tennessee Valley Authority in the Great Depression, it operates a major business-service out of 13,000 Post Offices, and its loans have helped keep Lockheed and Grumman alive.

There have been no steps, however, to have Washington take over a large portion of a major industry. At the same time, one factor in the current crisis is that American railroading has received little federal aid since the Depression era in contrast to competing airlines, truckers, barge lines and bus companies—whose basic operating facilities (airports, highways, canals) have been subsidized by the U.S. Treasury.

"Railroads have suffered from a lack of long-term U.S. transportation policy," said U.S. Railway Association chairman Arthur D. Lewis in a recent interview.

When members of the House and Senate drew up the rail reorganization act of 1973, along lines originally proposed by the profitable Union Pacific Railroad, most legislators convinced themselves that a profitable railroad company could be created out of the wreckage of firms called Penn Central, Ann Arbor, Lehigh Valley, Reading and Erie Lackawanna, plus a couple of smaller lines.

The rail act, enacted into law on Jan. 2, 1974, directed a new planning agency, U.S. Railway, to draw up blueprints for a financially self-sustaining regional rail system. The idea was to remove railroads from the public dole and eliminate annual Penn Central crises.

After months of delays, created because the Watergate-logged Nixon White House couldn't devote enough time to picking directors for the new agency, the rail planners set up shop last summer. They started to pinpoint what parts of the rail system should be maintained for essential services in 17 states and the District of Columbia, where the major bankrupt lines operate 22,500 miles of track.

The idea of a separate government corporation to own the tracks was considered, having been supported in the past by several legislators on Capitol Hill. Until the depth of the current recession became clear in recent months, however, there was a consensus that the Ford Administration and Congress never would approve the massive outlays necessary for rebuilding and owning the basic railroad system.

Today, many of these same people have reached a new conclusion: That a company given birth in the next year could not survive under the burden of soaring debts for track rehabilitation in an inflationary-recession cycle expected for the rest of the 1970s. The only answer, they say, is federal ownership of the roadbeds along with private operating companies that would own the engines and freight cars, market the service and pay a fee to lease U.S. rail facilities.

Government and industry sources said the U.S. Railway Association, in its preliminary plan to be made public next Wednesday morning, will stop short of calling for establishment of the new quasi-government rail facilities company. But, at the same time, the report will recommend congressional consideration of the plan as an alternative to creating a railroad doomed to failure.

The price tag for a federal takeover of the essential rail system is estimated to be a minimum of $5 billion over the next few years, including renovations and modernization. Even though the total may be more, the plan would be cheaper in the end than outright nationalization of all bankrupt rail operations at a cost estimated in the neighborhood of $12 billion.

In any event, the proposal is certain to generate controversy. Railroad executives questioned in recent weeks have expressed reactions that range from shock to shrugged shoulders. The key question appears to be the impact on currently profitable lines, which would compete against a rail operating company that doesn't have to pay for upkeep and maintenance of tracks.

Mainly involved would be the Chessie System (owner of the Baltimore & Ohio, Chesapeake & Ohio and Western Maryland) and the Norfolk & Western, highly competitive lines that serve the region from the Midwest to the Middle Atlantic States.

Under one proposal at U.S. Railway Association, these profitable firms would be given the same opportunity to operate over parts of the government-owned rail system, for a fee. Moreover, the Chessie and N&W would be allowed entry into the New York metropolitan area market in an effort to create more transportation competition.

Proposals of the railway association, according to congressional aides and industry officials, include the following specific route plans:

Establishment of one major company, called Consolidated Rail Corp. (Conrail) in the 1973 act, to take over most of the viable operations of the currently bankrupt firms. Conrail would be an operating firm, paying a fee to the U.S. to run over 19,000 miles of government tracks, including branches, which would be improved with federal money (and partially covered by the user fee). In four or five years, 1,000 miles of duplicate main lines would be eliminated, after parallel lines are improved.

Extending the Roanoke-based Norfolk & Western system into the New York area by taking over the Erie Lackawanna's main line between Buffalo and New York. N&W also would operate Erie's commuter operations in the Northern New Jersey market, under contract with regional authorities. N&W would pay a fee to use the government-owned tracks, just as Conrail does.

Adding to the Chessie System additional routes into the New York market—basically by taking over the Reading, Central of New Jersey and Lehigh Valley lines, and providing upgraded service between Hagerstown, Md., Harrisburg, Pa., and the New York region, as well as along the Washington-Baltimore-Philadelphia-Newark corridor. These lines also would be owned and maintained by the federal facilities company and leased to Chessie.

Recommending elimination of nearly 6,000 miles of branch lines in the overall 22,500-mile system, with the federal and state governments sharing the cost of subsidy for those lines which local governments and regional shippers decide are necessary for current or future economic health.

Transforming the Pennsy's New York-Washington main line into a high-speed, passenger-only line, to be used by Metroliners at speeds of 110 miles an hour by 1980, cutting travel time between the two cities to about two hours.

Of all these proposals, the suggestion of large-scale abandonments probably will generate the greatest outpouring of resentment.

Gov. Philip Noel of Rhode Island last week provided a sample of typical reaction that may be expected after Wednesday's report is distributed and digested. Revealing that the rail association is suggesting an abandonment of 60 per cent of Penn Central freight tracks in his state, Noel said the government agency has produced a "whitewash." U.S. Railway, he continued, "is really saying that these lines will be abandoned unless someone like the state or a shipper steps in to pay a subsidy."

Rhode Island's economy would feel a "tremendous impact" from the cutbacks, said state transportation director Robert Rahill, who said many lines are in areas scheduled for industrial development.

Similarly, an Interstate Commerce Commission office set up specifically to critique the U.S. Railway planning process, has complained about what is seen as too much focus on rail abandonments.

Throughout the reorganization process, said ICC rail services planning office public counsel A. Grey Staples Jr., "The one issue consistently evoking the most public interest has been the potential abandonment of many miles of light-density branch lines."

In a letter to rail planning office director George M. Chandler, Staples expressed anxiety about the U.S. Railway plans: "In spite of the clear and convincing crescendo of public and private opposition, U.S. Railway has unrelentingly persisted in the development of plans which, if taken to completion, will very likely produce large-scale branch line abandonments."

Although the highly emotional battle over branches is likely to generate the most public interest and pressure on Capitol Hill—every town and village or branch factory manager wants a rail spur—the concept of a federal takeover of rail facilities is a more important and fundamental question.

Chandler's ICC office, in a report distributed recently, called federal ownership of the rail facilities "intriguing." It could provide, Chandler's report said, "the means by which the restructured rail system could be financially self-sustaining, relieved of the large expenditures necessary for upgrading and maintenance . . . The fixed plant concept also has potential as a vehicle for channeling federal funds into meaningful public work projects."

In addition, the ICC report showed that there already is "substantial" public support for the concept, which "appears to reflect an attitude that was quite apparent at the office's hearings last year: That a substantial segment of the public believes that there should be a continuing governmental involvement in the financing and provision of rail services."

Orren Beaty, president of the National Association of Railroad Passengers, strongly endorsed the idea last week. "Ownership of railroad rights-of-way, tracks and signal systems by a non-operating public agency will best serve the interests of passengers, shippers and the general public," he asserted.

Other proposals for government ownership of actual rail facilities were offered previously by Senators Lowell P. Weicker (R-Conn.) and Vance Hartke (D-Ind.) and Rep. Les Aspin (D-Wisc.).

Pennsylvania Gov. Milton J. Shapp has proposed a rail trust fund, patterned after the highway trust fund. Shapp would institute a 5 per cent transportation surcharge on all U.S. rail shipping as a means of raising the funds that would rehabilitate and maintain the rail system with few abandonments.

Shapp says his trust fund would raise $12 to $13 billion over six years, to be spent as follows: $3.2 billion to electrify the nationwide network, permitting the use of more energy-efficient electric locomotives; $6.9 billion for track rehabilitation; $1.9 billion to modernize roadway and structures; and the balance to modernize yards.

Shapp's basic idea is given a good chance of winning some support on Capitol Hill. A group of Democrats plans to introduce rail trust fund legislation, patterned on the Pennsylvania proposal, as an alternative to the U.S. Railway Association program of abandonments.

Following publication of the U.S. Railway preliminary plan, the ICC rail services planning office will hold public hearings in 23 cities, starting March 17. After all public comments have been assessed, a final plan will be drawn up by U.S. Railway for submission to Congress in the summer.

The plan becomes a reality unless either the House or Senate votes affirmatively to block the plan within 60 working days.

RULES OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. TALMADGE. Mr. President, pursuant to section 133B of the Legislative Reorganization Act of 1946, as amended, I ask unanimous consent that the Rules of the Committee on Agriculture and Forestry be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF COMMITTEE ON AGRICULTURE AND FORESTRY

1. Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

2. Voting by proxy authorized in writing for specific bills or subjects shall be allowed whenever a majority of the committee is actually present.[1]

3. Five members shall constitute a quorum for the purpose of transacting committee business: Provided, That one member shall constitute a quorum for the purpose of receiving testimony.[1]

[1] For further restrictions with respect to proxies and quorums in the reporting of measures and recommendations, see section 133(d) of the Legislative Reorganization Act of 1946, supra.

REFORMS IN THE ANTIRECESSION TAX CUT PACKAGE

Mr. KENNEDY. Mr. President, one of the most important goals of our anti-recession economic policy is to provide the immediate tax stimulus that both consumers and the business community need if we are to pull the economy out of its current worsening slide.

From the beginning of the year, in spite of the friction over energy policy, there has been a broad consensus between Congress and the administration over the need for a prompt tax cut. I am hopeful, therefore, that the tax cut now nearing final action in the House of Representatives will be approved promptly by the Senate and sent to the President for his signature.

At the same time, however, I believe there are a number of ways in which the House bill can be improved by the Senate:

First, in light of the worsening economic picture in recent weeks, there is already substantial agreement about the need to increase the total amount of the tax reduction—the 1974 rebate and the 1975 tax cut—from its present level of $21 billion in the House bill to a higher level of $25 to $30 billion.

In my view, the depth of the recession fully justifies such an increase. The figures prove that the economy is in worse shape now than when President Ford proposed his $16 billion tax cut in January, or when the Ways and Means Committee planned its $21 billion cut a few weeks later. Industrial production is still plummeting sharply. Unemployment has already soared past 8 percent—indeed we face the dangerous prospect of 10 percent unemployment or even higher if we fail to take adequate action now.

There is no substantial danger that a large tax cut now—of the order of $25 to $30 billion—will exacerbate the problem of inflation. The deep recession, the long lines of men and women out of work, the endless rows of idle machines and plants—all mean that a tax cut of this magnitude could be absorbed without any serious inflationary effect. At comparable GNP levels, we would need a $39 billion tax cut today to match the Kennedy-Johnson $18 billion cut in the mid-sixties that pulled us out of the lingering effects of the milder recession of 1958 and got the economy moving vigorously again without inflation.

The greatest danger we face now is that we may do too little, not too much, to stimulate the economy. The immediate downside risk is depression, and that is not a risk the Nation can afford to run.

The economy is walking the plank today. We cannot afford to gamble with depression. Our longrun problem of inflation is manageable, and our fears about inflation in the future cannot be allowed to cripple the recovery from today's recession. A few billion dollars more today is a small price to pay now, in terms of the antidepression insurance we will be buying for the future.

Second, I believe we can make the 1974 rebate and the 1975 tax cut for individuals more equitable for low- and middle-income groups than the House bill now provides.

Instead of the complex percentage rebate with maximums and minimums in the current bill, I have already suggested a "refundable" per capita tax credit of the order of $60 to $70. Such a credit would be far less complex than the House formula for the rebate. It would provide significantly more tax relief to low- and middle-income taxpayers, and it would also give relief to those so poor that they have no tax liability at all—their needs are greatest of all, and they deserve to share in the tax rebate, too. But, the House bill denies them any benefit at all in the current version of the rebate.

In addition, the 1975 tax cut in the House bill is also capable of improvement. As the AFL–CIO has pointed out, the bill will provide no relief at all for many low- and middle-income taxpayers who itemize their deductions. Typically, these individuals are homeowners with substantial interest deductions from the payments on their mortgages. It is unfair to enact a tax cut that omits these individuals from its benefits. To do so would turn the homeowners of America into second-class citizens, and that is a step that Congress should not take.

Apart from the homeowners who would get no relief at all in the House bill, there are many other homeowners who will get less than their fair share of relief—those who itemize their deductions now, but who will shift to the standard deduction in order to take advantage of the increased standard deduction in the House bill. But the advantage they receive will be less than the advantage the bill provides to those who already use the standard deduction—the latter get the full benefit of the increased standard deduction whereas the homeowners must give up their interest deduction to qualify for the standard deduction.

Two of the possible ways to remedy the disadvantage to homeowners are to reduce the tax rates for the income brackets of those affected or to adopt an optional tax credit of approximately $200 in lieu of the personal exemption. My own preference is for the optional credit which Senator MONDALE has done so much to develop and which I believe is an important principle to establish in its own right in the tax laws.

Third, the Senate must make its own stand for repeal of the oil depletion allowance. My hope is that the effort to achieve repeal will be successful in the House and give us the momentum we need to reach the same result in the Senate.

The oil depletion allowance is perhaps the most notorious single loophole in the Internal Revenue Code, a symbol of the greed and profiteering of a private industry that fails to serve the public interest. The soaring price of oil in the past year has removed any possible justification for retention of the depletion allowance as an incentive to exploration and development. Its demise is long overdue and its repeal cannot come too soon.

Fourth, I believe the Senate ought to consider an additional longrun incentive to business investment in plant and equipment, above the 10-percent investment credit now contained in the House bill.

In addition to other reforms in the House bill, therefore, I intend to offer an amendment in the Senate to provide a 15-percent investment credit for net new investment—the amount of the investment that exceeds a firm's average investment over the 3 preceding years. The cost of the provision would be an additional $500 million, a modest price tag for an important longrun innovation in the tax laws.

In effect, the proposal would provide a "bonus" investment credit of an additional 5-percent, in addition to the 10-percent credit already contained in the House bill.

The extra 5-percent credit would be both an antirecession and an anti-inflation measure. It would provide an immediate antirecession stimulus to the economy by encouraging additional investment in plant and equipment.

And it would also provide an important anti-inflation incentive. It will encourage firms to develop the longrun capacity the country will need to meet the inevitably growing demand for goods in the future, and thereby to prevent the shortages of supply that have fueled inflation in the past.

A major drawback of the flat 10-percent investment credit in the House bill is that it is no incentive at all for many firms—it is simply a tax windfall that rewards them for the investment they would be making anyway.

A "net new investment" tax credit has an important advantage over such a "flat" credit. It will reward only those firms that are growing, and it will encourage existing firms to engage in greater growth.

Thus, under the proposal I favor, every firm will receive a 10-percent investment credit for its investment in new plant and equipment, but those firms that exceed their prior 3-year average investment will qualify for a 5-percent bonus, or a total credit of 15 percent on their incremental new investment. My hope is that there will be broad support for such a credit, as an important longrun growth incentive for the economy.

Fifth, I also hope that Congress continues to expedite its action on the tax-cut legislation. The President's criticism of Congress on this score is unfair and undeserved. The Ways and Means Committee has acted promptly and effectively in developing the pending legislation, and I am confident that the full House and Senate will follow suit.

There is no higher priority now than action to stop the current downward plunge of the economy. Our goal should be to get the bill to the President by mid-March—certainly before Congress adjourns for the Easter recess on March 21.

On that timetable, I believe the tax cut can begin to have an impact even before the May target date set by the administration to begin payment of the 1974 rebate.

I see no reason why the Treasury cannot beat that timetable by at least a month. Congress should prod the Treasury to get the rebate checks into the mail within 2 weeks after the President signs the bill. By early April, the economy can begin to feel the healing effect of the tax cut stimulus, and the Nation can be safely back on the road to full recovery.

ARAB DISCRIMINATION

Mr. HARRY F. BYRD, JR. Mr. President, disclosures at a hearing conducted Wednesday by the Subcommittee on Multinational Corporations of the Senate Foreign Relations Committee indicate that Saudi Arabia maintains a boycott list of 1,500 American businesses and organization for alleged ties to Israel.

At the same hearing, an office of the Army Corps of Engineers admitted that the Corps had acceded to a Saudi Arabian request that no Jewish officer be assigned to projects in that country.

These are shocking disclosures.

It is unthinkable that the U.S. Government would permit foreign nations to impose patterns of discrimination in our business community or our Armed Forces.

I commend President Ford for his forthright denunciation of these practices. I firmly agree with the President's statement that "such discrimination is totally contrary to the American tradition and repugnant to American principles."

The investigations which the President has ordered by the Departments of Justice, Commerce, and State should be promptly carried out. Violation of the law should be vigorously prosecuted.

The disclosures of efforts to impose discrimination upon this country underscore the need for a careful monitoring of foreign investment in the United States and of projects in which U.S. personnel are assigned to Arab countries.

HEALTH INSURANCE FOR UNEMPLOYED WORKERS

Mr. KENNEDY. Mr. President, millions of Americans are today out of work. Most of these unemployed workers have lost their health insurance.

Earlier this month, Senators WILLIAMS, JAVITS, SCHWEIKER, and I introduced S. 625, the Emergency Unemployment Health Benefits Act of 1975. This bill would direct the Secretary of Labor to make arrangements with health insurers to continue coverage that the unemployed workers would have had, had they continued to have been employed. The bill will thus assure that unemployed workers will have health insurance.

Recently the executive council of the AFL–CIO, meeting in Bal Harbour, Fla., and the international executive board of the UAW, meeting in Detroit, endorsed the provisions of S. 625.

Because of the importance of this legislation, I ask unanimous consent to have their statements printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY THE AFL–CIO EXECUTIVE COUNCIL ON HEALTH INSURANCE FOR THE UNEMPLOYED

BAL HARBOUR, FLA.,
February 17, 1975.

There are now 7.5 million unemployed workers in the United States, 8.2 percent of the labor force.

According to the Library of Congress more than 80 percent of the workers laid off during 1974 lost their health insurance coverage. A survey of health insurance contracts indicates at least two out of three workers have no health insurance after being unemployed for one month or more. Thus, if unemployed workers wish to continue their health insurance after coverage is terminated, they must pay the premium, usually at exorbitant individual rates, at a time when they are financially pressed and least able to do so.

Stripped of their group coverage and denied Medicaid because they are not poor enough, a serious illness in the family could leave some unemployed workers bankrupt. Many will postpone needed medical care for themselves and their families because they won't be able to pay sky-high doctor bills with meager unemployment insurance checks. This situation is intolerable and would not have existed had Congress enacted National Health Security which provides health benefits for all residents of the United States whether they are employed or unemployed.

The AFL–CIO Executive Council, therefore, calls upon Congress to give highest priority to early enactment of the Corman-Kennedy Health Security Bill (H.R. 21 and S. 3). However, there is no way that the Health Security program could be implemented, even if passed immediately, for at least one year. Therefore, at its meeting last month, the AFL–CIO General Board called for Federal legislation to provide health care to the millions of workers who lose their health insurance coverage under employer-employee plans when they become unemployed.

A bill (S. 625) introduced by Senators Kennedy (D.-Mass.), Williams (D.-N.J.), Javits (R.-N.Y.) and Schweiker (R.-Penna.) would simply extend existing or prior coverage provided by the unemployed worker's last employee-employer health benefit plan. The premium cost for continuation of this coverage would be paid from Federal general revenues. The program would be administered by the existing unemployment insurance offices and could be implemented almost immediately after passage.

Enactment of this bill would meet the critical need for the continuation of health insurance protection for the unemployed. But many jobless workers didn't have health care coverage when they were working and now that they are living on meager unemployment insurance payments certainly cannot afford to obtain it. To meet the health care needs of these jobless workers and their families, S. 625, when enacted, should provide for their coverage under Medicaid.

With this necessary change, the AFL–CIO Executive Council, therefore, endorses S. 625 as an emergency program to assure health care coverage for the unemployed and their families.

UAW SUPPORTS BILL TO CONTINUE MEDICAL COVERAGE FOR UNEMPLOYED

FEBRUARY 13, 1975.

Support of S. 625, the bill under consideration in the U.S. Senate to provide continuation of health insurance coverage for unemployed workers, was voted by the UAW International Executive Board at its regular quarterly meeting at Solidarity House, International UAW headquarters in Detroit.

UAW President Leonard Woodcock, who announced the IEB's unanimous action today, said passage of S. 625, a short-term emergency measure, "is essential in view of the present economic crisis and its massive, prolonged unemployment."

The bill would provide federal government payment of premiums to continue the private health insurance coverage which a worker lost when his employment was terminated. Its principal sponsors are Senators Edward M. Kennedy (D., Mass.), Harrison Williams (D., N.J.), Jacob Javits (R., N.Y.) and Richard S. Schweiker (R., Pa.).

Woodcock emphasized that the Senate bill, however, "is not a substitute, nor should it be considered one, for a comprehensive national health insurance program which the nation needs to have adopted promptly.

"The S. 625 proposal is needed because the right kind of comprehensive national health insurance is not in force today," the UAW president said.

"With the exception of S. 3, the Health Security Program proposed by Sen. Kennedy and Rep. James Corman (D., Cal.), practically all other national health insurance proposals before Congress are related to both the worker's employment and private insurance industry coverage," Woodcock explained.

"The problem of providing needed health insurance coverage in this economic crisis, which calls for the immediate passage of S. 625, would remain under the proposed national health insurance programs other than Health Security, S. 3."

LIBRARY OF CONGRESS REPORTS ON WORLD FOOD SITUATION

Mr. CLARK. Mr. President, the Library of Congress Congressional Research Service has done thorough and concise reports on the 1974 World Food Conference in Rome and the response of the 93d Congress to the world food problem.

The study is an excellent orientation to the problems this Congress confronts as it looks at the world food situation. The issue is complex—the committees, organizations, bills, and resolutions are numerous. The report successfully summarized the subject, and I recommend it to the public and my colleagues.

I ask unanimous consent that the study be printed in the RECORD, as follows:

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THE WORLD FOOD CONFERENCE: IMPLICATIONS FOR CONGRESSIONAL ACTION

(By Harvey R. Sherman)

DECEMBER 8, 1974.

Critical food shortages and famine conditions in some developing countries were addressed at the World Food Conference in Rome during the first two weeks of November 1974. The Conference, which followed a long period of increasingly urgent reports of reduced food availability in the African Sahel, East Africa, India and Bangladash, was convened under the aegis of the United Nations to take up questions of international food relief, international food reserves and increased food production in chronically food-short areas.

Its genesis can be traced to several sources, including a suggestion by Senator Hubert Humphrey during confirmation hearings on the nomination of Henry Kissinger to be Secretary of State. It was subsequently proposed by Secretary Kissinger in an address before the General Assembly of the United Nations, and endorsed by the Economic and Social Council of the U.N. Dr. Sayed Marei, of Egypt, was appointed Secretary-General of the Con-

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ference, which was reportedly attended by delegates from 130 countries, 47 United Nations agencies, 4 liberation movements, and some 300 nongovernmental organizations.

Proceedings of the Conference, which were widely reported, have been described by two Members of Congress in terms ranging from "disgusting", and "a hate America-session" [1] to "neither an outright success nor an outright failure, but rather a combination of both frustration and hope." [2] News reports from the Conference left the impression that the meetings—at least in their early stages—were used by a number of delegations from the underdeveloped sector as a forum to confront developed countries (particularly the United States) with a variety of issues relating to trade, development assistance, and emergency relief. The failure of the Conference to agree on measures to provide immediate food relief tended to cast it in much the same light as the "unsuccessful" World Population Conference (Bucharest, August 1974). Nevertheless, the conference appears to have achieved agreement about long-range goals even though there was less than unanimity about how to achieve them.

RECOMMENDATIONS OF THE CONFERENCE

It ought to be noted, first, that several of the actions of the Conference did not result in clear-cut agreement on recommendations relating to some of the more pressing problems of food relief and agricultural development. In fact, details of most of the more substantive actions, such as the establishment of food reserves and the provision of food relief in forthcoming months, were left for subsequent negotiations. But the Conference did reach agreement on a number of recommendations which, if implemented, would substantially revitalize agriculture in the developing world. These negotiations, as well as those showing promise of further agreement, contain implications for action by the Congress.

RESULTS OF THE CONFERENCE

The "Programme of Action" adopted by the Conference includes a declaration on the eradication of hunger and malnutrition and 22 resolutions designed to implement the declaration. But agreement on three critical questions—food relief; the funding of agricultural development; and the establishment of food reserves—was not achieved, and the Conference ended on the disappointing note that these matters would be the subject of continuing negotiations.

Universal Declaration on the Eradication of Hunger and Malnutrition.—This declaration states, in general terms, the condition of world food supplies. Its findings attribute the present crisis to "historical circumstances" which include "alien and colonial domination, foreign occupation, racial discrimination, *apartheid*, and neocolonialism," aggravated, by deterioration of the international monetary system, inflation, the burden of national debt and rising food demand.[3] Further, it notes that a "lasting solution" to the food problem requires adherence to "a new international economic order," i.e., the elimination of differences between developed and developing countries.[4] The Declaration proclaims the right of every person to be free from hunger, the fundamental responsibility of governments to provide incentives to improve food production, and the need for international measures to assist agricultural development, including food assistance and the provision of a food reserve system. Finally, it affirms the determination to make full use of the U.N. system in implementing the Declaration and other decisions of the Conference.

Generally speaking, the 22 resolutions adopted by the Conference may be grouped under three main concerns: agricultural development; food assistance and improved nutrition; and institutional arrangements for follow-up action. To these were added three resolutions which relate to basic goals of the Conference. First, a resolution was adopted which recognizes "that women everywhere generally play the major role in procurement and preparation of food," and calls on governments to implement that recognition through appropriate policies and programs.[5] Secondly, agreement was achieved on the need for all governments to support "rational population policies" in recognition of the fact that "increasing demand for food is related in particular to . . . unprecedented population growth." [6] Thirdly, a resolution called on governments to reduce military expenditures and "to allocate a growing proportion of the sums so released to the financing of food production in developing countries and the establishment of reserves to deal with emergency cases." [7]

Agricultural development.—Several recommendations of the Conference are subsumed under this heading. Leading them is a resolution setting forth the objectives and strategies of food production, which calls on developing countries to give high priority to food production, and on the developing nations to provide increased financial and technical assistance to developing economies.[8] The need to improve rural conditions through agrarian reform, the promotion of cooperative organizations, education and production incentives, is the subject of a second recommendation in this area.[9] Support for the International Fertilizer Supply Scheme, and assistance in providing additional fertilizer production capacity is addressed in a third recommendation.[10] The importance of providing adequate supplies of pesticides, as well as research and training in their use was agreed to in another recommendation.[11] Another recommendation called for increased attention to high-quality seed supply and development.[12]

The optimal use of land is the subject of a recommendation calling for improved soil protection and conservation, as well as preparation of an assessment of lands that can be brought into production, the latter to form the basis for "an international cooperation towards the most rational use of the world's land resources." [13] Another recommendation urged governments and international organizations to undertake comprehensive action on scientific water management, including irrigation, drainage and flood control.[14] Scientific research in food and agriculture, including extension and training was called for in another agreement of the Conference.[15] The role of expanded and liberalized trade policies, as well as agricultural stabilization and adjustment was addressed in a recommendation aimed at improving the foreign exchange positions of developing countries.[16] In a resolution directed at the Food and Agriculture Organization, delegates agreed on the need for an intensive effort to control African animal trypanosomiasis and the tsetse fly in several African countries.[17] Finally, a recommendation which may be viewed as crucial to the implementation of all of these development recommendations was adopted. It recommended establishment of an International Fund for Agricultural Development to finance agricultural development projects in the developing countries.[18] Details of the fund have not yet been worked out; Resolution XIII calls on the Secretary-General of the U.N. to convene a meeting of all interested nations "to work out the details."

Congressional implementation.—Development recommendations adopted by the Conference contain implications for congressional action on foreign assistance appropriation proposals. U.S. commitments on the final agreements on the development fund, the fertilizer and pesticide aid programs, the irrigation and agricultural reserach programs, and the nutrition aid program will need to be assessed against provisions for appropriations in the foreign aid bill for fiscal year 1975. Foreign aid appropriations are currently funded under authority of a continuing resolution on the basis of appropriations contained in P.L. 93-240, which expired June 30, 1974.

The Senate, in passing S. 3394, the Foreign Assistance Act of 1974, on December 4, adopted an amendment offered by Senator Humphrey. The amendment sets forth U.S. policy with respect to countries most seriously affected by food shortages. It calls on the President "to proceed immediately with the implementation of resolutions and recommendations adopted by the World Food Conference" and to report to the Congress within 90 days of the bill's enactment the status of U.S. implementation.[19] In the House of Representatives, House Resolution 17234 has been introduced, but not action has yet been taken.

A related proposal which would implement the fertilizer aid program agreed on by the Conference is S. 4165. This bill would make more chemical fertilizer available for export to developing nations by substantially reducing the amount of such fertilizer used in the United States for nonfood-growing purposes. According to the bill's sponsor (Senator Clark), as much as 15 percent of the fertilizer used in the U.S. is for such nonfarm purposes as ornamental use (home gardens, parks, and the like). The Senator stated: "This is approximately 4 percent of the world's fertilizer use—as much as the entire nation of India uses, and more than any other of the less developed countries uses. . ." [20] S. 4165 would require the Federal Government to reduce its use of fertilizer for ornamental, nonfood purposes to not more than 10 percent of its average annual use during the 3 preceding years, and it calls on the President to urge State and local governments to reduce fertilizer use for ornamental and decorative purposes. In addition, the bill directs the President to establish a commission to determine methods of increasing fertilizer production.

Food assistance and nutritional improvement.—Several resolutions were adopted which relate to the problem of food assistance, both in the immediate future and over a longer period. One resolution, calling for "An improved policy for food aid," requested that cereal exporting and importing countries, as well as present and potential financial contributors, meet as soon as possible to consider ways and means to provide food assistance in the immediate future.[21] Details of the agreement, which included both the provision of emergency food assistance over the next 8 months, and a 3-year food aid program, were thus not resolved by the time the Conference ended. News reports indicated that the longer-term effort contemplated contributions of grain by the exporting countries, and financial assistance by the oil-exporting nations, to assure delivery of at least 10 million tons per year, either on a donation or favorable credit basis.[22] With respect to the emergency assistance program over the next 8 months, no agreement on an increase over present food assistance levels was reached by the Conference.

Senator Clark has stated that 10 million tons of additional food aid to meet immediate needs over the next 8 months would cost about $2 billion.[23] At the Conference, Canada offered to double its food aid to 1 million tons and keep that level for the next 3 years. Australia also indicated it would increase its food contributions. The U.S. delegation to the Conference requested permission of the White House to offer an increase of 1 million tons in food aid, but was refused; Senator Clark stated the additional commitment would cost about $175 million.[24]

Negotiations on food assistance were continued at a meeting of major grain producing and consuming nations which convened on

Footnotes at end of article

November 29 in Rome. Here again, according to news reports, no firm commitments were made on the financing of food relief. Although earlier reports indicated the November 29 meetings would include among the major grain producing and consuming nations both the Soviet Union and the People's Republic of China, neither of these countries was represented. No reason has been offered for their absence. Among the grain exporting countries attending the meeting were the U.S., Canada, Argentina, Australia and the nine-nation European Common Market. Consumer nations were represented by India, Bangladesh, Pakistan and Tanzania.

Of the 7.5 million tons determined by the November 29 meeting to be needed over the next several months, some 2 million tons is reported to be covered by current food assistance programs of the U.S., Canada, the Common Market and Japan. India's needs were estimated at some 2.5 million tons, and Bangladesh's, at 2.3 million tons, followed by Pakistan, with estimated needs of 1.5 million tons. According to a news report, the grain exporters "were reportedly able to assure the most seriously affected countries that there was enough grain available to meet their basic needs." [25] But the question of financing food relief was not resolved.

Another resolution relating to food assistance called for financial attention to the food needs of "the populations of Guinea-Bissau, Cape Verde, Mozambique, Angola, Sao Tome and Principe," in their struggle for independence.[26] Yet another called on governments and international organizations to undertake extensive research on food and nutrition, and to give increased emphasis in development planning to the role of food production.[27] Finally, a resolution calling for establishment of a "global information and early-warning system on food and agriculture" was adopted.[28] Presumably, this function would be carried out by a "world food security committee," one of the subsidiary units of a World Food Council to be created by the Conference. This would be part of the administrative machinery of the Council, the details of which are yet to be formalized (see below). Although it would appear to be a feasible objective, such a system involves surveillance over agricultural conditions, information on which can have serious impacts on world grain trade, and at least one country, the U.S.S.R., has expressed reservations on it. The current food crisis is blamed, in large measure, on the lack of advance information on agricultural and market conditions which such a system might have provided. The U.S. in recent months has taken steps to protect its own supplies by requiring advance notice of large export grain sales; in one case, such notice resulted in cancellation of a large sale of grain to the U.S.S.R.

Congressional implementation.—The dimensions of food aid which will result from the Conference are not yet known. But any substantial additional commitment of supplies to food relief must involve U.S. supplies and the extent to which these supplies are committed might well involve additional shipments of grain under P.L. 480 (Food for Peace). Current estimates of fiscal 1974 U.S. food aid total some $863 million. Several proposals have been introduced in the 93d Congress to increase the f.y. 1975 P.L. 480 shipments beyond the budget request of $891 million. President Ford, speaking before the U.N. General Assembly on September 19, stated that the U.S. would increase food aid spending in fiscal 1975. Requests for increases of $500 million to $1 billion for P.L. 480 in fiscal 1975 have been countered by the Department of Agriculture with statements to the effect that the U.S. is not in a position to expand the program so sharply, without seriously disadvantaging U.S. consumers.[29]

As with the agreement on food assistance, details of a resolution concerning establishment of a global food reserve system are to be worked out at a later date.[30] Ambassador Edwin M. Martin, deputy chief of the U.S. delegation to the Conference, was reported to have said that about a dozen major grain producing and consuming countries would meet "within three months" to negotiate details of the system.[31] The same news story reported that the U.S. was "said to back a target of 60 million tons," with each country having control over its share of the reserve.

The reserve proposal, which is central to the purpose of the Conference, was a highly controversial element in preparatory work leading to the Conference. It involves complex problems concerning the size of stocks to be maintained; the question of which countries would contribute to their establishment and maintenance; the management of stocks, particularly the mechanism and criteria for their release onto the world market; the effect of the holding of grain stocks on market conditions, particularly their price effects; and whether the burden of stock maintenance will be equitably distributed among producing and consuming nations.

Congressional implementation.—Several legislative proposals in the 93rd Congress relate to the establishment of food reserves. Hearings were held in March on two bills, S. 2005 (Humphrey) and S. 2831 (Clark), both of which contained proposals to establish reserve inventories of food and feed grains. H. Res. 561 (Fraser) and S. Res. 157 (McGovern) call for U.S. cooperation with international agencies to the fullest possible extent in efforts to establish food reserves. H.R. 16874, the Federal Food Reserves Act (Mrs. Heckler) and H.R. 1186, the Strategic Storable Agricultural Commodities Act (Smith of Iowa) propose establishment of specified quantities of reserve inventories of wheat, feed grains and soybeans and limits sale or release of such inventories to specific parity price levels and emergency conditions. S. 3410, the Federal Food Reserve Act (Metzenbaum) would establish reserves of designated commodities, define their geographical storage locations, authorize sale of stocks under stated supply conditions and their utilization under specified emergency situations.

S.J. Res. 243 (McGovern) directs that the U.S. participate fully in the World Food Conference, and would authorize, "insofar as other major developed countries . . . set forth similar commitments, the establishment of a contingency supply of basic food commodities" for world food relief, and provides for U.S. contributions to such a supply. S. Res. 329 (Humphrey) passed the Senate August 7, 1974. It would express the sense of the Congress that the U.S. should "contribute to alleviating the immediate economic and human crisis of the developing world by providing assistance in the form of food and the means and technology to produce it."

All of these proposals would, in one way or another, serve to implement the Conference resolution on food reserves. But, absent a clearer definition of the size, distribution and management of food reserves, it would appear that decisions on full U.S. implementation must await final agreement by the countries involved.

Institutional arrangements.—The complexity of the problem addressed by the Conference and the need for an integrated approach determined the conferees on the need for creation of an organization to follow-up and coordinate action on the Conference recommendations. This was accomplished in agreement on a resolution proposing establishment of a World Food Council.[32] The new Council, when approved by the General Assembly, will have a Secretariat in Rome, associated with the Food and Agriculture Organization. Its purpose, according to the resolution, is—

". . . to function as an organ of the United Nations reporting to the General Assembly through the Economic and Social Council, to serve as a coordinating mechanism to provide over-all, integrated and continuing attention for the successful co-ordination and follow-up of policies concerning food production, nutrition, food security, food trade and food aid, as well as other related matters, by all the agencies of the United Nations system. . . ."

Its 20 to 30 members will be elected by the General Assembly, and it "should establish its own programme of action for co-ordination of relevant United Nations bodies and agencies."

Another part of the resolution to provide follow-up action recommends the establishment by FAO of a Committee on World Food Security. Its functions would include monitoring of food supply and demand, to evaluate the world food situation, and to make recommendations for action to assure adequate cereal supplies for minimum world food security.

It was also recommended that the FAO Intergovernmental Committee on the World Food Programme be reconstituted, so that it could carry out the goals of the Conference with respect to food assistance. It was proposed that the Committee be re-named the Committee on Food and Policies and Programmes, and that it report periodically to the World Food Council.

It was recommended that several groups, including both bodies established as a result of the Conference and appropriate FAO bodies, report periodically to the World Food Council. These include the Governing Board of the proposed International Fund for Agricultural Development, the FAO Commission on Fertilizers, and the proposed Consultative Group on Food Production and Investment in Developing Countries. The CGFPI was contemplated by the Conference as an organization composed of bilateral and multilateral donors and representatives of developing countries, whose purpose would be to coordinate and improve the efficiency of financial and technical assistance for agricultural development.

Congressional implementation.—As noted above, some of the actions taken at the Rome Conference have been, in a sense, anticipated in several proposals in the 93rd Congress. What would appear useful at the outset, from the point of view of the Congress, is a complete report on actions taken, including a review of current U.S. programs which are directed toward the goals of the Conference. Such a report is contemplated in Senator Humphrey's amendment to the Foreign Assistance Act of 1974, which was passed by the Senate on December 4. With such information at hand, the Congress could then assess the need for further action to implement U.S. participation in the work set out by the Conference.

FOOTNOTES

[1] Remarks of Hon. John Ashbrook. *Cong. Rec.*, Nov. 21, 1974, p. E6776.

[2] Senator Dick Clark. *Cong. Rec.*, Nov. 18, 1974, p. S19420.

[3] Universal Declaration on the Eradication of Hunger and Malnutrition. Part 2, Programme of Action. Adopted by the Conference on Nov. 16, 1974. In: *Congressional Record*, December 3, 1974, p. S20382-20392.

[4] A "new economic order" was the subject of General Assembly Resolutions 3201 and 3202, May 1, 1974.

[5] Resolution VIII.
[6] Resolution IX.
[7] Resolution XIV.
[8] Resolution I.
[9] Resolution II.
[10] Resolution III.
[11] Resolution X.
[12] Resolution XII.
[13] Resolution VI.
[14] Resolution VII.
[15] Resolution IV.
[16] Resolution XIX.
[17] Resolution XI.

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[19] Resolution XIII.
[20] *Congressional Record*, December 4, 1974, p. S20587.
[21] *Ibid.*, November 19, 1974, p. S19528.
[22] Resolution XVII.
[23] Later reports indicated that import requirements until next summer in South Asia and Africa would be about 7.5 million tons of grains, valued at $1.8 billion at today's market prices. (*New York Times*, November 30, 1974, p. 1).
[24] *Congressional Record*, November 18, 1974, p. S19420.
[25] *Ibid.*
[26] *New York Times*, November 30, 1974, p. 15.
[27] Resolution XV.
[28] Resolution V.
[29] Resolution XVI.
[30] Butz sees politics in food appeal. *Washington Post*, November 19, 1974, p. A2 and Food aid for the world, *Washington Post* (ed.) November 12, 1974.
[31] Resolution XVII.
[32] *Washington Post*, November 17, 1974.
[33] Resolution XXII.

FOOD FOR PEACE—ACTIONS OF THE 93D CONGRESS

(By Janice E. Baker)

JANUARY 24, 1975.

The 93rd Congress enacted four laws and passed three resolutions bearing on Food for Peace programs under the Agricultural Trade Development and Assistance Act (Public Law 480). Nine other bills to amend Public Law 480 were introduced. Only one of the bills was reported; it passed one chamber of the Congress.

The House and Senate Committees on Agriculture held hearings in 1973 and 1974 on the world food situation, foreign food aid needs, and U.S. food relief programs, particularly Public Law 480. The proceedings of six hearings dealing with Public Law 480 have been printed. The House Committee on Agriculture also has printed the 1973 annual report on Public Law 480, submitted by the President as required by law.

LAWS ENACTED BY THE 93D CONGRESS

The Agriculture and Consumer Protection Act of 1973 (P.L. 93-86) is an omnibus farm bill, covering the crop years 1974 through 1977. Section 701 of the Act extends Public Law 480 through 1977.

The Foreign Assistance Act of 1974 (P.L. 93-559) sets U.S. policy for foreign aid programs. The Act directs that not more than 30 percent of concessional food aid be allocated to countries other than those most seriously affected by current food shortages, unless the President demonstrates to Congress that use of such food assistance is solely for humanitarian food purposes. The Act directs that special attention be given to increasing agricultural production in countries with an annual per capita income under $300. For fiscal year 1975 the Act authorizes new budget authority of $40 million for famine and disaster relief, $5 million for international funds and programs, and $500 million for food and nutrition programs.

The Agriculture-Environmental and Consumer Protection Appropriation Act for 1974 (P.L. 93-135) authorized $239,051,000 for Title I programs, including sale of agricultural commodities for foreign currencies and for dollars on credit terms, and $314,587,000 for Title II donation programs.

The Agriculture-Environmental and Consumer Protection Appropriation Act for 1975 (P.L. 93-563) authorizes $425,175,000 for Title I sales programs and $351,298,000 for Title II donation programs. The Act stipulates that no more than 10 percent of the amount authorized for Title I programs shall be made available to any one country.

RESOLUTIONS PASSED BY SENATE OR HOUSE

S. Res. 329, passed on August 8, 1974, declares it to be the sense of the Senate that the United States should contribute to alleviate the immediate economic and human crisis of the developing world by providing assistance in the form of food and the technology to produce it, while supporting programs of population planning. The resolution expresses the sense of the Senate that the President and the Secretaries of State and Agriculture should give the highest priority to the immediate expansion of American food assistance.

S. Res. 440, passed on December 3, 1974, declares it to be the sense of the Senate that the United States should continue to assist in meeting the growing economic and human crisis in many developing countries, by making available both food aid and the technology to produce it, and by supporting population planning. The resolution expresses the sense of the Senate that the United States should cooperate fully with other nations in the implementation of agreements reached by the World Population Conference an the World Food Conference.

H. Res. 1399, passed on December 9, 1974, expresses the sense of the House of Representatives that the United States should increase food aid to meet specific short-term emergencies and that appropriate Government agencies should begin planning immediately to provide increased food aid. The resolution declares it to be the sense of the House of Representatives that the United States should vigorously help poor countries increase agricultural production, and should promote development and population-planning programs.

HOUSE BILLS TO AMEND PUBLIC LAW 480

H.R. 13875, introduced on April 2, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to prohibit the use of foreign currencies under Title I of the Act for common defense. The bill was referred to the Committee on Agriculture. It was not reported to the House before the 93rd Congress adjourned.

H.R. 17207, introduced on October 9, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to provide for the purchase of live beef cattle for donation to nations experiencing widespread famine. The bill was referred to the Committee on Agriculture. On November 26, 1974, the Subcommittee on Department Operations held a hearing on this and other bills. H.R. 17207 was not reported to the House before the adjournment of the 93rd Congress.

H.R. 17265, introduced on October 10, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to permit donations of grain up to $300 million a year regardless of whether the grain was surplus grain. The bill would also have authorized the Secretary of Agriculture to enter into long-term continuing agreements with land-grant colleges and other institutions for the provision of several services to developing countries: assistance in the development of agricultural educational capability; the exchange of scientists, educators, or students for the purpose of improving the capability of agriculture; and conducting research of direct relevance to the solution of the problems of agricultural development. The bill was referred to the Committee on Agriculture. Hearings were held on November 26, 1974, on this and other bills. H.R. 17265 was not reported to the House before the 93rd Congress adjourned.

H.R. 17441, introduced on November 18, 1974, would have prohibited except in cases of extreme emergency, assistance under the Agricultural Trade Development and Assistance Act of 1954 to any country which was not making reasonable and productive efforts to alleviate causes of the need for assistance. The bill was referred to the Committee on Agriculture. It was not reported to the House prior to the adjournment of the 93rd Congress.

H.R. 17510, introduced on November 25, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of the Act. The bill was referred to the Committee on Agriculture. It was not reported to the House before the 93rd Congress adjourned.

H.R. 17513, introduced on November 25, 1974, was identical to H.R. 17441. It was referred to the Committee on Agriculture. The 93rd Congress adjourned before the bill was reported.

SENATE BILLS TO AMEND PUBLIC LAW 480

S. 2792, introduced on December 7, 1973, would have amended the Agricultural Trade Development and Assistance Act of 1954 to permit the Secretary of Agriculture to waive the availability criteria for commodities which may be disposed of under Public Law 480, if he determined that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of the Act. The bill would have required the Secretary of Agriculture to determine and certify that all domestic feeding programs were provided with the same types and kinds of agricultural commodities at not less than the levels provided in fiscal year 1974 before these commodities would become available for use under Public Law 480. S. 2792 was referred to the Committee on Agriculture and Forestry. On December 18, 1974, the Committee reported the bill favorably (Senate Report 93-1412), and the Senate passed the bill, with amendments.

S. 4245, introduced on December 17, 1974, would have amended the Agricultural Trade Development and Assistance Act of 1954 to prohibit the disposition of food to foreign countries under the Act in any fiscal year unless the Secretary of Agriculture determined and certified that all domestic feeding programs would be adequately provided with appropriate foods in that fiscal year. The bill was referred to the Committee on Agriculture and Forestry. It was not reported to the Senate prior to the adjournment of the 93rd Congress.

S. Con. Res. 69, introduced on February 19, 1974, expressed the sense of the Congress that the Secretaries of State and Agriculture should each conduct an immediate and thorough investigation to determine whether foreign currencies generated from the sale of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954, and agricultural commodities intended for use under such Act, had been or were being utilized in violations of that Act or of any other Act, particularly Section 40 of the Foreign Assistance Act of 1973. The resolution was referred to the Committee on Agriculture and Forestry. It was not reported to the Senate before the 93rd Congress adjourned.

HEARINGS HELD BEFORE THE COMMITTEES ON AGRICULTURE

The House Commission on Agriculture held four separate hearings on Public Law 480. On April 4–5, 1973, the full Committee held hearings on the extension of Public Law 480 as part of its general consideration of the omnibus farm bill. The proceedings were printed under the title "Extension of the Food for Peace Program," Serial No. 93-L.

On May 22, 1973, the Subcommittee on Tobacco held a hearing on the barter program for tobacco under Public Law 480. The proceedings were printed under the title "Suspension of P.L. 480 Barter Program for Tobacco," Serial No. 93-V.

World population and the demand on the world's food supply was the subect of hearings held July 23–25, 1974, by the Subcommittee on Department Operations. The proceedings were printed under the title "World Population and Food Supply and Demand Situation," Serial No. 93-NNN.

The Subcommittee on Department Operations held a hearing on November 26, 1974, on three bills—H.R. 17207, H.R. 17265, and H.R. 17443. Two of these bills would have amended Public Law 480. The proceedings of the hearings were published under the title "Food Relief Programs", Serial 93-VVV.

The Senate Committee on Agriculture and Forestry held three sets of hearings on food aid programs. On October 17 and 18, 1973, the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices and the Subcommittee on Foreign Agricultural Policy held hearings on the world food situation and the U.S. food supply situation. The proceedings were printed under the title "U.S. and World Food Situation."

The Subcommittee on Foreign Agricultural Policy held a hearing on April 4, 1974, on United States food aid to other countries. The proceedings were printed under the title "Foreign Food Assistance."

On December 10 and 12, 1974, the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices and the Subcommittee on Foreign Agricultural Policy held hearings on the U.S. food situation and foreign demands on U.S. food supplies, through both commercial channels and food aid programs. The proceedings of the hearings have not been printed to date.

1973 ANNUAL REPORT ON PUBLIC LAW 480

The House Committee on Agriculture printed two documents concerning Public Law 480. The first was the President's annual report on agricultural export activities, issued as House Document 93-127, dated July 16, 1973. The second was the 1973 annual report on agricultural export activities carried out under Public Law 480, issued as House Document 93-362, dated September 25, 1974.

JOE ROBBIE—THE PRIDE OF SISSETON, S. DAK.

Mr. McGOVERN. Mr. President, many of my colleagues share my great enthusiasm for professional football. But I would say that even those who do not follow the sport closely know about the super-powered Miami Dolphins. Certainly no one can deny that they are one of the most successful professional football teams of all time. But besides the excitement I get every time I watch the Dolphins play, I have another reason for being a special fan of the two-time Super Bowl champs—my old friend and fellow townsman Joe Robbie is the owner of the Miami Dolphins.

Joe was born and raised in South Dakota and attended the University of South Dakota where he was a national debate champion. Always an avid promoter of sports events, Joe proved his knowledge of and dedication to sports early in his life. By the age of 14, he was a sports editor in his hometown of Sisseton, S. Dak. Joe has always been active in public life in South Dakota. He served in the South Dakota Legislature and was a candidate for Governor of the State before beginning his law practice in Mitchell, S. Dak.

It is easy to see that Joe Robbie has led an interesting life. John Lowrie, a respected South Dakota journalist asked Joe to talk about his life in an exclusive interview for the Watertown Public Opinion. I think the rest of my colleagues, football fans or not, would enjoy learning a little bit more about Mr. Robbie and I ask unanimous consent that the interview, "Joe Robbie—The Pride of Sisseton, S. Dak.," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOE ROBBIE—THE PRIDE OF SISSETON, S. DAK.

Q. We understand you are a very proud South Dakotan, born and raised in Sisseton?

A. That is correct, I was born in 1916 and that makes me 59 years old.

Q. Did you participate in sports?

A. No, I had a size problem then but I went though Sisseton High as a Sports reporter and also team manager.

Q. What was your first job in Sisseton while going to school?

A. My very first job was delivering the Watertown Public Opinion, then I became a Sports Editor in Sisseton and worked in the print shop.

Q. Do you still have relatives in Sisseton?

A. Yes, my mother's relatives are still there. My folks moved to Mitchell in 1943. My mother's brother lives in Sisseton and his name is Francis Ready. He's in a home up there and I hear he is in charge of entertainment. Merle Ready and his family live in Sisseton and of course I still know most of the Sisseton people.

Q. And is your wife a South Dakotan?

A. Yes, she is. I met my wife at the University of South Dakota. She lived on a farm between Beresford and Vermillion.

Q. What do you remember most about your home town?

A. I was raised among the immigrant Scandinavian people and the Indian people. I remember the struggling times we all went through but everybody pitched in and helped each other and I think that's probably as much a mark in my early life in northeastern South Dakota as any: the willingness of the people to help each other.

Q. When did you serve in the South Dakota Legislature?

A. In 1949 to 1951.

Q. And you ran for Governor?

A. Yes, in 1950 and lost to Sigurd Anderson. Joe Foss ran in the primary and lost it and I ran in the final and lost.

Q. Any further political aspirations?

A. Oh, I'm still interested in politics. I'll have that interest all my life but that doesn't mean I'm going to run for office.

Q. Did you hold any political office in South Dakota?

A. Not many, but I'm proudest of the fact I was president of the student body at Sisseton High, Northern State and USD.

Q. What paper did you work on in Sisseton?

A. I worked on the old People's Press which was started in 1930 by George Lasell. He was an old lawyer who was deeply interested in politics. He ran perennially for Probate Judge. He opened the People's Press and I went to work as the Sports Editor that year. I was 14 years old at the time.

Q. The People's Press is no longer in existence today, is it?

A. No, it was absorbed by the White Rock Journal in the early 30s and became the Journal Press.

Q. What do you remember most in your early writing years?

A. Back then, everyone waited for the great Grantland Rice All American teams and one year when it was announced I disagreed quite vehemently and announced my own All American Team and challenged Rice's team to a mythical "Super Bowl" game at the tender age of 14. We played the entire game with pen and ink in the newspaper and of course my team won.

Q. Did you give today's Super Bowl terminology birth?

A. No, no, that was Lamar Hunt's idea and he said it in a rather spoofing moment, but it took on immediately but I certainly can take no credit for that.

Q. Did you work your way through college?

A. I went to Northern and worked in the dormitory in Aberdeen my first year and I worked in the J. C. Penney store selling shoes and one thing and another and I was publicity director for Northern my sophomore and junior years and was paid for that. I always had one job or another and even swept out restaurants a few times.

Q. And when you went to the "U"?

A. Yes, I worked in the Adult Education Department correcting papers mostly and also I worked at the radio station as an announcer.

Q. What was your first full time job after graduating from the university?

A. I went to work in June of 1941 as Assistant County Supervisor for the Farm Home Administration in Mitchell and six months later I went into the Navy. So that's the only full time job I had until I was 30 years old when I started to practice law in Mitchell. From the time I was 19 until I was 30, I was in college for seven years and in the Navy for four.

Q. When did you buy into the Miami Dolphins?

A. Danny Thomas and I obtained a franchise August 16th of 1965 and I thought we had investors behind it but sometimes people don't show up with money when they say they're going to, so I found myself having to finance the Dolphins through the bank and so as a result of that I have operated the Dolphins since the first day.

Q. How much of the Dolphins do you now own?

A. I own approximately 75 per cent of the Dolphin franchise.

Q. And who else are your partners now?

A. Coach Don Shula has more partnership shares than any of the remaining partners and we still have eight or nine besides Shula with fractional interests.

Q. What would you say the Dolphin operation would be worth today on the market?

A. The problem there is I'll never find out because you never know until you put it up for sale.

Q. What has been your greatest thrill?

A. Winning a Super Bowl Championship has to rank with the others. I think probably the victory I enjoyed more than any wasn't either of the Super Bowl victories, but the day we beat Kansas City on Christmas Day in 1971 and then went on to the Super Bowl game. That was the day the Miami Dolphins became of age as a championship contender. I truly enjoyed that, but outside of professional football the years our family were still all at home in Sisseton were even more pleasing than these

Q. And how about your greatest disappointment?

A. I haven't had enough disappointments, fortunately, so I can't rank them very easily. I can't even say not getting into the playoffs this year was that bitter a disappointment. We have to take the bitter with the sweet like everyone else and we've had a lot of good fortune.

Q. How about running for Governor, was that a big disappointment?

A. I am so highly competitive I would have much preferred to win. I thanked my fellow alums in Rapid City last night for sending me on to professional football instead of electing me to political office.

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Q. In your lifetime, who do you consider the finest football player to ever play the game?

A. Bronco Nagurski. Bronco Nagurski was an All American defensive lineman, converted to fullback and an All American as a fullback at the University of Minnesota. For the Chicago Bears, I'm told by Red Grange, he was the greatest lineman he ever saw.

Q. And if we don't limit it to your lifetime?

A. I have to say Jim Thorpe. I think Jim Thorpe and Bronco Nagurski are the two greatest players ever to play the game of football.

Q. You mentioned Jim Thorpe. Has there been other Indians in the same class as Jim Thorpe?

A No. I don't recall of any who was ever the star of the magnitude of Jim Thorpe. However, there have been some good Indian football players. Wahoo McDaniel played for us in the American football league and while he was not a star of major mention, he was a quality football player.

Q. Any thoughts on the greatest South Dakota football player?

A. It just has to be Ol' Jack Manders. He's a Milbank boy who played for the University of Minnesota and then was a great star for the Chicago Bears from '33 to '40.

Q. Lynn Boden, the Stellar SDSU Tackle, was the first South Dakota football player to be drafted on the first round. How do you compare Boden with your Jim Langer, also an SDSU Grad?

A. Well, if he's like Jim Langer, he's going to be a major star. Jim Langer is the finest center in professional football and will be for the next decade if he can stay free from injury. How Boden compares with Jim Langer at this moment I really don't know. He's coming in with a much bigger buildup than Jim.

Q. Everyone knows that Larry Csonka, Jim Klick and Paul Warfield of your Dolphins signed with the World Football League for an unprecedented $3.5 million. Where will they be playing football next year?

A. Well, I'm hopeful Larry Csonka will be playing for us.

It's more problematical that Warfield and Klick will, simply because Klick wants to go someplace where he can play more football and Warfield is at a point in his career where he wants to go into broadcasting or telecasting rather than play football, but if he signs again we certainly want to sign him and I think that opportunity may arise. We aren't going to deal with these players until they are released from their contracts.

I know that Csonka wants to be released from his contract and he wants to play with us.

Q. How did you manage to get Jim Langer?

A. We obtained Langer on waivers from the Cleveland Browns.

Q. Any rule changes that you would like to see made?

A. I'd like to see some rules repealed. Particularly on crack back blocking. I think this has damaged the running game which is an important part of football. However, I doubt if there will be any major changes this year and I'm sure that rule will stay on the books.

Q. How about the rules that were adopted a year ago?

A. We had some great ones. One of the best was the rule that set the kick-off back to the 35 from the 40 yard line which allowed for many more kick returns to be made. That adds excitement to the game.

And the field goal rule, but I do have some mixed feelings about it, because it re-emphasizes punting which is certainly not one of the most spectacular aspects of the game, but nevertheless, it does put some emphasis back on the touchdown, too.

Q. You seem to be in excellent physical condition. Do you follow any regular exercise program to keep yourself in shape?

A. Just moving around from place to place. I have no exercise program. I should really get back to playing golf that I dabble at occasionally.

Q. The biggest sports disaster is the World Football League. Do you feel they will field any teams next season?

A. I'm not sure that they will. They might be able to piece together a few teams to start. If they do, they're going to have an exceedingly difficult time finishing the season, but I'll be surprised if they start again, but stranger things have happened.

Q. Will salaries paid to professional athletes continue to increase?

A. Well, if they do, we'll all be out of business. And I think the fans are disgruntled right now with constant bickering about money instead of getting out and playing football or whatever the sport is.

Q. The Internal Revenue Service wants to plug the owners loophole allowing them to depreciate players' salaries over five years. If the depreciation game came to an end, what would happen to professional sports?

A. Well, the value of the franchise would be drastically reduced immediately. The only time investors in professional football or professional sport franchises of any kind depreciate these contracts is on acquisition.

In other words, if a franchise is purchased for $10 million, in football the portion of it attributable to player contracts is amortized over the estimated remaining career of the players which is 4, 5 or 6 years.

The reason that the franchises are worth that much is because this depreciation can be claimed and it's all that makes the value of these football teams what they are. So if the IRS and the Federal Courts were to say that, or the Congress were to say that we can't amortize those contracts at all, I would think the franchises would sell for less than half of what they would right now.

Actually, the Atlanta case is the one you're talking about and in that case the challenge's to the value of the contract and not to the legality of claiming depreciation.

The government has taken the position that the players acquired in an expansion franchise from the other teams is not very great because 22 or 23 players are protected before the others are able to select them.

Q. Can you explain very briefly what effect the Joe Kapp Court Case could have on professional sports?

A. The Joe Kapp Case could cause damages to be awarded to players who brought the action which is the least important factor. It could bring about the abolition of the compensational "Rozelle" rule. This would mean that a player could play out his contract and become a free agent.

He'd be up for bidding like Catfish Hunter was and it'd only take four or five cases like that to put a dent into everybody and to be highly destructive to professional football.

Q. This abolishment is a distinct possibility then?

A. Oh, it's a possibility and certainly the Atlanta case could establish a rule within the Internal Revenue Service that you can only claim a small amount of depreciation rather than to depreciate a substantial portion of the purchase price.

Q. How important is attitude in professional athletics?

A. Professional sports is the same as practicing law, practicing medicine or editing a newspaper or anything else as it requires the proper attitude just as much as it requires necessary technical skills.

The player who doesn't have the proper attitude is not going to be there when he's needed the most. He's going to fall down at competing for a championship.

All the skill in the world won't overcome a sour attitude and this is just as true in daily life as it is in professional sports.

Q. Catfish Hunter signed a $3 million, five year contract for around $15,000 for each game he pitches. Is this tops for professional athletes?

A. Probably, figured that way, but as far as contracts I'm not so sure some of the basketball contracts aren't at least that big. That's why the basketball teams are all losing money.

Q. What would happen in football if they abolished the "Rozelle" Rule?

A. All players would be up on the auction block. The rich teams get richer and the poor teams poorer.

Q. This could almost bankrupt professional football?

A. It could.

Q. All professional sports?

A. All professional sports. It could also create a complete imbalance in competition.

Every player would want to go up to New York to play in the midst of the great New York press, television and radio that causes press agentry to make a much greater star out of the athletes that play there. It means something to players in income because of testimonials and appearances.

So the teams that have the money or the teams that are in the favorable location will pick up the players and the other teams will become weaker.

This certainly is not in the interest of American sport fans.

Q. You made it through two Super Bowl Championships. Then you lost in the playoffs last year. Is the Dolphin era over?

A. No! It's just interrupted!

JOBS AND THE ECONOMIC AND ENERGY PROGRAMS

Mr. MOSS. Mr. President, it is a very late hour at which we are finally coming to deal with energy and economic problems which have been facing the country for a long time. The underlying principle of our past national nonpolicy on energy—that we possess an inexhaustible supply of cheap oil and gas—has been critically questioned for 20 years. Domestic oil production peaked in 1970 but it took the Arab embargo in the fall of 1973 to force us to begin an examination of the consequences of relying on foreign nations for a substantial portion of our supply. It is now a year and a half since the embargo occurred and still we are only at the point of developing the broad outlines of a sensible energy policy. We still face the time consuming task of filling out and perfecting the details of numerous pieces of legislation which will be required to translate the outlines of energy policy into effective programs.

There is little utility in wasting additional, precious time in pointing fingers and arguing about who is to blame for this state of affairs. The President blames Congress, we blame the executive—surely the truth lies somewhere in between. Piecemeal efforts to cope with the increasing problems of meeting a national energy appetite which went from vigorous to voracious started long ago. I first introduced a bill to create a Department of Environment and Natural Resources in 1965. The Senate has had its Senate Resolution 45 study by the Interior and Public Works Committees; the executive has had four energy czars in 2 years; the Nation has yet to have an Alaska pipeline; the people of Santa Barbara had oil all over their coastline after a blowout on a drilling rig in the Santa Barbara channel; we have nuclear powerplants on the drawing boards which no one wants sited in his community; the Congress has had a flood of bills to cure overuse and under production. Somewhere

along the line piecemeal efforts to cope with the problems of energy supply and demand began to add to, rather than diminish, the problems of having no overall energy policy.

The President has made a valuable contribution toward bringing order to this chaos by offering a comprehensive plan to return the country to domestic sufficiency in energy. His proposal is late and is sweeping in scope. Its lateness, however, cannot justify Congress abnegating its responsibility to examine and pass judgment on the proposal, to determine whether it is a proper and sufficient remedy. Congress has an obligation to propose alternatives to the unacceptable portions of the President's program, and this the majority is doing through the Democratic white paper prepared by an ad hoc subcommittee of the Policy Committee ably chaired by Senator PASTORE.

Although I have congratulated the President for coming forward with a plan, the main contribution that plan has made has been to galvanize the Democrats into cooperative action to formulate an alternative policy which is in tune with the economic realities now facing us.

Those realities are grim: official estimates of 8.2 percent unemployment and inflation continuing at 12 percent. There is reason to believe that the official unemployment estimates do not reveal the true unemployment picture, which is probably over 10 percent nationwide. Spot unemployment among certain labor groups is much higher: Over 22 percent among construction workers, 24 percent in the auto industry, 17 percent in textiles; over 15 percent in many of our major cities. Those figures do not even begin to tell the story of fear and human suffering, of broken dreams, broken homes, and broken lives as ever greater numbers of people are unwillingly but helplessly sucked into the expanding maelstrom of joblessness.

The Government's first priority in meeting this rising tide of hardship must be to get people back into jobs as soon as possible. We need fiscal and monetary policies which will set the economy back onto a course of full employment, and we need expanded unemployment compensation and public service employment programs to help people through the slump until the economy is healthy again.

I am not speaking of timid, halfway measures designed to provide relief to 1 or 2 million people. The President's budget forecasts unemployment remaining around 7 percent through 1978. The economics of Mr. Simon, Mr. Greenspan, and Mr. Burns are premised on the old canard that a hefty unemployment rate is the only solution to inflation.

That premise is not only untrue, as the experience of the last 20 years demonstrates, but it is intolerable in a democratic society. If social justice means anything at all, it means to prevent 8 million workers being unemployed for the next two years and it means keeping their families healthy and their hopes of a better future alive. Our task is to get 6 million of the people now unemployed back to work as well as to provide jobs for the new people coming into the labor force between now and the beginning of 1977.

That task will be impossible to accomplish if the President prevails in his attempt to force his energy program through Congress. Those aspects of his program which increase energy prices will negate the expansionary effects of the tax cut Congress is about to enact. And the reduction in oil supply which the President seeks of 1 million barrels a day this year and 2 million barrels a day next year will cause more than 300,000 people to be thrown out of work.

It is imperative that we have an alternative to the President's energy program which will harmonize the need for a long range reduction in our dependence on foreign oil with the more immediate need to set the economy back on the course toward full employment. The Democratic program prepared under the able leadership of Senator PASTORE and adopted by the Policy Committee is such an alternative. By setting forth proposals for reducing demand for energy and increasing the domestic supply of energy, the program establishes a chart for the achievement of domestic energy sufficiency over the next decade which will not impair economic recovery. It is now up to the relevant committees of Congress to act with the greatest possible speed to turn the white paper's recommendations into concrete legislation.

SENATOR HATFIELD RECOMMENDS AMENDING PUBLIC LAW 480

Mr. CLARK. Mr. President, in testimony before the Senate Agriculture Committee on February 18, Senator HATFIELD proposed several amendments to Public Law 480 that would make our food for peace program responsive to the needs of hungry people around the world rather than to the requirements of foreign policy and so-called "national security interests."

Senator HATFIELD's remarks speak directly to many of our problems with our food aid programs, and I commend them to my colleagues. I ask unanimous consent that Senator HATFIELD's testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR MARK O. HATFIELD, SENATE AGRICULTURE AND FORESTRY COMMITTEE, FEBRUARY 18, 1975

Mr. Chairman, the Food for Peace program has been operating fairly quietly and fairly effectively for twenty years. It is the only government program we have that is specifically designed to help feed the world's hungry. There is no doubt that it has made a difference.

In the past two years, the manifold ramifications of a global food shortage have gradually dawned upon us. In November, the U.S. delegation supported a resolution of the World Food Conference pledging an end to world hunger by 1985. If we mean what we say, the inadequacies of the P.L. 480 program become apparent in light of the immensity of the task.

The purposes for which it was created in 1954 do not fit the circumstances of today. Our Food for Peace program does not always ship food, and it does not always serve peace. It is frequently motivated more by a desire to create new demand for American agricultural commodities than a desire to meet needs for food that already exist. It often responds to political requirements more quickly than it does to the basic requirements of existence. The magnitude of today's problems and the prospects for the future demand that we do more than make incremental alterations of P.L. 480. I believe substantive changes must be made.

For several of us here, the most recent argument about what P.L. 480 is and what it should become has been over the political use of food aid. The 1974 shipment to Southeast Asia of half the aid in P.L. 480 aroused the Congress to restrict the political uses of food aid. First, Congress declared that no more than 10% of P.L. 480 aid could be sent to any one country. Then in the language and legislative history of the Foreign Assistance Act of 1974 (P.L. 93-559), we clearly stated that no more than 30% of Title I concessional food aid can be directed to countries not identified by the United Nations as "most seriously affected" by the world food shortage. Despite that clear expression of intent, the Administration attempted to exclude aid to Southeast Asia from the limitation. When that failed, it was decided that the restriction, which specified "concessional *food* aid," did not cover shipments of cotton and tobacco, which will be used to boost political aid. But at least in the process we managed to have funds for P.L. 480 increased to $1.4 billion.

This skirmish should prompt us to make some changes in the intent and extent of Food for Peace.

First, political considerations should be completely excluded from decisions about allocating P.L. 480 aid. When the law was written, world hunger was not so critical (or we were not so aware of it) and Cold War mentality demanded that we exclude certain countries from our assistance programs despite their needs. Now global hunger is all too evident, and detente has blurred distinctions between "them" and "us."

It should always have been so, but now it is imperative that our food aid be directed to those in need, not those we think we need for the accomplishment of some grand foreign policy strategy. We must not refuse aid to starving people who do not agree with our scheme of world order. On the other hand, we should not ship food to foreign countries because they happen to be our allies and regardless of their food need. Nor should food be allocated on the basis of what natural resources the recipient countries control and how they could use that control as an economic weapon.

These are all real problems for our foreign policy, and must be dealt with. But P.L. 480 should not be the tool. Therefore, I recommend that for at least as long as the world food shortage continues all Food for Peace aid be directed only to those countries that require and request assistance to feed their people, regardless of their or our political inclinations. At least for the immediate future, I suggest that we use the United Nation's list of those nations "most seriously affected" by the world food crisis to determine what countries should receive P.L. 480 aid. As of January 24, that list included 32 countries with a total food deficit of 4.74 million tons, 3.2 million tons of which was attributable to India, Bangladesh, Pakistan, and Sri Lanka. I might add that South Vietnam and Egypt are not on the list. Cambodia and Laos are.

For similar reasons, I recommend that the Act be amended to excise the portion that establishes the creation of export markets as one of the purposes of the program. U.S. agricultural exports have quintupled since passage of P.L. 480, and export markets are

well established around the world. Food shortages continuing indefinitely into the future will assure sustained high export levels. P.L. 480 need not be used, therefore, to stimulate exports. So long as the world food crisis continues, the sole purpose of Food for Peace should be feeding people.

In keeping with that purpose, I recommend the Act be amended to remove cotton, tobacco, and all non-food commodities from the program. In FY72 we shipped tobacco and cotton with an estimated market value of $114 million under Title I of P.L. 480. In FY73 the amount rose to $123 million in estimated market value. This came to a total of slightly less than half the estimated market value of wheat and flour ($505 million) for the two fiscal years 1972 and 1973. (Data from Agricultural Statistics, 1974 published by USDA).

The shipment of tobacco under the Food for Peace program is particularly disturbing to me. I was astounded to learn last year that our government, which has found that cigarette smoking is hazardous to health, and has placed restrictions on all advertising of tobacco, then uses taxpayers' money to buy tobacco, store it, and ship it to other countries, giving low interest loans to support its purchase. Like many citizens, I had no idea this was being done in the name of "Food for Peace." It makes a mockery of the entire program. How much food rich in protein could have been grown on the land that provides all this tobacco?

A better case can perhaps be made for cotton. At least it can be made into clothing and provide one of the necessities of life. Here again, however, we confuse the public by sending a non-food item overseas under the guise of Food for Peace. More importantly, we expend funds that could be used for food.

I realize that P.L. 480 purchases of tobacco and cotton help subsidize the production of these commodities. I do not want to debate the question of agricultural subsidies here—it may be that these subsidies are quite legitimate. If we wish to continue them, so be it. But they do not belong in the P.L. 480 program. Again, if we present this program to the American people as "Food for Peace," it should be exactly that.

While I do not believe the production of tobacco and cotton should be subsidized through P.L. 480, I do think we have an obligation to use the program to support the price of food products. Cynics might say that I make this suggestion because Oregon produces no tobacco or cotton but a good deal of wheat, for example. But I have a different reason. The government of the United States has committed itself to the effort to end world hunger by 1985 and has called upon the American farmer to achieve maximum production in order to meet that goal. We not only have an obligation to aid foreign countries in need, we also have an obligation to protect the price of farm products when the American farmer responds to the call for all-out production with record harvests. If we do not, we will again have land lying fallow in the United States while millions go hungry abroad.

Therefore, I recommend that this Committee make it quite clear to the American agricultural community that P.L. 480 purchases of food will be increased to meet the food aid need and to protect the producer from the price-deflating effects of a surplus the commercial markets cannot handle.

In a similar vein, I recommend that P.L. 480 be amended so that the establishment of food aid levels will not be dependent upon commercial considerations. Presently P.L. 480 levels are set only after allowances have been made for domestic needs, commercial exports, and carryover stocks. While I agree with the first and last of those criteria, I believe commercial exports should not take precedence over Food for Peace aid.

The countries that are most seriously affected by the world food shortage do not have the money to meet their food requirements by purchases on the commercial market. As a consequence, most of our exports have gone to developed nations such as Russia, China, Taiwan, and Korea. Food should be sent where it is needed most first, and then any remaining surplus can be sold for export. Again, P.L. 480 purchases can be used to support prices against the effect of any decline in commercial exports.

All of these recommended amendments to P.L. 480 attempt to establish what I believe to be an appropriate balance of economic, political, and humanitarian concerns. Obviously, I believe that the last of these should be first, and that economic and political considerations should always be subservient to human needs. Even if all my suggestions should become law, the Food for Peace program would still be a football to be kicked back and forth between the State Department's foreign policy makers and the Agriculture Department's farm economists. That is one reason why I will be introducing legislation to create an Office of Food Administration headed by a Food Administrator appointed by the President with the consent of the Senate.

I have discussed this proposal on other occasions, most recently at the December 18, 1974, hearings of the Select Committee on Nutrition and Human Needs, so I will not go into it in detail here. Suffice it to say that it is patterned after the Office of Food Administration created by President Wilson and run by Herbert Hoover during and after World War I. It is intended to insulate the Food for Peace program from bureaucratic infighting, and ensure that food aid is allocated on the basis of human needs rather than political or economic interests. Furthermore, the Food Administrator would coordinate all government and private food aid efforts to enhance their effectiveness. I expect to introduce this legislation later this week. Your support is welcome.

The Food for Peace program has always had a great deal of potential for alleviating suffering around the world. In this time of global food shortages it is absolutely crucial that the potential be fully realized. I believe the changes I have recommended can help us accomplish that goal.

SIX-MONTH MORATORIUM ON SALE OF ARMS AND RELATED SERVICES TO STATES OF THE PERSIAN GULF

Mr. KENNEDY. Mr. President, on Saturday, I introduced S. 795, a bill to impose a 6-month moratorium on the sale of arms and related services to the states of the Persian Gulf, unless during that time the President submits to Congress, for our approval, a firm statement of U.S. policy toward that troubled part of the world. At the same time, I urged the President to seek international agreement to limit the flow of arms to the Gulf States.

On Sunday, both the Under Secretary of State, Mr. Joseph Sisco, and the Secretary of Defense, Dr. James R. Schlesinger, commented on this legislation on network television. I wish to comment on some of their remarks.

I would first like to call the Senate's attention to a point raised with Secretary of Defense Schlesinger on the ABC program, Issues and Answers:

Mr. DONALDSON. May I go back to the contract with the Vinnell Corporation—I think it is some $77 million—for this corporation to use civilians to train Saudi Arabia's defense force for the oil field defense.

Senator Fulbright, the former Senator from Arkansas, claims that an amendment that was made law actually was designed to prevent this type of Defense Department contracting. Will you respond to that?

Secretary SCHLESINGER. Well, I am not familiar with the amendment that Senator Fulbright refers to, but the Department of Defense, of course—

Mr. DONALDSON. Well, it is one, if I may, that says it is in the interests not to have a Defense Department contract directly with American soldiers in, I think some amplication of the MAAG mission concept, to make such training, but that it is in the interests of the United States to return to a business-type relationship between other countries, and perhaps businesses, like the Vinnell Corporation, but not channelled through the Defense Department.

Secretary SCHLESINGER. I think the existing law leaves open the possibility of either having a foreign military sales case through the Department of Defense, or by direct contracting with individual companies.

I think that U.S. policy is likely to be criticized irrespective of the actions taken by the government. One must recall the Department of Defense is executing a policy designed to fulfill a Memorandum of Understanding reached with the Saudis in the spring of '73, and this is just a small part of that total Memorandum of Understanding.

Mr. President, I challenge the Secretary's interpretation of the law, as it has been applied by the Department of Defense in regard to the Vinnell Corp. contract, and others.

In 1973, Congress clearly expressed its will, in an amendment to the Foreign Military Sales Act:

In order to reduce the role of the United States Government in the furnishing of defense articles and defense services to foreign countries and international organizations, and return such transactions to commercial channels, the United States Government shall reduce its sales, credit sales, and guaranties of such articles, and defense services as soon as, and to the maximum extent, practicable.

What was the intent of Congress in enacting this provision? The legislative history is explicit. In its report on the Foreign Military Sales Act, the Senate Foreign Relations Committee stressed:

. . . the objective of returning U.S. arms sales transactions to commercial channels. A basic purpose of this act is to get the U.S. Government out of the arms sales business and return such transactions to commercial channels. Government policy controls would then be exercised through export licensing procedures.

Mr. President, it seems clear that the Congress intended for the sale of any arms to foreign countries to be done on an arms-length basis, with minimal involvement of the Department of Defense. Only "export licensing procedures" would be retained, and these reside in the State Department, as is right and proper in matters affecting the foreign policy of the United States.

It is equally clear that for the Pentagon to arrange contracts, with the Vinnell Corp. and others, is not getting "the U.S. Government out of the arms sales business." Rather, it is a continuing involvement, against the expressed legislative intent of the Congress. It is time to bring Defense Department policy into compliance with the spirit—and the intent—of the law.

Mr. President, there were several other

areas of discussion on network television last Sunday, February 23, by Mr. Sisco and Dr. Schlesinger, that bear comment:

First, on "Meet the Press," Under Secretary Sisco indicated U.S. concern for countries in the Gulf that "have legitimate security interests and need the arms for self-defense purposes." He also indicated that various countries in the area "perceive a real danger."

Yet I believe we in Congress should ask what these legitimate security interests are. What are the dangers? What is the source of threat? To be sure, there are security problems in the Gulf: Iran has had centuries of experience in dealing with Russia to the north; there are traditional rivalries between Iran and Iraq, and between various countries over the future of Kuwait; there is an insurgency in the Sultanate of Oman, at the mouth of the Persian Gulf; and there are rivalries between various of the United Arab Emirates, and between some of them and Saudi Arabia.

But how serious are these rivalries, and how do they relate to one another? How do they relate to the supply of arms to one or another State in the region? And how do these arm supplies relate to the "regional cooperation" that Mr. Sisco says that we are seeking to promote.

These are all questions that we in the Congress should ask the administration, before we continue to sell arms on a massive scale.

We should bear in mind that Great Britain provided stability in the Persian Gulf for a century and a half. It did so primarily through a political involvement in the region. Clearly, no other power can substitute for that now-departed presence. Yet it is questionable that an arms policy, which appears to exist more or less on its own, is the answer.

Second, Secretary Schlesinger spoke on "Issues and Answers" about the contract between the Vinnell Corp. and Saudi Arabia, in which up to 1,000 American former Armed Forces personnel would train the Saudi Arabian National Guard.

Dr. Schlesinger said that these civilians would be used "to train soldiers of a country with whom we hope to have friendly relations for an extended period, several decades at least." I share the Secretary's hope that we will maintain and further develop friendly and cooperative relations with Saudi Arabia, Iran, and other states of the Persian Gulf. As a nation, the United States should welcome the chance to help these countries in their rapid social, economic, and political development. Cooperative involvement of this kind should be the basis for the future course of our relations with the gulf states, and an adjunct to our efforts to secure stable sources of energy at reasonable prices.

Yet, if there is anything that we should have learned from our recent experience in Southeast Asia, it is the dangers which can arise from military arrangements in which thousands of Americans train "internal security forces" of another country. No matter what the possible advantages, we should be loathe to enter lightly into any such arrangement.

Third, Undersecretary Sisco argued that other nations will supply arms if we do not:

It is not a question of whether we provide arms, or no arms going into the area. It is a question of whether we provide them or others . . .

Secretary Schlesinger concurred, arguing that:

It is not plain that the United States by its unilateral decisions can head off the sale of arms, and it is plain, I think, if arms sales will be sold, that it is in the American interest for these arms normally to be American arms.

It may be that, if the United States stopped selling arms to the gulf countries, we could not prevent other countries from stepping in and doing so.

We sometimes hear of American, British, French, and other weapons manufacturers tripping over each other in the hotel lobbies of Teheran and Ridayh.

Yet has there ever been a serious attempt on the part of major arms-producing nations to negotiate limitations on the conventional arms trade in the Persian Gulf? I know of none. Last year, I introduced an amendment to the Foreign Assistance Act, urging the President to propose to the Geneva Conference on Disarmament that it consider as a high priority agenda item discussions among participating nations of that Conference for the purposes of:

First, agreeing to workable limitations on conventional arms transfers; and

Second, establishing a mechanism through which such limitations could be effectively monitored.

The President was also requested to report to the Congress within 6 months on the steps he has taken to carry out this provision. Two months have now passed. Accordingly, I call upon the administration to tell us what is being done pursuant to this legislation.

If the administration is seriously concerned with the unbridled marketing of sophisticated weapons, then let it follow the expressed will of Congress, and act to join with others to impose controls on this traffic.

It is my hope that the legislation I introduced last Saturday will lead to such an international effort—including both selling and purchasing states in the Persian Gulf—so that any flow of arms to the gulf will truly meet the interests of countries concerned.

Such an effort is particularly important, now, before the volume of U.S. arms sales to the region further whets the appetites of other supplier nations. It will be far more difficult to gain multilateral limits on the flow of arms once the United States has locked up prime contracts—totaling billions of dollars—with the Persian Gulf states. At the same time, we must work with other supplier states so that their own balance of payments problems will not impel them to ignore any call for joint action on regulating the arms flow.

For ourselves, I cannot say too strongly, it would be a sorry day for the American economy if our strength became dependent upon selling arms to a volatile area of the world. We would also stand to lose far more, in money and men, if shortsighted policies of selling arms for balance-of-payments reasons later led to our direct involvement in a Persian Gulf conflict.

Fourth, in a similar vein, Secretary Schlesinger maintained that it is in our interest for arms sales to gulf states "normally to be American arms." Their value, he reasoned, is that they "establish close relationships between the United States and other countries"; that they "provide the United States with a degree, a moderate degree of influence in some cases, but a degree of influence." But how much influence? What kind of influence? Has it ever been proved that influence with a nation's military establishment can be translated into political influence with governments, in our national interest? Did this "influence" prevent Turkey from ignoring the terms on which we had supplied arms over the years, when it intervened militarily in Cyprus? Did it prevent India and Pakistan—countries to which we had provided arms over the years—from going to war with each other twice in a decade?

Arms programs in themselves may not create conflicts, but they undoubtedly increase the level at which such conflicts will be fought, with greater human suffering. Surely we lose more of that fabled "ability to control events" when, through arms programs, we enhance and intensify a government's ability for independent military action, than can ever be gained by the mere fact that the jets being piloted are American made. Perhaps arms sales to gulf states will provide us with some access to the military establishments of purchasing countries, but the price we could have to pay for this advantage may be awesome in terms of the long-range risks involved.

In considering the value of arms sales in gaining influence, we must also look at the contradictory nature of our relations with Iran over the years. Following the Second World War, we sought to build up Iran as part of the cold war with the Soviet Union.

Later, we apparently sought to help Iran in its ambitions to be the dominant power in the Persian Gulf. If that latter policy could have been achieved without opposition from other local states, the outcome might have been a happy one. Yet that is now not the case, as requests for arms from other Persian Gulf states clearly testify.

Furthermore, we must recognize that it is Iran, feeling its new political power, that has led the effort to exploit the economic potential in the West's dependence on Middle East oil. It is Iran—the country where we have so long sought influence, in part through arms supply—which has worked hardest to keep up the world price of oil, even though it did not join in the oil embargo imposed by several Arab States during the 1973 Middle East war. We must ask again, therefore, what influence we truly gain through the supply of arms.

In addition, we must be concerned about the possibility that U.S.-supplied arms in the future could be diverted to

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other countries. Secretary of State Kissinger recognized that problem at his press conference yesterday, in relation to the Arab-Israeli conflict. But there are wider concerns, as well. During the last year, for example, Iran made three transfers of U.S.-supplied arms to other countries:

Five C–130 transport aircraft were transferred to Pakistan;

Twenty-four F–5 aircraft are now being transferred to Jordan; and

Ten AB–205 helicopters, made in Italy under U.S. license, were lent to Pakistan.

I understand that all of these transfers were approved by the State Department and that the Congress was so informed.

But in the future will we be certain that arms we sell to Persian Gulf nations will always be subject to State Department control to prevent their being transferred to third countries, either in or outside the region?

What criteria would the State Department use to make decisions, even when it can maintain control? And what role will the Congress have in making such decisions? Today, the Congress has 20 days to disapprove of individual arms sales over $25 million. But how can we be involved in transfers of weapons from the country to which they are sold, to yet other countries? Here, too, we need answers from the administration.

On "Issues and Answers" last Sunday, Secretary Schlesinger further said that "arms represent a symbol of those kinds of relationships" which we want to maintain with the Persian Gulf States. I ask only this: Is there no other way to symbolize those relationships? Have we so little imagination that we cannot find political and economic means to gain whatever influence is possible, and to develop relationships? I believe we should at least try, instead of first reaching, once again, for a military policy.

Fifth, I believe that Secretary Schlesinger also missed the thrust of my proposal for a 6-month moratorium on arms sales to Gulf States, when he implied that such an action would represent a tendency "to disapprove of what is going on in the external world and to show our disapproval by cutting ourselves off. In the long run—in fact, in the short run—that is a disastrous policy."

I concur wholeheartedly with Dr. Schlesinger that such an attitude could have disastrous shortrun and longrange implications for the United States. We cannot divorce ourselves from events in the outside world. But neither should we contribute to—or exacerbate—the possibility of conflict elsewhere in the world.

The Persian Gulf, by its history and geography, is not a region where a stable balance of military power could easily be established. Quite the reverse: The territory is too flat, the weapons are too powerful, the distances between countries too short, the rivalries too intense and complex and a tradition of a balance of power totally absent—for there to be any hope that a stable military balance can be created by arming all sides.

Furthermore, many Persian Gulf States will in the future experience the instabilities arising from the flux of shifting power changes, rapid economic and social development, and traditional territorial and minority disputes. For our part, in providing unprecedented levels of sophisticated military equipment to the region, we are in fact encouraging the likelihood that possible internal changes in Gulf States will entail high levels of violence and immense human suffering.

Mr. President, in raising these questions about public testimony of two leading administration figures on the sale of arms and related services to Persian Gulf States, I am only emphasizing the purposes of S. 795: To gain a full public hearing of U.S. policy toward the Gulf; and to gain for the Congress its proper constitutional role in making U.S. foreign policy toward that volatile but vital part of the world.

On Sunday, the Secretary of Defense said that:

> The policies of the United States, are, of course carefully scrutinized in advance before we make sales.

All I am asking is that the Congress, too, have a chance to take part in this scrutiny.

At any time during the 6-month moratorium which I have proposed, the administration could come to the Congress with a comprehensive statement of U.S. policy toward the region. If Congress approves it by joint resolution, then the moratorium would be ended. But we owe it to ourselves—and to the countries of the Persian Gulf—to take a hard look at what we are doing there, and to seek ways of securing our interests without increasing the likelihood of conflict and future U.S. military involvement.

Mr. President, I ask unanimous consent that my bill, S. 795, along with supporting documents, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), and all licenses with respect to the transportation of arms, ammunition, and implements of war (including technical data relating thereto) to Iran, Saudi Arabia, Iraq, Kuwait, Qatar, Bahrain, the United Arab Emirates, and the Sultanate of Oman, shall be suspended on the date of enactment of this Act until a date 6 months thereafter, unless the President transmits to the Congress, and the Congress by joint resolution approves, a statement of policy regarding sales, credit sales and guarantees made to such countries under the Foreign Military Sales Act. The foregoing suspension shall include the suspension of the delivery of any defense article or defense service contracted for prior to the date of enactment of this Act and which has not been delivered before such date.

EXTRACTS FROM "NBC's MEET THE PRESS," SUNDAY, FEBRUARY 23, 1975, WITH JOSEPH J. SISCO, UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS

Mr. VALERIANI. Mr. Sisco, you said here that war cannot be precluded in the Middle East and President Ford, Secretary Kissinger have emphasized repeatedly how explosive the area is, how volatile the situation, and yet the Administration is pouring billions of dollars of new weapons into the area on both sides. Why?

Mr. SISCO. Well, let me say, first of all, that insofar as our support on the military side for Israel is concerned, I think it is important that we maintain a trend. Insofar as our arms sales to other parts of the area. Let's take first of all the Gulf and the Arabian Peninsula. I have heard it said that we are doing this willy-nilly, on an ad hoc basis.

This is not the case. I can recall the kind of studies that we undertook on this whole question of arms in this area in the aftermath of the exodus of Great Britain. What confronted us at that particular time was this: Do we try to fill this kind of a void directly or do we undertake a policy of helping those who really have legitimate security interests and need the arm for self-defense purposes. We concluded the way to proceed in this area was to try to help in regional cooperation. We see Saudi Arabia, Iran and these countries as elements of stability in the area with legitimate self-defense needs and it is not a question of whether we provide arms, or no arms going into the area. It is a question of whether we provide them or others in circumstances where they perceive a real danger.

Mr. VALERIANI. Are you willing to go along with a six months' moratorium on arms shipments to the Persian Gulf as suggested by Senator Kennedy?

Mr. SISCO. I have read the press report this morning. Obviously I have not seen the resolution itself, but I would only emphasize that we feel that we are meeting a legitimate concern of the countries in the area and these are friends of ours, these are friends who are trying to pursue a moderate course in the circumstances.

EXTRACTS FROM ABC NEWS' "ISSUES AND ANSWERS," SUNDAY, FEBRUARY 23, 1975, WITH JAMES R. SCHLESINGER, SECRETARY OF DEFENSE

Mr. DONALDSON. Secretary of Defense, James R. Schlesinger, the man responsible for carrying out the defense policies of the United States, here are the issues:

How will U.S. arms sales to Arab countries affect the possibility of another war in the Middle East?

Is the United States losing its place as the dominant military power in the world?

Can record defense spending be justified at a time when the Administration asks for reductions in spending for the poor and the aged?

Mr. TOMLINSON. Mr. Secretary, the United States has been selling a great deal of arms to the Persian Gulf States and Senator Kennedy is now proposing a six months moratorium on such sales, saying in effect it is a risky path toward a dangerous arms race. Is that a valid criticism?

Secretary SCHLESINGER. I think it is not a valid criticism. The policies of the United States are, of course, carefully scrutinized in advance before we make sales. I think Mr. Donaldson's question went to shipments to Arab countries increasing the likelihood of war.

As you know, the shipments to Arab countries have been but a small fraction of Israel. You used the phrase Persian Gulf and that includes Iran and, of course, Iran has received most of the contracts. Those contracts apply to shipments that will take place during the rest of this decade.

Mr. TOMLINSON. But in the Persian Gulf area we have now entered into a contract with a civilian company, the Vinnell Corporation, to train the Saudi Arabian National Guard. This is rather unique in having civilians train people like that. It is being called by some a mercentary force. Are we indeed getting into the mercentary business

of sending men over to teach men how to fight?

Secretary SCHLESINGER. Well, of course, the United States has been engaged in training foreign soldiery for an extended period of time. "Mercenaries," I take to be an unfriendly term, which would appropriately be applied to those who would fight for these foreign countries. Instead, they are being used to train soldiers of a country with whom we hope to have friendly relations for an extended period, several decades at least, and the contract seems valid to us. The Saudis pay for it, of course.

Mr. DONALDSON. Senator Kennedy's point, as I understand it is not in our interest to sell arms, but that we don't know yet, that there has been no coherent policy, that we apparently are selling to Saudi Arabia, Kuwait, and perhaps Oman. We are helping, and Iran, without any clearcut policy, so my question to you is, precisely what do you think we are going to gain and what is our objective in making these sales?

Secretary SCHLESINGER. Well, let me turn that around. It is very easy to talk about arms races and to the desirability of restraining the sale of armaments, the build-up of armaments. Some years ago the Congress enacted legislation restricting U.S. sales to Latin America.

As a result of that legislation, there is now a steady flow of Soviet and French arms into Latin America. It is not plain that the United States, by its unilateral decisions can head off the sale of arms, and it is plain, I think, if arms will be sold that it is in the American interest for those arms normally to be American arms.

Mr. DONALDSON. You are saying it is just a commercial enterprise, it is a balance of payments problem?

Secretary SCHLESINGER. Quite the reverse. What the sale of armaments does is to establish close relationships between the United States and other countries. It provides the United States with a degree, a moderate degree of influence in some cases, but a degree of influence.

Mr. TOMLINSON. A degree of influence you say, but what about just the other day one of the Deputy Assistants in your Department, under the Defense Department, agreed that for the first time, as far as I know, that oil is playing a part in this. It is a factor. Are we indeed buying insurance to make sure the oil supply lines stay open in Saudi Arabia, Iran, Kuwait and Oman?

Secretary SCHLESINGER. I think the fact of the matter is that because of the dependence of the industrialized world on petroleum from the Persian Gulf, that is a greater consideration than it has been hitherto, but that is not the motivation for the sale of arms. I think that one must recognize that we are engaged in attempting to maintain influence in these areas, to maintain close relationships, and arms represents a symbol of those kinds of relationships.

Mr. TOMLINSON. This follows after Secretary Kissinger had said in the event of strangulation, admittedly he would not rule out the possibility of going in to get the oil. You are asked if that was feasible, and you said yes. I wonder if you would expand on that. How is it feasible for us to do that?

Secretary SCHLESINGER. Will I think everybody recognizes that the United States has the military capability to carry out that kind of operation. I think that there has been undue emphasis on Secretary Kissinger's statements. What he said was something that really is a truism in political science. I am not sure that anyone has advocated that in the event of the economic strangulation of the West that we do nothing.

Mr. DONALDSON. What is your position about the possibility of U.S. intervention in the Middle East under certain circumstances, to secure an oil pipeline for the Western world?

Secretary SCHLESINGER. I do not think that the necessity will arise. I think that our relations with the producing states in that area will continue to be harmonious.

Mr. DONALDSON. But you do not rule it out?

Secretary SCHLESINGER. Under the hypothetical circumstances that were discussed, of course not.

Mr. DONALDSON. Most Americans, if I may, Frank, then are a little confused, are they not? Or at least I am by the fact that we are making these arms sales to those Arab States and the Persian Gulf, we are helping train their militia forces through a contract with the Vinnell Corporation, training their National Guard to safeguard the oil fields.

At the same time we don't rule out the possibility that we might be the ones who will want to go in there and try to engage in military action. Is there some contradiction in this policy?

Secretary SCHLESINGER. I don't think there is any contradiction in the policy. Of course, you can't rule out all possibilities, but these possibilities are far distant and remote. There is very little likelihood of our having to do such a thing. I don't think those circumstances will arise and in the interim we want to maintain friendly relations with all of the nations in that area.

Mr. TOMLINSON. Well, Mr. Secretary, you said you didn't think it would be necessary for the United States to go in and get the oil. Is it the arms sales that are negating that possible necessity?

Secretary SCHLESINGER. No. The reason that necessity will not arise in my judgment is because the states of that area recognize their common interests with the industrialized states in the West.

Mr. DONALDSON. You have made it clear perhaps, but I would like you to say it. Then you oppose Senator Kennedy's bill suggesting a moratorium of six months on arms sales in the Persian Gulf.

Secretary SCHLESINGER. Let me go back to what I said earlier about Latin America. The effect of a six months moratorium will be to encourage, or force many of the states in that region to turn to other sources of supply. Whether they be the Soviet Union or nations of Western Europe, and that certainly is dubiously in our interest.

Mr. DONALDSON. The answer is yes, you do oppose the bill.

Secretary SCHLESINGER. Yes indeed.

Mr. TOMLINSON. Would this have the same effect, do you think, that the arms cutoff to Turkey, did by possibly affecting our allies overseas?

Secretary SCHLESINGER. It is very similar in many respects to such a proposal.

Now, the tendency of many in the United States today is to disapprove of what is going on in the external world and show our disapproval by cutting ourselves off. In the long run—in fact, in the short run, that is a disastrous policy.

Mr. DONALDSON. Mr. Secretary, what are the chances of Turkey actually leaving NATO?

Secretary SCHLESINGER. I think the chances of Turkey leaving NATO are remote.

Mr. TOMLINSON. But if they cut out our bases in Turkey, if they asked the Americans to leave, how will that affect us?

Secretary SCHLESINGER. They have indicated to us that they will re-examine their bilateral relationships with the United States as opposed to their NATO-wide relationships. The effect of the loss of those facilities in Turkey will be costly to the United States and, in addition, will substantially curtail our intelligence and other operations.

Mr. DONALDSON. May I go back to the contract with the Vinnell Corporation—I think it is some $77 million—for this corporation to use civilians to train Saudi Arabia's defense force for the oil field defense.

Senator Fulbright, the former Senator from Arkansas, claims that an amendment that was made law actually was designed to prevent this type of Defense Department contracting. Will you respond to that?

Secretary SCHLESINGER. Well, I am not familiar with the amendment that Senator Fulbright refers to, but the Department of Defense, of course—

Mr. DONALDSON. Well, it is one, if I may, that says it is in the interests not to have a Defense Department contract directly with American soldiers in, I think some amplification of the MAAG mission concept, to make such training, but that it is in the interests of the United States to return to a normal business-type relationship between other countries, and perhaps businesses, like the Vinnell Corporation, but not channelled through the Defense Department.

Secretary SCHLESINGER. I think the existing law leaves open the possibility of either having a foreign military sales case through the Department of Defense, or by direct contracting with individual companies.

I think that U.S. policy is likely to be criticized irrespective of the actions taken by the government. One must recall the Department of Defense is executing a policy designed to fulfill a Memorandum of Understanding reached with the Saudis in the spring of '73, and this is just a small part of that total Memorandum of Understanding.

Mr. TOMLINSON. But at the same time that we have this Memorandum of Understanding, we are negotiating for landing rights on an island just practically at the mouth of the Persian Gulf; we have sent an aircraft carrier into the Persian Gulf; we now have the biggest ship that we own in the Indian Ocean, doing humanitarian work, by the way, but is this not a show of force to the Russians to say to them that we can keep that pipeline open if we want to?

Secretary SCHLESINGER. Well, I think that one might infer that kind of conclusion. What I would say is that the United States intends to maintain whatever presence is necessary to insure the security of the Persian Gulf from the standpoint of the Western world.

Mr. DONALDSON. If those remote circumstances you were discussing earlier should occur and we should think it in our interests to move militarily into the Persian Gulf, what would the Soviet Union do?

Secretary SCHLESINGER. I think it would depend upon the circumstances, but my conclusion would be that the Soviets would be very prudent in any actions that they took in response to a serious American action involving military force.

Mr. DONALDSON. Apart from those circumstances, and looking just at the Middle East today, Mr. Secretary, do you think we are in fact embarked upon a relaxation of tensions with the Soviet Union in that area because of Dr. Kissinger's work, that war between the super powers there is not as imminent as it might have been a couple of years ago?

Secretary SCHLESINGER. We certainly hope so. That is our intention. Our goal is a relaxation of tensions between ourselves and the Soviets, not only in the Middle East, but elsewhere.

On the other hand, we recognize that Eutopia has not as yet been reached and we must be prepared to balance power with our own power.

[Editorial, Baltimore Sun, Feb. 26, 1975]

SUPER-POWER AS SUPER-PEDDLAR

Congress is gradually awakening to the fact that Uncle Sam's role aa arms merchant to the world challenges congressional efforts to get a better grip on foreign policy.

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While the Congress has been making much of legislation to curb presidential war powers, control foreign aid and limit the use of treaty-like executive agreements, the Nixon and Ford administrations have been making it big in weapons sales. Defense Secretary James R. Schlesinger reported this month that cash sales of arms jumped from $1 billion four years ago to $6.6 billion in the fiscal year ended last June.

If credit sales are added, this figure grows to $8.3 billion, even without adding military aid. It would come as no real surprise should annual sales at today's inflated prices grow quickly to $10 or $12 billion, thus consolidating guns as an export second only to butter, i.e., agricultural products. American weapons are flooding the Middle East and the Persian Gulf, on a per capita basis the world's most densely armed regions.

Arms sales are an extension of foreign policy, and the Executive Branch is thus continuing to involve and commit this country abroad with little oversight from Congress. This mockery of all that Vietnam should have taught us did produce, in the adjournment rush of the 93d Congress, an amendment sponsored by Senator Gaylord Nelson that requires the government to notify Capitol Hill in advance of any weapons deal amounting to more than $25 million. Congress then has 20 days to veto the contract by concurrent resolution.

This kind of information is useful and may someday even bring about a congressional veto, but it is clearly inadequate. Congress should require detailed impact statements from the executive branch on how particular arms deals will affect efforts to limit world armaments and present and future American policy. When the administration sells $3.7 billion worth of arms to one country (Iran) in one year (fiscal 1974) it has various military, economic and geopolitical objectives—most, we suspect, of a tactical nature. These contracts may indeed help redress our trade imbalance with Iran, create defense jobs, maintain the oil-price dialogue and make Iran's formidable armed forces dependent on U.S. resupply. But this dependence also constitutes an American commitment to make parts available—a commitment of potentially troubling consequence whether it is kept or dropped. What, for example, would we do if Iran were to come in conflict with Saudi Arabia, which bought $600 million in U.S. arms last year, or with Israel, which is highly dependent on the U.S. supply line (and Iranian oil)? When Senator Kennedy proposed an unlikely six-month moratorium on arms sales to the Persian Gulf, Mr. Schlesinger had a breathtaking reply: "We are engaged in attempting to maintain influence in these areas, to maintain close relationships, and arms represent a symbol of these kinds of relationships."

Arms may indeed be a symbol of U.S. relations with other nations, but they are a symbol we should lament deeply. While we eschew the proliferation of nuclear weapons, we and our fellow arms peddlars—the Russians, the British, the French, the Swedes—are proliferating a frightening array of sophisticated "conventional weapons" to Third World nations whose military expenditures will soon take up nearly as much of their gross national products as those of developed nations. This arms sale policy, essentially unchecked by Congress, is making the world's danger areas steadily more dangerous. At a time of economic downturn, legislators may be reluctant to put a clamp on arms traffic that provides jobs. But if Congress is to live up to the foreign policy responsibilities it so often proclaims, it will seek to check and balance arms sales as it has foreign aid, executive treaties and presidential war powers.

[Editorial, New York Times, Feb. 26, 1975]

ARMS SUPPLIER . . .

With the emergence of the United States as chief supplier of weapons and military training aid in the Persian Gulf—not to mention the dubious decision to lift the embargo on arms to Pakistan—insistent questions are being raised about American policy toward the entire area in general and toward the booming international arms trade in particular.

In the past year, the United States has sold about $5 billion in arms and training services to Iran and Saudi Arabia, the two major rivals in the Persian Gulf area, and small amounts to Kuwait and Oman. The $4-billion of arms sales to Iran, on top of $2 billion the year before, dwarfs the $1.5 billion of arms grants to Israel during and after the October 1973 war. It has helped to stimulate the new Saudi Arabian military effort, which now finds the United States arming the chief petroleum producer of the oil cartel—against which the Ford Administration has refused to exclude military action in the event of economic "strangulation" of the West.

The Saudi arms sales and military training deals could be considered as putting the United States on both sides of the Arab-Israeli arms race as well as that in the Persian Gulf—perhaps increasing the need for arms aid to Israel to maintain a military balance in the Middle East. Although distant from the Arab-Israeli battlefields of the past, Saudi Arabia has sent symbolic troop units to the area and is a major financier—along with Moscow—of the extensive military efforts of Egypt, Syria and, perhaps indirectly, the Palestinian guerrillas. Other "non-battlefield" Arab countries, such as Libya have transferred arms purchases to Egypt after pledging not to do so.

Similarly, the decision to allow export of lethal arms to both Pakistan and India—however even-handed it may be juridically—is in fact a stimulus to the arms race in the subcontinent, an exacerbation of Indian-Pakistan relations, a blow to American relations with India and new evidence of the "tilt" toward Pakistan.

* * * * *

The Persian Gulf, however, is the fundamental problem now, since the new large-scale American role as arms merchant has its origin there. What remains unclear is the threat against which Iran is being so heavily armed and why the Shah is being sold some of America's most sophisticated weapons such as the Navy's F-14 jet fighters, simultaneously with its introduction into the American armed forces. This is far from the hand-me-down arms trade the world has known in the past.

Soviet arms sales to Iraq undoubtedly have something to do with the Shah's decision to build up Iran's military forces. But the size of the Iranian effort vastly exceeds that of Iraq and appears primarily to reflect the grandiose ambitions of the Shah, who has talked openly of reviving the glory of Persia's ancient empire. Is this something Washington can safely ignore?

It can be argued that American refusal to sell weapons would not restrain the Persian Gulf arms race and would merely leave Iran and Saudi Arabia to turn for arms to France, Britain and even—unlikely as this is for conservative monarchies—to the Soviet Union. Arms sales abroad also help the Pentagon to keep important production lines open and to reduce the unit cost of its own purchases.

But does this justify the apparently unrestrained size of the Persian Gulf deals or the substantial involvement of American personnel on the ground, in the training of technicians and combat units? Technical assistance and training contracts with Iran and Saudi Arabia total $767 million, as compared with $51 million with 32 other countries around the world.

In the past, American civilian contractors have been brought in primarily to teach foreigners how to operate and maintain the equipment they sell. But the recent $77-million contract to Vinnell Corporation for training four battalions of the Saudi national guard would introduce American civilians for the first time to train substantial units of a foreign nation.

Senator Kennedy has proposed a six-month moratorium on arms sales to Persian Gulf states—including arms already contracted for, unless Congress approves a Presidential policy statement justifying such sales. With or without such legislation, there is urgent need for a fundamental reassessment by Administration and Congress together of the arms and other policies upon which the United States is now embarked in the Persian Gulf area.

[From the New York Times, Feb. 25, 1975]

ABU DHABI AWAITS TWO TRANSPORT JETS

(By Eric Pace)

ABU DHABI, February 24.—The armed forces of this Persian Gulf Sheikdom will acquire in the next few weeks two C-130 transport aircraft, their first major pieces of United States-made military equipment, qualified informants reported today. Abu Dhabi has already sent airmen to the United States for training in manning the planes.

The sale of the aircraft, a kind that was used during the Vietnam war, is a further step in the increasing United States military role in the Persian Gulf area, the source of much of the world's oil supply.

Within the last few months, Washington has sold antitank missiles and land mines to Oman and more than $250-million in air defense missiles, warplanes and military transport vehicles to Kuwait.

The largest purchaser of United States arms in the area has been Iran, whose military establishment includes more than 50 C-130's, according to qualified sources in Teheran. Much Iranian military planning is based on use of the transport aircraft, known as the Hercules, in the event of war or crisis.

SALE TWO YEARS AGO

Abu Dhabi's purchase of C-130's could not be officially confirmed here. The sources, who are supporters of Abu Dhabi's ruling sheik, said the contract for the sale was signed two years ago. They said the deal, thought to have been for less than $10-million, had been a commercial one between Abu Dhabi and Lockheed, the manufacturer of the aircraft. The gap between the concluding of the deal and the delivery of the aircraft was apparently due to delays imposed by Lockheed's production schedules, the informants said.

The informants said it was to be assumed that the transaction had the blessing of the United States Government in the form of an export license approved by the State Department.

It was unclear what the status of the transaction would be in the event of enactment of a bill, introduced by Senator Edward M. Kennedy on Saturday, that would cut off for six months all American arms sales and military training assistance to Persian Gulf nations.

The legislation proposed by the Massachusetts Democrat is an attempt to oblige the Ford Administration to try to reduce the current flow of military equipment to the Persian Gulf region.

The issue was underscored earlier this year by the disclosure that men who had formerly served in the United States Army were being recruited by a private concern in California to train troops in Saudi Arabia.

AIRMEN ARE FOREIGNERS

The number of Abu Dhabi airmen who have been sent to the United States for training * * *. The sources said that most, and perhaps all, of the personnel were Pakistanis and other foreigners, not citizens of the United Arab Emirates, of which Abu Dhabi is a part.

The rules of Abu Dhabi, Sheik Zayed bin Sultan al-Nahayan, is also the head of the federation. Abu Dhabi is the most influential of the component principalities, largely by virtue of her oil income, which was about $4-billion in 1974.

Dhabi has used her wealth to acquire military equipment manufactured by Western countries, as well as on foreign aid and internal development.

Sixteen French-made Mirage 3 jets have been delivered in the last year for the equivalent of about $140-million, the informants said.

FEW INDIGENOUS PILOTS

Abu Dhabi has also contracted to buy about $100-million British-made Rapier air-defense missiles and associated radar equipment, which is expected to be in operation before the end of the year.

The growth of the military establishment is being slowed by a shortage of indigenous personnel with technical training. The sheikdom is said to have fewer than half a dozen of its pilots. All or almost all of the Mirages are being flown by Pakistani pilots.

The uses to which Abu Dhabi plans to put the C-130's have not been disclosed. The Iranian planes are to be used to airlift troops to a crisis area or to move military equipment in a hurry. One Iranian Commander is reported to have said that Iran's C-130's could airlift all the equipment necessary to set up a tactical fighter air base within a few hours at any airfield in the country.

THE ECONOMIC CRISIS ON THE FARM

Mr. McGOVERN. Mr. President, on several occasions in recent months I have spoken to my colleagues in the Senate about the severe and urgent problems of our Nation's farmers. These problems, if not considered immediately, threaten not only our agricultural community, but our Nation's economy, as well.

On February 25, Gov. Milton Shapp of Pennsylvania spoke before the National Association of State Departments of Agriculture. In his address, he set out several excellent proposals for meeting and solving our agricultural crisis. I was very pleased to note that he endorsed my recently introduced farm legislation to stabilize our farm economy. He also cited the necessity for investigation into the food processing and distribution system which I have set as one of the main targets of the Select Committee on Nutrition and Human Needs.

Because this speech presents such an outstanding treatment of the farm crisis, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY GOVERNOR MILTON J. SHAPP OF PENNSYLVANIA

It is a privilege for me to be here today to address this annual meeting of the National Association of State Departments of Agriculture.

We are meeting, unfortunately, in a atmosphere of economic crisis. Certainly each of you is familiar with the economic crisis on the farm. It is really an incredible situation when you consider that farm prices are going down while prices on everything else, including all the products a farmer needs to operate, are going up.

Wages in the general economy are not going down. The recession has thrown more than eight per cent of our labor force out of work. Double digit inflation persists, crippling the buying power of those fortunate enough to remain at their jobs.

Why should NASDA be concerned with the nation's general economic condition? Well, for a start, the impact of the inflation-recession has been strongly felt in America's rural communities. Rural communities are especially vulnerable to the loss of jobs, to the severe cutback in housing construction and to the impoundment of federal funds to develop essential services.

The fate of rural communities concerns me. I think all of you should be as involved in the problems of rural America as we in Pennsylvania have become. Many of you may not realize it, but as Governor of Pennsylvania, I have the largest constituency of rural residents in the nation, about three million people. The Commissioner of Agriculture from Texas may want to dispute this point with me. Texas was reported recently to have surpassed Pennsylvania in total population. But we still have the edge on Texas in rural population.

I know that as the heads of agriculture departments in your respective states, you are deeply concerned with what is happening down at the farm. Just as I am convinced that you cannot divorce the economic health of rural communities from the farm situation, I am also convinced that you cannot separate the economic situation of the urban areas from agriculture. America is an industrial power, but we still depend on exports of grain and other foodstuffs to bring our foreign trade into a semblance of balance. The oil dollars that flow from America to the alliance of multi-national corporations and the Arab nations have been recovered to a large extent by our sales of food abroad.

But look what is happening on the farm! We hear from the United States Department of Agriculture that farm income in the past couple of years has never been so good. Mostly, USDA likes to point to the high grain prices of recent years. That has been equated with farm prosperity.

Why, then, does the decline in commercial farms continue? Why do I find stories in newspapers of ranchers slaughtering their beef cattle in protest over the prices they are receiving or why do potato farmers in Idaho leave their potatoes in the ground to rot? Why have dairy farmers pressured Washington so intensely for an increase in milk support prices in the federal orders? Why is the forecast down for hog and poultry production? And, finally, why are grain prices softening, especially when we know the world is caught in the grip of a food shortage?

The answer is that Washington has reached in knee-jerk fashion to agricultural policy as they have toward solving our overall economic woes.

I don't have to tell this group about the economic conditions in this country. You know how bad they are. And our farmers know how bad they are. And our aged on fixed incomes, our poor families with children to feed, our working families with children in school—they all know about the economic conditions in this country. They're bad and getting worse. And what is even more tragic than the rampant inflation and recession we now have is the remedy President Ford has proposed!

The President's economic witchdoctors have looked at our country suffering from malnutrition and prescribed less food.

Last fall they recommended five per cent more income taxes for people who couldn't meet payments on their homes, furniture, medical bills and groceries. Now they look at our inflation and recession and recommend a three-dollar tax on imported oil and the deregulation of domestic crude oil which is going to cause a new round of inflation and recession that would take us twenty years to recover from.

I ask all of you here today to help us do four things while you are in Washington:

1. Get approval by Congress and the President of an immediate tax cut and rebate for all Americans, especially those of low and moderate income;

2. Stop permanently the President's attempt to impose a $3 tax on imported oil and reregulate domestic crude oil;

3. Create jobs for unemployed America by getting the President to release all impounded funds and put other funds into permanent improvements in the country in housing, transportation and pollution control systems.

4. Urge Congress not to accept the United States Railway Association plan to scrap our rail system, especially in the rural areas, and I'll say more about this later.

Back in 1972, when Richard Nixon was wooing the farm vote for reelection, more subsidies were paid out to farmers to hold land out of production than ever before. It has since been estimated that the amount of land withdrawn from production would have been sufficient to make up the grain deficit the world is now experiencing. Wouldn't it have been better to encourage rather than discourage farm production and have our farmers paid through sales to needy countries, promoted by easy credit terms? Or even to have had low-priced bread to distribute to the aged and other needy people in our cities?

The Nixon administration followed that act by wiping out remaining reserves through encouraging the massive sale of grains to the Russians. Eventually, that move sent shock waves through our entire economy.

Grain prices went sky high. For the most part, they did so after the grain had left the farms and was in the hands of a few major grain dealers. Livestock and dairy farmers were then clobbered with high feed costs. They reduced their demand and that is one of the reasons grain prices are softening. The boom and bust approach to agriculture certainly swung into the bust cycle.

Practically all farm prices are caving in as we meet today. Ironically, our agricultural plant is shrinking while food prices in the supermarkets remain high and a scarce food supply threatens millions of people in the world.

Let's take a closer look at what has happened to farm prices. In a chart I have here on recent changes in the wholesale price index for major commodities, we see that farm products experienced the only decline of 22 major commodities in the third quarter of 1974. In comparing the third quarters of 1973 with 1974, we find that farm products slid in prices by 5.9 per cent. In contrast, foods and feeds went up 3 per cent. That may tell you something about the middle and retail segments of our food industry. Fuels went up 37.9 per cent between '73 and '74; metals up 85.5 per cent; petroleum products up 34.1 per cent; electric power up 31.6 per cent; machinery equipment up 17.6 per cent; motor vehicles up 25.6 per cent; chemicals up 40.6 per cent; and so on down the line.

These figures illustrate a crucial point about our farm situation today: while farm prices are sinking, the input costs of agriculture have inflated tremendously. Livestock and dairy farmers, burdened with declining

prices, must pay more than they ever did for farm production items. Even when grain farmers were getting good prices, their fertilizer costs were tripling and their fuel costs doubled. The machinery they needed to farm more acres moved up 35 to 50 per cent. What the chart does not tell us is why.

We can make some immediate and well-educated guesses as to why. If the farmer isn't getting his price and the consumer is paying too much for food, it is logical to assume that a bundle is being made somewhere in that huge gray area of food processing and distribution.

I think one of the first steps to be taken is a full-scale congressional investigation into the food processing and distribution system of this nation and into the profit picture of the chain stores. Once and for all, let's get clear-cut answers to what happens to product prices between the farm and the supermarket checkout counter. The question has been belabored and the answers obfuscated by government and land grant colleges for a hundred years. It is time for the Congress to take the plight of the farmer and consumer seriously enough to come up with the real answers.

What else should we do? Basically, we have to guarantee farmers a fair price for what they produce. Realistic support and loan prices for farmers should be matched by a buildup of grain and food reserves that could be put back in the market in times of scarcity, again, at prices fair to farmers. This would stabilize our food supply as well as the prices.

Generally, I would back farm legislation being proposed by Sen. George McGovern and others. The upshot of these proposals is to boost target prices on commodities to 90 per cent of parity and to raise loan rates to 75 per cent of parity. Equally important, new farm legislation must contain a cost of production escalator clause that would adjust both minimum price guarantees and loans each year to account for increases in production costs. A key provision of the McGovern bill provides for a special livestock and meats purchase program of $1 to $2 billion. This is needed to preserve our depressed livestock industry to insure a meat supply for our consumers.

New legislation should provide for establishment of a reserve of basic commodities, with a requirement that no reserve stocks be released into the market at less than full parity prices.

Again, let me stress that I recommend that Congress conduct a full-fledged investigation of our farming economy, examining all aspects of food production, processing and distribution. Special attention should be given to conglomerates and multi-national corporations and their tie-in to international trading and manipulation of the money market. In line with this investigation, we should strengthen anti-trust and other producer-consumer protection agencies and laws.

This investigation is of utmost importance. Farmers are folding because they are caught in a squeeze by big business. On the one side, the farmer is victimized like any consumer. He must face monopolized industries for his supply of capital, land, seed, fertilizer, machinery, feed, pesticides, drugs and fuel. On the other side, the farmer must sell to giant output industries that process, market and retail the food products. The single farmer is powerless when he deals with a large processor and as a result the middleman—even at today's high prices—take two-thirds out of every dollar the consumer spends for food.

Under the current federal administration, which has taken anti-trust action only against farm cooperatives, conglomerates are making deeper inroads into agriculture.

In Pennsylvania, early in my first administration, I reached the conclusion that the futures of our farmers and rural population were completely tied together. Our rural communities, lacking services of virtually every kind, were, realistically, the farmer's communities.

As the number of farms diminished in line with the national pattern, so did small rural businesses and so did the rural population.

I directed my Secretary of Agriculture, Jim McHale, to move on these problems and he did.

Implementing the policies of the Federal Redevelopment Act of 1971, we set up a Bureau of Rural Affairs in our Department of Agriculture which, until then, had dealt only in negative, regulatory functions.

We found, when we took office, a system of land-grant college and private sector research aimed only at improving crop production. We have turned that around, although it took a long court battle to do it. Research in Pennsylvania continues to serve the needs of crop production but now it is mainly oriented toward people-needs. It is geared toward bettering the life of farmers and all rural residents of Pennsylvania on the simple premise that what goes on in the farm and rural home and town is every bit as important as what grows in the farmers' fields. We have also innovated a highly successful cooperative Rural Transportation program now in effect in 23 counties.

Our Department of Agriculture worked in close conjunction with our Department of Transportation to bring this about and we would suggest that each of you use his influence back home to see to it that the horizons of your respective transportation departments are broadened similarly.

Tomorrow, the United States Railway Association releases to the public its plan to save the country's railroads. I don't know in detail what the plan contains. But I have talked with Arthur Lewis, Chairman of the USRA, on numerous occasions and I'll tell you this: nothing the USRA has been seriously considering is going to improve service or save the railroads.

At a time when the country is on the brink of a depression, at a time when people are begging for jobs, at a time when factories are cutting back and production is falling, at a time like this, the federal government's plan to save the railroads is to abandon track and cut back on service to our shippers—bringing more unemployment and more business shutdowns.

I have proposed the only plan I know of which solves the railroad problem, avoids nationalization, creates thousands of jobs, stimulates the economy and doesn't cost the taxpayers any money.

Now, how can anyone disagree with a plan like that?

Actually no one has. But the President hasn't endorsed it either. Sometimes I almost wish he had thought of it first.

My plan is very simple. It's a Rail Trust Fund patterned after the idea of the Highway Trust Fund.

It will work and it's financially feasible. The USRA plan being described in the press the past few days will mean three things:

1. a continual raid on public treasury to bail out bankrupt railroads like the more than three-hundred-million dollars for the Penn Central and its friends being demanded of Congress this very minute;

2. a continuing retraction of rail services and the resulting depressing effect on the nation's economy, and

3. eventual nationalization of the country's railroads. And when it will take as long as our freight to travel fifty miles as it does our mail.

The United States Railway Association proposes to shut down some six thousand miles of track in the seventeen-state northeast quadrant of the nation and most of that track is in rural areas. In Lancaster County, Pennsylvania, alone, we would see 50 firms affected, 17,000 jobs lost, and over 10,000 carloads of raw material requiring alternative means of transport.

The Rail Trust Fund I have proposed would restore and modernize economically depressed lines instead of shutting them down.

Under this plan, the farmer, whose product has to move fast, would gain.

Produce merchants in the Northeast quadrant depend on products on the West Coast and the products come in by rail. Too often, delays caused by unrepaired tracks and breakdowns caused by refrigerator and freight cars in deplorable condition lead to the produce merchant finding himself with unusable products or no product at all. The Rail Trust Fund I propose would help that situation as well without costing taxpayers a dime in direct payments or subsidies. Adding brankrupts to bankrupts as USRA proposes didn't work with the Pennsylvania and New York Central as I warned long ago and it won't work now.

Getting back to Pennsylvania, we conducted a review and follow-up program on Rural Health care. We started a Consumer Services Council abetted by regional consumer advisory councils throughout rural Pennsylvania.

We have begun a three-county Rural Housing project. We moved, along with our legislature, to change our Constitution so that farmers would benefit by "Clean and Green" legislation providing tax relief in areas where urban sprawl was making landholding untenable for farmers.

Our Agriculture Department sponsored a national land use conference. Every one of my cabinet officers whose area of endeavor touched rural Pennsylvania testified before federal committees on proposed rail cutbacks of branch lines in our Commonwealth, and I testified as well. I am sure that you can guess the thrust of our collective testimony.

We began the first anti-inflation garden program undertaken by any state and the program is working very well.

Following the floods of Hurricane Agnes in 1972, we provided the first direct financial aid from a state to farmers in the nation's history.

When Washington, because of its internal problems, refused to move on the issue of food, I convened a national conference on Food Policy in Hershey in 1973. As a direct result, the World Hunger Action Coalition, supported by more than 70 national organizations, was formed.

Senator Percy of Illinois and I were named co-chairmen of National Advisory Council of the Coalition. Late last year, under my direction, a group of over 100 Pennsylvanians—ninety-five per cent of them paying their own way—went to the World Food Conference in Rome to make their views as observers heard worldwide. Prior to that trip, six regional food conferences in Pennsylvania, sponsored by church, labor, farm and other groups, distilled the question to be asked and the postures to be taken at Rome.

Last week at the National Governors' Conference I had an interesting conversation with Governor Andre of Idaho which points up the world's food problem to a great extent.

He said that Idaho potato farmers were facing a price so low that they have chosen in great numbers to leave the crop in the ground. Millions are starving in the world and the Idaho potato crop is to stay in the ground. Why? Why not use Title Two funds to export these potatoes to places where they can avert starvation. Why not use strategically placed processing plants to hold the crop, utilizing nitrogen, until such a time when a decent market comes into being? More and more it appears to me that food processing and distribution constitute a real world problem, not just a national problem. My contingent made that clear in Rome and it is time for the Congress to take a hard look at the situation.

In full realization that farm policy and farm income are determined in Washington, we have, in short, moved to do all that we can do for farmers and rural Pennsylvania within our existing powers.

Much remains to be done at the national level. Before I touch on suggestions on that level, let me mention one more state project I have directed Jim McHale to tackle: that is the structuring of a pilot producer-consumer cooperative project. We hope that this will be a start toward a national trend in producer-consumer cooperatives utilizing the auspices of the AFL–CIO, the U.A.W. and all labor organizations as well as the enterprise of such organizations as the Opportunities Industrialization Centers in our Urban areas. Certainly milk, meat products and farm processed foods lend themselves to this concept.

In Pennsylvania, the National Farmers Organization recently conducted off-the-truck sales of cheese and ground meat direct to the consumer. The NFO was very successful. It appears to me that the scale of that kind of effort must be broadened to allow the farmer a fair price and the consumer a fair shake.

At this point we really are moving into the national arena. American producers cannot afford to produce while at the same time American consumers cannot afford the products which reach the supermarket shelves. He must find out where the long maligned "problem in the middle" really is. This project will be a sound beginning.

But really constructive actions still must come from the federal government.

To list a few, we must:

Move ahead with farming legislation that will give farmers an incentive to produce through higher support and loan rates.

Conduct an investigation of middleman and retail profits in the food industry such as that recently launched by Senator McGovern's Select Committee on Nutrition and Human Needs.

Adopt a national Family Farming Act, which will prevent our family farms from being swallowed up by conglomerates and multi-national corporations not primarily engaged in agricultural production.

Take the lead in establishing international commodity reserves which would tend to stabilize prices and provide a critical reserve of food and fiber.

Increase the use of the Commodity Credit Corporation so that a year's supply of feed grains and oil seeds will be held in reserve domestically and handled in a way which will not depress prices to farmers below a fair income level.

Adopt land use policies at the state level that will set aside good plowland into a permanent preserve which can be used for no other purpose than family farming.

Adopt a strong national policy of helping young people to get started in farming by providing long-term, low-interest credit.

Do everything necessary at all levels of government to achieve the goal of the Rural Development Act of 1972. The goal is to bring about a balance in equality of opportunity and standard of living between urban and rural America.

Encourage further development of farmer-consumer cooperatives.

The points, I believe, are the fundamentals of a prescription to turn our farm economy, and hence the nation's economy, around. Time is short. We'd better act fast.

You gentlemen are on the firing line in your respective states. May I suggest you look up and then fire away.

FOREIGN GOVERNMENT INVESTMENT CONTROL ACT

Mr. ROTH. Mr. President, on Monday, I intend to introduce legislation entitled the "Foreign Government Investment Control Act" designed to control and regulate investment in American industry and real estate by foreign governments, foreign governmental institutions, and private individuals acting as agents for foreign governments.

This bill does not affect private investment, nor does it restrict investment which would be beneficial to the interests of the United States. Its purpose is precisely to insure that investments made by foreign governments are in our national interests and consistent with our national ideals.

The rise of concern over foreign investments in this country is closely related to several fundamental changes in the international economic and financial structure—the recovery to full economic health of Western Europe and Japan, the devaluation of the dollar making investment in the United States cheaper in terms of foreign currencies, and, more recently and most importantly, the acquisition of huge amounts of capital by oil producing countries.

A level-headed, dispassionate response to these developments requires a thorough appreciation of both the positive and negative features of foreign investment.

It must be recognized that foreign investment can contribute to the capital resources of the United States. When it adds to our resources and creates new jobs and industry, it is beneficial and should be welcomed. In fact, when the United States was young, foreign investment of this nature, primarily coming from Europe, was a very significant factor in our economic growth.

It has been estimated that a program of energy self-sufficiency will require capital investment of between $400 and $600 billion in the next 10 years. Under proper conditions, where control is not exercised by foreign governments, foreign investment can be very helpful in providing the immense funds which will be needed.

U.S. foreign investment abroad has been predominantly of the type that is beneficial to the host country. It has, therefore, usually been welcomed by developing countries who have viewed it as an important instrument of economic growth and new technological know-how.

Our investment abroad and traditional foreign investment in the United States, however, is fundamentally different in at least two respects from the kind of investment we may see coming from the Arab world.

In the first place, American foreign investment is investment by private companies, made for economic reasons. In contrast, much of current Arab investment is government investment, and the policies of the foreign owners may reflect not simply economic considerations, but political and foreign policy considerations as well. For this reason, the Foreign Government Investment Control Act prohibits foreign governments from investing at all in the sensitive areas of defense industries and the media. It is essential that foreign governments do not own newspapers, radios or television stations which they may use for propaganda.

An essential part of our national interests is to insure that there is no corruption of our ideals of equal opportunity for all of our civil rights laws preventing discrimination against any individual because of his race or creed. I am absolutely and fundamentally opposed to the practices of some Arab governments which discriminate against Jewish people and against firms engaged in trade with Israel. These practices are not something new, but have been going on ever since Israel was established almost 30 years ago. I applaud those companies which have resisted this pressure.

It is imperative that the United States not permit foreign government investors to introduce any form of this ugly racial or religious discrimination into the United States. I welcome President Ford's strong statement yesterday on this subject. He has made it clear that the United States will use its civil rights legislation to prevent such discrimination.

The Foreign Government Investment Control Act can be a powerful tool in the hands of the executive branch for preventing racial discrimination. If a company in the United States that represents an investment by a foreign government is practicing discrimination, it cannot only be prosecuted under our laws, but any new investments by the same foreign government can be and should be prohibited as contrary to the national interests.

A second fundamental difference between American foreign investment and OPEC investment is that while U.S. investment brings new technologies and skills to other countries, petrodollar investments are simply capital and capital accumulated not through hard work, efficient management, or advanced technology by the owners. Rather petrodollar funds have been acquired through monopolistic control of the world oil market. Having used their monopoly to increase world oil prices five-fold in less than 2 years, the OPEC countries now, in a kind of double whammy, can add injury to injury by using the ill-gotten booty to purchase industries built up painstaking over the years by the blood and sweat of Americans. I welcome investment that creates new jobs but not investment that simply transfers ownership without adding something to the economy.

I believe that the oil producing countries should receive a fair price for their oil, a price reflecting the laws of supply and demand. But a monopolistic price is not a fair price.

To date, Arab countries have been restrained in their investments. Major investments have taken place in Europe where Arab governments have purchased substantial shares of Krupp and Daimler-Benz, but no truly substantial investments have taken place in the United States. Nevertheless, the potential for substantial investment is there, and it is essential to establish the legislation needed to protect American industries from investment that is not in the national interest.

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RESIGNATIONS FROM THE FEDERAL BENCH

Mr. STEVENS. Mr. President, recently a concerned citizen provided me with a copy of the State Bar of New Mexico Bulletin of January 16, 1975. It contained a brief article regarding the number of resignations from the Federal bench and the reasons for this 100-year record of resignations. The article succinctly points out the problem this Congress must face with relation to the salaries of our top officials, not only in the judicial branch of Government, but the executive and legislative as well. I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDICIAL COMPENSATION REVIEWED

The honor of being His Honor can be an empty one, and so, as a result, can be His Honor's chair. Low pay is cited as one of the main reasons today making it difficult to keep judges from leaving the bench and influencing lawyers to prefer private practice to judgeships.

Five federal district judges have resigned this year, a 100-year record of resignations, according to a survey by Pat Chapin, research assistant for Judicature, journal of the American Judicature Society. Money wasn't the only reason given by the five who resigned (they also cited the necessary monastic social life, time away from their families, and mounting case backlog) but it was a definite factor. The 497 active federal district judges are appointed for life, retire on full salary and currently receive $40,000 a year, the Judicature survey points out. They also haven't received a salary review or even a cost-of-living raise for the last five years.

One of the five, Judge Anthony T. Augelli of New Jersey, joined General Motors as a judge in disputes between the company and its dealers. As a point of reference, Judicature notes that the nation's No. 1 judge, the chief justice of the U.S. Supreme Court, now makes $62,500 a year. The salary of the chief executive of GM is listed at $875,000.

The state judiciary fares a little better in keeping pace with the rising cost of living. National averages are $36,117 for associate justices of the supreme courts, $32,484 for general trial court judges—up about $5,000 a year from the 1972 American Judicature Society salary survey. And 1974 was a good year for the state judiciary—more than half of them got raises. But, raises are often subject to the whims of state legislatures, and there are automatic cost-of-living clauses in the judicial salary scale in only five states—California, Maryland, Massachusetts, Tennessee, and Pennsylvania.

The private sector of the law still looms greener. Judge David L. Middlebrooks, Jr., of Tallahassee, Fla., another of the federal district judges who resigned this year, suggests that anyone competent to be a federal judge can earn $60,000 to $100,000 a year in private practice. Retired Supreme Court Justice Tom C. Clark and Chesterfield Smith, former president of the ABA, feel that the threat to judicial excellence is not so much from resignations as in difficulty attracting top flight lawyers to the bench. "All judges deserve the assurance that their needs are not forgotten, that their salaries are under regular evaluation and that they will not be skewered by the inflation spiral," concludes the Judicature article.

MINNESOTA DAIRYMEN FACE A BLEAK FUTURE

Mr. HUMPHREY. Mr. President, I would like to share with this body a release from the Minnesota Department of Agriculture pertaining to the dairy situation in my State.

I have pointed out repeatedly the crisis facing our dairy producers. While the Department of Agriculture reluctantly and belatedly raised the support level for milk to 80 percent of parity in January 1975, our dairy farmers continue to lose money. The release estimates that dairy farmers are losing 25 cents on each gallon of milk with each cow losing a farmer 86 cents per day.

Our dairy industry is a vital part of American agriculture, but this administration has been almost oblivious to its problems. I have introduced legislation to set the milk support level at 90 percent of parity with a quarterly adjustment of the prices paid to farmers.

It is urgent that legislative action be taken, because the administration has declared that the support level will be 80 percent of parity through March 1976. With the ever-increasing costs of production, this is likely to mean that the support level will drop well below 80 percent of parity.

In the past year, over 3,100 Minnesota dairy farmers were driven out of production, because of the cost-price squeeze. This trend is likely to continue if we do not take action to reduce losses to our dairy farmers.

Mr. President, I ask unanimous consent that this release be printed in the RECORD.

There being no objection, the dairy report was ordered to be printed in the RECORD, as follows:

DAIRY REPORT—MINNESOTA DEPARTMENT OF AGRICULTURE

Dairy farming is continuing to be one of the most disastrous family business enterprises in Minnesota despite the emergency federal action last month to increase the milk price support by nearly six cents per gallon, Agriculture Commissioner Jon Wefald reported today.

"The fact is—testified by nearly 1,000 central Minnesota dairy farmers at an emergency meeting in Foley, Minnesota recently, and from hundreds of telephone and mail contacts—that Minnesota dairy farmers are actually receiving less than 64 per cent of parity," Commissioner Wefald stated.

He said that Minnesota dairy farmers lost nearly $23.4-million during January, according to latest production, cost and price estimates. That boosted the industry's aggregate losses during the past year to upwards of $200-million.

"Dairy farmers in Minnesota are losing 25 cents on every gallon of milk they market. Each cow is losing the farmer 86 cents a day.

"Minnesota dairy farmers would take some hope if they could see anything near the 80 per cent of parity average milk price the January 3 federal increase in the minimum support from $6.57 to $7.24 per 100 pounds (11.63 gallons) was supposed to accomplish.

He said that the U.S. Department of Agriculture estimated Minnesota's mid-January average price paid farmers for milk at $6.97 compared to a national full parity price of $11.

Dairy farmers from all parts of Minnesota have reported they are receiving as little as $6.25, less than 57 per cent of parity, and a maximum of $6.90, less than 63 per cent of parity, for manufacturing grade milk produced and sold in January.

University of Minnesota agriculture extension economists have estimated that it costs the state's farmers an average of $9.90 to produce 100 pounds of milk, or slightly over 85 cents per gallon. The farmer now is receiving only 53 to 59 cents per gallon.

Minnesota's January milk production is officially estimated at 802-million pounds (nearly 69-million gallons) obtained from 886,000 dairy cows.

At the unit cost average of $9.90, the state's January milk production represented a total farm cost of $79,398,000. The market value received by farmers for that volume of milk during January, according to the mid-month price average of $6.97 was $55,899,000.

Commissioner Wefald said the January loss for the state's dairy industry, divided by the 34,000 family dairy farms, indicates a one month loss of upwards of $688 per farm.

He said the federal price support action has been too little, too late and too indirect to save many Minnesota dairy farmers.

"In the first place, the milk price support is not paid directly to the farmer. Federal price support actually is an attempt to influence the commercial market—which is still glutted by two years of unrestricted imports—by purchasing butter, cheese and powdered milk from commercial inventories held by processors and brokers. The dairy farmer never sees a government check for his milk. The government buys manufactured dairy products only, from the middlemen.

"In the second place, even federal authorities are reluctant to estimate when and if the dairy industry nationally may see milk prices paid farmers at 80 per cent of parity. Many dairy farmers will not be able to hang on and avoid bankruptcy on weak assurances from federal spokesmen that milk prices may reach the minimum parity level by late February or some ensuing month.

"In the third place, Minnesota dairy farmers may never see 80 per cent of parity, because this state's milk price averages among the two or three lowest in the entire nation, consistently lagging 10 per cent or more behind the national average, unless there is a significant change in federal policy or until enough family dairying operations have been financially liquidated to sharply cut production and inventories below national consumer requirements.

"Neither farmers nor consumers can afford the latter alternative," Commissioner Wefald suggested.

RECESS UNTIL 3:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 3:30 p.m. today.

There being no objection, the Senate, at 12:51 p.m., recessed until 3:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BENTSEN).

RECESS UNTIL 4:30 P.M.

Mr. ALLEN. Mr. President, I move that the Senate stand in recess until the hour of 4:30 p.m. today.

There being no objection, the Senate, at 3:31 p.m., recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CULVER).

RECESS UNTIL 4:45 P.M.

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess until 4:45 p.m.

There being no objection, the Senate, at 4:31 p.m. recessed until 4:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GRIFFIN).

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess until the hour of——

Mr. ALLEN. Will the Senator yield so I might ask a question?

Mr. MANSFIELD. Mr. President, I withhold that request. I yield to the Senator from Alabama.

Mr. ALLEN. The Senator apparently is going to recess until Monday and the Senator from Alabama has no objection to going over until Monday. He is hoping somewhere along the line the distinguished majority leader is going to adjourn the Senate as distinguished from recessing the Senate, because the recess gives a decided advantage in this matter to what I have been calling "the gag rule Senators." The leadership, I am sure, is not taking sides in this matter, and it would seem that a more even-handed approach would be to recess one day and adjourn the next.

I wonder if the distinguished majority leader has given any thought to giving us a break sometime?

Mr. MANSFIELD. The Senator has raised a very valid question, and were I in his shoes I would raise the question time and time and time again.

Were I acting as the Senator from Montana I might act differently, but I think that as majority leader, I do have to wear that hat on occasion, and the best assurance I can give the distinguished Senator at this time is that hopefully sometime in the not-too-distant future we will be able to adjourn, but I would not like to move it tonight.

Mr. ALLEN. I appreciate the nonanswer that the majority leader has given.

Mr. MANSFIELD. Well, I am getting to be pretty good at evading some questions which are asked direct, but I am not in the easiest of positions, as the Senator will understand.

Mr. ALLEN. Well, I appreciate the distinguished majority leader's statement that in the not-too-distant future he is going to give consideration to adjournment of the Senate, which would give fair treatment to those who advocate free speech here in the Senate.

Mr. MANSFIELD. Well, I know that if the distinguished Senator from Alabama were in my shoes, he would be in the same perilous position in which the Senator from Montana, acting as majority leader, finds himself.

Mr. ALLEN. I thank the Senator.

Mr. GRIFFIN. Mr. President, would the majority leader take enough time to have a brief quorum call?

Mr. MANSFIELD. Yes, but I wish to make a request first.

SENATE RESOLUTION 91—REFERRAL TO COMMITTEE ON RULES AND ADMINISTRATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senate Resolution 91, a resolution relating to the activities of the Committee on Foreign Relations in facilitating the interchange and reception of certain foreign dignitaries, be removed from the Calendar and be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER (Mr. BAKER). Without objection, it is so ordered.

Mr. MANSFIELD. Now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL TOMORROW AND FROM TOMORROW UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I have discussed with the distinguished Senator from Alabama the following request, which is a double-barreled request: I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 o'clock noon tomorrow, and that when the Senate completes its business tomorrow it stand in recess until the hour of 12 o'clock noon on Monday.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Alabama.

ORDER FOR RECOGNITION OF SENATOR MANSFIELD AND SENATOR HUGH SCOTT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders have been recognized under the standing order, the distinguished majority leader be recognized for not to exceed 15 minutes, after which the distinguished assistant Republican leader be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 4:55 p.m., the Senate recessed until Friday, February 28, 1975, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 27, 1975:

U.S. ADVISORY COMMISSION ON INFORMATION

John M. Shaheen, of Illinois, to be a Member of the United States Advisory Commission on Information for a term expiring January 27, 1977. (Reappointment)

ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

The following-named persons to be members of the Advisory Council on Women's Educational Programs for the terms indicated (new positions):

For a term of 1 year:
Benjamin DeMott, of Massachusetts.
Marsha Jean Darling, of North Carolina.
Jon W. Fuller, of Michigan.
Margaret B. Harty, of Texas.
Holly Knox, of the District of Columbia.
Irene E. Portillo, of California.

For a term of 2 years:
M. Anne Campbell, of Nebraska.
Joanne M. Carlson, of Oregon.
Bernice Sandler, of Maryland.
Gerald E. Weaver, of Mississippi.
Sister M. Joyce Rowland, of Minnesota.

For a term of 3 years:
Mary L. Allen, of Kansas.
Ernest L. Boyer, of New York.
Katherine K. Burgum, of North Dakota.
Theresa Aragon de Shepro, of Washington.
Mary Beth Peters, of Pennsylvania.
Agnes M. Dill, of New Mexico.

SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

Frederick B. Dent of South Carolina, to be Special Representative for Trade Negotiations, with the rank of Ambassador Extraordinary and Plenipotentiary (new position).

HOUSE OF REPRESENTATIVES—*Thursday, February 27, 1975*

The House met at 12 o'clock noon.

The Reverend William Ayres, St. Joseph's Roman Catholic Church, Babylon, N.Y., offered the following prayer:

O Lord, You are the deepest source of our life and our hope. Help us to know what You call us to do as servants of Your people.

May we honestly recognize our own fears and doubts, so that we do not act from them but rather overcome them with Your strength.

Help us to recognize any false pride or narrow self-interest so that we may never betray Your call to us or our responsibility to Your people.

May we hear the cry for justice from the poor, the hungry, and the oppressed in all lands.

Most of all, Lord, help us to believe that we are loved, and that our greatest joy is in loving You and one another in return.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

UMI

S. 281. An act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

THE REVEREND WILLIAM AYRES

(Mr. DOWNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY. Mr. Speaker, if it appears that I feel somewhat nervous today, it is because this is the first time I have had the privilege of addressing this body. I could not think of a more fitting occasion than this, to compliment my good friend and spiritual adviser, the Reverend Bill Ayres.

Everything Reverend Ayres does, from the rock program that he has to increase spiritual awareness in our young people over a radio station in New York to his work on world hunger, indicates his compassion and deep feeling for his fellow human beings.

Mr. Speaker, I am proud to know him and honored to introduce him today.

FURTHER AID TO CAMBODIA

(Mr. ROUSH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSH. Mr. Speaker, day after day we see pictures and hear reports of the human suffering in Cambodia, suffering that occurs because of the war that is going on in that faraway land. Suffering that is being prolonged because of our continual support of that war. The administration has asked for an additional appropriation of $222 million in order to prop up the Lon Nol government in Phnom Penh. This money would be pumped into the country, not to relieve the suffering of the Cambodian people, but to support a regime that is declining daily. This $222 million is in addition to the $377 million already expended this fiscal year to support a war which no one has said can or will be won.

The President has told us we must keep our "word" to the Cambodians, we cannot let them down. I must take exception to this. It was established in hearings on this matter before the Foreign Operations Subcommittee of the House Committee on Appropriations by Chairman PASSMAN and Assistant Secretary of State Philip Habib that the United States has no legal obligation to Cambodia. Let me quote a passage from those hearings:

Mr. PASSMAN. If we should deny all funds, we have violated no legal commitments?

Mr. HABIB. That is correct.

We are being asked to appropriate money not to keep a legal commitment nor to help those in Cambodia, but to prolong their misery and despair by prolonging a cruel and unnecessary civil war.

And, finally, Mr. Speaker, we must ask ourselves the question, the answer to which must ultimately dictate our decision and that is this: Is what we propose in the best interest of the United States? I must say "no" and conclude that I cannot and will not be a party to this appropriation of additional funds for military support to Cambodia.

TEXAS SHOULD BE FIVE STATES

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, the time has come for Texas to consider action on dividing into five States. When Texas was annexed to the Union in 1845, the joint congressional resolution stated that—

New States, not exceeding four in number, in addition to said State of Texas, may hereafter, by consent of said State, be formed—entitled to admission under the provisions of the Federal Constitution.

Instead of having one State of Texas, we should have five Texas States including north, south, central, east, and west Texas.

Our county of Dallas has three times the population of the State of Vermont. Houston is twice as large as the State of New Hampshire. Add one county to San Antonio and you would have a State larger than Maine. Texas has four times as many square miles as New England, yet Texas is only one State and New England represents six States.

Because Texas does not have a heavy State debt, the division would be possible without financial complications. Every year Texas balances its budget and this fiscal strength would let all five States start with no debt.

The States would have homogeneous relationships. Dallas and Fort Worth already have joint economic interests. Houston would be the hub of another State. San Antonio would be the center of south Texas and Texas large Mexican-American population. All west Texas would tie together with their common interest in ranching. Central Texas could be built around the present State capital in Austin.

Instead of 2 U.S. Senators, we would then have 10. Instead of one Governor we would have five. The last man to speak out strongly in behalf of this plan of five Texas States was Speaker John Nance Garner. The execution of this plan rests with the Texas State Legislature.

When Texas annexed and no longer was the Republic of Texas, the guiding fathers had foresight in specifying the right and provision for Texas to later divide into five States of the United States. Now the eastern liberals are asking for no tax on fuel oil and all the tax on gasoline. The western liberals suggest nationalizing the oil industry. The northern liberals want price ceilings on beef. Everyone wants to work over Texas because we have a small voice. The time has come for Texas to be five States.

SUPPORT OF DEPLETION ALLOWANCE

(Mr. MAHON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MAHON. Mr. Speaker, today the House will be considering the Tax Reduction Act of 1975, along with an amendment to repeal the depletion allowance for oil and gas effective January 1, 1975.

It is mandatory that the United States move as rapidly as possible toward domestic sufficiency in energy. The repeal of the depletion allowance would discourage exploration for oil and gas and slow down new efforts which are underway to make this country less dependent upon foreign sources for energy.

In the past year we have experienced a significant increase in the drilling of oil and gas wells in this Nation. We must not destroy the progress that we are now making and, in fact, we must accelerate it.

Mr. Speaker, this Nation faces a very grave economic situation. Without a doubt our imports of foreign oil and the high prices that we must pay for this oil are prime contributors to our economic problems.

We must solve these problems and we simply cannot move in a direction that only further heightens our dependence on foreign oil.

Mr. Speaker, I wish to record my continued disapproval of the proposed elimination of the depletion allowance. Does anyone believe that elimination of the depletion allowance could do anything except remove one of the important incentives that exist for oil and gas exploration?

This incentive is particularly important for the independent producers of oil and gas who drill about 80 percent of all exploratory wells. They must be encouraged to continue to exert a maximum effort to find more reserves of oil and gas. It is for this major reason that I speak out against the repeal of the depletion allowance. We want more fuel for our cars, for our homes, and for industry. We should not erect a roadblock against domestic self-sufficiency in oil and gas.

FIRST OFFICIAL BICENTENNIAL VISITOR

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, during this coming weekend a historic event will occur in which I, as a native-born Guamanian, am doubly proud to be a part. At 7 a.m. on Saturday, March 1, 11-year-old Patrick Andrew Guzman, of Umatac, Guam, will arrive at Dulles International Airport as the first official Bicentennial visitor. With the cooperation of the Guam Bicentennial Committee and Mr. Kent Williams, San Francisco regional director for the American Revolution Bicentennial Administration, Patrick not only will open America's Bicentennial celebration, but will also become a part of Guam's historical relationship with these United States.

Along with Gov. Ricardo Bordallo, of Guam, I and other representatives of the city of Washington and the Bicentennial Administration will welcome this young traveler on his first trip away from Guam. Along his route he will stop in Honolulu, San Francisco, and Los Angeles and help to open each city's Bicentennial celebrations as he is presented the keys to these cities.

Young Patrick will have the opportunity to see firsthand the Declaration of Independence which gave birth to our country two centuries ago. He will tour the White House, meet with local and Federal officials, with Mr. John Warner, Director of the Bicentennial Administration, and visit many historic monuments of our Nation's Capital. A hockey game and a children's party will top off his very busy and crowded schedule.

On behalf of my colleagues in the House of Representatives, I would like to welcome Patrick Andrew Guzman to our city and to the Congress of the United States. It will be my pleasure and honor to be his official host in Washington and it is a great source of personal pride for one of my young countrymen, on whom rest the future hopes of Guam, to be so intimately involved in the 200th birthday of our great Nation.

MAKING FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year 1975, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, after line 14, insert:

"CAPITOL BUILDINGS AND GROUNDS"

Page 2, after line 14, insert:

"CAPITOL GROUNDS

"For an additional amount for 'Capitol Grounds' to enable the Architect of the Capitol to convert squares 680, 681 West, and 722, now a part of the United States Capitol Grounds, for use as temporary parking facilities for the United States Senate, $134,000, to remain available until June 30, 1976."

Page 2, after line 14, insert:

"ACQUISITION OF PROPERTY AS A SITE FOR PARKING FACILITIES FOR THE UNITED STATES SENATE

"For an additional amount for 'Acquisition of property for a site for parking facilities for the United States Senate', $866,000, to remain available until expended."

Page 3, after line 20, insert:

"GENERAL PROVISION

"SEC. 101. Section 205 of the Supplemental Appropriations Act, 1975 (Public Law 93-554) is hereby repealed: *Provided*, That none of the limitations on travel included in the regular appropriations for fiscal year 1975 shall be exceeded."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Texas would be kind enough to explain the Senate amendments.

Mr. MAHON. Mr. Speaker, if the gentleman will yield, I will be happy to do so.

There were four amendments adopted by the other body. Three of these amendments have to do with the business of the Senate.

Senate amendment No. 1 simply is a technical amendment. It inserts a heading.

Senate amendment No. 2 provides for additional amounts for Capitol grounds to enable the Architect of the Capitol to convert certain property of the U.S. Capitol for use as temporary parking facilities for the U.S. Senate.

Amendment No. 3 is for the acquisition of a site for parking facilities.

These are additions relating to the Senate, and normally we do not undertake to revise such Senate provisions and the Senate does not undertake to alter provisions of the House.

Then, Senate amendment No. 4 is a general provision. It relates to the governmentwide travel limitation. In the supplemental bill last December the House and Senate conferees agreed to what amounted to a 5-percent reduction in travel. This applied to all Government departments and agencies. There has been such a problem as a result of this blanket reduction in travel that the proper execution of some critical activities have been threatened. It has been contended that the travel limitation is unworkable and very harmful to the carrying on of programs generally, so it is repealed in this amendment No. 4.

Mr. BAUMAN. Then there is no provision in these amendments which relates to the $35 per diem for Senators?

Mr. MAHON. No, there is nothing like that in the Senate amendments.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

Mr. MAHON. Mr. Speaker, the repeal of the travel limitation in the supplemental appropriation bill should by no means be interpreted that congressional concern about travel and travel costs has diminished. It has not.

When the supplemental was considered in the other body in November an amendment was agreed to which would have limited travel to 75 percent of the rate of obligations in fiscal year 1975. There was widespread feeling that Government travel was excessive but at conference it was recognized by some that the Senate amendment was probably too severe, especially considering that almost half the fiscal year had elapsed. Consequently, the conferees modified the Senate amendment and agreed to a provision that was less severe and which it was hoped would be more workable.

As the modified travel limitation was implemented, it became apparent that many necessary requirements for travel by certain agencies could not be adequately fulfilled. Over a period of many weeks we have conferred with the Appropriations Committee of the other body and with officials of the executive branch seeking an equitable solution to the growing problems associated with such a blanket limitation. Very recently I conferred with the chairman of the Senate Appropriations Committee and it was agreed that the best course of action at this time under the circumstances was to repeal the limitation and direct attention to the matter in connection with the appropriations for fiscal year 1976 for which hearings are currently being conducted.

Yesterday, when the repeal of the limitation was being considered in the other body, the chairman of the Senate Appropriations Committee very clearly laid out why the travel limitation was causing problems. I commend his remarks to the attention of Members.

Mr. Speaker, the conference report on the supplemental contained a statement that the Appropriations Subcommittees would conduct a continuing review of Government travel costs of individual departments and agencies with a view toward achieving further economies and reductions where practicable. I will do everything I reasonably can toward that objective and I will urge others to do likewise.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBER OF NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

The SPEAKER. Pursuant to the provisions of 44 United States Code 2501, as amended, the Chair appoints as a member of the National Historical Publications and Records Commission the gentleman from Indiana, Mr. BRADEMAS.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to the clauses 6 (e) and (h), of rule X, and without objection, the Chair appoints as additional members of the Select Committee on Aging the following Members of the House:

The gentleman from Oklahoma (Mr. RISENHOOVER) and the gentleman from Maryland (Mr. GUDE).

There was no objection.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 28]

Abzug	Burke, Calif.	Dodd
Andrews, N.C.	Butler	Drinan
Ashley	Chappell	Edwards, Calif.
Badillo	Chisholm	Fenwick
Barrett	Conyers	Flynt
Brown, Mich.	Diggs	Fountain

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Fraser	McCormack	Satterfield
Goldwater	Milford	Scheuer
Hébert	Mills	Solberling
Heckler, Mass.	Murtha	Shuster
Hinshaw	Obey	Stanners
Jones, Okla.	Patterson,	Teague
Ketchum	Calif.	Thompson
Kindness	Rhodes	Waxman
Long, Md.	Rostenkowski	Wiggins
McCloskey	Rousselot	Young, Alaska

The SPEAKER. On this rollcall 385 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RULES OF THE JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

Mr. BROOKS. Mr. Speaker, following the organizational meeting of the Joint Committee on Congressional Operations on Thursday, February 20, 1975, and in accordance with rule XI, section 2(a) of the rules of the House, I am submitting for publication in the CONGRESSIONAL RECORD the joint committee's rules for the 94th Congress.

As the joint committee is a continuing body, these rules are unchanged from those used in the 93d Congress:

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

RULE 1

The rules of the Senate and House, insofar as they are applicable and consistent with sections 401 through 407 of Public Law 91-510, shall govern the committee and its subcommittees. The rules of the Committee, insofar as they are applicable, shall be the rules of any subcommittee of the committee.

RULE 2

The meetings of the committee shall be held at such times and in such places as the chairman may designate, or at such times as a quorum of the committee may request in writing, with adequate advance notice provided to all members of the committee. Subcommittee meetings shall not be held when the full committee is meeting.

RULE 3

Six members of the committee shall constitute a quorum, except that two members shall constitute a quorum for the purpose of taking testimony and receiving evidence. A majority of the members of a subcommittee shall constitute a quorum of such subcommittee except that two shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE 4

A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto. A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date on which it was signed and the member to whom the proxy is given. Each proxy authorization shall state, and shall be limited to, the specific measure or matter to which it applies; and unless it states otherwise, it shall apply to any amendments or motions pertaining to that measure or matter. Unless limited by its terms, a proxy shall remain valid until revoked or until superseded by a proxy bearing a later date. A proxy may contain more than one authorization.

RULE 5

The chairman in consultation with the vice chairman may—

(1) name standing or special subcommittees, and

(2) designate the chairman of each standing or special subcommittee.

No member of the committee shall be chairman of more than one standing or special subcommittee. The total number of chairmanships, and the membership, of standing and special subcommittees shall be equally divided, so far as practicable, between the Members of the Senate and the Members of the House of Representatives on the committee. Any member of the committee shall have the privilege of sitting with any subcommittee during its hearings or deliberations, and may participate in such hearings or deliberations, but no such member shall vote on any matter before such subcommittee.

RULE 6

The committee shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman. The chairmanship and the vice chairmanship shall alternate between the Senate and the House of Representatives with each Congress. The chairman during each even-numbered Congress shall be selected by the Members of the House of Representatives on the committee from among their number and the chairman during each odd-numbered Congress shall be selected by the Members of the Senate on the committee from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a Member.

RULE 7

All meetings and hearings conducted by the committee or its subcommittees shall be open to the public except where the committee or subcommittee, as the case may be, by a majority vote orders an executive session.

RULE 8

So far as practicable all witnesses appearing before the committee shall file advance written statements of their proposed testimony, and their oral testimony shall be limited to brief sumaries. Brief insertions of additional germane material will be received for the record, subject to the approval of the chairman.

RULE 9

An accurate stenographic record shall be kept of all testimony. Brief supplemental materials when required to clarify the transcript may be inserted in the record subject to the approval of the chairman.

RULE 10

Each member of the committee shall be provided with a copy of the hearings transcript for the purpose of correcting errors of transcription and grammar, and clarifying questions or remarks.

RULE 11

Testimony received in executive hearings shall not be released or included in any report without the approval of a majority of the committee.

RULE 12

The chairman shall provide adequate time for questioning of witnesses by all members.

RULE 13

Television and radio coverage of open hearings of the committee, or any subcommittee, shall be allowed unless a majority of the members of the committee or subcommittee disapprove. Television and radio coverage of any such portion of hearings of the committee, or of a subcommittee, as may include testimony of a witness shall not be authorized if such witness objects to such television or radio coverage: *Provided* that such witness shall be afforded the opportunity to make such objection, if any, to the committee or subcommittee at a time when the proceedings are not being covered by television or radio.

RULE 14

No committee report shall be made public or transmitted to the Congress without the approval of a majority of the committee except that when the Congress has adjourned, subcommittees may by majority vote and with the express permission of the full committee submit reports to the full committee and simultaneously release same to the public: *Provided*, that any member of the committee may make a report supplementary to or dissenting from the majority report. Factual reports by the committee staff may be printed for distribution to committee members and the public only upon authorization of the chairman of the full committee.

RULE 15

There shall be kept a complete record of all committee proceedings and action. A clerk of the committee, or a designated member of the committee staff, shall act as recording secretary of all proceedings before the committee and shall prepare and circulate to all members of the committee the minutes of such proceedings. Minutes circulated will be considered approved unless objection is registered prior to the next committee meeting. The records of the committee shall be open to all members of the committee.

RULE 16

The chairman of the committee, upon consultation and with the recommendation of the vice chairman, shall have the authority—

(1) to appoint, on a permanent basis, without regard to political affiliation and solely on the basis of fitness to perform their duties, not more than six professional staff members, and not more than six clerical staff members;

(2) to prescribe their duties and responsibilities;

(3) to fix their pay at respective per annum gross rates not in excess of the highest rate of basic pay, as in effect from time to time, of the General Schedule of section 5332(a) of title 5, United States Code; and

(4) to terminate their employment as he shall deem appropriate.

No appointment or salary adjustment shall become effective until approved by a record vote of a majority of the Committee.

RULE 17

The chairman shall have the authority to utilize the services, information, facilities, and personnel of the departments and establishments of the Government, and to procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract at rates of pay not in excess of the per diem equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code, including payment of such rates for necessary travel-time.

RULE 18

Attendance at Executive Sessions shall be limited to members of the committee, the committee staff and Congressional staff designated by committee members to attend such sessions. Other persons whose presence is requested or consented to by the committee may be admitted to such sessions. Any individual who is not a member may be excluded by the committee.

RULE 19

Selection of witnesses for committee hearings shall be made by the committee staff under the direction of the chairman. A list of proposed witnesses shall be submitted to the members of the committee for review sufficiently in advance of the hearings to permit suggestions by the committee members to receive appropriate consideration.

RULE 20

Proposals for amending committee rules shall be sent to all members at least one week before final action is taken thereon. Approval by at least six members of the committee shall be required to amend these rules.

RULE 21

The information contained in any books, papers, or documents furnished to the committee by any individual, partnership, corporation, or other legal entity shall, upon the request of the individual, partnership, corporation, or entity furnishing the same, be maintained in strict confidence by the members and staff of the committee, except that any such information may be released outside of executive session of the committee if the release thereof is effected in a manner which will not reveal the identity of such individual, partnership, corporation, or entity: *Provided*, That the committee by majority vote may authorize the disclosure of the identity of any such individual, partnership, corporation, or entity in connection with any pending hearing or as a part of a duly authorized report of the committee if such release is deemed essential to the performance of the functions of the committee and is in the public interest.

JACK BENNY SHOULD BE HONORED BY A COMMEMORATIVE STAMP

(Mr. McCLORY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. McCLORY. Mr. Speaker, today I am introducing a bill to provide for the issuance of a commemorative stamp in honor of the late Jack Benny.

Mr. Speaker, it strikes me that this great American, who was indeed a national institution, should be appropriately honored by the citizens of our Nation. In this connection, there is general interest in my congressional district in support of such a commemorative postage stamp honoring Jack Benny.

Mr. Speaker, the most populous urban center in my congressional district is Waukegan, Ill. Indeed, Waukegan achieved national recognition as a result of Jack Benny and his appealing good humor and close rapport with citizens of our Nation, young and old, and from all walks of life.

Mr. Speaker, it would be a fitting tribute to this honored citizen to issue a postage stamp in his memory. Accordingly, I am today introducing a bill for this purpose, a copy of which is attached to these remarks.

A bill to provide for the issuance of a commemorative postage stamp in honor of the late Jack Benny

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to issue a special postage stamp in honor of the late Jack Benny. Such stamp shall have a denomination of 10 cents, shall bear such design as the Postmaster General shall determine, shall first be placed on sale on a date to be subsequently determined by the Postmaster General at the Main Post Office at Waukegan, Illinois, and shall be sold for such period thereafter as the Postmaster General shall determine.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2166, TAX REDUCTION ACT OF 1975

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 259 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 259

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 2(1)(6) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R 2166) to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and to the amendments made in order by this resolution and shall continue not to exceed four hours, three hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, thirty minutes to be controlled by Representative Green of Pennsylvania, and thirty minutes to be controlled by Representative Charles Wilson of Texas, the bill shall be considered as having been read for amendment. It shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill as an original bill for the purpose of amendment, and said substitute shall be considered as having been read for amendment. No amendment to the bill or to said substitute shall be in order except (1) amendments offered by direction of the Committee on Ways and Means; (2) the text of the bill H.R. 3612 if offered as an amendment in the nature of a substitute for the said committee substitute; and (3) the amendment inserted on page E696 of the Congressional Record of February 25, 1975, by Representative Green of Pennsylvania if offered either to the committee substitute or to the substitute text of the bill H.R. 3612 if offered, and said amendments shall be in order, any rule of the House to the contrary notwithstanding, but shall not be subject to amendment: *Provided, however*, That an amendment in the following form shall be in order, any rule of the House to the contrary notwithstanding, if offered by Representative Young of Alaska as an amendment to the amendment offered by Representative Green:

"ARCTIC CIRCLE EXEMPTION.—In the case of any well located north of the Arctic Circle, if the taxpayer elects the application of this subsection for the taxable year, then with respect to gross income from crude oil from such well before January 1, 1985, the percentage referred to in section 613(a) shall be 15 percent."; but said amendment shall not be subject to amendment, and: *Provided further*, That the amendment inserted in the Congressional Record of February 26, 1975, by Representative Charles Wilson of Texas shall be in order without the intervention of any point of order as an amendment to the amendment offered by Representative Green, and the said amendment offered by Representative Wilson of Texas shall not be subject to amendment except for two amendments in the following form which shall be in order, any rule of the House to the contrary notwithstanding, if offered by Representative Archer of Texas.

On page 3, strike out subparagraph (C) (in lines 6 through 17) and insert the following:

"(C) REGULATED NATURAL GAS.—The term 'regulated natural gas' means natural gas subject to the jurisdiction of the Federal Power Commission with respect to the sale or transportation of which an order or certificate of the Federal Power Commission is in effect (or a proceeding for the issuance of such an order or certificate has been instituted), if price is taken into account directly or indirectly in the issuance of such order or certificate.

"(3) TERMINATION OF REGULATED NATURAL GAS EXEMPTION.—In the case of regulated natural gas, if the summary of prices published pursuant to paragraph (4) for any calendar year shows—

"(A) an average price per 1,000 cubic feet of regulated natural gas which equals or exceeds

"(B) one-sixth of the average price per barrel of domestic crude oil not subject to Federal price control,

then the allowance for depletion shall be computed for all periods after December 31 of such calendar year without reference to paragraph (1)(A).

"(4) COMPILATION OF DATA WITH RESPECT TO PRICES OF REGULATED NATURAL GAS AND DOMESTIC CRUDE OIL.—For each calendar year beginning after December 31, 1974, the Secretary or his delegate shall compile data establishing—

"(A) the average sales price per 1,000 cubic feet of regulated natural gas sold during such year, and

"(B) the average sales price per barrel of domestic crude oil not subject to Federal price control which is sold during such year.

Within 90 days after the close of any such calendar year (or, if later, within 90 days after the date of the enactment of this Act), the Secretary or his delegate shall publish a summary of such data in the Federal Register. Any such summary so published shall be final and conclusive.

"(5) AUTHORIZATION TO COMPILE DATA.—

"(A) DATA FROM EXECUTIVE AGENCIES.—In compiling the data required under paragraph (4), the Secretary or his delegate is authorized to receive directly from any other executive department or agency of the United States information and statistics necessary for the compilation of such data. Such ther executive department or agency shall furnish any such requested information and statistics directly to the Secretary or his delegate.

"(B) PURCHASERS AND SELLERS TO FURNISH INFORMATION.—If no other executive department or agency of the United States is able to furnish the Secretary or his delegate the information and statistics from which the data required under paragraph (4) can be compiled, the Secretary or his delegate may by regulation require purchasers and sellers of domestic crude oil and regulated natural gas to make such reports of sales, volumes, prices, and related information as may be necessary to compile the data required under paragraph (4).".

(1) On page 6, line 1, strike out "partnership".

(2) On page 8, insert after line 10—

"(5) PARTNERSHIPS.—In the case of a partnership of more than five members, the amount of average daily production which can be attributed to the partners shall not exceed 3,000 barrels.".

(3) Redesignate paragraph (5) as paragraph (6); but said amendments shall not be

subject to amendment. At the conclusion of the consideration of the bill H.R. 2166 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, I would like to explain this rule to the Members. This is an unusual rule, and it is a complicated rule.

On the other hand, I think it is a rule that will allow practically every Member in the House who wishes to express a particular view, at least so far as we have heard, to do so. The only alternative—and it would be more limiting in some respects than this rule because it would prevent a vote on the Green amendment—would be a wide-open rule.

This rule provides for 4 hours of general debate, part of it to be divided, as is the normal fashion, between the chairman of the committee and the ranking minority member of the committee. Three hours of the 4 hours are to be divided in that fashion.

Then the authors of the two principal amendments which are made in order by the rule are each allocated under general debate a half-hour of time, because of the procedure which will be followed when we get to the limited amendment stage. In the limited amendment stage, under the provisions of the modified closed rule, there will only be 10 minutes allowed on each amendment, 5 minutes on each side. In order that the gentleman from Pennsylvania (Mr. GREEN), the author of one of the principal amendments, and the gentleman from Texas (Mr. CHARLES WILSON), the author of an amendment to that amendment, would have an opportunity to explain to the Members of the House the content of their amendments without interfering with the ordinary operation of the rule, the division of time on general debate was made in this fashion.

Beyond that, the rule waives all points of order against practically everything.

The base bill that will be considered is the committee amendment in the nature of a substitute. In order as an amendment to that will be the proposition offered by the gentleman from New York (Mr. CONABLE), which is a substitute for the committee amendment. My understanding is that that is essentially the tax program offered by the President. This in effect would provide for an opportunity to have a contest between the committee tax program and the President's program. I believe that is correct.

That amendment may be offered early or late, as I understand the parliamentary situation, either at the beginning of the consideration of the committee bill or at the end.

In addition to that, a number of other amendments are especially made in order. The question of germaneness is waived with regard to at least two of those amendments. Those two are the so-called Green amendment, which would eliminate all depletion, and the Wilson amendment, an amendment to the Green amendment, which would modify that elimination by giving those who produce less than 3,000 barrels of oil a day an exemption from the elimination of depletion. That would relate to the so-called independents, the wildcatters.

Then, in addition, at the request of particular Members, and by a majority vote of the Committee on Rules, three other amendments to one or another of those propositions are made in order.

Two amendments may be offered by the gentleman from Texas (Mr. ARCHER) which would clarify and modify the depletion allowance. There is another one by the gentleman from Alaska (Mr. YOUNG) that would give special consideration to developments in the Alaskan area, in the Arctic Circle.

Therefore, we have, as I said in the beginning, an unusual rule and a complicated rule. I will be glad to try to answer any questions, if there are any. Otherwise I will yield to my friend, the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished gentleman from Missouri (Mr. BOLLING) has explained this very complicated rule, and indeed it is complicated.

We really are witnessing the fruits of the Democratic Caucus in action, when the caucus mandated the Committee on Rules, to report a rule, and this rule is the caucus rule with certain variations.

I shall not take the time to further explain the rule because Mr. BOLLING has done an excellent job.

But why do we have such a complicated rule before us when the economic picture of this country is suffering almost beyond recall, when this Congress should get down to the business of performing its duty with the passage of a tax rebate bill pumping money immediately into the economy to turn this recession around? Instead, we have before us a bill with nongermane amendments, although they are made germane by the action of the Committee on Rules, which could conceivably delay this tax rebate, this input into our economy by days and weeks, and we will continue to suffer, as many Americans are suffering, unnecessarily.

I want it clearly understood that the oil depletion allowance was tied to this measure by action of the Democratic Caucus; but as the gentleman from Pennsylvania (Mr. GREEN) and others pointed out before Rules it was not done as an obvious delaying tactic. However, I want to emphasize that it will be just that—a delaying tactic—if this House acts favorably on these amendments today. I would hope that if we do act, first of all, that a clean bill goes to the Senate.

I could favor a phaseout of the oil depletion allowance only so that it may be coupled with a windfall profits tax because I think that this country must see more oil exploration. We must see more holes dug into the ground to produce oil for energy and for the use of the American people as they travel about their business.

Mr. Speaker, whatever we do today, all eyes of this country are going to be upon us. I do not think it is the intention of Congress, certainly not the intention of this Member of Congress, to delay, to delay, to delay. Rather, I think that we should go forward and adopt the Conable substitute to this measure because it pumps more money into the economy immediately than that reported by the Committee on Ways and Means, because they tacked onto their measure a tax reform approach where reform will be spread over a period of months, and that money will not actually be pumped into the economy as quickly as it should be.

The Conable or the administration approach puts money into the economy for the benefit of the American people so that we might turn our economic picture around without delay.

I call on the Members of this House when this bill is debated and the amendments are offered, to consider the need for quick action because I would like to see us do our duty and send a bill to the Senate, so that it may be acted upon speedily. The American people would applaud us for this action.

So, Mr. Speaker, I would like to see the Conable substitute adopted. I would like to see the Young of Alaska amendment accepted, along with the Archer amendments, which would not be a delaying tactic, but would be more or less of a clarification.

Mr. Speaker, I have some requests for time. I would inquire of the gentleman from Missouri (Mr. BOLLING) if the gentleman has any requests for time?

Mr. BOLLING. Mr. Speaker, I have no additional requests for time.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, it seems to be conceded on both sides of the aisle that this is a most unusual rule. I have to say at the outset that I am less sanguine than the gentleman from Missouri (Mr. BOLLING) that it is going to allow every Member of this body who desires to express a viewpoint on the measure to really have the time to do so. But I also have to confess to a certain feeling of futility in even attacking this rule this afternoon, because obviously, I think that this is a deck that is stacked with kings. This is a King Caucus rule, as my friend, the gentleman from Tennessee, has said.

Really, I think it does not do very much to launch a meaningful debate on tax policy or fiscal policy, because what we will really be doing for the next 4 hours is to have kind of a coronation service here on the floor of this Chamber, a coronation ceremony for King Caucus, because this rule, for the most part, with a couple of minor changes, was largely made up behind the closed doors of the Democratic Caucus, and not in the open Chamber of the Committee on Rules, which met yesterday from 10:30 in the morning until around 5 o'clock to consider it.

This is a rule, I would remind the Members, that not only circumvents the germaneness rule of the House of Representatives, it even goes so far as to circumvent the germaneness rule of the Democratic Caucus.

I am tempted to express some wonderment at the fact that a member of that caucus does not make a point of order against the rule that violates one of the rules of the Democratic Caucus. Because, if you will look at the rule, M–9, it states that the caucus may instruct the Democrats on the Committee on Rules to make germane——

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. When I finish I will yield to the gentleman.

It states that the caucus may indeed instruct Rules Committee Democrats to make germane—and I repeat and underscore—germane amendments in order to an otherwise closed bill. But for some reason the caucus has sidestepped that germaneness requirement, and has mandated that two non-germane, caucus-approved, amendments, be made in order to the bill.

Mr. GREEN. Mr. Speaker, if the gentleman will yield, the gentleman is reading from the old M–9 rule, a closed rule procedure that allows somebody on the Democratic Caucus if they have a germane amendment to offer to delay for 4 days in order to get the signatures they need to come in.

That is all fine, but we did not proceed under rule 9, so any discussion of rule 9 is not justified.

Mr. ANDERSON of Illinois. The gentleman has one rule, then, that permits what this practice apparently permits——

Mr. GREEN. That is not correct.

Mr. ANDERSON of Illinois. Making in order a totally nongermane amendment.

Mr. GREEN. Then we have rule 2:

> Meetings of the Democratic Caucus may be called by the chairman upon his own motion and shall be called by him whenever requested in writing by 50 members of the Caucus or at the request of the Party Leader.

That is, if 50 members of the caucus request it.

Mr. ANDERSON of Illinois. Let me point out in response to what the gentleman from Pennsylvania has said—and if he will not make the argument, I am sure others will—that the Committee on Rules has engaged previously in this procedure of making nongermane amendments in order under certain bills. Indeed, that is true, but usually, at least in my recollection and memory, that has been at the specific request of the committee involved. In this case the Committee on Ways and Means did not report either the Green amendment or the Wilson amendment. Indeed, they voted against making those amendments in order.

In all fairness and with credit to the great candor of the distinguished chairman of the Committee on Ways and Means, when he appeared before us yesterday, he said that he was personally opposed to making those amendments in order; it was only because he felt subjected to the heavy yoke of the Democratic Caucus that he was there suggesting that we adopt this kind of rule.

I think, Mr. Speaker, that it is highly ironic that in this body, where we have been fighting for years—for years—to plug that loophole that permitted the other body on the other side of the Capitol to tack nongermane amendments onto House bills—where we even went so far as to have a subcommittee of the Committee on Rules chaired by my friend, the gentleman from California (Mr. SISK) work out a House rule that would enable us to at least have a chance to vote on those nongermane amendment that were being tacked on by the Senate—this body is today establishing a precedent when we adopt this rule—and they have got the votes to adopt it; there is not any question about that. We are establishing a precedent and, yes, we are institutionalizing a device whereby any group of Democrats, as the gentleman from Pennsylvania has said, can call a meeting of the Democratic Caucus and get them to order and direct and mandate the Democratic members of the Committee on Rules to tack those nongermane amendments onto a bill——

The SPEAKER. The time of the gentleman has expired.

Mr. QUILLEN. I yield 3 additional minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I just want to make the point—and I would ask the gentleman to remember that I will so predict—that the day will come, and it will not be too far down the road, when the gentleman is going to rue the day that they established the precedent that they are going to vote in this House today. The day will come when they are going to regret that and permit a small group to tack nongermane amendments onto a committee bill.

Let me point out the vote in the Democratic Caucus was, as I recall it, 153 to 98. In other words, about 36 percent of the total membership of this body of 435—36 percent of that membership—have mandated what a majority of this House, I think, should decide.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

I am not going to argue with the gentleman about King Caucus and things like that. I want to argue with the gentleman as a lawyer now about, What is the real reason for the germaneness rule? As I see the real reason for the germaneness rule, it is to protect Members of the House from capriciousness and surprise.

Mr. ANDERSON of Illinois. I cannot concede the gentleman's point. It goes far beyond protecting Members against surprise amendments. It goes to the very heart of orderly legislative process. Let me say to the gentleman from Florida——

Mr. GIBBONS. Will the gentleman yield further?

Mr. ANDERSON of Illinois. Let me make my point. The very next item, I say to the gentleman from Florida—and I hope he is listening—the item on the agenda of the Committee on Ways and Means is supposed to be an energy bill. That is where this particular amendment belongs. I happen to be in favor of repealing the depletion allowance. My vote against this rule today is not a vote in favor of retaining the depletion allowance; but I would suggest that in the interest of orderly legislative process, that amendment ought to be debated in the gentleman's committee, which it was not. It ought to be subject to amendment in the gentleman's committee, which it was not. It ought not to be brought up on this floor today under procedures providing 5 minutes of debate, once the amendment is offered, for the amendment and 5 minutes of debate in opposition to the amendment.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I have to say this rule of germaneness is to protect someone from being capriciously surprised. I am very capriciously surprised. I am not capriciously surprised that maybe after 50 years the depletion allowance has been the issue but I am capriciously surprised that it is being brought in under a violation of the rules of the House.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. QUILLEN. Mr. Speaker, I yield the gentleman from Illinois 2 additional minutes.

Mr. ANDERSON of Illinois. Mr. Speaker, I regret I cannot yield further. I have been limited to 2 minutes.

I want to say again we are not passing, in attacking this rule, on the substantive issue of the depletion allowance. What I am suggesting and I repeat again is that in the interest of orderly legislative process those amendments ought to be considered under some other procedure than has been sought to be employed here today. To dignify the substitute offered by the gentleman from New York, which does go to the heart of the matter and which does deal with the important question of what kind of tax policy we ought to have in order to stimulate the economy and promote recovery, with 5 minutes of debate for the amendment and 5 minutes of debate against it I do not think is the kind of open debate and discussion that we have been given credit for. We have taken great pride in the fact that we have reformed the procedures of this House and now in the spirit of openness we should have the kind of meaningful debate that is called for on an important measure of this kind. We are not doing it, I think, when we limit debate on the Conable substitute to 5 minutes for and 5 minutes against.

This is a bad rule. I think it sets a bad precedent. I think it ought to be defeated.

In conclusion, Mr. Speaker, I would urge my colleagues to vote against the oil depletion amendments when they are offered, not because they are bad amendments, but because they should be given

due consideration by the Ways and Means Committee in connection with the pending energy bill, and because adequate time should be allowed on the House floor to debate and amend them. If we do not reject those nongermane amendments now we will only be insuring prolonged, if not indefinite, delays in enacting this tax reduction bill and getting those rebate checks into the pockets of the American people. I for one will not be a party to such a cynical maneuver. Let the blame for that rest with the other party.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, today we will vote a $21 billion tax cut for Americans, $5 billion of which is in the form of an investment tax credit for businessmen. The tax rebate is designed to spur demand for consumer goods immediately, and it is hoped the investment tax credit will encourage investment by businessmen in capital goods which not only will increase workers' sagging productivity, but also stimulate employment of those necessary to produce the new capital goods. Both are important objectives.

Unfortunately, the House will not have an opportunity to consider a proposal which would provide an even greater stimulus to increased employment and productivity—the new jobs tax credit. Regrettably, despite the much touted reforms wrought by the 94th Congress, bills from the Ways and Means Committee still do not reach the floor under an open rule, thus making it impossible for Members to offer amendments.

Were I permitted, I would offer an amendment to extend the investment tax credit to the employment of new people—not just new machines.

The investment tax credit is fine as far as it goes. It will stimulate the purchase by business and industry of machinery and other property, and thereby help to curb rising unemployment while at the same time increase productivity. However, one of the necessary byproducts of increased productivity is often the substitution of machines for labor. Automation, mechanization, labor efficiency—these will be the inevitable byproducts of this bill.

The amendment I would propose if permitted would provide a tax credit equal to 10 percent of the annual salary of any additional employee hired by an employer this year. This is the logical extension of the 10-percent tax credit provided for employers who purchase additional machinery this year. It does, however, have significant advantages.

First, it would provide a much more direct stimulus to employment. It would encourage employers to go out tomorrow and begin hiring new employees. Employers would not have to wait for new machinery orders to begin. For the unemployed, the difference could be the most important weeks or months of 1975.

Second, the increased employment generated by the new jobs tax credit should be more lasting. Because my amendment contains a strict recapture provision to discourage a businessman from firing a person employed to take advantage of the tax credit, the new employee should be guaranteed a job for at least 2 years. By that time, the new employee would be of proven worth.

Third, the new jobs tax credit should pay for itself. Unlike new machinery, employed men and women pay taxes. So long as the tax credit is less than the income taxes these new employees pay, there will be a net gain to the U.S. Treasury. In addition, unemployment compensation and welfare payments would be eliminated for them.

Think of the satisfaction to be realized by an unemployed person returned to work through the new jobs tax credit program. Insead of despondency and despair, which inevitably result from taking Government handouts, this is one Federal program which could produce hope and self-respect for those it assists. The new jobs tax credit would enhance the most vital productive force in our economy—American labor.

Although I shall not have a chance to offer my amendment today, I do hope that the House Ways and Means Committee will give it serious consideration as it considers tax reform measures in the coming weeks. This is one measure which could begin to unlock the almost limitless prosperity which I believe our economy is still capable of providing to the American people.

Text of the amendment follows:

AMENDMENT OFFERED BY MR. FINDLEY

On page 15, lines 5 through 9 inclusive are amended to read as follows:

"(b) DETERMINATION OF QUALIFIED INVESTMENT.—

"(A) Subparagraph (B) of section 46(c)(1) is amended by striking out the period at the end and inserting in lieu thereof a comma and the word 'plus'. The following new subparagraph (C) is added at the end of section 46(c)(1):

"'(C) the applicable percentage of the annual salary or wages of any additional person employed beyond the total number of persons employed as an integral part of the same business on the corresponding day of the preceding year. This subparagraph does not include additional persons employed primarily outside the United States. If during the succeeding taxable year any additional person under this subsection terminates employment with respect to the taxpayer, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate credits allowed for such additional employee under section 38.'

"(B) Subparagraph (A) of section 46(c)(3) (relating to determination of qualified investment in case of public utility property) is amended to read as follows:"

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, when the committee did have this amendment up it was discussed in the committee and it was discussed much longer than the substitute was discussed. It was open for amendment at any point. There was no attempt made by any Democrat to cut off debate on the depletion matter. It was germane to the bill. It was not held to be ungermane to the bill in the committee.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, let me say at the outset that I intend to support this rule but for a different reason. I shall vote against the previous question however, hoping we can get an open rule which would permit needed amendments. This rule goes a little bit further in permitting floor amendments than do most rules that come out of the Rules Committee on Ways and Means bills and for this reason I am going to support it should our efforts fail to make it completely open. I think the closer we can get to an open rule out of the Rules Committee for Ways and Means bills, the better off the House is going to be and the better off the country is going to be. I, for one, do not believe the members of the Ways and Means Committee should be the only Members of the House to have an opportunity to offer amendments to tax bills.

There are several tax matters which the House should be considering today not in this bill and there are several matters included in the bill which should be subject to amendment on the floor. We should be able to consider some of our own judgment on these matters rather than depending exclusively on the judgment of the Ways and Means Committee.

As a matter of fact I think title II of this bill could be labeled a welfare title rather than one of tax reform designed to stimulate the economy. Everyone realizes the automobile industry and the great many industries which feed off the automobile industry are the most seriously affected by the current recession. The President proposed a plan on tax rebates which would do something for the automobile industry, but, lo and behold, the Democrat plan to rebate taxes would limit the amount of the rebate to $200. This $200 rebate starts to diminish for a couple filing jointly when their income exceeds the $20,000 figure regardless of the amount of taxes they pay. Would a $200 rebate to such a couple cause them to rush out and purchase a new car? I think not. Neither do I believe the plan to rebate 55.1 percent of this title to the low-income group is going to stimulate this industry, nor do I believe it is going to be of much help to those receiving the rebates. About two trips to the grocery store and the rebate will be gone.

Information furnished the gentleman from New York (Mr. CONABLE) from the Treasury Department indicates that 51.5 percent of all the taxes paid by individuals are paid by those with incomes in excess of $20,000; 35.5 percent are paid by individuals in the $10,000 to $20,000 brackets; and 13 percent are paid by those earning less than $10,000. I think the record should show how these various tax brackets fare under this bill. Those earning less than $10,000 per year would get 55.1 percent of the rebate; those earning between $10,000 and $20,000 in our middle-income group would receive 34.4 percent; and those earning more than $20,000 would receive 10.5 percent. There are those who believe the rebate procedure is being used not to stimulate the economy but to attempt to gain favor

with the greatest number of people and use these figures in support of their argument.

I know it is politically wise to always try to pass tax benefits out to the most people in the country and this bill does that. The question is will you be helping the most people and the country generally in the long run? Only time will tell whether this course of action will get our unemployed back to work.

I would hope when this legislation gets over to the Senate where the Senators can amend Ways and Means bills on the floor of the Senate, something more will be done to stimulate the economy in a most lasting way than is provided for in the bill.

Let me say further there is a provision in this bill to which I object very strenuously. It is the negative income tax theory and it is getting in under the guise of an earned income section.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio.

Mr. LATTA. We are adopting a negative income tax for the first time and it is coming in under the name of earned income credit. I urge my friends to pay attention to this section of the bill because I think we will all live to regret its adoption.

I might add, there is a provision in this bill which favors those not itemizing deductions over those who do. I think this is wrong. They should be treated just the same under our tax laws but they are not. Under this modified closed rule an amendment to correct this mistake will not be in order. Neither will an amendment to give single persons maintaining a household the regular household exemption be in order.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Speaker, I just want to announce that it will be my intention to ask for a vote on the previous question. I think it is time the 435 Members of this House have an opportunity to express themselves as to whether or not they want to have an opportunity to have an open rule on this matter.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for yielding to me.

I thank the gentleman for his statement. I want to assure him that if he is successful in that effort, I have prepared for submission an open rule which will be completely open so that the Members may work their wills.

Mr. CEDERBERG. Mr. Speaker, we will find out whether or not King Caucus is going to rule here, or a majority of the Members of the House of Representatives. When we come here with a rule dictated by King Caucus, certainly there is a responsibility here to open it up and let every Member have an opportunity to amend this bill in the way he wants to amend it.

So, we will have a vote on the previous question, and the Members can decide then whether they want to go along with the majority of the Members of the House of Representatives or be dictated to by a closed caucus.

I do not think, as far as I am concerned as one Member here of this body, that I am going to be bound by that kind of operation.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, I am sure the gentleman understands that the rule would prevent the offering of an amendment on depletion.

Mr. CEDERBERG. We should handle depletion in the tax reform bill. If the Ways and Means Committee wanted to bring it up, let them do it. I just object to this kind of an operation. We are talking about opening things up, talking about reform. My good friend from Missouri is the reform leader, so now we will find out whether or not we are going to have reform. Just vote down the previous question, and we will get a little reform.

Mr. BOLLING. Mr. Speaker, if the gentleman will yield further, I will say that opportunity is closed on depletion.

Mr. CEDERBERG. Mr. Speaker, I think I have said all that I wish to say. I just want to announce to the House that we are going to find out, as I said, who the reformers are and who wants to open this thing up so that every Member can have an opportunity to amend it.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, there is wonderful news for all of us today from the same friendly, fun-loving folks who gave us proxy voting and the great minority staff ripoff. We are getting another closed rule from that same bunch of friends. We are also getting the good news that all points of order all over the place, have been waived, no matter what they may be.

So, great gag rule marches on. Thanks for that to the "reform-oriented" majority group. Boy, are they ever for reform.

The winds of reform are blowing through the House. They must all be blowing in from Cooke County, because that is the way they operate out there.

Mr. Speaker, I do not oppose closed rules. I think we need them sometimes, but to use a closed rule every time we bring a tax bill to the floor is being doggoned lazy and shows the committee is afraid of its own craftsmanship. Closed rules ought to be used sparingly. If we continue to use the closed rule for a crutch, it will be deservedly taken away from us, and we are not going to be able to use it when we need it.

To add to the closed rule, we have stuck on a nongermane amendment. I am for open rules, but not for nongermane amendments. We put in nongermane amendments by imperial fiat of "King Caucus," by 153 Members of the House who are more equal than the rest of us, and who operate in the shadow of secrecy of a closed caucus.

The caucus also decided we are going to have a nongermane amendment brought up, and that will give a wonderful opportunity for the Senate to load down the emergency tax bill with lots of other nongermane amendments. It is a bad strategy which will delay an important bill. Apparently the tax cut is not as urgent as I thought it was.

This rule is a gag rule. It is an embarrassment to the House and to its traditions. We ought to be ashamed of ourselves if we vote for it.

The rule should be defeated. The previous question should be defeated.

Mr. DU PONT. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Delaware.

Mr. DU PONT. Mr. Speaker, I heartily endorse the comments just made by the gentleman from Minnesota. The winds of reform that have blown so strongly in the House seem to have been stilled by the majority's fear of any ideas or amendments not given the seal of approval by the Democratic Caucus.

I am going to vote against the rule for two reasons: first, because it is a closed rule, prohibiting any amendments from the floor and waiving all points of order against portions of the bill that are not germane. Such rules are not in the best interest of the Congress or the people of the county, and I had thought that one of the elements of reform in the 94th Congress would be the end of such rules.

Second, and even more important, is the fact that this rule limits debate on each amendment permitted to a total of 10 minutes. We will be permitted to debate repeal of the oil depletion allowance, for example, which is a complex and far-reaching change in national tax policy—and which I favor—for a total of 10 minutes. Under the rule I am prohibited from even speaking on the question, as are 433 out of 435 members of the House. I would not say that "reform" is really helping the people of the country if this is to be its result.

I believe we should have an open rule, and most important, a rule that permits Members of Congress to participate in the legislative process. I shall vote "no" on the previous question in an effort to open up the rule, and should that fail, I shall vote "no" on the rule itself. We need a tax relief bill; we need to repeal the oil depletion allowance; but we also need an open and fair legislative process which this rule clearly does not provide.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I rise in opposition to the adoption of this rule. I was under the impression when I came in this morning that we would be considering a tax bill today to help stimulate the economy and create new jobs. Although the merits of the tax bill as reported by the Ways and Means Committee can be debated, it at least contained economic

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stimulation as the prime subject matter to be considered on the House floor today. Due to the urgency of the deteriorating economic situation, this seemed to be a proper step.

During the House Ways and Means Committee deliberations on the proposed tax cut stimulus bill, as the gentleman from Florida previously indicated, certain Members tried to inject ancillary considerations dealing with oil depletion allowances and were turned down. Tax depletion allowances are a most controversial subject. The handling of this complex tax issue may have serious economic implications in terms of price stability and the development of energy resources. Consequently, the committee had the wisdom to reject oil and gas depletion amendments and leave this complicated subject for consideration when hearings are held on a comprehensive tax reform bill. But the caucus of the majority party and the Committee on Rules have decided that oil and gas depletion allowances will be considered under this bill, under certain restrictions, and have come up with a terrible and unbelievable rule which was not even available to Members to consider until late this morning.

Amendments to the Internal Revenue Code have generally been considered under a closed rule. This bill, however, is a departure from the general procedures we have followed in this regard. If floor amendments to tax bills are to become the order of the day, then why was the Rules Committee so niggardly in dealing with the scope of the amendment? If floor amendments to tax bills are now the order of the day, why not an open rule on this bill? With an open rule, I am sure there would be a multitude of amendments to the Internal Revenue Code offered on the floor. It appears, however, that the Rules Committee doubts the collective wisdom of the House to deal with tax proposals on an open basis.

In all seriousness, H.R. 2166 as reported, is a most appropriate subject for the House to be considering during this time of severe economic necessity. I am deeply disturbed, however, that we have also had oil and gas depletion allowance issues thrust upon us today. Depletion allowances are not germane to the subject of H.R. 2166 as reported by the Ways and Means Committee. The rules of this House wisely provide for a germaneness rule, yet this House is about to start out early in this session by making a very significant exception to the rules of procedure only recently adopted by this House.

For these reasons I will vote against the rule.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I want to point out that the depletion amendment was considered in the Committee on Ways and Means completely, it was debated, it was open for amendment. Only a member of the Republican side tried to cut off the debate in the committee. The problem is, everybody is for repeal of depletion, but the time is always never. Just 2 weeks ago, we debated this amendment in the Committee on Ways and Means.

Mr. WYLIE. But it is a fact that the depletion amendment was rejected by the Ways and Means Committee as a part of this bill.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. YOUNG).

Mr. YOUNG of Georgia. Mr. Speaker, I did not ask for time in the beginning of this debate, because I thought that we would get on with the business of passing this rule and considering the measures which have been brought before the Committee on Rules. However, we have had so much discussion of reform and we have so many additions to the ranks of reformers, I felt obligated to say something about reform and in defense of the Democratic Caucus.

In the first place, reform is really not an abstract principle such as closed rule or open rule. Reform is about serving the interests of the people of this Nation. The only way the interests of the people of this Nation can be served is that this House of Representatives be allowed to work its will.

This House of Representatives cannot work its will in the interests of the people all the time because we are still faced with a coequal body which is laboring under the tyranny of a filibuster, and only one-third of them have come under the judgment of the people since the recent economic crisis.

Two-thirds of them are hangovers from 4 or 6 years ago.

Mr. Speaker, the other thing is that downtown, at 1600 Pennsylvania Avenue, we are faced with a President and a Vice President neither of whom has ever come before the vote of the people for the offices which they hold. Therefore, if the interests of the people of the United States are to be protected and preserved, it is up to this House of Representatives to do so. The power in this House of Representatives comes about because we have been sent here by the people of the United States, and neither the White House nor the other body can make that statement. The power happens to reside in the Democratic Caucus by the will of the people.

So this rule, in response to the Democratic Caucus, is a reform rule, in response not to certain abstract principles but in response to the most recently expressed will of the people in the November elections.

And so I urge the passage of this rule so that a wide variety of amendments can be considered from both sides and so that the will of the people of these United States might be protected by the power which they recently vested in this body.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, may I say to my eloquent friend, the gentleman from Georgia, that he has given an exceedingly eloquent defense of an indefensible position, and I fail to understand how the will of the people can be exercised or how there can be any judgment of that kind when we are limited to 5 minutes of debate for or against on the floor and when we are limited only to those amendments that, by action of the Committee on Rules, we can debate on this floor.

The will of the people is being perverted by this kind of a rule, and I will say that I am distressed to hear the gentleman's position, in contrast to what I usually expect from such a distinguished and intelligent Member of this body.

Mr. YOUNG of Georgia. Mr. Speaker, let me answer that.

I understand the rule provides 4 hours of debate, which will be divided equally between the two sides. I think there will be ample opportunity to have this expression of amendments.

The amendment offered by the gentleman from New York (Mr. CONABLE) was included in the rule. The amendments offered by other minority members, under the provisions of this rule, were given express attention by the committee, and I fail to see the point the gentleman has made.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, I would like to say that the gentleman's argument concerning carrying out the will of the people has been used by corrupt regimes for thousands of years throughout history. It is always convenient to have gag rules, suppressed debate, and the absence of recorded votes.

That certainly has been true in Chile through two successive regimes. I am surprised that the gentleman would resort to that argument.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, my good friend, the gentleman from Georgia, has been such a champion of minorities that I am at a loss to understand his position. We represent the minority over here, and he wants the Democratic Caucus, but a not-too-large margin, to dictate what can happen on the floor of this House of Representatives and whether or not the minority can have an input into the proceedings here.

This bothers me, especially because the gentleman is my very dear friend.

Mr. YOUNG of Georgia. Mr. Speaker, let me say that this rule, I contend, is a rule for the interests of the people of these United States as well as the minority of the House.

Mr. CEDERBERG. I represent those people, too.

Mr. YOUNG of Georgia. Mr. Speaker, in the interest of time I will yield no further to the gentleman.

Mr. Speaker, we have considered in the Committee on Rules the positions of special interests on both sides, and in an attempt to accommodate the needs of the people in this body, I feel we should be able to vote up or vote down these amendments. Therefore, we have constructed a rule to allow this House to work its will, and I hope we will adopt this rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

I would like to urge that we vote down the previous question on this rule and do it without delay, so that we can present other amendments and do away with the nongermane amendments to this bill.

Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, I yield myself such time as I may consume.

Before I move the previous question, I would like to say this briefly, with crocodile tears: The Committee on Rules and the Democratic Caucus have no power on this floor.

The only decision that the House can make is the decision that is made on this floor. It is made by a majority vote of the Members of the House of Representatives. That procedure has been the usual procedure.

We will now proceed to have a vote on the previous question. I hope that my colleagues will vote for the previous question, so that there will be an opportunity to vote on the matter of continuing or not continuing the depletion allowance and on a variety of other matters provided for in this rule, and then I hope we adopt the rule.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WYLIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 222, nays 180, not voting 30, as follows:

[Roll No. 29]

YEAS—222

Adams	Burton, Phillip	Evans, Ind.
Addabbo	Carney	Evins, Tenn.
Alexander	Carr	Fascell
Ambro	Chisholm	Fisher
Anderson, Calif.	Clay	Fithian
Andrews, N.C.	Collins, Ill.	Flood
Annunzio	Conyers	Florio
Ashley	Corman	Foley
AuCoin	Cornell	Ford, Mich.
Badillo	Cotter	Fulton
Baldus	D'Amours	Fuqua
Baucus	Daniels, Dominick V.	Gaydos
Beard, R.I.	Danielson	Giaimo
Bedell	Davis	Gibbons
Bennett	Delaney	Ginn
Bergland	Dellums	Green
Bevill	Dent	Hall
Biaggi	Derrick	Hamilton
Bingham	Diggs	Hanley
Blanchard	Dingell	Hannaford
Blouin	Dodd	Harkin
Boland	Downey	Harrington
Bolling	Drinan	Harris
Bonker	Duncan, Oreg.	Hawkins
Brademas	Early	Hayes, Ind.
Brodhead	Eckhardt	Hays, Ohio
Burke, Calif.	Edgar	Hechler, W. Va.
Burke, Mass.	Edwards, Calif.	Heinz
Burlison, Mo.	Eilberg	Heistoski
Burton, John L.	Evans, Colo.	Henderson
		Hicks
Holtzman	Mink	Russo
Howard	Mitchell, Md.	Ryan
Howe	Moakley	St Germain
Hughes	Moffett	Santini
Hungate	Moorhead, Pa.	Sarbanes
Ichord	Morgan	Scheuer
Jacobs	Moss	Schroeder
Jenrette	Mottl	Seiberling
Johnson, Calif.	Murphy, Ill.	Sharp
Jones, Ala.	Murphy, N.Y.	Sikes
Jones, N.C.	Natcher	Simon
Jones, Tenn.	Neal	Sisk
Jordan	Nedzi	Smith, Iowa
Karth	Nichols	Solarz
Kastenmeier	Nix	Spellman
Keys	Nolan	Stanton, James V.
Koch	Nowak	Stark
Krebs	Oberstar	Stephens
LaFalce	Obey	Stokes
Landrum	O'Hara	Stratton
Leggett	O'Neill	Studds
Lehman	Ottinger	Sullivan
Levitas	Patman	Symington
Litton	Patten	Taylor, N.C.
Lloyd, Calif.	Pattison, N.Y.	Thompson
Lloyd, Tenn.	Pepper	Traxler
McCormack	Perkins	Tsongas
McFall	Preyer	Udall
McHugh	Price	Ullman
McKay	Randall	Vander Veen
Macdonald	Rangel	Vigorito
Madden	Rees	Weaver
Maguire	Reuss	Wilson, Charles H., Calif.
Mann	Richmond	Wilson, Charles, Tex.
Matsunaga	Riegle	Wirth
Mazzoli	Risenhoover	Wolff
Meeds	Rodino	Yates
Melcher	Roe	Yatron
Metcalfe	Rogers	Young, Ga.
Meyner	Roncalio	Zablocki
Mezvinsky	Rooney	Zeferetti
Mikva	Rose	
Miller, Calif.	Rosenthal	
Mineta	Roush	
Minish	Roybal	

NAYS—180

Abdnor	Findley	Mitchell, N.Y.
Anderson, Ill.	Fish	Mollohan
Andrews, N. Dak.	Flowers	Montgomery
Archer	Forsythe	Moore
Armstrong	Frenzel	Moorhead, Calif.
Ashbrook	Frey	Myers, Ind.
Bafalis	Gilman	Myers, Pa.
Bauman	Goldwater	O'Brien
Beard, Tenn.	Gonzalez	Passman
Bell	Goodling	Peyser
Biester	Gradison	Pickle
Bogga	Grassley	Pike
Bowen	Gude	Poage
Breaux	Guyer	Pressler
Brinkley	Hagedorn	Pritchard
Brooks	Haley	Quie
Broomfield	Hammer-schmidt	Quillen
Brown, Calif.	Hansen	Railsback
Brown, Ohio	Harsha	Regula
Broyhill	Hastings	Rhodes
Buchanan	Hébert	Rinaldo
Burgener	Heckler, Mass.	Roberts
Burke, Fla.	Heinz	Robinson
Burleson, Tex.	Hillis	Runnels
Butler	Holt	Ruppe
Byron	Horton	Sarasin
Carter	Hutchinson	Satterfield
Casey	Hyde	Schneebeli
Cederberg	Jarman	Schulze
Clancy	Jeffords	Sebelius
Clausen, Don H.	Johnson, Colo.	Shipley
Clawson, Del	Johnson, Pa.	Shriver
Cleveland	Jones, Okla.	Shuster
Cochran	Kasten	Skubitz
Cohen	Kazen	Slack
Collins, Tex.	Kelly	Smith, Nebr.
Conable	Kemp	Snyder
Conlan	Kindness	Spence
Conte	Krueger	Stanton, J. William
Coughlin	Lagomarsino	Steed
Crane	Latta	Steelman
Daniel, Dan	Lent	Steiger, Ariz.
Daniel, Robert W., Jr.	Long, La.	Steiger, Wis.
de la Garza	Lott	Stuckey
Devine	Lujan	Talcott
Dickinson	McCloskey	Taylor, Mo.
Downing	McCollister	Teague
Duncan, Tenn.	McDade	Thone
du Pont	McEwen	Thornton
Edwards, Ala.	McKinney	Treen
Emery	Madigan	Vander Jagt
English	Mahon	Vanik
Erlenborn	Martin	Waggonner
Esch	Mathis	Walsh
Eshleman	Michel	Wampler
	Milford	Whalen
	Miller, Ohio	White
		Whitehurst
		Whitten
		Wiggins
	Wilson, Bob	Wylie
	Winn	Young, Alaska
	Wright	Young, Fla.
	Wydler	Young, Tex.

NOT VOTING—30

Abzug	Fountain	Mills
Aspin	Fraser	Mosher
Barrett	Hightower	Murtha
Breckinridge	Hinshaw	Patterson, Calif.
Brown, Mich.	Holland	Rostenkowski
Chappell	Hubbard	Rousselot
Derwinski	Ketchum	Staggers
Fenwick	Long, Md.	Symms
Flynt	McCloskey	Van Deerlin
Ford, Tenn.	McDonald	Waxman

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Rostenkowski for, with Mr. Brown of Michigan against.

Mr. Flynt for, with Mr. Hinshaw against.

Mr. Barrett for, with Mr. Rousselot against.

Mr. Holland for, with Mr. Derwinski against.

Ms. Abzug for, with Mrs. Fenwick against.

Mr. Van Deerlin for, with Mr. Symms against.

Mr. Fountain for, with Mr. McCloskey against.

Mr. Fraser for, with Mr. Mosher against.

Until further notice:

Mr. Chappell with Mr. Long of Maryland.

Mr. Murtha with Mr. McDonald of Georgia.

Mr. Breckinridge with Mr. Waxman.

Mr. Staggers with Mr. Ford of Tennessee.

Mr. Hubbard with Mr. Hightower.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 242, nays 162, not voting 28, as follows:

[Roll No. 30]

YEAS—242

Adams	Corman	Hall
Addabbo	Cornell	Hamilton
Alexander	Cotter	Hanley
Ambro	D'Amours	Hannaford
Anderson, Calif.	Daniels, Dominick V.	Harkin
Andrews, N.C.	Danielson	Harrington
Annunzio	Davis	Harris
Ashley	Delaney	Hawkins
AuCoin	Dent	Hayes, Ind.
Badillo	Derrick	Hays, Ohio
Baldus	Diggs	Hechler, W. Va.
Baucus	Dingell	Heckler, Mass.
Beard, R.I.	Dodd	Heftner
Bedell	Downey	Heinz
Bennett	Drinan	Helstoski
Bergland	Duncan, Oreg.	Henderson
Bevill	Early	Hicks
Biaggi	Eckhardt	Holtzman
Biester	Edgar	Howard
Bingham	Edwards, Calif.	Howe
Blanchard	Eilberg	Hubbard
Blouin	Evans, Colo.	Hughes
Boland	Evans, Ind.	Hungate
Bolling	Evins, Tenn.	Ichord
Bonker	Fascell	Jacobs
Brademas	Fisher	Jenrette
Breckinridge	Fithian	Johnson, Calif.
Brinkley	Flood	Johnson, Pa.
Brodhead	Florio	Jones, Ala.
Burke, Calif.	Flowers	Jones, N.C.
Burke, Mass.	Ford, Mich.	Jones, Tenn.
Burlison, Mo.	Ford, Tenn.	Jordan
Burton, John	Fulton	Karth
Burton, Phillip	Fuqua	Kastenmeier
Byron	Gaydos	Keys
Carney	Giaimo	Koch
Carr	Gibbons	Krebs
Chisholm	Gilman	LaFalce
Clay	Ginn	Landrum
Collins, Ill.	Green	Latta
Conte	Gude	Leggett
Conyers	Haley	Lent
		Levitas

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Litton	Nowak	Sisk
Lloyd, Calif.	Oberstar	Slack
Lloyd, Tenn.	Obey	Smith, Iowa
McCormack	O'Hara	Solarz
McDade	O'Neill	Spellman
McFall	Ottinger	Stanton,
McHugh	Patten	James V.
McKay	Pattison, N.Y.	Stark
Macdonald	Pepper	Stephens
Madden	Perkins	Stokes
Maguire	Peyser	Studds
Mann	Preyer	Sullivan
Matsunaga	Price	Symington
Mazzoli	Randall	Taylor, N.C.
Meeds	Rangel	Thompson
Melcher	Rees	Traxler
Metcalfe	Reuss	Tsongas
Meyner	Richmond	Udall
Mezvinsky	Riegle	Ullman
Mikva	Rinaldo	Van Deerlin
Miller, Calif.	Rodino	Vander Veen
Mineta	Roe	Vanik
Minish	Rogers	Vigorito
Mink	Roncalio	Waldie
Mitchell, Md.	Rooney	Wasman
Moakley	Rose	Weaver
Moffett	Rosenthal	Whalen
Mollohan	Roush	Wilson,
Moorhead, Pa.	Roybal	Charles H.,
Morgan	Russo	Calif.
Mosher	Ryan	Wilson,
Moss	St Germain	Charles, Tex.
Mottl	Santini	Wirth
Murphy, Ill.	Sarbanes	Wolff
Murphy, N.Y.	Scheuer	Yates
Natcher	Schroeder	Yatron
Neal	Seiberling	Young, Ga.
Nedzi	Sharp	Zablocki
Nichols	Sikes	Zeferetti
Nolan	Simon	

NAYS—162

Abdnor	Forsythe	Patman
Anderson, Ill.	Frenzel	Pickle
Andrews, N. Dak.	Frey	Pike
Archer	Goldwater	Poage
Armstrong	Gonzalez	Pressler
Ashbrook	Goodling	Pritchard
Bafalis	Gradison	Quie
Baucus	Grassley	Quillen
Bauman	Guyer	Railsback
Beard, Tenn.	Hagedorn	Regula
Bell	Hammer-schmidt	Rhodes
Boggs	Hansen	Risenhoover
Bowen	Harsha	Roberts
Breaux	Hastings	Robinson
Brooks	Hébert	Runnels
Broomfield	Hightower	Sarasin
Brown, Calif.	Hillis	Satterfield
Brown, Ohio	Holt	Schneebeli
Broyhill	Horton	Schulze
Buchanan	Hutchinson	Sebelius
Burgener	Hyde	Shipley
Burke, Fla.	Jarman	Shriver
Burleson, Tex.	Jeffords	Shuster
Butler	Johnson, Colo.	Skubitz
Carter	Jones, Okla.	Smith, Nebr.
Casey	Kasten	Snyder
Cederberg	Kazen	Spence
Clancy	Kelly	Stanton,
Clausen, Don H.	Kemp	J. William
Clawson, Del	Krueger	Steed
Cleveland	Lagomarsino	Steelman
Cochran	Long, La.	Steiger, Ariz.
Cohen	Lott	Steiger, Wis.
Collins, Tex.	Lujan	Stratton
Conable	McClory	Stuckey
Conlan	McCollister	Symms
Crane	McDonald	Talcott
Daniel, Dan	McEwen	Taylor, Mo.
Daniel, Robert W., Jr.	McKinney	Teague
de la Garza	Madigan	Thone
Derwinski	Mahon	Thornton
Devine	Martin	Treen
Dickinson	Mathis	Vander Jagt
Downing	Michel	Waggonner
Duncan, Tenn.	Milford	White
du Pont	Miller, Ohio	Whitehurst
Edwards, Ala.	Mitchell, N.Y.	Whitten
Emery	Montgomery	Wiggins
English	Moore	Wilson, Bob
Erlenborn	Moorhead, Calif.	Winn
Esch	Myers, Ind.	Wright
Eshleman	Myers, Pa.	Wydler
Findley	O'Brien	Wylie
Fish	Passman	Young, Alaska
		Young, Fla.
		Young, Tex.

NOT VOTING—28

Abzug	Coughlin	Fountain
Aspin	Dellums	Fraser
Barrett	Fenwick	Hinshaw
Brown, Mich.	Flynt	Holland
Chappell	Foley	Ketchum
Kindness	Murtha	Rousselot
Lehman	Nix	Ruppe
Long, Md.	Patterson, Calif.	Staggers
McCloskey	Rostenkowski	Wampler
Mills		

So the resolution was agreed to.

The Clerk announced the following pairs:

Ms. Abzug with Mr. Aspin.
Mr. Staggers with Mr. Dellums.
Mr. Rostenkowski with Mr. Foley.
Mr. Patterson of California with Mrs. Fenwick.
Mr. Flynt with Mr. Lehman.
Mr. Barrett with Mr. Brown of Michigan.
Mr. Fraser with Mr. Ruppe.
Mr. Holland with Mr. Hinshaw.
Mr. Long of Maryland with Mr. Rousselot.
Mr. Nix with Mr. McCloskey.
Mr. Murtha with Mr. Kindness.
Mr. Fountain with Mr. Wampler.
Mr. Chappell with Mr. Coughlin.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBER OF THE DEFENSE MANPOWER COMMISSION

Mr. O'NEILL. Mr. Speaker, pursuant to the provisions of section 701(b), title 7, Public Law 93-155, I have today appointed as a member of the Defense Manpower Commission Mr. Arthur E. Haley, of Winchester, Mass.

APPOINTMENT AS MEMBER OF THE DEFENSE MANPOWER COMMISSION

Mr. RHODES. Mr. Speaker, pursuant to the provisions of section 701(b), title 7, Public Law 93-155, I have today appointed as a member of the Defense Manpower Commission, Mr. Britton L. Gordon, of Grand Rapids, Mich.

TAX REDUCTION ACT OF 1975

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2166) to amend the Internal Revenue Code of 954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 2166, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Oregon (Mr. ULLMAN) will be recognized for 1½ hours, the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 1½ hours, the gentleman from Pennsylvania (Mr. GREEN) will be recognized for 30 minutes, and the gentleman from Texas (Mr. CHARLES WILSON) will be recognized for 30 minutes.

At this time the Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the need for this legislation is almost self-evident.

Because of the rising unemployment, because of the increasing recession in this country, economists have universally agreed that we have the grave responsibility of providing a major stimulus to the economy to put it in place as rapidly as possible and to make it applicable in areas where it will provide spending power in the economy.

The Committee on Ways and Means held a series of panel hearings, calling before it the foremost economists and experts in the country, in order to get a broad viewpoint and as much expertise as possible on the subject matter. The experts were almost unanimously agreed that we do need to put into place this tax cut and do it as rapidly as we possibly can.

Mr. Chairman, this is not surprising in view of the sharp decline in economic activity which has taken place recently. Although characterized by marked inflation, 1974 was a recession year. After taking into consideration a 10.2 percent increase in prices, as measured by the GNP implicit price deflator, which is the broadest measure of inflation, real GNP fell 2.2 percent. The decline in output and the rise in prices were especially marked in the fourth quarter of 1974, when real GNP fell at an annual rate of 9.1 percent and prices rose at a rate of 14.4 percent.

The decline in economic activity is pervasive and affects both consumption and investment. Declining disposable income, inflation, and declining consumer confidence have led to particularly sharp declines for durable goods expenditures, which includes new automobiles. Business investment and housing starts have also dropped sharply. As the economic situation deteriorates, unemployment rates continue to rise, from 5.2 percent in January of 1974 to 8.2 percent in January of 1975. The unemployment rate at present is the highest since 1941.

Moreover, economic forecasters are particularly concerned and almost unanimous in predicting that unless we take appropriate action now to cut taxes, the current recession will continue and deepen.

So in view of that preponderance of opinion, the Committee on Ways and Means moved to develop a tax package of sufficient magnitude and dedicated to a particular purpose and with a speed that is designed to accomplish its objective of turning this economy around.

Mr. Chairman, let me very briefly lay out for the Members the format of the measure that we have before us. It has a total revenue impact of around $21 billion. A little over $19 billion of this will occur in this calendar year, and a small portion, something under $2 billion, will be carried over into the next year.

All of the carryover is in the business tax reduction. It is because of the way that the investment tax credit provisions are scheduled, where, if the investment is ordered now but placed in service the next year, it will be taken as a credit then.

Individuals will receive a tax reduction of $16 billion. Almost half of that will be in the form of a rebate on 1974 taxes, and about half of it, in title II, will be a reduction in current 1975 taxes that will go into the withholding stream.

The committee felt that to get the maximum impact it would be wrong to put it all in a rebate, and they also felt that it would not be proper to put it all in a current reduction. Therefore, they divided it almost down the middle, to the point where half of it will be a rebate on 1974 taxes.

The committee also felt that it would be unwise to put the tax rebate, the 1974 rebate, into too high brackets and in too large amounts. It was the feeling of the committee that the more broadly we could spread the rebates on 1974 taxes, the better and more stimulative effect it would have on the economy. Consequently, the committee worked out what I think is a very reasonable and feasible method of applying the rebate based upon a 10-percent rebate, but it built around a $100 minimum and a $200 maximum. If you paid less than $100, you get back what you paid in; but if you paid more than that, you have a floor of $100 and a ceiling of $200. Between the $20,000 and $30,000 levels, the rebate phases down from $200 to $100. Above the $30,000 phase-out figure, you are reduced to $100.

This seems to be an equitable way of doing it. It keeps us from putting too large a benefit in the higher brackets, and again, it gives everyone who pays taxes a rebate on the last year tax. It is broadly based.

Title II of the bill is the part that affects current taxes. It is divided into two major components. About $3 billion of the $8.1 billion involved in the reduction of current taxes is in what we call an earned-income credit, and it phases out at $6,000 of income. It only applies to people who make less than $6,000 of income. The credit is 5 percent of earned income. The maximum credit would be $200 per individual. One cannot go above that. This because it is based upon the concept that almost everyone, even those in the low brackets, pays a payroll tax and that this tax is very regressive. Although we in no way affect or change the social security law, we are in effect rebating to the low income groups below $6,000 most of the payroll tax that they have already paid in those brackets.

It has an additional feature: For those who pay taxes, it applies as a credit; but for those who do not pay taxes, we have a provision whereby they can file a return if they have had earned income and get a refund in that amount.

I think that if we look at the whole spectrum of taxation, we will recognize that this does accommodate a very serious problem of regressivity in the social security tax system.

I think it is a good long-range reform, even though it applies to only 1 year. Remember that title II in all of its aspects applies only to the current year.

The bigger part of title II has to do with the standard deduction and the low income allowance that we already have in present law. It generally conforms with the recommendations of the President—in tax recommendations he made on the energy bill.

The bill increases the minimum standard deduction from $1.300 to $1,900 for single persons and $2,500 for joint returns. It also increases the percentage standard deduction from 15 percent of adjusted gross income with a maximum of $2,000 to 16 percent with a maximum of $2,500 for single persons and $3,000 for joint returns.

These increases in the standard deduction effect a major simplification of the income tax. Almost 10 million taxpayers are expected to shift from itemizing deductions to using the standard deduction. This would raise the number of tax returns that use the standard deduction to almost 60 million, or 72 percent of all returns.

In addition, these changes will grant sorely needed tax relief to low-income families at poverty income levels which have incurred severe hardships in recent years as a result of inflation and especially higher food and energy costs. It will do this by alining the income levels at which taxpayers start to incur tax liability more closely with present poverty levels. For example, as a result of the increases in the low-income allowance and the standard deduction, a single taxpayer will start to incur tax liability at an income of $2,650 compared with the 1975 poverty level of $2,694. Under present law, the tax liability for a single person starts at an income of $2,050—substantially below the poverty level. Similarly, under the new law, a married couple with two dependents will start to incur tax liability at an income of $5,500—or very close to the income level of $5,442 which is deemed to be the poverty level. At present, such a married couple is required to start to pay tax at an income level of $4,300.

So I think this part of the package should have broad bipartisan support. Essentially what it achieves is this: It will, when it is in place, provide that the current poverty line, will be pretty well the lowest level at which people pay income tax. It is designed to meet that objective. We think that it is sound tax policy that we not tax people below the poverty level. In effect this change in the low-income allowance or the standard deduction would assure that people below the poverty line would not be taxed.

In addition, by increasing the standard deduction, we accomplish a really major long-range reform proposal, and that is that over 10 million taxpayers who are now itemizing their deductions would find that with the new higher standard deduction, they would do better by going to the short form and taking the standard deduction rather than itemizing their deductions.

In our considerations in the last year in developing tax reforms in the Committee on Ways and Means we considered this a very desirable reform objective. We had it basically in this form, although with a smaller increase, in the bill that we developed in the committee last year that, for various reasons, did not get enacted into law. The President has basically recommended the same procedure. Therefore we think it is extremely sound.

I might add that the total of $16.2 billion of tax reductions provided to individuals under the three tax reduction provisions that I have just described is designed to grant the relief where it is most needed and where it will be most effective in bolstering the economy; 56 percent of this reduction is expected to be received by taxpayers with adjusted gross income below $10,000, and 90 percent by people with income below $20,000. Your committee believes that concentrating the tax reduction in the low- and middle-income brackets is equitable in that these are the taxpayers who have been affected the most by inflation. Also, a tax cut concentrated in these brackets will be more effective since these people will be more likely to spend the tax cut and in this way increase income and employment.

Going to the third title of the bill, we deal there with the problem of business investment.

It is the feeling of the committee that you can better trigger a turnaround in the economy by combining with the increase in the tax reduction for individuals a reduction to help business investment, through a cut in business taxes.

We provided a reduction for business of about $4 billion. We divided this into two parts, the larger part is an increase in the investment tax credit from the present 7 percent in the case of business to 10 percent, and from the present 4 percent in the case of utilities to 10 percent.

In the past we made a differentiation between the 4 and the 7 percent, giving the utilities a lesser level of investment credit, I think that under past circumstances that was a justified decision, but with the energy crunch, with the tremendous needs for capital in the utility industry for development, and particularly for conversion from petroleum products to coal and nuclear, I think the situation now is reversed, and that the utilities need, and desperately need, the 10 percent.

In addition, to focus the incentive effect of the investment credit on the less profitable utilities which are faced with rising energy costs, the bill increases the limitation on the amount of income tax liability which can be offset by the investment credit in any year from 50 percent of tax liability—above the first $25,000 of tax liability—to 100 percent. This 100-percent limit applies for 2 years and then the limitation is gradually phased back to 50 percent over a period of 5 years. However, to prevent an excessive proportion of the revenue reduction from going to any one company, an upper

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limit of $100 million was placed on the amount of investment credit that any one utility company could receive from the 6 percentage point increase in the investment credit from 4 to 10 percent—or with respect to other property the increase from 7 percent to 10 percent.

In addition, the amount of used property eligible for the investment tax credit is increased from $50,000 to $75,000. The increased 10-percent credit is to be available for property placed in service after January 21, 1975, and before January 1, 1976. In the case of property acquired pursuant to an order placed before January 1, 1976, the 10-percent credit is to be available if the property is placed in service by the end of 1976. Also, in the case of construction occurring after January 21, 1975, the 10-percent credit is to be available for the portion of the construction occurring before January 1, 1976, regardless of when the property is placed in service. The revenue loss from these changes in the investment credit is estimated at $3.9 billion—of which $1.5 billion is expected to occur in 1976.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 3 additional minutes.

So we are increasing the investment credit across the board to a 10-percent figure.

The second part of the business tax provision in title III also is important. It increases the present surtax exemption, which is $25,000, and is applicable to all corporations. The first $25,000 of earnings of corporations are taxed at 22 percent under existing law. This was put in place many years ago. To accommodate the problems of inflation, we in this bill have increased that $25,000 to a $50,000 level. It will give a benefit to all corporations but a proportionately much bigger benefit to smaller corporations. I think this is the way that we can help the small corporations more than any other device that we can put into the Tax Code.

So, up to the first $50,000 of corporate income the tax will be 22 percent, and from then on it will go to the level of 48 percent. This, then, constitutes the total package that we have before us.

Let me relate very quickly, then, to the other matter. I think one of the most important parts of this package is the speed with which we act to get it into place. If we can pass this bill today—and I hope that we have widespread support for it—and if we can keep it clean and free from extraneous matter, then I am positive that it can go over to the other body and be acted upon very expeditiously within a matter, hopefully, of a few days so that it can get signed by the President. If we can move this rapidly, we can get it into the spending stream on the first of May. We can get the rebate checks in the mail so that the first will arrive the first of May, and shortly after the first of June the final checks can be delivered. This is extremely important. The speed with which we get this in place will have almost as much to do with its impact on the economy as the amounts that we deliver.

If we can act expeditiously we can get the withholding stream changed. We can get an increase in take-home pay on the part of millions and millions of Americans in place by the first of May.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

We think that this is extremely important. Later in the debate I will relate a little bit more fully as to the extraneous problems that have been raised. As I think the Members of the House know, I have been extremely concerned about keeping this bill clean, keeping it a tax measure that goes to the economic problem, and not relating it to any reform procedures. Under the rule there will, however, be two amendments made in order having to do with the depletion allowance. I will oppose them both. I will hope that the House votes both of them down. I think that is our best assurance that we get rapid action, that we respond to the needs of the economy, that we demonstrate to America that we are responsive, that we are responsible and that we know how to legislate rapidly to meet a particular problem, and that we avoid the fuzzing-up kind of procedure that gets us entangled in all kinds of delay problems.

If this bill goes clean to the other body, there will be immediate action. If we attach depletion on it one way or the other, if we adopt the Wilson amendment, there will be those in the other body who will say that is too much of an oil company amendment and, therefore, it ought to be cleaned up. If we do not and just pass the Green amendment, then we are sure that there will be continual delays over there and the procedures will be slowed up measurably.

The Senate will be involved in writing all kinds of substitute procedures that will involve delay.

I very much urge the Members to support the bill as it is written. That is the way it will most effectively meet the challenge that the House has before it today.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, my colleague the gentleman from New York (Mr. CONABLE) will explain in detail his substitute, but before I get into the Green amendment, I would like to make some comments on the Conable substitute with which I concur and which I support most heartily.

First, the Conable amendment would provide a one-shot rebate of 1974 taxes on a graduated basis, which is desirable if we wish to reduce taxes, for total losses to the Treasury of $12.2 billion. This, of course, would have an immediate stimulative impact or consequence, 50 percent greater than that in the committee bill, that is, 50 percent more being refunded on rebate, hopefully in the month of May.

Second, the substitute would provide a maximum rebate per return of $430 per person, more than double the maximum provided under the committee bill. The larger payments of the substitute would result in more widespread consumer buying, including, presumably, the so-called big ticket items. To stimulate the economy, what we are talking about is home construction, automobile purchasing, and appliance buying, all large ticket items. With the committee bill, in my opinion, which is for a maximum rebate of $200, we are not going to have a very great stimulative effect in this area.

Third, the substitute would provide greater tax relief to millions of middle-income taxpayers than the committee bill would. This has been articulated most effectively by the AFL–CIO, which has pointed out that among other things almost half the taxpayers in the broad income range between $10,000 and $20,000 would receive no relief from title II of the committee bill. The view of the AFL–CIO with respect to title II is cited in greater detail in the minority report to the committee report, and I commend it to the attention of the Members.

Fourth, whereas title I of the committee bill would provide some immediate economic stimulus, title II goes well beyond that to make substantive changes which would apply in the next taxable year—changes which obviously do not respond to the need for stimulus now and which will not necessarily be responsive to the needs of the economy a year from now.

I address myself now to the problem of amendments relative to the depletion allowance. I am opposed to the proposal by the gentleman from Pennsylvania (Mr. GREEN) relative to his elimination of the depletion allowance, and as it would be modified by the Wilson amendment.

The Wilson amendment was never presented to our committee. Our committee finished action on this bill last week. The Wilson amendment was first called to the attention of the House in a Democratic Caucus last Tuesday. I still have not seen a copy of it. It is 19 pages long.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield

Mr. SCHNEEBELI. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Mr. Chairman, the gentleman would agree there has not been an opportunity for me to present this amendment to the Ways and Means Committee, would he not?

Mr. SCHNEEBELI. That is one of my complaints, that the gentleman has not had the chance.

Mr. CHARLES WILSON of Texas. And that the data we have compiled and used in making our case has never been considered by the Ways and Means Committee—would the gentleman agree with that?

Mr. SCHNEEBELI. That is another complaint I have. The complaint I have is that we have not had the opportunity to look at it. We have not looked at it and it is a piecemeal approach to the problem. Here we are concerned about the matter of $3 billion on a matter that was presented to the Democratic Caucus on Tuesday. Most of the members of our committee have not seen the amendment. In fact there is a great difference of opinion as to what the impact of the amendment will be. In order to gage the impact of the amendment we went to

the industry itself, the Joint Committee on Internal Revenue Taxation and the Treasury Department and we said: What does this all mean? What are the dollars and cents figures on this amendment? Their estimates ran all the way from a reduction of the depletion repeal intake to the Treasury of 12.6 percent to 40 percent.

Now, we are talking about a percentage of $3 billion. This is a lot of money. We should know what we are doing. We do not know what we are doing.

Furthermore, I am advised that we need technical amendments to the Wilson amendment. I do not know whether they have been taken care of. I doubt it very much.

I would like to ask the question: What is the big rush for this depletion deal? Our committee on Monday of next week takes up the matter of energy taxation. We would like to consider everything at one time. We have the question of a windfall profits tax. We have the question of an excise tax on domestic and foreign production on imports to this country. We have the question of the depletion allowance.

Why should we proliferate the subjects covered in this bill, and take up one subject in the energy field at this time, when we have plenty of time to deal with energy matters when the committee starts 2 weeks of hearings on Monday on this very subject?

The committee chairman has promised that before the end of April we will have a complete energy bill on the floor. At that time, when we bring the bill to the floor we can address ourselves to the same problem as addressed in the Green and Wilson amendments. We can recommend them to the House after we have had time to look them over and after we get some mature judgment on their impact and effect.

So I ask that action on this be deferred until your committee has a chance to look it over. At that time, when we bring out a bill in April, we can cover all the subjects that are covered herein and we can give the House a balanced judgment on the whole package.

In fact, many of us who opposed the inclusion of the Green amendment in this bill have already voted in committee to vote out depletion. Many of us who opposed the inclusion or the amendment in this bill are not opposed to the elimination of the depletion allowance. We have already voted on the matter. As many will recall, in the tentative decisions we made on the Comprehensive Reform Act last year, the depletion matter was taken up. The bill said there would be either a phaseout or limitation of depletion over 2 years time. We addressed ourselves to that question and many of us voted to phaseout depletion. However, we do not like this rush act on depletion in this bill, because this depletion amendment intereferes with the consideration and quick action on what we hope is a fast return of this tax rebate to the public.

I would also like to call to the attention of the House that we have a lot of company in our opposition to the consideration of depletion in this bill.

Let me read a letter which all the Members of Congress received from the President of the AFL–CIO. It is a letter sent to each of the Members, dated February 11, 1975, as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., February 11, 1975.

To all Members of the House.

DEAR CONGRESSMAN: We in the AFL-CIO are deeply concerned at reports that an amendment repealing the oil depletion allowance will be attached to the tax cut measure on the floor of the House.

We are completely opposed to the oil depletion allowance but we consider such an amendment now would be a serious mistake.

The tax cut package by the Ways and Means Committee is a substantial improvement upon President Ford's proposal. The Committee bill would increase the buying power of low- and middle-income families, thus greatly stimulating the economy. That stimulus is of overriding importance.

To provide its greatest benefit to the economy, the tax rebate and cut must be passed as quickly as possible. Adding repeal of the oil depletion allowance to the Committee bill would almost certainly lead to a filibuster in the Senate and, thus, delay getting the tax cut into the hands of consumers.

The AFL–CIO believes that, as soon as the emergency tax package is passed, the Ways and Means Committee should begin work on comprehensive tax reform, with repeal of the oil depletion allowance a "must" item.

Therefore, we urge every member of the House to support quick passage of the Committee bill and to oppose any amendment that might delay enactment of a measure the economy so desperately needs.

Sincerely,

GEORGE MEANY,
President.

In summary, I ask for approval of the Conable substitute, which the gentleman from New York (Mr. CONABLE) will describe in greater detail.

At the same time, I would urge that we vote down the consideration of the depletion allowance at this time and let your committee consider it in a well-balanced energy tax bill, which we should have on the floor here within 6 weeks.

Mr. SCHNEEBELI. Mr. Chairman, I yield 10 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, during the French and Indian War, immediately prior to the first battle of Lake George, the provincial commander, a man by the name of Sir William Johnson, heard of a large French Army coming down the road from Crown Point. He ordered 500 Indians and English provincial soldiers out along the road in the direction of the French Army.

The wise old chief of the Mohawks, Hendrik, hearing about this, came to Sir William to complain. Sir William said, "Why do you wish to speak to me?"

Hendrik said, "What is the purpose of sending these men? If they are to fight, they are too few. If they are to die, they are too many."

The distinguished chairman of my committee, the gentleman from Oregon, has said that the purpose of the Ways and Means Committee bill is almost self-evident. I submit that it is not self-evident. If the purpose of this bill is to stimulate the economy, it is too little. If it is to erode the tax base, to redistribute the wealth, to reform taxes after 3 or 4 days of deliberation only, it is too much.

It seems to me there are many problems with this committee bill, Mr. Chairman. It does not serve the purpose that is announced for it. It is hastily prepared and not well thought out. Title II, in all probability, will be a permanent change in the tax structure.

It works against middle-income taxpayers who already shoulder most of the tax burden. It cuts the tax base when our greatest problem is recurring deficits.

Forty-six percent of those between $10,000 and $20,000 of adjusted gross income will get no benefit at all. These are the ones who itemize because their deductible expenditures are above the average. Such an omission is an invitation to the Senate to add further tax cuts to the bill and to a deficit already perilously high.

Now, Mr. Chairman, there is a substitute that bears my name. I must say that it is a joint effort of the Republicans on the Ways and Means Committee. I think it is far preferable to the committee bill.

It rebates to middle-income taxpayers, who also are strapped by inflation like others, in an amount more commensurate with their portion of the overall tax burden. Those who are in the low-income category still receive a sizable rebate. It is weighted to those with low income—and make no mistake about that—but it does give greater recognition to the middle class, which carries the great bulk of our tax burden. It is based on 1974 taxes, a rebate of taxes already paid, and is therefore temporary. Next year, if further stimulation is required, it can be added at that time.

The committee bill adds a permanent stimulus through a permanent tax structure adjustment. The substitute bill provides maximum rebates as high as $430. Two hundred dollars is the cap for high-income taxpayers, and this margin of rebate will permit a much more substantial boost to the economy at the very point where the slack is the greatest, in durable goods.

If we want to encourage big ticket item purchases, how foolish of us to give no more than $100 or $200, the amounts provided by the committee bill.

The substitute is a one-shot, $12.2 billion immediate infusion of funds which will pack a bigger wallop than the immediate cuts of $8.1 billion provided by the committee bill. The rebates will be paid at one time rather than dribbling them out via the withholding system. The title II provisions under the committee bill will, of course, have to be passed out through withholding on the 1975 tax. A portion of the committee rebates would not be paid until spring of 1976.

It also seems to me, Mr. Chairman, that the total amount of the substitute is about right, $17.3 billion, in contrast to the more than $21 billion of revenue lost in the committee bill.

I wish to point out the substitute does not change the committee bill with respect to business taxes, which amount to roughly $5.1 billion.

We want to stop recession without setting off another round of inflation.

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The proposed 1976 budget deficit, $52 billion plus the $17 billion which apparently is not going to be deferred and rescinded, includes a $16 billion tax cut. Any amount over that increases the deficit, increases the probability that we will ratchet inflation and interest rates to a new higher plateau than they have ever been before.

Mr. Chairman, I do not think the substitute is a panacea. I think the economists, who have come before our committee, were in general agreement, however, that the economy does need a wallop at this point. We have had a downward spiral of recession during the past 4 months. It is my hope that this body will accept the substitute that will deal with the specific problem facing us now rather than accepting a committee deal that is neither fish nor fowl, that is too much or too little, depending upon its purpose.

It is within the capacity of Congress to move wisely with respect to economic matters. I think this issue is a test as to whether we are equal to the challenge.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Chairman, there is so much to talk about in this bill that it would be difficult to do it in the few minutes allotted to me. My colleague from New York has talked about some of what I feel are major problems with the general tax portion. I would like to spend just a few minutes talking about the amendments which I intend to offer to the Wilson amendment at the appropriate time.

First, I would like to say to my colleagues that the depletion allowance has, unfortunately, come under severe and, I believe, misguided political attack; but it has been the finest capital accumulation tool for the production of energy in this country since its institution, and it has permitted the consumers in this country to enjoy the cheapest energy prices of any country in the world. To do away with it at this time, when we are desperately seeking energy independence domestically, I think would be a great mistake. This is particularly true when we know that the outstanding energy economists in this country predict that we will need $1 trillion of additional capital investment in the next 10 years in order to produce the energy that America needs. That trillion dollars must come primarily from internally generated profits or from outside capital investment because banks and lending institutions will put up no more than 25 percent.

In order to attract this capital, the depletion allowance, is an essential tool, particularly to the independent oil operator. I think that we will pay a rich price as consumers in this country in years to come if, as a result of any action this Congress might take, we eliminate the oil depletion allowance.

In fact, simple arithmetic shows us that the oil depletion allowance on $10-a-barrel oil would be $2.20. If it is removed, any producer who is in the 50 percent tax bracket must recover $4.40 a barrel in order to be even economically and retain the same necessary return on invested capital.

That means that on domestically produced new oil, when we eliminate the depletion allowance, we are ultimately passing on a tax to the consumer of 10 cents a gallon on gasoline. We will either see this passed on in higher prices to the consumer in order to compete for capital in the competitive capital markets, where return on invested capital is the barometer for that invested capital, or we will not have the production of oil, because the return will not justify the investment of rich capital. For example, today the projected cost of producing new oil from the Outer Continental Shelf is now $12 to $14 a barrel in order to produce a 15-percent return on invested capital—and this assumes continuation of the depletion allowance.

So let us know what we are doing when we talk about eliminating the depletion allowance, because every $2.20 that we return to the Treasury will cost the consumer $4.40 in the price of the product that is made from domestic oil.

Mr. Chairman, with respect to the two amendments, the first one would give thrust to the Wilson amendment. The Wilson amendment, which the gentleman from Texas will tell us about later, is an effort to keep in business the small operator, the wildcatter, the independent operator, who drills 88 percent of the wells that are drilled onshore domestically.

I think it is absolutely essential to our domestic effort that we continue to give that independent the incentives that he needs.

My first amendment is a rather technical one. It is an amendment which would merely fulfill the promise that the gentleman from Texas (Mr. CHARLES WILSON) has in his amendment, the promise that the independent will have a 3,000-barrel-a-day exemption from the elimination of the depletion allowance. It is very important, because it relates to the common practice of working interests in the oil and gas business, where a small independent actually goes out and drills the holes very frequently for a large major company and yet the small independent has only a small percentage of that joint venture or partnership. The arrangement is generally a joint venture.

Mr. Chairman, the Wilson amendment, I think unintentionally, has the possibility of denying to that independent his share of the oil produced from that joint venture, which would otherwise under the 3,000-barrel limitation be exempted from removal of the depletion allowance, and my amendment would assure that this does not happen. The committee staff tells me that this amendment would result in a negligible cost, with respect to the Wilson amendment.

Mr. Chairman, the second amendment relates to natural gas, which is in very, very short supply in this country today. If we are going to control the price of natural gas, which we are doing in America today through the Federal Power Commission, we must in my opinion continue to permit the depletion allowance to stay in place. Otherwise, we are not going to get the natural gas that this country desperately needs.

Just this winter, several weeks ago, 1,200 steelworkers were laid off, in spite of the fact that the orders in the steel business far outstripped the capacity of the steel industry to produce. They were laid off because there was no natural gas to operate the steel mills. We are going to take a very severe economic loss in this country if we, on one hand, regulate artificially at a low level the price of natural gas and, on the other hand, take away the depletion allowance which has been permitted on gas produced at a lower price level.

Once again, the same economic factors come into play. For every dollar that we take away in depletion allowance for natural gas, the consumer will pay $2 or else the gas will not be found, because the producers have to compete in the capital markets for return on their invested capital.

It seems to me that if we are going to take the position, as my colleague on the Committee on Ways and Means, the gentleman from Florida (Mr. GIBBONS), has so ably stated in committee on many occasions that the market price should take care of the depletion allowance and that there should not be any particular special tax benefit, then we should adopt my amendment, which says that if we do not let the market price apply and if we control the price through the Federal Power Commission, we should continue to permit the depletion allowance to be taken on natural gas. Under my amendment when price regulation is eliminated, which I hope it will be soon, there would be no further depletion allowance.

It is only equity, where producers have invested risk capital on an economic premise, that the depletion allowance would be there, and they have discovered gas and that gas has been regulated by the FPC at a low price to permit them to continue to fulfill their contracts under Federal price regulation with the depletion allowance that they took into consideration when they produced that gas at that cheap price to benefit the consumers.

Therefore, Mr. Chairman, both amendments which I will offer, and unfortunately, I will only have 5 minutes on each at the time of offering them under the rule, are highly constructive. They do not go as far as I would like to see us go to benefit the consumer, but they will help to a significant degree.

I think any elimination of the depletion allowance is a total mistake, but if this House does eliminate it, it should protect these two vital areas, the independent and natural gas suppliers, and in doing so help to assure more available and reasonably priced energy to the consumer in years to come.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to a member of our committee, the gentleman from Ohio (Mr. CLANCY).

Mr. CLANCY. Mr. Chairman, I favor the thrust of the legislation which we are presently considering, with regard to the tax rebates and the changes in the investment tax credit and the corporate surtax exemption. However, consideration of the changes in the standard deduction contained in title II and the proposals relating to the elimination of the percentage depletion allowance should be deferred until such time as general tax reform measures are considered.

I am in favor of the Conable substitute to title I and title II of H.R. 2166. Under the Tax Reduction Act, it has been estimated that 12.1 million taxpayers, or approximately 46.2 percent of taxpayers with adjusted gross income between $10,000 and $20,000 would receive no tax benefit under title II of H.R. 2166. The majority of these taxpayers are residential homeowners who usually itemize on their Federal tax returns and who have substantial tax deductions relating to their homeownership. These tax deductions include local property taxes and interest on home mortgages. Additionally, those taxpayers with large medical expenses or casualty losses would receive no benefit from the tax reductions contained in title II, in that they also would continue to itemize on their Federal tax returns.

I believe that the Conable substitute is a viable alternative to title I and title II as contained in H.R. 2166. The Conable substitute would provide for a one-shot tax rebate of $12.2 billion and would delete title II of the Tax Reduction Act. This rebate would be on a graduated scale with those in the lower income brackets receiving a larger percentage rebate based on 1974 tax liability. The maximum rebate under the Conable substitute would be $430.

It is the purpose of the legislation before us today to provide an immediate economic stimulus, to curtail the downward slide of our economy and to restore economic growth. I believe that the business tax reductions in title III of the Tax Reduction Act are an effective means of stimulating the economy. The increase in the investment tax credit and the corporate surtax exemption will alleviate the twin problems of increases in the cost of inventory and the lack of working capital. These measures will result in expanded employment, productivity and output, as well as combating inflation and recession. Taking into consideration what inflation has done to small businesses, the business tax reductions may help to bring the costs in line with inflation, while also providing stimulus for economic growth and needed employment.

For these reasons, I favor the thrust of this legislation, but express grave reservations with regard to inclusion of title II and the proposals relating to the elimination of the percentage depletion allowance in this bill. While changes in the minimum standard deduction and the percentage standard deduction are necessary and vital to a number of taxpayers and many Members believe that the percentage standard deduction are be eliminated, such changes should be considered and better dealt with in general tax reform rather than in the Tax Reduction Act. Since general tax reform measures will be considered by the Ways and Means Committee early this spring, changes in the standard deduction and the percentage depletion allowance should be deferred until that time, and the House should deal only with immediate rebate measures in the Tax Reduction Act.

Mr. ULLMAN. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman from Oregon for giving me this time.

Mr. Chairman, I know my voice will be just like a small cry in the wilderness today, but I have a conscience, and I feel I must speak up against the tax reduction and the tax rebate which is the main issue in the bill before us. We are getting ready to spend $21 billion we do not have to spend.

I, certainly, am not against a reduction or a tax rebate to the people of this country if the money is available but, my colleagues, we all know we are getting ready to have a $50 billion deficit budget in this fiscal year. If we take the $21 billion that is involved in this bill, this further adds to an unbelievable and uncontrollable Federal debt. This deficit spending will further add to the flames of inflation. The problem now is that the Government borrows all the money from the banks and savings and loans which in turn causes high interest rates and leaves no money for business and business expansion.

In effect, Mr. Chairman, it seems to me that in taking up this bill today that we have the cart before the horse under this proposal. I know that about half of the Members of this Congress have served in State legislatures. In the State legislatures when one would bring up a bill that was going to cost more money than there was in the Treasury, before you would bring the bill up you brought up some tax measure to pay for that proposal.

So, as I say, there is no question about it but that we have the cart before the horse. We do not know where in the world we are going to get the money to take care of the tax rebate and the tax reduction.

Quite frankly, Mr. Chairman, I have not heard from the people back home, asking for a tax reduction or a tax rebate. The people I represent realize that further deficit spending is not going to solve the recession. They are interested in straightening out the energy situation. They think that the recession will take care of itself, if the Government does not kill private enterprise and will let supply and demand work.

About the only ones whom I have heard say that this is going to work, and that this might pull us out of the recession, are a bunch of economists, and the economists in this country have a pretty good record of being wrong in most things that they have predicted.

I am opposed to the bill, and I hope it can be defeated.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN of Tennessee. Mr. Chairman, I generally am opposed to deficit financing and a deficit budget, because when this Government has a deficit there are just two places we can get the money for it, and the chief source is usually in the money market. When we borrow money it automatically causes interest rates to be higher then they normally would be.

I was one of those on our side who supported the depletion phaseout last year in the committee. I think perhaps maybe I was the only one. But there is a proper place for that legislation. This legislation is designed to stimulate the economy, and is not a tax reform act. To tack nongermane amendments to the legislation will prevent the speedy tax cut the economy so badly needs.

I also support the Conable substitute.

Mr. SCHNEEBELI. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina (Mr. MARTIN).

(Mr. MARTIN asked and was given permission to revise and extend his remarks.)

Mr. MARTIN. Mr. Chairman, having been persuaded by consistently uniform testimony that the flagging economy needs the quick stimulus of a simple, modest tax rebate, nevertheless, I cannot accept and must oppose the package of tax reductions in H.R. 2166. Specifically, I object to five features of title II:

Its inflationary aspect;

Its permanence;

Its tax cut for people who do not pay taxes;

Its tax cut for people who do not have substantial debts; and

Its erosion of the incentives of the charitable deduction.

The inflationary aspect of title II arises from the magnitude of the revenue loss and more especially from the timing of the tax impact of title II. In view of the $75 billion deficit now expected for calendar year 1975, because of revenue losses as a result of the business recession, it is irresponsible to enact a semipermanent tax cut which will continue to stimulate the economy long after recovery. While the one-shot, stimulative tax rebate of title I will come in advance of the recovery at a time when the $3 billion in increased consumer buying power could help generate jobs and production the more prolonged stimulus of the decreased withholding under title II will be inflationary. The additional $8 billion is just that much more debt that must be financed, in competition with private borrowing, thus increasing the upward pressure on interest rates.

The permanence of title II is another great concern. The two basic changes of this title are proposed for only 1 calendar year. Once this tax advantage is granted to the two favored classes of citizens, however, it would be extremely difficult to reverse the change in the future. The new advantage will not then be viewed as a 1-year bonus, but as an inherent right. Any future decision to return to 1974 tax structures would be regarded by these beneficiaries as a penalty.

Title II incorporates a novelty tax cut for people who do not pay taxes. This nearly $3 billion "refund" of the "earned income credit" institutes a negative income tax for many whose adjusted gross income is less than $6,000. Such a fundamental and profound change in tax policy has no place in a bill to provide a stimulative tax cut. It should stand on

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its own if the Congress conscientiously advocates such a concept; it should not, like the camel's nose, be slipped under the tent in this way. Once the principle is established at this relatively cheap level of $200, the philosophical objection will have been overcome; and the next step will be to fatten the payoff for those for whom the unsuccessful 1972 candidate for President advocated a guaranteed income of $1,000 apiece. This free lunch concept has no place in a sincere bill to remedy the problems of the economy. It is a political sellout that can only weaken the economy. In simplest terms, people who pay no taxes should not participate in a tax cut.

Title II provides a discriminatory tax cut for people who do not have substantial debts. The extra $5 billion conferred upon taxpayers who do not itemize their deductions bestows upon them an advantage—and listen to this—an advantage not shared by their neighbors of similar economic condition who also happen to be obligated for mortgage payments on their home. Generally mortgage interest deductions determine whether a middle-income taxpayer itemizes deductions or uses the standard deduction. In principle, such a permanent tax adjustment should be accompanied by offsetting new revenues, which is not the case here. The most serious hazard of this approach is that a tendency to gradually but steadily raise the standard deduction will encroach upon the viability of the charitable deduction.

Few Members of Congress—or their constituents—openly advocate a frontal assault on the charitable deduction. Yet it cannot be denied that one practical—however unintended—effect of making the standard deduction more attractive is that it will steadily erode the benefit of the charitable deduction to increasing numbers of taxpayers, as well as the churches, schools, nonprofit service institutions and other charities of their choice.

I will support the amendment to be offered by the gentleman from New York, because it will eliminate these objections. If the Conable amendment alone is accepted without other amendments, I will vote for passage of this bill. If the remedies of the Conable amendment are rejected, then I must continue to oppose the bill because of its glaring deficiencies.

I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, did I understand the gentleman to say that if a person takes the standard deduction on his 1975 income tax return he would receive the tax reduction provided for by this bill, but that if the same taxpayer itemizes his expenses he would not receive the benefit of said tax reduction?

Mr. MARTIN. That is true with regard to title II of the bill H.R. 2166. That is, the person who itemizes the deductions would get the same benefits as anyone else in the rest of the bill, but he would not get the additional preferential benefit under title II, the increase in standard deduction. Of course the person who has substantial local taxes or substantial interest to pay would ordinarily itemize deductions, and therefore would not get that extra tax break bestowed in this bill upon the person of similar income who does not itemize.

Mr. WYLIE. Does the gentleman regard that as a glaring omission in title II of this bill, the fact that the person who itemizes deductions does not get the same reduction benefit?

Mr. MARTIN. Yes, except I would not say it was an "omission" but I would call it a "commission." I think it is a discriminatory provision and I think it is intentional, I will say to the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. STEIGER), a new member of our committee.

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in support of this bill. I do so, I admit, with some reluctance because it is not quite what I would like to see us do and I hope the amendment offered by the gentleman from New York will be adopted.

There are some points that legitimately the House ought to consider when we discuss the issues involved in this bill. The first is that which goes to the extent to which in our effort to achieve stimulus to a badly sagging economy we do in fact erode significantly the tax base upon which at some point in the future all of us as people in this country are going to be asked to continue to pay and share the burden for financing the Federal Government. I am satisfied that in title II of the Ullman bill we are making permanent tax changes which do in fact erode the tax base. Beyond that it distributes the money available for the economic stimulus in 1975 through the adjustments in withholding in a way that effectively minimizes the extent to which something like 46 percent of the people in this country can benefit. Those who itemize are not recognized in title II even though I recognize that under title I the committee has made an effort to try to reconcile the oversight of what they did in title II.

Insofar as the investment credit is concerned I would want to make sure the House does understand that as a result of the discussion which began with the gentleman from Texas (Mr. BURLESON) and the gentleman from Texas (Mr. ARCHER) and me, the law for the investment tax credit is being modified to take cognizance of the progress in payments in recognizing the time at which the investment tax credit will be available. There is a discussion on pages 12 and 13 of the committee report of this provision of the bill and I think it is important that the Members of this House take cognizance of the fact that for those industries around this country which have long leadtime items, there will now for the first time be a recognition of the fact that they do not have to place the item in service before the investment tax credit is available.

Let me, Mr. Chairman, with the few seconds remaining on my 3 minutes also say that I very much hope the oil depletion allowance, whether in the form of the Green amendment or the Wilson amendment, is not dealt with in this bill. I think it would be a serious mistake for the House today to adopt any one of the provisions that deal with oil depletion. That is something that the Ways and Means Committee will deal with.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield the gentleman 30 additional seconds.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate very much the gentleman from Pennsylvania (Mr. SCHNEEBELI) yielding me this additional time.

The chairman of the Committee on Ways and Means has said that we will have something like 90 days to deal with the energy problem. That is the point at which the public policy deserves to have this dealt with. Good public policy means we should turn down the Green and Wilson amendments, pass this bill as quickly as we can and hope the other body does not tack on to it much more than we have in it.

Mr. SCHNEEBELI. Mr. Chairman, I yield 3 minutes to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Chairman, I want to congratulate the chairman of the Committee on Ways and Means, the ranking minority member and all the other members for having brought this bill out, and with some expedition. It is not a simple bill. It took some time.

I think that in the main the time was well spent. I hope I can vote for the bill. I intend to vote for it if the Conable amendment is adopted and if the proposed amendments having to do with depletion are not adopted.

Mr. Chairman, I voted with the majority in cutting the depletion allowance to 22 percent some years ago. It is very possible that if the Committee on Ways and Means brings out a bill reforming the tax structure, and a case is made for the repeal of the depletion allowance, that I would vote for repeal. But if it is to be brought up as an amendment without proper consideration, I shall certainly vote against that amendment. If it is adopted, I shall certainly vote against the bill.

I think we should all recall that one of the reasons for this bill being brought here with some haste is the fact that we have a shortage of domestic petroleum. We would like to cut down on imports of petroleum. Of course, one of the ways to do this is to increase, or at least to hold the level of domestic supplies.

Now, I do not know how much petroleum the depletion allowance is responsible for. I do not know how much drilling there would be without it; however, I certainly think it is a pertinent question to ask as to whether or not if we were to adopt this bill with the proposed amendment that we might be going the wrong way. We might actually be doing something which would reduce the exploration of oil in the United States and possibly reduce domestic supplies right at a time when we should be trying to increase them.

Now, I think it should also be understood that this bill should have come up after a vote on the prospective veto of the other bill which the Committee on Ways and Means has brought out this session, which defers the right of the President to impose an import tax on crude oil. I say this because when we vote on this bill today it will be impossible for us to tell whether or not we are adding to the deficit, which we will experience in fiscal years 1975 and 1976. If the bill which I mentioned is vetoed and the veto is sustained, then there will be funds coming into the Treasury which can be recycled, which can be rebated and can go to stimulate the economy of the United States in the consumer goods area without adding to the deficit. If the reverse is true, if the veto is overridden by both Houses of the U.S. Congress, then the tax cut which we may vote today will be as inflationary as any tax cut ever has been, because it adds to an already massive deficit for each of these years.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. SCHNEEBELI. Mr. Chairman, I yield the gentleman from Arizona 1 additional minute.

Mr. RHODES. It will go to add to the deficit, which is already a horrendous deficit, wildly inflationary, and will in my opinion not be in the best interests of the country.

I mentioned the Conable amendment. I think it is very important that title II be stricken. Title II, of course, is supposed to last for only 1 year, to provide certain tax relief for only 1 year.

Of course, I think everybody knows that one of the most permanent things in Washington is a temporary vote for tax relief. We just almost never restore such cuts. It is there, it is in the books, it is going to stay there.

I am just afraid that again we will have adopted a measure which will have the effect of permanent alteration of the tax structure of the United States without really knowing exactly what we have done to our revenue base for the future.

I hope I have spelled out what I hope the bill will look like when we finish with it, because I really hope that I can vote for it. I think the country does need a shot in the arm as far as the economy is concerned. I know the taxpayers need some relief, and I certainly am willing—since I voted against a lot of the spending measures—to go further and reduce the burden on the taxpayer.

But, Mr. Chairman, I cannot see my way clear to doing this at the expense of further inflation of the economy.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. BAFALIS).

Mr. BAFALIS. Mr. Chairman, my objections to H.R. 2166, which are shared by many of my fellow minority members on the Ways and Means Committee, are stated in my views which accompanied the committee report and have been basically stated by other Members here today already. I would like to address only briefly one aspect of H.R. 2166, the "earned income credit," included in title II of the committee bill, which is in reality a "negative income tax" for many persons with incomes up to $6,000 per year. The credit is refundable to persons whose tax liability—computed without regard to the credit—is less than the credit itself, to the extent of the difference between the two.

The credit is also an alteration in the way our social security system and benefits thereunder are funded, in a certain sense beginning funding of social security benefits out of general revenues, inasmuch as at present revenues and benefit payments under the system are closely matched from year to year.

In my opinion, this bill is not the place for the introduction of either a negative income tax or a fundamental change in funding of our social security system. The questions in these areas are so complicated, and the mechanics of any possible solutions so involved, that much more deliberate consideration legislatively is required than has been possible in the short time in which this bill was fashioned. Provisions such as the earned income credit in title II of the bill have basically made H.R. 2166 an income redistribution bill, at a time when we were thought to be attempting enactment of an emergency economic stimulation tax package.

If we are here enacting an income redistribution bill, however, and if the principal thrust of this bill is to provide relief for millions of hard-pressed Americans, including many on lower incomes, at least this bill should be evenhanded in its operation. The earned income credit is not evenhanded. It does not uniformly grant relief to people on lower incomes. Because of the way in which this credit is computed, payments will be made only to certain Americans with income below $6,000 per year. This provision grants a 5-percent credit on earned income up to $4,000 per year, with a phase out of this credit as income rises to $6,000 per year. As the credit is computed on earned income, and as "earned income" is defined, this credit does absolutely nothing for millions of Americans with low incomes who have some of the greatest needs. I am talking about people, many of them elderly, who receive social security benefits. This bill, the majority's income redistribution bill, grants no relief for any such people, arbitrarily excluding them from participation. If we are to attempt to help many lower income Americans in this bill, which was put together in a single week, we should at least attempt to do so fairly. Haste in enactment is no excuse for inequity.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Chairman, I do not expect to get into the intricacies or the technicalities of tax legislation. I am just a lawyer. I do not understand all the economists that testified. I do not understand all the tax experts. All I understand is what the people back home are talking about.

We have had, I would say, roughly a 180-degree change of position by the administration since last October, when our President and his advisers were recommending a tax increase. That is, a 5-percent surtax; an effort to increase the revenues in order to pay for some of the expenditures that are thrust upon this administration and the taxpayers by the big spenders here in the Congress.

Following the election and the current recession and the increase in unemployment, of course, the President and the administration had to concern themselves with problems of unemployment, to try to soften the recession, to try to prevent us from getting into a depression. Apparently, upon the advice of the so-called financial and economic advisers, they decided to go the other route, to reduce revenues, to have a tax cut and then, as a result of the energy problems, also tied into the economy and the proposed tariff that the President hoped to be able to put on the oil imports, to redistribute approximately $31 billion in oil tariff revenues across the board.

The formula that has been worked out in the legislation is a rather mysterious thing to me because it looks like the nonproducers are going to receive the benefits, and the great majority of the taxpayers who carry the great burdens of this Nation are going to get very little if anything back.

The thing which disturbs me more than anything else is this: The President's program is based on what he felt would be the honoring by this body, by the Congress, of a moratorium on new spending. Let me say this to my colleagues, if I have any ability at all to feel the pulse of the Congress, I think that this Congress not only will not honor the moratorium on new spending, but that this Congress will probably go on record as being one of the biggest spenders in the history of the country.

So, what will happen if we adopt tax legislation? We reduce revenues, we are going to have larger deficits. The President in his budget message suggested that our deficit would be in the neighborhood of, I think, $51.8 billion.

There has now been a revision of that; that it will perhaps be closer to $53 billion. I do not like to predict, but on the basis of programs that are being offered and the reductions of the revenues, I would not be surprised if this Nation in the 1976 fiscal year will not have a $52 or $53 billion deficit, but it will be in the area of $75 to $100 billion.

Our problem is inflation. Recession is a result. We seem to always treat the effect rather than the cause; so we are going to reduce revenues, we are going to increase the deficit in order to fund the spending programs authorized by this body, all of which is counterproductive.

We are going to have to go out and borrow money, borrow money from the private sector to pay for these deficits, pay high rates of interest, and we are going to dry up the money that would be necessary for the private sector to launch out and help solve the problems and get back to the free enterprise system.

This whole package, as I say, is a mystery. I cannot explain it. But I do know that the folks back home say, "It is impossible for you guys down in Washington to reduce revenues and have additional spending and have anything but more and more inflation." They question our sanity, and for good reason.

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Mr. SCHNEEBELI. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. MYERS).

Mr. MYERS of Pennsylvania. Mr. Chairman, I would like to recall the principles of a former colleague today, which were, "You cannot bring about prosperity by discouraging thrift. You cannot help small men by tearing down big men. You cannot strengthen the weak by weakening the strong. You cannot lift the wage earner by pulling down the wage payer. You cannot help the poor man by destroying the rich. You cannot keep out of trouble by spending more than your income. You cannot further brotherhood of man by inciting class hatred. You cannot establish security on borrowed money. You cannot build character and courage by taking away man's initiative and independence. You cannot help men permanently by doing for them what they could and should do for themselves."

There may be some who would argue that these principles of Mr. Lincoln are not applicable to today's tax bill. I think these guidelines of Mr. Lincoln are extremely relevant to the actions today in this House regarding this important economic bill.

The American people are depending upon us now to do what is right to stimulate the economic conditions of this country which cast a dark shadow over the lives of so many of us. The American people are not waiting for us to come up with a bill and tax proposal which is designed to stimulate votes in next year's elections.

I call upon my colleagues to ask themselves, "What is it we are trying to accomplish here today?" Is it a viable vehicle to stimulate and spur the economy so that confidence will be built back to create jobs and the economic viability we so strongly need?

If it is, I strongly urge the support of the forthcoming Conable amendment to this bill, which will put a fair share of the tax rebate into the hands of the middle-income taxpayer.

Ask yourselves, "Which sector of the economic spectrum will have to be activated to stimulate the production and the sale of durable goods when the sale of these goods is so vitally needed to improve economic activity?"

I think it is the middle-income taxpayer's sector.

Is there any good reason not to rebate to the middle-income taxpayer on an equal footing to the extent that they have been paying taxes in the past? I do not think there is. How often do we hear that the middle-income Americans are the Americans who pay the most to the Federal Government and receive the least—they do not get food stamps, but they pay for them; they do not get educational grants for their children, but they pay for them; they do not get most of the Government subsidies, but they pay for them.

Ask yourselves, "How often do you get the chance to do something for the middle-income taxpayer of America?"

This is one clear opportunity which we have today and I urge that we take advantage of this opportunity because it is crucial to the success of the economic stimulus.

Mr. Chairman, I only ask that we do for the middle Americans what they deserve. "Let them have their fair share of this rebate."

I know that there will be a strong tendency today to vote for a tax bill regardless of its form. I hope we will resist that temptation.

Mr. Chairman, let us insist on a quick stimulus for the economy which is equally distributed to all the taxpayers or let us not pass any bill at all. Then we can go back and redesign a new and more appropriate bill.

Mr. SCHNEEBELI. Mr. Chairman, I believe that was the maiden speech of the gentleman from Pennsylvania (Mr. MYERS), and I wish to congratulate him on a very effective presentation.

Mr. Chairman, I now yield 2 minutes to the gentleman from California (Mr. HINSHAW).

Mr. HINSHAW. Mr. Chairman, I am unaware of any subject matter that we deal with in this House which is more complex, more emotional and more difficult than issues dealing with tax matters.

I recall that the gentleman from Pennsylvania (Mr. SCHNEEBELI) referred to previous actions in the Committee on Ways and Means dealing with the depletion allowance. Later today we are going to have some amendments offered dealing with the depletion allowance.

I for one realize that this is a very emotional but nevertheless a very complex matter. I hope that we will refrain from agreeing to these amendments in this particular bill. I think we should deal with them in a more systematic fashion.

In this regard, I would like to ask the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), this question, and I would like to address the same question to the ranking minority member.

The question is this: Can this House be assured that sometime before we complete hearings on tax matters, sometime perhaps before June, the committee will bring before the House some legislation dealing with the depletion allowance?

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the chairman of the committee.

Mr. ULLMAN. Mr. Chairman, I certainly want to give the gentleman and the Members of this House that full assurance. The committee has scheduled for very expeditious action an energy bill. We are beginning hearings on that this coming Monday. I have asked the committee to program a conclusion date of April 17. That is a tight schedule, but we expect to meet it. In the consideration of the energy bill, where this matter belongs, we will schedule a full confrontation with the problem of depletion. I have stated many times that I am in favor of handling the depletion allowance by doing it in a responsible way.

Mr. Chairman, I assure the gentleman that we will bring to the floor, in the time frame he suggests, a responsible approach to the termination of the depletion allowance.

Mr. HINSHAW. Mr. Chairman, I thank the chairman of the committee for that statement.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I can assure the gentleman and the others Members on our side that we will cooperate with the chairman of the committee in trying to effectuate a bill by that date.

Mr. HINSHAW. Mr. Chairman, I thank the gentleman.

Mr. SCHNEEBELI. Mr. Chairman, I yield 2 minutes to the gentleman from Alaska (Mr. YOUNG), the author of one of the amendments.

Mr. YOUNG of Alaska. Mr. Chairman, I will offer my amendment. It is an amendment that has been made in order under the rule that has been granted. It is an amendment on which I have been allowed 5 minutes to speak.

I think this is an amendment that is very, very important if the Green amendment is adopted. It is important, due to the fact that we must have oil, and if we are to achieve the goals of Project Independence, then that oil must come from the State of Alaska.

I truly believe that the depletion allowance must be retained in this situation, due to the extreme climatic conditions. It is extremely important that they be granted this exemption above the Arctic Circle, because otherwise we will not have the oil.

It is a simple fact that it costs a good deal more to drill for oil in Alaska, 6,000 miles away, than it does to drill for oil in west Texas.

So I do urge my colleagues to consider this amendment, which will be offered at a future time, later on in the day.

This amendment will provide for the recovery of these extra barrels of oil, up to 4½ million barrels a day by 1985, if we are allowed to adopt the amendment that I shall propose to the Green amendment.

Mr. SCHNEEBELI. Mr. Chairman, as our final speaker at this juncture of the debate, I yield 4 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, H.R. 2166 is the kind of bill that I believe is needed, and urgently needed, to put a floor under the risk that still exists for extending the recession in this country.

I do, however, note that the bill is substantially expanded from the proportions originally presented to us by the Executive when he determined that a tax cut was necessary as a stimulus to the economy.

I do intend to vote for the bill, as I voted for it in committee; but I would like to invite the attention of some of our Members to what I consider to be very serious flaws in the bill.

In the discussion of the Conable amendment it will be pointed out that the distribution table in title I does not take care of taxpayers who have over the years made substantial tax contributions. That is, the ceiling is far too low.

In title II, especially section 203, we have attempted to play the role of Robin Hood. We have tried to redistribute income and to give back money to people who have never even paid Federal income tax in the first place. Playing Robin Hood is a good and useful role, but it is not very good when one does not know what he is doing. We may as well be dropping money from airplanes across this country. On the basis of income alone, section 203 returns money to people who may have not paid taxes. It has nothing to do with their need. It does not take care of the poorest of the poor. It does not take into account medical expenses, or expenses of shelter, and does not take into account dependency expenses, and in general, is simply hasty and bad legislation.

If we want to invoke a negative income tax, we ought to at least know whom we are helping, and we ought to make those dollars help the people who need it the most.

Mr. Chairman, section 203 is a disaster, and title II is not very good altogether. Unfortunately, however, we need a title II because we have to have a continuing stimulus to the economy supplied through the withholding tables for 1975. We need some kind of title II, and it is simply a shame that the committee gave us this one.

Mr. Chairman, I regret that I have to use this time to discuss some of the amendments, but because of the unfair gag rule that was foisted upon us by the majority in their caucus, I am obliged to speak to the six amendments or however many will be allowed under this rule. I am going to oppose all of them.

This is supposed to be an emergency. This is a tax bill that we are trying to get on the President's desk so that he can put purchasing power into the hands of Americans to stave off the effects of a recession that bothers us greatly.

Instead of following out that agency theory, this House has allowed a couple of amendments to be made in order, which, in my judgment, can only slow down the progress of this bill.

I support termination of the depletion allowance. Nevertheless, I am going to vote against that amendment and all the amendments thereto, because they will simply hinder the progress of this bill as it moves forward in trying to get our economy going again.

Everyone knows that this bill will be in trouble in the Senate. Everyone knows that the committee to which it will go in the Senate will be unreceptive to a bill carrying that kind of amendment.

We also know that a nongermane amendment established by the House will be an invitation to the Senate to give us many, many more nongermane amendments.

Therefore, Mr. Chairman, I would urge the Members of this House, even if they feel as I do that the depletion allowance should be terminated, to vote against all amendments to this bill so that we can put this needed tax bill through the Senate and have it sent up to the President for signature. Our economy desperately and urgently needs this stimulus.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding to me this time.

Mr. Chairman, I would like to have a discussion with the Chairman, the gentleman from Oregon (Mr. ULLMAN) on the subject of the earned income credit.

The bill provides for a refund or approximately $3 billion for the earned income credit aspect of the bill.

As I understand it, the proviso here would be that if an individual earned from zero to $4,000 he could still get up to $200 in earned income credit. Ostensibly that refund would be, for the purpose of equating what he had put into social security payments.

Mr. ULLMAN. If the gentleman will yield, the gentleman is correct, except that we want it fully understood that we are not in any way amending the social security law, or interfering with the social security trust funds. But we are relating this tax credit to the fact that the taxpayers, the wage earners, have already paid approximately this amount in payroll taxes.

Mr. PICKLE. I know that in no way would we affect the social security trust funds or programs related to it. Yet, by the yardstick we use by this earned credit program, we do equate in effect. I recognize the individual in the lowest brackets who pays for social security is the hardest hit. We can certainly be sympathetic with that. But it seems to me what we are really attempting to do in this part of the bill is establish a negative income. We are saying to the individual who makes from zero to $4,000, and who might pay approximately $100 in social security payments, he could still get $100 extra through this bill—he gets paid or given money—cash—which he did not pay. We are going to refund $3 billion on earned income credit to individuals who did not pay any taxes—or probably any taxes. It is a sort of negative income.

Mr. ULLMAN. If the gentleman will yield further, I would like to strongly object to any comparison of this to a negative income tax. This is in no sense of the word a negative income tax. This is in essence and truth a credit mechanism, even though available to those who do not pay income taxes, nevertheless will be used, almost entirely, by those who have paid payroll taxes. In essence it is a return of taxes paid to an individual who has worked and whose taxed income is less than $6,000.

Mr. PICKLE. But in general terms an individual who makes $4,000 or less does not pay any income tax.

Mr. ULLMAN. But he does pay payroll taxes. He does not pay an income tax, normally. To that extent he would file a return and get the 5 percent of earned income returned to him that he has paid in in other forms.

Mr. PICKLE. Because he has paid it in in payroll taxes, in social security.

Mr. ULLMAN. Yes, that is right.

Mr. PICKLE. But he also, at some point, is supposed to get his social security money back. We assume that that is the way the social security program will work, and that will be refundable to him at some point.

We in committee had a long discussion about this matter, and I have serious reservations about this approach. I think we are laying the groundwork clearly for what would be termed later as a negative income tax, regardless of what the gentleman may call it. I think this will come back to haunt us.

Mr. SCHNEEBELI. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Chairman, today we are debating a $21 billion tax cut, as prescribed by H.R. 2166, which is designed to stimulate the depressed national economy. There are honest differences on how the tax reduction should be spread, and who should get them.

In the long run, we should guard against triggering an inflationary spiral, and the measure as reported by the committee is inflationary in that it provides for a redistribution of income on a permanent basis.

While I agree that Congress should take action to overcome rising unemployment and the recessionary cycle affecting the economy, I wish to raise certain strong reservations about this measure.

It is regrettable that King Caucus has taken over the responsibility which normally is exercised by the Ways and Means Committee in regard to tax reform provisions. Last week the committee voted, 12–23, against debating the controversial matter of eliminating the oil depletion from this socalled emergency tax cut. However, King Caucus has prevailed and here we are considering the elimination of the oil depletion. The attachment of the depletion amendment to this bill will probably slow the bill enough so that the people will not receive a tax cut until much later than the committee's projection of either May or June. Supposedly, the purpose of this emergency bill is to provide an immediate economic stimulus for the country.

Mr. Chairman, those of us from Kansas are deeply concerned about any action that would eliminate incentives for the independent petroleum industry. The Congress and the administration should recognize the difference between the "independent' producer as contrasted with "major" companies and "major" producers. The independent producers are the backbone of the oil and gas industry in Kansas. They are, in the main, small business men drilling 85 percent of the oil and gas wells in Kansas.

This industry is a major source of tax revenue for our State government. In fact, Kansas petroleum industry taxes account for 22 percent of the total State tax revenues. Kansas counties receive nearly $20 million annually from personal property taxes on oil and gas operations.

For the independent industry, elimination of the depletion allowance deprives that industry of a major source of

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risk capital for exploration and drilling. Depletion allowance is not to be equated with excess profits of major petroleum companies.

If we are to lesson our reliance on foreign oil, we must continue to provide the stimulus and necessary incentives for the domestic industry to stay in business and to expand exploration.

I intend to support the amendment by my colleague from Texas (Mr. WILSON) which will continue the depletion allowance for those independents with production of 3,000 barrels or less of crude oil per day. This is needed by the independents to keep them in business, and I urge the adoption of this amendment.

Mr. Chairman, I also have strong reservations about title II of this act because it unfairly penalizes middle-income taxpayers by limiting reductions to those using the standard deduction. This would mean that almost half the taxpayers in the $10,000 to $20,000 income range and 80 percent of those over $20,000 will receive no tax reduction at all under title II.

Middle-income families in this country are bearing a heavy burden insofar as the tax load is concerned, and they should not be discriminated against.

While there must be concern given the plight of low-income Americans today, I am inclined to agree with the minority members of the committee who have suggested that the permanent alternatives offered in title II should be considered in conjunction with overall tax reform where the total revenue implications can be carefully determined.

Mr. SCHNEEBELI. Mr. Chairman, I reserve the balance of my time.

Mr. ULLMAN. Mr. Chairman, may I ask how much time I have remaining?

The CHAIRMAN. The gentleman from Oregon has 1 hour and 2 minutes remaining.

The gentleman from Pennsylvania (Mr. SCHNEEBELI) has 31 minutes remaining.

Mr. ULLMAN. Mr. Chairman, I will reserve 30 minutes of my time.

Mr. SCHNEEBELI. Mr. Chairman, I reserve the balance of my time.

Mr. ULLMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. COTTER).

Mr. COTTER. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975.

This was my first experience in handling tax legislation on the Ways and Means Committee, and I would be remiss if I did not mention the fair and impartial way our chairman, AL ULLMAN, guided this legislation through the committee.

We are all keenly aware of the differences between Members over the inclusion of a vote on the repeal of the oil and gas depletion allowance. While I am aware of the concern of many Members that this bill is not the vehicle for removing this tax preference, I believe that each Member should be given the opportunity to cast his vote on this matter as they will later this afternoon.

The committee's tax bill is reasonable and prudent. In a $1.5 trillion economy, it makes little sense to call for a tax stimulus of any less than $20 billion and the committee correctly readjusted the President's original proposal by providing for both a rebate on 1974 taxes and a future tax reduction on 1975 taxes.

There is an immediate need for this legislation. The report of President Ford's own economic experts projected a bleak economic picture which extends well into the future.

Here are some of the most alarming facts found in the Economic Report of the President:

$85 billion deficit for the next 2 years, but only if the Congress holds down the cost of living increases to social security recipients, and raises the price of food stamps. Congress has and will reject such antipeople economic proposals.

Eight percent unemployment projected into 1976 and tapering off to 7.9 percent at the end of 1976, but continuing at a 7 percent rate well into 1978 and beyond.

Another year in 1975 of double-digit inflation.

A 3-percent decline in production for 1975.

Now it would be easy to say that these figures were overly pessimistic. But the panels of economic experts—representing various political and academic viewpoints—who appeared before the Ways and Means Committee, indicated that the President's Economic Report might be "optimistic" and that the recession and unemployment would continue at greater rates into 1976 and beyond.

This $20 billion tax reduction package is the second major effort to stem the economic tide of bad news. Earlier, the committee and the Congress told President Ford to delay for 90 days his tariff on imported oil which would cost consumers over $3.2 billion in additional fuel costs this year. Next week we will have an opportunity to override the President's veto of this bill.

This new tax relief bill will give Connecticut residents over $270 million in additional tax relief. I see this bill as a $20 billion downpayment on permanent tax reform that the committee will present to the Congress later this session.

Briefly, I want to explain the major highlights of this bill. It provides a rebate of up to $200 on 1974 tax liability with the rebate progressively reduced to a maximum of $100 for incomes higher than $30,000. The purpose of this rebate is to give working men and women and their families the bulk of the tax relief. You will remember under the President's proposal there was a maximum rebate of $1,000, but over 44 percent of the relief went to people with incomes over $20,000. The committee correctly chose to shift the emphasis to working men and women with low and moderate incomes. Under this bill, over 85 percent goes to those with incomes below $20,000.

The second part of the bill provides tax reductions of $8 billion on 1975 income. It does this in a number of ways. It raises the low-income allowance for single and married persons. It raises the percentage standard deduction from 15 to 16 percent and increases the maximum to $2,500 for single persons and $3,000 for married persons.

The bill further provides low income persons with a 5-percent tax credit on earned income up to a maximum of $200. This credit partially offsets the effect of social security payroll taxes. Its effect is immediate since the reduced tax liability for 1975 will be reflected in lower withholding rates.

In addition, the bill provides increased economic incentives for businesses to expand their productive capabilities by increasing the investment tax credit from 7 percent to 10 percent for most major businesses and from 4 percent to 10 percent for public utilities.

The committee bill also helps small businesses by raising from $25,000 to $50,000 the amount of profit which is exempt from the corporate surtax.

Later this afternoon, Mr. Chairman, we will be given the opportunity to vote to end percentage depletion for oil and gas. Since coming to Congress I have worked to get this unjustified tax loophole removed from our tax code.

With the price of oil almost quadrupling, there is more than enough incentive to encourage oil exploration. Removal of this tax preference will generate almost $3 billion in additional revenue.

As important, it will serve notice on the major oil companies that this new Congress will not be subservient to their unreasonable demands, but will work with them to help find a way out of our energy problem.

In conclusion, Mr. Chairman, I urge my colleagues to vote for this legislation and promise that I will continue to work for a comprehensive tax reform proposal that most of us have been seeking since our election to Congress.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, in view of the colloquy a moment ago between our distinguished Chairman, who I want to say has been doing an excellent job in leading this committee, and my colleague on the committee, the gentleman from Texas (Mr. PICKLE), having to do with the refundable credit on earned income, I want to point out to the committee that in the report language on page 29, in an honest effort to prevent that happening which Mr. PICKLE and I both have reservations about, in paragraph 2, speaking to the matter of the income tax credit against earned income, down along in the language—and I will try not to be redundant—we will find these words which are significant and I think are binding on the committee and, therefore, for the time being on the Congress until the committee does otherwise, which I do not now anticipate:

Although the earned income credit may be viewed as a method to help compensate wage earners of low income families for much of the social security taxes they pay, your committee wishes to have it clearly understood that this provision of the bill is not intended to provide a way of reducing social security taxes paid by low income wage earners. The financing of the social security program is a matter which the committee will be required to review in depth in subsequent legislation. The earned income credit provision in your committee's bill does not amend the Social Security Act or the provisions of the Internal Revenue Code relating to social security taxes nor does this provision apply to any year except 1975.

I think that expresses the intent of the committee.

Mr. ULLMAN. I appreciate the gentleman's raising this issue because it is important and it is clearly stated in the report.

Mr. WAGGONNER. Mr. Chairman, I can further assure my colleagues on the committee as a member of the Social Security Subcommittee, having been designated by its chairman to do an in-depth task force study of social security financing, we will consider that matter at that point in time, and Congress will first get a chance to act on it because this is not final action in that respect.

Mr. ULLMAN. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. GREEN) is recognized.

Mr. GREEN. Mr. Chairman, let me just begin by explaining what my amendment does. First of all, it repeals the depletion allowance for all gas and oil as of January 1, 1975, with the exception of certain gas wells, those which are under fixed-price contract today, and those other gas wells which now are regulated in their price by the FPC.

Why do we tie this measure to this bill? We tie it to this bill because we believe this is the only way we are really going to get a chance to repeal the oil depletion allowance. The big argument that I think will be raised today will be one of delay. I think the record will show to this second that there has not been 1 minute's delay in the House of Representatives, and no one has argued that there will be any delay in this body, because this body can act and will act.

But others say that the U.S. Senate will hold up this measure. I do not believe they can. And even if they were intending to do so, there would be an effort regardless of what we did here in the House today to place the oil depletion matter on the tax rebate bill in the Senate. So those who would not like to see it tacked on can take no comfort that there will not be any delay that will occur in the Senate if the House in fact does not tack it on.

What the Senate will be doing, in my mind, and therefore they will not be able to effectively delay this bill, is take a very bad idea, which is the oil depletion allowance, and say to the country that its taxpayers cannot have a rebate unless a few stodgy old men in the Senate can let the fat cats in the oil companies run away with their oil depletion allowance again, that none of the American taxpayers will get a tax rebate otherwise. I do not think the U.S. Senate can do that. I do not think the U.S. Senate should do that. I do not think the people of this country are going to allow the Senate to get away with that.

I am confident, although I have no assurances, that if this bill passes the House and passes the Senate with my oil depletion amendment on it, it will be signed by the President, and I think in addition to that, if it is not, it would be veto proof. We could get a two-thirds margin to pass a bill, to give a $21 billion or greater tax rebate to people now to get the economy going.

They say these are emergency times. They are. But this bill will not be held up, as many allege that it will be. The fact is that everyone in the country today advocates a windfall profit tax. President Nixon advocated the windfall profit tax. President Ford has advocated the windfall profit tax. The Republicans have advocated the windfall profit tax. The Democrats have advocated the windfall profit tax. But we have not had any. We have had none at all.

What we are doing here is we are saying or some are saying—we are not, certainly—that what we need is a windfall profit tax. These oil companies are making an outrageous profit. Some have advocated that we should not repeal the oil depletion allowance which simply subsidizes the oil companies to begin with. That makes no sense. We should not subsidize them and then turn around and tax them to take that subsidy back. It makes no sense. It should be changed.

Or we see each time we have this great debate in which we are talking about the oil depletion allowance, we see now that the administration is changing its position on the windfall profit tax. They are talking about plowing back, which is a euphemism for giving back all the money we take away from them in a windfall profit tax. That is what always comes up when we talk about this. They always say it belongs on another bill. They said it last year. They knew they were going to sit on the tax reform bill last year and they did. This year when we attempt to tie it onto the tax bill, they know it cannot be sat on because the tax bill is something that is really going to rebate money to the average person in the country, so they say this is not a tax measure but this is an energy measure and the next bill they are going to consider is an energy measure and they will be putting it on there, and they promise us that.

But I can tell the Members whatever we take away with one hand they will give back with another. What we have got in this country is a very, very unwise policy. In 1959 when the foreign oil was cheap the Eisenhower administration placed a quota on oil because the domestic industry in this country was getting more money for their oil than the Arabs wanted for theirs. So we said no, do not let that cheap oil come into our country. Let us drain America dry. So we did that. We kept their oil out and we sold our oil at the high price to benefit our oil companies. Now we find ourselves in a situation where we are out of oil or quickly running out of oil, and so is the whole world. Now they have jacked their price up and that is fine with us. It does not make any sense.

We are quickly running out of oil in this country. What we are saying is that let us not subsidize the finding of coal. Let us not subsidize the finding of other kinds of energy. Let us just keep subsidizing the finding of oil and when we know full well we will have run out of oil in 20 or 30 years in this country, at any rate, we allow outrageous windfall profits because of the shortage and subsidize the depletion of it until we are totally dry and discover other sources of energy to take its place.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-seven Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole House is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. GREEN. Mr. Chairman, prior to the quorum call, what I tried to do was explain why my amendment should be passed. Consider for just a minute that we are getting back, in order to stimulate this economy everyone tells us is in trouble and in fact is in trouble, $8 billion in 1974 to the taxpayers of this country. We could put almost another 50 percent on top of that to stimulate this economy if the oil companies did not use $3 billion worth of depletion allowance a year.

Do not fall prey to the argument that this is going to increase the price of any oil in this country, because the simple fact of the matter is it has been demonstrated over the last few years that the price of oil in this country is controlled not by this country but by the price of foreign oil.

Let me turn my attention for a moment to the Wilson amendment, the so-called independent amendment or the independent amendment for the little people in the oil business. Understand a few things. His amendment covers 99 percent of all the oil producers in this country, not just a few small oil producers. It exempts 3,000 barrels a day, which is 1,095,000 barrels a year of production, which can cost anywhere from $7½ to $12 million a year.

Who are the small people, these independents? Seventy-five percent of all the oil they sell is unregulated. So they are the ones, compared to the majors. Eighty percent of all the oil the majors do sell is regulated, so that only 20 percent is unregulated for the majors, and 75 percent of all of the oil is unregulated for these so-called little independents. So they are the people today who are getting the greatest windfall profit of all. So what are we trying to do, punish these little people? We are not trying to punish the little people and we are not trying to punish the big people at this point. We are trying to get tax equity. We are trying to see that the oil companies of this

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country pay taxes like everybody else today. In fact, we are not even going that far, because they have intangible drilling cost breaks, and all sorts of other breaks they can avail themselves to, avoid taxation.

Let me take one prospectus from one small company, Patrick Petroleum Co., and let me read a clause they put into their potential investors.

The company's income tax policy is to generate sufficient statutory deductions, that is, intangible development and drilling costs, and the excess allowable statutory and cost depletion to reduce the taxable income of this company to zero.

These are the people with the greatest windfall profit, with 75 percent of the oil they produce not regulated. Therefore, they are making the greatest profit. In many cases they are able to reduce that tax consequence to zero.

I have a letter that, if she has time, I know my friend from Kansas (Mrs. KEYS) will read. This is the kind of letter they send out.

"DEAR DOCTOR:—

This goes to doctors and lawyers and people with a lot of income who want a shelter and pay no taxes—

Undoubtedly you make more than $40,000 a year. That is why you should take a minute to read this. No doubt you are paying a substantial amount of income tax monies that are gone forever. Few tax havens are left for you. One tax haven that has withstood the wrath of the Federal Government is the oil and gas industry.

And they tell them how to avoid taxation. That is simply what is happening.

There are many people in this country who work hard for a living, who pay through the nose on April 15, while many rich people throughout this country—and that is what we are talking about, rich people who have an excess of income who want a tax shelter. They are the people we are talking about. They are the people who get this break.

It is the average person in this country who pays through the nose by comparison who is being asked to subsidize them while the price has gone through the roof and this Congress has done nothing about a windfall tax.

Mr. Chairman, I do not have a copy of the Wilson amendment in my hand, but I will ask the Members to take a look at it. It is 19 pages long. It ought to be called the Oil Tax Lawyers Relief Act of 1975. They will be driving every truck in Texas through those 19 pages before this is over.

Let us not fall prey to the argument that these are just the little people. I might add that the staff of the Joint Committee on Internal Revenue Taxation tells us, in addition to that, that the Wilson amendment is full of holes, technical holes, that are going to enable people, who after they are sure they have discovered the oil and after they are sure it is there, but before they pump it out, take the oil and sell it off and in effect sell that depletion allowance credit they would get and thereby give that depletion allowance to someone else.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Chairman, I wish to join in the gentleman's remarks.

Mr. Chairman, I rise in support of Mr. GREEN's amendment to the tax cut bill, repealing the percentage depletion allowance for oil and gas. On January 30, I introduced H.R. 2446, the Emergency Tax Adjustment Act of 1975. My bill not only cuts the taxes for the average working family by $22.7 billion, it provides for the quick elimination of three blatant tax preferences currently enjoyed by the big oil companies at a cost to taxpayers of $5 billion a year.

Today there is wide acceptance of the need to eliminate these unwarranted tax loopholes—the depletion allowance, the foreign tax credit, and the option to deduct intangible drilling costs. The only significant point of controversy, I feel, is when we will enact this reform.

We have heard the argument that to touch any loopholes now would delay the passage of the entire tax cut package. This tax cut was only introduced a month ago, and today it is ready for passage by the House. This alone is evidence of the willingness of this Congress to act swiftly on the tax bill. Arguments to the contrary are being pushed by the oil lobby before the Congress, in the administration and through the media. The oil companies will always say the time is not right. Mr. Speaker, there is enthusiastic support in the country today to pass a tax cut, and I believe we can pass the bill, as amended, and do it now. This is an opportunity we cannot afford to miss.

I have taken my case to Ways and Means and to the Democratic caucus. I now appeal to my colleagues here: We must include the removal of the depletion allowance at the very least. To do so will demonstrate our commitment to serious tax reform in this session, and will offset the expected loss of revenue from the tax cut by $2.9 billion.

The oil lobby makes three points: First, that oil is needed and the allowance fosters exploration; second, that special tax incentives are needed to foster energy development and to make up for the losses incurred from dry wells; and, third, that smaller companies need the depletion allowance so they can compete with the majors.

In the first instance, the percentage depletion allowance has never encouraged the exploration and discovery of new oil. To a certain extent, it can even be argued that the allowance promotes dependence on existing wells to the exclusion of new discovery.

As for the need for incentives, I should point out that just 2 years ago, the world price of oil was between $3 and $5 per barrel. Today oil costs $11 and $12 per barrel. This incredible jump in the price of oil should provide a much stronger incentive to produce than the depletion allowance ever did, if the oil companies are really interested in increased oil supplies. If U.S. oil men cannot be persuaded to produce at these prices, they will never produce.

The argument that the depletion allowance is needed to foster competition is the most ludicrous of all. It has been precisely this kind of blatant tax preference that has enabled the oil barons to gain control over such a large segment of the economy. We do need to increase competition in the energy industries, but we should do it by such methods as creating a Federal Oil and Gas Corporation and by revamping the ways that we lease the huge amounts of oil and gas on Federal lands. We should do it by exercising real control over the petroleum pipelines which have been used to manipulate the supply of oil and to illegally fix prices. Mr. Chairman, we definitely do not increase competition by continuing outrageous tax loopholes like the oil depletion allowance.

The President has accused the Congress of inaction on energy. I urge my colleagues to act today to show the administration and the people that we mean business. This may be our best opportunity and this issue deserves our immediate action.

Mr. CRANE. Mr. Chairman, will the gentleman yield for a question?

Mr. GREEN. Mr. Chairman, I have so little time that I would rather yield later. If the question is very brief, I will yield.

Mr. CRANE. It is a very brief question.

Mr. GREEN. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, my question deals with this whole area of depletion allowances. As a freshman member of the committee, not having had the advantage of earlier discussion, I confess that I am up for grabs on the whole subject.

The gentleman in the well makes out a persuasive case. My only question is this: What other minerals are covered in the depletion allowance?

Mr. GREEN. Mr. Chairman, there are many other minerals covered in the depletion allowance, and there are many other substances. There are now people who are trying to sneak into this whole operation of geothermal energy, which means we may have great hunks of earth dug up and we will have holes sunk because someone may want a depletion allowance for the heat in the Earth.

This is something that is not, I think, covered in this legislation, but that will be covered at a later time.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. CHARLES WILSON) for one-half hour.

Mr. CHARLES WILSON of Texas. Mr. Chairman, this morning there was a very misleading letter circulated over the signature of the majority leader and the signatures of several members of the Committee on Ways and Means. I think I can show the Members that it is misleading, and I would, first of all, like to deal with this letter.

The letter made four central charges all of which are inaccurate. First of all, it said this amendment covers 99 percent of all the oil producers in the United States.

I think that is probably right, but they would have us think that this amendment covers 99 percent of all the production in the United States. That, of course, is a terribly misleading and untrue statement: The major production in the United States is effected by 8 or 9 or 10 major oil companies.

They are trying to say that an independent who produces 10 barrels a month on a stripper well is a producer and that Exxon is a producer, and they are exactly right. This amendment will benefit 99 percent of the petroleum producers in the United States, but it will only benefit 15 percent of the total petroleum.

Mr. GREEN. Mr. Chairman, will the gentleman yield, very briefly? I do not wish to interrupt him, but I wish to clarify a point.

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Pennsylvania.

Mr. GREEN. Mr. Chairman, I just want to clarify the situation.

We did say it would benefit 99 percent of all the producers, the gentleman is right. It does benefit 99 percent of all the producers. I agree with the gentleman that the figure is somewhere around 25 percent, not 15 percent.

The staff says the figure is 25 percent. I understand the figure of the Treasury Department is even more. But what we were talking about, when we were talking about the individuals, was something around 25 percent of the oil producers.

Mr. CHARLES WILSON of Texas. Mr. Chairman, that is the gentleman's opinion; my opinion is that the figure is 15 percent. I think the gentleman's figures are much better than the Treasury figures, but the gentleman and I agreed this morning that it was somewhere between 15 and 25 percent.

Mr. GREEN. Mr. Chairman, I will just say that in my opinion the Treasury figures are better.

Mr. CHARLES WILSON of Texas. Mr. Chairman, this is the first time I have ever heard the gentleman from Pennsylvania use the Republican Secretary of the Treasury as a reference.

They say that it would exempt up to $1.8 million to be put into the pockets of rich people in the United States.

I wish to tell the Members that the people who want this amendment, the independent oil producers in the United States, are in fact generally rich—that is, the ones who have not gone broke drilling dry holes. But the $1.8 million does not go into anybody's pocket.

This is a central fact that the other side refuses to admit. If this $1.8 million is not in the ground, in exploration, within 24 months, the independents have to pay it in taxes. Therefore, this exploration exemption does not accrue to any individual.

Finally, their last point was that it would become merely a vehicle for preserving depletion for all of the oil companies.

Our greatest criticism from the oil community is that we have prohibited anybody from receiving any of the depletion allowance who owns any part of or operates a service station or owns any part of or operates an oil refinery. If my opponents can show me a major oil company that does not have oil refineries and filling stations, then I will withdraw this amendment.

The Secretary of the Treasury or the Treasury Department has also indicated that the independents drill a lot of holes, but they do not find much oil.

I would ask that the Members pay close attention to the chart I will now present. This principal chart shows all of the wells in the United States that were drilled last year. The major-depth well was 5,000 to 7,500 feet. There were 2,125 of them drilled, 1,766 drilled by persons without service stations and refineries, and 110 drilled by the major oil companies of the United States.

Then the Treasury Department says, "They drill a lot of wells, but they don't find any oil because it is only the major oil companies that are drilling the deep wells."

I would say to them that in the category of 17,520 feet, the major oil companies drilled 23 wells and the independents drilled 25. As to the very deep wells, which are many of the offshore wells, the majors drilled 18 and the independents drilled 14, and that was the only category in the entire country in which the major oil companies drilled more wells than the independents.

The next chart is more important. It illustrates the situation in the State of Louisiana for last year. Louisiana is the second largest oil producing State in the country. In the 10,000- to 12,500-foot depth range, the total number of wells drilled was 112, with the independents drilling 97 and the majors drilling 15.

Then the Secretary of the Treasury says, "The independents drill a lot of holes, but they are unsuccessful; they are dry holes."

Of these Louisiana wells, the independents were successful 10 times, the majors once. In all of Louisiana last year, there were 50 successful wells drilled, 48 by the independent producers of this country and 2 wells by the major oil companies.

In the years 1967 to 1971 in Texas, the third chart shows production by category. There are four kinds of oil discoveries that are considered new discoveries: You drill deeper in known fields; you drill shallower in known fields; you drill on the periphery of known fields; and you drill in totally new areas.

As to new finds, the independents had 60 percent and the majors had 40 percent. That is the figure the Treasury Department uses. But what kind of wells are they? The majors did well in drilling deeper in known reserves, in digging shallower in known reserves, and in digging on the periphery of known reserves. But for new areas, wildcat fields, which have to be the source of new production in this country, the independent wildcat producers of America found 88.7 percent of the new oil in Texas over that 5-year period.

Finally, it is my contention that if this amendment fails, there will be great incentive for the independent oil producer to sell out to the majors.

The figures on this chart have been audited by a national accounting firm and show the actual cash flow situation for a typical independent operator. With the depletion, he can probably expect to make a net profit in his property, the properties that are known reserves, of $7 million over a 10-year period. If he sold out to the majors and took his capital gains he could get $5.5 million.

Without depletion, he could expect to make $5 or $6 million, or only a very little above what he would make by selling out and taking his capital gains.

This is based on a man who pays a 50 percent income tax, and who has very little incentive to continue working. Unhappily, these particular producers, however, are in the 70 percent income tax range, and if the Green amendment passes today, they will face a situation where they can sell out to the major oil companies and take their capital gains for $5.1 million. They can do that, or else they can produce their oil with no depletion in their capital gains and have a net income of $3.6 million. There is nobody on earth who would work 10 years for $3.6 million, when they can be sure of getting $5.1 million. That is what you would do if you pass the Green amendment without the Wilson amendment.

Finally, very seriously and sincerely, we have a disagreement as to the amount of money that this bill costs the Federal Treasury, but these figures are pretty hard to challenge.

There were 8.3 million barrels of oil produced per day last year. Of that, the major oil companies produced 72.6 percent, the rest amounted to 27.4 percent.

As the Members know, I am only exempting the first 3,000 barrels of production a day, and that takes off 11.8 percent, the production of individual producers above 3,000 barrels per day. That leaves 15.6 percent, no matter how you figure it.

But, for purposes of argument, I will say that perhaps the gentleman from Pennsylvania (Mr. GREEN) is more right than I think he is, and that the figure is somewhere between 15 and 25 percent. That is a small price to pay to maintain a healthy, independent, competitive discipline on the eight major oil companies in this country. It is a small price to pay for increased and vigorous exploration.

Mr. GREEN. Mr. Chairman, I yield 5 minutes to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Chairman, I am not remiss, I believe, in having to take exception to my good friend, CHARLIE WILSON, the Texas WILSON. I appreciate the fact that the gentleman comes from an area in which there is so much oil. However, I also have done some studying in this matter, particularly with Paul London, who is the economist in our New England caucus.

I think the feeling of the New England caucus is that it represents, for the most part, the Northeast Corridor, east of Detroit, and as far as Chicago.

As I said in the Democratic Caucus on Tuesday, I would have preferred to delay voting repeal of the depletion allowance until the Committee on Ways and Means had reported out its full tax bill.

Unemployment throughout the Northeast is at 8 percent, and in Massachusetts it is 9.9 percent. In my State there are some 251,000 people who are unemployed. So I thought it was best that we

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take no chances of delaying this tax relief bill, and that was my attitude and my feeling when I spoke before the Democratic Caucus. But the will of the caucus prevailed, and I hope the caucus is right. I hope that we can get a repeal of depletion through the Senate, and I hope that we can get the President to sign it.

I said on Tuesday, before the Democratic Caucus, that I intended to vote to knock out the depletion allowance. I have never favored the depletion allowance. It is a tax loophole that should have been knocked out long ago. I am in favor of knocking it out now, and I am in favor of knocking it out once and for all. I do hope that we can get the President and the Senate to accept our thoughts here because it is really a step in the right direction.

It has been argued that we should knock out only depletion for the 70 largest oil companies and leave the other 10,000 oil producers, who each produce less than 3,000 barrels a day, free and clear. We have heard the gentleman from Texas. This is a hard argument to deal with. We all want to help the little guy. That has been my philosophy in public life all my life—to try to help the little guy. But in this particular case the little guy is not so little. He has received an awful lot of help along the line.

Let me give the Members some figures. Already, under price control regulations, oil from the really small "stripper" wells producing less than 10 barrels a day is exempt from price controls.

November FEA data shows that decontrolled U.S. domestic oil, including oil from small stripper wells, is selling today at $10.83 a barrel at the wellhead, and the price has been rising steadily toward the price of imported crude oil which, as of November, was $12.53.

I can remember that years ago in talking with Sam Rayburn—and there were those who said Sam Rayburn was an oil man all the way along the line—one day out in the lobby I questioned him about it. He said:

> You know I was an oil man when oil was 11 cents a barrel, but when it got to 89 cents and we made all those millionaires, I ceased being an oil man.

Imagine, at one time back in the forties, or earlier, a barrel of oil selling for 11 cents a barrel and then making millionaires and fortunes at 89 cents a barrel, and today they get $10.83 for it at the wellhead. These prices mean that the owners of small oil holdings, the "stripper" wells, have seen the price of oil they sell more than triple since September of 1973. The little "stripper-weller," the guy that they are worrying about—the price of oil that he is receiving for his oil today has tripled since September of 1973.

In September, before the OPEC oil cartel began to raise its prices, U.S. oil, including "stripper" oil, was selling for around $3.60 a barrel at the wellhead. So at $10.83, the small producer is now receiving $7.23 more a barrel for his oil than he was before the embargo. I think this is adequate incentive to go out and find new oil.

Mr. O'NEILL. I can talk about the whole process, but let me get down to the particular part of the process.

If an oil producer is already producing wells which produce old oil which are subject to price control at $5.25 a barrel, if he finds a barrel of new oil, he can decontrol a matching barrel of old oil and raise the price of the matching oil to $10.83 from $5.25, an increase of $5.58. This means that the new barrel of oil found by the wildcatter is worth today $16.41. That is, the $10.83 he gets for the new oil and the $5.58 additional he can now get by charging for the matching barrel of old oil.

If one has 30 barrels of oil he produces a day in old oil, and he has a well, and he has new oil, for every barrel he produces, he is going to have the schedule of $5.25, and then it moves up to the $10 price. For every barrel they produce, they go off the schedule of $5.25, a move up to the $10 price. They have got all the incentive in the world I can possibly think of. I cannot bleed for the little fellow in this instance, and believe me I have spent a lifetime working for the little fellow.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from California.

Mr. BELL. The Stripper Well Association was started in California many years ago and it was made up of the stripper wells, that is small wells. That is wells that produce 10 barrels per day or less. In California one of the companies that had the largest amount of stripper wells was Superior Oil Co. It is a very large oil company. I do not know how many barrels a day they produced but many thousands of barrels more than 3,000 barrels a day. Many of the stripper wells today are owned by larger oil companies, so we are talking about apples instead of oranges. The stripper well situation has no relationship to the size or wealth of oil companies, so does not pertain to the depletion allowance and its effect on small oil companies.

Mr. O'NEILL. I am talking about the 10 barrels per day or less, and he is entitled to the price of $10.83.

Mr. BELL. Many major oil companies have wells that have less than 10 barrels a day, so your point on the stripper well program is not "where the bat meets the ball" on the small company depletion allowance.

Mr. O'NEILL. I am for the Green amendment. I regret I cannot absolutely go along with the Wilson amendment. This time if we wipe out the depletion allowance, we ought to wipe it out for all. Believe me, that is the fair thing to do.

And I want to congratulate Chairman ULLMAN and the members of the committee for responding to the urgency of our present economic situation and reporting out this legislation.

Mr. GREEN. Mr. Chairman, I yield to the gentlewoman from New York (Ms. HOLTZMAN) such time as she may consume.

Ms. HOLTZMAN. Mr. Chairman, I rise in support of the Green amendment.

Mr. Chairman, I strongly support putting an end to the oil depletion allowance.

The oil depletion allowance has long symbolized to the American taxpayer the inequities and injustices in our tax system. Especially at this time, when oil companies have become bloated with profits, the American taxpayer finds it difficult to understand why these companies should be given special treatment.

Some people have argued that this is not the right time to end the oil depletion allowance because it would interfere with the passage of the underlying bill which provides tax rebates to help our recessionary economy. I firmly disagree with this point of view. This provision will not, in my opinion, hold up the tax rebate bill. Moreover, at this time, it is imperative that we show the taxpayer that the Congress is going to insist that all sectors of our economy—including the special interests—share the burden of dealing with the recession.

I know that the American people are prepared to sacrifice and do what is necessary to bring this country out of serious economic difficulty, but they will only be prepared to do so if they know that everybody is going to participate fairly in this process and that no special interests will be exempted.

For these reasons I can think of no more appropriate time to abolish the oil depletion allowance.

Those who argue that the oil depletion allowance is necessary to deal with the energy crisis are completely unconvincing. First, the oil industry continues to make record profits. Second, it is plain that the present highly inflated price of oil is a very strong incentive to produce. Finally, as a Federal Trade Commission staff report pointed out, the depletion allowance has actually served to increase oil prices to the consumer. By artificially increasing the price of crude oil, it has kept independent refiners out of the business and increased the monopoly structures of the oil industry in this country.

It is estimated that doing away with the allowance would produce an extra $2.5 billion in tax revenue in the first year alone. This is revenue desperately needed to help Government cope with the economic crisis and the growing budgetary deficit.

The question at the heart of Congress' disagreement with the President over economic recovery measures is: Who is going to bear the cost of those measures? Is it going to be the overburdened middle-class taxpayer, the elderly, the poor? Or are we going to make the oil corporations, which have helped to create the crisis, pay as well?

I believe we must end the oil depletion allowance, so that the oil industry will bear its fair share of the cost of Government, and so that a further burden will not be placed on those people who have already suffered most from inflation, recession, and the oil shortage.

Mr. GREEN. Mr. Chairman, I yield to the gentleman from Texas (Mr. MILFORD) such time as he may consume.

Mr. MILFORD. Mr. Chairman, I rise to oppose the Green amendment to H.R. 2166 for several critical reasons.

First, oil and natural gas are not the only items on which the depletion "tax break" is given. There are six depletion rate brackets, beginning with 22 percent ranging down to 5.

In the 22 percent bracket, along with oil and natural gas, are 42 other minerals. The list begins with antimony and includes, in addition to items most people never heard of, such things as asbestos, bauxite, cobalt, lead, manganese, mercury, titanium, tungsten, uranium, and zinc.

Getting a 15-percent allowance are copper, gold, oil shale, iron ore, and silver.

A 14-percent bracket takes in 37 minerals, including borax, four kinds of mineral-bearing clay, potash and talc. The final entry in this bracket is "Other minerals not covered elsewhere."

In other words, all minerals are covered by some depletion allowance. Those not in the top bracket with oil or one of the lower brackets, which include gravel, sand and stone, are in the 14-percent bracket.

The question raised by all this is why, if every mineral is covered by some sort of depletion tax break, is Congress picking on the oil depletion allowance as an evil that must be done away with?

That question casts a still more puzzling shadow in the light of some other facts about the oil and gas depletion allowance.

Invariably, in their attacks on the provision, depletion allowance foes in Congress label it a "tax break" for the "big oil companies."

Actually the giants like Exxon, Mobil, Texaco, and Gulf are not the big beneficiaries of the depletion allowance.

That is because they possess little of the holdings on which depletion allowance applies. The independent operators hold most of the royalties and, therefore, gain most from the "tax break."

Depletion allowance foes err again in their assessment of the effects of the allowance.

They give the impression that it just helps wealthy "oil men" get richer by giving them fatter profit margins. In fact, its main effect, so far as "oil men" are concerned, is to encourage investment in oil and gas exploration and drilling operations.

For instance, it enables oil companies to pay more to landowners for drilling rights and, thus, makes more drilling sites available.

As for the consumer, the most important effect of the depletion allowance probably is its tendency to reduce the price at which oil companies sell gasoline and other products. This might come as a surprise to some consumer advocates who persist in attacking the depletion allowance as a tool for robbing the poor—consumers—to help the rich—oil men.

But informed critics of the allowance, such as Thomas Field of Taxation with Representation, concede the point. They base their opposition on the claim that tax breaks for the oil industry subsidize oil consumers at the expense of taxpayers in general.

A rather lame point, that, it seems to me, since taxpayers in general ARE oil consumers.

To summarize, doing away with the oil and gas depletion allowance would have two major effects. It would eliminate an inducement for exploration, at a time when it is needed more than ever before. And it would sock the consumer with another push on fuel prices on top of those already effected by Arab oil price increases and their inflationary factors. I would urge my colleagues to oppose this damaging piece of legislation.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, I thank my friend for yielding.

Mr. Chairman, I have had some experience in the oil business for about 20 years. I thought I would mention some things to the Members on behalf of small business engaged in oil. They have today to compete with the many huge major oil companies. I am talking about the small independents. In order to be able to compete many have to do what they call programing, which is a new method by which the small oil companies have been able to compete. That means that they have to get a number of investors to participate with them. Sometimes they underwrite this through an underwriting firm. But that is the only way they can compete with the oil companies, which is to get the investors to invest with them.

For the oil companies that have less than 3,000 barrels a day, we are going, in effect, to eliminate those people that might invest with those companies. The people that would invest with them will not do that unless the depletion allowance is in effect. There is no point in their investing otherwise because they can make more money through a capital gains method. So why invest in oil exploration?

If it is true that a large percentage of the oil is found by these independents then are not we killing the goose that lays the golden egg? That is assuming we want to encourage further exploration for oil and gas. The majors will be getting bigger by the elimination of the depletion allowance, the independents will be getting smaller. All we are doing is helping the majors. Elimination of the depletion if it is done should be done with greater consideration and thought. Writing such complicated legislation through either the Green or the Wilson amendment on the House floor I believe is a mistake.

The president of one of the major oil companies said recently: "maybe it is time for the elimination of the depletion allowance." So the major oil companies are not hurt substantially by the depletion allowance elimination but the small independents are.

I might end my statement by saying at this time I have no interest in this as I am no longer engaged in oil business. I am only giving the Members the benefit of what knowledge I have. Although, I feel there are some mistakes in the way it is written, I think the Wilson amendment should be supported to protect the small oil companies.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield to the gentleman from Illinois (Mr. SIMON) such time as he may consume.

Mr. SIMON. Mr. Chairman, there are two fundamental questions and I say this as one who in the Democratic caucus voted for the Green amendment. One is the question of tactics. Here I yield to the superior knowledge of my seniors in terms of service here, though it strikes me that what the chairman of the Ways and Means Committee has said, that it would be easier to get this bill through the Senate with the Wilson amendment on, makes sense.

I talked to one of my colleagues from a neighboring State who said that with the Wilson amendment on he would vote favorably on the Green amendment; without the Wilson amendment he is going to oppose it. But I yield on that.

The matter of substance is the real thing. Where should we go? I would remind the Members of a little history here. Who was the man who stood up on the floor of the Senate and started the fight against the oil depletion allowance?

It was Paul Douglas of the State of Illinois who said that with that, when we get an oil depletion allowance, we have to protect the small oil producer.

Now, I do not know all the national statistics. I am sure my distinguished colleague from Texas is probably correct; but I know the facts of life in oil-producing southern Illinois. Let me just tick those off very briefly. Let me give an illustration that I used just the other day in this period when we talk to the empty House, and we hope our colleagues will read it the next day. I pointed out that right now—and this is typical of what is happening—right now in the Shawnee National Forest in Illinois, the Interior Department is about to hand out oil leases at 50 cents an acre on a first-come first-served basis of 125,000 acres, and guess who is in line for the 125,000 acres? No. 1, Exxon, and No. 2, Amoco. Everyone else is out. That is the way it goes.

The squeeze is on the small oil producer. When he fights with Standard Oil to get equipment, who gets it? You know who. He gets the squeeze all along the line. He develops that wildcat oil and the big oil producer, the big oil company comes in and they get the oil wells around him.

Who has access to capital? Is it Standard Oil or is it Tom and Jane Smith with their small operation? I think we know the answer to that.

Who gets the breaks in foreign investments? Is it Tom and Jane Smith? We know the answer.

Who is it that is going broke? A lot of them, as our leader has said, a lot of them are making a lot of money, but many of them go broke day after day after day.

Finally, I would read to the House one sentence from the Democratic study group report on this bill. It says:

> The major oil companies oppose the Wilson amendment on the grounds that it could give the independents a competitive edge.

I do not for a moment question the sincerity of those who oppose the Wilson amendment, but there is no question from what I see in southern Illinois that they are fighting for the big oil compa-

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nies who do not need our help. The people who need our help are the small oil producers. The Wilson amendment will do that.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the Wilson amendment and I am sure many of you are surprised because I say "oil," rather than "orl." I am sure people wonder why someone from Colorado who is supposed to be a consumer advocate would support the Wilson amendment? I am sure your suspicion is that I have been brought up by the oil interests. I can assure this is not the case. Because of the disclosure laws, I know for every dollar I got from possible oil interests in my district my opponent got at least $10 or more. Because my political persuasion is different from theirs, they will always be limited to mainly sympathy money from their woes. I have no illusions that I can change their minds.

Why am I here? I think because the consumer issue is one of the issues we should talk about. So many things are controlled by two or three major companies. Energy is sure in this field. When we talk about oil "production," we are using the wrong word. We do not "produce" oil, and until we get this through our heads, we do not understand what the word incentive is all about. We do not make oil. We take it out of the ground and once it is gone, it is gone. Therefore, if you have oil, why take it out and sell it today? There is no way that you can figure out what it will be worth later on; so if you sell it now you will lose money. From the consumer standpoint how can we keep oil on the market and keep people looking for oil domestically, I think is very, very important. The cost of money is very high. The only way to attract investment capital is to keep some kind of tax incentive going. Otherwise people will put their money in any number of other competing interests.

I became very concerned about ownership of energy sources by a few companies when we started looking at things like geothermal alternatives. Looking at hot springs in Colorado, I found the people who had been there first were the major oil companies. There were days when I became certain that the only alternative way to go was with Sun, because Exxon cannot buy it. I am truly concerned about having two or three major companies control all of the energy sources. The best solution is to keep the small guys out there and producing. The Wilson amendment helps do this.

We have got to have this kind of amendment to assure that little guys will stay in and will keep working and will not cap wells and sit and wait. For that reason, I do rise in support of the Wilson amendment, and I hope many of the Members will consider it very seriously as a consumer measure.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield to the gentleman from Louisiana (Mr. MOORE).

Mr. MOORE. Mr. Chairman, I thank the gentleman from Texas for yielding to me. I would like to rise in support of this amendment and against the Green amendment.

I would like to commend the gentleman from Texas for a most enlightening discussion.

Mr. GREEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, members of the committee, we have just seen a marvelous production in living color by the distinguished gentleman from Texas. I would like to entitle it, "Gimme Shelter," I just do not want any Member in this room to think that we are talking about some ma and pa corner grocery store operation which has to be carved out for special preferences in order to keep them from going on public aid the following day. We are talking about a tax preference. That is what oil depletion is. It says that we are going to support one group of taxpayers over another; we are going to give one group a benefit we are not giving everybody else.

Mr. Chairman, I would like to list just at random some of the people to whom we are going to give shelter.

As some Member has said, there were many ma and pa operations in Texas. Here is one called Coquina Oil Co. It had a 75 percent return on shareholder equity in 1974. Its profits went up from 68 cents a share to $2.60 a share in 2 years. Do the Members know what they paid in taxes? Zero.

Then there is Basin Petroleum. They had a 50 percent return on their equity investment. It went from 22 cents per share in 1972 to $1 per share in 1974. Do the Members know what it paid in taxes? Zero.

One of the "fairest" companies was named Equity Oil—very apropos. It had a 30-percent return on invested equity. Its profits went up from $35 cents a share in 1972 to $2 a share in 1974. And—bless them—they paid a 10-percent tax. Is that not nice?

Would the Members like to go home and explain to the taxpayers why they are struggling, straining, and striving to give them a $100 refund or perhaps a $200 refund when they are paying 18 or 20 percent of their income in taxes, but we somehow cannot find it in our hearts, even as we have to reach to give them back that little bit, we cannot say that everybody in the oil business ought to pay some taxes.

Mr. Chairman, I like the gentleman from Texas—although I am not going to yield to him. I suspect on a number of questions he and I are going to be together, but this is one where, if we support the Wilson amendment, we have come up with only a piece of a mouse instead of getting rid of this tax preference. If we get the Green amendment adopted, we will get rid of one of the many, many tax preferences in our code, the most outrageous, the most shameful, the most symbolic of the preferences. But if we put on the Wilson amendment to the Green amendment, just to keep "ma and pa" oil producers of 1 million barrels a year in an oil depletion allowance we will have to explain this decision to ma and pa taxpayer.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I rise in support of the Wilson amendment. The year 1858 was a momentous year in the history of this Nation, as that is the year oil was discovered in the Drake Well, near Titusville, Pa., which is in my district. It was the greatest find of natural resource in all history. It opened up a whole new era in the life of civilization.

Soon, oil was discovered near Bradford, Pa., also in my district, and there followed feverish excitement in northwest Pennsylvania.

The entire Pennsylvania oilfields are located in my district. Pennsylvania oil is the highest grade crude oil produced anywhere in the world. It is a paraffin-base oil used mainly for lubricants, as well as gasoline.

However, during the last 20 years, the fields have not been producing as much as they should, as the price of oil has been too low, and the cost of production too high. Those who have stayed in business were able to do so because of the depletion allowance. However, the recent increase in the price of oil, plus the depletion allowance, has created great activity, and many new well locations have been staked out and much new drilling is planned. Marginal properties, heretofore unprofitable, have all of a sudden become attractive for exploration and, as a result, 15 million barrels have been added to recoverable reserves, now estimated at 50 million barrels.

If the depletion allowance is destroyed, the incentive to develop will be gone, and the stakes will be pulled. That is why this 3,000-barrel-a-day exemption is so vital to the Pennsylvania oilfields. These producers are not big business. They are just ordinary fellows who borrow the money to drill the wells.

I would say this: As an accountant, down through the years I have prepared many hundreds and hundreds of tax returns for small oil people in my district, and they are all in debt up to their necks, and they go to the bank and borrow money, much like all of us do. So in granting this 3,000-barrel exemption we are doing it for the small businessman.

This depletion allowance, when it was first enacted, was enacted to encourage development, but its foundation is based on the fact that oil properties are a capital asset. If one sells the oil property, one gets a capital gain on it and one pays only up to 50 percent of the profit. However, if one produces oil piecemeal and without the depletion allowance, one pays ordinary income tax on it. In other words, one is selling a nonrenewable capital asset and not getting the benefit of the capital gain. That is the reason for the oil depletion allowance, in the first place.

If we want to help Project Independence, help President Ford in bringing this country to a sound energy solution, we should pass this 3,000-barrel exemption.

I want to say to the people from New England that my territory is riddled with pipelines, with oil roads, and drilling wells. We have refineries, we have produced oil, and we have kept New England warm. The people of New England today should be doing something to help the oil men and not bring them to their knees. Some day the people of New England will be crying to the oil men, saying, "We want some oil for our lamps," and there will not be any for them.

Mr. GREEN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I rise in support of the Green amendment, in opposition to the Wilson amendment, in opposition to the two Archer amendments, and in opposition to the Young amendment.

Mr. YOUNG's amendment would not help the small independents, even small by Texas style. That would only help the majors, where the oil has already been discovered, and in Alaska. It would be an unconscionable windfall for them. I will not take any more time on it, but it should be defeated.

Mr. ARCHER's two amendments will make it possible for the gas companies to gradruple the price of gas and still have depletion, an unconscionable amendment.

Mr. Chairman, the other amendment offered by the gentleman from Texas (Mr. ARCHER) will allow any partnership that has 5 or more persons in it, or 5 or less persons in it, however we read it, to have 15,000 barrels of oil a day exempt; or it could perhaps have 500 partners in it and have 500 times 3,000 exempt. If the Members read it the way I read it, we could have an unlimited number of people exempt, just so they had at least 5 in that partnership.

So that amendment ought to be defeated.

The amendment offered by the gentleman from Texas (Mr. CHARLES WILSON) ought to be defeated. This is not a new issue. It has been before the Committee on Ways and Means many times since the year 1969. Since I have been there, we have discussed it many, many times.

Even as conservative as the Committee on Ways and Means is and as anxious as the Committee on Ways and Means has been to take care of the little man, we never brought out any program that was as generous as this.

We brought out two amendments last year to take care of little oil producers. We had a phaseout provision in them. The gentleman from Texas (Mr. CHARLES WILSON) did not put any phaseout provision in his amendment.

The gentleman's amendment is 19 pages long. It is an oil lawyer's dream. We will never get through litigation, with all the language contained in it.

Mr. Chairman, the majority leader gave a wonderful speech, and he hit it right on the head. Maybe some of these arguments made by the gentleman from Texas (Mr. CHARLES WILSON) were good 3 years ago, but they are not any good now. At that time we were talking about $2 and $3 a barrel as the price of oil. Today we are talking about $11 a barrel for oil, or, just to be very conservative, $10 or $8 a barrel for oil.

That oil has already been discovered. It is in the ground; it is being pulled out. It does not cost any more to pull it out today, or if it does, maybe it is just a few cents a barrel, than it did 3 years ago. It is ridiculous to give those people that kind of a windfall.

In addition to that, if we adopt the Wilson amendment, there is nothing in it that will prevent the majors, when new oil is discovered, from splitting up and taking advantage of the Wilson amendment, and, frankly, within a matter of a few short years we may be right back in the same "barrel of oil" mess we are in right now on percentage depletion.

I know that the gentleman from Texas (Mr. CHARLES WILSON) disagrees with me on that, but I have lived through this thing—perhaps not as long as he has—for a long time, and I have studied the issue as conscientiously as I can and as intelligently as I can. I must disagree with him in his conclusions.

So I will say to my colleagues that this is the first time in 50 years that we have had an opportunity to vote here on the House floor on the issue as to whether we will get through what appears to be the largest tax loophole in the whole tax system and the one that has perhaps been the most greatly abused.

Mr. Chairman, I think we ought to have a change. There was a time in the past when perhaps it would not have been wise to do it, but that time has long expired. It has expired because events have overtaken us. When oil was selling for just a few cents a barrel, as the majority leader pointed out, or when oil was selling for just $1 or $2 a barrel, then there may have been some need for a tax incentive, but there is no need for it any more. Oil is now selling for $11 a barrel.

The whole national policy, as enunciated by the President of the United States, is to raise the price of oil in order to encourage other forms of energy to come on the line at a reasonable price. Whether we like it or not, the President is going to get a victory on that. If he does not, the Arabs and the OPEC countries are going to keep the price up anyway.

So, Mr. Chairman, depletion is an ancient idea whose time has expired. My time has also expired, Mr. Chairman.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I rise in support of the Wilson amendment.

I wish to point out to the previous speaker that this is not an idea whose time has expired in Ohio, for the reason that it is very vital to jobs and the maintenance of a strong economic base in my State of Ohio that the Wilson amendment be adopted.

Ohio has many gas-energy intensive industries, and although Ohio is not a self-sufficient State in energy production, nevertheless the production brought in by some 500 independent oil and gas producers in my State is very vital to the continuation of a strong economic base.

Most of the Ohio producers are small. Ninety-five percent of them are independents. In addition to providing much needed energy in response to the needs of Ohio industry, the independent producers provide 8,000 to 10,000 jobs within their own industry. These independent producers also provide a means for Ohio landowners to realize the benefits of their mineral resources.

While I recognize the desirability for achieving equity in the tax laws I would urge that this body not ignore the need of independent producers to attract venture capital for oil and gas production in States such as Ohio. Continuation of the depletion allowance for major oil companies is no longer necessary nor equitable since these companies are able to generate risk capital internally from their large operations whereas the small independent producers covered by the Wilson amendment need the depletion allowance to maximize their ability to continue exploration and development of Ohio oil and gas resources.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico (Mr. RUNNELS).

Mr. RUNNELS. Mr. Chairman, I thank the gentleman from Texas for yielding.

Mr. Chairman, I want the Members to know that I am just as prejudiced in one way as most of the Members sitting here are prejudiced the other way.

I do not want the Members to misunderstand me because they have heard it in caucus before my friend, the gentleman from Texas (Mr. CHARLES WILSON), presented charts.

I want the Members to know that the only chart I have is my right hand. I am the only Member of the House or Senate who has lost any part of his body to the oil industry. I want the Members to know that it is not all good and I want them to know that it is not all bad.

I just merely want the record today to show that someone stood in the well of this House and said to the Members that their constituents, the consumers of America, will pay for everything that we take away from either the majors or the independents.

I want the Members to ask themselves this one question: Has any individual from the major oil companies or the major oil companies' lobbying arm, the API, said one thing to any Member, in his office or any place else, about the subject matter being discussed today? Would you raise your hand if they have said a word to you?

Is it not strange that the major oil companies have not lobbied you? I see three hands out of all these people, but do not the Members think it strange that they have not said something to them?

The independent people have said something to you. The independents have talked to you. You do not understand, I believe, the words "risk capital." If there is a time that we need to bring them up in debate, that time is now. We have an oil shortage in America.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana (Mr. LONG).

Mr. LONG of Louisiana. Mr. Chairman, I am frustrated. I think my friend, the gentleman from Texas (Mr. CHARLES WILSON) is frustrated, too.

We go home to Louisiana and Texas, as the gentleman from Texas (Mr. CHARLES WILSON) and I have over the years, and the big oil companies abso-

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lutely hate us. We come up here and we are accused of being the slaves of the big oil companies and of trying to protect them. They have caused the gentleman from Texas (Mr. CHARLES WILSON) and me more political misery over the past 10 or 15 years than anybody could imagine. Yet, we come up here and we find in the Wall Street Journal and the Washington Post that we are trying to bail out the big oil companies.

I tell the Members, that is a frustrating experience to me. Another thing happened with respect to the legislation that we passed on deepwater ports. One of the things that bothered me was that we did not make a provision that would prohibit the major oil companies from owning and operating the deepwater ports.

The Federal Trade Commission has already taken out after them for creating a monopoly. They are taking the deepwater ports now, and they are going to get them. Watch what I am saying. They are going to have those; they are going to control those. We do not have any of these independents producing as much as 1 percent of the oil in the United States, not 1 percent, and if we have an automobile manufacturer that is producing only 1 percent of the automobiles in this country, we do what the Congress did for American Motors about 5 years ago. We give them $20 million.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. LONG of Louisiana. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Does the gentleman agree that 3,000 barrels of oil a day is one-third of one-tenth of 1 percent of the daily production in the United States?

Mr. LONG of Louisiana. One-third of one-tenth of 1 percent of the production in the United States every day. That is what it is.

That is what it is. If you own a refinery—of course—or if you own a service station you do not even get the 3,000-barrel exemption under any circumstances. If you do not own one of them you can get the 3,000-barrel exemption only if you put the money that you get for the depletion allowance back in the ground.

So what we are going to do is drive all of the little ones out of business. And I grant you they are here, just like American Motors in the automobile industry, sort of mom and pop operations, but what happens to the people that work in them? They are in bad economic trouble. In the automobile industry we bail them out. But when it comes to the oil companies, the smaller oil companies, we are going to drive them out of business and create a monopoly in the oil business which will extend then to coal, and then to the atomic energy business.

Mr. GREEN. Mr. Chairman, I yield myself such time as I have remaining.

Mr. Chairman, we are wrapping this up now.

We have just heard that 3,000 barrels a day is one-third of one-tenth of 1 percent. That is right. Ninety-nine percent of the producers in this country get one-third of one-tenth of 1 percent. We are not talking about one-third of one-tenth of 1 percent at all. We are talking about at least 25 percent, and we are talking about 99 percent of the people in this country who produce oil. We are talking about rich people. We are talking about people who dodge paying their taxes while the people who work for a living pay their taxes, they pay through the nose.

What are we deciding today, basically? We are deciding—and it is very easy for us to blame the Republicans for this situation, and to blame the Democrats for this oil depletion. The oil depletion allowance has been kept in by the powerful oil companies which have had far too much to do with both political parties. I think the people of our country are fed up with this.

What we are talking about is power, not just energy, but power, the power of the oil lobby. The basic issue that this House will decide today is where the power in this country belongs, and whether it belongs to the people who work and the people who pay their taxes, or whether or not it belongs to the special few.

President Kennedy once said that the men who create power are indispensable, but the men who question power are equally indispensable, because it is they who decided whether the power will be used for the few or the many.

This power has been used for the few, and I say today is the time to change that, and use the power for the many.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Texas (Mr. CHARLES WILSON) has 1 minute remaining.

Mr. CHARLES WILSON of Texas. Mr. Chairman, ARCO has said, on national television, that they do not care about the depletion allowance, and that they do not care whether Congress abolishes the depletion allowance—they will get it back at the pump.

The gentleman from Pennsylvania (Mr. GREEN) has made it very clear, and he did so yesterday in the Committee on Rules, that the major oil companies do not need the depletion allowance because the majors already have an overabundance of tax credits in the foreign tax credit—which I think should be abolished also.

But the independents do not have those credits. If an independent sells his oil in the ground to a major oil company, he gets capital gains, if he pumps it out of the ground he gets the depletion allowance. But what happens if you take the depletion allowance away from the independent producers in this country? If they sell to the majors, they get a capital gain, but if they pump it out, they get no consideration. Every independent in this country will sell out to the major oil companies.

By the action we take in this House today, if we adopt the Green amendment without the Wilson amendment, the petroleum industry of the United States will be controlled by the eight men who head the eight major oil companies in the United States.

If that is what you want to do, then have at it.

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, it is only with grave concern and misgivings that I support this bill to provide a pass-through of $21.3 billion from the Federal Treasury—which must borrow it. The medicine which we give our "sick" economy could overwhelm the patient. In a sense, it is very much like the ancient cure of "bloodletting."

Like every Member of this body, I hope and pray that the prescription works. It was recommended almost unanimously by economists who testified before our Ways and Means Committee.

There is no question of the need for providing tax relief to the low- and middle-income taxpayers. The inflationary spiral has just about taken them out of the marketplace except for the limited items of survival and existence.

And yet, those without work are not helped by this bill except through such advantage or opportunity for reemployment which may occur from the added disposable income which is distributed to those at work. If buying is restored, production can be restored and employment follows.

If what we do in this bill is in fact too little, or too late, it could result in a tremendous tax and revenue loss with little compensating advantage. We could end up spending $20 billion for a psychological uplift which could endure for a week or a weekend. There is no certainty that our proposal will work. My chagrin and concern is that we have not been sufficiently provident to prepare for these days. We had become almost immune and indifferent to the risk of recession or downturn or depression.

As we enact this legislation, we must also begin to consider alternative approaches to our economic problems. We must develop systems and procedures which will work and turn things around for the better.

As I stated in my supplementary views, the price tag for this legislation is grossly underestimated. It will be difficult to limit the 10-percent investment credit to 1 year. It will also prove impossible to withdraw tax relief to the low-income groups or to reduce the standard deduction. These long overdue changes for low-income groups must become permanent law.

We could have provided for a more effective schedule for the application of investment credits. If the increased tax credits were available for capital expenditures in excess of levels for a base period—an incremental investment credit—we would have produced more purchasing per dollar of tax loss. In addition, the increased investment credit could have been directed toward labor-intensive industries—providing credits for jobs and payrolls increased over a base period. In this way, an industry could receive a credit for a commitment to employ added workers.

The investment credit could also have been designed to promote capital expenditures to conserve energy and to stimulate the retooling of the automobile industry to produce new, gasoline-efficient automobiles.

The incentives provided for business expansion should rekindle business activity. The incentives to small business are substantial, including the doubling of exempt income, and the application of the investment credit to $100,000 of used equipment.

The increase of the investment credit from 4 to 10 percent for utilities constitutes a 250-percent increase in the incentive for utility expansion, improvement, and redesign. This could lead to expansion for the purpose of increasing rate bases on which utility charges are established rather than more efficient or needed supplies of energy. It will remove 25 percent of those utilities now paying income taxes from the Federal tax rolls.

I believe that some of these tax inducements are excessive and we must carefully monitor their effect and achievement.

This, therefore, will be a period in which we must closely watch the economy, the unemployment rolls, and signs of change, to determine which procedures are working and which are not. We must be prepared to try other things and maintain the confidence of the people in our efforts.

Down the road, and as soon as we can, we must decide how we pay for recovery and the permanent Treasury loss and increased debt which are involved. That will take some soul-searching and tax reform.

Mr. Chairman, I expect to vote to repeal the depletion allowance. For over 20 years I have argued that this deed be done.

I am not pursuaded by the argument that this amendment will prevent passage of this tax package which is so critically needed to restore the economy. If one man in the other body can stop this bill, we are confronted with a situation in which a majority of this House must yield to the whim, caprice, or fancy of a single Member of the other body. If that is the problem, we must confront it. I do not believe that we should sacrifice the fundamental principle of rule by the majority in the interest of expediency, however urgent.

It was never intended by our Founding Fathers that law should be passed by a majority vote in this body and with the unanimous approval of every Member of the other Chamber.

Mr. SCHNEEBELI. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I have remained on the floor this afternoon, and I have listened very carefully to, the very eloquent and persuasive presentation of the amendment offered by the gentleman from Texas (Mr. WILSON). It has convinced me that what I said when we were debating the rule earlier this afternoon is correct: How extremely unwise it was to adopt a rule which permitted the offering of a nongermane amendment under circumstance where it could not be perfected, because, frankly, there are many reasons why I would be constrained, I think, under other circumstances, and if this amendment were properly offered to a bill to which it was really germane, to give serious consideration to some relief for the truly small independent operators of the kind described by my friend, the gentleman from Illinois (Mr. SIMON), from the 24th District.

After all, the amendment, if I understand it, is predicated on the assumption that the independent segment of the oil industry is vitally dependent on the percentage depletion allowance since a large proportion of its new investment funds are internally generated, and that many of these small independent operators work on narrow cash flows, and if they suffer a sudden increase in tax liabilities, they might go out of business.

But at the same time I have to make the same point that has been made by others: That this is an extremely complex amendment, 19 pages in length, with a great many ambiguities which simply cannot be corrected and cannot be perfected under the procedure that we follow here this afternoon.

Let me point out that this amendment does more than simply seek to exempt a specified class of oil and gas producers. It goes on to specify what may be done with the funds that are derived from the use of that allowance, and this is where I think we launch ourselves into considerable difficulty because in the amendment, in creating a class of qualified investments that are related to exploration, development, and production costs, I find a number of ambiguities that trouble me greatly.

First of all, it would deny the use of depletion to any producer engaged in refining. No definition is given for refining which could easily apply, I am told, to small field stripping operations that are commonly associated with many gas and oil wells. This might deny small producers their right to use the allowance, the very people for whose benefit this particular amendment is intended.

Second, the expenditures that are defined in the amendment, as I read it, and that are considered qualified investments are somewhat arbitrary and even potentially counterproductive, because, as I read the amendment, only new equipment may be accounted for, although many independents use other equipment, that is, used equipment, because of price and availability problems.

In addition to that fact, under the language of the amendment, only one-third of lease acquisition costs can be credited, although this is a primary expenditure for many, if not most, independent operators.

Finally, as I read the amendment, it seems to me there are a great many administrative problems. Obviously, some system would have to be established by which operators' production levels could be closely scrutinized.

It certainly would have been wise and it certainly would have been prudent to have some comments from the Federal Energy Administration or from the Treasury Department on the efficacy of our present monitoring systems and whether or not we could really tell who was qualified or who was not qualified under the provisions of the amendment. I think it has already been mentioned in addition to what I have just said that the Treasury Department does oppose the Wilson amendment. It contends that the amendment will introduce distortions as oil firms scramble to qualify for exemptions. In the talk that I had with the Secretary of the Treasury yesterday, and I do not hesitate to call him as a witness in my behalf, he said he thought it would lead to the wildest case of lease swapping in the history of the oil industry.

These reasons and in addition to that the difficult inherent in the matter of working out the enforcement provisions of this amendment militate against its adoption. I do not think the Independent Producers Association has taken an official stand on this amendment as I understand it but because I was sincerely interested in trying to do something to help the independent operators in the country I did make the effort to try to solicit some of the views of the people who belong to that association. I found they were not happy with the language as it is written. They think, as I pointed out a moment ago, the qualifying section of the amendment is arbitrary and does not really address the needs of the independents, even though in the overall they support of course the objective that is sought to be reached by this amendment.

So in conclusion although it may constitute small solace indeed to the gentleman from Texas (Mr. WILSON) I can assure him that under other circumstances where I felt we could intelligently address this problem and offer the kind of perfecting amendments that might make it the proper vehicle to aid the independent operators of America, I might be able to support it. However, under the circumstances in which we find ourselves this afternoon, where we are considering a nongermane amendment offered under a closed rule, I simply cannot support the gentleman's amendment. I urge its defeat.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas.

Mr. ECKHARDT. The gentleman has referred to lease swapping. I would like to know where any lease swapping would do anyone any good to get under the exemptions. As a matter of fact, much of the reason for the bill being so long is to block all of those loopholes. But if the gentleman would point out one of them I would appreciate it.

Mr. ANDERSON of Illinois. It was stated in testimony offered before the Rules Committee yesterday that the gentleman from Texas (Mr. ECKHARDT) was one who had worked very diligently in an effort to eliminate the possible loopholes that would lead to lease swapping, but I have to repeat that in my conversation with Treasury officials they said they feel the language has not been perfected to the extent where that danger is wholly nonexistent.

Let me make one other point which I think is germane to the issue. It has also been suggested that the production of oil, this very scarce commodity, at a time when we are trying to increase supplies, might suffer to some degree because some producers would even seek to cur-

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tail their output in order to come within the 3,000 barrel per day exemption.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. FICKLE) such time as he may consume.

Mr. PICKLE. Mr. Chairman, I commend my colleague, the gentleman from Texas, for his presentation and I favor his amendment and oppose the Green amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr HIGHTOWER) such time as he may consume.

Mr. HIGHTOWER. Mr. Chairman, I rise in support of the Wilson amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Illinois (Mr. SHIPLEY) such time as he may consume.

Mr. SHIPLEY. Mr. Chairman, I rise in support of the Wilson amendment.

Mr. Chairman, I am very much in favor of the Wilson amendment which we are considering today. There are a number of independent producers and operators in my district, and without the Wilson amendment, they will be forced to go out of business. Certainly, this would be most disastrous, especially in this time of economic crisis and high unemployment. Failure to enact the Wilson amendment would add fire to the economic problems we presently face.

The majority of the exploratory drilling in this country is done by the independent producers. By eliminating the depletion allowance available to the independents, we would seriously jeopardize this segment of our society. It would be difficult, if not impossible, for the independents to raise the necessary operating capital without the depletion allowance because of the high risk involved in drilling a well.

It would seem to me that failure to enact the Wilson amendment would serve to increase the fortunes of the major oil companies. It would be more profitable for the independents to sell out to the major oil companies rather than to stay in business, thus eliminating any competition for the major oil companies. We certainly do not need this.

I urge all my colleagues to seriously consider this matter, and vote in favor of the Wilson amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. WHITE) such time as he may consume.

Mr. WHITE. Mr. Chairman, I rise in support of the Wilson amendment.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Arkansas (Mr. ALEXANDER) such time as he may consume.

Mr. ALEXANDER. Mr. Chairman, I rise in support of the amendment of the gentlemen from Texas which will have the effect of permitting small oil producers to remain in business while continuing to encourage domestic production.

Looking at the simple facts and figures, the benefits of this proposal far outweigh the costs.

Major oil companies control about 80 percent of the oil and gas production in the United States. However, it is the several thousand small independent producers who drill approximately 80 percent of the exploratory wells in search of new oil and gas supplies and consequently make about 80 percent of the new domestic discoveries.

If we are ever to achieve energy independence, it is domestic exploration upon which we must concentrate.

The major oil companies tend to spend much of their time in offshore drilling and in developing the oil and gas resources of foreign countries. It was precisely our development of the oil resources of other countries that has brought us into our present state of dependency.

It is estimated that if we do eliminate the oil depletion allowance for all companies, we will gain $3 billion in revenue. However, if we take action now to exempt the small independents and wildcatters, it will cost us only $468 million of the $3 billion.

I do not believe that this is an excessive price to pay for providing the incentives and possibilities for investment and enterprise by small businesses whose discoveries ultimately benefit the country as a whole.

We can simply not afford to create a situation which would make it unprofitable for small producers to continue exploration and production. To do so would leave us totally at the mercy of the major oil companies whose policies have already proven too costly to the American public.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. MAHON), the chairman of the Appropriations Committee, such time as he may consume.

Mr. MAHON. Mr. Chairman, I rise in support of the Wilson amendment and in opposition to the Green amendment.

Mr. Chairman, perhaps there are those in the House who feel that too many Texans are injecting themselves into the argument over the depletion allowance and that we may be doing injury to our cause. I would hope not.

The people of the United States have been well served for many years by Texas oil and gas. Without that production, the Nation would be infinitely poor.

Texans have the right to be proud of the contribution which our State has made and is making in providing oil and gas for the consumers of the Nation.

In its truest sense, the issue before us is uncomplicated. The issue before us is this: Do we want more oil and gas for transportation, for home and for industry? If we do, we must resist the Green amendment which would remove the depletion allowance and do great violence to the independent producers who are doing a magnificent job in drilling exploratory wells and helping move us toward less dependence on foreign sources of energy.

Repealing the depletion allowance will mean a slowdown in the momentum of the independents who are responsible for drilling the great majority of the exploratory wells and finding the additional sources of energy.

The question is a simple one. If we want more fuel for our cars, industries, and homes, we must vote against the Green amendment which repeals the depletion allowance and for the Wilson amendment which preserves the depletion allowance for the independent operators.

The Archer amendment is also in the public interest and I strongly support it.

Let me strongly urge the defeat of the Green amendment.

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, I thank the gentleman for yielding this time. I know how difficult it is to yield at this point.

I merely want to point out that most of the arguments made against the Wilson amendment simply do not recognize the fact that all potential escapes have been taken out of this amendment. As far as I know, not a single member on the Committee on Rules challenged that point when I made myself available to it to answer any contentions to the contrary. For instance, the statement that oil companies would decrease their production in order to get into the 3,000 barrel exemption is utterly without foundation, because the 3,000 barrel exemption is for the first 3,000 barrels produced by an oil company other than a major; there is no way to reduce production and gain any benefit.

It seems to me those opposed to the Wilson amendment argue against it in a most peculiar way. They say the amendment is too long. Most of the length of the amendment is to make it absolutely certain that the amendment is not subject to an escape or to a proliferation of the 3,000-barrel exemption.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, I use this minute to answer the gentleman from Texas (Mr. ECKHARDT), if I may, on this matter of whether or not leases may be split up. So far as I can read the amendment and so far as the Treasury lawyers can read it, it pretty well takes care of oil already in production, but there is no way to prevent a splitting up of leases and the maximizing of oil depletion on the first 3,000 barrels of oil already in production. That is the big loophole in the amendment and it is one of the reasons this tax advantage will grow until we are right back here again with it.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield so that I may answer that?

Mr. ULLMAN. I yield the gentleman 30 seconds.

Mr. ECKHARDT. Mr. Chairman, what the language does, it prevents the oil companies splitting up to increase the exemptions going to the various segments of the original group.

Now, if the amendment encourages additional new production, that is good in my book. Of course, it does that. Of course, it permits a single company to use the depletion allowance for its first 3,000 barrels, but the company cannot then split up to get the advantage of say 6,000.

Mr. ULLMAN. Mr. Chairman, I would ask the gentleman from Pennsylvania (Mr. SCHNEEBELI) if he has any further requests.

Mr. SCHNEEBELI. Mr. Chairman, I have no further requests and I yield back the balance of my time.

Mr. ULLMAN. Mr. Chairman, let me take this opportunity to advise the Members that we do plan to complete action on this bill this evening. It is our hope that we can proceed expeditiously.

Let me summarize what I consider our situation with respect to approval. First, under the rule, we will consider the committee amendments in the nature of a substitute.

After acting on that matter, it is my understanding that the Green amendment will be in order. Then the Wilson amendment to the Green amendment will be considered and then under the rule there are three perfecting amendments to the Wilson amendment, which will have to be acted upon.

So the gentleman from Alaska (Mr. YOUNG) has one amendment. The gentleman from Texas (Mr. ARCHER) has two amendments. It is my understanding, and if I am wrong in this respect, I will be glad to yield to the gentleman from Alaska for his comment.

Mr. YOUNG of Alaska. If the gentleman will yield, I am in agreement with that. It is not the Wilson amendment. It is the Green amendment.

Mr. ULLMAN. The amendment of the gentleman from Alaska is to the Green amendment?

Mr. YOUNG of Alaska. Yes; it is.

Mr. ULLMAN. It is my understanding there are two perfecting amendments to the Wilson amendment and then we will act on the Wilson amendment and then on the Young amendment to the Green amendment.

Then, we will act on the Wilson amendment; then, the Young amendment to the Green amendment; and then finally the Green amendment.

Under the rule, there are 5 minutes on each side on each one of these amendments. Then finally, after we have acted on the Green amendment, as amended, the gentleman from New York (Mr. CONABLE), will be recognized for the other amendment, the substitute that is allowed him under the rule. That will be the final action.

Mr. Chairman, it is our hope that some of these matters can be disposed of without a record vote. If that is the situation, we should be able to finish this in a couple of hours.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, my colleagues of the committee, having heard now the presentation by the gentleman from Pennsylvania (Mr. GREEN) in support of his amendment, and having heard the gentleman from Texas (Mr. WILSON) present his proposed amendment to the Green amendment, I think it is time now to know what some people are thinking around the country and even here in Washington about the amendment offered by Mr. GREEN.

Mr. Chairman, I hold here in my hand a copy of an editorial by radio station WMAL today, which I have by telephone verified with Mr. Charles MacAtee, the general manager of radio station WMAL. I want to read it to the Members. I said basically these same things to the caucus the other day. However, the words which I will read to the Members now are the words of radio station WMAL, in today's editorial:

Congressman Green and House Democrats this time we're talking to you. Congress, you rejected President Ford's tax package. You said you had a better plan. You said a $16 billion tax cut was not enough. You said the economy needed at least $21 billion to get it going again. You said we needed that injection as soon as possible.

Now you're playing games. You've got enough support to pass your expanded tax cut bill without delay, yet in a test of power, you have decided to attach an amendment . . . one you know will mean a filibuster. Many legislators who would support the tax bill won't support it with the depletion amendment.

That amendment means a filibuster . . . filibuster means delay and delay means Americans will have to wait even longer for tax cuts and rebates. Congressman Green, this is your amendment. All those speeches about the dismal state of the economy and what must be done won't mean a thing if your amendment delays passage of the tax bill even one day.

Drop the amendment; get the tax bill through Congress now and worry about depletion allowances later. Americans are not in the mood for power plays.

The Green amendment should be defeated.

Mr. ULLMAN. Mr. Chairman, my position, after hearing all of the debate, is more solid than ever. We are making a great mistake in adopting any extraneous amendment to this bill. I urge the Members to vote down all of the extraneous amendments, pass out the tax reduction bill and permit it to do what it is intended to do, to stimulate the economy in a time of great distress.

Mr. SCHNEEBELI. Mr. Chairman, I would like to add to what the gentleman from Louisiana (Mr. WAGGONNER) has said.

There are many Members here who were not here when I appeared on the floor, so I would like to read a letter which I quoted in my remarks from Mr. George Meany, president of the AFL–CIO:

DEAR CONGRESSMAN: We in the AFL–CIO are deeply concerned at reports that an amendment repealing the oil depletion allowance will be attached to the tax cut measure on the floor of the House.

We are completely opposed to the oil depletion allowance but we consider such an amendment now would be a serious mistake.

The tax cut package approved by the Ways and Means Committee is a substantial improvement upon President Ford's proposal. The Committee bill would increase the buying power of low- and middle-income families, thus greatly stimulating the economy. That stimulus is of overriding importance.

To provide its greatest benefit to the economy, the tax rebate and cut must be passed as quickly as possible. Adding repeal of the oil depletion allowance to the Committee bill would almost certainly lead to a filibuster in the Senate and, thus, delay getting the tax cut into the hands of consumers.

The AFL-CIO believes that, as soon as the emergency tax package is passed, the Ways and Means Committee should begin work on comprehensive tax reform, with repeal of the oil depletion allowance a "must" item.

Therefore, we urge every member of the House to support quick passage of the Committee bill and to oppose any amendment that might delay enactment of a measure the economy so desperately needs.

Sincerely,

GEORGE MEANY,
President.

Mr. DRINAN. Mr. Chairman, I would like to lend my strong support to the Tax Reduction Act of 1975 (H.R. 2166). My State of Massachusetts and the Nation as a whole are in the midst of a deep recession, and the Congress can no longer afford to allow the economy to worsen. My fear is that if there is any further downturn in economic indicators, it is possible that we could be entering into the beginnings of a depression.

I do not want to be overly pessimistic, in mentioning the possibility of a depression, Mr. Speaker. However, we must fully realize how bad the present economic situation has become. Unemployment has now climbed to 8.2 percent for the United States as a whole, and it has reached the astounding level of 10 percent in Massachusetts. These joblessness rates have reached frightening proportions, especially when we realize that they are now at 50 percent of the depression's unemployment rate. In 1935, for example, the adjusted unemployment rate was 16.4 percent, though the worst level was reached in 1933, when this country registered an 18.9 percent figure. We can certainly see that the times are bad, and that it is now time for the Congress to turn this economic downslide around.

I believe that the Tax Reduction Act is capable of providing a major impetus to economic recovery. This legislation represents no timorous half-way measure, but rather, a total tax relief package to individuals and businesses which will amount to $21.28 billion in 1974 and 1975. Due to the huge size and importance of this bill, I would like to summarize briefly its major provisions.

Title I of the Tax Reduction Act calls for refunds to individuals for their 1974 income taxes. Taxpayers will receive a 10 percent rebate on their Federal taxes for 1974 which can reach a maximum of $200. The minimum rebate will equal the individual's 1974 income tax liability or $100, whichever is less.

Title II of the bill raises the low-income allowance or minimum standard deduction. The latter deduction will be increased from $1,300 to $1,900 for single persons and from $1,300 to $2,500 for married couples filing joint returns. In addition, low-income persons will receive a 5 percent tax credit on earned income up to a maximum of $200.

In title III, the investment tax credit will be temporarily increased for most businesses from 7 percent to 10 percent, and from 4 percent to 10 percent for public utilities. The use of the credit for used property will be increased from $50,000 to $75,000, and the credit will be made available for property under construction and not yet in service.

Mr. Speaker, I heartily endorse the first two titles of the Tax Reduction Act, but I feel that the expenditures for title III are unjustified. There can be little doubt that the $16.18 billion authorized for the first two titles are greatly needed to give

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the average taxpayer the break which he so richly deserves. Title III, on the other hand, targets $3.87 billion for increased investment tax credits on top of the $4 billion which are already lost due to this business incentive. I object due to the fact that since 1962, the tax credit has primarily benefited only the largest corporations, giving companies like General Motors an average of $40 million each year. It is no wonder that while corporations shouldered 35 percent of the total tax revenues in 1960, they now contribute only 14.4 percent to the same Federal revenues. In short, I oppose these title III deductions.

I would now like to turn, Mr. Chairman, to an extremely important amendment which is being offered to the Tax Reduction Act. My colleague from Pennsylvania, Mr. GREEN, has offered an amendment which would eliminate the 22 percent oil and gas depletion allowance effective January 1, 1975. Other amendments have been proposed which would retain the depletion allowance for certain independent producers, but I feel that it is now time for the Congress to eliminate this vast tax loophole once and for all.

We have watched oil prices skyrocket in the past year while profits of oil companies have soared. Major oil companies have increased their annual profit from $2.9 billion in 1968 to $7.3 billion in 1973. In addition, the net earnings of the 10 largest oil corporations for the first half of 1974 are 148 percent greater than the same period last year. In the face of these statistics, providing the energy producers with this continued tax loophole simply does not make good sense.

The depletion allowance was originally intended to compensate the drillers for their unusually risky endeavors and to insure that America always had enough oil to be self-sufficient. But as the events of the past year have shown, the tax break approach to the energy crisis has failed. Over 40 percent of the tax breaks have gone either to foreign operators or to "nonoperators"—individuals who have not pursued oil exploration, although they do own oil-bearing land. In all, the oil industry's tax breaks due to the oil depletion allowance cost the U.S. Treasury $1.4 billion, but generated only $150 million in extra oil reserves.

It has been said, Mr. Speaker, that repeal of this deduction will discourage new energy exploration by the major oil companies. However, depletion does not encourage exploratory drilling. Since depletion only applies to revenues from producing wells, it encourages producers to drill excessively in proven fields where the 22 percent subsidy is assured, and to refrain from wildcat exploration. If the depletion allowance were repealed then, the incentive to overdrill existing reserves would be reduced, and repeal would therefore encourage increased exploration for new oil reserves.

Opponents of the Green amendment argue that even if the depletion allowance is repealed, the independent oil producers should be exempted. I would counter this argument by stating that the data on production and profits indicates that independents are not suffering from a competitive disadvantage due to their size. They are, in fact, much better off now than they were before the energy shortage of last winter. They are now selling for $10 per barrel the same oil that they were selling profitably for $4 per barrel before the shortage, This price increase is worth many times the loss of the depletion allowance and the inflationary increases in production costs.

The Congress can no longer delay in repealing the oil depletion allowance. The House was never allowed to act on the Energy Tax Act of 1974, which would have repealed the allowance. As a result of that inaction, the oil companies reaped a $2.6 billion windfall from depletion in 1974, and another $3 billion will be lost this year if repeal is delayed once again. The taxpayers of this country will no longer stand inaction on the part of the Congress with regard to this undeserved deduction.

Mr. Chairman, if the Tax Reduction Act of 1975 is enacted with the Green amendment attached, we will have taken a long step forward both from the standpoint of economic recovery and tax reform. This Reduction Act should provide a needed boost to the economy, easing the tight cash flow problems which we are now experiencing. We would also be eliminating a tax loophole which has plagued our tax code for years. It is for these reasons that I enthusiastically support the passage of this act in accompaniment with the Green amendment.

Mr. COHEN. Mr. Chairman, I strongly oppose including in the tax rebate bill provisions to repeal the oil depletion allowance and to restructure our income tax rates for individuals.

This Nation is now experiencing an increasingly severe recession. Rebating a portion of our 1974 taxes is clearly the quickest and most effective way of providing the American people with the additional spending power needed to stimulate the economy and check the recessionary slide. The success of the rebate, however, depends on its quick enactment. If the economic decline is allowed to continue unchecked, it will become harder and harder to turn it around. Inserting tax provisions unrelated to the rebate in the legislation before us today will inevitably result in unnecessary delays which will jeopardize the entire purpose and effect of the rebate.

Personally, I favor both the phasing out of the depletion allowance and the easing of the tax rates for low- and middle-income individuals. I recognize, however, that these involve complex issues whose resolution will involve protracted debate. Clearly the Ways and Means Committee did not have the opportunity to adequately address these matters during its 3 days of hearings on the current tax proposals. And even though this body may vote on these questions today, their consideration by the other House will certainly take far more time than we can afford at the present juncture.

We have a commitment from the distinguished chairman of the Ways and Means Committee that both energy taxes and comprehensive tax reform will receive priority consideration in the coming weeks, and that legislation in these areas will be reported to the full House later this session. While these are both matters which this Congress must resolve, there will be sufficient time during the next several months to accomplish this. We are rapidly running out of time, however, to enact a tax rebate that will be successful in stimulating the economy. For the sake of the Nation, let us set aside for now the issues of depletion allowances and tax rates. I urge my colleagues to vote against the amendments on depletion allowances and to support the substitute measure to be introduced by the gentleman from New York (Mr. CONABLE).

Mr. BINGHAM. Mr. Chairman, in January the House Democratic Steering and Policy Committee, of which I am privileged to be a member, issued a statement outlining a Democratic program of action to revive the economy and called on the appropriate committees of the House to report legislation pursuant to certain "immediate action goals" as soon as possible. At the top of the list of these goals was tax relief, principally for low- and middle-income families, to stimulate consumer spending and ease the burden of those hardest hit by inflation. H.R. 2166, the Tax Reduction Act of 1975, represents the House Ways and Means Committee's response to our call and I commend my colleagues on the committee for acting so quickly, and so in concert with the spirit behind the leadership's proposals.

H.R. 2166 provides approximately $8.1 billion in 1974 individual tax rebates, $8.1 billion in 1975 individual tax reductions, and $5.1 billion in business tax relief in 1975 and 1976, for a total tax cut of about $21.3 billion.

Taxpayers with incomes below $20,000 will receive almost 85 percent of the total rebate and 95 percent of the tax reductions slated for 1975. The rebates would be paid in lump sum, most likely within 60 days after enactment of the legislation. Here is how the rebate would work:

For a taxpayer whose 1974 income tax was less than $100, the entire tax would be rebated.

For a taxpayer whose 1974 tax was more than $100, and whose income was less than $20,000, the rebate would be $100 or 10 percent of the tax, whichever is greater, but not more than $200.

For taxpayers with incomes between $20,000 and $30,000, the $200 maximum rebate would be reduced by $1 for each $100 of income over $20,000.

For taxpayers with incomes over $30,000 there would be a rebate of $100.

I am pleased to note that H.R. 2166 includes a provision protecting taxpayers from loss of Government benefits because of the rebate.

Title II of H.R. 2166 contains four changes in the tax law which would reduce individual income tax liability for 1975, for an estimated total cut of $8.1 billion. First, the low-income allowance would be increased from $1,300 to $1,900 for single persons, and from $1,300 to $2,500 for married persons filing joint returns—half that amount for married taxpayers filing separate returns. Second, the percentage standard deduction would be increased from 15 percent of adjusted gross income—not to exceed $2,000—for single persons to 16 percent not to exceed $2,500—$3,000 for married persons filing joint returns. Third, withholding taxes would be reduced to reflect these changes. Lower withholding rates would apply to wages paid starting May 1, 1975, and continuing through the end of the year. Finally, a 5-percent tax credit on earned income—wages and self-employment—with a maximum credit of $200 would be provided for low-income taxpayers. The credit would be completely phased out at an income level of $6,000. The earned income credit is principally designed to offset social security payroll taxes which low-income wage earners are required to pay regardless of whether their income is high enough to be subject to Federal income taxes. The credit will be available as a cash payment for those wage earners who pay no income tax.

Title III, covering business tax relief, includes among other things investment incentives for public utilities and an increase in the investment tax credit for industry to 10 percent. The bill wisely does not contain the permanent reduction in corporate tax rates which the President had asked for. There is one important business tax change which is needed in this bill, and I plan to support the Green amendment to end the 22-percent depletion allowance for oil and gas effective January 1, 1975. This is a long overdue reform which I have been advocating for several years. The revenue gain from this change alone is estimated to be $3 billion for 1975 and will exceed $3.8 billion a year by 1979. Oil company propaganda to the contrary notwithstanding, the oil depletion allowance has not encouraged increased domestic production and it has proven to be a wasteful, costly tax subsidy which allows the large oil companies to escape their fair share of the tax burden. I urge my colleagues to approve the Green amendment and I sincerely hope its eventual enactment will signal the beginning of a major tax reform effort by the 94th Congress.

On the whole, H.R. 2166 as reported is a good bill. The House Ways and Means Committee has designed the individual tax rebate and reduction provisions so that almost 90 percent of the revenue involved will be distributed to low- and middle-income households with adjusted gross incomes under $20,000. These are the taxpayers who need the increased purchasing power the most, but I am distressed that this legislation completely ignores nontaxpayers in similar income brackets. Included in this group are millions of elderly and disabled social security recipients. Elsewhere today, I plan to discuss my proposed legislative remedy for this serious omission.

It is noteworthy to mention that the provisions of H.R. 2166 are similar to recommendations announced this morning by the House and Senate Democratic leadership in their energy and economy congressional program of action. The majority party now has put forward an alternative to the President's plan and the passage of H.R. 2166 before us today will mark an important first step toward implementing it.

Mr. EVANS of Indiana. Mr. Chairman, I rise in support of the Tax Reduction Act of 1975.

This bill will provide $16.21 billion in tax relief to individuals and $5.07 billion to business.

In addition to a minimum rebate of at least $100 for individuals and married couples, the bill also provides that pay checks will see some increase after May 1 when the withholding rate is reduced to reflect the increase in the standard deduction to $2,500 for single persons and $3,000 for married persons filing a joint return.

Business will also be helped. The bill increases the investment tax credit from 7 percent to 10 percent, and doubles the surtax exemption so that taxable income up to $50,000, rather than $25,000, will be taxed at the 22-percent rate.

Taxes have been rising steadily over the past several years. In Indiana, the State property tax has increased from an average per capita tax of $126 in 1965, to $236 in 1973. For middle income families, social security taxes rose over 20 percent in 1974, and personal income taxes rose by about 25 percent. For everyone, regardless of income bracket, all measures of real income declined during 1974.

For the great majority of the people I represent, it has been impossible to get ahead. The past 2 years of high inflation have been like trying to go up a down escalator. Just staying even has been very difficult.

So as real income has declined, so has disposable income. And this means putting off buying a new car, or a new refrigerator or washing machine. It means putting less of a paycheck into the bank. And for some, it means wondering if you have got enough money in your wallet to pay the bill at the supermarket, or the rent, or the utility bill.

As for the business community, the New York Stock Exchange estimates a capital shortfall of $650 billion, or 13 percent of our capital needs, between now and 1985. The tax relief in the bill before us will provide a needed incentive to capital formation, which in turn will ultimately create jobs for American workers.

Mr. Chairman, I will also support the amendment to be offered by the gentleman from Pennsylvania (Mr. GREEN) to repeal the 22 percent oil depletion allowance.

The oil companies have been arguing for years that the depletion allowance is necessary to encourage domestic exploration for new oil. Yet exploratory drilling in the United States has declined by more than 50 percent over the last 15 years.

Further, a 1969 study by the Department of the Treasury found that the allowance was costing American taxpayers $1.4 billion a year, while producing additional oil reserves valued at only $150 million.

It would seem that we have been paying the oil companies handsomely, and getting little in return.

The increased prices which new oil is getting on the market—now more than $10 per barrel—is to my mind sufficient incentive to the oil companies to conduct exploratory drilling in the States. These price increases added over $9 billion in oil company profits in 1973 alone, and it is estimated this figure will be higher for 1974.

Some have argued that the Tax Reduction Act is the wrong vehicle for repeal of the depletion allowance. I disagree. The urgency of the need for individual and business tax reductions make the chances of favorable consideration by the other body greater than ever.

The people in Indiana are worried about government expenditures. They understandably fear high budget deficits. Passage of this amendment will bring in $3 billion in tax revenues in 1975, and $3.8 billion by 1978. If we are serious about lowering unnecessary Government expenditures, repeal of the depletion allowance is a big step in the right direction.

Mr. LUJAN. Mr. Chairman, when you boil H.R. 2166 down, what you really come down to, is that this Congress is saying, Let us go out and borrow $8 billion so we can send everyone $100.

Well, Mr. Chairman, as a friend of mine says, "Don't do me favors."

I would think it would be a great idea if we had a surplus, but as you know Mr. Speaker, we already owe one-half trillion dollars and even if we did not send out these $8 billion, we have been told that we have to go out and borrow more.

Mr. ZEFERETTI. Mr. Chairman, a major debate is raging in the Congress over tax reform. I feel I must make my position clear in advance on one major aspect of that debate: the oil and gas depletion allowance. This allowance, which saves the major oil and gas companies approximately $2 to $3 billion annually in Federal taxes, should be ended forthwith. Over the years, the oil and gas industries have been uniquely successful in accumulating tax privileges that no other industries and certainly no other individual citizens enjoy. No part of those privileges is more unjustifiable than the depletion allowance.

Every time a barrel of oil is taken out of the ground, a resource is allegedly being depleted and a tax writeoff can be taken up to 22 percent of the value of the well. Some oil wells have been written off as many as a dozen times. And for every dollar the oil industry does not pay in Federal taxes, the Government must take that dollar out of the rest of the country, many out of the pockets of the working people. For years, Congress has been talking about doing something about the depletion allowance, and for years nothing has been done. I do not intend to contribute to further inertia and inaction.

A good tax bill has already been prepared for consideration in the House today. It is a major tax cut measure, aiding the average working family, and I support the bill.

There is a major move in Congress, however, to add to this bill an amendment to kill the depletion allowance for oil and gas producers. Some of my colleagues oppose this amendment on procedural grounds, claiming it will hurt the main tax bill. I disagree. I want to see the depletion allowance ended through amendment to this tax bill, and

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on Tuesday morning, I supported such a move in the caucus of all House Democrats.

My contention is that Congress knows pretty much what is wrong with our tax system. We know what special interests are evading billions of dollars in legitimate taxes at public expense. No delay is justified at this point. The oil and gas depletion allowance must go, and before the issue comes up on the floor of the Congress, I want my constituents to know where I stand.

There is still another tax preference enjoyed by the oil and gas industries that I believe should be eliminated by Congress forthwith; the overseas tax write-off. Every time an American oil company pays a dollar in taxes or royalties to a foreign country, it can deduct that dollar from its American taxable income. This tax loophole is worth several times what the depletion loophole is worth, yet has not been widely publicized to the general taxpaying public. By allowing the oil industry this special privilege, they are offered a greater incentive to drill for oil and gas abroad. However, by depriving them of this profitable gimmick in foreign countries, the major oil companies will be required to place greater stress on a domestic search for energy resources. This will have the duel benefit of closing a tax loophole for the benefit of smaller taxpayers while increasing domestic energy supplies.

Mr. PRICE. Mr. Chairman, I strongly support the pending bill H.R. 2166 calling for a $21.2 billion antirecession tax cut, including $8.1 billion in 1974 rebates to be mailed to taxpayers by mid-June.

This type of relief for low- and middle-income Americans is needed immediately in this badly depressed economy.

The bill provides for a 10-percent rebate of 1974 Federal income taxes to individual taxpayers. The minimum rebate would equal the lesser of $100 or the taxpayer's 1974 income tax liability. The maximum could not exceed $200 of adjusted gross income between $20,000 and $30,000. Taxpayers with adjusted gross income in excess of $30,000 would receive a rebate of $100.

President Ford's proposal gives far greater relief to the well to do. This bill switches the emphasis to relief for low- and middle-income families. These are the people who most need the help.

In addition, this bill will reduce taxes by $8 billion in 1975, and will give three-fourths of the relief to this same group of low- and middle-income Americans. It is more than a one-shot affair.

This tax cut will go a long way toward stimulating the economy, strengthening the demand sector, and turning the tides of recession and unemployment. As an added boost to the economy, the bill will increase from 7 to 10 percent the tax credit businesses may claim for investing in new equipment.

This is an excellent piece of legislation which must be enacted. It will demonstrate to the American people that we are, in fact, an action-oriented Congress, willing to take the reins of leadership, and determined to straighten out this economic mess.

I am pleased also that the House will have an opportunity to vote on the issue of the oil depletion allowance. While I certainly believe that incentives can be provided, I find in this instance that the depletion allowance has not been utilized effectively for developing new energy sources. It is necessary, therefore, to eliminate it in a time of shrinking revenues so that our Government can pay for needed programs. In addition, it represents one of the most glaring tax loopholes that should be closed. Such action is a good start toward comprehensive tax reform.

Mr. EARLY. Mr. Chairman, I rise in support of the bill, H.R. 2166, the Tax Reduction Act of 1975, and in support of the amendment being proposed by my distinguished colleague, Mr. GREEN, and others, to repeal the 22-percent depletion allowance for oil and gas.

I want to congratulate Chairman ULLMAN and all of the Ways and Means Committee members for their efforts in reporting this tax relief measure promptly. Unlike the President's proposal, this bill will provide tax cuts and investment incentives totaling $21.28 billion for immediate expenditure in the form of individual tax rebates and for reductions in 1975 income taxes for individuals and businesses. It will provide for a tax rebate on 1974 returns at a minimum rate the lesser of $100 or an individual's income tax liability and a maximum rate of $200. For persons with adjusted gross incomes between $20,000 and $30,000 the maximum rebate would be reduced by $1 for every $100 above $20,000, and for those with incomes in excess of $30,000 the rebate would be a fixed $100. This provision, expending $8.12 billion, will put 85 percent, or approximately $6.9 billion into the pockets of low- and middle-income Americans by the end of June.

In addition, the bill will increase the low-income allowance by $600 across-the-board. It will increase the standard deduction from 15 percent to 16 percent, with a maximum deduction increase from $2,000 to $2,500 for single persons, $3,000 for married persons filing jointly and an increase from $1,000 to $1,500 for married persons filing separately. It will provide a 5-percent tax credit on wages and self-employment income at a maximum rate of $200, reduced by $1 for every $10 of adjusted gross income in excess of $4,000, putting an additional $3.3 billion into the pockets of low-income workers.

For small businesses the bill would temporarily increase the corporate surtax exemption from $25,000 to $50,000, thereby taxing only income in excess of $50,000 at the 48-percent rate.

Corporate adjustments are also made through raising the investment tax credit to 10 percent, including utility companies, that credit not to exceed $100 million for any one company or affiliate, and through increases in the property investment value eligible for tax credit from $50,000 to $75,000.

In my district, and throughout the Commonwealth of Massachusetts, unemployment is far higher than the national average. Industry is cutting back. Small businesses are folding. Fuel shortages affect us far more severely than in other areas of the country. Inflation and the high cost of living persist, with no end in sight.

This bill will be the first step toward positive recovery action the people of my district have seen. It will be a shot in the arm for individuals and industry. It will promote spending, increase demand, investment and production. This Congress has a tremendous task before it. The Tax Reduction Act of 1975 is a good beginning.

Mr. ADDABBO. Mr. Chairman, I rise to support H.R. 2166, the Tax Reduction Act of 1975. I also want to take this opportunity to commend the chairman and members of the House Ways and Means Committee for their prompt action and hard work in preparing this important measure for the early consideration of the House of Representatives. The executive and legislative branches of Government agree that this is a top priority measure in our fight against the recession which is crippling our economy. There is no room for partisanship in this debate and the bill before us reflects none.

While I will vote for H.R. 2166, I also plan to support amendments to the bill to eliminate the oil and gas depletion allowance. I have fought for repeal of this tax loophole for a number of years now and I believe this Congress will settle this long debate once and for all. I only hope that the issue of oil depletion will not delay passage of this bill because the Congress should have another opportunity to resolve this issue when a tax reform measure is brought before us. That will hopefully be done shortly and the record should clearly show that this tax reduction bill is no substitute for the kind of comprehensive tax reform that we need.

H.R. 2166 provides a $21.3 billion tax cut, including an $8.1 billion rebate on 1974 taxes, an $8.1 billion reduction in 1975 taxes, and a $5.1 billion business tax reduction. The latter includes an increase in the investment tax credit from 7 percent to 10 percent.

The rebate would be a one time payment up to a maximum of $200. This ceiling assures that the majority of the rebate will go to middle- and low-income taxpayers rather than the original proposal submitted by the President which would have provided up to $1,000 rebates to the wealthy. The committee draft on the rebate is equitable and provides relife as well as a stimulus to the economy.

The 1975 tax reduction will be implemented through an increase in the standard deduction from $300 to $1,900 for single persons and from $1,300 to $2,500 for married couples filing joint tax returns. Similar increases in the percentage standard deduction from 15 percent to 16 percent with maximums of $2,500 for single persons and $3,000 for married couples filing jointly are imposed by the legislation.

Mr. Chairman, the House has a duty to act favorably on the basic legislative package before us today. I am supporting the oil depletion elimination amendment because I believe such action is long overdue but with the hope that

Congress will not let this effort delay passage of the measure in either Chamber.

I urge my colleagues to vote in favor of H.R. 2166.

Mr. PICKLE. Mr. Chairman, I rise in support of Mr. WILSON of Texas' amendment and against the Green amendment.

First, I tip my hat to the good job done by my colleague, Mr. WILSON. He has nursed this amendment, tuned it to be a fine legislative mechanism, and has worked many hours, and worked hard, to present this amendment to the full House.

He may or may not win today; I hope he will. But anyone who tangles with the gentleman from east Texas had better have his facts. The reason is that CHARLES WILSON has the facts, and he can put them before us in a very convincing way.

In discussing this amendment, I think it is good to consider the big picture of tax policy and tax theory.

A tax system can attempt to be neutral, or it can be so structured that the system encourages certain activities in society, particularly economic activities.

Obviously, the United States does not have a neutral tax system. We give tax incentives, or tax breaks, if you wish, to many activities.

Interest on mortgages is deductible. Coal has a depletion allowance. Business expenses and moving expenses are deductible. Lumber, tin, gold, aluminum, and a hundred other items have their depletion allowance. I could go on and on.

But Mr. Chairman, the facts are simple—our tax system should encourage certain activities.

Now, what kind of activities do we want to encourage in the oil and gas industry? Except for those who want to nationalize the oil companies, which of course would be a nightmare our people could not afford, I think we all want to increase production of oil and gas. We must have increased domestic production.

Finding new oil and gas reserves in the 50 States and offshore is one way to increase production.

Drilling more exploratory wells is a way to do this, and the question becomes who do we wish to see taking the lead in this search?

Congress has spoken to the kind of oil industry it wants. I quote from the 1973 Mandatory Allocation Act the clear legislative intent as to what kind of oil industry structure we should have:

> Preservation of an economically sound and competitive petroleum industry; including the priority needs to restore and foster competition in the producing . . . sectors of such industry . . . (§ 4(b) (1) (D), Mandatory Allocation Act of 1973).

I would strongly argue that the Wilson amendment is in the firm fulfillment of this policy.

The Wilson amendment keeps the producing segment of the industry compatible and competitive. It prevents the driving from business of the many independents, who produce less than 20 percent of the oil, but who dig 80 to 90 percent of the exploratory wells.

Why do independents need this tax incentive? Since 8 out of 10 oil and gas exploratory wells probably end up as a dry hole, drilling exploratory wells is a very high risk venture.

Bankers do not like high risk ventures; neither do investors, for that matter.

Because of the depletion allowance, bankers and investors have looked favorably upon putting money with the independents to drill these "wildcat" wells.

If there is no depletion allowance, the capital for the independents will dry up—mark my words. The independents will just not be able to get the money to drill expensive exploratory wells.

This will mean fewer exploratory wells will be drilled, and thus, the chances of more domestic production, and less dependence on foreign oil, will not improve. And the exploratory wells that are drilled will be controlled by integrated oil companies, and thus, there will be less competition in the production phase of the oil industry. The depletion allowance should not be removed at all—for any of the companies, but certainly this little exemption for any independents should be allowed.

I urge this House to approve the Wilson amendment. I urge a vote for more production. I urge a vote for more competition.

This means a vote for the Wilson amendment.

Mr. PICKLE. Mr. Chairman, I also rise in strong opposition to the amendment offered by the gentleman from Pennsylvania (Mr. GREEN). I do not favor the immediate repeal of the depletion allowance for domestically produced oil and gas. The Green amendment is not a germane amendment, and ought not to be made in order by any rule.

I would say this, however, that it may be well that this issue is finally coming to a vote. For many years, if there has been one issue that has been demagogued and demagogued, it is the oil and gas depletion allowance. It seems to me that just as everyone has to be for motherhood and apple pie, it is a requisite for some of our friends from the North and East to be against the oil and gas depletion allowance.

I wonder what will become the favorite issue and the favorite "bad guy" if the depletion allowance is repealed.

These are not the real issues, but only indicative of the emotionalism surrounding the arguments that go into a debate about this particular tax incentive. I think that we have to look at the principle of allowing a depletion allowance on oil and gas or any mineral, for that matter. In the U.S. Tax Code over 100 minerals receive a depletion allowance. One wonders why coal can have a depletion allowance, but oil and gas should not.

It would seem that if a depletion allowance is fair, equitable, and an incentive for the economy of America for one mineral, then the same would be true of the other minerals. I would say that if we are going to repeal the depletion allowance in one area, that would certainly mean that we need to look at the depletion allowance on these other minerals. In this endeavor, I would hope to see the gentleman from Pennsylvania working to repeal all depletion as hard as he has in bringing forward this repeal of the allowance for the oil and gas industry.

The gentleman from Pennsylvania admits that repealing the oil depletion allowance will raise the price of gasoline at the pump, perhaps by 3 to 5 cents a gallon, and this seems to be inconsistent with his earlier stand forbidding the President to impose a tariff on oil imports. I joined with the gentleman from Pennsylvania in that tariff position, and it would seem that he would remain consistent and not propose this amendment today which would raise the price of gasoline at the pump.

Be that as it may, what else will the repeal accomplish?

It will make it more difficult to find the capital for our lending businesses to drill these highly expensive, high-risk exploratory wells. Fewer exploratory wells means that we will not be finding any new oil and gas reserves within our boundaries. This means that our dependence upon foreign crude will continue to grow, and become even greater as domestic production drops more rapidly.

So repealing the oil and gas depletion allowance on domestic production only hurts the American consumer, who needs more domestic production not less. And I would go on to say that the gentleman from Pennsylvania's amendment exempts that natural gas under long-term contracts. This really means that those gas companies producing gas sent to places like Boston, New York, and Philadelphia will continue to receive the depletion allowance for natural gas.

Now, I can understand why a Member would want to protect his own area. But it seems a little unfair to call it statesmanship when practiced by those from nonproducing States and demagoguery by those who might want to protect their constituents who happen to live in a producing State. I would think that we would all want to look at these natural gas provisions long and hard to see their true impact on the proposal before us today.

But there is an even greater concern facing this Congress, and really facing the American people. This concern is the economy and whether or not we can pull ourselves out of the deepening recession.

Nearly everyone agrees we need a tax cut bill. Nearly everyone agrees we need it quickly. The American people expect Congress to act responsibly and to pass a tax-cut bill. This Congress should take no solace in repealing the oil and gas depletion allowance and jeopardizing, perhaps postponing until too late, the passage of a tax-cut bill. How can we have faith in a Congress that wants to score some political points, that wants to make campaign promises from campaigns past, in total disregard for what is needed by this Nation and its people right now. They cannot, and they should not. And we are wrong to fool ourselves that they will.

Furthermore, we are wrong to not understand that we are expected to lead as well as apply permanent issues during an emergency crisis—permanent issues that are going to prevent corrective action to overcome the emergency.

If the Green amendment is accepted, the earliest that a tax bill will pass Con-

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gress will be probably late July or August. A more reasonable prediction if the Green amendment is accepted would be a tax bill next fall. And the incredible thing about the big push now to repeal the depletion allowance is that the Ways and Means Committee, as stated by the distinguished chairman, will have an energy tax bill by the middle or late April. That energy bill, I would predict, will be effective January 1, 1975 just like the Green amendment before us today. What difference does 4 weeks make when you are risking breaking the faith of the American people? And I would urge my colleagues to look at this issue in this light. At least hearings could be held, and important facts brought out.

I am saddened by the sectionalism displayed by the Congress.

When are we going to realize that solving our energy crises by pitting one region of the country against another is just counterproductive—that sectionalism breeds animosity, breeds lack of cooperation, and quite frankly, breeds the seeds of disunity or distrust of the States.

I do not want to stand here and sound like someone from south of the Mason-Dixon line in 1850. In fact, I wish we would not look at other Members as being from Texas or being from Pennsylvania, or Massachusetts, or Alaska, or whatever. The energy crisis is a national problem. It will take national solutions. It will take national unity—most of all, it takes increased production.

Ever since the oil embargo and the Mandatory Allocation Act of 1973, we have had many different suggestions over which course to take in solving our energy problems. I am sure all of us have had changes of opinion on specific actions that are needed. But there is one position I have never changed since those first days of the energy crisis. This position is that we are headed toward economic ruin unless the petty and political one-upsmanship between the different sections of the country over energy problems does not cease.

Mark my words, this is a problem that is festering and will continue to fester.

Let us lay aside the stereotypes.

Let us reason together.

And we can come up with an energy program that the American people can respect.

Mr. LEHMAN. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975. The legislation we are considering today is one of the most important proposals, in terms of reversing our recessionary trend, that will come before us during the 94th Congress.

Today we begin the long but necessary process of correcting the inequities that have evolved over the years and have become entrenched in our present tax structure. The burden of paying taxes rests too heavily on persons in the middle and lower age income brackets.

The committee's bill is a response, but not the ultimate answer to our troubles. The fact that it is a greater response than the administration's, and it is anticipated that the cuts will be made permanent.

Mr. Chairman, unlike the President's one-shot rebate plan, the committee has proposed legislation that exceeds the President's request by $5 billion in tax cut relief for individuals and corporations. The bill before us today provides for a rebate of 1974 income taxes up to a maximum rebate of $200, increases the low-income allowance and the percentage standard deduction to reduce individuals' 1975 income taxes.

In addition, the committee's bill allows for an earned income credit up to $200 to offset social security payroll taxes for low-income persons. As an ex-businessman, I am especially pleased to see that the committee has increased the investment tax credit. Hopefully, this will encourage businessmen to plow back some of their earnings into their respective businesses for repairs, improvements, or acquisitions. This could give the sagging construction and equipment industry the boost it so desperately needs.

This legislation will bring tax relief to hard-pressed middle-income families and individuals and place a fairer share of the tax burden on the upper income bracket.

Finally, Mr. Chairman, we will be considering the repeal of the oil depletion allowance. The oil companies reaped a $2.6 billion windfall from depletion last year, and in 1975 another $3 billion could be diverted from the Treasury if this outdated privilege is not rescinded. The elimination of the depletion allowance will contribute an additional $3 billion in revenues to the Treasury and could promote research and development of alternative sources of energy. The oil companies maintain that the allowance is an essential if not the sole incentive for further domestic exploration for new oil. Yet, during the last 5 years, exploratory drilling in the United States has declined by more than 50 percent. The depletion allowance is costing the taxpayers billions while the level of our domestic oil reserves remains relatively constant.

Mr. Chairman, it is obvious that the depletion allowance has not provided the incentive or achieved the success for which it was designed. Therefore, it is imperative that this special tax advantage be repealed.

Mr. Chairman, I stated earlier that this bill initiates the process of overhauling and reevaluating our entire taxing structure. I trust that what we have before us today will lay the foundation on which a more thorough and permanent revision of our taxing laws can be built.

Mr. BIESTER. Mr. Chairman, the frustrations we all have felt in trying to manage our own budgets and cope with rising costs are borne out in the cold, hard figures of national economic statistics. It is all but impossible to derive encouragement from any of the monthly or quarterly economic indicators except to note that some of the negative signs are not increasing at quite the same depressing rate they have been.

The picture drawn by the recent staff study prepared for the Joint Economic Committee is sobering. The combined impact of inflation and increased taxes on the average citizen has been substantial. Whatever salary increases may have been realized in 1974 were more than likely insufficient to offset the inflation-plus-tax bite causing real disposable income—the broadest measure of actual purchasing power—to fall last year. Lower-income families including those on small, fixed incomes bear a particularly difficult burden at times like these. Middle-income families, as well, however, have been especially vulnerable to present economic conditions. They have experienced large increases in both social security and personal income tax payments, and as these families move up through middle-income tax categories they even more quickly reach higher tax brackets. The study determined that, taking tax payment growth into account, the family with an income of $12,626 in 1973 required an additional $1,840 in 1974 simply to maintain its same standard of living.

The tax rebate legislation before us, H.R. 2166, is an emergency initiative. As such it calls for a strong, well-conceived response on our part, one which will restore the consumer buying power of the American taxpayer in a manner fair and equitable for all.

The unprecedented budget deficit toward which this $21.3 billion tax program will contribute is a bitter tonic to swallow. It is a strong prescription for a most difficult economic situation—a recessionary period overlapping an inflationary one. Economists are revealing themselves to be all too human in their efforts to explain and predict the intricacies of the forces at work in the economy. There is a general consensus among economists of varying philosophical persuasions that a sizable tax cut—distasteful as its accompanying revenue loss and budget deficit are—must be initiated.

We do not know how these rebate moneys will be spent, and we have no guarantee that they will be spent on the kinds of big, expensive items, like automobiles and large appliances, that many economists and Government officials hope will be the case. Undoubtedly there will be some of this buying, but much of the rebates will go toward paying off bills and purchasing less expensive necessities which have been put off. A goodly portion is likely to end up in savings accounts. Wherever the taxpayer decides to place this money—so long as it is not under the mattress or in a cookie jar—it is going to be pumped back into the economy either directly through his purchase of goods and services or indirectly as financial lending institution capital investments and increased loan and mortgage money availability. The important thing is that this money get back into the hands of the public where it can circulate and revive an unhealthy economy.

The Tax Reduction Act, as an alternative to the President's tax cut proposal, was conceived with the best of intentions and out of unusual and serious circumstances but was delivered by the Ways and Means Committee in less than optimal form. Using fairness and equitability to the largest number of taxpayers as criteria for judging this bill, the legislation as drawn by the committee

straddles a very fine line between acceptability and unacceptability.

Title I of the legislation provides for individual tax rebates in the amount totaling $8.1 billion based on 1974 taxes paid. Payments to taxpayers will range between $100 and $200 or the total taxes paid if that amount was less than $100.

Title II contains a $5.2 billion tax cut for 1975. This would be achieved through increasing the minimum standard deduction—from $1,300 to $1,900 for individuals, to $2,500 for joint returns and from $650 to $1,250 for married persons filing separately—and the percentage standard deduction from 15 to 16 percent of adjusted gross income with a $2,500 maximum for singles, $3,000 for joint returns, and $1,500 for marrieds filing separately. While this might seem desirable on its face, the net effect is to discourage itemization among the large number of middle-income families, especially, making mortgage payments and paying property taxes. It has been estimated that upwards of 46 percent of all taxpayers in the $10,000- to $20,000-income range would receive no benefits under the provisions of this title as reported by the committee.

This title also includes a tax credit of 5 percent on earned income up to $4,000, phasing out at $6,000, which works out as a credit offset on social security taxes paid. Individuals with low incomes who pay little or no income taxes will receive a cash payment under this title. Such an idea, expected to cost almost $3 billion, does have merit and should be considered more thoroughly, but I do question whether this bill is the proper vehicle for such a far-reaching new initiative.

Our distinguished colleague, Mr. CONABLE, has offered a substitute to titles I and II which would make the tax reduction a one-time, $12.2 billion cut. Title II would be eliminated and the entire rebate would be spread out differently than in the committee bill; under the alternative, maximum payments of $430 and greater individual amounts to middle-income taxpayers would result. Some middle- and higher-income taxpayers may fare better under this proposal, but lower-middle- and lower-income families would not. The Conable substitute would eliminate the questionable provisions of title II which would discourage itemizations by a substantial percentage of taxpayers and which would initiate a program of income redistribution.

Unfortunately, I find both good and bad in the committee bill and the Conable substitute. The committee bill has some better features, primarily in title I, for families toward the lower end of the tax scale, and the Conable alternative is attractive in that it would provide increased rebates to a middle-income population deserving of further financial assistance. I regret that the parliamentary situation is such that it is impossible to combine the more desirable features of each. Because I am convinced that a full year of tax relief is essential for revitalizing the economy I cannot support the Conable substitute and am constrained to vote for the committee bill.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 2166, the proposed Tax Reduction Act of 1975. By enactment of this legislation, Congress will be taking a first, firm step toward adopting a positive action plan to deal with America's momentous economic woes.

The need for this legislation, Mr. Chairman, is evident from any of several indices:

Unemployment now stands at 8.2 percent, the highest in more than 30 years.

America's gross national product actually declined in 1974, by about $16 billion in real terms, the largest such drop since 1946.

Our economy is operating more than $200 billion below its potential.

In a word, we are in a recession, the most serious recession since the great depression of the thirties. H.R. 2166 represents the first legislative response of the 94th Congress to this downturn, and the Ways and Means Committee, particularly its able and distinguished chairman, the gentleman from Oregon (Mr. ULLMAN), deserves the highest praise, both for the contents of this bill, and for the speed with which it has been brought to the floor.

What H.R. 2166 provides is more than $21 billion in tax reductions for 1974 and 1975, three-fourths of it directed to individuals, the other quarter to businesses.

The individual tax reductions are divided into three major categories:

An immediate rebate of 10 percent of the person's 1974 taxes up to $200.

An earned income credit of up to $200 for those whose incomes are insufficient to trigger tax liability.

Increases for 1975 in the low-income allowance and the percentage standard deduction.

The tax reductions for businesses come principally in the form of temporary increases in both the investment tax credit—to 10 percent, and the corporate surtax exemption—to $50,000.

I share the judgment of the committee that many small businesses will be saved from bankruptcy by the doubling of the surtax exemption. Moreover, many small enterprises that are not particularly capital intensive, and could not take advantage of the investment credit increase, will benefit.

I was particularly pleased, Mr. Chairman, by the structure of the increases in both the low-income allowance and the percentage standard deduction. These increases generally are not so much tax reductions as they are compensation for hidden tax increases caused by inflation. Millions of Americans have slipped into higher tax brackets, not because of increased purchasing power, but because of the inflated times in which we live.

In addition, the committee has wisely seen fit to provide substantial improvements in the allowances for married couples filing jointly. This will help to alleviate, at least for 1975, the unduly heavy burden being borne by couples where both spouses work—a situation more common in Hawaii than anywhere else in the country.

There are those who conceive of this just as another inflationary action. Nothing could be farther from the truth. The recession has resulted in a great deal of unused productive capacity in our country, and it is that slack which will be stimulated if H.R. 2166 is enacted.

This is a step, Mr. Chairman, which must be taken. We know it is not the only step. Indeed, it may be the easiest step of any we will be taking for every constituent taxpayer would like to see his taxes cut. The harder choices loom ahead, and it will take all the wisdom of the Congress—hopefully with the full cooperation of the administration—to avoid a devastating depression.

Mr. Chairman, I urge the passage of H.R. 2166.

Mr. BAUMAN. Mr. Chairman, as most Members of the House, I have been searching for solutions to the economic problems facing the people of my district and the Nation. Rarely in our history have we suffered from the combination of both a recession and runaway inflation.

I have talked with many members of the Ways and Means Committee who are far more knowledgeable than I on tax matters. I recently took part in a 2-day seminar with some of the leading economists in the Nation under the auspicious of the American Enterprise Institute.

While there is some degree of agreement on the need for economic stimulus in order to revive the economy, I must seriously question any beneficial impact that H.R. 2166 will have if it becomes law.

First of all, this bill would result in a decrease in Government revenues of approximately $21 billion. This comes at a time when we already face a deficit for the next fiscal year which at a minimum will amount to $54 billion, a figure which was revised by the administration only yesterday. More realistically the deficit will probably amount to $80 billion. If we add to this amount $21 billion in additional deficit, I can foresee only national bankruptcy, even greater inflation and a complete drying up of available capital for private business, as the Government goes into the private money markets in order to finance this huge deficit.

This bill also contains a number of inequities which are highly unacceptable. While this bill purports to give most of its tax rebates to lower-income groups, it establishes for the first time payments to persons who pay no taxes at all, in effect the first time the Congress will have authorized a negative income tax. To add this spending scheme to an already overburdened welfare system is, in my opinion, totally irresponsible.

Still another objection to the bill is that the great majority of middle-class taxpayers, who in fact pay the greatest percentage of our total tax bills, will not benefit at all. This is because, as has been pointed out in debate, the bill is written in such a manner as to benefit those who use the standard deduction on their income taxes, rather than those who itemize their deduction, as almost one-half the middle-income taxpayers do.

There are indeed good features in the bill, such as tax breaks for small businesses and increased investment credits.

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These could mean more jobs and expansion of business.

But, I cannot possibly understand how the national economy or any single individual can be helped by legislation which would increase our already massive national deficit and insure that the rampant inflation which has caused most of our economic problems will only get worse. That is the cruelest tax of all.

Mr. Chairman, I, therefore, feel that it is my responsibility to vote against this bill.

Mr. BUCHANAN. Mr. Chairman, I oppose this bill. The relief it may give to any individual American family is quite small, but the price tag to our country is high indeed. At a time of record Government deficit, this constitutes a hasty expenditure of $21.6 billion in desperately needed Federal revenues. In a country whose basic economic problem is that of the cruel tax of inflation which falls so heavily on all Americans, but especially on low- and middle-income families, it will increase inflation. At a time of energy crisis, when our Nation is striving to achieve self-sufficiency, some of its provisions will discourage needed production. However well intended, this bill is wrong for our country and, in the long run will hurt, rather than help, American taxpayers. We cannot cure inflation with more inflation. We cannot solve problems created by deficit financing with higher deficits. We cannot spend or borrow our way into prosperity. Already the Federal Government is consuming 65 percent of the available capital supply to finance the great and growing Federal debt. This will increase that debt and that problem which is both inflationary and a stumbling block to real economic growth.

We cannot lift the burdens from the shoulders of the American people by laying new burdens of debt and inflation upon them. This, Mr. Chairman, is the wrong medicine to treat the wrong illness in the wrong way at the wrong time. It will, in my considered judgment, not cure the patient, but rather will worsen our country's economic illness.

I urge the defeat of H.R. 2166.

Mr. BADILLO. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975, and urge its adoption together with the amendment sponsored by my distinguished colleague (Mr. GREEN) to end the 22-percent depletion allowance for oil and gas effective at the beginning of this year.

By every measure, we are now in the midst of a lengthy, continuing economic crisis which seems likely to approach the frightening proportions of a massive depression. President Ford has presented the Congress with an economic program and proposed budget for fiscal year 1976 which clearly fails to take into account the rapidly deteriorating economic situation or the gravity of growing unemployment. His program offers the American people a steady diet of increased inflation, deepening recession, and expanding unemployment. It is characterized by severe inequities, especially among those persons least able to bear additional economic burdens. We are today considering legislation which will signal a reversal of this trend. H.R. 2166, the Tax Reduction Act of 1975, as reported by the Committee on Ways and Means, represents a significant alternative to the administration's proposals.

The Tax Reduction Act of 1975 is the first and most crucial step taken by this Congress in the long march back to economic health for the citizens of our country. In brief, this bill will provide substantial economic incentives. H.R. 2166 provides for a rebate of 1974 income taxes up to a maximum of $200, increases the low-income allowance and the percentage standard deduction to reduce personal 1975 income taxes, provides for an earned income credit up to $200 to offset social security payroll taxes for low-income persons, and temporarily increases the investment tax credit and the corporate surtax exemption. Overall, the bill will provide $21.28 billion in tax relief. Importantly, $61.21 billion will go to individuals, which is where I believe the priority should be.

Clearly, the first priority for improving economic conditions is to increase the purchasing power of the average taxpayer and the most direct way of doing this is to provide a 10-percent rebate on 1974 income taxes and reduction on 1975 income taxes. It is important, however, that we established priorities of need as well and this legislation properly provides the greatest relief to low- and middle-income taxpayers. This is reflected in the fact that the rebates are limited to maximum of $200 per taxpayer; that of the total rebate of $8.12 billion, 35 percent will go to individuals earning less than $10,000 and 85 percent will go to persons earning less than $20,000 and that of the individual income tax reductions for 1975, 5 percent will go to persons earning less than $10,000 and 75 percent will go to persons earning under $15,000.

At the same time that we move to provide relief to individual taxpayers, we must also take action to help business, especially by encouraging expansion of our economy. It is for this reason that I support the increase in the investment tax credit generally from 7 to 10 percent for corporations and from 4 to 10 percent for utilities. Here, too, it becomes important that priorities of need be established and for this reason I support the $100 million ceiling for any public utility or controlled group. Similarly, the increase in the corporate surtax exemption from $25,000 to $50,000 benefits all business but provides the greatest relief to the small businessman for whom the difference between a 48-percent tax rate and a 22-percent tax rate on $25,000 could be decisive in determining survival. There are many such businesses in my district.

H.R. 2166 is, therefore, a good bill; a bill that will bring additional needed funds to the taxpayers, and a bill that establishes clear priorities based on greatest need.

H.R. 2166 can be a better bill, however, and it is for this reason that I support the amendment offered by my distinguished colleague (Mr. GREEN) to repeal the percentage depletion allowance for oil and gas.

Repeal of the oil depletion allowance has been one of the most debated legislative proposals in history. Members of Congress have been talking about this issue for more than a quarter of a century. The depletion allowance has given the oil and gas industry a tax shelter which must be the envy of every American citizen.

Mr. Chairman, as a certified public accountant I must say that the 22-percent depletion allowance presently on the books is in no way related to economic necessity, to investment effort, to scarcity of resources, to profits or losses or to any relevant accounting standard or procedure. It is simply a 22-percent giveaway.

Under the present law, the first 22 percent of every dollar received by the oil and gas companies are simply not subject to tax regardless of whether the company has a profit or loss, regardless of whether the oil wells are good for 1 day or a thousand years, and regardless of whether the company invested $1 or $1 billion. If we are going to set priorities in this bill, we must not only set priorities by deciding where there is the greatest need for assistance, but we must also determine those areas where there is also no relevant need for assistance. The continuation of the oil and gas depletion allowance is the most important of such areas and therefore the repeal of this provision is an essential component of this basic legislation.

With the passage of H.R. 2166, as modified by the Green amendment, we will have established that this Congress intends to take the leadership in providing the economic recovery program that will not only restore our economic health, but also insure that the benefits of that health will be available to all groups in our society.

Mr. SARASIN. Mr. Chairman, I will reluctantly cast my vote in favor of the committee tax package now before us. I believe it is inadequate to the task of stimulating the economy and clearly discriminatory against the tax-paying, middle-income wage earner. It also institutionalizes the unjust discrimination against the single taxpayer. It is, however, unfortunately the only plan before us and we can afford no more delay in taking some action. I only hope that as this measure moves through the legislative process, it can be improved to the point of being truly fair and effective.

We would have been far better advised to adopt the Conable substitute, which provided a stronger weapon against recession and fairer treatment of the middle-class taxpayer. The proposal we are about to pass today contains poorly conceived changes in overall tax policy, changes which demand more thorough consideration than they have been given.

I will vote for this tax plan, not because it is the right plan, but because it is the only plan before us. Its shortcomings include the following:

It discriminates against the taxpayer in the middle-income range, between $10,000 and $20,000 per year, precisely the people who are always called on to carry the burden and who are most deserving of relief. The $100 to $200 rebate allotted to these people is too small to be a real stimulant to the economy. The Conable proposal with the maximum rebate of up to $430 designated for these taxpayers would be more equitable and more effective.

The tax reduction provision in the committee proposal legislates a sweeping change in tax and social philosophy, establishing a negative income tax and institutionalizing second-class treatment for single taxpayers while discriminating against the large number of middle-income taxpayers who itemize their tax deductions, including virtually every homeowner in the country.

It should be borne in mind what we are trying to do. I think there is general agreement we need to concern ourselves with several problems. First and foremost, we need to get our economy going again and reverse the rising trend of unemployment. This can only be done by encouraging consumer spending by those who comprise the heart of the economy, the middle-income workers. This can only be accomplished by giving these individuals a meaningful rebate.

What we are doing is taking a small, hesitant step in this direction. Rather than acting forthrightly and courageously to address the first problems first, we are trying to satisfy every one of dozens of competing interests, therefore doing none of it very well.

As I already said, I will vote for this bill, but reluctantly. It is not a good bill, but it is the only one we have. I hope in the future we will do better.

Mr. MOORE. Mr. Chairman, I rise to support the amendment which the gentleman from Texas (Mr. CHARLES WILSON) will offer to continue the oil depletion allowance for small independent producers who plow back these benefits into further domestic exploration. I further wish to indicate my strong opposition to the Green amendment which would do away with depletion allowances entirely.

Although a tax relief bill is not the proper vehicle for consideration of this matter, I am willing to concede that perhaps the percentage depletion allowance should no longer be available to the major multinational oil companies who do not engage in domestic exploration at least equal to the depletion allowance. I am very concerned, however, for the ability of this country to become self-sufficient in energy in the foreseeable future.

This is where the independents come in and where percentage depletion plays such a large part. Independents do most of the exploration in this country, take most of the risks, and produce nearly half our domestic output. Whatever historical rationale originally led to the enactment of percentage depletion, the economic basis for its continued benefit to independents is short and simple: the attraction of sufficient capital in such high risk ventures to stay in business and keep looking for new oil. Otherwise, we are going to remain under the thumb of the Arab blackmailers and mortgage our economy to the whims of other nations.

The cash flows from internal financing are so narrow, that a sudden increase in tax liabilities will put many of the independents under. This is no time to inhibit investment in domestic exploraton and there is no justification to take the punitive action recommended by the gentleman from Pennsylvania (Mr. GREEN) against a segment of the industry which is not to blame for the high prices we are currently paying for oil and gas. Who in their right mind will take the very high risks inherent in exploration if they do not have some chance for a reasonable return on their investment?

Nobody, except the consumer who will have more energy at his disposal, is going to get a windfall if the Wilson substitute passes. None of the funds from percentage depletion will be distributed to the investors.

All of the money must be plowed back into domestic exploration. The House agreed to this concept when it considered an excess profits tax at the end of 1973.

There should be no question of its continued benefit to our country. Without the capital attracted by percentage depletion there is not going to be much exploration. Without more exploration there will be less oil, and with less oil the economy of this country is going to be in ever greater trouble than it is now.

Mr. Chairman, there is absolutely no reason for percentage depletion to be before the House today. This bill is supposed to be about giving some well-deserved income tax relief to individual taxpayers. In case there is any doubt left in anyone's mind as to why we are going through this unwise charade, let me make it crystal clear. It is due to the un-American action of the Democratic Caucus, taken in secret session by a vote of a minority of Congress to instruct the majority members of the Rules Committee to make these nongermane amendments in order. It arbitrarily overrode the will of the Ways and Means Committe, which promised to take up the matter shortly as a germane part of the energy package and hopefully come out with well-thought-out legislation to remove unnecessary preferences, but continue to encourage domestic production.

Furthermore, as a representative of the people of the great State of Louisiana, I personally resent the action of "King Caucus." For the second time in as many months, Louisiana has been struck a mortal blow as the public's business has been conducted by a minority in private. First they removed one of the most experienced and knowledgeable Members of this body, the gentleman from Louisiana (Mr. HÉBERT) from his chairmanship, despite the wishes of many of its members that he be retained. This too was done with arbitrary, binding instructions—something we do not have and do not wish to have on this side of the aisle.

Now they want to drive the independent oil producers of Louisiana out of business to the detriment of the entire country and especially to my State, which derives much of its revenue from oil and gas. The people of Louisiana have gone overboard to make more than their fair contribution to the energy needs of this Nation. We have no shortage of natural gas in Louisiana, for example, but we have watched and frozen while this critical energy source has been piped out of the State. Right this minute we are risking our beaches while offshore oil rigs pump out crude for the rest of the country. I do not see any such rigs off the Atlantic coast. You want our oil, but now you want to take away our means of finding it and getting it out of the ground.

Mr. Chairman, if the Green amendment passes without the Wilson substitute, I am most reluctantly going to have to vote against this bill. I think it is a rather poor way to help the individual taxpayer in any case. I strongly favor a one-time tax rebate to help us out of the recession, but I have reservations about some of the other aspects of the committee bill. First of all, it would provide a negative income, which I oppose, in the guise of a so-called earned income credit. If we are going to give out welfare, let us call it that and consider it separately in proper fashion with public discussion of its implications and consideration of alternatives. Second, it institutionalizes an increased standard deduction which will be hard to turn around if economic conditions change and which penalizes the the middle-income homeowner who generally itemizes his deductions. Third, it creates a much larger deficit than that recommended by the President, which was already dangerously high to my way of thinking, contributing to inflation. The Conable substitute will ameliorate these deficiencies, and I urge its adoption as well. With the committee bill intact, it has problems, but I could support it because I want to help the economy and see a tax rebate for the people of my District. With the depletion allowance cut in the bill we are going to run into a long delay while this legislation moves slowly through the other body and a difficult conference. I fear that any rebate will then come too late to be of much help. Under those circumstances I will be constrained to vote against final passage.

I once again thank the gentleman for yielding and strongly hope that his amendment will be adopted.

Mr. KEMP. Mr. Chairman, I must oppose the enactment of this counterproductive bill and do so for a number of reasons.

First, it is incredibly inflationary and will be financed only by further Government borrowing. It would shift even greater tax burdens onto the backs of the working people in our economy—those who help produce the goods and services of America.

Second, it would actually give tax rebates to those who did not even pay taxes to start with. This is a negative income tax, totally rejected by the American voters in the last Presidential election, during which the to-be-defeated candidate proposed that the Government adopt a permanent, outright cash payment program for those who do not work.

As I said earlier, it will sow the seeds of additional inflation and recession. Inflation robs the American people of their purchasing power. Recession robs large numbers of them of their jobs. Both are

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the product of the Federal Government relying too heavily on deficit financing, a process which draws job-creating investment money away from the productive sector of our economy.

It will drive up the price of goods and services—food, clothing, shelter, medical care, utilities, fuels—by expanding the amount of money flowing within the economy without a commensurate increase in production. When there are more dollars in circulation and production goes down the result is higher prices and a cheaper dollar.

It will hamper our efforts to increase domestic production of oil and gas which is the only means to lessen our dependency on foreign oil.

In short, this bill is antimiddle class, antiproducer, antiworker. It is patently inflationary. It will sow the seeds of another and a worse recession. It will not appreciably help restore jobs, and in the long run will probably hamper that restoration. It simply will not do what we are being told it will do.

I am strongly in favor of tax reforms and tax reductions. I believe both are long overdue. I have categorized the types of reforms I think are necessary, and will strongly vote for the Conable substitute which is aimed at increasing production and truly stimulating the economy.

I have worked hard as ever the past 5 years in helping lift the tax burden from the American people. They are paying too much in taxes because the cost of government is too much. In 1974, increases in taxes outpaced any other increases in the economy—outpacing utilities, food, transportation, fuels, housing. Taxes rose last year by a staggering 26.5 percent on the Federal, State, and local levels. Total taxes already stand at about 42 percent of the total of private incomes in the country. We cannot long survive under such a tax burden.

But, the bill before us does very little about this problem. It does not address the issue of overall Federal spending—which is, at the same time we are today considering this bill, expected to increase at least 11.9 percent during the next fiscal year alone. It does not address the issue of the ever-increasing portion of the people's livelihood taken by tax collectors. It does not face up to the interrelationship between revenue and spending or the deficits which arise—and fuel inflation—when spending runs ahead of revenue. Nor, do the advocates of this bill disclose fully the possibilities of what can happen to the economy by pursuing this reckless course.

I cannot imagine what good they expect to do—for the Nation, the economy, the people—by voting for this tax rebate scheme, when clear economic lessons tell us that it will make matters worse. I trust that no one thinks he or she is improving their respective chances at the polls in 1976 by voting for this scheme, because it most certainly will have backfired by then.

Let me, very briefly, point out the bill's defects.

Almost $3 billion of relief is given to people who did not pay taxes in the first place.

How can tax relief be given to nontaxpayers? Quite simply, by giving them cash handouts from either taxes paid by those who do work and pay taxes or borrowed money. This is a form of a negative income tax—a cash payout to someone who earns so little that no taxes are paid on it. But, it differs from the classic form of a negative income tax, in that such a form was designed to replace existing welfare and assistance programs. This bill, on the contrary, just adds this cash on top of all the existing programs. And, the taxpayer pays for all of them. In this bill—and implicit in its adoption—no welfare reform is encouraged or obtained. No tax load on others is reduced by savings from a reduced bureaucracy. This measure constitutes a major, new direction for this Government, yet it has been sneaked into this bill without any careful review. It is wrong to do that.

The workers and producers of our society will, in another way, be forced to carry a heavier share of our economic load. It will be through inflation made worse and a possible loss in jobs available.

The bill before us will result in a larger deficit for both the current and next fiscal years and it is already $70 to $80 billion.

Government will cover the additional deficit created by these tax rebates by additional borrowing. Government will borrow that money from the capital markets, leaving that much less for private borrowers—from housing to industrial expansion.

As a result, interest rates will be pushed up. In addition, the Government will then "monetize" a portion of that debt, which means they will increase the money supply without any accompanying increase in national productivity. That will cause inflation, for every increase in money supply, unaccompanied by an increase in productivity, is followed by an increase in prices. And, we must never forget, that inflation is a forerunner of recession.

The tax reductions called for in this bill total $20 billion. That is a tremendous amount of money which will have to be borrowed, especially when one considers that the maximum rebate for an individual is $200. It is not much, one by one; but, taken as a whole, it constitutes a tremendous deficit for the Federal Government. The taxpayer who is getting back $200 should be ever mindful that the inflation which will result from this one bill alone will eat away a great share of that money's true purchasing power. Again, it is the oldest trick of Government; giving with one hand only to take with the other.

This business of Government giving with one hand, only to take away with the other, is explicit in this entire tax rebate approach.

The taxpayers are being told that they will get a rebate to help them overcome a small share of their economic problems.

They are not, to my knowledge, being told that the Democratic Party leadership in this House has recommended that taxes on gasoline be raised by as much as 15 cents per gallon—which would take billions from the people.

They are not being told that the Committee on Ways and Means—from whence came this very bill before us—is soon to report out a bill which could include a gasoline tax as high as 40 to 50 cents per gallon. Gas would rise to around $1 per gallon. This would take billions from the taxpayers.

They are not being told of the active consideration in the Congress of an altogether new tax—a national sales tax. This so-called value-added tax would cost the taxpayers billions.

This bill does not deal effectively with the question of how to stimulate the production necessary to create—and expand even further than in the past—the jobs from which our taxpayers earn their salaries. The bill does take some steps in the right direction, but they do not match adequately the attention given to consumption.

Prosperity rests—more than on any other economic factor—on the amount of capital invested within the economy. The more capital invested, per person, the greater the economic growth and the better the standard of living—in real, not inflated, dollars.

This phenomenon of compulsory transfer—through the engines of government machinery—from those who produce to those who consume tax dollars—known as "transfer payments"—can no longer be ignored in our policy considerations. It constitutes a government-mandated income transfer which already threatens the incentive of the workers to continue to work. The growth in transfer payments has been just short of astounding. In 1965, they constituted only 6.9 percent of wages and salaries earned. By December 1974, they had risen to 20.4 percent—one-fifth of every dollar earned—or 1 day out of every week worked.

I think, even in this emergency measure, that more attention ought to have been given to stimulating productivity. I urge its defeat, let us put our country ahead of politics.

Mr. FORD of Tennessee. Mr. Chairman, I urge my colleagues to vote against the passage of the Conable amendment to H.R. 2166, the Tax Reduction Act of 1975. H.R. 2166, as reported by the Ways and Means Committee, offers the American people a tax cut directed toward the group needing it the most—the low- and middle-income wage earner. Mr. CONABLE's amendment reflects the proposal sent us by the President—it is much too generous in its rebates for upper-income persons. It also omits a vital part of the committee version—the individual tax reductions for 1975. Yet it retains the tax reductions for businesses and corporations.

Mr. Chairman, I am aware that these business tax reductions will provide the stimulus needed for expansion which will in turn preserve many jobs now threatened and hopefully create new positions. However, we must also provide long-range tax cuts to those hit hardest by inflation. Let me point out that these adjustments lowering the withholding rates will provide an additional stimulus to the economy. Not only will taxpayers enjoy an immediate tax rebate, they will be able to use their higher take-home pay to cope with ever-rising prices.

We need both the immediate stimulus represented in the tax rebate proposal and longer-range tax cuts. Only the two incentives together will encourage sufficient consumer spending to halt our spreading economic decay. I intend to vote against the Conable amendment and urge my colleagues to do likewise.

Mr. ASHLEY. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975. I urge approval of this legislation because of its potential as a catalyst for economic recovery and as an important first step in what I hope will be a comprehensive review and reform of our outdated tax system.

The immediate stimulus of the tax cuts in this bill is too crucial to our goal of reversing the decline of the economy to allow for any undue delay. If approved as reported out of the Committee on Ways and Means, H.R. 2166 will provide $16.21 billion in tax relief for individuals and $5.07 billion for businesses and corporations. The economic impact of these tax cuts will be enhanced by the emphasis on relief for low- and moderate-income families, in direct contrast to the President's proposal to stimulate consumer spending by concentrating tax rebates on the well-to-do.

It is clear that those most severely hit by inflation are the individuals who must spend the bulk of their income on life's necessities—food, fuel, clothing, transportation, housing, and medical care. I believe that the committee has done well therefore to direct 55 percent of the tax cuts in H.R. 2166 to persons earning under $10,000 and 75 percent to those with incomes below $15,000. These are the Americans who are falling behind in the daily struggle against the spiraling cost of living, and if there is any objection to this bill, it is that tax relief for the lower brackets could be greater.

The legislation before us provides relief from 1974 taxes in the form of rebates ranging from $100—or the total of any lower amount of taxes paid—to a maximum of $200. If the Senate concurs and the President signs the bill, rebate checks could be ready by early summer and would provide a tremendous shot-in-the-arm for the economy by freeing $8 billion in fresh consumer spending power.

The Tax Reduction Act also lowers 1975 taxes by raising the low-income allowance from $1,300 to $1,900 for single persons and from $1,300 to $2,500 for married persons filing jointly. The deduction for married persons filing separately will go from $650 to $1,250.

In addition, the standard deduction is increased in 1975 from 15 percent of adjusted gross income to 16 percent, with a maximum of $2,500 for single persons and $3,000 for married couples filing joint returns. For married people filing separately the deduction rises from $1,000 to $1,500 maximum. Approximately $5.19 billion in tax relief will flow from these revisions of deduction levels, and if the bill is not delayed, reduced withholding rates from paychecks could increase take-home pay as early as May 1.

For those Americans with little or no tax liability, H.R. 2166 allows a 5-percent low-income tax credit on earned income up to a maximum credit of $200 for persons making $6,000 or less a year. An estimated $2.89 billion revenue loss from this provision brings the total of personal income tax relief for 1974 and 1975 to more than $16 billion.

This legislation also offers incentives for increased capital spending and industrial activity by raising the investment tax credit for business from 7 to 10 percent. Utilities, severely hampered by difficulties with financing, also will have their investment tax credit raised to 10 percent from the present low level of 4 percent. The act also raises the corporate surtax exemption from $25,000 to $50,000, lowering the tax rate on all taxable income below $50,000 to 22 percent.

Mr. Chairman, the tax cuts authorized in this bill constitute a critical first salvo in our long-range battle to reverse the decline of the American economy. I urge my colleagues to resist the effort that will be made to confine the promised relief to 1974 taxes only, for I am convinced that the additional personal income from lower withholding rates applied to 1975 paychecks is crucial to enable the average American to keep pace with the current pressures of inflation. By including 1974 and 1975 tax relief in this early action, we will have breathing space to proceed with a more comprehensive tax reform package to follow these temporary reductions.

I also urge approval of the amendment that will be offered to repeal the oil depletion allowance. There is no longer any logical defense for special tax treatment of an industry swollen with record profits while the vast majority of Americans are struggling under the burden of high prices for gasoline, home heating oil, propane and other agricultural fuels, and for all goods produced in industries dependent on petroleum or petroleum derivatives.

Oil industry spokesmen claim that the depletion allowance is a necessary tax break for the expenses of exploration for new sources of oil. But this argument explodes in the face of declining domestic oil production—more than half a million barrels a day in 1974—during a boom of recordbreaking industry profits made possible by a variety of special tax loopholes and credits along with astronomical prices for oil production.

Exploratory drilling for oil in the United States has declined more than 50 percent over the past 15 years, in spite of a depletion allowance that costs the Treasury approximately $3 billion a year in lost revenues. With clear and convincing proof that the oil depletion allowance does not accomplish what its backers claim for it, it must be seen for what it is—a giveaway with neither equity or economic rationale to recommend its continuance. By following repeal of the oil depletion allowance with early action on windfall profits tax legislation, we can stymie the threat of the oil companies to pass the costs of this legislative reform on to the public. The oil companies defend their privileged tax treatment on grounds that are clearly fallacious and self-serving. We can strike an important blow for meaningful tax reform by approving H.R. 2166 as reported out of committee and the amendment to repeal the unjustifiable oil depletion allowance.

Mr. Chairman, I urge overwhelming approval of the Tax Reduction Act of 1975 in the House today, and I hope that the Senate will follow as soon as possible to get this country on the road to economic recovery.

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act of 1975.

The state of the Union, the President told us bluntly, is not good. Since its peak in mid-1973, the economy has entered what now appears to be the most severe recession since World War II. Testifying before the Joint Economic Committee, United Auto Workers President Leonard Woodcock warned of the "worst economic upheaval since the Great Depression." Addressing the same committee, Henry Ford II agrees:

> I have never before felt so uncertain and so troubled about the future of both my country and my company. It is not too much to say that the very survival of our free society may depend on finding good solutions to these economic problems.

Mr. Chairman, I believe that H.R. 2166 is one such solution to our present economic problems. The proposed $21.2 billion tax cut contained in H.R. 2166 is overdue and should pump desperatedly needed cash into our troubled economy.

Declining national economic activity and rising unemployment have led most of our country's distinguished economists to urge a major cut as a means of stimulating the economy. Many of these very same economists argue for even higher tax rebates than those contained in either the administration's proposals or in H.R. 2166. Their scenario projects that tax rebates would be reflected in increased consumer spending, and the resultant increase in demand for products would be accompanied by expanded output and a rise in unemployment.

Mr. Chairman, without a major stimulus, the economic decline is expected to continue throughout 1975. Although estimates vary, most economists anticipate that in 1975 the real GNP will be between 1 and 4 percent lower than in 1974 and that the unemployment rate will average well over 7 percent for the year. Further increases in consumer prices—perhaps even greater than the 12.6 percent CPI rise in 1974—are also anticipated.

The administration's program of a $16 billion tax cut, while a laudable one, should be expanded and should be paid out in a lump sum. H.R. 2166 does both, as well as "tilting" the tax reform package towards lower income people by increases in the minimum standard deduction. H.R. 2166 also returns approximately 94 percent of the total tax relief to individuals who earn less than $20,000 a year and 55 percent to those with an annual income of less than $10,000.

It is regrettable, Mr. Chairman, that a large number of middle-income taxpayers will not benefit from H.R. 2166 as it now is constituted. Roughly 46.2 percent

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of those with adjusted gross incomes between $10,000 and $20,000 and who itemize their deductions would be excluded from the tax relief provisions of this bill.

I also rise in support of the Green amendment to H.R. 2166 which would repeal and end the inequitable oil and gas depletion allowances. In this time of crisis, we cannot permit a very few select people to reap such an unfair tax advantage when tax increases have been the fastest rising source of inflation to our middle-income citizens.

Mr. Chairman, we cannot afford to delay congressional action any longer if we expect to reverse our present economic decline. We must act prudently and expeditiously. Accordingly, I urge my colleagues to support H.R. 2166 without further delay.

Mr. HUGHES. Mr. Chairman, we are demonstrating for the second time this month how quickly we spend and how slothfully we move to enact the tax reform measures necessary to cover the bills.

On February 5 we raised the debt ceiling to $531 billion through June 30.

Now we are set to vote $21.28 billion in tax relief to individuals and corporations which, as some of my colleagues have pointed out, may be a bit conservative.

Yet all we can do is talk of tax reform.

We should be considering these tax cut proposals simultaneously to proposals for tax reform. The adoption of the Green amendment will increase tax revenues by an estimated $3 billion a year but this is a far cry short of the $21.28 billion we intend to spend in the form of rebates, reductions and business investment incentives.

Let us not fool ourselves. It will be very difficult, as Mr. VANIK points out, to limit the investment tax credit to 1 year or to reduce the minimum standard deduction once raised as we are now considering. This would make the price tag considerably higher than any of us might now foresee.

But I am a newcomer here, Mr. Chairman, and a man of faith and patience. I am going to display confidence in the assurances of members of the Ways and Means Committee that they intend to enact tax reform measures this year to raise the Federal dollars needed to pay for these programs and reduce our projected budget deficits.

There are areas where we can plug loopholes and we demonstrated that tonight in the elimination of the 22 percent oil and gas depletion allowance.

The elimination of foreign investment tax credits, certain allowable deductions and foundation write-offs are just a few.

I hope we turn our attention to tax reform this year or else face the possibility that the real stimulus created by our action tonight is for more inflation and even greater budget deficits.

Mr. LENT. Mr. Chairman, I support the Conable substitute because I feel that it is a more equitable and honest approach to our current economic problems than the bill H.R. 2166, which was reported by the Committee on Ways and Means.

The Conable substitute is a simple measure which would provide a one-time-only stimulus to the economy of $12.2 billion. The committee's bill, which includes a rebate of $8 billion, would not have nearly the desired impact on the economy at a time we need it most—right now. Further, title II of the committee bill has no place in an emergency tax measure. It is really an income redistribution proposal which has serious potential for inequities.

There can be no doubt that lower income families should receive a healthy share of the benefits to be passed along in any rebate bill. However, if a tax rebate is to have the desired effect, it must be spread broadly throughout the economy so that diverse buying habits at all income levels can be stimulated. The committee bill, with a $200 rebate ceiling, would not encourage so-called "big ticket" purchases, while the Conable proposal, with a $430 ceiling, would encourage major purchases. I believe the President's proposal, which established a ceiling of $1,000, would have presented an even greater opportunity for pumping life into the economy.

Mr. Chairman, I am also deeply concerned by the bill's lack of fairness to that income group which pays more than its fair share of Federal taxes and receives less than its fair share of benefits—the middle-income class, or those people making between $10,000 and $20,000 per year. These individuals are especially penalized by title II, which increases the low-income allowance and the standard deduction. This title essentially excludes all taxpayers who itemize deductions, mostly homeowners who pay taxes and interest. Indeed, it has been estimated by the AFL–CIO that almost half of the taxpayers in the $10,000 to $20,000 class would receive no benefit from the tax-reduction proposals, and even among those middle-income taxpayers who do receive a benefit, the reduction would be minimal.

While I will support the committee bill if the substitute fails, I would hope that my colleagues will not lose sight of the purpose of this emergency tax legislation. We are trying to stimulate the economy, not redistribute the wealth or make permanent tax policy. The Conable substitute is far more likely to provide a stimulus to the economy than the committee's bill, and I hope it will be adopted.

Mr. DON H. CLAUSEN. Mr. Chairman, I will support the substitute that will be offered by my colleague from New York (Mr. CONABLE).

The substitute raises the total rebate figure to $12.2 billion with a maximum rebate for individuals of $430. The committee proposal provides for a total rebate of only $8.1 billion with a maximum for the individual of only $200. In other words, the amendment more than doubles the maximum rebate amount for the individual.

At the same time, the substitute reduces the overall drain from the Treasury by removing the adjustments in the withholding provisions of the tax code. In my view, this approach is a more responsible and positive approach to the problem at hand which is the need to provide a quick and direct boost to our economy.

By raising the level of the rebate we will provide for a more equitable rebate with a broader base. More people will qualify for a larger check. The impact will be an immediate, one-time shot in the arm.

I believe very strongly that we must provide relief for those on low incomes. They are being hard hit by the current inflationary trend. The items for which most of their income is spent, such as food, energy, and housing, are those items whose prices have risen the sharpest.

At the same time, I also feel strongly that we must also make the rebate available to those in the middle-income bracket who have carried the burden of the tax bill for so long. Their purchasing power and their role in the production process are the very foundation of our economy. They too have been hurt by our rapid rate of inflation and should benefit from the rebate program.

By placing this larger rebate in the hands of those who will use it to purchase "big-ticket" items, we will stimulate these industries which will then have a positive effect on the rest of the economy.

I support the remainder of the bill as reported from the committee. The corporate tax reductions and, in particular, the increased tax surtax exemption will benefit our small businesses. The increase in the investment tax credit from 7 to 10 percent will encourage companies to expand which will result in the creation of new and additional jobs.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 2166, the Tax Reduction Act, which would provide $21.3 billion in tax relief.

Much as I could find fault with our somewhat awkward effort to come to grips with the economic problems we face as a nation, in part because of its inadequacy when set against the critical situation we face, it is my feeling that this legislation should be acted upon favorably today.

Hopefully, we can look to the Senate side for some improvement in the legislation, and should, it seems to me, support action now rather than accept the delay involved in striving for a perfection which might never be attained.

Under this legislation, as we all know, individuals would receive a 10-percent rebate on their 1974 Federal income taxes up to a maximum rebate of $200, with this maximum decreasing for individuals earning over $20,000, and being limited to $100 for those earning more than $30,000.

The legislation also provides for a 1975 tax reduction under which the low-income allowance or minimum standard deduction will be raised and the standard deduction increased for individuals in 1975. Also, low-income individuals will receive a 5-percent tax cut on earned income up to a maximum of $200 with a tax credit phased out entirely for those earning more than $6,000. Each provision will provide for tax relief of approximately $1 billion.

The measure will also temporarily increase the investment tax credit for most businesses from 7 to 10 percent, and from 4 to 10 percent for public utilities.

The use of the credit for used property will be increased from $50,000 to $75,000 and a credit will be made available for property under construction and not yet in service. The revenue cost associated with the investment tax credit is estimated at $4 billion. Finally, the taxable income level at which the corporate tax rate of 48 percent applies will temporarily be increased from $25,000 to $50,000. The revenue lost for this is estimated at $1.2 billion.

With specific reference to the size of the rebate, it is my hope that the Senate will give that its most serious, immediate attention. The recent dramatic decrease in real disposable income has been very severe; in fact, almost unprecedented in the postwar period. If we were to restore real disposable income to the previous level reached in 1973, it would be necessary to increase this tax cut to some $50 billion. It is clear that $50 billion, however, could prove to be excessive in face of the inflationary pressures we are still experiencing and the shortages which linger as an unresolved problem. At the same time, it is my feeling that the $21 billion proposed in tax relief here may be inadequate to the task, and I would hope to see some upward revision on the part of the Senate.

With this reservation, and an additional feeling that not as an institution, but even more broadly we have failed to develop the ability to deal effectively with our economic problems, I would urge my colleagues to join me in supporting this legislation. It at least offers some relief to our sorely pressed constituents, and the challenge to us all as Members of Congress to develop a complete program to revitalize our economy. However modest as a first step, it deserves our support.

Mr. WHALEN. Mr. Chairman, at this time, I will discuss briefly my position in regard to the reported version of H.R. 2166. Later in the debate, I will address myself to the Green amendment which I support.

I am pleased that the Tax Reduction Act, as recommended by the Ways and Means Committee, contains several proposals which are identical or similar to ones which are in my bill, H.R. 1150. Specifically, the parts to which I refer are the increase in the minimum and maximum standard deduction and the increase in the investment tax credit from 7 to 10 percent generally and from 4 to 10 percent for public utilities.

As I pointed out in a statement regarding the economy on January 8, in order to stem the current economic decline, we must restore the consumer's buying power which, in terms of real per capita income, declined by $110 between September 30, 1973, and September 30, 1974. As a result of increased consumer demands which the tax cut will spawn, business should be in a position to recall laidoff employees and, ultimately, to begin to expand production. The increase in the investment tax credit will give further impetus to that needed economic growth.

Like the committee's bill, my plan concentrated the tax reduction in the low- and middle-income brackets. However, I did not propose that part of the reduction be in the form of a rebate. In my opinion, applying the decrease to taxes as of January 1, 1975, would be a more equitable approach.

Nevertheless, I will support H.R. 2166. In doing so, I reiterate my view that any tax reduction ultimately must be coupled with tax reform. It is at the time that tax equity is achieved that the tax reductions in this legislation should be made permanent. A fair tax code is absolutely essential, and I hope that one will be devised by the Committee on Ways and Means in sufficient time for Congress to enact it into law this year.

Mr. THORNTON. Mr. Chairman, I am very much in favor of a reasonable tax reduction and provisions for a rebate if those actions are coupled with restraint in Federal spending. But if a tax rebate and reduction are the means we are going to rely upon to stimulate the economy, prompt action is necessary, and the effect of the House action in mixing together the rebate-reduction provisions with a repeal of the oil depletion allowance will almost surely be to delay action in the Senate.

At a time when we need to be developing our Nation's energy resources and cutting back on our imports of foreign oil, it is a mistake to cut back on production and discovery of oil within the United States. We are still in the grip of a recession. Without adequate supplies of oil, our businesses and industries cannot operate at full capacity, and if they are forced to reduce their operations, more people will be out of jobs and the recession will deepen.

Tax policies should be developed to discourage reliance upon imports and to encourage production of domestic reserves. For example, the depletion allowance for foreign production should be ended, and in this country, the allowance should be retained as an incentive for only those producers who use the allowance in their domestic exploration for oil.

We have an oil-dependent economy and it will take us some time to make the transition to other energy sources. The "National Power Resources Act of 1975" which I introduced this week would reduce this dependency on oil, but, it will not give us immediate results. In the immediate future, we must still rely on our domestic oil production, and so it is important that we encourage, not discourage, domestic production.

Tax reduction legislation designed to encourage spending and investing by the private sector should not be encumbered with a controversial provision relating to the oil-depletion allowance which will likely delay the passage of the legislation, and which as amended by the gentleman from Pennsylvania (Mr. GREEN) will discourage domestic exploration and production, increasing our reliance upon higher priced foreign sources of oil. Continuing to increase our imports will drive up prices at the gasoline pumps to 70 or 80 cents a gallon or higher.

For those reasons, Mr. Speaker, I cannot support H.R. 2116 as amended by the gentleman from Pennsylvania (Mr. GREEN).

Mr. SOLARZ. Mr. Chairman, the House of Representatives enacted a $21.8 billion tax cut to stimulate the economy. Although I voted for the bill I did so with mixed feelings. I am pleased with the distribution of the tax cut for individuals. Seventy-five percent of this tax cut goes to those earning less than $15,000 a year. This is a great improvement over the President's proposal which would have only given this group 32 percent of the total reduction. In addition, I am proud to be a Member of a House of Representatives which voted to end the oil depletion allowance that has for years drained our Treasury and provided a giveaway to the undeserving oil companies.

However, I have serious misgivings about the package we have passed. I am disappointed about the size of the tax cut and I have serious doubts that it is large enough to have a significant impact on the current recession. Although a $21 billion tax cut appears to be a massive stimulant, when placed in the context of an economy of close to $1½ trillion, it is not. The tax cut is 1½ percent of our gross national product and the projected deficit, to which it will contribute, will be, in terms of a percentage of gross national product, only 1½ times as large as the deficit registered by the Eisenhower administration in blunting the much milder 1958 recession. To counter a recession that has already brought the Nation's unemployment rate to over 8 percent, and threatens to increase that figure to over 10 percent, we will need unprecedented actions. A much larger deficit and tax cut will be needed if we are to avert depression and reduce unemployment. I am, therefore, encouraged by reports that the Senate is contemplating a larger tax cut. If the Senate should pass such a measure and distributes the larger reduction in an equitable manner, I hope that our conferees will accept it and we will adopt it.

If the Senate does not adopt such a measure, I will propose new tax reduction legislation which I hope will get this body's full consideration. The size of the tax cut was not my only objection to this legisation. I was and still am opposed to an increase in the investment tax credit. This corporate tax break is not an appropriate tool to combat unemployment. The investments it encourages take time to plan and order. Our best economic information tells us that it takes at least a year to feel the effects of a change in the investment credit. In addition, many of the investments it encourages are for automotive goods which cause additional unemployment. I hope, therefore, we will have an opportunity to review the entire matter of the investment tax credit this session.

In conclusion, I voted for the tax cut bill, because I think it is a necessary, although small, first step toward ending the recession. However, I am under no allusion that this is enough. To put America back to work and to guarantee each American a job, bolder and more dynamic actions must be taken. Further tax cuts should be made and an emergency, public service, employment bill which will employ millions at useful work should be passed and implemented. We should also adopt full employment legislation, which will plan the best use of

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our manpower and safeguard us from recurring recessions.

Full employment must be made our No. 1 priority. Unemployment not only diminishes our economic wealth, but also eats away at our social fabric. Since the beginning of this crisis there has been a large increase in the crime rate. Undoubtedly, family disintegration, drug addiction, and alcoholism have been increased by the personal despair which unemployment brings. We must move swiftly and strongly to end this crisis or we will be paying a large price for decades in the form of jails, drug rehabilitation programs, and welfare benefits.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment, and it shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the reported bill as an original bill for the purpose of amendment.

No amendment to the bill or to the substitute committee amendment shall be in order except—

First, amendments offered by direction of the Committee on Ways and Means;

Second, the text of the bill, H.R. 3612, if offered as an amendment in the nature of a substitute for the substitute committee amendment; and

Third, the amendment inserted on page 4310 of the CONGRESSIONAL RECORD of February 25, 1975, by Mr. GREEN, if offered either to the substitute committee amendment or to the substitute text of the bill, H.R. 3612, if offered, and said amendments shall not be subject to amendment, with the following exceptions:

It shall be in order to consider an amendment appearing on page 3, lines 5 through 10, of House Resolution 259, if offered by Mr. YOUNG of Alaska as an amendment to the amendment offered by Mr. GREEN, and amendments which may be offered, as follows:

First, the amendment appearing on pages 4503–4504 of the CONGRESSIONAL RECORD of February 26, 1975, if offered by Mr. CHARLES WILSON of Texas as an amendment to the amendment offered by Mr. GREEN;

Second, the amendments as printed on page 3, line 22, through page 6, line 7, and on page 6, lines 8 through 14 of House Resolution 259 if offered by Mr. ARCHER, of Texas, as amendments to the amendment offered by Mr. CHARLES WILSON of Texas but said amendments shall not be subject to amendment.

The text of the committee amendment in the nature of a substitute reads as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Tax Reduction Act of 1975".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Amendment of 1954 Code.

TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES

Sec. 101. Refund of 1974 individual income taxes.
Sec. 102. Refunds disregarded in the administration of Federal programs and federally assisted programs.

TITLE II—REDUCTIONS IN INDIVIDUAL INCOME TAXES

Sec. 201. Increase in low income allowance.
Sec. 202. Increase in percentage standard deduction.
Sec. 203. Credit for certain earned income.
Sec. 204. Withholding tax.
Sec. 205. Effective dates.

TITLE III—CERTAIN CHANGES IN BUSINESS TAXES

Sec. 301. Increase in investment credit.
Sec. 302. Allowance of investment credit where construction of property will take more than 2 years.
Sec. 303. Increase in corporate surtax exemption.
Sec. 304. Effective dates.

SEC. 2. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provisions, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES

SEC. 101. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

(a) IN GENERAL.—Subpart B or chapter 65 (relating to rules of special application in the case of abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6428. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

(a) GENERAL RULE.—Except as otherwise provided in this section, each individual shall be treated as having made a payment against the tax imposed by chapter 1 for his first taxable year beginning in 1974 in an amount equal to 10 percent of the amount of his liability for tax for such taxable year.

"(b) MINIMUM PAYMENT.—The amount treated as paid by reason of this section shall not be less than the lesser of—

"(1) the amount of the taxpayer's liability for tax for his first taxable year beginning in 1974, or

"(2) $100 ($50 in the case of a married individual filing a separate return).

"(c) MAXIMUM PAYMENT—

"(1) IN GENERAL.—The amount treated as paid by reason of this section shall not exceed $200 ($100 in the case of a married individual filing a separate return).

"(2) LIMITATION BASED ON ADJUSTED GROSS INCOME.—The excess (if any) of—

"(A) the amount which would (but for this paragraph) be treated as paid by reason of this section, over

"(B) the applicable minimum payment provided by subsection (b),

shall be reduced (but not below zero) by an amount which bears the same ratio to such excess as the adjusted gross income for the taxable year in excess of $20,000 bears to $10,000. In the case of a married individual filing a separate return, the preceding sentence shall be applied by substituting '$10,000' for '$20,000' and by substituting '$5,000' for $10,000'.

"(d) LIABILITY FOR TAX.—For purposes of this section, the liability for tax for the taxable year shall be the sum of—

"(1) the tax imposed by chapter 1 for such year, reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 4 (relating to expenses of work incentive programs), and

"(E) section 41 (relating to contributions to candidates for public office), plus

"(2) the tax on amounts described in section 3102(c) or 3202(c) which are required to be shown on the taxpayer's return of the chapter 1 tax for the taxable year.

"(e) DATE PAYMENT DEEMED MADE.—The payment provided by this section shall be deemed made on whichever of the following dates is the later:

"(1) the date prescribed by law (determined without extensions) for filing the return of tax under chapter 1 for the taxable year, or

"(2) the date on which the taxpayer files his return of tax under chapter 1 for the taxable year.

"(f) JOINT RETURN.—For purposes of this section, in the case of a joint return under section 6013 both spouses shall be treated as one individual.

"(g) MARITAL STATUS.—The determination of marital status shall be made under section 143.

"(h) CERTAIN PERSONS NOT ELIGIBLE.—This section shall not apply to any estate or trust, nor shall it apply to any nonresident alien individual."

(b) NO INTEREST ON INDIVIDUAL INCOME TAX REFUNDS FOR 1974 REFUNDED WITHIN 60 DAYS AFTER RETURN IS FILED.—In applying section 6611(e) of the Internal Revenue Code of 1954 (relating to income tax refund within 45 days after return is filed) in the case of any overpayment of tax imposed by subtitle A of such Code by an individual (other than an estate or trust and other than a nonresident alien individual) for a taxble year beginning in 1974, "60 days" shall be substituted for "45 days" each place it appears in such section 6611(e).

(c) CLERICAL AMENDMENT.—The table of sections for such subchapter B is amended by adding at the end thereof the following new item:

"Sec. 6428. Refund of 1974 individual income taxes."

SEC. 102. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

Any payment considered to have been made by any individual by reason of section 6428 of the Internal Revenue Code of 1954 shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

TITLE II—REDUCTIONS IN INDIVIDUAL INCOME TAXES

SEC. 201. INCREASE IN LOW INCOME ALLOWANCE.

(a) IN GENERAL.—Subsection (c) of section 141 (relating to low income allowance) is amended to read as follows:

"(c) LOW INCOME ALLOWANCE.—This low income allowance is—

"(1) $2,500 in the case of—

"(A) a joint return under section 6013, or

"(B) a surviving spouse (as defined in section 2(a)),

"(2) $1,900 in the case of an individual who is not married and who is not a surviving spouse (as so defined), or

"(3) $1,250 in the case of a married individual filing a separate return."

(b) CHANGE IN FILING REQUIREMENTS TO REFLECT INCREASE IN LOW INCOME ALLOWANCE.—So much of paragraph (1) of section 6012(a) (relating to persons required to make returns of income) as precedes subparagraph (C) thereof is amended to read as follows:

"(1)(A) Every individual having for the taxable year a gross income of $750 or more, except that a return shall not be required of an individual (other than an individual referred to in section 142(b))—

"(i) who is not married (determined by applying section 143), is not a surviving spouse (as defined in section 2(a)), and for the taxable year has a gross income of less than $2,650.

"(ii) who is a surviving spouse (as so defined) and for the taxable year has a gross income of less than $3,250, or

"(iii) who is entitled to make a joint return under section 6013 and whose gross income, when combined with the gross income of his spouse, is, for the taxable year, less than $4,000 but only if such individual and his spouse, at the close of the taxable year, had the same household as their home.

Clause (iii) shall not apply if for the taxable year such spouse makes a separate return or any other taxpayer is entitled to an exemption for such spouse under section 151(e).

"(B) The amount specified in clause (i) or (ii) of subparagraph (A) shall be increased by $750 in the case of an individual entitled to an additional personal exemption under section 151(c)(1), and the amount specified in clause (iii) of subparagraph (A) shall be increased by $750 for each additional personal exemption to which the individual or his spouse is entitled under section 151(c);".

SEC. 202. INCREASE IN PERCENTAGE STANDARD DEDUCTION.

(a) INCREASE.—Subsection (b) of section 141 (relating to percentage standard deduction) is amended to read as follows:

"(b) PERCENTAGE STANDARD DEDUCTION.—The percentage standard deduction is an amount equal to 16 percent of adjusted gross income but not to exceed—

"(1) $3,000 in the case of—

"(A) a joint return under section 6013, or

"(B) a surviving spouse (as defined in section 2(a)),

"(2) $2,500 in the case of an individual who is not married and who is not a surviving spouse (as so defined), or

"(3) $1,500 in the case of a married individual filing a separate return."

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 3402(m)(1) (relating to withholding allowances based on itemized deductions) is amended to read as follows:

"(B) an amount equal to the lesser of (i) 16 percent of his estimated wages, or (ii) $3,000 ($2,500 in the case of an individual who is not married (within the meaning of section 143) and who is not a surviving spouse (as defined in section 2(a)))."

SEC. 203. CREDIT FOR CERTAIN EARNED INCOME.

(a) ALLOWANCE OF CREDIT.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax is amended by redesignating section 42 as section 43 and by inserting after Section 41 the following new section:

"SEC. 42. EARNED INCOME CREDIT.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 5 percent of the taxpayer's adjusted earned income for the taxable year.

"(b) ADJUSTED EARNED INCOME.—For purposes of this section, the term 'adjusted earned income' means—

"(1) so much of the individual's earned income for the taxable year as does not exceed $4,000, reduced by

"(2) two times the excess over $4,000 of the greater of—

"(A) the taxpayer's adjusted gross income for the taxable year, or

"(B) the taxpayer's earned income for the taxable year.

"(c) EARNED INCOME DEFINED.—

"(1) IN GENERAL.—For purposes of this section, the term 'earned income' means—

"(A) wages, salaries, tips, and other employee compensation, plus

"(B) the amount of taxpayer's net earnings from self-employment for the taxable year (within the meaning of section 1402(a)).

"(2) SPECIAL RULES.—For purposes of paragraph (1)—

"(A) except as provided in subparagraph (B), any amount shall be taken into account only if such amount is includible in the gross income of the taxpayer for the taxable year.

"(B) the earned income of an individual shall be computed without regard to any community property laws,

"(C) no amount received as a pension or annuity shall be taken into account.

(D) compensation described in paragraph (1)(A) for services performed by an individual in the employ of his spouse, father, mother, son, or daughter (within the meaning of section 3121(b)(3)) shall be taken into account only if such compensation constitutes wages (as defined in section 3121(a)) and only if such wages are evidenced by a receipt required to be furnished under section 6051(a) (relating to receipts for employees),

"(E) in the case of an individual who has not attained the age of 18 years by the close of his taxable year—

"(i) compensation described in paragraph (1)(A) shall be taken into account only if such compensation is evidenced by a receipt required to be furnished under section 6051(a), and

"(ii) earnings described in paragraph (1)(B) shall be taken into account only if such individual has self-employment income for the taxable year (within the meaning of section 1402(b)), and

"(F) no amount to which section 871(a) applies (relating to income of nonresident alien individuals not connected with United States business) shall be taken into account.

"(d) REQUIREMENT OF JOINT RETURN.—In the case of an individual who is married (within the meaning of section 143), this section shall apply only if a joint return is filed for the taxable year under section 6013.

"(e) TAXABLE YEAR MUST BE FULL TAXABLE YEAR.—Except in the case of a taxable year closed by reason of the death of the taxpayer, no credit shall be allowable under this section in the case of a taxable year covering a period of less than 12 months."

(b) REFUND TO BE MADE WHERE CREDIT EXCEEDS LIABILITY FOR TAX.—Section 6401(b) (relating to excessive credits) is amended—

(1) by inserting ", 42 (relating to earned income credit)," before "and 667(b)"; and

(2) by striking out "and 39" and inserting in lieu thereof ", 39, and 42".

(c) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Earned income credit
"Sec. 43. Overpayment of tax."

SEC. 204. WITHHOLDING TAX.

(a) REQUIREMENT OF WITHHOLDING.—Subsection (a) of section 3402 (relating to income tax collected at source) is amended at read as follows:

"(a) REQUIREMENT OF WITHHOLDING.—

"(1) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with—

"(A) in the case of wages paid on the basis of an annual payroll period, the table set forth in paragraph (2), or

"(B) in the case of wages paid on the basis of other payroll periods, tables prescribed by the Secretary or his delegate.

In the tables prescribed under subparagraph (B), the amounts set forth as the amount of deducted and withheld shall be computed on wages and the amount of income taxes to be the basis of the table set forth in paragraph (2). For purposes of this subsection, the term 'the amount of wages' means the amount by which the wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b)(1).

"(2) ANNUAL PAYROLL PERIOD.—

"(A) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $3,000	0.
Over $3,000 but not over $4,500	33% of excess over $3,000.
Over $4,500 but not over 7,500	$495 plus 21% of excess over $4,500.
Over $7,500 but not over $10,500	$1,125 plus 26% of excess over $7,500.
Over $10,500 but not over $14,000	1,905 plus 21% of excess over $10,500.
Over 14,000 but not over $15,200	$2,640 plus 28% of excess over $14,000
Over $15,200 but not over $18,000	$2,976 plus 30% of excess over $15,200.
Over $18,000	3,816 plus 35% of excess over $18,000.

"(B) Married Persons:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $2,450	0.
Over $2,450 but not over $5,450	16% of excess over $2,450.
Over $5,450 but not over $9,250	$480 plus 20% of excess over $5,450.
Over $9,250 but not over $12,250	$1,240 plus 21% of excess over $9,250.
Over $12,250 but not over $14,750	$1,870 plus 15% of excess over $12,250.
Over $14,750 but not over $20,950	$2,245 plus 26% of excess over $14,750.
Over $20,950 but not over $25,650	$3,857 plus 30% of excess over $20,950.
Over $25,650	$5,267 plus 36% of excess over $25,650."

(b) CONFORMING AMENDMENT.—Section 3402(c)(6) (relating to wage bracket withholding) is amended by striking out "table 7 contained in subsection (a)" and inserting in lieu thereof "the table for an annual payroll period set forth in subsection (a)(2)".

SEC. 205. EFFECTIVE DATES.

(a) FOR SECTIONS 201 AND 202(a).—The amendments made by sections 201 and 202 (a) shall apply to taxable years ending after December 31, 1974. Such amendments shall cease to apply to taxable years ending after December 31, 1975.

(b) FOR SECTION 203.—The amendments made by section 203 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(c) FOR SECTIONS 202(b) AND 204.—The amendments made by sections 202(b) and 204 shall apply to wages paid after April 30, 1975, and before January 1, 1976

TITLE IIII—CERTAIN CHANGES IN BUSINESS TAXES

SEC. 301. INCREASE IN INVESTMENT CREDIT.

(a) INCREASE OF INVESTMENT CREDIT TO 10 PERCENT.—Paragraph (1) of section 46(a) (determining the amount of the investment credit) is amended to read as follows:

"(1) GENERAL RULE.—

"(A) 10-PERCENT CREDIT.—Except as provided in subparagraph (B), the amount of the credit allowed by section 38 for the taxable year shall be equal to 10 percent of the qualified investment (as determined under subsections (c) and (d)).

"(B) 7-PERCENT CREDIT.—In the case of property—

"(i) the construction, reconstruction, or erection of which is completed by the taxpayer before January 22, 1975, or

"(ii) which is acquired by the taxpayer before January 22, 1975,

the amount of the credit allowed by section 38 for the taxable year shall be equal to 7 percent of the qualified investment (as defined in subsection (c)).

"(C) TRANSITIONAL RULE.—In the case of property—

"(i) the construction, reconstruction, or erection of which is begun by the taxpayer before January 22, 1975, and

"(ii) the construction, reconstruction, or erection of which is completed by the taxpayer after January 21, 1975.

subparagraph (B) shall apply to the property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection before January 22, 1975, and subparagraph (A) shall apply to such property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection after January 21, 1975."

(b) PUBLIC UTILITY PROPERTY.—

(1) DETERMINATION OF QUALIFIED INVESTMENT.—Subparagraph (A) of section 46(c)(3) (relating to determination of qualified investment in the case of public utility property) is amended to read as follows:

"(A) To the extent that subsection (a)(1)(B) applies to property which is public utility property, the amount of the qualified investment shall be 4/7 of the amount determined under paragraph (1)."

(2) INCREASE IN 50-PERCENT LIMITATION.—Section 46(a) (relating to determination of amount of credit) is amended by adding at the end thereof the following new paragraph:

"(6) ALTERNATIVE LIMITATION IN THE CASE OF CERTAIN UTILITIES.—

"(A) IN GENERAL.—If, for a taxable year beginning after 1974 and before 1981, the amount of the qualified investment of the taxpayer which is attributable to public utility property is 25 percent or more of his aggregate qualified investment, then subparagraph (C) of paragraph (2) of this subsection shall be applied by substituting for 50 percent his applicable percentage for such year.

"(B) APPLICABLE PERCENTAGE.—The applicable percentage of any taxpayer for any taxable year is—

"(i) 50 percent, plus

"(ii) that proportion of the tentative percentage for the taxable year which the taxpayer's amount of qualified investment which is public utility property bears to his aggregate qualified investment.

If the proportion referred to in clause (ii) is 75 percent or more, the applicable percentage of the taxpayer for the year shall be 50 percent plus the tentative percentage for such year.

"(C) TENTATIVE PERCENTAGE.—For purposes of subparagraph (B), the tentative percentage shall be determined under the following table:

"If the taxable year begins in:	The tentative percentage is:
1975 or 1976	50
1977	40
1978	30
1979	20
1980	10

"(D) PUBLIC UTILITY PROPERTY DEFINED.—For purposes of this paragraph, the term 'public utility property' has the meaning given to such term by the first sentence of subsection (c)(3)(B)."

(c) CAP ON THE INCREASE IN INVESTMENT CREDIT BENEFITS FOR PUBLIC UTILITIES WHICH MAY RESULT FROM INCREASING INVESTMENT CREDIT TO 10 PERCENT.—

(1) IN GENERAL.—The amount of the credit allowed by section 38 of the Internal Revenue Code of 1954 to any taxpayer which is a public utility for the taxable year shall not exceed by more than $100,000,000 the amount of such credit which would have been allowed to such taxpayer for such year but for the amendments made by subsections (a) and (b)(1) of this section.

(2) CREDIT IN EXCESS OF CAP MAY BE CARRIED ONLY TO TAXABLE YEARS TO WHICH THIS SUBSECTION APPLIES.—For purposes of section 46(b)(1) of the Internal Revenue Code of 1954 (relating to carryback and carryover of unused credits), the excess of the amount which would be allowable as a credit under section 38 of such Code for any taxable year over the amount which is allowable under such section after the application of paragraph (1) of this subsection—

(A) shall be treated as an excess described in such section 46(b)(1), but

(B) shall be an investment credit carryback and an investment credit carryover only to taxable years to which paragraph (1) of this subsection applies.

(3) CONTROLLED GROUP OF CORPORATIONS.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer. For purposes of the preceding sentence, the term "controlled group of corporations" has the meaning given to such term by section 1563(a).

(4) PUBLIC UTILITY DEFINED.—For purposes of this subsection, the term "public utility" means a taxpayer 50 percent or more of the qualified investment of which for the taxable year consists of public utility property within the meaning of the first sentence of section 46(c)(3)(B) of the Internal Revenue Code of 1954.

(d) INCREASE FROM $50,000 TO $75,000 OF DOLLAR LIMITATION ON USED PROPERTY.—Paragraph (2) of section 48(c) (relating to dollar limitation in case of used section 38 property) is amended—

(1) by striking out "$50,000" each place it appears and inserting in lieu thereof "$75,000", and

(2) by striking out "$25,000" and inserting in lieu thereof "$37,500".

SEC. 302. ALLOWANCE OF INVESTMENT CREDIT WHERE CONSTRUCTION OF PROPERTY WILL TAKE MORE THAN 2 YEARS.

(a) GENERAL RULE.—Section 46 (relating to amount of credit) is amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and by inserting after subsection (c) the following new subsection:

"(d) QUALIFIED PROGRESS EXPENDITURES.—

"(1) IN GENERAL.—In the case of any taxpayer who has made an election under paragraph (6), the amount of his qualified investment for the taxable year (determined under subsection (c) without regard to this subsection) shall be increased by an amount equal to his aggregate qualified progress expenditures for the taxable year with respect to process expenditure property.

"(2) PROGRESS EXPENDITURE PROPERTY DEFINED.—

"(A) IN GENERAL.—For purpose of this subsection, the term 'progress expenditure property' means any property which is being constructed by or for the taxpayer and which—

"(i) has a normal construction period of 2 years or more, and

"(ii) it is reasonable to believe will be new section 38 property having a useful life of 7 years or more in the hands of the taxpayer when it is placed in service.

Clause (i) and (ii) of the preceding sentence shall be applied on the basis of facts known at the close of the taxable year of the taxpayer in which construction begins (or, if later, at the close of the first taxable year to which an election under this subsection applies).

"(B) NORMAL CONSTRUCTION PERIOD.—For purposes of subparagraph (A), the term 'normal construction period' means the period reasonably expected to be required for the construction of the property—

"(i) beginning with the date on which physical work on the construction begins, (or, if later, the first day of the first taxable year to which an election under this subsection applies), and

"(ii) ending on the date on which it is expected that the property will be available for placing in service.

"(3) QUALIFIED PROGRESS EXPENDITURES DEFINED.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—In the case of any self-constructed property, the term 'qualified progress expenditures' means the amount which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) NON-SELF-CONSTRUCTED PROPERTY.—In the case of non-self-constructed property, the term 'qualified progress expenditures' means the lesser of—

"(i) the amount paid during the taxable year to another person for the construction of such property, or

"(ii) the amount which represents that proportion of the overall cost to the taxpayer of the construction by such other person which is properly attributable to that portion of such construction which is completed during such taxable year.

"(4) SPECIAL RULES FOR APPLYING PARAGRAPH (3).—For purposes of paragraph (3)—

"(A) COMPONENT PARTS, ETC.—Property which is to be a component part of, or is otherwise to be included in, any progress expenditure property shall be taken into account—

"(i) at a time not earlier than the time at which it becomes irrevocably devoted to use in the progress expenditure property, and

"(ii) as if (at the time referred to in clause (i)) the taxpayer had expended an amount equal to that portion of the cost to the taxpayer of such component or other property which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) CERTAIN BORROWINGS DISREGARDED.—Any amount borrowed directly or indirectly by the taxpayer from the person constructing the property for him shall not be treated as an amount expended for such construction.

"(C) CERTAIN UNUSED EXPENDITURES CARRIED OVER.—In the case of non-self-constructed property, if for the taxable year—

"(i) the amount under clause (i) of paragraph (3)(B) exceeds the amount under clause (ii) of paragraph (3)(B), then the amount of such excess shall be taken into account under such clause (i) for the succeeding taxable year, or

"(ii) the amount under clause (ii) of paragraph (3)(B) exceeds the amount under clause (i) of paragraph (3)(B), then the amount of such excess shall be taken into account under such clause (ii) for the succeeding taxable year.

"(D) DETERMINATION OF PERCENTAGE OF COMPLETION.—In the case of non-self-constructed property, the determination under paragraph (3)(B)(ii) of the proportion of the overall cost to the taxpayer of the construction completed during any taxable year shall be made, under regulations prescribed by the Secretary or his delegate, on the basis of engineering or architectural estimates or on the basis of cost accounting records. Unless the taxpayer establishes otherwise by clear and convincing evidence, the construction shall be deemed to be completed not more rapidly than ratably over the normal construction period.

"(E) NO QUALIFIED PROGRESS EXPENDITURES FOR CERTAIN PRIOR PERIODS.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for any period before January 22, 1975 (or, if later, before the first day of the first taxable year to which an election under this subsection applies).

"(F) NO QUALIFIED PROGRESS EXPENDITURES FOR PROPERTY FOR YEAR IT IS PLACED IN SERVICE, ETC.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for the earlier of—

"(i) the taxable year in which the property is placed in service, or

"(ii) the first taxable year for which recapture is required under section 47(a)(3) with respect to such property,

or for any taxable year thereafter.

"(5) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—The term 'self-constructed property' means property more than half of the construction expenditures for which it is reasonable to believe will be made directly by the taxpayer.

"(B) NON-SELF-CONSTRUCTED PROPERTY—The term non-self-constructed property' means property which is not self-constructed property.

"(C) CONSTRUCTION, ETC.—The term construction' includes reconstruction and erection, and the term 'constructed' includes reconstructed and erected.

"(D) ONLY CONSTRUCTION OF SECTION 38 PROPERTY TO BE TAKEN INTO ACCOUNT.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the property.

"(6) ELECTION.—An election under this subsection may be made at such time and in such manner as the Secretary or his delegate may be regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary or his delegate.

"(7) TRANSITIONAL RULES.—The qualified investment taken into account under this subsection for any taxable year beginning before January 1, 1980, with respect to any property shall be (in lieu of the full amount) an amount equal to the sum of—

"(A) the applicable percentage of the full amount determined under the following table:

"For a taxable year beginning in:	The applicable percentage is:
1974 or 1975	20
1976	40
1977	60
1978	60
1979	100

plus

"(B) in the case of any property to which this subsection applied for one or more preceding taxable years, 20 percent of the full amount for each such preceding taxable year.

For purposes of this paragraph, the term 'full amount', when used with respect to any property for any taxable year, means the amount of the qualified investment for such property for such year determined under this subsection without regard to this paragraph."

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENT OF SECTION 46(c).—Section 46(c) (relating to qualified investmnt) is amended by adding at the end thereof the following new paragraph:

"(4) COORDINATION WITH SUBSECTION (d).—The amount which would (but for this paragraph) be treated as qualified investment under this subsection with respect to any property shall be reduced (but not below zero) by any amount treated by the taxpayer or a predecessor of the taxpayer (or, in the case of a sale and leaseback described in section 47(a)(3)(C), by the lessee) as qualified investment with respect to such property under subsection (d), to the extent the amount so treated has not been required to be recaptured by reason of section 47(a)(3)."

(2) AMENDMENT OF SECTION 46(a)(1).—Paragraph (1) of section 46(a) (as in effect without the amendment made by section 301(a)) is amended by striking out "(as defined in subsection (c))" and inserting in lieu thereof "(as determined under subsections (c) and (d))".

(3) DISPOSITION, ETC.—

(A) Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) PROPERTY CEASES TO BE PROGRESS EXPENDITURE PROPERTY.—

"(A) IN GENERAL.—If during any taxable year any property taken into account in determining qualified investment under section 46(d) ceases (by reason of sale or other disposition, cancellation or abandonment of contract, or otherwise) to be, with respect to the taxpayer, property which, when placed in service, will be new section 38 property, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero the qualified investment taken into account with respect to such property.

"(B) CERTAIN EXCESS CREDIT RECAPTURED.—Any amount which would have been applied as a reduction of the qualified investment in property by reason of paragraph (4) of section 46(c) but for the fact that a reduction under such paragraph cannot reduce qualified investment below zero shall be treated as an amount required to be recaptured under subparagraph (A) for the taxable year in which the property is placed in service.

"(C) CERTAIN SALES AND LEASEBACKS.—Under regulations prescribed by the Secretary or his delegate, a sale by, and leaseback to, a taxpayer who, when the property is placed in service, will be a lessee to whom section 48(d) applies shall not be treated as a cessation described in subparagraph (A) to the extent that the qualified investment which will be passed through to the lessee under section 48(d) with respect to such property does not exceed the qualified progress expenditures properly taken into account by the lessee with respect to such property.

"(D) COORDINATION WITH PARAGRAPH (1).—If after property is placed in service, there is a disposition or other cessation described in paragraph (1), paragraph (1) shall be applied as if any credit which was allowable by reason of section 46(d) and which has not been required to be recaptured before such cessation were allowable for the taxable year the property was placed in service."

(c) CLERICAL AMENDMENTS.—

(1) Paragraph (4) of section 47(a) (as redesignated by subsection (b)(3)(A) of this section) is amended by striking out "paragraph (1)" and inserting in lieu thereof "paragraph (1) or (3)".

(2) Paragraphs (5) and (6)(B) of section 47(a) are each amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

(3) Paragraphs (1) and (2) of section 48(d) are each amended by striking out "section 46(d)(1)" and inserting in lieu thereof "section 46(e)(1)".

(4) Subsection (f) of section 50B is amended by striking out "section 46(d)" and inserting in lieu thereof "section 46(e)".

SEC. 303. INCREASE IN CORPORATE SURTAX EXEMPTION.

(a) GENERAL RULE.—Section 11(d) (relating to surtax exemption) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1561(a) (as in effect for taxable years beginning after December 31, 1974) (relating to limitations on certain multiple tax benefits in the case of certain controlled corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(2) Paragraph (7) of section 12 (relating to cross references for tax on corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(3) Section 962(c) (relating to surtax exemption for individuals electing to be subject to tax at corporate rates) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

SEC. 304. EFFECTIVE DATES.

(a) FOR SECTION 301.—

(1) INCREASE OF INVESTMENT CREDIT TO 10 PERCENT.—The amendments made by subsections (a) and (b)(1) of section 301 shall apply to—

(A) property placed in service after January 21, 1975, and before January 1, 1976, in taxable years ending after January 21, 1975.

(B) property—

(i) acquired pursuant to orders placed before January 1, 1976, and

(ii) placed in service in 1976 in taxable years ending after December 31, 1975,

(C) property the construction, reconstruction, or erection of which is completed by the taxpayer and which is placed in service after December 31, 1975, but only to the portion of the basis of such property which is properly attributable to construction, reconstruction, or erection by the taxpayer after January 21, 1975, and before January 1, 1976, and

(D) qualified progress expenditures, as described in section 46(d) of the Internal Revenue Code of 1954, made after January 21, 1975, and before January 1, 1976, but only to the portion of the basis of the progress expenditure property, as described in such section 46(d), which is properly attributable to construction, reconstruction, or erection for the taxpayer after January 21, 1975, and before January 1, 1976.

(2) INCREASE IN 50-PERCENT LIMITATION.—The amendment made by subsection (b)(2) of section 301 shall apply to taxable years beginning after December 31, 1974.

(3) INCREASE IN LIMITATION ON USED PROPERTY.—The amendments made by subsection (d) of section 301 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(b) FOR SECTION 302.—The amendments made by section 302 shall apply to taxable years ending after December 31, 1974.

(c) FOR SECTION 303.—

(1) IN GENERAL.—The amendments made by section 303 shall apply to taxable years ending after December 31, 1974. Such amendments shall cease to apply for taxable years ending after December 31, 1975.

(2) CHANGES TREATED AS CHANGES IN TAX RATE.—Section 21 (relating to change in rates during taxable year) is amended by adding at the end thereof the following new subsection:

"(f) INCREASE IN SURTAX EXEMPTION, ETC.—In applying subsection (a) to a taxable year of a taxpayer which is not a calendar year, the change made by section 303, and the change made by the second sentence of section 304(c)(1), of the Tax Reduction Act of 1975 in section 11(d) (relating to corporate surtax exemption) and in section 962(c) (relating to individual electing to

be taxed at corporate rates) shall each be treated as a change in a rate of tax."

The CHAIRMAN. Are there any further committee amendments?

Mr. ULLMAN. Not at this time, Mr. Chairman; there are no further committee amendments.

AMENDMENT OFFERED BY MR. GREEN

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: H.R. 2166 is amended by adding, at the end of title III, the following new title:

"TITLE IV—REPEAL OF PERCENTAGE DEPLETION FOR OIL AND GAS

"SEC. 101. REPEAL OF OIL AND GAS DEPLETION

"(a) Section 613(b)(1)(A) of the Internal Revenue Code is amended by striking out the words "oil and gas wells," and by substituting therefor the words "certain gas wells as defined in subsection (e)."

"(b) Section 613(b)(7) of such Code is amended by:

"(1) Deleting 'or' at the end of subparagraph (A) thereof;

"(2) Deleting the period at the end of subparagraph (B) thereof and by inserting, in lieu thereof, '; or'; and

"(3) Adding the following new subparagraph after such subparagraph (B): '(C) Oil and gas wells.'

"SEC. 102. CERTAIN GAS WELLS.

"The following new subsection is added to Section 613 of the Internal Revenue Code:

"(e) SPECIAL RULE FOR CERTAIN GAS WELLS.—

"(1) The gas wells referred to in Section 613(b)(1)(A) are—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas sold under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of Section 613(b)(1)(A).

"(2)(A) The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under Section 611 with respect to such product.

"(C) The term 'domestic' refers to petroleum from an oil or gas well located in the United States or in a possession of the United States.

"(D) The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(E) The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Federal Power Commission, the price for which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence."

"SEC. 103. EFFECTIVE DATES.

"The amendments made by sections 101 and 102 of this bill shall apply to oil and gas produced on or after January 1, 1975."

Mr. GREEN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Chairman, I know that many of the Members who are here right at this moment have been here for large parts of this already, but some Members have come in, and I would like to repeat, first describe exactly what my amendment does, to urge that no amendments be adopted to it, and to urge its passage.

First of all, what the amendment does is to repeal the oil and gas depletion allowance as of January 1, 1975, except for certain gas wells, those under fixed price contracts and those under regulation. For 18 months those under regulations are exempt from the provision repealing the oil depletion allowance.

What is the main argument against doing this?

The main argument is that we are going to delay—not here in the House, because we have already demonstrated this will take no time in the House, that we will not delay consideration in this body by bringing this matter up, but that the Senate will filibuster this amendment and they will not consider it.

What they are saying is that they are going to let the U.S. Senate take a perfectly bad idea and hold up a perfectly good idea, a tax break to the tune of $21 billion—$8 billion this year—to individuals in this country, and that the U.S. Senate is going to sit over there and say to the whole country and to everyone who is anticipating a check: "You are not going to get your check unless we allow the few rich people in this country to take almost 50 percent of the money you would have been given back and keep it for themselves."

All of the American people in 1974 got back $8 billion, and they are going to say that the oil companies of this country can hold $3 billion in hostage for the rich and that the average people who pay the great bulk of these taxes cannot get their money back.

Mr. Chairman, I do not think the American people are going to tolerate this, and I do not think it is going to work out that way in the U.S. Senate.

This bill, I might add, is veto proof. This is the only chance we are going to have to repeal the oil depletion allowance.

The gentleman from Oregon (Mr. ULLMAN), the chairman of the committee, is going to tell the Members in good faith that the depletion allowance is an extraneous subject and is, in fact, an energy matter. Last year, when we considered taxes, it was a tax matter, but we knew it was going to have to wait until next year because the gentleman from Arkansas (Mr. MILLS), the chairman of the committee, took the bill and put it over in 208, put it in the bottom drawer, updated it, and it never saw the light of day, despite the fact that the Democratic caucus of this House mandated that the measure be brought to the floor.

Now, we have one tax bill. We put this in the tax bill, and they tell us now it is an energy matter. The next thing I predict is that if we do not pass this now, when the energy bill comes back, someone will tell us that they made a mistake and that it is a tax matter and the next thing we are going to take up is taxes.

The fact of the matter is that this matter has been delayed for 50 years. There have been fights on this issue for as long as I have been alive; there have been attempts to do something about the oil depletion allowance and take it off the books, because it never succeeded.

We are not going to succeed now in this effort unless we tie it to this measure.

Does any Member mean to tell me that this is going to cause the bill to be delayed, a bill that would give the American people $8 billion this year and give them $21 billion overall, to be defeated, that this is going to hold that bill up? Should we put this in a bill when we start dealing with an energy package, one that has gasoline taxes in it, that has rationing in it, and has allocations in it, a measure that potentially is unpopular, and that we should put depletion allowance in that bill? I do not think so.

Our whole posture in this country has been very shortsighted. Back in 1954, what did we do? We said that Arab oil should not come into this country because we want to "pump America dry." That is exactly what we did. We kept that oil out, and now we find ourselves today at the point where we have almost no oil in this country and we are asking the people to subsidize with further depletion the production of what little bit we have left. And at the same time we have not concentrated on finding alternate sources, and as a result today this country is dry as far as oil is concerned.

What is this issue all about? I could go into the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON) at this point, but I will do that at a later time.

No amendment to this amendment should be adopted. The one question we face today is one of power. We could blame it on the Republicans, if we like, but that would not be fair. We can name the Democrats in our own party who have helped to keep the oil depletion allowance on the books for years and years and years.

Mr. Chairman, this is simply a question of power and the accumulation of power, whether it is by the major companies or the other rich people in the oil industry.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. GREEN) has expired.

(By unanimous consent, Mr. GREEN was allowed to proceed for 1 additional minute.)

Mr. GREEN. Mr. Chairman, let me just finish my point. I will try not to use even the additional minute. I thank the Members for not objecting to my request.

This is a question of whether or not we are going to have justice, whether or not the people who pay their taxes and pay through the nose from their earned income are going to continue to pay while many rich people in this country and large corporations in this country pay effectively no taxes at all.

President Kennedy once said: "The men who question power are indispensable."

The men who question power are indispensable, and the men who mistrust power are equally indispensable. That is what this is all about. That is what this House has to decide, whether or not we are going to continue the power that these people have or whether or not we are going to turn the power back to the people of this country and not leave it up to the few, because only when we question it will power be used not for the benefit of the few but for the benefit of the many.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let us get back to what this bill is all about.

This country is in a grave recession. It may turn into a depression. Let us not forget that for 1 minute.

The people of this Nation are looking to us for responsible action. The purpose of this bill is to give a major tax reduction, which almost every economist admits we need, in order to help turn our economy around and get us back into a posture of growth so that we can turn to considering the solutions of some of our other real problems.

However, if we fail to act or if we delay our action, we may prolong a recession, and it may get worse and worse. What we are doing today with these amendments is playing Russian roulette with the credibility of this House of Representatives.

The gentleman from Pennsylvania has made a very stirring appeal. Let me remind him that early last year the Committee on Ways and Means brought out of the committee and asked for a rule on a bill that would have been a much tougher bill than the Wilson amendment, that would have, in fact, terminated the depletion allowance as it should have been terminated. If it had not been for caucus intervention, that bill would have passed this Congress and passed this Congress overwhelmingly, and we would no longer have a depletion allowance.

Then it came up in November again in a very abbreviated form. I remind the Members that it again was a much tougher termination of the depletion allowance than the Green-Wilson provision. Therefore, let us not say that Congress cannot act. We should have acted. We had a bill out of committee that should have been passed.

I say that the proper course of responsible action for this House is to vote down these extraneous amendments. We will pass an energy bill; we must pass an energy bill. It has the highest priority. The Committee on Ways and Means is moving to spearhead the effort and the rest of the jurisdictions in the Congress are moving responsibly. Those who say we might not pass a bill are just failing to face up to the reality of the problem. We must pass a bill, and the ending of the depletion allowance must be in that bill. We can do it more responsibly. We can handle all of the problems that have been talked about here today.

Let me say this: Our options today are limited and the options are wrong. Whatever we do here today if we adopt either or both of these amendments will not be the proper answer to the problem.

If we send a bill that is a straight Green amendment over to the Senate, I have talked to the people there. It will involve delay upon delay. Let us not kid ourselves. If we adopt the Wilson amendment to the Green amendment, it may pass the Senate and it may get down to the President, but it is the wrong amendment. It continues the depletion allowance when it should not be continued.

Mr. SCHNEEBELI. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I would like to remind the House that the chairman of our committee has made three or four previous commitments to the House. He has lived up to every one of them. Be it the trade bill or the pension bill or any other bill that he has steered through the House, he has lived up to his commitments. I think we should support the chairman of our committee in his declaration that we will have a bill out of here before the end of April.

Mr. ULLMAN. Mr. Chairman, I thank the gentleman.

I urge the Members to vote down all of these extraneous amendments. Let us get down to the job of voting out this very important tax reduction bill.

AMENDMENT OFFERED BY MR. CHARLES WILSON OF TEXAS TO THE AMENDMENT OFFERED BY MR. GREEN

Mr. CHARLES WILSON of Texas. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. CHARLES WILSON of Texas to the amendment offered by Mr. GREEN: Strike out sections 101 and 102 in the text of the amendment offered by Mr. GREEN and insert in lieu thereof the following new section:

SEC. 101. REPEAL OF PERCENTAGE DEPLETION IN CASE OF OIL AND GAS WELLS.

(a) IN GENERAL.—Part I of subchapter I of chapter 1 (relating to deductions with respect to natural resources) is amended by adding at the end thereof the following new section:

"SEC. 613A. DENIAL OF PERCENTAGE DEPLETION IN CASE OF OIL AND GAS WELLS.

"(a) GENERAL RULE.—Except as otherwise provided in this section, the allowance for depletion under section 611 with respect to any oil or gas well shall be computed without reference to section 613.

"(b) SPECIAL RULE FOR CERTAIN GAS WELLS.—

"(1) GENERAL.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to—

"(A) wells producing regulated natural gas,

"(B) wells producing natural gas under a fixed contract, and

"(C) any geothermal deposit which is determined to be a gas well within the meaning of section 613(b)(1)(A).

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) NATURAL GAS SOLD UNDER A FIXED CONTRACT.—The term 'natural gas sold under a fixed contract' means domestic natural gas sold by the producer under a contract, in effect on February 1, 1975, and all times after before such sale, under which the price for such gas cannot be adjusted to reflect to any extent the increase in liabilities of the seller for tax under this section by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates to the contrary by clear and convincing evidence.

"(B) NATURAL GAS.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(C) REGULATED NATURAL GAS.—The term 'regulated natural gas' means domestic natural gas produced and sold by the producer, prior to July 1, 1976, subject to the jurisdiction of the Federal Power Commission, the price for which has not been adjusted to reflect to any extent the increase in liability of the seller for tax by reason of the repeal of percentage depletion. Price increases subsequent to February 1, 1975, shall be presumed to take increases in tax liabilities into account unless the taxpayer demonstrates the contrary by clear and convincing evidence.

"(c) 3,000 BARREL-A-DAY CRUDE OIL EXEMPTION; 18,000,000 CUBIC FOOT NATURAL GAS EXEMPTION.—

"(1) IN GENERAL.—The allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to.—

"(A) so much of the taxpayer's average daily production of domestic crude oil as does not exceed 3,000 barrels, and

"(B) so much of the taxpayer's average daily production of domestic natural gas (other than natural gas with respect to which subsection (b) applies) as does not exceed 18,000,000 cubic feet.

"(2) AVERAGE DAILY PRODUCTION.—For purposes of paragraph (1), the taxpayer's average daily production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, shall be determined by dividing his aggregate production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies) during the taxable year by the number of days in such taxable year.

"(3) EXEMPTIONS TO BE DETERMINED ON A PROPORTIONATE BASIS.—

"(A) DOMESTIC CRUDE OIL.—If the taxpayer's average daily production of domestic crude oil exceeds 3,000 barrels, the barrels to which paragraph (1) applies shall be determined by taking from the production of each property a number of barrels which bears the same proportion to the total production of the taxpayer for such year from such property as 3,000 barrels bears to the aggregate number of barrels representing the average daily production of domestic crude oil of the taxpayer for such year.

"(B) DOMESTIC NATURAL GAS.—If the taxpayer's average daily production of domestic natural gas exceeds 18,000,000 cubic feet, the production to which paragraph (1) applies shall be determined by taking from the production of each property a number of cubic feet of natural gas (not including natural gas to which subsection (b) applies) which

bears the same proportion to the total production of the taxpayer for such year from such property as 18,000,000 cubic feet bears to the aggregate number of cubic feet representing the average daily production of domestic natural gas of the taxpayer for such year.

"(4) BUSINESS UNDER COMMON CONTROL; MEMBERS OF THE SAME FAMILY.—

"(A) COMPONENT MEMBERS OF CONTROLLED GROUP TREATED AS ONE TAXPAYER.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer.

"(B) AGGREGATION OF BUSINESS ENTITIES UNDER COMMON CONTROL.—

"(i) If 50 percent or more of the beneficial interest in two or more corporations, partnerships, trusts, estates, or other entities is owned by the same or related persons (taking into account only persons who own at least 5 percent of such beneficial interest), the exemptions provided by this subsection shall be allocated among all such entities in proportion to the respective production of domestic crude oil or natural gas (not including natural gas with respect to which subsection (b) applies), as the case may be, during the period in question by such entities.

"(ii) If more than 50 percent in value of the outstanding stock of a corporation (taking into account only stockholders who own at least 5 percent in value of the outstanding stock), or more than 50 percent of the beneficial interest in an estate or trust (taking into account only persons who own at least 5 percent of such beneficial interest), is owned by persons who own domestic oil-producing or domestic gas-producing properties, then under regulations prescribed by the Secretary or his delegate, such corporation, estate, or trust shall be entitled to the exemptions provided by this subsection only to the extent that one or more of the shareholders, or owners of beneficial interests, as the case may be, elects to have all or a portion of its exemption allocated to such corporation, estate, or trust; except that the total exemption of the corporation, estate, or trust resulting from such allocation shall not exceed 3,000 barrels of oil, or 18,000,000 cubic feet of natural gas, with respect to its average daily production.

"(C) ALLOCATION AMONG MEMBERS OF THE SAME FAMILY.—In the case of individuals who are members of the same family, the exemptions provided by this subsection shall be allocated among such individuals in proportion to the respective production of domestic crude oil during the period in question by such individuals.

"(D) DEFINITION AND SPECIAL RULES.—For purposes of this paragraph.—

"(1) the term 'controlled group of corporations' has the meaning given to such term by 1563(a), except that section 1563(b)(2) shall not apply and except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a),

"(ii) a person is a related person to another person if such persons are members of the same controlled group of corporations or if the relationship between such persons would result in a disallowance of losses under section 267 or 707(b), except that for this purpose the family of an individual includes only his spouse and minor children, and

"(iii) the family of an individual includes only his spouse and minor children.

"(5) SALE OR ACQUISITION OF OIL OR GAS DEPLETION PROPERTY.—

"(A) TRANSFEROR.—If oil and gas depletion property is sold or otherwise disposed of by the taxpayer in any taxable year ending after December 31, 1974, the amount of the appropriate limit referred to in paragraph (1) shall be reduced, for taxable years following such year—

"(i) unless clause (ii) applies, by an amount which bears the same ratio to such limit as the taxpayer's average daily production from such porperty for such year bears to the taxpayer's average daily production from all producing properties for such year, or

"(ii) by an amount (not greater than the taxpayer's average daily production from such property for such year) which the taxpayer may designate in such manner as the Secretary or his delegate shall by regulations prescribe.

"(B) ACQUISITION BY TRANSFEROR OF OTHER PROPERTY.—The reduction provided by subparagraph (A) shall be decreased (but not below zero) by the sum of—

"(i) the taxpayer's average daily production from producing property (other than property to which subparagraph (A) applied and property acquired from a taxpayer described in subparagraph (D)) acquired by the taxpayer after the sale or other disposition of property to which subparagraph (A) applied, and

"(ii) the amount of the reduction under subparagraph (A) with respect to any oil or gas depletion property acquired by the taxpayer after a sale or other disposition of other property to which subparagraph (A) applied.

"(C) TRANSFEREE.—In the case of any taxpayer who acquires any oil or gas depletion property, no part of the production from such property may be taken into account by the taxpayer under this subsection for the taxable year in which such property is acquired, and in any succeeding taxable year the amount of such production taken into account may not exceed the amount of the reduction which occurred with respect to such property under subparagraph (A).

"(D) RELATED PARTIES.—This paragraph shall not apply in the case of the sale or other disposition of any property between persons with respect to whom the rules of subparagraph (A), (B), or (C) of paragraph (4) apply immediately following such sale or other disposition.

"(E) TRANSFERS OF INTERESTS IN BUSINESSES UNDER COMMON CONTROL.—If there is any sale or other disposition of an interest in a business described in subparagraph (A) or (B) of paragraph (4), then (under regulations prescribed by the Secretary or his delegate) such sale or other disposition shall not result in an increase in the aggregate exemptions allowed under this subsection with respect to oil or gas depletion properties held on the date of such transfer by such business the interest in which is transferred or by the transferor of such interest.

"(F) OIL OR GAS DEPLETION PROPERTY DEFINED.—For purposes of this paragraph, the term 'oil or gas depletion property' means any property interest (including an interest in a partnership, trust, or estate) with respect to the income from which a deduction for depletion is allowable under section 613 for domestic crude oil or domestic natural gas but only if the underlying mineral property is capable of producing oil or gas in commercial quantities on the date of transfer of such property.

"(d) LIMITATION BASED ON QUALIFIED INVESTMENT.—

"(1) GENERAL RULE.—So much of the deduction allowed for depletion as is computed by reference to section 613 by reason of subsection (c) shall not exceed for any taxable year an amount equal to the sum of the taxpayer's qualified investment and qualified investment carryback for the taxable year.

"(2) QUALIFIED INVESTMENT.—For purposes of paragraph (1), any person's qualified investment for any taxable year is the amount paid or incurred by such person during such taxable year (with respect to areas within the United States or a possession of the United States) for—

"(A) intangible drilling and development costs;

"(B) the following items if paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States:

"(i) aerial photography;

"(ii) geological mapping;

"(iii) airborne magnetometer surveys;

"(iv) gravity meter surveys;

"(v) seismograph surveys; or

"(vi) similar geological and geophysical methods;

"(C) the construction, reconstruction, erection, or acquisition of the following items but only if the original use of such items begins with such person:

"(i) depreciable assets used for the exploration for or the development or production of oil or gas (including development or production from oil shale); converting oil shale, coal, or liquid hydrocarbons into oil or gas; or refining oil or gas (but not beyond the primary product stage);

"(ii) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines,

"(D) secondary or tertiary recovery of oil or gas, or

"(E) the acquisition of oil and gas leases (other than off-shore oil and gas leases), but the aggregate amount which may be taken into account under this subparagraph for any taxable period shall not exceed one-third of the aggregate of the amounts which may be taken into account by the taxpayer under subparagraphs (A), (B), (C), and (D) for such period,

plus the following amounts—

"(F) 100 percent of any amount taken into account under subparagraphs (A) and (B) if such amount was not claimed as a deduction for the taxable year or if such amount was deducted without any tax benefit for the taxable year or any prior taxable year, and

"(G) 100 percent of the aggregate amount taken into account under subparagraph (C).

"(3) QUALIFIED INVESTMENT CARRYBACK.—For purposes of paragraph (1), a person's qualified investment carryback shall be the amount, if any, by which the amount of the person's qualified investment for a taxable year exceeds so much of the deduction allowed for depletion as is computed under section 613 by reason of subsection (c) (determined without regard to this subsection) shall be a qualified investment carryback for the preceding taxable year.

"(e) PRODUCER MUST BE INDEPENDENT.—

"(1) RETAILERS EXCLUDED.—Subsection (c) shall not apply in the case of any taxpayer who directly, or through a related person, sells oil or natural gas, or any product derived from oil or natural gas—

"(A) through any retail outlet operated by the taxpayer or a related person, or

"(B) to any person—

"(i) obligated under an agreement or contract with the taxpayer or a related person to use a trademark, trade name, or service mark or name owned by such taxpayer or a related person, in marketing or distributing oil or natural gas or any product derived from oil or natural gas, or

"(ii) given authority, pursuant to an agreement or contract with the taxpayer or a related person, to occupy premises owned, leased, or in any way controlled by the taxpayer or a related person.

"(2) REFINERS EXCLUDED.—Subsection (c) shall not apply in the case of any taxpayer where such taxpayer or a related person engages in the refining of oil or natural gas.

"(3) RELATED PERSON.—For purposes of this subsection, a person is a related person with respect to the taxpayer if a significant ownership interest in either the taxpayer or such person is held by the other, or if a third person has a significant ownership interest in both the taxpayer and such person. For purposes of the preceding sentence, the term 'significant ownership interest' means—

"(A) with respect to any corporation, 5 percent or more in value of the outstanding stock of such corporation,

"(B) with respect to a partnership, 5 percent or more interest in the profits or capital of such partnership, and

"(C) with respect to an estate or trust, 5 percent or more of the beneficial interests in such estate or trust.

"(f) DEFINITIONS.—For purposes of this section—

"(1) CRUDE OIL.—The term 'crude oil' includes a natural gas liquid recovered from a gas well in lease separators or field facilities.

"(2) NATURAL GAS.—The term 'natural gas' means any product (other than crude oil) of an oil or gas well if a deduction for depletion is allowable under section 611 with respect to such product.

"(3) DOMESTIC.—The term 'domestic' refers to production from an oil or gas well located in the United States or in a possession of the United States.

"(4) BARREL.—The term 'barrel' means 42 United States gallons."

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 613(b)(1) (relating to 22-percent depletion rate for certain minerals) is amended to read as follows:

"(A) oil and gas, to the extent allowable under section 613A;".

(2) The last sentence of paragraph (7) of section 613(b) (relating to 14-percent depletion rate for certain other minerals) is amended by striking out "or" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or", and by adding at the end thereof the following new subparagraph:

"(C) oil or gas wells."

(c) CLERICAL AMENDMENT.—The table of sections for part I of subchapter I of chapter 1 is amended by inserting after the item relating to section 613 the following new item:

"Sec. 613A. DENIAL OF PERCENTAGE DEPLETION FOR OIL AND GAS WELLS."

Mr. CHARLES WILSON of Texas. Mr. Chairman, I ask unanimous consent that further reading of the amendment to the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I have spent 12 years in the Texas Legislature as a vigorous opponent of the major oil companies of the United States, as have my good colleagues from Texas, BOB ECKHARDT, HENRY GONZALEZ, BARBARA JORDAN, and many others. We have never won a fight in the State legislature.

Texas does not have a corporate income tax because the major oil companies do not want the corporate income tax.

Texas is the only State in the United States that does not include in its franchise tax out-of-State sales, because the major oil companies do not want the out-of-State sales included. They sell 95 percent of the Texas-produced gasoline to the rest of the United States.

There is no one who has been more buffeted, and defeated more consistently over a longer period of time by Exxon, Mobil, Texaco, and the rest, than I have.

I have no love, no loyalty, and no commitment to any major oil company. That is essentially why this amendment is being offered.

The gentleman from Pennsylvania (Mr. GREEN) talks about the concentration of power. If we make it more attractive for independent producers—who, according to my statistics, account for only 15 percent of the revenue in the oil depletion allowance—to sell their production to the eight major oil companies in the United States, you will concentrate the entire petroleum resources in the United States in the hands of eight men. If that is not a concentration of power, then I have never heard of a concentration of power.

So far as proliferation is concerned, every suggestion that was made to tighten up our amendment has been followed. That accounts for the length and complexity of the amendment—and I say to the Members that it is air-tight in that regard.

Finally, whether we are talking about 15 percent or 25 percent of the total oil production, it is in the national interest of the United States of America to encourage oil exploration and to encourage a vigorous and healthy competition in this most important of all industries. And the bottom line is that every dollar accrued to an individual producer as a result of this amendment must be back in the ground in oil exploration within 24 months of the time that the depletion allowance is taken on their income tax return.

This is an amendment aimed to encourage and to influence greater risks toward greater oil exploration so as to make us independent of foreign countries in our foreign policy, and in our economic policy in the United States.

I urge the adoption of this amendment to the Green amendment.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CHARLES WILSON of Texas was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to my colleague, the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I rise to bring up three facts that have not been brought out in this matter.

No. 1. Of course, I wish to protest the way in which this is being brought up so that we have no opportunity to discuss in detail all of the issues involved.

No. 2. And this is very important to those of us on our side who like Don Quijote are fighting windmills—and that is that the major oil companies could care less about the depletion allowance. What we are doing, we are hurting those who are small. Granted, the Members do not fully understand the oil industry, and very few of the Members who sponsored the Green amendment know what it is all about. I do not say that in a derogatory way, but I say so for this reason: Because no one has mentioned the royalty owners. The royalty owners in my district are composed of people who own 20 acres, 50 acres, or 90 acres. Yes, there are some large ones, but we have not mentioned the royalty owners at all. I wish that the amendments could come up under a rule so that we could discuss that. We are only hurting the little people for whom many of our hearts bleed for every day. We are hurting the little people, the ones who we are attempting to reform this House, so as to assist them. It was mentioned earlier, they have no voice here, and then you limit us to 5 minutes on this so important issue, and in the same gesture we say, "We are going to give you $100 of your taxes back." What are they going to do with $100? As things are now they can buy very little for that amount.

What we are doing is, we are crossing our interests. We are not knowledgeable about what we are dealing with. Many of us are legislating on pure emotion against "big oil." Let me assure you that the greater part of the royalty owners are not millionaires. The royalty owners in my district get checks every month or every 3 months for $90, for $70, for $200. We have in my district people who have received royalty checks for as little as $1.87 for 1 month.

We always bring up the fellow who made a million dollars. We always bring up the big refinery who made $600 million. I know of refineries who process in my district 6,000 gallons. We have little refineries that are composed of small people that buy from small royalty owners, and this is an irreplacable asset. Once we take the oil that we say we have depleted the resource, we have depleted people's assets, and one way they can recoup is with this depletion.

But we are blinded by big oil. As far as I am concerned, big oil can go to—you choose the place my friends.

What we are doing here is we are jeopardizing the little people, those who own 20, 60, and 90 acres. We do not know what we are doing, and we are liable to do irreparable damage to many people, both royalty owners and producers who are not "big oil." I urge you to consider carefully, know what it is you are about to do.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, let me just calmly, if I may, and quietly, if I may, take a look at this Wilson amendment for a minute, with the Members. During the debate earlier we heard 3,000 barrels a day is one-third of one-tenth of 1 percent, and that is what we are talking about. That is not the case at all. We are talking about one-third of one-tenth of 1 percent for every producer of 3,000 barrels a day or less, and that is 90 percent of all the producers of oil in the United States.

Is it fair to leave the impression that perhaps I am talking about 99 percent of the oil when I speak of the Wilson amendment? That would be unfair. It is really about 25 percent of all of the oil in the United States that we exempt by the Wilson amendment. We are exempting not 3,000 barrels; we are exempting 3,000 barrels a day, and when we exempt 3,000 barrels a day, 3,000 times 365 is 1,095,000 barrels a year. If 99 percent of the producers can get up to that, they can get somewhere, depending upon the price, between $7½ and $12 million for that much oil, and that is the kind of little, small guy that we are talking about

when we talk about the Wilson amendment.

The problem with that is it is those so-called little producers who are getting the greatest windfalls today. Many of these little producers were making a great deal of money when it was $3.25 a barrel. That is no longer the case, and we all know that. The fact of the matter is that 75 percent of the oil the independents produce is not regulated, so they get the higher price, whereas 80 percent of the oil the majors produce is regulated and only 20 percent is not.

The fact of the matter is, then, that what we are dealing with here is a tax loophole, and that is as simple as it is. We are not trying to punish the little people; we are just trying to make sure that oil companies in this country, big or small, pay some taxes.

I read earlier from a prospectus of one company that the tax policy of that company is to use the intangible drilling costs and the costs of percentage of depletion to see that this company pays no taxes at all. We can see the letters that they send out. These little so-called independents send out letters saying, "Are you a doctor? Are you a lawyer? Are you making more than $40,000 a year? Then perhaps we can show you how to pay no taxes." That is what is wrong. The people in this country with large incomes have a shelter for their taxes here. They are paying no tax by virtue of this shelter. And then we are turning around and depleting what little we have left of oil as quickly as we can and asking the Government to subsidize it. Some day soon we will have no oil in this country and we will not have taken the kind of money we can raise by closing these loopholes to find other sources of energy for when that day comes.

This is a question of whether or not we will begin to have tax equity in this country, and it is important that this amendment be defeated and that we support my amendment which would relieve those who would really be potentially hurt. They are the gas producers under fixed price contracts and under regulation by the Federal Government at an artificially low price.

I ask the Members not to be misguided by this talk about the little people. We are talking about the rich people who pay no taxes while our smaller people all over the country pay through the nose so these rich ones can get their tax breaks.

AMENDMENT OFFERED BY MR. ARCHER TO THE AMENDMENT OFFERED BY MR. CHARLES WILSON OF TEXAS

Mr. ARCHER. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON).

The Clerk read as follows:

Amendment offered by Mr. ARCHER to the amendment offered by Mr. CHARLES WILSON of Texas:

On page 6, line 1, strike out "partnerships".

On page 8, insert after line 10—

"(5) PARTNERSHIPS.—In the case of a partnership of more than five members, the amount of average daily production which can be attributed to the partners shall not exceed 3,000 barrels."

Redesignate paragraph (5) as paragraph (6).

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I would like to say to the gentleman that his amendment is acceptable to me and I give it my support.

Mr. ARCHER. I thank the gentleman from Texas (Mr. CHARLES WILSON).

Mr. Chairman, if Members believe in the concept of the Wilson amendment, which I hope they do, to enable the continuation of competitive activity of the smaller independent oil producers in this country, then they will want to vote for my amendment. If the Members do not believe in the concept of the Wilson amendment, then they will be opposed to my amendment.

It is the intention of the Wilson amendment to permit each individual independent producer of oil in this country to have a 3,000-barrel-a-day exemption from the elimination of the depletion allowance. Unfortunately and unintentionally, and this is one of the difficulties of trying to legislate in the way we are doing it today, through a back door it has the potential of a limitation which would eliminate many of the small independent producers, those who are in joint venture agreements with larger oil companies, which is a common practice in the oil and gas industry. Under these joint venture working agreements which are so common, particularly in the higher risk prospects for oil where the big oil companies do not want to take the risk, the properties are farmed out to the small independent and that independent has a less than 50-percent ownership interest in the oil properties. A technical interpretation of the Wilson amendment would not permit that independent to get his full exemption but rather to have it construed as a percentage of what might be allocated to that particular joint venture by the large oil company. It therefore could deny to the independent the very thing that the Wilson amendment is attempting to give as an incentive and further restrict the exploration of these risky prospects, the marginal wells which we really need to go after today in the United States. Much, much of the oil is being found by these independents today under these circumstances.

So my amendment would permit, in these types of partnerships or joint venture agreements, the individual independent who had a minority interest to get the full percentage of the total oil produced from those properties and not be subject to some allocation formula that might be put on those properties by some large oil company. My amendment also has a protective device to prevent any unreasonable proliferation of the 3,000 barrel exemption because it limits the number of partners in a partnership or joint venture.

So it restricts any possibility of proliferation and under no circumstances can an individual oil operator or producer get more than the 3,000 barrels a day. This is the intention of the Wilson amendment. It is an intention that I agree wholeheartedly with and this perfecting type of amendment will fulfill the promise that is incumbent in the Wilson amendment.

Mr. FORSYTHE. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from New Jersey.

Mr. FORSYTHE. Mr. Chairman, I rise in opposition to the Green amendment to repeal the oil producers' depletion allowance.

While I agree that the oil depletion allowance is an issue that should be considered by the Congress, the measure we have before us today is not the appropriate legislation for such consideration. H.R. 2166 is emergency legislation providing a tax cut for relief of this country's economic recession, and attempts to repeal the oil depletion allowance will only delay this antirecession tax cut.

I feel, instead, that the repeal of the oil depletion allowance should be included in the energy tax bill which is being considered by the Ways and Means Committee.

While I support the repeal of the oil depletion allowance, I cannot support the amendment offered by Mr. GREEN which we are considering today. American taxpayers need immediate relief. The Green amendment will only provide an unnecessary hurdle for this important antirecession measure.

Mr. ARCHER. Mr. Chairman, in the time remaining, I would like to briefly touch on the history of depletion allowance, which is so widely misunderstood in the Congress and in the country. It came into effect in lieu of capital gains treatment. If an investor has a forest, he can sell the whole forest and get capital gains treatment. Or, he can sell one tree land still get capital gains treatment making 50 percent of his income nontaxable.

A man who produces a single barrel of oil, in contrast to selling his entire property, does not get the capital gains tax treatment. In lieu thereof the depletion allowance at 22 percent, replaces the 50-percent capital gains treatment.

Oil is a nonreplenishable capital asset. Now, either we are going to continue to have the incentives for private enterprise to produce the necessary energy in this country, or we have no place to go but the Federal Treasury and that, in my opinion, would be a disaster for this country. Because we have been successful in producing cheap energy primarily through the wildcat activities of individuals, I think we should pass this amendment to the Wilson amendment.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would ask the Members of the Committee to take a look at this amendment. It is very short. It appears on page 6 of the rule. It did not appear in the RECORD, as far as I know.

With all due deference to my colleague from Texas, what he says and what he does are two different things. In the first place, let us talk about what he says. Part of what he says is so; that is, in addition to the 3,000 barrels a day for "maw and paw" for whom my friend from Texas wants to continue the depletion allowance, this exempts 3,000 barrels per day for each one of their "maw and paw" partners; so at least up to five such partners will each get 3,000 barrels a day, which means in any individual partnership they can get at least 15,000 barrels a day as far as depletion is concerned. But in addition, and this is something I think he does that he did not intend to do, he creates a loophole for any sized partnership. Look at the language. It says:

In the case of a partnership of more than five members, the amount of average daily production which can be attributed to the partners—

Not to the partnership—

shall not exceed 3,000 barrels.

I may not have dug all the oil that my friends from Texas have dug, but I have dug a lot of oil contracts, and a lot of oil payment contracts. It seems to me as I read this, Exxon itself could convert into a limited partnership and every shareholder would get a 3,000-barrel exemption, as recommended by the gentleman from Texas (Mr. ARCHER).

That is not a Mack truck, that is a whole fleet of Mack trucks. So I would urge defeat of the Archer amendment, and if the gentleman from Texas (Mr. WILSON) is sincere about this small group, he ought to oppose this amendment also.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentelman from Texas.

Mr. ECKHARDT. Mr. Chairman, I do oppose the Archer amendment.

Mr. MIKVA. I am glad to hear that.

PREFERENTIAL MOTION OFFERED BY MR. WAGGONNER

Mr. WAGGONNER. Mr. Chairman, I offer a preferential motion.

PARLIAMENTARY INQUIRY

Mr. MIKVA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MIKVA. For what purpose does the gentleman from Louisiana rise?

The CHAIRMAN. To offer a preferential motion.

The Clerk will report the preferential motion.

The Clerk read as follows:

Mr. WAGGONNER moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken.

Mr. WAGGONNER. Mr. Chairman, my colleagues of the committee, in all too many instances today, votes here are not going to be cast based upon a reasonable approach to what is good and what is bad for the economy and for providing for a better energy approach in this country. Emotion is going to prevail in most instances, so I am not going to attempt to reason with you about the facts of this matter. I've tried that before. I am going to talk to you about the aspects of the Green amendment which will affect the business community, the consumers, and the people of this country, and I want you to consider it on that basis.

Who participates in the depletion allowance? The facts of life are that every single mineral extractable in this country enjoys percentage depletion to one extent or the other. Then the question is who benefits? Everywhere that percentage depletion applies to these extractable minerals, it means, in effect, a benefit to the consumer, because it means that it provides a lower cost product, a lower priced product to the consumer. It is a subsidy to the consumer.

We, of course, ask ourselves then who is for depletion and who is against depletion. The facts of life, the truth, is that everybody is for depletion, including the gentleman from Pennsylvania (Mr. GREEN), because the Green amendment proposes to continue exemptions, continuation of the depletion in the instance of contract natural gas which goes to Philadelphia through "Big Inch" pipelines from Louisiana, Texas, and some other places.

The reason he is for continuing that exemption and allow depletion on that gas, simply, is that he knows that if depletion is denied that contract gas, these contracts are going to be reopened, they are going to be renegotiated, prices are going higher and his consumers will have to pay more for that gas. He cannot explain that to his constituents so he wants to close all the so-called loopholes except the one he benefits from.

So, is depletion a loophole? You bet it is to the man who does not understand it. He wants to keep that loophole he benefits from. That is what a loophole is, a tax deduction, a tax treatment which somebody else has and I do not have. That is what the gentleman from Pennsylvania is interested in in this particular case. Otherwise, he would not single out just oil. He would be just as interested——

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. The gentleman can speak in opposition to the preferential motion. I presume he will do that. The rules provide that he can speak in opposition to the preferential motion. He can get his time then.

The question now is who is against depletion and the answer is those who do not understand it and are dictated to by their emotions.

So, why single out oil? Why not coal? They have coal in Pennsylvania. Coal gets 10 percent depletion. Everybody says oil and gas are responsible for higher prices for electricity. It is not just oil and gas. Forty-five percent of all generating facilities in this country are fueled with coal. Others are not fueled necessarily with gas or fuel oil. Some of them are nuclear and some are hydroelectric.

But, is it when we apply it to coal a loophole? Of course it is not a loophole. That is different.

Then, the idea is advanced that people in the oil and gas business are making too much money. What is wrong in America today with making money? Is there something wrong with making money? Of course not, but if they are making too much, we are going to take care of that with the windfall profits tax in the House Committee on Ways and Means where the gentleman serves.

But, they are not making too much money. The Senate has just done a study, and they have concluded that the oil industry pays taxes at the same rate that the rest of the industry does in this country, and that their profits are not excessive. That is not an industry study; that is a Senate committee study.

The idea is to tax away profits. Profits from whom? Individuals, big individuals do not own the oil companies any more. A study has shown that the six largest oil companies in America today are owned by more than 14 million shareholders. So, if we are going to tax away profits and cut profits by cutting depletion, and in turn provide higher cost products to the consumers, you are going to be reducing individual shareholder income because they are the people who own these oil companies now.

So, I say to you and to the gentleman from Florida (Mr. GIBBONS), who said that when oil was $2 a barrel they needed depletion, but not now that oil is $11 a barrel. When oil was $2 a barrel, they estimated that we could build the Alaskan pipeline for $900 million. They estimate now that it is going to cost over $6 billion. With oil at $11, that is not even a 6 to 1 proportion, but that is what has happened with respect to the cost of, not just oil, but the cost of producing oil and everything the industry does.

The great law of good economics is never sell a depletable resource item for less than its replacement cost. So if you vote against the Wilson amendment, you are going to be voting for higher priced products and for less production. This will aggravate our efforts to increase domestic production and be counterproductive. It will hasten the day when other minerals will be denied depletion. You had better look beyond the ends of your noses.

How many of you Members who are willing to get rid of oil and gas depletion would be willing to get rid of all depletion for all other minerals or for example accelerated depreciation or straight line depreciation, in the instance of commercial real estate? The principle is the same. Your answer is of course that I am meddling now. That is different you say. But I know your mood and will not be surprised at your vote today or your double standard.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the preferential motion. I cannot believe the gentleman is serious. What he is promoting is that we strike the enacting clause of this whole tax proposal, and I think no one here could go home, really, in good conscience, having voted for that kind of a measure.

So I hope that by voice vote we can vote down this motion.

Mr. Chairman, I yield to the gentleman from Pennsylvania (Mr. GREEN).

Mr. GREEN. Mr. Chairman, I thank the gentleman for yielding. I will be very brief.

The gentleman from Louisiana (Mr. WAGGONNER) says that I am for depletion. I am not for depletion, but I have created two exemptions in my amendment of a temporary nature, one for 18 months, for those gas and oil companies which are regulated, and not getting the kind of prices that these others companies have been getting; and also those in a fixed-

price contract, many of them written a long time ago, when the price structure was different.

But if the contracts are renegotiated, they lose that, and they automatically lose the 18 months if they are regulated.

Second, it is not simply a question of people making money. It is where the taxpayers of this country are going to be asked to subsidize those people who are really making plenty of money.

Mr. ULLMAN. Mr. Chairman, I yield briefly to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I oppose the preferential motion. I think as the Members know, I supported generally the chairman's position in respect to this bill. I am for the bill, and I shall probably vote for it in any manner in which it is amended, but I think it would be best amended in such a manner that it will work to continue the production of oil in this country through those who are really making the explorations. It is not a question of whether one is for the depletion allowance or not. It is whether or not one ought to rock the industry in a sufficient amount to reduce the production of oil in the United States.

Mr. ULLMAN. Mr. Chairman, how many people understand the implications of the Green amendment? I think this implication clearly indicates that the Green amendment should be voted down, and certainly the Wilson amendment, and all of the amendments thereto, should be voted down.

How many know what the implications are, unless we in the committee can deal equitably with them, and bring a measure that we can all rely on?

I ask the Members to vote down all of these extraneous amendments.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Louisiana (Mr. WAGGONNER).

The preferential motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ARCHER), to the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ARCHER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. ARCHER TO THE AMENDMENT BY CHARLES WILSON OF TEXAS

Mr. ARCHER. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON).

The Clerk read as follows:

Amendment offered by Mr. ARCHER to the amendment offered by Mr. CHARLES WILSON of Texas: Page 3, strike out subparagraph (C) (in lines 6 through 17) and insert the following:

"(C) REGULATED NATURAL GAS.—The term 'regulated natural gas' means natural gas subject to the jurisdiction of the Federal Power Commission with respect to the sale or transportation of which an order or certificate of the Federal Power Commission is in effect (or a proceeding for the issuance of such an order or certificate has been instituted), if price is taken into account directly or indirectly in the issuance of such order or certificate.

"(3) TERMINATION OF REGULATED NATURAL GAS EXEMPTION.—In the case of regulated natural gas, if the summary of prices published pursuant to paragraph (4) for any calendar year shows—

"(A) an average price per 1,000 cubic feet of regulated natural gas which equals or exceeds,

"(B) one-sixth of the average price per barrel of domestic crude oil not subject to Federal price control,

then the allowance for depletion shall be computed for all periods after December 31 of such calendar year without reference to paragraph (1)(A).

"(4) COMPILATION OF DATA WITH RESPECT TO PRICES OF REGULATED NATURAL GAS AND DOMESTIC CRUDE OIL.—For each calendar year beginning after December 31, 1974, the Secretary or his delegate shall compile data establishing—

"(A) the average sales price per 1,000 cubic feet of regulated natural gas sold during such year, and

"(B) the average sales price per barrel of domestic crude oil not subject to Federal price control which is sold during such year. Within 90 days after the close of any such calendar year (or, if later, within 90 days after the date of the enactment of this Act), the Secretary or his delegate shall publish a summary of such data in the Federal Register. Any such summary so published shall be final and conclusive.

"(5) AUTHORIZATION TO COMPILE DATA.—

"(A) DATA FROM EXECUTIVE AGENCIES.—In compiling the data required under paragraph (4), the Secretary or his delegate is authorized to receive directly from any other executive department or agency of the United States information and statistics necessary for the compilation of such data. Such other executive department or agency shall furnish any such requested information and statistics directly to the Secretary or his delegate.

"(B) PURCHASERS AND SELLERS TO FURNISH INFORMATION.—If no other executive department or agency of the United States is able to furnish the Secretary or his delegate the information and statistics from which the data required under paragraph (4) can be compiled, the Secretary or his delegate may by regulation require purchasers and sellers of domestic crude oil and regulated natural gas to make such reports of sales, volumes, prices, and related information as may be necessary to compile the data required under paragraph (4)."

Mr. ARCHER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Mr. Chairman, I certainly have a great deal of agreement with what the gentleman from Oregon (Mr. ULLMAN), the chairman of our committee, just said a few moments ago, that the place for all of this consideration on energy matters is particularly and properly in the normal legislative process. Unfortunately, we are not permitted that today.

However, we do have an opportunity to vote on this amendment, which was considered in exactly that way, because the amendment which I offer now is exactly what the Committee on Ways and Means reported out last year after months of deliberations with respect to natural gas.

My amendment would simply continue the provisions in the Wilson amendment and in the Green amendment retaining the depletion allowance on gas regulated by the Federal Power Commission without cutting it off on July 1, 1976.

I have checked with the Federal Power Commission this week, and I find they do not have in their formula a provision for passing through the economic value of the depletion allowance, and the depletion allowance is not considered in the sense of the pricing of natural gas.

If we do not adopt my amendment to continue the depletion allowance in cases where the price is artificially regulated below the market price, the losers are going to be those at the end of the pipeline, those who are up here on the east coast and in the Midwest, because the gas economically cannot be produced at the requested lower price and put into those pipelines. I think it is very important that we realize what this result might be.

In addition, that gas which is put through will ultimately be higher in price to the consumer because of the economic value of the depletion allowance must be passed on in higher prices or ultimately one day there will be no gas whatsoever in the pipelines. Again, it is a question of competing in the capital markets for the available funds to do a job. If one cannot produce an economic return, the job will not be done.

So I think that the consumer has much at stake, particularly the consumer in the Midwest and the consumer in the Northeast, in the enactment of my amendment, which would continue the depletion allowance on natural gas which is subject to Federal Power Commission price control.

Once the price control is lifted and gas is deregulated, then, of course, this amendment would have no force or effect. Also, if the Federal Power Commission does raise the price of natural gas to a point where it is equivalent on a Btu basis with the price of new oil, then this amendment will be of no force and effect.

The amendment has been carefully considered by the Committee on Ways and Means; it has been found to be sound, and it was incorporated in our energy bill last year.

Mr. Chairman, I urge adoption of the amendment.

Mr. MIKVA. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas.

The Green amendment adequately takes care of those natural gas producers who, with existing regulation, have entered into fixed price contracts based on the depletion allowance which they now have and which they could lose if the Green amendment is adopted, with or without the Wilson amendment.

What this amendment does is to create—in perpetuity—for all practical purposes a depletion allowance for natural gas producers. What it says is that until the price of natural gas reaches a relation of 4 to 1 or 3 to 1 to oil, until that time gas producers will continue to get depletion.

I would point out that at this point

free oil is selling at approximately $10 or $11 a barrel. That means that the price of natural gas would have to go to approximately $1.67, as I read the amendment, before producers would lose this depletion allowance. This means that not only are we creating a "ma and pa" exception if we adopt the Wilson amendment but if we adopt the Archer amendment to the Wilson amendment, we are creating a permanent natural gas depletion exception for everybody in the natural gas business.

Mr. Chairman, for all intents and purposes this is saying that natural gas will continue to get depletion even if we decide to take it away from the oil companies.

Mr. ARCHER. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I will be glad to yield to the gentleman from Texas.

Mr. ARCHER. The gentleman failed to mention that this amendment would not take effect if natural gas were deregulated, irrespective of what the price happened to be. Second, when the gentleman mentions $1.67, I would point out to the gentleman that today in Texas, Louisiana, Mississippi, and Alabama, in many instances natural gas is already selling for well over $1.67 for 1,000 cubic feet.

Mr. MIKVA. Mr. Chairman, I would merely point out to the gentleman from Texas that he determines the gas price by reference to the price of oil not subject to Federal price control. That means that that price would only be determined by the free price of oil. I do not know when this Congress is going to deregulate natural gas in its entirety.

I would point out again that the gentleman from Pennsylvania (Mr. GREEN) has adequately allowed for those gas producers who had entered into fixed contracts based on the depletion allowance. We are not going to treat them retroactively. We are going to give them an allowance in time to adjust to the depletion allowance being taken away.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ARCHER) to the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARCHER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 157, noes 254, answered "present" 1, not voting 20, as follows:

[Roll No. 31]

AYES—157

Abdnor	Buchanan	Coughlin
Alexander	Burgener	Crane
Andrews, N. Dak.	Burleson, Tex.	Daniel, Dan
Archer	Butler	Daniel, Robert W., Jr.
Armstrong	Byron	de la Garza
Ashbrook	Carter	Derwinski
Bauman	Casey	Devine
Beard, Tenn.	Cederberg	Dickinson
Boggs	Clancy	Downing
Bowen	Clausen, Don H.	Duncan, Tenn.
Breaux	Clawson, Del	Edwards, Ala.
Breckinridge	Cleveland	English
Brinkley	Cochran	Erlenborn
Brooks	Collins, Tex.	Esch
Brown, Ohio	Conable	Eshleman
Broyhill	Conlan	Flowers
Frey	McClory	Sebelius
Ginn	McCollister	Shipley
Goldwater	McDonald	Shriver
Gonzalez	McEwen	Shuster
Goodling	Madigan	Skubitz
Grassley	Mahon	Slack
Guyer	Mann	Smith, Nebr.
Hagedorn	Martin	Spence
Hammer-schmidt	Mathis	Stanton, J. William
Hansen	Melcher	Steed
Harsha	Michel	Steelman
Hastings	Milford	Steiger, Ariz.
Hébert	Miller, Ohio	Steiger, Wis.
Hightower	Mollohan	Stephens
Hillis	Montgomery	Stratton
Hinshaw	Moore	Stuckey
Holt	Moorhead, Calif.	Symms
Hutchinson	Murphy, N.Y.	Talcott
Hyde	Myers, Ind.	Taylor, Mo.
Ichord	Myers, Pa.	Teague
Jarman	Natcher	Thone
Johnson, Colo.	O'Brien	Thornton
Johnson, Pa.	Passman	Treen
Jones, Okla.	Pickle	Vander Jagt
Kasten	Poage	Waggonner
Kazen	Quie	Wampler
Kelly	Quillen	White
Kemp	Regula	Whitehurst
Kindness	Rhodes	Whitten
Krueger	Risenhoover	Wiggins
Lagomarsino	Roberts	Wilson, Bob
Landrum	Robinson	Winn
Latta	Runnels	Wright
Levitas	Ruppe	Young, Alaska
Long, La.	Satterfield	Young, Tex.
Lott	Schneebeli	
Lujan	Schulze	

NOES—254

Adams	Edwards, Calif.	Lloyd, Calif.
Addabbo	Eilberg	Lloyd, Tenn.
Ambro	Emery	McCormack
Anderson, Calif.	Evans, Colo.	McDade
Anderson, Ill.	Evans, Ind.	McFall
Andrews, N.C.	Evins, Tenn.	McHugh
Annunzio	Fascell	McKay
Ashley	Findley	McKinney
Aspin	Fish	Macdonald
AuCoin	Fisher	Madden
Badillo	Fithian	Maguire
Bafalis	Flood	Matsunaga
Baldus	Florio	Mazzoli
Baucus	Foley	Meeds
Beard, R.I.	Ford, Mich.	Metcalfe
Bedell	Ford, Tenn.	Meyner
Bennett	Forsythe	Mezvinsky
Bergland	Frenzel	Mikva
Bevill	Fulton	Miller, Calif.
Biaggi	Fuqua	Mineta
Biester	Gaydos	Minish
Bingham	Giaimo	Mink
Blanchard	Gibbons	Mitchell, Md.
Blouin	Gilman	Mitchell, N.Y.
Boland	Gradison	Moakley
Bolling	Green	Moffett
Bonker	Gude	Moorhead, Pa.
Brademas	Haley	Morgan
Brodhead	Hall	Mosher
Broomfield	Hamilton	Moss
Brown, Calif.	Hanley	Mottl
Burke, Calif.	Hannaford	Murphy, Ill.
Burke, Fla.	Harkin	Neal
Burke, Mass.	Harrington	Nedzi
Burlison, Mo.	Harris	Nichols
Burton, John L.	Hawkins	Nix
Burton, Phillip	Hayes, Ind.	Nolan
Carney	Hays, Ohio	Nowak
Carr	Hechler, W. Va.	Oberstar
Chisholm	Heckler, Mass.	Obey
Clay	Hefner	O'Hara
Cohen	Heinz	O'Neill
Collins, Ill.	Helstoski	Ottinger
Conte	Henderson	Patman
Conyers	Hicks	Patten
Corman	Holtzman	Pattison, N.Y.
Cornell	Horton	Pepper
Cotter	Howard	Perkins
D'Amours	Howe	Peyser
Daniels, Dominick V.	Hubbard	Pike
Danielson	Hughes	Pressler
Davis	Hungate	Preyer
Delaney	Jacobs	Price
Dellums	Jeffords	Pritchard
Dent	Jenrette	Railsback
Derrick	Jones, Ala.	Randall
Diggs	Jones, N.C.	Rangel
Dingell	Jones, Tenn.	Rees
Dodd	Jordan	Reuss
Downey	Karth	Richmond
Drinan	Kastenmeier	Riegle
Duncan, Oreg.	Keys	Rinaldo
du Pont	Koch	Rodino
Early	Krebs	Roe
Eckhardt	LaFalce	Rogers
Edgar	Leggett	Roncalio
	Lehman	Rooney
	Lent	Rose
Rosenthal	Spellman	Waxman
Roush	Stanton, James V.	Weaver
Roybal	Stark	Whalen
Russo	Stokes	Wilson, Charles H., Calif.
Ryan	Studds	Wilson, Charles, Tex.
St Germain	Sullivan	Wirth
Santini	Symington	Wolff
Sarasin	Taylor, N.C.	Wydler
Sarbanes	Thompson	Wylie
Scheuer	Traxler	Yates
Schroeder	Tsongas	Yatron
Seiberling	Udall	Young, Fla.
Sharp	Ullman	Young, Ga.
Sikes	Van Deerlin	Zablocki
Simon	Vander Veen	Zeferetti
Sisk	Vanik	
Smith, Iowa	Vigorito	
Snyder	Walsh	
Solarz		

ANSWERED "PRESENT"—1

Bell

NOT VOTING—20

Abzug	Fraser	Mills
Barrett	Holland	Murtha
Brown, Mich.	Johnson, Calif.	Patterson, Calif.
Chappell	Ketchum	Rostenkowski
Fenwick	Litton	Rousselot
Flynt	Long, Md.	Staggers
Fountain	McCloskey	

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. CHARLES WILSON) to the amendment offered by the gentleman from Pennsylvania (Mr. GREEN).

RECORDED VOTE

Mr. CHARLES WILSON of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 197, noes 216, not voting 19, as follows:

[Roll No. 32]

AYES—197

Abdnor	Edwards, Ala.	Lott
Alexander	English	Lujan
Anderson, Calif.	Esch	McCollister
Andrews, N. Dak.	Eshleman	McDonald
Archer	Evans, Colo.	McEwen
Armstrong	Findley	McKay
Ashbrook	Fish	McKinney
Bafalis	Flowers	Macdonald
Baucus	Foley	Madigan
Bauman	Frey	Mahon
Beard, Tenn.	Ginn	Martin
Bell	Goldwater	Mathis
Bevill	Gonzalez	Melcher
Biaggi	Goodling	Meyner
Bingham	Grassley	Milford
Blouin	Guyer	Miller, Ohio
Boggs	Haley	Mollohan
Bowen	Hammer-schmidt	Montgomery
Breaux	Hansen	Moore
Breckinridge	Hastings	Moorhead, Calif.
Brinkley	Hayes, Ind.	Morgan
Brooks	Hays, Ohio	Murphy, N.Y.
Brown, Ohio	Hébert	Myers, Ind.
Broyhill	Hicks	Natcher
Buchanan	Hightower	Nichols
Burgener	Hinshaw	Nowak
Burleson, Tex.	Holt	O'Brien
Butler	Howe	O'Hara
Byron	Hutchinson	Passman
Carter	Hyde	Patman
Casey	Ichord	Pattison, N.Y.
Cederberg	Jarman	Perkins
Clancy	Johnson, Colo.	Pickle
Clausen, Don H.	Johnson, Pa.	Pike
Clawson, Del	Jones, Ala.	Poage
Cochran	Jones, Okla.	Preyer
Collins, Tex.	Jones, Tenn.	Price
Conlan	Jordan	Quillen
Crane	Kasten	Railsback
Daniel, Dan	Kazen	Regula
Daniel, Robert W., Jr.	Kelly	Rhodes
de la Garza	Kemp	Risenhoover
Dent	Kindness	Roberts
Derwinski	Krebs	Robinson
Devine	Krueger	Rogers
Dickinson	Lagomarsino	Roncalio
Dingell	Landrum	Rose
Downing	Latta	Runnels
Duncan, Tenn.	Lehman	Ryan
Eckhardt	Levitas	Santini
	Long, La.	Sarasin

UMI

Satterfield	Stephens	White
Schroeder	Stratton	Whitehurst
Schulze	Stuckey	Whitten
Sebelius	Symington	Wiggins
Shipley	Symms	Wilson, Bob
Shriver	Talcott	Wilson, Charles, Tex.
Shuster	Taylor, Mo.	Winn
Simon	Teague	Wirth
Sisk	Thone	Wright
Skubitz	Thornton	Wylie
Slack	Traxler	Yatron
Smith, Nebr.	Treen	Young, Alaska
Stanton, J. William	Vander Jagt	Young, Ga.
Steed	Vander Veen	Young, Tex.
Steelman	Waggonner	Zeferetti
Steiger, Ariz.	Wampler	

NOES—216

Adams	Ford, Tenn.	Moss
Addabbo	Forsythe	Mottl
Ambro	Frenzel	Murphy, Ill.
Anderson, Ill.	Fulton	Myers, Pa.
Andrews, N.C.	Fuqua	Neal
Annunzio	Gaydos	Nedzi
Ashley	Giaimo	Nix
Aspin	Gibbons	Nolan
AuCoin	Gilman	Oberstar
Badillo	Gradison	Obey
Baldus	Green	O'Neill
Beard, R.I.	Gude	Ottinger
Bedell	Hagedorn	Patten
Bennett	Hall	Pepper
Bergland	Hamilton	Perser
Biester	Hanley	Pressler
Bingham	Hannaford	Pritchard
Blanchard	Harkin	Quie
Blouin	Harrington	Randall
Boland	Harris	Rangel
Bolling	Harsha	Rees
Bonker	Hawkins	Reuss
Brademas	Hechler, W. Va.	Richmond
Brodhead	Heckler, Mass.	Riegle
Broomfield	Hefner	Rinaldo
Brown, Calif.	Heinz	Rodino
Burke, Calif.	Helstoski	Roe
Burke, Fla.	Henderson	Rooney
Burke, Mass.	Hillis	Rosenthal
Burlison, Mo.	Holtzman	Roush
Burton, John L.	Horton	Roybal
Burton, Phillip	Howard	Runpe
Carney	Hubbard	Russo
Carr	Hughes	St Germain
Chisholm	Hungate	Sarbanes
Clay	Jacobs	Scheuer
Cleveland	Jeffords	Schneebeli
Cohen	Jenrette	Selberling
Collins, Ill.	Johnson, Calif.	Sharp
Conable	Jones, N.C.	Sikes
Conte	Karth	Smith, Iowa
Conyers	Kastenmeier	Snyder
Corman	Keys	Solarz
Cornell	Koch	Spellman
Cotter	LaFalce	Spence
Coughlin	Leggett	Stanton, James V.
D'Amours	Lent	Stark
Daniels, Dominick V.	Lloyd, Calif.	Steiger, Wis.
	Lloyd, Tenn.	Stokes
Danielson	McClory	Studds
Davis	McCormack	Sullivan
Delaney	McDade	Taylor, N.C.
Dellums	McFall	Thompson
Derrick	McHugh	Tsongas
Diggs	Madden	Udall
Dodd	Maguire	Ullman
Downey	Mann	Van Deerlin
Drinan	Matsunaga	Vanik
Duncan, Oreg.	Mazzoli	Vigorito
du Pont	Meeds	Waxman
Early	Metcalfe	Weaver
Edgar	Mezvinsky	Whalen
Edwards, Calif.	Michel	Wilson, Charles H., Calif.
Ellberg	Mikva	
Emery	Miller, Calif.	Wolff
Erlenborn	Mineta	Wydler
Evans, Ind.	Minish	Wylie
Evins, Tenn.	Mink	Yates
Fascell	Mitchell, Md.	Yatron
Fisher	Mitchell, N.Y.	Young, Fla.
Fithian	Moakley	Zablocki
Flood	Moffett	
Florio	Moorhead, Pa.	
Ford, Mich.	Mosher	

NOT VOTING—19

Abzug	Fraser	Murtha
Barrett	Holland	Patterson, Calif.
Brown, Mich.	Ketchum	Rostenkowski
Chappell	Litton	Rousselot
Fenwick	Long, Md.	Staggers
Flynt	McCloskey	
Fountain	Mills	

So the amendment to the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Flynt for, with Ms. Abzug against.
Mr. Staggers for, with Mr. Fraser against.
Mr. Litton for, with Mr. Fountain against.
Mr. Rousselot for, with Mrs. Fenwick against.

The result of the vote was announced as above recorded.

Mr. FLYNT. Mr. Chairman, I oppose the Green amendment to repeal the percentage depletion allowance for oil and gas effective January 1, 1975, and I do so because I strongly believe that this is neither the time nor place for the Congress to act on the depletion allowance issue.

The fundamental purpose of the tax cut package, reported by the Ways and Means Committee, is to provide stimulus to the economy. To maximize the effectiveness of the pending proposal, the tax rebate and the tax reductions must be enacted as quickly as it is humanly possible to do. To add to the committee bill the proposed depletion allowance amendment may well delay final action on these tax cuts and jeopardize the emergency economic stimulation that H.R. 2166 was designed to provide.

On March 3, 1975, the Ways and Means Committee will begin consideration of our energy situation, including tax policy in the energy sector. In my judgment, the depletion allowance issue should be considered not as a piecemeal amendment to an emergency tax reduction measure but in the context of a comprehensive energy bill that the committee will only 4 days from now begin work on. We all know that the committee last year recommended a phaseout of percentage depletion on domestic oil and gas production, and it may well do so again. Regardless of individual feelings on the soundness of the depletion allowance, a change in current provisions should not be included in the tax cut package before us but rather in a cohesive energy package to be forthcoming from the Ways and Means Committee. For these reasons, I urge my colleagues to reject the Green amendment.

Mr. OBERSTAR. Mr. Chairman, I rise in support of the Green amendment and in opposition to the Wilson amendment. We have heard many arguments why we should not at this time in the context of this tax reduction bill take this step. It has been argued that the Senate will filibuster the tax reduction bill to death and, if by some miracle it does pass both bodies, the President will veto it in any event.

What matters is what we do here today, not what the other body or what the President may do. Those are arguments that have been used repeatedly to delay and ultimately kill actions of this kind and I do not want to fall victim to that strategy.

What the people are looking for in this great deliberative body of ours is an act of unmitigated courage. Just once let us all stand up and be counted on a tough decisive issue.

Public tax and energy enemy No. 1 in my district is the oil depletion allowance. Public patience is at an end with those who for years have called for an end to the oil depletion allowance but have done nothing about it.

Today, we have a golden opportunity to take that step: to take some of the sting out of the energy crisis; and to make those who have profited most from the energy crisis begin at long last to pay their fair share.

The issue is big oil, to make no mistake about it. The big oil companies have had too much of a hand in the tax and energy policy of this country in the past and today we have the unique opportunity to return that power to the people where it really belongs.

We have heard a lot of talk about the effects of this amendment on the "little" oilmen. What I am concerned about is the real little people of this country. Those who have no one to protect them except us—their elected representatives—and I am talking about the working men and women who have been paying the freight of the energy crisis. They want and deserve tax equity. The Green amendment would not give them all the equity they deserve, but it will give them assurance that we do care and that we in the Congress are doing something about the oil depletion allowance, which is the symbol of tax loopholes and tax inequity in this country. I urge this body to act without further delay; pass the Green amendment; end once and for all the oil depletion allowance.

Mrs. LLOYD of Tennessee. Mr. Chairman, I rise in support of the Green amendment which seeks to end the 22-percent depletion allowance for oil and gas. This loophole, by far the largest in the Federal tax structure, costs the American taxpayer $3 billion per year. The lost revenue, which must be compensated for by higher taxes on individual incomes, goes into the pockets of the oil companies.

For years the oil companies have justified this allowance on the basis of the expenses they incur in prospecting for oil. However, despite the fact that revenues from the oil depletion allowance have increased dramatically in recent years, the amount of exploratory drilling done by the major oil companies has dropped 50 percent in the last 15 years. The Treasury Department found that $150 million worth of oil reserves were discovered during 1969. Revenue loss attributable to the oil depletion allowance that year was $1.4 billion, or a cost ratio of $10 in lost revenue to $1 in new oil discoveries.

In 1973, the most recent year for which complete figures are available, oil prices averaged $7.50 per barrel, an increase of nearly $4 per barrel. This increase resulted in $9 billion of profits for the oil companies, $7 billion more than they received under the oil depletion allowance in 1973.

Oil producers continue to press for the depletion allowance tax subsidy despite the fact that prices have continued to rise at the gas pump and oil company profits for 1974 were even higher than those of the preceding year.

Mr. Chairman, there is no justification for saddling the American taxpayer with the additional burden of supporting an oil industry dedicated solely to increasing its enormous profits at the expense of the individual taxpayer.

Mr. MOFFETT. Mr. Chairman, I rise in support of the Green amendment. The public interest often requires our Government's involvement in the marketplace. It is clear, however, that there are instances in which the Nation is best served by the removal of wasteful and inequitable Government involvement. One such instance is the oil depletion tax loophole that in effect provides billions of dollars each year in Federal subsidies to the oil producing industry. The consumer is cheated twice by this subsidy, on the tax bill and at the filling station.

Corporations are supposed to pay a 48 percent Federal income tax. But oil companies are allowed to ignore for tax purposes 22 percent of their gross income from each well. The cost to taxpayers of this loophole has been estimated at $3 billion for calendar year 1975. Meanwhile, the oil companies continue to reap "windfall" profits.

The rationale that the depletion allowance was necessary to insure full production of domestic oil has been proven bankrupt. Evidence suggests that substantial reserves have been withheld from the market in order to manufacture shortages and drive the prices higher. Furthermore, there is considerable evidence that the depletion allowance has actually had the effect of decreasing domestic production, by encouraging wasteful drilling practices and discouraging exploration.

According to a Treasury Department study, about 42 percent of the allowance goes either to foreign and domestic landowners who receive royalties from oil companies even though they do not produce oil, or else to foreign producers. That portion which does go to domestic oil producers provides a strong incentive, not for efficiency and exploration, but rather for the abandonment of wells before they are dry, and for the safe and profitable reliance on known fields.

Only about 1 out of 10 exploratory wells is productive—and, therefore, eligible under the depletion allowance—so the major companies tend to indulge in the overdrilling of known reserves, where the depletion subsidy is guaranteed. This practice is wasteful in that it may decrease the pressure which forces the oil toward the surface.

The only limitation on the depletion allowance encourages companies to cap wells that still hold oil. No more than 50 percent of the net income from each well may be subtracted under the allowance. The effect of this limitation is to give the greatest tax subsidy to the most profitable wells, and to discourage producers from operating less profitable—but still productive—wells. The oil companies earn large profits by "skimming the cream" off of a well and then abandoning it when it is partially pumped.

Perhaps the most damning argument against the oil depletion allowance is that it encourages monopoly and vertical integration in an industry where the top eight companies already control one-half of the drilling, refining, and gas sales in the country. Many of the largest companies earn their massive profits by selling the crude oil to themselves. The majors produce, transport, and market their product in a controlled chain reaching from the well to the gas station. We hear much of the blame for the present economic situation being placed upon the elusive middleman, but in this case, the oil company is not only the middleman, but frequently the wholesaler and the retailer as well.

Through this highly questionable process, the oil company can determine at precisely which points in the chain it wants to make its profit. This, therefore, occurs at the initial sale of crude oil to the refinery, since high profits at this point in the chain are not heavily taxed, due to the depletion allowance among other loopholes. By taking its profit on this sale, the industry retains a much greater share of the profits than if they had been earned at the filling station. The refiners always throw up their hands and claim that they must pay the posted price, but all to often this price level is set, not by market forces, but by intracorporate transaction posted by no one but the company itself.

The oil majors, therefore, want to maintain the depletion allowance, along with a large cost-price spread at the wellhead, since the entire system of vertical integration is based upon large profits at this point. I suggest that it is unconscionable and economically suicidal to discourage independent competition at a time when a handful of monolithic corporations are rapidly taking over the market and dividing it up among themselves. The disintegration of the vertically integrated system is a necessary first step toward a less wasteful, more equitable, more decentralized energy supply.

It would be wrong, however, to exempt nonintegrated companies from this repeal of the depletion allowance. For one thing, the integrated companies would soon find a way to squeeze through such a loophole by semilegal manuevering. More importantly, the independents do not need the allowance any more than the majors. The recent price hikes have resulted in excess profits for many of the independents, since they are doing the exploration, and, therefore, control a larger share of the uncontrolled oil. It is a mistake to go overboard on behalf of independents without discriminating between independent refiners and independent drillers. The former are being squeezed out of the market by the artificially high wellhead prices, while many of the latter are becoming quite wealthy for the same reason. An exemption of independent drillers would only make the situation worse, involving the Government in still more detrimental, biased intervention in the marketplace at the consumer's expense.

In attempting in our committees to work out a comprehensive energy program over the past few months, it has become clear that the depletion allowance stands squarely in the way of many of the most vital aspects of such a program. One such area is the development of energy alternatives. For example, the depletion allowances are based upon the value of the resource in the ground, rather than in processed form. This means that liquefied coal, which in its processed form may cost as much as oil, gets a very small depletion allowance, since coal in the ground is worth much less than oil. Of course, the depletion allowance provides no incentive at all for the development of such alternative sources as solar energy. It benefits only those who are engaged in using up our scarcest sources of energy for windfall profits, while actively discouraging the development of alternatives.

The administration in its energy program has proposed a so-called windfall profits tax. Aside from the fact that the President's tax does not even deserve that name, it is obvious that this is the wrong approach entirely. I am baffled by the logic of allowing the profits to pass through the loopholes on the one hand, and then trying to get the money back through complicated, unproductive windfall taxes on the other. The real solution to the problem of excess profits is simply to remove the loopholes and require the oil companies to pay their full share of taxes at the normal rate.

Several years ago, a Treasury Department study concluded that the oil depletion allowance, while costing taxpayers $1.4 billion annually, increased reserves by only $150 million. With rising prices, this gap has perhaps doubled. Given the current economic situation, the continuation of the depletion allowance just does not make sense. The time has come to stop the oil companies from relying on tax subsidies in order to reap unreasonable profits at the expense of the American consumer and taxpayer. Market prices are high enough to sustain a reasonable profit for the companies, and the market is where this transaction should take place; not in hidden costs to the public via tax loopholes. The oil industry cannot call for decreased regulation and continued subsidization in the same breath.

Mr. WHALEN. Mr. Chairman, I rise in support of the pending amendment offered by the gentleman from Pennsylvania (Mr. GREEN).

As I have stated on a number of occasions, it is my philosophy that in considering tax reforms, changes should be made only in those areas where there is ample evidence that the old program is no longer serving us well. In my opinion, the percentage depletion deduction is one of those areas. Certainly, in the last 2 years, the situation which spurred the allowance has changed drastically.

In 1973, domestically produced oil, selling from $3 to $3.25 per barrel, exceeded that of foreign oil which could be purchased at $2 per barrel. This price differential was due primarily to the fact that U.S. firms are high cost producers.

However, it was determined that our security interests required that our dependence on foreign oil should not be more than 20 percent of our needs. Therefore, in order to assure the continuation and expansion of U.S. production at a rate sufficient to provide at least 80 percent of the country's requirements, the following two policies were implemented.

First, continuing exploration and production were encouraged by allowing producers to capture a part of their drilling costs by deducting percentage de-

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pletion against total revenues. In this way, it was not necessary to charge higher prices in the market.

On the other hand, the second policy—oil import quotas—resulted in the American consumer paying higher prices. The quotas, which were imposed from the mid-1950's until 1973, brought the price Americans paid to $3 per barrel rather than the $2 price of foreign petroleum.

Today, in 1975, the situation to which those policies were addressed no longer exists. In fact, the price circumstances are reversed. The cost of foreign oil has increased to a point where it exceeds domestic prices. We must adjust to these new circumstances by abandoning the oil depletion allowance. Three reasons dictate that we do so.

First, it cannot be argued that U.S. security interests mandate the retention of the percentage depletion deduction.

Second, the continuation of the allowance will discriminate against alternative sources of energy which, in the case of some resources such as solar energy, are more plentiful and which, through technological developments, may be at least no more costly than the oil. For example, at the cost of $7 per barrel, oil is subsidized with the allowance in the amount of $1.30 per barrel. However, there would be no such subsidy for solar energy if the technique is developed to capture it and apply it for heating processes at a comparable Btu cost.

Third, by removing this deduction, we will not, in turn, discriminate against U.S. oil producers. Any loss that they will suffer by this change in the tax statutes will be offset by the price they now receive in the marketplace.

Therefore, Mr. Chairman, I join my colleague from Pennsylvania in urging that his amendment be adopted.

Mr. FITHIAN. Mr. Chairman, I rise today to emphasize once again the vital necessity of eliminating the oil depletion allowance. This giant tax loophole defrauds the American taxpayer of nearly $3.6 billion annually. It has been, without a doubt, the biggest tax giveaway in the history of this country. It must be ended and it must be ended now.

It has been argued that the oil depletion allowance is necessary to provide incentives for increased domestic production of oil. It is true that increased domestic production of all sources of energy is necessary and desirable. But the vicious irony of this argument is that depletion allowances also apply to overseas production of petroleum by American oil corporations. Overseas production of oil has been further subsidized by even larger tax benefits than for domestic production through foreign tax credits. Through this policy we have been subsidizing the very sources of oil from which we must become independent.

Special treatment of the oil industry has frequently been rationalized on the grounds that drilling for petroleum is an uncommonly risky proposition. Actually the depletion allowance bears little relationship to the actual costs incurred in the discovery of a particular oil well. Moreover, the oil and gas industry has no monopoly on business risks. The small businessman and farmer face financial uncertainties which equal the risks taken by the oilman. But even if the risks taken by the oil industry did exceed those involved in other business ventures, few businesses are favored by incentives which are so heavily weighted in favor of the large corporation over the small. This policy benefits the corporation which buys up producing wells but gives no help to the explorer who unsuccessfully drills for new wells. Thus the large integrated corporation is grossly favored over the small independent producer.

One test of the depletion allowance's effectiveness as an incentive to increased domestic production is the number of new oil finds and the number of new wells drilled. Both new oil finds and new drillings have declined since 1970 despite the abundant generosity we have shown the oil industry at tax time.

But most important, Mr. Chairman, is the fact that the American taxpayer has been unjustly forced to shoulder the tax burden of the oil industry. It is wrong that any special interest should benefit unduly from Federal tax policy. But it is intolerable that large integrated oil corporations like Texaco and Gulf have been getting away with paying effective Federal income tax rates of less than 3.2 percent while the base income tax rate for most small business is 44 percent and average working families pay between 12 and 24 percent.

Does it not, Mr. Chairman, boggle the mind that oil company profits, financed in part by special tax privileges, have skyrocketed to record heights when millions of Americans are unable to pay their taxes and millions more will be forced to dip into their life's savings? And consider what portion of our national debt could have been avoided if this segment of our economy had indeed been facing up to its tax responsibilities.

Mr. Chairman, the action which I hope to see accomplished in this body today is long overdue. For decades now, with no visible defenders in this House, this iniquitous system of legalized tax evasion has shifted, as if by sleight of hand, tax dollars in excess of three billion per year from the oil industry to the backs of those who have no powerful lobby. For decades opponents of the depletion allowance system have labored in vain to end this unjust tax policy. And for decades we have perfected into permanence a system which has long been outmoded. I do not ask for a penalizing or debilitating burden on oil companies. I ask only for equity. Equity for producers of other commodities, and equity for average working families who have dutifully paid more than their fair share of the tax burden.

It has been argued that the time is not right, that we should wait until energy policy is discussed to address ourselves to this problem. The truth is that the oil depletion allowance is a tax matter. Today we discuss a tax bill. It is germane. Moreover, it is just. And let us not delude ourselves. If this injustice cannot be ended now, as a part of a bill which provides a timely and overwhelmingly popular tax adjustment in favor of the American people, it surely cannot be dealt with in April when we enter into discussion of energy policy matters.

What better way to restore the faith of the American people in our institutions of government and free enterprise system; what better way to reestablish a fair tax system for all Americans; and what better way to forever refute the charge that this body cannot deal with our economic problems with speed and effectiveness?

Mr. Chairman, we have thought about many changes in the way this House conducts its business, changes which have already set this Congress apart from all others. Let us further distinguish this Congress from those before us by combining tax relief with the gift of tax fairness. Let us by this action prove false the charge of inaction. Let us strike a blow for the forgotten worker and businessman who shoulders his fair share of the tax burden. If we in the Congress fail him, where shall he find relief? If we cannot be fair on taxes, does fairness exist anywhere?

Let us gather the courage today to act in the interest of tax justice for all rather than in defense of ill-conceived tax privileges for the influential few. If we do not have enough backbone today to stand up to the special interests, then we will fail the American people.

Mr. FISHER. Mr. Chairman, the oil depletion allowance has had its day. It is no longer needed. It should be eliminated. Oil prices and profits are sufficiently high now to permit large reinvestments along with adequate returns to stockholders without the 22 percent depletion allowance that incidentally goes on and on and on, year after year.

Arguments on the tactics of eliminating the oil depletion allowance as an amendment to the tax cut bill have been flying back and forth. As a newcomer to the Congress I find it difficult to determine which side has the better of it, whether now is the time to get rid of this large and symbolic tax loophole or whether it has an easier chance of passing as part of an energy bill or a tax reform bill. The protagonists, I do believe, have fought to a draw.

So I come back to the substance of the issue: Should we vote down the oil depletion allowance now, with this bill, tactics apart? Here my answer is clear and straightforward: yes, we should vote to eliminate the depletion allowance now. This is a good time to do this good thing. There may never be a better time.

Turning now to the bill (H.R. 2166), the Tax Reduction Act of 1975, I am persuaded that it should be passed forthwith. The national economy needs this $21 billion stimulus. The growing number of unemployed need this help as do hard pressed business organizations. The total amount seems about right. Distributing the tax rebate on 1974 income taxes and the reduction on 1975 taxes predominantly to the low- and moderate-income persons is wise both to relieve hardship and promote spending. The substantial increase in the business investment tax credit and the raising of the amount of income of smaller firms not subject to the higher tax rate are justifiable. There could be other ways of achieving the same objectives but none I can think of would be preferable. We should get with it, vote for the bill, and hope that this measure will promptly become law. It can help mightily to reverse the downward trend of the economy.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise to concur in an opinion expressed by our colleague from Oregon, the distinguished chairman of the Ways and Means Committee (Mr. ULLMAN) that consideration of the oil depletion allowance question, in connection with the measure before us, is untimely and in his words, "a bad mistake."

Once again we are seeing the difficulty of the so-called Christmas tree bill. Modifying our tax structure to ease the burden on low- and middle-income families is too important to have extraneous, unrelated provisions tacked to the bill.

We are in a time of serious economic difficulty and, if we are to be able to continue what appears to be the beginning of our recovery, we must legislate reasonably and responsibly. We do not do so if we seek to give a tax break on the one hand with possibly harmful economc effects on the other.

It is up to the Ways and Means Committee to review these issues, as its chairman has promised it will do, before we vote on an issue of such importance. It is inappropriate to add the Green amendment to a tax relief bill. It can, and must, be able to stand alone.

As I see it, there are two significant problems in taking the approach that the gentleman from Pennsylvania (Mr. GREEN) and others have advocated.

First, inclusion of provisions dealing with percentage depletion on oil and gas production as a part of this bill only confuses and complicates our efforts to provide meaningful tax relief to those in the fixed-, low-, and middle-income brackets. At the very least, inclusion of such provisions will delay our best efforts to get tax rebates into the hands of the American consumer, to bolster their purchasing power and to get our economy moving again.

My concern is that insistence on retention of provisions to do away with percentage depletion, particularly as we begin to deal with our colleagues in the Senate, could seriously jeopardize this bill. I think most of my colleagues would agree with me that should this occur, we will have rendered a great disservice to our constituents by slowing down our efforts to revitalize the economy at a time when it is most important that we seek to build and maintain economic strength and stability.

Second, I will be quite candid with my colleagues in stating my conviction that this effort to repeal percentage depletion reflects an emotional commitment to punish the so-called big oil companies. What we really need is an objective, well thought out and comprehensive energy tax plan that will close tax loopholes and include investment incentives for energy production without unduly restricting the ability of our energy companies to invest sufficient capital to increase exploration and production activities.

In this regard, the fault I find with the approach of my colleague from Pennsylvania is that it fails to distinguish between the exploration and production activities of the "majors" and those of the "independents." Those who have a basic familiarity with the oil and gas industry understand that while both groups are important contributors in the search for and development of new oil and gas reserves, the "independents" play a particularly important role.

The independent segment of the oil and gas industry has drilled 9 out of every 10 new wells in the United States since 1969. This group involves literally thousands of small producers—virtually none of whom have the capital resources of the major energy companies. In fact, most independents operate on limited capital.

To many of these independent producers, loss of percentage depletion could result in economic disaster which would literally force them out of business, thereby reducing our domestic production when we need it the most. I can assure my colleagues that such a turn of events would have a drastic impact on oil and gas production and pricing, not only in California, where the independent has historically played a key role, but throughout the Nation. And we all know who will be forced to pay these higher costs—the already overburdened consumer.

With this background in mind, I urge my colleagues to support the amendment of my colleague from Texas (Mr. WILSON), which would exempt those independents producing less than 3,000 barrels per day. More than that, however, I would hope that in any future action we undertake to revise and restructure energy tax policy, we act not on the basis of emotion, but with the objective of encouraging maximum development of reasonably priced domestic oil and gas. If we carefully and objectively review this entire question, we just might find that taking punitive action against independent oil and gas producers would pinch the consumer's pocketbook even further.

Mrs. KEYS. Mr. Chairman, I rise in support of the Green amendment to repeal the 22-percent depletion allowance for oil and gas, effective January 1, 1975. I speak because I cannot remain silent about this matter.

If we accept the plea from the American people for responsibility in dealing with the economic crises of the day, then oil depletion in its entirety must be repealed and "'tis well 'twere done quickly." For too long our citizens have listened to promises of fairness and equity regarding our tax structure. For too long our citizens have listened to our expressed concern and watched our inaction. It is now time to act.

This is a tax bill and oil depletion is a tax issue. It is responsible to move quickly on this well-understood issue which has received full hearings over many past months in this body and in the public print as well.

It is responsible to end the depletion allowance at this time and to lessen the impact of the tax reduction bill on the budget deficit without lessening its full effective and fair impact on our economy and on our citizens.

It is responsile to quickly accomplish this urgent measure as a promise that we can and will provide promised legislation for real tax reform demanded of us by the American people.

I urge my colleagues in this body to join me in voting for the Green amendment.

For those in this Chamber who need further convincing about this matter, I would like to share a recent communication from one of my constituents:

TOPEKA, KANS.,
January 31, 1975.

DEAR MARTHA KEYS: At a time when we are all feeling the crunch of higher prices for energy, it makes me very angry to receive a letter like the one I'm enclosing which points out how to make a profit from the "tax haven" in oil and gas.

I urge you to close off this option for the rich to make money while those of us who earn less than $40,000 are scrimping to make ends meet!

Sincerely,

DAVID W. REID, M.D.

DEAR DOCTOR: No doubt you make more than $40,000 a year. That's why you should take a minute and read this.

No doubt you are paying a substantial amount of income tax—$$$$ that are gone forever. Few tax havens are left for you!!!! One tax haven that has withstood the wrath of the Federal Government is in the oil and gas industry.

We offer participations in sound drilling ventures which may be a place for your lost tax dollars. What we are talking about is a specific venture with a limited dollar input and a return based on production. With the increased prices for oil and particularly natural gas, the potential for profit is more attractive than ever. Due to the higher prices, many wells are being profitably produced today that would have been abandoned as noncommercial only a short time ago.

Opportunities available to you in the oil and gas field can be received by simply filling out the enclosed form and mailing it in the postage-free envelope.

BIG "D" OIL & GAS CO., INC.

BIG D OIL & GAS CO., INC.,
Dallas, Tex.

GENTLEMEN:

—— Yes
Send me immediately opportunities in oil & gas ventures.

—— No

Below is a declaration that establishes my qualifications to receive information and to participate in your program. My signature will indicate that I meet the governmental requirements regulating private investments in oil and gas drilling ventures.

Declaration (I have checked portions applicable to me.)

—— I have sufficient knowledge, experience and understanding of finance and business matters to evaluate a drilling program in oil and gas exploration or such knowledge and understanding is available to me through my consultants or representatives.

—— I have previously invested in oil and gas exploration and drilling programs.

—— I am financially able to invest in oil and gas exploration and drilling programs and have sufficient financial income so as to beneficially utilize such programs as a tax sheltered investment:

Please print:
Name:
Address:
City:
State:
Bus. Phone:
Res. Phone:
Best time to call:
Business or Occupation:
Date:
Signature:

Mr. FORD of Tennessee. Mr. Chairman, I intend to vote favorably on the Green amendment repealing the 22-per-

cent depletion allowance on oil and gas. This depletion allowance will cost the Public Treasury $3 billion this year. That would mean $3 billion will go into the pockets of oil company shareholders instead of meeting our urgent domestic needs—$3 billion we could spend on housing, health care, and education, instead of increased oil profits.

The oil companies argue that this special tax loophole, known as the oil depletion allowance, is necessary to encourage them to continue domestic exploration for new oil sources. Let me point out, however, that exploratory drilling in the United States during the last 15 years has declined by more than 50 percent anyway. This means that the American taxpayer is losing an average $1.4 billion a year in potential oil company taxes and gaining only $150 million in new oil reserves discovered. That is not what I call a fair exchange.

Nor do I have to remind anyone of the new higher prices we have experienced in all oil products. These fantastic price increases added over $9 billion in oil company profits in 1973. That figure must be much higher for 1974. We cannot determine that, however, because many oil companies have not reported their 1974 earnings yet. What we do know is that these excessive profits were much more significant to the oil companies than the $3 billion in tax breaks they fought so hard to preserve. It seems very clear to me that these record high profits should provide all the incentive any oil company needs for exploration of new oil sources.

I hope my vote today will help gain the American taxpayer at least $3 billion. I will put all my efforts into seeing that our domestic programs receive this "windfall profit." It is about time the oil companies were told that their "windfall profit' days are over. I urge my colleagues to cast votes in favor of the Green amendment.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA TO THE AMENDMENT OFFERED BY MR. GREEN

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Alaska to the amendment offered by Mr. GREEN: At the end of section 101 of the Green amendment, insert the following:

"ARCTIC CIRCLE EXEMPTION.—In the case of any well located north of the Arctic Circle, if the taxpayer elects the application of this subsection for the taxable year, then with respect to gross income from crude oil from such well before January 1, 1985, the percentage referred to in section 613(a) shall be 15 percent."

Mr. YOUNG of Alaska. Mr. Chairman, I come before the Members today to offer this amendment. My amendment, providing for the Arctic Circle exemption, would exempt wells north of the Arctic Circle from the repeal of the oil depletion allowance.

May I remind the Members that this exemption was in the bill from the Committee on Ways and Means as it was reported to this floor last year. May I remind the Members that at that time there was dual study put into this provision.

This has not been done, and I am saying to the Members now that if we are going to achieve Project Independence, we are going to have to find oil where oil has not been found before. The easy way to find domestic oil reserves has long passed. That oil has been discovered, and those wells are on their way to being depleted.

But in the remote Arctic, exploration is much more costly than anywhere else in the world. Should oil be found there, the exploration and production and transmission costs run into the tens of billions of dollars.

The gentleman from Louisiana (Mr. WAGGONNER) stated today that the cost of the trans-Alaska pipeline went from $900,000 to $6½ billion in 4 years. I will ask the Members to think about that for a moment.

A good example is this: I hear much talk on this floor of the opening of Pet 4. To open Pet 4 means that we are going to spend $238 million just for exploratory work.

As I mentioned before, I am going to ask the Members again to please consider the facts. The facts are that there are vast quantities of oil in Alaska, but the facts are that it takes a great deal of money to get that oil to the market.

I say to my good friend, the gentleman from Pennsylvania (Mr. GREEN), that I can tell him this: If we adopt the gentleman's amendment without my amendment, we will have Alaska in the hands of the major oil companies because we do not have the independents up there. With the adoption of my amendment, the independents will come to Alaska.

The 15 percent depreciation allowance is a compromise to the 22 percent, and there is a 10-year phase-out period.

Besides that, I would like to remind the Members of comparative costs. The comparative costs are $61 per man hour on the North Slope compared to $23 in west Texas; $150 a foot in the North Arctic compared to $15 a foot in west Texas. It takes $5.5 million for a 12,000-foot wildcat oil well on the North Slope. In west Texas it takes $600,000. For a 9,500 field development well, it takes $2.6 million on the North Slope and in west Texas it takes $350,000.

What I am saying here today is that you want our oil. I as a representative and the only representative from that State say that you can have our oil if you let us drill for it.

I ask for a short, 10-year perlod so that the oil fields can be developed on time and so that we can get 4.5 million barrels of oil a day by 1985 if my amendment is adopted. However, I tell the Members here today that if it is not adopted, that exploration will not take place in the Alaskan area as it should. True, the majors will have some benefit from this, but I want the independents to have the balance in that State, and right now they do not have it.

The pleas that the gentleman from Texas (Mr. CHARLES WILSON) made are absolutely apropos to this amendment here, and the pleas that those other Members made as far as concentrating the power is concerned are more apparent in my State than in any other State of the Union.

Mr. Chairman, I do urge the favorable consideration of this amendment so that we may get on with the show of independence, so that we can supply our own oil to our own people on time.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment.

Let me first commend the House for its good judgment thus far this afternoon, and a continuation of that good judgment will be to vote down this amendment and then to vote down the Green amendment.

The issue is delay. The issue is whether, in fact, we do get a tax cut into the stream of the economy now or whether we wait day after day after day and week after week in the other body while they develop an energy policy on this bill.

Therefore, Mr. Chairman, I urge the Members to vote down the Green amendment.

Mr. Chairman, I yield to the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I thank the chairman of the committee for yielding to me.

Mr. Chairman, I rise to oppose this deceptively attractive-looking little amendment that would seem to help Alaskan oil production.

Let me tell the Members what it does, and please understand me, I cast no aspersions at the gentleman from Alaska. Yesterday when he appeared before the Committee on Rules, he said he did not know a lot about oil; he was just there trying to protect his State. I commend him for that, but this is a very serious matter, and there is an awful lot of money riding on this.

We are talking about a benefit to the major oil companies, not to the independents, not even to the Texas-sized independents. We are talking about a benefit to the "Seven Sisters," if you please, the largest companies in the world, of $2.5 billion. That is what this amendment would do.

Picture, if you will, what we have got going in Alaska. The major oil companies decided a few years ago to develop the finds they had made in Alaska. In a few years oil will start flowing out through the pipeline that is being built with Japanese steel on which the oil companies received an investment credit, at the rate of 2 million barrels a day. This will be at 2 million barrels, times $10 a barrel per day; that is an awful lot of money.

But the tax savings that they would have out of all this, the money that they would put in their pockets and they never have to pay taxes on, would be $2.5 billion. But there would not be the first small individual independent involved in it at all. This is the major oil companies we are talking about.

Why cannot the small independents participate in this, even the Texas-sized independents? Because the major oil companies own the pipeline, and they cannot get oil out of Alaska, unless they bring it out in the pipeline, or in a tanker, or something like that.

So the pipeline controls the oil in Alaska, and the pipeline is owned by the majors. The majors are the ones that are developing it up there, they are the only ones that can survive. They agreed to develop it at $3 a barrel, and they will now get $10 a barrel. You know, God bless them, I am glad we are going to get the oil, but let us not give them everything while we are doing it.

I am not against oil companies, large or small. I think we ought to tax them like we tax every other business enterprise in America. We ought to let them make their profits as best they can. But there is no sense in further subsidizing the majors in this area.

I would like to say, as far as the Green amendment holding up this bill, that the Senate may not filibuster. I do not believe any Senator is going to filibuster too long when the issue is whether or not we will return to the taxpayers of this country $20 billion of their own money. I do not believe any Senator—or anyone in the House or Senate—is that narrow, that they would do that.

I believe the Green amendment should be adopted because it is a good amendment. It will be the first time in 50 years on this House floor that we will have a chance to vote on a repeal of depletion. So I believe it should be adopted, and then let it go to the Senate, and let the Senate work its own will. I believe the Senate can then overcome any procedural problems that they might have. If they do not, I am sure that this bill will become law anyway.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Alaska (Mr. YOUNG) to the amendment offered by the gentleman from Pennsylvania (Mr. GREEN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. YOUNG of Alaska. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 81, noes 329, not voting 22, as follows:

[Roll No. 33]

AYES—81

Alexander	Haley	Rhodes
Archer	Hammer-schmidt	Roberts
Beard, Tenn.	Hansen	Robinson
Boggs	Hightower	Rose
Breaux	Hutchinson	Runnels
Brinkley	Hyde	Satterfield
Brooks	Jarman	Schulze
Brown, Ohio	Johnson, Pa.	Sebelius
Buchanan	Jones, Okla.	Shriver
Burleson, Tex.	Kasten	Shuster
Butler	Kazen	Steiger, Ariz.
Casey	Kelly	Stuckey
Clancy	Kindness	Symms
Clawson, Del	Krueger	Teague
Collins, Tex.	Latta	Treen
Conlan	Lujan	Waggonner
Crane	McDonald	Wampler
Daniel, Dan	Madigan	White
Daniel, Robert W., Jr.	Mahon	Whitehurst
de la Garza	Michel	Wiggins
Devine	Moore	Wilson, Bob
Dickinson	Moorhead, Calif.	Wilson, Charles, Tex.
Erlenborn	Myers, Ind.	Winn
Forsythe	O'Brien	Wright
Gonzalez	Pickle	Young, Alaska
Goodling	Poage	Young, Tex.
Guyer	Quillen	
Hagedorn		

NOES—329

Abdnor	Fish	Miller, Calif.	Thone	Walsh	Wydler
Adams	Fisher	Miller, Ohio	Thornton	Waxman	Wylie
Addabbo	Fithian	Mineta	Traxler	Weaver	Yates
Ambro	Flood	Minish	Tsongas	Whalen	Yatron
Anderson, Calif.	Florio	Mink	Udall	Whitten	Young, Fla.
Anderson, Ill.	Flowers	Mitchell, Md.	Ullman	Wilson, Charles H., Calif.	Young, Ga.
Andrews, N.C.	Foley	Mitchell, N.Y.	Van Deerlin	Wirth	Zablocki
Andrews, N. Dak.	Ford, Mich.	Moakley	Vander Veen	Wolff	Zeferetti
Annunzio	Ford, Tenn.	Moffett	Vanik		
Armstrong	Frenzel	Mollohan	Vigorito		
Ashbrook	Frey	Montgomery			
Ashley	Fulton	Moorhead, Pa.			
Aspin	Fuqua	Morgan			
AuCoin	Gaydos	Mosher			
Badillo	Giaimo	Moss			
Bafalis	Gibbons	Mottl			
Baldus	Gilman	Murphy, Ill.			
Baucus	Ginn	Murphy, N.Y.			
Bauman	Gradison	Myers, Pa.			
Beard, R.I.	Grassley	Natcher			
Bedell	Green	Neal			
Bell	Gude	Nedzi			
Bennett	Hall	Nichols			
Bergland	Hamilton	Nix			
Bevill	Hanley	Nolan			
Biaggi	Hannaford	Nowak			
Biester	Harkin	Oberstar			
Bingham	Harrington	Obey			
Blanchard	Harris	O'Hara			
Blouin	Harsha	O'Neill			
Boland	Hastings	Ottinger			
Bolling	Hawkins	Passman			
Bonker	Hayes, Ind.	Patman			
Bowen	Hays, Ohio	Patten			
Brademas	Hébert	Pattison, N.Y.			
Breckinridge	Hechler, W. Va.	Pepper			
Brodhead	Heckler, Mass.	Perkins			
Broomfield	Hefner	Peyser			
Brown, Calif.	Heinz	Pike			
Broyhill	Helatoski	Pressler			
Burgener	Henderson	Preyer			
Burke, Calif.	Hicks	Price			
Burke, Fla.	Hillis	Pritchard			
Burke, Mass.	Hinshaw	Quie			
Burlison, Mo.	Holt	Railsback			
Burton, John	Holtzman	Randall			
Burton, Phillip	Horton	Rangel			
Byron	Howard	Rees			
Carney	Howe	Regula			
Carr	Hubbard	Reuss			
Carter	Hughes	Richmond			
Cederberg	Hungate	Riegle			
Chisholm	Ichord	Rinaldo			
Clausen, Don H.	Jacobs	Risenhoover			
Clay	Jeffords	Rodino			
Cleveland	Jenrette	Roe			
Cochran	Johnson, Calif.	Rogers			
Cohen	Johnson, Colo.	Roncalio			
Collins, Ill.	Jones, Ala.	Rooney			
Conable	Jones, N.C.	Rosenthal			
Conte	Jones, Tenn.	Roush			
Conyers	Jordan	Roybal			
Corman	Karth	Ruppe			
Cornell	Kastenmeier	Russo			
Cotter	Kemp	Ryan			
Coughlin	Keys	St Germain			
D'Amours	Koch	Santini			
Daniels, Dominick V.	Krebs	Sarasin			
Danielson	LaFalce	Sarbanes			
Davis	Lagomarsino	Scheuer			
Delaney	Landrum	Schneebeli			
Dellums	Leggett	Schroeder			
Dent	Lehman	Selberling			
Derrick	Lent	Sharp			
Derwinski	Levitas	Shipley			
Diggs	Lloyd, Calif.	Sikes			
Dingell	Lloyd, Tenn.	Simon			
Dodd	Long, La.	Sisk			
Downey	Lott	Skubitz			
Downing	McClory	Slack			
Drinan	McCollister	Smith, Iowa			
Duncan, Oreg.	McCormack	Smith, Nebr.			
Duncan, Tenn.	McDade	Snyder			
du Pont	McEwen	Solarz			
Early	McFall	Spellman			
Eckhardt	McHugh	Spence			
Edgar	McKay	Stanton, J. William			
Edwards, Ala.	McKinney	Stanton, James V.			
Edwards, Calif.	Macdonald	Stark			
Eilberg	Madden	Steed			
Emery	Maguire	Steelman			
English	Mann	Stephens			
Esch	Martin	Stokes			
Eshleman	Mathis	Stratton			
Evans, Colo.	Matsunaga	Studds			
Evans, Ind.	Mazzoli	Sullivan			
Evins, Tenn.	Meeds	Symington			
Fascell	Melcher	Talcott			
Findley	Metcalfe	Taylor, Mo.			
	Meyner	Taylor, N.C.			
	Mezvinsky	Thompson			
	Mikva				
	Milford				

NOT VOTING—22

Abzug	Goldwater	Patterson, Calif.
Barrett	Holland	Rostenkowski
Brown, Mich.	Ketchum	Rousselot
Chappell	Litton	Staggers
Fenwick	Long, Md.	Steiger, Wis.
Flynt	McCloskey	Vander Jagt
Fountain	Mills	
Fraser	Murtha	

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. GREEN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GREEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 248, noes 163, not voting 21, as follows:

[Roll No. 34]

AYES—248

Abdnor	Danielson	Horton
Adams	Delaney	Howard
Addabbo	Dellums	Hubbard
Alexander	Dent	Hughes
Ambro	Derrick	Hungate
Anderson, Calif.	Diggs	Ichord
Andrews, N.C.	Dodd	Jacobs
Andrews, N. Dak.	Downey	Jeffords
Annunzio	Downing	Jenrette
Ashley	Drinan	Jones, N.C.
Aspin	Duncan, Oreg.	Jones, Tenn.
AuCoin	du Pont	Karth
Badillo	Early	Kastenmeier
Bafalis	Eckhardt	Kelly
Baldus	Edgar	Keys
Baucus	Edwards, Calif.	Koch
Beard, R.I.	Eilberg	Krebs
Bedell	Emery	LaFalce
Bell	Evans, Colo.	Latta
Bennett	Evans, Ind.	Leggett
Bergland	Evins, Tenn.	Lehman
Bevill	Fascell	Lent
Biaggi	Findley	Levitas
Biester	Fisher	Lloyd, Calif.
Bingham	Fithian	Lloyd, Tenn.
Blanchard	Flood	McCormack
Blouin	Florio	McDade
Boland	Ford, Mich.	McFall
Bolling	Ford, Tenn.	McHugh
Bonker	Fuqua	McKinney
Brademas	Gaydos	Macdonald
Brodhead	Giaimo	Madden
Broomfield	Gibbons	Madigan
Burgener	Gilman	Maguire
Burke, Calif.	Goodling	Matsunaga
Burke, Mass.	Grassley	Meeds
Burlison, Mo.	Green	Metcalfe
Burton, John	Gude	Meyner
Burton, Phillip	Guyer	Mezvinsky
Carney	Hall	Mikva
Carr	Hamilton	Miller, Calif.
Carter	Hannaford	Mineta
Chisholm	Harkin	Minish
Clay	Harrington	Mink
Cleveland	Harris	Mitchell, Md.
Collins, Ill.	Hawkins	Mitchell, N.Y.
Conte	Hayes, Ind.	Moakley
Conyers	Hays, Ohio	Moffett
Corman	Hechler, W. Va.	Moorhead, Pa.
Cornell	Heckler, Mass.	Morgan
Cotter	Hefner	Mosher
D'Amours	Heinz	Moss
Daniels, Dominick V.	Helstoski	Mottl
	Hicks	Murphy, Ill.
	Hinshaw	Natcher
	Holtzman	Neal

UMI

Nedzi	Rogers	Stokes
Nichols	Rooney	Studds
Nix	Rose	Sullivan
Nolan	Rosenthal	Symington
Nowak	Roush	Thompson
Oberstar	Roybal	Thone
Obey	Russo	Traxler
O'Hara	Ryan	Tsongas
O'Neill	St Germain	Udall
Ottinger	Santini	Van Deerlin
Patten	Sarasin	Vander Veen
Pattison, N.Y.	Sarbanes	Vanik
Pepper	Scheuer	Vigorito
Perkins	Schroeder	Walsh
Peyser	Schulze	Waxman
Pike	Seiberling	Weaver
Pressler	Sharp	Whalen
Preyer	Sikes	Wilson,
Price	Simon	Charles H.,
Randall	Sisk	Calif.
Rangel	Smith, Iowa	Wirth
Rees	Snyder	Wolff
Regula	Solarz	Wydler
Reuss	Spellman	Yates
Richmond	Stanton,	Yatron
Riegle	J. William	Young, Fla.
Rinaldo	Stanton,	Young, Ga.
Rodino	James V.	Zablocki
Roe	Stark	Zeferetti

NOES—163

Anderson, Ill.	Gonzalez	Myers, Pa.
Archer	Gradison	O'Brien
Armstrong	Hagedorn	Passman
Ashbrook	Haley	Patman
Bauman	Hammer-	Pickle
Beard, Tenn.	schmidt	Poage
Boggs	Hanley	Pritchard
Bowen	Hansen	Quie
Breaux	Harsha	Quillen
Breckinridge	Hastings	Railsback
Brinkley	Hébert	Rhodes
Brooks	Henderson	Risenhoover
Brown, Calif.	Hightower	Roberts
Brown, Ohio	Hillis	Robinson
Broyhill	Holt	Roncalio
Buchanan	Howe	Runnels
Burke, Fla.	Hutchinson	Ruppe
Burleson, Tex.	Hyde	Satterfield
Butler	Jarman	Schneebeli
Byron	Johnson, Calif.	Sebelius
Casey	Johnson, Colo.	Shipley
Cederberg	Johnson, Pa.	Shriver
Clancy	Jones, Ala.	Shuster
Clausen,	Jones, Okla.	Skubitz
Don H.	Jordan	Slack
Clawson, Del	Kasten	Smith, Nebr.
Cochran	Kazen	Spence
Cohen	Kemp	Steed
Collins, Tex.	Kindness	Steelman
Conable	Krueger	Steiger, Ariz.
Conlan	Lagomarsino	Steiger, Wis.
Coughlin	Landrum	Stephens
Crane	Long, La.	Stratton
Daniel, Dan	Lott	Stuckey
Daniel, Robert	Lujan	Symms
W., Jr.	McClory	Talcott
Davis	McCollister	Taylor, Mo.
de la Garza	McDonald	Taylor, N.C.
Derwinski	McEwen	Thornton
Devine	McKay	Treen
Dickinson	Mahon	Ullman
Dingell	Mann	Vander Jagt
Duncan, Tenn.	Martin	Waggonner
Edwards, Ala.	Mathis	Wampler
English	Mazzoli	White
Erlenborn	Melcher	Whitehurst
Esch	Michel	Whitten
Eshleman	Milford	Wiggins
Fish	Miller, Ohio	Wilson, Bob
Flowers	Mollohan	Wilson,
Foley	Montgomery	Charles, Tex.
Forsythe	Moore	Winn
Frenzel	Moorhead,	Wright
Frey	Calif.	Wylie
Fulton	Murphy, N.Y.	Young, Alaska
Ginn	Myers, Ind.	Young, Tex.

NOT VOTING—21

Abzug	Fraser	Mills
Barrett	Goldwater	Murtha
Brown, Mich.	Holland	Patterson, Calif.
Chappell	Ketchum	Rostenkowski
Fenwick	Litton	Rousselot
Flynt	Long, Md.	Staggers
Fountain	McCloskey	Teague

So the amendment was agreed to.

The Clerk announced the following pairs:

Ms. Abzug for, with Mr. Flynt against.
Mr. Staggers for, with Mr. Fountain against.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. CONABLE

Mr. CONABLE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. CONABLE: Strike out all after the enacting clause of H.R. 2166 and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Tax Reduction Act of 1975".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Amendments of 1954 Code.
TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES
Sec. 101. Refunds of 1974 individual income taxes.
Sec. 102. Refunds disregarded in the administration of Federal programs and federally assisted programs.
TITLE II—CERTAIN CHANGES IN BUSINESS TAXES
Sec. 201. Increase in investment credit.
Sec. 202. Allowance of investment credit where construction of property will take more than 2 years.
Sec. 203. Increase in corporate surtax exemption.
Sec. 204. Effective dates.

SEC. 2. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—REFUND OF 1974 INDIVIDUAL INCOME TAXES

SEC. 101. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

(a) IN GENERAL.—Subchapter B of chapter 65 (relating to rules of special application in the case of abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6428. REFUND OF 1974 INDIVIDUAL INCOME TAXES.

"(a) GENERAL RULE.—Except as otherwise provided in this section, each individual shall be treated as having made a payment against the tax imposed by chapter 1 for his first taxable year beginning in 1974 in an amount determined under subsection (b).

"(b) TAX REDUCTION TABLE.—

"If the amount of the taxpayer's liability for his first taxable year beginning in 1974 is:	The amount treated as paid by reason of this section in the following percent of such liability for tax:
Between 0 and $500	18% of the liability for tax.
Between $500 and $1,000	$90, plus 15% of the excess over $500.
Between $1,000 and $1,500	$165, plus 14% of the excess over $1,000.
Between $1,500 and $2,000	$235, plus 11% of the excess over $1,500.
Between $2,000 and $2,500	$290, plus 10% of the excess over $2,000.
Between $2,500 and $3,000	$340, plus 7% of the excess over $2,500.
Between $3,000 and $3,500	$375, plus 6% of the excess over $3,000.
Between $3,500 and $4,000	$405, plus 3% of the excess over $3,500.
Between $4,000 and $4,500	$420, plus 2% of the excess over $4,000.
Between $4,500 and $5,000	$430, less 1% of the excess over $4,500.
Between $5,000 and $5,500	$425, less 2% of the excess over $5,000.
Between $5,500 and $6,000	$415, less 5% of the excess over $5,500.
Between $6,000 and $6,500	$390, less 8% of the excess over $6,000.
Between $6,500 and $7,000	$360, less 9% of the excess over $6,500.
Between $7,000 and $7,500	$315, less 10% of the excess over $7,000.
Between $7,500 and $8,000	$265, less 13% of the excess over $7,500.
Over $8,000	$200.

"(c) MARRIED INDIVIDUAL FILING SEPARATE RETURN.—In the case of a married individual filing a separate return, the amount treated as paid by reason of this section shall be one-half of the amount determined under subsection (b).

"(b) LIABILITY FOR TAX.—For purposes of this section, the liability for tax for the taxable year shall be the sum of—

"(1) the tax imposed by chapter 1 for such year, reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 40 (relating to expenses of work incentive programs), and

"(E) section 41 (relating to contributions to candidates for public office), plus

"(2) the tax on amounts described in section 3102 (c) or 3202(c) which are required to be shown on the taxpayer's return of the chapter 1 tax for the taxable year.

"(e) DATE PAYMENT DEEMED MADE.—The payment provided by this section shall be deemed made on whichever of the following dates is the later:

"(1) the date prescribed by law (determined without extensions) for filing the return of tax under chapter 1 for the taxable year, or

"(2) the date on which the taxpayer files his return of tax under chapter 1 for the taxable year.

"(f) JOINT RETURN.—For purposes of this section, in the case of a joint return under section 6013 both spouses shall be treated as one individual.

"(g) MARITAL STATUS.—The determination of marital status shall be made under section 143.

"(h) CERTAIN PERSONS NOT ELIGIBLE.—This section shall not apply to any estate or trust, nor shall it apply to any nonresident alien individual."

(b) NO INTEREST ON INDIVIDUAL INCOME TAX REFUNDS FOR 1974 REFUNDED WITHIN 60 DAYS AFTER RETURN IS FILED.—In applying section 6611(e) of the Internal Revenue Code of 1954 (relating to income tax refund within 45 days after return is filed) in the case of any overpayment of tax imposed by subtitle A of such Code by an individual (other than an estate or trust and other than a nonresident alien individual) for a taxable year beginning in 1974, "60 days" shall be substituted for "45 days" each place it appears in such section 6611(e).

(c) CLERICAL AMENDMENT.—The table of sections for such subchapter B is amended by adding at the end thereof the following new item:

"Sec. 6428. Refund of 1974 individual income taxes."

SEC. 102. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

Any payment considered to have been made by any individual by reason of section 6428 of the Internal Revenue Code of 1954 shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

TITLE II—CERTAIN CHANGES IN BUSINESS TAXES

SEC. 201. INCREASE IN INVESTMENT CREDIT.

(a) INCREASE OF INVESTMENT CREDIT TO 10 PERCENT.—Paragraph (1) of section 46(a) (determining the amount of the investment credit) is amended to read as follows:

"(1) GENERAL RULE.—

"(A) 10-PERCENT CREDIT.—Except as provided in subparagraph (B), the amount of the credit allowed by section 38 for the taxable year shall be equal to 10 percent of the qualified investment (as determined under subsections (c) and (d)).

"(B) 7-PERCENT CREDIT.—In the case of property—

"(i) the construction, reconstruction, or erection of which is completed by the taxpayer before January 22, 1975, or

"(ii) which is acquired by the taxpayer before January 22, 1975,

the amount of the credit allowed by section 38 for the taxable year shall be equal to 7 percent of the qualified investment (as defined in subsection (c)).

"(C) TRANSITIONAL RULE.—In the case of property—

"(i) the construction, reconstruction, or erection of which is begun by the taxpayer before January 22, 1975, and

"(ii) the construction, reconstruction, or erection of which is completed by the taxpayer after January 21, 1975,

subparagraph (B) shall apply to the property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection before January 22, 1975, and subparagraph (A) shall apply to such property to the extent of that portion of the basis which is properly attributable to construction, reconstruction, or erection after January 21, 1975."

(b) PUBLIC UTILITY PROPERTY.—

(1) DETERMINATION OF QUALIFIED INVESTMENT.—Subparagraph (A) of section 46(c)(3) (relating to determination of qualified investment in the case of public utility property) is amended to read as follows:

"(A) To the extent that subsection (a)(1)(B) applies to property which is public utility property, the amount of the qualified investment shall be ⅔ of the amount determined under paragraph (1)."

(2) INCREASE IN 50-PERCENT LIMITATION.—Section 46(a) (relating to determination of amount of credit) is amended by adding at the end thereof the following new paragraph:

"(6) ALTERNATIVE LIMITATION IN THE CASE OF CERTAIN UTILITIES.—

"(A) IN GENERAL.—If, for a taxable year beginning after 1974 and before 1981, the amount of the qualified investment of the taxpayer which is attributable to public utility property is 25 percent or more of his aggregate qualified investment, then subparagraph (C) of paragraph (2) of this subsection shall be applied by substituting for 50 percent his applicable percentage for such year.

"(B) APPLICABLE PERCENTAGE.—The applicable percentage of any taxpayer for any taxable year is—

"(i) 50 percent, plus

"(ii) that proportion of the tentative percentage for the taxable year which the taxpayer's amount of qualified investment which is public utility property bears to his aggregate qualified investment.

If the proportion referred to in clause (ii) is 75 percent or more, the applicable percentage of the taxpayer for the year shall be 50 percent plus the tentative percentage for such year.

"(C) TENTATIVE PERCENTAGE.—For purposes of subparagraph (B), the tentative percentage shall be defined under the following table:

"If the taxable year begins in:	The tentative percentage is:
1975 or 1976	50
1977	40
1978	30
1979	20
1980	10.

"(D) PUBLIC UTILITY PROPERTY DEFINED.—For purposes of this paragraph, the term 'public utility property' has the meaning given to such term by the first sentence of subsection (c)(3)(B)."

(c) CAP ON THE INCREASE IN INVESTMENT CREDIT BENEFITS FOR PUBLIC UTILITIES WHICH MAY RESULT FROM INCREASING INVESTMENT CREDIT TO 10 PERCENT.—

(1) IN GENERAL.—The amount of the credit allowed by section 38 of the Internal Revenue Code of 1954 to any taxpayer which is a public utility for the taxable year shall not exceed by more than $100,000,000 the amount of such credit which would have been allowed to such taxpayer for such year but for the amendments made by subsections (a) and (b)(1) of this section.

(2) CREDIT IN EXCESS OF CAP MAY BE CARRIED ONLY TO TAXABLE YEARS TO WHICH THIS SUBSECTION APPLIES.—For purposes of section 46(b)(1) of the Internal Revenue Code of 1954 (relating to carryback and carryover of unused credits), the excess of the amount which would be allowable as a credit under section 38 of such Code for any taxable year over the amount which is allowable under such section after the application of paragraph (1) of this subsection—

(A) shall be treated as an excess described in such section 46(b)(1), but

(B) shall be an investment credit carryback and an investment credit carryover only to taxable years to which paragraph (1) of this subsection applies.

(3) CONTROLLED GROUP OF CORPORATIONS.—For purposes of this subsection, persons who are members of the same controlled group of corporations shall be treated as one taxpayer. For purposes of the preceding sentence, the term "controlled group of corporations" has the meaning given to such term by section 1563(a).

(4) PUBLIC UTILITY DEFINED.—For purposes of this subsection, the term "public utility" means a taxpayer 50 percent or more of the qualified investment of which for the taxable year consists of public utility property within the meaning of the first sentence of section 46(c)(3)(B) of the Internal Revenue Code of 1954.

(d) INCREASE FROM $50,000 TO $75,000 OF DOLLAR LIMITATION ON USED PROPERTY.—Paragraph (2) of section 48(c) (relating to dollar limitation in case of used section 38 property) is amended—

(1) by striking out "$50,000" each place it appears and inserting in lieu thereof "$75,000", and

(2) by striking out "$25,000" and inserting in lieu thereof "$37,500".

SEC. 202. ALLOWANCE OF INVESTMENT CREDIT WHERE CONSTRUCTION OF PROPERTY WILL TAKE MORE THAN 2 YEARS

(a) GENERAL RULE.—Section 46 (relating to amount of credit) is amended by redesignating subsections (d) and (e) as subsections (c) and (f), respectively, and by inserting after subsection (c) the following new subsection:

"(d) QUALIFIED PROGRESS EXPENDITURES.—

"(1) IN GENERAL.—In the case of any taxpayer who has made an election under paragraph (6), the amount of his qualified investment for the taxable year (determined under subsection (c) without regard to this subsection) shall be increased by an amount equal to his aggregate qualified progress expenditures for the taxable year with respect to progress expenditure property.

"(2) PROGRESS EXPENDITURE PROPERTY DEFINED.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'progress expenditure property' means any property which is being constructed by or for the taxpayer and which—

"(i) has a normal construction period of 2 years or more, and

"(ii) it is reasonable to believe will be new section 38 property having a useful life of 7 years or more in the hands of the taxpayer when it is placed in service.

Clauses (i) and (ii) of the preceding sentence shall be applied on the basis of facts known at the close of the taxable year of the taxpayer in which construction begins (or, if later, at the close of the first taxable year to which an election under this subsection applies).

"(B) NORMAL CONSTRUCTION PERIOD.—For purposes of subparagraph (A), the term 'normal construction period' means the period reasonably expected to be required for the construction of the property—

"(i) beginning with the date on which physical work on the construction begins (or, if later, the first day of the first taxable year to which an election under this subsection applies), and

"(ii) ending on the date on which it is expected that the property will be available for placing in service.

"(3) QUALIFIED PROGRESS EXPENDITURES DEFINED.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—In the case of any self-constructed property, the term 'qualified progress expenditures' means the amount which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) NON-SELF-CONSTRUCTED PROPERTY.—In the case of non-self-constructed property, the term 'qualified progress expenditures' means the lesser of—

"(i) the amount paid during the taxable year to another person for the construction of such property, or

"(ii) the amount which represents that proportion of the overall cost to the taxpayer of the construction by such other person which is properly attributable to that portion of such construction which is completed during such taxable year.

"(4) SPECIAL RULES FOR APPLYING PARAGRAPH (3).—For purposes of paragraph (3)—

"(A) COMPONENT PARTS, ETC.—Property which is to be a component part of, or is otherwise to be included in, any progress expenditure property shall be taken into account—

"(i) at a time not earlier than the time at which it becomes irrevocably devoted to use in the progress expenditure property, and

"(ii) as if (at the time referred to in clause (i)) the taxpayer had expended an amount

equal to that portion of the cost to the taxpayer of such component or other property which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) CERTAIN BORROWINGS DISREGARDED.—Any amount borrowed directly or indirectly by the taxpayer from the person constructing the property for him shall not be treated as an amount expended for such construction.

"(C) CERTAIN UNUSED EXPENDITURES CARRIED OVER.—In the case of non-self-constructed property, if for the taxable year—

"(i) the amount under clause (i) of paragraph (3) (B) exceeds the amount under clause (ii) of paragraph (3) (B), then the amount of such excess shall be taken into account under such clause (i) for the succeeding taxable year, or

"(ii) the amount under clause (ii) of paragraph (3) (B) exceeds the amount under clause (i) of paragraph (3) (B), then the amount of such excess shall be taken into account under such clause (ii) for the succeeding taxable year.

"(D) DETERMINATION OF PERCENTAGE OF COMPLETION.—In the case of non-self-constructed property, the determination under paragraph (3) (B) (ii) of the proportion of the overall cost to the taxpayer of the construction of any property which is properly attributable to construction completed during any taxable year shall be made, under regulations prescribed by the Secretary or his delegate, on the basis of engineering or architectural estimates or on the basis of cost accounting records. Unless the taxpayer establishes otherwise by clear and convincing evidence, the construction shall be deemed to be completed not more rapidly than ratably over the normal construction period.

"(E) NO QUALIFIED PROGRESS EXPENDITURES FOR CERTAIN PRIOR PERIODS.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for any period before January 22, 1975 (or, if later, before the first day of the first taxable year to which an election under this subsection applies).

"(F) NO QUALIFIED PROGRESS EXPENDITURES FOR PROPERTY FOR YEAR IT IS PLACED IN SERVICE, ETC.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for the earlier of—

"(i) the taxable year in which the property is placed in service, or

"(ii) the first taxable year for which recapture is required under section 47(a)(3) with respect to such property,

or for any taxable year thereafter.

"(5) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—The term 'self-constructed property' means property more than half of the construction expenditures for which it is reasonable to believe will be made directly by the taxpayer.

"(B) NON-SELF-CONSTRUCTED PROPERTY.—The term 'non-self-constructed property' means property which is not self-constructed property.

"(C) CONSTRUCTION, ETC.—The term 'construction' includes reconstruction and erection, and the term 'constructed' includes reconstructed and erected.

"(D) ONLY CONSTRUCTION OF SECTION 38 PROPERTY TO BE TAKEN INTO ACCOUNT.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the property.

"(6) ELECTION.—An election under this subsection may be made at such time and in such manner as the Secretary or his delegate may by regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary or his delegate.

"(7) TRANSITIONAL RULES.—The qualified investment taken into account under this subsection for any taxable year beginning before January 1, 1980, with respect to any property shall be (in lieu of the full amount) an amount equal to the sum of—

"(A) the applicable percentage of the full amount determined under the following table:

"For a taxable year beginning in:	The applicable percentage is:
1974 or 1975	20
1976	40
1977	60
1978	80
1979	100;

plus

"(B) in the case of any property to which this subsection applied for one or more preceding taxable years, 20 percent of the full amount for each such preceding taxable year.

For purposes of this paragraph, the term 'full amount', when used with respect to any property for any taxable year, means the amount of the qualified investment for such property for such year determined under this subsection without regard to this paragraph."

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENT OF SECTION 46(c).—Section 46(c) (relating to qualified investment) is amended by adding at the end thereof the following new paragraph:

"(4) COORDINATION WITH SUBSECTION (d).—The amount which would (but for this paragraph) be treated as qualified investment under this subsection with respect to any property shall be reduced (but not below zero) by any amount treated by the taxpayer or a predecessor of the taxpayer (or, in the case of a sale and leaseback described in section 47(a)(3)(C), by the lessee) as qualified investment with respect to such property under subsection (d), to the extent the amount so treated has not been required to be recaptured by reason of section 47(a)(3),"

(2) AMENDMENT OF SECTION 46(a)(1).—Paragraph (1) of section 46(a) (as in effect without the amendment made by section 301(a)) is amended by striking out "(as defined in subsection (c))" and inserting in lieu thereof "(as determined under subsections (c) and (d))".

(3) DISPOSITION, ETC.—

(A) Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) PROPERTY CEASES TO BE PROGRESS EXPENDITURE PROPERTY.—

"(A) IN GENERAL.—If during any taxable year any property taken into account in determining qualified investment under section 46(d) ceases (by reason of sale or other disposition, cancellation or abandonment of contract, or otherwise) to be, with respect to the taxpayer, property which, when placed in service, will be new section 38 property, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero the qualified investment taken into account with respect to such property.

"(B) CERTAIN EXCESS CREDITS RECAPTURED.—Any amount which would have been applied as a reduction of the qualified investment in property by reason of paragraph (4) of section 46(c) but for the fact that a reduction under such paragraph cannot reduce qualified investment below zero shall be treated as an amount required to be recaptured under subparagraph (A) for the taxable year in which the property is placed in service.

"(C) CERTAIN SALES AND LEASEBACKS.—Under regulations prescribed by the Secretary or his delegate, a sale by, and leaseback to, a taxpayer who, when the property is placed in service, will be a lessee to whom section 48(d) applies shall not be treated as a cessation described in subparagraph (A) to the extent that the qualified investment which will be passed through to the lessee under section 48(d) with respect to such property does not exceed the qualified progress expenditures properly taken into account by the lessee with respect to such property.

(D) COORDINATION WITH PARAGRAPH (1).—If, after property is placed in service, there is a disposition or other cessation described in paragraph (1), paragraph (1) shall be applied as if any credit which was allowable by reason of section 46(d) and which has not been required to be recaptured before such cessation were allowable for the taxable year the property was placed in service."

(c) CLERICAL AMENDMENTS.—

(1) Paragraph (4) of section 47(a) (as redesignated by subsection (b)(3)(A) of this section) is amended by striking out "paragraph (1)" and inserting in lieu thereof "paragraph (1) or (3)".

(2) Paragraphs (5) and (6)(B) of section 47(a) are each amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

(3) Paragraphs (1) and (2) of section 48(d) are each amended by striking out "section 46(d)(1)" and inserting in lieu thereof "section 46(e)(1)".

(4) Subsection (f) of section 50B is amended by striking out "section 46(d)" and inserting in lieu thereof "section 46(e)".

SEC. 203. INCREASE IN CORPORATE SURTAX EXEMPTION.

(a) GENERAL RULE.—Section 11(d) (relating to surtax exemption) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1561(a) (as in effect for taxable years beginning after December 31, 1974) (relating to limitations on certain multiple tax benefits in the case of certain controlled corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(2) Paragraph (7) of section 12 (relating to cross references for tax on corporations) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(3) Section 962(c) (relating to surtax exemption for individuals electing to be subject to tax at corporate rates) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

SEC. 204. EFFECTIVE DATES.

(a) FOR SECTION 201.—

(1) INCREASE OF INVESTMENT TO 10 PERCENT.—The amendments made by subsections (a) and (b)(1) of section 201 shall apply to—

(A) property placed in service after January 21, 1975, and before January 1, 1976, in taxable years ending after January 21, 1975,

(B) property—

(i) acquired pursuant to orders placed before January 1, 1976, and

(ii) placed in service in 1976 in taxable years ending after December 31, 1975,

(C) property the construction, reconstruction, or erection of which is completed by the taxpayer and which is placed in service after December 31, 1975, but only to the portion of the basis of such property which is properly attributable to construction, reconstruction, or erection by the taxpayer after January 21, 1975, and before January 1, 1976, and

(D) qualified progress expenditures, as described in section 46(d) of the Internal Revenue Code of 1954, made after January 21, 1975, and before January 1, 1976, but only to the portion of the basis of the progress expenditure property, as described in such section 46(d), which is properly attributable to construction, reconstruction, or erection for the taxpayer after January 21, 1975, and before January 1, 1976.

(2) INCREASE IN 50-PERCENT LIMITATION.—The amendment made by subsection (b)(2) of section 201 shall apply to taxable years beginning after December 31, 1974.

(3) INCREASE IN LIMITATION ON USED PROPERTY.—The amendments made by subsection (d) of section 201 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(b) FOR SECTION 202.—The amendments made by section 202 shall apply to taxable years ending after December 31, 1974.

(c) FOR SECTION 203.—

(1) IN GENERAL.—The amendments made by section 203 shall apply to taxable years ending after December 31, 1974. Such amendments shall cease to apply for taxable years ending after December 31, 1975.

(2) CHANGES TREATED AS CHANGES IN TAX RATE.—Section 21 (relating to change in rates during taxable year) is amended by adding at the end thereof the following new subsection:

"(f) INCREASE IN SURTAX EXEMPTION, ETC.—In applying subsection (a) to a taxable year of a taxpayer which is not a calendar year, the change made by section 203, and the change made by the second sentence of section 204(c)(1), of the Tax Reduction Act of 1975 in section 11(d) (relating to corporate surtax exemption) and in section 962(c) (relating to individuals electing to be taxed at corporate rates) shall each be treated as a change in a rate of tax."

Mr. CONABLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CONABLE. Mr. Chairman, I explained my amendment in the nature of a substitute this afternoon when very few Members were here. I am pleased and grateful to have so much attendance and so much attention now that I have a full 5 minutes to explain this little amendment that would substitute for the entire bill.

To begin with, Mr. Chairman, I have deeply respected the sterling efforts of the chairman of our committee as he has today resisted efforts to add amendments such as the one that was just added to this bill.

I suspect, however, that his sterling efforts were doomed from the start, partly because the Committee on Ways and Means itself could not discipline itself to do what we set out to do; namely, to provide a stimulus for the economy as quickly as possible.

As we know, the Committee on Ways and Means bill provides $8 billion of temporary rebate on the 1974 tax, but $8 billion of structural changes in title II. It also provides, in title III, for some business stimulus.

My amendment in the nature of a substitute does not change title III. However, it substitutes for titles I and II a temporary rebate on 1974 taxes increased from the amount of $8 billion under the bill of the Committee on Ways and Means to $12.2 billion.

The purpose in back of this amendment in the nature of a substitute is to try to get an adequate amount of money into the economy as quickly as possible without the distraction of trying to go through tax reform piecemeal, as the committee is trying to do in title II.

The particular mechanism by which this money is returned is a graduated rebate starting at 18 percent for the first $500 of taxes paid in 1974, and decreasing percentagewise until the rebate levels out at $200. The maximum rebate paid is $430, not the $200 of the committee bill. This is enough to help, rather than tantalizing, as the committee bill does.

The purpose of this legislation is to get money quickly into the economy in sufficient amounts so that the very areas of the economy where the greatest slack has occurred, namely, the big-ticket items, things like televisions and refrigerators, can be bought with the rebate.

In fact the committee bill does too little in terms of immediate rebate, and then with respect to the structural changes that are made in title II it inches an additional $8 billion into the economy through the withholding system.

While this will provide a gradual stimulus throughout the rest of the year, all of the economists have told us that what we need now is a substantial lift now for an economy that has been collapsing quite badly in the past 3 or 4 months.

I would like to think that the Congress is capable of moving in a disciplined way to do what is necessary rather than moving piecemeal toward a tax reform which would be better done in a comprehensive way, as has been promised.

As a matter of fact, I am disturbed by the fact that it was thought necessary to put a permanent redistributive title in this bill because we had been told that we were going to have tax reform later on.

Does the inclusion of title II, and now the inclusion of an elimination of depletion, mean that we are not going to have a substantive tax reform that has been promised for later on in the year? Do we have to make permanent changes now, or not at all?

I say, Mr. Chairman, we should keep our eye on the ball. Let us try to get the tax rebate bill through now, passing out refunds in big enough amounts to help stimulate the economy where the most slack has appeared—in the big ticket items. Let us not inch these refunds into the economy by increasing take-home pay by $1 or $2 a week but pour them in all at once by rebates on the 1974 tax. That can turn the economy around. That should be our goal here, rather than tax reform, redistribution of the wealth, or any other goal deemed socially desirable by people who are insufficiently disciplined to understand the danger of delay and diversion. If we fiddle around here in the face of the burning economic needs of the country we may find our prosperity in ashes.

Mr. DU PONT. Mr. Chairman, all of us are concerned with the almost geometrical decline in people's confidence in our Government in general and Congress in particular. Professional pollsters probe the psyche of the American people to find out what is wrong and how it can be corrected. However, we need to go no further than this Chamber to diagnose the difficulty.

Those who framed this bill and the closed rule under which it is being considered are seized with a legislative malaise that prevents us from combining commonsense and compassion in our legislative efforts. When the vote on this bill comes I will support it, but with serious misgivings—because it provides not the best, but the only choice I have.

The country is faced with a need for equitable and stimulative economic policies; instead we are served a program for massive and evidently permanent restructuring of the tax system.

The basic reason for any change in our tax laws at this time is to achieve benefits of an immediate tax rebate to stimulate the economy and halt our slide into recession. I do not believe that either the amount of the tax or the distribution of it will meet the objective of spurring the economy in the most affected sectors. The way the rebate is structured, its main impact will be to give some assistance for a brief period to one segment of our society. While this may temporarily ameliorate their hardships, their best hope for the future lies like everyone else's with a recovery in the economy. Without this they will be faced with decreasing job opportunities and increasing inflation.

Lest my remarks be misunderstood, let me say that I agree with the idea that the conditions of those living in or near the poverty level are so extreme in today's economy that we cannot fairly ignore them in this tax package. In fact, one of my objections to President Ford's original energy and economy proposal was that it did not provide sufficient compensation or compassion for those who are faced with the hard choices that being poor in our society forces upon them. My objection to the committee bill is that it excludes from its considerations the original objective of the rebates by not giving the middle-class individuals an amount substantial enough to spend in a way that will revitalize those segments of our industrial economy that are most in need of assistance.

Do we really expect that $100 will tempt an individual making $10,000 to buy anything of substance, or $126 to alter the spending priorities of someone making $12,500?

If we believe that stimulation will help the economy then let us stimulate it. Let us keep the rebates for the poor, but let us also allow significant amounts of $250 to $350 for the middle level people who will make purchases that will help "big ticket" sales. This way the return in tax revenues through a healthy economy will offset at least part of the costs. With the committee's tax plan we have done something for everyone in the short run and not enough for anyone in the long run.

Now, let us consider the long-term and

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possibly permanent changes in the tax laws proposed by the committee.

This is no easy task since the proponents of this change have rushed it through without sufficient consideration of whether it serves to advance the cause of general tax reform. How, for instance, does the committee justify such minimal relief for those making between $10,000 and $20,000 per year who are carrying the bulk of our tax burden? Worse yet, the committee has chosen to exclude entirely those in that bracket who are forced through property losses, medical bills, dental bills, or heavy mortgage expenses to itemize their deductions. This discriminates against a middle-level wage earner at their time of greatest need. Would it not be better to allow full discussion of and appropriate amendments to the bill so that we can help those in the best position to help the economy—the middle income taxpayer?

I fear that next year we are again going to be gobbled up by double-digit inflation and hounded by a recession because people cannot or will not buy products because of their cost. I hope not, but if so, a large measure of the responsibility must be shouldered by those whose cleverness has prevented any constructive changes in this bill.

Mr. Chairman, I support substantive tax relief to fight our recession, but I believe such relief could have been better tailored to solve the problem we have. I am disappointed that the committee has not allowed us to work our will on the legislation and produce a better bill than this one.

Mr. MICHEL. Mr. Chairman, a highly respected political pollster reported last year that in his experience a majority of the American people would respond to the question "What does tax reform mean to you?" with the answer, "It means my taxes will go up."

I would like to suggest to this body today that passage of H.R. 2166, in its present form will only increase that sort of cynicism on the part of the American people.

Millions of taxpayers will learn that this much publicized tax break will give them absolutely nothing. Because they itemize their deductions, they will be cut out altogether. Because they may have had particularly heavy medical expenses, or are paying substantial interest on their mortgages and other purchases, because they moved during the last year, and for dozens of other possible reasons, they are to be discriminated against.

Forty-six-point-two percent of all taxpayers in the middle-income $10,000 to $20,000 range itemize their deductions. Perhaps for a certain number of them, passage of this bill would mean that it would be in their interest to take the standard deduction instead. But that is small comfort, and in addition, by this late date, a great many of those who might gain slightly will have already filed their returns. What are they to do?

Now it is important for us to remember who these people in the $10,000 to $20,000 income bracket are. They are not rich. They are not fat cats. They are white-collar and blue-collar workers who are providing the lion's share of the productive capacity of America today.

Now these people have been taking a real beating from inflation, and as we all know, the indexing effect of the graduated income tax is such that inflation keeps forcing them into higher and higher tax brackets, so that even though their income may go up, after inflation and taxes they wind up with less income than they had before in many cases. Indeed, a recent study showed that income taxes are the fastest-growing expense of middle-income families, and were up some 26.5 percent last year.

By cutting vast numbers of these people out of the tax break, we are going to be committing an immoral and discriminatory act, one which is sure to engender a new cynicism and distrust of Government on the part of that segment of the population which I have recently referred to as "the backbone of our economy."

How is middle-income America going to feel when they learn that this much-touted tax relief is really an income redistribution program designed to take their hard earned dollars, at a time when they may be just barely getting by, and give them to someone else?

Moreover, how is this going to help the economy? Under the committee bill, how many people will be encouraged to buy a new car, or refrigerator, or lawnmower? I think very few. I think therefore that to view this bill, in its present form, as a method of stimulating the economy is to perpetrate a fraud on the American people.

If we are going to stimulate the economy we have got to do something for middle-income Americans. In my opinion, the Conable substitute is the best vehicle for us to use at this time, although frankly I would like to have seen an even higher rebate schedule than that. But it is twice as high as the committee bill, and it will go to the people who deserve it. It is a vast, vast improvement over the committee bill and deserves the support of everyone here today. It will attack the problem we are supposed to be attacking.

That is really a key point. The reason for this bill is that the economy is in its most severe recession since World War II. But as reported by the committee, it is not directed to that end at all. It has been turned, by design or by oversight, into a bill whose "reforms" cannot reasonably be held to be temporary, whose thrust is to put into effect an income redistribution program that is unquestionably inflationary and will not stimulate the economy, and whose effect is to initiate a negative income tax system, which whatever its merits may be, certainly does not belong in a program of this type.

In short, the committee bill is unworthy of support. I urge the adoption of the Conable substitute, which, if approved, will mean that we can all hold our heads high and say that we in the Congress have done something to straighten out the economy.

Mr. ULLMAN. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute.

Mr. Chairman, this amendment, I think, puts the position of the minority in proper perspective as against the majority on the basic aspects of this bill.

What we are doing in the Conable substitute is taking $12 billion of tax reduction as against $16 billion tax reduction in the committee bill. Furthermore, the Conable substitute changes greatly the emphasis in the committee bill. Although most of the taxpayers of the country are in the below-$10,000 bracket, the Conable substitute provides them only 21 percent of the tax relief. The committee bill provides that those with incomes under $10,000 are to receive 55 percent of the tax relief. Putting it another way, the Conable amendment gives 28 percent of the tax benefits to those who earn more than $20,000, whereas the committee bill only gives 10 percent of the benefits to those who earn more than $20,000. That puts the matter, I think, in proper perspective.

In addition, the Conable substitute puts the whole package of benefits on a refund basis. Almost every economist that I have talked to has said that a mix of refunds with a current reduction in withholding taxes that goes into the income stream on a continuing basis is a much more effective mechanism for meeting the problem of recession. So the committee bill will have, according to most economists, a much more important impact on reviving the economy than the all-refund approach of the gentleman from New York.

In addition, the committee bill does some things that have long needed doing. One is it adopts the same recommendations that the administration made and the Committee on Ways and Means made last year in increasing the low-income allowance, which is the major part of title II of the committee bill. In doing that, it accomplishes a long-term reform that we have been trying to achieve. Additionally, it takes into consideration in the low-income areas the impact of inflation, which, in fact, has hit hardest in the low-income brackets. Therefore, it is a reform that is long overdue.

Additionally, the committee bill only says that those below the poverty level will not pay taxes, whereas the Conable approach in no way changes or accommodates that problem.

So in almost every aspect of the field of taxation, when we consider the purposes of this bill, the committee bill meets the need more emphatically and more directly than does the Conable approach.

In summary the Conable is $12 billion compared to $16 billion in the committee bill. The Conable is all in rebates, whereas the best from the standpoint of the economy is a mixture, one half rebate, and one half a reduction in current withholding taxes.

Finally, the Conable proposal is geared too much to the high income brackets relative to the committee bill, which goes to the low- and middle-income brackets where it will have its maximum effect in providing a stimulus to the economy.

So I urge the Members of the House to support the committee bill overwhelmingly.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. CONABLE).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONABLE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 251, not voting 21, as follows:

[Roll No. 35]

AYES—160

Ambro	Ginn	Myers, Pa.
Anderson, Ill.	Goodling	O'Brien
Andrews, N. Dak.	Gradison	Passman
Archer	Grassley	Pickle
Armstrong	Guyer	Pressler
Ashbrook	Hagedorn	Pritchard
Bafalis	Hammer-schmidt	Quie
Bauman	Hansen	Quillen
Beard, Tenn.	Harsha	Railsback
Bell	Hastings	Regula
Boggs	Hébert	Rhodes
Bowen	Hillis	Risenhoover
Breaux	Hinshaw	Robinson
Brinkley	Holt	Runnels
Broomfield	Horton	Ruppe
Brown, Ohio	Hutchinson	Sarasin
Broyhill	Hyde	Satterfield
Buchanan	Ichord	Schneebeli
Burgener	Jarman	Schulze
Burke, Fla.	Jeffords	Sebelius
Burleson, Tex.	Johnson, Colo.	Shriver
Butler	Johnson, Pa.	Shuster
Byron	Jones, Okla.	Skubitz
Casey	Kasten	Smith, Nebr.
Cederberg	Kazen	Snyder
Clancy	Kelly	Spence
Clausen, Don H.	Kemp	Stanton, J. William
Clawson, Del	Kindness	Steed
Cochran	Krueger	Steelman
Cohen	Lagomarsino	Steiger, Ariz.
Collins, Tex.	Landrum	Steiger, Wis.
Conable	Latta	Stephens
Conlan	Lent	Stuckey
Conte	Levitas	Symms
Coughlin	Long, La.	Talcott
Crane	Lott	Taylor, Mo.
Daniel, Dan	Lujan	Thone
Daniel, Robert W., Jr.	McClory	Thornton
de la Garza	McCollister	Treen
Derwinski	McDonald	Vander Jagt
Devine	McEwen	Waggonner
Dickinson	McKinney	Wampler
Duncan, Tenn.	Mann	White
Edwards, Ala.	Martin	Whitehurst
Emery	Mathis	Whitten
English	Michel	Wiggins
Erlenborn	Milford	Wilson, Bob
Esch	Miller, Ohio	Winn
Eshleman	Mitchell, N.Y.	Wydler
Fish	Montgomery	Wylie
Foley	Moore	Young, Alaska
Forsythe	Moorhead, Calif.	Young, Fla.
Frey	Mosher	Young, Tex.
	Myers, Ind.	

NOES—251

Abdnor	Biester	Chisholm
Adams	Bingham	Clay
Addabbo	Blanchard	Cleveland
Alexander	Blouin	Collins, Ill.
Anderson, Calif.	Boland	Conyers
Andrews, N.C.	Bolling	Corman
Annunzio	Bonker	Cornell
Ashley	Brademas	Cotter
Aspin	Breckinridge	D'Amours
AuCoin	Brodhead	Daniels, Dominick V.
Badillo	Brooks	Danielson
Baldus	Brown, Calif.	Davis
Baucus	Burke, Calif.	Delaney
Beard, R.I.	Burke, Mass.	Dellums
Bedell	Burlison, Mo.	Dent
Bennett	Burton, John	Derrick
Bergland	Burton, Phillip	Diggs
Bevill	Carney	Dingell
Biaggi	Carr	Dodd
	Carter	
Downey	Keys	Richmond
Downing	Koch	Riegle
Drinan	Krebs	Rinaldo
Duncan, Oreg.	LaFalce	Roberts
du Pont	Leggett	Rodino
Early	Lehman	Roe
Eckhardt	Lloyd, Calif.	Rogers
Edgar	Lloyd, Tenn.	Roncalio
Edwards, Calif.	McCormack	Rooney
Eilberg	McDade	Rose
Evans, Colo.	McFall	Rosenthal
Evans, Ind.	McHugh	Roush
Evins, Tenn.	McKay	Roybal
Fascell	Macdonald	Russo
Findley	Madden	Ryan
Fisher	Madigan	St Germain
Fithian	Maguire	Santini
Flood	Mahon	Sarbanes
Florio	Matsunaga	Schuer
Flowers	Mazzoli	Schroeder
Ford, Mich.	Meeds	Seiberling
Ford, Tenn.	Melcher	Sharp
Frenzel	Metcalfe	Shipley
Fulton	Meyner	Sikes
Fuqua	Mezvinsky	Simon
Gaydos	Mikva	Sisk
Giaimo	Miller, Calif.	Slack
Gibbons	Mineta	Smith, Iowa
Gilman	Minish	Solarz
Gonzalez	Mink	Spellman
Green	Mitchell, Md.	Stanton, James V.
Gude	Moakley	Stark
Haley	Moffett	Stokes
Hall	Mollohan	Stratton
Hamilton	Moorhead, Pa.	Studds
Hanley	Morgan	Sullivan
Hannaford	Moss	Symington
Harkin	Mottl	Taylor, N.C.
Harrington	Murphy, Ill.	Thompson
Harris	Murphy, N.Y.	Traxler
Hawkins	Natcher	Tsongas
Hayes, Ind.	Neal	Udall
Hays, Ohio	Nedzi	Ullman
Hechler, W. Va.	Nichols	Van Deerlin
Heckler, Mass.	Nix	Vander Veen
Hefner	Nolan	Vanik
Heinz	Nowak	Vigorito
Helstoski	Oberstar	Walsh
Henderson	Obey	Waxman
Hicks	O'Hara	Weaver
Hightower	O'Neill	Whalen
Holtzman	Ottinger	Wilson, Charles H., Calif.
Howard	Patman	Wilson, Charles, Tex.
Howe	Patten	Wirth
Hubbard	Pattison, N.Y.	Wolff
Hughes	Pepper	Wright
Hungate	Perkins	Yates
Jacobs	Peyser	Yatron
Jenrette	Pike	Young, Ga.
Johnson, Calif.	Poage	Zablocki
Jones, Ala.	Preyer	Zeferetti
Jones, N.C.	Price	
Jones, Tenn.	Randall	
Jordan	Rangel	
Karth	Rees	
Kastenmeier	Reuss	

NOT VOTING—21

Abzug	Goldwater	Patterson, Calif.
Barrett	Holland	Rostenkowski
Brown, Mich.	Ketchum	Rousselot
Chappell	Litton	Staggers
Fenwick	Long, Md.	Teague
Flynt	McCloskey	
Fountain	Mills	
Fraser	Murtha	

So the amendment in the nature of a substitute was rejected.

The Clerk announced the following pair:

Mr. Rousselot for, with Mrs. Fenwick against.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2166) to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low-income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit, and for other purposes, pursuant to House Resolution 259, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SCHNEEBELI

Mr. SCHNEEBELI. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SCHNEEBELI. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SCHNEEBELI moves to recommit the bill, H.R. 2166, to the Committee on Ways and Means.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ULLMAN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 317, noes 97, not voting 18, as follows:

[Roll No. 36]

AYES—317

Adams	Biaggi	Burton, Phillip
Addabbo	Biester	Byron
Ambro	Bingham	Carney
Anderson, Calif.	Blanchard	Carr
Anderson, Ill.	Blouin	Carter
Andrews, N.C.	Boland	Chisholm
Andrews, N. Dak.	Bolling	Clausen, Don H.
Annunzio	Bonker	Clay
Ashley	Bowen	Cleveland
Aspin	Brademas	Cohen
AuCoin	Breckinridge	Collins, Ill.
Badillo	Brodhead	Conte
Baldus	Brooks	Conyers
Baucus	Broomfield	Corman
Beard, R.I.	Brown, Calif.	Cornell
Bedell	Brown, Ohio	Cotter
Bell	Broyhill	Coughlin
Bennett	Burgener	D'Amours
Bergland	Burke, Calif.	Daniels, Dominick V.
Bevill	Burke, Fla.	Danielson
	Burke, Mass.	
	Burton, John	

Davis	Johnson, Calif.	Randall
de la Garza	Johnson, Pa.	Range
Delaney	Jones, Ala.	Rees
Dellums	Jones, N.C.	Regula
Dent	Jones, Tenn.	Reuss
Derrick	Jordan	Richmond
Diggs	Karth	Riegle
Dingell	Kasten	Rinaldo
Dodd	Kastenmeier	Rodino
Downey	Keys	Roe
Downing	Kindness	Rogers
Driuan	Koch	Roncalio
Duncan, Oreg.	Krebs	Rooney
Duncan, Tenn.	LaFalce	Rose
du Pont	Lagomarsino	Rosenthal
Early	Landrum	Roush
Eckhardt	Latta	Roybal
Edgar	Leggett	Ruppe
Edwards, Calif.	Lehman	Russo
Eilberg	Lent	Ryan
Emery	Levitas	St Germain
Esch	Lloyd, Calif.	Santini
Eshleman	Lloyd, Tenn.	Sarasin
Evans, Colo.	McCollister	Sarbanes
Evans, Ind.	McCormack	Scheuer
Evins, Tenn.	McDade	Schroeder
Fascell	McFall	Schulze
Fish	McHugh	Seiberling
Fisher	McKay	Sharp
Fithian	McKinney	Shriver
Flood	Macdonald	Shuster
Florio	Madden	Sikes
Flowers	Madigan	Simon
Foley	Maguire	Sisk
Ford, Mich.	Mann	Skubitz
Ford, Tenn.	Matsunaga	Slack
Fountain	Mazzoli	Smith, Iowa
Frenzel	Meeds	Smith, Nebr.
Frey	Melcher	Solarz
Fulton	Metcalfe	Spellman
Fuqua	Meyner	Spence
Gaydos	Mezvinsky	Stanton,
Giaimo	Mikva	J. William
Gibbons	Miller, Calif.	Stanton,
Gilman	Miller, Ohio	James V.
Ginn	Mineta	Stark
Goldwater	Minish	Steelman
Goodling	Mink	Steiger, Wis.
Gradison	Mitchell, Md.	Stephens
Grassley	Mitchell, N.Y.	Stokes
Green	Moakley	Stratton
Gude	Moffett	Stuckey
Guyer	Mollohan	Studds
Haley	Moorhead, Pa.	Sullivan
Hall	Morgan	Symington
Hamilton	Mosher	Talcott
Hanley	Moss	Taylor, N.C.
Hannaford	Motl	Thompson
Harkin	Murphy, Ill.	Thone
Harrington	Murphy, N.Y.	Traxler
Harris	Myers, Ind.	Tsongas
Harsha	Natcher	Udall
Hastings	Neal	Ullman
Hawkins	Nedzi	Van Deerlin
Hayes, Ind.	Nichols	Vander Veen
Hays, Ohio	Nix	Vanik
Hechler, W. Va.	Nolan	Vigorito
Heckler, Mass.	Nowak	Walsh
Hefner	Oberstar	Waxman
Heinz	Obey	Weaver
Helstoski	O'Brien	Whalen
Henderson	O'Hara	Wilson,
Hicks	O'Neill	Charles H.,
Hillis	Ottinger	Calif.
Hinshaw	Patten	Wilson,
Holtzman	Pattison, N.Y.	Charles, Tex.
Horton	Pepper	Winn
Howard	Perkins	Wirth
Howe	Peyser	Wolff
Hubbard	Pickle	Wright
Hughes	Pike	Wydler
Hungate	Pressler	Yates
Hutchinson	Preyer	Yatron
Hyde	Price	Young, Ga.
Jacobs	Pritchard	Zablocki
Jeffords	Quillen	Zeferetti
Jenrette	Railsback	

NOES—97

Abdnor	Clancy	Forsythe
Alexander	Clawson, Del	Gonzalez
Archer	Cochran	Hagedorn
Armstrong	Collins, Tex.	Hammer-
Ashbrook	Conable	schmidt
Bafalis	Conlan	Hansen
Bauman	Crane	Hébert
Beard, Tenn.	Daniel, Dan	Hightower
Boggs	Daniel, Robert	Holt
Breaux	W., Jr.	Ichord
Brinkley	Derwinski	Jarman
Buchanan	Devine	Johnson, Colo.
Burleson, Tex.	Dickinson	Jones, Okla.
Burlison, Mo.	Edwards, Ala.	Kazen
Butler	English	Kelly
Casey	Erlenborn	Kemp
Cederberg	Findley	Krueger
Long, La.	Patman	Teague
Lott	Poage	Thornton
Lujan	Quie	Treen
McClory	Rhodes	Vander Jagt
McDonald	Risenhoover	Waggonner
McEwen	Roberts	Wampler
Mahon	Robinson	White
Martin	Runnels	Whitehurst
Mathis	Satterfield	Whitten
Michel	Schneebeli	Wiggins
Milford	Sebelius	Wilson, Bob
Montgomery	Shipley	Wylie
Moore	Snyder	Young, Alaska
Moorhead,	Steed	Young, Fla.
Calif.	Steiger, Ariz.	Young, Tex.
Myers, Pa.	Symms	
Passman	Taylor, Mo.	

NOT VOTING—18

Abzug	Fraser	Mills
Barrett	Holland	Murtha
Brown, Mich.	Ketchum	Patterson, Calif.
Chappell	Litton	Rostenkowski
Fenwick	Long, Md.	Rousselot
Flynt	McCloskey	Staggers

So the bill was passed.

The Clerk announced the following pairs:

Ms. Abzug with Mr. Murtha.
Mr. Barrett with Mr. Litton.
Mr. Flynt with Mr. Staggers.
Mr. Fraser with Mr. Chappell.
Mrs. Fenwick with Mr. Rousselot.
Mr. Holland with Mr. Brown of Michigan.
Mr. Rostenkowski with Mr. McCloskey.
Mr. Patterson of California with Mr. Long of Maryland.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my own remarks on the bill just passed, and to include extraneous material and, further, that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and on the amendments to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORTS

Mr. LLOYD of California. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL), if he is in a position to inform the House as to the program for the balance of the week, if any, and for next week.

Mr. O'NEILL. If the distinguished minority leader will yield, I will be happy to respond.

When we adjourn today, we will adjourn to meet Monday next.

The program for next week, the week of March 3, 1975, for the House of Representatives, will be as follows:

Monday will be Consent Calendar day, with no bills;

Suspensions, no bills.

So on Monday there will be just a pro forma session.

For Tuesday and the balance of the week, there will be the Private Calendar, no bills;

Suspensions, no bills;

H.R. 1767, prohibiting imposition of tariffs, fees, and quotas on oil imports. This is the vote on the overriding the anticipated President's veto;

House Concurrent Resolution 133, lowering interest rates, under an open rule, with 1 hour of debate;

And we have a third budget recission bill, for the fiscal year 1975. That is for Tuesday and the balance of the week.

I know of no conference reports at the present time unless something possibly comes up. If there are any, they would be called up, and the remainder of the program will be announced later.

May I say the committees and subcommittees have been working diligently. We anticipate that a heavy schedule of legislation should be before the House starting with the week after next. We anticipate during the week numerous reports from the committees, and I will put in the RECORD this list of bills that we anticipate will come before the House before Easter.

Mr. RHODES. I think it would be interesting for the Members to have that list. Could the distinguished majority leader give the House some guidance as to when the various items of legislation might come up. Would it be the majority leader's intent to try to bring these up all on 1 day and dispose of them?

Mr. O'NEILL. No. We cannot be definite at this time on dates because of committee timetables being subject to change but the list of possible bills before Easter is as follows:

National Science Foundation Authorization.
NASA Authorization.
Standard Reference Data Act.
Non-Nuclear part of Energy Research Development Agency.
Agriculture and Consumer Protection Act Amendments.
Supplemental Appropriations for Jobs bill.
Foreign Aid Appropriations.
Legislative Appropriations.
Deregulation of old oil.
Health Revenue Sharing.
Health Manpower.
Health Service Corps.
Developmental Disabilities.
Nurses Training.
Housing Interest Rate Subsidies.
Housing Mortgage Assistance.
Arms Control.
Rhodesian Chrome.
Missing in Action Resolution.
State Department Authorization.
USIA Authorization.
Maritime Authorization.
Strip Mining.
School Lunch Amendments.
Older Americans Act.
Youth Camp Safety.
Executive Protective Service.
Voting Rights Extension.
Presidential Protection.
Voting Rights for ex-offenders.
Repeal President's Emergency Powers.

There are other items that could possibly be reported, so I take great pride in the fact that the committees are working so diligently, that the subcommittees are working so diligently. May I make comment on this, also. Having checked the record, we find that in the 90th Congress it was the first week in March that the Committee on the Judiciary had organized, and that was the first committee in the 90th Congress to organize. So the Members can see we have organized early in relation to the past. We have passed a half dozen bills, including the one today, and so for the 1st session of the 94th Congress we have been moving with haste and speed that has not been seen around here for years, even though I must say that I am sure that the press does not appreciate it. I hope the new Members appreciate it. But we are moving, in my opinion, with great haste.

Mr. RHODES. I congratulate the majority leader on his speed record.

Mr. O'NEILL. I thank the gentleman from Arizona.

ADJOURNMENT TO MONDAY, MARCH 3

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday Rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGE AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday, the Clerk be authorized to receive messages from the Senate, and that the speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TO ESTABLISH A NATIONAL COMMISSION FOR PRESERVATION OF LANGUAGE RESOURCES

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, I have again introduced a bill that I have proposed in several past Congresses that would establish a National Commission for the Preservation of Language Resources. In the last year or two I have received a large number of letters in support of this legislation from educators and others involved with languages.

The intent of this bill is to create a small consultative group to advise in the formulation of policies to identify, preserve and improve this Nation's heritage of language resources. In addition, it would evolve active programs for the conservation of these resources, and serve as consultant and coordinator to national and State professional educational associations for the development and implementation of activities designed to preserve and identify these same resources. It will also develop and maintain what could be considered a data bank of this country's language resources.

I am sure many will question the need for preserving other languages since English is our national language. But one of the answers to this question lies in our great desire for peaceful coexistence in this world. In order to achieve this goal we must have meaningful communication.

Virtually all Americans are immigrants or the descendants of immigrants, so one might assume that we would have a culturally pluralistic society. However, this is not the case; every immigrant has felt a strong urge to become "Americanized." I do not feel that this trend should be otherwise, but unfortunately our country has lost a great deal in this process. We find that persons who have a rich linguistic and cultural background soon lose it, while young people in our school systems are studying these very languages.

It is indeed unfortunate that we have not used the resources our immigrants have to offer, and have discouraged their children from maintaining a second or third language that they might have learned within their families. Would not our society be much richer in the cultural sense if we had an active and enthusiastic policy to encourage extra language development, and to effectively use the language resources we are squelching or ignoring by not tapping its source.

I can report that in a number of Spanish-speaking communities across the country we are attempting to preserve the Spanish language to some extent through bilingual and bicultural programs in the schools. And in some areas where there are a large number of Chinese children attending school there are now programs geared to preserving this language and culture. But we have many other languages and cultural traits that are not being utilized or preserved.

My bill does not in any way seek to disestablish English as the common language of American unity, but rather to reinforce and maintain the other languages spoken in our country to be used to the benefit of our Nation.

Despite the fact that this country is rich with diverse peoples and cultures, to date there is no agency or branch of Government in charge of a full-scale incentive program to encourage social, educational, and political associations, educational institutions, and educational systems at the State and local level to develop programs to preserve foreign language resources.

The Special Subcommittee on Education held 1 day of hearings on my bill in the last Congress, and a number of Members on the Subcommittee agreed my bill had merit, but unfortunately no further action was taken.

I hope that the 94th Congress will agree with me that the time is now to develop the commission provided for in my bill. Let us begin to create a good foundation for meaningful communication amongst the people of mixed cultures in our country and with those across our borders and oceans.

Our Nation might not have enough oil, but we certainly have vast untapped language resources. Let us not waste these resources, but let us utilize them in the best interests of our Nation.

LEGISLATION TO REDUCE CRIME INVOLVING FIREARMS

(Mr. CASEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CASEY. Mr. Speaker, I know that there is growing concern in the Congress and throughout our Nation about our rising crime rate and particularly crimes involving firearms.

This week I have introduced legislation that I believe would achieve significant reductions in crime involving the use of guns and that will do so without abridging the constitutional rights of any citizen.

First, I submit a bill that would make it a Federal offense to use any firearm that has been transported in interstate and foreign commerce during the commission of any robbery, assault, rape, burglary, kidnapping or homicide. I propose that the penalty for violation of this law be a mandatory minimum of 10 years in prison for the first offense, and the second or subsequent offense, a minimum of 25 years in prison. There would be no suspended sentences or probationary sentences granted to those convicted.

This might be considered a harsh law by some, but I will point out that any crime committed with a gun is a harsh crime, and one that is obviously planned in advance.

I believe that if my bill becomes law we will see a dramatic decline in the incidence of crimes committed with firearms, because everyone will know that if he uses a gun in the commission of a crime, he is almost certainly going to be sent to prison for an extended term.

I am convinced that this is the proper approach to the problem and one that

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would not abridge the right of our citizens to bear arms.

My bill is a sound alternative to those who would seek to take this right away, or to require our citizens to register firearms.

Those approaches are neither in the best interest of combating crime nor of our Nation.

Guns do not commit crimes, Mr. Speaker, but people do commit crimes.

The vast majority of our citizens who own guns would never consider using them in the commission of a crime.

And the criminal elements who desire firearms for criminal purposes will find ways to get them, just as dope pushers find ways to get heroin.

Penalizing the legitimate owners of guns, the sportsman, the collector, the target shooter and the many others who own guns and use them with care, respect, and for lawful purposes is not the answer.

We must instead penalize those who misuse guns, the criminal element of our society. That is exactly what my bill would do. And I believe I can safely guarantee that it will do far more to combat violent crime than all the laws we could pass to ban or register firearms.

The second piece of legislation that I have introduced, as a cosponsor with Mr. DINGELL, would prohibit the sale of the so-called "Saturday night special" handgun.

This is one type of weapon that we not only can do without, but which does pose a serious threat to society. The guns in the "Saturday night special" category have no legitimate use and are in fact dangerous to those who use them.

No sportsman, law-enforcement officer or anyone with a real need for a handgun would ever purchase these cheaply made pistols because they are both unreliable and unsafe. They do however provide an inexpensive and disposable weapon for the criminal element.

The bill that Mr. DINGELL and I are introducing today would require that all handguns imported or manufactured in this country have the critical parts, such as the barrel, cylinder and frame, constructed of materials that will withstand a temperature of 1,000° Fahrenheit without melting and to have a minimum tensile strength of 55,000 pounds per square inch. Unless a handgun can meet this test, it is dangerous to the user.

Such guns are being manufactured and sold, however. They are cast from die-cast zinc alloys, which is low in cost, making such guns most appealing to the spur of the moment buyer, or to a criminal who plans to use it and then throw it away.

The bill proposed would not affect the manufacture of quality handguns made by reputable arms makers.

Mr. Speaker, I would like to emphasize once again, that in our zeal to fight crime we must not make the law-abiding citizens our target.

We must pass laws that go to the heart of the problem, which will provide deterrents to crime, and which provide swift and sure punishment to those who choose to violently prey upon society.

We do not need to eliminate guns.

We do need to remove from society those who misuse guns.

I believe the two bills I propose would do that, Mr. Speaker, and I invite all my colleagues to join in their sponsorship. I also urge that the merits of these bills be given a full and early hearing and brought before the House for passage.

AUDITING AN $8.7 BILLION MEDICAID PROGRAM REQUIRES MORE THAN ONE MAN WORKING HALF A DAY

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, the more I learn about the monitoring systems of our medicare and medicaid programs, the more astounded I become at the inefficiency and neglect involved.

I have been informed that the Department of Health, Education, and Welfare, which administers our $8.7-billion-a-year medicaid program, has one man, working part time, on monitoring fraud within the program. Throughout the entire country, Mr. Harry Schneider, an employee in the Department of HEW in Washington, D.C., is the only person monitoring fraud, and he only does this on a part-time basis. I find this situation not only incredible, but absurd. It is tantamount to the U.S. Government saying to medicaid providers, "Here, take all the money you want. Spend it however you wish. We won't check up on you."

Admittedly, a token effort has been made to gain some semblance of order within the program. In 1972, a provision was added to title XIX of the Social Security Act which required all States to report quarterly to HEW specific information regarding cases of abuse or fraud perpetrated on the medicaid program. Although these statistics are currently being compiled by HEW's fraud monitoring division—Mr. Schneider, the National Center for Social Statistics advises me that no compilation of the quarterly reports will be ready at least until late March of this year. Even when these statistics do become available, however, I feel confident that they will not accurately reflect the true fraud picture. Some States report no cases of abuse, and return the forms to HEW just so they will be in compliance with title XIX. When I made a personal survey of medicaid abuses throughout the 50 States, I discovered that many States were not even aware of the title XIX requirement and they claimed that no information on fraud existed.

New York State, for example, for the quarter ending June 30, 1974, reported no fraud or abuse cases in the State and that included all medical services—physicians, hospitals, nursing homes, et cetera. This, of course, is far from the truth. In fact, a case has since been referred to the U.S. attorney for the eastern district of New York which involved the alleged fraudulent practices of 9 clinics and 109 doctors during this same period. For the quarter ending September 30, 1974, New York State claimed only one case of abuse against the medicaid program. In addition, hearings and investigations held by the Senate Select Committee on Long-Term Care have revealed gross abuses of the medicaid program by a number of nursing homes. It is obvious that the States are paying little or no attention to the reporting requirements.

In an effort to upgrade its monitoring program, I have learned that before July 1, 1975, another 11 persons will be hired to assist Mr. Schneider in forming a Fraud Investigation Bureau at HEW. Unfortunately, none of this personnel will be doing field audits although their presence will be a welcome addition. For fiscal year 1976, the HEW budget calls for 108 additional staff for the fraud unit, of which 100 will operate in the field in the 10 regions of the country, and 8 will work at the HEW offices in Washington. No congressional authorization has yet been granted for these slots, but the need is obvious, Mr. Speaker, for approval of HEW's request in this area. Why, at an annual cost of $8.7 billion, the medicaid program alone is almost twice as costly as the total estimated expenditure for general science, space, and technology for fiscal year 1976, and only one man monitors fraud under the entire medicaid program. This is so ridiculous, it is laughable.

If I may, Mr. Speaker, I would also like to take a moment to discuss the medicare program, which maintains a fraud division under the Social Security Administration of approximately 80 program integrity specialists, whose responsibility it is to keep abuses minimal. A communication from HEW Secretary Caspar Weinberger, states that—

> Since the beginning of the medicare program, the Department has placed great stress on program integrity activities, with the expectation that the combination of an increasingly sophisticated monitoring system and wide publicity within the health field and among beneficiaries, would eventually lead to a reduction in the incidence of fraud and abuse situations.

The program integrity specialists, who monitor the $9.5 billion medicare program, act on leads from informants, usually beneficiaries, who report abuses by vendors. Obviously, reports on individual physicians are more numerous than reports about institutions such as hospitals and nursing homes, since it is much more difficult to detect abuses on an institutional level. The program integrity personnel rarely initiate investigations, and most oversight—auditing—is done by intermediaries, such as Blue Cross. In these cases, the data inspected is supplied by the physician or institution.

Statistics supplied by HEW show that under medicare fraud cases have declined from 3,055 in 1972 to 2,361 in 1973, and abuse cases have decreased from 4,873 in 1972 to 2,977 in 1973, a total decrease of 2,590 cases. This decline might be due as much to a falling off of willing informants as to a decrease in fradulent practices. While efforts to fight fraud under medicare appear to be faring better than medicaid, it becomes more and more clear to me as I investigate these monitoring programs, that they are both grossly inadequate. We cannot and must not tolerate such a lax attitude by the Federal Government in overseeing two programs which cost the taxpayers billions of dollars every year.

THE LATE HONORABLE JERRY PETTIS

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from California (Mr. BOB WILSON) is recognized for 60 minutes.

GENERAL LEAVE

Mr. BOB WILSON. Mr. Speaker, I ask unanimous consent that all Members who wish to join in this special order may have 5 legislative days in which to do so and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, I have taken this time to allow my colleagues to join me in paying tribute to the memory of one of the finest Members of Congress who ever stood in the well of this House, the late JERRY PETTIS, who just 2 weeks ago tomorrow met with a tragic accident while on a flying trip in his own congressional district of California.

The accomplishments of JERRY PETTIS on behalf of mankind, as a legislator and through other endeavors, were numerous. I am sure they will be referred to many times today in the eulogies of our colleagues who grieve the tragic loss of this wonderful man. He had been an inventor, a businessman, an educator, a Christian leader, a rancher, a philanthropist, and an aviator, both in peacetime and in war; but through all of his endeavors ran a single thread of purpose—to extend a helping hand to others. His genuine friendliness toward his colleagues pierced the formality of our daily chores in the House. His untimely death is not only a great loss to Congress and our Nation, but to me personally, for he had been one of my closest friends.

As a Congressman, JERRY PETTIS was a dynamic legislator, one who always contributed new ideas for solving problems, not only on a national level, but those of his constituents whom he served so well with endless energy. There was never a constituent request that did not receive his fullest effort.

As a member of the Committee on Ways and Means, he had just reached a leadership position as ranking minority member of the Subcommittee on Health when his life was cut short. His colleagues on that subcommittee, I know, are well aware of the excitement and enthusiasm JERRY PETTIS had about delving into the complex question of a national health program.

JERRY PETTIS in one of his recent experiences had been a hospital administrator and was an acknowledged expert on medical problems. During a recent visit to Red China he spent much of his time exploring Chinese medical knowledge and practices, including acupuncture.

Mr. Speaker, my wife, Shirley and I, extend our deepest sympathy to his children, Yvonne, Deborah, and Peter, and especially to his widow, Shirley, who was always a helpmate of his political campaigning. In the conduct of his business she often attended with him the various meetings throughout his large district. She often spoke for him when he was not able to be present. She is a beautiful person in every way and we, my wife and I, extend to her our special sympathy.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman from California taking this time. I must say, it does not seem possible that just 2 weeks ago tomorrow JERRY PETTIS was killed in what has to be one of the saddest and most tragic plane accidents, and yet also the most ironic of accidents. From my wife, Janet, to Shirley and the Steiger family, JERRY PETTIS and Shirley have been close friends, one of the men to whom I would look for guidance and counsel, one of those who came in that 90th Congress as part of the class who was elected in 1966, JERRY PETTIS above and beyond anything else represented the finest ideals and qualities of a human being. He was kind to those who were his friends. He was generous to those he may never have met before, but who asked him to serve. He was incredibly good in his commitments to his fellow human beings, whether that be as a Member of this institution or as an inventor, as the gentleman from California (Mr. BOB WILSON) has said, or as a leader, at Loma Linda University as a professor in that institution, as one of the guiding lights of his church and all that he did and for his religious faith.

JERRY PETTIS long will be remembered by many who have many deep feelings about who ought to serve in this body, and have all kinds of ideas we ought to live up to.

I must say, Mr. Speaker, the day the delegation went to JERRY's funeral will be for me and for Jan one of the saddest days we have ever experienced. It was a tribute that so many in his district came and were either in the Loma Linda University chapel or were outside that chapel. Perhaps no man could ask for more than to know that those he served had that kind of affection for one like JERRY PETTIS.

He will be missed; he will be remembered. May we ever, within our own service in this body or in our own lives, strive to do half as much as he did.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from Wisconsin for his remarks.

Mr. BROWN of California. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. I yield to my colleague from California.

Mr. BROWN of California. Mr. Speaker, I thank the gentleman from California for yielding to me. I want to commend him for taking this time to allow us to express our individual respect and regard for JERRY PETTIS.

Mr. Speaker, it is nearly impossible for me to convey the sense of shock and deep personal loss which struck me on Friday afternoon, February 14, when I first learned of the sudden death of JERRY PETTIS. I have known JERRY since he first came to Congress in 1967, when he was assigned to the House Science and Astronautics Committee on which I also served. I developed great respect for his legislative abilities and intelligence during the next few years; and I found Congressman PETTIS to be a cordial companion in the many activities in which, because of our common committee assignment, we participated together. In 1968 we both took part in an inspection trip to our scientific facilities in Antarctica, and the following year we were guests together on a Los Angeles television station, providing commentary during the historic Apollo 11 mission.

But it has been only since 1972, when reapportionment found us campaigning in adjacent districts for the first time, that I have come to fully appreciate the exceptional qualities which made JERRY L. PETTIS so popular, not only among his colleagues here in the House, but also in the community which he so ably represented for the last 8 years.

Mr. Speaker, rather than try to describe the respect and affection with which JERRY PETTIS was regarded by his constituents, I would like to submit at the end of my remarks the texts of editorials which appeared in the San Bernardino Sun-Telegram and the Riverside Press Enterprise on Sunday, February 16. These editorials convey better than I could the feelings which JERRY's integrity, ability, and dedication inspired among his constituents.

One of the reasons for JERRY PETTIS' exceptional popularity back home was his sincere, intense commitment to stimulating and diversifying the economic base of the Inland Empire, as the area we come from is called. Just 1 week before his death, JERRY saw one of his many efforts in this field bear fruit, as the metropolitan San Bernardino area was designated a special impact area by the Economic Development Administration. Congressman PETTIS had worked closely with city and county officials in the successful effort to obtain this designation for San Bernardino, which entitled the area to a number of important benefits, including an increase from 50 percent to 80 percent in the amount of Federal funding available for qualified local public works projects.

Although JERRY PETTIS was a moderately conservative Republican—with most observers feeling that he was moving more toward the moderate side as the years went by—and I am generally regarded as a liberal Democrat, our differing philosophical and political views never interfered with the close working relationship we developed over the past few years. JERRY and I worked closely together on several legislative matters of particular concern to the residents of San Bernardino and Riverside Counties. Always, in every contact we had, Congressman PETTIS displayed the highest qualities of statesmanship, integrity, and dedication to the interests of his constituents and the Nation.

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Mr. Speaker, I mourn the loss of a friend, the people of California's 37th District have lost a dedicated and able Representative, and the Congress shall be the less for the tragic death of one of its most capable and hardworking Members.

I extend my sympathy and heartfelt best wishes in this difficult time to those most directly affected by this tragedy: the Congressman's gracious and popular wife, Shirley; their children; and JERRY's very knowledgeable and competent staff both here and back in California.

At this point I submit for the RECORD the texts of the two editorials to which I referred earlier:

[From the Riverside (Calif.) Press-Enterprise, Feb. 16, 1975]

JERRY PETTIS

Representative Jerry Pettis, Republican of Loma Linda, who died in the crash of his private plane Friday morning, was a man of exceptional energy, a dynamic politician who could shoehorn a great deal of activity into a small amount of time. It is not at all incongruous that he died in transit in his district, for he was proud of the agility his light plane gave him, and relied on it heavily.

Rancher, businessman, inventor, professor, university administrator and finally congressman, Representative Pettis was a man whose talent and appetite for work stood out. He had in recent years moved closer to his party's philosophical center, and his colleagues in the House GOP had recognized his ability and leadership, first with important committee assignments and most recently with election as deputy GOP whip.

He had represented portions of San Bernardino County since 1967; only with the most recent reapportionment were portions of Riverside County added to his district. His seniority and his ability added up to a promising future, one which could have been beneficial to this area in a way that no successor's work can be for at least several years and perhaps not even then. Personally and as a congressman, he will be missed.

[From the San Bernardino (Calif.) Sun-Telegram, Feb. 16, 1975]

JERRY L. PETTIS

The shock of the death of Jerry L. Pettis, member of Congress from the 37th District of California, will linger long with deepest sadness.

The crash of his plane Friday, which he was piloting, in the mountains north of Beaumont in San Gorgonio Pass, ended the outstanding career of this fine public servant at its peak. He would have been 59 next July.

The tragedy brought to an untimely close a record begun more than seven years ago of uninterrupted devotion to the House and to the people who chose him as their representative.

Pettis brought to his office a rare and valuable blend of experience and talent. He was special assistant to the president of United Airlines for four years after his Air Force service as an instructor and pilot with the Air Transport Command in the Pacific Theater in World War II.

He then turned to his own private businesses and formed four successful companies. Moreover, he found time to teach economics as a Loma Linda University professor, and served as vice president of the university as well as chairman of its Board of Counselors.

At this point in his life he was drawn to a desire to devote his energies and abilities to the people of his congressional district and to the people of the United States through its House of Representatives.

He was elected first in 1966 and was reelected every two years since. He was that kind of a man—a representative, admired and respected by those in his Republican party and those in the Democratic party alike.

His qualities did not go unnoticed in the House. He became a leader of the California congressional delegation and at his death was a member of the powerful Ways and Means Committee. This gave him the influence which he used widely both in the interests of the nation as a whole and in the interests of his district and his state.

His level-headed judgment will be missed in the House of Representatives, of course. But he never allowed the weight of his responsibilities there to keep him from the people in his district, or throughout the Inland Empire.

He kept close to them, listened to them, helped them and visited them frequently—the mark of a congressman living up to the finest traditon of dedication to constituents.

The nation has suffered a great loss with the death of this honorable and compassionate and earnest man. Even greater, though, is the loss mourned by those of us who will ever remember his gracious smile, good humor and constant concern for us and our problems.

There will be other congressmen to represent us. But not another Jerry L. Pettis.

Mr. Speaker, I want to add one additional thing. At the funeral which so many of us attended, during the eulogies it was suggested that it would be a fitting tribute to JERRY if the Loma Linda Veterans Hospital now under construction in his hometown might be designated as the Jerry L. Pettis Memorial Veterans Hospital.

This, of course, requires legislation by the Congress. During the past few days, several of his friends in the California delegation have been circulating a draft of a bill which would accomplish this aim. I am very pleased to report that every Member of the California delegation who has been contacted—and I think we have contacted all but possibly one or two—has agreed to cosponsor this, together with the leadership on both sides of the aisle and other close friends of JERRY.

We have considerably more than 50 cosponsors of this legislation, which we will introduce on the next legislative day.

I personally think it would be a great action on the part of this House if we could move this bill through as expeditiously as possible and designate this hospital which JERRY worked so hard to secure, both as to its location and as to its connection with the Loma Linda Medical School and the Loma Linda University, with which he was closely associated. I just hope we can achieve this memorial in his name, which I am sure will have the unanimous support of all of the people of this district.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from California, and I would like to add that the Republican delegation from California has joined with the gentleman from California (Mr. BROWN) in cosponsoring the legislation of naming the new hospital in Loma Linda in honor of JERRY PETTIS and we will introduce companion legislation, with others who care to do so, along with the gentleman from California (Mr. DON N. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I proudly associate myself with the remarks of my colleague from California (BOB WILSON) and the other Members participating in this eulogy to JERRY PETTIS.

Also, I am delighted with the acceptance of the request made by our friend GEORGE BROWN and myself to our California delegation and his friends in the Congress to cosponsor legislation designating the "JERRY L. PETTIS Memorial Veterans' Hospital" in Loma Linda, Calif.

This health facility will stand as a living monument to his outstanding record of accomplishments.

Mr. Speaker, the death of our friend JERRY PETTIS has taken from the Congress one of its most able and effective Members and taken from our lives a man all of us came to love and respect. I have lost one of my closest friends.

JERRY was a remarkable man in so many ways and every one of us fortunate enough to know and work with him were enriched and rewarded by that association.

His life was marked by that quality of penetrating sincerity which we call integrity. His district, his State, and his beloved country have lost a great citizen. I will always think of him as a man who brought a great passion and personal commitment to the problems which faced our country.

The warmth of his spirit and the depth of his wisdom were a source of comfort, counsel and advice that we could feel free to call upon—and we all did.

He was courageous. He was outspoken. And yet, while fighting so strongly for what he believed, he could disagree without being disagreeable—the secret to his success in every endeavor he undertook.

JERRY was a man of deep religious conviction and principle. He was devoted to his church and to his fellow man. He was persistent and idealistic and never one to lower his standards or his principles.

Adlai Stevenson once said:

It is often easier to fight for principles than to live up to them.

JERRY PETTIS was able to do both.

Ollie and I offer our deepest sympathies and prayers to his wife, Shirley, son Peter, daughter, Deborah and family.

In my judgment, the spirit of JERRY PETTIS was captured well by an editorial in the Victorville, Calif. Daily Press and I will have it inserted in the CONGRESSIONAL RECORD so that it will be available to all.

In addition, each of us attending JERRY's funeral were deeply impressed by Dr. Alonzo Baker's moving eulogy which was a personal remembrance of a man well worth remembering.

JERRY PETTIS was the first Seventh Day Adventist to ever be elected to the Congress of the United States. With equally strong convictions relating to the preservation of constitutional principles, we worked together to guard against any possible erosion of religious liberty.

In death, JERRY PETTIS brought to his beloved Loma Linda more people of national political prominence than at any other time in history. The congressional lelegation that flew out to Loma Linda to pay their last tribute to JERRY came away appreciative for the reception they received by JERRY's lovely wife Shirley and their many friends and admirers and impressed by the institution, the people, and the program participants' eloquent eulogies to JERRY.

The nationally recognized musical talents of the King's Herald Quartet and Marilyn Cotten offered beautiful and appropriate renditions.

Our close mutual friend Elder Bill Loveless, Dr. Alonzo Baker, House Minority Leader JOHN RHODES and the uncomparable H.M.S. Richards, the "Voice of Prophecy," brilliantly and eloquently put JERRY PETTIS' life and all its meaning in full perspective.

It was a moving testimonial to an extraordinary man, husband, father, churchman, businessman, pilot, farmer, educator, and Congressman.

JERRY PETTIS was a genius as an inventor, innovator and motivator—all directed toward helping his fellow man.

God has blessed you JERRY and all of us privileged to know and work with you.

Your spirit, influence and constructive deeds will live on forever.

I include the aforementioned editorial and the "Life Sketches" of Dr. Alonzo Baker and Kenneth H. Wood.

This records for posterity the life story of my friend Congressman JERRY L. PETTIS of California.

The material follows:

[From the Victorville (Calif.) Daily Press, Feb. 18, 1975]

JERRY L. PETTIS WILL BE MISSED

Rep. Jerry L. Pettis, whose funeral was held today on the campus at Loma Linda University, was a valued friend to all who knew him, to all of his constituents and to the desert. His loss will be felt deeply and for a long time.

It was typical of the man that when he died last Friday morning, his plane exploding on a hill near Banning, he was taking the extra step to do his job better as he saw it. He knew that bad weather might be encountered in San Gorgonio Pass, but to drive would have made him late for an appointment, and he hated to be late, not out of picayunish concern for punctuality, but out of concern for those who would be kept waiting.

In fact, he was in the district under protest. He felt the Congress should stay in session and work on the problems of the nation rather than spending 10 days polishing apples in the home districts. But since his fellow representatives would not agree to working in Washington, he set about putting the time to as good a use as possible, as usual visiting as many of his far-flung constituents as possible.

It is standard practice, when a person of note dies, to list the person's accomplishments while overlooking the faults. Jerry Pettis had no faults worth overlooking. He was honest to a fault, generous to a fault, considerate to a fault and friendly to a fault. But in an era when the popular pastime is looking for and chipping away at the clay feet of the mighty, Pettis stood firm and tall. Never in five successful campaigns for Congress was there a successful attack on his reputation or competence. Never was there a question about his public or private behavior.

As he won, over close to a decade of representing us, our growing respect and allegiance as expressed in ever larger margins of majority votes, so he won respect and recognition from his peers in the House of Representatives and others in Washington, D.C. He was named early in the House Ways and Means Committee, a signal honor which recognized his legislative and intellectual abilities, and rose to become third ranking Republican on the committee. With little effort at campaigning for the job, he nearly won the minority whip post in the House against major contenders, and he was named deputy whip by the winner.

President Gerald Ford was among the earliest formally to express regret at last Friday's tragedy, and his regret was for both the loss of a friend and a counselor.

His constituents here in Victor Valley always knew they could call on him for help, knowing he would give as much as his principles would allow. He would never promise more than could be given; he would always deliver whatever he promised.

He was a public servant in the best sense of that term. He acted on his judgment of the greater good of all the public rather than out of concern for a special interest group or major financial supporters. He never apologized for his votes or positions in Congress; he didn't have to and he was never asked to.

His relations with the press were perhaps best spelled out by his former press secretary, Kolleen Schmidt, when she resigned to go back into the news business last month: "Let me emphasize I have enjoyed working with Congressman Pettis and will never regret my association with him. He possesses the healthiest respect for the press of any politician I have ever known . . . I have never seen him less than honest with the media or with the people of the 37th District."

We will miss him.

LIFE SKETCH OF JERRY L. PETTIS

Today we mourn the tragic passing of the most distinguished resident the City of Loma Linda has ever known. Indeed, in the roster of distinguished men and women who have come from San Bernardino County in its 125 years of history few names, if any, shine with more luster than that of Representative in the Congress, Jerry Pettis.

Jerry Lyle Pettis was born in Phoenix, Arizona, on 18 July, 1916. His father, Dwight Pettis, died when Jerry was but 15 years of age. His mother, Clora Zimmerman Pettis, now 96, lives on in Phoenix. Owing to the infirmities of years she is unable to be here today.

Jerry was the eldest of five children, three of whom survive him. A sister, Mrs. Ramona Ireland, lives in Nelson, New Zealand; Two brothers, George and Wendell Pettis, of Phoenix, are here today.

In addition to an adored wife, Shirley, Jerry leaves a son, Peter, 19, and a daughter, Deborah, 16. Deborah is a student in the very excellent private preparatory school, "The Bishop's School for Girls," in La Jolla. Peter is a recent graduate of the prestigious Sierra International Academy of Aeronantics in Northern California. Of the several score graduates in his class Peter was top man in grades and scholarship. He is now a licensed commercial pilot, and a licensed flight instructor.

Three other members of the close-knit Pettis family group are the parents of Mrs. Pettis, Dr. Harold McCumber, veteran college history professor and author, and Mrs. Dorothy McCumber, and Mrs. Pettis' aunt, Dr. Maud O'Neill. These three are longtime residents of Loma Linda and active participants in community life here.

Jerry Pettis took his preparatory school education in the Thunderbird S.D.A. Academy in Phoenix; his four years of college study were done at Pacific Union College in Napa County, California, from which he was graduated with high honors and as president of his class Jerry did graduate study in speech at the University of Southern California earning a Master of Arts degree. In the school year of 1940–41 he taught speech at Union College, Nebraska.

For a time Pettis was a Seventh-Day Adventist minister pastoring churches in Arizona and Colorado. Inasmuch as his parish areas were large he flew a rented plane. On a Sabbath morning he would preach in one of his churches; Sabbath afternoon in another far away; and sometimes even on a Saturday evening he would meet with a third congregation. He soon became known and publicized as "the flying parson."

It was during those years of ministry that Jerry came in contact with Elder H.M.S. Richards, an evangelist, and now the world famous Dr. Richards of the "Voice of Prophecy" radio broadcasts heard regularly the world around. Some 25 years ago Dr. Richards was the clergyman who united Shirley McCumber and Jerry Pettis in marriage. It is that same venerable Dr. Richards who shortly will present the sermon of this afternoon.

After the Pearl Harbor debacle Pettis, since his early boyhood an ardent believer in America, yearned to do something for his country then in distress. Hence he soon became an organizer for the Civil Air Patrol, known everywhere now as C.A.P. The C.A.P. is an organization of non-military fliers who respond instantly when a call comes over the air for assistance in locating a lost or downed plane. They do a tremendous job of search and rescue. For years Jerry also acted as a flight instructor for young fliers who wanted to join C.A.P. I hold in my hand a telegram from General Leslie Westberg, United States Air Force, and Commander C.A.P.:

"Dear Mrs. Pettis: The entire membership of C.A.P. has been saddened by the news of your husband's tragic death. The C.A.P. has lost one of its greatest friends and most respected leaders. His personal support and untiring efforts in our behalf will continue to be an inspiration to the 61,000 members of this national volunteer organization. Although words cannot express the depth of our concern, be assured of our prayers and heartfelt sympathy."

In the last two years of WW2, 1944 and 1945, Jerry Pettis was with the Air Transport Command flying the Pacific. After the war he became a United Airlines pilot, eventually rising to the position of Special Assistant to the President of United Airlines.

Recognizing the great talents of Jerry Pettis the Adventist medical school, now known as the Loma Linda Medical School, persuaded Pettis to forgo his bourgeoning career in commercial aviation to become Vice-President for Public Affairs and Development. Pettis was an influential factor in the consolidation of the hitherto bifurcated school on the Loma Linda campus; also in the planning and erection of the magnificent new 450-bed Medical Center Building; also in the improvement and enlargement of library and teaching facilities here. Pettis was most active in promoting the medical school and its several affiliates to university status. He himself solicited large funds from the alumni for these improvements and expansions. Of more recent years he and Mrs. Pettis have been most liberal benefactors of this University, their gifts running six figures and more.

In the 1950's Jerry served as an executive in the office of the Los Angeles County Medical Society whose members number more than any other county medical society in America. It was during this period of time that Pettis originated the tape-recorded

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Audio-Digest for the thousands of busy physicians he served. When Jerry accepted the invitation of this medical school to become one of its officials he turned his Audio-Digest business over to the C.M.A., the California Medical Association, with the one proviso that all profits made from his invention should go to assist needy medical students. To the day of his death last Friday the C.M.A., has been enabled to help deserving medical students to an amount in excess of ten million dollars.

Not many months ago a friend asked, "Jerry, of all the things you have done in your career what gives you the most satisfaction?" Without even a moment's hesitation he replied, "The gift of the Audio-Digest to the C.M.A., and its resultant aid to hundreds of medical students who needed financial help to get through school: that's the thing which warms my heart the most. If I am remembered at all after I am gone that's the one thing I want to be remembered for."

Generosity and concern for others bring their own rewards to a man's heart, soul and psyche. If per chance they also pay dividends of a material worth then the doer and the giver is doubly blessed, as for example: The production of the Audio-Digest led Pettis inexorably to the invention of the magnetic tape duplicating device, thence onward to the founding of the successful Hollywood business firm known as Magnetic Tape Duplicators whose profits have run into millions of dollars.

In the estimation of many friends of Jerry Pettis his greatest accomplishment in the eight years he has been in Congress is his success in persuading the Federal Veterans' Administration to locate a new 550-bed $35,000,000 Veterans' Hospital on a tract of land near and adjunctive to the Loma Linda Medical School and Medical Center. Being a veteran of WWI myself, having been a member of the American Legion for more than a half century, and a past Post-Commander in the Legion, I applaud Congressman Pettis for his part in locating a new veterans' facility in the heart of California's Inland Empire. I am joined in this applause by the tens of thousands of veterans in Riverside, San Diego, San Bernardino, Imperial and Orange Counties. I pray a suggestion from me on this somber occasion will not be deemed inappropriate. I make bold this day, and here and now, to suggest that the new hospital in America's Bi-Centennial year 1976 be named, "The Jerry Pettis Memorial Veterans' Hospital."

To give a faint idea of the high esteem held for Jerry Pettis you have just heard the Minority Leader in the House of Representatives, the Honorable John Rhodes, Republican Congressman from Jerry's home state of Arizona, read you three Telex wire messages from President Gerald Ford, Evangelist Billy Graham, now on a campaign in Mexico City, Mexico, and George Bush, Ambassador to the Peoples' Republic of China from Peking. I have two more to read you now, the first from the greatest diplomatist America has ever had, Secretary of State, Henry Kissinger, at the moment shuttling back and forth between Cairo, Tel Aviv, Damascus, Teheran and Riyadh in another effort to prevent another fateful Middle-East War. From the Mid-East under date of February 18, the day after Jerry's death, Henry Kissinger wired Mrs. Pettis: "I was shocked by the news of your husband's tragic accident. His absence will be a major loss to the Congress and will diminish us all.

How true Kissinger's words, "His absence will diminish us all"!

Yesterday at the McCumber residence here in Loma Linda I spent some hours looking over the hundreds upon hundreds of telegrams, mailgrams, and letters which have poured in since last Friday noon. All are addressed to Shirley who, of course, has not yet seen even a tithe of them. I was overwhelmed by the avalanche of esteem and admiration for Jerry, and the love and sympathy for Shirley. Allow me to read just one more, this one from "The Members of the San Bernardino City Council." I was more impressed by this communication than any other, and for this reason: Someone has said that a prophet is not without honor except in his own home town and community." In all my long life I have never felt called upon to challenge that statement, but I do so now! San Bernardino is the site of the headquarters office for Congressman Pettis in all his huge 37th Congressional District. Lend your ear, please, to this from San Bernardino's City Fathers: addressed to Mrs. Pettis:

"Our hearts share your sorrows in these dark hours. There is so little we mortals can do for those left behind except hold them up in prayer so God, the Father, may see them through the valley of shadow to the sunshine of His mountain top. The world will surely long remember Congressman Pettis as a giant among men who courageously stood for right and the betterment of mankind through effective government. His concern for all peoples, rich or poor, big or small, the neighbor next door or the person across the state, was without equal. This made him dear to the hearts of the people. Yes, Congressman Pettis was a great man and losing him will be felt throughout the land. May God bless and keep you in these days." (Signed: Members of the City Council, City of San Bernardino.)

If the death of Jerry Pettis constitutes an irreparable loss to California and the nation at large, his loss is even a greater blow to Seventh-day Adventism. Jerry was the first of our faith ever to sit in America's national legislature. The integumentation between the office of Congressman Pettis on the Hill and our national and international headquarters a few miles away in Takoma Park has been of invaluable aid to the officials of our General Conference. However, since last Friday our linkage with the Congress through the person of a capable and dedicated Seventh-Day Adventist Congressman no longer exists.

In the opinion of many of us here today Loma Linda University also has suffered a major loss in the passing of Jerry Pettis. His guidance and wise counsel is no longer available to the trustees of the University nor to the Deans of the nine schools comprising the University. Pettis was very popular and influential with the medical college alumni.

In the galaxy of names of persons who have contributed greatly to the upbuilding and upgrading of Loma Linda University are such as Dr. Percy Magan, Dr. Newton Evans, Dr. Edward Risley, Dr. G. T. Anderson, Dr. D. J. Bieber, and Dr. Robert Cleveland, and in my category last, but by no means least, is the name of Jerry Pettis. Our University will sorely miss him in the months and years ahead.

A few minutes back I told you of the one thing Jerry said he hoped to be remembered for. With your suffrance let me tell you now of a few words of mine to Jerry Pettis some ten years ago which in light of developments since then now constitute a high point in my many years of life.

The first time Jerry ran for Congress he was defeated. When I heard the news in the evening of that November election night I was very disappointed. I was about to go off to bed with a heavy heart when suddenly I found myself not heading for the bedroom, but instead to my study and to my typewriter. In a minute or so I found myself writing Jerry a letter urging him to run again two years hence. I gave him two chapters out of my life story, the year 1936 chapter and the year 1938 chapter.

I told him that in 1936 I aspired to be the very first Adventist ever to be elected to the Congress. I won the Republican nomination in the primary very handily. For the November general election I was amply supplied with funds from men such as ex-president Herbert Hoover, Samuel F. B. Morse, of the Del Monte Properties Corporation, and others of the 8th California Congressional District which then was made up of the five counties directly south of San Francisco City and County. I told Jerry of the very active campaign I put on for seven months and of my hopes of attaining a seat in the Federal Legislature. I also told him of my narrow defeat in November, owing to the national landslide for FDR wherein he won 46 out of the 48 states.

After that recital I told Jerry I made the mistake of my life in 1938 when I turned down the importunities of Republican leaders and offers of plenteous campaign monies if I would allow my name to be put in nomination. The defeat two years before had wounded my pride and ego so much I was afraid of the risk.

Another young chap was nominated and elected, serving 14 years in the Congress, then retiring to look after his deceased father's farms and orchards.

I besought Jerry not to repeat my mistake of 30 years before. He took my advice, was elected and re-elected three times more, and undoubtedly could have served in Congress many more terms were it not for the tragedy last Friday morning in the murky weather high on a mountain above Banning.

Four weeks to the day before Jerry's passing the Pettises had invited Mrs. Baker and me down to their lovely home and ranch on the slopes of Mt. Palomar over looking the beautiful Pauma Valley with Oceanside and the blue Pacific on their western horizon. Jerry took me via four-wheel-drive jeep through his 100 acre citrus and avocado groves. In all my 76 years of living in California have I ever seen a more verdant, thriving, and productive citrus and avocado grove than on the Pettis ranch. To my surprise and amazement I discovered a phase of Jerry's multifaceted interests and abilities I had not known before. Jerry has been a very skilled, scientific horticulturist for years; so skilled, so innovative and so creative in citri-culture that every year the professors at U.C.R. (University of California at Riverside, formerly a college founded for the express purpose of developing and scientific study of the citrus industry in Southern California) bring their students down to the Pettis ranch to see the great contributions Pettis has made to the growing of oranges, lemons, grapefruit, tangerines and tangelos. In my estimation Jerry Pettis is California's modern day Luther Burbank.

As Jerry and I stood on the porch of his ranch house that Friday evening and watching the golden sun sink into the waters of the Pacific beyond Catalina, Jerry said to me, "Shirley and I have built this home and developed these orchards so we may have a place to retire to some day; a home far, far away and sequestered from the busy, high-pressure life a Congressman and his wife lead. This is to be our haven of rest after a few more years in Washington."

Because of the inexplicable tragedy of last Friday that roseate future is not to be; at least, as of now. But it will be some day, of that I am sure! Here are the words of Isaiah, one of the greatest of the Bible prophets, when he foresaw the time when a new earth is to be: "In that day," said Isaiah, "They shall build houses, and inhabit them; they shall plant vineyards and eat the fruit of them; They shall not build and another inhabit; they shall not plant and another eat; they will not labor in vain nor bring forth for calamity for my people, mine elect, says Jehovah of Hosts, shall for eternity enjoy the work of their hands."

Another with prophetic prescience, Ellen White, living in the early years of our 20th century, has written: "In the earth made new the Redeemed shall live the Eden life in garden and field." Our beloved Jerry will be right at home in the Edenic environment!

ALONZO L. BAKER, Ph.D.,
Professor, Political Science, College of Arts and Sciences, Loma Linda University.

LIFE SKETCH JERRY L. PETTIS

(By Kenneth H. Wood, Review and Herald)

It requires the perspective of time to provide an accurate evaluation of the life of a man, and to assign him his place in history; yet even now, surrounded as we are by the dark cloud of tragic death and sorrow, it is possible to see through that cloud to the clear realization that Jerry L. Pettis was a great and good man. He was great in his pursuit of achievement, in his enormous vision of what could be accomplished, in his capabilities and talents. He was good in his devotion to his family, to his home, to his church, and to his country. He was a man of sterling character, devoted to worthwhile causes, to furthering the welfare of all the people whom he served.

He was, by birth, a Westerner, shaped by the vast deserts and plains and towering mountains. His thinking was influenced by the adventure and restlessness and broad scope of opportunity which characterizes that area. Born in Phoenix, Arizona, on July 18, 1916, he fitted well the poetic appeal:

"Bring me men to match my mountains,
Bring me men to match my plains,
Men with empires in their purpose
And new eras in their brains."

He carried within himself the vital motivation for achievement which culminated in his great contribution to his country, for he was not born to wealth and ease. Throughout his early life, his education in Seventh-day Adventist parochial schools was financed almost entirely by his own efforts and this at a time when the United States was still deep in the aftermath of the Great Depression. These school years firmed and crystallized his belief in the message of his church and caused him thereafter always to regard himself as, first of all, a Seventh-day Adventist, everywhere and in all circumstances.

His college years, at Pacific Union College, about 50 miles north of San Francisco, were years of growth and development. Classmates recall that many times he worked most of the night, slept two or three hours, then attended his classes. Ever a natural leader, he became a keen student of human nature; he came to understand the needs and hopes and desires of others. He sensed the basic loneliness of the human being. This understanding and genuine interest in others resulted in his being elected to most of the major offices on his college campus, including the presidency of his senior class in 1938. One of his classmates, a close friend for 41 years, commented recently: "There was something about Jerry, a special quality, a charisma, a singleness of purpose, a clear definition of goals which, young as we were then, we all recognized. We expected him to rise to great heights—so that, when he did, it was almost as though it had been preordained."

Always a most persuasive and effective speaker, Jerry became student assistant in the Speech Department of Pacific Union College to the late, distinguished professor, Dr. Charles E. Weniger. Their friendship was close and enduring, terminated only by the death of the latter.

After college graduation, Jerry's love for the broad deserts of Arizona brought him back there as a ministerial intern. Tirelessly he criss-crossed his assigned territory, bringing God's message eloquently to all who would listen.

His penchant for overwork at one time caused his conference president to order him to take a month off, free from all platform activity. Immediately thereafter he resumed his evangelistic work.

His eloquence and superior talents soon attracted the attention of the leaders of the Seventh-day Adventist Church. He was asked to conduct evangelistic meetings in Kansas City, Missouri, where he was ordained to the gospel ministry. In an era when youth was not looked upon favorably for leadership posts, Jerry's achievement was all the more remarkable.

It is said that one characteristic of a truly superior person is his broad spectrum of interests. By this standard, Jerry Pettis was truly superior. Time after time he entered a new and completely different professional field, stayed in it as long as was necessary to make a brilliant success, then fastened his eyes and energies on a new goal.

His speaking skills so impressed the administration of Union College, in Lincoln, Nebraska, that he was invited to join the faculty as a member of the Speech Department. This new challenge drew him inexorably, but he did not depend entirely on his intrinsic capabilities; he recognized that the world of academia had its own standards, so he put himself under a heavy study schedule at the University of Denver and earned his Master's Degree. Later he took further advanced work at the University of Southern California.

In addition to his professional interests during his early years, Jerry had become convinced that aviation, then somewhat in its infancy, would eventually become the most important means of transportation in the world, as well as one of the military and economic factors which would decide national superiority. During his college years, he had been fascinated by a small open cockpit plane which a friend owned. He flew as a passenger in this craft at every opportunity. Later, in Arizona, he took flying lessons and obtained his first license, to the amazement of his less visionary friends and colleagues. True to form, he continued his lessons and skills until he secured his commercial pilot's license. At the time of his death, he was the only member of the House of Representatives to hold such a license.

It was almost as though he had foreseen World War II and had known that flight instructors would be vital to the war effort of the United States, for he filled this role as well as that of an Air Transport Command Pilot in the Pacific theater during the war years. College classmates in far-flung corners of the earth in various types of service for church and country sometimes looked up and there was Jerry, having just brought in a transport plane to Guam, or Fiji, or New Guinea. On one flight to Shanghai, China, he made it a point to visit the Shanghai Sanitarium, operated by the Seventh-day Adventist Church, which he had heard so much about from close friends who had grown up as missionaries' children there.

His marriage to the former Shirley McCumber, marked the beginning of one of the most brilliantly successful husband and wife teams on the American scene. Shirley full understood when she married him that her life would be one of intensity, of pressure, and of conquering "the hill beyond the hill beyond the hill." Her complete devotion and supportive attitude sustained JERRY through the remainder of his life, a life which took on ever larger dimensions.

From 1948–1960 he was a special assistant to the president of United Airlines. Then a new horizon beckoned, and he entered the world of business. Applying his tireless energy and ambition in this field, he founded the Magnetic Tape Duplicators—the world's largest user and duplicator of magnetic tape. He also established the Audio Digest Foundation, a non-profit organization furnishing monthly education tapes to physicians to keep them abreast of new developments in their field. Foundation earnings are held in a trust fund and are used to provide scholarships for needy medical students throughout the United States.

During this period he accepted the post of Executive Secretary of the California Medical Association. His expertise in the field of medicine and health care served him later in good stead in his political life.

While devoting his efforts to the business world, he continued his interest in education, and from 1948–1964 served as a professor of Economics at Loma Linda University in Southeastern California. From 1960–1964 he was Vice-President of this institution in charge of development, and from 1960–1967 he was Chairman of the Board of Counsellors. He played a key role in funding and building the $25 million Loma Linda University Medical Center. The new $71 million, 550-bed Veterans' Hospital in Loma Linda is also being built as a direct result of his efforts both in and out of the Congress.

With so many worlds conquered, he looked about him much as Tennyson's "Ulysses" did:

"I am a part of all that I have met;
Yet all experience is an arch wherethro'
Gleams that untravell'd world whose margin fades
Forever and forever when I move.
How dull it is to pause, to make an end,
To rust unburnish'd, not to shine in use!
As though to breathe were life!
Life piled on life were all too little . . ."

The world of the political arena now engaged his interest and ambition. Nurtured in an age when patriotism and service to one's country were considered cardinal virtues, he had always been an interested spectator of the political scene. Now having made his decision to run for the House of Representatives from California's 33rd district, he was elected to the 90th Congress on November 8, 1966. Subsequently, he was reelected to the 91st, the 92nd, the 93rd, and, last November, the 94th Congress.

He was a member of the powerful Ways and Means Committee, which writes the laws on all personal and corporate taxes, Social Security and related health care programs, trade and tariff regulations and other vital areas. Since joining the Committee, Congressman PETTIS had helped to author comprehensive welfare reforms, Social Security increases totalling 15 percent, middle-income oriented tax reforms, to airport and airways funding regulations, new trade agreements and a revenue-sharing plan designed to help states and localities.

In the 94th Congress, he had been appointed Chief Minority Deputy Whip. As the third most senior Republican on the Ways and Means Committee, he was the Ranking Republican on the Subcommittee on Health; he also served on the Trade and Oversight Subcommittees.

Congressman Pettis also served on the special Congressional Task Force on National Health, and was a member of the Earth Resources and Population Task Force. He was an advisor to the National Commission on Fire Prevention and Control and was a member of the Republican Congressional Policy Committee.

As an acknowledged expert in the health care field, the Congressman was in great demand as a speaker advocating new approaches to improve national health care delivery systems. His interest and background led to his recognized role as a strong advocate of improved educational programs.

The *Christian Science Monitor* honored him in its choice of Outstanding Congressmen and he won the Watchdog of the Treasury Award for support of thrift in government spending, a 100% National Security Index rating put out by the American Secu-

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rity Council and numerous commendations for service and leadership in the Congress.

And so the curtain has fallen on a life filled with dedication and achievement. Was there one place, one spot which for him meant rest and tranquility, easement from incessant work? There was such a place—his ranch home among his citrus and avocado groves in Southeastern California. There he and Shirley cherished precious peace and privacy. There he spent treasured hours with his children, Peter and Debbie, to whom he leaves the precious legacy of his desire for excellence.

At the time of his death, he was a member of the Loma Linda University Seventh-day Adventist Church. But when he was in Washington, D.C. he regularly attended the Capitol Memorial Church off Connecticut Avenue, the Sligo Church, the Takoma Park Church, or other suburban churches. He was a familiar sight to other worshippers, his Bible always with him.

Jerry L. Pettis, a man for all seasons, a man to match mountains, died on February 14, 1975, at the age of 58. He awaits the call of His Saviour, in whom he believed and whom he served.

He leaves his beloved wife, Shirley; three children, Yvonne, Peter, and Debbie, and hosts of devoted friends from all parts of the world and all walks of life.

The world is richer for his having lived.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from California (Mr. DON H. CLAUSEN).

Mr. Speaker, I yield to the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Speaker, I thank the gentleman for yielding. I would like to say how appreciative I am for having this opportunity to join the Members present in the tribute we are expressing here this evening to JERRY PETTIS. I had the privilege and honor of coming to the 90th Congress with JERRY PETTIS. I remember him over the years as a good and loyal friend, as an individual who worked hard for this Congress and who worked hard for his district. Above all, he had boundless enthusiasm both for his work here and for his work in California.

It was mentioned here a few moments ago that he would be today the ranking Member on the Subcommittee on Health, the Ways and Means Committee. I think it was recognized by many people here and throughout the United States that he was ideally suited for that responsibility. I would suggest that no one in the House of Representatives knew more about health and had more of an interest in it or had more of a background in doing things to help people, to further improve the health of mankind than did JERRY PETTIS.

One of the things that was expressed as a tribute to JERRY PETTIS in California just 2 weeks ago was the remembrance of the tremendous job he had done in developing a mass duplication mechanism for medical tapes so that doctors could be brought up to date on the latest medical developments.

Not only was this the beginning of the Audio Digest Foundation, which has performed a tremendous service for doctors throughout the United States in bringing them up to date as far as the latest in medical technique and latest in medical technology is concerned, but more than that, JERRY PETTIS gave his rights to that Audio Digest innovation to the California Medical Association when he left that association, with the one single proviso that the rights and the moneys derived therefrom be used for the benefit of medical students in conducting or furthering their education in California.

As I understand it, since that time, through the Audio Digest Foundation, the California Medical Society has contributed literally millions of dollars to further the medical education of literally hundreds of students in California. Certainly this will be not only a tribute to JERRY, but it will also be used in furthering the education of these people.

This will be a living memory to a man who had no selfishness in him but who had, rather, a keen and everlasting generosity in his dealings with others.

Mr. Speaker, JERRY PETTIS for many of us, besides being an associate whom we admired and respected, was very much a friend and an individual with whom we were pleased to be associated on so many occasions.

It is really for that reason that I feel such a very personal loss for JERRY PETTIS, and on behalf of my wife Loret and our children, I would like to express to Shirley the great and deep appreciation we feel for having known the PETTIS family and for having had so many good years together with them.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from Michigan.

I now yield to the gentleman from New York (Mr. CONABLE), who was a colleague of JERRY PETTIS on the Committee on Ways and Means.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for yielding so I may give testimony to the feelings I think we all share about our friend JERRY PETTIS.

Mr. Speaker, I sat next to JERRY PETTIS on the Ways and Means Committee. Since he was a fine man, he inevitably became one of my special friends. We are always prejudiced about our friends, Mr. Speaker, but no amount of prejudice could change the basic outline of JERRY PETTIS' character as it has been described here today. I shall not repeat the many nice things said about him, but this does not mean I in any way disagree.

I want to add one note about his personality, however. He was an unusual combination of tranquility and activity. His tranquility came from the inner peace of a deeply religious man who had never failed to achieve what he set out to do. His activity was that of a man always reaching out to serve, to understand, and to help.

I revere his memory, and I shall always derive strength from it, just as his body drew strength from his judgment while he was here. I am sure his family, to whom he must have been a tower of strength, will accept the gratitude that we all feel to them for having supported his service here. We all send our love to them, as well, at a time which must be even more difficult for them than it is for us.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman for his remarks.

I yield now to the gentleman from California (Mr. BURGENER), who comes from an adjoining district to that of JERRY PETTIS.

Mr. BURGENER. Mr. Speaker, I would rather talk about JERRY PETTIS' life than about his death. I am sure we all would.

Mr. Speaker, on Thursday, February 13, I spent almost the entire day with JERRY PETTIS. We were jointly conducting a public hearing at the north shore of the Solton Sea, where our two congressional districts meet. I presided over the meeting in the morning, and JERRY presided in the afternoon. It was a long and grueling session, with some 30 to 40 witnesses giving testimony. The problem of excess salinity in the sea is a real and a serious one and the witnesses presented their strongly held convictions on the subject. Congressman PETTIS' good wife, Shirley was was with him, as was often her custom, during this entire day.

I felt it a privilege to spend that last full day with JERRY PETTIS because he was no ordinary man. He was good to be with and somehow seemed to convey to his congressional colleagues that their work was more meaningful and their constituents needs could be better served by a little greater effort on the part of the elected representative. In short, he stimulated all who knew and worked with him to do a little better job.

I count among my most meaningful duties during my short time in this House, the opportunity to work closely with JERRY on problems of the constituents of our adjoining congressional districts. During the slightly more than 2 years I served with JERRY in this House, I was repeatedly impressed by the uniformly high regard for him among all of our colleagues. He was, without doubt, what the Rev. Ray Blakely said in a touching article following his death, a man who cared. He cared deeply for the people he served and he served them well. I know that my colleagues would be interested in the article by Reverend Blakely and I include it at this point in the RECORD:

[From the Victorville (Calif.) Daily Press, Feb. 21, 1975]

STRAIGHT IN THE DESERT: FROM THE HILLS ABOVE BANNING

(By Rev. Ray Blakely)

They stopped the presses last Friday to get the last word in: a small plane piloted by Rep. Jerry L. Pettis, R-Loma Linda, is missing between Palm Springs and San Bernardino.

Even as the presses rolled again, and the papers went out through Victor Valley, the bad news continued to roll in. The terrible fact became more impossible to reject: Jerry Pettis, one of the finer, more experienced pilots around, has died in hills above Banning, the apparent victim of a howling canyon wind.

There have been many eulogies. There will be more—thousands of words put down in the Congressional Record, each word well-deserved. With the eulogies, a question:

When my turn comes or your turn comes, will they stop the presses as we did for Pettis?

Or will the presses roll and time roll on just as though we'd never checked out at all—or even checked in?

If you're like me, you'll find it considerably more comfortable to leave that question entirely rhetorical for now, further comforting yourself with the religiously valid observation that there are at least a million things immeasurably more important than fame (all of them summed up in one four-letter word from I Corinthians 13), and perhaps even entertaining, despite the steady toll of years, the fond if foolish determination to leave your name somewhere (in whatever few remain) on something besides a tombstone.

So, if you're at all like me, lots of days roll by which you more or less take for granted. Then something like the Pettis crash happens.

"It gives you a sort of weird feeling," I told the office at large as I left for home. "The sheer accident. Pettis is dead, and you're still alive."

Outside, you breathe in deep and then exhale pure gratitude which, for one brief moment, disperses shock and sadness. This is one day, this Valentine's Day, 1975, which you can't just take for granted.

Your own life, somehow continuing with death at every corner, is more miraculous than you can ever say. You drive very carefully home, plop still stunned before the tube, hear it blasting the now-certain news.

Why should it hit you so? Like a member of the family! You're a hard-nosed, thick-skinned newsman, remember? You've written fatal accident stories by the dozen. You've even photographed the mangled bodies and never felt like this. (Newsmen, like doctors, morticians and ministers, learn to operate at one remove, sometimes at least, from human impact—or they neither do their jobs nor survive.)

Maybe it was that 30 minutes in a small room at Barstow's Holiday Inn half a dozen years ago when you were a general assignment reporter for the Desert Dispatch.

It was your first stab at California journalism, and you wanted to do well, so you listened closely to every word. Funny, you can't remember a thing said now. You can't even remember the subject. The closest you can come is that maybe it was that flap about possible closure of the Marine Corps Supply center; or maybe, related to that, it was the need for overall economic development of the city.

He had spoken to the chamber of commerce, and he huddled with the press afterward in those smaller quarters. Your basic impression wasn't changed: Here was a realistic, skillful politician, if there ever was one.

But from that closer view, that only slightly more intimate talk, you began to suspect that maybe, just maybe, here was something more. Judged by the usually superficial yardstick of labels alone (and even, at times, by the more accurate yardstick of actions and votes on some matters of consequence), you stood at different poles both religiously and politically.

So you watched this man over the years and were amazed that he was so frequently available for the watching. Your suspicion grew that maybe, just maybe, this guy really did care about more than the honor, the dignity, the prestige of a Washington office.

Good Lord! What if he was for real?

Heaven wasn't on your beat then, so maybe that's why you became convinced on different, almost entirely observable grounds, that Pettis' "something more" was two simple words:

He cared.

But Monday's Daily Press story of Pettis' death gave the game away. It wasn't quite that simple. The story added four more words, and then you were sure. He cared, at least in part, because he was:

"A deeply religious man. . . ."

The story added at last one other small bit to what you already knew for sure: "Pettis was the only Seventh-day Adventist in Congress." And that denomination's record in this caring business (much as some of us might disagree with its fundamentalism) argues strongly that Pettis' unusual energy in that enterprise was in large part religiously motivated.

His death came as cruel deprivation to his family, friends, and constituents (and I was not the only newsman to feel the impact). But its occurrence in the process of contacting constituents could not have been more characteristic of the man most of us knew, at least a little bit.

Just as it would be impossible to discuss Picasso with no actual reference to art, it seems equally impossible to drive home the strictly religious point of this column without some small example from politics, the field in which Pettis most publicly practiced his religion.

A Tuesday night phone call informed me that members of the Victor Valley College first-year respiratory therapy class, still clinging to some small hope for VVC-provided transportation to clinical training despite the previous Tuesday's governing board denial, had just one week later given way to complete and total despondence.

They'd written to Pettis the Tuesday of the board meeting a report of recent events and a request for action on their behalf. Then came the crash; and their hopes, they said, died with the congressman.

It's only a ready example (and no argument at all for either side in the already settled issue), but it brings out quite sharply, I hope, the specifically religious point of this whole column, the point for which even idealization has been risked a little, if not (I stoutly maintain) indulged in:

Maybe the presses won't stop when this reporter bites the dust, and most likely time will roll on when you roll out. But maybe, just maybe, it will be enough if somebody somewhere has seen in us "something more."

Mr. CHARLES H. WILSON of California. Mr. Speaker, I thank the gentleman.

I yield now to the gentleman from New York (Mr. MCEWEN).

Mr. MCEWEN. Mr. Speaker, I thank the gentleman for yielding and for giving to me the opportunity to express the grief that I share with others here today on the loss of JERRY PETTIS.

Here in the Congress we all know that we meet and get to know our colleagues in many places and in many ways, here in the Chamber, in the cloakroom, maybe on the paddle ball court, maybe over meals; and in all of these places I knew JERRY, but most of all I think in the mornings, on some of the quiet times we may have here or relatively quiet times.

I dare say, Mr. Speaker, on 2 or 3 days every week JERRY PETTIS and I had breakfast, and it was a thoroughly enjoyable experience always.

As my colleague, the gentleman from New York (Mr. CONABLE), said, he was a remarkable combination of tranquility and energy. He had a mind that was inquisitive and always active. I guess if one were looking to see if there was a way to build a better mousetrap, whatever it was, and if there was a better way, a more helpful way for people to do things, one would go to JERRY PETTIS.

Reference has been made here today to his Audio Digest interest. My colleague, the gentleman from Michigan, referred to it, and my colleague, the gentleman from New York, referred to it. I recall, Mr. Speaker, one morning at breakfast JERRY PETTIS told me how he had thought about the lack of eye time, as he described it, that so many of us face so that there is just not time to read all the things that we should read. He related how he thought that the medical profession would come high on that list and that it would be helpful to them to have the medical information out of the latest medical journals on a tape so that they could drive a car and listen to it or listen to it at home, put it on a recorder and listen to it as they relaxed.

Then he concluded. He mentioned that, I believe it was just before he came to Congress, some time ago, he had made this gift of his interest in Audio Digest to the California Medical Association for their medical scholarship program.

In JERRY'S words, he said it had been "some help." He did not mention any figure, and I did not inquire as to the extent of his charity, but through others in the beautiful chapel of Loma Linda University I found out, as well all did, how much that "some help" this modest, unassuming man had mentioned was.

As I recall it, Mr. Speaker, the person giving that eulogy said that it came to more than $10 million, and I think all of us thought that yes, it certainly had been "some help."

JERRY is missed by all of us, and to Shirley and his son and daughters I want to join in extending my deepest sympathy on their loss, which we share.

Mr. BOB WILSON. I thank the gentleman from New York for his remarks.

I now yield to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, as a comparative newcomer to Congress, I did not have the opportunity to know JERRY PETTIS as long, or as well, as many of my colleagues. However, since one did not have to know JERRY long in order to know his worth as a human being and as a Representative, I share the profound grief felt by Members of this, and past Congresses in which he served.

His untimely death deprived his constituency of a dedicated and respected representative; robbed his colleagues of a good friend; and tragically bereft his family of a husband and father. I know I speak for all here today in saying that we sincerely mourn his passing.

I need not reiterate the many accomplishments of JERRY PETTIS the inventor; JERRY PETTIS the educator; JERRY PETTIS the businessman; JERRY PETTIS the benefactor; and, JERRY PETTIS the public servant. He was a multifaceted man who offered his talents and capabilities in many fields. Here in the House of Representatives, his valuable and competent service marked him as an effective and well-respected legislator.

Above all he was one of the truly good guys.

I join with the Members of Congress, the California delegation, and his constituency in extending my deepest sympathy to Shirley and the Pettis family.

Mr. BOB WILSON. I thank the gentleman from California.

Mr. RUPPE. Mr. Speaker, will the gentleman yield further?

Mr. BOB WILSON. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, I would just take this time to note for the benefit of my colleagues from Arizona that JERRY PETTIS actually was born and

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raised in Arizona. I think one of the more interesting aspects of his career and his lifetime really took place in that State, and in the area immediately next to Arizona, because I believe JERRY's first title might well have been "The Flying Parson." As a young Seventh-day Adventist JERRY used his airplane to travel from one part of Arizona to another, holding services in the morning, then perhaps one around noon at another location, and a third later in the afternoon after further flying. He traveled to the more remote parts of Arizona and New Mexico. This I think was a most interesting facet of his very deeply felt religious beliefs. In facts, he at one time participated in the H.M.S. *Richards* program during those years, and it carried over, and at one time he was the announcer for the H.M.S. *Richards* program, and even his pilot, as well.

So, I think as we consider JERRY as a legislator, as a very successful businessman, as a philanthropist from California, that maybe we should consider, above all, that he really was a man of God. His earliest and perhaps in some respects his most exciting and meaningful days were those he spent as a preacher in the Seventh-day Adventist Church.

I think that most of the aspects of JERRY's life are well known, but I think it is the fact that he was so deeply religious and had such firm religious beliefs that these were really the very cornerstone of the way he conducted his life and his activities here in the Capitol, and I am sure it was in many respects radiated to the people of California. I think that this is very well indicated by the vast crowd of people who turned out at Loma Linda to pay their respects to the memory of JERRY PETTIS, and the evidence of their presence showed the very deep respect they had for him, and for his family.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from Michigan for his additional statements. I might also say that I too witnessed the tremendous crowd at the church, and I was most impressed at the number of people who were outside the church, because of no space being available for them, but still they were there outside in their own quietness, paying tribute to this great man.

Mr. McFALL. Mr. Speaker, it is with sorrow that I rise to pay tribute to the memory of our departed colleague, my fellow member of the California delegation and my good friend JERRY PETTIS. The entire Nation is the poorer for his loss. I have respected his abilities and talents since he became a Member of Congress in 1967; my regard readily became friendship, particularly during our service together on the congressional delegation that visited China in 1973.

Before he entered the House, JERRY had already succeeded in a long series of endeavors, any one of which other individuals might have counted as their life's work. It is tragic to have a man of such vast experiences and talents taken from us in the critical times facing this Nation.

In World War II, JERRY was a flyer. After the war, he joined United Airlines as a commercial pilot and rose to become special assistant to the president of United. During this time, he was also one of the early organizers of the Air Line Pilots Association, AFL–CIO.

Not content with his successes as a commercial flyer, JERRY PETTIS turned to teaching. He served as a professor of economics at Loma Linda University. While at the University, he found time to serve as vice president from 1960 to 1964 and as chairman of the board of councilors from 1960 to 1967.

On top of these careers in education and aviation, JERRY turned his ever active mind to the business world. He invented a magnetic tape duplicating device and, as a byproduct, created the firm Magnetic Tape Duplicators. He also founded a consultant firm for radio, television, and the motion picture industry. And, as we all know, JERRY loved nature and the out-of-doors. He was also an avocado and citrus rancher and used to smile about having the country's largest kumquat orchard.

JERRY PETTIS was always concerned about others. As a private citizen, JERRY provided the medical profession with a nonprofit organization that sold to doctors tapes of up-to-date medical research information. Quite in character for JERRY, the earnings from this endeavor were used to help needy medical students. After coming to Congress, JERRY continued this concern for the medical world by leading the effort to build the new medical center in Loma Linda.

JERRY's years in Congress were equally productive in other ways. He was a congressional adviser to the National Commission on Fire Protection and Control in 1970, and was proud of the legislation that grew out of that commission. He sat on the House Space and Aeronautics Committee for several years. And in his years on the Ways and Means Committee, JERRY made a very valuable contribution to the work of the House, bringing to the committee his knowledge of economics, the business world, and the problems facing all individuals concerned with medical care. JERRY had just become the ranking minority member of the Subcommittee on Health. It is indeed a tragedy that JERRY PETTIS was taken from us just as his subcommittee is preparing to consider national health insurance, an area for which JERRY's background had ably prepared him.

I shall greatly miss JERRY PETTIS. During our trip to China, my wife and I developed a great affection for Shirley and JERRY. They were a couple whose lives together expressed that quiet dignity that comes with a reverence for life. JERRY appreciated the deep spiritual bonds uniting all individuals. He possessed a flexible, open mind, a spirit of willingness, and a deep commitment to work for the betterment of our Nation.

JERRY PETTIS was a remarkable man, a man of great personal accomplishment and stature. Shirley and the children receive my greatest sympathy in his passing and my greatest admiration for his life of service.

Mr. BUCHANAN. Mr. Chairman, I thank the distinguished gentleman from California for taking this time in tribute to our colleague, JERRY PETTIS. All who had the privilege of knowing him loved and respected him as a devout Christian, a great humanitarian, a gifted public servant, and as an American inventor, entrepreneur and philanthropist whose story is an inspiration to all who love our country and cherish its way of life. I thank God for his life, his influence, his achievements, and his example. He will be greatly missed.

Mr. ICHORD. Mr. Speaker, it was with a deep sense of personal loss and sadness that I learned of the tragic death of JERRY PETTIS. Since he first came to Congress in 1966, JERRY had not only been a close personal friend of mine but also an outstanding legislator whose talents of compassion, good will, hard work, and excellence were a source of admiration and inspiration to many of his colleagues. JERRY's vigorous crusade for fiscal responsibility in governmental programs and his fine work on the House Ways and Means Committee were greatly appreciated by all of us and particularly his own constituents in California's 33d Congressional District. JERRY has now been called for a higher purpose, but his honors will long continue after him. As Cicero said:

> Nor, in truth, would the honours of illustrious men continue after death, if their own spirits did not make us preserve a longer remembrance of them.

JERRY was a man and legislator of such spirit, and his presence will be sorely missed. I join with JERRY's many friends in this body in extending my heartfelt sympathy to his family.

Mr. MOSS. Mr. Speaker, in the quiet of the evening, the loss of our colleague, JERRY PETTIS, comes particularly hard. He was a man of great ability and great achievement. In his time, he tasted war and victory in war. He was a pilot in a time which honored those who could navigate the air most of all. He was a legislator; a legislator who came to the Congress to give as he had received. Such a one was taken from us in an apparently senseless air accident.

The country has lost a man who had much left to contribute. This alone would be sufficient to validate this solemn convocation. There is a greater loss, however, JERRY represented in his life our own best vision of ourselves, energetic, courageous, loving, and creative. He had a bedrock faith in the ability of intelligence and goodwill to solve apparently intractable problems. In his time in the House, his faith strengthened that of all of us. His passing leaves us not only with one less capable man but with our spirit diminished. For this reason, his loss has been a personal one for me. At this time, memory is our best defense against melancholy. Carla Roberts summed my feeling when she wrote:

> Remember his smiles easily won
> Remember his time shone in the sun
> Remember how great beauty brought him tears
> Remember that he loved us many years.

I and the other members of the California delegation will so remember our colleague, JERRY PETTIS.

Mr. McCLORY. Mr. Speaker, in paying final tribute to our colleague, JERRY PETTIS, Congressman from the 37th District of California, one cannot help but acknowledge the complete devotion to worthy and humane causes which characterized the personal and public life of this honored citizen of our land.

In addition to my personal relationship with JERRY PETTIS as a fellow Member of Congress, my wife, Doris, and I came to regard JERRY and his devoted wife, Shirley, as good friends who were representatives not only of their constituency in California—but truly representative of the best in terms of high principles and winning personality which our Nation can produce.

Mr. Speaker, the leadership which JERRY PETTIS demonstrated as a Member of the U.S. House of Representatives is evidenced by his membership on the Ways and Means Committee as well as on the Republican Policy Committee and in other positions of party and public leadership.

An articulate and persuasive spokesman on major issues affecting our Nation's welfare, JERRY PETTIS never boasted of his personal efforts to benefit his fellow man. Still, it is known that by his contributions to his church, the Seventh Day Adventist, as well as in his assistance to many young and deserving individuals aspiring to professional careers in the field of medicine—JERRY PETTIS was a substantial benefactor.

Mr. Speaker, his contributions to responsible legislation were evidenced during JERRY PETTIS' congressional career in various measures recommended by the House Ways and Means Committee—measures affecting tax reform, social security programs, tariffs, trade and other social welfare and revenue related issues. In addition, JERRY PETTIS was instrumental in authorizing legislation dealing with drug addiction and rehabilitation, educational bills, airport and air traffic legislation, and various other congressional programs in which he possessed expertise.

Mr. Speaker, Congressman JERRY PETTIS' contributions will endure throughout all time. He has left an indelible record in the pages of our congressional history. The truly sad aspect of this tribute is that JERRY PETTIS lost his life in a tragic plane accident on Friday, February 14, 1975.

I join his many other friends in the Congress in mourning his untimely death. My wife, Doris, joins in extending to his wife, Shirley, and his three children, Yvonne, Peter, and Debra, our deep compassion and affection.

Mr. MAHON. Mr. Speaker, I want to join with others in the House in paying tribute to the memory of our late colleague, the Honorable JERRY PETTIS of California, who died so tragically earlier this month. I had a profound respect for JERRY and considered him a truly outstanding legislator. JERRY was a great credit to his district, State, and the U.S. Congress, and he will be sorely missed. He leaves a rich legacy of accomplishment in behalf of his fellow man.

I join in mourning the passing of this great American and in expressing my sympathy to the loved ones he left behind.

Mr. EDWARDS of Alabama. Mr. Speaker, it is with great sorrow and deep regret that I join with the others here on the House floor today to pay tribute to our late colleague and dear friend, JERRY PETTIS.

I was shocked when I learned of his untimely death and I want to extend my heartfelt sympathy to JERRY's wife and family.

JERRY was an outstanding legislator and his service to his constituency and his fine contribution to this country will certainly be missed.

His charity, his faith, his devotion to his God and family were an inspiration to all of us. It can be truly said that JERRY PETTIS was an outstanding man who was great because he was more concerned for his fellow man than himself.

His years in the House were short, but our fond recollections of JERRY PETTIS shall be long lasting.

Mr. THONE. Mr. Speaker, I have been a great admirer of the work of Representative JERRY PETTIS in the House of Representatives. Others have testified more eloquently than I could as to his effectiveness as a Congressman.

Since JERRY PETTIS once served as a college instructor in Nebraska in the district I represent, I would like to pay tribute to his contributions there. During the school year 1941–42, JERRY PETTIS was the pastor of a Seventh Day Adventist Church in Kansas, City, Mo., and also a part-time instructor at Union College in Lincoln, Nebr. He commuted in his own plane. During the school year 1942–43, he was a full-time instructor at this Seventh Day Adventist institution of higher education.

JERRY PETTIS and I were not acquainted during those years. In recent months, however, we visited several times about those days. And we visited about his 1971 return to Union College to give the commencement address. In 1975, he was still interested in the progress of Lincoln and talked about how he enjoyed living there. In 1975, he was still keeping up to date with the growth and development of Union College.

At Union College, JERRY PETTIS taught courses in rhetoric, parliamentary procedure and oral interpretation. Several alumni of those classes are working today in communication departments of universities. One of them, Dr. Jerry Lien of Southern Missionary College of Collegedale, Tenn., described JERRY PETTIS as "one of the most outstanding teachers of speech—his teaching was characterized by inspiration and practicality."

Five of those words provide a summation of the work of JERRY PETTIS as a Member of Congress: "Characterized by inspiration and practicality."

Mr. NIX. Mr. Speaker, it was with great sorrow that I learned of the sudden and tragic death of JERRY PETTIS, our distinguished colleague from California. JERRY PETTIS was a dedicated and brilliant Member of Congress, and we shall miss his great contribution to the work of this House.

Most men only wish for themselves success in one chosen field or profession. JERRY PETTIS was one of those men who possess the talent and the capacity for hard work that leads to success in many fields. He was a successful businessman and rancher. He was a great leader in the field of aviation, being both an airline pilot and an airline executive. And he was also a professor of economics.

Fortunately for our country, JERRY PETTIS decided to put his great ability to work in the field of government. He was in his fifth term in the House of Representatives when this tragic accident cut his life short. He was a conscientious and able legislator, who brought his great knowledge and experience to bear on the problems facing the Nation. He served with distinction on the Committee on Science and Astronautics and on the Committee on Ways and Means.

Finally, JERRY PETTIS was also a dedicated servant of his constituents, flying in his own airplane to the towns and cities in his farflung district. I know that he will be sorely missed by his constituents, as he will by his colleagues.

Those of us who have had the privilege of serving with him will remember him not only as a dedicated public servant, but as a fine and decent man and a good friend.

Mr. DERWINSKI. Mr. Speaker, I join my colleagues in paying a special tribute to JERRY PETTIS, whose tragic and untimely passing has left almost an irreplaceable void in the House of Representatives. I personally felt a deep sense of loss on learning of JERRY's death because I had worked closely with him on a number of international conferences in which he was a most effective spokesman for our country, its institutions and its dynamic economic system.

JERRY PETTIS was a very devoted public servant and most diligent in the discharge of his congressional responsibilities. As a Member of the House Ways and Means Committee, he carried his responsibilities with a sense of deep concern knowing that the committee's actions affect almost every American. He was an objective man, especially in analyzing the great issues before our country.

JERRY PETTIS was a man of compassion, goodwill, and foresight. He was a very fine religious individual and believed thoroughly in spiritual values as an important part of life. Many of us here noted the special human qualities of this distinguished gentleman which were so readily apparent to all who shared his company. The absolute integrity of JERRY, in conjunction with his sensitivity to the needs of others, enabled him to command the complete respect of all of us in Congress.

JERRY was truly dedicated to public service, and lived up to the full measures of his responsibilities. He leaves rich memories for all of us in public office.

Mr. Speaker, Mrs. Derwinski joins me in expressing our most profound and heartfelt sympathy to his gracious and lovely wife Shirley and their three children, Yvonne, Peter, and Debra.

Mr. ANDERSON of California. Mr. Speaker, I would like to take this moment for a brief memorial to our late colleague, the Honorable JERRY L. PETTIS of California.

JERRY PETTIS' recent death in a tragic airplane accident was a tremendous loss

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which shall be deeply felt. It will be most deeply felt by his wife, Shirley, and his family, to whom I extend my sincere condolences.

The death of JERRY PETTIS will also be felt by his colleagues in the House of Representatives, and by the people of his district, to whom he devoted the last 8 years of his life in unparalleled service and devoted representation in the halls of Congress.

I believe many of my colleagues will agree with me when I say that it was an honor to serve with JERRY PETTIS. He was known to us as a man of tremendous ability and integrity, a man who was honest in his convictions and who never shied away from his responsibilities.

JERRY'S untimely death cut short a distinguished career of 8 years in Congress. Before he entered public life, JERRY PETTIS had already led a productive and successful life. A pilot during World War II, JERRY served as a commercial pilot for United Airlines. He was a successful businessman. He was an educator, serving as an economics professor at Loma Linda University, a campus which he helped to build. He was a successful inventor. A deeply religious man, JERRY PETTIS was a minister of the Seventh Day Adventist faith.

JERRY PETTIS was a successful man long before he came to Congress, and his success carried on during his tenure in the House. His service on the Ways and Means Committee was particularly outstanding. The record of personal service and the reputation he leaves behind will serve as examples for all of us to strive to attain.

Mr. Speaker, JERRY PETTIS' death was a tragic event, and my wife Lee joins me in sending our heartfelt condolences to his wife, Shirley, and their children, Peter, Deborah, and Yvonne.

Mr. WAGGONNER. Mr. Speaker, our beloved and respected colleague, JERRY PETTIS of California, was the kind of man who enriched the lives of those who were privileged to have known him. His untimely and tragic death is indeed an occasion of sadness at the loss of this wonderful friend and esteemed legislator.

His time of service to this Congress was all too short, but his life of service to his country, his community, and humanity was long, indeed.

It was a privilege for me to have served with him in numerous capacities here in Congress. We worked together on the Science and Astronautics Committee. We served together on the Ways and Means Committee and on the Health Subommittee. In each endeavor, JERRY PETTIS drew on his rich and varied experience and background to serve the people of this country. He had prepared himself well for his role in Congress, and his legislative accomplishments are a credit to the people who elected him.

JERRY PETTIS was a good citizen, deeply involved in the task of bettering his community and the lives of the people he served. He played key roles in building two hospitals in his hometown to serve the medical needs of its citizens. He unselfishly used his talents as an inventor to assist in the education of needy medical students throughout the country, and to help doctors expand their knowledge of modern medical techniques.

As a citizen-soldier during World War II, JERRY PETTIS distinguished himself in the service of his country as a pilot in the Pacific theater.

He was successful as a businessman, rancher, and educator.

A deeply religious man, JERRY PETTIS was instrumental in the founding of Loma Linda University by his church, where he later taught economics and served in the administration.

All these qualities, coupled with a deep sense of personal humility, added up to a total life of service, worthy of admiration and respect.

At this time, we mourn too with his wife, Shirley, and their three children. Theirs is the greatest loss, because theirs was a close family. Our prayers are with them.

We have lost an honorable friend, a trusted colleague and a great American.

Mr. CRANE. Mr. Speaker, when the plane piloted by our colleague, JERRY L. PETTIS, crashed in the mountains of California, Congress and the Nation lost a valued friend. As one who had come to know JERRY PETTIS, not just as a competent legislator but also as a personal friend, his death comes as a tremendous blow and my heart goes out, in sympathy, to his wife, Shirley, his children, and the rest of his family. He will certainly be missed.

It is almost ironic that JERRY PETTIS should have died in a plane crash. For 35 years he had been flying airplanes, as a search and rescue pilot for the Colorado Civil Air Patrol, as an air transport command pilot during World War II, as a commercial airline pilot before coming to Congress, and lastly, as his own pilot, in order to better serve his congressional district. His dedication to flying, and the contributions he made to the country by his efforts in the field of aviation, were typical of JERRY PETTIS' whole attitude toward life. He strove to excel, to accomplish, and to contribute and, in retrospect, it must be said that he did all three exceedingly well.

While not a man to brag, JERRY PETTIS was far more than an aviator turned legislator. Before coming to Congress just 8 short years ago, JERRY PETTIS has been a successful inventor, electronic media and motion picture consultant, economics professor, and businessman. In addition, he was a very strong religious and family man, a man who knew the meaning of the word responsibility and a man willing to shoulder its burdens.

As others have said, JERRY PETTIS ran for Congress, not for reasons of personal gratification, but in order to contribute his years of experience and expertise in a wide variety of fields in the hope of making America a better place to live. He knew the value from both a practical and theoretical standpoint, of the free enterprise system and he believed in the values that have made this Nation great. And even more important, he was willing to make the sacrifices necessary to put his beliefs to work here in the halls of Congress.

Everyone who worked with JERRY PETTIS knew how hard he worked and how disciplined he was. When something needed doing he was there to do it, whether it be here in Washington or back in his district.

Each Congress presents its share of challenges and opportunities, but one of the opportunities I was really looking forward to in the 94th Congress was working with JERRY PETTIS on the House Ways and Means Committee. During the few short weeks we did have to work together, all the things I already knew about his dedication to principle and hard work were reinforced. In his own way, he was making an invaluable contribution to the workings of that committee and it will suffer from his absence.

It is not often one gets to meet, much less to know and work with, a man of the caliber of JERRY PETTIS. For those of us who have had that opportunity, we are thankful for it at the same time we mourn our loss; for those who were not fortunate, their loss is even greater. Congress and the United States will truly miss a real gentleman.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in eulogizing our late colleague, the Honorable JERRY L. PETTIS of California, whose tragic passing shocked us all. I have known JERRY for many years and have admired his intelligence and practical experience which he combined to win the respect of Members on both sides of the aisle.

JERRY PETTIS was a leader among us in the House and he will be missed for his dedicated approach to the issues facing our Nation. As a member of the Ways and Means Committee he served the State of California and the Nation as an effective spokesman on crucial problems. As a former commercial pilot and a dedicated fellow member of Congressional Civil Air Patrol he brought to us a deep understanding of the importance of air safety together with a love of flying which tragically and without warning, ended his outstanding career as a public servant.

It is impossible to express the sense of loss which we all feel; however, I do want to extend my sympathies to JERRY'S lovely wife, Shirley, and the three Pettis children. We appreciate the all too brief period of time we had to know JERRY PETTIS as a Member of Congress and as a friend and we hope the memory of his years of active service to our country will sustain his family and friends in this time of sorrow.

Mr. MORGAN. Mr. Speaker, when I learned of JERRY'S untimely death, I was filled with a deep sense of personal loss. Although he represented a district at the other end of the country from mine, we became friends, and I know that all of my colleagues share my feelings for this fine man and legislator.

JERRY'S service on the Ways and Means Committee earned him the respect of all his colleagues. He was a source of wise counsel to me, and his record of achievement before he entered this Chamber continued while he served in this House.

In 1973, my wife and I went to China with JERRY and his lovely wife, Shirley, and our friendship became even stronger. During that momentous trip, I know that our Chinese hosts observed and studied our group as closely as we studied them. JERRY and Shirley were valuable members of the delegation, and our hosts could easily observe the mutual affection among all of us. Mrs. Morgan and I extend our sympathies to Shirley and the family. We will miss him dearly.

Mr. LLOYD of California. Mr. Speaker, it is sad that tributes to such a great man as my good friend JERRY PETTIS come after he has passed on in such tragic circumstances. He was a great man, regardless of how one defines the term. Those of us fortunate enough to have had the opportunity to sit with him in the House of Representatives knew he was a Congressman's Congressman. He was thorough in his research and understanding of legislation, from the beginning of the legislative process to how enacted bills would affect the American people.

His unique grasp of economics was an invaluable asset to the Ways and Means Committee, as well as to the Congress and the Nation. To say that he will be missed does not come close to expressing the vacuum left by his departure.

Nor can it express the profound sense of loss felt by his wife, Shirley, and their fine children. I pray that the strong religious beliefs held dear by JERRY and his family will give them strength to endure.

Those Californians fortunate enough to have had JERRY as their Representative have also suffered a grievous loss. Not only was he a Congressman's Congressman, but he was a true Representative of his constituents.

Not only have JERRY'S family, Congress, his constituents, and friends lost a great man, but the field of aviation has lost a best friend. JERRY and I shared in the comradeship of flying, and I know that there was no one more dedicated to air safety and aviation fellowship than JERRY PETTIS.

As I was flying back to Washington with the California delegation and the other honorable Congressmen who attended JERRY'S funeral, I thought to myself that JERRY, if he could feel an emotion, was probably angry. Angry that he left so much undone, when the country needs his economic expertise, that he is unable to lend it.

His passing at the young age of 58 seems so tragically wasteful. He was so full of life, so enthusiastic about his work in Congress. I think it can be said that JERRY left us in the prime of his life. He made so many contributions, and he would have made so many more.

Although some 2 weeks have gone by since the tragic news of JERRY'S accident, I still find it hard to believe that JERRY will not be available if I give him a call.

JERRY had so much to offer to everyone. He was a distinguished educator, a faithful man of his church, a successful businessman, and an exemplary Congressman. He was an outstanding husband and father. And no one could have a finer friend than JERRY PETTIS. To have known JERRY PETTIS was to have loved, respected, and admired him. I am glad to say that I knew JERRY PETTIS.

Mr. SEBELIUS. Mr. Speaker, I wish at this time to join my many colleagues in paying tribute to JERRY PETTIS.

I think I should state I did not know JERRY from a close personal standpoint or enjoy a relationship that would be described as being a "close friend." However, I believe the measure of a man can fairly be judged by those who observe and work with him as a colleague as well as those who enjoy the privilege of a close personal friendship.

In observing JERRY PETTIS in his work within this body, the following attributes will always be recalled in my memory. First, he was a religious man and his contributions and membership within the Congressional Prayer Breakfast were appreciated by all within this organization.

Second, I was always impressed by his dedication to his job. The people of the 33d district of California were truly fortunate to have as their representative a man who was most serious in his intent, thorough, effective in his work and admired by his colleagues.

I was especially struck by the comments made last February 17 by my colleague, the Honorable ROBERT LAGOMARSINO, when he spoke of the example of JERRY PETTIS. I would simply like to say JERRY'S service within the House was exemplary in every respect and through self-reflections I believe we can all benefit from his example.

I remember well the times when I witnessed JERRY eating breakfast by himself in the House dining room getting organized and doing his homework for the coming day. I will miss him, and more importantly, we will all miss his fine example and the contributions he made in behalf of his constituency in California and our Nation.

Mr. DE LA GARZA. Mr. Speaker, JERRY PETTIS was no ordinary man. I knew him as a friend and highly esteemed colleague, a dedicated public servant who took his duties seriously. He was a credit to the California delegation, which can rightly pride itself on having so many distinguished members.

Long before he became a Member of the House, JERRY PETTIS had rendered outstanding service to his country as a flyer in World War II. He was an inventor of no little ability, a businessman, and an educator, and a fine human being.

He will be missed in the House. He will be missed by all who knew him.

Mr. CEDERBERG. Mr. Speaker, it is with the greatest sadness that I pay tribute to our recently departed colleague from California, JERRY PETTIS. Even now it is difficult to imagine his absence from the 94th Congress.

He was a man in his prime, who had accomplished so much and yet offered promise of so much more. A man of many abilities, he reached the heights of accomplishment as a businessman, educator, pilot, and finally as a Congressman. Just as his political career was blossoming he had attained a position of leadership within his party, he was overwhelmed by a freak act of nature.

Respected by all, JERRY PETTIS will be remembered for his astute political sense, his strong patriotic sentiments, his total dedication to the system of government which had provided him with so many prosperous opportunities, and his overwhelming desire to repay that system with totally committed and concerned public service. There can be no doubt that his motives were not selfish for he had attained every goal identified with success. His only fault would be that he tried to give so much of himself to all those and everything around him.

A wonderful family man, he leaves behind him a lovely wife, Shirley, and three beautiful children, Yvonne, Peter, and Debra. To them all, Mrs. Cederberg and I extend our unbounded sympathy and we sincerely hope that the sorrow fostered by this tragedy will soon pass for them.

As for this body, we can best honor JERRY with our continued dedication to those ideals in which he believed and for which he struggled. Our actions, a memorial for all to see, will demonstrate our respect for the man, our commitment to his belief in an equal representation for all interests, and our emulation of his constant striving for a better Congress.

I am sure that my colleagues from both sides of the aisle join me when I say that JERRY PETTIS will be sorely missed. The absence of his contribution to our proceedings will certainly be our loss but let us carry with us the memory of JERRY PETTIS—a man who would not want to be eulogized but only remembered as a hard working colleague and a personal friend to all.

Mr. WYLIE. Mr. Speaker, the people of southern California and the Nation have lost a true public servant with the recent death of Congressman JERRY L. PETTIS in the crash of his private plane.

JERRY'S death was particularly grievous for me as we were both members of the 90th Congress Club. Thus, it was in this context that JERRY and I became friends.

As others have already observed, JERRY PETTIS led a very diversified and exceptional life, both as a private citizen and public servant. In his last bid for reelection, JERRY won with a margin of 2 to 1, which certainly indicates his popularity and ability as Representative to the 33d District of California.

My wife, Marjorie, joins me in conveying our deepest and sincerest sympathies to Shirley during this most difficult period. Words cannot adequately reflect the deep loss we feel.

Mrs. BURKE of California. Mr. Speaker, those of us who knew and worked with JERRY PETTIS recognize his tragic death as a great loss to the country and the Congress. My deepest sympathies go out to his family who I hope will find comfort in the knowledge that JERRY PETTIS was an esteemed and respected member of the House of Representatives.

The Nation has lost the services of an enormously thoughtful and industrious man. The breadth and depth of his interests were almost unique in the House. From personal knowledge, I know that JERRY was an aviator, an avid tennis player, a desert conservationist, an inventor, and a well-respected citrus/avocado rancher. I suspect, Mr. Chairman, he had many other areas of expertise that I knew nothing about.

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JERRY's District was the 33d Congressional District of California. He was well-suited to represent the area for he had an abiding love for the desert of southern California. Last year, JERRY fought to preserve our endangered desert areas by introducing the California Desert Protection Act.

JERRY was also very close to the people who lived in the large desert areas of the 33d District and he was particularly concerned about their lack of adequate medical facilities. The result of that concern is a new, 550-bed, VA hospital in Loma Linda. His tragic death has cut short the other plans he had for improving medical facilities in the district.

He was a great humanitarian, raising millions of dollars for scholarships, hospitals, and aid to the less fortunate.

Mr. Chairman, without question JERRY PETTIS' first love was public service. He was known as a hard working dedicated lawmaker. The people of his district, California, and the Nation have lost a great statesman.

It was an honor to have known and served in the House of Representatives with a man of his stature.

Mr. BEVILL. Mr. Speaker, I was left with a deep sorrow upon learning of the tragic death of my dear friend and colleague, Congressman JERRY PETTIS.

My wife Lou and I had come to know, respect and admire JERRY and his lovely wife Shirley.

JERRY PETTIS was a fine person. A good father, an able businessman, he was, in my judgment, one of the most able Members to serve in the U.S. House of Representatives. His energy, hard work, integrity, and sense of purpose will be greatly missed in this body.

I will always remember my association with JERRY and I will treasure the memories of our friendship.

Congressman PETTIS' dedication, sound judgment, and ability to look at problems in a reasonable and fair manner earned him the respect of his colleagues. He leaves behind an outstanding record of accomplishment.

Few men in public life have shown more understanding of the legislative process. For me, JERRY was an inspiring example of a dedicated public servant. I feel the loss of a very dear friend.

Mr. LEGGETT. Mr. Speaker, with sorrow I join my colleagues of the Congress in a brief farewell for the record to our fallen brother in the Congress, JERRY PETTIS.

JERRY graduated from the Pacific Union Adventist College high in the clouds on a plateau overlooking the Napa Valley in 1938. He became a legend in the Congress before his election in 1967. How could a plain airline pilot defeat an able incumbent Democrat in the U.S. Congress? We soon found out—a man of calm demeanor but obvious strength. We soon discovered we had a man of creativity in our midst—not only an airline pilot, but a college professor of economics, an inventor of important magnetic tape duplication capability, an entrepreneur extraordinaire who apparently was more than successful in a number of private ventures, a search and rescue pilot, a World War II air transport command pilot, and as he stated many times "the largest cumquat grower in the West." JERRY brought all of these talents to Washington along with his beautiful wife, Shirley.

The House recognized his talents both in effecting his appointment to the Ways and Means Committee and in his election as deputy minority whip.

JERRY brought talent, devotion, and capability to the House of Representatives. I consider his death a personal tragedy and a tragedy for the people of the State of California. My wife, Barbara, and I extend our very best wishes to Shirley and the family in this time of personal crisis.

Mr. GUYER. Mr. Speaker, the tragic and untimely passing of JERRY PETTIS was an irreparable loss to all America. JERRY was one of the most unheralded Members of the Congress, yet one of its finest and most gifted sons.

His quiet and unpretentious manner shielded many from knowing the profundity of his dedication, devotion, and generosity to his community, his party, his church, and his country.

While not being privileged to know JERRY for a great period of time, it took little time to recognize that this man was one of the very few of our times, who lived and loved what he esteemed and believed. Sealing his words with his deeds, JERRY PETTIS left a monument to memory in translating love into action. Truly he lived, he loved, and he understood. Such a man never dies. "Blessed are they who die in the Lord, and their works do follow them."

Mr. VIGORITO. Mr. Speaker, I share the sorrow and deep regret with my colleagues at the tragic death of a much respected and admired Member of Congress, JERRY PETTIS.

Congressman PETTIS gave 8 years of distinguished service in the House of Representatives to his people in southern California. His outstanding congressional career followed many years of achievement as a businessman and educator in California. JERRY PETTIS was an exceptional public servant, a genial person, and a devoted family man. We in the Congress will all miss him.

Mr. LUJAN. Mr. Speaker, I am only one of many who will offer words of sorrow and praise for our colleague JERRY PETTIS for his was respected and liked by all in this House.

And while we all feel a sense of sadness and loss at JERRY's untimely death, we should feel a definite uplifting of our spirits when we review the accomplishments of this man, not only in his years in Congress but throughout his life.

JERRY was a man of extraordinary ability who did more in 58 years than two or three men usually do. He was a man of the Earth, a rancher in the farmlands of southern California. He was a man who served his country in the finest manner in the Second World War as a pilot. He was an inventor, the founder of companies, a college professor, and later the vice president of Loma Linda University.

He has been a commercial pilot and was the special assistant to the president of United Airlines when it was in its infancy. He served as a congressional advisor to the National Commission on Fire Prevention and Control. And, of course, he has served the State of California as a most able Congressman in the House of Representatives since his election in 1966 until the present.

But probably his greatest legacy is that he was a good husband, a fine father, and a friend to many of us. In this time of such hardship for JERRY's wife, Shirley, and his children, they hopefully will find comfort in knowing the respect and admiration his colleagues and peers had for JERRY. I personally have lost a good friend and I will miss him.

Mr. ANDREWS of North Dakota. Mr. Speaker, I wish to take this opportunity to join my many colleagues in expressing a deep sense of loss in the tragic death of JERRY PETTIS. Congress needs more men like JERRY.

He was a successful, practical businessman, and his approach to legislation was made on this basis.

He will be sorely missed on his Committee on Ways and Means and as deputy whip of my party and by the House as a whole. I shall miss him as a personal friend and a colleague whose counsel I trusted at all times.

Mr. COLLINS of Texas. Mr. Speaker, JERRY PETTIS was a great man. I considered JERRY to be the most competent Member of Congress. He was a self-made business capitalist. He built his business as a pioneer in its field. In becoming a millionaire, he conceived ideas that were new and dynamic.

From his first days in business when he worked his way up through United Airlines until he became assistant to the president, he developed keen insight into every phase of their industrial operation. I remember when I asked JERRY how he happened to evolve into that position. He said that he asked the president of United so many questions that the president called him in one day and said he wanted to make him his assistant so he could answer all the questions and save them both time.

The great thing about JERRY PETTIS was the fact that he not only asked questions, but that he analyzed down to the base of every issue and found all of the answers.

His knowledge of matters before the Ways and Means Committee was excelled by no one. But more than Congress, he had a feel for every town and every person in his district in California. California was represented with distinction in the five terms that JERRY PETTIS served.

JERRY was a great believer in education. He was the guiding father of Loma Linda University serving as chairman of its board from 1960 to 1967. His interest in this fine Christian college was its greatest source of strength.

JERRY PETTIS was highly respected. His knowledge of business, fiscal responsibility, legislative procedures, and day-to-day problems of the world gained the respect and admiration of all his colleagues. JERRY was successful, because he worked hard and combined this energetic

activity with his strong Christian character.

Dee and I extend our sincerest sympathy to his wife, Shirley, and their three lovely children. His sudden death was a shock to this country. But the achievements of JERRY PETTIS in Congress will be a memorial for all posterity. JERRY was a warm friend, and a man this country will always remember.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, it was with profound grief that we all learned of the untimely death of Congressman JERRY L. PETTIS. JERRY was highly respected by all Members, and he was indeed one of the finest men in the Congress.

He was a kind, just, and courteous man who held strong religious convictions, and he was recognized as a hard-working and dedicated legislator. JERRY had a brilliant future ahead of him, which was cut short by his passing. As someone once said:

> I expect to pass through this world but once; any good thing therefore that I can do, or any kindness that I can show to any fellow creature, let me do it now; let me not defer or neglect it, for I shall not pass this way again.

Yes, Mr. Speaker, JERRY will not pass this way again, but his good works will live long after him. Mrs. Johnson and I extend our deepest sympathies to Mrs. Pettis and the children at this great loss to our Nation.

Mr. McDADE. Mr. Speaker, this House has been greatly saddened by the loss of our colleague, JERRY PETTIS. He was an astonishing man. He was an inventor. He could have taken his talents as an inventor to make a staggering fortune for himself. He chose not to do so. When he pursued his ideas to the point of production of a new product, he gave away the profits from that profit to the people of his district. When he conceived a new idea which could easily be translated into a new and profitable invention, he gave away the idea to someone in his community, so that his people would profit from his genius.

He was a minister of religion. He had such an enthusiasm for the spread of the word of God, that he flew his own plane into remote hamlets so that no one would be without the Gospel he wished to bring to them.

He was an outstanding pilot. During the Second World War he flew transports over the most challenging air route in the world, the route known as "the Hump" in the Asiatic theater of war. He then became an airline pilot, and was the founder of the Airline Pilots Association. It is through that association that new and significant safety rules were developed for the safeguard, not only of the pilots, but of the millions of passengers who ride the airlines yearly.

He was a Congressman. He was a devoted, intelligent, and learned Congressman, who gave to his duties in Congress the same devotion and intensity he had given every other job he had ever undertaken.

His loss is a great loss to his people and his Nation. It is also a great personal loss to me. He was an outstanding man, a fine friend, and the sort of Congressman all of us might consider as a model of personal and professional excellence.

Mr. FREY. Mr. Speaker, I join with my colleagues in the Congress in expressing a deep sense of loss over the tragic and untimely death of the gentleman from the 33d District of California. It just does not seem right.

I have had the privilege of knowing JERRY ever since I came to Washington 6½ years ago. As everyone knows and recognizes, he was an outstanding Congressman. He did his job, he did it well, and he knew what he was doing. The personal side of JERRY PETTIS revealed a man who cared about other people and was not afraid to reach out and help. I had this happen to me personally. My district includes the Cape area where the space program is most important. When I first arrived and was appointed to the space committee, I found that I was unable to get on the Manned Spaced Subcommittee. This was obviously key to my survival. It seemed that a Congressman from California, a Mr. PETTIS, was on the subcommittee, outranked me, and wanted to stay on that particular subcommittee. One of the old Members suggested that the gentleman from California was quite an individual and why did not I go talk with him, explain my problem, and see if there was any way he could help. I frankly thought it was a hopeless mission, but I went over and did discuss it with JERRY. After listening for a while, he said:

> Well, I really want to be on that committee but it makes a lot more sense for you to be and it would help you more.

And so, he removed himself from consideration and allowed me to go on that subcommittee.

That is just a small example of the wonderful human being and wonderful person for whom we had so much affection and respect. There is much more that could be said, yet words seem so inadequate. Our prayers, our thoughts and sympathy are with his family. He has done much that will live forever. The Congress and this country are better for his being here.

Mr. COTTER. Mr. Speaker, it was with deep sadness that I learned of the untimely death of a friend and colleague, JERRY PETTIS. The late Representative was a much admired and well-liked man; we of the House, and especially his fellow members of the Ways and Means Committee, will miss him in the years ahead.

JERRY was a very successful man in many fields. After service in World War II, he embarked upon a career in civil aviation and also found time to teach at Loma Linda University in California. JERRY rose to become vice president of the university and chairman of its board of councilors. In 1967 he left the academic world to enter the 90th Congress.

During these years JERRY was also a successful rancher on the fertile land of his district. He was a determined man and found laudable achievement possible in more than one career. Like myself, he served first on the House Science and Astronautics Committee; and then on the Ways and Means Committee. JERRY brought his special abilities to each of these areas and again found success.

I extend my profound sympathies to the family of JERRY PETTIS. He was a good man and a good representative of the people in the House of Representatives.

Mr. FRASER. Mr. Speaker, the accident that resulted in the death of JERRY L. PETTIS took from us a hard-working and decent human being.

He was a man of broad experience, having pursued careers in agriculture, aviation, business, and education, the sort of person who has much to offer a representative body such as this House. And JERRY PETTIS not only had the capacity to be a good representative, he delivered on his promise.

His wife and children have lost a husband and father. We have lost a colleague. And because JERRY PETTIS gave full meaning to these relationships, there is no need to search for adjectives to describe them. He was a husband and a father and a colleague in the best and fullest sense of these words.

Mr. SARASIN. Mr. Speaker, I want to join my colleagues in expressing my deep sense of loss at the untimely and tragic death of Congressman JERRY PETTIS. My sympathy goes, of course, to his family, deprived of a fine husband and father. My sympathy also extends to his constituents, who have lost an able and dedicated representative, a man who exemplified the very finest tradition of public service.

While I only had the privilege of serving with JERRY for 2 short years, I came to know and respect him. He was an outstanding legislator and a great human being. There is little I can add to the many well-deserved tributes already voiced in this Chamber except to note that the House of Representatives and the entire country are poorer for the loss of JERRY PETTIS.

Mr. FORD of Michigan. Mr. Speaker, I join my colleagues today in paying tribute to JERRY PETTIS. Like you and them, I was shocked and grieved to learn of his tragic, untimely death in an airplane crash.

Although we sat on different sides of the aisle, I found JERRY to be a fine gentleman and a sincere and dedicated Member of the House, always willing to consider all positions before making up his mind on an issue.

His death will be a great loss to his State and to this Congress, as well as to his family. I know that his wife and children take great comfort in knowing that he lived a full and satisfying life, and that he was held in the highest esteem by all who knew him.

Mr. HORTON. Mr. Speaker, I wish to join with my fellow House Members in expressing profound sorrow over the death of our colleague, JERRY PETTIS. JERRY was a close friend of mine for whom I have the highest regard and affection. I valued his counsel as did all of us who knew JERRY as a man of high principle whose word could be trusted.

Few individuals have served in this Chamber with equal dedication. JERRY was a remarkably inventive and resourceful man and his death is a tragic

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loss to our country at a time when we need men of his wisdom and insight.

JERRY PETTIS excelled in every endeavor of his outstanding career and his memory can best be served by rededicating ourselves to his exemplary standards of public service.

Mr. REUSS. Mr. Speaker, I was shocked, as we all were, to hear of the recent plane crash which took the life of our colleague, Congressman JERRY L. PETTIS of California. All of us share in the sorrow at his tragic death.

His was a distinguished career—as a serviceman, an educator, a businessman, and a Member of Congress. Though we sat on different sides of the aisle, I always had the highest regard for his ability and energy, and I know that he served with diligence in the interests of his constituents in the 33d District of California.

JERRY PETTIS will be missed in this House. I know I speak for us all when I extend my sincere sympathy to his family.

Mr. NEDZI. Mr. Speaker, the tragic death of Congressman JERRY PETTIS was a heavy blow to his colleagues in the House, to his constituents, and to his many, many friends.

It is no exaggeration to add that his passing was also a heavy loss to the Nation.

JERRY PETTIS, a youthful-looking 58, had one of the most remarkable backgrounds in public life—pilot, inventor, businessman, educator, economist, politician.

I knew JERRY PETTIS as a good Congressman, a good man, and a personal friend. Although we had our differences on partisan issues, I always felt that he was reasonable, and a man one could work with in confidence. Indeed, we first became friendly when we cosponsored legislation nearly a decade ago.

I should add that my staff shared my distress at JERRY PETTIS' death because they had come to know him in the informal Capitol Hill softball league. The Nedzi and Pettis teams frequently played against each other and JERRY was often in the line-up.

It was with real regret that we face the remainder of this session and future sessions without JERRY PETTIS in our congressional line-up.

I extend my sympathy to his wife and children.

Mr. DENT. Mr. Speaker, throughout the almost constant partisan disagreements and the obvious differences that occur daily here in Congress, one still senses the comraderie that exists among all Members of Congress, regardless of party lines, of special caucuses, of sex, of color of skin, of creed or any other difference. This comraderie comes to feeling and mind most especially when one of those among us dies. And so it was that I was reminded of this special tie that binds us all when I learned of the death of the Honorable JERRY L. PETTIS, our colleague from the State of California.

This was indeed a tragic death in every sense of that word. For here was a man who was born to the sky, so to speak, and much of the importance of his life was expended in and because of the sky. Here was a man who had much more to offer this body of Government, and indeed this country, in service. Here was a man who died in the process of that service, at the fateful whim of his special place, the sky.

I happen to have had some experience with planes, as a ground crewman in the Marine Corps, and I have consequently had much experience with those who fly the planes. I have an empathy with what JERRY PETTIS felt about flying, and I find particular irony and tragedy in his death. Perhaps we might find some solace in the paraphrasing of this quotation, by Richard Bach, who himself flies and is the author of "Jonathan Livingstone Seagull:" "The man sees farthest who flies highest." I would like to believe that JERRY PETTIS has achieved such sight and altitude, and I would pray that he has.

Mr. ABDNOR. Mr. Speaker, like all of the rest of you, I was stunned by the death of JERRY PETTIS, but the impact was even greater when, upon returning to Washington from South Dakota, I found that one of the last things JERRY had done before leaving for California was to write a letter, which was an unexpected personal favor for me. It was typically a thoughtful gesture on his part.

Those of us in the Congress are not only going to miss the special insights and consideration he gave to his legislative work, but we are going to miss his warm friendship even more. The tremendous personal example he set under all circumstances challenged all of us to try harder. For this we are grateful.

While many of us will be speaking many words in tribute to JERRY PETTIS, I would hope that some of those words will also serve to create a more fitting memorial. One of JERRY'S finest efforts was designed to protect what remains of the great California Desert and the historical heritage it contains for all Americans. His renewed effort in this regard is embodied in H.R. 820.

Most of the land in the California Desert is public land, and there exists in this public land one of the largest and richest concentrations of prehistoric art in the world, Indian rock carvings known as petroglyphs. Some of them are thought to be at least 5,000 years old. Like the pyramids of ancient Egypt, these ancient carvings are being subjected to the plunder of souvenir hunters and the obliteration of vandals. They are even being pried away and carted off for sale as decorations. H.R. 820 will fill a gap in the present law and will give the Bureau of Land Management the authority it now lacks to protect the petroglyphs and the desert environment generally.

To further this work, I, together with BOB WILSON have had H.R. 820 redrafted with the added provision that this area be named the Jerry Pettis National Conservation Area, and am reintroducing this measure today. I invite my colleagues to join in cosponsorship and to quickly complete the work we must do on this project which was so close to JERRY'S heart.

Mr. ROSTENKOWSKI. Mr. Speaker, today I join my colleagues in expressing the deep sense of loss we all feel at the death of our good friend, the Honorable JERRY L. PETTIS.

I had the honor and the pleasure of serving on the Ways and Means Committee with JERRY PETTIS and I know firsthand what a dedicated representative he was. Not only will my committee suffer the loss of this untiring, unselfish man, but the entire Nation will feel the void created by his untimely departure.

I not only had the privilege to serve on the Ways and Means Committee with JERRY, he was also the ranking minority member of my Subcommittee on Health. Our subcommittee had just begun to lay the organizational foundation on which we will construct a national health program and I was counting on JERRY'S inspiration, energy, and insight throughout our deliberations.

Although we sat on different sides of the aisle, JERRY'S synergetic approach was pervasive. I was also looking forward to his participation on my Subcommittee on Health because his real commitment was to mankind and not to just one small geographic area.

I once had the occasion to travel to Arizona with JERRY and it was on that trip that I realized what an absolutely warm and tender human being he was. I knew JERRY—the Washington legislator and statesman—not the Loma Linda Californian.

Last week, I had the privilege of being a member of the congressional delegation at JERRY'S funeral. I was tremendously impressed by the love and admiration shown for him by his neighbors. I learned of his genius and his generosity.

I would like to extend to his wife and children my deepest sympathies.

Mr. GIBBONS. Mr. Speaker, I had an opportunity to get to know Congressman JERRY PETTIS. He was a fine gentleman, and a very able Member of Congress. He enjoyed his work as a Congressman and took his responsibilities very seriously. He prided himself in studying and reasoning about the issues that we face. He effectively presented his argument and was widely respected by all those who knew him.

In addition to this, Mrs. Gibbons and I had an opportunity to be with JERRY and his wife Shirley on a number of occasions. We found them to be most interesting people, always exciting and concerned about their role in this life here in Washington. We shall always cherish our friendship with them. Together, we extend our love and sympathy to Shirley and to their children in the loss of JERRY.

Mr. SCHNEEBELI. Mr. Speaker, the quality of the 94th Congress has been diminished by the recent tragic death of our colleague, JERRY PETTIS. Word of his plane crash came as a harsh blow, since I had a deep sense of respect and admiration for JERRY—he was indeed a lovable man—deeply committed to his lofty ideals. We shall miss JERRY and his warm personality very much.

JERRY was a member of our Ways and Means Committee for several years and it was most evident from his attention to his work there that he felt that it was in the Congress where he could return to his country, his thanks and gratitude through good and faithful work. It is well known that JERRY at one time was a traveling minister for his church and it was this deep sense of spiritual commitment which motivated his fine work here in the House of Representatives. I was among those who attended the funeral services for JERRY at Loma Linda, Calif., and the many thousands of his friends who were there testified to the love and great respect that his fellow townspeople had for him. It was an impressive group of fine people who came to say goodbye to their leader and friend.

JERRY'S fine contributions to society before and during his services in the House have been recounted in the many eulogies being given to JERRY today—so I shall not repeat them. But I do underscore the tremendous help he has been to his fellow colleagues on our committee. He had just been chosen as the ranking Republican on the Subcommittee on Health of the Committee on Ways and Means, and he told many of us how he was looking forward with great enthusiasm to this particular assignment—a field in which he had already contributed over $10 million through his transfer of one of his many inventions to the California Medical Society. The country will suffer a great loss since JERRY will be unable to continue his work in the national approach on health problems.

JERRY'S wife, Shirley, can be counted upon to carry on further, much of JERRY'S unfulfilled dreams and she is to be encouraged and supported for her determination to carry his work forward.

We shall all miss JERRY very much—and this country has been diminished in its attempted attainment of its goals with his passing. Few men have ever held the position of high esteem in which he has been held these many years, and no man ever deserved it more than he.

Mr. JOHN L. BURTON. Mr. Speaker, in times of grief, words seem inadequate to properly convey the sorrow and bereavement which we feel at the passing of our friends, and share with their families.

The tragic death of my friend and colleague, JERRY PETTIS, has left a void in a world which benefited from his talents, and in the House of Representatives, which sought his abilities.

JERRY was elected to the House with a broad and varied background that stood him in good stead as he served on the Ways and Means Committee.

Prior to his election to Congress in 1966, he had been a flyer and instructor in World War II, an inventor, a businessman, an educator, and special assistant to the president of United Air Lines.

JERRY'S service to his constituents, to his State, and to the Nation will not be forgotten. His contributions to his country will always be remembered.

I join with my colleagues in sending to JERRY'S wife, Shirley, and their three children our heartfelt sympathy. We feel their loss, and share in their mourning.

Mr. STARK. Mr. Speaker, I was shocked and saddened to learn of the violent and tragic death of JERRY PETTIS.

I knew JERRY for the 2 years I have been in the House, and most recently I had the honor of serving with him on the Ways and Means Committee. While we often disagreed on issues, Jerry was always a patient, understanding man of total integrity—a man who despite our political disagreements, always had a larger human quality which bridged any partisan differences.

He was a serious and humble man, who never sought headlines or news for himself, and in fact reserved words for those matters which he felt critical. Yet he made valuable contributions in numerous areas, benefiting not only the State of California but indeed the entire Nation.

One of the foremost authorities in the Nation on air safety, JERRY PETTIS was the victim of a cruel irony which downed him and his small plane on Friday, the 14th of February. We will remember him for the fine man he was and for the commitment and dedication he showed to the House and to the people he served.

Mr. PHILLIP BURTON. Mr. Speaker, I want to express my deepest sympathy to the family of Congressman JERRY L. PETTIS and to his many close friends in the House of Representatives and elsewhere on the tragic death of our distinguished colleague.

A talented and versatile man, JERRY PETTIS brought a wealth of background and experience to his deliberations on issues before the Congress. A former teacher, radio announcer, airline pilot, and corporation official, Congressman PETTIS achieved a deserved reputation as a widely respected Republican lawmaker.

Again, my sincerest condolences are extended to his many good friends and most particularly to his widow, to his son, and to his daughter on their great loss.

Mr. CORMAN. Mr. Speaker, it is with the deepest sorrow that I join my colleagues today in paying tribute to the memory of my fellow Californian, JERRY PETTIS. My respect and affection for JERRY grew tremendously over the years we served together on the Ways and Means Committee. Whenever a problem arose in California, JERRY could be counted on to bring his broad knowledge as well as his finely tuned sensitivity to the search for a solution. His varied background in business as well as in the academic world equipped him with the practical competence so necessary for astute legislative decisionmaking. His willingness to rise above partisanship in matters vital to the State and to the Nation made him a valuable working partner in the legislative process.

But my memories of JERRY encompass far more than a respect for his unique capabilities. His most memorable qualities were his ever-present gentleness and kindness. He was truly a man well-loved by everyone who had the privilege of knowing him. JERRY will be sorely missed by the committee as well as by this entire body as a competent legislator, but mostly as a friend. My wife Patti joins me in extending our heartfelt sympathy and deep affection to Shirley and the children.

Mr. DANIELSON. Mr. Speaker, it is with profound sorrow that we gather here today in recognition of the late JERRY L. PETTIS. All of us who share this Chamber with him have experienced in some measure the loss which is felt by the people of California, and which is so deeply felt within his family circle—characterized by close and sensitive ties.

JERRY PETTIS was a man whose whole life was devoted to the betterment of mankind. As founder of Magnetic Tape Duplicators of Los Angeles, JERRY PETTIS used his knowledge to establish the Audio-Digest Foundation. This foundation has aided the medical profession through its efficient method of record-keeping. Furthermore, all profits of this foundation are used to provide scholarships for medical students, and I am informed that $10 million has been realized for that purpose so far.

During World War II, JERRY PETTIS continued his service to his fellow man and his Nation. Drawing on his experience as a search and rescue pilot, he was assigned to the Air Transport Command in the Pacific Theater.

After the war, JERRY PETTIS took an active role in the development of our Nation's young people, as a professor of economics at Loma Linda University. His service to that university included the post of vice president for development and chairman of the board of councilors.

When JERRY PETTIS ran for Congress, he was not seeking a political post but rather he wished to serve his Nation once again. A deeply religious man, he served in this House as an example of fine moral, conscience, and principle. Throughout his life JERRY PETTIS was a man who, having benefited from our system, continually desired to serve the Nation he felt he owed so much. He gave of his energy and his ability so that other men's lives could be improved. This House was enriched by his presence and I deeply regret his passing. We all feel a loss that we are never going to be able to express adequately.

Mr. ROYBAL. Mr. Speaker, it is with deep sorrow and regret that I join my colleagues today to eulogize Congressman JERRY L. PETTIS, who died so tragically in a plane crash earlier this month. This accident could not have come as more of a shock, as we all knew him to be an experienced aviator, who had been both a pilot and flight instructor during World War II.

It was almost 25 years ago when I first met JERRY. I was chairman of the public health and welfare committee of the Los Angeles City Council and JERRY was associated with White Memorial Hospital in Los Angeles. We met on several occasions to plan and execute community health programs for the area. And it was with real pleasure that I welcomed JERRY as a colleague in the House, following his election in 1966.

JERRY was an excellent Congressman and he served his district and his country with dedication and commitment. These qualities were not new to JERRY, for to him it was a way of life. It was only natural that this extremely successful inventor, rancher, economics pro-

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fessor and businessman should decide to direct his energy and abilities toward serving the Nation which had allowed him to achieve such a great measure of success in private enterprise. He had garnered an impressive array of accomplishments prior to coming to Congress and his work in Washington was equally impressive. To all who knew him, it was clear that JERRY's future held only promise.

It is difficult to express the deep sense of personal loss that I feel today, for JERRY PETTIS was friend and a highly respected and admired colleague. His death is a great loss not only to those of us who knew and loved him, but to the country which he is no longer able to serve.

My sincerest sympathy is extended to JERRY's widow Shirley and their three children Yvonne, Peter and Debra.

Mr. VAN DEERLIN. Mr. Speaker, I join our colleagues in mourning the untimely death of JERRY PETTIS; he was both a close personal friend and a man of many parts—one whose accomplishments were manifold.

He was, first, one of the most respected Members of this body, and with reason. The ability and independence which were his hallmarks served him well in his key assignment on the Ways and Means Committee and earned him the high regard of colleagues on both sides of the aisle.

He was also an inventor of note, a successful businessman, an educator, an aviator, and a singular benefactor in the service of the Seventh-day Adventist Church and its affiliated school, Loma Linda University, in Riverside County.

JERRY's district extended over vast portions of Riverside and San Bernardino Counties, but we and San Diego County were almost able to call him one of our own, thanks to his ranch in our county's Pauma Valley, where he grew avocados and citrus at a higher elevation than orchardists anywhere else in the world.

I was terribly shocked by the news of JERRY's death, which came to me while I was in my district and was numbing because it was so unexpected—he was such a vibrant man. The deepest sympathies of Mrs. Van Deerlin and myself go to his widow, Shirley, and their children, Peter and Deborah.

Mr. JOHNSON of California. Mr. Speaker, it was with great sadness and shock that Albra and I learned of the tragic death of our good friend JERRY PETTIS. His passing will leave a void in both the California Congressional delegation and the House of Representatives which will be difficult to fill.

JERRY was a Member of special ability and expertise. He came to Congress after a distinguished career in the field of aviation. He flew his first airplane in uniform, as a decorated flyer during World War II. His competence was quickly recognized and he was selected to instruct other pilots. Upon leaving the military he flew commercially with United Airlines and quickly rose to the upper echelons of that organization.

JERRY PETTIS had 35 years of flying experience and one of his most dedicated efforts was in the field of aviation safety. Therefore, it was most ironic that he was taken from us through an aviation accident.

In addition to being an outstanding aviator, JERRY was a successful businessman, a rancher, and an economic professor. He was truly a master of all trades.

In the House of Representatives, he distinguished himself as a member of the important Ways and Means Committee and his strong leadership capability was recently recognized by his appointment as deputy minority whip.

During his 8 years as a Member of Congress, representing southern California, JERRY showed a special interest in the people he served, and was a watchdog for the interests of the "little man." His effectiveness as a legislator and a representative were acknowledged by the fact that he was consistently returned to office with increasing margins of victory, including a two-to-one majority in the last election.

Perhaps the greatest contribution made to the Congress by JERRY PETTIS was his style. JERRY was a quiet man, but when he spoke, his words carried great substance and were direct to the question or topic under discussion. He was a deeply religious man and this characteristic showed throughout both his public and private life. JERRY set a fine example for all of us to follow.

To Shirley and their three children, Yvonne, Peter, and Debra, Albra and I extend our sincere sympathy and condolence. JERRY was a great man and a fine Congressman. We will miss him.

Mr. KETCHUM. Mr. Speaker, it was with a great sense of personal sadness, and a strong awareness of public loss, that I received the news of JERRY PETTIS' tragic passing.

I doubt there is anyone here who is unaware of JERRY's consistent devotion to public service here in the House of Representatives. Through four terms in Congress, he demonstrated his outstanding ability as a legislator, his deep concern for his constituency, and his capable management of his many responsibilities.

Likewise, I doubt there is an individual present who could but admire JERRY PETTIS' outstanding contributions in the private sector. As a businessman, a rancher, a pilot, and an inventor he stood as an outstanding example of the success made possible by the free enterprise system, in which he so fully believed. In addition to achieving, and legislating, he was able to educate others, through his 16 years of service as a professor of economics.

These are all public losses. There are few appropriate words in our language to express one's response to the loss of a friend. My most sincere sympathies go with JERRY's wife, Shirley, and his three children. Suffice it to say that the loss of a man such as JERRY PETTIS leaves a great void behind.

Mr. ROUSSELOT. Mr. Speaker, during his lifetime, each individual is required to fulfill many roles, and JERRY PETTIS ably fulfilled each of his responsibilities.

A Christian man, JERRY PETTIS believed that our U.S. Constitution was authored in consonance with the practice of religion.

A devout man, JERRY PETTIS was dutiful and faithful in the performance of his responsibilities as a Member of the U.S. House of Representatives.

A fervent man, JERRY PETTIS applied both his acts and his words to full service of his appointed task whether it be in the office, at home, or with his church.

A dedicated man, JERRY PETTIS was wholly committed to the Christian way of life and those same principles which guided our forefathers to found a government based upon a Constitution guaranteeing individual freedom, and a Declaration of Independence recognizing that all men are created equal and cannot be denied the rights of life, liberty, and the pursuit of happiness.

A Republican, JERRY PETTIS accepted the basic philosophy that God is supreme and that the Declaration of Independence states that this shall be a free country, and the U.S. Constitution protects the individual freedom of the people of America. Among their basic beliefs, Republicans "believe that the basic function of Government is to maintain an environment in which the individual can freely develop powers of mind, heart, and body with which his Creator endowed him. We believe that Government should do for the people only the things they cannot do for themselves."

A free enterpriser, JERRY PETTIS believed that private business should have the freedom to "organize and operate for profit in a competitive system without interference by government beyond regulation necessary to protect public interest and keep the national economy in balance."

An American, JERRY PETTIS set an example for us all in statesmanship and gentlemanly manner. His acts were fruitful and his words and deeds shall be remembered for he served the right, the holy, the true, and the free.

His wife, Shirley, always supported JERRY, and worked with him in furthering his goals. Their life together was one of sharing—sharing of responsibilities, sharing of Christian beliefs, and sharing of ideals. Her courage during this trying time has been commendable. My deepest condolences go out to Shirley and the children.

Mr. RHODES. Mr. Speaker, I join my colleagues of the House of Representatives today to express my deep sense of loss of a talented and outstanding Member. To me, he was more than a colleague, he was a close friend.

JERRY PETTIS was a man of ambition and achievement. His ambitions were not for himself, but for a greater role in serving his country and his God. His achievements, while they brought him most deserved recognition, were for the good of mankind.

He was a man of many parts, the possessor of many talents, a deeply religious man who radiated genuine good will toward mankind. He was a man of careful thought, and decisive action. He was highly successful in several fields; a veteran in aviation, where he pioneered in organizing a pilot's union; a flying clergyman in his Seventh Day Adventist Church; an esteemed teacher and active booster for better facilities for higher education; a most successful political campaigner, a highly respected and well-liked Member of the House.

We, on my side of the aisle, especially feel the untimely loss of JERRY PETTIS. His capacity for leadership had been recognized by his selection as deputy whip on the Republican side. He had ambitious plans to help streamline the whip operation through introduction of modern technology. He was an expert on communications. He understood the highly complicated technical aspects. Yet, he exuded warmth and friendliness in all of his human relationships.

John Donne once wrote: "Any man's death diminishes me." I am sure that all of JERRY PETTIS' many friends on both sides of the aisle feel that they, and the Congress, are diminished by his loss. All of us who knew him are the better for it, and we are acutely aware that a great person has been taken from our midst.

Mr. CARTER. Mr. Speaker, I had the honor to serve for 8 years in the House of Representatives with JERRY PETTIS. During that time I came to know him as a quiet, unassuming man with strong religious conviction.

In the finest sense of the term he was a conservative, both in his voting and in his personal life.

JERRY was an extremely capable Congressman and fulfilled his duties with diligence and intelligence. Acting in the finest tradition of the House of Representatives, he used the experience and insight gained from his life prior to his election to effectively evaluate and direct legislation. JERRY served with distinction as a member of the Ways and Means Committee whose decisions directly affect all Americans.

This body will suffer from the loss of such legislative expertise and wisdom, and from the loss of such a devoted Christian.

I offer my most sincere condolences to his wife, Shirley, and to his fine son and daughters.

Mr. SIKES. Mr. Speaker, I was very sorry indeed to learn of the tragedy that took the life of our friend and colleague, JERRY PETTIS. His untimely death is a great loss to the Congress and to our country. JERRY was a fine man and an able legislator. He excelled as a rancher, teacher, aviator, religious leader, and businessman prior to his election to the Congress in 1966. He brought his experience in these areas to his work in the Congress and to his position of leadership among House Republicans.

I admired his character and his abilities. This admiration and respect was shared throughout the membership of the Congress.

He was third-ranking minority member of the House Ways and Means Committee and was very active in the important work of that committee. He was reelected by wide margins four times in a district in which Democrats hold a registration advantage. In the last election, his margin of victory was 2 to 1. This attests to the fact that he was highly respected by his constituency and they admired his very capable representation in the Congress.

I join my colleagues in extending deepest sympathy to JERRY's family and, along with many others, I assure them he will long remain in our thoughts and prayers.

Mr. DEL CLAWSON. Mr. Speaker, when a man lives his allotted 3 score and 10 and beyond our sorrow and mourning are not as severe as the tragic and accidental death of our friend and colleague, JERRY PETTIS. In this early beginning of the 94th Congress JERRY was on the threshold of new successes in an already successful congressional career. He had moved up the seniority ladder on the Ways and Means Committee where he enjoyed the prestigious honor and respect of other committee members and exercised an influential voice in the conduct and decisions of the committee. He had been appointed to a leadership position in the minority whip's operation that provided an excellent outlet for JERRY's special ability. This bright future for JERRY was snuffed out completely with the untimely crash of his plane in the San Bernardino Mountains.

In paying our personal and collective tribute to our colleague we recognize the unique qualities of character and business acumen that brought JERRY a much higher than average success in the business arena in addition to his political successes.

JERRY was also a religious man with firm convictions in the church of his choice. JERRY was a fine father and family man demonstrated by his devotion and dedication to Shirley and the children.

JERRY was a good citizen and patriotic member of our society with strong feelings about our constitutional form of government and its continued preservation. There is such a thing as an "untimely death."

Today that fact is clearly revealed. The sorrow, remorse, tribulation and loneliness suddenly thrust upon the Pettis family is shared by all of us. Our hearts and minds reach out to Shirley in an effort to assuage the burden that now rests upon them. May the healing balm of God's blessings of understanding, peace, and serenity come and abide with them also is our humble prayer.

Mr. GOLDWATER. Mr. Speaker, it is just too difficult to comprehend the untimely death of our colleague, JERRY PETTIS. Like the title of the great drama, JERRY was truly "A Man for All Seasons." Dedicated to his work here and unassuming in his demeanor, JERRY was respected by every Member of this body.

He worked at this job 24 hours a day. He was a constituent Congressman in the finest sense of the word, and his constituents returned him to Congress with tremendous majorities. Ironically, JERRY was killed while performing constituent service.

He made an invaluable contribution to the important Ways and Means Committee, and as we debate the tax bill today, I cannot help but think about him and how diligently he worked for meaningful tax reform as a member of the committee.

In my judgment, few men and women can match the role he played in furthering the cause of aviation. Not only was he a distinguished pilot, but he had a perspective about aviation and its role in the Nation's transportation system that helped immeasurably in bringing aviation of age. Aviation has lost one of its greatest friends and most effective spokesman.

Mr. Speaker, it was my sad duty to attend the funeral of JERRY PETTIS. The outpouring of hundreds, perhaps thousands, who attended the funeral was a mighty tribute to a mighty man. He was loved and admired by all who came into contact with him, and JERRY was a person with no vendetta toward his fellow man.

He leaves a lovely and gracious wife, Shirley, and three handsome children. Theirs is the secure knowledge that JERRY PETTIS was a doer, a Christian gentleman who made a positive mark on the world, and made it a better place in which to live. I salute his memory. I shall miss him. People like JERRY PETTIS are hard to find.

Mrs. MINK. Mr. Speaker, I think that the word "shock" best describes my own reaction when I heard of the death of our colleague, JERRY PETTIS, earlier this month. The tragic accident which took his life has left a void in this Congress and deprived us of his counsel and those whom he represented of a friend and loyal Congressman.

Most of us were familiar with his distinguished career as a pilot, an educator, and a businessman. During World War II JERRY PETTIS served in the Pacific and knew the area, and I like to feel that he had a special sympathy for Pacific peoples and our unique approach to life. JERRY and I worked together on education funding for our respective school districts during the time we shared membership in this House, and I found him a thorough Congressman and a concerned human being.

I send my deepest sympathies to his wife, Shirley, and their three children. I share their sorrow at his untimely passing. We will all miss JERRY.

Mr. PRITCHARD. Mr. Speaker, it is with much sorrow and a deep sense of personal loss that I join my colleagues in mourning the death of our good friend, JERRY PETTIS.

JERRY was a magnificent man. I have never met anyone so thoughtful of everyone he came in contact with and who demonstrated such intense compassion for people. He raised the level of every group he worked with and activity he participated in. I considered his friendship a high compliment.

Few men in America could begin to match JERRY's variety of accomplishments. Most men are successful in a handful of areas, but JERRY was a success in everything he did—from his early years as an aviator to his later careers in the academic and political worlds. Yet he always retained his humility and sense of humor.

We all tend to remember individuals

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through their particular work or achievements, particularly when those people are public figures. But JERRY PETTIS left something much more valuable and meaningful to those of us privileged to know him. His great legacy to us is the memory of a man who had a perfect sense of priorities, a gentleness of character, a strength of commitment, and impeccable integrity. He had a strong sense of direction, and all of his actions reflected his firm beliefs.

Before I entered politics, someone gave me a bit of advice. He said that there was no limit to what a person could accomplish if he was not concerned with who got the credit. JERRY PETTIS must have lived by this principle. He was selfless in his approach to public life, and continually performed services for others unmindful of who would get recognition.

I join my colleagues in extending deepest sympathy to all of JERRY'S family and especially to his wife, Shirley. We want them to know how much we will miss them. We are all richer because he passed this way.

Mr. GINN. Mr. Speaker, unfortunately during my first term in Congress, I did not have the opportunity of working closely with JERRY PETTIS as we served on different committees and in different parties so our paths did not cross often.

However, I did learn of his personal characteristics that made him one of those men who truly has made a contribution to this Nation. His concern for his constituents was well-known and it was this keen dedication to duty that lent itself to his untimely death for he was flying to a meeting on behalf of the citizens of the 37th District of California when his plane crashed.

His membership on the Ways and Means Committee gave JERRY PETTIS the opportunity to make contributions to the enactment of many laws that have an effect on nearly every American. His particular attention to tax reform and trade reform legislation was valuable in the committee's work on this needed legislation.

His family and personal life are sterling examples of the man that JERRY PETTIS was and the effects of his work and personality will remain with all who worked with and knew him.

I extend my personal sympathy to his wife and children, his congressional staff and his constitutency who are truly blessed by having personally known this kind and concerned man.

Mr. MILLER of Ohio. Mr. Speaker, I feel a very real sense of personal loss with the passing of our colleague, JERRY PETTIS of California. He was a good friend, an able legislator and a dedicated public servant.

JERRY PETTIS was a remarkable man. We all know that he was an outstanding Member of the House and we are aware of his long record of public service.

However, in addition to these qualities, JERRY was a distinguished businessman, an educator, an inventor, an economist, and an aviator. I personally admired his involvement in these various fields and I know that we all gained a great deal from his expertise in such a variety of interests. His broad background in so many different fields earned for him the respect of not only Californians, but businessmen and citizens across the country.

We will miss JERRY PETTIS. We will miss his leadership and his cooperation. On behalf of all those who knew and respected JERRY as much as we in this House, I extend my deepest sympathy to his family.

Mr. ERLENBORN. Mr. Speaker, our colleague, JERRY PETTIS, is gone from us, never to return; and the House of Representatives has suffered a real loss.

He was one of the most versatile Members of this body. All of us know that he was once an airline pilot; but not so many know that he was once a professor of economics. It is easy to recall that he served as assistant to the president of a large corporation in the postwar years; but less well known that he was a kindly man and a helpful colleague.

He had such a broad range of interests that he might have been expected to be a jack of all trades and a master of none. JERRY PETTIS, however, was a master of many.

He was killed in an airplane accident February 14, a tragedy for his family and for the Nation. We need people of his caliber and his understanding and his honesty.

Mr. Speaker, I join in extending sympathy to his bereaved family.

Mr. BROOMFIELD. Mr. Speaker, with the tragic death of our colleague JERRY PETTIS, the House has lost a truly outstanding legislator, as well as a remarkable individual. Personally, I have lost a good friend.

JERRY came to Congress with an impressive list of accomplishments to his credit. Few Members of Congress have ever displayed the versatility that JERRY PETTIS possessed. During his remarkable life, JERRY was an inventor, an educator, a businessman, a commercial pilot, and finally, a dedicated public servant.

The same energy and ability that made him so successful in private life, made JERRY a first-rate Member of this body. Congress and the country will sorely miss the thorough and professional job he performed as a member of the Ways and Means Committee, and his constituents will miss the outstanding representation he provided them with during his 8 years in the House.

On a more personal level, those of us who came to know JERRY over the years, will deeply miss his friendship. He was a warm and decent human being, and our lives have been enriched simply by associating with this kind of a person.

I am proud to have known and worked with a man of JERRY PETTIS' character, and I join my colleagues in paying tribute to his memory. To his wife Shirley and their children I offer my sincere condolences in this most difficult time.

Mr. J. WILLIAM STANTON. Mr. Speaker, the news of the death of JERRY L. PETTIS was received by the Stanton family with deep shock and great sadness.

JERRY PETTIS was a very devoted public servant. He was extremely well liked by all who came in contact with him. It was obvious to everyone that he was a man of high moral character who knew the importance of spiritual values.

My wife, Peggy, joins me in extending to Shirley and their three children, Yvonne, Peter, and Debra, our deepest sympathy.

Mr. CLANCY. Mr. Speaker, it is a sad occasion to honor a dedicated and outstanding colleague and friend after his untimely and tragic death. JERRY PETTIS was a remarkable man of great responsibility and dedication to service and I personally mourn the loss of a close and good friend. JERRY was a very devoted public servant, giving fully of his time, and his vast knowledge and insight. With JERRY'S particular sense of responsibility, he devoted himself to whatever matter was before him.

As a member of the Ways and Means Committee with him, I was able to observe firsthand that JERRY was the kind of Congressman who had a deep sense of concern for all who might be affected by the committee's actions. He made tremendous contributions to that committee, to this House as well as to this country. I think that all the Members of this House have been enriched and enlightened by association with JERRY PETTIS and the ideals he stood for. His passing has been a great loss to all of us who knew and admired him. His contributions to us have been both scholarly and practical and we shall miss him.

Mr. FLYNT. Mr. Speaker, I join my colleagues in paying my respects to a patriotic American and a great Californian.

I was both shocked and saddened when news reached me of the untimely and unfortunate death of Congressman JERRY PETTIS. I am sure that all of us were wholly unprepared for the sad news of his death.

From the very first day that Congressman PETTIS came to Congress, I have known, liked, admired, and respected him. I considered him a warm personal friend, and I know that he was an able public servant and an outstanding Member of the House of Representatives.

From the time that I met him until his recent passing, I found him always willing and able to be helpful to me, and I am sure to other Members of the House.

He was dedicated to America and its democratic institutions. California was truly fortunate to have had the services of Congressman PETTIS and it is a tragedy that such an unfortunate accident has cut short a brilliant career.

He was a statesman of courage and commitment. He was a wise and strong leader. He was a man of consistent and unwavering integrity. We will all miss him, and I extend my sympathy to his family and all the people of California.

Mr. TALCOTT. Mr. Speaker, I thank the gentleman for yielding and I sorrowfully join my colleagues in their eulogies to our former colleague, JERRY PETTIS.

Lee and I consider knowing JERRY and Shirley Pettis as one of our very special joys and privileges of serving in the House of Representatives.

JERRY had one of the most successful careers of any Member before being elected. He was gifted with many special talents and he used them well.

He shared his talents with his family, associates, and fellow man. He shared the fruits of his achievements with his church, his community, and fellow man.

He was an able and respected Member of this House, his Committee on Ways and Means, and our California delegation. He was a conscientious legislator and dedicated to the constituents of the congressional districts which he was always proud to represent.

We were impressed that Shirley was always so much of his congressional life and that they worked as such an effective team in representing their district and the individual constituents.

We are grateful that he demonstrated by principle and example a tremendous religious faith in God and a true friend and supporter of his church.

We were shocked and grieved by his sudden death, because he seemed to us too young to die and his work and talents needed here and at home. Obviously we do not comprehend the longer plan.

We find some consolation and relief from our grief in having known him during his life and to have shared many happy and satisfying times with him which we shall long remember with joy and fondness.

We believe he died while on active duty, serving his district, trying to make an appointment on time, in suddenly inclement weather, when he was physically, mentally, and emotionally fatigued. Even the best of airman cannot always survive the hazards, rigors, and burdens of our work.

Lee and I express our condolences to Shirley and their children. We applaud Shirley for the manner and faith in which she has withstood her sudden and tragic bereavement and her strength and commitment in carrying on so beautifully and impressively.

Mr. BROYHILL. Mr. Speaker, it was with great shock and deep sense of loss that I learned of the tragic death of our colleague, JERRY PETTIS. I have known JERRY well since he came to Congress in 1967, and I know that his death will be a great loss for the House of Representatives.

JERRY PETTIS came to the House with a most interesting and successful background. He was a pilot in World War II, a businessman, and an educator. JERRY brought a wealth of talent with him to the House of Representatives, and he used it well during his service here.

I knew JERRY as one of the most studious Members of the House. He was extremely thorough in his approach to legislation and as a result he was always well-informed of the details of complex legislation. He was a person whom other Members often consulted for information and advice. His views were well respected and his counsel was valued.

To me, JERRY PETTIS epitomized the type of public servant which this country needs: The House of Representatives can be proud of JERRY'S service here. We have lost a fine man and an outstanding legislator.

I extend to his wife, Shirley, and his three children, my deepest sympathy for their sad loss. I know their pride in JERRY'S accomplishments and their memory of his fine human qualities will help to ease the sadness they feel.

Mr. RAILSBACK. Mr. Speaker, I wish to join in expressing sorrow at the untimely death of our good friend and colleague, JERRY PETTIS. JERRY was a wonderful person, warm and outgoing. We entered the Congress together back in 1967, and I am certainly going to miss him.

JERRY was a dedicated and responsible man. He brought to his work in Congress all his experience as an inventor, businessman, educator, and civic leader.

He had the distinction of being one of the very few Members of Congress to serve on the Ways and Means Committee after just 3 years in the House. As a member of that committee, he worked for welfare reform, drug control legislation, social security increases, tax reforms, and the revenue sharing plan. Most recently, he was the ranking minority member of the House Ways and Means Subcommittee on Health.

JERRY PETTIS also served on the Congressional Task Force on National Health, where he was an effective and articulate spokesman for new approaches in our current health care system.

And he was just appointed deputy minority whip.

JERRY'S death is a great loss to me, to the Congress, and to all his friends and constituents. Such a man cannot be replaced; he can only be remembered with respect, affection, and enormous gratitude that we were privileged to know him. To his wife, Shirley, and their three children, Yvonne, Peter, and Debra, I extend my deepest and most heartfelt sympathy.

Mr. QUILLEN. Mr. Speaker, I join my colleagues in paying tribute to the life and memory of JERRY L. PETTIS, the late Congressman from the State of California. The Members of the House have lost a great colleague, the constituents in his district have lost a great representative, the country has lost a great American, and I have lost a good friend.

JERRY PETTIS served in the House for 8 years. He will long be remembered for his valuable contributions as a member of both the Science and Astronautics Committee and the Ways and Means Committee.

He was an honest and honorable man who was highly respected and admired by his many friends. He was a man of firm convictions and deep devotion for the welfare of our Nation, which always came first with him. His untimely passing leaves a void which will be impossible to fill.

I extend my deepest sympathy to his family.

Mr. COUGHLIN. Mr. Speaker, the death in a plane crash of JERRY PETTIS leaves a void for the many of us who knew and respected him as a friend and as a Congressman.

A man of many talents, JERRY PETTIS died in the prime of his life, but not before he had filled his years with accomplishments that few could match. Aviator, World War II veteran, airline executive, rancher, college professor, Congressman—all of these were JERRY PETTIS and more.

Despite, or perhaps, because of his varied and brilliant record in a number of highly competitive areas, he was a man who carried his achievements with informal grace. He was an unpretentious, solid individual who took his work seriously, but never himself seriously.

As a Congressman, JERRY PETTIS labored hard in behalf of his constituents. He fit into life in the Capital with the ease of the mature and experienced, but never neglected the citizens who had honored him by electing him to five successive Congresses.

While the loss is great to his constituency and his colleagues, the loss is far greater to his devoted wife and three children. On behalf of myself, my family, and my staff, I offer them our sympathy and condolences, and the comfort of Isaiah 25:8:

> He will swallow up death in victory; and the Lord God will wipe away tears from off all faces.

Mr. WOLFF. Mr. Speaker, it is with a sense of great sorrow and great privilege that I rise today to join with the colleagues of JERRY PETTIS throughout the land, and particularly in the Civil Air Patrol he loved so much, and worked so hard for, in formally acknowledging our respect for him as a man, and as a leader of men.

It is perhaps presumptious of us to say that any man's passing is untimely, for it is not our place to question the wisdom of the ages which has forever dictated such things. But it is with a particularly personal sense of loss that I pay tribute to my good friend JERRY here today.

JERRY L. PETTIS and I worked together to set up the Congressional Squadron of the Civil Air Patrol in 1967, and I ask the permission of the House to present for the RECORD tributes from our colleagues in squadrons from several States at the conclusion of my remarks.

Along with his love of the desert, which he embodied in his California Desert Protection Plan, and which I take the liberty of commending to our attention as a fitting congressional memorial to JERRY'S memory and the ideals he so ably represented, our colleague loved the air and the machines which probe its spaces.

He loved nothing better than to introduce others to the wonders of the skies, and no one had more respect for the skill and courage necessary to be a good pilot, particularly a pilot who voluntarily risks his or her life in rescue efforts in behalf of others.

If I may, I would mention one project JERRY was working on which perhaps best illustrates his love of the air and his desire to spread the gospel, and that is a program right here in the Nation's Capital to set up a flight program for inner-city children so that they too can feel the wonder of flying.

Mr. Speaker, JERRY'S colleagues have already expressed their respect for him as a legislator far more eloquently than my poor words, and I thank them for it. I would only add that I, too, respected and honored his belief in the institutions

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of free trade and a free economy, and the manner in which he translated his beliefs into strong arguments and forceful persuasion.

JERRY L. PETTIS is missed and will continue to be missed by all of us here in this House, and by those who knew and loved him at home. Let me end by joining the House in extending my deepest personal sympathy to JERRY'S wife, Shirley, and to his three children, Yvonne, Debra, and Peter, and let me again pass on the respects of JERRY from my personal colleagues in the Civil Air Patrol:

LITTLE ROCK, ARK.,
February 19, 1975.

Hon. LESTER WOLFF,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WOLFF: The Arkansas Wing, Civil Air Patrol, joins me in expressing our most sincere and deep sympathy for the family of Congressman Jerry L. Pettis. Several of my staff and I were at the Aerospace Rescue and Coordination Center at Scott Air Force Base, Illinois, when the message arrived that his aircraft had been found. I wish I could convey to you the sense of loss that pervaded that room when the announcement came.

Most certainly Civil Air Patrol has lost a good friend. But, most of all, we want you to know that we share in your grief and that of his family and his many friends.

Please extend this, our expression of concern, to all whom it might bring comfort and tell them our prayer is that they know the peace that passeth understanding.

Sincerely yours,
DONALD F. HUENEFELD,
Lieutenant Colonel, CAP Commander.

CONGRESSMAN JERRY L. PETTIS
GROSSE ILE, MICH.,
February 19, 1975.

Congressman LESTER WOLFF,
Congressional Squadron,
Washington, D.C.

DEAR CONGRESSMAN: It is with great sorrow I write to you upon the death of Jerry L. Pettis.

In the business of Search and Rescue we are involved many times with fatalities but it is always the "other guy." We begin to believe it can't happen to us. When we lose someone with whom we can closely associate with as Jerry Pettis, life takes on a new meaning.

I like to always believe every dark moment has a purpose. We cannot always see the silver lining as soon as we think we should, however, in the long haul it becomes apparent. I'm sure this will be true in Jerry's death. If only one pilot has his thoughts awakened to the possibility that it could be him the next time and becomes a safer pilot because of it . . . this sad tragedy will have some purpose.

Please express the sorrow we the people of Michigan share with the family, you and your colleagues in Congress at the passing of Congressman Jerry L. Pettis.

R. A. SHEIBELS, *Lieutenant Colonel,*
CAP, Michigan Wing Commander.

CONGRESSMAN JERRY L. PETTIS
BEAVER DAM, WIS.,
February 17, 1975.

Congressman LESTER WOLFF:

1. It is with great sorrow that the Dodge County Composite Squadron, CAP, learned of the death of a fellow flyer and CAP member.

2. Please extend to his family and friends our deepest sympathy as we share with them a deep sense of loss.

WILLIAM F. COUSSEN,
First Lieutenant, CAP, Commander.

CHARLOTTE, N.C.,
February 19, 1975.

Congressman LESTER WOLFF,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WOLFF: It is with much sorrow that we here in North Carolina learn of the untimely death of Congressman Jerry Pettis, a true friend of Civil Air Patrol. We know that he will be truly missed by his colleagues in Congress.

Please extend my personal sympathy to his family and friends.

Sincerely,
IVEY M. COOK, JR.,
Colonel, CAP, Commander.

VALLEY STATION, KY.,
February 18, 1975.

Hon. LESTER WOLFF,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. WOLFF: We of the Civil Air Patrol deeply regret the death of Representative Jerry L. Pettis in an airplane crash on February 14, 1975. He will be missed by all Civil Air Patrol senior members and cadets.

His work toward legislation beneficial to the Civil Air Patrol was indicative of his friendship with the Civil Air Patrol.

We would like to extend our sympathy to Mr. Pettis' family.

Respectfully,
J. F. UNDERWOOD,
First Lieutenant, Squadron Commander.

BUCKHANNON, W. VA.,
February 17, 1975.

Hon. LESTER WOLFF,
House of Representatives,
Washington, D.C.

DEAR MR. WOLFF: The Buckhannon Composite Squadron Civil Air Patrol wishes to express their deepest sympathy to the colleagues in congress and to the family of Congressman JERRY L. PETTIS.

We too, feel that we have lost a very dear friend in Civil Air Patrol.

Lt. CLAYTON BAUGHMAN,
CAP, Squadron Commander.

WILMINGTON, DEL.,
February 19, 1975.

HON. LESTER L. WOLFF,
U.S. House of Representatives,
Washington, D.C.

DEAR COLONEL WOLFF: Delaware Wing, Civil Air Patrol, joins all C.A.P. members throughout the country in mourning the loss of Congressman Jerry L. Pettis. He was a true public servant, and his contributions to his fellowmen will long be remembered.

It would be appreciated if you would express to Mr. Pettis' family our sincere sympathy in this time of sorrow.

We only hope that the good work Mr. Pettis did in connection with the new C.A.P. Supply Bill was sufficient to enable his surviving colleagues to effect its passage by congress. In any event, his service has benefitted C.A.P. and will not be forgotten.

Sincerely yours,
LOUISA SPRUANCE MORSE,
Colonel, CAP Commander.

LITTLE FALLS COMPOSIT SQUADRON,
Little Falls, Minn.

Rep. Jerry Pettis will be deeply missed by Civil Air Patrol Auxiliary.

From: Communication Personnel, Lt. Helen Leiknoll:

There is so little we can do
To help you bear your sorrow,
There is so little we can say
To help you through tomorrow.
But still, may these words comfort you
And let you know somehow,
Our heartfelt thoughts of sympathy
Are there with you right now.

TELEGRAM

From: Hq. CAP–USAF, Maxwell AFB.

To: Mrs. Jerry L. Pettis:

The entire membership of Civil Air Patrol has been saddened at the news of your husband's tragic death. Civil Air Patrol has lost one of its greatest friends and most respected leaders. His personal support and untiring efforts in behalf of CAP will continue to be an inspiration to my staff and the 61000 Americans who serve in this national volunteer organization. Although words cannot express the depth of our concern, be assured of our prayers and heartfelt sympathy.

Brig. Gen. LESLIE J. WESTBERG,
USAF, National Commander.

Mr. WINN. Mr. Speaker, it is with deep sorrow and regret that I pay final tribute to my friend and colleague, JERRY L. PETTIS of California.

JERRY PETTIS' death was an untimely one. He was a youthful man, physically meticulous and mentally alert and active. He had much that he could yet give and share with his constituents and the American people. Although young at the time of his death, his accomplishments were many; airline pilot, first president of an international union, businessman, economist, educator, religious leader, and legislator. The success of all of his endeavors followed him to the Congress, where his natural leadership qualities again made him stand out.

His background, knowledge, and dedication in the field of economics made him a respected member of the House Ways and Means Committee; but JERRY PETTIS was also a fine human being. He enjoyed the out-of-doors, and kept himself physically active playing a great deal of tennis. He also enjoyed a game of softball or touch football.

It was a pleasure for me to number JERRY PETTIS among my personal friends. His contributions are legion and he will be missed by those who knew and worked with him. Joan and I want to express our heartfelt sympathy to Shirley and their children.

Mr. EDWARDS of California. Mr. Speaker, it is with great sadness that I rise to join my colleagues in paying tribute to the late Representative of the 37th Congressional District of California, JERRY PETTIS. An intelligent and totally dedicated legislator and a wonderful human being, I am proud to have known JERRY, and will greatly miss him.

As a fellow member of the California delegation, I have known JERRY PETTIS for many years, and have certainly been enriched by our friendship. I remember him as always cheerful and a fascinating person to talk to. I have only the highest respect for this man, and extend my deepest sympathy to his fine wife Shirley, and their three children.

JERRY was an individual of so many interests and talents, all of which he brought to Congress. He had complete faith in America and the American way of life, and was himself a remarkable example of all that our way of life has to offer.

As a most hard-working and constructive member of the Ways and Means Committee, JERRY PETTIS has served his constituents and his country outstandingly. He was a man who cared, and that was reflected in everything he did. His contributions will certainly be long admired and remembered by all. I can only say that we shall all lose by the tragic and untimely passing of JERRY PETTIS.

Mr. BROWN of Ohio. Mr. Speaker, I join in mourning the death of JERRY L. PETTIS, our late, distinguished colleague whose death in a plane crash February 14 while piloting his own plane brought sadness to each of us and all who had been served by him and associated with him in and out of government.

Although JERRY PETTIS and I served on different committees in the House, I became well acquainted with him through our membership in the Republican whip organization and the general activities of the House. A finer public servant, legislator and friend would be difficult to name. His loss to the House, our Nation and his district will be felt greatly as we struggle to solve the economic and energy problems that confront us. Especially will his absence be felt on the Ways and Means Committee from which some of the major legislative solutions must spring. Fortunately, the quality of his service and the responsible manner that marked his career in the House gained the type of respect from his colleagues that will continue to have influence. As it does, it will provide a greater testimonial to his life than all we say here today.

Mr. Speaker, I wish to express my most heartfelt condolences to JERRY PETTIS' widow, Shirley, and their family. Their personal loss of a fine husband and father makes our sorrow seem selfish. But to them, may I say we will miss him here, too.

Mr. McKINNEY. Mr. Speaker, I share with many of you a special sense of loss on the passing of our colleague, JERRY PETTIS of California. At one time or another, we were all freshmen in the Chamber and I am certain that at some times, we experienced a similar feeling of bewilderment as we faced our new duties and responsibilities. It is in those early days when we all look for a helping hand and I know that in my case, as I am sure it was the case with many of you—one of the first to come to my aid was the gentleman from Loma Linda, Calif.' Here was a man, Mr. Speaker, who came to Congress fresh from an enormously successful career in the business world; a career—and this was consistent with his personal values, which put the consumer, or should I say, the person, first. It was with this same spirit that he approached his duties in the House, a deep concern for the needs of all his fellow citizens, especially as it related to his work on the House Ways and Means Committee. Mr. Speaker, JERRY PETTIS' business career was one of success and while here, no one doubted his understanding and ability in the legislative field. But more importantly, and what stands out—and this is his legacy—is the way in which he treated his fellow man; with dignity, respect, and a generous amount of kindness. To me that was JERRY PETTIS—an example we would all do well to follow.

Mr. BOB WILSON. I thank all of our colleagues today who have contributed to this special order on behalf of our late colleague.

Mr. Speaker, in conclusion let me just add one further remark about one of JERRY'S facets, because, as the gentleman from California (Mr. LAGOMARSINO) stated, he was a many-faceted man. He was a rancher, and an innovative rancher, in San Diego County, as a part of the various properties that he held.

One of the reasons that I feel a special loss about JERRY is the fact that at his urging I recently purchased some property adjacent to his in the Palomar Valley to build for my future an avocado grove adjacent to JERRY'S grove. JERRY was absolutely a master at making a beautiful Garden of Eden, as one of those in the eulogy stated, out of this rocky hillside that he purchased many years ago in the Palomar Valley. He grew everything there in great profusion and abundance.

He had avocados of many varieties. He had 17 acres of kumquats; he had dates; he had everything that could possibly grow on that side of the mountain. He had a true green thumb. He was an innovator. He developed a new tangerine, and it was known as the Pettis Tangerine, among many other fruits on that beautiful ranch.

So we were counting on being next-door neighbors to JERRY PETTIS. It comes truly as a very great loss to realize that is not going to be, but I am assured by his widow, Shirley, that she intends to keep that property more or less as a memory, as a tribute to his ability as a farmer and a rancher, so we will be neighbors with Shirley Pettis who, again, has the sympathy, I know, of every one of us in this House and her many friends in the district in which he served.

Mr. EILBERG. Mr. Speaker, I knew JERRY PETTIS as a warm, friendly Member who came, as I did, to represent his district in the 90th Congress. JERRY, a talented pilot, who often toured his way along the campaign trails in his own small aircraft, had friends across party lines, and I was privileged to be among them. In tribute to him and to his constructive efforts in advancing the work of the Congress, I offer the following eulogy:

Mr. Speaker, it is with great sadness that I join my colleagues in mourning the passing of our friend and colleague, JERRY PETTIS. His death was the kind that has inspired men of all ages and nations to ask "Why?" Why should such a good man, such a great man, be cut off in the prime of life, by a senseless and tragic accident? We cannot answer that question. But JERRY was a man of deep religious faith which he shared with his wife and family, and that faith will comfort them in their terrible loss.

The memory of JERRY PETTIS will inspire all of us who were privileged to know him to be better men, better public servants, and to lead fuller and more productive lives. He was an outstanding pilot, inventor, businessman, teacher, and Representative, who felt that he owed his accomplishments to the opportunities granted him by his country. He believed with his whole heart in American freedom and opportunity, and with that belief went a strong sense of responsibility to protect, defend, and serve it. He worked very hard on the Ways and Means Committee, and few men have achieved mastery over the highly complex and crucial issues which constitute that committee's work. He was dedicated and sincere in his belief that public service is just that, and demands a willing sacrifice.

The death of JERRY PETTIS is a great loss to his friends and colleagues, his constituents, and the Nation. To his family I extend my deepest sympathy.

Mr. BELL. Mr. Speaker, words cannot express the sorrow I feel at the passing of our colleague and my very good friend, JERRY PETTIS. He served the people of California with great distinction and his death has created a void that will be difficult to fill.

It was my privilege to work closely with JERRY PETTIS from the time he became a Member of Congress in 1966; we served together on the Science and Astronautics Committee until 1970. I came to know JERRY as a man of reason, whose views were moderate and in the best interest, not only of the State of California, but also of the Nation as a whole. His commonsense and leadership will be sorely missed.

One is always shocked at the untimely death of a good friend, especially one that possesses as much vitality, intelligence and caring for man as JERRY possessed. We can only console ourselves by the fact that we had the privilege of knowing this man and remembering that his good works will continue and his fine example will remain with us in spirit.

For those of us who knew him well and for those whose acquaintance with him was only brief, JERRY PETTIS will be remembered as a dedicated, hard-working, and capable individual. We all will miss him greatly.

In addition to my own remarks, I would also like to include the remarks of February 20 by Doug Huff in the Desert Sentinel of Desert Hot Springs, Calif.:

[From the Desert Sentinel, Feb. 20, 1975]

EDITORIALLY SPEAKING

(By Doug Huff)

Pardon me. I'm still numb from the shock of events last week. In three days last week I lost three friends, two of them in violent accidents.

Congressman Jerry Pettis in a plane crash Friday.

Desert Sentinel county correspondent Lou Thomann Wednesday.

Bill Alward, owner of Personalized Cleaners in Desert Hot Springs Friday in an auto-pedestrian accident.

My biggest shock however, was the Pettis plane crash.

I considered Jerry almost a personal friend, so much help has he been to me over the five years I have been covering the deserts of Riverside and San Bernardino counties.

Here was a man that truly did his homework. He did not shoot from the hip, as too many politicians and people do. He gave it to you straight. If he had no answer he would find out and call you back. You never got a lot of bull from him.

I called on him and his office staff many times. Whenever he was in the area and I was at an event he was attending he always knew me by name, by paper. Usually he re-

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called our last meeting and knew what I and the paper I represented had been saying.

He spoke at the last meeting I attended as editor in Yucca Valley—a meeting in Twenty-nine Palms—and when he heard I had left the paper, sent me word wishing me well in Banning.

It was like it was yesterday when we last met in Desert Hot Springs.

That was when he spoke to the American Association of Retired Persons (AARP) just prior to last November's elections. It had been several months since we'd last met.

I remember well his trying to convince two teenagers on the corner of Pierson and Palm that he was a real live congressman. How he laughed as he climbed into Mayor William Schultz' car about how they hadn't believed him because they'd never heard of him and besides, what would a congressman be doing in Desert Hot Springs, of all places.

Some weeks back I had called his office in Palm Desert on behalf of a widow who seemed to be having some problems with her son and the veteran's administration. His staff had the answers within a day. They weren't exactly what the widow had told me, but they were answers and to me quite satisfactory though the widow's problem was not entirely solved. It was not a matter Mr. Pettis or his staff could exercise any power over, it turned out.

Recently I was to attend a press conference in Palm Springs. I had to bow out however, because it was on a Tuesday and you know what kind of day that is. There is a newspaper to be put together. Which is also why, regretfully, I couldn't make his funeral. I was writing this column.

Jerry didn't want to be in this area the past few days. He would rather have been in Washington, D.C., but his fellow colleagues had wanted a 10-day recess rather than work on pressing national problems.

Having no choice, Jerry flew back to his district to do what he felt was the next best thing. Fly the district and hold hearings on the problems it faced. I suppose it is ironically fitting that he died carrying out two of his great loves, flying and attending the needs of his constituents.

I just feel such a void. Here was a man at the zenith of his congressional career. A man rated most effective of all the California legislators and rapidly becoming one of the most powerful men in Congress. He was respected by leaders and members of both parties and frequently consulted by occupants of the White House. A man of his integrity and experience will not be duplicated in the 37th Congressional District for many years, if ever again.

When I heard on the car radio he was missing on a flight from Palm Springs to San Bernardino I was entering the big curve on Indian Avenue. I almost crashed. I was so stunned. I looked at those horrendous storm clouds, felt the wind on the car, and I knew he was gone.

It gave me a cold chill.

Palm Desert administrative assistant to Jerry, Mrs. Gretchen Paulson, perhaps sums up what many of us feel today: "It was a murderous ghastly schedule."

He wanted to serve us. He gave his life doing just that.

Mr. LANDRUM. Mr. Speaker, JERRY PETTIS was one of the most wholesome, constructive, and delightful men it has been my pleasure to know.

His tragic and untimely death has taken from our membership one who was vitally concerned with the economic, social, and religious problems of today and one who was devoting his entire energies toward a constructive solution to these problems.

I share with his friends in this body as well as those from his home region profound shock and sadness at his passing and extend to Mrs. Pettis and his family the warmest sympathy and gratitude for their letting us share with them the fine qualities of this man.

Mr. MONTGOMERY. Mr. Speaker, I join my two colleagues from California, Mr. BOB WILSON and Mr. ROUSSELOT, in expressing my very profound shock and sense of loss with the tragic and untimely death of JERRY PETTIS.

JERRY and I both came to Congress in January 1967, and since that time we had developed a very close and personal friendship which I shall always treasure. My friendship for JERRY grew out of the deep respect I had for his abilities and his dedication to his constituents.

His advice, which I sought often, was always freely and soundly given. He had the unique ability to cut through the legal jargon and give a concise explanation of legislation that was readily understandable to all. This was particularly true with the often complicated bills reported from the Ways and Means Committee on which he served.

I always knew that I could count on JERRY for meaningful advice on tax legislation and honesty of how any particular bill might affect my constituents. For this, I will always be grateful.

Mr. Speaker, I will always remember JERRY PETTIS as a man who was deeply religious and very much dedicated to his faith. I considered it an inspiration to join with him each Thursday while the Congress was in session for the congressional prayer breakfast.

In addition to the other attributes of JERRY PETTIS I have mentioned, he was always very much interested in competitive sports, and especially physical fitness. This interest of his was best evidenced by his sponsorship of touch football and softball for his office staffers. And most of the time his staffers were winners just like JERRY.

Mr. Speaker, I am sure all my colleagues, plus many others on Capitol Hill, feel the loss of JERRY PETTIS. He was a man who deserved and got the respect of all. I extend my deepest sympathy to his wife, Shirley, and his fine family.

Mr. DICKINSON. Mr. Speaker, I was very shocked and sorrowed on the afternoon of February 14, 1975 to hear of the tragic death of my personal friend and a dynamic legislator, JERRY PETTIS.

JERRY and I really got to know each other when we had offices directly adjacent on the third floor of the Cannon Building. Although we did not see eye to eye on every issue, he had the enviable quality of being able to disagree without being disagreeable.

I extend my sympathies to JERRY's widow Shirley and the family, Deborah, Yvonne, and Peter, and to his staffs, here in Washington and in the district.

Perhaps the greatest tribute one Congressman can pay another is to note that he never forgot the people who elected him. Despite his busy schedule here JERRY PETTIS always found or made time to visit with his constituents—to listen to what they had to say and to report to them his thoughts on the issues.

This House and the Nation have lost a leader. He will be sorely missed and long remembered.

Mr. FINDLEY. Mr. Speaker, the death of our colleague, JERRY PETTIS, ended a productive career in the Nation's legislature.

JERRY was always a constructive influence. He wanted the Republican Party to advance, of course, but he never let party loyalty surmount his view of the broad public interest.

I rejoiced when he was assigned to the Ways and Means Committee. In his first term, I recognized in him outstanding qualities—hard work, intellectual grasp, integrity.

This past December, I was pleased to see him make himself available for leadership within the Republican delegation. He was deputy whip and had already begun to assist Republican Whip BOB MICHEL in using the computer science in which JERRY was so skilled to forge a more effective organization.

We have all lost a great friend and an able legislator.

Mr. WYDLER. Mr. Speaker, I have rarely felt the shock I did feel when my wife told me that she had just read that our colleague, JERRY PETTIS, had been killed in a plane crash in California. I had always known and liked JERRY in the years he had served in the Congress, but only recently, with his selection as chief deputy whip, did I get to work very closely with him. I found him to be a remarkable man and a superb Congressman. He was, in my judgment, one of those who was just beginning to come into his own in the Congress, and he would have left an unusual record of achievement if he had had the opportunity and the years to develop his full potential in the Congress. I know I will miss him here, and I think the country will miss him as well.

Mr. GIAIMO. Mr. Speaker, my heart was filled with sadness when I learned of the tragic death of my good friend, Congressman JERRY PETTIS of California. I extend my deepest sympathies to his wife and children.

In his long and productive career, JERRY served in many capacities. As rancher, airline pilot, flight instructor, and founder of four major companies, JERRY PETTIS has epitomized the success of our free enterprise system. As a professor of economics and Air Transport Command pilot in the Pacific theater during World War II, he affirmed his own commitment to the strength, vitality and stability of our educational and political systems. From these activities he brought great talent and experience to his work as a Member of Congress.

The people of the 33d Congressional District of California whom he served for 8 continuous years will miss him greatly. The people of this country, unfortunately, will never know the great contributions he made to their well-being while in Congress. We in this Chamber who had the privilege to work with him will miss his absence here most of all.

JERRY PETTIS will be remembered—and well honored—for his hard and constant labor for the issues in which he believed. He was a man of convictions who always listened to every argument before making a final decision. To me, and to all those who were fortunate to know him well, JERRY PETTIS will be remembered as a colleague and friend.

As his friend, my heart speaks and says the same words uttered by Anthony over the body of the fallen Brutus upon the field at Phillippi:

His life was gentle and the elements so mixed in him that nature might stand up and say to all the world, this was a man.

Mr. ANDERSON of Illinois. Mr. Speaker, I join my colleagues in mourning the tragic death of our good friend JERRY PETTIS. The plane crash which took his life just 2 weeks ago snuffed out his congressional career at its pinnacle: JERRY had just been reelected to a fifth term by a 2 to 1 margin, had ascended to the ranking minority spot on the Ways and Means Health Subcommittee, and had been chosen a deputy Republican whip in the House. He was respected and liked by Members on both sides of the aisle as a man of great personal integrity, intellect, and warmth.

JERRY brought with him to the House in 1967 the benefit of a rich and varied background as a businessman, inventor, rancher, aviator, philanthropist, and Christian leader, and those who came into contact with him in turn benefited from his multi-faceted experience and strong character. JERRY had the unique combination of talents as an idea-man and problem solver, and this helps to explain the enormous contributions he made both to the House and his own district.

During my 14-year career in the House, I have never met a more decent and personable individual, and I will deeply miss his presence in this House both as a fellow Republican and a friend. I extend my sincere condolences to his wife Shirley, his son Peter, and his daughters, Debbie and Yvonne.

Mr. PICKLE. Mr. Speaker, JERRY PETTIS had a varied and successful career. He was a success in aviation, in business, and in the Congress. His innate qualities guaranteed that he would be an outstanding citizen.

Mr. PETTIS was considered one of the most genuine gentlemen in the House. He never took the extreme position on the issues; he never engaged in personalities or outbursts of rhetoric or demagoguery. In his legislative performance he was very careful and thorough. Mr. PETTIS would marshal his facts and meticulously present his case. Because of this approach and because of his kindly demeanor, Mr. PETTIS was held in esteem by his colleagues for his thoughtfulness and consideration.

I feel that I was particularly privileged because I knew JERRY PETTIS in several different ways. We served on the same committee where he always counseled the sound moderate approach to our problems. He was a leader on his side of the aisle and his colleagues constantly sought him for advice and consultation.

I also knew him as a fellow member of the U.S. Capitol Historical Society. JERRY and I were board members and officers on the executive committee together. This post was not just an honorary one for him. He took it very seriously, attended the meetings, and was very active in fund raising for the proposed sound and light program, and the just completed "Capitol Hall." JERRY contacted friends throughout the Nation to gain support of these worthy historical projects. Only last month he had made tentative plans with me for a fund-raising luncheon to aid the sound and light program.

And lastly, like other Members, I knew JERRY as a colleague. I enjoyed meeting with him on a personal and social basis. He leaves a wonderful family.

I do not hesitate to say that JERRY PETTIS was held in as high esteem as anyone in the House. He was a fine individual, a dedicated legislator, and public servant.

This is a tragic, heartbreaking loss for his family and for his colleagues in Congress. We have lost one of the best Members in all the House.

Mr. HINSHAW. Mr. Speaker, I wish to join in the expression of sorrow voiced by many of my colleagues over the death of JERRY PETTIS, one of our outstanding congressional leaders.

Having worked very closely with JERRY on many legislative matters these past few years, I gained a very deep respect for him both as an individual and as a very highly accomplished and effective lawmaker.

My deep sense of loss at his death is of a personal nature. When one has developed the kind of rapport with a friend such as JERRY and I had, the sense of loss is accentuated the feeling of those who know only of his professional contributions to our country, to California, and to his congressional district.

He has left the lasting impression with me, and, I am certain, with all those who knew and worked with him, that he stood for loyalty, dedication, and a high sense of moral and personal integrity. He was endowed with an abundance of these characteristics which may explain, at least in part, the place he won in the hearts of so many of us.

His record of public accomplishments and his successes in the private sector mark JERRY as a great man, whose loss will be felt by all who knew him.

Mr. BURKE of Massachusetts. The loss of JERRY PETTIS is one that will be felt in the House of Representatives and on the Ways and Means Committee for a long, long, time. It is a great shame that a man who had given so much to his family, his community, and his country should be taken from those duties he loved while he still had so much more to give.

In every field he entered, JERRY PETTIS excelled. In his younger years, he excelled in his studies received a masters' degree at USC and taught speech in Nebraska at the age of 24, during 1940–41. Throughout his life he retained always a deep-rooted love for academic, which gave him most of his greatest satisfaction.

He always worked to improve the lot of his fellow man. As a Seventh-Day Adventist preacher, he first learned to fly small planes of the type in which he so tragically perished. As a preacher he first evidenced that sense of duty which led him to visit every corner of his large parish and a U.S. Congressman every corner of his large California district.

When World War II began, he answered the call every man answered, but in a way that typified JERRY PETTIS. He made a great contribution in helping to organize the Civil Air Patrol, now a well-known and elite air assistance unit of civilian flyers that respond to air distress calls everywhere. He also taught young pilots for quite some time in the CAP. And later in the war he took to the air in the Pacific with the Air Transport.

JERRY loved the air as much as he loved his country and his State, and we would do well to put as much of ourselves into our tasks as he did into the many extraordinary tasks he undertook. He devoted much of himself to the medical world, as an administrator, perennial benefactor, and as a Congressman.

The new Loma Linda Medical Center and VA Hospitals in his district shall serve as two of the greatest monuments any man could ask; for JERRY PETTIS they are barely fitting to honor his great contributions to medicine in California. The gift he was proudest of, the tape-recorded Medical Audio-Digest he donated to the California Medical Association, will serve as a living memorial to this great man.

When he came to Congress, he brought with him that undeniable urge to serve that was imparted to many of us to our great advantage. The power of his drive could never be diminished; the value of his work will never be fully realized; neither can any of us measure the great potential that will be our painful loss.

As a colleague of JERRY's on the Ways and Means Committee, I knew him to be an honest, hard-working, and cooperative member. He always impressed us with his knowledge of committee business, and of course, in his devotion to the important affairs of the Nation so often pressuring the committee he was tireless. He shall be deeply missed.

However great our loss, we must remember in the times ahead to offer comfort to those who have suffered the greatest loss, his very dedicated wife Shirley and his three children. Mrs. Burke and I offer the deepest heartfelt condolences.

JERRY PETTIS was a credit to the House of Representatives he served so faithfully, to his State, to his proud family, and to every cause or organization to which he lent his efforts. It was always a great honor to serve with such a man.

Mr. MOSHER. Mr. Speaker, I feel privileged to join in the special order honoring our colleague and friend, the late JERRY L. PETTIS. His untimely death shocked and saddened all of us. It is a profound loss to the Congress, to his constituents, and to his family.

JERRY PETTIS' death is a very personal loss for me. We are all familiar with JERRY's remarkable record of public service and personal accomplishments, Mr. Speaker, but I wish to add now a few personal remembrances, and also to make a special proposal for a specific appropriate memorial.

When JERRY PETTIS first came to the Congress he was assigned to the House Committee on Science and Astronautics, a committee on which I also served. This

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assignment was very appropriate because of his wealth of knowledge and experience in the areas of aeronautics. And his scientific curiosity was not limited solely to aeronautics. In particular, I remember JERRY's ingenious and successful experiments in the production of citrus fruits. That was consistent with his innovative, inventive efforts in all his endeavors.

Throughout his service on the Science Committee, all of us on that panel found JERRY to be a fascinating, much enjoyed human being. He participated faithfully and productively, with a very significant understanding of our committee's obligations.

Then, JERRY moved over to the Ways and Means Committee, where he felt he could better serve his constituents. From talks with my colleagues on that committee, I know that he continued there in his tradition of making very valuable contributions to committee activities.

Even after he moved to the Ways and Means Committee, I was privileged to remain in close association with JERRY PETTIS as we were both members of the Wednesday Group. All of us in that group feel JERRY's loss very personally. Through our weekly meetings and discussions we all knew JERRY to be a wonderful colleague—always productive and creative and hardworking.

Mr. Speaker, all of my comments thus far have been looking backward, into the recent past. If I may, I would now like to propose an idea for the future, to continue in a very vital way our tribute to JERRY PETTIS.

In the opening weeks of this session I joined as a cosponsor of legislation to establish a national conservation area of the California desert. I joined on this legislation at the invitation of JERRY PETTIS.

JERRY felt very strongly about the need to preserve the history and heritage and unique environment that can still be found in the California desert. He first introduced the California Desert Protection Act in the 93d Congress and some hearings were held. Many of our colleagues joined to cosponsor this legislation, both in the last Congress and in this one.

I suggest it would be an entirely appropriate and suitable memorial to our esteemed, departed colleague if we were to do everything possible to hasten the passage of the Desert Protection Act.

Further, Mr. Speaker, I suggest that we should name the proposed conservation area in honor of our former colleague.

Mr. Speaker, as a small token of our esteem for JERRY PETTIS and as a sign of our concurrence with his goals and objectives, I urge the prompt enactment of legislation to create the JERRY L. PETTIS Memorial National Conservation Area in the California desert.

Mr. SISK. Mr. Speaker, it was a sad day when I learned of the tragic death of my friend and colleague from California, JERRY PETTIS.

His unfortunate demise is a great loss, not only to our delegation in Congress, but to California and the Nation as a whole. He was one of the more knowledgeable members of the Ways and Means Committee, and while of a different party than half of us on the delegation, shared his knowledge of complicated tax legislation in a nonpartisan way.

In recognition of his talents in this field, and in the field of tariffs, he had been selected to be one of the House representatives at the forthcoming international Trade Agreements Conference in Geneva. In a sense the world suffers from his loss.

He was also knowledgeable in the field of agriculture, California's biggest industry, and will be sorely missed by all his friends in that pursuit.

I admired his character and abilities and this admiration and respect was shared by all the Members of the House.

My deepest sympathy goes to his family and I assure them his memory will long remain in our thoughts.

Mr. BAUMAN. Mr. Speaker, I want to join with the many other Members who have expressed a great sense of loss caused by the untimely death of our colleague, JERRY PETTIS, of California.

In the brief time I have served in the House I came to know JERRY as a good friend, an able Member, and in every way, a fine human being. Only a few days before his death we were discussing his long career in aviation and comparing the relative size of our respective congressional districts. Both of us concluded that the airplane was essential to meet the many commitments of districts such as ours. He recalled to me that my predecessor in Congress, the Secretary of the Interior, Rogers Morton, had learned to fly during his time in the House, and JERRY had encouraged him in this.

That little conversation was typical of the warmth and friendliness of JERRY PETTIS. He will be greatly missed here. My family joins me in extending our sincere sympathy to Mrs. Pettis and their family.

Mr. WHALEN. Mr. Speaker, I join my colleagues in paying tribute to our late colleague, JERRY PETTIS of the 37th District of California.

Jerry and I entered Congress at the same time, and we became good friends. Like others, I immediately became aware of his deep personal integrity and his thoroughness in researching issues. To work with JERRY on legislative matters, always was a very satisfying experience.

The variety of his precongressional career enabled JERRY to become an extremely effective Member of the House, and resulted in his rise to leadership both on his committee and in the Republican policy structure. The tragedy of his untimely death is augmented by the fact that from his new positions, his contributions to the Nation and to his constituents would have been even greater.

Mrs. Whalen joins me in extending our sympathy to Mrs. Pettis and her children.

May JERRY rest in peace.

Mr. BIESTER. Mr. Speaker, I wish to add a few words of deep respect for our late colleague, JERRY PETTIS.

Few Members of this body elicited the kind of warm and genuine regard which JERRY evoked. He was a friend to all, and we all have lost a true friend.

JERRY and I arrived in Congress at the same time, and from the beginning it was clear that here was a very special person. He approached his legislative responsibilities and committee work with unaffected dedication. As a member of the Ways and Means Committee, he knew the importance of his job. He knew it well and he did it well.

Sudden and tragic deaths are hard to accept, and it is especially difficult to comprehend the loss of someone with the vitality and ability JERRY possessed and shared so willingly. His family should be immensely proud of his contributions to his district, State, and Nation.

Mr. SHRIVER. Mr. Speaker, I wish to express my deep personal sorrow over the sudden loss of a respected colleague and friend, JERRY PETTIS of California.

It is always difficult to say goodby, but it is even more so when one such as JERRY PETTIS, who was energetic, able, and had so much more to contribute, is taken suddenly in a tragic accident. He was in his prime, and had so much more to give to his family, his constituents, to us, and to our Nation. We will miss him very much.

JERRY PETTIS was a person of many diversified interests. He was an accomplished pilot, dedicated to the activities of the Civil Air Patrol, an economist, a teacher, a rancher, an able legislator. He was a devoted husband and father.

I am proud that I had the privilege of being associated with JERRY PETTIS in this House, and will always value the friendship we enjoyed. Mrs. Shriver joins with me in extending our heartfelt sympathy to his wife, Shirley, and to the Pettis family.

Mr. REES. Mr. Speaker, I join with my colleagues from the House in expressing my deep sorrow over the untimely death of our good friend and colleague, JERRY PETTIS.

I had the honor and privilege of working with JERRY over the years on many projects affecting our State of California and our Nation, and I developed a great deal of respect and regard for his many abilities, his great compassion, and his dedication to improving the lot of his fellow man.

It is difficult to express deep feelings in mere words; I know, though, that my own life has been enriched by having had the opportunity of knowing and working with JERRY PETTIS. He will be sorely missed. California and the Nation has indeed suffered a grievous loss.

Mr. ESCH. Mr. Speaker, on February 14 the country lost a dedicated servant, the House lost a real leader, and I lost a close friend. I considered JERRY PETTIS to be a very close friend, having first come with him into Congress in January 1967, and having served with him during the past 8 years.

I knew JERRY to be a man of unquestionable morality and capability—one whom I could turn to to gain specific information and advice on matters before his committee and this House. JERRY PETTIS had the respect of his colleagues because of his own personal attitude. He was a man of great self-discipline and dedication. He was one of the real humans who knew who he was in relationship to his fellow man and to his God, and thus served as a personal inspiration to many of us who were honored and fortunate to be his colleagues.

But Congressman PETTIS was more than that. He was a leader in the House, and many others will confirm his dedication as a Member of this body. Let me also give recognition to his work, not only on the Ways and Means Committee, but also his earlier contributions to the Science and Astronautics Committee.

Especially significant in the work of this House was his keen analytical sense of what was effective business practices for our country. He brought to the Congress the sense of his experience as a businessman and economics professor, and his contributions continued to grow in recent years in the Ways and Means Committee. But most important, JERRY PETTIS will be missed because of his contributions as a public servant for his country.

At a time when the credibility of all public officials is questioned, there was never a question about the credibility of JERRY PETTIS. His deep religious conviction permeated his public and private life. He was one who lived his religious beliefs and practiced them with his family and for his country. That above all others perhaps is the most striking legacy he left with all of us.

Mr. CLEVELAND. Mr. Speaker, one hardly knows where to begin a tribute to a man like JERRY PETTIS, who was taken from us at a time when his career in public service was marked by so much accomplishment and promise for the future.

In an age of increasing specialization in all areas of life, JERRY PETTIS stood apart, distinguishing himself in many fields when the ordinary man would be content with success in any one of them.

JERRY exhibited business ability in his founding of Magnetic Tape Duplicators, which he developed into the world's largest user and duplicator of magnetic recording tapes. He was successful, as well, as an avocado and citrus grower, commercial airline pilot, and special assistant to the president of United Airlines.

Coming from a family of modest means, JERRY worked his way through college by working on the college dairy farm, getting up at 3 o'clock every morning to milk the cows. His appreciation for the value of education was reflected in later life as he taught at two colleges, served as vice president for development of Loma Linda University and played a key role in the establishment of its $25 million medical center.

He established the Audio Digest Foundation, a nonprofit organization which furnishes monthly educational tapes to physicians. Revenues from this foundation are held in a trust fund to provide scholarships for needy medical students around the country.

The talents which JERRY brought to private life were placed in the service of the Nation as a whole in his congressional career, in which he became an acknowledged expert in the health care field and worked successfully for the establishment of a 630-bed veterans hospital in Loma Linda.

One need not catalog his legislative accomplishments and record of service to Members of this body, who recognized his intelligence, dedication and capacity for hard work with his assignment to the Ways and Means Committee only 3 years after his election to the Congress in 1966. He was only the second Member in this century to achieve this position in so short a time.

Along with a thread of accomplishment, JERRY's life was pervaded by deep religious conviction and genuine concern for his fellow man and his problems. He was a Seventh-day Adventist and spent many years preaching for his church and guiding his own life by its principles. Indeed, his sense of purpose, of service, of principle was inseparable from his religious faith.

Despite his achievements, JERRY never stopped caring for people as individuals. Rather, his accomplishments placed him in a better position to help them. This was perhaps the aspect of his work as a Member of Congress that gave him the greatest satisfaction.

JERRY PETTIS took much from America in the way of opportunities offered a man of his capabilities. And in the Nation's highest traditions he gave back in full measure and more. To the House in which he achieved stature, he lent stature, honoring those who had the pleasure and privilege of knowing and working with him.

But the final judgment rests with the constituents we serve, and I can think of no more fitting tribute than these words from his hometown newspaper, the Loma Linda Bulletin:

> This man, Jerry Pettis, seems to have touched the lives of nearly everyone who saw him. And, in this part of the world, wherever there is help . . . or hope . . . or healing . . . Jerry Pettis will be remembered.

CONGRESSMAN PAUL FINDLEY INTRODUCES TAX REFORM BILL

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, today the House passed the general tax cut proposed by the President and reworked by the Ways and Means Committee. The effect of the bill is still very much in doubt, and this year's joy may turn to next year's regret if the tax cut spawns a new round of inflation. Recently, I asked my constituents to name the single greatest problem confronting our Nation, and 77 percent feel that inflation is public enemy No. 1. By more than 3-to-1, they rate inflation more critical than unemployment.

I firmly believe that most Americans would be just as pleased with meaningful tax reform as they will be with the few extra dollars which will result from this tax cut. It is time for Congress to begin working on such a tax reform package.

Today, with that purpose in mind, I am introducing the Tax Reform and Simplification Act of 1975. The most recent figures show that hundreds of citizens still pay no income taxes at all, while many others pay only a small fraction of their fair share. At the same time, most Americans are now struggling to figure out what deductions they can legally take and how much they owe the Federal Government this year. In fact, 30 million Americans are so confused by the income tax forms that they pay almost $1 billion to have tax specialists fill out their forms.

The situation has clearly gotten out of hand. It is time for Congress to change it. It is time to eliminate the tax preferences and deductions which allow the wealthy to escape fair taxation. It is time for Congress to simplify the tax code so that the average American can understand it. The bill I am introducing today is designed to accomplish both of these goals.

To simplify the task of filling out tax return, my bill provides a realistic standard deduction of 25 percent or $3,000. This is higher than the $2,500 in itemized deductions which the average taxpayer claims, and thus will provide an incentive to use the minimum standard deduction and quit worrying about whether a certain item is deductible. In fact, most Americans will be able to use the short form if my bill is passed.

Second, to spread the tax burden more fairly, my bill doubles the minimum tax preferences to 20 percent, and imposes a new minimum tax of 20 percent on new issues of municipal bonds which currently are tax free. Although such bonds have been a boon to local governments, they have become an unconscionable tax haven for the wealthy. My bill would not eliminate the usefulness of these bonds to local governments, because the 20 percent tax would still be less than the capital gains tax which attracts investment in real estate and stocks.

This bill is similar to one which I introduced last year and which regrettably was not acted upon prior to adjournment. I hope that a better fate awaits it this year. I have no doubt that the American people would welcome the kind of tax reform it offers.

THE TWIN ILLS OF INFLATION AND RECESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, the twin ills of inflation and recession continue to plague our Nation as more and more Americans are feeling the bite that our economic situation is having on their lives.

While the rising cost of food and unemployment are still a problem at present, some business leaders are cautiously predicting an upward turn later this year.

People will step up their spending on cars and other products and thus lead the Nation's economy in a recovery from the recession, a group of national business leaders said at a recent meeting in New York.

They based their qualified collective opinion on the encouraging signs already

visible, indicating that a modest upturn is in the offing.

They pointed to the tax cut now making its way through the Federal Government process, a slide in short-term interest rates, a buoyant stock market and the steps taken by industry to work off excess inventories.

These developments, in time, will lead to a revival of consumer confidence, the business leaders believe. Many of them added that consumer spending remains the only force that can rebound quickly enough to lead to a recovery in 1975.

Steps taken by President Ford and the Congress to break the economic slump are encouraging.

Billions in Government funds that were impounded by President Ford and his predecessors are being turned loose, partly as a result of official policy and partly because of new court rulings.

The President released $4 billion worth of impounded pollution-control money in late January. He followed this with an announcement on the spending of $2 billion in deferred highway construction money.

Release of impounded funds will eventually add billions to the economy, but no immediate boost in new jobs is expected. It takes months to gear up new construction projects and to distribute the money. Some States are hard pressed to come up with the matching funds required to qualify for some of these grants, although legislation has been introduced to give them partial relief.

Some folks hit hard by inflation and recession may not see or realize the results of these steps for many months. Unfortunately, this process is slow.

It is hoped that the release of these previously authorized funds will stimulate the economy. However, it is important that the line be held on the present budget and any new spending programs. Excessive Government spending by Congress is an evil for which we are all paying dearly at this time, and I urge each of you to do your part toward reinstating fiscal responsibility. I also encourage you to look closely at any bill that unnecessarily interferes with private enterprise. I believe the American public has reached its saturation point and we should start reducing regulations and guidelines, rather than constantly enacting more.

President Ford's proposed 1-year moratorium on the start of any new spending programs certainly has merit. We also need to consider tax reform, impose a windfall profits tax on oil companies and examine existing Government programs for waste. As a member of the House Appropriations Committee, I plan to do just that; and I earnestly urge you to do likewise.

KING CAUCUS RUNS THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 5 minutes.

Mr. BAUMAN. Mr. Speaker, last Friday, February 21, my distinguished colleague, the gentleman from Idaho (Mr. SYMMS) engaged in a colloquy with the distinguished majority whip, Mr. MCFALL, of California. The gentleman from Idaho sought to determine why the House was in session on a Friday when there was no scheduled business. The answer of the gentleman from California was less than complete and the result was a quorum call which only produced 208 Members. For the first time in many years the House had to adjourn for lack of a sufficient number of Members to do business, hardly an inspiring example to the country.

Mr. Speaker, I submit the real reason that the House was called into session, at considerable expense to the taxpayers, was to comply with rule M IX of the Rules adopted by the Democratic Caucus. Apparently, seeking a closed rule on the income tax cut bill, the full House was forced to convene for at least 4 legislative days after notice was placed in the RECORD, by order of the Ways and Means Committee majority.

What we now see is the rules of the House being expanded to meet the political considerations of the majority party caucus. While these caucus rules form no official part of our procedure, they apparently force the entire House membership to hold legislative sessions whether any business is to be conducted or not.

At this point I include the text of rule M IX since it is not printed in the House rules:

M IX. CLOSED RULE RESTRICTION

(a) It shall be the policy of the Democratic Caucus that no committee chairman or designee shall seek, and the Democratic Members of the Rules Committee shall not support, any rule or order prohibiting any germane amendment to any bill reported from committee until four (4) legislative days have elapsed following notice in the Congressional Record of an intention to do so.

(b) If, within the four (4) legislative days following said notice in the Congressional Record, 50 or more Democratic Members give written notice to the chairman of the committee seeking the rule and to the chairman of the Rules Committee that they wish to offer a particular germane amendment, the chairman or designee shall not seek and the Democratic Members of the Rules Committee shall not support, any rule or order relating to the bill or resolution involved until the Democratic Caucus has met and decided whether the proposed amendment should be allowed to be considered in the House.

(c) If 50 or more Democratic Members give notice as provided in subsection (b) above, then, notwithstanding the provisions of Caucus Rule No. 5, the Caucus shall meet for such purpose within three (3) legislative days following a request for such a Caucus to the Speaker and the chairman of the Democratic Caucus by said committee chairman or designee.

(d) *Provided, further,* that notices referred to above also shall be submitted to the Speaker, the Majority Leader, and the chairman of the Democratic Caucus.

I have one suggestion—that if the entire House membership is to be ruled by a bare majority of the majority party members by way of their caucus rules, then a sufficient number of Members should attend all sessions of the House which may be required because of these caucus rules.

The gentleman from Idaho is to be commended for underscoring this point.

HEARINGS ON ILLEGAL ALIEN LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that my Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary, will continue its hearings on H.R. 982—a bill which would impose civil and criminal penalties on those employers who knowingly hire illegal aliens.

This hearing will be held in room 2247 at 10 a.m. on Wednesday, March 5, 1975. At this hearing testimony will be received from Andrew Biemiller, legislative director, AFL–CIO.

In addition, we have invited officials of the Social Security Administration to testify on this legislation, as well as on section 137 of Public Law 92–603 which imposed certain restrictions on the issuance of social security cards.

We would also like to invite any other Members of Congress who are desirous of testifying on the subject of illegal aliens, but who were not available to testify at yesterday's hearing.

PERSONAL STATEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. NOWAK) is recognized for 5 minutes.

Mr. NOWAK. Mr. Speaker, on February 25, 1975, I was detained by pressing local business with some of my constituents and arrived too late to record my vote on Roll No. 24.

I would like the RECORD to show that had I been present I would have joined the majority in voting to pass House Joint Resolution 219, making further continuing appropriations.

A CITY BETRAYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, yesterday the mayor of San Antonio, the Honorable Charles Becker, did a great favor for the city; he announced that he would not be a candidate for reelection, and furthermore that he has "had it with politics." All of us in San Antonio hope that he means it.

Becker's outburst yesterday showed his true character; a frustrated bully-boy, who could not buy the capability of being a good mayor. He could buy the office, but he could not use his wealth to increase his ability, which was and is inadequate. So his frustration is understandable and his outrage should come as no surprise. Becker is a man who was born with all the goods this world can bestow; he is accustomed to the notion that his inherited wealth should bring him anything, and it can bring him any material goods he wants—but it cannot bring him the satisfaction of being his own man.

Politics was going to be the proving ground of Charlie Becker's manhood.

Politics was going to demonstrate to everybody, but most importantly to Charlie himself, that he could achieve success on his own hook. He could be a leader; he would show everybody. But it did not work out that way. Charlie Becker's whole career in politics was a portrait in frustration, a personal disaster, and a political disaster for San Antonio.

Becker is not without some redeeming merit. He foresaw that he could not be a mayor of any success unless the city council could somehow be united, a process that was made nearly impossible by his own rejection of the group that originally backed him by the vicious and fantastically expensive campaign that he conducted to be elected, by his own reckless ambition, all of which were complicated by a series of his mistaken judgments. Perhaps Becker foresaw all this, for his first statement as would-be mayor contained this, his own political epitaph:

Unification is an absolute necessity. Without it this council will pass into oblivion.

So it has. San Antonio under Charles Becker has endured one disaster after another. His ambitions have been wrecked, and the city's own hopes have been blasted. No wonder he is frustrated. And no wonder, given his fatal defect, the defect of the man of inherited wealth who wants, but cannot be his own self-made man, he now blames everyone except himself for his political failure.

Since Charles Becker plays such an important role in San Antonio's present municipal disaster, I can only hope that he is really through with politics. He says that he will not be a candidate again. But I know that he still wants to wield personal power—partly to satisfy his craving for revenge upon his enemies, real and imagined—but partly also because he wants to satisfy his ego by becoming a kingmaker, now that he cannot be king in his own right. So he is now prepared to back candidates in the coming city election. He approached one, who declined to run, with an offer of $200,000 worth of support. I wonder how many others can resist.

San Antonio has been through difficult times. The city has survived under six sovereign flags; it has struggled through wars, pestilence, banditry and depression. It has wrestled with political corruption; it has endured inept and greedy government; it has known every kind of municipal evil—yet it has survived, prospered, and created within itself a charm and graciousness nearly unknown in American cities. Greatness, perhaps, has eluded San Antonio—but it remains a robust city, one of which I am proud, and one which I think can confront the future with confidence.

In this season of municipal politics, San Antonio has a fresh opportunity to overcome its problems. The city has a chance to renew its leadership and be done with the erratic and querelous, bumptious doings of Charles Becker and his sometime allies.

Few of those elected with Charles Becker served out their council terms. Some must have left because they could not stand the weekly marathons of council meetings, which too often broke down into quarrels or downright pandemonium. Some left simply because they could not stand the abuse of Becker. Whatever their reasons for leaving, I doubt that any city council in San Antonio's history had as many resignations as the one now leaving. That says a great deal about the leadership qualities of the now-departing mayor.

When he was elected to the city council in 1973, Charles Becker reported expenditures of $218,971.04. That was far less than he actually spent, and it was far more than all other candidates spent, combined. Much of the money Becker spent came from business associates: people who worked for him, people who built his buildings and stocked his stores. A great deal of the money was reported as being "anonymous" contributions—usually in the form of $1,000 chunks of cash. From whom came this manna? What was it that made these donors so shy? Was it that they had some special interest in what the future mayor would do? Could it even be that some of these thousand dollar contributions came from people like Oscar Wyatt, who we know discussed political expenditures in San Antonio during 1971 executive sessions of his company; who Becker consistently defended from that day to this, and who now says that he would give funds to Becker if he ran again? Could it be that some of this anonymous money came from people like Morris Jaffe, the mayor's closest friend and ally, flamboyant businessman, mysterious wheeler and dealer—and who was with Becker when that honorable official offered $200,000 to a potential candidate in the 1975 city election?

We may never know. Becker has never identified his anonymous supporters, and there has never been any outpouring of community indignation over this curious, incredibly dangerous political disease of anonymous giving.

Becker might do much to prove his righteousness if he would only identify who his anonymous friends are. It does little good for him to dismiss the question as unimportant, and merely accuse me or others who question this corrupt practice, of being insane. It is hardly insane to wonder who gave to a political campaign of unprecedented cost and viciousness—anyone who has lived through the ordeal of Watergate knows that. Lifting the cloak of secrecy from political contributions tells much about the candidate. Becker hides his good friends. I can only wonder if it is because he has served their interests too well and openly—or because the contributions came from corporate sources, perhaps his own company—or because they came from people like Oscar Wyatt, whose greatest interest was to influence the regulatory decisions of the city council. There is no good reason for anonymous political contributions in the $1,000 class. It is a form of political corruption that Becker and his erstwhile allies on the council were peculiarly afflicted with. Perhaps the disasters that followed this expensive election, filled as it was with the anonymous bags of cash, could have been expected, if only because of the hidden interests symbolized by those sums of cash

. Beyond the basic corruption of which the election campaign was a symbol, Becker's leadership was characterized by a desire to form his own political machine.

There were two visible symbols of this effort to create a Becker party. One was the placing in the mayor's office Charles Becker's own political operator, Jack Skipper. Skipper had run the mayor's campaign; before that he worked for Becker's grocery company, his principal duty being the task of laying the groundwork for the campaign that he later directed. Skipper was transferred onto the backs of the city taxpayers after Becker became mayor. He has since resigned, and I presume is carrying out his political chores once again on the payroll of the grocery company.

The other symbol of Becker's drive for a political machine of his own was the so-called Independent Citizens Association, which he launched with great fanfare a year or so ago. The citizens association has since disappeared, a bubble pricked by the needle of no public support. The rise and fall of this political balloon offers an excellent graph of Becker's rising ambition, his gross failure, and his ultimate frustration and exit from active politics, except in the form of a bagman operating behind the scenes, buying up the power that he cannot win and hold in his own right.

Part of the political failure was traceable to Becker's eccentricity. For instance, he would suddenly and inexplicably change his position—first, strongly endorse a State utilities commission—Texas being one of the only places not having such a commission—and then turn against the idea. He would call for rejuvenation of the downtown areas of San Antonio—but fight tooth and nail for municipal policies that directed investment away from downtown. It proved impossible to know what Becker would do, except speak in the form of wisecracks.

Another part of the city's leadership disaster was caused by Becker's penchant for taking the law into his own hands.

Becker and his friend, Morris Jaffe, appear to have had a kind of personal, private policeman. This informant, by the way, is still on the police rolls and until very recently was conducting a side business—rugs—with the mayor's former security officer for Handy Andy and Morris Jaffe's son. It was this man who one day informed Becker that two officers had murdered members of the notorious Fred Carrasco drug syndicate. Becker saw to it that the story was written large; he claimed to have a secret witness to support his story; and he lodged that witness in a motel room. Unfortunately for Becker, the witness himself was a criminal, worse still, one who dealt heroin from the mayor's own personally financed secret lodgings.

This secret witness was arrested by Federal agents, in the midst of the great hue and cry Becker had raised—and the witness is now lodged in prison, where he belongs. The man's master, Fred Car-

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rasco himself, landed in jail in San Antonio, where he received royal treatment courtesy of Judge Preston Dial—whose judicial errors frequently embarrass one and all—this same Fred Carrasco ended his life in the Texas State Prison, killed in a shootout along with two innocent hostages. Carrasco's lieutenant was hardly the man a person of very good sense would place under his personal protection, or rely on to prove charges of police corruption—but that is what Becker did.

Incredible incidents like this surely enraged and embarrassed Becker, because such things could not help but undermine any claim he had to being a responsible leader. Things of this nature showed him up as a kind of 20th century vigilante, one who unfortunately was the fool in a burlesque.

After this sensational episode, the fortunes of Charles Becker went into rapid decline. San Antonio fell into a disastrous energy crisis, precipitated by the deceitful and fraudulent dealings of Coastal States Gas Co., whose integrity Becker consistently defended. The mayor time and again insisted that Coastal States in general, and Oscar Wyatt in particular, had never done anything wrong. He insisted that it was the victim of the crime, the public service board on which he served, that was at fault, not Wyatt. Becker still insists on this, though the record is strewn with proof after proof of Wyatt's double dealing and fraud. Becker's defense of Wyatt, a double-distilled liar if ever there was one, is evidence of a particularly foolish consistency. Where in other matters the mayor would be as unpredictable as a weathervane, in his defense of Wyatt, he remains tried and true.

I think that this defense of Wyatt and Wyatt's company is rooted in a basic part of the major's character. It probably is not accounted for by the fact that Becker had, through his company profit sharing trust, investments in 700 shares of Coastal stocks—after all, this investment was worth only $20,000 or so, if Becker told the truth about it, and $20,000 more or less is in his word, "infinitesimal" to him. It is a lot to most of us.

However, I am prepared to believe that Becker's peculiar affection for Wyatt is born of something other than a business association. It lies in his genuine admiration for the high-rolling, self-made man. Becker has never had the satisfaction of being a successful businessman in his own right—in the sense of making his wealth starting from scratch—and he sincerely admires men who have done so, like Oscar Wyatt. He has never known what it is to take a real risk, and wants to be on the side, and at the side of, those who have done so. Oscar Wyatt is one of these. This may account for the mayor's attitude, more than any cash that he ever got from Wyatt. In a man of Becker's character, money itself does not mean very much, so he is probably not corrupt in the sense of being bought. His fatal flaw is that he admires corrupt people like Wyatt.

Becker hates his own class, those who, as he said yesterday:

Have already got theirs, and now they don't want anybody else to get any.

His closest friends and supporters, those whom he admires most, are not those who inherited wealth, as he did. They are the hard-driving, ambitious, self-made high-rollers like Morris Jaffe, Jim Dement, and Oscar Wyatt.

For Becker, I think that politics was going to be the source of personal success and satisfaction. It never worked out that way, and now he blames everyone except himself—me, the newspapers, his political opponents, even the television stations. It is a sad and sorry thing for him. It is a sad thing for the city.

But San Antonio has survived other disasters, natural, political and economic. It will survive this.

San Antonio was planted on a wild and dangerous frontier by a few men and women who came with a mixture of faith and ambition, who were blessed with courage and stubborness, and who stuck it out.

I hope that today San Antonio has in it still enough people of faith, ambition, courage and zeal to overcome the city's problems, the leavings of fatuous and self-deluded people like the departing mayor. It took people of skill and courage, people of real vision and daring to plant the town of San Antonio; such people have nourished it through good times and bad—and I believe that enough such hardy souls are still around to provide the leadership that San Antonio needs. We have now the opportunity to put the past where it belongs, to look ahead, and to work as a city toward the greatness that is its heritage, which is far greater than any one human being, far greater than any single persons' ambition or greed, far greater than the curses it has endured from Charles Becker.

LEGISLATION TO EXEMPT RURAL LETTER CARRIERS FROM PROVISIONS OF FAIR LABOR STANDARDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, today, at the request of the National Rural Letter Carriers Association, I am introducing legislation to exempt rural letter carriers from the provisions of the Fair Labor Standards Act.

The Fair Labor Standards Act amendments which were enacted last year signified another step forward for workers throughout this country. However, these amendments have been the source of some concern for both rural letter carriers and the U.S. Postal Service. This is because the rural letter carriers work under unique conditions which differ significantly from the other kinds of employment which are covered by the Fair Labor Standards Act.

At this point, I would like to insert into the RECORD a copy of a letter I received from Mr. Rial M. Rainwater, president of the National Rural Letter Carriers' Association requesting legislation to exempt rural carriers from the provisions of the act. In his letter Mr. Rainwater explains the reasons why his organization feels this legislation is necessary, and emphasizes that this legislation would be applicable only to rural carriers and not to other Postal Service employees who benefit from the protection the act affords.

NATIONAL RURAL LETTER CARRIERS' ASSOCIATION,
Washington, D.C., February 6, 1975.

HON. WILLIAM D. FORD,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN FORD: Enactment of the Fair Labor Standards Act amendments, effective May 1, 1974, was a giant step forward for many newly-covered employees of this country. The rural letter carriers of America are the exception to the rule.

Since the inception of the Rural Delivery Service, rural carriers have had an incentive-type system which requires very little supervision. It is based upon the number of miles of the rural route or upon the evaluation of the route, whichever is higher. It has a built-in feature which already assures overtime pay when the route evaluates in excess of 40 hours. The system has served the rural carriers of the Nation well and has proven to be beneficial to the Postal Service.

The nature of rural delivery is such that it would be most difficult to tailor a rural route to exactly 40 hours. There are about 31,000 rural routes in about 16,500 post offices, or an average of 2 rural routes per office. To adjust rural routes to comply with the Fair Labor Standards Act will cause an untold number of address changes throughout Rural America. It would create numerous administrative problems for the Postal Service as well as many, many problems and hardships for rural carriers.

The National Rural Letter Carriers' Association, on behalf of the 49,000 members it represents, strongly urges enactment of an amendment to exclude rural carriers from the provisions of the Fair Labor Standards Act. The exclusion we seek would apply only to the rural carrier craft and not to the other Postal employees. The Fair Labor Standards Act is valuable protection to other Postal employees who are on a straight hourly basis of pay.

We hereby request you as a Member of the Education and Labor Committee, as well as the Post Office and Civil Service Committee, to introduce legislation to exempt rural carriers from the provisions of the Fair Labor Standards Act for the reasons described above.

With kindest regards.

Sincerely yours,

RIAL M. RAINWATER,
President.

I would also like to insert excerpts from a letter written on December 4, 1974 by Mr. Louis A. Cox, General Counsel of the U.S. Postal Service, with respect to this legislation:

The Postal Service favors the enactment of this provision, which would amend the Fair Labor Standards Act of 1938 to preserve the present method of computing the compensation of rural letter carriers.

Implementation of the Fair Labor Standards Act has created a number of problems for the Postal Service. Most of the problems seem on their way to solution. One problem, however, concerning rural letter carriers, appears intractable and requires the corrective legislation proposed for the reasons set forth below.

The Postal Service employs approximately 30,000 rural letter carriers who, for a number of years, have been paid a yearly salary based on whichever of two schedules results in a higher wage for the individual carrier. Under the first schedule, called the Rural Carrier Mileage Schedule (simply "RCS"), the carrier's salary depends on the number of miles in his mail delivery route. However, it has been recognized that many rural carriers have routes in which mileage does not reflect the work involved, because population density or other factors require them to make relatively high numbers of deliveries. To ensure that all rural carriers are compensated fairly for their work, a second schedule called the Rural Carrier Heavy Duty Schedule was developed. Under this second schedule, a rural carrier's salary is based on the estimated number of hours per week it takes the carrier to complete his route on the average; the estimate is based on an evaluation of the route made once each year. The Heavy Duty Schedule is keyed to the pay of a city letter carrier. Overtime is built into the Heavy Duty Schedule at a time-and-a-half rate when the rural carrier's estimated work week is in excess of 40 hours.

As can be seen, neither the RCS mileage schedule nor the Heavy Duty Schedule compensates the rural carrier in accordance with the actual number of hours the rural carrier works each week, as required by the Fair Labor Standards Act. Rather, under both schedules, with certain exceptions not relevant here, the rural carrier receives the same weekly pay, based on his yearly salary, regardless of actual hours worked.

The system of rural carrier compensation described above is incorporated into the current national labor agreement between the Postal Service and the National Postal Unions, including the Rural Letter Carriers Association, which is the collective bargaining representative of the rural carriers. The Rural Letter Carriers Association considers the current system of compensation advantageous to its membership and preferable to the hourly system used for other postal employees. The Postal Service likewise considers the present system highly satisfactory in providing effective rural mail service.

In short, we believe that there are compelling reasons for retaining the present compensation system and rural carriers. To date, however, we have not been able to find a way to do so which clearly establishes compliance with the provisions of the Fair Labor Standards Act. Indeed, after discussing the problem with officials of the Wage and Hour Division of the Department of Labor, which has jurisdiction to administer the provisions of FLSA with respect to postal employees, it appears that corrective legislation is the only solution. Accordingly, we strongly support the enactment of this suggested amendment.

Finally, Mr. Speaker, I would like to insert a copy of the amendment:

To amend the Fair Labor Standards Act of 1938 to permit certain rates of compensation for rural letter carriers employed by the United States Postal Service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding at the end thereof the following new subsection:

"(o) Notwithstanding the provisions of subsection (a) of this section, any employee of the United States Postal Service occupying a position whose regular duty involves the collection and delivery of mail on a rural route may be paid at a rate of compensation established or determined under any collective-bargaining agreement made under chapter 12 of title 39, United States Code, between the Postal Service and any bargaining representative recognized under section 1203 of such title.".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to any collective-bargaining agreement between the United States Postal Service and any bargaining representative recognized under section 1203 of title 39, United States Code, in effect on or after the date of the enactment of this Act.

PUBLIC SUPPORTS TWO-TIER GAS PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO), is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, as the House considers energy legislation today I would like to bring to the attention of my colleagues the results of a newspaper poll conducted in my district concerning a two-tier gas plan.

Under the plan, gasoline rationing would be established by allotting a certain number of gallons of gasoline per ration coupon depending upon the absolute necessity of the driver.

The second tier of the plan would allow a person who wanted to get more gasoline than allotted, to buy the gas, but at a higher price than the gas sold under the coupon plan. The basic price of the gas would remain the same at the local level, but the additional cost of the nonrationed gas would come about in the form of a Federal fuel tax. The money collected from the second tier could be used to find new energy sources.

One of the major benefits of the plan is that people who do only a limited amount of driving would not have to pay high gas prices. It would also mean that there would be an adequate supply of gas for those drivers who need to purchase additional amounts.

Following the announcement of my plan some weeks ago, the Peacock newspaper chain in my district ran a poll to determine how their readers felt about the two-tier program. More than 72 per cent of the readers endorsed the rationing program, while an additional 5 percent expressed qualified support.

While I realize that rationing is not the most palatable means of solving the energy crisis, it is my feeling that if we must go to some form of rationing in order to conserve energy sources, then the two-tier plan is the most equitable. Hopefully, we can avoid rationing. But at the same time we must be willing to pursue every possible course of action in solving the energy problem.

Mr. Speaker, I am including with my remarks a copy of a press release I issued on February 19 concerning the newspaper poll.

ANNUNZIO GAS PLAN FAVORED BY WIDE MARGIN

More than 72% of Peacock Newspaper readers who responded to a recent questionnaire have endorsed a two-tier gas rationing program suggested by Congressman Frank Annunzio (D-Ill.).

The plan, first unveiled in an exclusive interview with the Peacock Newspapers, would include gas rationing plus an opportunity to buy additional gas at a higher price.

Congressman Annunzio made it clear that he will not seek to implement his plan unless there is a gasoline emergency such as last year's Arab oil boycott.

"One of the major benefits of the plan," explained Congressman Annunzio, "is that people who do only a limited amount of driving would not have to pay higher gas prices. There would also be an adequate supply of gas for those drivers who need to purchase additional amounts."

Of the hundreds of people who answered the two-tier gas rationing questionnaire, 72.7% favored the plan, while an additional 5% expressed qualified support.

"One of the most gratifying aspects of the survey," Annunzio explained, "was the large number of people who took time to send letters expressing their feelings on the two-tier plan. This is the type of input that a Congressman wants and needs if he is to do an effective job in representing his district."

Under the Annunzio plan, gas rationing would be established by allocating a certain number of gallons of gasoline per ration coupon, depending upon the absolute necessity of the driver.

The second tier of the plan would allow a person who wanted to get more gasoline than alloted, to buy the gas, but at a higher price than the gas sold under the coupon plan. Actually, the price of the gas would remain the same at the local level, but the increased cost would be in the form of a Federal fuel tax. This money would be used to find new energy sources.

"Of course, we all would rather not have any form of rationing," Annunzio added, "but if the only alternative is gas prices that only the wealthy can afford, then we must look to some type of rationing program."

"When President Ford proposed a $3 increase in the tax collected on imported oil," Annunzio continued, "it meant that people living on fixed incomes would shortly be unable to afford gas for their cars. While the President's plan would limit gasoline usage, it would place the entire burden on people who are already hurt most by inflation. The two-tier plan will require everyone to share the burden."

Congressman Annunzio said that he will introduce his rationing plan only if there is not a better way to solve the problem.

"Rationing in any form is only a short range solution," he added, "We must also look for long range answers so that we don't have to deal with a new crisis every six months or so."

One of the long range solutions suggested by Congressman Annunzio is increased emphasis on new types of automobile engines. "Auto makers can build cars that travel 200 miles an hour, why can't they build cars that travel 50 miles on a gallon of gas?"

Annunzio also believes that the Federal government must take a close look at oil companies to make certain they are not limiting oil supplies for the sole purpose of driving up gasoline and heating oil prices.

Annunzio, who was recently elected chairman of the House of Representatives' Consumer Affairs Subcommittee, says his subcommittee will watch the oil companies closely and if he finds any evidence of withholding supplies, he'll call the oil companies before the subcommittee "to go to the woodshed with them."

PROVIDING FOR ORDERLY IMPLEMENTATION OF FUTURE EMERGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I have today introduced a bill providing for the termination of all powers and authorities relating to existing national emergencies and providing for the orderly implementation of future emergencies and for their continuation or termination. The bill is similar to the bill I introduced on the

same subject in the 93d Congress and would meet the pressing need for statutory resolution and definition in this area of the law.

The time is overdue for the termination of existing emergencies and for a clear congressional mandate that our governmental operations be conducted under regular and orderly processes of law rather than under provisions which were intended to be effective for limited periods to meet specific emergency conditions. In some instances where there has been a long and accepted use of some of this emergency authority that experience would seem to indicate a need for permanent legislation to deal with particular problems and situations. On the other hand, the actual need for such emergency authority may have disappeared with the emergency, and the appropriate committees of the Congress can consider legislation which can better serve our current needs and deal with the problems we face today.

It is intended that consideration of this bill will be initiated in the near future by the Committee on the Judiciary.

TRUTH IN SAVINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Missouri (Mrs. SULLIVAN) is recognized for 5 minutes.

Mrs. SULLIVAN. Mr. Speaker, at an informal meeting this morning of the Subcommittee on Consumer Affairs of the House Committee on Banking, Currency and Housing, representatives of seven organizations strongly oriented toward the consumer interest discussed their ideas of the priority areas of consumer legislation. I congratulate the new chairman of the subcommittee, Mr. ANNUNZIO, for arranging for this useful session.

Witnesses representing the Credit Union National Association, the Virginia Citizens Consumer Council, Consumers Union, Consumer Federation of America, National Public Interest Research Group, Urban League, and the Communications Workers of America had many good suggestions for the subcommittee, and for the House generally, for new legislation. The proposed Consumer Protection Act, which is not in the subcommittee's jurisdiction, received a very high priority, of course.

But I was struck by the fact that in the areas of our subcommittee jurisdiction, the witnesses nearly all placed either first or second the truth in savings bill, which I have reintroduced in this Congress as H.R. 14; and the strengthening immediately of the weak Equal Credit Opportunity Act passed last year, so as to include race, color, religion, national origin and age, as well as the factors of sex and marital status included in the 1974 act. I am pleased that Chairman ANNUNZIO has agreed to schedule hearings and action on further antidiscrimination legislation in the credit field promptly, so that we can correct the deficiencies of the 1974 act before it takes effect next October.

H.R. 14, truth in savings, also deserves early consideration, as most of the witnesses this morning urged. It assures to consumers, as savers, the same kind of accurate and uniform information on the terms of the interest paid on their savings accounts as they are now required to be given under the Truth in Lending Act on the finance charges they have to pay when using credit.

LEGISLATION INTRODUCED TO PREVENT DECONTROL OF OIL PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, today on behalf of myself and 65 other House Members, I have introduced legislation to limit the President's authority to decontrol the price of oil produced from known reserves to no more than $1 per barrel per year. If Congress does not act by April 1, President Ford intends to allow so-called old oil prices, presently controlled by the Federal Energy Administration at $5.25 per barrel, to rise to the prevailing world oil price of $11 per barrel.

The administrative action proposed by the President threatens our depressed economy with a horrendous inflation threat which will affect every consumer. A higher price for oil will be passed all along the energy stream. It will add $50 to $100 billion to our annual inflation and increase the cost of just about everything.

The President's plan would provide instant fortunes to those who own our oil reserves, 60 percent of which are controlled by eight major companies. Today, at $5.25 per barrel, these known reserves have a value of $194 billion. On April 1, President Ford with one stroke of his pen, multiplies the value of these oil reserves to over $400 billion. Never before in the annals of American history has so much economic wealth been created through a single stroke of Presidential discretion.

Congress never intended or anticipated that the President would use his authority to "victimize" the American people in this way.

The President's action would create horrendous windfall profits in an industry that is hard put to tell us how it has expended the windfalls resulting from the arbitrary and unjustified pricing policies of the past. While the President suggests a windfall tax on these profits, it is unrealistic to expect that a meaningful tax can ever be imposed on these profits. The most effective way to deal with the problem of windfall profits is to prevent them from developing in the first place.

The legislation which we are proposing today would allow a gradual increase in the price of old oil. This increase would be limited to no more than a dollar per barrel a year. This would allow for recognized increases in the cost of drilling expenses and would provide necessary capital for further exploratory drilling.

Mr. Speaker, the time is short. In 33 days, the American consumer will be dealt the single, most severe blow, in our Nation's economic history. I hope that this legislation can be considered and approved on an emergency basis.

Following is a list of the Members cosponsoring this legislation as well as a copy of the proposal:

Mr. VANIK (for himself, Ms. ABZUG, Mr. AMBRO, Mr. AUCOIN, Mr. BADILLO, Mr. BENNETT, Mr. BOLAND, Mr. BRADEMAS, Mrs. BURKE of California, Mr. CONYERS, Mr. CORMAN, Mr. DANIELS of New Jersey, Mr. DANIELSON, Mr. DUNCAN of Oregon, Mr. EDWARDS of California, Mr. FASCELL, Mr. FORD of Michigan, Mr. FORD of Tennessee, Mr. FRASER, Mr. GILMAN, Mr. GUDE, Mr. HARRIS, Mr. HECHLER of West Virginia, Mr. HICKS, and Mr. HUGHES).

Mr. VANIK (for himself, Mr. KARTH, Ms. KEYS, Mr. KOCH, Mr. LEHMAN, Mr. MEEDS, Mr. METCALFE, Mr. MIKVA, Mr. MILLER of California, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOTTL, Mr. NEDZI, Mr. NIX, Mr. O'HARA, Mr. PEPPER, Mr. REUSS, Mr. RICHMOND, Mr. RODINO, Mr. ROONEY, Mr. ROSENTHAL, Mr. RYAN, Mr. SANTINI, Mr. SARBANES, and Mr. SCHEUER).

Mr. VANIK (for himself, Mr. SELBERLING, Mrs. SPELLMAN, Mr. JAMES V. STANTON, Mr. STOKES, Mrs. SULLIVAN, Mr. THOMPSON, Mr. UDALL, Mr. VANDER VEEN, Mr. WILSON of California, Mr. WOLFF, Mr. WON PAT, Mr. YATES, Mr. YATRON, and Mr. YOUNG of Georgia).

Mr. VANIK (for himself and Mr. BRADEMAS, Mr. MOORHEAD of Pennsylvania, and Mr. VIGORITO).

H.R. 3906

A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h) (1) The President may not amend the regulation under subsection (a) in any manner which results in an increase in the ceiling price of the classification of crude oil denominated in such regulation as 'old crude petroleum' as in effect on January 1, 1975, of more than $1 per barrel per year.

"(2) The President may not amend the regulation under subsection (a) to allow an increase pursuant to the provisions of paragraph (1) in the ceiling price of the classification of crude oil denominated in such regulation as 'old crude petroleum' until April 1, 1975."

A "SIMPLER AND FAIRER" COURSE: CUT SOCIAL SECURITY TAXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, in the Tuesday, February 11 issue of the Los Angeles Times, an article appeared that was authored by a young and promising lawyer, named Russell Goldsmith, who is currently studying at Harvard Law School, under the tutelage of Stanley Surrey. This article, which was entitled: "A 'Simpler and Fairer' Course: Cut Social Security Taxes," dealt with one of my favorite topics—social security and the effects of a possible cut in the social security payroll tax.

I have long been an advocate of a cut in social security taxes because of their regressive character. But in this period of deepening recession a cut is especially needed because it is one of the most effective ways of getting money back into the economy. The bill, which I have sponsored, H.R. 33, has only in recent weeks begun to be cosponsored by my colleagues, and yet I have well over 100 cosponsors. In light of the response to date, I have set a goal of 219 cosponsors.

I believe that Mr. Goldsmith has put in a few words, in a precise, exact manner, the case that too few of us, in government and in economics, have seen in the past few years. Most of us can see rather easily that a cut in social security taxes will benefit the taxpaying employee. A great many of us do not see the advantages there are for business, and the taxpaying employer. Mr. Goldsmith points out, that if social security tax rate for employers were reduced from 5.85 percent to 3.85 percent business would receive a $10 billion tax cut. He goes on to say in his article:

The FICA tax cut would give virtually all businesses an immediate 2 percent reduction in labor costs (up to $14,100 in salary per employee). Ford's cut in the corporate rate would help only profitable companies—and the more profit they make, the larger their tax savings would be. That doesn't make sense. During a recession, tax relief must go to all businesses—especially those in financial straits.

This payroll tax cut would not be limited to companies making capital investments, as Ford's boost in the investment tax credit would.

Companies which provide jobs to people would be helped the most by the FICA tax cut. By reducing the cost of most employees 2 percent, it would fight unemployment, and would also help nonprofit institutions that pay payroll taxes but not corporate income taxes.

You can see that these measures affect a broader business sector than does the President's plan or even the one currently being debated by the House.

At this point, I would like to insert Mr. Goldsmith's article in the RECORD, so that my colleagues may have the benefit of his remarks:

A "SIMPLER AND FAIRER" COURSE: CUT SOCIAL SECURITY TAXES

(By Russell Goldsmith)

America's political and economic leaders now agree that if our economy is to recover anytime soon, a tax cut is essential. President Ford has delivered his proposal for a reduction in taxes and, on Thursday, the House Ways and Means Committee approved a plan of its own.

Unfortunately, both the President and the House have elected to bypass the most efficient and equitable device for lowering taxes: a cut in the payroll deduction for Social Security (FICA), which is the federal government's second-greatest source of revenue.

The President's proposal would, as is well known, give rebates on 1974 taxes in the form of separate cash payments in May and September, adding up to $12.2 billion. His plan would also raise exemptions, and thus add nearly $18 billion in relief through reduced withholding of income taxes.

The House plan is a variation on the same theme, using the same principles but reducing the amount of the tax cut ($20 billion compared to the President's $30 billion reduction), and shifting more of the benefits to lower-income groups.

Since the plans are relatively similar, for purposes of simplicity I will hereafter compare the merits of the cut in payroll taxes with the President's plan only.

If the President's $30 billion in tax relief were administered through a cut in the Social Security payroll tax, everyone's FICA payments would be zero for one year. It would give almost every working person a 5.85% increase in take-home pay on earnings up to $14,100, the maximum income liable to Social Security taxes.

Though the total amount of relief would remain the same, a cut in FICA taxes would have many advantages not present in the Ford plan.

—Those most in need, people with lower and middle incomes, would receive the majority of benefits. No one would receive more than $850, but that amount would be available to any taxpayer earning at least $14,100. The President's plan would provide comparable relief only to those earning at least $35,000 per year. In fact, if one compares the relief that a family of four would receive from a payroll cut in Social Security taxes with what they would get under the President's plan, the virtues of the former are obvious.

Income level	FICA tax cut	Ford's rebate plus tax savings
$5,600	$330	$207
$10,000	585	453
$15,000	850	425
$30,000	850	750
$40,000	850	1,085
$50,000	850	1,130

In addition, a cut in Social Security taxes would benefit the millions of Americans who work but who, for various reasons, do not pay income tax or file returns.

Tax relief would begin with everyone's first paycheck after the President signed the necessary legislation. There would be no waiting for rebate payments.

This plan would require no new paperwork on the part of the federal government. Employers would merely stop withholding FICA tax from each employe, and would reduce payments into the Social Security system.

The disagreeable prospect of millions of citizens receiving welfare-like checks from the government would be avoided. Instead, each worker would simply keep more of the money that he or she earns.

The FICA tax cut would stimulate the economy more effectively than would the President's plan. The money returned to individuals would more likely be spent, since it is not divided into two lump payments. For example, a payroll tax cut would give a worker earning $7,000 per year an additional $8 per week for 52 weeks, or $416 total, while the President's plan would give this same worker two rebates payments of $24.50 and additional exemptions netting him $292—a total of only $341.

The more money one makes, the smaller the percentage of tax relief. Everyone earning $14,100 or less would get a 5.85% tax cut. Someone earning $28,000 still would get the maximum cash cut of $850, but a percentage cut of only 2.9 percent. (The President's rebate percentages would not start to decline until income exceeded $40,000.)

There are a number of Americans who do not pay Social Security taxes—and who therefore would not gain by an FICA cut. Most are government employes, though, and they might be given a raise comparable to the relief enjoyed by their counterparts in the private sector.

As for business itself, Ford's tax cut plan would provide a 5 percent increase in the investment credit and an 8 percent raise in the tax credit for utilities. These would be temporary, and worth $4.1 billion. His plan would also cut the corporate tax rate 6 percent—a permanent change worth $6 billion a year to business.

There is, I believe, a simpler way to help businessmen—also through a cut in Social Security taxes. By reducing the employer's share of these taxes from the current 5.85 percent to 3.85 percent, the government would give business a $10 billion tax cut. This would have three major advantages over the Ford plan:

The FICA tax cut would give virtually all businesses an immediate 2 percent reduction in labor costs (up to $14,100 in salary per employe). Ford's cut in the corporate rate would help only profitable companies—and the more profit they make, the larger their tax savings would be. That doesn't make sense. During a recession, tax relief must go to all businesses—especially those in financial straits.

This payroll tax cut would not be limited to companies making capital investments, as Ford's boost in the investment tax credit would.

Companies which provide jobs to people would be helped the most by the FICA tax cut. By reducing the cost of most employes 2 percent, it would fight unemployment, and would also help nonprofit institutions that pay payroll taxes but not corporate income taxes.

To some, a cut in Social Security taxes might seem a threat to the system itself. It is not. Call it what you will, contributions through FICA do not amount to insurance premiums, but are taxes on people working today to support retired people who paid the tax while they were working. Your FICA taxes are *not* saved for *you*. (The Supreme Court has even ruled that no one has a right to Social Security benefits just because he has paid the FICA tax.)

The myths surrounding Social Security should not confuse our tax policies any longer. Like the general public, officials and legislators involved with fiscal policy tend to regard the Social Security funds as something sacred and apart from the federal budget. Thus, in time of financial difficulty they tend to overlook Social Security taxes and think only in terms of altering budgetary policy.

It is time, however, to shake off this conventional viewpoint and recognize that an FICA tax cut could provide more equitable tax relief—without endangering actual Social Security benefits. General revenues could be used to make up any resulting slack in the Social Security trust fund, since it's all coming out of the same pocket anyway.

Drawing on general revenues for Social Security payments would certainly involve deficit spending in the federal budget, but so would Ford's plan—with far less benefit to the nation as a whole. If we are to have a budget deficit, we might as well derive the maximum benefit from it.

The drafters of our federal tax laws have too often passed off their favored treatment for an influential (and wealthy) minority as technically necessary; the President's proposal incorporates this faulty premise. A much simpler and fairer course is to cut Social Security taxes.

WASHINGTON CONGRESSIONAL DELEGATION INTRODUCES ALPINE LAKES LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MEEDS) is recognized for 5 minutes.

Mr. MEEDS. Mr. Speaker, the Washington congressional delegation today is introducing two bills to classify as wilderness portions of the Alpine Lakes country in the central Cascade Mountains of Washington State. A third bill will be introduced later.

The delegation wishes to emphasize

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that it is not wedded to the specifics of this or that proposal. All the measures involving Alpine Lakes are different, and we will hold public hearings in Washington State before deciding what bill and what changes to adopt. We must have public input before reaching a consensus. Thus, we are putting the bills in without bias in any direction.

The Alpine Lakes country constitutes one of the most unique areas in North America. Low timbered valleys, soaring peaks, alpine meadows, 700 lakes, and many glaciers comprise five of the seven biotic or life zones known to ecologists. Heavy rainfall on the west slopes of the Cascades gives way to dry upland country on the east side. The forests include Douglas fir, Western hemlock, Ponderosa pine, larch, and Lodgepole pine.

But there is another aspect to the geography of the Alpine Lakes area; it lies no more than 60 miles distant from half the population of the State of Washington. Stevens Pass borders the area to the north, and Snoqualmie Pass rounds out the southern border. Both are barely more than an hour's drive from Seattle. To many Washington State people, the Alpine Lakes area is like having a diamond in the backyard.

Special classification was extended to the Alpine Lakes in 1946 when a 256,000-acre limited area was created by the Forest Service. Since then there have been many citizen and Government proposals for the area, including the recommendations for wilderness designation by the North Cascades Study Team in 1965.

The bills we are introducing today differ greatly. The measure recommended by the Alpine Lakes Coalition of timber industry segments and outdoor vehicle users creates an Alpine Lakes Wilderness Area of 172,000 acres and an Enchantment Wilderness Area of 44,000 acres. The Jack Creek drainage in the Wenatchee National Forest bisects the two areas. Surrounding the wilderness, but not identified in the bill is a large multiple use management unit.

More complex and certainly larger, is the bill supported by a host of conservation groups including the Sierra Club and the Alpine Lakes Protection Society. This measure establishes an Alpine Lakes National Recreation Area of 1,012,000 acres, and inside this land is a "core" wilderness area of 575,000 acres. The measure calls on the Secretary of Agriculture to draw up a comprehensive management plan, and it imposes a host of land use restrictions. To regulate clearcutting, the conservation groups' bill requires that no more than 30 percent of the acreage harvested each year be clear cut, and it requires that clearcuts be no larger than 25 acres. So that land uses may be compatible with the purposes of the recreation area, the Secretary of Agriculture would supervise local zoning. Further, the Secretary is given broad powers to acquire land.

We anticipate that a third bill will be presented soon by the U.S. Forest Service. In 1973 the Portland office of the agency submitted a plan which called for an Alpine Lakes Wilderness Area of 285,000 acres and a surrounding "management unit" of some 639,000 acres. The management unit would be administered according to multiple use guidelines, but would not be identified in the legislation. In addition, some 82,000 acres would be administered in their natural state; if private inholdings could be acquired, the Forest Service would ask Congress for wilderness classification for this unit.

When we hold hearings on the proposals later, the timber supply and private inholding questions will dominate the controversy. As many people know, the railroads in the 19th century were granted public lands. These lands were later sold to timber corporations, and the railroads still retain a good many acres of their own. The result in many areas, including the Alpine Lakes country, is a "checkerboard" ownership pattern.

Since the Wilderness Act does not contain authority to purchase land outright, acquisition of private lands for wilderness is accomplished through exchanges. One result of such exchanges can be a reduction in the national forest area, and thus a reduction in the annual timber cut. The corporation acquiring the Government land outside the wilderness area is not affected as much as the nontimber owning parties who must bid on national forest timber to survive. However, the bill submitted by the conservation groups does permit the Secretary of Agriculture to purchase private lands; the catch is that free-owned timber land in the Pacific Northwest is extremely expensive. In 1972, for example, Champion International purchased 650,000 acres in Montana from Anaconda. The price of the 650,000 acres was $117 million. Prices are higher in the Douglas fir region to the west.

We are confident that the controversies surrounding the Alpine Lakes country can be resolved in a reasonable time. To preserve and enhance such a magnificent area should command our energies and our attention.

ABOLISH THE DEATH PENALTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, the practice of executing persons for crime continues to remind us that the goal of a civilized criminal justice system is yet to be accomplished. Three years ago in *Furman* v. *Georgia*, 408 U.S. 238 (1972), the Supreme Court declared certain State death penalty statutes unconstitutional. After that decision, it was believed that the practice would cease.

But since the judgment in Furman, 30 States have passed new laws calling for the death penalty for particular offenses. In 1974, the Congress made hijacking of aircraft a capital crime. These developments compel the conclusion that legislation is needed to prohibit the imposition of the death penalty under Federal law.

Two years ago I introduced H.R. 5592 in the 93d Congress to forbid capital punishment as a sanction for the commission of a Federal offense. On January 17, 1975, I reintroduced the same bill as H.R. 1602. The 19 cosponsors of this bill, which I am resubmitting today, are: Representatives ABZUG, BADILLO, BROWN of California, BURKE of California, CARR, CONYERS, DELLUMS, EDWARDS of California, FRASER, METCALFE, MITCHELL of Maryland, MOLLOHAN, NIX, NOLAN, REES, ROSENTHAL, ROYBAL, STARK, and WON PAT.

My view against the death penalty is premised on several considerations: capital punishment, studies show, does not deter crime; the application of the death penalty—including the period since the Furman decision—discriminates against the poor and minorities; capital punishment violates the ideal of human dignity, as the taking of a life is morally unacceptable; and the imposition of the death penalty is irrevocable, foreclosing rehabilitation and clemency, if facts later develop proving the innocense of the convicted.

One final note: *Fowler* v. *North Carolina*, No. 73-7031—October term 1974—is presently pending in the Supreme Court. It raises the question whether post-Furman death penalty statutes are constitutional. We do not know what ruling the Court might make on the merits. Notwithstanding this case, it is important to legislate on the matter. Our responsibilities as the national legislature demand that we, as well as the Court, confront this crucial issue.

H.R. 1602

A bill to abolish the death penalty under all laws of the United States and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no sentence of death shall be imposed hereafter upon any person convicted of any criminal offense punishable under provision of law of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States, and no unexecuted sentence of death heretofore imposed under any such provision shall be carried into execution after the date of enactment of this Act. Each such provision which authorizes or requires the imposition of such sentence hereafter shall be deemed to authorize or require the imposition of a sentence to imprisonment for life and each sentence of death heretofore imposed under any such provision which remains unexecuted on the date of enactment of this Act shall be deemed to be a sentence to imprisonment for life.

(b) The Attorney General is authorized and directed to transmit to the Congress at the earliest practicable time his recommendations for appropriate amendments to be made to all such provisions of law which by their terms provide for or relate to the imposition of any sentence of death in order to substitute for such sentence in all such laws a sentence to imprisonment for life.

CO-SPONSORS OF BILL TO ABOLISH CAPITAL PUNISHMENT REINTRODUCED BY CONGRESSMAN DRINAN, FEBRUARY 27, 1975

Ms. Abzug, Mr. Badillo, Mr. Brown of California, Ms. Burke of California, Mr. Carr, Mr. Conyers, Mr. Dellums, Mr. Edwards of California, Mr. Fraser, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Nix, Mr. Nolan, Mr. Rees, Mr. Rosenthal, Mr. Roybal, Mr. Stark, Mr. Won Pat.

SOCIAL SECURITY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, the tax cuts and rebates we have considered and passed today exclude one sizable segment of the poorest among our people—those whose only income protection is social security and SSI.

Without doubt, the 30 million social security recipients are suffering the most from inflation's effects. To illustrate this crisis in dollars and cents, consider a typical example in New York City of an elderly individual who receives $226 a month total income from social security and SSI—New York State level—and who has monthly expenses of $150 for rent, $17.50 for utilities and $9 for a telephone; $38 a month or about $1.27 a day is all the individual has left to pay for food, clothing, health care not covered by medicaid, and other necessities. Can we really justify denying such people some Federal relief?

The Democratic leadership of the Senate and the House in the congressional program of action released today have recognized this omission: one of its top recommendations to turn this economy around is a retroactive cost-of-living increase for social security recipients.

Earlier today, I introduced legislation to implement the leadership's recommendation on social security. This bill would provide an estimated 8.7-percent increase in social security benefits retroactive to January 1, 1975, and payable in checks mailed in May or June. It, in effect, would speed up the payment of the cost-of-living increase already due to be paid in July, giving some desperately needed buying power totaling some $2.4 billion to 30 million social security beneficiaries who are given little or no help by tax cuts or rebates.

My proposal would not affect any other provision of the Social Security Act. All sections of the act affected by the 1975 cost-of-living computation quarter would operate without regard to the retroactive application of the cost-of-living increase, nor would it affect next year's cost-of-living increase. For example, if the base quarter in 1976 is a cost-of-living computation quarter, the resulting benefit increase would become effective in June 1976 and would be included in the July check.

According to a Social Security Administration estimate based on the economic assumptions used to prepare the fiscal year 1976 budget, the 1975 cost-of-living benefit increase would be 8.7 percent. The additional benefit payments required for the retroactive application of this increase would be approximately $2.4 billion. While I recognize that this is a significant expenditure from the trust funds, whose financial condition has already been questioned, I believe the long-term solution lies in utilizing general revenues to supplement funds derived from payroll taxes, as we now do in the case of medicare part B. This concept is entirely consistent with the Social Security Advisory Council's recommendations that all of medicare be financed from general revenues.

A retired worker with no dependents received an average monthly benefit of $183 as of December 31, 1974, according to the Social Security Administration. Assuming an 8.7 percent cost-of-living benefit boost, he or she would receive an additional $17 a month raising the benefit level to $200 a month. Under normal circumstances, the increase would be reflected in the July check, but since my bill provides that the retroactive portion of the increase be paid in a lump sum at the earliest possible date, the raise could show up in May or June checks, and his or her net gain for the year under my proposal would be $85. For a retired worker and his aged wife receiving a total monthly income of $312, the increase would be $29 a month to $341 for a net gain due to the retroactivity of $145. An aged widow with a monthly benefit of $177 would have hers raised $17 to $194 a month for a net gain of $85 as in the case of the retired worker. This would provide social security recipients with the same kind of one-shot infusion of cash as taxpayers would receive under the rebate plan before this body today.

The third important aspect of this bill is a pass-through provision which provides that for the purposes of determining eligibility or benefit levels in any Federal or federally funded State or local assistance program the retroactive portion of the cost-of-living increase shall not be considered as income or resources.

This legislation does not deal with benefit increases and other improvements in the supplemental security income program, which the steering committee task force also recommended but my distinguished colleague from New York, ELIZABETH HOLTZMAN, and I have proposing comprehensive reforms in that program. I urge the House Ways and Means Committee to take up both these bills as the next item on its action agenda for this session of the 94th Congress.

INTRODUCTION OF THE EMERGENCY HEALTH BENEFITS PROTECTION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. ROGERS) is recognized for 5 minutes.

Mr. ROGERS. Mr. Speaker, I am introducing today the Emergency Health Benefits Protection Act of 1975. I am joined in doing this by Mr. PREYER, Mr. SYMINGTON, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARNEY, Mr. WIRTH, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ, members of the Subcommittee on Health and Environment of the Committee on Interstate and Foreign Commerce, of which I am chairman. This legislation amends the Public Health Service Act to establish an emergency health protection program for people who are unemployed and have, therefore, lost their health insurance coverage. I am also today announcing hearings on this legislation for March 10 and 11, 1975, and my intention to act upon the proposal as soon as is feasible.

In its 1976 budget the administration estimated that an average of 8.1 percent of our labor force, about 7.5 million workers, would be unemployed during 1975. Similar figures were projected for subsequent years. There are those who feel that these estimates may be too low, for example, the rate for January 1975 was 8.2 percent. Approximately 70 percent of full-time workers in private industry and Government are now covered by group health insurance plans. However, many of these individuals when they become unemployed lose their coverage for health insurance either immediately or after a period of a few months specified in contracts. Some people who would otherwise lose their coverage can continue to pay for it themselves but usually at a much higher premium and often with substantial restrictions on the coverage available to them. Most people who lose their coverage are not immediately eligible for medicaid or any other Government-supported health program because they are not eligible for welfare or have excessive assets or income.

Most people who become unemployed are eligible for unemployment compensation or insurance, approximately four-fifths of the 7.5 million who are now unemployed.

However, unemployment compensation does not provide coverage for the costs of continued health insurance and does not provide adequate compensation to allow individuals to buy their own health insurance. Some of those who become unemployed continue to have coverage either under their own contract with their employer or because another member of their family is covered through his or her employment, but it is estimated that approximately 60 percent of those who are unemployed have no source of coverage available to them.

The legislation which I am introducing today would create a Federal program which would continue for people who are unemployed, eligible for unemployment compensation, and without health insurance, the health insurance benefits which they had when they were employed for as long as they were eligible for unemployment compensation—or would be except for illness. This would be done by having the Federal Government either pay directly to the insurance companies which had been providing coverage to such people when they were employed, or to such companies through State unemployment compensation agencies, the premium costs for their insurance coverage. Coverage would be provided to such people as long as they were eligible for unemployment compensation. Given that 7½ million people are presently unemployed, that four-fifths of them are eligible for unemployment compensation, and that three-fifths of them have no other source of health insurance, this plan would provide desperately needed health insurance coverage to approximately 3½ to 4 million unemployed workers and their families in this country.

The general approach which I am suggesting has been endorsed, and its enactment urged, by the AFL-CIO, the UAW, the American Hospital Association, the

American Medical Association, Blue Cross and Blue Shield, and the Health Insurance Association of America. While no similar proposal has yet been forthcoming from the administration, I am aware that the problem is under active consideration by the Secretary of Health, Education, and Welfare. Thus, this emergency plan has broad based support which is not surprising in recognition of the magnitude of the problem.

I should note that this proposal is not intended as a substitute for national health insurance or as a permanent provision. My committee will continue to explore both alternative ways of providing health insurance to people who become unemployed and the need for a more comprehensive program of national health insurance. For this reason, the proposed program would continue in effect only through the end of fiscal year 1976.

This is important legislation which responds to an acute problem within our society. I urge my colleagues' scrutiny of it and welcome their suggestions for its improvement.

THE CITY OF MONTEREY PARK BUDGETS FOR REVENUE SHARING FUNDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, in the past I have shared with my distinguished colleagues letters from cities in my district telling of the use they have made of revenue sharing funds. At this time, I present for consideration a letter I have received from Mayor David G. Karnos, telling of the impact which the Revenue Sharing Act of 1972 has had on the city of Monterey Park in preparing their budget.

The city of Monterey Park has cautiously proceeded to use funds provided under the general revenue sharing program because of the uncertainty of the length of the program. While the revenue sharing funds represent only 3 to 4 percent of the annual revenues, it is quite clear that eliminating the availability of these funds would create a burden on the municipality.

When the 94th Congress reconsiders the general revenue sharing program, I hope the benefits which cities like Monterey Park relate in the following letter from Mayor Karnos will be recalled:

MONTEREY PARK, CALIF.,
February 3, 1975.

Hon. GEORGE E. DANIELSON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN DANIELSON: General revenue sharing has now been a reality for three years and I thought you might be interested in a status report, since it has been under attack by some members of Congress. The first funds were received by the cities a little over two years ago. The City of Monterey Park has been very cautious in planning its use of these funds in order to maximize their effectiveness. It was not until the current fiscal year (1974–75) that the specific allocation of the accumulated funds was made through our normal budgeting process. The process included public hearings where input was received from the City's advisory boards and commissions as well as the opportunity for suggestions from the general citizens. As you know, the City Council encourages this type of community participation throughout the year to help assess the needs of the City.

Our caution in the use of revenue sharing funds was justified for the following three reasons: First, the uncertainty of the duration of the program made us hesitate to expand present services, add new services or even use the funds for regular operating expenses for fear that withdrawal would be more traumatic than doing without. Second, the City had been without any capital improvements to speak of for three or four years and was in need of new recreation facilities and expanded municipal quarters. This has required some long range and careful planning as well as the accumulation of funds to provide adequate dollars to accomplish these plans. Third, which relates to the first comment, is concern by the City in becoming too dependent for operating purposes on an uncertain source of revenue which could be lost by a vote of the Congress. At present, revenue sharing funds represent about 3-4% of our annual revenues. When we reach the point that this is being used primarily for operating purposes, we become very vulnerable if these funds are eliminated.

This fiscal year, Monterey Park has allocated its accumulated funds in a number of different ways. Maintenance equipment is being purchased to help make our park operation more efficient; books are being purchased for our Library to better serve the citizens; recreation facilities are being built to reduce a recognized need for tennis courts, handball courts, and partial payment for a community recreation center; commitments are being made to expand the Police and Fire facilities and we also found it necessary to allocate a portion of the funds available to support ordinary operating expenditures in some of the priority categories.

As it turned out, with the use of revenue sharing funds, the City of Monterey Park was able to maintain the same manpower level at a time when unemployment was on the increase and provide capital construction work for an industry that is presently experiencing an extremely high unemployment rate.

In the years to come the extension of the general revenue sharing program cannot be the only answer to this City's financial problems, but it should continue to minimize the burden that inflationary costs and public demands for increased service levels place on the local property tax. We feel that a Federal government that assists without mandating through a program such as general revenue sharing allows local government to continue to best serve the needs of its citizens and urge your support for continuation of the program.

Very truly yours,

DAVID G. KARNOS,
Mayor.

REMARKS BY REPRESENTATIVE PATSY T. MINK CONCERNING H.R. 1767, IMPORTED OIL TARIFF INCREASES

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, before I vote on H.R. 1767, the legislation relating to the President's imported oil tariff increases, I brought to the attention of this House the unique position my State of Hawaii holds in relation to dependency on oil as a source of energy. In my remarks, I included the information that analyses of the effects of the President's oil tariff proposals indicated that the increased tariffs would place a disproportionately higher burden on the citizens of Hawaii when compared to the costs to be borne by others in this country. The Congress passed the bill and sent it on to the President, and at this moment the fate of the bill is uncertain.

Mr. Speaker, in acting as we did, the Congress assumed the responsibility for developing alternate approaches to our related goals of energy independence and conservation. I am pleased to hear of the progress of the House Task Force on Energy and the Economy, headed by the Honorable JAMES C. WRIGHT, Jr., and to know that we will soon have such an alternate energy plan before us.

In considering the Congress energy program, I must still concern myself with the oil dependence issue in Hawaii, and I hope that this will be of concern to my colleagues also. So that the facts of the issue may be delineated more clearly, I would ask permission that related printed material be entered into the RECORD of these proceedings for the examination of the Members of this House. I refer specifically to a letter from Mr. Carl H. Williams, president of Hawaiian Electric Co., my State's largest electrical utility, to Representative WRIGHT which reviews the present situation and comments on Hawaiian Electric's plans for the future. I think that when my colleagues examine the record, they will find that Hawaii's dependence on oil—with no practical alternatives to turn to for energy—poses a truly unique problem which must be considered in the energy program which this Congress finally adopts.

The letter follows:

HAWAIIAN ELECTRIC CO., INC.,
Honolulu, Hawaii, February 18, 1975.

Hon. JAMES C. WRIGHT, JR.,
Chairman, Task Force on Energy and the Economy, U.S. House of Representatives, Washington, D.C.

DEAR MR. WRIGHT: The purpose of this letter is to aid the Task Force in its deliberations and to point out the unique situation of the State of Hawaii with respect to energy.

We are aware of the seriousness of the energy problems facing the Country and that every state thinks its situation is special. This does not change the fact that the State of Hawaii is truly different. We are an island state composed of several islands that are not connected by railroads, highways or electrical transmission systems. These are not technically feasible because of the great ocean depths between the islands. We have the longest supply lines of any state, over 2200 miles from the west coast of the United States. We have no natural energy supplies than can be further developed and consequently the State is totally dependent on oil, using an estimated 117,000 barrels per day in 1975, of which approximately one third is for military and commercial jet fuel. The total usage for the State is approximately 0.65% of U.S. consumption. Generation of electricity will use approximately 20% of the estimated consumption of the State.

Coal is not a viable alternate for making electricity in Hawaii at the present time because of the long supply lines to coal mines via sea lanes and railroads and transfers between them. All these together with the inefficiency of hauling high ash content coal over the long and varied supply lines have resulted in our dependence on oil. As a result, the islands do not have basic port or bulk-handling facilities adequate for the importing of coal. Consideration of quantities of oil used, resources required, including many public work facilities such as harbors, indicates a time frame to the late 1980's for earliest possible operation of a coal-fired plant in Hawaii. Projections of coal and oil prices in conjunction with all these considerations indicate fuel oil should continue to be used in Hawaii until alternate energy sources are developed in the future. The development of coal liquification in the future might be a hope in this regard because of the transportation problems cited above.

These conditions seem to point towards nuclear energy as a possibility *until* our small size is considered. My company has had a long-term interest in nuclear power starting back with our association with the first prototype gas-cooled reactor in the 1950's. This was installed on the Philadelphia Electric system and was called "Peach Bottom #1." The early prototype reactors were sized to produce about 50 megawatts of power, and we thought sizes would become available that would fit into our system here in Hawaii. However, it has turned out that costs are prohibitive for smaller sizes and as a result they are not manufactured. In 1975 the 105 nuclear plants reported "on order" by *Electrical World*, June 1 issue, averages 1090 megawatts in size. One unit this size is equal to the total utility electrical generating capacity on the island of Oahu (over 85% of electrical output in the State). For these reasons it is doubtful that nuclear energy will prove economically feasible in Hawaii in this century.

To generate electricity, Hawaii burns waste fuel oil from gasoline stations, uses bagasse, the waste product from the grinding of sugar cane, and is working on the prospect of burning garbage. These help but unfortunately they have the potential of supplying a very limited amount of the total requirements. Hawaii has been actively studying other alternative methods of energy supply, but at the present time there is no practical alternative to fuel oil for Hawaii.

Due to the makeup of the economy in Hawaii, the favorable climate, conservation, and price of electricity, the electricity consumption *per capita* in Hawaii is approximately 25% *below* that in the United States as a whole. This is especially interesting as the majority of water heating is by electricity in Hawaii and on the Mainland it is by other fuels.

The price of electrical energy and gas has increased dramatically in Hawaii in the last two years, primarily because of the increased fuel prices, but inflation and the high cost of money are also having major effects as they are on the total utility industry in the United States. The price of electricity on the islands of Hawaii, Maui, Lanai, Molokai and Kauai are among the highest in the nation, primarily due to the size factor and high fuel costs.

The President's action to increase the tariff on imported oil and place a comparable excise tax on domestic crude would disproportionately increase the burden on the residents of Hawaii. Mainland U.S.A. residents receive over 80% of their electricity from sources other than oil, so taken as a whole, their price of electricity would be increased less than one fifth as much as that of residents of the State of Hawaii. Our dependence on foreign crude oil has already had a serious effect on Hawaii residents due to the tariff going into effect on February 1, 1975.

Given the location of the State of Hawaii and its dependence on fuel oil as described above, a tariff-tax approach would place an unfair burden on residents who have no other choice and are already paying very high rates for electricity and gas because of size factor and high cost of fuel.

Strong arguments can be made against imposing any kind of taxes on electricity to raise its price and thus conserve its use. Home use of electricity is a necessity and there are no substantial savings that can be made in this area beyond those being achieved because of price increases due to inflation. The burden on households caused by taxes on electricity is inflationary and hits where it hurts the most. Commerce and industry are cutting back on the use of electricity where productivity will not be greatly affected. There is a definite limit on how far they can go without materially affecting productivity, which the country cannot afford.

The price of electricity has increased dramatically because of accelerating fuel cost and the effect of inflation and the high cost of money. Utilities have become an increasing cost industry with new facilities costing more than the average cost of existing equipment. This coupled with money costing more than the embedded money cost has a compounding effect on costs and consequently on rates. While unregulated industry does not expand unless it can earn an adequate return on new investment, utilities must expand facilities every year to meet loads. These factors will cause electricity prices to increase and the additional burden of taxes is not needed to increase the price.

Hawaii has two refineries that primarily use foreign crude oil, with most of it coming from Indonesia. Having refineries located in the U.S. is certainly in the interest of Project Independence. However, the President's Tariff Proclamation did not recognize this. Residual oil from foreign refineries was exempt from the first one dollar tariff and a further relief of 40 cents is effective with the March and April tariff increases. This means foreign residual would pay a tariff of $1.20 per barrel whereas we would pay $3 per barrel on residual from the refinery we buy from here because it imported foreign crude to make residual. This brings about the ridiculous situation that if we could move our refinery off shore to a foreign island and use the same crude import and residual output we could save $1.80 per barrel tariff. We certainly hope such unusual regulations can be avoided in your program.

The distances driven in cars in Hawaii is minimal compared to the mainland U.S. because of the small area of the islands. On Oahu, where 82% of the population resides, the total area of the island is 600 square miles. There are no great commuter distances and no long trips to take on weekends and holidays. Nevertheless, the greatest savings can be made in the area of gasoline with the least effect on the community. We believe that an attempt should be made to control this by price and that if this is unsuccessful procedures should be instigated such as the as plan we used during the embargo. This was a method of making gas available to odd and even customers at certain times and requiring a minimum amount of gas in the tank before a refill.

We wish you success in your deliberations, and if we can help please let us know.

Sincerely,

CARL H. WILLIAMS.

REMARKS BY REPRESENTATIVE PATSY T. MINK CONCERNING H.R. 3445, AMENDMENT TO THE SOCIAL SECURITY ACT OF 1937

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I have introduced legislation for the consideration of the 94th Congress which seeks to amend the Social Security Act to bring to a realistic standard certain provisions of the act which have remained unchanged since its original passage in 1937. I refer to section 202(i) of the act which allocates a lump sum death benefit to the beneficiary for the purposes of covering burial costs of those who have participated in the program.

As the law stands currently, such a payment is limited to $255, an amount so small as to be practically useless for the purposes for which it is intended.

A survey conducted in 1973 by the National Funeral Directors Association to gather statistical information for the Veterans' Administration indicated that in 1972 the average funeral cost $1,097, for provision of the following services and facilities: Professional services of a funeral director, use of facilities and equipment at a funeral home, and a casket. The $1,097 figure does not include such things as charges for interment receptacles, cemetery or crematory expenses, monuments, or markers, or other miscellaneous items such as an honorarium for a clergyman, flowers, transportation charges, burial clothing, or newspaper notices. As you can see, the presently provided $255 is less than one-fourth of that total average cost for services provided even 3 years ago.

My bill, H.R. 3445, would increase the death benefits under section 202(i) to $1,000, an amount much more in line with actual costs as we find them today.

The aim of the social security program is to provide income security in retirement for those who have contributed to the program during their productive years. When the program was originally enacted nearly two generations ago, the drafters of the legislation recognized a need for the burial cost subsidy and included the present provision in their bill. It is our responsibility to update that provision to realistic proportions.

Mr. Speaker, I urge early and favorable consideration of this bill.

LIFE IS YOUR BATTLE

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, my area of Louisiana has often been referred to as the "Bible belt." Sometimes this term has been applied in a derogatory manner, but we choose to think of it as a compliment.

Faith, teamed up with a strong dose of self-reliance has been the formula which has seen our region through some of the darkest days of history. But sometimes we need to be reminded that life is a struggle, indeed a battle, not only against outside forces but against internal attitudes and apparent hopelessness and despair.

One of the most eloquent expressions of this idea was delivered recently in a sermon which I had the pleasure of

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hearing by Dr. Benedict A. Galloway, pastor of the Noel Memorial Methodist Church in Shreveport.

In the years I have cherished my friendship with Dr. Galloway, I have always found a remarkable thread of solid, commonsense woven throughout his scriptual lessons.

His outstanding sermon, entitled, "Life Is Your Battle," not only is an inspirational message, but it brings to the listener or reader a reminder of the need for individual responsibility.

As Dr. Galloway so aptly points out, "Every man is born on a battlefield," the battlefield of life. In words from the Old Testament, he draws a message for lifelong struggle which takes place on that battlefield:

"Who shall command the battle? And he answered, Thou!"

But the ultimate spiritual victory comes when we can say along with St. Paul, "I have fought the good fight."

Mr. Speaker, we would all do well to pause a moment in the anxious times we face today and reflect on the thoughts presented here by Dr. Galloway. I ask that the text of his sermon appear at this point in the RECORD.

The sermon follows:

"LIFE IS YOUR BATTLE"—A SERMON PREACHED AT NOEL MEMORIAL UNITED METHODIST CHURCH, JANUARY 5, 1975

(By Dr. Benedict A. Galloway)

Text: I Kings 20:14—"Who shall order the battle? And he said unto him, Thou!" II Timothy 4:7—"I have fought the good fight!"

Let your mind wander over an ancient battlefield outside the walls of Samaria where the Syrians fought against the army of Israel, a battlefield strewn with fallen pavilions, wrecked chariots, unlifted lances, shields which had been cast away, and alas, strewn also with the dead, this is the timeless message which I gather from this battlefield: "Who shall command the battle? And he said unto him, Thou!"

The Prophet and Ahab, King of Israel, were standing together on the wall of beleaguered Samaria. The prophet said to Ahab: "Hast thou seen all this great multitude? Thus saith the Lord, Behold I will deliver it into thy hand this day and thou shalt know that I am the Lord." But as the king stood on the battlements of the city and surveyed the great army of Ben-hadad, he felt a certain misgiving. There at the foot of the mountain, all around the walls of the city, lay the encircling host. Ahab saw their standards waving in the morning breeze. He could hear the neighing of the war horses, the rumbling of the chariots as they wheeled into position, and all the hum and murmur of the great host. He could see the flashing of the sun reflected on the helmets and shields and lances of Ben-hadad's army. No wonder that when the prophet said to him: "Hast thou seen all this great multitude? Behold I will deliver it into thy hands this day," Ahab asked, "By whom?"

The prophet answered that the victory would be won by the soldiers of the princes of the provinces; all told seven thousand men. In astonishment Ahab said: "Who shall command the battle? And he answered, Thou!" Thus assured, Ahab muttered his little army of seven thousand, fell upon the Syrians at high noon when their captains were drinking themselves drunk in their pavilions, and smote them with a great slaughter.

There are three truths, all closely related, which are suggested by this battle outside the walls of Samaria: First, that life is a battle; second, that life is *your* battle; and third, that it is the Lord's battle.

The great masters of imagination like Edmund Spenser, or John Bunyan, have generally thought of life under two metaphors, a pilgrimage or a battle. That is true also of the Bible. Sometimes it speaks of life as a journey, a pilgrimage, but more often it speaks of life as a battle, a warfare, which is not accomplished until life is over. In this warfare some are only recent recruits. All they know about the battle is the music of the bands, the cheering of the people, the waving of the banners in the sunlight. Others are in the midst of the warfare, standing in the very forefront of the hottest battle, their uniforms stained and torn, caked with mud and blood, their faces blackened with powder. Others, again, are nearing the end of the battle, their armor well-hacked and dented with the blows of the foe, and soon for them will sound the trumpet of recall. But for one and all life is a battle. Is there not a warfare appointed unto the sons of men?

When a royal infant is born, his name is at once inscribed on the roll of one of the regiments of the army. So every man is born, as it were, on a battlefield.

Secondly, life is *your* battle. That warfare cannot be undertaken for you by anyone else. In the American War Between the States a drafted man could be released from service by paying the sum of $300.00 for a substitute; but in this battle of life, all the gold of Ophir cannot purchase you a substitute. You are drafted at birth, and to the front you must go. No love, no sheltering, no intercessory prayer on the part of those interested in you can deliver you from the battle. When the tidings came to David as he stood there, waiting by the tower during the battle in the Wood of Ephraim, that Absalom, who had rebelled against David, had fallen in battle, and the second runner had said to David: "The enemies of my Lord the King, and all that rise up against thee to do thee hurt, be as that young man is," David wrapped his mantle about him and went up the stone stairs to the chamber over the gate, and as he went thus he lamented: "O Absalom! O Absalom, my son, my son, would God I had died for thee! O Absalom, my son."

David was wishing there for the impossible, that he might have taken Absalom's place in the lists of battle and had died in that tangled wood instead of his son. But that is always impossible. No father, no mother, no husband, no wife, no son, no daughter, no brother, no sister, no nearest friend can fight another's battle. Even the Son of Man had to fight His battle alone. In His human nature He yearned for fellowship and companionship in that dread struggle, and asked the three disciples to watch with Him. But even that was not granted Him. He had to drink His cup and fight His battle alone. "I have trod the winepress alone." It cannot be otherwise with you and me. No matter who the adversary or the invader may be, the battle is yours. "Who shall command the battle? Thou!" If you do not, no one else will do it for you. You cannot expect your Congressman, your Senator, or your President and his Cabinet to shoulder the responsibilities of our nation's government alone. Nor can you expect your Mayor or your Councilmen to shoulder all the responsibilities for the problems that arise in our beloved City of Shreveport. Let's stop blaming others for the plight we are in as a nation and begin shouldering some of the responsibility ourselves. The battle is yours.

Lastly, the battle is also God's. Ahab was told that he must command in the battle, and yet was given the assurance that when he did so, the Lord would give him the victory. When Jehoshaphat stood in battle against the hosts of Moab and Ammon, one of the Levites upon whom the Spirit of the Lord had come, spoke to the king in the army: "Thus saith the Lord, Be not afraid nor dismayed by reason of this great multitude, for the battle is not yours but God's." When the famous Field Marshal Montgomery in the Second World War was asked as a young officer what he would do when confronted with a certain military situation, he answered: "I would first pray about it, and then I would fight." That is what we ought to do in the battle of life. Seek God's guidance and help, but at the same time do our own part and fight the battle which is appointed unto us.

The old year has passed and the new year has dawned. Some of you may be entering this new year a little weary in spirit because you can see nothing ahead of you but the same hard battle, the same dull round, which has been yours in the past years. Others may be discouraged today by the recollection of past defeats, and fearful about the conflict which is to come. Others again are confronted by difficult and painful situations, for the solution and remedy of which they have prayed earnestly but apparently in vain; and others there are who are drinking the cup of loneliness and grief because of dear friends who have been taken from them in the year which has just closed. Hence, for all of us is this message, this ringing, soul stirring message from the Bible: "Who shall command the battle? and he said unto him, Thou!"

That, then, is the great word I would leave sounding in your ears as you have said farewell to the old year and have crossed the threshold of the new: Thou! Thou, with all thy sacredness; Thou with all thy capacity, Thou with all thy value to God; Thou with all thy influence upon they fellowman; Thou with all the glory that is laid up for thee. Upon the sword with which thou battle that is the word I see inscribed, "Thou," and upon the Crown of Life which is laid up for thee, and which God would place upon thy brow, that is the word I see written, "Thou!" How splendid, then, is that final message of the great warrior and apostle of Christ, "I have fought a good fight! . . . Henceforth there is laid up for me a crown."

The Jews have a tradition that when Lucifer was cast out of heaven he was asked in hell what he missed most out of his former life. He replied: "I miss most the sound of the trumpet in the morning." Does anyone here today miss the note of the trumpet? Has the spirit been ebbing and the high moral and courageous purpose been wavering? Then hear this trumpet note from the prophet of God. "Who shall command the battle? And he said unto him, Thou!"

MORE FEDERAL RESERVE SECRECY

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Washington Post carried in its Tuesday morning editions a significant news story about efforts to suppress important consumer information at the Federal Reserve.

This continued secrecy and efforts to hide information from the public should be investigated and our Domestic Monetary Policy Subcommittee in the Banking, Currency and Housing Committee is taking a close look at this newest development within the Federal Reserve. It is absurd that the Federal Reserve would attempt to keep consumers from obtaining basic information which might allow them comparison shopping on interest rates but this appeals to be what has happened under the direction of Dr. Arthur Burns.

Consumers Reports and Consumers Union which obtained the information on interest rates—despite the Federal Reserve's opposition—should be commended. They are performing an important public service in printing this information and I hope that other news media will follow this example and more aggressively attack the Federal Reserve's rule of secrecy.

Mr. Speaker, I want to place in the RECORD copies of letters I have sent to Chairman REUSS of the Banking Committee and to Chairman Burns of the Federal Reserve Board concerning these issues:

Washington, D.C.,
February 25, 1975.

HON. HENRY S. REUSS,
Chairman, Banking, Currency and Housing Committee, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am sure you share my concern about efforts of the Federal Reserve to suppress important information about interest rates as reported on the front page of the Washington Post this morning.

This is apparently a continuing effort to keep this data from Consumer Reports, a valuable and widely circulated magazine for consumers. The news story, by Ronald Kessler, says that the Federal Bureau of Investigation has been brought in by Dr. Arthur Burns, Chairman of the Federal Reserve Board, in an attempt to discover who may have "leaked" the information to the magazine.

It appears to me that the type of information published by Consumer Reports should be available to the public and I question the right of the Federal Reserve to suppress it or to attempt to harass employees who have been willing to make such data available. This incident is in keeping with the Federal Reserve's long record of secrecy and it is a clear indication that the agency feels its responsibility is to protect the banks and the banks' data rather than providing information to the consumers.

It is my intention to have the Domestic Monetary Policy Subcommittee take a look at this situation and the allegations contained in the Washington Post article. I will, of course, keep you fully informed as this Subcommittee investigation continues. It will be my intention to have the staff make a preliminary study and to conduct Subcommittee hearings if the facts so warrant.

With best regards, I am,

Sincerely yours,

WRIGHT PATMAN.

WASHINGTON, D.C.
February 25, 1975.

DR. ARTHUR F. BURNS,
Chairman, Board of Governors, Federal Reserve System, Washington, D.C.

DEAR MR. CHAIRMAN: This morning's Washington Post carries a lengthy article by Ronald Kessler describing attempts of the Federal Reserve to suppress information on consumer interest rates charged by various commercial banks. The news story raises a number of significant points which fall under the jurisdiction of the Domestic Monetary Policy Subcommittee of the Banking, Currency and Housing Committee.

It is my intention to take a look at this situation and I trust that you and your employees will be cooperative with the staff and the Subcommittee in carrying out this investigation. As I have indicated to Chairman Reuss, it is my intention to have the staff make a preliminary study and to follow this with hearings if the facts so warrant.

Initially, Dr. Burns, I would like answers to these questions:

1. What data does the Federal Reserve collect from commercial banks on consumer loans and what use is made of this data?
2. What are the names of the commercial banks from which such data is obtained?
3. What authority has the Federal Reserve used to withhold this information from the public?
4. What was the basis for utilizing the services of the Federal Bureau of Investigation in investigating your employees and what instructions or requests did you make to the F.B.I. concerning this entire matter?
5. Did you receive any complaints from any commercial banks concerning the release or "leak" of any of this data and was this the basis on which you acted?
6. Have there been any previous incidents in which investigations have been conducted of news media and/or Federal Reserve employees as a result of "leaks" of information from your agency?
7. What is the approximate number of man-hours and what sums of money have been expended in opposing the legal action brought by Consumers Union to obtain this information?

These are, of course, preliminary areas of inquiry and we will undoubtedly be following this up with additional requests.

With best regards, I am,

Sincerely,

WRIGHT PATMAN,
Chairman.

Mr. Speaker, I also want to place in the RECORD a copy of the article by Ronald Kessler as it appeared in the Washington Post, Tuesday, February 25:

FBI PROBES "FED" STAFF ON LEAK TO MAGAZINE

(By Ronald Kessler)

The Federal Reserve Board said yesterday that Chairman Arthur F. Burns requested the FBI to investigate Fed employees to determine if any gave Consumer Reports magazine a list of interest rates charged by banks for consumer loans.

A board spokesman made the statement after being asked questions about the interviewing of employees of the bank regulatory agency by FBI agents seeking to determine who might have leaked the interest rate list.

The list, which appears in the March issue of the 2-million-circulation consumer magazine, shows variations of as much as five percentage points in interest rates charged for auto, personal, and consumer loans by different banks.

Consumer Reports obtained the list from sources it refuses to disclose after the U.S. District Court here ordered the Fed to give the list to the magazine under the requirements of the Freedom of Information Act.

The list was not given because the court's ruling was stayed pending the outcome of an appeal by the board.

"The purpose of the FBI investigation," a Fed spokesman said yesterday, "is to find out if there was a leak and if so who may be responsible."

"The only thing we know is that some figures involved in the litigation (under the Freedom of Information Act) were published by Consumers Union," he said.

In response to a question, the spokesman said, "It (the investigation) was requested by Chairman Burns."

Consumers Union is the nonprofit publisher of Consumer Reports.

Burns did not return a reporter's telephone calls yesterday.

An FBI spokesman said the bureau began an investigation last week at the request of the Justice Department's Criminal Division.

He said its purpose is to determine if there were violations of laws prohibiting theft of government property or disclosure of confidential government information in connection with the magazine article.

The spokesman said he believes the probe so far has been limited to Federal Reserve Board employees. Asked if the investigation might eventually involve the magazine, the spokesman said, "I couldn't say it would or it wouldn't."

Deborah M. Rankin, the Consumer Reports economics editor who wrote the consumer credit article in which the list appeared, said she has not been contacted by the FBI.

Ira J. Furman, a Consumers Union spokesman in Mount Vernon, N.Y., said the data published by the magazine is readily available upon request from each of the banks named in the story.

"You walk into a bank and say, 'What will you charge for an auto loan?' " he said.

Reading from a statement prepared in case of inquiries about the FBI probe, Furman said: "Consumers Union is astonished that the Federal Reserve Board continues to attempt suppression of purchasing information that is so vital to inflation-weary consumers."

He added: "We think the Federal Reserve Board should be spending its money and energy disseminating the information and promoting competition rather than covering up for the banks that are embarrassed by their noncompetitive interest rates."

A Federal Reserve source said FBI agents had interviewed a number of board employees and appeared particularly interested in the agency's computer system, which contains the interest rate data.

Among those interviewed, he said, was David R. Hull, a Reserve Board economist.

Hull apparently was suspected of leaking the data, the source said, because he told a colleague that a friend of his at Consumers Union gave him an advance copy of the March issue of the magazine.

Hull confirmed yesterday that he was interviewed by the FBI last week to determine if he had leaked the interest rates. He said he had not done so.

Hull referred further questions to his lawyer, who had no further comment.

Peter H. Schuck, Washington director of Consumers Union, said a Federal Reserve official asked him last Wednesday to have the magazine stop publication of the list.

The request was made after the board learned the magazine had the list, he said. By that time, he said the March issue was already on the newsstands.

The magazine would have refused the request in any case, Schuck said.

In ordering the Reserve Board last May to give the data to Consumers Union, U.S. District Court Judge William R. Bryant said interest rates are public before the Reserve Board obtains them during monthly surveys. Therefore, he said, the data are not confidential.

The U.S. Court of Appeals last November sent the case back to Judge Bryant to obtain more specifics to support his ruling. The appeals court also urged the parties to the suit to settle the matter among themselves.

Finally, Mr. Speaker, I want to place in the RECORD a copy of the article from Consumers Reports:

HOW TO SHOP FOR CREDIT—A GUIDE TO BANKING SERVICES—PART 3

(In the January and February issues, CU discussed how to find the best checking and savings accounts for your needs. We surveyed the three major types of banking institutions

serving consumers—commercial banks, mutual savings banks, and savings and loan associations. We reported that the costs of basic banking services differ greatly. Often, the best deals are offered by small- or modest-sized institutions, while their larger competitors charge the highest prices in town. Our research also found wide variations among banks and other lenders in the cost of short-term credit, the subject of the following report.)

Consumer credit has been an American way of life since Colonial times, when farmers borrowed against their crops and bought much of their furniture on the installment plan. Credit cards, "no-bounce" checking accounts, and sophisticated methods of computing interest have altered credit techniques a bit, but the basic theory has remained the same over the centuries. Lenders rent money to those who need it. Money is thus a commodity, and someone who borrows, or rents money pays for the privilege. The interest rate is the rental price of money.

A prospective borrower must always remember that lenders are in the business of credit, not in the business of doing favors. If lenders offer easy repayment terms, they're not doing it just to be nice; they're doing it to increase their sales volume. Easy credit terms have swelled the amount of consumer credit. By the end of 1974, Americans owed more than $188-billion (excluding mortgages) and were using about 16 per cent of their take-home pay for that debt. Americans borrow in two forms:

Closed-end credit, which includes installment loans, is commonly used to finance such items as cars or appliances. In a closed-end loan, a specific amount is borrowed and repaid over a specific time period, usually in equal monthly installments.

Open-end credit, which includes department-store charge accounts and bank credit cards, is more flexible. Generally, the monthly repayments required are lower than with installment loans, and consumers can, within certain limits, elect how much of their bills they wish to pay at any one time.

Whether you borrow cash or buy goods on "time," the cost of the credit involved can be quite high: this winter, some California banks were charging more than 16 per cent for personal loans. Yet consumers spend relatively little time deciding how they will finance a purchase, according to a report of the National Commission on Consumer Finance.

Wise consumers who borrow in order to buy *should* shop carefully for credit. The money saved by borrowing from the lowest-cost lender can be considerable, especially when the loan is a large one. CU commonly found differences of about two percentage points in rates charged by different banking institutions within the same cities. In Boston, to take one example, the largest commercial bank in the city, First National Bank of Boston, charged 14 per cent for a personal loan while the largest savings bank, the Provident Institution for Savings, charged 11.08 per cent.*

If you paid off $3000 worth of doctors' bills with such a loan over three years, you would pay First National Bank a total of $691 in interest; by contrast, the loan from Provident Institution would cost you only $540—a difference of $151.

The first step in shopping for credit is to compare the interest rates charged by different institutions. The Truth-in-Lending Act, passed in 1968, requires lenders to quote the cost of credit in terms of *the annual percentage rate*. This is the "effective" rate a person pays for credit; it includes the basic finance charge as well as any additional fees, such as credit investigation fees, service charges, or mandatory insurance premiums. But don't take it for granted that all lenders necessarily obey the law—the indications are otherwise. Studies made last year by various Public Interest Research Groups across the nation have found that some institutions were still quoting "add-on" or "discount" rates instead of annual percentage rates. (These rates are ones used internally by banks and are approximately *half* the equivalent annual percentage rate; the Truth-in-Lending Act prohibits creditors from quoting these misleading low rates to the public.)

CU found similar disclosure problems when we shopped for credit last summer at banks in the New York City area. One of them, Bank Leumi Trust Co., repeatedly used the discount rate in discussing the cost of the loan with a CU shopper. It was only after the shopper asked why the rate appeared so cheap compared with others she'd been quoted that the officer gave the cost in terms of the annual percentage rate.

The experience points up the difficulty of shopping for credit. To compare the cost of credit accurately, one must have all the pertinent facts, especially the annual percentage rate. But many banks are reluctant to publicize this information for fear easy comparison of interest rates would force rates down as consumers opted for the lowest rates. Instead, banks tend to promote the purported friendliness of their credit officers or the simplicity of applying for a loan.

Forget about such advertising smokescreens. Seek out the lowest annual percentage rate you can find and the type of credit that best meets your needs. The two major types of bank credit services, as well as alternate sources of credit, are described in detail below.

So many Americans depend on open-end credit—typically the credit card—for routine needs that there are now more than two of these embossed plastic chips for every person in the country. Bank credit cards, however, account for little more than one-tenth of all the credit cards in circulation; most credit cards are issued by retail stores and oil companies. Commercial banks that enter the credit-card field (savings institutions are not allowed to do so in most states) generally sign up with the licensors of BankAmericard or Master Charge, the two giants in the field.

Banks make money from credit cards in two ways: They get processing fees, known as "discounts," ranging from 1 to 6 per cent from merchants who allow customers to buy goods with these cards; and they obtain monthly finance charges from customers who elect not to pay their bills in full by the due date. Credit cards usually permit a consumer to make as many purchases (or loans) as desired up to the maximum dollar limit. Additional credit, up to the same limit, is allowed as the borrower pays off the original balance.

Banks introduced the cards with no charge in the late 1960's. But now a few banks charge up to $10 a year for them. Others have tried to offset their costs by making the cards part of expensive package accounts (see "How to Pick the Best Checking Account," CONSUMER REPORTS, January 1975). So far, such institutions are in a minority. If you want a BankAmericard or Master Charge card, most commercial banks still hand out one or the other free. Don't pay for them.

Banks encourage consumers who use the card to postpone payment for purchases. That's good business for the banks, which then are entitled to collect finance charges on these unpaid purchases. But it's poor economics for consumers, who needn't pay any finance charge if they settle credit-card bills promptly. Depending on the point in a bank's billing cycle when one makes a transaction, 30 to 60 days elapse before a person is billed for a purchase. If you pay your bill during this "free ride" period, no finance charge is assessed. If the bill or a certain portion of it is not paid by the end of the initial billing period, a finance charge of 1.5 per cent per month (equal to an annual percentage rate of 18 per cent) is typically levied on the unpaid balance. This charge is often reduced to 1 per cent per month (equal to an annual percentage rate of 12 per cent) on that part of the balance above a certain limit, generally $500. (Laws in some states, such as Washington, prohibit the annual percentage rate from going above 12 or 15 per cent ou revolving credit.)

Unlike the terms of installment loans, the finance charges for credit cards are not negotiable. However, the actual amount of interest you pay can vary greatly, depending on the method the bank uses to calculate charges. Here are the three methods in common use:

The adjusted balance method, sometimes called the closing balance method, is the cheapest for consumers. The finance charge is calculated on the unpaid balance of the previous month, less credits and payments made in the current month.

The previous balance method, traditionally used by retailers, is more costly for consumers. The finance charges are calculated on the amount owed on the final billing date of the previous month. This method does not take into account any payments made to reduce the balance or any credits for returned merchandise. The interest cost of this method is about 16 per cent higher than under the adjusted balance method.

The average daily balance method, used by most banks, is also about 16 per cent more costly than the adjusted balance method. Under this approach, the finance charges are determined by dividing the sum of the balances outstanding for each day of the billing period by the number of days in the period, and then multiplying by the daily rate of interest. The longer you defer payment, the higher your average daily balance and the higher the resulting finance costs.

SOME CREDIT-CARD PROBLEMS

Credit-card billing creates certain problems you should be aware of.

Delayed billing. Statements are sometimes sent so late that they arrive after the due date, making it impossible for consumers to avoid a finance charge. Federal officials expect that problem to be cleared up by the new Fair Credit Billing Act, which takes effect in October. It requires creditors to mail bills at least 14 days before the due date—the day on which banks start to charge interest on unpaid credit-card balances. (The box on the facing page gives some of the other provisions of the act.) If you're plagued by late billing in the meantime, complain to the Office of Saver and Consumer Affairs of the Federal Reserve Board, 20th St. and Constitution Ave., Washington, D.C. 20551.

Misleading numbers. When you finally do get your bill, you may be misled about the amount of money you owe. The statements of some banks (and other creditors as well) focus attention on the *minimum* amount due rather than the total owed. Of course, the more you leave unpaid, the more interest you owe. If you plan to pay the bill completely, scrutinize your statement carefully. Otherwise you may end up paying an unexpected finance charge the next month.

Vague reporting of transactions. As banks switch to low-cost computer technology, another difficulty is developing: how to determine exactly what you are being charged for. Many banks are abandoning what is called "country club" billing, which provides customers with copies of their charge slips. They're turning instead to "descriptive" billing, which simply lists the charge transactions you made the previous month. But descriptive billing often isn't very descriptive. The merchant's name on the monthly bill may be that of a parent company, not the name of the firm with which you actually conducted your business. And the date on the bill may be the date the transaction was posted to your account, not the actual date of your purchase. Banks save money with this type of billing because it reduces their paperwork. But consumers are the ones who must deal with the confusion resulting from being billed by unfamiliar sellers on dates they can't recall having shopped. If your bank adopts descriptive billing, save your purchase receipts, since these will be your only proof of purchase.

SMALL LOANS—BIG CHARGES

Banks have contrived various ways to persuade you to use your credit card to get instant loans even though you may prefer not to borrow money. Here are two:

Cash advances. Banks allow credit-card customers to obtain small loans through a device known as the "cash advance." To get the cash, you simply present the credit card at the bank, fill out a form indicating the amount of money desired (it must fall within your permissible line of credit), and give the form to a teller.

Banks have made the process so simple that it may suppress your normal qualms about borrowing money. But the costs of such "painless" little loans can be quite high. In California, for instance, the price is 1.5 per cent per month, or an annual percentage rate of 18 per cent, while in New York it costs 1 per cent per month, or an annual percentage rate of 12 per cent. Some California banks assess an additional "transaction fee" for processing the loan—as much as 2 per cent of the total borrowed. Such a fee, coupled with a basic annual percentage rate of 18 per cent, can result in an interest cost far above that for installment loans at many of these same banks.

Unfortunately, a number of big banks now refuse to make installment loans for amounts under $1000 or $2000, forcing borrowers to use their credit cards for this purpose. Reason: It costs a bank $35 to $45 to process a new installment loan but only $7.50 to process a credit-card loan. Thus, it's good business for the banks to push the loans that cost them less. But an installment loan may well cost you less.

Blank checks. Some banks also issue blank "checks" that can be used as cash advances. The banks will often stress the versatility of these "checks," suggesting that they can be used like regular checks to pay doctors, tax collectors, and others who don't accept credit cards. But some banks also tend to omit mention of the finance charge involved. Such forgetfulness has prompted the Federal Reserve Board to propose a Truth-in-Lending regulation that would require creditors to disclose such charges "in a clear and conspicuous manner."

NO-BOUNCE CHECKING

The latest gimmick in open-end credit is the no-bounce checking account, which goes by such names as "Privilege Checking" or "Checking Plus." Under this arrangement, a person is granted a prearranged line of credit and can overdraw his or her checking account up to that amount without the checks bouncing. The overdraft is treated as a loan, and interest is charged on it.

One way bankers maximize income on this type of credit is by advancing customers more money than is actually needed to cover an overdraft. Many banks insist that advances be in multiples of $50 or $100, regardless of the amount of the overdraft. The result: if you overdraw your account by one dollar, you may be charged for a $100 loan. Some banks advance only the exact amount of the overdraft. We suggest you look for them.

The interest rate charged on overdraft loans, like the rate on credit-card cash advances, ranges from 1 to 1.5 per cent per month (equivalent to annual percentage rates of 12 to 18 per cent), it is worth doing some shopping before you open an account with overdraft privileges. In Portland, Me., we found more than a seven-point spread between banks. The Casco Bank and Trust Co. offers its "Money Manager" overdrafts at an annual percentage rate of 10.8 per cent, while Maine National Bank charges an annual percentage rate of 18 per cent on its "Free and Easy" overdrafts.

Banks also differ in the way they allow consumers to repay these overdrafts. Some, such as First National City Bank in New York City, require customers to use special deposit slips for loan repayment. Others, including Chase Manhattan Bank, another big New York City bank, automatically credit money deposited in a checking account as payment toward the overdaft loan. The latter method is to be preferred. It's less cumbersome for consumers and prevents them from mistakenly believing that routine deposits are ridding them of their debt.

Overdraft checking is fine when used only occasionally, as protection against unforeseen expense. In such cases it can eliminate the embarrassment of a bounced check—and even cost less than a bounced check. But it's unwise to use overdrafts routinely.

If you have an overdraft account and want to close it, notify the bank in writing. Some consumers have left a small balance in their unused accounts, expecting service fees to deplete the account to zero eventually, only to discover that the accumulated service fees not only exhausted the balance but triggered an unwelcome overdraft as well.

TRY TO PAY ON TIME

The open-end credit provided by credit cards, cash advances, and overdraft checking can be useful and convenient so long as you understand it will cost you money whenever you don't pay the bill in full and on time. It takes self-discipline to keep your purchases within the limits of your income, enjoy the 30- to 60-day free ride on a credit card, and pay up before any finance charge is assessed. But consider these incentives to pay promptly:

The finance charge. Assume you typically have an average daily balance of $500 in merchandise purchases outstanding on your credit card. If you regularly fail to pay in full by the due date (and two-thirds of Americans do fail), that balance would be subject to a finance charge equivalent to an annual percentage rate of 18 per cent and would result in a yearly interest bill of at least $90. That's a lot to pay for $500 worth of credit.

Interest on interest. Banks compound, or charge interest on interest. The interest assessed on your unpaid balance each month becomes part of the balance against which interest is charged the following month. Assume you have an unpaid balance of $100. If you make no payments, the monthly interest charge of 1.5 per cent adds $1.50 to that sum. The following month, the interest charge is figured on $101.50, not $100.

Late charges. Failure to pay the minimum amount due each month sometimes triggers late charges, which can be substantial over a year's time. Generally, these charges amount to 5 per cent of the minimum monthly payment required, up to a maximum of $5. The charges are also added to the unpaid balance and become part of the base on which interest is figured in the accounting the following month.

If you can't manage to pay your credit-card bills fully within a fairly short period—six months at the most—CU suggests you stop using bank credit cards and other forms of revolving credit. Instead, get an installment loan from your bank or from one of the cheaper credit sources we'll discuss later in this report.

Installment credit is the means by which most Americans finance such major purchases as automobiles. Most Americans, however, are under the mistaken impression that banks charge pretty much the same rates for such borrowing. Not so. Rates vary widely. Always shop for the lowest rate before giving an institution your credit business.

In our limited study of loan rates last summer, CU found important differences between large and small banks. With new-car loans, for instance, the small banks charged an average annual percentage rate of about 10 per cent, while the large banks charged an average annual percentage rate of 11.5 per cent. And a Government survey of about 350 selected commercial banks around the country shows that, on average, the largest banks charged about one percentage point more on consumer loans than the smallest banks.

But no clear-cut pattern emerged. Not all small banks offered the cheapest installment loans, and the small banks that did charge low rates on one type of loan did not necessarily charge the lowest rates on other types. (The table on the facing page shows the loan rates some commercial banks across the nation were charging last November.)

In shopping for an installment loan, don't hesitate to bargain for a lower price. Banks like to give the impression their loan charges are inflexible, but banks often have a range of permissible rates.

Most of the commercial banks that participated on our survey indicated that their rates were indeed negotiable. And a CU shopper was able to negotiate a reduction in annual percentage rate from 10.33 percent to 9.22 per cent on a personal loan from Barclays Bank in New York City without too much trouble. (As the shopper prepared to leave, the credit officer scratched his head and muttered, "That's the first time a customer ever asked about a lower rate. Usually they just ask about the monthly payments.")

Traditionally, installment loans have been the province of commercial banks, because savings institutions have been prohibited from entering this field. But the legal restraints are beginning to ease. Though thrift institutions in most states still are not permitted to offer such things as auto loans, their rates for the loans they can offer are often lower than rates charged by commercial banks.

WHAT AFFECTS INTEREST RATES?

There are a number of considerations that can affect the interest rate charged thereon. One is the cash standing of the borrower. To measure this, banks traditionally have used a formula known as "the three C's of credit—character, capacity, and collateral."

Character is measured by such things as continuous employment in the same line of work for a number of years and residence in the same area for a certain length of time. Capacity is measured by level of income sufficient to pay off the loan plus any other debts that may be outstanding. Collateral is measured by a potential borrower's assets, such as a car, a house, and stocks and bonds. (Some institutions red-flag persons in certain occupations as potential credit risks. Among those considered credit risks are beauticians, bartenders, foreign diplomats, freelance artists, writers, and musicians, longshoremen, noncommissioned military personnel, and taxi-drivers.)

A second factor that affects interest rate is the amount of money borrowed. Generally, the larger the loan, the lower the rate. On a personal loan, for instance, a bank may have one rate if the loan is for less than $1000; another rate if it is for between $1000 and $3000; and a third rate if it is for more than $3000.

* Except where otherwise noted, all rates mentioned in this report are ones reported by the institutions last summer and may have changed since then.

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A third consideration in determining the interest rate is the type of loan. Traditionally, new-car loans carry relatively low rates because the car represents collateral—the lender can repossess the car and sell it if the borrower defaults. By contrast, unsecured personal loans (loans that are not backed by collateral) are the most expensive. There are also specialized loans to finance such things as home improvement or college tuition. The rates on those fall somewhere between new-auto loans and unsecured personal loans.

THE CHEAPEST WAY TO BORROW

The most economical way to borrow is to borrow against accumulated assets, which may be in the form of stocks and bonds or in the form of a savings account. Loans backed by such assets usually carry lower annual percentage rates than those on other types of loans. How much lower depends on the type of collateral you put up.

Savings institutions specialize in loans backed by savings accounts. Such "passbook" loans often carry the lowest rates available from banking institutions. You can usually borrow against 90 per cent or more of the money in your savings account. Our survey showed that most savings institutions charged borrowers an annual percentage rate of about 7 per cent, or two percentage points or so above the interest rate the savings themselves earned. Fairly typical was the Bowery Savings Bank in New York City, the largest savings bank in the country, which paid 5.25 per cent on passbook savings and charged an annual percentage rate of 7.5 per cent on passbook loans.

Commercial banks rarely offer such bargains on passbook loans. We found that most of the commercial banks in our survey were charging annual percentage rates of around 11 per cent, or six percentage points above the rate charged by savings banks for the same type of loan.

About three-fourths of the institutions in our sample allowed borrowers to use their savings account progressively as a passbook loan was being repaid. The others refused to let borrowers touch their savings at all until the *entire* loan was repaid, an unnecessarily harsh attitude.

If you use securities as collateral, the interest rate will probably not be as low as that for a passbook loan. In addition, banks usually don't lend much more than half the current value of the securities. If the value suddenly drops below the bank's limit, you may have to prepay part of the loan or put up more collateral.

INSTALLMENT LOAN MATHEMATICS

Although all lenders are required to quote loan costs in terms of the annual percentage rate, they can use different methods to calculate finance charges, then convert these charges into the equivalent annual percentage rates. Most banks use either the "add-on" or "discount" method, which we disussed earlier.

But a number of banks are adopting the "simple interest" method, which CU feels is much easier for consumers to understand. Under this approach, a bank charges interest only on the exact amount borrowed for the exact amount of time it is loaned. This method automatically rewards you for paying early and penalizes you for paying late.

A regular repayment schedule with equal monthly payments is usually still set up, with a final "equalizer" payment at the end. If you follow the repayment schedule exactly, your final payment would be approximately the same size as all the previous onés. But if you were regularly late, the final payment would be a little larger, because you had use of the money for a longer period than in the first case. (One would think that a bank using the simple interest rate would not also sock you with late charges. But half do.) Similarly, if you consistently made payments ahead of time, your final payment would be somewhat smaller than the others.

Between lenders charging the same annual percentage rate, choose the one that calculates the rate using the simple interest method (ask the loan officer about it) without a late charge. If you only find rates figured with the add-on or discount method, you need still more information.

Creditors that use the add-on or discount method to figure finance charges also use one of two methods to determine how much interest you get back if you repay a loan early. These are the actuarial method and the so-called Rule of 78's. You needn't learn how they work, but you should know this: Given the same annual percentage rates, favor the bank that uses the actuarial method, especially if you are borrowing large sums of money over fairly long periods—say $10,000 over four years. The difference between the two methods is fairly inconsequential when the amount borrowed is small and for a short period—say $2,000 for two years.

THE FAIR CREDIT BILLING ACT

A law enacted by Congress last year may greatly minimize those troublesome billing problems that seem to afflict all credit-card users at one time or another. The Fair Credit Billing Act, which takes effect in October, requires creditors to mail statements at least 14 days in advance of the due date. It also requires creditors to acknowledge billing inquiries within 30 days and to settle any complaints within 90 days.

The act also prohibits creditors from sending dunning letters until such questions are settled. And it prohibits them from issuing unfavorable credit reports on disputed accounts until customers are notified and collection agencies are told the bills are in dispute. The act also requires creditors to indicate on monthly bills an address for handling billing disputes.

An important section of the act gives cardholders the right to withhold payment for items that prove defective without being held liable for the entire amount owed. The section repeals, in effect, the "holder in due course" doctrine. That legal doctrine has tended to absolve third parties in credit transactions (such as banks) from any responsibility for items bought with a credit card that prove defective after purchase. The act applies, however, only to purchases of more than $50 made in the buyer's state or within 100 miles of a buyer's home.

COMPARISON OF LOAN RATES

Listed below are the most common annual percentage rates on three types of consumer loans reported to the Government last November by commercial banks located in 11 large metropolitan areas. Rates may have changed since, but other bank surveys show that *relative* differences tend to remain constant:

	Auto [1]	Consumer goods [2]	Personal [3]
Boston area:			
First National Bank of Boston	11.96	12.02	14.01
National Shawmut Bank of Boston	11.52	13.80	14.01
New England Merchants National Bank	11.52	None	14.01
State Street Bank & Trust Co.	10.20	None	13.57
Hancock Bank & Trust Co., Quincy, Mass.	10.64	12.47	14.89
Chicago area:			
Aurora National Bank, Aurora, Ill.	9.31	None	12.68
County Bank and Trust Co., Blue Island, Ill.	11.08	12.91	12.67
American National Bank & Trust Co.	10.65	12.91	12.67
Central National Bank	9.31	12.91	12.68
Continental Illinois National Bank & Trust Co.	11.00	None	12.67
First Commercial Bank	10.20	None	None
First National Bank of Chicago	12.91	12.91	12.91
Harris Trust & Savings Bank	9.76	None	12.68
La Salle National Bank	11.03	None	12.68
Main Bank of Chicago	9.31	12.02	9.10
Marina City Bank	11.96	12.91	12.68
Marquette National Bank	11.32	12.68	12.68
Merchandise National Bank of Chicago	10.64	12.91	12.67
National Bank of Albany Park in Chicago	10.22	11.12	12.67
National Security Bank of Chicago	10.20	12.68	12.68
Northern Trust Co.	11.08	None	12.91
South Chicago Savings Bank	10.20	10.23	12.68
Union National Bank & Trust Co. of Joliet, Ill.	10.20	10.22	12.67
Gary-Wheaton Bank, Wheaton, Ill.	10.20	12.80	12.80
Cleveland area:			
Central National Bank of Cleveland	11.96	14.60	14.39
Cleveland Trust	11.08	12.02	14.45
National City Bank	11.95	14.67	14.45
Society National Bank of Cleveland	12.83	13.80	14.45
Union Commerce Bank	11.96	14.68	14.45
Dallas-Fort Worth area:			
First National Bank in Dallas	11.52	12.91	17.97
Mercantile National Bank at Dallas	11.08	12.02	14.45
Republic National Bank of Dallas	7.51	10.68	10.00
First National Bank of Fort Worth	11.52	14.68	14.45
Fort Worth National Bank	10.20	11.13	14.45
Detroit area:			
Bank of the Commonwealth	11.08	12.91	12.68
City National Bank	9.77	None	12.67
Detroit Bank and Trust Co.	11.08	12.91	12.91
Manufacturers National Bank of Detroit	11.08	12.91	12.68
Michigan National Bank of Detroit	10.20	10.32	11.79
National Bank of Detroit	10.20	None	12.68
First State Bank of East Detroit, Mich.	10.20	12.91	12.68
First National Bank in Mount Clemens, Mich.	11.08	12.91	12.91
Community National Bank of Pontiac, Mich.	11.08	13.00	13.00
Warren Bank, Warren, Mich.	11.08	14.39	16.40
Los Angeles area:			
Valley National Bank, Glendale, Calif.	10.64	15.55	21.46
First Western Bank & Trust Co.	12.39	None	16.22
Security Pacific National Bank	12.26	19.02	19.05
Union Bank	12.83	None	15.78
United California Bank	18.00	18.00	18.00
Santa Monica Bank, Santa Monica, Calif.	10.64	12.83	16.22
Miami area:			
Florida National Bank at Coral Gables, Fla.	14.55	None	None
City National Bank of Miami	10.25	None	10.00
Coconut Grove Bank, Coconut Grove, Fla.	None	11.72	13.59
New York City area:			
Peoples Trust of New Jersey, Hackensack, N.J.	11.10	None	11.58
National Community Bank of Rutherford, N.J.	11.18	11.37	11.58
Bankers Trust Co.	13.38	12.59	11.58
Bank of New York	13.38	None	11.58
Chase Manhattan Bank	13.38	12.59	11.58
Chemical Bank	10.88	10.89	10.07
First National City Bank	13.38	None	11.58
Irving Trust Co.	10.87	None	10.07
Marine Midland Bank—New York	10.88	10.89	None
National Bank of North America	13.36	12.59	11.58
Chemical Bank Hudson Valley, Nyack, N.Y.	11.00	12.00	12.00
Scarsdale National Bank & Trust Co., Scarsdale, N.Y.	10.27	None	11.58
County Trust Co., White Plains, N.Y.	10.88	11.50	11.50
National Bank of Westchester, White Plains, N.Y.	12.88	12.59	11.58
Newark, N.J., area:			
Maplewood Bank & Trust Co., Maplewood, N.J.	10.88	11.37	11.58
Fidelity Union Trust Co.	11.18	None	11.58
First National State Bank of New Jersey	11.18	None	9.00
Midlantic National Bank	11.18	None	11.58
First National Bank of Central Jersey, Somerville, N.J.	11.18	18.16	11.58
Summit and Elizabeth Trust Co., Summit, N.J.	11.08	11.57	11.34
Union Center National Bank, Union, N.J.	9.25	11.00	11.00
Philadelphia area:			
Bank of New Jersey, Camden, N.J.	11.08	11.37	11.58
Philadelphia National Bank, Ardmore, Pa.	13.11	13.16	12.15
Central Penn National Bank, Bala-Cynwyd, Pa.	13.21	None	11.58
First Pennsylvania Banking & Trust Co., Bala-Cynwyd, Pa.	13.38	12.59	11.58
Girard Bank, Bala-Cynwyd, Pa.	14.47	None	12.50
Provident National Bank, Bryn Mawr, Pa.	13.38	None	11.58
Industrial Valley Bank & Trust Co., Jenkintown, Pa.	13.37	12.58	11.57
Continental Bank, Norristown, Pa.	11.08	13.34	12.28
Bucks County Bank & Trust Co., Perkasie, Pa.	11.08	14.68	11.58
Fidelity Bank, Rosemont, Pa.	None	None	12.00
Washington, D.C., area:			
American Security & Trust Co.	11.50	None	11.50
Madison National Bank	11.50	11.50	11.50
National Bank of Washington	11.50	11.50	11.50
National Savings & Trust Co.	11.50	11.50	11.50
Riggs National Bank of Washington, D.C.	10.00	11.00	11.00
Security National Bank	None	11.50	11.50
Suburban Trust Co., Hyattsville, Md.	11.00	12.00	12.00
American National Bank of Maryland, Silver Spring, Md.	10.50	12.00	12.00
Bank of Virginia-Potomac, Fairfax City, Va.	12.10	14.40	14.40
United Virginia Bank, Vienna, Va.	10.20	12.91	12.68

[1] New-auto loans, 36 months.
[2] Loans for TV sets, major appliances, furniture, etc., 24 months.
[3] Unsecured personal loans, 12 months.

CREDIT LIFE INSURANCE

Most people take out credit life insurance when they borrow. This covers repayment of the loan should the borrower die. The practice of including insurance premiums along with loan payments has been widely criticized by Government regulators. They claim consumers are railroaded into purchasing the insurance at inflated prices. The Truth-in-Lending Act says the insurance costs must be reflected both in the quoted finance charge and in the annual percentage rate—unless the insurance is an option the lender may refuse.

The Federal Trade Commission has begun an investigation into just how optional the purchase of such insurance is. Trade figures show that in some states, 95 percent of the persons borrowing from consumer finance companies have purchased credit life insurance, a figure authorities consider remarkably high. The FTC probe will focus on whether the finance companies lead consumers to believe such insurance is a necessary condition of the loan. Federal Reserve Board officials note that those who borrow from commercial banks buy credit life insurance almost as frequently as do those who borrow from finance companies.

Banks and finance companies push credit life insurance because they profit from commissions based on the size of the premiums: the higher the premium, the bigger the commission. "It's one of our biggest sources of income," a Minneapolis banker told CU.

The question is, does a borrower *need* the insurance? Answer: If you have enough life insurance to protect your family and repay the debt, you don't need more. If not, credit life insurance might be worth buying—or you may want to reconsider your personal insurance program. (For help in doing that, see "A Guide to Life Insurance," CONSUMER REPORTS, January, February, and March 1974).

REPAYMENT PROBLEMS

Nobody likes to think about it when applying for a loan, but circumstances may force you to fall behind on your payments. If that happens, contact your creditors immediately and explain the situation. That demonstrates a sense of responsibility and may prevent harsh legal action.

Don't be surprised if a creditor turns a deaf ear to your explanations, however. A manual for bank collection departments published by the American Bankers Association indicates that sympathy is not in great supply. If a person pleads illness in the family as an excuse for late payments, the manual suggests asking: "How does illness of other family members justify holding up payments to us?"

If a bank is particularly intransigent, you may want to protect yourself against its right to dip into a savings or checking account by transferring your savings or checking account to an institution that does not hold your loan. (CU discussed this practice, the "right of offset," in January.)

Should you run into trouble, one place to look for help is the National Foundation for Consumer Credit, 1819 H St., Washington, D.C. 20006. It maintains a list of 167 nonprofit credit counseling centers around the country. These centers set up realistic budgets for people burdened by debt and intercede with creditors so that borrowers trying to repay are not harassed. These services are usually free.

Beware of "consolidation" loans, which creditors push as the low-cost answer to all debt difficulties. Consolidation loans may create more problems than they solve. Bankruptcy is a last resort, but it's the only sensible solution in some circumstances. When things get that bad, you need a lawyer.

So far, we've talked about the types of credit you can obtain directly from banking institutions. But there are other places that provide consumer credit, some at rates much lower than banks and others at rates much higher. Here are four major alternative sources of financing:

Credit unions. The annual percentage rates charged by these nonprofit organizations, which CU discussed fully last month, generally start at about 9 per cent and are prohibited from going above 12 per cent. An analysis last year by the National Credit Union Administration, which regulates Federally chartered credit unions, found that credit union rates were "consistently and significantly lower than those of commercial banks and finance companies for all classes of consumer loans." The credit unions undercut commercial banks by only three-tenths of a percentage point on automobile loans but by a full percentage point on personal loans.

Credit life insurance is often included in these rates and is not reflected as an additional charge, as it is with some banks. There are also no prepayment penalties, and some well-established credit unions also refund a portion of the interest paid by their borrowing members after the yearly books are balanced. Such refunds can reduce the cost of a loan to well below the contractual rate.

However, many credit unions insist on wage assignments. Such assignments allow a credit union to deduct loan payments from the salaries of delinquent borrowers without court hearings.

Most credit unions are ones in which members have a common bond, such as the same employer. But a few states, including New York, permit "open-charter" or "community" credit unions, which any resident of the state may join. To learn more about credit unions, write to the Credit Union National Association, Box 431, 1617 Sherman Ave., Madison, Wis. 53701.

Life insurance companies. CU believes that "term" life insurance is the most economical type of insurance for the needs of most people except those who have difficulty saving or those in very high tax brackets. But if you already have purchased the more expensive "whole life" insurance, it can serve as collateral for the cheapest loans around. Under the terms of most whole-life contracts, a policyholder is entitled to borrow most or all of the accumulated cash value of the policy at a guaranteed rate. The rate on most new policies being written today is 6 per cent; and in New York State, the rate is limited to 5 per cent. The loans can usually be made with a minimum of red tape and technically don't even have to be repaid. But note this well: Borrowing against a life insurance policy reduces the financial protection for the policy's beneficiaries, and financial protection is an insurance policy's only good reason for being.

Auto dealers. Auto dealers usually offer to finance new or used cars. Such loans are invariably expensive—usually about two percentage points above a typical bank installment loan used to finance new cars. True, an auto dealer will make things convenient: There's a minimum of paperwork and of credit investigation, since the dealers want to sell their cars and figure speedy loans will help them do it. One way or another, however, the source of such credit is a bank. If you go to a bank instead of letting the dealer fetch the money for you, you can often save $100 or more in financing costs. The same advice holds true for installment credit offered by other retailers, whether they're selling furniture or television sets. You're always better off getting your loan directly from the source of the money.

Finance companies. These firms, which include companies like Household Finance and Beneficial Finance, are usually the most expensive legal sources of loans. In some states, the annual percentage rates they charge on small loans (under $300) can go as high as 45 per cent; the rates typically decline to about 21 per cent on larger loans ($1200 or more). Finance companies usually lend to low-income, high-risk borrowers of small sums (persons banks most often turn away). But they also compete with banks for high-income borrowers who may represent a high risk for other reasons. Their rates thus reflect the characteristics of their customers. If you can't get a loan from a bank or savings institution, try a credit union before going to a finance company.

Use credit with care. Here's a rule of thumb: Keep your debt payments (excluding mortgage payments) to no more than 20 per cent of your take-home pay, and strive to limit it to 15 per cent if you can. Interest rates have risen so steeply that the average consumer may pay $15 or more for every $100 borrowed. (There are some tax advantages to borrowing, but these are primarily for persons in extremely high tax brackets, who can take advantage of tax loopholes through complex credit transactions. For the average American, the cost of borrowing money has little if any offsetting tax value.)

Credit cards can make life easy so long as you know how to use them. Get cards from banks that issue them free. Try to pay your bills promptly, preferably in that 30-to-60-day free-ride period before a finance charge is levied. If you let your repayments stretch out beyond six months, you're probably better off with an installment loan, especially when the amounts involved are substantial—$500 or more.

Automatic overdraft privileges are conveni-

ent but expensive. Use the privilege only in emergencies. Look for banks that permit overdrafts for the exact amount needed rather than in multiples of $50 or $100. Choose banks that allow you to repay your overdrafts automatically, through deposits in your checking account. Discipline yourself to liquidate such debts as quickly as possible—within six months at the most. Otherwise, once again, you'd be better off with an installment loan.

If you choose an installment loan, look for the cheapest source possible—the one with the lowest annual percentage rate. If you already have purchased an expensive whole-life insurance policy and have sufficient cash value, you could start with the insurance company. Otherwise, begin with a credit union, if you belong to one, and compare the rates it offers to those charged by a number of banks and savings institutions in your area. Look for an institution that uses the simple interest method and does not assess late charges. Resist attempts to make you agree to wage garnishment provisions as a condition for obtaining the loan.

When considering any kind of credit transaction, keep in mind that banks make money on people who go into debt and stay there. They will rarely discourage loan applicants who look as if they can repay—and repay and repay. Any self-restraint, therefore, is the responsibility of the borrower, and you should realize this before entering into any sort of credit transaction, no matter how simple it seems.

DISCRIMINATION AT THE CREDIT WINDOW

Many people will find the accompanying report on how to shop for credit irrelevant—because they can't get a loan at any price. A large percentage of these people will also happen to be nonwhite or female. Discrimination, which exists in other industries, is no stranger to financial circles. A 1972 study by the Council on Economic Priorities found it "endemic to commercial banking" and maintained it was "perpetuated by Federal law, policy and complacency." Last year, the U.S. Commission on Civil Rights surveyed mortgage-lending practices in Hartford, Conn., and discovered such widespread discrimination that it called the system "a stacked deck."

Such reports finally prompted Congress last year to enact the Equal Credit Opportunity Act, which bars lenders from discriminating against borrowers on the basis of sex or marital status. The law, which takes effect in October, applies to all personal and commercial credit transactions, including cash loans, installment sales, mortgage loans, and revolving charge accounts.

Unfortunately, the violations of the Truth-in-Lending statutes noted in the accompanying report give us reason to fear that the Equal Credit Opportunity Act may not end credit discrimination based on sex or marital status. (The act doesn't even cover racial discrimination.)

The Federal Home Loan Bank Board, which regulates savings and loan associations, has adopted new regulations requiring every lender making Federally related mortgage loans to consider, *without prejudice*, the combined income of both husband and wife. The Board also views as discriminatory the practice of requiring creditworthy single women to obtain cosigners, if single men in the same situation are not so required.

If you are turned down because of adverse information a creditor has received from a credit bureau, the creditor must tell you the name and address of the bureau. You have the right to review the information in your credit files and challenge and correct any information you believe is false. If you suspect you have been rejected because of your race, age, or sex, rather than because of your financial condition, complain. Write a letter to the institution that turned you down and send copies of the letter to the Office of Saver and Consumer Affairs of the Federal Reserve Board.

Working wives should bear in mind the possibility that divorce or widowhood may one day make it necessary for them to obtain credit in their own names. Or they may simply wish to borrow in their own names now.

In order to qualify for credit, it's necessary to establish a financial identity. You establish a financial identity by maintaining your own checking and savings accounts and by obtaining credit cards in your own name. Since some banks do not feel that faithful payment of credit-card bills provides enough evidence of how a person will handle a mortgage, a woman might also consider taking out and repaying a small installment loan to create the necessary credit history. The borrowed money can be deposited in a savings account, where the interest it earns will help offset the cost of the loan.

SOLAR ENERGY LOW INTEREST LOAN PROGRAM

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, this country has committed itself to a goal of achieving energy independence by reducing imports of high-priced foreign oil. Many of the programs which have been proposed to achieve this goal unfortunately would have adverse impacts on both the Nation's economy and the environment. The development of solar energy; however, is one way this country can reduce its dependence on foreign oil without disrupting the economy or polluting the environment. The bill I am introducing today will further that development by creating low-interest loans to finance the construction of solar heating and cooling in private homes and in multifamily apartments. The attraction of this bill is that once the system is installed and the loan is paid for, the cost of solar energy to the individual homeowner is virtually nil.

Solar energy for heating and cooling should prove to be an important contribution to energy self-sufficiency in the short term and could supply a large fraction of new energy requirements in the long run. The Solar Energy Task Force Report, recently released as part of the Federal Energy Agency's Project Independence Study, maintains that solar heating and cooling is capable of producing the energy equivalent of 260,000 barrels of oil a day by 1985. At projected prices of $11 per barrel, a balance of payments saving of $1.04 billion per year would be realized. By 1990 this potential savings rises to 700,000 barrels per day and an annual balance of payments saving $2.8 billion per year. The FEA report maintains, however, that energy savings of this magnitude can be realized only if the United States adopts an "accelerated development effort" for solar energy.

Power for solar home and water heating is not a fictional energy source of the future. Solar power can be tapped with today's technology. As long ago as 1972, before the so-called energy crisis, a National Science Foundation panel on solar energy stated:

There are no technical barriers to the wide application of solar energy to meet U.S. needs.

As the FEA Solar Task Force Report concludes:

There appear to be no insurmountable technical barriers to the implementation of solar energy systems, and several systems show early promise to achieving cost competitiveness with conventional systems. Solar energy systems, moreover, would conserve domestic fossil fuels and reduce dependence on imports while creating new exportable technology products, thus improving the U.S. balance-of-trade. Sociological and environmental impacts resulting from the utilization of solar energy systems are expected to be relatively small. Development of solar energy systems will provide producers and users of energy with alternative choices of energy supplies.

Solar energy must now be taken from the demonstration stage and placed in American homes. The administration does not seem prepared to make that commitment. In fact, the President's entire energy package contains only one passing reference to solar energy. It alludes to the need for further research and development of technology for all forms of energy including fossil fuels, nuclear fission and fusion, solar and geothermal.

Obviously, it is now up to Congress to complete a wide-ranging solar energy program by passing legislation to promote the use and implementation of existing solar technology.

The last Congress initiated that effort by passing two major bills: the Solar Heating and Cooling Demonstration Act—Public Law 93-409; and the Solar Energy Research, Development and Demonstration Act—Public Law 93-473. Support for these solar energy measures cut across lines of party and political ideology.

At present, two barriers keep this country from realizing the potential of solar heating and cooling. First, current unsubsidized solar energy must compete with conventional energy sources which are subsidized by the Government. Second, although solar heating and cooling systems cost virtually nothing to operate, construction and installation of such systems involve significant amounts of front-end capital. A potential consumer, willing to buy and install a solar unit economically competitive with alternate technologies, most likely will have difficulty in obtaining sufficient front end capital in today's tight money market.

Today, I am introducing a bill which will eliminate these barriers by providing a short run boost to the development of solar power in the form of low-interest Government loans. The interest rates on these loans will be pegged to the rate at which the Federal Treasury can borrow money. Thus, the long-term effects on the U.S. economy and the national debt will be minimal. Such loans will be available to both individual homeowners and to persons engaged in building residential structures. Consequently, the loan program will have a broad impact on the home improvement, residential, and apartment construction industries.

Unlike incentive programs which use tax rebates or tax exemptions, this program will not benefit the rich at the expense of the poor. Use of the tax system to enhance demand by providing subsidies for various sectors of the economy have had an unpleasant history of destroying the progressive character of our tax system. As a result of tax loopholes that allow the rich to escape carrying their share of the tax burden, public confidence in our tax system has been eroded. Loan programs do not have this drawback. They produce equal incentives to a wider range of income groups.

I have calculated the expense that homeowners and builders will incur if they use the low-interest loan program to finance the purchase and installation of solar heating and hot water equipment for a single-family home. Using December 1974 energy prices, I have compared these expenses with the cost of oil and electricity replaced by solar equipment. The results of that comparison are indicated in the following table:

Region	Average energy costs per 10⁶ Btu			Typical yearly energy bill for alternative systems			
						70 percent solar with 30 percent oil	
	Oil [1]	Electricity [1]	Solar [2]	100 percent oil [1]	100 percent electric [1]	1st 8 years [2]	After years [1]
North east	$4.13	$14.07	$5.95	$547	$1,647	$633	$144
Middle Atlantic	3.77	12.62	5.95	414	1,322	566	124
East north-central	3.61	9.91	5.95	542	1,238	684	163
South Atlantic	3.84	7.56	5.95	307	605	425	91
West north-central	3.74	8.47	5.95	411	932	682	123
East south-central	3.63	6.15	5.95	235	398	341	70
West south-central	3.63	7.85	5.95	106	228	152	31
Mountain	3.83	8.44	5.95	421	529	586	127
Pacific	4.19	8.50	5.95	159	323	205	[4]

[1] These numbers do not include the capital cost of conventional equipment. Fuel costs are based on a Bureau of Labor Statistics survey conducted in December 1974. Conversion efficiency rates of 0.7 and 1 were assumed for oil and electricity respectively.

[2] The dollar figure comprising the cost of solar energy represents purchase and installation costs of a solar energy system using the proposed low interest loan financing with an 8 year amortization. Expenses therefore cease after 8 years. The calculations also assume $7 per square foot solar costs and FEA solar task force thermal data.

These calculations demonstrate that solar heating, when amortized over 8 years, is considerably cheaper than electric heating and is only slightly more expensive than oil. Solar energy is actually more economical when one realizes that after 8 years when the loan has been paid off, solar energy expenses will be virtually zero. Furthermore, once the equipment has been purchased and installed, solar expenses will not rise. Oil and electricity prices, on the other hand, will inevitably be subject to dramatic increases in the next few years. For example, the administration's proposed cut in foreign oil imports will result in a 20 percent increase in heating oil and electricity prices over just a few months.

I am pleased to have been able to work with Senator GARY HART of Colorado on this bill, and I understand that he is introducing it in the Senate today.

A section-by-section analysis follows:

SOLAR ENERGY LOW INTEREST LOAN PROGRAM

SECTION-BY-SECTION ANALYSIS

Sec. 1. Findings and Purpose. The Congress finds that home heating and hot water heating affords significant opportunity for cuts in oil, gas, and electricity consumption through the installation of solar devices, and that solar heating technology has reached the point of commercial application. The purpose of the bill is to assist homeowners and builders in purchasing and installing such equipment.

Sec. 2. Loan Authorization. The Secretary of HUD is authorized to make loans to individuals and families owning and occupying one to four-family structures, and to persons engaged in building residential structures of any kind. The loans will be for the purchase and installation of qualified (see sec. 3) solar heating and cooling equipment.

The amount of a loan cannot exceed 75% of the purchase and installation costs of the equipment involved, and there is an overall ceiling on the amount of each loan, depending on the number of units involved. ($6000 for a one- to four-family structure, down to $4500 per unit for an apartment building or condominium of more than 200 units).

In addition, the loan must be for equipment suitable and appropriate to the structure in question and to the climate and geography of the structure's location.

The interest rate for the loans will be equal to the average market yield on all marketable interest bearing obligations of the U.S. forming a part of the public debt for the previous month, plus one-half of one per cent for administrative costs.

Loan maturities will be eight years in the case of one- to four-family structures, fifteen years in the case of multifamily structures, with the provision that if the loan is made to a builder for a structure which is then sold, the loan is due at the time of sale.

Loan applications must be accompanied by plans for purchase and installation and a cost estimate, and loans shall not be made unless the plans are appropriate and the costs not excessive.

Sec. 3. Qualified Equipment. Solar equipment is qualified if it is certified by the Secretary of HUD as being designed to meet more than 40% of the total heating needs of the structure for which it is intended or substantially all of the needs of that structure for hot water; and as meeting certain standards developed under the Solar Heating and Cooling Demonstration Act.

The Energy Research and Development Administration (ERDA) is charged with developing a procedure for the inspection and evaluation of solar equipment and for transmitting its findings to HUD for certification purposes. At least once every three years ERDA would have to review certified equipment to determine if it still meets the standards. Inspection would be limited to models, not to every unit produced.

Sec. 4. Dissemination of Information. HUD must provide on request information concerning recommended standards and types of solar equipment appropriate to different kinds of structures in different parts of the country.

Sec. 5. Administrative Provisions. In carrying out his duties under this act, the Secretary of HUD shall have the functions, powers, and duties set forth in section 402 of the Housing Act of 1950.

Sec. 6. Penalties. A person making a false statement or misrepresentation of fact in order to obtain a loan, or a person who violates any provision of the Act or of a loan contract entered into under the Act shall be fined not more than $1000 or imprisoned not more than one year or both.

Sec. 7. Revolving Fund. To pay for the program, a revolving fund is set up with an initial appropriation of $100,000,000.

Sec. 8. Effective Date. Loan making authority begins six months after the date of enactment and ends ten years later.

NATIONAL GRANGE OBJECTS TO EPA'S EXAMINATIONS FOR 2 MILLION FARM PESTICIDE USERS

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, early this week I included in the CONGRESSIONAL RECORD my protest against an EPA proposal to give 2 million American farmers a written examination to qualify for a pesticide applicator's license.

Farm organizations are also protesting this unauthorized proposal.

In its February 17 Legislative Newsletter, the Grange publishes a protest in which Grange Master John Scott protested directly to the EPA, points out:

It is quite clear that Congress did not intend to require that all farmers be formally tested prior to EPA certification. The record of American farmers' use of pesticides stands on its own merit. The record is good—no serious accidents, no deaths, no serious illnesses. Based on this record, I feel that the imposition of a formal testing program to certify farmers to use restricted-use pesticides is undue harassment and is inconsistent with the intent of Congress.

I include in the RECORD the text of the Grange Legislative News article.

FORMAL TESTING TO CERTIFY PESTICIDE APPLICATORS

Farmers will be required to pass a formal written test in orer to be certified to use registered pesticides unless EPA can be convinced otherwise.

Public Law 92-516, the amended FIFRA, offers States the opportunity to certify applicators if they prepare a State plan and receive approval of the plan by the Administrator of EPA. The Administrator of EPA prescribes the standards under which private applicators can be certified and the individual States must comply with these standards in their State plans.

Section 4 of the amended FIFRA states that "the Administrator shall prescribe standards for the certification of applicators of pesticides. Such standards shall pro-

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vide that to be certified, an individual must be determined to be competent with respect to the use and handling of pesticides, or to the use and handling of the pesticide or class of pesticides covered by such individual's certification."

John Scott, Master of the National Grange, made the following comments in a recent letter to EPA:

"The National Grange supported the passage of Public Law 92-516, the amended Federal Insecticide, Fungicide, and Rodenticide Act. Our support for the bill was based on concern for the environment and the welfare of the farmer who has a basic responsibility to himself and to the environment as a whole. No other segment of the American public has demonstrated its concern and responsibility for the environment as has the farmer. His record speaks for itself.

"Section 4 of the law is not clear as to what degree EPA is required to go in the process of certifying private applicators. The language in the reports of both the Senate Committee on Agriculture and Forestry and the Senate Committee on Commerce are very specific on the intent of Congress as to the degree of certification of private applicators:

"An extract from Report No. 92-838 of the Senate Committee on Agriculture and Forestry, on H.R. 10729, June 7, 1972, stated: 'The bill makes provisions for certifying pesticide applicators as competent to safely and properly use the pesticides they will apply, and provisions are made for requiring restricted use pesticides to be applied only by such a certified applicator (or a person under his direct supervision) or subject to such other restrictions as the Administrator may determine necessary. The flexibility of these provisions will allow the Administrator, in accordance with the guidelines in the Act, to establish restrictions which are suited to the degree of hazard and adverse environmental effects that could be caused by the misuse of the pesticide. For example, in some cases only the signing of a poison or pesticide register would be required while in other cases the purchaser or user might be required to certify that he has read the instruction and will apply it in accordance with such instructions. In other cases general or seasonal licenses, permits, or other forms of approval may be required; but it is not intended that anything similar to the "permit only" type of restriction proposed in S. 745 is to be required.

"It is quite clear that the Congress did not intend to require that all farmers be formally tested prior to EPA certification. The record of American farmers' use of pesticides stands on its own merit. The record is good—no serious accidents, no deaths, no serious illnesses. Based on this record, I feel that the imposition of a formal testing program to certify farmers to use restricted use pesticides is undue harassment and is inconsistent with the intent of Congress.

"I strongly recommend EPA change its position in this regard when the permanent regulations are published."

A number of States have had pesticide applicator laws for some time and they are confident that these laws are not only doing the job but doing it better than if they were required to amend their laws to conform to EPA standards.

It is time that all interested parties became aware of the narrow and unilateral approach EPA is taking toward the certification of private applicators. State legislatures and lead agencies have a limited time in which to conform to Federal standards. Some State legislatures are meeting now to pass enabling legislation and if action is not taken now they will not meet again in time to pass legislation to meet Federal deadlines. They are being forced to conform to Federal standards which are not clear and the only place they can turn to for guidance is EPA. How can they write laws to control the use of registered pesticides when the list of pesticides that will require registration is not available?

What is needed is a concerted effort on the part of farmers, agribusiness, and State and national legislators to demonstrate that they will not accept EPA's approach to the certification of private applicators. This voice needs to be heard, and heard now!

ALL IN THE FAMILY—CUMMINGS, THAT IS

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, it is with a great deal of personal pride that I salute this year's West Virginia State Voice of Democracy winner—Pia Cummings, 17, from my hometown of Huntington, W. Va. The Cummings family has excelled in practically everything it has set out to do. Pia, following in the footsteps of her older sisters, Stassa, 19, and Katina, 18, sports a 4.0 scholastic average. Stassa was a regional Voice of Democracy winner while Katina, who served as a page under my appointment last year, is a former State Voice of Democracy winner from West Virginia.

Their mother, Mrs. Catherine M. Cummings, is a member of the faculty of Marshall University in Huntington, W. Va., where I once had the honor to teach.

The Cummings family has really captured the spirit of '76 as the following prize-winning entry by Pia Cummings in this year's Voice of Democracy Contest points up:

MY RESPONSIBILITY AS A CITIZEN

(By Pia Cummings)

I shall tell you not of the obvious responsibilities of a citizen, to be informed, to be interested, to vote, to be active. All these things are a part of a great heritage which is ours. I will ask you to consider with me the underlying attitude which must prevail for all these responsibilities and rights. The dissonant cries of negativism must be quelled. I am tired of the doomsday criers. I am tired of the wailers. I am tired of the despairers of our country. Therefore, I say that the responsibility of the citizen is to defeat cynicism and keep the faith.

Very shortly we will be celebrating America's bicentennial, the 200th birthday of our nation. We must seek anew the spirit of faith which conceived this nation 200 years ago. We sometimes forget that the present is intertwined with the past, while forming the future.

So, if I may fantasize for a moment, and write a letter in the present—to one of our great Americans in the past, Thomas Jefferson—a man who envisioned the future—I think it would go something like this:

Dear Mr. Jefferson:

You knew full well the responsibilities of the citizen. Your life, your works—were dedicated to the great American experiment. It worked Mr. Jefferson. But we need to be reminded of your faith during struggle.

You once questioned: Is the spirit of the people infallible? And you answered: The spirit of times may alter—will alter. Our rulers may become corrupt—our people careless.

Well sir, such truth is undeniable. We have recently experienced the dangers of which you speak. But, unlike the despaired ones, I believe we have become a stronger nation, a stronger people. When watching the House Judiciary Committee Hearings on television, what American could not feel pride in seeing our representatives fulfill their constitutional responsibilities? It was a sad hour, but a great one because the democratic process was in evidence. Despite all, we could not—we did not despair.

You also went on to say many times, and in many ways, that the people themselves are the only safe depositories of government. Well despite opposition and compromise, you held fast to your belief in the people. And it is this belief which sustains us even now. Another great historian, Arnold Toynbee, has said that "the greatest of all historical forces are set in motion when people decide to pit themselves against serious challenge."

You accepted challenge then as we accept it today. We will not despair.

Perhaps your most inspiring words Mr. Jefferson, come from the concluding phrases of the Declaration of Independence: We mutually pledge to each other our lives, our fortunes, and our sacred honor. This was the spirit of '76 which must be revitalized today. Our responsibilities today are many, but we are not locked into a grim inevitability. The voice of the land will not be the predictions of the cynical prophecy makers.

Our primary and basic responsibility then, is to refuse paralysis and intimidation of despair, and to reaffirm our belief, our hope, that we will and can respond to any given situation or crisis. We will not despair.

And so Mr. Jefferson, it is well that we renew the pledge of faith to you and the past, to the present, and to the future: We mutually pledge to each other our lives, our fortunes, and our sacred honor. This is our responsibility.

THE ENERGY INDUSTRY DE-CONCENTRATION ACT

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, enforcing competition in the energy industry is the best way to stimulate the production of new energy resources and to reduce the outrageous prices of gasoline, heating oil, and utilities. In the current energy crisis, the taxpayers and consumers have had to make all the sacrifices, while the oil companies have used the anticompetitive industry structure to exploit the crisis with the intent of making unprecedented profits.

To a very great degree, the energy shortage and resulting economic crisis have been caused by the anticompetitive structure and conduct of the oil companies and the rest of the energy industry. It is time for Congress to reshape that structure, and to restore vigorous competition in the energy field.

To these ends, I am today introducing the Energy Industry De-Concentration Act (H.R. 4013). The bill would prohibit any corporation and its affiliates from owning or controlling deposits of more than one of the major competing energy resources; namely, coal, petroleum and natural gas, and uranium. Next, the bill would prohibit any corporation from engaging in more than one of the major stages of the oil industry; namely, oil production refining, transportation, and marketing. Finally, the bill would prohibit any director, officer, or employee interlocks between energy companies.

Today the major oil companies are vertically integrated. They perform every phase from oil field exploration through retail marketing at the corner service station. The staff of the Federal Trade Commission has found that this vertical integration, coupled with tax and regulatory laws which favor the oil companies, permits the major oil companies to freeze out potential competition at the refinery stage. Likewise, ownership and control of the pipelines by the major oil companies is used to reduce competition at the production stage. On this latter point, I have today introduced another bill, the Oil and Gas Transportation Competition Act of 1975, which addresses itself specifically to anticompetitive problems associated with control of the pipelines. My remarks about that act appear elsewhere in today's RECORD.

The time has long since passed when anyone believed that the breakup of the old Standard Oil Co., into territorial oil companies solved the monopolistic tendencies of the oil industry. Those companies which were formed from Standard were permitted to conduct vertically integrated operations. Until Congress prohibits that type of structure within the oil companies, the Nation will not have the benefits of free and vigorous competition in the energy industry.

The time has also long since passed when the oil companies were only oil companies. They are now energy companies or energy conglomerates. Besides controlling oil reserves, the oil companies control over 30 percent of the Nation's privately-owned coal reserves, 50 percent of the uranium reserves, and 75 percent of the natural gas reserves. Without legislative action, oil company control of these resources is likely to increase. Such multiple ownership breeds higher prices, as it enables the oil companies to limit the supplies of coal, uranium, and natural gas, which are the chief competitors of oil.

When coal, natural gas, and uranium resources are controlled by the major oil companies, there is an end to independent decisionmaking, and free market forces no longer operate effectively.

A recent study of price increases in the coal industry, prepared for the American Public Power Association and others, has brought out the fact that control of coal output is concentrated, to a great extent, in a very few companies and that many of these companies are also engaged in the production of oil and natural gas, which are substitutes for coal. The report emphasizes that these anticompetitive conditions appear to have a distinct bearing on the enormous increases in the cost of coal, with resulting huge increases in the cost of electricity.

Legislation along the lines of my bill has broad support. The Joint Economic Committee has recommended legislation to limit ownership of multiple energy resources and to require the major oil producers to divest themselves of their pipeline facilities. And I am pleased to note that the AFL-CIO this week expressed support for legislation to prohibit multiple ownership and to prohibit oil companies from engaging in the retail marketing of petroleum.

Mr. Speaker, I offer the text of the proposed Energy Industry De-Concentration Act, along with portions of the American Public Power report and portions of a 1973 report by the staff of the Federal Trade Commission, for inclusion in the RECORD immediately following these remarks:

PRELIMINARY FEDERAL TRADE COMMISSION STAFF REPORT ON ITS INVESTIGATION OF THE PETROLEUM INDUSTRY, JULY 2, 1973

SUMMARY

The major oil firms have considerable market power.

The industry operates much like a cartel with 15 to 20 integrated firms being the beneficiaries of much federal and state policy. Thus, the federal and state governments with the force of law do for the major companies that which would be illegal for the companies to do themselves. Further, the tax laws induce the major companies to seek high crude prices, which tend to increase crude profits and squeeze refinery profits to the detriment of and exclusion of independent refiners. While the recent removal of the oil import quota may lessen the ability to obtain higher crude oil prices, it will do so only to the extent that the leading U.S. oil companies are not able to exert significant influence over the world oil market. At any rate, the uncertainty of prorationing reducing domestic crude output in response to imports, together with the uncertainty of the oil import quota being reinstituted at some point in time, both of which occurred in the 1950's, are quite likely to retard the entry and expansion of significant independent refining capacity, and hence may have a similar effect on independent gasoline marketing.

The major firms seek to consolidate market power by various exclusionary tactics. These firms basically attempt to sharply limit the supply of crude available to independent refiners and refined product available to independent wholesalers and retailers. This is accomplished by minimizing use of formal market sales and thus avoiding flows of product from within the majors' vertically integrated structure to the market. It is also accomplished through control of pipe lines, exchange agreements, processing agreements, and price protection coupled with price wars. An elaborate network of devices to deny independents access to product has been erected. The resulting system endangers existing independents, makes new entry difficult or impossible, and yields serious economic losses to American consumers. . . .

CONCLUSIONS

The survey data lead to certain tentative conclusions about the operation of the various markets of the petroleum industry:

1. The eight largest majors have effectively controlled the output of many of the independent crude producers.

2. A high degree of control over crude is matched by relatively few crude exchanges with independents, an exclusionary practice which denies a high degree of flexibility to the independent sector while reserving it to the majors.

3. Independent refiners are largely dependent on the majors for their crude supply, but independents sell very little of their gasoline output back to major oil companies. Independent refiners sell the largest amount of their output to independent gasoline marketers and to their own stations. Thus, the welfare of the independent marketing sector is largely dependent on the well-being of independent refiners.

4. The continued existence and viability of the independent refiner is necessary for the survival of the independent marketer. This is especially true since the eight largest majors rarely sell gasoline to the independent marketers.

5. The major oil companies in general and the eight largest majors in particular have engaged in conduct which exemplifies their market power and has served to squeeze independents at both the refining and marketing levels. Such conduct and associated market power has its origin in the structural peculiarities of the petroleum industry and has limited the independents' share of the market to approximately one-quarter of the total, especially in Districts 1 and 3, resulting in a threat to the continued viability of the independent sector in this market.

AN ECONOMIC ANALYSIS OF PRICE INCREASES IN THE U.S. COAL INDUSTRY

(By Dr. James R. Barth, assistant professor of economics, George Washington University, and Dr. James T. Bennett, assistant professor of economics, George Washington University)

V. SUMMARY AND CONCLUSIONS

It is well-known that coal is relatively abundant in the United States. It is also well-known that coal, as a source of energy, is vital to the functioning of the economy, particularly in view of the scarcity of oil and natural gas. The price of coal is, therefore, extremely important, especially since electric utilities consume the majority of the coal output and increases in fuel costs to utilities are passed on to industry and consumers. Thus, rapid price increases in coal only worsen domestic inflation. Coal prices remained relatively stable during the period 1958–1968, but since that time enormous price increases have occurred. These price increases cannot be fully explained by increases in the cost of production, for unit labor cost, increases are of much smaller magnitude than price increases. Nor do available data indicate that the coal operators were attempting to rapidly expand output, for the evidence indicates that in recent years the industry has operated substantially below normal capacity. These findings are summarized in Chart V. 1.

From the chart, it is evident that employment and output since 1967 have remained relatively constant. Admittedly, average weekly earnings have increased, but prices have risen far more dramatically. On the basis of Chart V. 1, one finds that output in 1971, 1972, and 1973 was below the level of 1970. It therefore cannot be argued that these price increases can be explained entirely by shortages of coal or by excess demand. A review of the available data on profits of coal companies and coal operating companies reveal tremendous increases in profits. Thus, price increases have been translated into profits.

The findings outlined above are not consistent with competitive behavior in the market for coal. If the coal industry were competitive, one would expect price increases to

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be accompanied by substantial increases in output and an attempt to satisfy demand by full utilization of available capacity. Although it is virtually impossible to prove conclusively that coal companies have entered into a conspiracy to raise prices and limit output, it should be noted that the findings of this report are entirely consistent with such behavior.

There is no doubt whatsoever that control of the coal output in the U.S. is concentrated to a great extent in the hands of very few companies. Furthermore, many of these companies are also engaged in the production of oil and natural gas. Thus, the markets for the substitutes for coal are controlled by many of the same companies which control the market for coal. As discussed earlier, the concentration figures do not indicate the true extent of economic power wielded by coal companies, for long-term contracts tie up much of the coal produced and, because of prohibitive transportation costs, the number of sources available to an individual buyer is extremely limited. Whereas the market for coal is tightly controlled on the seller's side, the reverse is true of the purchasers who deal with coal companies individually. Even though there are a larger number of small operators, much of the coal produced by these small companies is sold by brokers or even other large companies. Thus, the marketing of coal is more concentrated than production itself. Because of these findings, one can conclude that an environment exists in the market for coal which makes collusion possible and desirable in order to increase profits.

H.R. 4013

A bill to amend the Clayton Act to prohibit undue concentration in the energy-producing industries, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Industry Deconcentration Act".

SEC. 2. The Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), is amended as follows—

(1) at the end of section 1, insert the following new paragraph—

"'Control', as used in sections 7A and 8, includes having or acquiring effective power or influence to deny to others the acquisition or use of a substantial portion of the materials or facility, whether such power or influence is actual or legal, and whether such power or influence may be exercised directly or indirectly, through ownership or control of stock or other securities, through affiliates, through representation on a board of directors or similar body, through interlocking directorates, through election of one or more officers, or through any stockholder, agency, trust, joint venture, lease or contractual agreement or arrangement, but the fact that a contractual arrangement provides for the supply of all or a portion of a corporation's or association's requirements for a material for a reasonable time period shall not, in itself, be deemed to constitute control. As used herein, the term 'affiliate' of a corporation or association means another corporation or association which controls, is controlled by, or is under common control with, such corporation or association.";

(2) after section 7, insert the following new section—

"SEC. 7A. (a) It shall be unlawful after December 31, 1979, for any corporation or association engaged in commerce to control mineral deposits in two or more of the following classes—

"(1) coal, including hydrocarbons associated with coal, but excluding coal found as a small fraction of a deposit containing coal and other marketable minerals;

"(2) petroleum and natural gas;

"(3) uranium and other fissionable minerals.

"(b) It shall be unlawful after December 31, 1979, for any corporation or association engaged in commerce to do two or more of the following—

"(1) own or control deposits of, or produce, petroleum or natural gas;

"(2) refine petroleum;

"(3) transport petroleum, products of petroleum refining, or natural gas;

"(4) market at retail petroleum, products of petroleum refining, or natural gas.

"(c) Each corporation or association which would be in violation of subsection (a) or (b) except for the effective date of such subsection shall, not later than December 31, 1977, submit to the Federal Trade Commission plans for compliance with such subsection. The Federal Trade Commission may conduct such hearings and require the submission of such information as it deems necessary to determine compliance with this section by any such corporation or association.";

(3) in section 8, after the fourth paragraph, insert the following new paragraph—

"No person at the same time shall be a director, officer, or employee of two or more corporations or associations engaged in commerce, which own or control deposits of, produce, refine, transport, or market at retail petroleum, products of petroleum refining, natural gas, coal, uranium, or other fissionable minerals. The Federal Trade Commission shall have exclusive authority to enforce compliance with this paragraph.";

(4) in section 11(a), after "2, 3, 7," insert "7A,";

(5) in section 11(b)—

(A) after "sections 2, 3, 7," insert "7A,"; and

(B) after "sections 1" insert ", 7A,"; and

(6) in section 16, strike "two, three, seven and eight" and insert in lieu thereof "2, 3, 7, 7A, and 8".

OIL AND GAS TRANSPORTATION COMPETITION ACT OF 1975

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I have today introduced two bills to remedy serious antitrust problems in the energy industry. One is the Energy Industry Deconcentration Act, which is described in detail elsewhere in today's RECORD. That bill addresses the issue of ownership of multiple energy resources and the issue of vertical integration in the oil companies. These issues are complex and the problems will require exhaustive examination and attention, so the bill necessarily is broad in reach in dealing with these issues.

The second bill is the Oil and Gas Transportation Competition Act of 1975, H.R. 4012, which is a specific bill dealing with a specific antitrust problem in the energy picture, namely, the lack of competition in the transportation of petroleum and natural gas by pipelines. This problem has been recognized by the Joint Economic Committee, which has recommended that Congress enact legislation "to reduce vertical integration in the oil industry by requiring the major producers to divest themselves of pipeline facilities." H.R. 4012 would do just that.

Divestiture of these pipeline interests would result in competitive transportation costs for petroleum and gas, with consumers ultimately paying lower prices for energy. The reduction in costs would stimulate the development and production of new energy sources.

My bill is quite simple, and the key section is—

It shall be unlawful after December 31, 1977, for any corporation or association engaged in commerce to transport by pipeline or related facility any petroleum, product of petroleum refining, or natural gas, which it, in whole or part, owns or controls or has owned, controlled, produced or refined.

The definition of "control" makes the provision applicable to parent and subsidiary corporations or associations.

Pipelines are common carrier monopolies, whose importance cannot be overstated. Roughly three-fourths of all crude oil reaches refineries by means of pipelines, and over one-fourth of all refined petroleum is transported by pipeline. A very great percentage of natural gas is, of course, transported through pipelines. Virtually every oil pipeline is owned and operated by individual oil companies or by joint ventures involving several oil companies. Gas companies similarly control gas pipelines, but gas company joint ventures are less common.

Frequently, there is only one pipeline from an area with oilfields to an area with refineries. When this situation exists, the company which controls the pipeline has an enormous economic advantage over any other company which might want to develop oilfields in the area. The Interstate Commerce Commission establishes and regulates pipeline charges, but these rates are often at an unjustifiably high level. This is because the rates may be set at a level which will guarantee that the pipeline company can pay dividends of 7 or 8 percent of the total valuation of the company's property. Because of the pipeline companies' capitalization arrangements, this 7 to 8 percent amounts to a return on investment of anywhere between 50 percent and 100 percent. With this, the companies are making enormous profits and the prices of oil and gas transportation far exceed the actual costs. Nonetheless, the ICC regulates pipeline construction and is able to restrict new entries.

For the company controlling the pipeline, and for its parent oil company, the exhorbitant rates permit a mere paper transaction. These companies end up paying only the actual transportation costs, rather than the charged prices. For any other companies which use the pipeline, however, the transportation costs are the rates charged. All of this means that the pipeline control is highly discriminatory. Even if the pipeline-user rate were such as to give the pipeline company an 8-percent return on investment, the prices would be discriminatory and there would be still other ways for the controlling company to interfere with its parent company's competitors as the staff of the Federal Trade Commission has found. What is needed is a wholly independent segment of the energy process which can provide transportation without discrimination. Abuses will occur whenever the regulatory arrangement allows only one company to provide a particular service for both it and its competitors.

Reducing the transportation costs for competitors would make their marginal operations profitable and worthy of investment, thus stimulating the development and production of new energy resources. As a nation, we must have new production of large quantities of oil and gas at low costs and without significant harm to ourselves or to our environment. My bill is intended to help achieve that goal.

To understand how control of the pipelines can serve to inhibit competition, one need look only at the Alyeska Pipeline Co., which is building and which will operate the Alaska Pipeline under exclusive permits granted by the U.S. Government. Alyeska is owned by seven major oil companies, which will share the profits from the pipeline operations and, thus, have lower transportation costs than any other companies which might have been interested in developing Alaskan oil resources. In this way, pipeline control creates artificial barriers to entry by potential competitors.

Lest anyone think that I am merely suggesting unlikely hypotheticals, I would point out that the Small Business Committee in 1972 found that the Colonial Pipeline Co.—which was owned by five of the seven companies which now own Alyeska—had discriminated against two outside shippers, burdening them with excessive transportation requirements which raised the costs of their shipments considerably.

Nor is the legislation I am proposing without precedent. The Interstate Commerce Act prohibits railroad companies from transporting commodities they own, except those commodities used in the companies' business as common carriers. We should apply this very sound principle to companies which own or operate oil or gas pipelines.

Divesting the oil and gas companies of their pipeline interests would eliminate one anticompetitive stage of the vertical integration which characterizes the oil industry. Right now, the transportation of oil and gas is done by regulated monopolies. The public interest would be better served if the regulation was not carried out in a manner which benefits the major oil and gas companies at the expense of the independents, and better yet if the monopolies were not the oil and gas companies themselves. We need real competition in the transportation phase of energy production and delivery, and my bill would stimulate that competition.

Mr. Speaker, a report by the staff of the Federal Trade Commission in 1973 recognizes the serious anticompetitive effects of oil company control of pipelines. Portions of that report, as well as the text of the proposed Oil and Gas Transportation Competition Act, are offered for inclusion in the RECORD immediately following these remarks:

FEDERAL TRADE COMMISSION STAFF REPORT ON THE PETROLEUM INDUSTRY

Because crude oil is low in value relative to its weight and the refinery process requires a relatively constant flow of crude and product, pipelines are generally the most economical form of bulk land transportation in this industry. Approximately 75 percent of crude and 27 percent of refinery product are carried by pipeline.[1]

Gathering pipelines collect crude from the wells and transport it to a main trunkline station. From the trunkline station, it flows through a larger diameter pipeline to the refinery. Product pipelines carry gasoline and other products from the refinery to local or regional storage facilities from which jobbers and ultimately retailers purchase their product.

These pipelines form a vast, complex intrastate and interstate transportation network. Because of the high construction costs, most of the pipelines are owned directly by individual major petroleum companies or by several of these companies through joint venture. However, the nature of the interstate lines causes them to come under the "common carrier" regulatory jurisdiction of the Interstate Commerce Commission.

Our investigation disclosed charges leveled against these pipeline owners by non-owners who claim that they have been excluded from using the common-carrier lines. The inherent technological nature of the pipeline system and the petroleum industry provides the basis for such exclusionary practices.

Through the pipeline system, crude oil is transported more or less on a constant flow-pressure basis. Trunkline stations can pump-in a batch of crude only when there is a slot in the flow for it and then line pressure must be increased or decreased to adjust for the desired flow speed. The scheduling of pipeline input is very complex and must be worked out in advance of the shipment. Because of this process, an independent crude producer may have great difficulty in securing a place in the flow, especially if he does not have storage tanks at the trunkline station and/or ships a relatively small amount of crude. The result of this pipeline system is to place the major firms who own the pipelines in an excellent position to discriminate against the independent producer. The opportunity to require the independent to enter into an agreement to sell his product at the well head in order to obtain regular sale and transportation of crude clearly exists for the majors. . . .

Since pipelines transporting crude oil across state lines are common carriers subject to Interstate Commerce Commission regulation, it might seem strange to classify pipeline control as a barrier to entry to new refinery capacity. However, there are two reasons to suppose that pipeline control does, in fact, constitute a legitimate barrier. First, the owners of pipelines seek approval from the ICC of rates that provide sufficient returns from their pipeline investment. However, the rate approved may be well above the competitive cost of transporting crude oil.

[1] According to Thomas G. Moore, "The Petroleum Industry" in *The Structure of American Industry*, Walter Adams, Ed., Fourth Edition, 1971, Macmillan Company, pp. 124–125, approximately 75 percent of crude flows to the refinery by pipeline, 17 percent by tanker. For refined petroleum approximately 27 percent is carried by pipeline, 30 percent by water carrier and 43 percent by truck.

For the vertically integrated owners the excessive rate is no burden. Those firms simply transfer funds from the Refinery Department to the Pipeline Department; a bookkeeping transaction of no moment is made. Non-integrated independent refiners, though, must pay the excessive pipeline charge. For these firms a real cost is incurred. To the extent that major-firm owners of pipelines earn greater than competitive returns on investments, the independent refiners are put at a cost disadvantage relative to their major competitors, and a barrier to entry is imposed. To a lesser extent control of product pipelines can be used to erect a barrier to entry.

Second, pipelines can be employed as a barrier to entry if the owners can exclude or limit flows of crude oil to independents. In fact, this can be done by (1) requiring shipments of minimum size, (2) granting independents irregular shipping dates, (3) limiting available storage at the pipeline terminal, (4) imposing unreasonable product standards upon independent customers of pipelines, and (5) employing other harassing or delaying tactics.

H.R. 4012

A bill to amend the Clayton Act to prohibit restraints of trade in the transportation of petroleum, products of petroleum refining, and natural gas, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Oil and Gas Transportation Competition Act of 1975".

SEC. 2. The Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), is amended as follows—

(1) after section 7, insert the following new section—

"SEC. 7A. (a) It shall be unlawful after December 31, 1977, for any corporation or association engaged in commerce to transport by pipeline or related facility any petroleum, product of petroleum refining, or natural gas, which it, in whole or in part, owns or controls or has owned, controlled, produced, or refined.

"(b) Each corporation or association which transports by pipeline or related facility any petroleum, product of petroleum refining, or natural gas shall, not later than December 31, 1976, submit to the Federal Trade Commission plans for compliance with subsection (a). The Federal Trade Commission may conduct such hearings and require the submission of such information as it deems necessary to determine compliance with this section by any corporation or association.

"(c) For purposes of this section—

"(1) The term 'control' includes having or acquiring effective power or influence to deny to others the acquisition or use of a substantial portion of the materials or facility, whether such power or influence is actual or legal, and whether such power or influence may be exercised directly or indirectly, through ownership or control of stock or other securities, through affiliates, through representation on a board of directors or similar body, through interlocking directorates, through election of one or more officers, or through any stockholder, agency, trust, joint venture, lease or contractual agreement or arrangement, or otherwise.

"(2) The term 'affiliate' of a corporation or association means another corporation or association which controls, is controlled by, or is under common control with, such cor-

poration or association."; (2) in section 11(a)—

(A) after "sections 2, 3, 7," insert "7A,"; and

(B) after "Interstate Commerce Act, as amended" insert ", except the Federal Trade Commission shall have exclusive authority to enforce compliance with section 7A";

(3) in section 11(b)—

(A) after "sections 2, 3, 7," insert "7A,"; and

(B) after "sections 7" insert ",7A,"; and

(4) in section 16, strike "two, three, seven and eight" and insert in lieu thereof "2, 3, 7, 7A, and 8".

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. McCLOSKEY (at the request of Mr. RHODES), from February 20, on account of official business.

Mrs. FENWICK (at the request of Mr. RHODES), from February 25, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GRASSLEY) to revise and extend their remarks and include extraneous material:)

Mr. FINDLEY, for 5 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mrs. HECKLER of Massachusetts, for 5 minutes, today.

Mr. FINDLEY, for 30 minutes, on March 3, 1975.

Mr. BAUMAN, for 5 minutes, today.

Mr. McKINNEY, for 3 minutes, today.

Mr. TALCOTT, for 3 minutes, today.

Mr. CONABLE, for 20 minutes, on March 3, 1975.

(The following Members (at the request of Mr. BLOUIN) to revise and extend their remarks and include extraneous material:)

Mr. EILBERG, for 5 minutes, today.

Mr. NOWAK, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mrs. SULLIVAN, for 5 minutes, today.

Mr. DOWNEY, for 60 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes, today.

Mr. MEEDS, for 5 minutes, today.

Mr. MOAKLEY, for 20 minutes, today.

Mr. DRINAN, for 5 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

Mr. ROGERS, for 5 minutes, today.

Mr. DANIELSON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PATMAN, and to include extraneous matter notwithstanding the fact that it exceeds 5 pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,529.

Mr. ZABLOCKI in three instances.

(The following Members (at the request of Mr. GRASSLEY) to revise and extend their remarks and to include extraneous material:)

Mr. HASTINGS.

Mr. GILMAN.

Mr. QUIE.

Mr. JEFFORDS in two instances.

Mr. FISH.

Mr. BELL.

Mr. O'BRIEN in two instances.

Mr. DERWINSKI in three instances.

Mr. MARTIN.

Mr. JOHNSON of Colorado.

Mr. BURGENER.

Mr. KASTEN.

Mr. EMERY.

Mr. LATTA.

Mr. YOUNG of Florida in two instances.

Mr. WHITEHURST in two instances.

Mr. McCOLLISTER in five instances.

Mr. HILLIS.

Mr. LUJAN in four instances.

Mr. DICKINSON.

Mr. FRENZEL in three instances.

Mr. GOLDWATER in two instances.

Mr. ASHBROOK in two instances.

Mr. SPENCE.

Mr. STEIGER of Wisconsin.

Mr. WYLIE.

Mr. BOB WILSON.

Mr. CARTER in five instances.

Mr. COLLINS of Texas in four instances.

Mr. WALSH.

Mr. MOSHER.

Mr. TALCOTT in two instances.

Mr. ABDNOR in two instances.

Mr. ESCH.

Mr. LENT.

Mr. GRADISON.

(The following Members (at the request of BLOUIN) and to include extraneous matter:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ.

Mr. EILBERG in two instances.

Mr. BRECKINRIDGE.

Mr. HARRIS in 10 instances.

Mr. EVANS of Indiana in five instances.

Mr. SOLARZ in three instances.

Mr. FISHER in two instances.

Mr. WOLFF in 10 instances.

Mr. BERGLAND.

Mr. REES.

Mr. MINISH.

Mr. KRUEGER.

Mr. NEDZI in five instances.

Mr. FAUNTROY.

Mr. LEHMAN.

Mr. FORD of Michigan.

Mr. NOWAK.

Mr. OBEY.

Mr. BRINKLEY.

Mr. VAN DEERLIN.

Mr. HICKS.

Mr. KARTH.

Mr. DOMINICK V. DANIELS.

Mr. NIX.

Mr. RISENHOOVER.

Mr. UDALL in five instances.

Mr. HALL in two instances.

Mr. FLOWERS in three instances.

Mr. BINGHAM.

Mr. EVINS of Tennessee.

Mr. MACDONALD of Massachusetts.

Mrs. SPELLMAN.

Mr. HAWKINS in two instances.

Mr. REUSS in five instances.

Mr. DOWNEY in two instances.

Mr. DRINAN in 10 instances.

Mr. WON PAT.

Mr. ROSE.

Mr. MIKVA in two instances.

Mr. MEEDS.

Mr. FLOOD.

Mr. EARLY.

Mr. DE LA GARZA.

Mr. OBERSTAR in two instances.

Mr. MOTTL.

Mr. BURKE of Massachusetts in two instances.

Mrs. MINK.

Mr. McDONALD of Georgia in two instances.

Mr. JOHN L. BURTON.

Mr. HUGHES.

Mr. MINETA in two instances.

Mr. ICHORD in five instances.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 281. An act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

ADJOURNMENT

Mr. BROWN of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 58 minutes p.m.), under its previous order, the House adjourned until Monday, March 3, 1975, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

December 31, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Permanent staff:		
John F. O'Neal	General counsel	$18,000.00
Hyde H. Murray	Associate counsel	17,985.72
John V. Rairdon	do	14,595.89
Fowler C. West	Staff director	16,149.24
Louis T. Easley	Press assistant	14,695.89
Marjorie B. Johnson	do	9,687.45
Peggy L. Pecore	do	9,687.45
Betty M. Prezioso	do	9,687.45
Steven S. Allen	Staff consultant	9,505.32
Mary L. Ross	Printing editor	9,248.40
Investigative staff:		
Mildred P. Baxley	Staff assistant	9,937.45
Julia W. Kogut	do	9,102.21
Glenda L. Temple	do	9,102.21
Doris Lucile Farmarco	do	8,128.78
Mary P. Shaw	do	7,878.78
Diane M. Keyser	do	5,394.90
Anita R. Brown	do	7,707.00
Stephen J. Pringle	do	6,459.69
Linda J. Coomer	do	4,367.28
Lydia Vacin	do	1,187.91
Janet L. Jaenke (through Aug. 16, 1974)	do	715.56
Emily K. Wulff (through Oct. 31, 1974)	do	2,703.48

Funds authorized or appropriated for committee expenditures	$150,000.00
Additional funds authorized	150,000.00
Total	300,000.00
Amount of expenditures previously reported (as reconciled by GAO audit)	179,514.33
Amount expended from July 1, to Dec. 31, 1974	74,566.54
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	254,080.87
Balance unexpended as of Dec. 31, 1974	45,919.13

W. R. POAGE, Chairman.

COMMITTEE ON APPROPRIATIONS

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974 inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Keith F. Mainland	Clerk and staff director	$18,000.00
Jay B. Howe	Reemployed annuitant (to July 15).	232.00
G. Homer Skarin	Staff assistant	18,000.00
Eugene B. Wilhelm	Reemployed annuitant (to July 31).	537.00
Samuel R. Preston	Staff Assistant	18,000.00
Hunter L. Spillan	do	18,000.00
Henry A. Neil, Jr	do	18,000.00
Aubrey A. Gunnels	do	18,000.00
George E. Evans	Reemployed annuitant	5,262.00
Earl C. Silsby	Staff assistant	18,000.00
Peter J. Murphy, Jr	do	18,000.00
John M. Carrity	do	16,618.08
Robert B. Foster	do	16,205.66
Milton B. Meredith	Staff assistant	17,363.49
Thomas J. Kingfield	do	14,736.05
Donald E. Richbourg	do	14,777.72
Robert C. Nicholas	do	14,338.53
George A. Orion	do	12,563.37
Dempsey B. Mizelle	do	14,339.43
Charles W. Snodgrass	do	13,543.01
John G. Plashel	do	9,954.62
Byron S. Nielson	do	10,529.96
J. David Willson	do	13,802.91
America S. Miomi	do	13,015.36
Derek J. Vanderschaaf	do	16,581.58
Robert L. Knisely	do	9,036.48
Richard N. Malow	do	14,017.03
Frederick F. Pfluger	do	17,666.56
John G. Osthaus	do	11,479.97
Paul L. Thomson	do	9,979.90
Charles G. Hardin	do	9,273.71
Edwin F. Powers	do	12,556.58
Edward L. Lombard	do	18,000.00
Gordon E. Casey	do	13,897.35
C. William Smith	do	13,101.90
Karen J. Schubeck	do	8,250.00
Nicholas G. Cavarocchi	do	17,625.00
Lawrence C. Miller	Editor	16,176.06
Paul V. Farmer	Assistant editor	11,699.92
Gerard J. Chouinard	Administrative assistant.	10,338.16
Austin G. Smith	Clerical assistant	9,354.20
Dale M. Shulaw	do	8,163.74
Gemma M. Weiblinger	Administrative assistant to Labor-HEW subcommittee.	6,188.20
Virginia M. Keyser	Clerical assistant	6,827.46
Jane A. Meredith	do	5,720.79
Eva K. Harris	do	5,242.74
Marcia L. Matis	do	6,498.23
Sandra A. Gilbert	do	7,578.00
Patricia A. Kemp	do	6,576.66
Betty Lou Taylor	do	6,462.71
Christine Stockman	do	5,751.82
Randolph Thomas	Office assistant	7,040.68
F. Michael Hugo	Minority clerk	16,625.01
B. Enid Morrison	Assistant to minority clerk.	14,187.51
Mary H. Smallwood	Clerical assistant (majority).	8,359.50
Samuel A. Mabry	do	8,359.50
Catherine M. Voytko	do	8,022.99
T. Robert Garretson	Clerk assistant (majority) to July 31.	1,301.25
Naomi A. Rich	Clerical assistant (majority).	8,431.51
Laura E. Lineberry	Clerk assistant (majority) to July 31.	1,231.93
Susan L. Shaw	do	8,022.99
George F. Allen	do	8,359.50
Nancy Sohl	Clerical assistant (majority) on Dec. 1.	1,833.33
Michael J. O'Neil	do	11,842.77
Freda J. Sheppard	Clerk assistant (majority) to Nov. 31.	7,291.65
Diane Rihely	do	5,291.67
Brenda Lou McPherson	Clerk assistant (majority) to Sept. 31.	2,463.86
Fisher Muldrow	Clerk assistant (majority) on Aug. 1.	6,721.74
Sarah J. Bova	Clerk assistant (majority) on Oct. 1.	3,165.60
Grace E. Warren	do	9,248.40
David K. Kehl	Clerical assistant (minority).	10,935.51
Patience S. Vaccaro	do	8,989.75
Lawrence E. Siegel	do	11,560.50
Charles M. Seeger	do	11,842.77
Stephen T. Adams	do	11,666.68
Karen S. Vagley	do	10,875.00
Beverly B. Thierwechter	do	7,749.99
Dorothea Dickinson	do	10,766.19
Gordon A. Achilles	Clerical assistant (minority) to July 5.	277.78
Thomas J. Josefiak	Clerical assistant (minority) to Nov. 31.	5,586.97
Robert F. Dugan	do	11,560.50
Davio D Clement	do	10,404.45
Jimmy R. Fairchild	do	10,903.95
Annmarie Parsnick	Clerical assistant (minority) on Sept. 23.	2,450.01

Almost expended from July to December 31, 1974	$879,185.30
Total amount expended from July to December 31, 1974	879,185.30

GEORGE MAHON, Chairman.

COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS STAFF)

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the "Legislative Reorganization Act of 1946," Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Cornelius R. Anderson	Chief, surveys and investigations staff.	$18,000.00
David A. Schmidt	Director, surveys and investigations staff.	18,000.00
Dennis F. Creedon, Jr	1st assistant director, surveys and investigations staff.	17,895.00
Marion S. Ramey	2d assistant director, surveys and investigations staff.	17,670.00
Genevieve A. Mealy	Administrative assistant.	6,840.51
Frances May	Secretary	7,891.98
Ann M. Stull	do	4,682.73
Barbara L. Chambers	Secretary (from Oct. 21).	2,216.67
Army Audit Agency: Ray Herd	Investigator	1,410.45
General Services Administration: George H. Wakefield	do	6,587.70
Health, Education, and Welfare: Ronald G. Hanson	do	2,911.00
National Aeronautics and Space Administration: Bernard F. Carey	do	8,986.72
Francis Stepka	do	1,522.67
Naval Material Command Support Activity: Bernard Bodner	do	2,920.20
Naval Audit Service: Kenneth Honchak	do	3,802.80
Contract Employees: Robert M. Franklin	do	5,000.00
Maurice A. Herron	do	12,500.00
Mary Alice Sauer	Secretary	1,800.00
William B. Soyars, Jr	Investigator	10,000.00
Andrew J. Shannon	do	10,000.00
Leonard M. Walters	do	12,500.00
Eugene B. Wilhelm	Liaison staff	6,000.00
H. Branch Wood	Investigator	7,500.00
Federal Bureau of Investigation: Stuart W. Angevine	do	14,997.84
William M. Baker	do	12,620.24
George C. Baird	do	2,927.44
Carl L. Bennett	do	15,708.48
Willis Bennett, Jr	do	14,997.84
Ronald B. Carpenter	do	15,176.64
Gerard C. Carroll	do	554.80
W. Dana Carson	do	15,708.48
Bernard E. Curtigan	do	11,618.56
W. Lee Colwell	do	17,407.44
John F. Connaughton	do	12,846.24
James B. Danny	do	9,995.04
Lewis Earle Eisenhaine	do	11,053.44
Donald J. Fitzgerald	do	10,833.84
Robert M. Franklin	do	4,993.20
John G. Goedtel	do	15,350.88
Eugene C. Gies	do	14,997.84
William P. Haynes, Jr	do	13,561.44
David W. Johnson, Jr	do	8,567.92
Russell N. Kamia	do	11,441.52
Edwin J. Kelly	do	8,483.60
John C. Layton	do	8,047.84
Joseph Malyniak, Jr	do	14,640.24
James P. Mansfield	do	15,205.68
Richard F. McEliece	do	15,111.20
Joseph E. Michalski	do	15,350.88
Earle J. Morris	do	14,640.24
John J. Radican	do	14,394.64
Thomas C. Renaghan	do	12,620.24
Warren L. Rowlands	do	7,617.84
James O. Stassinos	do	7,474.64
Charles E. Szoka	do	14,997.84
Raymond E. Talley	do	14,190.24
William H. Welch, Jr	do	15,708.48
Pamela Muaro	Steno-typist	4,187.04
Rebecca F. Singleton	Clerk-typist	4,267.12
H. Branch Wood	Investigator	5,463.28

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COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS STAFF)—Continued

Name of employee	Profession	Total gross salary during 6-month period
Federal Bureau of Investigation—Continued		
Health benefits (FBI)		$4,950.43
Life insurance (FBI)		1,489.74
Retirement (FBI)		25,770.45
FICA (FBI)		494.54
Travel expenses		131,071.48
Miscellaneous expenses		5,947.11
Funds authorized or appropriated for committee expenditures		$1,875,000.00
Amount of expenditures previously reported		
Amount expended from July 1 to Dec. 31, 1974		784,712.34
Total amount expended from July 1 to Dec. 31, 1974		784,712.34
Balance unexpended as of Dec. 31 1974		1,090,287.66

GEORGE MAHON, Chairman.

COMMITTEE ON ARMED SERVICES

January 17, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frank M. Slatinshek	Chief counsel	$5,507.00
William H. Cook	Counsel (through Aug. 20).	4,986.12
John J. Ford	Professional staff member.	17,962.50
Ralph Marshall	do	17,316.09
George Norris	Counsel	16,629.42
James F. Shumate, Jr	do	16,981.98
William H. Hogan, Jr	do	13,733.43
Anthony R. Battista	Professional staff member.	15,414.00
Anibal A. Tinajero	Professional staff member (through Dec. 31).	13,358.82
G. Kim Wincup	Counsel	9,512.19
Michael A. West	Executive secretary	7,707.00
Berniece Kalinowski	Secretary	10,897.20
L. Louise Ellis	do	10,897.20
Edna E. Johnson	Secretary (through Dec. 30).	10,897.20
Innis E. McDonald	Secretary	8,180.31
Ann R. Willet	do	6,807.00
Emrz M. Brown	do	6,807.00
Nancy S. Jones	do	6,807.00
Mary Ann McKibben	Secretary (through Sept. 27).	2,779.35
Rita . Argenta	Secretary	6,040.59
Jane E. Keating	Secretary (through Nov. 6).	4,266.24
Ilese B. Katz	Secretary (from Oct. 3)	2,683.32
Bal.e H. LaBarbera	Secretary (from Nov. 18 through Dec. 31).	1,433.33
William B. Short, Jr	Clerical staff assistant	8,956.59
James A. Deakins	do	8,240.07
Issiah Hardy	do	6,165.60

STAFF, ARMED SERVICES INVESTIGATING SUBCOMMITTEE

(Pursuant to H. Res. 185, 93rd Cong.)

John F. Lally	Counsel	$17,316.09
William D. Price	Professional staff member (from Oct. 1).	6,249.99
Roce C. Beck	Secretary	8,180.33
Joyce C. Bova	do	6,217.47
Karen L. Snead	Secretary (from Oct. 7)	2,333.33
Funds authorized or appropriated for committee expenditures. H. Res. 264 & H. Res. 790		$375,000.00
Amount of expenditures previously reported		147,293.56
Amount expended from July 1 to Dec. 31		46,917.53
Total amount expended from Jan. 1 to Dec. 31		[1] 97,709.73
Balance unexpended as of Dec. 31, 1973		[1] 129,996.71

G. EDWARD HEBERT, Chairman.

[1] Per GAO Audit, Jan. 15, 1975.

BANKING AND CURRENCY

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Paul Nelson	Clerk and staff director.	$18,000.00
Orman S. Fink	Staff director, minority	18,000.00
Curtis A. Prins	Chief investigator	18,000.00
Charles B. Holstein	Professional staff member.	18,000.00
Benet D. Gellman	Counsel	18,000.00
Joseph C. Lewis	Professional staff member.	18,000.00
Graham T. Northup	do	18,000.00
Mary W. Layton	Secretary to minority	12,843.27
Donald G. Vaughan	Administrative assistant.	11,145.24
Total standing committee		149,988.51
Investigative staff:		
Joann Azarkhish	Secretary	6,315.77
Richard C. Barnes	Professional staff member.	11,942.13
Peter B. Bodenheimer	Assistant clerk	666.67
Martha Ellen S. Braddock.	Secretary	3,610.21
James P. Caldwell	Professional staff member.	12,919.41
L. Marie Chaillet	Minority secretary	8,612.91
Davis O'Connell Couch	Counsel	12,414.72
Ben W. Crain	Staff economist	8,567.94
Jane N. D'Arista	Professional staff member.	11,102.58
Michael P. Flaherty	Assistant counsel	11,319.54
Mary Ann Freer	Secretary	4,540.86
Helen Hitz	Administrative assistant.	12,350.21
Lorraine G. Inman	Secretary	6,884.94
Joseph J. Jasinski	Professional staff member.	17,491.80
Marvin H. Kahn	Staff economist	7,176.07
Richard M. Kay	Assistant clerk	4,306.47
Mary E. Kirk	do	7,346.94
Ellen Marie Larkin	Research assistant	6,282.48
Gladys F. G. Lebreton	Secretary	2,200.00
Robert Edward Loftus	Professional staff member.	12,381.09
Linda Lea Lord	Secretary	5,394.90
Mary-Helen McGrath	do	2,544.62
Kelsay Ray Meek	Professional staff member.	17,469.18
Michael A. Rattigan	Research assistant	4,732.48
Margaret L. Rayhawk	Research associate	10,903.34
Kathy Lee Rohrig	Secretary	6,576.66
Miriam Wolman Rakow.	Clerk	8,817.95
Yan Michael Ross	Minority counsel	17,619.69
James Charles Sivon	Research assistant	4,940.76
Jeanne Carolyn Smith	Secretary	6,687.57
Merrill Stevenson	Assistant clerk	9,055.65
Richard L. Still	Professional staff member.	17,495.01
Catherine M. Taber	Secretary	1,536.62
Thomas Wallin	Research assistant, minority.	750.00
David Irving Weil	Economic research assistant.	5,865.60
Robert E. Weintraub	Staff economist	18,000.00
Stephen M. Welch	Research assistant	1,746.16
Alicia F. Shoemaker	Minority staff secretary.	972.00
Total investigative staff.		309,540.93
Funds authorized or appropriated for committee expenditures		$1,342,800.00
Amount of expenditures previously reported		889,543.97
Amount expended from July 1 to Dec. 31, 1974		350,547.64
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974		1,240,091.61
Balance unexpended as of Dec. 31, 1974		102,708.39

WRIGHT PATMAN, Chairman.

SUBCOMMITTEE ON HOUSING, HOUSE COMMITTEE ON BANKING AND CURRENCY

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Housing Subcommittee:		
Brent B. Barriere	Assistant clerk	$1,741.67
Marilyn A. Donahue	Minority secretary	6,459.69
David Glick	Counsel	18,000.00
George Gross	do	11,000.00
Emily Hightower	Executive secretary	10,088.55
Mercer L. Jackson	Minority staff member	17,643.54
Raymond K. James	Counsel	17,905.44
Bonnie V. Lockett	Secretary	5,908.68
Benjamin B. McKeever.	Counsel	17,905.44
Gerald R. McMurray	Staff director	18,000.00
Wanda Jean Raupach	Secretary	8,991.48
Dorothy J. Rayburn	Assistant clerk	7,765.33
Catherine M. Smith	Minority secretary	6,459.69
Mary Elizabeth Sullivan.	Assistant clerk	5,652.93
Anne Regina Sullivan	Assistant clerk	1,200.00
Anthony Valanzano	Minority counsel	17,643.54
Doris M. Young	Assistant clerk	11,309.73
Total		183,675.71
Funds authorized or appropriated for committee expenditures. (H. Res. 306, 93d Cong. (Housing) and H. Res. 800, 93d Cong., 2d sess.		$795,500.00 550,136.24
Amount of expenditures previously reported		550,136.24
Amount expended from July 1 to Dec. 31, 1974		196,067.56
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974		746,203.80
Balance unexpended as of Dec. 31, 1974		49,296.20

WRIGHT PATMAN, Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Robert B. Washington, Jr.	Chief counsel (P)	$18,000.00
Dorothy E. Quarker	Senior consultant (P) to Aug. 6, 1974.	3,600.00
James T. Clark	Legislative counsel (P)	17,263.20
Ruby G. Martin	Associate counsel (P) from Aug. 1, 1974.	14,400.00
Dale MacIver	Staff assistant (C) (4 months).	12,000.00
Daniel M. Freeman	do	12,000.00
Jacqueline E. Wells	do	11,824.72
Linda L. Smith	do	9,441.67
Maria L. Otero	Office Administrator (C) (4 months).	8,716.67
Alvin D. Loving, Sr	Staff assistant (C) to July 31, 1974.	3,000.00
Jane I. Parker	do	3,000.00
Theodore Richardson	Clerk (C) Aug. 1–31, 1974.	3,000.00
La Vonne Manley	Staff assistant (C) (2 months).	5,100.00
Wilbur G. Hughes	Investigator (C) (2 months).	5,350.00
Lorraine McDaniels	Staff assistant (C) Aug. 1–31, 1974.	3,000.00
Yvonne Chappelle	Research assistant (P) to July 31, 1974.	3,000.00

COMMITTEE ON THE DISTRICT OF COLUMBIA—Con.

Name of employee	Profession	Total gross salary during 6-month period
Standing Committee—Continued		
Dale MacIver	Staff assistant (2 months).	$862.00
Daniel M. Freeman	do	548.58
Jacqueline E. Wells	do	200.00
Linda L. Smith	do	200.00
Maria L. Otero	do	200.00
Subcommittee on Business, Commerce and Taxation:		
Rebecca Moore	Subcommittee consultant to Nov. 31.	6,548.15
Carolyn Emigh	Subcommittee consultant from Dec. 1, 1974.	1,842.50
Margaret G. Hoffman	Subcommittee research assistant.	4,705.61
Subcommittee on Education:		
Joseph Clair	Subcommittee counsel to Aug. 6, 1974.	2,304.94
Michael J. Duberstein	Subcommittee research assistant.	1,536.66
Subcommittee on Government Operations:		
Jacque Depuy	Subcommittee counsel to July 31, 1974.	1,583.33
Joy D'Amore	Subcommittee research assistant to Aug. 16, 1974.	638.89
Donna DeLaittre	Subcommittee research assistant from Aug. 1–30, 1974.	1,000.00
Ira Lewis	Subcommittee consultant from Aug. 24, 1974.	4,233.33
Cathy Sarkowsky	Subcommittee research assistant from Dec. 1, 1974.	500.00
Subcommittee on Judiciary:		
Howard Lee	Subcommittee consultant.	7,058.76
Michael Beard	Subcommittee research assistant.	6,037.50
Subcommittee on Labor, Social Services, and the International Community:		
Karen Fleischer	Subcommittee consultant to Oct. 31.	5,333.32
Subcommittee on Revenue and Financial Affairs:		
Stephen Swaim	Subcommittee consultant to Sept. 30, 1974.	4,452.72
Margi H. Mosbaek	Subcommittee research assistant.	3,666.96
Total		107,654.27
Jean Stultz	Staff assistant (C) Aug. 1–Sept. 30, 1974.	6,000.00
Joan V. Middleton	Staff assistant (C) Oct. 1–31, 1974.	2,450.00
Grace M. DeMaio	Clerk (C) Oct 1–31, 1974.	2,033.33
Marguerite Gras	do	1,750.00
Joseph Clair	Subcommittee counsel, Education Subcommittee from Aug. , 1974 (P).	9,219.74
Stephen Swaim	Subcommittee, consultant, Subcommittee on Revenue and Financial Affairs, from Oct. 1 1974.	4,452.72
Minority:		
John Hogan	Minority chief counsel (P)	18,000.00
Leonard Hilder	Minority research assistant. (P).	12,546.24
Total		189,148.29
Investigative:		
Ralph Ulmer	Minority professional staff member.	6,936.00
Wanda Worsham	Minority staff assistant.	7,333.92
Louise Winston	Clerk	5,250.30
Jane I. Parker	Staff assistan. Aug. 1–Sept. 31, 1974.	607.40
Wilbur Hughes	Investigator 4 months	3,207.52
Jean Stultz	Staff assistant to July 31. 1974.	1,458.33
La Vonne Manley	Staff assistant (4 months).	2,828.31
Joan V. Middleton	Staff assistant (5 months).	4,989.28
Lorraine McDaniels	do	4,105.59
Yvonne Chappelle	Research assistant from Aug. 1, 1974.	4,850.00
Ruby Martin	Associate counsel to July 31, 1974.	100.00
Theodore Richardson	Clerk (5 months)	2,781.53
Marguerite Gras	do	3,600.00
Alvin D. Loving, Sr	Staff assistant Aug. 1–Oct. 31, 1974.	2,000.00
Grace DeMaio	Clerk (5 months)	4,152.85
Funds authorized or appropriated for committee expenditures		298,058.51
Amount of expenditures previously reported		179,237.05
Amount expended from July 1 to Dec. 31, 1974		115,208.31
Total amount expended from Jan. 1, to Dec. 31, 1974		294,445.6
Balance unexpended as of Dec. 31, 1974		3,612.15

CHARLES C DIGGS Jr., Chairman.

COMMITTEE ON EDUCATION AND LABOR—STANDING COMMITTEE

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Donald M. Baker	Chief clerk and associate counsel (from July 1 to Dec. 31, 1975).	$18,000.00
Donald F Berens	Administrative assistant (from July 1 to Dec. 31, 1975).	15,180.30
Louise Maxienne Dargans.	Research director (from July 1 to Dec. 31, 1975).	18,000.00
William F Gaul	Associate general counsel (from July 1 to Dec. 31, 1975).	18,000.00
Hartwell D. Reed, Jr	General counsel (from July 1 to Dec. 31, 1975).	18,000.00
Benjamin F. Reeves	Assistant to chairman and assistant clerk (from July 1 to Dec. 31, 1975).	18,000.00
Austin P. Sullivan, Jr	Legislative director (from July 1 to Dec. 31, 1975)	18,000.00
Louise M. Wright	Administrative assistant (from July 1 to Dec. 31, 1975).	15,957.75
Marian R. Wyman	Special assistant to chairman (from July 1 to Dec. 31, 1975).	18,000.00
Minority staff:		
Robert Andringa	Minority staff director (from July 1 to Dec. 31, 1975).	18,000.00
Charles W. Radcliffe	Minority counsel (from July 1 to Dec. 31, 1975).	18,000.00
Dorothy L. Strunk	Minority legislative clerk (from July 1 to Dec. 31, 1975).	8,118.75
Funds authorized or appropriated for committee expenditures (contingent fund)		$599,293.06
Amount of expenditures previously reported		201,256.80
Amount expended from July 1 to Dec. 31, 1974		800,549.86
Total amount expended from Jan. 1, to Dec. 31, 1974		
Balance unexpended as of (contingent fund) Dec. 31, 1974		

CARL D. PERKINS, Chairman.

January 31, 1975.

COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE INVESTIGATING STAFF

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 1, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, to Dec. 35, 1975, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Carole J. Ansheles	Secretary (from July 1 to Dec. 1, 1974).	$5,549.04
Patricia R. Bowley	Administrative assistant (from July 1 to Dec 31, 1974).	8,631.84
William H. Cable	Counsel (from July 1 to Dec. 31, 1974).	15,022.52
Gerard C. Cauley	Assistant clerk (temporary) (summer) (from July 1 to Aug. 9, 1974).	650.00
Katherine Kennedy Clark.	Research assistant (from July 1 to Dec. 31, 1974).	10,549.25
Elizabeth A. Cornett	Administrative assistant (from July 1 to Dec. 31, 1974).	10,456.53
Lelia T. Cornwell	do	9,778.65
A. Jefferson Dodds	Assistant clerk (temporary) (summer) (from July 1 to Sept. 13, 1974).	1,216.67
Edward J. Dunphy	Assistant clerk (temporary) (summer) (from July 1 to Aug. 31, 1974).	1,000.00
Douglas P. Katcher	Research assistant (from July 1 to Dec. 31, 1974).	4,527.84
Shirley R. Mills	Secretary (from July 1 to Dec. 31, 1974).	9,778.65
Lewis D. Morris, Jr	Assistant clerk (temporary) (summer) (from July 1 to July 21, 1974).	350.00
Barbara E. Morrison	Secretary (from July 1 to Dec. 31, 1974).	5,908.68
Michael Lee Moye	Assistant clerk (temporary) (from July 1 to Aug. 31 and from Dec. 9 to Dec. 31, 1974).	1,238.33
Thomas M. Pappas	Special assistant to chief clerk (from Nov. 1 to Dec. 31, 1974).	3,609.64
David E. Pinkard	Assistant clerk (temporary) (from Aug. 12 to Dec. 31, 1974).	2,399.47
Allen Prichard	Research assistant (temporary) (summer) (from July 1 to Aug. 31, 1974).	1,833.24
David S. Pulman	Staff assistant (from July 1 to Dec. 31, 1974).	5,800.29
Timothy T. Reese	Assistant clerk (from July 1 to Dec. 31, 1974)	5,549.04
Peter Schott	Assistant clerk (from July 1 to Dec. 31, 1974).	4,729.08
Mary L. Shuler	Secretary (from July 1 to Dec. 31, 1974).	8,489.67
Maureen J. Smith	Assistant clerk (temporary) (Summer) (from July 1 to Aug. 9, 1974).	650.00
Thomas A. Stevenson	Assistant Clerk (temporary) (summer) (from July 1 to Sept. 30, 1974).	1,500.00
Jeanne E. Thomson	Legislative assistant (from July 1 to Dec. 31, 1974).	11,401.74
John Everett Warren	Research assistant (from July 1 to Dec. 31, 1974).	6,459.84
Barbara White	Assistant clerk (temporary) (summer) (from July 2 to Aug. 31, 1974).	650.00

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COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE INVESTIGATING STAFF—Continued

Name of employee	Profession	Total gross salary during 6-month period
Denise B. Wilson	Assistant clerk (temporary) (summer) (from July 1 to Sept. 30, 1974).	$1 500 00
Minority:		
Kim Ellinger	Secretary (from July 1 to Dec. 31, 1974).	5 867 10
Edith Carter Bloom	Minority counsel (from July 1 to Dec. 31, 1974).	17 625 00
Christopher T. Crow	Minority legislative associate (from July 1 to Dec. 31, 1974).	18,000.00
Susan C. DeMarr	Secretary (from July 1 to Dec. 31, 1974).	5 370.00
Vicki Fleming	Minority research assistant (from July 1 to Dec. 31, 1974).	4 367.49
Martin L. Lavor	Minority legislative associate (from July 1 to Dec. 31, 1974).	10 350.53
John E. Lee	Minority research assistant (from July 1 to Aug. 31, 1974).	2,208.34
Maureen A. Mahon	Secretary (from July 1 to Dec. 31, 1974).	6, 422.52
Richard H. Mo	Assistant minority counsel (from July 1 to Dec. 31, 1974).	11 387.49
Jo Anne Pierson	Secretary (from July 1 to Dec. 31, 1974).	6, 422.52
Silvia J. Rodriguez	do	6, 353.22
John Charles Sneeringer	Minority counsel for Labor (from July 1 to Dec. 31, 1974).	18,000.00
Yvonne Fl Smith	Minority legislative associate (from July 1 to Dec. 31, 1974).	10, 770.60
Patricia A Sullivan	Secretary (from July 1 to Dec 31, 1974)	6, 422.52
Funds authorized or appropriated for committee expenditure		$1, 241, 259. 81
Amount of expenditures previously reported		736, 126. 41
Amount expended from July 1 to Dec 31, 1974		298, 159. 69
Total amount expended from Jan 3, 1973 to Dec 31, 1974		1 034, 286. 10
Balance unexpended as of Dec 31, 1974		206, 973. 71

CARL D. PERKINS, Chairman

SUBCOMMITTEE ON EDUCATION NO. 1

(Representative Carl D. Perkins, Chairman)

January 31, 1975.

To the Clerk of the House:
The above mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Diane B. Allen	Staff assistant (from July 1 to Aug 5, 1974).	$729.17
Lynn G.	Special assistant (from July 1 to Oct. 31, 1974).	6,177.17
John F. Jennings	Counsel (from July 1 to Dec. 31, 1974).	18,000.00
Tonia E. Pantel	Staff assistant (from July 1 to Dec. 31, 1974).	3,768.15
Lynn Smith	Legislative assistant (from July 1 to Dec. 31, 1974).	6,089.58
Joseph V. Tortorello	Assistant clerk (from July 1 to Sept. 30, 1974).	1,500.00

Funds authorized or appropriated for committee expenditures $174,824.24

Amount of expenditures previously reported 124,321.99
Amount expended from July 1 to Dec. 31, 1974 41,528.29

Total amount expended from Jan. 3, 1973 to Dec. 31, 1974 165,850.28

Balance unexpended as of Dec. 31, 1974 8,973.96

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON LABOR, NO. 2

January 31, 1975

(Representative Frank Thompson, Jr., Chairman)

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, to December 3, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jeunesse M. Beaumont	Clerk (from July 1 to Dec. 31, 1974).	$9,616.41
Hugh G. Duffy	Special counsel (from Aug. 1-31, 1974).	2,200.00
Donald J. Kaniewski	Research assistant (from July 1 to Dec. 31, 1974).	5,508.37
Richard A. Mallner	Assistant clerk (from Sept. 1 to Dec. 31, 1974).	619.99
Robert E. Moo	Counsel (from July 1 to Dec. 31, 1974).	15,316.33
Daniel H. Pollitt	Special counsel (from Sept. 1 to Dec. 31, 1974).	2,666.68
Susan H. Pollitt	Assistant clerk (from July 1 to Aug. 4, 1974).	368.33
Jan Lee Rollet	Assistant clerk (from July 1-14, 1974).	252.78
Audrey Rugg	Assistant clerk (from July 1-14, 1974).	252.78
Richard Shoffler	Research assistant (from July 1 to Aug. 31, 1974).	1,083.34
James Wo	Assistant clerk (from Aug. 1-31, 1974).	750.00

Funds authorized or appropriated for committee expenditures $176,933.51

Amount of expenditures previously reported 121,212.37
Amount expended from July 1 to Dec. 31, 1974 42,758.13

Total amount expended from Jan. 3 to Dec. 31, 1974 163,970.50

Balance unexpended as of Dec. 31, 1974 12,963.01

CARL D. PERKINS, Chairman.

GENERAL SUBCOMMITTEE ON LABOR, NO. 3

January 31, 1975

(Representative John H. Dent, Chairman)

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6 month period
Julie Dominick	Research assistant (from July 1 to Dec. 31, 1974).	$7, 819.00
Adrienne Fields	Clerk (from July 1 to Dec. 31, 1974).	10, 181.06
Cynthia L. Fox	Secretary (from July 1 to Dec. 31, 1974).	4, 398.74
Ernest J. Mannino	Research assistant (from July 1 31, 1974).	750.00
Robert E. Vagley	Director (from July 1 to Dec. 31, 1974).	18,000.00

Funds authorized or appropriated for committee expenditures $164,183.08

Amount of expenditures previously reported 106,077.78
Amount expended from July 1 to Dec. 31, 1974 45,014.47

Total amount expended from Jan. 3, 1973 to Dec. 31, 1974 151,092.25

Balance unexpended as of Dec. 31, 1974 13,090.83

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON LABOR NO. 4

January 31, 1975.

(Representative Dominick V. Daniels, Chairman)

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Joseph D. Alviani	Associate counsel (from July 1 to Sept. 30, 1974).	$4,500.00
Alexandra J. Kisla	Research staff assistant (from July 1 to Dec. 31, 1974).	6,998.01
Daniel H. Kravit	Counsel (from July 1 to Dec. 31, 1974).	16,902.87
Denniese L. Medlin	Legislative assistant (from July 1 to Dec. 31, 1974).	5,240.76

Funds authorized or appropriated for committee expenditures $167,282.82

Amount of expenditures previously reported 109,218.70
Amount expended from July 1 to Dec. 31, 1974 41,015.34

Total amount expended from Jan. 3, 1973 to Dec. 31, 1974 150,234.04

Balance unexpended as of Dec. 31, 1974 17,048.78

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON EDUCATION, NO. 5

(Representative John Brademas, Chairman)

January 31, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1974, to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert W. Agee	Research assistant (from Sept. 1 to Dec. 31, 1974).	$3,750.00
Jack G. Duncan	Counsel (from July 1 to Dec. 31, 1974).	17,625.00
Eleanor M. Fitzer	Secretary (from July 1 to Dec. 31, 1974).	4,624.20
James J. Harvey	Deputy assistant (from July 1 to Dec. 31, 1974).	9,937.20
Frederick V. Malhauser	Research assistant (from July 1 to Aug. 17, 1974).	1,468.75
Christine M. Orth	Staff assistant (from July 1 to Dec. 31, 1974).	616.56
Gladys Marie Walker	Secretary (from July 1 to Dec. 31, 1974).	5,462.13

Funds authorized or appropriated for committee expenditures $174,948.00

Amount of expenditures previously reported 128,453.80
Amount expended from July 1 to Dec. 31, 1974 45,910.15

Total amount expended from Jan. 3, 1973 to Dec. 31, 1974 174,363.95

Balance unexpended as of Dec. 31, 1974 584.05

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON EDUCATION, NO. 6

(Representative James G. O'Hara, Chairman)

January 31, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Webster Buell	Counsel (from July 1 to Dec. 31, 1974).	$11,303.5
Mary Elizabeth Clark	Assistant clerk (from July 1 to Aug. 20, 1974).	833.33
Alfred Carl Franklin	Counsel (from July 1 to Aug. 31, 1974).	3,892.16
James B. Harrison	Staff director (from July 1 to Dec. 31, 1974).	15,903.06
Bernard M. Murphy, Jr.	Research assistant (from July 1 to Aug. 31, 1974).	1,213.34
Bonnie L. Stricklin	Assistant clerk (from July 1 to Dec. 31, 1974).	4,024.99
Elnora H. Teets	Clerk (from July 1 to Dec. 31, 1974).	7,131.33

Funds authorized or appropriated for committee expenditures $174,819.60

Amount of expenditures previously reported 121,618.65
Amount expended from July 1 to Dec. 31, 1974 48,814.94

Total amount expended from Jan. 3, 1973 to Dec. 31, 1974 170,433.59

Balance unexpended as of Dec. 31, 1974 4,386.01

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON EQUAL OPPORTUNITIES, NO. 7

(Representative Augustus F. Hawkins, Chairman)

Jannary 31 1974.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Augustus A. Adair	Staff assistant (from Dec. 1 to 31, 1974).	$700.00
Frances Hardin Brumburg.	do	1,250.00
Susan Darkee Grayson	Special assistant (from July 1 to Dec. 31, 1974).	9,248.40
Bertram M. Gross	Staff assistant (from July 1 to Dec. 31, 1974).	1,200.00
William L. Higgs	do	5,533.32
Lloyd (Al) Johnson	Staff director (from July 1 to Dec. 31, 1974).	16,500.00
Stanley Moses	Staff assistant (from Dec. 1 to 31, 1974).	1,800.00
Carole M. Schanzer	Clerk (from July 1 to Dec. 31, 1974).	7,193.22
John W. Smith	Staff assistant (from Aug. 1 to 31, and from Oct. 1 to Dec. 31, 1974).	846.77
Mary L. Whitsett	Assistant clerk (from July 1 to Dec. 31, 1974).	5,240.76

Funds authorized or appropriated for committee expenditures $168.781.56

Amount of expenditures previously reported 116,036.66
Amount expended from July 1 to Dec. 31, 1974 51,237.66
Total amount expended from Jan. 3, 1973, to Dec. 31, 1974 167,269.32
Balance unexpended as of Dec. 31, 1974 1,512.24

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON AGRICULTURAL LABOR, NO. 8

(Representative William D. Ford, Chairman)

January 31, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Roy P. Dyson	Research aide (from July 1 to Dec. 31, 1974).	$5, 232. 82
Lanston E. Eldred	Research assistant (from July 1 to Sept. 17, 1974).	2, 253. 33
Michael J. Ferrell	Special assistant (from July 1 to Sept. 30, 1974).	3, 200. 00
Robert F. Hurley	Legislative assistant (from Dec. 1 to Dec. 31, 1974).	1, 355. 83
Thomas R. Jolly	Counsel (from July 1 to Dec. 31, 1974).	17, 166. 66
Charles James Kalil	Research assistant from (Sept. 3 to Dec. 31, 1974).	2, 051. 19
Roderick Kilbourn	Special counsel (from Aug. 5 to Oct. 19, 1974).	4, 166. 68
Patricia R. Morse	Clerk (from July 1 to Dec. 31, 1974).	9. 711. 58
Daniel H. Pollitt	Assistant clerk (from Oct. 1 to Dec. 31, 1974).	3, 548. 78
Heidi Schmidt	Staff assistant (from July 1 to Aug. 31, 1974).	1, 400. 00
Anne C. Williams	Secretary (from Oct. 1 to Dec. 31, 1974).	1, 825. 01

Funds authorized or appropriated for committee expenditures $176, 967. 38

Amount of expenditures previously reported 121, 338. 98
Amount expended from July 1 to Dec. 31, 1974 54, 108. 03

Total amount expended from Jan. 3, 1973, to Dec. 31, 1974 175, 447. 01

Balance unexpended as of Dec. 31, 1974 1, 520. 37

CARL D. PERKINS, Chairman.

TASK FORCE ON WELFARE AND PENSION PLANS, NO. 9
(GENERAL SUBCOMMITTEE ON LABOR)

(Representative John H. Dent, Chairman)

January 31, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross 6-month salary during period
Vance J. Anderson	Counsel (from July 1 to Dec. 31, 1974).	$16, 441. 62
Kathleen Barish	Stenographer (from July 1 to Dec. 31, 1974).	4, 110. 42
Patrice C. Connerton	Clerk-typist (from July 22 to Sept. 30, 1974).	996. 66
Suzanne Hays	Staff assistant (from July 1 to Dec. 31, 1974).	5, 651. 82
S. Howard Kline	Assistant clerk (from July 1 to Dec. 31, 1974).	3, 216. 24
Richard E. McCormick, Jr.	Staff assistant (from July 1 to Oct. 31, 1974).	1, 622. 08
Minority: Russell J. Mueller	Actuary and minority legislative associate (from July 1 to Dec. 31, 1974).	15, 072. 63
Robin Reid	Minority secretary (from July 1 to Dec. 31, 1974).	5, 394. 90

Funds authorized or appropriated for committee expenditures $220, 000. 00

Amount of expenditures previously reported 156, 778. 69
Amount expended from July 1 to Dec. 31, 1974 56, 322. 96

Total amount expended from Jan. 3, 1973 to Dec. 31, 1974 213, 101. 65

Balance unexpended as of Dec. 31, 1974 6, 898. 35

CARL D. PERKINS, Chairman.

COMMITTEE ON FOREIGN AFFAIRS

January 21, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Marian A. Czarnecki	Chief of Staff	$18, 000. 00
Albert C. F. Westphal	Staff consultant	18, 000. 00
Everett E. Bierman	do	16, 906. 86
John J. Brady, Jr	do	16, 038. 57
John H. Sullivan	do	16, 038. 57
John Chapman Chester	do	15, 524. 76
Robert K. Boyer	do	13, 457. 78
Peter A. Abbruzzese	do	14, 330. 52
Lewis Gulick	do	15, 048. 12
Charles Paolillo	do	16, 852. 62
George M. Ingram, IV	do	11, 304. 48
Robert W. Johnson	Staff consultant (effective July 15, 1974)	9, 973. 13
James T. Schellaert	Staff consultant (effective September 25, 1974)	7, 011. 66
John P. Salzberg	Special consultant	10, 276. 02
Frederick M. Kaiser	Special consultant (terminated August 3, 1974).	1, 300. 00
Ray Sparks	Editor	11, 534. 91
George R. Berdes	Subcommittee staff consultant.	14, 927. 67
Robert B. Boettcher	do	14, 927. 67
R. Michael Finley	do	13, 457. 70
Clifford P. Hackett	do	14, 927. 67
Michael H. Van Dusen	do	14, 927. 67
Thomas R. Kennedy	do	14, 413. 20
Leslie Ann Yates	do	8, 221. 33
Roland S. Homet, Jr	Subcommittee Staff Consultant (effective July 1, 1974).	12, 331. 20
Helen C. Mattas	Senior staff assistant	13, 978. 02
Mary Louise O'Brien	Staff assistant	12, 473. 98
Paula L. Peak	do	10, 767. 72
Thelma H. Shirkey	do	7, 158. 57
Arlene M. Atwater	do	6, 779. 01
Shirley A. McManus	do	7, 762. 38
Donna Gail Wynn	do	5, 800. 11
Jeanne M. Salvia	do	6, 211. 92
Karen Patterson Brennan	do	5, 994. 11
Josephine R. Weber	do	5, 091. 36
Diane Miesel Stoner	do	4, 722. 42
Nancy K. Stout	Staff assistant (terminated Sept. 30, 1974).	3, 012. 15
Joan G. Sullivan	Staff assistant	5, 992. 02
Jeraldine C. Nolan	Staff assistant (terminated July 30, 1974).	791. 67
Noel Daoust	Staff assistant	4, 757. 54
Nancy M. Carman	do	4, 367. 28
Sarah Yakubec	Staff assistant (effective July 22, 1974).	3, 416. 00
Martha H. Crouse	Staff assistant (effective Sept. 4, 1974).	3, 794. 55
Shelly A. Shelton	Staff assistant (effective Sept. 25, 1974).	2, 593. 57
Andrew B. Vanyo	Clerical assistant	5, 732. 22
Robert A. Stoner	Publications assistant	5, 302. 92
Dona Sims	Special assistant (terminated Aug. 16, 1974).	1, 086. 11
Eugene M. Principato	Clerical assistant (terminated Aug. 16, 1974).	766. 57
Theana C. Yatron	Clerical assistant (terminated Aug. 31, 1974).	1, 416. 66
Mark G. Hanna	Special assistant (effective Sept. 16, 1974).	1, 332. 90

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COMMITTEE ON FOREIGN AFFAIRS—Continued

Funds authorized or appropriated for committee expenditures	$1,168,735.00
Amount of expenditures previously reported	738,243.68
Amount expended from July 1 to Dec. 31, 1974	329,686.23
Total amount expended from Jan. 1 1973 to Dec. 31, 1974	1,067,929.91
Balance unexpended as of Dec. 31, 1974	100,805.09

THOMAS E. MORGAN, Chairman

COMMITTEE ON GOVERNMENT OPERATIONS

January 30, 1975.

To the Clerk of the House.

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Expenses, July 1 through December 31, 1974:		
Full committee		$5,943.03
Special investigative staff		75,144.36
Legislation and Military Operations Subcommittee		47,586.09
Government Activities Subcommittee		60,751.15
Intergovernmental Relations Subcommittee		58,087.95
Conservation and Natural Resources Subcommittee		56,588.16
Foreign Operations and Government Information Subcommittee		75,032.57
Legal and Monetary Affairs Subcommittee		42,892.66
Special Studies Subcommittee		76,084.92
Total		498,110.89
Standing committee, Hon. Chet Holifield, chairman:		
Herbert Roback	Staff director	4,508.09
Elmer W. Henderson	General counsel	18,000.00
Miles Q. Romney	Counsel-administrator	18,000.00
Douglas G. Dahlin	Associate counsel	14,893.47
Dolores L. Fel'Dotto	Staff member	10,456.71
Ann E. McLachlan	do	10,135.26
Catherine S. Cash	do	9,113.43
Marilyn F. Jarvis	do	8,989.62
Lilian M. Phillips	do	8,263.86
John Philip Carlson	Minority counsel	18,000.00
Warren B. Buhler	Minority professional staff member.	13,457.70
Clara Katherine Armstrong	Minority research assistant.	9,327.57
Total, standing committee		142,855.62
Standing committee, Hon. Chet Holifield, Chairman: Total expenses		5,943.03
Special investigative staff, Hon. Chet Holifield, chairman:		
Stephen M. Daniels	Minority staff member	10,284.03
Richard L. Thompson	do	10,284.03
Lawrence T. Graham	do	10,284.03
James L. McInerney	do	10,227.87
Sheila G. Nathanson	Minority secretary	5,383.68
Karen L. Tauber	do	5,260.74
Eileen W. Thelin	Staff member	7,074.72
Susan E. Early	do	5,651.82
Ralph T. Doty	Clerical staff	5,651.82
Paul N. Nelson	do	5,041.62
Total		75,144.36
Legislation and military Operations Subcommittee, Hon. Chet Holifield, chairman:		
Adam J. Klein	Professional staff member (from Dec. 30, 1974).	90.28
Charles Goodwin	Subcommittee counsel	6,822.00
Michael T. McGinn	Defense analyst	10,789.80
Catherine L. Koeberlein	Research assistant	10,019.10
Mary Etta Haga	Clerk-stenographer	6,422.52
Wanda C. Johnson	do	5,652.24
Michael A. Vorhaus	Clerical staff	4,040.52
Expenses		3,749.63
Total		47,586.09
Government Activities Subcommittee, Hon. Jack Brooks, chairman:		
William M. Jones	Subcommittee staff director.	15,847.38
William H. Copenhaver	Counsel	15,072.63
C. Don Stephens	Research analyst	12,417.03
Thomas J. Payne	Investigator (from Sept. 12, 1974).	6,331.57
Lynne Higginbotham	Clerk-stenographer	8,305.95
Kathryn J. Lukos	Secretary (through Sept. 30, 1974).	2,226.36
Expenses		550.23
Total		60,751.15
Intergovernmental Relations Subcommittee, Hon. L. H. Fountain, chairman:		
James R. Naughton	Counsel	17,500.02
Delphis C. Goldbere	Professional staff member.	17,500.02
Gilbert S. Goldhammer	Consultant	11,346.00
Pamela H. Welch	Clerk-stenographer	5,971.08
Margaret M. Goldhammer	Secretary	5,011.89
Gary E. Bonhardier	Professional staff member (through July 1, 1974).	52.39
Expenses		706.55
Total		58,087.95
Conservation and Natural Resources Subcommittee, Hon. Henry S. Reuss, chairman:		
Phineas Indit	Counsel	4,422.00
David B. Finnegan	Associate counsel	15,844.53
Rober J. Hellman	Staff analyst	7,193.22
Josephine Scheiber	Research analyst	9,689.61
Ruth M. Wallick	Stenographer	7,707.46
Frances C. Clements	do	5,241.75
JoAnnalynn B. Fuller ou	Stenographer (from November 25, 1974)	1,102.44
Ardith R. Davis	Stenographe: (through November 9, 1974).	3,460.99
Expenses		2,026.16
Total		56,588.16
Foreign Operations and Government Information Subcommittee, Hon. William S. Moorhead chairman:		
William G. Phillips	Subcommittee staff director	17,500.02
Norman G. Cornish	Deputy subcommittee staff director.	17,500.02
Harold F. Whittington	Professional staff member.	14,549.04
L. James Kronfeld	Counsel	13,457.70
Martha M. Doty	Clerk	6,190.56
Nancy E. Wenzel	Secretary	4,675.56
Expenses		1,159.67
Total		75,032.57
Legal and Monetary Affairs Subcommittee, Hon. Wm. J. Randall, chairman:		
William G. Lawrence	Associate counsel	10,766.19
Wanda J. Reif	Professional staff member.	10,766.19
D. Faye Taylor	Clerk	6,190.56
Eleanor M. Vanyo	Secretary	5,857.32
Gerald J. Laporte	Research assistant (through Aug. 31, 1974).	2,166.66
Maura C. Craig	Secretary (through Aug. 23, 1974).	1,060.00
Expenses		6,085.74
Total		42,892.66
Special Studies Subcommittee, Hon. Fluyd V. Hicks, chairman:		
Joseph C. Luman	Subcommittee staff director.	15,072.63
Jacob N. Wasserman	Counsel	17,049.30
Dean S. Kalivas	Professional staff member.	10,261.58
James L. Gyory	Investigator	9,689.55
Peter H. Hanley	Professional staff member (from Oct. 1, 1974).	2,637.99
Louise Chubb	Clerk	6,011.46
Geraldine A. Fitzgerald.	Secretary	5,060.10
Expenses		10,362.31
Total		76,084.92

Funds authorized or appropriated for committee expenditures H. Res. 247 and H. Res. 846	$2,111,000.00
Amount of expenditures previously reported	1,448,902.98
Amount expended from July 1, 1974 to Dec. 31, 1974	498,110.89
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	1,947,013.87
Balance unexpended as of Dec. 31, 1974	163,986.13

JACK BROOKS, Chairman.

COMMITTEE ON HOUSE ADMINISTRATION, HOUSE INFORMATION SYSTEMS

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Richard Bates	Communications terminal operator.	$4,233.05
Noah St. Clair (off Aug. 23, 1974)	Senior systems programer.	10,371.45
Timothy E. Gunter	Programer	2,114.52
David L. Brazeal (off Aug. 13, 1974).	Computer systems analyst.	9,578.05
Diane C. Hitz	Communications terminal operator.	962.13
William R. Hill	Senior computer systems analyst.	11,312.85
Benjamin R. Candler	Programer analyst	8,699.10
Antoinette P. Gauthier	Communications control coordinator.	5,398.68
Robert J. Mumma	Senior computer operator.	6,246.82
Curtis L. Merrick	Section manager	12,979.58
Vernon John Walters	Programer analyst	8,534.95
Jasper T. Wagliardo (off Aug. 31, 1974).	Section manager	12,037.52
Charles E. Graham	Deputy director	6,404.97
Edmond S. Mesko	Information systems specialist.	11,319.33
Gerald L. Barnes	Junior programer	5,625.46
William E. Freeman, Jr.	Senior computer systems analyst.	11,572.17
Barbara A. Burda	Senior production control specialist.	5,092.78
Donald Robinson (off Oct. 12, 1974).	Junior system factors analyst.	4,477.42
Anne W. Wightman	Programer analyst	7,491.68
Norman D. Young	Senior section manager	13,835.12
Thomas Hawk	Communications control coordinator.	5,698.05
Robert Cohen (off Sept. 13, 1974).	Information systems specialist.	4,254.30
John T. Reed	Senior computer systems analyst.	11,438.28
Berthine Washington	Data preparation specialist.	4,059.51
Howard G. Ulep	Group manager	12,966.71
Robert Klukas (off July 2, 1974).	Section manager	343.58
K. Michael Frazier	Programer	7,140.28
Sheldon Grossberg	Management assistant	13,225.23
Stephen Stofko	Group manager	14,460.71
Patricia Ann Costlow	Senior communications control coordinator.	5,705.53
Marsha Madden	Junior system factors specialist.	6,266.28
Frank W. Byrd	Senior computer operations coordinator.	6,477.65
Deloris Gilliam	Junior computer operator.	3,856.68
Mary Ryan Conroy	Administrative control coordinator.	4,614.38
Martha Crouse (off Sept. 3, 1974).	Communications control coordinator.	1,746.87
Robert William Garrett	Section manager	12,400.18
Margaret Mary Hyland	Junior secretary	4,921.93
Steven B. Newman	Communications control coordinator.	5,122.08
Elmer M. Whiting	Computer operator	5,678.44
Dianne Oshetski	Secretary	4,827.01
Frances Pratt	do	5,073.24
Francine Cromwell	Executive secretary	6,044.88
Katherine Diamond	Senior data preparation specialist.	4,299.98
Ed Fairleigh	Junior computer operator.	4,757.32
Samuel M. Rogers	Senior computer operator.	5,872.74
Donald Charles Morris	Group manager	12,873.27
Louis E. Johannes	Administrative clerk	4,219.77
Lewis F. DuBose, off. Nov. 28, 1974.	Section manager	10,272.77
Barbara Swart	Junior programer	4,985.52
Susan Bailey Starr	System factors analyst	10,188.15
David P. Underwood	Section manager	11,806.62

COMMITTEE ON HOUSE ADMINISTRATION, HOUSE INFORMATION SYSTEMS—Continued

Name of employee	Profession	Total gross salary during 6-month period
Marie Williams	Senior information systems specialist.	$10,623.84
Wilbur D. Smith, off. Oct. 31, 1974.	Senior communications terminal operator.	7,918.79
Kenndall R. Free	Computer systems analyst.	9,888.60
Gerald Murphy	Section manager	11,685.87
Katherine Bye, off. Oct. 31, 1974.	Technical research assistant.	5,606.04
Paul E. Pritchett	Production control coordinator.	3,261.07
Hattie Prater	Technical aide	7,561.62
Ruth Ann Wauters, off. July 5, 1974.	Junior systems programer.	9,289.53
Stuart W. Edwards, off. Aug. 30, 1974.	Computer systems analyst.	267.31
Jeremy Frey	Technical assistant	1,068.00
Thomas C. Brown	Section manager	9,888.60
Richard Maynard	Senior operations research analyst.	12,373.02
H. Gerald McGuire	Group manager	13,558.85
Gerald C. Morrone	Computer systems analyst.	9,684.67
Luis J. Amigo	Programer analyst	7,789.20
Sandra Burke	Technical writer	6,323.47
Lelita Werhan	Junior secretary	4,300.88
James C. Daley	Programer analyst	8,680.47
Mark L. Shriver, off. Aug. 23, 1974.	Computer operator	5,347.51
George C. Yatron, off. Oct. 31, 1974.	Technical assistant	1,236.67
Mary McNair	Junior data preparation specialist.	2,169.65
Walter E. Haggerty	Section manager	12,980.18
C. Wesley Jenkins	Computer systems analyst.	10,450.89
Susan Zweighaft, off. July 31, 1974.	programmer	7,255.95
Robert Silberski	Junior technical aide	1,115.36
Cletis G. Harper	Section manager	10,623.84
Dorothy Ellis	Data preparation specialist.	3,975.78
Amos Hilton	Production control coordinator.	3,975.78
Cheryl J. Trovato, off. Sept. 30, 1974.	Junior system factors specialist.	6,284.59
Barbara E. Seymour	Data preparation specialist.	1,862.55
Candace E. Butler, off. Aug. 9, 1974.	Junior communications control coordinator.	4,612.38
Nancy L. Gordon	Junio system factors specialist.	1,318.20
James P. Howell, off. July 31, 1974.	Junior communications terminal operator.	4,186.75
Colleen Gargon	Junior typis systems specialist.	534.00
Jeffrey Holcomb, off. Dec. 25, 1974.	Courier	3,198.53
Thomas C. Leonardo	Computer systems specialist.	9,682.18
Karen Burzinski	Clerk typist	3,292.44
Nei. Armann	Information systems specialist.	11,933.87
Patricia Bell	Typist	3,821.64
Carl F. Schmidt	Systems programer	9,289.53
Henry F. Collins	Computer systems specialist.	12,039.87
Brian Connolly	Junior systems programer.	8,798.48
Terry C. Mahn	Programer	6,672.14
Les Fowlie	Communications terminal operator.	4,138.65
Robert J. Reardon	Senior systems programer.	11,331.87
Michele Eastridge	Junior typist	3,582.15
Kathleen Mohajer	Junior system factors specialist.	6,464.49
Susan Groseclose	Junior secretary	4,551.75
Richard Fields, off. Aug. 30, 1974.	Manager	12,458.10
Elviya Brooks, off. Sept. 13, 1974.	Senior information systems specialist.	3,446.16
Helen Kenny, off. Oct. 31, 1974.	System factors analyst.	3,666.23
Nancy Robertson	Secretary	3,134.67
Karen Blake	Communications terminal operator.	4,138.65
Mary Ellen Yarrington	Senior production control specialist.	4,300.88
Shirley Samuels	Senior clerk	3,602.31
Sharon Davis	Junior communications terminal operator.	3,930.21
Patrick Cullen, off Sept. 30, 1974.	Junior communications terminal operator.	1,359.49
Patricia Dowling	Junior programer analyst.	7,574.82
Marian R. Lane, off Dec. 31, 1974.	Senior data preparation specialist.	4,419.21
Martin Collins	Computer systems specialist.	8,989.95
Michael Jones	Senior clerk	3,292.44
Janet Louise Conrad	Junior communications terminal operator.	$3,773.70
Sylestene T. Walker	do	3,773.70
Katherine Kim	Junior typist	3,668.15
James Haga	Information systems specialist.	9,289.53
Aaron Greenberg	System factors analyst	10,188.15
Denise L. Asparagos	Junior data preparation specialist.	3,292.44
Elizabeth Scattergood	Junior communications terminal operator.	3,821.64
Marilyn Epstein	Programer	6,668.61
Kenneth L. Johnson	Senior computer operator.	6,147.31
Brenda Tereyla, off Nov. 30, 1974.	Clerk	2,419.73
Michael Dougherty	Senior information systems specialist.	10,977.84
Susan Earley, off Aug. 23, 1974.	Technical assistant	943.40
Jocelyn White, off Aug. 23, 1974.	do	943.40
Gregory Twitchell, off Aug. 23, 1974.	do	943.40
Marc Shalroth, off Aug. 30, 1974.	do	1,068.00
Michael Frankhuizen, off Aug. 23, 1974.	do	943.40
Marilyn Knox	Junior typist	3,402.36
Amanda Leech	do	3,664.29
Gloria Washington, on July 10, 1974.	Junior data preparation specialist.	3,366.87
Mary Bonanni, on July 15, 1974.	Senior clerk	1,561.60
Linda Russell, on July 8, 1974.	Junior data preparation specialist	3,405.14
Anthony Johnson, on July 29, 1974.	Section manager	10,517.74
Yara Romani, on Aug. 5, 1974.	Junion communication control coordinator.	3,889.94
Paul Markins, on Sept. 16, 1974.	Senior programer	4,495.57
John Kurpiel, on Sept. 16, 1974.	Junior communications terminal operator.	2,418.69
Mary Ann Mckibbee, on October 15, 1974.	Senior communication control coordinator.	2,703.07
Christopher McMurray, on October 1, 1974.	Junior communication terminal operator.	1,962.24
Linda Molloy, on October 15, 1974.	Production control specialist.	2,025.51
Mary Coman, on October 15, 1974.	Secretary	2,200.00
Elizabeth Robinette, on October 21, 1974.	Senior data preparation specialist.	1,652.77
Steven Smith, on October 21, 1974.	System factors specialist.	2,744.98
Meridel Turch, on October 21, 1974.	Senior clerk-typist	1,477.00
James Short, on October 21, 1974.	Program analyst	3,110.52
Harlan Vinnedge, on October 21, 1974.	Computer systems analyst.	3,829.19
Janet Key, on October 28, 1974.	Junior data preparation specialist.	1,164.92
Helen Blankenship, on October 29, 1974.	Typist	1,308.20
Alexander Ben, on November 1, 1974.	Junior production control coordinator.	1,523.00
Bruce Kapff, on November 1, 1974.	Junior programer	1,753.34
Joel DiBona, on November 11, 1974.	Systems factors specialist.	1,960.70
Richard Tischhauser, on November 11, 1974.	Senior systems factors specialist.	2,150.13
Carol Czarsly, on November 1, 1974.	Junior information systems specialist.	2,924.16
James Sheffer, on December 3, 1974.	Computer systems analyst.	1,531.68
Charles Bunce, on December 9, 1974.	Information systems specialist.	1,241.04
Merritt Phillips, on December 11, 1974.	Courier and data handler.	400.78
Debora McDonald, on December 16, 1974.	Senior clerk	281.81
Jackie Gilli and, on December 30, 1974.	Junior Programer	26.31
Retroactive pay 1972 for following:		
Betty Lamb		169.47
Michael Tomanio		71.58
Mary Frye		154.20
Paula Weirather		96.38
Kathryn Smyth		176.70
Betty Gill		109.20
Irene Morris		82.53
Charles Arrowsmith		257.58
Betty Sharp		108.48
Earl Watterson		257.58
Stuart Robinson		291.48
Florence Franklin		32.77
E. Jean Walker		200.46
James Guthrie, Jr		107.94
Nancy Jones		89.10
Edward Mills		269.85
Lynn Alcock		115.65
Harold Harding, Jr		221.67
Dianne Sisson		100.23
Cherie Barnes		109.23
Dwight Ploehler		282.72
Don F. Anderson		205.62
Waites J. Ward		192.75
Daniel Cowgill		18.56
Jimmy Powell		$192.75
Ada Taylor		93.82
John Wuaderlich, Jr		218.43
Frank Robertson		274.14
Barbara Pittman		28.17
Carol Meyer		30.84
John Stiegelmair		48.26
Diana Yudiskas		9.28
Funds authorized or appropriated for committee expenditures		$4,800,000.00
Amount of expenditures previously reported		2,885,913.54
Amount expended from July 1 to Dec. 31, 1974		1,251,327.97
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974		4,137,241.51
Balance unexpended as of Dec. 31, 1974		662,758.19

WAYNE L. HAYS, Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John Walker	Staff director	$18,000.00
Frank Ryan	Director, information systems.	18,000.00
Robert Gray	Chief auditor	18,000.00
John McGarry	Staff attorney	18,000.00
Ralph Smith	Clerk (minority)	18,000.00
John G. Blair	Assistant to staff director.	15,524.75
Ralph Murphy	Assistant clerk (minority).	14,146.74
Mary Stolle	Assistant clerk: steno duties, general clerical.	8,991.18
Evelyn Wilson	Office manager	8,991.18
Robert Anton	Assistant legal counsel	8,974.65
Johanna Lucas	Assistant clerk	6,791.73
Linda Nave	do	5,921.40
Sebastian Tom	Clerk, E & M Subcommittee.	11,741.97
Judith Simmons	Assistant clerk, Accounts Subcommittee.	5,828.84
Gurney Jaynes	Assistant clerk	9,051.57
Joseph Ventura	Clerk, Personnel Subcommittee.	10,420.62
John Boos	Clerk, L & M Subcommittee.	13,101.96
Cynthia Cortese	Assistant clerk	5,651.82
Barbara Giaimo	Assistant clerk, Elections Subcommittee.	6,466.18
William Sudow	Clerk, Printing Subcommittee.	13,188.04
Elizabeth Ray	Assistant clerk	5,651.82
Mark Maloney, off July 31, 1974.	do	655.33
Thomas Pappas, off Dec. 31, 1974.	Clerk, Accounts Subcommittee.	6,904.02
Ollievia Frazier	Assistant clerk	2,630.84
John Ford	Assistant clerk, Elections Subcommittee.	2,303.35
Andrew Ingram, off July 31, 1974.	Assistant clerk	650.00
John Maxwell, off Aug. 31, 1974.	Assistant clerk, Elections Subcommittee.	600.00
James Burnes, off Aug. 31, 1974.	Assistant clerk	1,666.66
Michael McWhester, off Aug. 2, 1974.	do	699.02
William Baranowski	do	4,548.87
Richard Oleszewski	Clerk, Elections Subcommittee.	5,212.96
Linda Rogers, off Dec. 31, 1974.	Assistant clerk, Police Subcommittee.	5,968.84
Grace Cohilas	Assistant clerk, Personnel Subcommittee.	4,457.54
Mary L. Hayes, off Sept. 30, 1974.	Assistant clerk	2,381.17
Candis Whitley	do	3,596.58
Sharon Kite	do	5,353.23
Nanc Brown	Assistant clerk, Electrical and Mechanical Subcommittee.	4,932.48
Michael Meth, off, Aug. 31, 1974.	Assistant clerk	866.66
James Hart, off Aug 2, 1974.	do	640.00
Dovie Cherry, off Dec. 31, 1974.	Assistant clerk, Police Subcommittee.	4,881.12

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COMMITTEE ON HOUSE ADMINISTRATION—Continued

Name of employee	Profession	Total gross salary during 6-month period
Rebecca Ransom, off Sept. 13, 1974.	Assistant clerk	$1,460.00
Brian Yochum, off Aug. 2, 1974.	do	699.02
Barbara Houston, off Aug. 31, 1974.	do	2,200.18
John D'Aurora, on July 8, 1974, off Aug. 22, 1974.	do	920.00
Edward Cheffy, on July 15, 1974, off Sept. 16, 1974.	do	1,240.00
Paul VanderVeen, on July 18, 1974, off Aug. 22, 1974.	do	764.55
James Gwin, on July 23, 1974, off Aug. 31, 1974.	do	760.00
Barbara DuMont	Assistant clerk (on Aug. 1, 1974).	4,304.65
Thomas Givens	Assistant clerk, contract subcontractor (Aug. 1, 1974–Aug. 31, 1974).	550.00
Rodney Sprott	do	550.00
Karen Moore	Assistant clerk (Aug. 1, 1974–Aug. 22, 1974).	480.57
Mary-Ellen Candage	Assistant clerk, (on Sept. 10, 1974).	927.75
Martha Ford	Assistant clerk (on Sept. 23, 1974).	2,860.21
Bruce Wolpe	Assistant clerk (on Sept. 1, 1974; off Dec. 31, 1974).	4,582.52
Alice Jackson	Assistant clerk, printing subcontracts (on Oct. 1, 1974).	2,323.50
Susan Miller	Assistant clerk (on Oct. 8, 1974).	1,959.71
John Souder	Assistant clerk (on Nov. 15, 1974).	766.67
Charles Howell	Clerk, Accounts Subcommittee (on Dec. 1, 1974).	1,500.00
Retroactive 1972:		
V. Tomlinson Youngblood.		154.20
Thomas Latham		219.75
Gerald Wygoda		54.23
Thomas Foster		295.53
Lynn Pattridge		134.94
Rose Wooden		231.30
John P. Tolson		154.20
Pamela Bussen		94.89
Norman Jacknis		54.23
Johaona Lucas		154.20
Eugene Gleason		53.97
Vickie Moser		128.52
Cheryl Peck		96.39
Judith Rigby		102.78
Wyatt Overton		138.78
Linda Hoffman		37.05
Patricia Lutz		64.26
Mary McGee		95.88
Thomas Tangretti		$237.24

Funds authorized or appropriated for committee expenditures	770,000.00
Amount of expenditures previously reported	481,316.82
Amount expended from July 1, to December 31, 1974	195,129.17
Total amount expended from January 1, 1973 to December 31, 1974	676,445.99
Balance unexpended as of December 31, 1974	93,554.01

WAYNE L. HAYS, Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

January 17, 1975.

To the Clerk of the House:

The above mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles Conklin	Staff director and chief clerk.	$18,000.00
Jack Daum	Staff consultan (minority).	12,331.20
Patricia J. Donohue	Secretary-clerk (minority).	6,075.09
James W. Henson	Clerk	6,165.60
Charles Leppert, Jr.	Minority counsel	18,000.00
Lee McElvain	General counsel	18,000.00
Sandra Marie Metcalf	Secretary-clerk	$8,580.48
Patricia A. Murray	Full committee clerk	12,844.98
Marjorie J. Reynolds	Secretary-clerk (minority) (transfer to investigative staff as of Aug. 1, 1974).	1,041.67
William L. Shafer	Consultant on mines, mining, and public lands.	18,000.00
Miriam L. Waddell	Secretary-clerk	8,888.76
Alma Adams	Intern for the Mines and Mining Subcommittee (from July 1, 1974 to July 31, 1974).	500.00
Christine A. Allwine	Secretary-clerk (minority) (as of Sept. 9, 1974).	2,761.73
Marston L. Becker	Printing clerk	11,203.58
Evelyn R. Bertorello	Clerk for Subcommittee on National Parks and Recreation (as of Oct. 17, 1974).	2,672.21
David R. Brown	Staff assistant, Subcommittee on Public Lands.	7,450.08
Jim T. Casey	Consultant on water power resources.	18,000.00
Sharon P. CocKayne	Secretary, Subcommittee on Public Lands.	5,908.68
Nancy G. Drake	Clerk, Subcommittee on Public Lands.	7,265.98
Bruce Driver	Staff counsel (minority).	10,789.80
Bertha D. Drotos	Secretary-clerk (majority).	8,372.14
Franklin Ducheneaux	Consultant, Subcommittee on Indian Affairs.	13,872.60
Thomas S. Dunmire	Staff consultant (minority).	5,962.14
Mara R. Flaherty	As of Nov. 1, 1974, secretary, Subcommittee on Environment.	1,400.01
Edward Gaddis	Staff assistant	6,473.88
Mary Lee Gennari	Clerk, Subcommittee on Water and Power Resources.	7,193.22
Betty Jo Hunt	Staff assistant, Subcommittee on Indian Affairs.	8,074.65
Michael D. Jackson	Staff consultant (minority).	7,707.00
Nancy Lou Larson	Clerk, Subcommittee on Territorial and Insular Affairs.	10,276.02
Thomas L. Laughlin	Staff assistant, Subcommittee on Mines and Mining.	7,000.00
Kathryn C. Loeffler	Clerk-receptionist	6,165.60
Margaret Mahoney	Secretary, Subcommittee on Environment (from July 8, to Oct. 18, 1974.)	2,266.53
Elizabeth K. Mereiros	Clerk, Subcommittee on Mines and Mining.	4,916.66
Lewis Morris	Intern (minority) (July 22, to Aug. 9, 1974).	300.00
Betty Nevitt	Clerk, Subcommittee on National Parks and Recreation.	6,998.01
David Nix	Staff assistant, Subcommittee on Environment (as of Nov. 1, 1974).	2,666.66
Clay E. Peters	Staff consultant (minority).	11,560.50
Cleveland Pinnix	Consultant, Subcommittee on National Parks and Recreation.	11,817.42
Dale Pontius	Staff assistant, Subcommittee on Environment.	11,303.58
Marjorie J. Reynolds	Secretary-clerk (minority) (transfer from standing Aug. 1, 1974 and terminate Aug. 31, 1974).	1,041.67
James A. Rock	Staff consultant (minority).	11,560.50
Stanley E. Scoville	Staff counsel, subcommittee on Environment.	11,303.58
Rebecca D. Shapiro	Clerk, Subcommittee on Indian Affairs.	6,165.60
Maurice J. Shean	Consultant, Subcommittee on Territorial and Insular Affairs.	17,316.09
Pamela Warfield	Clerk, Subcommittee on Environment.	6,422.52
Gail Whitestone	Secretary-clerk (minority).	5,009.55
Norman R. Williams	Consultant, Subcommittee on Mines and Mining.	13,499.98
Adrian Winkel	Consultant, Subcommittee on Territorial and Insular Affairs.	17,316.09
Ann F. Zumwalt	Intern, Subcommittee on Indian Affairs (terminated Aug. 31, 1974).	1,000.00
Sidney McFarland	Consultant under contract.	$3,600.00
Lewis A. Sigler	Consultant under contract.	3,600.00

Funds authorized or appropriated for committee expenditures	$1,496,000.00
Amount of expenditures previously reported	859,995.34
Amount expended from July 1, 1974 to Dec. 31, 1974	336,338.09
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	1,196,333.43
Balance unexpended as of Dec. 31, 1974	299,666.57

JAMES A. HALEY, Chairman.

COMMITTEE ON INTERNAL SECURITY

January 10, 1975.

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee (majority):		
William H. Hecht (P)	Executive staff assistant.	$16,812.66
Alfred M. Nittle (P)	Legislative counsel	18,000.00
Robert A. Crandall (P)	Counsel	16,441.62
William G. Shaw (P)	Research director	11,796.00
John F. Lewis (C)	Professional staff assistant.	15,708.09
V. Bernice King (C)	Financial secretary	11,146.80
Mary M. Valente (C)	Administrative secretary.	10,908.18
Helen M. Gittings (C)	Editor (to Standing, July 1, 1974).	10,646.82
Albert H. Solomon, Jr. (C).	Investigator (to Standing, July 1, 1974).	10,182.00
Standing committee (minority):		
DeWitt White (P)	Legal counsel	17,749.98
Herbert Romerstein (C).	Chief investigator	16,527.69
James L. Gallagher (C).	Research analyst	13,505.25
Investigative committee (Majority):		
William H. Stapleton	Staff director	7,194.00
Margie D. Biggerstaff	Secretary	6,026.88
Andre H. Burner, Jr.	Assistant documents clerk (summer help—resigned Aug. 9, 1974).	347.22
Daniel Butler	Documents clerk	6,250.05
S. Janice Coil	Secretary	7,358.88
Elizabeth S. Crawford	Clerk (summer help—resigned July 19, 1974).	263.89
Anniel Cunningham	Chief, files and reference section.	10,230.90
Florence Doyle	Secretary	5,718.12
Janie E. Horner	Information classifier (appointed July 15, 1974).	3,324.36
Robert M. Horner	Professional staff assistant (to Investigative July 1, 1974).	4,473.00
Doris Jaeck	Information analyst	6,296.31
Mildred James	Clerk-typist	4,620.93
Neil C. Livingstone	Research analyst (appointed Aug. 8, 1974—resigned Dec. 31, 1974).	7,398.40
Tina V. Markey	Information classifier (resigned July 31).	596.67
Anita S. Maggio	Clerk	3,881.19
Terry M. Morgan	Information classifier	3,596.58
Virginia Masino	Receptionist	5,587.08
John E. Manning	Investigator (resigned July 14, 1974).	860.07
P. Lamar Payne	Assistant documents clerk (summer help—resigned July 19, 1974).	343.06
Alma T. Pfaff	Research analyst	7,707.00
Stuart Pott	Investigator	8,790.00
S. Louise Rees	Research analyst (resigned Sept. 21, 1974).	3,375.00
Lennard Register III	Assistant documents clerk (summer help—resigned Aug. 31, 1974).	704.17
Audrey Rollins	Secretary	5,930.46
Jane Y. Rumsey	Clerk-typist (summer help—resigned Aug. 31, 1974).	1,139.02

COMMITTEE ON INTERNAL SECURITY—Continued

Name of employee	Profession	Total gross salary during 6-month period
Investigative Committee (Majority)—Continued		
Mary Ellen Showalter	Information classifier (appointed July 15, 1974).	3,229.41
John N. Stratton	Investigator	9,497.61
S. Jane Strawser	Secretary	5,651.82
Barbara C. Sweeny	Editor	6,165.43
Susan K. Tonkinson	Information analyst	5,267.74
INVESTIGATIVE COMMITTEE (minority):		
George C. Armstrong	Investigator	9,518.98
Dennis Bechtel	Clerk-typist (summer help—Aug. 1 to Aug. 31, 1974).	750.00
Elizabeth Garrett	Clerk-typist (summer help—Aug. 1 to Aug. 31, 1974).	750.00
Donna Francisco	Research assistant	4,499.20
Richard Norusis	Investigator	9,900.82
Linda Spirt	Secretary	8,281.06
William T. Poole	Research analyst	8,865.67

Funds authorized or appropriated for committee expenditures	$950,000.00
Amount of expenditures previously reported	659,340.97
Amount expended from July 1, 1974 to Dec. 31, 1974	212,084.54
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	871,425.51
Balance unexpended as of Dec. 31, 1974	78,574.49

RICHARD H. ICHORD, Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

January 31, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff		
W. E. Williamson	Clerk	$18,000.00
Kenneth J. Painter	First assistant clerk	17,737.62
Marcella F. Johnson	Assistant clerk	11,715.75
Frank W. Mahon	Printing editor	11,816.82
Eleanor A. Dinkins	Clerical assistant	9,395.22
Mary Ryan	do	9,395.22
Laura F. Elder	do	7,342.20
Edwin E. Thomas	Staff assistant	8,337.51
Lewis E. Berry (minority).	Minority Counsel	18,000.00
Professional staff:		
William J. Dixon	Professional staff member.	18,000.00
Robert F. Guthrie	do	18,000.00
Charles B. Curtis	do	18,000.00
Lee S. Hyde	do	18,000.00
John Gamble	do	16,441.62
Jeffrey H. Schwartz	do	15,414.00
Elizabeth Harrison	do	15,414.00
James M. Menger, Jr.	Professional staff member (from Oct. 21, 1974).	2,604.00
Additional temporary employees under H. Res. 182, 303, 916:		
William P. Adams	Professional staff member (from Dec. 1, 1974).	3,000.00
Henry Thomas Greene	Staff assistant (minority).	15,372.39
Barbara L. Bullard	Clerical assistant (minority).	9,042.90
Darlene G. McMullen	do	6,936.30
Jan B. Vicek	Staff assistant (minority).	13,995.90
Bertram J. Levine	Staff assistant (minority) (to Oct. 15, 1974).	7,945.00
Thomas C. Sawyer	do	13,995.90
Joseph T. Kelley	Staff assistant (minority) (to Aug. 31, 1974).	$1,500.00
Pamela McDermott	Clerical assistant (minority) (Sept. 1–17, 1974).	448.61
Joanne E. Bell	Clerical assistant	6,165.50
Violet M. McCarthy	do	7,923.66
Ana P. Jordan	do	5,818.80
Barboura G. Flues	do	7,046.79
Clarence E. Martin III	Assistant counsel (to Nov. 30, 1974).	6,388.00
Jo Anne Glisson	Clerical assistant	5,794.11
John L. Duncan	do	8,074.65
Susan Tomasky	do	4,110.42
Walter J. Graham, Jr.	Staff assistant	15,372.51
Steve Lawton	do	15,372.51
Michael R. Lemov	do	15,372.51
Richard Krolick	do	15,372.51
Marilyn Barber	Clerical assistant (to Aug. 15, 1974).	874.99
Elizabeth Bailey	Clerical assistant (to Aug. 31, 1974).	1,583.34
Michael J. Russo	Clerical assistant (to July 31, 1974).	500.00
Douglas Stoddart	do	4,110.42
Michael J. Pucillo	Clerical assistant (to Aug. 31, 1974).	1,000.00
Thomas A. Mesereau, Jr.	Staff assistant (to Aug. 15, 1974).	1,250.00
Karen Anne Allen	Clerical assistant (from Dec. 2, 1974).	845.83
Special Subcommittee on Investigations:		
Daniel J. Manelli	Chief council	18,000.00
William T. Druhan	Staff assistant	16,826.97
James R. Connor	Special assistant	15,602.73
Benjamin J. Smethurst	do	16,826.97
Michael J. Parker	Staff attorney	13,136.31
Mark J. Raabe	do	16,121.88
Albert J. McGrath	Special assistant	9,065.10
Lynne D. Finney	Staff attorney	13,457.70
Raymond C. Cole	Special assistant	11,319.54
Elizabeth G. Paola	Clerical assistant	9,395.22
Russel D. Mosher	Staff assistant	6,256.29
Diane C. Kirchenbauer	Clerical assistant	6,866.73
Michael F. Barrett	Staff attorney	16,121.88
Elizabeth A. Eastman	Clerical assistant	7,919.71
Special Securities Study Group:		
Harvey Rowan	Staff attorney	15,372.39
Marion S. Ryan	Clerical assistant	5,725.19
Lisa A. Wiles	do	5,137.98
Kirk Callan Smith	Staff assistant (from Aug. 1, 1974).	2,841.08

Funds authorized or appropriated for committee expenditures	$1,819,000.00
Amount of expenditures previously reported	1,254,451.41
Amount expended from July 1, 1974 to Dec. 31, 1974	459,086.21
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	1,713,537.62
Balance unexpended as of Dec. 31, 1974	105,462.38

HARLEY O. STAGGERS, Chairman.

COMMITTEE ON THE JUDICIARY

January 2, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jerome M. Zeifman	General counsel	$18,000.00
Garner J. Cline	Associate general counsel	18,000.00
Herbert Fuchs	Counsel	18,000.00
William P. Shattuck	do	18,000.00
H. Christopher Nolde	do	17,905.44
Franklin G. Polk	Associate counsel	17,800.68
Alan A. Parker	Counsel	16,955.40
Thomas E. Mooney	Associate counsel	14,857.32
Alexander B. Cook	do	14,211.33
Frances F. Christy	Legislative analyst	12,381.09
Mary G. Sourwine	Clerical staff	10,717.26
Gertrude Burak	do	9,195.00
Pearl Chellman	do	8,067.69
Alma Haardt	do	8,016.33
Alice M. Smith	do	6,872.07

COMMITTEE ON THE JUDICIARY—INVESTIGATING STAFF

January 29, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Lynn Alcock	Clerical staff	$7,450.08
Deborah Alt	Clerical staff (through Oct. 6, 1974).	2,933.34
Veronica Amick	do	5,137.98
Maurice Barboza	Counsel	11,946.90
Michael Blommer	Associate counsel	15,414.00
Martha K. Brown	Clerical staff	5,137.98
Robert L. Brown	Assistant counsel	8,220.78
Alan F. Coffey, Jr.	Associate counsel	10,789.80
Daniel L. Cohen	Counsel	11,793.75
Lizzie M. Daniels	Clerical staff	4,983.84
Eva J. Deney	do	9,434.05
William P. Dixon	Counsel	13,677.87
Arthur P. Endres, Jr.	do	12,564.45
James F. Falco	do	13,433.31
James B. Farr	Messenger-clerk	5,541.33
Theresa M. Gallo	Clerical staff	6,679.38
Constantine J. Gekas	Associate counsel	10,789.80
Linda C. Gersten	Staff analyst (through Oct. 24, 1974).	5,995.10
Roberta Haeberle	Clerical staff (through Aug. 11, 1974).	911.12
Timothy J. Hart	Assistan counsel	7,450.08
James D. Hoard	Staff analyst	6,422.52
Sharon B. Hughes	Clerical staff	5,256.18
Thomas W. Hutchison	Counsel	12,074.28
Alice M. Jackson	Clerical staff (through Aug. 31, 1974) (from Sept. 5, 1974, through Oct. 2, 1974).	3,000.56
Susan Kapuza	Clerical staff	5,137.98
Jeffrey Kayden	do	2,310.84
Kenneth Klee	Associate counsel	7,198.40
Michael Kelemonick	Clerical staff	9,016.33
Olga Kirk	Clerical staff (through Sept. 5, 1974).	958.31
Bruce Lehman	Counsel (through July 13, 1974).	10,276.02
Stephen P. Lynch	Research assistant	5,754.54
Florence T. McCurdy	Clerical staff	8,016.33
Betty McKay	Clerical staff (through July 31, 1974).	1,475.17
Janet McNair	Assistant counsel (from Oct. 7, 1974).	5,133.32
Mary E. Manners	Clerical staff	3,853.50
Bernadette Maguire	Clerical staff (from Oct. 2, 1974).	2,719.45
Michael P. Murphy	do	4,908.01
Nancy Parke	do	5,681.61
Cheri Robinson	do	3,853.50
Ruth Robinson	Assistan counsel (through Oct. 18, 1974).	7,499.99
Dennis S. Rutkus	Staff analyst	7,536.33
Dawn Ruuspakka	Clerical staff	4,961.25
Arden Schell	Assistan counsel	9,255.06
Sara Shafer	Clerical staff	5,908.68
Judith Shellenberger	do	5,466.84
Jared Stamell	Assistant counsel	11,279.97
Joyce Straube	Clerical staff (from July 1, 1974).	5,194.90
Gail Sullivan	Clerical staff (from Sept. 9, 1974).	3,574.04
Robert Trainor	Counsel	11,793.75
Louis Vance	Messenger	5,825.94
Dorothy Wadley	Clerical staff	6,306.90
Karen Walsh	Clerical staff (through Sept. 30, 1974).	1,964.49
Marice Werth	do	4,110.42
Gary Weaver	do	3,596.58
Janice Zarro	Assistant counsel	8,220.78
Ann B. Butler	Clerical staff (from Oct. 4, 1974).	2,566.58
Virginia Allred	Clerical staff (through July 31, 1974).	1,106.67
Fred H. Altshuler	Counsel (through Sept. 13, 1974).	4,359.73
Barbara A. Bacon	Clerical staff (through July 15, 1974).	96.50
Ernest Banchero	Clerical staff (through Sept. 6, 1974).	2,108.33
Maureen Barden	Research assistant (through Nov. 18, 1974).	8,305.55
Thomas D. Bell	Counsel (through July 4, 1974).	216.57
David L. Bennet	Clerical staff (through Aug. 14, 1974).	1,100.00

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COMMITTEE ON THE JUDICIARY—INVESTIGATING STAFF—Continued

Name of employee	Profession	Total gross salary during 6-month period
Elsie A. Biggs	Clerical staff (through Sept. 8, 1974).	$1,983.33
William P. Bishop	Counsel (through Sept. 6, 1974).	2,566.67
Philip Boone, Jr.	Clerical staff (through Aug. 16, 1974).	1,150.00
Nancy H. Brooks	Clerical staff (through Sept. 16, 1974).	2,638.90
Cheryl R. Budd	Clerical staff (through July 15, 1974).	104.16
Julia Busalacchi	Clerical staff (through Sept. 6, 1974).	2,108.33
Susan Butler	Clerical staff (through July 15, 1975).	333.33
Barbara Campbell	Research assistant (through July 8, 1974).	2,550.00
Doris G. Cassidy	Clerical staff (through Sept. 13, 1974).	811.10
Richard L. Cates	Senior Association special counsel (through Sept. 9, Sept. 5, 1974).	6,500.00
Robert H. Charles	Security assistant (through July 5, 1974).	208.33
Michael M. Conway	Counsel (through Sept. 20, 1974).	4,430.55
Donald R. Coppock	Information officer.	5,034.00
Rufus Cormier	Special assistance (through Sept. 6, 1974).	3,850.00
Edward L. Dale	Counsel (through Sept. 13, 1974).	4,401.10
John Davidson	Counsel (through Sept. 6, 1974	3,666.67
Evan A. Davis	Counsel (through Oct. 4, 1974).	8,355.57
Lance Davis	Clerical staff (through Aug. 2, 1974).	640.00
Susan Davis	Clerical staff (through Aug. 30, 1974).	1,666.66
Beatrice E. Dillard	Clerical staff (through Sept. 8, 1974).	2,172.21
John M. Doar	Special counsel (through Nov. 30, 1974)	15,000.00
Marie Drayer	Clerical staff (July 8 through November 1974)	138.89
Elizabeth Dunigan	Research assistant (through Nov. 18, 1974)	4,133.34
Valerie DuVal	Clerical staff (through Oct. 7, 1974).	3,368.07
Mary A. Fay	Clerical staff (Aug. 12 through Sept. 6, 1974)	833.33
Barbara Fletcher	Clerical staff (through Oct. 22, 1974)	4,666.67
Jonathan Flint	Research assistant (through Sept. 1, 1974)	1,694.44
Gayle D. Fralin	Clerical staff (through Sept. 13, 1974).	1,926.40
David C. Forrester	Clerical staff (through July 26, 1974).	650.00
Samuel A. Garrison	Counsel (through Sept. 13, 1974)	7,300.00
Gregory Gill	Clerical staff (through Sept. 6, 1974)	1,650.00
Richard Gill	Counsel (through Sept. 1, 1974)	5,422.23
Patricia Gray	Clerical staff (through Oct. 11, 1974).	3,226.38
James Haardt	Clerical staff (through July 5, from July 15 through Oct. 19, 1974)	2,172.77
Judy Haberek	Clerical staff (through Sept. 13, 1974).	2,027.77
Timothy Hart	Research assistant (through Aug. 31, 1974)	1,916.66
Kenneth S. Hays	Clerical staff (through Aug. 30, from Oct. 1 through Nov. 30, 1974)	1,866.66
Robert Hedrick, Jr.	Clerical staff (through Dec. 16, 1974)	4,644.30
Janet Howard	Administration assistant (through Nov. 13, 1974)	6,204.62
Michael H. Hughes	Clerical staff (through Oct. 4, 1974).	2,611.10
Roberta Johansen	Research assistant (through July 4, from Aug. 13 through Aug. 20).	473.33
Yolanda Johnson	Clerical staff (through July 15, 1974).	187.50
Ilene Katz	Clerical staff (through Oct. 15, 1974).	3,645.84
John E. Kennahan	Counsel (through Oct. 31, 1974).	10,666.68
Lawrence Kieves	Research assistant (through Nov. 18, 1974).	$5,941.68
Terry Kirkpatrick	Counsel (through Aug. 30, 1974).	3,083.34
Kris M. Kononen	Clerical staff (through Sept. 8, 1974).	2,130.55
John Labovitz	Counsel (through Oct. 4, 1974).	7,180.57
Patsy Ann Leigh	Clerical staff (through Aug. 16, 1974).	1,405.56
Alyn H. Levin	Clerical staff (through Sept. 6, 1974).	1,558.33
Lawrence Lucchino	Counsel (through Sept. 6, 1974).	3,391.67
Phyllis MacKown	Clerical staff (through Nov. 10, 1974).	5,555.57
R. L. Smith McKeithen	Counsel (through Aug. 31, 1974).	4,000.00
Elizabeth J. Marra	Clerical staff (through Sept. 11, 1974).	2,268.05
Benjamin C. Marshall, Sr.	Security officer	9,666.68
Catherine Marshall	Research assistant (through Aug. 16, 1974).	920.00
Parthenia Monagan	Clerical staff (from July 26 through Sept. 5, 1974).	1,000.00
Michael J. Murphy	do	4,624.20
Robert J. Murphy	Staff assistant (through Nov. 20, 1974).	4,194.45
Ellen Metsky	Clerical staff (from Aug. 3 through Aug. 31, 1974).	500.00
Ricki Ninomiya	Clerical staff (through July 29, 1974).	805.55
Bernard W. Nussbaum	Senior associate special counsel (through Sept. 6, 1974).	6,500.00
James E. Oliphant	Counsel (through Sept. 6, 1974)	4,766.67
Jan Orloff	Research assistant (through Nov. 18, 1974).	5,558.32
Thomas J. Payne	Staff assistant (through Sept. 11, 1974).	4,354.67
John Peterson	Research assistant (through Nov. 18, 1974).	5,175.00
Elizabeth Pond	Clerical staff (through Sept. 6, 1974).	2,108.33
Richard H. Porter	Counsel (through Aug. 9, 1974).	2,329.17
Muriel Pugh	Research assistant (through Nov. 18, 1974).	5,175.00
George G. Rayborn, Jr	Counsel (thourgh Sept. 13, 1974).	5,373.60
Sally Regal	Research assistant (through Sept. 15, 1974).	2,270.82
James M. Reum	Counsel (through Aug. 30, 1974).	3,666.66
Jane Ricca	Clerical staff (thorugh Sept. 6, 1974).	2,750.00
Elise Ritter	Clerical staff (through Sept. 20, 1974).	1,850.00
Hillary Rodham	Counsel (through Sept. 4, 1974).	3,377.77
Linda Rogerson	Clerical staff (through Aug. 30, 1974).	2,000.00
Robert D. Sack	Associate special counsel (through Sept. 2, 1974).	5,855.55
Nancy R. Schaefer	Clerical staff (through Aug. 2, 1974).	1,066.67
Alan E. Schwartz	Clerical staff (off July 31, 1974).	683.33
Stephen A. Sharp	Counsel (through Sept. 6, 1974).	3,520.00
Katherine R. Siddall	Clerical staff (from July 17 through 31).	291.67
Eileen Silverstein	Counsel (through Aug. 13, 1974).	2,388.89
Carl H. Simms	Security assistant	7,308.33
Barbara Simon	Clerical staff (through Aug. 14, 1974).	880.00
Doris G. Smith	Clerical staff (through Sept. 13, 1974).	2,331.94
Mary Ann Spaeth	Clerical staff (through July 15, 1974).	333.33
Ruscoe B. Starek III	Counsel (through Sept. 13, 1974).	3,650.00
Gary W. Sutton	Counsel (through Aug. 31, 1974).	4,166.66
Nina Sweetwood	Clerical staff (through Sept. 10, 1974).	1,750.00
Edward S. Szukelewicz	Counsel (through Sept. 6, 1974).	3,227.40
Sue M. Trabosh	Clerical staff (through Nov. 11, 1974).	5,094.46
Nina J. Turitz	Clerical staff (through July 15, 1974).	375.00
James S. Walker	Counsel (through Aug. 22, 1974).	3,105.56
Ben A. Wallis, Jr.	Counsel (through Sept. 6, 1974).	4,766.67
Olga E. Watkins	Clerical staff (through Sept. 6, 1974).	2,566.67
William F. Weld	Counsel (through July 2, 1974).	$130.56
Nancy J. West	Clerical staff (from July 1 through Aug. 24, 1974).	1,679.99
William A. White	Associate Counsel (through Sept. 6, 1974).	4,308.33
John S. Whitman	Counsel (through Aug. 31, 1974).	3,333.34
Joanne Woods	Research assistant (through Aug. 8, 1974).	897.22
Yvonne Zecca	Clerical staff (through Sept. 13, 1974).	1,515.00

Funds authorized or appropriated for committee expenditures	$2,880,217.75
Amount of expenditures previously reported	1,866,708.12
Amount expended from July 1 to Dec. 31, 1974	984,617.34
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	2,851,235.66
Balance unexpended as of Dec. 31, 1974	28,892.29

PETER W. RODINO, Jr., Chairman.

FUNDS FOR PREPARATION OF UNITED STATES CODE, DISTRICT OF COLUMBIA CODE, AND REVISION OF THE LAWS

A. Preparation of new edition of United States Code (no year):	
Unexpended balance June 30, 1974	$104,498.30
Expended July 1-Dec. 31, 1974	11,355.51
Balance Dec. 31, 1974	93,142.79
B. Preparation of new edition of District of Columbia Code:	
Unexpended balance June 30, 1974	145,798.78
Legislative Appropriation Act, 1975	100,000.00
	245,798.78
Expended July 1 Dec. 31, 1974	380.91
Balance Dec. 31, 1974	245,417.87
C. Revision of the laws, 1975:	
Legislative Appropriation Act, 1975	39,980.00
Expended July 1-Dec. 31, 1974	15,965.82
Balance Dec. 31, 1974	24,014.18

COMMITTEE ON MERCHANT MARINE AND FISHERIES

January 15, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it: To the Clerk of the House:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Ernest J. Corrado	Chief Counsel	$18,000.00
Ned P. Everett	Counsel	17,767.17
Francis D. Heyward	do	12,471.30
Leonard L. Sutter	do	15,847.38
Francis P. Still	Chief clerk	5,095.73
W. Bernaid Winfield	Clerk	13,433.79
Vera A. Barker	Secretary	10,895.07
Richard N. Sharood	Minority counsel	16,979.31
Charles A. Bedell	do	11,303.58
Virginia L. Noah	Minority clerk	10,753.56
Investigative committee staff:		
Mary C. McDonnell	Counsel	11,885.55
Frank M. Potter, Jr.	do	11,833.35
Carl L. Perian	Professional staff member	15,281.37
Donald A. Watt	Editor	11,547.07
Terrence W. Modglin	Clerk	6,904.63
Ruth I. Hoffman	Assistant clerk	7,323.66
Jacquelyn M. Wescott	Stenographer-clerk	7,530.18
Eleanor P. Mohler	Secretary	7,132.59
Mabel Duran	do	7,098.96
Marvadell Zeeb	Secretary (appointed May 1, 1974, terminated July 31, 1974)	5,962.62
Boyd T. Bashore	Clerk (Appointed Sept. 1, 1974, terminated Sept. 30, 1974)	3,500.00
Peter D. H. Stockton	Investigator (appointed Aug. 1, 1974, terminated Aug. 31, 1974)	1,666.67
Gwendolyn H. Lockhart	Assistant minority clerk.	7,357.71

COMMITTEE ON MERCHANT MARINE AND FISHERIES—Continued

Funds authorized or appropriated for committee expenditures	$494,500.00
Amount of expenditures previously reported	319,738.67
Amount expended from July 1, 1974 to Dec. 31, 1974	129,038.67
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	448,777.34
Balance unexpended as of Dec. 31, 1974	45,722.66

LEONOR K. SULLIVAN, Chairman.

COMMITTEE EMPLOYEES

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

January 20, 1975.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
John H. Martiny	Chief counsel	$4,230.00
Victor C. Smiroldo	Staff director and counsel.	18,000.00
Theodore J. Kazy	Assistant staff director	18,000.00
Roy C. Mesker	Staff assistant	18,000.00
Francis C. Fortune (through Nov. 30, 1974.)	Coordinator	12,645.85
Robert E. Lockhart	Assistant counsel	16,150.02
Maria Pendleton	Administrative clerk	9,604.98
Dorothy L. Peters	Executive secretary	8,940.00
Margaret Napier	Document clerk	7,045.02
Special fund staff:		
Francis Fortune (as of Dec. 1, 1974).	Coordinator	2,529.17
Jo Ann Ciaravella	Secretary	6,250.02
John Gabusi	Staff assistant	9,750.00
Alton Howard	Printing editor	11,350.02
Edward Hugler	Investigator	14,625.00
Patricia Perdue	Secretary	4,800.00
Diane Bakall	Clerk-typist	1,800.00
Edward Sibble	Research assistant	1,700.00
Andrew Sangeorge (through Aug. 31, 1974).	Summer intern	800.00
Kandy Kovaleski (as of Sept. 15, 1974).	Secretary	3,106.25
Marian Goodman (as of Nov. 11, 1974).	do	1,319.45
Molly Lyons (as of Dec. 30, 1974).	do	27.78
Manpower and Civil Service Subcommittee:		
Paul Newton	Investigator	12,000.00
Patricia Pankonin	Secretary	6,000.00
Evalena Carroll	Clerk-typist	3,808.33
Deborah Willey (through Aug. 16, 1974).	Intern	613.33
Postal Service Subcommittee:		
Richard A. Barton	Staff assistant	13,000.98
Cassandra Cox (through Nov. 8, 1974).	Secretary	3,377.79
Rosemary Storey	Associate staff assistant.	6,000.00
Robert Husson (through Aug. 16, 1974).	Intern	613.33
Joy Smucker (through Aug. 16, 1974).	do	613.33
Lydia Fox (as of Oct. 21, 1974).	Secretary	1,944.44
Postal Facilities, Mail and Labor Management Subcommittee:		
George Gould	Staff assistant	14,500.02
Michael Cavanagh	Associate staff assistant.	6,000.00
Paula Hemphill	Secretary	5,749.98
Karen Ingoldsby	Intern (through Aug. 31, 1974).	800.00
Stacy Rae Jones	Intern (through Aug. 11, 1974).	546.67
Retirement and Employee Benefits Subcommittee:		
Donald F. Terry	Assistant counsel	12,000.00
Mansel Bruce Gwinn	Staff assistant	5,266.65
Joseph Skillen	Staff assistant (through Dec. 15, 1974).	6,050.00
Wendy Weisheit	Secretary	$4,750.03
Katherine Schrup	Intern (through Aug. 30, 1974).	586.67
Denis Allen	Intern (through Aug. 15, 1974).	310.00
Census and Statistics Subcommittee:		
Richard D. Bullock	Staff assistant	13,999.98
Bettie LaMotte	Secretary	6,250.02
Richard Greenberg	Assistant counsel (as of July 8, 1974).	6,968.04
Kenneth Yelding	Staff assistant (July 8 to Aug. 2, 1974).	833.34
Minority staff:		
Anthony Raymond	Staff assistant	12,900.00
Ray Coultrap	do	7,900.02
Kathryn Bates	Secretary	6,925.02
Margaret Barry	do	5,749.98
Lawrence Portwood	Intern (through Aug. 24, 1974).	720.00

Funds authorized or appropriated for committee expenditures	$1,173,500.00
Amount of expenditures previously reported	755,712.47
Amount expended from July 1 to Dec. 31, 1974	293,461.30
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	1,049,173.77
Balance unexpended as of Dec. 31, 1974	124,326.23

DAVID N. HENDERSON, Chairman.

COMMITTEE ON PUBLIC WORKS

December 31 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Richard J. Sullivan	Chief counsel	$18,000.00
Lester Edelman	Counsel	18,000.00
Lloyd A. Rivard	Engineer consultant	18,000.00
Carl H. Schwartz, Jr.	Consultant—Projects and programs (terminated November 30, 1974).	3,950.00
James L. Oberstar	Administrator (terminated July 11, 1974), professional staff assistant (effective December 11, 1974 to January 2, 1975).	3,100.00
Dorothy A. Beam	Executive staff assistant.	13,564.32
Meriam A. Buckley	Calendar clerk	10,980.18
Sterlyn B. Carroll	Staff assistant	10,430.16
Ruth Costello	do	10,513.49
Clifton W. Enfield	Minority counsel	18,000.00
Richard C. Peet	Associate minority counsel (terminated September 30, 1974).	9,000.00
Erla S. Youmans	Minority executive staff assistant.	11,817.42
Investigating staff:		
Phyllis B. Stone	Staff assistant	5,754.54
Joan Marie Kovalic	do	9,505.32
Thomas L. Anderson	Staff assistant (terminated January 2, 1975).	6,807.06
Catherine A. Evans	Staff assistant	5,908.68
Roger B. Furey	do	3,484.33
Ann J. Joseph	Staff assistant (terminated July 21, 1974).	531.71
Machele Miller	Staff assistant	5,754.54
Shirley Ruhe	do	8,152.59
Robert F. Spence	do	10,305.30
Toby J. Stein	do	5,170.95
Cyde E. Woodle, Jr	do	10,442.68
Olga Wynnyk	do	4,549.48
Charilyn W. Cowan	do	4,156.95
Harry Lee Stout	do	7,193.22
Gail Ann Chase	Staff assistant (terminated July 26, 1974).	577.78
Douglas W. Marshall	Staff assistant (terminated Aug. 2, 1974).	1,240.00
Catherine Lawson Hagaman.	Staff assistant (terminated Aug. 31, 1974).	1,666.66
Kevin J. Jennier	Staff assistant	6,165.60
Elisabeth Forshay	do	5,908.68
Erin Eileen Feeney	Staff assistant (effective July 1, 1974; terminated Aug. 2, 1974).	1,291.67
Sallie Ann Bobo	Staff assistant (effective Aug. 12, 1974).	$3,639.18
Robert Kent Dawson	Administrator (effective Aug. 19, 1974).	12,174.95
Gordon E. Wood	Assistant minority counsel.	17,225.88
Sheldon S. Gilbert	do	16,979.31
Patricia A. Hill	Minority staff assistant.	7,707.00
Richard C. Barnett	do	9,248.40
Jeffrey S. O'Neill	Minority staff assistant (effective Oct. 1, 1974).	7,122.17
Alexandra R. Sassoon.	Minority staff assistant (terminated Nov. 8, 1974).	4,253.46
Patricia Stone	Minority staff assistant (effective Nov. 8, 1974).	3,358.34
Joanne Morrone Frantzich	Minority staff assistant.	5,908.58
Cheryl Ann Meyers	do	5,754.54
Florence B. Edelen	do	5,908.68
James Walter Brown	Minority staff assistant (terminated Sept. 2, 1974).	2,066.67
Errol Lee Tyler	Associate counsel	16,149.24
Joseph A. Italiano	Editorial assistant	12,588.12
Marie M. Lynch	Clerk, Subcommittee on Water Resources.	8,272.18
Nancy B. Vitali	Clerk, Subcommittee on Public Buildings and Grounds.	9,032.61
Subcommittee on Economic Development:		
Robert Paul	Consultant, environment and economic development.	18,000.00
Carl J. Lorenz	Counsel	17,716.02
Anne Louise Howard	Staff assistant	6,550.95
Ann D. Clineburg	do	6,459.69
John Jeffery Carter	do	5,137.98
Nancy Denholm	do	4,367.28
Mary K. Trich	Staff assistant (effective July 8, 1974).	4,202.00
Subcommittee on Energy:		
Salvatore J. D'Amico	Counsel	17,968.32
Henry G. Edler	Technical adviser	18,000.00
Carol Dahlstedt	Clerk	8,612.91
Stephanie G. Negley	Staff assistant	6,459.69
Subcommittee on Investigations and Review:		
Walter R. May	Chief counsel	18,000.00
John P. O'Hara	Associate counsel	17,716.02
Robert G. Lawrence	do	16,170.00
George M. Kopecky	Chief investigator	18,000.00
William O. Nolen	Investigator	13,872.60
George P. Karseboom	Professional staff member.	16,121.88
Charles A. Krouse	do	16,121.88
B. Craig Raupe	do	16,095.42
Charles W. Prisk	Staff engineer	5,070.00
Walter L. Mazan	Professional staff member.	13,121.66
Kathryn M. Keeney	Chief clerk	11,319.54
Betty Hay Wright	Administrative assistant.	10,753.56
Agnes M. GaNun	Staff assistant	7,731.09
Shirley B. Novotny	do	7,463.82
Virginia Middledorf	do	7,707.00
John Brooks Harrington.	Staff assistant (terminated Sept. 15, 1974).	750.00
Jeffrey Simms	Staff assistant (effective Sept. 24, 1974).	1,019.35
Paul R. S. Yates	Minority staff director	17,812.41
Martha F. Downie	Minority staff assistant	8,991.48
Curtis E. Whalen	Minority counsel (effective July 6, 1974).	7,498.07
Consultants:		
Stephen Clapp	Consultant	400.00
F. Robert Edman	do	11,600.00
Peter Jutro	do	3,690.00
Richard C. Royce	do	6,500.00
Max Taher	do	7,600.00
Stan Jennings Publications.	do	900.00

Funds authorized or appropriated for committee expenditures:	
H. Res. 285	$1,519,700.00
H. Res. 987	1,394,489.00
	2,914,180.00
Amount of expenditures previously reported	1,700,052.73
Amount expended from July 1, to Dec. 31, 1974	738,116.17
Total amount expended from Jan. 3, 1973, to Dec. 31, 1974	2,438,168.90
Balance unexpended as of Dec. 31, 1974	476,011.10

JOHN A. BLATNIK, Chairman.

UMI

COMMITTEE ON RULES

January 27, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Dorothy Ballenger	Secretary	$8,074.65
Laurie C. Battle	Counsel and staff director.	18,000.00
Margaret Bundick	Staff assistant	8,643.87
William D. Crosby, Jr.	Minority counsel	14,806.02
Jonna Lynne Cullen	Assistant minority counsel.	10,490.94
Mary S. Forest	Assistant counsel	291.18
Donald Gregory Nicosia	Majority counsel	11,309.64
Nancy Smith	Secretary	1,000.00
Winifred L. Watts	Administrative assistant.	11,552.76
Linda L. Weaver	Secretary	6,459.69
Total		90,628.75

Funds authorized or appropriated for committee expenditures	$7,000.00
Amount of expenditures previously reported	3,571.81
Amount expended from July 1, 1974, to Dec. 31, 1974	1,958.30
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	5,530.11
Balance unexpended as of Dec. 31, 1974	1,469.89

RAY J. MADDEN, Chairman.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

January 22, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1974 to January 2, 1975, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing Committee:		
John L. Swigert, Jr.	Executive director	$18,000.00
James E. Wilson	Deputy director	18,000.00
Philip B. Yeager	Counsel	18,000.00
Frank R. Hammill, Jr.	do	18,000.00
Carl Swartz	Minority staff	14,486.34
Michael A. Superata	Minority counsel	11,084.30
Mary Ann Robert	Administrative specialist (to Aug. 31).	4,390.90
Carol F. Rodgers	Secretary	8,303.41
June C. Stafford	do	8,296.09
Patricia J. Schwartz	do	6,442.77
Rebecca S. Wheeler	Administrative specialist.	6,013.00
Leon F. Drozd, Jr.	Chief clerk	8,019.00
Investigative staff (H. Res. 793):		
Harold A. Gould	Technical consultant	18,000.00
George W. Fisher	Special assistant to chairman.	18,000.00
J. Thomas Ratchford	Science consultant	17,927.08
William G. Wells, Jr.	Technical consultant	17,900.75
John D. Holmfeld	Science policy consultant.	14,844.28
Leon F. Drozd, Jr.	Assist to the chief clerk.	1,500.00
Thomas N. Tate	Technical consultant and counsel.	14,980.97
Frank J. Giroux	Printing clerk (to Aug. 31).	3,476.76
L. Kirk Hall	Technical specialist	8,525.68
Helen Lee Fletcher	Secretary	7,900.71
Judith A. Everett	Secretary (to July 7)	188.61
Peggy G. Welch	Secretary (to Aug. 15)	1,112.50
William G. Carter	Publications clerk	5,615.34
Mark D. Friedrichs	Research assistant (to Sept. 30).	1,550.00
Barbara Allen Sutton	Secretary	4,240.75
Thomas H. Tackaberry.	Research assistant	3,871.58
Elleo M. Barney	Clerical assistant	3,961.17
Mary-Margaret Harvey.	Secretary (from July 1).	4,487.19
Elizabeth F. Maxfield	Clerical assistant (July 1–31).	500.00
Robert A. Hemmes	Technical specialist (July 24–Nov. 22).	9,916.66
Lynn Graham	Secretary (from Aug. 7).	3,447.67
William S. Widnall	Technical specialist (from Sept. 1).	$1,666.68
Paula D. Cottrell	Clerical assistant (from Sept. 23).	1,978.60
Linda Marsha Huey	Minority secretary (from Sept. 23).	2,731.10
Suzanne M. Stamper	Secretary (from Nov. 25).	1,020.00
Ralph Read	Technical consultant (from Dec. 17).	1,400.00
Robert Ketcham	Technical consultant (from Dec. 30).	100.00

Funds authorized or appropriated for committee expenditures	$780,000.00
Amount of expenditures previously reported	328,981.92
Amount expended from Jan. 1, 1974 to Jan. 2, 1975	400,782.71
Total amount expended from Jan. 1, 1973 to Jan. 2 1975	729,764.63
Balance unexpended as of Jan. 2, 1975	50,235.37

OLIN E. TEAGUE, Chairman

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

January 15, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Swanner	Staff director	$18,000.00
William F. Arbogast	Assistant staff director.	15,414.00
Mariann R. Mackenzie	Secretary (includes 1972 retroactive salary).	13,190.75
Pamela Gray	Clerk	4,110.42
Nancy L. Nicholas	Assistant clerk to Aug. 23, 1974.	883.33
Lynn L. Graham	Assistant clerk to Aug. 6, 1974.	900.00
Robert G. Allett (retired)	Retroactive 1972 salary.	31.35
Bennett Wolfe (retired)	do	407.46
Tempie W. Whittington	do	125.57

Funds authorized or appropriated for committee expenditures. H. Res. 219 (Mar. 20, 1973)	$25,000.00
Amount of expenditures previously reported	8,436.30
Amount expended from July 1 to Dec. 31, 1974	497.72
Total amount expended from Mar. 20, 1973 to Dec. 31, 1974	8,934.02
Balance unexpended as of Dec. 31, 1974	16,065.98

MELVIN PRICE, Chairman.

COMMITTEE ON VETERANS' AFFAIRS

January 15, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Oliver E. Meadows	Staff director	$18,000.00
Donald C. Knapp	Counsel (through Nov. 30, 1974).	15,000.00
Mack G. Fleming	Assistant counsel	15,000.00
John R. Holden	Professional staff member (minority).	18,000.00
Billy E. Kirby	Professional aide	18,000.00
Arthur M. Gottschalk	Professional aide (minority).	12,539.22
Helen A. Biondi	Chief clerk	12,230.00
Marjorie J. Kidd	Clerk stenographer	8,305.95
Morvie Ann Colby	do	8,684.61
Candis L. Graves	Clerk stennographer	$5,921.40
Audrey P. Burnett	do	6,545.55
Barbara Lee Neff	Clerk stenographer (minority) (through Sept. 6, 1974).	2,083.34
Barbara P. Daniel	Clerk stenographer (minority) (from Sept. 16, 1974).	3,818.34
Investigative staff:		
Philip E. Howard	Investigator	17,944.44
Vance L. Gilliam	Records clerk	5,175.66
Alice V. Matthews	Clerk stenographer	3,768.15
Margaret Hulehan	do	5,921.40
Anne Steadman	Clerk stenographer (through Oct. 6, 1974).	3,600.00
Diana Sue Gaujot	Clerk stenographer (through Aug. 15, 1974).	1,309.38
Jill T. Cochran	Clerk stenographer (from Nov. 25, 1974).	1,220.00

Funds authorized or appropriated for committee expenditures	270,000.00
Amount of expenditures previously reported	164,160.93
Amount expended from July 1, to Dec. 31, 1974	50,143.31
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	214,304.24
Balance unexpended as of Dec. 31, 1974	55,695.76

WM. J. BRYAN DORN, Chairman

COMMITTEE ON WAYS AND MEANS

January 15, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Martin, Jr.	Chief counsel (P)	$18,000.00
Richard C. Wilbur	Minority counsel (P) to July 9.	900.00
John Meagher	Minority counsel (P) from August 1.	15,424.05
John Patrick Baker	Assistant chief counsel (P).	17,749.98
William Fullerton	Professional staff (P)	17,927.82
Robert B. Hill	do	16,123.42
James W. Kelley	do	17,927.82
Harold Lamar	do	17,927.82
Arthur Singleton, Jr.	do	18,145.02
William Kane	Retroactive amount, October 1972 to December 1972.	426.75
Florence Burkett	Staff assistant (C)	10,625.04
Virginia Butler	do	12,355.35
William C. Byrd	Staff assistant (C) to October 21.	4,982.88
Do	Staff assistant (C) from November 11.	2,032.10
Marie Crane	Staff assistant (C)	10,465.83
Connie Faulkner	do	5,498.33
Barbara Fry	Staff assistant (C) from October 1.	2,506.11
Hughlon Greene	Staff assistant (C)	12,240.02
Charles Hawkins	do	17,749.98
Grace Kagan	do	12,874.97
June Kendall	do	15,216.10
Marilyn Lee	Staff assistant (C) to Aug. 10.	1,277.77
Elizabeth Lieblich	Staff assistant (C)	6,528.27
Wister B. Little	do	12,240.02
Doris Parker	do	6,373.04
Marsha Powell	do	6,027.75
Jean Ratliff	do	7,806.49
Danna Palmer	do	6,329.86
Karen Schwarz	do	7,400.64
Margo Shildkrel	do	5,372.13
Gloria Shaver	do	11,917.73
Carole Vazis	do	8,914.57
Kay Anne Weinstein	Retroactive amount, October 1972 to December 1972	151.41
Under H. Res. 945, 93d Congress:		
Joyce Calvin (from Aug. 1 to Sept. 11).		1,309.72
Mary Nell Lehnhard		7,707.00
Robert Leonard		11,560.50
Susan Liles (from Nov. 11).		1,736.12
John Meagher (to July 31).		2,958.33
Paul Rettig		17,625.00
David Rohr (from July 15).		15,672.07
Gloria Trimble (from Nov. 11).		1,527.78
Mary Jane Wignot		14,900.22

COMMITTEE ON WAYS AND MEANS—Continued

Funds authorized or appropriated for committee expenditures	$520,000.00
Amount of expenditures previously reported	107,777.06
Amount expended from July 1, 1974, to Dec. 31, 1974	87,864.11
Total amount expended from Jan. 1, 1973, to Dec. 31, 1974	195,641.17
Balance unexpended as of Dec. 31, 1974	324,358.83

W. D. MILLS, Chairman.

SELECT COMMITTEE ON COMMITTEES

January 27, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles S. Sheldon II	Chief of Staff	$18,000.00
Melvin M. Miller	Deputy Chief of Staff	18,000.00
Gerald J. Grady	Professional staff member (terminated July 22, 1974).	2,050.27
Spencer M. Beresford	Counsel (Terminated July 15, 1974).	1,500.00
Linda H. Kamm	Counsel	16,955.40
Robert C. Ketcham	Special counsel (terminated Dec. 29, 1974).	16,858.67
Roger H. Davidson	Professional staff member (terminated July 15, 1974).	1,416.66
Terence T. Finn	Staff consultant (terminated July 15, 1974).	893.75
Mary E. Zalar	Professional staff member.	8,477.70
Joan Bannon Bachula	Research assistant (terminated Aug. 11, 1974).	1,467.60
Barbara K. Rodriguez	Chief clerk (terminated Dec. 22, 1974).	6,619.74
Lorren V. Roth	Secretary (to July 21, 1974; and from Sept. 1, 1974).	4,089.45
Ellen E. Leake	Secretary (to Sept. 2, 1974).	1,894.45
Helen L. Carlson	Secretary (to Dec. 22, 1974).	4,966.10
Nona G. Herndon	Secretary (from Sept. 12, 1974).	4,004.22

Funds authorized or appropriated for committee expenditures	$1,500,000.00
Amount of expenditures previously reported	562,802.11
Amount expended from July 1, 1974 to Dec. 31, 1974	124,442.09
Total amount expended from Jan. 1, 1973 to Dec. 31, 1974	687,224.20
Balance unexpended as of Dec. 31, 1974	812,755.80

RICHARD BOLLING, Chairman.

COMMITTEE ON THE HOUSE RESTAURANT, SELECT

January 17, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Thomas J. Campbell	Staff director	$11,401.77
Denise Ann Bell	Secretary (reported May 1, 1974, resigned Aug. 16, 1974).	856.11
Jane Moran	Secretary (reported Sept. 1, 1974, resigned Dec. 31, 1974).	$2,500.00
Total		14,757.88

Funds authorized or appropriated for committee expenditures	68,000.00
Amount of expenditures previously reported	44,783.37
Amount expended from July 1, to Dec. 31, 1974	14,807.12
Total amount expended from Jan. 3, to Dec. 31, 1974	59,590.49
Balance unexpended as of Dec. 31, 1974	8,409.51

JOHN C. KLUCZYNSKI, Chairman.

PERMANENT SELECT COMMITTEE ON SMALL BUSINESS

January 15, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Emilia E. Parrish	Secretary	$6,624.99
William A. Keel, Jr.	Research Analyst	18,000.00
Myrtle Ruth Foutch	Clerk	13,375.02
Donna M. Watson	Secretary	5,874.99
Henry A. Robinson	General counsel	18,000.00
Lois Liberty	Printing editor	9,125.01
Thomas G. Powers	Counsel	10,125.01
Elizabeth Cingel	Secretary	4,500.00
Justinus Gould	Deputy general counsel	17,750.01
William F. Demarest	Counsel	9,249.99
Mary Eileen Hohman	Secretary	4,291.67
Lucille C. Hicls	do	6,875.01
Kenneth H. Davidson	Staff assistant	5,124.99
Michael J. Ward	Counsel	7,250.01
Linda Louise Hardin	Secretary	3,249.99
James R. Phalen	Minority counsel	14,374.98
Paul Kritzer	Assistant minority counsel.	12,324.99
Elmira R. Stewart	Secretary, minority	4,875.00
Willa C. Rawls	do	6,125.01
Carol Ann Ward	do	5,375.01

Funds authorized or appropriated for committee expenditures	$994,000.00
Amount of expenditures previously reported	687,960.25
Amount expended from July 1, 1974 to Dec. 31, 1974	192,524.29
Total amount expended from Jan. 3, 1973 to Dec. 31, 1974	880,484.54
Balance unexpended as of Dec. 31, 1974	113,515.46

JOE L. EVINS, Chairman.

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

December 31, 1974.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Eugene F. Peters	Executive director	$18,000.00
Francis J. Keenan	Project director	17,315.04
Raymond L. Gooch	Staff counsel	16,418.40
Cynthia K. Watkins	Staff administrator	8,220.78
Donald G. Tacheron	Director of research	17,749.98
George Meader	Staff counsel	6,000.00
George Roger King	Staff assistant	9,887.13
Robert J. Kelley	do	11,560.50
James F. McAllister	Administrative officer	14,803.47
Gerard C. Snow	do	6,679.38
William B. Blacklow	Staff assistant	7,508.38
Grace Seckler	Placement assistant	4,411.52
Sybil Capps	do	200.00
Earl Francis Rieger	Staff counsel	$11,303.58
Samuel V. Merrick	Staff assistant	7,500.00
Patricia Neal Gray	do	3,082.80
Linda Jo Shelton	Stenographer	4,962.42
Mary C. Mundee	Placement assistant	377.75
David Robert Solomon	do	4,156.93
James Joseph Abrams	do	4,714.44
Nancy Louise Emery	Receptionist, typist	4,156.95
David W. Savercool	Clerk	1,758.16
Terrence John McCartin	Temporary clerk	750.00
Nina S. Davis	do	422.22
Richard W. Mark	do	1,065.28
Cindy Lee Carter	do	270.83
Gerald P. McCartin	Clerk	758.15
John W. Molloy	Placement assistant	2,871.38
Gayle D. Fralin	do	3,508.66
Victor D. Petaccio	Staff assistant	6,000.00
Cheryl Fleishman	Placement assistant	2,435.82
Karen Anne Glenn	do	3,429.73
Robert E. Downer	Temporary clerk	5,550.00
Janet E. Moore	Placement assistant	2,520.17
David Wesley Jones	do	1,652.77
William Calloway	Clerk	374.13
Eleanor M. Senf	Temporary clerk	805.55
Heather S. Entrekin	Stenographer	891.67

Funds authorized or appropriated for committee expenditures	$600,000.00
Amount expended from July 1 to Dec. 31 1974	219,449.63
Balance unexpended as of Dec. 31 1974	380,550.37

LEE METCALF, Chairman.

JOINT COMMITTEE ON DEFENSE PRODUCTION

January 17, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Cary H. Copeland	Assistant staff director	$13,887.93
Robert S. Riggs	Professional staff	7,882.77
Robert B. Geddie, Jr.	Professional staff	7,888.03
Robert B. Geddie, Jr.	Professional staff	9,058.03
J. Michael Hemphill	Professional staff	12,625.47
Ruth Baskerville	Secretary	5,417.52
Edward A. Sokol	Professional staff	10,137.25
B. Edward McMurphy	Clerk	660.36
William Kling, Jr.	Clerk	459.38
Harold J. Warren	Contractor	6,999.96

Funds authorized or appropriated for committee expenditures	[1] $154,050.00
Amount of expenditures previously reported	0.00
Amount expended from July 1 to Dec. 31, 1974	69,087.48
Total amount expended from July 1 to Dec. 31, 1974	69,087.48
Balance unexpended as of Jan. 1, 1975	89,962.52

JOHN SPARKMAN, Chairman.

[1] Does not include supplemental appropriation for October 1974 5.52 percent cost-of-living pay increase.

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

January 15, 1975.

To the Clerk of the House:
The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1 to December 31, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Laurence N. Woodworth	Chief of staff	$19,999.98
Lincoln Arnold	Deputy chief of staff	18,000.00
Herbert L. Chabot	Assistant chief of staff	18,000.00
Bernard M. Shapiro	do	18,000.00
Arthur S. Fefferman	Chief economist	18,000.00
Harrison B. McCawley	Refund counsel	17,750.01
James H. Symons	Statistical analyst	18,000.00
John Germanis	do	17,469.24
Mark L. McConaghy	Legislation counsel	16,366.65

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JOINT COMMITTEE ON INTERNAL REVENUE TAXATION—Continued

Name of employee	Profession	Total gross salary during 6-month period
Robert A. Blum	do	$16,184.76
Michael D. Bird	Economist	18,000.00
Albert Buckberg	do	18,000.00
Leon W. Klud	do	13,101.99
James W. Wetzler	do	10,687.23
Allan S. Rosenbaum	Accountant	15,050.00
Howard J. Silverstone	International tax counsel.	17,469.24
Robert A. Warden	Assistant legislation counsel.	17,469.24
Richard L. Bacon	Legistation attorney	16,441.77
James L. Billinger	do	14,335.26
Don L. Ricketts	do	14,250.00
Paul W. Oosterhuis	do	8,991.48
Joseph P. Spellman	Refund attorney	13,359.00
Carl E. Bates	do	13,204.77
Joseph E. Fink	Statistical clerk	10,890.00
Cynthia F. Wallace	do	7,707.00
Peter J. Davis	Econometrician	7,125.00
Marcia B. Rowzie	Administrative assistant.	7,850.01
Joanne B. McDermott	Executive assistant	10,841.25
Linda R. Savage	Secretary	8,477.76
Blance F. Nagro	do	7,912.74
Jamie L. Daley	do	7,707.00
Jacqueline S. Pfeiffer	do	7,501.50
June M. Matthews	do	6,885.00
Amelia Del Carmen	do	6,731.01
Alexa B. Gage	do	6,679.50
Maria L. Winter	do	6,474.00
Norma E. Kreshner	do	6,225.00
Elizabeth A. Dale	do	6,200.01
Frances Abelitis	do	6,124.98
Sharon F. Malcom	do	5,394.99
Michael Cook	Clerk	5,652.00
John Weodall	Clerk (as of Aug 19, 1974).	3,008.28
Tom Hart	Econometrician (as of Nov. 1, 1974).	2,250.00
Meade Emory	Legislation attorney (to Oct. 5, 1974).	8,800.60
Thomas R. White III	Legislation attorney (to Sep 7, 1974).	6,141.67
John J. Jung	Administrative assistant (to Oct. 6, 1974).	6,133.34
Ellen I. Woodruff	Secretary (to Oct. 11 1974).	3,254.46
Guy Richard Eigenbrode	Clerk (to Aug 16, 1974).	969.51
Herman Wommack	Clerk (to Aug. 1, 1974)	688.89

Funds authorized or appropriated for committee expenditures	1,106,165.00
Amount of expenditures previously reported	
Amount expended from July 1 to Dec. 31, 1974	629,794.04
Total amount expended from July 1 to Dec. 31, 1974	629,794.04
Balance unexpended as of Dec. 31, 1974	476,370.96

AL ULLMAN, Chairman

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

419. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that various appropriations have been apportioned on a basis which indicates the necessity for further supplemental estimates of appropriations for fiscal year 1975, pursuant to section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

420. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Domestic and International Business Administration for Operations and Administration for fiscal year 1975 has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

421. A letter from the Assistant Secretary of Defense (Installations and Logistics); transmitting a report on negotiated contracts for experimental, developmental, test or research work, or industrial mobilization in the interest of national defense, covering the period July–December, 1974, pursuant to 10 U.S.C. 2304(e); to the Committee on Armed Services.

422. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with the Korea Electric Company which exceeds $60 million, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945, as amended [12 U.S.C. 635(b)(3)]; to the Committee on Banking, Currency and Housing.

423. A letter from the Chairman, National Commission for Manpower Policy, transmitting the Commission's first interim report, entitled "The Challenge of Rising Unemployment"; to the Committee on Education and Labor.

424. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles to the Government of Switzerland, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

425. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report of the activities of the U.S.-U.S.S.R. Joint Committee on Cooperation in the Field of Environmental Protection during 1974, and the memorandum of implementation covering plans for 1975; to the Committee on Foreign Affairs.

426. A letter from the Clerk, U.S. House of Representatives, transmitting his semiannual report of receipts and expenditures of appropriations and other funds for the period July 1–December 31, 1974, pursuant to section 105(a) of Public Law 88–454 [2 U.S.C. 104a] (H. Doc. No. 94–63); to the Committee on House Administration and ordered to be printed.

427. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting an annual report on progress in implementing motor vehicle emission standards, covering fiscal year 1974, pursuant to section 202(b)(4) of the Clean Air Act, as amended; to the Committee on Interstate and Foreign Commerce.

428. A letter from the Chairman, United States Railway Association, transmitting the preliminary plan for Notheast rail services, pursuant to section 207(a) of Public Law 93–236; to the Committee on Interstate and Foreign Commerce.

429. A letter from the vice president for Government and Public Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of November 1974, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

430. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the program of old-age, survivors, and disability insurance, the program of grants to States for aid to families with dependent children, and the program of health insurance for the aged and disabled; to the Committee on Ways and Means.

431. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the maternal and child health and crippled children's services program and the program of grants to States for medical assistance programs; jointly, to the Committees on Ways and Means, and Interstate Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRICE: Committee on Armed Services. House Resolution 72. Resolution directing the President to provide to the House the information contained in the report of William E. Colby delivered to the President on or about December 26, 1974, and relating to certain activities of the Central Intelligence Agency, (Rept. No. 94–22). Referred to the House Calendar.

Mr. PRICE: Committee on Armed Services. House Resolution 129. Resolution requesting certain information regarding U.S. involvement in Indochina from the Secretary of Defense. (Rept. No. 94–23). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 268, a resolution providing for the consideration of Concurrent Resolution 133. Concurrent resolution to lower interest rates. (Rept. No. 94–24). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR (for himself, and Mr. PRESSLER, Mr. SANTINI, and Mr. RONCALIO):

H.R. 3821. A bill to amend the Emergency Livestock Credit Act of 1974 to provide additional temporary financial assistance to owners of livestock for the purpose of maintaining small farmers and ranchers and thereby preserving a competitive livestock production system; to the Committee on Agriculture.

By Mr. ADBNOR (for himself, and Mr. BOB WILSON):

H.R. 3822. A bill to provide for the establishment of the Jerry Pettis National Conservation Area of the California Desert and to provide for the immediate and future protection, development, and administration of such public lands; to the Committee on Interior and Insular Affairs.

By Mr. ADDABBO (for himself, Ms. ABZUG, Mr. BALDUS, Mr. BROOMFIELD, Mrs. BURKE of California, Mr. CARTER, Mrs. CHISHOLM, Mr. DELLUMS, Mr. DODD, Mr. DRINAN, Mr. EVANS of Indiana, Mr. FORD of Tennessee, Mr. FORD of Michigan, Miss HOLTZMAN, Mr. MATSUNAGA, Mr. MINETA, Mr. MITCHELL of New York, Mr. MITCHELL of Maryland, Mr. MURTHA, Mr. RANGEL, Mr. RICHMOND, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, and Mr. SARBANES):

H.R. 3823. A bill to provide financial assistance to persons whose small businesses are displaced by Federal and federally assisted programs so they may lease, rent, or buy replacement quarters; to the Committee on Small Business.

By Mr. ADDABBO (for himself, Mr. SCHEUER, Mr. SOLARZ, Mr. STOKES, Mr. WOLFF, Mr. YATRON, Mr. ZEFERETTI, Mrs. SPELLMAN, Mrs. SCHROEDER and Mr. BINGHAM):

H.R. 3824. A bill to provide financial assistance to persons whose small businesses are displaced by Federal and federally assisted programs so they may lease, rent, or buy replacement quarters; to the Committee on Small Business.

By Mr. ARCHER (for himself, Mr. LENT, Mr. STEIGER of Arizona, Mr. ROE, Mr. WOLFF, and Mr. MOORE):

H.R. 3825. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. ARCHER (for himself, Mr. LENT, Mr. ENGLISH, and Mr. MOORE):

H.R. 3826. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. BAUCUS:

H.R. 3827. A bill to amend the Impoundment Control Act of 1974 to permit the Congress by concurrent resolution to disapprove any rescission proposed by the President, and thereby to make the funds involved immediately available without waiting for the expiration of the 45-day period during which such rescission otherwise would be effective; to the Committee on Rules.

By Mr. BINGHAM:

H.R. 3828. A bill to amend the Social Security Act, to provide that any cost-of-living increase authorized in 1975 be effective with the month of January 1975, and for other purposes; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3829. A bill to amend section 103(c) of the Internal Revenue Code of 1954 to increase the exemption from the industrial development bond provisions for certain small issues; to the Committee on Ways and Means.

By Mr. BYRON:

H.R. 3830. A bill to amend the act entitled "An Act to establish a national military park at the battlefield of Monocacy, Md." (48 Stat. 1198), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BYRON (for himself, Mr. ALEXANDER, Mr. ASPIN, Mr. BAFALIS, Mr. BALDUS, Mr. BAUMAN, Mr. BREAUX, Mr. BROWN of California, Mr. CONABLE, Mr. CORNELL, Mr. DERWINSKI, Mr. DUNCAN of Oregon, Mr. EDGAR, Mr. FREY, Mr. FUQUA, Mr. HASTINGS, Mrs. HOLT, Mr. HORTON, Mr. JEFFORDS, Mr. KASTEN, Mr. KETCHUM, Mr. LAFALCE, Mr. LITTON, Mr. MCCLOSKEY, and Mr. MATHIS):

H.R. 3831. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. BYRON (for himself, Mr. MAZZOLI, Mr. MITCHELL of New York, Mr. MURTHA, Mr. PEYSER, Mr. REGULA, Mr. STEIGER of Arizona, Mr. STUCKEY, Mr. THONE, Mr. TRAXLER, Mr. TREEN, Mr. UDALL, Mr. VIGORITO, Mr. WEAVER, Mr. YATRON, Mr. FISHER, Mrs. SPELLMAN, and Mr. AUCOIN):

H.R. 3832. A bill to prevent the estate tax from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. COHEN:

H.R. 3833. A bill to amend title II of the Social Security Act to increase to $4,000 the amount of outside earnings which (subject to further increases under the automobile adjustment provisions) is permitted any individual each year without deductions from benefits thereunder, and to revise the method for determining the amount of outside earnings so permitted in any specific case; to the Committee on Ways and Means.

By Mr. CORMAN (for himself and Mr. CARTER):

H.R. 3834. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. FRAZER, and Mr. DRINAN):

H.R. 3835. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 3836. A bill to establish university coal research laboratories and to establish energy resource fellowships, and for other purposes; to the Committee on Science and Technology.

By Mr. DU PONT (for himself, Mr. BADILLO, Mr. STARK, Mr. TSONGAS, Mr. STEELMAN, Mr. COUGHLIN, Mr. PATTISON of New York, Mr. ANDERSON of Illinois, Mrs. CHISHOLM, Mr. DELLUMS, Mr. EDWARDS of California, Miss JORDAN, Mr. MOSS, Mr. SEIBERLING, Mr. THONE, Mr. WON PAT, Mr. FRENZEL, Mr. MCCLORY, Mr. BUCHANAN, Mrs. KEYS, Mr. DENT, Mr. BELL, Mr. LENT, Mrs. SPELLMAN, and Mr. RANGEL):

H.R. 3837. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. DU PONT (for himself, Mr. WINN, Mr. MAZZOLI, Mr. SIMON, Mr. ROSENTHAL, Mr. DUNCAN of Oregon, Mr. PEPPER, Mr. CONYERS, Mr. FAUNTROY, Miss HOLTZMAN, Mr. BIESTER, Mr. REES, Mr. KOCH, Mr. DON H. CLAUSEN, Mr. FRASER, Mr. BRODHEAD, Mr. MITCHELL of New York, Mr. STRATTON, Mr. WHITEHURST, Mr. BROWN of California, Mr. FASCELL, Mr. SOLARZ, Ms. ABZUG, Mr. MINETA, and Mr. HARRIS):

H.R. 3838. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. DU PONT (for himself, Mr. GILMAN, Mr. WIRTH, and Mr. COSMAN):

H.R. 3839. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

By Mr. EVANS of Indiana:

H.R. 3840. A bill to direct the Secretary of the Treasury to study the increased tax burden on low and moderate income individuals resulting from the effect of inflation on the existing Federal income tax structure; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 3841. A bill to reform and simplify the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. PRICE, Mrs. SULLIVAN, and Mr. HAGEDORN):

H.R. 3842. A bill relating to the construction of locks and dam No. 26, Mississippi River, Alton, Ill., and Mo.; to the Committee on Public Works and Transportation.

By Mr. GAYDOS:

H.R. 3843. A bill to amend the Public Health Service Act to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

H.R. 3844. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

H.R. 3845. A bill to amend title 39, United States Code, to authorize the transmission, without cost to the sender, of letter mail to the President or Vice President of the United States or to Members of Congress, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3846. A bill to return Congress, through the implementation of procedural reforms, the ability to insure that rules and regulations promulgated through the administrative process shall reflect the intent of Congress; to the Committee on the Judiciary.

H.R. 3847. A bill to amend section 127 of title 23 of the United States Code to reduce certain weights permitted on the Interstate System; to the Committee on Public Works and Transportation.

H.R. 3848. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 3849. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment; to the Committee on Banking, Currency and Housing.

H.R. 3850. A bill to amend the Emergency Petroleum Allocation Act of 1973 to reduce foreign oil imports and reliance on such imports by directing the President to equitably allocate gasoline and to recommend to the Congress an increase in the Federal excise tax on gasoline purchases not subject to the program; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMMERSCHMIDT:

H.R. 3851. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Currency and Housing.

H.R. 3852. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

H.R. 3853. A bill to provide for the purchase of animals and animal food products for use in foreign and domestic food relief programs, and other purposes; to the Committee on Agriculture.

H.R. 3854. A bill to provide for payments to compensate county governments for the

tax immunity of Federal lands within their boundaries; to the Committee in Government Operations.

H.R. 3855. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of cetrain records, and for other purposes; to the Committee on the Judiciary.

H.R. 3856. A bill to amend title 5 of the United States Code with respect to the observance of Veterans Days; to the Committee on Post Office and Civil Service.

H.R. 3857. A bill to amend title 23, United States Code, to authorize a demonstration program for the purpose of eliminating highway railroad grade crossings; to the Committee on Public Works and Transportation.

H.R. 3858. A bill to expedite construction starts on approved public works projects, and to eliminate certain procedural requirements in order to reduce delays and accelerate certain public works programs and projects; to the Committee on Public Works and Transportation.

H.R. 3859. A bill to authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes, hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior; to the Committee on Science and Technology.

H.R. 3860. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes. Jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. HELSTOSKI:

H.R. 3861. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems; to the Committee on Education and Labor.

By Mr. HYDE:

H.R. 3862. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home lending institutions; to the Committee on Ways and Means.

By Mr. JOHNSON of Colorado:

H.R. 3863. A bill to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

H.R. 3864. A bill to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado; to the Committee on Interior and Insular Affairs.

By Mr. JONES of Alabama (for himself, Mr. BEVILL, Mr. FLOWERS, Mr. EVINS of Tennessee, Mr. FULTON, Mrs. LLOYD of Tennessee, Mr. QUILLEN, Mr. DUNCAN of Tennessee, Mr. BEARD of Tennessee, Mr. JONES of Tennessee, Mr. FORD of Tennessee, Mr. CARTER, Mr. WHITTEN, Mr. BOWEN, Mr. LANDRUM, and Mr. WAMPLER):

H.R. 3865. A bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments; to the Committee on Public Works and Transportation.

By Mr. LANDRUM (for himself, Mr. STEPHENS, and Mr. LEVITAS):

H.R. 3866. A bill to encourage fuel conservation by the imposition of an excise tax on certain purchases of motor vehicle fuel; and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. LATTA:

H.R. 3867. A bill to amend the Internal Revenue Code of 1954 to increase the exempt tion for purposes of the Federal estate tax from $60,000 to $200,000; to the Committee on Ways and Means.

By Mr. McCLORY:

H.R. 3868. A bill to provide for the issuance of a commemorative postage stamp in honor of the late Jack Benny; to the Committee on Post Office and Civil Service.

By Mr. McKINNEY:

H.R. 3869. A bill to amend section 402 of title 23, United States Code, relating to highway safety programs; to the Committee on Public Works and Transportation.

H.R. 3870. A bill to amend the Emergency petroleum Allocation Act of 1973 to direct the President to ration gasoline; to amend the Internal Revenue Code of 1954 to impose an energy conservation tax on gasoline; and for other purposes; jointly to the Committee on Interstate and Foreign Commerce, and Ways and Means.

By Mr. MADIGAN:

H.R. 3871. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. MADIGAN (for himself, Mr. BERGLAND and Mr. POAGE):

H.R. 3872. A bill to amend the Consolidated Farmers Home Administration Act of 1961 to authorize and direct the Secretary of Agriculture to contract the construction and operation of pilot facilities for use in the production of fertilizer for agricultural commodities; to the Committee on Agriculture.

By Mr. MOLLOHAN (for himself, Mr. ANDERSON of Illinois, Mr. BERGLAND, Mr. BURGENER, Mr. DAN DANIEL, Mr. FORD of Michigan, Mr. GILMAN, Mr. HAMMERSCHMIDT, Mr. HOWARD, Mr. MADDEN, Mr. NICHOLS, Mr. OTTINGER, Mr. SLACK, and Mr. SPENCE):

H.R. 3873. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. MOSHER (for himself, Mr. HAMMERSCHMIDT, Mrs. KEYS, and Mr. LONG of Maryland):

H.R. 3874. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. MOSS (for himself, Mr. BADILLO, Mr. BRODHEAD, Mr. BROWN of California, Mr. BURKE of California, Mr. CARNEY, Mr. CORMAN, Mr. DINGELL, Mr. DRINAN, Mr. ECKHARDT, Mr. EILBERG, Mr. EDWARDS of California, Mr. FASCELL, Mr. FORD of Tennessee, Mr. HARRINGTON, Mr. MATSUNAGA, Mr. OTTINGER, Mr. REES, Mr. REUSS, Mr. RICHMOND, Mr. ROONEY, Mr. SCHEUER, and Mrs. SULLIVAN):

H.R. 3875. A bill to amend the Federal Trade Commission Act and the Motor Vehicle Information and Cost Savings Act; to the Committee on Interstate and Foreign Commerce.

By Mr. MOSS (for himself, Ms. ABZUG, Mr. ADAMS, Mr. BADILLO, Mr. BRODHEAD, Mr. BROWN of California, Mrs. BURKE of California, Mr. CARNEY, Mr. CORMAN, Mr. DINGELL, Mr. DRINAN, Mr. ECKHARDT, Mr. EILBERG, Mr. EDWARDS of California, Mr. FASCELL, Mr. FORD of Tennessee, Mr. HARRINGTON, Mr. MATSUNAGA, Mr. OTTINGER, Mr. REES, Mr. REUSS, Mr. RICHMOND, Mr. ROONEY, Mr. SCHEUER, and Mrs. SULLIVAN):

H.R. 3876. A bill to regulate commerce and amend the Natural Gas Act so as to provide increased supplies of natural gas, oil, and related products at reasonable prices to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OBEY:

H.R. 3877. A bill to provide for the conservation of petroleum and other natural resources by imposing an excise tax on the sale of certain automobiles and granting a tax credit on the sale of certain automobiles according to the rate at which such automobiles consume fuel, and for other purposes; to the Committee on Ways and Means.

By Mr. PRITCHARD:

H.R. 3878. A bill to amend the National Trails System Act to authorize a feasibility study of a Pacific Coast Bike Trail; to the Committee on Interior and Insular Affairs.

By Mr. QUIE:

H.R. 3879. A bill to amend the Internal Revenue Code of 1954 to raise the estate tax exemption from $60,000 to $200,000; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 3880. A bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments; to the Committee on Public Works and Transportation.

By Mr. RIEGLE:

H.R. 3881. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle income home buyers; to the Committee on Banking, Currency and Housing.

By Mr. RISENHOOVER:

H.R. 3882. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. BROOKS, Mr. HUNGATE, Mr. EILBERG, Mr. FLOWERS, Mr. MANN, Mr. SARBANES, Mr. SEIBERLING, Mr. DANIELSON, Ms. JORDAN, Mr. MAZZOLI, Mr. HUGHES, Mr. HUTCHINSON, Mr. McCLORY, Mr. RAILSBACK, Mr. WIGGINS, Mr. FISH, Mr. COHEN, Mr. DINGELL, Mr. ST GERMAIN, Mr. CLEVELAND, Mr. CARR, Mr. DOWNEY, Mrs. MEYNER, and Mr. ZEFERETTI):

H.R. 3883. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. FLOWERS, Mr. DANIELSON, Miss JORDAN, Mr. MAZZOLI, Mr. PATTISON of New York, and Mr. FISH):

H.R. 3884. A bill to terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 3885. A bill to authorize appropriations for fiscal year 1976 for carrying out title VI of the Comprehensive Employment and Training Act of 1973; to the Committee on Education and Labor.

H.R. 3886. A bill to provide for emergency relief for small business concerns in connection with fixed price Government contracts; to the Committee on Small Business.

H.R. 3887. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

By Mr. ROE (for himself and Mr. DRINAN):

H.R. 3888. A bill to amend the Education of the Handicapped Act to provide tutorial and related instructional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped; to the Committee on Education and Labor.

By Mr. ROYBAL:

H.R. 3889. A bill to establish and protect the rights of day laborers; to the Committee on Education and Labor.

H.R. 3890. A bill to require contractors of departments and agencies of the United States engaged in the production of motion picture films to pay prevailing wages; to the Committee on Education and Labor.

H.R. 3891. A bill to restore the right to vote in Federal elections to certain disenfranchised citizens; to the Committee on House Administration.

H.R. 3892. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to provide for the registration of manufacturers of cosmetics, the testing of cosmetics, and the labeling of cosmetics, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3893. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize design standards for schoolbuses, to require certain standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3894. A bill to amend the Public Health Service Act to provide assistance for research and development for improvement in delivery of health services to the critically ill; to the Committee on Interstate and Foreign Commerce.

H.R. 3895. A bill to provide for a study and evaluation of the ethical, social, and legal implications of advances in biomedical research and technology; to the Committee on Interstate and Foreign Commerce.

H.R. 3896. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for the development and operation of treatment programs for certain drug abusers who are confined to or released from correctional institutions and facilities; to the Committee on the Judiciary.

H.R. 3897. A bill to provide reimbursement to certain individuals for medical relief for physical injury suffered by them that is directly attributable to the explosions of the atomic bombs on Hiroshima and Nagasaki, Japan, in August 1945, and the radioactive fallout from those explosions; to the Committee on the Judiciary.

H.R. 3898. A bill to prohibit common carriers in interstate commerce from charging elderly people more than half fare for their transportation during nonpeak periods of travel, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 3899. A bill to provide relief to certain individuals 60 years of age and over who own or rent their homes, through income tax credits and refunds; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 3900. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

By Mr. SISK:

H.R. 3901. A bill to amend the eligibility requirements for an emergency loan from the Farmers Home Administration; to the Committee on Agriculture.

By Mrs. SULLIVAN (for herself, Mr. DOWNING, Mr. RUPPE, and Mr. McCLOSKEY):

H.R. 3902. A bill to authorize appropriations for the fiscal years 1976 and 1977 for certain maritime programs of the Department of Commerce, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TAYLOR of Missouri:

H.R. 3903. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. THOMPSON:

H.R. 3904. A bill to amend the National Labor Relations Act to permit certain labor organizations to be certified by the National Labor Relations Board as representatives of individuals employed as guards; to the Committee on Education and Labor.

By Mr. UDALL:

H.R. 3905. A bill to provide equitable treatment for persons employed as technicians in the National Guard in crediting service for civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VANIK (for himself, Ms. ABZUG, Mr. AMBRO, Mr. AUCOIN, Mr. BADILLO, Mr. BENNETT, Mr. BOLAND, Mr. BRADEMAS, Mrs. BURKE of California, Mr. CONYERS, Mr. CORMAN, Mr. DOMINICK V. DANIELS, Mr. DANIELSON, Mr. DUNCAN of Oregon, Mr. EDWARDS of California, Mr. FASCELL, Mr. FORD of Michigan, Mr. FORD of Tennessee, Mr. FRASER, Mr. GILMAN, Mr. GUDE, Mr. HARRIS, Mr. HECHLER of West Virginia, Mr. HICKS, and Mr. HUGHES):

H.R. 3906. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. WIGGINS:

H.R. 3907. A bill to codify, revise, and reform title 18 of the United States Code; to make appropriate amendments to the Federal Rules of Criminal Procedure; to make conforming amendments to the criminal provisions of other titles of the United States Code; and for other purposes; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON of California:

H.R. 3908. A bill to amend title 39, United States Code, to establish policies and procedures for the procurement of property and services by the Postal Service; to the Committee on Post Office and Civil Service.

By Mr. WOLFF (for himself, Ms. BURKE of California, Mr. ROYBAL, Mr. YATES, Mr. MITCHELL of Maryland, Mr. HARRINGTON, Mr. TSONGAS, Mr. STUDDS, Ms. ABZUG, Mr. ADDABBO, Mr. BADILLO, Ms. HOLTZMAN, Mr. KOCH, Mr. PATTISON of New York, Mr. RANGEL, Mr. SCHEUER, Mr. SOLARZ, Mr. SEIBERLING, Mr. EILBERG, and Mr. FORD of Tennessee):

H.R. 3909. A bill to prohibit commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. WON PAT:

H.R. 3910. A bill to amend the Organic Act of Guam to place certain lands within the jurisdiction of the government of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WYLIE:

H.R. 3911. A bill to amend title II of the Social Security Act to increase to $4,560 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. YATES:

H.R. 3912. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3913. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. ABDNOR:

H.R. 3914. A bill to provide for the compensation of innocent persons killed or injured or whose property was damaged in the course of the occupation of Wounded Knee, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3915. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. ASPIN:

H.R. 3916. A bill to assure that the discharge of chlorinated fluorocarbon compounds into the atmosphere will not impair the stratospheric ozone layer increasing the risk of disease (including skin cancer) and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. BALDUS:

H.R. 3917. A bill to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. CHARLES WILSON of Texas, Mr. WALSH, Mr. GIAIMO, Mr. FLOOD, Mr. WYDLER, Mr. FASCELL, Mr. FORD of Michigan, Mr. MATHIS, Mr. CARTER, Mrs. SCHROEDER, Mr. TALCOTT, Mr. MITCHELL of New York, Mr. MELCHER, Mr. MURPHY of Illinois, Mr. KRUEGER, Mr. JOHNSON of California, Mr. O'HARA, Mr. JOHN L. BURTON, Mr. WOLFF, Mr. HAYS of Ohio, Mr. DE LUGO, Mr. LEHMAN, Mr. MATSUNAGA, and Mr. GILMAN):

H.R. 3918. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

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By Mr. BIAGGI (for himself, Mr. ROE, Mr. YATRON, Mr. NIX, Mr. JOHNSON of California, Mr. KOCH, Mr. RONCALIO, Mr. FISH, Mr. ADDABBO, Mr. RINALDO, Mr. PEYSER, Mr. BEARD of Rhode Island, Mr. EVANS of Indiana, Mrs. HOLT, Mr. KEMP, Mr. WINN, Mr. JONES of North Carolina, Mr. ZEFERETTI, Mr. WON PAT, Mr. DAVIS, Mr. ST GERMAIN, Mr. BYRON, Mr. HARRINGTON, Mr. BREAUX, and Mr. MCKINNEY):

H.R. 3919. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 3920. A bill to prohibit the introduction, or manufacture for introduction, into interstate commerce of tear gas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOWEN:

H.R. 3921. A bill to amend the Consolidated Farm and Rural Development Act to assist young farmers to obtain real estate loans more easily under such act, and for other purposes; to the Committee on Agriculture.

By Mr. BRADEMAS (for himself, Mr. PERKINS, Mr. QUIE, Mr. MEEDS, Mr. BELL, Mrs. CHISHOLM, Mr. PEYSER, Mr. LEHMAN, Mr. JEFFORDS, Mr. CORNELL, Mr. PRESSLER, Mr. BEARD of Rhode Island, Mr. ERLENBORN, Mr. ZEFERETTI, Mr. ESCH, Mr. MILLER of California, Mr. ESHLEMAN, Mr. HALL, Mr. SARASIN, Mr. THOMPSON, Mr. RISENHOOVER, Mr. DENT, Mr. GOODLING, Mr. DOMINICK V. DANIELS, and Mr. HAWKINS):

H.R. 3922. A bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mrs. SMITH of Nebraska, Mr. O'HARA, Mr. FORD of Michigan, Mrs. MINK, Mr. PHILLIP BURTON, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. ANDREWS of North Carolina, Mr. BENITEZ, Mr. BLOUIN, Mr. BUCHANAN, Mr. SIMON, and Mr. MOTTL):

H.R. 3923. A bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes; to the Committee on Education and Labor.

By Mrs. BURKE of California (for herself, Ms. ABZUG, Mr. ANDERSON of California, Mr. BADILLO, Mrs. BOGGS, Mr. BROWN of California, Mr. COHEN, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. DRINAN, Mr. EDGAR, Mr. EDWARDS of California, Mr. EILBERG, Mr. FAUNTROY, Mr. FINDLEY, Mr. FLOOD, Mr. FORD of Michigan, Mr. FRASER, Mr. GUDE, Mr. HANNAFORD, Mr. HARRINGTON, Mrs. HOLT, Ms. HOLTZMAN, Mr. KOCH, and Mr. CHARLES H. WILSON of California):

H.R. 3924. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. BURKE of California (for herself, Mr. MAGUIRE, Mr. MITCHELL of Maryland, Mr. METCAFE, Ms. NIX, Mr. PATTISON of New York, Mr. RANGEL, Mr. REES, Mr. REGULA, Mr. ROE, Mr. SCHEUER, Ms. SCHROEDER, Mr. SOLARZ, Mrs. SPELLMAN, Mr. STARK, and Mr. WIRTH):

H.R. 3925. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BURKE of Massachusetts:

H.R. 3926. A bill to amend title XVI of the Social Security Act to provide for an exclusion from resources of an amount deposited as prepayment of funeral and burial expenses; to the Committee on Ways and Means.

H.R. 3927. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 3928. A bill to amend the Internal Revenue Code of 1954 to allow an itemized deduction for motor vehicle insurance premiums; to the Committee on Ways and Means.

By BURLESON of Texas:

H.R. 3929. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. BURLESON of Texas (for himself, and Mr. MARTIN of North Carolina):

H.R. 3930. A bill to amend title IX of the Social Security Act (relating to Federal-State unemployment compensation) to create a temporary program, as an emergency measure during the current period of high unemployment, in order to assure continued health care for unemployed persons and their families, and for this purpose to provide for continuation of coverage under employer programs of health insurance for their employees, and Federal financing from general revenues to meet the cost of such continued coverage; to the Committee on Interstate and Foreign Commerce.

By Mr. BURLISON of Missouri:

H.R. 3931. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation in the national flood insurance program prerequisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. CARTER:

H.R. 3932. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. CASEY (for himself, Mr. ANDREWS of North Dakota, Mr. BROWN of California, Mr. CLEVELAND, Mr. CORNELL, Mr. DAVIS, Mr. EILBERG, Mr. EVANS of Indiana, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. HINSHAW, Mrs. HOLT, Mr. JOHNSON of Pennsylvania, Mr. MURPHY of Illinois, Mr. MURTHA, Mr. NIX, Mr. ROBERTS, Mrs. SPELLMAN, Mr. THONE, Mr. TREEN, Mr. WALSH, Mr. CHARLES H. WILSON of California, Mr. WINN, and Mr. YATRON):

H.R. 3933. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses paid by him for the education of any of his dependents at an institution of higher learning; to the Committee on Ways and Means.

By Mr. CLAY (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BEDELL, Mr. BONKER, Mr. BRINKLEY, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. CARR, Mrs. CHISHOLM, Mr. CONYERS, Mr. DOMINICK V. DANIELS, Mr. DAVIS, Mr. DELLUMS, Mr. DENT, Mr. DIGGS, Mr. FAUNTROY, Mr. FISHER, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FORSYTHE, Mr. FRENZEL, Mr. HANLEY, Mr. HANNAFORD, and Mr. HARRIS):

H.R. 3934. A bill to restore to Federal civilian employees their rights to participate as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLAY (for himself, Mr. HAWKINS, Miss JORDAN, Mr. KOCH, Mr. LUJAN, Mr. MATSUNAGA, Mr. MELCHER, Mr. METCALFE, Mr. MILLER of California, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MURPHY of Illinois, Mr. NIX, Mr. OBERSTAR, Mr. OTTINGER, Mr. RANGEL, Mr. REES, Mr. ROONEY, Mrs. SCHROEDER, Mr. SIKES, Mr. SOLARZ, Mrs. SPELLMAN, Mr. STARK, and Mr. STOKES):

H.R. 3935. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLAY (for himself, Mr. WHITEHURST, Mr. CHARLES WILSON of Texas, Mr. CHARLES H. WILSON of California, Mr. YOUNG of Georgia, and Mr. ZEFERETTI):

H.R. 3936. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DOWNEY (for himself, Mr. BALDUS, Mr. BOLAND, Mr. CARR, Ms. CHISHOLM, Mr. CONTE, Mr. DOMINICK V. DANIELS, Mr. DEVINE, Mr. EDGAR, Mr. FASCELL, Mr. GAYDOS, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. LLOYD of California, Mr. MAGUIRE, Mr. MOLLOHAN, Mr. PATTISON of New York, Mr. RICHMOND, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SEIBERLING, and Mr. SIMON):

H.R. 3937. A bill to authorize the Secretary of Health, Education, and Welfare to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY (for himself, Mr. CORNELL, Mr. SOLARZ, Mr. WOLFF, and Mr. WON PAT):

H.R. 3938. A bill to authorize the Secretary of Health, Education, and Welfare to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice; to the Committee on Interstate and Foreign Commerce.

By Mr. ESCH:

H.R. 3939. A bill to provide for the payment by the Federal Government of health insurance premiums on behalf of unemployed individuals; to the Committee on Interstate and Foreign Commerce.

H.R. 3940. A bill to extend the program of emergency unemployment compensation under the Emergency Unemployment Compensation Act of 1974 for an additional 13 weeks and for other purposes; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself and Mr. EILBERG):

H.R. 3941. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. FORD of Michigan:

H.R. 3942. A bill to amend the Fair Labor Standards Act of 1938 to permit certain rates of compensation for rural letter carriers employed by the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE:

H.R. 3943. A bill to amend the Internal Revenue Code of 1954 to permit the deduction without limitations of medical expenses paid for certain dependents suffering from physical or mental impairment or defect; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. BINGHAM, and Mr. UDALL):

H.R. 3944. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States; to the Committee on Ways and Means.

By Mr. FREY:

H.R. 3945. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 3946. A bill to amend section 62 of the Internal Revenue Code of 1954 in order to permit penalties incurred because of premature withdrawal of funds from time savings accounts or deposit to be deducted from gross income in calculating adjusted gross income; to the Committee on Ways and Means.

H.R. 3947. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

H.R. 3948. A bill to amend section 511 of the Career Compensation Act of 1949, as amended, to equalize the retired pay of certain officers of the uniformed services retired prior to October 1, 1949, under the same law and with the same service, as those retired after September 30, 1949, but prior to June 1, 1958; to the Committee on Armed Services.

H.R. 3949. A bill to promote rail-highway safety by requiring light-reflecting markings on railroad locomotives and cars; to the Committee on Interstate and Foreign Commerce.

H.R. 3950. A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for depreciation on capital expenditures incurred in connecting residential sewer lines to municipal sewage systems; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 3951. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39 the maximum number of weeks for which an individual may receive unemployment assistance under the special unemployment assistance program established by title II of such act; to the Committee on Education and Labor.

H.R. 3952. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

H.R. 3953. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, to raise the contribution base, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GONZALES:

H.R. 3954. A bill to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of active duty military personnel, and for other purposes; to the Committee on Armed Services.

By Mr. GUDE:

H.R. 3955. A bill to repeal that portion of section 1 of the act of September 1, 1916, authorizing the enforcement of traffic regulations for MacArthur Boulevard; to the Committee on Public Works and Transportation.

By Mr. GUDE (for himself and Mr. HECHLER of West Virginia):

H.R. 3956. A bill to establish a commission to study and make recommendations with respect to proposed amendments to the Constitution and laws of the United States which would modify the institutions of the three branches of the Federal Government; to the Committee on the Judiciary.

By Mr. HASTINGS (for himself, Mr. HEINZ, Mr. PREYER, Mr. SYMINGTON, Mr. BOLLING, Mr. VAN DEERLIN, Mr. HARRINGTON, Mr. PEYSER, Mr. FLORIO, Mr. ROSENTHAL, Mr. HECHLER of West Virginia, Mr. THOMPSON, Mr. HOWARD, Ms. ABZUG, Mr. COUGHLIN, Mr. FLOOD, Mr. SOLARZ, Mr. ADDABBO, Mrs. BURKE of California, Mr. YATRON, Mr. RINALDO, Mr. COHEN, Mr. DODD, Mr. ROYBAL, and Mr. ASPIN):

H.R. 3957. A bill to amend the Public Health Service Act to establish an emergency health benefits protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS (for himself, Mr. HEINZ, Mr. PREYER, Mr. SYMINGTON, Mr. HEFNER, and Mr. MITCHELL of New York):

H.R. 3958. A bill to amend the Public Health Service Act to establish an emergency health benefits protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HECHLER of West Virginia:

H.R. 3959. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period for disability benefits, to repeal the earnings test, to provide widow's and widower's benefits at age 50 without regard to disability, to permit adopted children to qualify for benefits without regard to time of adoption, to provide for the issuance of duplicate benefit checks where the initial checks are lost or delayed, to provide for expedited benefit payments to disability beneficiaries, and to eliminate the workmen's compensation offset, and to eliminate the 24-month waiting period for disability beneficiaries under the medicare program; to the Committee on Ways and Means.

By Mr. HOWARD (for himself, Mr. HAGEDORN, Ms. ABZUG, Mr. WAMPLER, Mr. MILFORD, Mr. GINN, and Mr. BREAUX):

H.R. 3960. A bill to authorize the increase of the Federal share of ceratin projects under title 23, United States Code; to the Committee on Public Works and Transportation.

By Mr. HOWARD (for himself, Mr. HAGEDORN, Mr. MILFORD, Mr. KEMP, Mr. LAFALCE, and Mr. WAMPLER):

H.R. 3961. A bill to amend section 109 of title 23, United States Code, relating to the preparation of certain statements on highway projects in the States of New York, Vermont, and Connecticut; to the Committee on Public Works and Transportation.

By Mr. ICHORD:

H.R. 3962. A bill to provide price support for milk at not less than 90 percent of the parity price, and to provide that such price support shall be adjusted quarterly; to the Committee on Agriculture.

H.R. 3963. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. JACOBS:

H.R. 3964. A bill to extend post exchange privileges to veterans with service-connected disabilities rated at 50 percent or more; to the Committee on Armed Services.

By Mr. JEFFORDS (for himself, Mr. MOORE, and Mr. HAGEDORN):

H.R. 3965. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. KEMP:

H.R. 3966. A bill to amend the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to establish fire safety requirements for locomotives in order to minimize the danger of fires along railroad rights-of-way; to the Committee on Interstate and Foreign Commerce.

H.R. 3967. A bill to amend section 4945(g) of the Internal Revenue Code of 1954 to make it clear that nothing in that provision authorizes the limitation of the grants awarded by a private foundation to a fixed percentage of the number of applicants for such grants; to the Committee on Ways and Means.

By Mr. KEMP (for himself, Mr. LAFALCE, Mr. NOWAK, Mr. HANLEY, Mr. DELANEY, Mr. HORTON, Mr. KOCH, Mr. LENT, Mr. RANGEL, Mr. FLOOD, Mr. GILMAN, Mr. RICHMOND, Mr. MCKINNEY, Mr. MITCHELL of New York, Mr. MCEWEN, Mr. PIKE, Mr. PATTISON of New York, Mr. PEYSER, Mr. ROSENTHAL, Mr. JEFFORDS, Mr. FISH, Mr. ADDABBO, Mr. ZEFERETTI, and Mr. HASTINGS):

H.R. 3968. A bill to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; to the Committee on Merchant Marine and Fisheries.

By Mr. KOCH:

H.R. 3969. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

H.R. 3970. A bill to amend part B of title XVIII of the Social Security Act to broaden the coverage of home health services under the supplementary medical insurance program and remove the 100-visit limitation presently applicable thereto, to amend part A of such title to liberalize the coverage of posthospital home health services thereunder, to amend title XIX of such act to require the inclusion of home health services in a State's medicaid program and to permit the payments of rent under such a program for elderly persons who would otherwise require nursing home care, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. LANDRUM:

H.R. 3971. A bill to amend the Internal Revenue Code of 1954 to allow individuals to elect either a tax credit for a certain portion of the interest received on deposits in certain savings institutions or an exclusion of a certain portion of such interest; to the Committee on Ways and Means.

By Mr. LEGGETT:

H.R. 3972. A bill to amend title 10, United States Code, to remove the restriction on the use of certain private institution under the dependents' medical care program, and for other purposes; to the Committee on Armed Services.

H.R. 3973. A bill to amend title 38, United States Code, in order to authorize the Administrator of Veterans' Affairs to contract for hospital care and medical services for veterans with service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. LEHMAN:

H.R. 3974. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on United States E savings bonds received by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. MARTIN:

H.R. 3975. A bill to amend title IX of the Social Security Act (relating to Federal-State unemployment compensation) to create a temporary program, as an emergency measure during the current period of high unemployment, in order to assure continued health care for unemployed persons and their families; and for this purpose to provide for continuation of coverage under employer programs of health insurance for their employees, and federal financing from general revenues to meet the cost of such continued

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coverage; to the Committee on Interstate and Foreign Commerce.

By Mr. MEEDS:

H.R. 3976. A bill to suspend until the close of June 30, 1977, the duties on calcined petroleum coke not commercially suitable for use as a fuel; to the Committee on Ways and Means.

By Mr. MEEDS (for himself, Mr. ADAMS, Mr. BONKER, Mr. HICKS, Mr. PRITCHARD, Mr. MCCORMACK, and Mr. FOLEY):

H.R. 3977. A bill to preserve the wilderness character and public recreational values of the central Cascade Mountains of the State of Washington by establishing the Alpine Lakes National Recreation Area and designating the Alpine Lakes Wilderness therein for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MEEDS (for himself, Mr. ADAMS, Mr. BONKER, Mr. HICKS, Mr. MCCORMACK, Mr. PRITCHARD, and Mr. FOLEY):

H.R. 3978. A bill to designate certain lands in the Snoqualmie and Wenatchee National Forests, Wash. as "Alpine Lake Wilderness" and "Enhantment Wilderness" for inclusion in the National Wilderness Preservafiscal year 1976 to the Committee on Interior and Insular Affairs.

By Mr. MEEDS (for himself and Mr. YOUNG of Alaska):

H.R. 3979. A bill to authorize appropriations for the Indian Claims Commissions for fiscal year 1976; to the Committee on Interior and Insular Affairs.

By Mrs. MINK:

H.R. 3980. A bill to amend title XVIII of the Social Security Act to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H.R. 3981. A bill to amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 3982. A bill to establish a policy for the management of oil and gas resources on the Outer Continental Shelf so as to protect the marine and coastal environment; to establish policies and procedures governing Outer Continental Shelf operations that are environmentally, socially, and economically compatible with the coastal zone management programs of affected States funded under Public Law 92-583, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries, and Interior and Insular Affairs.

By Mr. OBERSTAR:

H.R. 3983. A bill to provide implementation of the Federal Trade Commission Act to give increased protection to consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3984. A bill to require that certain durable products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3985. A bill to require that durable consumer products be labeled as to durability and performance life; to the Committee on Interstate and Foreign Commerce.

H.R. 3986. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act and to otherwise require the labels on foods and food products to disclose all of their ingredients and any changes in their ingredients, their nutritional content, accurate weight data, storage information, their manufacturers, packers, and distributors, and their unit prices and to provide for uniform product grading and prohibit misleading brand names; to the Committee on Interstate and Foreign Commerce.

H.R. 3987. A bill to amend the Federal Food, Drug, and Cosmetic Act so as to require that in the labeling and advertising of drugs sold by prescription the "established name" of such drug must appear each time their proprietary name is used, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3988. A bill to amend title 35 of the United States Code to provide for compulsory licensing of prescription drug patents; to the Committee on the Judiciary.

H.R. 3989. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve intergovernmental relationships between the United States and the States and municipalities, and the economy and efficiency of government, by providing Federal cooperation and assistance in the establishment and strengthening of State and local offices of consumer protection; jointly to the Committees on Government Operations, and Interstate and Foreign Commerce.

By Mr. PERKINS (for himself and Mr. PATMAN):

H.R. 3990. A bill to amend the Vocational Education Act of 1963; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. BOB WILSON, Mr. RYAN, Mr. MATSUNAGA, Mr. HARRIS, Mr. ZEFERETTI, Mrs. BOGGS, Mr. ROYBAL, Mr. THONE, and Mr. PATMAN):

H.R. 3991. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. RYAN, Mr. MATSUNAGA, Mr. WEAVER, Mrs. SCHROEDER, Mr. ZEFERETTI, Mrs. BOGGS, Mr. ROYBAL, Mr. THONE, and Mr. HARRIS):

H.R. 3992. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. DRINAN, Mr. HARRIS, Mr. HALL, Mrs. SCHROEDER, Mr. GOODLING, Mr. THOMPSON, Mr. BENITEZ, Mr. KOCH, Mr. CLAY, Mrs. MINK, Mr. BEVILL, Mr. LEHMAN, Mr. ANDREWS of North Carolina, Mrs. BURKE of California, Mr. GILMAN, Mr. ZEFERETTI, and Mr. MELCHER):

H.R. 3993. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies; to the Committee on Education and Labor.

By Mr. PIKE (for himself, Mr. DOWNEY, Mr. AMARO, and Mr. SOLARZ):

H.R. 3994. A bill to amend the act entitled "An act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (78 Stat. 928); to the Committee on Interior and Insular Affairs.

By Mr. PRICE (for himself, Mr. ANDERSON of Illinois, Mr. HINSHAW, Mr. HORTON, and Mr. LUJAN):

H.R. 3995. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for approval of sites for production and utilization facilities, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. QUIE:

H.R. 3996. A bill to amend the Federal Unemployment Tax Act with respect to the definition of "employer"; to the Committee on Ways and Means.

H.R. 3997. A bill to amend the Internal Revenue Code of 1954 to exempt certain trust income from the earned income limitation on the low-income allowance; to the Committee on Ways and Means.

By Mr. REES:

H.R. 3998. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle-income home buyers; to the Committee on Banking, Currency and Housing.

H.R. 3999. A bill to amend the Internal Revenue Code of 1954 to provide an income tax deduction for individuals for purchases of contemporary American art; to the Committee on Ways and Means.

By Mr. RIEGLE:

H.R. 4000. A bill to amend Federal statutes regulating automobile emissions and automobile safety and to provide certain rules with respect to automobile fuel efficiency to permit the manufacture of safe, nonpolluting, fuel efficient automobiles, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RISENHOOVER:

H.R. 4001. A bill to amend the National School Lunch Act to provide that the Secretary of Agriculture shall buy beef and beef products for distribution among the States and schools and service institutions participating in food service programs during fiscal years 1975 and 1976; to the Committee on Education and Labor.

By Mr. RODINO (for himself, Mrs. SCHROEDER, Mr. DANIELSON, Mr. DIGGS, Mr. DOMINICK V. DANIELS, Mr. FRENZEL, Mr. BEDELL, Mr. STOKES, Mr. PATTERSON of California, Mr. Mr GUDE, Mr. DODD, Mr. MITCHELL of New York, Mrs. KEYS, Mr. BURKE of Massachusetts, Mr. BENITEZ, Mr. HANNAFORD, and Mr. ADAMS):

H.R. 4002. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 4003. A bill to amend title IX of the Social Security Act (relating to Federal-State unemployment compensation) to create a temporary program, as an emergency measure during the current period of high unemployment, in order to assure continued health care for unemployed persons and their families, and for this purpose to provide for continuation of coverage under employer programs of health insurance for their employees, and Federal financing from general revenues to meet the cost of such continued coverage; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SYMINGTON, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARNEY, Mr. WIRTH, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ):

H.R. 4004. A bill to amend the Public Health Service Act to establish an emergency health benefits protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. PREYER, Mr. SYMINGTON, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARNEY, Mr. WIRTH, Mr. CARTER, Mr. BROYHILL, Mr. HASTINGS, and Mr. HEINZ):

H.R. 4005. A bill to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSE:

H.R. 4006. A bill to authorize the disposal of chemical-grade chromite from the national stockpile and the supplemental stockpile, in order to alleviate the critical shortage of chemical-grade chromite in the United States; to the Committee on Armed Services.

H.R. 4007. A bill to amend the act relating to the Lumbee Indians of North Carolina; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN (for himself and Mr. REUSS) (by request):

H.R. 4008. A bill to amend the Bank Holding Company Act of 1956, as amended, to provide special procedures for the acquisition of failing banks or bank holding companies and for the acquisition of banks or bank holding companies in emergencies and to provide for the acquisition by bank holding companies of banks outside their State of principal banking operations in emergency situations and situations involving a failing bank or bank holding company; to the Committee on Banking, Currency and Housing.

By Mr. SATTERFIELD (for himself and Mr. HAMMERSCHMIDT) (by request):

H.R. 4009. A bill to amend title 38 of the United States Code to require that certain veterans receiving hospital care from the Veterans' Administration for non-service-connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care; to prohibit the future exclusion of such coverage from insurance policies or contracts; and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. SCHROEDER:

H.R. 4010. A bill to establish an Office of Food Administration for a temporary period in order to develop coordinated national policies on domestic and foreign food assistance programs; jointly to the Committees on Agriculture and Foreign Affairs.

By Mr. SEBELIUS:

H.R. 4011. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 4012. A bill to amend the Clayton Act to prohibit restraints of trade in the transportation of petroleum, products of petroleum refining, and natural gas, and for other purposes; to the Committee on the Judiciary.

H.R. 4013. A bill to amend the Clayton Act to prohibit undue concentration in the energy-producing industries, for other purposes; to the Committee on the Judiciary.

By Mr. SHRIVER:

H.R. 4014. A bill to amend the Uniform Time Act of 1966 in order to provide that daylight saving time shall be observed in the United States from the first Sunday following Memorial Day to the first Sunday following Labor Day; to the Committee on Interstate and Foreign Commerce.

By Mr. SKUBITZ:

H.R. 4015. A bill to amend the Federal Aviation Act of 1958 to permit the continuation of youth fares, to authorize reduced-rate transportation for the elderly, and for other purposes; to the Committees on Public Works and Transportation.

By Mr. STEED (for himself, Mr. ENGLISH, Mr. JARMAN, Mr. JONES of Oklahoma, and Mr. RISENHOOVER):

H.R. 4016. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Sac and Fox Indians in Indian Claims Commission dockets Nos. 219, 153, and 135, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEIGER of Arizona:

H.R. 4017. A bill to authorize the Secretary of Agriculture to compensate employees for losses sustained in the value of personal housing due to closing the headquarters of the Sitgreaves National Forest in Holbrook, Ariz.; to the Committee on the Judiciary.

By Mr. STEPHENS (for himself and Mr. BRINKLEY):

H.R. 4018. A bill to authorize and direct the Secretary of the Army to convey to the Board of Regents of the University System of Georgia certain lands of the United States in Augusta, Ga.; to the Committee on Armed Services.

By Mr. STEPHENS:

H.R. 4019. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VANDER VEEN:

H.R. 4020. A bill to amend the Internal Revenue Code of 1954 to include certain joint hospital laundry ventures among the cooperative hospital service organizations entitled to tax exemption thereunder; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mr. KARTH, Mrs. KEYS, Mr. KOCH, Mr. LEHMAN, Mr. MEEDS, Mr. METCALFE, Mr. MIKVA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOTTL, Mr. NEDZI, Mr. NIX, Mr. O'HARA, Mr. PEPPER, Mr. REUSS, Mr. RICHMOND, Mr. RODINO, Mr. ROONEY, Mr. ROSENTHAL, Mr. RYAN, Mr. SANTINI, Mr. SARBANES, and Mr. SCHEUER):

H.R. 4021. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. SEIBERLING, Mrs. SPELLMAN, Mr. JAMES V. STANTON, Mr. STOKES, Mrs. SULLIVAN, Mr. THOMPSON, Mr. UDALL, Mr. VANDER VEEN, Mr. CHARLES H. WILSON of California, Mr. WOLFF, Mr. WON PAT, Mr. YATES, Mr. YATRON, and Mr. YOUNG of Georgia):

H.R. 4022. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. BRADEMAS, Mr. MOORHEAD of Pennsylvania and Mr. VIGORITO):

H.R. 4023. A bill to amend the Emergency Petroleum Allocation Act of 1973 to prohibit the President from increasing the price of certain crude oil by more than $1 per barrel per year; to the Committee on Interstate and Foreign Commerce.

By Mr. WALSH (for himself, Mr. ABDNOR, Mr. HAMMERSCHMIDT, and Mr. ROE):

H.R. 4024. A bill to permit the States to prepare environmental impact statements on Federal-aid highway projects proposed by the States; to the Committee on Public Works and Transportation.

By Mr. WHALEN:

H.R. 4025. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. WHITE:

H.R. 4026. A bill to include inspectors of the U.S. Immigration and Naturalization Service, the U.S. Customs Service, and the Canal Zone Customs Service within the provisions of section 8336(c) of title 5, United States Code, relating to the retirement of certain employees engaged in hazardous occupations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST (for himself and Mr. ROE):

H.R. 4027. A bill to amend the Federal law relating to the care and treatment of animals to broaden the categories of persons regulated under such law, to assure that birds in pet stores and zoos are protected, and to increase protection for animals in transit; to the Committee on Agriculture.

By Mr. WHITEHURST (for himself, Mr. BADILLO, Mr. BENITEZ, Mr. JOHN L. BURTON, Mr. COUGHLIN, Mr. DOMINICK V. DANIELS, Mr. EILBERG, Mr. EMERY, Mr. FORSYTHE, Mr. FRENZEL, Mr. GILMAN, Mr. GOLDWATER, Mr. HECHLER of West Virginia, Mr. HORTON, Mr. HOWARD, Mr. JOHNSON of Pennsylvania, Mr. MAZZOLI, Mr. MCEWEN, Mr. PEYSER, Mrs. SCHROEDER, Mr. SOLARZ, and Mr. CHARLES WILSON of Texas):

H.R. 4028. A bill to amend the Federal law relating to the care and treatment of animals to broaden the categories of persons regulated under such law, to assure that birds in pet stores and zoos are protected, and to increase protection for animals in transit; to the Committee on Agriculture.

By Mr. WHITEHURST (for himself, Mr. BEVILL, Mr. BRINKLEY, Mr. JOHN L. BURTON, Mrs. COLLINS of Illinois, Mr. DAVIS, Mr. EILBERG, Mr. ENGLISH, Mr. FISHER, Mr. GILMAN, Mr. HILLIS, Mrs. HOLT, Mr. LAGOMARSINO, Mr. MILLER of California, Mr. THONE, Mr. WINN, Mr. WON PAT, and Mr. YATRON):

H.R. 4029. A bill to direct the Secretary of Defense to continue to operate and maintain commissary stores of the agencies of the Department of Defense; to the Committee on Armed Services.

By Mr. WHITEHURST (for himself, Mr. BADILLO, Mrs. BOGGS, Mr. DELLUMS, Mr. HARRINGTON, Miss HOLTZMAN, Mr. KETCHUM, and Mrs. SCHROEDER):

H.R. 4030. A bill to provide assistance to zoos and aquariums, to establish standards of accreditation for such facilities, and to establish a Federal Zoological and Aquarium Board, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITEHURST (for himself, Mr. BADILLO, Mrs. BOGGS, Mr. BROWN of California, Mrs. COLLINS of Illinois, Mr. DERWINSKI, Mr. EDGAR, Mr. FORD of Tennessee, Mr. GILMAN, Mr. HARRINGTON, Mr. HELSTOSKI, Mrs. HOLT, Mr. HORTON, Mr. JONES of North Carolina, Mr. KETCHUM, Mr. MILLER of California, Mr. SOLARZ, Mr. YATRON, and Mr. ZEFERETTI):

H.R. 4031. A bill to amend title 38, United States Code, to provide that remarriage of the widow of a veteran after age 60 shall not result in termination of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. BOB WILSON:

H.R. 4032. A bill to amend the survivor benefit plan provided for under title 10 of the United States Code to make any surviving spouse eligible for an annuity thereunder if married to the retiree at least 1 year before the retiree's death; to the Committee on Armed Services.

H.R. 4033. A bill to amend title 10 of the United States Code to eliminate the reduction made to retired or retainer pay, for purposes of providing a surviving spouse with an annuity under the survivor benefit plan, during periods when the person entitled to such pay is unmarried; to the Committee on Armed Services.

By Mr. BOB WILSON (for himself, Mr. BELL, Mr. DEL CLAWSON, Mr. DON H. CLAUSEN, Mr. GOLDWATER, Mr. HINSHAW, Mr. LAGOMARSINO, Mr. ROUSSELOT, Mr. TALCOTT, Mr. MOORHEAD of California, Mr. WIGGINS, Mr. BURGENER, and Mr. KETCHUM):

H.R. 4034. A bill to designate the Veterans'

Administration hospital in Loma Linda, Calif., as the "Jerry L. Pettis Memorial Veterans' Hospital", and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WIRTH (for himself, Mr. SHARP, Mr. BRODHEAD, Mr. ECKHARDT, Mr. MOFFETT, Mr. OTTINGER, Mr. DINGELL, and Mr. HEINZ):

H.R. 4035. A bill to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocation Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities; to the Committee on Interstate and Foreign Commerce.

By Mr. WRIGHT (for himself, Mr. HAMMERSCHMIDT, Mr. MCCORMACK, Mr. CLEVELAND, Mr. AMBRO, Mr. ANDERSON of California, Mr. BREAUX, and Mr. NOWAK):

H.R. 4036. A bill to expedite construction starts on approved public works projects, and to eliminate certain procedural requirements in order to reduce delays and accelerate certain public works programs and projects; to the Committee on Public Works and Transportation.

By Mr. WYDLER:

H.R. 4037. A bill to amend title 5, United States Code, to provide for the establishment of a special cost-of-living pay schedule containing increased pay rates for Federal employees in heavily populated cities and metropolitan areas to offset the increased cost of living, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H.J. Res. 253. Joint resolution proposing an amendment to the Constitution to permit the imposition and carrying out of the death penalty in certain cases; to the Committee on the Judiciary.

By Mr. FISHER:

H.J. Res. 254. Joint resolution restoring citizenship posthumously to Gen. Robert E. Lee; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.J. Res. 255. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

H.J. Res. 256. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. LATTA:

H.J. Res. 257. Joint resolution designating the composition known as "The Stars and Stripes Forever" as the national march of the United States; to the Committee on the Judiciary.

By Mr. LEHMAN (for himself, Mrs. SCHROEDER, Mr. DOMINICK V. DANIELS, Mr. NIX, Mr. HANLEY, Mr. CHARLES H. WILSON of California, Mr. FOAD of Michigan, Mr. CLAY, Mrs. SPELLMAN, Mr. NEAL, Mr. BRODHEAD, Mr. MINETA, Mr. JENRETTE, Mr. SOLARZ, Mr. JOHNSON of Pennsylvania, and Mr. GILMAN):

H.J. Res. 258. Joint resolution to designate March 21, 1975, as "Earth Day"; to the Committee on Post Office and Civil Service.

By Mr. ST GERMAIN:

H.J. Res. 259. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mr. VANDER VEEN:

H.J. Res. 260. Joint resolution asking the President of the United States to declare the month of January as "National Polka Month"; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST (for himself, Mr. BREAUX, Mr. DERWINSKI, Mr. HECHLER of West Virginia, Mr. O'HARA, Mr. ROBINSON, Mr. STEIGER of Arizona, and Mr. TREEN):

H.J. Res. 261. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. DON H. CLAUSEN:

H.J. Res. 262. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day and the 30th day of May of each year as Memorial Day; to the Committee on Post Office and Civil Service.

By Mr. ROGERS:

H.J. Res. 263. Joint resolution to authorize and request the President to proclaim the second week in April of each year as "National Medical Laboratory Week"; to the Committee on Post Office and Civil Service.

By Mr. HELSTOSKI:

H. Con. Res. 156. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. NOWAK:

H. Con. Res. 157. Concurrent resolution expressing the sense of Congress that the Holy Crown of St. Stephen should remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hungarian people through free choice; to the Committee on Foreign Affairs.

By Mrs. SPELLMAN:

H. Con. Res. 158. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. STRATTON (for himself and Mr. DELANEY):

H. Con. Res. 159. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. CASEY:

H. Con. Res. 160. Concurrent resolution designating November 19 as "National Phi Theta Kappa Day"; to the Committee on Post Office and Civil Service.

By Mr. BURGENER:

H. Res. 260. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. GAYDOS:

H. Res. 261. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. HAMMERSCHMIDT:

H. Res. 262. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

H. Res. 263. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

By Mr. JENRETTE:

H. Res. 264. Resolution to direct the Special Subcommittee on Investigations of the Committee on Interstate and Foreign Commerce to conduct an inquiry into certain activities of private industry and the Federal Government with respect to coal; to the Committee on Rules.

By Mr. MCCORMACK (for himself, Mr. TEAGUE, Mr. MOSHER, and Mr. STEMINGTON):

H. Res. 265. Resolution disapproving the deferral of budget authority for solar and geothermal energy research and development programs of the National Science Foundation (deferral No. D75-129) which was proposed by the President in his special message of November 26, 1974, transmitted to the Congress under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. PRITCHARD (for himself, Mr. AUCOIN, Mr. MEEDS, Mr. HICKS, Mr. TREEN, Mr. RUPPE, Mr. STUDDS, Mr. EMERY, Mr. MCCORMACK, and Mr. MCCLOSKEY):

H. Res. 266. Resolution expressing the disapproval of the House with respect to the President's proposed deferral of budget authority for State-Federal fisheries management grants; to the Committee on Appropriations.

By Mr. RODINO:

H. Res. 267. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

32. By the SPEAKER: A memorial of the Legislature of the State of Oklahoma, relative to the Rock Island Railroad; to the Committee on Interstate and Foreign Commerce.

33. Also, a memorial of the Legislature of the Commonwealth of Virginia, relative to amending the Clean Air Act of 1970; to the Committee on Interstate and Foreign Commerce.

34. Also, a memorial of the Legislature of the Commonwealth of Virginia, requesting Congress to call a convention for the purpose of proposing an amendment to the Constitution of the United States to prohibit further deficit spending; to the Committee on the Judiciary.

35. Also, a memorial of the Legislature of the Commonwealth of Virginia, relative to the allocation of materials necessary for the construction of ships involved in the transportation of energy; to the Committee on Merchant Marine and Fisheries.

36. Also, a memorial of the Legislature of the Commonwealth of Virginia, relative to insuring that Federal programs provide for payment of the fair share of hospital costs of patients covered by such programs; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JOHN L. BURTON:

H.R. 4038. A bill for the relief of Jennifer Anne Blum; to the Committee on the Judiciary.

By Mr. FLOOD:

H.R. 4039. A bill for the relief of Young Soon Choi; to the Committee on the Judiciary.

By Mr. GOLDWATER:

H.R. 4040. A bill for the relief of Mrs. Alice T. Beacon; to the Committee on the Judiciary.

H.R. 4041. A bill for the relief of Mrs. Veronica Ojeda de Calvo; to the Committee on the Judiciary.

H.R. 4042. A bill for the relief of Donald R. Manning; to the Committee on the Judiciary.

By Mr. GUDE:

H.R. 4043. A bill for the relief of James A. Horkan; to the Committee on the Judiciary.

By Mr. HECHLER of West Virginia:

H.R. 4044. A bill for the relief of John Howard Barbour; to the Committee on the Judiciary.

By Mr. ICHORD:

H.R. 4045. A bill for the relief of Faustiniano Avito Pereira-de-Andrade; to the Committee on the Judiciary.

By Mr. JACOBS:

H.R. 4046. A bill for the relief of Valerie Ann Phillips, nee Chambers; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 4047. A bill for the relief of Jack R. Misner; to the Committee on Ways and Means.

By Mr. MADIGAN:

H.R. 4048. A bill for the relief of the J. L. Simmons Co., Inc.; to the Committee on the Judiciary.

By Mr. MAZZOLI:

H.R. 4049. A bill for the relief of Clarence S. Lyons; to the Committee on the Judiciary.

By Mr. MELCHER:

H.R. 4050. A bill for the relief of the Mondakota Gas Co.; to the Committee on the Judiciary.

By Mr. MITCHELL of Maryland:

H.R. 4051. A bill for the relief of Elijah Stith; to the Committee on the Judiciary.

By Mr. O'HARA:

H.R. 4052. A bill for the relief of Alan Sturt; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 4053. A bill for the relief of Roderic Patrick Stafford; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 4054. A bill for the relief of Rodney E. Hoover; to the Committee on the Judiciary.

H.R. 4055. A bill for the relief of Benjamin Baxter; to the Committee on the Judiciary.

By Mr. TAYLOR of Missouri:

H.R. 4056. A bill for the relief of Tri-State Motor Transit Co.; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 4057. A bill to authorize the appointment of Alexander P. Butterfield to the retired list of the Regular Air Force, and for other purposes; to the Committee on Armed Services.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previously listing appeared in the CONGRESSIONAL RECORD of February 24, 1975 (page H1033):

H.R. 1300. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Establishes a Nursing Home Affairs Advisory Council to make recommendations to the Secretary of Health, Education, and Welfare concerning services provided by long-term care facilities which receive Federal funds under the Medicare and Medicaid provisions of the Social Security Act.

H.R. 1301. January 14, 1975. Agriculture. Authorizes the Secretary of Agriculture to make advances, from any appropriations for the Department of Agriculture, to chiefs of field parties.

H.R. 1302. January 14, 1975. Government Operations. Requires the Administrator of General Services, where a specified amount of land is Federal real property within a State or local governmental units, to pay to such unit amounts equivalent to the property taxes which would have been collected had the property been privately owned.

H.R. 1303. January 14, 1975. House Administration. Directs the Speaker of the House of Representatives to enter into agreements with Virginia, Maryland, and the District of Columbia to withhold State or District of Columbia income taxes from the pay of congressional Members and employees who are subject to such taxes, and who voluntarily agree to such withholding.

H.R. 1304. January 14, 1975. Judiciary. Eliminates the jurisdiction of any United States court to require that pupils be assigned to particular schools on the basis of their race, color, religion or national origin. Prohibits the withholding of Federal financial assistance to induce the assignment of pupils to a particular school on the basis of race, color, religion or national origin.

H.R. 1305. January 14, 1975. Judiciary. Establishes a Commission on Medical Malpractice Awards to conduct a comprehensive study and investigation of the feasibility and appropriateness of establishing maximum limits on the amount of damages that may be granted in any medical malpractice suit brought against a physician, dentist, or other medical practitioner.

H.R. 1306. January 14, 1975. Post Office and Civil Service. Prohibits, with certain exceptions, employees of executive agencies from requesting or receiving from Federal officials or employees anything of value for political purposes.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 1307. January 14, 1975. Ways and Means. Amends the Social Security Act by including postmastectomy breast prosthesis among the items and services covered under the Medicare supplementary medical insurance program.

H.R. 1308. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1309. January 14, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1310. January 14, 1975. Interstate and Foreign Commerce. Prohibits discrimination solely on the basis of sex by the insurance business with respect to the availability and scope of insurance coverage.

H.R. 1312. January 14, 1975. Judiciary. Prohibits actions of United States citizens or agencies to influence political elections in foreign countries.

H.R. 1312. January 14, 1975. Judiciary. Prohibits the use of Federal funds for legal expenses of certain persons convicted or pardoned in Watergate-related cases.

H.R. 1313. January 14, 1975. Public Works and Transportation. Authorizes the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Rolla, Missouri, for airport purposes.

H.R. 1314. January 14, 1975. Agriculture. Changes the method of determining the amount of timber receipts from harvesting in national forests to be made available for public schools and public roads where more than one jurisdiction is involved.

H.R. 1315. January 14, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 1316. January 14, 1975. Ways and Means. Excludes from taxable income as defined in the Internal Revenue Code of 1954 the first $1,000 of interest earned on savings deposits in banking institutions with investments in residential real property.

H.R. 1317. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1318. January 14, 1975. Government Operations. Amends the State and Local Fiscal Assistance Act of 1972 by prohibiting general revenue sharing unless the Federal budget is in balance or shows a surplus.

H.R. 1319. January 14, 1975. Merchant Marine and Fisheries. Imposes a tax on component parts of ammunition for firearms to provide additional funds for State wildlife restoration programs.

Amends the Federal Aid in Wildlife Restoration Act to authorize Federal assistance for State hunter education programs.

H.R. 1320. January 14, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 1321. January 14, 1975. Agriculture, Directs the Secretary of Health, Education, and Welfare to establish minimum standards of sanitation for imported dairy products. Requires inspection and labeling of imported dairy products to certify compliance with sanitation standards.

H.R. 1322. January 14, 1975. Armed Services. Amends the Military Selective Service Act by: (1) revising the definition of conscientious objector; and (2) allowing individuals who have been inducted or who have refused induction to apply for conscientious objector status pursuant to the revised definition.

H.R. 1323. January 14, 1975. Armed Services. Redefines "conscientious objector" for the purposes of the Military Selective Service Act of 1967.

H.R. 1324. January 14, 1975. Banking, Currency and Housing. Amends the Consumer Credit Protection Act to (1) require disclosure to a consumer that an investigative consumer report may be made on him; (2) require agencies compiling such reports to notify consumers when such reports are being made about them; and (3) maintain strict procedures to insure that all information in such reports is accurate.

H.R. 1325. January 14, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by imposing limitations on the selection of treatment facilities by Medicaid patients.

H.R. 1326. January 14, 1975. Post Office and Civil Service. Permits Government officials and employees to participate in political management and in political campaigns. Prohibits the use of official authority or influence for the purpose of affecting the result of an election.

H.R. 1327. January 14, 1975. Veterans' Affairs. Entitles any veteran who is an eligible veteran to transfer to his or her spouse, for the spouse's benefits, all or part of such veteran's entitlements to educational assistance. Allows the Administrator of Veterans' Affairs to authorize an educational assistance allowance for the enrollment of any eligible widow, widower, or spouse in a program of additional secondary school training to allow them to qualify for admission to an appropriate educational institution.

H.R. 1328. January 14, 1975. Veterans' Affairs. Limits the period of eligibility for educational benefits for veterans who served their active duty before August 4, 1964, to eight years after the date of their last discharge. Provides no delimiting period for purposes of educational assistance for those veterans who served on active duty after August 4, 1964.

H.R. 1329. January 14, 1975. Ways and Means, Interstate and Foreign Commerce. Authorizes payment of counsel fees to individuals who successfully challenge an administrative decision which denied or limits the benefits or assistance to which he is entitled under the Social Security Act. Directs the Secretary of Health, Education, and Welfare to pay such fees in the case of claims arising under the Old-Age, Survivors, and Disability Insurance and Medicare programs. Directs the appropriate State agency to pay

such fees in the case of claims arising under any public assistance and medicaid programs.

H.R. 1330. January 14, 1975. Judiciary. Standards of Official Conduct. Requires Federal employees to file with the Office of the Federal Register a statement with respect to certain gifts made or received by such employees.

Directs the Office of the Federal Register to compile and publish annually such statements.

H.R. 1331. January 14, 1975. Government Operations. Requires the President to transmit to Congress copies of each Presidential proclamation and Executive order not later than two days after issuance.

H.R. 1332. January 14, 1975. Government Operations. Establishes an Agency of Economic and Natural Resources Planning in the executive branch. Transfers natural resources planning functions from the Departments of Agriculture, Commerce, and the Interior to the new agency.

H.R. 1333. January 14, 1975. Judiciary. Includes bodies politic in the category of persons who may be sued for depriving any citizen of rights secured under the Constitution and laws of the United States.

H.R. 1334. January 14, 1975. Banking, Currency and Housing. Amends the Export-Import Bank Act of 1945 to prohibit the extension of credit to Turkey until the President reports to the Congress that Turkey is cooperating with the United States in the curtailment of heroin traffic.

H.R. 1335. January 14, 1975. Banking, Currency and Housing. Establishes a presidentially-appointed National Landlord and Tenant Commission.

Directs the Commission to conduct a study of landlord-tenant problems, to review the implementation of the provisions of this Act, to grant funds to the States for the establishment and maintenance of housing courts, in accordance with standards established by the Commission, to develop model lease and rental agreements, and to appoint a body to develop and implement a national rent control plan.

Sets forth the rights and obligations of tenants and landlords.

H.R. 1336. January 14, 1975. Education and Labor. Directs the Bureau of Labor Statistics to prepare a monthly Consumer Price Index for the Elderly. Directs the Secretaries of Health, Education, and Welfare, Defense, and State; the Chairman of the Civil Service Commission, Board of Directors of the Tennessee Valley Authority, and Board of Governors of the Federal Reserve System; the Director of the Central Intelligence Agency; and the Commissioner of the District of Columbia to study and investigate any legislative and administrative action necessary for utilizing such an index in the administration of certain retirement programs.

H.R. 1337. January 14, 1975. Ways and Means. Amends the Social Security Act by increasing the Federal share of public assistance benefits provided by a State to Indians, Aleuts, native Hawaiians and other aboriginal persons.

H.R. 1338. January 14, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1339. January 14, 1975. Merchant Marine and Fisheries. Armed Services. Authorizes the Secretary of the Navy to appoint students at State maritime academies and colleges as Reserve midshipmen in the United States Navy.

H.R. 1340. January 14, 1975. Education and Labor. Amends the Federal Coal Mine Health and Safety Act of 1969 with respect to black lung benefits.

H.R. 1341. January 14, 1975. Judiciary. Establishes a place for the holding of Federal district court for the Western District of Pennsylvania.

H.R. 1342. January 14, 1975. Agriculture. Prohibits the importation of any dairy products into the United States unless it has been inspected and found to be wholesome and unless the foreign farms and plants in which such products were produced comply with all inspection, grading and other standards prescribed by the Secretary of Agriculture.

H.R. 1343. January 14, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1344. January 14, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1345. January 14, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

H.R. 1346. January 14, 1975. Education and Labor. Amends the Civil Rights Act of 1964, to make it unlawful for an employer, an employment agency, labor organization or organization controlling a training program to discriminate against individuals who are handicapped because of such handicap.

H.R. 1347. January 14, 1975. Interior and Insular Affairs. Enlarges the Land and Water Conservation Fund by establishing a "Save Outdoor America" program.

H.R. 1348. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to prohibit the denial of air transportation to any individual solely on the basis of such individual's physical handicap.

H.R. 1349. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 1350. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants for child development and family service programs and cooperative programs with educational agencies. Authorizes Federal grants for training programs for personnel employed in child development programs.

Establishes an Office of Child Development within the Office of the Secretary to coordinate all efforts in the area of child development.

Requires the Secretary to promulgate program standards and a uniform minimum code for child development facilities with the assistance of specially-appointed policy committees.

Authorizes the Secretary to insure mortgages on facilities to be used for child development and family services.

H.R. 1351. January 14, 1975. Agriculture. Authorizes and directs the Secretary of Agriculture to make cost of production payments, not less than semiannually, to farmers, feeders, producers, and ranchers.

H.R. 1352. January 14, 1975. Ways and Means. Prohibits the importation of any fresh, chilled, frozen, or canned cattle meat during a 180-day period, and then allows it only if the Secretary of Agriculture determines that all such foreign meat production meets or exceeds the health and sanitary requirements of the United States.

H.R. 1353. January 14, 1975. Ways and Means. Prohibits the importation of dairy products for a twelve month period or until the market price of milk reaches 100 percent of parity, and then allows it only if the Secretary of Agriculture determines that such foreign dairy production meets or exceeds the health and sanitary requirements of the United States.

H.R. 1354. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by establishing a program of long-term care benefits under the Medicare supplementary medical insurance program. Authorizes Federal reimbursement to States for expenses incurred in planning and developing community long-term care centers. Entitles recipients of Supplemental Security Income benefits and individuals eligible for Medicare benefits to long-term care benefits under this Act.

H.R. 1355. January 14, 1975. Merchant Marine and Fisheries. Interstate and Foreign Commerce. Establishes a program, under the Secretary of Commerce, to insure the wholesomeness of fish and fishery products through inspection and certification of fish and fishery products processing plants in the United States and the inspection of imported fishery products.

H.R. 1356. January 14, 1975. Interstate and Foreign Commerce.

Establishes an Emergency Coal Office in the Federal Energy Administration under the direction of the Federal Energy Administrator. Authorizes the Administrator to take such action as necessary to facilitate the production, transportation, and conversion of coal as a source of energy.

H.R. 1357. January 14, 1975. Education and Labor. Science and Technology. Authorizes the Secretary of Health, Education, and Welfare to make grants to five institutions of higher education for the establishment of comprehensive centers for the education of persons for research dealing with coal as a major national energy resource. Establishes an Advisory Council on Coal Education, Training and Research to advise the Secretary with respect to the general administration of this Act.

Authorizes the Secretary to award fellowships for graduate study and research related to the production, conservation, and utilization of coal.

H.R. 1358. January 14, 1975. Interior and Insular Affairs. Science and Technology. Establishes a Mineral Gasification and Coal Liquefaction Administration to establish a program for development and use of coal and oil shale resources. Authorizes the Secretary of the Interior to lease Federal lands for the exploration or extraction of coal for use in a gasification or liquefaction facility.

Waives the requirement of environmental impact statements with respect to certain loans and agreements. Authorizes the waiver of certain pollution control requirements if cost is deemed unreasonable.

H.R. 1359. January 14, 1975. Judiciary. Authorizes and directs the Secretary of the Treasury to pay the principal and interest of all student loans obtained by students adversely affected by the insolvency of Riverside University, Riverside, California.

H.R. 1360. January 14, 1975. Agriculture. Authorizes the Secretary of Health, Education, and Welfare to make grants and enter into contracts with public and private nonprofit agencies and institutions for the development of programs to educate consumers on the nutritional and economic aspects of agricultural commodities.

H.R. 1361. January 14, 1975. Interstate and Foreign Commerce. Sets forth standards, to be incorporated in State plans, pertaining to the discharge or transfer of Medicaid recipients from skilled nursing or intermediate care facilities.

H.R. 1362. January 14, 1975. Interstate and Foreign Commerce. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to reimburse long-term care facilities for the cost of establishing and maintaining inpatient rehabilitation therapy programs.

H.R. 1363. January 1, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Establishes a National Marine Minerals Resources Trust comprised of all unleased mineral resources of the Outer Continental Shelf. Authorizes the Secretary of the Interior to develop a plan for management for lands in the Outer Continental Shelf which minimizes potential risks of environmental damage.

H.R. 1364. January 14, 1975. Public Works and Transportation. Interstate and Foreign Commerce. Amends the Hazardous Materials Transportation Control Act of 1970 to require that all vehicles transporting hazardous materials in interstate commerce display placards identifying the material carried, degree of hazard involved, and any special procedures to be followed in emergency situations.

H.R. 1365. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Establishes a Nursing Home Affairs Advisory Council to make recommendations to the Secretary of Health, Education, and Welfare concerning services provided by long-term care facilities which receive Federal funds under the Medicare and Medicaid provisions of the Social Security Act.

H.R. 1366. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by (1) directing the Secretary of Health, Education, and Welfare to publish certain data on long-term care facilitiea and to develop a system for rating such facilities; and (2) requiring States, as a condition for receiving Federal aid, to conduct in-service training for nonprofessional employees of long-term care facilities.

H.R. 1367. January 14, 1975. Agriculture. Requires the Secretary of Agriculture to promulgate by regulation a system of retail quality grade designations for consumer food products expressed in a uniform nomenclature and displayed and disseminated to the public.

H.R. 1368. January 14, 1975. Banking, Currency and Housing. Amends the Public Works and Economic Development Act of 1965 to establish a program to assist in urban industrial development. Authorizes the Secretary of Commerce to make grants and loans to central cities for the establishment of urban land banks. Authorizes industrial development loans to businesses to aid in financing projects within central cities.

H.R. 1369. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to establish a fuel stamp program to assist certain low-income elderly households to meet fuel costs.

H.R. 1370. January 14, 1975. Interstate and Foreign Commerce. Creates an Emergency Coal Administration in the Federal Energy Office of the President to increase the production, transportation, and conversion of coal as a source of energy.

H.R. 1371. January 14, 1975. Public Works and Transportation. Establishes a Federal economic assistance program to provide assistance to areas designated by the President, using certain specified economic and employment criteria, as economic disaster areas.

Creates within the Department of Commerce an Office of Aid to Economic Disaster Areas, to advise and assist the President on means of stimulating the economies of such areas.

H.R. 1372. January 14, 1975. Ways and Means. Amends the Social Security Act to include optometrists' services and eyeglasses under the medicare supplementary medical insurance benefits program.

H.R. 1373. January 14, 1975. Interstate and Foreign Commerce. Establishes a national health insurance program under the Social Security Act. Authorizes the Secretary of Health, Education, and Welfare to reinsure insurance carriers, participating in federally approved State health insurance plans. Directs the Secretary to establish standards for coverage and premiums. Directs the Secretary to establish and operate Federal plans in noncooperating States.

H.R. 1374. January 14, 1975. Ways and Means. Amends the Social Security Act to extend medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1375. January 14, 1975. Government Operations. Prohibits the expenditure without Congressional approval of appropriated funds for private property used by an individual authorized to be protected by the Secret Service.

H.R. 1376. January 14, 1975. Public Works and Transportation. Establishes the Airport Noise Curfew Commission to study and make recommendations to the Congress regarding the establishment of curfews on nonmilitary aircraft operations over populated areas of the United States during normal sleeping hours.

H.R. 1377. January 14, 1975. Ways and Means. Repeals the statutory authority to impose quotas on the importation of meat and meat products.

H.R. 1378. January 14, 1975. Ways and Means. Science and Technology. Amends the Social Security Act to conform the timing of Medicare premium determinations with the timing of automatic increases in Old-Age, Survivors and Disability Insurance benefits.

Directs the Office of Technology Assessment to engage the National Academy of Sciences to study and propose solutions for problems of medical malpractice insurance. Specifies that proposed solutions shall be related to the Medicare provisions of the Social Security Act.

H.R. 1379. January 14, 1975. Interior and Insular. Removes the exception of electric utility systems constructed and operated as part of an irrigation system from contracting and bidding procedures for use by the Secretary of the Interior in administration of the Bureau of Indian Affairs.

H.R. 1380. January 14, 1975. Merchant Marine and Fisheries. Authorizes appropriations to the Department of Commerce for: (1) acquisition, construction, or reconstruction of ships; (2) payment of obligations incurred for ship operating-differential subsidy; (3) research and development; (4) reserve fleet; (5) training at the Merchant Marine Academy; (6) financial assistance to State Marine Schools, and (7) increases in employee salary and benefits. Revises the Merchant Marine Act to establish regional offices of the Maritime Administration.

H.R. 1381. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by allowing the Secretary of Health, Education, and Welfare to establish a State as one area for which a Professional Standards Review Organization may be designated.

H.R. 1382. January 14, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1383. January 14, 1975. Interior and Insular Affairs. Quitclaims to a certain individual all interest of the United States in the coal and mineral rights of certain land in Arkansas.

H.R. 1384. January 14, 1975. Judiciary. Declares certain individuals eligible for naturalization under the Immigration and Nationality Act.

H.R. 1385. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1386. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to admit free of duty 33 carillon bells for the use of Smith College, Northampton, Mass.

H.R. 1387. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1388. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1389. January 14, 1975. Judiciary. Specifies the tax treatment of a certain individual under the Internal Revenue Code.

H.R. 1390. January 14, 1975. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Nationality Act.

H.R. 1391. January 14, 1975. Judiciary. Authorizes the admission to the United States for permanent residence a certain individual provided such individual is otherwise admissible under the Immigration and Nationality Act.

H.R. 1392. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a certain sum to Ball State University and the American Association of Colleges for Teacher Education in full settlement of their claims against the United States for expenses incurred in the performance of a contract which established and operated a National Institute for the Preparation of Teachers for the Disadvantaged. Relieves the University and the Association from certain liability to the United States for cost reimbursement under such contract.

H.R. 1393. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1394. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purpose of the Immigration and Nationality Act.

H.R. 1395. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1396. January 14, 1975. Judiciary Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1397. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1398. January 14, 1975. Judiciary. Declares a certain individual to have met the requirement of 20 quarters of coverage under the Social Security Act for purposes of entitlement to monthly disability insurance benefits.

H.R. 1399. January 14, 1975. Judiciary. Authorizes classification of certain individuals as a child for purposes of the Immigration and Nationality Act.

H.R. 1400. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey certain lands to the Greater Southeast Community Hospital Foundation, Inc., Washington, D.C.

H.R. 1401. January 14, 1975. Judicary. Requires that service performed by a certain individual as a member of the civilian faculty of the United States Naval Academy be included as creditable service for purposes of civil service retirement annuities.

H.R. 1402. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay to a specified individual a certain sum in

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settlement of all claims against the United States for losses sustained through travel and other expenses incurred as a result of changes in such individual's official station while employed by various agencies of the Department of Defense.

H.R. 1403. January 14, 1975. Judiciary. Directs the Secretary of the Interior to pay a certain individual a sum representing the difference between the value of the land on the date of the filing of such individuals small tract application and the date of insurance of a certain patent.

H.R. 1404. January 14, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to convey to a certain individual specified land in Madera County, California.

H.R. 1405. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey to a certain individual specified land in Tahoe National Forest, Placer County, California.

H.R. 1406. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1407. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1408. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1409. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a certain sum to the eligible survivors of certain individuals in lieu of Servicemen's Group Life Insurance benefits.

H.R. 1410. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual for moving expenses sustained as a result of the purchase of such individual's real property in Moro County, New Mexico, by the Secretary of the Interior.

H.R. 1411. January 14, 1975. Judiciary. Deems a certain individual an immediate relative for purposes of the Immigration and Nationality Act.

H.R. 1412. January 14, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1413. January 14, 1975. Judiciary. Authorizes the naturalization of a certain individual, under the Immigration and Nationality Act.

H.R. 1414. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1415. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1416. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1417. January 14, 1975. Armed Services. Authorizes the President of the United States to present a Medal of Honor to a specified individual.

H.R. 1418. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1419. January 14, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1420. January 14, 1975. Judiciary. Specifies the tax treatment of a certain individual under the Internal Revenue Code.

H.R. 1421. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay to a certain individual specified veterans benefits.

H.R. 1422. January 14, 1975. Judiciary. Permits a certain individual to submit a claim to the Foreign Claims Settlement Commission notwithstanding the time limitation for such claims.

H.R. 1423. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1424. January 14, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to the widow of a certain individual as a result of the correction of the military records of such individual.

H.R. 1425. January 14, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1426. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1427. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1428. January 14, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1429. January 14, 1975. Judiciary. Specifies the tax treatment of a certain corporation under the Internal Revenue Code.

H.R. 1430. January 14, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1431. January 14, 1975. Judiciary. Stipulates the eligibility of certain individuals for old age or survivors benefits under the Social Security Act.

H.R. 1432. January 14, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1433. January 14, 1975. Foreign Affairs. Authorizes a certain individual to accept an office or position in a university maintained by the Government of Canada.

H.R. 1434. January 14, 1975. Interior and Insular Affairs. Eliminates the use restriction on certain public lands in Alaska authorized for sale to the Catholic Bishop of Northern Alaska.

H.R. 1435. January 15, 1975. Interstate and Foreign Commerce. Authorizes appropriations for the Federal Communications Commission for three years.

H.R. 1436. January 15, 1975. Interstate and Foreign Commerce. Authorizes appropriations for the Securities and Exchange Commission.

H.R. 1437. January 15, 1975. Interstate and Foreign Commerce. Authorizes appropriations for carrying out the functions, powers, and duties of the Food and Drug Administration for fiscal years 1976, 1977, and 1978.

H.R. 1438. January 15, 1975. Interstate and Foreign Commerce. Amends the Federal Power Act to provide additional authorizations for the Federal Power Commission.

H.R. 1439. January 15, 1975. Public Works and Transportation. Authorizes appropriations for the Federal Aviation Administration.

H.R. 1440. January 15, 1975. Public Works and Transportation. Authorizes appropriations for the Civil Aeronautics Board.

H.R. 1441. January 15, 1975. Interstate and Foreign Commerce. Public Works and Transportation. Authorizes appropriations for the Interstate Commerce Commission.

H.R. 1442. January 15, 1975. Interstate and Foreign Commerce. Public Works and Transportation. Authorizes appropriations for the Federal Communications Commission, Interstate Commerce Commission, Federal Aviation Administration, Federal Power Commission, Securities and Exchange Commission, and the Food and Drug Commission.

H.R. 1443. January 15, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to designate medically underserved populations and to assign National Health Service Corps personnel to provide health services for such populations. Revises the National Health Service Corps Scholarship Training Program by increasing appropriations therefor and by creating a formula for repayment of the scholarship and interest in the event that the recipient fails to fulfill his service obligation.

H.R. 1444. January 15, 1975. Post Office and Civil Service. Revises procedures for computation and payment of civil service retirement annuities to Federal employees and Members of Congress, and to the surviving spouses of such employees and Members.

H.R. 1445. January 15, 1975. Interstate and Foreign Commerce. Interior and Insular Affairs. Establishes a Bureau of Energy Information and a National Energy Information System within the Department of Commerce.

Requires major energy companies to file reports with the Bureau. Establishes standards for entry of information into public, confidential, and secret libraries to be maintained by the Bureau.

Directs the Secretary of the Interior to compile an annual inventory of energy resources in the public lands of the United States.

H.R. 1446. January 15, 1975. Interstate and Foreign Commerce. Establishes regulations with respect to certain independent regulatory commissions and agencies governing the following: (1) the appointment and tenure of chairmen; (2) the tenure of members; (3) the control of litigation; (4) appropriations requests; and (5) supplying information to Congressional Committees.

H.R. 1447. January 15, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to require consideration of total environmental, social, and economic impact. Includes provisions to allow individual sources to petition the Administrator of the Environmental Protection Agency for variances where environmental benefits do not justify economic and social costs imposed by environmental controls.

H.R. 1448. January 15, 1975. Armed Services. Revises the method of computing Armed Forces retainer and retired pay for certain individuals to reflect current active duty pay rates.

H.R. 1449. January 15, 1975. Judiciary. Authorizes the compensation of persons injured by certain violent criminal acts. Establishes within the Department of Justice the Violent Crimes Compensation Commission to carry out the purposes of this Act.

H.R. 1450. January 15, 1975. Government Operations. Ways and Means. Requires that five percent of the United States budget receipts for each fiscal year be set aside for the retirement of the public debt.

H.R. 1451. January 15, 1975. Post Office and Civil Service. Designates the birthday of Susan B. Anthony as a legal public holiday.

H.R. 1452. January 15, 1975. Merchant Marine and Fisheries. Extends the United States fishing zone from twelve to two hundred miles from the inner boundary of the territorial sea. Declares it the sense of Congress to review such extension of the fishery zone in the context of proposals and arrangements over high seas fishing rights which result from the Law of the Sea Conference.

H.R. 1453. January 15, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1454. January 15, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors, and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining an individual's eligibility for veterans' pensions or dependency and indemnity compensation for parents of deceased veterans.

H.R. 1455. January 15, 1975. Judiciary. Directs the President to appoint with the advice and consent of the Senate, one additional district judge for the western district of Wisconsin.

H.R. 1456. January 15, 1975. Ways and Means. Amends the Social Security Act as it relates to Old-Age, Survivors and Disability Insurance by (1) eliminating the waiting period for disability benefits; (2) increasing the amount of outside income which an individual may earn while receiving benefits; (3) revising the eligibility requirements for adopted children; (4) revising the procedure for making administrative determinations of entitlement to benefits; (5) authorizing the replacement of lost, stolen or undelivered benefit checks; and (6) giving Disability Insurance beneficiaries the same right to expedited benefit payments as Old-Age and Survivors Insurance beneficiaries.

H.R. 1457. January 15, 1975. Agriculture. Revises eligibility requirements and the portion of income to be paid for food coupons under the Food Stamp Act of 1964. Authorizes the use of food coupons for the purchase of prepared meals which are delivered to disabled individuals by a public agency or nonprofit organization.

H.R. 1458. January 15, 1975. Appropriations. Appropriates additional funds to the Department of Health, Education, and Welfare for the expenses of the National Institute of Arthritis, Rheumatism, Metabolic Diseases, and Digestive Diseases in carrying out research on the cause and treatment of diabetes.

H.R. 1459. January 15, 1975. Judiciary. Extends benefits for compensation of death or injury in the line of duty to law enforcement officers and firemen not employed by the United States, or their survivors.

H.R. 1460. January 15, 1975. Judiciary. Establishes a Federal minimum death benefit to be paid to Federal, State, or local law enforcement, corrections and firefighting the surviving dependents of personnel.

H.R. 1461. January 15, 1975. Armed Services. Requires the Secretaries of the Army, Navy, and Air Force to take such action as may be necessary to insure that female individuals shall be eligible for appointment and admission to the service academies under the same academic and other relevant standards as male individuals.

H.R. 1462. January 15, 1975. Education and Labor. Redefines under the Higher Education Act of 1965 the term "institution of higher education" to include area vocational schools for the purpose of the Basic Educational Opportunity Grants.

Excludes basic grant payments from the household income and other financial resources to be used as a criteria of eligibility for participation by households in the food stamp program.

H.R. 1463. January 15, 1975. Armed Services. Revises the method of computing Armed Forces retired and retainer pay for certain individuals to reflect current active duty pay rates.

H.R. 1464. January 15, 1975. Government Operations. Prohibits Federal agencies from furnishing mailing lists to the public, with certain exceptions. Prohibits the use of mailing lists furnished in violation of this Act for commercial solicitations.

H.R. 1465. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to convey certain assets to the Twenty-Nine Palms Band on behalf of the Cabazon Band of Mission Indians in California.

H.R. 1466. January 15, 1975. Interior and Insular Affairs. Conveys certain federally-owned lands in California to the Twenty-nine Palms Park and Recreation District, for the purpose of establishing an Indian cemetery and historical museum site.

H.R. 1467. January 15, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman, law enforcement officer, or judicial officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1468. January 15, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by permitting reduced rates for air travel by members of the same family and by handicapped persons. Authorizes reduced air fares for elderly people and young people on a space available basis.

H.R. 1469. January 15, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require the Secretary of Transportation to prescribe regulations governing the humane treatment of animals transported in air commerce.

H.R. 1470. January 15, 1975. Standards of Official Conduct. Requires each Member of Congress and certain employees of Congress to file certain financial information with the Comptroller General.

H.R. 1471. January 15, 1975. Veterans' Affairs. Excludes public or private retirement, annuity, or endowment payments in computing annual income for the purpose of determining eligibility for a pension from the Veterans' Administration for a non-service disability or death.

H.R. 1472. January 15, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1473. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to investigate methods of utilizing wastes resulting from the mining and processing of coal.

H.R. 1474. January 15, 1975. Ways and Means. Amends the Tariff Act of 1930 by defining the term "ultimate purchaser" to mean the purchaser of the finished product at wholesale or retail.

H.R. 1475. January 15, 1975. Interstate and Foreign Commerce. Creates an Emergency Coal Administration within the Federal Energy Office. Authorizes the Administrator of the Federal Energy Office to establish goals and take action to insure the maximum increase in the production, transportation, and conversion of coal as long as the present energy emergency exists.

H.R. 1476. January 15, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirement of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1477. January 15, 1975. Judiciary. Amends the Civil Rights Act of 1964 by prohibiting any department, agency, officer or employee of the United States from using the withholding of Federal funds to coerce changes in the racial distribution of teachers or students within a school system when a freedom of choice system, as defined by this Act, is used for the assignment of students.

Prohibits Federal courts from requiring school boards to make changes in the racial distribution of teachers or students when students are assigned in conformity with such a system.

H.R. 1478. January 15, 1975. Judiciary. Amends the Federal Criminal Code to increase the penalties for kidnaping and to require the death penalty in certain circumstances.

Establishes a rebuttable presumption that a person who voluntarily agrees to travel with another to a particular destination and does not arrive at that destination has been decoyed or inveigled.

H.R. 1479. January 15, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any narcotic drug from any pharmacy.

H.R. 1480. January 15, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1481. January 15, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 1482. January 15, 1975. Post Office and Civil Service. Redesignates the date for observance of Veterans Day.

H.R. 1483. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 1484. January 15, 1975. Education and Labor. Prescribes uniform criteria for formulating judicial remedies for the elimination of dual school systems. Stipulates that the failure of an educational agency to attain a balance, on the basis of race, color, sex, national origin, or socioeconomic status, of students among its schools shall not constitute a denial of equal protection of the laws.

H.R. 1485. January 15, 1975. Public Works and Transportation. Directs the President to prepare a comprehensive program of public works projects for the purpose of reducing unemployment. Authorizes the President to make grants to States and localities suffering from unemployment or underemployment.

H.R. 1486. January 15, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicard programs.

H.R. 1487. January 1, 1975. Education and Labor. Amends the Civil Rights Act of 1964 to make unlawful discrimination in employment on the basis of age.

H.R. 1488. January 1, 1975. Education and Labor. Declares that employees of States and units of local government have the right to form and join labor organizations, and engage in collective bargaining. Enumerates certain unfair labor practices with respect to such employees.

Creates a National Public Employee Relations Commission to receive and adjudicate complaints of unfair labor practices, and to issue cease and desist orders regarding such practices, and to supervise certain labor organization elections.

H.R. 1489. January 15, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits. Requires the Administrator of Veterans' Affairs to restore to entitlement and repay any compensation that would have been payable to any veteran but for the increase in his benefits under the Social Security Act.

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H.R. 1490. January 15, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1491. January 15, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to establish a priority system for certain agricultural uses of natural gas.

H.R. 1492. January 15, 1975. Merchant Marine and Fisheries. Applies to the United States fishing industry the same protection from foreign control as is granted to the coastwise shipping trade under the Shipping Act, 1916.

H.R. 1493. January 15, 1975. Agriculture. Authorizes the Secretary of Agriculture to cooperate with States and subdivisions in administration of the national forest system.

H.R. 1494. January 15, 1975. Agriculture. Requires, under the Federal Meat Inspection Act, that imported meat and meat food products made in whole or in part of imported meat must be labeled "imported" or "imported in part" at all stages of distribution until reaching the ultimate consumer.

H.R. 1495. January 15, 1975. Agriculture. Requires that imported foodstuffs and foodstuff products be marked and labeled in accordance with the laws and regulations for imported articles. Prohibits their importation if such articles are adulterated or misbranded and unless they comply with all the standards and regulations applicable to the same or similar article in commerce within the United States.

H.R. 1496. January 15, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to make grants to States and localities or to certain persons to assist in the restoration of historical cemeteries or burial plots.

H.R. 1497. January 15, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to authorize the approval of a user charge system in connection with sewage treatment works construction.

H.R. 1498. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income of 50 percent of the wages paid by the taxpayer for household help.

H.R. 1499. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to permit the reasonable and necessary expenses paid by the taxpayer in connection with an adoption to be deducted as a medical expense.

H.J. Res. 121. January 23, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 122. January 23, 1975. House Administration. Requests the President to designate the American rose as the national floral emblem of the United States.

H.J. Res. 123. January 23, 1975. Judiciary. Requires the Watergate Special Prosecution Force to publish a public report on all information it has concerning any involvement of Richard M. Nixon in offenses against the United States.

H.J. Res. 124. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to repeal the Twenty-fifth Amendment to the Constitution (relating to removal from Office of the President or vacancies in the Office of the Vice President).

H.J. Res. 125. January 23, 1975. Government Operations. Declares it the policy of the United States to encourage, develop, and implement policies to stabilize the population of the United States.

H.J. Res. 126. January 23, 1975. Judiciary. Proposes an amendment to the Constitution creating four year terms for Members of the House of Representatives

H.J. Res. 127. January 23, 1975. Judiciary. Proposes an amendment to the Constitution making a foreign born citizen eligible for the office of President where such citizen has resided in the United States for fourteen years and has been a citizen for twelve.

H.J. Res. 126. January 23, 1975. Post Office and Civil Service. Authorizes the President to proclaim the last Friday in April of each year as "National Arbor Day."

H.J. Res. 129. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 130. January 23, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law or approved by Congress.

H.J. Res. 131. January 23, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law or approved by Congress.

H.J. Res. 132. January 23, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 133. January 23, 1975. Judiciary. Proposes an amendment to the Constitution with respect to attendance of Senators and Representatives at congressional sessions

H.J. Res. 134. January 23, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 135. January 23, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J Res. 136. January 23, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H.J. Res. 137. January 23, 1975. Judiciary. Designates the square dance as the National folk dance of the United States

H.J. Res. 138. January 23, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

HJ. Res. 139. January 23, 1975. Post Office and Civil Service. Requests the President to designate May 13 of each year as "American Business Day."

H.J. Res. 140. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to permit Congress or the States to impose the death penalty in certain cases.

H.J. Res. 141. January 27, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law.

H.J. Res. 142. January 27, 1975. Foreign Affairs. Requests the President and Secretary of State to determine the fate of all United States servicemen and civilians missing in Southeast Asia.

H.J. Res. 143. January 27, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 144. January 27, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 145. January 28, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 146. January 28, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 147. January 28, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 148. January 28, 1975. Post Office and Civil Service. Designates April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man" as a day of remembrance for victims of genocide.

H.J. Res. 149. January 28, 1975. Judiciary. Proposes an amendment to the Constitution creating four year terms for Members of the House of Representatives.

H.J. Res. 150. January 28, 1975. Judiciary. Proposes an amendment to the Constitution (1) limiting the term of Office of the President and Vice President to 6 years, (2) stipulating that no person shall be eligible for more than a single term as President or Vice President, and (3) specifying a Vice President's eligibility for the Office of President.

H.J. Res. 151. January 28, 1975. Judiciary. Proposes an amendment to the Constitution specifying that the President and Vice-President shall (1) hold a single six year term, and (2) be elected by direct popular ballot. Stipulates certain nomination and election procedures.

H.J. Res. 152. January 28, 1975. Foreign Affairs. Declares it the sense of the House of Representatives to commend the Cuban "Declaration of Freedom".

H.J. Res. 153. January 29, 1975. Judiciary. Proposes an amendment to the Constitution limiting appropriations to the amount of revenues except during a national emergency.

H.J. Res. 154. January 29, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge and (2) the establishment of a Federal-State management program for the conservation, protection, and enhancement of tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 155. January 29, 1975. Post Office and Civil Service. Designates June 2, 1975, to honor the Connecticut Bar Association.

H.J. Res. 156. January 29, 1975. Judiciary. Proposes an amendment to the Constitution limiting the pardoning power of the President with respect to those who held the Office of President or Vice-President.

H.J. Res. 157. January 29, 1975. Post Office and Civil Service. Designates February 17 to February 23 of each year as "Sertoma Freedom Week".

H.J. Res. 158. January 29, 1975. Post Office and Civil Service. Designates the first Tuesday in June of each year as "National Parliamentary Law Day".

H.J. Res. 159. January 29, 1975. Post Office and Civil Service. Authorizes the President to proclaim April 14 of each year as "John Hanson Day".

H.J. Res. 160. January 29, 1975. Judiciary. Proposes an amendment to the Constitution to permit Congress or the States to impose the death penalty in certain cases.

H.J. Res. 161. January 29, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 162. January 29, 1975. Judiciary. Proposes an amendment to the Constitution granting parents and local school boards the right to determine which public school children in that district will attend.

H.J. Res. 163. January 29, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 164. January 29, 1975. Judiciary. Proposes an amendment to the Constitution to modify the terms of office of the Federal judiciary.

H.J. Res. 165. January 29, 1974. Judiciary.

Proposes an amendment to the Constitution to permit any State to apportion one house of its legislature on factors other than population.

H.J. Res. 166. January 29, 1975. Judiciary. Establishes a commission (1) to study the causes of riots and law violations, (2) to investigate the damage to the economy of States and political subdivisions due to riots and law violations, and (3) to recommend legal remedies for States and political subdivisions whose economic development has been damaged by such activities.

H.J. Res. 167. January 29, 1975. Judiciary. Establishes a commission: (1) to investigate the increase in law violation and its causes, and (2) to recommend corrective legislation.

H.J. Res. 168. January 29, 1975. Judiciary. Prohibits the United States from participation in any civil action except as a party to such action.

H.J. Res. 169. January 29, 1975. Judiciary. Establishes the Commission for Re-establishing Constitutional Principles to study the decisions of the United States Supreme Court to determine (1) the extent to which such decisions have hindered or prevented law enforcement agencies from performing their functions, and (2) the extent to which the Supreme Court has usurped the authority and powers of the legislative and executive branches of the Federal Government. Authorizes the Commission to recommend legislation to prevent such usurpation.

H.J. Res. 170. January 30, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 171. January 30, 1975. Post Office and Civil Service. Designates February 9 to 15, 1975, as "National Vocational Education and National Vocational Industrial Clubs of America Week".

H.J. Res. 172. January 30, 1975. Post Office and Civil Service. Authorizes the President to designate September 8 of each year as "National Cancer Day".

H.J. Res. 173. January 30, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 174. January 31, 1975. Post Office and Civil Service. Authorizes the President to designate March of each year as "Youth Art Month."

H.J. Res. 175. February 3, 1975. Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 176. February 3, 1975. Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 177. February 3, 1975. Post Office and Civil Service. Authorizes the President to proclaim February of each year "American History Month."

H.J. Res. 178. February 3, 1975. Post Office and Civil Service. Requests the President to designate March 30 to April 5, 1975, as "National Stamp Collecting Week."

H.J. Res. 179. February 3, 1975. Post Office and Civil Service. Designates February 9 through February 15, 1975, as "National Peanut Butter and Milk Week."

H.J. Res. 180. February 3, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to enact legislation respecting the life of an unborn child from the time of conception.

H.J. Res. 181. February 4, 1975. Judiciary. Directs the Commission on Civil Rights to study certain aspects of the local, State, and Federal criminal justice systems as they affect women.

H.J. Res. 182. February 4, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 183. February 4, 1975. Judiciary. Proposes an amendment to the Constitution to limit Congressional appropriations to 105 percent of the revenues of the previous fiscal period, except in times of national emergency.

H.J. Res. 184. February 4, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 185. February 4, 1975. Judiciary. Proposes an amendment to the Constitution to permit voluntary participation in prayer in public schools and public buildings.

H.J. Res. 186. February 4, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J. Res. 187. February 4, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 188. February 4, 1975. Foreign Affairs. Repeals the Cuban Resolution, approved October 3, 1962.

H.J. Res. 189. February 4, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 190. February 4, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day."

H.J. Res. 191. February 4, 1975. Post Office and Civil Service. Authorizes the President to designate the 1st Sunday in June of each year as "American Youth Day."

H.J. Res. 192. February 4, 1975. Post Office and Civil Service. Authorizes the President to designate the fourth Wednesday in January as "National School Nurse Day."

H.J. Res. 193. February 4, 1975. Foreign Affairs. Directs the President to seek international agreements establishing a wildlife preserve for humpback whales in the West Indies.

H.J. Res. 194. February 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 195. February 5, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 196. February 5, 1975. Judiciary. Proposes an amendment to the Constitution which authorizes the President or the Speaker of the House to determine a surtax rate to be applied to the income tax at times when estimates of Federal expenditures exceed estimates of Federal receipts.

H.J. Res. 197. February 5, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 198. February 5, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish a memorial museum at Las Vegas, New Mexico, to commemorate the Rough Riders and related history of the Southwest.

H.J. Res. 199. February 5, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H. Con. Res. 100. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 101. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 102. February 5, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 103. February 5, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Prohibits any Federal agency from conducting or supporting oil leasing activities directly or indirectly affecting the United States coastal zone prior to the development of an approved State management program under the Coastal Zone Management Act of 1972.

H. Con. Res. 104. February 5, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 105. February 5, 1975. Foreign Affairs. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 106, February 5, 1975. Interior and Insular Affairs. Declares it the sense of Congress to give serious consideration to the political status preference of the people of Guam.

H. Con. Res. 107. February 6, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 108. February 6, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 109. February 6, 1975. Ways and Means. Declares it the sense of Congress that no ceiling on social security cost-of-living benefits shall be enacted.

H. Con. Res. 110. February 6, 1975. Post Office and Civil Service. Requests the President to designate May 1-8 1975, as "National Trauma Week."

H. Res. 100. January 27, 1975. Merchant Marine and Fisheries. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 101. January 28, 1975. Announces the election of certain members to various standing committees of the House.

H. Res. 102. January 28, 1975. Rules. Creates a select committee of the House of Representatives to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 103. January 28, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States Government should seek agreements with other nations prohibiting weather modification as a weapon.

H. Res. 104. January 28, 1975. House Administration. Authorizes payment from the contingent fund of the House of Representatives of certain expenses of the Committee on Post Office and Civil Service for studies and investigations.

H. Res. 105. January 28, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 106. January 28, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 107. January 28, 1975. Interior and Insular Affairs. Disapproves the plan submitted by the Secretary of the Interior to distribute funds appropriated in satisfaction of an

award of the Indian Claims Commission to the Cowlitz Tribe of Indians.

H. Res. 108. January 28, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 109. January 29, 1975. Agriculture. Declares it the sense of the House of Representatives that the Secretary of Agriculture rescind the proposed food stamp regulations.

H. Res. 110. January 29, 1975. Rules. Authorizes and directs the Speaker of the House of Representatives to implement a plan for audio and video broadcasting of the proceedings of the House of Representatives.

H. Res. 111. January 29, 1975. Rules. Amends the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes. Permits a Member so bound to raise a point of order.

H. Res. 112. January 29, 1975. Rules. Amends the Rules of the House of Representatives to require that the record of committee action be made available to the public, with certain exceptions.

H. Res. 113. January 29, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the use of proxy voting in committees.

H. Res. 114. January 29, 1975. Rules. Amends the Rules of the House of Representatives to require that all committee meetings be open to the public, with certain exceptions.

H. Res. 115. January 29, 1975. Rules. Amends the Rules of the House of Representatives: (1) to allow any member in committee to demand a roll call vote on any matter, and (2) to require a roll call vote on any motion to report a bill or resolution of a public character from committee.

H. Res. 116. January 29, 1975. Rules. Amends the Rules of the House of Representatives to prohibit suspension of the rules for considering a matter reported from a committee unless the suspension is requested by the chair and ranking minority member of the committee, or a majority of the committee, in open session, with a quorum present, by roll call vote.

H. Res. 117. January 29, 1975. Rules. Amends the Rules of the House of Representatives to require (1) that all House-Senate conferences be open to the public and (2) that no conference report shall be in order for consideration unless all conference sessions are open.

H. Res. 118. January 29, 1975. Rules. Amends the Rules of the House of Representatives with respect to the length of terms which chairmen of standing committees may serve.

H. Res. 119. January 30, 1975. Appropriations. Expresses the disapproval of the House of Representatives of the deferral of budget authority represented by the failure of the President to apportion certain funds to the Departments of Labor and Health, Education, and Welfare under the Antideficiency Act.

H. Res. 120. January 30, 1975. Rules. Amends the Rules of the House of Representatives to establish a Select Committee on Energy to conduct studies on the development, application, use, and control of all forms of energy.

H. Res. 121. January 30, 1975. Rules. Creates a House of Representatives Select Committee to study the intelligence activities of Federal agencies.

H. Res. 122. January 30, 1975. Rules. Establishes a select committee of the House of Representatives to gather information regarding (1) the location of Americans missing in action in Southeast Asia, and (2) the actions taken by the military or Federal executive agencies to locate these persons.

H. Res. 123. January 30, 1975. Rules. Amends the Rules of the House of Representatives to establish a Select Committee on Energy to conduct studies on the development, application, use, and control of all forms of energy.

H. Res. 124. January 30, 1975. House Administration. Authorizes funds for the expenditures of the House Committee on Ways and Means.

H. Res. 125. January 31, 1975. Rules. Creates a House of Representatives select committee to study the intelligence activities of Federal agencies.

H. Res. 126. January 31, 1975. Foreign Affairs. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 127. January 31, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 128. January 31, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 129. February 3, 1975. Armed Services. Requests certain information to be furnished to the House of Representatives regarding United States involvement in Indochina from the Secretary of Defense.

H. Res. 130. February 3, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 131. February 3, 1975. Foreign Affairs. Declares it the sense of Congress that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and the Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 132. February 3, 1975. House Administration. Authorizes appropriations for the expenses of the House Committee on Armed Services for the first session of the 94th Congress.

H. Res. 133. February 3, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 134. February 4, 1975. Armed Services. Requests certain information be furnished to the House of Representatives regarding United States involvement in Indochina from the Secretary of Defense.

H. Res. 135. February 4, 1975. Rules. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 136. February 4, 1975. House Administration. Authorizes the voluntary withholding of Maryland, Virginia, and the District of Columbia income taxes in the case of Members of the House of Representatives and certain legislative employees who are subject to such income tax.

H. Res. 137. February 4, 1975. Appropriations. Disapproves the deferral of budget authority relating to atomic energy, proposed by the President, transmitted under the Impoundment Control Act.

H. Res. 138. February 4, 1975. Rules. Establishes the House Select Committee on Intelligence to study the intelligence community of the Federal Government.

H. Res. 139. February 4, 1975. House Administration. Authorizes appropriations for the expenses of the House Committee on Education and Labor for investigations and studies.

H. Res. 140. February 4, 1975. Rules. Expresses the intention of the House of Representatives that each committee thereof base its decisions concerning locating and relocating of Federal facilities on considerations of management, fiscal planning, and the interests of Federal employees and their families.

H. Res. 141. February 4, 1975. Rules. Expresses the intention of the House of Representatives that each committee thereof base its decisions concerning locating and relocating of Federal facilities on considerations of management, fiscal planning, and the interests of Federal employees and their families.

H. Res. 142. February 4, 1975. Provides that consideration of H.R. 1767 shall be in order.

H. Res. 143. February 4, 1975. Provides that consideration of H.R. 2634 shall be in order.

H. Res. 144. February 5, 1975. Elects Representative John J. Flynt as chairman of the Committee on Standards of Official Conduct, and Representative Wright Patman to the Committee on Interior and Insular Affairs.

H. Res. 145. February 5, 1975. Elects majority Members to the House Committee on the Budget.

H. Res. 146. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 147. February 5, 1975. Rules. Creates a special committee of the House of Representatives to investigate the status of lands which were the subject of grants by the King of Spain and the Government of Mexico prior to their acquisition by the United States as a result of the Treaty of Guadalupe-Hidalgo, 1848.

H. Res. 148. February 5, 1975. Judiciary. Directs the President to provide to the House Committee on the Judiciary information relating to activities of the Central Intelligence Agency.

H. Res. 149. February 5, 1975. Rules. Creates a select committee of the House of Representatives to investigate the role of the oil and gas industry in contributing to the current energy crisis.

H. Res. 150. February 5, 1975. House Administration. Authorizes the House Committee on Rules to incur such expenses not in excess of $30,000 as it deems advisable for the first session of the 94th Congress.

H. Res. 151. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 152. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that efforts be made to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 153. February 5, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that efforts be made to persuade the Government of the Democratic Republic of Vietnam, and the Lao Patriotic Front to account for personnel captured, killed, or missing during the Indochina conflict.

Directs the President and Secretary of State to reopen negotiations, if necessary, to determine the fate of those missing in action.

H. Res. 154. February 5, 1975. Judiciary. Refers H.R. 2953 to the Chief Commissioner of the Court of Claims.

H. Res. 155. February 6, 1975. Authorizes the Clerk of the House of Representatives to respond to a subpena.

H. Res. 156. February 6, 1975. Authorizes the Clerk of the House of Representatives to respond to a subpena duces tecum.

H. Res. 157. February 6, 1975. Rules. Establishes the House Committee on Internal Security to investigate (1) organizations which seek to overthrow the United States Government by unlawful means, (2) groups opposing by unlawful means the authority of the United States Government affecting internal security, and (3) any other question relating to internal security.

H. Res. 158. February 6, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 159. February 6, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 160. February 6, 1975. Foreign Affairs. Commends the Vladivostok agreement. Advises the President to attempt to complete negotiations resulting from this agreement with respect to (1) restraints on the development and deployment of strategic weapon systems by the United States and the Soviet Union, (2) mutual reductions in the total numbers of such weapons, and (3) continuation of negotiations regarding arms limitation.

H. Res. 161. February 6, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 162. February 6, 1975. House Administration. Authorizes funds for the expenditures of the House Committee on Standards of Official Conduct.

H. Res. 163. February 6, 1975. Rules. Amends the Rules of the House of Representatives to change the name of the Committee on Foreign Affairs to the Committee on International Relations.

H. Res. 164. February 6, 1975. House Administration. Authorizes expenditures by the House Committee on Veterans' Affairs to be paid out of the House contingent fund for studies and investigations.

H. Res. 165. February 6, 1975. Appropriations. Disapproves the budget deferral, relating to comprehensive planning grants under the Housing Act of 1954, proposed by the President under the Impoundment Control Act of 1974.

H. Res. 166. February 6, 1975. Judiciary. Refers H.R. 3088 to the Chief Commissioner of the Court of Claims

H. Res. 167. February 10, 1975. Rules. Amends the Rules of the House of Representatives with respect to the length of terms which chairmen of standing committees may serve.

H. Res. 168. February 10, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 169. February 10, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 170. February 10, 1975. Foreign Affairs. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

41. By the SPEAKER: Petition of the Mayor and Council of the City of Tucson, Ariz., relative to food stamps; to the Committee on Agriculture.

42. Also, petition of John Brill, Peoria, Ill., relative to redress of grievances; to the Committee on the Judiciary.

43. Also, petition of Delbert P. Downing and other Democratic members of the New Hampshire State Senate, Concord, relative to the state of the Union; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

WHY AID TO VIETNAM IS VITAL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1975

Mr. CRANE. Mr. Speaker, despite the rhetoric of détente which we have heard so often, the fact is that the Soviet Union continues to supply the North Vietnamese and to fuel the aggressive policy of that country.

At the present time, the South Vietnamese have approximately a 60-day stockpile of essential ammunition while the Communists have enough guns and ammunition to wage war for 18 to 20 months.

The situation is so critical at the present time that ammunition is being rationed to so much a man per day or weapon per day—even at outposts under concerted enemy attack.

Erich F. von Marbod, Deputy Assistant Secretary of Defense, reports that:

The only reason the South Vietnamese have ammunition today is because they have decided to sacrifice military outposts, positions of control in the countryside, and absorb heavy civilian and military casualties.

Communist aggression continues in Vietnam in direct violation of the peace accords signed in Paris. Yet, at this very moment, many in the Congress would cut off all aid to South Vietnam and permit that aggression to succeed and overrun the country. It is essential that this not be permitted to happen.

Discussing the current situation in Vietnam, U.S. Ambassador Graham Martin, in an exclusive interview with Human Events, declared that—

There were an estimated 210,000 North Vietnamese in South Vietnam, in January, 1973. Today the figure is approximately 300,000—they have established three new corps headquarters, the 968th North Vietnamese division which has been stationed in Laos—which was itself in violation of the agreement by being there—has now moved into the Central Highlands of South Vietnam.

To those who argue that South Vietnam is going to be an endless drain on U.S. funds and that there seems to be no way out, Ambassador Martin replies:

It is my objective, dispassionate analysis that if we give the aid that we had promised on the military side, there is no way that South Vietnamese forces can be defeated by the North.

Discussing the new isolationism emerging in the United States, Ambassador Martin pointed out that—

If this inward turning does take place, the first casualty quite obviously is going to be Israel. We should ask ourselves, could Israel possibly expect us to carry out any commitments if we failed to keep the commitments which we solemnly made to Vietnam at the time of the Paris peace agreements?

It is American honor and credibility which lies in the balance. This is why it is essential that we fulfill our commitments to South Vietnam. I wish to share with my colleagues the interview with Ambassador Graham Martin, which appeared in Human Events of February 22, 1975, with my colleagues, and insert it into the RECORD at this time:

[From Human Events, Feb. 22, 1975]

SAIGON AMBASSADOR: VIET AID CRITICAL

(NOTE.—While in Washington last week for consultation with the President, U.S. Ambassador to South Vietnam Graham Martin granted the following interview to HUMAN EVENTS.)

Q. What has happened in the past six months to force South Vietnam into a defensive posture within its own country?

A. At the time of the Paris agreements, it was contemplated that we would be able to replace things lost in combat on a one-to-one basis, and of course this applied, most of all, to munitions.

Now, North Vietnam on the other hand with a primitive logistics system to support their forces in South Vietnam and with that system primitive as it was, disrupted by the bombing attacks, had in January 1973 more than 20 times the stock of munitions on hand, either in North Vietnam or on the way to South Vietnam, as the South Vietnamese did. Again, this would not have mattered if we had been able to give the one-for-one support in munitions which we could have done if the appropriations had been adequate. Now with the cut in appropriations, you now find the South Vietnamese at an extreme disadvantage, with much less munitions than the North Vietnamese actually have.

Q. What exactly do you mean by "one-for-one" replacement?

A. The Paris agreements provided that the level of armaments possessed by both North Vietnam and South Vietnam would be completely frozen and that neither side would introduce additional armament into South Vietnam except as they were expended in battle or worn out. We fought very hard to get that provision in the agreement. It is in the agreement; we are permitted to supply one-for-one replacements. We committed ourselves to do so. We have not been able

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to do so in any single category of weapons or munitions, since the agreement.

Q. At what sort of level are we re-supplying them?

A. At a level now less than that which will permit them to adequately defend themselves against a much superior level of munitions, shells and rockets possessed by North Vietnamese forces. The disparity is actually at the moment very great.

Q. Do you think the South Vietnamese will be militarily overrun if they do not get the extra $300-million supplemental aid?

A. I do not think that it is certain that they would be militarily overrun. However, the request last year was for $1.4 billion. The Congress authorized $1 billion. Both Armed Services committees passed it, but the appropriation was, however, only $700 million. This will result in ammunition shortages which will be acute.

I am certain of one thing: the South Vietnamese will continue to fight with everything they've got. I do not think they will be overrun, but we will have forced them to substitute bodies and blood and splintered bones for the ammunition we have denied them. And I do not think that the American people will be happy about that when they realize that we have forced the South Vietnamese soldier, fighting to preserve his freedom, to use one-tenth of the ammunition an American division would use on a relatively inactive front.

Q. What is the actual state of the North Vietnamese presence in South Vietnam and has it been changed since January 1973?

A. There were an estimated 210,000 North Vietnamese in South Vietnam in January 1973. Today that figure is approximately 300,000.

Q. Now isn't it true that replacements in both the North and the South are to be reported to the ICCS?

A. Yes, that was one of the functions of the International Commission on Control and Supervision which was set up under the agreements. One of the first things to be done was the designation of points of entry at which the ICCS would supervise all of the replacements that did come in. The South Vietnamese immediately designated the points at which the ICCS could inspect anything that came in. The North Vietnamese have consistently refused to do so. They have not done so to this day.

ICCS teams were supposed to be deployed, both in areas controlled by North Vietnam within the territory of South Vietnam at the time of the cease-fire and in areas controlled by South Vietnam. The North Vietnamese have not permitted the deployment of the teams to the areas they have controlled.

At the time of the cease-fire, as I pointed out previously, it was estimated that there were approximately 210,000 North Vietnamese combat troops in South Vietnam. The estimates as of last week placed this number at well above 300,000. They have established three new corps headquarters, the 968th North Vietnamese division which has been stationed in Laos—which was itself in violation of the agreement by being there—has now moved into the Central Highlands of South Vietnam. Intelligence indicates that elements of other divisions in the strategic reserve of North Vietnam are now moving into position in South Vietnam.

Q. Is the Provisional Revolutionary Government, the Vietcong, a viable organization or is it just a creation of North Vietnam?

A. It is totally a creation of North Vietnam. One of the greatest anomalies of the present campaign for the diplomatic recognition of the so-called "PRG" is the fact that at gatherings of the diplomatic corps in Hanoi, the representative of the so-called "PRG" always sits with the Politburo, never with the diplomatic corps. In other words, Hanoi has no intention of permitting the slightest feeling on the part of the so-called "PRG" that they are anything other than what they actually are, which is an extension of Hanoi's Lao Dong party in South Vietnam.

Q. How strong are the Vietcong militarily in South Vietnam?

A. For all practical purposes, their military capability no longer exists. The fighting forces in South Vietnam are almost wholly North Vietnamese.

Q. You've mentioned that the North Vietnamese have not lived up to this agreement in any way. Has South Vietnam done anything to implement these agreements at all or even in part?

A. I know that we often hear this charge that the South Vietnamese are intransigent about refusal to implement the agreements. It is simply untrue. It is important to remember what the agreements were.

The agreements call for first a cease-fire, then for the delimitation of the areas under the control of each side, then for the formation of a National Council of Reconciliation and National Concord whose sole duty was to prepare for elections which would be held in the areas under the control of both sides, elections to be held under an international, impartial supervision. Now, the South Vietnamese have always been willing to go completely through the sequence described by the agreements. The reason is very simple. The end result is elections which they know they cannot lose.

After the formation of the National Council and the agreement between the parties on the modalities of such an election, and the fixing of a date certain for the election, then Article II provided that at that time complete freedom would be given for circulation for complete civil liberties, complete liberty for both parties to campaign in that election.

Now, the North Vietnamese have never had any intention of letting the agreements be implemented to the point where the elections would take place for the very simple reason that they know that they could not possibly get more than 10 per cent of the vote in such an election. So you have had the attempt of the propaganda machinery of North Vietnam and the Hanoi lobby in the United States, to pick out selective parts of the agreements and charge South Vietnam with not implementing, for example, Article 12 which calls for immediate, totally free civil liberties, the ability to campaign, etc. It is completely obscured that the Article was never supposed to come into force until after the formation of the NCNRC and the fixation of a date certain for the elections.

Q. What other sort of liberties do they have in South Vietnam?

A. The average South Vietnamese is free to go, to come, to do what he chooses. He would have to, in transit into the large metropolitan centers, establish his identity, as we did here in Washington in the case of the complete curfew which existed for several days in 1968. This is simply again a protection to keep saboteurs from coming in with explosives and with ammunition to cause incidents to blow up buildings, to murder innocent children and civilians who have no part in the actual combat of the war. It is a precauation, I repeat, which any normal government would take and has always taken.

Now some may remember that in 1968 here in Washington during the riots which occurred after the death of Martin Luther King, this city was under total martial law and a complete curfew existed. In other words, when these kinds of disturbances take place, for the benefit of all the citizens there are certain curtailments of individual freedoms until the situation can be restored.

Now in South Vietnam, although the country is at war, the ability to move freely is best illustrated by a visit to one of the so-called "peace groups" from the United States which visited South Vietnam a little over a year ago. It moved freely within South Vietnam, as far north as Danang and Hué, and down into the delta.

Neither the government of South Vietnam nor the American Embassy even knew they were in the country until they approached the embassy two days before they were to leave, on the beginning of Tet. Then they asked to interview members of the government of Vietnam, knowing that the entire government was already on their holidays for Tet. The point is that they did move freely throughout South Vietnam.

Q. How many existing newspapers are there in South Vietnam today, and what is the general situation regarding freedom to assemble, freedom of religion and freedom of the press?

A. There is no restriction on the freedom to assemble except as it may disturb the public order. I think in most cities in the United States a permit is necessary before a demonstration or parade can take place. If people wish to gather, for example, in their churches, in their pogodas, in their homes, or in other places of this sort, and protest about the government, they are perfectly free to do so. There are certain restrictions about their ability to take to the streets, as there are here, or as they are in any other country in the world.

As far as the newspapers are concerned, there are about 22 newspapers published in Saigon, of every hue and complexion. Only about four of those could accurately be described as supporters of the government.

There are 10 Vietnamese language newspapers now being published in Saigon, of which five are classified as independent, two as opposition, and three as pro-government. There are also 10 Chinese language papers, mainly in the Cholon section of Saigon, as well as the English-language Saigon *Post* and the French language *Le Courrier d'Extreme-Orient*.

Q. What is the situation with the press in South Vietnam at this time?

A. The press in South Vietnam has been reasonably free to criticize, which it does repeatedly. One of the cartoonists has been described as an individual who would make Herblock's cartoons look like illustrations for Pollyanna. The recent happenings in Vietnam [where five newspapers were shut down] occurred since I have been away, but criticism of the Thieu government continues. I would think perhaps that the description by Mr. McComb in the Washington Post on why these papers were closed down would be useful. Mr. McComb wrote:

"The South Vietnamese government brought a Communist defector and an editor to a press conference today to back up its charges that Communists had subverted large sections of the Vietnamese press.

"The defector told the conference, which became rancorous at times, that he had 'bought off' Saigon newsmen and supplied them with anti-government articles. The editor said he had worked for the Communists and had 'distorted' the news for their benefit.

"High government officials said during the press conference that arrests of journalists and forced closures of newspapers early this week were aimed solely at combatting 'systematic and large-scale schemes of [Communist] subversion.'"

Q. What has the recent Communist offensive done to the general freedoms of the people of South Vietnam, especially with the elections that have been held and which are scheduled to be held on the provincial and local levels as well as the national level?

A. That's a curious anomaly of the image of Vietnam which has been so carefully inculcated into the American conventional wisdom. The fact is that the local hamlet elections go on as regularly scheduled even under conditions of war. The elections for the Assembly have gone on as scheduled, the elections for the Senate have gone on as scheduled. Elections are scheduled now for a re-election of the Assembly in July and they'll go on as scheduled.

What you have is a functioning parliamentary government with the parliament taking an active role. The President sends over, for example, the nomination of 12 ambassadors; the Senate rejects four. If this were to happen here there would be an enormous hue and cry about congressional domination of the executive, or something of the sort. This does go on. The President presents his budget; it is cut. He has to go back and argue for a supplemental. This is going on every day.

The elections that were called for in the agreements are something that the South Vietnamese would very much love to have, as soon as someone can persuade the other side to agree to them.

Q. Mr. Ambassador, a lot of criticism has still appeared in the press and by congressmen in regard to the so-called "political prisoner" situation. We discussed this with you before and the House Foreign Affairs Committee came out last year with a report stating that there could not possibly be 200,000 political prisoners. Has there been any change in the situation in regard to prisoners and prison conditions since we last talked with you?

A. There has been no change since my testimony before both the Senate Foreign Relations Committee and the House Foreign Affairs Committee.

I said at that time that painstaking investigation by the embassy had established that there were not more than 35,000 prisoners of all kinds with all charges. As far as "political" prisoners are concerned, it depends on how one defines them. I believe most Americans define the term "political prisoner" to mean a person who is in prison solely because of his open constitutional opposition to a regime, which has subsequently incarcerated him because of that opposition. If that is the definition, as I have testified before the Congress, I have not been able to establish the identity of a political prisoner in Vietnam.

Now if, as would Madame Ngo Ba Than, a noted oppositionist in South Vietnam, one terms Sirhan Sirhan as a political prisoner, one who because of his political beliefs has murdered Sen. Robert Kennedy, if you term him a political prisoner and that is your definition, then yes, there are "political prisoners" in Vietnam. But I don't think most Americans would agree with that kind of definition.

Q. Regarding the popularity of South Vietnam, what is the refugee situation there? Are there any instances of war refugees going north?

A. I don't know of any. There may have been some individual instances. I think if you take the figures which have been given by the Senate Subcommittee on Refugees, that 10 million people in South Vietnam have been refugees at one time or another, it is a marvelous attestation to the determination of those 10 million people not to live under Communist rule. They have all come south.

In the current hostilities, all the refugees are fleeing one way only, to the side of the government of South Vietnam. In the recent battles in the province of Phouc Long, it has been reliably reported that the Communist forces directed shellfire at the columns of the refugees, attempting to halt them so they could use them as impressed labor. Given a chance, anyone in South Vietnam apparently always opts to go to the government side, not the other way around.

Q. What argument do you have, for those who say that South Vietnam is going to be an endless sinkhole for American money, that, yes, it would be fine to save them, yes, we do believe there is more freedom in South Vietnam than North and something should be done, but that South Vietnam is in a defensive position, is surrounded on three sides by enemies, and there seems to be no way out?

A. Well, I would say that my assessment is exactly the opposite of that. As I testified in July before both the committees of the Senate and the House dealing with foreign relations and foreign affairs, it is my objective, dispassionate analysis that if we give the aid that we had promised on the military side, there is no way that South Vietnamese military forces can be defeated by the North.

If we give enough economic aid over the next two or three years, the progress could be very dramatic and I would think that in the case of both military and economic aid, if we have the wit and the intelligence to give the proper amounts now for the next three years, we could look forward to a diminution and perhaps total elimination of that aid. That, I think, is the reason for the violence of the opposition within the U.S. to the continuance of proper amounts of aid at this moment.

The violence of the opposition, of those who have been committed to a North Vietnamese victory, of those who because of their own previous estimates or their own self-serving prophecies do not now want to be proved wrong, this violence arises largely from their realization that we Americans are now at this final stage where we can complete the American involvement in Vietnam, leaving it as I believe most Americans want to leave it, economically viable, militarily capable of defending itself with its own manpower and free to chose its own government as its own people may themselves freely determine. It is within our grasp within the next three years. Of this I am certain.

What is frightening is a comparison of today with the 1930s when we had the Nye investigation of the "merchants of death," when we had such theatrical performances as a midget sitting on J. P. Morgan's knee in a congressional hearing, when we had increasingly restrictive legislation which was supposed to insulate us from the coming wars in Europe which could be so clearly seen.

These attempts to persuade ourselves that we could "legislate" ourselves out of the world power balance were not successful. The price we paid for that failure was involvement in an enormous war. I was a part of that war. Having participated in that war, I've been consistently interested in preserving the peace for my children and for my grandchildren, and I think that our failure to carry out this commitment would so change our own perception of ourselves that we would risk perpetuating the same kind of illusion that we saw in the '30s and would again validate Santayana's observation that those who will not learn from history are condemned to repeat it.

I very much hope this will not be the result of the failure of the American people and the Congress to receive the whole truth about the current realities in South Vietnam. If this inward turning does take place, the first casualty quite obviously is going to be Israel. Not in perhaps the American willingness to eventually support Israel, although that, too, is going to be seriously eroded. We should ask ourselves, could Israel possibly expect us to carry out any commitments if we failed to keep the commitments which we solemnly made to Vietnam at the time of the Paris agreements?

At that time I heard no one complain about continuing aid to Vietnam. We were very happy to get our prisoners back. South Vietnam accepted a treaty, an agreement, which did not demand the expulsion of North Vietnamese soldiers from South Vietnam. They did that on the basis of our promise that we would live up to our promises—our agreement to re-supply armaments one-for-one.

Now, we have lost 50,000 lives in South Vietnam; we've spent enormous amounts of money. If we would not, at the very end, carry out our agreements, if we would throw it away on the basis of a pervasive propaganda campaign that could persuade us that we have no moral responsibility, why would Israel or our NATO allies or anyone else believe that any commitment, which would be essential for their survival, would be kept?

I think that the American people are beginning to realize this. I think the American people have an instinctive ability to eventually cut through the kind of propaganda fog that we have seen. When the American people get the whole truth, they have an uncanny ability to make the right decisions. And they also have an uncanny ability, I think, to detect the phony.

Political careers in the past have been wrecked on the shoals of Vietnam, and on mistakes made about Vietnam, and I anticipate that other political figures today, who misread the real American feeling and determination about Vietnam can suffer catastrophes not differing from those of the past.

MULTINATIONAL CORPORATIONS—AN ECONOMIST'S VIEWPOINT

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HALL. Mr. Speaker, Prof. Ronald E. Muller, of American University, recently observed that global corporations operate as private economic systems which control 70 percent of our Nation's wealth and an increasing number of its jobs.

In a press conference held by the Institute for Policy Studies, Professor Muller said that two-thirds of the multinational corporations are U.S. based. While corporations contributed 40 percent of the taxes collected by the Federal Government in 1955, Professor Muller reports they contributed 14 percent of these taxes in 1973.

Mr. Speaker, I would like to share with my colleagues the Washington Star-News article on Professor Muller's view on the significant impact of multinational corporations. The article follows:

ECONOMIST ATTACKS GLOBAL FIRMS' RISE

(By Judith Randal)

Obsolete federal policies have bred inflation and unemployment by allowing global corporations to operate as "private economic systems" which now control 70 percent of the nation's wealth and an increasing number of its jobs, according to an American University economist.

Global corporations which operate in many countries and in many lines of business are not subject to the classic market forces of supply and demand, Prof. Ronald E. Muller told a news conference held here by the Institute for Policy Studies yesterday.

By shifting their enterprises to wherever they can maximize profits, they are able to buy labor and raw materials cheaply, escape many taxes and also avoid the costs purely domestic firms must pay to comply wtih U.S. pollution control studies.

Muller, co-author with Richard J. Barnet of "Global Reach: The Power of Multinational Corporations", said that the growth of multinationals—two-thirds of which are U.S.-based—has caused greater concentra-

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tion of control in the hands of fewer and larger conglomerates largely untouched by either antitrust laws or taxes.

Despite the fact that there were 14,000 corporate mergers between 1953 and 1968, he reported, only 90 led to some form of prosecution by the Justice Department and only 48 of these to divestitures. And although corporations contributed 40 percent of the taxes collected by the federal government in 1955, they contributed only 14 percent of these taxes in 1973.

Besides enjoying advantages which smaller firms do not, the globals can often drive solely domestic single industry competitors out of business, Muller said. With more technology, fiscal expertise and greater credit and advertising resources at their disposal, they can afford to undersell even the most efficient competitors until they collapse.

With the competitors out of the way, they can then raise prices, Muller continued—one reason why the rate of return on investment is typically 22–24 percent for global corporations and only 15–16 percent for smaller domestic firms.

Indeed, he argued, the price hikes imposed by global corporations have generally been independent of any increased costs of their doing business and is one of the reasons inflation has been so hard to control.

Like small businesses—those in the $50 million a year or less category—organized labor is suffering, Muller said, and again because of its inability to compete. While strikes have been an effective weapon in the past, he explained, they are no match for a corporation's announcement that, if labor isn't satisfied with what is offered, the plant will be closed and relocated in Brazil or Hong Kong.

Furthermore, since foreign laborers will often work for as little as a dollar a day many firms have moved a large part of their operations overseas anyway. A great deal of clothing and electronic components and virtually all tape recorder cassettes, for example, are no longer made in the United States.

Because of such shifts, Muller said, 30 percent of total corporate U.S. profits are now earned abroad, far more than 20 years ago. Similarly, he reported, global corporations now control over 50 percent of the nation's bank assets, which are for the most part concentrated in the 20 or so U.S. banks which also operate internationally and so are largely independent of the Federal Reserve System and other federal agencies that set monetary policy.

Muller compared what has happened on an international scale since the 1950's with the years following the U.S. Civil War when regionally operated businesses gave way through mergers to nationwide firms.

Just as there was a lag then in introducing antitrust and other legislation to curb the power of big business, he said, present laws are now inadequate to deal with the changes global conglomerates have brought about.

PREVENTIVE EDUCATION

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BELL. Mr. Speaker, too often we in the Congress hear about the failures of innovative education programs. Consequently, I am pleased to bring the following editorial to the attention of my colleagues. On February 26, the New York Times praised a new and exciting early childhood education program in the State of California. As a Representative from California, I am proud of my State's many unique and worthwhile education programs, and I believe that this recent California effort deserves national recognition. The editorial follows:

PREVENTIVE EDUCATION

American education has devoted too much of its resources to massive remedial instruction, and not enough to the prevention of failure. Wasteful of manpower and funds, this policy is even more severely flawed in human terms. The frustrations suffered by children who cannot keep up with their peers are hard to erase, even with superficially remedial work.

Since the existing approach is so demonstrably unsatisfactory, the decision of California's education authorities to replace it with preventive pedagogy is a triumph of common sense. The new Early Childhood Education program in that state relies on the oldest recipe—intimate personal attention to every child.

Specifically, the program calls for the availability in each classroom of one adult for every ten children, to make sure day after day that no youngster is left behind in those early years, between ages 4 and 8. It is then, as all expert testing shows, that the foundations are laid for reading, numbers, the comprehension of new ideas and the responsibilities toward oneself and one's neighbors.

Precisely such strategies have long been applied to the most successful private schools and to a few recent programs for the disadvantaged. The crucial difference in the California plan, however, is that it is intended across the board rather than exclusively for either the rich or the poor. The program thus avoids the high risk of failure that confronts any approach that does not benefit most children.

The new plan must still skirt two graveyards of educational innovation: quick claims of easy victory and obsessive reliance on instant statistical feedback. Wilson Riles, California's unorthodox Superintendent of Public Instruction, has wisely allowed individual schools to draw their own pedagogical roadmaps.

That means time will be required to determine the best ways of conducting preventive education.

Since the program relies heavily on a combined force of teachers, paraprofessionals and volunteers, its success depends on each school's ingenuity in establishing cohesion in a staff of such disparate background and capacities. In addition, the experiment will represent a challenge to the teacher-training institutions to shift their focus to the actual classroom scene.

The California experiment gives new urgency to enactment of the Child and Family Services bill, the successor to the Child Development bill vetoed by former President Nixon. The combination, in home and school, of early diagnosis and preventive care in child rearing, nutrition and education places emphasis on joyous learning rather than on painful remedies for failure.

RHODESIA, YUGOSLAVIA, AND THE OLD DOUBLE STANDARD

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASHBROOK. Mr. Speaker, many times in the past I have pointed out examples of our inconsistent foreign policy positions which stem from our lack of basic foreign policy standards to apply in this extremely complex field. For years we supplied massive economic aid to Yugoslavia which, under Tito, has never had free elections. Even the New York Times, in its editorial of February 25, concedes that—

It is becoming increasingly difficult to distinguish between today's Belgrade Titoism and Yesterday's Moscow Stalinism.

In the case of Rhodesia, while voting rights do not yet apply to the entire population, civil liberties are respected and they are making genuine efforts toward rational representative government. Yet we apply economic sanctions against Rhodesia while Tito's dictatorship is a beneficiary of American assistance. Some prefer to buy chrome from the Soviet dictatorship rather than Rhodesia which is part of the free world.

This double standard is confusing not only to the free world, but to the people of all the nations living under Communist tyranny. Moreover, this policy is dangerous to our national interests. For example, in the past I have commented that various U.S. military and naval strategists are concerned that a post-Tito occupation of Yugoslavia by the Soviet Union would pose a grave threat to our NATO allies in the Mediterranean, Italy, Greece, and Turkey. As the Balkans, of which Yugoslavia is a part, is a historic powder keg in Europe, the situation in Yugoslavia deserves close attention by the United States.

Yugoslavia is a multinational State, and we must understand the aspirations of the diverse peoples of Yugoslavia for self-determination. The two largest nations within Yugoslavia today are predominantly Eastern Orthodox Serbia and predominantly Roman Catholic Croatia. It is important for Americans to understand that even after 30 years of Communist rule the religious feelings of Serbs and Croats have not been extirpated. Their deeply rooted religious feelings historically represent the fundamental characteristics of these nations, and the best hope for moderation and cooperation between Serbs and Croats, should they ultimately decide upon the retention of some form of Yugoslavia or an amicable separation.

Because the following items were not widely reported in the Western press when they happened in 1972, I would like to invite the attention of my colleagues in the Congress to them:

April 3—Vjesnik (Zagreb) makes a fierce attack on the Primate of the Roman Catholic Church in Croatia, Archbishop Kuharic, for criticizing the Yugoslav authorities' refusal to permit free religious education.

April 27—Serbian Orthodox Bishop Vasilije of Zica sentenced to 1 month's imprisonment for criticizing educational policies in Yugoslavia.

May 27—Orthodox priest Zivojin Todorovic sentenced to 3 years imprisonment for Serbian nationalist "propaganda."

August 17—On the occasion of the consecration of an Orthodox church in Banjaluka a large ecumenical manifestation is organized.

REDUCING THE FINANCIAL BURDEN UPON HOMEOWNERS RESULTING FROM THE CONSTRUCTION OF SEWAGE TREATMENT FACILITIES

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOWNEY. Mr. Speaker, on February 25, I introduced legislation which would aid in the protection of our environment and would cure an inequity in our present tax laws. H.R. 3631 would allow taxpayers to deduct the cost of assessments made by local governments to finance the construction of sewage treatment works.

The Environmental Protection Agency estimates that almost 3,000 communities across the Nation are presently engaged in the planning or construction of sewage treatment facilities. These massive capital projects are frequently the only method available to communities to prevent the pollution of their rivers, lakes, ocean, and ground waters. In addition, such projects provide badly needed jobs to workers in the depressed construction industry.

The enormous expense of these projects has presented very serious problems to many communities in their attempts to comply with the water quality mandates of Federal law. Communities planning to construct sewage treatment facilities have not been able to depend upon the availability of Federal funding under the Water Pollution Control Act of 1972. At the same time, the financial burden on individual homeowners has risen steadily. In my own congressional district, where the average annual income for a family of four is about $13,000, sewer charges will average $200 to $250 yearly per household.

The costs ultimately borne by homeowners in connection with the construction of such projects may or may not be deductible, under present law, depending upon the method by which such construction is financed. The income, sales, and real property taxes which homeowners in some parts of the country pay to support sewer projects which are financed out of the general treasuries of State and county governments have always been deductible under section 164 of the Internal Revenue Code.

However, sewer system construction is not always funded out of the general revenues of State and local government. Frequently, environmental considerations dictate the establishment of special sewer districts which cut across the lines of existing political subdivisions and require the creation of special sewer districts. In such instances, where construction is financed through levies by special taxing districts, the sewer taxes paid by homeowners are not deductible. Such payments are catagorized, under section 164(c) of the Internal Revenue Code, as expenditures which increase the value of a homeowner's property and which further some "local benefit" rather than the general welfare of the community. Such classification ignores the fact that sewer districts may encompass 100,000 households or more and may finance sewer projects costing half a billion dollars.

The legislation which I have introduced today would end this disparity of treatment. The bill would amend section 164(c) of the Internal Revenue Code to permit the deduction of taxes which are properly allocable to the construction of sewage treatment works or to the retirement of indebtedness attributable to such construction. The effect of the bill will be to cut by about 25 percent the financial burden of sewer construction upon a homeowner earning about $15,000 who itemizes his or her deductions.

I urge my colleagues to support this legislation and seek their cosponsorship:

H.R. 3631

A bill to amend the Internal Revenue Code of 1954 to allow the deduction of the portion of certain taxes which is allocable to the construction of sewage treatment works

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(a) paragraph (1) of section 164(c) of the Internal Revenue Code of 1954 (relating to deduction denied in case of certain taxes) is amended to read as follows:

"(1) Taxes assessed against local benefits of a kind tending to increase the value of the property assessed; but this paragraph shall not prevent—

"(A) the deduction of so much of such taxes as is properly allocable to maintenance or interest charges; and

"(B) the deduction of so much of such taxes as is properly allocable to the construction, reconstruction or erection of treatment works (as defined in section 212 of the Federal Water Pollution Control Act) or to the retirement of indebtedness attributable to any such construction, reconstruction, or erection."

(b) The amendment made by subsection (a) shall apply to taxes levied on or after January 1, 1975.

EMERGENCY MEDICAL ASSISTANCE

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. VAN DEERLIN. Mr. Speaker, I am pleased to cosponsor the bill which our colleague, Mr. SISK, has offered that would authorize Federal reimbursement to local agencies for the costs of providing emergency medical care to illegal aliens.

This aid would be particularly welcome in border areas such as San Diego County, a part of which I represent. Costs to the county of treating indigent illegal aliens now approach $600,000 a year.

A few years ago, the State Department professed itself unable to work out any arrangement with Mexican authorities for partial payment of these essential medical services.

No one wants to deny help to a person in need, whatever the nationalities involved. By the same token, it is hardly fair to ask local governments to bear this rapidly mounting financial burden without any aid from outside. Since the welfare of foreign nationals who are illegally in the country is at issue—and by extension foreign relations—this would seem clearly a responsibility of the Federal Government.

I understand Mr. SISK's bill has been sent to the Committee on Interstate and Foreign Commerce. As a member of the committee, I shall work for its early enactment.

TRIBUTE TO MRS. JACKIE LEVINE, NOTED JEWISH LEADER

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. SOLARZ. Mr. Speaker, I rise this afternoon to pay a well-deserved tribute to a woman who has dedicated her entire adult life to the work of a number of major national Jewish organizations—Mrs. Jacqueline Levine of West Orange, N.J.

This Sunday Mrs. Levine will retire as the president of the women's division of the American Jewish Congress, a position she has very ably held for 4 years. She is also the immediate past chairwoman of the women's division of the Council of Jewish Federations and Welfare Funds and has served as the chairwoman of the Soviet Jewry Committee of the Leadership Conference of the National Jewish Women's Organization.

A graduate of Bryn Mawr College and the mother of three children, Jackie Levine has exemplified in her life and work the essence of what it means to be a Jew—to have compassion for your fellow person; to care for others, most particularly those in need; and to dedicate oneself to those basic principles and precepts upon which our religion is based. Through the various organizations of which she has been a member and officer, Jackie Levine has endeavored to correct inequities, to reorder and redirect distorted priorities, and to strive for the equality of all Americans. At times she has had to take unpopular positions. She was, for example, an early leader of the antiwar movement in Jewish organizations when such a position was neither acceptable nor fashionable. Mrs Levine is presently at the forefront of the effort underway in Jewish groups to achieve equal rights for women and she is also actively working with me and others in the struggle to secure emigration rights for the oppressed Jewish community in Syria. She has, in essence, acted in the best tradition of the Talmudic aphorism which says: "If I am not for myself, who will be? But if I am only for myself, what am I?"

Mrs. Levine is to be honored for her effective service over the past years by the American Jewish Congress at a convention in Philadelphia this weekend. I can think of few others who so merit such recognition or who have given so much of

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themselves to the cause of peace abroad and justice at home. I am indeed proud to not only know Jackie Levine as one of the leaders of the American Jewish Community but also to have her as my sister-in-law. She has been a source of great encouragement to me throughout my political career and has been of considerable aid on a number of programs of mutual interest and concern. I know that she has left her mark on the presidency of the American Jewish Congress' women's division and that she has created a high level of service and accomplishment to which her successors can aspire.

I am pleased to join in honoring Jackie Levine's work and am delighted to bring her accomplishments to the attention of our colleagues.

ON THE NEED FOR A FAIR POLICY REGARDING CHINA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BIAGGI. Mr. Speaker, the 1970's have marked a new era in the foreign policy of this Nation. Of particular significance have been our efforts to improve relations with the two major Communist powers of the world, the Soviet Union and the People's Republic of China.

After an initial period of euphoria and high optimism détente, as this policy is commonly referred, is now coming under closer scrutiny. The main objections registered is that this policy has not been an even ended one, as the United States on several occasions has found itself on the short end of the stick with respect to agreements with our adversaries.

The Chinese situation is a particularly controversial one. There are two governments on China, the Nationalists and the Communists. Our policies with respect to the latter have caused a great deal of consternation among Americans who are now concerned about this Nation's seeming abandonment of the Taiwan Government.

I feel it is time that we developed a clear cut policy with respect to China. This policy can contain provisions that recognition can be extended to both Chinas, but for Nationalist China it should be on a de jure basis because of the Taiwan Government's traditional adherence to the concepts of international law and justice for her people.

At this point in the RECORD I would like to insert two articles written by a renowned authority in this field of international relations, Dr. Henry Paolucci, president of the Walter Bagehot Research Council on National Sovereignty. Dr. Paolucci recently completed a 2-month tour of the Far East which included a visit to Taiwan. In these articles he cautions against the United States abandoning Nationalist China in pursuit of better relations with the People's Republic of China. His comments and observations bear the close consideration of all of my colleagues who are committed to a policy in China which is both fair to our allies and beneficial to the promotion of world peace.

The articles follow:

THE NATION-STATE SYSTEM IN ASIA—A RECOGNIZABLE CHINA?

(By Henry Paolucci)

What is our current China "policy"? Is it a spectacular reversal of past errors designed to secure the true interests of the United States in Asia? Or is it rather a surrender of traditional American interests, secretly negotiated, committing us to a piece-metal betrayal of a responsible ally of long standing in order to purchase a semblance of "peace in our time" from enemies more implacable and infinitely more resourceful than the enemy with which the British and French governments negotiated their Munich Pact in 1938?

It isn't easy to say briefly and convincingly precisely what our China policy is, because its base has been too deeply sunk in secrecy and its superstructure too generously veiled over with rhetorical ambiguities.

On the surface, we seem to be in the diplomatically anomolous position of "recognizing" two Chinas: one, *de jure* or legally; the other *de facto* or not quite legally. The legally-recognized China, with which we exchange ambassadors, is indeed an old ally. Its government, like that of Free France during the Nazi hegemony in Europe, has been forced by the communist hegemony in Asia to conduct its affairs in exile—with the difference that, whereas the Free French government had been constrained to retreat to an off-shore island inhabited and ruled by a foreign power, that of Free China succeeded in re-establishing itself on an off-shore island inhabited by Chinese, over which it had had recognized jurisditcion since the island's liberation from the Japanese in 1945.

The Free China government in exile is headed by Chiang Kai-shek, who also heads the Kuomingtang party, founded by Dr. Sun Yat-sen shortly after the Republic of China was established in 1912. In 1943, Chiang sat with President Roosevelt and Prime Minister Churchill in Cairo as the recognized spokesman of one of the three great powers of the free world. After his retreat to Taiwan to continue his defense of Chinese nationhood, his position was for a time in doubt. There was much talk of the "wisdom" of doing then what Henry Kissinger and Richard Nixon finally managed to do in 1971. Even General Eisenhower, prodded by liberal opponents of the Truman-Acheson policy of containment, was tempted on first assuming office to effect a "spectacular reversal."

But the realities of the Korean War, which had pitted hordes of Chinese communist soldiers against Americans fighting under the aegis of the U.N., led Eisenhower instead to adopt a policy of massive retaliation, assuring communist leaders in Peking as well as Moscow that he would use nuclear weapons if necessary, to restrain them from pursuing their aggressive designs for world hegemony. A direct consequence of the new Eisenhower realism was the U.S. security pact signed with Chian Kai-Shek's government in exile in 1954. Thereafter, the international status of that government was no longer in doubt. *Pacta sunt servanda*—treaties are to be kept—was then and remains today the fundamental rule of international relations upon which recognition must depend if it is not to be stripped of all civilized meaning. Since 1954, the government of Free China, then as now in exile, has faithfully kept all its commitments to us and has consistently behaved as a responsible member of the family of nations.

What of that other China ruled by revolutionary communists in Peking? Is it a "recognizable" China in the traditional sense? To insist that its size and military might automatically qualify it for full recognition is—diplomatically speaking—a patent barbarism that makes a shambles of the very notion of civilized international relations.

Kissinger, with his usual purposive ambiguity, has not quite pressed that barbaric argument. He has, however, encouraged a naive discussion of it by news commentators in order to facilitate eventual acceptance of his own more complex argument. He holds that "recognition" can no longer mean, in the nuclear age, what it meant in the pre-nuclear age. It serves today, in his usage, rather as a unilateral pledge on the part of our government to do all in its power to talk a potential war-maker out of initiating the kind of war that could conceivably escalate into a nuclear holocaust.

Whether or not a superpower respects the concept of a family of nations, the Kissinger doctrine calls for its recognition for the purpose of preserving peace through negotiation. If the price of peace is abandonment of an ally, the doctrine requires that it be deemed payable, regardless of the old liberal arguments against Munich-type appeasement. In justification of the new attitude, it is alleged that the nature of nuclear arms makes an absolute difference. According to Kissinger, the kind of war that could "stop Hitler" in the 40s was worth the risk; whereas the same cannot be said, in his view, about the war we might have to wage in pursuing the Truman-Eisenhower-Kennedy-Johnson policies of containment, massive retaliation, or assured destruction as responsible alternatives to appeasement of communist appetites for world hegemony.

The government of Free China on Taiwan has been an early victim of this nuclear-age new appeasement attitude. The status secured for it by Eisenhower's treaty of 1954 has been wrenched away during the Kissinger-Nixon tenure through maneuvers of Disraelian duplicity that vastly overshadow all the petty duplicities of the Watergate scandal. Eager to "dish" his old liberal critics by adopting their policies, President Nixon hastened to follow his Harvard mentor on a "new approach" to the China question. As aptly summed up in Douglas H. Mendel's "Selling Out Taiwan for Peace with Peking?" (Journal of International Affairs, Columbia University, 1972, XXVI, 2, pp. 216–220), Nixon launched the Disraelian maneuver first of all "by expressing a desire to go to China; then, by dismantling unproductive trade and travel restriction, and finally, by approving the seating of the Peoples Republic of China in the United Nations. The face-saving gesture of fighting for dual representation to appease the Nationalists was doomed from the outset by the President's previously-announced trip to China" and by Kissinger's presence in Peking at the time of the U.N. vote.

It was on April 6, 1971 that Peking, in contemptuous collusion with some of our own supranationalist intellectuals, invited a U.S. table-tennis team to visit Red China. This was followed by Kissinger's trip to Peking on July 9, to get Chou En-lai to extend a similar invitation to President Nixon. Nixon announced acceptance of the invitation on July 15, 1971, and the ground was thus prepared for expulsion of the Republic of China from the U.N., which took place on October 25, 1971. Immediately, member after member of the U.N. (reading Kissinger's design correctly) began withdrawing de jure recognition of the Free China government in order to extend it to the Red China government.

The United States is now the only major state maintaining full diplomatic relations with Free China. But, if Kissinger has his way, at a time agreed upon by him and his Peking negotiating partners, the Free China embassy people in Washington are apt to be ousted as unceremoniously as their colleagues in the U.N. were ousted. If that happens, Kissinger's crowd will no doubt hail it as another "Breakthrough for Peace." But it will

mean in fact that a legitimate government which has lived up to all its obligations under international law will suddenly stand condemned by us as illegitimate. Irresponsibly we will have left an old ally totally isolated, while pretending to have "normalized" relations with a communist government in Peking which professes no recognizably Chinese aims and shows not the least ideological inclination ever to recognize the legitimacy of our government, or of the system of states which gives meaning to the concept of recognition in international relations.

THE MEANING OF RECOGNITION: MEMO TO AMERICAN LEGISLATORS

Recognition, says the Columbia Encyclopedia, is "acknowledgement of the admission of new states into the family of nations by political action of states which are already members. Its derivation is found in the policy of the older European powers, which after developing a system of binding diplomatic usage, refused to permit the admission of new states to the concert of nations unless the new power were properly qualified to assume its responsibilities under international law."

The United States was the first non-European power to be admitted to the family of nations with full recognition by the older nations. It didn't happen in 1776, nor even in 1783, when the revolutionary fighting ended. By the end of the War of 1812, fewer than a dozen foreign states were willing to exchange envoys with the new republic. The count had risen to 44 in the late 1890s. But by then the nation-state system was already on its way to becoming global.

Apart from the nation-state system, "recognition" is a juridically meaningless concept. Just as in inter-personal relations the principle of right is one of mutual recognition ("Be a person, and respect others as persons"), so is it also in inter-national relations ("Be a nation, and respect others as nations"). One person "recognizes" another in the measure that such recognition is respectfully reciprocated. So must it be among nations. The fact of ruling over an immense population can make a government sovereign without in the least entitling it to recognition. As the Columbia Encyclopedia article explains:

"In the accepted doctrine of national sovereignty it is admitted that the independence of a people is exclusive of recognition, which is, therefore, simply a method of facilitating international relations. Three kinds of recognition exist. Recognition of independence occurs when a new state is created, usually by a successful rebellion, and . . . after the new nation has demonstrated its ability to maintain itself. Recognition of belligerency . . . grants the belligerents the rights and duties of a state as they concern war and commerce, but it does not grant the right to enter into diplomatic relations. . . . When recognition is *de facto* [Latin, = in fact], it involves a provisional acknowledgment that the government in power is exercising the function of sovereignty. Such recognition is revocable and implies a lesser degree of recognition than the formal recognition accorded de jure [Latin, = as of right]. . . . The withholding of diplomatic recognition may be used to force changes of policy on a new government. [The U.S.] does not recognize territorial changes brought about by breach of international obligation."

With pre-Kissinger consistency the article concludes: "This principle is implied in the charter of the United Nations. The United States still does not recognize the Communist government in China."

Henry Kissinger, it needs to be stressed, maintains a vast semblance of practicing the traditional diplomacy of recognition. All that he explicitly rejects is its foundation in the nation-states system. His kind of "recognition" thus lacks any meaningful criterion. There is no need, in his vision of the future, for the communist governments to assume the responsibilities of membership in the nation-state system because that system is doomed—and, as he has repeatedly said, he is glad that it is doomed, so that we can begin seriously, in partnership with our so-called adversaries, to build a genuine World Community of enforceable peace on its ruins.

Consider the difference, in this respect, between Henry Kissinger's basic position on the matter of "normalizing" relations with the communist powers and that of one of his top aides in the State Department: Winston Lord, Director of the Policy Planning Staff. Mr. Lord's most notable recent statement on foreign policy is titled "America's Purposes in an Ambiguous Age." [What contributes most to the ambiguity of our age is, of course, precisely the Disraelian doubletalk and practice of Henry Kissinger.] In the course of his discussion, Mr. Lord highlights the themes of "Evolving Partnerships" and "The Decline of Ideology," both of which he develops in terms consistent with the Kissinger formulas for those subjects. Our partnerships with our allies are evolving to the point where our allies can look out for themselves (which means they can no longer look to us for ultimate protection); whereas our "partnerships with our adversaries" are evolving to the point where a common interest in avoiding a nuclear holocaust will facilitate our convergence on a new world order, beyond ideology, to be brought into being by "good will" on both sides. Winston Lord cannot quite bring himself to say such things with Kissinger's straightfaced solemnity, however; and so, when he gets to the diplomatic heart of the matter, for sanity's sake, perhaps, he quietly breaks with his cosmopolitan boss.

Of the apparent decline of the "ideological struggle" which was the basis of the Cold War mentality, Mr. Lord says that it "is an encouraging trend," but also that "it carries with it ambiguities and fresh problems. Are reports of the death of Communist doctrine greatly exaggerated? We cannot be sure that future leaders will embrace the more constructive approaches now being pursued in some Communist capitals." All that might well have been said by Kissinger. Kissinger too stresses again and again that there are ambiguities and problems, that new communist leaders might emerge who may not be willing to keep pace with him in pursuit of his cosmopolitan ideal: leaders who might fall back on the old nationalism that long ago precipitated the great split between Stalin and Trotsky. But he fears even more an American relapse, and is therefore concerned, as he recently told Bill Moyers, to leave the government only when he is assured that men who think like him will be so deeply entrenched in the State Department as to secure a continuance of his initiatives, through what will amount to institutionalized inertial force.

But Mr. Winston Lord cannot quite toe the Kissinger line here, no doubt because he respects the traditional diplomacy in which he was trained. And so, in the spirit of the *Columbia Encyclopedia* definition of the meaning of recognition, he concludes: "The Communist powers could once again act like revolutionary states out to disrupt the international system rather than nation-states willing to accept its legitimacy."

We say that the Kissinger-Nixon China policy is the most disruptive thing that has happened to the international system since Franklin Roosevelt's "recognition" of the Soviet Union in 1933, which required of that inveterate enemy only that it open up its markets to our otherwise unmarketable overproduction of consumer goods. After Hitler's break with Stalin, our unprincipled "recognition" of the USSR soon led us into an unprincipled alliance, on Soviet terms, to impose a supranationalist peace on Europe following the unconditional surrender of the Axis powers. That alliance meant that the United States had abandoned its recognized status as a responsible nation-state to become a partner and eventual rival of the Soviet Union in a bid to impose a supranationalist peace on the entire world.

Since the days of Woodrow Wilson, there has always been a large body of intellectuals in the United States eager to put an end to the system of nation-states. Rejecting the principle of traditional international relations, these supranationalist intellectuals have wanted to get the United States to vie with the Soviet Union for leadership in pursuit of an enforceable world peace. The communist governments, in their view, have a decided advantage in that their Marxist ideology has committed them from the outset to a one-world supranationalist ideal. The Western nations, on the contrary, including the United States, are for the most part committed constitutionally as well as by treaty agreements to the contrary ideal of preserving the concert of nations. For such supranationalists, therefore, it is the Western nations, rather than the communist powers, that require internal transformation to prepare themselves for an "inevitable" future.

For a long while American one-worlders tended to be extremely candid about their aspirations. They sought, by lecturing and writing books, to persuade their fellow citizens. Many of them rose to power under F.D.R. and then under President Truman. But for the most part, when they had to face up to the realities of international relations, the best of them very quickly learned for themselves the basic lessons of traditional diplomacy. Out of their ranks (though very early) came so able a statesman in the traditional sense as Dean Acheson. John Foster Dulles, a far less candid man, also learned for himself (despite fierce academic criticism) those same hard lessons.

The decisive top-level turn for the worse in America's conduct of foreign policy started in 1961, with the ascendancy in the office of Special Assistant to the President for National Security Affairs first of McGeorge Bundy, then of Walt Rostow, and finally of Henry Kissinger. What we have witnessed is a gradual ascendancy of secrecy, of purposive ambiguities, of Disraelian deceptions, and finally of an application of Machiavellian *realpolitic*, not to secure our national sovereignty, right or wrong, but to put an end to it. It is a *realpolitic* that has already dumped one President after the assassination of another, and forced a third to resign, while unilaterally disarming us, both militarily and morally, in the face of avowed enemies determined to bury us—preferably in the filth forced out of our bowels by cowardly fear.

The government of the Republic of China on Taiwan faces us today as a mirror of our national conscience. It has lived up to all its pacts with us and to all its responsibilities as a member of the family of nations. It has transformed Taiwan into a modern, thoroughly Chinese commonwealth, committed to the perfection, through education on an incredibly vast scale, of the individual talents of all its inhabitants. Taiwan is, as a consequence, so orderly and prosperous a province that even the severest critics of its government are ready to assume that, if and when we betray the island into the hands of the Peking communists, they will want to use it, temporarily, *as is*—to serve them either as a much larger Hong Kong or as a genuinely Chinese equivalent of prosperous Japan.

Beneath its economic prosperity (which Kissinger seems prepared to offer up to the communists as a "bribe for peace"), Taiwan boasts also of a cultural prosperity that makes it, uniquely, the world's sole adequate custodian of old China's immense cultural legacy. It is said that, without American sup-

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port, the Free China government in Taiwan must soon cease to be free. American support is rapidly failing. Taiwan's security now seems to depend on the idea that the Chinese communists can wait till Chiang Kai-shek dies to negotiate a new arrangement that will indeed permit them to exploit the island's advanced development as a sort of private Chinese equivalent of Japan. But, while it is conceivable that a future ruling class on Taiwan will accept reunion with the mainland on such economic terms, what is not conceivable is a Free China acceptance of cultural submission to Marxist-atheist communism. As custodians of the true Chinese cultural legacy, the good people of Taiwan seemed to me, at least, as prepared as Solzhenitsyn's "maimed oak" to weather the storms of alien-minded materialism, suffering extreme martyrdom, if need be, to await a day when communist ideology and practice, imposed by force on the Chinese people of the mainland, will exhaust itself or be swept away.

Free China's perseverance today is exemplary. It has more to teach us about our constitutional pledge to perfect our national union than our entire educational establishment and communications media upon which we squander billions of tax-payers' dollars each year. It is a sobering experience to visit Taiwan and look into that mirror of our clouded conscience, and then come back to see how cynically Henry Kissinger exploits his special position and how even more cynically the masters of our communications media conspire to cover-up for him.

Let us be plain about what we are urging. We never supported the Nixon cold war rhetoric of the 50s, which was but an ambitious man's cover for his chronic non-ideological mindlessness and opportunism. The United States can and certainly should "deal" with the communist government in Peking. But our object in such dealings must be to get that government to cease to be a revolutionary government, and to prove itself to be the government of a genuine nation-state, willing, as Winston Lord expressed it, to accept the legitimacy of the international system of sovereignly independent states. Such a government on the Chinese mainland will have ceased to be Red; it will have assimilated itself to the government of Dr. Sun Yat-sen and Chiang Kai-shek, now in exile on Taiwan.

We have full diplomatic relations with the only legitimately "recognizable" Chinese government existing in the world today. To withdraw such recognition on terms laid down by Kissinger or Chou En-lai would be an act of international betrayal dwarfing the betrayal of the Munich Pact. But, worse than that, it would also be an American national self-betrayal, precipitating our country irreversibly (as Kissinger likes to say) toward an abyss of impotent and therefore suicidal irresponsibility.

LABOR STATESMANSHIP

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DERWINSKI. Mr. Speaker, the effectiveness of the administration and the Congress in combating our present economic questions is determined in large part on whether they are in confrontation or in cooperation.

Our present economic situation also requires the cooperation of management and labor as well as that of the producer and consumer in order for us to overcome present economic difficulties.

The positive emphasis placed on labor statesmanship in an editorial by Chicago's WGN Continental Broadcasting Co. on February 4, is an example of the cooperation to which I refer:

LABOR STATESMANSHIP

(WGN editorial, February 4, 1975)

The wage demands of organized labor have been popular targets in recent years when someone, expert or otherwise, tried to determine the principal cause of inflation. Certainly, labor costs had their role.

But, now that times are tough, we find some statesmanship in the ranks of labor, action taken deserving of comment. With the construction industry in a severe slump, with unemployment higher than it's been since 1961, a council representing twenty-four construction trade unions has agreed to a new contract with no pay increase, in the hope that building costs can be kept down and employment increased. Electricians in Chicagoland, although they received a wage increase in their current contract, agreed to work a thirty-two hour week, spreading smaller paychecks among more workers. The two biggest trucker-driver unions in the area have clamped a lid on overtime, also in an effort to spread around the work available. One employee group, the thousand or so drivers who work for Great Lakes Express, have voted to take a twenty percent pay cut to avoid layoffs and shut-downs.

Some economic indicators show that the worst of the slump is over. Better times, we hope, are ahead. There will be the temptation, as economic conditions improve, to make up and surpass what has been lost in recent months. However, a lack of restraint in the future will push us back into a position where our economy will be forced out of kilter again. The nation cannot tolerate another trip on the wage-price merry-go-round.

THE NEED TO PROMOTE COMPETITION IN THE AUTOMOTIVE AFTERMARKET INDUSTRY

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. McCOLLISTER. Mr. Speaker, recently I introduced H.R. 3598, along with Messrs. EVINS of Tennessee, CONTE, COCHRAN, ADDABBO, and KEMP. If adopted, this legislation would guarantee consumers the right of choice over automotive parts and service for their vehicles and prevent a monopoly in the sale of aftermarket parts and service. This would be accomplished by amending the Clean Air Act of 1970 to provide that the manufacturers' performance warranty for the motor vehicle emission system be reduced to 12 months or 12,000 miles, whichever occurs first.

Extensive hearings on this subject were held last year by the House Select Committee on Small Business, on which I served. After carefully reviewing provisions of the Clean Air Act, the subcommittee found the performance warranty is unnecessary, anticompetitive, and anticonsumer. All 19 members of the Small Business Committee unanimously recommended in the committee report of December 18, 1974, that the performance warranty be reduced to 12 months or 12,000 miles, whichever occurs first.

This is an extremely complicated issue, one which merits some explanation lest it be misinterpreted as a reduction in requirements placed on vehicle manufacturers to produce nonpolluting vehicles, or be considered as not in the best interest of the car owning public. This legislation will in no way reduce clean air standards!

Under the Clean Air Act of 1970, vehicle manufacturers are mandated to warrant for 5 years or 50,000 miles, under both a production warranty and a performance warranty to the ultimate consumer, that the emission control system installed by that manufacturer will remain effective for that length of time.

The production warranty is already effective. The performance warranty, which is conditioned upon the proper maintenance and operation of the vehicle by the owner, is mandated to become effective once the Administrator of the Environmental Protection Agency determines that adequate testing facilities are available. It is this performance warranty that poses a very serious threat to the existence of the independent automotive aftermarket, and strong anticonsumer problems.

It is important to note that the Clean Air Act contains sufficient protection under its design requirements and production warranties to maintain the quality of our air, as the manufacturer would still be required to test and certify his engine in accordance with EPA test standards on emissions and durability prior to sale.

The production warranty requirements force the vehicle manufacturer to warrant that the emission control system is designed, built, and equipped in a manner that will enable it to comply with emission regulations which exist at the time the vehicle was first sold, and that it is free from defects in materials and workmanship that would cause the system to fail to conform with applicable regulations for its useful life, which is defined in the act as 5 years or 50,000 miles, whichever first occurs. Production warranty enforcement is through a recall order by EPA, after finding a substantial number of vehicles subjected to its testing procedures that fail to comply with those applicable standards. This is similar to actions taken currently on safety-related devices by the Department of Transportation, and effectively controls the durability and reliability of vehicle safety-related components.

The performance warranty will only go into effect when EPA develops a quick, reliable test for precisely measuring emissions. This is likely to be somewhat in the future. Under this performance warranty, the vehicle manufacturer is then liable for the repair, at his cost, of every vehicle on the road that fails an emission inspection, so long as the vehicle owner has complied with the maintenance and operation instructions mandated by the vehicle manufacturer. These maintenance and operation instructions are the critical points insofar as the independent automotive aftermarket and the consumer are concerned. The cost of the performance warranty has been built into the price of the vehicle.

The owner is not going to jeopardize his position with respect to that warranty, and will go to the franchised dealer of the vehicle manufacturer, not only for warranty work, but also for nonwarranty work performed at the same time, thus effectively shutting off the independent aftermarket from those they now serve. The consumer no longer will have the freedom of choice to use the parts and services he wishes, and the law will create a monopoly for the vehicle manufacturers and their franchised dealers in parts and service. The vehicle manufacturers stated that, faced with a tremendous liability under the performance warranty, they will be forced to insist on the use of their parts and service to maintain the validity of that warranty.

The Small Business Subcommittee found that:

It is also questionable that the consumer will ever truly benefit from the performance warranty as it now stands, because the vehicle manufacturer can reap windfall profits from this warranty, for every voided warranty results in an unearned profit of approximately $300. Thus, the vehicle manufacturer has a strong financial incentive to void these warranties, which might in part account for the present burdensome and restrictive care and maintenance instructions which contain innumerable opportunities for avoiding liability. These same escape clauses will exist in a warranty of any length, the longer the warranty, the greater the cost, which thereby provides a stronger incentive to escape liability. Every time a warranty is voided, it is the consumer, and only the consumer, who loses. The consumer not only forfeits the money paid to the manufacturer to have this repair work performed, but must then pay again to have the same work performed.

Thus, the subcommittee found the performance warranty to be anticonsumer, anticompetitive, and unnecessary to the protection of clean air. It must be noted that neither of the legislative committees that developed the Clean Air Act of 1970 had the opportunity to hold hearings on the warranty provisions of the act, which might have highlighted the monopolistic and anticonsumer aspects of the law.

It is a popular misconception that the emission control system on a vehicle consists of only the catalytic converter. This is not so. Presently, EPA and the automotive industry have found no area of universal agreement on the parts or processes of an engine essential to the effective operation of the emission control system, but the Small Business Subcommitee found that, at the very least, the following items would be included:

LIST OF ITEMS

1. Spark plugs.
2. Air cleaners.
3. Oil filters.
4. Drive belts.
5. Motor oil.
6. Carburetors
7. Distributors
8. Hoses.
9. Manifolds.
10. PCV valves.
11. Chokes.
12. Exhaust recirculation systems.
13. Engine coolants.
14. Vacuum fittings.
15. Intake and exhaust valves.
16. Ignition timing and advance systems.
17. Wiring.
18. Fuel pump.

Notably, the committee report indicates that:

Various manufacturers include a number of additional parts which extend and include almost everything from the cap on the gas tank to the exhaust pipe itself.

The vehicle manufacturers maintenance instructions, which will be required to be followed to prevent voiding the warranty, will have a major impact on the car-owning public. The vehicle owner is obligated under these circumstances to have stipulated parts replaced or serviced at the vehicle manufacturers' designated intervals, at his or her own expense. Should the vehicle fail to comply with an applicable emission standard under the performance warranty, it is not the obligation of the vehicle manufacturer to repair the emission control system until the vehicle owner has proven that the described maintenance in his owners' manual has been performed at the established time, and that the work was done with parts acceptable to the manufacturer, and by a qualified service outlet.

The vehicle manufacturers contended during our hearings that they would only accept parts produced by them, and service performed by their franchised dealers. This performance warranty will force the vehicle owner to maintain records which will not only document when the work was done, but that it was done properly. If the vehicle manufacturer decides that either parts or service used by the car owner to comply with the instructions contained in his owners' manual do not meet their criteria, the vehicle manufacturer would deny warranty liability, and the vehicle owner would have to pay for the repairs, even though the cost of this work was included in the purchase price of the new vehicle.

Of course, the antitrust laws prevent vehicle manufacturers from requiring that only their parts be used to replace those they know will wear out prior to the expiration of the 5 year, 50,000 mile warranty, or that the servicing of these parts be performed only by a franchised dealer. Consequently, because of the potential liability the vehicle manufacturer would face when the quick tailpipe test of EPA is approved, they must protect themselves, so they condition the validity of these warranties on recommended use of original equipment manufacturers—OEM—parts or their "equivalent", and the use of franchised dealers or a "qualified service outlet", and then reserve the exclusive right for themselves to determine what is an "equivalent" part and a "qualified service outlet". The owners' manual instructions create a strong psychological restraint on the consumer to force him to return his vehicle to the franchised dealer for all work for 5 years or 50,000 miles, through fear of voiding his warranty.

This forcing of the consuming public to return their vehicles to a franchised dealer for all parts and service for 5 years or 50,000 miles to ensure that the warranty is not invalidated will occur when the performance warranty is triggered by EPA. According to our subcommittee report,

The Subcommittee is of the opinion that there are serious anti-consumer aspects to both the proposed certification program (by EPA) and the 5 year, 50,000 mile warranty requirements of the Clean Air Act.

The restrictive maintenance instructions will cause many cautious car owners to have all servicing—whether related to the warranty or not—performed by their franchised dealer, which is a serious inconvenience, and poses a serious problem for both the car-owning public, and the independent automotive aftermarket. Those who continue to use their neighborhood service or garage outlets will undoubtedly void their warranties, which they have already paid for when the car was originally purchased, thereby being forced to pay again to have that system repaired at his or her expense should the system ever fail an emissions inspection in the future.

It has been proposed by the Environmental Protection Agency that a voluntary parts certification program would solve the monopolistic problems inherent in the warranty provisions of the act. I do not believe the certification program will solve the problem, as long as the performance warranty of the Clean Air Act is on the books. The vehicle owner would not have the freedom of choice he needs and the competitive situation the aftermarket requires. The owner pays for the warranty as part of the price of the vehicle. If he does not use it, the vehicle manufacturer realizes a big windfall. The voluntary program would not require the vehicle manufacturer to accept any aftermarket parts, and even if it did, why would a vehicle owner pay for an item he could receive supposedly "free"?

The consumer cannot afford to risk a dispute with the vehicle manufacturer over the use of parts and services which might later be claimed to be not proper maintenance and operation. Therefore, the consumer is forced to go to dealers of the vehicle manufacturer for all his work during the life of the warranty, regardless of the existence of a parts certification program.

In introducing this legislation, I am firmly of the belief that reduction of the performance warranty provisions of the Clean Air Act of 1970 will have no, and I repeat that, no adverse effect on the maintenance of clean air, and will relieve the automotive aftermarket industry from the possibility of a monopolistic takeover by the vehicle manufacturers, and will retain the rights of the auto owner to have a choice over the parts and services used to maintain his vehicle.

This monopolistic situation was first brought to the attention of the Small Business Committee by the Automotive Service Industry Association. The committee also received testimony from representatives of vehicle manufacturers, repair garages, service stations, EPA, the Federal Trade Commission, and the Antitrust Division of the Department of Justice. All their testimony and the documentation compiled convinced the House Small Business Committee that the performance warranty of the Clean Air Act serves no meaningful purpose.

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I would urge Members join me in cosponsorship of the bill, and in urging hearings and speedy action by the House Interstate and Foreign Commerce Committee. I believe that this is a sound and just piece of legislation which will benefit vast numbers of vehicle owners and prevent a monopoly in the parts and service industry.

ST. PETERSBURG'S UNIQUE INFLATION FIGHTING IDEA

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. YOUNG of Florida. Mr. Speaker, the largest city in my congressional district, St. Petersburg, Fla., has developed a unique idea to help its citizens in the battle against inflation. At the same time, the activity, which was described in the January 1975 issue of Florida Municipal Record, provides nourishing food and healthful exercise. I am pleased to share this interesting experiment with my colleagues in the Congress.

The magazine article follows:

ST. PETERSBURG HAS GARDENS FOR RENT

ST. PETERSBURG.—High food prices have inspired officials in the "Sunshine City" to offer vacant municipal land for use to residents as vegetable gardens. Many of the gardeners, both novice and experienced, have already sampled their own fresh produce—eating some and preserving the balance.

Ninety one garden plots measuring 20' x 30' renting at $5 each for the eight-month period, October through May, became available in three separate neighborhoods in the city.

Planting on 82 plots began October 8, and the owner of Akers and Herbron Hardware and Garden Store offered a 20% discount to the new gardeners.

Two gardeners, Mr. and Mrs. William Wood, retirees from the Panama Canal Zone, rented their plot as much for the outdoor exercise they would get as for the fresh vegetables they could eat. Wood says, "You can't beat the sheer pleasure we've found in working the soil, caring for the plants, and watching them grow." The Woods won't be canning, they may freeze some of the surplus, but the rest they will share with friends in the condominium where they live.

Young families also are into the act. Mr. and Mrs. Earl Sawyer had never gardened before, but this project seemed like a good opportunity to save on their grocery bills, so they rented one lot for themselves and one for their two young sons, 7 and 9 years old.

On the two plots the four gardeners have planted wax beans, carrots, beets, collard greens, cabbage, peas, turnips, tomatoes, onions and strawberries.

"We rented the plots thinking we would save money on the grocery bill, but the actual saving may come in another season, because we bought a rake and a hoe, a pressure canner, and a supply of jars. The tools and canner we found at a garage sale, but the jars are new. The experience is worth more than the money, we learned so much about growing things, and it developed into a healthy family activity."

Most of the vegetable gardens are planted by families, but teachers from two elementary schools rented plots for their youngsters to work in, and a biology student is working on one plot as a class project.

The whole thing started June 5, 1974, when Mayor C. R. Wedding asked Jack Puryear, Director of Parks and Recreation, whether city-owned, resident-leased community gardens would be feasible, and by September 20, the community garden project was in full swing.

After the Mayor's initial inquiry a list of several possible sites was prepared, and meetings were held with Dick Bir and Gil Whitton, Pinellas County agriculture agents, to get their advice on preparation of the soil, selection of seeds, planting procedures, care of the growing plants, and finally the harvesting.

Soil samples from each proposed area were tested and the final choice of sites for the pilot project was narrowed to three locations.

Shallow wells with pitcher pumps were installed, and area residents were asked to send in their applications. "If you and your family can spend five hours a week during growing season and would like a garden plot, please fill in the attached sheet and mail it promptly." "First come, first served" was the rule applied.

Publicity about the gardening opportunity was generated through newspapers and radio stations.

The Parks and Recreation Department assumed the task of clearing the lots of debris, and enlisted the aid of other departments in getting tractors for mowing, tilling and cultivation. The plots were then marked and numbered.

Already growing in the gardens are beets, cabbage, carrots, cucumbers, eggplant, kale, lettuce, onions, peppers, summer squash, tomatoes, and turnips. Some were planted from seed, others were transplanted from flats started at home or in local nurseries.

Other sites are being tested and prepared for more eager gardeners to enjoy.

NUCLEAR PROLIFERATION: THE SERIOUS BUT DIFFICULT PROBLEM OF CONTROL

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ZABLOCKI. Mr. Speaker, one of the most complex and challenging problems facing the United States and the world community is the issue of nuclear proliferation.

However, as Stephen Rosenfeld noted in his Washington Post article of February 7, it is a tough topic not easily understood and one too often ignored. In contrast to the seemingly more glamorous issue of SALT, for example, the spread of nuclear weapons and technology has not generated adequate attention or concern among Government officials and the press.

One who is helping to draw the issue onto center stage is Dr. Fred Ikle, director of the Arms Control and Disarmament Agency. It is, in fact, Dr. Ikle's recent and repeated public statements on the question with which Mr. Rosenfeld's article deals.

In an effort to extend this enlightened understanding of the issue I am, therefore, inserting Mr. Rosenfeld's article in the RECORD and recommend it to the immediate and careful reading of my colleagues and other concerned citizens.

Further, I plan over the next several days to also place in the RECORD Dr. Ikle's public statements and speeches on the nuclear proliferation issue.

Finally, it is my hope that the newly organized House Foreign Affairs Subcommittee on International Security and Scientific Developments which it is my privilege to chair will hold hearings on the matter in an attempt to help seek a lasting and meaningful solution.

The article follows:

CHECKING NUCLEAR SPREAD

(By Stephen S. Rosenfeld)

Fred Ikle, director of the Arms Control and Disarmament Agency, is plugging hard these days to get people in and out of government to worry more about the spread of nuclear bombs, and every sane citizen among us ought to be urging him on.

It's a tough topic—nuclear proliferation—to get hold of. It has a kind of 1960s ring: too many people think, wrongly, the matter was disposed of by the nuclear non-proliferation treaty (NPT). It does not enjoy consistently high political, bureaucratic or journalistic glamor ratings, as SALT does. Requiring the cooperation of smaller countries which tend to ask if non-proliferation is not a great-power plot to keep them down, it is in a sense harder than talking SALT with the Russians. To cope with proliferation, moreover, takes a certain imaginative leap, since the countries or cabals which might acquire bombs don't have them yet.

But it's scary.

In his public statements, Ikle now regularly points out that by its Atoms for Peace program initiated in 1954, the United States unwittingly but unwisely facilitated the prospect for nuclear proliferation by spreading peaceful nuclear technology abroad:

"There is no question that nuclear technology would have spread in any event—the question is how fast. In the 1950s this rather practical question was being confused with more philosophic issues of science and secrecy: whether scientific discoveries could be kept secret and, indeed, whether it was morally right to keep them secret, would that be possible. This was not the policy question. Instead, we ought to have asked ourselves whether or not the need for nuclear power, then a distant prospect, justified the spread of these building blocks for making nuclear bombs."

Such is the pace of the nuclear power industry in these energy-anxious times, however, that Ikle figures that in 20 years just the amount of fissionable material in foreign transit each year will be enough to make 20,000 bombs. That is to say, the world's appetite for power in the next generation may compound the problem—the problem of all that nuclear stuff out there vulnerable to military diversion by governments and theft by fanatical individuals—to which the United States inadvertently contributed by its carelessness in the last generation.

In return for our Atoms for Peace aid, we induced recipients to set up an organization (International Atomic Energy Agency) and establish certain physical controls ("safeguards") to prevent countries from building bombs. But the IAEA is not only an international agency, one in which American influence is marginal, but a users' agency, one largely run by countries which want help but not intervention from the nuclear powers.

So though the United States wants the IAEA to tighten safeguards, increasingly it seeks alternative ways—especially agreements among the *suppliers* of nuclear peaceful aid—to balk military diversion. Since the suppliers are also each other's commercial competitors (a reactor can cost $500 million) and, one way or another, each other's political rivals, this is not so simple. At Martinique last December, however, the communique hopefully recorded that the presidents of France (not an NPT signatory) and the United States "explored how, as exporters of nuclear materials and technology, their two countries could coordinate their efforts to assure improved safeguards of nuclear materials."

Meanwhile the United States acting on its own, both in proposing new nuclear power agreements as with Egypt and Israel (these are now politically stalled) and in renewing old ones, is trying to tighten controls, to close perceived loopholes and in general to set new and higher safeguard standards both for other suppliers and for the IAEA.

Washington will also be pressing non-nuclear countries, at a conference to be held in Geneva next May, to review the non-proliferation treaty, to sign up. India's example, however, is discouraging here. Its status as a "non-aligned" and less-developed country kept many Third World states from deploring its "peaceful" explosion last May. The desire not to chill political relations muted both the Soviet and American responses.

Closer to home, Ikle notes that American strategic doctrine and weaponry are designed to deter nuclear attacks from one or two *known* and *rational* countries. But "in a world of widespread nuclear proliferation, certainly one and perhaps both of these premises would be shattered." We'd know what hit us but perhaps not from what country or from what terrorist band it came.

"Ten years from now," Ikle said in a recent speech, "the Secretary of Defense will have to cope with the danger that devastating destruction could reach the United States from a great many countries all over the world."

Or, as Libya's President Qaddafi put it the other day: "Soon the atom will have no secrets for anybody. Some years ago we could hardly procure a fighter squadron. Tomorrow we will be able to buy an atom bomb and all its parts. The nuclear monopoly is about to be broken."

Scared?

U.S. CHAMBER OF COMMERCE REPORTS ON CAREER EDUCATION

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HALL. Mr. Speaker, the Chamber of Commerce of the United States has performed a notable public service in gathering together over 20 national organizations concerned with career education and then issuing a report stressing the concept of career education.

Mr. Speaker, as a member of the Education and Labor Committee, which is now holding hearings on the Vocational Education Act, I found the chamber's publication to be most informative. As the chamber explains, 76 percent of secondary school students are enrolled in a course of study, that has, as its major emphasis, preparation for college—even though only 2 out of 10 jobs between now and 1980 will require a college degree. Thus, almost 8 of 10 students are receiving an education that will primarily benefit only 2 out of 10 students.

Mr. Speaker, in order that other Members have an opportunity to read the chamber's report, I am placing it in the RECORD. Mr. Hilton Davis, legislative action general manager for the chamber, and Mr. Tom Walsh, the chamber's education specialist and all those who contributed to the report are to be commended for their fine work. The report follows:

WHAT IT IS AND WHY WE NEED IT FROM LEADERS OF INDUSTRY, EDUCATION, LABOR AND THE PROFESSIONS

ACKNOWLEDGMENT

The preparation of this booklet has been truly a cooperative effort. Representatives of almost all major education associations and of several other national organizations with interests in education spent many hours in work-sleeve sessions over a period of six months reviewing and commenting on successive drafts. Several of these organizations provided substantive material for incorporation in the text. This message of support for career education is therefore a collective one representing the commitment of all the . . .

ORGANIZATIONS COOPERATING IN THE PREPARATION OF THIS BOOKLET

The American Association of School Administrators—National Academy for School Executives, 1801 North Moore Street, Arlington, Virginia.

American Personnel and Guidance Association, 1607 New Hampshire Avenue, N.W., Washington, D.C.

American Vocational Association, Inc., 1510 H Street, N.W., Washington, D.C.

Association of Community College Trustees, 955 L'Enfant Plaza, S.W., Washington, D.C.

Bricklayers, Masons & Plasters International Union of America, 815—15th Street, N.W., Washington, D.C.

Council of Chief State School Officers, 1201—16th Street, N.W., Washington, D.C.

Distributive Education Clubs of America, 200 Park Avenue, Falls Church, Virginia.

General Federation of Women's Clubs, 1734 N Street, N.W., Washington, D.C.

National Alliance of Businessmen, 1730 K Street, N.W., Washington, D.C.

National Association for the Advancement of Colored People, 1790 Broadway, New York, New York.

National Association of Elementary School Principals, 1801 N. Moore Street, Arlington, Virginia.

National Association for Industry-Education Cooperation, 235 Hendricks Boulevard, Buffalo, New York.

National Association of Manufacturers, 1776 F Street, N.W., Washington, D.C.

National Association of Secondary School Principals, 1904 Association Drive, Reston, Virginia.

National Congress of Parents and Teachers, 700 N. Rush Street, Chicago, Illinois.

National Federation of Business and Professional Women's Clubs, Inc.; Business and Professional Women's Foundation, 2012 Massachusetts Ave., N.W., Washington, D.C.

National Institute of Education, U.S. Department of Health, Education, and Welfare, 1200—19th Street, N.W., Washington, D.C.

National Manpower Institute, 1211 Connecticut Avenue, N.W., Washington, D.C.

National Organization for Women, 5 S. Wabash Avenue, Chicago, Illinois.

National School Boards Association, State National Bank Plaza, Evanston, Illinois.

National Urban League, 55 East 52nd Street, New York, New York.

Office of Education, U.S. Department of Health, Education, and Welfare, 7th & D Streets, S.W., Washington, D.C.

Vocational Industrial Clubs of America, 105 N. Virginia Avenue, Falls Church, Virginia.

Consultant: National Education Association, 1201—16th Street, N.W., Washington, D.C.

The National Chamber also acknowledges the valuable assistance provided by members of its Education and Manpower Development Committee.

ABOUT THIS BOOKLET

Rarely has a concept held more promise for exciting learning than has career education. Thousands of persons have participated in hundreds of workshops, conferences, and seminars. Teachers and curricula specialists are designing new learning arrangements. And demonstration models are developing innovative school-community relationships. In many ways progress has exceeded expectations.

But despite the near-universal expressions of support and some outstanding successes, only a good beginning has been made. Relatively few of the nation's 60 million students are touched by the career education concept. Clearly, a more effective effort is necessary, and such an effort is possible only through the collaborative leadership of the many organizations and individuals having a direct interest in our schools.

This recognition prompted the organizations listed here to join in this expression of support for career education. We urge our respective members to coordinate their activities at the state and local levels in support of the common purpose of stimulating the wide and prompt introduction of the career education concept among the nation's school systems.

We ask school leaders to invite business, labor, professional and community leaders, including women's organizations and minority groups, to work with them in helping our young people to recognize and utilize relationships between education and work.

Business, labor, professional, and community leaders should also take the initiative. These informed lay persons, working with professional educators, can reinforce each other's efforts in getting career education underway and in sustaining progress. This booklet will highlight some of the things to do.

We wish you much success as you form new relationships for improving the educational experience of our youth.

OUR CONCEPT OF CAREER EDUCATION

At the outset let us affirm that the highest aim of education is the development of the qualities of character. For in teaching honesty, justice, integrity, and respect for person and property lies the hope of domestic tranquility and good will in our society—the basis for progress.

Another basis for tranquility and progress is a citizenry using fully its talents at work—that is, in those activities, paid and non-paid, which provide satisfaction for the individual and benefit to society.

Career education complements the primary aim of education by pulling back the curtain that isolates much of education from one of the largest dimensions of life—a man's or woman's work. Education and work are artificially separated today, but they were not so divided in the past and should not be so in the future. A linking of education and work is even more important in a dynamic industrial-service economy than in a less complex economy.

Career education, therefore, seeks to remove the barriers between education and work by emphasizing preparation for work as a major goal of American education at all levels—from the elementary schools through the secondary schools and the universities, colleges, and technical institutions.

Career education benefits all students because they will commence work—begin a "career"—at some point in their lives, whether they leave school at age 16 or graduate from the nation's most prestigious medical or law school at age 30. It therefore applies to the student who will seek a graduate degree as well as the potential dropout. It especially benefits indifferent students by making their learning experience relate to the many ways people spend their lives. And it also helps the young woman who needs to

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be made aware that even though she gets married and has a family she may spend 25 years or more in full-time employment outside the home—and she will spend 40 years or more in the workforce if she does not marry.

Career education expands educational and career opportunities by stimulating interest in the studies necessary to pursue various lines of work, and by giving students preliminary skills to enter any one of a cluster of different carrers. It encourages boys and girls and men and women to consider nontraditional, as well as traditional, careers. And it reminds us that in a changing society, education must be a continuing experience throughout our lives, requiring an "open door" access between school and work.

Career education seeks to enable all persons to make personal, informed career choices as they proceed through life. To do this, they must learn to identify their strengths, weaknesses, interests and aversions. They must then relate these to requirements of the world of work and of the various levels and types of education. This process is vital to a fully useful life, since career decisions are often required several times, and include decisions about promotions and changes in assignments as well as the selection of an occupation or profession. Youth and adults who learn career decision-making skills will have greater career satisfaction regardless of changes in the job market.

Career education believes that learning occurs in a variety of settings, and therefore requires relationships with the business-industry-labor-professional community to provide learning experiences not available to students in a conventional classroom environment.

Career education urges that society reappraise its value system to help ensure the respect due all types of work, and to help make unsatisfying jobs more meaningful. It calls for recognition that some technical skills provide services just as useful as some managerial/professional skills.

Though career education emphasizes the preparation of all people for their life's work, as mentioned earlier it also recognizes that there are other important and proper objectives for our education system. These include education for integrity in human relationships, for effective home and family life, for leisure, for citizenship, for culture, and for mental and physical health. The school experience must always aim to provide for every child and adult the opportunity to cultivate the quality of intellect, as well as the artistic and moral sensibility, that will lead to useful and satisfying lives.

Finally, career education does not mean education without rigor. Indeed, by stimulating interest in learning and thereby in evoking improved student effort, career education offers an important potential for raising the level of student performance in all school subjects.

In summary, career education is the total effort of education and the community to help all individuals become familiar with the values of a work-oriented society, to integrate such values into their personal value systems, and to implement those values in their lives in such a way that work becomes possible, meaningful, and satisfying to each individual.

WHY WE NEED CAREER EDUCATION

In many respects the schools are doing a better job of educating our youth than ever before.

However, society demands more of our schools, just as it does of government, religion, and business. The school performance that was judged satisfactory 20 years ago may no longer be suitable for every individual. While there are complex reasons for this change, one is related to the world of work. There are relatively fewer unskilled jobs to fill at a time when more parents are properly demanding full equality of opportunity for their children. There is general recognition that as we move further into a still more compex economy, the relationship between education and work becomes closer each year, and young people need more assistance in deciding on a career.

Career education offers a promising response to this call for education reform by addressing these problems:

For too many youths, career exploration begins after leaving school instead of during the early learning years when there is ample time to develop areas of work interest and competence.

Youth unemployment is consistently four times greater than adult unemployment, and turnover is high. Most college graduates stay with their first employer less than three years, and high school graduates often have several jobs their first year.

Many students are not provided with the skill and knowledge to help them adjust to changes in job opportunities. The individual normally changes occupational emphasis no less than 3 to 5 times during his work life. For education, the lesson is clear: it must increase the individual's "cope-ability"—the speed and economy with which he or she can adjust to these changes.

There has steadily developed an increased emphasis on "school for schooling's sake." The third grade teacher seems intent on readying students for the fourth grade, the eighth grade teacher on readying students for the ninth grade, and the high school teacher on readying students for college. Instead of preparation for something, education has become, for many students, simply preparation for more education.

In some schools, much of what happens in the classroom has too little to do with what is happening outside the classroom. They seem to attempt to prepare our young people to take their place in the community by isolating them from the community.

Seventy-six percent of secondary school students are enrolled in a course of study that has, as its major emphasis, preparation for college—even though only 2 out of 10 jobs between now and 1980 will require a college degree. Thus, almost 8 of 10 students are receiving an education that will primarily benefit only 2 out of 10 students.

The dropout-failure rate among college students remains among the most stable of all statistics in American education. Forty percent of all who enter college this fall will not make it to their junior year, and 50 percent will never obtain a baccalaureate degree. These adjustments are extremely costly to students and their parents in terms of money, psychological damage, and inability to plan a meaningful future.

CAREER EDUCATION AND VOCATIONAL EDUCATION

Vocational education offers training in a wide variety of specific technical and subprofessional skills, and is therefore an essential component of career education. Vocational education should continue for life—as should be true of all education—but it is initially completed at the high school level or in a post high school technical institution or community college.

Examples of jobs for which one qualifies through vocational education include those in the health services, distribution and sales, agriculture, building trades, computer operations, transportation, mechanical and printing trades, and numerous other occupations which typically do not require a baccalaureate degree.

Career education, on the other hand, links learning activities with jobs along the entire range of skills—from the subtechnical to the professional career—and in addition, emphasizes decision-making skills to improve individual choices concerning work and education or training. Career education is therefore all-inclusive in that it encompasses vocational education, academic education, and managerial/professional education, as well as career exploration and career selection. By way of contrast, vocational education has a more limited mission of specific skill training.

Though the vocational and baccalaureate fields of study are delineated, students may shift from one field to another, and often do. The vocational student learning to be a medical technician may, after a period of work, return to college as a baccalaureate student seeking training as a dentist or other advanced level of the medical professions. And the electrician may later decide to obtain a degree in electrical engineering. Though both students may first have to complete prerequisite subjects, their vocational training nevertheless provides entry into a work experience or career field that stimulates further specialization or advancement. Indeed, many colleges are granting credit for work experience that was obtained as a result of earlier vocational training.

THE CAREER EDUCATION TEAM

Career education will never be implemented by individuals acting alone, but by persons acting in concert with those whom they share a common interest or responsibility. Existing organizations—committees, study groups, service clubs, unions, trade and professional associations, chambers of commerce—might appoint an interested and knowledgeable member to act as their representative. Here is a description of persons comprising "the career education team" and what they do:

School administrators and school boards

Obtain support and commitment for career education programs from teacher organizations based on good will and agreement on the need for better education.

Provide leadership in gaining the support of students, counselors, parents, and community for career education.

Develop a plan for implementation and evaluation for a curriculum integrated with career education.

Explain credit eligibility for non-traditional learning experiences.

Bring together and coordinate the personnel, resources, facilities, and activities of the subsystems that exist within the district.

Offer inservice programs designed to provide staff with career education concepts, procedures, and materials.

Develop and support an atmosphere conducive to the utilization of teaching methods designed to meet individual needs.

Equalize career placement effort with college placement effort.

Classroom teachers

Help students develop positive attitudes toward themselves, others, work, and those who work.

Relate what students learn in a particular subject area to future educational and occupational alternatives and how knowledge and skill offered by that particular subject area relate to work and living.

Reinforce steps in decision making and the importance of students being responsible for their own decisions.

Industry-education-labor-professional community

Provides stations for observation and for actual work-study experience.

Participates in designing realistic curricula for various career clusters.

Helps develop and administer job placement programs.

Volunteers as resources in the school.

Helps develop support for career education.

Counseling and guidance personnel

Serve as a resource consultant to teachers, students, administrators, parents and others seeking information.

Invite technical and vocational school representatives to college night or career day programs, along with other representatives and employers.

Provide information related to a wide variety of career options.

Serve with other education personnel as liaison between the school and the business-industry-labor-professional community.

Assist in placement of graduating students with employers in addition to providing guidance to others going on to technical schools or colleges.

PTA's, ethnic and cultural groups, civil rights agencies, and other service organization

Examine and understand the career education concept.

Stimulate support for career education among parents and the community generally.

Make available to schools the talents of their members as a resource in implementing career education.

The Family—

Helps their children in developing positive attitudes toward work and in acquiring good work habits.

Helps acquaint their children with the career considerations of different kinds of work.

Volunteers as resource for the school.

Student Groups—

Serve as advisers to the policy making board for career education.

Ask teachers to emphasize career implications of subject matter.

Encourage all students to understand relationships between education and work.

While the foregoing descriptions are somewhat arbitrary, the important point is that a broadscale introduction of career education requires, in the words of former Commissioner of Education Sidney P. Marland, "bringing the school into the community and the community into the school." This requires a coordinated effort by a career education team that includes many persons not normally associated with the traditional learning process. It therefore also involves new relationships and activities for education professionals.

ESTONIAN INDEPENDENCE DAY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HYDE. Mr. Speaker, on February 24, 57 years ago, Estonia asserted its right to national independence. This brave people seized the opportunity presented by the turmoil of World War I to lay claim to its birthright. Today, it is indeed fitting to pay tribute to the brave Estonian people who continue to struggle for freedom.

This proclamation of independence inspired the Estonians to fight against subsequent encroachments on their national territory. Invaders were driven from the country and its first anniversary found Estonia at peace, sovereign over its own affairs.

In 1920, the Soviet Union signed a peace treaty with Estonia. The valiant Estonians had successfully cast off the Russian yoke. Many countries, including the United States, welcomed Estonia as a full member of the community of nations. This brave step toward freedom had resulted in victory for the Estonian people.

Two decades of uninterrupted peace and national development followed. A truly democratic and progressive instrument, the Estonian Constitution formulated during this period merits special attention. A republican form of government was established. Human rights were emphasized. The Constitution protected the rights of national minority groups. The democratic process which we Americans cherish had been set in motion.

Yet, all too soon, this process came to an abrupt end. World War II unleashed the forces of tyranny. Hitler and Stalin devised plans to swallow up those countries unable to resist their formidable power. Once again, the democratic republic of Estonia was overrun by Soviet military forces. An even greater tragic fate awaited. Under pressure, a puppet pro-Soviet regime was established. Shortly thereafter, this once independent nation was formally incorporated into the Soviet Union. It was a dark day indeed for the Estonian people and for freedom-loving peoples everywhere. There exists no justification for this flagrant violation of the fundamental right to national self-determination.

Today, the spirit of Estonian nationalism remains alive in the hearts and minds of Estonians both at home and abroad. I applaud the efforts of those Estonians in the United States who continue to remind us of the plight of their homeland. We Americans must never accord recognition to this unconscionable deprivation of Estonia's right to national sovereignty. Let not the heady atmosphere of détente obscure this denial of liberty. I look forward with hope to the day when Estonia will again take its rightful place as a sovereign state in the community of nations.

INTRODUCTION OF MILITARY LAND REVIEW AND TRANSFER BILL

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WON PAT. Mr. Speaker, in previous statements before this body, I have spoken about Guam's unique land situation. At present, one-third of our entire acreage is owned by the U.S. military; one-third is owned by the Government of Guam; and the remainder is in private hands. Since Guam's total land area is only 215 square miles, there is a constant demand for undeveloped property to fill the requirements of the local population for business, homes, schools, and related uses.

Of particular interest is that portion of Guam owned by the U.S. Navy and Air Force. Much of the military's current total was acquired in the days following World War II, and is currently used to house the military's facilities at the various naval installations around the island and the huge Andersen Air Force Base. The military is not using all of its land, however. Current estimates of the unused total are about one-fifth of their land holdings—a sizable percentage for a small island such as ours.

Although I can honestly state that our people would never question the military's legitimate need for land, we do and must question the Department of Defense's need to hold onto large portions of land in Guam they obviously do not need, nor appear to ever need if 30 years of past experience can serve as an accurate guide.

Several years ago, I tried, without success, to find out what the military had in mind for Guam in the future. The Navy had only then just completed a thorough study of their requirements in the Pacific, known as the Project Gateway, and I asked to no avail for a copy so the civilian population on Guam could have at least some direction for future planning.

When it became evident that the military was not inclined to cooperate with the people of Guam on this most crucial issue, I then sponsored H.R. 11573 which simply asked that the President of the United States convey to the government of Guam all Federal property on the island not needed or actively used and specifically reserved 1 year after enactment of my bill. H.R. 11573 passed the House of Representatives but was held up by the Senate Interior Committee pending additional discussions with naval officials.

Now it is 2 years later and the need on Guam for room to expand is still with us. The people of Guam want the military to stay and we are justly proud of our role in the defense of this great Nation. But something must be done to resolve the land-use question. I believe that the people of Guam have a right to know what the military is planning for the future. I further believe that the adoption of a policy of openness and sound planning could benefit all parties on the island, and not just the civilian segment. After all, the construction by the civilian portion of the island of structures which could hinder future military plans is no more in the best interests of either party than is the present situation.

Something must be done in the best interest of all. For this reason, I am again introducing legislation identical to H.R. 11573. Should it meet with more fortune in the 94th Congress, I am hopefull that the President will order a thorough review of all federally owned lands on Guam and make known the results and his determination so that we, the civilian and military populations of the island, can get down to the business of planning together—for the well-being of Guam. Thank you.

GEN. ROBERT E. LEE

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. FISHER. Mr. Speaker, I have the great pleasure of introducing a resolution to restore posthumously to Gen. Robert E. Lee full rights of citizenship. General Lee applied for the return

UMI

of his citizenship in 1865, but it was not granted because his oath of allegiance was misplaced. A few years ago the oath was found in the National Archives, and now the general's application for citizenship is complete.

General Lee epitomized the southern gentleman. He was an able man, gracious in defeat, and conciliatory in his behavior later in life. It is fitting that we pass this resolution as a means of honoring this fine man, whose onetime home, Arlington House, graces a lovely hillside in my district.

ADMINISTRATION STUDIES WAYS TO "BAIL OUT" PRIVATE UTILITIES

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EVINS of Tennessee. Mr. Speaker, this administration, as we all know, is a big business administration and it is interesting to note press reports that the President is considering ways and means of assisting private utilities to secure funds for expansions.

According to the Wall Street Journal, the administration is even considering plans to reimburse utilities for the higher costs of fuel—guarantee loans—make loans—and even buy power at profitable rates, anything to help.

Now isn't that something?

It was just last December 21 that the President vetoed a bill which would have provided Tennessee Valley Authority with the statutory authority to write off against its repayments to the Treasury the costs of a most expensive antipollution program and—as the veto message put it—"thereby enable TVA to postpone some rate increases otherwise required."

The veto message took the position that it just wouldn't be fair to assist TVA in this manner and further stated:

(This bill) violates the fundamental principle that electricity should be priced to reflect its cost of production.

The fact that TVA pays tremendous sums into the U.S. Treasury as repayments on appropriations investment was not mentioned—nor was the fact mentioned that the big utilities can write off on their income tax returns substantial costs for their antipollution equipment which reduces the cost of power production by private utilities.

Now, according to the Wall Street Journal, the administration is considering plans to "bail out" the utilities in one way or another, although some private utilities pay little if any taxes and many show substantial profits and earnings.

There are obviously two sets of principles involved—one for private power and one for public power.

It was not too many weeks ago that top administration officials called members of State regulatory bodies to Washington to urge that they short-circuit the normal ratemaking process and provide private utilities with substantial rate increases.

Not only is there no reference in the article to any plans to assist TVA and the people of the Tennessee Valley who have suffered by 10 power rate increases in 8 years—the President vetoed a bill which would have provided some financial relief for TVA similar to that which utilities are already receiving in the form of tax writeoffs from the U.S. Government.

It is a matter of principle—big business principles.

Because of the interest of my colleagues and the American people in this matter, I place the article from the Wall Street Journal in the RECORD herewith.

The article follows:

[From the Wall Street Journal, Feb. 18, 1975]

A FRIEND IN NEED? UTILITIES' FINANCIAL ILLS STIR WHITE HOUSE TALK OF GOING TO THE RESCUE

(By James P. Gannon)

WASHINGTON.—The White House is urgently studying a batch of far-reaching schemes to bail troubled electrical utilities out of their financial problems.

The search is on for a plan that would help financially ailing power companies obtain the vast amounts of money needed to get their plant-building programs back on track again. The Ford administration is alarmed that widespread cancellations and postponements of utility plant projects not only are worsening the recession but threaten to undermine President Ford's long-range energy plans and could mean power shortages and blackouts in years ahead.

The utility-bailout ideas, which are bubbling up through the bureaucracy toward the President's desk, range from the mundane to the exotic. They include:

Loan guarantees for utility bond issues intended to reassure investors who have grown wary of such securities, and thus enable financially strapped power companies to sell bonds at reasonable interest rates to provide money for plant expansion.

A Utility Finance Corp., patterned after the Depression-era Reconstruction Finance Corp., that would make direct loans or even buy utility stock issues with money from the U.S. Treasury.

A novel scheme under which Uncle Sam would promise to buy, at profitable rates, all the electricity generated by nuclear and coal-fired plants that have been delayed or scrapped due to lack of financing. The government would hope to resell the power to actual users, but the profitable-sales guarantee would enable the utility to borrow the money to finance the now-stalled construction, according to backers of this scheme, which has captured the fancy of White House economic adviser L. William Seidman.

A rebate plan under which the Treasury would reimburse utilities for the higher costs of fuel arising from President Ford's package of oil tariffs, taxes and price increases. This less-ambitious step wouldn't solve the industry's broader financing troubles, but it would offset a cost burden that some utilities claim could be "crippling."

A NEVER-ENDING LINE

A presidentially ordered study of such utility-aid plans is nearing completion within two weeks, officials say. Mr. Ford's top energy and economic advisers will draw up a final list of options for the President, who will have to decide the issue himself. The decision could be difficult, because both Mr. Ford's key advisers and utility-industry leaders appear divided over the wisdom of any new federal intervention in the power industry.

"If we go down this road, it's a never-ending line," frets one Ford Cabinet member in on the planning. "Maybe we'd have to do the same thing for the airlines or other industries," he worries. But he's not sure whether his philosophical opposition to federal bailouts or the urging of other officials to do something to shore up the shaky utilities will prove more persuasive to Mr. Ford.

Ironically, the President's own energy policy may tip the scales toward some sort of utility-aid measure. Some officials say the decision may hinge on whether Mr. Ford or Congress wins the struggle over energy policy. If Congress succeeds in blocking the White House oil tariff and tax measures, the utilities' immediate financial bind would be less difficult. But if Mr. Ford wins, oil-burning power companies will be hit with added fuel costs that could prove devastating unless the White House rushes to the rescue.

Utilities are relative newcomers to the federal welfare window. For years, they had little trouble raising all the money they needed. Investors considered them profitable monopolies whose regulated earnings and handsome dividends made their stocks and bonds secure and attractive, even to widows and orphans. Then came the 1970s.

THE MOST CAPITAL-HUNGRY

A succession of problems staggered the industry: soaring costs for coal, oil and other fuels; escalating plant-construction costs; record-high interest rates on borrowed money; safety and mechanical delays and foul-ups with new nuclear plants; heavy new outlays for air and water pollution controls. Though electric utilities have raised rates substantially (22%, on average, during 1974 alone), the slowness of the state rate-approval processes and the growing consumer and political backlash against rising electricity bills have many of them in a bind.

Their deteriorating financial condition has made it hard for many utilities to sell bonds or stock to raise money. Unfortunately for them, utilities are the most capital-hungry industry in the U.S. economy. Their capital needs for plant expansion are estimated in an Edison Electric Institute study at $140 billion for the year 1974 through 1980. About two-thirds of this would have to come from sources outside of the companies' own profits.

Because of their new money woes, utilities have been cutting their plans—expansion plans left and right lately. According to one tally, projects representing more than 60% of the planned nuclear generating capacity and 30% of the non-nuclear capacity were either postponed or canceled by utilities in 1974. Much of the stalled capacity eventually will be built, government specialists say, but the delays in getting such plants in operation could cause power shortages eventually in some areas. Worse yet, they contend the slowdown in nuclear power projects undermines the U.S. drive to reduce imports of costly foreign oil, used to fire boilers in the old plants that the nuclear ones would replace.

Ford administration officials clearly are worried, not only about the long-term repercussions but about more immediate dangers arising from the industry's troubles. All those plant-construction cutbacks are worsening the severe recession in the construction industry and depressing sales of power-plant machinery and supplies. Officials also are closely watching a secret list of the industry's potential Titanics: companies so financially strapped that they're candidates for bankruptcy.

"We have a list of 20 or so companies in varying degrees of financial stress that we're watching," confides the keeper of the list. He won't reveal the companies' names, but the utilities under scrutiny generally are those whose earnings are failing to cover, or are barely covering, interest payments on their debt and preferred dividend requirements. The monitoring is intended to give advance warning of any looming financial crisis that might trigger bankruptcy. Officials fear that kind of confidence-shattering event could send severe shock waves all through today's troubled economy.

The Titanic-list watcher notes that many electric utilities are in sound financial condition. "The problems appear to be somewhat regional," he says. This complicates the decision on whether any federal aid plan is needed. "Why in the world should we develop a policy for the entire industry in order to bail out this or that company?" asks one skeptical Treasury official. Some critics contend the troubled utilities suffer from bad management or poor state regulatory policies—problems that can be solved without federal aid.

Another complicating factor is that the industry itself is divided on whether it wants emergency federal help. Support for the bailout schemes is "fragmented," says one industry source. "There is great concern among the elder statesmen on the industry" he adds, "that they shouldn't let the nose of the government camel under the tent."

But those whose tents are nearly collapsing have abandoned philosophical reflection on the proper federal role in utility affairs. Executives of such concerns as Ohio Edison Co. in Akron and Consumers Power Co. in Jackson, Mich., have openly appealed for a federal bailout.

New federal aid is needed right now "or the nation may soon find itself grappling with these problems while freezing in the dark," contends one of the most outspoken aid-seekers, William G. Rosenberg, chairman of the Michigan Public Service Commission; he wants federal loan guarantees for utilities. The electric companies that Mr. Rosenberg's commission regulates are among the most troubled in the nation. The SOS from Michigan clearly is being heard in the White House by such Michiganders as economic adviser Seidman, not to mention the President.

Mr. Seidman, who seems to favor some utility-aid plan, has been calling attention to the industry's troubles lately. "Most private utilities aren't in good financial shape," he told a Teamsters union conference in Washington last week. More than one-third of them, he said, "aren't in a position to build new plants."

But other officials appear wary. Officials at the Treasury and Council of Economic Advisers aren't eager to launch any bailout scheme. Federal energy officials don't sound enthusiastic but concede some further steps to aid the industry may be needed.

President Ford already has submitted to Congress a number of proposals to improve the long-range health of the utility industry. These include new tax benefits such as an enlarged credit for power-plant outlays and a federally mandated overhaul of state utility regulation, intended to help utilities recover increased costs more fully and more speedily in rate hikes.

But even if Congress passes these long-range measures, some more immediate help may be needed for at least a while, officials concede. "We are looking very hard at additional alternatives" to ease the industry's financing problems, says Eric Zausner, acting deputy director of the Federal Energy Administration. Similarly, a White House economist declares that higher rates are the basic solution to the industry's problems, but "political pressures" won't permit a fast-enough increase. "The question then is what can be done in the interim to get financing in motion and get construction in motion," he says.

Probably the most novel idea under study is a power-purchase guarantee plan. This idea was suggested to the White House recently by former Congressman Craig Hosmer, long a champion of the nuclear power industry. White House adviser Seidman is attracted to the Hosmer scheme because it would both stimulate the sagging economy and support administration energy objectives by spurring immediate construction of stalled nuclear and coal-fired generating plants.

Under the Hosmer plan, the government would contract to buy all the electricity produced by any presently delayed or canceled power plant that a utility puts back on its construction schedule. The theory is that the government's commitment to purchase the power at profitable rates would make it easier for the utility to raise the money for construction. Uncle Sam would resell the power, at cost, to users of utilities depending on oil-fired plants. The scheme is promoted as one that would generate jobs, help cut oil importants and avert power shortages.

Another idea is to establish an RFC-type agency that would become a lender to or stockholder in private utilities. Such a Utility Finance Corp. has been proposed by some industry executives having trouble selling stocks and bonds to ordinary investors. Officials say any such agency would lend or buy stock only under certain conditions, perhaps including promises of future rate hikes that would permit the utility to retire the debt or repurchase the stock held by Uncle Sam. But some officials fear any such plan would smack of government takeover. Furthermore, if an RFC were proposed for utilities, other shaky businesses probably would demand to get equal treatment.

Another plan under study would have the government guarantee utility bonds, which presumably would make them easier to sell and at a lower interest rate. Uncle Sam has guaranteed loans to troubled companies before, as in the case of Lockheed Aircraft Corp. But Treasury officials are opposed to the spread of this practice, which they feel doesn't really solve the industry's basic problems and may make it harder for other borrowers, lacking guarantees, to obtain funds.

The least ambitious step would be for the government to compensate the utilities for higher fuel costs stemming from Mr. Ford's energy proposals. Those costs would be high for many power companies.

Ten New England utilities that have sued to block the Ford-proclaimed oil tariff contend the import fees will cost them an extra $125 million in 1975. The utilities claim in their suit that this will cause "an immediate and critical cash shortage." The effect could be "crippling" because of lags in raising rates, they assert.

The President may be sympathetic to such problems. Just last week, in his trip to Kansas, he disclosed that he's ordered his energy advisers to draft a plan to compensate farmers for their extra fuel costs arising from his program. Some officials worry, though, that this could be a never-ending process because everyone from airline executives to school administrators can make a case for fuel-cost compensation.

FIRE-SAFETY INSPECTION

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BURGENER. Mr. Speaker, the Fallbrook Fire Protection District in San Diego County of my State is launching a program which should result in fewer fires with consequent reductions in losses of life, money, and natural resources. In these days when every effort to combat waste is of importance, I believe that this fight against terrible waste of avoidable fire is to be commended.

The intention of the Fallbrook Fire Protection District is to launch a comprehensive company inspection program that would call for a fire-safety inspection of every structure in their district. This would include every home, every school, every business and every church. Surely, a massive project.

The spirit of determination with which the men and women of north San Diego County have undertaken this project deserves the highest commendation.

THE RECORD OF ARAB TERRORISM—III

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. NIX. Mr. Speaker, today I offer for the RECORD the third and final installment of a listing of terrorist incidents perpetrated by Arab terrorist groups since the Six Day War in 1967. This installment includes the years 1973, 1974, and the beginning of 1975.

I have entered this chronology of terror into the RECORD so that we may not forget the tragedy and bloodshed that are the work of the PLO and its associated gangs. We must not let our fervent hopes for peace in the Middle East delude us into believing that men who have dedicated themselves for years to the destruction of Israel through violence and terror will be transformed overnight into responsible leaders seeking peaceful accommodation.

CHRONOLOGY OF TERROR

1973

Jan. 3—Cigarette bomb from Black September injures man in Fukuoka, Japan.

Jan. 9—Bomb explosion in front of Jewish Agency building in Paris.

Jan. 12—Terrorist group disembarked from SS Messapia in Cyprus, planning to carry out sabotage acts in Haifa. The terrorists flew from Cyprus to Beirut.

Jan. 14—Israeli woman in Kiryat Gat injured by letter bomb. Three other letter bombs discovered and defused in Hadera, Tel Aviv and Beersheva.

Jan.—Three terrorists detained in Vienna on January 20 and three others arrested at the Austro-Italian border on January 30. All six had travelled from Beirut planning to attack Jewish immigrants from the U.S.S.R. at a Vienna transit camp.

Jan. 25—Letter bomb in Santiago, Chile, explodes; police bomb expert loses both hands. Two other bombs discovered and defused in Sydney, Australia and Montreal, Canada.

Jan. 26—Israeli citizen murdered in a street in Madrid.

Jan. 29—Tel Aviv post office discovers and defuses eight letter bombs postmarked Istanbul.

Feb. 12—Deeb Ismail el-Harditi, Gaza refugee camp committee chairman, is assassinated by PFLP.

Feb. 26—Catholic priest murdered in Gaza by PFLP.

Mar. 3—Seven terrorists seized Saudi Arabian Embassy in Khartoum and murdered three diplomats, the U.S. Ambassador Cleo Noel, the U.S. Charge d'Affaires George Moore, and the Belgian Charge d'Affaires Guy Eid.

Mar. 3—The Cypriot ship "Sanya" en route to Haifa with 250 Christian pilgrims on board sabotaged in Beirut harbor.

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Mar. [illegible] A explosive bomb [illegible] El Al plane at Kennedy Airport and two Israeli banks in New York (bombs loaded with explosive were discovered).

Mar. 8—Israeli soldiers [illegible] killed by [illegible] PFLP

Mar. 12—Murder [illegible]

Mar. [illegible]—Director Cooperative [illegible] and her Palestinian partner [illegible] Abdo Hakim, detained [illegible]

[illegible]

[illegible]

[

capacity of key personnel. This is especially true in small businesses.

The tremendous losses suffered from the diseases of cancer have never been fully measured.

In 1964 Dr. Dorothy Rice estimated the annual cost of cancer in this country at about $15 billion. Obviously the cost has gone up since then.

I would like for the RECORD to reflect a new calculation by the epidemiology section of the National Cancer Institute of the several calculable economic costs of cancer. I pass along information relating to the age group incidence of cancer deaths. Assuming a 45-year work period for the typical person in the United States the age group death data allows a computation of "work years lost due to deaths by cancer."

It is simple arithmetic to multiply these work years by the median annual income of persons in the United States.

The following table shows that the total loss from work years lost is at least $17,911 million annually.

Obviously the United States needs a continuing large investment in cancer research and control programs in order to restrain this tremendous cost, which is only one of several costs of cancer.

The table follows:

MONETARY COST OF CANCER IN THE UNITED STATES IN TERMS OF WORK YEARS LOST (1973)

Age group	Number of deaths	Work years lost due to deaths	Monetary loss (2) × (3)[2] (in millions)
	(1)	(2)	(3)
Men:			
0 to 4	733	32,985	$339
5 to 9	823	37,035	381
10 to 14	619	27,855	286
15 to 19	842	37,890	390
20 to 24	795	33,784	317
25 to 29	878	32,925	339
30 to 34	1,131	36,758	378
35 to 39	2,051	56,403	580
40 to 44	4,110	92,475	951
45 to 49	7,573	32,528	1,362
50 to 54	12,548	56,850	1,612
55 to 59	18,633	39,748	1,136
60 to 64[3]	24,122	60,305	620
Subtotal	74,858	877,545	9,021
Women:			
0 to 4	602	27,090	279
5 to 9	645	29,025	279
10 to 14	502	22,590	232
14 to 19	510	22,950	236
20 to 24	584	24,820	255
25 to 29	728	27,300	281
30 to 34	1,359	44,167	453
35 to 39	2,818	77,495	797
40 to 44	5,417	121,883	1,253
45 to 49	9,059	158,533	1,630
50 to 54	12,413	155,163	1,595
55 to 59	15,107	113,303	1,165
60 to 64[3]	16,930	42,325	435
Subtotal	66,674	866,644	8,890
Total	141,532	1,744,189	17,911

[1] For fuller calculation of losses see "Impact of Cancer: Years of Life Lost Due to Cancer Mortality," "Journal of National Cancer Institute," Jan. 1, 1974.
[2] U.S. Department of Commerce; 1973 median personal annual income used in these calculations was $10,285.
[3] Cost figures assume age 65 is last year worked.

Source: 1968 data. National Cancer Institute reports age-group break-down in the year 1973 was not significantly different from 1968. National Center for Health Statistics, 1968.

EXTENSIONS OF REMARKS

SUPPLEMENTAL FUNDS FOR VIETNAM

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. YOUNG of Georgia. Mr. Speaker, once again the Congress is faced with a request for supplemental funds for Vietnam and Cambodia. Each time additional funding is requested, we are assaulted with rhetoric which would make us believe that these funds, and only these funds, are essential for the preservation of our honor and commitment to our friends.

I cannot believe that we have not learned anything from the past and that we continue to allow ourselves to be beguiled by the empty promises for victory. The following article by Dino J. Caterini, reprinted from the May 1974 issue of The Progressive, is still relevant and I recommend it to my colleagues for their reading as this matter is once again brought to the Congress.

OLD WARS IN NEW RHETORIC

(By Dino J. Caterini)

(NOTE.—Dino J. Caterini is a Foreign Service officer with the U.S. Information Agency, which he has served in Vietnam and elsewhere in Asia, Europe, and Africa. He is presently stationed in Washington, D.C.)

It was the *in* thing of the early Sixties. Anyone who was anyone was talking about it. America was embarked on a great new adventure: to prove that revolutionary warfare could not succeed. Mao Tse-tung and Ho Chi Minh had developed a diabolical form of warfare that they dubbed "revolutionary warfare," and America was out to prove that it wouldn't work. The type of warfare being employed by the Communists wasn't exactly guerrilla warfare as we had known it in the past; it was a new strain of deadly virus, and counter-insurgency was the newly emerging antibody that would soon gain enough strength to destroy it.

The prevailing American attitude was that there was no need to look to the past for examples of this type of warfare because we were dealing with something new. While the two prime official exponents of counter-insurgency in the early Sixties—Walt Rostow and Roger Hilsman—tried to put the record straight by putting revolutionary warfare into some kind of historical perspective, nobody was really listening, the operators least of all. Rostow, in his speech in 1961 at the Army Special Warfare School at Fort Bragg, said—in reference to Mao, Ho, General Giap, and others—that "it is historically inaccurate and psychologically dangerous to think that these men created the study and tactics of guerrilla warfare to which we are now responding."

Such admonitions fell on deaf ears. Joseph Kraft, writing on counter-insurgency in *Harper's* in 1964, was much more reflective of the mood of the times when he wrote: "The point of departure for the doctrine [of counter-insurgency] lies in the theory that the Communists have developed a new kind of warfare—revolutionary warfare."

There was something exciting about doing something new to combat something new. It was a challenge—the kind America likes. But now read this:

"We were in a very hostile country. That was evident enough. You had only to go out a mile to observe it. The first time I went out with a small reconnoitring [sic] party we saw about half a mile off in the main road the body of a man fastened to a tree. There was an inscription on the corpse to the effect that he had been a traitor and so was killed. I found he was the headman of a neighboring village who before I came had rendered some service to the troops. . . .

"We thought reprisals necessary, and we tried. But to retaliate you must have some one to retaliate on: to hit, you must be able to see, you must know where to strike, you must get at your enemy.

"And we saw nothing. Day after day we marched out through these barren hills to the villages beyond and looked for foes. We found only villagers. They tilled their fields and looked upon us curiously. When we inquired where the enemy was, they shook their heads and said they knew of none . . .

"Organized enemy there was none. The leaders were villagers, the rank and file were villagers. They would collect for some attack and then disperse. When you went out to look you found nothing. You could not attack, because there was nothing to attack. It was like thrusting a spear through water that closed behind it and left no sign of its passage . . . Their object was never to meet us in open fight, but to harass us on the march, to attack us at night, to boycott us and make our rule impossible. For they hoped against hope that some time we would go away."

Anyone reading the above will probably stop at this point to wonder where this remarkable passage comes from. Is this a personal account of an American soldier's experiences in Vietnam? Or is this something out of the French Indochina war, the memoirs of a French soldier fighting the Viet Minh?

No. The account comes from a little-known book, long out of print, covering an insurgency war which very few people, even so-called experts on counterinsurgency, have ever heard of: the British pacification of Burma in the eighth decade of the Nineteenth Century. The book is *A People at School*, written by a British civil servant, H. Fielding Hall, and first published in 1906. Hall's book is worth quoting because it illustrates the ageless quality of revolutionary warfare. Before quoting from it again, however, it is important to recall the historical background of this period.

The British gobbled up Burma in three stages. They first chopped off pieces at the edge of the Burmese Empire—the maritime provinces of Arakan and Tenasserim in 1825 and so-called Lower Burma, including Pegu and Rangoon, in 1852. Then in 1885, the British—in an effort to forestall French expansion of their Indochina empire—invaded, conquered, and annexed Upper Burma, the cultural and historical heartland of the Burmese people. The British conquest was swift, and within four weeks of the initial invasion the British were in full possession of the capital at Mandalay. King Thibaw, the last of the Burmese kings, was dethroned and sent into exile. On the surface, Upper Burma appeared to be captured.

The occupation of the capital and the removal of the king, however, did not mean that the Burmese were through. Upper Burma was a nation in a way that Lower Burma was not. The Burmese there had deep feelings of identity because Upper Burma represented a compact nationality with a glorious past going back nearly a thousand years, a past understood through legends and songs by even the humblest of peasants in the fields. Upper Burma had never seriously been conquered before, and though the British now held the major cities, their power did not extend much beyond them. The mass of

Burmese were still free to rebel and fight. And this they did.

It took the British five years to "pacify" Burma after their initial conquest, and it is this period that Hall covers in his book. The period hardly rates a footnote in most history books, and in the overall history of man, perhaps that is justified. But the Vietnam war and the theories of insurgency and counter-insurgency which it spawned make a study of the pacification of Burma by the British an instructive venture.

When the United States first began to develop theories of insurgency and counter-insurgency in the early 1960s, most experts, as I have noted, tended to pooh-pooh the experiences of the past; they claimed that mere guerrilla warfare—which indeed had a long history—was not to be confused with modern "revolutionary warfare" as espoused by Mao and exported abroad as "wars of national liberation."

Mao had written tracts in which he advanced the theory that the moment a war of resistance dissociates itself from the masses of the people, it dissociates itself from the hope of ultimate victory.

Mao referred to his tactics as guerrilla warfare, but he added an element that gave the warfare its revolutionary character: he linked guerrilla warfare to finite political goals. "Military action," he wrote, "is a method used to attain a political goal." He said it was vital that "simple-minded militarists be made to realize the relationship that exists between politics and military affairs."

It was basically these theories of insurgency and revolutionary warfare that the counter-insurgents were attempting to counteract in the early 1960s. Most experts on the subject were willing to rely on the British experience in Malaya in the 1950s and the French experience against the Viet Minh in Vietnam during the same period. Magsaysay's suppression of the Huk uprising in the Philippines in the early 1950s was also cited. But there was little reliance on earlier historical experience. The politicians, their advisers, and the operators in the field that wars of national liberation, and especially the Vietnam war, represented a "new ball of wax" and that there was not much to be learned by examining older forms of guerrilla warfare.

Yet our own country had been founded as a result of one of the classic insurgencies of history. The American War of Independence was not only the first great revolution of the modern era—most people forget that it preceded the French Revolution by more than a decade—but it was also the direct progenitor of what the Communists like to call "wars of national liberation." Semantics aside, the tactics used by George Washington's guerrilla harassment of the British, coupled with the use of military force to attain popular political goals, form the basis of modern revolutionary warfare.

It is ironical that while American counter-insurgency experts were ignoring the past—even our own American Revolution—the Communists were studying it to advantage. Mao, for example, in expounding his theory that revolutionary warfare should proceed from a war of movement to a war of position used George Washington's campaigns as precedent.

In the Philippines after the end of the Spanish-American War of 1898, America became involved in a model insurgency-counter-insurgency situation that paralleled Vietnam, in that America was a foreigner trying to counter a native insurgency with popular support.

It was only after the Americans had driven the Spaniards from the Philippines that a full-scale insurgency developed against American rule. Disillusioned by the American refusal to grant them independence, the Filipinos fought a revolutionary war against America from 1899 to 1906. America's well-trained army was pitted against Filipino guerrilla bands, and, just as in the Vietnam war sixty years later, America in the Philippines faced all the problems of a foreign counter-insurgent trying to pacify a nationalist uprising: a shadow insurgent government working side-by-side with the established authority; the inability to separate and distinguish the enemy insurgent; the ease with which the insurgent could hide his arms and take on the appearance of a peaceful cultivator; the excellent intelligence of the insurgent native; the advantage of the insurgent in being able to arouse hostility against foreign rulers.

In the end, the United States, as the counter-insurgent, succeeded in pacifying the Philippines, largely through an overwhelming superiority in modern weaponry and soldiery, though the struggle was admittedly long, brutal, and domestically divisive. As the war dragged on, an Anti-Imperialist League developed, dissent became rampant, and the war became embroiled in American politics.

The point is this: by the early 1960s, when the United States began to develop its theories on counter-insurgency, there was already a body of historical precedents upon which it could rely. Yet our policymakers preferred to approach the insurgency and counter-insurgency of the Sixties as something new and to ignore the past as irrelevant. Was this approach valid? I believe not.

Unfortunately, the definitive work on insurgency has yet to be written—a book that would trace revolutionary warfare from the earliest beginnings in Greek and Roman times, and even before, up to the present. There is little doubt that there are still many historical precedents in the field of insurgency that have yet to be brought to light. As I have indicated, Hall's book illuminates one such precedent, the insurrection in Burma in the late 1800s and the "pacification" years, a precedent uncannily similar to Vietnam in the 1960s.

Critics of the Vietnam war have often mentioned the difficulties of getting good, hard factual reports on exactly what happened and why. They claimed that this "credibility gap" was inherent in bureaucratic structures, that reports from lower to higher echelons are bound to be rosy, because those in command want to hear good news and because reports of failures reflect adversely.

In commenting on field reports in Burma in the 1880s, Hall noted that the troops "were split into innumerable little columns that marched about on their own account and sent in reports of their doings to the general. The civilian of course also reported to his superior. And it was very difficult to make their reports interesting." So they turned dull events into colorful reports: "Some men never came within ten miles of an insurgent leader but 'they very nearly captured'" him. "They never found a pot of rice cooking in a jungle but they 'had rushed a dacoit camp'; they never made a movement but what they were 'scouring the country.'

"One gallant officer so distinguished himself with his pen that he obtained the name of Fitz Bulleiin; and one civil officer rose into fame by capturing or killing the famous leader, Hla-U, once a week for a whole open season."

While Hall and the British counter-insurgents waited for the day when they could "have a fight and get a little nearer the end," the Burmese insurgents became popular heroes to the peasantry. They were native to the area and tended to remain in place. The British, as counter-insurgents, moved on without roots in the soil.

Hall's Burmese experience mirrors the "search and destroy" operations in the Vietnam war. The British learned the hard way in Burma, as we were to learn in Vietnam, that search and destroy operations were not successful in pacifying a country. As Hall noted, the "lesson to be learned was that columns moving through a country did not pacify it."

A companion book on that Burmese period is *The Pacification of Burma*, by Sir Charles Crosthwaite, the chief commissioner of Burma from 1887 to 1890 who had the overall responsibility for the British pacification effort. Unlike Hall, who only had to worry about the war in the field, Crosthwaite had to worry about the home front as well. The pacification experts in Burma were faced with many problems that remind us of Vietnam: disputes in Parliament, hostility in the press, opposition from the public, and even a "credibility gap."

No doubt there are those who believe that there is no significance whatever to the fact that America ignored other examples of insurgency in making the plunge into Vietnam, especially remote examples like the pacification of Burma. In the end, they argue, nothing would have changed in any case, even had we studied the past.

But that is exactly my point. It *could* have made a difference. Vietnam was a tragic mistake that could have been avoided had we understood the past. Vietnam was an unwinnable war, and the disastrous political and military consequences to America abroad coupled with the demoralizing effect of the war on our domestic social fabric, were predictable results, based on a study of the past.

Certainly the Philippine insurrection alone offered proof of the agonies inflicted on the American psyche by an insurgency war abroad which many people felt was being fought to achieve goals contrary to America's anti-colonial tradition. Had we understood that past examples of insurgency showed clearly that there were never any easy solutions, that well-developed insurgencies are always long and involved affairs, and that a counter-insurgency operation by a foreigner in a foreign country is seldom popular either at home or abroad—had we understood all that, we might never have become involved at all.

In retrospect, it is easy to see that there was nothing preordained in the stance that we took. We could have downplayed the so-called newness of revolutionary warfare and placed it in some sort of historical context. The fact that we preferred to approach revolutionary warfare as something *new* and *different*—and publicized it as such—meant the chances of avoiding the war altogether were considerably diminished. Revolutionary warfare, we preached, required new techniques in the art of war, and we were taken in by our own propaganda.

If you accept the theory that there are really no lessons to be learned from history, the rest follows easily. You begin from scratch and approach each problem in isolation. You conveniently forget Santayana's dictum that he who does not learn from the past is condemned to repeat it. You forge ahead with the great adventure because the past is dull and highly irrelevant. The credo becomes: There are no parallels in the past, and there is nothing to be learned.

But now read this: "I want to express as emphatically as I can my disapproval of the policy of this country in lending our armed forces toward enforcing the domestic affairs of other countries. It is a sordid chapter in American history. It is not to the credit of the United States that we ever undertook

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such a thing in the past and will be less to our credit if we repeat it here today."

Those are the words of Senator Bratton of New Mexico spoken in 1932—forty-two years ago—in support of the Senate resolution to prohibit the sending of more American troops to Nicaragua—a six-year "revolutionary war" in which American troops acted as counter-insurgents and which most Americans have conveniently forgotten.

Americans are a *now* people—we believe in the present, not the past. Americans believe in direct experience, and each generation tends to over-learn what it experiences directly. The World War I generation over-learned the agonies of involvement in world affairs and became isolationists in the Twenties and Thirties. The World War II generation over-learned the lessons of Munich and misapplied them to Vietnam. Perhaps the present generation will, in turn, over-learn the lessons of Vietnam with unforeseen consequences for the future of the world.

How do we break through the narrow confines of direct generational experience to something broader and more realistic? Only through an understanding of the past as an integral link with the present, as something that adds depth to direct generational experience.

As I view the contemporary scene, however, I see little evidence that America has changed its ways. Not only are we ready to forget historical precedent; even the immediate past is shunted aside with indecent haste. Yesterday's news is already a long time ago. We failed to learn from the past in our approach to revolutionary warfare in Vietnam because it was easier to forget the past than to remember it. The American Revolution, the Philippine Insurrection, Nicaragua, Vietnam—the past is a drag, the average American believes.

And yet, I am convinced that man cannot so easily ignore the past. What is past is prologue, and as I reflect on the Vietnam war and the alacrity with which we plunged into it—and as I compare the way we approached counter-insurgency as something existing and new with the sober musings of Hall in *A People at School* and Crosthwaite in *The Pacification of Burma*, I am reminded of the old French phrase that the more things change, the more they remain the same, and of the American slang, "So what else is new?"

LITHUANIAN INDEPENDENCE

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MIKVA. Mr. Speaker, February 16 marked the 57th anniversary of Lithuanian Independence Day and the date designated as a commemoration of the 724th anniversary of the founding of the Lithuanian State. This day has held a special place in the hearts of all people who cherish human freedom and dignity because it highlights the struggle for freedom engaged in by Lithuanians throughout much of its history.

As the United States approaches her own Bicentennial, Americans should recognize and congratulate those nations—such as Lithuania—who are celebrating anniversaries of their own independence.

Although since 1940 Lithuania has had no distinct national boundaries—having been annexed in that year by the Soviet Union, its people are still a viable, independent, and free-thinking nation unto themselves. While many of the basic freedoms of the Lithuanians have been limited by the Soviet Union, their national spirit and determination to achieve full sovereignty have not been diminished or dampened.

I wish to extend my congratulations, Mr. Speaker, to all Lithuanians and their descendants for being ever vigilant in the struggle for human freedom. Let us hope that as we Americans celebrate the 200th anniversary of our independence, the Lithuanians can again gain their freedom.

PROTECTION FOR MILITARY DOCTORS

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GONZALEZ. Mr. Speaker, I am introducing a bill today that would grant the active duty military medical personnel the same immunity from suit and civil liability for acts performed while in the scope of their employment with the Federal Government as the personnel of the Veterans' Administration and Public Health Service have had for several years.

My bill would authorize the Attorney General to defend civil actions against military doctors. It would make medical malpractice claims applicable against the United States rather than the individual.

At the present time military personnel of the Department of Defense face the possibility of being sued as individuals and held individually liable for incidents which occur while they are performing duties on behalf of the Government. As a result this has had an effect on the efficiency and morale of medical people in the military.

I have had a number of letters from military doctors who say they are forced to have unnecessary and costly X-rays and lab tests done in order to protect themselves from individual suits. This results in increased costs for health care that could be avoided if these medical people were granted the same immunity now granted to Government doctors in the Public Health Service and Veterans' Administration.

Some military doctors may feel particularly anxious about the possibility of suit against them personally and feel impelled to take private professional liability insurance to protect them in their work. However, private malpractice insurance fees have increased exorbitantly, if such insurance is even available, and it is not fair for these doctors, who are serving their country, to be expected to pay for private insurance.

If our goal is to achieve an all-volunteer health force then we must offer these doctors equal protection under the law.

The military doctors are providing a great service to our country and they should not be in a position where they have to worry about a catastrophic claim being filed against them that would result in serious personal financial consequences.

I believe legislation was considered in the last Congress to provide military doctors with the same immunity status as other Government doctors, and I am hopeful that we can have it enacted into law in this Congress.

BANKS "BUY FOREIGN" TO LURE AMERICAN SAVINGS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GAYDOS. Mr. Speaker, several years ago a Federal agency was linked with a television commercial promoting the sales of foreign-made autos in America. The gimmick was if you test drove the foreign car, the agency would plant a tree on your behalf, all in the name of ecology. I strongly resented the U.S. Government being part and parcel of a scheme which, depending on its success, could have cost thousands of American auto and steelworkers their jobs. I was most gratified when the commercial was discontinued.

I have lately received disturbing complaints about a radio commercial which also pushes the sale of a foreign-made car while in the background the listener can hear the strains of one of America's popular patriotic songs. I resent this, too, but since it does not involve a Federal agency there is little I can do about it except suffer in silence, refuse to buy the automobile, or turn off the radio station. I do all three.

Therefore, I was pleased to see a recent letter to the editor of the Standard-Observer, a newspaper published in Irwin, Pa., in which a resident of that area also objected to such advertising gimmicks. Mr. John W. Oliver of Ligonier was highly indignant about certain banks using foreign-made dinnerware to lure new depositors with their "American" savings.

Mr. Oliver astutely noted the banks could have done themselves and the American worker a great service by purchasing the dinnerware from any of several firms in the area, such as the Lenox Co. of Mount Pleasant, Mayflower Glass Works of Latrobe, the Jeannette Glass Works, or the Pottern Co. of Ligonier.

Mr. Oliver candidly observed that if the banks want the American workingman's savings deposited into their company to help their business then they should buy American dinnerware to help the American worker become a bank depositor.

Until the bankers adopt such a policy of "buy American" to seek American savings, Mr. Oliver said he is withdrawing his account from these banks and depositing his savings in a bank which does show concern for American workers.

Mr. Speaker, I do not know Mr. Oliver, but I publicly commend him on his stand, and I intend to follow his example and check my own account. Furthermore, I am inserting his letter to the editor into the RECORD for the attention of my colleagues and hope they will do likewise:

LETTERS TO EDITOR

DEAR EDITOR: Would you please publish the following letter as a public service? Thank you. . . .

The strange happenings that are going on today are hard to believe. I refer to the full page newspaper ads and the highly paid television advertisements offering the gift of free dinnerware to any savings depositor at certain banks.

A big deal, for a deposit of $50.00 savings made in one of two well known banks promoting this sales gimmick, you can receive four pieces of dinnerware free that has been produced by workers in a foreign nation. . . . Such a project may be acceptable if America was prospering, but when our nation is experiencing a recession and depression creating a high percentage of unemployment in all industries, the action is not in the best interest of the American working man.

This big order of dinnerware is great for the foreign worker, but what about the American worker who is unemployed in the dinnerware industries of America? Mr. banker, what about these unemployed American working men and women? Their plant could have used this fine big sale order of foreign imports at a time when the American working man needs all the help he can get, is indeed a shock to those who already have savings in these banks . . . It is surprising the union leaders of these workers have not come forward to protest this loss of business to foreign imports.

Surely, these highly paid bankers, who pride themselves on being good Americans, must realize that our nation is suffering under a siege of unemployment as a result of the loss of business.

You would think these bankers would want to help the American working man whose savings they solicit; they should be helping to build America's economy by purchasing dinnerware products that are American-made.

The Lenox Company of Mount Pleasant, Mayflower Glass Works of Latrobe, the Jeannette Glass Works, the Pottery Company of Ligonier, The Corning ware and Pyrex Company of New York State and many other fine American industries could use new orders from American customers including the American Banking institutions.

If these bankers want the American working man's savings deposited into their banks to help their business, then they should buy American dinnerware products to help the American worker become a bank depositor. . . . Such purchases would help America's economy and provide the American dinnerware worker a job . . . How asinine it is, these bankers "Buy Foreign" but request "American Savings".

Such unusual business tactics is either poor management, a heritage project, an insult to a person's intelligence or the complete lack of concern for the American working man or woman's . . . welfare and livelihood.

Whatever the real reason for such questionable conduct, until these banks reverse this policy of purchasing foreign dinnerware imports, and adopt the needed policy of "Buy American", I am withdrawing what savings I have from their bank and depositing in a bank that has concern for the American working man.

These bankers, and all other American financial opportunists, should "Buy American Product" if they expect the American working man to patronize their American business establishment.

Mr. or Mrs. Editor, I realize banking ads do help finance your newspapers, that is why in closing, I state that these are my opinions and not necessarily the views of your newspaper.

JOHN W. OLIVER.

FEDERAL JUDGE MAC SWINFORD: PLUMED KNIGHT OF THE KENTUCKY BAR

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BRECKINRIDGE. Mr. Speaker, Kentuckians and students of jurisprudence throughout the Nation experienced a singular loss on February 3 with the unexpected death of Judge Mac Swinford, who served for nearly half his 75 years on the Federal bench.

Discussing the exceptional gifts of the human mind to pursue the truth, he once wrote:

This idea is our pearl of great price. Those bearing the name of lawyer are by their profession, like plumed knights, committed to its preservation and defense in the finest sense.

Those words are both the product and illustrative of a distinguished career which carried the battle for law and for order by a continuing search for truth and compassion at every turn; which distinguished between the down-and-outer and the hardened criminal; and which now, having run its full course, shall serve as exemplar to younger men.

A graduate of the school of law of the University of Virginia, Mac Swinford was elected to Kentucky's House of Representatives at the age of 25. After reelection he declined to run for a third term, but in 1933 was appointed U.S. Attorney for the Eastern District of Kentucky.

In 1937 President Franklin Delano Roosevelt appointed Mac Swinford to the Federal bench and, for a while, he divided his time between the Eastern and Western Districts of Kentucky. In 1963 he became Chief Judge of the Eastern District, and in 1969 stepped down at the age of 70, but not to set aside his duties. In fact, even on the day of his death, he had been presiding over a civil case which was to go to the jury the next day; and was later handled by another judge.

Judge Swinford had just about the busiest caseload of any Federal judge in the Nation. But no case was too large, or too small, to receive his attention to truth, detail, precedent, as well as the need for change; and those who knew him best know that no matter, public or private, was allowed by Judge Mac to stand between him, his duty as judge and his court calendar.

Not only did he constantly meet these high standards in individual cases, but he established precedents in a variety of cases ranging from the crackdown on gambling and vice in northern Kentucky, to complex and far-reaching civil rights decisions, to a noted obscenity trial, and to some of the most progressive consumer protection and antitrust litigation tried in the United States.

I saw him on many occasions, knew him well, marveled at his wisdom and dedication to duty, and admired his fairness and steadfastness. He was a profoundly deep man who was equally at home in Kentucky's woods or the world of books. He has indelibly imbedded himself in the memory and hearts of his family and friends, the bench and the bar, as a great American.

Mac Swinford was, perhaps above all, a man of heritage and tradition, who grew up, lived, and died near the radius of his home in Cynthiana; a man who received, refined, strengthened and passed on all of the best that was given to him to know; there are few in our part of the country who did not know him, and none who knew him but recognized that they stood in his shadow.

I include at this time in the RECORD a tribute to Judge Swinford which appeared in the February 5 Kentucky Enquirer, but one of many appearing throughout the press of the Commonwealth:

"SUCKER" FOR THE COUNTRY BOY, BUT LET HIM RETURN: DON'T MAKE MEN OR JUDGES LIKE THAT ANYMORE

(By Bob Rankin)

A veteran sportsman from Cynthiana was relieved of his earthly duties this week and is now free to roam the bottom-land of the Licking Valley and follow his rabbit-chasing and coon-treeing hound dogs every day.

Many residents of the tri-state will grieve, many others will give a sigh of relief at his passing. They only knew him as a hard man to reckon with.

He was probably the most stern-looking individual to ever pass through the local scene. His craggy eyebrows, piercing eyes and square, bulldog jaw would strike fear in the hearts of criminals and attorneys alike. Of course, I am talking about Judge Mac Swinford of the U.S. District Court for the Eastern District of Kentucky, who died suddenly here.

He was a veteran of three decades on the federal bench.

I have sat through boring, six-day, civil suits watching the Judge as he seemed to doze on the bench. Not so: if the attorney for either side made a mistake in law he was quick to lash out at the man. You never slipped a word, point of law or illegal speech by him.

In the past, attorneys for "the good guys" always thought they had it made in front of Judge Swinford for he was a real stickler for law and order in Northern Kentucky when local officials only gave it lip-service. But if the prosecution made a misstatement that was not under the letter of the law, they soon found out that the Judge might just as easily rule for the defendant and dismiss the case.

One of the top criminal attorneys in the tri-state who always seemed to win the city, county or state courts, had this to say on one tough case. "I like to practice before Judge Swinford if I have a good case. I know he will properly interpret the law and not just grant me a favor on a minor case and rule against me on a major one. I know I will win if I am right on the law in the case."

Judge Swinford was a "sucker" for a country boy or anyone dressed in shabby clothes, or a black man in trouble. He always gave them the benefit of the doubt and he usually appointed one of the top attorneys to represent them—much to the chagrin of an already busy barrister. But if that same "poor man" appeared again, even if it were five years later, he could count on getting the limit of the law and go up for "at least five years."

One of the very first World War II conscientious objecter cases in the nation was tried in Judge Swinford's court in the early 1940s and that like many other precedent setting cases, grew out of his court. It was he who ruled in favor of a reporter and photographer when a Newport police official

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arrested them for covering a raid. He set a further precedent on the right to the news over the right of privacy, that will long live in the minds of local newsmen and those of the nation. (US vs. George Gugel et al, in which the chief was convicted.)

A big treat was to go with the judge to Pikeville for a term of court. People followed him around on the streets for he attracted attention with his stern look, his ramrod straight back and full stride. We sought out a Greek restaurant where the judge always presided over a table and made a special salad for us.

In Pikeville Judge Swinford knew how to deal with the moonshine stills, the car thefts, the tobacco farmers who illegally might "nest" their tobacco baskets. He seemed to know, instinctively who was really guilty or was uneducated and uninformed and did not really know the laws of the land. He meted out sentences accordingly: probation for most, full terms for real criminals.

For all his judicial ways, Judge Swinford was a very simple man with simple tastes. He usually ate in a Covington cafeteria or the Frontier Room at the Netherland or old Thompson's short order restaurant on Vine Street.

At the opening session of court when he saw me or some other veteran of the beat at the press table, he would send a bailiff to fetch us to his quarters. We always worried for fear we had misquoted him or had mangled the law. Usually he just wanted to talk football, basketball or baseball. He was a keen fan of the Reds and once, when I obtained box seats for him and his son for a game, he vowed it was the best time of his life. He ordered soft drinks all around, although some would have preferred beer or hard liquor but not in front of the judge.

Oh, they will replace him. There will be a mighty scramble among local jurists for the job. But no one will ever look that much like a judge, or act that much like a judge, or combine all those characteristics of a hounddog man, farmer and good friend that Judge Swinford had—they don't make men or judges like that anymore.

JOHN DAVIDSON NAMED AS HONORARY CHAIRMAN OF AMERICAN HEART ASSOCIATION

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. REES. Mr. Speaker, it is not unusual for an entertainer to be named as honorary national chairman of a charity organization. But much of the time the title is in name only. John Davidson, wellknown to television viewers for his singing and acting, and to theater goers for his work in musical comedies, has changed that.

As honorary national chairman for the American Heart Association, Mr. Davidson is helping in the fight to reduce the toll of premature death and disability from heart disease and stroke. Mr. Davidson is not just a name on a poster or brochure. He is assisting in bringing heart-helping information to the American public through radio messages and television spot films that stress changes in living habits to reduce the risk of heart attack and stroke.

Mr. Davidson is also calling attention to heart association goals in research and public education during his personal appearances on talk shows, and in interviews with the news media while on tour. Additionally, Mr. Davidson is contributing to the support of the association by donating proceeds of souvenir program books published in connection with his entertainment activities.

And even though the bulk of the association's income is contributed by the American public during the February drive for the Heart Fund, Mr. Davidson feels it should be a year-long fight. He will lead the campaign via his varied career.

I feel safe in saying that not too many people in the world can be as comfortable in as many situations as John Davidson is. And, in all of this, he projects a warm pleasing charm that has carried him to the top of his profession. As an actor, singer—and as a personality—John Davidson is an entertainer with a big heart in every sense of the word.

I am proud to have John Davidson as a citizen of my State of California, and I believe that the example that he has set, in view of the heavy professional demands he must meet as a major star of the legitimate stage and television, should be an inspiration to his fellow Americans and most deserving of the highest commendation of this legislative body.

CONGRATULATIONS SAR

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BIAGGI. Mr. Speaker, an important milestone in Jewish day school education took place recently with the dedication of the SAR Academy in the northwest Bronx, SAR, the result of a merger of the Salanter, Akiva, and Riverdale Yeshiva schools, enrolling nearly 400 students is the largest Jewish day school in the Bronx. Its student body not only comes from all sections of the Bronx, but also from upper Manhattan and Westchester County.

The founders of SAR conceived it to be not only a Yeshiva serving the needs of students in its area, but also as a model of progressive Jewish education—a model that could have some effect on the general field of Jewish education. The SAR was also intended to serve as a place where people seeking to enter Jewish education as a profession would be able to train in some of these new methods and approaches.

Architectually and conceptually, the SAR was built on the open classroom model. There are no walls in the modern school building overlooking the Hudson River. The aim of this design is to encourage a closer student-teacher relationship than is the case in traditional school settings. Each student learns at his own pace, and teachers encourage emphasis in areas where students show greatest interest.

Although the SAR first moved into its new quarters in September 1974 Jewish day school educators from all parts of the Nation have visited it and studied the school in operation. Student teachers from Yeshiva University also are exposed to the open education setting of SAR. A graduate student from Teachers College at Columbia University is also doing her masters internship in guidance at the SAR.

I am confident that in the future the SAR experiment will take its place as one of the major undertakings in Jewish education in the country. I wish the students, parents, teachers, and administrators of SAR "hatzlacha" or success in their exciting program.

MY RESPONSIBILITY AS A CITIZEN

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. UDALL. Mr. Speaker, Patricia Brogdon, 16-year-old Arizonan, has a nicely balanced message for us on our responsibility as citizens.

Pat, who lives in Cochise County's Sierra Vista, is Arizona's winner in the Voice of Democracy Contest sponsored by the Veterans of Foreign Wars of the United States and its ladies auxiliaries.

She will be coming to Washington next month to vie with winners from other States for a $10,000 first prize scholarship and four other generous scholarships.

In her winning broadcast script, Pat reminds us that if we are to speak we have to listen, if we are to carry out our responsibilities as citizens, we have to try to learn the facts. America is a great place, but it can be better.

Here is her message:

MY RESPONSIBILITY AS A CITIZEN

(By Pat Brogdon)

My mother was born and raised in another country. Eleven years ago she became a United States Citizen. When I asked her, "What in your opinion is a responsible citizen Mom?" She answered, "Someone who loves his country, takes care of it and looks out for fellow citizens in all aspects." "The citizen makes the country."

My father was born and raised in the United States and served under its flag in three wars, 35 years. When I asked him the same question, he replied, "One who takes interest in community affairs, supports the laws and most important cooperates in all defense projects." Webster's New World Dictionary defines a responsible citizen as: *Responsible:* Supposed or expected to take care of something, that must get the credit or blame; having to do with important duties; that can be trusted or depended upon; reliable. *Citizen:* A person who is a member of a country or state either because he was born there or because he has been made a member by law. Citizens have certain duties to their country and are entitled to certain rights.

Viewing my parent's and Webster's definition leads me to feel this way.

To be free is a privilege. It is also a responsibility. In order to say what I want, to be what I wish and do as I like, I must allow others to do the same. To be able to have a say about our government, I must allow others to have their say too. Not everyone will agree about everything, therefore, I will have to make some choices. To be a good citizen, wise choices must be made. This means I have to know something about the choices to make, I must be informed.

I need to know about the organization of my city, my country, my state and my national government. I will vote for the officials and it is important to know what kind of work will be done by the people I choose. I need to learn about taxes and the cost of operating a government, because I will pay the taxes as my parents do now.

While studying formal government organization, I can learn a great deal about governing myself by participating in young people's groups. Student body associations, church groups, Scouts, 4-H, YMCA and YWCA groups all offer opportunities to practice self-government.

As a young citizen I can say that American ideals have not been fully carried out, which is merely saying that Americans are human. Past events of the United States have been that of a bold and exciting experiment, an attempt to found a society on faith, human intelligence, human freedom, and human brotherhood. So far this experiment has been a success.

There is no room, however, for complacency or self congratulation. Too much cries for improvement! Our cities are ugly, and our suburbs often not much better. We despoil our countryside. Our crime rate is among the highest in the world: And yet there is still immense vitality, optimism and a belief that America can be made a better place. The way to better America is simply to practice what my mother, a naturalized citizen has said; my father, a career officer emphasizes; the responsibilities Webster defines; and what I have learned.

LITHUANIAN INDEPENDENCE DAY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HYDE. Mr. Speaker, February 16 marked the 57th anniversary of the establishment of the Republic of Lithuania as a free and independent nation. Today, many maps do not show even the vestiges of this small but important nation because its freedom lasted but 22 years. In 1940, the Lithuanian borders were overrun by the military forces of the Soviet Union and, along with Estonia and Latvia, its people and lands were forcibly annexed.

Many naturalized American citizens fled the Soviet invasion of the Baltic States. They, and their children, still have friends and relatives who are now living under Soviet domination. They remain proud of their heritage and they harbor a determined and fervent hope that freedom will one day return to their homelands.

The United States has never accorded diplomatic recognition to the Baltic takeover and we should continue to avoid actions which might indicate any acceptance of that outrageous act. This is why I have joined in support of the sense of the Congress resolution opposing any official recognition of the Soviet takeover of Estonia, Latvia, or Lithuania. The United States is concerned about the territorial integrity of many nations. It should be no less concerned with the integrity of the Baltic States.

As we mark the anniversary of Lithuania's now dimmed freedom, let us rededicate U.S. policies toward the protection of world freedoms and toward a continuing effort to return freedom to the brave people of Lithuania and captive nations everywhere.

SELECTIVE OUTRAGE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WOLFF. Mr. Speaker, many of my colleagues have expressed their concern over recent actions of the United Nations, a concern that I share. I would like to call to the attention of all a recent article in America written by Thomas Patrick Melady, a former senior adviser to the 1970 delegation to the U.N. and former Ambassador to two African States. His article is a well reasoned discussion of one of my deep concerns, the tendency for the U.N. to select one nation for criticism of its human rights standards while ignoring similar or worse actions in others.

I commend the following article to my colleagues:

SELECTIVE OUTRAGE

(By Thomas Patrick Melady)

In the past two decades, the United Nations has constructed a firm foundation for carrying out its mandate to protect the rights of all members of the human family. It was a major force in the 1950's and in the 1960's in guiding many of the Afro-Asian colonies to independence. Hundreds of millions of the Third World peoples, who had been dominated by outside forces for so long, obtained their human right of independence in these two decades. The UN played a major role in this historic accomplishment.

This acquisition of the human right of freedom from foreign domination was followed by the UN's launching of the decade of development. Both by highlighting the dehumanizing effects of the triple curse of poverty, illiteracy and disease and by establishing the UN Development Program, this international organization played another pioneering role in the struggle for the rights of all men.

These magnificent accomplishments of the 1950's and the 1960's were rooted in the very being of the United Nations. The late Secretary General U Thant said: "The promotion and protection of human rights form the very essence and provide the deepest meaning and motivation of the United Nations as an international organization."

The Charter of the United Nations refers to human rights in its Preamble and in six different articles. The Preamble eloquently states that the peoples of the United Nations express their determination "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small." The UN Charter, adopted at the San Francisco Conference in 1945, was reinforced in its mandate to be concerned about the rights of all the members of the family of man by the Universal Declaration of Human Rights. On Dec. 10, 1948, the General Assembly thoroughly committed the United Nations to "a common standard of achievement for all peoples and all nations" in the area of human rights.

One focus of UN concern for human rights has been the Republic of South Africa. The apartheid policies and practices of the South African government run counter to the human rights commitment of both the Charter and the Universal Declaration of Human Rights. South Africa's apartheid system—a system of racial inequality incorporated into its constitution—is an affront to all human beings.

In the past decade the United Nations has taken various positions to indicate its deep concern about the racial inequities in South Africa. Such action is in keeping with the UN mandate to speak up whenever clear human rights violations are committed by any country. The South African government, by its insistence on maintaining the apartheid system, places itself outside the community of law-abiding nations and has made itself something of an "outlaw." In its recently completed 29th session, the UN General Assembly refused to recognize the credentials of the South African delegation and, in effect, threw them out of this session of the world body. As a result, the United Nations—man's one universal institution with a mandate to protect the rights of all men—declared that the apartheid laws and policies of South Africa are a gross violation of human rights and that, consequently, the presence of South Africa in the General Assembly could not be tolerated.

I have seen the clear moral injustices of South African apartheid from personal experience and have condemned it in two books. These two publications were evidently the cause of South Africa refusing me a visa to visit the country again. South African apartheid is a major violation of human rights, and, as such, should be censured. But every political action has several effects. The action by the United Nations also gives the clear appearance that its outrage was selective rather than universal. At the same time that South Africa was, through apartheid, violating the human rights charter of the United Nations, two other countries not far from South Africa were also guilty of gross violations of human rights.

In 1972 and 1973, at least 90,000 Hutus were killed in Burundi. All responsible authorities recognize that this was selective genocide. I was present for part of the bloodbath and can attest to its brutality.

At least the Burundi horror can be discussed in the past tense, which is not true of Uganda, where President Idi Amin is liquidating people almost daily. Since he took over the Uganda government on Jan. 25, 1971, over 50,000 Ugandans have been killed. In all probability, while the UN was debating the South African issue last fall, Ugandans were being tortured in the notorious Malindye prison. I hesitate to describe how General Amin's men torture their victims before killing them, because it is so revolting. Those who wish to obtain the details can find them in the report of the International Commission of Jurists and in David Martin's recently published book, *General Amin* (Faber).

While I served in Uganda, I met several of the widows of prominent Ugandan civilians slain by Gen. Amin's men. Once, one widow, whose name I cannot reveal as she still lives in Kampala, asked me if "Africans in South Africa suffer more than we do in Uganda?"

One of the general's former ministers has submitted a memorandum to African leaders placing the death toll of Ugandans killed at around 90,000. While there are varying opinions on the numbers, there is general agreement that Gen. Amin's reign constitutes a gross violation of the human rights of the Ugandan people. His propensity to liquidate people is similar to Hitler's. Perhaps this should not come as too great a surprise, be-

UMI

cause in September, 1972, in a now infamous telegram to UN Secretary General Waldheim, he indicated his approval of Hitler's genocide against the Jews.

In August, 1972, the general announced that all Asian noncitizens would be ousted within 90 days. Later this was changed to include Asian citizens of Uganda, because Gen. Amin doubted the "legality" of their citizenship. I lived through the horror of seeing close to 50,000 people brutalized and expelled from Uganda because they were of another ethnic origin. Neighboring African Presidents Julius K. Nyerere of Tanzania and Kenneth D. Kaunda of Zambia condemned the racism and human rights violations involved.

Was this not racism at its worst? The record, however, of the treatment of the Ugandan-Asian issues by UN machinery will remain a cause of embarrassment. In this case, the United Nations did not seem outraged.

The 1972 absence of outrage at the brutalization of Uganda's Asians followed the 1971 situation in which almost a quarter of a million East Pakistanis were massacred. Again the United Nations displayed little anger over these gross violations of human rights. While I was not present in Bangladesh during these atrocities, as I was in Burundi and Uganda, the evidence leads me to believe that the atrocities committed against the people in East Pakistan in 1971 were crimes against humanity that recalled Hitler's genocide against the Jews.

Universality is the essence of the United Nations. In the matter of human rights, nation states in the past have been selective in their indignation over violations of people's rights. The United States would not hesitate to express its outrage about violations of human rights in the Soviet Union and in Socialist countries, while ignoring violations of human rights in "free world" countries. The Soviet Union, for its part, has totally ignored its own violations of the human rights of Soviet Jewry and of the peoples of Poland, Hungary and Czechoslovakia. Selective indignation has been the characteristic of many and perhaps most sovereign states. Nation states will continue to be primarily influenced by their particular interests. But the United Nations is the only international body where the 138 member states in adhering to the charter are pledged to support fundamental human rights everywhere.

In the past few years the cause of human rights has suffered because the United Nations has practiced selective outrage. South African apartheid is clearly a gross violation of human rights. No one concerned about the family of man could say otherwise. But while expressing its justified outrage against South Africa, why did the United Nations refuse to express outrage against the gross human rights violations in Burundi, Uganda and in East Pakistan? Indeed, some could conclude that many UN members believe that only the South African aspects of human rights merit UN discussion.

Modern communication means instant knowledge on a worldwide basis when gross violations of human rights occur. This is one immediate benefit of modern communications in the struggle to reduce man's inhumanity to man. It was only in 1916–1917 that over 800,000 Armenians could be slaughtered in a planned genocide against them, and it would be several years before the international community was aware of the horror that had taken place.

Now, as Idi Amin was throwing thousands of Asians out of Uganda, the daily accounts of this racist brutality were reported on TV, radio and in the press. TV cameras transmitted the East Pakistan/Bangladesh horror to millions of viewers. Against the worldwide knowledge of this inhumanity, the UN machinery seemed paralyzed. The blood was still being shed, and, as was the case in the expulsion of Ugandan Asians, the United Nations spent most of its time on procedural matters.

This stark contrast between the treatment of the South African situation and the Burundi, Uganda and East Pakistan problems makes it appear that a double standard is in operation rather than a universal ethic. How sad it will be for the family of man if, for the first time in human history, the only universal institution with a mandate to protect the human rights of all peoples regardless of race, color or creed, loses its credibility with large segments of the world's population.

In 1970, the U.S. President's Commission for the Observance of the 25th Anniversary of the UN took note of the decline in public support for the United Nations among Americans. While about 80 percent of Americans believed that the United Nations was the last hope for peace in the early days of the institution, this support had dropped to only 50 percent in 1970. Recent surveys indicate that support has now dropped significantly below the 50 percent of 1970. This decline in support is also true among other nationals. I find that many of my former colleagues of the various missions to the United Nations are embarrassed by the hypocrisy of selective outrage but feel helpless about changing this trend. It is common knowledge that, among devoted high administrators of the UN Secretariat, there is a crisis of conscience because of the implications of this selective outrage. The pattern of selective outrage at the United Nations regarding major violations of human rights coincides with other examples of selective indignation that are jeopardizing the universality of the UN mission and its specialized agencies.

The UN Educational, Scientific and Cultural Organization has brought together nations representing the mosaic of the world's political, social and religious values. In November, 1974, for the first time, UNESCO took a drastic political step. Condemning Israel for "altering the historical features of Jerusalem," it excluded Israel from UNESCO's European grouping. This drastic action against Israel has no precedent in UNESCO's history and is another example of selective outrage.

The trend of the past year to use the UN machinery that should be dedicated to the protection of human rights everywhere and such institutions as UNESCO for selective outrage presents a clear and present danger to the continued ability of the United Nations to carry out its noble mission.

In the face of these developments, some are increasing their attacks on the United Nations and urging such drastic action as U.S. withdrawal. These are emotional reactions that will only push back the progress already made to evolve a universal institution to serve all men.

Man's long journey now enters the last quarter of this century. It presents an ideal time for us to marshal our energies to correct the imperfections that have developed in the past few years in the United Nations. We can do this by returning to the UN Charter and the Universal Declaration of Human Rights. In a few months, the community of nations will mark the 30th anniversary of the founding of the United Nations. Let us devote these months to correcting the serious deviation of selective outrage on human rights issues that has evolved at the United Nations in the past several years.

The need for an institution like the United Nations has emerged from the painful lessons learned from man's arduous journey. No nation, no group should be so inconsiderate as to place in jeopardy the credibility of this institution. The task for us now is to correct the dangerous deviations from the spirit of the UN Charter. Let us not pursue the easy task of destroying the institution, but rather let us have the courage to engage in reform.

We do not have too much time.

HEARINGS ON INTERNATIONAL TRADE AGREEMENTS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. OBEY. Mr. Speaker, because of my sincere interest and concern about the economic future of Wisconsin citizens and citzens of other States, I am genuinely pleased to notice that Commissioner Will Leonard, Jr., of the International Trade Commission, has taken an active role in attempting to gather information at a grassroots level, concerning the impact the Trade Act of 1974 will have on the American people.

Commissioner Leonard, Jr., is the chairman-designate, for the hearing scheduled to be held in New Orleans on March 4 and 5. He has indicated his intention to hold open the hearings until all citizens, desiring to speak, have been heard.

It is gratifying to know that some agencies here in Washington recognize the need for looking outside of Washington in order to accurately determine the needs of the people.

Consumers and farmers whose views have in the past been neglected, will now have an opportunity to participate in the governmental process which has an enormous impact on their lives.

It is my hope that Commissioner Leonard will consider having satellite hearings that will include Wisconsin.

I bring to my colleagues' attention the announcement of the hearings as well as three newspaper articles about the same subject:

INTERNATIONAL TRADE COMMISSION ANNOUNCES NATIONWIDE HEARINGS ON IMPACT OF FUTURE INTERNATIONAL TRADE AGREEMENTS

The U.S. International Trade Commission (formerly the U.S. Tariff Commission) today announced nationwide hearings for the purpose of seeking the views of all segments of agriculture, business, labor, consumers, and the general public concerning the economic impact of future tariff reductions which the President can make through international trade agreements under the Trade Act of 1974.

Public hearings will be held in Washington, D.C., and 13 other cities beginning on February 25 and continuing through March and April in accordance with the following schedule:

CITIES AND DATES (1975)

Washington, D.C., February 25–27.
New Orleans, La., March 4–5.
Atlanta, Ga., March 6–7.
Phoenix, Ariz., March 11–12.
San Francisco, Calif., March 13–14.
Minneapolis, Minn., March 18–19.
Portland, Oreg., March 20–21.
New York, N.Y., April 1–2.
Boston, Mass., April 3–4.
Chicago, Ill., April 8–9.
Cleveland, Ohio, April 10–11.
Denver, Colo., April 14–15.
Omaha, Nebr., April 16–17.
Kansas City, Mo., April 18–19.
Washington, D.C., April 8 until completed.

The Trade Act of 1974 authorizes the President to enter into trade-agreement negotiations and, within limits, to change U.S. import duties to carry out concessions made in such agreements. The President may eliminate duties that are not over 5 percent ad valorem (or the equivalent) and reduce higher duties by as much as 60 percent.

The Commission seeks the views of interested parties, either in writing or at its public hearings. It is interested in developing factual information on trends in domestic production, investment, capacity, profits, and employment; the availability and costs of raw materials; trends in imports and in the price relationships between domestic and imported articles; relative technologies of domestic and foreign industries producing like or directly competitive products; the extent to which duty reductions may be reflected in market prices both of the domestic and imported products; the market outlook for both domestic and imported products as a result of duty reductions of the magnitude authorized by the act; and the effect of market changes on consumer interests.

On January 14, 1975, the President published and furnished the International Trade Commission a list of articles on which he will consider granting concessions in international trade negotiations. This list, copies of which may be obtained from the Secretary of the Commission, includes all importable articles except certain bearings, certain ceramic tableware, and certain petroleum products, which the Trade Act of 1974 excludes from consideration for trade-agreement concessions.

The Commission is to assist the President in judging the probable economic impact of the proposed duty changes on U.S. manufacturing, agriculture, mining, fishing, labor, and consumers. As part of its advice, the Commission may recommend that reductions in duties should be staged over longer periods of time than specified in the Trade Act, in order to give domestic producing interests additional time to adjust to a possible increase in imports. The International Trade Commission is required to give its views to the President on or before July 14, 1975.

As indicated above, the first public hearing will be held February 25–27, 1975, in the hearing room of the U.S. International Trade Commission, 8th and E Sts., N.W., Washington, D.C. It will resume in Washington on April 8, 1975. Hearings will be held in cities outside Washington, D.C., during March and April. The hearings in cities other than Washington, and in Washington beginning on April 8, will continue until all interested parties have been heard. Notice will be furnished as to the locations of hearing rooms in cities other than Washington.

Requests to appear at the public hearings shall be filed in writing with the Secretary of the Commission at least 2 weeks prior to the commencing date of the hearing in the city at which the appearance is to be made. Questions respecting the hearings should be directed to the Secretary. Parties wishing to testify at one of the hearings should obtain from the Commission a copy of the public notice issued January 1975.

[From the Christian Science Monitor, Feb. 13, 1975]

U.S TRADE COMMISSION COCKS EAR TO VOICE OF CONSUMER

(By Lucia Mouat)

WASHINGTON.—Americans who want to buy cheaper imports soon will have the opportunity to say so—loudly—at government hearings in 13 cities around the country. All are welcome, officials say.

For the first time millions of consumers—often paying higher prices because of higher tariffs on imports—will have an opportunity to influence directly U.S. trade policy.

Traditionally, when the domestic economic impact of any tariff change is assessed, it is labor, manufacturers, and other generally protectionist segments of the economy that are questioned. Now, for the first time Congress's new trade bill also specifically mentions a need to listen to "consumers."

TRADE LAW BREAKTHROUGH

"In my view, this is one of the biggest breakthroughs that U.S. trade statutes have ever had," said Will E. Leonard Jr., chairman-elect of the U.S. International Trade Commission, an agency created by Congress in 1916 to gather just such economic impact data.

"After all," he says, "trade is a pocketbook issue—it affects the price of everything we buy. . . ."

While the average tariff on imports now is less than 10 percent, there are many fields in which it is significantly higher. In imported clothing, for instance, it averages close to 40 percent of the value of the item.

Tariffs on imported jewelry and watch movements are close to 30 percent while that on concentrated citrus fruit juice is a high 68.4 percent.

TALKS RESUMED

Although the Geneva trade talks were resumed this week, any serious negotiation on the part of the President who was given a wide tariff reduction mandate under the new trade legislation, is not expected to get under way until late summer or fall.

He is to receive a report in midsummer from the U.S. International Trade Commission on the economic impact of any changes he might recommend.

Instead of gathering its data on this point in Washington hearings as it did in the 1960s for the so-called Kennedy round of trade negotiations, the commission has decided to hold a series of hearings in 13 cities around the country over the next few months on the theory that it will be easier for many to testify closer to home. As far as Mr. Leonard is concerned, anybody is welcome to speak his piece.

JUST LISTEN

"I'd like to post a 'Wanted' poster in every city," he says. "We're not going to turn anybody down, and we're going to stay until everybody's been heard. . . . We're not going to be giving any lectures. We're just going to listen. These hearings finally give the U.S. Government the ability to look at the effect of tariff changes on the consumer."

The first hearings will be held in Washington, D.C., on Feb. 25. In March there will be more hearings in New Orleans, Atlanta, Phoenix, Ariz., San Francisco, Minneapolis, and Portland, Ore. In April New York, Boston, Chicago, Cleveland, Denver, Washington, Omaha, Neb., and Kansas City, Mo., will host the meetings.

READY TO TESTIFY

One consumer-oriented group that is prepared to testify in several cities is the League of Women Voters, which has intensively studied the need for change in U.S. trade policy. A league spokesman says the organization did not participate during the last impact hearings in the 1960s because the "consumer" invitation was not extended.

Mr Leonard says he hopes individuals and other consumer groups will follow the league's lead.

"We tend to think only of manufacturers pitted against importers of merchandise," he says. "But I think there's a 'third world' of retailers and consumers who are caught in the middle."

Under the new trade bill, President Ford has the authority to eliminate entirely any tariff of 5 percent or less and to reduce higher tariffs by as much as 60 percent on roughly 6,000 items.

Specifically eliminated are ball bearings, certain ceramic tableware (tariffs in that category average over 50 percent), and certain petroleum products.

[From the Christian Science Monitor, Feb. 14, 1975]

"BREAKTHROUGH" FOR U.S. CONSUMERS

The American consumer this month begins to have a voice in United States trade policy through "one of the biggest breakthroughs that U.S. trade statutes have ever had." The quotation is from Will E. Leonard Jr., chairman-elect of the U.S. International Trade Commission. He was describing the new trade bill's provision for including consumers among the groups to be heard before the U.S. concludes Geneva tariff negotiations that could raise or lower the prices of imported goods on American shelves.

As trade commission hearings start in Washington Feb. 25 and continue across the country, the test will be whether consumers are seriously listened to or merely allowed to talk. In seeking to determine the domestic economic impact of tariff policy, the commission needs the testimony of the individual pocketbook as well as the industrial ledger. Voices to protect American manufacturing and labor have always been heard loud and clear. Protection of the consumer has to be considered, too, if a proper balance is to be struck.

The newly opened door to consumers is in line with efforts to bring the people into governmental decisionmaking on energy, environment, and other matters at an early point rather than after it's all over. The trend will be useful to the degree the people take responsible advantage of it—and the government responsibly responds.

From the Christian Science Monitor, Feb. 19, 1975]

CONSUMERS—COME ON IN

(By Rescoe Drummond)

WASHINGTON.—I venture to invite readers not to look the other way just because I am writing about the United States International Trade Commission.

Something is happening within the commission. It's exciting and significant—even radical.

The commission is beginning to take the process of decisionmaking to the people. It is going to the country, not to brief the public on what it should be thinking, but to brief itself on what the public is thinking.

And this is a crucial area of policy—how the U.S. can trade better with other nations, a subject which the experts have hugged so closely to themselves that they shut the average person out of their own government unless there is a high-powered lobbyist at his elbow.

Already there is some horrified eyebrow raising among the bureaucrats, but this is not deterring Will E. Leonard Jr., who is soon to become chairman of the commission, nor his colleagues who are intent upon giving more people—and people who cannot easily come to Washington—an opportunity to be heard and heeded on trade policies which have usually been left almost exclusively to specialists and the pressure groups.

To do this the commission is scheduling a series of public hearings in 14 cities across the country, beginning Feb. 25 and continuing through March and April.

Three of the commissioners will be present at each hearing and, while they will be willing to answer questions, they mostly want to listen to the views of all segments of agriculture, business, labor, and, preeminently, the general public, which has not often been heard in the past.

For the first time, the trade legislation, passed last year, directs the commission to

take the views of consumers into account in reaching its decisions, and consumers—organized or unorganized—are encouraged to participate in the hearings.

This is not a theoretical exercise. Vital decisions are to be made which can affect the cost of living, the prosperity, and the family budget of all Americans.

President Ford is now authorized by Congress to enter into trade-agreement negotiations with all our trading partners, and he can change U.S. import duties to carry out concessions made to us by other nations.

Those who may be disposed to show up at these listening-post hearings should not be put off by a feeling that they will be talking to faceless economists who are only going through the motions.

You will be talking to the President's direct and personal advisers; their role is established by act of Congress. And the President has already directed them to seek the views of all interested parties, and then to appraise for him the differing effects of possible trade and tariff changes, touching nearly every product Americans buy from abroad and sell to other countries.

The end result could mean raising prices or lowering them, expanding trade or reducing it. These are decisions which affect everybody, but which have often in the past been influenced by the few.

The U.S. Trade Commission wants them to be influenced by the many.

In conversation a few days ago Commissioner Leonard remarked: "We are not looking for witnesses to give us technical details. We want to know what people think is happening and what they would like to have happen—or at least what they want us to be stewing about."

All in all, pretty radical and pretty good: Washington reaching out to the country. This is a good beginning—and there ought to be more to come.

P.S. The cities where the hearings will be held are New Orleans, Atlanta, Phoenix, San Francisco, Minneapolis, Portland, New York, Boston, Chicago, Cleveland, Denver, Omaha, Kansas City, Washington, D.C. Dates can be obtained from Commissioner Leonard, the U.S. International Trade Commission, Washington, D.C. 20436. All you need to do is to show up.

UNEMPLOYMENT AND SOCIAL UNREST

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, the specter of soaring unemployment rates, particularly in the Nation's urban centers, has many ramifications that go far beyond the compilation of statistics.

Joblessness not only means a significant loss of income—despite any supplement through unemployment insurance—it denotes a reduction in living standards; it means a family cannot meet its payments for rent or mortgage; and equally important, it signifies that millions of today's out-of-work Americans simply have nothing to do. Idleness is frequently a source of frustration and anger, especially for young people anxious to play a meaningful role in the work place.

An article in the February 26, 1975, issue of the Washington Post describes the fears of social unrest expressed by several mayors from some of the cities hardest hit by unemployment. I call my colleagues' attention to this article.

The Subcommittee on Manpower, Compensation and Health and Safety, which I chair, is currently holding hearings on H.R. 2584, to authorize appropriations of $5 billion for fiscal year 1976 for public service employment. This is an urgently needed measure—a vital part of an overall attack by this Congress on the ills of the economy and the ever increasing ranks of the jobless.

I pledge swift action by the Manpower Subcommittee to help alleviate the scourge of unemployment that saps the energy and will of the multitude of jobless Americans.

Text of the article follows:

[From the Washington Post, Feb. 26, 1975]

URBAN UNEMPLOYMENT DATA SPARK SOCIAL UNREST FEARS

(By John Reistrup)

More than one of every five workers in Detroit is now jobless, the city estimates.

From 17.9 per cent in December, Detroit's estimated unemployment rate rose to 21 per cent last month.

Buffalo now reports 17 per cent out of work.

And spot checks around the nation indicate that the national joblessness figures mask other pockets of higher unemployment, particularly in industrial cities.

These and other urban unemployment figures are causing new concern among civic officials and civil rights groups.

Herbert Hill, New York-based national labor director of the NAACP, said in a telephone interview:

"We now have all the historical preconditions for large-scale social unrest."

Detroit Mayor Coleman A. Young has said he doesn't believe people in the 1970s "are going to stand quietly in line for unemployment checks or peacefully sell apples on street corners."

Los Angeles Mayor Tom Bradley voiced a common view among urban experts that unemployment is bringing a rising level of frustration at what is seen as government inaction. He stopped short of predicting disorders, but said:

"I am concerned that we do everything we can to deal with the problem because we don't want that kind of buildup of frustration and anger."

He added that it would be "catastrophic" if the federal government fails to provide funds for summer youth programs.

Young and Bradley are among a number of the nation's mayors who are actively pressing for increased federal aid through stepped-up public service programs.

Not all mayors are so concerned, and at least one—San Diego Mayor Pete Wilson—suggested that some of his colleagues are talking the way they do in order to open the federal spigot.

In any event, January's overall figure of 8.2 per cent unemployment, reported earlier this month by the Department of Labor, overshadowed some key indicators on who is being hardest hit:

The department last Friday added 12 new areas to its list of major labor regions with "substantial unemployment"—6 per cent or more. That brought the total to 67, nearly 45 per cent of the 150 major labor districts of the country. And some hard-hit cities don't even show up in these statistics, because they are lumped in with surrounding areas with lower levels of joblessness.

Five states—Connecticut, Vermont, Rhode Island, New Jersey and Washington—have had to apply for federal loans to cover the increased cost of paying unemployment benefits, until they can make it back from the states' employers through higher unemployment insurance premiums. One official expects as many as 30 states to go to that well before the end of 1976.

The January jobless rates for black men, nationwide, was 10.5 per cent; for black women, it was 11 per cent; for black teenagers, it was an all-time high of 41.1 per cent.

"The disastrously high rate of unemployment among black youth is the single most explosive factor in causing potential urban unrest," the NAACP's Hill told a reporter. "And it has dangerous implications for every city and suburb in the United States."

Hill is among those who argued that the Labor Department's Bureau of Labor Statistics doesn't adequately account for teenagers who've never been in the labor force and therefore can't claim unemployment compensation, or for people who've exhausted their benefits. BLS spokesmen countered that they have designed a formula to include these unemployed, and one official added that the formula may account for more than actually exist.

But James Wetzel, assistant BLS commissioner for current employment statistics, was quick to agree that the national unemployment surveys are an inadequate tool by which to gauge spot unemployment. And he raised the prospect of social unrest such as in the 1960s.

"My personal feeling is that we're in a much worse situation than we were in the 1960s, and part of the reason is we're not documenting true conditions" in areas hardhit by employment, Wetzel said.

Wetzel said he would like to see the BLS get into the business of finding out what the numbers of unemployed in the cities actually are from month to month. Until then, about the best cities like Detroit and Buffalo can do is take what the national surveys show about their areas, then multiply them by a factor based on what experience shows is the relationship between joblessness in the area and inside the city.

"I think a hell of a lot of these mayors don't know what unemployment is in their own areas," said Milwaukee Mayor Henry Maier.

Maier said his own projections for a 15-square-mile development area inside the city turned up an employment rate of 16.1 per cent—although the rate for the Milwaukee area as a whole is only 6.7 per cent.

"A number of our most optimistic opinion leaders are confessing in private that they're scared," Maier said.

"There just might be a hell of a reaction."

THE INTERNMENT OF SOVIET DISSIDENTS IN PSYCHIATRIC ASYLUMS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. CRANE. Mr. Speaker, in its rhetoric to the Western World, the Soviet Union speaks the language of détente. At home, the Soviet Union continues to practice the rigorous repression which has characterized its government since the days of the Russian Revolution. The forms may have changed, and men and women may not be subjected to the mass murders of the Stalin era, but the totalitarian essence of the Soviet Government remains very much the same.

This becomes apparent in the case of those Soviet dissidents who have been confined to psychiatric institutions because of their dissenting points of view.

A French language "White Book" on phychiatric misuse in the Soviet Union has just been published in Brussels by the International Committee for the Defense of Human Rights in the U.S.S.R.

Discussing this "White Book," an article in the January 1975 issue of East-West Digest, a journal published in Great Britain, notes that—

As prisons, the "special hospitals" are administered by the Soviet Minister of the Interior (MVD), and not by the public health services. They are integrated into, and directly controlled by, the repressive system. It is to these establishments that the political prisoners are most frequently committed, and it is in these that the conditions of internment are the most harsh.

The "White Book" urges the need for a psychiatric institute to serve as an international commission of appeals against the misuse of psychiatry, of which the essentially humanitarian objectives may be outlined as follows:

First. To receive and investigate complaints from individuals or groups relative to alleged psychiatric misuse;

Second. To protect society in general against the use of psychiatric facilities as instruments of political domination.

Those who urge increased trade with the Soviet Union, particularly most favored nation status and extension of long-term credits, should consider the oppressive nature of the government they seek to assist.

I wish to share with my colleagues the article, "The Internment of Soviet Dissidents in Psychiatric Asylums in the U.S.S.R.," which appeared in the January 1975 issue of East-West Digest, and insert it into the RECORD at this time:

THE INTERNMENT OF SOVIET DISSIDENTS IN PSYCHIATRIC ASYLUMS IN THE USSR

A French-language White Book[1] on psychiatric misuse in the Soviet Union has just been published in Brussels by the International Committee for the Defense of Human Rights in the USSR.

The author is Mr. Anthony de Meeus, a founding member of the Committee, editor of the Samizdat bulletin in French Les Cahiers du Samizdat. Mr. de Meeus has collected a large documentation on the subject, and has been the author of a number of papers on psychiatric misuse in recent years.

Contrary to widespread opinion, the internment of political opponents in psychiatric institutions is not a practice inherited by the USSR from the previous regime. This practice appeared under Stalin.

The author refers in this connection to a memorandum by S. Pisarev, a Party official, submitted in 1970 to the Presidium of the Soviet Academy of Medicine, and which has reference to a Commission of enquiry appointed by the Central Committee of CP of the USSR in 1955–56. As a result of its investigations, the Commission reported that "the hospitals of the country, and particularly the two special asylums (prison hospitals) in Kazan and Leningrad . . . were

[1] Livre Blanc sur L'Internement Psychiatrique de Dissidents sains D'Esprit en URSS. By Anthony de Meeus. International Committee for the Defence of Human Rights in the USSR, 28 Place Flagey, 1050, Brussels, Belgium. 145 pp. index bibliography. 300 Belgian francs, $7.50. Available in French only at the moment.

each year systematically receiving healthy persons for commitment, of which three-quarters had already at that time been declared the innocent victims of unlawful repressions . . ."

However, Pisarev reports, the memorandum was simply shelved and all who had taken part in its drafting were quietly removed.

Today, in 1974, the situation described by Pisarev is practically unchanged. It has admittedly become more difficult to commit dissidents to the general psychiatric hospitals in the major cities, because of the reticence of doctors and the increasing sensitivity of public opinion. However, instead of two "special" (prison) hospitals reported to exist in 1956, the "White Book" now identifies seven.

HOSPITALS RUN BY SECRET POLICE

As prisons, the "special hospitals" are administered by the Soviet Minister of the Interior (MVD), and not by the public health services. They are thus integrated into, and directly controlled by, the repressive system. It is to these establishments that the political prisoners are most frequently committed, and it is in these that the conditions of interment are the most harsh.

For what motives are Soviet dissidents interned, and what offences are they accused of?

In the first place, it must be noted that the White Book is not concerned with persons who have committed acts of violence (bombings, bodily injury etc.) which could obviously be politically inspired as much in the Soviet Union as in any other country. It is concerned on the contrary only with the commitment of non-violent persons whose opinions "are regarded both as the consequence and the proof of a mental illness", as the Moscow Human Rights Committee of Sakharov has expressed it. It is the psychiatric establishments, amongst which the Serbsky Institute of Forensic Psychiatry holds a predominant position, deliver pseudo-medical certificates of mental illness, presented jointly with the conclusions of "ideological experts" before courts sitting almost invariably in camera, which pronounces sentences of internment and compulsory psychiatric treatment on this basis.

The offenses which are invoked in the great majority of cases to justify the internment of dissidents are those which are described as "anti-Soviet propaganda and agitation" (Art. 70) and the "slandering of the Soviet regime" (Art. 190–1). "Unlawful attempts to leave the country" recur relatively frequently, as do religious practices.

MARXISTS INCARCERATED

It should not, however, be thought that only opponents or persons living to some extent "outside" Soviet society can be sent to mental institutions. It is shown on the contrary that convinced Marxists can also be interned, solely for criticising certain official decisions or some aspects of Soviet internal or foreign policy. The cases of Marxists such as Yakimovitch, Grigorenko, Pliushtch and others are quoted as examples.

In other chapters, the White Book examines the attitude of the spokesman of official Soviet psychiatry, in replying to the accusations brought against its representatives. Statements by such spokesmen, in particular by Professor Snejnevsky, Director of the psychiatric research institute of the USSR Academy of Medicine, show that the doctors responsible for Soviet political misuse of psychiatry solicit the endorsement of foreign psychiatrists as a means both of clearing themselves and of discrediting Western protests. At the same time, Soviet citizens (Bukovsky, the psychiatrist Gluzman and others) who have exposed the practice are savagely sentenced and persecuted.

The White Book emphasises that any attitude on the part of the medical profession other than a very firm condemnation of the political misuse of psychiatry wherever it may occur, and in particular in the Soviet Union at this moment, will cause an immense prejudice to psychiatry as a whole. At the same time, Western doctors would betray their obligation of solidarity towards the thousands of Soviet doctors who, as many reports indicate is the case, desire nothing more than to be able to practice psychiatry according to ethical standards as high as those to which psychiatrists aspire anywhere in the world.

ABUSES IN THE WEST

What is the situation in regard to improper internments in countries other than the Soviet Union? Do cases of unjustified commitments occur for instance in the West? The author believes this question should be answered affirmatively. It is not a question of political opponents, or religious preachers or persons having criticised the economic or social order in force, being interned, but of cases which occur through negligence, or with the complicity of relatives, or through malicious intent, or for example, on the mere presumption of a mental illness, insufficiently proven. It must also be emphasized how difficult it may be for some people, particularly if alone, or in conflict with members of their families, or for any other reasons according to the country, to obtain a discharge from mental institutions once they have been committed.

The White Book goes on to give a short history of some of the principal interventions made in the West to condemn the political internments in the USSR in recent years. A list of some of the Working Groups which have been formed to combat them, with particular reference to France, Britain and Switzerland, is given, with name and address of secretary where available.

The White Book contains a list of certain political prisoners being held in Soviet mental institutions, on whose behalf the International Committee for the Defence of Human Rights in the USSR requests the urgent intervention of the medical profession. They include the prisoners: A. Chinuov, B. Evdokimov, V. Gershuni, E. Ivanov, V. Kuzetsov, Z. Krasivsky, A. Lupynos, I. Oguftsov, L. Pliushtch, P. Starchik.

INTERNATIONAL COMMISSION NEEDED

In the last part of the White Book, the International Committee for the Defence of Human Rights in the USSR raises the grave moral issue which psychiatric misuse involves in its principle. It considers it is a matter which greatly exceeds the scope of any one country, and that the use of psychiatry for repressive purposes presents an ominous threat for the whole future of human society. It is likely to be increased in the future by new developments in drugs and psychiatric techniques.

The White Book therefore urges the need for a Psychiatric Institute to serve as an international commission of appeals against the misuse of psychiatry, of which the essentially humanitarian objectives may be outlined as follows:

1. to receive and investigate complaints from individuals or groups relative to alleged psychiatric misuse;

2. to protect society in general against the use of psychiatric facilities as instruments of political domination.

Such an Institute should also envisage the development of an international code on the rights of the mentally ill; on the rights of prisoners undergoing psychiatric examination; on the conditions of compulsory treatment of offenders committed to mental institutions, or in prison hospitals or similar establishments; on the protection of doctors in the fulfilment of their humanitarian obligations, for instance when exposing unjustified internments, inhuman treatments etc.;

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it could also promote consideration of certain ethical problems which may be raised, and which will probably present themselves with increasing frequency in the future, in the psychiatric profession; and finally, by devising a system of independent inspections of psychiatric establishments, it could assist very greatly in the prevention of psychiatric malpractice.

THE INDECENT INTERVAL

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DRINAN. Mr. Speaker, a very moving article from the Washington Star of February 19 relates the sentiments of Garry Wills, the noted national columnist, on the request of the administration for some $500 million for South Vietnam and Cambodia.

Mr. Wills states that this vast sum would simply perpetuate the conflict in Indochina. Mr. Wills sums up what he feels Mr. Kissinger did when he arranged the Paris peace treaty for Southeast Asia. Mr. Wills states that Mr. Kissinger "added a longer fuse to the explosive situation so that we would have time to get out from the scene of the crime".

Mr. Wills' article follows:

THE INDECENT INTERVAL

(By Garry Wills)

James Burnham is still talking sense on Vietnam.

His was the strongest voice on the right, two years ago, telling us that it was all over in Saigon and that we should stop fooling ourselves about that. He proved that ideology was not the only reason for disapproval of the war, just sanity. (Not that sanity is very common now).

He makes an even stronger case against any further support for the Thieu regime at present. He admits there was a case for staying in Vietnam, though that is a case one cannot make any longer. There was also a case for withdrawal. What there is no case for is the midway muddle that neither stays nor goes, wins nor loses.

He puts it simply, with unanswerable logic: "What happens in practice is that we grudgingly provide Saigon and Phnom Penh enough support for them to keep hanging on a while longer but not to settle things. This no-policy has the weakness of both genuine policies, and can accomplish nothing for the longer run. It would seem to make more sense to get out altogether."

Then why don't we? Because Henry Kissinger is not sure the "decent interval" has extended long enough. But Bernard Kalb, who is an expert on Kissinger's thought, thinks even the author of that policy may believe it is reaching its fulfillment. The interval may be almost over—yet Kissinger will prolong it to make sure.

The full moral horror of our participation in Vietnam is contained in that gentlemanly phrase, "a decent interval." What does it mean? The very phrase recognizes that Saigon cannot be propped up forever.

An interval comes between our time of commitment and—what? Obviously, collapse. If the Saigon regime were sustainable, then the present situation would not be an interval, but the terminus.

Kissinger never thought of the settlement as final, or as settling anything. He added a longer fuse to the explosive situation, so we would have time to get away from the scene of the crime. He was buying time, to make America look good.

But this was time bought with lives, every minute of it, drop by drop in a waterclock of blood. In that sense, the "interval" is a more calculated affront to basic morality than the earlier period of full military commitment ever was. This kind of "peace" is more sinful than war itself—the most indecent interval in our history.

H.R. 2935

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WHITEHURST. Mr. Speaker, on February 5, 1975, I introduced H.R. 2935, to aid the Department of the Interior in achieving a proper balance among native and feral wildlife in our Western States. At this point in the RECORD, I would like to insert a portion of a letter which I have received from the Department of the Interior which emphasizes the need for such legislation:

PORTION OF LETTER RECEIVED FROM THE DEPARTMENT OF THE INTERIOR

With the passage of the Wild Free-Roaming Horse and Burro Act of 1971, Public Law 92-195, the Secretary of the Interior, through the Bureau of Land Management, was charged with the responsibility for the protection, management, and control of all unbranded and unclaimed horses and burros inhabiting national resource lands. Further, the Act recognizes these animals as an integral part of the natural system of the public lands and charges the Secretary with the responsibility of maintaining these animals in a thriving ecological balance.

Movies, magazines, and other periodicals have dramatized the wild horses and burros of the West. However, little in-depth knowledge is available concerning these animals and their role and relationship in the various ecosystems they inhabit. Section 10 of the Act authorizes and directs the Secretary to undertake studies that are deemed necessary in order to carry out the provisions of the Act.

Our initial research effort under the authority of Public Law 92-195 was to issue a contract to the Denver Conservation Library, Denver, Colorado, to prepare an annotated bibliography on research and studies pertaining to wild horses and burros. Subsequently, we have issued two contracts with Arizona State University aimed at finding out the impact the feral burro has on the desert and riparian vegetation along the Colorado River. In addition to studies initiated by the Bureau, we plan to use all available research data as a basis for the management of these animals.

As funds permit, the Bureau will continue to conduct research on these animals including their interrelationships with indigenous wildlife species. However, without additional appropriations the Bureau's research program will be very limited. The major portion of the available funding for the wild horse and burro program is directed toward inventory and controlling excess animals.

Since the passage of the Act wild horse and burro numbers have increased. Present estimates place the number of these animals in excess of 40,000 on national resource lands. The figures used are based on a combination of actual counts and estimates made by field personnel. The number of colts observed for the past several years has been recorded in the Susanville, California, Salmon, Idaho, Vale, Oregon, and Billings, Montana, Districts. The number of colts produced each year in those herds monitored reveal an increase in total population of 20 to 25 percent. At this rate the population will double within 4 years unless control measures are imposed.

The existing law provides three methods of controlling excess animals: (1) The animals may be relocated; however, the Act limits relocation to those areas inhabited by wild horses and burros on the date the Act was passed, December 15, 1971. Most of the areas inhabited by these animals are already near or above the optimum stocking rate. (2) They may be placed in the custody of private persons, organizations, or other government agencies. This provision has its limitations since many individuals are reluctant to care for an animal which they cannot own. Also, capture for the purpose of relocation or placing these animals in custodial care without the aid of aircraft, a method not permissible under a 1959 Act, is extremely difficult in the rough, mountainous terrain inhabited by these animals. (3) When it is impractical to use one of the above control methods, the excess animals may be destroyed in the most humane manner possible. The above control methods have not proven to be effective and after consideration of recommendations made by the National Wild Free-Roaming Horse and Burro Advisory Board, the Secretaries of the Interior and Agriculture subsequently proposed the following amendments to the 1971 Act:

1. Authorize the Secretary of the Interior and the Secretary of Agriculture to sell or donate, without restriction, excess horses or burros to individuals or organizations.

2. Authorize the Secretary of the Interior and Secretary of Agriculture to use aircraft and motorized vehicles to provide for the protection, management, and control of wild free-roaming horses and burros, such use to be in accordance with humane procedures prescribed by the Secretaries.

These proposed changes in the existing wild horse and burro legislation are not intended to negate Public Law 92-195 but rather to provide the authority needed to properly manage wild horses and burros in harmony with wildlife and other uses of the national resource land.

MRS. ELLA CURRY NAMED SUPERINTENDENT OF MANTENO STATE HOSPITAL

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. O'BRIEN. Mr. Speaker, thanks to the work of dedicated professionals, the importance of proper mental health care to our society is finally gaining the recognition it deserves. I am proud to say that my own State of Illinois is fortunate to have many such individuals working to improve our mental health services, among them Mrs. Ella Curry, of Park Forest in my district. The recent appointment of Mrs. Curry, an experienced psychiatric nurse and administrator, to head the Manteno State Hospital is indicative of Illinois' progressive attitude toward mental health.

Mrs. Curry, is believed to be the first black woman to be named top administrator at a major mental health facility in the United States. She brings to her new job great skill and commitment.

Whether working with community health groups, or State and local facilities, she has amply demonstrated both sensitivity to the needs of the mentally ill and ability as an administrator.

I want to congratulate her on her appointment as superintendent and to wish her the best of luck in a difficult and most important job. The following are two articles, published in the Chicago Tribune and the Kankakee Journal, discussing her appointment:

PARK FOREST WOMAN APPOINTED SUPERINTENDENT AT MANTENO STATE

Mrs. Ella Curry of Park Forest has been named superintendent of Manteno State hospital, effective immediately.

According to the announcement by Dr. Leroy P. Levitt, director of the Department of Mental Health and Developmental Disabilities, it is believed that Mrs. Curry is the first black woman professional to head a major mental health facility in the United States.

Mrs. Curry will fill the vacancy created in September, 1974, when John R. Collier was named a deputy regional administrator for Region 2 (Chicago Metropolitan area). Jon Steinmetz, assistant superintendent, has been acting superintendent since then.

Dr. Levitt said: "I am very pleased to make this announcement. Mrs. Curry has done an outstanding job for the department and we are confident that her sensitivity to the needs of the mentally ill and her demonstrated ability as a psychiatric nurse and a mental health administrator uniquely qualify her for this new responsibility.

"Her selection to be superintendent of Manteno State hospital came after careful consideration of a number of candidates.

"The mission of mental health services in Illinois has moved forward with this appointment."

Mrs. Curry is a registered psychiatric nurse with a masters degree in health care administration from Governors State university and a bachelors degree from DePaul university in Chicago. She also attended Lamar School of Nursing at the University of Georgia.

Since July 1, 1972, Mrs. Curry has been director of Subregion 12 at Tinley Park Mental Health center. In that position, she was responsible for program planning, staffing and budgeting for the delivery of mental health services for a subregion encompassing a service population of 800,000 residents primarily of an inner city high risk casualty area.

Mrs. Curry was actively engaged with community groups concerned with mental health in her subregion and served as the principal liaison between those groups and the department on matters involving grants in aid and purchase of care contracts.

The new superintendent previously served as acting director of Subregion 12 and as director of in-patient services for the subregion. She administered a staff of 82 professional and non-professional personnel engaged in the treatment, development and rehabilitation of the mentally ill. Her responsibilities included intake and evaluation services for those in need of mental health services in Subregion 12.

Mrs. Curry was a psychiatric nursing supervisor for the Veterans Administration Research hospital in Chicago from 1968-69 and worked in the Illinois drug abuse program from 1967-68. She also served as a first lieutenant in the U.S. Army Nurse Corps.

Mrs. Curry, her husband Will and their four children reside at 106 Willow.

PARK FOREST WOMAN TO HEAD MENTAL STATE HOSPITAL

Mrs. Ella Curry of Park Forest, a subregional director for the Illinois Department of Mental Health in the Tinley Park area, will become superintendent of Manteno State Hospital, effective immediately.

Dr. LeRoy P. Levitt, DMH director, announced Thursday that Mrs. Curry will fill the vacancy created in September 1974 when John R. Collier was reassigned from his position as MSH superintendent to the post of deputy regional administrator for management services for DMH Region 2, the Chicago metropolitan region.

Jon Steinmetz, deputy superintendent at MSH, has been serving as acting superintendent since Collier's reassignment. Levitt said Steinmetz would remain at MSH as deputy superintendent.

Levitt said "I'm very pleased to make this announcement. Mrs. Curry has done an outstanding job for the department and we are confident that her sensitivity to the needs of the mentally ill and her demonstrated ability as a psychiatric nurse and a mental health administrator uniquely qualify her for this new responsibility. Her selection to be superintendent of Manteno State Hospital came after careful consideration of a number of candidates. The mission of mental health services in Illinois has moved forward with this appointment."

Levitt said he made the decision after consultation with appropriate professionals and persons in the community.

Mrs. Curry has been director of Subregion 12, Region 2, DMH, since July 1972, working out of the Tinley Park Mental Health Center. In that position, she was responsible for program planning, staffing and budgeting the delivery of mental health services for the subregion. DMH reports the subregion has a service population of 800,000 residents, primarily from the inner city area.

According to a department spokesman, Mrs. Curry was actively involved with community groups in her subregion, and served as a liaison for these groups in matters of grants in aid and purchase of care contracts.

Mrs. Curry has previously served as acting director of subregion 12 and as director of inpatient services for the subregion. Her responsibilities included all intake and evaluation services for those in need of mental health services in Subregion 12.

She also served as a psychiatric nursing supervisor for the Veterans Administration Research Hospital in Chicago from 1968 to 1969.

GIRL SCOUTS HELP COMBAT INFLATION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ESCH. Mr. Speaker, easily the most serious problem in the United States today is the state of the economy, and the problems all of us are having coping with rampant inflation. Our many distinguished economic advisers have met on numerous occasions to determine policies which might alleviate these ills, and many consumer groups and private individuals have taken upon themselves the burden of seeking solutions to our economic woes. I would like to take a moment to share with you the text of a letter which I recently presented to members of the Huron Valley Girl Scout Council of Michigan for their efforts in combating inflation in a most unique fashion:

HURON VALLEY GIRL SCOUT COUNCIL.

DEAR FRIENDS: I wish to take this opportunity to commend the members of the Huron Valley Girl Scout Council for their initiative in maintaining the 1974 price of Girl Scout cookies in the face of a 1975 price rise. While other Councils throughout the United States have bowed to a 25¢ increase in price, the Scouts in our area have decided to do their part in fighting inflation by setting the goal of selling 25% more cookies than last year at last year's price.

While the chief topic of conversations in Washington and throughout the country has been the state of the economy, our local Girl Scouts have decided to do something besides just talk. I am proud to be able to commend them for their determination and drive to not only help themselves and their organization by selling cookies, but to do so in a manner that is an inspiration to us all.

Sincerely,

MARVIN L. ESCH,
Member of Congress.

AMERICAN LEGION ENDORSES PROPOSED ACDA LEGISLATION

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ZABLOCKI. Mr. Speaker, I have been reassured and personally encouraged by the American Legion's recent endorsement of H.R. 1550, my bill to amend the Arms Control and Disarmament Act and for other purposes.

In a letter dated February 10, 1975, Mr. Mylio S. Kraja, Director of the National Legislative Commission, registered the American Legion's support of the bill's various provisions aimed at upgrading the Arms Control and Disarmament Agency.

In an effort to share the Legion's views on this measure with my colleagues and other interested persons I am pleased to place Mr. Kraja's letter in the RECORD and recommend it to their reading and consideration:

THE AMERICAN LEGION,
Washington, D.C., February 10, 1975.

Hon. CLEMENT J. ZABLOCKI,
Chairman, Subcommittee on National Security, Policy and Scientific Developments, House Committee on Foreign Affairs, Washington, D.C.

DEAR CONGRESSMAN ZABLOCKI: Thank you for writing us on January 29 concerning H.R. 1550, your bill to amend the Arms Control and Disarmament Act, and for other purposes.

My delay in responding promptly was due to the necessity of referring the measure to our National Security and Foreign Relations Division for its study and recommendation. I am glad to reply that our specialists are in agreement with the provisions of your legislation.

The American Legion supports the provision to upgrade the Arms Control and Disarmament Agency and to provide for closer Congressional oversight of its activities by placing two Members on its Board of Directors. It is also believed that the authority contained in Section 104 of your proposal to give the ACDA an opportunity to comment upon the arms control and disarmament policies of major new research or arms procurement programs is both logical and useful.

Our National Security and Foreign Relations Division also supports that provision in your measure that would require munition export licenses and foreign military sales

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and military aid to be coordinated with the Director of the Arms Control and Disarmament Agency.

Your courtesy in giving us an opportunity to comment on H.R. 1550 is appreciated.

Sincerely,

MYLIO S. KRAJA,
Director, National Legislative Commission.

SYMPOSIUM HELD ON SOVIET MARITIME CHALLENGE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASHBROOK. Mr. Speaker, on February 13 the Columbus, Ohio, Council of the Navy League of the United States sponsored a symposium on the Soviet maritime challenge. Speaking at the symposium were such distinguished individuals as the Honorable J. William Middendorf II, Secretary of the Navy; Rear Admiral B. R. Inman, Director of Naval Intelligence; Vice Admiral D. J. Murphy, Director of Antisubmarine Warfare Ocean Surveillance programs, and Mr. Norman Polmar, U.S. editor of Jane's Fighting Ships.

I want to bring to the attention of my colleagues the address by Secretary of the Navy Middendorf. Middendorf expressed his concern over the rapid expansion of Soviet naval capabilities vis-a-vis the United States. He pointed out the Soviet Navy now has twice the number of major surface combatants and submarines as the U.S. Navy.

In Middendorf's view, this trend of expanding Soviet naval capabilities is "one of the most significant strategic developments since the end of World War II." No longer can Americans automatically assume that our Navy will be the world's finest. "If we are to keep a Navy second to none," Middendorf states, "we must continue to develop our shipbuilding efforts."

Following is the text of Secretary of the Navy Middendorf's address to the Columbus Council:

ADDRESS BY J. WILLIAM MIDDENDORF II

There are two questions which I feel must be answered at the very outset of this Symposium:

Why should we have a symposium on the Soviet maritime challenge, in the first place?

And why is this symposium being held in Columbus, Ohio?

I would first of all answer the second hypothetical question—why in Columbus, Ohio? I would state at the very outset my firm belief as Secretary of the Navy that the United States, the State of Ohio, and the citizens of Columbus are more dependent on seapower than at any time in our 200 year history.

The State of Ohio is the second largest exporting state in the country. Transportation and road building equipment, mining equipment, machine tools, and heavy machinery—all manufactured in Ohio—are exported throughout the world. And these Ohio exports in addition to machine tools from Cleveland, rubber from Akron, glass from Toledo, and ball bearings from Canton—must go to the nations of the world by sea.

Last year, 176 merchant ships from 25 nations called at the Ohio port of Cleveland. And 142 merchant ships from 20 nations called at the Ohio port of Toledo. In 1973, these two Ohio ports imported more than 1,080,000 tons of cargo from overseas, and more than 6 million tons of cargo, primarily iron ore, from Canada.

Furthermore, even though we today have the full technical and industrial capacity to manufacture the goods necessary to support our present population level, we as a nation are significantly and even critically dependent upon the import of raw materials and energy.

Right here in Columbus, mica is used to manufacture electrical coils, and magnets and insulators. This mica is imported by sea from India. Mica is just one of the 68 strategic minerals and metals which the United States must import all or in part by sea.

With regard to energy, some of the petroleum products used by Ohio based chemical companies and refineries are imported. In 1974 the United States imported two billion two hundred million barrels of crude oil and refined products accounting for 36% of our domestic consumption.

These imports and exports come to us by sea. And it is the mission of your United States Navy to protect the sea lines of communication to insure the unimpeded flow of these imports and exports.

Secondly, the rapid growth of wealth in the oil producing nations of the world, particularly, in the Middle East, affects each and every one of us.

In February, 1971, one barrel of Saudi Arabian crude oil cost $2.18. Today, that same barrel of oil costs more than $11.00. This 500 percent increase in the price of oil has caused the international monetary reserves of the oil producing nations to soar to $43.2 billion at the end of 1974—or 20 percent of the world total. It will *soon* be equal to all of the free world reserves at the end of last year.

Saudi Arabia—with reserves of $14 billion—now ranks third behind the United States ($16B) and West Germany ($32.7B). A year ago Saudi Arabia ranked 13th.

Iran's reserves of $8.4 billion now rank seventh largest in the world. A year ago Iran ranked 29th.

Treasury Secretary William Simon recently stated and I quote:

"If we are to retain control over our own economic destinies, we must achieve independence. We can do it. And when it is clear that we intend to do it, we will regain a great deal of control over the situation. We will control very little from our knees."

From a naval point of view, U.S. seapower continues to play a major role in the stability of the strategic Middle East, wherein are concentrated more than 50% of the world's proven oil reserves. Secondly, U.S. seapower renders an unobstrusive political and diplomatic presence in the world today in support of our national policy.

Therefore, we as a nation are clearly dependent on U.S. seapower—seapower to protect the sea lines of communication and seapower to project our political and diplomatic presence.

To answer my first question, then, why have a symposium of the Soviet Maritime Challenge? I view with concern any trend which would pose a threat to U.S. strategic interests—military, political or economic. And I view the trend of expanding Soviet naval capabilities as one of the most significant strategic developments since the end of World War II.

We are *not* here today to portray the Soviet Navy to be ten feet tall or intimate the unimpeded arrival of Soviet cruisers in Lake Erie. Yet it is a disturbing fact that today the Soviet Navy has twice the number of major surface combatants and submarines as the U.S. Navy. I feel it most important for the American people to be fully aware of the challenge represented by the trend of these Soviet naval developments.

For my part, I would like to answer another hypothetical question to which each of you as Americans must demand an answer:

"How capable is U.S. seapower, specifically the U.S. Navy and Marine Corps, in meeting this challenge and in carrying out our missions?"

As each of you well know, since 1968 we have cut the size of the fleet in half. Today our fleet of 501 ships is the smallest fleet since 1939—two years before Pearl Harbor.

One of the ships we decommissioned just last month was the U.S.S. *Columbus*—named after this city. The *Columbus* provided the Navy more than 30 years of service.

And your Navy is going to become even smaller. In order to achieve a more modern fleet within available resources, the Navy is planning to reduce the size of the active fleet to 490 ships by June 30, 1976. Included in these reductions are the aircraft carriers *Hancock* and *Oriskany*. The average age of the ships to be retired is 24 years.

Your Navy of today has some tremendous assets. Our aircraft carriers and their embarked air groups are extremely effective weapons systems. Our nuclear powered submarines and nuclear surface ships are unquestionably the world's finest. The United States Marine Corps is unrivalled in the world as an effective combat force, which represents the ultimate projection of American seapower.

And your Navy-Marine Corps team has something which cannot be appropriated in defense budgets: combat proven strength, dynamic leadership, and a new professionalism in its young men and women which cannot be rivaled.

I am therefore certain that the new professionals of your Navy and Marine Corps—the enthusiastic Seamen and Lance Corporals, the bright young Ensigns and Second Lieutenants, and the combat tested veterans—can carry out its missions today if asked by the President.

Yet the Navy and Marine Corps of today is the result of decisions made five to ten years ago. In this regard, as Secretary of the Navy, I am the beneficiary of the foresight of my predecessors.

It is therefore the Navy Department five years from now that draws my major concern and attention. And that is why Navy shipbuilding has to be one of the greatest concerns of a Secretary of the Navy.

With regard to shipbuilding, I would submit the following facts for your consideration:

Between FY 62 and FY 67, the Navy undertook the construction of some 244 new ships of all classes—or about 40 ships per year.

Between FY 68 and FY 75, the Navy undertook the construction of 96 ships—or 12 ships per year.

The expected service life of a warship is 25–30 years. Consequently, we face the reality that we must plan to retire about 4% of the active fleet on an annual basis.

My greatest concern is the *long lead time* required to build our ships.

And, while I am not a harbinger of doom, I would compare U.S. shipbuilding during World War II with what it is today.

In 1933, eight years before the outbreak of the war, as a corollary to President Roosevelt's National Industrial Act to relieve unemployment. Congress authorized the construction of the aircraft carriers *Enterprise* and *Yorktown*, four submarines, *Brooklyn*-class light cruisers, and *Craven*-class destroyers.

The following year (1934) the Vinson-Trammel Act authorized an eight-year replacement program amounting to 102 ships. The second Vinson Act of 1938 authorized a warship tonnage increase of 20 percent over the former treaty limits.

At the time of the Pearl Harbor attack in 1941, the U.S. Navy's combatant ship strength was:

Ship type	In commission 1941	Under construction 1941	In commission Feb. 1, 1975
Carriers	7	11	14
Battleships	17	15	0
Cruisers	37	54	5
Destroyers	171	191	155
Submarines	111	73	117
Total	343	344	291

These ships, either already in commission or under construction when the war began, enabled United States seapower to prevail.

For example, the Battle of Midway was fought seven months after Pearl Harbor. That battle was won by U.S. aircraft carriers, and it was a decisive turning point in the war in the Pacific. Yet this battle was won with aircraft carriers completed *before the outbreak* of World War II.

Furthermore, even with U.S. shipyards working around-the-clock on a full wartime footing, it took *three years* before a carrier would be ready for combat. And it was well into 1943 and early 1944 before the U.S. Navy began receiving even a few of those capital ships ordered after the outbreak of the war.

Today our warships are much more sophisticated and much more capable than the World War II counterparts and they take longer to build. Whereas in WWII engineering plants were diesel or 600 psi steam turbine, today's plants are complex 1200 psi steam turbine, nuclear, or gas turbine. Whereas the WWII warship bristled with sophisticated electronic-countermeasures anti-aircraft artillery, today we rely on equipment and sensor systems to enable us to find the enemy before he can attack.

Specifically:

During WWII, the construction time for an attack aircraft carrier averaged three years. By contrast, the nuclear-powered aircraft carrier *Nimitz* (named after architect of the U.S. victory at Midway) will be commissioned this spring—*seven* years after her keel was laid, and ten after the appropriation of the lead money for her construction.

During WWII, the light cruiser *Little Rock* was built in a little over 2 years (keel laying to commissioning). By contrast, the nuclear-powered frigate *South Carolina* was commissioned last month, more than *four* years after her keel was laid, and seven years after funding.

Fundamentally, in WWII we had a 3000 mile buffer on our East Coast, and a 10,000 mile buffer on our West Coast. We had a valiant Britain and a valiant France to whom we could look as a buffer. During that war Britain and France gave us two years lead time to gear up our great military production capabilities.

Soviet naval units have now circumnavigated the state of Hawaii and have operated within 100 miles of our coast in the Caribbean. Today there are no 3000 mile buffers. Our lead time requirements to build ships are longer than ever. As proven by the 1973 Middle East crisis and again during the Cyprus crisis, it is forces at the scene, *in being* which may well determine the outcome of any future confrontation.

Unfortunately, the effects of the two-edged sword of inflation and recession, the "oil-dollar" drain, and other priorities are occurring at precisely the same time the need for more ships is being recognized.

With regard to the defense budget, in the next fiscal year, as a consequence of reductions and inflation, DOD expenditures will represent about 5% of GNP—the lowest point since the pre-Korean demobilization. The DOD has been cut almost in half since the Vietnam high; it has been cut by 30% as compared to the pre-Vietnam period. As a percentage of total government spending, including state and local, defense expenditures come to 16%, the lowest point since before Pearl Harbor. The United States now has under arms about 1% of the nation's population, a prcentage no higher than that reached in the pellmell demobilization in the Louise Johnson years after World War II. Military manpower has been reduced by 600,000 men as compared to pre-Vietnam.

The President has submitted to Congress a budget requesting $3.1 billion to build 23 new ships and $2.26 billion in addition to be allocated to restore full funding to our shipbuilding account of prior years.

In direct contrast to the real-dollar decreases in U.S. defense spending, it is estimated that the USSR has increased its real expenditures in constant rubles by 3 to 5%. And the Soviets continue to state quite categorically that peaceful coexistence is a consequence of the expansion of military power. And, Defense Secretary Schlesinger recently pointed out that the USSR is estimated to be outspending the U.S. on defense by at least 20%.

There are certain things which we as Americans have historically taken for granted—the sun is going to come up, taxes, the Texas Rangers will get there on time, and, since the days of Teddy Roosevelt's Great White Fleet, our Navy will be the world's finest.

Yet today we cannot make that assumption; and today's Navy and more importantly, the position of the U.S. Navy of 1980, cannot be taken for granted.

I have yet to meet an American who wants *your* Navy to be the second best. But in a word, if we are to keep a Navy second to none, we must continue to develop our shipbuilding efforts.

The Navy shipbuilding account has the longest lead times in any portion of the DOD budget. Unfortuately, a ship coming into service today after, say, a six year construction period has borne the full brunt of inflation. We must lick inflation in weapons systems costs. We must come up with new initiatives, new management approaches, and new ideas in research and development.

If we are wrong in our assessment that the United States needs a strong Navy now more than ever before, then we will only have expended funds for capital assets in ships that will last into the next century.

If on the other hand those with the opposite view prevail, and they turn out to be wrong, then God help us.

LITHUANIAN INDEPENDENCE DAY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. YOUNG of Florida. Mr. Speaker, on February 16, 1975, Americans of Lithuanian origin and descent joined throughout the Nation to commemorate the 57th anniversary of the establishment of the Republic of Lithuania.

I join with many other Members of Congress in expressing my concern for the oppressed people of Lithuania with the knowledge that these sentiments are echoed by those who enjoy freedom in other nations as well as the United States.

Mr. Speaker, 57 years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. Lithuania had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia—forcibly annexing these Baltic States into the Communist Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity—newer ones display her territory as part of the Communist Soviet Union. However, the United States of America and other great non-Communist powers have steadfastly maintained a policy of nonrecognition of the forcible annnexation of Lithuania into the Soviet Union. Such a policy gives hope to the Lithuanian people—reinforcing their determination to await national independence—while discouraging the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

It is heartening, Mr. Speaker, to know that the determined spirit of the Lithuanian people is still unbroken—although their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world in these times.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

Mr. Speaker, these last violations of human rights by the Soviet Union are directly opposed to the spirit of détente, which should foster a relaxation of the iron fist of Communist regimes—providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than that created by the present spirit of détente in which to give visible support to the Lithuanian people.

The Congress of the United States should again urge President Ford to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted. Lithuania and her people should no longer be forgotten and ignored.

PROPOSED POSTAL RATE INCREASE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EILBERG. Mr. Speaker, I do not know anyone outside of the U.S. Postal Service who believes the price of mailing a letter should go up or that the service rendered to the people of the United States by the Post Office even merits an increase.

The fact is the U.S. Postal Service operates inefficiently at best and most of

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the people are no longer surprised when mail is delivered days late or not at all.

The situation has gotten so bad that even with a Republican administration in control of the Postal Service the Republican Caucus of the Pennsylvania State Senate has decided it is necessary to condemn this move in advance and to cite the problems of waste and extravagance in the Postal Service in an official resolution.

At this time I enter this resolution in the RECORD:

RESOLUTION OF THE SENATE REPUBLICAN CAUCUS

Whereas, our constituents and neighbors are being financially squeezed by high inflation generally, and high food and energy costs specifically; and

Whereas, Pennsylvanians have been told by the President of the United States, Gerald R. Ford, to tighten their belts and economize; and

Whereas, the news media have reported stories of extravagancies and wasteful practices in the operation of the U.S. Postal Service; and

Whereas, from the earliest days of our Republic, the Post Office Department and its successor, the U.S. Postal Service, has been operated on a non-profit basis; and

Whereas, the U.S. Postal Service has publicly announced its intention to increase the rate for first class mail to thirteen cents; and

Whereas, the U.S. Postal Service increased the rate for first class mail from eight cents to ten cents in the spring of 1974; and

Whereas, such proposed further increase would result in a five-cent total increase in one year, which would be a 62.5% overall in one year; now therefore be it

Resolved, in Caucus assembled at Harrisburg, Pennsylvania, February 24, 1975, that the Republican Senators of the Commonwealth of Pennsylvania openly express their great concern that a further first class postal rate increase will work to the great detriment of their constituents and neighbors, and that they do condemn the proposed first class postal rate increase to thirteen cents; and be it further

Resolved, that a copy of this resolution be sent to the President of the United States, Gerald R. Ford, to our two U.S. Senators, and all Pennsylvania Congressmen.

Adopted, this 24th day of February A.D. 1975.

I certify that this resolution was adopted with a quorum of the Caucus present.

CLARENCE D. BELL,
Republican Caucus Secretary.

REENACTMENT OF THE GENERAL REVENUE SHARING PROGRAM

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EMERY. Mr. Speaker, the 94th Congress will be dealing with the authorization to extend the State and Local Fiscal Assistance Act of 1972, better known as revenue sharing, which is due to expire December 31, 1976.

On February 12 of this year, the 107th Maine Legislature passed and forwarded to my office a joint resolution memorializing Congress and the Maine congressional delegation to support the reenactment of the general revenue sharing program.

This fiscal program has been a great success both in the State of Maine and the rest of the United States. To avoid any lapse in authorizations I urge the 94th Congress to approve the continuation of the general revenue sharing program so our State and local governments will have the assurances necessary to good planning.

The Maine memorialization follows:

STATE OF MAINE—JOINT RESOLUTION

Joint resolution memorializing the Congress of the United States to support the reenactment of the general revenue sharing program

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Seventh Legislative Session assembled, most respectfully present and petition your Honorable Body, as follows:

Whereas, the State of Maine, her 16 counties and her 496 municipalities have received $124,000,000 of vitally needed fiscal assistance through the allocation of federal dollars under the General Revenue Sharing Program; and

Whereas, these Revenue Sharing dollars are received directly from the Federal Government by the State, the counties and the municipalities with a minimum of federal paperwork, enabling the citizens to use the funds to meet their self-determined priorities; and

Whereas, the citizens of Maine view state, county and local officials as being accountable for the expenditure of Revenue Sharing funds, and citizens as having ultimate control of their priorities through the governmental processes; and

Whereas, the taxpayers of Maine are being severely affected by the spiraling and unprecedented rate of inflation in costs of government as well as in their private lives; and

Whereas, the current inflationary rate is undermining the ability of government to provide essential services to their citizens within reasonable levels of taxation; and

Whereas, the General Revenue Sharing Program, which began in 1972, will terminate in 1976 unless the 94th Congress authorizes an extension of the State and Local Fiscal Assistance Act of 1972; and

Whereas, the 107th Maine Legislature endorses the continuation of the General Revenue Sharing Program in order to insure that vitally needed federal assistance will be provided to Maine; now, therefore, be it

Resolved: That we, your Memorialists, respectfully request and urge that each Member of the United States Congress from the State of Maine publicly state his support for the reenactment of the General Revenue Sharing Program in order that citizens of Maine may be informed of their commitment to continuing their flow of resources back to the People of the State of Maine; and be it further

Resolved: That a copy of this Resolution, duly authenticated by the Secretary of State, be forthwith forwarded to each Member of the United States Congress from the State of Maine.

House of Representatives, Read and adopted, February 11, 1975. Sent up for concurrence.

EDWIN H. PERT,
Clerk.

In Senate Chamber, read and adopted. In concurrence, February 12, 1975.

HARRY N. STARBRANCH,
Secretary

GLENVIEW, ILL. HIGH SCHOOL STUDENT WINS VOICE OF DEMOCRACY CONTEST IN ILLINOIS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MIKVA. Mr. Speaker, it is my great pleasure to announce to the House of Representatives that Mr. Dean Phelus, 500 Elm Street, Glenview, Ill., has submitted the winning speech from Illinois in the Voice of Democracy Contest. This contest is sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary and is a part of the Voice of Democracy scholarship program. This program is conducted annually in our Nation's secondary schools during the fall term. This year, the theme for the VFW's 28th annual program is "My Responsibility as a Citizen."

The winner of the contest from Illinois, Mr. Dean Phelus, is a junior from Maine Township High School North, Des Plaines, Ill. Dean is 16, has served as the treasurer of the Spanish Club and vice president of the speech team, has been awarded a number of speech awards including a speech scholarship, is a varsity member of the track team, is a member of the district concert choir, and belongs to the Modern Music Masters and Thespians.

As the State of Illinois winner, Dean Phelus is eligible for one of five national scholarships awarded as the top prizes. Final judging is to be held here in Washington, D.C., during the week of March 7–12, 1975. The best wishes of the people of the State of Illinois go to Dean as he competes with the contest winners from other states.

Mr. Speaker, this speech by a high school junior has an important message for all Americans. It is that America needs listeners, optimists, and believers—those who will offer "a cheer, a word of encouragement, a suggestion, a vote of confidence." Dean Phelus writes:

Every American, should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom . . . (and to march) forward together to a future which offers uncertainty and challenge.

Mr. Speaker, at this point I would like to insert the winning speech of Mr. Dean Phelus of Glenview, Ill., to congratulate him on his fine speech, and to commend the Veterans of Foreign Wars for their worthy efforts:

MY RESPONSIBILITY AS A CITIZEN

(By Dean Phelus)

For there have always been voices. In any American library we can find voices. George Washington, Nathan Hale, Franklin Roosevelt, John Kennedy—all the great speakers of our past are speaking still, speaking to anyone who will listen. They will tell you that America is greater than any adversary, stronger than any opponent. They will tell you that a few determined men can build a reality. They will tell you that no problem is beyond solution. They will tell you that we have had trouble before, but no trouble that Americans, working together, cannot handle. They will speak for America. Listen, and join them.

It is a privilege to have a responsibility to America, a privilege that needs careful attention. We can choose to despair, or we can choose to fight. We can choose to destroy or to build. I have made my choice. My country does not need another disparaging voice. It needs a cheer, a word of encouragement, a suggestion, a vote of confidence. Every American should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom. But quiet gratitude is not enough. We Americans are marching forward together to a future which offers uncertainty and challenge. Silent soldiers have room for doubt. Raise your voice in support of the country that has nurtured you, in defense of the system that has kept you free, in praise of the spirit that keeps a battered flag waving.

It is my responsibility as a citizen, my privilege as an American to join the voices of democracy. We will come together in a cry of determination that will carry us forward against any opposition. We have something good; acknowledge it. We have strength and tradition on our side; remember it. Listen to the cheering American voices—those of the past, those of the present, yours, mine. American voices all—listen!

LISTEN!

Listen! All those of you who are lucky enough to be citizens of America, listen! What do you hear? The voice of democracy? What is it? Is it the voice of one man? Does he sit in an oval office, or at the wheel of a truck, or on the bench in a football stadium? Is it the voice of one woman who stands in a classroom or a department store or a kitchen? No. The voice of democracy is an American chorus, a patriotic cheer, a chant by a million separate voices. And my responsibility as an American citizen is to . . . listen!

What are Americans saying these days? We can't afford the groceries; the automobiles aren't as sturdy as they could be; where will we get enough fuel?; what do we do about the young people?; how will we make it through difficult times? Questions. The voices are asking a hundred thousand hard questions. Answers. What the voices want are answers. And all they need to do is . . . listen.

No great organization operates without problems. A great country is no different. Each one of us can see the questions all around us. What we need are voices with answers. We need optimists, workers who know what determination can do. We need believers, people who know what ideals and values can produce. We need voices, voices to shout the encouragement to fight problems, to overcome obstacles.

Where will these voices come from? They can come from you and from me. I cannot speak for you, but one voice is already coming from me. I am willing to speak for America, for the ability of Americans to weather any crisis. I am willing to speak for involvement, for the necessary concern of each citizen in order to have a successful government. If officials are corrupt, say so. If you disagree with policies or programs, speak up. I will care enough to speak for America. But I will never speak so loudly that I forget to listen.

TIME FOR REGULATORY REFORM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASHBROOK. Mr. Speaker, it seems that the various regulatory agencies are getting hit from every side. They are no longer the sacred cows that they have been previously. Conservatives and liberals both criticize the shortcomings. The President has urged a commission to study and recommend regulatory reform.

Regulatory agencies are costing consumers money through inefficiency, waste and unneeded and unwise restrictions. It has been estimated that in 1975, $264 will be the cost of regulations to an American family of four.

Recently the Conservative Political Action Conference, cosponsored by the American Conservative Union and Young Americans for Freedom, passed a resolution which, in part, urged "the abolition of regulatory agencies—which add costs to production, restrain trade, and/or take powers that belong to the States or to citizens individually." As the Conservative Political Action Conference pointed out, it is time for action.

Consumers are being hit with higher prices, businessmen are forced to be inefficient—all for goals which have become confused and even contradictory.

Two recent editorials also point out the problems that exist. The Mount Vernon, Ohio, News comments on a number of regulations that have resulted in wasting energy and in higher costs. The Galion, Ohio, Inquirer writes:

The problem is that regulations, once established, even those put into effect for very good reasons, become more rigid with time. They're not eliminated when the cost to the public becomes prohibitive or when the regulations themselves begin to encourage the very evils they were written to prevent.

Action must be taken. The Congress which originally passed the laws mandating these agencies has a clear responsibility. That responsibility must be exercised.

At this point, I include the full text of the two editorials from the Mount Vernon News and the Galion Inquirer:

[From the Mount Vernon (Ohio) News, Feb. 20, 1975]

SOME FEDERAL AGENCIES NEED REFORM

When the first U.S. regulatory commission—the Interstate Commerce Commission—was established in 1887 to regulate railroads, Congress was optimistic about its value to the growing nation. It believed that an independent regulatory agency would provide an important transportation industry with continuity, expert advice, impartiality and isolation from political whirlwinds.

Today, nearly a century later, it does not take an expert to realize that the ICC has failed to achieve its goal. Dr. Paul McCracken, former chairman of the President's Council of Economic Advisers, says that federal regulation has produced "sick and arthritic" industries, and that ICC in particular is guilty of "social irresponsibility of cosmic proportions." He is not overstating the case.

The National Council on Productivity estimates, as one example, that ICC regulations which force trucks to return home empty cost consumers $250 million a year. Eliminating the regulation also could save a quarter of a billion gallons of truck fuel. Because of ICC regulations, citizens also pay $400 million in excessive railway freight rates, according to the President's Council of Economic Advisers.

ICC is not by any means the only culprit. For example, partly because of Civil Aeronautics Board regulations U.S. airline fares across the North Atlantic are three times those offered by a British airway. A buyer of a 1975 automobile pays $500 extra because of federal pollution regulations of dubious usefulness. Government requirements for pollution controls in industry cost American consumers the staggering sum of $10.4 billion last year, and not all of the controls are necessary. Moreover, the Bureau of Domestic Commerce says that unnecessary National Labor Relations Board regulations that lead to featherbedding are costing Americans up to $3 billion in railway shipping costs, $400 million more at the supermarket and more than $275 million in truck shipping costs.

Even these mammoth sums are insignificant to the economic damage that federal regulations do by interfering with the free competitive American marketplace—by interfering with the laws of supply and demand.

President Ford has asked Congress for the authority to establish a commission to study the Consumer Products Safety Commission, the ICC, the CAB, the Federal Trade Commission, Federal Power Commission, Civil Aeronautics Board and the Federal Maritime Commission—federal regulatory agencies that may be doing more harm than good as they age.

The study, if followed by dynamic action, could very well be one of the most important tools that the nation has in its fight against inflation and the energy problem.

[From the Galion (Ohio) Inquirer, Feb 19, 1975]

THE HIGH COST OF REGULATION

President Ford's economic advisers are known to believe government regulations may cost consumers $15 billion a year.

That's $264 for 1975 for a family of four.

Less efficient producers are protected. Efficient firms make undue profits. The public pays higher prices. Wasteful practices are encouraged. Some regions and users are favored over others.

Mr. Ford's Council of Economic Advisers has come up with these glaring examples:

Local experience in California and Texas with minimal controls suggest that as a result of excessive federal regulation, interstate air passengers may be paying as much as 65 per cent more than necessary in some cases. The overall national excess cost to the public may add up to around $300 million a year.

Unnecessary numbers of flights and aircraft operating on some routes, again a direct result of greater-than-needed regulations, costs us dearly in imported fuel.

Regulations force railroads and truckers to favor some regions, penalize others, give special rates to some users, charge more to others to make up for the loss. Machinery, for example, is regularly charged far more than the actual cost of transport by rail, while crude ores get by with rates that don't enable the lines to meet expenses. Because the railroads have been forced to keep unprofitable routes in operation far longer than necessary, they've had to charge customers more on other runs.

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Regulations which force freight car rental charges well below fair cost encourage inefficient use. For one, railbox cars, on the average, move only one hour in eight. Shippers hold them as warehouses; other lines take their sweet time in returning this equipment to the proper owners. These practices discourage well-managed roads from investing capital in modern cars which quickly slip out of their control for long periods.

Anti-trust exemptions allow truckers to agree on rates in secret. Interstate Commerce Commission routing procedures force absurd inefficiencies. Government control over entry of new trucking firms into interstate business discourages rivalry.

The abuses are not all in transportation or in the federal agencies.

Many state, city and county governments agree to price fixing in real estate settlement and other legal fees. State laws regularly prevent competition in a variety of professional services. Fair trade laws in many states prevent retailers from selling goods below the suggested retail prices set by manufactures.

Higher than necessary markups are not the only price we pay for over-regulating industry.

ICC regulations have probably contributed significantly toward the bankruptcy of several rail carriers in the northeastern part of the country.

Arbitrary ceilings on what interest banks and savings and loan associations may pay depositors has tended to shrivel the funds available for home mortgages and industry in recent years, thus has helped bring on the current recession.

Regulation of gas has created chronic and growing shortages in the regulated interstate market. This shortage, in turn has led to increased imports of oil.

The problem is that regulations, once established, even those put into effect for very good reasons, become more rigid with time. They're not eliminated when the cost to the public becomes prohibitive or when the regulations themselves begin to encourage the very evils they were written to prevent.

BAN THE HANDGUN—NO. 1

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BINGHAM. Mr. Speaker, today I am inaugurating my "ban the handgun" series of RECORD inserts in the 94th Congress. Last year I put in 55 of these articles, columns, and editorials. This year as Congress finally begins the consideration of serious gun control legislation, I am again attempting to draw the attention of my colleagues to the compelling need for a prohibition on the private possession of handguns.

It is sheer folly to keep pistols around the home in the face of overwhelming evidence that they are practically useless for defensive purposes, and in fact are far more likely to be of assistance in a tragic episode than to be of assistance in repelling an intruder. There is every likelihood that incidents such as the one described below could be averted if handguns were not so easily available.

The attached article appeared in the February 8 edition of the New York Daily News:

SHOOTS SELF IN HEAD OVER SCHOOL COPS

(By Nat Kanter and Mel Greene)

A 16-year-old Mineola youth was in "very critical condition" in Nassau County Medical Center, East Meadow, yesterday after he reportedly shot himself in the head when told of his poor school-attendance record.

William Gund, of 196 Andrews Road, allegedly fired a bullet from a Smith & Wesson snub-nosed 38-caliber revolver into his brain during an interview with Mrs. Celia Vitale, who serves as both nurse and attendance clerk at the BOCES Northwest Area Occupational Education Center at Jericho Turnpike and Andrews Road, Mineola.

Gund, a sophomore at Mineola High School, also takes an afternoon course in refrigeration and air conditioning at the Board of Cooperative Educational Services' school. When Gund did not show up for class at 12:10 p.m., Mrs. Vitale, following school policy, waited twenty minutes before calling the youth at his home, police said.

Gund reportedly told Mrs. Vitale over the phone: "I thought I was going to take the afternoon off, but I will come in." The school is two blocks from Gund's home.

Arriving at the center, Gund went to Mrs. Vitale's office to get a late pass in order to attend his class. Mrs. Vitale told police that she asked him to sit down, and they discussed his poor attendance record both at the center and at Mineola High.

"I guess I'm in trouble again," Gund said, according to Mrs. Vitale, then, without giving her a chance to reply, he reportedly drew a revolver from his pocket and shot himself.

The revolver, police said, reportedly fits the description of one of four guns by Gund's father, Henry, a pipefitter and a member of a gun club.

JOBS GO BEGGING DURING RECESSION—A PARADOX?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the Wall Street Journal, on February 11 reported a seeming contradiction in our economy—the fact that in some cases it is more profitable to remain unemployed rather than go to work. This is not just a fantasy as I have had at least one firm contact me to say that he has employees asking to be let go so they can commence drawing unemployment benefits. This situation, in my view, is a sad commentary on the United States of America. The article follows:

[From the Wall Street Journal, Feb. 11, 1975]

LABOR LETTER: A SPECIAL NEWS REPORT ON PEOPLE AND THEIR JOBS IN OFFICES, FIELDS AND FACTORIES

Low-status jobs remain hard to fill, despite surging unemployment.

An employment agency in New York complains it recently had a tough time finding takers for a job cutting up and weighing chickens. Jobs as elevator operators and watchmen also go begging, despite the city's high jobless rate. The Cook County jail in Chicago reports no increase in applications for its $831-a-month prison guard posts. In Pittsburgh, workers are still selective, and the unemployed aren't "jumping at the $2.50-an-hour job just to get a job," a state official says.

One key reason for the situation: unemployment insurance, food stamps and welfare. A Chicago taxi company official gripes "my biggest competition is Uncle Sam." Bids for hard-to-fill cabbie jobs dropped drastically as soon as President Ford announced new unemployment benefits.

But hard times do change some attitudes. In Ohio, fewer employers list menial work with state employment offices, apparently due to a pick up in applicants "off the streets."

WHAT VLADIVOSTOK ACCOMPLISHED

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ZABLOCKI. Mr. Speaker, an incisive analysis of the Vladivostok agreement by the Honorable Gerard Smith, former Director of the Arms Control and Disarmament Agency, was published in Tuesday, February 25 edition of the Wall Street Journal.

In order to bring Mr. Smith's valuable appraisal of this important matter to the attention of my colleagues I am pleased to insert it in the RECORD and recommend it to their full and careful reading:

WHAT VLADIVOSTOK ACCOMPLISHED

(By Gerard C. Smith)

Some have criticized the Vladivostok strategic arms accord for being too permissive in its limitations on launcher levels for ICBMs, SLBMs and heavy bombers, for not being verifiable in part and for not including qualitative limitations such as throw-weight control.

The signal accomplishments at Vladivostok were to get the Soviets to drop their condition which called for their having more strategic launchers than the U.S. because the U.S. deploys certain other "forward based" nuclear systems in Europe and the Far East (FBS)—and to agree to an equal number of strategic launchers for both sides. The Soviets probably reasoned that at the high (2,400) launcher level there would not be much strategic significance in the large number of U.S. tactical nuclear weapons deployed in Europe and the Far East. They may also have calculated that, from a psychological viewpoint, they would get de facto compensation for the U.S. forward based systems since it would be less painful for them to stay at the 2,400 level by phasing out obsolete launchers as new launchers become operational than for the United States to increase to that level by new construction.

The prospect must have seemed good to them that during the rather short eight-year life of the agreement the U.S. would not build up to the treaty level thus leaving the Soviet numerical advantage intact. These surmises will be confirmed if the Soviets in the future link any further reductions with a revived FBS compensation claim. Whatever the Soviet motivation, their acceptance of the principle of equivalence for strategic launchers is significant.

THE QUESTION OF "ACCEPTABILITY"

As for launcher levels, it may be worth noting that the 2,400 level is about the size of U.S. strategic forces some 10 years ago. It is a number close enough to that which the United States proposed in the SALT I negotiations to suggest that if the Soviets had proposed it in SALT I it would have been acceptable. It would require Soviet reductions from levels allowed in the SALT I interim agreement—these would be the first reductions ever negotiated with the U.S.S.R. Finally, it is reported to be substantially lower than that projected for U.S.S.R. forces in 1985 by U.S. intelligence estimates which were not of "a worst case" type.

The main advantage of the agreement in my judgment is that it would give the United States good assurances of the maximum number of Soviet launchers over the next decade. The number though high will be known. This will permit less reliance on U.S. defense programming based on "greater than expected threats" and should introduce a stabilizing factor in the American-Soviet strategic relationship.

As for the MIRV launcher level (1,320) it should be recalled that in the SALT I negotiations the United States proposed a comprehensive and permanent offensive systems agreement with no MIRV limit at all!

Although the agreed MIRV launcher level leaves the ICBM vulnerability problem no nearer solution, fortunately U.S. officials now think the problem is not as imminent as formerly believed. Anxieties on this score however will persist and solutions for the ICBM vulnerability problem should be a matter of priority in SALT III. In the meantime U.S. policy, as spelled out by Secretary Schlesinger in his recent posture statement, seems to be to offer the Soviets a tacit bargain that if they will exercise restraint in not deploying as many large MIRVed ICBMs as is permitted under the Vladivostok formula the United States will hold off deploying a new generation of ICBMs.

A common question about SALT agreements is "can one trust the Soviets to keep their commitments?" These agreements should in general not be based on trust but on continual verification to confirm that commitments are being kept. As SALT commitments become more extensive this question of verification will warrant close consideration.

The degree of verification precision needed varies with the limitation agreed upon. A margin of possible error of 100 units might be tolerable at the 2,400 limit but intolerable at a 500 limit. In some cases even an unverifiable commitment may be better than no agreement at all. For example, in the recently negotiated biological warfare agreement although some commitments are not precisely verifiable it was reasoned that aggression by biological warfare would be deterred or retaliated against by nuclear weapons so a small risk of one-sided maintenance of the commitments was tolerable.

In putting flesh on the Vladivostok skeleton agreement new verification judgments may have to be made. For example, if submarine-based cruise missile launchers such as the U.S. is now developing are subject to limitation how does one establish the number which are in fact deployed? If surface ship launchers for ballistic missiles are banned how can the ban be policed? If land mobile ICBMs are to be permitted but limited can their numbers be verified? In the last analysis this type of issue may come down to a question of whether or not U.S. security will be better served with some limit that does not admit of very precise verification than with no limit at all.

In verification matters there is a major asymmetry favoring the U.S.S.R. Because the U.S. is an open society with weapons systems subject to constant public scrutiny from their R&D phase to actual deployment, the U.S.S.R. can have high confidence of American compliance with limitation agreements. As a result, in negotiating, the U.S. carries the burden of pressing for agreement on verification issues. This gives the U.S.S.R. somewhat greater leverage on other aspects of the agreement which are of especial interest to it. This fact of Soviet-American life suggests that the U.S. should in the future avoid the Vladivostok technique of first reaching what the British would call a "Heads of Agreement" which deeply commits American leadership to reaching a subsequent final agreement. With the negotiation thus structured there may be a tendency on the U.S. part to be less sticky on verification points that do not appear central. Put another way the Soviets might be more disposed to work out common verification accounting techniques if they were needed to reach the final agreements as to limits than if the agreement as to limits had already been reached in principle.

From time to time during the nuclear age the U.S. has been concerned lest it fall behind in the strategic arms competition—recall the bomber and missile gaps. Such anxiety is understandable as the stakes are as high as the nation's security. But public debate about alleged deficiencies in the U.S. strategic arsenal generates perceptions among friends and rivals abroad which bear on the credibility of the nuclear deterrent. And so there is the curious result that American rhetoric at times tends to degrade the value of its own strategic forces. In general terms the process might prejudice our confidence that the U.S. will not be coercible in a crisis and that we need not prematurely resort to nuclear force.

Some have expressed concern about a "throw-weight gap" and have criticized the Vladivostok accord for its failure to narrow or eliminate this gap. Although the payload deliverable by the three components of the American strategic force, ICBMs, SLBMs and heavy bombers, is at least on a par with the Soviet force, the U.S.S.R.'s missile forces have a much larger throw-weight than the U.S. missile forces. This fact resulted not from a mistake in U.S. programming but from a deliberate choice made about 15 years ago not to deploy additional large volume missiles such as the Atlas and Titans which were our first generation ICBMs. Instead it was decided to deploy missiles which because they contain miniaturized components could be of much lesser volume.

INFORMATIONAL EFFORT NEEDED

Throw-weight concerns appear to rest for the most part not on judgments that more missile throw-weight is needed for military reasons but on a belief that perceptions will incorrectly develop abroad that the U.S. force is somehow inferior to the U.S.S.R. And perhaps more importantly there is anxiety that in a crisis some future American leadership will "chicken out" because of loss of confidence induced by a throw-weight deficiency. Such worries should not be dismissed lightly if only because they may be self-fulfilling. The immediate solution should be a major informational effort to demonstrate to all concerned that the military and psychological power of the U.S. strategic forces is more than ample and will be so maintained. If in the years to come a throw-weight inferiority complex does develop and become dangerous the U.S. missile force throw-weight can be sharply increased within the constraints of the Vladivostok accord.

In conclusion the Vladivostok accord seems to mark progress in the long process of controlling strategic arms. It does not match the ABM Treaty either in the "bite" of its restraints or its duration. It looks more like another "interim" agreement extending the 1972 freeze. But it may well lay the groundwork for subsequent negotiations for qualitative limitations and reductions. That in itself is no small accomplishment

TAXES, TAXES, TAXES

HON. DELBERT L. LATTA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. LATTA. Mr. Speaker, Mr. Cass Cullis, the editor of the Bryan, Ohio, Times in my congressional district tallied up everything we are being taxed for and concluded that there still are a few things—very few—that remain tax free. But as he mournfully reflected, that probably will not last for long.

I am pleased to include his amusing, but pointed, commentary in the RECORD at this point:

TAXES, TAXES, TAXES

Years ago there was a song, "Horses, Horses, Horses, Crazy Over Horses." Now the subject is Taxes. The season starts on Jan. 1 and ends on Dec. 31. The income tax is the first to arrive, but it doesn't have to be paid until April. Then come real estate taxes, then personal or intangible taxes, then license plates, or taxes on automobiles. Telephone long distance and pay a tax. Go to a moving picture show and be taxed. Buy some gasoline for your car and it will be heavily taxed now, and still more later. Eat a meal at a restaurant and pay the taxes. Nearly everything is taxed, and look for more.

Eventually when a couple get engaged they will be taxed for it. Then when they marry there will be another tax. If there is a reception there will be a tax for that, a small tax for a small reception and a big tax for a big reception.

Another tax, which might be beneficial, is on being out at night later than midnight, especially in a car, for that is when most of the crime takes place.

There are many bridge clubs, and eventually they may be taxed, say 25 cents each for a bridge party. When a boy or man goes down the street and looks at a pretty girl he should be taxed; extra if he turns around to look a second time. If she goes to a beauty parlor the customer should be taxed.

There is a tendency to let criminals off quite lightly, but if they are taxed, they won't get that pleasant treatment, for taxing is a serious business.

Even a dog is taxed, but of course it is not the dog that has to pay the tax, but the owner. For some strange reason cats are not taxed, nor are parrots, canaries or other birds, but it is likely that a tax will be proposed.

We pay taxes on our homes and the land they occupy, and for an addition if one is built, and taxes of an airplane ride. There is no tax on riding a merry-go-round, or listening to radio or television, but it is quite likely that radio and television will be taxed, with a meter attached to each and viewers paying one cent an hour for television viewing and half a cent for listening to radio. (There will be something of a problem when a person has a radio that is battery operated.)

Catch a person out after midnight and unles he, or she, can show good reason for being out there should be a rather stiff tax, and if that person is loaded with parts of some value, which have been stolen, he should be taxed several times over.

Kissing in public should be taxed, by all means. If it is a husband and wife, the tax should be light; unmarried couples, a bit more taxes and married persons, but not married to each other, should pay at least a tax of one dollar.

We must support the schools, the police and fire departments, the building of streets, and sewers, and the operation of parks and playgrounds, and swimming pools, and of course the public libraries need support, from tax money, and when a divorce takes place, each party should be taxed, with consideration of their wealth.

Probably many things that should be taxed have been overlooked, but don't be disappointed; they will be eventually.

TOM STEED: HE GETS THINGS DONE

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. RISENHOOVER. Mr. Speaker, Oklahoma has a long history of provid-

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ing great leadership for our Nation. Towering in this Congress is our colleague, and personal friend, TOM STEED who was honored last week in Oklahoma City by Oklahoma's rural electric cooperatives and the general manager, Czar Langston.

In this article headlined "Tom Steed: He Gets Things Done," John Gillie, of the Oklahoma Journal, wrote about our colleague from the Fourth District of Oklahoma:

TOM STEED: HE GETS THINGS DONE

(By John Gillie)

WASHINGTON, D.C.—"Tom Steed is not the kind of congressman who likes the glare of publicity, but those who know him at home and in Washington know he gets things done."

Those were the words of a veteran congressional staffer who had observed Oklahoma's Fourth District congressman at work for many years and knew of his reputation for effectiveness.

Steed, a former Shawnee newspaper man serving his 14th term in Congress as a Democrat, has earned widespread respect and power from both Democrats and Republicans in the capital city.

As chairman of the Treasury-Post Office-Executive Office Subcommittee on Appropriations, Steed reviews the budgets of agencies that include more than 900,000 of the 2 million federal empolyees.

Steed's subcommittee holds the purse strings for the Bureau of Roads, the Executive office of the president, the Secret Service, the Internal Revenue Service, the Bureau of Budgets, the Bureau of Customs and the nation's vast Postal Service.

As perhaps House Speaker Carl Albert's closest Capitol Hill friend, Steed enjoys the respect and confidence of the nation's third highest official.

The Oklahoma congressman was campaign manager for Albert's 1962 House leadership race and the 1970 speaker's contest.

"He holds more leverage at the top of the federal bureaucracy than anyone in Washington," Albert said Monday of Steed.

"He is the most steadfast, courageous and dedicated man I have known in office," Albert said.

"He speaks with not one drop of political cowardice in his words," the speaker said.

"He has to be measured among the greatest representatives the people of Oklahoma and the U.S. have ever had."

Steed's reputation as a straight shooter and a dedicated worker extends even to the opposition party.

"His 26 years of service in the House of Representatives have served the people of Oklahoma well," Oklahoma's senior senator, Henry Bellmon, said Tuesday.

Bellmon, a Republican, said he frequently consults with Steed on budgetary matters because of the congressman's well-known expertise in federal finance. Bellmon is a member of the newly-formed Senate Budget Committee.

Steed's seniority and position place him among an inner circle of congressional powerhouses whose word carries great weight with congressional insiders.

"Congressman Steed is a tower of strength on appropriations," said House Appropriations Committee Chairman George Mahon, D.-Tex., Tuesday.

"He has done a great job for Oklahoma and the nation and I believe Oklahomans should be grateful for his service," the powerful committee chairman said.

Steed's diligence in committee work has repeatedly shown itself. As a member of the Transportation Appropriation Subcommittee Steed was greatly responsible for the Federal Aviation Administration locating large administrative and testing facilities at Oklahoma City's Will Rogers World Airport.

His work in guiding the Postal Service is credited with helping Oklahoma gain the Oklahoma Postal Training Center in Norman.

His scrutiny of the Treasury Department and advocacy of automatic data processing reportedly has reduced employment in that department by more than 20,000 persons.

Steeds careful championing of Tinker Air Force Base has meant not only retention of the facility in Oklahoma when it was threatened, but also its continued expansion.

In recent months the Texas-born Steed has been active in energy affairs attempting to limit foreign oil imports.

Freshmen congressmen have come to rely upon Steed for guidance in their first sessions.

Newly-elected Second District Congressman Ted Risenhoover Tuesday said Steed is often accompanied on his Saturday morning walks around the capitol by freshman representatives eager to learn from a senior member of Congress.

"Tom Steed is the best guy in the world for a new congressman to know," Risenhoover said.

"No one in Washington knows the nuts and bolts of government and appropriations like he does," the Tahlequah Democrat said.

Sixth District Congressman Glen English, also a freshman, said Oklahoma's congressional delegation has profited greatly because of Steeds' willingness to take new members under his wing and teach them the ropes.

"As dean of the Oklahoma delegation we consult him whenever we can," English said.

"As a neighboring congressman I find that I can accomplish much more for the Sixth District with the help of Tom Steed."

George Hill, publisher of the Coalgate Register, also wrote a revealing article about Mr. STEED which I also include in the RECORD:

AN EDITOR LOOKS AT STEED

(By George B. Hill)

Thomas Jefferson Steed, who would have given his junior high school valedictory address in his overalls unless a group of friends hadn't helped finance a pair of "store-bought" dress pants, may be one of the most underrated members of congress. It isn't that Tom is underrated by his colleagues. It's that he isn't the type who makes flamboyant speeches that attract national attention.

But he is so highly respected that even in the "rebellious" atmosphere of the current congress only eight members of the party caucus voted against him to retain his appropriations subcommittee chairmanship. Many chairmen were kicked out. His subcommittee handles keen appropriations for executive branches, including the President.

Other congressmen say that he understands the problems of all branches of government so well that he is seldom stumped by a problem and is the type so trusted that others gravitate for briefings. It goes without saying that this is especially true of other members of the Oklahoma delegation.

This respect gives him a reputation as "the most effective cloak-room congressman." What they mean is that Steed has a knack of working with individual congressmen on a one-for-one basis so closely that many members are well informed on subjects that come before the house of representatives. This gives Steed a strong base of support when a question arises on which he needs help for his district and for Oklahoma.

He works with other congressmen much as he works with constituents of his district; laying his cards on the table and bluntly explaining his position. Some politicians say that he's a "political accident." Whoever heard of a successful politician telling it like it is, if it takes the hide?

But that is Tom Steed and apparently his friends in Congress like that style of his as much as the citizens of the Fourth District have liked it for many years. His legislative influence keeps growing and his constituents keep sending him back to use his increasing respect and influence. As speaker Carl Albert once said in his introduction of his long-time friend, "This nation wouldn't have nearly as many problems if all members of congress were as dependable and competent as Tom Steed."

A CITY COUNCIL ACTS TO STOP THE GIVEAWAYS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GAYDOS. Mr. Speaker, evidence is mounting that, down at the grass roots, Americans are beginning to realize that the draining of this Nation's resources for foreign giveaways and costly overseas miiltary adventures is responsible in large part for our present economic plight.

In my home community of McKeesport, the city council is in the process of launching a movement against further handouts to Southeast Asia and has ordered a resolution to this effect drafted for presentation to State and National leagues of cities.

Our country is in serious financial circumstances. The Federal debt is running wild. President Ford proposes record peacetime deficits in the years ahead. Joblessness is at the crisis level. And still, in obedience to old notions of our free world leadership, we continue to sap what strength we have left for giveaways which we lack the courage, let alone good sense, to stop.

The McKeesport Council, I feel, reflects the thinking of most of my constituents and I believe, too, that these constituents are of a mind on foreign aid no different from millions of others across this country. If a vote were taken tomorrow on the giveaways, I am sure they would be defeated out of hand in every State of the Union.

Another manifestation of the anti-giveway consensus came to attention the other night when David Susskind had a panel of elderly ladies on his TV program to discuss their troubles in getting along in these upset times. Without prompting, the ladies agreed that, in their judgment, Uncle Sam appeared more interested in the problems of people overseas than he did in those of money-strapped aged persons here.

This, of course, can be disputed. But the fact remains, as one panelist said, that only a portion of the billions we have sent abroad could have spared thousands of American "golden-agers" worries over the source of their next meal or rent payment.

Strange it is that it has taken so long for a fundamental economic truth to catch up with us—the truth that no nation, not even one as capable as our own, can keep on, year after year, subsidizing and showering its wealth on others without in due time bringing disaster upon itself. If a true figure on our total giveaways could be obtained from the maze of our aid programs and United Nations commitments, I am sure it would come close to the total of our national debt. Thus, in substance, we have been borrowing the money we have been giving away—and still are—and this is money which this generation and future generations must sacrifice severely to pay back. Indeed, we are doing that now.

President Ford wants us to give an additional half billion dollars to South Vietnam and to Cambodia. This could be the place to start the cutoff. I, for one, shall never vote to give one more dime to Southeast Asia when, our money is so badly needed at home.

I endorse the action being taken by the McKeesport City Council. And, I applaud the protests voiced not only by the elderly ladies on David Suskind's program, but by increasing numbers of Americans everywhere—Americans who believe we have our hands full in caring for our own.

PEOPLE STILL CARE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BRINKLEY. Mr. Speaker, among the many impressions that arise out of a period of tragedy in a community is the one that lets us know in no uncertain terms that people still care.

This was evidenced very vividly recently in my district when a devastating tornado struck Fort Valley, Ga. A lot of caring people went into action to make the aftermath of this terrible tragedy much less terrible than it could have been.

Among the groups who deserve special tribute are the fine medical personnel at the Peach County Hospital, whose disaster plan went into effect 5 minutes after the twister hit. The first patients were arriving in the emergency room scarcely 11 minutes after the plan went into effect. An article in the Macon (Ga.) Telegraph of February 20 gave details of what happened, and I ask, Mr. Speaker, that it be printed in the RECORD.

And then there was the commendable and unselfish effort put forth by members of the 421st Quartermaster Company, Army Reserve, who led the community in a massive clean-up operation in the tornado's wake. I offer for the RECORD, Mr. Speaker, a report filed with me by my district research assistant describing the dedicated services of these reservists.

The material follows:

[From the Macon (Ga.) Telegraph, Feb. 20, 1975]

FOUR TORNADO VICTIMS IN SERIOUS CONDITION

(By Nancy Solomon)

FT. VALLEY.—Four victims of Tuesday's Fort Valley tornado were listed in serious or critical condition by Peach County Hospital officials Wednesday.

Assistant Hospital Administrator Vernon Bowden estimated that 38 people came to the hospital for treatment Tuesday night.

According to hospital records, four patients were transferred to other hospitals and eleven were admitted for treatment at Peach County Hospital. Two were discharged from Peach County Hospital on Wednesday.

The tornado killed at least one person. Joe Mullis, 85, was crushed by falling debris in his home on Ga. 96.

Another man, Fred Murphy, suffered a heart attack while taking his cows to shelter on his farm located on U.S. 341, south of Ft. Valley. It was undetermined whether he had the attack before or during the tornado.

Listed in critical condition in Peach County Hospital Wednesday was Carolyn T. Harris. Listed in serious condition were Martha R. Curtis, D. Cecil Phinazee and Evelyn M. Statham.

Mrs. Harris was being treated in the intensive care coronary unit. She suffered a heart attack while visiting at the hospital when she saw the tornado through the lobby windows.

Bowden said two patients were transferred to Macon.

He said that one of the patients, Lucinda Inman, was transferred to the Medical Center of Central Georgia because "doctors felt she needed extensive x-rays. Because of the power failure, we were unable to do the necessary x-rays."

The Medical Center listed her in fair condition.

Flossie Mae Smith was examined by a doctor in the ambulance and taken directly to the Medical Center. She had a severe laceration across her forehead and several broken bones.

Peach County Hospital records indicate 16 were treated on an out-patient basis, but Bowden said the hospital list was incomplete.

The hospital's disaster plan went into effect at 4:14 p.m. five minutes after the tornado struck the downtown area. People started coming in for treatment at 4:25.

Bowden said by 5 p.m., ambulances were "in and out unloading" patients.

Every employe that was available was called back to work. Bowden said, "If they didn't come back, they weren't able to get through or their own sickness kept them away. They were great."

The entire medical staff of the hospital came in and some of the doctors brought their own staff and nurses with them. Other doctors from the area also helped.

ARMY RESERVISTS GIVE VOLUNTEER HELP TO TORNADO HIT FORT VALLEY

At exactly 4:08 p.m. on Tuesday, February 18, 1975, a savage tornado hit the middle Georgia city of Fort Valley. Damage from the disaster totaled 2 killed, 150 injured, dozens hospitalized, and over $7 million in property losses. However, before the black day had ended, men of the 421st QM Co. Army Reserve unit located in the city were out in force leading their neighbors in a massive cleanup mission.

The Reserve center was authorized to open and use all its facilities in helping the disaster relief program. Sergeant Walter K. Kramp, "King" of the 421st motor pool, was almost immediately on the scene to coordinate the use of the unit's many military vehicles in the crisis-ridden town. Forklifts cleared debris covered streets and army transports rolled, the rubble and wreckage out of town to expedite the clean up. Meanwhile, the unit's portable generators were moved out from the armory and hooked up to provide lights for the hard hit downtown area of the city which had lost all normal electricity sources.

On and on these goodwill ambassadors for the Army Reserve worked, from Tuesday afternoon to Thursday morning. And what makes it most incredible is that they gave their time and energy spontaneously and on a strictly volunteer basis, since no financial compensation or equivalent duty training credit was authorized by First Army. Therefore, these men truly gave of themselves in an hour of community need—thus exemplifying the true ideal around which the Army Reserve is built.

Some of the men of the 421st who gave so unselfishly of themselves are:

Major Malcolm G. McPhaul, Warrant Officer James Rowe, Unit Advisor Hugh D. Stripling, Unit Advisor Pete St. John, Unit Advisor Benny Law, SSG John W. Bennett, SSG Walter K. Kramp, SSG Andrew K. Dennis, SGT Daniel Dixon, SGT Hosie White, SGT Wallace Freshwater, SP5 George Yeomans, SP5 J. D. McCrary, SP5 William Davies, SP5 Frank Wade, SP5 Clarence Breedlove, SP4 Ronnie Bowden, SP4 J. D. McGee, SP4 David Dennard, PFC Frederick Way, PVT Willie Plant.

SOCIAL SECURITY SYSTEM

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HILLIS. Mr. Speaker, I am deeply concerned over the deteriorating financial status of the Social Security System. I would like to share with my colleagues the following article which appeared in the Wall Street Journal of February 27, 1975:

EBBING RESOURCES: SOCIAL SECURITY SYSTEM IS ON WAY TO GOING BROKE, ANALYSTS WARN

(By Jonathan Spivak)

WASHINGTON.—New financial shock waves are surging through the already-troubled Social Security system.

Recent cost estimates are revealing worsening short- and long-range problems for the nation's massive retirement program. At the current rate of spending and income, the system will run out of money by 1980 or soon afterward, actuarial experts warn.

Buffeted by the recession, the system's retirement and disability trust funds totaling $45 billion will begin dwindling this year for the first time in a decade. Outgo will exceed income by as much as $2.5 billion this year; on the basis of current economic assumptions, the deficit is expected to leap to $6.1 billion next year and $8.3 billion the following year.

These figures have been presented to the House Ways and Means Committee, which writes the Social Security laws. Some committee members, notably Republican William Archer of Texas, are aghast. "The situation has changed radically," laments a Social Security expert.

WAITING IN CONGRESS

To honor commitments to the system's 30 million beneficiaries, sizable infusions of revenue will soon be required, actuaries say. In the short range, many figure, the funds need at least a $7 billion-a-year—or 10% —increase in revenue. Some actuaries contend the sum should be $10 billion.

The experts estimate that Social Security payroll taxes will have to be raised at least one percentage point and perhaps one and a half points from the present total of 11.7% of wages levied on employer and employee. They say action can't wait long. But Congress may have until next year to meet the issue. The Ford administration will probably push for an increase effective in 1977, when the economy will presumably be picking up.

Adverse economic trends and a declining birth rate are also worsening the threat of a long-term Social Security deficit, extending far into the 21st Century. Recently this deficit was expected to require a three-percentage-point increase in the total Social Security tax, now the added revenue need is projected at about six percentage points. "The longer we delay, the more severe the (tax) increase has to be," warns Jerome

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Van Gorkom, a member of an advisory committee that has been studying Social Security financing for the past year.

UNPALATABLE CHOICES

The new cost calculations, which are still being completed, will be in the 1975 report of the Social Security trustees, due out in April. They are sure to alarm the public and force politicians to face unpalatable choices of increasing payroll taxes, finding other sources of revenue or curtailing future benefits—or perhaps a combination of all three. "The time has come when the country has to face the hard facts of life; you can't go on ever expanding the program," says Robert Myers, former chief Social Security actuary and now professor of actuarial science at Temple University.

Congress already is showing concern about Social Security's difficulties and about public fears for the system's solvency. The Ways and Means Committee has established a series of investigating task forces and will hold public hearings later this year. The Senate Finance Committee also plans to examine the financing problem.

The main issue now is whether to place the burden on all 100 million workers who pay into Social Security by simply raising the tax rate or whether to exact the price just from upper-income workers by raising the amount of earnings subject to the Social Security tax. The 11.7% tax now is levied on a maximum of $14,000 annual earnings with employers and employees evenly splitting the cost. The average worker pays $476.21 a year; the maximum annual contribution is $824.85.

DARKENING OUTLOOK

For the long run, administration officials and many others want to revise the way Social Security benefits are calculated so as to curtail the substantial benefit increases that the present machinery produces under automatic cost-of-living adjustments. (If prices continue to escalate, some workers will actually receive more in retirement than they earned on the job.)

The proposed change would let already-retired persons continue to receive benefit boosts based on increases in the consumer price index. But future payments for those who are now working would rise only through increases in their earnings. While such an arrangement would make little difference in Social Security's immediate cost, it could save substantial sums in the future. After the turn of the century, benefit increases might be held to only half the heights they would otherwise reach if sizable inflation continues.

The Social Security system actually consists of three separate programs providing retirement and survivor benefits, payments to disabled workers and health insurance for the aged—best known as Medicare. They're financed by separate trust funds, fed by some general government revenue but mainly by the 11.7% payroll tax, which includes a special Medicare levy. The funds can be used only for their designated purposes. The system's trustees are the Secretaries of the Treasury, Labor and Health, Education and Welfare departments, but the HEW Department's Social Security Administration manages the operation.

The retirement and survivors program, the biggest part of Social Security, aids 26.5 million aged widows of deceased workers and their surviving dependent children. Benefits vary with the amount of money a worker has paid in taxes; a worker retiring at age 65 this year would receive a maximum benefit of $316.20 a month if he paid taxes on the maximum Social Security earnings for the past 19 years. But a generous minimum benefit of $93.80 gives a low-income workers proportionately more for their contributions. A retiree's wife automatically receives half of her husband's benefits, a deceased worker's surviving children get 75%, and widows receive up to 100%.

Serious concern about Social Security financing arose last year, but the outlook for the system has darkened drastically in the past few months as the economy has foundered. Unemployment erodes payroll-tax revenues and it speeds the drain on the funds as more workers seek retirement or disability payments. At the same time, inflation increases Social Security outlays. Because benefits are tied to the cost of living, there will be an automatic increase of more than 8% in July; last year this boost was projected at only 4.4%. Though President Ford has proposed limiting the increase to 5%, there isn't a chance that Congress will agree.

The 1974 trustees report, issued last June, predicted that the retirement and disability funds would continue to increase to the year 1980 and it foresaw no need for a payroll tax increase for five to 10 years to come. But the latest forecasts project an immediate decrease the trust funds leading toward their exhaustion by the end of 1980.

Here are the contrasting projections for changes in the funds during each of the years just ahead:

New projection and 1974 projection

1975, down $2.5 billion, up $210 million.
1976, down $6.1 billion, up $389 million.
1977, down $8.3 billion, up $797 million.
1978, down $9.5 billion, up $154 million.

The latest estimates are based on the economic assumptions in the President's new budget, which some seers find too pessimistic. In any case, some authorities insist the current shrinkage in Social Security trust funds is nothing so terrible; they say the funds are providing a needed cushion against the recession.

"Social Security beneficiaries get more money than is being deducted from workers' earnings as Social Security contributions, and today this is good for the economy," insists former Social Security Commissioner Robert Ball. As business picks up, the system's difficulties will diminish, he and others argue.

Payroll-tax increases to make up the projected deficits will be pushed anyway, and they will draw the most from both labor and business groups.

Unions will fight one approach—a boost in the tax rate—because it would hit particularly hard at low-income workers. A family of four earning $4,300 a year, while too poor to pay federal income taxes, puts out $251.55 in Social Security contributions. Thus "we certainly would not want to increase the payroll tax from its current levels," says Bert Seidman, director of the AFL-CIO's department of Social Security. As one alternative, the federation urges a gradual increase in the taxable wage base to $28,000 a year.

But businessmen, notably in the insurance industry, balk at further wage-base increases. Unlike the tax-rate boosts, such increases automatically yield bigger retirement benefits and thus enable the system to encroach on private pension plans. Already the wage base is expected to rise to $15,300 next January. This will mean a $72.20 increase in the maximum Social Security contribution to $895.05—but also higher benefits for the 15% of the work force that earns above the current $14,100 ceiling; this group receives the maximum benefits but also is the ripest target for insurance men selling private pension plans. "Our industry thinks the wage base is already too high," declares J. Henry Smith, chairman of Equitable Life Assurance Society of New York City.

The only other alternative is infusion of general tax revenues, a remedy long sought by labor, liberals and certain Social Security experts to help liberalize benefits and ease the tax burden on lower-income workers. So far the retirement and disability pensions have been financed almost entirely by levies on employers and employees. With opposition to payroll tax increases mounting, general revenue financing appears essential to some.

Democratic Rep. James Burke of Massachusetts, who heads a new Ways and Means subcommittee on Social Security, wants to pour $16.4 billion of general revenues into the program and lower the 11.7% total payroll tax is 9.5%. "The Social Security tax should never be above 10%," Mr. Burke argues. He has more than 100 House sponsors for his bill.

The Social Security Advisory Council offers a different approach: it would finance Medicare out of general revenues instead of from the special 1.8% health-insurance tax that's part of the Social Security payroll tax. The 1.8% tax would be used to meet the deficit in the retirement and disability funds. At first, $7 billion a year in general revenues would be required; more would be needed later.

But Social Security financing out of general revenues will be rigorously resisted by the administration and many Social Security experts. They fear it would weaken workers' willingness to contribute to their own retirement, the source of much of the program's political acceptance. Conservatives contend that general revenue financing is a step toward converting Social Security from an insurance plan into a welfare program. "I think we should go very cautiously and carefully towards general-revenue funds," says James B. Cardwell, Social Security commissioner.

Like the short-term threat, Social Security's long-term problems spring partly from inflation. Higher prices force payment of bigger benefits but don't adequately increase revenues to the trust funds. Beyond that, a lower birth rate indicates there may be fewer workers in the future contributing to the funds to help support the aged. These two forces may take their greatest toll on Social Security funds after the turn of the century.

Though it may seem rather arbitrary to make forecasts extending to the middle of the 21st Century, the Social Security trustees last year projected a 75-year deficit equal to 3% of the nation's total payroll for those 75 years; their new report is expected to double this deficit. An independent group of actuaries has produced the same estimate for the Senate Finance Committee. The change results from altered long-range assumptions. Births are now predicted to decline to 1.6 or 1.7 children per woman of child-bearing age from the current 1.9 rate, before rising toward a stable-population level of 2.1. Last year the experts assumed a steady increase from 1.9 to 2.1.

In the new long-range projections, prices will be assumed to rise at a rate of 4% or 5% a year and wages to increase by 6% or 7%; in 1972 the assumptions were only 2% for prices and 4% for wages. The present financing system produces enough revenue to pay for rising benefits only if wages climb twice as fast as prices. The more prices increase relative to wages, the worse Social Security's financial plight becomes.

PERSONAL EXPLANATION

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mrs. SPELLMAN. Mr. Speaker, I was working with the other members of the Commission on the Review of the National Policy Toward Gambling during our public hearings, February 19, and was, therefore, inadvertently out of the House Chamber at the time of rollcall vote No. 16 on final passage of the Regional Rail Reorganization Amendments, H.R. 2051. Had I been present, I would have voted in favor of that bill.

FEDERAL ID CARDS?

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. KARTH. Mr. Speaker, in recent days the specter of the police state has been raised in our country. I refer to the proposal made by Miss Frances Knight of the State Department which would require all Americans to carry identity cards.

The St. Paul Dispatch of February 25, 1975, carries an editorial which lambastes this liberty-limiting idea. I heartily commend the editor for his attack on this bureaucratic zealotry. The editorial follows:

[From the St. Paul Dispatch, Feb. 25, 1975]

FEDERAL ID CARDS?

What's gotten into the federal government, with all its zealousness to protect us? First it was the Justice Department, and now the director of the State Department's passport office; they want all Americans to carry government-issued identification cards. For our own good, of course.

Early this month Justice proposed we all be required to carry IDs so that illegal aliens couldn't take our jobs, and this week Frances Knight, the passport biggie, says we all need IDs—complete with fingerprints (and who knows what else?)—to protect us from "criminal impersonations."

Last year alone, says Miss Knight, there were 791 passport frauds. Think of that! To prevent the issuance of seven or eight hundred phony passports, 200 million Americans should have their fingers inked, their photos taken and, likely, a few other pertinent and impertinent personal data recorded and filed. A trifling price to pay for keeping the passport office happy, or preventing a setback from getting a job weeding lettuce.

There are some other dandy uses to which national IDs have been put. In the Soviet Union they are used to keep citizens from moving about the country without official permission. That includes 40 or 50 million collective farmers who for years have been denied even the simple right to leave their villages. In South Africa the national identification card is the government's chief weapon for enforcing the harsh apartheid laws.

Identity cards—whether issued by governments or the neighborhood bank or department store—are not just cards any more. They are keys to coded data banks, with much of the information in their scanner-read numbers privy only to the issuing agency. Moreover, only a coded card can be made reasonably counterfeit-proof, and one can count on the government's taking precaution against counterfeiting. So what's to prevent our friendly bureaucratic protectors from adding a blip or a series of dots and dashes to indicate, say, one's credit rating? Or "standing in the community" (as determined by the kind of unevaluated gossip that chokes the FBI's current files)? Or one's "loyalty"? (A fellow in Texas found out the other day that his opposition to a nuclear power plant got him branded as "subversive" in a state dossier.)

Miss Knight says, "I predict that national registration eventually will come to this country," and that is the most chilling remark of all because it probably is true. It will not come, however, for the reasons adduced by Miss Knight, i.e., that "it will be demanded by citizens who are sick and tired of supporting non-taxpaying criminals and illegal aliens" (note the illegal aliens: has she been talking it over with the Justice Department?) It will come, if it does, because bureaucratic power is never sated. That power feasts on control over the citizen for control's sake—and justifies the demands of its appetite with sanctimonious avowals that it only wants to "protect."

That kind of protection is the murderer of liberty.

THE VARIABLE-RATE MORTGAGE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DRINAN. Mr. Speaker, it appears to be more and more likely that the Members of Congress might have to make some decision with respect to the variable mortgage rate.

With this in mind, I make available a very balanced presentation of the issues involved in this topic. This editorial is taken from the Worcester, Mass., daily Telegram of February 18, 1975.

The editorial follows:

THE VARIABLE-RATE MORTGAGE

The several painful mortgage-money crunches of recent years are responsible for the revival of an old but controversial idea for preventing credit starvation of the housing market—the variable-rate mortgage.

Under this type of home mortgage, the interest rate, and therefore the homeowner's monthly payments, rise and fall with other interest rates in the economy instead of remaining fixed at the market level current when the mortgage was negotiated.

Mortgages with modestly variable rates were commonly written by First Federal Savings & Loan Association before 1969. A clause allowed the association to raise its rate a total of 1 per cent during the life of the mortgage if the rate it had to pay on savings to compete for deposits rose. But when the savings rate reached 5 per cent in 1969 and First Federal raised its mortgage rate .5 per cent on old mortgages that were paying less than 5 per cent, there was such a public uproar that First Federal never raised the rate further and stopped writing variable-rate mortgages.

Today's revival of variable rates is already widespread in California and Florida. At least one savings bank in Worcester is starting to write such mortgages. Others expect to follow suit, although they are worried about public acceptance.

And now the Federal Home Loan Bank, which governs federal savings and loan associations, has proposed regulations that could drastically expand use of variable-rate mortgages. It proposes that rates vary upward and downward as much as 2.5 per cent with the economy.

The Home Loan Bank does not need Congressional consent to authorize its member associations to start writing such mortgages, but its chairman, Thomas R. Bomar, says that as a practical matter his board isn't likely to defy "the will of Congress." So the House and Senate banking committees are expected to hold hearings on the proposal. These hearings are likely to be heated. Two similar previous proposals met with almost universal opposition from congressmen, consumer groups and labor leaders.

Opponents say variable-rate mortgages merely switch the cost of rising interest rates from banks to homeowners. They say the effect would be inflationary. "Homeowners would have to demand higher wages and salaries to keep up," AFL President George Meany warns.

Mortgage bankers, who generally favor variable-rate mortgages, think the opposition may have softened now, however. Interest rates are now headed down instead of up, so borrowers would tend to benefit.

The bankers blame fixed rates for the mortgage-money famines of 1966, 1969 and 1973–74. And they point out that holders of old mortgages have benefited vastly at the expense of savers and new borrowers.

The banks' problem is that they are locked into a lot of long-term home loans going back to 1950 at rates as low as 4 per cent, and they often can't afford to pay their savings depositors rates as high as those paid by Treasury notes and commercial paper. When short-term interest rates rise as they did over the last few years, the banks suffer severe losses of deposits. Consequently, they don't have money to lend in new mortgages, even at rates twice as high as holders of old mortgages are paying. This, in turn, hurts the construction industry.

A general trend to variable-rate mortgages would remedy this situation over a period of years, the bankers say. Only new mortgages would have variable clauses. The banks could not alter the fixed-rate terms of old mortgages.

One Worcester savings bank estimates that if it had been writing variable-rate mortgages over the past generation, it could now offer home loans at 8 to 8.25 per cent instead of 9.5 to 10 per cent, and banking regulations could permit higher ceilings on rates paid savers. Bankers point out that they have a responsibility to savers as well as borrowers. A typical savings bank has five times as many depositors as it has home loan borrowers.

In fairness to savers, then, and in order to stabilize the industry so that one generation of home buyers does not again profit at the expense of the next generation, the variable-rate mortgage is a must, the bankers say.

The bankers make a good case. Yet what they propose flies in the face of conventional thinking that bank payments on a house should not rise over the years. It will take a lot of selling to get public acceptance of variable-rate mortgages. The selling job, evidently, will start shortly, at those upcoming Congressional hearings.

REMARKS TO ACCOMPANY INTRODUCTION OF BILL TO SUSPEND UNTIL JUNE 30, 1977 THE DUTIES ON CALCINED PETROLEUM COKE NOT COMMERCIALLY SUITABLE FOR USE AS A FUEL

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MEEDS. Mr. Speaker, I am today introducing a bill into the House aimed at abating one of the problems caused by the petroleum shortage. This bill, if passed into law, would temporarily suspend the duties on calcined petroleum coke not commercially suitable for use as a fuel. Specifically, it would suspend until June 30, 1977 the 7.5 percent duty on importation of calcined petroleum coke.

The whole aluminum industry depends

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on the use of calcined petroleum coke in the reduction of aluminum. The jobs of thousands of workers in aluminum reduction plants are involved, as is the financial health of independent aluminum producers across the Nation.

Allow me to explain. Calcined petroleum coke is used in large quantities to form the electrical anodes which pass the electric currents to melt aluminum ore and reduce it to molten aluminum. Between 40 and 45 pounds of coke are consumed in the production of 100 pounds of aluminum. Just one plant in my district, for example, consumes 110,000 tons of calcined petroleum coke a year to produce 260,000 tons of aluminum.

Due to the petroleum shortage, however, calcined petroleum coke is getting scarce. Independent aluminum producers are finding it more and more difficult to buy the grades of coke they need. Suspension of the 7.5-percent duty on imported coke would alleviate the shortage and allow independent producers of aluminum, particularly, to maintain and expand operations.

In human terms, that means jobs saved and new jobs created, vital to our economy in this time of severe recession.

Mr. Speaker, the general oil shortage has had a domino effect on the pet coke industry, and consequently, on the independent producers of aluminum. The shortage has caused:

First. A severe domestic shortage of residual refinery "green" coke which is used in the calcining process. Domestic producers are using their residual oil for other products, such as heavy fuel oil, asphalt, or other alternates.

Second. Unstable and varying "green" coke specifications, leading to poor and sometimes unusable feed stock for metallurgical cokes.

So, considering the shortages of petroleum coke in the United States, I feel that the 7.5-percent duty on imports is a burden on the independent aluminum producers and contrary to the national interest.

Because the largest producers of aluminum also produce their own calcined petroleum coke, they are not materially affected by the coke shortage. Only the smaller independents are. Therefore, I feel that they are unfairly penalized by the 7.5-percent duty when they are forced by shortages to go into the international market to purchase pet coke.

There no longer is a need to protect a fledgling domestic industry in calcined petroleum coke. Domestic producers are booked up full for years to come, and are turning away business.

And finally, because increased imports of pet cokes will free up petroleum for other uses in this country, the suspension of the duty will help alleviate the oil shortage.

MY RESPONSIBILITY AS A CITIZEN

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. FISHER. Mr. Speaker, the Voice of Democracy Contest, conducted annually by the Veterans of Foreign Wars, this year chose as its theme "My Responsibility as a Citizen." Students participating in the contest are required to submit a broadcast script which is judged on the basis of content, originality, and delivery.

Mr. Marcus Webb, an Alexandria resident of my district, has been chosen as a winning contestant for his speech. Marcus attends Gonzaga High School in Washington, D.C., and his essay is a fine example of the speeches which have been selected by the Veterans of Foreign Wars for a final judging in March.

Because of his accomplishment, Marcus will have the opportunity to participate further in the voice of Democracy program and compete for one of five national scholarships provided by the VFW.

The following is the text of Marcus Webb's speech on "My Responsibility as a Citizen":

MY RESPONSIBILITY AS A CITIZEN

The United States demands very little from its citizens: pay your taxes, obey the laws, register for military service. But a good American knows that he owes America more than meeting legal obligations. An American citizen has a moral obligation to America.

Now all this about Americans being cynical and disillusioned is ridiculous. Americans are the most idealistic people in the world. Americans believe in freedom; democracy; equality.

Good citizens have always worked to make these ideals into realities. All real Americans have always fought to keep those ideals alive and secure. During the American War for Independence, Patrick Henry spoke out for American liberty. Thomas Jefferson worked for American democracy. George Washington fought for American freedom.

These men showed what it's like to be a real American: patriotism in service of American ideals. Following their example is my most important responsibility as an American citizen.

Now a lot of people think that opportunities for one person to help his country are like miracles in the Bible: it may have been possible a long time ago, but not today. Now that's not true.

A patriotic citizen today can start by knowing and respecting our history, our traditions. He must respect our flag, our National Anthem, and the beliefs they stand for. Ridicule of patriotism is disloyal. The pseudo-sophisticates who think that patriotism is corney and passe might as well be citizens of the moon.

Now another thing: active patriotism also includes political activity. The Democratic System lets citizens take sides and decide issues. When citizens vote in elections, they take the American dream of government by the people and make it work.

Now a real citizen must be an active patriot in smaller ways, too. Citizens can keep American ideals alive every day in their homes and where they work. Honesty. Fairness. Integrity. A good citizen helps America most by trying to live up to those ideals in his daily life.

Now there's something which all good citizens must always be ready to do: defend America. If a foreign power threatens our safety, defend America. If apathy and subversion at home threatens our strength, defend America. If dishonesty and disloyalty threatens our democracy, defend America! Our military protects us from foreign threats, but a good citizen is America's only defense against defeat from within.

No real American ever did his duty grudgingly. A real American is willing to sacrifice . . . and eager to serve. Fighting for America's freedom-living for America's ideals: this is a citizen's greatest service.

America's future is in the hands of her citizens. We will protect her. Tomorrow and tomorrow, Americans will work to keep America strong; fight to keep America free; strive to keep America great. American ideals will live on.

As an American, I feel proud to face the challenge of American citizenship. I'll give my best effort. America deserves it.

MEDICAL MALPRACTICE INSURANCE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOWNEY. Mr. Speaker, on February 5 I introduced H.R. 2804, a bill to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice. This bill will take the first step of surveying this most important issue. It will begin the work that has to be done if we are to avoid a massive dislocation in the delivery of health services to a significant proportion of our population. I insert the bill in the RECORD at the conclusion of my remarks.

The crisis in health care created by the recent dramatic increases in the cost of medical malpractice insurance is one that public officials on both the State and Federal levels must soon address. The cry for action is being heard from throughout the Nation, and the residents of my own State of New York have been particularly articulate on this issue. It is my feeling that we, as representatives of the people, must listen closely to the current series of editorials, commission reports, and letters that comprise the public debate. Numerous letters, calls, and visits from my constituents, both lay persons and medical practitioners, have persuaded me to view the problem of inflated malpractice insurance rates with a new sense of urgency. I hope my colleagues in the House of Representatives will do the same.

The effects of this dramatic increase in premiums are comprehensive, and not as yet entirely predictable. Members of the Medical Society of New York, for example, have been confronted in 1969, 1970, and 1971, with premium increases of 55, 65, and 45 percent. One effect of such rates is increased costs to the patient during a time when the cost of good medical care is already prohibitive for many families. Hospitals, for example, are estimated to charge an additional $2 per day per bed for malpractice protection, with an increase of that estimate to $4 per day for 1975. The patient pays additionally in the form of defensive medical procedures that physicians practice to lessen the likelihood of a suit against them later on. One authority estimates, for example, that 70 percent of the X-rays of emergency room patients are taken to protect the doctor and the hospital.

If the current costs continue, there is the real possibility that patients will bear the additional burden of fewer specialists from which to choose. Anesthesiologists, orthopedists, plastic surgeons, and nurosurgeons can expect their insurance costs to triple. This is especially true in such States as New York, California, and Florida where there is a greater tendency among citizens to bring suit. There is probably no speedier way to discourage talented men and women from entering a high-risk specialty in a high-risk State than to compel them to incur premium costs of around $10,000 to $20,000 and more. Besides limiting the number of specialists, such a trend could easily persuade them to locate outside of the high-risk areas which tend also to be the most populous, thereby denying full medical protection where it is most needed.

There is the added possibility that physicians, whether specialists or not, will be driven out of practice altogether. There are already indications suggesting that capable practitioners are finding research and teaching preferable to the expense of maintaining a practice. Much of the added expense is caused by high premiums.

The plight of the medical students just entering practice is also a matter of concern. Consider the young person who has more likely than not incurred a debt to finance his several years of education, and who will very likely assume further debts to esatblish a practice. I think that as a matter of public policy, we as a nation should take care not to saddle new doctors with additional starting costs. This is no time to in any way discourage new physicians.

Retired doctors are also affected by the dizzying costs of insurance. These retirees form a manpower pool from which practicing physicians draw when they need coverage for their practice while on sabatical, on vacation, or attending conventions. This pool will simply dry up because retired doctors on limited income can not afford such high premiums for the few weeks of the year they would be working.

The relentless march toward burdensome insurance rates shows no sign of slowing. Already the trend has reached crisis proportions in Maryland where one insurance carrier was intending to stop coverage for over 3,000 State doctors, and was prevented from doing so only by order of the State insurance commissioner. The doctors of Hawaii and Utah did actually lose their coverage temporarily a few years ago. Many doctors in New York who are insured by the Argonaut Insurance Co., have learned that the company intends to terminate their malpractice insurance on July 1. Clearly, there is a role government will play in this matter.

We have many directions in which to move and we must look at each one of them carefully. We have to decide what role the Federal Government should, or could play. We may have to choose between provisions for contingency insurance or for reinsurance at the Federal level. We may choose to devise mechanisms that would encourage out-of-court solutions such as local no-fault systems, arbitration, screening panels, peer reviews, or others. We should also urge our colleagues in our respective State legislatures to address themselves to this insurance issue which has traditionally come under the purview of the States.

The time to begin the work is now. It is with a new sense of urgency that I speak on this issue that affects all doctors and the millions of their patients. I urge my colleagues today to come to the aid of our beleaguered health care system, and begin the legislative work that will solve the medical malpractice mess.

The legislation which I am reintroducing today with 27 cosponsors is a first step toward reducing the costs of medical malpractice insurance and ultimately of health care. The bill establishes a national medical malpractice development fund, patterned after the Federal riot and flood reinsurance program, to protect primary insurance companies against catastrophic malpractice claims losses. Insurance companies could voluntarily pay into the reinsurance pool, which would be supported by such payments. The legislation also calls for evaluation of alternative methods of providing insurance to physicians and of settling of malpractice claims, including demonstrations of no-fault insurance and compensation, prelitigation screening, arbitration, and mediation.

The cosponsors of H.R. 2804 are, as follows: Mr. ROSENTHAL of New York, Mr. PATTISON of New York, Mr. WOLFF of New York, Mr. MOLLOHAN of West Virginia, Mr. GAYDOS of Pennsylvania, Mr. WON PAT of Guam, Mr. DEVINE of Ohio, Mr. HELSTOSKI of New Jersey, Mr. CONTE of Massachusetts, Mr. RICHMOND of New York, Mr. FASCELL of Florida, Ms. CHISHOLM of New York, Mr. LLOYD of California, Mr. SCHEUER of New York, Mr. CARR of Michigan, Mr. SEIBERLING of Ohio, Mr. EDGAR of Pennsylvania, Mr. CORNELL of Wisconsin, Mr. DANIELS of New Jersey, Mr. SIMON of Illinois, Mr. BALDUS of Wisconsin, Mr. MAGUIRE of New Jersey, Mr. RODINO of New Jersey, Ms. HOLTZMAN of New York, Mr. SOLARZ of New York, Mr. ROE of New Jersey and Mr. BOLAND of Massachusetts.

The bill follows:

H.R. 2804

A bill to authorize the Secretary of Health, Education, and Welfare to establish a medical malpractice reinsurance program, and to conduct experiments and studies on medical malpractice

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Medical Malpractice Insurance Act".

AUTHORITY

SEC. 2. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized to offer to any insurer or pool, subject to such rules and regulations as he may prescribe, reinsurance against liability for damages resulting from acts of medical malpractice.

(b) In carrying out the medical malpractice reinsurance program authorized by subsection (a) of this section, the Secretary shall arrange for—

(1) appropriate financial participation and risk sharing in the reinsurance program by insurance companies or other insurers, and

(2) other appropriate participation on other than a risk-sharing basis by insurance companies or other insurers, insurance agents and brokers, and insurance adjustment organizations.

(c) The Secretary shall make reinsurance available in such amounts as he determines to be necessary, based upon actuarial studies, but shall make available initially such insurance in amounts in excess of $25,000.

CLAIMS AND JUDICIAL REVIEW

SEC. 3. (a) All reinsurance claims for losses under this Act shall be submitted by insurers in accordance with such terms and conditions as may be established by the Secretary.

(b) (1) Upon disallowance of any claim under color of reinsurance made available under this Act, or upon refusal of the claimant to accept the amount allowed upon any such claim, the claimant may institute an action against the Secretary on such claim in the United States district court for the district in which a major portion (in terms of value) of the claim arose.

(2) Any action under paragraph (1) must be begun within one year after the date upon which the claimant received written notice of disallowance or partial disallowance of the claim.

(3) The district courts of the United States have exclusive jurisdiction to hear and determine actions brought under this subsection without regard to the amount in controversy.

USE OF EXISTING FACILITIES AND SERVICES

SEC. 4. In carrying out his responsibilities under this Act, the Secretary may utilize—

(1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States, or

(2) officers and employees of any executive agency (as defined in section 105 of title 5, United States Code) as the Secretary and the head of any such agency may from time to time agree upon, on a reimbursement or other basis.

ESTABLISHMENT OF AFFORDABLE RATES

SEC. 5. (a) In establishing the rates for various reinsurance coverages offered from time to time under this Act, the Secretary shall consult with appropriate State insurance authorities and other knowledgeable persons and is authorized to take into consideration the nature and degree of the risks involved, the extent of anticipated losses, the prevailing rates for similar coverage in adjacent or comparable areas and territories, the economic importance of the various types of coverage, and the relative abilities of the particular classes and types of insurers to pay the full estimated costs of such coverage. Nothing in this section shall be construed to prohibit or require either the adoption of uniform national rates or the periodic modification of currently estimated affordable rates for any particular line or subline of coverage, class, State, territory, or risk on the basis of additional information or actual loss experience.

(b) For purposes of this section, the term "rate" means such premium rate as the Secretary determines would permit the purchase of a specific type of insurance coverage by a reasonably prudent person in similar circumstances with due regard for the costs and benefits involved.

REPORTS AND STUDIES

SEC. 6. (a) The Secretary shall—

(1) conduct a comprehensive study to determine the direct and indirect costs of medical malpractice claims, including litigation arsing out of such claims, in all federally supported health care programs;

(2) explore alternative methods of classifying individual medical practitioners and institutions for medical malpractice insurance ratemaking purposes;

(3) study recommend methods of minimizing the cost of litigation, including the contingency fee system;

(4) develop a contingency plan to provide

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medical malpractice insurance if such insurance were to become unavailable through private insurance companies.

(b)(1) In carrying out his functions under this Act, the Secretary is authorized to provide financial assistance to persons for the purpose of studying and evaluating new and alternative methods of settling medical malpractice claims, including but not limited to studies and demonstration projects of no-fault insurance and compensation plans, prelitigation screening programs, arbitration programs, and mediation of disputes.

(2) Assistance may be provided under paragraph (1) under such terms and conditions as the Secretary may by regulations prescribe.

(c) The Secretary shall annually report to the President and the Congress on his operations and activities under this Act together with such recommendations as may be appropriate.

RECORDS, ANNUAL STATEMENT, AND AUDITS

SEC. 7. (a) Any insurer, or pool, acquiring reinsurance under this Act shall furnish the Secretary with such summaries and analyses of information in its records as may be necessary to carry out the provisions of this Act, in such form as the Secretary in cooperation with the State insurance authority, shall, by regulation, prescribe. The Secretary shall make use of State insurance authority examination reports and facilities to the maximum extent feasible.

(b) Any insurer or pool acquiring reinsurance under this Act shall file with the Secretary a true and correct copy of any annual statement, or amendment thereof, filed with the State insurance authority of its domiciliary State, at the time it files such statement or amendment with such State insurance authority. In addition, any such insurer or pool shall file any information pertaining to medical malpractice insurance as the Secretary may determine is necessary for carrying out the provisions of this Act.

(c) Any insurer or other person executing any contract, agreement, or other appropriate arrangement with the Secretary under this Act shall keep reasonable records which fully disclose the total costs of the programs undertaken or the services being rendered, and such other records as will facilitate an effective audit of liability for reinsurance payments by the Secretary.

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of investigation, audit, and examination to any books, documents, papers, and records of any insurer or other person that are pertinent to the costs of any program undertaken for, or services rendered to, the Secretary. Such audits shall be conducted to the maximum extent feasible in cooperation with the State insurance authorities and through the use of their examining facilities.

ADVANCE PAYMENTS

SEC. 8. Any payments which are made under the authority of this Act may be made, after necessary adjustments on account of previously made underpayments or overpayments in advance or by way of reimbursement. Payments may be made in such installments and on such conditions as the Secretary may determine.

RECOVERY OF PREMIUMS; STATUTE OF LIMITATIONS

SEC. 9. (a) The Secretary in a suit brought in the appropriate United States district court, shall be entitled to recover from any insurer the amount of any unpaid premiums lawfully payable by such insurer to the Secretary.

(b) No action or proceeding shall be brought for the recovery of any premium due to the Secretary for reinsurance or for the recovery of any premium paid to the Secretary in excess of the amount due to it, unless such action or proceeding shall have been brought within five years after the right accrued for which the claim is made, except that, where the insurer has made or filed with the Secretary a false or fraudulent annual statement or other document with the intent to evade, in whole or in part, the payment of premiums, the claim shall not be deemed to have accrued until its discovery by the Secretary.

PAYMENT OF CLAIMS

SEC. 10. The Secretary is authorized to issue orders establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any liability which is covered by medical malpractice reinsurance made available under the provisions of this Act.

NATIONAL INSURANCE DEVELOPMENT FUND

SEC. 11. (a) To carry out the programs authorized under this Act, the Secretary is authorized to establish a National Medical Malpractice Reinsurance Development Fund (hereinafter referred to as the "fund") which shall be available without fiscal year limitations—

(1) to make such payments as may, from time to time, be required under reinsurance or direct insurance contacts under this Act;

(2) to pay such administrative expenses as may be necessary or appropriate to carry out the purposes of this Act; and

(3) to repay to the Secretary of the Treasury such sums, including interest thereon, as may be borrowed from him for purposes of such programs under this Act.

(b) The fund shall be credited with—

(1) reinsurance premiums, fees, and other charges which may be paid or collected in connection with reinsurance;

(2) interest which may be earned on investments of the fund;

(3) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(4) such amounts which are hereby authorized to be appropriated as may be necessary from time to time to reimburse the fund for losses and expenses (including administrative expenses) incurred in carrying out the program;

(5) receipts from any other source which may, from time to time, be credited to the fund; and

(6) funds borrowed by the Secretary and deposited in the fund.

(c) If, after any amounts which may have been advanced to the fund from appropriations have been credited to the appropriation from which advanced, the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

SEC. 12. (a)(1) There is established a Federal Medical Malpractice Reinsurance Advisory Board (hereinafter called the "Board") consisting of nineteen members appointed by the Secretary. Members of the Board shall be selected from among representatives of the general public, medical practitioners and other providers of health care services, the legal profession, the insurance industry, State and local governments including State insurance authorities, and the Federal Government. Not more than two members of the Board shall be regular full-time employees of the Federal Government; not more than three shall be representatives of the general public; not less than four shall be representatives of health care providers; not less than four shall be representatives of the legal profession; not less than four shall be representatives of the insurance industry; and not less than two shall be representatives of State insurance authorities.

(2) The Secretary shall designate a Chairman and a Vice Chairman of the Board.

(3) Each member shall serve for a term of two years or until his successor has been appointed, except that no individual who is appointed while a full-time employee of a State or the Federal Government shall serve in such position after he ceases to be so employed, unless he is reappointed.

(4) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of that term.

(b) The Chairman shall preside at all meetings, and the Vice Chairman shall preside in the absence or disability of the Chairman. In the absence of both the Chairman and Vice Chairman, the Board may appoint any member to act as Chairman pro tempore. The Board shall meet at such times and places as it may fix and determine, but shall hold at least four regularly scheduled meetings a year. Special meetings may be held at the call of the Chairman or any three members of the Board.

(c) The Board shall review general policies and shall advise the Secretary and perform such other functions as he may require.

(d) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States, and such members, except those who are regular full-time employees of the Government, shall receive for their services, as members, the per diem equivalent to the rate for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, when engaged in the performance of their duties, and each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title for persons in the Government employed intermittently.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

ROTARY MARKS 70TH ANNIVERSARY

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. O'BRIEN. Mr. Speaker, this month marks the 70th anniversary of the founding of Rotary International.

Practically all of us are familiar with this outstanding service organization and with the good work it performs in our communities. In my own district, the Rotary Club, of Kankakee, has sponsored numerous student foreign exchanges, raised funds, and organized a meals on wheels program for needy elderly, and given generously of their time and themselves to make the "Big Brother" program they organized for youngsters a success.

These are just a few of the projects Rotarians have become involved in since the group was founded in February 1905 by a Chicago lawyer named Paul Harris. Today there are some 750,000 Rotarians living and working in 151 countries to improve their communities and foster greater understanding between differing societies.

I want to congratulate the Rotary for having achieved the ripe old age of 70 and wish the organization many more years of growth and activity.

The following is an article published in the Kankakee Journal noting the club's anniversary:

ROTARY OBSERVES 70TH ANNIVERSARY

The Rotary Club of Kankakee will join more than 16,100 other Rotary clubs today in observing the 70th anniversary of the founding of the service organization.

According to Don McCann, local president, the club was first organized by Paul Harris, a Chicago lawyer, on Feb. 23, 1905. Harris was lonely in the big city and was eager to make friends through business relations.

Six months later the club had 21 members and had been named "Rotary" to convey the original plan of members to meet "in rotation" at their various places of business. An emblem had also been approved. Designed by Montague M. Bear, an engraver, it was a plain wagon wheel which symbolized rotation. A form of the cog-wheel emblem is still being used.

In 1910 there were 16 Rotary clubs with 1,500 members. They met in Chicago to organize the National Association of Rotary Clubs with all clubs as members. That same year the first club outside the United States was formed in Winnipeg, Canada, and in 1911 clubs were organized in Ireland and England.

In 1912 the association's name was changed to the International Association of Rotary Clubs, and in 1922 the name Rotary International was adopted. Today there are 750,000 members in 151 countries, all involved in service projects which range from sponsoring scout troops to building hospitals and schools, McCann said.

The local club sponsors student foreign exchanges and provides funds for the physical necessities of needy students. It has also organized a "Meals on Wheels" program to distribute warm meals to those unable to cook for themselves, and has aided in organizing a Big Brother program.

The Rotary Foundation, supported by individual Rotarians and others, sponsors a program of educational awards for overseas study by college students, technicians and teachers of the handicapped. Last year 700 awards totaling $3,400,000 were given. A group study exchange program also enables teams of young business and professional men to study business and social customs in other countries.

"MY RESPONSIBILITY AS A CITIZEN"—28TH ANNUAL VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM, 1974–75

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ROSE. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conducts a Voice of Democracy Contest. This year nearly 500,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as the top prizes. The contest theme was "My Responsibility as a Citizen." Winner of the contest from my State of North Carolina is Laurie Anne Nicholson, 133 Whiteoak Drive, Wilmington, N.C.

Mr. Speaker, at this time I would like to insert in the RECORD the text of Ms. Nicholson's speech:

MY RESPONSIBILITY AS A CITIZEN

(By Laurie Anne Nicholson)

I am an American, an inhabitant of the Land of the Free and the Home of the Brave. I am an heir to a priceless gift—democracy.

I have grown up in an era when war was not a household word, when I was not expected to proudly display stars in my window for a brother in service. I was never asked to contribute scrap metal to the cause, and I never knit any socks for soldiers. I have grown up through a decade of Viet Nam. The enemy we fought was not in our backyard and consequently I heard little of dictatorship, or loss of freedom, or of being persecuted for my religious persuasion. I did hear about those who wished to fill my mind with lies, but it all seemed so terribly far away that I never worried about it—until I thought about it all.

As a knowing first grader I found my first realization of national terror. The President had been shot, and eleven years later I can still remember every detail. It was this same year that I stood every morning hand over heart and recited the Pledge of Allegiance, and every Friday afternoon sang in a lilting first grade voice The National Anthem. But how much did I realize then? Freedom and all its symbolic terms in the pledge and the anthem were not striking throughts that caused me to bow my head in thanks. Freedom was omnipresent, and I, like any other product of a world of band aids and Barbie dolls, accepted it.

Today I realize that the rights and responsibilities of my citizenship are not so casual as I once assumed. As an American citizen, I am both the ruler and the ruled. I directly affect myself with my choice of candidates and issues in public affairs. I must choose well qualified, capable public officials in order to insure a high standard of American government. These officials will hold my very life in their hands, and I want the hands to be sure and steady. If I am pleased with a statesman's work, I must commend him, and if dissatisfied, let him know why. Representation can work for the public only if the public works with the representation.

Most Americans feel that their voice will go unheard, so they ignore the right to express their views by direct vote or by contact with their representatives. All views count. America was not created for the rich or the poor, the socially oppressed or uplifted. America was created for equal opportunity and representation, but it cannot happen without my work and that of my fellow citizens. Every member of the magnitude is an integral part of our nation.

Patriotism is a trait instilled from birth, but it takes living examples of patriotism to truly teach it. I feel responsible to be one of these living examples. I must show my reverence to our flag and all the other symbols of our country, not because it is the thing to do, but because I believe in all these things and what they stand for.

I care for my country and all its proud pageantry, and if I am an anachronism I am a happy one. I shall show reverence for my country and all her symbols as long as I live.

I will someday be responsible for the civic training of my children, and I hope that I can guide them to the right decisions. Pride and dedication to our country are essential to her continued success as a more perfect union. My responsibility is to make it a *most* perfect Union!

ENDING EMPLOYMENT DISCRIMINATION BASED ON AGE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EILBERG. Mr. Speaker, on the tnreshold of our Nation's 200th year, I am proud to say that we have outlawed discrimination based on national origin. religion, race, and sex. But one of the most insidious forms of discrimination. one which will eventually affect us all, still remains; that is. discrimination against age.

Reaching a 65th birthday has forced many capable and ambitious men and women to leave their occupations or has prohibited them from securing a new job or productive employment in their mature years.

I believe this age discrimination is an injustice to millions of people in the United States. For this reason, I plan to cosponsor legislation which would make discrimination in employment based solely on advancing years illegal. This measure would outlaw mandatory retirement at a predetermined age.

What would happen if a mandatory retired age of 65 was suddenly imposed on Capitol Hill? First of all, six of our Supreme Court Justices would have to retire. Many of our dedicated and extremely knowledgeable colleagues in the House and Senate would be forced to dismissal by the end of the year. Congress does not have a mandatory retirement age because we know that there are several other factors which determine fitness for public office. Why do not we apply this same rationale to all other Americans as they approach age 65?

For too long we have disregarded the needs of our older citizens. We easily forget that these men and women have been the backbone of our society, and it is their contributions which have made this Nation foremost in the world.

Life does not end at 65. For many it is the prime of life. Today the average life expectancy is 71.3 years of age which means that many Americans may live productive, fruitful lives beyond this point. Why, then, should we dismiss them from employment with lame excuses such as physical or mental incompetence?

Thousands of men and women have made most of their important contributions to mankind in their post-65 years due to experience, expertise and hindsight. They are not ready to be put to pasture.

Many of our older citizens dread the thought of reaching their 65th birthday. Who can blame them when all there is to look forward to is a fixed income barely covering necessities or a gloomy nursing home where they are doomed to die. The American Medical Society has charged that forced retirement often leads to "physical and emotional illness and premature death." The forced retiree often suffers a shortened life span, depression, low morale, wasted talent and productivity, and loss of income.

Mr. Speaker, on the eve of this country's Bicentennial, let us turn a new leaf

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and extend a hand to our older Americans. Tell them that their skill and experience is sorely needed at a time when we are learning to conserve our limited resources. We will all know a richer America for it.

H.R. 2589

A bill to terminate age discrimination in employment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12 of the Age Discrimination in Employment Act of 1967 is amended by striking everything after the word "age" and inserting a period.

SNITZ 'N PIG

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. FLOWERS. Mr. Speaker, I would like to take this opportunity to congratulate two of my good friends and constituents from Bessemer, Ala., on their recent induction into the Alabama Sports Hall of Fame.

One of them—Frank "Pig" House—is known to baseball fans across the country. For many years he was an outstanding catcher for the Detroit Tigers.

The other is Euil "Snitz" Snider. He was a member of the 1928 Olympic track team and coached football many years at Bessemer High School.

Both of these gentlemen have time and time again proven themselves worthy citizens of their community and State and have made outstanding contributions to our sports life. They richly deserve their latest honors.

I would like to share with you an editorial about them which appeared in the Bessemer News, edited by Roger Thames:

SNITZ 'N PIG

Citizens of Bessemer might well feel pride in the fact that two of the eight inductees into the Alabama Sports Hall of Fame in Birmingham Friday night were Bessemer men.

Solid citizens, both, both still serving the city and state they love.

Euil (Snitz) Snider, who put Bessemer on the map back in 1928 when he was on the United States Olympic track team, and Frank (Pig) House, who put the city on sports pages across the nation when the Detroit Tigers signed him to a baseball contract, for a bonus of $67,500 (then unheard-of) as soon as Pig graduated from Bessemer High School.

It is sort of fitting that Snider and House enter the august company of the Hall of Fame together, for Snider was House's coach and, according to Pig, had a tremendous influence on his subsequent life and career.

As a coach who brought five state championship trophies to Bessemer High School's case, Snider was a strict disciplinarian and strong believer in physical fitness of the boys who played on his teams.

One Snider alumnus of our acquaintance told us that "If Coach Snider told me to get on my hands and knees and eat grass of the ground, I'da done it."

House not only was the outstanding baseball player Detroit paid for, he also was an all-state half-back on the football team.

And therein lies a tale House likes to tell.

One spring, House was invited to some gathering of outstanding high school baseball players in Pennsylvania. Snider told him to stay here and report for spring football practice,

"I figured I was too valuable to the football team to have to make spring practice," House says, "so I went to Pennsylvania.

"And I sat that next football season out. I wasn't allowed on the practice field. That gentleman (Snider) made me watch all of the next season's football games from the stands—and I had to pay my way in, on top of that."

Snitz Snider became legendary as Bessemer's Tiger football coach, and many of his teams won against those representing much larger schools.

"You may have better material than Snider has," the coach of one Birmingham high school once told us, "but he'll beat you on conditioning."

The accomplishments of both Coach Snider and House have been pretty thoroughly related in the daily press—and few in Bessemer need reminding of those of either.

We think the citizens of Bessemer are proud of both these fine men, and were proud of them before this latest honor—perhaps the highest for each—came their way.

And we think we speak for the citizens of our city when we add our most hearty congratulations to both.

ESTONIAN INDEPENDENCE DAY—1975

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BIAGGI. Mr. Speaker, it is again my privilege and honor to participate in the annual celebration of Estonian Independence Day. Yet while this may be the 57th anniversary of this date, it is sad to note that for more than one-half of these years, independence has been but a dream for the people of Estonia, for they remain under the arbitrary rule of the Soviet Union.

The pill of Russian rule has been a particularly hard one for the freedom-loving people of Estonia to swallow. During their days of freedom the nation and people of Estonia had flourished enjoying economic prosperity and social tranquillity. Yet in the years since they were overrun by the Russians their life have ben characterized by economic regression as well as social, religious, and political oppression and the future looks none too bright.

We must look to the Soviet Union for the blame in the shameless state of Estonia today. Despite their seeming desire to better relations with the United States through détente, it is apparent that our two nations are still miles apart in our concepts about the rights of all men to be free. The Soviets control millions of people even today. Most of them look to détent as their first real hope for emancipation. However, unless the United States asserts to the Soviets our belief in the right of self-determination for all men, détente will be a tragic failure to the people of Estonia.

I extend to the people of Estonia as well as the Estonian-American community in the United States my best wishes on this day and my fervent pledge to continue my work in the Congress to insure that freedom and dignity may be returned to Estonia.

AVIATION TREATED UNFAIRLY IN PRESIDENT'S BUDGET

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GOLDWATER. Mr. Speaker, my initial review of the administration's budget, as it pertains to the Nation's airport/airway system, has dismayed me.

The Office of Management and Budget has again forwarded some of the same ill-conceived and misinformed ideas that were presented last year for dunding the airport/airway system. While I certainly support the concept and practice that users of the system should pay part of the cost, I also believe a share of the cost should be borne publicly, because all people benefit from the national air transportation system.

The House Committee on Public Works and Transportation, as well as other committees will be taking a critical look at the President's proposals for restructuring the airport system. It must be remembered that this system is an integral part of our overall national transportation system. Although I do support an overall reduction of Federal spending, we must be certain we continue to have a safe, efficient airport/airway system.

Specifically, the proposal to levy $88 million in departure fees on general aviation at control tower airports makes no sense. General aviation is currently contributing to the aviation trust fund through fuel taxes and annual registration and user fees. This tax is working well and is generally accepted. The departure fee at FAA control towers proposal will not only add an unfair burden to general aviation operations, but introduces some questions regarding safety. Also, the tax itself will be costly to collect, and I understand it will be the responsibility of the airport operator to collect this fee.

The indisputable fact that this departure fee will hurt general aviation has been recognized by the administration, as current fuel taxes will be reduced by $4 million due to a reduction in flying. It makes no sense to levy a new tax which will, in effect, deal a crippling blow to a now-viable industry.

Many questions concerning the use of the trust fund must be answered, and soon: What will be done with uncommitted funds? Are trust fund moneys being spent wisely and has aviation safety benefited in comparison with amounts spent on safety? How efficiently has the FAA fulfilled the Airport and Airway Development Act of 1970?

We may not like all the answers to these questions, but the Congress must act as principal guardian to the law it enacted. In my view, the program has no clear direction at the present time. Spending authority must be renewed before it expires in mid-1975, and I hope Congress will schedule necessary hearings as soon as possible. There issues are much too complex for cursory or hasty examination.

General aviation plays a vital part in our entire transportation system. The industry employs 250,000 people in manufacturing, sales service, flight instruction, agricultural operations, and business flight departments. Approximately 90 million people a year are transported in intercity travel.

I am confident the Congress will not enact charges which are detrimental to the vitality or safety of industry, or the people who use it.

FOREIGN AID PROGRAM

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. SPENCE. Mr. Speaker, debates concerning the extent and nature of our foreign aid program have constantly engendered extensive controversies in the Congress. In recent months the United States has suffered from sometimes abusive assaults by the so-called developing nations for not increasing substantially the extent of our aid. Rather than becoming self-reliant through the billions of dollars we have already granted, many countries have simply regarded our asistance as a seemingly permanent prop for their own inefficient economic systems.

Nonetheless, our foreign aid program has been the most generous in the world. A comparison of our program and those of other Western nations, with those of the Communist bloc nations, is especially revealing. A recent statement issued by Dr. J. G. Todenhofer, the spokesman for the Christian Democratic Union and Christian Social Union parties, revealed quite graphically the contrast between aid programs of the Communist and Western nations. He finds that:

Commitments by the Western industrial nations amounted to nearly 13 billion U.S. dollars in 1973, i.e., 8½ times as much as the Communist sum.

The figures do not relate directly to ability to pay either. Dr. Todenhofer points out that the Soviet Union, for example, devotes only .15 percent of their GNP to aid. This is just half of the .3 percent which Western industrial nations contribute. Also, he noted that Communist bloc aid has dropped from $1.8 billion in 1971 to $1.5 billion in 1973.

Moreover, Dr. Todenhofer finds that the Communist aid program has grown in recent years only in obviously politically motivated areas that serve Soviet geopolitical interests quite directly. The Communist nations now have 44,000 "experts" working in other countries with over half of them from Red China. Similarly, they have increased by 30 percent the number of foreign students studying at Soviet and East European universities.

Finally, Dr. Todenhofer observes that:

Communist military aid to the developing countries continues to play a major part. Soviet military aid alone given to the Third World amounted to $1.240 billion U.S. dollars in 1973, that is more than 1½ times as much as Soviet development aid, as American statistics have shown.

The statement by this spokesman for the CDU/CSU coalition in Germany presents an excellent overview of the comparative status of the aid programs of the Communist and Western worlds, and thereby provides a valuable perspective from which to judge the nature of our own program. I therefore request unanimous consent that the following excerpts from the statement of Dr. Todenhofer be placed in the RECORD at this point:

EXCERPTS FROM A STATEMENT BY DR. J. G. TODENHOFER

Largely unnoticed by the world public, the Communist nations gradually reduced their never more than modest contributions to the developing world in the course of the past few years. The Soviet Union and the East European nations in particular have decreased their development aid, curbing their budgets for the Third and Fourth World from year to year.

According to American statistics—for good reason Communist governments do not publish figures on their development aid—the development funds by the Soviet Union, the East European countries, and the People's Republic of China together amounted to only 1.5 billion U.S. dollars in 1973 compared to 1.7 billion dollars in 1972 and 1.8 billion in 1971. Commitments by the Western industrial nations amounted to nearly 13 billion U.S. dollars in 1973, i.e. 8½ times as much as the Communist sum.

Similar proportions result from a comparison of the effective development payments if measured against the economic productivity, i.e. the various GNP's. The effective contributions by the Soviet Union (i.e. actual payments minus repayments) dropped from 870 million U.S. dollars to 700 million in the years 1970–1973 in spite of world-wide currency devaluation. That is 6.15% of the Soviet GNP in 1973, i.e. half of the average effective development bid from the Western industrial nations in 1973 (0.5% of their GNP).

Communist development aid continues to be dominated by political considerations. Only the Western industrial nations take the demand seriously that development aid should not be used either for foreign policy or for foreign economic objectives. The development policy of the Communist nations follows a different concept which differs from that of the Western nations on the following main counts:

a. Main emphasis of Communist development aid continues to be on "training support". The dispatching of Communist "experts" into the developing nations was stepped up by a surprising 12 percent rate in 1973 as compared to 1972, in spite of overall reductions in development contributions. 44,000 "experts" of various kinds from the Communist nations were active in the developing nations in 1973, more than half of them from Red China. The number of students from the developing countries studying at universities of the Communist states also increased. 26,300 young people received scholarships in 1973. The universities of the Soviet Union and the East European states admitted 30% more students in 1973 than they had the year before.

b. The Communist countries support only government-owned enterprises. By subsidizing public economic operations and consistently neglecting private enterprises, they aim at influencing the economic constitution of the developing countries and establishing a state-controlled economy shaped after the socialist system—even in those areas where economic failures by the public authorities are already weighing heavily on the efficacy of the national economic system.

c. Communist credit aid overtly follows selfish economic interests. It is strictly tied to goods deliveries. The developing countries are obliged to buy goods from the Communist states. They cannot side-step them by purchasing goods more cheaply on the world market. Frequently, the developing countries, instead of repaying these credits in terms of currency, have to commit themselves to deliver goods that the Communist nations are interested in. The development aid programs thus become an important instrument for meeting domestic needs.

d. The development aid by the East bloc nations continues to be based on tough conditions. The proportion of free aid is but small. Their credit conditions are stricter than those of the Western industrial countries. Soviet development credits are usually limited to 12 years at 2.5 to 3 percent interest rates and provide for just one free year after a project has been put into operation. German standard conditions for capital loans provide for 30 year periods, 10 free years and 2 percent interest.

e. Communist military aid to the developing countries continues to play a major part Soviet military aid alone given to the Third World amounted to 1.240 billion U.S. dollars in 1973, that is more than 1½ times as much as Soviet development aid, as American statistics have shown.

These particularities of Communist development policy should be borne in mind in connection with considerations of a closer development-political cooperation with the Communist states. Experience shows that such cooperation is closely restricted due to the difference in concepts. It also shows that the main interest of the Communist states regarding such projects of cooperation is in having their development projects financed by the Federal Republic of Germany and their balance of payments situation improved. They are less interested in a genuine and permanent cooperation in the setup and management of individual projects in the developing nations as is the custom in joint projects of the Western industrial countries

German development policy should therefore be guided by the following principles in regard to a cooperation with Communist states:

1. The German government should impress upon the Communist nations the need to step up their financial aid and see to it that the development burdens are more equitably shared between East and West. The Soviet Union in particular has to make a greater contribution to international detente by increasing its development aid. It is not right for the Western countries to provide the funds while the Eastern nations provide development theories.

2. The question whether a development-political cooperation with Communist countries (or a certain project is sensible or not, should be based exclusively on its benefit for the developing country concerned There is no justification for the Federal Republic of Germany to finance cooperative projects which only serve to let the Communist nations benefit from convertible currency. The Federal Republic must not assume the role of banker for Soviet development projects. Cooperation projects that are financed exclusively by the Federal Republic of Germany do not deserve that label.

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EVANS INTRODUCES BILL TO STUDY IMPACT OF INFLATION ON INDIVIDUALS' TAX BILLS

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. EVANS of Indiana. Mr. Speaker, the Joint Economic Committee recently released a most significant report which concluded that higher tax payments outstripped all other price increases in the consumer's budget.

The committee also concluded that an increase in the tax burden of 1 percentage point in 1974 reinforced the decline in economic activity.

From our present vantage point of hindsight, 1974 is turning out to have been a very odd year. While the previous year, 1973, saw sharp food price increases which were especially felt by low-income families, in 1974 transportation and housing costs, which account for a large share of the incomes of middle- and high-income families, increased more than the average of all price increases.

According to the committee's report, the cost of living rose about 14 percent for the low-income family, and 14.5 percent for the middle-income family. The average family with an income of $12,626 in 1973 needed an additional $1,804, or $14,466 in 1974 just to maintain its 1973 living standards.

The report contained another interesting statistic. For the family with an income of $14,466 last year, social security taxes rose 21.6 percent, and personal income taxes increased by 26.5 percent.

These increases in taxes compare with 11.9 percent for food, 13.5 percent for housing, and 14.3 percent for transportation.

Incomes were also on the rise, though not at as fast a pace. Consequently, some taxpayers were pushed into higher tax brackets with greater tax liabilities. Those who were not so affected were the very wealthy. For example, a family earning $50,000 could add an additional 12 percent to its income, without moving into a higher bracket. But for the majority of taxpayers, this break was not available.

The rising income trend is being countered by increased unemployment. Three-fourths of the decrease in total employment of 640,000 occurred in jobs last held by adult men. Most of these men were presumably prime earners in their households. This group alone had an unemployment rate of 6 percent.

Average weekly work hours also dedecreased. The average work week dropped from 46.4 hours to 36.1 hours in jobs outside of government and agriculture.

Blue-collar workers were hit hardest of all. Their unemployment rate went from 9.3 percent in December to 11 percent in January 1975. Even the White House wizards were taken by surprise, although the severity of the unemployment statistics does not seem to have sunk in yet.

Inflation has reduced the spending power of those who are employed and simultaneously is pushing them into higher tax brackets, and the unemployed are also, for obvious reasons, are facing severe cash problems.

Only the very wealthy are able to win this one.

As the percentage of income paid in taxes climbs due to inflation, low- and middle-income families are being squeezed harder to make ends meet. A one-time tax rebate is not going to help anyone over the long term. Therefore, I am introducing today legislation to direct the Secretary of the Treasury to conduct a study of the impact of inflation on the tax liabilities of low- and moderate-income families. A substantive tax reform measure is what we need, and such reform must include provisions for including an inflation factor in the income tax system. I am hopeful that the information provided by the study I am proposing will provide the necessary background information.

I am inserting below an article on this which appeared in the Indianapolis Star on February 2, 1975, as well as the text of the bill:

H.R. 3840

A bill to direct the Secretary of the Treasury to study the increased tax burden on low and moderate income individuals resulting from the effect of inflation on the existing Federal income tax structure

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury, in consultation with the Secretary of Labor, shall conduct a study of how inflation, as measured by increases in the Consumer Price Index prepared by the Department of Labor, has increased the Federal income tax liabilities of certain individuals even though the real incomes of such individuals, when measured in terms of the power to purchase goods and services, have not increased. Such study shall include an examination of legislative proposals designed to offset the increased Federal income tax liabilities of certain individuals which are attributable to the impact of inflation.

(b) Not later than January 1, 1976, the Secretary of the Treasury shall submit to Congress a detailed statement of the results of the study conducted under subsection (a), together with recommendations for such legislation as he deems advisable.

TAX COLLECTOR HAS A SILENT PARTNER ON HIS WAY UP

(By John H. Lyst)

As some amount of inflation is virtually inevitable no matter what the future holds, eventual pressure will hopefully build for an adjustment of taxes for inflation.

The pressure will come from the people, not the government. Politicians have always liked more inflation than their unsuspecting public would think simply because it is a wonderful device for raising new money without the political risks of raising taxes.

But as increasing attention is focused on fiscal responsibility, a growing number of people are going to learn why inflation has been called such things as "the cruelest tax" and the "taxman's favorite pickpocket."

Inflation works strange magic on both personal and business income taxes.

For many individuals it is a chief hidden contributor to that puzzle of earning more but having less.

The cost of taxes never has been figured in the Cost of Living Index, yet it can be argued that it should be a major component.

With an income tax system where the rates become progressively higher with rising income, inflation does more than just raise the price of goods and services. It raises taxes, too. And it also changes the way the tax system is supposed to work.

"All this goes largely unnoticed," observes First National City Bank in its January Monthly Economic Letter, "because it happens without any explicit changes in the tax laws."

"The progressive structure of the individual income tax assures that as incomes rise during a time of inflation, the average rate of tax paid by most taxpayers goes up," notes the bank. "In other words tax bills don't just rise as fast as inflation—they actually rise faster."

"The size of the personal exemptions, the standard deduction and the low-income allowance all are fixed in amount. So, as money incomes increase because of inflation, there's a concurrent rise in the taxable percentage of an individual's income.

"Moreover, the widths of the tax-rate brackets are fixed, so that inflationary increases in income push taxpayers into new tax brackets where higher tax rates apply.

"Finally, inflation increases the monetary value of property even if it does not increase its real value. If this property is sold, capital-gains taxes are based on the increase in money value, not the smaller increase in real value."

The last effect on property may not be felt by everybody, the bank points out, but the first two effects are universal.

"Not only does inflation increase the tax burden, but it tends to do so in a way that violates the standards of equity espoused by most tax reformers," the bank continues.

"Percentage increases in taxes are greatest for taxpayers with low incomes who began the period of inflation with no tax bills or very small ones. Even though much or all of their increases in money incomes represents inflation, it is taxed because the exemption and standard deduction don't increase.

"So the percentage of income paid in tax would climb even if purchasing power does not."

The total effect of the way inflation distorts income tax is that the tax, intended to be progressive, becomes regressive.

The present hidden effect of inflation on taxes also makes it difficult for the public to figure out where to apply pressure to stop inflation.

Says First National City:

"Few people appreciate how inflation acts as a silent partner to the tax collector. Instead, they tend to place the blame for inflation on the merchants who must raise prices when inflation pushes up their costs.

"If the public were better informed of just how much taxes are rising because of inflation, they might direct more of their righteous wrath at the government officials who control the sources of inflation."

First National City suggests that a government agency be directed to compute and announce just how inflation and the progressive individual income tax combine each year to increase average effective tax rates for typical taxpayers in various tax brackets.

"The procedures," says the bank, "just might provide additional incentives to policymakers to make sure that inflation does not again reach the dismaying proportions of 1973–74."

NURSING HOMES OF ALABAMA DESERVE PRAISE

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DICKINSON. Mr. Speaker, Mr. G. Dale Sasser, administrator of the Luverne Geriatric Center, Inc., in Luverne, Ala., has written a letter to John Chancellor in reference to a feature on the NBC Nightly News on February 19, 1975, concerning nursing homes.

Mr. Sasser points out that the program put all nursing home facilities in a bad light and did not bother to focus attention on any of the facilities which deserve praise for their excellent services. Alabama senior citizen care has always enjoyed a very good reputation, and I believe it would be appropriate to include Mr. Sasser's letter in the RECORD at this time in order to rebut some of the ill effects of this news show. Mr. Sasser has made his case eloquently:

LUVERNE GERIATRIC CENTER, INC.,
Luverne, Ala., February 20, 1975.

JOHN CHANCELLOR,
NBC Nightly News,
New York, N.Y.

DEAR SIR: On your nightly news program of February 19, 1975, you and your correspondents did a feature on Nursing Homes which was in very bad taste. What we have tried to build as a health care facility and a place for our senior citizens to live with dignity and respect took a dramatic back slide.

Senior citizens already have a horror of what nursing home life will be without you adding fuel to the fire. I don't know what nursing homes are like in the great state of New York, but I do know that the Luverne Geriatric Center is a fantastic place for our older population. As a former hospital supply sales representative, I visited almost every nursing care facility in Alabama and the picture of desolate and under cared for people that your program reviewed last night is not the true picture in Alabama. We have a minimum of four inspections per year from various departments of the State of Alabama which insure excellent care and physical well-being of our residents. Maybe the great State of New York's facilities are owned and operated by "crooks" but you should have given the whole picture of the situation. You exemplified one state and twisted the facts to include every State and facility in our nation. Maybe our guidelines are much stiffer in Alabama, but we do care for our aged and crippled in a way that they are as mentally happy as possible.

At this facility and I suppose every facility in Alabama—you will find more than adequate personnel to care for our residents. You will find an Activity Director who works full time including every resident in some meaningful activity which he/she will enjoy. Our Doctors are human and would not stand for the gross neglect that you pictured on the Nightly News. You will find all personnel in my facility and most every facility in Alabama with an attitude different from the one you portrayed—They care and we care. We also, as do most facilities in Alabama, employe a Social Services Consultant, an Activities Director Consultant, a Dietary Consultant, Administrative Consultant, and the State of Alabama has numerous other personnel to whom we may turn with specific and general problems of any nature.

I certainly wish you and your people at NBC would not lump all problems into one and come out with one solution to all. The only problem that we do have is money—not enough to meet the State of Alabama's guidelines for a safe and secure physical facility and as well as to employe adequate nursing personnel and medical directors.

We have come a long way in Alabama, but our years of progress can be thrown back to the Dark Ages with reports as you presented last night. Please research the problem areas more thoroughly before classifying our great humane facilities to the one represented in one State namely New York.

Thank you for your patience and understanding. We look forward to hearing some Good News about nursing care facilities on NBC's Nightly News in the very near future.

Sincerely,

G. DALE SASSER,
Administrator.

WOMEN IN COMMUNITY SERVICE SUPPORT EXPANDED JOB CORPS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HAWKINS. Mr. Speaker, I would like to share with my colleagues my appreciation for a dynamic national organization called WICS or Women in Community Service.

Women in Community Service, a coalition of volunteers representing the many faiths, races, and ethnic groups in our Nation, has worked for the past 10 years on programs of community welfare to combat poverty in the United States.

Incorporated in December 1964 by members of four of the largest women's groups in the country, including Church Women United and the National Councils of the Catholic, Jewish and Negro women, the coalition was later joined by the American GI Forum Auxiliary and the League of United Latin American Citizens. Together these organizations represent more than 27 million women.

WICS volunteers have given over 7.5 million hours of work without compensation to help young women from the poverty areas of the country. They have recruited and screened more than 53,500 acceptable applicants for the Job Corps and they have interviewed, referred to other programs or provided needed assistance for more than 242,500 others. They have organized literacy classes, taught homemaking and child care, and tutored girls in basic school subjects. They have introduced young women to the world of work and helped them find suitable low-cost housing. They have placed many in jobs and have provided advice, encouragement, and friendship during periods of anxiety, financial stress, or personal misfortunes. More than all this—working across racial, religious, and cultural lines, they have helped to eliminate these artificial barriers.

Last month the board of directors of Women in Community Service met in Kansas City. Having considered the Nation's unemployment and inflation rates which had spiraled to new heights, and the unemployment rate for youth which is higher than that for any other segment of the population, the board expressed grave concern for young women in poverty in this period of national crisis, and noted the following:

The phenomenon of rising unemployment and galloping inflation foreshadows great hardships for all segments in our population, but particularly for those already economically deprived.

Some measures under consideration, such as severe reductions in our federal budget and "belt tightening" by individual citizens, offer no relief to the poor but rather victimize them even more severely.

To alleviate the plight of the poor and reduce the economic crisis facing our Nation today, emphasis must be placed on the development of employment opportunities. The Comprehensive Employment and Training Act program, signed into law by President Ford recently, is not sufficient to reduce unemployment which is now reaching alarming proportions. The funds appropriated are insufficient to provide employment for our younger workers, especially young women, among whom the rate of unemployment is the highest.

In order to conserve and develop our human resources, the greatest asset this country possesses, the Nation must provide effective and adequate programs. The Job Corps is among the more creative in constructive programs for young people.

We urge our Government to increase greatly the Job Corps program as a means of giving hope to the young people to develop their potential.

Mr. Speaker, I support the views of W.I.C. on the issue of expanding the Job Corps. I hope that my colleagues will also support such an effort when they study the issues in this matter.

U.D.C.'S FINANCIAL WOES SIGNAL PROBLEMS FOR AMERICA'S SECURITY MARKET

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. SOLARZ. Mr. Speaker, in recent days the Nation's financial world has been severely shaken by the revelation that the New York State Urban Development Corp.—UDC—is headed for bankruptcy, sparked by its inability to meet $104.5 million in payments due earlier in the week. This multimillion dollar housing and community development agency—which has some 65 projects currently underway, employing approximately 8,000 workers—is also faced with other equally severe difficulties. Its other financial commitments include $30 million in short-term notes which will fall due within the near future, $370 million required to complete programs already in progress, and an annual debt-service payment of $80 million on its $1.1 billion in outstanding bonds.

What is particularly troubling, however, is that the bonds on which the UDC has defaulted were not guaranteed, that is, they are not backed by New York State's "full faith and credit" but simply on the basis of some vague "moral obligation" of the State to support them. As a consequence, major New York banks have failed to aid the agency and the Federal Reserve System refused Governor Careys request to provide emergency aid. Late last night the New York State legislature enacted legislation to implement the Governor's proposal to create a new project finance agency to bail out the UDC. However, this body does not yet have the necessary wherewithall to effectively aid the rapidly-sinking UDC.

When viewed in the broader perspective, Mr. Speaker, it is important to realize that the UDC's failure is not just a New York State problem but one which has nationwide ramifications. The Library of Congress has informed me, for

example, that at the end of fiscal year 1973 the total outstanding debt of State and local government throughout the country amounted to almost $60 billion. Of this amount, just about half—approximately $28 billion—is in long-term obligations which are not guaranteed. They are, in other words, in the same basic form as those notes on which the UDC had defaulted. What is especially troubling to me, therefore, is that what happened in New York could very well happen elsewhere. I am most fearful that a crisis of confidence in bond markets throughout the nation could ensue, with catastrophic consequences, not only for Americans who hold such notes but for State and local governments around the country which may no longer be able to sell revenue-raising bonds.

Because of this critical situation, I have called upon the very able chairman of the House Banking, Currency, and Housing Committee to undertake an immediate and thorough investigation of this whole situation with a view toward finding out exactly what happened and what steps can be taken to prevent similar problems in the future. Clearly, some action must be taken at the Federal level to prevent future failures similar to those experienced by the UDC. I am hopeful the House banking panel will take prompt action on this difficult and complex problem and that it will come up with some workable solutions.

Mr. Speaker, I present herewith, for inclusion in the RECORD, a copy of a letter I addressed to Chairman REUSS and a very timely and perceptive editorial on the UDC failure which appeared in this morning's New York Times:

HOUSE OF REPRESENTATIVES,
February 27, 1975.

Hon. HENRY S. REUSS,
Chairman, Committee on Banking, Currency and Housing, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: As you may know, it has been revealed that the New York State Urban Development Corporation (UDC) faces the very distinct possibility of going into bankruptcy because of its inability to pay $104.5 million in bond anticipation notes. As a consequence, this multi-million dollar state agency is on the verge of financial collapse.

Although Governor Carey proposed the creation of another agency to assist the UDC in meeting its financial obligations, and the New York State Legislature, last night, passed a measure establishing the Project Finance Agency, I fear irreparable damage has already been done. Clearly, the very foundation of the UDC has been severely undermined. This situation is exacerbated by the fact that the agency's other commitments include $30 million in short-term notes which are due shortly, $370 million required to finish construction already in progress and $80 million in annual debt-service payments on its $1.1 billion of outstanding bonds. Indeed, some contractors have already pulled their workers off UDC projects for fear they will not be paid.

Not only will this most unfortunate situation drastically affect the State of New York but I fear that it may very well have nationwide repercussions as well. This is particularly true when you consider that the total outstanding debt of the state and local governments throughout the country is almost $60 billion, of which almost half is in non-guaranteed long-term notes similar to those on which the UDC has defaulted. I believe that the failure of a major state agency to meet its financial obligations—reportedly the first statewide agency in New York in modern history to default on its payments—could very well engender a collapse of confidence in bond markets throughout the country.

In light of the potential ramifications of this development on the nation's economy and securities structure, I urge that your committee undertake an immediate and penetrating investigation into the causes underlying the UDC's collapse with a view toward determining what can be done on the Federal level to prevent such failures in the future. In my view, the collapse of the UDC raises serious questions as to the value and viability of the billions of dollars worth of other non-guaranteed debts owed by state and local governments throughout the country. Accordingly, we should ascertain what safeguards can and should be developed to protect not only the holders of such notes but the capacity of state and local governments to issue revenue-raising bonds in the future.

I believe the gravity of this situation warrants a complete and exhaustive study by the Banking, Currency and Housing Committee and the development of appropriate legislative remedies. I am hopeful, therefore, that you will give my request your fullest and most careful consideration.

Sincerely,

STEPHEN J. SOLARZ,
Member of Congress.

[From the New York Times, Feb. 27, 1975]

A "MORAL OBLIGATION"

In establishing a new state funding agency to bail out the overextended Urban Development Corporation, but without providing new state funds for either the U.D.C. or the new agency, Governor Carey and the Legislature have circumvented the basic issue raised by the U.D.C.'s threatened bankruptcy. That is the question of the state's readiness to back up with hard cash the "moral obligation" which was the basis of the public's acceptance of $1.1 billion in U.D.C. bonds, to say nothing of $9 billion in similar bonding by other New York State agencies.

The new Project Finance Agency is a complex and ingenious fiscal device which could prove helpful in solving the U.D.C.'s long-term funding problems. The Governor argues that the new agency can issue bonds that will be more attractive to investors because they will be secured in part by income from specific U.D.C. projects, presumably those with the most revenue-producing potential.

Nevertheless, the saleability of the new bonds, like those of U.D.C., depends on public confidence in the reliability of the state's "moral obligation" backing. Unfortunately, the integrity of that commitment has been thrown into some question by the failure of U.D.C. to meet $104.5 million in notes which fell due Tuesday. It is not enhanced by the Governor's refusal to ask the Legislature immediately to fund the state's share in the new Project Finance Agency, which he estimated at approximately $260 million over the next two years.

Governor Carey insists that he will meet this commitment, but only after the banks show a willingness to buy some $370 million in bonds of the new agency. The banks so far have refused to go along, unwilling to risk additional funds on "moral obligation" bonds until it has been clearly demonstrated that the state is prepared to meet its obligations when they are put to the test. The "moral obligation" pledge, initiated by former Governor Rockefeller at the suggestion of former Attorney General John Mitchell (then a private lawyer and bond expert) to circumvent a constitutional ban on state borrowing without voter approval, is a dubious device in any case. But a commitment has been made in the name of the State of New York by both Governor and Legislature and that commitment must be honored.

Bailing out U.D.C. will be costly and painful, especially in light of current budgetary problems. But failing to pay the price would be even more costly in terms of lost housing, lost jobs and, above all, compromised credibility of the State of New York.

THE WRONG ROAD TO REALITY

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. NEDZI. Mr. Speaker, in the course of the long, steady slide in our Nation's economy one thing seems to have remained consistent—the inaccuracy of the administration's economic forecast.

Under leave to extend my remarks in the RECORD I set forth below an account of what was predicted and what actually happened, as printed in the Washington Star on February 24, 1975:

THE MISFORECASTING OF THE ECONOMY—THE WRONG ROAD TO REALITY

(By R. Gregory Nokes)

Administration economic forecasts during the past two years were off the mark at virtually every turn on the tortuous downhill path taken by the nation's economy.

Inflation would come down, unemployment would stay down and a recession would be avoided—these were the almost-unanimous predictions of the Nixon and Ford administrations for many months.

They saw lights at the end of the tunnel, soft landings and sideways waffling. But only in the last few months has any progress been made against still-serious inflation, while unemployment and recession continue to worsen.

"With all of our sophisticated techniques, and they are very sophisticated, the extent of our current decline was not projected as recently as a few months ago," Chairman Alan Greenspan of the President's Council of Economic Advisers said recently.

Most advisers readily admit their past mistakes. They also don't promise they'll do any better in the future.

"The uncertainties are so great at the present time that the projections ... are subject to an unusually wide margin of error," said President Ford's Feb. 4 economic report to Congress.

The errors of past forecasts have caused Sen. Hubert H. Humphrey, D-Minn., for one, to question whether they may have led to wrong economic policies that only made economic conditions worse.

Treasury Secretary William E. Simon and other administration advisers counter that economic policy remained constantly flexible and subject to change to meet changing circumstances.

Here is an account of what was predicted, how the predictions changed, and what actually happened:

RECESSION

Jan. 30, 1974—"There will be no recession in the United States of America," former President Richard M. Nixon said in his State of the Union address to Congress.

May 10—"We expect a good recovery of the economy in the second half of 1974 . . .," Herbert Stein, former chairman of the Council of Economic Advisers, told a congressional committee.

July 18—"I consider the term recession too severe to describe the energy crisis spasm through which we just passed," Secretary of Commerce Frederick Dent told newsmen.

Oct. 9—"I do not think the United States is in a recession. We do have economic problems, but it is a very mixed situation," Ford said at a news conference.

Oct. 23—"Let's call a spade a spade. I think we are probably in the early stages of what could turn out to be a V-type recession," economist Paul McCracken, a part-time Treasury adviser, told reporters.

Oct. 29—"Whether it's a recession or not a recession, we have problems," Ford said.

Nov. 13—"We are not now in a recession, but new figures will probably indicate we are moving into a recession," Ford's press secretary, Ronald Nessen, told newsmen.

Nov. 25—"It might be longer than any of the recessions we've experienced since World War II, but it's way too early to tell whether it will be more severe," Simon said in an interview with The Associated Press.

Dec. 11—"The economy is in difficult straits: We are in a recession," Ford said in a nationwide address.

UNEMPLOYMENT

Aug. 1, 1973—Unemployment should decline from 4.8 to 4.5 percent by the end of 1973 and "about level out" through 1974, Stein told the Joint Economic Committee of Congress.

Feb. 1, 1974—Unemployment in 1974 will average "a little above 5.5 percent," Nixon said in his economic report to Congress.

June 27—Although the economy is slowing down, unemployment likely will not rise over 6 percent by the end of the year, Stein said.

Sept. 10—The poor economic outlook "implies an increasing unemployment rate and little outlook for recovery until we get into 1975, said Stein's successor, Alan Greenspan.

Oct. 28—Unemployment may reach 6.5 percent by mid 1975, Greenspan said in a magazine interview. It was 6 percent in October.

Nov. 13—Unemployment could rise to 7 percent. Sidney L. Jones, a top aide to Simon, said in an interview.

Dec. 4—Unemployment may hit "something over 7 percent" by mid-1975, the Council of Economic Advisers said. It was 7.2 percent in December.

Jan. 7, 1975—Unemployment will be between 7.5 and 8 percent through 1975, said James L. Pate, an assistant secretary of commerce for economic affairs.

Feb. 1—Unemployment will not reach 8.5 percent, Budget Director Roy Ash said.

Feb. 6—Unemployment might reach 8.5 percent, Greenspan told the Joint Economic Committee.

Feb. 11—"We don't foresee a figure as high as" the 10 percent rate forecast by AFL–CIO President George Meany, Ford said at a news conference.

Feb. 13—"It is possible it will go above 8.5 percent," Greenspan told a Senate committee.

INFLATION

May 23—A decline in the steep rise in consumer prices in April indicates "the wave of inflation . . . is receding" Stein told reporters.

Aug. 1—"No, I don't expect that any more," Stein said of the administration's earlier forecast of a 2.5 percent inflation rate by the end of 1973.

Aug. 23—Agriculture Secretary Earl L. Butz said food prices may increase in months ahead at only a 5 percent rate.

Aug. 23—Inflation in 1974 will be "substantially below" the 8 percent rate so far in 1973, Stein said.

Oct. 25—"I'm telling the housewife that food prices will rise less rapidly and one year from now they will not be her No. 1 concern," Stein said.

Feb. 1, 1974—Nixon's annual economic report to Congress said over-all inflation was 7 percent in 1973, with food prices up 19.4 percent and consumer prices up 9 percent. It forecast an over-all 7 percent inflation rate for 1974.

April 19—"It could be worse or about the same, but I see no real reason for it to be down," Jones predicted for the second quarter of 1974 after prices rose at a 10.8 percent rate in the first three months.

May 10—A slowdown in food prices should offset increases in other goods and result "in a rate of inflation substantially below recent rates." Stein told a congressional subcommittee.

May 14—Administration forecasts of a 6 to 8 percent inflation rate by the fourth quarter are too low "by a percentage point or two," Cost of Living Council Director John T. Dunlop said.

June 26—Inflation will be about 7.5 percent by the end of the year, Simon told the Joint Economic Committee.

Aug. 14—"It is going to be a long time before we get inflation down to an acceptable level," Simon told a Senate subcommittee and predicted high inflation for from two to five years.

Sept. 6—"We are going after . . . what I term public enemy No. 1, inflation, in 1974, and we will lick it by July 4, 1976," Ford said in a Philadelphia speech.

Sept. 13—"At the end of this year . . . our price level will probably still be rising by something in the neighborhood of 9 percent per year, perhaps more," Simon said in Phoenix, Ariz.

Dec. 5—Inflation should ease to a 6 to 7 percent rate by spring, Greenspan said.

Consumer prices rose 12.2 percent in 1974, food prices increased 12.2 percent and over-all inflation was 10.2 percent.

FIRE ISLAND IN NEED OF MONEY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DOWNEY. Mr. Speaker, on September 11, 1964 the Fire Island National Seashore was authorized by Public Law 88–587 with the stated purpose of preserving the section of barrier beach off the south shore of Long Island and of providing natural open space and recreational facilities for the enjoyment of all.

Since the National Seashore Act became law in 1964 nearly all of the $16 million originally appropriated by the act for acquisition of property has been spent for seashore lands. There has been no new money provided for Fire Island since the original act was passed and the National Park Service has estimated that it would require at least $7 million to complete acquisitions and condemnations in the seashore. Presently, less than $300,000 remains of the original $16 million and this has been reserved for pending condemnation suits.

Fire Island has become a very popular recreation area not only for the residents of Long Island but for the New York area in general. However, since the establishment of the seashore there has been great concern over whether the spirit of the National Seashore Act has been implemented. There have been numerous complaints regarding improper development of private property and insufficient regulation of land uses within the seashore.

In 1972, 17 individual property owners on the seashore brought an action against the Secretary of the Interior, National Park Service officials, and the local governments on behalf of themselves and 12 civic associations on the seashore. This action sought to enjoin any further development inconsistent with the act until such time as the Secretary prepared, issued, and implemented an environmental impact statement as required by the National Environmental Policy Act, NEPA. (42 U.S.C. Sec. 4321 et seq.) After a hearing on plaintiffs' motion the court denied the preliminary injunction on the ground that it lacked jurisdiction.

This decision was affirmed by the U.S. Court of Appeals for the Second Circuit. *Biderman* v. *Morton*, 487 F. 2d 1141 (2d Cir. 1974).

Similarly, despite the fact that the Seashore Act was passed in 1964, no master plan to govern development nor any environmental impact statement as required by NEPA has yet been prepared and released. They have not yet been approved by the Secretary. When and if they are, they will then be subject to public hearings after which they may or may not become final. Thus, a final master plan and a final impact statement are more than a year away.

Moreover, in the draft master plan the National Park Service suggests that the western part of Fire Island be excluded from the seashore to avoid the problems to save money. This is not an acceptable way to deal with the protection of this valuable land resource.

In light of these problems, I believe that Congress should move ahead by enacting legislation to increase the authorization for acquisition on Fire Island, and to provide the Secretary of the Interior a means by which he may adequately control the development within this vital area. The bill that Representatives PIKE, AMBRO, SOLARZ, and I are introducing today will do these two things.

The legislation will increase the authorization figure for the Fire Island National Seashore by $10 million. The bill will also give the Secretary the power to go to the appropriate U.S. district court to seek injunctive relief against any action covered by the National Seashore Act which is inconsistent with the purposes of the act or which is considered adverse to the promotion and development of the national seashore.

On the east coast of the United States, so few undeveloped and natural areas remain. The question of the future of Fire Island as a protected area is a matter of concern not only to its own residents and those of New York State, but to all Americans. The Federal Government must retain its role in protecting this vital resource.

I include the text of the bill in the RECORD:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 10 of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes," approved September 11, 1964 (78 Stat. 928), is amended by deleting "$16,000,000" and inserting in lieu thereof "$26,000,000".

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(b) Section 7(c) of such Act is amended by adding immediately after the first sentence thereof the following new sentence: "In addition to any other statutory authority available to him under this Act or any other law, the Secretary, in carrying out his duties under this Act to administer, protect, and develop Fire Island National Seashore, is authorized to petition an appropriate United States district court for injunctive relief concerning any action covered by the provisions of this Act which the Secretary determines is inconsistent with the purposes of this Act, or which he considers adverse to the protection and development, in accordance with the purposes of this Act, of the area comprising the national seashore, and the United States district courts shall have jurisdiction to receive, consider, and act upon any such petition."

URGENT NECESSITY TO CONTINUE OUR NATIONAL SCHOOL LUNCH PROGRAM

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MOTTL. Mr. Speaker, I would like to call the attention of this House to a subject which has vital importance to the future of this country.

It is a subject which will have major impact on the personal lives of millions of young children.

I refer to the school lunch program.

President Ford and his administration have proposed a drastic cutback in this program. While presenting a budget which proposes a $50 billion deficit, they advise us to "economize" by taking food out of the bellies of children.

To my way of thinking, this is very false "economy." In effect, it is denying the coming generation some of the strength it will need to earn the money required to pay off the interest, to say nothing of the principal, of the debt load of the enormous deficit which the administration proposes.

It defies reason for an administration which sends spokesmen to Capitol Hill to plead that we pour hundreds of millions of additional dollars into the quicksand of Southeast Asia to also argue that we are so impoverished that we must curtail a modest investment in the future of our Nation's children.

Since the proposed cutback was made public, I have received numerous outraged protests from school administrators and members of parent-teacher organizations in my district protesting the plan. These people who have seen first hand the benefits of providing proper nutrition for youngsters cannot understand the sense of priorities of an administration which puts Asian bombs ahead of food for the bellies of American children.

I would like this House to know that several members of the House Committee on Education and Labor, under the leadership of Chairman CARL PERKINS, have introduced H.R. 3736, which proposes to extend the school lunch program in its present form for another 3 years. I am proud to be one of the sponsors of this bill.

I urge each and every Member of this House to support H.R. 3736, and assure its early adoption, so that no child anywhere in this great country will be denied a nutritious meal because of our failure to act.

To give you a glimpse of the importance of this measure, I would like to place in the RECORD two articles from the Cleveland Plain Dealer, a leading morning newspaper in northeast Ohio:

[From the Cleveland Plain Dealer, Feb. 13, 1975]

TWENTY-TWO THOUSAND CLEVELAND CHILDREN FACE LOSS OF BREAKFASTS

(By Thomas H. Gaumer)

About 22,000 Cleveland youngsters, most of them from low-income families, would lose breakfasts served in school under a Ford administration proposal.

The public schools provide breakfast daily for children in 57 elementary schools in areas where the poverty level is the highest.

If the proposal to reduce aid to children's nutritional programs is adopted by Congress, school officials fear children would come to school hungry because their families cannot afford breakfast at home.

Dr. George E. Theobald, deputy superintendent of Cleveland schools, estimated that about 80% of the 22,000 breakfasts served daily are free because parents of the children have low incomes.

For a family of four, an annual income of $5,640 qualifies youngsters for free breakfasts. A family income of $7,900 qualifies them for a reduced price of 10 cents. Higher incomes mean the youngster pays the full price of 15 cents.

Theobald said he feared that eliminating breakfasts will make it more difficult for youngsters to learn. He said he doubts a child who is hungry can concentrate on lessons.

Typical breakfasts served in classrooms include fruit juice, a half-pint of milk and cereal or other food made from bread, Theobald said.

The federal government pays the school system about $600,000 annually for breakfasts. Theobald said the school budget would probably not have enough money to continue the program.

The reduction in spending for food programs is part of the Agriculture Department's budget for the fiscal year beginning July 1.

Another part of the budget would eliminate subsidy of the school lunch program for lower- and middle-income families. Poor children would continue to receive free lunches.

Cleveland schools serve about 85,000 lunches daily.

[From the Cleveland Plain Dealer, Feb. 12, 1975]

LUNCH COSTS TO LEAP FOR 710,000 OHIO PUPILS

(By George P. Rasanen)

WASHINGTON.—Middle- and lower-income parents of 710,000 Ohio schoolchildren would be called upon to pay between $18 million and $28 million a year more for school lunches under a Ford administration proposal to reduce aid to children's nutrition programs. Poor children would still be fed free.

The administration's budget slashing proposal, being readied for Congress, would shift at least $500 million in subsidized lunch costs to the parents of 16 million U.S. pupils.

Ohio's schools would lose more than $18 million a year. Families of four with annual incomes of more than $5,600 would have to pay higher school lunch costs.

The Plain Dealer obtained its estimates for Ohio from the Senate Select Committee on Nutrition and Human Needs and committee aides.

The shift in school lunch subsidies could cost Cleveland's schoolchildren $800,000 a year, and possibly more, by raising lunch costs to more than 32,000 pupils.

"The pressures would be on everybody, on parents and on the school board at a time of recession and high unemployment," said Dr. George E. Theobald, deputy superintendent of Cleveland schools.

The administration's plan would end federal food subsidies and commodity buying for school lunches for children of middle- and lower-income families. The U.S. Department of Agriculture plans to use $4,510 a year as the poverty income limit for a family of four.

Initially, the administration's proposal showed up in the Agriculture Department's budget for the new fiscal year beginning July 1.

It drew little attention then because of the furor over President Ford's plan to raise the cost of food stamps, a proposal Congress defeated last week.

Agriculture officials estimated the costs of school lunches for middle- and lower-income families would go up by 22 cents per lunch. But, other sources said higher food costs could drive up the price by 40 cents to 50 cents.

In Ohio the average cost runs between 40 cents and 50 cents for elementary pupils. The cost for high school pupils runs between 50 cents and 60 cents.

An Agriculture Department memorandum stated the shift in federal subsidies would not require the states to stop support of "nonneedy children" if state officials felt the aid to middle- and lower-income families was necessary.

James Springfield, the Agriculture Department's deputy administrator of food nutrition, said the elimination of the food subsidy for the nonpoor "represents a feeling that federal support ought to be directed just to the needy child.

"It represents a feeling that state and local governments ought to develop programs locally if they want to provide more assistance."

Ohio's Department of Education gets about $40.2 million in federal food subsidies which is distributed to the state's public schools. Of that nearly $22 million goes to feed the poor free.

UNITED STATES SHOULD HELP SAIGON FIGHT THE HANOI STRANGLER

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GOLDWATER. Mr. Speaker, a recent article by United Features Syndicate columnist John Lofton addresses itself to the question of military aid to South Vietnam. I present it to my colleagues for their interest:

UNITED STATES SHOULD HELP SAIGON FIGHT THE HANOI STRANGLER

(By John D. Lofton, Jr.)

WASHINGTON.—Because President Ford believes it when he says, as he did in his press conference last week, that a country being choked to death has a right to defend itself, he will soon be asking Congress for $300 million in military aid to help South Vietnam continue to fight off the Hanoi Strangler. As the President quite correctly noted:

"The South Vietnamese are fighting skillfully and with firmness against this attack by the North Vietnamese. I think it's essential for their morale as well as for their security that we proceed with the supplemental plan that I am recommending . . ."

Although the outlook for approval of the aid is extremely gloomy, a compelling case can be made for it:

First, the military assistance is entirely legal under the cease-fire agreement where we are allowed to keep the South Vietnamese supplied at the same level of arms they had at the time of the agreement.

Even liberal Sen. Jacob Javits, R-N.Y., has made this point observing that the aid is perfectly proper because two years ago, when U.S. forces left Vietnam, we did make a major commitment to aid Saigon for three years. This is the beginning of the third year. Secondly, the request from South Vietnam for vitally needed minimum assistance just to survive, comes at a time when the North Vietnamese appear to be preparing for an all-out offensive.

They also are receiving massive aid from Russia and Communist China. The North Vietnamese have repeatedly violated the 1973 cease-fire, introducing more than 40,000 armored vehicles and more than 60,000 troops into the South since the agreement was signed.

Since the end of the U.S. bombing, the Communists have also been able to supply their troops in the South much quicker.

As for aid to North Vietnam, according to recent estimates, military and economic help from the Soviet Union and Red China, which was running at a level of about $715 million in 1973, rose to about $1.2 billion last year.

In contrast, the administration's previous budget request for 1.4 billion in military aid to South Vietnam was slashed in half by Congress last year.

Besides, $300 million is not that much money really when what is at stake is the survival of an American ally. More money than this is wasted every year by the Department of Agriculture in food stamps going to non-needy people.

Third, the idea expressed by Senate Majority Leader Mike Mansfield that if we cut off all aid this will somehow stop the killing and fighting, is simply not true.

In an interview, Douglas Pike, a U.S. government expert who has studied the North Vietnamese and Viet Cong for 15 years, told me that if American aid to South Vietnam were cut off entirely there would be "considerable blood-letting." A lot of lives would be lost, he says, if the Communists won decisively.

Pike says: "If we pulled out completely and abandoned South Vietnam altogether, there would be such catastrophic results that, in a psychological sense, we would be very deeply involved in Vietnam. It would be back on the front pages, there would be mutual recriminations about who is responsible, and there would be all sorts of involvement in a psychological sense which we do not want and I think do not need."

Pike also feels that if the U.S. demonstrates to Hanoi that it is prepared to help South Vietnam help itself, that there will eventually be less blood-letting with the Communists becoming less militant militarily and more active in a peaceful, political way in their attempts to achieve victory in the South.

Fourth, there is the credibility factor, what the consequences would be of the U.S. letting an ally go down the drain. In his book, "Peace Is Not at Hand," British Vietnam expert Sir Robert Thompson warns against letting South Vietnam fall because of a failure of American will.

The question whether the United States will remain a great power, capable of holding the West together and of safeguarding Western civilization," says Sir Robert, "will depend less on the military, political and economic factors and more on the psychological factor which affects men's minds in every corner of the world.

"Unless the people of the United States understand that their credibility is at stake, and learn that the greater their credibility the less is the cost and the less the risk, it is going to be very dark indeed at the end of the tunnel."

Very wise words, But I am pessimistic about whether the Congress will heed them. But it certainly should. Because South Vietnam, at the very least, deserves to survive. And we should do what we can to help.

CELEBRATING THE BICENTENNIAL

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, the following are additional articles expressing the enthusiasm of the people of Quincy, Mass., in celebrating the Bicentennial:

QUINCY HERITAGE CITED IN 'BICENTENNIAL TIMES'

The vision, spirit and plans of Quincy Heritage were hailed in the September edition of "Bicentennial Times", a paper published monthly by the American Revolution Bicentennial Administration.

Saluting Quincy's then-new status as a Bicentennial community, the article described Quincy Heritage:

"An alert and active citizenry implemented its Bicentennial blueprint by first establishing Quincy Heritage, an organization charged with the responsibility of coordinating not only the city's Bicentennial plans but also plans for its own 350th anniversary in 1975".

Calling Quincy Heritage programs "key Bicentennial undertakings," the article described improvements made at the two saltbox homes of Presidents John Adams and John Quincy Adams.

"These landmark houses were in need of inside temperature controls to protect them from the destructive ravages of the winter-summer-freeze-thaw cycles that were taking their toll of the buildings and furnishings," the article explained.

Also cited in the article were Quincy Heritage plans to preserve the excavated remains of the first productive iron furnace at Furnace Brook as well as the remains of the country's first commercial railway which carried Quincy granite for construction of the Bunker Hill Monument.

The article told, too, of the tourmobile service to be offered to visitors and residents of the city, the proposed information center to be equipped with maps, brochures and calendars of events, the development of new traffic and information signs to better direct the visitor to city services, the planning of exhibits, audio-visuals and displays portraying Quincy's civic, industrial and economic developments, and two patriotic musical programs involving choral and instrumental groups throughout the city.

The "Bicentennial Times" is printed in Washington, D.C. in the interest of maintaining a high level of public awareness in the American Bicentennial observance. It also encourages participation in the Bicentennial by Americans everywhere.

HERITAGE SEEKS $30,000 FOR VISITORS' CENTER

Quincy Heritage is seeking a $30,000 grant in cooperation with the MBTA and the U.S. Department of Transportation to open a visitors' center in the heart of McIntyre Mall.

Manned by Quincy Heritage volunteers and stocked with maps, brochures, food and lodging information and other literature, this center will be a launching point for many visitors and residents.

In addition, the civic, industrial and economic development of our nation will be portrayed in a series of exhibits, displays and audio-visual presentations. Commemorative items will also be for sale at the center.

"QUINCY'S PRIDE" SLIDE SHOW AVAILABLE

"Quincy's Pride", an 11-minute Quincy Heritage slide show, captures Quincy's unique history and tells of Quincy Heritage plans to commemorate that history.

The audio-visual presentation, created and produced by John R. Graham, executive director of Quincy Heritage, contains 140 slides of the city. The show is narrated by Win Bettinson of WJDA.

Since Aug. 1, 1974, a total of 5,000 people representing 50 organizations have seen the slide show.

The show has been presented not only in Quincy but in Scituate, Lynn and Durham, N.H. at the Conference of the New England Historical Society.

Clubs and organizations wishing to view the slide show are asked to make a contribution to the Quincy Heritage tree-planting project which honors the memory of John Quincy Adams and his personal motto, "Plant Trees for the Future".

A total of 500 trees will be planted throughout the city over the next two years, symbolizing the birth of Quincy babies.

ABIGAIL ADAMS: WOMAN OF SPECIAL HONORS

Abigail (Smith) Adams was the only woman to be the wife of one President and mother of another.

She died in 1818, however, and did not see her son John Quincy elected our sixth President. John Adams did live to see his son named President in 1825.

THIRTY SCHOOLS DEVELOPING 350TH PROJECTS

The 30 schools throughout Quincy are in the process of developing anniversary and bicentennial projects which will live beyond the two-year celebrations as permanent contributions to the city.

Each of the city's 21 elementary schools, five junior high schools, two high schools, the Vocational Technical School and Quincy Junior College, are planning unique projects of their own choice—projects which will make a major impact in their school area.

Ideas for potential projects are limited only to ingenuity and imagination. Students could initiate a clean-up project, become involved in restoration of historic sites, or paint historic murals.

Students at Mass Fields School, for instances, are re-creating the trunk of Abigail Adams by knitting and sewing colonial clothing of the day.

Through the efforts of Quincy's students, the celebration of the city's history and heritage will continue far into the future.

ABP. FULTON SHEEN TO SPEAK AT CONCELEBRATED MASS

Archbishop Fulton J. Sheen will deliver the sermon at a concelebrated 5 p.m. Mass Saturday, Feb. 15 at St. Mary's Church, West Quincy.

The Mass is being sponsored by the 350th Anniversary Religious Committee.

Many can recall how Abp. Sheen battled "Uncle Milty Berle" for prime-time television. Berle referred to the archbishop as "Uncle Fulty" and recommended listening to Abp. Sheen. The two have been good friends ever since.

The principal celebrant at the Mass will be Msgr. John Mullarkey, of Quincy, retired pastor of St. Pius V parish in Lynn.

He will be assisted by auxiliary bishops Lawrence Riley and Joseph Maguire and by the pastors of Quincy parishes: Msgr. Richard Hawko of Sacred Heart Church, North Quincy, Msgr. Mark Keohane of Star of the Sea Church, Squantum, Msgr. James Scally

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of St. Ann's, Wollaston, Father Thomas Croke of Our Lady of Good Counsel, Merrymount, Father John Tierney of St. John's Church, Quincy, Father James Hart of Blessed Sacrament, Houghs Neck, Father John McMahon of St. Mary's Church, West Quincy, Father Joseph Downey of St. Joseph's Church, Quincy Point, and Father John Dacey of St. Boniface Church, Germantown.

Msgr. Mullarkey was born in Quincy Jan. 16, 1900. This year he is celebrating his 75th birthday and his 50th year as a priest.

The monsignor was baptised, received his first communion and was confirmed at St. Mary's Church. He is the son of the late Bernard and Delia McHugh Mullarkey of Quincy. Four years ago he retired as pastor of St. Pius V parish and is now living at the family home on Crescent St., West Quincy, with his two sisters.

U.S. NAVY BAND IN TWO CONCERTS HERE MARCH 10

Under the sponsorship of Quincy Heritage, the famed and versatile U.S. Navy Band will visit Quincy, performing two special concerts Monday, March 10.

A total of 1,600 Quincy students will hear the Navy Band's two-hour afternoon concert held at the Vocational Technical School gymnasium. Two-hundred fifty of those students will be members of the Quincy and North Quincy High School Bands. The concert will begin at 1 p.m.

An evening concert for the public—a maximum of 1,600 can attend—will be performed from 8–10 p.m.

During the concerts, members of the Air Force Junior ROTC will serve as ushers as well as color guards for the Band.

The 52-member concert band will play a medley of songs focusing on the country's history. Tickets are $4 per person and will be on sale in advance at the offices of the Quincy and North Quincy High School Band directors, the U.S. Naval Reserve Training Center, 85 Sea St., Quincy, the Air Force Junior ROTC office, and the South Weymouth Naval Air Station.

Total cost of the event is $3,500. Quincy School System has donated $500 to help Quincy Heritage sponsor the band.

Proceeds from the concerts will benefit Bicentennial and 350th anniversary activities of Quincy Heritage.

The U.S. Navy Band was born March 4, 1925 when President Calvin Coolidge, on the day of his inauguration, signed into law a special act of the 68th Congress, recognizing this band as a permanent, representative band of the United States Navy.

Under every president since Harding, the Navy Band has performed throughout the entire continental United States, Canada, Alaska, South America, Europe, the Mediterranean countries, Panama and the Caribbean Islands.

In 1937 the Navy Band was honored by the famed Canadian Exhibition in Toronto when it was the featured musical attraction. In 1964, with over three million people in attendance, the Navy Band made its sixth appearance at the Exhibition—more than any other foreign band.

The Navy Band was the first military band to broadcast over radio and to boast regular programming. In the late 1920's it was "The Hour of Memories" and, through the 1960's, it was the famous "Navy Hour".

Presently the Band consists of 175 enlisted men and women musicians and four officers. The Ceremonial Band performs at White House ceremonies in honor of American and foreign dignitaries and at Arlington National Cemetery for wreath-laying ceremonies and funerals.

The Concert Band performs regular concert series in Washington and tours throughout the country every year.

Leading the band is Lt. Cmdr. Ned Muffley who assumed command of the Band June 29, 1973. A young and energetic conductor, he brought with him the experience of more than 20 years' service in Navy music.

Lt. Cmdr. Muffley, who conducts all performances without a musical score, was honored by a personal invitation from Arthur Fiedler to guest-conduct The Boston Pops.

SALEM, N.J.'S, HISTORIC MARKET STREET DISTRICT

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HUGHES. Mr. Speaker, Market Street district in Salem, N.J., recently has been nominated by Environmental Commissioner David J. Bardin to the National Register of Historic Places.

The Market Street district richly deserves this national historical recognition. This street was a vital artery years before the American Revolution. Restoration plans, which would be aided by such a designation, were formulated by the late Gerald R. W. Watland, famous restoration architect.

Commissioner David J. Bardin aptly describes Market Street's historical value and beauty in the following:

The special character of Market Street derives in part from its architectural distinction. The street conveys a sense of architectural integrity and unity emerging from diversity. There are notable Georgian, Federal, Greek and Gothic Revival, and Victorian structures, with a minimum of 20th century instrusions. However, almost all the houses have been somewhat altered over the years, either to conform with prevailing architectural styles or to provide additional living space. For example, the house at 41–43 Market Street was originally Georgian, but was remodeled in the 1820's in Greek Revival style and in the 1880's in the Victorian manner.

The older and more elegant houses are on the westerly side of Market Street. The better Federal and Greek Revival styles are seen here. Almost all of these are large brick townhouses. The houses on the easterly side are generally less formal frame buildings. The most notable Victorian houses are on the easterly side of Market Street.

Many of the houses have long, narrow backyards with gardens. Some of the houses are separated by alleys or lanes, one of which was the original driveway to the home of John Fenwick, leader of the colony that established Salem in 1675. Throughout much of the 19th century, these alleys provided access to livery stables behind Market Street and to the wharves at the lower end of the street.

While some of the houses in the Market Street district retain their private residential character, others have been subdivided into apartments and office space. A few structures in the district were originally built for commercial purposes.

Most of the buildings along upper Market Street are in good to excellent condition, some having been painstakingly restored to their original distinction by their present occupants. Many of the buildings at the lower end of the street, now owned by absentee landlords, have been allowed to deteriorate. A restoration project is currently underway in this area. It will benefit from the district's National Register nomination and the eligibility for federal funding which it confers.

The Market Street district is the heart of John Fenwick's original colony. Market Street residents have been prime movers in all phases of the history of Salem city and county; the district has been the setting for the events of this history. From its inception, the district was a terminus of land and water transportation into and out of the area. This is only made for a diversified economy in the town, but also brought the whole region into the mainstream of life in the colonies and the emerging states, and facilitated overseas contracts as well.

VOICE OF DEMOCRACY

HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HICKS. Mr. Speaker, as you know, each year the Veterans of Foreign Wars and its Ladies Auxiliary conducts a Voice of Democracy contest which provides young people the opportunity to deliberate upon the privileges and responsibilities we all share as citizens of this country.

Each State has a winner in this contest and I am proud of the fact that this year the winner in Washington State is Brent Joel Frerichs, a young man from Bremerton, in my district. Brent, the son of the Rev. and Mrs. Frerichs, is now a junior at Central Kitsap High School, is news editor for his school newspaper and plans to attend Whitworth College in Spokane after graduation.

Because I feel that Brent's entry typifies the feelings of a good many of today's young people, I would like to share his thoughts with my colleagues at this time. The speech follows:

MY RESPONSIBILITY AS A CITIZEN

(By Brent Frerichs)

I consider my responsibility as a citizen one of excitement and challenge. This is a challenging age, and as a citizen, this challenge is passed on to me. The challenge is to never waiver from my basic belief in America and my determination to make it better.

It is exciting to me to think that I can support my country in a constant effort to make it stronger and an even better place to live. In this support, I should always be quicker to help than to criticize; to be enthusiastic yet sincere; and interested and active rather than apathetic.

I must regard all things not whether or not they will benefit me, but whether or not they will benefit my country and all of the individuals within my country. As a recent song puts it, "Maybe we should stop thinking of ourselves as individuals, and start thinking of ourselves as Americans."

In this same spirit of unselfishness, I should always be willing to help the needy in any way I can. It is my responsibility to see that they have adequate care, proper housing, and nourishing meals. For this country can only be content when its citizenry is content.

To enable me to be a responsible citizen and voter, I must make it my duty to be informed in two basic areas. To study for the future, I must look back to the past. I should delve into the rights and responsibilities granted the citizen and the values of life, liberty, and justice for all out of which our forefathers built the foundation of this country. After this, I am prepared to study current events, ideas, and issues that affect our country. I should utilize the means of publications, radio, and television to inform myself. The old tale that "ignorance is bliss" does not ring true for the citizen. This must be done so that when I have to make evaluations on these ideas and issues, to see if they will indeed fit upon the foundations our founding fathers built; I can do so with intelligence.

After being properly informed, I must give of my time, resources, and abilities to make our system of government function. Initiatives, referendums, petitions, letters to congressmen and officials, campaigning for responsible candidates are all mediums I should use to make my voice heard in local, state, and national government.

Another way, and perhaps the strongest way, that the people of this nation can make their will known is at the ballot box. It is imperative that the people know their vote counts. It is my responsibility to encourage people to exercise their responsibility at the ballot box. I firmly believe that it is not just the right, but the responsibility of registered voters to vote.

One of my responsibilities as a citizen is to rouse my fellow citizens from their coma of apathy. The old, but ever refreshing news that everyone's voice and vote still counts must be told over and over.

All too often the citizens of this country believe that our system is one of predestination; that whatever happens will happen regardless of their opinion or their vote. It is my duty to tell them that this is not true. My point can be proven by a recent election in New Hampshire where a United States Senator was elected by a margin of only ten votes; or Alaska where the new governor was elected by a little over two hundred votes.

I must work in a constant effort to destroy the corrosive rust of apathy. I must tell all people that they need only to speak and their voice will be heard.

My ultimate goal as a citizen is to be at my best. For it would be pure hypocrisy for me to expect my country to be at its best if I refuse to be at my best. To be at my best I must work, and become actively involved, to make our system work.

Only a few people working to make our country function is like a great, branchy tree with only a few leaves on it. That is a depressing sight indeed. This can be changed, however. With each person who is an active citizen, a green leaf is added to the tree. At long last there is a great, lush, green tree of liberty that the whole world can admire. That is my dream, my hope, my confident expectancy for America.

THE NEED TO REFORM REGULATORY AGENCIES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. CRANE. Mr. Speaker, it is unfortunate, but true, that governmental regulatory agencies, initially created to help the public, have, in the end, served only the interests of the various industries being regulated.

This is true in the case of almost every one of these agencies. Consider, for example, the Civil Aeronautics Board. If you are flying between Los Angeles and San Francisco your plane ticket will cost you $23 if you purchase it in New York—subject to Federal control—but only $16.50 in California—not subject to Federal control.

Profs. Peter Passell and Leonard Ross of Columbia University write that—

Economic estimates suggest that, without the Civil Aeronautics Board, you could fly from New York to Los Angeles for $95, from Washington, D.C. to Chicago for $33. Current fares on the two runs are $168 and $52 respectively. In general, it seems clear that without the CAB, air fares could be considerably lower throughout the United States and abroad.

Just as the CAB serves the airlines, not the public, so the Interstate Commerce Commission serves the trucking industry and the Teamsters Union, not the public, and the Federal Communications Commission serves the major networks, not the public. It is high time that we either eliminate or reform these agencies.

Discussing the current role played by regulatory agencies, the Richmond News Leader notes that—

There can be no doubt that the hidden costs of regulatory ruling have contributed to consumer price increases. The seven independent regulatory agencies, responsible only to Congress, have a stranglehold on most of the nation's interstate utilities, transportation, electronic communications, and consumer goods. These agencies long have been called the fourth branch of government. Their capricious rulings often result in restraint of trade and competition; if their regulations were subject to anti-trust action, the courts would be embroiled in suits for years.

The News Leader concludes that, "Regulatory reform could save billions of dollars."

I wish to share with my colleagues this important editorial from the Richmond News Leader of February 19, 1975 and insert it into the RECORD at this time:

EDITORIAL URGES REFORM OF REGULATORY AGENCIES

Last fall, President Ford proposed that Congress approve a special study commission to look into the ways in which powerful federal regulatory agencies add to consumer costs. His proposal died—and so did much of the interest in regulatory agencies.

Now, however, the President's Council of Economic Advisers has issued a report that cites numerous instances in which regulatory agencies abuse their powers. The CEA suggests that the economy would benefit from a reduction in regulatory authority. In the Senate, two committees plan to hold hearings on regulatory policies, and the House Commerce Committee may undertake similar hearings. These are promising signs, because the regulatory agencies are long overdue for reform.

There can be no doubt that the hidden costs of regulatory rulings have contributed to consumer price increases. The seven independent regulatory agencies, responsible only to Congress, have a stranglehold on most of the nation's interstate utilities, transportation, electronic communications, and consumer goods. These agencies long have been called the fourth branch of government. Their capricious rulings often result in restraint of trade and competition; if their regulations were subject to anti-trust action, the courts would be embroiled in suits for years.

It hasn't always been that way. Some of the agencies were founded to protect the consumer's interest. The Interstate Commerce Commission was established in 1887 to crack down on the robber barons running the railroads. The Federal Trade Commission was founded in 1914 to prevent unfair competition and deceptive marketing practices. The Federal Power Commission was set up in 1920 to serve the consumer's interest in regulating utility monopolies.

Around 1920, the purpose of regulatory agencies changed, and they began to favor the industries they regulated. In that year, Congress altered the authority of the ICC from setting maximum rates for railroads to setting minimum rates for railroads. Since then, regulatory practices have stifled free competition. The Civil Aeronautics Board, for instance, has not authorized a new trunk airline since 1938.

It doesn't require a Ralph Nader to discern that regulation is costing consumers more money than it should. It has been estimated that the total waste from unnecessary federal regulations costs consumers up to $24 billion a year. The ICC permits 148 rate bureaus, composed of truckers, to set trucking fees. When frozen vegetables were deregulated in the 1950s, shipping costs dropped by 20 per cent.

After the Supreme Court ruled that the shipment of chickens is not subject to ICC regulation, shipping costs fell by one-third. The ICC also establishes "gateway routes" for truckers that take shipments miles out of their way; ICC regulations also "protect" the trucking industry by forbidding truckers to return from their destinations with new shipments.

Obviously, regulatory reform could save billions of dollars—if Congress were amenable to reform. The prospects are not encouraging. Congress itself has authorized numerous regulations that add billions to consumer prices. Many regulated industries, such as the trucking industry, maintain powerful lobbies on Capitol Hill. The regulators have been busy building empires for generations, and they have abandoned their adversary role toward the industries they oversee.

Regulatory protection of restricted competition costs the consumer in more ways than he realizes. Perhaps Alfred E. Kahn, New York State Public Service Commission Chairman, said it best in testimony before a Senate judiciary subcommittee: "Regulation and competition are inherently antithetic," he said. "Regulation cannot supply the dynamic stimulus that in other industries is supplied by competition." Indeed it cannot. The sooner that Congress gets on with regulatory reform, the better.

OIL SHALE PROGRESS REPORT

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. JOHNSON of Colorado. Mr. Speaker, little more than a year ago, bids on the first of six leases offered on federally owned oil shale tracts in Colorado, Utah, and Wyoming were opened in Denver. That first lease brought a record cash bonus bid of $210 million. Subsequent lease sales in Colorado and Utah also brought startling bids, even more so when the bid amounts were divided by the barrels of recoverable oil thought to be in place. Since the initial flurry of publicity, activity in the oil shale country of the three-State area has made comparatively few headlines but fieldwork, particularly the gathering of environmental baseline data, which, under the lease terms, must proceed for 2 full years before development of the tracts, is going ahead. Two articles in a new magazine, Shale Country, by Ms. Alys Novak, are a particularly professional assessment of the status of oil shale fieldwork in Colorado and Utah. I would like to share these articles, "Progress Report: The Federal Shale Lease Program—What's Happening?" and "The Environment: What's the Scene at the Site?" with my colleagues:

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PROGRESS REPORT: THE FEDERAL SHALE LEASE PROGRAM—WHAT'S HAPPENING?

(By Alys Novak)

(Still in the "cocoon" stage, the shale prototype program goes forward—step by specific step.)

If you live in New York or Wisconsin, you might well believe such popular misconceptions as "Pike's Peak is in the middle of Denver" and "Every man in Utah has six wives". And you also might believe that shale country is a whirlpool of industrial activity with people and plants twirling everywhere.

But, if you live in shale country, you know that in actuality, it would be virtually impossible to put your finger on even a small shale whirlwind. Reason: private shale development programs have geared down because of economics, and the federal prototype shale leasing program is still very much in its "cocoon" planning/studying stage.

And that's where it's supposed to be. Remember, the goal of the federal prototype program is to generate essential information about shale's environmental impacts and commercial viability. Thus the rules of the game, as spelled out by the lease, are that the lessees must take a specific number of specific steps—in a certain time period—between Start and before Go.

Specifically, each step of the proposed environmental and development plans must be approved by the Federal Area Oil Shale Supervisor before initiation. This official, as specified in the lease, is empowered to regulate prospecting, exploration, testing, development, mining, and processing operations on the lease sites.

And, prior to the Shale Supervisor's approval, the preliminary and final development plans must be reviewed by the Oil Shale Environmental Advisory Panel. This panel, composed of federal, state and local government officials and environmental representatives, was established by the Interior Dept. to advise the federal officials involved in the prototype oil-shale leasing program. The Supervisor and the Panel, however, are only two components of the governmental structure related to the shale industry; this vast, complex structure will be detailed in upcoming issues.

The next big step: each lessee must file a detailed development plan with the Shale Supervisor on or before the third anniversary date of the lease. It is monetarily to the advantage of the companies to submit these plans before the due date, because it moves them closer, sooner, to actual operation and permits taking advantage of the financial incentives built into the leasing program. But it is not expected that the plans will be submitted far in advance since there is little way to speed through all the necessary steps and still meet all the criteria, just note what the development plan must include:

(1) a schedule of the planning, exploratory, development, production, processing, and reclamation operations and all other activities to be conducted under the lease;

(2) a detailed description of the procedures to be followed to assure the development plan and lease operations will meet and conform to the environmental criteria and controls of the lease;

(3) a description of how the lessee will use all due diligence in the orderly development of the leased deposits to attain, at as early a time as possible, production at a rate at least equal to the rate on which minimum royalty is computed.

That's a pretty big order. Nevertheless, each company has made considerable progress toward these objectives, which will be detailed later. But first, let's review who won the federal shale leases and when, by going back in time once again—to November 1973. At that time, Interior Secretary Rogers Morton announced the oil-shale prototype leasing program by opening six 5,000-acre oil-shale tracts, two in each of the three shale states (Colorado, Utah, Wyoming) for competitive bidding by private companies, for 20+-year rights to these tracts. No one bid for the Wyoming tracts—these deposits are small in comparison with those of the other two states. The four other tracts were bid for and awarded as follows:

Colorado Tract C-a: Location: 5,089 acres on the western flank of the Piceance Creek Basin, about 5 miles from Cathedral Bluffs, 17 miles off Piceance Creek Rd. in Rio Blanco county, about 50 miles from Rangely and Meeker by existing roads.

Expected yield: 4:07 billion barrels of oil.
Project title: Rio Blanco Oil Shale Project.
Project headquarters: Denver.
Lessees: Gulf Oil Corp. and Standard Oil of Indiana.
Bid price: $210 million.
Effective date of lease: March 1974.

Colorado Tract C-b: Location: 5,094 acres in Rio Blanco county, 1 mile off Piceance Creek Rd., 20 miles southwest of Meeker.

Expected yield: 723 million barrels of oil.
Project title: The C-b Shale Oil Project.
Project headquarters: Denver.
Lessees: Atlantic Richfield (operator), Ashland Oil Co., Shell Oil Co., The Oil Shale Corp.
Bid price: $117 million.
Effective date of lease: March 1974.

Utah Tract U-a: Location: in Uintah county, about 40 miles south of Vernal, Utah.

Expected yield: 244 million barrels of oil.
Project title: White River Shale Oil Development.*
Project headquarters: Salt Lake City.
Lessees: Phillips Petroleum Co., and Sun Oil Co.
Bid price: $75 million.
Effective date of lease: May 1974.

Utah Tract U-b: Location: adjoining tract U-a.

Expected yield: 266 million barrels of oil.
Project title: White River Shale Oil Development.*
Project headquarters: Salt Lake City.
Lessees: White River Shale Oil Corp. (Phillips Petroleum, Sun Oil, Sohio Petroleum).
Bid price: $45 million.
Effective date of lease: June 1974.

THE TIMEFRAME AND THE STEPS IN TIME

Although each lessee has a slightly different calendar to follow because of the different effective dates of their leases, all are concentrating on similar tasks in 1975. They are:

Continuing some very basic programs begun last year, such as project planning, coordinating, organizing and scheduling, as well as economic analysis and public information.

Making detailed geological, engineering and environmental investigations of the tract and surrounding area.

Analyzing direct and indirect social and economic effects of oil-shale development on the region.

Conceiving, coordinating and executing engineering studies of mining and processing methods and equipment.

Each lessee is deeply involved in programs related to each of these tasks. For example, they are all very much involved in their 2-year baseline monitoring studies (see more detail in "The Environment".) And there are many other specific lease-related activities going on in 1975.

White River Shale Oil Development: This group is working with a contractor for a new community development that would house and sustain the Utah development. The contractor will be responsible for performing feasibility studies, including socioeconomic impact studies. White River is also involved with a major engineering construction organization, which will serve as the general contractor for the Utah project. And water rights are being finalized.

In addition, White River is in the process of preparing exploration and development plans for the joint commercialization of the two tracts. Four important related factors: One, the ownership of U-a and U-b is the center of a dispute between the State of Utah and the federal government. However, White River's project is not expected to be jeopardized. Two, Sohio holds certain fee lands adjacent to the federal Utah leases, which gives the venture group additional flexibility in its planning. Three, White River would be the first major installation to use under license the Paraho technology, thus its planning will be expedited by the successful demonstration of this technology. Four, White River would like to begin construction of an oil-from-shale refinery complex and underground mine development in the last quarter of 1976. This, of course, is contingent on whether the U-a/U-b development plan wins federal approval—and if economics cooperate. This complex would be due west of Rangely, Colo., near the Colorado/Utah border, located in eastern Utah along the White River. It would be a joint venture of Sohio, Phillips and Sun and is expected to cost more than $1 billion.

White River expects byproducts from these on-site upgrading facilities will include semirefined shale oil, ammonia, coke and sulfur, plus low-BTU gas, which will be used as fuel for retorting and power generation.

Rio Blanco Oil Shale Project: Rio Blanco is also very much involved in working out the details of its development plan, with the assistance of Cameron Engineers, Inc. And it is working with a number of other contractors and consultants on various studies. In addition, Rio Blanco has already completed drilling 17 of the 24 holes that are contemplated in conjunction with exploratory work on its tract C-a. The completed holes, which were cleared for ecological and archeological impact before drilling began, were drilled for both geological and hydrological purposes. Data from the wells are currently being analyzed; and hydrology monitoring also has begun. And aquatic and terrestrial studies are under way.

Also, a 200-foot meteorological tower, three 30-foot meteorological towers and four air-quality monitoring stations have been completed on the C-a tract. Data collected at the measuring sites are telemetered to the southernmost station where the information is recorded and stored. The data go into a computer that computes averages for air quality and meteorology on hourly, daily and quarterly schedules.

As noted previously, numerous environmental studies are in the works on each site. In addition, archeological studies, extensive photography of the tracts and vicinity, and general surveying work are progressing. For instance, on tract C-b, extensive hydrologic work is being done to learn about the subsurface water makeup. C-b's preliminary plan indicated that significant amounts of underground water are anticipated on the site and that wells to pump water out of these underground aquifers will be necessary so that mining can be done. Then, this water probably will be used in the processing of the tract's shale oil. Also, C-b planners, like those involved with the other sites, are working with the appropriate utilities and government agencies to plan for road, pipeline, and powerline corridors. And all are working closely with the various government agencies involved with socioeconomic planning related to shale.

Before concluding this progress report, it must be noted that in addition to the companies involved in the federal shale program, and the private shale ventures already mentioned—Colony, Paraho, Union, Superior and Garrett—there are many other participants in the shale industry. These range from companies such as the Cleveland-Cliffs Iron Co., which has long-time involvement in shale ventures, including present funding participation in the Paraho project, to companies with a variety of shale land and other interests, including Webb Resources, Gary Operating Co., Skyline Oil Co., Getty, Mobil and Texaco. Reviews of these private activities will appear in later issues.

In conclusion, progress on the federal tracts will be at a pace and in a mannner compatible with the spirit and requirements of the prototype oil-shale leasing program—and national energy goals. Ultimate commercial production from these leases and private tracts, however, is contingent upon national—and international—policies and politics, as well as future crude prices and retort development/mining technology that achieves maximum resource recovery and incorporates environmental safeguards within a reasonable cost framework.

THE ENVIRONMENT: WHAT'S THE SCENE AT THE SITE?

Adjectives ranging from aesthitically ugly to starkly beautiful have been used to describe the Colorado-Utah-Wyoming oil-shale, lands. But subjective semantics aside, a description of the environmental setting can be simply stated: it reflects the climate and geology of this region. The federal shale sites, thus, are semi-arid areas defined by ridges and valleys with steep cliffs of rock, scattered with clumps of sagebrush and woody shrubs and populated by mule-deer, jack rabbits, assorted other wildlife . . . and a few human beings.

And the second environmental fact related to the sites can also be stated simply—and is, in the lease: "The Lessee shall conduct all operations under this lease in compliance with all applicable Federal, State, and local water pollution control, water quality, air pollution control, air quality, noise control, and land reclamation statutes, regulations and standards."

To repeat, the lessees must meet demanding environmental requirements throughout the entire span of their involvement with the tracts. In particular, before they can begin actual development of their leased deposits they must compile comprehensive baseline data on all environmental indices in their leased area to determine the conditions existing prior to any development operations under the leases. And they must also conduct a monitoring program before, during, and subsequent to development operations as a continuing check on compliance with the provisions of the lease.

So, as noted in "Progress Report," the environmental scene at the federal sites in 1975 will be the collection of baseline data, since these data must be collected for a period of at least two consecutive full years. And one full year of these must be made before the submission of the detailed development plan.

What are the key environmental indices involved in the baseline and monitoring programs on the sites? Basically, there are four: water (surface and ground), air (quality), flora and fauna, and soil (survey and productivity). In turn, the key environmental challenges presented by the site relate to these four factors.

Water, for example, not only must be considered by the lessees in terms of availability—the Rocky Mountain region has a "tight" water supply—but also from the point of salinity. Vast quantities of underground waters underlie much of the oil-shale area. While the water at the top of these aquifers is generally fresh, it deteriorates rapidly. And since the Colorado River already has a heavy salinity content from natural causes and agricultural practices, water quality is being carefully tested by the shale companies.

And air quality is also being monitored closely. For the Colorado tracts, in particular, air quality is a major consideration for two reasons. One, Colorado air pollution standards are extremely strict—in fact, they are more stringent than any place else in the United States, except Clark County, Nev., the home of Las Vegas. Two, the air quality in the sparsely-populated oil-shale region already violates some air standards because of natural dust, air inversions and vegetation-related pollution.

Also of considerable environmental interest are the fauna of the sites. The oil-shale region, for instance, has one particularly distinctive species—the mule deer herd that winters in Colorado's shale-rich Piceance Creek Basin. Thus, as the deer migrate through shale country this spring and then again in the fall, they will be studied closely for clues about their patterns of behavior.

Another factor being surveyed intently on the federal sites relates to archeology. Scientific and professional investigations are being conducted to discover whether any objects of antiquity, or of historic and prehistoric interest exist on the tracts.

Soil and flora also are tops on the study list because of reclamation considerations. Although revegetation of spent shale still includes some unknowns, years of research have already been conducted by Colony and others with results that give the lessees confidence long-term revegetation efforts will be successful. The case of revegetation, however, raises an interesting philosophical question: should the area be maintained in its present condition of vegetation—considering that it is not now in a "native" state? Ecologists point out that the vegetation presently on the sites is not what originally existed there. It reflects a change caused by a recent use of the land—grazing of livestock.

Other philosophical questions may arise in terms of the question: to reclaim the environment to its present condition—or to a "better" but different one? But one philosophical question will not arise. That is, whether or not to make a sincere effort to insure that shale activities are as free from environmental damage as is practicable. Corporate acceptance of environmental protection as a proper objective and cost of doing business is made clear in the lease and by each lessee's commitment of effort and dollars (about $6 million per project—just for the first 2 years of environmental studies).

*U-a and U-b planning is being done on a cooperative basis; there will be one development for the two tracts. The expectation is that the U-a/U-b project will become a three-company equal ownership situation.

THE STATUS OF THE ARMY

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BEARD of Rhode Island. Mr. Speaker, recently I learned of some of the major acomplishments of our Army in 1974, Mr. Howard "Bo" Callaway, the Secretary of the Army, presented a briefing on "The Status of the Army." I was impressed with his presentation and some of the facts are truly worth noting.

I was aware that our Army is an all-volunteer force, but I did not know just how successful the Army's leaders have been in exceeding, rather than just meeting their goals. I suppose there are many responsible persons, both within and outside government, who had misgivings about the chances for a volunteer force to work. I think the figures tell quite a story. Last year, enlistments totalled 218,000. That is 60,000 more than the entire population of the capital city of Providence, R.I. But even more impressive were the reenlistment figures. Over 74,000 men and women reenlisted; that is 124 percent of the Army's objective.

Another important factor that impressed me was the Army's ability to attract the achiever, not the dropout; 85 percent of the new recruits are already in the top three mental categories and the Army hopes to reduce the content of the lowest category to less than 13 percent this year. It was surprising and encouraging to learn that over 74 percent of the enlisted force are now high school graduates and the Army hopes to have 80-percent high school qualified within 2 years.

Another factor of great interest was the evidence of equal opportunity. The black content of the enlisted force is just over 22 percent now and 4.4 percent of commissioned officers are black. Obviously, women see opportunity in the Army with over 90 percent of the jobs open to them. Last year, more than 20,000 women joined the Army's ranks.

Mr. Callaway pointed out how the Army's combat readiness has significantly improved. Two years ago, I learned, less than half our 13 active divisions were considered combat ready. Today, all our active divisions are ready.

At this point, I might comment that the Members of Congress received deep appreciation from the Secretary for their help in building today's Army.

Economy of operation has been unusually effective in the Army's internal efforts to improve fighting efficiency. Seven major management headquarters were eliminated and over 1,500 spaces removed from the Army Staff at the Pentagon. The Army has eliminated the so-called "nice to haves" and concentrated on the "need to haves." These are all indicative of the operation of a truly professional force.

EARTH DAY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. LEHMAN. Mr. Speaker, today I am introducing along with 15 of my colleagues from the Post Office and Civil Service Committee, a joint resolution that would designate March 21 as Earth Day. I trust it will receive early consideration by the Post Office Committee which now has jurisdiction over commemorative days.

Mr. Speaker, admittedly, this is not one of our most pressing or immediate legislative priorities. Nonetheless, this resolution should not be shelved in some committee files never again to see the light of day. The first day of spring has long symbolized the rebirth and continuity of life as the magnificence of nature unfolds and reappears once again.

Mr. Speaker, we can take our cue from

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nature. Earth Day, the first day of spring, would serve to remind all Americans of their never ending commitment to preserve, protect, and improve the environment. A special Earth Day would serve as a focal point for persons of all ages to participate in activities which promote a greater awareness of the environment that surrounds us, and the challenges it faces. Above all else, Earth Day would serve an educational function. It would draw attention to the fragile balance between man and his environment.

Mr. Speaker, Earth Day transcends our immediate concerns. While our current economic crises demand an immediate response, we cannot lose sight of the fact that a healthy environment is an ongoing and long-term struggle. This resolution is not so much a call for action, but reflection. It does not subscribe nor propose any miraculous solutions, only questions. It is a small attempt to encourage all Americans to rededicate their efforts to preserve, protect, and improve the quality of our environment. It must not get lost in the legislative shuffle.

Mr. Speaker, at this point I ask that the text of the resolution appear as follows:

H.J. RES. 258

Joint resolution to designate March 21, 1975 as "Earth Day"

Whereas environmental issues rank very high on the scale of general public concern, and are of importance to a broad spectrum of Americans of all ages, interests, and political persuasions;

Whereas there is a need and desire for continuing environmental education, and for a continuing nationwide review and assessment of environmental progress and of further steps to be taken;

Whereas Earth Day would promote a greater understanding of the serious environmental problems facing our Nation, and encourage a persistent search for solutions;

Whereas Earth Day would serve as the focus of special environmental education projects of hundreds of thousands of grade school, high school, and college students; and

Whereas Earth Day would provide a base for a continuing commitment by all interests, including education, agriculture, business, labor, government, civic and private organizations, and individuals, in a cooperative effort to improve and protect the quality of our environment: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 21, 1975 is hereby designated as "Earth Day", a time to draw attention to the need to continue the nationwide effort of education concerning environmental problems, to review and assess environmental progress and to determine the further steps that need to be taken, and to renew the commitment and dedication of each American to improve and protect the quality of the environment. The President is authorized and requested to issue a proclamation calling for the observance of such day with appropriate ceremonies and activities.

ON THE DEPLETION ALLOWANCE

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. KRUEGER. Mr. Speaker, increasingly, perhaps inevitably, the Federal Government pervades our economy. Many of the decisions we now face are primarily policy decisions: policies concerning the plight of the underprivileged, the maintenance of certain employment levels, provisions for insuring equal rights, et cetera. These decisions are, and should be, essentially normative in nature; we must weigh the human considerations involved and respond to the democratic imperatives. These are questions of ends, not means, and the weighing process must proceed accordingly.

Other decisions we face involve means to the accomplishment of such ends. These are essentially managerial decisions and in these instances we must make our decisions with a clear picture of the goals to be accomplished. In achieving these goals we must consider all of the complicated managerial questions addressed by decisionmakers in private enterprises: cost/benefit analysis of various alternatives, the problems of administration, and the timing of implementation, optimization techniques, et cetera.

Tuesday's Democratic Caucus action on the oil and gas depletion allowance represents confusion of our normative and managerial responsibilities. Where rationality might have predominated, emotion carried the day. The abolition of the depletion allowance for the oil and gas industry, while this allowance is retained for almost every other mineral extractive industry from coal to sand and gravel, indicates inconsistency and emotional rather than rational motives behind this move. If depletion allowances serve as incentives for other extractive industries, why should we remove the incentives in the area where they are currently needed most? Consider the following implications of our actions.

RETARDED PRODUCTION

Many sound economists will testify that the depletion allowance does not result in "windfalls"; rather, it extends the margin of production. No drilling firm receives profits from the allowance per se. Instead, the increased value of leasing and drilling has pushed the margins of production further than those economically attainable minus the depletion allowance. This new production costs more, but is vital to our economy.

The depletion allowance is not a "bonus" without a positive supply effect. It enhances the income from production, thereby allowing production from marginal prospects—including secondary and tertiary recovery—to proceed where otherwise this might not be likely. A typical criticism of the depletion allowance in times past was that it caused too much oil and gas to be produced. Today we cannot afford the luxury of this view.

Risk aversion. Oil and gas operators live in an extremely uncertain and sophisticated production environment. Of course, it is true that uncertainties can be rationally incorporated into decisionmaking—one simply multiplies each possibility by its probability and maximizes the results. But this simple calculation does not guarantee economically efficient decisions when the stakes are very high because of a high risk factor.

For example, suppose you were offered a coin flip—if it lands on "heads" you win $510,000 and if it lands on "tails" you lose $500,000. Logic says that you should play the game. You stand to win more than you stand to lose. But how many of us would be willing to accept this risk? Similarly, the oil operator must face drilling decisions, and if we are to produce as much as economic efficiency dictates—where the real cost and benefits are equal—we must somehow offset this risk factor. The depletion allowance helps to serve this purpose.

Note that this risk effect is inversely correlated with the size of the firm. Smaller firms may not be able to compensate for their possible losses, and cannot engage in the scale of operations to an extent that will statistically "match" probabilities and ex post facto results—one coin flip instead of many.

Decreased competition. The above is simply one adverse effect on the small, independent companies that would result from a removal of the depletion allowance. An often neglected fact is the fundamental specialization within the oil and gas industry. The major oil companies specialize in geological and geophysical research, foreign operations, lease acquisition, and new technologies. The small oil companies specialize in drilling and manpower. Major oil companies consequently incur large fixed costs and usually use cost depreciation instead of percentage depletion. Elimination of the percentage depletion allowance therefore scarcely affects capital intensive majors while severely curtailing the activities of small firms with minimal fixed investments. Independent firms drilled more than 80 percent of new wells last year and smaller companies contribute the bulk of production and exploration manhours. The removal of the depletion allowance endangers this independent, intensely competitive margin of the industry.

A huge international oil company, Arco, suggested the elimination of the depletion allowance over a year ago. Smaller, independent firms, whose number has almost halved in the past two decades, are apprehensive of this move. Chief Justice Marshall's dictum "the power to tax is the power to destroy" can unfortunately be recalled in this action, and the destruction of the most competitive element of the oil industry might well be entailed in an action to repeal the depletion allowance.

Macro economic repercussions. As the potential margin of production recedes with the elimination of the depletion allowance, potential reserves will not be developed and prices must rise over what they otherwise would be. This rise in prices will hurt all consumers and especially those with low incomes and inelastic demands. The recessionary impact of lessened energy supplies will result in a loss in Federal revenue that mitigates revenue gains from the elimination of the allowance. To eliminate this shortfall, we will be pressed to expend Federal moneys to develop alternative supplies, once again offsetting the benefits achieved from revenue gains, as well as relegating to the Federal sector a role traditionally reserved to the more efficient private sector.

Other economic repercussions. The United States spends almost a hundred million dollars a day on foreign petroleum imports. This massive export of dollars has a destabilizing effect on the international monetary system, leaves our economy vulnerable to sudden import termination and foreign pressure, and transfers American buying power and equity abroad.

Thus, the social benefit of each added barrel of domestic production involves more than simply the price to the consumer. The social benefit includes both the price benefits and the more comprehensive economic benefits of substituting domestic for imported oil. The greater the extent to which the industry can perceive both the intrinsic and extrinsic value of additional production, the greater the resources that can be economically developed and the better the economic consequences for this country. Tax incentives, such as the depletion allowance, can help facilitate the needed symmetry between the private gains to producers and the social gains to us all.

The elimination of the allowance for the natural gas industry is most disturbing. Natural gas is our cheapest, cleanest, most efficient, fuel. Production should be encouraged by every available means. While moving to impede development of this low-cost resource by removing the depletion allowance, we protest its shortage and contemplate spending billions on coal gasification, a process which costs twice as much per Btu. This action appears paradoxical and counterproductive to obtaining our energy goals.

Unless we are willing to examine the underlying economic factors of energy policy, we will continue to move in confusion. Unless we abandon the emotional for the thoughtful, the energy dialog becomes apropos of a Will Rogers monolog. West Germany has been able to deal successfully with both inflation and recession by pragmatically employing the kind of useful tax tool some are trying to repudiate—accelerated depreciation allowances for investments that reduce foreign energy dependency. The West Germans are succeeding where we may well fail because they have appreciated the difference between political and managerial considerations.

Finally, to allow the depletion question to be subsumed by the other provisions in H.R. 2166 would be for the Congress to renounce the spirit of reform. This maneuver undermines the right of each individual to express his or her views on the merits of a particular issue. Now, Members sharing my views are relegated to an untenable "all or nothing" position. Is it too naive to ask that we make as much effort to distinguish the responsible from the expedient as we do to distinguish the popular from the unpopular?

FEDERAL ENFORCEMENT OF AFFIRMATIVE ACTION LAWS IS WEAK

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HAWKINS. Mr. Speaker, the Congress in 1964 passed the Civil Rights Act which embodied in title VI of that act, the declaration that our Government would no longer countenance racial or ethnic discrimination in the providing of benefits or services to persons participating in any federally funded program. The Congress then successively enacted additional equal opportunity and civil rights legislation which strengthened its ban on discrimination in all programs receiving Federal support and/or Federal resources.

The compliance agencies responsible for enforcing the various civil rights statutes assume their tasks with varying degrees of commitment. Some agencies perform admirably; some agencies perform quite inadequately and actually cause more problems than they solve.

An agency that I believe has performed in a manner inappropriate to the magnitude of its enforcement task is the U.S. Department of Health, Education, and Welfare. In this regard, I recently had cause to respond to a position taken by HEW's Office of Civil Rights, and its stand on affirmative action regarding higher education institutions. Excerpts of my position were quoted in a recent edition of the Washington Post.

Mr. Speaker, since this is such an important issue I would like to share with my colleagues the complete text of my position. It is as follows:

There is developing in this country a diminution of effort by certain federal agencies mandated to enforce laws designed to prevent employment discrimination against minorities and women.

Federal laws forbidding discrimination in employment are clear and definitive; they amply state the intent of the Congress in this matter and contain the necessary enforcement powers, penalties and sanctions available to federal equal employment monitors in handling cases where non-compliance with the law becomes an issue.

Of significant importance is the way in which some federal equal employment monitoring agencies are meeting this mandate. A major case in point is HEW's Office of Civil Rights, directed by Peter Holmes, which has as one of its major responsibilities the enforcement of equal employment opportunity laws in institutions of higher education.

Mr. Holmes, in a recent Washington Post column concerning equal employment opportunities for minorities and women seeking faculty positions in higher education institutions, defensively responded to columnist William Raspberry's charge that HEW-OCR intends to "clarify" the affirmative action federal mandates out of existence.

These mandates embodied in a number of civil rights statutes and monitored by HEW-OCR, include Title VI of the Civil Rights Act of 1964, Titles VII and VIII of the Public Health Service Act, and Executive Order 11246, as amended by Executive Order 11375.

Because of HEW-OCR's December, 1974, "re-clarification" memo of Executive Order 11246 (as amended) and because this new policy precipitously moves towards an even further reneging of HEW-COR's lawful duty to require legal compliance in this situation, the question of HEW-OCR's abrogating its responsibility under the law must be examined.

Executive Order 11246 (as amended) requires all government contractors and subcontractors to ban employment discrimination in their hiring policies on the basis of race, color, sex, religion or national origin, and to take affirmative action to insure that the contractor's employment practices are not discriminatory. A contractor's failure to adhere to the Order can result in contract suspension, contract cancellation and disbarment from future government contracts.

HEW-OCR is responsible under the Executive Order to enforce the Order's provisions in all higher educational institutions (approximately 1,000) having contracts with the federal government. In light of this December, 1974, memo, a major concern being expressed by growing numbers of minorities and women seeking college faculty employment, by minority contract compliance officers, by civil and human rights advocates, and by some Members of Congress, is the question of HEW-OCR's equal employment enforcement inadequacies.

An even greater concern now is whether any significant equal employment enforcement action will be pursued by HEW-OCR, since its obvious interests are in the supposed preferential treatment being granted to minorities and women. HEW-OCR's obsession is with preferential treatment (or reverse discrimination) which is clearly not the primary equal employment issue. The real issue—in fact the only issue—is the systematic, consistent, deliberate denial of equal employment opportunities to minorities and women by institutions of higher education, and the encouragement HEW-OCR has given these institutions to continue their policy of discriminatory hiring of faculty.

A careful study of HEW-OCR's affirmative action contract compliance investigations and recommendations reveals that the equal employment opportunity rights of minorities and women are being whittled away by this agency's ineffectiveness. The matter of the denial of these rights must be accompanied by questions relating to HEW's deliberate obfuscation of equal employment issues, and by their ignoring of their responsibility to require higher education institutions to conform to the law.

In a substantial way, the latest report of the United States Commission on Civil Rights, dealing with the Federal government's ensuring of equal educational opportunity in educational institutions, pinpoints HEW-OCR's insufficiencies.

The Commission's Report on OCR's Higher Education Division charges that HEW:

a. Has not issued guidelines and regulations for Title VI (enacted 10 years ago), Titles VII and VIII (enacted almost 4 years ago) and Title IX (enacted in 1972). These various Titles cover under-representation and under-utilization of minorities and women, requirements for affirmative action plans, conducting of compliance reviews, and the development of employment goals and timetables.

b. Has failed to consistently and regularly conduct in-depth compliance reviews.

c. Has repeatedly failed to impose sanctions on non-complying colleges and universities, thus abetting civil rights violations.

d. Has inadequately handled complaints, on the grounds that regulations are non-existent.

There are other charges, which seriously raises the issue of HEW-OCR's continued defiance of congressional intent: weak requirements for affirmative action and their review; failure to provide rules on non-discriminatory standards for employee selection; failure to conduct adequate numbers of compliance reviews; failure to require colleges and universities to collect and analyze pertinent statistics for HEW-OCR review; no routine requirement that institutions submit progress reports; acceptance of affirmative action plans which do not comply with requirements and standards of Executive Order regulations; approval of the compliance status of certain colleges and universities clearly in non-compliance.

The record is quite clear on HEW-OCR's foot-dragging in response to its federally mandated obligation to enforce civil rights

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of St. Ann's, Wollaston, Father Thomas Croke of Our Lady of Good Counsel, Merrymount, Father John Tierney of St. John's Church, Quincy, Father James Hart of Blessed Sacrament, Houghs Neck, Father John McMahon of St. Mary's Church, West Quincy, Father Joseph Downey of St. Joseph's Church, Quincy Point, and Father John Dacey of St. Boniface Church, Germantown.

Msgr. Mullarkey was born in Quincy Jan. 16, 1900. This year he is celebrating his 75th birthday and his 50th year as a priest.

The monsignor was baptised, received his first communion and was confirmed at St. Mary's Church. He is the son of the late Bernard and Della McHugh Mullarkey of Quincy. Four years ago he retired as pastor of St. Pius V parish and is now living at the family home on Crescent St., West Quincy, with his two sisters.

U.S. NAVY BAND IN TWO CONCERTS HERE MARCH 10

Under the sponsorship of Quincy Heritage, the famed and versatile U.S. Navy Band will visit Quincy, performing two special concerts Monday, March 10.

A total of 1,800 Quincy students will hear the Navy Band's two-hour afternoon concert held at the Vocational Technical School gymnasium. Two-hundred fifty of those students will be members of the Quincy and North Quincy High School Bands. The concert will begin at 1 p.m.

An evening concert for the public—a maximum of 1,600 can attend—will be performed from 8–10 p.m.

During the concerts, members of the Air Force Junior ROTC will serve as ushers as well as color guards for the Band.

The 52-member concert band will play a medley of songs focusing on the country's history. Tickets are $4 per person and will be on sale in advance at the offices of the Quincy and North Quincy High School Band directors, the U.S. Naval Reserve Training Center, 85 Sea St., Quincy, the Air Force Junior ROTC office, and the South Weymouth Naval Air Station.

Total cost of the event is $3,500. Quincy School System has donated $500 to help Quincy Heritage sponsor the band.

Proceeds from the concerts will benefit Bicentennial and 350th anniversary activities of Quincy Heritage.

The U.S. Navy Band was born March 6, 1925 when President Calvin Coolidge, on the day of his inauguration, signed into law a special act of the 68th Congress, recognizing this band as a permanent, representative band of the United States Navy.

Under every president since Harding, the Navy Band has performed throughout the entire continental United States, Canada, Alaska, South America, Europe, the Mediterranean countries, Panama and the Caribbean Islands.

In 1937 the Navy Band was honored by the famed Canadian Exhibition in Toronto when it was the featured musical attraction. In 1964, with over three million people in attendance, the Navy Band made its sixth appearance at the Exhibition—more than any other foreign band.

The Navy Band was the first military band to broadcast over radio and to boast regular programming. In the late 1920's it was "The Hour of Memories" and, through the 1960's, it was the famous "Navy Hour".

Presently the Band consists of 175 enlisted men and women musicians and four officers. The Ceremonial Band performs at White House ceremonies in honor of American and foreign dignitaries and at Arlington National Cemetery for wreath-laying ceremonies and funerals.

The Concert Band performs regular concert series in Washington and tours throughout the country every year.

Leading the band is Lt. Cmdr. Ned Muffley who assumed command of the Band June 29, 1973. A young and energetic conductor, he brought with him the experience of more than 20 years' service in Navy music.

Lt. Cmdr. Muffley, who conducts all performances without a musical score, was honored by a personal invitation from Arthur Fiedler to guest-conduct The Boston Pops.

SALEM, N.J.'S, HISTORIC MARKET STREET DISTRICT

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. **HUGHES**. Mr. Speaker, Market Street district in Salem, N.J., recently has been nominated by Environmental Commissioner David J. Bardin to the National Register of Historic Places.

The Market Street district richly deserves this national historical recognition. This street was a vital artery years before the American Revolution. Restoration plans, which would be aided by such a designation, were formulated by the late Gerald R. W. Watland, famous restoration architect.

Commissioner David J. Bardin aptly describes Market Street's historical value and beauty in the following:

The special character of Market Street derives in part from its architectural distinction. The street conveys a sense of architectural integrity and unity emerging from diversity. There are notable Georgian, Federal, Greek and Gothic Revival, and Victorian structures, with a minimum of 20th century instrusions. However, almost all the houses have been somewhat altered over the years, either to conform with prevailing architectural styles or to provide additional living space. For example, the house at 41–43 Market Street was originally Georgian, but was remodeled in the 1820's in Greek Revival style and in the 1880's in the Victorian manner.

The older and more elegant houses are on the westerly side of Market Street. The better Federal and Greek Revival styles are seen here. Almost all of these are large brick townhouses. The houses on the easterly side are generally less formal frame buildings. The most notable Victorian houses are on the easterly side of Market Street.

Many of the houses have long, narrow backyards with gardens. Some of the houses are separated by alleys or lanes, one of which was the original driveway to the home of John Fenwick, leader of the colony that established Salem in 1675. Throughout much of the 19th century, these alleys provided access to livery stables behind Market Street and to the wharves at the lower end of the street.

While some of the houses in the Market Street district retain their private residential character, others have been subdivided into apartments and office space. A few structures in the district were originally built for commercial purposes.

Most of the buildings along upper Market Street are in good to excellent condition, some having been painstakingly restored to their original distinction by their present occupants. Many of the buildings at the lower end of the street, now owned by absentee landlords, have been allowed to deteriorate. A restoration project is currently underway in this area. It will benefit from the district's National Register nomination and the eligibility for federal funding which it confers.

The Market Street district is the heart of John Fenwick's original colony. Market Street residents have been prime movers in all phases of the history of Salem city and county; the district has been the setting for the events of this history. From its inception, the district was a terminus of land and water transportation into and out of the area. This is only made for a diversified economy in the town, but also brought the whole region into the mainstream of life in the colonies and the emerging states, and facilitated overseas contracts as well.

VOICE OF DEMOCRACY

HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. **HICKS**. Mr. Speaker, as you know, each year the Veterans of Foreign Wars and its Ladies Auxiliary conducts a Voice of Democracy contest which provides young people the opportunity to deliberate upon the privileges and responsibilities we all share as citizens of this country.

Each State has a winner in this contest and I am proud of the fact that this year the winner in Washington State is Brent Joel Frerichs, a young man from Bremerton, in my district. Brent, the son of the Rev. and Mrs. Frerichs, is now a junior at Central Kitsap High School, is news editor for his school newspaper and plans to attend Whitworth College in Spokane after graduation.

Because I feel that Brent's entry typifies the feelings of a good many of today's young people, I would like to share his thoughts with my colleagues at this time. The speech follows:

MY RESPONSIBILITY AS A CITIZEN

(By Brent Frerichs)

I consider my responsibility as a citizen one of excitement and challenge. This is a challenging age, and as a citizen, this challenge is passed on to me. The challenge is to never waiver from my basic belief in America and my determination to make it better.

It is exciting to me to think that I can support my country in a constant effort to make it stronger and an even better place to live. In this support, I should always be quicker to help than to criticize; to be enthusiastic yet sincere; and interested and active rather than apathetic.

I must regard all things not whether or not they will benefit me, but whether or not they will benefit my country and all of the individuals within my country. As a recent song puts it, "Maybe we should stop thinking of ourselves as individuals, and start thinking of ourselves as Americans."

In this same spirit of unselfishness, I should always be willing to help the needy in any way I can. It is my responsibility to see that they have adequate care, proper housing, and nourishing meals. For this country can only be content when its citizenry is content.

To enable me to be a responsible citizen and voter, I must make it my duty to be informed in two basic areas. To study for the future, I must look back to the past. I should delve into the rights and responsibilities granted the citizen and the values of life, liberty, and justice for all out of which our forefathers built the foundation of this country. After this, I am prepared to study current events, ideas, and issues that affect our country. I should utilize the means of publications, radio, and television to inform myself. The old tale that "ignorance is bliss" does not ring true for the citizen. This must

be done so that when I have to make evaluations on these ideas and issues, to see if they will indeed fit upon the foundations our founding fathers built; I can do so with intelligence.

After being properly informed, I must give of my time, resources, and abilities to make our system of government function. Initiatives, referendums, petitions, letters to congressmen and officials, campaigning for responsible candidates are all mediums I should use to make my voice heard in local, state, and national government.

Another way, and perhaps the strongest way, that the people of this nation can make their will known is at the ballot box. It is imperative that the people know their vote counts. It is my responsibility to encourage people to exercise their responsibility at the ballot box. I firmly believe that it is not just the right, but the responsibility of registered voters to vote.

One of my responsibilities as a citizen is to rouse my fellow citizens from their coma of apathy. The old, but ever refreshing news that everyone's voice and vote still counts must be told over and over.

All too often the citizens of this country believe that our system is one of predestination; that whatever happens will happen regardless of their opinion or their vote. It is my duty to tell them that this is not true. My point can be proven by a recent election in New Hampshire where a United States Senator was elected by a margin of only ten votes; or Alaska where the new governor was elected by a little over two hundred votes.

I must work in a constant effort to destroy the corrosive rust of apathy. I must tell all people that they need only to speak and their voice will be heard.

My ultimate goal as a citizen is to be at my best. For it would be pure hypocrisy for me to expect my country to be at its best if I refuse to be at my best. To be at my best I must work, and become actively involved, to make our system work.

Only a few people working to make our country function is like a great, branchy tree with only a few leaves on it. That is a depressing sight indeed. This can be changed, however. With each person who is an active citizen, a green leaf is added to the tree. At long last there is a great, lush, green tree of liberty that the whole world can admire. That is my dream, my hope, my confident expectancy for America.

THE NEED TO REFORM REGULATORY AGENCIES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. CRANE. Mr. Speaker, it is unfortunate, but true, that governmental regulatory agencies, initially created to help the public, have, in the end, served only the interests of the various industries being regulated.

This is true in the case of almost every one of these agencies. Consider, for example, the Civil Aeronautics Board. If you are flying between Los Angeles and San Francisco your plane ticket will cost you $23 if you purchase it in New York—subject to Federal control—but only $16.50 in California—not subject to Federal control.

Profs. Peter Passell and Leonard Ross of Columbia University write that—

Economic estimates suggest that, without the Civil Aeronautics Board, you could fly from New York to Los Angeles for $95, from Washington, D.C. to Chicago for $33. Current fares on the two runs are $168 and $52 respectively. In general, it seems clear that without the CAB, air fares could be considerably lower throughout the United States and abroad.

Just as the CAB serves the airlines, not the public, so the Interstate Commerce Commission serves the trucking industry and the Teamsters Union, not the public, and the Federal Communications Commission serves the major networks, not the public. It is high time that we either eliminate or reform these agencies.

Discussing the current role played by regulatory agencies, the Richmond News Leader notes that—

There can be no doubt that the hidden costs of regulatory ruling have contributed to consumer price increases. The seven independent regulatory agencies, responsible only to Congress, have a stranglehold on most of the nation's interstate utilities, transportation, electronic communications, and consumer goods. These agencies long have been called the fourth branch of government. Their capricious rulings often result in restraint of trade and competition; if their regulations were subject to anti-trust action, the courts would be embroiled in suits for years.

The News Leader concludes that, "Regulatory reform could save billions of dollars."

I wish to share with my colleagues this important editorial from the Richmond News Leader of February 19, 1975 and insert it into the RECORD at this time:

EDITORIAL URGES REFORM OF REGULATORY AGENCIES

Last fall, President Ford proposed that Congress approve a special study commission to look into the ways in which powerful federal regulatory agencies add to consumer costs. His proposal died—and so did much of the interest in regulatory agencies.

Now, however, the President's Council of Economic Advisers has issued a report that cites numerous instances in which regulatory agencies abuse their powers. The CEA suggests that the economy would benefit from a reduction in regulatory authority. In the Senate, two committees plan to hold hearings on regulatory policies, and the House Commerce Committee may undertake similar hearings. These are promising signs, because the regulatory agencies are long overdue for reform.

There can be no doubt that the hidden costs of regulatory rulings have contributed to consumer price increases. The seven independent regulatory agencies, responsible only to Congress, have a stranglehold on most of the nation's interstate utilities, transportation, electronic communications, and consumer goods. These agencies long have been called the fourth branch of government. Their capricious rulings often result in restraint of trade and competition; if their regulations were subject to anti-trust action, the courts would be embroiled in suits for years.

It hasn't always been that way. Some of the agencies were founded to protect the consumer's interest. The Interstate Commerce Commission was established in 1887 to crack down on the robber barons running the railroads. The Federal Trade Commission was founded in 1914 to prevent unfair competition and deceptive marketing practices. The Federal Power Commission was set up in 1920 to serve the consumer's interest in regulating utility monopolies.

Around 1920, the purpose of regulatory agencies changed, and they began to favor the industries they regulated. In that year, Congress altered the authority of the ICC from setting maximum rates for railroads to setting minimum rates for railroads. Since then, regulatory practices have stifled free competition. The Civil Aeronautics Board, for instance, has not authorized a new trunk airline since 1938.

It doesn't require a Ralph Nader to discern that regulation is costing consumers more money than it should. It has been estimated that the total waste from unnecessary federal regulations costs consumers up to $24 billion a year. The ICC permits 148 rate bureaus, composed of truckers, to set trucking fees. When frozen vegetables were deregulated in the 1950s, shipping costs dropped by 20 per cent.

After the Supreme Court ruled that the shipment of chickens is not subject to ICC regulation, shipping costs fell by one-third. The ICC also establishes "gateway routes" for truckers that take shipments miles out of their way; ICC regulations also "protect" the trucking industry by forbidding truckers to return from their destinations with new shipments.

Obviously, regulatory reform could save billions of dollars—if Congress were amenable to reform. The prospects are not encouraging. Congress itself has authorized numerous regulations that add billions to consumer prices. Many regulated industries, such as the trucking industry, maintain powerful lobbies on Capitol Hill. The regulators have been busy building empires for generations, and they have abandoned their adversary role toward the industries they oversee.

Regulatory protection of restricted competition costs the consumer in more ways than he realizes. Perhaps Alfred E. Kahn, New York State Public Service Commission Chairman, said it best in testimony before a Senate judiciary subcommittee: "Regulation and competition are inherently antithetic," he said. "Regulation cannot supply the dynamic stimulus that in other industries is supplied by competition." Indeed it cannot. The sooner that Congress gets on with regulatory reform, the better.

OIL SHALE PROGRESS REPORT

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. JOHNSON of Colorado. Mr. Speaker, little more than a year ago, bids on the first of six leases offered on federally owned oil shale tracts in Colorado, Utah, and Wyoming were opened in Denver. That first lease brought a record cash bonus bid of $210 million. Subsequent lease sales in Colorado and Utah also brought startling bids, even more so when the bid amounts were divided by the barrels of recoverable oil thought to be in place. Since the initial flurry of publicity, activity in the oil shale country of the three-State area has made comparatively few headlines but fieldwork, particularly the gathering of environmental baseline data, which, under the lease terms, must proceed for 2 full years before development of the tracts, is going ahead. Two articles in a new magazine, Shale Country, by Ms. Alys Novak, are a particularly professional assessment of the status of oil shale fieldwork in Colorado and Utah. I would like to share these articles, "Progress Report: The Federal Shale Lease Program—What's Happening?" and "The Environment: What's the Scene at the Site?" with my colleagues:

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PROGRESS REPORT: THE FEDERAL SHALE LEASE PROGRAM—WHAT'S HAPPENING?

(By Alys Novak)

(Still in the "cocoon" stage, the shale prototype program goes forward—step by specific step.)

If you live in New York or Wisconsin, you might well believe such popular misconceptions as "Pike's Peak is in the middle of Denver" and "Every man in Utah has six wives". And you also might believe that shale country is a whirlpool of industrial activity with people and plants swirling everywhere.

But, if you live in shale country, you know that in actuality, it would be virtually impossible to put your finger on even a small shale whirlwind. Reason: private shale development programs have geared down because of economics, and the federal prototype shale leasing program is still very much in its "cocoon" planning/studying stage.

And that's where it's supposed to be. Remember, the goal of the federal prototype program is to generate essential information about shale's environmental impacts and commercial viability. Thus the rules of the game, as spelled out by the lease, are that the lessees must take a specific number of specific steps—in a certain time period—between Start and before Go.

Specifically, each step of the proposed environmental and development plans must be approved by the Federal Area Oil Shale Supervisor before initiation. This official, as specified in the lease, is empowered to regulate prospecting, exploration, testing, development, mining, and processing operations on the lease sites.

And, prior to the Shale Supervisor's approval, the preliminary and final development plans must be reviewed by the Oil Shale Environmental Advisory Panel. This panel, composed of federal, state and local government officials and environmental representatives, was established by the Interior Dept. to advise the federal officials involved in the prototype oil-shale leasing program. The Supervisor and the Panel, however, are only two components of the governmental structure related to the shale industry; this vast, complex structure will be detailed in upcoming issues.

The next big step: each lessee must file a detailed development plan with the Shale Supervisor on or before the third anniversary date of the lease. It is monetarily to the advantage of the companies to submit these plans before the due date, because it moves them closer, sooner, to actual operation and permits taking advantage of the financial incentives built into the leasing program. But it is not expected that the plans will be submitted far in advance since there is little way to speed through all the necessary steps and still meet all the criteria, just note what the development plan must include:

(1) a schedule of the planning, exploratory, development, production, processing, and reclamation operations and all other activities to be conducted under the lease;

(2) a detailed description of the procedures to be followed to assure the development plan and lease operations will meet and conform to the environmental criteria and controls of the lease;

(3) a description of how the lessee will use all due diligence in the orderly development of the leased deposits to attain, at as early a time as possible, production at a rate at least equal to the rate on which minimum royalty is computed.

That's a pretty big order. Nevertheless, each company has made considerable progress toward these objectives, which will be detailed later. But first, let's review who won the federal shale leases and when, by going back in time once again—to November 1973. At that time, Interior Secretary Rogers Morton announced the oil-shale prototype leasing program by opening six 5,000-acre oil-shale tracts, two in each of the three shale states (Colorado, Utah, Wyoming) for competitive bidding by private companies, for 20+-year rights to these tracts. No one bid for the Wyoming tracts—these deposits are small in comparison with those of the other two states. The four other tracts were bid for and awarded as follows:

Colorado Tract C-a: Location: 5,089 acres on the western flank of the Piceance Creek Basin, about 5 miles from Cathedral Bluffs, 17 miles off Piceance Creek Rd. in Rio Blanco county, about 50 miles from Rangely and Meeker by existing roads.

Expected yield: 4:07 billion barrels of oil.
Project title: Rio Blanco Oil Shale Project.
Project headquarters: Denver.
Lessees: Gulf Oil Corp. and Standard Oil of Indiana.
Bid price: $210 million.
Effective date of lease: March 1974.

Colorado Tract C-b: Location: 5,094 acres in Rio Blanco county, 1 mile off Piceance Creek Rd., 20 miles southwest of Meeker.

Expected yield: 723 million barrels of oil.
Project title: The C-b Shale Oil Project.
Project headquarters: Denver.
Lessees: Atlantic Richfield (operator), Ashland Oil Co., Shell Oil Co., The Oil Shale Corp.
Bid price: $117 million.
Effective date of lease: March 1974.

Utah Tract U-a: Location: in Uintah county, about 40 miles south of Vernal, Utah.

Expected yield: 244 million barrels of oil.
Project title: White River Shale Oil Development.*
Project headquarters: Salt Lake City.
Lessees: Phillips Petroleum Co., and Sun Oil Co.
Bid price: $75 million.
Effective date of lease: May 1974.

Utah Tract U-b: Location: adjoining tract U-a.

Expected yield: 266 million barrels of oil.
Project title: White River Shale Oil Development.*
Project headquarters: Salt Lake City.
Lessees: White River Shale Oil Corp. (Phillips Petroleum, Sun Oil, Sohio Petroleum).
Bid price: $45 million.
Effective date of lease: June 1974.

THE TIMEFRAME AND THE STEPS IN TIME

Although each lessee has a slightly different calendar to follow because of the different effective dates of their leases, all are concentrating on similar tasks in 1975. They are:

Continuing some very basic programs begun last year, such as project planning, coordinating, organizing and scheduling, as well as economic analysis and public information.

Making detailed geological, engineering and environmental investigations of the tract and surrounding area.

Analyzing direct and indirect social and economic effects of oil-shale development on the region.

Conceiving, coordinating and executing engineering studies of mining and processing methods and equipment.

Each lessee is deeply involved in programs related to each of these tasks. For example, they are all very much involved in their 2-year baseline monitoring studies (see more detail in "The Environment".) And there are many other specific lease-related activities going on in 1975.

White River Shale Oil Development: This group is working with a contractor for a new community development that would house and sustain the Utah development. The contractor will be responsible for performing feasibility studies, including socioeconomic impact studies. White River is also involved with a major engineering construction organization, which will serve as the general contractor for the Utah project. And water rights are being finalized.

In addition, White River is in the process of preparing exploration and development plans for the joint commercialization of the two tracts. Four important related factors: One, the ownership of U-a and U-b is the center of a dispute between the State of Utah and the federal government. However, White River's project is not expected to be jeopardized. Two, Sohio holds certain fee lands adjacent to the federal Utah leases, which gives the venture group additional flexibility in its planning. Three, White River would be the first major installation to use under license the Paraho technology, thus its planning will be expedited by the successful demonstration of this technology. Four, White River would like to begin construction of an oil-from-shale refinery complex and underground mine development in the last quarter of 1976. This, of course, is contingent on whether the U-a/U-b development plan wins federal approval—and if economics cooperate. This complex would be due west of Rangely, Colo., near the Colorado/Utah border, located in eastern Utah along the White River. It would be a joint venture of Sohio, Phillips and Sun and is expected to cost more than $1 billion.

White River expects byproducts from these on-site upgrading facilities will include semirefined shale oil, ammonia, coke and sulfur, plus low-BTU gas, which will be used as fuel for retorting and power generation.

Rio Blanco Oil Shale Project: Rio Blanco is also very much involved in working out the details of its development plan, with the assistance of Cameron Engineers, Inc. And it is working with a number of other contractors and consultants on various studies. In addition, Rio Blanco has already completed drilling 17 of the 24 holes that are contemplated in conjunction with exploratory work on its tract C-a. The completed holes, which were cleared for ecological and archeological impact before drilling began, were drilled for both geological and hydrological purposes. Data from the wells are currently being analyzed; and hydrology monitoring also has begun. And aquatic and terrestrial studies are under way.

Also, a 200-foot meteorological tower, three 30-foot meteorological towers and four air-quality monitoring stations have been completed on the C-a tract. Data collected at the measuring sites are telemetered to the southernmost station where the information is recorded and stored. The data go into a computer that computes averages for air quality and meteorology on hourly, daily and quarterly schedules.

As noted previously, numerous environmental studies are in the works on each site. In addition, archeological studies, extensive photography of the tracts and vicinity, and general surveying work are progressing. For instance, on tract C-b, extensive hydrologic work is being done to learn about the subsurface water makeup. C-b's preliminary plan indicated that significant amounts of underground water are anticipated on the site and that wells to pump water out of these underground aquifers will be necessary so that mining can be done. Then, this water probably will be used in the processing of the tract's shale oil. Also, C-b planners, like those involved with the other sites, are working with the appropriate utilities and government agencies to plan for road, pipeline, and powerline corridors. And all are working closely with the various government agencies involved with socioeconomic planning related to shale.

Before concluding this progress report, it must be noted that in addition to the companies involved in the federal shale program, and the private shale ventures already mentioned—Colony, Paraho, Union, Superior and Garrett—there are many other participants in the shale industry. These range from companies such as the Cleveland-Cliffs Iron Co., which has long-time involvement in shale ventures, including present funding participation in the Paraho project, to companies with a variety of shale land and other interests, including Webb Resources, Gary Operating Co., Skyline Oil Co., Getty, Mobil and Texaco. Reviews of these private activities will appear in later issues.

In conclusion, progress on the federal tracts will be at a pace and in a mannner compatible with the spirit and requirements of the prototype oil-shale leasing program—and national energy goals. Ultimate commercial production from these leases and private tracts, however, is contingent upon national—and international—policies and politics, as well as future crude prices and retort development/mining technology that achieves maximum resource recovery and incorporates environmental safeguards within a reasonable cost framework.

THE ENVIRONMENT: WHAT'S THE SCENE AT THE SITE?

Adjectives ranging from aesthitically ugly to starkly beautiful have been used to describe the Colorado-Utah-Wyoming oil-shale, lands. But subjective semantics aside, a description of the environmental setting can be simply stated: it reflects the climate and geology of this region. The federal shale sites, thus, are semi-arid areas defined by ridges and valleys with steep cliffs of rock, scattered with clumps of sagebrush and woody shrubs and populated by mule-deer, jack rabbits, assorted other wildlife . . . and a few human beings.

And the second environmental fact related to the sites can also be stated simply—and is, in the lease: "The Lessee shall conduct all operations under this lease in compliance with all applicable Federal, State, and local water pollution control, water quality, air pollution control, air quality, noise control, and land reclamation statutes, regulations and standards."

To repeat, the lessees must meet demanding environmental requirements throughout the entire span of their involvement with the tracts. In particular, before they can begin actual development of their leased deposits they must compile comprehensive baseline data on all environmental indices in their leased area to determine the conditions existing prior to any development operations under the leases. And they must also conduct a monitoring program before, during, and subsequent to development operations as a continuing check on compliance with the provisions of the lease.

So, as noted in "Progress Report," the environmental scene at the federal sites in 1975 will be the collection of baseline data, since these data must be collected for a period of at least two consecutive full years. And one full year of these must be made before the submission of the detailed development plan.

What are the key environmental indices involved in the baseline and monitoring programs on the sites? Basically, there are four: water (surface and ground), air (quality), flora and fauna, and soil (survey and productivity). In turn, the key environmental challenges presented by the site relate to these four factors.

Water, for example, not only must be considered by the lessees in terms of availability—the Rocky Mountain region has a "tight" water supply—but also from the point of salinity. Vast quantities of underground waters underlie much of the oil-shale area. While the water at the top of these aquifers is generally fresh, it deteriorates rapidly. And since the Colorado River already has a heavy salinity content from natural causes and agricultural practices, water quality is being carefully tested by the shale companies.

And air quality is also being monitored closely. For the Colorado tracts, in particular, air quality is a major consideration for two reasons. One, Colorado air pollution standards are extremely strict—in fact, they are more stringent than any place else in the United States, except Clark County, Nev., the home of Las Vegas. Two, the air quality in the sparsely-populated oil-shale region already violates some air standards because of natural dust, air inversions and vegetation-related pollution.

Also of considerable environmental interest are the fauna of the sites. The oil-shale region, for instance, has one particularly distinctive species—the mule deer herd that winters in Colorado's shale-rich Piceance Creek Basin. Thus, as the deer migrate through shale country this spring and then again in the fall, they will be studied closely for clues about their patterns of behavior.

Another factor being surveyed intently on the federal sites relates to archeology. Scientific and professional investigations are being conducted to discover whether any objects of antiquity, or of historic and prehistoric interest exist on the tracts.

Soil and flora also are tops on the study list because of reclamation considerations. Although revegetation of spent shale still includes some unknowns, years of research have already been conducted by Colony and others with results that give the lessees confidence long-term revegetation efforts will be successful. The case of revegetation, however, raises an interesting philosophical question: should the area be maintained in its present condition of vegetation—considering that it is not now in a "native" state? Ecologists point out that the vegetation presently on the sites is not what originally existed there. It reflects a change caused by a recent use of the land—grazing of livestock.

Other philosophical questions may arise in terms of the question: to reclaim the environment to its present condition—or to a "better" but different one? But one philosophical question will not arise. That is, whether or not to make a sincere effort to insure that shale activities are as free from environmental damage as is practicable. Corporate acceptance of environmental protection as a proper objective and cost of doing business is made clear in the lease and by each lessee's commitment of effort and dollars (about $6 million per project—just for the first 2 years of environmental studies).

*U-a and U-b planning is being done on a cooperative basis; there will be one development for the two tracts. The expectation is that the U-a/U-b project will become a three-company equal ownership situation.

THE STATUS OF THE ARMY

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BEARD of Rhode Island. Mr. Speaker, recently I learned of some of the major acomplishments of our Army in 1974, Mr. Howard "Bo" Callaway, the Secretary of the Army, presented a briefing on "The Status of the Army." I was impressed with his presentation and some of the facts are truly worth noting.

I was aware that our Army is an all-volunteer force, but I did not know just how successful the Army's leaders have been in exceeding, rather than just meeting their goals. I suppose there are many responsible persons, both within and outside government, who had misgivings about the chances for a volunteer force to work. I think the figures tell quite a story. Last year, enlistments totalled 218,000. That is 60,000 more than the entire population of the capital city of Providence, R.I. But even more impressive were the reenlistment figures. Over 74,000 men and women reenlisted; that is 124 percent of the Army's objective.

Another important factor that impressed me was the Army's ability to attract the achiever, not the dropout; 85 percent of the new recruits are already in the top three mental categories and the Army hopes to reduce the content of the lowest category to less than 13 percent this year. It was surprising and encouraging to learn that over 74 percent of the enlisted force are now high school graduates and the Army hopes to have 80-percent high school qualified within 2 years.

Another factor of great interest was the evidence of equal opportunity. The black content of the enlisted force is just over 22 percent now and 4.4 percent of commissioned officers are black. Obviously, women see opportunity in the Army with over 90 percent of the jobs open to them. Last year, more than 20,000 women joined the Army's ranks.

Mr. Callaway pointed out how the Army's combat readiness has significantly improved. Two years ago, I learned, less than half our 13 active divisions were considered combat ready. Today, all our active divisions are ready.

At this point, I might comment that the Members of Congress received deep appreciation from the Secretary for their help in building today's Army.

Economy of operation has been unusually effective in the Army's internal efforts to improve fighting efficiency. Seven major management headquarters were eliminated and over 1,500 spaces removed from the Army Staff at the Pentagon. The Army has eliminated the so-called "nice to haves" and concentrated on the "need to haves." These are all indicative of the operation of a truly professional force.

EARTH DAY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. LEHMAN. Mr. Speaker, today I am introducing along with 15 of my colleagues from the Post Office and Civil Service Committee, a joint resolution that would designate March 21 as Earth Day. I trust it will receive early consideration by the Post Office Committee which now has jurisdiction over commemorative days.

Mr. Speaker, admittedly, this is not one of our most pressing or immediate legislative priorities. Nonetheless, this resolution should not be shelved in some committee files never again to see the light of day. The first day of spring has long symbolized the rebirth and continuity of life as the magnificence of nature unfolds and reappears once again.

Mr. Speaker, we can take our cue from

UMI

nature. Earth Day, the first day of spring, would serve to remind all Americans of their never ending commitment to preserve, protect, and improve the environment. A special Earth Day would serve as a focal point for persons of all ages to participate in activities which promote a greater awareness of the environment that surrounds us, and the challenges it faces. Above all else, Earth Day would serve an educational function. It would draw attention to the fragile balance between man and his environment.

Mr. Speaker, Earth Day transcends our immediate concerns. While our current economic crises demand an immediate response, we cannot lose sight of the fact that a healthy environment is an ongoing and long-term struggle. This resolution is not so much a call for action, but reflection. It does not subscribe nor propose any miraculous solutions, only questions. It is a small attempt to encourage all Americans to rededicate their efforts to preserve, protect, and improve the quality of our environment. It must not get lost in the legislative shuffle.

Mr. Speaker, at this point I ask that the text of the resolution appear as follows:

H.J. Res. 258

Joint resolution to designate March 21, 1975 as "Earth Day"

Whereas environmental issues rank very high on the scale of general public concern, and are of importance to a broad spectrum of Americans of all ages, interests, and political persuasions;

Whereas there is a need and desire for continuing environmental education, and for a continuing nationwide review and assessment of environmental progress and of further steps to be taken;

Whereas Earth Day would promote a greater understanding of the serious environmental problems facing our Nation, and encourage a persistent search for solutions;

Whereas Earth Day would serve as the focus of special environmental education projects of hundreds of thousands of grade school, high school, and college students; and

Whereas Earth Day would provide a base for a continuing commitment by all interests, including education, agriculture, business, labor, government, civic and private organizations, and individuals, in a cooperative effort to improve and protect the quality of our environment: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 21, 1975 is hereby designated as "Earth Day", a time to draw attention to the need to continue the nationwide effort of education concerning environmental problems, to review and assess environmental progress and to determine the further steps that need to be taken, and to renew the commitment and dedication of each American to improve and protect the quality of the environment. The President is authorized and requested to issue a proclamation calling for the observance of such day with appropriate ceremonies and activities.

ON THE DEPLETION ALLOWANCE

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. KRUEGER. Mr. Speaker, increasingly, perhaps inevitably, the Federal Government pervades our economy. Many of the decisions we now face are primarily policy decisions: policies concerning the plight of the underprivileged, the maintenance of certain employment levels, provisions for insuring equal rights, et cetera. These decisions are, and should be, essentially normative in nature: we must weigh the human considerations involved and respond to the democratic imperatives. These are questions of ends, not means, and the weighing process must proceed accordingly.

Other decisions we face involve means to the accomplishment of such ends. These are essentially managerial decisions and in these instances we must make our decisions with a clear picture of the goals to be accomplished. In achieving these goals we must consider all of the complicated managerial questions addressed by decisionmakers in private enterprises: cost/benefit analysis of various alternatives, the problems of administration, and the timing of implementation, optimization techniques, et cetera.

Tuesday's Democratic Caucus action on the oil and gas depletion allowance represents confusion of our normative and managerial responsibilities. Where rationality might have predominated, emotion carried the day. The abolition of the depletion allowance for the oil and gas industry, while this allowance is retained for almost every other mineral extractive industry from coal to sand and gravel, indicates inconsistency and emotional rather than rational motives behind this move. If depletion allowances serve as incentives for other extractive industries, why should we remove the incentives in the area where they are currently needed most? Consider the following implications of our actions.

RETARDED PRODUCTION

Many sound economists will testify that the depletion allowance does not result in "windfalls"; rather, it extends the margin of production. No drilling firm receives profits from the allowance per se. Instead, the increased value of leasing and drilling has pushed the margins of production further than those economically attainable minus the depletion allowance. This new production costs more, but is vital to our economy.

The depletion allowance is not a "bonus" without a positive supply effect. It enhances the income from production, thereby allowing production from marginal prospects—including secondary and tertiary recovery—to proceed where otherwise this might not be likely. A typical criticism of the depletion allowance in times past was that it caused too much oil and gas to be produced. Today we cannot afford the luxury of this view.

Risk aversion. Oil and gas operators live in an extremely uncertain and sophisticated production environment. Of course, it is true that uncertainties can be rationally incorporated into decisionmaking—one simply multiplies each possibility by its probability and maximizes the results. But this simple calculation does not guarantee economically efficient decisions when the stakes are very high because of a high risk factor.

For example, suppose you were offered a coin flip: if it lands on "heads" you win $510,000 and if it lands on "tails" you lose $500,000. Logic says that you should play the game. You stand to win more than you stand to lose. But how many of us would be willing to accept this risk? Similarly, the oil operator must face drilling decisions, and if we are to produce as much as economic efficiency dictates—where the real cost and benefits are equal—we must somehow offset this risk factor. The depletion allowance helps to serve this purpose.

Note that this risk effect is inversely correlated with the size of the firm. Smaller firms may not be able to compensate for their possible losses, and cannot engage in the scale of operations to an extent that will statistically "match" probabilities and ex post facto results—one coin flip instead of many.

Decreased competition. The above is simply one adverse effect on the small, independent companies that would result from a removal of the depletion allowance. An often neglected fact is the fundamental specialization within the oil and gas industry. The major oil companies specialize in geological and geophysical research, foreign operations, lease acquisition, and new technologies. The small oil companies specialize in drilling and manpower. Major oil companies consequently incur large fixed costs and usually use cost depreciation instead of percentage depletion. Elimination of the percentage depletion allowance therefore scarcely affects capital intensive majors while severely curtailing the activities of small firms with minimal fixed investments. Independent firms drilled more than 80 percent of new wells last year and smaller companies contribute the bulk of production and exploration manhours. The removal of the depletion allowance endangers this independent, intensely competitive margin of the industry.

A huge international oil company, Arco, suggested the elimination of the depletion allowance over a year ago. Smaller, independent firms, whose number has almost halved in the past two decades, are apprehensive of this move. Chief Justice Marshall's dictum "the power to tax is the power to destroy" can unfortunately be recalled in this action, and the destruction of the most competitive element of the oil industry might well be entailed in an action to repeal the depletion allowance.

Macro economic repercussions. As the potential margin of production recedes with the elimination of the depletion allowance, potential reserves will not be developed and prices must rise over what they otherwise would be. This rise in prices will hurt all consumers and especially those with low incomes and inelastic demands. The recessionary impact of lessened energy supplies will result in a loss in Federal revenue that mitigates revenue gains from the elimination of the allowance. To eliminate this shortfall, we will be pressed to expend Federal moneys to develop alternative supplies, once again offsetting the benefits achieved from revenue gains, as well as delegating to the Federal sector a role traditionally reserved to the more efficient private sector.

Other economic repercussions. The United States spends almost a hundred million dollars a day on foreign petroleum imports. This massive export of dollars has a destabilizing effect on the international monetary system, leaves our economy vulnerable to sudden import termination and foreign pressure, and transfers American buying power and equity abroad.

Thus, the social benefit of each added barrel of domestic production involves more than simply the price to the consumer. The social benefit includes both the price benefits and the more comprehensive economic benefits of substituting domestic for imported oil. The greater the extent to which the industry can perceive both the intrinsic and extrinsic value of additional production, the greater the resources that can be economically developed and the better the economic consequences for this country. Tax incentives, such as the depletion allowance, can help facilitate the needed symmetry between the private gains to producers and the social gains to us all.

The elimination of the allowance for the natural gas industry is most disturbing. Natural gas is our cheapest, cleanest, most efficient, fuel. Production should be encouraged by every available means. While moving to impede development of this low-cost resource by removing the depletion allowance, we protest its shortage and contemplate spending billions on coal gasification, a process which costs twice as much per Btu. This action appears paradoxical and counterproductive to obtaining our energy goals.

Unless we are willing to examine the underlying economic factors of energy policy, we will continue to move in confusion. Unless we abandon the emotional for the thoughtful, the energy dialog becomes apropos of a Will Rogers monolog. West Germany has been able to deal successfully with both inflation and recession by pragmatically employing the kind of useful tax tool some are trying to repudiate—accelerated depreciation allowances for investments that reduce foreign energy dependency. The West Germans are succeeding where we may well fail because they have appreciated the difference between political and managerial considerations.

Finally, to allow the depletion question to be subsumed by the other provisions in H.R. 2166 would be for the Congress to renounce the spirit of reform. This maneuver undermines the right of each individual to express his or her views on the merits of a particular issue. Now, Members sharing my views are relegated to an untenable "all or nothing" position. Is it too naive to ask that we make as much effort to distinguish the responsible from the expedient as we do to distinguish the popular from the unpopular?

FEDERAL ENFORCEMENT OF AFFIRMATIVE ACTION LAWS IS WEAK

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. HAWKINS. Mr. Speaker, the Congress in 1964 passed the Civil Rights Act which embodied in title VI of that act, the declaration that our Government would no longer countenance racial or ethnic discrimination in the providing of benefits or services to persons participating in any federally funded program. The Congress then successively enacted additional equal opportunity and civil rights legislation which strengthened its ban on discrimination in all programs receiving Federal support and/or Federal resources.

The compliance agencies responsible for enforcing the various civil rights statutes assume their tasks with varying degrees of commitment. Some agencies perform admirably; some agencies perform quite inadequately and actually cause more problems than they solve.

An agency that I believe has performed in a manner inappropriate to the magnitude of its enforcement task is the U.S. Department of Health, Education, and Welfare. In this regard, I recently had cause to respond to a position taken by HEW's Office of Civil Rights, and its stand on affirmative action regarding higher education institutions. Excerpts of my position were quoted in a recent edition of the Washington Post.

Mr. Speaker, since this is such an important issue I would like to share with my colleagues the complete text of my position. It is as follows:

There is developing in this country a diminution of effort by certain federal agencies mandated to enforce laws designed to prevent employment discrimination against minorities and women.

Federal laws forbidding discrimination in employment are clear and definitive; they amply state the intent of the Congress in this matter and contain the necessary enforcement powers, penalties and sanctions available to federal equal employment monitors in handling cases where non-compliance with the law becomes an issue.

Of significant importance is the way in which some federal equal employment monitoring agencies are meeting this mandate. A major case in point is HEW's Office of Civil Rights, directed by Peter Holmes, which has as one of its major responsibilities the enforcement of equal employment opportunity laws in institutions of higher education.

Mr. Holmes, in a recent Washington Post column concerning equal employment opportunities for minorities and women seeking faculty positions in higher education institutions, defensively responded to columnist William Raspberry's charge that HEW-OCR intends to "clarify" the affirmative action federal mandates out of existence.

These mandates embodied in a number of civil rights statutes and monitored by HEW-OCR, include Title VI of the Civil Rights Act of 1964, Titles VII and VIII of the Public Health Service Act, and Executive Order 11246, as amended by Executive Order 11375.

Because of HEW-OCR's December, 1974, "re-clarification" memo of Executive Order 11246 (as amended) and because this new policy precipitously moves towards an even further reneging of HEW-COR's lawful duty to require legal compliance in this situation, the question of HEW-OCR's abrogating its responsibility under the law must be examined.

Executive Order 11246 (as amended) requires all government contractors and subcontractors to ban employment discrimination in their hiring policies on the basis of race, color, sex, religion or national origin, and to take affirmative action to insure that the contractor's employment practices are not discriminatory. A contractor's failure to adhere to the Order can result in contract suspension, contract cancellation and disbarment from future government contracts.

HEW-OCR is responsible under the Executive Order to enforce the Order's provisions in all higher educational institutions (approximately 1,000) having contracts with the federal government. In light of this December, 1974, memo, a major concern being expressed by growing numbers of minorities and women seeking college faculty employment, by minority contract compliance officers, by civil and human rights advocates, and by some Members of Congress, is the question of HEW-OCR's equal employment enforcement inadequacies.

An even greater concern now is whether any significant equal employment enforcement action will be pursued by HEW-OCR, since its obvious interests are in the supposed preferential treatment being granted to minorities and women. HEW-OCR's obsession is with preferential treatment (or reverse discrimination) which is clearly not the primary equal employment issue. The real issue—in fact the only issue—is the systematic, consistent, deliberate denial of equal employment opportunities to minorities and women by institutions of higher education, and the encouragement HEW-OCR has given these institutions to continue their policy of discriminatory hiring of faculty.

A careful study of HEW-OCR's affirmative action contract compliance investigations and recommendations reveals that the equal employment opportunity rights of minorities and women are being whittled away by this agency's ineffectiveness. The matter of the denial of these rights must be accompanied by questions relating to HEW's deliberate obfuscation of equal employment issues, and by their ignoring of their responsibility to require higher education institutions to conform to the law.

In a substantial way, the latest report of the United States Commission on Civil Rights, dealing with the Federal government's ensuring of equal educational opportunity in educational institutions, pinpoints HEW-OCR's insufficiencies.

The Commission's Report on OCR's Higher Education Division charges that HEW:

a. Has not issued guidelines and regulations for Title VI (enacted 10 years ago), Titles VII and VIII (enacted almost 4 years ago) and Title IX (enacted in 1972). These various Titles cover under-representation and under-utilization of minorities and women, requirements for affirmative action plans, conducting of compliance reviews, and the development of employment goals and timetables.

b. Has failed to consistently and regularly conduct in-depth compliance reviews.

c. Has repeatedly failed to impose sanctions on non-complying colleges and universities, thus abetting civil rights violations.

d. Has inadequately handled complaints, on the grounds that regulations are non-existent.

There are other charges, which seriously raises the issue of HEW-OCR's continued defiance of congressional intent: weak requirements for affirmative action and their review; failure to provide rules on non-discriminatory standards for employee selection; failure to conduct adequate numbers of compliance reviews; failure to require colleges and universities to collect and analyze pertinent statistics for HEW-OCR review; no routine requirement that institutions submit progress reports; acceptance of affirmative action plans which do not comply with requirements and standards of Executive Order regulations; approval of the compliance status of certain colleges and universities clearly in non-compliance.

The record is quite clear on HEW-OCR's foot-dragging in response to its federally mandated obligation to enforce civil rights

laws concerning equal opportunity. No greater condemnation of this deliberate policy of willfully ignoring the law can be manifested in other than an examination of the results of HEW policy, as these results relate to the numbers of minorities and women hired in institutions of higher education in the wake of equal employment opportunity legislation.

Certainly one would expect that the numbers of minorities and women in teaching positions in higher education institutions would show a significant increase after 1965. This is unfortunately not the case.

To quote from the Civil Rights Commission (January, 1975) Report:

"Further, data show that colleges and universities are quite similar to other employers with respect to their under-utilization of women and minorities. Severe problems continue to exist for these groups in securing teaching positions on college and university faculties. The proportion of Blacks, for example, rose only slightly between 1968 and 1973, from 2.2 percent to 2.9 percent. During the same period, the percentage of women on college faculties increased by less than 1 percent from 19.1 percent to 20 percent. One study indicates that women have actually lost ground as a percentage of faculty at 4-year institutions. Clearly, the promise of equal employment opportunity has not been achieved in institutions of higher education. HEW's failure to enforce the Executive orders has played no small role in frustrating this objective."

Mr. Holmes claims that "The truth is that this office has consistently endeavored to clarify and re-affirm the legal requirements of affirmative action, with particular emphasis on those areas most likely to be abused to the detriment of the program". This statement is pure rhetoric; the equal opportunity laws were established to protect the rights of minorities and women to nondiscriminatory employment. The areas of abuse involved the recruitment and selection employment policies of higher education institutions, and the uses to which these policies were utilized to prevent minorities and women from attaining faculty positions.

Mr. Holmes now wants to make a major case for so-called reverse discrimination; if reverse discrimination truly exists, it must be operating in a vacuum, since those persons supposedly experiencing this kind of discrimination (white, Anglo-Saxon Protestant males) still overwhelmingly control all of our nation's colleges and universities. They have not suffered any meaningful employment problems; the continued low numbers of minorities and women in college and university faculty positions attest to this fact.

At the moment, HEW-OCR has no realistic affirmative action policy which addresses itself to the providing of equal employment opportunities for minorities and women. Obviously they need some assistance in this matter.

That assistance is forthcoming.

WHY ZOOS?

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, our zoos have served for generations as a source of pleasure and enjoyment for children of all ages. For many a trip to the zoo triggers a new environmental awareness. And the opportunity to observe at close range the behavior of various animal species is apt to do more to stimulate a respect for all forms of life in one afternoon than all the textbooks ever written could do in a year.

In an increasingly crowded world, our zoos serve a valuable educational function. They serve an equally important conservation role. In the case of species threatened by extinction, the zoo represents the last hope for continued survival in a world of man. Research into better methods of animal care and "survival centers" for the breeding and perpetuation of endangered species are among the most important services provided by the modern zoo.

Recently, zoo conditions have come in for some sharp criticism. One needs only spend a day at the zoo with a child observing the uniqueness of animals otherwise doomed to extinction, however, to appreciate the contribution of zoos to not only our generation but generations to come. The New York Times Magazine last week carried an excellent article on this subject by Emily Hahn. I commend it to the attention of my colleagues:

"WHY ZOOS?"

(Emily Hahn) *

The scene: a filling-station at the side of a busy highway.

A cage 6-feet-by-5 stands in the parking lot to one side of the pumps, showered by miniature dust storms that arise in the wake of passing cars. Inside the cage, a bear, his coat dull and worn, pads back and forth over the filthy ground as far as space permits—plod, plod, plod in one direction; halt; wheel with head uplifted to avoid bumping his nose against the bars; plod, plod, plod back again to the starting place; then the whole routine all over again.

Swerving off the road, a car pauses by the pump and the driver tells the attendant, "Fill 'er up." His two little boys scramble out and trot toward the cage, stopping on the way to pick up sticks from the littered yard.

"I dare you to poke that old bear" says the older boy. "Go, on, I dare you!"

The father shouts, "Hey, you kids, get out of that now. Come on!"

Secretly relieved, the boys turn around and come back, but pause on the way to throw stones at the cage and its inhabitant. The bear ignores them to continue padding back and forth, back and forth.

An exaggerated picture? Once upon a time it was accurate enough. There used to be plenty of such shabby, cruel cages in our fathers' time, but fortunately, in America at least, they have nearly all vanished. Directors of today's zoos have done their best to eradicate the roadside menagerie, but news of its demise has evidently not reached the ears of a growing vociferous group of Americans who are crusading to abolish zoos. In Washington, D.C., at least 20 organizations want Congress to enact laws to do away with zoological gardens altogether. Central Park in Manhattan was recently the scene of an anti-zoo demonstration, and in the zoo at Brooklyn's Prospect Park a young keeper, claiming to have been maddened by the cruelty and neglect all around him, locked himself in with the monkeys and harangued the crowd through a window about the conditions inside. Though the authorities later denied his allegations and said he had not been a very satisfactory keeper anyway, his action was gratifying to enemies of the zoo all over the city.

An opening salvo against the institution of the zoological garden was fired in The Washington Post of Feb. 7, 1974, by Bernard Fensterwald, counsel to the Committee for Humane Legislation, one of the aforementioned organizations, and it was picked up and reprinted in The Los Angeles Times a couple of weeks later, on Feb. 24. In his attack Mr. Fensterwald declared that the time had come to get rid of zoos, "phase them out." He said that they were dying institutions, in deep trouble financially—and a good thing too, he implied. The Chicago Tribune chimed in with an ill-informed article, stating that one disgraceful reason animals never breed in zoos (a surprising statement to anyone in the zoo world) is that the beasts are so rarely kept in pairs. Soon after there appeared another article, in The Chicago Sun-Times, by Robert Vanderpool, a long, impassioned piece with the headlines: The Case for Eliminating Zoos—Caging Animals is a Medieval Concept That Has No Place in Chicago, or Anywhere Else.

With the old roadside zoo all too evidently haunting his mind, Mr. Vanderpool will accept no arguments in favor of zoological gardens. "An honest examination can only conclude that zoo life does such violence to the captive animal's nature that the zoo simply cannot justify its existence," he wrote, adding that man has slaughtered, tortured, abused, crowded and confined his fellow creatures long enough.

Now this is not complete nonsense, for we must plead guilty to one of the impeachments. Certainly man has crowded out other animals, but in most cases this has not been done deliberately, out of cruel impulse: it is the result of ignorance. Man has simply flourished too well, straining the capability of his planet to support all the life that teems on it. We have crowded animals of the wild so harshly that some species have been pushed off the face of the earth, and others have survived only—mark this—through the agency of those zoos that so offend Mr. Vanderpool. The guilt is not with the zoos.

Zoo haters make a lot of noise, and repeated misstatements like theirs are too often accepted. Almost anyone can get into the papers with protests against zoos. Animals, like rape, can always win publicity, especially when a controversial point of view like Mr. Vanderpool's is maintained. Also, the zoo haters are organized and vocal, whereas zoo buffs have never, until lately, found it necessary to speak up on behalf of their beloved haunts. They had better begin doing it now, though. There are more of them than there are zoo haters, but unless they stand up to be counted, some day soon they will find that there isn't anywhere to go on Sunday except the pool hall.

It comes as a relief to find that at least some zoo lovers, in the midst of all the hullabaloo, are beginning to make themselves heard. John Chamberlain, the journalist, is one such. Recently he declared that the animal lovers who have been agitating so much against zoos no doubt mean well but don't know what they are talking about. Zoos, he observed—and it was time someone said it—have played a large part in conservation, especially with their breeding programs. In making war on all zoological gardens, good and bad together, the antis might well be condemning the Bengal tiger and the Indian disgruntled, well-known importer of animals, survive only because zoos have saved them. In the more lavish days of the past, conservation could be aided in this manner by lone, powerful, rich men: the Duke of Bedford in England, who turned his ancestral acres into an animal farm, and Frederick von Falz-Fein, a wealthy Russian with a huge estate in the southern Ukraine, were two who preserved threatened species. But that sort of thing is complicated and expensive, beyond the reach today of any individual. Unfortunately bodies that have the power, as for instance the Government of the United States, are sometimes clumsy and misguided in their efforts to aid conservation.

"A lot of the legislation is good," said a disgruntled, well-known importer of animals, "but it is twisted by bureaucrats, and used in a way that was never intended. Some of the interpretations of parts of these acts, made by people who are administrating them, are a real headache."

An old law known as the Lacey Act, formulated slowly through several years about three decades ago, has recently been unearthed. One of its sections states that "injurious wild life" must be kept out of the country, and in the hands of the anti-zoo lobby (known among zoo people as "humaniacs") it has considerable nuisance value. No animal, bird or plant that might be injurious to another animal, bird or plant, say the antis, can be imported. The nonhumaniacs say that this kind of thing does not apply to zoos, where animals are put in with their own species and kept away from others, but the point is at least arguable. Compared with this, the Endangered Species Act of 1973, by which traffic in such species is highly restricted and limited, is preferable, even though it has occasionally been applied in an unreasonable way, hindering the movement of animals within the United States though they are needed for breeding in other districts. One hopes that the misapplication of such rules is only temporary, since, if they are carried to extremes, a number of already rare animals are doomed to celibacy, thus advancing the extinction of the species by a number of years.

"Power-hungry, that's all," snorted my friend, the importer. "What do those administrators really know about animals? What do they care? Heaven preserve me from ignorance like that."

Small wonder that strong men shudder and turn pale at the prospect, in the not impossible future, of an act providing for the Federal accreditation of all zoos in the country.

An awkward result of this wealth of legislation can be seen, for instance, in the case of the dolphin, or, as it is known in America, the porpoise. Every year, 200,000 dolphins are slaughtered inadvertently—strangled in the fishing gear of tuna fishing fleets. Simple, you may say: tell the fishing companies to work out a system that will save the creatures. But the Government is responsible to all American interests, of which the fishing industry is one, so they have given the fishermen two years more to find a way to catch their tuna without also killing dolphins. This two years' leeway means that at least 400,000 more dolphins will be killed. That is bad enough, but what is really insane is that, in spite of this slaughter, it is practically impossible for an American aquarium to cut through the legislation and acquire a living dolphin from outside the country for show purposes. It looks like protection gone mad.

"Since the capture of a dolphin for an aquarium might save his life from the tuna fishermen," says Mr. Chamberlain, "the aquarium owners, who are perfectly willing to give a dolphin plenty of water in which to disport himself, wonder why the Department of Commerce and the Department of the Interior should interpose such mountains of red tape between the decision to buy a dolphin and the actual delivery of this most intelligent of sea creatures."

With all due respect to Mr. Chamberlain, aquarium owners cannot really be so mystified by red tape, because they have seen it before. It is an inevitable symptom of bureaucracy, which in other contexts presents an excellent argument, to my mind, why zoos ought to be in the hands of private organizations. I am not arguing, of course, that we shouldn't have protection laws, only that the ones we have need streamlining. Animals do need protection from man's cruelty, greed and exploitation generally, but this does not mean, as the anti-zoo lobby holds, that all zoos are bad.

The American Association of Zoological Parks and Aquariums, along with similar bodies in Europe, is doing its earnest best to get rid of unsatisfactory zoos everywhere. Nor does it object to the idea of protective legislation except when that interferes with praiseworthy projects. As Mr. Chamberlain says, zoo directors would be satisfied with permission to import enough (and no more) of cheetahs, leopards, jaguars and ocelots—to name a few of the endangered species—to establish breeding banks; but as things are, this is impossible. Meantime, people are busy killing cheetahs, leopards, jaguars and ocelots for the fur trade. In the circumstances, there is hardly time for the would-be breeders to cope with red tape. The end is in sight. Look at the figures: a few years ago the tigers of India numbered, in the wild, 40,000; today there are 1,800. There are more registered Siberian tigers in zoos at the present time than there are in all of Siberia—naturally enough, since in zoos they have a chance to breed, whereas in the wild, their numbers sadly reduced and their human enemies all too many, they have not. In 1968–1969 a total of 3,168 cheetahs, 17,490 leopards, 23,347 jaguars and 262,032 ocelots were killed for their pelts, and this killing cannot be stopped because the economic interests of too many countries are involved. To be sure, our own country has passed laws against the sale of such pelts, but the U.S. is not the world, and none of these animals live in this country.

In urban centers we are shielded from the sight of the extinction of many forms of wildlife. Therefore it need not bother us—or is this true? Can we really contemplate without pain the idea of a world from which all wildlife has been pressed out of existence? Tacitly, such furtherance of extinction is what the anti-zoo brigade is advocating. It is often said by such people that our children need not see actual living exotic animals because we have so many paintings and photos and statues of them. Give the children picture books if the matter seems so important to you, they say. But such records are not enough. William Conway, general director of the New York Zoological Society, has a good story about that. A little girl was standing in the Bronx zoo, staring and staring at an elephant, so absorbed that she ignored her mother's calls. At last the mother said, in exasperation,

"Oh, come on, Cynthia, you've seen hundreds of elephants on TV."

"But not so big," said Cynthia.

No, there is no substitute for the real, living animal, and if zoos have one overpowerlingly important function it is to bring this real animal, through conservation and breeding, to city people, to educate us in zoology. As we know, education is not achieved only by signs and labels and books. Seeing the animals, feeling, as one looks at them, how much life is interwoven between species, learning to understand how these creatures live and why they behave as they do—this all helps us to appreciate what our world, our life, is all about; and the general public, with the exception of the kooks and vandals who menace all our institutions, is aware of this. People love zoos; this is true of adults as well as children. A count of visitors to the Bronx zoo, broken down into age groups, shows that for every child who goes to look at the animals, there are three adults. A recent survey of the crowds at the San Diego Zoo, made by Dr. Neil H. Cheek, Jr., indicates that the visitors themselves consider the experience not only entertaining but valuable. Says Dr. Cheek:

"Going to the zoo apparently means more to people than seeing animals. A day at the zoo seems to strengthen ties between humans and mother nature. Two-thirds of the zoogoers in the survey said they felt closer to nature at the zoo, and another 40 per cent went even farther: they said the zoo helped them feel how beautiful life is."

William Conway believes that the zoo has, or can have, a strong effect on the development of children, whose instincts during the period of adolescence, as many of us know, tend to be destructive and cruel.

"During that period, young people want to kill things," he said. "We should divert these impulses and turn them into a spirit of inquiry as to what other animals really are—not just something to destroy. To my mind, this is one of the most important parts zoos can play in education."

To carry out their aims, zoos need help. The financial requirements of the really good, modern, desirable zoo are many, and grow with each season. Small wonder that a zoo director's mind tends to be preoccupied with the day-to-day running costs of the establishment, however much he may prefer to think of extra efforts in the cause of conservation. Food, medical care, plant, maintenance, salaries—worry about these expenses leaves him little leisure in which to ponder improvements. Yet even the best zoo cannot rest on its laurels. In International Wild-Life for February, 1974, the journalist and broadcaster Roger Caras provides a few statistics that are calculated to give directors financial headaches. Animal keepers in the three smaller zoos operated by the Parks Department of the City of New York (Central Park, Prospect Park and Flushing) earn in basic pay $2,000 a year less than a common laborer. None of these zoos can afford a full-time veterinarian. It might be remembered that it was in Prospect Park that the young keeper ran amuck in the monkey house. He complained of, among other things, lack of medical care for the animals.

At the best of times, zoos are hardly money-spinners, and recently inflation has hit them hard. A few examples given by Caras: in 1968 the Indianapolis Zoo was able to buy three giraffes, with transportation and insurance included in the purchase price, for $21,000. If that seems high, consider that in 1974 the same zoo had to pay for one single giraffe $22,000. The Cincinnati Zoo used to get a ton of alfalfa hay for $30; now the same amount costs—when they can find it—$100. As for new projects, the bills are astronomical. The New York Zoological Society's World of Birds at its Bronx zoo cost its donor $3.7-million; even this sum, as Caras says, looks like peanuts when we consider that the estimate for updating Boston's zoo, which badly needs updating, will be $27-million, and Toronto's new zoo will cost at least $20-million.

How are zoos funded? There is no one reply, for they all have their own methods. Some depend heavily on the take at the gate; some get aid from their local municipalities, but with most of them it is a combination of these resources, and many are helped out by Friends of the Zoo societies. The National Zoo in Washington, D.C., is under the aegis of the Smithsonian Institution as well as a Friends of the Zoo society and is in a comparatively cozy state as a result. The San Diego Zoo, one of the best known in America, has been very much helped by the fact that in its early days, part of the city's taxes were earmarked for its use. It also charges a fairly hefty entrance fee, as does its offshoot, the Wild Animal Park at San Pasqual, 30 miles away. Without such sources of revenue, a zoo can deteriorate with terrifying swiftness. The crummiest zoological garden I ever saw in America—I will not name it—was in such a bad state that I asked indignantly who was responsible for it financially, and nobody could tell me. That was the truth—nobody knew. In the end I found that it depended for funding on the city government, which explained a lot. I am glad to say that it has now been much improved. That zoo, in its former state, had no excuse for being, since it contributed in no way to conservation, it

* Emily Hahn, a regular contributor to The New Yorker, is the author of many books, including "Animal Gardens," which is about zoos, and, most recently, "Once Upon a Pedestal."

was an offense to the environment and in education its results were wholly bad.

Good zoos can and should be conservation centers. As William Conway said in an address he gave a year or so ago: "What a desperately compelling promotional theater zoo collections have become. Any number of their animals are rarer than Rembrandts: Przhevalski's horses [a rare Mongolian species], Siberian tigers, Père David's deer, sacred cranes, Indian rhinos and many more—all number less than the 750 known Rembrandts." Though the world does have animal refuges and parks, they are not enough for conservation, and none are ecologically independent: their survival depends on the maintenance of stable governments, which is a large order nowadays.

Nobody who has read George Schaller's "Year of the Gorilla" can easily forget the end of the book, where he tells of the encroachment of Watusi tribesmen with their cattle on what is left of mountain-gorilla territory at the border of Zaire. Schaller furiously and helplessly tried to hold back the cattle, but there was no aid forthcoming from the Government; that could hardly, in the circumstances, be expected. Similar problems can be seen in many parts of the world.

"Even an optimistic evaluation suggests that most major Asian faunal communities will have reached the point of near extinction within two decades," said Conway, and his prognostications for Latin American wildlife are even gloomier. The only glimmer of light in the picture, one feels, is man himself, for he can, when he tries, reverse to some degree the harm he has done. He did it with the American bison, which at the beginning of our century was apparently doomed. It was saved by determined action on the part of the New York Zoological Society. The few remaining animals were gathered together in a herd: they bred successfully and increased until, in 1907 and 1908, some specimens were actually reintroduced to their native haunts, where they survive today. There is a similar history of the European bison, or wisent; it too was almost wiped out, and it too has been preserved. A number of these animals live today in the Polish forests.

In the San Diego Wild Animal Park, the authorities are constructing a giant reserve of 1,800 acres into which a great variety of animals from different parts of the world have already been introduced, and their excellent health and breeding records show that they can live perfectly well in that alien land. The park, with the Phoenix Zoo and the Los Angeles Zoo, are joint custodians of the Arabian oryx, an animal that was nearly wiped out in its native land before a salvation project was mounted. Now the survivors are breeding well.

All this is excellent, but it brings us back to that ever-present problem, financing, and that in its turn brings us to the subject of the public's willingness to stump up. To do them justice, people often show a remarkable and imaginative understanding of what zoos need. The inhabitants of Oklahoma City, for example, are rightly proud of their zoo for successfully breeding the extremely rare golden lion marmoset, though one does not expect the ordinary citizen to know or care much about marmosets. The zoo at Central Park was very lucky not long ago when a quiet little female Lowlands gorilla who lived there, unhonored and unsung until then, surprised everybody by giving birth to an infant. (She did the same thing again even more recently, but the new baby, alas, did not survive.) It is through public relations that people hear of such triumphs as Patty Cake, and public relations cost money, but there it is: zoos must keep the public informed, otherwise they give up their moral right to exist. Most zoo men agree with the precept expressed by Conway, which is: If you can't afford a good zoo, don't have one at all. In these parlous times, it is not impossible that a number of zoos will have to close down, or at least combine forces. At the moment the New York authorities are considering the expedient of putting their small city zoos—Prospect Park, Flushing and Central Park—under the management of the Bronx zoo, even though, strictly speaking, that is not a City of New York zoo at all. The idea seems to be that it would be more economical that way, and it is true that municipally supported zoos are often treated like the runts of a litter—the other children get the best of the meal. Central Park's zoo, beloved of thousands, was a very good garden in its time. The trouble is, it was an early zoo, and a lot of its features are antiquated now. Like Prospect Park, it should be kept going but with far fewer species.

It is not a tactful time, what with the recession and all that, to speculate on what the ideal zoo would be like. All the same, I agree with Conway that a certain semantic change is necessary: the ideal zoo would in fact be a park, so that there would be room for carefully structured displays. Years ago, the founder of the Hagenbeck Zoo at Hamburg was the first to use trenches instead of bars or fences to keep the animals in, and constructed islands on which the beasts could move about in apparent freedom. This is a fine concept except that the illusory freedom was in the last analysis as constricted as cage space would be. If I could build my own zoo I would use the trenches, of course, but I would enlarge the territory between them to such an extent that most animals—which in any case are not really free-ranging for mile on mile, but maintain certain limits to their territory—would be able to move about more. They would still be reasonably visible to the public. Even today some zoos do the same thing with their wolves, in "wolf woods."

But, you might reasonably object, you would soon run out of space, something few zoos have enough of already. It is a reasonable point and the objection leads us to the next reform: zoos should cut down on their varieties of species. There is no reason why they should not, and something of the sort is already happening. A really thoughtful zoo director will not immediately rush into the scuffle to get hold of a particular rare specimen simply because it is rare. We now find a number of zoos where the staff is actually proud of having fewer, rather than more, items on their list, because they know that the animals they do display are getting better care. In one zoo that I visited, the director decided to get rid of his white rhinos, which occupied half a paddock of which the other half contained black rhinos. His assistant was dubious, saying that the public wouldn't stand for it, but he carried out his idea, sent away the white rhinos, and opened up the whole field to the black. They promptly improved in health and bred successfully, and the public, he assured me, never noticed.

Trying to decrease rather than increase the inventory also does away with the urge of some directors to outdo their colleagues, a practice that has been called "postage-stamp collecting." It is a wasteful pastime. Today there is far less of a rush to get hold of, say, maned wolves or Komodo dragons than there used to be. In the Arizona-Sonora Desert Museum at Tucson, no animal is on display that isn't local, that is, from the Arizona-Sonora territory. Some visitors cannot understand why they don't offer elephants and giraffes and such, but that is not the name of the game. Another pleasant novelty is Gould's Monkey Jungle near Miami, where visitors are confined to a caged walkway and it is the monkeys—a troop of Javanese macaques—that are free to romp around and dive into their own swimming pool. Admittedly such a display is possible only with animals which, like these macaques, do not normally wander off the range, but it is a charming experience for the visitor.

Fair is fair, and in my zoo I want to satisfy the visitors by providing them with beauty. The animals don't care what the zoo looks like, at least outside their own enclosures, but we do, and I remember with keen pleasure the zoo at Chester in the west of England, not only for its masses of flowers but for a moat that cuts off the public from enclosures where great apes can lie stretched out sunning themselves, each on his own bit of lawn. Nothing could be prettier.

Caras, in his ideal zoo, would have a multimedia theater in which the public learns, through audio-visual techniques, the concepts of the exhibits in the zoo and the biology and behavior of the animals. These things are fine, and I would also adopt his suggestion of behavioral exhibits, an orientation complex (there is an excellent one at Tucson), and a free-flight aviary, of which Oklahoma City has a beauty, called the Condor Cage. Then, of course, one wants, as he says, an open wildlife area. "The ideal zoo," says Caras, "is an educational institution, a recreational facility, a wildlife research center and a breeding station. Few zoos anywhere in the world, however, even begin to approach the ideal."

But some directors try. The last time I visited the Bronx, Bill Conway took me out to see what has lately been done. He stopped the electric car at a point in the road from where, as he said, we could see the three species, each in its own area, that everyone invariably mentions when talking of conservation—the bison, the Pere David's deer and the Przhevalski's horse.

"We can't see the Formosan deer from here," he said; "they're further along. On Sept. 13, 1873, the Formosan deer was officially pronounced extinct in the wild. That's a terrible thing to hear. Fortunately, we had 13 of them here in the Bronx, and they bred, and now we have 54. It's time to disperse them; we plan to distribute them soon among other zoos."

It was a cold, dark day, but the zoo was full of visitors, nevertheless, and the groups got bigger as we approached the World of Birds. Conway said they were probably on their way, most of them, to see the thunderstorm that takes place every afternoon in the Rain Forest exhibit.

"Anyone over 65 can come in free, any day of the week," he explained, "and we get a lot of people over 65. One old man told me that he hasn't missed a day since we opened this hall."

Back at the office he looked thoughtful. "You know," he said, "we're taking over an island off the coast of Georgia where we hope to establish breeding colonies of various birds and animals. Not just the New York Society, that is, but the National Zoo and some of the others. It'll be a joint project and it should be rewarding."

Here was one zoo, I reflected, that was not going to fall before the enemy's attack.

SOUTH AMERICAN CITIZEN HONORED FOR WILDLIFE CONSERVATION EFFORTS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. DE LA GARZA. Mr. Speaker, I had the privilege recently of hearing an eloquent plea for the conservation of endangered species of wildlife throughout the world. The speaker was Sr. Felipe Benavides of Lima, Peru, and the occasion was a dinner at the Pan American Union at which Sr. Benavides was presented with the J. Paul Getty Wildlife Conservation Award. Sr. Benavides, known for his work in conservation on an international scale, was one of more than 500 nominees for the prize.

It was a gala affair, with Vice President NELSON ROCKEFELLER, many of our leading Ambassadors to Washington and the OAS, along with prominent government and civic leaders from our country interested in conservation in attendance.

In order that my colleagues may share the knowledge I gained from Sr. Benavides' address in accepting the award, I am inserting the text of his address in the RECORD:

LADIES AND GENTLEMEN: The most advanced nation in the world has sent MAN to the moon, while the poorer nations are barely able to survive on EARTH, and it is even less likely that the animal kingdom persecuted by man will be able to do so for much longer. It sometimes seems that man is incorrigibly self-destructive—he is destroying his own livelihood while destroying his own planet. Most countries are concerned only with their own immediate problems instead of looking forward at the whole of our planet's future. The extinction of animal life will undoubtedly be followed by the eventual extinction of human life.

The "Persecuted Majority," by which I mean the members of the Animal Kingdom which have neither voice nor vote, has been in the past a source of enlightenment for the masses, and food, medical and scientific wealth to mankind. The "Persecuted Majority" has served man, the most destructive creature in the world, and it continues to serve him.

In former days nations conquered vast areas of the world, subjugated people without the slightest qualm, and wrought sometimes irreparable destruction to animal life which in many instances provided food for its people. I am thinking of the Buffalo. Today, a similar process is taking place, despite the efforts of World Conservationists: the wholesale slaughter of a "would-be" source of survival to future generations when properly managed. I am thinking of the Whale.

The nations of the Third World join together in voicing their protest against the unfair distribution of Wealth, and we are right in doing so. Yet, it is true that most of the wealth in the world in the form of rain forest is to be found within the confines of the very nations which make up the developing countries, and more specifically anywhere from one-third to one-half of all the fauna and flora of the world is found in the Tropical Countries. I repeat, the wealth that was once a source of aggrandisement for the industrialised nations is now in the custody of the developing countries. Here we have a superb flora and fauna which should be the pride of the world and put to the service of its people.

This Sacred Heritage stands in danger of extinction precisely because of the lack of understanding of, and the application of methods already rejected by the industrialised nations who considered them dangerous to the environment. Yet these same are often applied indiscriminately in the developing countries.

We, the members of the Third World, must be honest with ourselves and face the fact that much of our misfortune is the result of our own inactivity. As regards the protection of those of our natural resources that are capable of being renewed or restored, it can be said that the vast majority of the public is just not interested and that the responsible authorities within Governments are indifferent, while also there is a minority of people concerned for *nothing* other than its own interests. It is the greed of this small number of individuals that is largely to blame for the extermination of the Animal Kingdom, the great Persecuted Majority, the Fourth World, or should we call it again the First World because they were here first! I say this because the Fourth World is that which is yet unborn—the world ahead in the time-scale. Today we are daily making decisions which affect the Fourth World and it may look back in anger and revile us for not taking it into consideration.

The indiscriminate slaughter of animals is almost always executed for the profit of the highly industrialised nations which use the skins, wool, ivory, oil, etc. for the luxury consumer trade. The pressure on the hunter or poacher comes from the demand for the luxury of the few. But we cannot throw all the blame on foreign dealers and consumers. A considerable share of the responsibility for the persecution and destruction of wildlife lies within the authorities of the Third World.

The fact that much indiscriminate slaughter should have been accepted in the past, might almost be considered excusable, since, in the face of force of arms and subjugation of the weak by the strong, little could be done against the abuses of those in power. Today, however, when one is master of his own house, it is unforgivable that we should be a party to the endless exploitation of wildlife. This is a state of affairs which, beyond any shadow of doubt, will be utterly deplored and condemned by future generations.

I feel able to state, in all truthfulness, that a considerable proportion of our poverty has been due to our own inability to defend what is ours, and to our preoccupation with self, which makes us forget that the World is a perfectly balanced creation of the Almighty, and that if man gravely interferes with it, it will he he who suffers most.

I wonder how long those in positions of power in the Third World are going to allow this situation to continue. How long are the authorities going to tolerate a smuggling trade that pours wealth into the hands of those who are already wealthy, while making poorer still any chance of betterment for all those who live in our jungle, mountain or coastal areas? With proper management our wildlife can be made to yield incalculable benefit to the Third World countries, always provided that those in office adopt a truly responsible attitude to their high office and enforce the laws, regulations and controls as they should be. Scientists cannot any longer be isolated and they must be incorporated in the decisions to be taken to safeguard the renewable resources of the world. Most governments seem to listen only to those who can offer immediate returns and not to those scientists who are concerned for the welfare of the future. Caveman cared only for his Daily Bread. Civilized man must care not only for the bread of today, but for the bread of tomorrow, and tomorrow and tomorrow.

It is the moral duty of the industrialized countries of the World to contribute towards the poorer nations by banning all imports of endangered wildlife species. It is vital that all Nations ratify the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

A nation unable to care for both its wildlife and its people, is already partly beyond repair, socially, emotionally, and morally. As a conservationist, I will say that the Wildlife of Latin America has been neglected for too long and only in the last five or six years has there been world interest in our fauna and flora. Problems facing us are enormous. Some results are being shown but more studies are needed to justify the establishment of reserves and sanctuaries for Wildlife, and this work must be one of the top priorities at the present, as Latin American governments have been heavily depending on the revenue from the exports of their natural resources. The demands of the local economies will encourage the use of such resources on an even greater scale and will inevitably lead to total exploitation and consequent degradation of our rain forests, lakes, rivers and coastal waters. Due to considerable discovery of oil resources in the Amazon Basin, the danger of pollution of rivers is critical, and control by efficacious legislation is essential. Aid and cooperation by the governments of the advanced countries of the world will give encouragement to conservationists and leaders of public opinion on our continent.

By protecting ecological diversity, we are guaranteeing our own survival. If we destroy the genetic reserve, a bank of precious assets that exists in nature, agriculture will fail to produce the great quantity of food needed by mankind to survive. Rain forest demands extra care due to its delicate composition, no doubt the world's richest expression of life. Although its penetration by road construction is justified in many realms, and validly so, none the less we have to understand the very real dangers such projects pose.

Today, more than ever, our political leaders have a great responsibility when making decisions that will affect future generations. This responsibility is very heavy when one hasty move could lead to irreversible changes.

To safeguard our hemisphere, we must work as one. Our Organization of American States must have the authority to insist on stringent adherence to conditions. Must coordinate legislation and regulations to safeguard our rivers, lakes and seas. Must alert the world to the impending catastrophes of oil carriers—specifically the possibility of a sinkage and spillage of such a carrier in the neighbourhood of Galapagos. Must intervene in those areas where the combined authorities of two or more countries (1) render legislation too elusive, and (2) adherence to Law too minimal and incidence of contraband too maximal. I am thinking of the Amazon-Leticia. Must insist upon the banning of certain imports whose origins have established them as contraband and whose destination have neither established them, defined them, nor respected the requests of the country of origin. I am thinking of the Vicuna.

The smallest and wildest member of the camel'oid family has the misfortune of carrying upon her the world's finest wool. She was strictly protected by the Empire of the Incas, through a ruthless enforcement of legislation: capital punishment to the violators. By the turn of this century, there were as many as 400,000 of these precious creatures. Gradually over the years, her number grew smaller and smaller, as the demand for her wool grew greater and greater. Man was unable to cope with her high-strung character. Unlike the sheep, the only way to capture her was to kill her, and so it was. By 1965 her population was estimated to be between 5 and 8 thousand in Peru, 1,500 in Bolivia, Argentina 2,000 if that, about 700 in Chile and total extinction in Ecuador. We had to work fast and the first reserve was set up in Pampas Galeras, Peru, and in 1967 this reserve held no more than 600 animals. Guards were stationed there, but to little avail. It was important to coordinate legislation among the countries where the Vicuna occurred.

By 1970, the La Paz agreement was signed and later ratified by Argentina and Chile. According to this agreement Argentina, Bolivia and Chile have also set aside reserves. Unfortunately, due to continuous demand for this luxury commodity, the poaching continued—poaching of a most vicious nature—employing automatic and precision instruments. The raw material, eventually

found its way to American and European industry.

Through the help of the World Wildlife Fund, the International Union for Conservation of Nature, Fauna Preservation Society and many other conservation organisations, Governments were requested to ban the imports of wools and furs. The U.S. and Great Britain were the first to do so. Alas, although the Peruvian and Bolivian Governments have requested France to follow the example, the contraband continues and at astronomical prices.

The incentive for such benefits resulted last year in the death of an innocent Peruvian guide and the wounding of two guards.

Today, due to efficient Peruvian-German managements, the reserve of Pampas Galeras numbers nearly 13,000 and in the whole of Peru we can estimate approximately 23,000. Favourable increase is being manifested in all the established reserves and it is our hope that the Vicuna will be reintroduced in Ecuador. The day is drawing near when a system of humane capture and wool-shearing will be devised and some form of Vicuna wool will share honours with Cashmere, and both producers and consumers alike will reap the benefits of her introduction into industry. This is a good example of how a renewable natural resource can proliferate for the benefit of the many.

In considering this and other problems of World Wildlife conservation we should remember the observation of that great American humorist Mark Twain—"Man is the only animal that blushes—or needs to."

BILLS TO IMPROVE SURVIVOR BENEFIT PROGRAM

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. BOB WILSON. Mr. Speaker, I am today introducing the second installment of a package of bills to improve the survivor benefit program for military retirees.

As enacted in September of 1972, the survivor benefit plan was a major improvement in the survivor protection available to military families and was closely modeled on the survivor annuity program in effect for civilian employees of the Federal Government.

Last year two major improvements were made in the civilian survivor annuity program. First, the lock-in provision was eliminated. Previously, an election to take a reduced annuity in order to provide for a surviving spouse was irrevocable. In some cases the designated spouse predeceased the annuitant by several decades, but the reduction to provide for the long-departed partner could not be canceled. Public Law 93-474, enacted October 26, 1974, eliminates the survivor reduction during periods of nonmarriage. I am sponsoring legislation to include this same provision in the military survivor benefit plan.

In addition, Public Law 93-260, signed April 4, 1974, reduces from 2 years to 1 year the marriage requirement for a widow or widower to be entitled to a survivor annuity under the civil service retirement provisions. I am sponsoring counterpart legislation for the military program.

These two bills are the second step in legislation I am introducing dealing with the survivor benefit plan. On the first day of the session, I reintroduced several measures from the last Congress to assist the widows of career military retirees who died before SBP was enacted. The previous survivor program for military retirees, the retired serviceman's family protection plan, established in the early 1950's, was high in cost and low in benefits in comparison to the plan available to civilian employees. Because of the substantial reduction in retired pay required to pay for participation in RSFPP, many retirees found it impossible financially. During committee hearings to establish an improved survivor annuity plan, participation in RSFPP was determined to be less than 10 percent because of the exorbitant cost of providing RSFPP coverage. As a result, many pre-SBP widows are destitute.

Finally, in the near future, I will be introducing several bills to change the present social security offset. Under the survivor benefit plan, the widow's SBP benefit is offset dollar-for-dollar at age 62 for all social security to which she is entitled based on her late husband's military service, even though she may not actually be in receipt of such social security benefits. I am in the process of drafting several pieces of corrective legislation relative to the offset and will address the House further on this subject as soon as these bills are ready for introduction.

INCREASE PRICE SUPPORT FOR MILK

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ICHORD. Mr. Speaker, I am today introducing legislation which would provide for a temporary increase in the price support of milk at not less than 90 percent of the parity price. The bill also would direct the Secretary of Agriculture to adjust the price support at the beginning of each quarter of each calendar year to reflect any change during the immediately preceding quarter in the index of prices paid by farmers for production items, interest, taxes, and wage rates.

Mr. Speaker, today dairy farmers everywhere are caught in a serious cost-price squeeze with many thousands of dairymen facing forced liquidations if some relief is not immediately forthcoming. Agriculture economists in Missouri have predicted that 40 percent of Missouri's dairy farms will be shut down in the near future due to the drastic circumstances of high feed costs and low milk prices. As several Missouri State representatives pointed out in a recent letter to USDA Secretary Earl Butz: How can these businesses "long continue to pay $7.80 per cwt for dairy ration and $65.20 per ton for alfalfa hay and then receive in return therefor $7.49 per cwt for grade A milk?" The answer from the dairymen is that they simply cannot. One previously successful Missouri dairyman said in late September:

I am working for nothing. I can hold out for awhile, but if this goes on for six months, a year, I don't know. It's going to be tough. Pretty soon we won't have any net worth left to borrow on. . . . To survive we've got to see a 1.6 milk-feed ratio.

I would point out, Mr. Speaker, that in August the official USDA figures for the milk-feed ratio ranged from 1 to 1.1—a situation in which a dairyman cannot even expect to break even.

Missouri ranks 10th among all States in milk production. However, in 1973 1,600 Missouri dairy operations shut down out of a State total of 10,000 dairy farms. More specifically, since May 1974, 3,700 small dairy farmers in the State of Missouri have ended milking operations. The Joint Interim Committee on Agriculture of the Missouri General Assembly conducted a probe into the problems of Missouri's dairymen and came up with a series of complaints which are valid nationwide. On the one hand, dairymen are faced by a flood of foreign dairy imports which, unbelievably, are not even required to meet the same minimum standards for quality and wholesomeness as domestic dairy products. On the other, milk producers are confronted by astronomical rises in feed costs with the price of dairy ration increasing 300 percent in 2 years and the price of hay increasing 200 percent in 2 years.

At the same time dairy farmers' income has lacked the proportional increases which would have allowed them to weather out these inflationary rises.

Unfortunately, Mr. Speaker, conditions for the dairy farmer are only going to get worse. Feed grain production is 15 percent below 1973 levels with corn production 26 percent below the April estimate of 6.7 bushels, the soybean crop off 16 percent of last year's production, wheat 4 percent below the July forecast, and even the incurably optimistic USDA conceding that "total use may exceed output" for all feed grains. The result is that the dairymen can only expect further feed cost hikes.

In the face of this very real concern, dairy farmers have requested help from their Government, and yet little action has been forthcoming. In setting price supports and in establishing milk marketing orders, the Department of Agriculture is directed by public law to employ levels which would "meet current needs, reflect changes in the costs of production, and assure a level of farm income adequate to maintain productive capacity to meet anticipated future needs." Yet the only USDA response to date has been to temporarily increase the minimum floor price for computing fluid milk—class I—prices paid to farmers under Federal marketing orders and to slightly increase milk price supports on a temporary basis.

Mr. Speaker, I firmly believe that if we are to insure the future of milk producing in this Nation and prevent a disastrous milk shortage in the months ahead, firm action is going to have to be taken immediately. We must not allow the small dairy farmers of this Nation to all but fade away; victims of not only inflation but also the benign neglect of an administration and Congress reluctant to become involved in any problems even associated with milk. It is high time that we start living up to the obligations that the Federal Government has to the dairymen of the United States, and I sincerely hope that Congress will act in the near future to enact legislation raising milk price supports to 90 percent of parity.

ONE GOOD GIANT DESERVES ANOTHER

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASPIN. Mr. Speaker, Mr. Gus Tyler in his article entitled "One Good Giant Deserves Another" which appeared in the Long Island Press of Saturday, February 8, crystallizes the feelings and emotions of many of my colleagues about the distinguished chairman of the Committee on Banking and Currency (Mr. REUSS) and the former chairman and distinguished chairman from Texas (Mr. PATMAN). As Mr. Tyler points out, both men have made great contributions to our Nation.

I think all of my colleagues will be interested in reading Mr. Tyler's piece.

The article follows:

ONE GOOD GIANT DESERVES ANOTHER

(By Gus Tyler)

When I read that Henry Reuss had replaced Wright Patman as chairman of the House Banking and Currency Committee, I did not know whether to cheer or to cry.

I'm trying to find a way to do both. Here's why:

Henry Reuss is a brilliant, articulate, hard-working, dedicated Democrat with a deep commitment to the causes of common man.

In this respect, he is a worthy carrier of a tradition that characterizes the city from which he is elected.

If Milwaukee is known as the "Beer City," it is due, in no small measure, to the fact that more than a century ago the city was settled by German refugees, fleeing the oppression of the old country after the unsuccessful revolution of 1848.

The secular religion they brought with them, along with the formula for beer, was socialism.

To these people, socialism was, in part, a form of economic organization, but, in greater part, a belief in the rights of working people that, in turn, derived from a belief in human dignity. Through the years, this credo found political expression.

Milwaukee was one of the two places in America that ever elected a socialist to Congress. Victor Berger came from that city. His sole socialist companion was Meyer London, elected from New York's East Side.

For several terms, Milwaukee was represented by Andrew Biemiller, the present head of the AFL-CIO legislative staff in the nation's capital.

Year after year, Milwaukee would re-elect its socialist mayor, Dan Hoan. And when he stepped down, the city continued in its old ways by electing Socialist Frank Zeidler.

So, while Reuss is a Democrat, he is a major party man who has been exposed to a minority view that has historically favored people over profits, men over money.

So cheers. And yet, the very thought that Wright Patman will no longer be chairman of the banking and currency committee is an occasion for tears.

No man in our times, perhaps no man in our history, has stood up for the common man—worker, consumer, farmer, small businessman—against the crushing power of the banks with the courage, conviction and competence of Patman.

The hearings he conducted over the years on the strangulation of the American economy by the tentacles of financial octupi have not only exposed hidden truths to the people but have served to hold the money-changers in check. His bills, especially his recent legislation to curb bank holding companies from buying up the industry, farms and stores of our nation, stand as a tribute to the tenacity and tactical skill of this grand old man.

But he is an "old man" in his 80s. He has been displaced by a younger man in his 60s.

That younger man now assumes the chairmanship of this key committee with a double load on his back: The traditions of the district from which he comes and the traditions of that powerful populist giant from Texas, Wright Patman.

CLINICAL PSYCHOLOGISTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mrs. MINK. Mr. Speaker, I am introducing legislation today to change provisions of the Social Security Act to recognize the clinical psychologist as an independent provider of health care services and to authorize payments for services by clinical psychologists under the act. Legislation to accomplish these changes is under consideration in the Senate in a proposal introduced by my colleague from the State of Hawaii, Senator INOUYE.

This bill, Mr. Speaker, recognizes a basic responsibility of the Congress to broaden the availability of health care services to our citizens. We find that in 49 of the 50 States, psychologists are licensed or certified to provide their services independent of medical supervision. In my own State, psychologists have served as expert witnesses in court, maintain hospital affiliations, render services to outpatients and hospital patients of all types and ages, and maintain an amicable and cooperative relationship with psychiatrists and medical professionals with the result that the public benefits from these two independent but cooperative disciplines. For the past 3 years, clinical psychologists have provided services and have been compensated under the largest medical insurance plans in the State, the Hawaii Medical Services Association program and the Champus program, which together cover the majority of the population of Hawaii.

While the value of the services of the clinical psychologist have thus been recognized virtually all across the Nation, we find that there are certain glaring omissions in our laws at the national level which tend to restrict the freedom of choice among those who might benefit from such services. Favorable consideration of the legislation which I have introduced will amend title XVIII of the Social Security Act's supplementary medical insurance benefits program to allow the citizens eligible for those benefits to seek counseling and treatment from the certified or licensed clinical psychologist and to have those services covered under the benefits program.

I strongly support the adoption of this legislation, and hope that we may have early and favorable action on it.

INCREASING THE ESTATE TAX EXEMPTION

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ABDNOR. Mr. Speaker, I am introducing today a bill which will bring existing estate tax provisions into line with the financial realities of 1975. I speak today unashamedly for the American farmer and small businessman. In 1939, an estate valued at $60,000 would today average $180,000. Yet, there has been no change in the Federal estate tax exemption structure since 1939.

Every day across this country the survivors of a deceased farmer face the difficult problems of complying with Federal estate tax provisions that has not changed in 35 years. Many times a farmer's son must secure a mortgage—often a second or third mortgage—to pay for the estate tax levied on the farm inherited from his father. All too many farm widows are forced off their home, selling it just to pay inheritance taxes. The estate tax was instituted with no intention to cripple the economic welfare of any sector. It should not do so today.

The bill I am introducing today carries three provisions. First, it would raise the exemption level from the Federal estate tax from its present level of $60,000 to $200,000. As noted above, this is done merely to adjust the exemption level for 1975 in order that the impact is similar to what the $60,000 exemption impact was in 1939.

Second, this legislation would change current provisions for marital deduction. At present the maximum marital deduction available when a married person dies and leaves property to a surviving spouse shall not exceed 50 percent of the value of the adjusted gross estate. This bill will raise the maximum marital deduction to $100,000 over the 50 percent adjusted value of the estate. No longer will a widow be forced to leave the farm home she built and operated with her husband because of his death and the need to pay estate taxes.

The third provision would provide for an alternative method for valuing farms and woodland for estate tax purposes. Presently farms are valued at an assessment which may include a potential alternate land use which may raise the value of the property beyond its current use value. Because speculative demand

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for farm land may raise the value of the property at time of valuation, the survivors who wish to continue farming are forced to sell the land because the valuation of the property was increased due to other speculative factors influencing land values. A son will be able to continue to operate his father's farm even though market pressures would formerly have forced sale of the property.

This alternate valuation procedure would, however allow for the collection of additional estate taxes of higher value should the property be sold or converted to a higher value use within the following 5 years.

While this third provision is directed most directly to the American farmer, the provisions do not preclude additional consideration for all Americans, be they farmers or not.

Though I speak for farmers, I represent all of my constituents directly and all Americans indirectly. This alteration in existing estate tax provisions would merely make the existing estate tax provisions reflective of the economic realities of 1975 for all Americans.

Revenue estimate of change in personal exemption level on Federal estate tax if changed from present $60,000 to $100,000 equals revenue loss of $1 billion; from present $60,000 to $150,000 equals revenue loss of $1.7 billion; and from present $60,000 to $200,000 equals revenue loss of $2.1 billion.

This is based on 1974 figures and comes from the Treasury Department. In 1973 revenue from estate taxes amounted to $5 billion.

The text of the bill is as follows:

H.R. 3915

To amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

(b) Section 6018(a)(1) of such Code (relating to estate tax returns) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

SEC. 2. The amendments made by the first section of this Act shall apply to the estates of deceden s dying after the date of enactment of this Act.

SEC. 3. INCREASE IN ESTATE TAX MARITAL DEDUCTION.—

(a) Section 2056(c) of the Internal Revenue Code of 1954 (relating to limitation of aggregate marital deduction) is amended by inserting after "shall not exceed" in paragraph (1) "the sum of $100,000, plus".

(b) The amendment made by subsection (a) shall apply with respect to decedents dying after the date of enactment of this Act.

SEC. 4. ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

(a) Section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

"(1) IN GENERAL.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) DEFINITION OF QUALIFIED REAL PROPERTY.—For purposes of this subsection, the term 'qualified real property' means real property substantially all of which is, and, for the 60 months preceding the date of death of the decedent, has been, devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland (including land use for the commercial production of trees and land used for scenic and recreational purposes), or

"(C) scenic open space.

"(3) ELECTION REQUIREMENTS.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form and manner as he may prescribe and shall contain, in addition to any other matter, the name, address, and taxpayer identification number of the person to whom the property passes under the terms of the decedent's will or by operation of law.

"(4) REVOCATION OF ELECTION.—If property valued under paragraph (1)—

"(A) is sold or transferred, by or on behalf of the person to whom the property passed, within 5 years after the date on which the return of the tax imposed under this chapter was filed, or

"(B) is converted substantially to a use not described in paragraph (2) within that 5-year period by that person, the election made under this subsection shall be revoked and the difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been payable on that transfer had the property not been valued under paragraph (1) shall be a deficiency in the payment of the tax assessed under this chapter on that estate.".

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2131(c) (relating to alternative valuation of certain real property), the value thereof as determined under such action for the applicable valuation date.".

SEC. 5. The amendments made by section 4 of this Act shall apply with respect to the estates of decedents dying after the date of enactment of this Act.

LITHUANIAN INDEPENDENCE DAY

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ICHORD. Mr. Speaker, on February 16, 1975, Americans of Lithuanian origin and descent celebrated the 57th anniversary of the establishment of the Republic of Lithuania. For 35 years the Lithuanian people have maintained a profound hope that one day they might again enjoy the basic human rights of self-determination and religious freedom which were lost to them when the Soviet Union annexed the Baltic States in 1940. Their efforts to regain these freedoms have been an inspiration to the world and have played a major determining role in the continued refusal of the Western nations to recognize the forcible annexation of their homelands. Indeed, I doubt that any of us will ever forget the tragic difficulties of Simas Kudirka, the Lithuanian seaman, who endured enormous hardships to obtain the freedom he wanted for himself and his family.

Mr. Speaker, in 1922 the United States recognized Lithuania's independence and today still maintains diplomatic relations with the representatives of that formerly independent Republic in Washington, D.C. I am sincerely pleased to have this opportunity today to join with many other Members of Congress in paying tribute to these proud people and to offer praise of their distinct contributions to the cause of freedom.

CONSTITUTIONAL LID ASKED

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WYLIE. Mr. Speaker, on February 20, there appeared in the St. Louis Globe Democrat an editorial calling for a constitutional amendment to control Federal spending. I, too, would like to see such a constitutional amendment. But, there is little chance for passage of a constitutional amendment.

On February 5, I introduced H.R. 2800 which "provides that Federal expenditures shall not exceed Federal revenues, except in time of war or economic necessity declared by the Congress." I hasten to add the chances that the 94th Congress will pass H.R. 2800 are probably slim and none.

The St. Louis Globe Democrat editorial succinctly targets in on the problem of Federal spending, and I recommend the editorial for reading by my colleagues in the 94th Congress in connection with my bill, H.R. 2800, which has been referred to the Government Operations Committee, Subcommittee on Legislation and National Security:

CONSTITUTIONAL LID ASKED

If federal spending, and spending at all levels of government, continue at the present mad pace, the United States free enterprise system will self-destruct within 15 years.

There is no way to continue spending at this accelerating rate on the federal, state and local levels without bringing on (1) an inflation rate of more than 20 per cent; (2) a depression and (3) socialism.

The nation already is faced with deficits totaling more than $80 billion in just two years. The national debt will go over $570 billion. And Treasury Secretary William Simon says the nation will have to borrow so much money that private business may be crowded out of the capital market by the "federal hog."

The alarming prospect is that federal, state and local borrowings will take 80 per cent of the debt capital in the coming year. This will leave business only 20 per cent of the financial debt market.

To get some idea of the tremendous squeeze that business faces, consider that as recently as 1955 through 1959 the federal government took only 20 per cent of the funds raised in the debt capital markets. Now it will take a gluttonous 66 per cent. No wonder Simon is protesting this impending crucifixion of the business community and the American public, both of which could be put through the inflation-tight money wringer again.

There is one way the issue of reckless squandering of public money could be given the full national spotlight it deserves. This could be accomplished by means of an amendment to the Constitution which would flatly prohibit Congress from spending more money than the Treasury takes in—except in time of war.

Obviously Congress would not approve such an amendment.

But under Article V of the Constitution there is another method open. Article V says that Congress "on the application of the Legislatures of two-thirds of the several states, shall call a convention for proposing amendments" which shall become part of the Constitution "when ratified by the Legislatures of three-fourths of the several states, or by the conventions in three-fourths thereof . . ."

This alternate method would seem to be the best way to put a lid on ruinous congressional spending. If the Legislatures of 33 states called for such an amendment, even the reckless spenders in the 94th Congress would have to take notice.

Passage of an amendment requiring Congress to be fiscally responsible for all time could prove to be the only way that the tidal wave of federal spending can be stopped.

MEDICAL CARE FOR UNEMPLOYED

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. CARTER. Mr. Speaker, I am today introducing a bill to provide, on an emergency basis, for continued medical care coverage for those Americans who have lost their jobs and are receiving unemployment compensation.

Loss of a job brings about severe economic difficulties for workers and their families, but it also usually results in the end of private health insurance coverage that was contingent upon their employment.

Approximately 7.5 million people currently are out of work, and 3.8 million of those have been laid off. Those figures amount to an 8.2 percent unemployment rate for the first month of this year, which is the highest jobless rate since before World War II.

The U.S. Department of Labor estimates that as many as 75 percent of the unemployed formerly had private health insurance coverage through their place of work.

Workers laid off and facing the prospects of continuing to meet mortgage or rent payments, providing food and clothing for themselves and their families and making payments on previous purchases would be hard-pressed to convert their former group policy to a personal health insurance policy. In fact, it is unlikely that any but a very few would do so.

That leaves the rest of the unemployed and their families with the anxiety about what could happen to them financially if they were involved in an accident or if they became seriously ill. That anxiety is compounded by the high cost of medical care. Hospitalization on the average across the Nation cost $130 a day during 1974.

The emergency legislation I am supporting seeks to provide a temporary, stopgap solution for the millions of Americans facing these problems.

Very basically, it provides that workers receiving weekly unemployment compensation benefits under a Federal or State plan would be entitled to enrollment in the part A program of medicare. As proposed, their dependent spouse or children also would be entitled to the basic medical coverage provided by the part A program, as well as a maternal and child health-benefit package to be devised by the Secretary of Health, Education, and Welfare.

Under this bill, all the deductibles and copayments now in effect for the part A program would apply to these newly covered individuals.

The advantages of this approach include the fact that administration of its provisions would be relatively uncomplicated. The worker would not have to pre-enroll in the medicare program. The provisions of the bill would go into operation only if the eligible worker or other eligible member of his or her family were hospitalized. In that case, it would be up to the hospital involved to determine whether insufficient health insurance coverage existed and whether the worker was receiving weekly unemployment benefits making the werker and his or her family eligible. If these prerequisites were met, the hospital then would treat the charges for medical services the same way it does bills for other patients payable under medicare.

Other advantages include the fact that this is emergency legislation. Its provisions would go into effect immediately upon enactment, and it would be effective only for 12 months after that date.

Hearings by the Ways and Means Committee on identical legislation are scheduled to begin next Monday, March 3, and continue for another 3 days.

I commend that committee for recognizing the urgent nature of this problem for our unemployed and for beginning active consideration of this, least expensive way of solving it. I am very hopeful that these hearings will be fruitful in that they will elicit specific data on the exact number of individuals who would be effected, the most precise cost estimate possible and the plan's effect on our regular medicare program.

We shall have to wait and see what the committee members determine about these questions and whether they recommend changes in the bill as it presently is written. However, the need for providing health protection for unemployed workers and their dependents who lose their medical insurance coverage is indisputable.

Many of the same problems with securing adequate health protection face many millions of employed workers as well. However, this legislation is strictly emergency in nature. It is not a national health insurance plan as has been proposed and as will be considered separately at a later date. While the debate over national health insurance goes on, our unemployed cannot afford to wait 2 years or more before final action is taken. They need help now, and this bill would provide that help.

I support this legislation as the most equitable and least expensive way of addressing this critical national problem, and I commend it to my colleagues for their consideration and support.

HIGHWAY CONSTRUCTION FREEZE

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. WALSH. Mr. Speaker, I have introduced an amendment to the Federal Aid Highway Act to rectify a serious problem brought about by a recent court decision. It would permit the States to prepare environmental impact statements on Federal aid highway projects proposed by the State, subject to evaluation and approval by the Federal Highway Administration.

On December 11, 1974, the U.S. Court of Appeals, 2d Circuit in Conservation Society of Southern Vermont, Inc. against Volpe, ruled that environmental impact statements required under the National Environmental Policy Act must be prepared by the Federal Highway Administration and not by State transportation agencies.

The court affirmed an injunction against further Federal participation in Route 7 in Vermont for this reason, even though the court found that the substance of the impact statement as prepared by the State was in full compliance with NEPA.

In January of this year, the Federal Highway Administration imposed a freeze on project approvals for the Federal aid highway program in New York, Vermont, and Connecticut, except for minor projects such as safety improvements. These three States comprise the jurisdiction of the second circuit court.

The highway administration specified it will not act on requests for approval of preliminary engineering authorizations or plans, specifications, or estimates of right-of-way acquisitions, nor any other step in the process of developing a highway project.

In the three States involved, the freeze affects 147 Federal aid highway projects on which construction would begin in 1975 and 1976. In addition, the freeze halts the development of hundreds of projects on which construction would commence in the period 1977–80.

The dollar value of the projects affected is in the billions and every type of Federal highway is on the list—interstate urban extensions, city arterials, rural primary, and rural secondary.

Although the court decision does not enjoin any construction other than the one route in Vermont, it did serve notice

that any Federal highway project in the three States might be enjoined if someone wants to bring suit because the impact statement was not prepared by the highway administration. The freeze was imposed by the FHWA because it presumably does not want to risk wide scale interruption of projects by law suits based on the decision.

An appeal of the decision will undoubtedly be filed, but it could take as much as two terms for the Supreme Court to decide it. In the meantime, without some other solution the highway systems in the affected States would suffer enormous deterioration since much of the work involves the reconstruction of existing roads.

Mr. Speaker, my amendment offers a solution to this problem by providing that the impact statements, in any instance, can be prepared by the State agency, subject to approval by the Federal Administrator. The amendment in no way changes the substantive requirements of Federal law.

I sincerely urge the support of all my colleagues in this most serious matter. The construction of these arterials is essential to upgrading the safety factor, to save money by starting as early as possible, and even to provide jobs for the construction industry which will be severely affected by the freeze on construction.

VOICE OF DEMOCRACY CONTEST

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. LUJAN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy Contest.

This year's winner from New Mexico is Debra Ann Hollingsworth from Raton, N. Mex. I would like at this time to submit the text of her essay on the topic of "My Responsibility as a Citizen" for reprint:

Will you go on a voyage of discovery with me? Will you go on a great adventure? I am looking for you who face life courageously, you intrepid ones, behind whom the world moves forward. To you, I am going to unfold a secret power—the secret power of daring and sharing, which carries with it tremendous responsibilities. Once you have it, you can never be the same again. Once it is yours, you can never rest until you have given it to others. Deep down in the very fiber of your being, you must light a fire that can never be put out. It will light up unknown reserves and discover new capacities for living and growing—and to its blazing glory enhance a thousand other lives for light, warmth, and power.

But what is my responsibility as a citizen, you ask? That is coming. First, it is necessary to agree that living aggressively changes the whole complexion of life. So many are victims of fear. You fear losing your job, sickness, hard times, or failure. But remember, courage is the conquest of fear. Not until you strive to attack will you master your fears. I have found opportunities do not come to those who wait. They are captured by those who attack.

In our treasure chest are many reliable possessions, but one of the greatest of value is democracy. Democracy is not only a technique of government based upon freely elected representative institutions, and upon an executive responsible to the people; it presupposes also, the belief in the dignity of every individual and his rights to freedom of thought and expression. It rejects certain forms of government, emerges in the interplay of several parties, in the free discussion of various view points.

Democracy is concerned with fundamental principles of human conduct by which men judge what is good and what is evil. What is new is not the principles. What is new is their applications in our day to day living in the twentieth century We must keep pace with a world that science and technology have made new. Our most valuable possession is not doctrine, but intelligence, not authority, but reason, and faith in man, in every living thing, and especially in God. Our strength lies in the fearless and untiring pursuit of truth by the minds of men who are free.

What can I do to safeguard and to nourish this great American inheritance? I can demonstrate four qualities which will help secure democracy. The four qualities, dependability, service, leadership, and patriotism, if practiced, will spread the secret power and prove to make our voyage worthwhile.

Being a person others can rely on is adventuresome. If I demonstrate this and if people learn that I am dependable I will be bringing a quality back that has been missing. People will see what I am demonstrating and they will want to follow my example. Soon our leaders will be dependable and will give us faith in our government.

Realizing my duty as a citizen, I must keep myself well informed and up to date in what I must do for my country. To always be available to render assistance unto others who are in need of help to improve their citizenship. Years ago in New York, a young, poorly dressed black man was hurrying to catch a train back to his home in the South. As he struggled along 42nd Street with two heavy suitcases, a friendly voice said, "Here, let me carry one of those for you." The owner of the voice carried the suitcase all the way to Grand Central Station. The black man, Booker T. Washington, went on to become a great educator and a leader of his race. His helper, Teddy Roosevelt, later became President of the United States. The capacity to treat all people alike, regardless of status or importance, is truly a demonstration of service.

I must always recognize my ability and capacity to be a leader to the extent that I am qualified. Since we are the leaders of tomorrow we need to be the ones who initiate projects today to secure a democracy for tomorrow. As Dwight D. Eisenhower said, "Freedom from fear and injustice and oppression will be ours only in the measure that men who value such freedom are ready to sustain its possession to defend it against every thrust from within and without."

Patriotism is another quality I need to use and demonstrate. Patriotism is loving one's country above all other material things and being willing to go to all means to support it. If democracy is to survive for future generations, we all have a responsibility to demonstrate patriotism.

It is difficult to put a challenge into words. In my mind I am encouraging you to make something of your democracy. I am looking across the room and asking, "Will you dare to be a Thomas Jefferson?" Only if you are adventuresome.

I encourage all of you to start a fighting life for democracy. I encourage you who are weak to build and be strong; you who are dull I challenge you with vision; you who are slaves—set yourselves free and rule—be kings.

If we face life courageously and continue our voyage of discovery by demonstrating the four qualities of dependability, service, leadership, and patriotism, our democracy will remain for future generations. As Eisenhower said, "Whatever America hopes to bring to pass in the world must first come to pass in the heart of America."

COMPENSATING INNOCENT VICTIMS OF WOUNDED KNEE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ABDNOR. Mr. Speaker, to mark the second anniversary of the takeover at Wounded Knee in 1973, I am today reintroducing legislation to compensate the innocent victims of the 71-day siege.

It is a tragic commentary that those who did nothing more wrong than select Wounded Knee as their home are still deprived of their possessions, and in some cases of their homes and their livelihood.

It is even more tragic that we have apparently learned no lessons from Wounded Knee. We still have repeated incidents, even today, where bands of dissident outsiders invade and occupy property, taking hostage the livelihood of innocent people.

Federal law enforcement officials at Wounded Knee prevented tribal officials from enforcing the law and protecting the rights and property of the residents of that area during the infamous siege.

Because of the bizarre manner in which that lethal farce was handled, those who were wronged find the lawbreakers most responsible for the losses are in almost all cases judgment-proof. Had the role of the Federal Government been different this might not now be so, this legislation would not be necessary, and the continued assaults against law and order might have been stemmed.

Most of these people who have lost, and continue to lose so much, are the same people the Federal Government has tried to induce to become economically self-sufficient. If ever respect for law and order is to be restored in this connection those who innocently suffered at Wounded Knee must be compensated by the Federal Government whose action or inaction contributed to their loss, and laws protecting lives and property must be firmly and fairly enforced.

Mr. Speaker, the text of this bill follows:

H.R. 3914

Be it enacted by the Senate and House of Representatives of the United States of America assembled,

DECLARATION OF PURPOSES

SECTION 1. It is the declared purpose of the Congress in this Act to compensate innocent victims of the lawless occupation of Wounded Knee, South Dakota, between February 27, 1973, and May 8, 1973, for loss of life, personal injuries, and damages to their real and personal property.

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Board" means the Wounded Knee Compensation Board established by this Act;

(2) "Secretary" means the Secretary of the Interior;

(3) "victim" means a person who was killed, who suffered personal injury, or whose real or personal property was damaged without his fault in the course of the occupation of Wounded Knee, South Dakota, between February 27, 1973, and May 8, 1973, or any other entity whose property was damaged during that occupation;

(4) "dependent" shall be defined by the law of the State of South Dakota;

(5) "claim" means a written request to the Board for compensation made by or on behalf of a victim or his surviving dependent or dependents;

(6) "claimant" means a victim or his surviving dependent or dependents;

(7) "compensation" means payment by the Board for net losses to or on behalf of a victim or his surviving dependent or dependents;

(8) "financial stress" means the undue financial strain experienced by a victim or his surviving dependent or dependents as the result of pecuniary loss from an act, omission, or possession giving rise to a claim under this Act;

(9) "minor" shall be defined by the law of the State of South Dakota;

(10) "net losses" means gross losses, excluding pain and suffering, that are not otherwise recovered or recoverable—

(A) under insurance programs mandated by law;

(B) from the United States, a State, or unit of general local government for personal injury, death, or damage to property otherwise compensable under this Act; or

(C) under contract or insurance wherein the claimant is the insured or beneficiary.

(11) "personal injury" means actual bodily harm;

(12) "damage to property" means physical harm to or the loss of personal property and effects and physical harm to real property; and

(13) "guardian" means a person who is entitled by common law or legal appointment to care for and manage the person or property, or both, of a minor or incompetent victim or his surviving dependent or dependents;

(14) "fault" means any illegal, unlawful, or tortious act, or consent to or concurrence in any such act, which proximately caused or contributed to the injury or damage complained of.

BOARD

SEC. 3. (a) There is hereby established a Board in the Department of the Interior to be known as the Wounded Knee Compensation Board. The Board shall be composed of three members to be appointed by the Secretary, who shall also designate one of the members of the Board to serve as Chairman. None of the following persons shall be eligible for appointment to the Board:

(1) persons involved, directly or indirectly, in the occupation of Wounded Knee, South Dakota, from February 27, 1973, to May 8, 1973, or in the negotiations which led to the lifting of that occupation;

(2) members of the Oglala Sioux Tribe;

(3) members of the American Indian Movement;

(4) residents of the Pine Ridge Indian Reservation.

(b) The Board shall carry out its functions to completion within two and one-half years from the date of the enactment of this Act, and the terms of members of the Board shall be of the same length as the life of the Board;

(c) Any member of the Board may be removed by the Secretary for inefficiency, neglect of duty, or malfeasance in office. Vacancies on the Board for any reason may be filled by the Secretary.

(d) The principal office of the Board shall be in or near Aberdeen, South Dakota, but the Board or any duly authorized representative thereof may exercise any or all of its powers in any place.

SEC. 4. The Board is authorized in carrying out its functions to—

(1) appoint and fix the compensation of a General Counsel and such other personnel as the Board deems necessary in accordance with the provisions of title 5 of the United States Code;

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5 of the United States Code, but at rates not to exceed $100 a day for individuals;

(3) promulgate such rules and regulations as may be required to carry out the provisions of this Act;

(4) request and use the services, personnel, facilities and information (including suggestions, estimates, and statistics) of Federal agencies and those of State and local public agencies and private institutions, with or without reimbursement therefor;

(5) enter into and perform, without regard to section 529 of title 31 of the United States Code, such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its functions, with any public agency, or with any person, firm, association, corporation, or educational institution;

(6) arrange with the heads of other Federal agencies for the performance of any of its functions under this Act with or without reimbursement and, with the approval of the Secretary, delegate and authorize the redelegation of any of its powers under this Act;

(7) pay all expenses of the Board, including all necessary travel and subsistence expenses of the Board outside Aberdeen, South Dakota, incurred by the members or employees of the Board under its orders on the presentation of itemized vouchers therefor approved by the Chairman or his designate; and

(8) establish a program to assure extensive and continuing publicity for the provisions relating to compensation under this Act, including information on the right to file a claim and procedures to be utilized incident thereto.

COMPENSATION

SEC. 5. (a) The Board shall order the payment of compensation—

(1) in the case of the personal injury of a victim or damage to property of a victim, to or on behalf of that person; and

(2) in the case of the death of a victim, to the person or persons designated by the law of the State of South Dakota.

(b) The Board shall determine the amount of compensation under this section by computing the net losses of the claimant, including loss of future earnings or loss of support of the victim for ninety days or more, or child care payments.

(c) The Board may order the payment of compensation under this Act for anticipated loss of future earnings or loss of support of the victim for ninety days or more, or child care payments, in the form of periodic payments during the protracted period of such loss of earnings, support of payments, or during a period of ten years, whichever is less.

(d)(1) Whenever the Board determines, prior to taking final action upon a claim, that such claim is one with respect to which an order of compensation will probably be made, the Board may order emergency compensation not to exceed $1,500 pending final action on the claim.

(2) The amount of any emergency compensation ordered under paragraph (1) of this subsection shall be deducted from the amount of any final order for compensation.

(3) Where the amount of any emergency compensation ordered under paragraph (1) of this subsection exceeds the amount of the final order for compensation, or if there is no order for compensation made, the recipient of any such emergency compensation shall be liable for the repayment of such compensation. The Board may waive all or part of such repayment.

(e) No order for compensation under this Act shall be subject to execution or attachment.

(f) The availability or payment of compensation under this Act shall not affect the right of any person to recover damages from any other person by a civil action for the injury, death, or damage to property, subject to the limitations of this Act—

(1) in the event that a victim or his surviving dependent or dependents who have a right to file a claim under this part should first recover damages from any other source based upon an act, omission, or possession giving rise to a claim under this Act, such damages shall be first used to offset net losses; and

(2) in the event that a victim or his surviving dependent or dependents receive compensation under this Act and subsequently recover damage from any other source based upon an act, omission, or possession that gave rise to compensation under this Act, the Board shall be reimbursed for compensation previously paid to the same extent compensation would have been reduced had recovery preceded compensation under paragraph (1) of this subsection.

(g) The Board may reconsider a claim at any time before the Board's expiration date and modify or rescind previous orders for compensation based upon a change in circumstances of the claimant.

LIMITATIONS

SEC. 6. (a) No order for compensation under this Act shall be allowed to or on behalf of a victim or his surviving dependent or dependents unless the Board finds that such a claimant has suffered a net loss for which an act or omission, occurring without the fault of the victim in the course of the occupation of Wounded Knee, South Dakota, between February 27, 1973 and May 8, 1973, was the proximate cause.

(b) No order for compensation under this Act shall be made unless the claim has been made within six months after the date of enactment of this Act.

(c) No order for compensation under this Act shall be made to or on behalf of a victim or his surviving dependent or dependents unless a minimum loss of $100 or an amount equal to a week's earnings or support, whichever is less, has been incurred.

(d) No order for compensation under this Act to or on behalf of a victim, his surviving dependent or dependents, as the result of any one act, omission, or possession, giving rise to a claim, shall be in excess of $950,000.

PROCEDURES

SEC. 7. (a) The Board is authorized to receive claims for compensation under this Act filed by a victim or his surviving dependent or dependents or a guardian acting on behalf of such a person.

(b) The Board—

(1) may subpena and require production of documents in the manner of the Securities and Exchange Commission as provided in subsection (c) of section (18) of the Act of August 26, 1935, except that such subpena shall only be issued under the signature of the Chairman, and application to any court for aid in enforcing such subpena shall be made only by the Chairman, but a subpena may be served by any person designated by the Chairman;

(2) may administer oaths, or affirmations to witnesses appearing before the Board, receive in evidence any statement, document,

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information, or matter that may, in the opinion of the Chairman, contribute to its functions under this part, whether or not such statement, document, information, or matter would be admissible in a court of law, provided it is relevant and not privileged;

(3) shall, if hearings are held, conduct such hearings open to the public;

(4) may, at the discretion of the Chairman, appoint an impartial licensed physician to examine any claimant under this part and order the payment of reasonable fees for such examination.

(c) The provisions of chapter 5 of title 5 of the United States Code shall not apply to adjudicatory procedures to be utilized before the Board.

(d)(1) A claim for compensation under this part may be acted upon by a member designated by the Chairman to act on behalf of the Board.

(2) In the event the disposition by a member as authorized by paragraph (1) of this subsection is unsatisfactory to the claimant, the claimant shall be entitled to a de novo hearing of record on his claim by the full Board.

(e)(1) Decisions of the full Board shall be in accord with the will of a majority of the members and shall be based upon substantial evidence.

(2) All questions as to the relevancy or privileged nature of evidence at such times as the full Board shall sit shall be decided by the Chairman.

(3) A claimant at such times as the full Board shall sit shall have the right to produce evidence and to cross-examine such witnesses as may appear.

(f)(1) The Board shall publish regulations providing that an attorney may, at the conclusion of proceedings under this part, file with the Board an appropriate statement for a fee in connection with services rendered in such proceedings.

(2) After the fee statement is filed by an attorney under paragraph (1) of this subsection, the Board shall award a fee to such attorney on substantially similar terms and conditions as is provided for the payment of representation under section 3006A of title 18 of the United States Code.

(3) Any attorney who charges or collects for services rendered in connection with any proceedings under this Act any fee in any amount in excess of that allowed under this subsection shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(g) Decisions of the full Board shall constitute final agency action, from which no appeal may be taken to the Secretary of the Interior. The appropriate Federal district court shall have jurisdiction to review all decisions of the full Board. No finding of fact supported by substantial evidence shall be set aside.

SUBROGATION

SEC. 8. (a) Whenever an order for compensation under this Act has been made for loss resulting from an act, omission, or possession of a person, the Attorney General may, within three years from the date on which the order for compensation was made, institute an action against such person or other entity for the recovery of the whole or any specified part of such compensation in the district court of the United Sates for any judicial district in which such person resides or is found. Such court shall have jurisdiction to hear, determine, and render judgment in any such action. Any amounts recovered under this subsection shall be deposited in the Wounded Knee Compensation Fund established by section 9 of this Act.

(b) The Board shall provide to the Attorney General such information, data, and reports as the Attorney General may require to prosecute actions in accordance with this section.

FUND

SEC. 9. (a) There is hereby created in the Treasury of the United States a fund known as the Wounded Knee Compensation Fund, which shall be utilized only for the purposes of this Act.

(b) There is hereby authorized to be appropriated $2,000,000 for the purpose of constituting the Wounded Knee Compensation Fund and such other sums as may be necessary to enable the Board to carry out its functions under this Act.

REPORT

SEC. 10. Upon completion of its functions, the Board shall transmit to the Congress a report of its activities under this Act.

COMPENSATION OF BOARD MEMBERS

SEC. 11. (a) Section 5314 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"( ) Chairman, Wounded Knee Compensation Board."

(b) Section 5315 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"( ) Members, Wounded Knee Compensation Board."

MISCELLANEOUS PROVISIONS

SEC. 12. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any persons or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 13. This Act shall become effective upon the date of enactment.

CONTROLLING CHLOROFLUOROMETHANE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ASPIN. Mr. Speaker, today I am introducing legislation to deal with the potential threat to the environment posed by the use of chlorofluoromethane.

This substance, better known by one of its trade names, Freon, is used as the propellant in aerosol cans, as the coolant in refrigerators and air conditioners, and in a variety of specialty uses.

Until recently, it has been considered environmentally harmless. But last year, some scientists began to warn that chlorofluoromethane could do serious longrun damage to the environment.

The two chlorofluoromethanes in most widespread use, called R–11 and P–12, have similar chemical structures, containing only carbon, fluorine, and chlorine. Both are highly unreactive, and this contributed both to their usefulness and their reputation for being environmentally innocuous. But exposure to strong ultraviolet radiation, these molecules will photolyze, releasing chlorine.

Conditions of strong ultraviolet radiation exist high in the stratosphere, above the ozone layer which filters out most of the Sun's hard radiation before it reaches the surface. Since the chlorofluoromethanes are nonreactive and nonwater-soluble, they remain in the atmosphere and slowly diffuse up, through the ozone layer, to the regions of intense ultraviolet. There they break down and release chlorine.

A series of reactions has been hypothesized whereby a chlorine atom Cl, reacts with an ozone molecule, O_3, to form a molecule of chlorine oxide, ClO, and a molecule of ordinary oxygen, O_2. The chlorine oxide then reacts with a single oxygen atom to form another molecule of ordinary oxygen and a free chlorine atom, which is available to start the chain again. One chlorine atom can thus destroy many ozone molecules before it participates in some other reaction which results in its removal from the stratosphere.

Since ozone filters out the ultraviolet radiation of the sun, any reduction in ozone concentration means that more of this damaging radiation reaches the surface. A report by the National Academy of Sciences and the National Academy of Engineering—"Biological Impacts of Increased Intensities of Solar Ultraviolet Radiation," February 1973, distributed by the National Technical Information Service—concluded that more ultraviolet radiation would mean, in addition to unknown possible substantial damage to plants and animals, increased incidence of skin cancers in humans.

Since the increase in incident ultraviolet radiation is an exponential function of the decrease in ozone concentration, relatively small increases in ozone cover can cause large increases in radiation levels—the NAS–NAE report calculates that a 20-percent ozone reduction would more than double incident ultraviolet.

That 20 percent number is significant because, by one calculation, the current world production of 1 million tons of chlorofluoromethane per year would, if continued indefinitely, produce a 20 percent reduction. Clearly, unless someone has miscalculated, the situation is very serious.

The danger of chlorofluoromethane is particularly insidious because the effects do not show up for more than a decade after the activity which produced them. It takes that long for chlorofluoromethane to diffuse through the troposphere into the stratosphere. The effects are also longlasting, measured in decades. In other words, by the time a significant decrease in ozone is noticed, a bigger one is on the way, and the ozone level will be a long time getting back to normal.

The problem is further compounded by the fact that there is great natural variability in ozone cover, both seasonally and, it would appear, over a cycle of years. It has been estimated that, with present measuring techniques, it would take 10 years to be certain that a 5 percent reduction in the average level had occurred if, indeed, it had.

These lags and measurement difficulties, and our general ignorance of the chemistry of the stratosphere, make it easy for those with an economic stake in the continued production and use of chlorofluoromethane to argue that there is no certainty that the real results of that continuation will be as severe as the calculated results. But they also mean that the option of waiting until an effect is noticed before we act is foreclosed.

As if to remind us that we toy with unknown atmospheric processes at our peril, the National Oceanographic and Atmospheric Administration has recently reported that an apparent 8-year upswing in ozone cover seems to have been reversed, and a decrease of between 1 and 2 percent has occurred in the last 3 years. NOAA was quick to point out that these results did not necessarily confirm the hypothesis that chlorofluoromethane will reduce ozone cover, but the uncertainty about the meaning of the results is frightening enough.

We are thus faced with a double task: to assure the rapid resolution of the scientific uncertainties, and to put regulatory mechanisms in place to deal with the problem, if it is real, before serious damage has been done.

Of the 1 million tons annual production, about one-half is American. Of this, about 60 percent is used as propellants in spray cans, about 25 percent as refrigerants, and the balance in a variety of specialized uses.

The propellant uses would seem to be easiest to replace. Aerosols can be propelled by compressed air or by a pump valve—as in the familiar Windex bottle—as well as by chlorofluoromethane. For many applications, they can be dispensed with entirely. An easy answer to part of the problem would, therefore, seem to be the elimination of chlorofluoromethane propellants for aerosols.

But even a flat ban would account for at most 60 percent of the current production. The remaining 40 percent, used in refrigeration and various industrial processes, would still be a substantial amount, and the use of these products has been growing at a rapid clip: 22 percent per year compounded for the last 12 years, with a continued 10-percent growth rate predicted by the industry. At 10-percent growth rates, it would take less than a decade for nonpropellant uses alone to match today's total use. Clearly, banning propellant uses is not enough.

There are a number of possibilities for reducing the impact of refrigerant uses of chlorofluoromethane on the environment.

First of all, while the release of chlorofluoromethane from spray cans is part of their normal functioning, release from cooling systems is an aberration. It occurs only when there is a break in the containment system or when a unit is discarded. Reductions in the likelihood of leaks and the recycling of chlorofluoromethane from discarded units could mean that these compounds could be used in refrigeration without any damage to the ozone layer. Alternatively, substitutes could be developed: either other fluorocarbons, less likely to penetrate the stratosphere, or new compounds entirely. Indeed, about one-third of the total coolant market is now taken by fluorocarbon-22, which is believed to have much less effect on ozone than fluorocarbons 11 and 12, the chlorofluoromethanes.

What is needed is a set of economic incentives which will encourage the minimum release of chlorofluoromethane while creating the least possible inconvenience and cost.

In this case, I believe that simplest is best. Instead of a complex of rules and regulations, lawsuits and evasions, I propose a simple quantitative limit on the production or import of chlorofluoromethanes. Licenses for this limited amount would be sold at auction, thus creating an artificially high price on these substances, so cheap to make but potentially so expensive to the environment. If chlorofluoromethanes were expensive, they would not be sprayed away in aerosols; other users would look for substitutes; losses through leaks would be expensive enough to insure preventive action; and recycling would take place of a suddenly valuable resource.

If a quantitative limit on annual production is the best regulatory measure, how should the limit be determined? The legislation I propose works back from the effects predicted to the amount of production permitted. The Environmental Protection Agency, with the advice of the National Academy of Sciences and the National Aeronautics and Space Administration, would determine how much ozone reduction was consistent with sound environmental policy. With help from the same advisers, he would also determine how much chlorofluoromethane could be released each year in the United States without causing more than that amount of reduction in the long run. That figure would determine the annual licensure of production and import.

If, after new scientific evidence was in, the EPA decided that there was no real threat, the limits would never take effect. Since licensing need not go into effect for 2 years after the bill became law, there would be time to learn more about the problem before any drastic action was taken.

The bill establishes temporary limits of 50,000 tons a year or 10 percent of current rates, pending final determination of administrative regulations.

It also provides that the EPA can waive requirements as much as necessary to assure adequate food refrigeration if no substitutes are developed for that purpose, but not beyond 1982.

It is my conviction that this legislation, if enacted, would deal most effectively with the effects of U.S. production and use of these compounds, and serve as a model for other consuming nations to regulate their use.

Clearly, this is a world problem, not a national one. But just as clearly, it must be handled, at least at first, at the national level.

The text of the bill follows:

H.R. 3916

A bill to assure that the discharge of chlorinated fluorocarbon compounds into the atmosphere will not impair the stratospheric ozone layer increasing the risk of disease (including skin cancer) and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Ozone Protection Act of 1975".

FINDINGS

SEC. 2. The Congress finds, on the basis of presently available information that—

(1) discharge of chlorofluoromethane into the atmosphere threatens to reduce the concentration of ozone in the stratosphere,

(2) ozone reduction is likely to lead to increased incidence of solar ultraviolet radiation at the surface of the Earth,

(3) increased incidence of solar ultraviolet radiation may cause increased rates of disease in humans (including increased rates of skin cancer), threaten important food crops, and otherwise damage the natural environment, and

(4) the release of chlorofluoromethane may pose a danger to the public health, safety, and welfare and requires prompt study and regulatory authority.

DEFINITIONS

SEC. 3. For purposes of this part—

(1) the term "chlorofluoromethane" means the chemical compounds $CFCl_3$ and CF_2Cl_2 and such other chlorinated fluorocarbon compounds as the Administrator determines by rule may threaten to contribute to reductions in the concentration of ozone in the stratosphere.

(2) The term "ozone concentration" means the mean concentration of ozone (O_3) in the stratosphere.

(3) The term "ozone reduction" means reduction in ozone concentration.

(4) The term "ozone reduction due to chlorofluoromethane" means ozone reduction caused (or contributed to) by chlorofluoromethane manufactured or released in the United States or manufactured by corporations incorporated in the United States or by subsidiaries of such corporations, regardless of the location of manufacture.

(5) The term "steady-state ozone reduction due to chlorofluoromethane" means the ozone reduction due to chlorofluoromethane which would result from any given annual rate of chlorofluoromethane release if that rate were continued indefinitely.

(6) The term "target level" means the maximum steady-state ozone reduction due to chlorofluoromethane which is consistent with protection of the public health, safety, and welfare, as prescribed under section 5.

(7) The term "control level" means the maximum annual rate of chlorofluoromethane release which is consistent with the target level, as prescribed under section 5.

(8) The term "Administrator" means the Administrator of the Environmental Protection Agency.

STUDIES AND REPORTS

SEC. 4. (a) STUDY.—The Administrator shall undertake to contract with the National Academy of Sciences to study, and prepare a report, concerning the nature and likelihood of potential effects (direct and indirect) on public health and the environment of the discharge of chlorofluoromethane into the ambient air. Such report shall include estimates, based on available information of the control level and target level which should be prescribed under this Act. Such report shall also include information on the availability of safe substitutes for chlorofluoromethane used for refrigeration and other purposes and on the availability of methods to recover chlorofluoromethanes already in use. Such report shall be transmitted to Congress not later than one year after the date of enactment of this subtitle.

(b) NASA REPORT.—Within twelve months of the date of the enactment of this subtitle, the Administrator of the National Aeronautics and Space Administration shall report to the Congress and to the Administrator estimates, based on the evidence then available of the control level and target level which should be prescribed under this part.

(c) WAIVER OF REQUIREMENTS.—If the Administrator finds, after—

(1) consideration of the reports under this section,

(2) consultation with appropriate Federal agencies and scientific entities, and

(3) opportunity for public hearing

that no significant risk to the public health, safety, or environment is or may be posed by

the discharge of chlorofluoromethane compounds (or any class thereof) into the ambient air, regardless of the rate of such discharge, that he or she may, by rule, waive the requirements and prohibitions of sections 5–7 in whole or part. If, after such procedures, the Administrator finds that no substance can be substituted for chlorofluoromethane for the purpose of food refrigeration without posing a greater threat to public health, safety, or the environment than is posed by chlorofluoromethane, he or she may waive the requirements and prohibitions of section 5–7 to the extent necessary to assure the availability of chlorofluoromethane for this purpose. No waiver under the preceding sentence shall remain in effect after January 1, 1982.

STANDARD SETTING

SEC. 5. (a) REGULATIONS.—The Administrator may, after public hearing, consultation with appropriate Federal agencies and scientific entities, and consideration of any reports under section 4 which may have been completed, promulgate (and from time to time revise) regulations prescribing a target level or control level.

(b) ABSENCE OF REGULATIONS.—

(1) If at any time after 2 years after the date of enactment of this subtitle, there is no target level regulation in effect under subsection (a), the target level shall be one per centum.

(2) If at any time after 2 years after the date of enactment of this subtitle, there is no control level regulation in effect under subsection (a), the control level shall be 50,000 tons per year.

LICENSURE

SEC. 6. LICENSURES.—

(a) Not later than six months after the date required for submittal of the reports under section 4, and every twelve months thereafter, the Administrator shall arrange for the issuance by sale, at public auction, of annual licenses to manufacture or import a quantity of chlorofluoromethane equivalent to the control level in effect for such annual period under section 5.

(b) Not later than six months after date of enactment of this subtitle, the Administrator shall promulgate regulations prescribing criteria and procedures for the conduct of license auctions under this section. Such regulations shall contain provisions to assure adequate public notice and opportunity to participate in the auction and to assure that such auctions will not have an anti-competitive effect.

(c) Such licenses shall be transferable.

ENFORCEMENT

SEC. 7. (a) PROHIBITIONS.—Except as provided in section 4(c), it shall be unlawful for any person to—

(1) manufacture or import chlorofluoromethane more than two years after the date of enactment of this subtitle, except pursuant to a license issued by the Administrator under section 6.

(2) violate the terms or conditions of any license issued under section 6(b).

(3) manufacture, sell, deliver for sale, or offer for sale any aerosol spray container which in normal operation discharges chlorofluoromethane into the ambient air, more than 2 years after the date of enactment of this subtitle, or

(4) engage in unreasonable stockpiling of chlorofluoromethane so as to circumvent the intent of this subtitle.

(b) SANCTIONS.—

(1) The Administrator may apply to any United States District Court in the judicial district in which the person alleged to be engaged in conduct prohibited by subsection (a) is located or conducts business to obtain a temporary restraining order, a preliminary or permanent injunction, and other appropriate equitable relief to restrain any act prohibited by subsection (a).

(2) Any person engaged in conduct prohibited by subsection (a) (1), (2) or (3) or knowingly engaged in conduct prohibited by section (a)(4) may be subject to a civil penalty or not more than $10,000 per day of violation in the discretion of the district court.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 8. (a) NAS STUDY.—For the purpose of section 4(a), there are authorized to be appropriated to the Administrator, $500,000 for the fiscal year ending June 30, 1975, $1,500,000 for the fiscal year ending June 30, 1976, $250,000 for the fiscal period ending September 30, 1976, and $500,000 for the fiscal year ending September 30, 1977.

(b) NASA STUDY.—For the purpose of section 4(b), there are authorized to be appropriated to the Administrator of the National Aeronautics and Space Administration, $1,000,000 for the fiscal year ending June 30, 1975, $1,000,000 for the fiscal year ending June 30, 1976, $250,000 for the fiscal period ending September 30, 1976 and $750,000 for the fiscal year ending September 30, 1977.

(c) For the purpose of carrying out other provisions of this subtitle, there are authorized to be appropriated to the Administrator such sums as may be necessary for the fiscal years ending June 30, 1975, June 30, 1976, September 30, 1977, and for the fiscal period ending September 30, 1976.

COMMONSENSE FROM THE COMMON MAN

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. TALCOTT. Mr. Speaker, for many years we have been wasting our resources at an alarming rate. It was only a matter of time before these neglectful practices became habits and produced shortages of the materials squandered. Currently, the shortfall is in energy and only now are we waking up to the fact that priorities and lifestyles must be changed and more realistic patterns of consumption adopted.

Residents of the 16th District of California are articulating their concern over the energy crisis and confirming beliefs I have held and espoused for years. I commend the following letters—representative of many I have received—to my colleagues. The thoughtful, but alarmed nature of these messages indicates that the people demand rational action from this Congress and we are responsible for providing such action.

We should remember that today our immediate crisis and prospective shortage is oil and energy.

We also have perhaps more serious prospective shortages of food and water. Actually, we probably waste more water and food than energy. It is no excuse to say they are replenishable because even that is only partially true.

I include two letters from the congressional district which I am privileged to represent:

SALINAS, CALIF.

DEAR SIR: It is with great concern that I write this letter. And with much thought.

I'm sorry to say I feel we have become a selfish and wasteful Nation. Because of this, we find ourselves in a very difficult position. One that could have been foreseen and avoided, yet true to our lifestyle it became acute before we gave heed.

I must admit we have rough water ahead. I also admit we brought it on ourselves. However, placing blame is of little importance. Getting on a constructive course is of top priority.

I've listened and studied the President's proposals. I've read and listened to arguments against it . . . and I've listened to peoples' reactions around me. One thing that has really worried me is it seems a person can only think for a short length of time and then only concerning himself and his immediate family! . . . What is for a short time indirectly, and directly, effects the future . . . and what effects your family in some way feeds into a larger area!

I have come to the conclusion that the President may very well be right about his plan being the best . . . here are the basic reasons.

1. People in general don't realize what rationing means, or that it could go on for a very long time! They feel that with rationing they could somehow get more gas if they needed it! This may sound unrealistic but it is true! And they will use illegal means or whatever it takes.

2. Now with higher prices they will . . . have to cut back. . . . It will be a strain on our pocketbooks. . . . Though it will be very hard, I feel the end result will be much healthier for the country.

Plus I've taken into consideration the way the average and poor have voluntarily cut back on fuel. Or better said, how they have not. I actually know of cases of lower middle class people who own at least three cars. . . . I've known them to take a trip to a relative 55 miles away and each of them goes in separate cars—leaving within minutes of one another and returning no more than an hour different. . . . And they are continuously going and coming separately with no thought of combining their trips! I'm sure this goes on all over.

I don't see how rationing is going to really help this type of thing, but I do see higher prices helping. And believe me I don't like to think of higher prices. I readily admit it's going to hurt. I'm just middle class and the check hardly reaches as it is, but I don't think we can look at this on a small scale. We've got to face the fact things don't change overnight.

I still believe this total plan (President Ford's), at least on energy, is the best for the long haul. It would only be worse for the country to have revisions and temporary programs for a year or two and then face di-aster.

There is so little faith and so much unemployment, poor housing, etc. Just how can rationing stimulate and overcome this? You've got to do what's best for the country now. This may take some large changes in our thinking, but we've got to do it! This country has run on an emotional key too long. Pure logic and reality cannot be forever overlooked without the price being a horrible one.

We need strong leadership. People oriented, not political bound. Experience is a hard teacher, but a lesson well learned is not soon forgotten. This is a great country, but it must be taken care of properly.

Sincerely,

JO DOWNS.

LOS OSOS, CALIF.

DEAR SIR: Whatever path is selected to conserve gas and oil will hurt. Gas rationing may well cost 2.5 billion dollars and develop another bureaucracy of 15,000 employees. It will also put the brakes to a 55 billion dollar recreation business. It will effect everything in this country, for the Nation operates on 90% gas and oil, and 85% of everything we use is made from gas and oil. This should be of concern to those who DEMAND fuel for their wasteful needs; those who still believe we are a land of plenty.

"We are a nation of wasters. We will continue to waste and lay waste to all our resources; unconcerned of the consequences. We will not learn to be prudent. We live with the fallacy that there is always more. Remember this—there is no such thing as an unlimited supply of anything!"—Prof. Sidney Casner, Economics. Chicago 1921.

Our highways are filled with campers and mobile homes—"elephant" on wheels—consuming gasoline at 4 to 6 gallons per mile. We continue drag races, our speedways and needless other excuses to amuse ourselves. We have speed laws at 55 miles per hour with only a few abiding by it. Discipline doesn't enter into it. We won't learn because we Don't Want to Learn!

Seven years ago the Arabs warned, "Keep burning your oil. When it's gone, there will be no more." Ten years ago we warned of today's crisis. There is always someone about to warn us, but few heed.

"God and doctor we both adore
On the brink of danger and not before;
The danger once passed, all is requited
God is forgotten and the doctor is slighted."
Physician's Proverb—Author unknown.

We relaxed our restrictions of a short year ago permitting the unlimited use of gas and gas cutting prices. Why?

We have a Congress who thought juggling holidays to give three day weekends would delight—whom—those who race out to kill themselves on highways? To satisfy the whims of some Congressmen? Return holidays to their rightful position. This will conserve some gas!

In World War I we had gasless Sundays and they were gasless. No cars in the street. Do that today and you'd have a riot. World War II gave us gas rationing and those who could afford it could buy all the coupons needed. We have gas allocation to service stations with loud cries of going broke. . . . We think only of OUR needs. . . . What is learned? What's the answer? What is the reply? "Waste today—Gone tomorrow?"

So, here we stand! Back to the problem of conserving! Is anyone really listening . . .? We are truly living within a Tower of Babel—everyone talking and no one listening.

Perhaps we might rephrase the Physician's Proverb and say:

"Panic in energy we all deplore
On the brink of danger and not before;
The danger once passed, all is requited
Gas savings forgotten, and lights relighted."

But the danger has not passed!

Respectfully yours,

LOUAN K. CARTER,
P.O. Box 6118, Los Osos, California.

ESTONIAN INDEPENDENCE DAY

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ICHORD. Mr. Speaker, February 24 marked the 57th anniversary of the Declaration of the Republic of Estonia. I would like to take this opportunity to extend my best wishes to the people of Estonia and to pay tribute to these freedom-loving people who for the past 35 years have maintained a concerted effort to restore their basic human rights of self-determination and religious freedom. The United States has long supported the people of Estonia in their resolve to be free and has refused to recognize the Soviet Union's forcible annexation of this proud Baltic Nation. Hopefully, our joint efforts will ultimately be successful in realizing Estonia's ambition for self-determination, and I am pleased at this time to offer praise of the Estonian people's great contributions to the cause of freedom.

TAX REDUCTION NEEDED NOW

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GRADISON. Mr. Speaker, I am disappointed that in a period of economic crisis when urgent action is needed, the majority of this House has taken the politically expedient way out.

The people of this country need immediate relief from the recession which confronts them. We are all agreed that a rebate is needed now in order to spur economic activity and help bring us out of this recession. The bill reported from the Ways and Means Committee, however, reduces the maximum rebate available this year and compensates by revising the tax code for next year's taxes. This adjustment has several disadvantages:

First. By limiting the maximum individual rebate to $200 consumers will be more likely to pay off debts and increase savings rather than purchase "big-ticket" items such as automobiles and hardware appliances instrumental in spurring economic activity to increase employment;

Second. The rebate formula penalizes all those who itemize their deductions by excluding them from the tax relief provision; 46.2 percent of the group with incomes between $10,000 and $20,000 would receive no benefit. It is unfair to deny relief to the middle-income taxpayers who bear the major portion of the tax burden;

Third. The income tax revisions of the bill will most likely become permanent thereby adding to our already massive deficit and eroding the tax base for future years, a dangerously inflationary effect. The working men and women of this country will be sorely disappointed when they learn that they will receive little or no tax relief and also pay the price of another surge of inflation in the future;

Fourth. H.R. 2166 includes a hasty attempt at income distribution, a matter which is inappropriate in an emergency tax relief bill. Parts of this bill which alter the tax structure to direct benefits to particular income groups should be extensively considered in a tax reform bill. The earned income tax credit is a good example of a concept which merits extensive consideration in a general tax reform bill; and

Fifth. Because of the urgency of providing needed tax relief I voted against measures to repeal the percentage oil depletion allowance. While I believe such provisions should be phased out as part of a comprehensive energy program, I fear that including such a provision in this bill may delay unduly the final passage of this vital tax relief for the working men and women of our Nation.

I believe this bill should be designed to increase production now, therefore, I support the business tax reductions which will promote investment and lessen the tax burden especially on small businesses.

Finally, Mr. Speaker, I would like to note that many groups, including the AFL–CIO, believe that additional cuts are needed for the middle income brackets, since these taxpayers receive no 1975 tax reduction if they itemize deductions. For this reason I supported the substitute offered by Mr. CONABLE which would increase the rebate for individuals based on 1974 returns to $12.2 billion with the maximum rebate $430; 71 percent of the money rebated under this plan would go to people with incomes under $20,000. The Conable substitute would fulfill the sole function of this bill—to turn around a badly lagging economy and do it now. As Representatives, that should be our first concern.

EDUCATIONAL NEGLECT OF PUERTO RICANS, MEXICAN AMERICANS, AND SPANISH AMERICANS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MINETA. Mr. Speaker, this year's theme for the National Education Association's annual Conference on Civil and Human Rights in Education was educational neglect. Unfortunately, the disregard for education has run rampant in both urban and rural areas and has affected programs for children, adults, the physically and mentally handicapped, and bilingual persons.

I had the honor of participating in one of the seminars at the conference entitled, "The Four Faces of Neglect," and was most fortunate to have shared the podium with individuals such as Ms. Carmen L. Delgado of the National Urban Coalition.

Ms. Delgado, who is the urban education associate, the adviser to the deputy president on Right To Read, and the adviser on Spanish-American affairs at the National Urban Coalition, spoke on educational neglect of Puerto Rican, Mexican Americans, and other Spanish-speaking persons.

Mr. Speaker, I would like to include Ms. Delgado's remarks in the RECORD:

EDUCATIONAL NEGLECT OF PUERTO RICANS, MEXICAN-AMERICANS, AND SPANISH-AMERICANS

Back in the seventeenth and eighteenth centuries, when the major European powers were trading, conniving and fighting over the colonies and claims, which were eventually to be joined, into what is now the United States of North America—the ulti-

mate goal of each of the adversaries was, obviously, the territory and nothing else. It is futile to speculate on how greater or lesser the problems confronting the people in this room would have been, had the French or the Spanish beaten the English. Great portions of Africa and South America, as they exist today, offer no comfort to that speculation. But the fact is, the English won and the language and culture of what was to become the U.S., has been uncompromisingly English, even to a greater degree, than in England itself. There is no second or third language and the sub-cultures which have existed or still survive are only transitional ingredients in the great "goibled-up melting pot" which ultimately, even in this day, results in a rigidly Anglo mold.

Ironically, as the world of détente increasingly interfaces in trade, thought and culture the Anglo mold becomes the obvious minority which, while upheld by the existing economic power and institutional structures in this country, is hardly allowing for the change in cultural and growth watterns so evident within our people. On the contrary, this Anglo rigidity is fostering increasingly unequipped, unemployable or frustrated and, thereby, counter-productive citizens who will reduce significantly the influence of our society upon the rest of the world. Of greater concern is the fact, that the creativity and flexibility of our standards and style of life are being diminished and withered.

While you may not be unfamiliar with the facts and statistics I am about to briefly review to illustrate the plight and unequal opportunity of the Spanish-speaking minorities, they are relevant to the ultimate national catastrophies, be they cultural, economic or political, which will happen, if we cannot drastically alter the Anglo mold, or societal structure if you prefer, which so inhibits our entire population, to say nothing of the socio-economic disadvantaged.

Spanish-Americans comprise approximately 6.0 percent of the U.S. population. With the undercount admitted by the census, independent surveys and other research findings this 6.0% figure accounts for 14.4 million Spanish-Americans. This total does include the 2.8 million Puerto Ricans who are American citizens living on the Caribbean Island, which is also part of the U.S.A. It does not include the Immigration Naturalization estimate of five (5) million immigrants, migrants and illegal aliens, who represent a substantial segment of the economic force.

There are eighty-seven (87) members of Congress who have Spanish-speaking constituencies of ten percent (10%) or more in the states of Arizona, California, Colorado, Florida, Illinois, New Mexico, New Jersey, New York, Texas and the Commonwealth of Puerto Rico.

Thirteen (13) of these have districts which consist of thirty percent (30%) or more Spanish-speaking constituents. Highest concentration areas are found in California, New Mexico, New York, Texas, Florida and Puerto Rico. Spanish-Americans, in their quest for jobs and a better life, are also very mobile and in varied proportions they can be found in all states of the Union, including Hawaii and Alaska.

Mexican-Americans make up more than half of the Spanish group with 8.7 million, Puerto Ricans comprise the next largest segment with 4.8 million, Cubans account for 877,000 and other Latin Americans total 123,-000. Contrary to popular belief, the Spanish-speaking are not concentrated in rural areas—eighty-eight percent (88%) live or migrate for socio-economic reasons to urban metropolitan areas.

It is worthwhile noting that Spanish-Americans have, and continue to have, larger families than the rest of the population. The average Spanish-American family consists of six (6) persons. While student enrollment in our public school system is decreasing, there continues to be an actual increase in the number of Spanish children in public schools.

An especially large proportion of Puerto Rican families are headed by "Boricua" women. One family of every eight (8) in the United States is headed by a woman, but almost one-fourth (¼) of all Puerto Rican families in the U.S. are headed by women. About fifty-four percent (54%) Spanish women have incomes of less than $3,500.00.

The average family income of Spanish-Americans (prior to this recessionary period) was barely above the poverty level—the Orshanksy Index set $3,743.00 for an urban family of four (4).

The Spanish-speaking population is a "young population"—fourteen percent (14%) is under five (5) years of age as against six percent (6%) for the total population.

The percentage of the Spanish-speaking who are sixty-five (65) years old or over is four percent (4%) versus ten percent (10%) for the total population.

The median age for Spanish-Americans in the U.S. is 20.1 years while that of the total U.S. population is 28.5 years.

We, Spanish-Americans, are tenaciously proud of our culture. Our culture is rich beyond words, for it encompasses and integrates our Indian (Taino, Caribe, Azteca), Spanish, White and African heritage. This multicultural richness allows for flexibility. We, Spanish-Americans, are as tenaciously proud of our language, as is indicated by the fact, that despite efforts for assimilation and acculturation, seventy-five percent (75%) of the Puerto Ricans, eighty-five percent (85%) of the Cubans and forty-eight percent (48%) of the Mexican-Americans living here continue to choose to speak Spanish at home. Witness the fact that Madison Avenue has undertaken a major Latino advertising campaign in Spanish.

The two (2) most pressing problems confronting the Spanish-Americans are unemployment underemployment and educational neglect:

1. *Unemployment* has reached an unbearable, destabilizing effect among Spanish-Americans. At present, the unemployment rate for the Spanish-speaking population is estimated at seventeen percent (17%)—in contrast to the national rate of eight and one-half percent (8.5%). The AFL-CIO projection of ten percent (10%) unemployment by July, could well mean a thirty percent (30%) jobless rate for Hispanics. These atrocious figures apply to blue and white collar workers, Hispanic men and women and young adults. Already there is a fifty-five percent (55%) jobless rate among young Spanish-Americans.

The meager gains in business ownership and profits earned by Spanish-Americans in the mainland during the late sixties and up to 1971 have all but vanished. The Spanish-speaking small owned firms (with an average of five (5) employees and $200,000 in gross receipts) have dwindled to near extinction.

2. *Educational Neglect*—In 1972 the student enrollment of the nation's public schools was 44.6 million. The total teaching population was 1.96 million, broken down as follows:

1,741,100 are Anglo/White Teachers.
186,000 are Black Teachers.
22,800 are Spanish-speaking Teachers.
7,300 are Asian Teachers.
2,800 are Native American Teachers.

The Teacher/Student ratio is:

1 Anglo/White teacher for every 22.5 Anglo children.
1 Asian teacher for every 31 Asian children.
1 Black teacher for every 36 Black children.
1 American Indian teacher for every 86 Indian children.
1 Spanish-speaking teacher for every 197 Spanish-speaking children.

As of August 1974, there were approximately 7.7 million school age children who had limited English-speaking ability or who could not speak English. Ninety percent (90%) of the 7.7 million children come from Spanish-speaking population. Less than five percent (5%) of the children are actually beneficiaries of bilingual education.

The attrition rate (both drop-out and push-out) for Spanish-speaking is higher than for other groups. The nationwide attrition rate for Anglo/Whites is twenty percent (20%); for Blacks—forty percent (40%); and fifty-five percent (55%) for Spanish-speaking—with as high as eighty-five percent (85%) for migrant children.

While 61.2% of the total U.S. population completes grade twelve (12) and the educational aspirations and expectations for the majority of Americans today is a college degree, the average number of school years completed by Spanish-Americans is 7.1 years. No more than five percent (5%) to seven percent (7%) of Puerto Rican and Chicano college age youths are moving on to higher education. Puerto Ricans and Mexican-Americans are either miseducated or vastly undereducated.

For Spanish-Americans, minority groups and the socio-economic disadvantaged, equality of education and access to college continues to be systematically denied by many barriers—the most crucial being inadequate preparation.

In *Crisis* (November 1974) the following figures were published as to higher education enrollment and minority access to college:

Ethnic groups:

Number and percentage

Blacks	470,000	5.839
Mexican-Americans	50,000	0.621
Puerto Ricans	20,000	0.248
American Indians	4,000	0.049
Anglo/Whites	7,506,000	93.243

We already are painfully aware by countless public studies, commissions and task forces that the reading, mathematical/computional, decision-making and salable skills of the vast majority of our children and young adults in our public educational system bear little relation to the number of years completed in school.

I am sickened that the few changes and reforms which have been brought about for improvement of education for Spanish-Americans and the socio-economic disadvantaged have been and are being brought about primarily by civil rights lawyers and court-imposed mandates. (Witness Lau, Serrano, Rodriguez/Brown).

For decades, the American educational system has been geared to the melting pot theory and has catered to the Wasp—White-Anglo-Saxon-Protestant syndrome. Blacks, Puerto Ricans, Chicanos, Spanish-Americans, American Indians, Asians, Orientals and those whose race, sex, language and national origin by their "differentness" have not adapted to the norm, have been repeatedly shunted, pushed-out—their needs and aspirations stifled and neglected.

Because of the long history of neglect be it orchestrated, or systematically benign, Spanish-Americans—children and adults—are being consistently denied an equal, thorough and efficient education and few have received—at best—a token miseducation.

We have never had "Days of Wine and Roses" or "Good Times". We have always had "Days of Pitorro and Espinas" (moonshine and thorns).

The problems indicated by these numbers are obvious. The solutions may also be obvious, but not easy. They are revolutionary and that is never easy, any more than it was when this country began. It is one huge undertaking to alter the entire educational emphasis in this country; to make it culturally pluralistic—for the benefit of all—not just the presently disadvantaged. I know that means that over ninety percent (90%) [it may be ninety-nine percent (99%)] of the teachers and administrators in the nation today are unequipped to contribute to such an educational overhaul. But that does not mean that it should not be done or that educators should not become equipped—those that still can!

The bigger job though, that which overwhelms and staggers, exists at both ends. The knot, if I may, the constipation, is at the top as well as the bottom.

I am speaking to you from the perspective of a professional educator, a Puerto Rican and as a woman activist in America. From all these perspectives, I am damned indignant at the lack of genuine commitment to what education's priorities are all about.

Surely, the upward mobility of the socio-economic disadvantaged will begin to relieve the overall problem but both prior to this, and ongoing simultaneously with this, the male dominated power distribution and institutional structures of this society must be altered to allow every minority educational access, cultural and entrepreneurial equality and thereby the opportunity to contribute, create, and sustain and, finally, improve our society. If the structures of power do not realign and recognize this, or if they cannot be changed to do so, then the spiral can only continue downwards and "le débacle"—the demise—is inevitable. There must be a better option!

NOTE.—Prepared by Carmen L. Delgado, the National Urban Coalition, the National Education Association Conference on "Educational Neglect," General Opening Plenary Session, Washington, D.C., February 16, 1975.

GILMAN PRESENTS APPEALS TO SOVIETS ON IMPRISONED JEWS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. GILMAN. Mr. Speaker, in the closing days of the 93d Congress, I solicited the support of my colleagues in a joint letter to Soviet Party Chairman Leonid Brezhnev, asking him to take swift action to release 30 imprisoned Soviet Jewish intellectuals. These men have been imprisoned in Russia on trumped-up charges which mask the real reason for their incarceration: they all wanted to emigrate to Israel.

Ninety-three of my colleagues joined in signing that letter to Chairman Brezhnev, which my colleague, the gentleman from New York (Mr. FISH) proposed to present personally to Mr. Brezhnev during a planned trip to Moscow in January, 1975.

Unfortunately, that rip was canceled. I then began an effort to personally present this letter to Soviet Ambassador Dobrynin—an effort which has proved to be educational, shedding light on the real Soviet attitudes toward international responsibility, toward human freedom, and the American people.

My repeated requests to the Soviet Embassy for an appointment for presenting this letter to Mr. Dobrynin, all went unanswered. In the months since this letter was circulated, the Soviets have backed out of their agreement with the United States to relax their repressive policies against Jewish emigration.

Finally, after weeks of waiting, I have this week received belated word from the Soviet authorities that it is not the policy of the Soviet Embassy to accept petitions on what the authorties described as "that subject."

Accordingly, Mr. Speaker, I have been forced to send our joint letter by registered mail to the Soviet Embassy. While I can be fairly certain that they will receive it, I have no assurance that they will consider it, or even read it.

The sad story surrounding this letter illustrates the Soviet attitude toward our Nation—the unique attitude of seeking and accepting all manner of trade preferences and concessions while at the same time turning a deaf ear on all of our persistent pleas for recognition, by the Soviet Union, of basic human rights and duties.

The Soviets, in their callous attitude, want the world to think that what they do to their Jewish citizens is an internal, private affairs and nobody else's business.

But, Mr. Speaker, the rights and freedom of human beings everywhere is the first order of business for all freedom-loving nations. We have fought wars to secure and preserve those freedoms for ourselves and for others. We must not now, in our haste to achieve détente with the Soviet Union, allow those all-important principles to be forgotten.

Mr. Speaker, I insert the full text of out joint letter to Secretary Brezhnev, along with the names of my colleagues who have joined in this letter, to be reprinted in this portion of the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 18, 1974.

HON. LEONID BREZHNEV,
Chairman, Union of Soviet Socialist Republics, Moscow, Soviet Union.

DEAR CHAIRMAN BREZHNEV: We, the undersigned members of the United States House of Representatives, view with growing alarm and concern the continuation of the policy of harassment and oppression against Jewish citizens of the Soviet Union.

More than 30 Soviet Jews are now imprisoned primarily because they sought to emigrate to Israel. They are living in the most barbarous, inhumane conditions; in many cases at great peril to their health, welfare, and even their lives.

In the past year substantial progress has been made towards improving relations between the United States and the Soviet Union. Indeed, your government promised, in an exchange of correspondence with Secretary of State Kissinger, to give 'sympathetic consideration' to the plight of these imprisoned citizens.

The cause of Soviet-American relations would be greatly enhanced by the gesture of releasing these prisoners and permitting them to emigrate to Israel. In the interest of pursuing a new era of relations for our two nations, we urge you to undertake this humanitarian course of action.

To do so would not only strike a blow for human freedom and dignity, but for peace and understanding among all the nations of the world.

Thank you for your kind attention.

Sincerely yours,

Benjamin A. Gilman, Burt L. Talcott, Peter Peyser, Norman F. Lent, Henry P. Smith III, L. A. "Skip" Bafalis, Jonathan Bingham, Larry Winn, Jr., LaMar Baker, Joseph Addabbo, William Broomfield, Charles W. Whalen, Jr., Vernon W. Thompson, Margaret M. Heckler.

Alan Steelman, Jack Kemp, George M. O'Brien, Hamilton Fish, Jr., James F. Hastings, Albert Quie, John B. Anderson, Don Young, Stewart B. McKinney, James R. Jones, Floyd Spence.

Matthew Rinaldo, Peter Frelinghuysen, James Hanley, Mario Biaggi, William M. Keechum, Elizabeth Holtzman, Charles B. Rangel, Joel Pritchard, John Murphy.

Ben Blackburn, Barbara Jordan, Joe Skubitz, Joseph McDade, Del Clawson, Edwin B. Forsythe, Dante Fascell, Benjamin Rosenthal, Peter Rodino, William Steiger, Delbert Latta.

Edward R. Madigan, Frank Horton, Wilmer J. Mizell, Bud Shuster, Angelo Roncallo, Les Arends, Robert H. Steele, Gene Taylor, John J. Duncan, Sidney R. Yates, William Armstrong, James Abdnor.

Shirley Chisholm, Pete McCloskey, Barry M. Goldwater, Jr., M. Caldwell Butler, Robert P. Hanrahan, Sam Steiger, Robert C. McEwen, Thomas F. Morgan, Robert Lagomarsino, Marjorie Holt, Patsy T. Mink, Donald J. Mitchell, Tennyson Guyer.

Ed Young, John Culver, Edward I. Koch, Paul W. Cronin, Richard W. Mallary, William F. Walsh, Harold Froehlich, Edward Mezvinsky, Stan Parris, Bella S. Abzug, Lester Wolff, William Clay.

STATEMENT OF THE HONORABLE JOHN M. MURPHY: INTRODUCTION OF TWO BILLS

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. MURPHY of New York. Mr. Speaker, today I am introducing two companion bills which will help resolve some of the dilemma this country faces in meeting its energy needs:

First, the Coastal Zone Environment Act of 1975; and

Second, a bill to establish a policy for the management of oil and gas resources on the Outer Continental Shelf so as to protect the marine and coastal environment; to establish policies and procedures governing OCS operations that are environmentally, socially, and economically compatible with the coastal zone management programs of affected States funded under Public Law 92-583, and for other purposes.

Everyone can agree on the desirability of producing additional domestic oil and gas and thus cutting down expensive imports. The best prospect appears to lie off our coasts, as in the Gulf of Mexico where most offshore oil and gas now is extracted, and from new areas such as the Atlantic coast and the Alaskan coasts.

It is natural that citizens in these new, frontier areas, as far as offshore oil is concerned, are anxious. They see a Federal program about which they and their elected State and local officials have had little to say moving ahead at a rapid rate. They know that their coastal regions, which are valuable ecologically and economically, will be heavily impacted when offshore oil operations move in.

Yet as it stands now, these coastal taxpayers do not have information on the extent of the oil and gas fields off

their coasts, do not have detailed information on what offshore production will require in the way of industrial and public facility support, they likewise know that environmental information gathering offshore is in its early stages and they know also that introduction of a major new heavy industry into rural or lightly developed areas will produce social and economic stress and probably cost the local taxpayers more than the new tax revenues. And finally, they know that offshore operations do not last forever, that the industrial support base that it provides with perhaps irretrievable damage to coastal lands and waters, eventually withers away. This is the classic "boom-bust" cycle.

For all of these reasons and more, we need to alter the way this country goes about using its precious offshore oil and gas reserves.

The two bills I introduce today, Mr. Speaker, provide the following improvements in the best interests of the Nation as well as the coastal areas: First, we want to provide that detailed baseline information is gathered on any marine area where offshore leasing is contemplated. Subsequent to such leasing, the National Oceanic and Atmospheric Administration is to take careful measurements to insure that no permanent damage is being done. This is a simple precaution to protect our marine resources.

The first of my two bills will establish a policy for the management of oil and gas resources on the Outer Continental Shelf so as to protect the marine and coastal environment and establish policies and procedures governing OCS operations that are environmentally, socially, and economically compatible with the coastal zone management programs of affected States funded under Public Law 92-583. The bill also provides that the Department of the Interior proceed with its own exploratory drilling program off the coasts. Until now, only industry has acquired detailed information of offshore resources. This has meant it is only industry which knows in detail the likely value of individual tracts. The information in the hands of the Government, some of it supplied by industry, is inadequate to protect the public interest. My bill directs the Secretary of the Interior to make available to the public the results of such exploratory work.

The bill also provides that the Interior Department file a detailed development plan with the Governors of the affected States and with the coastal zone management authorities of those States. This is a major improvement on the present situation where the development plan of industry is given the Interior Department in a somewhat informal fashion and without the specificity that the states and local governments need to gauge the impact the development will have on coastal communities.

In order for local communities to have sufficient time to prepare, my legislation provides that either the House or the Senate can veto an offshore leasing program and that the Governor of an affected State can call for a 3-year delay. these safeguards are necessary to prevent offshore activity to take place in precipitous fashion. At the same time, there is nothing in either of the bills I introduce today which will cause unnecessary delay or undue burdens on the petroleum industry.

My second measure is the Coastal Zone Environment Act of 1975 which has as its major provision the establishment of a coastal impact fund of $200 million annually to help compensate States and local governments for major energy facilities of various types.

We know new powerplants and new or expanded refineries are needed to provide the Nation with the energy it needs. At the same time, these facilities mean permanent commitment of land, the danger of pollution, and perhaps upsetting the social and economic fabric of rural communities.

The coastal impact fund will provide funds to help alleviate the impact of such major new facilities and will enable local governments to build the necessary facilities for the families which will suddenly appear to operate the new plants, the taxes on which may well be insufficient to provide the needed services.

This legislation also has other significant improvements to the Coastal Zone Management Act, namely, the provision of matching aid for the acquisition of lands for beach access and island protection, provision of funds for needed short term coastal zone research and funds to encourage States to get together on a regional basis to prepare comprehensive plans in the coasts.

Mr. Speaker, the Oceanography Subcommittee of the House Merchant Marine and Fisheries Committee, plans to give early consideration to these measures improving the Coastal Zone Management Act and similar suggestions of my colleagues.

UPS AGAINST THE WALL

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1975

Mr. ICHORD. Mr. Speaker, in 1970 the U.S. postal system was completely reorganized into an independent Government agency and provided a broad mandate under the Postal Reorganization Act—Public Law 91-375—to employ modern business practices in order to transform itself into an efficient national mail carrier free from Federal subsidy by 1984. The new U.S. Postal Service was permitted to sell bonds to raise additional revenues, control its own funds, determine its own administrative and postal rate policies, and granted basic exemption from most Federal laws pertaining to procurement and contracting. An 11-member Board of Governors was selected to run the reorganized Postal Service, and the Service was virtually freed from responsibility to or control by Congress or the executive branch.

I can remember back in 1969-70 that everyone, while optimistic, expected some transition difficulties in changing the Post Office Department to the U.S. Postal Service. But I can confidently say that no one expected the abuses of power—for example, extensive personal patronage, baronial offices, pension abuses, prolific use of noncompetitive bidding—the inefficiency—for example, huge contract cost overruns, slower service, increased damage, procurement of expensive and inefficient machinery—the catastrophic deficits—for example, $2 billion in fiscal year 1974 which includes both Federal appropriations plus actual deficit of $438 million—and the astronomical cost increases—for example, nearly 70 percent price increase in first-class mail since 1969, 40 percent increase in compensation to postal employees since 1968—which have been the result of basically sound postal reforms being increasibly mismanaged and misused by the Postal Service.

Indeed, if a private business has employed the same "modern business practices" as utilized by the Postal Service, it would have gone out of business long ago. The only thing that has saved the Postal Service from a hasty demise is that one small added advantage of having a basic monopoly of mail service in this Nation.

The Postal Service's efforts to maintain their monopolistic advantage have become one of their most efficient operations—a thing to be jealously guarded and preserved at all times. Two years ago at Christmas time two enterprising 11-year-olds in Pennsylvania started delivering Christmas cards in their neighborhood cheaper and quicker than the Postal Service. The Postal Service threatened legal action and scared their young competitors out of business. After all, one needs to nip this type of independence in the bud.

More recently, the Postal Service has taken action under the guise of public service advertisements to undermine their major legal parcel post delivery competitor, the United Parcel Service—UPS. I personally found the Postal Service's advertisements against UPS an unethical practice on the part of a Federal agency and an overt effort on the part of a federally subsidized agency to undermine the competition of the legally sanctioned, more efficient, and less costly UPS. The Postal Service had jumped into the advertising business to take advantage of UPS employee strikes which had temporarily cut off UPS services. An example of such an ad appearing in the New York Daily News follows:

[From the New York Daily News, Nov. 15, 1974]

UNITED PARCEL ON STRIKE: OTHERS MAY COME AND GO—THE POST OFFICE IS HERE TO STAY

UNITED PARCEL THREATENS TO LEAVE NEW YORK

Ever since United Parcel struck the New York area last August, the Post Office has delivered about a million extra packages every week for New Yorkers. Important packages, from back-to-school clothes to vital medicines. Now the UPS company says it might leave New York for good.

You probably couldn't think of anything more unthinkable than the Post Office leaving New York. That's because you know that we know important packages can't wait out a strike to be delivered. It's our job to bring you your mail—and we know it.

YOU CAN COUNT ON US

There's a big difference between the Post Office and other companies that deliver letters or packages. We say you have an absolute right to get your mail—packages included.

No matter how tough things get, and no matter who leaves New York. You can count on us now, as you always could.

A million extra packages every week have slowed our service down some, but few packages have been delayed more than two or three days.

Christmas is coming closer, and that means millions of more packages. That's why we're asking you to mail Christmas packages earlier than ever—before December if you can.

MILLIONS OF DOLLARS TO KEEP YOUR PACKAGES GOING

To keep your packages coming and going, we're opened new buildings and put tons of machinery to work. We've brought in hundreds of new delivery trucks to bring packages to people all over New York. And we're working around the clock, seven days a week. With all this, we think postal service will be pretty much back to normal—after the Christmas rush.

We're proud of that. We're proud of our New York postal people who are making it happen. And, good times or bad—we're not about to leave New York.

JOHN STEACHAN,
Postmaster, Manhattan and Bronx.

I wrote to former Postmaster General E. T. Klassen objecting to the full page ads against the UPS and requested his explanation as to why a Federal agency was involved in advertising against a private competitor. In response I received another plug for the Postal Service which in praising the Postal Service overlooked my specific request. A copy of Mr. Klassen's response follows:

THE POSTMASTER GENERAL,
Washington, D.C., January 15, 1975.

Hon. RICHARD ICHORD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ICHORD: Thank you for your letter of January 2, concerning an advertisement run in New York City newspapers on November 15 concerning the United Parcel Service strike which had begun in the area on August 28 and still was in progress at that time.

As a result of the strike, the Postal Service was processing a quarter of a million more parcels than usual every day in the New York metropolitan area. Many special steps had to be taken to meet this extraordinary situation. These steps included the following:

Additional temporary personnel were hired as needed

Additional processing space was activated

More detailed sorting of outgoing parcels was required at all New York facilities

More detailed sorting was required for all parcels destined for the New York metropolitan area

Special trailers were located in the garment district to accept parcels and make a primary sort.

Very likely, no other organization could have been thrust without notice into a similar situation and continued to perform at all. In fact, the reaction of our people was typical of the commitment characteristic of the mail system to provide service despite all obstacles. I might add that it was a classic illustration of why a national mail system, sufficiently flexible to cope with any unanticipated demand, is a necessity for the country.

The advertisements were run because it was essential to enlist public support to the maximum extent possible. This was especially true at that time because on November 15 we had no idea whether or not the strike would continue through the Christmas season. If it had, it would have been imperative to encourage the earliest possible Christmas mailing. The advertisements cost a total of $15,000.00. This was one of the many additional costs which the emergency situation required.

Because of the steps taken, by mid-November parcels on an average were taking only 24 to 48 hours longer for delivery than anticipated by service standards based on a normal volume situation.

Sincerely,

E. T. KLASSEN.

Mr. Klassen's response raised some further questions in mind. Why for instance in an ad that only purports to "enlist public support" and "encourage the earliest possible Christmas mailing" is the majority of the advertisement relegated to subtle and not so subtle jabs at United Parcel? Why indeed must a federally subsidized monopoly have to advertise at all against one of its few competitors? After all, the American public in most instances is forced to use the Postal Service whether they want to or not.

I again wrote to Mr. Klassen and in the second response I received the information that the advertisements were "a good opportunity to remind the public how much it depends on mail service being always available." The full text of Mr. Klassen's letter follows:

THE POSTMASTER GENERAL,
Washington, D.C., February 5, 1975.

Hon. RICHARD H. ICHORD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ICHORD: Thank you for your letter of January 23, with additional reference to the November 15 advertisement placed in New York City papers with respect to the United Parcel strike then in progress.

There is very little I can add to my earlier letter. The advertisement was placed to draw attention to the fact that the Postal Service was having to pick up a great deal of overflow parcel handling because of the United Parcel strike. In this context, it was difficult to avoid naming United Parcel Service directly.

The fact is that the Postal Service must retain a capacity to handle any and all mail that is tendered. I frankly believe that this aspect of the Postal Service is taken too much for granted. The situation in New York last fall presented a good opportunity to remind the public how much it depends on mail service being always available.

Sincerely,

E. T. KLASSEN.

As I am not one to keep beating dead horses, I have decided against writing a third letter to Mr. Klassen. However, these recent anti-competitive ads of the Postal Service only again reinforce the fact that it is high time that Congress reappraise the monster it wrought in enacting the Postal Reorganization Act of 1970. It is time that the appropriate committees of Congress undertake serious study of either redrafting the free mandate given the Postal Service in 1970 or consider ending the Federal Government's postal monopoly.

Whatever reforms are taken, Congress must certainly act to prohibit the Postal Service from directly competing with private enterprise through the use of such ads as recently appeared against the UPS. The Federal Government is not and should not be in the business of putting private business out of business—particularly when that private business is offering the American public better service. The recent advertisements of the Postal Service perhaps illustrate that the Government needs to do some old-fashioned trust-busting in its own backyard.

At this point, Mr. Speaker, I would like to share several items with my fellow Members which I believe will be of interest:

ADVERTISING BUDGET OF THE U.S. POSTAL SERVICE

According to the U.S. Postal Service, advertising is used by the Postal Service to generate postal revenues (e.g. expand the philately program, increase the use of the Postal Service), decrease postal operating costs (e.g. promotion of ZIP Code use, promotion of Christmas Mail Early Program), improve postal service (e.g. publicize hours of operation, hints on packaging, how to avoid mail delays), and test marketing of new advertising programs. One would imagine that advertising against the UPS falls loosely in the "generation of postal revenues" category. It should also be noted that the Postal Service's ZIP Code and "Christmas Mail Early" campaigns are carried as public service announcements and involve no media costs.

The advertising budget of the Postal Service in past years is as follows:

Fiscal year 1973: $2.5 million (first year of operation).

Fiscal year 1974: $7 million.

Fiscal year 1975: $13.6 million.

Fiscal year 1976: Each year the Postal Service internally allocates its own funds from both self-generated funds and the permanent allocation provided by Congress through the Postal Reorganization Act. According to the Postal Service, no determination has yet been made as to how much they plan to allocate to advertising in fiscal year 1976.

[From Barron's, Nov. 25, 1974]

BREAK UP THE POST OFFICE—THE TRUST BUSTERS SHOULD ATTACK A REAL MONOPOLY

Full-page advertisements, even those carried in some other publication, rarely fail to catch our eye. We were particularly struck by one which appeared in The New York Times on November 15. "Others may come and go," proclaimed the message in big type. "The Post Office is here to stay." Curious kind of institutional ad, we mused, and perhaps a pacesetter for other government agencies. "Patronize the local branch of your friendly Internal Revenue Service"; "Tune in, turn on with the Federal Communications Commission"; "Don't be half-safe—go FDIC!"—all these and others perhaps less suitable for a family publication swiftly came to mind. On closer scrutiny, however, we saw that the ad was strictly hard sell.

"Ever since United Parcel struck the New York area last August," ran the copy, "the Post Office has delivered about a million extra packages every week for New Yorkers. Important packages from back-to-school clothes to vital medicines. Now the UPS company says it might leave New York for good. . . . There's a big difference between the Post Office and other companies that deliver letters or packages. We say you have an absolute right to get your mail—packages included. No matter how tough things get, and no matter who leaves New York. You can count on us now, as you always could."

To be sure, the ad—signed by John Strachen, Postmaster, Manhattan and Bronx—candidly admitted that replacing United Parcel was no easy task. "A million extra packages every week have slowed our service down some, but few packages have been delayed more than two or three days." And for the long haul, the Post Office has big plans. "To keep your packages coming and going, we've opened new buildings and put tons of machinery to work. We've brought in

hundreds of new delivery trucks. . . . And we're working round the clock, seven days a week." After hitting his stride, the copywriter somehow then proceeded to stumble. He should have risen to the glorious heights of "Neither snow nor rain nor heat (nor strike) nor gloom of night stays these couriers from the swift completion of their appointed rounds." Instead, the ad lamely wound up: "With all this, we think postal service will be pretty much back to normal—after the Christmas rush."

So it will—and by today, rather than a month hence. For at the eleventh hour last week, United Parcel Service of America, Inc., the country's largest commercial trucker, and Local 804 of the Teamsters Union, signed a three-year contract which effectively removed the threat of UPS pulling up stakes in New York. While hailed by the Teamsters as a triumph—the union did win paychecks slightly fatter than originally offered, as well as formalized job security—the pact gave UPS roughly what it had sought all along: the right to replace workers lost through attrition (death, retirement or quitting) with part-time help, plus as many new part-timers as management deems fit. After a three-month dispute, the last-minute settlement brought sighs of relief from Gotham's merchants and shippers, who dispatch over 250,000 packages per day via UPS. As a spokesman for Abe Schrader (ladies coats and suits) told Women's Wear Daily: "Great. We're back in business."

All hands, in short, have reason to be pleased by the agreement save the Post Office, which now must write off the cost of its ill-timed venture into public relations and decide where to park all those new delivery trucks. The fiasco should come as no surprise either to John Strachan, his opposite numbers in Brooklyn, Queens and Staten Island or their superiors in Washington, D.C., all of whom have been running a poor second to United Parcel Service for a half century or more. Starting from scratch, handling packages of 50 pounds or less—often billed as the "freight nobody wants"—and paying corporate taxes every step of the way, UPS has built up a business of a billion-dollars-plus, operated and owned by employes. Today it handles more packages in its category than the Postal Service, which, since reorganization along allegedly more business-like lines a few years ago, has been aggressively—some might say unfairly—seeking to vie with its unsubsidized rival. Full-page ads aside, it has sought to prevent UPS from expanding its service area, failed to allocate costs properly and kept parcel post rates artificially low. All of which in our book comes under the heading of restraint of trade. When the Department of Justice finishes stamping out the "monopolies" in the private sector, it might do well to look in its own backyard.

What it will find is a competitive struggle against a government monopoly waged without fanfare and with remarkable success by one of the most unusual ventures in the annals of American capitalism. "In August 1907," reads a bronze plaque in Seattle, "in a 6 by 17 foot office under the original sidewalk here, a few messenger boys began the business which their many thousand successors extended throughout the vast regions of our country covered by United Parcel Service today. Exemplifying the opportunities open to private citizens under the Constitution . . ." Since then UPS has gone a long way. Pick-up and delivery service is available in 40 states (and an application to cover 48 is pending with the Interstate Commerce Commission, which regulates its affairs.)

In 1973, United Parcel handled 798 million packages, compared with 514 million half a decade earlier; gross income totaled $1.2 billion, up nearly 15% from the previous year. After paying $45 million in federal income taxes, UPS last year netted $57 million, or $1.34 per share on some 42.7 million shares outstanding (all held by supervisors and managers currently active in the business and their families, or by former employees, their estates and heirs). From $16.50 per share at the turn of the year, book value at latest reckoning had risen to $17.

Such figures make a striking contrast to the huge deficits (put at $1.5 billion, including subsidies, for the current fiscal year) perennially rolled up by the Post Office. They reflect standards of reliability and service, and a customer acceptance, which leave its giant federal rival trailing far behind. Unlike the latter, UPS offers shippers regular pick-up service for packages at a modest weekly charge, automatic $100 insurance coverage and three attempts to deliver parcels. UPS is faster—frequently by 24 hours or more. Though it pays taxes and receives no subsidy, it's cheaper—by over 15%, so Avon Products once estimated. Its packages arrive in better shape—according to one Postmaster General, "We damage five for every one United Parcel does." And it boasts an expertise which the Post Office can't begin to match. The latter, for example, has sunk nearly $1 billion into a highly mechanized bulk mail system which, so the General Accounting Office claims in a recent report, will slow rather than speed parcel delivery.

If you can't win by fighting fair, runs a time-tested bit of political lore, fight foul. The U.S. Postal Service is doing just that. Thus, it not only has petitioned to intervene in the pending ICC case involving the UPS request to serve 48 states, but it also has asked the ICC to reopen the issue. The aim, charges UPS, is to create "an opportunity to show that adequate service is being provided by parcel post." Similarly, according to UPS testimony, in allocating costs to parcel post, the federal agency charges nothing for movement of packages between its offices by its own employees, for window service, motor vehicle costs or maintenance of buildings and equipment (UPS annual depreciation tops $40 million). Hence, while the Post Office since 1969 has increased first, second and third class mail rates by huge percentages, it has raised 4th class (parcel post) by precisely 6%. At current levels, says UPS, and contrary to law, "we estimate that parcel post is operating with a subsidy of more than 25%."

In a carefully documented study, "Postal Monopoly," published by the American Enterprise Institute for Public Policy Research, the authors conclude as follows: "The Post Office has behaved like any profit-maximizing monopolist. . . . Apparently other public policy considerations—service, convenience, speed of delivery, needs of business and commerce—have been heavily discounted by the Post Office in interpreting and enforcing its monopoly." In mid-September, the U.S. Postal Service, in an abrupt about-face, ruled that private concerns no longer may deliver intra-company mail, and, as its relentless campaign against UPS suggests, it continues to dream of recapturing at any cost the delivery of parcels. IBM and AT&T make great headlines for the trust-busters, but if the latter really mean business, they will break up the Post Offices.

ROBERT M. BLEIBERG.

[From the Washington Post, Feb. 19, 1975]

POSTAL UNIONS SET PACT DEMANDS

(By Mike Causey)

Unions will demand a pay-fringe benefit package costing at least $2 billion when they open contract talks April 21 with managers of the semi-independent U.S. Postal Service. The USPS now spends 80 to 85 cents of every revenue dollar on its almost 700,000 workers. And it is already running into the red with a $12 billion budget.

Outcome of the negotiations, for a contract that expires in July, will affect nearly every American and business and determine what they will pay, and how much service they will get, this time next year for the first-class stamp, which now costs 10 cents.

In addition to a substantial salary increase—well over the 5 per cent lid Mr. Ford has asked for other federal and military personnel—the postal employees will be shooting for fully financed retirement, and free medical and dental insurance for them and their 2 million-plus dependents.

Unlike other government workers who are less well organized either by unions or common interests, the postal employees appear willing to strike even though such action is against federal law. Postal workers—more than 200,000 in the Northeast—walked off the job about six years ago and the government was afraid to fire, fine or imprison any of the workers as the law provides.

The five exclusive unions—four of them AFL-CIO craft affiliates, and another representing rural mail carriers—will present a generally united front demanding, among other things:

Inclusion of cost-of-living raises—which will go over $1,200 by this May—as part of basic salary for retirement purposes. Employees' pensions now are based on their average highest salary over a three-year period, but cost-of-living raises that exceeded the $1,100 contractual boosts in this contract, are not now counted as part of basic pay, although workers still get the money.

A pay raise of "undetermined amount" which will be "well over" the 5 per cent limit Mr. Ford has said he will ask for 1.2 million white-collar government workers, more than a half-million wage board (blue-collar) employees and all uniformed military personnel.

Fully paid health insurance. The postal service now pays between 67 and 75 per cent of the biweekly employee health premium, depending upon the plan involved.

Fully paid dental insurance, a first for government and a rarity in private industry.

Fully paid retirement benefits. Postal workers, like other federal employees, now split the 14 per cent per employee annual pension plan contribution on a 50-50 basis.

At least one new holiday, in addition to the nine postal and federal employees now get.

A guarantee from the Postal Service that it will continue its "no layoff" agreement with the unions.

Full-time status, and pay, for some 50,000 so-called "flexibles," workers who put in between 28 and 30 hours a week.

A 35-hour workweek.

More time off. Postal employees, like other government workers, now get from 13 to 26 days of annual leave, depending on length of service.

An increase in the 13 days a year paid sick leave.

Normally such wage-pay demands from what, in the private sector, could be considered a near-bankrupt corporation, would be so much pie-in-the-sky. But the postal service situation is different, for several reasons.

In the first place, it simply cannot fold and go out of business like the A&Z Widget Company. Congress—which is being asked to increase the annual subsidy this year to $20 million—will have to bail it out, or sit by while Postal rates continue to climb.

Secondly, the union's rank-and-file membership is relatively militant and the fact that some people would think it unwise to call a strike during a period of severe economic recession either has not occurred to many employees, or doesn't worry them.

The fact that the postal service itself has traditionally protected its mail-moving monopoly means that its workers run the only national delivery network now capable of moving 80 billion pieces of mail.

Finally, there is the feeling—right or wrong—from the postal people that their salary, which now averages around $12,000 per year, isn't enough for what they do.

SENATE—*Friday, February 28, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. JOHN C. CULVER, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, to whom in all ages men have lifted up their hearts in prayer, guide all who bear the responsibilities of government, that they may be guided by Thy higher wisdom. Make us duly sensitive to the needs of all the people and the special role of each branch of Government in serving those needs. In this place make and keep us aware of Thy perpetual presence that we do only those things which serve the people, protect the Nation, promote peace, and advance Thy kingdom, for Thine is the kingdom and the power and the glory forever. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 28, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN C. CULVER, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CULVER thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

Mr. ALLEN. Mr. President, would it be in order for messages to be read?

The ACTING PRESIDENT pro tempore. If the Senator will suspend for a moment, the Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the enrolled joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The enrolled joint resolution was subsequently signed by the Acting President pro tempore (Mr. CULVER).

ORDER OF BUSINESS

Mr. ALLEN. Mr. President, I ask that the President's message be read.

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. ALLEN. I ask that the President's message be read, for the information of the Senate.

Mr. ROBERT C. BYRD. Mr. President, what is the regular order?

The ACTING PRESIDENT pro tempore. A message from the President having been received, a demand for its reading has been made.

The clerk will read the message from the President of the United States.

Mr. ROBERT C. BYRD. Does the reading have to wait until the majority leader is recognized under the standing order, or does it have to be read now?

Mr. ALLEN. I would have no objection to having it read after the majority leader has been recognized.

The ACTING PRESIDENT pro tempore. The majority leader.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, February 27, 1975, be approved.

Mr. ALLEN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the distinguished acting Republican leader and the Senator from Montana, now speaking, are recognized, there be a morning hour, for the conduct of morning business, with a time limitation of 5 minutes on statements therein, and the time not to extend beyond 1 hour.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

AUTHORITY FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO FILE REPORTS UNTIL MIDNIGHT TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order for the Committee on Interior and Insular Affairs to file reports from the close of business today until midnight tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I wonder whether I could use part of my time to ask the distinguished Senator from Alabama if it would be possible to bring up today the continuing resolution on foreign aid and related matters, which was reported by the Committee on Appropriations this morning and which I understand will expire tonight or tomorrow night. I do so at the request of the distinguished Senator from Arkansas (Mr. MCCLELLAN).

Mr. ALLEN. Has the matter lain over for a day?

Mr. MANSFIELD. No. It was just reported this morning, about a half hour ago.

Mr. ALLEN. When does it expire?

Mr. MANSFIELD. It is my understanding that it will expire at midnight tonight.

Mr. ALLEN. I reserve an objection, for the time being. Possibly later on.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, on the time allocated to me under the special orders.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NEITHER A VENDETTA NOR A WHITEWASH

Mr. MANSFIELD. Mr. President, the distinguished Senator from Idaho (Mr. CHURCH) has delivered an address concerning the value of conducting a review of the Nation's intelligence community with a view to strengthening its role in the Nation.

I commend this address to the attention of my colleagues, and I ask unanimous consent that the statement of Senator CHURCH be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NEITHER A VENDETTA NOR A WHITEWASH

(By Senator FRANK CHURCH)

On January 27, when the Senate voted to establish the Select Committee on government intelligence activities, Majority Leader Mansfield outlined the balance that the Senate expects the Committee to maintain: "There can be no whitewash in this inquiry," he said, nor is there room for a vendetta.

As Chairman of the Committee, I intend to follow these guidelines. I am determined there will be neither a whitewash nor a vendetta, but a judicious and responsible attempt to uncover the truth. This investigation begins only with questions. The answers will come in due course.

All the members of the Committee recognize that the United States must maintain an efficient intelligence system. Our government must keep itself fully and currently informed on developments abroad; it

must also take those security measures necessary to counteract espionage within this country.

As for myself, not only do I recognize the value of legitimate intelligence-gathering operations, but I engaged in this work during World War II. As a young Army officer, I served in Military Intelligence in the CBI Theater. I know full well, from firsthand experience, the necessity in war of ascertaining the strength and disposition of enemy forces. I especially recognize the importance of discerning the enemy's intent.

But intelligence activities are equally essential in peacetime. Without an intelligence network, the United States would be left groping in a dangerous world.

Without our satellite surveillance system, the SALT agreements with the Soviet Union could never have been sealed. And hopes for future progress in arms control would quickly die.

Without an efficient day-to-day intelligence operation, our government could not possibly conduct an informed foreign policy.

Therefore, it will not be the Committee's purpose to undermine or dismantle the CIA—or other intelligence agencies associated with it—nor jeopardize their sources, nor endanger their agents, nor embarrass the United States with revelations which could injure our relations with foreign governments.

Rather, I would hope that the investigation might strengthen the legitimate functions of these agencies by more precisely delineating their respective jurisdictions through clarifying the gray areas of the law, by ending costly duplications of effort, and by terminating unnecessary operations.

The Committee is taking every possible precaution to insure both a secure and judicious investigation:

First, the inquiry will be muted and restrained. I do not intend to preside over a legislative carnival, an investigative sideshow or a television extravaganza.

That does not mean a blackout on information. As much information as possible will be furnished as we move along. Our rule of thumb will be to hold public hearings whenever we can and closed hearings whenever we must.

Second, the inquiry will follow the responsible example of the House Judiciary Committee in its recent impeachment investigation. The Senate's Select Committee has already patterned many of its rules after the House Committee's dignified and constructive examination of an equally serious subject.

Third, we will function in a bipartisan manner with a unified, rather than divided staff. The majority and minority members of the Committee voted unanimously that the staff—though nominated from both sides—will cooperate rather than collide. A unified staff is necessary if the Committee is to follow wherever the evidence may lead, without concern for the party label of the Administration in which excesses may have occurred.

Finally, the Committee will be staffed by individuals of good reputation and proven professional competence, skilled in investigative techniques and in the law. It will consist of individuals of unquestioned loyalty, who are also committed to the purposes the Committee seeks to serve.

However, I recognize that competence and loyalty are not enough. Caution is also necessary. So I propose to take every feasible precaution to prevent the facts, as they are assembled, from being prematurely revealed. Thus, any member of the staff who discloses unauthorized information will be fired on the spot. Every member of the staff is being given to understand, at the outset, these stringent security rules.

Some very serious charges, indeed, have been raised against the CIA, the FBI, and the other Federal agencies, charges that they have gone beyond the bounds of the law; that they have been used for improper political purposes, and that they have, at times, directed their techniques inward, not upon the enemy, but upon the American people.

So we will determine the extent of any such transgressions. If unlawful conduct has occurred, we will disclose it. From the findings, the Committee will recommend changes in the law to shield the American people against such misdeeds in the future. In like manner, the Committee may recommend reforms to eliminate wasteful duplication and to obtain a better accounting to the Congress of the actions and expenses of the intelligence-gathering community.

So, I am confident that this investigation is not only in the public interest, but that it is essential. This is an inquiry whose time is overdue. It has been half a century since the Federal Bureau of Investigation came into being. It has been nearly 30 years since the CIA was created. Both agencies operate on the fulcrum of that uneasy balance between individual liberty and collective order. If that equality ever tips too far toward the former, the result is anarchy; if it tips too far toward the latter, the result is tyranny.

Consequently, our police and intelligence agencies function in the most delicate and dangerous of all realms: mandated to maintain order without impairing freedom. Yet these agencies have not been subjected during all these years to an examination half as thorough as that routinely accorded the often, non-secretive bureaucracies far removed from the frontiers of our freedom. It is unfortunately true that agencies which, on the face of it, should require the most scrutiny by the elected representatives of the people have received the least.

The recent allegations of misconduct are so numerous and so disquieting, that the time has surely ripened for a serious investigation. However, our very ignorance of those who mind our safety and our liberties—the costs still undisclosed—should have impelled this much-belated inquiry, even in the absence of any cause for alarm.

Indeed, this is not the opinion of the Senate alone, nor of the House which has also created a committee to investigate these matters. Before either committee was established, the Ford Administration instigated an investigation of its own which it entrusted to the Vice President. Thus, both the Executive and Legislative Branches have felt it necessary to inquire into these serious charges. I must add, however, that the obligation is not one which can be well handled by the Administration. The Executive Branch cannot, with sufficient credibility, investigate itself. I would hope that the Rockefeller Commission, now engaged in a far more limited review, might complete its work soon and make its records available, as a starting point, for the more comprehensive Congressional investigations to come.

The task of reviewing the activities of the Executive agencies falls, properly, upon the Legislative Branch. The Constitution assigns the Congress that role.

Properly done, a Congressional inquiry into the activities of these agencies can result in a strengthening of our law-enforcement and intelligence systems. Properly done, the investigation can stiffen the law against future misdeeds.

If those who argue that there is nothing much amiss should prove correct, then the Committees will help to clear the air. Nothing could better serve to restore public confidence.

But if the charges are borne out by the facts unearthed, then reforms will have to be enacted before public confidence can be regained.

Either way, the investigation is imperative.

I understand the dismay of many citizens who are weary of Watergate and wonder if they can endure being pummeled once again by disclosures of wrong-doing in their government. These citizens would dearly prefer to believe that if the CIA or the FBI have erred, their mistakes were aberrations just as well ignored.

To those citizens, I say that I hope that our investigation bears out this optimistic view. Nothing would satisfy me more than to conclude, after a thorough inquiry, that the Federal police and intelligence-gathering agencies have stayed well within the law, and that any excesses have been few and far between. But though we can hope that no significant portion of the charges are true, we cannot afford to assume that this is the case. After all, these are charges far more crucial to the preservation of our freedom than the customary complaints about malfeasance in some ordinary bureaucracy. The charges involve the first steps toward something Americans of all philosophical views have resolved should never emerge in this land—the beginnings of a secret police.

So this is not a casual matter that can be safely swept under the rug. If these charges should prove true, then it is urgent that we learn in time. If they should prove to be false, then the investigation will serve the purpose of redeeming the reputation of prestigious agencies which find their honor in upholding the law.

As we approach our 200th birthday, let us jealously safeguard our fortunate status as a free people. Freedom comes so hard and to so few, its preservation is the first responsibility of our government, and since it is upon the law that freedom must rely, it is the duty of a watchful government to certify to the people, periodically, that the keepers of the law are themselves obeying it. The issue before the committee is not merely whether the people need the shield of stronger law, but whether the Federal police and intelligence agencies have—as repeatedly charged—been lawless.

Forty-five years ago—shortly after the birth of the Federal Bureau of Investigation and two decades before there would be something called a Central Intelligence Agency—Justice Louis Brandeis wrote what could be the watchwords of the investigation about to begin:

"Decency, security and liberty alike," he said, "demand that government officials shall be subjected to the same rules of conduct that are commands to the citizen. In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our government is the potent, the omnipresent teacher, for good or ill, it teaches the whole people by its example."

We have entered the final decade on the way to 1984. Weary of scandal or not, we must never become weary of being vigilant. We dare not shirk from another redemptive investigation. Learning where we stand can spell the difference between arriving nine years hence at the doorstep of the Orwellian nightmare or awakening with sublime relief in the knowledge that we have, through perseverance today, confounded that dark dream of tomorrow.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, is it correct that there is a period for morning business?

The ACTING PRESIDENT pro tempore. After the special orders.

Mr. GRIFFIN. I yield back the 15 minutes.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period of 1 hour for the transaction of morning business, with statements therein limited to 5 minutes.

First, the message from the President will be read.

MESSAGES FROM THE PRESIDENT

The legislative clerk read the following messages from the President of the United States:

To the Senate of the United States:

I nominate:

The following-named captains of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Walter M. Lonergan
Joseph T. Horgan

SUPPLY CORPS

Leroy E. Hopkins
Ralph F. Murphy, Jr.
Edward M. Kocher

CHAPLAIN CORPS

Withers M. Moore

CIVIL ENGINEER CORPS

Charles C. Heid, Jr.

DENTAL CORPS

William L. Darnall, Jr.

GERALD R. FORD.

FEBRUARY 28, 1975.

To the Congress of the United States:

I am pleased to submit to the Congress the Twenty-Fourth Annual Report of the National Science Foundation, covering fiscal year 1974.

One of the clear lessons of the past few years is that our society, as well as that of the rest of the world, is intimately tied to technology and the science that produces it. Certainly our own approaches to problems in energy, environment, food production, and the well-being of the national economy will include substantial contributions from science and technology. As a Nation we are fortunate to have an extraordinarily strong science and technology base to draw on in dealing with these and other important national problems.

The National Science Foundation has a key role in ensuring that the Nation maintains leadership in all fields of basic sciences from which our technological advances of the future will be derived.

The National Science Foundation programs in basic research range over fundamental studies of the structure and behavior of matter, the process of living things, the dynamics of the Earth and universe, energy and materials and many other areas described in this report. In addition, as this report shows, the Foundation is continuing, through its programs in science educaiton, to assist in the development of the scientific manpower needed to meet tomorrow's technological challenges.

The research results contained in this report remind us of the changes that we have seen in our lives as a result of our investments in science. It is, I believe, a preview of many beneficial developments that will occur in coming years. I commend this report to you.

GERALD R. FORD.

THE WHITE HOUSE, *February 28, 1975.*

MESSAGE FROM THE PRESIDENT REFERRED

The ACTING PRESIDENT pro tempore (Mr. CULVER) laid before the Senate a message from the President of the United States submitting the annual report of the National Science Foundation for the fiscal year 1974, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. CULVER) laid before the Senate a message from the President of the United States submitting sundry nominations in the Navy which was referred to the Committee on Armed Services.

SENATE RESOLUTION 93—SUBMISSION OF A RESOLUTION TO AMEND RULE XXII OF THE STANDING RULES OF THE SENATE AND NOTICE OF MOTION TO AMEND RULE XXII

Mr. ROBERT C. BYRD. Mr. President, I submit a resolution to amend rule XXII of the Standing Rules of the Senate and, in accordance with rule XL of the Standing Rules, I send to the desk a notice in writing. I ask unanimous consent for the immediate consideration of the resolution.

Mr. CURTIS. Reserving the right to object, do I understand correctly that this is something for determination at this time?

Mr. ROBERT C. BYRD. I have sent to the desk a resolution in behalf of myself, Mr. GRIFFIN, Mr. MANSFIELD, and Mr. HUGH SCOTT to amend rule XXII of the Standing Rules of the Senate. I have also submitted, in accordance with rule XL, a statement, which constitutes a notice to the Senate, concerning this resolution to amend Senate rule XXII.

I have also asked unanimous consent for immediate consideration of the resolution. If the Senator would like to have the resolution read, he may.

Mr. CURTIS. You mean the immediate consideration of the change in the rule?

Mr. ROBERT C. BYRD. The immediate consideration of the resolution which I have sent to the desk, which does provide for a change in Senate rule XXII.

Mr. ALLEN. Reserving the right to object, if this amendment of the Senate rules is allowed to be considered at this time, since it would be up for consideration, a cloture motion could be filed with respect to it, could it not? Then it would be subject to amendment and this matter would come up, then, on next Tuesday.

Is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. ALLEN. That being the case, I shall have to interpose an objection. Otherwise, this leapfrogs the necessity of making a motion to proceed to consideration of the resolution. I shall have to object.

The ACTING PRESIDENT pro tempore. The objection is heard.

Mr. ROBERT C. BYRD. I thank the Senator and I understand his reasons for objecting.

The ACTING PRESIDENT pro tempore. The resolution will go over under the rule.

The resolution (S. Res. 93) amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate, and notice of motions to amend rules XXII are as follows:

S. RES. 93

Resolved,

That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To posipone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, except one to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order,

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including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter to amend the Senate Rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

NOTICE OF MOTION TO AMEND RULE XXII

Mr. ROBERT C. BYRD submitted the following notice in writing:

In accordance with the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to amend rule XXII of the standing rules in the following particulars:

Resolved,

That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.'

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, except one to amend the Senate Rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate."

Mr. GRIFFIN. Mr. President, if I may be recognized—

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. GRIFFIN. Although my name does not appear at this point as a cosponsor of the resolution, I have indicated to a number of my colleagues in private and I am willing to say publicly now that this is a very constructive development. I commend the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), and I hope his resolution will be a compromise package arrangement that can lift the Senate out of its dilemma.

I applaud this effort because the Senator from West Virginia is proceeding in accordance with our established rules; he is not taking a "backdoor route."

As I understand the proposal of the Senator from West Virginia, it would provide that, any further change in the rules—after this change—could be accomplished only by observing a two-thirds cloture requirement.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. GRIFFIN. I am glad to yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Michigan is correct. I state at this point that I have expressed opposition on a previous occasion, and so has the distinguished majority leader, to proceeding to amend the rules other than under the procedures that are permitted by the existing rules. Therefore, I opposed the motion which was introduced by Mr. MONDALE. I respect his viewpoint and the viewpoints of all the Senators who have supported that motion.

I also respect the viewpoints of the distinguished Senator from Alabama and all Senators who have supported Senator ALLEN in his efforts to proceed as he has chosen.

I personally think that we have arrived at the point where the Senate is looking bad, and we are in a parliamentary morass. I realize that there is a determined effort on the part of some Senators to change the rules so as to provide for the invoking of cloture by less than two-thirds of those present and voting. It seems to me that the resolution which has now been introduced, and which would provide for the invoking of cloture by a constitutional three-fifths on all matters other than a change in the rules, is the proper way to proceed. It also provides that any change in the rules, however, would require cloture by two-thirds of those Senators present and voting—which is the present requirement.

As the distinguished majority leader has stated on a previous occasion, a three-fifths constitutional majority is equitable, it is fair, and it is a balanced way of proceeding. It protects the minority and at the same time it gives the Senate majority some more reasonable way, I think, of finally exercising its will. So my resolution, which has been introduced on behalf of myself and the distinguished majority leader and the distinguished Republican leader (Mr. HUGH SCOTT) would proceed under the present rule to accomplish what we think would be an equitable resolution of this whole question.

I do not think there is any question but that, if we continue as we have been going in the past few days, the matter will be prolonged, and I am afraid that the Senate is going to look worse, and I am afraid that much valuable time will be consumed. I just think that this is the best way to proceed at this time to settle this matter.

Mr. GRIFFIN. Mr. President, frankly, I have come reluctantly to the position of expressing some support for this compromise proposal. When you are in the minority—like I am—and your numbers are dwindling, it is not a time to throw away the only tools you have. And one of the important tools the minority can employ is the right to debate.

But I see the handwriting on the wall. If we do not settle for this compromise solution, we could end up with a result much worse. In an important part of the compromise route, however, it will be to overturn the vote that was taken here the other day—the vote by which the majority leader's point of order was tabled. I think it is important that the principle established by that vote be rescinded so that it will not stand as a precedent.

Mr. STENNIS. Mr. President, will the Senator from West Virginia yield to me for a question?

Mr. ROBERT C. BYRD. My time is up. The Senator from Mississippi may wish to get the floor in his own right.

Mr. STENNIS. Mr. President, may I address the Chair and ask for the floor?

The ACTING PRESIDENT pro tempore. The time of the Senator from West Virginia has expired. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I just want to ask this question: I know the fine motives and the good intentions of the Senator from West Virginia and those other Senators who have signed the resolution, but does the Senator from West Virginia think the provisions of this resolution, if adopted, would preclude, in a situation with the Chair ruling as the Vice President has ruled, and a majority voting as they have been voting to change the rules, an amendment to the rules under the process that has been employed the last few days?

Mr. ROBERT C. BYRD. Mr. President, I think that the adoption of this resolution would go a long, long way toward inhibiting any effort of this kind in the foreseeable future.

That is not to say that a Senator in the future could not or would not attempt to go that route again.

Mr. STENNIS. The route that S. Res. 4 has been traveling?

Mr. ROBERT C. BYRD. Yes; but I believe that there is a growing realization on both sides of the aisle and on both sides of this question that we ought to resolve this now, if we can resolve it. I do not think there is any question but that, if this resolution is not adopted, the fight along the lines we have seen develop will continue at least for a time in this Congress, and it will be renewed in the next Congress, and possibly in the next, the next, and the next.

But I am hoping, and I think I have good reason to believe, that if this resolution is adopted it will go a long way toward preventing a determined, organized effort, for the foreseeable future, to come in at the beginning of a new Congress, attempt to amend the rules to provide for cloture by less than a constitutional three-fifths or even by a majority. It is in an effort to strike the equitable balance that the distinguished majority leader has talked about from time to time that this resolution has been introduced by myself and others.

It will not please everyone. I would understand the opposition of any Senator to any change in this rule, but I am afraid that if we do not go about it under the orderly procedure that is provided by the rules, it will be done anyhow, either in this Congress or in the next or at some future time, and when it is done, we have no assurance that it will be a three-fifths constitutional majority that will be written into the rules. It may be provided by way of a bare majority at such time.

Mr. STENNIS. I appreciate the Senator's explanation. Frankly, what I am afraid of is that under precedents already established here, it would be possible by a mere majority, a temporary majority vote, to sustain a friendly occupant of the Chair's ruling for that being sufficient within itself to change the rule with reference to cutting off debate, to where a mere majority could cut it off.

Mr. ROBERT C. BYRD. The distinguished majority leader made his point of order against that motion on that very basis.

Mr. STENNIS. Yes. I think we are that close to oblivion of the Senate as a distinctive body, and whatever fighting or time or contest is necessary to prevent that situation from happening, if it has not already happened, would be a very good investment, in the opinion of the Senator from Mississippi.

I know that the Senator from West Virginia is really a student of the rules, and if he can write a rule that will carry out the objectives that he has stated, if he wishes to, and believes that this would perhaps settle the matter for a while, I wish he would write a little harder, and maybe he could satisfy his own mind a little further on that point.

But I certainly commend the Senator from Alabama for objecting to the immediate consideration of such a far-reaching resolution, because if he had not, I would have, on that very basis.

Mr. ROBERT C. BYRD. Yes. I commend the Senator from Alabama for his opposition, and I thank the distinguished Senator from Mississippi.

Mr. ALLEN. Mr. President, will the distinguished Senator from West Virginia answer a question or two for the Senator from Alabama?

Mr. ROBERT C. BYRD. I will attempt to.

Mr. ALLEN. Is this effort now, as embodied in this resolution, to be offered in lieu of the effort under Senate Resolution No. 4? Because the Senator spoke of having reason to believe that others would support this effort.

Mr. ROBERT C. BYRD. As far as I am concerned it is being offered in lieu thereof.

Mr. ALLEN. I see. Is it, then, necessary to abandon Senate Resolution 4 on account of the real bad odor that has become attached to that resolution, and start off with something fresh?

Mr. ROBERT C. BYRD. The Senator knows that I have opposed the motion offered by the Senator from Minnesota and others, and the distinguished majority leader offered a point of order against the Senator from Minnesota's motion.

The effort here is to develop a way that will result in an equitable solution to the problem.

Mr. ALLEN. Could not the same provisions here be added to Senate Resolution 4, and does not the question still recur on whether or not, in abandoning Senate Resolution 4 and going this separate route, that is not done because of the bad odor that has been attached to Senate Resolution 4, in the proceedings that have taken place with respect to that resolution?

Mr. ROBERT C. BYRD. The reason why this procedure is being resorted to, Mr. President, I say in answer to the question by the distinguished Senator from Alabama, is that it is the cleanest way to go.

Mr. ALLEN. Well, is the Senator using that word to answer my question?

Mr. ROBERT C. BYRD. No; I have not fully answered the Senator's question. If the Senator will allow me to proceed, I will put my own connotation on it. The Senator may put whatever connotation he wishes.

Mr. ALLEN. And I have.

Mr. ROBERT C. BYRD. And he has. But I am saying that either way we go, a Senator, any one Senator, can utilize the rules of this body and prevent action for a while.

But this is the simpler way to go, the better way to go, in that perhaps fewer problems can arise in connection with the ultimate adoption of this resolution than would be the case if we attempted to go the route of Senate Resolution 4, with all of the pending motions that are before the Senate in connection with that resolution, and attempt to amend that resolution or substitute another resolution for it.

So, it is a good faith effort, may I say to the distinguished Senator, on the part of the Senator from West Virginia, on the part of the distinguished majority leader, the distinguished Republican leader, and those on both sides of the aisle with whom we have discussed it. It is a good faith effort to reach a conclusion that will get this matter out of the way not only in this Congress, but hopefully, also for all time, and we want to proceed under the present rules to change the rules as a majority of the Senate would want to decide.

Mr. ALLEN. I thank the distinguished Senator from West Virginia. I certainly understand his purpose here, and certainly commend him for his efforts to bring about a reasonable compromise of this issue. But he has answered the thought that was in the mind of the Senator from Alabama about the reason for abandoning Senate Resolution No. 4.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. PERCY. Mr. President, I have been absent on official business for the past 6 days, and so have returned with the objectivity of not having engaged

in the day-by-day debate on this highly emotional issue.

The Senator from Illinois would like to give his commendation to the leadership in its attempt now to resolve in an equitable and fair manner a question that has obviously high emotional impact, but also has a very definite impact upon the efficient operation of the Senate.

From what I have heard this morning I think that a good body of support can be obtained for the direction in which this is now moving.

ARAB BOYCOTT OF AMERICAN FIRMS

Mr. PERCY. Mr. President, I should like to comment on the boycott that has been extended by certain Arab countries to companies doing business with the State of Israel.

The Senator from Illinois has long opposed the Arab boycott, both as a matter of moral principle and as a matter of economics. As early as 1960 he resisted all attempts to boycott the industrial firm with which he was connected for so many years, and he continued to do business with Israel.

I should at this time indicate that, in discussions with King Hussein day before yesterday, and in discussions with President Sadat on January 16 in Egypt, I emphasized the importance to the Arab world of lifting this boycott because it is adding to the inflationary pressures being experienced in Arab countries.

It is certainly contrary to the principles of the international flow of product and trade. To arbitrarily restrict from the Arab countries some of the 1,200 most highly efficient and effective business organizations and firms in the world—commercial, industrial, and banking—adds tremendously to the burden of inflation in those countries by eliminating necessary competition. It is self-defeating.

In addition, if the Arabs want greater sympathy and credibility abroad, they should abandon the boycott and announce that they are doing so. Intensification of the boycott is a move in the wrong direction at a time when conciliation is needed to bring peace in the Middle East.

DEMOCRATS SET ENERGY PLAN

Mr. PERCY. Lastly, Mr. President, I would like to make comment on the article that appeared in this morning's Washington Post under the headline "Democrats Set Energy Plan."

In doing so, I should like very much—if the Senator from Illinois could have the attention for a moment of the distinguished acting majority leader, Senator BYRD——

Mr. ROBERT C. BYRD. I am sorry.

Mr. PERCY. The Senator from Illinois is just directing attention to the article in the Washington Post entitled, "Democrats Set Energy Plan." I have noticed that a meeting has been established with the majority leadership and with the President this afternoon at 3 o'clock. I presume that the acting majority leader, the assistant majority leader, will be present at that meeting?

Mr. ROBERT C. BYRD. The distinguished majority leader has indicated to me that I would be present.

Mr. PERCY. I should like very much to commend the Democrats on a policy that they have adopted. As I see it, from this article, they say:

> Under their plan the Federal Government would set a rising gasoline mileage standard each year, and the average mileage of all cars made by each automaker—small cars and large ones together—could not fall below that standard.
>
> In addition, the Democrats would give graduated tax rebates of unspecified size to people who bought new cars with above-average mileage, while adding a new and graduated excise tax to the price of cars that guzzle gas.

I believe this is a commendable policy. It is a policy that this Republican has discussed with the President of the United States on several occasions, so that I think the Democrats can assure the President he would have bipartisan support.

The President of the United States comes from Michigan and is quite knowledgeable of how the automotive industry operates and works, and the Senator from Illinois has known the Chief Executive and most of the managements of those great companies over a period of years.

Their constant response back to the Senator from Illinois over a period of 3 years as to why they continue to build these gas-guzzling, highly inefficient cars, when we know that the national interest would move us in the other direction, is that that is what the public wants. Yet they continue to emphasize speed and power in their advertising, and put 140 and 150 miles an hour on the speedometers, emphasizing speed when the national law is 55 miles per hour.

I would simply like to draw the attention of the assistant majority leader to the fact that last year, and again this year, the Senator from Illinois introduced a bill, S. 635, identical to the principle adopted by the Democrats in their meeting yesterday, and although the Democrats have not yet indicated any specificity with respect to mileage, I would like to point out, without any pride of authorship whatsoever, that in working with the Federal Energy Administration, I have worked out a schedule that would cost the Federal Government nothing. It is designed to tax gas-inefficient cars enough to pay a bonus to people who buy a car that is gas efficient and thus serves the national interest.

The tax, which is on a graduated scale, increases to $1,000 for an automobile that gives less than 9 miles per gallon. The credit, in the form of a cash payment to the purchaser, goes up to $300 for a car that gives over 23 miles per gallon, the income from one side to pay for the expense on the other. The net cost to the Government is nothing, but a tremendous incentive is provided to Detroit and the consumer to move us in the proper direction. This incentive is continued year after year, because the entire scale of taxes and cash payments would increase at the rate of one mile per gallon per year until 1983.

It is the judgment of the Senator from Illinois that this could be a stimulus to the automobile industry. We have 100 million automobiles, a large number of which are inefficient. The tax incentives are a way of motivating people to purchase cars that will save them money in the long run. I commend the Senator and the Democrats for unanimously having adopted this in principle, and I would like to indicate my wholehearted support for such a principle.

Mr. ROBERT C. BYRD. I thank the Senator.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Is there further morning business?

Mr. GRIFFIN. Well, Mr. President, I do not particularly want to debate the Senator from Illinois. However, I do not want to sit here and allow my silence to suggest agreement with what he has suggested.

I am very concerned right now that so many auto workers are laid off. To impose an excise tax on automobiles—any size automobiles—would only make the situation worse.

I think it is important to keep in mind that important and expensive tooling changes are required when a plant switches from one model to another model. The engineering and tooling also take time—more time than most Members of Congress seem to realize.

So if there were to be any kind of a tax imposed on larger automobiles, I would plead with those who do favor such approach to at least consider the leadtime that would be necessary.

Otherwise, to depress by Government action the volume of sales of larger cars is bound to cause the layoff of more autoworkers. That is hardly a way to solve our current economic problem.

I would indicate agreement to the extent that some tax recognition might be given for the purchase of smaller, more fuel-efficient automobiles. This would stimulate sales and would be a positive move in the right direction.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield to the Senator.

Mr. PERCY. I think the Senator from Michigan's comments are extraordinarily well taken, and by my own comments I would not want him to believe that I had not fully taken into account the problems being faced in Michigan.

The Senator from Illinois might point out that a great many subcontractors in Illinois, as well as manufacturers of auto parts, depend to a tremendous extent on the automobile industry.

The Senator from Illinois has discussed in open public testimony with Leonard Woodcock the legislation to provide an incentive for efficient cars and a penalty for inefficient cars. I received from him no commitment because it was an idea he had not thoroughly studied, but certainly no immediate opposition.

I am delighted to see the chairman of the Committee on Finance, the Senator from Louisiana (Mr. LONG), in the Chamber this morning. In hearings on the effective date of this program, which

has now been adopted unanimously by the Democrats, I would think the chairman would fully take into account the need for imposing it gradually so that both labor and management in the automobile industry could adjust to it.

But it is the Senator from Illinois judgment that there could be no greater stimulant to the automobile business than to start moving people, customers, and therefore, production lines massively toward the production of cars that are gasoline efficient and away from cars that are gasoline inefficient.

Let us leave to the oil-producing countries, the OPEC countries, all of these gas-guzzling dinosaurs. I saw many of them in the Arab world.

They seem to have the gasoline we do not have back here, and we should do what Europe and Japan have done over a period of 30 or 40 years: move toward much more efficient cars.

I think that can be a replacement industry for American automobile companies that will provide employment for years to come, but as the Senator from Michigan wisely points up, we must do it on a gradual basis, worked out carefully with the manufacturers as well as the UAW.

The ACTING PRESIDENT pro tempore. The Senator from Michigan's time has expired.

Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 4

MOTION TO RECONSIDER VOTE NO. 30

Mr. HRUSKA. Mr. President, I enter a motion to reconsider vote No. 30, which occurred on Wednesday, February 26, 1975, and by which the point of order by the Senator from Montana against the motion by the Senator from Minnesota was tabled.

The PRESIDING OFFICER. The motion will be entered on the calendar. Will the Senator please send his motion to the desk?

Mr. HRUSKA's motion is as follows:

> Mr. President, I enter a motion to reconsider vote No. 30 which occurred on Wednesday, February 26, 1975, and by which the point of order by the Senator from Montana against the motion by the Senator from Minnesota was tabled.

Mr. MONDALE. Mr. President, reserving the right to object, did I understand from the leadership that a unanimous-consent agreement was to be propounded on a time certain to vote on the proposed motion to reconsider?

Mr. MANSFIELD. The suggestion was made that 4 o'clock Monday afternoon might be a propitious time.

Mr. MONDALE. Could that be propounded?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the resolution as to the motion made by the distinguished Senator from Nebraska occur at the hour of 4 o'clock on Monday afternoon next.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

Mr. ROBERT C. BYRD. I ask unanimous consent that it be in order to order the yeas and nays at this time.

The PRESIDING OFFICER. Is there objection to ordering the yeas and nays at this time? Without objection, the yeas may be ordered. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MONDALE. Mr. President, in my judgment we could have objected to this motion——

The PRESIDING OFFICER. Will the Senator use his microphone, please?

Mr. MONDALE. We may be better off without it.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I ask unanimous consent that the time for consideration of routine morning business be extended for not to exceed 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, in my judgment we could have objected to this motion. We decided not to because we think it will help expedite the work of the Senate toward what I think is the real business and the real matter at hand.

At 4 o'clock on Monday, we will vote on the issue of reconsidering the vote to table the point of order made by the Senator from Montana. I shall oppose the motion to reconsider, and I would hope that the Senate would reject it.

But in any event, it is my hope that what I consider to be a significant concession on the part of those of us who wanted a rule change, now proposed by the distinguished Senator from West Virginia and by the joint leadership, could be made the pending business, and that all sides could give some, in order to invoke cloture on a compromise which I think is eminently sound and substantially less than we wanted and hoped for.

We forego what we think would have been a favorable result on our theory, which we think has been established, of majority cloture; but with that understanding we will not object to this motion being brought up on next Monday.

Mr. ALLEN. Mr. President, the distinguished Senator from Minnesota spoke of a compromise that was working.

I want him and all other Senators to understand that the Senator from Alabama has entered into no negotiations with regard to a compromise. The Senator from Alabama understands from observation that apparently Senate Resolution 4 is to be abandoned, and the procedure now would be for those who seek to amend the rules to combine behind the resolution offered this morning by the distinguished Senator from West Virginia.

The Senator from Alabama this morning inquired of the distinguished Senator from West Virginia here on the floor if the reason for abandoning Senate Resolution No. 4 was because of the bad odor that it had acquired in the proceedings before the Senate, and the response of the distinguished Senator from West Virginia was that the new method was the cleanest way of handling the matter.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. Which certainly indicated the Senator from Alabama was right in his surmise.

I am glad to yield.

Mr. ROBERT C. BYRD. The Senator will agree that was not my total response.

Mr. ALLEN. The Senator went on to amplify what he means by the cleanest way, but I believe the Senator from Alabama got the proper connotation at the start. [Laughter.]

The Senator from Alabama is going to be just as diligent in seeking to defeat the new attempted rules change as he has been to defeat this bad-odored Senate Resolution 4.

Now, the reason the Senator from Alabama is not willing to enter into any compromise in this matter is that he does not feel that it is right in principle, because it would be, in a sense, legitimizing this illegitimate offspring that has resulted from this assault on the Senate rules.

The Senator would not, by giving that stamp of legitimacy on this effort, want to agree by any stretch of the imagination that a constitutional question is involved and that at the so-called beginning of a session the majority can change the Senate rules.

So, Mr. President, the Senator from Alabama realizes that those who are seeking to apply this gag rule can come back 2 years hence and say they want to proceed now under the Constitution again, and they want to get this cloture requirement down to 40 percent, and if they put in a resolution of that sort and make a point of order and get it tabled, well, under the rulings of the Presiding Officer—not now sitting, I might say, in defense of the distinguished Senator from Florida (Mr. STONE) who does not adopt that view—that would prove that the Senate thought that was a constitutional approach.

The Senator from Alabama would point out that back at the time when World War II was getting ready to be started, while Hitler, when he took over the Sudetenland, said:

> This was the last territorial acquisition I am going to seek to make.

So the gag-rule Senators will be back again, I give warning, if this new approach is adopted.

So I want no part of compromise and I urge Senators to take the same position.

Mr. GRIFFIN subsequently said: Mr. President, I merely want to state that although when the Senator from West Virginia first submitted his resolution I

withheld my name, it was withheld in part because I wanted to be sure——

Mr. STENNIS. Mr. President, will the Senator use his microphone? We are unable to hear back here.

Mr. GRIFFIN. Now that the motion has been entered, I wanted to be sure the Senate would have an opportunity to reconsider its vote whereby the Senate tabled the point of order made by the majority leader. The Senate has agreed to vote on Monday at 4 o'clock. I think it will be important that a majority of the Senate does vote to reconsider.

I am confident in my own mind that a number of Senators really do not believe that was a proper procedure, but who went along with it because they do favor the three-fifths cloture vote. Perhaps they thought that at the time that was the only way their objective could be achieved.

I think it is becoming clear now that there is another way to achieve an acceptable result. If a majority is willing to vote that the majority leader's point of order was valid, then I think that the opportunity later to get cloture which will be necessary in this procedure will be much better.

So I want to indicate that I have had my name added as a cosponsor of the Byrd resolution, and that I will now urge my colleagues to vote on Monday for the Hruska motion to reconsider.

APPOINTMENT BY THE CHAIRMAN OF THE COMMITTEE ON COMMERCE

The PRESIDING OFFICER. The Chair, on behalf of the chairman of the Committee on Commerce (Mr. MAGNUSON), pursuant to 46 U.S.C. 1126(c), appoints the Senator from New York (Mr. BUCKLEY) to the Board of Visitors to the U.S. Merchant Marine Academy, in lieu of the Senator from Maryland (Mr. BEALL), resigned.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there any further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. CULVER) laid before the Senate the following letters, which were referred as indicated:

LOAN BY THE RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator, Rural Electrification Administration, U.S. Department of Agriculture, transmitting, pursuant to law, information relating to an approved loan to Central Power Electric Cooperative, Minot, N. Dak., in the amount of $4,121,000 for the financing of transmission facilities, a warehouse, and operating equipment (with accompanying letters); to the Committee on Appropriations.

EXTENSION OF CREDIT TO KOREA ELECTRIC CO.

A letter from the President and Chairman, Export-Import Bank of the United States, reporting, pursuant to law, a statement with respect to extension of direct credit of $78,900,000 to Korea Electric Co. (KECO), a public company which is the sole electric utility in the Republic of Korea, and to guarantee loans by private financial institutions to KECO in the amount of $105,200,000 to the Committee on Banking, Housing and Urban Affairs.

REPORT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER SMALL BUSINESS FIRMS

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of Defense procurement from small and other business firms for July–December 1974 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

PRELIMINARY SYSTEM PLAN OF THE U.S. RAILWAY ASSOCIATION

A letter from the Chairman, U.S. Railway Association, transmitting, pursuant to law, a preliminary system plan of the U.S. Railway Association (with accompanying papers); to the Committee on Commerce.

INTERNATIONAL AGREEMENTS ENTERED INTO BY THE UNITED STATES

A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within 60 days after the execution thereof (with accompanying papers); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on Federal agencies administering programs related to marine science activities and oceanic affairs, multiagency (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the financial status of major civil acquisitions, December 31, 1973 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the critical need for a better system for adjusting top executive, legislative, and judicial salaries (with an accompanying report); to the Committee on Government Operations.

REPORT OF NEGOTIATED SALES CONTRACTS FOR DISPOSAL OF MATERIALS

A letter from the Director, Bureau of Land Mangement, U.S. Department of the Interior, transmitting, pursuant to law, a report of negotiated sales contracts made under Public Law 87-689 (79 Stat. 587) for disposal of materials during the period July 1 through December 1974 (with an accompanying report); to the Committee on Interior and Insular Affairs.

ADJUSTMENT OF CONTRACT BY NASA

A letter from the Administrator, National Aeronautics and Space Administration, reporting, pursuant to law, actions taken through its Contract Adjustment Board; to the Committee on the Judiciary.

REPORT OF THE FARM CREDIT ADMINISTRATION

A letter from the Governor, Farm Credit Administration, transmitting, pursuant to law, a report of the Farm Credit Administration covering calendar 1974 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED REGULATIONS FOR BILINGUAL VOCATIONAL TRAINING

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, proposed regulations for bilingual vocational training under the Vocational Education Act of 1963, as amended (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT ON CONTROL OF SULFUR OXIDES

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report on control of sulfur oxides (with an accompanying report); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. CULVER):

A concurrent resolution of the Legislature of the State of Hawaii; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION 47

"(Requesting the Congress of the United States to aid in the implementation of chapter 516 of the Hawaii Revised Statutes by establishing capital gain and charitable organization tax status for sale of residential properties to the lessees thereof.)

"Whereas, the State of Hawaii is suffering from a serious problem of monopolistic control of its real property resources; and

"Whereas, this control has been determined by the Legislature of the State of Hawaii to be seriously damaging to the public welfare of the State and its citizens; and

"Whereas, the Legislature accordingly has seen fit to initiate legislation to alleviate this inequitable situation, which legislation is contained in Chapter 516 of the Hawaii Revised Statutes; and

"Whereas, implementation of this legislation has been impeded because of the fear on the part of the large landowners of prohibitive taxation should they be deemed to be dealing in real estate; and

"Whereas, it is the intent of the Legislature to force the sale of residential lands to the public by means of this legislation for the public good; now, therefore,

"Be it resolved by the Senate of the Eighth Legislature of the State of Hawaii, Regular Session of 1975, the House of Representatives concurring, that the Congress of the United States be and is hereby requested to enact such legislation as it deems necessary in order to assure that any landowner in the State of Hawaii selling lands to a lessee thereof pursuant to the provisions of Chapter 516 of the Revised Laws of the State of Hawaii and without contesting such terms or the compensation to be paid pursuant thereto, shall be taxed on the profits of such sale at the capital gains rate unless qualified as a charitable organization in which case such landowner shall not be taxed on the profits of such sale; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the presiding officers of the United States Senate and the United States House of Representatives, and to each member of Hawaii's delegation to the United States Congress."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Committee on Appropriations, with an amendment:

H.J. Res. 219. A joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes (Rept. No. 94-25).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HARRY F. BYRD, JR.:

S. 885. A bill to designate certain lands in the Shenandoah National Park, Va., as wilderness. Referred to the Committee on Interior and Insular Affairs.

By Mr. GRAVEL (for himself and Mr. STEVENS):

S. 886. A bill to amend Section 107 of the River and Harbor Act of 1960. Referred to the Committee on Public Works.

By Mr. SCHWEIKER:

S. 887. A bill to reduce interest rates and make additional credit available for essential economic activities. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HARTKE:

S. 888. A bill to amend the Trade Act of 1974. Referred to the Committee on Finance.

S. 889. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1974. Referred to the Committee on Finance.

By Mr. PROXMIRE (for himself and Mr. MCINTYRE) (by request):

S. 890. A bill to amend the Banking Holding Company Act of 1956, as amended, to provide special procedures for the acquisition of failing banks or bank holding companies and for the acquisition of banks or bank holding companies in emergencies and to provide for the acquisition by bank holding companies of banks outside their State of principal banking operations in emergency situations and situations involving a failing bank or bank holding company. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HARTKE:

S. 891. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those Acts. Referred to the Committee on Agriculture and Forestry.

By Mr. PROXMIRE:

S. 892. A bill for the relief of Mercedes Estrella Tiomico. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. PASTORE, Mr. PEARSON, and Mr. GRIFFIN) (by request):

S. 893. A bill to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting and for other purposes. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 894. A bill to establish a universal food service program for children. Referred to the Committee on Agriculture and Forestry.

By Mr. MCINTYRE (for himself, Mr. TAFT, and Mr. BAYH):

S. 895. A bill to provide for legal assistance to members of the Armed Forces and their dependents, and for other purposes. Referred to the Committee on Armed Services.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 896. A bill to increase the appropriation authorization relating to the Volunteers in the Parks program, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 897. A bill to amend the Internal Revenue Code of 1954 to provide incentives for energy conservation, and for other purposes. Referred to the Committee on Finance.

By Mr. FANNIN:

S. 898. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan. Referred to the Committee on Public Works.

S. 899. A bill for the relief of Frederick Po-Shing Chu. Referred to the Committee on the Judiciary.

S. 900. A bill for the relief of Grace Wing-Ping Chu. Referred to the Committee on the Judiciary.

S. 901. A bill for the relief of Evaristo Laborin, his wife, Amparo Laborin, and their children. Evaristo Laborin, Junior, Francisco Laborin, Cathorin, Jesus Laborin, and Benito Laborin. Referred to the Committee on the Judiciary.

By Mr. DOLE:

S.J. Res. 39. A joint resolution to designate the week of March 17 to 23, 1975, as "National Lead Poisoning Prevention Week". Referred to the Committee on the Judiciary.

By Mr. WILLIAM L. SCOTT:

S.J. Res. 40. A joint resolution proposing an amendment to the Constitution of the United States relative to freedom from forced assignment to schools or jobs because of race, creed, or color. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARRY F. BYRD, JR.:

S. 885. A bill to designate certain lands in the Shenandoah National Park, Virginia, as wilderness. Referred to the Committee on Interior and Insular Affairs.

Mr. HARRY F. BYRD, JR. Mr. President, I introduce today a bill to designate portions of the Shenandoah National Park as wilderness area.

I sponsored similar legislation in the 93d Congress. Identical legislation to that I am introducing today was considered by the Parks and Recreation Subcommittee of the Committee on Interior and Insular Affairs. It was favorably reported by the full committee and was passed by the Senate on September 20, 1973. The House of Representatives, however, did not take final action on the bill.

The Shenandoah National Park has the kind of incomparable beauty which nourishes the soul through enjoyment of the natural bounties bestowed upon Virginia. It has sustained me in this way—it certainly sustained my father, who returned to the Blue Ridge Mountains time after time to be restored in mind and body by the solitude of these ancient mountains and valleys.

There is a superabundance of inspiration here for even the most casual observer—whether he stands astride the crest of the Blue Ridge Mountains and looks eastwardly across Virginia's rolling Piedmont and westwardly over the Shenandoah Valley to the striking chain of Massanutten Mountains and the formidable Alleghenies rising beyond, or whether he descends into the verdant, silent hollows which plunge from those ancient hills to listen to the watery music of rushing streams and sparkling cascades.

Many outstanding individuals and groups interested in the preservation of our natural heritage are to be commended for inspiring this legislation. Without the devoted support of these individuals, many of whom are young Americans just beginning to make their voices heard, we in Congress could never have achieved the successes of recent years in the environmental field.

The concept of wilderness areas is an important one in the last third of the 20th century. As our population increases and becomes more dense throughout the country, it is imperative that we set aside some of our most beautiful countryside in its natural state.

Under the statute authorizing the establishment of wilderness areas, a wilderness is defined as "an area where the earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain."

We need such areas. We must not permit the headlong expansion of population, settlement, and mechanization to destroy our natural heritage.

We must remember that we are, all of us, only visitors on this Earth.

It is not ours to destroy.

This wilderness would be preserved in nine different areas within the park. These units would encompass 79,699 acres or 41.2 percent of the park's 193,539 acres.

These figures are based on the findings of the Committee on Interior and Insular Affairs, contained in its report on S. 988, in the last Congress (S. Rept. 93-393) They are supported by testimony given by the Department of the Interior on July 24, 1973.

In closing, Mr. President, I must say that, as a Virginian and a native of the splendid Shenandoah Valley, I believe that no finer piece of legislation could be passed than to insure that a reasonable acreage within the Shenandoah National Park be preserved in its natural state.

By Mr. GRAVEL (for himself and Mr. STEVENS):

S. 886. A bill to amend section 107 of the River and Harbor Act of 1960. Referred to the Committee on Public Works.

Mr. GRAVEL. Mr. President, today I am introducing legislation to raise from $1 million to $2 million the per project limitation on small river and harbor improvement projects initiated by the Corps of Engineers.

Under section 107 of the River and Harbor Act of 1960, the Corps of Engineers is authorized to allot $25,000,000 in any one fiscal year for small navigation projects not specifically authorized by Congress. These projects must result in substantial benefit to navigation and they must, in the opinion of the Chief of Engineers, show a favorable cost-benefit ratio.

In addition to the overall $25,000,000 limit, there is at present $1 million limit for any single project. It is this figure which I propose to raise to $2 million. The present $1 million limit was set in 1970 and has now become unrealistic in light of normal cost increases and the inflationary effects of the recent past. Periodic increases of the sort I propose have been necessary since the River and Harbor Act became law in 1960. The original project limitation was $200,000, and the overall limitation was $2 million. These figures were increased twice, at 5-year intervals, to $500,000 per project and $10,000,000 overall and

$1,000,000 per project and $25,000,000 overall.

Another 5 years has now elapsed, and the Corps of Engineers agrees with me that the individual project limit should again be raised if the original purpose of this section of the River and Harbor Act is to be served. In order to avoid contributing to inflationary pressures, however, I am not proposing that the overall limit be increased, as has been customary in past amendments. By increasing only the per project limitation, no more Federal dollars will be required.

By Mr. SCHWEIKER:

S. 887. A bill to reduce interest rates and make additional credit available for essential economic activities. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SCHWEIKER. Mr. President, I introduce today the Interest Reduction and Credit Priority Act of 1975, a bill which will establish a two-tier credit system.

This legislation is similar to S. 4049, which I introduced in the 93d Congress. The purpose of this measure is to insure that tight money and high interest does not continue to choke off vital economic activity, making economic recovery virtually impossible. At present, borrowers seeking funds for priority purposes such as industrial expansion and housing must compete with those seeking funds for second homes and swimming pools. This does not make sense to me, and my bill will insure that priority national needs also get priority credit status.

My bill will not, however, have any impact on Fed policies concerning the money supply. The money supply controversy has been in full swing recently; the House Banking Committee voted last week to reject H.R. 3160, which would have mandated an expanded money supply, and Federal Reserve Board Chairman Arthur Burns testified before the Senate Banking Committee this week that the Fed is moving to a quicker pace of money expansion.

Although economists—and public officials—do not agree at this point as to the desirability of accelerating monetary expansion, there is broad agreement that money supply is a tool which has a major role in economic recovery. My bill will insure that the tool of money supply is used as a scapel, encouraging priority activities while requiring nonessential borrowing to pay its own way, instead of operating as a meat ax, stifling all economic activity. In short, regardless of the ultimate outcome of the money supply controversy, this country needs a two-tier credit system now.

This is not simply a credit allocation proposal, Mr. President. Others have proposed allocating credit by means of subsidies or tax incentives, and various voluntary guidelines have been adopted to encourage credit allocation.

However, I would emphasize that the legislation I introduce today goes one step beyond credit allocation—my bill creates an entirely new two-tier credit system. Thus, it not only has a mandatory allocation feature, insuring that money will be available for priority purposes; it also mandates a 7 percent interest ceiling on priority loans, to insure that money for priority needs is available at reasonable rates.

My two-tier credit proposal has the following basic provisions:

First, the President shall authorize the Federal Reserve Board to issue rules and regulations, as provided by the Credit Control Act, Public Law 91–151 et seq., to provide for the allocation of credit in a manner consistent with my bill.

Second, the regulations issued by the Federal Reserve Board shall require at least 30 percent of all credit extensions to be for defined essential economic activities, specifically housing and industrial expansion required to prevent scarcities, high prices or unemployment. With unemployment now over 8 percent, these priority activities must be fully funded.

Third, the Federal Reserve Board must prescribe maximum interest rates, not to exceed 7 percent, for lending for such essential economic purposes.

Fourth, it should be emphasized that under the authority of the Credit Control Act, the regulations established by my bill may be applicable to all classes of creditors, so the impact will be equitably spread throughout our economy.

I ask unanimous consent that the full text of my bill be reprinted at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Interest Reduction and Credit Priority Act of 1975."

PRESIDENTIAL AUTHORITY

SEC. 2. The President shall exercise the authority conferred by the Credit Control Act to authorize the Board of Governors of the Federal Reserve System (hereinafter referred to as the "Board") to issue rules and regulations in accordance with the provisions of this Act, and the Board shall not later than 30 days thereafter issue such rules and regulations.

ALLOCATION OF CREDIT

SEC. 3. Rules and regulations issued hereunder shall require that not less than one-third of the principal amount involved in extensions of credit after the date of enactment of this Act by any creditor or class of creditors shall be made for any of the following purposes:

(1) The production of housing and related facilities for families of low and moderate income.

(2) The provision of capital for investment in plant and equipment where necessary to assure adequate supplies of essential goods or commodities.

(3) The provision of capital for investment necessary to create new jobs, prevent unemployment or inflationary prices.

(4) Such additional purposes as the Board determines to be appropriate in order to assure stable and balanced economic growth by the most efficient use of available credit.

MAXIMUM INTEREST RATES

SEC. 4. The Board shall prescribe one or more maximum rates of interest for transactions subject to section 3, but in no case shall interest be charged in connection with any such transaction at a rate in excess of 7 per centum per annum.

By Mr. HARTKE:

S. 888. A bill to amend the Trade Act of 1974. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, I am offering an amendment to clarify congressional intent regarding section 502 of the Trade Act of 1974.

As the section is now worded, it leaves the impression that the President is prohibited from extending preferential tariff treatment to any nation that belongs to any organization, formal or informal, of commodity producers. This was not the intent of Congress. The purpose of the section was to prevent the President from extending preferential treatment to those nations that actively participate—and I stress those last two words, Mr. President—in embargos and other similar activities which result either in the withholding of essential commodities from trade or in disruptively high prices.

By adding paragraph (2)—the amended paragraph—to the general paragraph that confers upon the President the power to include for preferential treatment some nations otherwise excluded if he deems that it is in the national economic interest to do so, a further element of flexibility is added. This leaves the President with two grounds for extending preferential tariff treatment to a country that is a member of OPEC or a similar organization. First, the President can determine that while the country is formally connected with the group, it did not "actively participate" in the policies that lead to the undesirable results. Second, the President can determine that notwithstanding the country's participation in OPEC or a similar organization, it is in the economic national interest of the United States to extend preferential tariff treatment. Naturally, the President must justify this action to Congress as provided in section 502(c).

It was not the intention of the Finance Committee or the Congress to attempt to impinge upon the freedom of nations to participate in formal or informal organizations designed to promote their interests. We accept the validity of such actions. What we reject are disruptive practices which have a negative effect not only on our economy, but on the world economy.

It is, furthermore, necessary to differentiate in the law between nations that are associated with an organization like OPEC but which do not participate actively in its schemes. Even during the height of the oil embargo, not every member of OPEC was a participant. I do not believe, and I do not think the Congress meant, that these nations should be penalized. In fact, we ought to do what we can to encourage this sort of responsible behavior.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(b)(2) of the Trade Act of 1974 is amended to read as follows:

"(2) If such country is a member of the Organization of Petroleum Exporting Countries or any other arrangement of foreign countries and actively participates in such organizations or arrangements in such a manner as to withhold supplies of vital commodity resources from international trade or to raise the price of such commodities to an unreasonable level and to thereby cause serious disruption of the world economy;".

SEC. 2. Section 502 is amended further by striking the words "Paragraphs (4), (5), and (6) shall not prevent" and inserting in lieu thereof "Paragraphs (2), (4), (5), and (6) shall not prevent".

By Mr. HARTKE:

S. 889. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1974. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, today I am introducing legislation to increase the personal exemption on the Federal individual income tax from $750 to $1,000. There are at least four reasons why this is a desirable change in our tax laws: first, it is an effective and easily understood method of cutting individual income taxes and stimulating the economy; second, it introduces additional progressivity into the individual income tax structure; third, it eliminates the necessity for a large number of people to file annual income tax returns; and fourth, it is an appropriate tax response to the recent high inflation our country has experienced.

Surely the necessity for stimulating the economy is now universally recognized. Unemployment is higher than at any other time during the past 33 years. Over 7.5 million people are unemployed and the number is rising rapidly. Unemployment increased a full percentage point last month to 8.2 percent, and has increased 2.2 percent in only 3 months. Some observers are predicting the unemployment rate will rise to 10 percent this year. We are obviously in the midst of a recession of frightening proportions, one that will be the longest and most severe recession since the Great Depression of the 1930's. Gross national product declined every quarter last year, and the fourth quarter decline was the most severe in nearly 16 years. The decline in total production now exceeds 5 percent, and it is continuing. The index of leading economic indicators has dropped 11 percent in the last 5 months, the steepest decline on record. This is despite the fact that the index is biased upward by the 12-plus percent inflation last year, the worst inflation in 28 years.

One of the primary reasons for the precipitious decline in sales and output is the decrease in real personal income. In 1974, real personal income, ignoring Government transfer payments, decreased by 6.5 percent. A reduction of the Federal individual income tax is now widely recognized as a desirable method of replacing part of this loss of real personal income and, thereby, stimulating the economy. Increasing the personal exemption to $1,000 would provide $8.6 billion in tax relief, with most of the relief concentrated in the middle- and lower-income brackets. Sixty-two percent of the tax cut would accrue to taxpayers below the $15,000 adjusted gross income level, and 80 percent of the benefits would be concentrated below the $20,000 AGI level.

Mr. President, I have prepared a table which details the total tax reduction received by income class from increasing the personal exemption to $1,000. I ask unanimous consent that this table be inserted in the RECORD at this point as exhibit 1.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

ESTIMATED DECREASE IN FEDERAL INDIVIDUAL INCOME TAX LIABILITY RESULTING FROM INCREASING THE PERSONAL EXEMPTION FROM $750 TO $1,000 BY ADJUSTED GROSS INCOME CLASS

[1972 income levels]

Adjusted gross income (thousands)	Total number returns with tax decrease (thousands)	Decrease in tax liability (millions)	Distribution of tax decrease	
			Percent	Cum. percent
0 to $3	3,221	$96	1.1	1.1
$3 to $5	7,746	421	4.9	6.0
$5 to $7	8,737	719	8.4	14.4
$7 to $10	12,229	1,489	17.3	31.7
$10 to $15	15,595	2,611	30.4	62.1
$15 to $20	7,557	1,542	17.9	80.0
$20 to $50	5,305	1,442	16.8	96.8
$50 to $100	449	220	2.6	99.4
$100 and over	102	56	0.6	100.0
Total	60,940	8,595	100.0	100.0

Mr. HARTKE. The second effect of increasing the personal exemption to $1,000 is to increase the progressivity of the Federal individual income tax. This is because the exemption increase causes a larger percentage reduction in tax liabilities in the lower income brackets than at the higher income levels. For example, the tax reduction for a family of four with $7,500 of adjusted gross income amounts to 2.16 percent of income; the tax reduction for a similar family with a $20,000 AGI is 1.25 percent of income, and for a $50,000 family the tax reduction is 1 percent of income. The progression is even more dramatic if the tax reduction is measured as a percent of present tax liability. For example, the percentage reduction in tax liability for a four-person family with $5,000 adjusted gross income would be 100 percent; for a family with $7,500 AGI the reduction is 33.5 percent; for a family with $20,000 AGI the reduction is 8.31 percent, and for a $50,000 family the tax reduction would be 3.4 percent. Mr. President, I have prepared a table which indicates the reduction in tax liability from an increase in the personal exemption to $1,000, as a percent of income and as a percent of tax liability, for four-person families with representative incomes. I ask unanimous consent that this table be printed in the RECORD at this point as exhibit 2.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT 2

FEDERAL TAX LIABILITY FOR FAMILY OF 4 FILING JOINT RETURN RESULTING FROM INCREASING THE PERSONAL EXEMPTION DEDUCTION FROM $750 TO $1,000 BY ADJUSTED GROSS INCOME LEVELS—COMPARED WITH PRESENT TAX LIABILITY

Adjusted gross income	Present tax	New tax	Dollar savings	Percent of AGI	Percent of tax
$1,000	0	0	0	0	
$3,000	0	0	0	0	
$5,000	98	0	98	1.96	100.00
$7,500	484	322	162	2.16	33.47
$10,000	905	715	190	1.90	20.99
$15,000	1,820	1,600	220	1.47	12.09
$20,000	3,010	2,760	250	1.25	8.31
$30,000	6,020	5,660	360	1.20	5.98
$40,000	9,920	9,500	420	1.05	4.23
$50,000	14,560	14,060	500	1.00	3.43
$75,000	27,720	27,170	550	.73	1.98
$100,000	42,180	41,580	600	.6	1.42
$200,000	110,980	110,280	700	.35	.63

Mr. HARTKE. The third effect of increasing the personal exemption to $1,000 is to eliminate the necessity of filing annual income tax returns for a large number of people. This is because increasing the personal exemption, combined with the standard deduction, will render the entire income of these people nontaxable. Naturally the vast bulk of these people are in the lower income brackets. Not only will this change save these people from the drudgery of completing and filing income tax returns, which, by the way, for the most part produce only small amounts of revenue, but it also would reduce the administrative burden on the Internal Revenue Service by reducing the number of returns which must be processed.

Mr. President, I have prepared a table which shows that nearly 4 million returns, which is 6.4 percent of total returns filed in 1972, would be rendered nontaxable; 62 percent of these returns are below the $5,000 adjusted gross income tax level and 86 percent are below the $7,000 level. I ask unanimous consent that this table be printed in the RECORD at this point as exhibit 3.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT 3

ESTIMATED NUMBER OF RETURNS RENDERED NONTAXABLE RESULTING FROM INCREASING THE PERSONAL EXEMPTION DEDUCTION FROM $750 TO $1,000 BY ADJUSTED GROSS INCOME CLASS (1972 INCOME LEVELS)

Adjusted gross income (thousands)	Number of returns made nontaxable (thousands)	Percent	Cumulative percent
0 to $3,000	1,221	31.3	31.3
$3,000 to $5,000	1,200	30.8	62.0
$5,000 to $7,000	938	24.0	86.1
$7,000 to $10,000	452	11.6	97.7
$10,000 to $15,000	83	2.1	99.8
$15,000 to $20,000	5	0.1	99.9
$20,000 to $50,000	2	0.05	100.0
Total	3,902	300.0	100.0

Mr. HARTKE. The fourth beneficial effect of increasing the personal exemption to $1,000 is that it provides an appropriate tax response to the recent high inflation our country has experienced. Since 1972, when the personal exemption was increased to its present level of $750, the Consumer Price Index has increased

24.6 percent. The lowest estimate I have seen for the increase in the CPI this year is an additional 7 percent; the President's budget message anticipates an 11.3-percent increase. Even the lowest of these projected rates would lead to a 33-percent increase over 1972 by the end of this year. And 33 percent is, of course, the amount of increase involved in raising the personal exemption from $750 to $1,000.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective with respect to taxable years beginning after December 31, 1974—

(1) section 151 of the Internal Revenue Code of 1954 (relating to allowance of personal exemptions) is amended by striking out "$750" wherever it appears therein and inserting in lieu thereof "$1,000";

(2) section 6012(a)(1) of such Code (relating to persons required to make returns of income) is amended by—

(A) striking out "750" wherever it appears therein and inserting in lieu thereof "$1,000";

(B) striking out "$2,050" wherever it appears therein and inserting in lieu thereof "$3,300"; and

(C) striking out "$2,800" wherever it appears therein and inserting in lieu thereof "$3,300"; and

(3) section 6013(b)(3)(A) of such Code (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$750" wherever it appears therein and inserting in lieu thereof "$1,000", and by striking out "$1,500" wherever it appears therein and inserting in lieu thereof "$2,000".

SEC. 2. Effective with respect to wages paid after December 31, 1974, the table contained in section 3402(b)(1) of such Code is amended to read as follows:

"Percentage Method Withholding Table

"Payroll period	Amount of one withholding exemption
Weekly	$19.20
Biweekly	38.50
Semimonthly	41.70
Monthly	83.30
Quarterly	250.00
Semiannually	500.00
Annually	1,000.00
Daily or miscellaneous (per day of such period)	2.70".

By Mr. PROXMIRE (for himself and Mr. MCINTYRE) (by request):

S. 890. A bill to amend the Bank Holding Company Act of 1956, as amended, to provide special procedures for the acquisition of failing banks or bank holding companies and for the acquisition of banks or bank holding companies in emergencies and to provide for the acquisition by bank holding companies of banks outside their State of principal banking operations in emergency situations and situations involving a failing bank or bank holding company. Referred to the Committee on Banking, Housing and Urban Affairs.

BANK HOLDING COMPANY AMENDMENTS

Mr. PROXMIRE. Mr. President, at the request of the Board of Governors of the Federal Reserve System, I am introducing a bill to amend the Bank Holding Company Act. The bill would allow the Board to approve promptly an acquisition, consolidation or merger under section 3 of the Bank Holding Company Act when the bank or bank holding company to be acquired is in severe financial difficulty. This proposal would permit the Board to waive the 30-day notice of the Justice Department which is required under the present Bank Holding Company Act. The Board expects this waiver would be made only in cases of severe financial difficulty.

The bill would also permit the Board to approve an acquisition of a bank across State lines whenever the Board determines that a large bank—that is with assets exceeding $500 million—or a bank holding company controlling a large bank is in severe financial difficulty. This provision involves a substantial departure from our present banking policy which prohibits bank holding companies to own banks across State lines unless the laws of the particular States involved permit such ownership. I have some reservation about this provision, particularly if it would lead to a nationwide concentration of banking resources.

On the other hand, I can see the advantage in being able to merge a failing large bank with an out of State bank holding company in order to avoid an undue concentration of banking assets in the State in which the failing bank is located. It may be that appropriate safeguards will be worked out to insure that the legislation does not unduly concentrate banking resources in a few large institutions.

Mr. President, I ask unanimous consent that the text of the bill, together with a letter from the Chairman of the Board of Governors of the Federal Reserve System, be printed in the RECORD at the end of my remarks.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended—

(1) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) Upon receiving from a company any application for approval under this section, the Board shall give notice to the Comptroller of the Currency, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a national banking association or a District bank, or to the appropriate supervisory authority of the interested State, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a State bank, in order to provide for the submission of the views and recommendations of the Comptroller of the Currency or the State supervisory authority, as the case may be. The views and recommendations shall be submitted within thirty calendar days of the date on which notice is given, or within ten calendar days of such date if the Board advises the Comptroller of the Currency or the State supervisory authority that an emergency exists requiring expeditious action. If the Comptroller of the Currency or the State supervisory authority so notified by the Board disapproves the application in writing within this period, the Board shall forthwith give written notice of that fact to the applicant. Within three days after giving such notice to the applicant, the Board shall notify in writing the applicant and the disapproving authority of the date for commencement of a hearing by it on such application. Any such hearing shall be commenced not less than ten nor more than thirty days after the Board has given written notice to the applicant of the action of the disapproving authority. The length of any such hearing shall be determined by the Board, but it shall afford all interested parties a reasonable opportunity to testify at such hearing. At the conclusion thereof, the Board shall by order grant or deny the application on the basis of the record made at such hearing. In the event of the failure of the Board to act on any application for approval under this section within the ninety-one-day period which begins on the date of submission to the Board of the complete record on that application, the application shall be deemed to have been granted. Notwithstanding any other provision of this subsection, if the Board finds that it must act immediately on any application for approval under this section in order to prevent the probable failure of a bank or bank holding company involved in a proposed acquisition, merger, or consolidation transaction, the Board may dispense with the notice requirements of this subsection, and if notice is given, the Board may request that the views and recommendations of the Comptroller of the Currency or the State supervisory authority, as the case may be, be submitted immediately in any form or by any means acceptable to the Board, and, notwithstanding the receipt of any such views and recommendations or any recommended disapproval by the appropriate authority, the Board may grant or deny immediately any such application.";

(2) by striking out "Notwithstanding any other provision of this section," in subsection (d) and inserting in lieu thereof "Except as provided in subsection (f) of this section,; and,

(3) by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of this section, the Board may approve any application under this section which will permit any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or a substantial part of the assets of any additional bank located outside of the State in which the operations of such bank holding company's banking subsidiaries are principally conducted, as determined under subsection (d) of this section, if the Board finds that an emergency requiring expeditious action exists with respect to a bank having assets in excess of $500,000,000 or a bank holding company controlling a bank having assets in excess of $500,000,000 or the Board finds that immediate action is necessary to prevent the probable failure of a bank having assets in excess of $500,000,000 or a bank holding company controlling a bank having assets in excess of $500,000,000, and, in weighing the competitive, financial and other factors under subsection (c) of this section, the Board finds that the public interest would best be served if the bank or banks involved in such application were acquired by an out-of-State bank holding company."

SEC. 2. Section 7 of the Bank Holding Company Act of 1956 (12 U.S.C. 1846) is amended by striking out the period at the end thereof and inserting in lieu thereof the following new proviso:

": *Provided, however,* That in any case in which the Board has approved an application under the immediate or expeditious action provisions of section 3 of this Act, the holding company involved may acquire and operate the bank involved as a subsidiary notwithstanding the provisions of this section or any provision of State law which would otherwise prevent the acquisition or restrict the operations of said holding company, unless the law involved is one which prohibits multibank holding companies and consummation of the proposal would result in the applicant having more than one banking subsidiary in that State."

SEC. 3. Subsection (b) of section 11 of the Bank Holding Company Act of 1956 (12 U.S.C. 1849) is amended to read as follows:

"(b) The Board shall immediately notify the Attorney General of any approval by it pursuant to section 3 of a proposed acquisition, merger, or consolidation transaction. If the Board has found that it must act immediately in order to prevent the probable failure of a bank or bank holding company involved in any such transaction, the transaction may be consummated immediately upon approval by the Board. If the Board has advised the Comptroller of the Currency or the State supervisory authority, as the case may be, of the existence of an emergency requiring expeditious action and has required the submission of views and recommendations within ten days, the transaction may not be consummated before the fifth calendar day after the date of approval by the Board. In all other cases, the transaction may not be consummated before the thirtieth calendar day after the date of approval by the Board. Any action brought under the antitrust laws arising out of an acquisition, merger, or consolidation transaction approved under section 3 shall be commenced prior to the earliest time under this subsection at which a transaction approved under section 3 might be consummated. The commencement of such an action shall stay the effectiveness of the Board's approval unless the court shall otherwise specifically order. In any such action, the court shall review *de novo* the issues presented. In any judicial proceeding attacking any acquisition, merger, or consolidation transaction approved pursuant to section 3 on the ground that such transaction alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), the standards applied by the court shall be identical with those that the Board is directed to apply under section 3 of this Act. Upon the consummation of an acquisition, merger, or consolidation transaction approved under section 3 in compliance with this Act and after the termination of any antitrust litigation commenced within the period prescribed in this section, or upon the termination of such period if no such litigation is commenced therein, the transaction may not thereafter be attacked in any judicial proceeding on the ground that it alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), but nothing in this Act shall exempt any bank holding company involved in such a transaction from complying with the antitrust laws after the consummation of such transaction."

FEDERAL RESERVE SYSTEM,
Washington, D.C., February 19, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Accompanying this letter is a draft bill encompassing two recommendations by the Board of Governors.

The first recommendation would allow the Board to approve promptly an acquisition, consolidation or merger under section 3 of the Bank Holding Company Act when the bank or bank holding company to be acquired is in severe financial difficulty. This proposal parallels existing authority in the Bank Merger Act, and has been a part of the Board's legislative program for some time.

The second recommendation would amend the Bank Holding Company Act to grant the Board authority to approve an acquisition of a bank across State lines when the Board determines that a large bank, or a bank holding company controlling a large bank, is in severe financial difficulty.

The resolution of the case of Franklin National Bank provides evidence for the usefulness of these recommendations. It is true that the final firm bidders for Franklin's assets were banks in New York State, and that approval by the Board under the Bank Holding Company Act was not required; however, this outcome was simply fortuitous. At various stages in the process of working out a solution, several banking organizations showed an interest in acquiring Franklin and, because of their corporate structures, they would have been required to receive approval under the Act.

As it presently reads, the Act requires: (a) that the Board submit any application it receives to acquire a bank or bank holding company to the primary supervisor of the bank involved and wait up to 30 days for his reply; and (b) that, following a decision of approval, the consummation of the transaction be delayed for 30 days pending possible action by the Justice Department. Unlike the Bank Merger Act, no provision is made for waiving these requirements in emergencies or failing bank situations.

The Board recommends that provisions similar to those in the Bank Merger Act (12 U.S.C. 1828(c)) be added to the Bank Holding Company Act so that (1) comments by a bank supervisory agency on a proposed acquisition of a bank or bank holding company in an emergency situation may be requested to be submitted in 10, rather than 30, days and in such situations the time delay for consummation would be 5 days instead of 30 days; and (2) the Board be authorized to waive the waiting periods and notice provisions entirely and to act immediately when it determines that this action is necessary to prevent the probable failure of a bank or bank holding company.

There is no apparent public policy consideration which argues for permitting, in certain situations, immediate consummation of bank mergers while prohibiting, in similar situations, the immediate consummation of a transaction under the Bank Holding Company Act. Consequently, the Board recommends that Congress extend the regulatory flexibility embodied in the Bank Merger Act to the Bank Holding Company Act.

The second recommendation deals with a related problem also caused by statutory inflexibility. Section 3(d) of the Bank Holding Company Act now prohibits the acquisition by a bank holding company of a bank located outside the State where the holding company's business is principally conducted, unless the acquisition is specifically sanctioned by the laws of the State in which the bank to be acquired is located. Except for Iowa, which has an extremely limited exception, no State has enacted a law specifically permitting such an acquisition. The net result is that section 3(d) effectively prohibits out-of-State acquisitions by a bank holding company *under any circumstances.*

We believe the Act should be modified to allow an acquisition by a bank holding company across State lines in certain emergency and failing bank situations where few or no purchasers can be found within the State. Again the case of Franklin National Bank is apposite.

The body of potential buyers of Franklin was limited by a number of legal constraints, the most significant being section 3(d) of the Act. Only banks or bank holding companies whose principal operations were within New York State were eligible to bid on Franklin. As it turned out, a small number of large banking institutions with appropriate financial and managerial resource were able to bid for Franklin, and the operation of section 3(d) did not prove to be a fateful constraint. As you know, European-American Bank and Trust Company emerged as high bidder.

If, however, the Board's current recommendation had been part of the law last summer, the number of potential bidders would have been significantly larger, and the process of finding a resolution to Franklin's problems could have been shortened considerably. Also, should a situation similar to Franklin arise in the future, one involving a large bank whose failure would have serious nationwide and international repercussions, then the restrictions of section 3(d) might well act to limit severely the ability of the supervisory agencies to find another banking institution capable of acquiring the problem bank. This would be particularly true if the problem bank were located in a State where a substantial number of potential acquirers were not already present. Moreover, the authority of the Board to approve applications for out-of-State acquisitions could permit the banking agencies to avoid resort to a highly anticompetitive acquisition within a State.

The proposed new section 3(f) would give the Board the authority to make exceptions to the multi-State prohibitions of section 3(d) whenever the Board finds that an emergency requiring expeditious action exists with respect to a bank or bank holding company, or that it must act immediately in order to prevent the probable failure of a bank or bank holding company. However, the authority would be limited to cases involving a bank having assets in excess of $500,000,000 or a bank holding company controlling a bank having assets in excess of $500,000,000. There are three basic reasons for limiting this authority to situations where a large bank or a bank holding company controlling a large bank is involved: first, the failure of such a bank or bank holding company can have serious repercussions in national or international financial markets; secondly, there may be few, if any, prospective acquirers of such a bank or bank holding company within any State; and thirdly, the most likely in-State acquirer of such a bank or bank holding company may be another large bank or bank holding company, thus raising problems under the antitrust laws.

The Board would plan to use this authority only in cases where in its judgment the size or other special characteristics of a problem bank or bank holding company and the probable widespread effects of its failure warrant invoking an exception to the general policy set out in the present statute. In such a situation, it may be anticipated that the authority of the Board to approve applications for out-of-State acquisitions could increase substantially the number of potential acquirers, thus inducing a more competitive atmosphere by giving out-of-State institutions an unusual opportunity to enter a banking market otherwise foreclosed to them. As a result, it may be expected that the process of resolving emergency problems, such as Franklin, could be accelerated.

For example, under the proposed amendments, the Board could have approved the acquisition of Franklin by an out-of-State bank holding company, or even the acquisition of a part of Franklin's assets by an out-of-State holding company; for example, an out-of-State holding company could have organized a *de novo* bank to acquire some of Franklin's assets and to assume some of Franklin's liabilities. The proposed legislation thus gives the Federal banking authorities a good deal of flexibility in resolving problem bank situations in the public interest.

The proposed legislation also includes an amendment to section 7 of the Bank Holding Company Act. This amendment provides that once the Board approves a multi-State acquisition under the emergency or failing bank provisions, the State is required to allow the acquisition and the operation of the bank by the bank holding company regardless of any provisions of State law that would otherwise restrict the operations of the bank or bank holding company involved, unless the State law involved is one which prohibits multibank holding companies and consummation of the proposal would result in the applicant having more than one banking subsidiary in that State. This provision is necessary to deal with cases where a State statute might effectively prohibit an acquisition by an out-of-State bank holding company.

The draft bill embodying the Board's recommendations is attached, along with an enclosure showing the changes in existing law which our proposals would make.

In the Board's view, prompt enactment of these recommendations will provide the Board with desirable regulatory flexibility in dealing with the kinds of problems described above.

Sincerely yours,

ARTHUR F BURNS.

By Mr. HARTKE:

S. 891. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those acts. Referred to the Committee on Agriculture and Forestry.

Mr. HARTKE. Mr. President, I am today introducing legislation extending the school breakfast, special food service and supplemental feeding for women, infants and children programs of the Department of Agriculture until September 30, 1977.

This legislation has been introduced in the House of Representatives by Congressman FRED RICHMOND of New York. I am very pleased to join him in this worthwhile proposal to help persons who so desperately need a basic nutritional diet.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 891

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended by striking out "and June 30, 1975," and inserting in lieu thereof "June 30, 1975, June 30, 1976, and September 30, 1977,".

SEC. 2. Section 4(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(a)) is amended by striking out "and June 30, 1975," in the first sentence and inserting in lieu thereof "June 30, 1975, June 30, 1976, and September 30, 1977,".

SEC. 3. Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended—

(1) by striking out "and June 30, 1975," in the first sentence of subsection (a) and inserting in lieu thereof "June 30, 1975, June 30, 1976, and September 30, 1977,";

(2) by striking out "three-year" in the second sentence of subsection (a) and inserting in lieu thereof "five-year"; and

(3) by striking out the third sentence in subsection (b) and inserting in lieu thereof the following: "In order to carry out such program during the fiscal years ending June 30, 1975, June 30, 1976, and September 30, 1977, there is authorized to be appropriated the sum of $100,000,000 for each such fiscal year, but in the event that such sum has not been appropriated for such purpose by August 1, 1974, August 1, 1975, or August 1, 1976, respectively, the Secretary shall use $100,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose during the fiscal year concerned and $100,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c).".

By Mr. MAGNUSON (for himself, Mr. PASTORE, Mr. PEARSON, and Mr. GRIFFIN) (By request):

S. 893. A bill to amend certain provisions of the Communications Act of 1934 to provide long term financing for the Corporation for Public Broadcasting and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, since the enactment of the Public Broadcasting Act of 1967 the Senate Commerce Committee has awaited the submission of the long-range funding legislation that was to give the necessary stability to developing the full potential of public broadcasting. In spite of study after study and recommendation after recommendation, long-range legislation has been slow in being submitted to Congress. Early last year there appeared to be signs that such legislation would be forthcoming.

In June 1974 various reports were circulating in the general press that such a plan would be rejected by the President. I wrote to the President on June 25, 1974, and asked him if he was going to submit the legislation. If he was not to notify me within 30 days, so I could take appropriate steps.

In July the President submitted the long-range funding proposal. Hearings were held by the Senate Commerce Committee and the bill, S. 3825, was favorably reported and referred to the Senate Appropriation Committee. Unfortunately, in view of the lateness of the session there was not sufficient time to complete action.

I am therefore pleased, along with my colleagues Senator PASTORE, Senator PEARSON, and Senator GRIFFIN, to reintroduce the long-range funding legislation submitted by the President last week. It is my hope that the Congress will move expeditiously so that the legislation will be enacted in this session.

I ask unanimous consent that the various explanations submitted with the legislation be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT

The Administration today sent a bill to the Congress that will appropriate Federal funds for the Corporation for Public Broadcasting over a five-year period, starting with $70 million in fiscal 1976 and reaching $100 million by 1980. To assure that Federal support does not dominate public broadcasting and to encourage continued non-Federal contributions, the Federal funds would be provided on a matching basis—with one Federal dollar for every $2.50 in non-Federal revenues up to the annual ceiling.

Since enactment of the Public Broadcasting Act of 1967, the Federal Government has supported the growth and development of non-commercial educational radio and television through annual appropriations. During this time, public broadcasting has developed and matured into a far-reaching, effective medium for bringing high quality education and cultural programming to millions of Americans.

A recurring question in public broadcasting has been how to reconcile Government funding with the possibility of Government control. On the one hand, if Federal funds are used to support public broadcasting, the Government must be able to evaluate how the funds are spent. To do otherwise would be irresponsible. On the other hand, strict accountability by public broadcasting to the Government can lead to Government direction of programming, which is contrary to the principles of free expression on which our Nation was founded. It is this issue alone which requires that the Congress consider a five-year appropriation for public broadcasting.

This bill is a constructive approach to the sensitive relationship between Federal funding and freedom of expression. It would eliminate the scrutiny of programming that could be associated with the normal budgetary and appropriations processes of the Government. At the same time, it would still permit periodic review of public broadcasting by the Congress. I believe that it will assure the independence of non-commercial radio and television programming for our Nation; and, long-term Federal funding will add stability to the financing of public broadcasting which may enhance the quality of its programming. I urge the Congress to enact it promptly.

OFFICE OF TELECOMMUNICATIONS POLICY,
Washington, D.C., February 13, 1975.

The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: In enacting the the Public Broadcasting Act of 1967, the Congress declared that the development of educational broadcasting was an important and appropriate concern of the Federal Government. The Act authorized the creation of the Corporation for Public Broadcasting as a private, non-profit corporation for the purpose of facilitating the development of a system of non-commercial educational broadcasting that would be characterized by programming of diversity and excellence and to insulate programming from any extraneous interference or control that might derive from Federal financing. In addition, the Act stressed the preeminent role of local stations not only in serving the educational needs of their communities, but also in the nationwide structure of a public broadcast system built upon the principle of localism.

In order to strengthen that structure and enhance the concept of localism, I am submitting herewith for the consideration of the Congress a proposed revision of Section 396 and 397 of the Communications Act of 1934 pertaining to the Federal financing of the Corporation for Public Broadcasting and the entire educational broadcast system. The bill would create a five-year Federal financing plan for the Corporation, and would assure that a reasonable portion of Federal funds is distributed directly to local stations. Finally, the bill would expand the scope of the Public Broadcasting Act of 1967 to include the development and use of non-broadcast communications technologies for dissemination of educational radio and television programming. This draft bill is similar to the legislation which the Administration proposed to the 93rd Congress, except for provisions concerning the transition period between fiscal year 1976 and fiscal year 1977.

Enclosed are copies of the draft bill, a section-by-section analysis of the bill, a comparison with existing law, and a statement from the President urging prompt and careful consideration of this legislation by the Congress.

BACKGROUND

The establishment of a source of funding to provide long-term, insulated financing has long been seen as an essential goal if public broadcasting is to fulfill its potential of offering diverse and excellent educational radio and television programming, free of governmental influences. Even before the enactment of the Public Broadcasting Act of 1967, the Carnegie Commission on Educational Television, in recognition of the uniquely sensitive relationship between program content and Federal funding, recommended a plan of permanent financing that would insulate the Corporation and public broadcasting from possible pressures that might naturally result from the annual budgeting and appropriation process.

Since 1967, however, the Congress has quite properly chosen not to institute a long-range funding plan, in view of questions regarding the structure of the public broadcasting system and the policies of the Corporation and the Public Broadcasting Services (PBS). Now, many of these questions have been resolved. Public broadcasting is making important contributions to the nation's life by providing educational and cultural programs of diversity and excellence. The important role of local stations in the heirarchy of the system has been acknowledged in principles and policies adopted by the Corporation and the other national entities that represent local stations.

The time has come, therefore, to affirm the Federal commitment to the principle of public broadcasting with a long-term financing plan that acknowledges its progress and recognizes its potential. The bill the Administration submits today provides for a five-year authorization and appropriation covering fiscal years 1976 through 1980, building upon the current year authorization and appropriation, which continue the increases in funding for the Corporation over the past five years. This multi-year appropriation provision will minimize the possibility of any government scrutiny of or influence on programming that might occur in the course of the usual annual budgetary, authorization and appropriation process. In addition, it will enable the Corporation and local stations to undertake advance program planning with assurance as to the level of Federal funding available in the foreseeable future.

The authorization and appropriation of funds for the Corporation would be based upon matching fund principles that have worked successfully in providing both private foundation and government funds to public broadcasting in the past. There would be a 40 percent Federal match of the entire public broadcasting system's non-Federal income, so that $1.00 in Federal funds would be appropriated for every $2.50 received by the Corporation, stations and other public broadcasting entities in the form of private contributions and State and local government support. The matching formula would establish a Federal commitment to provide substantial suppport to the public broadcasting system while providing an incentive for encouraging continued and increased non-Federal support. The matching principle also assures that Federal assistance does not become a dominant force in the system; a risk that no one in public broadcasting or government is prepared to take. As an additional safeguard in this regard, the bill imposes ceilings on the permissible appropriation for each fiscal year, beginning at $70 million in fiscal year 1976 and reaching $100 million in fiscal year 1980. In view of the system's growth and development in recent years, these ceilings are sufficiently high to permit continued growth and still offer the system a meaningful incentive to increase non-Federal financial support in view of the record of non-Federal contributions in recent years. At the same time, the ceiling comports with sound fiscal policy in light of the fact that this would be the Congress' first venture into multi-year appropriations for public broadcasting.

Moreover, the Corporation would remain fully accountable to the public and to the Congress for its use of public funds, in that the bill requires that officials of the Corporation make themselves available for annual oversight hearings before appropriate congressional committees. Several existing provisions in the Public Broadcasting Act also assure continued public accountability. For example, the General Accounting Office is authorized to audit the books of the Corporation, as well as the records of any recipient of a grant from the confirmation by the Senate; and the ultimate safeguard, of course, is the congressional prerogative to amend the funding provisions of the Act at any time.

LOCAL STATION SUPPORT

The Public Broadcasting Act of 1967 emphasized the autonomy and independence of local non-commercial educational broadcast stations. This bill enhances that commitment to localism by assuring that a reasonable portion of each annual Federal appropriation to the Corporation would be earmarked for distribution to local educational broadcast stations. At an appropriation level of $70 million, the Corporation would be required to distribute no less than 40 percent of the total amount paid in any fiscal year of the Public Broadcasting Fund to the Corporation. The amount to be distributed to stations would increase to 50 percent at the $100 million appropriation level. It should be noted that the Corporation has already committed itself, in agreement with representatives of local television stations, to distribute greater amounts of its appropriations to local television stations, up to the $80 million level of appropriations.

The bill provides that all licensees and permittees of on-the-air non-commercial educational television stations would share equally in a basic grant, the amount of which would be determined by the Corporation in consultation with stations. A somewhat different distribution mechanism would be established for non-commercial educational radio stations. Many such stations are licensed to educational institutions for purposes of training students in broadcasting, and do not render a service to the general public. Accordingly, the bill provides that only those radio stations that are eligible under public interest criteria established by the Corporation would receive financial assistance, although each such eligible station would receive a basic grant.

Grants in excess of the basic amount would be distributed among television stations, and all grants would be distributed among radio stations, under eligibility criteria established by the Corporation in consultation with stations. At present, the Corporation determines local station eligibility to receive similar grants on the basis of factors such as hours of operation, staffing levels and operating budgets. We contemplate that such eligibility standards would continue to be used.

The additional grants would be apportioned among eligible recipients according to a formula designed to (a) stimulate non-Federal financial support and (b) provide for the financial needs of stations in relation to the communities and audiences they undertake to serve. The bill does not prescribe a precise formula, but rather sets forth the two objectives that the formula is to achieve. The precise details of the formula, as well as the respective weights assigned to the two objectives, would also be determined by the Corporation in consultation with stations in much the same way that the Corporation presently administers the formula used for distribution of operating funds grants, known as Community Service Grants, to local radio and TV stations.

In accordance with the first objective, the formula would provide incentives for stations to increase their non-Federal income. Matching grants might be awarded for increases in non-Federal support, or grants might be distributed on the basis of each station's proportionate share of the non-Federal income of all stations. Stations might also be rewarded for increasing the proportion of viewers or listeners subscribing to the stations, in relation to total potential viewership or listenership.

The second factor in the formula is intended to assure that the distribution of public funds to stations bears a direct relationship to the public service rendered by stations. It is intended to encompass both actual and potential service. Thus, the fact that stations in larger markets are generally capable of providing service to more members of the public than a station in a smaller market should be reflected in the formula. Similarly, the extent to which a station's program service actually reaches the public over the course of a year should also be taken into account.

It should be apparent from this discussion that the bill assures that licensees and permittees of local stations would play a substantial role in the decision-making processes regarding the distribution of Federal funds to stations. The Corporation would be required to consult with licensees and permittees, including their authorized representatives, in apportioning the funds between radio and television, determining the amount of the basic grant to stations, establishing eligibility criteria for radio stations and for distribution of grants to television stations in excess of basic grants, and establishing the formula for apportioning funds among stations.

Licensees and permittees may use these funds for any educational radio or television programming purpose (including payment of dues or assessments to membership organizations who represent the interests of stations), the purchase, acquisition or maintenance of broadcast facilities and real property used with such facilities, and the procurement of regional or national program distribution services, that make programs available for broadcast at times chosen by the stations. Existing provisions of the Public Broadcasting Act of 1967 would require stations to keep records regarding the application of these funds, and would permit the Corporation and the General Accounting Office to audit and examine such records.

NEW TECHNOLOGY

In addition to providing for the long-term financing of the Corporation and the entire public broadcast system, the bill would update the Public Broadcasting Act of 1967 by including within its scope new technologies, such as cable and communications satellites, which may provide additional methods for disseminating educational radio and television programming to the public. The bill would permit stations to use the Federal funds distributed to them by the Corporation for the development of non-broadcast technologies and would also authorize the Corporation to conduct research, demonstrations or training in the use of such technologies for disseminating educational programming.

The Office of Management and Budget advises that the enactment of the proposed legislation would be in accord with the program of the President.

A similar letter is being sent to the President of the Senate.

Sincerely,

JOHN EGER,
Acting Director.

"PUBLIC BROADCASTING FINANCING ACT OF 1975"

SUMMARY AND SECTIONAL ANALYSIS

This bill has three principal purposes relating to the Corporation for Public Broadcasting and the system of non-commercial educational radio and television stations:

(1) to provide long-term Federal financing for the Corporation for Public Broadcasting by means of a five-year authorization and appropriation;

(2) to assure that a reasonable portion of Federal funds is distributed directly to local non-commercial educational broadcast stations; and

(3) to expand the scope of the Public Broadcasting Act of 1967 to include the development and use of non-broadcast communications technologies for the distribution and dissemination of educational radio and television programming.

SECTION-BY-SECTION ANALYSIS

Section 1. Subsection 396(k) is amended to establish a five-year Federal financing plan for the Corporation for Public Broadcasting and to assure that a reasonable portion of the funds appropriated to the Corporation is distributed directly to local stations.

Paragraph (3) of Subsection 396(k) would establish a "Public Broadcasting Fund" in the Treasury, to which there would be authorized for appropriation, for fiscal years 1976-1980, amounts equal to 40 percent of the total non-Federal financial support received by public broadcasting entities during each second-preceding fiscal year. A one-year time lag is necessary to accumulate the information for determining the amount on which the 40 percent match would be based. The three-month period between July 1, 1976 and September 30, 1976, which is the transition period between the July 1 Federal fiscal year and the new October 1 fiscal year, is treated as a separate authorization period pursuant to section 502(a) of P.L. 93-344. The basis for the 40 percent match for this three-month period is one-fourth of the non-Federal contributions to public broadcasting during fiscal year 1975. The appropriation for each fiscal year could not exceed the following ceilings: $70 million in fiscal year 1976; $80 million in fiscal year 1977; $90 million in fiscal year 1978; $95 million in fiscal year 1979; and $100 million in fiscal year 1980. Finally, the appropriation for the three-month transition period could not exceed $17.5 million.

Paragraph (4) would appropriate to the Public Broadcasting Fund the amounts authorized by paragraph (3). Amounts appropriated to the Fund would remain available until expended and would be used solely for the expenses of the Corporation. This paragraph also sets forth the procedure whereby the amounts appropriated each year would be disbursed from the Public Broadcasting Fund to the Corporation. The Corporation would be required to determine the amount of non-Federal financial support received by public broadcasting entities during each second preceding year, and to certify that amount to the Treasurer of the United States. The Treasurer, upon receipt of such certification, would pay from the Fund to the Corporation the amount of the appropriation, i.e., 40 percent of the certified non-Federal income or the statutory ceiling, whichever is less.

Paragraph (5) would require the Corporation to set aside a specified percentage of the appropriated funds for distribution to on-the-air non-commercial educational broadcast stations. The statutory percentage for distribution to stations would be 40 percent for the fifteen month period from July 1, 1975 to September 30, 1976 and in any fiscal year in which the appropriation was $70 million or more but less than $90 million; 45 percent at an appropriation level of $90 million or more but less than $100 million; and 50 percent at an appropriation level of $100 million. The statutory percentage is expressed as a minimum, so that the Corporation could reserve a greater amount than that specified in the bill.

Paragraph (6) sets forth the method for distributing the funds reserved pursuant to paragraph (5). The Corporation would be required to establish, and review annually, after consultation with the licensees and permittees of on-the-air educational stations, criteria and conditions for the distribution of these funds. In each fiscal year, the Corporation would be required to divide the funds into two portions, one to be distributed to television stations and one to be distributed to radio stations. Each licensee or permittee of an on-the-air educational television station would receive a basic grant from the portion reserved for television.

The amount of this basic grant would be the same for each station, and would be determined annually by the Corporation in consultation with stations. The balance of the amount reserved for television stations would be distributed among licensees and permittees of such stations as are eligible to receive additional grants under criteria established by the Corporation in consultation with stations. These additional grants would be apportioned among eligible stations on the basis of a formula designed to (a) provide for the financial needs of stations in relation to the communities and audiences they undertake to serve and (b) stimulate non-Federal financial support for station activities. The bill does not prescribe a precise formula for the distribution of additional grants, but rather states these two objectives that the formula is to achieve. The details of the formula, as well as the weight assigned to each factor, would be determined by the Corporation in consultation with stations.

A somewhat different distribution mechanism is established for non-commercial educational radio stations. Many such stations are licensed to educational institutions for purposes of training students in broadcasting and do not render a direct service to the general public. Accordingly, only those stations that are eligible according to public interest criteria established by the Corporation would receive grants from the portion of funds reserved for distribution to radio stations. The bill does provide, however, that each such eligible radio station would receive a basic grant. As with television stations, funds in addition to the basic grant would be distributed to eligible radio stations according to a formula that would stimulate non-Federal income and reflect the needs of stations in relation to the audiences they serve.

The bill assures that licensees and permittees of stations would play a significant role in the decision-making processes relating to distribution of funds to stations. The Corporation would be required to consult with licensees and permittees (including their authorized representatives) in (a) apportioning the funds between radio and television, (b) determining the amount of the basic grant to stations, (c) establishing eligibility criteria for radio stations and for additional grants to television stations, and (d) establishing the formula for apportioning additional grants among stations, including the right to be assigned to the statutory objectives of stimulating non-Federal income and reflecting the needs of stations in relation to the audiences they serve.

In order to assure that Federal funds do not become a dominant factor in the financing of stations, this paragraph also provides that the funds distributed according to this subsection may not exceed, in any fiscal year, one-half of a licensee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which the distribution is made. This limitation would apply to grants made by the Corporation under developmental programs designed to meet special needs of particular stations.

Paragraph (7) provides that the funds distributed to stations may be used at their discretion for purposes related to the provision of non-commercial educational television and radio programming. Several examples of such purposes are set forth, including: producing, broadcasting or otherwise disseminating educational television or radio programs; procuring national or regional program distribution services that make educational television or radio programs available for broadcast or other dissemination at times chosen by stations; acquiring, replacing, and maintaining facilites, and real property used with facilities, for the production, broadcast or other dissemination of educational television and radio programs; developing and using non-broadcast communications technologies (such as cable television and communications satellites) for educational television or radio programming purposes.

This list of purposes for which funds may be used by stations is not meant to be exhaustive. For example, although not specifically mentioned, it is intended that these funds could be used for the payment of dues or assessments to organizations which represent the interests of stations. One purpose for listing several typical uses of the funds is to make it clear that stations may undertake the development and use of non-broadcast methods of transmitting programs to the public. In this regard, the term "dissemination" is intended to mean delivery of programs to viewers and listeners by means of non-broadcast technologies.

Section 2. Subsection 396(g)(2)(H) is amended to permit the Corporation to conduct research, demonstrations, or training in the use of non-broadcast communications technologies, as discussed above, for the dissemination of educational television or radio programs.

Section 3. A provision is added to subsection 396(i) of the Act, which pertains to the annual report of the Corporation. The new provision states that the officers and directors of the Corporation shall be available to testify annually before appropriate committees of the Congress with respect to the annual report of the Corporation and with respect to the report of any audit made by the Comptroller General pursuant to subsection 396(*l*) of the Act. Even with long-term Federal financing, the Corporation remains fully accountable to the public and to the Congress for its use of public funds. In view of the multi-year appropriation provision of the bill, this addition will provide the opportunity for annual Congressional review of the Corporation and its activities.

Section 4. The provision in the bill for appropriations amounting to 40 percent of the non-Federal income of public broadcasting entities and the limitation on the amount of funds that may be distributed to a station, expressed as a percentage of non-Federal income, necessitate the inclusion of two new definitions in the Act.

The term "public broadcasting entity" is defined to mean the Corporation for Public Broadcasting, any licensee or permittee of a noncommercial educational broadcast station, and any nonprofit institution engaged primarily in the production, acquisition, distribution or dissemination of educational television or radio programs. Examples of the latter category include program production organizations, such as the Children's Television Workshop, and organizations providing program distribution services to stations such as the Public Broadcasting Service and National Public Radio.

The term "non-Federal financial support" is defined to mean the total value of cash and fair market value of property and services (except for personal services of volunteers) received as gifts, grants, bequests, donations, or other contributions for the construction or operation of non-commercial educational broadcast stations, or for the production, acquisition, distribution or dissemination of educational television or radio programs and related activities. The definition includes such funds received from any source other than (1) the Federal Government or (2) any public broadcasting entity. The latter exception is intended to eliminate the double counting of funds circulated within the public broadcasting system. Thus, for example, income from a non-Federal source received in the first instance by a national public broadcasting organization and then distributed to stations or other public broadcasting entities would be counted only once.

In addition, the term is defined to include income received for public broadcasting purposes from State and local governments and educational institutions, as well as contract payments from such entities in exchange for services or materials relating to the provision of educational or instructional television or radio programs. Excluded from the definition are contract payments for such services from sources other than State and local governments and educational institutions, as well as contract payments in exchange for commercial services which might be provided by public broadcasting entities.

PUBLIC BROADCASTING FINANCING ACT OF 1975 COMPARISON WITH EXISTING LAW

SUBPART B—CORPORATION FOR PUBLIC BROADCASTING

SEC. 396. CORPORATION FOR PUBLIC BROADCASTING—CONGRESSIONAL DECLARATION POLICY

(a) The Congress hereby finds and declares—

(1) that it is in the public interest to encourage the growth and development of noncommercial educational radio and television broadcasting, including the use of such media for instructional purposes;

(2) that expansion and development of noncommercial educational radio and television broadcasting and of diversity of its programming depend on freedom, imagination, and initiative on both the local and national levels;

(3) that the encouragement and support of noncommercial educational radio and television broadcasting, while matters of importance for private and local development, are also of appropriate and important concern to the Federal Government;

(4) that it furthers the general welfare to encourage noncommercial educational radio and television broadcast programming which will be responsive to the interests of people both in particular localities and throughout the United States, and which will constitute an expression of diversity and excellence;

(5) that it is necessary and appropriate for the Federal Government to complement, assist, and support a national policy that will most effectively make noncommercial educational radio and television service available to all the citizens of the United States;

(6) that a private corporation should be created to facilitate the development of educational radio and television broadcasting and to afford maximum protection to such broadcasting from extraneous interference and control.

(b) There is authorized to be established a nonprofit corporation, to be known as the "Corporation for Public Broadcasting," which will not be an agency or establishment of the United States Government. The Corporation shall be subject to the provisions of this section, and, to the extent consistent with this section, to the District of Columbia of Columbia Nonprofit Corporation Act.

(c)(1) The Corporation shall have a Board of Directors (hereinafter in this section referred to as the "Board"), consisting of fifteen members appointed by the President, by and with the advice and consent of the Senate. Not more than eight members of the Board may be members of the same political party.

(2) The members of the Board (A) shall be selected from among citizens of the United States (not regular fulltime employees of the United States) who are eminent in such fields as education, cultural and civic affairs, or the arts, including radio and television; (B) shall be selected so as to provide as nearly as practicable a broad representation of various regions of the country, various professions and occupations, and various kinds of talent and experience appropriate to the functions and responsibilities of the Corporation.

(3) The members of the initial Board of Directors shall serve as incorporators and shall take whatever actions are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act.

(4) The term of office of each member of the Board shall be six years; except that (A) any member appointed to fill a vacancy occuring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, five at the end of two years, five at the end of four years, and five at the end of six years. No member shall be eligible to serve in excess of two conseecutive terms of six years each. Notwithstanding the preceding provisions of this paragraph, a member whose term has expired may serve until his successor has qualified.

(5) Any vacancy in the Board shall not affect its power, but shall be filled in the manner in which the original appointments were made.

(d)(1) The President shall designate one of the members first appointed to the Board as Chairman; thereafter the members of the Board shall annually elect one of their number as Chairman. The members of the Board shall also elect one or more of them as a Vice Chairman or Vice Chairmen.

(2) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this subpart be entitled to receive compensation at the rate of $100 per day including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by law (section 5703 of Title 5) for persons in the Government service employed intermittently.

(e)(1) The Corporation shall have a President, and such other officers as may be named and appointed by the Board for terms and at rates of compensation fixed by the Board. No individual other than a citizen of the United States may be an officer of the Corporation. No officer of the Corporation, other than the Chairman and any Vice Chairman, may receive any salary or other compensation from any source other than the Corporation during the period of his employment by the Corporation. All officers shall serve at the pleasure of the Board.

(2) Except as provided in the second sentence of subsection (c)(1) of this section, no political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Corporation.

(f)(1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(3) The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

(g)(1) In order to achieve the objectives and to carry out the purposes of this subpart, as set out in subsection (a) of this section, the Corporation is authorized to—

(A) facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio broadcast stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature;

(B) assist in the establishment and development of one or more systems of interconnection to be used for the distribution of educational television or radio programs so that all noncommercial educational television or radio broadcast stations that wish to may broadcast the programs at times chosen by the stations;

(C) assist in the establishment and development of one or more systems of noncommercial education television or radio broadcast stations throughout the United States;

(D) carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities.

(2) Included in the activities of the Corporation authorized for accomplishment of the purposes set forth in subsection (a) of this section, are, among others not specifically named—

(A) to obtain grants from and to make contracts with individuals and with private, State, and Federal agencies, organizations, and institutions;

(B) to contract with or make grants to program production entities, individuals, and selected noncommercial educational broadcast stations for the production of, and otherwise to procure, educational television or radio programs for national or regional distribution to noncommercial educational broadcast stations;

(C) to make payments to existing and new noncommercial educational broadcast stations to aid in financing local educational television or radio programming costs of such stations, particularly innovative approaches thereto, and other costs of operation of such stations;

(D) to establish and maintain a library and archives of noncommercial educational television or radio programs and related materials and develop public awareness of and disseminate information about noncommercial educational television or radio broadcasting by various means, including the publication of a journal;

(E) to arrange, by grant or contract with appropriate public or private agencies, organizations, or institutions, for interconnection facilities suitable for distribution and transmission of educational television or radio programs to noncommercial educational broadcast stations;

(F) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the Corporation in carrying out the purposes of this section;

(G) to encourage the creation of new noncommercial educational broadcast stations in order to enhance such service on a local, State, regional, and national basis;

(H) conduct (directly or through grants or contracts) research, demonstrations, or training in matters related to noncommercial educational television or radio broadcasting [.] *and the use of nonbroadcast com-*

munications technologies for the dissemination of educational television or radio programs.

(3) To carry out the foregoing purposes and engage in the foregoing activities, the Corporation shall have the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act, except that the Corporation may not own or operate any television or radio broadcast station, system, or network, community antenna television system, or interconnection or program production facility.

(h) Nothing in this chapter or in any other provision of law shall be construed to prevent United States communications common carriers from rendering free or reduced rate communications interconnection services for noncommercial educational television or radio services, subject to such rules and regulations as the Federal Communications Commission may prescribe.

(i) The Corporation shall submit an annual report for the preceding fiscal year ending June 30 to the President for transmittal to the Congress on or before the 31st day of December of each year. The report shall include a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Corporation deems appropriate. *The officers and directors of the Corporation shall be available to testify annually before appropriate committees of the Congress with respect to such report and with respect to the report of any audit made by the Comptroller General pursuant to subsection 396(1).*

(j) The right to repeal, alter, or amend this section at any time is expressly reserved.

(k)(1) There are authorized to be appropriated for expenses of the Corporation $50,000,000 for the fiscal year ending June 30, 1974, and $60,000,000 for the fiscal year ending June 30, 1975.

(2) In addition to the sums authorized to be appropriated by paragraph (1) of this subsection, there are authorized to be appropriated for payment to the Corporation for each fiscal year during the period July 1, 1970, to June 30, 1975, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property from non-Federal sources received by the Corporation under subsection (g)(2)(A) of this section during such fiscal year; except that the amount appropriated pursuant to this paragraph for any fiscal year may not exceed $5,000,000.

(2) *There is hereby established in the Treasury a fund which shall be known as the 'Public Broadcasting Fund,' administered by the Secretary of the Treasury. There are authorized to be appropriated to said Fund for each of the fiscal years during the period beginning July 1, 1975, and ending September 30, 1980, an amount equal to forty (40) percent of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year second preceding each such fiscal year, and for the period July 1, 1976 through September 30, 1976 an amount equal to ten (10) percent of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year ending June 30, 1974; Provided, however, that the amount so appropriated shall not exceed $70,000,000 for the fiscal year ending June 30, 1976; $17,500,000 for the period July 1, 1976 through September 30, 1976; $80,000,000 for the fiscal year ending September 30, 1977; $90,000,000 for the fiscal year ending September 30, 1978; $95,000,000 for the fiscal year ending September 30, 1979; and $100,000,000 for the fiscal year ending September 30, 1980.*

(3) *There are hereby appropriated to the Public Broadcasting Fund, out of any moneys in the Treasury not otherwise appropriated, for each of the fiscal years during the period beginning July 1, 1975, and ending September 30, 1980, and for the period July 1, 1976 through September 30, 1976, such amounts as are authorized to be appropriated by paragraph (3) of this subsection, which shall remain available until expended. Such funds shall be used solely for the expenses of the Corporation. The Corporation shall determine the amount of non-Federal financial support received by public broadcasting entities during each of the fiscal years indicated in paragraph (3) of this subsection for the purpose of determining the amount of each authorization, and shall certify such amount to the Secretary of the Treasury. Upon receipt of such certification, the Secretary of the Treasury shall disburse from the Public Broadcasting Fund the amount appropriated to the Fund for each of the fiscal years and for the period July 1, 1976 through September 30, 1976 pursuant to the provisions of this subsection.*

(5) *The Corporation shall reserve for distribution among the licensees and permittees of non-commercial educational broadcast stations that are on-the-air an amount equal to not less than forty (40) percent of the funds disbursed to the Corporation from the Public Broadcasting Fund during the period July 1, 1975 through September 30, 1976 and in each fiscal year in which the amount disbursed is $70,000,000 or more but less than $90,000,000; not less than forty-five (45) percent in each fiscal year in which the amount disbursed is $90,000,000 or more but less than $100,000,000; and not less than fifty (50) percent in each fiscal year in which the amount disbursed is $100,000,000.*

(6) *The Corporation shall, after consultation with the licensees and permittees of non-commercial educational broadcast stations that are on-the-air, establish, and review annually, criteria and conditions regarding the distribution of funds reserved pursuant to paragraph (5) of this subsection, as set forth below:*

(A) *The total amount of funds shall be divided into two portions, one to be distributed among radio stations, and one to be distributed among television stations. The Corporation shall make a basic grant from the portion reserved for television stations to each licensee and permittee of a noncommercial educational television station that is on-the-air. The balance of the portion reserved for radio stations shall be distributed to licensees and permittees of such stations in accordance with eligibility criteria that promote the public interest in non-commercial educational broadcasting, and on the basis of a formula designed to:*

(i) provide for the financial needs and requirements of stations in relation to the communities and audiences such stations undertake to serve;

(ii) maintain existing, and stimulate new, sources of non-Federal financial support for stations by providing incentives for increases in such support; and

(iii) assure that each eligible licensee and permittee of a non-commercial educational radio station receives a basic grant.

(B) No distribution of funds pursuant to this subsection shall exceed, in any fiscal year, one-half of a licensee's or permittee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which such distribution is made.

(7) *Funds distributed pursuant to this subsection may be used at the discretion of stations for purposes related to the provision of educational television and radio programming, including but not limited to: producing, acquiring, broadcasting or otherwise disseminating educational television or radio programs; procuring national or regional program distribution services that make educational television or radio programs available for broadcast or other dissemination at times chosen by stations; acquiring, replacing, and maintaining facilities, and real property used with facilities, for the production, broadcast or other dissemination of educational television and radio programs; developing and using non-broadcast communications technologies for educational television or radio programming purposes.*

(1)(1)(A) The accounts of the Corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents and custodians shall be afforded to such person or persons.

(B) The report of each such independent audit shall be included in the annual report required by subsection (i) of this section. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Corporation's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented reasonable detail by a statement of the Corporation's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

(2)(A) The financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representative of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers and property of the Corporation shall remain in possession and custody of the Corporation.

(B) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the Corporation, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary, and to the Corporation at the time submitted to the Congress.

(3)(A) Each recipient of assistance by grant or contract, other than a fixed price contract awarded pursuant to competitive bidding procedures, under this section shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the costs of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(B) The Corporation or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this section. The Comptroller General of the United States or any of his duly authorized representatives shall also have access thereto for such purpose during any fiscal year for which Federal funds are available to the Corporation.

SEC. 397. DEFINITIONS

For the purposes of sections 390-399 of this title—

(1) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(2) The term "construction," as applied to educational television broadcasting facilities, or educational radio broadcasting facilities means the acquisition and installation of transmission apparatus (including towers, microwave equipment, boosters, translators, repeaters, mobile equipment, and video-recording equipment, as the case may be, including apparatus which may incidentally be used for transmitting closed circuit television programs, but does not include the construction or repair of structures to house such apparatus. In the case of apparatus the acquisition and installation of which is so included, such term also includes planning therefor.

(3) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(4) The terms "State educational television agency" and "State educational radio agency" mean, with respect to television broadcasting and radio broadcasting, respectively, (A) a board or commission established by State law for the purpose of promoting such broadcasting within a State, (B) a board or commission appointed by the Governor of a State for such purpose if such appointment is not inconsistent with State law, or (C) a State officer or agency responsible for the supervision of public elementary or secondary education or public higher education within the State which has been designated by the Governor to assume responsibility for the promotion of such broadcasting; and, in the case of the District of Columbia, the term "Governor" means the Board of Commissioners of the District of Columbia and, in the case of the Trust Territory of the Pacific Islands, means the High Commissioner thereof.

(5) The term "nonprofit" as applied to any foundation, corporation, or association, means a foundation, corporation, or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(6) The term "Corporation" means the Corporation authorized to be established by subpart B of this part.

(7) The term "noncommercial educational broadcast station" means a television or radio broadcast station, which (A) under the rules and regulations of the Federal Communications Commission in effect on the date of enactment of the Public Broadcasting Act of 1967, is eligible to be licensed or is licensed by the Commission as a noncommercial educational radio or television broadcast station and which is owned and operated by a public agency or nonprofit private foundation, corporation, or association or (B) is owned and operated by a municipality and which transmits only noncommercial programs for educational purposes.

(8) The term "interconnection" means the use of microwave equipment, boosters, translators, repeaters, communication space satellites, or other apparatus, or equipment for the transmission and distribution of television or radio programs to noncommercial educational television or radio broadcast stations.

(9) The term "educational television or radio programs" means programs which are primarily designed for educational or cultural purposes.

(10) The term "non-Federal financial support" means the total value of cash and the fair market value of property and services (except for personal service of volunteers) received—

(A) as gifts, grants, bequests, donations, or other contributions for the construction or operation of non-commercial educational broadcast stations, or for the production, acquisition, distribution or dissemination of educational television or radio programs, and related activities, from any source other than (i) the United States or any agency or establishment thereof, or (ii) any public broadcasting entity; or

(B) as gifts, grants, donations, contributions or payments from any State, any agency or political subdivision of a State, or any educational institution for the construction or operation of non-commercial educational broadcast stations or for the production, acquisition, distribution or dissemination of educational television or radio programs, or payments in exchange for services or materials respecting the provision of educational or instructional television or radio programs.

(11) The term "public broadcasting entity" means the Corporation, any licensee or permittee of a non-commercial educational broadcast station, or any nonprofit institution engaged primarily in the production, acquisition, distribution or dissemination of public television and radio programs.

By Mr. HUMPHREY:

S. 894. A bill to establish a universal food service program for children. Referred to the Committee on Agriculture and Forestry.

A UNIVERSAL CHILD NUTRITION PROGRAM

Mr. HUMPHREY. Mr. President, I am today introducing the Child Nutrition Act of 1975, a bill to establish a universal food service and nutrition education program for children.

This is a truly comprehensive bill. It would provide that every child attending a school or child care program would receive at least one nutritious meal a day without cost. The same child who is now entitled to free transportation to school, free textbooks, and free instruction in all manner of subjects would be likewise entitled to a free lunch at school.

At this time, the President is proposing a program of block grants for financing school and child feeding programs for only those children whose family incomes are below the poverty level. This, of course, means the Federal financial assistance for school lunches now purchased by those children whose families have incomes above the poverty level would be completely terminated. It is estimated that this alone would probably result in 7 to 10 million paying students dropping out of the school lunch program.

In addition, in my judgment, the President's proposal would further—not lessen—economic segregation and discrimination in our Nation's schools.

For these reasons, I have described Mr. Ford's program as the "anti" Child Food Assistance Act of 1975.

While I am the first to admit that our Nation's school and child nutrition programs need improvement, the President's proposal does not provide for such improvement. The President proposes to abandon nearly 30 years of general progress that we have made in these national child nutrition programs. And it even poses a threat to the nutritional standards now established for poor children. Under the President's proposal, each State could set its nutritional standards, with a maximum not to exceed one-third of a child's recommended daily allowance—RDA.

Existing standards under the National School Lunch and Child Nutrition Acts provide that one-fourth of a child's RDA be met through the school breakfast program and one-third be met through the school lunch.

Furthermore, the importance of good nutrition can be seen in the impact it has on the ability of students to learn, to maintain better health, to reduce absenteeism, and lower the dropout rate.

There is little question that the teaching of the principles of good nutrition has been largely neglected in the Nation's educational system. We find poor diets or less than adequate diets prevalent in all segments of the population, regardless of income. To correct the situation, there is an urgent need to incorporate nutrition education in various phases of the educational system. It need not be a separate course of instruction but can be given appropriate attention in hygiene class, the home economics class, geography class, or physical education.

Clearly, it is time that Congress should express national leadership in stimulating and encouraging a positive program to eliminate one major cause of poor nutrition—simple ignorance of the basic principles of good nutrition and its importance to good health.

The bill I am introducing today takes the long-overdue full stride to establish a truly universal school food and nutrition education program.

Among its chief provisions, this bill would—

Provide for pilot programs in at least 10 school systems during the first year the act was in effect.

Establish a National Advisory Council on Child Nutrition, composed of 19 members from all phases of the school nutrition field, including State and local program administrators, parents and students, and representatives of the Department of Agriculture.

Provide $200 million per year for agricultural commodity purchases to be distributed through the program, and $100 million for school food service equipment and facilities.

Provide for establishment of child nutrition education services within each State education agency, as part of a full-scale nationwide program to teach our children about proper food and nutrition.

Provide the mechanics for the universal free school lunch program itself, in all public schools and to the greatest extent possible in the private, nonprofit schools as well.

I intend to make sure that we do not accept the administration's proposed full retreat from responsibility.

Beyond preventing the administration from wrecking the school lunch program I plan to press again for consideration of my universal Child Nutrition Act in this session of Congress. If President Ford wants to streamline some of these programs, he can do so by joining with me in urging prompt enactment of my universal program.

Passage of my bill would eliminate once and for all the degrading procedure of singling out certain children as being eligible for a free lunch, and certain other children as eligible for a reduced price lunch, while still others, because of higher family incomes, are required to pay the full price.

In this procedure we are, in effect, requiring school officials to perform a welfare function when their real business is education. And the paperwork and administrative costs of sending out application forms to all parents, and processing and evaluating the applications, has become enormously time-consuming and expensive.

The first major purpose of the bill, therefore, is to provide that all children have access to the food they need for good nutrition and good health.

The second purpose of the bill, and equally important, is to provide for the establishment of a sound nutrition education program in all of our schools across the country.

It has been well established by health and nutritional experts from throughout this country, based upon scientific studies and surveys, that income alone is no guarantee of good child nutrition.

Many schoolchildren from middle-class families, who would benefit from the program, look down on it because it is sometimes described as being for the poor.

The Administration's "block grant" proposal would encourage looking at this program as one strictly for children from poverty circumstances.

However, in a vast majority of schools, the poverty program alone would not support a viable school food-service operation. With meal prices soaring to 80 cents and higher, pupil participation would be forced down dramatically.

The unit cost of production would rise as the volume of meals declined. Consequently, many school food-service programs would close completely, depriving even the poverty child of school meals.

It is tragic that just at the time of the Nation's dawning comprehension of the relationship between nutrition and health: just at the time of documented proof of the relationship between nutrition and learning; just at the time of growing public acceptance of food and nutrition as a contributing factor to the quality of life, the administration proposes to turn its back on 30 years of progress in child nutrition.

The proposal also imposes additional hardship on middle-income America. It makes the poverty child more aware of his poverty, and deprives many other children of enough to eat.

At a time when the middle-class taxpayer is struggling to pay his own bills, fight inflation and recession, and struggling to help pay the bill for less fortunate Americans, this modest assistance with school meals is taken away.

At a time when the President proposes a tax rebate to help middle-income America, it is ironic that he recommends what is in effect a head tax of $54 per child per year.

These proposals are a calamity. How mixed up the Nation's priorities appear to be when the proposed national budget calls for expenditures of $1 billion per day and denies 60 percent of the Nation's children a few pennies a day for food—an essential part of an equal educational opportunity.

What better time than now to reaffirm the Nation's dedication to an improved educational opportunity for all children? What better time than now to establish a universal school food service program?

It is time the Nation once and for all accepted responsibility for the nutritional well-being for children while they are at school.

The Nation has an opportunity to meet with compassion and vision the needs of our children, and lend a helping hand to them while strengthening a faltering economy.

Mr. President, I ask unanimous consent that the text of my bill to establish a universal food service program for children be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 894

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Act of 1975".

FINDING AND DECLARATION OF POLICY

SEC. 2. (a) The Congress hereby finds that (1) the proper nutrition of the Nation's children is a matter of highest priority, (2) there is a demonstrated relationship between the intake of food and good nutrition and the capacity of children to develop and learn, (3) the teaching of the principles of good nutrition in schools has been seriously inadequate, as evidenced by the existence of poor or less than adequate diets at all levels of family income, (4) any procedure or "means test" to determine the eligibility of a child for a free or reduced-price meal is degrading and injurious both to the child and his parents, and (5) the National school lunch and related child nutrition programs, while making significant contributions in the field of applied nutrition research, are not, as presently constituted, capable of achieving the goal of good nutrition for all children.

(b) It is hereby declared to be the policy of Congress to assure adequate nutrition offerings for the Nation's children, to encourage the teaching of the principles of good nutrition as an integral part of food service programs for children, and to strengthen State and local administration of food service programs for children. It is further declared to be the policy of Congress that food service programs conducted under this Act be available to all children on the same basis without singling out or identifying certain children as different from their classmates.

ESTABLISHMENT OF THE UNIVERSAL FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 3. The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate and administer cooperatively with the State educational agencies, a universal food service program for children in schools of high school grade and under and in service institutions conducting programs for the benefit of all children. Such a program shall be conducted as an integral part of over all educational efforts to improve the knowledge of the principles of good nutrition among participating children. To the fullest extent practicable, the Secretary shall utilize the available services and expertise of other Federal departments, State educational agencies, and private organizations concerned with nutrition and nutrition education in the formulation of program requirements and regulations. The program shall be so designed as to provide each child an equal opportunity to participate on the same basis as all other children with no discrimination as to time or place of serving or types and amounts of foods offered.

APPROPRIATIONS AUTHORIZED

SEC. 4. For each fiscal year there are hereby authorized to be appropriated, such sums as may be necessary to enable the Secretary to carry out the provisions of this Act. Such appropriations for any fiscal year are authorized to be made a year in advance of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of this Act shall remain available for the purposes of the Act until expended.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

SEC. 5. (a) Meals and additional food services provided by schools and service institutions participating in programs under this Act shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research.

(b) Food service programs operated under this Act shall be operated on a nonprofit basis under the supervision of the governing authorities of participating schools or service institutions. Participating schools and service institutions shall offer at least one meal a day without charge to all children in attendance; such meal shall consist of a combination of foods meeting a minimum of one-third of the child's daily nutritional requirements. Additional meals and/or food services before, during, or after the schoolday may be offered to all children in attendance based on economic and/or nutritional needs.

(c) No affidavit or certification shall be required of any parent or guardian in order that a child take part in the food service program operated by the school or service institution.

(d) Additional foods which make a nutritional contribution may be offered for sale to children during the periods of food service conducted under programs authorized under this Act to the extent such offerings are necessary to meet nutritional needs of pupils in participating schools: *Provided, however*, That the sale of such additional foods shall be under the management and control of the food service department of the school and proceeds from such sales shall accrue to said department.

The sale of such additional foods offered on a regular basis during the regular school day shall be restricted to those items recognized as making a contribution to, or permitted by the school to be served as a part of, a meal meeting the nutritional requirements prescribed by the Secretary.

(e) State agencies shall determine the eligibility of applicant schools and service institutions to participate in programs authorized under this Act and shall determine their need for assistance to carry out the purposes of this Act and shall establish controls to insure effective use of funds.

DIRECT FOOD ASSISTANCE

SEC. 6. (a) Each school or service institution participating in programs authorized under this Act shall, insofar as practicable, utilize in its program foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212), may be donated by the Secretary for schools and service institutions for utilization in their feeding programs under this Act (42 U.S.C. 1777).

(b) The Secretary is authorized to utilize annually not to exceed $200,000,000 of funds available pursuant to section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, for the purchase and distribution of especially nutritious agricultural commodities and other food to assist participating schools and service institutions in meeting the nutritional requirements under this Act. Any funds unexpended from funds made available under this section may be used by the Secretary to assist in carrying out the purposes of this Act.

(c) The distribution of funds under this section shall be based on the ratio of the number of meals served in each State in the preceding fiscal year to the total number of meals served in all States in the preceding fiscal year: *Provided*, That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to such State under the provisions of this subsection an amount that bears the same ratio to the total of such payment as the number of meals served in nonprofit private schools in the preceding fiscal year bears to the total of such meals served in all schools served in the State during the preceding year under this Act or under the School Lunch and Child Nutrition Act while such Acts were in effect.

APPORTIONMENTS AND PAYMENTS TO STATES

SEC. 7. (a) The apportionment to each State shall be determined on the basis of two factors: (1) the number of children in average daily attendance during the preceding year in schools and service institutions eligible under the provisions of this Act, and (2) the rate of Federal assistance per child per year. The rate of Federal assistance per child per year shall be $—— per child for all States. The amount of apportionment to any State for any fiscal year shall be determined by multiplying factors (1) and (2).

(b) Funds made available to each State under this apportionment shall be paid to such State by the Secretary on the basis of the level of program participation achieved by the State.

(c) The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under the provisions of this Act and the time or times such amounts are to be paid, and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

(d) The rate of Federal assistance under subsection (a)(2) of this section shall be adjusted annually to reflect changes in the cost of operating the program under this Act as indicated by the change in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor.

USE OF FUNDS

SEC. 8. (a) Funds paid to any State for any fiscal year shall be disbursed to schools and service institutions to assist them in financing the operating costs of their food service program including the costs of obtaining, preparing, and serving food.

(b) Such disbursements may be made by State educational agencies at least monthly and may be made not to exceed ten days prior to the beginning of each month of operations. Periodic adjustments in the amounts of funds so disbursed shall be made to conform with the provisions of section 9 of this Act.

STATE MATCHING

SEC. 9. (a) Expenditures from State or local tax funds, other than for the purchase or acquisition of land or for the cost of construction or alteration of buildings, shall constitute at least 15 per centum of total operating costs of the program.

(b) The assurance of proper nutrition for our children is a public concern. The Congress urges that, whenever possible, assistance be provided from all available State and local sources to children in nonprofit private schools and to children in nonpublic, nonprofit service institutions so that they may receive the full benefits of the programs authorized under this Act. Nevertheless, in situations where such assistance is not forthcoming in adequate amounts, such schools and institutions may require of parents a registration fee to help finance the operation of food service programs.

NONFOOD ASSISTANCE AUTHORIZATION

SEC. 10. (a) There is hereby authorized to be appropriated for the first fiscal year of operations under this Act and for any subsequent fiscal year not to exceed $100,000,000 to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools and service institutions with equipment, other than land or buildings, for the storage, preparation, and transportation, and serving of food to enable such schools to establish or expand food service programs for children.

(b)(1) The Secretary shall apportion 50 per centum of funds appropriated for the purposes of this section among the States on the basis of the ratio between the number of children enrolled in schools without a food service in each State and the number of children enrolled in schools without a food service in all States.

(2) The remainder of the funds shall be apportioned among the States on the basis of the ratio between the number of children enrolled in schools in each State and the number of children enrolled in schools in all States.

(c) For the sixth and each subsequent year of operation under this Act, all of the funds appropriated for the purposes of this section shall be apportioned in accordance with the provisions of subsection (b)(2) above.

NUTRITIONAL TRAINING AND EDUCATION

SEC. 11. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate the basic elements of a program to provide for (1) the nutritional training of food service supervisors and employees; and (2) the conduct of nutrition education activities as an integral part of food service operations. Such a program is to be coordinated, at the State level, with other nutrition education measures conducted by education and health agencies.

(b) For the fiscal year 1977, the Secretary is authorized to use not to exceed $2,000,000 out of funds made available for the conduct of school lunch and child nutrition programs for the purpose of developing a nutritional training and education program as outlined under (a) above. From the funds made available under this subsection, the Secretary shall advance to each State educational agency an amount not to exceed $25,000 for the fiscal year 1976. The amounts so advanced shall be for the purpose of the employment of a nutrition education specialist in each State educational agency in order to provide for the planning and development of the nutritional training and education program authorized under this Act.

(c) For the fiscal year 1978 and each subsequent fiscal year, grants to the States for the conduct of a nutritional training and education program for children shall be based on a rate of 50 cents for each child enrolled in schools or service institutions within the State. Enrollment data so used will be the latest available as certified by the Office of Education of the Department of Health, Education, and Welfare.

(d) The funds made available under subsection (c) of this section may be used for (1) the planning and conduct of nutritional training programs for food service supervisors of employees; (2) coordinating and promoting nutrition educational activities in local school districts during and as a part of food service operations; (3) grants to public and private educational institutions for the conduct of national training courses for food service supervisors and employees; and (4) related purposes including the preparation of visual aids and other informational materials.

There is hereby authorized to be appropriated the funds necessary to carry out the purpose of this section.

CENTRALIZATION OF FUNDING AND ADMINISTRATION

SEC. 12. Authority for the conduct and supervision of Federal programs to assist schools and service institutions in providing food service and nutrition education programs for children is assigned to the Department of Agriculture. Other Federal agencies administering programs under which funds are to be provided to schools and service institutions for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this Act.

FEDERAL ADMINISTRATIVE EXPENSES

SEC. 13. There are hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expenses under this Act.

AGREEMENTS WITH STATES

SEC. 14. The Secretary shall incorporate, in his agreements with the State educational agencies, the express requirements under this Act insofar as they may be applicable and such other provisions as in his opinion are reasonably necessary or appropriate to effectuate the purposes of this Act.

STATE PLANS OF OPERATION

SEC. 15. State educational agencies shall submit to the Secretary plans of operation at least three months prior to the first fiscal year of operations under this Act. Such plans shall include, but not be limited to, the following:

(1) Proposed State and local funding;

(2) Plans to extend food service to all eligible schools;

(3) Plans for a nutritional training and education program to be conducted as a part of food service operations;

(4) The types and kinds of food service to be offered to children attending participating schools and service institutions, and procedures and methods to be employed to assure high quality, nutritious, and appetizing meals for participating children;

(5) Plans for supervision and audit of program operations. Such plans of operation must be approved by the Secretary prior to advance of funds to State educational agencies;

(6) Plans for conducting training programs for food service personnel;

(7) Plans for the conducting of experimental or demonstration projects.

STATE ADMINISTRATIVE EXPENSES

SEC. 16. For each fiscal year beginning with the fiscal year 1975, an amount not to exceed 1 per centum of aggregated payments made to such agencies by the Secretary under this Act is authorized to be appropriated to assist in the administration and supervi-

sion of the programs authorized under this Act: *Provided*, That not less than 60 per centum of any funds used under this authority shall be directed to the employment of field nutrition supervisors and auditors who have a certificate of training in the subject areas or the equivalent in field supervisory or auditing experience: *Provided, further*, That the funds expended under this section shall be used to supplement the existing level of administrative support services and expenditures therefor for the child nutrition programs in each State.

LOCAL COSTS OF SUPERVISION

SEC. 17. The Secretary is authorized to make grants to State educational agencies, out of amounts appropriated by Congress for the purposes of this section, to assist in the supervisions of local program operations. The grant to each State is to be determined on the basis of $350 for each school attendance unit or service institution participating in the program. Any person employed from funds made available under this section shall be required to have an appropriate certificate of training.

ASSISTANCE TO NONPROFIT PRIVATE SCHOOLS

SEC. 18. (a) Federal assistance for food service to nonprofit private schools shall be provided by the State educational agency either in the form of direct payments or by payments made through the public school system in which the nonprofit private school is geographically located.

(b) In the event that the State educational agency is precluded by law, based on a formal opinion of the attorney general of the State, from making direct or indirect payments to such schools, the Secretary is authorized to withhold funds from the apportionments to such States for the purpose of making direct payments to such schools. Such withholding shall be based on the rate of Federal assistance per child per year for such States as determined under section 7 of this Act and the number of children attending nonprofit private schools in such State.

PILOT OPERATIONS

SEC. 19. In the first full fiscal year following the passage of this Act, the Secretary is directed to begin pilot operations in at least ten school systems, using authorities and funds available under Public Law 91-248, to test and develop the most effective techniques and procedures for effectuating the provisions of this Act and for the purpose of developing appropriate estimates of participation and costs.

ACCOUNTS, RECORDS, AND REPORTS

SEC. 20. (a) States, State educational agencies, schools, and service institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance under this Act and the regulations thereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines to be necessary.

(b) State educational agencies shall provide periodic reports on expenditures of Federal funds, program participation, program costs, and so forth, in such form as the Secretary may prescribe.

EVALUATION

SEC. 21. The Secretary shall provide for the careful and systematic evaluation of the programs conducted under this Act, directly or by contracting for independent evaluations, with a view to measuring specific benefits, as far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation.

NATIONAL ADVISORY COUNCIL

SEC. 22. (a) There is hereby established a council to be known as the National Advisory Council on Child Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of nineteen members appointed by the Secretary. One member shall be a school administrator, one member shall be a person engaged in child welfare work, one member shall be a person engaged in vocational education work, one member shall be a nutrition expert, one member shall be a school food service management expert, one member shall be a State superintendent of schools (or the equivalent thereof), one member shall be a State school food service director (or the equivalent thereof), one member shall be a person serving on a school board, one member shall be a classroom teacher, one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof), one member shall be a supervisor of a school lunch program in a rural area, two members shall be parents of school age children, two members shall be secondary school students participating in the school lunch program, and four members shall be officers or employees of the Department of Agriculture specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to child food programs.

(b) The fifteen members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that such members first appointed to the Council shall be appointed as follows: Five members shall be appointed for terms of three years, five members shall be appointed for terms of two years, and five members shall be appointed for terms of one year; thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(c) The Secretary shall designate one of the members to serve as chairman, and one to serve as vice chairman of the Council.

(d) The Council shall meet at the call of the chairman but shall meet at least once a year.

(e) Ten members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(f) It shall be the function of the Council to make a continuing study of the operation of programs carried out under this Act with a view to determining how such programs may be improved. The Council shall submit to the President and Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate. For the purpose of obtaining information incident to making the aforesaid recommendations, the Council, by vote of its members present may request the appearance, at any of its meetings, of representatives from governmental or nongovernmental agencies or organizations concerned with the nutrition and welfare of children.

(g) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(h) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

DEFINITIONS FOR THE PURPOSES OF THIS ACT

SEC. 23. (a) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(b) "State educational agency" means the State Board of Education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(c) "Nonprofit private school" means any private school exempt from income tax under section 501(e)(3) of the Internal Revenue Code of 1954.

(d) "Service institution" means private, nonprofit institutions which provide day care or other children services. Children services includes public and private nonprofit institutions providing day care or other child care services for handicapped children.

(e) "Operating costs" means the cost of food and nutrition services administration and supervision, labor, supplies, acquisition, storage, preparation, and service of food used in the food service program, utilities, maintenance, repair, and replacement of equipment. This term does not include the cost or value of land or acquisition, construction, or alteration of buildings. The term does not include any part of the general administrative and maintenance expenses for the total school program.

(f) "Universal food service program" means a program designed and operated to offer all children in group situations away from home at least one meal a day which meets at least one-third of the child's daily nutritional requirements. Additional meals and/or supplemental food services may be offered to all children in attendance based on economic and/or nutritional needs. All food service programs conducted under this Act would operate without charge to the child. The children to be covered under this Act include those attending schools of high school grade and under and children in service institutions as defined in this Act. The term also includes a program of nutrition education as an integral part of food service operations to teach all children the basic principles of good nutrition and the importance of good nutrition to health.

EFFECTIVE DATE

SEC. 24. The effective date of this Act, other than section 19, which is effective with the passage of this Act, is one year subsequent to the fiscal year in which it is passed. Beginning with the first year of operation of this Act, the National School Lunch Act of 1946, as amended, and the Child Nutrition Act of 1966, as amended, are hereby superseded.

By Mr. MCINTYRE (for himself, Mr. TAFT, and Mr. BAYH):

S. 895. A bill to provide for legal assistance to members of the Armed Forces and their dependents, and for other purposes. Referred to the Committee on Armed Services.

Mr. MCINTYRE. Mr. President, I send to the desk for appropriate reference a bill to insure that our Armed Forces personnel have access to legal assistance in connection with their personal, nonmilitary legal affairs.

At present, each service provides such aid under the expanded legal assistance program, or ELAP. This program was established in 1970 by directive of the Secretary of Defense, Melvin Laird. Since ELAP has no statutory basis, it has become a primary target for budget cutters.

The bill I introduce today is simple and straightforward—it declares that Armed Forces personnel and their dependents are entitled to legal assistance in connection with their personal legal affairs under such regulations as may be prescribed by the service Secretaries. Thus, the Congress will go on record as supporting ELAP and its underlying concept.

I have not attempted to outline specific areas of legal assistance, or limiting guidelines. The bill would essentially continue the program as it is currently conducted. Its aim is to assist the low-ranking, low-income servicemen and women who because of their service connection may not have adequate access to private legal assistance.

Mr. President, the January 1975 issue of the American Bar News published by the American Bar Association, gives the following example:

An Army enlisted man, abruptly transferred hundreds of miles to a new duty station, finds that his landlord arbitrarily refuses to return a $50 deposit on the apartment he and his wife rent in town, even though the rental agreement would seem to require it. Few local lawyers would be able to spend time on such a petty claim, particularly for an absentee client. Must the GI lose his money.

This is the type of case ELAP handles. Without ELAP, the serviceman may be cut off from legal assistance.

The House of Delegates of the American Bar Association supports legislation to insure the survival of ELAP. The ABA Standing Committee on Legal Assistance for Servicemen has reviewed the ELAP program and found it to be in the public interest.

Mr. President, I ask unanimous consent that the text of the bill, a sectional analysis prepared by the ABA, and the article from the American Bar News entitled, "Committee Goes To Bat for Military Legal Aid," be inserted in the RECORD at this point.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the intent of the Congress that members of the Armed Forces and their dependents have legal assistance made available to them in connection with their personal legal affairs.

SEC. 2. Armed Forces personnel and their dependents are entitled to legal assistance in connection with their personal legal affairs under such regulations as may be prescribed by the Secretary concerned.

SEC. 3. The Judge Advocates General, as defined in Section 801 of Title 10, United States Code, or their designees, are responsible for the establishment and supervision of legal assistance programs under such regulations as may be prescribed by the Secretary concerned.

SEC. 4. Nothing contained herein shall be construed as authority for the representation in court of Armed Forces personnel or their dependents who can otherwise afford legal fees for such representation without undue hardship.

S. 895

SECTIONAL ANALYSIS

Section 2 is designed to insure the continuation and permanancy of the providing of legal services to servicemen and their dependents and is expressed in terms of an entitlement to such legal services. This is subject to such regulations as the Secretary concerned may prescribe. By utilizing the term "entitlement", the fulfillment of this entitlement is left to the Secretary of the Department concerned—i.e. by utilizing military attorneys, by utilizing contracted services of civilian attorneys, by utilizing civilian attorneys who are civil service employees, etc. The choice of the method of fulfilling this statutory entitlement is left to the Secretary.

Section 3 clearly places upon the Judge Advocates General the responsibility for the creation and operaiton of the legal assistance programs. The reference to 10 U.S.C. 801 is necessary so as to include the Coast Guard. The Coast Guard has no "Judge Advocate General" and the only place in the law where the term "Judge Advocate General" is made applicable to the Coast Guard is in the definitional section of the USMJ wherein it is stated that the term "Judge Advocate General" shall include the General Counsel of the Department in which the Coast Guard is operating. The language "or his designee" is also necessary in order that the General Counsel of the Department of Transportation can delegate to the Chief Counsel of the Coast Guard the responsibility for the creation and operation of the legal assistance program for the Coast Guard.

Section 4 is designed specifically to indicate that this legislation is not authority for the expansion of the legal assistance program to include representation in court to those presently able to pay legal fees—i.e. to continue the present expanded legal assistance program to the military indigent, but not provide any requirement or authority for expansion to others than the military indigent. If the client can afford legal fees without undue hardship or if the case is one in which the attorney can recover a reasonable fees out of the judgment, then the legal assistance program, insofar as representation in court is concerned, may not be expanded under the authority of this legislation.

COMMITTEE GOES TO BAT FOR MILITARY LEGAL AID

An Army enlisted man, abruptly transferred hundreds of miles to a new duty station, finds that his landlord arbitrarily refuses to return a $50 deposit on the apartment he and his wife rent in town, even though the rental agreement would seem to require it. Few local lawyers would be able to spend time on such a petty claim, particularly for an absentee client. Must the GI lose his money?

Under ELAP, he might not.

ELAP is the Expanded Legal Assistance Program, conducted by military lawyers in each service branch. The program puts Judge Advocate General Corps lawyers at the disposal of low-ranking, low-income enlisted men for countless non-military legal matters that the private bar cannot or will not handle.

Today, ELAP is in trouble, a victim of budget cuts and lack of understanding, and the Standing Committee on Legal Assistance for Servicemen, chaired by Jack W. Ledbetter of Austin, Tex., is mapping strategy to keep the program from being eliminated.

Until now, it has operated solely on the basis of a Defense Department directive issued by former Secretary Melvin Laird in 1970. Because it lacks authorization in law, ELAP has been subject to budget-cutting pressures and has been reduced sharply in the past year. How sharply is anyone's guess, but Ledbetter says a Navy Times article of last May estimated that a 50% slash was contemplated in that service branch alone.

A bill expected to be introduced in Congress would put ELAP on a statutory basis for the first time. The objective is simple: to declare that armed forces personnel and their dependents are entitled to legal assistance in connection with personal legal affairs.

The basic language of the proposed bill was drafted by the committee, and Ledbetter says the group plans to ask the House of Delegates to endorse it in principle during the midyear meeting next month in Chicago.

Ledbetter points out that "The enlisted man or woman at the rank of less than E-4 or its equivalent would normally qualify for federally-financed attorney services if he or she were a civilian making the same salary. If we say that JAG lawyers can no longer help them, we are saying that they are to be cut off from virtually all meaningful legal assistance."

He says, "Like many low-income persons, low-income service personnel are often subjected to abuses not tolerated for or by others in the civilian community. To rectify these abuses, the transient service person has a greater, not lesser, need for legal help."

ELAP poses no threat to the private attorney, in Ledbetter's view: "Every-day legal problems of enlisted personnel are things that lawyers in the local bars can't handle economically—or, because of the transient nature of the client, can't perform effectively. If the services are unable or unwilling to provide the needed legal assistance, a substantial portion of our population is denied even minimal legal rights."

He also points out that "The military lawyer is not just the only lawyer willing to help—he is frequently the only lawyer even available to help. Service personnel on ships, in isolated outposts and in foreign countries have no civilian lawyers to turn to in time of need. Frequently, family and business problems back home require quick action by the service person, and sometimes even representation in the local community. The military lawyers familiar with the service person's situation and with the network of military legal assistance facilities throughout the world can provide (or obtain) qualified professional advice and representation in a manner virtually impossible for the civilian bar, even with the best intentions."

Perhaps most important, says Ledbetter, is the morale factor—both for the needy service person and for the JAG officers involved. "Through legal assistance, the service person knows that his country and the military services are concerned and willing to help him with the difficult civilian problems that have been compounded by the nature and scope of military service. And at the same time, the participating JAG officers have an opportunity to work and develop professionally in a variety of legal fields comparable to their civilian counterparts—so that the JAG career becomes more meaningful and attractive."

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 896. A bill to increase the appropriation authorization relating to the Volunteers in the Parks Program, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN) a bill to increase the appropriation authorization relating to the Volunteers in the Parks program, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

There being no objection, the letter

was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., February 19, 1975.

Hon. NELSON ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "To increase the appropriation authorization relating to the Volunteers in the Parks Program, and for other purposes."

We recommend that the bill be referred to the appropriate Committee for consideration, and that it be enacted.

The Volunteers in the Parks Program, authorized pursuant to the Act of July 29, 1970 (84 Stat. 472; 16 U.S.C. 18g–j), was established to facilitate the recruitment, training, and service of volunteers in conjunction with interpretation and other visitor services within the National Park System. Examples of the diverse services donated by participants in the program include interpretation of tidal pool ecology for visitors to Cabrillo National Monument, making contact with visitors using cross-country ski and snowshoe trails in Mount Rainier National Park, conducting children's programs at Yellowstone National Park, assisting with the arts and crafts program at Gateway National Recreation Area, and historical research and living history interpretation of a Rocky Mountain homestead in Rocky Mountain National Park.

The program has been highly successful as a means of enriching the experience of visitors to the National Park System, and as a method of affording meaningful public participation in the operation of that System. During fiscal year 1974, we estimate that 5,000 volunteers participated in the program. Moreover, the average daily cost to the National Park Service for each volunteer, consisting of incidental expenses such as transportation, uniforms, lodging, and subsistence, was only $2.60.

The program's success has resulted in rapid expansion in the number of volunteers since its inception in 1970. During fiscal year 1975, 5,810 volunteers are expected to participate in 145 areas of the National Park System, and requests for funding their incidental expenses total approximately $192,000. These data do not cover Bicentennial activities proposed for that System during the same period, which could involve more than 2,000 additional volunteers and require incremental funding of at least $50,000.

However, Section 4 of the 1970 Act imposed an annual appropriation authorization ceiling of $100,000 for the Volunteers in the Parks Program. Thus, if this ceiling is not increased substantially, the growing requests for such funding by Park System areas would further spread already scarce funds, diluting the program's effectiveness and denying service opportunities therein to many persons who require minimal reimbursement for their out-of-pocket expenses.

Enactment of the draft bill would increase that ceiling to $250,000, thereby accommodating expansion of this unusually successful program that offers volunteers the opportunity to contribute, in a meaningful and much appreciated manner, to their fellow citizens' enjoyment of our Nation's unique cultural, historical, and natural heritage.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,

CURTIS BOHLEN,
Acting Assistant Secretary of the Interior.

By Mr. MATHIAS:

S. 897. A bill to amend the Internal Revenue Code of 1954 to provide incentives for energy conservation, and for other purposes. Referred to the Committee on Finance.

ENERGY CONSERVATION TAX ACT

Mr. MATHIAS. Mr. President, Congress and the administration are now stalled in the eye of a hurricane, created by congressional reaction to the President's proposal to raise import fees for imported crude oil and refined product. Congress awaits the President's certain veto of H.R. 1767, which prohibits the President from raising import fees, as he proposes, for a period of 90 days.

Prior to final passage of H.R. 1767, I offered with Senator JAVITS, an amendment to that legislation in an attempt to head off a confrontation over petroleum import tariffs between the White House and the Congress. I share the concern of many in Congress that the $3 per barrel fee would have unfortunate inflationary effects without necessarily conserving enough imported petroleum. Administeration officials, in testifying before congressional committees, have emphasized the necessity of carefully aiming the economic stimuli that are applied to the economy so that inflationary pressures are not encouraged. But this is exactly what is missing from the President's energy proposal. The across-the-board nature of the import fee would spread its schrapnel throughout the economy. We need to take better aim and a this particular point in time our aim must be on motor gasoline.

This is why I so deeply regret the Senate's rejection of the Javits/Mathias amendment, which would have allowed import fees to rise on only gasoline product and on crude oil which is refined into gasoline. That compromise could have advanced the Nation toward an energy policy without penalizing utility customers, homeowners, and all others who are now dependent upon fuel oil or residual oil and without the market flexibility to conserve in the face of increased cost. It would have sent a signal to the White House as to how Congress believes energy conservation should be accomplished.

But even in defeat our amendment clearly indicates that the best way the President can sustain his veto of H.R. 1767 is to assure Congress, through promulgation of a regulation, that the import fee program will place disproportionate cost upon gasoline relative to other petroleum derivatives. A compromise should be sought so that our national effort to conserve energy can begin; so that the administration can continue to exert leadership in international efforts to conserve energy; but all in a way that will not exacerbate present inflationary or recessionary tendencies in the economy. Very few would consider the import fee system as it is presently structured as a long-term sclution, but it will serve for a number of months until a more comprehensive formula is enacted. The fee system with a decided tilt to gasoline would also express the great need for concentrating in the longrun on motor gasoline in conserving petroleum.

The possibility of compromise is important, but it is not my primary purpose in addressing the Senate today. Whether the President's veto is sustained or overridden does not resolve in any way this country's great need for a national energy policy; a policy which puts principal reliance in the short term on energy conservation and in the longer term on augmenting supply. I am proposing comprehensive legislation in the tax field that will build a conservation ethic in this country. And just as I today address the demand side of the equation, I expect in the days and months ahead to introduce legislation which will focus on this country's great need for additional supply.

The President's proposal to increase the import fees on home heating oil and residual fuel highlight the great need for energy conservation in our homes. Whether there will be increased taxes on home heating oil or residual fuel, is not the question, because regardless of whether new taxes are actually implemented, there is a crying need for energy conservation. Our petroleum resources are finite and thus conservation is the national interest. There is also the human side and all Senators know how difficult this last year has been for low- and middle-income homeowners. Energy costs in the home have skyrocketed far beyond what we have experienced with motor gasoline.

Heat for the home can, however, only be cut back so far. There is clearly a point when this sort of energy becomes an essential for life. There are millions of homeowners who work desperately to conserve energy, both because of the national interest in protecting a finite supply and protecting our balance of payments, but also because their pocketbook hurts. Clearly, it is in their interest to purchase and install devices which will reduce that monthly fuel bill, but can they when the economy is in its present state. This is a hard time to contemplate additional capital expenditures. Consequently, I propose tax relief for people who must make such purchases.

My legislation would provide an individual with a credit of up to 50 percent of the amount of any energy conserving residential improvements that are incurred during the taxable year with a limit to the credit of $500. Over the last year we have developed an increasingly clear view of how such a program can be administered and I believe that the Internal Revenue Service can publish regulations which will define what sorts of energy conservation devices will qualify. I think we can also rely on other agencies of the Federal Government, particularly the Department of Housing and Urban Development, to supply standards. My legislation will permit a taxpayer to choose between taking this credit or a deduction and should he or she choose a deduction then that deduction may not exceed $2,000.

There are, of course, many homeowners who are outside the tax system or who are only affected in a small way by credits or deductions. They face the same, or even greater, burdens through increased fuel costs. For those people my legislation will establish an energy conservation residential improvement loan program to be administered by the Secretary of the Treasury. I provide that any person who has an adjusted gross income, as defined in section 662 of the Internal Revenue Code of 1954, not in excess of $12,000 per taxable year and is eligible to receive a tax credit for energy-conserving residential improvements, shall also be eligible to receive a loan. This loan is limited by the amount of the tax credit which such person can receive for energy-conserving residential improvements.

The Secretary of the Treasury sets the interest rates on loans, taking into account the current average market yield on outstanding marketable obligations of the United States with maturity rates comparable to the energy-conservation loan and an amount adequate to cover the administrative costs and probable losses under the program. This rate will hopefully balance the need to provide meaningful relief to homeowners and also protect the Treasury from loss.

I have spoken of the great need to concentrate on motor gasoline as we conserve petroleum generally. Last year, at the height of the oil embargo, the national Petroleum Allocation System was structured to make most severe cuts in gasoline supply and while this certainly created unfortunate burdens on the American people, it clearly minimized the impact of the oil embargo. We all waited in long gasoline lines, but no one froze and very few were laid off because industry could not obtain the fuel needed to keep factories going. Putting people out of work is simply the wrong way to save fuel. The emphasis was correct, then, and it should not be altered now, particularly as every indicator points to a deepening recession. But the administration has changed its thinking from a year ago when there was a concentration on gasoline conservation to a policy which lumps gasoline with all other petroleum derivatives, including home heating oil, residual fuel and jet fuel. The New York Times, in an editorial, comments:

> The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health.

I propose a gasoline tax at the pump because I believe this to be a necessary step in establishing a long-term conservation ethic for this country. It will signal a willingness in the Congress and the administration to take the tough, but correct, stand; the one that most economists would recommend. I have read the public opinion polls and I realize that most Americans would prefer some system of rationing instead of a gas tax. If I believed that energy was a passing difficulty and that a system of demand-restraint was only needed for a short period of time, then I might also favor a system of rationing. But I am convinced that we are looking not at a short term problem, but one that will be influencing our lives for the rest of this century. We have been on an energy binge and we will pay the cost for many years to come. Under these circumstances it would be folly to rely on rationing to meet our need for energy conservation. The Washington Post recently analyzed various proposals for rationing gasoline and I quote a paragraph from their editorial:

> You are beginning to discover the great truth that simple rules are never fair, and the fairer the system gets, the more complicated it has to become. Even in World War II, when there where only one-third as many cars and the national dependence upon them was less pronounced, it was necessary to set up boards of citizens in every community to rule on a flood of special requests, hardships, greivances, and challenges. It is a method that requires, unfortunately, massive invasion of personal privacy. Americans accepted it then as a temporary war-time expedient, but the present emergency is not temporary.

I will ask that the full editorial be reprinted in the RECORD following my remarks.

Many have suggested that a gas tax at the present time would deepen the now virtual depression of the American automobile industry. While I intend to discuss the relationship of the automobile industry to our national energy/economic problem in much greater detail later in my remarks, I would like to touch upon this particular criticism of the gasoline tax.

Critics of a gas tax state that since gasoline accounts for less than 40 percent of all petroleum consumption in the United States, it would take quite a deep cut in the use of gasoline to bring about a substantial reduction in the overall use of petroleum. Such a deep cut, they argue, if it is to be accomplished through a price mechanism, would mean a very substantial increase in the gasoline tax and that this would hit the already battered auto industry in an unacceptably harsh fashion.

But I would say that the main factor in low new car sales is the steady erosion of consumer purchasing power and confidence. If a tax on crude oil has the predicted effects of fueling inflation and pinching real income, it will worsen the plight of consumers and so work against a recovery in auto sales. An increase in the gasoline tax, on the other hand, would tend to strengthen demand for cars with good fuel economy. It appears to me that in favoring a tax on crude over a higher tax on gasoline, auto industry executives and others may have misjudged where their best interests lie.

I have great confidence in American technology. I saw the automakers convert in a matter of months from automobile production to tanks and other vehicles of war at the outbreak of World War II. Certainly, that type of complete mobilization is not needed here, but it does serve to indicate what can be done when people resolve to do it. The question then is how do we provide that resolve. I believe that candor is the first step. One way to succeed is to put the energy conservation tax right on the pump where everyone can see it; gasoline consumers must be aware each time they fill up of where the national interest lies and what restraints are being imposed on them to conserve energy.

I believe this would have a most beneficial effect on the automobile industry. Any business concern which is capital-intensive can be most productive if there is long-term market stability. The Federal Government has fallen far short of its responsibility to supply this stability. If Detroit knew with considerable certainty that gasoline was going to be taxed at a substantial rate in the interest of conservation, then in a very short time auto factories would be retooled to produce an energy-efficient automobile and research and development could proceed at greatly increased levels to find new technologies for further energy efficiency. We do no one a favor by drifting on, failing to address the need for conservation, but yet continually pointing the finger at the automobile industry or other industries who are hesitant to commit capital in uncertain times.

I propose a gasoline tax of 15 cents a gallon beginning on December 31, 1975, with that tax increasing by 5 cents at 3-month intervals until it reaches on September 30, 1976, the 30-cent level. There are a number of advantages for using a gas tax as the principal vehicle for energy conservation. From an administrative standpoint, it is clearly the simplest mechanism for accomplishing our purposes. This is particularly evident when one considers the complexities of the President's proposed tariff plan, which will require a great number of detailed regulations to police the marketplace and do equity.

Enacting a gasoline tax cannot be the whole answer. Certainly, there will be individuals who are disadvantaged by such a tax. A measure of relief must be provided to them. Furthermore, our economy is now deep in a recession and a further loss of consumer buying power would not be in the best interest of the Nation. For these reasons, revenues generated by the gas tax must be rebated to various sectors of the economy lest we lose momentum in fighting recession.

My legislation will rebate most of the tax revenue to the economy with the remainder to go into general revenue fund of the Treasury. I am proposing that taxpayers be given an additional credit beginning in calendar year 1976. The amount of the credit shall be $158, which is the tax in effect under my legislation for calendar year 1976 on 700 gallons of gasoline; an amount of gasoline considered to be reasonable for one year. The credit would increase in 1977, and thereafter, to $210, which is again determined by the tax in effect on 700 gallons.

In my opinion, the burden of this tax should be shared in a progressive manner. The way this can be most simply accomplished is to structure the rebate provisions so that more of a credit is given to lower income groups than to higher income groups. This will be accomplished in the following manner. The amount of the credit shall be reduced—but not in an amount less than 0—by an amount that bears the same ratio to the full credit as the amount by which the adjusted gross income of the taxpayer—the sum of the adjusted gross incomes of the husband and wife that file a joint return of tax—for the calendar year exceeds $10,000 bears to $40,000. More simply stated, the credit will be reduced by an amount to be determined by the following formula: X/Credit for Year =Adjusted Gross Income—10,000/40,000.

I recognize that there are many people whose tax liabilities make such a credit of little meaning. It is not my intention to provide any less relief to those people.

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I have structured my legislation so that to the extent an individual's tax liability is less than the credit any difference shall become a cash payment to the individual. For those that have no tax liability, then the full credit will be available as a cash payment.

I have used the tax system as a means of providing rebates because through the tax withholding system money can be returned on a regular basis without creating new machinery. Obviously, those who are not covered require other methods to insure that they receive their rebate on a regular basis over the course of the year. On this subject I seek the advice and counsel of other Members of Congress and the administration.

It is my intention to extend a measure of tax relief to all individuals regardless of whether they drive or not. I have chosen this broad approach on the theory that those who do not drive also conserve and because I believe that the amount one drives should not have to be rigorously proven, nor should the amount of credit decrease as people conserve. I am, however, concerned that there will be individuals who have traditionally been claimed as dependents who will now file separate returns in order to receive this tax credit. I do not believe that this is an insurmountable hurdle and I trust that regulations can be drafted which will place a reasonable limit on who should be a recipient of this credit.

Of course, ideally, we would provide relief to all individuals for their essential driving. But my experience in government indicates such an effort would cost millions of tax dollars in administrative costs and would in all likelihood bring us no closer to that goal. It is simply beyond the scope of government to make the millions of individual judgments as to what driving is essential.

I believe the Senate recognizes the importance of changing the mix of automobiles we now have on our Nation's highways in order to increase energy efficiency. There is some hesitancy in the Congress to undertake stringent measures so as to bring this new efficiency to our highways because of the concern that the automobile industry is now in severe financial straits. To me this is a bit like a doctor only agreeing to treat healthy patients. The need for remedial measures in the automobile industry is greater now than it has ever been in the past. This is not to say that remedial measures should not be undertaken with some sensitivity to present conditions. The medicine should be tailored to bring Detroit out of its current slump and to provide it with the incentives and the long-term market stability that is necessary to produce energy-efficient automobiles.

Other Senators and Representatives have introduced measures designed to favor energy-efficiency. Most of these proposals have involved the levying of a tax after a date certain on inefficient new cars with the tax being lessened as cars are more efficient. The Administration has also expressed some willingness to move in this direction, but has most recently announced an agreement with the automobile industry for a 40 percent improvement in automobile efficiency by 1980 in return for a relaxation of Clean Air standards.

I oppose this agreement with the automobile industries principally because I think we can do better. If it is agreed, as between the Federal Government and the automobile industry, that a 40-percent increase in fuel efficiency shall be attained by 1980, then we can expect the automobile industry to do just that and no more. We will not have created the market conditions to stimulate auto efficiency beyond the 40-percent increase. As it now stands, such an increase will mean that in 1980, the American automobile will achieve approximately 20 miles per gallon. We can only expect the automobile makers to meet the bare minimum without additional stimulus to the market. There simply will be no incentive to produce the car which can get 50 miles per gallon.

In effect, we are mandating the convoy system. Our efforts will proceed at the pace of the slowest runner. I favor creating by a system of tax and rebates a market which will reward the efficient and penalize the inefficient. In short, a market that will encourage automobile makers, whether domestic or foreign, to do the very best possible. The stakes are simply too high to stifle creativity and not reward excellence.

The proposal I make today differs from measures introduced earlier by other Senators and Representatives in that in the near term, 1 to 3 years, a system of rebates is provided. I believe a change to smaller, more efficient automobiles is so much in the national interest that we cannot afford to wait the 3 or 4 years it will take for auto makers to retool their facilities to produce a more efficient car. We must begin this year to restructure American buying habits so that new car sales of the most efficient models are promoted. Consequently, my legislation will provide a rebate program during calendar year 1975 and 1976 and 1977 for fuel efficient automobiles.

In 1975 a rebate of $100 will be given for the purchase of any new car which has a fuel consumption rate of 17 miles per gallon as determined by the median range of rates published by the Administrator of the Environmental Protection Agency. To this rebate, $25 will be added as the automobile mileage improves so that a car with a median range of over 40 will receive a rebate of $675. In order that the automobile industry be stimulated in as rapid fashion as possible, I have built into this schedule an inducement for early purchase and the consequent retirement of the older and inefficient automobile. In 1976 cars rated at 19 miles per gallon will be eligible for the $100 rebate with the rebate increasing by $25 with each mile per gallon so that cars over 42 miles per gallon receive $675 of rebate. In 1977 the schedule is changed again to provide a $100 rebate for cars rated over 21 miles per gallon with the schedule increasing in the same fashion until cars receiving over 44 miles to the gallon would receive a rebate of $675.

I do not pretend that there is magic in these numbers. It is entirely likely that Congress, upon careful consideration of the schedule I have outlined will consider the inducement either too great or too small. I do, however, firmly believe that a rebate schedule along the lines I have outlined is necessary in the near term to begin Americans down the road to energy conservation and to stimulate the sale of efficient cars over the next couple of years. This kind of rebate will clearly establish Federal priorities that can govern capital investment in the auto industry.

When the capital investment has been made, the retooling accomplished, the system of rebates which I propose would be phased out. At that point, I would propose a new system to penalize the least efficient and reward the most efficient. Section 5 of my bill sets out a schedule whereby cars receiving 10 miles per gallon or less would be taxed at a rate of $1,000. I do not favor a Government mandate which would eliminate such cars. There may well be people who for good reasons desire to have this kind of car. I reject the notion that the Government should deny this right. I do, however feel that they should pay the social cost involved with having this type of automobile. My tax schedule would reduce the tax by $50 with each additional mile per gallon the car received so that cars rated at over 29 miles per gallon would receive a credit of $25. This credit would increase by $25 with each additional mile per gallon so that a car that is rated at 50 miles per gallon or better would be eligible for a credit of $500. Again, I would emphasize that strict adherence to the level of taxes and payments that I propose is not necessarily the optimum policy. The concept is what is critically important. Simply stated, we must penalize inefficiency and reward efficiency in an impersonal manner, imposing as few Government restrictions and standards as possible. If business is sure of what is expected of them they can respond effectively, but if they instead must gamble heavily on the political winds in Washington, their effectiveness is greatly reduced. In the final analysis business will prefer to invest where the gamble is on market rather than political conditions.

Let me briefly summarize what data is available on my proposals. Using 1970 figures for gasoline consumption, which are, of course, on the conservative side, we can expect revenues in 1976 to be $14.8 billion and thereafter to be approximately $19.8 billion—these figures assume a fairly constant volume of gasoline usage. Under my rebate plan approximately $10.5 billion would be returned in 1976 and $14.7 thereafter. This would leave surpluses of $4 and $5 billion respectively. These figures must be adjusted for a declining gas market. I assume a short-term price elasticity of 0.1 and therefore expect a 3-percent reduction in gas consumption with a 15 cents gas tax and a 6 cents reduction when the tax goes to the full 30 cents. In the longer term, price elasticity should increase to at least 0.4, which will mean a 25-percent reduction in gas consumption. Obviously as gas consumption declines, revenues will also

fall and the rebate will cut deeper into surpluses. This will only cause difficulty to financing rebates out of revenues when long-term elasticity tapes hold—within 3 to 5 years. At that time, Congress and the administration may consider it appropriate to reduce the rebate.

As to the auto efficiency tax, I have examined current mile-per-gallon ratings and find that 12 percent of all domestic cars could be eligible for a rebate and 62 percent of all foreign cars. In both cases, most rebates would be on the low end of the scale. Because domestic car sales substantially outnumber foreign cars sales, rebates for domestic and foreign car purchases would be roughly equal, $250 million apiece.

There are many facets to energy policy and I only seek to address several in my legislation today. It is unlikely that anyone Senator can address in a comprehensive fashion every facet of this vast, complex field, but I do intend to introduce further legislation on these and related subjects. By way of putting this legislation in context, it would be fair to say that it represents my view that stringent conservation is required and that much of this conservation must take place in the home. None of these programs deal with priorities we must set as between domestic and foreign sources. I recognize that a comprehensive program must be enacted in this area as well. I intend to introduce legislation shortly which will establish a system of priorities so that when the gas tax, the residential energy conserving credit, and the automobile efficiency tax create less of a demand in this country for petroleum, we can reduce oil imports with a particular emphasis on refined, imported products.

I have had occasion to outline my tax proposals to the editors of the Baltimore Sun and I ask unanimous consent that two editorials appearing in the Sun on February 8 and 21 respectively appear at this point in the RECORD; followed by editorials from the Washington Post, and the New York Times, both of which I quoted from earlier. I also ask unanimous consent that an editorial from the February 1975 Fortune magazine appear in the RECORD, to be immediately followed by the full text of the bill.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Feb. 8, 1975]

MATHIAS AND THE GAS TAX

There are 535 members of Congress, and therefore nearly 535 pet schemes for dealing with the nation's energy problems. As legislators prepare to shoot down President Ford's comprehensive program, we can expect to hear of proposals ranging from rationing to stripping the State of Colorado. One of the more interesting approaches of recent weeks has come from Maryland's senior senator, Charles McC. Mathias, who has foresworn his earlier flirtation with rationing to focus on a gasoline tax and an income-tax rebate.

The Mathias plan, which may require refinements and more precise calculations, would place a tax of perhaps as much as 30 cents a gallon on gasoline. The senator would use the $32 billion thus collected to cut or rebate withholding taxes, which he feels are excessive in any case. Most taxpayers in lower and medium income brackets would receive rebates of about $250 a year, more than enough to compensate an average driver consuming 700 gallons a year and hence paying about $210 in added gasoline taxes. Rebates would be cut down on a sliding scale to zero for taxpayers in higher income brackets. Citizens who do not drive would, in effect, get a substantial tax break, which is the senator's intention. Those too poor to pay taxes would get increases in Social Security or food-stamp allotments.

As with all other energy plans that have surfaced thus far, there are some built-in inequities in the Mathias idea. A Baltimorean from the inner city having to drive to work in Sparrows Point or an Allegany county farmer who must drive frequently to Cumberland obviously would need more gasoline than a Ruxton suburbanite who could take a bus down Charles street.

Nevertheless, the Mathias plan has some overriding advantages that commend its close consideration. Foremost is its concentration on gasoline consumption, which is the most wasteful and polluting and reduceable use of petroleum. The senator would forcefully cut driving without sharply increasing the cost of heating homes, drying crops and making fertilizer. And he would pump back into the economy huge sums that presumably would be spent largely on products other than gasoline. Compared to President Ford's program, the Mathias plan thus could be more effective in fighting the recession and produce a much less inflationary economy.

[From the Sun, Baltimore, Feb. 21, 1975]

CONCESSIONS TO SUSTAIN THE VETO

Because energy policy is foreign policy as well as domestic policy, President Ford should make concessions to safeguard his veto of a bill that would delay his oil import levy for 90 days—and perhaps forever. This country cannot expect to do well in coming negotiations between oil exporting and importing nations if Washington's first genuine effort to curtail fuel consumption becomes a non-starter. It would be taken as a sign that the United States is willing to increase its dependence on foreign sources of supply while its wealth drains away to the oil powers. This is an intolerable prospect—one that heavily obligates both the President and the Congress to compromise their differences and to come up with bipartisan economic and energy policies.

At this stage, conciliation must come first from the White House. Mr. Ford could probably pick up the five or six Republican votes needed to sustain his veto in the Senate if he will take steps to make his import levy more palatable. First, he should keep the levy at $1 a barrel instead of stepping it up to $3 by April. This would moderate the inflationary impact of higher petroleum prices. Second, he should issue a government regulation stipulating that, say 80 percent of all levies paid on imported crude must be applied to gasoline rather than to heating oil, kerosene and other essential fuels. This would hit oil consumption where it is most wasteful and most damaging to the environment. Third, Mr. Ford should state as clearly as possible that these are only temporary, highly imperfect first steps toward an energy policy that, by definition, is bound to reflect considerable congressional input. Democratic leaders in both Houses are putting the finishing touches on their first real alternative to Mr. Ford's controversial package.

If a consensus is to develop, we hope it will be in the form of a gasoline tax combined with a tax rebate favorable to lower and middle income groups. This is preferable to rationing, in our view, and sounder than an import levy that would send new inflationary waves rippling through the economy. While the President has been stubborn in resisting a gasoline tax, the reshaping of his import levy to apply mostly to fuel for automobile use would be pretty close to such a tax. For longer-range purposes, a strong case could be made for a tax on new cars designed to encourage the manufacture and sale of autos with high fuel efficiency ratings. This might be better than a straight horsepower tax because it would encourage various kinds of fuel-saving developments.

In drawing their alternative energy program, Democrats seem to be leaning toward a gasoline tax that would be applied heavily only if the unemployment rate comes down. This presupposes that there is a definite correlation between gasoline taxes and unemployment, a notion that has yet to be proven convincingly. It also presupposes that higher gas prices would be more adverse to the overall unemployment picture than the continuing yearly loss of perhaps $30 billion in oil payments to the exporting nations. Democrats are properly concerned that too harsh a cutback in energy consumption could aggravate the recession, but in shaping their proposals they should not ignore the foreign policy aspects that influence the President's approach.

TAXING GASOLINE

The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health. Thus, President Ford insists on a tariff on all crude oil imports rather than a higher excise tax on gasoline alone.

Yet, essential though automobile transport has become in most parts of the country, many American families have already found that the gasoline to power inefficient cars, one driver at a time, over short urban and suburban distances is far easier to spare in their energy budget than, say, the fuel to provide basic 68-degree heat in the home.

On average, American motorists drove about 300 miles less per car last year as a result of the higher cost of gasoline forced by foreign oil producers' price increases. This is an indication of the elasticity in gasoline—optional consumption that falls off as the price rises.

Nor is it necessarily fairer, as the Administration contends, to spread out the costs of conserving energy across all petroleum users—which, one way or another, means everyone. It is surely fairer to let each American motorist make the decision for himself how much to drive, rather than to force every consumer to pay the higher costs passed along by utilities, industries and everyone else who uses petroleum in the production process.

The fourfold price increase that has already occurred in crude oil has forced gasoline prices up about 37 per cent, but far higher percentage increases hit other fuel prices: diesel fuel went up 49 per cent, home heating oil 66 per cent, aviation fuel 100 per cent and residual fuel oil, used in industry and electric utilities, a staggering 143 per cent.

Where is the equity, therefore, in "sparing" motorists the burdens of a sizable increase in the cost of a gallon of gasoline in order to spread out the burden among all petroleum products when these other products have already risen so much more?

Undoubtedly, adjustment to higher gasoline prices would create hardships, particularly at the start and in localities where there may now be no practical alternative to the car for employment and communication. But designing a system of rebates and allowances for essential automobile uses would be far less complicated than any attempt to compensate for the gross inflationary damage from across-the-board petroleum price increases.

AND AUTOS

The social and economic judgment that underlies President Ford's abhorrence of a

gasoline tax centers on an exaggerated pride of place which he assigns to the automobile industry. However, the unpalatable fact is that the directions pursued in car design and marketing over the past decade and the infrastructure of highways and community development that this trend has promoted have distorted the economic growth and social well-being of the nation.

One current example is the impact on employment and energy consumption from highway construction, so long the symbol of this country's auto-based economy. In a recent issue of Science magazine, two researchers calculated the difference between spending $5 billion on construction of new highways or investing the same amount in railroads and other mass transit facilities. The energy consumed in the construction work alone would be 62 per cent less for railroads than for highways; such a shift in priorities, moreover, would provide more than 8,000 additional jobs.

Leaders of the automobile industry recognize the need for new directions. Chrysler has begun a long-term restructuring that cuts capital overhead by one-third and projects sales in the range of 6 million cars every year instead of 8.8 million sold in 1974. General Motors has announced a four-year research program, costing $3 billion, to make its models smaller and lighter.

Such steps are but a beginning. Dr. Edward Teller, who knows something about advanced technology, believes that "except for the mental inertia in Detroit, we could have a fifty-mile-per-gallon car in perhaps as short a time as three years." Another critic of the automobile industry, Donald E. Weeden, president of the City Club of New York, has even proposed "massive government aid to Detroit to produce twenty million compact cars a year in order to get us out from under our existing inefficient fleet." A tax on horsepower or automobile weight would be a logical complement to a tax on gasoline; the goal is not to penalize motorists, but to reward efficient design and use of cars.

No energy policy that aims to protect the status quo of the automobile industry by preserving the relative cheapness of gasoline can make more than a dent in the profligacy of this country's energy consumption.

The undoubted hardships of a gasoline tax can only be measured against the alternative hardships foreshadowed by President Ford's tariff plan; these are becoming more extensive with each new economic analysis by the government itself. For the longer term, automobile and gasoline taxes would promote the necessary trend of American life away from the extravagances of the unfettered automobile economy.

EXHIBIT 1

HOW TO RATION GASOLINE

Let us suppose, for a moment, that you are the person to whom President Ford assigns the job of designing a system to ration gasoline. The President thinks that rationing is a terrible idea and wants to cut consumption by raising prices and taxes instead. But a great many well-intentioned senators and congressmen think that rationing is much fairer. We are now going to suppose that they win the coming fight, a rationing law is enacted, and you are appointed to set up the operation. The basic program is clear. There remain only a few minor issues of policy that a sensible person like yourself should have no difficulty resolving quickly and—to repeat the key word—fairly.

The first question is to whom to give ration books, and your first inclination is to give them to every licensed driver. That brings you to the family in which both parents and all three teen-aged children have licenses. If they have five ration books, the kids can continue to drive to school. You think that they ought to take the schoolbus, and you revoke the kids' coupons. But then you learn that they all have part-time jobs—one of them plays the xylophone in a rock band—and they will be unemployed if they can't drive. You get a call from the White House telling you not to contribute to unemployment, which is rising. You give in, and return the kids' ration books. That gives the family five times as much gas as the widow across the street whose three children are all under 16.

Continuing the crusade for fairness, you take up the case of Family A, whose harassed father has to commute 30 miles to work every day, and Family B next door, whose father runs a mail order business out of his basement. Family B goes to the beach every weekend—very inexpensively because, as the congressmen made clear, the point of rationing is to avoid raising prices. Score another point for fairness and turn to the case of two suburban communities, a mile apart, one of which has bus service to and from central city and the other which does not. Reasonably enough, you give less gas to people in the community with buses—until you discover that none of them works in the central city. They all seem to work in other suburbs, most of which have no public transportation. Your response, obviously, is to make everyone in the United States fill out a form showing where he works. Then you hire a computer firm to identify those who can get to their jobs by public transit in less than 90 minutes with no more than three transfers; they will get fewer coupons. There are certain difficulties in enforcing these rules, as you concede to several congressional committees, but you expect to be able to handle them with the expanded appropriations that you have requested to hire more federal gas investigators.

Now that you are beginning to get the hang of the thing, you will want to proceed to the case of the salesman who flies to an airport and rents a car. If you issue gas to the rent-a-car companies, the salesman might be tempted to use one of their cars to take his family on a vacation. But the salesman's personal coupons won't cover company trips. Now you have to decide how much gasoline to give to companies, and which business trips are essential. You might turn that over to the staff that you set up to decide which delivery services are essential and how to prevent delivery trucks from being used for personal business.

By the way, you have to consider the rural poor—for example, the laborer who lives far out in the country. Some weeks he's employed far from home and commutes hundreds of miles. Some weeks he finds work nearby. Some weeks he's unemployed, particularly when the weather's bad. You post a prize for the formula to cover that one.

You are beginning to discover the great truth that simple rules are never fair, and the fairer the system gets the more complicated it has to become. Even in World War II, when there were only one-third as many cars and the national dependence on them was far less pronounced, it was necessary to set up boards of citizens in every community to rule on a flood of special requests, hardships, grievances, and challenges. It is a method that requires, unfortunately, a massive invasion of personal privacy. Americans accepted it then as a temporary wartime expedient. But the present emergency is not temporary.

A year ago, when the Nixon administration was considering rationing, the planners suggested simply giving everyone the same number of coupons and letting people buy and sell them legally on a "white market," as they called it. But in a white market the laborer with the long trip to work would have to bid against the family that wants to drive its station wagon to Yosemite for its vacation. Under President Ford's price scheme, at least the country would know roughly what the increased price of fuel would be. In a white market, no one could say how high the bidding might go, or how widely it might fluctuate from one season to another.

Congress, and specifically the Democratic leadership, is behaving rather badly. Its committees have been exploring the economics and technology of energy with considerable skill for more than two years, and they understand the choices as well as the administration does. The Democratic leadership's cries for further delay now are hardly more than a plea merely to postpone unpleasant but urgent decisions. A year ago, when President Nixon asked for rationing authority, Congress said that rationing was unpopular; the law never passed. Now that President Ford proposes the other alternative, higher prices, congressmen cite polls to show that people would prefer rationing.

In the present state of general indecision, the most widely popular position is probably the one represented by Gov. Meldrim Thomson of New Hampshire. Gov. Thomson opposes both rationing and higher prices. He would prefer, evidently, simply returning to the halcyon days of 1972 before the energy squeeze took hold of us. It is a pleasant idea. But it is not, unfortunately, one of the real choices—not even for New Hampshire.

[From Fortune Magazine, Feb., 1975]

A DUBIOUS MANEUVER IN THE THREE-FRONT WAR

While there was plenty to find fault with in President Ford's economic proposals, some of the commentary on them indicated serious misconceptions in the minds of the commentators. One is the notion that the current economic mess is largely attributable to mistakes committed last summer and fall by the President, his economic counselors, and the Federal Reserve Board. In truth, the mess was in the making for ten years under Lyndon Johnson and Richard Nixon.

Partly as a result of economic blunders and evasions of responsibility during that span, Ford inherited an economy afflicted with (among other things) double-digit inflation, burdensome debt, inadequate profits, overtaxation, extensive transfer of income from people who work to people who don't, deeply eroded consumer morale, widespread pessimism about the future, and the pervasive strains of adjusting to a sudden quadrupling of oil prices.

In the face of all this, to be sure, Ford did not show great skill in either prognosis or prescription, but neither did most of the numerous economists whom he invited to give him the benefit of their wisdom. As for the Fed, it apparently tightened the screws too much during the late summer and the early fall, but it did so in a valiant effort to restrain inflation that was running at a pace generally agreed to be intolerable.

Another misconception is the notion that, given enough goodwill, it is possible to devise a program that will rapidly restore the economy to robust health. Anybody who believes this is not yet even at square one.

DON'T THROW AWAY THE GAINS

Also mistaken is the view that with a recession on, we shouldn't let concern about inflation cramp our efforts to bring the unemployment rate down. This is a disturbing, even dangerous notion. At a painful cost in unemployment and lost production, we have in the last few months gained some ground against inflation. Recession is indeed having the classic effect on prices. Inflation has been decelerating and here and there prices have actually retreated. To give up prematurely and go for full-sail reflation would be to throw away the gains, and to assure that the people who lost their jobs in recent months have suffered in vain.

What's more, we don't have the option of trading a little more inflation for low unemployment and rapid growth. Inflation has been, and still is, a depressing influence on the economy, impairing consumer morale, eroding real profits, keeping interest rates high.

As President Ford recognized, economic policymaking is now in an unprecedented bind. In his words, "We must wage a simultaneous three-front campaign against recession, inflation, and energy dependence." The requirements pull in different directions. A course of action that seems appropriate on one front may have adverse effects on one or both of the other two fronts.

BAD MEDICINE FOR SLUMPFLATION

The President's own program provides a case in point. While it is desirable to cut petroleum consumption, trying to do that by imposing a levy on crude oil is the wrong approach in the present economic circumstances. It will have pervasive price-jacking effects, raising costs for many manufacturers, utilities, and commercial businesses, as well as for motorists, homeowners, and transportation companies. The combined, cumulative impact on consumer prices might amount to several times the revenues from the new levy.

So even if the revenues are returned to the private economy, the President's petroleum impost may result in a serious pinch on real personal income. And uncertainties about the effects of the measure will impose an additional inhibition on business investment. Thus an impost on crude oil will be both inflationary and depressant—bad medicine for slumpflation.

What's more, it is far from clear that, aside from gasoline, a levy on crude will reduce consumption of petroleum very much in the short run. There are pretty tight limits to how much petroleum can be saved in home heating, manufacturing, and power generation through simple economizing. Significant gains will have to come from more and better insulation, changes in manufacturing processes, and conversions from oil to coal. These alterations take time and entail capital costs.

In the present economic context, a large increase in the federal gasoline tax (20 cents a gallon, say) would be a much better way of curtailing dependence on imports. Effects on other prices would be less pervasive. And there are possibilities for quick and significant reductions in gasoline consumption through car pooling, increased use of public transportation, cutbacks in miles covered on weekend and vacation trips, etc.

We are familiar with arguments against putting heavy reliance on an increase in the gasoline tax. For one thing, gasoline accounts for less than 30 percent of all petroleum consumption in the U.S., so it would take quite a deep cut in the use of gasoline to bring about a substantial reduction in the overall use of petroleum. Moreover, a large increase in the gasoline tax would hit the already battered auto industry, whose troubles are exerting a serious drag on the whole economy.

What is mainly hurting new-car sales, however, is the sad erosion of consumer purchasing power and confidence. If a tax on crude has the predicted effects of fueling inflation and pinching real income, it will worsen the plight of consumers and so work against a recovery in auto sales. An increase in the gasoline tax, on the other hand, would tend to strengthen demand for cars with good fuel economy. It appears, then, that in favoring a tax on crude over a higher tax on gasoline, auto-industry executives may have misjudged where their best interests lie.

THE SCATTERGOOD APPROACH

To avoid depressing effects on demand, revenues from an added tax on gasoline (or a levy on crude) should be recycled into the economy. There is no obviously right way to, do this, but it is clear that distributing the revenues to consumers in proportion to the petroleum tax they pay would defeat the purpose of the tax. President Ford's scattergood approach of giving out a bowlful here and a bowlful there in the form of income-tax reductions of cash payments is not so obviously wrong, but it does not seem the best approach either.

David Gordon Wilson, professor of mechanical engineering at M.I.T., has put forward a radically simple idea that at least merits consideration as an alternative approach for any tax to discourage petroleum consumption: distribute the revenues to all adults equally. Professor Wilson himself applies the concept more broadly, but it is applicable to a gasoline tax (or to revenues from a levy on crude oil).

If each adult got an equal share in the distribution of gasoline-tax revenues, the net cost of the tax to each would depend entirely on his or her (or the family unit's) direct and indirect consumption of gasoline. There would be income redistribution from heavy users to light users—which is the kind of redistribution appropriate to the case. The allocation of revenues from a tax designed to cut consumption of petroleum should not get tangled up with questions of social justice.

S. 897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Conservation Act of 1975".

SEC. 2. TAX CREDITS AND DEDUCTION TO ENCOURAGE ENERGY CONSERVATION IN HOUSING.

(a) IN GENERAL.—

(1) Tax credits.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 42 as 44 and by inserting after section 41 the following new sections:

"SEC. 42. ENERGY-CONSERVING RESIDENTIAL IMPROVEMENTS.

"(a) GENERAL RULE.—In the case of an individual, there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the amount of energy-conserving residential improvement expenses paid or incurred by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) DOLLAR AMOUNT.—The credit allowed under subsection (a) for the taxable year may not exceed $500.

"(c) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return of tax under section 6013, the amount specified under paragraph (1) applies to the sum of the tax liabilities of such husband and wife. In the case of a married individual filing a separate return of tax, the amount in paragraph (1) shall be $250 in lieu of $500.

"(c) DEFINITION.—For purposes of this section, the term 'energy-conserving residential improvement expenses' means the sum of all expenditures paid or incurred by the taxpayer during the taxable year for repairs or improvements to the portion of any property owned by the taxpayer which is his principal residence (within the meaning of section 1034) if such repairs or improvements are designed to reduce heat loss in cold weather and heat gain in hot weather or to use energy more efficiently for space heating or cooling, including the repair or installation of insulation, storm windows, caulking, or any device or system using solar energy for space heating or cooling which meets the criteria prescribed by the Secretary of Housing and Urban Development under section 8 of the Solar Heating and Cooling Demonstration Act of 1974.

"(d) ELECTION TO TAKE DEDUCTION IN LIEU OF CREDIT.—This section does not apply in case of a taxpayer who elects to take the deduction provided by section 220 (relating to deduction for energy-conserving residential improvements) for the taxable year. The election shall be made in such form and manner, and at such time, as the Secretary or his delegate prescribes by regulations.

"(e) ADJUSTMENT TO BASIS.—Notwithstanding the provisions of section 1016 (relating to adjustments to basis), no adjustment to the basis of any property shall be made for any expenditure with respect to such property which is taken into account in computing the amount of the credit allowed under subsection (a).

"SEC. 43. MINIMUM GASOLINE REQUIREMENTS.

"(a) General Rule.—There is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the amount of the gasoline conservation tax imposed under section 4084 on gasoline purchased by the taxpayer during the calendar year.

"(b) LIMITATIONS.—

"(1) DOLLAR AMOUNT—

"(A) CALENDAR YEAR 1976.—The amount of the credit allowed to a taxayer for the taxable year ending with or within calendar year 1976 with respect to gasoline purchased after December 31, 1975, may not exceed $158.

"(B) 1977 AND THEREAFTER.—The amount of the credit allowed to a taxpayer for any taxable year with respect to gasoline purchased after December 31, 1976, may not exceed $210.

"(2) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return of tax under section 6013, the amounts specified under paragraph (1) apply to the sum of the tax liabilities of such husband and wife. In the case of a married individual filing a separate return of tax, the amounts specified in paragraph (1) shall be $79 in lieu of $158 and $105 in lieu of $210, respectively.

"(c) REDUCTION OF CREDIT.—The amount of the credit allowed under subsection (a), after the application of subsection (b), shall be reduced (but not to an amount less than zero) by an amount which bears the same ratio to—

"(1) $158, with respect to gasoline purchased during calendar year 1976, and

"(2) $210, with respect to gasoline purchased after December 31, 1976,

as the amount by which the adjusted gross income of the taxpayer (the sum of the adjusted gross incomes of a husband and wife who file a joint return of tax under section 6013) for the calendar year exceeds $10,000 bears to $40,000.".

(2) TAX DEDUCTION.—Part VII of subchapter B of chapter 1 of such Code (relating to additional itemized deductions for individuals) is amended by renumbering section 220 and 221 and by inserting after section 219 the following new section:

"SEC. 220. ENERGY-CONSERVING RESIDENTIAL IMPROVEMENTS.

"(a) GENERAL RULE.—In the case of an individual, there is allowed as a deduction an amount equal to the amount of energy-conserving residential improvement expenses (as defined in section 42 (c)).

"(b) LIMITATIONS.—

"(1) DOLLAR AMOUNT.—The deduction allowed under subsection (a) for a taxable year may not exceed $2,000.

"(2) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return of tax under section 6013, the amount specified under paragraph (1) applies to the sum of the gross incomes of such husband and wife. In the case of a married individual filing a separate return of tax, the amount in paragraph (1) shall be $1,000 in lieu of $2,000.

"(c) DEFINITION.—For purposes of this section, the term 'energy-conserving residential improvement expenses' has the meaning given such term by section 42 (c).

"(d) ELECTION TO TAKE CREDIT IN LIEU OF DEDUCTION.—This section does not apply in the case of a taxpayer who elects to take the credit provided by section 42 (relating to energy-conserving residential improvements) for the taxable year. The election shall be made in such form and manner, and at such time, as the Secretary or his delegate prescribes by regulations.

"(e) ADJUSTMENT TO BASIS.—Notwithstanding the provisions of section 1016 (relating to adjustments to basis), no adjustment to the basis of any property shall be made for any expenditure with respect to such property which is taken into account in computing the amount of the deduction allowed under subsection (a)."

(3) DEFINITION OF ADJUSTED GROSS INCOME.—Section 62 of such Code (relating to definition of adjusted gross income) as amended by—

(A) renumbering the second paragraph (11) as paragraph (12), and

(B) adding at the end thereof the following new paragraph:

"(13) Energy-conserving residential improvement expenses.—The deduction allowed by section 220."

(b) REFUND OF EXCESS MINIMUM GASOLINE REQUIREMENTS CREDIT.—

(1) Section 6201(a)(4) (relating to assessment authority) of such Code is amended—

(A) by inserting "or 43" immediately after "section 39" in the caption of such section, and

(B) by striking out "oil)," and inserting in lieu thereof "oil) or section 43 (relating to minimum gasoline requirements,".

(2) Section 6401(b) of such Code (relating to excessive credits) is amended—

(A) by inserting immediately after "lubricating oil)" the following: "43 (relating to minimum gasoline requirements)," and

(B) by striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39 and 43".

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by striking out the item relating to section 42 and inserting in lieu thereof the following:

"Sec. 42. Energy-conserving residential improvements.
"Sec. 43. Minimum gasoline requirements.
"Sec. 44. Overpayments of tax."

(2) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 220 and inserting in lieu thereof the following:

"Sec. 220. Energy-conserving residential improvements.
"Sec. 221. Cross references.".

(d) EFFECTIVE DATE.—The amendments made by this section with respect to the tax credit and deduction for energy-conserving residential improvements, apply with respect to energy-conserving residential improvement expenses paid or incurred after December 31, 1974. The amendments made by this section with respect to the tax credit for minimum gasoline requirements apply with respect to taxable years beginning after December 31, 1975.

SEC. 3. GASOLINE CONSERVATION TAX INCENTIVE.

(a) IMPOSITION OF TAX.—Subpart A of part III of subchapter A of chapter 32 of such Code (relating to manufacturer's excise taxes) is amended by redesignating section 4084 as 4085 and by inserting after section 4083 the following new section:

"SEC. 4084. GASOLINE CONSERVATION TAX.

"There is imposed on gasoline sold by the producer or importer thereof, in addition to the tax imposed under section 4081, a tax of—

"(1) 15 cents a gallon with respect to gasoline sold after December 31, 1975, and before April 1, 1976,

"(2) 20 cents a gallon with respect to gasoline sold after March 31, 1976, and before July 1, 1976,

"(3) 25 cents a gallon with respect to gasoline sold after June 30, 1976, and before October 1, 1976, and

"(4) 30 cents a gallon with respect to gasoline sold after September 30, 1976."

(b) CONFORMING AMENDMENTS.—

(1) Section 4082(d) of such Code (relating to definition of wholesale distributor) is amended by inserting "or section 4084" after "section 4081" where it appears in paragraph (2).

(2) Section 4083 of such Code (relating to exemption of sales to producer) is amended by inserting "or section 4084" after "section 4081".

(3) Section 4101 of such Code (relating to registration) is amended by striking out "section 4081 or section 4091" and inserting in lieu thereof "section 4081, section 4084, or section 4091".

(4) Section 4221(d)(6)(C) of such Code (relating to certain tax-free sales) is amended by inserting "or section 4084" after "section 4081".

(5) Section 4226(a) of such Code (relating to floor stocks taxes) is amended by adding at the end thereof the following:

"(8) 1976 TAX ON GASOLINE.—On gasoline subject to tax under section 4084 which on the dates specified under this paragraph is held by a dealer for sale, there is imposed a floor stocks tax at the following rates—

"(A) 15 cents a gallon, with respect to gasoline held on January 1, 1976,

"(B) 20 cents a gallon, with respect to gasoline held on April 1, 1976,

"(C) 25 cents a gallon, with respect to gasoline held on July 1, 1976, and

"(D) 30 cents a gallon, with respect to gasoline held on October 1, 1976.

The tax imposed by this paragraph does not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline."

(c) The table of sections for such subpart A is amended by striking out the item relating to section 4084 and inserting in lieu thereof the following:

"Sec. 4084. Gasoline conservation tax.
"Sec. 4085. Cross references."

SEC. 4. PAYMENTS TO INDIVIDUALS WHO PURCHASE AUTOMOBILES WITH GOOD FUEL ECONOMY

(a) The Secretary of the Treasury shall establish a program for the payment of money to individuals who are the first purchasers of new automobiles for purposes other than resale. The amount of the payment with respect to a new automobile shall be determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The amount of the payment is:
17 or more, but not over 18	$100
Over 18 but not over 19	125
Over 19 but not over 20	150
Over 20 but not over 21	175
Over 21 but not over 22	200
Over 22 but not over 23	225
Over 23 but not over 24	250
Over 24 but not over 25	275
Over 25 but not over 26	300
Over 26 but not over 27	325
Over 27 but not over 28	350
Over 28 but not over 29	375
Over 29 but not over 30	400
Over 30 but not over 31	425
Over 31 but not over 32	450
Over 32 but not over 33	475
Over 33 but not over 34	500
Over 34 but not over 35	525
Over 35 but not over 36	550
Over 36 but not over 37	575
Over 37 but not over 38	600
Over 38 but not over 39	625
Over 39 but not over 40	650
over 40	675

(b) CHANGE IN PAYMENT SCHEDULE.—

(1) 1976.—Effective January 1, 1976, each fuel consumption rate listed in the table under subsections (b) and (c) shall be increased by 2 and, as increased, shall apply to automobiles sold during calendar year 1976.

(2) 1977.—Effective January 1, 1977, each such rate shall be increased by 4 and, as increased, shall apply to automobiles sold during calendar year 1977.

(c) The Secretary shall not make more than one payment under this section to the same individual for the purchase of a new automobile during a single calendar year. In order to receive a payment under this section, an individual who is the first purchaser (other than a dealer or a distributor) of a new automobile shall file an application with the Secretary at such time and containing such information as the Secretary may require.

(d) For the purposes of this section, the term—

(1) "fuel consumption rate" means a rate reflecting average driving conditions determined by the Secretary of Transportation for each make and model of new automobile sold in the United States, and, until such determinations have been made by the Secretary of Transportation, the fuel consumption rate of an automobile shall be the median of the range of rates determined by the Administrator of the Environmental Protection Agency for such automobile, and

(2) "new automobile" means an internal combustion engine vehicle, other than a truck or bus, which is a highway motor vehicle as defined in section 4482(a) of the Internal Reevnue Code of 1954.

(e) The Secretary of the Treasury or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section, except that, with respect to the determination of the fuel consumption rate of a new automobile, the Secretary of Transportation or his delegate shall make such regulations.

(f) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

(g) The provisions of this subsection apply to automobiles purchased during calendar year 1975, 1976, and 1977.

SEC. 5. AUTOMOBILE ENERGY CONSERVATION.

(a) IN GENERAL.—Part I of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to excise tax on motor vehicles) is amended by inserting at the end thereof the following new section:

"SEC. 4064. AUTOMOBILE ENERGY CONSUMPTION TAX

"(a) GENERAL RULE.—There is imposed on each new automobile sold to a final purchaser a tax in the amount determined under subsection (b). The tax imposed by this subsection shall be paid by the final purchaser.

"(b) AMOUNT OF TAX.—The amount of tax referred to in subsection (a) is determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The tax is
Over 29	0
Over 28 but not over 29	50
Over 27 but not over 28	100
Over 26 but not over 27	150
Over 25 but not over 26	200
Over 24 but not over 25	250
Over 23 but not over 24	300
Over 22 but not over 23	350
Over 21 but not over 22	400
Over 20 but not over 21	450
Over 19 but not over 20	500
Over 18 but not over 19	550
Over 17 but not over 18	600
Over 16 but not over 17	650
Over 15 but not over 16	700
Over 14 but not over 15	750
Over 13 but not over 14	800
Over 12 but not over 13	850
Over 11 but not over 12	900
Over 10 but not over 11	950
Over 10 or less	1,000

"(c) CREDIT AGAINST TAX.—There shall be allowed as a credit against the tax imposed by this section an amount determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The credit is:
Not over 31	$0
Over 31 but not over 32	25
Over 32 but not over 33	50
Over 33 but not over 34	75
Over 34 but not over 35	100
Over 35 but not over 36	125
Over 36 but not over 37	150
Over 37 but not over 38	175
Over 38 but not over 39	200
Over 39 but not over 40	225
Over 40 but not over 41	250
Over 41 but not over 42	275
Over 42 but not over 43	300
Over 43 but not over 44	325
Over 44 but not over 45	350
Over 45 but not over 46	375
Over 46 but not over 47	400
Over 47 but not over 48	425
Over 48 but not over 49	450
Over 49 but not over 50	475
Over 50	500

"(e) COLLECTION OF TAX AND REFUNDS.—

"(1) COLLECTION.—Every person who receives payment for a new automobile on which a tax is imposed under this section shall collect the amount of the tax from the final purchaser making such payment.

"(2) REFUNDS.—Each person who sells a new automobile to a final purchaser shall report to the Secretary or his delegate the amount of credit, if any, to which such purchaser is entitled under subsection (c).

"(f) DEFINITIONS.—For purposes of this section—

"(1) FINAL PURCHASER.—The term 'final purchaser' means the first person who in good faith purchases a new automobile for purposes other than resale.

"(2) FUEL CONSUMPTION RATE.—The term 'fuel consumption rate' means the fuel consumption rate as determined under rules prescribed by the Administrator of the Environmental Protection Agency.

"(3) NEW AUTOMOBILE.—The term 'new automobile' means an internal combustion engine vehicle, other than a truck or bus, which is a highway motor vehicle as defined in section 4482(a)."

(b) CONFORMING AMENDMENTS.—

(1) Section 6201(a) of such Code (relating to assessment authority) is amended by adding at the end thereof the following new paragraph:

"(5) Erroneous credit under section 4064.—If on any claim for a refund of excise taxes under chapter 32 there is an overstatement of the credit allowable by section 4064 (relating to automobile energy consumption tax), the amount so overstated which is allowed as a refund may be assessed by the Secretary or his delegate in the same manner as in the case of a mathematical error."

(2) Section 6401 of such Code (relating to amounts treated as overpayments) is amended by—

(A) redesignating subsection (c) as subsection (d), and

(B) inserting after subsection (b) the following new subsection:

"(c) EXCESSIVE CREDIT UNDER SECTION 4064.—If the amount allowable as a credit under section 4064 (relating to automobile energy consumption tax) exceeds the tax imposed by chapter 32 of subtitle D of chapter 1, the amount of such excess shall be considered an overpayment."

(c) CLERICAL AMENDMENT.—The table of sections for part I of subchapter A of chapter 32 of such Code is amended by inserting at the end thereof the following new item:

SEC. 4064. Automobile energy consumption tax."

(d) EFFECTIVE DATE.—The amendments made by this section apply with respect to new automobiles sold after December 31, 1977.

SEC. . ENERGY-CONSERVING RESIDENTIAL IMPROVEMENT LOANS.

(a) ESTABLISHMENT.—There is established an Energy Conservation Residential Improvement Loan Program to be administered by the Secretary of the Treasury.

(b) ELIGIBILITY.—Any person who has an adjusted gross income, as defined in section 62 of the Internal Revenue Code of 1954, not in excess of $12,000 for a taxable year, as determined under such Code, and who receives a tax credit under section 42 (relating to energy conserving residential improvements) of such Code for such year shall be eligible to receive a loan under the Energy Conservation Residential Improvement Loan Program from the Secretary of the Treasury.

(c) LIMITATION.—No person may receive a loan under the provisions of this section in an amount which exceeds the amount of the tax credit which such person receives under section 42 of the Internal Revenue Code of 1954.

(d) RATE OF INTEREST.—The rate of interest on direct loan made under this chapter shall be—

(1) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with the remaining periods of maturity that are comparable to the average maturity for such loans, adjusted to the nearest one-eighth of one percent, plus

(2) an amount adequate in the judgment of the Secretary to cover administrative costs and probable losses under the program.

(e) REGULATIONS.—The Secretary of the Treasury shall prescribe such regulations as are necessary to carry out the provisions of this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

By Mr. FANNIN:

S. 898. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan. Referred to the Committee on Public Works.

Mr. FANNIN. Mr. President, there are very few matters on which the entire Congress agrees but the goal of clean air and water seems to be shared by all of us. To accomplish part of this goal, the Clean Air Act of 1963 and many subsequent amendments have been enacted, and the Environmental Protection Agency was created by the executive branch. The problem now lies in the fact that this independent agency, the EPA has assumed powers never intended by the Congress. In the name of clean air, this agency assumes anything is possible, including Federal land use regulation under the guise of indirect source review. The EPA also is attempting to usurp State tax authority, beginning with parking surcharges.

My sincere feeling is that the Congress must further define its intent on environmental legislation before the EPA's arbitrary and over zealous approach begins seriously blocking construction, drastically increasing unemployment and further distorting our pollution control laws.

Today I am introducing legislation which prohibits the EPA from requiring the review of indirect sources to meet the goals of the Clean Air Act. I do not agree that such regulation will accomplish emission control or significantly improve air quality. Instead, the delays caused on construction permits for such vital facilities as airports, schools, hospitals, and highways would cost taxpayers millions of dollars and allow for EPA control of important State and local decisions. Approval could be held up or denied by this agency for construction of apartment projects, shopping centers, office buildings, and other public and private projects. These facilities do not pollute, and it has not been adequately shown by EPA or anyone else that preconstruction reviews of these facilities will reduce exhaust emissions. These regulations could, in fact, increase pollution by spreading out these facilities, thus creating the need for more driving and further frustrating our ability to use mass transit.

It is hard for me to understand why we are letting the Environmental Protection Agency dictate such far-reaching regulations and distort so completely our clean air goal. Consequently, I am hopeful that this legislation to prohibit the indirect source review will receive early consideration by the Senate. Congressman BOB CASEY of Texas has been a prime sponsor in the House of this legislation, so hopefully we in Congress can put an early end to these back door approaches to pollution control and redirect the EPA toward the real sources of air pollution.

By Mr. DOLE:

S.J. Res. 39. A joint resolution to designate the week of March 17 to 23, 1975, as "National Lead Poisoning Prevention Week." Referred to the Committee on the Judiciary.

NATIONAL LEAD POISONING PREVENTION WEEK

Mr. DOLE. Mr. President, each year, over 200 children are reported to die from lead poisoning; and it is quite possible that this figure is lower than the actual number, due to unidentifiable cases.

An additional 2,000 children annually suffer some sort of brain damage and mental retardation from this poisoning.

I find these statistics alarming and feel that it is still more alarming to note that so few parents and health professionals are even aware that lead poisoning is still a significant problem in our Nation.

PROBLEM CONTINUES

The problem largely stems from the fact that lead-based paints were fre-

quently used in homes built before World War II. Much of this paint is now deteriorating, causing a very real danger to children, who often do not realize that paint chips should not be eaten.

Elevated levels of lead in children often goes unnoticed because this form of poisoning does not present obvious symptoms even in its more advanced stages.

Making all this even more tragic is the fact that there is absolutely no reason for lead poisoning to reach a critical stage in any child, as the cause, cure, and prevention of the disease is known.

CORRECTIVE ACTION BEING MADE

Fortunately, awareness of this situation is growing. There are now 77 lead poisoning prevention programs across the United States.

In my own State of Kansas, one of these programs began active operation in the Kansas City metropolitan area early last October. At that time, program workers started going door to door in order to explain the hazards of lead poisoning, to discuss the services offered by the program, and to take blood samples from the children's fingers. In addition, they began presenting community programs for these same purposes.

The blood samples are then analyzed in order to determine whether or not elevated lead levels exist. In cases where the level of lead is high, the child involved will either be treated or carefully observed in order to insure that the lead level does not rise.

Funding for the Kansas City program has been made available through an HEW matching-fund grant.

I comment the efforts of this and other lead poisoning prevention programs and hope our actions in Congress will be supportive of those efforts.

In the interests of making the public aware not only of the dangers presented by lead poisoning but also of the services available to detect and thereby prevent it, I am asking that Congress declare March 17–23 as "National Lead Poisoning Prevention Week."

I ask unanimous consent to have the joint resolution printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 39

Whereas lead-based paints were used extensively in homes built before World War II, and much of this older paint is now deteriorating and presents a serious health hazard to approximately 2.9 million children;

Whereas many parents and health care professionals are not aware that lead poisoning is still a problem in our environment;

Whereas elevated lead levels often go undetected because of the non-existence or subtlety of symptoms;

Whereas elevated lead levels extended over a period of time can cause learning impairment and possible other brain degeneration in children;

Whereas there is no logical reason for this malady since the cause, detection, cure and prevention of lead poisoning and elevated lead levels are known; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating the week of March 17 to 23, 1975, "National Lead Poisoning Prevention Week", in order to encourage all citizens of this nation to take precautions to insure children against this health hazard.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 63

At the request of Mr. BEALL, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of the bill (S. 63) to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for certain income of condominium housing associations, homeowner associations, and cooperative housing corporations.

S. 80

At the request of Mr. MATHIAS, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of the bill (S. 80) to prevent the estate tax law from operating to encourage or to acquire the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land—rather than at its fair market value—and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes at its value for its existing use, and to provide for the revocation of such lower valuation and recapture of unpaid taxes with interest in appropriate circumstances.

S. 276

At the request of Mr. FANNIN, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of the bill (S. 276) to repeal the Davis-Bacon Act and related provisions of law.

S. 306

At the request of Mr. GRAVEL, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of the bill (S. 306) to terminate the Airlines Mutual Aid Agreement.

S. 388

At the request of Mr. CHURCH, the Senator from Washington (Mr. JACKSON) was added a a cosponsor of S. 388, a bill to amend titles II, VII, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes.

S. 504

At the request of Mr. HELMS, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of the bill (S. 504) the Natural Gas Emergency Purchase Act of 1975.

S. 747

At the request of Mr. MANSFIELD, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of the bill (S. 747) to eliminate the disability waiting period for individuals with terminal illnesses.

S. 842

At the request of Mr. MANSFIELD, the Senator from Montana (Mr. METCALF) was added as a cosponsor of the bill (S. 842) for the relief of the Mondakota Gas Co.

S. 862

At the request of Mr. CHURCH, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 862, a bill to extend medicare coverage to include out-of-hospital prescription drugs.

SENATE JOINT RESOLUTION 23

At the request of Mr. HARRY F. BYRD, JR., the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of the joint resolution (S.J. Res. 23) to restore posthumously full rights of citizenship to Gen. R. E. Lee.

SENATE JOINT RESOLUTION 38

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of the joint resolution (S.J. Res. 38) to bestow U.S. citizenship upon Leif Ericson.

SENATE CONCURRENT RESOLUTION 7

At the request of Mr. BEALL, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the concurrent resolution (S. Con. Res. 7) which states that if economic controls are imposed, it is the desire of Congress that those business concerns who lowered prices on or after January 1, 1975, shall not be penalized in the establishment of any base price pursuant to those controls.

CORRECTION OF HEARING NOTICE

Mr. SPARKMAN. Mr. President, on February 26, I announced that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs, would hold 4 days of hearings—March 17 through March 20—on emergency housing and housing/energy legislation. The bills included S. 587, S. 591, S. 655, S. 660, S. 748, S. 751, S. 773, and titles X and XI of S. 594. Due to an oversight, bill, S. 577, was not included in the above-mentioned bills, I am, therefore, amending my original announcement to include S. 577.

I should also like to add that, should additional bills dealing with emergency housing be introduced prior to the start of the hearings on March 17, these will also be considered during the hearings.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I would like to announce for the information of my colleagues in the Senate and the public that the Senate Interior and Insular Affairs Committee and members of the National Fuels and Energy Policy Study will hold a hearing on Wednesday, March 5, at 3 p.m. in room 3110, Dirksen Senate Office Building, on S. 861, a bill to amend section 4 of the Emergency Petroleum Allocation Act of 1973, to hear representatives of the Federal Energy Administration.

ADDITIONAL STATEMENTS

MINNESOTA PIONEERS

Mr. HUMPHREY. Mr. President, in these difficult times it is easy for us to lose sight of the traditions and ideals for which we constantly struggle. In light of this fact, I would like to share with my colleagues a truly inspirational cultural event which effectively captures the historic frontier spirit and determination of the many Minnesota pioneers.

It has come to my attention that Washington's Ford Theater is currently presenting a musical entitled "The Portable Pioneer and Prairie Show." Several of my staff members have referred to the play as a stimulating experience and informed me of its cultural value.

The play relates the frontier experiences of a Scandanavian family, the Anderssons, who seek a new life in Minnesota. Their struggle to build a home typifies the efforts of the thousands of pioneer families who traversed the upper Midwest throughout the 19th century. We must never forget the great virtues of hard work, persistence, and religious reverence which characterized these immigrants.

The family's experiences as a musical troupe also communicate the flavor of that bygone era. The rollicking show numbers which these travelers presented were the major form of cultural entertainment for the settlers as well as a source of inspiration.

It is noteworthy that this production was developed and originally presented by the Tyrone Guthrie Theater of Minneapolis. The Guthrie sent two authors, David Chambers and Mel Marvin, on a research tour to uncover the remnants of the period. The fine quality of this scrip is characteristic of Minnesota's Guthrie Theater which is one of the most renowned theater companies in the country.

I would like to point out to this body the importance of retaining the cultural values which form our national heritage. There is a wealth of history, tradition, and theatricality that we are slowly allowing to disappear to the detriment of the Nation. The preservation of these materials is necessary in order to insure that productions like "The Portable Pioneer and Prairie Show" remain possible.

INVITATION TO SENATORS TO MEET WITH THE HONORABLE HOUSHANG ANSARY, MINISTER OF ECONOMY AND FINANCE—IRAN

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Texas (Mr. TOWER), I ask unanimous consent that a statement by him may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TOWER

I would like to extend an invitation to all Senators to participate in a meeting with the Honorable Houshang Ansary, Minister of Economy and Finance for Iran, on Tuesday morning, March 4, at 9:30 here in the Capitol. This meeting will provide an opportunity for an informal discussion of various matters of interest between our country and Iran.

THE ECONOMY AND ENERGY

Mr. CLARK. Mr. President, the recession and inflation facing this country today add up to our most difficult economic crisis since the great depression 40 years ago. Close to 8 million people are out of work—the highest national unemployment rate since 1941. The unemployment rate in Iowa is at its highest level since 1950 when State estimates were first made. It takes $1.20 a day to buy what a dollar would buy 2 years ago. Industrial productivity, farm income, and corporate earnings are falling. And with all of this, there is a lack of confidence in the ability of the administration to respond to the problems—despite the President's proposals and and his efforts to convince people they will work.

But it is Congress that has the authority to lower taxes to stimulate the economy, Congress that must approve or disapprove the President's economic and energy programs, and Congress that has the authority to help the unemployed and those people, like the elderly, who have been hardest hit by inflation.

So what about Congress—what should it be doing, what is it doing?

Getting the economy moving again must come first. Nothing else, including the need to reduce dependence on foreign oil and the need to reduce the Federal deficit, can be as important right now. In this effort to revive the economy, Congress and the administration must work closely together, and the beneficial effect of cooperation is apparent in the tax cut and tax rebate program.

The initial proposal was President Ford's. In the last few weeks, it has been shaped and modified by the Ways and Means Committee, and yesterday the House of Representatives gave its final approval to a 10 percent tax rebate for 1974 and a tax cut for 1975. It adds up to a $21.8 billion shot in the arm for the economy, an urgently needed boost that the Senate may decide to make even more substantial in the next few weeks.

Whatever its final form though, the congressional tax relief program will benefit everyone. It could take effect almost immediately after the President approves it, resulting in increased take home pay this year and 1974 tax rebates which would range from a minimum of $100 to a maximum of $200. The rebate checks would be in the mail in May or June. Unlike the President's proposal, however, the congressional plan is designed to help low- and moderate-income families the most. Those are the families that have been hurt most by inflation, especially the higher tax payments it has caused, taxes that last year rose twice as fast as the prices of food, transportation, and clothing.

While the tax relief becomes law and begins to counteract recession, Congress should move on interim legislation to get people working again and to help those still out of work. Late last year, a limited public service job program and improved unemployment insurance benefits went into effect. As unemployment has continued to increase, however, so has the need for a direct response to it. And the Senate already is considering legislation to establish a million public service jobs to provide health insurance for the unemployed.

Whatever action is taken, it is essential not to jeopardize or mortgage economic stability for short term gain. The most effective answer to unemployment is not more Federal programs but a healthy and prosperous economy. If the unemployment rate were cut in half, the $50 billion deficit facing the Federal Government and the American taxpayer next year would become a $15 billion surplus. That is just one more reason to attack recession first.

A tax cut and rebate, an expanded unemployment program, a cooperative Federal Reserve Board that eases credit and lowers interest rates—all of these will increase consumer demand, create more jobs, and encourage investment in new plants and equipment. This investment and expansion are vital to economic growth and price stability. Without it, there can be no guarantee of economic security.

BALANCE

Economic recovery need not mean increasing inflation or forcing the Federal Government to borrow into bankruptcy. But the balance is a precarious one that can be upset all too easily, leaving the country with an even deeper recession or even more inflation. It is on this point that the concerted action by the Congress and the administration ends and the disagreement and controversy begin.

Spokesmen for the administration have expressed great concern that too large a tax cut, too much Government spending, or too much easing of credit will lay the foundation for even greater inflation. But there is strong evidence that the tax cuts the administration is proposing are far too small to turn around a $1.5 trillion economy already deep in recession especially when the administration wants reductions in social welfare programs to go with the tax cuts. And an overly restrictive monetary policy can only aggravate the recession, making recovery in the housing industry, the automobile industry, and in business investment extremely difficult.

We cannot allow these differences in emphasis on the problems of inflation and recession to paralyze Government in the face of severe economic problems. Both the concerns of the administration over adding to inflation and those of Congress over the deepening recession are legitimate, and so we must work together to develop imaginative policies of economic "fine tuning" that will enable the country to combat recession without adding to the problems of inflation.

ENERGY

As an essential part of his program, the President has proposed a $30 billion increase in taxes for domestic and imported oil to reduce consumption. The tax increase, of course, would be passed along to the American consumer—who will have to pay more for gasoline, heat-

UMI

ing oil, fertilizer, electricity, and natural gas just for starters. By the administration's own admission, it would add at least three percentage points to the rate of inflation and take an additional $30 billion in spending power out of the economy, driving the country deeper into recession. There is a rebate program to return some of the money to the economy, but the economic impact of the total package would be devastating.

Everyone recognizes the importance of reducing U.S. dependence on foreign oil which is a substantial factor in inflation and the balance of trade deficit. But it must not take precedence over the effort to set the economy straight. The President's energy tax proposal runs head on into that goal, and that is why both the House and the Senate have voted to suspend the President's authority to impose an energy import tax. The legislation will be vetoed, and it will be necessary to override the veto to protect the economy from the shock that it might not be able to withstand.

Congress has turned down the President's energy plan, not for the sake of opposing him, but because there are better ways to reduce energy consumption without destroying the prospects for economic recovery or establishing another bureaucracy to administer a rationing plan. The American economy has been able to adjust to higher oil prices better than most people had expected. The oil-producing nations are not accumulating vast financial reserves as fast as had been anticipated. Because of higher prices, people are using less oil, and the price of oil may soon begin to decline with the development of new energy resources, new oil discoveries, and a growing international oil surplus. The United States still needs a new energy program to ensure long-range economic and political security, but it need not be as abrupt, as dramatic, or as disruptive as the President's proposal.

What are the alternatives then?

Voluntary conservation by itself can never be totally successful, so Congress should provide mandatory allocation and import quotas to further reduce consumption and avoid the need for rationing. But even these restrictions should be tailored to the Nation's economic health. The economy simply cannot stand the 1 million barrel a day decrease in imports that the President has suggested. The reduction must be more gradual and sustained.

A tax credit from home insulation, as the President proposed, and a "luxury" tax on cars with low gasoline mileage would also reduce consumption and, with it, the dependence on foreign oil. If these conservation measures are not adequate, there could be an energy tax increase to reduce consumption and provide funds for mass transit and energy research. Instead of being applied across-the-board though, it should be limited to gasoline, and any tax should be imposed gradually so it does not derail economic recovery.

And it is economic recovery that is paramount. In light of that, the allocation-conservation program being developed by Congress is far preferable to the President's proposal or the prospect of gasoline rationing with the recessionary effect they would have on the economy. The congressional program would be far less disruptive and, in the the long run, no less effective.

ULSTER DEFENSE ASSOCIATION: TERRORISTS IN IRELAND

Mr. BUCKLEY. Mr. President, the tragedy of Northern Ireland continues; and the Irish people, the vast majority of whom long for peace, prosperity and unity, are still victims of the terrorism that has marked events in Northern Ireland in recent years. In a colloquy with Senator BROOKE in February of 1972, I stated that:

> The peaceful reunification of Ireland was a goal that should and must be pursued not only by the Irish but by the English as well.

There have been times during the 3 years that have passed since then when it appeared that such a unification was at least in the process of beginning. But the facts compel me to say that the people of Northern Ireland are still suffering and that the dream of a peaceful, prosperous, united and free Ireland is still that—a dream.

Yes, Mr. President, it is a dream. But it is not an impossible dream. It is shared by so many in Ireland that I believe it will someday become a reality. But in the meantime, there remain the problems of terrorist attacks, bombings, murder and torture. There has been much written about the real and alleged terrorist activity of the Irish Republican Army. There has been much written about torture techniques used against Catholic prisoners in British prison camps. But not so much has been written about the fanaticism, murder and terror of the Ulster Defense Association—UDA, Northern Ireland's "largest Protestant private army"—to use the Washington Star-News' description of that organization. It was therefore noteworthy that the Star-News, February 19, 1975, carried a story headlined Woman Informer Tells of "Ruthless" Irish Gang. Terrorism, sadism, violence, corruption, extortion—these are the stock in trade of the vicious and unconscionable men and women of the UDA who seek to frighten, intimidate or kill anyone who gets in their way.

The Provisional Irish Republican Army has called a cease-fire and since then no attacks on the Protestant community have been made. But the Ulster Defense Association continues its bloody outrages. I therefore request unanimous consent to print the full text of the Star-News article in the RECORD in order to show precisely what the Catholic population has to deal with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, let me say a final word: The labels Catholic and Protestant are necessary to use in describing the struggle in Northern Ireland, because they best fit the nature of the divisions in the community. But the fact is that the Irish people, Protestants and Catholics, are now and have been for too long victims of terrorism. The Ulster Defense Association must follow the lead of the Provisional Irish Republican Army and call a cease-fire. Then and only then will the road to peace and unification open to all the people of Ireland.

EXHIBIT 1

[From the Washington Star-News
Feb. 19, 1975]

WOMAN INFORMER TELLS OF "RUTHLESS" IRISH GANG

(By Mark Hosenball)

LONDON.—Racketeering, assault and murder are a stock-in-trade of the Ulster Defense Association, Northern Ireland's largest Protestant private army, according to a former woman "captain" in the organization.

Brittania Louise Davey, a 49-year-old English woman, claims to have been in the UDA for nearly two years, during which time she ran a rest-home at her cottage in the west of England for UDA men on the run.

In return for this service, and her participation in rifle training and gun smuggling, Mrs. Davey claims UDA gave her the rank of captain. But Mrs. Davey says she became disenchanted with the UDA when she found out its true nature was that of a ruthless sectarian gang After hearing how UDA murdered and punished its own members—as well as innocent Catholics from across Ulster's sectarian divide—she said she decided to become an informer for British intelligence.

Her evidence already has jailed three English UDA men for periods ranging up to 10 years. Currently imprisoned on a minor charge, which her family believes was designed for her own protection, Mrs. Davey is expected to testify soon at the trial of a man believed to be UDA's "Supreme Commander" in England. Mrs. Davey says he stayed at her cottage a year ago.

From this man, from other UDA men who visited the cottage, and from the brief period in which she and her 17-year-old daughter lived in Belfast's Protestant section, Mrs. Davey said in an interview before her arrest, she learned the brutal truth about the association.

The organization had been set up as vigilante group to protest Protestant areas against attacks by the Provisional wing of the Catholic Irish Republican Army. But Mrs. Davey says she found UDA to be much more than defensive organization.

She says UDA waged an offensive war of bombing and murder against the Catholic community. Among its own Protestant supporters, UDA operated a giant web of corruption, which it protected with intimidation and violence.

UDA, says Mrs. Davey, was responsible for bombings last May in the Irish Republic which killed 30 people. She says she learned this from a top UDA commander who is still at large.

UDA, she says, was responsible for grotesque murders for several Catholics. In the case of a Catholic who was severely beaten, branded with a cross on his back, and finally killed by having a red-hot poker rammed down his throat, Mrs. Davey says she was told by one of the murderers himself that UDA sanctioned killing.

In the Protestant community, says Mrs. Davey, UDA operated a large "protection ring." Local businesses were forced to give a weekly percentage of their take to the UDA. If they refused, their businesses were burned down or they were terrorized.

Other routine UDA activities in the Protestant community included robbery, car theft and mugging UDA members—and even ordinary residents—had to pay weekly sums to UDA. If they didn't they risked tar-and-feathering, or severe beating. Another popular punishment was "kneecapping," where the victim's kneecap was blown off with a pistol or mutilated with an electric drill.

Mrs. Davey says she learned how the UDA murdered one of its own leaders—Tommy Herron—in September 1973. As UDA spokesman and vice chairman, Herron had become a familiar face to the British public through wide media exposure. When he was found, shot through the head by the side of a country road, UDA claimed the Provisional IRA had embarked on a new assassination campaign.

In fact, claims Mrs. Davey, Herron was killed by the UDA itself because he had a private gang which took too much for itself.

Another killing Mrs. Davey says she learned about was that of Thomas Niedermayer, German businessman and honorary German consul in Northern Ireland. Niedermayer disappeared from outside his Belfast home in December 1973. Nothing has been heard of him since.

At first it was thought that the IRA had kidnaped him for ransom. But Mrs. Davey says the IRA had nothing to do with that case either.

She says UDA's English "supreme commander" told her Niedermayer had found out too much about the ways the UDA smuggled guns into Northern Ireland. For this reason, the UDA leadership decided he had to die. He reportedly was kidnaped, interrogated and beaten, and his body cremated in a Belfast cemetary.

Although there is little independent evidence to support Mrs. Davey's account of this particular incident, the rest of her story was confirmed in most parts by several sources in Belfast's Protestant community. There is some doubt that she actually held rank in the UDA. But there is no question that she was close to the late Tommy Herron, and that the English UDA leader did visit her cottage.

Several weeks ago, Mrs. Davey predicted that the top UDA commander, Charles Harding Smith, was on his way out of the organization. Although her prediction was discounted at the time by most observers, UDA announced Monday that Harding Smith—known in Belfast as "Godfather" because of the immense power he wielded in the past—has indeed been expelled.

Since the Provisional IRA declared a cease-fire last week, there have been virtually no attacks on the Protestant community characteristic of its style. However, several Catholics have been killed or injured in shooting incidents, and Protestant gangs are widely regarded to have been responsible.

THE PENTAGON WANTS ANOTHER $900 MILLION TO FIX THE DEFECTS IN THE C–5A

Mr. PROXMIRE. Mr. President, those of us who thought we had heard the last of the cost overrun on the C–5A have something new to think about.

The Pentagon has recently admitted that the structural deficiencies in the C–5A cargo plane built by Lockheed will cost $900 million to repair.

Defense Secretary James Schlesinger reveals in his annual posture statement that the service life of the C–5A will not meet is design goal of 30,000 hours.

Instead, the service life will be closer to 9,500 to 13,000 hours. Until recently, the Pentagon had estimated the service life at 17,000 to 20,000 hours.

The main problem is the weakness of the wings which first cracked during tests in 1969 and served notice to the Air Force years ago that it had a defective plane on its hands.

AIR FORCE ACCEPTED DEFECTIVE PLANES

Instead of taking steps to correct the defects, the Air Force accepted delivery of the 81 planes it agreed to buy from Lockheed, knowing they were defective.

The Air Force should have insisted that Lockheed correct the deficiency before assuming the responsibility for future repairs.

Now the Pentagon is asking the taxpayer to pay for its mistakes and the mistakes of Lockheed.

The Pentagon spent $4,445 million, or about $55 million each for 81 C–5A's. The cost overrun was close to $2 billion according to official figures.

Repairing the defects will increase the overrun to about $3 billion, and push the unit costs to $66.4 million each.

THREE C–5A'S DESTROYED

There are now 78 C–5A's in existence, three having crashed or been destroyed since they were delivered.

Congress must decide whether we should spend an extra $900 million to extend the service life of all 78 planes.

The Air Force estimated in 1970 that it would cost $185,000 each to fix the defective wings. The new estimate is $11.5 million each.

AIR FORCE DOES NOT NEED 78 C–5A'S

There is considerable evidence that the Air Force did not need 81 C–5A's and it does not need the 78 that are left.

It will be recalled that the Air Force originally planned to buy 120 of these planes. This number was reduced to 81 after the huge cost overruns began eating into the Air Force's budget.

The Air Force needed far fewer than 120 or 81 or 78 C–5A's in the first place, as the Pentagon's own system analysis studies show.

I will oppose spending any additional funds for the C–5A and if the proposal is approved by the Armed Services Committee. I will submit an amendment to knock it out on the floor.

WHY SPEND $900 MILLION FOR A DEFECTIVE PLANE?

The key question is, Should we spend another $900 million for a defective plane in view of the tremendous cargo capabilities that we have with our other cargo aircraft? In my judgment, the answer is "No."

MINORITY CONTRACTORS TAX ASSISTANCE

Mr. PERCY. Mr. President, the Chicago District of the Internal Revenue Service, the United Builders Association of Chicago, the Office of Minority Business Enterprise, and Chicago Model Cities recently joined in a unique project in Chicago which I believe worthy of special note.

At the suggestion of United Builders, an association of minority contractors in the Chicago area, the Chicago office of the Internal Revenue Service agreed to assist in sponsoring a Minority Contractors Tax Assistance Clinic at the University of Illinois last summer. Funding from Chicago Model Cities and the Office of Minority Business Enterprise of the Department of Commerce helped finance the clinic.

Following the clinic, a six-person task force was appointed by the IRS to provide counseling assistance on a continuing basis. This program has enabled many minority contractors to stay in business while meeting their legal obligations. It has been of benefit to the Internal Revenue Service in developing a helping rather than adversary relationship with business people in the Chicago area.

The success of this program was reported in the November/December 1974 issue of Access, which is published by OMBE. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHICAGO BUILDERS GET TAX HELP

In Chicago the Internal Revenue Service and United Builders Association (UBA) have teamed up to help small minority building contractors meet the IRS requirements on filing withholding taxes.

Partly because of the nature of the building industry where payment for jobs already completed is often slow in coming, many contractors find themselves caught in a squeeze when salaries and other expenses are due.

Often they will use money set aside for withholding taxes to meet these expenses. Many even neglect to set aside these funds when making out their payrolls.

Problems develop when the contractors fail to make the required periodic deposits of collected payroll taxes or to advise IRS of their situation.

Paul King, executive director of the 115-member United Builders Association, estimates that over the past year the IRS has placed liens on 50 percent of UBA member companies.

Last spring he approached IRS to see if something couldn't be done to help set up a line of communication between the contractors and IRS representatives.

IRS officials agreed to work with UBA on a plan for dealing with the contractors' situation. The result was a Minority Contractors Tax Assistance Clinic held last summer at the University of Illinois.

Some 125 contractors showed up to share their tax headaches with IRS representatives. IRS developed a 14-page handout containing information on filing requirements for different types of taxes and on collection procedures.

The contractors were also provided a Mr. Businessman's Kit containing applicable publications and forms. Revenue officers were on hand to answer specific questions from individuals.

Among the facts brought out at the clinic was the need for the contractors to at least file with IRS even if they were unable to make the tax deposits in order to avoid paying even higher penalties.

UBA and IRS officials are in agreement that the new program has done a lot to remove some of the confusion the contractors had about IRS regulations and has gone a long way toward promoting better understanding.

"It showed that there's some place in IRS where a guy can go with a problem," UBA director King noted.

He stressed that United Builders is looking for ways to assist minority business people during the actual job production stage and not just in the startup period.

"If we don't stress stability and look for ways to set up processes for ongoing assistance," King noted, "a $2 million contract could turn out to be $2 million worth of headaches and frustration."

Chicago IRS spokesman John Demmie agreed that the tax clinic and the personal contacts it opened up could help eliminate some of the fear small businessmen have of the IRS.

"People are usually surprised to find the IRS isn't all machinery," he said. "We have

a speakers cadre composed of specialists in different areas who respond to requests from groups like UBA," Demme explained.

He noted that the contractors' program marked the first time a concentrated effort including followup was undertaken.

"Programs like the one with UBA should encourage business people to come forward for tax help before the problem becomes acute," Demme said.

SUPPRESSION BY THE SOVIET UNION OF THE PEOPLE OF LITHUANIA

Mr. FANNIN. Mr. President, on February 5, I expressed my concern over the continued suppression by the Soviet Union of the people of Lithuania. At that time I also asked to have printed in the RECORD a resolution adopted in December by the Lithuanian Americans of southern California.

Mr. President, today I received an additional resolution from the Lithuanian-American community of Phoenix, Ariz. This resolution, adopted on February 16, the 57th anniversary of the Declaration of Independence for the people of Lithuania, states the facts clearly and concisely. I ask unanimous consent to have this excellent resolution printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

We, Lithuanian-Americans of Phoenix, Arizona, at a meeting held on February 16, 1975, commemorating the 57th anniversary of the reestablishment of the Independent State of Lithuania in 1918 and the 724th anniversary of the formation of the Lithuanian Kingdom in 1251, unanimously adopt the following resolution:

Whereas in 1918 the Independent State of Lithuania was reestablished by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920, Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas until 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940, invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the unlawful occupation of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Soviet regime in seeking political and religious freedom, as demonstrated by the Lithuanian sailor, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstration of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations, and most recently untold numbers of Lithuanians arrested and imprisoned for the publication and distribution of "The Chronicle of the Lithuanian Catholic Church"; and

Whereas the 89th U.S. Congress unanimously passed House Concurrent Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Lithuania, Latvia and Estonia, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people: now, therefore, be it

Resolved, that we, Lithuanian-Americans will urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Détente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurrent Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to the President of the United States; the United States Secretary of State; the United States Ambassador to the United Nations; the United States Senators from Arizona; Republican and Democratic leaders in the United States Congress; the Lithuanian Minister in Washington, D.C., and the Lithuanian Consuls in New York City, Chicago, Los Angeles, and the press.

ANOTHER YEAR OF HIGHER FOOD PRICES AND LOWER FARM INCOME

Mr. HUMPHREY. Mr. President, we are facing another year of rising retail food prices and declining farm incomes. The administration is cautious about predicting the rate of expected rise in food prices, but it does admit that an increase close to 1974's rate of 12.2 percent is probable. That is bad news for housewives.

But they could receive even worse news if the administration resists efforts by congressional Democrats to quickly raise target prices and loan levels to more realistic levels. If we in the Congress do not act to make these increases to take into account the rapid rise in farm production costs since 1973, farmers may well trim their planting plans. And that could mean another spiral of rising food prices.

Farmers are considering reducing acreage as farm prices continue to decline. They simply cannot afford a repeat of 1974's soaring production costs and falling farm prices. I have summarized these cost and price changes in an attached table.

Unfortunately, there are several clear signs that farm prices in 1975 will fall. First, preliminary soundings by the Department of Agriculture indicate a record planting this year, with wheat, 10 percent over 1974; soybeans, 8 percent; and feed grains, 1 percent, all up. But these estimates are very early, and we cannot tell what will be planted.

Second, the great recession here and abroad will cripple demand for food and fiber. Both factors point to lower farm prices. And farmers know it. In fact, the Wall Street Journal has reached similar conclusions as noted in two articles I will append to these remarks.

I will not review in detail the familiar rationale for farm price supports. We are all aware of the need for stability in farm prices in order to preserve a competitive farming industry and relatively stable retail prices. Let me point out, however, that the number and magnitude of destabilizing influences in agriculture have increased markedly in the past several years. Significant new destabilizing influences now include:

First, the massive capital requirements of farming. In the past, poor crop years just meant tighter belts around the farm dinner table. That is not true anymore. There is now much less ability to absorb poor years due to natural or market forces because farm debt must be repaid or refinanced annually regardless of income. And there is now an enormous amount of such debt totaling $82 billion in 1974, up from $38 billion in 1965.

Second, the lengthening leadtime necessary to expand farm production. It is now much more expensive and difficult than in the past to bring new land under cultivation here or abroad. This inflexibility has reemphasized the age-old problem of inadaptability of land to more than just a few profitable crops in any specific area.

Third, input shortages. Agriculture production has always been subject to the vagaries of weather. To that uncertainty must now be added input shortages as varied as baling twine and fertilizer.

Fourth, foreign state trading. There is an increased willingness by foreign nations which only occasionally purchase farm commodities here to suddenly jump into and out of our markets—causing needlessly sharp fluctuations in farm prices. I point with particular concern in this regard to the Soviet Union.

Fifth, foreign sales. Three-quarters of our wheat production is exported. One-half of our soybean output is sold abroad. And over one-third of our corn is exported. Farmers in America now truly feed the world. We benefit from these foreign sales, but we also bear the brunt of changes in world demand or supplies for agriculture goods. In effect, American farmers bear the full and massive burden of adjusting to any fluctuation in agriculture demand or supply anywhere in the world. And this problem is magnified by the disappearance of the surplus world agriculture capacity of the 1950's and 1960's.

Sixth, flexible exchange rates. The demand and supply of foreign customers and agriculture products is markedly influenced by currency exchange rates. These rates have floated since 1971, but the imposition of petrodollars and the oil crisis has severely tested the stability of floating rates—to the detriment of stable foreign agriculture demand and supply.

Realistic farm price support levels cannot alone carry the burden of stabilizing farm prices. We must also move rapidly later this year to establish a commodity reserve or stockpile program.

Turning to retail farm prices, I was most disheartened to see the farm-retail price spread widen by 18 percent in 1974 despite falling farm prices. The Joint Economic Committee is investigating this sharp increase in the spread. Preliminary findings by the JEC are that the increased spread was in part due to possibly excessive profits by retail food chains. As a result, the operation of these chains is being rigorously reviewed now by the JEC. A reduction in this spread is the quickest way I know to keep retail prices down this year.

Mr. President, I ask unanimous consent that the attached table on farm commodity and production prices and two articles from the Wall Street Journal entitled, "Farm Prices Had Third Fall in Row in Jan. 15 Month," and "Recession and Inflation Cause Decline in Prices of Farm Commodities," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARM COMMODITY AND PRODUCTION PRICES

Commodities [1]	Price index 1967	1974	1975	Price change—1974–75 (percent)
All farm products	254	504	441	−12.5
All crops	226	470	462	−1.7
Food grains	177	620	471	−24.0
Feed grains and hay [2]	174	376	450	+19.7
Cotton	191	429	355	−17.3
Oil bearing crops	276	586	638	+9.0
Livestock and products	277	534	423	−20.8
Dairy products [3]	305	508	473	−6.7
Meat animals	336	680	487	−68.4
Inputs: [4]				
All production items		156	181	+18.0
Fertilizer		117	212	+81.0
Seed		197	236	+20.0
Taxes [5]		146	150	+2.7
Wage rates [6]		161	180	+11.8
Interest [7]		189	222	+17.5
Feed		184	207	+12.5
Farm machinery		150	185	+23.3

[1] 1967 average; Jan. 15 reporting dates for 1974 and 1975. 1910–54=100.
[2] Includes corn, sorghum, oats, barley.
[3] Seasonally adjusted.
[4] 1974 price index based on Dec. 15, 1973 prices. 1975 price index based on Dec. 15, 1974 prices. 1967=100.
[5] Farm real estate taxes payable per acre.
[6] Seasonally adjusted.
[7] Interest payable per acre on farm real estate debt.

Source: U.S. Department of Agriculture "Agriculture Prices" Jan. 31, 1975.

[From the Wall Street Journal, Feb. 3, 1975]

FARM PRICES HAD THIRD FALL IN ROW IN JAN. 15 MONTH

WASHINGTON.—Prices farmers received for their crops and livestock dropped for the third month in a row.

Agriculture Department officials said a big reason for the farm-commodity price drops continued to be weakened demand in the U.S. and abroad, much of it due to the recession.

Exports of grains have been declining, with cancellations of some expected trades recently by both the Soviet Union and China. In addition, there is wide expectation in the grain industry that there will be record crops this year if the adverse weather of last summer isn't repeated. All of these factors have contributed to declining farm prices recently, experts in and out of government have been saying.

Because of the declines and the worry of future sharp drops in farm prices, Congress is gearing up to improve federal farm price-protection programs. The Senate Agriculture Committee begins hearings today on whether to boost the levels of "target" prices, which trigger price-support programs, and to improve farm loan programs. Many Senators and farm groups have been saying that target prices set in the 1973 farm bill now are below the cost of production and need to be raised to reduce financial risks to farmers and to encourage them to produce at capacity.

REVIEW EXPECTED

Sen. Herman E. Talmadge (D., Ga.), chairman of the Senate Agriculture Committee, recently called for significant boosts in the target price levels. The House Agriculture Committee is expected to review the matter soon.

For the latest month, ended Jan. 15, farm prices dropped 1.5%, the Agriculture Department reported. For the month ended Dec. 15 they fell 3% and in the previous month they dropped 1.5% after having fluctuated since last spring.

The mid-January reading for the agency's farm-price index was 441, down from a revised figure of 450 a month earlier. Contributing most to the latest decrease were lower prices for wheat, soybeans, corn, eggs and flaxseed. Prices were up for lettuce, tomatoes and broilers.

Among the price declines, wheat averaging $4.11 a bushel, was down 54 cents from mid-December and $1.18 below a year earlier. Corn, at $3.07 a bushel, was down 20 cents from mid-December, but was 48 cents above a year before. Soybeans averaged $6.30 a bushel, down 73 cents from mid-December but 43 cents above January 1974. Flaxseed declined $1.87 during the month to $8.63 a bushel.

GROCERIES TO COST MORE

The dropping fram prices, however, don't necessarily mean significantly lower food prices for consumers. Agriculture Department officials are still sticking with their forecast of a food-price rise in the first six months of this year at a 15% annual rate.

Officials said about 80% of the rise has been coming after products leave the farm, and said that costs in the transportation, distribution and retailing of food are expected to continue to rise this year at high rates. President Ford's energy tariff and tax proposals also are expected to add higher fuel costs throughout the food industry that would be passed on to consumers in the form of higher prices, officials say.

The Agriculture Department also reported that prices paid by farmers for commodities and services, interest, taxes and wages was unchanged in the latest month.

The parity ratio dropped in the latest month to 72 from a revised figure of 74 at mid-December. The ratio is a favorite indicator of how farmers are faring in relation to the rest of the economy and is derived from a formula that equates the indexes of prices paid and those received and compares them with a 1911–14 base period. According to the parity theory, farmers currently have 73% of their 1911–14 purchasing power.

Prices received by farmers for their principal crops compare as follows:

	Jan. 15, 1975	Dec. 15, 1974	Jan. 15, 1974
Wheat, per bushel	$4.11	$4.65	$5.29
Rye, per bushel	2.50	2.66	2.74
Rice, rough, per hundredweight	10.30	10.50	15.80
Oats, per bushel	1.62	1.70	1.32
Corn, per bushel	3.07	3.27	2.59
Barley, per bushel	3.17	3.30	2.32
Sorghum grain, per hundredweight	4.96	5.33	4.03
Hay, baled, per ton	50.10	50.70	47.10
Cotton, per pound	.421	.437	.507
Cottonseed, per ton	128.50	130.00	100.00
Soybeans, per bushel	6.30	7.03	5.87
Peanuts, per pound	.175	.186	.166
Flaxseed, per bushel	8.63	10.50	9.36
Potatoes, per hundredweight	3.32	3.45	4.88
Hogs, per hundredweight	38.20	38.30	40.10
Beef cattle, per hundredweight	27.60	27.60	44.40
Calves, per hundredweight	23.90	24.80	53.90
Sheep, per hundredweight	9.60	8.70	14.20
Lambs, per hundredweight	36.90	36.10	39.20
Butterfat, per pound	.616	.633	.648
Milk, wholesale, per hundredweight	8.29	8.23	8.89
Chickens, live, per pound	.242	.219	.209
Turkeys, live, per pound	.318	.313	.354
Eggs, per dozen	.510	.518	.589
Wool, per pound	.405	.434	.749

[From the Wall Street Journal, Jan. 21, 1975]

RECESSION AND INFLATION CAUSE DECLINE IN PRICES OF FARM COMMODITIES

(By Joseph M. Winski)

CHICAGO—It may have started with a stubborn little old lady carrying an umbrella.

Or it may be more closely related to a secret vote in a massive meeting room of the Federal Reserve Board.

Whatever the cause, the unexpected is happening to farm commodity prices: They're going down. A bushel of wheat that sold in Chicago for $4.88 on Dec. 3 was quoted at $3.73½ yesterday. Corn prices in the same period slipped to $3.00½ a bushel from $3.65. The recent declines in grain and other commodity prices follow an almost steady year-long decline in cattle prices.

Last week, the Labor Department, in reporting the first decline in wholesale prices in 14 months, said that farm prices dropped 4.1% in December. In addition to grains, numerous other commodities such as soybeans, cocoa, sugar and coffee are selling for less now than they were one or two months ago. Futures prices have declined too (corn, wheat and soybeans futures for summer and fall delivery closed yesterday at the lowest prices since trading in those contracts began. See story on page 30.)

There is traditionally some post-harvest weakness in commodity prices. But prices usually rise in the dead of winter. "The first quarter is supposed to be strong," one observer says. "When the market is moving counter to that pattern, you've got to say a break is in progress."

A PUZZLE OR GOOD OMEN?

This isn't supposed to be happening. The U.S. has just had one of its most disappointing crop years, and world-wide demand for food is growing. Commenting earlier this month on the decline, Dan Paarlberg, director of agricultural economics for the Agriculture Department, admitted he was puzzled. "We're scraping the bottom of the bin" for food and feed grains, he noted.

Though some are cheering the development as a good omen for slower food-price increases, the drop in commodity prices seems for the most part to be playing to a great hush.

"I'm not ready to pin the adjective 'good' on this," Mr. Paarlberg says. "Nor are we (the Agriculture Department) planning to change our food-price outlook." In December, the department predicted that food prices would rise by about 15% at least through midyear—the same rate of gain that was posted in 1974.

Even those commodity analysts who say that food-price inflation might slow down aren't exactly delighted. They say that the decline in commodity prices at a time of tight supplies indicates just how serious the country's recession has become. Further, they say, the commodity-price decline underscores the notion that when the Ford administration as recently as September was staging summit conferences to meet inflation head-on, the U.S. was being mugged from behind by the recession.

"A TUG OF WAR"

Since about August, "there's been a tug of war between two sets of factors" that help determine commodity prices, says Daniel G. Amstutz, president of Cargill Investors Service Inc., a Chicago-based com-

modity brokerage firm and a unit of Cargill Inc.

On the one hand are the supply-and-demand considerations, which should be causing prices to rise. On the other hand are general economic factors, including government actions and pronouncements.

Mr. Amstutz and others believe that these economic factors clearly began to get the upper hand last September when the Federal Reserve Board's Open Market Committee voted a 3% to 6% increase in the money supply—thus maintaining what economists regard as an anti-inflation, tight-money stance. (The Fed recently disclosed that at its October meeting, the committee adopted a money-supply growth target of 4.75% to 7.25%; the votes aren't revealed until 90 days after the meeting.)

"Tight money forces commodities onto the market," Mr. Amstutz says. A farmer who needs money for next year's operations, for example, is forced to sell a crop that he may have been holding in hopes of higher prices. The country elevator to which he sells, unable to borrow operating funds, sells the corn instead of storing it.

CURBING DEMAND

At the same time, tight money effectively curbs demand from users of the commodities. "Livestock producers had no money, and they couldn't get any from the banks," says Walter Myers, economist for Connell Rice & Sugar Co. of Westfield, N.J. "People just weren't in there buying corn the way they usually do." Among the inactive were investors in commercial feedlots who normally buy a lot of feed grains at year-end for tax advantages, Mr. Myers says.

There are those who believe the falloff in demand for feed grains had its origins almost a year ago, when consumers first balked at paying high beef prices. "The little old lady with an umbrella who said she wasn't going to pay these prices is now having her effect," says Mary Elberty, an analyst with Drexel Burnham & Co., a Chicago brokerage firm.

Thus, while grain prices only recently have shown marked declines, cattle and hog prices peaked in the first quarter of last year (as did a number of industrial commodities such as copper and plywood). That was the beginning of the much-publicized woes that have plagued cattle ranchers and feeders ever since low prices for their animals and rapidly climbing prices for the grains they feed them.

Among farm commodities, animal prices are perhaps the most sensitive to reactions of the ultimate consumer; there is a longer lag between production and "consumption" by the ultimate consumer of other commodities such as feed grains. So grain prices didn't nosedive immediately as animal prices did. In fact, grain prices were driven up by news of bad weather.

This run-up was aggravated by the increasingly shaky currencies of the U.S. and other countries and the consequent "worldwide rush to hoard things," with "demand bordering on insanity," Miss Elberty says. "Demand and consumption didn't mean the same thing anymore—the world overbought in anticipation of shortages."

The unloading that followed the buying binge contributed to the earlier price collapse in industrial commodities—a prime example is the copper that was feverishly accumulated and then allegedly dumped by the Japanese—and now may be accounting for some of the weakness in grains and other storable farm commodities, analysts believe.

If this is happening, it's coming at a time when the crippled livestock industry isn't all that interested in buying and might not be able to borrow the money to buy even if it wanted to. Cattlemen have stepped up their slaughter rates and are putting many animals on grass; dairy farmers have switched to silage and fodder, and hog producers simply are cutting back as they perhaps never have before. It's now estimated that next year's per-capita hog production may be the lowest in 40 years.

"The sharp downward adjustment in feed-grain livestock units has to be one of the important factors" in the grain-price decline, Mr. Paarlberg of the Agriculture Department says.

CUTTING BACK ON FOOD

Now comes the recession, and people are being forced to cut back. The first things to go were the luxuries—the new car or the new color-television set. But the inflation that preceded the recession wasn't of the textbook variety, Mr. Amstutz contends. There wasn't a lot of unnecessary demand in those "too many dollars chasing too few goods (The classic definition of the type of inflation that the U.S. has). The demand was for the basics—for food and energy," he says.

So, people aren't getting through this recession by shunning luxuries alone. To the surprise of some observers, the cutbacks are spreading to food. "People aren't going to do without food, but they'll do without certain foods," says Miss Elberty of Drexel Burnham. She thinks that's what caused the drop in November and December in the prices of sugar, coffee and cocoa. She calls it the "chocolate cake is topping out" phenomenon.

"Nor are people willing to support soybean-oil prices of 50 cents and 60 cents a pound," says Mr. Myers of Connell Rice and Sugar. "I think we may have overestimated the inelasticity of food demand," he says.

D. Gale Johnson, head of the economics department at the University of Chicago, says simply that "the world has adjusted to shorter supplies." Supply and demand are now "sort of" in balance, he adds. Mr. Johnson was warning of an agricultural recession even before the general recession became evident.

The psychological aspect of the recession also has had an effect. "The average U.S. farmer is 55 years old," Mr. Amstutz says. "He's old enough to remember the Depression of the '30s, so he figures, 'Well, I was hoping for $4.50 corn, but by God I remember how low corn got in 1935,' and he sells."

WARINESS SPREADS

This psychological effect seems especially evident in pork production. With corn prices down and a pork shortage looming, "hog farmers should be out there producing," one observer says. "But they're not—they're too wary."

The wariness apparently is spreading. "Some major food companies are just scared to death to build inventories," says Mr. Meyers of Connell Rice & Sugar. "Flour millers are living a hand-to-mouth existence."

There are political depressants also. In early October, the U.S. government canceled and then only partially reinstated a grain sale to Russia. The Rome food conference was expected by many to produce commitments from either the U.S. or oil-producing nations to supply food to needy nations; it didn't. "Every utterance about monitoring exports and the like adds another brick to the pile of psychological factors," Mr. Amstutz says.

"The trade is interpreting this (the increased monitoring) as meaning that export commitments are being scaled back," says Mr. Paarlberg of the Agriculture Department. In the last week of December, exports of wheat, corn and soybeans were indeed smaller than year-earlier levels.

WILL FOOD PRICES FALL?

For all this, only a few people expect a break in food prices to follow the commodity-price decline. For instance, Mr. Myers of Connell Rice & Sugar has scaled back his 1975 food-price prediction to an 8%–10% increase from a 15%–20% gain. Mr. Amstutz of Cargill Investors believes that food prices "may level off for a while."

But the Agriculture Department's Mr. Paarlberg notes that 80% of last year's increase in food prices occurred beyond the farm level. Among other inflationary pressures, "it now looks like energy costs will increase throughout the food-marketing system," he says.

Even the University of Chicago's Mr. Johnson, who firmly believes that farm prices can stabilize at pre-1972 levels, isn't very optimistic about the chances for less inflation at the supermarket. "The distribution system may be so loused up with inflation" that a significant slowdown in retail price rises is impossible, he says.

Some analysts think that the general economic conditions will exert the greatest influence over commodity prices in the next two months. But in early spring, when planting of this year's key crops begins and weather conditions again become very important, basic supply-and-demand factors may reassert themselves on market movement, they say, and commodity prices could start climbing.

All this hot-stove speculation is ultimately concerned with how U.S. farmers react to the sudden fall in grain prices as they plan and then plant their 1975 crops. The National Corn Growers Association already is urging its members to reduce plantings by 20% this year in an effort to boost prices. If grain prices are low at planting time, farmers may be inclined to hold back on acreage; but if prices start up in spring before the planting season reaches the Corn Belt, farmers may decide to go all-out on seeding instead.

To help take some of the uncertainty out of planting decisions, some Farm Belt Congressmen are beginning to push for raising government support prices for some crops. The idea is that if the market continues to fall, taxpayers would provide the incentive for farmers to produce adequate crops this year.

POLITICAL PARTIES MUST ADDRESS THE NEEDS AND CONCERNS OF THE PEOPLE

Mr. PERCY. Mr. President, to a great extent the health and vibrance of our democracy depend on a strong two-party system. As the foundation of our political system, the Republican and Democratic parties are the basis for debate and dialog on the issues before the Nation.

This is a time of soul searching for both parties. With each election, we see evidence that more and more voters are independents. Leaders of both parties are asking themselves why they are failing to inspire allegiance among the voters.

As a Republican, I am deeply concerned about the minority status of my party. I believe Republicans have failed to draw voters to our party because we have failed to address the basic economic and social needs of the American people. To put it bluntly, Republicans are simply not speaking the language of the people.

In a recent speech to a young Republican conference here in Washington, my distinguished colleague from Tennessee (Mr. BROCK) said the Republican party is a party without a purpose or philosophy. He suggested that Republicans try thinking like the average American citizen instead of urging citizens to think like Republicans. This is wise and sound advice. I believe that both conservative and moderate Republicans are beginning to realize that the future of our party may depend on our ability to act on the needs of average citizens.

Mr. President, both parties must do a better job of listening to the American people. Our two-party system will survive and thrive only if our two great parties address the needs and concerns of the people.

Mr. President, I ask unanimous consent that an account of Senator BROCK's comments, which appeared in the Washington Star of February 27, 1975, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOP NEEDS NEW IMAGE, BROCK SAYS

(By Jack W. Germond)

A leading Republican conservative suggested today that his party has become one "without purpose or philosophy" and that voters now associate it with "Watergate, big business and hard times."

To build a new image, said Sen. William E. Brock of Tennessee, the Republicans may have to change their traditional conservative position on such things as defense spending and crime.

"If you ask me what the Republican party stands for today, I'd have to say I honestly don't know," he said.

"If you listen to some of our people, all they want to talk about is how can we get the average citizen to think our way. Maybe we have things reversed. Why don't we try thinking their way? Why not ask what he is concerned about? Why not go out and listen a little bit?"

In a speech to a Young Republican conference at the Shoreham, Brock said the Republicans suffered in the elections last fall because too often they presented themselves as no more than an imitation of the Democrats.

"In particular, last year, if you had a choice between a Democrat of any persuasion and a Republican who had the same platform, they would go for the Democrat every time," Brock said. "Why? Because valid or not, Democrats have become identified as young, working class and minorities. Republicans are perceived as old, middle-class, upper-income—they've got it made."

"I do know one thing," the Tennessee conservative said, "we have to change some things pretty soon. Until we do, the word Republican will be associated with Watergate, big business and hard times. If we want people to be associated with us, we had best associate with them, their needs and their values."

Brock's outburst was similar in some respects to others that have come from Republican conservative spokesmen in the agonizing aftermath of Watergate and the 1974 elections.

Like many of his colleagues on the right, Brock was outspokenly scornful of both Congress and the Ford administration on their handling of the economic situation and specifically the prospective budget deficits and tax reduction schemes.

"As a capper," he said, "we talk about rebating taxes to the American people. We've already taken their taxes, spent all they gave us and then spent $20 billion on top of that and we come around and say, 'Hey, look, we are going to rebate your taxes.' What a charade. You can't rebate something you haven't got."

But, although Brock followed the conservative line on economic issues, he veered sharply from it on other traditional elements of conservative dogma.

Arguing for budget cuts, for example, Brock said that the defense budget no longer should be sacrosanct.

"Ask yourself as a strong advocate of national security," he asked the Young Republicans, "is it better to stay rock-hard behind everything the Pentagon wants or to insist that it carry some of the cuts too? Because if we don't get our economy in shape, we're not going to be able to defend anything."

At another point, Brock took a similar off-the-reservation line on a social issue.

"Let's get off this old garbage of calling people names and judging their ideas by what label they carry," he said. "Look at law and order. Maybe it's about time the conservatives admitted that we have got to deal with some of the roots of the crime problem if we are going to stop it, just like it's time the liberals admitted that you cannot put the rights of criminals above the rights of citizens."

RULES OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1946, as amended, I send to the desk a copy of the rules of the Committee on Labor and Public Welfare, as adopted unanimously by the committee on January 28, 1975, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE: SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

Rule 1. Unless the Senate is meeting at the time, or it is otherwise ordered, the Committee shall meet regularly at 10:30 a.m. on the fourth Thursday of each month in Room 4232, New Senate Office Building. The Chairman may, upon proper notice, call such additional meetings as he may deem necessary.

Rule 2. The Chairman of the Committee or of a subcommittee, or if the Chairman is not present, the ranking Majority member present, shall preside at all meetings.

Rule 3. Meetings of the Committee or a subcommittee shall be open to the public, except executive sessions for the consideration of bills or resolutions, or for voting, or when the Committee or subcommittee by majority vote of those present orders an executive session.

Rule 4. (a) Subject to paragraphs (b) and (c), one-third of the membership of the Committee or a subcommittee, actually present, shall constitute a quorum for the purpose of transacting business. Any quorum of the Committee or a subcommittee which is composed of less than a majority of the members of the Committee or subcommittee shall include at least one member of the Majority and one member of the Minority.

(b) No measure or matter shall be ordered reported from the Committee unless a majority of the Committee is actually present at the time such action is taken.

(c) A quorum as defined in paragraph (a) will be sufficient for ordering reported a measure or matter from a subcommittee; provided, that if any member present objects to so proceeding, the measure or matter shall not be ordered reported at such meeting unless a majority of the subcommittee is actually present at the time such action is taken. If, at any subcommittee meeting, a measure or matter fails to be ordered reported because of an objection to taking such action without a majority of the subcommittee actually present, the chairman of the subcommittee may, by giving notice of at least two calendar days during which the Senate is in session, call a subsequent meeting for the purpose of reporting such measure or matter, and at such subsequent meeting the subcommittee may proceed on the basis of a quorum as defined in paragraph (a).

Rule 5. With the approval of the Chairman of the Committee or subcommittee, one member thereof may conduct public hearings, other than taking sworn testimony.

Rule 6. Proxy voting shall be allowed on all measures and matters before the Committee or a subcommittee if the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. While proxies may be voted on a motion to report a measure or matter from the Committee, such a motion shall also require the concurrence of a majority of the members who are actually present at the time such action is taken.

Rule 7. There shall be kept a complete record of all Committee or subcommittee action. Such records shall contain the vote cast by each member of the Committee or subcommittee on any question on which a "yea and nay" vote is demanded, and shall be available for inspection by any Committee member. The Clerk of the Committee, or his assistant, shall act as recording secretary of all proceedings before the Committee or a subcommittee.

Rule 8. The Committee, and each subcommittee, shall undertake, consistent with the provisions of section 133A of the Legislative Reorganization Act of 1946, as amended, to issue public announcement of any hearing it intends to hold at least one week prior to the commencement of such hearing.

Rule 9. The Committee or a subcommittee shall, so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least 24 hours before a hearing, unless the Chairman and the ranking Minority member determine that there is good cause for failure to so file, and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee or a subcommittee. The Committee or a subcommittee shall, as far as practicable, utilize testimony previously taken on bills and measures similar to those before it for consideration.

Rule 10. Should a subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such subcommittee and report that fact to the full Committee for further disposition.

Rule 11. No subcommittee may schedule a meeting or hearing at a time designated for a hearing or meeting of the full Committee. No more than one subcommittee executive meeting may be held at the same time.

Rule 12. It shall be the duty of the Chairman in accordance with section 133(c) of the Legislative Reorganization Act of 1946, as amended, to report or cause to be reported to the Senate, any measure or recommendation approved by the Committee and to take or cause to be taken, necessary steps to bring the matter to a vote in the Senate.

Rule 13. No person other than members of the Committee, members of the staff of the Committee, or designated assistants to members of the Committee, shall be permitted to attend the executive sessions of the Committee or a subcommittee, except by special dispensation of the Committee or subcommittee, or the Chairman thereof.

Rule 14. The Chairman of the Committee or a subcommittee shall be empowered to adjourn any meeting of the Committee or a subcommittee if a quorum is not present within fifteen minutes of the time scheduled for such meeting.

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Rule 15. Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or a subcommittee for final consideration, the Clerk shall place before each member of the Committee or subcommittee a print of the statute or the part or section thereof to be amended or repealed showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added.

Rule 16. An appropriate opportunity shall be given the Minority to examine the proposed text of Committee reports prior to their filing or publication. In the event there are Minority or Individual views, an appropriate opportunity shall be given the Majority to examine the proposed text prior to filing or publication.

Rule 17. Investigation Procedures.

a. The Committee, or any subcommittee, may issue subpoenas, or hold hearings to take sworn testimony or hear subpoenaed witnesses, only if such investigative activity has been authorized by majority vote of the Committee.

b. For the purpose of holding a hearing to take sworn testimony or hear subpoenaed witnesses, three members of the Committee or subcommittee shall constitute a quorum: Provided, however, that with the concurrence of the Chairman and ranking Minority member of the Committee or subcommittee, a single member may hear subpoenaed witnesses or take sworn testimony.

c. The Committee may, by majority vote, delegate the authority to issue subpoenas to the Chairman of the Committee or a subcommittee, or to any member designated by such Chairman. Prior to the issuance of each subpoena, the ranking minority member of the Committee or subcommittee, and any other member so requesting, shall be notified regarding the identity of the person to whom it will be issued and the nature of the information sought and its relationship to the authorized investigative activity, except where the Chairman of the Committee or subcommittee, in consultation with the ranking minority member determines that such notice would unduly impede the investigation. All information obtained pursuant to such investigative activity shall be made available as promptly as possible to each member of the Committee requesting same, or to any assistant to a member of the Committee designated by such member in writing, but the use of any such information is subject to restrictions imposed by the Rules of the Senate. Such information, to the extent that it is relevant to the investigation, shall, if requested by a member, be summarized in writing as soon as practicable. Upon the request of any member, the Chairman of the Committee or subcommittee shall call an executive session to discuss such investigative activity or the issuance of any subpoena in connection therewith.

d. Any witness summoned to testify at a hearing, or any witness giving sworn testimony, may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

e. No confidential testimony taken or confidential material presented in an executive hearing, or any report of the proceedings of such an executive hearing, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the Committee or subcommittee.

Rule 18. Subject to statutory requirements imposed on the Committee with respect to procedure, the rules of the Committee may be changed, modified, amended or suspended at any time, provided, however, that not less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.

Rule 19. In addition to the foregoing, the proceedings of the Committee shall be governed by the Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended.

PITFALLS FOR PASTORS IN THE SOCIAL SECURITY MEANS TEST

Mr. GOLDWATER. Mr. President, in the September 1, 1974, issue of Focus on Public Affairs, appears an excellent discussion of the social security means test which points out a number of pitfalls in the earnings penalty for the clergy. This carefully researched article is written by Mr. Robert E. Van Deusen, who is director of the office of public affairs and government relations at the Lutheran Council, and is based upon actual experiences which friends of Mr. Van Deuson in the clergy have had when they come to the point of retirement.

For example, the article reveals that even though a minister's housing allowance or free parsonage is not counted as income for Federal income tax purposes, this tax exempt treatment does not apply to social security retirement purposes. Thus, the Social Security Administration considers a housing allowance or a free parsonage as earned income in retirement which is taken into account in the application of the means test. This addition to the retirement earnings of a clergyman can prevent his receiving social security benefits under the existing law.

Mr. President, in order that my colleagues may read of an aspect of the means test which has not received sufficient public notice, I ask unanimous consent that the article by Mr. Robert E. Van Deusen, on "Pitfalls for Pastors," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY'S EARNINGS TEST

[From Focus on Public Affairs, vol. 8, No. 14, Sept. 1, 1974]

(By Robert E. Van Deusen)

In the August 1974 Reader's Digest Senator Barry Goldwater proposed that the Social Security law be amended to permit those receiving retirement benefits to continue working for pay without having their benefits reduced. The Arizona Republican argued that the present penalization of workers past 65 is unwise and morally wrong.

The idea is not new. In almost every Congress some members introduce legislation calling for repeal of Social Security's "earnings test." Senator Goldwater did so in 1972, but his bill was decisively defeated. As his latest proposal gains exposure through the Digest article, it is sure to stir lively debate.

ELIMINATE IT

Those who favor eliminating the earnings test contend that Social Security benefits should be paid as a matter of right at the minimum retirement age. They view Social Security as an insurance system with the benefits due related to the earlier contributions required of the retiree and his employers.

The reasons which justified the income restrictions when Social Security was established in 1935 are not valid today, repeal proponents feel. The policy of forcing people past 65 to withdraw from the work force originated during the Depression, when unemployment was high and younger workers needed to find jobs. Today's economy, they say, despite some unemployment, does not require such drastic measures.

Proponents of a change indicate that to discourage older persons from working means a loss of valuable skills and needed productivity. Gerontologists encourage the retention of older workers for the sake of their health as well as that of the economy.

One of the most persuasive arguments against the earnings test is the difficulty many older people have in meeting basic living expenses. To withhold part or all of their Social Security benefits because they try to supplement their income seems insensitive to the pressures of poverty among the retired.

The fact that unearned income does not reduce the amount paid by Social Security intensifies the problem. A retired person may receive money from investments, stocks and bonds, real estate rentals, pensions and annuities, and still receive full Social Security. Only *earned income* is penalized by reduction of benefits.

KEEP IT

Those who favor retaining the earnings test point to its consistency with the basic nature of Social Security. The system was designed to provide protection against one specific risk: *loss of earnings* caused by the death or retirement of the head of the family. It was not to provide annuities at a fixed age as in private insurance but rather was *social insurance* for alleviating the impact on the family of the wage-worker's death and the economic pressures of retirement from work.

For an individual reaching retirement age to be able to draw full benefits even though substantially employed would violate the basic principle of the system, say supporters of the status quo. The money should go instead to the aging who cannot work or whose income from working is minimal.

In the view of those favoring the earnings test, the great majority of older people would not be helped by its elimination since they either cannot work for health reasons, earn less than the current limit on earnings without loss of benefits—$2,400 a year [now $2,520]—or are 72 or over and therefore exempt from the test. Its repeal would pay a premium to the comparatively few people who are fortunate enough to keep working.

The exclusion of unearned income from the test is defended as an incentive to thrift and savings. Since Social Security provides only a limited income for retirement, people are encouraged to build up supplementary reserves such as annuities, pensions and bank accounts.

The factor most effectively inhibiting repeal of the earnings test is cost. Estimates set the cost of changing the rule at $4 billion in the first year. Senator Goldwater disputes this, saying that by counting the income taxes and Social Security taxes paid by older workers the true cost would be less than $2 billion. To finance elimination of the test would require a boost in Social Security tax rates. This would be resisted by labor unions and individual workers.

LIBERALIZE IT

Political realities make quite certain that the earnings test will remain as part of the Social Security system, unless the amount of pressure is greatly increased. But the terms of the test may continue to be modified.

In 1940 benefits were reduced if a retired worker earned more than $14.99 a month. In 1950 the earnings limitation was raised to $50 a month. From there its limitation was increased in successive stages to the present level of $200 a month.

The 1960 amendments to the Social Security Act introduced a new principle, instead of losing a month's benefit for each month in which the limit was exceeded, the computation was shifted to an annual basis. For every $2 earned between $1,200 and $1,500 a year, $1 of benefits was forfeited. Above $1,500 the loss of benefits equaled the additional amount earned. In subsequent years the figures for the $1-for-$2 reduction were gradually increased.

The 1972 Social Security amendments carried the liberalizing trend still further. The upper limit of the $1-for-$2 range was removed so that *any* earned income above the minimum resulted in the deduction of only half of the excess from Social Security benefits. To some degree this took away the work *disincentive* since the retired worker's combined income from Social Security and working would always be increased by earning more income. Because of a new provision automatically increasing benefits and permissible earned income with each annual cost-of-living index, the maximum earned income without loss of benefits is likely to increase to $220 a month on January 1, 1975.

PITFALLS FOR PASTORS

In order to avoid problems when approaching retirement age, pastors in particular should be aware of a number of pitfalls. If they plan partial employment after retiring, their safest retirement date is January 1. That way the year starts with a clean slate and no earned income enters into the computation of Social Security benefits.

If a person retires in the middle of the year, the total income earned the previous months is taken into account in the earnings test. In most cases these wages would preclude or substantially reduce retirement benefits for the balance of the year.

The local Social Security office should explain this basic fact during the conference which usually takes place in person, by phone or by letter shortly before retirement. But in many instances the information is not made clear until after the person retires, when often the damage cannot be undone.

An "escape clause" can solve the problem for those whose work income after retirement is minimal. For any month in which retired persons earn no more than $200, they receive full benefits. Many pastors who retire in midyear take advantage of this provision by serving as a supply or vice pastor in a small congregation or as a visitation pastor in a larger congregation at a salary of $2,400 a year.

Another important fact is that Social Security considers a housing allowance or free parsonage as earned income and reduces retirement benefits by half the amount of the housing allowance or half of the fair rental value of the parsonage. Where retirement is in midyear, this addition to a $2,400 salary can exclude benefits for the rest of the year.

Social Security's rationale in counting a housing allowance or a free parsonage as earned income in retirement is that before retirement they are computed in the salary base on which the Social Security tax is paid. This is an advantage, of course, since it builds a larger equity and results in higher benefits. An official's comment is to the point: "You can't have your cake and eat it too!"

Some misunderstanding and confusion arises from the fact that *for income tax purposes* a minister's housing allowance or free parsonage is *not* counted as income. This special favor to the clergy *does not apply* to Social Security, either in paying taxes or receiving benefits.

Another complication is that for Social Security purposes ministers are classified as "self-employed." When the Social Security system was opened to ministers on an optional basis, some church bodies objected strongly to having the employer's share of the tax levied on churches. They felt this was contrary to the principle of the separation of church and state. As a result, ministers have to pay a substantially larger tax than those in covered employment.

In order to receive single-month benefits in the final months of the year of retirement and full benefits thereafter, self-employed persons must establish that they are not engaged in "substantial self-employment." The criterion is whether they spend more than 45 hours a month in self-employment activity, or in the case of highly specialized administrative skills, more than 20 hours a month.

Some retired pastors find it difficult to limit themselves to 45 hours for $200 in salary a month or to prove to the satisfaction of the local Social Security office that they have done so. A little-known Social Security ruling, No. 5136.1, provides some relief. It gives a minister as an example in a situation where a self-employed person receives a regular monthly income. The $200 monthly income ceiling becomes the test of substantially in self-employment.

Any system as large and complex as Social Security is sure to have problems arising from differences in interpretation of the law, especially at regional and local levels. Where differences occur between retired persons and local Social Security offices, to seek a review of the decisions made is quite proper. The local Social Security staff has information on how this may be done.

STAFF REPORT ON MANAGEMENT OF PUBLIC WORKS PROGRAMS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. JACKSON. Mr. President, I would like to announce, for the benefit of the Members, the publication of a staff report on management of public works programs in the Trust Territory of the Pacific Islands.

The report is the product of an extensive staff investigation and is the initial step in a committee oversight study of the management, status, and objectives of the public works programs in Micronesia. The report addresses the capital improvement program and the operation and maintenance of the physical facilities to provide transportation, communication, health and education services, water supplies, energy, and other vital utilities and services to the people of Micronesia.

Copies of the report can be obtained by writing to the Committee on Interior and Insular Affairs, 3106 Dirksen Senate Office Building, Washington, D.C. 20510.

FUTURE FARMERS OF AMERICA: PROUD PAST—BRIGHT FUTURE

Mr. SPARKMAN. Mr. President, recently there appeared in the Hartselle, Ala., Enquirer a brief editorial entitled "Proud Past—Bright Future." Reference was to the Future Farmers of America, or the FFA, as the organization is generally known. It is a very fine tribute to the young men of this country who are members of this great organization.

I take pride in claiming some connection with this organization. It had not been founded when I was a boy but I was a member of the Boys Corn Clubs which I believe later became one of the clubs that united to form the FFA.

It is a great organization and this editorial is a proper recognition of its past and its prediction for the future.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Hartselle (Ala.) Enquirer]

PROUD PAST—BRIGHT FUTURE

One of the best examples of youth in action on the American scene today is the FFA, the national organization for students studying vocational agriculture in the public high schools. It is an organization run by the student members under adult guidance.

Soon after vocational agriculture became a subject in many of the nation's high schools in 1917, instructors became aware of the need to provide practical training beyond the traditional classroom approach. Their idea was to make the instruction more interesting by making practical work experience, competitive livestock judging, and agricultural leadership development activities part of the instruction. Vocational agriculture instructors and students eagerly accepted the learn by doing principal.

The FFA was founded nationally in 1928 after similar organizations had started in several states. Right from the beginning, the FFA has stressed leadership, cooperation and citizenship—all vital to success in modern agriculture.

Today the organization has a membership of over 450,000 with chapters in approximately 8,000 high schools throughout the country.

FFA members have full opportunity to practice the principles of democracy in conducting the affairs of their organization by exercising their privilege to vote at chapter meetings, serve on committees, and otherwise assist in carrying on the work of their organization. Elected delegates to the state and national convention, held each year, are asked to decide on major issues facing the organization.

Competition is a key element of the FFA from the chapter to the national level. Each year the FFA recognizes more than 80,000 members at local, state and national levels for outstanding achievement in activities related to agriculture career and leadership development.

Recent food shortages in this country have reaffirmed the need for continuing a strong program of vocational agriculture and the FFA. Thus there is a bright future for trained agriculturists ready to serve America.

As FFA members everywhere observe National FFA Week, we take pride in saluting an organization which provides an opportunity for youth in agriculture to learn, to do, to earn and to serve.

THE UPWARD CLIMB OF UNITY BANK

Mr. BROOKE. Mr. President, the last several months have been very difficult ones for the financial structure of this country. Many banks have had to sharply curtail lending activities and spend much of their time assisting troubled clients in curing problem loans. The impact of these banking difficulties has been felt by minority businesses and minority banks, in particular. The Unity Bank & Trust Co. of Boston has known its share of hard times. It has been to the brink and returned. The manner in which it has accomplished its upward climb should be both instructive and inspirational for all American businessmen. Accordingly, I ask unanimous consent that the recent article from the January 1975,

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issue of the New Englander concerning the Unity Bank be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Englander, January 1975]

UNITY BANKS ON ROXBURY'S GROWTH

"Of all the sections of Boston, Roxbury has the best potential for growth. We have the people willing to work at it, and we have the space," states Cora Davis, young installment loan manager at Unity Bank & Trust Co., New England's only multi-racial, state-chartered commercial bank.

Mrs. Davis grew up in Roxbury, and she has grown with Unity Bank, which turned a profit in 1973, for the first time, and reported net income of $84,608 for the first six months of 1974 (compared with a net loss of $1,952 for the same period a year ago). She has been with Unity for more than seven years and worked for the organizational team which directed the bank's original capitalization.

Unity Bank, which started operations in mid-1968, was founded with the express purpose of strengthening the economic base of the city's black community and improving the immediate Roxbury neighborhood. As a new enterprise, it was welcomed with enthusiasm and expanded rapidly. After six months, the bank had more than 5,000 checking and savings accounts and deposits of $6.6-million. By the end of 1969, its deposits had jumped to $11-million and the number of savings and checking accounts to more than 9,000.

Grew too fast, at first. The lightning-like growth, however, proved to be more than the little, inner city bank was equipped to handle. Its aggressiveness in trying to help local black businesses resulted in a number of "bad loans;" its staff expansion—the number of employees leaped from a projected dozen or so to a high of 63—led to operating losses, and for the year 1970, Unity Bank suffered a net loss of over $1-million.

In July, 1971, Unity was placed under a conservatorship by the State Banking Dept. and first aid was administered to the struggling symbol of black enterprise. Commissioner of Banks Freyda P. Koplow swung a $1.5-million loan from the Federal Deposit Insurance Corp., and an additional $500,000 was lent by a group of 69 eastern Massachusetts commercial banks, most of it by Boston's banking giants—the First National Bank of Boston, New England Merchants National Bank, State Street Bank & Trust, and National Shawmut Bank.

The turnaround since then has not been easy, but Melvin B. Miller, conservator since early 1973, is confident that progress will continue. Profits for the first half of 1974 were almost double those earned during all of 1973, following losses of $156,000 in 1972 and $517,000 in 1971.

Miller, also publisher of Roxbury's weekly *Bay State Banner* and a former U.S. attorney, acknowledges that Unity's aggressiveness in assisting black businessmen created problems in the past, but states that "we still make more business loans as a percentage of total assets than any of the other 49 black-owned banks in the country.

"However," he adds, "we've corrected the errors that led to the loss problems of '69 and '70." Miller attributes Unity's turnaround to an improved return on the bank's investments, better internal management, and economics resulting from a pared staff.

Experienced, pared staff pays off. Unity Bank now has a trimmed-down staff of 27, headed by Arthur B. Dimmitt, chief operations officer, who was called out of retirement three years ago to help direct the bank's recovery. Dimmitt brought with him 42 years of banking experience, including 15 years with the First National Bank of Mansfield (Mass.), five of them as president.

Other officers include Marvin J. Peck, treasurer since 1970, who left a bank vice presidency in Lawrence, Mass., to come to Unity; Gordon T. Gildersleeve, assistant treasurer, an original staff member who joined United after three years' experience at major Boston banks; H. William Koster, Jr., appointed senior loan officer a year ago after substantial experience as credit and loan officer at commercial banks in Worcester and Providence; and Odessa W. Bowden, assistant operations officer, who joined Unity in 1969, after more than 20 years with the U.S. Navy Finance Center in Cleveland.

Unity Bank operates from modest quarters on Roxbury's historic Warren Street. Cora Davis remembers the June day in 1968, when the bank opened for business—without a door. She can smile about it now, but it wasn't funny then.

"The door just hadn't arrived from the manufacturer, but we opened anyway," she says. "We posted a police dog and an armed guard at the entrance 24 hours a day until the door arrived. We didn't even have passbooks for the first several weeks—we simply handed out receipts for deposits."

Mrs. Davis has experienced all of Unity's ups and downs, but she is accustomed to change, having seen her section of Roxbury go through a full racial cycle within a decade. "When we moved into the Blue Hill Avenue area, we were the first black family on our street. Most our neighbors were Jewish. I saw our street gradually become all black, but lately it's changing again. Four white families have moved in. It may take a long time, but Roxbury will be truly bi-racial again someday. To make it happen, though, we need new businesses and better police protection, as well as better housing."

Beating community instability. Roxbury, in terms of physical structures (except for recent urban renewal projects), is what was built 75 to 100 years ago to house Boston's poor Irish immigrants then pouring into the recently annexed section. As the twentieth century began, many manufacturers were moving out of the area seeking land for expansion; and skilled industrial workers—most of them British, Canadian, and German, with some Irish and Jews—went with them. Unskilled workers replaced them as residents of lower Roxbury, while the southern half—although it was passed on to the incoming blacks later—remained a middle and upper income area, mostly Jewish. As the steady exodus of skilled workers to the suburbs continued unabated, Roxbury became more and more a haven for untrained, low-paid workers, many of them Southern blacks.

A survey taken coincidentally at about the time Unity Bank opened showed that the inner city (Roxbury and adjacent areas) had become 60% black and that 62% of its male working people were unskilled or semi-skilled. Indicating the area's instability, the survey revealed that 65% of the inner city's blacks had come to Boston from the South, that almost half had been in Massachusetts less than ten years, and that almost half of them had lived in their current residences for less than a year.

First hurdles: riots and I 95. The report easily justified Unity Bank's founding philosophy that an instrument was needed to help strengthen the community's economic base. On this score, however, several factors contributed to making a bad situation worse.

First, the bank opened just after a period of serious racial turbulence had frightened many of Roxbury's white businessmen to the point that they closed up shop and moved away. "Clothing shops, liquor stores, food markets, bakeries, delicatessens—they all quit and left Roxbury," recalls Cora Davis. "Boston didn't have it as bad as some other cities, but it was bad enough. The worst troubles occurred not long before we opened, and I can remember having to bring home some of our organizational records for safekeeping."

New black-owned businesses were formed quickly to replace those that had left, but most folded after a few months for a variety of reasons including the fact that it was a period of "tight money." Many of the new businesses that failed had been financed by Unity Bank and account for some of the bad loans still on its books.

"Another thing that hurt," Cora says, "was the demolition and clearance of homes and businesses to make way for the southwest expressway (a proposed section of I-95 that now apparently will not be built at all). An area where nearly 1,000 people had lived and worked was turned into a wasteland." Only somewhat consoling is the suggestion that this area can now be used for redevelopment.

"When Unity opened for business," she continues, "Roxbury was hurting so much that we had to work in all directions at once, and mistakes were inevitable."

Follow E-schooler's plan. Credit for founding Unity Bank is given to John T. Hayden, a young New Yorker who studied at Harvard Business School and advanced the idea of a multi-racial bank for Roxbury in his master's thesis. Using Hayden's blueprint, Donald E. Sneed, Jr., a local realtor who became the bank's first president and board chairman, Marvin E. Gilmore, Jr., another realtor who became first vice president, and Roy G. Guittarr, former executive vice president of Wilmington Bank & Trust who was to fill the same function at Unity for almost two years, and others raised more than the $1-million needed to get the bank started.

Although the bank's organizers aimed for the widest possible distribution of stock, they gave priority in the allotment of shares to prospective stockholders living or doing business in Roxbury. Of the bank's 20 original directors, 17 lived in Greater Boston and seven were Roxbury residents.

The stock offering consisted of 120,000 shares at $10.00 per share and, although no underwriter or broker was utilized and no sales commissions were paid, more than 3,000 people bought shares, thus making Unity the first state-chartered bank to overcapitalize before it opened. The sales campaign included soliciting door-to-door at homes, businesses, clubs and churches. Besides generating publicity in Boston's newspapers and the *Bay State Banner*, Sneed and Guittarr told their story in talk-show interviews on radio station WEEI. Help came even from the area's religious community as ministers promoted the stock offering from their pulpits.

It was a happy day in Roxbury when the remodelling of Unity's headquarters began. Traffic had to be re-routed to assure the safety of the hundreds of people who attended special ceremonies for the event. Taking on the job of converting the auto dealership and repair shop to appropriate facilities for a community bank was black architect Donald L. Stull, one of Unity's original directors.

Expansion of the bank came quickly, not only in deposits and number of employees but also in amount of space occupied in the building. "We just had to have more room," says Mrs. Davis. "Before we expanded in 1970, our loan department was located in a trailer adjacent to the bank."

Seeding black businesses. Although Unity Bank still bears the scars from some of its bad loans of the past, it has had successes in "seeding up the community's economy and fueling new businesses with seed money—new black businesses that other banks might have considered risky.

A classic example of a promising business is reflected in a rubbish removal contract awarded by the City of Boston in July, to Ghetto Masters, Inc., headed by black businessman Paul Moody of Cambridge. In conjunction with the federal government's Small Business Administration, Unity provided the major portion of Moody's financing.

Another example is Unity's financing, again with SBA, of Archibald-Shepherd Builders, Inc. The local minority contractor was qualified to rehabilitate 119 Roxbury housing units but did not have sufficient working capital for a job of such scope. Unity's efforts gave a needed boost to the building firm and helped provide the new housing—and the debt to the bank was fully repaid within a year.

Interim financing for small general contractors has been one of the most important segments of Unity's lending program. "It's very satisfying," says Cora Davis. "It not only enables new black businesses to get started but, since most of them are involved with rehabilitation and reconstruction in our community, we're helping to provide needed housing and jobs, too."

Also important is interim financing for many non-profit community groups providing essential social services. "They're now self-sustaining, but they couldn't have gotten off the ground without us," she says.

Other successful beneficiaries of Unity Bank financing include a variety shop, liquor store, new manufacturer of greeting cards, dry cleaner, pharmacy, and three taxicab businesses.

"We're all proud of the contributions Unity Bank has made so far," concludes Mrs. Davis, "and we're optimistic that we can continue to help Roxbury grow. We have the capital now—and we've learned to use discretion."

While other banks throughout the U.S. are uneasy and face uncertain times, Unity Bank, New England's only black-owned commercial bank, seems to have found itself. Its future is bright, a good omen also for the Roxbury community it serves and seeks to enhance.

ECONOMIC PLANNING

Mr. HUMPHREY. Mr. President, I want to call the Senate's attention to two recent articles urging more national planning. This is an issue in which I have long had an interest and I am pleased to see that interest now coming from other quarters. Another Member of the Senate who has a great interest in this topic, and who has done pioneering work already in the area, is the distinguished senior Senator from New York, Mr. JAVITS. I believe my remarks today reflect his views as well as my own.

To me, it has been clear for a long time that we need to get organized to handle the formulation and execution of our national economic policies. No one is looking ahead beyond the next 3 months. There is little coordination among the many agencies responsible for economic policy and, in fact, in many cases there is harmful conflict between these different groups. As a result, the Government affects the economy and the Nation in an uncoordinated and short-sighted way.

To deal with these deficiencies, I introduced the Balanced National Growth and Development Act of 1973. I have had many useful comments on that legislative proposal, from Members of the Congress, and outside groups. I have also received supplementary proposals for planning from outside groups. It is my intention, in cooperation with Senator JAVITS, to pull all of these comments and proposals together, to study them carefully, and concentrate the best ideas in a new legislative proposal on national economic planning. I expect to conduct studies and hold hearings before the Joint Economic Committee in support of this objective.

The need to do all this is clear from the articles I mentioned earlier. Clearly, the time for a greater national economic planning effort has arrived.

I believe one of the reasons we need additional national economic planning is to anticipate future economic problems and shortages. This is the point that Henry Ford II, chairman of the board of the Ford Motor Co., emphasized in an interview that was reported on in the New York Times on February 16. Mr. Ford is frankly quite concerned about the availability of resources and materials that he will need to manufacture automobiles in the future. The problems he is concerned about in the automobile industry, of course, are the same problems we face in food, energy, housing, and a host of other resource and production areas.

Another reason we need planning in this country is to help in the formulation of national goals. The fact is that we have not really decided in this country what our objectives are, and that is why we stumble along with a series of ad hoc, crash programs to deal with the latest crisis. We need to establish goals in the areas of housing, urban development, transportation, and health and then design integrated programs that will achieve those goals efficiently.

Still another reason we need economic planning in this country is to organize what the Government is presently doing. The issue with respect to economic planning is not whether the United States should have its Government more involved in the economy or less involved. The Government now is deeply involved in every aspect of economic life, through its budget, its regulatory activities, its tax policies, and its purchasing operations. The issue is whether or not we will continue to be involved in a disorganized way, or will we begin coordinating the many things that the Government now does.

These are just a few of the reasons why we need additional economic planning in this country. Exactly what kind of planning, what institutions must be created to do the planning, how this relates to our existing economic and social institutions, are major questions still to be resolved. In resolving these questions, I believe we want to avoid planning schemes that substitute direct government control for the private market, unless the market has failed. We do not need more government, as much as we need a better organized government. In this area of planning, in my opinion, there are dangers on the side of doing nothing, and dangers of doing too much. But we must move ahead with a greater planning effort. As the New York Times concluded in the February 23, 1974, editorial:

Planning may have its flaws and dangers, but the traditionally planless approach has already proved its capacity for producing disasters.

Mr. President, I ask unanimous consent that the articles I have mentioned be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 23, 1974]

THE NEED TO PLAN FOR ECONOMIC POLICY

Why is planning considered a good thing for individuals and businesses but a bad thing for the national economy?

The traditional (and ideological) answer is that individuals and businesses, with limited resources, should have long-range goals to which they can relate their day-to-day decisions, but at the national level planning is bound to be inefficient and an unwarranted interference with the freedom of individuals and businesses to make those decisions in accordance with their own best judgments.

Whatever validity that anti-government planning view may have had historically, it is becoming increasingly impractical and costly—as a small but growing number of businessmen, labor leaders, politicians, economists and scientists now recognize. Henry Ford 2d, more outspoken than most of his business colleagues, has said the auto industry and others need to learn to live with dwindling supplies of oil and other materials, and hence there is a concomitant need for national planning in order to match scarce resources with consumption in an equitable and efficient manner.

But the importance of planning ahead goes beyond the problem of preserving economic health in the face of diminishing energy and other resources; it also relates to long-range tax and budget policies to avoid inflation. There is a need for integrated programs to ensure that critical national goals are met in such areas as housing and urban development, transportation, health, education, protection of the environment and to provide full employment for the nation's continuously expanding labor force.

The day-by-day operation of private markets cannot deal with all those objectives; all of them involve the participation of government through taxation, public expenditures, regulation, subsidies, and foreign economic policy. Government is involved, in fact, in virtually all aspects of the economy in this country—as in all other modern industrial economies. The more than $300 billion the United States Government currently spends each year only partly measures its total weight in the economic system.

Given the present and prospective role of government in the United States economy, the issue is no longer whether government planning would interfere with private business but whether the Federal Government should act in so uncoordinated and short-sighted a way as it now does.

Efforts by government to look farther ahead and to gather, analyze and publish the information on which it is basing its policy decisions would help private industry to make its own planning decisions—without governmental coercion of the private sector. Industries would still be free to make their own investment decisions, but they would do so on the basis of more complete information about long-term trends as affected by government policies. Not only the Administration but Congress, private industry, labor, and other groups in the society would participate in the ongoing national debate over planning and in the establishment of national goals.

There are different routes that could be followed toward a more rational approach to economic policy in the United States. One is that proposed by Senator Hubert Humphrey in his Balanced National Growth and Development Bill, which would establish a

planning agency within the Executive Office of the President this would bring together scattered existing Federal planning bodies, including the Office of Management and Budget and the Council of Economic Advisers. Other possible designs would be to model the new agency on the National Resources Planning Board of the Roosevelt Administration, on the system of indicative planning followed in France, or to create a new body that would be responsible jointly to Congress and the White House.

Whatever the ultimate administrative and political design—and this could emerge only from full Congressional hearings and debate—greater order and perspective are needed in the American governmental process and in the economy and society. Planning may have its flaws and dangers, but the traditional planless approach has already proved its capacity for producing disasters.

[From the New York Times, Feb. 16, 1975]

HENRY FORD, SEEING SHORTAGES, URGES MORE NATIONAL PLANNING

(By Agis Salpukis)

DETROIT, February 16.—Henry Ford 2d, chairman of the Ford Motor Company, predicts that the auto industry will have to learn to live with continuing shortages of key materials and that more national planning will be needed to match resources with consumption.

The days when the industry could always assume that there would be enough oil are over, he feels, and he believes that it will take at least until 1980 for the auto industry to again reach the record sales and profit levels of 1973. In that year the industry sold 11.4 million cars.

In a wide-ranging interview Wednesday on the state of the auto industry and the national and world economy, Mr. Ford, who has headed one of the largest industrial corporations for 30 years, often conceded that he does not have the answers to many big questions and problems facing his company and the nation.

SMALLER VEHICLES

But he is certain that cars will continue to get smaller, that there will have to be more planning and Government intervention in the economy and that the present crisis is one of the most serious that the auto industry has ever faced.

Mr. Ford, who became president of the Ford Motor Company in 1945, was asked to compare the present crisis with his past experiences.

"We've been through short recessions, deep recessions and not very important recessions, but you always thought, 'This is going to turn around some day,' " he said in his office at the top of the Ford world headquarters building here. "You did something. And I guess you didn't worry as much as you do now. I think the whole industrial world is worried. Everybody is in the same boat."

One of his major concerns is whether there will be enough raw material in the future to enable the auto industry to keep producing as it has in the past.

At one point he picked up a copy of the New York Times, put on his reading glasses and read part of the headline of a front-page article: "Scientists Report the World Faces Future of Dwindling Oil and Mineral Supplies."

"This is one of the problems that I'm worried about," he said, "I can't find very many people in the industry who even want to talk about it.

"What that says is either we're going to have to find substitute materials, which may be more expensive or less expensive, depending on what they are, or if we can't then some day, and I'm not predicting it in the period that I'm going to be alive, but some day we just may not have the materials to do what we're doing today. And that isn't necessarily oil. It could be anything—you know, bauxite."

To better prepare his company for the future, Mr. Ford disclosed, it has ordered two think tanks to consider the external pressures the company would have to face in the future.

The report, which will be completed in about three months, he said, will deal "with all kinds of forces, energy, materials, the whole gamut." He added that it would be the first time that Ford, the second largest company in the auto industry (after General Motors), had looked so deeply and broadly into the kind of future environment it would have to operate in.

But even without the report, which he said would enable him to give better answers soon, Mr. Ford said that forthcoming changes were already obvious.

He agreed with the interviewer's statement that the auto industry could no longer continue on the assumption that there would always be enough oil.

"A lot of people think that's a crazy statement, but I happen to agree with you," he said.

One consequence for the future, he predicted, is that there will be a much greater need for national planning to match resources with consumption.

"I'm thinking about a planning group in Washington with stature so that it looms important in the total scheme of things," he said. "That would plan certain gross national product, certain gross population and the usage required, the amount of food to feed that number of people." Mr. Ford emphasized that such a planning group would not have any power except to do research and to provide information for the nation so that priorities could be debated and set more rationally. He said it would explore such issues as:

"What are those people going to use in the way of consumer goods? Where are we going to get those consumer goods from? And what are we going to make? What kind of materials are going to be required? And where are those materials coming from?

"We're just living in a fool's paradise in this country," he continued. "We will just have one hell of a time making ourselves self-sufficient. And you know we just have to rely on the rest of the world. We can't become isolationist and hope that everything is just going to turn out fine for us."

While there must be more planning, however, Mr. Ford cautioned that the planning agencies should not have the power to allocate materials. Throughout the interview he argued that the free enterprise system must be preserved as much as possible.

He said he agreed with a recent suggestion made by Paul W. McCracken, a former chairman of the Council of Economic Advisers, that the Federal Government would have to guarantee loans made to utilities.

When asked whether market forces, such as increasing the cost of fuel, are effective in causing people to conserve energy he said:

"If you make them pay more they will. I don't know what you do, but I'm conserving a lot of electricity at my house. More than I've ever done before. I'm going around turning my own lights out."

What about Congress setting standards requiring cars to be of a certain weight or horsepower to improve fuel economy?

"I think it would be a disaster," he said. "They're telling the consumers what they've got to have."

HIGHER FUEL PRICES

What about relief for the poor who would have to pay higher fuel prices under President Ford's program of taxing oil imports?

"If they are considering some way of reimbursing the farmer for running his farm machinery, a subsidization for the farmer," Mr. Ford said, "I guess you could do it for other areas."

Mr. Ford recalled that last fall, when he proposed an increase in the gasoline tax and the use of such added funds to aid the unemployed and poor people hit by the recession, he read in the Detroit papers that there were people going through garbage cans trying to find scraps of food.

"If that's the situation," he said, "we're not facing up to our problems now. Without getting into the rights and wrongs of giving $200-million to $300-million to South Vietnam—because I don't know anything about it—but if we've got a situation like that, we've got problems at home that we've got to be worried about rather than worrying about what the hell we're doing over there."

Has the recession bottomed out?

"I don't know," Mr. Ford said. "Public confidence is the big worry that I've got. If public confidence turns around, this thing will start moving again. You know public confidence has come up a little bit in the indicators that I've been watching, but it hasn't come up much and it's not going up. It just came up and stopped."

Mr. Ford doubts that the auto industry will surpass its 1973 sales record of 11.3-million cars before 1980.

He said that the breakeven point of the Ford Motor Company had been brought "way down" in the last four months, but he did not have a specific figure.

"We've trimmed the fat," he said, "and we want to keep that fat off."

He said that all future Ford cars were going to be smaller but that the company was unable to move very fast in trimming down its car lines because "we don't have as much money to spend as we used to have."

Mr. Ford expects no big shift to mass transit, people movers or buses in the near future.

"We're kind of locked in into an automotive transportation system, whether we like it or not," he said. "We can't push a button and change it."

REV. JAMES P. WESBERRY, SR., RETIRES

Mr. TALMADGE. Mr. President, a warm personal friend of mine and also a friend of many Members of the Senate, Rev. Jame P. Wesberry, Sr., of Atlanta, is retiring after 31 years as pastor of Morningside Baptist Church in Atlanta.

Reverend Wesberry has opened the Senate with prayer on several occasions and served as Acting Chaplain of the U.S. House of Representatives from July 27 to August 25, 1949. I am scheduled to speak tonight at a dinner honoring Reverend Wesberry on his retirement, and I ask unanimous consent to have printed as an extension of my remarks, the address I plan to deliver. I also ask unanimous consent to have printed in the RECORD an article from the Atlanta Constitution on Dr. Wesberry's retirement.

There being no objection, the address and article were ordered to be printed in the RECORD, as follows:

TRIBUTE TO REV. JAMES P. WESBERRY

I have known Jim Wesberry for 25 years. It has been an association I have cherished over a quarter of a century. We have hunted together, fished together, and worshipped together in Georgia and in the Nation's Capital, and I am proud to count him among my finest friends.

Jim Wesberry is a man of God. Ever since his ordination almost 50 years ago in Columbia, South Carolina, Reverend Wesberry has given all of his life and talents to the Church, to helping people, and to making our State and Nation a better place in which to live.

Before coming to Morningside Baptist Church 31 years ago and beginning to build it into the great church it is today, Reverend Wesberry held many other pastorates in Georgia and South Carolina.

He is well known and widely respected throughout our State. He was president of the Georgia Baptist Convention, president of the Southern Baptist Pastors Conference, president of the Atlanta Baptist Ministers Conference, and president of the Atlanta Christian Council.

In addition, Reverend Wesberry has held a variety of state and civic positions of leadership, including chairman of the State Literature Commission, having been appointed by me during my administration as governor.

He served as Acting Chaplain of the United States House of Representatives in 1949. He has traveled all over the world on various preaching missions. He is an educator serving as trustee of his alma mater, Mercer University—also as trustee of Truett-McConnel College. He is an author and newspaper columnist.

Now, he has chosen to retire—but if I know Jim Wesberry he is not going to quit. All his life he has been a man of quiet conviction and high ideals. He has demonstrated characteristics of greatness, humanitarianism, love of God and fellow man—and I am confident that Reverend Wesberry will continue as an inspiring leader in the Church and throughout Georgia.

Jim, I congratulate you for all your good works. I am proud you are my friend, and I wish you every happiness and God's richest blessing in your retirement.

[From the Atlanta Constitution, Feb. 22, 1975]

RETIRING, NOT QUITTING—DR. WESBERRY STEPS DOWN

(By Alice Murray)

After 31 years as pastor of Morningside Baptist Church, Dr. James P. Wesberry will retire Friday to become pastor emeritus of the large gothic church on Piedmont Road.

Dr. Wesberry, who became well known throughout Georgia in the 1950s and 1960s as chairman of the state literature commission and who is a former president of the Georgia Baptist Convention, says he will be a "pastor at large" after his retirement from Morningside.

"There's no quitting for me, I'll never stop," said the stately, gray-haired, 68-year-old minister, who plans to preach, write, and accept a couple of jobs "on a limited basis."

Members of Morningside Baptist have published a biography of Dr. Wesberry, and plan to present a leather bound copy to him Friday at a special reception in his honor at 7:30 p.m. at the church.

The book, entitled, "The Morningside Man," was written by Dr. James C. Bryant, chairman of the division of humanities at Mercer University in Atlanta.

When Dr. Wesberry came to Atlanta in 1944 from an 11-year pastorate in Bamberg, S.C., the congregation was meeting on Highland Avenue in a small white frame building with a red-brick Sunday School annex. Seven years later the church purchased a 14-acre plot on Piedmont Road and built the 800-seat French gothic structure.

Dr. Wesberry was appointed chairman of the State Literature Commission in 1953 by Gov. Herman Talmadge, and although the commission is now inactive, he is still its legal chairman until the General Assembly names a successor. The commission received widespread publicity through the mid-1960s as a censorship body of the state.

He said the purpose of the commission was to fight "extreme pornography" and to be a literature commission without being a censorship board.

"For 21 years I served on the commission to try to stem the tide of obscenity in Georgia," Dr. Wesberry said of his often controversial stand.

Dr. Wesberry has served in many capacities in his 31 years in Georgia, but to him the most memorable was his time as Acting Chaplain of the United States House of Representatives. He served as Acting Chaplain from July 27 until Aug. 26, 1949 under Speaker of the House Sam Rayburn.

The pastor of the 1,300-member congregation in northeast Atlanta also served as the president of the Georgia Baptist Convention in 1956 and 1957, as president of the Southern Baptist Pastors' Conference in 1957, and as president of the Atlanta Christian Council in 1952.

His tenure as president of the largest religious organization in Georgia came at what he called "one of the stormiest times in its history."

During the years 1956 and 1957, the convention was faced with long and heated debate over the Supreme Court's decision to integrate the schools. He said of those years, "I just tried to love everybody and keep as much peace as I could."

In spite of Dr. Wesberry's civic and denominational activities, he considers his congregation his most important work, and said, "I've been an old fashioned pastor to them and ministered to them. I love them all."

INDEXING OF ABORTION

Mr. BUCKLEY. Mr. President, in a series of votes over a period of years, both Houses of Congress have voted to prohibit the use of taxpayer funds for abortion. Congress has made a clear distinction between traditional forms of birth control and abortion. The former has always been funded, while funds for abortion have been denied.

I was accordingly surprised to find the following in the CONGRESSIONAL RECORD Index, No. XXI, volume 120: "Abortion: see Birth Control." While some Americans may believe that abortion is an acceptable form of birth control, I find it disturbing that the CONGRESSIONAL RECORD Index should implicitly accept such a position.

Abortion is the deliberate taking of human life. The listing of abortion under the general title of "Birth Control" lends to the practice a kind of respectability which it neither deserves nor should be expected to receive in an official publication of the Congress.

Thus, I was gratified when the distinguished chairman of the Senate Rules Committee Mr. CANNON, agreed, at my request, to give the subject of abortion its own listing. This correction is important. We are not dealing with a trivial semantic distinction, but a fundamental conceptual error that would be all the worse if it appeared to have the Government's official seal of approval.

A BILL TO REMOVE AGE 65 LIMITATION FOR APPLICATION OF THE AGE DISCRIMINATION IN EMPLOYMENT ACT

Mr. CHURCH. Mr. President, I am pleased to join Senator FONG, the ranking minority member of the Senate Committee on Aging, in sponsoring S. 871 to remove the age 65 limitation for application of the Age Discrimination in Employment Act.

As things now stand, the act applies only to persons aged 40 to 64.

Persons 64 and above have no protection at all under the Federal law. And protection is almost nonexistent at the State level, since only two States have enacted antiage bias laws to apply to persons 65 and above.

The Committee on Aging has received very disturbing reports that the existing age 65 limitation for application of the Federal Act may ironically have the effect of reinforcing discrimination against anyone over this age. This point was made very convincingly in a committee working paper to strengthen the Age Discrimination in Employment Act.

This is intolerable and certainly does not reflect congressional intent.

As chairman of the Senate Committee on Aging, I have been deeply committed to removing employment barriers—whether they be overt or covert—for older workers.

Today there is a growing feeling in our society that age 65 signals the end of job opportunities, even though a person may want or need to continue working.

This attitude is not only shortsighted; it also ignores the great potential of older Americans.

To my way of thinking, one's year of birth should be irrelevant in determining whether that person is hired, fired, promoted, or demoted.

Functional capacity, not chonological age, should be the determining factor.

"Age-ism" is just as pernicious as other forms of discrimination. It not only robs our Nation of the talents and skills of productive workers, but it also destroys the spirit of those who want to remain active participants in our society.

Last year the Congress enacted three measures which I sponsored to improve the Age Discrimination in Employment Act:

First. Extension of coverage to Federal, State, and local governmental employees;

Second. Broadening of the application of the act to include private employers with 20 or more employees; and

Third. Increasing the authorized funding level to strengthen enforcement activities.

The next logical step, it seems to me, is to remove the upper age limitation for application of the law.

Several studies have demonstrated beyond any doubt that older workers perform as well on the job as their younger counterparts, and in many cases noticeably better.

What they need, though, is a chance to prove it.

Older Americans are not seeking preferential treatment. All they want is the opportunity to compete on equal terms with others in our labor market. Above all else, they want to be judged on their merits and ability to perform well on the job.

And, that is precisely what this bill is designed to achieve.

ERDA POSITIONS MUST BE FILLED

Mr. JACKSON. Mr. President, I wish to call to the attention of my colleagues that the legislation creating the Energy Research and Development Administration was signed into law by President Ford on October 11, 1974. The law requires Senate confirmation of nominations for eight top ERDA administrative positions. To date the White House has submitted only the nomination for the ERDA Administrator Dr. Robert C. Seamans who was quickly confirmed.

The seven key positions for Deputy and Assistant Administrators are still awaiting White House action nearly 5 months after creation of the agency.

I feel that it is vitally important to the mission of ERDA that these administrative positions be filled quickly with the ablest people available. Policy decisions are already being formulated without the administrators who will have to implement them. For example, a comprehensive energy plan must be submitted to the Congress by June 30 of this year as required by the Federal Nonnuclear Energy Research and Development Act. This plan will set the priorities and time scales for achieving the commercial demonstration of the multitude of important alternative energy sources.

In a recent letter to President Ford, I urged him to expedite the submission of the nominations for the seven remaining key administrators. I ask my colleagues to express their concern as well to the President. The important task of ERDA must not be needlessly delayed.

Mr. President, I ask unanimous consent that my letter to the President be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 20, 1975.

Mr. PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: Since the Energy Reorganization Act of 1974 was signed into law on October 11, 1974, more than four months have elapsed in which to conduct a search for individuals to fill the top administrative roles of the Energy Research and Development Administration. To date only the nomination for the Administrator has been sent to the Senate for confirmation and the Senate acted expeditiously to confirm Dr. Seamans. The Senate still awaits the submission of nominations for the other key positions.

My concern is that ERDA is now an operational entity making policy decisions without the presence of some of the individuals who should be participating in these decisions. The comprehensive energy plan is an important report to be sent to the Congress by June 30, 1975. In my view, it is important for the Deputy and six Assistant Administrators to be able to contribute their views to this plan to the maximum extent.

I urge you to submit your nominations for Senate confirmation at the earliest possible time. The mission of ERDA is too important to be hampered in the formative stages by the absence of permanent administrators.

Sincerely yours,

HENRY M JACKSON,
Chairman.

AIR SAFETY

Mr. DOLE. Mr. President, in recent weeks there has been a deluge of charges and countercharges regarding the tragic TWA flight 514 accident on the approach to Dulles Airport. The National Transportation Safety Board has now completed the longest hearing in its history regarding this accident. Pilots and air traffic controllers alike have severely criticized the Federal Aviation Administration for inadequate regulations and inept administration. There has also been criticism, or suggestions at least, that pilots and controllers are not exercising good judgment even within the constraints of existing FAA regulations. Presumably, the National Transportation Safety Board will soon make some judgment on the mass of evidence and testimony presented. But this is not the matter that causes me concern. Rather, I am concerned that once the Safety Board has reached and publicized its findings and decisions that we may experience some knee-jerk reactions aimed at correcting apparent, but almost superficial, deficiencies without due regard for the more basic issue that is involved here.

That issue is the question of what is the best system to utilize in improving air safety.

EXPANDED BUREAUCRACY

It seems to me that the preponderance of opinion and coverage has leaned toward indictment of the FAA. Of course, it is always popular to blame and attack the Federal bureaucracy, and it may well be that they are seriously delinquent in this instance. It is not my objective to support or defend the FAA but rather to question where it will lead us to lay the problems of air safety, and of the air transport industry in general, on the FAA doorstep.

The typical reaction of any bureaucracy to such indictment and challenge is to respond with additional regulations, requirements, and services. It is really the only defense and response that an agency such as FAA can have. It must expand its control and authority and services it provides to cover these "loopholes" or deficiences that are identified. The regulated then become more regulated still. The requirements to be met by those providing public service are expanded—and correspondingly the supervision and inspection by those establishing the requirements are expanded. So the empire grows and the bureaucracy continues to expand.

But does the solution to improved air safety really lie with a larger, more powerful Federal bureaucracy to regulate and restrict the industry? Is this really the goal of pilots who blame accidents on poorly written Federal regulations? Is it the objective of aircraft manufacturers who must continuously increase costs to adapt their aircraft to the newest Federal specifications and requirements? I think not. Rather, I believe the time has come for the air transport industry to more ably demonstrate the competence and professionalism it has, and to bring them to bear on realistic solutions or alternatives.

RESPONSIBLE INDUSTRY INVOLVEMENT

The aviation industry is of great importance in my State of Kansas. Four of the Nation's leading aircraft manufacturers—Beechcraft, Boeing, Cessna, and Lear—are headquartered there. With them, their employees and their customers, air safety is of continuing, paramount importance. I find that, on the whole, aircraft manufacturers have been working diligently for years to build safer, higher performance aircraft. They have sponsored countless studies and research/development efforts to promote these goals. For example, in Kansas, Beechcraft and Boeing are working now to develop a stability augmentation system which could improve safety and also extend the life of airframes. It is time we include an analysis of these many and varied efforts in our deliberations on how to best structure or restructure the air transport industry.

Even more important than these many efforts of aircraft manufacturers is the competence of flight personnel. It is clear that American pilots and flight engineers are unsurpassed the world over. This is no happenstance. It is the result of high-quality, intensive training provided at a number of outstanding flight training centers in the United States. These training centers are of such quality and competence that many other nations send their pilots here for training. And the interesting point and impressive example of the ability of our American system is that these flight training centers are primarily a private enterprise effort—designed, built and operated by America's principal air carriers. Now I hope that we are not starting to think that this should be a Federal function. But I fear that one of the knee-jerk type reactions that may result from the publicity and exposure on the safety board hearings will be the suggestion that only the Federal bureaucracy can be trusted to train the pilots that are to transport the American public.

Again, we need to analyze the resourcefulness and competence of industry as we consider the methods to be used to improve air safety. I hope we will not turn automatically to the simple but stultifying solution of expanding the bureaucracy. It is time to reverse this trend and to look to, and even challenge, the industry to provide more creative and productive alternatives, before the bureaucracy destroys its initiative and ability to do so.

Nor is destruction of initiative an idle threat or "chicken-little" philosophy. We are already witnessing the changing philosophy in pilots, as illustrated at the safety board hearings, to rely more and more on electronic aids and Federal personnel and less and less on their own good judgment and personal knowledge. Certainly the flight 514 disaster seems to be a case in point. We must not destroy or suppress the professionalism of our pilots through crushing bureaucratic "assistance" or undue reliance on electronic gadgets. Rather, we must offer incentives to exercise professionalism and depend on personal ability and judgment.

Recently, Jenkin Lloyd Jones spoke to this point with a somewhat tongue-in-cheek article in the Washington Star which he titled "The Lay of the Land." Although written in a humorous style, it clearly identifies this extremely serious problem facing pilots and thereby air travelers.

Mr. President, I commend this article to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LAY OF THE LAND

(By Jenkin Lloyd Jones)

In the lengthy hearings before the National Transportation Safety Board as to why TWA 514 plowed into 1,764-foot Mt. Weather on Dec. 1, I've been waiting for someone to point out that if Stonewall Jackson had been in the cockpit 92 people would have been saved.

For if it had been explained to Stonewall just where in Virginia Dulles Airport is and how far west and how high the airplane was, he would have yelled bloody murder, for he knew those hills like his saddlebags. They were, as a matter of fact, part of his trade, which consisted of pouring down from hidden gaps and chasing Yankees back up the Shenandoah Valley.

This is a marvelous electronic age. The VOR tells you in which direction your next checkpoint is and the DME how many miles to it. So the old business of groping around for cross-bearings is as obsolete as the astrolabe.

They've got terrain altimeters that measure the distance down to the treetops, and a new gizmo, which the ill-fated plane didn't have, that sets up a fuss if there's a wall ahead. But is there any perfect substitute for a pilot's understanding of the land below?

Last month a Turkish airliner was on a final approach into the Istanbul airport when there was a power failure on the ground and all the runway lights went out. The captain wisely aborted his landing but wound up in the Bosporus with the loss of all aboard. He couldn't figure out where he was.

In contrast, some years ago a New England commuter plane, buffeted by a night thunderstorm, was struck by a lightning bolt that magnetized the compass and took out all the lights and radios. In spite of a stinking ceiling the pilot got his frightened charges home because he knew Connecticut.

In his book, "Flying Circus," Ernest K. Gann says:

"In recent times seat-of-the-pants flying has been almost totally rejected and often held in ridicule. This is a tragedy because such rejection is based upon the premise that there is greater safety in flying by the numbers, which is in itself a very shady conception. We need more airmen in the sky and fewer drivers, a goal which can best be achieved by individuals acquiring the skills to employ all the wondrous electronic aids and basing such abilities on a sound foundation—which should be the seat of the pants."

There's a caveat here. Instruments save you from the illusion of straight-and-level which comforted old seat-of-the-pants men just before they died in spirals. But the reason why transport pilots who are glider hobbyists are among the best pilots is because you can't drive a glider with ham hands.

The old airmail pilots knew that Zanesville, Ohio, had the only Y-bridge in the world and that Medicine Bow Peak fishes for pilots who cut corners to Salt Lake. Those of us amateurs who tried to fly the unreliable old A and N radio ranges were stuffed with the lore of the land, and we needed it.

Once over the trackless Ozarks a wind shift drifted me far off my checkpoints. There was not too much ceiling, nor gas, either, and I was sweating buckets until, like Archimedes, I cried, "Eureka!" For no other town on earth looks like Eureka Springs, Ark.

One learned to fly to Kansas City by the smoke of the cement plants. The path to Denver was marked by tall grain elevators, standing like white-sailed ships in a sea of wheat. In the airport beaneries we talked wisely of radio "legs," but in truth most of us went to Amarillo courtesy of the Rock Island railroad.

Electronics are supposed to have eliminated the need for the hard look. Unless, of course, you're flying into Dulles on instruments, and nobody ever pointed out the last ridge of the Blue Ridge.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the question has been raised that ratification of the Genocide Convention might result in charges against the American people for our conduct in the Vietnam war and our treatment of the American black community throughout the Nation's history.

This is simply not true.

In the first place, the treaty is not retroactive. It cannot be used as an instrument for harassing our citizens for past tragedies associated with Vietnam, racial discrimination or the fate of the American Indian. These cases do not fall within the scope of the treaty.

Second, as Arthur Goldberg pointed out in testimony before the Senate Foreign Relations Subcommittee examining the Genocide Convention, the operative word in the treaty is "intent." Unless intent can be clearly established—and I am referring to future events—the crime of genocide has not been committed, under the terms of the convention.

Mr. Goldberg's explanation of this point is important:

If anything, ratification would improve our position, because the Convention requires an "intent to destroy, in part or in whole, a national, ethical, racial or religious group as such." The tragic events in the Viet Nam and the terrible loss of life, both military and civilian, that occurred there do not meet the treaty definition. Charges of Genocide in relation to the treatment of the Negro Community in the United States, which admittedly has suffered widespread discrimination for many years, also are not within the scope of the Treaty. Ratification would if anything help us rebut such charges by subjecting our behavior to a precise legal definition of Genocide.

Ratification would not leave the U.S. Government or its citizens vulnerable to charges of genocide. I again express support and urge ratification.

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

Mr. BUCKLEY. Mr. President, the Special Committee on Aging has once again performed a valuable service by publishing a checklist of itemized deductions which are particularly applicable to older Americans. The committee has found that many older Americans unnecessarily overpay their taxes because they are not aware of the various money-saving deductions which are open to them. This checklist will help prevent such overpayments and can reveal past overpayments which our senior citizens may be able to claim by filing an amended return, form 1040X. In this time of rampant inflation, the money saved by these deductions is all the more important for older Americans living on fixed incomes.

I commend the committee and its distinguished chairman and members for making this useful publication available, and I ask unanimous consent that the committee print be printed in the RECORD.

There being no objection, the committee print was ordered to be printed in the RECORD, as follows:

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES—(A CHECKLIST OF ITEMIZED DEDUCTIONS)

(Prepared by the Special Committee on Aging, United States Senate)

PREFACE

Over the years the Internal Revenue Service has repeatedly stressed that it wants no taxpayer to pay more taxes than are legally due.

Each taxpayer should claim all exemptions, deductions, and credits to which he or she is entitled under the tax law.

The U.S. Supreme Court has also addressed itself to this issue and said in *Gregory v. Helvering:*[1]

"The legal right of a taxpayer to decrease the amount of what otherwise would be his taxes, or altogether avoid them, by means which the law permits, cannot be doubted."

Yet, many older Americans needlessly overpay their taxes each year because they are unaware of helpful deductions which can save them precious dollars—especially during this period of rampant inflation.

To help provide protection against this serious problem the Committee on Aging has published a checklist of itemized deductions for elderly persons and, of course, other age groups as well.

Once again, the Committee has updated this summary to make it available for taxpayers in a timely manner for the forthcoming tax season.

A checklist of this nature cannot, of course, be an exhaustive summary of every available deduction for all conceivable circumstances. But, it can be helpful for persons who itemize their allowable deductions. And, it can assist taxpayers in determining whether it would be advantageous to itemize their expenses, claim the standard deduction, or use the tax tables. Such decisions are crucial—especially for older Americans living on limited incomes—and can produce substantial tax savings.

This checklist can also be valuable for elderly persons who may have failed to deduct certain permissible expenses on previous returns. These taxpayers, for example, may prepare an amended return—Form 1040X—to claim allowable expenditures initially overlooked. To obtain a refund (plus interest) for these items, Form 1040X must be filed within three years after the original return was due or filed or within two years from the time the tax was paid, whichever is later.

[1] *Gregory v. Helvering*, 293 U.S. 465, 469 (1935).

Finally, the Committee wants to express heartfelt thanks to the dedicated Internal Revenue Service personnel who reviewed this publication for accuracy and clarity.

FRANK CHURCH,
Chairman.
HIRAM L. FONG,
Ranking Minority Member.

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expenses (subject to 3% limitation):

Abdominal supports, acupuncture services, ambulance hire, anesthetist, arch supports, artificial limbs and teeth, back supports, braces.

Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.

Cardiographs, chiropodist, chiropractor, Christian Science practitioner (authorized), convalescent home (for medical treatment only), crutches, dental services (e.g., cleaning, X-ray, filling teeth), dentures, dermatologist, eyeglasses.

Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed), gynecologist, hearing aids and batteries, home health services, hospital expenses, insulin treatment, invalid chair, lab tests.

Lip reading lessons (designed to overcome a handicap), neurologist, nursing services (for medical care, including nurse's board paid by you), occupational therapist, ophthalmologist, optician, optometrist, oral surgery, osteopath (licensed), pediatrician, physical examinations, physician.

Physical therapist, podiatrist, psychiatrist, psychoanalyst, psychologist, psychotherapy, radium therapy, sacroiliac belt, seeing-eye dog and maintenance, speech therapist, splints, supplementary medical insurance (Part B) under Medicare, surgeon.

Telephone/teletype special communications equipment for the deaf, transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.), vaccines, vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health), wheelchairs, whirlpool baths for medical purposes, X-rays.

TAXES

Real estate, State and local gasoline, general sales, State and local income, personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pension or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends exclusion, unemployment compensation and public assistance payments).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization deduction is limited to $50 per month).

INTEREST

Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc.).

Bank credit card—can deduct the finance charge as interest if no part is for service charges or loan fees, credit investigation reports. If classified as service charge, may still deduct 6% of the average monthly balance (average monthly balance equals the total of the unpaid balance for all 12 months, divided by 12) limited to the portion of the total fee or service charge allocable to the year.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CHILD AND DISABLED DEPENDENT CARE EXPENSES

The deduction for child dependent care expenses for employment-related purposes has been expanded substantially. Now a taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for two children, and $400 per month for three or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, his deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools.

Dues for Chamber of Commerce (if a business expense).

Rental cost of a safe-deposit box for income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees for securing employment.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any, (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $50 ($100 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $12.50 ceiling ($25 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) to help defray the costs of the 1976 Presidential election campaign.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES FOR OLDER AMERICANS

Filing status	*Required to file a tax return if gross income is at least—*
Single (under age 65)	$2,050
Single (age 65 or older)	2,800
Married couple (both spouses under 65) filing jointly	2,800
Married couple (1 spouse 65 or older) filing jointly	3,550
Married couple (both spouses 65 or older) filing jointly	4,300
Married filing separately	750

Additional Personal Exemption for Age.—In addition to the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1975, you will be entitled to the additional $750 personal exemption because of age for your 1974 Federal income tax return.

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met. (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10% of the mutual dependent's support, *but only one of them* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part, or under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 1 year before or 1 year after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Retirement Income Credit.—To qualify for the retirement income credit, you must (a) be a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1974, and (c) have certain types of qualifying "retirement income". Five types of income—pensions, annuities, interests, and dividends included on line 15, Form 1040, and gross rents from Schedule E, Part II, column (b)—qualify for the retirement income credit.

The credit is 15% of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62, he must reduce the $1,524 figure by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700, plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax and he answers the questions for columns A and B and completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

INCREASE DELAYED RETIREMENT CREDIT FOR SOCIAL SECURITY BENEFICIARIES

Mr. CHURCH. Mr. President, I am pleased to join the ranking minority member of the Senate Committee on Aging in cosponsoring S. 829 to increase the delayed retirement credit from 1 to 6⅔ percent per year for persons who continue working after age 65 until 72.

As the chairman of the Senate Committee on Aging, I have had a longstanding commitment to remove employment disincentives for older persons who want or need to work.

Unfortunately, many barriers exist today for older Americans who want to remain active during their later years.

Today, only about 14 percent of all aged Americans—or one out of every 7 persons 65 or older—is in the labor force. The trend is clearly downward. In fact, the labor force participation rate for men in the 65-plus age category has declined from 41 percent in 1950 to less than 23 percent in 1974.

Moreover, pressures for earlier retirement have continued to mount steadily—to the point where many people now believe that this trend is not only inevitable but also desirable.

Our Nation is the big loser when the varied talents and experience of the aged are overlooked or ignored.

Much more can be gained, I maintain, by developing a comprehensive effort to maximize job opportunities for all age groups, the young as well as the old.

Ideally speaking, older workers want greater freedom of choice. This point was made very forcefully at the White House Conference on Aging. At a bare minimum, it seems to me that these choices should include:

To work or to retire in dignity;
To work full-time or part-time; or
To work for pay or as a volunteer.

S. 829 is designed to build upon these alternatives.

Briefly stated, this measure would increase the credit under social security from 1 percent to 6⅔ percent for each full year after age 65 and before 72 that an individual delayed his or her retirement.

In 1972 the Congress enacted the delayed retirement credit in recognition that a person who continues working beyond 65 pays contributions on his earnings and oftentimes foregoes benefits.

This measure—although a welcome improvement for the social security program—still represented a modest advance.

And now, it seems to me, that the credit should be raised to 6⅔ percent, particularly since inflation has greatly eroded the purchasing power of the aged.

Such a proposal would also provide parallel treatment with the reduction in social security benefits for earlier retirement. Workers who now claim payments before age 65 have their benefits actuarially reduced by 6⅔ percent for each full year.

Finally, this bill would provide a much greater incentive for elderly persons who want to continue as active participants in our society. Above all, it would make it crystal clear that older Americans who want or need to work should be encouraged, not discouraged.

Mr. President, I urge prompt and favorable Senate consideration of this bill.

RULES OF THE COMMITTEE ON PUBLIC WORKS

Mr. RANDOLPH. Mr. President, pursuant to the provisions of the Legislative Reorganization Act of 1946, as amended, I submit the Rules of the Committee on Public Works, and ask unanimous consent that these rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

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U.S. SENATE COMMITTEE ON PUBLIC WORKS

RULES OF PROCEDURE

Rule 1 Regular meeting days.

The regular meeting day of the Committee shall be the first and third Thursday of each month at 10:00 A.M., except that if there be no business before the Committee, the regular meeting shall be omitted.

Rule 2. Committee meetings.

Subject to section 133(a) of the Legislative Reorganization Act of 1946, as amended, Committee meetings for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the Chairman, after consultation with the ranking Minority Member. Subcommittee meetings shall be called by the Chairman of the respective subcommittee, after consultation with the ranking Minority Member. Notice of a meeting and the agenda of business to be discussed by the Committee will be provided to all Members not less than twenty-four hours in advance of such meeting. Additions to the agenda after that time may be made with the concurrence of the ranking Minority Member. Such 24-hour notice may be waived in an emergency by the Chairman, with the concurrence of the ranking Minority Member.

Rule 3. Open committee meetings and legislative mark-up sessions.

Meetings of the Committee, including hearings and legislative mark-ups, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the Committee determines by record vote of a majority of the members of the Committee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States; (2) will relate solely to matters of committee staff personnel or internal staff management or procedure; or (3) constitute any other grounds for closure under paragraph 7(b) of rule XXV of the Standing Rules of the Senate (as amended by Senate Resolution 9, 94th Congress).

Rule 4. Presiding officer.

(a) The Chairman shall preside at all meetings and hearings of the Committee except that in his absence the ranking Majority Member who is present at the meeting shall preside;

(b) Subcommittee Chairmen shall preside at all meetings and hearings of their respective Subcommittees, except that in the absence of the Subcommittee Chairman, the ranking Majority Member of the Subcommittee who is present at the meeting shall preside;

(c) Notwithstanding the rule prescribed by subsections (a) and (b), any Member of the Committee may preside over the conduct of a hearing.

Rule 5. Quorums.

(a) Except as provided in subsections (b) and (d), five Members, two of whom shall be Members of the Minority party, shall constitute a quorum for the conduct of business, except for the purpose of reporting any measure or matter.

(b) Quorums for the conduct of business by the Subcommittees shall be a simple majority of the Membership of the Subcommittees with at least one Minority Member present.

(c) Once a quorum as prescribed in subsections (a) and (b) has been established for the conduct of business, the Committee may continue to conduct business.

(d) Notwithstanding the rule prescribed in subsection (a) one Member shall constitute a quorum for the purpose of conducting a hearing.

Rule 6. Proxy voting; polling.

(a) Proxy voting shall be allowed on all measures, amendments, resolutions, or any other issue before the Committee or any Subcommittees. Any Member who is unable to attend the meeting may submit his vote on any such issue, in writing or through personal instructions; however, proxies shall not be voted for the purpose of reporting any measure or matter except when the absent Committee Member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. A proxy given in writing shall be valid until revoked, while a proxy given orally or by personal instructions is valid only on the day given.

(b) At the discretion of the Chairman, after consultation with the ranking Minority Member, Members who are unable to be present and whose vote has not been cast by proxy, may later have their position recorded on any vote.

Rule 7. Public announcement of vote.

Whenever the Committee by rollcall vote reports any measure or matter, or acts upon any measure or amendments thereto, the report of the Committee on such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each Member of the Committee.

Rule 8. Announcement of hearing.

The Committee, or any Subcommittee thereof, shall make public announcement and provide notice to Members of the date, place, time and subject matter of any hearing to be conducted on any measure or matter, at least one week in advance of such hearing, unless the Committee Chairman, or Subcommittee Chairman, with the concurrence of the ranking Minority Member, determines that there is good cause to begin such hearing at an earlier date, in which event not less than twenty-four hours notice shall be given.

Rule 9. Statements of witnesses at hearings.

(a) Each witness who is scheduled to testify at any hearing of the Committee, or any Subcommittee thereof, shall file a written statement of his proposed testimony not later than noon of the last business day preceding the day on which he is scheduled to appear. At the time of his appearance, he shall supply for the use of the Committee or Subcommittee, 25 copies of his prepared testimony or such greater number as may be requested in the letter of invitation. Except for witnesses from the Federal Government, this rule may be waived with regard to field hearings.

(b) The presiding officer at a hearing may have a witness not read his written testimony and to confine his oral presentation to a summary of his statement.

Rule 10. Regularly established subcommittees.

The Committee shall have six regularly established Subcommittees as follows:

Subcommittee on Water Resources;

Subcommittee on Environmental Pollution;

Subcommittee on Economic Development;

Subcommittee on Transportation;

Subcommittee on Buildings and Grounds; and

Subcommittee on Disaster Relief.

Rule 11. Special subcommittees.

With the concurrence of the ranking Minority Member, the Chairman shall, from time to time, establish such special Subcommittees as he deems necessary to expedite Committee business.

Rule 12. Subcommittee membership.

Following consultation with the Majority Members and the ranking Minority Member of the Committee, the Chairman shall announce selections for membership of the Subcommittees referred to in Rules 10 and 11.

Rule 13. Environmental impact statements.

No project or legislation proposed by the Administration shall be approved or other action taken on such project or legislation unless the Committee has received an environmental impact statement relative to it, in accordance with section 102(2)(C) of the National Environmental Policy Act of 1970, and the written comments of the Administrator of the Environmental Protection Agency, in accordance with section 309 of the Clean Air Act.

Rule 14. Naming of public facilities.

No building, structure or facility authorized by the Committee, shall be named for any living person, except former Presidents of the United States, or former Members of Congress over 70 years of age.

Rule 15. Committee resolutions.

(a) The Chairman, after consultation with the ranking Minority Member, is authorized to certify and pass on Committee resolutions for review of flood control and river and harbor reports and resolutions for studies of public building projects, and forward the resolutions to the appropriate Federal agency.

(b) Proponents of Committee resolutions shall submit appropriate evidence showing need for review or reports on river and harbor and flood control projects.

Rule 16. Broadcasting of hearings.

Public hearings of the Committee, or any Subcommittee thereof, may be televised or broadcast, or recorded for television or broadcast, upon notification in advance to the Chairman through the Chief Clerk. During public hearings, photographers and other reporters using mechanical recording or filming devices shall position and use their equipment in such fashion as will not interfere with the seating, vision, or hearing of Committee Members or Staff on the dais, nor with the orderly process of the hearing.

Rule 17. Amendment of rules.

The rules may be added to, modified, amended or suspended by a majority of the Committee Membership.

HISTORIC BRIDGE AT WHEELING, W. VA.

Mr. ROBERT C. BYRD. Mr. President, at an appropriate time I shall send to the desk for referral, a bill to designate the Wheeling Suspension Bridge at Wheeling, W. Va., a national historic site and to assimilate the bridge into the National Park System.

As I noted last fall when I originally introduced this bill, this bridge has a long and colorful history and has played a significant role in the development of our Nation. It was the first bridge built across the Ohio River and linked the National Road to the emerging territories of the West. It also established Wheeling as the early gateway to the West, much to the dismay of her neighbor to the northeast, the city of Pittsburgh. In fact, the city of Pittsburgh went to court in an effort to prevent the bridge from being erected, and only special legislation pushed through Congress by the delegation from Virginia permitted construction to go forward.

When the Wheeling Suspension Bridge was completed in 1849, it constituted a remarkable engineering feat. At 1,010 feet in length, it was the longest bridge in the world and was the most outstanding example of suspension bridge engineering, which in those days was a revolutionary new way to build bridges.

Five years after its completion, a storm swept through the Ohio Valley and the Wheeling Suspension Bridge crumbled into the Ohio River. Wheeling, and the Nation, were shocked. But, local residents and the Wheeling & Belmont Bridge Co., owners of the span, were undaunted. They hired John A. Roebling of Pittsburgh to rebuild it. He did, and the bridge was opened to traffic again in 1856 at a cost of $42,000.

For nearly 120 years the Wheeling Suspension Bridge has played a vital role in the course of American history. During the Civil War, it was an indispensable passageway across the Ohio River. During World War I, it carried heavy and continuous loads of war transport trains, which bore the materials of victory to our Nation's seaports. This was a role the bridge played again during World War II.

Millions of American travelers have crossed the Wheeling Suspension Bridge as they moved back and forth across this vast Nation. Yet it still stands, sturdy and strong, and rich with history. Although a modern, new four-lane bridge was built parallel to it in the late 1960's to carry Interstate 70 across the Ohio River, the Wheeling Suspension Bridge still carries local traffic across the mighty Ohio.

Mr. President, I firmly believe that the Wheeling Suspension Bridge richly deserves to be preserved as a national historic site under the guidance and supervision of the National Park Service and I urge my colleagues on the Interior Committee to favorably consider this bill. I stand ready to work with the committee in any way that may be helpful to achieve this objective.

PRIVILEGES OF THE FLOOR—SENATE RESOLUTION 4

Mr. THURMOND. Mr. President, I ask unanimous consent that a member of my staff, Mr. Bill Coates, be allowed the privileges of the floor during the discussion and debate on the rules change.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR NO ACTION ON MONDAY ON SENATE RESOLUTION 4 PRIOR TO 4 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday there be no action in relation to Senate Resolution 4 prior to the vote on the motion to reconsider at 4 p.m. on Monday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I yield to the majority leader.

UNANIMOUS-CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 219

Mr. MANSFIELD. Mr. President, I wonder if it would be possible at this time to get unanimous consent to consider the continuing resolution which expires at midnight.

I ask unanimous consent that at the conclusion of the remarks of the distinguished acting Republican leader the continuing resolution (H.J. Res. 219) reported by the Committee on Appropriations be laid before the Senate for consideration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(The remarks made by Mr. GRIFFIN at this point appear earlier in today's RECORD.)

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FURTHER CONTINUING APPROPRIATIONS, 1975

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of House Joint Resolution 219, which the clerk will state by title.

The assistant legislative clerk read as follows:

A resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes.

The Senate proceeded to consider the joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes, with an amendment on page 1, in line 7, to strike out—

and that clause (d) of section 101 of said joint resolution is amended by striking out "titles VI and IX, and" through March 31, 1975 on page 2, line 5.

and insert in lieu thereof:

: *Provided*, That, notwithstanding any other provision of this joint resolution or any other law, no funds appropriated or made available or authority granted pursuant to the fourth unnumbered clause of section 101(b) and sections 112 and 114 of such joint resolution, as amended, relating to foreign assistance and related programs shall be available for obligation after February 28, 1975.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum pending the arrival of the distinguished Senator from North Dakota (Mr. YOUNG) and the distinguished Senator from Hawaii (Mr. INOUYE).

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session for not to exceed 1 minute for the consideration of the nomination of Mr. Wilmer D. Mizell, Sr.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF COMMERCE

The assistant legislative clerk read the nomination of Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce.

Mr. BAKER. Mr. President, I urge that the Senate confirm Wilmer D. Mizell, Sr., of North Carolina, as Assistant Secretary of Commerce for Economic Development.

Many of my colleagues in the Senate are close personal friends of Mr. Mizell. They know him as a man who gave effective and productive service to the House of Representatives for three terms, representing the citizens of North Carolina's Fifth District, the Winston-Salem area.

During his term, he was a member of the House Public Works Committee and its Economic Development Subcommittee. I know he brings a keen interest in as well as a working knowledge of the development program.

For nearly 10 years the Economic Development Administration has provided long range assistance to distressed communities to help build public facilities necessary to long-range development and to encourage private enterprise to expand and create new jobs. Many communities across the country have been aided by this effort.

The program has evolved overtime to meet changing economic conditions and development needs. Last year, in the 1974 amendments, the Congress attempted to address some of these changes. There is still more to be done. Mr. Mizell enters the program at a very exicting and innovative time and I look forward to working with him on implementation of the new program and future legislation which may be considered.

Mr. McCLURE. Mr. President, I recommend that the Senate confirm the nomination of Wilmer D. Mizell, Sr., of North Carolina, as Assistant Secretary of Commerce for Economic Development.

I served in the House of Representatives with Mr. Mizell and have high regard for him.

As a Member of the House of Representatives for 6 years, he served with great distinction, and as a member of the Committee on Public Works, he became intimately familiar with the programs of the Economic Development Administration.

This background means that we can anticipate knowledge as well as enthusiastic leadership in the years ahead.

The Senate Committee on Public Works, I know, was most impressed with Mr. Mizell's presentation earlier this week at his confirmation hearing

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before the Committee. His openness and his willingness to work with the Congress to make this program work was most evident.

I am pleased and honored, as ranking member of the Subcommittee on Economic Development, to recommend Mr. Mizell to the Senate.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, the record will show that no nominations under new reports are being considered at this time.

Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination of Mr. Mizell.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 219) making further continuing appropriations for the fiscal year 1975, and for other purposes.

Mr. INOUYE. Mr. President, the President of the United States duly budgeted his foreign assistance package for fiscal year 1975 and forwarded it to the Congress on February 4, 1974—over a year ago. The Subcommittee on Foreign Operations began its hearings on this measure, better known as the foreign assistance bill, on February 25, 1974. We spent many hours and many weeks listening to witnesses, and concluded our hearings on July 24. In the meantime, we had our first continuing resolution, which extended from June 30, 1974, to September 30. This was understandable because at that point the legislative or authorizing committees had not completed their consideration of the authorization bill.

Then on September 30, when we found that we still did not have an authorization bill, and these programs were continued for the second time into December. On December 19 we once again found it necessary to pass still another continuing resolution—the third one—which continued these programs until today—February 28.

On December 30, the authorizing committees of the Congress finally completed their deliberations and an authorization bill was enacted, so there has now been two months to consider an appropriation bill.

All hearings have been concluded. The House has been advising that they are ready for markup. But this has not been done.

On the other hand, the Subcommittee on Foreign Operations, after completing its hearings, has for many months, had pending a draft committee report. We are ready to report this measure. Today we complete the eighth month of the fiscal year and are asked to extend this further for still another month!

It appears likely that in about three weeks another request will come forward to extend this same continuing resolution for still another month and then another month, and before we know it the fiscal year will be at end.

The committee amendment to the House joint resolution would delete that portion which extends Foreign Assistance and Related Agencies appropriations through March 31. This will mean that beginning tomorrow, funds for obligation by the Agency for International Development and related agencies under the jurisdiction of the Subcommittee on Foreign Operations will no longer be available.

To put it more specifically, on March 11, the next payday, certain employees of AID will find themselves inconvenienced. They will not receive pay for time worked after February 28. I know that this will be difficult for these individuals, but we simply cannot continue this endlessly.

I think it is not in the best interests of Congress, the people, or the programs themselves to carry on such an important matter under the temporary authority of a continuing resolution. As I have indicated to the full committee, it is about time we either fish or cut bait.

I hope that the Senate will support the step taken by the Appropriations Committee and amend House Joint Resolution 219, to delete that portion which will extend the operations of AID and other related agencies until March 31. With this, we will be able to go into conference with the House Appropriations Committee and at that time make known to our colleagues on the other side our concern over these endless delays and our determination to have this matter concluded in the proper legislative fashion.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. INOUYE. I am happy to yield.

Mr. STEVENS. The bill, as reported by the Senator for the full committee, does contain the amendment I have offered, to delete the floor amendment in the House which dealt with the Hill-Burton funds and the regional medical programs. Is that correct?

Mr. INOUYE. The Senator is correct. This will put it into conference, also.

Mr. STEVENS. That is what I want to make certain everyone understands, that it also will be a matter that will be subject to conference.

In view of the fact that our new medical program has not really taken life and we have no funds for it, I do not see the reason for denying the 53 projects that have ongoing regional medical programs the funds they need; nor do I understand the deletion of the $187 million for Hill-Burton funds which affect all 50 States, in view of the recent action taken by the court in releasing those moneys for prior years.

I think this is a matter to be discussed in conference, rather than here. It will be fully in conference.

Mr. INOUYE. The Senator is correct.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Hawaii yield?

Mr. INOUYE. I am happy to yield.

Mr. HARRY F. BYRD, JR. Is it the proposal, then, that the foreign aid will not be continued beyond February?

Mr. INOUYE. It will not be continued beyond February 28, which is today. However, the agencies which come within the jurisdiction of this subcommittee will be able to continue their activities until about the 20th of March.

Admittedly, some in those agencies will have to suffer inconveniences—primarily, not being able to issue some paychecks. On the other hand, if we give in to the House, it will mean forever dealing with this measure on a continuing resolution, thereby denying those of us in the Senate an opportunity to work our will on these programs.

Mr. HARRY F. BYRD, JR. If the Senator will yield at that point, this is the third continuing resolution we have had?

Mr. INOUYE. This is the fourth. We have had three already. This is the one they are requesting.

Mr. HARRY F. BYRD, JR. So the Senator from Hawaii is making the point that the Senate should meet the issue—fish or cut bait. I believe the Senator from Hawaii said a little earlier.

Mr. INOUYE. The Senator is correct. I think that is a favorite phrase in Virginia—fish or cut bait.

Mr. HARRY F. BYRD, JR. So, under the proposal recommended by the distinguished Senator from Hawaii, the House would be put in a position to fish or cut bait.

Mr. INOUYE. The Senator is absolutely correct.

Mr. HARRY F. BYRD, JR. I feel as the Senator from Hawaii does about foreign aid spending. I realize that all of it is not covered by this particular bill. But the U.S. taxpayers are paying for $8 billion of foreign aid in one way or another. We are shoving money out all over the world to 100 different countries. I think it is an outrageous way to handle the tax funds of our country, at a time when we are running smashing deficits in this country, at a time when we have high inflation, to be throwing money all over the world to 100 different countries. The only place the American Government can get that money is out of the pockets of the wage earners.

I think the whole foreign aid program—and I am taking not just this bill before us but the entire program of roughly $8 billion—that ought to be cut 75 percent. As I understand the proposal of the Senator from Hawaii, if his recommendation is accepted by the Senate, it would put the Senate in a position to act forthrightly on the foreign aid program and, hopefully, so far as the Senator from Virginia is concerned, reduce the amount that we are pumping into that program.

Mr. INOUYE. All we are asking is to permit us to exercise our will. There is little opportunity to exercise our will by passing a continuing resolution.

Mr. HARRY F. BYRD, JR. All that does is permit the agencies to keep spending tax funds.

Mr. INOUYE. Essentially, what they were able to spend in the last fiscal year.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. YOUNG. Mr. President, the Senate now has before it the fourth continuing resolution of fiscal year 1975. The necessity of having a continuing resolution so late in the fiscal year is regrettable. It is indicative of the continuing difficulty the Congress has in acting on various matters in a timely fashion.

The continuing resolution, as passed by the House, included obligating authority for both foreign assistance programs and certain programs funded under the Department of Health, Education, and Welfare. The committee's recommendation includes two major changes from the House action. First, the committee recommends that obligating authority for foreign assistance not be included under the continuing resolution. We could find no valid rationale for the Congress not moving immediately to consider action on a fiscal year 1975 foreign assistance appropriations bill.

The Appropriations Subcommittee on Foreign Operations has worked diligently on the bill and has been prepared since last September to submit its recommendations to the full committee. The full committee, for its part, is ready and anxious to prepare its recommendations on the matter. The committee believes that its action on the continuing resolution regarding foreign assistance will encourage immediate consideration of a bill by all concerned parties.

Mr. President, the ranking minority member of the Subcommittee on Foreign Operations, the distinguished Senator from Massachusetts (Mr. BROOKE) could not be here because the bill came up sooner than expected. I ask unanimous consent to have a statement by him printed in the RECORD.

The PRESIDING OFFICER (Mr. PEARSON). Without objection, it is so ordered.

STATEMENT BY SENATOR BROOKE

It was with great reluctance that my colleagues and I decided to remove the foreign assistance programs from the funding authority under the Continuing Resolution. The distinguished Chairman of the Foreign Operations Subcommittee of the Senate Committee on Appropriations has outlined the basic reasons for doing so. I will not take the Senate's time in restating what he has already said.

It is important to understand that unless an appropriations measure is rapidly passed by the Congress for the foreign assistance programs, several disruptive negative events may occur. I would like to point out some of these possibilities:

Programming.—Without obligating authority, certain agencies cannot obligate funds for on-going and new programs. For perhaps a week to two weeks, this does not pose grave problems. However, if the lapse in authority continues until early Spring, it could put the U.S. Government in the position of being unable to go forward with foreign assistance activities in the fashion that governments throughout the world expect.

Personnel Pay and Allowances.—If no authority exists by March 13, the Agency for International Development cannot pay foreign nationals who are paid by A.I.D./W. This would affect about 700 A.I.D. mission employees, mainly in Africa and Latin America. If the affected missions have to institute emergency pay procedures, such procedures not only disrupt administrative functions, but also could create morale problems in those missions.

If no authority exists by March 21, certain agencies would be unable to pay U.S. personnel in Washington and overseas.

If no authority exists by March 26, the Agency for International Development could not pay about 700 foreign nations. This means that local employees in the affected missions would miss a whole month's pay, resulting in a severe disruption of mission operations.

If no authority exists by April 4, the Agency would again be unable to pay all U.S. personnel—causing all U.S. employees to miss a full month's pay with the attendant difficulties of paying the recent bills, buying food, etc.

Travel.—Without obliging authority, all travel (RIF, TDY, change of station, etc.) for which expenses had not been incurred or tickets purchased by midnight, February 28, would cease. This would immediately disrupt operations, cause endless rescheduling, etc.

In addition, inability to fund any new obligations could be extremely serious in regards to the occurrence of disasters, natural or manmade. Until obligating authority exists, the United States will be precluded from being able to react quickly to any unforeseen disaster or other contingency in the world. I do not believe that anyone in either of the House of Congress wishes such a condition to continue indefinitely. Therefore, it is my hope, as I know it is the hope of the Senator from Hawaii, that the Congress will move immediately to consider and pass a Foreign Assistance Appropriations Bill for Fiscal Year 1975.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFICER. The resolution is open to further amendment. If there be no further amendment to be proposed, the question is on engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 219) was read the third time and passed.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the following bill in which it requests the concurrence of the Senate:

H.R. 2166. An act to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 2166) to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes, was read twice by its title and referred to the Committee on Finance.

NAVAL AND MARITIME MUSEUM, CHARLESTON, S.C.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed, for not more than 2 minutes, to the consideration of Senate Concurrent Resolution 9.

The PRESIDING OFFICER (Mr. PEARSON). The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 9) relating to the establishment of the Naval and Maritime Museum in Charleston, S.C.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. THURMOND. Mr. President, this is a concurrent resolution submitted by the junior Senator from South Carolina (Mr. HOLLINGS) and myself, simply asking encouragement and endorsement for the establishment of a naval and maritime museum at Charleston, S.C. It involves no funds. It has been approved by the Committee on Armed Services. A similar concurrent resolution was passed by the Senate last year, but was caught in the adjournment rush without a chance for House action before Congress adjourned. The Armed Services Committee has approved it again this year, and I ask for its immediate consideration.

The concurrent resolution (S. Con. Res. 9) was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

Whereas the State of South Carolina has an old and historic naval and maritime heritage; and

Whereas the State of South Carolina has created the Patriot's Point Development Authority for the purpose of establishing a

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naval and maritime museum in the city of Charleston, South Carolina; and

Whereas the Patriot's Point Development Authority has been advised by the Department of the Navy that the Navy will donate the aircraft carrier United States ship Yorktown to the authority for use in the naval and maritime museum; and

Whereas the establishment of this special museum is a timely project in view of the increasing importance of the seas to the economy and security of the United States; and

Whereas the museum will stimulate and further the knowledge of naval and maritime history, customs, and traditions, and increase the appreciation of the importance of naval air and sea power to the security and economy of the United States; and

Whereas this museum will serve to generate or increase the patriotism in the youth of this Nation, and stimulate in some of them the desire for a career in public service, and particularly the naval and maritime service; and

Whereas the naval and maritime museum can make a significant contribution toward the efforts to achieve an all-volunteer military service, through the promotion of pride and interest in the naval and maritime heritage of this country; and

Whereas this museum, in addition to preserving our naval and maritime heritage, will make a major contribution to the Nation's bicentennial anniversary in 1976: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval and encouragement with respect to the establishment, by the State of South Carolina, of the naval and maritime museum in the city of Charleston, South Carolina, and recognizes the historical importance of such museum and the patriotic purpose it is intended to serve.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. PEARSON). The Chair, on behalf of the Vice President, appoints the following Senators to participate in the United States-U.S.S.R. parliamentary visit, March 21 through April 6, 1975: the Senator from Alabama (Mr. SPARKMAN), the Senator from Wisconsin (Mr. NELSON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. CULVER), the Senator from North Carolina (Mr. MORGAN), the Senator from Vermont (Mr. LEAHY), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from New Jersey (Mr. CASE), the Senator from New York (Mr. JAVITS), the Senator from Kansas (Mr. PEARSON), the Senator from Maryland (Mr. MATHIAS), and the Senator from Virginia (Mr. WILLIAM L. SCOTT).

AUTHORIZATION FOR THE SECRETARY OF THE SENATE, THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE OR THE ACTING PRESIDENT PRO TEMPORE TO TAKE CERTAIN ACTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess of the Senate over until 12 noon on Monday next, the Secretary of the Senate be authorized to receive messages from the President of the United States and from the House of Representatives, and that the Vice President, the President pro tempore, or the Acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO MONDAY, MARCH 3, 1975

Mr. ROBERT C. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon on Monday.

The motion was agreed to; and at 2:32 p.m. the Senate recessed until Monday, March 3, 1975, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 28, 1975:

IN THE NAVY

The following-named captains of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Walter M. Lonergan
Joseph T. Horgan

SUPPLY CORPS

Leroy E. Hopkins
Ralph F. Murphy, Jr.
Edward M. Kocher

CHAPLAIN CORPS

Withers M. Moore

CIVIL ENGINEER CORPS

Charles C. Heid, Jr.

DENTAL CORPS

William L. Darnall, Jr.

CONFIRMATION

Executive nomination confirmed by the Senate February 28, 1975:

DEPARTMENT OF COMMERCE

Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

COURT TYRANNY UNDER SIEGE

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, February 28, 1975

Mr. HARRY F. BYRD, JR. Mr. President, the widespread public dissatisfaction with the lack of accountability of our Federal judiciary—who now enjoy life tenure—has again been acknowledged by another keen observer in the press.

On February 7, 1975, an editorial entitled "Court Tyranny Under Siege," by Robert E. Baskin, was carried in the Dallas, Tex., Morning News.

In the 94th Congress, I have been joined by the distinguished Senators from Alabama (Mr. ALLEN), from North Carolina (Mr. HELMS), from South Carolina (Mr. THURMOND), from Georgia (Mr. TALMADGE and Mr. NUNN), and from Utah (Mr. GARN) in proposing Senate Joint Resolution 16. This resolution would require periodic reconfirmation of Federal judges and would restore a degree of accountability now lacking in our system.

Why should any public official in a democracy have life tenure? I submit that such a notion is wholly inconsistent with our form of government.

I ask unanimous consent that Mr. Baskin's article be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COURT TYRANNY UNDER SIEGE

(By Robert E. Baskin)

"In the modern world," said Sen. Harry F. Byrd Jr. the other day, "only kings, queens, emperors, maharajas—and U.S. federal judges—hold office for life."

The Virginia Independent senator was speaking in the U.S. Senate as he proposed a constitutional amendment which would require reconfirmation of federal judges every eight years. In this he was joined by six other senators, and the measure has been scheduled for Senate consideration.

Byrd's amendment would provide for automatic renomination of federal judges at the end of eight years of tenure but would give the Senate an opportunity to assess their qualifications anew and confirm or refuse to confirm them every eight years.

Byrd noted that "there has been widespread dissatisfaction with the existing system, under which some judges are exercising dictatorial powers."

"For well over a century," he told the Senate, "after the creation of this nation, the unwritten canon of judicial restraint, as expressed by such eminent justices as Holmes, Brandeis, Stone, Hughes and Frankfurter, was one of our most hallowed legal principles.

"But in this century, and particularly since the 1950s, first the Supreme Court and later the lower federal courts have cast aside much of the doctrine of restraint. In all too many instances the federal courts have gone well beyond the sphere of interpreting the law, and into the domain of making the law."

Byrd asserted that his proposed amendment would not affect the independence of the judicial branch but would place upon it some accountability.

"Judicial independence," he said, "should not be regarded as a fortress for the members of the judiciary, whether or not one believes that some judges are actual or potential oligarchs; on the contrary, it is supposed to be a shelter for the true rights of the people.

"There is no need to provide any official in a democracy with the prerogatives of a medieval baron in order to safeguard his independence of judgment. Indeed, to insulate a judge—or any other public official—from all accountability for his actions is to invite arbitrary action contrary to the will and welfare of the people of the United States."

VIRGINIA AN EXAMPLE

Byrd reported that his home state of Virginia, since 1870, has had the General Assembly (of the legislature) name state judges for specific terms, and there have been no complaints from the judiciary about restriction of its independence. The Virginia Supreme Court, for example, has not hestitated to strike down legislative enactments, he said.

The Virginia senator said there is already much support across the nation for such an amendment as he is offering. He quoted Gov. Meldrim Thomson, Jr. of New Hampshire as saying such legislation "is essential if we are not to have a nation run by judicial dictatorship."

Under existing law, it was pointed out, there is no curb that can be placed on a judge short of impeachment. And impeachment is employed so rarely and is such a cumbersome process that it is ineffective for holding judges accountable.

In Texas, there is widespread sentiment that appears from time to time against the dictatorial decisions of federal judges.

Last year, Dallas Criminal Dist. Court Judge Ed Gossett, writing in the Texas Bar Journal, assailed the tyranny which he said was being imposed upon state political and judicial institutions by the federal courts.

"Federal courts," Gossett wrote, "have nullified numerous provisions of state constitutions, held hundreds of laws, both state and federal, to be unconstitutional, and have dictated to all state courts and all state political organizations."

Gossett's article aroused much comment over the state, particularly in the legal and political communities. His views coincide substantially with the thrust of the arguments Senator Byrd used in proposing his amendment.

HOUSE OF REPRESENTATIVES—*Monday, March 3, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us hear the conclusion of the whole matter; fear God and keep His Commandments; for this is the whole duty of Man.—Ecclesiastes 12: 13.

O Thou who hast given us the day for work and the night for rest, grant that we may so work and so rest that we may have health of body, harmony of mind, and happiness of spirit. Enable us this day and every day to do our work with insight and integrity, to relate ourselves to one another with faith and forgiveness and to humbly walk with Thee as we keep in mind the highest good of our Nation.

Bless our Members of Congress and help them to lead our Republic in the paths of peace, freedom, and good will. Bless our citizens that following wise leadership they may not shrink from the disciplines which accompany life, liberty, and the pursuit of happiness for all.

May we now and always keep ourselves dedicated to Thee and to the best interests of our beloved land.

In the spirit of Him who came to bring life to all we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on February 28, 1975, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

OIL DEPLETION ALLOWANCE WITHIN TAX REDUCTION MEASURE

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, I voted against the effort to deal with the oil depletion allowance within the framework of this important tax reduction measure.

It is absolutely vital that the House and Senate speedily send to the President this measure which will greatly stimulate the purchasing power of American citizens and the ability of American business to expand and improve production. All of us are banking on the assumption that these tax rebates and reductions will take the steam out of the economic nosedive the country is in. This bill is one of the essential building blocks in a program to restore and revitalize the American economy.

The matter of the oil depletion allowance is also of great importance. It will be dealt with in either an energy or a tax reform package early this year.

It is absolutely essential that the House send this tax reduction bill to the Senate unfettered by other matters. I hope that a majority of my colleagues can appreciate the prudential nature of this approach.

RESOLUTIONS OF INQUIRY REQUESTING EXECUTIVE BRANCH TO FURNISH CERTAIN INFORMATION ON U.S. POLICY TOWARD CHILE

(Mr. MORGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MORGAN. Mr. Speaker, on February 27, 1975, the Committee on Foreign Affairs met in open session to consider House Resolution 206 and House Resolution 207 which were introduced by the Honorable MICHAEL HARRINGTON.

The committee voted 19 to 9 in favor of a motion to lay the resolutions on the table.

House Resolution 206 directs the Secretary of State to furnish to the Committee on Foreign Affairs certain information on U.S. policy toward Chile from 1964 through 1973:

H. RES. 206

Resolved, That the Secretary of State is hereby directed to furnish to the Committee on Foreign Affairs of the House of Representatives, within ten days, the following information:

1964 ELECTIONS

1. Did the Forty Committee authorize funds for payment to opponents of Salvador Allende, prior to the Chilean national elections of 1964? If so, what were the specific dates of the authorization(s), to what individuals or organizations were payments made, and what was the amount of each of these payments? In what currency or currencies were the payments made? Describe the method through which each such payment was made.

1970 ELECTIONS

2. Did the Forty Committee authorize the expenditure of approximately $1,000,000 in 1969 and 1970 to attempt to prevent the election of Salvador Allende as President of Chile? If so, what were the specific dates of the authorization(s)? What was the exact amount of the funds distributed? To what individuals and organizations were payments made, and in what amounts? In what currency or currencies were payments made? Describe the method through which each such payment was made.

SCHEME TO BRIBE CHILEAN CONGRESS

3. Did the Forty Committee, on September 18, 1970, authorize a plan to spend $250,000 for the purpose of bribing members of the Chilean Congress so as to prevent the ratification of the election of Salvador Allende as President of Chile? If so, were the funds expended? What was the disposition of this plan?

1970: ANTI-ALLENDE MEDIA CAMPAIGN

4. Did the Forty Committee authorize the expenditure of approximately $500,000 in the summer of 1970 to finance anti-Allende media? If so, what were the specific dates of the authorization(s)? What was the exact amount of the funds distributed? To what individuals or organizations were payments made, and in what amounts? In what currency or currencies were the payments made? Describe the method through which each such payment was made.

POST-1970: $5,000,000

5. Did the Forty Committee, subsequent to the Chilean national elections in September 1970, authorize the expenditure of

approximately $5,000,000 for the purpose of assisting groups and individuals, including political parties, organizations, and news media, opposed to the government of President Allende? If so, what was the exact amount of funds expended? To what individuals or organizations were payments made, and in what amounts? In what currency or currencies were the payments made? Describe the method through which these payments were made.

1973: MUNICIPAL ELECTIONS

6. Did the Forty Committee authorize the expenditure of approximately $1,500,000 for payments to and support of candidates in the 1973 municipal elections who were opposed to the government of President Allende? If so, what was the exact amount of the payments made? To whom were payments made, and in what amounts? In what currencies were the payments made? Describe the method through which each payment was made.

1973: $1,000,000

7. Did the Forty Committee, in or about August 1973, authorize the expenditure of $1,000,000 for the purpose of assisting groups, individuals, political parties, organizations, and news media opposed to the government of President Allende? If so, what was the exact amount of funds expended? To what individuals or organizations were payments made, and in what amounts? In what currency or currencies were the payments made? Describe the method through which each payment was made.

NOTICE TO MEMBERS OF CONGRESS

8. What Members of the United States Congress, if any, were informed of each operation authorized by the Forty Committee to provide funds or assistance to opponents of Salvador Allende, before such operations were carried out? On what dates were Members of Congress so informed? How were Members of Congress so informed?

STATE DEPARTMENT PARTICIPATION

9. What were the names and positions of members of the Department of State who were informed before September 11, 1973, of covert operations of American agencies as authorized by the Forty Committee, to provide funds or other assistance to opponents of the government of President Allende, from 1963 to September 11, 1973?

(a) Which members of the staff of the American Embassy in Chile were informed of these operations during their tenure in Chile, and were these staff members informed of the operations before or after they were carried out?

(b) Was Assistant Secretary of State Charles Meyers informed of any such operations, prior to March 27, 1973?

(c) Was former Ambassador to Chile Edward Korry informed of any such operations, prior to March 27, 1973?

(d) Was Deputy Chief of Mission Harry Shlaudeman informed of any such operations, prior to June 12, 1974?

(e) Was Nathaniel Davis, Ambassador to Chile from 1971 to 1973, informed of any such operations, prior to November 9, 1973?

ECONOMIC SANCTIONS

10. Did the Government of the United States adopt a policy of economic sanctions against the Government of Chile after the election of Salvador Allende as President of Chile in 1970? Did the United States Government seek to deny loans and other forms of economic assistance to Chile from the Export-Import Bank, the Inter-American Development Bank, the International Bank for Reconstruction and Development, or the International Monetary Fund? If so, when was such a policy of economic sanctions implemented? If estimates were made by State Department officials as to how much such sanctions would cost the Government and economy of Chile, please supply these estimates. Did any United States representative to the aforementioned financial institutions receive any instructions, memorandums or other documents or communications concerning economic assistance to Chile, and if so, list and provide copies of such documents or communications.

INTERAGENCY ECONOMIC POLICY GROUP

11. Was there an interagency group, in which a representative of the Department of State participated, established in or after November 1970, to consider, evaluate, and formulate American economic policy toward Chile? If so, what was the membership of this group? List and provide copies of any documents or memorandums prepared or issued by this group in which economic policy toward Chile is discussed.

CHILE'S CREDIT

12. Did the Government of the United States seek and receive the cooperation of American banks and other financial institutions in reducing the line of credit available to Chile from American banks and other financial institutions, and in preventing the renegotiation of the Chilean foreign debt? If so, with which banks or financial institutions did representatives of the Government of the United States discuss private as well as public economic policy toward Chile? Which banks or financial institutions actually cooperated and participated in the policy? What officials in the executive branch participated in such discussions? When were such actions authorized, and by what agency?

STATE DEPARTMENT OBJECTIONS

13. Did officials of the Department of State, between 1963 and September 11, 1973, object in writing to plans of the Forty Committee and or the Central Intelligence Agency to provide funds or other assistance to anti-Allende organizations or individuals? Provide copies of all such objections, including those memorandums or documents dated August 30, 1970, September 4, 1970, and July 25, 1973. To which specific plans did the State Department object, and what were the reasons cited in the objections?

STATEMENT OF HENRY KISSINGER

14. On what facts did you base your statement of September 17, 1973:

"The Central Intelligence Agency had nothing to do with the coup, to the best of my knowledge and belief, and I only put in that qualification in case a madman appears down there who, without instructions, talked to somebody. I have absolutely no reason to suppose it.".

House Resolution 207 directs the President of the United States to provide the committee similar information:

H. RES. 207

Resolved, That the President of the United States is hereby directed to furnish to the Committee on Foreign Affairs of the House of Representatives, within ten days, the following information:

TITLE I—UNITED STATES POLICY TOWARD CHILE

TOTAL AID TO ALLENDE OPPONENTS

1. What was the total value, in then-year dollars, of assistance authorized by the Forty Committee, and expended, for purposes of assisting individuals, groups, or organizations opposed to the candidacy, or subsequent government, of Salvador Allende, during the period beginning in 1962 and ending with the overthrow of the Allende government on September 11, 1973? Provide an itemized accounting for these expenditures on an annual basis. In addition, provide an itemized annual accounting of the "value" of such assistance, such value to be computed by comparing the annual expenditures, in United States dollars, with the official as well as prevailing unofficial (black market) rates of exchange for United States currency and Chilean currency.

INTERAGENCY POLICY GROUP

2. Was there an interagency group, chaired by Doctor Henry Kissinger, then the National Security Advisor to the President, established in or shortly after November 1970, to consider, evaluate, and formulate American economic policy toward Chile? If so, what was the membership of this group? List and provide copies of any documents or memorandums prepared or issued by this group, in which economic policy toward Chile is examined, reviewed, analyzed, or discussed.

ECONOMIC SANCTIONS

3. Did the executive branch of the Government of the United States adopt a policy of economic sanctions against the Government of Chile after the election of Salvador Allende as President of Chile in 1970? Was the goal of that policy to destabilize the Chilean economy and the government of President Allende? Did the executive branch of the United States Government, in pursuance of that policy, seek to—

(a) deny loans or delay the consideration of loans to Chile;

(b) limit or deny credit to Chile;

(c) prevent or hinder the renegotiation of the Chilean national debt;

(d) restrict the availability of export or credit insurance so as to restrict foreign and United States investment in Chile;

(e) cause a worsening of Chile's foreign exchange position;

(f) limit trading with Chile by American or America-based corporations;

(g) limit the availability of credit to Chile, for the purchase of agricultural commodities? When was such a policy implemented? How were these policies implemented? How were the specific objectives achieved? If estimates were made as to how much such sanctions would cost the Government and economy of Chile, supply copies of these estimates. Who participated in the development of this policy? Who participated in attempts to accomplish the specific objectives? Under what authority or law were these activities carried out?

UNITED STATES BANKS

4. Did representatives of the executive branch of the United States Government, including but not limited to Federal bank examiners, discuss private as well as pubic American policies toward Chile, pursuant to the plan to impose economic sanctions on Chile, and seek the cooperation of these banks in the plan, with any or all of the following banks: Chase Manhattan, Manufacturers Hanover Trust, Bank of America, First National Bank of (New York), or Morgan Guaranty Trust? If so, which banks were contacted? When were the contacts initiated, and how often were such contacts made? Who ordered the contacts, and under what authority of law? Who actually made the contacts?

MULTILATERAL FINANCIAL INSTITUTIONS

5. Did representatives of the executive branch of the United States Government, pursuant to the plan to impose economic sanctions on Chile, seek the cooperation of American officials of or delegates to the following multilateral financial institutions, in carrying out the plan: the Export-Import Bank, the Inter-American Development Bank, the International Bank for Reconstruction and Development, or the International Monetary Fund? If so, which institutions were contacted? When were the contacts initiated and how often were such contacts made? Who ordered the contacts, and under what authority of law? Who actually made the contacts? What were the results of the contacts?

ECONOMIC POLICY DOCUMENTS

6. Provide copies of all memorandums, studies, instructions, cables, or other documents which pertain to the policy of economic sanctions referred to in questions 3, 4, and 5 of this title.

ASSISTANCE OF UNITED STATES CORPORATIONS

7. Did the United States Government seek or receive the cooperation of any domestic corporations, or foreign subsidiaries of domestic corporations, to act as conduits for providing financial assistance to anti-Allende groups, organizations, or individuals? If so, provide a list of the names of such corporations and their place of incorporation or, in the case of foreign subsidiaries, the name of the subsidiary as well as that of the domestic parent corporation. Describe the type and method of assistance provided by such corporations or subsidiaries.

(a) Did such corporations or subsidiaries assist in converting United States currency into foreign currencies? If so, list those corporations providing such assistance together with the amount of United States currency supplied.

(b) Were such corporations or subsidiaries solicited by officials or agents of the executive branch of the United States Government? If so, list those corporations or subsidiaries, solicited, as well as the name and position of those officials or agents of the United States Government who solicited such assistance.

(c) List any corporation or subsidiaries which, without prior solicitation by an official or agent of the Government of the United States, volunteered to assist efforts opposing the Allende Government in Chile.

ASSISTANCE OF FOREIGN CORPORATIONS

8. Did the United States Government use any foreign corporations as conduits for providing financial assistance or other aid to anti-Allende groups, individuals, or organizations in Chile? If so, what are the names and places of incorporation of these foreign corporations, and what type of assistance did these corporations provide? Did such corporations assist in the conversion of United States currency into Chilean or other foreign currency? If so, what was the total amount of funds converted? On what dates were payments of United States currency made to such corporations, and in what amounts? Describe the method through which these transactions were made. Was the assistance of such corporations solicited by officials or agents of the executive branch of the Government of the United States? If so, list the names and positions of those officials or agents.

NSC–FORTY COMMITTEE DECISIONS

9. Did the Forty Committee after January 1, 1969, authorize expenditures to assist opponents of Salvador Allende, candidate for and later President of Chile? Who participated in these decisions? List and provide copies of any and all National Security Study Memorandum (NSSM), National Security Decision Memorandum (NSDM), National Security Council Intelligence Decision (NSCID) memorandum, and Director Central Intelligence Decision (DCID) memorandum, in which American policy toward the candidacy and subsequent government of Salvador Allende are examined, including:

(a) NSSM–97, prepared in July 1970, studying United States policy options in the event Salvador Allende was elected President of Chile;

(b) NSSM–131, prepared in or about February 1971, examining, among other issues, termination of economic assistance to the Government of Chile;

(c) NDSM–136, issued in October 1971, relating to termination of economic assistance to Chile, among other issues.

TITLE II—UNITED STATES ANTI-ALLENDE OPERATIONS

AID TO THE NATIONAL PARTY

10. Did the Forty Committee authorize payments of funds intending that the recipients, through direct or indirect means, be members of the National Party of Chile? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? To whom were payments made, and in what currencies? Describe the method through which each payment was made.

AID TO PATRIA Y. LIBERTAD

11. Did the Forty Committee authorize payments of funds intending that the recipients, through direct or indirect means, be members of the Patria y. Libertad in Chile? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? To whom were the payments made, and in what currencies? Describe the method through which each payment was made.

AID TO CHRISTIAN DEMOCRATIC PARTY

12. Did the Forty Committee authorize payments of funds intending that the recipients, through direct or indirect means, be members of the Christian Democratic Party in Chile? If so, what was the total amount of such payments?

On what dates were such payments made, and what was the amount of each such payment? To whom were the payments made, and in what currencies? Describe the method through which each payment was made.

AID TO STRIKING SHOPKEEPERS AND PROFESSIONALS

13. Did the Forty Committee authorize payments of funds intending that the payments, through direct or indirect means, be used to support truckers, shopkeepers, and professionals on strike in October 1972, in Chile? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? To whom were the payments made, and in what currencies? Describe the method through which each payment was made.

1973 TRUCKERS STRIKE

14. Did the Forty Committee authorize payments of funds intending that the payments, through direct or indirect means, be used to support the trucker's strike in July, August, and September of 1973, in Chile? To what individuals, groups, or organizations were such payments made? What was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? In what currencies were the payments made? Describe the method through which each payment was made.

CHILEAN INDUSTRIAL ASSOCIATION

15. Did the Forty Committee authorize the Central Intelligence Agency, or any of its employees or agents, to make payments to SOFOFA, an industrial association in Chile, for the purpose of assisting opposition to the government of Salvador Allende? If so, what was the total amount of such payments? On what dates were such payments made, and what was the amount of each such payment? In what currencies were the payments made? Describe the method through which each payment was made.

PAYMENTS TO PROTEXA/GRUPO MENDOZA

16. Did the Forty Committee authorize, or did the Central Intelligence Agency arrange, for payments to be made to Protexa, a company based on Monterey, Mexico, for purposes of providing assistance to anti-Allende individuals, groups, or organizations in Chile? Were payments made to Grupo Mendoza, a company based in Caracas, Venezuela, for such purposes? If so, what was the amount of these payments, and when were the payments made to each company?

AMERICAN INSTITUTE FOR FREE LABOR DEVELOPMENT

17. Did the Central Intelligence Agency, between the years 1962 and 1973, provide financial or organizational assistance to trade union groups in Chile opposed to the government of Salvador Allende through the assistance or use of the American Institute for Free Labor Development (AIFLD)? If so, describe the nature of assistance provided through the use of AIFLD. Did the Forty Committee authorize the expenditure of funds to be used to provide financial assistance and otherwise support individuals, groups, or organizations opposed to the government of Salvador Allende, with the expectation that AIFLD would be used as a conduit for this assistance and support? If so, what was the total amount of payments authorized, and what was the actual amount of payments made to or through the use of AIFLD? Provide a list of the separate dates and amounts of payments to or through the use of AIFLD.

PAYMENTS TO EL MERCURIO

18. Between 1962 and 1973, what was the total amount of financial assistance provided the Chilean newspaper El Mercurio by or through the direction of the Central Intelligence Agency? Describe the method through which such assistance was provided. In what currency was such assistance provided? Was such assistance requested or solicited, and if so, by whom?

CENTRAL INTELLIGENCE AGENCY PERSONNEL IN COUP

19. Were any American civilian personnel, including personnel attached to or in the employ of the Central Intelligence Agency, serving as advisors to Chilean military units, or commanders, during the two months prior to, and/or two months subsequent to, the overthrow of the Chilean Government of Salvador Allende on September 11, 1973? How many such personnel were assigned as advisors? Did any participate in the fighting that followed the coup of September 11, 1973? Were any killed or wounded? If so, how many? Provide copies of all documents, including NSCID's, DCID's, or other orders which authorized the American civilian and or Central Intelligence Agency personnel to serve as advisors.

STATEMENT OF PRESIDENT FORD

20. On what facts did you base your statement of September 16, 1974:

"In a period of time, three or four years, there was an effort being made by the Allende government to destroy opposition news media, both the writing press as well as the electronic press. And to destroy opposition political parties.

"And the effort that was made in this case was to help assist the preservation of opposition newspapers and electronic media and to preserve opposition political parties.".

On February 20, the day when the resolutions were referred to the committee, the Chair forwarded them to the President and to the Secretary of State requesting their prompt replies. Those replies were received on February 26, 1975. The correspondence follows:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., February 20, 1975.

HON. GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to request your comments on a Resolution of Inquiry which was introduced in the House on February 19, 1975, and referred to the Committee on Foreign Affairs.

Enclosed are two copies of the resolution, H. Res. 207, directing the President of the United States to provide information, and to answer certain questions, relating to American policy toward Chile between 1964 and 1973. Also enclosed are two copies of H. Res. 206, directing the Secretary of State to provide similar information.

As you know, the Committee must act on

this resolution within seven (7) legislative days beginning today. We will appreciate receiving your comments as soon as possible, but no later than Tuesday, February 25, 1975.

I am attaching for your information a copy of my request for comments on H. Res. 206, which I am sending to the Secretary of State.

Sincerely,

THOMAS F. MORGAN,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., February 20, 1975.

HON. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: I am writing to request your comments on a Resolution of Inquiry which was introduced in the House on February 19, 1975, and referred to the Committee on Foreign Affairs.

Enclosed are two copies of the resolution, H. Res. 206, directing the Secretary of State to provide information, and to answer certain questions, relating to American policy toward Chile between 1964 and 1973. Also enclosed are two copies of H. Res. 207, directing the President of the United States to provide similar information.

As you know, the Committee must act on this resolution within seven (7) legislative days beginning today. We will appreciate receiving your comments as soon as possible, but no later than Tuesday, February 25, 1975.

I am attaching for your information a copy of my request for comments on H. Res. 207, which I am sending to the President of the United States.

Sincerely,

THOMAS E. MORGAN,
Chairman.

THE WHITE HOUSE,
Washington, February 25, 1975.

Hon. THOMAS E. MORGAN,
Chairman, Committee on Foreign Affairs,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The President has asked me to respond to your letter of the twentieth, and to tell you how much he appreciates the opportunity to comment on H. Res. 207.

A considerable portion of the information requested by this Resolution was previously supplied to the Foreign Affairs Committee and to other committees of the Congress by the Executive Branch. To assemble the appropriate information from the relevant agencies and individuals, moreover, would require substantial time. An important additional fact that might be considered is the establishment by the House of a Select Committee on Intelligence which may choose to consider some of the matters raised by H. Res. 207.

The Committee may also wish to consider whether such a resolution is an appropriate instrument for exploring any United States activities that might have affected Chile or any other country, for considering the extent to which names of particular persons or companies ought to be disclosed, or for considering the degree to which advice exchanged within the Executive Branch should wisely be spread on the record.

The President hopes that H. Res. 207 will not be approved.

Sincerely,

PHILLIP AREEDA,
Counsel to the President.

DEPARTMENT OF STATE,
AMBASSADOR AT LARGE,
Washington, February 26, 1975.

Hon. THOMAS E. MORGAN,
Chairman, Committee on Foreign Affairs,
House of Representatives.

DEAR MR. CHAIRMAN: I am writing in response to your letter of February 20, 1975 to the Secretary, requesting our comments on House Res. 206, a resolution of inquiry introduced in the House on February 19, 1975. The Honorable Phillip Areeda, Counsel to the President, has recently forwarded to you the views of the White House on a similar resolution (House Res. 207) directed to the President.

The Department of State hopes that the Foreign Affairs Committee and the House of Representatives will not approve House Res. 207 for the reasons set forth in Mr. Areeda's letter, as they are equally applicable with respect to this resolution.

Sincerely,

ROBERT J. MCCLOSKEY.

At the outset of the meeting, the committee heard a statemen' by the sponsor of the resolutions (Mr. HARRINGTON) in which he recounted his past efforts to obtain information such as that set forth in the two resolutions.

In the course of debate, the following points were made in the committee's consideration of the resolutions:

The 94th Congress has created special mechanisms for the purpose of obtaining the type of information sought in House Resolutions 206 and 107 in a logical and orderly manner:

On February 19, 1975, the same day the resolutions of inquiry were introduced, the full House approved House Resolution 138, establishing a Select Committee on Intelligence to conduct an inquiry into the organization, operations, and oversight of the intelligence community of the U.S. Government. The select committee can investigate past and present intelligence activities, including all allegations relating to U.S. involvement in Chile. In the process, the select committee is empowered to—

Require by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary.

All agencies of the executive branch involved with intelligence activities may be investigated by the select committee.

A similarly empowered select committee was established by the Senate on January 27, 1975.

The Committee on Foreign Affairs is in the process of instituting procedures for the exercise of its new, special responsibility for the oversight of foreign intelligence.

On January 14, 1975, the House of Representatives adopted rules which assign to the Committee on Foreign Affairs special oversight of U.S. Government foreign intelligence activities in accordance with the Bolling-Hansen committee reform measures agreed to by the full House on October 8, 1974. This special oversight function was enlarged by section 32 of the Foreign Assistance Act of 1974 (Public Law 93–559, 93d Congress, S. 3394, Dec. 30, 1974) which states:

No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency for operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security of the United States and reports, in a timely fashion, a description and scope of such operation to the appropriate committees of the Congress, including the Committee on Foreign Relations of the United States Senate and the Committee on Foreign Affairs of the United States House of Representatives.

In the adoption of its rules on February 20, 1975, the Committee on Foreign Affairs vested oversight of foreign intelligence activities in its Subcommittee on Oversight. In the course of the full committee's consideration of House Resolutions 206 and 207, assurances were given by the chairman of the Subcommittee on Oversight that the question of U.S. Government involvement in Chile during the period cited in the resolutions would be brought up before the Oversight Subcommittee.

House Resolution 206 and House Resolution 207 are drafted in such a manner as to cast doubt on their standing as bona fide "privileged resolutions of inquiry" under House rules and precedents.

According to "Deschler's Procedure" (15/1:24/3), a resolution of inquiry directing a head of an executive agency to furnish information to a committee rather than directly to the House may not be entitled to privileged status. House Resolutions 206 and 207 direct the Secretary of State and the President, respectively, to furnish certain information to the Committee on Foreign Affairs, not to the full House.

According to the Rules of the House of Representatives (para. 857), a resolution of inquiry may not be accorded privileged status if it requires investigations. Both House Resolution 206 and 207 request information covering a period between 1962 and 1973 and involving the activities of four Presidents, three Secretaries of State, numerous Government agencies, international organizations, and foreign and domestic bodies. The accumulation of such material will require investigative procedures on the part of the executive branch. Moreover, the large volume of information in question would require much longer to produce than the 10 days called for in the resolutions.

The sponsor of House Resolution 206 and House Resolution 207 is currently the plaintiff in a civil suit against the Director of the Central Intelligence Agency et al., charging that certain activities of that Agency are illegal and beyond its statutory authority. United States involvement in Chile is specifically referred to in the plaintiff's petition. A question was raised whether the use of a resolution of inquiry to obtain information which is also involved in pending litigation, would be appropriate.

Mr. Speaker, I am making this statement in order to apprise the House of what has transpired in the Committee on Foreign Affairs on February 27, and to draw attention to those major issues which motivated the committee to table House Resolution 206 and House Resolution 207.

At this point, I ask leave to include in the record the texts of the two resolutions and the exchange of correspondence with the President of the United States and the Secretary of State.

MAIL SERVICE

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, it is hardly a secret to any Member of this body that Americans generally are deeply unhappy about the poor quality of our mail service.

It is bad. It is getting worse. It has grown steadily more costly.

On any given day I can be sure of receiving letters from my south Texas district—arriving a week after they were mailed—complaining about the deterioration of what used to be as good a postal system as could be found anywhere in the world. The complaints come not only from business and individual users of the mails but from postal employees as well.

Yes, from postal employees—although as a postmaster in south Texas wrote me recently—

Of course you know we are not supposed to contact you—and are threatened with adverse action if we do.

He went ahead to give details about personnel reduction in his office and low morale among the employees. A letter carrier had to resort to a letter to editor to explain why the mail was delivered late.

Of course most of the letters I receive about poor mail service do not come from postal workers. They come from bewildered men and women who are unable to understand why a letter is received in the Rio Grande Valley 2 weeks after it was mailed in St. Joseph, Mo. They come from people in south Texas who have received parcel post packages almost a month after they were sent from New York City. They come from pensioners whose monthly checks are unconscionably delayed. They come from businessmen who must depend on the mails to stay in business.

I have found, as I am sure other Members have found, that there is little point in forwarding such complaints to the U.S. Postal Service. The response is almost without exception a nonresponse, unsatisfactory in every sense of the word.

Mr. Speaker, the transformation in 1970 of the old Post Office Department into a publicly controlled corporation, the U.S. Postal Service, simply has not worked. The change was supposed, as we were told, to improve service magnificently by "taking politics out of postal service." But it has not worked out that way. Instead, the service has been taken out of our mail system. There is no way today that you can mail a letter from here to there with any assurance that it will be delivered within a reasonable time. There is not much assurance that it will be delivered at all.

This nonservice, ironically, is proving hideously expensive. Postage rates have climbed as service declined. Congress has been asked repeatedly to increase the Federal appropriation for the postal system. So far as we can tell, the money has gone down the drain with no benefit to the average user of the mails, and this was one of the reasons we were asked to "take the politics out" now the very same people complain bitterly about the "poor service."

Nearly all Americans have a stake in adequate mail service. They are not receiving it at this time. It is my feeling that Congress has a clear responsibility to take steps to remedy this situation.

I believe it is time to admit that a mistake was made in creating the U.S. Postal Service. I believe it is time to correct that mistake. What we have now is far inferior to what we used to have—and much more costly as well.

Accordingly, I have introduced a bill to abolish the Postal Service as now constituted and to reestablish the Post Office as an executive department of the Government. I respectfully urge my colleagues to consider this proposal on its merits. We owe it to the people we represent to answer their cries for help in restoring decent mail service.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 28, 1975.

HON. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 11:45 A.M. on Friday, February 28, 1975, and said to contain a message from the President of the United States in which he transmits the Twenty-Fourth Annual Report of the National Science Foundation.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

24TH ANNUAL REPORT OF THE NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–65)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Science and Technology and ordered to be printed with illustrations:

To the Congress of the United States:

I am pleased to submit to the Congress the Twenty-Fourth Annual Report of the National Science Foundation, covering fiscal year 1974.

One of the clear lessons of the past few years is that our society, as well as that of the rest of the world, is intimately tied to technology and the science that produces it. Certainly our own approaches to problems in energy, environment, food production, and the well-being of the national economy will include substantial contributions from science and technology. As a Nation we are fortunate to have an extraordinarily strong science and technology base to draw on in dealing with these and other important national problems.

The National Science Foundation has a key role in ensuring that the Nation maintains leadership in all fields of basic science from which our technological advances of the future will be derived.

The National Science Foundation programs in basic research range over fundamental studies of the structure and behavior of matter, the process of living things, the dynamics of the Earth and universe, energy and materials and many other areas described in this report. In addition, as this report shows, the Foundation is continuing, through its programs in science education, to assist in the development of the scientific manpower needed to meet tomorrow's technological challenges.

The research results contained in this report remind us of the changes that we have seen in our lives as a result of our investments in science. It is, I believe, a preview of many beneficial developments that will occur in coming years. I commend this report to you.

GERALD R. FORD.

THE WHITE HOUSE, *February 28, 1975.*

14TH ANNUAL REPORT OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–64)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

America's traditional optimism about the manageability of human affairs is being challenged, as never before, by a host of problems. In the field of national security, arms control offers a potential solution to many of the problems we currently face. The genius of the American people may be said to lie in their ability to search for and find practical solutions, even to the most difficult of problems; and it is no accident that this country has helped lead the world in the quest for international arms control agreements.

Safeguarding our national security requires a dual effort. On the one hand, we must maintain an adequate defense against potential great-power adversaries; for although we are pursuing a positive policy of détente with the Communist world, ideological differences and conflicting interests can be expected to continue. On the other hand, we share with them, as with the rest of the world, a common interest in a stable international community.

Over the past year, we have made considerable progress in our arms control negotiations with the Soviet Union. The Vladivostok accord which I reached with Chairman Brezhnev will enable our two countries to establish significant limits on the strategic arms race and will set the stage for negotiations on reductions at a later phase. The United States and United Socialist Soviet Republic have, over the past year, also reached agreement on the Threshold Test Ban Treaty

and on a limitation on ABM deployments to one complex for each country.

The negotiations being held at Vienna on mutual and balanced force reductions in Europe (MBFR), while they have not yet produced conclusive results, are also an important endeavor to limit and reduce armaments safely through mutual agreement. For our part, we shall make every effort to achieve such an outcome.

Even as we see some encouraging progress in our relations with the Soviet Union, we still face a growing danger in the potential proliferation of nuclear weapons to more countries. The U.S. will continue to seek practical steps to avert this danger, while providing the benefits of nuclear energy for peaceful purposes.

The fourteenth annual report of the U.S. Arms Control and Disarmament Agency, which I herewith transmit to the Congress, sets forth the steps which have been taken over the past year to meet these and other national security problems through arms control.

GERALD R. FORD.

THE WHITE HOUSE, *March 3, 1975.*

APPOINTMENT AS MEMBERS OF THE PRIVACY PROTECTION STUDY COMMISSION

The SPEAKER. Pursuant to the provisions of section 5(a)(1), Public Law 93–579, the Chair appoints as members of the Privacy Protection Study Commission the following Members on the part of the House: the gentleman from New York, Mr. KOCH, and the gentleman from California, Mr. GOLDWATER.

A BETTER ORDERING OF THE PUBLIC'S BUSINESS

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 30 minutes.

Mr. FINDLEY. Mr. Speaker, the subject of my special order is the need for a better ordering of the public's business by this Chamber. I was inspired to ask for this time after reading a very exceptional statement prepared by the minority clerk of the House of Representatives, Mr. Joe Bartlett, whom we all know and admire. Mr. Bartlett came to the statement after a lifelong dedication to this institution which began in high school days as a Page in the House, and with the exception of two brief periods of military service with the U.S. Marine Corps, Mr. Bartlett has devoted his entire working life to this institution. He now occupies the senior professional staff position on the Republican side. Prior to being elected clerk to the minority in 1970, Joe Bartlett served for many years as the highly skilled reading clerk of the House.

So, his examination of the way in which this body conducts the public's business is that of an affectionate friend. I know of no one who is more jealous of the institutions of the House of Representatives than Joe Bartlett, nor one more eager than is he to see the House enhanced as an effective instrument of democracy. The title of his commentary is "Everybody's Business," and I hope it will become just that. Since the text of Mr. Bartlett's treatise was inserted in the RECORD by our minority leader, Mr. RHODES, last week, I have heard a number of my colleagues, as well as several people beyond this Chamber, comment favorably on it. My purpose in taking this time is to direct attention of others who might have missed it, because I believe it deserves the thoughtful, earnest and prompt consideration of all who prize this institution.

The points Mr. Bartlett makes are, in my view, eminently sound. His recommendations have nothing to do with his position as a professional aide to the minority. His perspective is free of all petty, personal or partisan considerations. His proposals should be equally appealing to all Members of Congress, and to all concerned citizens.

In it he makes some very challenging suggestions on how we can better serve the people that we are called to represent. He, first of all, recommends that the Congress go back to the original date contemplated by the Constitution for the convening of Congress. Congress would meet on the first Monday in December, and at that time they would carry forward with the organization of the House, the election of officers, the adoption of rules, the selection of committees, and the receiving of the President's budget message. After that business is done, Mr. Bartlett suggests that this body adjourn, as a body, until early in February.

This period would permit the committees of the House to immediately get down to work without the distractions and interruptions of sessions of the House. It would also be the time for congressional budgeteers to conduct a broad appraisal of the President's budget, and to publish a statement of overall exceptions and limitations for the general guidance of the authorizing committees. So that when the Congress resumed in February there would be well-considered grist ready for the legislative mill.

This would be a period exclusively for authorizing legislation, establishing programs, enunciating policy. Mr. Bartlett has proposed some incentives which would surely work to encourage the timely reporting of measures, and perhaps prevent some of the ill-considered measures that find their way into the final rush of a session, and which ought to be postponed for the more deliberate attention of the next session.

One of the most attractive features of his recommendations is the "breather" between the authorizing and funding sessions, to permit an exchange of views between the people and their representatives about the programs authorized before we commit their tax moneys. This period of 6 weeks or so might prove to be the best investment in time in the whole legislative calendar year.

At least, when the Congress came back for its appropriating session in June, it could claim some guidance from the people, and it ought to be able to complete all funding measures in less than 2 months of orderly work.

By this means the House, I believe, would be ordering its time much more efficiently than under the present procedure. We have the spectacle this year of still having not authorized certain bills for the fiscal year which is nearly three-fourths completed.

It is impossible for this institution to function efficiently when it does not even complete the authorizing process, despite the fact that three-fourths of the fiscal year for which the authority is requested has been consumed.

In any event, I think our good friend, Joe Bartlett, has rendered us all a great service in putting down in precise language the recommendations that he feels would make for a much more efficient handling of the public business, and I commend the text of the presentation to the attention of the Members of the House.

Mr. Speaker, the presentation follows:

"EVERYBODY'S BUSINESS"—THE WORK OF CONGRESS

(By Joe Bartlett)

"That which is everybody's business, is nobody's business," or so Izaak Walton quoted the wisdom of a friend. He probably did not have in mind the people's business as performed by their representatives in Congress assembled, but it bears some comparison.

In our own special, ingenious, brand of democracy—our elected, representative, republican form of government—the responsibility for the fundamental conduct of the people's business is so broadly shared as to lose identity and to escape attention.

To describe our representative system as merely "ingenious" is to vastly understate the tremendous respect and admiration that a third of a century of working within that system has engendered. It is brilliant; it is beautiful; and I am thoroughly convinced that such a visionary plan of self-government could only have been the inspiration of Divine collaboration. Still, I stop short of declaring it sacred. After all, it was devised as an arrangement among fallible and mortal men. And it is to be respected and appreciated not so much as a venerable national institution, but rather for its effectiveness and usefulness as an instrument serving our citizens so very well for such a long time.

However, even the finest instrument is no better than the hands that guide it, and while I can find precious little fault with our basic system of government, I must admit we have not always used that system as wisely nor as well as we might have.

Even some who are not as prejudiced as I, regard the House of Representatives, or at least, the Congress, as the heart of the American body politic. It is to this vital organ of government that I would invite your examination.

Many have a cursory concern for the Congress, and many—so very many—have diagnosed its ills and prescribed its cures, more often with detachment, if not disdain.

We will try to treat it differently. We will regard it not only with acute awareness from years of close association, but with unabashed affection. We want it to survive, but even more, we want it to prosper and perpetuate. We claim uncommon cause: we love this Republic!

If I have persuaded you of my profound admiration for our magnificent framework of government, as well as of my devotion to the collective heartbeat of our democracy in the assembled Congress, perhaps you will grant my deep sincerity and objectivity when I observe that the ordering of the procedures for performing the people's business is, in my opinion, altogether archaic and abysmal.

ONE STANDARD

Before we commence our analysis, permit me to establish one standard, against which we will test every suggestion, every comparison, and every criticism. That standard will be: *Does it serve the ends of democracy?* For those of us who still believe in democracy—and this 200-year-old grand experiment of entrusting free men with the deciding of their civil destinies—we believe that that which truly *"serves the ends of democracy,"* will surely best serve each of us within that democracy.

One ventures into this "nobody's land" of discussion at the certain risk of provoking somebody. We have heard others accused of self-serving and subterfuge behind a gossamer concern for congressional rehabilitation. Some have seen in every prescription for the improvement of Congress a power ploy on the part of the prescriber. It has been charged that maneuverings for advantage and favor have been the passion behind the myriad jurisdictional disputes. The specter of special interest has been sighted. And it has been alleged that most of the "cures" have been little more than cosmetic.

It is not our purpose to dismiss such subjective and temporal considerations as unimportant or unproductive. On the contrary, the exhaustive deliberations on such subjects in recent months have surely served many noteworthy purposes. We simply feel we can add little to these considerations.

Instead, we will try to deal in fundamentals—the basic procedures for the performing of the public business which have been almost totally ignored in spite of the super scrutiny of recent congressional reform movements.

Just for a starter: Can you imagine any business that would open its doors at twelve o'clock noon, and immediately send the bulk of its personnel off to lunch? How long do you think they could continue to open their doors at all? Yet, that is exactly what we in the Congress do every day! And does anyone really think that *"best serves the ends of democracy?"*

In the minds of some I am sure I am already being challenged for comparing the business of Congress to any other kind of business. I fully recognize the difference. Democracy, by its very nature, is not expected to be highly efficient or economical. There are transcending standards by which it should be judged. But that must not be used as an excuse for ignoring good, sensible practices. In fact, it is incumbent upon public officials to use the most efficient and economical methods they can devise, so long as they do not compromise the ultimate test: *"Does it best serve the ends of democracy?"*

MAXIMUM PARTICIPATION

During the Second Session of the 93rd Congress just concluded in December, the House met 159 days, for some 813 hours, or about five hours per day.

With our elaborate new computerized voting system we recorded 727 Roll Calls during 1974, which required over 205 hours—or about 41 full work days!

Most of these Calls, and most of this time, are directly attributable to the fact that a quorum of the House was not in attendance to do business. Pray tell, how could this *serve the ends of democracy?*

(Parenthetically, let me say there are some tremendous advantages to the new electronic voting procedure, but saving time has not, predictably, proven to be one of them.)

The 41 days we cite above does not include a great deal of time spent on a new "quickie quorum" whereby the bells are rung to summon the Members, and as soon as 100 register their presence, they quitclaim the Call, and the Committee continues, even as the attendance again drains away. The same faithful 100 provide the necessary number for the Call almost every time (although there is no record kept to show it) while the other 335 Members need no longer concern themselves at all about interrupting whatever they may be doing. This undoubtedly provides a convenience for some, but does it *serve the ends of democracy?*

Whenever *one* Member is absent, some half a million constituents are without representation in the House, just as surely as if they had been disenfranchised by any other means. How anyone can rationalize a dereliction of this high trust of representation is beyond me. Even if you can find some excuse for congressmen in general, you may be a lot less tolerant when the absentee proves to be *your own* congressman, in particular!

Through the years Congress itself has created and compounded more conflicts with the primary legislative duties of the congressmen than you could imagine. That certainly does not *serve the ends of democracy,* and it ought not to be countenanced.

It is to sorting out and rearranging and remedying these conflicts that I would bid you to reason along.

If we accept the premise that a maximum participation in the primary functions of the Congress—the enactment of laws—is desirable—nay, *essential!*—how do we achieve it?

A NEW START

It seems to me it is going to take some pretty courageous and comprehensive departures from a lot of bad work habits we have allowed to develop over the decades.

For a long time I have been advocating a re-ordering of the business of the whole session of Congress, and I was gratified to see the December organizational meeting adopted by the recent House reforms. But these are just Party caucuses, and if this year is any indication, they really do not give Congress the "running start" for which we had hoped. I would like to see Congress resume the original Constitutional requirement to meet the first Monday in December (Article I, Section 4) and formally organize . . . elect officers, adopt rules, select committees, receive the President's budget message (the second Monday in December), and adjourn to the second Tuesday in February.

This would commence a legislative year divided into four parts. This first period would be for overall budget determinations, with a preliminary Congressional budget statement being published one month later, on the second Monday in January, specifying exceptions to the President's budget message (notwithstanding the proposed timetable of the new Congressional budget program). These exceptions would be in terms of general outside limitations, not categorical specifications.

This first period would also be for the intensive and un-interrupted activities of the authorizing committees. So that when Congress came back on the second Tuesday in February, it could launch forth on authorizing legislation exclusively.

One of the most urgent needs of the legislative calendar is to reverse the incentive for the tardy reporting of measures by committees. Everyone is aware that controversial measures are regularly held back to arrive on the House Floor for consideration when the rush for adjournment distracts scrutiny and dissuades controversy. It is no secret that this bad habit has resulted in a lot of inferior legislation, and it certainly does not *serve the ends of democracy.*

INSPIRE INCENTIVES

The surest incentive for the early reporting of legislation would be a penalty for late reporting. Bills reported after April 1st would require a two-thirds vote for passage; bills reported after April 15th, a three-fourths vote for passage.

And aim to adjourn the authorizing session no later than May 1st.

Then send the Congress home for six weeks to consult their constituents on the programs that have been authorized, before they meet again to fund the programs. During this period the final, detailed Congressional budget would be published.

The Congress would reconvene the second Tuesday in June to commence a session devoted to "Appropriations and Budget Implementation." All other subject measures would be out of order unless the Speaker declared them essential, not merely convenient, and even then they would require a two-thirds vote for adoption.

The same incentives we cited above should apply to this session, with the penalty of a two-thirds vote required on bills reported after August 1st, and stepped up to a three-fourths penalty after August 15th. This session should target adjournment by no later than the end of August.

If this rearranging of the Congressional session should cause the Country to want to establish a general election day a month earlier, in October, that might prove to be one of the best byproducts of the whole reform.

Now that we have considered revolutionizing the legislative year, let us look at some proposals for improving the legislative week and day.

If Congress organized its daily work more efficiently—and if it is going to obtain the diligent attendance of its Members, this efficiency will be obligatory—I contend that the public business can readily be accomplished in three legislative days a week. This would leave Mondays and Fridays completely free for committee work or other activities.

However, on Tuesdays, Wednesdays, and Thursdays, the House would convene at 9:30 A.M. for a morning session lasting for two hours. Then a mid-day break for two hours. The session would resume at 1:30 P.M., and aim to conclude by 4:30. Such an arrangement makes so much sense it hardly seems worth taking time to enumerate the virtues.

If this were to achieve the ends of democracy we seek, the Congress would have to take the most stringent measures to prohibit *any* other activities during the actual sessions of the House. And the attendance of a full House would be the greatest possible inducement, I assure you, to the expeditious consideration of the legislative business!

INCENTIVE TO INSPIRATION

To register attendance and avoid a time-consuming quorum call, I would propose that the electronic system be activated at the time the bells are rung 15 minutes before the convening of both the morning and afternoon sessions, and the Members be instructed to record their presence at that time. The system would close when the gavel fell to call the House to order, and the Roll at that time would constitute the official attendance at that session.

A preacher once told me that the surest way to increase the size of your congregation is to estimate it, but I expect the above procedure would cause a substantial improvement in attendance in the House, at least for the Chaplain's inspiring, opening prayers, and if there is one thing we really need above all else it is the continued grace of Him whom we earlier acknowledged as the co-author of our framework of freedom.

Now, if all of these measures have failed to achieve that "essential maximum participation" in the primary responsibilities of representatives, Congress could use the Rolls obtained above to enforce a statute that has been the law of the land since 1856 requiring the Secretary of the Senate and the Sergeant at Arms of the House to withhold the pay of any Member not in attendance at any session (other than for illness). It might be a very effective measure to encourage diligence in the duties of democracy.

Methinks we have ventured about as far abroad as we dare on this first voyage into

unchartered waters. I trust the experience has been thought provoking, if not too boggling, and that you will continue to give it your earnest reflection and abiding concern. *Making Congress work the very best we can is our most promising hope of preserving this beloved Republic!*

In Summary

So, let us now summarize this unusual exposition of the congressional conduct of the people's business—everybody's business—*your* business, and mine! First, we established the singular, supreme standard that all our endeavors should *"best serve the ends of democracy."* Secondly, we have adopted certain goals, such as *maximum participation*, as essential to that standard. Third, we have considered reorganizations that might contribute to our goals. We have proposed revolutionary restructuring of the congressional work day, the work week, and the legislative work year. And lastly, but most importantly, we have suggested incentives which might make these high aspirations attainable.

Would it all *serve the best ends of democracy*?

I believe it would.

Mr. BROOMFIELD. Mr. Speaker, I want to join in complimenting Joe Bartlett on this study of the work of Congress. "Everybody's Business" is the most comprehensive, imaginative, and constructive overview of the legislative branch of Government and its problems that I have seen during my service in the Congress. I commend it to the earnest consideration of all those concerned about representative republican government.

It does not surprise me at all that such a perceptive study should come forth from our own Joe Bartlett. I have enjoyed an especially close working association with Joe during my years as president and as chairman of the Capitol Hill Club, and I have found him to have remarkable insight into complex problems and their solutions. He brings the same objectivity and high purpose into his perspective in dealing with this most challenging of subjects, the legislative labyrinth.

It would be very easy for anyone to fault some detail or other of the study. I am sure Joe makes no pretense of perfection. But anyone who gets caught up in nitpicking is going to be deprived of a most stimulating exposure to some new, bold, and exciting ideas.

Likewise, I am sure that no one, including Joe, expects to see such far reaching reforms adopted posthaste. But the process to that end, if it is ever to be, has to start with ideas, and we are indebted to Joe for a magnificent beginning.

As Joe tried hard to impress in his treatise, these are the thoughts of one utterly dedicated to this House and to this system. Joe has served over a third of a century in this Hall. It has been his life. And his life has been a credit to the House of Representatives. The public generally is much more familiar with other former pages and employees who have risen to notoriety in different pursuits. I am proud of the kind of image Joe has brought to the congressional career service and to the Congress.

It has not, I am glad to say, been without some recognition. He has been awarded two degrees of doctor of laws by Salem College and Atlanta Law School which chose to honor him for his distinguished public service. The U.S. Jaycees gave him their Distinguished Service Award for his help to that fine organization. He has the George Washington Honor Medal of the Freedom's Foundation of Valley Forge for an earlier patriotic essay. And I do not know how many other honors.

In any event, this is the kind of a man who brings us this penetrating study, and I urge you to make "Everybody's Business" your enjoyable business at an early opportunity.

Mr. BROWN of Ohio. Mr. Speaker, it is a pleasure for me to join in this discussion of the paper recently prepared by the distinguished minority clerk, Joe Bartlett, in which he was asked to give some of his reflections on the workings of the House as a result of his 33 years of observations which began when he came to the House as a page before World War II.

Joe has seen a great deal of the history of the House. Indeed, Joe has been a part of that history. That is why his views of how the House might be made more effective in the process of representative government are so valuable.

In the note that came from Joe with a copy of his treatise, he mentioned that he was able to complete the project "thanks to Abraham Lincoln's mother," and his own "long-suffering wife." I assume that means that Joe spent the days and nights of the Lincoln Day legislative recess working on this idea which he has mentioned to me many times in recent months.

This is typical of the dedication Joe brings to his work. Few people are aware of the endless hours Joe devotes to the Congress, and fewer still could match them. It is fitting he should acknowledge his "long-suffering" wife. I, too, commend his lovely wife, Jinny, for being so patient and inspiring as a helpmate in a calling that is uniquely demanding of those who fall within its addiction. Fortunately, Jinny was no stranger to public service when she met and married Joe, for her father was one of the most colorful and enthusiastic Members ever to be elected to the Congress, the late Congressman and Senator George H. Bender of Ohio. He and my late father served the Ohio Senate together, when Dad was lieutenant governor of Ohio and George Bender was a boy-senator from Cuyahoga County back in 1920.

I want to say here in my comments that I admire Joe's willingness to undertake such a chore, inasmuch as commenting critically on the way the House carries out its responsibilities and making suggestions for improvements has often proved to be unpopular—whether such comment has come from within the ranks of the House membership, from the public or from the press. As the methods by which the House conducts its business have become ingrained in established practice, many have also become time-honored regardless of their sometimes negative and inefficient impact on the legislative process. Almost every suggestion for change is met with a defensive outcry of fear that modern reform stems from some sinister desire to put personal interest ahead of the public interest. It is usually felt that public interest is best served by the tradition-bound status quo. The recent history of the Bolling committee's reform efforts, followed by the reorganization of the 94th Congress by the Democratic caucus, give ample proof of the trials and tribulations of such struggle. Few of the Members of this body agree with all of the changes that have taken place during this most recent "reform" effort. We should continue to search for flaws that are detrimental to our best service to the Nation and the citizens we represent.

But reform was needed, and will continue to be needed if those responsibilities are to be met. Every suggestion toward that end should be considered on its own merits—not on the basis of historical tradition or preservation of personal interest only .

Joe Bartlett has limited his own observations and suggestions to the schedule under which the House conducts its business—the congressional workday, the workweek, and the legislative work year. The goal, carefully outlined, is not, as is the common misreading of reform suggestions, to put more shackles on an already overburdened Congress. It is to "free" Congress from the muddled schedule that too often leaves the membership as confused as the public in trying to determine its own direction and ultimate accomplishments.

If I may cite just one example, it is the annual delay with which we have come to meet the appropriations obligations for the executive branch. In an effort to come to grips with the problem of annually completing the necessary legislation months after the start of the fiscal year, Congress has changed the beginning of the Federal accounting period to October 1 from the current July 1 date. True, it also established needed budget committees and a series of deadlines for deciding appropriations questions and limits on spending. That should upgrade and greatly modernize Congress ability to meet this obligation. Or did it just push back the day of reckoning to October from July with which Congress has been unable to come to grips during the past few years? Would it not have been better to streamline the process in some manner to insure meeting the July 1 start of the fiscal year under a work schedule that would promote greater productivity?

As Joe Bartlett points out, a schedule that would promote "maximum participation" in the work of the House by the membership would not only better serve the democratic process—and thus the public—but would also better serve the responsibilities of every Member to his or her constituency by freeing the Member from the hit-and-miss schedules he must now try to keep. Everyone would benefit by providing Members a predictable and orderly schedule or participation in committees, on the floor, and to the problems of the public they represent.

I do not agree with each of the suggestions that Joe Bartlett has made. Nor would I expect that others in this body would. But I do hope there is a widespread appreciation of the need for continued reform that will someday enable the House to do all of its work and meet its responsibilities in a manner that can be pointed to with pride, instead of defended by excuse and promise to try harder. I believe the recommendations of Joe Bartlett offer one of numerous positive vehicles that can promote that goal.

I commend Joe for taking the time and effort to provoke this particular discussion. I am hopeful there will be other suggestions that will result in our oft-stated common goal of a House that "best serves the ends of democracy"—a goal held no higher by anyone than by Joe Bartlett in his own dedication as a servant of this Nation.

Mr. Speaker, in conclusion, I have probably known Joe Bartlett as long as well as I have known any Member of this House. We each learned much as the feet of the same great man who we both admired. I was his son; Joe was his friend and apprentice here in the House. My father was very fond of Joe and Joe traveled with my parents to distant speaking engagements. Joe and I have served together at every Republican National Convention I can remember, from Philadelphia to San Francisco to Miami.

Some of the men who served with my father here in the Congress are only now gaining the deserved stature of giants which time also seems permitted to bestow. They were household names in our household, I can assure you, and they were the same familiar names in Joe's house, this House, and we both remember them with tremendous esteem and affection.

They included men like Dan Reed of New York and Joe Martin of Massachusetts; the wise men from Michigan like Earl Michener, and George Dondero, and Jesse Wolcott; the powerful Pennsylvanians such as Jim Wolfenden and Dick Simpson; the lovable and respected Louis Graham of Beaver Falls, Pa.

The roll can never be complete. Some here today are taking their place on such a roll of memory. It has been said that there is no history—just biographies.

Through the contributions of men such as these just named, all who have contributed to Joe Bartlett's knowledge, love and dedication to the House of Representatives and his interest in making it work better, history is assured of being more than a collection of biographies.

GENERAL LEAVE

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RADIO AND TELEVISION COVERAGE ON HOUSE FLOOR PROCEEDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BROOKS) is recognized for 5 minutes.

Mr. BROOKS. Mr. Speaker, it is a matter of the deepest concern to every Member of this body that recent surveys and public opinion polls indicate that the regard in which the American people hold the Congress of the United States—their Congress—has declined significantly.

There are obviously many reasons for this apparent lack of confidence—some within our ability to control, and correct; some arising from the very nature of this broadly democratic institution in which power is shared among 535 Members. But, surely as these same surveys reveal, a major cause of discontent with the Congress has been a general lack of knowledge of its role and functions, its procedures, and its day-to-day operations. And this unawareness, ironically, has been maintained by a Congress reluctant—despite substantial recent gains—to open its proceedings fully to the view of the people we represent.

At the same time, Congress has handicapped itself, internally, by failing to utilize readily available communications technology to keep its Members informed of what is taking place at the very core of this institution, the Chambers of the House and Senate. No matter how urgent is our business, Mr. Speaker, once we leave the floor—whether to return to our offices, to attend committee meetings, or to discuss matters with visiting constituents in a nearby reception room—we are effectively cut off from what is happening here. When we return, it is often with only a superficial awareness of the legislative or parliamentary situation which requires our immediate attention.

Fortunately, Mr. Speaker, we have the means at hand to deal positively with both problems: To improve the public's access to and understanding of the Congress, and to increase our own ability to do the job for which we were elected. The means exist in the radio and TV media which the Congress has never adequately utilized.

For these reasons, seven of our colleagues, on both sides of the aisle, have joined with me today in introducing a House resolution to authorize a test program of radio and television coverage of House proceedings during the balance of the first session of the 94th Congress. They are: Mr. GIAIMO, Mr. O'HARA, Mr. FUQUA, Ms. HOLTZMAN, Mr. CLEVELAND, Mr. ASHBROOK, and Mr. WHALEN.

The resolution is a direct outgrowth of the 2-year study of Congress and mass communications conducted during the 93d Congress by the Joint Committee on Congressional Operations, of which I have the honor to be chairman during the present Congress. As part of its study, the committee held extensive hearings last year during which we received testimony from numerous informed and expert witnesses, including colleagues from both Houses, media representatives, industry officials from both public and commercial broadcasting, State legislators, with direct experience in the broadcasting of legislative proceedings, and persons familiar with the legal, economic, and political aspects of the subject.

The interim report of the joint committee—S. Rept. 93–1275—concluded that existing communications technology is adequate to permit gavel-to-gavel coverage of floor proceedings without unduly intruding upon the business in the Chamber and without disturbing Members on the floor.

We found that the experience of State legislatures which permit the broadcasting of their floor activities, specifically those of Florida and Connecticut, has been favorable.

We found that in such situations, Members, after a brief transition, quickly became accustomed to the presence of "live" cameras and microphones and the presence of such equipment did not significantly prolong debate on the floor.

We also found evidence that viewers of the televised State legislative proceedings considered the opportunity a valuable one, and that their understanding of legislative issues and familiarity with legislative procedures improved substantially.

On the basis of these and other findings of the study, Mr. Speaker, the joint committee recommended that both Houses undertake a 1-year test program of broadcasting, by radio and television, of their full floor proceedings and that such coverage, following a trial period, be made available to public and commercial broadcasters both as live feeds and as taped recordings. The committee also recommended that a running summary of floor debate be transmitted by teletype to Members' offices and to news galleries.

The resolution we have introduced today is designed to implement the joint committee's recommendations. A similar, though not identical, resolution is pending in the other body.

The principal features of our resolution—the text of which will be printed for the information of our colleagues at the conclusion of my remarks—follow:

First, a continuous video feed would be provided, initially serving monitors in a number of House and Senate offices. After a trial period of no longer than 6 months, this feed would be made available to public and commercial broadcasters for use live or recorded on videotapes for delayed use in news and public affairs programs.

Second, a continuous audio feed would also be provided, first to congressional offices and, following a similar trial period, made available to broadcasters both live and in recorded form.

Third, a daily written summary of floor debate and other legislative activities would be transmitted to offices and news galleries on teletype printers for the use of Members and media representatives.

Fourth, no limitation or restriction would be exercised over the selection of materials for broadcast use.

Fifth, the test program would be conducted by the House Commission on Information and Facilities under rules and regulations and subject to terms and conditions prescribed by the Commission.

The decision to assign responsibility for the test program to the Commission was made after consultation with the Speaker and in accordance with the Commission's jurisdiction under section

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204 of House Resolution 988, 93d Congress.

Mr. Speaker, as our colleagues will note from an examination of our resolution, it proposes to carry out this test program carefully and cautiously, proceeding one step at a time. We are under no illusion that such an important experiment can proceed without some difficulty. Change of this magnitude inevitably raises questions or controversy, however, we shall do our utmost to answer satisfactorily the former and reduce to a minimum the latter.

We are confident that the proposal's merits far outweigh the risks, and that the potential benefits accruing to the Congress and to the American people will be substantial.

We urge our colleagues to join us in sponsoring our resolution and to work with us in taking a major step forward toward a more open and a better informed Congress.

Under leave to extend my remarks, I include the text of our resolution:

H. RES. 269

Resolution directing the House Commission on Information and Facilities to provide for radio and television coverage of proceedings in the House Chamber during the first session of the Ninety-fourth Congress

Resolved, That pursuant to Sec. 204, H. Res. 988, 93d Congress (a) beginning as soon as possible during the first session of the Ninety-fourth Congress and continuing for the remainder of that session, the House Commission on Information and Facilities (hereinafter referred to as the "Commission") is authorized and directed to provide for radio and television coverage of the proceedings in the House Chamber. Such coverage shall be provided for continuously at all times while the House is in session.

(b) The Commission shall maintain videotapes of such coverage and shall maintain separately recordings of the audio portion of such coverage. Copies of such videotapes and recordings shall be made available to public and commercial broadcasting stations as provided in section 4 of this resolution. Copies of such videotapes and recordings shall be made available to educational institutions, libraries, and other organizations under rules and regulation prescribed by the Commission.

SEC. 2. (a) The Commission shall initially provide for monitors with which to receive the television coverage of the proceedings in the House Chamber to be located in such offices in the Capitol and the House and Senate office buildings as the Commission, after consultation with the Speaker of the House of Representatives, considers desirable. No later than six months after the beginning of television coverage of the proceedings, the Commission shall make such television coverage, and the videotapes thereof, available to public and commercial television broadcasting stations in accordance with the provisions of section 4.

(b) The Commission shall initially provide for transmission of the audio portion of the coverage of such proceedings into the office of such Member or officer of the House or the Senate, committee of the House or the Senate, or joint committee of the Congress as the Commission, after consultation with the Speaker and such Member, officer, committee, or joint committee, considers desirable. No later than six months after the beginning of the audio portion of such coverage the Commission shall make such audio portion, and recordings thereof, available to public and commercial radio broadcasting stations in accordance with the provisions of section 4.

SEC. 3. The Commission shall also provide a daily written summary of the proceedings of the House and other information pertaining to legislative activity. Under rules and regulations prescribed by the Commission after consultation with the Speaker and such Members and officers of the House and Senate as may be directly concerned, such information shall be made available, by means of teletype printers or other written means, to such Members, officers, and committees of the House and Senate, joint committees of the Congress, and news media as the Commission considers desirable. The Commission is authorized to delegate responsibility for implementing this section as it may deem appropriate.

SEC. 4. (a) The radio and television coverage of the proceedings in the House Chamber, videotapes of such coverage, and recordings of the audio portion of such coverage, shall be made available to public and commercial broadcasting stations under rules and regulations and subject to such terms and conditions as the Commission considers desirable, including, but not limited to, the following:

(1) Such coverage, videotapes, and recordings shall be broadcast solely for the education, enlightenment, and information of the general public.

(2) No part of such coverage, videotapes, or recordings may be used in any commercial advertisement.

(3) No part of such coverage, videotapes, or recordings may be broadcast with commercial sponsorship, except as part of bona fide news programs and public affairs documentary programs.

(4) No part of such coverage, videotapes, or recordings may be used to promote or oppose the candidacy of any person for elective public office, whether in a paid political broadcast or otherwise.

(b) It is the intent of this section that in making available to public and commercial broadcasting stations the radio and television coverage of the proceedings in the House Chamber, videotapes of such coverage, and recordings of the audio portion of such coverage, no limitation or restriction shall be exercised over the selection of materials for broadcast use.

SEC. 5. (a) The Commission is authorized to employ such professional, technical, and other personnel as may be necessary to carry out the provisions of this resolution. The Commission is also authorized to enter into contracts with individuals, corporations, and organizations to carry out the functions and duties specified in this resolution.

(b) The expenses of the Commission under this resolution shall be paid from the contingent fund of the House.

SEC. 6. As soon as possible after the conclusion of the first session of the Ninety-fourth Congress, the Commission shall evaluate and report to the House with respect to the radio and television coverage of proceedings in the House Chamber and other activities carried out under this resolution, together with recommendations thereon, including recommendations for continuing such coverage and other activities. In its evaluation and report to the House, the Commission shall consider, but not be limited to, the following:

(1) the effectiveness of audio and video systems as a means of monitoring activities in the House Chamber,

(2) the effect of radio and television coverage on proceedings in the House Chamber, and the attitude of Members of the House toward such coverage,

(3) the extent and nature of the use of the radio and television coverage, and videotapes and recordings thereof, by public and commercial broadcasting stations in accordance with this resolution,

(4) the response of the general public to broadcasts of such coverage, videotapes, and recordings, and

(5) the effectiveness of the information provided and made available under section 3 from the viewpoint of the news media and Members, officers, and committees of the House.

INSURING THE RISK OF MEDICAL MALPRACTICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 15 minutes.

Mr. HASTINGS. Mr. Speaker, on February 19, in a statement issued to my colleagues in the House, I noted that the cost of medical malpractice insurance had risen from $60 million in 1960 to a figure estimated by some experts to be as high as $1 billion or more today. I also noted that the number of insurers offering medical malpractice insurance has diminished to the point where today there are less than 10 companies writing the vast majority of the medical malpractice insurance in this country. Reports from individual States show insurance premiums increasing by extraordinary amounts and insurers either no longer writing medical malpractice insurance or threatening to withdraw coverage at some future date. Employers' Insurance of Wausau, after covering members of the New York State Medical Society for 25 years, withdrew coverage in 1974.

During the period from 1949 until 1974, the company received $212 million in premium income and investments earned from premiums, according to testimony before the New York Legislature by the American Mutual Insurance Alliance in January of this year. During the same period, the company incurred losses of $332 million, for a net loss of $120 million, according to the same testimony. After Employers withdrew, their place was taken by Argonaut Insurance Co. which received an increase of 93.5 percent when they assumed coverage of some 21,000 New York physicians. Less than 1 year later, Argonaut asked for a premium increase of 196.8 percent.

According to the New York Times, Argonaut withdrew their rate increase request on the eve of a hearing called by the State Insurance Commissioner, but announced it was terminating coverage of New York physicians effective July 1 of this year. St. Paul Companies recently announced that it was terminating professional liability coverage of hospitals in 14 States, and has also announced that it planned to terminate coverage of physicians' coverage under a medical society sponsored group plan in Maryland. The St. Paul Companies has been insuring Maryland physicians for 14 years.

MEDICAL MALPRACTICE INSURANCE COVERAGE

Medical malpractice or professional liability insurance protects the income and assets of health care providers and indemnifies the injured patient.

The Secretary's Medical Malpractice Commission estimated that 98 percent of all physicians have medical malpractice insurance. Hospitals, and several other health professionals besides physicians, consider professional liability insurance essential to protect them against medical malpractice claims.

Professional liability policies are normally written with a dollar limit on each occurrence and an aggregate limit on all occurrences for a policy year. According to Kendall and Haldi, who prepared an extensive report on the medical malpractice insurance market for the Secretary's Medical Malpractice Commission.

The vast majority of physicians carry liability indemnity limits of $100,000/$300,000 or higher. For those specialists subject to high exposure (e.g., anesthesiologists, neurosurgeons, and orthopedic surgeons), adequate limits are considered to be at least $1 million. Those who want to cover virtually every contingency are generally advised to buy limits of $3-5 million.

As I said earlier, most policies provide coverage of $100,000/$300,000. Additional coverage can be obtained by simply increasing the size of both the individual claims and policy year figures. More commonly, excess coverage is an umbrella policy that covers professional, personal, and premises liability. An example of coverage of physicians is the Florida Medical Society endorsed plan which is written by Argonaut. Under that plan in 1972, the minimum basic limits were $100,000/$300,000. Umbrella coverage was available from primary limits of $1,000,000 up to a maximum of $5,000,000.

The larger companies in the property and liability field can provide coverage of $10,000,000 or more. In cases where the individual underwriter is unwilling or unable to provide coverage beyond a certain limit, the agent of the physician may obtain excess coverage through an additional underwriter.

Hospitals most commonly obtain policies which cover professional liability, general liability, and workmen's compensation and employees' liability. Kendall and Haldi, in the study mentioned earlier, noted that a—

Large number of hospital policies are written for the same amounts as individual physicians usually buy. The limit of $100,000 on each occurrence may be reasonable for a hospital. However, if an aggregate limit of $300,000 is appropriate for practitioners, then $300,000 for hospitals seems out of proportion to the potential risk.

Although no extensive evidence is available on the levels of coverage for hospitals today, reports I have received show hospitals are increasing their coverage limits. Arthur H. Bernstein, a legal consultant to the Journal of the American Hospital Association, noted in an article in the Journal last August that:

The maximum coverage of malpractice insurance now considered realistic for practitioners and institutions is much higher than it was a year or two ago.

Supporting this statement, the American Hospital Association, in announcing a plan to assure hospitals of professional liability coverage, stated that their plan would offer liability limits up to $15,000,000.

ESTABLISHING MEDICAL MALPRACTICE RATES

When medical malpractice insurance premiums rise, the outcry by physicians and other providers frequently results in public examinations of the rates by insurance commissioners, to determine if the rates are reasonable. Such examinations have frequently resulted in disputes between insurers and State insurance commissioners, over what is a reasonable rate, as has been the case recently in Maryland and North Carolina. According to published reports, St. Paul Cos. requested a rate increase of 82 percent in North Carolina, while the insurance commissioner contended they were entitled to an increase of 5.6 percent. The increase of 82 percent was granted. In Maryland, a recent rate increase was denied St. Paul Cos. because the insurance commissioner disagreed with the rate increase justification provided by the insurer.

How are rates established in the medical malpractice insurance industry? Rates are established by the type of provider, the medical malpractice experience of the particular provider being rated, and the area of the country where the provider delivers services. In addition, certain additional charges are assessed. For example, physicians in partnerships and professional corporations are normally assessed an additional 20 percent. Other additional assessments depend upon the number of employees, the types of services performed, for example there is an additional charge if the physician performs X-ray therapy.

The differences that result because of the type and location of practice are striking. A neurosurgeon in California pays approximately $12,500 for $100,000/$300,000 coverage, while a neurosurgeon in New Hampshire pays about 600! The rate for physicians who do not do surgery in California is about $1,500 while the rate for the same type of physician in New Hampshire is about $120. As can be seen by these examples, there is a dramatic difference between neurosurgeons and physicians who do not do surgery within each State and a dramatic difference between States. In addition to the differences by type of practice and location, the experience of the practitioner himself is a factor in determining rates. In Florida, which I mentioned earlier, surcharge is added to the physician's premium for claims against him. Kendall and Haldi describe the surcharge procedure in Florida as follows:

If a doctor incurs one claim which results in a payment exceeding $1,000, he will not be surcharged for that claim. However, on the second claim paid over $1,000 for that doctor, his rate will be surcharged 50 percent. The surcharge is 500 percent on the fifth claim amount exceeding $1,000. The physician can elect to accept a deductible in lieu of the total surcharge, provided he posts a bond in the amount of the deductible.

A frequently raised question regarding the wide disparities in rates among types of physicians and between areas is whether these disparities will cause a shifting in the specialty mix of physicians and where they locate for practice. Although this issue has not been examined in depth, there appears to be no measurable effect. The specialties who pay the highest insurance premiums are also the highest earners, and heavily doctored areas where the malpractice premiums appear to be the highest continue to have the highest concentrations of physicians.

Although the differential rates described above are important, the principal issue regarding rates is the difficulty of predicting medical malpractice experience. Insurers, according to their own reports, have consistently underestimated the increases in the number and dollar amounts of medical malpractice claims.

Along with underestimating in the past, insurers are extremely concerned about the number and size of future claims. They cite as evidence the increases in medical malpractice claim awards exceeding $1,000,000 in California, and the fact that since 1964, the number of awards in New York has more than doubled and the average size of the awards has increased almost four times. To add to the complexity of rating, all medical malpractice incidents which occur in any 1 year take about 10 years to settle. The problem was described by Gene Cudworth, secretary of Hartford Insurance, in an article in Medical World News last November:

In automobile liability, we at least know the total number of accidents that occurred in any given year. But only ten percent of the malpractice claims are filed in the first year.

The problems in predicting the costs that will be incurred is also related to the nature of the coverage. A physician who purchases medical malpractice insurance is covered for all medical malpractice incidents that occur during the period of the policy, generally a year. This means that his insurance covers him up to the limits of the policy regardless of when the claim is submitted, if the medical malpractice incident occurred during the policy year. This type of policy has been cited by some insurers as the cause for some of the difficulties encountered in rating, and insurers have suggested that policies be shifted to cover doctors for claims made rather than when the medical malpractice incident occurred.

This would mean that the rate would be based on the number of claims that might be initiated in the policy year, or for a limited period of years, thereby making rate more predictable. This method of covering physicians has been criticized by physicians who cite their vulnerability if they ceased to purchase medical malpractice insurance, because, for some reason, they no longer practiced medicine. If a claim were made after a physician discontinued his practice and his insurance, but which occurred while still in practice, he would be unprotected under the claims made approach. Problems arise as well, according to physicians, if they switch the type of coverage from claims made to the more prevalent occurrence basis—since they would be unprotected for those incidents which had occurred under the earlier coverage, but for which claims had not been made.

Some insurers are aware of the physician's concerns regarding the claims made insurance approach and are attempting to devise ways to deal with the problems cited by physicians.

CHARACTERISTICS OF MEDICAL INSURANCE INDUSTRY

In reviewing medical malpractice insurance, it is useful to consider some characteristics of the medical malpractice insurance industry. As noted earlier, there are relatively few insurers offer-

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ing medical malpractice insurance, and it is frequently stated that the number of insurers offering medical malpractice insurance is rapidly decreasing. Although the medical malpractice insurance problem is of great concern to some insurers as well as other interests, it is not a large segment of property and liability insurance. In 1970, it comprised 1.1 percent of the total premium volume for property and liability insurance. Its rate of growth was rapid, however, increasing from .4 percent in 1963 to 1.1 percent in 1970. Data is not available since 1970. It is frequently claimed that medical malpractice insurance is the most inefficient form of insurance in terms of getting dollars to injured patients. A major reason is the high cost of settling claims.

One insurer estimates, for example, that defense costs are 29 cents of every premium dollar. As I noted in my earlier discussions on medical malpractice, the plaintiff's attorney may charge 30, 40, or 50 percent of the amount awarded to the claimant. In addition to the costs associated with settling claims, referred to as "pure premium," there are other substantial costs that make up the medical malpractice insurance premium. These are referred to as the insurer's retention. These costs include selling and general servicing of policies, taxes, overhead, underwriting policies, and other miscellaneous costs.

The range of these costs can be as high as 45 cents of each premium dollar to as low as 10 to 15 cents on each premium dollar. Based on the limited data available, it would appear professional society endorsed group policies have the lowest nonsettlement costs for physicians while individual policies have the highest. Factors contributing to differences are the number of parties involved, for example, whether there is one or more underwriters, whether the insurer's agents are salaried on a commission and their number, and the services provided by the professional associations themselves.

Probably as a result of cost, as well as other considerations, medical malpractice insurance is increasingly group business with hospital associations and medical societies sponsoring plans offered by a single insurer. Argonaut, for example, offers coverage to physicians in New York with the endorsement of the State medical society. The State medical societies frequently refer to such policies as "their" policies, offered as a service to medical society members. Such policies offer advantages to the insured through opportunities to engage in risk prevention programs, access to the experience of their group, which enables them to negotiate more realistic rates, participation in establishing underwriting rules, and lower administrative costs.

In 1972, there were more than 40 State and county physician group plans as well as eight programs sponsored by national professional societies. In 1972, 35 State hospital associations had group professional liability programs. Under these plans the association usually performs some of the selling and administrative duties. They also appoint an insurance committee which reviews underwriting practices, claims, rate changes, and competing proposals from other carriers.

THE FINANCIAL CONDITION OF MEDICAL MALPRACTICE INSURERS

Are insurers losing money in the medical malpractice business? The one conclusive recent piece of information relating to the experience of Employers of Wausau, showed that company to have lost $120 million over a period of 25 years, even when taking into account income earned from their reserves. According to an article in the Journal of Commerce on January 29,

> At least two insurers—California Insurance Exchange and the Casualty Insurance Company of California went broke offering this type of coverage.

The basis for the extraordinarily large increases in premiums of insurers is based on their own statements that they are losing money at the present medical malpractice insurance rates. The California insurance commissioner was recently quoted as saying that no insurer has made money on medical malpractice insurance in the past 20 years.

Although I have no reason to doubt the statements of the insurers that they are losing money, the financial picture regarding medical malpractice insurance is an area which needs to be examined far more closely than it has to date. For example, statements that medical malpractice insurance has never been profitable is surprising in view of the data compiled by the Medical Malpractice Commission on loss ratios for the period 1960 to 1970. Loss ratios are ratios of losses to premiums.

Losses refer to claims associated with medical malpractice incidents occurring during the year for which the premium is calculated. Henry T. Kramer, director and president of the North American Reinsurance Corp., and a member of the Medical Malpractice Commission reviewed the profitability question for the commission as it relates to loss ratios. He stated that:

> The conclusion of his company is that loss payments equal to 98 percent of premium . . . will produce a profit equal to five percent of premium.

The reason that insurers can incur such high loss ratios and still make a profit is because of returns on the investment of their reserves. In only 4 of the years examined by the commission did the loss ratio exceed 98 percent. The loss ratio in 1969 was 69 percent and it was 54 percent in 1970. For the Congress to have an adequate picture of the financial performance of medical malpractice insurance, loss ratios need to be updated.

The recent condition of fire and casualty insurers, which write medical malpractice insurance, was reported in the January 20 issue of the Wall Street Journal. According to the article by Tom Herman, fire and casualty insurers were hurt by losses on stocks, as well as by large claim amounts. Experts "expect sharply higher premium rates and more exclusions in policies; lower coverages, and increased reluctance among insurers to write certain kinds of policies at any price—especially medical malpractice and product liability insurance."

The Wall Street Journal article adds an important dimension to our understanding of the medical malpractice insurance market. Because medical malpractice is a marginal line of insurance, with great increases in cost and rating difficulties, it is vulnerable when insurance leaders decide on future lines of insurance.

The pressures for insurers to either raise medical malpractice insurance rates astronomically to protect their financial status or to get out of the business altogether should be of great concern to the Congress. Assurance of availability of medical malpractice insurance for both health care providers and insurers is essential to the effective operation of our health services system.

LIVE BY THE RULES OR REPEAL THEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 10 minutes.

Mr. BAUMAN. Mr. Speaker, the present 94th Congress, the so-called reform Congress, has made many substantial changes in the procedure of the House of Representatives. But it was the 93d Congress, last October, that devoted itself to debating our House rules at great length in an attempt to bring them up to modern standards.

During the debate on the Hansen and Bolling reform measures, last October, our former colleague from Wisconsin, Mr. Froehlich, offered an amendment to the rules which was unanimously adopted. It now appears as part of the House Rules in rule XI(1)(4). The rule reads as follows:

> Each report of a committee on each bill or joint resolution of a public character reported by such committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

At the time Mr. Froehlich offered this amendment, he gave a perfectly rational explanation for its need, and I quote his remarks on October 8, 1974:

> The amendment is modest. It is also profound. It is grounded on two premises—first, that legislative actions including, but not limited to spending, can have an important impact on inflation in our economy—and, second, that informed lawmakers ought to be able to weigh this impact along with all other considerations that go into the passage of a bill.
>
> This amendment will force us to focus on inflation. It will make the House of Representative more accountable for the impact of its actions on the economy of our Nation. One theme that runs through these reforms is the desire to create an informed Congress. This amendment may bring us out of the darkness on economic matters.
>
> This amendment offers one concrete way that we can demonstrate that we are truly interested in combating inflation. There is no rational reason why we should know much, much more about the impact of some small public works project on its immediate environment than we know about the impact of a major bill upon our entire economy.

Mr. Speaker, it has been said that rules are made to be broken, but of course in the House we have the right to a point of order when such infractions occur. I therefore call to the attention of the House, House Report No. 94–16, which accompanied House Joint Resolution 219, providing for further continuing appropriations. This bill and report were considered by the House on Tuesday, February 25.

In the report under the heading, "Inflationary Impact Statement", the authors, presumably the staff of the House Appropriations Committee, purport to comply with clause 2(l)(4) of rule XI in a most curious manner. I will quote only one paragraph of this report:

> It is a matter of conjection whether or not any appropriation of money or many other legislative actions may be inflationary. Considering the levels of funding continued by the accompanying resolution, it is the judgment of the Committee that its enactment will not have an additional inflationary impact on prices and costs in the operation of the national economy beyond that which may already be caused in areas of the economy affected by the government program covered under this resolution.

Mr. Speaker, in my opinion, the language of the Appropriations Committee report is ludicrous. It certainly does not comply with either the letter or the spirit of the Froehlich amendment to the rules. In fact, it completely avoids compliance with the rule, by using circuitous logic somewhat akin to a snake eating its own tail. What in essence the report states is that the Appropriations Committee believes that a bill containing many billions of dollars in deficit spending will have no additional inflationary impact on the national economy, except the impact which the bill will have. But that impact is never described. If this sounds illogical, it is. It is also a complete evasion of our congressional responsibility.

Mr. Speaker, yet another example of the violation of this rule, in fact an even more blatant violation, appeared in House Report No. 94–19, the Tax Reduction Act of 1975, H.R. 2166, reported out by the Ways and Means Committee. I quote in full the committee's attempt to comply with this rule:

> In compliance with clause 2(1)(4) of rule XI, the committee states that the Tax Reduction Act of 1975 is not expected to have a significant inflationary impact on prices or on costs of the operation of the national economy. Any inflationary impact that might arise from decreased funds being available for borrowing by others is conjectural at the present time and can be offset by appropriate monetary policy. In a recession of the current seriousness the inflationary impact is not the major consideration.

Bear in mind that this bill reduced taxes by an amount in excess of $21 billion, adding an enormous sum to the national deficit and thereby greatly increasing inflation in this country. Yet all the Ways and Means Committee could think to say was that the inflation impact would be "conjectural."

Mr. Speaker, if the rules are not to be applied in the House, then they should be repealed. I cannot think of a more important rule than one which deals directly with the tremendous inflationary damage being done to our national economy by the irresponsible spending habits of the Congress.

I assume that in the future the Chair will be prepared to rule on points of order on this matter.

A CITY BETRAYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, San Antonio today faces the urgent necessity of resolving its energy crisis. Standing at the crossroads, the city is in the midst of unprecedented crisis. Its leadership on the municipal level is shattered; public confidence has never been lower; and yet complex problems must be addressed and solved. The tasks before the city would be difficult with the best of political conditions, and the existing scene must dishearten even the most persistent optimist. Yet there is no choice but for San Antonio to go ahead and resolve its problems.

The speeches I have made over these last several occasions trace part of the development of this tragedy.

Today San Antonio has the opportunity, through its city election, of overcoming its problems. But if public confidence in the municipal government is going to be restored, the kind of corruption that marked the last campaign must end.

The last campaign for city council in San Antonio was marked by tremendous infusions of money, much of it of dugious origin. Candidates like Charles Becker, who is leaving the mayor's post, filed contribution reports that are wholly incredible. Not only are the amounts staggering—Becker spent more than every other candidate combined—but the donors so often seem odd.

If the reports make any one thing clear, it is that Charles Becker was determined to buy his way into office. But to do that, he had to bend and wink at the law. This required a certain degree of cynicism and plain dishonesty—and these are the essential ingredients of political corruption. The kind of ill-concealed contempt for legal niceties, the cynicism of Becker's campaign and campaign expense accounting, indicated his inability to understand or appreciate basic political honesty. San Antonio cannot afford to have another city election bought, as Charles Becker bought his 2 years ago.

Charles Becker reported spending far more than $200,000 to be elected to the city council. This, as I have said, was more than all other candidates combined spent.

Becker's reports included contributions from mysterious, "anonymous" sources. They also included large gifts from people who gave extraordinary amounts, considering their probable incomes. An apartment manager was reported as giving $2,000. Would such an individual really be capable of that? A secretary had $1,500 attributed to her. Whose secretary could afford that? Employees of Becker's grocery company gave a total of $2,535. Did they really contribute, or were they simply asked to allow their names to be listed as contributors to Becker? If they were asked, who among them would have turned their boss down—whether it was being asked to give, or merely allow their name to be used? Many suppliers to Becker's grocery company were listed. Some undoubtedly gave because they liked Becker; but is it possible that some also gave because they were afraid of losing a valued customer?

The name Morris Jaffe is not listed as a Becker contributor. Yet the two are the closest of freinds; they own an airplane jointly; and they have been deeply committed to political togetherness, to the point of jointly promising lavish support to a would-be candidate in the current election campaign. Could it be that Jaffe is the mysterious "anonymous" who gave thousands to the Becker campaign? It is almost certain that Jaffe was involved in the financing effort, for associates of his are listed as giving $5,100.

Jim Dement, who was Becker's biggest reported contributor, also had associates who gave large amounts of money. In going over these reports, the question occurs again and again: Could this person really have given that much?

Almost everything on the Becker report raises questions. The report seems intended to conceal as much as it reveals, and so it becomes a symbol of the essential corruption of that campaign—the corruption that carried within it the seeds for the later corruption of the city government, and the public disenchantment that went with it.

Becker might think that corruption consists only of bribery, and that he is not corrupt if he has never been bribed. But in politics, corruption begins with contempt for the law and ordinary decency. The Becker campaign was an open attempt to buy public office, and because of its cynical disregard for either decency or honest reporting, resulted in the election of a man who was corrupted. Political corruption does not require the acceptance of bribes; it only requires that the office holder have no understanding or basic regard for honesty. Becker's campaign and subsequent political fate are a perfect example of this.

Today, Becker has said that he is leaving politics. His associates have left, or plan to. Neither he nor they gained real public confidence, and what little they enjoyed collapsed. Little wonder; public confidence is something earned, not bought.

If San Antonio is going to regain confidence in its city government, the kind of corruption symbolized by the Becker campaign must be eliminated. City offices should not be bought, any more than they should be sold.

Becker wanted to get into office, because he wanted to take things over from people he thought were standing in the way of his ambition, and the ambitions of his friends. Perhaps that is why he was willing to spend so much to get elected. Perhaps that is why Oscar Wyatt and his executives at Coastal States Gas talked about political expenditures for the 1971 San Antonio campaign. Perhaps that is why, too, that Becker, almost 2 years later to the day, took time

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out from his expensive reelection bid to call Norman Davis, the Coastal corporate secretary, to say that he, Becker, wanted to lay the city's energy crisis at the door of the ill-starred Alamo Gas Co. deal; how the city public service board was so bad, and they—the board—"have always called OSW—Wyatt—a crooked SOB." Becker went on to say that he was trying to get editorial support for his version of the truth, and how it was a "tragedy that the city is in court when it should be making cost plus deals." Davis noted, deals that would be along the lines of Wyatt's legislative bills. Davis replied with words that Becker surely wanted to hear: "We can get gas for the city at cost plus 10 cents—today about 35 cents." Thus assured, Becker charged on. But I wonder: why was it so important for Becker to tell the Coastal people all these things? Did he have some kind of doubts? Did he not realize that Coastal was the very company that had broken its contracts? Why, in fact, did Davis mark his notes of this conversation "confidential"?

A couple of weeks after that conversation, Becker was reelected to the city council, and made mayor, after some complex maneuvering.

That campaign was marked by the seeds of corruption—its lavish costs; its vicious nature; and its very questionable reporting of contributions. With that corruption, the city government became infected.

San Antonio today faces the task of overcoming that corruption. Becker and those like him would like once again to buy influence and position. The question is whether this city election campaign will be any more honest than the last one. If it is, San Antonio has a good chance of overcoming its serious problems. If not, there is every chance that the corruption of office will continue unabated, and San Antonio continue to suffer betrayal at the hands of little men.

CONSTITUTIONAL AMENDMENT LOWERING THE AGE REQUIREMENTS FOR MEMBERSHIP IN THE CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 40 minutes.

Mr. DRINAN. Mr. Speaker, for almost 200 years, the American people have accepted the constitutionally mandated minimum ages for service in the U.S. Congress. The minimum ages of 25 for Representatives and 30 for Senators have been viewed as a reasonable guarantee that maturity, wisdom, and good judgment would prevail in both Houses of Congress.

However, responsible citizens have begun to question the wisdom and justice of imposing 18th century minimum age requirements on today's young men and women who are better educated than any previous generation in our Nation's history.

The adoption of the 26th amendment in 1971, giving 18-year-olds the right to vote, was a strong vote of confidence in the political sophistication and maturity of our younger citizens. As a direct consequence of that amendment, many other statutory minimum age requirements have been reviewed and lowered.

In December 1973, testimony before the Senate Subcommittee on Constitutional Amendments supported the contention that the sociological realities of the 1970's make the present minimum age requirements for congressional service antiquated, unreasonable, and contrary to our system of representative democracy.

Mr. Speaker, the present minimum age requirements have helped produce a Congress that vastly underrepresents the ideas and ideals of millions of young Americans. Therefore, I have proposed a constitutional amendment to lower the minimum age of eligibility for both Houses of Congress by 3 years. The new eligibility ages of 22 for Representatives and 27 for Senators would help make Congress more open and responsive to our younger citizens. At the same time, the amendment would preserve the Founding Fathers' intention that a reasonable level of maturity and experience beyond the minimum voting age would exist in the national legislature.

Mr. Speaker, the proposed "22–27 amendment" reads as follows:

H.J. RES. 107

Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the Several States within seven years from the date of its submission by the Congress:

"ARTICLE—

"SECTION 1. No person who shall have attained to the age of twenty-two years shall be disqualified to be a Representative on account of age.

"SEC. 2. No person who shall have attained to the age of twenty-seven years shall be disqualified to be a Senator on account of age.".

I am pleased to announce, Mr. Speaker, that 44 of my colleagues have already joined me in cosponsoring this important revitalization of our American political process. They include:

Ms. Abzug, Mr. Anderson of California, Mr. Bingham, Mr. Boland, Mr. Carr, Ms. Chisholm, Mr. Conyers, Mr. Cornell, Mr. Edgar, Mr. Ellberg, Mr. Flood, Mr. Ford of Tennessee, Mr. Fraser, Mr. Frenzel, Mr. Gude.

Mr. Hannaford, Mr. Heinz, Mr. Howard, Mr. Jacobs, Mr. Jeffords, Mr. Jenrette, Mr. Krebs, Mr. Mann, Mr. Matsunaga, Mr. Miller, Mr. Mitchell, Mr. Pattison of New York, Mr. Pepper, Mr. Quie, Mr. Rangel.

Mr. Richmond, Mr. Rosenthal, Mr. Santini, Ms. Schroeder, Mr. Selberling, Mr. Solarz, Ms. Spellman, Mr. Stark, Mr. Steelman, Mr. Stokes, Mr. Tsongas, Mr. Udall, Mr. Wirth, Mr. Wolff.

Members who have not yet joined me in this worthy undertaking are still welcome to cosponsor the resolution, and may do so by calling my office.

Before continuing, I would like to bring to the attention of the House a statement made by Robert Luce, in his standard work entitled, "Legislative Assemblies." Mr. Luce wrote that of all the specific disqualifications for service in any legislature, "the most natural and clearly the most proper is that on the score of age." The proposed constitutional amendment does not challenge such reasoning. I am not advocating "child-legislators." Some minimum age requirements may be reasonable and justified. However, the present minimum age requirements are not, and they should be lowered.

BRIEF SURVEY OF BRITISH AND EARLY STATE AGE REQUIREMENTS FOR LEGISLATIVE SERVICE PRIOR TO 1787 CONSTITUTIONAL CONVENTION

According to Robert Luce, when most of the original States drew up their constitutions, they followed the British common law principle to determine eligibility for the lower branch of their legislatures. That principle held that a man was of full age at 21, and as such was qualified to sit in Parliament:

Our English ancestors decided that at the age of twelve a male might take the oath of allegiance, at fourteen might choose a guardian, at seventeen might be an executor, and at twenty-one, with complete power to alienate his lands, goods, and chattels, to dispose his property and himself, was of 'full-age.' This inevitably became a test of his fitness to serve in Parliament.

Only a few of the early State constitutions required that Senators, as the name implies, be older men. South Carolina's minimum senatorial age was 30. Both Virginia and Maryland required that their Senators be at least 25. The Congressional Research Service has reported that, prior to the decade of the Constitutional Convention, the minimum age requirements for members in both houses in most of the State legislatures was under 25.

Luce explains the generally low age requirements in the original State constitutions by pointing out that—

The Revolution was the work of young men, and those who achieved it were not eager to deprive themselves of its fruits in the way of opportunity for important public service.

However, as these young revolutionaries got older, "some of them came to attach more importance to maturity." As an example, Luce cites the revised New Hampshire constitution. In 1784 New Hampshire raised the minimum age for State senators to 30.

Thus, when the 55 delegates assembled in Philadelphia in 1787 for the Constitutional Convention, they all had had considerable exposure to the concept of minimum age requirements for legislators. It is certain that many of them viewed service in the proposed "National Legislature" as a greater responsibility than service in any of the State legislatures. Additionally, it is not unreasonable to speculate that many of the delegates had a cautious attitude about youthful participation in the new Federal Government.

PROCEEDINGS OF THE 1787 CONSTITUTIONAL CONVENTION REGARDING THE MINIMUM AGE REQUIREMENT FOR REPRESENTATIVES

TUESDAY, MAY 29, 1787

Mr. Randolf of Virginia submitted the Virginia plan containing 15 resolutions for preliminary consideration by the Committee of the Whole. Resolution No. 4 introduced the idea of a minimum age for Members of the first branch of the National Legislature, but omitted any reference to a specific age:

Resolved that the members of the first branch of the National Legislature ought to be elected by the people of the several states every —— years for the term of ——; to be of the age of —— years at least.

On the same day Mr. Pinckney submitted a six article plan which also included a reference to a minimum age qualification for what he termed the "House of Delegates." Although some controversey exists as to when the so-called Pinckney plan was introduced, there is no dispute that the plan called for a minimum age for members of the most numerous branch of the Federal Legislature:

The members of the House of Delegates shall be chosen every —— year by the people of the several states and the qualification of the electors shall be the same as those of the Electors in the several state legislatures—each member shall have been a citizen of the United States for —— years—shall be of —— years of age and a resident in the State he is chosen for.

Both Randolf and Pinckney left the decision about the specific minimum age to the Committee of the Whole for final action. The most important point is that from the beginning of the Convention the idea of some minimum age for legislative service was actively considered.

TUESDAY, JUNE 12, 1787

Without debate or recorded explanation:

The word requiring members of ye 1st branch to be of the age of —— years were struck out. . .

The vote was 10 to 1, Maryland being the sole dissenter. Perhaps, the delegates wanted to delay any consideration of a minimum age for members of the first branch, until a decision on the age of Senators was made. In fact, the senatorial age minimum was decided later in this day's proceedings. However, the Convention records give no evidence that the delegates planned that the senatorial age should be chosen first.

FRIDAY, JUNE 22, 1787

The Convention proceedings on this day are the most important and revealing regarding the question of a minimum age for Representatives. On this day the minimum age of 25 was first proposed, and the only known debate on minimum age took place.

The so-called debate was brief, but it did contain elements of the two classic positions on the question of youth versus age. Colonel Mason of Virginia argued that wisdom was a necessary byproduct of the aging process. He thought that an extra measure of maturity beyond the age of full citizenship should be required to serve in the first branch of the National Legislature. Mr. Wilson of Pennsylvania disagreed. He contended that factors other than age should determine a candidates eligibility. According to Wilson, no one of ability should be disqualified because of his age.

The entire Mason-Wilson exchange appears below. What they said is important, but equaly noteworthy is the fact that this is the only important discussion on minimum ages during the entire Constitutional Convention.

Col. Mason moved to insert "twenty-five years of age as a qualification for members of the 1st branch." He thought it absurd that a man today should be permitted by law to make a bargain for himself, and tomorrow should be authorized to manage the affairs of a great nation. It was the more extraordinary as every man carried with him in his own experience a scale for measuring the deficiency of young politicians; since he would if interrogated be obliged to declare that his political opinions at the age of twenty-one were too crude and erroneous to merit an influence on public measures. It had been said that Congress had proved a good school for our young men. It might be so for anything he knew but if it were, he chose that they should bear the expense of their own education.

Mr. Wilson was against abridging the rights of election in any shape. It was the same thing whether this were done by disqualifying the objects of choice, or of the persons choosing. The motion tended to damp the efforts genius, and of laudable ambition. There was no more reason for incapacitating youth than age, where the requisite qualifications were found. Many instances might be mentioned where signal services rendered in high stations to the public before the age of twenty-five: The present Mr. Pitt and Lord Bolingbroke were striking instances.

On the question of inserting "25 years of age" Connecticut, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina, South Carolina, aye—7; Massachusetts, Georgia, Pennsylvania, no—3; New York, divided.

THURSDAY, JULY 26, 1787

The delegates sent 23 resolutions to the Committee of Detail. Resolution III, as amended, read in part:

Resolved that the members of the first branch of the legislature ought . . . to be of the age of twenty-five years at least.

The Committee of Detail, created on July 24, consisted of John Rutledge of South Carolina, chairman, Edmund Randolf of Virginia, Nathaniel Gorham of Massachusetts, Oliver Ellsworth of Connecticut, and James Wilson of Pennsylvania. They were responsible to draft a detailed scheme of a constitution, and to submit their report when the Convention reconvened on August 6.

MONDAY, AUGUST 6, 1787

Mr. Rutledge presented his committee's report to the Convention. This draft of a constitution contained 23 articles which amplified and revised the 23 resolutions referred to Rutledge's Committee of Detail on July 26. Article IV, section 2 of the draft read:

Every member of the House of Representatives shall be of the age of twenty-five years at least.

WEDNESDAY, AUGUST 8, 1787

Although two other clauses in article IV, section 2—on citizenship and residency—prompted considerable debate and amendment, the article was passed unanimously without the slightest discussion or change in the minimum age requirement of 25 for Representatives.

WEDNESDAY, SEPTEMBER 12, 1787

The five man Committee of Style and Arrangement, which was responsible to put the Convention's decisions into a fluid and final draft, submitted what essentially became the adopted Constitution.

The committee's draft and the final Constitution both contained seven articles, and the provisions in each document relative to an age minimum for Representatives were identical—except for capitalization—in wording and location within the constitutional outline. Article I, section 2, clause 2—listed as clause "a" in the draft—read:

No person shall be a representative who shall not have attained to the age of twenty-five years. . . .

MONDAY, SEPTEMBER 17, 1787

The minimum age provision in the engrossed Constitution as signed on this date differed from the September 12 draft only in its relentless emphasis of nouns, and in the absence of a hyphen between "twenty" and "five."

No person shall be a Representative who shall not have attained to the age of twenty-five years, . . .

PROCEEDINGS OF THE 1787 CONSTITUTIONAL CONVENTION REGARDING THE MINIMUM AGE REQUIREMENT FOR SENATORS

TUESDAY, MAY 29, 1787

Resolution V of Mr. Randolf's Virginia Plan contained the first mention of a minimum age for Senators:

Resolved that the members of the second branch of the National Legislature ought to be . . . the age of —— years at least. . . .

On the same day, Mr. Pinckney's proposal included the following:

Each Senator shall be —— years of age at least. . . .

In both cases the number of years to be inserted in the blank was left for the future consideration of the Convention.

TUESDAY, JUNE 12, 1787

On a vote of three for, six against, and two divided, a motion to strike out from resolution V "the words requiring Members of the senatorial branch to be of the age of —— years at least" failed.

On the question to fill the blank with "30 years" as the minimum senatorial age, it was agreed to by a vote of seven to four.

WEDNESDAY, JUNE 13, 1787

The Committee of the Whole reported out 19 resolutions on Randolf's May 29 Virginia Plan. This report constituted both a revision and an endorsement of that plan, but no reference was made to a minimum age for Representatives. However, resolution IV did include the decision made the day earlier regarding the minimum age for Senators:

Resolved that members of the second branch of the National Legislature ought to be chosen by the individual Legislatures, to be of the age of 30 years at least. . . .

TUESDAY, JUNE 19, 1787

Mr. Randolf's resolutions as "altered, amended, and agreed to" are included in the record of this day's proceedings. Resolution IV remained unchanged from June 13.

MONDAY, JUNE 25, 1787

The Convention agreed unanimously, without debate, on the question requiring Senators to be at least 30 years old.

THURSDAY, JULY 26, 1787

Provisions related to the Senate, along with all other resolutions and plans, were referred to the Committee of Detail. Resolution IV now read, in part:

Resolved that the members of the second

branch of the legislature of the United States ought to be chosen by the individual legislatures; to be of the age of thirty years at least. . . .

MONDAY, AUGUST 6, 1787

The Committee of Detail reported to the Convention a draft constitution. Article V, section 3, began with these words:

Every member of the Senate shall be of the age of thirty years at least. . . .

THURSDAY, AUGUST 9, 1787

The Convention considered article V, section 3. An extended debate took place on the citizenship and residency requirements as contained in that article. The delegates raised the citizenship minimum from 4 to 9 years, and changed the term "resident" to read "inhabitant", but not a single word is recorded regarding the minimum age requirement. Section 3, as amended, was approved unanimously. It read:

Every member of the Senate shall be of the age of thirty years at least; shall have been a citizen in the United States for at least nine years before his election; and shall be, at the time of his election, an inhabitant of the state for which he shall be chosen.

WEDNESDAY, SEPTEMBER 12, 1787

The Committee of Style and Arrangement further amended the wording, but not the meaning, of what was now article I, section 3:

No person shall be a senator who shall not have attained to the age of thirty years, and been nine years a citizen of the United States, and who shall not, when elected, be an inhabitant of that state for which he shall be chosen.

MONDAY, SEPTEMBER 17, 1787

The completed Constitution was approved with article I, section 3 reading exactly as it did on September 12. The only difference was in capitalization. In the September 12 version only the words "United States" were capitalized. In the final version nearly every noun in the engrossed document was capitalized.

THE MINIMUM AGE REQUIREMENTS: QUESTIONS AND THEORIES

By themselves, the records of the 1787 Constitutional Convention are inconclusive regarding the question of minimum age requirements for legislative service. The decisions of the delegates on minimum ages were accurately recorded; their motives remain subject to speculation.

Why did the Convention choose the ages of 25 and 30? Why did the delegates think Senators should be older than Representatives? Why was any minimum age above the common law age of majority—21—considered necessary for service in the new National Legislature?

The brief exchange between Mason and Wilson at the Convention cannot provide a satisfactory answer to the above questions. Since the Convention, a number of writers, including several Convention delegates, have offered explanations for the minimum age requirements. Below, I have grouped these explanations into four main theories:

I. THE CLASSICAL EDUCATION THEORY

At least 31 of the 55 active delegates at the Convention were college graduates, and thus, had been exposed to 18th century classical education. It is not unreasonable to assume that many of the university trained delegates knew something about ancient history. Admiral Morison, in the "Oxford History of the American People," wrote:

The political literature of Greece and Rome was a positive and quickening influence on the Convention delegates.

Proponents of the "Classical Education Theory" contend that the college trained delegates were aware of historical facts such as the following: First, in ancient Greece, Athenians could vote at age 19, but could not hold public office until age 30; second, Sparta withheld both personal and political independence until the age of 30; and third, a citizen in ancient Rome was not considered of full age until he was 25, and had to wait until he was 30 to be eligible for the Roman Senate.

Such ancient historical facts might seem excessively remote to have been influential on the delegates. Yet, in 1787 very few recorded legislative examples existed other than the British Parliament and the governmental bodies of ancient Greece and Rome.

Noah Webster, in an October 10, 1781, pamphlet wrote:

It is worth our while to institute a brief comparison between our American forms of government and the two best constitutions that ever existed in Europe, the Roman and the British.

Webster then explained that the Convention delegates had incorporated the best of both the Roman and the British constitutions into the U.S. Constitution. As part of his analysis he pointed out that—

A man must be thirty years of age before he can be admitted into the senate—which was likewise a requisite in the Roman government.

The possibility that many of the delegates were influenced by their classical educations when they chose the ages of 25 and 30 must be acknowledged. Nevertheless, the only recorded opposition to minimum ages came from James Wilson, who had received a "fine classical education" in Scotland at the University of Edinburgh. Certainly, Wilson's opposition casts doubt on any necessary correlation between the delegates' educational backgrounds and their choice of minimum ages for congressional services.

II. THE NEW HAMPSHIRE CONSTITUTION THEORY

Luce believes that, after New Hampshire revised its constitution in 1784 to include a 30-year age requirement for State senators:

The advisability of this (new age requirement) won enough recognition to secure its insertion in the Federal Constitution by unanimous vote.

Perhaps some of the Convention delegates were influenced by New Hampshire's constitutional revision. The records of the 1787 Convention do not reveal any effort by the New Hampshire delegation to promote the senatorial age of 30. In fact, the day that the age of 30 was first proposed and accepted, June 12, 1787, New Hampshire's delegates did not vote, and were presumably not even present. Furthermore, the June 12, 1787, vote on the senatorial age minimum was not unanimous; it was split seven in favor, four opposed. On June 25, the age was accepted unanimously, but without debate or reference to the 1784 New Hampshire constitution.

I have not seen any evidence to substantiate Luce's assertion that the revised New Hampshire constitution was so singularly influential. South Carolina also required that her senators be at least 30 years old. In addition, several other States had senatorial age minimum above the minimum voting age.

III. THE AGE OF THE DELEGATES THEORY

The majority of the delegates at the 1787 Convention were not young men by 18th century standards. In the late 1700's "a youth of 16 had less than an even chance of surviving to age 30". Thirty-four of the fifty-five delegates were 40 years old or older, and only five were under 30.

Considering the age of the participants, it is not surprising that the topic of minimum ages was accepted without significant opposition. As older men, many of the delegates had an understandable, perhaps inordinate, respect for wisdom born of age.

It is also conceivable that some of the older delegates were self-serving politicians who were attempting to preserve the most attractive positions in the new Federal Government for themselves by excluding as many younger candidates as possible.

The statistics prove that youth was not well represented at the Constitutional Convention. At least partially, the minimum ages of 25 and 30 reflect that meager representation.

IV. THE REASONABLE AND PROPER THEORY

This theory holds that it is both reasonable and proper that congressional responsibilities be entrusted to older, more experienced men. This theory encompasses almost all of the general statements made in defense of the minimum age requirements for congressional service. In its various forms, the "reasonable and proper theory" has been the most common explanation and justification of the minimum age requirements.

No selfish generational prejudice is attributed to the Founding Fathers. The "reasonable and proper theory" holds that the delegates, regardless of the fact that they were older men, sincerely believed that congressional responsibilities were not within the purview of younger men. They believed that only older men had the necessary maturity and wisdom to be Representatives and Senators.

Writing in the Federalist 357 Madison stressed that—

The aim of every political constitution is, or ought to be, first to obtain for rulers men who possess most wisdom to discern and most virtue to pursue the common good of the society.

This apparent invitation to all men of quality to participate in the Federal Government was subject, also according to Madison, to certain "reasonable limitations." In Federalist No. 52, after mentioning the age, citizenship, and residency requirements for Representatives, he wrote:

Under these reasonable limitations, the door of this part of the federal government is open to merit of every description, whether native or adoptive, whether young or old, and without regard to poverty or wealth, or to any particular profession or religious faith.

In the Federalist No. 62—the authorship of which is uncertain—the "reasonable and proper theory" is used to justify the higher minimum age requirement for Senators:

The qualifications proposed for senators, as distinguished from those of representatives, consist in a more advanced age and a longer period of citizenship. A senator must be thirty years of age at least; as a representative must be twenty-five. And the former a citizen for nine years; as seven years are required of the latter. The propriety of these distinctions is explained by the nature of the senatorial trust, which, requiring greater extent of information and stability of character, requires at the same time that the senator should have reached a period of life most likely to supply these advantages; and which, participating immediately in transactions with foreign nations, ought to be exercised by none who are not thoroughly weaned from the prepossessions and habits incident to foreign birth and education.

Writing in a 1788 pamphlet in defense of the new Constitution, Tench Coxe made this point about the senatorial age requirement:

No ambitious, undeserving or inexperienced youth can acquire a seat in this house by means of the most enormous wealth, or the most powerful connections, till thirty years have ripened his abilities, and full discovered his merits to his country—a more rational ground of preference surely than mere property.

Coxe then defends the fact that Senators "must be older and more experienced men" in order to "restrain the profusion or errors of the house of representatives."

Coxe felt that the Convention's decision about the minimum age for Representatives made sense:

Here again lest wealth, powerful connections, or even the unwariness of the people should place in this important trust an undeserving, unqualified or inexperienced youth, the wisdom of the Convention has proposed an absolute incapacity till age twenty-five. At twenty-five a young man is made the guardian of his own interest, but he cannot, for a few years more be intrusted with the affairs of the nation.

Evidently, Coxe dismissed the possibility of the election of an "undeserving, unqualified, or inexperienced" older candidate.

Joseph Story, in his three volume study of the U.S. Constitution, enthusiastically supported the minimum age requirements for Representatives and Senators. I am including two quotations from Mr. Story since they contain most of the standard arguments used by those who viewed the present minimum age requirements as reasonable and proper.

On the House of Representatives, Story wrote:

The representative must have attained twenty-five years. And certainly to this no reasonable objection can be made. If experience, or wisdom, or knowledge be of value in the national councils, it can scarcely be pretended, that an earlier age could afford a certain guarantee for either. That some qualification of age is proper, no one will dispute. No one will contend, that persons, who are minors, ought to be eligible; or, those, who have not attained manhood, so as to be entitled by the common law to dispose of their persons, or estates, at their own will, would be fit depositaries of the authority to dispose of the rights, persons, and property of others. Would the mere attainment of twenty-one years of age be a more proper qualification? All just reasoning would be against it. The characters and passions of young men can scarcely be understood at the moment of their majority. They are then new to the rights of self-government; warm in their passions; ardent in their expectations; and, just escaping from pupilage, are strongly tempted to discard the lessons of caution, which riper years inculcate. What they will become, remains to be seen; and four years beyond that period is but a very short space, in which to try their virtue, develop their talents, enlarge their resources, and give them a practical insight into the business of life adequate to their own immediate wants and duties. Can the interests of others be safely confided to those who have yet to take care of their own?

On the senatorial age requirement, Story wrote:

As the nature of the duties of a senator require more experience, knowledge, and stability of character, than those of a representative, the qualification in point of age is raised. A person may be a representative at twenty-five; but he cannot be a senator until thirty. A similar qualification of age was required of the members of the Roman senate. It would have been a somewhat singular anomaly in the history of free governments, to have found persons actually exercising the highest functions of government, who, in some enlightened and polished countries would not be deemed to have arrived at an age sufficiently mature to be entitled to all the private and municipal privileges of manhood.

If councils are to be wise, the ardour, and impetuosity, and confidence of youth must be chastised by the sober lessons of experience; and if knowledge, and solid judgment, and tried integrity, are to be deemed indispensable qualifications for senatorial service, it would be rash to affirm, that thirty years is too long a period for a due maturity and probation.

One of the most succinct comments in defense of the minimum age requirements was made by James McHenry, a delegate from Maryland who had signed the Constitution. In November 29, 1787, while speaking in defense of the new Constitution before the Maryland House of Delegates, McHenry said that the minimum age of 25 was: "deemed a necessary age to mature the judgment and form the mind by habits of reflection and experience." McHenry then told the house of delegates that so little was said on the topic of minimum ages at the Constitutional Convention, and that the opposition to minimum ages was so inconsiderable that he "was not at pains to note any other particulars."

It is clear that the majority of the delegates thought the ages of 25 and 30 to be reasonable and proper requirements for congressional service. However, it is equally clear that the choice of those two ages was determined by the prevailing minimum voting age of 21. Now that the minimum voting age has been lowered to 18, it is certainly reasonable and proper to question whether age standards established 200 years ago should continue to exclude millions of talented young citizens from serving in the U.S. Congress.

GUIDELINES FOR LOWERING THE MINIMUM AGE REQUIREMENTS FOR REPRESENTATIVES AND SENATORS

The preceding historical analysis of the 1787 Convention reveals several guidelines for lowering the congressional eligibility ages.

Lowering the minimum ages for congressional service will not violate any principles expressed or implied during the Constitutional Convention if:

The minimum age for Representtaives remains higher than the minimum voting age.

The minimum age for Senators remains higher than the minimum age for Representatives.

The historical evidence will not support an elimination of minimum ages for congressional service, nor will it support making both ages the same.

Although the choice of the specific ages of 25 and 30 was largely arbitrary, there is no doubt that delegates wanted both ages to be higher than the voting age to insure a reasonable level of maturity and experience.

The fact that so little was said about minimum ages at the 1787 Convention does not mean that the delegates viewed the two minimum ages as unimportant. The unanimous votes on July 26 and August 8, 1787, and post-Convention writings indicate that the two ages were accepted as necessary and wise.

The minimum ages of 25, 30, 35—for Representatives, Senators, and President—give only the appearance of an internal logic or necessary symmetry. Actually, the three ages were adopted weeks apart and in an inexplicable order—(first Senator, then Representative, then President. The 5-year gradations were as arbitrary as the ages. It seems reasonable to conclude that what the Convention adopted separately can be amended separately. Thus, there is no need to include the possibly more controversial Presidential minimum age in an amendment to lower the congressional minimum ages.

Cautious supporters of the "22–27 amendment" may find some reassurance in the fact that lowering the two congressional ages by 3 years will maintain all of the original symmetry between the two ages and the voting age:

There will still be a 4-year difference between the voting age and the minimum eligibility age for Representatives.

Senators will continue to be required to be at least 9 years older than the minimum voting age.

There will still be a 5-year difference between the minimum ages for Representatives and Senators.

YOUTH IN MODERN AMERICA: ARGUMENTS IN FAVOR OF LOWERING THE ELIGIBILITY AGES FOR CONGRESSIONAL SERVICES

Our younger citizens are well qualified to serve as Members of Congress. Indeed, most are better educated today. In 1940, 43 percent of the younger citizens were high school graduates and 16 percent went on to college. In 1970, 75 to 80 percent of younger citizens were high school graduates, and a full 40 percent went on to college. In 1970, among persons 20 to 24 years old who had completed high school, 52 percent of men and 42 percent of women had completed some college as compared with 42 percent of men and 33 percent of women in the same age group in 1960. Students enrolled in college in 1970 were getting a higher education than their parents.

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Among dependent whites in college, 61 percent were from families whose head had not attended college. Among dependent Negroes in college 71 percent were from families whose head had no college and a full 50 percent whose head had not finished high school. It is estimated that in 1974, 1,011,000 had graduated from college, compared with 187,000 in 1940. Of those not in college, many are involved in serious vocational training: that is males 20 to 24 years old: 15.4 percent; females 20 to 24 years old: 24.8 percent. As of 1970, youth in this same age group comprised some 95 percent of men and 77 percent of women who were earning an income.

Today's younger citizens are generally better informed and more politically aware than in the past. Mass media, TV, news and interpretative magazines, the abundance of newspapers and an unprecedented number of books dealing with national and world affairs have surrounded today's youth. They have a greater knowledge of events and a broader perspective which increases their sensitivity to the political arena and the issues therein. The Cox Commission which studied the Columbia University disorders stated:

The present generation of young people in our universities is the best informed, the most intelligent and the most idealistic this country has ever known . . . the most sensitive to public issues . . . the most sophisticated in political tactics . . . (with) a high level of social conscience than preceding generations.

Mr. Theodore E. Sorensen, former special counsel to President Kennedy stated while testifying before the Senate in favor of the 18-year-old vote that "as one who visits with college students frequently," he could, "testify first hand to their analytical minds, skeptical outlooks and invulnerability to phony appeals."

Youth today want desperately to be involved. They work tirelessly in the campaigns of congressional and Presidential candidates, and each of us can certainly give personal proof of such efforts. They work as volunteers in neighborhoods and communities all over the country to help improve their environments and the environments of others. They have made up the major proportion of VISTA, ACTION, and Peace Corps workers. They are deeply involved in worthy social causes like the civil rights movement.

Acknowledgment of this ability and potential of our youth comes from those of conservative as well as liberal persuasion. Kentucky Governor Louis B. Nunn feels that—

Today's youth is endowed with knowledge and maturity entitling them to a constructive part in helping shape the future of the nation.

The National Businessman's Council has found youth invaluable. Stephen L. Bogardo, a representative of this council tells us that corporate management finds today's generation is 10 years ahead of any previous generation in terms of assuming responsibility. Senator BARRY GOLDWATER, testifying before Senator BAYH's committee in favor of the 18-year-old vote states that—

Their grasp of national issues is downright amazing. They see through phony promises and fake crises. They are without doubt equally mature, both mentally and physically, as the average citizen who had reached 25 when I was growing up. We need more citizens who are concerned enough to pose higher social and moral goals for the nation . . . I am constantly impressed by their wisdom and interest and concern with vital matters.

Younger citizens are mature and responsible members of society. By age 18, Americans are now recognized as fully adult members of society, carrying all of the rights and responsibilities involved. They can vote, drive cars, serve in the armed forces, including entering officer candidate school for preparation to become an officer in the U.S. Army. They pay taxes, are members of the work force, can be prosecuted as adults, may marry, raise children, buy insurance, get credit and make legal contracts.

Although the 26th amendment to the Constitution lowered the voting age in all elections, both Federal and State, it did not alter the generally recognized authority of each State to establish its own age of majority for all other civic and social activities. However, since the voting age was so lowered, 43 State have lowered their statutory ages of majority so that the age of majority is 18 in 40 States, 19 in 3 States, and 21 in 7 States plus the District of Columbia. Several of the jurisdictions that still maintain the 21-year-old age of majority are considering proposals to lower the age; among those are South Carolina, whose legislature has adopted a resolution to amend the State constitution, which was approved by the people of South Carolina in November 1974; and the District of Columbia, through the House District of Columbia Committee, which is currently considering a bill that would lower the age of majority to 18 in the District.

Even in those States that continue to adhere to the 21-year-old majority law, several have specific statutory exemptions for minors who wish to execute agreements or contracts pursuant to the receipt of educational loans.

Dr. Margaret Mead, noted anthropologist, believes that the age of maturity has dropped by at least 3 years in the past century. Dr. S. I. Hayakawa, president of San Francisco State University, believes biologic maturity is now reached at 14 to 15 years of age. Today psychologists tend to agree that by age 18 years, emotional and intellectual growth is largely completed.

Young people are now eligible to serve in the majority of State legislatures. In 20 States, citizens under age 22 serve in both houses of the State legislature. In 43 States the age of eligibility for the lower house of the State legislature is under 22. In 41 States the age of eligibility for State senate is under 25 years.

In other parts of the world, younger citizens are eligible to serve in their governmental processes. One sees an unmistakable pattern internationally of lowering eligibility ages. Many nations have in recent times reduced the age of eligibility for election to national assembly at the same time, or soon after, reducing voting ages. Citizens below the age of 22 are now eligible to serve in the parliaments of Great Britain, New Zealand, Albania, Australia, Finland, Denmark, Honduras, Sweden, Indonesia, Iceland, Costa Rica, Pcoples Republic of China, Singapore, Canada, Germany, Norway, Israel, Northern Ireland, North Vietnam, and Venezuela. Citizens between the ages of 23 and 25 can serve in the representative bodies of their government in France, Italy, Belgium, Luxembourg, Netherlands, Switzerland, Lebanon, Ecuador, Cameroon, Burundi, the Central African Republic, Chad, the Congo, Dahomey, Gabon, and many other African nations.

The Congress was intended to be the people's choice in our freely chosen and fiercely defended method of self-government. When our Nation was young, so were many of the people who helped conduct its affairs. In the first Congress, the average age of a Senator was 46 years; in contrast, in the 93d Congress only 13 out of 100 Senators were younger than 45 years; at least 24 were over 65 years, and 17 were over 70 years. As our country has aged, we seem to have believed that our Government's representatives must age as well.

As of 1970, one-half of our entire population was under 25 years of age. Our Government cannot be called truly democratic when there exists such a large group of citizens who must carry the consequences of democratic decision-making, but who are not given a full and equal chance of participating in that very process.

An infusion of youthful citizens can offer positive effects for Congress. The new vitality, ideas, and idealism of youth would enliven a political system which often seems encrusted with worn-out traditions. Also, they would add a vital sense of equity to the legislative process. We ought to be trying to include, not keep out, people who are deeply affected by our Nation's problems. We need to make our Government truly a government of the people again, and this amendment is a step in that direction.

Current eligibility ages prevent our numerous younger citizens from fully feeling a part of the governmental system we all share. Giving youth a responsible role in our representative, political process may help to alter the sense of frustration and defeat that quite possibly may have contributed to the irresponsible behavior of some young Americans. Greater participation could provide them with a direct, constructive and democratic channel of access, and give them a truly responsible stake in America's future.

There is a definite moral aspect of this issue as well. This entire debate really revolves around a basic question of fairness. Pvt. Gerald Springer of the U.S. Army Reserve, in testimony supporting the 18-year-old vote, made some points quite relevant to the amendment proposed here:

If someone has an interest in our society, we give him a right to express his voice. What hope do we have for the future if we turn off the very people who are the future? We ask them to be responsible while we deny them responsibility. We ask them not to drop out, but we won't let them all the way in! Is this the American tradition?

The lowering of eligibility ages for service in the U.S. House of Representatives and Senate is the next logical step after the overwhelming passage of the 26th amendment. America's youth have been doing their fair share. A 22-member task force, headed by Representative BROCK of Tennessee, which studied the situation on American college campuses, strongly recommended lowering voting ages to permit, "active involvement in the political process which can constructively focus youthful idealism on the most effective means of change in a free society." To be truly valid, this active involvement in the political process must also include the right to run for Federal elective office.

Dr. Margaret Mead believes young people can "bring something to us in questioning the past and in establishing a partnership between young people and old people." Perhaps with such encouraged reflection and reevaluation, we can develop some positive future alternatives. Dr. Roy Menninger, president of the Menninger Foundation, says that—

Giving 18 year olds the vote is one step toward building more responsible citizens . . . but only one step. Others, not the least of which is giving youth the opportunity also to be a part of government at all levels . . . should be engaged. Not only can they profit from the participation as a means of learning, but they can also contribute a perspective, a vigor, an idealism which are all too often lacking.

The immense problems our country faces cannot possibly be solved by any one group. We can only hope for solutions when all groups are working together. We must meet the critical challenges of today by fully utilizing all of our great and vast resources. Isn't our youth power much too precious to waste?

CONCLUSION

Mr. Speaker, lowering the eligibility ages for congressional service will simply, but importantly, create the possibility for younger men and women to be elected Representatives and Senators. Congress will not be inundated with immature members of untried ability and untested skill. Lowering the eligibility ages is not in any way a lowering of congressional standards. The same measure of competence, integrity, and general fitness for office will prevail and continue to apply equally to all congressional office seekers. The voters will still choose whom they think will best serve their and the Nation's interests. If, in their wisdoms, the voters decide that a citizen of 22—or 27—is the best candidate, they will have exercised their franchise as legitimately and freely as if they had chosen someone older.

Lowering the minimum age requirements by three years will eliminate unreasonable and anachronistic age levels founded in 18th century traditions and prejudicies that increasingly conflict with 20th century realities. Mr. Speaker, I firmly believe that the earlier maturity, educational attainments, and extensive political involvement of our younger citizens are compelling arguments in favor of lowering the congressional eligibility ages. In the face of such overwhelming statistical evidence, our society must assume the burden of proof to show why our young men and women should continue to be excluded from election to Congress.

Mr. Speaker, the proposed amendment's major benefits are threefold:

First. The Nation: Madison pointed out in the Federalist that—

The electors (under the new U.S. Constitution) are free to choose those whom they deem most fit to represent them.

The proposed amendment is an important expansion of that basic freedom. If the amendment is adopted millions of young Americans would become eligible to serve as Representatives and Senators. A Nation founded on democratic principles can only be strengthened when more of its citizens are eligible for full participation in its government.

Second. The Congress: Congress potential to be truly representative of all of the people will be markedly and dramatically increased by the "22-27 amendment." An adequately diverse Congress must display a wide rather than narrow distribution of ages among its Members. Citizens under 30 are indisputably underrepresented in Congress. The proposed amendment will create the genuine possibility for such a disparity to be rectified. In addition, I am convinced that younger citizens in Congress would bring new vitality, ideas, and idealism into the national legislative process.

Third. Younger citizens: One of the chief causes of youthful alienation—a feeling of being locked out of the system—would be significantly diminished if the possibility existed for more meaningful participation in government at an earlier age. The "22-27 amendment" would have the dynamic effect of promoting a deeper sense of responsibility among our younger citizens. By recognizing their maturity to participate, we also will give them the disquieting responsibility to participate maturely.

In conclusion, Mr. Speaker, we must ask ourselves if there exists any truly valid reason why younger people should not be allowed to fully participate in government. The very essence of democracy demands that its basis be as broad as can be reasonably and logically expected. The nonproperty holders of Richmond in a historic petition to the Virginia Constitutional Convention of 1829 wrote:

They alone deserve to be called free who participate in the formation of their political institutions.

The real issue in a free society is not why should they participate, but why should they not participate? As Mr. Theodore E. Sorensen, former counsel to President Kennedy and a noted legal authority, so succinctly said in regard to lowering the voting age—and this philosophy can apply equally well to lowering eligibility ages for Congress:

We should do it because there is no longer any legitimate reason not to do it . . . because arbitrary and unfair distinctions are repugnant to a democracy, and above all, because it is right.

I include the following supporting material:

A SUMMARY OF THE CURRENT AGE REQUIREMENTS SET BY THE SEVERAL STATES FOR SERVICE IN THEIR STATE LEGISLATIVE BODIES

13 States specify no age requirement for service in either House of the state legislature (California, Idaho, Kansas, Massachusetts, Minnesota, Montana, Nebraska, Nevada, New York, Ohio, Rhode Island, Washington, Wisconsin);

5 states specify no age requirement for service in the state House of Representatives (Louisiana, New Hampshire, North Carolina, Vermont, West Virginia);

Hawaii requires that a member of either House in the state legislature be of the "age of majority" (Hawaii Constitution, Article III, Section 7);

24 states require members of the state House of Representatives to be 21 years of age (Alabama, Alaska, Arkansas, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Maine, Maryland, Michigan, Mississippi, New Jersey, New Mexico, North Dakota, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Wyoming);

3 states require members of the state House of Representatives to be 24 years of age (Delaware, Kentucky, Missouri);

4 states require members of the state House of Representatives to be 25 years of age (Arizona, Colorado, South Dakota, Utah);

Utah specifies no age requirement for service in the state Senate;

21 states require members of the state Senate to be 25 years of age (Alabama, Alaska, Arizona, Arkansas, Colorado, Georgia, Indiana, Iowa, Louisiana, Maine, Maryland, Minnesota, New Mexico, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Carolina, South Dakota, Washington, Wyoming);

6 states require members of the state Senate to be 21 years of age (Connecticut, Florida, Illinois, Michigan, Oregon, Virginia);

6 states require members of the state Senate to be 30 years of age (Kentucky, Missouri, New Hampshire, New Jersey, Tennessee, Vermont);

Delaware requires that a member of the state Senate be 27 years of age; and

Texas requires that a member of the state Senate be 26 years of age.

With respect to the age of majority listed for South Carolina (21), it should be noted that the proposed constitutional amendment approved by the South Carolina legislature lowering the age of majority in that state to 18 was voted upon favorably by the people of North Carolina in November 1974, the provision must still, however, be ratified by the state legislature.

NOTES

1. No specific age mentioned in State Constitution, and therefore the age of majority is assumed to also be the minimum eligibility age for election.

2. Age of majority is implied to be twenty-one by certain wording in the State Constitution, e.g., "of full age", "fit person", "reputable freeholder", or "freeholder." Twenty-one was always the age of majority in any of the early States Constitutions that specified an age.

3. Since the Governor was chosen by the Council from among its own members the minimum age is assumed to be the same as for the Council.

4. This Maryland Constitution had the word "above" in front of each of the specified minimum ages. Therefore, it is possible that the ages should actually read 22, 26, and 26 respectively.

5. Since Council members were elected from among the members of the lower house, the minimum age is assumed to be the sames as for the lower house.

6. The President could be elected from among the members of the Council (See Note 5) or from among the "people at large."

7. Age is not stated or implied.

POPULATION STATISTICAL ABSTRACT OF THE UNITED STATES, 1974-75

(National Data Book and Guide to Sources, U.S. Department of Commerce, Bureau of the Census)

Population by age and sex, 1970 and 1973: 1970: 18-20 years, 11.2 million; 21-24 years, 13.5 million; 25-34 years, 25.3 million.

1973: 18–20 years, 12.0 million; 21–24 years, 14.4 million; 25–34 years, 28.6 million.

Marital status of population by age and sex, 1973:

Males: 18–19 years, 349,000 or 9.5%; 20–24 years, 3,510,000 or 41.3%; 25–29 years, 5,689,000 or 75.4%.

Females: 18–19 years, 923,000 or 23.6%; 20–24 years, 5,366,000 or 58.9%; 25–29 years, 6,378,000 or 82.4%.

High School and College Graduates 1900–1974: 1974, approximately 1,011,000 graduated from college; 1940, approximately 187,000 graduated from college.

Labor Force: Percentage of Distribution by age and sex; 1950–73:

1973: Males, 20–24 years, 14.2%; 25–34 years, 23.8%.

1973: Females, 20–24 years, 16.3%; 25–34 years, 20.8%.

Percentage enrolled in school by level, sex and age, 1973:

College: Males, 18–24 years, 27.7%; 25–29 years, 11.6%.

Females, 18–24 years, 20.5%; 25–29 years, 5.2%.

From 1960 to 1970 shows a 107.6% increase in the number of students in college.

School enrollment and labor force status of persons 16–24 years, 1973:

	Percent
Armed Forces	3.8
In school	40.8
Labor force	19.1
In school	55.4
Labor force	42.6

APPENDIX C. MINIMUM ELIGIBILITY AGES IN EARLY STATE CONSTITUTIONS

Note. All ages in parentheses are implied in the various State constitutions.

State	Age of majority	Lower house	Upper house	Governor
Connecticut: Constitution of 1818, (I could not locate an earlier Connecticut Constitution)	21	(21)	[1](21)	30
Delaware:				
Constitution of 1776	(21)	(21)	[2]25	(25)
Constitution of 1792	(21)	24	27	30
Constitution of 1831	(-)	(3)	(4)	(-)
Georgia:				
Constitution of 1777	21	21	[2](21)	(21)
Constitution of 1789	21	21	21	30
Constitution of 1798	21	21	25	30
Maryland:				
Constitution of 1776	21	21	25	25
Constitution of 1851	21	21	25	30
Massachusetts: Constitution of 1780	21	(21)	(21)	(21)
New Hampshire:				
Constitution of 1776	(21)	(21)	[2](21)	[3](21)
Constitution of 1784	(21)	(21)	30	30
Constitution of 1792	(-)	(-)	(4)	(-)
New Jersey:				
Constitution of 1776	[3](21)	(21)	(21)	(21)
Constitution of 1844	(21)	21	30	30
New York:				
Constitution of 1777	(21)	(21)	(21)	(21)
Constitution of 1821	(21)	(21)	(21)	30
North Carolina:				
Constitution of 1776	(21)	(21)	(21)	30
Constitution of 1868	(21)	(21)	25	30
Pennsylvania:				
Constitution of 1776	21	(21)	[2](21)	(21)
Constitution of 1790	21	21	25	30
Constitution of 1838	(-)	(-)	(-)	(-)
South Carolina:				
Constitution of 1776	(21)	21	(21)	(21)
Constitution of 1778	21	21	30	30
Virginia				
Constitution of 1776	(21)	(21)	25	(7)
Constitution of 1830	(21)	25	30	30
Rhode Island: (No delegate from Rhode Island signed the Constitution. Rhode Island apparently did not participate in the 1787 Constitutional Convention.) Constitution of 1842	21	(21)	(21)	(21)

[1] "Council."
[2] No change from previous Constitution.
[3] "President."

Source: "The Federal and State Constitutions, Colonial Charters and other Organic Laws of the States, Territories and Colonies Now or Heretofore Forming the United States of America," Francis Newton Thorpe editor, Washington, D.C., Government Printing Office, 1909, 7 vols.

ANNOUNCEMENT OF HEARINGS ON MARCH 5 BY GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS SUBCOMMITTEE—SECRET SERVICE AND CENTRAL INTELLIGENCE AGENCY EXEMPTIONS IN THE PRIVACY ACT OF 1974—PUBLIC LAW 93-579

Ms. ABZUG. Mr. Speaker, for the information of our colleagues I would like to announce forthcoming public hearings by the Government Information and Individual Rights Subcommittee of the Government Operations Committee on matters relating to the exemptions contained in subsections (j)(1) and (k)(3) of Public Law 93-579, the Privacy Act of 1974 enacted last year. These provisions apply to the Central Intelligence Agency and the U.S. Secret Service and exempt those agencies from access and disclosure requirements permitting individual Americans to examine their own records maintained by Federal agencies, the right to correct inaccuracies, and imposing restrictions on agencies' use or disclosure of personal information contained in such records without the consent of the individual. This landmark law becomes effective on September 27, 1975.

The initial hearings will be held on Wednesday, March 5, 1975, beginning at 10 a.m. in room 2203, Rayburn House Office Building.

Mr. Speaker, these hearings stem from assurances given the House last November 21 in a colloquy between the then chairman of the Foreign Operations and Government Information Subcommittee, the gentleman from Pennsylvania (Mr. MOORHEAD), acting as floor manager of the privacy bill (H.R. 16373) and the ranking minority member of the subcommittee, the gentleman from Illinois (Mr. ERLENBORN) (RECORD, p. 36966).

During the debate on my amendment to eliminate the so-called Secret Service exemption in the privacy bill, there was considerable discussion over the collection, maintenance, and use of a computerized protective intelligence list of individuals by the Secret Service under authority of section 3056 of title 18, United States Code. Our studies of such list indicated evidence of abuse in including the names and personal information on individuals because of their anti-war activities or other political beliefs, not because they posed any threat to the safety of the President or other governmental officials. In conceding the likelihood of such abuses, the then chairman of the subcommittee promised to hold hearings early in the new Congress to fully pursue the matter. The ranking minority member of the subcommittee concurred with this procedure and my amendment was subsequently defeated.

Although neither of these gentlemen is currently a member of the reorganized Government Information and Individual Rights Subcommittee, which I now chair in the 94th Congress, our subcommittee decided at our recent organizational meeting to schedule these hearings in order to fulfill the commitment made last November so that the need for amendments to the Privacy Act of 1974 could be put into proper focus.

Likewise, Mr. Speaker, I offered an amendment last November 21 to eliminate from the privacy bill the general exemption for the Central Intelligence Agency. (RECORD, p. 36960). At that time I argued that such exemption was too broad and that sensitive CIA records could be protected under the specific exemption provisions of subsection (k) of the bill. I further commented that "there is much information . . . that the CIA collects about individuals that is totally unrelated to the national security functions of the CIA." Since passage of the privacy bill, there has, of course, been the public disclosures of CIA's "domestic operations" allegedly involving some 10,000 Americans. Several different executive and congressional investigations have been authorized to probe various intelligence gathering operations, including the CIA. However, our subcommittee's hearings will concentrate on the Privacy Act implications of such CIA domestic intelligence operations as they affect the privacy rights of Americans and how they impact upon the general exemption provided the CIA in subsection (j)(1) of the act.

Similar revelations have surfaced concerning the Internal Revenue Service's Special Services Staff, which targeted thousands of organizations and countless individuals between 1969 and 1973 that were considered by the White House to be a "political activist" or "leftist" nature. We understand that Commissioner Alexander has since disbanded the political intelligence gathering operations of IRS. The subcommittee is anxious to further explore the limited amount of information now available on the IRS operation to ascertain whether or not additional amendments may be necessary to the Privacy Act of 1974 to protect the American public against such types of abuses in the future.

The leadoff witness on March 5, 1975, will be Assistant Secretary of the Treasury David R. Macdonald, who will discuss the Privacy Act's exemption of the Secret Service Protective Intelligence record system and other similar systems of personal information collected and maintained pursuant to section 3056 of title 18, United States Code.

Also testifying that day will be CIA Director William E. Colby, who will discuss the exemption of the agency's personal records system, its domestic intelligence activities, and related matters.

Mr. Donald C. Alexander, Commissioner of the Internal Revenue Service, will also testify concerning the activities of the IRS Special Services Staff, as well as other intelligence gathering and research activities affecting individuals that are or have been carried on by IRS. The relationship of such activities to provisions of the Privacy Act of 1974 relating to investigatory material compiled for law enforcement purposes will also be addressed by Mr. Alexander. The date of Commissioner Alexander's appearance will be announced.

Mr. Speaker, we trust that these investigative hearings by our subcommittee will be of interest to our colleagues of the Congress and to all Americans whose right to privacy is involved.

IMPLEMENTATION OF NEW CONGRESSIONAL BUDGET PROCEDURES FOR FISCAL YEAR 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, I am submitting today on behalf of the Committee on the Budget a report on implementation of the new congressional budget process in 1975.

As Members know, the Congressional Budget and Impoundment Control Act of 1974—Public Law 93-344—established a new congressional budget process beginning in 1976 with respect to the fiscal year 1977 budget. However, section 906 of the act provided for implementation of the new process earlier—that is, with respect to fiscal year 1976—if the Senate and House Budget Committees agreed to do so and to the extent required by them in reports to their respective Houses.

This report is filed pursuant to section 906. A similar report is being filed today in the Senate setting out identical procedures. The provisions of the act being implemented are effective immediately.

In brief, the implementation plan agreed to by the two Budget Committees calls for the adoption by the Congress of two concurrent resolutions on the budget: The first, to be adopted by May 15; the second, by September 15; and completion of a reconciliation process, if practicable. In addition, new backdoor contract and loan authorities would be effective only to the extent provided for in appropriations acts.

A more detailed summary of the implementation plan is set forth at the end of my remarks.

Mr. Speaker, I urge all Members of the House to study very carefully the report being filed today. This first effort to implement the new congressional budget process is a most important one. The budget and economic issues to be dealt with—the size of the Federal budget, the amount of the deficit, and so on—are overriding issues this year. The new budget process cannot succeed without the full cooperation of all House Members. The summary follows:

BRIEF SUMMARY OF THE FISCAL YEAR 1976 BUDGET PROCESS IMPLEMENTATION PLAN

During 1975 the House and Senate Budget Committees would implement the new budget process in the following manner:

(1) Both Committees would hold hearings on the FY 1976 budget and the economic situation.

(2) All standing committees and joint committees would submit their views and recommendations on budget matters within their jurisdiction to the Budget Committees by March 15.

(3) Both Committees would report and complete action on a first concurrent resolution on the budget by May 15. This resolution would include the following five items, often referred to as "macro-economic" items:

(a) recommended level of total budget authority for FY 1976,

(b) recommended level of total outlays for FY 1976,

(c) recommended level of total revenues for FY 1976,

(d) recommended amount of deficit for FY 1976, and

(e) recommended changes, if any, in the public debt.

The figures contained in this first budget resolution are "targets" only, which serve to guide Congress' spending actions for FY 1976. The report accompanying this first resolution would, to the extent practicable, allocate the budget authority and outlay targets by functional categories, so that House committees could have relatively specific guidelines to work with.

(4) Both committees would, if practicable, report and complete action on a second concurrent resolution on the budget by September 15. This resolution would take into account Congress' summer spending actions and then current economic needs.

The figures adopted in this second resolution are "ceilings" in the following sense: once adopted, neither House may consider revenue or spending legislation that would breach the ceilings in the second resolution. Of course, a revised resolution may be adopted any time during the fiscal year to accommodate new spending or revenue measures.

The second resolution may require certain *reconciliation actions* to be undertaken. If, for example, Congress's total spending actions exceed the amounts provided for in the second resolution, the House may direct comittees with budget authority jurisdiction to rescind a portion of the budget authority made available in a particular spending bill. Similarly, if estimated revenues are below the amount called for in the resolution, the House may direct the Ways and Means Committee to increase revenues by the necessary amount. Such reconciliation actions must be completed by September 25.

(5) Effective immediately upon submission of the implementation plan to the House and Senate, *new contract and borrowing authority* would be effective only to the extent approved in appropriations etc; and *new entitlement authority* may not take effect until July 1, the beginning of the fiscal year.

SO-CALLED DEMOCRATIC ALTERNATIVE TO ADMINISTRATION'S ENERGY PROGRAM RAISES MORE QUESTIONS THAN IT ANSWERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, we now have a so-called Democratic alternative to the administration's energy program in the form of a policy statement that raises more questions than it answers.

In the first place, I understand Mr. ULLMAN, who was not included when the Democratic leadership unveiled their proposal, will be holding hearings soon on his own energy tax program. It appears to be substantially different and I am wondering how the two proposals fit together.

Second. There appears to be no way that the Democratic leadership proposals will save more than 1 million barrels per day by 1977. This means we will be importing up to 2 million barrels more per day from insecure sources. Isn't this dangerous?

Third. The Democratic proposal suggests a gas tax of 5 cents per gallon, which will go into a trust fund. Since it will take some time for this money to get back into the economy, isn't it dangerous to take $5 billion out of the economy right now?

Fourth. The Democratic proposal also calls for more conversion of powerplants from oil to coal, but fails to mention any amendments to the Clean Air Act. How can one be done without the other?

Fifth. The Democratic leadership proposal would require a 50-percent improvement in automobile fuel efficiency by 1980 and 100 percent by 1985, but no extension of current emission standards is mentioned. Is this technologically possible? What would be the estimate of increased costs to the consumer of these standards?

Mr. Speaker, these are just a few of the questions I consider important and tomorrow I will have several other questions to pose.

TRIBUTE TO LATE NICHOLAS FERRANTE

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, the year of 1971 took from our midst one of the great leaders within the American labor movement, Nicholas Ferrante, a resident of my home city, Syracuse, N.Y. His 50 years of service to the labor movement earned for him recognition as one of the best informed labor relations representatives in our Nation. He served as assistant industrial commissioner for the State of New York and for many years served as executive secretary of the Greater Syracuse Labor Council, AFL–CIO.

As I think of him frequently, I am reminded of the vacuum his passing provides, in recognition of his constant availability for counsel on labor-related matters. Recently, the Catholic Sun, the Syracuse diocesan newspaper, printed an article authored by another great in the field of industrial relations, Rev. Richard M. McKeon, S.J., of the faculty of LeMoyne College. I commend its reading to anyone who is interested in industrial and labor relations:

NICHOLAS FERRANTE

(By Rev. Richard M. McKeon, S.J.)

Last December, Onondaga Community College dedicated a magnificent building to the memory of a great labor leader, Nicholas Ferrante. It was a singular tribute to a man who was devoted not only to advancing industrial peace but also to the promotion of the common good within the community. The eulogy of Mr. Ferrante given by David M. Mawhinney Jr. touched both the minds and the hearts of the large audience. I doubt if any other labor leader has had a college building costing over $8 million dedicated to him.

Nicholas Ferrante, one of the original members of Onondaga Community College's board of trustees, was active in the labor movement for nearly 60 years before his death in 1971. He served as executive secretary of the Greater Syracuse Labor Council, AFL–CIO, from 1960 until the time of his death and was considered by the State Labor Department as one of the "best informed men on labor relations in Syracuse."

Mr. Ferrante began his career as a bricklayer in 1933 and his first union office was as business agent for Local 28, Bricklayers Union. He was elected secretary for the former Syracuse Federation of Labor, AFL, in 1945, and held that post until 1955 when he was named by Governor Harriman to be assistant industrial Commissioner in charge

of the Syracuse district office of the State Labor Department. He served subsequently as supervisor of apprentice training until he became executive secretary in 1960.

He lent his labor relations expertise to the community in many ways, serving as president of the Le Moyne College Industrial Relations Council and as a member of the Labor-Management Committee of the Syracuse Community Chest, the dedication program reports. During World War II, Mr. Ferrante was a panel member of the War Labor Board and a member of the OPA Labor Advisory Committee of Syracuse.

Mr. Ferrante was a member of the Urban League, a director of both the Syracuse Boys Club and Blue Cross-Blue Shield Corp., the Citizens Housing Committee, the Syracuse Housing Development Corporation, the Onondaga Charter Commission and the Educational Television Council of Central New York.

"Because of his interest in both Onondaga Community College and Le Moyne College, the Syracuse Basic Building Trades Council has established a scholarship to either school. Nicholas Ferrante Hall will serve as a lasting monument to the man who made a great contribution to his community and to his profession as well as to this college," the program said.

As a labor leader, Mr. Ferrante accepted the high duty to promote industrial peace while at the same time protecting the rights and improving the conditions of the workingman. Such a task is really without limit for "it is one which challenges all that is noble in the human heart."

Mr. Ferrante possessed the qualities which signify the mature labor leader. There never was question about his integrity and he knew his associates as human beings and not as statistics. By hard effort and experience he had become proficient in the field of collective bargaining.

Nick had patience—the exercise of sustained endurance and perseverance—to a high degree. He overlooked the faults of others. He took unpleasant situations as a challenge. At times he expected misunderstandings, suspicion and outright opposition. On the other hand, he hated double-dealing, subterfuge and all falsehood great and small. He had an intuitive sense of recognizing the phony and acted accordingly.

As noted, he gave long years of service to the labor movement and to the community of Onondaga County. Due to his efforts there has been a fine record of cooperation between labor and management. His constructive leadership should not be forgotten. To him we apply the biblical tribute: "Well done, good and faithful servant."

DEEP CONCERN OVER THE AMERICAN ECONOMY

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, it is fair to say that all of us are deeply concerned about the American economy. This, of course, is evidenced in our everyday activity here in the Congress as we search for means which, hopefully, will alleviate the problem. As I travel my congressional district, this subject is, of course, No. 1 on the minds of all the people.

I am deeply heartened by a very generous effort which was undertaken by one of my area radio stations, Station WHEN, in Syracuse, N.Y. This station instituted a program whereby it would grant a $50 bonus to any employee who purchased a new car during the month of February. The employee simply had to present his receipt and pick up the $50 check.

We will all agree that this was indeed a positive act on the part of this radio station, which, incidentally, provides an excellent public service in our community.

I feel certain that my colleagues would be interested in knowing of this generous initiative.

CANCER PREVENTION

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, it has often been said that an ounce of prevention is worth a pound of cure. One area in which that adage certainly appears applicable today is in the battle aginst cancer.

Consider in this light the thoughtful and timely article written by Peter Bernstein of the Newhouse News Service which appeared in the February 16, 1975, issue of the Washington Post. Mr. Bernstein points out that recent findings in cancer research indicate that from 60 to 90 percent of all human cancers are caused by environmental factors.

This is not a statistic to be taken lightly—not in these days of air and water pollution, of on-the-job exposure of carcinogens, of chemical additives in foods, and of pesticide residues in the food chain. It is a statistic which should cause alarm and spur this Congress and this administration into action to prevent cancer. One obvious method of prevention is to curtail job-related exposures to toxic chemicals and industrial byproducts which are known causes of malignancies.

I have long advocated enforcement of standards to protect the health of workers who daily place their lives in jeopardy because of exposure to dangerous substances. The Occupational Safety and Health Act of 1970 is aimed at protecting this Nation's work force, and enforcement of its provisions and establishments of appropriate safety standards and exposure levels are major methods of eliminating on-the-job exposure to daily carcinogens.

The Subcommittee on Manpower, Compensation and Health and Safety which I chair last year held 16 days of oversight hearings to monitor the administration of OSHA, and we will continue these hearings during the 94th Congress.

I commend Mr. Bernstein's article to my colleagues. It is a clear and cogent call for continued congressional oversight in the area of workers' health and safety. The article follows:

CANCER POLLUTION LINK IS SEEN

(By Peter J. Bernstein)

Painstaking detective work by medical researchers is producing mounting evidence that environmental impurities in man's habitat are the primary cause of most cancer.

Based on recent findings at a number of laboratories across the country, researchers at the National Cancer Institute estimate that 60 to 90 per cent of all human cancers are caused by environmental factors—from ultraviolet rays to plastics and pesticides.

The results show that while researchers have made some progress in developing a cure for certain forms of cancer, the most promising advances have been in prevention and early detection.

Using computers to analyze mortality data, NCI researchers have pinpointed cancer "hotspots" in industrial areas of the northeast from Boston to Washington and certain riverfront cities in the Midwest and South from Chicago to New Orleans. They are pressing the Environmental Protection Agency to place tight limits on the use of chemicals thought to cause cancer.

Most of the discoveries center on human exposure to these chemicals. Tests in different parts of the country reveal that man-made carcinogens escape into the air Americans breathe, the water they drink and the food they eat.

Last year an estimated 355,000 Americans died of some form of cancer, compared to 350,000 in 1973.

Researchers at NCI headquarters in Bethesda increasingly are turning to modern technology in an effort to unlock the secrets of cancer. Analyzing death certificates for a 20-year period from 1950 to 1969 with computers, they found that the most prevalent forms of cancer tend to occur in regions of the country where carcinogenic chemicals seem most pervasive—the so-called "hotspots."

Computed according to age, race, and sex, cancer rates turned out to be highest among adult white males. The incidence during those years was highest among white men, cancer specialists believe, because they tended to have factory jobs during the 1930s and 1940s when their first exposure to cancer-causing chemicals may have occurred.

Dr. Martin Schneiderman, associate director for field studies and statistics at NCI, organized the computer work. Schneiderman said there usually is a latency period of 20 to 30 years between the first exposure to a carcinogenic chemical and appearance of malignancies.

"We strongly suspect there is an interaction between industrial exposure and smoking," he said. "Certain groups of workers are contracting cancer at a rate many times that of the population at large."

"Society has largely ignored the problem of delayed, irreversible effects of chemicals—swept it under the rug," said David Rall, director of the National Institute of Environmental Health Sciences. "We are still terribly uncertain about the risk these chemicals entail for the population in general and for individual members of the population. There is still no clear way of determining this risk."

Umberto Saffiotl, associate director for carcinogenesis at NCI, estimates that of the nearly 2 million chemicals known, no more than 6,000 have been tested to determine whether they cause cancer. Of those, he believes, only half have been tested adequately. About 1,000 have shown some sign of being carcinogenic.

The NCI, working mainly through outside laboratories, manages to screen about 200 chemicals a year, but there is no way to screen new chemicals before they become part of industrial processes and escape into the environment. In fact, federal regulators have no way of knowing which new substances created each year will be used in industry.

Cancer specialists point out with considerable concern that the long latency period between the first exposure to a dangerous chemical and the occurrence of irreversible disease means that it may be several decades before the nation has a true understanding of what some new chemicals have done to public health.

"I don't think we should wait for absolute proof that some of these chemicals cause cancer before restricting their use," said Dr. John R. Goldsmith, an environmental cancer specialist in the California Health Department. "It may be years before we know what these chemicals will do. We should minimize their use now."

Goldsmith, who is on loan this year to NCI, believes that some carcinogens should be banned.

"There is no evidence of any so-called 'safe levels' for carcinogens," Goldsmith said. "But for practical purposes, the number of major carcinogens is not infinite—there are about 20 or 25—and there ought to be tight regulations on their use. People should not be exposed to cancer-causing chemicals like asbestos, benidine, arsenic, heavy metals such as chromates, and the radiation emitters."

Already, biologists have found two possible cancer-causing agents in the blood of New Orleans residents who drink Mississippi River water. That has raised concern among some scientists that chlorination of a city's water supply chemically alters organic pollutants in the water, changing them into carcinogens. However, Environmental Protection Agency officials taking part in the study are known to be less concerned about the effects of chlorination than chemical contamination from sources such as oil spills and industry.

Their concern over the impact of the petrochemical industry would appear to be borne out by a recent NCI survey of bladder cancer. According to Schneiderman, the 1950-1969 mortality rates showed abnormally high incidence of bladder cancer in heavily-industrialized areas, particularly such refinery centers as Newark, Chicago, St. Louis and New Orleans.

The highest bladder cancer rate turned up in Salem County, N.J., which is across the Delaware River from the giant petrochemical complex in Wilmington, one of the nation's oldest.

This spring NCI hopes to provide state health authorities with maps showing hotspots for different types of cancer on a county-by-county basis.

"We hope to stimulate people in local areas to investigative just what's going on," Schneiderman said. "They may be able to discover chemicals or other sources of cancer that we don't know about."

Meanwhile, NCI researchers are examining the case histories of people who have died from different types of cancer to find out where they lived and worked, their smoking and nutrition habits.

But it's a laborious job, even with the help of computers. Right now, there is only a staff of three professionals—a statistician, a physician and a computer expert—doing the work.

The shortage of money for cancer prevention at NCI and other major research institutions dismays researchers, who point out that after 25 years and several billion dollars spent on laboratory research for cures, survival rates for the most common types of cancer—those accounting for some 80 percent of all cases—are almost unchanged.

Critics of the national cancer program blame the administration for failing to come to grips with problems caused by cancer-causing chemicals. Rather than increase the staff of the National Institute for Occupational Health and Safety, the administration trimmed it from an authorized level of 1,100 people to 660. Research funds also have been cut back at EPA and the National Institute for Environmental Health Sciences.

Cancer researchers are urging lawmakes to pass a toxic substances bill that would empower EPA to set up a system of pre-market screening of new chemicals.

INTRODUCTION OF LEGISLATION TO DENY PERCENTAGE DEPLETION IN CASE OF FOREIGN OIL AND GAS WELLS

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing legislation to deny percentage depletion in the case of foreign oil and gas wells, to deny the deduction for intangible drilling and development costs in the case of such wells, and to deny the foreign tax credit for taxes paid to foreign countries which are attributable to foreign oil related income.

My bill would correct a tax policy that has favored foreign rather than domestic oil production by U.S. oil companies and which has also deprived the Treasury of revenues that might have been otherwise used to fund essential energy-related projects here in the United States.

For example, the foreign tax credit system enabled the U.S. oil industry to reduce its total 1973 tax liability from $2,305,854,000 to $613,327,000. In the case of the Aramco consortium, U.S. tax liability of $1,539,920,000 was reduced by $1,392,714,000 in foreign tax credits.

Oil companies operating solely within the United States are allowed to treat State and local taxes and royalties paid as deductible expenses only, reducing before-tax income and saving 48 cents in Federal taxes for each $1 of taxes on royalties. For foreign operations, royalties have been classified as "income taxes," and may be credited dollar for dollar against U.S. income tax. The oil companies engaged in foreign operations may then include these amounts—actually royalties—nominally foreign taxes—in gross income for the purpose of computing percentage depletion. If they were considered royalties, percentage depletion could not be taken on the Government's share of the gross income.

Mr. Speaker, I maintain that the large income taxes paid by American companies to the governments of petroleum exporting countries are royalties—and that treating them as income taxes results in preferential treatment for producing oil in foreign countries.

In addition to acting as an incentive to foreign investment, the present tax treatment of foreign operations deprives the Treasury of considerable revenues. In the 5 years from 1968 to 1972, five of the seven major U.S. oil companies paid between 1.32 and 5.56 percent of their net income in U.S. income taxes while paying between 24.87 and 31.44 percent to foreign governments in payments designated as "income taxes."

In 1972, the pretax net income of the seven companies combined totaled approximately $10.2 billion. They paid approximately $2.9 billion in foreign "income taxes" and only approximately $450 million in U.S. income taxes. The effective U.S. tax rate for the group was 4.41 percent, and the effective foreign income tax rate was 28.70 percent. Effective U.S. income tax rates from 1968 through 1971 for the group ranged from 2.55 to 5.36 percent, while effective foreign "income tax" rates ranged from 19.49 to 26.67 percent.

Mr. Speaker, the relatively high rate of foreign taxation has not discouraged foreign investments by U.S. oil companies, because these tax liabilities have been passed along to the American consumer for recoupment, and have also been applied to substantially reduce U.S. income tax liabilities. This favorable combination of policies certainly explains why oil industry investment in the foreign sector rose by 22 percent in 1973 to reach $19.4 billion, while capital investment in the United States rose to $10.6 billion.

Mr. Speaker, it would seem only logical that this Congress examine very carefully the tax treatment extended to foreign operations of U.S. oil companies. I believe that these tax policies are definitely not working to the advantage of the United States, and may, in fact, be running at cross purposes with our national energy goals. The legislation I am introducing today should help to concentrate the oil industry's activities in the United States, where it properly belongs.

THE HOME IMPROVEMENT INCENTIVE ACT OF 1975

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing legislation that will help to resolve a critical unemployment problem as well as conserving and upgrading America's private housing stock.

I am convinced that the time for this legislation is now. The combination of growing unemployment especially in the construction trades; the extreme shortage of housing; the decline in housing starts; and the critical need to induce a higher level of productive consumer spending to stem our current recession are compelling reasons for prompt action on this legislation.

Unlike the "trickle down theory" to which the administration has subscribed since 1969 and which has been a dismal failure, this bill is built on the premise that economic incentive must be consumer based and percolate upward. We have seen the effect of trickle down theory as the major portion of economic incentives since 1969 have been granted to big business, letting smaller enterprises and consumers scramble to compete for the trickle which escaped from the callers of fortunes 500.

The rise in the cost of homebuilding due to the recent spiral in construction and mortgage costs has quickly put homeownership beyond the reach of many consumers. Many would-be buyers have been forced out of the market in the past 3 years as the median price of a new home soared 40 percent to $37,000. Housing starts in December fell to an annual national rate of 868,000 units—the second lowest figure since the Government began keeping records.

It is unlikely that we will see a sharp upturn in new construction. Building permits have declined to unprecedented low levels. Only 802,000 permits were issued nationally in December 1974 as suburban areas have run out of room and resources for new residents. In addition, costs have soared faster than any other

component in housing construction—up 59 percent in the past 5 years.

With a growing number of job layoffs, business downturns, slacking economic growth, and increasing prices, I believe we will see more Americans either keeping their homes or looking for other existing homes to renovate and restore.

The Home Improvement Tax Incentive Act allows a tax deduction incentive to make capital improvements for taxpayers who buy or own single-family homes. It also provides homeowners with an incentive to make necessary improvements to conserve energy. Homeowners would have 5 years to make their homes modern, safe, and energy efficient. These tax incentives will encourage improvement and conservation of existing housing and contribute greatly to our national goals of urban, suburban, and rural restoration and renovation.

Mr. Speaker, the Home Improvement Incentive Act of 1975 will also help to resolve the complex and growing problem of urban blight by reducing the costs of renovating existing housing. It would give substance to empty proclamations of national purpose that we conserve energy, neighborhoods, and housing and resources. We can and must end the wasteful practice of treating older and structurally sound homes and neighborhoods as if they were disposable trash.

Moreover, with unemployment among construction workers running at more than 15 percent, twice the national rate, the incentive mechanism embodied in this legislation will give a needed boost to the construction industry. As author of the Comprehensive Employment and Training Act and legislation providing for public service employment, I am all too aware that the private sector must be given a boost at the consumer level in order to provide the most substantial supply of jobs.

With high costs and consumer caution clouding the home-buying market, Americans are expected to spend between $25 billion and $30 billion this year on home remodeling. The sum could be increased substantially if this legislation is enacted. The ripple effects of such spending would be substantial, generating jobs in construction material production, distribution, wholesale, and retail sales, as well as employment in the construction and allied trades. Tax revenues lost to the Treasury as a result of a home improvement tax deduction would be offset not only by revenues from increased activity in the construction sector but by revenues created by new economic activity in redeveloping neighborhoods and communities.

The tax deduction allowed by my bill for home improvements on principal residences would have a classic pump-priming effect. By increasing disposable income through tax incentives, which must be spent on economically productive home improvement, consumer spending would create employment in the construction and materials industry, providing jobs for workers from lumberjacks to construction workers as well as markets for manufacturers of building supplies, the salesmen who sell them and the truckers who haul them.

Mr. Speaker, my bill is not designed to be the full and complete answer to our housing problem, our unemployment problem, our economic problems or our energy problems. It is a modest 5-year emergency plan based on economic common sense and the recognition of the key role that housing plays in our national economy.

The text of the bill follows:

H.R. 4062

A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for amounts paid or incurred for repairs or improvements of, or additions to, their principal residences

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 220 as section 221 and by inserting after section 219 the following new section:

"SEC. 220. IMPROVEMENT OF PRINCIPAL RESIDENCE.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction the sum of—

"(1) the home improvement expenses paid or incurred by the individual during the taxable year, and

"(2) the residential addition amortization for the taxable year.

"(b) HOME IMPROVEMENT EXPENSES.—

"(1) IN GENERAL.—For purposes of this section, the term 'home improvement expenses' means amounts paid or incurred by the taxpayer in a taxable year beginning before January 1, 1980, for the permanent improvement or the betterment of the property—

"(A) which is used by the taxpayer as his principal residence, and

"(B) which is held by the taxpayer at the close of the taxable year.

Such term includes but is not limited to amounts paid or incurred for painting, carpentry, plumbing, electrical, or masonry work, or the installation of insulation and does not include any amount paid or incurred for a residential addition (as defined in subsection (c)(2)).

"(2) LIMITATION.—A deduction shall be allowed under subsection (a)(1) for capital home improvement expenses paid or incurred by the taxpayer during any taxable year only if such expenses exceed $500; $250 in the case of a separate return by a married individual).

"(c) RESIDENTIAL ADDITION AMORTIZATION.—

"(1) IN GENERAL.—The residential addition amortization for any taxable year shall be an amount which bears the same proportion to the amount paid or incurred by the taxpayer in a taxable year beginning before January 1, 1980, for a residential addition with respect to the property used by him as his principal residence as the number of months in the taxable year—

"(A) which are in the 36-month period which begins with the first month following the month in which such addition is completed; and

"(B) during which the taxpayer uses such property as his principal residence,

bears to 36.

"(2) RESIDENTIAL ADDITION.—For purposes of paragraph (1), the term 'residential addition' means the construction, reconstruction, or erection of an addition to, or improvement of, the building or other structure used by the taxpayer as his principal residence, if such addition or improvement increases the size of such building or structure and if the taxpayer elects, in such manner and at such time as the Secretary or his delegate shall by regulation prescribe, to have this subsection apply to such addition or improvement.

"(3) LIMITATION.—The aggregation amount paid or incurred by the taxpayer and his spouse for any residential improvement with respect to any building or other structure used by the taxpayer or his spouse as a principal residence which may be taken into account under paragraph (1) shall not exceed $5,000.

"(d) DEFINITION AND SPECIAL RULES.—

"(1) PRINCIPAL RESIDENCE.—For purposes of this section, the term 'principal residence' has the same meaning as such term has when used in section 1034.

"(2) Not treated as capital expenditures.—Any amount which is allowable as a deduction under subsection (a)(1) or with respect to which an election under subsection (c)(2) applies shall not be treated as an item which is properly chargeable to a capital account.

"(3) EARLY DISPOSITION.—If—

"(A) any property used by the taxpayer as his principal residence is disposed of, or ceases to be used as his principal residence, and

"(B) such property was not used by the taxpayer as his principal residence for a period in excess of 2 years,

the gross income of the taxpayer for the taxable year in which such disposition or cessation occurs shall be increased by the amount (if any) of the deduction allowed under subsection (a) for the preceding taxable year with respect to such property.

"(4) MARITAL STATUS.—The determination of marital status shall be made under section 143."

(b) Section 62 of such Code (defining adjusted gross income) is amended by inserting after the second paragraph designated as paragraph (11) the following new paragraph:

"(13) REPAIR OR IMPROVEMENT OF PRINCIPAL RESIDENCE.—The deduction allowed by section 220."

(c) Paragraph (1) of section 263(a) of such Code (relating to capital expenditures not deductible) is amended by striking out "or" at the end of subparagraph (D), by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", or", and by adding after subparagraph (E) the following new subparagraph:

"(F) expenditures for improvements to the principal residence of the taxpayer, deductible under section 220."

(d) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"SEC. 220. IMPROVEMENT OF PRINCIPAL RESIDENCE.

"SEC. 221. CROSS REFERENCES."

(e) The amendments made by this section shall apply to taxable years beginning after December 31, 1974.

THE NATIONAL PRIMARY ELECTIONS ACT OF 1975

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, a year from now the 1976 Presidential primary season begins in New Hampshire—the beginning of a primary trail, and trial, that will meander through two dozen States before ending in California in June. The Presidential primary is a unique and valuable American institution which evolved, at least in part, as a healthy reaction to the days when nominees were picked in smoke-filled rooms. Yet the proliferation of exhausting and often inconclusive primaries has led many to suggest that it is time for some major reforms.

While I believe that aspirants to our Nation's higher office should subject themselves to the scrutiny of their party's voters—a belief I am now putting into practice—the existing system is fraught with problems.

First, the primary system is too long—and is getting longer as additional States consider instituting primaries and vie for the honor and attention of being first. It is a costly endurance contest which has taken its toll of worthy contenders. Candidates who wish to build early support and to demonstrate their appeal to the electorate must be prepared at a minimum for a 5-month gauntlet of speeches, travel, fundraising, banquets, and barbecues; those who are not well known nationally must extend that period by a year or more.

Second, lacking any kind of uniformity, the primaries are not a reasonable yardstick of a candidate's support. The results are sometimes meaningless, sometimes indecipherable. With stakes so high, and mass media scrutiny so intense, candidates carefully pick and choose the States they will enter, selecting only those where they expect to win or make a strong showing. This really negates the basic purpose of the primary system: To allow the party rank-and-file to express a preference among all prospective nominees.

A few primaries end up as important contests between major contenders, but others are hollow victories for the winner; still others are psychological victories for the losers. In some, there is no guarantee that a significant vote will result in comparable delegate strength come the convention. Such local idiosyncrasies as cross-over voting rules further cloud the picture.

Victory no longer necessarily depends on who wins the most votes, but rather on who is most adept at playing the numbers game—and sometimes on how the press decides to interpret the results.

Thus, I think it is time the Congress gave some serious consideration to reforming our primary system. We can preserve its most appealing aspects while shortening the time period and providing uniform rules to make primaries more meaningful.

Today I am introducing H.R. 4110, the National Primary Elections Act of 1975. This bill is similar in most respects to legislation I introduced in the 92d and 93d Congresses, but with some important changes. While it may not be the ultimate answer, I think it is a valuable starting point for discussion. I urge the 94th Congress to undertake such a dialogue and to legislate some improvements.

The details of my proposal which would take effect in 1980, are as follows:

States holding presidential primary elections would be required to schedule them on the first Tuesday after the first Monday in April, the third Tuesday in May, or the last Tuesday in June. This would cut nearly a month off the present schedule, and would stop the dizzying succession of weekly, widely scattered primaries.

Candidates who qualified would have to run in every State holding a primary on the same day.

The Federal Elections Commission would select those persons who meet the constitutional qualifications for the presidency and are generally recognized as candidates for their party's nomination. The process of selection would favor inclusion of all potential candidates. Any candidate entitled to receive payments under the new presidential primary matching fund system would be included on the list automatically.

Persons selected by the Commission could withdraw their names from the Commission's list. Any person who withdrew before the first round of primaries could not run in any of the primaries held in that round, but an alternate petition filing requirement would permit him or her to jump in for later rounds.

Persons not designated by the Commission, and those who withdraw from earlier rounds, could qualify for placement on primary ballots by filing with the appropriate authority in each State holding a primary in the same round petitions signed by qualified voters of their party in a number equal to at least 1 percent of the votes cast in that State for President 4 years before.

States holding primaries must include on each party's ballot the names of all of that party's candidates who qualify by either method. No other names could be included. States could require candidates to pay primary fees of up to $500.

Each voter could vote only in the primary of the party of his registered affiliation. Independent voters could vote in the primary of only one political party.

Candidates who received 10 percent or more of the vote in a primary would receive a proportional representation of the delegates on the first ballot at the convention. Delegate selection rules would be established by the parties and delegates chosen according to such rules within 20 days of the primary. Delegates would be required to be bona fide supporters of the candidate and would be bound for the first ballot. A candidate receiving less than 10 percent would receive no convention delegates.

To summarize, this bill would achieve three major objectives: a substantially shortened primary trail; contests involving all major contenders; and fair, uniform rules which make the effort worth the risks.

No one really wants to return to the selection of Presidential candidates by party or congressional bosses. But the efficacy of the primaries in bringing public sentiment to bear has been uneven, and present dissatisfaction threatens to bring changes which may be unwarranted. Indeed, some will view this proposal as merely a partial reform, but I believe it would be a reasonable, valuable step toward some order in our chaotic system of choosing Presidential candidates.

I reject for now the idea of a single national primary. Both the present system and my proposal allow for some flexibility and dissent within our parties, and provide healthy roles for local and State party organizations. One national primary would eliminate the possibility of a late blooming candidate, one whose qualities emerge gradually through the primary process. A national primary would put all the eggs in one basket, when our political history teaches us that American political opinion evolves slowly, that the voters like time for reflection on the relative virtues of candidates. Moreover, the national primary route would necessitate an expensive national media campaign, something only a few could afford from the outset, and one which would inevitably focus on the most populous States.

Last fall, we adopted an historic package of reforms in the financing of our Presidential elections. We need some time to see how that system will work before we undertake so fundamental a change as a single national primary. The bill I introduce today would retain the federalistic notion of State primaries, while remedying the most damaging drawbacks.

THE GASOLINE CONSERVATION ACT

(Mr. ADAMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I am introducing today the Gasoline Conservation Act of 1975. This legislation provides for a two-tier allocation program utilizing transferable entitlement stamps with a penalty fee on the gasoline used in excess of the amount allocated by stamps.

This bill will assure every driver of a fair share of gasoline at a fair price, with the option to purchase additional gasoline by paying a penalty "user fee" of up to 50 cents per gallon. It establishes a conservation goal of a 5.5-percent decrease over 1974 gas consumption by the end of 1975 and a 16-percent decrease by the end of 1977. Such a decrease in gasoline consumption would cut overall U.S. consumption of crude oil by approximately 350,000 barrels per day by the end of 1975 and 1,050,000 by the end of 1977. Both the size of the allotment and the amount of the user fee are adjustable and could be varied to meet these conservation goals.

There are several advantages to the plan I am suggesting. It guarantees every driver a certain minimum amount of gasoline at a fair price. It minimizes interference with individual action because the "white market" in coupons would allow all drivers to both buy and sell entitlement stamps according to their own driving needs. It allows the user to decide how to use his allotted amount of gasoline, and if and when additional consumption is worth the additional cost. Most importantly, this bill both imposes a penalty gradually, and it is imposed on the area of consumption—gasoline—most easily cut without damaging our economy.

This legislation is far preferable to the program advanced by the President, in which a free market is assumed, but where none exists. By proposing arbitrary increases in the price of crude oil,

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the President is adding a regressive tax to the already inflated prices fixed by the international oil companies and the oil producing nations. In the process, he is threatening to further depress the economy and to work a serious hardship on low- and middle-income groups. The President's plan, if implemented, would increase the cost of such essentials as home heating fuel, electricity, transportation and fertilizer. These increased costs would in turn be reflected by increased costs for all goods and services available. For example, the impact of the President's energy program on transportation will be severe. If the price of diesel fuel goes up 10 cents a gallon, it will cost the class I railroad $405 million in fue charges annually. This increase would cost the truck owners nearly $980 million a year for diesel fuel alone. The airlines would have to pay nearly $900 million more for their jet fuel. It makes no sense to me to increase the cost of public transportation, when we are trying to encourage people to use their cars less.

Our Nation has become needlessly dependent on the automobile, and it is here that our economies must start. What was once a luxury item has now become a necessity—a necessity that we must learn again to live without. Excessive use of the private automobile has almost destroyed our mass transit systems, which we must rebuild and expand. It uses 35 percent of our petroleum products in an inefficient way. It has become an economic millstone around our necks.

We cannot do away with the automobile, as our present transit system is unable to handle the 85 percent of our transportation requirements now met by the car. We must, however, make a beginning.

My two-tier allocation plan is just a beginning. Its adoption will only be one step in the overall effort to solve our energy problems equitably, and without unfairly penalizing people by increasing the disastrous rate of inflation. This plan must be coupled with intensive short- and long-term programs to make permanent reductions in our use of fossil fuels; to find new energy sources that we, ourselves, control; and then to make the necessary adjustments in our business and private lives to accept the realities of our limited energy supplies of the future.

I am attaching a copy of my letter to the President dated January 3, 1975, in which I outlined this plan to him.

JANUARY 3, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is my understanding from the press reports that you intend to submit to Congress both an economic program and proposals for dealing with the energy crisis. As a member of the House Budget Committee and the House Commerce Committee, I have spent a great deal of time in the last year dealing with both problems of the economy and the energy crisis.

I am certain you remember the struggle last year, first in the Interstate and Foreign Commerce Committee, and later on the floors of both the House and Senate, to pass an energy bill. Without trying to place the blame on any side, it is enough to say that conflicting forces in the Congress and Administration prevented any meaningful energy allocation and conservation program from being enacted.

As a member of the Interstate and Foreign Commerce Committee, I was present at hearings and mark-up sessions on these bills, and when matters were finally reaching an impasse, I discussed possible compromise positions with Senator Henry Jackson, Chairman of the Interior Committee, Representative Torbert Macdonald, Chairman of the Communications and Power Subcommittee, and many other members of Congress, in an effort to resolve the situation. This was unsuccessful, and as a result, it was finally decided that all that could be accomplished was an extension of the Emergency Petroleum Allocation Act to August 31, 1975.

In light of this experience, I have been very disappointed that the various proposals for dealing with the energy crisis, as reported in the public press, have taken the same conflicting positions: either rationing gas or increasing taxes on it, or doing nothing. These are the same positions which basically caused the energy bills to fail in the last Session.

In an effort to break this deadlock, I am sending a copy of this letter which outlines my compromise proposal to Representative Jim Wright of Texas, who heads the House Democratic Steering and Policy Committee Legislative Task Force, and to Representative Torbert Macdonald and Senator Henry Jackson.

A primary advantage of my proposal is that it creates a process rather than a rigid system of rationing or taxation.

Another key element is that this proposal would provide an overall national policy with the flexibility to meet future contingencies and at the same time would move the United States away from outdated, ineffective voluntary conservation programs.

I am proposing that the Federal Government, using the State Motor Vehicle Departments, issue to each registered driver the already printed ration books. The Federal Government would then establish on a nationwide basis, the average consumption rate of gasoline and allocate a percentage of this national average to the ration bookholders. I would suggest 90 percent of present usage, but the percentage should be flexible and left to the discretion of the Executive Branch based on importation levels and other factors. The coupon books would authorize each driver to obtain the allocated amount of gasoline at the market price. (I would not contemplate at this time trying to fix a price at the pump, but this could be an option in the future). The remaining percentage of gasoline stocks would be available for use by vehicle owners, but this would be subject to a Federal penalty tax to dampen consumption. I believe that again the amount of tax should be left to the discretion of the Executive Branch, but I would suggest a tax of approximately 10 cents per gallon in the initial stages of the program. Any driver who had used his allocation of ration coupons would be required to pay to the retail outlet the additional Federal penalty tax above the market price.

The ration stamps could be given away by the individual motorist or sold without penalty (the so-called "white market"), but in gaining control over national gasoline consumption. The price of these ration stamps would be limited by the amount of tax paid per gallon since there would be no incentive to buy another motorist's stamps if they were more expensive than the market price plus the tax.

The result of this process is to leave untouched the basic marketing system in the United States and to give all motorists an assured supply of gasoline at equitable prices. The system also penalizes cars that guzzle gasoline or those motorists who wish to engage in frivolous driving. Over a period of time, long-distance commuters will begin to use public transportation and carpools to stretch their coupons, and the goal of modifying driving habits will have been accomplished with minimal hardship.

On the national level, the Federal Government will be equipped to influence overall consumption of gasoline by raising or lowering the penalty tax or the number of gallons allocated to the ration holders. It is only logical that controlled domestic oil costs should be divided equally among all users first and that those who are requiring the importation of higher priced foreign oil should pay a higher price for it.

I am well aware that the American economy is inextricably intertwined with the automobile industry, and its suppliers ranging all the way from petroleum products to steel. However, this proposal will allow us to control our consumption of petroleum products as a matter of national policy and give the auto industry a chance to reorganize itself, with the least disruption to our national economy.

If you are interested in this proposal, I would be happy to work with members of the Administration in drafting appropriate legislation.

Respectfully yours,

BROCK ADAMS,
Member of Congress

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. SYMMS (at the request of Mr. RHODES), for March 3, 1975, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BROOKS, for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. MICHEL, for 5 minutes, today.

Mr. ADAMS, for 5 minutes, today.

(The following Members (at the request of Mr. HAGEDORN) to revise and extend their remarks and include extraneous material:)

Mr. HASTINGS, for 15 minutes, today.

Mr. BAUMAN, for 10 minutes, today.

(The following Members (at the request of Mr. BEARD of Rhode Island), to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 15 minutes today.

Mr. DRINAN, for 40 minutes, today.

Ms. ABZUG, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HAGEDORN) and to include extraneous matter:)

Mr. YOUNG of Florida in five instances.

Mr. HEINZ.

Mr. RHODES.

Mr. ANDERSON of Illinois in three instances.

Mr. CARTER in two instances.

Mr. HASTINGS.

Mr. CRANE in two instances.

Mr. MCCLORY.

(The following Members (at the request of Mr. BEARD of Rhode Island) and to include extraneous matter:)

Mr. DODD.

Mr. NATCHER.

Mr. HAMILTON in two instances.

Mr. GONZALEZ in three instances.

Mr. ANNUNZIO in six instances.

Mr. SISK.

Mr. ANDERSON of California in four instances.

Mrs. LLOYD of Tennessee in five instances.

Mr. STOKES.

Mr. RANGEL in 10 instances.

Mr. HOLLAND in two instances.

Mr. LONG of Maryland in 10 instances.

Mr. BAUCUS.

Mr. EILBERG in 10 instances.

Mr. CONYERS in 10 instances.

Ms. ABZUG in 10 instances.

Mr. BOLLING.

Mr. FRASER in three instances.

Mr. DE LA GARZA in 10 instances.

Mr. STARK in 10 instances.

Mr. DOMINICK V. DANIELS.

Mr. MCDONALD of Georgia.

Mr. ULLMAN.

Mr. FAUNTROY.

Mr. BURKE of Massachusetts.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 28, 1975, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

ADJOURNMENT

Mr. BEARD of Rhode Island. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 20 minutes p.m.) the House adjourned until Tuesday, March 4, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

432. A letter from the President of the United States, transmitting a proposed appropriation language change for fiscal year 1975 to increase the limitation on the amount of purchase contracts used to finance building construction administered by the General Services Administration (H. Doc. 94–66); to the Committee on Appropriations and ordered to be printed.

433. A letter from the President of the United States, transmitting an amendment to the request for appropriations transmitted in the budget for fiscal year 1976 for the Judiciary (H. Doc. No. 94–67); to the Committee on Appropriations and ordered to be printed.

434. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for support of military family housing including operating expenses and maintenance of real property; to the Committee on Armed Services.

435. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting a report for calendar year 1974 on special pay for subject to hostile fire, pursuant to 37 U.S.C. 310(d); to the Committee on Armed Services.

436. A letter from the Deputy Assistant Secretary of Defense (Military Personnel Policy), transmitting a supplemental report on former military and civilian officials and current Department of Defense employees who have filed reports pertaining to employment by defense contractors, covering fiscal year 1974, pursuant to section 410(b) of Public Law 91–121; to the Committee on Armed Services.

437. A letter from the Administrator of General Services, transmitting drafts of proposed legislation to authorize the disposal of tin and lead from the national stockpile and the supplemental stockpile, and the disposal of silver from the national stockpile; to the Committee on Armed Services.

438. A letter from the Secretary of Health, Education, and Welfare, transmitting the fourth annual report on administration of the black lung benefits program, pursuant to section 426(b) of the Federal Coal Mine Health and Safety Act of 1969, as amended [30 U.S.C. 936(b)]; to the Committee on Education and Labor.

439. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed regulations to coordinate the Office of Education student financial aid programs and the Bureau of Indian Affairs programs for providing grant-in-aid assistance for higher education for Native Americans, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

440. A letter from the Assistant Secretary of State for Congressional Relations, transmitting the semiannual report on international narcotics control program activities for the period ended December 31, 1974, pursuant to section 481(b)(2) of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2291(b)(2)]; to the Committee on Foreign Affairs.

441. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on deliveries of excess defense articles during the second quarter of fiscal year 1975, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended [22 U.S.C. 2321b(d)]; to the Committee on Foreign Affairs.

442. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations; to the Committee on Foreign Affairs.

443. A letter from the Secretary of the Treasury, transmitting the second annual report on the operation and status of the State and Local Government Fiscal Assistance Trust Fund, pursuant to section 105(a)(2) of Public Law 92–512; to the Committee on Government Operations.

444. A letter from the Administrator for Federal Procurement Policy, Office of Management and Budget, Executive Office of the President, transmitting the first annual report of the activities of the Office of Federal Procurement Policy, pursuant to section 8(a) of Public Law 93–400; to the Committee on Government Operations.

445. A letter from the Executive Officer, U.S. Arms Control and Disarmament Agency transmitting a report on the Agency's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

446. A letter from the Chairman, Equal Opportunity Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

447. A letter from the Executive Director, Federal Labor Relations Council, transmitting a report on the activities of the Council and of the Federal Service Impasses Panel under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

448. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

449. A letter from the Chairman, Federal Power Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

450. A letter from the Secretary, Board of Governors, Federal Reserve System, transmitting reports on the activities of the Board of Governors and of the Federal Open Market Committee under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

451. A letter from the General Counsel, Foreign Claims Settlement Commission of the United States, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

452. A letter from the Administrator of General Services, transmitting a report on the activities of the General Services Administration under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

453. A letter from the Chairman, U.S. International Trade Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

454. A letter from the Director, Office of Administration, U.S. Nuclear Regulatory Commission, transmitting a report on the activities of the U.S. Atomic Energy Commission under the Freedom of Information Act during 1974, as those activities related to the Commission's licensing and regualtory functions, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

455. A letter from the Postmaster General, transmitting a report on the activities of the U.S. Postal Service under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

456. A letter from the Acting Chairman, Postal Rate Commission, transmitting a report on the Commission's administration of the Freedom of Information Act during the calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

457. A letter from the Director of Selective Service, transmitting a report on the activities of the Selective Service System under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

458. A letter from the Director, U.S. Water Resources Council, transmitting a report on the Council's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

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459. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

460. A letter from the Deputy Under Secretary of the Interior, transmitting a report on the activities of the Geological Survey carried on outside the national domain during the first half of fiscal year 1975, pursuant to section 2 of the act of September 5, 1962 [43 U.S.C. 31(c)]; to the Committee on Interior and Insular Affairs.

461. A letter from the Secretary of Commerce, transmitting an evaluation and commentary on the final report of the Commission on American Shipbuilding; to the Committee on Merchant Marine and Fisheries.

462. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend the Intergovernmental Personnel Act of 1970 to provide more effective means to improve personnel administration in State and local governments; to correct certain inequities in the law; and to extend coverage under the law to the Trust Territory of the Pacific Islands; to the Committee on Post Office and Civil Service.

463. A letter from the Administrator, Energy Research and Development Administration, transmitting the first interim report by the Solar Energy Coordination and Management project on the development of a solar program definition, pursuant to section 15(b) of Public Law 93-473; to the Committee on Science and Technology.

464. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Higher Education Act of 1965 to decrease the amount of defaults under the guaranteed student loan program, to amend the Bankruptcy Act to limit the dischargeability in bankruptcy of educational debts, and for other purposes; jointly to the Committees on Education and Labor, and the Judiciary.

465. A letter from the Secretary of Health, Education, and Welfare, transmitting, a draft of proposed legislation to amend the Public Health Service Act, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, the Drug Abuse Office and Treatment Act of 1972, and the Social Security Act, to revise and extend programs of health services, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

466. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting notice of a reorganization underway in the Agency's Office of Research and Development; jointly, to the Committees on Merchant Marine and Fisheries, and Science and Technology.

RECEIVED FROM THE COMPTROLLER GENERAL

467. A letter from the Comptroller General of the United States, transmitting a report on the use of solid waste to conserve resources and to create energy; jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ADAMS: Committee on the Budget. Report on the implementation of new congressional budget procedures for fiscal year 1976 (Rept. No. 94-25). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 4058. A bill to amend title 10, United States Code, with respect to crediting certain service of females sworn in as members of telephone operating units, Signal Corps; to the Committee on Armed Services.

H.R. 4059. A bill to amend the Emergency Petroleum Allocation Act of 1973 to establish a program for the creation and distribution of gasoline entitlements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BREAUX:

H.R. 4060. A bill to amend the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 with regard to the rice programs established in those acts; to the Committee on Agriculture.

By Mr. DOMINICK V. DANIELS:

H.R. 4061. A bill to amend the Internal Revenue Code of 1954 to deny percentage depletion in the case of foreign oil and gas wells to deny the deduction for intangible drilling and development costs in the case of such wells and to deny the foreign tax credit for taxes paid to foreign countries which are attributable to foreign oil related income; to the Committee on Ways and Means.

H.R. 4062. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for amounts paid or incurred for repairs or improvements of or additions to their principal residences; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 4063. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY (for himself, Mr. ANDREWS of North Dakota, and Mr. GRASSLEY):

H.R. 4064. A bill to amend the Agriculture and Consumer Protection Act of 1973, as amended, for the purpose of terminating the requirement for the prior approval of the export sales of agricultural commodities; to the Committee on Agriculture.

By Mr. FORD of Michigan (for himself, Mr. FASCELL, Mr. GILMAN, Mr. MATSUNAGA, Mr. PERKINS, Mr. WIRTH, Mr. RONCALIO, and Mr. YOUNG of Alaska):

H.R. 4065. A bill to amend title 39, United States Code, to provide that certain State conservation publications shall qualify for second-class mail rates; to the Committee on Post Office and Civil Service.

By Mr. FRASER:

H.R. 4066. A bill to amend section 1661 of title 38 of the United States Code in order to entitle veterans to 2½ months of educational assistance for each month of service on active duty and to extend the maximum entitlement to such assistance to 45 months; to the Committee on Veterans' Affairs.

By Mr. FREY:

H.R. 4067. A bill to amend the Internal Revenue Code of 1954 to allow any individual employed on a part-time basis to deduct under section 214 expenses for household and dependent care services necessary for gainful employment, and for other purposes; to the Committee on Ways and Means.

H.R. 4068. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. FREY (for himself and Mrs. SPELLMAN):

H.R. 4069. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GRASSLEY:

H.R. 4070. A bill to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with their livestock purchasing operations and for other purposes, to the Committee on Agriculture.

By Mr. HEINZ:

H.R. 4071. A bill to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocations Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities; to the Committee on Interstate and Foreign Commerce.

Mr. HOWARD (for himself, Mr. AMBRO and Mr. MCHUGH):

H.R. 4072. A bill to amend section 109 of title 23, United States Code, relating to the preparation of certain statements on highway projects in the States of New York, Vermont, and Connecticut; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. HARSHA, Mr. WRIGHT, Mr. DON H. CLAUSEN, Mr. JOHNSON of California, Mr. SHUSTER, Mr. HENDERSON, Mr. WALSH, Mr. ROBERTS, Mr. HOWARD, Mr. ANDERSON of California, Mr. ROE, Mr. MCCORMACK, Mr. JAMES V. STANTON, Mr. BREAUX, Mr. STUDDS, Mr. GINN, Mr. MINETA, Mr. HOLLAND, Mr. HOWE, Mr. OBERSTAR, Mr. NOWAK, and Mrs. LLOYD of Tennessee):

H.R. 4073. A bill to extend the Appalachian Regional Development Act of 1965 for an additional 2-fiscal-year period; to the Committee on Public Works and Transportation.

By Mr. MACDONALD of Massachusetts:

H.R. 4074. A bill to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or whose incomes have been significantly reduced as the result of adverse economic conditions; to the Committee on Banking, Currency and Housing.

By Mr. MAHON:

H.R. 4075. A bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94-46) and of February 14, 1975 (H. Doc. 94-50), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MONTGOMERY:

H.R. 4076. A bill to amend the Occupational Safety and Health Act of 1970 to exempt any nonmanufacturing business, or any business having 25 or fewer employees in States having laws regulating safety in such business, from the Federal standards created under such act; to the Committee on Education and Labor.

H.R. 4077. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 4078. A bill to amend title 38 of the United States Code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to acquire specially adapted housing; to the Committee on Veterans' Affairs.

H.R. 4079. A bill to amend title 38 of the United States Code to provide that hypertension developing a 10 percent or more degree of disability within 2 years after separation from active service during a period of war shall be presumed to be service-connected; to the Committee on Veterans' Affairs.

H.R. 4080. A bill to amend title 38, United States Code, to provide that amyotrophic lateral sclerosis developing a 10 percent or more degree of disability within 3 years after separation from active service during a period of war shall be presumed to be service-connected; to the Committee on Veterans' Affairs.

H.R. 4081. A bill to amend chapter 11 of title 38, United States Code, to provide full wartime benefits for extra-hazardous duty; to the Committee on Veterans' Affairs.

H.R. 4082. A bill to amend title 38 of the United States Code to provide that certain veterans who were prisoners of war shall be deemed to have a service-connected disability of 50 percent; to the Committee on Veterans' Affairs.

H.R. 4083. A bill to amend title 38, United States Code, to extend eligibility for automobile adaptive equipment to certain additional veterans; to the Committee on Veterans' Affairs.

H.R. 4084. A bill to amend title 38, United States Code, to provide an annual clothing allowance to certain veterans who, because of a service-connected disability, wear a prosthetic appliance or appliances which tend to wear out or tear their clothing; to the Committee on Veterans' Affairs.

H.R. 4085. A bill to amend section 312 of title 38, United States Code, by providing a 2-year presumptive period of service connection for the psychoses which develop within 2 years from the date of separation from active service; to the Committee on Veterans' Affairs.

H.R. 4086. A bill to amend title 38, United States Code, to provide that veterans with disabilities rated 10 through 100 percent shall receive additional compensation for dependents; to the Committee on Veterans' Affairs.

H.R. 4087. A bill to amend section 410(a) of title 38, United States Code, to provide for the payment of dependency and indemnity compensation to certain survivors of deceased veterans who were rated 100 percent disabled by reason of service-connected disabilities for 20 or more years; to the Committee on Veterans' Affairs.

H.R. 4088. A bill to amend title 38, United States Code, to extend the 20-year protection to ratings for children permanently incapable of self-support; to the Committee on Veterans' Affairs.

H.R. 4089. A bill to amend title 38, United States Code, to authorize increased benefits for veterans requiring regularly scheduled hemodialysis; to the Committee on Veterans' Affairs.

H.R. 4090. A bill to amend section 312 of title 38, United States Code, by providing a 10-year presumptive period of service connection for chronic diseases of certain prisoners of war; to the Committee on Veterans' Affairs.

By Mr. RANGEL:

H.R. 4091. A bill to create a National Landlord and Tenant Commission, to establish housing courts, and to define or to provide therefor the rights, obligations, and liabilities of landlords and tenants so as to regulate the activities of the commercial rental housing operations which affect the stability of the economy, the amount of a person's real income, the travel of goods and people in commerce, and the general welfare of all citizens of this Nation; to the Committee on Banking, Currency and Housing.

H.R. 4092. A bill to authorize grants to States for the establishment of vision screening programs for public school students; to the Committee on Education and Labor.

H.R. 4093. A bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

H.R. 4094. A bill to provide the Secretary of Health, Education, and Welfare with the authority to make grants to States and local communities to pay for the costs of eye examination programs to detect glaucoma for the elderly; to the Committee on Interstate and Foreign Commerce.

H.R. 4095. A bill to amend the Public Health Service Act to provide for the establishment of a National Sickle Cell Anemia Institute; to the Committee on Interstate and Foreign Commerce.

H.R. 4096. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 4097. A bill to establish minimum prisoner treatment standards for prisons in the United States, and to create an agency to hear complaints arising from alleged infractions of such standards; to the Committee on the Judiciary.

H.R. 4098. A bill to provide new and improved transportation programs for older persons; to the Committee on Public Works and Transportation.

H.R. 4099. A bill to amend title XVI of the Social Security Act to authorize the prompt issuance of duplicate supplemental security income benefit checks to individuals whose original benefit checks are lost or delayed and who are faced with financial hardship as a result; to the Committee on Ways and Means.

H.R. 4100. A bill to amend the Internal Revenue Code of 1954 to permit the full deduction of medical expenses incurred for the care of individuals of 65 years of age and over, without regard to the 3-percent and 1-percent floors; to the Committee on Ways and Means.

H.R. 4101. A bill to allow a credit against Federal income taxes or payments from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. RICHMOND (for himself, Mr. RANGEL, Mr. GILMAN, Mr. OTTINGER, Ms. HOLTZMAN, Mr. MCHUGH, Mr. PEYSER, Mr. ZEFERETTI, Mr. HARRINGTON, Mr. CONYERS, Mrs. MINK, Mr. METCALFE, Mr. MILLER of California, Mr. ROE, Mr. SARBANES, Mr. BROWN of California, Mr. MELCHER, Mr. FASCELL, Mr. VIGORITO, Mr. EDGAR, Mr. HICKS, Mr. BURKE of Massachusetts, Mr. WHITEHURST, Mr. SOLARZ, Mr. CORMAN, and Mr. BALDUS):

H.R. 4102. A bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 for the purpose of authorizing additional appropriations for programs authorized by those acts; to the Committee on Education and Labor.

By Mr. RICHMOND (for himself, Mr. STARK, Mr. KOCH, Mr. MINETA, Mr. GILMAN, Mr. RANGEL, Mr. MITCHELL of Maryland, Ms. HOLTZMAN, Mr. HARRINGTON, and Mr. FRASER):

H.R. 4103. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children, the special supplemental food program, and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. SISK:

H.R. 4104. A bill to amend title 10, United States Code, to make certain persons eligible for retired pay for nonregular service; to the Committee on Armed Services.

H.R. 4105. A bill to amend section 1402(a) of title 10, United States Code, to revise the rule for computation of retired or retainer pay to reflect later active duty; to the Committee on Armed Services.

H.R. 4106. A bill to amend title 38, United States Code, in order to entitle veterans to 45 months of educational assistance for all educational programs under chapter 34 of this title, to the Committee on Veterans' Affairs.

By Mr. SOLARZ:

H.R. 4107. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. SYMINGTON (for himself, Mr. MOSHER, Mr. FLOWERS, Mr. EMILY, Mr. BROWN of California, Mr. SCHEUER, Mr. HARKIN, Mr. LLOYD of California, Mr. DODD, and Mr. KRUEGER):

H.R. 4108. A bill authorizing appropriations to the National Science Foundation for fiscal year 1976; to the Committee on Science and Technology.

By Mr. TAYLOR of North Carolina:

H.R. 4109. A bill to amend the Grand Canyon National Park Enlargement Act (88 Stat. 2089); to the Committee on Interior and Insular Affairs.

By Mr. UDALL:

H.R. 4110. A bill to provide for the regulation of State Presidential primary elections; to the Committee on House Administration.

By Mr. VAN DEERLIN (for himself Mr. STAGGERS, Mr. MACDONALD of Massachusetts, Mr. MOSS, Mr. DINGELL, Mr. ROONEY, Mr. STUCKEY, Mr. ECKHARDT, Mr. CARNEY, Mr. METCALFE, Mr. KRUEGER, Mr. WIRTH, Mr. MOFFETT, Mr. ELBERG Mr. BROYHILL, Mr. MCCOLLISTER, and Mr. MOORHEAD of California):

H.R. 4111. A bill to amend the Securities Exchange Act of 1934 to remove barriers to competition, to foster the development of a national securities market system and a national clearance and settlement system, to make uniform the Securities and Exchange Commission's authority over securities industry regulatory organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YATES:

H.R. 4112. A bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes; jointly to the Committees on the Judiciary, Merchant Marine and Fisheries, Interior and Insular Affairs, and Science and Technology.

By Mr. ADAMS:

H.J. Res. 264. Joint resolution to designate the 9th day of October of each year as Leif Ericson Day, and to authorize the President to call for the appropriate celebration of such day; to the Committee on Post Office and Civil Service.

By Mr. BELL (for himself, Mrs. HECKLER of Massachusetts, Mr. OBERSTAR, and Mr. TSONGAS):

H.J. Res. 265. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROOKS (for himself, Mr. GIAIMO, Mr. O'HARA, Mr. FUQUA, Ms.

HOLTZMAN, Mr. CLEVELAND, Mr. ASHBROOK, and Mr. WHALEN):

H. Res. 269. Resolution directing the House Commission on Information and Facilities to provide for radio and television coverage of proceedings in the House Chamber during the first session of the 94th Congress; to the Committee on Rules.

By Mr. EDGAR (for himself, Mr. ANDREWS of North Dakota, Mr. HUBBARD, and Mr. TSONGAS):

H. Res. 270. Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems; to the Committee on Rules.

By Mr. RANGEL:

H. Res. 271. Resolution creating a select committee to conduct an investigation and study of the health effects of the current energy crisis on the poor; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

37. By the SPEAKER: Memorial of the Legislature of the Territory of Guam, relative to making maximum use of the U.S. Naval Ship Repair Facility, Guam; to the Committee on Armed Services.

38. Also, memorial of the House of Representatives of the State of Arkansas, relative to the suspension of aid to South Vietnam and Cambodia; to the Committee on Foreign Affairs.

39. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to American servicemen and civilians missing in action in Indochina; to the Committee on Foreign Affairs.

40. Also, memorial of the House of Representatives of the State of Arkansas, relative to revenue stabilization; to the Committee on Government Operations.

41. Also, memorial of the Legislature of the Territory of Guam, relative to rescinding the suspension of airline operations to Guam; to the Committee on Public Works and Transportation.

42. Also, memorial of the Legislature of the State of Hawaii, relative to taxes on land sales; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SLACK introduced a bill (H.R. 4113) for the relief of Mitsue Karimata Stone, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

44. Mr. HUTCHINSON presented a petition of Ralph H. Tuttle, Niles, Mich., and others, relative to a national economic and energy policy for gasoline, which was referred to the Committee on Ways and Means.

SENATE—*Monday, March 3, 1975*

(Legislative day of Friday, February 21, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. RICHARD STONE, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We thank Thee, O God, for Thy mercies which are new every morning. Grant to Thy servants here and their colleagues elsewhere in the Government, the gift of Thy higher wisdom to devise the means for using the natural resources and the human resources of the Nation that poverty and ignorance may be banished, and justice and righteousness firmly established. Show us again the invincibility of goodness, the strength of human brotherhood, and the conquering power of love. Unite us in heart and mind and soul to do Thy will.

And to Thee shall be the glory. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 3, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. RICHARD STONE, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. STONE thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Helting, one of his secretaries.

Mr. ALLEN. Mr. President, I would like the message read, for the information of the Senate.

The ACTING PRESIDENT pro tempore. The message will be read.

The legislative clerk read the following messages from the President of the United States:

To the Congress of the United States:

America's traditional optimism about the manageability of human affairs is being challenged, as never before, by a host of problems. In the field of national security, arms control offers a potential solution to many of the problems we currently face. The genius of the American people may be said to lie in their ability to search for and find practical solutions, even to the most difficult of problems; and it is no accident that this country has helped lead the world in the quest for international arms control agreements.

Safeguarding our national security requires a dual effort. On the one hand, we must maintain an adequate defense against potential great-power adversaries; for although we are pursuing a positive policy of détente with the Communist world, ideological differences and conflicting interests can be expected to continue. On the other hand, we share with them, as with the rest of the world, a common interest in a stable international community.

Over the past year, we have made considerable progress in our arms control negotiations with the Soviet Union. The Vladivostok accord which I reached with Chairman Brezhnev will enable our two countries to establish significant limits on the strategic arms race and will set the stage for negotiations on reductions at a later phase. The U.S. and U.S.S.R. have, over the past year, also reached agreement on the Threshold Test Ban Treaty and on a limitation on ABM deployments to one complex for each country.

The negotiations being held at Vienna on mutual and balanced force reductions in Europe (MBFR), while they have not yet produced conclusive results, are also an important endeavor to limit and reduce armaments safely through mutual agreement. For our part, we shall make every effort to achieve such an outcome.

Even as we see some encouraging progress in our relations with the Soviet Union, we still face a growing danger in the potential proliferation of nuclear weapons to more countries. The U.S. will continue to seek practical steps to avert this danger, while providing the benefits of nuclear energy for peaceful purposes.

The fourteenth annual report of the U.S. Arms Control and Disarmament Agency, which I herewith transmit to the Congress, sets forth the steps which have been taken over the past year to meet these and other national security problems through arms control.

GERALD R. FORD.

THE WHITE HOUSE, *March 3, 1975.*

PRESIDENTIAL APPROVAL

The President has approved the following:

February 28, 1975: S. 281, an act to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

MESSAGES FROM THE PRESIDENT REFERRED

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States submitting the 14th annual report of the U.S. Arms Control and Disarmament Agency, which, with the accompanying report, was referred to the Committee on Foreign Relations.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, February 28, 1975, be approved.

Mr. ALLEN. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the executive calendar will be stated.

DEPARTMENT OF TRANSPORTATION

The second assistant legislative clerk read the nomination of William T. Coleman, Jr., of Pennsylvania, to be Secretary of Transportation.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

INTERSTATE COMMERCE COMMISSION

The second assistant legislative clerk read the nomination of Robert J. Corber, of Virginia, to be a Commissioner.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. COAST GUARD

The second assistant legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if I am allowed to do so, I would be willing to allow my 5 minutes to the distinguished Senator from Oregon (Mr. HATFIELD).

The ACTING PRESIDENT pro tempore. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ALLEN. Mr. President, I object, for a moment.

The ACTING PRESIDENT pro tempore. Objection is heard.

The second assistant legislative clerk continued with the call of the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE RESOLUTION 94—SUBMISSION OF A RESOLUTION RELATING TO FOOD ASSISTANCE FOR CAMBODIA

(Ordered to lie over under the rule.)

Mr. HATFIELD. Mr. President, I have this morning a story from the UPI alleging that U.S. food aid to Phnom Penh is not going to the hungry and I should like to read part of it at this point:

The Cambodian Government is giving all of America's airlift food to the military despite a rise in starvation deaths among the capital's hungry civilians.

A senior government official said Sunday President Lon Nol has ordered the government to stockpile the airlifted rice for the sole use of soldiers and their families.

Social workers said even penniless refugees in Phnom Penh are being denied the rice. They said deaths resulting from starvation are increasing daily.

The shortage of supplies in the besieged capital has sent the price of food soaring. The cost of a 110-pound bag of rice on the black market has doubled to $30 in the past week alone.

"And the only way you can even buy black market rice is to know someone," a frustrated resident of the beleaguered city said today.

The senior government official said Lon Nol ordered the restriction of rice supplies last Thursday at the start of America's massive, Berlin-style airlift of food to Phnom Penh.

U.S. commercial jets piloted by civilians have been flying in about 600 tons of rice a day, more than enough to feed all of the capital's 2 million residents.

But most of the estimated 60,000 destitute refugees in government-run camps have had to depend on their own wits to obtain food.

"Only the children here get food," the director of one camp said. "They receive a bowl of vegetable soup six days a week."

Mr. President, Senator CLARK, Senator BROOKE, Senator HUMPHREY, and I submit a resolution—which I send to the desk—to express the sense of the Senate that 50 percent of Public Law 480 shipments to Cambodia between now and June 30, 1975, be delivered as title II commodities, as grants for humanitarian purposes, rather than as title I shipments.

Economic aid to Cambodia is limited to $177 million under the ceiling imposed in the foreign aid authorization bill passed last December. Of this, $89 million has been designated for Public Law 480 "food for peace" shipments consisting mostly of rice. Much of this—between one-half and two-thirds—has already been shipped to Cambodia. The remainder, however, is in Saigon, waiting, probably in vain, to go up the Mekong River, or is on ship en route from the United States to Southeast Asia.

The airlift which has just begun delivers 545 tons of rice to Phnom Penh per day. This is close to the daily consumption level. However, all the rice being delivered is under the title I program, and thereby is given directly to the government. Its first priority is distributing rice to its troops. In the past few weeks, about 200 of the daily tons have been going directly to the army. The remaining 345 tons have been distributed primarily through the government's "market system," while some has been made available to voluntary agencies. The ineffectiveness of the government's means of distribution, combined with the general economic deterioration, have pushed the market price of rice astronomically high, so that only the well-to-do can afford to pay market prices.

This has been the pattern of distribution, with hungry civilians at the end of the line and troops being fed first. Just yesterday, however, the UPI reported that all future food shipments will be given over entirely to feeding the army. Starving civilians will simply be ignored.

The war has forced thousands from the land into the city. Only about 20,000 of these are officially classified as "refugees," and their fate is generally better than the thousands of others who have no such classification and wander through the streets, searching for money and food.

The voluntary agencies are distributing between 30,000 and 35,000 tons of food per year. But all agree that they have significantly greater capacity. The U.S. Aid mission, in fact, has recently requested a title II program of 100,000 tons a year, to be distributed primarily through the voluntary agencies.

State Department officials here have not approved the request. They say there would be administrative difficulties in administering such a title II program, and prefer to simply give the food directly to the Government, giving them the control.

The specter of malnourished and starving Cambodians being turned away from refugee centers, and the pictures of babies dying in their mothers' arms from the lack of food make clear the inadequacies of the Government's present distribution system. If they do indeed begin to give all food shipments to the army, the plight of the civilian population can only grow worse. Meanwhile,

the public impression is being generated that this is somehow the fault of Congress, supposedly because we refuse to give Cambodia more aid.

Raising the $177 million ceiling on economic aid would have no immediate effect on this whole problem, however. Administration officials admit that there is enough rice in the pipeline for present needs. The problem is getting it into Phnom Penh, and then, getting it to those who need it most. Further, because of the strains on the airport from all the shipments of ammunition, plus the rice fuel airlift that has begun, it is doubtful that much more than 545 tons of rice can get in each day, unless flights carrying food are substituted for some carrying ammunition. That is what we should be doing, but there is little likelihood of its happening.

Thus, the course for us is to stipulate that half of the remaining rice going into Phnom Penh be distributed directly through the voluntary agencies as a title II program. That gives us some greater hope that the food will be distributed to those who need it most. It means that we will establish a humanitarian priority on the distribution of rice, rather than be bound by the priorities of the Lon Nol government. And this still would allow half the amount—273 tons—to go as a title I program to the government.

Since the United States became deeply involved in Cambodia in 1970, we have heard two administrations say time and time again that our aid to Cambodia does not in any way constitute a commitment to any particular government in that country. We were involved, it has been said, to protect our troops in South Vietnam, to facilitate their withdrawal, and/or to gain a cease-fire in South Vietnam and Cambodia. Now we hear that we have a "moral" commitment to Cambodia.

If we do have such a commitment, it is to the people of Cambodia, and not to the government of Lon Nol. Our moral commitment is to feed those who are starving. It is not to aid the troops of Lon Nol so they can continue the fighting while the civilian population they are supposedly defending goes hungry. We must do all we can to see that the aid we do supply will be used for humanitarian purposes, and not to perpetuate war. The resolution we submit today is one step in that direction.

Mr. President, I ask immediate consideration of the resolution.

Mr. ALLEN. Reserving the right to object, I have no objection to the resolution; I might say, I have no objection to its not going to a committee. But under the rules, if objection is made, it can come up on the next legislative day. At that time, the Senator from Alabama will be delighted to give his full support to the resolution. Right now, the Senator from Alabama is concerned that this legislative day, which started Friday a week ago, has not yet come to a close. The Senator from Alabama feels that 10 calendar days are just about long enough for a legislative day to extend. So the Senator from Alabama will object to the immediate consideration of the resolution in the hope that tomorrow we shall start a new legislative day and the matter can proceed to passage.

I object.

Mr. HATFIELD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The objection is heard. The resolution will go over under the rule.

The resolution (S. Res. 94) is as follows:

S. Res. 94

Whereas rice is being airlifted by the United States into Cambodia, a country ravaged by war; and

Whereas such rice is being made available to Cambodia from commodities previously allocated under the Food for Peace program; and

Whereas the allocation is currently being made under title I of the Agricultural Trade Development and Assistance Act of 1954 and is being purchased on a concessional basis by the Cambodian government for its military personnel and for sale on the open market; and

Whereas the people who will benefit by the airlift of such rice, other than military personnel, are the few who have the financial means to purchase food in the marketplace; and

Whereas it is the poor in Cambodia who are starving and suffering from malnutrition; and

Whereas it is the moral obligation and humanitarian responsibility of the United States to alleviate hunger and suffering whenever it can do so: Now, therefore, be it

Resolved, That it is the sense of the Senate that not less than 50 per centum of the food commodities which the President has budgeted for Cambodia under title I of the Agricultural Trade Development and Assistance Act of 1954 and which are delivered after the date on which this resolution is agreed to and prior to July 1, 1975, shall be made available in Cambodia for humanitarian purposes under title II of such Act.

SEC. 2. It is further declared to be the sense of the Senate that any such food made available to Cambodia under title II of the Agricultural Trade Development and Assistance Act of 1954 be administered by voluntary agencies already established in Cambodia.

SEC. 3. The Secretary of the Senate shall transmit a copy of this resolution to the President.

The Senator from Oregon was recognized.

Mr. HATFIELD. Mr. President, may I ask for clarification of the status of the resolution under this particular procedure?

Mr. ALLEN. Will the Senator speak into his microphone? I cannot hear him.

Mr. HATFIELD. I ask, Mr. President, that there be a clarification on the status of the resolution under this particular proceeding.

The ACTING PRESIDENT pro tempore. The resolution, under rule XIV, paragraph 6, has gone over, under the rule, to the next legislative day at the end of the morning business; if time permits, the Chair will automatically lay it before the Senate.

Mr. ALLEN. And at that time, the Senator from Alabama will give it his full support.

Mr. HATFIELD. Thank you very much, Mr. President. I thank the Senator from Alabama.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. CURTIS. In behalf of the minority leader, I yield him 5 minutes.

Mr. HATFIELD. I thank the Senator from Nebraska. I yield to the Senator from Iowa 3 minutes.

Mr. CLARK. I thank the Senator for yielding.

Mr. President, there is great controversy about Cambodia and U.S. response to that war-torn nation. One fact, however, does not need debate. People, mostly children, are starving and suffering from malnutrition, because they cannot find nor afford food.

Since Thursday, rice has been airlifted into Cambodia. Each day throughout the month, 545 tons of rice are expected to reach Phnom Penh as part of our food for peace program. But what happens to the rice once it reaches Cambodia? There are two ways of distributing commodities under our food for peace program—most is sold on the open market while the rest is given to the hungriest people in overcrowded cities and rural areas.

Currently, the rice being airlifted into Cambodia comes under title I of food for peace—the rice is sold on the open market. The only people who get that food are soldiers in the field and those few with enough money to buy it in the market. According to recent news reports, President Lon Nol is ordering all rice to go the battlefield—to soldiers and their families. No denial has been heard from AID. My telephone calls to them have been ignored.

Under title II, rice would be given to voluntary agencies for distribution to those suffering most from food deficiencies. Today, Senators HATFIELD, BROOKE, HUMPHREY, and myself are submitting a sense of the Senate resolution which would transfer the rice being airlifted into Cambodia from title I to title II programing.

The voluntary agencies which administer title II food in Cambodia have the capacity and the willingness to do the job. The U.S. AID mission has requested a threefold increase for its yearly programing. The sense of purpose, the ability, and the need are all there. We can get the food to the hungry.

With a simple switch of programing we can get the food to those most in need. Now that the Senate has agreed to consider this resolution on the next legislative day, we ask that the Senate endorse this measure calling for one-half of food for peace commodities sent to Cambodia to be title II humanitarian food assistance.

I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 30 minutes, with statements therein limited to 10 minutes each, and that at the end of that time I may be recognized.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. CURTIS. Mr. President, reserving the right to object, has all of the time reserved to the assistant minority leader (Mr. GRIFFIN) expired?

The ACTING PRESIDENT pro tempore. The time reserved to the leaders has expired.

Without objection, it is so ordered.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. LONG. Mr. President, what could be a very bad precedent, denying every Member of this body the rights of a U.S. Senator, was in the process of taking place a few days ago when the Senator from Louisiana spoke against that matter, and insisted that the Senate should act in an orderly fashion.

Mr. President, the Vice President on that occasion was in the process of putting a motion, and did in fact put a motion to a vote before the Senate while the Senator from Alabama was on his feet, shouting for recognition. The Senator shouted several times for recognition, and the Vice President declined to recognize the Senator and proceeded to put the motion.

When I challenged him about the matter, Mr. President, the Vice President said that the book "Parliamentary Procedure" contained a statement which supported his position.

"Parliamentary Procedure," as I understand, is a compilation by the Parliamentarian of precedents that have occurred before the Senate down through the years. I have checked that, Mr. President, and there is no support whatever for what the Vice President did on that occasion.

For example, while it is true that the Presiding Officer is not required to advise a Senator of his parliamentary rights when he makes a parliamentary inquiry, that does not relieve him of the burden of recognizing that Senator and according him the opportunity of at least inquiring what his rights are, or of recognizing him, for that matter, for any purpose whatsoever.

I ask unanimous consent that, at the conclusion of my statement, the precedent referred to in the book "Parliamentary Procedure" by the Vice President, which would be the precedent of February 2, 1965, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. LONG. Mr. President, let me read how this matter started:

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The Senator will state it.

Then the Senator goes ahead and states his parliamentary inquiry, and there is some discussion back and forth, the Senator makes a point of order, and eventually it is decided that in view of the fact that this matter is not presently before the Senate, the Senator will have to wait and make his point of order when the matter under discussion is before the Senate.

The Chair did not refuse to recognize the Senator, as the Vice President did on this occasion. And, Mr. President, I say with confidence that the Vice President, or anybody he wants to designate, can search from now back to the first day of the U.S. Senate, and he will not find any case that will support the Presiding Officer riding roughshod over the U.S. Senate and refusing to recognize any Senator who sought to be recognized.

In "Senate Procedure," the Senate book referred to by the Vice President, on page 674, it states:

Every Senator, in due time, has a right to recognition before the Senate acts on an issue unless by unanimous consent a limitation of debate is entered into which precludes him from such right.

No unanimous consent had been given, Mr. President. No cloture had been invoked. As a matter of fact, the Vice President at that point was telling the Senator something to the effect that he was not going entirely by the rules of the Senate, he was going by the Constitution. I do not know what he was going by. By his own imagination, perhaps.

All I know, Mr. President, is that any Senator had the right to inquire, at that point, what his rights were; and at that point, had there been 100 Senators standing demanding recognition, the Vice President would have been under the burden of recognizing every last one of those 100 Senators before he put that question. It may be that the motion might not be debatable; the Vice President may wish to offer that as an excuse for his conduct. But, Mr. President, if that motion was not debatable, there were still many other bases upon which a Senator could be asking for recognition, if only to suggest the absence of a quorum. A Senator might want to move to recess, to adjourn—there were other motions that would take precedence over the motion the Vice President was putting.

Mr. President, as I said on that occasion, I have never seen a time in the history of this Republic, and I never expect to see a time, when a majority would be justified in completely denying to a minority its rights stated under the rules of the Senate. For that reason, I felt that some of us, in the spirit of compromise and goodwill toward one another, ought to take the attitude—and I do—that if those seeking to change the rules feel that the situation is so desperate and that change is so necessary that any Members take the attitude that the end justifies the means, and that the circumstances are such that they are justified in doing that sort of thing, I for one, Mr. President, would be willing to agree to some sort of reasonable compromise to meet the situation that exists.

An editorial in Saturday's issue of the New York Times entitled "Dubious Compromise" was totally in error. I tried to call them and explain it to them, but there was no one except some gentleman named Schwartz available on Saturday afternoon to explain the matter to. He listened very politely, but no one in authority was available for me to explain to them that they were badly in error.

They suggested, in their editorial, that this proposed compromise should be voted down, on the theory that their side could do better. Mr. President, I can tell those people in my judgment, for a certainty, that if the Senate does not agree to the reasonable proposal now being advanced by the majority leader, the assistant majority leader, and the leadership on the Republican side of the aisle as well, if that is not entered into because some people are as unreasonable on the right as the New York Times appears to be on its side—having been offered a fair and reasonable compromise and proceeded to turn it down; how do they know how Senators would react?

Their reaction will be whichever side, in a situation like this, is going to be completely unreasonable will be the side that loses support, and so if they turn this compromise down the probabilities are there would be no change in the rule whatsoever.

So far as I am concerned that is all right with me if it works out that they are so foolhardly as to turn down a reasonable compromise when offered that opportunity.

I do not think that will be the attitude of the majority of those who seek to change the rules. I do not think they are taking the attitude that they are either going to have to have everything their own way or else they are going to take the attitude that might makes right, and completely deny everybody his rights under the rules, and try to bulldoze this Senate into making a precedent that the Senate will long regret.

Mr. President, I hope the Vice President of the United States will review this record that I have made here and, at an appropriate time, will state for the Senate what the Parliamentarian had advised him when he asked the Parliamentarian for advice. I say because I discussed the matter with the Parliamentarian, that any Senator had a right to be recognized at a point. A Senator could have made a number of motions or he could have suggested the absence of a quorum or done, perhaps, various, and sundry other things that I am not aware of at this moment. But I have no doubt that out of a hundred Senators here, every last one of them had a right to be recognized, and it is not for the Vice President to decide whom he is going to recognize.

As long as he presides over this Senate, it is his duty to recognize every Senator, every last one of the hundred of them, if a hundred want to be recognized, and for more times than once, if need be, until those Senators have had a chance to say what they had to say or make whatever motion or point of order they wished to make until the Senate had concluded its business.

I have discussed this matter with those who work on the editorial staffs of our major newspapers in Washington, as well as endeavoring to discuss this matter with those who have the responsibility with respect to the New York Times, and I hope this matter will be laid to rest once and for all; that unless by unanimous consent the Senate has agreed otherwise, the Chair, whomsoever he may be, the Vice President or any Senator, is under the burden of recognizing every Member of this body and according them the rights that are theirs under the rules before he insists to order that clerk to call that roll with that man standing there seeking recognition.

Now, Mr. President, it is fine for some

to decline to abide by the rules or to sit here and witness a man being denied his rights when it is the other fellow who is being denied his rights. But it has been my experience in this body during 26 years that when a Senator engages in a course of conduct that denies others the rights that are theirs, if he has the privilege of serving here very long, he will live to see the day when the same thing turns around that could reach him.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. ROBERT C. BYRD. Mr. President, if the Chair will recognize me——

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROBERT C. BYRD (continuing). I yield my time to the Senator, and I ask unanimous consent that his statement not show an interruption in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LONG. Mr. President, it is all right with me if the RECORD does show my time has expired, and I would be pleased that it would show that, and I ask unanimous consent that it be that way.

Mr. ROBERT C. BYRD. Mr. President, I ask that that request be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LONG. The distinguished acting majority leader is always most considerate and kind to all of us, and he respects all of our rights. I am sure he never would have been a party to any such thing as that about which the Senator from Louisiana is protesting, and I see he is nodding his head in agreement.

Mr. ROBERT C. BYRD. Mr. President, may I say, while the Chair was under no obligation to respond to the parliamentary inquiry, I think the Chair is always under an obligation to recognize a Senator who is seeking recognition.

Mr. LONG. That is exactly correct, and if the Chair does not want to respond to a parliamentary inquiry, he still is under the duty of letting the Senator state it and, having stated the parliamentary inquiry, he would then be privileged to say that the Chair does not have to respond to that parliamentary inquiry. Sometimes the nature of the inquiry is such that the whole thing is said facetiously anyway. Sometimes a Senator might say that he has a parliamentary inquiry to make and, having been accorded the opportunity to state it, will say, "Well, where did the Senator from New York disappear to? He was here yesterday," or some such thing as that, which the Chair would then say is not a parliamentary inquiry at all, and the Chair is not under a duty to respond to it.

But I think we can all agree that the Chair is not required under the rules to give an opinion about parliamentary procedure to a Senator unless it is a matter of a point of order. But there is no doubt whatever that he is under a duty to recognize a Senator who had a right to be recognized. A Senator does have a right to be recognized to address a parliamentary inquiry to the Chair.

The parliamentary situation that existed at that particular time when the Senator from Alabama was denied his rights was such that had the Chair stated to him that the Chair was not going to respond to the parliamentary inquiry, that the Chair was not going to advise the Senator of his right, the Senator would have nevertheless been entitled to recognition, to protect his rights in other respects. He could have suggested the absence of a quorum; he could have moved to adjourn, and he had other motions available to him which he had every right to make under any precedent that the Senate might have.

I do not know what precedents the Vice President might be planning to dream up under his interpretation of the Constitution. That is something we will have to deal with when the time comes. But I have no doubt, Mr. President, that there is no rule and no precedent to support what the Vice President did on that occasion, and I hope we will never see that tried again.

I hope the Vice President will review this record, and I will seek to inquire of him on my own time on some occasion at a parliamentary inquiry which, I hope, he will respond to, whether in his judgment he still has the right to refuse to recognize any one of these 100 Senators for any reason whatsoever.

EXHIBIT 1

[From the CONGRESSIONAL RECORD, Feb. 2, 1965

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. (Mr. BURDICK in the chair). The Senator will state it.

Mr. MILLER. What is the pending business?

The PRESIDING OFFICER. The pending business is House Joint Resolution 234, providing supplemental appropriations for certain activities of the Department of Agriculture for 1965.

Mr. MILLER. Mr. President, I note from the print of House Joint Resolution 234 which I have that a committee amendment has been proposed. Is that correct?

The PRESIDING OFFICER. There are several committee amendments.

Mr. MILLER. The print that I have which is shown as Roman numeral No. II, has what appears to be only one amendment. On page 3, from line 4 through the word "Act" on line 7, is deleted. And there is a proposed addition in italic representing, I believe, the committee amendment. It goes from line 7 down through line 14. Do I correctly understand the Chair to say that there are other amendments than this?

The PRESIDING OFFICER. Page 2, line 3, continuing through line 18.

Mr. MILLER. Then I request that the Chair direct his attention to the amendment to which I have referred on page 3. My question is whether the Chair is of the opinion that this amendment to which I have referred violates paragraph 4 of rule XVI.

The PRESIDING OFFICER. Will the Senator state whether he is referring to the amendment in lines 4 to 7, or the amendment in lines 7 to 14?

Mr. MILLER. What I refer to is what appears to be the proposed committee amendment, which constitutes the committee language, starting on line 7 and running through the end of line 14, all appearing in italics.

The PRESIDING OFFICER. The Chair will refrain from rendering an advisory opinion at this time, but will be ready to rule if a point of order is raised.

Mr. MILLER. Mr. President, that being the position of the Chair, I respectfully raise the point of order.

The PRESIDING OFFICER. A point of order against a committee amendment at this time is not in order. No committee amendment has yet been reported by the clerk for Senate action.

Mr. MILLER. Mr. President, I do not want to prejudice the situation as far as the majority leader is concerned.

I would like to obtain an opinion from the Chair. If the language to which I have referred does not contravene paragraph (4) of rule XVI, then, would an amendment to this amendment of the committee automatically be held not to contravene paragraph 4 of article XVI?

The PRESIDING OFFICER. The matter that the Senator has referred to on page 3 of the joint resolution is open to amendment when it is before the Senate. But, this matter has not yet been called up or presented to the Senate for action.

Mr. MILLER. The Senator understands that. However, what the Senator is trying to determine is whether or not an amendment which he intends to offer to the amendment proposed by the committee, which is not yet before the Senate, would fall within the same ruling as the committee amendment itself with respect to paragraph 4 of rule XVI.

In other words, if the committee amendment satisfies the requirement that it is not legislation on an appropriation bill, would an amendment to the committee amendment automatically be cleansed of any violation of the rule, also?

The PRESIDING OFFICER. It would depend upon the nature of the amendment offered. It would have to comply with rule XVI.

Mr. MILLER. Does the Chair advise that the mere fact that the committee amendment might be held by the Chair not to violate paragraph 4 of rule XVI does not carry with it an automatic ruling that an amendment to that amendment automatically is cleansed of the violation of the rule?

The PRESIDING OFFICER. The Chair advises the Senator that an answer to the question would depend entirely on the language of the amendment.

Mr. MILLER. Then, only for the purpose of protecting my rights, and in view of the fact that I do not wish to press it to the point of making a point of order at this time, I must also say that, in accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the resolution (H.J. Res. 234) making appropriations for the fiscal year ending June 30, 1965, and for other purposes, an amendment, with the understanding that if the point of order is made and the Chair rules that the committee amendment is not in violation of said rule, it would not be necessary for me to serve such notice, because my amendment would not fall within the prohibition of the rule.

My amendment would strike lines 13 and 14 on page 3 of the joint resolution which states:

"And if the President determines that the financing of such exports is in the national interest."

My language would replace that language with the following:

"Or are necessary to carry out any other agreement with the United Arab Republic which has been approved by the Congress."

I send my amendment to the desk and ask that it be printed.

I want to make clear that the purpose of my amendment is to leave—

The PRESIDING OFFICER. Does the Senator wish to file a notice to suspend the rules?

Mr. MILLER. The Senator from Iowa does file notice, as previously stated.

The PRESIDING OFFICER. Notice is filed.

Mr. MILLER. The purpose is to require approval by the Congress of any future agreement with the United Arab Republic. It is not necessary to say that there will be no approval, but to leave it to the Congress to make that determination.

EXPERTS SKEPTICAL ON FORD'S ENERGY PLAN

Mr. LONG. Mr. President, on a different subject, it seems to me that a thoughtful article and a good, careful analytical job was done in the same edition of the New York Times to which I have previously made reference on the subject of energy. It seems to me that if we are going to solve the energy crisis before us we must analyze point for point first, what our purpose is; second, what it will cost to do it; third, how we propose to raise the funds to bring it about, from whom we expect to raise that money, and in each aspect of that problem with regard to natural gas, oil, coal, nuclear power, conservation, as well as the potential of geothermal power and solar power, the potential of those various sources, and the cost in order to bring about the result that I think will have to be achieved in the event that we ever come up with a logical adequate answer to the energy crisis.

I congratulate Mr. Victor K. McElheny for the very cogent, logical article he wrote about this matter, and I would suggest that the Senate make use of it in approaching logically this very perplexing problem on which we have had all together too much confusion and not enough organized thought.

I ask that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 1, 1975]

EXPERTS SKEPTICAL ON FORD'S ENERGY PLAN

(By Victor K. McElheny)

President Ford's program to free the United States by 1985 from the threat of an oil embargo has aroused serious doubts among leading energy experts as to its costs, relevance and achievability.

The Administration plan, envisioning the construction of scores of oil refineries, synthetic coal plants and nuclear power plants, relies on such devices as import tariffs and tax incentives both to reduce energy consumption and develop new energy sources.

In the month and a half since it was first outlined, the Ford program has been bitterly criticized by many members of Congress and Governors as placing too heavy an economic burden on low-income groups.

The technical critics take a different stance, however. They hold that the program puts too much emphasis on purely economic incentives, then fails to "plow back" such revenues as it generates into energy investment.

They say that current discussions overemphasizes conservation and fail to emphasize the urgency of getting new energy supplies quickly, particularly because of new, pessimistic estimates of oil and gas supplies.

They say that the nation's need for new energy supplies in the next 10 years is being grossly understated and that its ability to achieve conservation without severe, short-term dislocations is being grossly overstated.

And they say that White House planners are using excessively optimistic estimates of the nation's reserves of oil and gas and that, because of a still-ignored natural gas crisis, the nation needs immediate, crash efforts to gasify coal and to increase direct industrial use of low-sulphur coal.

In interviews and public meetings since the President announced his program, these scientists and engineers have criticized it as a "business-as-usual" effort to manage a problem that threatens both short-term and long-term economic decline.

The specialists suspect that the Ford program, despite its economic orientation, does not provide for enough money, material or manpower to achieve the huge increases in production of World War II cited by Mr. Ford when he said, "They did it then. We can do it now."

The huge construction effort called for by President Ford would require investment of more than $400-billion. It would involve between 140 million and 160 million tons of steel, fabricated into hundreds of large steam turbine generators for electricity and draglines for the surface mining of coal, thousands of coal-cutting machines for underground mining, dozens of tankers for Alaskan oil and gas, between 8,000 and 10,000 locomotives and up to 260,000 hopper cars for coal trains, and thousands of miles of well-linings and refinery tubing and pipelines for oil and gas.

The size and speed of the effort has excited much skepticism. As John O'Leary of the Mitre Corporation, a former director of the Bureau of Mines, said in New York in January, "I think there's a very real chance that we won't take the appropriate action even in a crisis environment. The appropriate action is very painful and entails quite long lead times."

NATURAL GAS

The President proposed that prices on new supplies be decontrolled, that an excise tax be imposed, and that new exploration be encouraged.

The experts expressed particular urgency about natural gas. The supply is dwindling, particularly for interstate shipments, and in their view attention to the immediate crisis is being diverted by Mr. Ford's focus on a date 10 years in the future.

The decline in the nation's over-all gas supplies is estimated at about 5 per cent a year, with interstate shipments going down at twice that rate. Because of this, according to Dr. Philip H. Abelson, editor of Science magazine, the East and West Coasts and Middle West all face sharply increasing difficulty in allocating gas between homes and industry.

According to an estimate by the Columbia Gas Company, printed in the Nov. 4, 1974, issue of Oil and Gas Journal, if the current practice of giving top priority for gas supplies to home heating persists, the nation could virtually run out of all industrial gas by 1980.

At the annual meeting of the American Association for the Advancement of Science last month in New York City, Dr. Henry Linden, director of the Institute of Gas Technology in Chicago, said the decline in gas supplies, amounting to nearly 1 trillion cubic feet annually out of a total of 23 trillion, is adding 500,000 barrels of oil a day to the nation's oil demand.

To moderate the effects of the gas crisis, observers like Drs. Abelson and Linden urge a massive, immediate drive to use existing technology to make synthetic gas from strip-mined western coal, along with rapid conversion of many industrial furnaces and boilers to coal.

OIL

The President proposed tariff increases to achieve reductions in imports of 1 million barrels of oil daily by the end of this year and a further million by the end of 1977; civilian and military stockpiles to reduce vulnerability to an embargo; decontrol of domestic crude oil prices; a "windfall" profits tax; the construction of 30 new refineries, and the drilling of thousands of offshore and Alaskan wells.

The energy experts, while regarding President Ford's program as more realistic than former President Nixon's call for an end to all oil imports by 1980, doubt that even the scaled-down aims can be achieved through the operations of the market place, the main reliance of the Administration's program.

They think that the United States reserves of oil and gas are not only much lower than the official estimates of the Geological Survey but that such reserves as do exist will take longer than many realize—five to eight years—to bring into production.

Recently, the National Academy of Sciences endorsed such a pessimistic view of the resources, a view close to that frequently expressed by M. King Hubbert, an employe of the Geological Survey.

By Mr. Hubbert's projections, the total United States resource is about 170 billion barrels, compared to the Geological Survey projection of 600 billion. Of the 170 billion, 100 have already been found. Of the remaining 70, about 65 might be used by 1985 if Federal projections are correct.

At the University of Washington, Dr. Abelson said, "Almost all the undiscovered recoverable oil is located in regions where exploitation will be controversial, difficult and slow."

He added, "In spite of vastly expanded knowledge of underground geology and the use of advanced geophysical techniques, oil was more than five times harder to find in the sixties than in thirties."

Dr. Abelson was skeptical that higher prices would bring out more oil. During 1974, he said, "in spite of a doubling of prices, production has dropped about 5 per cent. Perhaps in time the higher prices will bring out more oil, but for the moment the credibility of those who have argued for higher prices is suspect."

Of efforts to increase the proportion of oil and gas recovered from a well by pumping water or detergent into a subterranean petroleum formation, Dr. Abelson said, "Thus far, there has been no magical solution, only slow progress. The winning of additional oil through such methods will be slow and costly."

As for Government estimates that $11 a barrel represented a long-term upper limit on oil prices, both Drs. Abelson and Linden were skeptical. In a session at last month's science association meeting, Dr Linden said the oil-exporting nations were selling their petroleum at "substantially below replacement cost," that is, what synthetic oil from coal or shale or tar sands would cost. "In fact, the O.P.E.C. nations have been very kind to us," Dr. Linden said.

At the University of Washington, Dr. Abelson said that experience with spot prices during the embargo of 1973–74 showed that "a price of $20 or more a barrel as an upper limit would be more realistic" than the range between $7 and $11 used in Government estimates. "The Arabs have custody of a limited and irreplaceable asset," their oil. Dr. Abelson said, and although they might drive down the price again, "Why should they?"

Both scientists, in other words, were supporting the idea that petroleum prices were likely to stay high enough to support investments in a wide range of synthetic fuels. These would be needed in large amounts for the United States to reduce its oil imports to the Ford target of 5 million barrels a day in 1985, representing only 10 per cent of the energy-use anticipated then.

COAL

The President proposed opening 20 new synthetic fuel plants, most of them for turning coal into synthetic pipeline gas, achieving a total of 150 major coal-fired electric power plants, and some flexibility on standards for strip-mining and cleaning sulphur from smokestack gases.

The Ford proposal would require doubling United States coal production in less than 10 years. The key to reaching this target is agreement on environmental rules, the experts assert. They doubt that the nation's political leaders are ready to agree on them. Without the rules, it is said, there can be no investment in the new energy supplies.

Dr. Albert Osborn, a former director of the Bureau of Mines, told the science associa-

tion meeting that the coal industry was eager for passage of any strip-mining bill, regardless of its exact requirements for land reclamation, so that it could open up vast new Western resources. "The coal industry cannot move ahead unless it knows what the rules are," Dr. Osborn said. He now works at the Carnegie Institution of Washington.

The limestone "scrubbers," which the Environmental Protection Agency is requiring for coal-fired plants, are "an outrage to the system," Dr. Osborn said. "This is not the way to go."

The sulphurous sludge byproduct of the scrubbers, which are to be installed on some 86 million kilowatts of coal-fired power plants expected by 1980, would cover 50,000 acres to a depth of 20 feet, Dr. Osborn said.

Eric Reichl of the Conoco Coal Development Company said the limestone stack-gas scrubbers were "technically out in left field. We need something far more sophisticated to make it practical."

Both Mr. Reichl and Dr. Osborn urged development of a so-called citrate process of stack-gas cleaning that would lead to pure sulphur rather than sulphate sludge as the by-product. But Mr. Reichl warned, "We don't want to confuse or fool ourselves. The cost of doing this is just monumental."

To encourage development of synthetic fuels from coal, Mr. Reichl said the Government might need to build and own the factories for a time, then sell them off to private industry, as was done with synthetic rubber and aviation fuel factories after World War II.

Mr. Reichl strongly urged that the United States not wait for a "second generation" of coal gasification plants in hopes of "something better around the corner" that would cut costs substantially. The cost reductions from new processes now being developed in the United States would amount to 10 to 15 per cent, Mr. Reichl predicted.

The Federal Energy Administration's "Project Independence Blueprint" took a pessimistic view of the role that synthetic gas from coal might play before 1985. Because of this, the document urged heavy stress on supplying electricity to so-called "heat pumps" in homes to ease demand for home heating oil or natural gas—both now expensive and scarce.

Dr. Linden attacked this analysis, countering with one of his own. An Institute of Gas Technology study last year indicated that home heat from electricity in 1980 would cost $1.52 per million British Thermal Units, compared with only $5.85 from gasified coal.

If electricity substituted for some 1.15 trillion cubic feet of gas heat, as suggested in the Federal energy blueprint, Dr. Linden said consumers would pay an extra $6.4-billion annualy in 1985 than they would if they used gasified coal to run home furnances.

NUCLEAR POWER

The President proposed that a total of the 200 nuclear power plants be built by 1985 (against 50 today), that investment tax credits be extended, and that guidelines be imposed on state utility regulations affecting profitability and hence investor interest in new power plants.

To meet President Ford's goal, new nuclear powerplants would have to be commissioned about once every three weeks for the next 10 years. Several commentators have said in recent weeks that 100, or one every five weeks, would be a more realistic target. They cited the same delays and cancellations—because of acute financial difficulties—that President Ford mentioned in his address Jan. 15.

Milson Levenson, in charge of nuclear industry problems at the Electric Power Research Institute in California, said in a telephone interview, "It's one thing to say 200 plants, and another to build them."

Mr. Levenson added, "The utility industry is in no position to build 100 plants at $600-million each. The Government has to make available the capital through some device."

Many commentators on the nuclear industry have expressed doubt that there will be time, talent or money enough to build up the nuclear industry. Mining activity will have to more than triple in a decade. New factories for making and reprocessing nuclear fuel will have to be built. The pace of development of the "breeder," a type of nuclear plant vital to the long-term nuclear economy, is in doubt.

CONSERVATION

The President proposed a small cutback in the nation's energy growth rate and a shifting away from oil and gas. He would defer tightened automobile pollution standards for five years in favor of a 40 per cent improvement in new-car fuel efficiency by 1980. And to encourage electric heating of homes, he would provide a tax credit for installing insulation, nationally mandated heating standards for new buildings, and help for low-income families in buying insulation.

In a news conference in New York late in January, Dr. Chauncey Starr, director of the Electric Power Research Institute, estimated that 10 to 15 per cent was all the "cream" that could be skimmed off the economy by energy conservation. He said, "Conservation buys, at best, a few years. It does not do more than delay the onset of the problem."

Dr. Starr was one of many energy specialists concerned that energy-conservation steps might not only seriously erode the real income of Americans in the next 10 years, but actually increase the amount of energy needed per unit of economic output instead of decreasing it.

MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of February 28, 1975, the Secretary of the Senate, on February 28, 1975, received a message from the President of the United States submitting the nomination of John E. Robson, of Illinois, to be a member of the Civil Aeronautics Board.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States submitting the nomination of John E. Robson, of Illinois, to be a member of the Civil Aeronautics Board, which was referred to the Committee on Commerce.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development;

Thomas G. Cody, of Maryland, to be an Assistant Secretary of Housing and Urban Development; and

Otto George Stolz, of North Carolina, to be a member of the Board of Directors of the New Community Development Corporation.

(The nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate the following letters, which were referred as indicated:

APPROPRIATIONS REAPPORTIONMENT FOR THE INTERNAL REVENUE SERVICE

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, relating to reapportion of appropriations for the Internal Revenue Service for the fiscal year 1975, indicating a need for a supplemental estimate for increased pay costs; to the Committee on Appropriations.

APPROPRIATIONS REAPPORTIONMENT FOR THE DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, relating to reapportionment of appropriations for the Domestic and International Business Administration (DIBA) for Operations and Administration for the fiscal year 1975; to the Committee on Appropriations.

RESCISSION OF FUNDS APPROPRIATED FOR THE FEDERAL HIGHWAY ADMINISTRATION

A letter from the Comptroller General of the United States, relating to proposed rescission of funds appropriated for the Federal Highway Administration, Railroad-Highway Crossings Demonstration project, and trust fund share of other highway program; to the Committee on Appropriations, the Committee on the Budget, the Committee on Public Works, the Committee on Finance, jointly, by order of January 30, 1975.

REPORTS OF THE DEPARTMENT OF DEFENSE

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of the Department of Defense, Military Procurement Actions In the Interest of National Defense or Industrial Mobilization Negotiated under the Provisions of 10 U.S.C. 2304(A)(16), July-December 1974; and a report of the Department of Defense, Military Procurement Actions for Experimental, Developmental, Test or Research Work Negotiated under the Provisions of 10 U.S.C. 2304(A)(11), July-December 1974 (with accompanying reports); to the Committe on Armed Services.

IMPLEMENTATION OF SPECIAL PAY FOR DUTY SUBJECT TO HOSTILE FIRE

A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), reporting on implementation of special pay for duty subject to hostile fire; to the Committee on Armed Services.

PROPOSED LEGISLATION TO AUTHORIZE APPROPRIATIONS FOR SUPPORT OF MILITARY FAMILY HOUSING

A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for support of military family housing including operating expenses and maintenance of real property (with an accompanying paper); to the Committee on Armed Services.

REPORTS OF THE DEPARTMENT OF DEFENSE

A letter from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, reports for fiscal year 1974 required by section 410(b) of Public Law 91-121 (83 Stat. 212) (with accompanying reports); to the Committee on Armed Services.

REPORT ON CHEMICAL WARFARE AND BIOLOGICAL RESEARCH PROGRAMS

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, the semiannual report on funds obligated in the chemical warfare and biological research programs during the first half of fiscal year 1975 (with an accompanying report); to the Committee on Armed Services.

PROPOSED LEGISLATION FOR DISPOSAL OF TIN, SILVER AND LEAD

A letter from the Administrator, General Services Administration, transmitting drafts of proposed legislation to authorize the disposal of tin from the national stockpile and the supplemental stockpile; to authorize the disposal of silver from the national stockpile; and to authorize the disposal of lead from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

REPORT OF THE NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Vice President, Government and Public Affairs, National Railroad Passenger Corporation, transmitting a report on total itemized revenues and expenses, revenues and expenses of each train operated, and revenue and total expenses attributable to each railroad over which service is provided, for the month of November 1974 (with an accompanying report); to the Committee on Commerce.

EVALUATION OF REPORT OF THE COMMISSION ON AMERICAN SHIPBUILDING

A letter from the Secretary of Commerce, transmitting, pursuant to law, an evaluation of the final report of the Commission on American Shipbuilding (with accompanying papers); to the Committee on Commerce.

REPORT OF THE OFFICE OF REVENUE SHARING

A letter from the Secretary of the Treasury, transmitting, pursuant to law, the second annual report of the Office of Revenue Sharing, March 1, 1975, Department of the Treasury (with an accompanying report); to the Committee on Finance.

REPORT OF THE AIRPORT AND AIRWAY TRUST FUND

A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, the fourth annual report of the financial condition and results of the operations of the Airport and Airway Trust Fund (with an accompanying report); to the Committee on Finance.

REPORT OF THE HIGHWAY TRUST FUND

A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, the 19th annual report on the financial condition and results of the operations of the Highway Trust Fund (with an accompanying report); to the Committee on Finance.

PROPOSED SOCIAL SECURITY COST CONTROL ACT OF 1975

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the program of old-age, survivors, and disability insurance, the program of grants to States for aid to families with dependent children, and the program of health insurance for the aged and disabled (with accompanying papers); to the Committee on Finance.

PROPOSED MATERNAL AND CHILD HEALTH AND CRIPPLED CHILDREN'S SERVICES AND MEDICAID COST CONTROL AMENDMENTS OF 1975

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve and control the cost of the maternal and child health and crippled children's services program, and the program of grants to States for medical assistance programs (with accompanying papers); to the Committee on Finance.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on using solid waste to conserve resources and to create energy, Environmental Protection Agency (with an accompanying report); to the Committee on Government Operations.

POSTAL RATE COMMISSION REPORT UNDER THE FREEDOM OF INFORMATION ACT

A letter from the Acting Chairman, Postal Rate Commission, transmitting, pursuant to law, a report on the administration of the Freedom of Information Act during the calendar year 1974 (with an accompanying report); to the Committee on the Judiciary.

FEDERAL POWER COMMISSION REPORT UNDER THE FREEDOM OF INFORMATION ACT

A letter from the Chairman, Federal Power Commission, reporting, pursuant to law, on the Federal Power Commission's experience under the Freedom of Information Act during the 1974 calendar year (with an accompanying report); to the Committee on the Judiciary.

REPORT OF THE WATER RESOURCES COUNCIL UNDER THE FREEDOM OF INFORMATION ACT

A letter from the Director, U.S. Water Resources Council, reporting, pursuant to law, on the activities of the Water Resources Council during calendar year 1974 regarding the Freedom of Information Act (with accompanying papers); to the Committee on the Judiciary.

REPORT OF THE FEDERAL RESERVE SYSTEM UNDER THE FREEDOM OF INFORMATION ACT

A letter from the Secretary of the Board of Governors, Federal Reserve System, reporting, pursuant to law, under the Freedom of Information Act (with accompanying papers); to the Committee on the Judiciary.

REPORT OF THE FEDERAL LABOR RELATIONS COUNCIL

A letter from the Executive Director, Federal Labor Relations Council, transmitting, pursuant to law, a report concerning the activities of the Federal Labor Relations Council and the Federal Service Impasses Panel with regard to public information requests during calendar year 1974 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Acting Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to decrease the amount of defaults under the guaranteed student loan program, to amend the Bankruptcy Act to limit the dischargeability in bankruptcy of educational debts, and for other purposes; to the Committee on Labor and Public Welfare.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the activities and experience of the Department of Health, Education, and Welfare in the administration of the black lung benefits program for the calendar year 1973 (with an accompanying report); to the Committee on Labor and Public Welfare.

INTERIM REPORT OF THE NATIONAL COMMISSION FOR MANPOWER POLICY

A letter from the Chairman of the National Commission for Manpower Policy transmitting, pursuant to law, a report entitled "The Challenge of Rising Unemployment" (with an accompanying report); to the Committee on Labor and Public Welfare.

PROPOSED REGULATIONS OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, regulations coordinating the OE student financial aid programs and the Bureau of Indian Affairs programs for providing grant-in-aid assistance for higher education for native Americans—notice of proposed rulemaking (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT ON PROGRESS IN THE IMPLEMENTATION OF MOTOR VEHICLE EMISSION STANDARDS THROUGH JUNE 1974

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Progress in the Implementation of Motor Vehicle Standards Through June 1974" (with an accompanying report); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. STONE):

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Agriculture and Forestry:

"H. CON. RES. 1008

"Whereas, the United States Department of Agriculture has announced its intention to drastically increase the cost of food stamps; and

"Whereas, the proposed change, to become effective on March 1, 1975, will require that all households pay 30 percent of their adjusted net income for their total coupon allotment; and

"Whereas, aged and disabled persons receiving Supplemental Security Income will no longer be eligible since the basic Supplemental Security Income grant plus the exempt income and the State Supplement will total an amount whereby 30 percent of said amount will exceed the value of the coupon allotment; and

"Whereas, inflation, already decreasing purchasing power at an annual rate in excess of 12 percent, has had its most pronounced impact on the necessities which all families require to survive; and

"Whereas, it is inhumane, given this rapid increase in inflation, to propose a cost increase for food stamps which would result in closure, dropout or less money for other necessities for low income families whose budgets already approach a subsistence level; and

"Whereas, the proposed cost increase will result in a loss of eligibility for food coupons for 15,065 Oklahomans and a loss of revenue for the State amounting to $703,021.00; and

"Whereas, this action by the Department of Agriculture also will effect an increase in the purchase price of the coupons for 167,856 other Oklahomans; and

"Whereas, the proposed amendment is in conflict with the promise made by the President of the United States, Gerald Ford, to the elderly, the unemployed and those on fixed income, that they would be afforded protection against stern measures to control inflation; and

"Whereas, the proposed amendment is contrary to the expressed intent of Congress in that the purpose of the Food Stamp Program is to alleviate hardship for persons on low incomes. Now, therefore, be it

"*Resolved* by the House of Representatives of the 1st session of the 35th Oklahoma Legislature, the Senate concurring therein:

"SECTION 1. That the Congress of the United States of America be memorialized to rescind the action of the Department of Agriculture increasing the cost of food stamps.

"SEC. 2. That duly authenticated copies of

this Resolution be distributed to members of the United States House of Representatives and Senate, including the Oklahoma Congressional Delegation.

"Adopted by the House of Representatives the 5th day of February, 1975."

A resolution adopted by the City Council of the City of Wakefield, Michigan, supporting an income tax cut for low-income taxpayers primarily; to the Committee on Finance.

A resolution of the Military Order of the World Wars to appropriate 6 percent of the amount of the Gross National Product to the Armed Services; referred to the Committee on Appropriations.

A resolution of the Military Order of the World Wars to increase defense appropriations by $20 billion annually; to the Committee on Appropriations.

A resolution of the Military Order of the World Wars urging the retention of national sovereignty over the Panama Canal; to the Committee on Armed Services.

A resolution of the Military Order of the World Wars urging the United States to restrict its financial support of the United Nations to its minimum dues and fees; to the Committee on Foreign Relations.

A resolution of the Military Order of the World Wars urging the continuation of the importation of chromium from Rhodesia; to the Committee on Foreign Relations.

A resolution of the Military Order of the World Wars in opposition to ecological considerations at the expense of the enhancement and protection of the national security; to the Committee on Public Works.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated.

By Mr. CURTIS:

S. 902. A bill to amend the required charitable distributions by private foundations under the Internal Revenue Code of 1954. Referred to the Committee on Finance.

By Mr. ALLEN (for himself and Mr. HARRY F. BYRD, Jr.):

S. 903. A bill to amend the Voting Rights Act of 1965 to repeal sections 4 and 5 relating to automatic application of that act and prior approval in changes in voting qualifications, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN (by request):

S. 904. A bill to authorize appropriations for the Department of State and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. STONE:

S. 905. A bill for the relief of Eva Graciela Steinitz. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT:

S. 906. A bill to reserve a site for the use of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

S. 907. A bill to authorize the Smithsonian Institution to plan museum support facilities. Referred to the Committee on Rules and Administration.

By Mr. STEVENS (for Mr. TAFT):

S. 908. A bill to amend the Federal Salary Act of 1967 by removing Members of Congress from the Commission on Executive, Legislative, and Judicial Salaries. Referred to the Committee on Post Office and Civil Service.

By Mr. ROBERT C. BYRD:

S. 909. A bill to designate the Wheeling Suspension Bridge as a national historic site, and to provide for the administration and maintenance of the site by the Secretary of the Interior in consultation with an advisory commission. Referred to the Committee on Interior and Insular Affairs.

By Mr. GOLDWATER:

S. 910. A bill to amend the Federal Aviation Act of 1958 to permit the temporary operation of certain aircraft without emergency locator transmitters. Referred to the Committee on Commerce.

By Mr. PELL:

S. 911. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BEALL:

S. 912. A bill to amend the Internal Revenue Code of 1954 to remove the 2-year limitation during which an individual may qualify as a surviving spouse. Referred to the Committee on Finance.

By Mr. CANNON:

S. 913. A bill to amend title II of the Social Security Act to increase to $3,000 the annual amount which individuals may earn without suffering deductions from their social security benefits on account of excess earnings. Referred to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 914. A bill to amend section 216(b)(1) of the Merchant Marine Act, 1936. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. KENNEDY):

S. 915. A bill to amend the Public Health Service Act. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 916. A bill to further insect and disease control programs of the Forest Service, Department of Agriculture. Referred to the Committee on Agriculture and Forestry.

By Mr. PEARSON:

S. 917. A bill to amend the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending final determination by the Commission. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 918. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to low and middle income taxpayers and to provide increased incentives for expanded investment. Referred to the Committee on Finance.

By Mr. FONG:

S. 919. A bill to amend the survivor benefit plan provided for under title 10 of the United States Code to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. THURMOND):

S. 920. A bill to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 921. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. MONTOYA:

S. 922. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas for agricultural purposes. Referred to the Committee on Commerce.

By Mr. HARTKE (by request):

S. 923. A bill to amend the Interstate Commerce Act to prohibit discriminatory practices which have the effect of undermining, preventing, destroying or precluding competition, and for other purposes. Referred to the Committee on Commerce.

By Mr. NELSON:

S. 924. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to protect consumers against food additives which have mutagenic or teratogenic effects on man or animals. Referred to the Committee on Labor and Public Welfare.

S. 925. A bill to amend the Federal Food, Drug, and Cosmetic Act relating to food additives. Referred to the Committee on Labor and Public Welfare.

By Mr. THURMOND (for himself, Mr. CURTIS, Mr. FANNIN, Mr. HELMS, Mr. MCCLELLAN, Mr. WILLIAM L. SCOTT, and Mr. TOWER):

S. 926. A bill to remove statutory limitations upon the application of the Sherman Act to labor organizations and their activities, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 927. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to provide for installment payments of the estate tax in the case of certain small estates. Referred to the Committee on Finance.

By Mr. STAFFORD:

S. 928. A bill to amend the Occupational Safety and Health Act of 1970, to provide the initial onsite inspections not subject to penalties in certain cases, and to provide a more adequate means of voluntary compliance with the provisions of this act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. HUGH SCOTT:

S.J. Res. 41. A joint resolution to provide for the reappointment of Thomas J. Watson, Jr., as citizen regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

S.J. Res. 42. A joint resolution to provide for the reappointment of Dr. John Nicholas Brown as citizen regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

By Mr. MANSFIELD (for himself and Mr. BAKER):

S.J. Res. 43. A joint resolution providing for the designation and adoption of the American Marigold as the national floral emblem of the United States. Referred to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself and Mr. FANNIN):

S.J. Res. 44. A joint resolution authorizing the President to proclaim September 28, 1975, as "National Indian Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPARKMAN (by request):

S. 904. A bill to authorize appropriations for the Department of State and for other purposes. Referred to the Committee on Foreign Relations.

STATE DEPARTMENT AUTHORIZATION ACT, FISCAL YEARS 1976 AND 1977

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to authorize appropriations for the Department of State and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a section by section analysis be printed in the RECORD at this point, together with the letter from the Acting Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 20, 1975.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 904

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Department Authorization Act, Fiscal Years 1976 and 1977".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for the "Administration of Foreign Affairs", $423,405,000;

(2) for "International Organizations and Conferences", $292,239,000;

(3) for "International Commissions", $19,993,000;

(4) for "Educational Exchange", $89,000,000;

(5) for "Migration and Refugee Assistance", $10,100,000; and

employee benefits authorized by law, or other non-discretionary costs.

(b) There are authorized to be appropriated for the Department of State for fiscal year 1977 such sums as may be necessary to carry out the authorities, functions, duties, and responsibilities stated in subsection (a).

(c) Amounts appropriated under this section are authorized to remain available until expended.

TRANSFER OF APPROPRIATION AUTHORIZATION

SEC. 3. Any unappropriated portion of the amount authorized under any of the clauses (1) through (5) of Sec. 2(a) is authorized for appropriation, in addition to the amount otherwise authorized under any of the other clauses, but not to exceed more than a 10 per cent increase in the amount authorized by such clause.

OFFICIAL RESIDENCE EXPENSES FOR U.S. REPRESENTATIVE TO OAS

SEC. 4. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 17. The Secretary of State is authorized to use appropriated funds for unusual expenses similar to those authorized by section 22 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 5913), incident to the operation and maintenance of the living quarters of the United States Representative to the Organization of American States."

INTERNATIONAL ORGANIZATIONS—EXCEPTION TO LIMITATION ON PAYMENTS

SEC. 5 (a) There are authorized to be appropriated and paid $3,089,000 to complete the United States contribution toward the calendar year 1974 budgets of the United Nations Educational, Scientific and Cultural Organization, and the International Civil Aviation Organization notwithstanding that such payments are in excess of 25 percent of the total annual assessment of such organizations.

(b) Public Law 92-544 (86 Stat. 1109, 1110) is amended by inserting a period after 'organization', striking out the text following and inserting in lieu thereof the following:

"Appropriations are authorized and contributions and payments may be made to the following organizations and activities notwithstanding that such contributions and payments are in excess of 25 percent of the total annual assessment of the respective organization or 33⅓ percent of the budget for the respective activity: the International Atomic Energy Agency, the joint financing program of the International Civil Aviation Organization and contributions for international peacekeeping activities conducted by or under the auspices of the United Nations or through multilateral agreements."

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SEC. 6. Section 2 of the Act of June 4, 1936 (41 Stat. 1463), is amended by (a) striking out "$3,000,000" and inserting in lieu thereof "$4,500,000", and (b) striking out "exceed $4,000,000", and in lieu thereof "exceed $5,500,000".

INTERPARLIAMENTARY UNION

SEC. 7. The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended

(1) by striking out "$120,000" and inserting in lieu thereof "$170,000"; and

(2) by striking out "$75,000" and inserting in lieu thereof "$125,000".

ASSIGNMENTS TO PUBLIC ORGANIZATIONS

SEC. 8. Section 576 of part H of title V of the Foreign Service Act of 1946, as amended, is amended by

(1) striking sections (a) and (b) in their entirety and inserting in lieu thereof the following new sections:

"(a) A substantial number of Foreign Service officers shall, before their fifteenth year of service as such officers, be assigned in the United States during each fiscal year for significant duty with State or local governments, public schools, community colleges, or other public organizations designated by the Secretary. To the extent practical such assignments shall be for at least 12 consecutive months and may be on a reimbursable basis. Any such reimbursements shall be credited to and used by the appropriation made available for the salaries and expenses of officers and employees."

"(b) A Foreign Service officer on assignment under this section shall be deemed to be on detail to a regular work assignment in the Service, and the officer remains an employee of the Department while so assigned."

(2) Section 9(b) of Public Law 93-475 (22 U.S.C. 966) is deleted in its entirety.

INCREASE IN AVAILABILITY OF FUNDS FOR MIGRATION AND REFUGEE NEEDS

SEC. 9. Section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601), is amended by striking out "$10,000,000" and inserting in lieu thereof "$25,000,000".

DEPARTMENT OF STATE,
Washington, D.C., February 20, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
U.S. Senate.

DEAR MR. PRESIDENT: In accordance with Section 407(a)(2) of the Foreign Assistance Act of 1971, there is transmitted herewith proposed legislation that would authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during Fiscal Years 1976 and 1977.

The bill provides for authorization of appropriations for (a) "Administration of Foreign Affairs", which supports the operation of the United States diplomatic and consular posts abroad and the Department of State in the United States; (b) "International Organizations and Conferences" including contributions to meet obligations of the United States to international organizations pursuant to treaties, conventions or specific acts of Congress; (c) "International Commissions" which enable the United States to fulfill treaty and other international obligations; (d) "Educational Exchange" which is a program administering the cultural and educational exchange activities of the United States; and (e) "Migration and Refugee Assistance" which includes the United States annual contribution to the International Committee of the Red Cross and refugee assistance programs.

A section by section analysis and other detailed information explaining the proposed legislation are enclosed.

The Department has been informed by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress and that its enactment would be in accord with the program of the President.

Respectfully,

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

SECTION BY SECTION ANALYSIS

Section 2(a)—This section provides an authorization of appropriations for the Department of State in accordance with the provisions of Section 407(a)(2) of the Foreign Assistance Act of 1971. Funds are authorized to be appropriated for the fiscal years 1976 and 1977.

This section contains the authorizations for appropriations by category for fiscal year 1976 and for overall necessary funds for 1977. This section is similar to section 2 of Public Law 93-475 except for the amounts. This Bill excludes authorization of appropriations for the acquisition, operation and maintenance of buildings abroad which is being submitted as separate legislation.

Paragraph (1) authorizes appropriations under the heading "Administration of Foreign Affairs" to provide the necessary funds for the salaries, expenses, and allowances of officers and employees of the Department, both in the United States and abroad. This provides funds for executive direction and policy formulation, conduct of diplomatic and consular relations with foreign countries, conduct of diplomatic relations with international organizations, support of joint cooperative commissions, domestic public information activities, central program services, and administrative and staff activities. These funds also finance the salaries and operating expenses of the United States Missions to the North Atlantic Treaty Organization, the Organization for Economic Cooperation and Development and the staff responsible for administering the Mutual Defense Assistance Control Act and the Military Assistance and Arms Sales Supervision ac-

tivity. This section also provides funds for relief and repatriation loans to U.S. citizens abroad and for other emergencies in the diplomatic and consular service. Payments to the Foreign Service Retirement and Disability Fund are included in this category.

Paragraph (2) authorizes appropriations under the heading "International Organizations and Conferences". This category provides the necessary funds for United States contributions of our assessed share of the expenses of the United Nations, its specialized agencies and the International Atomic Energy Agency, six Inter-American organizations, six regional organizations and seventeen other international organizations. The United States membership in these organizations, which has been authorized by treaties, conventions, or specific Acts of Congress, constitutes an obligation for payment of our assessed share of these budgets pursuant to the basic statutes or constitutions of the international agencies.

Funds are authorized for the operation of missions which represent the United States at the headquarters of certain international organizations. These missions maintain liaison with the international secretariats and with the delegations of other member governments at these organizations' headquarters. The expenses of congressional delegations to international parliamentary meetings are included in this category.

Provision is also made in this section for the funding of official United States Government participation in regularly scheduled or planned multilateral intergovernmental conferences, meetings and related activities, including international trade negotiations, and for contributions to new or provisional organizations. This also authorizes appropriations for United States contributions to international peacekeeping activities in accordance with international multilateral agreements. The authorization of appropriations requested includes the United States contribution to the International Commission of Control and Supervision in Vietnam and the United Nations Force in Cyprus.

Paragraph (3) authorizes appropriations under the heading "International Commissions" which provides funds to enable the United States to fulfill its treaty and other international obligations with Mexico and Canada. This includes the expenses of the American Section of the International Boundary and Water Commission, United States and Mexico as well as project investigations and construction on the United States-Mexico boundary.

The authorization of funds for American Sections, International Commissions, in accordance with existing treaties, for expenses of the American Section of the International Boundary Commission and the International Joint Commission is provided under this paragraph. These two Commissions are concerned respectively with the maintenance of the United States-Canadian border and with environmental and other joint problems involving the United States and Canada.

Appropriations are also authorized for expenses, including contributions, to enable the United States to meet its obligations in connection with participation in international fisheries commissions pursuant to treaties, conventions, and implementing Acts of Congress.

Paragraph (4) authorizes appropriations under the heading "Educational Exchange" to provide funds to enable the Secretary of State to carry out his functions under the provisions of the Mutual Educational and Cultural Exchange Act of 1961, as amended, and the Act of August 9, 1939. These funds provide for the educational and cultural program of the Department of State, including the exchange of persons, aid to American-sponsored schools abroad, and cultural presentations. This authorization also enables the Secretary of State, through a grant to the State of Hawaii, to carry out the provisions of the Act of 1960 establishing a Center for Cultural and Technical Interchange Between East and West. The Center provides grants, fellowships and scholarships to qualified persons from Asia, the Pacific area, and the United States who work jointly on problems of mutual concern.

This paragraph also authorizes an appropriation of U.S.-owned Japanese currency earmarked in a special account to strengthen Japanese and American cultural relations. This will fulfill Article V of the 1962 Agreement between the United States and Japan and will reciprocate for the gift of the Japanese Government made in 1973 to American educational institutions.

Paragraph (5) authorizes appropriations under the heading "Migration and Refugee Assistance" to enable the Secretary of State to provide assistance to migrants and refugees. This assistance is rendered through (a) contributions to multilateral organizations such as the Inter-governmental Committee for European Migration and the United Nations High Commissioner for Refugees and (b) unilateral assistance to refugees designated by the President, as authorized by law. Included also is an authorization of funds for a contribution to the International Committee of the Red Cross pursuant to existing legislation.

Paragraph (6): Provides authorization of appropriations for increases in salary, pay, retirement and other employee benefits as authorized by law which occur from time to time. The occurrence is usually at an inappropriate time for requesting authorization and appropriation through the regular annual cycle. This further provides authorization of appropriations to meet mandatory items which were unanticipated and which have a material impact upon the operations and fiscal resources of the Department of State and the Foreign Service. This authorization would permit more rapid and responsive action to meet increased costs resulting from overseas wage and price increases and adverse currency exchange fluctuations.

Section 2(b): This section provides authorization of amounts for fiscal year 1977 necessary to support the activities described in the paragraphs of Section 2(a). This is in keeping with the provisions of the Congressional Budget and Impoundment Control Act of 1974 requiring advance fiscal year authorization of appropriations. (P.L. 93-344).

Section 2(c): This section provides the customary extension of availability of funds beyond the end of the fiscal year, the extent provided for in appropriation acts. This applies to such appropriations of the Department as "International Boundary and Water Commission, United States and Mexico-Construction", and "Migration and Refugee Assistance". This authority is required to enable the Department to retain funds appropriated for construction projects, the completion of which extends beyond a single fiscal year, and to enable the Department to meet completely the calendar year program needs for Migration and Refugee Assistance.

Section 3: This section provides that any unused, i.e., unappropriated authorization for any category may be transferred to any other category. The amount to be transferred may not exceed 10 per cent of the category's original authoriezd amount. This will permit flexibility in the management of our financial resources and in being able to respond rapidly to urgent, mandatory increased needs.

Section 4: This section provides authorization of appropriations to assist in funding the expenses of maintaining the living quarters of the United States Representative to the Organization of American States. As an Ambassador with responsibilities and duties for meeting and negotiating with members of the diplomatic corps and representatives of international organizations, it is essential for him to have and maintain appropriate housing.

Section 5(a): This paragraph provides authorization of appropriations for payments of the United States' assessed share of the calendar year 1974 budget of the United Nations Educational, Scientific and Cultural Organization, and the International Civil Aviation Organization.

Section 5(b): This paragraph provides authorization for United States contributions to international peacekeeping activities to exceed the 25 per cent limitation (P.L. 92-544) and 33⅓ per cent limitation (P.L. 82-495) placed on contributions to the United Nations or any affiliated agency. This exception will enable the United States to negotiate participation in international peacekeeping activities with the fullest strength and influence; and to meet the necessary obligations incurred concomitant with our leadership in international affairs and support for multilateral peace activities.

Section 6: This section authorizes an increase in the limitation on the Rio Grande Canalization Project by $1,500,000. This is necessary to permit improvements in the canalization project which are expected to be met by requested increases in the 1976 and 1977 budgets.

Section 7: This section provides authorization of appropriations for funds to meet the United States contributions towards the maintenance of the Bureau of the Interparliamentary Union which promotes international arbitration and to meet the expenses of the American group of the Interparliamentary Union.

Section 8: This section would provide perfecting amendments for section 576 of Part II of title V of the Foreign Service Act. This section was added by P.L. 93-475, the State Department/USIA Authorization Act, Fiscal Year 1975 and authorizes assignments of Foreign Service officers to certain public organizations in the United States.

This program is designed to provide additional opportunities to participants to gain experience in local problems and viewpoints throughout the United States and to contribute to an understanding of foreign affairs at the "grass roots" level.

The recasting of this section would provide the following benefits:

(1) allow a flexible number of officers to be assigned to this program in keeping with the needs of the Service.

(2) permit assignments to be made any time before the fifteenth year of service rather than just between the eighth and fifteenth years.

(3) permit assignments to Puerto Rico, territories and possessions of the United States as well as the continental portions of the United States.

(4) authorize assignments for longer than 12 months if necessary and permit the Department the option of accepting reimbursement from the organizations to which officers are assigned.

(5) permit a statement of preference concerning the type of public organization to which the officer would be assigned as well as eliminating the bar to stating a preference for geographic location.

(6) allow that the time served in a public organization be counted toward selection out. This would put this assignment on a equal footing with all other Foreign Service assignments including those to educational institutions and other U.S. Government agencies in all parts of the United States.

Eliminating the restriction in part (b) of Sec. 9 of P.L. 93-475 would permit eligibility for all officers with less than fifteen years of service for participation in assignments to public organizations.

Section 9: This section will increase to $25,000,000 from $10,000,000 the amount which may be made available from Foreign Assistance funds by Presidential Determination for refugee assistance. This increase in availability of funds is being requested because of the growing number of world-wide refugee situations, the rising costs of assistance which have eroded the quantity and quality of relief that can be provided within the present $10 million limitation and to provide greater Administration flexibility in meeting new, emergency situations.

By Mr. HUGH SCOTT:

S. 906. A bill to reserve a site for the use of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

RESERVATION OF MALL SITE FOR THE FUTURE PUBLIC USES OF THE SMITHSONIAN INSTITUTION

Mr. HUGH SCOTT. Mr. President, longstanding policies guiding the development of the Mall have reserved land use almost entirely to museums, galleries, and similar public purposes. With the addition to the National Gallery of Art on the square bounded by Third Street, Madison Drive, Fourth Street, and Pennsylvania Avenue, the north side of the Mall is fully committed to use. To assure that the last remaining square on the south side is used for public purposes, and to balance the Gallery addition now under construction, legislation is required to reserve the site bounded by Third Street, Maryland Avenue, Fourth Street, and Jefferson Drive for the future public uses of the Smithsonian Institution.

If legislatively reserved for this purpose at this time, the site will be available at some future date to complete the Smithsonian complex on the Mall for public education and enjoyment. At the appropriate time, legislation authorizing construction of a new museum building would be requested. Thus, the present proposal looks to the future and will assure the orderly and proper development of the Mall.

The land proposed to be reserved is owned by the Federal Government and currently under the jurisdiction of the Department of the Interior. Its reservation would entail no cost.

By Mr. HUGH SCOTT:

S. 907. A bill to authorize the Smithsonian Institution to plan museum support facilities. Referred to the Committee on Rules and Administration.

MUSEUM SUPPORT FACILITIES

Mr. HUGH SCOTT. Mr. President, the Smithsonian Institution's facilities in the Washington area are heavily concentrated in and around the Mall, an area explicitly and properly dedicated to the use, education, and enjoyment of the American public. Smithsonian activities, encompassing exhibits, education, collections, conservation, research and support, fully occupy available Mall space, yet each day the national collections of specimens and artifacts are growing, despite deliberate and selective acquisition policies, and are competing for space on the Mall with the expanding public functions of the Institution.

The collections cannot be made properly available for study and exhibition unless they are well documented and preserved, activities which also require space. Space economies are being pursued, but the continuation and expansion of essential public services require the development of plans for additional facilities to house necessary, but less visible, services of collection management, conservation, documentation, and publication.

To restore as much Mall building space as possible to public use and to provide for the long-range needs of the Institution's collections, an off-Mall museum support facility is required. A facility within easy reach of the museums and designed for effective integration of its collections and workspace with those on the Mall would serve as the point of entry into the Institution for new collections. Objects would be transferred to and from the Mall museums when required for exhibition or for designated programs of research or reference. The facility would also incorporate space for on-site research, computer support for documentation, exhibits preparation, registrarial functions, document distribution, conservation, and maintenance support.

A building site appropriate to these needs is being sought adjacent to the Institution's current holdings at the Suitland Federal Center in Maryland. Development of the site of approximately 70 acres is viewed as a 25-year program, successive stages of which would be constructed when approved by Congress.

The proposed legislation seeks planning authority for the first phase of this program.

By Mr. STEVENS (for Mr. TAFT):

S. 908. A bill to amend the Federal Salary Act of 1967 by removing Members of Congress from the Commission on Executive, Legislative, and Judicial Salaries. Referred to the Committee on Post Office and Civil Service.

Mr. STEVENS. Mr. President, my good friend, the senior Senator from Ohio (Mr. TAFT), has asked that I introduce his bill dealing with salary adjustment for the executive and judicial branches. I am happy to do so for Senator TAFT is currently in his home State. In view of the General Accounting Office's recent report, "Critical Need for a Better System for Adjusting Top Executive, Legislative, and Judicial Salaries," I am sure my colleagues will want to take note of this piece of legislation.

Mr. President, I ask unanimous consent that a statement by Senator TAFT be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR TAFT

Today I am reintroducing a bill to amend the Federal Salary Act of 1967 to remove the jurisdiction of the wage commission over congressional salaries. Congressional salaries would then be subject to change only by passage of a separate statute.

When President Nixon's recommendation for a pay raise for Federal employees in top pay grades was considered in March of 1974, it became apparent that the relationship between congressional salaries and those of executive schedule civil servants jeopardize the recommendation for all top pay grade raises. At the present time compensation of Government employees is administered on two different bases:

1. Career employees in the Federal service, paid under the general schedule, generally receive salary adjustments each year. These increases are directly related to private enterprise salary rates for the same level of work on the "comparability principle."

2. The compensation of top officials in the executive, legislative, and judicial branches of Government is subject to adjustment in March of every fourth year with the budget submitted by the President to the Congress. These salaries are on the executive schedule.

The Salary Act of 1967 created the Commission on Executive, Legislative and Judicial Commission's recommendations and submit recommendations to the President on salary rates for top officials in the three branches of the Government. Among the officials included are the Members of Congress. The President then must examine the Commission's recommendations and submit his own to the Congress. Either House must disapprove the recommendations within 20 days, or they go into effect immediately. This requirement for negative action was apparently designed to make it easier for the Members of Congress to raise their own salaries by taking no action at all. Similarly, the Congress could disapprove the Presidential recommendation for a pay raise for executive schedule positions, thus avoiding a direct position on raises in an election year. However, in taking this action, the Congress also disapproves raises for over 2,200 other executive schedule employees.

If the congressional salaries were not included in the Wage Commission's jurisdiction, the problem would be eliminated.

I have long felt that congressional salaries should be debated separately from other salary legislation. If the Members feel they need or deserve a raise, it should be presented openly as any other legislation, not in a closed committee room, followed by a failure of Congress to act negatively.

This Nation is looking at the Congress with a critical eye on our integrity. Congressional salaries have been hidden too long in other legislation. The back-door approach we have used in delaying with them is at best unwise when public confidence in Government is at an alltime low.

I have long felt that the Wage Commission is an inappropriate mechanism for determining pay raises for Members of Congress. In addition, with the spiraling inflation and the effect it is having on the economy, it would be a poor example for Members of Congress to receive a pay raise at a time when we are asking the people of this country, our constituents, to tighten their belts, my legislation would preclude the possibility of quiet back-door raises for Congress.

I do think that those employees who are on the Federal payroll should be paid adequately and we should have the courage to say so.

The Federal Government has a very difficult time in attracting, retaining and motivating top officials in the executive, legislative and judicial branches. A pay raise for other Federal employees is fair and necessary to keep first-class people in Government service. Those employees in the GS 15, 16, and 17 brackets have not had a raise of any kind in over 5 years, not even the cost of living raise. There seems to be a clear conflict of interest here, which we should correct ourselves.

Open, affirmative action, in determing pay increases would be far more acceptable to the public.

By Mr. GOLDWATER:

S. 910. A bill to amend the Federal Aviation Act of 1958 to permit the tem-

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porary operation of certain aircraft without emergency locator transmitters. Referred to the Committee on Commerce.

Mr. GOLDWATER. Mr. President, the Aircraft Owners & Pilots Association, on behalf of its 181,000 members, has brought to my attention a statutory technicality in the Federal Aviation Act which is arbitrarily resulting in the improper grounding of many civil aircraft. I have examined their complaint, found it worthy, and am today proposing remedial legislation to correct the problem.

The difficulty arises under the requirements of section 607(d) of the Federal Aviation Act, which mandates that U.S. registered civil aircraft must be equipped with an emergency locater transmitter in operable condition. The statute has been interpreted as being tightly binding by the Federal Aviation Administration and absent of any authority for the regulatory agency, in its discretion, to grant any exemptions, regardless of how compelling the reasons may be for making one.

This has resulted in the impossible situation where many aircraft cannot be operated while their emergency locater transmitter is being repaired. Unfortunately, the state of art with respect to the operation of ELT's is such that aircraft operators tell me they are experiencing an unsually high rate of failures in their installed units. I am further advised that the Federal Aviation Administration has reported that it is experiencing in excess of 700 ELT false alarms per month, primarily due to equipment malfunctioning.

The high ELT failure rate means that, for practical purposes, many aircraft are being grounded until the unit is repaired. In many cases, this may involve returning the ELT to the factory or storing it in a repair shop until parts may be obtained.

The Aircraft Owners and Pilots Association has received a substantial number of member complaints with respect to this technical requirement of section 601(d), citing many personal experiences with ELT malfunctions and repairs. I have reviewed some of these complaints, and knowing at first hand of similar problems, I can attest to the seriousness of the matter.

In some instances, the pilot has difficulty in getting the right replacement parts from the manufacturer or distributor or may find that the right parts are shipped to the wrong place. Whatever the reason for the delay and regardless of the lack of any fault on the part of the pilot, the fact of the matter is that the utility of the aircraft is nil until the ELT is repaired.

Under these circumstances, it is obvious that an amendment of section 601(d) of the Federal Aviation Act is needed to permit the temporary operation of aircraft without an ELT if it is out of the aircraft for repair. The bill which I am introducing today will do just that.

Mr. President, I ask unanimous consent that a copy of the bill I am introducing and a letter by the Aircraft Owners and Pilots Association in support of the legislation may be printed at this point in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 910

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 601 (d) (2) of the Federal Aviation Act of 1958 (49 U.S.C. 1421(d) (2)) is amended by striking out "and" at the end of clause (H), striking out the period at the end of clause (I) and inserting in lieu thereof a semicolon and the word "and", and inserting at the end thereof a new clause to read as follows:

"(J) Aircraft equipped with an emergency locator transmitter which has been temporarily removed for repair, modification, or replacement.".

AIRCRAFT OWNERS AND PILOTS ASSOCIATION,
Washington, D.C., January 21, 1975.

Hon. BARRY GOLDWATER,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GOLDWATER: I understand that you are considering the introduction of remedial legislation which would permit the operation of civil aircraft without Emergency Locator Transmitters if the aircraft's ELT is being repaired. We are delighted that you are understaking consideration of this matter. We brought the problem to Senator Dominick's attention late last year in the expectation that he would introduce remedial legislation. Since Senator Dominick is no longer in a position to do this, we are happy that this problem has caught your attention.

Therefore, please consider this letter as a formal request by the Aircraft Owners and Pilots Association, on behalf of its more than 181,000 members, that you introduce a bill in the Congress for the purpose of revising the requirements of Section 601(d) of the Federal Aviation Act, 49 U.S.C. 1421(d). This section was added by Public Law 91-596, 84 Stat. 1619, and amended by Public Law 93-239, 87 Stat. 1048, to require that United States registered civil aircraft must be equipped with an Emergency Locator Transmitter in operable condition. The current application of this statutory mandate is derogating substantially the development and efficiency of aviation, with no real contribution to air safety, under circumstances which prevent the Federal Aviation Administration from taking remedial action administratively.

As amended, Section 601(d) provides nine exceptions to its requirement for an ELT. These nine exemptions are repeated verbatim in Section 91.52 of the Federal Aviation Regulations. In promulgating FAR 91.52 in Amendment 91-95, copy enclosed, the FAA stated it was taking this regulatory action in response to a mandate from Congress, referring to Public Law 91-596, and expressly stating that it had "no authority to grant exemptions from that section." The FAA later reaffirmed that this statement in Advisory Circular No. 00-40, dated October 3, 1973, copy enclosed. Informal consultation with FAA has revealed that this position regarding its lack of authority to grant exemptions from FAR 91.52 remains unchanged.

AOPA has received many complaints from its members with respect to the lack of provision in Section 601(d) and the corresponding FAR 91.52 for operation of their aircraft when their ELT is being repaired. The state of the art with respect to the development production and quality control of ELTs is such that aircraft operators are experiencing an inordinately high rate of failures in their installed ELTs. FAA has reported it is experiencing in excess of 700 ELT false alarms per month, largely due to equipment malfunction.

The high ELT failure rate means that, for practical purposes, many aircraft are being grounded until the ELT is repaired. In many cases, repair may require returning the ELT to the factory or storing it in a repair shop until parts may be obtained. These circumstances require an amendment of Section 601(d) to allow an aircraft to be operated without an ELT if it is out of the aircraft for repair. Without such an amendment, the utility of many aircraft has been, and will continue to be, lessened. And the development of air commerce has been, and will continue to be, slowed.

Although you are probably aware of it, it is worthy of mention that an aircraft carries numerous pieces of required electronics equipment such as two-way radios, transponders, navigational radios etc. If any one of these pieces of equipment malfunctions and is taken out for repair, the aircraft is not grounded. It is only the ELT which carries this consequence. This is because all the other required electronics equipment is required by regulation rather than by statute as in the case of the ELT. These would seem to be no justification for this difference of treatment.

In connection with this request may we respectfully suggest that you contact the Federal Aviation Administration for confirmation of our information that the FAA is experiencing numerous ELT false alarms, largely due to equipment malfunction. We believe this independent corroborative evidence will demonstrate the scope of the problem.

The substantial number of member complaints and the FAA reports have convinced us that congressional action should be taken as soon as possible to alleviate the problem. A draft bill is enclosed for your ready reference. We would appreciate very much your assistance in this matter.

Respectfully submitted,

JOHN S. YODICE,
Washington Counsel.

By Mr. PELL:

S. 911. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually. Referred to the Committee on Banking, Housing and Urban Affairs.

OPEN WINDOWS—A SIGNIFICANT STEP TOWARD ENERGY CONSERVATION

Mr. PELL. Mr. President, last month President Ford in his state of the Union message assigned a high priority, as part of the overall energy package, to energy conservation, and more specifically, to the establishment of national mandatory thermal efficiency standards for new homes and commercial buildings. Such standards the President remarked would result in savings representing the equivalent of over half a million barrels of oil per day by 1985.

I am indeed pleased by this phase of the President's energy program especially, the recognition by the administration of the potential for substantial energy savings through improved heating and cooling standards alone. As my colleagues know, the Senate for some time has strongly urged the establishment of such thermal standards for buildings. This concern was expressed clearly in 1973 by passage of S. 2176, the National Fuels and Energy Conservation Act—legislation which required the development of design criteria for conserving energy in all buildings, both public and private.

During the coming months as a result of the increasing interest in thermal efficiency in buildings, much attention will be focused on the best approach for meeting the 1985 goals. Already I understand that within the private sector considerable progress has taken place toward improving thermal efficiency, thus making the 1985 goals attainable possibly by an earlier date.

Furthermore, as my colleagues may be aware, the General Services Administration has undertaken a pilot program to demonstrate the potential for energy conservation through construction of a new Federal office building in Manchester, N.H. Innovations in this pilot project are expected to reduce energy consumption by to 30 to 50 percent.

While this progress is indeed commendable and in the long run will greatly assist our national energy conservation goals, I am not convinced that we cannot achieve significant energy conservation in regard to thermal efficiency much sooner. To illustrate this point, it is most unfortunate that buildings, both residential and commercial are still being constructed that are inefficient and will waste immense amounts of energy. One of the most remarkable evidences of such waste in my opinion, is the fact that most modern office and commercial buildings are constructed so that it is impossible to open a window. These buildings are designed to provide a completely controlled artificial environment—heat in the winter and air-conditioning in the summer without regard for the weather outside. The result is a substantial waste of energy resources on many days when reasonable comfort could be achieved by opening the windows.

As a step toward reducing this waste and move more quickly toward our thermal efficiency goals, I am today reintroducing my bill that would require all buildings constructed or financed by the Federal Government in the future, be designed and constructed so the windows can be opened and closed manually.

The potential for energy savings should not be underestimated. Air conditioning now consumes about 4 percent of the total energy used each year in the United residential and commercial heating. That comparison, however, understates the impact of aid-conditioning demands on our national energy supply. For example, at a time when we have realized belatedly the need for a long-term and continuing energy conservation program, energy use for air-conditioning is growing at a rapid rate—about 15 percent each year.

In addition, the demand for electricity for air-conditioning obviously is not spread evenly through the year. It is concentrated into a few short months. To meet the relatively brief peak demand for electricity for air-conditioning requires the use of relatively inefficient and costly peakload electrical generating equipment.

Mr. President, in my opinion, it is not necessary to wait for further study or the establishment of design criteria to achieve meaningful thermal energy savings. We could reduce our growing use of energy for air conditioning simply by constructing buildings so our offices and shops would be opened to the natural environment. Such a step along with other energy conservation measures that have been easy to implement and have proved very successful during the past year, especially the 55-mile-per-hour speed limit and the daylight savings time extension, could greatly reduce the need for measures which would result in further economic disruptions and unnecessary sacrifices for Americans.

By Mr. BEALL:

S. 912. A bill to amend the Internal Revenue Code of 1954 to remove the 2-year limitation during which an individual may qualify as a surviving spouse. Referred to the Committee on Finance.

TAX EQUITY FOR WIDOWS WITH MINOR CHILDREN

Mr. BEALL. Mr. President, I send to the desk a bill designed to correct an "inequity" in our Federal tax laws with regard to widows with children. This bill would extend to such widows on a permanent basis the right to continue to take advantage of the joint return tax rate.

This measure is identical to S. 2778, which I introduced on December 5, 1973. No action was taken on the proposal. I hope that the House Ways and Means Committee and the Senate Finance Committee, during consideration of tax reform in this Congress, will take action on this measure.

Under present law, a widow may file a joint return for the taxable year in which her spouse dies. In addition, a widow, who has not remarried and who maintains a household for a dependent child or stepchild, may also use the joint return tax rate for 2 additional taxable years following the year in which the spouse died.

Certainly, the death of a father to a family is not only a great personal loss, but often is an economic disaster for a family. This problem was first brought to my attention by a Maryland constituent, Mrs. Richard Schwartz, who had this to say about the problem:

> The family's greatest casualty is the loss of the father, companion, head of the household and bread-winner. Yet, the widow and children are taxed at a higher rate on the income received than couples filing joint income tax returns. Why can't widows claim the true loss (casualty) of income? Because this inequity requires action by Congress for any change. The widows do not have a lobby representing their cause in Congress. They are too busy trying to make up for the loss of a father to their children and supporting and educating the children to the best to their ability.
>
> Thus, this precludes the widows of organizing as a group to lobby Congress for a tax that meets "ability to pay." This has always been a basic principle underlying the income tax laws of the United States. The widow with children pays 20% more taxes for equivalent income than other family units.
>
> Is not the loss of a father the greatest loss the family experiences and yet the family pays 20% greater tax for this loss.

I agree. Mr. President, that the loss of the father in most cases is a great economic blow to a family, a family which then needs as much help as it can in order to continue, following the loss of one who is normally the principal breadwinner.

To do equity for such widows with minor children and to ease her problems and burdens somewhat, I reintroduce this measure today and would hope that the Congress will give favorable consideration to it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(a) (1) of the Internal Revenue Code of 1954 (relating to definition of surviving spouse) is amended by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) whose spouse died before the beginning of the taxable year, and".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. CANNON:

S. 913. A bill to amend title II of the Social Security Act to increase to $3,600 the annual amount which individuals may earn without suffering deductions from their social security benefits on account of excess earnings. Referred to the Committee on Finance.

Mr. CANNON. Mr. President, I send to the desk a bill which would amend the Social Security Act so as to increase to $3,600 the annual amount which individuals may earn without suffering deductions from their social security benefits on account of excess earnings.

I am sure that all of my colleagues in the Senate and House have heard from their constituents on this problem. In view of rising prices everyone requires more income to meet the additional costs. Older people are certainly no exception to this problem. As a matter of fact, people living on fixed income are more adversely affected by rising costs than any other segment of society.

My bill would permit social security recipients to earn $3,600 without penalty. The current figure is $2,520 which is totally unrealistic in view of the rising costs for basic necessities such as shelter, clothing, food, and medicine. My proposal is not a grant of additional payments; rather it simply allows the worker to increase his own earnings. This bill will permit the social security recipient to earn at least $300 monthly and still retain his full social security entitlement.

When our economic situation has improved and the controversy surrounding the future viability of the Social Security Trust Fund has been resolved, I would like to see another substantial increase in the earnings limitation test or the earnings test repealed altogether.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 914. A bill to amend section 216(b) (1) of the Merchant Marine Act, 1936.

Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend section 216(b)(1) of the Merchant Marine Act, 1936, and ask unanimous consent that the letter of transmittal, statement of need, and text of the bill be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 914

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 216(b)(1) of the Merchant Marine Act, 1936 (46 U.S.C. 1126(b)(1)), is amended by inserting after the word "sons", wherever that word appears, the words "and daughters".

WASHINGTON, D.C.,
February 11, 1975

HON. NELSON A. ROCKEFELLER,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are six copies of a draft bill "To amend section 216(b)(1) of the Merchant Marine Act, 1936," together with a statement of purpose and need in support thereof.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress.

Sincerely,

FREDERICK B. DENT,
Secretary of Commerce.

STATEMENT OF THE PURPOSE AND NEED OF THE DRAFT BILL "TO AMEND SECTION 216(b)(1) OF THE MERCHANT MARINE ACT, 1936"

Section 216(b) of the Merchant Marine Act, 1936, (the Act) as amended (46 U.S.C. 1126), authorizes the Secretary of Commerce to maintain a Merchant Marine Academy at Kings Point, New York, for the instruction and preparation for service in the merchant marine of selected persons as officers, and provides for the nomination and appointment of qualified candidates to fill vacancies at the Academy. Such vacancies are allocated among the fifty States and Puerto Rico in proportion to their representation in Congress, and to Guam, American Samoa, the Virgin Islands, the Canal Zone and the District of Columbia by special provision of section 216(b).

Section 216(b)(1) of the Act generally provides for the nomination of "qualified candidates", without distinction as to sex, to fill vacancies at the Academy. In the case of the two vacancies allocated to the Canal Zone, however, the statute provides that the Governor of the Canal Zone shall fill such vacancies from among the "sons of the residents" of the Canal Zone and the "sons of personnel" of the United States Government and the Panama Canal Company residing in the Republic of Panama.

On January 24, 1974, the Maritime Administration amended its regulations governing the admission and training of midshipmen at the Merchant Marine Academy (46 CFR 310, 39 FR 2759) to provide that officials authorized by section 216(b)(1) of the Act, except the Governor of the Canal Zone, may nominate both men and women. (Previously such regulations provided only for the nomination of men.) The reference to "sons of residents" and "sons of personnel" contained in section 216(b)(1), however, legally precluded the Maritime Administration from providing in the amendment of the regulations for the nomination of women by the Governor of the Canal Zone.

The purpose of this proposed amendment to section 216(b)(1) of the Act is to provide that the Governor of the Canal Zone may, as other authorized officials, nominate qualified candidates of both sexes to the Merchant Marine Academy. It is necessary to afford equal employment opportunity in the maritime industry to qualified female residents of the Canal Zone.

By Mr. MAGNUSON (for himself and Mr. KENNEDY):

S. 915. A bill to amend the Public Health Service Act. Referred to the Committee on Labor and Public Welfare.

Mr. MAGNUSON. Mr. President, speedy enactment of legislation which the chairman of the Health Subcommittee, Mr. KENNEDY, and I are introducing today will enable the National Health Service Corps to assign critically needed doctors and other health personnel to more than 100 communities this summer. If this bill is not enacted, then those communities will not get those doctors and other health personnel. The issue is just that clear cut.

Clearly, this bill merits very prompt enactment. Therefore, I am extremely pleased that the chairman of the Health Subcommittee, Mr. KENNEDY, has joined me in sponsoring this measure and has assured me that it will be reported for a Senate vote very shortly. As the author of the legislation that first created the National Health Service Corps, I have always appreciated the strong support Senator KENNEDY has given the Corps, and I certainly appreciate his special efforts now. The chairman of the House Health Subcommittee was the chief sponsor in the House of the original NHSC bill, and I am confident, therefore, that this bill will have his support when it reaches the other body.

Mr. President, the Corps' authorization expired at the end of fiscal 1974. Last year, a new authorization was considered by the Congress in conjunction with the much broader and quite controversial health manpower legislation. The House-Senate conference committee, which was convened last year to consider that legislation, quickly reached agreement on a new authorization for the Corps. However, the conferees were unable to agree on the broader health manpower measure. Consequently, no legislation emerged from the conference and the Corps was left without authorization.

Without authorization, the Corps continues to operate under the continuing resolution. It is, therefore, limited to its fiscal 1974 field strength of 405 positions or assignees.

Because of constant prodding from the Congress, the Department of Health, Education, and Welfare has over the past several months carried out an intensive and quite successful recruitment program. As a result of that effort, over 200 physicians and other health professionals have been recruited and are scheduled for assignment this summer. But—and this is the critical point—the Corps will not be able to accept those recruits this summer unless its current authorized field position strength is increased from the 405 positions allowed under the continuing resolution to 551.

That is precisely what our bill would do and all it would do. It would not require additional appropriations for this fiscal year. It would not interfere with the legislative committees' proper prerogatives in writing new authorizing legislation. And it is entirely consistent with the administration's position evidenced by HEW's recruitment effort. I urge its enactment by the Senate within the next several days and look forward to working with the very able chairman of the Health Subcommittee, Mr. KENNEDY, toward the achievement of that objective.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Public Health Service Act is amended by adding at the end of section 329 a new subsection as follows:

"(j) That notwithstanding the provision of any other law or any regulation issued thereunder, the Secretary of Health, Education, and Welfare may for the fiscal year ending June 30, 1975, recruit, employ, and assign health professionals as members of the National Health Service Corps, provided that at no such time during such fiscal year may the total number of individuals serving as field assignees in the National Health Service Corps exceed 551."

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 916. A bill to further insect and disease control programs of the Forest Service, Department of Agriculture. Referred to the Committee on Agriculture and Forestry.

Mr. MAGNUSON. Mr. President, today I introduce legislation for myself and Senator JACKSON that would authorize the Forest Service to use any of its appropriated funds for forest pest control when unforeseen emergency situations arise. The bill would require the Secretary of Agriculture to approve each such transfer of funds. The bill would also require the department to provide the General Accounting Office with a report on each such transfer. A similar procedure is already permitted by present law in the case of fire control.

Past experiences have shown us that many forest pests, particularly insects, are cyclic. Their populations may continue at unnoticeably low levels for many years. Then, for unknown and unpredictable reasons, infestation may rapidly rise to a peak which could last from 4 to 15 years depending on the species.

In addition, several pest outbreaks have been known to peak at the same time. This is evidenced now where population levels of several pests have reached an all-time high over wide areas. For example:

First. On State and private forest lands in Maine over 5 million acres are infested with spruce budworm. Of the 5.3 million acres infested, some 3.5 million acres need chemical treatment in 1975—an increase of more than seven times the area of control predicted from 1973–74 data;

Second. In the South, the worst southern pine beetle infestation of this century is devastating large pine forest areas, encompassing some 53.2 million acres of the susceptible pine host type;

Third. In the Northwest, after 5 years of little activity, the largest outbreak of Douglas-fir tussock moth was recorded. Approximately 800,000 acres of Douglas-fir and true fir were defoliated in 1973. In 1974, 435,000 acres were treated to reduce losses which would have occurred without control.

Because damage from these infestations occur periodically and on an unpredictable basis, it is impossible to foresee accurately the financial needs more than a few months in advance of the needed action. The Forest Service is thus required to delay fully responding to the emergency until a Supplemental Appropriations Act is enacted. As a result, project funding for control needs is often delayed and, when made available, not timely.

For example, preparation of the insect and disease control supplement for fiscal year 1974 was initiated in early August of 1973. Yet, this supplemental appropriation bill was not signed until June 8, 1974. The time, therefore, for adequate implementation had passed.

Mr. President, for suppression activities to be biologically and administratively efficient, it is essential that the control organization have financial flexibility. Sufficient leadtime for adequate planning, preparation, and the contractual processing for chemicals and spray is needed. The current supplemental appropriations process does not meet these needs—whereas the proposed authority for the advance of public money would permit efficient action against forest insect and disease outbreaks with minimum cost. Without this or similar authority, the Forest Service cannot be fully responsive in protecting the forest environment from catastrophic losses caused by forest insect and disease outbreaks when needed funds are available.

Mr. President, I ask unanimous consent that the full text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 916

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That advances of money under any appropriation for the Forest Service may be made to the Forest Service by authority of the Secretary of Agriculture for the control of forest insects and diseases in accord with the applicable provisions of the Forest Pest Control Act of June 25, 1974 (61 Stat. 177, 16 U.S.C. 594–1—594–5). Advances shall be made under such rules and regulations and in such sums as the Secretary of Agriculture may direct and detailed accounts arising under such advances shall be rendered through and by the Department of Agriculture to the General Accounting Office.

By Mr. PEARSON:

S. 917. A bill to amend the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending final determination by the Commission. Referred to the Committee on Commerce.

POSSIBLE COLLAPSE OF THE ROCK ISLAND LINES

Mr. PEARSON. Mr. President, I introduce today for appropriate reference, a bill which may be cited as the "Railroad Temporary Operating Authority Act." I ask unanimous consent that the text of this measure be printed in the RECORD immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

BRIEFING BY ROCK ISLAND MANAGEMENT

Mr. PEARSON. Mr. President, the president of the Chicago, Rock Island, and Pacific Railroad Co.—the Rock Island Lines—Mr. John W. Ingram, requested and obtained the use of room 155, Russell Office Building, at 2 p.m. on Thursday, February 27, for the purpose of briefing interested Senators and staff on the financial condition of his railroad. In the course of the meeting, Mr. Ingram asserted that the Rock Island Lines would experience a cash shortfall in the immediate future, and that the management of the company would be forced either to embargo traffic and suspend services, or voluntarily to enter reorganization under section 77 of the Bankruptcy Act.

This informal briefing for Senators and staff, conducted on February 27, was the first initiative by the Rock Island to provide notice to the Senate of the desperate financial condition of the Rock Island Lines. I am now informed by representatives of the U.S. Railway Association, the Interstate Commerce Commission, and the U.S. Department of Transportation that Rock Island, indeed, will soon run out of cash. The agencies inform me that a termination of essential rail services performed by the company is possible within a few weeks.

Under the terms of the bankruptcy laws, a railroad in reorganization may defer payment of taxes and interest on debt obligations. The Rock Island management, however, asserts that such deferrals would be of little benefit to the railroad. Thus, a shutdown of the Rock Island system is possible whether or not the railroad enters reorganization.

SCOPE OF ROCK ISLAND OPERATIONS

Mr. President, the Rock Island operates some 7,500 miles of railroad right-of-way in 13 States in the heartland of America. The railroad provides single line service to 756 communities and 1,668 grain elevators. With a total work force of 11,000 employees, the Rock Island continues a 123-year history of service to the grain producing region of the Nation. The Rock Island serves 4,879 businesses, including 17 major utilities. These companies along the lines of Rock Island employ more than 167,000 workers with an aggregate payroll of $2.5 billion. The Rock Island operates the longest north-south rail service pattern under single management in America. About 25 percent of its traffic volume is grain—much of it to the gulf for export.

Mr. President, the services performed by the Rock Island are important not only to the Midwest but to the Nation as a whole. The Rock Island is a "bridge carrier" linking East and West. The collapse of this railroad's essential services would be an economic catastrophe for the United States comparable to a shutdown of the railroads in the eastern quadrant of the country.

AN EVALUATION OF ROCK ISLAND CONDITION

Mr. President, the Chicago, Rock Island, and Pacific Railroad Co., the financial fortunes of which long have been declining, has suffered a devastating blow by the economic decline afflicting all of the Nation. The precipitous drop in carloadings experienced by most of the country's railroads has been shared by the Rock Island.

Operating losses are estimated by the Interstate Commerce Commission to be running at the rate of about $10 million for a 90-day period. Attempts at generating working capital by the sale and leaseback of locomotives and rolling stock and other remedies have had some measure of success, but the opportunities for further cannibalizing the Rock Island plant to produce cash for operating purposes appear to be diminishing.

The current and prior managements of Rock Island appear long to have known that the railroad had little or no future as an independent entity. They have sought consummation of the merger proposal that the Union Pacific Railroad Co. and others laid before the Interstate Commerce Commission for its approval over 10 years ago. By its report and order served December 3, 1974, the Interstate Commerce Commission approved the merger transaction and, therefore, the needs of the Rock Island may be no greater than to find the means to maintain service pending its inclusion in the Union Pacific and other railroads. Petitions for reconsideration presently are due early in May, and the final decision of the Commission can be expected well before the end of the year. Assuming no court interference with a consummation of the merger, the needs of the Rock Island in the meantime may not exceed $30 ot $40 million, and this figure may be reduced depending on rate increases approved by the Interstate Commerce Commission or increased carloadings resulting from an upturn in business in the meantime.

POSSIBLE REMEDIES TO ASSURE CONTINUATION OF ESSENTIAL SERVICES

Mr. President, the response of the Government to the potential shutdown of essential services performed by the Rock Island Lines might include one or more of the following initiatives.

First, the U.S. Railway Association—USRA—under section 211 of the Regional Rail Reorganization Act has authority to extend loan assistance to connecting railroads outside the 17 State region. Although the Board of Directors of the USRA denied, on February 26, the request of the Rock Island for $30 million, it is possible that the carrier may present new evidence to justify reconsideration of this decision. The USRA action, I am informed, was based upon a determination by the board that Rock Island would not be able to meet the statutory requirement of ability to repay such a loan.

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Second, if Rock Island were to go into reorganization under section 77 of the Bankruptcy Act, another source of assistance that would be available immediately would be the Emergency Rail Services Act of 1970, under which some $19 million of uncommitted funds remain.

Third, the ICC is empowered under section 1(16)(b) of the Interstate Commerce Act to order another railroad to operate over all or portions of the Rock Island to assure the preservation of essential services. This remedy is limited to 60 days, unless extended for cause for an additional 180 days, or a maximum of 240 days, and the Government would be obligated to compensate fully any costs which profitable railroads entail in performing services for the Rock Island. An initial estimate of the cost to the Government of the emergency section 1(16)(b) authority, in the case of the Rock Island, is $3.5–$5 million for the first 60 days.

COMMERCE COMMITTEE HEARING

Mr. President, the Committee on Commerce is planning to conduct a public hearing on the condition of the Rock Island on Monday, March 10. At that time the committee will evaluate the decision of the USRA in denying the Rock Island's loan application. The committee also will evaluate possible emergency assistance to the Rock Island under the provisions of the Emergency Rail Services Act of 1970 in the event the carrier enters bankruptcy. The committee further will evaluate the feasibility of ICC service orders under section 1(16)(b) of the Interstate Commerce Act.

Mr. President, the bill I am introducing today would provide one additional remedy in the event of a collapse of the Rock Island and interruption of essential rail services.

The effect of the bill would be to authorize the Commission to approve the temporary operation, for an initial period not exceeding 180 days, of all or part of a railroad which has made application to the Commission under section 5 of the Interstate Commerce Act, for authority to purchase or otherwise acquire all or part of the railroad to be operated. Such temporary authority could be granted only if the Commission determines that failure to grant such authority would result in injury to the underlying rail properties or would substantially interfere with their future usefulness.

The Interstate Commerce Act already contains a similar provision for motor carriers, 49 U.S.C. 310a(b), but there is presently no temporary authority provision in rail merger or purchase cases. The proposal could be very beneficial to the Commission's efforts to maintain essential Rock Island rail services, since the Union Pacific has applied for authority to acquire the failing carrier, and the Commission on December 3, 1974, has issued an order, subject to certain conditions, approving such acquisition.

CONCLUSION

Mr. President, there is a compelling need to insure that essential rail service performed by the Rock Island lines be continued without interruption.

Th bill which I introduce today represents one option which could serve to insure continuity of service to the communities and shippers on the Rock Island lines pending final implementation of the proposed merger. It, therefore, is a vehicle for an evaluation by our Committee on Commerce of the most effective means of attaining this goal which is in the public interest.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Railroad Temporary Operating Authority Act".

SEC. 2. Section 5(2) of the Interstate Commerce Act (49 U.S.C. 5(2)) is amended by adding at the end thereof the following new subsection:

"(g) Pending the determination of an application filed with the Commission for approval of a consolidation or merger of the properties of two or more carriers by railroad; or of a purchase, lease, acquisition of control, or contract to operate the properties of one or more carriers by railroad; or of acquisition by a carrier by railroad of trackage rights over, or joint ownership in or joint use of any railroad line or lines owned or operated by any other such carrier, and terminals incident thereto, the Commission may, in its discretion, and without hearing, grant temporary approval, for a period not exceeding 180 days, of the operation of all or part of the railroad properties or property rights sought to be acquired by the party or parties proposing in such pending application to acquire such properties or property rights, if it shall appear that failure to grant such temporary approval may result in destruction of or injury to such railroad properties or property rights sought to be acquired, or to interfere substantially with their future usefulness in the performance of adequate and continuous service to the public. The Commission may, in its discretion, attach to any order granting such temporary approval such terms and conditions as in its judgment the circumstances surrounding such temporary approval shall warrant. Extension of such temporary authority beyond 180 days may be determined by the Commission upon written request by any interested party, or it may determine the need therefor upon its own initiative."

By Mr. HUMPHREY:

S. 918. A bill to amend the Internal Revenue Code of 1954 to provide tax relief of low- and middle-income taxpayers and to provide increased incentives for expanded investment. Referred to the Committee on Finance.

THE TAX RELIEF ACT OF 1975

Mr. HUMPHREY. Mr. President, today I am introducing the Tax Relief Act of 1975. If one thing is clear on the economic front today, it is the need for a large tax cut to be put into effect as quickly as possible. Final action on a tax cut is now up to the Senate, and I know that this body will act quickly to get a tax bill passed. Each day we delay, the patient—our economy—grows more sick. The medicine must be applied—now.

I have stressed the need for urgency. But I must also emphasize the need for a tax cut that is large enough to do the job. If we are going to restore growth to our economy, increase paychecks, and put people back to work, we need a larger tax cut than that proposed by the administration or passed by the House of Representatives.

Virtually every nonadministration witness who testified before the Joint Economic Committee has called for a larger tax cut. Today we have a $1.5-trillion dollar economy with 8.5 percent unemployment. It will take a tax cut of the size I am proposing today to make an impact on it.

The first $10 billion, of the $30-billion tax cut I have introduced, will take the form of a tax rebate on 1974 income. This will be made in one payment which can, hopefully, be mailed to the American people in May. The second part, consisting of $20 billion will be in the form of larger take-home paychecks for our workers, as the amount of taxes withheld is reduced.

Thus, under my bill, the American people will receive a fairly substantial rebate payment in May with the knowledge that their weekly disposable income will also be greater thereafter. I am sure that this will increase their willingness and confidence to spend the initial rebate, and right now, that is the name of the game. Consumer spending must be increased, and I feel that my package provides strong and sound inducement to accomplish this.

Allow me to now state why I feel that a quick tax cut of $30 billion is necessary at this time. It involves the simple fact that the economy is now in the worst recession since the depression of the 1930's, and one that is quickly getting even worse.

Consider the following facts. Unemployment rose by a full percentage point in January to 8.2 percent, the highest rate in the postwar period, while in the last 3 months the rate of unemployment has climbed faster than in any other 3-month period since the Great Depression. This means that 7½ million workers were without jobs in January, 3 million more than a year ago. Of course, for certain groups, the unemployment rate is truly staggering: for blacks, 13.4 percent; for teenagers, 20.8 percent; for construction workers, 15 percent; and for auto workers, 24 percent.

Accompanying this precipitous drop in employment was an equally precipitous drop in our Nation's output. The real GNP declined at a 9.4-percent annual rate in the fourth quarter, bringing the total decline for 1974 to 5 percent. The fourth quarter declines were broadly based throughout the economy. Consumer spending fell 12 percent, in real terms, and business investment, which had held up during most of 1974, declined in real terms at a 20-percent annual rate.

One would expect, as economic theory has long maintained, that during such a slumping period in our economy prices must surely be rising only slightly, if at all. Instead, the GNP deflator, the most comprehensive measure of price change for the entire economy, rose at an annual rate of 14.4 percent in the fourth quarter of 1974. Over the entire year, prices rose 11.8 percent, as measured by the deflator, 12.2 percent, as measured by the CPI, and 20.9 percent, as measured by the WPI.

One result of the severe inflation and then recession is that the buying power of the average worker's take-home pay has dropped 8.7 percent in the last 2 years. This brings real take-home pay back to where it was in 1967.

I wish I could now switch things around and say that the outlook is for this dismal state of affairs to be dramatically turned around. Unfortunately, all the forecasts available, including the administration's, do not allow for such optimism. The administration has forecast that unemployment will average 8.1 percent in 1975 and 7.9 percent in 1976. It also foresees a decline in real GNP of 2.3 percent which assumes that the economy will begin to turn up in the second half. A fact that I find truly shocking is that the growth path forecast by the administration for the next 2 years would result in a real output level in 1976 below the 1973 level. It is anticipated that the recovery after mid-year will come from housing and consumer spending, rather than business investment which is expected to decline 9 percent in real terms during the year—even with a higher investment tax credit.

Commonsense would indicate at this point that surely these 2 years of full-blown recession would wring out the inflationary pressures so at least the American people will not be subject to seemingly weekly price increases. Yet the administration says we are in for another year of double-digit inflation, with the GNP deflator rising 10.8 percent. Even this is an optimistic project, for it assumes the President's energy proposals will add 1.5 to 2 percent to the rate of inflation. Private forecasters, such as Chase Econometrics and Data Resources, suggest that the package could add almost 4 percent.

We are obviously facing an economic crisis which must demand our primary attention. Nearly every nonadministration witness who has appeared before the JEC in the last 4 weeks as part of its annual hearings on the budget has said that unemployment is our No. 1 problem which must be attacked and alleviated above all others.

I offer the above facts not to further spread doom and gloom, but to indicate as strongly as I can that the economy needs a massive transfusion. Some may feel that $30 billion is too large a cut, particularly since this will increase the deficit. I do not enjoy embracing large deficits either. But I do recognize that the fundamental point which must be clearly understood when considering the significance of the deficit's size, and the resulting increase in the size of the Federal debt, is that it must be taken relative to the size of the economy, which of course sustains it.

Viewing the Fedcral debt in this way, as a percentage of gross national product, its significance has been shrinking and is actually at its smallest percentage in 42 years. Another way to view the Federal debt is as a percentage of total debt in the Nation. Once again, the debt's percentage is at its lowest level in 40 years, 17 percent.

So I just cannot buy, and I hope my Senate colleagues will not either, the talk about being horrified by the size of the deficit. Let us rather be horrified about, and take action on, the tremendous waste of human and capital resources presently taking place.

This waste is going to cost this Nation, by not operating at 4 percent unemployment over the 3 years 1974, 1975, and 1976, the staggering sum of $600 billion. To me, the $30 billion contained in my tax-cut bill pales before this tremendous loss to America in terms of goods and services which are lost forever.

Looked at another way, if we were operating at 4 percent unemployment, we would not have to worry about a deficit at all but would enjoy a billion surplus in fiscal year 1975 and a $12 billion surplus in fiscal year 1976.

I trust that by now it is clear that the recession is hurting this economy in many ways. Output is lost forever, the budget is forced into a large deficit position and most importantly, there are 7½ million workers who feel they are not needed in the American economy at this time. One other point is that the recession is not dampening inflation, for during recession, productivity decreases which in turn increases unit labor costs.

I have presented all this material in the hopes of putting the economic factors into their proper relationships and perspective. I offer a very substantial tax cut because our economy is large, it needs a large stimulus to terminate the large output losses now being experienced and it can support such a deficit. It really is a small price in terms of what we will gain.

Up to this point, I have not even mentioned the specific provisions of my bill. This is because the point which must be clearly understood about a tax cut is that it must take effect quickly and be large enough. After this is grasped, then the provisions can be considered.

I have devised my tax package to meet the above principles of quickness and largeness, as well as the principle that the relief should go primarily to lower and middle-income taxpayers and that it should not erode the long-run revenue capacity of the tax system.

The combination of provisions which adhere to these principles in my bill are as follows:

First, reduce taxes for low-income taxpayers by $2.5 billion, by increasing the low-income allowance from $1,300 to $2,000. This would help the lowest income level taxpayer.

Second, reduce taxes $1.2 billion for those who do not itemize their deductions, by increasing the standard deduction from the present 15 percent of adjusted gross income, with a maximum deduction of $2,000, to 17 percent and a maximum of $2,500. In addition to aiding low- and middle-income taxpayers, this change would also have the advantage of simplifying tax filing.

Third, reduce taxes $4.3 billion for individuals at all income levels by increasing the present personal exemption from $750 to $850. This change would focus benefits on the middle-income taxpayer who has also been hard hit by inflation and recession.

Fourth, reduce taxes $10 billion for workers through a refundable tax credit equal to 1.5 percent of wages up to $14,100 in income. That is the figure on which tax is paid under social security. This change would benefit all workers up to the maximum level of payroll taxes and be financed from general revenues.

Fifth, stimulate the very sluggish business investment sectors by increasing the investment tax credit from 7 percent to 10 percent at a cost or at a savings in taxes of $2.5 billion.

Taken together, these provisions of the Tax Relief Act constitute a $20 billion package which provides relief to all taxpayers. I feel that it is not only equitable, but economically sound, in that the bulk of the tax relief, 75 percent, goes to those making $20,000 or less. However, I also feel that a strength of my bill is that it does provide a very modest amount of relief to higher income taxpayers as well, for they too have been pulled into higher tax brackets and, therefore, deserve some adjustment in their taxes.

The exact way in which this package provides tax relief to various income groups is shown in table 1, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1

Adjusted gross income classes	Amount of tax[1]		Tax reduction[1]		
	Present law	Revision	Amount	Percent distribution	Percent reduction in tax
Under $5,000	$1.7	$.01	$1.6	9.2	96.0
$5,000 to $10,000	12.0	7.9	4.1	23.1	34.2
$10,000 to $15,000	21.2	17.2	3.9	22.2	18.6
$15,000 to $20,000	23.8	20.3	3.6	20.0	14.9
$20,000 to $25,000	20.8	18.7	2.1	11.8	10.1
$25,000 to $50,000	34.1	32.1	2.0	11.4	5.9
$50,000 and over	29.9	29.5	.4	2.3	1.4
Total	143.6	125.9	17.6	100.0	12.4

[1] Dollar amounts in billions.

Mr. HUMPHREY. The investment tax credit and workers tax credit features are effective for 2 years only, while the others are meant to be permanent. The bill does, however, have a provision stating that all the provisions will expire on December 31, 1976, if offsetting tax reform measures are not passed by then.

The income tax rebates that individuals will receive under my bill will be based on the following structure.

It will be a 12 percent rebate on 1974 income tax liabilities, with a $100 minimum and a $250 maximum.

The ceiling and phase-out features mean that one-third of the rebate goes to those with less than $10,000 of adjusted gross income, while 85 percent of the rebate goes to those with less than $20,000 incomes. The details of the distributional breakdown are shown on table 2, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—DISTRIBUTION OF TAX REBATE BY ADJUSTED GROSS INCOME CLASS, 1974 INCOME LEVELS

Adjusted gross income classes (thousands)	Decrease in tax liability: Amount (millions)	Percentage distribution of total decrease: By income class	Cumulative
0-$3	$220	2.5	2.5
$3-$5	685	7.3	9.8
$5-$7	795	8.5	18.3
$7-$10	1,392	14.8	33.1
$10-$15	2,549	27.3	60.4
$15-$20	2,300	24.6	85.0
$20-$50	1,320	14.1	99.1
$50-$100	65	.7	99.8
$100 and over	16	.2	100.0
Total	9,312	100.0	

*The maximum of $250 is reduced by $1.50 for every $100 of adjusted gross income between $20,000 and $30,000.

Source: Joint Committee on Internal Revenue Taxation; UAW calculations.

Mr. HUMPHREY. Tables 1 and 2 have shown the distributional breakdown by aggregate income classes. To be more specific, and to indicate exactly how much more disposable income a family of four will have in 1975 under the withholding tax cut in my bill, table 3 shows these additional disposable income amounts for families at different income levels.

For example, a family at the $10,000 level will have $277 more income in 1975, a reduction of nearly one-third in their taxes. The table also shows the great amount of relief provided to the average family at the $5,000 income level, which will not only have no taxes to pay but actually receives some money through the refundable tax credit, and I ask unanimous consent that table 3 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—DISTRIBUTION OF WITHHOLDING TAX SAVINGS FOR FAMILY OF 4

Adjusted gross income	Present tax	Tax under Humphrey plan	Total tax saving	Tax saving as percent of present tax
$5,000	$98	−$72	$170	173.5
$7,000	402	129	273	67.9
$10,000	867	590	277	31.0
$15,000	1,599	1,300	299	18.6
$20,000	2,660	2,349	311	11.7

Source: Brookings Institution

Mr. HUMPHREY. Finally, table 4 provides the final summary of what the average family, at different income levels, can expect to receive in increased disposable income in 1975 if my bill is enacted.

Mr. President, a family of four with a $10,000 income which would have received $104 under the President's program, will have at its disposal an additional $381 in 1975 under my bill. I ask unanimous consent that table No. 4 be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—TOTAL TAX SAVINGS FOR FAMILY OF 4

Adjusted gross income	Total tax savings
$5,000	$270
$7,000	373
$10,000	387
$15,000	503
$20,000	561

Mr. HUMPHREY. To sum up, the Tax Relief Act of 1975, which I have introduced today, can provide both a rapid one-time tax rebate and a longer term tax reduction over the course of the entire year.

This can mean an immediate and sustained increase in the paychecks of American families. And that is what it is going to take to produce economic recovery in this country.

Mr. President, I ask unanimous consent that the text of the Tax Relief Act of 1975 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 918

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "——— Act".

INCREASE IN PERCENTAGE STANDARD DEDUCTION

SEC. 2. Section 141(b) of the Internal Revenue Code of 1954 (relating to percentage standard deduction) is amended by striking out the item relating to 1972 and thereafter in the table which appears at the end of such subsection and inserting in lieu thereof the following new items:

"1972 and thereafter	15	2,000
"January 1, 1975, through December 31, 1976	17	2,500

INCREASE IN LOW-INCOME ALLOWANCE AND PERSONAL EXEMPTION

SEC. 3. (a) LOW-INCOME ALLOWANCE.—Section 141(c) of the Internal Revenue Code of 1954 (relating to the low-income allowance) is amended—

(1) by striking out "$1,300" and inserting in lieu thereof "$2,000"; and

(2) by striking out "$650" and inserting in lieu thereof "$1,000".

(b) PERSONAL EXEMPTION.—Section 151 of the Internal Revenue Code of 1954 (relating to personal exemptions) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850".

(c) CONFORMING AMENDMENTS.—

(1) Section 6012(a)(1) of such Code (relating to persons required to make returns of income) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850", by striking out "$2,050" wherever it appears and inserting in lieu thereof "$2,850", and by striking out "$2,800" wherever it appears and inserting in lieu thereof "$3,700".

(2) Section 6013(b)(3)(A) of such Code (relating to assessment and collection in the case of certain returns of husband and wife) is amended by striking out "$750" wherever it appears and inserting in lieu thereof "$850" and by striking out "$1,500" wherever it appears and inserting in lieu thereof "$1,700".

(d) WITHHOLDING.—

(1) Effective with respect to wages paid on or after the 30th day after the date of enactment of this Act, the table contained in section 3402(b) of such Code (relating to percentage method of withholding) is amended to read as follows:

"Percentage Method of Withholding Table

"Payroll period	Amount of one withholding exemption
Weekly	$16.30
Bi-weekly	32.60
Semi-monthly	35.40
Monthly	70.80
Quarterly	212.50
Semi-annual	425.00
Annual	850.00
Daily or miscellaneous (per day of such period)	2.40".

(2) Section 3402(m)(1) of such Code (relating to withholding based on itemized deductions) is amended—

(A) by striking out "$750" and inserting in lieu thereof "$850",

(B) by inserting immediately after "$2,000" the following: "($2,500 for the period January 1, 1975 through December 31, 1976)", and

(C) by inserting immediately after "15 percent" the following: "(17 percent for the period January 1, 1975 through December 31, 1976)".

TAX CREDIT FOR LOW-INCOME WORKERS

SEC. 4. (a) IN GENERAL.—

(1) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"SEC. 42. TAX CREDIT BASED ON WAGES.

"(a) IN GENERAL.—There shall be allowed to a taxpayer who is an eligible individual as a credit against the tax imposed by this chapter for the taxable year an amount equal to 1.5 percent of the amount of wages subject to social security taxes received by the taxpayer during that year. In the case of a taxpayer who is married (as determined under section 143) and who files a joint return of tax with his spouse under section 6013 for the taxable year, the amount of credit allowable by this subsection shall be an amount equal to 1.5 percent of the total amount of wages subject to social security taxes received by the taxpayer and his spouse during that year.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The amount of the credit allowable to a taxpayer (or to a taxpayer and his spouse in the case of a joint return of tax under section 6013) for any taxable year under subsection (a) shall not exceed an amount equal to 1.5 percent of so much of the wages (as defined in section 3121(a) as does not exceed $14,100 received by that individual (or by that individual and his spouse in the case of a joint return of tax) during that year with respect to employment (as defined in section 3121(b) without regard to the exclusion set forth in paragraph (9) of that section).

"(2) APPLICATION WITH SECTION 6428.—The amount allowable to a taxpayer, or to a taxpayer and his spouse, as a credit under subsection (a) for any taxable year (after the application of paragraph (1)) shall be reduced by the sum of any amounts received under section 6428 during that year.

"(c) DEFINITIONS.—For purposes of this section—

"(1) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means an individual who maintains a household (within the meaning of section 214(b)(3)) in the United States which is the principal place of abode of that individual.

"(2) SOCIAL SECURITY TAXES.—The term 'social security taxes' means the aggregate amount of taxes imposed by sections 3101 (relating to rate of tax on employees under the Federal Insurance Contributions Act) and 3111 (relating to rate of tax on employers under such Act) with respect to the wages (as defined in section 3121(a)) received by an individual and his spouse with respect to employment (as defined in section 3121(b)), or which would be imposed with respect to such wages by such sections if the definition of the term 'employment' (as defined in section 3121(b)) did not contain the exclusion set forth in paragraph (9) of such section."

(2) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"SEC. 42. Tax credit for low income workers.
"SEC. 43. Overpayments of tax.".

(3) Section 6401(b) of the Internal Revenue Code of 1954 (relating to excessive credits) is amended by—

(A) inserting after "lubricating oil)" the following: ", 42 (relating to tax credit for low-income workers),"; and

(B) striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39, and 42".

(4) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(A) inserting "or 42" after "section 39" in the caption of such section; and

(B) striking out "oil)," and inserting in lieu thereof "oil) or section 42 (relating to tax credit for low income workers),".

(b) ADVANCE REFUND OF CREDIT.—

(1) Subchapter B of chapter 65 of the Internal Revenue Code of 1954 (relating to rules of special application) is amended by adding at the end thereof the following new section:

"SEC. 6428. ADVANCE REFUND OF SECTION 42 CREDIT.

"(a) IN GENERAL.—A taxpayer may receive an advance refund of the credit allowable to him under section 42 (relating to tax credit for low-income workers) not more frequently than quarterly by filing an election for such refund with the Secretary or his delegate at such time and in such form as the Secretary or his delegate may prescribe. If the taxpayer elects to base his claim for refund on social security taxes imposed on him, his spouse, and their employers, the election shall be a joint election signed by the taxpayer and his spouse. An election may not be made under this subsection with respect to the last quarter of the calendar year, and any other election shall specify the quarter or quarters to which it relates and shall be made not later than the fifteenth day of the eleventh month of the taxable year to which it relates. The Secretary or his delegate shall pay any advance refund for which a proper election is made without regard to any liability, or potential liability, for tax under chapter 1 which has accrued, or may be expected to accrue, to the taxpayer for the taxable year to which the election relates.

"(b) LIMITATIONS.—

"(1) AMOUNT OF REFUND.—The amount of any refund for which a taxpayer files an election under subsection (a) shall be an amount equal to the amount of the credit allowable under section 42 with respect to social security taxes payable with respect to that taxpayer (or, in the case of a joint election, social security taxes payable with respect to that taxpayer and his spouse) for the quarter or quarters to which the election relates.

"(2) INELIGIBLE FOR CREDIT.—No advance refund may be made under this section for any quarter to a taxpayer who, on the basis of the income the taxpayer and his spouse reasonably may expect to receive during the taxable year, will not be entitled to claim any amount as a credit under section 42 for that year.

"(3) MINIMUM PAYMENT.—No payment may be made under this section in an amount less than $30.

"(c) COLLECTION OF EXCESS PAYMENTS.—In addition to any other method of collection available to him, if the Secretary or his delegate determines that any part of any amount paid to a taxpayer for any quarter under this section was in excess of the amount to which that taxpayer was entitled for that quarter, the Secretary or his delegate shall notify that taxpayer of the excess payment and may withhold, from any amounts which that taxpayer elects to receive under this section in any subsequent quarter, amounts totaling not more than the amount of that excess.".

(2) The table of sections for such subchapter is amended by adding at the end thereof the following new item:

"SEC. 6428. Advance refund of section 42 credit.".

(c) RETURNS OF TAXPAYERS RECEIVING ADVANCE REFUND OF SECTION 42 CREDIT.—Section 6011(d) relating to interest equalization returns, etc.) is amended by adding at the end thereof the following new paragraph:

"(4) RETURNS OF TAXPAYERS RECEIVING ADVANCE REFUND OF SECTION 42 CREDIT.—Every taxpayer who elects to receive an advance refund of the credit allowed by section 42 (relating to tax credit for low-income workers) during the taxable year shall file a return for that year, together with such additional information as the Secretary or his delegate may require.".

(d) DEVELOPMENT OF APPLICATION FORMS; COOPERATION OF OTHER GOVERNMENT AGENCIES.—

(1) The Secretary of the Treasury shall develop simple and expedient application forms and procedures for use by taxpayers who wish to receive an advance refund under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 42 credit), arrange for distributing such forms and making them easily available to taxpayers, and prescribe such regulations as may be necessary to carry out the provisions of section 42 and 6428 of such Code. Each such application form shall contain a warning that the making of a false or fraudulent statement thereon is a Federal crime.

(2) The Secretary of the Treasury is authorized to obtain from any agency or department of the United States Government or of any State or political subdivision thereof such information with respect to any taxpayer applying for or receiving benefits under section 6428 of the Internal Revenue Code of 1954 (relating to advance refund of section 42 credit), or his spouse, as may be necessary for the proper administration of section 42 of the Internal Revenue Code of 1954 (relating to tax credit for low-income workers with families), of section 6428 of such Code (relating to advance refund of section 42 credit). Notwithstanding any other provision of law, each agency and department of the United States Government is authorized and directed to furnish to the Secretary such information upon request.

(e) AMENDMENT OF SOCIAL SECURITY ACT.—Section 402(a)(7) of the Social Security Act is amended by inserting after "other income" the following: "(including any amounts derived from application of the tax credit established by section 42 of the Internal Revenue Code of 1954)".

(f) EFFECTIVE DATE.—The amendments made by this section apply with respect to wages subject to social security taxes paid after December 31, 1974, and before December 31, 1976, but no advance refund payment under section 6428 of the Internal Revenue Code of 1954 shall be made before January 1, 1976.

INCREASED INVESTMENT CREDIT

SEC. 5. Section 46 of the Internal Revenue Code of 1954 (relating to amount of credit) is amended by—

(1) inserting immediately after "7 percent" in subsection (a) (1) the following: "(10 percent, in the case of section 38 property which is constructed, reconstructed, erected, or purchased after December 31, 1974, and before July 1, 1977)", and

(2) inserting immediately after "4/7" in subsection (c) (3) the following: "7/10, in the case of section 38 property which is constructed, reconstructed, erected, or purchased after December 31, 1974, and before July 1, 1977)".

TEN PERCENT REFUND OF 1974 INCOME TAXES

SEC. 6. (a) IN GENERAL.—The Secretary of the Treasury shall pay to each eligible individual who files a return of tax imposed under chapter 1 of the Internal Revenue Code of 1954 for the taxable year ending within or with calendar year 1974 an amount determined under subsection (b). The Secretary shall make the payment as soon as possible after the receipt of the return. For purposes of this section the term "eligible individual" means an individual—

(1) who is residing in the United States and who is a citizen of the United States or an alien lawfully admitted for permanent residence under the Immigration and Nationality Act, and

(2) with respect to whom a personal exemption deduction under section 151 of the Internal Revenue Code of 1954 is not allowed to another individual for the taxable year ending within or with calendar year 1974.

(b) AMOUNT OF PAYMENT.—Subject to the limitations contained in subsection (c), the amount payable to an individual is the greater of—

(1) 12 percent of the amount of liability for tax under chapter 1 of such Code of such individual for the taxable year ending within or with calendar year 1974, or (2) $100.

(c) LIMITATIONS.—

(1) The amount of the payment to which an individual is entitled as determined under subsection (b) may not exceed $250 ($250 in the case of a husband and wife filing jointly and $125 in the case of a married individual filing separately).

(2) That portion of the amount of the payment to which an individual is entitled as determined under subsection (b) which exceeds $50 shall be reduced by an amount which bears the same ratio to $200 as the amount by which the adjusted gross income of the individual for the taxable year ending within or with 1974 exceeds $20,000 bears to $10,000.

(d) OVERPAYMENT OF TAX.—For purposes of any law of the United States, any payment made under this section constitutes a refund of an overpayment of the tax imposed under chapter 1 of the Internal Revenue Code of 1954.

EFFECTIVE DATE

SEC. 7. Except as otherwise specifically provided, the amendments made by this Act apply to taxable years beginning after December 31, 1974 and before January 1, 1977.

By Mr. FONG:

S. 919. A bill to amend the survivor benefit plan provided for under title 10 of the United States Code to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married. Referred to the Committee on Armed Services.

SURVIVOR ANNUITIES OF MILITARY RETIREES

Mr. FONG. Mr. President, I am introducing today a bill designed to amend the military survivor benefit plan provided under title 10 of the United States Code to eliminate the annuity reduction made—in order to provide a surviving

spouse with an annuity—during periods when the annuitant is not married.

Mr. President, for the information of my colleagues, a similar bill, S. 628, was passed by the Senate on July 31, 1973, without any opposition and became Public Law 93-474 on October 26, 1974. Public Law 93-474 eliminated the reduction in annuity that a civil service retiree takes to provide survivor benefits for his spouse during periods of nonmarriage.

Under the present civil service retirement law, a Federal employee is allowed to name a survivor beneficiary at the time of retirement. The designated survivor—usually the spouse—is then entitled to 55 percent of the retiree's annuity upon his death. The election which the employee made at the time of his retirement is irrevocable and the reduction in annuity continued regardless of whether his spouse died first. About 65 times out of 100, a male retiree dies before his wife dies, but more than one-third of the time, a male retiree will outlive his wife and will continue to pay a reduction in his annuity to provide a survivor benefit for which there is, by law, no beneficiary. However, this injustice was corrected with the enactment of Public Law 93-474.

Mr. President, as you know, much of the military survivor benefit plan which was established by Public Law 92-425, was patterned after the civil service plan. Among the provisions of the civil service plan which were incorporated into the military plan is the requirement that the retired member continue to contribute, even though the member no longer has an eligible spouse.

Since the civil service plan was amended by the 93d Congress to suspend contributions by the retired member when he has no eligible spouse, equity and fair play would require that a similar provision be enacted for those under the military survivor benefit plan.

Mr. President, my bill is designed to do exactly that and no more. Inasmuch as military pay increases are now tied to increases for those working under the civil service system, prompt enactment of my bill would give the members of our Armed Forces the same type of survivor annuity benefits that are now provided for the civil service retirees.

By Mr. MONTOYA:

S. 922. A bill to amend the Natural Gas Act in order to give the Federal Power Commission emergency authority to allocate supplies of natural gas for agricultural purposes. Referred to the Committee on Commerce.

THE EMERGENCY AGRICULTURAL NATURAL GAS ALLOCATION ACT OF 1975

Mr. MONTOYA. Mr. President, today I am introducing the Emergency Agricultural Natural Gas Allocation Act of 1975. This bill would require the Federal Power Commission—FPC—which currently has the authority to regulate the interstate sale of natural gas, to approve applications for emergency relief to prevent interruption or curtailment of natural gas used for agricultural purposes, including irrigation pumping.

I feel that swift enactment of this legislation is essential if we are to continue agricultural production in New Mexico, and other areas which depend on irrigation pumps powered by natural gas to irrigate their fields.

Mr. President, New Mexico is a rural State with more than 2½ million acres of cropland. Forty-seven percent of that land is developed for irrigation, an increase of more than 10 percent in the last 5 years. Irrigated land accounts for over 90 percent of the cash receipts for crop sales in New Mexico. Therefore, it is clear, I believe, that in my State irrigation is not merely a complement to a primarily dry crop system, but rather it serves as the main support of our agricultural community. Agriculture in New Mexico cannot survive without irrigation, and irrigation cannot survive, at least in the immediate future, without natural gas.

On December 19, 1974, the FPC, during a review of El Paso Natural Gas Co.'s permanent plan, moved natural gas used for irrigation pumping from the second to the third priority grouping. This decision, Opinion No. 697-A, was made without hearing evidence and entirely on FPC's own motion.

The effect of this decision was disastrous. Farmers in the four States of New Mexico, Arizona, Nevada, and Texas, served by the El Paso pipeline, are now in a state of terrifying uncertainty. Decisions must be made within weeks about what and how much to plant. A question which must be answered is, "Will there be sufficient natural gas to power the irrigation pumps?" Although the FPC has now ruled that irrigation pumping is an "industrial use," any fool should know that millions of acres of cropland are not like an automobile assembly line which can be turned on and off at will. Agriculture is not a matter of weekly production planning, but of yearly production planning.

I invite the Commissioners of the FPC to come to New Mexico and to the other agricultural States in mid-July and see what the effect of turning off the pumps for 2 weeks would be. I can guarantee the result—disaster. Billions of dollars would be lost, and an already serious food situation would become critical. This is the uncertainty that farmers are now facing. Banks in the affected areas feel that they can no longer provide credit as freely to irrigated farms if there is uncertainty about the continued supply of water.

Information made available to me indicates that curtailment in the third priority group is a very real possibility this summer. Estimates range from between 50 and 60 percent of curtailment in group 3. Mr. President, some have argued that conversion to alternate fuel sources is the answer to this problem, and that users could begin this process now. I am afraid that the advocates of conversion have not done their homework in this area. Estimates on the cost of conversion in the four-State region range as high as $2 or $3 billion. Costs for the conversion of individual wells range from $500 to $5,000 for those pumps which can be converted. In some cases conversion of existing engines is impossible and the whole powerplant would have to be replaced. Replacement can mean that a $25,000 engine must be scrapped and a new one costing as much as $40,000 must be purchased. Not even the largest farm-owners can absorb this kind of increased cost. Certainly most New Mexico farmers cannot.

There is no evidence that new equipment would be readily available in sufficient quantities to allow the conversion to take place in time for the next growing season. In the recent past we have seen other agricultural equipment in short supply. I expect that a need for new equipment on the scale we are concerned with here would run up against similar shortages. One of my constituents has summed up the problems which would be encountered in converting one type of engine from natural gas fuel to gasoline in this way: "The technical feasibility of switching from natural gas to gasoline is neither simple nor inexpensive,"—J. J. Strathmann, vice president, Cummins Rio Grande, New Mexico's largest supplier of irrigation engines.

Mr. President, when one speaks of alternative fuel supplies, the issue of conversion raises only one facet of the problem. Of primary concern here is the increased cost of irrigation pumping with any fuel other than natural gas. Estimates made by experts in the area project that the farmer can expect the cost of irrigation pumping to increase several hundred percent. Mr. Strathmann of Cummins says that costs can be expected to increase from 280 percent with liquid propane gas—which is in short supply—to 325 percent with gasoline which is allegedly also in short supply. These increased costs are astronomical and would result in impossible production costs for the farmer or a much smaller return on his investment and higher consumer costs.

I would caution my colleagues who represent farming areas not yet affected, that this FPC ruling applied across the Nation could reduce total agricultural production by as much as 20 to 30 percent and change this country from a net exporting country to a net importing country. Mr. President, I would urge the Commerce Committee to hold hearings on this and similar bills at the earliest possible time, so that the full Senate can consider this matter as soon as possible. Agricultural producers cannot wait long for action on this matter. Crops are about to be planted and financial arrangements for this year's crop must be completed. The Senate must act with speed to assure that this year's production is not cut back in any way.

Mr. President, I ask unanimous consent that a letter containing a complete analysis of conversion costs forwarded to me by Mr. J. J. Stratchmann, vice president of Cummins Rio Grande Sales & Service, Inc. in Albuquerque be inserted in the RECORD at the conclusion of my remarks. Also, I ask unanimous consent that the full text of the bill be printed in the RECORD following my remarks.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

CUMMINS RIO GRANDE,
SALES & SERVICE, INC.,
February 6, 1975.

Subject: *Conversion of farm irrigation engines to alternate fuels.*

We have been asked to comment on the feasibility of the conversion of farm irrigation engines to use alternate fuels, other than the natural gas currently in use, on a routinely shifting fuel availability.

By way of background, Cummins Rio Grande is the largest supplier of irrigation engines in New Mexico. We offer engines manufactured by Cummins, Ford, and International Harvester which utilize all fuels, including diesel, gasoline, natural gas and LPG gas. We are in a position to convert all of these engines to alternate fuels.

We believe that the question of routine conversion of natural gas engines to alternate fuels is one of technical feasibility and impact upon the agriculture industry and ultimately upon the food consumer. However, to put this conversion and fuel cost into proper perspective, we believe an analysis of energy utilization must be reviewed.

First, there are two classes of engines involved, gasoline engines converted to operate on natural gas and diesel engiens converted to operate on natural gas.

In the first category, we must analyze engines normally used in cars and trucks manufactured by companies such as Ford, Chrysler, General Motors and International Harvester. In this type engine the only practical alternate fuel to natural gas is gasoline, since LPG gas is also in critically short supply. Typical fuel consumption is shown below for various fuels operated within the same engines, at the same speed and horsepower output.

Horsepower	Natural gas per hour (cubic feet)	Gasoline per hour (gallons)	LPG per hour (gallons)
50	605	4.2	6.0
100	1,210	8.3	12.1
150	1,815	12.5	18.2
200	2,420	16.6	24.2

The cost impact of alternate fuels at current fuel prices is shown on Attachment A, based upon fuel price sampling in several locales in New Mexico.

The technical feasibility of switching from natural gas to gasoline is neither simple nor inexpensive. All engines would require a gasoline carburetor, fuel pump, natural gas fuel adapter and regulator be installed. Each time an engine switched fuel, a basic ignition timing and spark plug removal and gapping would be necessary, requiring a minimum of three hours changeover time.

Conversion cost for gasoline and LPG would be as follows:

A. Natural gas to gasoline:	
1. Carburetor change and fuel pump	$150.00
2. Gasoline storage tank	300.00
B. Natural gas to LPG:	
1. LPG vaporizer	75.00
2. LPG storage tank—500 gal	500.00

Approximately 95% to 98% of the natural gas irrigation engines utilized for farming are of the automotive-type engine as described previously. As shown on Attachment A, the alternate fuels would increase irrigation farming cost several hundred percent over natural gas cost.

The second type of natural gas engine utilized by irrigation farmers is a diesel engine converted to natural gas fuel. The most practical alternate fuel is diesel. This type engine is more efficient operating on natural gas because it is able to perform at higher compression ratios, but is substantially more expensive at initial purchase because of its basic diesel design as shown on Attachment C. A comparison of fuel consumption is shown below:

Horsepower	Natural gas per hour (cubic feet)	Diesel fuel per hour (gallons)
50	410	2.5
100	820	5.0
150	1,230	7.5
200	1,640	10.0
250	2,050	12.5

An operating cost comparison for this diesel-type engine is shown on Attachment B.

There is no practical way at this time to operate this type of engine on alternate fuels, although some development work on this capability is being done. A full conversion of fuel type is necessary. The conversion cost of this type engine from natural gas to diesel represents a major cost. The conversion would include new pistons, cylinder heads, air intake system and diesel fuel system. For a typical diesel-type six-cylinder engine, the conversion expense from natural gas to diesel would cost approximately $3,200.00 per engine.

However, since this diesel-type of engine represents less than 5% of the irrigation engines in use in New Mexico, this type of conversion will have little impact on natural gas use.

One additional energy source for irrigation pumping which should be considered is electric motor drives. At the present time, the initial conversion cost of electric motor pump drives is $25 to $30 per horsepower as shown:

Motor and switchgear cost

Horsepower:	
50	$1,800
100	3,000
150	4,200
200	5,700

The current operating cost of electric motors versus natural gas engines is shown on Attachments D and E.

We strongly recommend that the irrigation farmers of New Mexico be given their former high priority for natural gas in agriculture use. Anything else will either ruin the agriculture industry in New Mexico and the other high plains states through crop failure due to water loss at strategic times or increased consumer food costs by astronomical amounts. If natural gas consumption must be reduced, we recommend that it be allocated based upon past consumption and that allocation be reduced over a five-year period by 10% per year. This will allow the irrigation farmer to obtain the more fuel efficient engines currently available on the market over a five-year period so that their higher initial cost can be planned and absorbed without the serious financial consequence of immediate conversion. The reduced consumption of natural gas by this engine replacement method is projected on Attachment F.

We hope these comments will assist in having the best possible decision be reached in energy conservation considerations.

Very truly yours,

J. J. STRATHMANN,
Vice President.

ATTACHMENT A

HOURLY FUEL COST COMPARISON AUTOMOTIVE-TYPE ENGINES

Horsepower	Natural gas Amount	Gasoline Amount	Gasoline Percent increase	LPG Amount	LPG Percent increase
50	$0.395	$1.68	+325	$1.50	+280
100	.79	3.32	+320	3.02	+282
150	1.19	5.00	+320	4.55	+282
200	1.58	6.64	+320	6.04	+282

ANNUALIZED FUEL COST COMPARISON 3,000 HR PER YEAR OPERATION

50	$1,185	$5,040	+325	$4,500	+280
100	2,370	9,960	+320	9,060	+282
150	3,570	15,000	+320	13,650	+282
200	4,740	19,920	+320	18,120	+282

Note: Typical New Mexico area fuel costs: Natural gas—Rate 31, average 65.3 cents per 1,000 ft³; gasoline at 40 cents per gallon; LPG at 25 cents per gallon.

ATTACHMENT B

Horsepower	Natural gas	Diesel	Percent increase
Hourly fuel cost comparison—Diesel-type engines:			
50	$0.27	$0.86	219
100	.54	1.72	218
150	.80	2.57	221
200	1.07	3.43	221
250	1.34	4.29	220
Annualized fuel cost consumption—3,000 hr per year operation:			
50	810	2,580	219
100	1,620	5,160	218
150	2,400	7,710	221
200	3,210	10,290	221
250	4,020	12,870	220

Note: Typical New Mexico area fuel costs: natural gas at 65.3 cents per 1,000 ft³, diesel fuel at 34.3 cents per gallon

ATTACHMENT C

INITIAL PURCHASE COST OF POWER SOURCES

Horse power	Automotive-type engines	Diesel-type engines	Electric motors
50	$1,050	$6,900	$1,800
100	1,350	6,900	3,000
150	3,000	8,600	4,200
200	6,000	9,600	5,700
250	(1)	12,000	6,500

[1] Not available.

ATTACHMENT D

HOURLY FUEL COST COMPARISON AUTOMOTIVE-TYPE NATURAL GAS ENGINES VERSUS ELECTRIC MOTORS

TYPICAL NEW MEXICO AREA COSTS

Horsepower	Natural gas [1]	Electric [2] per hour	Percent increase	Electric per-hour [3]	Percent increase
50	$0.395	$1.06	168	$1.40	254
100	.79	2.12	168	2.80	254
150	1.19	3.18	167	4.20	252

ANNUALIZED—3,000 HOURS PER YEAR OPERATION

50	$1,185	$3,180	168	$4,200	254
100	2,370	6,360	168	8,400	254
150	3,570	9,540	167	12,600	252

[1] 65.3 cents per 1,000 ft³.
[2] 2.5 cents per kilowatt hour.
[3] 2.5 cents per kilowatt hour and 0.8 cent per kilowatt-hour fuel adjustment.

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ATTACHMENT E

DIESEL-TYPE NATURAL GAS ENGINES VERSUS ELECTRIC MOTORS

TYPICAL NEW MEXICO AREA COSTS

Horsepower	Natural gas per hour [1] (heavy-duty engine)	Electric		Electric [2]	
		Per hour	Percent increase	Per hour	Percent increase
50	$0.27	$1.05	292	$1.40	419
100	.54	2.12	292	2.80	418
150	.80	3.18	298	4.20	425
200	1.07	4.24	296	5.60	423
250	1.34	5.30	295	7.00	422

ANNUALIZED FUEL COST COMPARISON —3,000 HOURS/YEAR OPERATION

50	$810	$3,180	292	$4,200	419
100	1,620	6,360	292	8,400	418
150	2,400	9,540	298	12,600	425
200	3,210	12,720	296	16,800	423
250	4,020	15,900	295	21,000	422

[1] 65.3 cents per 1,000 ft³.
[2] 25 cents per kilowatt hour—no fuel adjustment.
[3] 25 cents per kilowatt hour and 0.8 per kilowatt hour fuel adjustment.

ATTACHMENT F

NATURAL GAS FUEL SAVINGS AUTOMOTIVE-TYPE VERSUS DIESEL-TYPE ENGINES

Horsepower	Diesel-type engines (cubic feet per hour)	Automotive type engines (cubic feet per hour)	Percent savings
50	410	605	33
100	820	1,210	33
150	1,230	1,815	33
200	1,640	2,420	33
250	2,050	(1)	--

[1] Not available

Savings shown are based upon new engine performance. The automotive-type engine loses its peak performance within its first 2,000 to 3,000 hours of operation whereas the diesel-type engine maintains its efficiency for 25,000 hours or more of operation. The net result is that fuel savings frequently have been observed to equal 40% to 50% when diesel-type engines have replaced automotive-type engines.

S. 922

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Agricultural Natural Gas Allocation Act of 1975".

SEC. 2. The Natural Gas Act is amended by redesignating sections 23 and 24 as sections 24 and 25, respectively, and by inserting before such sections a new section as follows:

"EMERGENCY ALLOCATION OF NATURAL GAS FOR AGRICULTURAL PURPOSES

"SEC. 23. (a) Notwithstanding any other provision of this Act or of any natural gas allocation or curtailment plan in effect on the date of enactment of this section, the Commission shall, within five days of application, grant applications for emergency relief to prevent interruption or curtailment of natural gas used for any agricultural purpose (including irrigation pumping) to the extent required to prevent any impairment in carrying out such purpose, except to the extent required to maintain natural gas service to existing residential and small commercial users.

"(b) The Commission shall consult with the Administrator of the Federal Energy Administration prior to taking any action pursuant to this section."

By Mr. HARTKE (by request):

S. 923. A bill to amend the Interstate Commerce Act to prohibit discriminatory practices which have the effect of undermining, preventing, destroying, or precluding competition, and for other purposes. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, the current controversy surrounding the Interstate Commerce Commission has focused largely on the effect of the Commission's regulatory practices upon competition. Critics of the Commission claim that these practices discourage competition, that the Commission's rate setting practices overly restrict competition to the detriment of the consumer. On the other hand, supporters of the Commission's rate setting practices argue that it is important to limit destructive competition in order to insure that there is a stable common carrier system to provide efficient and adequate service to the American people.

The degree of interest in the effect of the Commission's regulations upon competition and the possibility that we may be able to come up with better regulatory practices have convinced me that a large portion of the time the Subcommittee on Surface Transportation devotes to regulatory policy this year should be used to explore means of promoting competition between the regulated carriers while maintaining a strong common carrier system. To encourage discussion of this important subject and to insure its consideration during our deliberations, I am introducing by request a bill which would for the first time apply the principles of the antitrust laws to the competitive practices of the regulated carriers.

Presently, The Interstate Commerce Act contains no provisions which act as express deterrents to activities which suppress competition. This bill would supplement the Commission's practice of regulating rates to discourage destructive competition with an express prohibition of predatory and discriminatory practices. Violators of this prohibition would be subject to liability for damages for injury done to competing carriers.

Mr. President, this is an important bill. The Congress long ago established the policy that manufacturers and distributors of products could not price those products in a manner that discriminated between purchasers and limited competition. This bill would apply the same policy to suppliers of transportation services. The House adopted this concept late in the last Congress but the Senate did not have time to consider it. This bill, which may provide the basis for a policy regarding competition between regulated carriers, will make a constructive contribution to the debate on transport policy in the ensuing months.

I ask unanimous consent that the text of the Discriminatory Practices Prohibition Act and a summary of the bill be printed in the RECORD at this point.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Discriminatory Practices Prohibition Act".

SEC. 2. Section 4 of the Interstate Commerce Act (49 U.S.C. 4) is amended by striking the caption to the section now reading "Long and short haul charges; competition with water routes" and substituting the caption "Discriminatory charges; competition with water routes"; and by adding the following new paragraph:

"(3)(a) The purpose of this subsection is to foster and promote healthy intermodal competition by prohibiting predatory or discriminatory practices which have the purpose or effect of undermining, preventing, destroying or precluding competition and to provide penalties for such predatory and discriminatory practices.

"(b) No carrier acting alone or in concert with another carrier of the same mode shall discriminate in the rates or charges assessed on a route where intermodal competition exists versus the rates or charges assessed by such carrier or carriers for the same or similar traffic on another route, where the purpose or effect is substantially to lessen competition between the carrier or carriers and a carrier of the other mode, but the prima facie unlawfulness of such discrimination may be rebutted by an affirmative showing that the lower rate or charge creating the discrimination is not below the point necessary in good faith to meet the competition of such other mode, considering all competitive factors and conditions.

(c) No rail or water carrier acting alone or in concert with another such carrier shall discriminate in the rates or charges assessed or the services offered over the rail or water segment of an actual or potential rail and water route versus the rates or charges assessed or services offered by such carrier or carriers on the same or similar traffic over a competing all-rail or all-water route, where the purpose or effect is substantially to lessen competition between the carrier or carriers and a connecting carrier of the other mode or tend to create a monopoly of the traffic in question. Provided, however, that, with respect to service, the prima facie unlawfulness of such discrimination may be rebutted by an affirmative showing that physical conditions on the route to or from the interchange with the carrier of the other mode prohibit compliance with this paragraph.

(d) Any carrier which shall be injured in its business or property by reason of engagement by a carrier in any practice which is forbidden by the forgoing provisions of this subsection may sue therefor in the district court of the United States in the district in which the defendent resides or is found or has an agent and shall recover treble the damages by it sustained, and the cost of the suit including reasonable attorney's fee.

(e) Before any damage action under subparagraph (d) may be filed in a Federal district court, the Commission shall determine the lawfulness of the practices or rates in a proceeding under Section 13 or Section 15. The determination of the Commission shall be conclusive, subject to judicial review, as to the issue of lawfulness of such practices or rates in any subsequent damage suit under this subsection.

(f) All actions pursuant to subparagraph (d) above shall be commenced within one year from the date of the final Commission order in the proceeding referred to in subparagraph (c).

(g) In fixing treble damages under subparagraph (d) the court shall include all damages whensoever occurring, except that no damages shall be recovered for any period prior to two years preceeding the commencement of the Commission proceeding referred to in subparagraph (e).

SUMMARY OF THE DISCRIMINATORY PRACTICES PROHIBITION ACT

It is the purpose of this bill to clarify and strengthen the powers of the Interstate Commerce Commission to outlaw discriminatory and preclusive practices which have the design or effect of undermining healthy intermodal competition, particularly competition between railroads and water carriers.

The bill implements established public policy which condemns any tactic which relies on leverage or business power rather than efficiency to win in the market place. When superior efficiency and performance result in market success, the public interest is advanced, but when superior leverage is the basis for market success, only the private interest is advanced.

The bill amplifies Section 4 of the Act because this section already adresses itself to the most flagrant type of rate discrimination, a rate for a longer haul which is lower than a rate for a shorter haul along the same route.

Section 3 (a) provides a general condemnation of discriminatory practices which have the design or effect of frustrating intermodal competition.

Section 3 (b) provides a prohibition of discriminatory rate reductions which "sharpshoot" the traffic of a narrowly based competitor. The provision provides a "meeting competition" defense against a charge of discrimination. A carrier, to meet competition in good faith, may reduce a rate to a point at which the rates, services and facilities offered by one competitor are equally attractive to rates, services and facilities offered by the other.

Section 3 (c) prohibits a "squeeze" tactic by which a rail or water competitor holds up a rate or withholds a type of service at a connecting point to protect an all-rail or all-water haul, thus frustrating a combined rail-water haul. Such discrimination ordinarily takes the form of charging a higher rate in relation to cost on the intermodal route than on the intramodal route by denying, on the intermodal route, a type of service offered on the intramodal route. In the latter case, a carrier may defend against a charge of refusing to provide comparable service by affirmatively showing that the burdens imposed by physical conditions make it prohibitive to do so.

Sections 3 (d) and (e) provide that the ICC retains the authority to determine questions of lawfulness of discriminatory practices. Following such a determination, injured parties can resort directly to the courts for assessment of damages. The objective of this provision is to promote self-regulation through the deterrent of treble damages.

Sections 3 (f) and (g) cover limits of liability of the damage provisions.

By Mr. STENNIS (for himself and Mr. THURMOND):

S. 920. A bill to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 921. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, I send to the desk two separate bills. One is the military authorization request as submitted by the Department of Defense. The other is a slightly modified version of the Defense submission.

The modified version differs from the Defense submission in only two respects. First, in compliance with the new Budget Reform Act, the Senate must authorize appropriations for both fiscal year 1976 and a 3-month transition budget covering July 1, 1976, to September 30, 1976. The bill submitted by the Defense Department integrates the budget request for this transition period into each individual title in the bill. The modified version breaks out as a separate title the budget request for the transition period. Secondly, the bill submitted by the Defense Department contains the authorization request for fiscal year 1977. The Defense Department is required to submit the fiscal year 1977 authorization request prior to May 15, 1975. The Senate, however, will consider the fiscal year 1977 request only after completing action on the fiscal year 1976 request and the transition request. Thus, the modified version omits the fiscal year 1977 request.

In short, the substantive effect of these two bills is identical. The modified version is submitted for purposes of convenience and clarity. The committee intends to proceed with this modified version in its dilebrations on authorization.

I ask unanimous content that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., February 5, 1975.

HON. NELSON D. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith legislation "To authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes."

This proposal is part of the Department of Defense legislative program for the 94th Congress, and the Office of Management and Budget has advised that enactment of the proposal would be in accordance with the program of the President. This proposal is being sent to the Speaker of the House.

This proposal would provide authorization for appropriations as needed, for procurement in each of the categories of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes and for other weapons for each of the military departments in an amount equal to the new obligational authority included in the President's budget for fiscal year 1976 and for the three month transition period beginning July 1, 1976 and ending September 30, 1976, provided for in the Budget Control Act of 1974. Authorizations for naval vessels have been requested in lump sum dollar amounts in the form in which they have generally been provided in the past. However, the Department of Defense believes that as this request is considered by the Congress the possibility of providing multi-year authorization for naval vessels should be explored.

In this connection, on October 10, 1974, the Deputy Secretary of Defense testified before the Seapower Subcommittee of the House Armed Services Committee that multi-year authorization for naval vessels would be desirable.

Section 102 authorizes a $300 million in fiscal year 1976 and $100 million in fiscal year 1977 for inventory replenishment in anticipation of foreign military sales. Funds appropriated pursuant to this authority would be allocated by the Secretary of Defense among appropriations of the military departments for the initiation of procurements in anticipation of sales from inventory. This legislation is necessary to maintain an acceptable level of U.S. combat-ready inventory while at the same time making available, for sale, combat essential equipment to our allies in a responsive and timely fashion.

Title II provides for the authorization of each of the research, development, test and evaluation appropriations for the military departments and the Defense Agencies in amounts equal to new obligational authority included in the President's budget for fiscal year 1976 and the transition period.

Title III of the proposal prescribes the end strengths for active duty personnel in each component of the Armed Forces as required by section 138(c)(1) of title 10, United States Code, in numbers provided for by new obligational authority and appropriations requested for these components in the President's budget for fiscal year 1976 and the transition period.

Title IV of the proposal provides for average strengths of the Selected Reserves of each Reserve component of the Armed Forces as required by section 138(b) of title 10, United States Code, in the numbers provided for by new obligational authority and appropriations requested for these components in the President's budget for fiscal year 1976 and the transition period.

Title V of the proposal provides for civilian personnel end strengths for each component of the Department of Defense as required by section 138(c)(2) of title 10, United States Code, in the numbers provided for by new obligational authority in appro-

priations requested for the Department of Defense in the President's budget for fiscal year 1976 and the transition period.

Title VI of the proposal provides for the average military training student loads as required by section 138(d)(1) of title 10, United States Code, in the numbers provided for this purpose in the President's budget for fiscal year 1976 and the transition period.

Each of the above titles also includes a provision, uniformly designated as subsection (c) of the first section in each title, providing authorization for appropriations, average strengths, end strengths, or military training student loads for fiscal year 1977. These provisions have been added in accordance with the administration's effort to provide Congress with the fiscal year 1977 authorization legislation in a timely fashion. Submission at this time fulfills the requirements of section 607 of the Budget Control Act of 1974 which requires such legislation for fiscal year 1977 to be submitted to Congress by May 15, 1975.

Section 701 of the proposed bill amends existing fiscal year 1975 authorization for appropriations to the Department of Defense for the support of South Vietnamese military forces to provide authorization for fiscal year 1976. There is no authorization request for fiscal year 1977 or the transition period.

Section 702 of the proposed bill would provide permanent legislative authority to the Secretary of Defense and to the Secretaries of the Military Departments as is now provided only to the Secretary of the Navy in section 7202 of title 10, United States Code, to use funds, within the limits of appropriations made for the purpose, for emergency and extraordinary expenses. Funds for these purposes, which include confidential military purposes and representational purposes, have been specifically provided in annual appropriation acts for many years to the Secretary of Defense and the Secretaries of the Army and Air Force. Section 702 would provide explicit authorization for such appropriations. The proposed new section in title 10 would be substantively identical to section 7202, which would be repealed.

Section 703 amends the recently enacted section 514 of the Foreign Assistance Act of 1961, as amended (which was adopted without hearings having been held) so as to restore to the Department of Defense the flexibility which is needed with respect to the use of war reserve and other contingency stockpiles in future emergencies. Under the funding restrictions of section 514, as it now reads, the war reserve and contingency requirements of our own armed forces and of our allies would have to be separately computed, financed by different appropriations, and would seemingly have to be earmarked for separate uses. As revised by section 703 of the proposed bill, these artificial restrictions would be eliminated, our armed forces would have full title and control of all such stocks and could utilize any part of such stocks for our own requirements should circumstances so require even though acquired in whole or in part based on possible use by allies. As so revised, however, section 514 would continue to require that any future transfer of such stocks to foreign nations be charged against funds authorized by foreign aid legislation or against the limitations specified in such legislation, as appropriate, during the fiscal period in which the transfer occurs. Similar legislation is being requested in the "Foreign Assistance Act of 1975".

Section 704 would make a necessary technical amendment to section 139(b) of title 10, United States Code, which now requires the submission of supplemental reports to the Congress not less than 30 or more than 60 days before the award of procurement contracts for weapon systems for which fund authorization is required. The proposed amendment would change the timing of these reports relative to the date of contract award, by requiring their submission not less than 30 or more than 90 days before award. This change is necessary to permit the continued submission of regular bimonthly reports without disrupting the procurement process. Without the change, to assure the compliance with section 139(b), the Department of Defense could not award contracts during one-half the year (the thirty days following each bimonthly report).

Sincerely,

MARTIN R. HOFFMANN.

By Mr. NELSON:

S. 924. A bill to amend the Federal Food, Drug, and Cosmetic Act in order to protect consumers against food additives which have mutagenic or teratogenic effects on man or animals. Referred to the Committee on Labor and Public Welfare.

S. 925. A bill to amend the Federal Food, Drug, and Cosmetic Act relating to food additives. Referred to the Committee on Labor and Public Welfare.

Mr. NELSON. Mr. President, the quality and safety of our food supply is a vital environmental health issue. Two bills that I reintroduce today would correct loopholes in Federal law regulating food additives and better protect consumers from harmful or unnecessary chemicals in the food supply.

The first bill would require that an additive be shown to be necessary, not merely cosmetic, prior to approval, and would require third-party, independent testing of additives, among other things.

The second bill would strengthen the Government's capability to regulate additives by requiring testing prior to their approval to determine whether they cause birth defects—teratogenesis—or genetic damage—mutagenesis. At present, there is no requirement for such testing prior to approval of food additives.

The scientific community has been concerned about the long-range effects of mutagenic and teratogenic substances for many years, and governmental action to prevent such substances from endangering the public health is long overdue. Virtually everyone agrees that testing of chemicals for these reactions is necessary.

The need for legislation is demonstrated by the fact that many chemicals long used in the food supply are being shown to be harmful under new scientific scrutiny; many were never adequately pretested prior to widespread use; and the number of new chemicals or new uses for food chemicals continues to proliferate without a full assessment of the chemicals' real nutritional value or potential health hazard.

According to the Food and Drug Administration, the United States probably approves the use of more kinds of food additives than any other nation. In 1972, the FDA received 109 petitions for new uses of food additives; 77 were approved. In 1973, the FDA received 262 new petitions; 54 were approved. In 1974, the agency received 193 new petitions; 53 were approved.

Many of these substances are safe, economic to use, and make it possible to process foods with a long shelf and shipping life.

An important factor is that Americans, since 1970, are spending more money for processed, convenience, snack and franchised foods than for fresh foods. This means that, while consumers may be able to obtain a wider variety of packaged and processed food products with a long shelf life, they are also consuming more chemicals.

And, while additives cut costs to producers, they do not necessarily reduce costs to the consumer. For example, a 7-ounce package of imitation eggs, advertised as containing approximately the equivalent of two real eggs, costs 21 cents, or 10 cents per egg; a single real egg, medium size, costs 6 cents at 79 cents per dozen. A 2-pound box of instant pancake mix—to which must be added eggs and milk—costs 69 cents; a 16-ounce—1-pound—package of frozen pancake batter, making 16 one-ounce pancakes, costs 73 cents—or 4 cents per pancake; and a 10½-ounce package of frozen prepared pancakes, containing eight pancakes, costs 55 cents, or approximately 8 cents per pancake.

Food additives are big business, involving the food, chemical, and drug industries in the manufacture of chemical substances that have promoted the rapid growth of the convenience food industry. Trade magazines advertise the profits to be reaped through the use of chemicals and chemical substitutes for food.

There are some 1,000 chemicals now approved by the FDA for use directly in food, and some 2,000 for indirect uses, such as in packaging materials. The use of food chemicals has more than doubled in the past 20 years, from an estimated 419 million pounds in 1955 to more than 1 billion pounds today, according to industry figures. The industry estimates that the average American eats 5 pounds of additives every year. The industry also boasts of tremendous growth in the food additive business.

Some 600 of the 3,000 approved additives are "generally recognized as safe"—GRAS, thus exempted from testing and new approval by the FDA under the food additives law. These GRAS list items are now subject to review by the FDA. Some GRAS substances have been found to be harmful, or are being questioned, because of new scientific evidence that they may not be as safe as previously thought.

If we are going to continue the widespread use of these chemicals and, in fact, increase their use, there must be carefully developed scientific evidence showing that they are safe, necessary, and free from such effects as cancer, birth defects—teratogenesis, or genetic abnormalities or changes—mutagenesis.

At present, the Food, Drug, and Cosmetic Act requires only that additives be shown to be safe and non-cancer-causing in man or animal. The law does not specifically require testing for teratogenesis and mutagenesis, nor does it require that additives be determined to be necessary. These bills would do that.

Cancer screening tests have been developed, refined, and applied for a number of years. Test methodologies for mutagenesis and teratogenesis are different from cancer tests, and their states of the art differ, respectively.

Geneticists developed practical methods of detecting chemical mutagens in the 1960's, and tests for large-scale screening for these effects are feasible at reasonable cost. Test methodologies for teratogenic screening have been developed and are being refined by scientists in the National Institute of Environmental Health Sciences, the FDA, and elsewhere.

As part of the GRAS review, 116 compounds are being tested for mutagenesis and 64 are being tested for teratogenesis.

Because of the development of highly refined test mechanisms for identifying chemical effects, it may be necessary to establish a protocol for deciding benefits against risks, based on the best available scientific information.

The legislation takes into account the fact that a straight prohibition of substances found to be mutagenic or teratogenic may not always be feasible or in the best interests of public health. Some foods, nutrients, and vitamins might be banned under such a prohibition, strictly applied. For example, subcutaneous injection of salt—sodium chloride—an excess of vitamin A taken orally, and zinc, an essential mineral, when injected intravenously, have been found to be teratogenic in animal tests.

For this reason, the second bill provides for a system of evaluation and determination by the Secretary of HEW as to whether it is better for the public health to allow in the food supply a substance found to cause such effects than not to allow it.

It is my hope that hearings on the areas addressed by these bills will be conducted and action taken this session. Both of these measures have been introduced in previous sessions of Congress, and oversight hearings conducted before the Senate Special Committee on Nutrition and Human Needs, September 19, 20, 21, 1972, brought out a wide range of concerns on the part of scientists, consumers, and industry over use and regulation of food additives.

WHAT THE BILLS DO

The first bill is based on recommendations of the 1970 White House Conference on Food, Nutrition, and Health. Its goal is to eliminate the use of unsafe, poorly tested, and unnecessary chemicals in the food supply.

It would require proof that additives have a demonstrable benefit and are necessary, prior to governmental approval;

It calls for third-party testing of additives, so that approval can be based on data other than that supplied solely by the manufacturer and promoter of an additive;

It calls for factory inspection and registration of additive producers;

And, it requires the Federal Government to set nutritional standards for food. The FDA has asked industry to voluntarily meet nutritional standards in the quality of some processed food products, and to label products as to nutritional content. However, the industry is not required to comply, only urged to do so. This bill would require minimum nutritional standards set by the FDA to be met by all processed foods.

The second bill requires that applicants for Federal approval of food additives provide reports of tests conducted to determine whether the additives cause mutagenic or embryotoxic—teratogenic—effects when ingested by man or animal.

Such tests must utilize the most up-to-date methods available for such purposes, as determined by the HEW Secretary.

The bill sets up a system by which the Secretary must convene expert committees to review additives that are found to cause mutagenic or teratogenic effects; and requires that the Secretary publish his proposal for use of such additives in the Federal Register, if he determines to allow the additives in the food supply.

If an additive is found to cause either effect, the Secretary must make an affirmative decision, based on the recommendations of ad hoc advisory committees of experts, to allow the substance in the food supply if he finds that it would be more hazardous to the public health to deny use of additive than to permit its use.

Within 6 months of the date of such notice, he must make his affirmative finding final, or the additive is not approved.

The Secretary is given authority to weigh the benefits of permitting the use of certain additives against the possible dangers to the public health and safety of such additives. The bill makes it clear that such determinations shall not affect the Delaney anticancer clause, which prohibits any substance in the food supply that causes cancer in man or animals.

Whenever the Secretary decides to allow an additive that has shown mutagenic or teratogenic effects, such a finding must be on the labeling of foods containing the additive.

The Secretary is required to report to Congress annually on whether such additives are still approved for use, and, if so, the reasons justifying their continued use, based on the benefit-to-risk findings of scientific experts. The Secretary also is required to report on current research activities being carried out with regard to such additives, and particularly on research into possible alternatives to them.

The Secretary must also determine which additives currently in use, including those on the "generally recognized as safe"—GRAS—list, should be tested for mutagenic and teratogenic effects, and provide for such tests to be conducted, after which the Secretary must make affirmative findings as regards their continued use. Such a review must be made within 2 years after enactment with an annual status report to Congress.

Mr. President, I ask unanimous consent that the texts of the two bills be printed in the RECORD following these remarks.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 409 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 348), is amended as follows:

(1) Subsection (b)(2) is amended by striking out "and" at the end of clause (D); by striking out the period at the end of clause (E) and inserting in lieu thereof a semi-colon and the word "and"; and by adding at the end of such subsection a new clause as follows:

"(F) full reports of investigations made with respect to the mutagenic and embryotoxic effects of such additive when ingested by man or animal including, but not limited to, any fetal death or damage;".

(2) Subsection (b) is further amended by adding at the end thereof a new paragraph as follows:

"(6) Tests shall be conducted to determine whether the additive causes mutagenic or teratogenic effects on man or animal through utilization of the most acceptable methods (as determined by the Secretary) currently available to the trade for such purposes.".

(3) Paragraph (3)(A) of subsection (c) is amended by striking out the semicolon and the word "or" at the end of such paragraph and inserting in lieu thereof a colon and the following: "*Provided further,* That no additive shall be deemed to be safe if it is found to have mutagenic or teratogenic effects when ingested by man or animal, or if it is found, after tests which are appropriate for the evaluation of the effects of good additives on man or animals, to have mutagenic or teratogenic effects on man or animal, except that no additive shall be deemed unsafe under this proviso if the Secretary (a) makes an affirmative finding, based on the recommendations of an advisory committee of experts (appointed by the Secretary), qualified by scientific training and experience to evaluate the mutagenic and teratogenic effects of food additives on man and animals, and includes such finding in his order issued under this subsection, that the hazard to the public health which might result by denying the use of such additive would exceed any hazard to the public health which might result by permitting the use of such additive as proposed by the petitioner, (b) gives public notice of his affirmative finding by publication in the Federal Register, and (c) within six months after the date on which such notice was so published, issues an order making his affirmative finding final; or".

(4) Paragraph (5) of subsection (c) is amended by striking out "and" at the end of clause (B); by striking out the period at the end of clause (C); and inserting in lieu thereof a semicolon and the word "and"; and by adding after clause (C) a new clause as follows:

"(D) the benefits to the public health and safety of permitting the use of such additive as opposed to the possible dangers to the public health and safety in permitting its use.".

(5) Subsection (c) is further amended by adding at the end thereof a new paragraph as follows:

"(6) Notwithstanding the provisions of paragraph (3)(A) or (5)(D) of this subsection, nothing in this subsection shall be construed as authorizing the Secretary to issue an order establishing a regulation prescribing, with respect to one or more proposed uses of any food additive, conditions under which any food additive found to have mutagenic or teratogenic effects when ingested by man or animal may be used if such additive is found to induce cancer when ingested by man or animal, or if it is found, after tests which are appropriate for the evaluation of the safety of food additives, to induce cancer in man or animal (subject to the exception contained in the first proviso contained in paragraph (3)(A) of this subsection).".

(6) Such section is further amended by adding at the end thereof the following new subsections:

"Labeling Requirement

"(j) Whenever an order is issued by the Secretary under subsection (c) of this sec-

tion establishing a regulation with respect to one or more uses of any additive and such order is issued as the result of an affirmative finding by the Secretary under the second proviso of paragraph (3)(A) of such subsection, the Secretary shall require the labeling of the food in or on which such additive is used to clearly indicate, in accordance with regulations prescribed by the Secretary, that the additive used in or on the food was approved for use even though such additive was found to have mutagenic or teratogenic effects when ingested by man or animal.

"Reporting Requirement

"(k) The Secretary shall submit a report to the Congress not later than March 1 each year informing the Congress of those food additives that have been permitted to be used in food as the result of an affirmative finding by him under the second proviso of paragraph (3)(A) of subsection (c) of this section even though such additive was found to have mutagenic or teratogenic effects when ingested by man or animal. The Secretary shall include in each such report the justification for permitting the use of any such additives, a review of current research activities being carried out with regard to the mutagenic and teratogenic effects of food additives when ingested by man and animals, and a review of current research into possible alternatives to food additives found to have mutagenic or teratogenic effects when ingested by man or animal.".

SEC. 2. Section 403 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 343), is amended by adding at the end thereof a new paragraph as follows:

"(o) If it contains a food additive, unless its packaging and labeling are in conformity with such packaging and labeling requirements, applicable to such food additive, as may be contained in regulations issued under section 409."

SEC. 3. The amendments made by this Act shall become effective on the date of enactment except that such amendments shall not become effective in the case of any food additive—

(1) with respect to which a regulation is in effect on the date of enactment of this Act prescribing one or more uses of such additive and conditions under which such additive may be safely used,

(2) which, on the date of enactment of this Act, is in use as a generally recognized as safe food additive, or

(3) which, on the date of enactment of this Act, is in use under a prior sanction or authorization,

until the Secretary has determined which of such additives are to be made subject to the provisions of the Federal Food, Drug, and Cosmetic Act relating to mutagenic or teratogenic effects of food additives on man and animals (as provided in the amendments made by this Act) and a plan has been formulated and published by the Secretary requiring compliance with such provisions within a period of time prescribed by a committee of experts (appointed by the Secretary) qualified by scientific training and experience to evaluate the mutagenic and teratogenic effects of food additives on man and animals. The determination by the Secretary with respect to which of such additives are to be made subject to the provisions of the Federal Food, Drug, and Cosmetic Act, as amended by this Act, shall be made within two years after the date of enactment of this Act.

S. 925

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act shall be known as the "Food Protection Act of 1975".

FOOD ADDITIVE TESTING

SEC. 2. Chapter IV of the Federal Food, Drug, and Cosmetic Act is amended by adding immediately after section 409 a new section as follows:

"TESTING OF FOOD ADDITIVES

"SEC. 410. (a)(1) The Secretary shall be responsible for all tests or investigations conducted on all new food additives submitted to him for approval under this Act for the purpose of determining whether or not such additives may be used in food, and shall be responsible for having new tests or investigations conducted on additives which have been approved prior to the enactment of this section, in order to determine whether or not approval of such additives should be withdrawn.

"(2) The Secretary, in carrying out the provisions of paragraph (1), shall not conduct tests or investigations, but shall contract with qualified individuals, organizations, or institutions to conduct such tests or investigations.

"(b) Whenever the Secretary receives an application from any person for approval of a new food additive pursuant to this section, he shall, as soon as practicable, provide for the necessary testing or investigation of such food additive.

"(c) It shall be the responsibility of the Secretary to insure that the testing or investigation of such food additive is conducted by experts (certified by the Secretary in accordance with rules and regulations promulgated by him) qualified to investigate and evaluate the safety and effectiveness of food additives. In the preparation of specifications for the conducting of tests or investigations of any food additive under this section, the Secretary shall consider the food in or on which the additive is proposed to be used and shall consider, among other relevant factors, those factors prescribed in section 409(c)(5).

"(d) In any case in which the Secretary determines that a period of more than one year is necessary to develop the necessary data to support or deny approval of any food additive for which approval has been requested, he shall notify the applicant to that effect and indicate the amount of additional time needed for such purpose.

"(e) The sponsor of any food additive submitted to the Secretary for testing and investigation shall, upon request, be provided with the pertinent facts relating to the testing or investigation of the food additive, including the procedures being used in such testing or investigating. If the sponsor objects to the manner, scope, or procedures used by the Secretary in testing, evaluating, or investigating the food additive, or a determination made under subsection (d), he may notify the Secretary of his objections and request a hearing on the record to adjudicate the matter.

"(f) Whenever a food additive has been submitted to the Secretary by a sponsor for approval, the sponsor, at his own expense, shall make available such amount of the food additive and the food in or on which such additive is proposed to be used as the Secretary determines is necessary for adequate testing and investigation.

"(g) The testing or evaluation of any food additive shall be terminated as promptly as practicable by the Secretary upon receipt by him of a written request from the sponsor of such food additive to discontinue such testing or investigation; and the sponsor shall be liable for the payment of all costs attributable to the termination of such testing or investigation.

"(h)(1) The sponsor of any new food additive submitted to the Secretary for testing or investigation under this section shall be liable for the direct costs incurred in carrying out such testing or investigation. The Secretary shall prescribe by regulation the manner in which charges shall be computed for the testing or investigation of any food additive.

"(2) If any amount of the charges for testing or investigating a food additive under this section is unpaid after the due date thereof, as prescribed by regulations, interest shall accrue thereon at the rate of 6 per centum per annum. Past due charges and interest thereon shall be recoverable by civil action brought in the name of the United States in the appropriate district court of the United States.

"(i) In administering the provisions of this section, the Secretary is authorized to utilize the services and facilities of any other agency of the Federal Government and of any institution, organization, or individual in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

"(j) A request by the sponsor of any food additive for termination of the testing or investigation of such food additive at any time prior to one year from the date such food additive was submitted to the Secretary for testing shall constitute sufficient basis for the denial of approval for such food additive.

"(k) Nothing in this section shall be construed as prohibiting the sponsor of any food additive from conducting tests or investigations with such food additive in accordance with other provisions of this Act.

"(l) The results of all tests and investigations conducted under this section with any new food additive shall be made public by the Secretary in accordance with section 552 of title 5, United States Code."

SEC. 3. (a) Section 301 of such Act is amended by adding to the end thereof the following new subsections:

"(q) The introduction or delivery for introduction into interstate commerce of any food additive, color additive, or any food containing a food additive or color additive, which has not been proven to be safe, effective, and necessary in accordance with procedures established and results approved by the Secretary, in the production of food, or unavoidable by good manufacturing practices for use under the conditions prescribed."

(b) Section 409(a) of such Act is amended by renumbering clauses (1) and (2) as (2) and (3), respectively, and inserting a new clause (1) as follows:

"(1) it has been tested or investigated pursuant to section 410 and approved by the Secretary for its intended use;".

(c) Section 409(c)(2) is amended by inserting before the period at the end thereof the following: ", but in any case where testing or investigation is required under section 410 the provisions of that section shall apply".

(d) Section 510(b) of such Act is amended by inserting after the word "drugs" the following: "or a food additive or food additives".

(e) Section 704(a) of such Act is amended by—

(1) inserting in clause (1) after the word "food,", each time it appears therein, the words "food additives".

(2) inserting in the second sentence after the word "which", the first time it appears therein, the following: "food, food additives, or".

SEC. 4. (a) Section 401 of such Act is amended by inserting after the word "container" the first time it appears therein a comma and the following: "and reasonable standards of nutritional value".

(b) Section 402(c) of such Act is amended by inserting before the period at the end thereof the following: "or which is unnecessary for the maintenance of the nutritional value or preservation of such food".

(c) Section 403(e) of such Act is amended by striking out "and" at the end of clause (1) and striking out the colon preceding the proviso in clause (2) and inserting in lieu thereof the following: "; and (3) an accurate statement of the nutritional value of the contents:".

By Mr. THURMOND (for himself, Mr. CURTIS, Mr. FANNIN, Mr. HELMS, Mr. MCCLELLAN, Mr. WILLIAM L. SCOTT, and Mr. TOWER):

S. 926. A bill to remove statutory limitations upon the application of the Sherman Act to labor organizations and their activities, and for other purposes. Referred to the Committee on the Judiciary.

UNION MONOPOLY POWER AND ANTITRUST LAWS

Mr. THURMOND. Mr. President, in the 93d Congress, I introduced a bill which would remove the exemption presently contained in the antitrust laws for labor unions. Today, I am again introducing legislation which would accomplish this result and call upon the Congress to recognize the serious imbalance presently existing in our economic system. Labor union monopolistic power has grown to unacceptable levels.

Congress concluded many years ago that in order to protect the public, antitrust legislation should be enacted to prevent large business enterprises from engaging in monopolistic practices that would eliminate competition and restrain trade and commerce.

Through court interpretation and subsequent action by Congress, labor unions were made exempt from the application of the antitrust laws. Basically, the rationale for this was that unions were weak and struggling organizations, and that only by being given special privileges and protections not accorded other economic interests could they successfully stand up to the business giants of that day.

Today labor unions wield such tremendous power that the question must be raised as to whether the exemption of labor unions from the antitrust laws was a serious mistake. The evidence is overwhelming that this special protection given to unions so that they could advance their own self-interest is certainly not justified today.

The labor-management area has been viewed in the past as a power struggle between worker welfare and business gains. But now the struggle is not so much between unions and big business as it is between big unions and the public.

While there has been a great deal of concern shown about the relative power of labor unions and employers, there has been far too little concern shown over the effects of labor union power on the public interest. Union monopoly power aids and abets the development of the monopoly power of business enterprises which the antitrust laws were enacted to prevent. It has produced wage rates and fringe benefits in excess of those justified by increased productivity or competitive levels, work rules that require payments for unneeded work, and boycotts which penalize third parties not involved in labor disputes. It has resulted in the waste of labor resources, distortions in the allocation of productive resources, inflation, balance-of-payments deficits, and the associated deterioration of the U.S. position in world markets. The tragic truth is that the American public is the real victim in all instances.

Labor union monopoly power is not compatible with a free market economy. There are really only two choices facing us. Either the power of unions must be reduced to an extent sufficient that market forces will once again be broadly effective or unions will have to be totally regulated like public utilities with the Government controlling wages and work standards and allocating labor. The latter would deal a near fatal blow to our private enterprise economy. Excessive governmental regulation is one of the causes of our current economic ills.

There are some who see as an alternative the acceptance of "social responsibility" by unions and the sacrificing of some of their self-interest. That is unrealistic. In the absence of legal restraints on union power, unions can logically be expected to continually strive to increase that power. Competition from the nonunion sector of the labor force does not deter this drive for more power; rather the effort to unionize the nonunion sector is used by the unions as a reason why they need more power. Furthermore, employer resistance cannot be relied upon to restrain the unions, for with the tremendous power already existing on the union side, employers are increasingly willing to give in to the unions in exchange for labor "peace" and uninterrupted operation. The employers are intimidated and the public bears the burden. Wages go up, prices go up, and the consumer has to absorb the higher costs that are the inevitable product of union monopoly power. Nor has competition from foreign industry restrained the growth of union power and union demands. In this competition, what has given way has not been foreign competitors or U.S. unions but our balance of payments and our gold reserves.

It is necessary, therefore, that the Congress take action now to amend the antitrust laws so that labor unions will have to abide by the same regulations as employers of labor. They must be prohibited from taking actions which will unreasonably restrain trade and commerce or eliminate competition in product markets.

Making unions subject to the antitrust laws will not destroy them. Nor will properly drawn legislation interfere with their function as collective bargaining representatives of employees so long as their actions are not in restraint of trade and they do not conspire to restrain trade.

This would be exactly the same as it now is with business organizations. They violate the antitrust laws only when they are large enough to monopolize or when they collude with others to restrain trade.

Since 1932 public policy toward unions has disregarded both the economic laws governing the operations of a free market and the interests of consumers. The Norris-LaGuardia Act of 1932 denied relief in the courts for business firms injured by unions. It freed labor unions to increase their monopoly powers and restrain commerce without regard to the damage inflicted on the public. Then in 1935 the Wagner Act conferred more rights and privileges on unions without corresponding obligations. In 1947, the Taft-Hartley Act preserved the unions' privileges and immunities but attempted to prevent certain "bad" labor practices. It did not, however, place any effective restraints on the further extension of union power. In 1959, the Landrum-Griffin Act added more forbidden "bad" practices with the avowed intent of protecting union members from harmful action by union leadership. It also left intact the structure of union monopoly power. Neither Taft-Hartley or Landrum-Griffin, therefore, have effectively dealt with the problems created by labor unions nor achieved real labor "reform." Rather they have added to the confusing tangle of rules and regulations which leave the power of unions to inflict damage untouched but have fostered increasing Government interference in market processes.

Moreover, the body of "administrative law" which has developed around our labor statutes is subject to the shifting interpretations of the National Labor Relations Board, whose members are governed more by their ideological proclivities than by the canons of the judicial process. Thus, while Taft-Hartley outlaws the closed shop, interpretations of the NLRB have weakened the effectiveness of this prohibition. Taft-Hartley also prohibits some types of featherbedding and secondary boycotts, but these limited restraints have been largely circumvented by rulings of the NLRB. Congress lack of success in formulating effective remedies for labor evils is due to its concentration on legislative attempts to stop the bad practices while neglecting the source from which these practices have emanated—excessive union power.

The severest damage inflicted by unions on the public and the most serious threat they pose to survival of the market economy results from their performance of functions which labor laws authorize them to perform in pursuit of their own self-interest rather than the commission of illegal acts. The problem, then, is the reduction of the legally held powers of unions when such powers unreasonably restrain commerce and eliminate competition. The solution is to bring unions under the antitrust laws.

Removing the exemption for unions from the antitrust laws would not be a punitive measure. It would not subject unions to any new and unusual penalties but merely restore the equity in treatment of business enterprise and unions that has been lost because of the free hand given to unions to monopolize and restrain trade. Bringing unions under the scope of the laws that were designed to insure the survival of a competitive economy would no more destroy unions than it has destroyed business enterprises.

It has been argued that bringing unions under the antitrust laws is too difficult and too complicated, and that it would place the antitrust laws and the

national labor laws into conflict. These arguments are easily answered.

It was not so difficult to bring business enterprises under the antitrust laws that Congress was unable to achieve it. Bringing unions under antitrust restraints is no more difficult, in fact, it is less so because of the year of experience gained in applying the laws to business firms.

Complexities arise only if an effort is made to spell out in the law the various actions of unions which shall be considered in restraint of trade. This was not done in the Sherman Act with regards to business enterprises, but rather the act simply states that—

Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states, or with foreign nations, is hereby declared to be illegal. . . .

It leaves to the courts the determination of the meaning and specific application of the words of the statute. The Clayton Act likewise uses broad and nonspecific terms, delegating interpretation to the courts.

This same principle should be followed in the case of labor unions. The courts will decide what actions monopolize and restrain trade and are, therefore, illegal under the antitrust laws.

National labor law and the antitrust laws, when made applicable to labor unions, will complement rather than conflict with each other. National Labor law deals with problems and practices in the relationships between unions and employers, without attempting to determine the limits to which union power can accumulate and be exercised without substantially injuring the public interest and endangering the survival of the market economy. Enforcement of the antitrust laws as applied to unions will be concerned solely with the latter and not with the former. Thus a union can violate the National Labor Relations Act without running afoul of the antitrust laws, or it can violate the antitrust laws with an action that is not prohibited by the NLRA. In other words, it will be subject to two different types of regulatory action and in this respect it will be no different from business enterprises, which are subject to a variety of restraints.

Bringing unions under the antitrust laws requires a few very simple amendments to the Sherman and Clayton Acts and an equally simple modification of the application of the Norris-LaGuardia Act. These changes are long overdue.

Mr. President, we have seen inflation ravage our Nation over the last few years. President Ford has called for an end to unnecessary governmental regulations and strict enforcement of the antitrust laws as a means to combat inflation. Certainly, application of the antitrust statutes to labor unions would assist in such an effort.

In view of the high rate of inflation we have experienced lately, 12.2 percent just last year for example, I find remarks made by the Honorable Mayo J. Thompson, member of the Federal Trade Commission, in a recent address before the National Fluid Power Association in Palm Springs, Calif., relevant to the introduction of my bill to remove the exemption in the antitrust laws for labor unions. Commissioner Thompson argues that one of the principal causes of inflation in our country has been the monopoly power of labor unions. I ask unanimous consent that the text of Commissioner Thompson's address be included in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

INFLATION AND THE LABOR UNIONS: "REDISTRIBUTING" INCOME FROM NON-UNION WORKERS TO UNION MEMBERS

(By Hon. Mayo J. Thompson)

MONOPOLIZATION AND CONSUMER DECEPTION

Let me begin my remarks by congratulating you on your choice of time and place for this meeting. A trip to a lovely place like Palm Springs, California, is a particularly pleasant way for a Washington bureaucrat to make one of his periodic treks to what I call the "real world"—any place in the United States that is more than 100 miles from that great center of unreality, the nation's Capital. Again, it is a pleasure to be here and I thank you for the kind invitation to participate in your program.

For those of you who aren't familiar with the work of the Federal Trade Commission, let me give you the traditional 60-second summary of the matter. The FTC enforces a group of statutes dealing with, in substance, two categories of commercial activity, monopolization and consumer deception. We have a Washington headquarters, 11 Regional Offices located in various major cities throughout the country—including San Francisco and Los Angeles—and a total staff of roughly 1,500 people, including approximately 600 attorneys. We are authorized by Congress to issue certain kinds of "rules" in the two areas of our alleged expertise and to haul offenders in for a full-scale hearing when we can't find a cheaper way to get them to stop whatever it is they're not supposed to be doing.

REGULATION A "BAD BUSINESS"

Now I want to pause at this point to tell you about a problem I have in my role as a member of a regulatory agency. My difficulty is that I don't really believe in government regulation of business. I took an oath to faithfully enforce the laws entrusted to our agency the day I was sworn in as a member of the FTC and of course I am going to do precisely that. And I even believe that most if not all of these laws our agency enforces are *necessary*. But they are, in my view, only a necessary evil and I approach the job of enforcing them with, I must confess, a heavy heart. Government regulation of business is a bad business, one that a man who loves his country ought to get involved in only for the gravest of reasons.

I had a grave reason for joining the Federal Trade Commission. I thought the country's economic system was being "regulated" to death. I thought we needed *less* regulation of business in America, not more. And I thought I might be able to make some small contribution in that regard by agreeing to serve on the FTC.

MONOPOLY AND PRICE INFLATION

Now I wouldn't want you to get the idea that I joined the FTC for the purpose of trying to dismantle that particular government agency. On the contrary, it is not the existence of the Federal Trade Commission I deplore but the circumstances that make its existence necessary. Eliminating the FTC wouldn't make false advertising go away. And of course it wouldn't make all of America's great industries as competitive as they're supposed to be, as free of artificial restraints and non-competitive prices as many think they ought to be. If we didn't have a Federal Trade Commission, it would be necessary—to borrow a phrase—for us to "invent" one all over again. The fact of the matter is that we *do* have some dishonest advertising. And we *do* have some industries that are not competitive enough to keep consumer prices at a non-inflationary level. Until commercial honesty and effective competition are the norm in all of our important markets, "regulation" of one sort or another is going to be very much with us, whether we like it or not. And if there is going to be regulation, it ought to be done by people who don't like it.

COMPETITION THE BEST ANTI-INFLATION WEAPON

We once had a phrase in our working vocabularies that summed up my idea of what an economic system ought to be like. It was a two-word French term, "laissez faire," and it translated into something like "leave it alone." No government interference of any kind in the economic affairs of the people. Let the marketplace do its own regulating.

In a genuinely free economy, once need not be concerned about the prospect of economic overreaching. Individual men will of course pursue their own self-interest but their potential for social harm is cancelled out by competition from other individuals pursuing *their* own self-interest. As the first modern economist summed up the laissez-faire ideal: "It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages . . . [E]very individual . . . intends only his own gain, [but] he is in this, as in many other cases, *led by an invisible hand* to promote an end which was no part of his intention . . . By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it."[1]

PRODUCTIVITY AND THE DISTRIBUTION OF INCOME

Sellers may of couse *try* to charge too high a price for their goods—businessmen are, after all, as human as the rest of us—but competition from other sellers will prevent them from *succeeding* in it. And employers may try to *underpay* their workers—and the workers, in turn, may try to get *over*paid for their labor—but competition among the individual members of these two groups will in fact assure that the *actual* wage is fair to both parties.

There is no unemployment and no inflation in such an ideally-competitive economy as this. Only the worker who demands a wage that is higher than the value of his output will be unemployed. And since all prices will be held to the competitive level, there can be no inflation. Invention and innovation will thrive in such a fair and stable society, thus assuring that each man-hour of labor and each dollar of invested capital will yield each year a larger quantity and a better quality of goods and services than it did the year before. The fruits of this increased productivity—higher yields for each man-hour of labor and each dollar of capital—will be divided, thanks to competition, between labor and capital in the same proportions as the lower yields of the past. Competition thus assures both a steady *rise* in a society's aggregate prosperity from year to year and a fair *distribution* of that growing prosperity among its citizens, one based on each individual's social contribution as measured by the value his fellow citizens place on his efforts.

[1] Adam Smith, *The Wealth of Nations* (1776) (Modern Lib. Ed., 1936), pp. 14, 423 (emphasis added).

COMPETITION ALIVE BUT ON THE SICK LIST?

Alas, several fingers have been broken off the "invisible hand" so eloquently described by Dr. Smith in his now 200-year-old book, *The Wealth of Nations*, published in 1776. The Industrial Revolution hadn't completed its work then and small-scale industry was still very much the norm in the various economic systems of the world. In short, if the politicians of Smith's day had taken his advice on the matter of avoiding the various "guild" and "mercantile" restraints he railed against, the system would probably have worked very much the way he said it should.

Now, however, the solution to the economic problems of the world are no longer so simple. Modern economic society bears little resemblance to the model Smith saw in 18th century England. Powerful governments, through their own fiscal budgets and their control of national banking systems such as our own Federal Reserve Board, drive their aggregate money supplies up and down like so many yo-yos. Great corporations, many of them operating in scores of countries around the world, control such large segments of their respective markets that only the most romantic of observers still believe that every price in America is set by the "invisible hand" of Dr. Smith's mighty lever, competition. And the price of labor—the wages paid by those corporations—has not been determined by the forces of competition since the passage of our highly restrictive labor laws in the 1930s. Competition is far from dead in America but the prognosis for its future health, if our industrial experts are to be believed, is something less than completely bullish.

UNION WORKERS "SUBSIDIZED" BY NON-UNION EMPLOYEES?

Consider the effect of monopolistic labor unions in the United States. First, they tend to redistribute income in a perverse way. Approximately 70% of the price paid for all the goods and services produced and sold in America goes to labor as wages and salaries. This particular division of income between labor and capital—70% for the former and 30% for the latter—has remained substantially the same since the turn of the century, thus making it fairly clear that the coming of labor unions in the 1930s has not significantly raised labor's *overall* share of the national income pie. They have succeeded, however, in getting larger shares for their *own members*. Roughly 25% of the country's total workers belong to a labor union and numerous scholars have found that workers belonging to some of the more powerful unions receive wages as much as 20% above those they would be receiving in the absence of the unions.[2] If labor as a *whole* is not receiving a larger income as a result of the coming of the unions, but the unions' own members *are* receiving more, then it is obvious that those organizations are simply "transferring" money *from one group of workers to another*, from the non-union worker to the union man. Union members' wages are, in effect, *subsidized* out of the paychecks of the country's non-union employees.

CONSUMERS 75 PERCENT NONUNION

There is no mystery about how this little exercise in monopoly power operates. Prior to the coming of the union, the workers in a particular industry will usually be receiving a wage set by the free forces of the labor market, by supply and demand. A union is then organized and, under the threat of a strike, the employers in the industry will generally agree to raise wages by, let's say, 20%. Since they obviously can't absorb such a wage hike out of profits, they have no choice but to *raise the price of the product they sell to the consumer*. Labor costs, like all other costs incurred by a business firm, are simply "passed on" to the consuming public, a group of people that, as noted, is 75% non-union. And since non-union workers are less affluent, on the average, than union members, it follows that every wage increase won by one of our more powerful labor unions has the effect of re-distributing income regressively—away from the relatively poor and toward the relatively affluent.

INFLATION AND SOCIAL UNREST

Nor can the dilemma created by the monopoly power of our labor unions be solved by simply unionizing *all* workers in the country and thus freeing all wages from the forces of the competitive marketplace. We already have an intolerable rate of inflation in the United States with only a fourth of the labor force unionized, a rate that reached the rather spectacular level of 8.8% in 1973 and that threatens to go even higher in 1974. With 100% of the country's workforce enjoying that kind of monopoly power, our inflation rate might well equal that of some of our less fortunate friends in South America, those whose prices increase by 25% to 50% year after year. A nation that allows its *economic* fabric to unravel at such a pace can hardly expect its social and political garments to hold firm over the long haul. Economic distress leads, in time, to social unrest and, in the end, to political problems of the most alarming dimensions.

LABOR MONOPOLIES EXEMPT FROM ANTITRUST LAWS

When our antitrust laws were first passed—the original Sherman Act was passed in 1890—they were addressed to economic monopoly in all of its various aspects, including both corporate monopolies and labor monopolies. In time, however, Congress enacted a series of statutory provisions that substantially exempted labor from the reach of the antitrust laws. Today, it is lawful for a *single* labor union to exercise a complete monopoly over the *total* supply of labor to even the largest of our great industries and to use that power to exact any wage the firms in the industry can successfully "pass on" to the consuming public—in other words, any wage that won't bankrupt the companies involved. The result, of course, is a continuing escalation of wages—and, in turn, of prices—in all of our industries with strong labor unions and in all related industries that have to compete with them for their labor supply. Monopoly in the country's labor markets assures that prices will rise *faster than productivity* year after year and hence that we will continue to have an inflation problem into all of the forseeable future. The stronger our unions become—and the more aggressive their members and their leaders become—the greater our future inflation problem will tend to be.

INFLATION AS THE "CAUSE" OF UNEMPLOYMENT

Perhaps the most troublesome aspect of this problem, however, has to do with the link between inflation and unemployment. Since the annual rate of increase in productivity in the United States is approximately 3%, wages could increase by that amount each year without causing any inflation. But if some workers insist on getting wage increases of 10% or 12% every year, and if this produces an overall wage increase of, say, 8%, then the result will inevitably be an inflation rate of at least 5%. A 5% cut in the public's purchasing power means, of course, a comparable reduction in the volume of goods produced and thus in the number of workers the economy can employ. There is a limit, however, to the amount of unemployment the country will tolerate. Beyond some point on the unemployment scale—and that point is certainly a great deal lower than the 24.9% figure we had in the tough year of the Great Depression, 1933—the public can always be expected to demand that the government "do something."

In a democratic society like ours, such a demand by the public will sooner or later be heard in Washington and "something" will in fact be done. In the unemployment situation I've described here, the government invariably responds by opening up the money valves at the Federal Reserve Board and/or by running a deficit in the federal budget, keeping the floodgates open until the unemployment rate has dropped back to a politically tolerable level. By that time, however, the inflation rate will be rising even faster than before, thanks to all that new money the government has injected into the system.

THE "BOOM-AND-BUST" CYCLE

We have here, in other words, a familiar boom-and-bust cycle. Wages push up prices. Then output starts to fall. To head off an unacceptable level of unemployment, the government injects enough new money to "cover" those higher wages and prices and thus prevent the worker lay-offs that otherwise would have been caused by that loss in consumer purchasing power. Injecting that new money into the system causes still more inflation. Workers then demand a new "catch-up" wage increase. Prices follow. And so the cycle continues, ad nauseum, with little prospect for either full employment or stable prices.

A "DE FACTO" EXEMPTION FOR CORPORATE MONOPOLY, TOO?

What does all this have to do with the Federal Trade Commission? We're the agency that—in theory, at least—is supposed to prevent this sort of thing from happening in America. We're supposed to see that the country's economic system is kept free of monopoly, that the economic rails are kept clear of all artificial obstructions. And we try to do our job. Our problem, however, is that we've been authorized to clean only one of the tracks in the country's two-rail economic system. We can and do investigate monopoly on the corporate side of the roadbed but monopoly on the labor side is off-limits to us.

Now this one-sided treatment of the monopoly problem in America would be bad enough if it all ended right there. But there's a little more to it. Most fair-minded people recognize the inconsistency and injustice of a law that makes a situation illegal if it is created by *one* group of people and perfectly lawful if it happens to be the work of some *other* group of people. Since labor unions are legally free to and do build up and exercise vast amounts of monopoly power in *their* markets, a lot of our citizens are unable to work up much enthusiasm for reducing whatever monopoly power might be found in our various product or corporate markets. Once the law has given its blessing to monopoly and all its wide ramifications in one area of our economic life, the temptation is very strong to give it a similar blessing in all other areas as well.

INDUSTRYWIDE BARGAINING AN ANTITRUST VIOLATION?

There was undoubtedly a time when the worker in America and elsewhere was denied a fair shake in the economic arena. Nobody has forgotten that we once had sweat-shops where even women and children worked 16 hours a day under grossly unsafe working conditions and for a wage that had been determined not by Adam Smith's "invisible hand" but by the very obvious will of a single monopolistic employer. But now the pendulum has swung much too far in the opposite direction. Many labor unions in the United States and in the other industrialized countries of the world clearly exercise a degree of monopoly power over the world's economies that is grossly inconsistent with the welfare of the great bulk of its citizens.

[2] See, e.g., Albert E. Rees, *Wage Inflation* (National Industrial Conference Board, 1957), pp. 27–28.

UMI

My conclusion, then, is that the time has come to start cutting back on the monopoly power wielded by the trade unions in this country, perhaps by subjecting those unions to a modified version of our current antitrust laws. It would make eminently sound economic sense in my view, for example, to make it a violation of the antitrust laws for a single union to represent more than one employees of a *single employer*. And to prevent evasion of that provision, the law might also declare it illegal for two or more such unions to agree or conspire with each other in the setting of wages. In short, I think industrywide bargaining ought to be outlawed on *both* sides of the table, with the individual employer confronting *an opponent that exactly matches it in "size,"* namely, a union representing its *own* employees, not those of an entire industry or a whole industrial sector.

NO PUBLIC SUPPORT FOR "DECONCENTRATING" THE UNIONS

A rule like this should have some very interesting effects in a number of dimensions. First, 1-union-for-1-employer would automatically assure the same degree of competition on both the labor and corporate side of each industry. And of course the corollary to this proposition is that, if the antitrusters wan to "break up" some alleged corporate monopoly, they would have no choice but to break up the *union* it deals with at the same time. It seems very likely, in other words, that a rule of this kind would cause both wages and prices to fall in some important American industries.

No one in this sophisticated audience, however, will be under any illusion about the chances of any such proposal being enacted into law any time soon. To apply even the most moderate form of antitrust restraint to the country's labor monopolies would be something of a scarilege to a lot of people in the country. We *talk* a lot about monopoly but, when it comes down to actually *doing* something about it, not many of us seem too anxious to budge very far from the *status quo*. We know we have some labor monopolies and that they keep pushing wages up faster than productivity. And we know we have some corporate monopolies that use every wage boost as an excuse to raise prices even more sharply and thus widen their profit margins again. But we figure a little monopoly is not too bad a thing, so long as we don't let it get out of hand." We ignore the problem as much as we can. And when a crisis appears in a particular part of the economy—and the public demands that the government "do something"—we say, "Oh, well, a 'little' regulation by the government won't hurt too much, as long as we don't let it get out of hand."

NATIONALIZATION THE "FINAL SOLUTION"?

Government regulation encroaches a little further each year, following the slow but steady march of monopoly. Like the buzzard circling a lame cow in a back pasture, government regulation pounces the moment the last breath of competition leaves the economic carcass. Unlike the buzzard's work, however, economic regulation is not a process that leaves a clean and healthy landscape in its wake. Creating more problems than it solves, it breeds ever more pervasive involvement of the government in economic affairs. New rules and regulations must be passed to solve the problems created by the *old* rules and regulations. The "final solution"? Nationalization. Public ownership of the country's major industries. The railroads. Airlines. Steel. Petroleum. Automobiles. The banks. Insurance. Communications.

It's called Socialism. The stuff it's made out of is called Monopoly. The antidote for both of these poisons is called Competition. The gift it brings is called Freedom. The price we have to pay if we want to keep it is called Responsibility.

U.S. ECONOMY BEYOND THE "POINT OF NO RETURN"?

A number of able economists of unquestioned personal loyalty to this country's free-enterprise system have expressed the view that the American economy is already past the "point of no return" on the road to government ownership of its key industries. They believe we *already* have so much monopoly in our major labor and product markets that it would be easier to simply go on and turn the whole thing over to the government than to undertake the tedious and difficult task of making competition pulse with life once more in all those dead or dying economic carcasses. I don't believe this. I don't believe this countrys' business community, for example, is going to let itself be outsmarted by the socialist professors we have running around our universities. I believe this country's businessmen will show the same kind of responsible leadership in whatever economic crises might lie ahead of us that they've shown over the past 200 years in making this great nation the economic marvel of the world that it is today. I believe they have the capacity and the sense of responsibility to understand and apply what I consider the key to this dilerama—the way to avoid government regulation of business is to see that there's no *need* for it in the first place. I believe, in short, that they will pay—and gladly—whatever price is required to keep our free-enterprise system free and pass it on, stronger than they found it, to their posterity.

MONOPOLY IS UN-AMERICAN

Let me try to sum it all up this way: Competition can do some pretty rough things to your profits and perhaps give you an ulcer besides. But if you ever succeed in *eliminating* it from your industry, *you're beggin' for "regulation"* by the government and, ultimately, perhaps something even worse, government ownership on the British or other European model. Competition may be costly to your purse but economic freedom, as we all know only too well, is a bargain at any price.

My final message is this:

Monopoly is un-American. Show the flag in the fluid-power industry!

Mr. THURMOND. Mr. President, our current economic situation further strengthens the argument for removing the exemption in the antitrust laws for labor unions. Congress has the obligation to restore the balance in our economy between labor and business. Such will insure reasonable and fair wages as well as reasonable and fair prices. Much has been said about the extensive influence of labor unions on Members in the 94th Congress. I have long been of the opinion that excessive power wielded by any group, be it labor, business, or other special interest group, poses a threat to our American system. Mr. President, Congress, through the enactment of my bill, has the opportunity to show the American people that this body can maintain a spirit of independence and will not impose a double standard—one for business and one for the labor unions. We all are in the same ball game—there is no justification for a different set of rules for the participants.

Mr. President, I send to the desk a bill to effectuate the changes outlined above and ask unanimous consent that the bill appear in the RECORD following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 926

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Law Labor Amendments of 1975".

CLAYTON ACT AMENDMENTS

SEC. 2. (a)(1) The second sentence of section 6 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (38 Stat. 730; 15 U.S.C. 17), is amended by striking out "labor, agricultural, or horticultural" and inserting in lieu thereof "agricultural or horticultural".

(2) Such section is further amended by adding at the end thereof the following new sentence: "Nothing contained in the antitrust laws, except the provisions of the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monoplies', approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1 et sec.), shall be construed to forbid the existence and operation of labor organizations, instituted for the purpose of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof.".

(b) Section 20 of such Act (29 U.S.C. 52) is amended by—

(1) striking out the word "That" in the first paragraph thereof, and inserting in lieu thereof the words "Except for the purpose of preventing any violation of the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies' approved July 2, 1890 (26 Stat. 209, as amended: 15 U.S.C. 1 et seq.),"; and

(2) striking out the word "And" where it first appears in the second paragraph thereof, and inserting in lieu thereof the words "Except for the purpose of preventing any violation of such Act,"; and

(3) striking out the words "any law of the United States" in the second paragraph thereof, and inserting in lieu thereof the words "any other provision of law of the United States".

NORRIS-LA GUARDIA ACT AMENDMENT

SEC. 3. The Act entitled "An Act to amend the judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", approved March 23, 1932 (47 Stat. 70; 29 U.S.C. 101 et seq.), is amended by inserting at the end thereof the following new section:

"SEC. 16. Nothing contained in this Act shall deprive any court of the United States of jurisdiction to issue any order or injunction to restrain any violation or threatened violation of the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1 et seq.)."

SHERMAN ACT AMENDMENTS

SEC. 4. (a) Section 1 of the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (26 Stat. 209, as amended; 15 U.S.C. 1), is amended by—

(1) inserting, immediately after the section designation "SEC. 1.", the subsection designation "(a)"; and

(2) adding at the end thereof the following new subsection:

"(b) Every contract or agreement between any labor organization and any employer whereby such employer undertakes to cease or to refrain from using, selling, handling, transporting, or otherwise dealing in any of the products of any producer, processor, or manufacturer which are distributed in trade or commerce among the higher States, or with foreign nations, is hereby declared to be illegal. Every person who enters into, attempts to enter into, or combines or conspires with any other person to enter into, any such contract or agreement shall be punished by a fine not exceeding one million dollars if a corporation, or, if any other person, one hundred thousand dollars, or by imprisonment not exceeding three years, or both."

(b) Section 3 of such Act (15 U.S.C. 3) is amended by—

(1) inserting, immediately after the section designation "SEC. 3.", the subsection designation "(a)"; and

(2) adding at the end thereof the following new subsection:

"(b) Every contract or agreement between any labor organization and any employer whereby such employer undertakes to cease or to refrain from using, selling, handling, transporting, or otherwise dealing in or with any of the products of any producer, processor, or manufacturer which are distributed in trade or commerce in any territory of the United States or the District of Columbia, or between any such territory and another, or between any such territory or territories and the District of Columbia or any State or foreign nation, or between the District of Columbia and any State or foreign nation, shall be unlawful. Every person who enters into, attempts to enter into, or combines or conspires with any other person to enter into, any such contract or agreement shall be punished by a fine not exceeding one million dollars if a corporation, or, if any other person, one hundred thousand dollars, or by imprisonment not exceeding three years, or both."

(c) Section 8 of such Act (15 U.S.C. 7) is amended to read as follows:

"SEC. 8. As used in this Act—

"(a) the term 'person' or 'persons' includes corporations and associations existing under or authorized by the laws of the United States, the laws of any of the territories, the laws of any State, or the laws of any foreign country; and

"(b) the term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing wtih employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work."

EFFECTIVE DATE

SEC. 5. The amendments made by this Act shall take effect on the first day of the fourth month beginning after the date of enactment of this Act.

By Mr. BELLMON:

S. 927. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to provide for installment payments of the estate tax in the case of certain small estates. Referred to the Committee on Finance.

Mr. BELLMON. Mr. President, today I am introducing legislation which will increase the Federal estate tax exemption and provide estate taxpayers with the option of paying their estate taxes in installments.

This proposal will accomplish three objectives:

First, an increase in the estate tax exemption to $150,000 will reflect the inflation which has been experienced since 1942, when the current $60,000 exemption was established.

Second. This bill would reduce the Federal estate tax burden on small estates and will provide relief to those smaller estates in regard to which liquidity problems are becoming increasingly serious; and

Third. Finally, increasing the estate tax exemption will eliminate the need for the filing of estate tax returns by small estates and thereby reduce to certain estates the high cost of probate and administration.

Mr. President, there is an urgent need for the legislation I propose today. Property values have increased rapidly during recent years. Frequently, property must be sold or liquidated in order to obtain funds with which to pay estate taxes. Such a result is clearly unfair, and when the estate consists primarily of nonliquid assets in the form of a small business interest, a closely-held corporation, or a farm operation, this result is devastating.

Indeed, this "cost of dying" not only deprives the surviving spouse and heirs of the benefits of a decedent's lifelong hard work, but also denies to the decedent the right to leave this life in peace with the knowledge and understanding that he has provided for the financial security of his survivors.

Mr. President, this bill will help to relieve this hardship in two ways:

First, it will increase the general estate tax deduction from $60,000 to $150,000. Incredibly, the present exemption amount has not been changed since 1942. According to the Consumer Price Index, prices have risen approximately 203 percent since 1942 with an accompanying rise in the value of assets. Clearly, then, this type of relief is justified.

Second. This bill will permit an executor of an estate where the taxable estate does not exceed $300,000 to pay all or part of the estate tax in equal installments over a period of not more than 10 years. Present law requires that before an extension of time can be obtained, a showing of undue hardship to the estate must be established. This is far too harsh a standard. Small estates should be permitted to use an installment plan, at a reasonable interest rate to the Government, in order to avoid the financially unwise liquidation of assets without the necessity of establishing "undue hardship."

Mr. President, this dual approach will bring a 33-year-old exemption formula in line with existing conditions and relieve some of the hardship imposed on smaller estates when precious non-liquid assets must be sold at a loss or unnecessarily in order to pay Federal estate taxes.

President Theodore Roosevelt in 1906 described the concept of a Federal estate tax in the following way:

A progressive tax on all fortunes beyond a certain amount either given in life or devised or bequeathed upon death to any individual—a tax so framed as to put it out of the power of the owner of one of the enormous fortunes to hand on more than a certain amount to any one individual.

The fundamental principle of an estate tax is to curb the growth of accumulated wealth among a few families. However, of equal concern is the desire to protect those smaller estates wherein an individual through hard work has accumulated the labors of a lifetime. My bill will accomplish that objective.

It is my hope that the Senate will act promptly in consideration of this proposal. Mr. President, I ask unanimous consent that the full text of my bill be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by striking out "$60,000" and inserting in lieu thereof "$150,000."

(b) Section 6018(a)(1) of such Code (relating to estate tax returns) is amended by striking out "$60,000" and inserting in lieu thereof "$150,000."

SEC. 2. The amendments made by the first section of this Act shall apply to the estates of decedents dying after the date of enactment of this Act.

SEC. 3. (a) subchapter B of chapter 62 of the Internal Revenue Code of 1954 (relating to extensions of time for payment) is amended by adding at the end thereof the following new section:

"SEC. 6168. EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX ON SMALL ESTATES.

"(a) In General.—The executor of an estate may elect to pay part or all of the tax imposed by section 2001 in 2 or more equal installments over a period of not more than 10 years. The election shall be made at such manner and at such time as the Secretary or his delegate shall prescribe. The installment payments may be made annually, semiannually, quarterly, or monthly as may be required by the Secretary or his delegate.

"(b) Limitation.—This section does not apply in any case in which the taxable estate (as defined in section 2051) exceeds $300,000.".

(b)(1) Section 2011 (c) of such Code (relating to period of limitations on credit) is amended by inserting "or section 6168" after "section 6161".

(2) Section 2014(e)(2) of such Code (relating to period of limitation) is amended by inserting "or section 6168" after "section 6161".

(3) Section 6503 (d) of such Code (relating to extensions of time for payment of estate tax) is amended by striking out "or under the provisions of section 6166" and by inserting in lieu thereof the following: ", section 6166, or section 6168".

(4) The table of sections for subchapter B of chapter 62 of such Code is amended by adding at the end thereof the following item:

"SEC. 6168. Extension of Time for Payment of Estate Tax on Small Estates."

SEC. 4. The amendments made by this Act apply with respect to the estates of decedents dying after June 30, 1975.

By Mr. STAFFORD:

S. 928. A bill to amend the Occupational Safety and Health Act of 1970, to provide the initial onsite inspections not subject to penalties in certain cases, and to provide a more adequate means of voluntary compliance with the provisions of this act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

OCCUPATIONAL SAFETY AND HEALTH AMENDMENTS OF 1975

Mr. STAFFORD. Mr. President, I am introducing an amendment to the Occupational Safety and Health Act of 1970 which will provide initial onsite inspections not subject to penalties in certain cases and provide for a more adequate means of voluntary compliance with the provisions of the act.

The bill would require the Secretary of Labor to file public reports on violations classified by industry and occupation and furnish these documents to trade and labor organizations to facilitate voluntary compliance.

The Occupational Safety and Health Amendments of 1975 that I am introducing are designed not to have a detrimental effect on the objectives of the 1970 act for it is the right of every American to work in a danger free environment, and it is the responsibility of the employer to provide a safe working environment.

As many of my colleagues are aware, the administration of OSHA has been the source of frequent complaints from both labor and management in the field. It is my belief that these complaints are a result of unrealistic administration of the act by the Department of Labor.

It is my belief that the act was not meant to be punitive to those employers who wish to comply with the provisions.

The hearings held by the Labor and Public Welfare Committee during the last Congress showed our concern for a better enforcement of the law and one that was just for both employee and the employer. I believe a number of improvements have been made in the administration's program. However, a couple of points of the 1970 law do not adequately address the problems faced by the workers and employers. Therefore, I am introducing a bill which will substantially improve the administration and enforcement of the act by allowing for fuller private industry.

First, my bill would require that the Secretary of Labor compile and publish at least semiannually a report of cases of violations under the act which most often occurred during the 6 preceding months and that this report be issued to all those who have interest in receiving it so that it would facilitate compliance.

Second, the bill would amend section 9 of the law to allow an employer to request an initial onsite inspection in order to facilitate his compliance with the provisions of the law. This initial inspection to facilitate compliance to be done by an inspector who would compile all existing potential violations and provide the employer with a listing. The employer would not be given citations for such violations in this initial requested inspection but would be given a reasonable time, not exceeding 20 working days, to abate the violations as required by the law.

After the conclusion of such "reasonable time," the inspector would resurvey the site to ascertain whether the violations had been corrected. If the violations were corrected or satisfactory interim steps were taken by the employer to provide a safe working environment, then no citations would be issued. However, if the employer failed to correct any such violations, then the inspector would issue citations for still existing violations and the normal course for imposing penalties would take place.

This new provision could not be utilized by any employer who had been fined for a serious violation of the provisions of the act and could not be used more than once by an employer.

This provision provides the necessary consultation that an employer needs to find violations which he might not be aware of while placing the burden on the employer to correct the violations as soon as possible. The employer is only relieved of the penalties of the law when he has corrected the violations of the law.

The responsibility of the employer to comply with this act or that of the Federal Government to enforce the act should not be waived in whole in an attempt to facilitate compliance. By the method that I propose in my bill, of an initial requested inspection by an employer with a period of grace for correction of violations, we can obtain speedier compliance in a safer working environment without abrogating our responsibility.

Mr. President, I ask unanimous consent that the text of my bill be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 928

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Occupational Safety and Health Amendments of 1975".

SEC. 2. Section 8(g) of the Occupational Safety and Health Act of 1970 is amended by adding at the end thereof the following new paragraph:

"(3) The Secretary, after consultation with the Secretary of Health, Education, and Welfare, shall compile and publish in an appropriate form, not less often than twice a year, a report of the classes of violations of this Act most often occurring in the most recent six-month period immediately preceding the issuance of such report, classified by industry and occupation. Upon request, the Secretary shall furnish without charge, a copy of the report required by this paragraph to any trade association or labor organization.".

SEC. 3. (a) Section 9(a) of the Occupational Safety and Health Act of 1970 is amended by inserting "(1)" immediately after the subsection designation and by striking out "If" and inserting in lieu thereof the following: "Except as provided in subsection (b) of this Act, if".

(b) Subsections (b) and (c) of section 9 of such Act are redesignated as paragraphs (2) and (3), respectively.

(c) Section 9 of such Act is further amended by adding at the end thereof the following new subsection:

"(b) (1) Whenever an employer—

"(A) requests an initial onsite inspection in order to facilitate compliance with the provisions of this Act, and

"(B) has not been cited for a serious violation of the provisions of this Act since its enactment,

the Secretary is authorized to conduct initial onsite inspections and investigations in accordance with the provisions of section 8, of such employer.

"(2) If, after any inspection or investigation conducted under this subsection, the Secretary or his authorized representative finds that an employer has violated a requirement of section 5 of this Act, of any standard, rule or order promulgated pursuant to section 6 of this Act, he shall immediately notify that employer. The Secretary is authorized to establish procedures for the notification and the contents of the notification prescribed by this paragraph. Each such notification shall fix a reasonable time for abatement of the violation except that such reasonable time shall in no event be more than twenty working days from the receipt of such notification

"(3) At the end of the period of abatement prescribed in the notification under paragraph (2), the Secretary or his authorized representative, shall undertake an inspection or investigation, in accordance with the provisions of section 8 of this Act. If, upon such inspection or investigation, the Secretary or his authorized representative finds that an employer is in violation of a requirement of section 5 of this Act, of any standard rule, or order promulgated pursuant to section 6 of this Act, or of any regulations prescribed pursuant to this Act, he shall immediately issue a citation to that employer under subsection (a) of this section. In considering any penalty to be assessed under section 17 in connection with such a citation, the Secretary shall consider the extent to which temporary measures were taken to abate the violation, and if the Secretary determines that the failure to abate the violation was serious and unjustified, he is authorized to propose a penalty to be assessed from the date of the initial onsite inspection.

"(4) The provisions of the subsection shall apply to each employer only once.".

By Mr. GOLDWATER (for himself and Mr. FANNIN):

S.J. Res. 44. A joint resolution authorizing the President to proclaim September 28, 1975, as "National Indian Day." Referred to the Committee on the Judiciary.

NATIONAL INDIAN DAY

Mr. GOLDWATER. Mr. President, it is my privilege today to reintroduce for myself and my colleague from Arizona, Mr. FANNIN, a proposal to establish a National Indian Day in the United States. This is an idea which I have been working on since at least as far back as 1961, when I was among the sponsors of Senate Joint Resolution 24. That resolution passed the Senate, but got no further.

It is long overdue that we at the national level create a special day to honor Indian citizens who have contributed so much to this land but have had so little attention paid to them. Over 20 percent of the Indians of the United States live in my State of Arizona, some 15 tribes, and I believe there are some 400 different tribes who live within the Continental United States.

The date selected for honoring our first Americans was recommended to me by Indian citizens in my State and it has been set aside as Indian Day in the past either by the State or tribally. I remain open to additional suggestions on the specific date and believe the important thing is that we take action on some day to pay tribute to all American Indians.

Mr. President, I ask unanimous consent that a copy of the joint resolution I am introducing today be inserted in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 44

Whereas American Indians have made important contributions to the cultural and social history of the Nation; and

Whereas American Indians are now assuming a greater role in the economic life of the Nation; and

Whereas it is appropriate to extend recognition to American Indians for their achievements as citizens of the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating September 28, 1975, as "National Indian Day", and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 445

At the request of Mr. HUGH SCOTT, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of the bill (S. 445) to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 451

At the request of Mr. BAYH, the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. TAFT), and the Senator from New Jersey (Mr. WILLIAMS), were added as cosponsors of the bill (S. 451) to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine exfoliative cytology tests for the diagnosis of uterine cancer.

S. 454

At the request of Mr. CHILES, the Senator from Tennessee (Mr. BAKER) was added as a cosponsor of S. 454, a bill to amend the Occupational Safety and Health Act of 1970.

S. 548

At the request of Mr. PROXMIRE, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of the bill (S. 548) to provide that safe vitamins and minerals will be regulated as foods and not as dangerous drugs.

S. 732

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 732, a bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit.

S. 744

At the request of Mr. MANSFIELD, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 744, a bill to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of MHD—magnetohydrodynamics—to assist in meeting our national energy needs, and for other purposes.

S. 766 AND S. 767

At the request of Mr. JAVITS, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Indiana (Mr. HARTKE), the Senator from Montana (Mr. METCALF), the Senator from Texas (Mr. BENTSEN), the Senator from Iowa (Mr. CULVER), the Senator from Nevada (Mr. CANNON), and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 766, a bill to amend the Emergency Unemployment Compensation Act of 1974; and S. 767, a bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of Senate Concurrent Resolution 10, to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

AMENDMENTS SUBMITTED FOR PRINTING

RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE—SENATE RESOLUTION 4

AMENDMENT NO. 23

(Ordered to be printed and to lie on the table.)

Mr. ROBERT C. BYRD submitted an amendment intended to be proposed by him to the resolution (S. Res. 4) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

FOREIGN INVESTMENT ACT OF 1975—S. 425

AMENDMENT NO. 24

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. WILLIAMS. Mr. President, I am submitting today an amendment I intend to propose on behalf of Senator BROOKE and myself, to S. 425 the Foreign Investment Act of 1975. This amendment would prohibit the acquisition of more than 5 percent of the equity securities of any U.S. company by any foreign investor who has forced or attempted to force other firms to boycott an American business because of its dealings with or in a foreign country with which the United States has diplomatic relations. The amendment is thus intended to assure that foreign investors with a known pattern of using economic power to advance political objectives do not obtain control of American business interests.

The Foreign Investment Act, which I introduced on January 27, 1975, would rationalize and coordinate this country's approach to foreign investors. Recognizing that foreign investment in our economy could have telling significance in the pursuit of American interests, both nationally and internationally, many of my colleagues have since joined me in cosponsoring this bill. But in recent weeks, concern over the question of foreign investment in this country has taken on a different, and in my judgment, a very ominous dimension.

On February 13, 1975, it was reported that Kuwait International Investment Co. had demanded the exclusion of Lazard Freres & Co. from syndicates formed to offer $50 million of Mexican Government bonds and $25 million of bonds issued by Volvo, the Swedish automobile company. Kuwait, as a member of the syndicate, made this demand because the Lazard firm is on the blacklist maintained by the Arab Boycott Office, that is, it is a firm with which members of the Arab League are prohibited from doing business.

Fortunately, the attempt to force Lazard Freres out of the syndicate was unsuccessful, due largely to the refusal of the syndicate manager, Merrill Lynch, to yield to Arab pressure. However, Lazard's Paris affiliate has been forced out of several recent European underwritings, as have S. G. Warburg & Co. and N. M. Rothschild & Sons—firms that are also on the boycott list.

Lazard Freres & Co. is apparently blacklisted because partners of the firm are Jewish and considered to be economic supporters or friends of Israel—New York Times, February 13, 1975 at 1, "Kuwait Quits Two Deals Here With Boycotted Financiers"—as the "General Principles for Boycott of Israel" promulgated by the League of Arab Countries state:

> Institutions and commercial companies are to be considered as pro-Zionist . . . and therefore dealing with them is to be banned . . . [if] they are wholly owned by . . . natural persons whose Zionist sympathies have been proven or if such . . . persons own 50 percent of their capital.
>
> [P]ersons are to be considered as Zionist sympathizers . . . [I]f it is established that they are members of associations that have a well known tendency to act in the interest of world Zionism in general or of the Israeli gangster state [sic] in particular . . . [or] that they have engaged in tangible or intangible activities for the benefit of Zionism or Israel, such as repeatedly making donations to Zionist and Israeli entities.

The Arab boycott is quite clearly—and very distressingly—being pursued against U.S. businesses merely because they have ties to Jews or others considered friendly to Israel or "Zionism." The boycott thus represents an economic expression of religious discrimination, and as such, is abhorrent to fundamental principles on which this country is founded. Its extension in a manner designed to coerce discrimination against certain American firms in the general conduct of their business is not only ethically reprehensible but may well be a violation of existing laws.

Faced with the systemmatic boycotting of American companies considered by the League of Arab Countries to be pro-Israel, Jewish, or "Zionist," this Nation cannot ignore the dangerous implications of concerted economic actions to secure political gains within our national borders. Nor can we turn our heads at the attempt by the Arab governments to use

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economic leverage to coerce U.S. businesses to participate in boycotts and discrimination directed against other Americans.

In the context of foreign investment in the United States, it is essential that we prevent control of our major businesses from being obtained by foreign investors engaged in a boycott of the sort involved in the Lazard case. Similarly, where a foreign investor uses his control of a U.S. company to pursue such a boycott, an effective and usable means must be available by which he may be divested of his interest in the U.S. company. The amendment which we intend to propose to S. 425 would accomplish both of these objectives.

Foreign investment has been and will continue to be beneficial to the United States. S. 425 and the amendment introduced today assume that we should continue to favor maximum access to our capital markets. However, we must insure that foreign investment comports with American ways of doing business and is not intended to be exploited for the political advantage of a foreign government.

Mr. President, I ask unanimous consent that the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 24

On page 7, line 20, after the period insert the following: "The President shall prohibit any such acquisition, if he determines that any foreign investor on whose behalf such acquisition is to be made or any person controlling any such foreign investor has, directly or indirectly, within one year of the date of filing such statement, caused or attempted or conspired to cause—

"(A) any person (other than a person resident or organized in the country of which such foreign investor is the government or a subdivision, agency, or instrumentality of the government or in which such foreign investor or a person controlling such foreign investor is resident or organized) not to do business with, to subject to economic loss or injury, or otherwise to discriminate against any United States company, because such United States company or an officer, director, employee, stockholder, or creditor thereof is or has been, or in order to deter such United States company or any officer, director, employee, stockholder, or creditor thereof from, directly or indirectly, supporting or dealing with (i) any foreign government with which the United States has diplomatic relations, or (ii) any person resident or operating in, or dealing with, any country with whose government the United States has diplomatic relations; or

"(B) any United States company with respect its business in any country (other than a country with which such foreign investor, if such foreign investor is a foreign government, or person controlling such foreign investor, if such person is a foreign government, does not have diplomatic relations) not to do business with, to subject to economic loss or injury, or otherwise to discriminate against any person (other than a person which is, or is controlled by, a foreign government with which such foreign investor, if such foreign investor is a foreign government, or person controlling such foreign investor, if such person is a foreign government, does not have diplomatic relations), because such person or an officer, director, employee, stockholder, or creditor thereof is or has been, or in order to deter such person or any officer, director, employee, stockholder, or creditor thereof from, directly or indirectly, supporting or dealing with (i) any foreign government with which the United States has diplomatic relations or (ii) any person resident or operating in, dealing with, any country with whose government the United States has diplomatic relations.".

On page 7, line 23, strike the phrase "the preceding sentence" and insert in lieu thereof the phrase "this paragraph".

On page 10, between lines 19 and 20, insert the following:

"(3) If any foreign investor, directly or indirectly, having the beneficial ownership of more than 5 percent of any class of equity securities of a United States company causes such United States company to engage in any act by reason of which it would be prohibited pursuant to section 13(f) of this title from acquiring, directly or indirectly, the beneficial ownership of more than 5 percent of any class of equity securities of any other United States company, the Commission, the Attorney General the the holder of record of any equity security of such United States company, or any person aggrieved by such act, may bring an action in a district court of the United States (or a court of general jurisdiction, however designated, in any place, other than a State, under the jurisdiction of the United States) to divest the foreign investor of beneficial ownership of equity securities of such United States company. On a showing that the foreign investor has engaged in any such act, the court, by order, shall revoke or suspend, for any period specified in the order, the voting rights evidenced by equity securities of such United States company beneficially owned by such foreign investor and order the sale of all such securities.".

On page 10, line 20, strike "(2)" and insert in lieu thereof "(3)".

On page 10, line 21, insert after "(1)" the phrase "or (2)".

On page 11, following line 1, insert the following:

"or the sale of which was ordered pursuant to paragraph (2) of this subsection".

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 17

At the request of Mr. ABOUREZK, the Senator from California (Mr. TUNNEY) was added as a cosponsor of amendment No. 17, intended to be proposed to the bill (S. 490) to amend section 111 of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans Administration facilities.

NOTICE OF HEARING ON "TRAINING NEEDS IN GERONTOLOGY"

Mr. CHURCH. Mr. President, at my request, Senator CHILES will continue the series of hearings on "Training Needs in Gerontology" before the Senate Committee on Aging. The Hearing will be held on March at 10 a.m. in room 4232 of the Dirksen Senate Office Building.

The hearing will focus upon the administration's latest proposals in regard to funding for title IV, part A, of the Older Americans Act. Specifically it will consider the administration's plans to rescind the $8 million appropriated by the Congress for training under title IV for fiscal year 1975 and their failure to request funding for title IV in their budget request for fiscal year 1976. Testimony will be heard from witnesses representing the administration, and institutions and organizations which conduct both short-term and long-term training in the field of aging.

NOTICE OF HEARING

Mr. HUMPHREY. Mr. President, the Subcommittee on Foreign Assistance and Economic Policy of the Committee on Foreign Relations will hear public witnesses on S. 663, the Cambodian supplemental authorization, on Thursday, March 6, 1975, at 2 p.m. in room 4221, Dirksen Senate Office Building.

Any person wishing to testify should contact Mr. Arthur M. Kuhl, chief clerk of the Committee on Foreign Relations.

NOTICE OF HEARINGS ON THE 25TH AMENDMENT

Mr. BAYH. Mr. President, the Subcommittee on Constitutional Amendments is scheduling additional hearings on the 25th amendment for Tuesday, March 11, 1975. The hearings will be in room 2228, Dirksen Building, the Judiciary Committee hearing room, beginning at 10 a.m.

These hearings will continue a comprehensive review of the implementation of the 25th amendment during the Vice-Presidential confirmations of Gerald R. Ford and NELSON A. ROCKEFELLER. In addition, the subcommittee will hear testimony on suggested modifications of the amendment including a proposal introduced by the Senator from Rhode Island (Mr. PASTORE), Senate Joint Resolution 26. The witnesses scheduled are: Prof. Paul Freund, Messrs. John Feerick and George Reedy.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARINGS ON SENATE JOINT RESOLUTION 6, SENATE JOINT RESOLUTION 10, AND SENATE JOINT RESOLUTION 11

Mr. BAYH. Mr. President, the Subcommittee on Constitutional Amendments will continue hearings begun in the 93d Congress on Senate Joint Resolution 6, proposing an amendment to the Constitution of the United States guaranteeing the right to life to the unborn, Senate Joint Resolutions 10 and 11, proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons. The hearings will take place on Monday, March 10, 1975, in 2228, Dirksen Senate Office Building, the Judiciary Committee hearing room, beginning at 10 a.m.

The witnesses scheduled are: Senators PACKWOOD, BUCKLEY, and HELMS; Prof. Robert Byrn, and Mrs. Harriet Pilpel.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

LET'S STOP DECEIVING OURSELVES ABOUT ABORTION

Mr. HELMS. Mr. President, it has been said that when abortion becomes a social custom, this is an external manifestation of decadence. I do not believe now, nor have I ever believed, that the American people are decadent, despite the rise of abortions in the United States. We must not forget for a moment that the new cult of abortion has been superimposed upon our system by seven members of the Supreme Court. On January 22, 1973, when the Court handed down the fateful decision of Roe against Wade, the people of all 50 States had in force statutes regulating abortion.

Nor is there any doubt in my mind that Americans are becoming increasingly alarmed by the staggering number of abortions that are being performed in our hospitals and medical clinics. This growing concern is attributable in part, I believe, to an increased awareness among the general public, that we were inadequately educated as to the true essence of an abortion, medically and morally.

Not so long ago, it was common to hear the argument that an abortion, at least during the early stages of pregnancy, was little more than ridding oneself of a "blob of protoplasm," and no more reprehensible than the removal of an unwanted wart. Like the bombardier, who cannot see the destruction he has wrought, the abortion apologist could sleep soundly at night, unaware of reality.

Through education, we have rapidly advanced beyond these primitive notions to the point where it is now generally acknowledged that an abortion is, after all, destruction of a human life. Just how truly human that life is from the standpoint of physical appearance alone is demonstrated in the March 3, 1975, issue of Newsweek. For the first time, a national magazine has featured the photograph of a tiny fetus on the front cover. It is a 16-week-old unborn child, whose features are distinctly human. If Newsweek had printed the picture of an unborn child about 9 weeks after conception, every reader would again have easily recognized the photograph of a child. No doubt the most effective argument for the humanity of the unborn child is the simple photograph.

But there are merely the visual and the scientific aspects of the issue. What especially heartens me today is the realization that more and more Americans are seeing this issue as a great moral principle. It is the singularly most important principle of our civilization, and without it we are indistinguishable as a people from the barbarians of yesterday or the totalitarians of today.

I am referring, of course, to the principle of the sanctity of innocent human life. This is the very principle upon which this Nation was founded. It is the principle we embraced in our Declaration of Independence, when we told the world that we stood for "life, liberty, and the pursuit of happiness."

It is the principle we embraced in our Constitution, when we told the world that we would not tolerate the deprivation of "life, liberty, or property without due process of law." It is the principle that we have pursued in this century against the totalitarian regimes that have treated human life with malicious contempt on a scale surpassing the sordid dreams of Robespierre.

Despite our differences—and they are sometimes great—we are nevertheless a united people on the truly fundamental issues. We are a heterogeneous people, of many nationalities, many races, many religions, and many political philosophies. But we are all American and we love life and we have always been willing to fight for the sanctity of life. It is part of the American consensus.

The truth of this is illustrated in the latest issue of the Village Voice of New York City, which features an article by Margot Hentoff entitled, "Let's Stop Deceiving Ourselves About Abortion." I often disagree with the viewpoints that are expressed in the Village Voice, and I am sure that the Village Voice does not always approve of my stance on public issues either. But the article by Margot Hentoff does show that abortion is not a liberal versus conservative issue. It addresses the issue of abortion from a humanist point of view that reflects the moral concerns of civilized man everywhere. I urge my colleagues to read this article with the greatest of attention, for it vitally affects us all—those who are dead, those who are living, and those yet to be born.

Mr. President, I ask unanimous consent that the article by Margot Hentoff, which appeared in the March 3, 1975, issue of the Village Voice, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PURPOSE OF THE OPERATION WAS DEATH—LET'S STOP DECEIVING OURSELVES ABOUT ABORTION

(By Margot Hentoff)

Before a period of time before abortion became legal, I used to enliven dull dinner parties by throwing into the conversation the statement that abortion was certainly murder. Since I rarely had dinner with any but a variety of civil libertarians, other liberals, and leftists, this was always good for some outraged denunciation—directed at me. If I were especially bored, I would add that I found some killing acceptable, that indeed I would want a defective newborn child disposed of, that perhaps capital punishment *was* a deterrent, and that if someone attempted to assault me—even only with fists—I would shoot him between the eyes without a tremor of guilt. Still, I would insist, we should call things what they are. And surely one did not have to be Catholic to understand that what abortion entailed was the slaughter of innocents.

But that kind of philosophical fooling around took place before the state, in effect, took its hands off the issue of abortion, leaving it to doctors and women. We now have a real situation in which abortions are being performed beyond the point of scraping out embryonic tissue. Now, the age of the products of midtrimester abortions are, at times, the same as that of prematurely-born infants who have a chance, however small, to live. In some cases, what determines whether the *thing* will be treated as an aborted fetus or a premature infant is whether it is wanted or not—a rather odd way to make a determination of humanity.

The whole issue of the ethics of dealing with human fetal life recently has been stirred up again. There is the Kenneth Edelin Boston manslaughter conviction. There are other cases in which doctors are coming under attack for having done research on aborted fetuses (in some instances, this research having required that the fetuses be kept alive for a period of time).

As the debate heats up, the liberal community is becoming more outraged than I have seen it since the Christmas bombing of Hanoi. But it remains unwilling to look at the real question abortion raises now and forever: is killing for utilitarian principles morally acceptable to humanists and where should it end?

Dr. Edelin and the pro-abortion people have made much of the idea that he was really convicted of performing a legal abortion, and that he is a martyr in the abortion cause. But, in point of fact, Edelin was being tried for smothering a living fetus in utero during a late midtrimester hysterotomy (a kind of mini-cesarean operation, the point of which is clearly not to bring forth another Julius Caesar). Edelin got stuck with the hysterotomy procedure because two previous salting-out attempts on the mother had failed to dislodge or kill the fetus. Since (as the juror who held out longest for his acquittal said) the purpose of the operation was death, what was Edelin to do? Apparently, his major error was that he didn't fudge what he was doing—which was to make sure that a viable fetus did not emerge.

I spoke to an obstetrician who mentioned that one possible procedure in such cases is to go into the uterus, remove the placenta first, and tie off its connection with the fetus—thereby depriving the fetus of oxygen. "Then" the doctor said, "if you go back into the uterus and fish around a while for the fetus, you will bring out a naturally dead fetus, not a live one."

Edelin apparently addressed himself to the end of the fetus first—an act which looked, to some of the witnesses and to the jury, remarkably like murder, albeit in a good cause.

Here we have one of the problems created by the liberal community's obfuscation of language in refusing to speak plainly about what abortion is. They have held on to the illogical concept that the fetus is not a human being, that no killing is involved, and that an abortion is merely an operative procedure on a woman who has the right to decide what she wants to do with her body and the products thereof.

To liberals, state-condoned killing is what only the right-wing espouses. Capital punishment, for example. And, for liberals, when the Right-to-Life people claim to care about unborn children, it is comforting to insist that they are merely making mischief which will result in the further deaths of mothers, as well as more battered children who might die later on as a result of being unwanted.

On television, on Sunday, I watched a young black woman being interviewed about what would happen if she did not have an abortion. As if she had been programmed, she responded to the question, "Why do you want this abortion?"

Like another breed of Stepford wife, she answered, "I would rather have the abortion than have the baby and hurt it later on."

Have we finally convinced the poor that they are out of control?

In a Herblock cartoon last week (sardonically titled "Creation of Life") the gleeful

Boston D.A. becomes Dr. Frankenstein watching his monster (labeled Massachusetts Abortion Case Conviction) rise to commit his evil deeds. But it is not entirely because of evil district attorneys that fetuses lie in unquiet graves.

In the same week, Harriet Van Horne wrote:

"Right to Life people were the hawks shrieking for blood in the dark days of Vietnam . . . They are tainted with death, these zealots who would put a 37-year-old doctor behind bars for performing surgery sanctioned by the Supreme Court. A kind of surgery, moreover, that many Americans accept as socially constructive in a nation that cannot feed its populace and is running out of vital nonrenewable resources."

Our side, you see, only performs surgery; theirs always deals in death.

Van Horne goes on:

"The cost of maintaining the children of the poor comes to well over $1 billion a year . . . We have long since exceeded our optimum minimum population. Poor families breed more promiscuously than affluent families."

There is another liberal argument, much used. Dr. Edelin speaks often of the deaths from illegal abortions he has seen and explains that his choice is between the life of the fetus and the life of the mother. But, in most cases, what he is really doing is taking the life of the fetus in order to preserve the freedom of the mother to be unburdened by a child. Not the same thing. The name of this game is the Ethics of Convenience, and the rules of the game preclude admitting exactly what's going on.

I asked an obstetrician what they do with fetuses who are still alive after an abortion. "Well, they can't really breathe," he said. "Their air sacs are not sufficiently developed. There is some squirming around and gasping and respiratory movements, but in three or five minutes it stops."

"That must be sort of demoralizing to watch," I said.

"Yes," he said, "it is."

A pediatrician said, "they talk about 24-week viability—but you can get premature infants who live at 20, 22 weeks. Rarely, but you can get it."

One of the many things which makes late abortions demoralizing is that we have. In modern Western society rejected infanticide as a solution to social problems. Unfortunately, as the age of the aborted fetus increases, it gets to look like a baby. Our instincts tell us that these *are* babies, and that what we are allowing has more to do with infanticide than with contraception.

"Look," another doctor said, "doctors can't decide when life begins. I don't know who can—but we can't make the decision. Give us the rules and we'll do what we're supposed to do."

He is, of course, right. Dr. Edelin is no more guilty than the state of Massachusetts which refused to enact any abortion law after the Supreme Court decision. He is no more guilty than the Supreme Court which begged the question, than the community which refuses to acknowledge that the death of a human being is a fundamental ethical issue.

Perhaps doctors are *least* equipped to make such judgments. Their training has educated them to go against their own early instincts—to cut into flesh, to inflict pain, to mutilate in order to cure. In a war, they are trained to be less susceptible to things than the rest of us. To doctors, if the law says an unborn child is only fetal tissue, it is fetal tissue. Tell them to maintain life in its most tortured form, and they maintain life. In Nazi Germany, among psychiatrists in Russia, it has not been difficult to convince doctors that what is legal is ethical. And why should they be expected to be moral philosophers? A jury, on the other hand, ignorant of fine points and medically uninformed, responds to Dr. Edelin's statement that "they had a fetus in the mortuary" by saying: No—what they had was a human being in the pathology lab.

And there is more coming down the pike. The Right-to-Life people may be troublesome, but someone ought to pay attention to what is happening. What we have now is chaos in terms of fetal research, salvageability of aborted fetuses, legal actions, and the issues of guardianship and consent. To say nothing of the absence of an ethical philosophy.

Until now, liberals have been able to sustain their antideath self-image by insisting that, in routine cases, abortions only remove fetuses with no chance for independent life from mothers who have the right not to be used as incubators.

That branch of medicine, however, which deals with treating fetal life has progressed so far that, as a doctor told me recently, "In the not so distant future we will be able to maintain life outside the woman's uterus perhaps as early as 12 weeks after gestation. But what kind of baby would it be?" he asked. "What kind of damage to the central nervous system would have been done?"

What will we do when that time comes, I wonder. Who will be responsible for what is born? Will we keep it or throw it back into the sea? Or will we kill it, quickly, before it gets away?

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee. In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent that the explanatory letter from the Department of Defense in regard to the proposed sale be printed in the RECORD. The detailed information on the proposed sale, which was received February 26, 1975, is classified and on file in the main committee office.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE DIRECTOR DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA, WASHINGTON, D.C., *February 26, 1975.*

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittals No. 75-10A, 75-10B, 75-10C and 75-10D which contain information concerning alternate proposed Letters of Offer in excess of $25 million.

I wish to point out that only one of these proposed Letters of Offer will be selected for possible acceptance by the purchaser.

The above-listed transmittals are classified Confidential.

Sincerely,

H. M. FISH,
Lieutenant General, USAF.

INAUGURATION OF THE JOHN GOODWIN TOWER CHAIR OF POLITICAL SCIENCE

Mr. HUGH SCOTT. Mr. President, it was a great pleasure for me to be in Georgetown, Tex., last Friday to honor my friend and distinguished colleague, JOHN TOWER, at the inauguration of the John Goodwin Tower Chair of Political Science at Southwestern University. I ask unanimous consent that the service of inauguration and my remarks on that occasion be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE INAUGURATION OF THE JOHN GOODWIN TOWER CHAIR OF POLITICAL SCIENCE AT SOUTHWESTERN UNIVERSITY, GEORGETOWN, TEX., ON FRIDAY, FEBRUARY 23, 1975

SERVICE OF INAUGURATION

Prelude: "Prelude and Fugue in E Minor," by Buxtehude.

Processional: "Marcia Festiva," by M. E. Bossi.

Invocation: Dr. Farley Snell, University Chaplain.

Welcome and Statement of Purpose: Dr. Durwood Fleming, President.

Introduction of Senator John Goodwin Tower: The Hon. Edward A. Clark, Member, Board of Trustees.

Presentation of the John Goodwin Tower Chair of Political Science by Dr. Charles N. Prothro, Chairman, Board of Trustees

Mr. President, Senator Tower, Honored Guests, it is my privilege to present for its inauguration and implementation The John Goodwin Tower Chair of Political Science.

Acceptance by President Fleming:

On behalf of the Board of Trustees, the Administration, the Faculty, and the Students of Southwestern University, we accept the gift of The John Goodwin Tower Chair of Political Science with genuine appreciation. The successful completion of the efforts to fund this Chair is a source of particular pride and satisfaction, and we earnestly pledge that we will administer this program wisely and prudently for the maximum benefit of our students.

(The people will stand.)

Litany of Inauguration: President Durwood Fleming and the Assembly:

We come to this high moment as a result of the earnest cooperation of a great many people who, both as individuals and through institutions of which they are a part, have a deep concern for the perpetuation of responsible education in political science in the independent university in a free society. On behalf of the trustees, the administration, the faculty, and the students, we joyfully accept today these gifts which have made possible The John Goodwin Tower Chair of Political Science; and we pledge our efforts, our resources, our talents, and our time for carrying out the creative objectives of this gift.

In the name of the Father and of the Son and of the Holy Spirit, *we dedicate this gift.*

To the search for truth which we believe comes from God and on the base of which freedom is built, *we dedicate this gift.*

To the sharing of that truth as a part of our heritage as free men in a free society, *we dedicate this gift.*

To the preparation of youth that may find their places of service in government, institutions, and in society, *we dedicate this gift.*

To the perpetuation and strengthening of those parts of society which sustain the dignity of man and which help in the fulfillment of the needs of all of God's children, *we dedicate this gift.*

As we dedicate the gift of this Chair which will provide for continued instruction in those things we hold most dear, we add the personal dedication of our own lives for the perpetuation of those ideas and ideals which have been the foundation of our country's greatness and our hope for its future.

We offer our thanks to Thee, O God, through whose creation these opportunities have been made possible, and for all those who have given of their possessions and their lives to make this experience a reality. Grant us the wisdom to teach and to learn imaginatively, and the strength to serve Thee faithfully, through Him who gives meaning and purpose to our lives, Jesus Christ, Our Lord. Amen.

Anthem: (the Southwestern Singers) "Jubilate Deo," by Flor Peeters.

Introduction of Speaker: Senator JOHN G. TOWER.

Address "Potomac Patterns": Senator HUGH SCOTT.

Recessional: "Grand Choeur in C Major," by Chauvet.

Organist, R. Cochrane Penick, Professor of Organ and Sacred Music.

Director of Southwestern Singers, Kenny Mac Sheppard.

Marshals, Dr. Angus Springer, Mr. Thomas Douglass, Dr. Norman Spellmann.

Ushers, Members of Cardinal Key and Blue Key, University Honor Societies.

JOHN GOODWIN TOWER

John Goodwin Tower, senior Senator from the State of Texas in the United States Senate, is a native of Houston, Texas, the son and grandson of Methodist ministers. During his childhood he attended school in a number of Texas communities, graduating from Beaumont, Texas, High School in 1942. He entered Southwestern University following high school graduation but left college to enlist in the U.S. Navy and saw combat duty during World War II as a seaman aboard a gunboat in Asian waters.

Following his military duty Senator Tower returned to Southwestern University; he was awarded the Bachelor of Arts degree in political science in 1948. He also holds the Master of Arts in political science from Southern Methodist University and has done post graduate work at the University of London. Southwestern University honored him with the Doctor of Literature degree in 1964. He taught political science and government at Midwestern University in Wichita Falls, Texas, for nine years preceding his election to the Senate in a special election in 1961.

When he first went to the Senate, Mr. Tower was that body's youngest member. He was the first Republican elected to the Senate from Texas since 1870 and the first since Reconstruction from any former Confederate state. He was re-elected in 1966 with 55.7% of the popular vote and again in 1972 with 54%, garnering support from both urban and rural areas as shown by the fact that he carried 177 of Texas' 254 counties. There can be no more convincing proof than these telling victories at the polls that Senator Tower is, indeed, representing the interests of his constituency and his country. His frequent visits to all parts of the state, his contact with citizens, his frankness on his own stand on issues, his receptivity to ideas, and his obvious dedication to what is best for the nation all contribute to evoking confidence in his ability to play a major role in the governance of the United States.

During Senator Tower's tenure he has advanced to a position of leadership in the Senate. He is the senior Republican member on the important Committee on Banking, Housing, and Urban Affairs. He is the second ranking Republican on the Senate Armed Services Committee and is active on a dozen sub-committees. Senator Tower has worked unceasingly to keep his nation's defenses strong yet efficient, following the policy of seeking world peace through national strength. He follows a straight course in his efforts to improve the country's economic health. He has established an enviable record in the field of health measures and crime control. He is one of the Senate's leading spokesmen for returning power to state and local governments, for sound fiscal and monetary policies, and for improving housing and business opportunities for all Americans. He is a supporter for an all volunteer army and for transferring power away from big labor and toward a free market economy in the interest of the small wage-earner. His research and study of issues is painstaking; he has made seven trips to Southeast Asia and attended six annual meetings of the NATO defense studies conference in pursuit of better understanding of world situations which affect decisions which must be made in the Senate.

While a student at Southwestern University, Senator Tower was active in campus life, serving on the student newspaper, the student yearbook, as an officer of the Veterans' Organization, the Student Christian Association, the Interfraternity Council, and his fraternity, Kappa Sigma. In addition, he played in the University Band and was a cheerleader during his sophomore year. He has remained active in his fraternity and now serves as National President of Kappa Sigma.

From his earliest student days Senator Tower evidenced an interest in political science and government. He studied under Dr. George Hester at Southwestern when Dr. Hester, now retired, was head of the history and government department of the University. Senator Tower credits Dr. Hester with developing in him an interest in political science and government service. Dr. Hester himself combined theory and practice in the area of government and was the best possible mentor for a future senator. In addition to serving for some forty years on the faculty of Southwestern University, thirteen of which were as The Lucy King Brown Professor of History, Dr. Hester was a member of the Texas Legislature and an economic consultant in the nation's capital. Senator Tower acknowledged the influence Dr. Hester has had upon his career when, in 1962, he inscribed his book, *A Program for Conservatives*, "To my mentor and friend, George C. Hester, this book is dedicated with gratitude and affection." At the time, Senator Tower stated, "This book doesn't begin to measure up to the man to whom it is dedicated and to whom I owe so much." There remains a strong bond of respect and affection between teacher and student to this day.

It is particularly fitting that Senator Tower, himself a teacher, should be honored by the establishment of an academic chair in political science. His interest in higher education is a continuing one. He serves on the Board of Trustees of both Southwestern University and Southern Methodist University and makes frequent visits to both campuses, mingling with the students and contributing by his presence and conversation to their understanding and growth.

It is equally fitting that The John G. Tower Chair of Political Science should be located at Southwestern University, Senator Tower's Alma Mater, an institution which has played an important role in the history of the State of Texas and has furnished numerous leaders to the state and to the nation.

POTOMAC PATTERNS

(Remarks by U.S. Senator HUGH SCOTT)

It is most fitting that the eyes of Texas are upon John Goodwin Tower today.

As his alma mater establishes a Chair of Political Science in his name, it is my great pleasure, both as a colleague in the United States Senate and as a friend, to extend to him my warmest congratulations.

In honoring John Tower, Southwestern University has recognized the skill with which he conducts his duties as U.S. Senator and the distinguished example his record of service brings to others who would seek election to public office.

Politics, diligently practiced, is both science and art; it uses the lessons of history, through thoughtful actions today, to build a better world for tomorrow; it eschews self-service for public service.

John Tower is a master of such constant dedication to these ideals of our demanding and rewarding profession of politics. He is cognizant of, and responsive to, the needs of the people of Texas, and he is a determined advocate of programs of our Republican Party.

I have called my remarks for today's ceremonies "Potomac Patterns," because over my many years in the Congress I have observed the kinds of patterns—both beneficial and detrimental—which can make the difference between true service to the people and lip service. It is my firm belief that it is in the interest of the people for their elected representatives to practice constancy of direction as well as to have the flexibility to compromise when the alternative is to accomplish nothing. This is the pattern of action and responsibility which Senator Tower espouses and ably practices.

Because of his superlative leadership, our Senate Republicans have elected him as Chairman of our Policy Committee. We have, in fact, just last month re-elected him unanimously to a second term in this important post.

As Policy Committee Chairman, Senator Tower meets regularly with his colleagues in the Republican Leadership and participates in bipartisan leadership meetings. He discusses issues frequently with the President. He is our interpreter to the press on how we, acting as a Policy Committee, view the issues of the day. He informs himself of the sense of the minority as he counts noses—and nuances—from all segments of the party. As the Senate Republican Leader I value his judgment, his counsel, his cooperation and his willingness to work for those programs which will serve the people most effectively.

Ours is not an easy time. All of us are seeking the answers to our urgent problems of recession, unemployment and energy conservation. Also, no one doubts the necessity for our government to maintain a foreign policy built upon a foundation of strength and preparedness in this volatile and uncertain world.

The answers, I believe, will be found through patterns of cooperation: between the Executive and the Congress . . . between both political parties . . . and among all our people. We must be willing to share the mutual burden. It is difficult, but not impossible, so long as we have hope and preserve, so long as the pattern of cooperation is there. I believe we can do it, because the fabric of America is woven of strength.

The President of the United States has offered the Congress a blueprint for action—and time after time he has assured the members that he is open to suggestions, he is willing to negotiate, in order to have the legislation we desperately need.

So many times I have heard President Ford call the Democratic leaders by name, one by one, urging their cooperation because our country is stalled without a program. I know John has heard him as well. During the Lincoln Day recess I talked with a great many Pennsylvanians at home who asked me why the country couldn't get going, why the President and the Congress couldn't come up with a program. I was asked this even by persons who didn't fully understand the President's program. I'm sure John has had similar experiences in Texas; I know many of our Democratic colleagues have been asked why.

Yet, the fact is that all the President has had from Congress is a bill delaying con-

sideration of energy conservation for 90 days. What the Congress is saying is, give us 90 days and we'll think of something. All this adds up to is zilch until Congress can come up with a program and not till then will they be ready to sit down and negotiate with the President. This is cart before the horse in rationale.

It seems to me they ought to be negotiating—as Arthur Vandenberg said—from the laying of the keel, rather than the launching of the vessel. I think April or May is pretty late to consider an energy program which we need now. I suspect Congress is delaying because no one has been able to think of a program that won't cost votes. I know they are underestimating the capacity of the American people, the willingness of the American people, to make those sacrifices which will put our country on its feet again.

We are, then, looking for patterns of action, not inaction.

What we are not looking for are partisan patterns of delay as the substitute for resolution of our enormous difficulties of energy conservation.

What we are not looking for are day-to-day patterns of interference in our foreign policy insisted upon by some members of Congress.

What we are not looking for are patterns of publicity blaming the President for what doesn't happen when all he has asked for is help.

We are looking for definitive patterns of action that are both responsible and responsive—and these depend upon responsible and responsive leaders such as Senator John Tower. Even as you honor him today, he continues to bring honor to the Lone Star State. You can depend on Senator Tower's determination to be a valiant spokesman for Texas.

Established today in his name, the John Goodwin Tower Chair of Political Science will help direct young people toward careers in public service that truly serve the people. May those who hold this chair from year to year hold it in trust for the enlightenment of generations of students.

It is upon them, after all, that the pattern of our future, America's future, will depend.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, debate on the Genocide issue centers on the legal responsibilities of the United States under the terms of the treaty. I wish to speak briefly today on one aspect of that debate and impress upon this body two conclusions: the Genocide Convention contains nothing that Members of the Congress could or should fear and, second, that this treaty would stand as a reaffirmation of the moral commitment of our Nation.

The Genocide Convention has been questioned as to its effect on States rights. Some opponents contend that the treaty may infringe on those rights but this anxiety is without cause. This issue has been addressed persuasively by Richard Gardner, a member of the Ad Hoc Committee on Human Rights. Speaking before a Subcommittee of the Committee on Foreign Relations, Mr. Gardner said:

> It is hard to imagine acts of Genocide which are not already punishable by Federal actions, not already within Federal domain. Of course, even if that was not true, article 1, Section 8, clause 10 of the Constitution, as this committee is well aware, does give the Congress the right to define and punish offenses against the law of nations, and we could enact legislation in this field pursuant to ratification of this Treaty under that power. Moreover there are Supreme Court cases like Missouri v. Holland that make it very clear that the Congress can pass legislation pursuant to valid treaty commitments.

Mr. President, I again express my own support and belief in the Genocide Convention as a tool for the protection of basic human rights.

HAYM SALOMON—PATRIOT WITHOUT A SWORD

Mr. JAVITS. Mr. President, on March 25, 1975, the U.S. Postal Service will issue a stamp honoring heroes of the Revolution. One of those honored is Haym Salomon who settled in New York after fleeing Poland in 1772. I wish to acquaint my colleagues with the accomplishments of this "Patriot without a Sword."

Haym Salomon was born of Jewish-Portuguese parents in Lissa, Poland, in 1740. He fled from oppression to America in 1772, bringing with him a talent for linguistics and a passion for freedom. In New York, where he became a broker, he was one of the early members of a body of revolutionaries. When fire destroyed a great part of New York in 1776 the British arrested everyone they suspected of sympathy for the Revolution—Salomon among them. The British discovered Salomon's talent for language during his imprisonment. They decided to use him as an interpreter with Hessian soldiers who had come to America as British mercenaries. But Salomon, instead of passing on in German the messages and instructions the British wished, suggested to the Hessians that they desert. He told them that the colonists would win and they would then be killed. Before the British became aware of this one-man sabotage campaign, Salomon escaped.

Poor health made it impossible for him to serve in combat but he performed a great service. First he acted as paymaster general for the French forces fighting with the Colonials, handling immense sums of money without charging commission. He was then appointed Official Broker to the Office of Finance of the Continental Congress. He floated loans, endorsed Government loans, invested most of his own money in Government bonds, equipped entire units from his own personal funds, and gave generously to needy servicemen.

Salomon died at age 45 as a direct result of his war experience. He had contracted a chronic lung ailment while a prisoner of the British.

A committee of the U.S. Senate in 1850 adopted a report on the services to the cause of the Revolution rendered by Haym Salomon. It praises him as being one who "gave great assistance to the Government by loans of money and by advancing liberally of his means to sustain the men engaged in the struggle for independence."

FEDERAL FINANCIAL AID PROGRAMS

Mr. CLARK. Mr. President, the Department of Health, Education, and Welfare has published a factsheet which outlines five Federal financial aid programs to assist students attending college. The information is quite helpful and should be communicated to as many students as possible. I ask unanimous consent that the factsheet be printed in the RECORD.

There being no objection, the factsheet was ordered to be printed in the RECORD, as follows:

FIVE FEDERAL FINANCIAL AID PROGRAMS

The U.S. Office of Education supports the five programs of student assistance described here. They are Basic Educational Opportunity Grants, Supplemental Educational Opportunity Grants, College Work-Study, National Direct Student Loans, and Guaranteed Student Loans.

If you are enrolled or accepted for enrollment in an approved postsecondary educational institution (college or university, vocational school, technical school, or hospital school of nursing) and are a citizen or permanent resident of the United States, you are eligible to apply for assistance under these programs. Remember—grants are gifts but loans must be repaid.

There are many more sources of aid for students. Some are sponsored by the Federal Government, others by States, localities, businesses, organizations, individuals, associations, and other private sources. To find out what they are, get in touch with the financial aid officer at your school. He can provide your best information about student assistance at the school he represents.

The *Basic Educational Opportunity Grant Program* (*Basic Grants*) makes funds available to eligible students attending approved Colleges,, Community/Junior Colleges, Vocational Schools, Technical Institutes, Hospital Schools of Nursing, and other post-high school institutions.

In academic year 1975–76, you may apply for a Basic Grant if you did not attend a postsecondary school before April 1, 1973.

To *Apply* for a Basic Grant, you must complete a form called *"Application for Determination of Basic Grant Eligibility"*.

You may get copies of the application from *Postsecondary Educational Institutions, High Schools, Talent Search, Upward Bound projects, and Public Libraries*, or by writing to P.O. Box 84, Washington, D.C. 20044.

Send the completed form in accordance with the instructions on the application. Within four weeks you will receive a notification of your eligibility.

Submit the Notification to your *School* which will calculate the *Amount* of the Basic Grant you are *Eligible* to receive. (You may submit the Notification to more than one school.) The amount of your award will be based on your determination of eligibility, the cost of attendance at your school, and a payment schedule issued to all approved educational institutions by the U.S. Office of Education.

The *National Direct Student Loan (NDSL) Program* is for students who are enrolled at least half-time in a participating postsecondary institution and who *Need* a loan to meet their educational expenses.

You may borrow up to a total of: (a) $2,500 if you are enrolled in a vocational program or if you have completed less than two years of a program leading to a bachelor's degree; (b) $5,000 if you are an *undergradute* student who has already *completed 2 Years* of study toward a bachelor's degree. (This total *includes* any amount you borrowed under *NDSL* for your first two years of study); (c) $10,000 for *graduate* study. (This total *includes* any amount you borrowed under *NDSL* for your undergraduate study.)

Repayment begins 9 months after you graduate or leave school for other reasons. You may be allowed up to 10 years to pay back the loan. During the repayment period you will be charged 3 percent interest on the unpaid balance of the loan principal.

No payments are required for up to three years while you serve in the Armed Forces, Peace Corps, or V STA.

Apply through the financial aid officer at your school. He can also tell you about loan *cancellation provisions* for borrowers who go into certain fields of teaching or specified military duty.

The *Supplemental Education Opportunity Grant (SEOG) Program* is for students of *exceptional financial need* who without the grant would be unable to continue their education.

You are eligible to apply if you are enrolled at least half-time as an *undergraduate* or *professional* student in an educational institution participating in the program. Graduate students are not eligible.

If you receive an *SEOG*, it cannot be less than $200 or more than $1,500 a year. Normally, an *SEOG* may be received for up to four years. However, the grant may be received for five years when the course of study requires the extra time. The total that may be awarded is $4,000 for a four year course of study or $5,000 for a five year course.

If you are selected for an SEOG, your educational institution must provide you with additional financial assistance at least equal to the amount of the grant.

Apply through your financial aid officer. He is responsible for determining who will receive an SEOG and the amount.

The *College Work-Study (CWS) Program* provides for students who have great financial need and who must earn a part of their educational expenses. You may apply if you are enrolled at least half-time as a graduate, undergraduate, or professional student in an appoved postsecondary educational institution.

The educational institution which participates in College Work-Study arranges jobs on campus or off campus with a public or private nonprofit agency, such as a hospital. If you are found to be eligible, you may be employed for as many as 40 hours a week.

In arranging a job and determining how many hours a week you may work under this program, the financial aid officer will take into account: (1) your need for financial assistance; (2) your class schedule; and (3) your health and academic progress. In general, the salary you receive is at least equal to the current minimum wage and may be as much as $3.50 an hour, depending on the job and your qualifications.

Apply through the financial aid officer at your school. He is responsible for determining your eligibility and arranging the job.

The *Guaranteed Student Loan Program* enables you to borrow directly from a bank, credit union, savings and loan association, or other participating lender who is willing to make the educational loan to you. The loan is guaranteed by a State or private nonprofit agency or insured by the Federal Government.

You may apply for a loan if you are enrolled or have been accepted for enrollment at least half-time in an eligible college or university, a school of nursing, or a vocational, technical, trade, business, or home study school. You do not need a high school diploma in order to borrow.

The maximum you may borrow is $2,500 a year (in some States it is less). Your interest cannot be more than 7 percent.

The total amount you may borrow for undergraduate or vocational study is $7,500. The total is $10,000 for graduate study alone or in combination with undergraduate study.

Many students are eligible for Federal Interest Benefits. If you qualify for these benefits, the Federal Government will pay the interest for you until you must begin repaying the loan.

(1) If your adjusted family income is less than $15,000, you automatically qualify for the interest subsidy on loans up to $2,000 per academic year.

(2) If your adjusted family income is less than $15,000 and you wish to apply for the interest subsidy on a loan that is larger than $2,000, you must submit to the lender a recommendation from your school. The recommendation is based on an analysis of your need.*

(3) If your adjusted family income is $15,000 or more and you wish to apply for the interest subsidy on a loan of any amount, you must submit to the lender a recommendation from your school, based on an analysis of your need.*

*Through an "analysis of your need" the school determines how much money you actually need to continue your education. It takes into account the cost of your education and your family's ability to pay for it.

All borrowers must submit an affidavit that the loan will be used only for educational purposes. It must be signed before a notary or other person authorized to administer oaths.

The loan must be repaid. Payments begin between 9 and 12 months after you graduate or leave school and you may be allowed to take up to 10 years to pay it off. The amount of your payments depends upon the size of your debt; but you must pay at least $360 a year.

You do not have to make payments for up to 3 years while you serve in the Armed Forces, Peace Corps, or VISTA (which has been expanded to include certain other programs, such as University Year for ACTION, ACTION Cooperative Volunteer Programs, Volunteers in Justice, and Program for Local Service). In addition, deferment is available for any time you return to full-time study at an eligible institution.

Information and application forms are available from schools, lenders, State Guarantee Agencies, and Regional Offices of the U.S. Office of Education.

Addresses of State Guarantee Agencies and Regional Offices of the U.S. Office of Education follow. Please use the address listed for your State of residence.

SOURCES OF INFORMATION ON THE GUARANTEED STUDENT LOAN PROGRAM

Alabama

Director of Higher Education, Office of Education, Region IV, 50 Seventh Street, NE., Atlanta, Ga. 30323.

Alaska

Student Aid Office, State Education Department, Pouch F, AOB, Juneau, Alaska 99801.

Arizona

Director of Higher Education, Office of Education, Region IX, 50 Fulton Street, San Francisco, Calif. 94102.

Arkansas

Student Loan Guarantee, Foundation of Arkansas, Suite 515, 1515 West 7th Street, Little Rock, Ark. 72202.

California

(See Arizona)

Colorado

Director of Higher Education, Office of Education, Region VIII, 9017 Federal Office Building, 19th & Stout Streets, Denver, Colo. 80202.

Connecticut

Connecticut Student Loan Foundation, 251 Asylum Street, Hartford, Conn. 06103.

Delaware

Delaware Higher Education Loan Program, c/o Brandywine College, Post Office Box 7139, Wilmington, Delaware 19803.

District of Columbia

D.C. Student Loan Insurance Program, 1329 E Street, NW., Washington, D.C. 20004.

Florida

(See Alabama)

Georgia

Georgia Higher Education Assistance Corporation, 9 La Vista Perimeter Park, 2187 Northlake Parkway, Atlanta, Georgia 30084.

Hawaii

(See Arizona)

Idaho

Director of Higher Education, Office of Education, Region X, 1321 Second Avenue, Seattle, Wash. 98101.

Illinois

Illinois Guaranteed Loan Program, 102 Wilmot Road, Deerfield, Illinois 60015.

Indiana

Director of Higher Education, Office of Education, Region V, 300 South Wacker Drive, Chicago, Ill. 60606.

Iowa

Director of Higher Education, Office of Education, Region VII, 601 East 12th Street, Kansas City, Mo. 64106.

Kansas (See Iowa)

Kentucky (See Alabama)

Louisiana (In-State residents)

Louisiana Higher Education Assistance Commission, Post Office Box 44095, Capitol Station, Baton Rouge, La. 70804.

Louisiana (Out-of-State residents)

United Student Aid Funds, Inc., 200 East 42nd Street, New York, N.Y. 10017.

Maine

Maine State Department of Education and Cultural Services, Augusta, Maine 04330.

Maryland

Maryland Higher Education Loan Corporation, 2100 Guilford Avenue, Baltimore, 21218.

Massachusetts

Massachusetts Higher Education Assistance Corporation, 511 Statler Building, Boston, Mass. 02116.

Michigan

Michigan Higher Education Assistance Authority, 309 North Washington Avenue, Lansing, Mich. 48902.

Minnesota (See Indiana)

Mississippi (See Alabama)

Missouri (See Iowa)

Montana (See Colorado)

Nebraska (See Iowa)

Nevada

State Department of Education, Carson City, Nev. 73901.

New Hampshire

New Hampshire Higher Education Assistance Foundation, 3 Capitol Street, Concord, N.H. 03301.

New Jersey

New Jersey Higher Education Assistance Authority, 1474 Prospect Street, Post Office Box 1417, Trenton, N.J. 08625.

New Mexico

Director of Higher Education, Office of Education, Region VI, 1725 Corrigan Towers, Dallas, Tex. 75201.

New York

New York Higher Education Assistance Corporation, 50 Wolf Road, Albany, N.Y. 12205.

North Carolina

North Carolina State Education Assistance Authority, Post Office Box 2688, Chapel Hill, Chapel Hill, N.C. 27514.

North Dakota (See Colorado)

Ohio

Ohio Student Loan Commission, 31 North High Street, Columbus, Ohio 43215.

Oklahoma

Oklahoma State Regents for Higher Education, 500 Education Building, State Capital Complex, Oklahoma City, Okla. 73105.

Oregon

State of Oregon Scholarship Commission, 1445 Willamette Street, Eugene, Oreg. 97401.

Pennsylvania

Pennsylvania Higher Education Assistance Agency, Towne House, 660 Boas Street, Harrisburg, Pa. 17102.

Puerto Rico

Director of Higher Education, Office of Education, Region II, 26 Federal Plaza, New York, N.Y. 10022.

Rhode Island

Rhode Island Higher Education Assistance Corporation, Room 414, 187 Westminster Mall, Post Office Box 579, Providence, R.I. 02901.

South Carolina (See Louisiana Out-of-State residents)

South Dakota (See Colorado)

Tennessee

Tennessee Education Loan Corporation, Cordell Hull Bldg., Fl. C-3, Room 301, Nashville, Tenn. 37219.

Texas (See New Mexico)

Utah (See Colorado)

Vermont

Vermont Student Assistance Corporation, 156 College Street, Burlington, Vt. 05401.

Virginia

Virginia State Education Assistance Authority, 501 East Franklin Street, Suite 311, Professional Building, Richmond, Va. 23219.

Washington (See Idaho)

West Virginia

Director of Higher Education, Office of Education, Region III, Post Office Box 13716, 3535 Market Street, Philadelphia, Pa. 19101.

Wisconsin

Wisconsin Higher Education Corporation, State Office Building, 115 West Wilson Street, Madison, Wis. 53702.

Wyoming (See Colorado)

American Samoa (See Arizona)

Guam (See Arizona)

Trust Territory (See Arizona)

Virgin Islands (See Louisiana Out-of-State residents)

PENN CENTRAL RAILROAD

Mr. SCHWEIKER. Mr. President, I am pleased that Congress has completed action on legislation to provide continued rail services, and I am glad the President promptly signed this legislation into law. These services are essential to the economic viability of many areas in the Northeast as well as in the entire Nation, and will prevent us from plunging deeper into an economic recession.

The railroads have severely felt the impact of our present economic problems. Inflation, coupled with the coal strike and the automobile and construction industries slowdown, has drastically reduced revenues to the point where Penn Central has claimed $200 million in losses for 1974. Also, Penn Central's fuel costs rose 100 percent the same year. Consequently, it is estimated that Penn Central's revenues will be running at least 7 percent below those in 1974.

Federal assistance is critical at this time. I was glad that Congress has passed legislation providing for a total of $347 million of Federal grants and loans to keep our bankrupt railroads going until the rail reorganization goes into effect. This legislation authorizes an additional $197 million in cash grants, of which $125 million was appropriated. The economic downturn has nearly exhausted the $85 million in operating grants provided for in the original Regional Rail Reorganization Act of 1973. I would also like to point out that this legislation provides an additional $150 million in loans, which can be used to rehabilitate track and upgrade facilities. These loans are extremely important since under Penn Central's and other bankrupt carriers' program of deferred maintenance, track conditions have severely deteriorated increasing not only inefficiency, but also safety problems.

We cannot afford to allow increased layoffs and higher costs of items which would be shipped by rail, particularly at this time, a likely result if Penn Central ceased operation. The President has expressed support for this legislation, and I hope he will sign it promptly.

TRINITY SQUARE REPERTORY THEATER OF PROVIDENCE, R.I.

Mr. PELL. Mr. President, a recent article appeared in the February 16, 1975, New York Times about the Trinity Square Repertory Theater of Providence, R.I. A resident professional theater under the able direction of Adrian Hall, Trinity Square received a glowing review of the work it has done both in Rhode Island and for public broadcasting television.

It was with great pleasure that I read this article. I view the success of Trinity Square not only with pride as a Senator from Rhode Island, but also as the chairman of the Senate Special Subcommittee on Arts and Humanities which brought out legislation which established the National Endowment for the Arts, for the Trinity Square Theater in its formative years was given a great deal of support from the National Endowment for the Arts without which it would not have been able to attain its level of excellence. The quality of Trinity Square has not only been recognized by the National Endowment for the Arts, it has also been awarded many foundation grants so that it can continue as one of the finest repertory companies in the country. I commend Adrian Hall and the Trinity Square Repertory Theater and wish it continued success.

I ask unanimous consent that the article by Julius Novick, "Trinity Square Repertory Adapts Brightly to Home Screens," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRINITY SQUARE REPERTORY ADAPTS BRIGHTLY TO HOME SCREENS

(By Julius Novick)

The Public Broadcasting Service, through its "Theater in America" series, has been giving a few regional theaters—a few of the best—a chance to display some of their wares in the nation's living rooms. And two of this season's "Theater in America" productions come from the Trinity Square Repertory Company, the resident professional theater of Providence, R.I., "Feasting with Panthers," a semi-documentary work about Oscar Wilde, was taped and shown a year ago, and brought back for another showing last month. "Brother to Dragons," derived from a dramatic poem by Robert Penn Warren about a bloody crime in old Kentucky, will be broadcast on WNET/13 at 9 P.M. this Wednesday. These two productions may finally serve to focus some national attention on Trinity Square, where one of the most creative of American stage directors and one of the most adventurous of American stage designers work together in one of the most exciting theater buildings in the country.

The director is Adrian Hall, a langy, 47-year-old Texan who made a reputation in New York as an Off Broadway director during the early sixties. Since 1964 he has been in Providence, building Trinity Square. The designer is Eugene Lee, resident designer at Trinity Square, who also designed the celebrated environmental production of "Alice in Wonderland" for Andre Gregory four seasons ago and the equally celebrated environmental production of "Candide" for Harold Prince currently in Broadway. Both Hall and Lee are interested in changing the spatial relationships between the audience and the action, to find out, as Hall says, "Why it was different when the actors walked over the head of the spectator rather than stayed where they belonged, as it were."

As to the building: Trinity Square has taken over an old vaudeville house—the former Majestic—in downtown Providence, kept its pleasantly pompous, proudly assertive stone facade, refurbished the splendid two-story lobby with its stained-glass dome, and ripped out most of the rest of the interior to make room for two new theaters. Downstairs is a small 300-seat auditorium with a thrust stage, a near-replica of the church hall that was the company's home until 1973. Upstairs is a large, brick-walled room seating 600 to 800, where Lee can change the spatial relationship between action and audience to his heart's content—everything within the walls is movable, except one bank of seats that was once the second balcony of the old Majestic. The renovations were designed by—who else?—Lee and Hall.

The theater building, exciting as it is, will not be in evidence to television viewers; both of the Trinity Square TV productions were taped on location in and around Providence. (And, of course, on television the actors can hardly walk out of the screen and over the head of the spectator.) But Lee is good at not only making theaters into environments for plays; he also has a pronounced "televisual" talent for choosing and using locations. Both "Feasting with Panthers" and "Brother to Dragons," in fact, are productions made specifically for television and not merely videotaped plays. (For television, Rick Hauser was Hall's co-director on "Panthers," and Ken Campbell was co-director on "Dragons.") Even Hall's stage work has distinct cinematic tendencies, and he seems to revel in the scope that the new medium provides for his visual imagination, his delight in jumps and juxtapositions.

Still, both TV productions were co-directed by Hall and designed by Lee; both are performed by the Trinity Square company; and both were originally mounted by Hall and Lee on the stage in Providence for the company's home audience. Along with Hall's recent and highly idiosyncratic production of Ibsen's "Peer Gynt," which closed in Providence yesterday, they offer a good idea of the more characteristic kind of work that Hall and his company have been doing lately.

I say "more characteristic" because, over the years in Providence, Hall has been directing two kinds of productions. He has put on the usual international classics ("Schools for Wives." "The Taming of the Shrew," "The Threepenny Opera"), American classics ("The Skin of Our Teeth," "You Can't Take It with You,"), and London successes ("A Man for All Seasons"). More to his liking, however, has been a series of expressionistic extravaganzas, in which "the text" is dethroned from its position of primacy, and the director rules, like a movie director, not as a mere interpreter but as the primary creator.

According to Hall, this series of special productions had its beginning after Trinity Square had been given a federal grant in 1966 to put on productions for high school students. "I did exactly [the plays that] everybody else did," he says, "because that was all I knew." And there were riots in the theater. (I myself spent some time in Providence during that period, and I remember lively but attentive student audiences for "Saint Joan" and "Ah, Wilderness!," but it was the unruly audiences that made a deep impression on Hall). "It scared me so bad, and made me so angry. It seemed to me I had worked all my life to make theater possible, and the audience was saying, 'We don't want no part of it.' And so I began right then to move outside of the proscenium and to surprise those little devils, to throw things at them, to challenge them, to intimidate them."

Since that time, Hall's characteristic productions have been hallucinatory, phantasmagoric, total-theater collages, shifting freely backward and forward in time and space, full of music and spectacle. (And based, shrewdly, on textual materials that *need* the radical reshaping for the theater that he is more than willing to provide.) Unlike the hallucinatory fantasies of other directors, however, Hall's are firmly rooted in specific external realities—often in historical facts. Discernible within each of them, for all the time-shifts and fragmentations, is a *story*. As somebody once said about something else, Hall's production always have a beginning, a middle, and an end, though not necessarily in that order.

"Feasting with Panthers" was adapted by Hall and Richard Cumming from the life and works of that multifarious man, Oscar Wilde: artist, esthete, wit, poseur, publicity-hound, buffoon, self-destroyer, and classic deviate and scapegoat. It would be impossible to capture every aspect of Wilde in a television play lasting an hour and a half, but "Feasting with Panthers," in spite of some oversentimentalizing and some miscellaneous other false notes, came amazingly close.

And Hall's phantasmagoric technique was particularly effective in the connections it made between Wilde's private fantasies and his writing, and between his writing and his life. In one sequence, for instance, Wilde appears as Lord Henry Wotton, tempting Bosie as Dorian Gray, in a scene from "The Picture of Dorian Gray," Wilde's novel; from there Hall cut to a scene from Wilde's play "Salome," with Wilde, still in his ordinary Victorian suit, as Herod, lusting after Bosie, who appears as Salomie with face painted, hands bejewelled, and a pair of female breasts lightly drawn on his bare chest; then Hall cut to a courtroom, where Wilde is in the dock, and counsel is asking him about the redeeming social value of "Salome"—a question that Wilde airily, provocatively dismisses as beside the point. No wonder he ended up in Reading Gaol!

"Brother to Dragons" tells a story more strange and sensational even than that of "Feasting with Panthers": a true episode, this time, from American history. In the year 1811, it seems, Lilburn Lewis, and his brother Isham, nephews of Thomas Jefferson, hacked a black slave to death with an ax. Robert Penn Warren, who wrote the dramatic poem that Hall and Ken Campbell have adapted for television, has tried to imagine the effect of the murder, as a symbol of the evil in man, on the highminded Jefferson, with his faith in human perfectibility. But on television at least, Jefferson is only a minor character, weakly played; in spite of a fair amount of agonizing about the significance of it all, not much significance emerges, and "Brother to Dragons, and "Brother to Dragons" functions mainly as a lurid story about how Lilliburn Lewis got crazier and crazier until—pow!

As such, after a slow beginning, the production has a certain fascination. The people, landscapes, furniture, horses and houses are beautiful to see, and the juxtapositions, the moments of song, the members, are finely orchestrated. David Kennett is Byronically batty as Lilliburn Lewis and Marguerite Lenert is frail and touching as his mother.

Meanwhile, back in Providence, the upstairs theater-space was occupied through yesterday by "Peer Gynt," adapted by Hall and Cumming, directed by Hall, and with scenery and lighting by Lee. Sprawling, multi-scened, hallucinatory "Peer Gynt" would seem to be a natural for Trinity Square, and Hall and his colleagues gave it the full treatment, beginning their production with a scene from Ibsen's fifth act, adding nineteen musical numbers (music and lyrics by Cumming, who also is Trinity Square's composer in residence), seating some spectators in the midst of the action, and carrying the action across gangways, ramps and platforms out toward the audience.

But something was missing. Hall and his associates seemed to have become so interested in their own show-business that the vital matters—who is Peer Gynt? why is what happens to him significant?—were obscured. Then they tried to answer these questions all at once in a Broadway-strenuous song number of the where-did-I-go-wrong variety, and succeeded only in reducing the issues of the play to a series of thumping platitudes.

So "Peer Gynt" was a disappointment. But the fact remains that Hall has evolved a very personal way of making theater that has resulted on occasion in some brilliant creative work; that he has made his own place to do this work, and built a company to do it with, and attracted an audience to support it—all well away from New York City. Few other directors have been able to do the same. And now, thanks to television, Hall may achieve the national reputation he deserves.

VICE PRESIDENT NELSON ROCKEFELLER

Mr. PERCY. Mr. President, the debate over the past several weeks on changing the rules of the Senate is another attempt to find ways to expedite the work of the Senate. We can all have our ideas on how to make the Senate function better, but our goal must be to make the Senate more responsive to the pressing—yes, urgent—needs of this great Nation and to enable it to respond more effectively to our problems.

I personally feel that changing the rules of the Senate to make it more possible to terminate debate after full and complete discussion, would be in the best interests of the Nation and the Senate. However, I fully understand the position of those who feel otherwise and I recognize the depth of feeling fellow Senators have on this issue.

I fully appreciate the difficulty of the role the Vice President has had to play in the past several weeks as Presiding Officer. I think that he has been fair throughout the course of this debate. Further, I think that in the days ahead we can look to the Vice President for substantive advice and counsel on how to help solve the problems facing us today. He has had years of experience in working with the great issues facing the Nation, has respect for the separation of powers and the legislative process, and I am sure he will be a great source of help to us in the days and years ahead.

RULES OF THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, in accordance with section 133B of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 1900–2), which requires that the rules adopted by the various committees be printed in the RECORD by March 1 of each year, I submit herewith the rules adopted by the Committee on Banking, Housing and Urban Affairs and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE FOR THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

RULE 1.—REGULAR MEETING DATE FOR COMMITTEE

The regular meeting day for the Committee to transact its business shall be the last Tuesday in each month; except that if the Committee has met at any time during the month prior to the last Tuesday of the month, the regular meeting of the committee may be canceled at the discretion of the Chairman.

RULE 2.—COMMITTEE

(a) Investigations.—No investigation shall be initiated by the Committee unless the Senate or the full Committee has specifically authorized such investigation.

(b) Hearings.—No hearing of the Committee shall be scheduled outside the District of Columbia except by agreement between the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(c) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Committee or any report of the proceedings of such executive session shall be made public either in whole or in part by way of summary, unless specifically authorized by the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(d) Interrogation of witnesses—Committee interrogation of a witness shall be conducted only by members of the Committee or such professional staff as is authorized by the Chairman or the ranking minority member of the Committee.

(e) Prior notice of mark-up sessions.—No session of the Committee or a subcommittee for marking up any measure shall be held unless (1) each member of the Committee or the subcommittee, as the case may be, has been notified in writing of the date, time, and place of such session at least 48 hours prior to the commencement of such session, or (2) the Chairman of the Committee or subcommittee determines that exigent circumstances exist requiring that the session be held sooner.

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(f) Prior notice of first degree amendments.—It shall not be in order for the Committee or a subcommittee to consider any amendment in the first degree proposed to, and measure under consideration by the committee or subcommittee unless a written copy of such amendment has been delivered to each member of the Committee or subcommittee, as the case may be, and to the office of the Committee at least 24 hours before the meeting of the Committee or subcommittee at which the amendment is to be proposed. This subsection may be waived by a majority of the members of the Committee or subcommittee voting. This subsection shall apply only when at least 48 hours written notice of a session to mark up a measure is required to be given under subsection (e) of this rule.

(g) Cordon rule.—Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or subcommittee, from initial consideration in hearings through final consideration, the Clerk shall place before each member of the Committee or subcommittee a print of the statute or the part or section thereof to be amended or repealed showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added. In addition, whenever a member of the Committee or subcommittee offers an amendment to a bill or joint resolution under consideration, those amendments shall be presented to the Committee or subcommittee in a like form, showing by typographical devices the effect of the proposed amendment on existing law. The requirements of this subsection may be waived when, in the opinion of the Committee or subcommittee chairman it is necessary to expedite the business of the Committee or subcommittee.

RULE 3.—SUBCOMMITTEES

(a) Authorization for.—A subcommittee of the Committee may be authorized only by the action of a majority of the Committee.

(b) Membership.—Membership to subcommittees shall be by nomination of the Chairman and the ranking minority member of the Committee and shall be approved by the majority vote of the Committee.

(c) Investigations.—No investigation shall be initiated by a subcommittee unless the Senate or the full Committee has specifically authorized such investigation.

(d) Hearings.—No hearing of a subcommittee shall be scheduled outside the District of Columbia without prior consultation with the Chairman and then only by agreement between the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Committee.

(e) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Subcommittee or any report of the proceedings of such executive session shall be made public, either in whole or in part or by way of summary unless specifically authorized by the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Subcommittee.

(f) Interrogation of witnesses.—Subcommittee interrogation of a witness shall be conducted only by members of the Subcommittee or such professional staff as is authorized by the Chairman or the ranking minority member of the Subcommittee.

(g) Special meetings.—If at least three members of a subcommittee desire that a special meeting of the Subcommittee be called by the Chairman of the Subcommittee, those members may file in the offices of the Committee their written request to the Chairman of the Subcommittee for that special meeting. Immediately upon the filing of the request, the Clerk of the Committee shall notify the Chairman of the Subcommittee of the filing of the request. If, within 3 calendar days after the filing of the request, the Chairman of the Subcommittee does not call the requested special meeting, to be held within 7 calendar days after the filing of the request, a majority of the members of the Subcommittee may file in the offices of the Committee their written notice that a special meeting of the Subcommittee will be held, specifying the date and hour of that special meeting. The Subcommittee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk of the Committee shall notify all members of the Subcommittee that such special meeting will be held and inform them of its date and hour. If the Chairman of the Subcommittee is not present at any regular, additional, or special meeting of the Subcommittee, the ranking member of the majority party on the Subcommittee who is present shall preside at that meeting.

(h) Voting.—No measure or matter shall be recommended from a Subcommittee to the Committee unless a majority of the Subcommittee are actually present. The vote of the Subcommittee to recommend a measure or matter to the Committee shall require the concurrence of a majority of the members of the Subcommittee voting. On Subcommittee matters other than a vote to recommend a measure or matter to the Committee no record vote shall be taken unless a majority of the Subcommittee are actually present. Any absent member of a Subcommittee may affirmatively request that his vote to recommend a measure or matter to the Committee or his vote on any such other matter on which a record vote is taken, be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter and to inform the Subcommittee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman of the Subcommittee any time before the record vote on the measure or matter concerned is taken, the member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee.

RULE 4.—WITNESSES

(a) Filing of statements.—Any witness appearing before the Committee or Subcommittee (including any witness representing a Government agency) must file with the Committee or Subcommittee (before noon, 48 hours preceding his appearance) 75 copies of his statement to the Committee or Subcommittee. In the event that the witness fails to file a written statement in accordance with this rule, the Chairman of the Committee or Subcommittee has the discretion to deny the witness the privilege of testifying before the Committee or Subcommittee until the witness has properly complied with the rule.

(b) Length of statements.—Written statements properly filed with the Committee or Subcommittee may be as lengthy as the witness desires and may contain such documents or other addenda as the witness feels is necessary to present properly. Interviews to the Committee or Subcommittee. It shall be left to the discretion of the Chairman of the Committee or Subcommittee as to what portion of the documents presented to the Committee or Subcommittee shall be published in the printed transcript of the hearings.

(c) Fifteen-minute duration.—Oral statements of witnesses shall be based upon their filed statements but shall be limited to 15 minutes duration. This period may be extended at the discretion of the Chairman presiding at the hearings.

(d) Subpoena of witnesses.—Witnesses may be subpoenaed by the Chairman of the Committee or a subcommittee with the agreement of the ranking minority member of the Committee or Subcommittee or by a majority vote of the Committee or Subcommittee.

(e) Counsel permitted.—Any witness subpoenaed by the Committee or Subcommittee to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

(f) Expenses of witnesses.—No witness shall be reimbursed for his appearance at a public or executive hearing before the Committee or Subcommittee unless such reimbursement is agreed to by the Chairman and ranking minority member of the Committee or by a majority vote of the Committee.

(g) Limits of questions.—Questioning of a witness by members shall be limited to 10 minutes duration, except that if a member is unable to finish his questioning in the 10-minute period, he may be permitted further questions of the witness after all members have been given an opportunity to question the witness.

Additional opportunity to question a witness shall be limited to a duration of 10 minutes until all members have been given the opportunity of questioning the witness for a second time. This 10-minute time period per member will be continued until all members have exhausted their questions of the witness.

RULE 5.—VOTING

(a) Vote to report a measure or matter.—No measure or matter shall be reported from the Committee unless a majority of the Committee are actually present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of the members of the Committee who are present.

Any absent member may affirmatively request that his vote to report a matter be cast by proxy. The proxy shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the record vote on the measure or matter concerned is taken, any member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee, along with the record of the roll vote of the members present and voting, as an official record of the vote on the measure or matter.

(b) Vote on matters other than a report on a measure or matter.—On Committee matters other than a vote to report a measure or matter, no record vote shall be taken unless a majority of the Committee are actually present. On any such other matter, a member of the Committee may request that his vote may be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the vote on such other matter is taken, the member may withdraw a proxy previously given. All proxies relating to such other matters shall be kept in the files of the Committee.

RULE 6.—QUORUM

No executive session of a Committee or a Subcommittee shall be called to order unless a majority of the Committee or Subcommittee, as the case may be, are actually present. Unless the Committee otherwise provides or is required by the Rules of the Senate, one member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony.

RULE 7.—STAFF PRESENT ON DAIS

Only members and the Clerk of the Committee shall be permitted on the dais during public or executive hearings, except that a member may have one staff person accompany him during such public or executive hearing on the dais. If a member desires a second staff person to accompany him on the dais he must make a request to the Chairman for that purpose.

RULE 8.—PUBLIC ATTENDANCE AT MEETINGS

Except in the case of the conduct of hearings (which are provided for in section 112 (a) of the Legislative Reorganization Act of 1970), or in the case of any meeting (other than a hearing) to consider the nomination of an individual submitted by the President to the Senate for its advice and consent, all meetings for the transaction of business, including sessions for marking up bills and resolutions, of the Committee and subcommittees thereof shall be open to the public unless the Committee or subcommittee (as the case may be) in open session and with a quorum present, by majority vote conducted by rollcall, determines that all or part of the remainder of the meeting on that day shall be closed to the public. In the case of any such meeting with respect to a nomination, the Committee or subcommittee in executive session may, with a quorum present and by majority vote conducted by rollcall, determine that the meeting for that day shall be open to the public.

ARAB BLACKLIST CONDEMNED

Mr. SCHWEIKER. Mr. President, I send to the desk several recent news articles regarding the so-called "black list" practices now being used by Arab nations, and their impact on American business activities. I ask unanimous consent that these articles be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SCHWEIKER. Mr. President, some commentators have suggested that there is nothing new here—Arab blacklists have been in existence for years, and they never really made much difference. But the fact is, Mr. President, while these lists have been maintained for years, there are two new elements today which add a dangerous new dimension to the practice.

First, according to recent news accounts, the Arabs are no longer blacklisting only those companies which deal with Israel—they are expanding the list, to include companies without Israeli business who happen to have Jewish management personnel. Either practice is totally repugnant to American ideals and traditions—but the latter practice is also a blatant new attempt to dictate the ethnic composition of American business institutions. This is an outrageous and new development, and it must not be tolerated.

Second, the overnight explosion of Arab oil money has transformed the Middle East into a major new world market—adding dangerous new economic leverage to these long-time discriminatory practices.

As a result of these two new elements, Arab blacklist practices today force us to face a fundamental question. Will the unprecedented Arab economic leverage lead us to acquiesce to outrageous demands which run counter to every principle on which this Nation is founded? The answer to that question must be an unconditional "no," Mr. President, and I think President Ford should be commended for moving promptly to state our national position on this issue.

But I think we in the Senate must also stand up and be counted on this issue—comprehensive legislative solutions will take time to prepare, but we should move quickly to let the world know now where we will stand on discriminatory practices in international trade.

Later this week, I will introduce, with my colleague from New Jersey, Mr. WILLIAMS, and a number of our colleagues, a sense of the Senate resolution condemning Arab blacklist practices. Our resolution will encourage all Americans to make a forthright negative reply to these discriminatory demands, and it will strengthen the President's hand in dealing with this issue. We hope our resolution will have broad Senate support.

[From the New York Times, Feb. 28, 1975]

EXHIBIT 1

LIST IS EXTENSIVE FOR ARAB BOYCOTT: 1972 RULES FOR ANTI-ISRAELI CAMPAIGN SAID TO NAME 1,500 U.S. ORGANIZATIONS

(By Edward Cowan)

WASHINGTON, February 25.—The regulations for the economic boycott of Israel by Arab countries will be 100 double-spaced pages and cover such diverse matters as border smuggling, oil tankers and motion pictures.

A copy of the regulations, as published in June, 1972, in Damascus, Syria, by the "head office for the boycott of Israel," has come into the hands of the United States Government, and an extensive report on them has been given to The New York Times.

The Senate Foreign Relations Subcommittee on Multinational Corporations expects to make public at a hearing tomorrow a 1970 version of the Arab boycott list of companies. The list is said to contain the names of 1,500 United States companies and financial institutions.

The regulations outline in voluminous detail rules and practices intended to deny foreign trade and investment to Israel. A secondary purpose is to keep out of Arab countries writings, motion pictures and other material that is regarded as anti-Arab or pro-Israeli propaganda.

MANY EXCEPTIONS

However, the regulations are said to be peppered with exceptions. Israeli sources say that the total effect of these provisions is to permit Arab states to make exceptions whenever they find it economically expedient to do so.

The Arab boycott office is not known to have the power to apply formal sanctions against Arab countries that violate the boycott. It is believed that the office can bring moral and political pressure to bear on an Arab government if other governments, or perhaps unofficial Arab militants, have objections to particular economic relationships.

At its hearings tomorrow, the Senate subcommittee expects to hear sworn testimony from an official of the Army Corps of Engineers to the effect that Saudi Arabia has adhered to the boycott in its business dealings with foreign companies.

Gerald L. Parsky, an Assistant Secretary of the Treasury, said today, however, that "we have not had any evidence" that Saudi Arabia or American companies doing business with the Saudis had discriminated against American companies on the ground that they did substantial business with Israel or had investments there.

Mr. Parsky said the boycott was not on the formal agenda of the first meeting of the United States-Saudi Joint Economic Commission, due to be held at the Treasury tomorrow and Thursday. During a briefing for reporters about the meeting, Mr. Parsky said that United States officials in informal talks with Saudis, would express "Congressional and other public concern" about the boycott.

Representative Henry A. Waxman, Democrat of California, said that his application to deterrence, or perhaps unofficial Arab militants, have objections to particular economic relationships.

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Representative Henry A. Waxman, Democrat of California, said that his application to the Saudi Embassy here for a visa to enable him to visit Saudi Arabia with the House Armed Services Committee had been initially rejected on the ground that he was Jewish.

Mr. Waxman said that one of his assistants had been given that explanation at the Saudi Embassy. He said the embassy had granted the visa later after the State Department intervened, and he had participated in the visit earlier this month.

By telephone from Los Angeles, Mr. Waxman said that an American diplomat stationed in Saudi Arabia had told him when he was there that the United States as a matter of regular practice "did not assign Jewish personnel in the military or the foreign service to Saudi Arabia because they didn't want to offend Saudi Arabia." Mr. Waxman said he did not know the official's name.

Secretary of State Kissinger said at a news conference today that "as far as the Department of State is concerned, for which I am responsible, I know that officers are assigned without regard to race or religion, and that we don't even know their race or religion in making the assignments." Mr. Kissinger was responding to a question about "Arab countries," not just Saudi Arabia.

The Arab boycott regulations on visas for Jews speak of prohibiting the entry into Arab countries of persons whose passports show Israeli visas or who carry two passports, one valid for Israel and one for Arab countries.

However, the regulations exempt from this restriction diplomats, foreign officials, foreign journalists whose entry is otherwise de-

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sired for the sake of Arab interests, and tourists and religious pilgrims traveling in groups to Israel and Arab lands.

CLOSING OF BRIDGES URGED

CAIRO, February 25.—The Arab boycott office today ordered a study of the possibility of closing the bridges that link the East Bank of the Jordan River with the Israeli-occupied West Bank, the boycott chairman, Mohammed Mahgoub, said.

[From the New York Times, Feb. 27, 1975]

ARABS BLACKLIST DEPLORED BY FORD: PRESIDENT TERMS RELIGIOUS AND ETHNIC DISCRIMINATION REPUGNANT TO THE UNITED STATES

(By Edward Cowan)

WASHINGTON, February 26—President Ford spoke out today against Arab attempts to discriminate against financial "institutions or individuals on religious or ethnic grounds.'

"Such discrimination is totally contrary to the American tradition and repugnant to American principles,' the President said in a prepared opening statement at a news conference in Hollywood, Fla.

Mr. Ford spoke as the Senate Foreign Relations Subcommittee on Multinational Companies made public here a Saudi Arabian edition of an Arab boycott list of United States companies. The list, which was obtained from the State Department, has 1,500 names on it.

The President made no mention of Arabs, Jews or Israel. Instead he referred to "reports in recent weeks of attempts to discriminate on religious or ethnic grounds against certain institutions or individuals in the international banking community."

Mr. Ford said that discrimination "has no place in the free practice of commerce as it has flourished in this country."

"Foreign businessmen and investors are most welcome in the United States when they are willing to conform to the principles of our society," the President said. [Opening statement, Page 20.]

He later said that "any allegations of discrimination will be fully investigated and appropriate action taken under the laws of the United States."

INVESTIGATION ORDERED

Asked what action the United States might take "against the Arab nations that have embargoed Jewish-owned banks," the President replied that "all that we have so far are some allegations" and that he had asked the Departments of Justice, Commerce and State to investigate them.

Even as Mr. Ford was speaking, a State Department official was testifying before the Senate subcommittee that lifting of the boycott was linked to resolution of the Arab-Israeli territorial dispute. Harold H. Saunders, a Deputy Assistant Secretary, said that the boycott "flows from" the dispute.

The boycott "is best dealt with through quiet diplomacy and persuasion," Mr. Saunders said, "without following a policy of confrontation" but "making clear our opposition.' He said "that opposition has been made clear repeatedly" to Arab states.

The Arab blacklist of American business concerns, organizations, individuals and trade marks was made public here a day after the Anti-Defamation League of B'nai B'rith issued a partial list and charged that two Federal agencies and six private companies were violating civil rights legislation by discriminating against Jews. The league charged that the discrimination was undertaken in the hope of obtaining business in Arab countries.

Under the regulations of the boycott office of Arab League in Damascus, Syria, Arab countries are not supposed to trade with companies on the boycott list or accept investments by them.

Companies are put on the list if they have significant investments in Israel, if they help Israel militarily, if they sell to Israel and not to Arab countries, if they distribute pro-Israeli publications or films or if they are otherwise deemed to be "Zionist."

EXCEPTIONS PERMITTED

However, the boycott regulations, published in June, 1972, by the boycott office, provide for exceptions in various circumstances, most broadly when an Arab country finds that an exception would be politically or economically advantageous. The regulations, as translated by the State Department, were also released by the subcommittee along with the list.

American and Israeli analysts have said that in practice there have been many exceptions, formal and informal. Mr. Saunders told the subcommittee that "firms with Jewish members have done business across the Arab world numbers of times."

The Arab League and its boycott office are not governmental institutions as such. By all accounts, however, they are supported politically by Arab Governments. Open disagreements is uncommon.

"Each Government has its own machinery" for boycott enforcement, Mr. Saunders testified. Twice a year, he said, the Damascus office holds conferences for revising the boycott list and considering new problems.

The subcommittee chairman, Senator Frank Church, Democrat of Idaho, emphasized in an opening statement that the boycott has hurt American companies. "Ford has been unable to sell a car or truck to an Arab country since it was placed on the list in 1936," he said.

The ranking Republican, Senator Clifford P. Case of New Jersey, observed that "42 New Jersey plants and companies" were on the list. In an opening statement, he noted that the hearing was to "examine allegations" that the Army Corps of Engineers helped Saudi Arabia apply the boycott against American companies seeking to win construction contracts.

The Army Corps of Engineers was one of the Federal agencies accused by the Anti-Defamation League yesterday of having bowed to demands by Arabs that no Jews be sent to their countries for any purpose. The other agency to be so accused was the Overseas Private Investment Corporation.

OFFICERS TESTIFY

Testifying before the subcommittee today on behalf of the Corps of Engineers were two colonels. They denied that the corps, which manages construction projects in Saudi Arabia for the United States Government, had a copy of the "blacklist," knew which companies were set on it or took the boycott into consideration in drafting for Saudi consideration lists of eligible construction companies and of bidders.

The colonels testified that in deference to Saudi policy the corps itself did not assign Jewish personnel to Saudi Arabia and that the Saudi ban on admitting Jews was applied to employes of contractors.

Col. William L. Durham, who said he had been the senior corps representative in Saudi Arabia during a recent two-year tour there, insisted in his sworn testimony that the Army Engineers recommended companies "solely on their technical qualifications." But he said that "in all instances" the Saudis had approved the corps recommendations.

Col. Joseph Bennett, the corp's assistant director of military construction, was asked if any contracts had been awarded to companies on the list. He said he did not know because "I haven't seen the boycott list."

Later, Mr. Saunders, pressed to cite evidence of progress toward dropping the boycott, cited the Saudis' permitting visits by Jewish State Department officials, including Secretary Kissinger. Subcommittee members chuckled.

There was speculation within the subcommittee that the State Department had made the boycott list and regulations available on the assumption that its ability to raise the issue with Arab countries would be improved by public expression of Congressional disapproval.

Twice during the hearing Senator Church observed that the Arab Governments had the sovereign right to adopt whatever measures they liked and that the subcommittee's concern was limited to United States "acquiescence in a boycott which is contrary to our principles."

FORD'S STATEMENT PRAISED

The Anti-Defamation League of B'nai B'rith praised President Ford for his news conference statement that foreign businessmen and investors are "welcome in the United States when they are willing to conform to the principles of our society."

[From the Washington Post, Feb. 28, 1975]

THE ARAB BOYCOTT

Saudi Arabia and other Arab states participating in a boycott of Israel or "Zionists" or Jews plainly have a right to decide whom they will do business with. But just as plainly, they have no right to strong-arm foreign corporations and governments into enforcing their bias for them. This is what the Arab boycott is all about. By excluding certain firms from Arab trade and investment, the boycotters wish to make foreigners accept an and impose—preferably, voluntarily and with no fuss—the boycotters, own ugly values. They are trying to get Americans to divide themselves into different religious and ethnic categories. They think they can get away with it now because they constitute, in Senator Church's words, "the one booming market in the world." The Arab nations, as the senator said, are now "spending over $60 billion per year from oil revenues alone."

Frankly, we can imagine no more truly "un-American" idea than the one the boycotters are seeking to peddle with their billions. The boycott is much more than a slap at Israel. It strikes at the fundamental egalitarian principle on which this country is founded. Some apologists for the boycott point out that it has been enforced eratically in the past and that some inconsistencies are likely to persist. But the Arabs' huge new economic power and the temptation of some of them to use it to enlarge the scope of the boycott, render that claim beside the point. Indeed, the question of just how Arabs intend to use the boycott needs a lot more scrutiny. What did the boycott director mean mean, for instance, when he said the other day although NBC's and CBS's commercial activities were boycotted, the networks' newsgathering activities might be exempted "if this were in the interest of the Arab cause"? Americans and Arabs are entering a new and intensive stage of economic relations and it is vital at the start that anti-Israel and anti-Jewish bias not be built into it. For Arabs to be broadening the boycott just as they profess to be seeking a peace settlement with Israel is, moreover, a sharp contradiction, and an insupportable one.

We note with gratification that the unacceptability of the Arab boycott is being recognized from the top of the American political community on down. In the strongest statement on the 27-year-old boycott ever made by an American official and the first by a President, Mr. Ford declared on Wednesday: "Such discrimination is totally contrary to the American tradition and repugnant to American principles." He promised that "any allegations of discrimination will be fully investigated and appropriate action taken under the laws of the United States." The State Department, which managed to look the other way on this issue in the past, showed it had gotten the message by giving Senator Church a copy of a Saudi Arabian list of 1,500 boycotted American businessmen and organizations. The administration is now checking whether, as charged, official agencies such as the Army Engineer Corps and the Overseas Private Investment Corp. have screened out American Jews in order to cultivate Arab business and whether this has been done by private American firms for the same end.

There is already a provision, in the Export Administration Act of 1969, which "encourages and requests" American firms not to cooperate in boycotts. Whether better enforcement of law would be appropriate, or whether new legislation is required, remains to be studied. But the United States cannot afford to sell its honor for Arab gold.

RELIEF SUPPLIES OF NATURAL GAS

Mr. TALMADGE. Mr. President, I would like to join the distinguished Senator from Alabama (Mr. ALLEN) in both applauding and in raising some concerns about the latest order issued by the Federal Power Commission, regarding relief supplies of natural gas for the Cherokee, Ala., fertilizer plant.

While I am very happy that this plant will now be given some immediate gas relief to increase its production of ammonia for nitrogen fertilizer use, the terms of the order referred to by Senator ALLEN, which would deny the use of natural gas in times of curtailment for use in its gas-fired reformer furnace after September 1, 1976, I find troublesome. In the southeastern region of our Nation, supplies of natural gas are not only very short presently, but are likely to get even shorter in the immediate years ahead. Denying such plants the use of natural gas in curtailment periods to meet their "process fuel" or reformer-furnace requirements, will force costly conversions of these furnaces to oil, which in turn, will be eventually translated into higher fertilizer prices for farmers. Such requirements by the Commission will cause price discrimination against Georgia, Alabama, and other Southeastern State farmers.

Mr. President, it is fear of such actions by the Commission that prompted me to include in my bill, S. 319, a natural gas priority for a fertilizer producer's "process fuel" requirements, in addition to his "feedstock" requirements. And I am happy to report, Mr. President, that almost all the provisions of my bill (S. 319)—including the one just referred to—have been incorporated into S. 692, a bill recently introduced by Senator HOLLINGS and Senator MAGNUSON, which will serve as the basis for a Senate Commerce Committee markup in the immediate weeks ahead.

Mr. President, I and other members of our Senate Committee on Agriculture and Forestry have been monitoring and working on these fertilizer and natural gas curtailment problems now for almost a year and a half. Hopefully, all of the efforts we have advanced in this regard during this period will bear some fruit in the eventual passage of S. 692, which, as I stated, now contains most all of the provisions of my original bill, S. 319.

Mr. President, the farmers of Georgia, Alabama, the Carolinas and elsewhere in the Southeast, may face some difficulties in obtaining adequate amounts of nitrogen fertilizer this spring due to the length and depth of the natural gas curtailments that have been imposed this past winter on, not only the Cherokee, Ala., fertilizer plant, but also on the Farmers Chemical Association plant in Tunis, N.C. Thousands of tons of ammonia in lost production has been experienced this past winter by these plants, due to gas curtailments. The Tunis fertilizer plant, while now back in operation, was completely shut down for a period due to such curtailments. The Cherokee plant has been forced to operate at only 35 percent of capacity since last December, again due to such gas curtailments. Such losses in production not only mean less nitrogen fertilizer available to farmers this spring, but could also mean even higher prices for what is available if demand exceeds the supply.

President Ford, in a letter to me last December, indicated that the Department of Agriculture was going to report to him by January 15, 1975, as to whether, and if so, what kind of fertilizer allocation system might have to be employed in assuring equitable distribution of fertilizers to farmers this year. To date, I have not heard anything further from either the President or the Department of Agriculture as to what, if anything, the executive branch may have in mind in this regard. I hope nothing. Allocation of fertilizer supplies to individual farmers is not the answer. The answer is allocation of natural gas to fertilizer producers so we will be assured of maximum production of fertilizer supplies for the 1975–76 years. And as I have been saying these past few months, the only way to insure that such gas allocations are going to be made, is to require it by law. And that is what I still believe must be done.

Hopefully, enactment of my S. 319 provisions into law will be accomplished sometime this year, at least that is what I and other Members cosponsoring this bill with me will be pushing for.

Mr. President, I should like to note at, this point, a report issued last Friday, February 28, 1975, by the U.S. Commerce Department, indicating that the United States was net importer of nitrogen fertilizer in 1974. This report further indicates that for 1975, contracts reported for January–June indicate a sharp decline in exports of both nitrogenous and phosphatic fertilizers from the same period in 1974. Unless, Mr. President, action is taken soon to expand our own U.S. production capacity regarding these materials, we will eventually become as dependent upon fertilizer imports as we are now dependent upon oil imports, which I, for one, wish to avoid.

Mr. President, I would like to request unanimous consent that the Commerce Department report just referred to be printed in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ALLEN. Again, Mr. President, I want to commend the Federal Power Commission for finally granting this desperately needed gas relief to the Cherokee, Ala., fertilizer plant. Regrettably, the granting of this particular relief has taken far too long. I hope in the future we can minimize, if not totally eliminate, such delays, through enactment of S. 319.

EXHIBIT 1

U.S. NET IMPORTER OF NITROGENOUS FERTILIZER IN 1974, BUT EXPORT CONTRACTS DROP FOR FIRST HALF 1975

The United States was a net importer of nitrogenous fertilizer in January-December 1974, the U.S. Department of Commerce reported today, although in July-December 1974 (the first half of the 1975 crop year), exports exceeded imports by nearly 4 percent.

However, contracts reported for January-June 1975 indicate that there will be a very sharp decline in export of both nitrogenous and phosphatic fertilizers during that period as compared with the same period of 1974.

U.S. imports of nitrogenous fertilizers totaled 1,127,243 content tons for January-December 1974 and 490,425 content tons in the first half of crop year 1975. Export in the same 12-month period totaled 1,033,818 content tons and 509,720 content tons in the first half of the 1975 crop year.

In addition, Commerce Department figures suggest that exports of both nitrogenous and phosphatic fertilizers will be sharply lower in January-June 1975 than they were in the same period 1974. Export contracts reported to the Department's Office of Export Administration listed a total of 279,701 content tons of nitrogen under contract for delivery in the 1975 period compared with exports of 524,098 content tons in January-June 1974, while contracts for phosphatic fertilizers were reported at 583,202 tons (P_2O_5 content) in the 1975 period versus 649,802 tons (P_2O_5 content) in January-June 1974.

Production of ammonia, chief source of nitrogenous fertilizer, declined 0.7 percent in the first five months of the 1975 crop year to 6,453,000 short tons from 6,500,000 short tons in the same period of the 1974 crop year.

According to figures compiled by the Bureau of the Census, inventories of fertilizer materials generally were higher in November 1974 than they were the year before, except for ammonium nitrate of which 230,058 short tons were inventoried in November 1974 compared with 358,198 short tons in November 1973.

Tables of imports, exports, production, inventories and prices follow:

TABLE 1.—U.S. TRADE IN NITROGEN AND PHOSPHATE FERTILIZER FOR CROP YEAR 1974 [1]—TRADE AND EXPORT CONTRACTS FOR FIRST HALF CROP YEAR 1975 [1]

[In Content Tons]

Commodity	January to June 1973	July to December 1973	January to June 1974	July to December 1974	Contracts January to June 1975
IMPORTS					
N and P_2O_5 content tons:					
Nitrogen fertilizer	495,176	122,548	636,818	490,425	----
Phosphate fertilizer [2]	183,512	129,124	150,807	126,726	----
EXPORTS					
N and P_2O_5 content tons:					
Nitrogen fertilizer [3]	698,919	757,520	524,098	509,720	279,701
Phosphate fertilizer [4]	640,120	884,237	649,802	915,661	583,202

[1] Crop years extend July to June.
[2] N and P_2O_5 content tons include items not listed on accompanying table.
[3] Does not include phosphate rock.

Source: Bureau of Census and Office of Export Administration.

TABLE 2.—FERTILIZER EXPORTS CROP YEAR 1974—TRADE AND EXPORTS CONTRACTS FOR FIRST HALF CROP YEAR 1975

Short tons, except as noted

Commodity	January to June 1973	July to December 1973	January to June 1974	July to December 1974	Contracts January to June 1975
Nitrogenous:					
Anhydrous ammonia	291,565	406,861	238,042	153,340	49,899
Urea	272,817	184,443	137,181	177,525	143,976
Ammonium nitrate	13,783	27,024	9,540	8,160	330
Ammonium sulfate	228,888	299,286	258,188	272,693	58,134
Phosphatic:					
Phosphoric acid	70,534	43,409	44,278	114,710	152,869
Phosphate rock (thousands) (Florid. only)	6,589	7,366	6,577	6,778	5,380
Concentrated superphosphate	715,537	572,207	570,930	675,790	257,428
Ammonium phosphate	596,835	1,237,521	516,005	1,075,559	757,273
Mixed fertilizer	160,315	214,711	222,536	251,841	111,037

[1] Crop years extend from July to June.
[2] Includes fertilizer and other grades of anhydrous ammonia.

Source: Bureau of Census and Office of Export Administration.

TABLE 3.—FERTILIZER IMPORTS CROP YEAR 1974 [1] AND JULY DECEMBER OF CROP YEARS 1974, 1975

[Short tons, except as noted]

Commodity	January to June 1973	July to December 1973	January to June 1974	July to December 1974
Nitrogenous:				
Anhydrous ammonia	165,432	146,354	273,007	182,359
Urea	345,165	328,422	339,894	377,317
Ammonium nitrate	230,964	107,223	193,946	175,267
Ammonium nitrate limestone	26	10,000	198,776	134,087
Phosphatic:				
Phosphoric acid	52,965	61,462	44,953	72,102
Concentrated superphosphate	49,358	18,154	56,773	28,613
Ammonium phosphate	234,284	158,271	238,486	105,917

[1] Crop years extend from July to June.

Source: Bureau of Census.

TABLE 4.—FERTILIZER PRODUCTION BY CROP YEAR 1973, 1974 [1] AND JULY TO NOVEMBER OF CROP YEARS 1974, 1975

[Thousand short tons]

Commodity	1972-73 July to June	1973-74 July to June	Percent change 1973-74	1973 July to November	1974 July to November	Percent change 1974-73
Nitrogenous:						
Anhydrous ammonia	15,059	15,781	4.8	6,500	6,453	—0.7
Urea	3,427	3,543	3.4	1,422	1,505	5.8
Ammonium nitrate	6,754	7,191	6.5	2,829	3,067	8.4
Ammonium sulfate [2]	2,386	2,634	10.4	1,161	[3] 1,051	—9.5
Phosphatic:						
Phosphoric acid [4]	6,524	6,670	2.2	2,696	3,074	14.0
Concentrated superphosphate [4]	1,673	1,705	1.9	683	693	1.1
Ammonium phosphate [5]	6,739	6,746	.1	2,751	2,878	4.6

[1] Crop years extend from July to June.
[2] Includes coke oven byproduct.
[3] Estimated.
[4] 100 percent APA.
[5] Gross weight.

Source: Bureau of Census.

TABLE 5.—PRODUCER INVENTORIES OF FERTILIZER MATERIALS

[In short tons]

Commodity	June 1973	June 1974	October 1973	October 1974	November 1973	November 1974
Anhydrous ammonia	622,318	615,376	750,565	653,160	770,665	909,327
Ammonium nitrate	50,811	50,491	326,312	203,103	358,198	230,068
Ammonium sulfate	101,508	153,496	185,631	211,255	153,554	(1)
Urea	(1)	(1)	(1)	(1)	(1)	(1)
Phosphoric acid	88,150	133,313	80,863	165,705	67,429	170,410
Concentrated superphosphate	103,900	55,010	95,699	139,540	106,506	170,431
Ammonium phosphate	135,038	55,773	(1)	145,680	124,012	148,583

[1] Not available.

Source: Bureau of Census.

TABLE 6.—PRODUCER PRICES OF FERTILIZER MATERIALS

[Dollars per ton]

Commodity	Oct. 24, 1973	Oct. 21, 1974	Jan. 27, 1975	Percent change, Oct. 23, 1973, Jan. 27, 1975
Phosphate rock	7	25	25	257
Phosphoric acid	78	157	157	101
Diammonium phosphate	75	165	165	120
Triple superphosphate	55	140	140	155
Ammonia	65	160	210	223
Urea	72	175	175	143
Ammonium nitrate	62	115	115	85

Source: Price col. 1—Cost of Living Council. Cols. 2 and 3—Chemical Marketing Reporter (high quote).

TABLE 7.—RETAIL PRICES OF FERTILIZER

Dollars per ton]

Commodity	Oct. 25, 1973	Apr. 15, 1974	Sept. 15, 1974	Percent change, Oct. 25, 1973–Sept. 15, 1974
Anhydrous ammonia	$103	$210	$247	140
Ammonium nitrate	83	147	173	109
Urea	58	200	241	146
Nitrogen solutions	72	135	156	117
Phosphates:				
Triple superphosphate	97	147	179	85
Diammonium phosphate	120	182	229	91
Potassium chloride	68	92	103	51
Mixed fertilizers	87	130	157	80

Source: U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service.

FOR THE CLASS OF '75, THE SEARCH FOR A JOB MAY BE LONG, HARD

Mr. PELL. Mr. President, there has been much talk about the implications of the economic downswing which we are currently experiencing. One reads daily accounts of unemployment rates which are expected to reach a high of about 10 percent by the end of the year.

As chairman of the Subcommittee on Education of the Senate Committee on Labor and Public Welfare, I am greatly worried that these projections and discussions do not take into consideration the many youngsters who are in college right now, especially those who will graduate in June of this year. Coupled with the decreased income of many families in this country, which may lead to a higher than normal dropout rate in post-secondary education, there may be an even greater unemployment rate than is presently projected.

Concomitant with this problem is that of the individual who has been teaching for a few years but whose school cuts back in enrollment and, therefore, cuts back in the number of necessary faculty, to the teacher whose school simply closes down, or to the teacher who is not granted tenure. There are many who have spent years in education and who suddenly find that they have no future, that their expertise is no longer needed.

The Subcommittee on Education will hold hearings on these matters in the very near future so that we can understand not only the problem, but also how our present legislation may even be adding to that problem with an unreasonable emphasis on teacher training through the Education Professions Development Act and through certain forgiveness features of the national defense student loan program.

An interesting article on this subject appeared in the Wall Street Journal of Thursday, February 20, 1975, and I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR THE CLASS OF '75, THE SEARCH FOR A JOB MAY BE LONG, HARD

(By Mike Tharp)

Dan Nabholtz received a B.S. in business from the University of Notre Dame and an M.B.A. in December from Southern Methodist University. Since then he has worked nights in Dallas as a janitor, searching during the day for a job. Despite his efforts, he hasn't received any offers from firms in his management-consultant specialty and has returned to his Conway, Ark., home to work as a carpenter. "The dreams have ended," the 23-year-old former honor student says. "This is a hard age to retire at."

Nancy Lyon will receive a master's degree in business administration in March from the University of Oregon. She has already had about 25 interviews, mainly with accounting firms, but hasn't received a job offer. "I'm surprised and disappointed," she says. "I'd even accept secretarial work while I'm looking around for something else."

Like Dan Nabholtz and Nancy Lyon, other members of the class of '75 are finding employment prospects the most uncertain in years. The majority of graduates will have to work harder than ever to land a job, experts say, and the results of their efforts will have long-term effects on the nation's attempts to shore up its strained economy.

AN UNEVEN OUTLOOK

Although the outlook is favorable in some fields, collegians generally are facing uneven and often bleak chances of working after getting their diplomas. Jack Shingleton, Michigan State University's placement director, estimates that out of 950,000 graduating seniors this year, 551,000, or 58%, will get degrees in areas where the supply of students exceeds demand; only 239,000, or 25%, will be in high-demand fields. Says Margaret Gordon, a staff member of the Carnegie Commission on Higher Education: "The job market is going to be the worst this coming spring of the entire postwar period."

National surveys support the uncertain outlook. The College Placement Council's employer poll projects a 4% decrease in job openings for June. Michigan State's recruiting-trends survey indicates a 7% drop in campus visits by employers in 1974–75. And the annual Endicott Report on corporate hiring estimates a 0.5% decline in demand for holders of nonengineering bachelor's degrees. The report also found a 3% jump in demand for students with engineering bachelor's degrees.

Numerous factors contribute to the cloudy outlook, but the overall state of the economy affects it most. Any improvement will require "a turnaround in the economy so companies will have more confidence in the immediate future," says a spokeswoman for the College Placement Council.

THE SILVER LINING

There are some bright spots, of course. Howard Jones will be graduated from Michigan State in May with a bachelor's degree in chemical engineering. During his senior year, he has been interviewed by recruiters from a dozen major corporations. "I received offers from every one of them," he says, "and sometimes offers from three or four divisions of the same company."

At Texas A&M University, all petroleum engineers in the undergraduate class of 1975 and in the graduate classes of 1975 and 1976 have already accepted jobs. Purdue University's placement office has had to ask some recruiters to cancel visits "because there won't be enough (engineering) students to go around." And at Harvard University's graduate school of business, M.B.A.'s "will get three offers in a bum year, compared with eight in a good year, so I'm not going to sound like the town crier of Pompeii about this," says Roderic Hodgins, director of the office of career development.

In general, placement directors see a strong demand for all types of engineers, stemming mainly from the rapid growth of petroleum and chemical companies. Other robust areas include accounting and the health-services fields. In the middle range are such disciplines as biological science, math, agriculture and communications.

REGIONAL VARIATIONS

Demand will also vary regionally, according to the condition of local economies. For example, at General Dynamics Corp.'s Fort Worth division, which recently won a multibillion-dollar contract to build the F16 fighter plane, recruiting of college graduates "may double," a spokesman says.

And despite a surplus of students in most fields, starting salaries are ex ected to rise nationally 5% to 6% from last year.

Women and minorities will also fare better than in prior years, primarily because of the government's equal-employment-opportunity push. (Both groups, however, historically haven't entered high-demand areas like engineer or business.) The College Placement Council estimates that so far this year, employers have made 34% more job offers to women receiving bachelor's degrees than last year. Even so, Nancy Sutake, who will be graduated in June with a mechanical-engineering degree from Michigan State, says she has received only one firm job offer out of about 12 interviews. "I didn't think I'd have much trouble, but I am," she says. "I'm going to have to resort to a letter-writing campaign—something I didn't think I'd have to do."

Apart from technical-services majors, however, most other graduates will have to scramble for jobs. A random sampling of several major companies shows a sometimes-drastic curtailment of both recruiting and hiring. The Big Three auto companies have made particularly dramatic cutbacks.

General Motors Corp. canceled its remaining collegiate recruiting program for this academic year. In a normal year, a spokesman says, GM would interview 3,500 to 4,000 students and would hire 400 to 600 from these campus interviews, as well as hiring both students and nonstudents from other sources.

Ford Motor Co. has also canceled the rest of its spring recruiting on about 200 campuses, mainly because "we have so many salaried employes on layoff," a spokesman explains. Ford normally hires about 2,500 graduates a year, 75% of them in business or engineering.

American Telephone & Telegraph Co. says it will reduce by 60% this year its total hiring for management jobs, typically about 2,000 a year, most of whom are college graduates. DuPont & Co. revised its 1974–75 recruiting forecast down to fewer than 1,000 prospects—90% of them engineers—from about 1,700. "We'll return to normal levels solely when the economy goes up," a spokesman says. Westinghouse Electric Corp. will hire about 400 graduates this year, down from 700 in a nonrecession year.

Labor experts fear that cutbacks like these will swell the nation's already-bloated unemployment figures. One survey estimates than 12% of this year's senior class will be out of work through the summer, up from 10% a year earlier. The survey also projects that 15% of the class will be "underemployed," or working at a job below its expectation.

For example, Doug McGuire, who received a bachelor's degree in political science from the University of Oregon in 1973, wasn't immediately hired after graduation. He says he worked several months "for $50 a week" in a Eugene, Ore., tavern while being interviewed by some 30 firms. "People were interested," he recalls, "but there were no jobs available. Now I've exhausted all my contacts." Currently Mr. McGuire is unemployed and lives with his parents in Portland.

Moreover, advanced or professional degrees are no longer the surefire springboard to employment they once were. The American Bar Association says there will be about 30,000 law degrees awarded this year by its member schools. But the Labor Department has estimated a need of only 16,500 lawyers a year during the 1970s. And the College Placement Council says doctoral-degree candidates in all fields will find 17% fewer openings this year. "In the years ahead, only the best and the brightest of academicians can expect to find positions in the better universities," Michigan State's Mr. Shingleton says.

Surprisingly, even graduating medical-school students will encounter a shortage of specialized training spots for their internships and residency, the American Medical Association says. More than 95% of the anticipated 11,000 M.D.'s this year will go on to such training, a spokesman says, "but for the first time since World War II, there seem to be more people looking than open-

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ings available." He attributes the shortage primarily to the large number of foreign medical students "complicating the job market."

The slimmest pickings of all will go to liberal-arts graduates. Placement directors view the market for teachers as an uneven one, strongest in the areas of industrial arts, special education, math and science, especially in smaller or rural towns. In addition, during tight times, liberal-arts schools are the first ones removed from recruiters' schedules, thus lessening a tudent's chance of finding a job through an on-campus interview. Says Larry Goodrich, an honors student in French as Michigan State, "Almost nobody interviews liberal-arts majors here." He adds that he is looking for a teaching job in Canada. Failing that, he says, he will return to his traditional summer job—"selling ice-cream cones at carnivals and county fairs."

Students, of course, are aware of the tight market and are trying a variety of things to improve their chances. At Carleton College in Northfield, Minn., "students are signing up for interviews in higher numbers than in the past 12 years," says Marilyn Hill, the placement director. Beginning at 3:30 a.m. recently, Michigan State students camped out in the placement building; 330 were in line to sign up for interviews when the office doors opened. Several University of Texas Ph.D. candidates in mathematics have switched to the actuarial-science department, "lured by the prospect of jobs with insurance companies and pension consultants as a result of the 1974 pension-reform law.

Glenn Seawell, an M.B.A. candidate in June at the University of Georgia, has had 10 interviews so far but doesn't yet have a definite offer. "I'm not panicking yet, but, assuming the worst, I'll stay here and continue postgraduate work," says the former Army officer and Bronze Star winner. Mike Brewster, a December graduate of Texas' school of architecture in Austin, had 50 copies of his resume printed to hand to prospective employers. "I'm on my second set of 50," he says. "I've been to everybody who's anybody and some who aren't anybody."

CONGRESS MUST RESTORE COMPASSION TO THE PRESIDENT'S BUDGET

Mr. EAGLETON. Mr. President, President Ford has referred to his proposed fiscal 1976 budget as "a compassionate one." I have no doubt that the President is personally a compassionate man. Therefore, I must conclude that he does not fully comprehend the devastating impact his budget proposals, if approved by Congress, would have on this Nation's elderly, disabled, and poor citizens.

At a time of continuing double-digit inflation and deepening recession, a compassionate government must, at the very least, maintain the real value of those essential benefits on which the most vulnerable members of our society rely.

Instead, the President's budget would reduce those benefits virtually across the board by limiting cost-of-living increases, by outright benefit and funding reductions, and by total elimination of some programs.

RETIREMENT AND DISABILITY BENEFITS

The President has recommended that Congress pass legislation limiting automatic cost-of-living increases in social security benefits and other Federal retirement and disability payments to 5 percent for a period of 18 months beginning January 1, 1975, and ending June 30, 1976.

Under current law, social security recipients are to receive in July a cost-of-living increase equal to the increase in the Consumer Price Index from July 1, 1974, the month of the last social security increase, through March 31, 1975. That increase is expected to be in the vicinity of 9 percent.

Other programs that would be affected by the 5 percent limit, in addition to social security, are railroad retirement, supplemental security income, coal miner benefits, and Federal civil service and military retirement payments.

The purpose of cost-of-living escalator clauses is not to increase benefits, but to protect the real value of benefits from inflation. If it is important to so protect the benefits of the aged and the disabled in ordinary times, it is in my view imperative that we do so at a time of severe inflation and predictions by the President's own advisers that the rate of inflation will be in excess of 5 percent through 1978.

To accept the President's proposal would be to permanently reduce the real income of millions of aged and disabled Americans.

HEALTH BENEFITS AND SERVICES

The President's budget calls for outright reductions in health benefits and services. The largest reduction would be made in medicare benefits.

Under the hospital insurance program, a medicare beneficiary now pays a $92 deductible on entering the hospital and then medicare pays the remaining cost of the first 60 days of hospital care.

The President has recommended legislation to require a medicare beneficiary to pay the deductible and then 10 percent of all subsequent costs up to a maximum cost to the beneficiary of $750.

This proposal and a companion proposal to increase the medicare part B deductible from $60 to $70 next year would result in the aged and disabled paying an additional $1.3 billion out of their own pockets for health care in fiscal 1976.

Reductions in health services for the poor would result from recommended legislation to eliminate nonemergency dental care for adults under medicaid and from a 20-percent cut in Federal spending for community health services programs, including community health centers, maternal and child health care, drug and alcohol abuse programs, migrant health care, immunization programs, and venereal disease programs.

AGING PROGRAMS

The President's budget proposes a $42.4 million cutback below fiscal 1975 appropriations for Older Americans Act programs—the largest funding reduction in the history of that act.

Funds allocated to the States for the development of community services for the aged would be reduced by $9 million, from $105 million to $96 million, preventing expansion of the program to as many as 50 additional areas of the Nation where such services are not now available.

Appropriations for the title VII nutrition program would be reduced from $125 million to $99.6 million. Some 50,000 elderly persons—the group already among the hardest hit by inflation—would thus be prevented from participating in the program and receiving a hot, nutritious meal daily.

No funds have been requested for the title IX, Senior Community Service Employment Program. Indeed the President proposes that $12 million appropriated to operate this program in the current year be rescinded. Under the administration's proposal, the older worker programs funded through the Department of Labor's Operation Mainstream would end on June 30 and programs for older workers would have to compete for funding from State and local governments under the Comprehensive Employment and Training Act.

Action's programs for older Americans would be reduced by $1.8 million. Funding for the retired senior volunteer program—RSVP—would be increased by $1.5 million, but funds for Foster Grandparents which provides employment for low-income elderly persons would be decreased by $2.4 million.

The budget requests no funds for OEO's—now the Community Services Administration's—senior opportunities and services program which this year is serving more than 1 million low-income senior citizens.

In short, the effect of the President's budget would be to reduce the number of hot meals served to the elderly and to cut back those community services and employment programs which for many older people represent the difference between living and merely existing.

FOOD ASSISTANCE PROGRAMS

With food prices expected to increase by about 15 percent in 1975 and rising unemployment, the President's budget incredibly calls for a reduction in outlays for food assistance programs in fiscal 1976.

FOOD STAMPS

The administration's plan to increase the purchase price of food stamps—a plan that would have imposed an additional financial burden on many low-income families and would have virtually eliminated all elderly persons from the program—has been blocked by Congress.

However, another administration proposal would erode the adequacy of the food stamp program. The President has asked Congress to limit the semiannual cost-of-food adjustments in food stamp allotments to 5 percent for an 18-month period.

The Department of Agriculture recently reported that the food stamp allotment a family of four receives today falls $5.90 short of the cost of the Department's bare bones economy diet. Under the President's proposal, the current $154 monthly allotment for that family would be allowed to rise only to $158 on July 1 and would not be permitted to increase at all on January 1, 1976. Without the 5 percent limit, the allotment is expected to increase to $164 in July and to $172 next January 1.

CHILD NUTRITION PROGRAMS

When administration budgetmakers came to the child nutrition programs, they put away their scalpel and brought out the meat axe.

First of all, the President will recommend to the Congress legislation to terminate all existing child nutrition programs, including the national school lunch program, and to replace them with a child nutrition block grant program.

Block grant funds could be used by the states to provide meals in schools, day care centers, summer recreation programs et cetera, to children from families with incomes up to 125 percent of the poverty line. Donations of commodities to schools would be discontinued. USDA has estimated that under this proposal the price of school lunches would increase by about 22 cents, and children from families of four with incomes above $5,640 would have to pay the full cost of their lunches.

Under the block grant program, spending for child nutrition would be about $300 million less than this year and from $600 to $700 million less than would be spent next year if existing programs were continued.

Even if the block grant program is not approved by Congress, the President's budget calls for the termination of the following child nutrition programs:

The school breakfast program which is now serving about 1.5 million low-income children each day;

The special milk program for schoolchildren;

The nonschool food program which in the last full fiscal year provided meals for 1.. million children in summer recreation programs and 366,000 children yearround in day care centers and is serving additional numbers of children this year; and

The special supplemental food program for women, infants, and children, WIC, and the old commodity supplemental food program which provide nutritional assistance for low-income mothers and small children.

Finally, cost-of-food adjustments in reimbursement rates and commodity donations for the school lunch program would, under the President's recommendations, be limited to 5 percent for the 18-month period ending June 30, 1976.

Taken together the President's proposals would result in the complete elimination of food assistance to those preschool children most vulnerable to the effects of malnutrition, and a decrease in the real value of Federal support for the school lunch program which would require additional expenditures by local school districts and/or increased prices of school lunches.

CONGRESS MUST REVISE BUDGET PRIORITIES

The President's proposed budget simply cannot be described as "a compassionate one." It would permit a permanent decrease in the real income of the aged and the disabled, it would substantially reduce health benefits and services, it would result in unprecedented funding reductions for special programs for the aging, and it would wreak havoc on our child nutrition programs.

The Congress must look carefully at each of the President's spending reduction proposals and, in my judgment, it must reject those which would result in decreases in essential benefits for the aged, the disabled, and the poor.

In a word, the Congress must restore compassion to the President's budget.

INVESTIGATION OF CARDIAC PACEMAKERS

Mr. RIBICOFF. Mr. President, on Friday, February 28, the Wall Street Journal reported that a total of 5,529 cardiac pacemakers, already surgically implanted, have been recalled by two manufacturers. The recall is being monitored by the Food and Drug Administration.

The pacemakers are small, battery-operated devices which provide electronic impulses to regulate the heartbeat of patients with serious heart conditions. The pacemakers involved in this recall have exhibited a leakage problem caused by body fluids penetrating the cement used to seal the devices.

The effect of the leakage on the circuitry of the 1,241 pacemakers being recalled by the General Electric Corp.'s Medical System's Division in Milwaukee can cause the heart to beat at an abnormally fast rate. The effect of the leakage on the 4,288 pacemakers being recalled by the Cordis Corp. in Miami, Fla., can cause the heart to beat at an abnormally slow rate.

Unfortunately, Mr. President, the news account of this pacemaker recall does not reflect the seriousness of the problem, either in terms of the number of pacemakers recalled or of the uncorrected defect necessitating the recall.

The fact is that more than 20,000 pacemakers have been recalled by four manufacturers out of the 125,000 pacemakers presently implanted in the heart patients. The problem takes on additional significance in view of the fact that the number of implanted pacemakers is increasing at a rate of about 30,000 a year.

On July 2, 1973, I asked the Comptroller General to investigate the operations of the Food and Drug Administration in relation to a recall in 1972 of nearly 600 pacemakers by General Electric. The final report on the investigation by the General Accounting Office has been delayed several times by the fact that GE and three other pacemaker manufacturers have issued recalls involving a total of more than 20,000 pacemakers since the investigation began.

At the beginning of February, Comptroller General Elmer B. Staats, at my request, sent me a statement of facts summarizing the major findings of the report while the report was still undergoing final review process at GAO.

In view of the seriousness of the findings, which indicate that many lives have been lost and many more are in jeopardy, because of the Food and Drug Administration's failure to identify and correct the defect in the pacemakers, I have asked that the final report of the GAO investigation be forwarded to me no later than the end of this week.

The GAO report will question the adequacy of recall-monitoring procedures within the Bureau of Medical Devices of the Food and Drug Administration. The questions involve how and whether the Bureau obtains information and sample devices from the pacemaker manufacturers; conducts sample tests to determine the cause of defects; alerts the public, doctors, and manufacturers to pacemaker defects and recalls; ascertains the numbers of deaths and injuries caused by pacemaker defects, and investigates and prosecutes companies manufacturing defective pacemakers.

In view of the growing numbers of heart patients whose lives depend on the dependability of surgically implanted pacemakers, it is essential that there be adequate Federal regulation of the pacemaker industry. I will release the GAO findings on this important question as soon as I receive the report.

I ask unanimous consent that the article from the February 28 issue of the Wall Street Journal on the pacemaker recall be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FDA ORDERS RECALL OF GE PACEMAKERS ALREADY IMPLANTED—AGENCY CONTENDS 1,241 DEVICES MAY POSSIBLY MALFUNCTION, SPEEDING UP HEART BEAT

WASHINGTON.—The Food and Drug Administration disclosed the recall of electronic pacemakers, surgically implanted in 1,241 heart patients, because of a possible malfunction.

The agency said the maker of the units, General Electric Co.'s Medical Systems division in Milwaukee, has already sent letters to physicians of the patients involved recommending replacement of the pacemakers.

The problem, the agency said, is that copper from the units can enter the pacemaker's circuits, causing the heart to beat faster than usual. The pacemakers are installed in patients whose hearts need an electronic impulse to keep them beating normally.

GE is telling the doctors involved, the FDA said, to replace the units about 22 to 24 months after they were first implanted. The letter from GE went to the doctors on Feb. 1.

The FDA also announced a second pacemaker recall, but of a less serious nature. It involved about 4,288 "internal cardiac pacemakers" manufactured by Cordi Corp., Miami, Fla., an unknown number of which are actually implanted.

The FDA said glue holding the unit together can become moist, causing it to swell. It said this could result in a lowered pulse rate. The company is advising doctors to monitor the affected units once a month for five months to make sure they are working properly.

FPC GRANTS NATURAL GAS RELIEF TO CHEROKEE, ALA., FERTILIZER PLANT

Mr. ALLEN. Mr. President, on February 20, 1975, I placed in the CONGRESSIONAL RECORD two Federal Power Commission staff briefs which urged the Commission to grant natural gas relief to United States Steel's Cherokee, Ala., fertilizer plant, which, of course, I

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heartily endorsed. On Wednesday of last week, February 26, 1975, the Commission issued an order granting extraordinary relief to this particular plant. I am very pleased with this action and wish to commend the Commission for not only granting the relief but for their prompt action in doing so, following issuance of their staff's report on the matter.

Mr. President, this action by the Federal Power Commission will provide for immediate additional gas to bring the Cherokee plant from its present curtailed state of 135 to 150 tons a day of ammonia to its effective daily capacity of about 550 tons.

The other important development reflected in the Commission's order in this case is the Commission's acknowledgment that the "social utility of the end product" involved in such relief cases deserves due attention and consideration. This represents a major reversal of earlier positions taken by the Commission in deciding relief of this type. However, the Commission warns that consideration of "social utility of end product" will be considered by them in a somewhat limited manner.

This plant now employs natural gas to meet its feedstock, reformer furnace, and boiler fuel requirements. The terms of the Commission's February 26 order are such that the Cherokee plant will likely have to install a new oil-fired reformer furnace by September 1, 1976, in that the plant's existing gas-fired furnace cannot be converted. The only hope for avoiding the installation of a new furnace would be if the plant could locate a source of "intrastate" gas supply.

If the terms of this particular FPC order is used or referred to in the future as a "precedent," it could mean that some regions of the Nation—such as the Southeast—will be faced with higher ammonia or nitrogen fertilizer prices than elsewhere in the Nation. The order implies that those plants—such as those in the Southeast—that are in short-gas supply areas could be forced to convert all of their "reformer furnace" or "process fuel" requirements from natural gas to the required low sulfur oil used in such reformer furnaces. On the other hand, those fertilizer plants in adequate-gas supply areas would not have to experience the expense of such conversion. The cost-conversion differences in such cases will likely mean eventual differences in prices paid by farmers for the fertilizer in these respective areas.

The problems suggested by this most recent FPC order reaffirm, in my judgment, the importance of enactment of S. 319, a bill which Senator HERMAN E. TALMADGE, I, and other Senators introduced, which will provide a natural gas priority for fertilizer and farm chemical producers to meet both their feed stock and process fuel requirements.

Mr. President, in view of the importance and general implications of this February 26 Federal Power Commission order, I would like to request unanimous consent that it be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[United States of America Federal Power Commission]

ORDER GRANTING EXTRAORDINARY RELIEF AFTER FURTHER CONSIDERATION

(Issued February 26, 1975)

Before Commissioners: John N. Nassikas, Chairman; Albert B. Brooke, Jr., Rush Moody, Jr., William L. Springer, and Don E. Smith.

Texas Eastern Transmission Corporation, (North Alabama Gas District), Docket No. RP74-39-8.

Now before use for further consideration is an application for extraordinary relief from curtailment imposed by Texas Eastern Transmission Corporation (TETCO) filed by the North Alabama Gas District (North Alabama) on behalf of the Cherokee Alabama plant of United States Steel's Agri-Chemical Division (USS or Ag-Chem). North Alabama requests that we issue an order directing TETCO to deliver to North Alabama, for resale to Ag-Chem, volumes of extraordinary relief gas for feedstock and process uses which are sufficient to permit maximum production of anhydrous ammonia, a basic ingredient in nitrogen fertilizer. After review of the reopened record, which has been greatly expanded and improved by the addition of new evidence introduced at a second hearing, we have determined that extraordinary relief should be provided to met Ag-Chem's feedstock gas requirements, but that relief for process gas use should he granted only for a limited time and upon condition that Ag-Chem agrees, after August 1976, to take natural gas only for feedstock use.

North Alabama, on February 13, 1974, petitioned for extraordinary relief and requested exemption from TETCO's curtailment and delivery of its full firm contract entitlement, 14,800 Mcf/d. In an order issued March 25, 1974, we granted temporary relief and set the petition for hearing. We also specifically ordered North Alabama to "present evidence to substantiate the technical infeasibility of utilizing alternate fuels in the Ag-Chem Cherokee plant." After a hearing had been held on May 7-10, 1974, Administrative Law Judge Samuel Kanell released an initial decision on July 23, 1974, which granted partial extraordinary relief subject to certain conditions By order issued November 26, 1974, we denied permanent relief and terminated the delivery of temporary relief gas to Ag-Chem through North Alabama. This action was based upon our conclusion that the petitioner, which has the burden of proof in an extraordinary relief proceeding, had relied almost exclusively on general evidence of the national fertilizer shortage and had not made a sufficient showing of the specific individualized "extraordinary circumstances" that are required to support the grant of relief.[1]

On December 20, 1974, we granted rehearing, reopened this record, set a further evidentiary hearing and denied stay of our previous order and temporary extraordinary relief. In light of both the changed circumstances alleged in North Alabama's application for rehearing, and our continued awareness of the need for increased food production through the proper application of fertilizer, we concluded that North Alabama should have another opportunity to justify relief: and we requested further evidence relating to these five issues:

(1) The technical feasability of conversion of Ag-Chem's plant to use fuel oil instead of process gas, and particularly, the ability of Ag-Chem to acquire No. 2 fuel oil with a sufficiently low metallic content;

(2) The use of Ag-Chem's end product: where is the fertilizer used and for what specific agricultural purposes, how much is exported, how and where is the non-agricultural production used;

(3) The degree of severity of the fertilizer shortage and particularly, the current supply and demand projections of the Department of Agriculture;

(4) The current and projected future ability of Ag-Chem's two other gas suppliers to provide gas to Ag-Chem;

(5) The technical feasibility of construction or lease of storage facilities, negotiation of exchange agreements, or production or purchase of LNG or SNG.

After this hearing had been concluded on January 24, 1975, the completed record was certified to use without initial decision. Initial briefs were filed on February 3, 1975, by North Alabama, USS, General Motors Corporation (GM), Algonquin Gas Transmission Corporation (Algonquin), Bay State Gas Company, *et al.*, Consolidated Edison Company of New York (Con Edison), and the Commission Staff. On February 10, 1975, replay briefs were submitted by the same parties with the exception of Con Edison and with the addition of a reply brief by TETCO.[2]

Adjudication of North Alabama's petition requires a two part analysis. First, we must determine if any amount of extraordinary relief should be awarded by focusing upon the current supply and demand projections for ammonia fertilizer, the regional impact of curtailment on fertilizer and food production, the specific uses to which Ag-Chem's end products are put, and Ag-Chem's ability to acquire other gas supplies. We must then consider whether the actual volumes of relief provided to North Alabama and Ag-Chem should be reduced to reflect the effect of achievable gas conservation measures. Here, the question of the "technical feasibility" of conversion of process fuel applications from natural gas to oil is paramount.

North Alabama and USS, the undisputed real party in interest, contend that the need for relief has been proven, and that process conversion is not "feasible" according to an engineer's common understanding of that term. GM and Staff support relief for the full volumes needed for feedstock use, but suggest that process gas relief should be ordered only until process conversion to fuel oil can be achieved and upon condition that the conversion work is undertaken. Algonquin, Bay State, *et al.*, and Con Edison oppose relief in any form. Con Edison specifically questions the accuracy of the estimates of the fertilizer shortage; while Algonquin emphasizes that North Alabama has not proven the infeasibility of process conversion. Bay State, *et al.*, takes the position that evidence presented upon rehearing is insufficient to alter our previous conclusions.

I. THE ALLEGED NEED FOR RELIEF

At the original hearing held in May 1974, estimates of the 1974 anticipated fertilizer supply shortage ranged from 500,000 tons of nitrogen or 5% of the predicted demand, the estimate of the Department of Agriculture (Agriculture) given by its staff economist, Dawson Ahalt, to a maximum of 2 million tons of nitrogen or 20%, Ag-Chem's projection. At the reopened hearing the two expert witnesses stated their belief that the actual 1974 shortage was more severe than had been predicted by Agriculture, and that the shortage will continue or worsen in 1975. Dr. Douglas, a staff economist for the Tennessee Valley Authority, appearing for North Alabama, testified that the indicated minimum 1974 shortage of nitrogen fertilizers for use on corn and wheat acreage was 578,000 tons of nitrogen (Tr. 569). Witness Douglas also predicted that in excess of 1.3 million tons of grain prices remain high (Tr. 570). This should be compared to corresponding predictions of a 1975 supply increase of 2% to 6% or 200,000 to 600,000 tons. The higher supply prediction was made by Witness Ahalt on the assumption that supplies of natural gas for fertilizer production would not be curtailed (Tr. 451); the lower estimate from the Fertilizer Institute seems to be more realistic. (Tr. 570)

Con Edison alone questions these projections. It notes that a 6% increase in fertilizer production would be sufficient to offset a 1975 supply shortage at the 1974 level, 5 or 6 percent. Con Edison argues that Dr. Douglas' estimate of a 750,000 ton increase in demand during 1975, to be added to the 1974 shortfall of 500,000 to 600,000 tons, is deficient or even completely incorrect because sufficient consideration was not given to the elastic nature of fertilizer demand and the possible effect, in reducing demand, of rising fertilizer costs and declining market prices for crops. We are not persuaded by this line of argument for it ignores other evidence, including the negative impact of curtailment on fertilizer supply, the positive impact on grain prices of the fact that grain stocks are at their lowest level in the last thirty years, and the growth in fertilizer usage which is occurring as farmers are educated about the efficiencies that can be achieved with modern agricultural technology. Additionally, Witness Ahalt testified that decreases in commodity prices will not bring about massive reductions in fertilizer demand so long as farmers can continue to recover the variable costs of full production (Tr. 501) The difficulty of the present situation is underscored by predictions that the United States may become a net importer of fertilizer during the 1975 fiscal year, despite the fact that fertilizer selling on the world market is approximately twice as expensive.

Even if these projections are overstated, any degree of shortage could cause substantial harm to farmers in a particular region or to consumers. Fertilizer production is concentrated in the Southwest near the major natural gas producing areas, but away from the major agricultural regions, the East, Southeast and Upper Midwest. Loss of 100,000 tons of nitrogen, 1% of the net nitrogen fertilizer production expected in the 1975 fiscal year could be significant on a regional basis, for that amount is equal to 10% of the Southeast's fertilizer usage in 1974 and can be translated into a 23% reduction in the area's corn production and a 2% loss of cotton and tobacco. Ag-Chem asserts that, without extraordinary relief, its output of anhydrous ammonia in the first eight months of 1975 will be reduced from 124,000 tons to approximately 90,000 tons, a loss of 34,000 tons of ammonia or 27,880 tons of nitrogen. Similarly, a small decrease in fertilizer could have disproportionate inflationary effects on the food prices, since it has been suggested that minor changes in the already tight supplies of farm commodities can trigger major price changes.

In response to the second question posed in our order granting rehearing, Ag-Chem has supplied an estimated analysis of the uses to which its ammonia products are put (Exhibit 9). Ag-Chem had originally planned on production of 175,000 tons of ammonia in 1974; as a result of the curtailment of its gas supplies, the actual 1974 output was only 163,800 tons. With the addition of 2,255 tons taken from the existing inventory, the total volume of ammonia shipped from the Cherokee plant, either directly or after further processing into various end products, was 165,015 tons. From this total, 151,612 tons (91.9%) were sold as agricultural fertilizer; 7,638 tons (4.5%) were shipped for various industrial chemical uses including the manufacture of refrigeration solutions, ore processing, and metal treatment; 5,300 tons (3.2%) were exported; and 715 tons (0.4%) were utilized as turf and garden fertilizer. An estimate of the percentage applications of the total agricultural fertilizer tonnage (151,612 tons) by crop type was also introduced; 46% was applied to corn acreage; 14% to pasture and hay fields; 6% to wheat fields; and 6% to cotton acreage.

In order to operate at full daily capacity, 530 tons of ammonia, the Cherokee plant must receive 17,623 Mcf of gas per day for feedstock and process uses. The manufacture of one ton of ammonia requires 33.25 Mcf of gas. Full production can be achieved on approximately 30 days during the winter when the air density is greatest and the water drawn from the Tennessee River is at the lowest temperature. At all other times the plant's output and its gas supply requirement are somewhat smaller. Ag-Chem has a firm contract with North Alabama providing for delivery of 16,800 Mcf/d obtained from TETCO, 14,800 Mcf/d and Tennessee Gas Pipeline Company, (Tennessee) 2,000 Mcf/d. Ag-Chem has also contracted with Alabama-Tennessee Natural Gas Company (Alabama-Tennessee) for direct delivery of 1,500 Mcf/d of firm gas and 3,500 Mcf/d of interruptible gas.

Since it is possible that Ag-Chem could receive up to 4,177 Mcf/d of gas above its maximum feedstock and process requirements which would be burnt in its dual fueled boilers and phosphate dryers, Ag-Chem has agreed to take from TETCO only the minimum amount of relief gas that is actually needed as feedstock and for process use. However the evidence of projected curtailment levels indicates that Ag-Chem's highest total curtailed entitlements, 17,530 Mcf/d in July and 17,729 Mcf/d in August, will be approximately equal to its "indispensible" feedstock and process gas needs. Without extraordinary relief, in February and March of this year, Ag-Chem can expect to receive a total gas supply of 6,054 Mcf/d and 8,481 Mcf/, respectively, or roughly 35% to 50% of its variable daily minimum gas requirement. The Cherokee plant, which is currently producing slightly more than 150 tons of ammonia per day, is now operating at or near the minimum sustainable level of production. Ag-Chem believes that it can maintain production but fears that it will be unable to generate sufficient heat to restore operations if production is halted by a malfunction or for normal maintenance.

During the 1973-74 winter heating season TETCO's curtailment of Ag-Chem's firm contract volume did not exceed 51%; and Ag-Chem continued to receive its full entitlement from its two additional suppliers. Alabama-Tennessee also provided excess interruptible gas on occasion.[3] From December 1974 through March 1975 Ag-Chem's actual or projected entitlement from TETCO ranges from 2,400 Mcf/d to 7,222 Mcf/d, a curtailment of 51% to 84%. Tennessee is presently curtailing Ag-Chem, through North Alabama, by 28.45% of its firm contract volume. Alabama Tennessee has cut off interruptible service through March, and from April through August, will provide between 731 Mcf/d and 821 Mcf/d out of Ag-Chem's full interruptible contract volume, 3,500 Mcf/d. In addition, Alabama-Tennessee will continue its curtailment of Ag-Chem's firm service volume, 1,500 Mcf/d, by 16% to 24% until April.

In the order of November 26, 1974, we concluded that the general conclusory evidence on which North Alabama had chiefly relied did not provide sufficient justification for an award of extraordinary relief absent a more compelling showing of Ag-Chem's particular "extraordinary circumstances". After further review, we now have determined that the grant of some form of relief is justified on this expanded record, and particularly, by the above discussed evidence. While it may be impossible to state with precision the exact extent of the fertilizer shortage, given the number of interrelated factors affecting supply and demand, the evidence available to us indicates that there is a severe shortage of agricultural fertilizer which will result in decreased food production possibly in higher consumer prices.

Furthermore, the loss of production at the Cherokee plant due to curtailment will not only contribute to the national fertilizer shortage but may also have disproportionately harmful effects on food production in the southeast region and on consumer prices over an even wider area. Ag-Chem has also shown that nearly all of its ammonia production is used to fertilize food producing acreage; only a small percentage of the total is exported, and almost none is wasted on ornamental uses. Since its two alternate suppliers have now instituted curtailment at significant levels, the Cherokee plant is now operating inefficiently, at or near the absolute minimum level, and will apparently be able to produce at full capacity only during July and August.

Previously we have hesitated to grant relief on the basis of end product social utility. Our reluctance is based upon basic considerations of administrative convenience and more importantly, upon an awareness of the near impossibility of fairly deciding a number of requests based on conflicting estimations of social utility. Yet, we are willing to consider the social utility of a particular end product when a particularly exemplary showing of compelling public interest is made; and we believe that this record presents such a situation. However, this decision should not be interpreted as a precedential deviation from our prior policy or as an invitation to petitioners for extraordinary relief to engage in protracted discussions of the comparative social value of various products.

II. CONVERSION AND CONSERVATION ISSUES

A showing of extraordinary need does not automatically entitle a curtailed customer to a grant of relief.[4] The petitioner is also required to show that all available sources of natural gas and alternate fuels have been exhausted, and that due diligence has been exercised in converting gas processes to other fuels. In our order granting rehearing we specifically ordered North Alabama to introduce further evidence proving both its inability to store or exchange gas or purchase LNG and SNG, as well as the technical infeasibility of modifying its Ag-Chem's facilities to use fuel oil in place of process gas.

North Alabama has demonstrated that Ag-Chem cannot reasonably acquire new supplies of gaseous fuels. Construction of storage or liquefacation facilities at the Cherokee site is not feasible since Ag-Chem will not receive significant amounts of excess gas above its feedstock and process requirements during the summer months. North Alabama states that storage of all available summer excess gas would permit Ag-Chem to meet its process and feedstock needs during three days of the ensuing winter. Ag-Chem has also shown that it has attempted in good faith to arrange exchanges and to buy SNG or LNG without success, although we would suggest that Ag-Chem continue to investigate further the possibility of purchasing and storing SNG or LNG on a seasonal basis.[4] Finally, it would be counterproductive to require Ag-

[1] In an order issued December 10, 1974, we denied North Alabama's petition for a temporary stay pending its submission and our consideration of its application on rehearing.

[2] By order issued February 13, 1975, we denied a request for temporary relief pending issuance of this decision filed by North Alabama in which USS joined.

[3] *Mississippi River Transmission Corporation (Georgia-Pacific Corporation)* order issued November 15, 1974, in Docket No. RP74-62-1; *Texas Eastern Transmission Corporation (Carnegie Natural Gas Corporation)*, Opinion No. 716, issued December 16, 1974, in Docket No. RP74-39-3, rehearing denied, Opinion No. 716-A, issued January 9, 1975.

[4] In its reply brief Algonquin states that it has informed Ag-Chem that SNG from its facilities will be available from April through September 1975. Since Algonquin apparently did not make this offer during prior contacts before the hearing and failed to develop this point on the record, we will not modify our decision on the basis of this single allegation.

Chem to use propane as feedstock or process fuel, since the Cherokee facility does not now have a propane use capability and Ag-Chem may not be able to obtain sufficient quantities of propane.[5]

The question of the feasibility of conversion of the Cherokee plant's process gas applications to oil use cannot be answered as quickly and as conclusively. At the Cherokee plant feedstock gas is fed in special catalyst tubes through a primary reform in which the tubes and the feedstock gas inside are heated by flue gas flowing down from top firing burners fueled with process gas. A chemical reaction occurs and the feedstock gas is broken down into compounds which become anhydrous ammonia. As part of the plants' waste heat recovery system, the flue gas is channeled through a bank of metal heat coils containing water at an initial temperature of 200°F. The flue gas heats the water to 350°F. The heat energy equivalent of 800 Mcf/d of gas is thereby transferred from the waste gas to the now superheated water. This energy is then used to fuel other production steps in which the basic ammonia is procesed into numerous end products.

The basic conversion, permitting the use of fuel oil to fire the burners in the primary reformer, would require the substitution of 92 dual fired burner units in place of the existing 72 gas burners, the replacement of some refractory tiles, and the installation of oil distribution equipment above the burners connected to a 100,000 barrel storage tank. The necessary work can probably be best accomplished by the use of a crane after temporary removal of the plant's corrugated metal or asbestos roof. Ag-Chem estimates the cost of conversion to be $1,000,000 currently or $1,300,000 in eighteen months, allowing for the compounded effect of inflation at a rate of 1.5% per month.

If No. 2 fuel oil containing a normal amount of sulphur is used to fire the primary reformer burners, the sulphur trioxide present in the flue gas will condense on the relatively cold surface of the heat recovery coils, which are cooled by the water flowing inside at an initial temperature of 200° F, and will form sulpauric acid. Corrosion of these coils will occur within one day and will result in shutdown of the plant. There are three technically possible solutions to this problem: fuel oil with a maximum sulphur content of 0.1% can be used; the heat recovery system can be scrapped and a separate oil heating system, requiring the equivalent of 800 Mcf/d of gas, can be substituted; or the water inside the heat recovery coils could be preheated to 300° F before it flows into the convection bank with the use of an oil heating system requiring the equivalent of 550 Mcf/d of gas.

North Alabama's expert witness, James Finneran has conceded that process conversion to oil use is "technically possible" (Tr. 784) but North Alabama and Ag-Chem suggest that conversion is not "technically feasible" as that term would be understood by the engineering profession. They argue that conversion of the primary reformer's gas heating system is infeasible because it would require the total reconstruction of an old plant, with a remaining useful life of 6 or 7 years, which was originally designed, unlike some newer plants, to use natural gas exclusively. Also, since guaranteed low sulphur oil is assertedly not available, it would be necessary to modify the heat recovery system with the result that operation of the Cherokee plant would be extremely inefficient, inconsistent with good engineering practice, and unnecessarily wasteful of energy.

Staff, GM and Algonquin respond that North Alabama has not met its burden of proving infeasibility and sugegst that the various impediments noted by the petitioners do not form a sufficiently significant bar to conversion, when weighed against the severity of the gas shortage and the fact that any relief gas for process use would be provided at the expense of other high priority customers. Their contentions can be summarized in the following points. First, in determining feasibility we should either ignore economic considerations or conclude that North Alabama has not proven that conversion is economically infeasible. Second, the work to be undertaken and the costs to be incurred in converting the primary reformer are primarily those normally required in any conversion to oil use. Third, Ag-Chem either has not made a sufficiently diligent effort to acquire low sulphur oil, or can remedy the problem by testing each oil delivery and rejecting unacceptable loads. Finally, the negative impact of inefficiencies or energy loss resulting from modification of the heat recovery system are insignificant in comparison to the positive benefits from elimination of Ag-Chem's need for process gas.

Ideally, we should now attempt to define feasibility and establish a firm standard for resolution of the conversion issues in this and similar cases; but realistically, a workable definition is not possible at this time. Algonquin suggests that the dictionary definition of feasible, "capable of being done", should be applied. This suggestion is attractively simple, but it ignores necessary economic limitations on theoretical possibilities. A petitioner for extraordinary relief should not be required to undertake conversion measures which have been proven possible only under laboratory conditions, or which would eventually imperil the financial integrity of the business if attempted. The alternative definition used by North Alabama's witness Finneran would eliminate as infeasible conversion techniques which are possible to accomplish, but which are either not consistent with sound, firmly established, engineering principles, or not within the limits of practical constraints, e.g., economic factors or the availability of materials. This suggestion is also deficient in two areas: first, it ignores the impact of the current gas shortage upon sound engineering principles previously established when a seemingly limitless supply of gas was available, and when high volume gas usage was actively encouraged; and second, it does not establish the degree of economic injury which would be sufficiently compelling constraint upon a technically possible conversion proposal. An industrial concern, currently burdened with a curtailment of its gas supply shared by other high priority users, may properly be required to take steps which previously would not have been considered due to substantial technical problems or a foreseeably negative effect on profits, when the only alternative is an additional award of extraordinary relief at the expense of similarly situated customers or higher priority users.

Instead we shall determine the feasibility of gas conservation measures on the facts of each particular case, without a standard definition, just as the reasonableness of a particular rate is established. However, two important policy considerations can be generally noted. First, the burden of proof in these equitable proceedings is properly on the petitioner, who alone has full access to the facts, rather than on the pipeline or the numerous affected customers. When the record is deficient, it would be unjust to speculate too broadly at the expense of those from whom the requested relief will be taken. Second, in determining economic feasibility, great weight must be given to noneconomic factors, including the general gas shortage, the existing level of curtailment on the particular pipeline, and the end use priority of the customers to be affected by a grant of relief that does not require conversion of processes fueled by gas. Also, increased costs, resulting directly from the current disparity between the prices of oil and gas, must be stricken from this economic evaluation.

In this case, we affirm our previous finding that process conversion is feasible. The required modifications of the primary reformer are substantial; but we do not agree that they amount to a "total reconstruction." The estimated cost is reasonable in relation to the existing total investment. Many of the necessary steps, such as installation of an oil tank and a piping system, would be required as part of any conversion to oil use. We will accept Ag-Chem's assertions that it has been unable to obtain a sufficient supply of low sulphur oil after a reasonably diligent effort, although we are not convinced that a satisfactory arrangement is completely beyond Ag-Chem's abilities.

However, the sulphur condensation problem can be solved by preheating the water flowing into the conversion coils or by eliminating the use of the heat coils entirely. North Alabama and Ag-Chem contend that these solutions should be rejected because the conversion process will be further complicated and the end result will be energy waste and inefficient operation. This contention is unpersuasive when balanced against the gas conservation which will be achieved, and the fact that the production of fertilizer will continue without the diversion of gas for process relief. Furthermore, Witness Finneran's retort that modification of the waste heat recovery system ". . . would make this poor old ammonia plant the most inefficient one I have ever heard of," although entitled to significant consideration as an expert opinion, is not based on a specific review of the effect of increasing curtailment on the ammonia fertilizer industry or on a detailed engineering study of the Cherokee facility.

In our analysis the only significant potential impediments to conversion are economic rather than technical; but the record on economic factors versus technical issues is not particularly detailed. For example, North Alabama suggests that economic injury is not an issue here; but its definition of feasibility includes economic constraints and subsumes an economic evaluation of Ag-Chem's ability to bear the costs of conversion. It is stated that conversion is infeasible because the remaining useful life of the Cherokee plant is 6 or 7 years. But this figure is not an individual estimate; it is based on the general proposition that economic competition from newly constructed, more efficient plants, producing ammonia at higher capacities will eventually force the closure of the older Cherokee plant. Yet, it is conceded that maintenance of the currently higher price of fertilizer will extend the useful life of this plant.

Similarly, Witness Henderson testified that he did not "think" that Ag-Chem could increase its prices above the going market price because its customers would be angered and would refuse to buy from Ag-Chem when the fertilizer market becomes competitive again. Yet, if we assume arguendo that this testimony is correct, and that competition in the marketing of fertilizer will resume shortly it is quite possible that Ag-Chem's profit margins are sufficiently large and its variable costs are correspondingly low so that the additional expenditures necessitated by process conversion can be absorbed without the addition of a conversion cost surcharge. Furthermore, the price of ammonia fertilizer has tripled since controls were removed in 1972. The recent profits earned from operation of the Cherokee facility may have been sufficiently high to support the immediate initial costs of process conversion.

Based on the record now before us, we cannot conclude that Ag-Chem has shown that conversion of its process gas applications to the use of fuel oil is infeasible on technical or economic grounds. The available evidence indicates that conversion is feasible. To the extent that the record is incomplete, particularly in its discussion of economic considerations, we will not modify that finding on the basis of speculation on the past or future financial condition or the economic viability of the Cherokee facility, when the alternative result is concretely clear, the diversion of gas from other high priority curtailed customers of TETCO.

III. FORM OF RELIEF

In light of the preceding conclusion we will grant permanent extraordinary relief only for feedstock use. However, given the undisputedly substantial character of the steps required to convert the process gas applications at the Cherokee plant to oil use, limited additional volumes of relief gas should also be provided, for process use.[6] The evidence indicates that conversion can be accomplished within thirteen months or by March 31, 1976. Since the expiration of this time period coincides with the end of the winter heating season, the period of heaviest curtailment, we can also make a reasonable allowance for unexpected delays and problems without causing significant harm to TETCO's other customers, by extending our deadline for conversion through August 1976. Ag-Chem has already agreed to use all available interruptible gas only for feedstock or process fuel and to reduce its takes from TETCO when the total volume of available gas exceeds its feedstock and process needs. After August 31, 1976, relief will be provided on condition that gas received from any source is to be used only as feedstock and not for process fuel.

North Alabama and Ag-Chem request that the total amount of gas to be provided by TETCO, including relief volumes and the basic curtailed entitlement, should be limited only by North Alabama's firm contract volume, 14,800 Mcf/d. This limitation would be unjust for it would require TETCO and its other customers to replace the volumes of gas which Ag-Chem loses as a result of curtailments imposed by its other two suppliers, up to a maximum daily total of 4,177 Mcf. If Tennessee and Alabama-Tennessee were not in curtailment Ag-Chem would never need more than 10,623 Mcf/d from TETCO to achieve full production. To remedy this inequity, Staff suggests that the maximum daily volume of relief to be provided by TETCO should be calculated by subtracting the total volume curtailed by the other suppliers from 14,800 Mcf/d, the TETCO contract volume. This proposal also seems unjust since it would doubly penalize Ag-Chem when all three suppliers severely curtail their deliveries.

Instead, we have concluded that the maximum daily volume delivered by TETCO to North Alabama should not exceed 11,964 Mcf/d. This figure was derived by calculating the ratio of Ag-Chem's total firm and interruptible contract volume (21,800 Mcf/d) to the volume Ag-Chem requires for feedstock and process use at maximum production (17,623 Mcf/d), and by applying that ratio to the TETCO contract volume of 14,800 Mcf/d.[7] Imposition of this limitation should insure that relief gas diverted from other TETCO customers will not be used to remedy curtailments imposed by other suppliers and also should encourage Ag-Chem to seek any necessary additional gas by petitioning separately for relief from Alabama-Tennessee and Tennessee, which are not parties to this proceeding. However, we will delay the imposition of this volumetric limitation until May 1, 1975, in order to give Ag-Chem sufficient time to file those petitions and to prevent a severe loss in production during March when Ag-Chem will not receive any gas from Tennessee.[8]

Finally, no one disputes that a condition should be attached to protect category one service; but certain anomalies in the operation of TETCO's effective interim curtailment plan have given rise to a dispute over the form of this condition. TETCO has been calculating curtailment into category one since December 1974 but, in actual fact, has been delivering gas to priority two customers during this period. In implementing its curtailment plan TETCO curtails on the basis of its customers' total annual entitlements shown in its tariff sheets, 1,027, 928, 425 dekatherms; but its level of curtailment, the Order No. 467-B service priority into which curtailment extends, has been calculated on the basis of a lower figure shown in Exhibit No. 5G in Docket No. RP71-130, *et al.*, in which 94,766,930 dekatherms per year or 259,635 dekatherms per day are excluded and are not classified in any service priority.[9] Staff proposes that we ". . . place the burden on TETCO to show when it is actually curtailing into priority one . . .", or alternatively that we order TETCO to either file a curtailment impact study or implement its curtailment plan on the basis of new data being collected in the proceeding that concerns TETCO's proposed permanent curtailment plan, Docket No. RP71-130 *et al.* Incorporation of this proposal in this order would unduly and unnecessarily complicate this case by injecting issues which should be addressed in that other proceeding. Instead, we will include a condition that extraordinary relief shall not be provided whenever the provision of extraordinary relief would cause TETCO to implement actual curtailment into priority one volumes.

The Commission further finds:

Good cause exists and it is in the public interest to modify our order of November 26, 1974, in this docket, and to grant extraordinary relief to North Alabama for the benefit of Ag-Chem, subject to the conditions and limitations previously discussed and hereafter ordered.

The Commission orders:

(A) The order of November 26, 1974, in this docket, is hereby amended as follows:

(B) The petition for extraordinary relief filed by the North Alabama Gas District is hereby granted subject to the volumetric limitation and to the conditions hereafter ordered.

(C) The total daily volume of gas delivered by TETCO to North Alabama for redelivery to Ag-Chem shall not exceed these limits:

(1) From February 26, 1975 to April 30, 1975—14,800 Mcf/d;

(2) From May 1, 1975 to August 31, 1976—11,964 Mcf/d;

(3) On and after September 1, 1976—7,179 Mcf/d.

(D) Extraordinary relief is granted upon condition that:

(1) Before September 1, 1976, Ag-Chem agrees to use gas received from any source only as feedstock and for process fuel in firing its primary reformer burners, and to take the absolute minimum volume of gas from TETCO through North Alabama necessary for use as feedstock and as process fuel to produce the maximum output of ammonia achievable on that particular day;

(2) On and after September 1, 1976, Ag-Chem agrees to use gas received from any source only as feedstock, and to take the absolute minimum volume of gas from TETCO through North Alabama necessary for use as feedstock to produce the maximum output of ammonia achievable on that day;

(3) TETCO shall not deliver any extraordinary relief volumes to North Alabama for Ag-Chem whenever provision of extraordinary relief would cause TETCO to implement actual curtailment into priority one volumes.

(4) If, at any time, Ag-Chem or North Alabama takes or uses gas from any source in a manner inconsistent with the terms of this order, then TETCO shall cease delivery of all gas to North Alabama and North Alabama shall cease delivery of all gas to Ag-Chem until such time when Ag-Chem has ceased to take or use gas in a manner inconsistent with the terms of this order and has the chief executive officers of North Alabama any volumes of gas from TETCO that may have been taken or used in a manner inconsistent with the terms of this order.

(5) Within thirty days after issuance of this order, North Alabama shall file with this Commission notarized statements signed by the chief executive officers of North Alabama and Ag-Chem which set forth the conditions and limitations contained in this order and the agreement of North Alabama and Ag-Chem to abide by the terms of these conditions and limitations.

By the Commission.

(SEAL) KENNETH F. PLUMB, *Secretary.*

CONTINUING AID TO CAMBODIA AND SOUTH VIETNAM

Mr. ABOUREZK. Mr. President, there has been a barrage of pessimistic and discouraging reports emanating out of the State Department of late regarding the deteriorating status of the Lon Nol regime in Cambodia. It was interesting to note that according to an article in the New York Times, Secretaries Kissinger and Schlesinger are convinced that with or without U.S. aid, Cambodia will soon experience a change in governments.

It is almost ironic, I think, that many of those who rightly cried out in horror at the actions taken by the Soviet Union in its terrorizing crush of the Dubcek regime in Czechoslovakia a few years ago, continue to argue so forcefully for massive U.S. intervention in the affairs of Cambodia and support for the corrupt regime in power there.

While consistency is something which those in public office continue to strive for, it is something which, at least in one way, the Kissinger State Department has mastered long ago. It was the coup

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[5] See *Mississippi River Transmission Corporation (Georgia-Pacific Corporation)*, *supra*, where the petitioner had an existing ability to use propane and had, in fact, used substantial amounts of propane during the previous winter to avoid shut-down during complete curtailment of its gas supply.

[6] For the same reason this decision should not be read as support for a conclusion that Ag-Chem's firm process gas volumes should be classified in category three rather than category two in determining Ag-Chem's basic entitlement under a curtailment plan following the priorities set forth in Order No. 467-B.

[7] On or after September 1, 1976, this limit will be reduced to 7,179 Mcf/d to reflect the elimination of relief for process use.

[8] In January and February, Ag-Chem has maintained production by borrowing additional gas from Tennessee against its total winter entitlement; as a result Tennessee will cut off deliveries to Ag-Chem through North Alabama during March.

[9] These figures are set forth and explained in a stipulation between TETCO and North Alabama appearing in the record at page 555.

in Chile, which the United States so strenously supported, that has succeeded in squelching the last remnants of democracy in that country. It is the regime in Cambodia which continues to hang on to its very thread of existence with the massive transfusions given it by the U.S. Government. And it is the obvious string with which we continue to prop up the puppet government in South Vietnam, that enables that government to delay a peaceful and lasting end to the tragic war in that country.

The Congress will soon take up the matter of the administration's request for a supplemental dose of military aid to these regimes so that they can buy a few more months of existence before the inevitable occurs. Mr. President, I am of the opinion that the Congress should do no more than to totally dismiss this impractical and ill-conceived request out-of-hand.

The question now, is not whether supplemental military aid should be given to these illigitimate twins of South East Asia, the question now is whether or not it makes sense, in these harsh economic times, to give those regimes another dime in U.S. military assistance. Just today, Congress is considering the President's recommendation for a rescission of funds for significant programs dealing with medical care, forest fire control, water conservation, and improved housing. It is quite apparant that the President is ready and willing to make the trade-off of funds for these vital programs to funds for sustaining the continuing anguish in Southeast Asia.

There are many Members in Congress who feel that the time has arrived to cut off all aid to these regimes and to end these tradeoffs. I agree with that view and I am convinced that the time is not far off when the majority of the Members of this Congress will support that position.

Mr. President, Anthony Lewis had a remarkable article in the New York Times on Thursday, February 27, which ought to be read by everyone. I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE KISSINGER DOCTRINE

(By Anthony Lewis)

BOSTON, Feb. 26—When the Soviet Union crushed Dubcek's Czechoslovakia in 1968, it claimed an inherent right of intervention to keep any "sister socialist state" from slipping out of the Soviet orbit. That was the Brezhnev Doctrine.

Americans were sickened by the brutal cynicism of the Soviet rationalization. But if we open our eyes, we cannot avoid seeing that we now have a doctrine to match. It must be called the Kissinger Doctrine.

It appeared first in relation to the Allende Government of Chile. In that context the doctrine could be stated as follows: *The United States is entitled to conspire against another country's constitutional government if we fear it might slip that country out of our orbit.*

Henry Kissinger put the matter succinctly to the Forty Committee, the secret operations group that he heads, on June 27, 1970. Speaking of Chile, he said: "I don't see why we need to stand by and watch a country go Communist due to the irresponsibility of its own people."

The torment of Cambodia shows that the doctrine also takes a second form: *If a government comes to power by a coup and takes its country into the U.S. orbit, Washington will do anything to prevent a change of that government—no matter how little support it has from its own people, no matter how terrible the cost to them.*

Lon Nol overthrew the Sihanouk Government in March 1970. Whatever its role in that coup, the United States intervened quickly thereafter. In April President Nixon sent in American troops. He said the purpose was only to hunt Vietnamese Communists, not to "expand the war into Cambodia." But war has raged ever since in that once so peaceful country, with the United States playing a dominant part.

The Ford Administration is now putting extreme pressure on Congress for more aid to Lon Nol. What is the rationalization? President Ford explained today that American policy is to help "where the government and the people of a country want to protect their country from foreign aggression or a foreign invasion."

That a man as decent as Gerald Ford should accept such stuff from his advisers, and repeat it, is disheartening. For his premise of Cambodia resisting "foreign" attack is the opposite of the truth.

Americans in Phnom Penh concede that the war is a genuine civil war—Cambodians against Cambodians. Nor do they pretend that Lon Nol has much popular support. His corrupt, ineffectual government is totally dependent on the United States.

It is hard for Americans to admit this, given our historic ideals, but we are the alien intruders in Cambodia. That fact, and the feebleness of the side we support, are the reasons for the Khmer Rouge's success. The Vietnamese did play a commanding role in the period after Sihanouk's fall. But outside help to the Cambodian insurgents is now limited, compared to the American support of Lon Nol.

The U.S. has given $1.8 billion to Lon Nol so far. Americans still direct much of his war effort, and supply it entirely. From March 1970 to August 1973, when Congress called a halt, American planes dropped 442,735 tons of bombs on Cambodia. No Chinese or Vietnamese planes have dropped bombs—or been given as aid to the Khmer Rouge.

As a new excuse for more American aid to fuel this hopeless war, Administration spokesmen say there might be negotiations if Lon Nol survives long enough. That is a desperate argument, and disingenuous. When the Khmer Rouge leader, Khieu Samphan, toured eastern Europe in 1974, the U.S. Ambassador in Phnom Penh, John Gunther Dean, urged that contact be made with him. Mr. Kissinger rejected the idea.

No, Mr. Kissinger's concern is not for the Cambodians, who want no more war. It is for American credibility, and especially his own, which he thinks would suffer if we "lost" Cambodia. Because the only conceivable settlement now would mean Lon Nol's departure the war must go on. Mr. Kissinger is prepared to fight to the last Cambodian.

In The New York Times the other day, right next to the story about the latest Ford-Kissinger appeal for more arms to Lon Nol, there was a report from The Times correspondent in Phnom Penh, Sydney H. Schanberg. It told about what had happened to Cambodia in these five years.

"Cambodia before the war," he wrote, was "so rich in her food produce that even the very poor were never hungry. . . . Now it is a country of landless nomads with empty stomachs—human flotsam living amidst damp and filth. . . . The countryside is charred wasteland . . ."

That is the result of the Kissinger Doctrine—of an obsession with order and power at the expense of humanity. Whatever else he accomplishes in office, Henry Kissinger will be associated forever with the destruction of Cambodia. But Gerald Ford, Congress and the rest of us do not have to go on accepting his monstrous values.

TRIBUTE TO THE 93D CONGRESS

Mr. HARTKE. Mr. President, the recently completed 93d Congress will be considered by history as one of the great Congresses. Its success in bringing about genuine reform within both the House and the Senate has already been evidenced in the organization and rules of the 94th Congres.

I feel confident that such legislation as the Congressional Budget and Impoundment Control Act of 1974, the "war powers" resolution—Public Law 93–148—and the Federal Election Campaign Act Amendments of 1974, all of which I supported in the 93d Congress, will assist in reinstating the division of power between the executive and legislative branches of the Federal Government, and making Congress more responsive to the needs and demands of the times.

The American Bar Association Journal of January 1975, published an article by Bruce R. Hopkins, an attorney and former congressional legislative assistant, on the achievements of the 93d Congress to promote reform.

Mr. President, without objection, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NINETY-THIRD: AN AUTHENTIC REFORM CONGRESS

(By Bruce R. Hopkins)

(Note.—The Ninety-third Congress will be remembered as one of authentic reform. Not only did it improve its own structure, particularly in the House of Representatives, but it also made historical moves to reassert the balance between the executive and legislative branches. In its two years this Congress recaptured much of its constitutional role.)

The Ninety-third Congress, which ended last month, will be remembered as one of the authentic congressional reform Congresses. Although it made notable improvements in its internal structure, chiefly in the House of Representatives, the truly memorable and historically significant reforms occurred in the domain of the relationships and balance between the legislative and executive branches.

When the Ninety-third Congress convened in January of 1973, the executive branch overwhelmingly predominated national policy making. It was the heyday of the Nixon administration's "imperial presidency." Two short years later Congress has recaptured much of its constitutionally authorized role as an equal branch of government.

The work of the Ninety-third Congress will have a major impact on the working relationship between Congress and the president and executive departments. The bitter, mammoth clashes between this Congress and the Nixon administration, which generated a series of "constitutional crises," have resulted in the development or reaffirmation of a multitude of principles concerning our scheme of government.

A by-product of the legislative-executive branch confrontations has been the education of the general public in the fields of political science and constitutional law. The concepts of impeachment, pardon, executive privilege, impoundment of appropriated funds, separation of powers, war powers, and more became topics of popular and everyday discussion.

IMPEACHMENT NO LONGER AN ANACHRONISM?

The Ninety-third almost became the first Congress in more than a century to impeach a president and, as a practical matter, nearly accomplished that end by contributing largely to the first resignation of this nation's chief executive. The House Judiciary Committee voted articles of impeachment (H. Rep. No. 93–1305), but the matter was never the subject of a House vote. Impeachment—the ultimate confrontation between a Congress and a president—was generally believed to be an anachronism, and the fact that the impeachment provision was even invoked in the twentieth century attests the depth of Congress's and the nation's conviction that wrongdoings in the nature of impeachable offenses were committed in and at the direction of the White House. While currently the subject of prime national attention, the Watergate cover-up charges will evolve into relative insignificance in relation to the other articles of impeachment that charged obstruction of justice and misuse of the executive office. What impact these articles will have on presidents as standards for appropriate behavior in office cannot now be assessed.

A resurrected impeachment clause and the House Judiciary Committee's articles survive as a principal legacy of the Nixon administration—ironically the result of that administration's strenuous efforts to fashion a stronger and pervasive presidency. The irony deepens when this legacy is viewed as including the panoply of new laws, most of which are the product of the Ninety-third Congress, that enhance the duties and responsibilities of Congress and correspondingly circumscribe the scope of power and authority of the president.

In passing the Congressional Budget and Impoundment Control Act of 1974 (H.R. 7130), Congress enacted not only one of the most significant pieces of legislation of the Ninety-third Congress but potentially the most important item of "congressional reform" legislation in decades. The objective of the act is to recapture for Congress its proper role in the formulation of the federal budget and to provide it a system for analyzing the national budget and controlling spending. Despite the fact that the act, if effectively implemented, will strengthen Congress's position in relation to the executive branch in exercising powers of the purse and will curb the president's power to impound congressionally appropriated funds, President Nixon signed the measure into law on July 12, 1974, as Public Law 93–344.

BUDGETARY PROCESS IS DRAMATICALLY RESTRUCTURED

Congress now considers each authorization and appropriations bill separately, forgoing any attempt at co-ordination, either in terms of total spending or impact on the nation's economy. In what should be a dramatic restructuring of this process, the act establishes House and Senate Committees on the Budget. These two committees will estimate revenues annually, set levels of total budget outlays and new budget authority, estimate spending levels for various program areas, and target an over-all surplus or deficit figure. The budget committees will be assisted by a new Congressional Budget Office that, working with the General Accounting Office, the Library of Congress, the Office of Technology Assessment, and other agencies, will provide them and other committes with necessary information previously obtained—if at all—from the executive branch.

The act will make substantial changes in the congressional budget formulation process. Following submission of the president's budget request and after receipt of reports from congressional committees and the Congressional Budget Office, the budget committees must each report a concurrent resolution by April 15 on the budget to their houses. This resolution will set forth the estimates of spending and the like for the fiscal year beginning in the particular calendar year. The act changes the fiscal year commencement date from July 1 to October 1. Congress will be required to complete action on this concurrent resolution by May 15. Also by that date, congressional committees will have to report all bills and resolutions authorizing new budget authority (spending), with completion of actions thereon by Congress by the seventh day after Labor Day. Between May 15 and September 15, regular appropriations bills as reported by the existing appropriations committees will have to be passed. By September 15 Congress will be required to complete action on a second concurrent resolution on the budget, taking into account developments since passage of the May 15 resolution.

If the total spending figure as established by the several appropriations bills is greater than the target figures of the September 15 resolution, however, Congress would have to pass a reconciliation bill, cutting spending back to the September 15 resolution levels, enacting a revenue increase, or legislatively stipulating a deficit. This reconciliation measure would have to be enacted by September 25, only five days prior to the beginning of the fiscal year. The budget process should be completed before the particular fiscal year begins, with the reconciliation bill being the principal device that Congress is to use in controlling federal expenditures, in seeking to assure fiscal responsibility, and in reclaiming its authority to establish budget priorities.

This budget process will become applicable with respect to fiscal year 1977, which begins on October 1, 1976, although a "dress rehearsal" concurrent resolution may be reported in relation to fiscal year 1976.

The House and Senate budget committees are also given the duty to make continuing studies of the effect on budget outlays of existing and proposed legislation. Soon after the beginning of each fiscal year, the Congressional Budget Office will issue a five-year projection of new budget authority and budget outlays, revenues and the sources thereof, surplus or deficit, and tax expenditures, each broken down by fiscal year.

Title X of the act, styled the Impoundment Control Act of 1974, contains procedures providing congressional control over the impoundment of funds by the executive branch. If a president desires to impound appropriations for policy reasons, he must first transmit to Congress a special message requesting and enumerating the reasons for a rescission of the budget authority. The funds in issue would have to be obligated unless Congress completed action on a rescission bill within forty-five days after the president's request. Similarly, the president may petition Congress for a deferral of budget authority, although an obligation would be required if either the House or Senate passed an impoundment resolution disapproving the proposed deferral at any time after receipt of the message. If the president were to impound appropriations in violation of the act, the comptroller general is empowered to initiate an action in federal court to free the funds, and the suit is to be heard on an expedited basis.

IS IMPOUNDMENT CONTROL ACT THE ANSWER?

Whether the Impoundment Control Act has finally given Congress effective controls over executive branch impoundments remains to be seen. In an unexpected twist, President Ford already has proposed the rescission or deferral of billions of dollars in federal spending authority. The Democratic leadership of the Senate has taken the position in a letter to the comptroller general, who has the responsibility for reviewing rescission and deferral messages, that President Ford is exceeding his authority under the act by frustrating the intent of Congress in enacting the appropriations.

Another enactment of the Ninety-third Congress designed to restate the symmetry of powers between the legislative and executive branches envisioned by the Constitution is the war powers resolution (Public Law 93–148). The war powers measure requires the president to consult with Congress in "every possible instance" before committing military forces to hostilities overseas. When a president introduces combat forces into hostilities abroad, absent a congressional declaration of war, he must promptly report to Congress his reasons for assuming this authority. Additional reporting is required at least every six months. The military forces would have to be withdrawn if Congress did not give its approval to the president's unilateral action within sixty days. The resolution, which was passed over President Nixon's veto, should contribute greatly to a restoration of balance in war-making authority.

OTHER MEASURES WILL REVITALIZE CONGRESS

Still other measures that will assist in recovering for Congress some of its constitutionally prescribed roles include Senate passage of a bill providing for congressional review of executive agreements (S. 3830), enactment of limits on the employment of White House personnel (H.R. 14715). Senate passage of a measure repealing a variety of "emergency powers" assumed by presidents in recent decades (S. 3957), congressional consideration of a host of bills pertaining to the exercise of executive privilege (for example, S. 1520). House passage of a bill regulating the use of the "pocket veto" (H.R. 7368), and enactment of a statute requiring Senate confirmation of appointees to be director and deputy director of the Office of Management and Budget (Public Law 93–250).

Left for consideration by the Ninty-fourth Congress are the recommendations of the Senate Select Committee on Presidential Campaign Activities as the result of its Watergate investigation. Among the anticipated features of the legislation to be introduced is the establishment of an office of permanent public attorney (akin to the Watergate special prosecutor), laws to prevent manipulation of federal elections and the use of campaign "dirty tricks," a requirement that White House contacts with the Internal Revenue Service be disclosed, legislation to facilitate the enforcement of subpoenas served at the White House, creation of a congressional legal staff, and the strengthening of congressional oversight with respect to executive branch usage of the Central Intelligence Agency, the Federal Bureau of Investigation, and other intelligence and law enforcement agencies. Congress, however, did pass the Federal Election Campaign Act Amendments of 1974 (Public Law 93–443), an omnibus package of campaign law reforms.

Thus, the Ninety-third Congress has flexed its muscles and won back much authority for the nation's legislative branch. Its efforts have revived much speculation about the likelihood and viability of "congressional government." But the presidency remains—as it should—strong. Presidential power has

not been destroyed but brought into a more appropriate balance in relation to Congress's authority and responsibility.

The work of the Ninety-third Congress spawned a considerable (and healthy) dialogue as to the proper roles for national and state governmental institutions. Whatever the result of this dialogue, it must be hoped that Congress has relearned the ability to function as a coequal with the executive branch—not as a belligerent adversary but as an effective, albeit competing, partner in the formulation of national policy. This ability will be an especially important ingredient in the functioning of the Ninety-fourth Congress, which is overwhelmingly dominated by the Democrats and has a heavy responsibility to work meaningfully with a Republican president. If subsequent Congresses can build on the achievements of the Ninety-third and continue to make progress in internal modernization, Congress should have little trouble in remaining a full participant in our governmental system.

BOLLING COMMITTEE REFORMS WERE CONTROVERSIAL

Concerning "internal" congressional reforms, in the declining days of the pre-election session of the Ninety-third, the House adopted some wide-ranging changes in its rules governing committee jurisdictions and procedures (H.Res. 988). Congress has not modernized its committee structure to any significant degree since the enactment of the Legislative Reorganization Act of 1946. The House had established a Select Committee on Committees in 1973 (the "Bolling Committee"), authorizing the select committee to propose improvements in House committee organization and structure. The reforms advanced by the Bolling Committee proved to be too controversial, and in the end the House adopted an amended version of a proposal prepared by the House Democratic Caucus Committee on Organization, Study and Review (the "Hansen Committee").

Among the recommendations of the Bolling Committee was the splitting of the Education and Labor Committee into two standing committees, reduction in the scope of the jurisdiction of the Ways and Means Committee, establishment of a Committee on Energy and Environment, abolishment of some minor standing and select committees, and strengthening of the House's oversight function. Unhappy with the sweeping nature of the Bolling Committee's handiwork, the House Democratic Caucus referred it to the Hansen Committee.

PROXY VOTING IS PROHIBITED

As ultimately adopted, the House rules reforms encompass a variety of important revisions that go into effect this month. Proxy voting in House committees is now prohibited. The Ways and Means Committee must establish at least four subcommittees. Most House committees will have subcommittees to conduct oversight activities in the field of their legislative jurisdiction. A majority of the House membership on conference committees must consist of those who generally supported the House position on the matter in disagreement. The House is empowered to organize itself before rather than immediately after a new Congress is assembled. The minority party on each House standing committee is entitled to one third of the funds provided for committee staff for the appointment of professional staff persons. The Speaker is authorized to refer bills to more than one House committee (jointly, sequentially, or in split form) or to a specific *ad hoc* committee.

The House rules changes provide for other institutional reforms, including the establishment of a Legislative Classification Office to provide a system for linking federal authorizations to expenditures; a Commission on Information and Facilities to study the information, facilities, and space needs of the House; and an Office of Law Revision Counsel to compile and recommend revisions in the United States Code. The Joint Committee on Congressional Operations is directed to undertake a continuing review of the jurisdictions of House committees and to work to rationalize the jurisdictions of the committees of Senate and House.

One of the phenomena of power shifts in the House in recent months has been the decline in authority of the Ways and Means Committee. In addition to its legislative responsibilities, the Ways and Means Committee has served as the Committee on Committees for the Democrats—the body that makes assignments for Democratic seats on all House committees. The House Democratic Caucus, however, rather than the Ways and Means Committee, selected committee positions for the new House Budget Committee. Moreover, the Ways and Means Committee was stripped of its authority to select House Democratic committee positions by the Democratic caucus last month.

The House Democratic Caucus earlier attempted to undercut another source of Ways and Means Committee power: the closed rule. A reform adopted in 1973 permits the House in certain circumstances to consider amendments to pending tax bills. Under a procedure followed since the early 1930s, tax bills generally are considered pursuant to a closed rule depriving the full House of the opportunity to amend the measure as written by the Ways and Means Committee. This reform enables fifty or more members of the House Democratic Caucus to attempt to obtain language in the rule to permit consideration of an amendment. This procedure is not part of the House rules but is merely a caucus rule applicable only to House Democrats.

Last year two members of the Ways and Means Committee endeavored to test this rule by causing 125 members of the Democratic Caucus to vote to instruct the Rules Committee and the chairman of the Ways and Means Committee to allow two amendments to a tax bill. The question immediately arose as to whether the caucus action was binding on the Rules Committee Democrats. Rep. Wilbur D. Mills, the Ways and Means Committee chairman, promptly announced that he was defying the caucus, thereby threatening the caucus as an instrument for implementing party policy positions in the House. Representative Mills threatened to take the bill directly to the House floor, bypassing the Rules Committee, where it would have been completely open to amendment. However, the impasse was avoided—and the issues raised unresolved—because the bill was never reported out of committee.

The Ways and Means Committee's legislative jurisdiction has been threatened as well. The House committee jurisdiction reforms deprived the committee of jurisdiction over general revenue sharing (to Government Operations), work incentive programs (to Education and Labor), renegotiation (to Banking and Currency), and health care supported from general revenues (to Commerce and Health). Under the Bolling Committee's proposal, the Ways and Means Committee also would have lost jurisdiction over foreign trade and unemployment compensation.

In accordance with the new House rules reforms, the House members of the Ninety-fourth Congress met last month to organize, rather than wait until Congress convenes this year. The Republican and Democratic party organizations (the conference and caucus, respectively) elected their leadership and nominees for House officers. The Democrats also adopted a package of important institutional reforms.

The Democratic Caucus voted to transfer the power to make committee assignments for House Democrats from the Ways and Means Committee to a component of the caucus, the Steering and Policy Committee. The caucus also realigned the committee membership ratio (to be two Democrats to one Republican, plus an additional Democrat) and enlarged the Ways and Means Committee from twenty-five to thirty-seven members. Moreover, there will be a new chairman of the Ways and Means Committee in the new Congress. Clearly, the legislative outcome of the issues to be considered by the Ways and Means Committee during the next two years will reflect these important changes.

The caucus also voted to bar House members from serving as chairmen of more than one major committee—whether standing, select, or joint. Also the procedure for electing committee chairmen was altered, so that if a chairman is defeated, the caucus may nominate others than simply the next senior committee member. The caucus adopted procedures requiring election of House Appropriations Committee subcommittee chairmen by the caucus and enabling the House Speaker to nominate all Democrats on the House Rules Committee. (Under existing rules, chairmen are elected by the entire caucus). Still another notable reform ensures that junior Democratic members of the House will have at least one principal subcommittee assignment.

These and other reforms have undoubtedly appreciably strengthened the party and leadership machinery in the House. Power within the House and perhaps as between the House and Senate is shifting and the strict seniority system has been further weakened. The resulting "democratization" of these institutions may usher in a new era in the manner in which Congress operates and develops legislation.

Among the variety of methods by which Congress is attempting to regain its authority as to the formulation of national priorities is the enactment of mechanisms to evaluate the impact of federal tax policy on the governmental process. The Congressional Budget Act directs the House and Senate Budget Committees to study and devise methods of co-ordinating "tax expenditures" with direct congressional appropriations. ("Tax expenditures" are revenue "losses" attributable to federal tax deductions, exemptions, and credits.) Under the House rules revisions, moreover, each of its standing committees now has the task of analyzing the probable impact of tax policy affecting the subject matter within the committee's jurisdiction.

The Joint Committee on Congressional Operations, mandated to make a continuing study of and recommend improvements in the organization and operation of Congress, has been holding hearings to examine the services, resources, and information facilities available to Congress. Earlier the committee conducted hearings on ways to improve the capability of Congress for better communications with the public. The committee has issued a special report relating to constitutional immunity of members of Congress (S. Rep. No. 93-896).

The judicial branch of the federal government rendered several decisions during the Ninety-third Congress of consequence to the conduct of the legislative and executive branches. Of course, the most significant of these cases, nearly all of which were the progeny of the Watergate episodes, was *United States* v. *Nixon*, 94 S. Ct. 3090 (1974), in which the Supreme Court unanimously rejected broad claims of executive privilege in ruling that President Nixon was required to turn over tape recordings of White House conversations to the Watergate special prosecutor for use in the cover-up trial. The Court, while finding that the doctrine of executive privilege has a constitutional basis, held that the "generalized assertion of privilege must yield to the demonstrated, specific need for evidence in a pending criminal trial."

In other court decisions the United States Court of Appeals for the District of Columbia Circuit ruled that a president can be sued for failing to enforce an act of Congress (492 F. 2d 587), overturned the bribery conviction (see 408 U.S. 501) of former Sen. Daniel B. Brewster, and upheld a district court ruling that President Nixon improperly invoked the pocket veto during a 1970 congressional recess. This court also generally affirmed a district court decision ordering President Nixon to deliver Watergate tapes to the lower court for its *in camera* inspection to determine which portions were relevant to a grand jury investigation (487 F. 2d 700) and that the lower court had no jurisdiction to consider the action brought by the Senate Select Committee on Presidential Campaign Activities to enforce its subpoena of Nixon for Watergate tape recordings (498 F. 2d 725) The District Court for the District of Columbia also held that Nixon's firing of Watergate special prosecutor Archibald Cox was illegal (366 F.Supp. 104).

WILL CONGRESS MEASURE UP?

Clearly, then, the Ninety-third Congress will be enshrined as an authentic "reform" Congress, particularly in its relationship with the executive branch. While it is not anticipated that the Ninety-fourth will be a wholly "veto-proof" Congress, as some persons have asserted, it will share responsibility with the president for the shaping of domestic policies over the next two years. The question in the minds of many is whether Congress, now that it has recovered much of its authority and provided itself with many mechanisms for independent policy formulation, can perform in response to the acquisition of this responsibility.

The Ninety-fourth Congress will feature more than one hundred new members—the most extensive turnover of seats since the Eighty-first Congress was elected in 1948. This means that nearly one half of Congress has been elected during the past four years. The membership of the new Congress should bring fresh thinking to the legislative branch on congressional reform and other current issues. If the Ninety-fourth Congress does not perform to the satisfaction of a majority of the electorate, it may be anticipated that the president and others will be campaigning in 1976 against a "do-nothing Congress," as Harry Truman did in 1948 against the Eightieth Congress.

The new Congress cannot hope to duplicate its predecessor's record in the domain of congressional-executive relations. Rather, its congressional reform challenge is to further the continuing efforts being made to improve the internal workings of the House and Senate.

IMPROVING THE FOOD STAMP PROGRAM

Mr. HUMPHREY. Mr. President, several reports have been completed or are about to be, emphasizing key areas of the Food Stamp program.

The Department of Agriculture, the General Accounting Office and the Senate Select Committee on Nutrition and Human Needs have all been taking a careful look at the program.

The study by the Department of Agriculture indicated an error of $160 million in the over-issuance of food stamps over a 6-month period. This program has been very controversial with serious charges of widespread abuses.

The report of the Senate Select Committee on Nutrition and Human Needs emphasized the fact that the program is falling behind in taking care of those who are eligible to be in the program. Because of rising unemployment, it is now estimated that only 38 percent of the eligibles receive food stamps whereas 52 percent of those eligible received food assistance in 1972.

The study by the GAO emphasizes the need for better information on those now in the program and the people who are eligible but not now receiving food coupons. The GAO found, in looking into the records, that around 20 percent of those receiving food stamps were not eligible, but many of these resulted from minor administrative errors. It was not clear why these errors had been made and how many represented simple omissions or oversight.

Our Senate Committee on Agriculture and Forestry has stated its intention to look at this program in detail in order to make improvements and end any abuses.

There has been a great deal of confusion concerning the numbers of recipients in the program, in part encouraged by the administration. In December 1971, 14.9 million people participated in either the food stamp or the commodity program.

In September 1974, with the commodity program phased out, the number of food stamp recipients was 15.0 million. The number of food stamp recipients had increased to 17.0 million by late 1974, and this increase resulted from the sharp increase in the rate of unemployment.

The information in these reports needs to be reviewed and digested in order to develop the recommendations for implementation. I hope that this can be done expeditiously because this program can play a vital role in helping needy people meet their basic food needs.

Mr. President, I ask unanimous consent that three informative articles on this topic, "Lag on Food Stamp Widens," Washington Post, March 3, "U.S. Report Finds Excessive Issuing of Food Stamps" New York Times, March 2, and "Senators Charge 20 Million Need: Lack Food Stamps," New York Times, March 3, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

U.S. REPORT FINDS EXCESSIVE ISSUING OF FOOD STAMPS

(By William Robbins)

WASHINGTON, March 1.—Errors in certification by state agencies gave a broad sample of food stamp recipients 23.2 per cent more assistance than they were legally entitled to in the six months ended June 30, 1974, the Department of Agriculture said today.

The rate of error appeared to indicate overissuance of stamps worth about $160-million in the period.

The department issued its report as another agency, the General Accounting Office, completed a study that is critical of both the structure and the administration of the food stamp program. The G.A.O. is the investigative arm of congress.

LACK OF DATA CRITICIZED

That watchdog agency criticized a lack of data on numbers of needy persons who were not being reached by the program and what it saw as an inadequate effort to get aid to those whose need might be greatest. It also found certification procedures unnecessarily complex, lending themselves to error, and found inequities in the program itself that favor families who are also receiving other forms of assistance.

Other criticism came from Senator George McGovern, Democrat of South Dakota, who is chairman of the Senate's Select Committee on Nutrition and Human Needs. He said he was not surprised at the errors and added that his committee would issue on Monday a report that "details the administrative failures" in the food stamp program.

Senator Robert J. Dole, Republican of Kansas, said that he had asked the Senate Agriculture Committee to conduct hearings to examine the G.A.O. recommendations.

ELIGIBILITY PROBLEM

"When I initially requested the study in November, 1974," he said, "I was concerned that many of those eligible for food stamps were not getting the assistance they need. The study shows that a great many who receive food stamps do not meet the eligibility standards while others in need, who do meet the standards, receive no assistance at all."

Enrollment in the food stamp program increased from 13.5 million last June to 17.1 million in December as unemployment rose. A total of $4-billion was spent on the program last year.

The Agriculture Department's report was based on a sample of 25,585 households, in 46 states. They were drawn from the 45 per cent of food-stamp recipients who do not get other forms of public assistance. In most cases, those who receive other forms of public assistance automatically qualify for the stamps.

Families who must be individually certified, for lack of the automatic qualification, received a total of $696.5-million in "bonus" food stamps in the six-month period of the study. Under the food-stamp program, those with the lowest levels of income get the stamps free, while applicants with higher incomes pay increasing amounts for the stamps. The "bonus" stamps represent the difference between what these applicants pay and the total value of the stamps.

Eligibility to participate in the program varies according to income and family size. Each applicant must undergo a process involving interviews with state or local officials and then checks on the information provided. Some family costs can be deducted from income in qualifying for the program, such as portions of high medical costs and, occasionally, portions of rent payments.

Although the food-stamp program is federally funded, the stamps are distributed by state and local officials with financial help from the Federal Government.

The sample used in the Agriculture Department report was designed to be statistically valid for a projection of error rates for all families in the program who have to be individually certified. Not all states produced all the reports designed to be incorporated into the study. But Royal Shipp, director of the Food Stamp Division, which is a unit of the Agriculture Department's Food and Nutrition Service, said: We have no reason to believe the results would be any different if all the reports had been filed."

An aide remarked that projections based on the report "would give you a ballpark figure."

Thus, if the projections are valid, overissuance of stamps in the six-month period covered by the report would amount to about $160-million. For the full fiscal year beginning July 1, 1973, in which families not automatically qualified received $1.22-billion in food-stamp assistance, the overissuance would amount to $280-million.

TOTAL PROJECTED

A projection for the first seven months of the current fiscal year, in which such aid

increased to $1.375-billion, the same rate of error would amount to about $316-million.

Department officials emphasized, however, that about a third of the errors involved families now ineligible who could qualify merely by completing a requirement that most food-stamp applicants register for employment. Bonus stamps issued to such families amounted to 7.5 percent of the total for the six-month period.

At the same time, the report said, 7.7 percent of the bonus stamps were issued to ineligible households—because of errors made in income, deductions, resources and other eligibility factors. In addition, 8 percent of the stamps represented over-issuance to households that were eligible but that either paid too little or were given excessive allotments.

"It's important to realize that we are not talking about fraud or deliberate waste of the taxpayers' money," Mr. Shipp commented in a telephone interview. "These are errors—the state level—in some cases simply because of a lack of knowledge among participants about such things as reporting changes in income."

Looking at the situation on a case-by-case basis, the Food Stamp division found a 56.1 percent rate of error. In many of the cases, however, the dollar amounts involved were small.

In that category, 37.9 percent represented cases found to contain errors of underpayment or overpayment for stamps and with either too many or too few coupons issued. The report did not detail how many families might have overpaid or by how much.

In addition, six percent of the cases involved failures to meet work registration requirements, and 12.2 percent involved ineligible households.

Today's report was the result of a quality control program involving follow-up investigations by agents of the states' distribution programs. The agents are given sample cases in which they investigate and attempt to verify all data given by an applicant as a basis for qualifying for food stamps.

On average, the agent spends about two days investigating a case.

"QUALITY CONTROL" HELD AID

The results, however, vary widely from state to state. Errors ran as high as 80 per cent, for Rhode Island cases, and as low as 21.8 per cent for the state of Washington.

In the New York area, New York State had an error rate of 69.5 per cent; New Jersey, 74.4, and Connecticut, 77 per cent.

Despite the rates of errors found, the administrator of the Food and Nutrition Service, Edward J. Hekman, found encouragement in the quality control program. He noted that the percentage of stamps going to ineligible households had declined 25 per cent in the six months covered by the report, compared with the preceding six months.

"Quality control is proving itself to be an effective tool in program administration," he said, "and states are using it to take corrective action to improve the food stamp program."

He said that the agency was analyzing possible procedures to make the food stamp program easier for the states to administer.

One possibility for simplifying procedures was suggested in the G.A.O. report. It recommended that, in the certification process, standard deductions might be substituted for itemized deductions from income.

It also urged more equitable treatment for families receiving no other forms of assistance besides food stamps. The report noted that families on public assistance could have part of any earned income disregarded as a basis for receiving stamps while families not receiving assistance could not.

The G.A.O. report also called for improvements in the states' quality-control programs, noting that "in most cases the [quality-control] reports did not clearly identify the underlying causes of the errors."

"The apparent inability of some states to significantly lower their high error rates raises some question as to the effectiveness of the states' corrective actions and the service' review and monitoring of those actions," the G.A.O. said.

ONLY 38 PERCENT OF ELIGIBLES PARTICIPATE—LAG ON FOOD STAMPS WIDENS

(By Austin Scott)

Although the number of Americans receiving food stamps rose from 14 million to 17.9 million in less than a year, the program is falling further behind in taking care of all those eligible, according to a staff report of the Senate Committee on Nutrition and Human Needs.

Another report issued by the Department of Agriculture, said a sample audit of the $4 billion program showed that payment errors were made in 56.1 per cent of the cases sampled. While there were overpayments as well as underpayments, the USDA report said, they added up to a 23.3 per cent overpayment.

The committee staff report said 52 per cent of those eligible for federal food assistance received it in 1972, but by September, 1974, despite the increase in numbers, only 38 per cent of those eligible were getting assistance.

In part, the drop is a measure of the state of the economy and the rise in unemployment, the report said. But it laid much heavier responsibility on what it said were unnecessarily burdensome administrative requirements, and "restrictive policies and practices of the U.S. Department of Agriculture."

Committee Chairman George McGovern (D-S.D.) said in releasing the report that he fears the program's problem might invite those who oppose it to try to discredit it. He repeated his belief that "the real problem with the food stamp program is the attitude" of Agriculture Secretary Earl L. Butz and the administration toward it.

Butz told a Senate Agriculture Committee two weeks ago that he considered the program "welfare," and would like to see it transferred out of his department.

He made the comment after McGovern told him he should either run the program properly, or resign.

Highlights from the nutrition committee staff report:

Although the law requires that food stamp applications be processed in 30 days or less, "the most conservative estimates indicate that, in mid-February, at least 85,000 people were waiting longer than 30 days."

The declining economy is putting "a heavy demand on state food stamp agencies," so that the 50-50 state-federal sharing of administrative costs made law just this year no longer adequately pays for state costs.

The Agriculture Department has not encouraged states to vigorously seek out and register those who are eligible. U.S. District Judge Miles Lord of Minneapolis reached the same conclusion last fall, and handed down an opinion accusing Butz of failing to run the program properly.

Some areas are trying, and succeeding, to cure problems in their programs. The report cited Atlanta, which it said cut a backlog of 4,500 applicants to 1,000 by opening food stamp offices on Saturdays and Sundays, and using volunteers.

The survey conducted by USDA on error and overpayment did not determine whether the errors were made by applicants mistating their eligibility, or by the caseworkers who processed them, a department spokesman said.

The nutrition committee staff, however, said it found "little intentional abuse of the food stamp program."

It quoted a June, 1973, statement made by Assistant Agriculture Secretary Clayton Yeutter to the committee. Yeutter said then that the program has been "remarkably free from fraud."

Statistics submitted by USDA showed that from July 1, 1972, through March 30, 1973, there were 12 instances of embezzlement by state and local employees involving $28,376, four cases of "coupons trafficking" involving $26,000, and all told, losses amounted to 14 cents for each $1,000 worth of food stamps issued.

The committee staff report said "there is no evidence that there is more abuse of the program now than there was two years ago."

The USDA report, which sampled 25,585 households out of 5.7 million, did not claim any of the error found constituted fraud.

A USDA spokesman said the department did not know what error factor there might be in such a sample, but considered the results "quite good."

There were no tabulations in the survey for families that did not receive as much of a food stamp bonus as they were entitled to.

For those who received more than they should have gotten, the survey found 8 per cent of the overpayments were caused by giving too much to eligible households, 7.5 per cent were caused by giving too much to households that were not yet eligible but would be once paperwork was finished, and 7.7 per cent were caused by giving food stamps to ineligible households.

Food and Nutrition Service Administrator Edward J. Hekman said the error rate is a 25 per cent improvement over the rate the same survey found in 1973.

The nutrition committee staff report included a number of recommendations. Among them were:

Selling of food stamps in all post offices, to improve on the short banking hours and long waits in banks; certification by declaration on a simple form with a random check for fraud; congressional appointment of an advisory council, including poor people; and a boost in food stamp benefits, which are now based on a diet plan the Agriculture Department says is not suitable to maintain good health over a long period of time.

SENATORS CHARGE 20 MILLION NEEDY LACK FOOD STAMPS

(By Nancy Hicks)

WASHINGTON, March 2.—Before dawn tomorrow, America's new breadlines will begin forming as the newly unemployed and the chronically poor begin the monthly ordeal of applying for or buying food stamps.

And as long as the lines are, a 71-page report issued today by the Senate Select Committee on Nutrition and Human Needs estimates that only 38 per cent of those eligible for food stamps are getting them, leaving off the rolls some 20 million eligible persons.

The lines will include people such as Victoria Toy, 22 years old, the wife of a Miami policeman, who has been caught in an economic bind of rising food costs, high medical expenses for her two children and a newly imposed ban on overtime on her husband's job, which has reduced the family income.

And there will be people such as Jeff Emert, 25, of Phoenix, Ariz., who lost his $150-a-week job as a construction worker and now lives on the $50 a week he earns as a part-time tennis instructor.

But there will not be people such as Gloria Long, a 30-year-old working mother with a son and a diabetic mother who will never receive food stamps because, after hours of waiting for an interview, she failed to have all the necessary documentation and vowed never to return.

"I have too much respect to go through this hassle again," she said as she left the Department of Welfare office on South Broad Street in Trenton.

All over the country, scenes such as this have been occurring in what may be one of the nation's fastest-growing and most controversial social programs.

"They wait in line, and they wait too long," said Michael J. Jacobs, supervisor of the district welfare office in Chicago, who said that he had found as many as 60 people waiting to apply when he unlocked the doors at 8:30 A.M.

ENROLLMENT RISES RAPIDLY

The demand for food stamps has pushed national enrollment in the program up to 17.9 million, as of Jan. 31. Two million joined the rolls in December and January alone, as unemployment grew to 8.2 per cent of the labor force.

Most food stamp recipients are drawn from the ranks of the chronically poor. A study by the Congressional Joint Economic Committee showed that as of November, 1973, the average recipient had a monthly income of $364, 80 percent of that drawn from Federal and state programs for the poor. More than 70 per cent of the heads of participating families were not in the work force.

The program cost $4-billion last year.

Three reports released this weekend charged that the program was badly administered, was distributing more stamps than it should in some instances and was not reaching the people who needed them most.

"The food stamp program is suffering from grave administrative inadequacies which I fear may invite its political critics to attempt to discredit it," said Senator George McGovern, Democrat of South Dakota, who is chairman of the Senate select committee.

He offered 15 recommendations, one of which would include certification by the applicant's declaration of eligibility rather than by the complicated certifying procedure now used. This approach has resulted in some 65,000 applicants' waiting more than 30 days to receive benefits, he said. Any fraud would be detected in random audits, similar to those conducted by the Internal Revenue Service on income tax returns.

Yesterday, the Department of Agriculture, which administers the program, reported it had found in a broad sample of recipients that 23.2 per cent were receiving more assistance than they were legally entitled to. The General Accounting Office, investigative arm of Congress, issued a report critical of the structure and the administration of the program.

"HIPPIES IN COMMUNES"

The current food stamp program, in effect since 1964, allows a family of four to receive $154 a month in food stamps, which the department of Agriculture estimates it costs to purchase food for a nutritious diet. The amount that the family pays for those coupons depends on its net income, computed from gross income with certain deductions for large medical expenses and other costs. The family of four with a net income of $130 a month or less receives its food stamps free. Others pay on a sliding scale. All payments average 23 per cent of families' net monthly income.

The department and President Ford had sought to raise the purchase price to 30 per cent but Congress voted overwhelmingly to prevent that.

The Congressional fight that held down the purchase price of the stamps, though, was rife with suggestions by legislators that the program was filled with "cheats."

Senator Milton A. Young, Republican of North Dakota, complained about "hippies in communes who do not want to work" being in the program.

Senator Herman E. Talmadge, Democrat of Georgia, recounted a story in which a man drove a Cadillac up to a store and bought $189 worth of steak with food stamps.

Senator Carl T. Curtis, Republican of Nebraska, told of a constituent whose landlord was receiving food stamps.

The complaints are reminiscent of those about welfare programs in the nineteen-sixties when the welfare rights movement began looking at the full range of benefits to which recipients were entitled and demanding that they be given. This activity resulted in a backlash against "welfare cheats" and a tightening of regulations.

With the food stamp program, however, most of the criticism has been directed at the Agriculture Department for withholding legislated benefits and failing to seek out eligible participants. In some cases, the local certifying agencies have come under attack for harassing applicants by such actions as refusing to allow them to use bathroom facilities.

JUDGE ORDERS FUNDS SPENT

Last fall, a Federal judge ordered the department to review all state recruitment programs and to require the submission of new plans where deficiencies were found to exist.

The judge, Miles W. Lord of Minneapolis, also ordered the department to spend $278-million that had been appropriated but not spent in the fiscal year 1973 for the food stamp program.

Others, such as the Senate committee, would like to see certification streamlined in other ways. Currently, recipients must appear periodically at local offices and reapply. Some localities allow participants to purchase their stamps in post offices and banks, facilities that are easily accessible.

In cities such as Miami, where stamps are purchased at social service offices, an estimated 2,000 people a day show up during the first few days of the month to buy their stamps, according to Paul E. Aubert, the regional food stamp administrator for Dade County.

For this reason, the Senate committee would like recipients to be able to purchase food stamps in post offices.

Robert Greenstein of the Washington-based Community Nutrition Institute wants local food stamp workers to make it clearer to recipients that they do not have to buy all their stamps at one time.

Because this point is not emphasized, Mr. Greenstein said, many people who do not have the money needed to purchase their monthly allotment of stamps do not apply for them at all.

RESTORATION OF RELIGIOUS SHRINE TO THE ZUNI INDIANS—S. 877

Mr. ABOUREZK. Mr. President, I am pleased to have joined my two distinguished colleagues from New Mexico in introducing a bill to restore a sacred, religious shrine to the Zuni Indians and to permit them to file their aboriginal land claim with the U.S. Court of Claims.

I am convinced of the fairness of this legislation.

We are not asked to make any judgments on the merits of the aboriginal land claim. We are asked to pass judgment on whether there is an adequate case in equity made which will justify the Congress referring this matter to the Court of Claims. As Senators will know, we have agreed that when the time permitted the Indian Claims Commission to complete its work finally expires next year, that all matters which are unfinished would be referred to the Court of Claims to complete action thereon.

The claim of the Zuni Indian Tribe would not be referred to the Indian Claims Commission, but rather the Court of Claims, inasmuch as the Indian Claims Commission could not possibly complete work on this matter prior to the Commission's expiration date.

It is my intention to hold hearings on this matter at an early date, and my intention to do all I can to secure its passage and enactment into law.

THE JOB OPPORTUNITIES PROGRAM IS READY TO GO

Mr. MONTOYA. Mr. President, in the closing hours of the last Congress, the Senate initiated, and the House concurred in a job opportunities program as an amendment to the emergency public service employment bill. Five hundred million dollars was authorized. The urgent supplemental appropriations provided $125 million.

Many of us in both the Senate and House have been urging the President to get this $125 million, modest as it is, into the economy for job creation activities. President Ford, though signing the bill into law, has asked Congress to transfer this $125 million to the public service employment program at the Labor Department. In the meantime a rescission request is pending before Congress.

My information is that there is little congressional sentiment to hold up this program any longer. I think it would be unfair to assume that the desire of Congress to get moving on the job opportunities program is a measure of dissatisfaction with the public service jobs approach. It is, rather, a desire for additional public employment programs.

The question is, How will the $125 million be spent? The amendment—title X of the Public Works and Economic Development Act of 1965, as amended—calls for appropriate Federal agencies to review their programs for the purpose of determining how additional jobs might be created within existing programs. The funds are to supplement present programs for this purpose. Some agencies like the Appalachian Regional Commissions and the seven title V Regional Action Planning Commissions are authorized to gather plans and proposals of job effective projects within their States, substate governments, and communities. Forty-five days are provided for this phase.

Mr. President, the returns are in. The Economic Development Administration, as administrator of the program, informs me that as of the end of February a fantastic $4.8 billion in plans and proposals has been submitted. The Federal share of the proposals is slightly over $3 billion. More than 18,000 individual project proposals have been submitted, calling for an estimated 3.1 million man-months of employment. EDA itself has gathered more than 6,000 proposals at a total dollar cost of $1.5 billion.

This response exceeds most of our expectations. Not only have projects been submitted from the Federal agencies, but also counties and towns and cities from across the country. The exercise, I am told, has generated a good deal of en-

thusiasm at community levels—in anticipation of the jobs to be provided and the community improvements to be achieved.

The Congress ought, in my judgment, to move quickly to appropriate the remainder of the authorization for this program—$375 million. Simultaneously, the Congress ought to pass new authorization authority very soon to extend and improve the program. I intend to introduce a bill to accomplish this in the near future.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the title X proposals prepared by the Economic Development Administration as of February 26, 1975. In addition to Federal agencies and the regional commissions, the summary breaks down the EDA proposals by regional office.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF COMMERCE—SUMMARY OF TITLE X PROPOSALS AS OF FEB. 26, 1975

Agency	Number of project proposals	Total dollar cost	Federal dollar cost	Estimated man-months of employment
Economic Development Administration	6,186	$1,488,010,142	$976,033,563	864,119
Regional commissions (title V and Appalachia)	1,597	453,391,767	347,354,289	350,459
Other Federal agencies [1]	10,025	2,883,230,154	1,748,406,934	1,926,901
Grand total	18,208	4,824,632,063	3,071,794,786	3,141,479

[1] In addition the ICC has proposed an $11,000,000,000 program for railroad roadbed rehabilitation.

Note: The following pages present the proposals in more detail including estimated average labor intensity and average duration of jobs in terms of man-months.

Name	Number of project proposals	Total dollar cost	Federal cost	Estimated man-months of employment	Average labor intensity (percent)	Average duration (man-months)
OTHER FEDERAL AGENCIES						
1. Federal Energy Administration	8	$50,160,048	$34,806,201	29,700	43.0	11.6
2. National Science Foundation	8	15,528,647	7,835,682	8,363	47.0	12.3
3. Department of Housing and Urban Development	205	50,000,000	50,000,000	73,800	83.6	12.0
4. Department of Commerce Maritime Administration	4	4,627,500	4,627,500	36,957	93.0	10.0
5. American Revolution Bicentennial Administration	19	41,206,700	33,727,700	42,207	NA	NA
6. General Services Administration	10	117,970,000	117,970,000	79,533	68.0	8.2
7. National Aeronautics and Space Administration	64	39,753,000	36,728,000	12,247	53.0	8.9
8. Veterans' Administration	15	63,233,400	63,233,400	27,223	62.8	13.2
9. Environmental Protection Administration	[1] 1	15,500,000	15,500,000	36,000	91.0	12.0
10. National Endowment of the Arts	36	76,105,728	54,814,714	84,227	66.0	10.7
11. Federal Trade Commission	3	749,332	749,332	635	95.0	15.0
12. National Endowment for Humanities	[1] 1	4,250,000	4,250,000	4,800	94.0	12.0
13. Small Business Administration	[2] 5	113,053,820	113,053,820	397,800	NA	12
14. Interstate Commerce Commission	[3] (1)	(11,000,000,000)	(11,000,000,000)	NA	NA	NA
15. Postal Service	0					
16. Department of Commerce OIBA	0					
17. U.S. Civil Service Commission	0					
18. Federal Communications Commission	0					
19. Department of Treasury	0					
20. Securities and Exchange Commission	0					
21. Federal Maritime Commission	0					
22. Department of Labor	0					
23. Corps of Engineers	2,678	137,845,800	137,845,800	137,660	80.6	12
24. Department of Defense	1	1,065,000,000	NA	NA	NA	NA
25. Department of Agriculture	6,271	570,880,358	566,692,858	638,828	78.0	12-24
26. Department of the Interior:						
Bureau of Indian Affairs	275	36,961,321	26,788,821	27,291	70.2	6.2
Geological Survey	12	13,149,000	13,149,000	17,303	85.2	7.7
Bureau of Mines	13	786,068	786,068	953	100.0	14.0
Bureau of Land Management	91	16,128,445	16,126,445	9,527	68.7	5.9
National Park Service	109	40,471,600	40,471,600	24,019	71.1	3.6
Fish and Wildlife Service	1	1,300,000	1,300,000	743	42.0	24.0
Bonneville Power Administration	2	600,000	600,000	294	62.5	7.0
Outdoor Recreation	2	125,000,000	125,000,000	NA	NA	NA
Total for Department of the Interior	505	234,396,434	224,221,934	80,130		
27. Energy Research and Development Administration	23	33,814,000	33,814,000	28,212	NA	12.0
28. Water Resources Council	0	0	0	0	0	0
29. Department of Transportation	79	70,520,029	70,438,154	40,994	67.5	9.2
30. Tennessee Valley Authority	26	14,321,900	13,783,660	13,913	72.0	8.6
31. Department of Health, Education, and Welfare	63	164,314,179	164,314,179	75,542	80.0	10.0
32. National Academy of Science	0					
Total for other Federal agencies	10,025	2,883,230,154	1,748,406,934	1,926,901		
REGIONAL COMMISSIONS						
1. Upper Great Lakes	95	36,385,594	34,660,944	22,795	61.8	10.04
2. Coastal Plains	18	6,689,541	6,578,381	7,754	73.0	9.4
3. Pacific Northwest	230	23,914,915	20,269,409	17,529	63.7	10.08
4. New England	33	13,695,244	11,105,244	9,189	63.0	11
5. Four Corners	357	49,604,583	41,064,893	46,859	72.8	9
6. Ozarks	331	55,159,843	43,710,386	66,665	72.0	8.6
7. Appalachian	830	245,955,586	167,985,071	160,581	71.3	9.5
8. Old West	103	21,586,661	21,979,661	19,087	67.9	7.7
Total for regional commissions	1,997	453,391,767	347,354,289	350,459		
EDA REGIONAL OFFICES						
Southwest regional office:						
Arkansas	93	8,486,232	7,124,684	11,166	74.3	6.8
Oklahoma	17	5,912,500	4,956,000	8,886	81.0	6.7
New Mexico	3	555,000	444,000	261	69.2	6.0
Louisiana	71	9,951,219	6,454,531	18,547	74.0	9.25
Texas	81	31,000,000	27,800,258	16,203	41.5	10.0
Total	271	55,904,904	46,779,473	55,463		

Footnotes at end of table

Name	Number of project proposals	Total dollar cost	Federal cost	Estimated man-months of employment	Average labor intensity (percent)	Average duration (man-months)
EDA REGIONAL OFFICES—Continued						
Midwestern regional office:						
Ohio	27	$15,253,425	$15,203,425	9,104	61.0	9.7
Wisconsin	77	15,337,605	15,128,605	10,157	75.0	10.1
Iowa	7	1,110,700	1,105,700	652	76.0	6.0
Indiana	69	17,419,756	15,111,165	11,624	61.0	8.3
Illinois	160	70,637,700	63,622,936	54,076	67.5	6.8
Michigan	216	55,176,532	39,610,561	31,377	54.7	7.5
Minnesota	60	10,761,856	8,510,056	6,789	56.0	7.1
Total	636	186,657,814	158,293,088	104,579		
Rocky Mountain regional office:						
Colorado	2	620,000	600,000	1,124	67.0	6.0
Iowa	7	2,407,000	1,375,000	2,512	74.0	9.0
Kansas	7	2,335,000	1,852,000	1,999	51.0	9.0
Utah	16	1,111,000	885,000	1,101	53.0	6.0
Montana	11	6,504,000	6,504,000	5,518	72.0	10.5
Nebraska	4	1,350,000	1,350,000	2,057	75.0	10.5
North Dakota	25	6,558,000	6,551,000	5,358	62.0	7.9
South Dakota	8	2,552,350	2,552,350	2,208	75.0	11.0
Missouri	97	11,672,000	9,160,250	16,062	77.0	10.0
Total	177	36,509,000	32,330,250	45,034		
Southeastern regional office:						
Kentucky	138	14,088,305	11,288,752	14,959	70.1	8.9
Tennessee	472	83,275,476	76,154,025	72,287	57.1	8.5
Florida	320	36,417,605	30,983,245	33,382	63.0	7.3
Alabama	258	38,417,636	30,088,154	33,021	61.6	8.1
Georgia	279	28,021,422	26,493,522	24,236	66.7	8.5
Mississippi	312	20,166,376	20,086,055	24,162	60.9	8.5
North Carolina	694	101,952,100	85,247,625	70,757	67.8	7.3
South Carolina	559	82,249,363	83,267,800	92,368	55.1	6.8
Total	2,922	434,649,277	242,847,267	385,232		
Western regional office:						
California	765	233,076,473	207,176,821	173,181	62.5	10.8
Idaho	64	16,654,683	13,781,473	15,933	67.5	9.8
Washington	329	69,501,532	46,048,868	24,510	76.0	6.2
Nevada	45	5,388,500	5,388,500	5,603	79.0	11.0
Oregon	188	24,844,252	20,820,330	14,262	63.6	8.2
Alaska	78	10,358,076	8,948,636	7,277	66.5	6.4
Arizona	7	1,299,700	1,299,700	268	72.1	10.9
Total	1,476	361,124,016	203,464,738	191,134		
Atlantic regional office:						
New York	169	33,526,508	22,767,583	24,166	64.3	5.7
Pennsylvania	327	63,708,636	23,618,002	29,270	61.2	9.3
West Virginia	41	4,426,668	4,139,176	4,870	78.8	9.5
Virginia	54	8,663,513	8,246,729	8,169	68.9	9.6
Maryland	43	4,862,071	4,425,052	5,631	70.1	8.0
Massachusetts	25	8,663,513	7,329,830	4,770	58.2	6.5
Vermont	8	11,474,220	11,187,220	1,345	54.6	7.6
New Hampshire	5	272,656	218,144	263	59.9	5.1
Maine	23	4,488,070	1,697,388	2,237	70.1	5.0
Connecticut	6	2,015,000	1,318,000	542	64.0	8.5
Delaware	1	500,000	275,000	432	53.0	12.0
Washington, D.C	1	262,000	210,450	182	64.9	7.5
Rhode Island	1	250,000	250,000	NA	NA	NA
Total	709	143,124,281	92,318,617	82,277		
Totals for EDA regional offices	6,186	1,488,010,142	976,033,563	864,119		

[1] Nationwide recruitment.
[2] SBA operating programs.
[3] Rehabilitate railroad roadbeds.

NO TIME TO CONFUSE

Mr. HANSEN. Mr. President, many Members of this body are familiar with a $4 million Ford Foundation study called "A Time To Choose" which attempts to chart a course for America's future energy policies.

The study has been extolled by some as pointing America down the proper path.

The path advocated, we now learn, is one of increased Government controls and decreased use of energy, regardless of the availability of supplies.

This has been pointed out by a group of 10 scholars who have just written a critique of "A Time To Choose" under the title, "No Time To Confuse."

"No Time To Confuse" is a project of the San Francisco-based nonprofit foundation, the Institute for Contemporary Studies.

The study was headed by the widely respected Dr. J. C. "Clay" La Force, head of the school of economics at the University of California at Los Angeles. Among its authors are Herman Kahn, who heads the Hudson Institute; Morris A. Adleman, professor of industrial management at MIT; Thomas G. Moore, director of research at the Hoover Institute and others equally as well qualified.

Almost without exception these scholars found "A Time To Choose" to be a less than satisfactory study.

Prof. George W. Hilton, a professor of economics at UCLA, calls the report so bad as to be an embarrassment to the Ford Foundation. His colleague, Prof. Armen A. Alchian, says it could make the Guiness Book of Records for most errors of economic analysis and fact in one book.

William H. Riker, professor of political science at the University of Rochester, says the book's prejudices render it useless.

Mr. President, in light of these devastating criticisms by ordinarily restrained scholars, I would urge that those who accept "A Time To Choose" as the way for America to go, rethink their positions or reread the book.

I believe, Mr. President, that all of us are indebted to the Institute for Contemporary Studies for bringing the deficiencies of "A Time To Choose" to light.

UMI

I ask unanimous permission to print in the RECORD at this point a summary of the views of the authors of "No Time To Confuse."

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

NO TIME TO CONFUSE: A SUMMARY

No Time To Confuse is an analysis by 10 leading academicians of the $4 million Ford Foundation-sponsored energy policy project entitled "A Time to Choose."

The Ford study has been widely acclaimed in the press and elsewhere, but *No Time To Confuse* is the first significant attempt by recognized authorities to analyze it thoroughly.

The analyses in *No Time to Confuse* look not only at the study's conclusions but also at the premises and facts on which they are based. All too often they are forced to dispute the premises and correct the alleged facts.

No Time To Confuse is must reading for any person who has a serious interest in America's energy situation, and for those who have uncritically accepted the Ford study as energy gospel.

Those who set or participate in the setting of energy policies at all levels of government especially will find *No Time to Confuse* rewarding reading. As also will those who need facts and arguments to rebut common misconceptions regarding the reasons for, results of and possible cures for the current energy situation.

Following are brief summaries of the conclusions of the writers of *No Time To Confuse*.

The critique was sponsored by and is a project of the San Francisco-based Institute for Contemporary Studies, a non-profit foundation directed by A. Lawrence Chickering. Superior Court Judge John Vukasin of Oakland is president of the Institute. The project was chaired by Dr. J. C. LaForce, Chairman of the Department of Economics at the University of California at Los Angeles.

In his analysis of the first six chapters of "A Time To Choose" Professor Armen A. Alchian, professor of economics at the University of California at Los Angeles, concludes that the report should have been titled: "A Time to Confuse."

He accuses its authors of confusion, arrogance, a paternalistic approach, political naievete, demogoguery and of being qualified to enter "The Guiness Book of Records," for most errors of economic analysis and fact in one book.

Prof. Alchian declares worthless three scenarios the report proposes as possible models for choosing long range energy policies. The report calls for a zero energy growth policy after 1985 because it "provides benefits in every major area while avoiding shortages, protecting the environment, avoiding international problems and keeping real social costs low."

In fact, says Prof. Alchian, it does none of these things.

One of the problems, Prof. Alchian says, is that the report is "fatally dosed with economic error, fallacy and confusion at critical stages."

He points out why the law of supply and demand is better for balancing available energy supplies to needs and desires than are such political solutions as rationing, controls or additional taxes.

"Political controls on our use of energy . . . means simply that an elite group is undertaking to limit the options of other people," he declares.

He notes that the report contends that, although past political performance in the energy field has been bad, "more political control" will improve it.

Prof. Alchian concludes that "it is no accident that the strongest appeals for political action in the present situation are made by the strongest opponents of free enterprise activity: those who would prefer to cripple the process of voluntary exchange through market prices."

Morris A. Adelman, professor of industrial management at Massachusetts Institute of Technology, concentrates on those parts of "A Time to Choose" that deal with Arab oil.

In doing so he finds he has the problem of trying to make sense out of a report that not only is confusing and contradictory but also has "no sense of the past," ignores the interaction of supply and demand and whose authors do not understand market processes.

Prof. Adelman charges the report's authors regard the free market as an opposing ideology. "There is never any attempt to analyze any market, to examine results or understand causes. And this deficiency undercuts virtually every conclusion in the report," he declares.

Noting that the report says that international oil trade "can no longer be left entirely to the so-called marketplace," he concludes that its authors prefer "a different marketplace; a handful of governments unhampered by any national or international law, and seizing 50 to 100 times as great a tribute."

Prof. Adelman says that while the report's major policy recommendation, "Project Interdependence," is in the mainstream of current opinion it would "freeze a dismal present into the indefinite future."

Accusing the report of short-sightedness, Prof. Adelman makes these points:

The authors have not even hinted at how many Fourth World inhabitants will starve because of the cartel; they do not refer to the current arms race in the Persian Gulf; there is no mention of the disruption of world trading patterns caused by the inability of many oil nations to accept goods in payment for oil.

Finally, he declares, the Arab oil cartel has become so powerful only because "the victims are willing, not to say eager, to collaborate."

There are some sound views in "A Time to Choose," in the opinion of M. Bruce Johnson, professor of economics at the University of California at Santa Barbara. But these primarily are in the areas of nuclear control, protection from acts of terrorism and the disposal of nuclear waste products.

In contrast, Prof. Johnson finds the chapter on the poor deals with the obvious so obviously as to be ridiculous and unnecessary. "The options of the poor have been constrained because of their low income, but there is no evidence that these options have been systematically reduced because of energy prices or that the poor have had a lower incentive to make energy-saving investments," he says.

Prof. Johnson has little use for the report's proposal of energy stamps, energy grants and special allocations of fuel to the poor. He says such special subsidies "distort prices, misallocate resources and expand government bureaucracies."

In Prof. Johnson's view the report is really a vehicle for the authors' views on income redistribution and environmental action.

He finds that in the development of nuclear energy the report makes a forceful argument for proceeding with caution and suggests it is on the right track when it proposes that liability for nuclear accidents rests with the users and the insurance carriers and not with the government.

But in land planning Prof. Johnson finds the report prejudiced against private development and heavily in favor of government controls.

Before Congress follows the report's advice and initiates additional government regulations and controls over land use, energy use and the environment Prof. Johnson urges that it look at the dismal records of the regulatory agencies it has already established.

Walter J. Mead, professor of economics at the University of California at Santa Barbara, believes that "A Time to Choose" makes a valuable contribution to the understanding of the world energy problem.

But he is critical of it because after examining facts and drawing conclusions the report makes recommendations at odds with the supporting material.

For example, the report finds that the oil industry is "effectively competitive" and is not monopolistic, but then it calls for federal chartering of oil companies as a means of controlling the industry anyway.

Prof. Mead is particularly critical of proposals putting absolute limits on profits or on rates of return. If this were done, he says, management would, in effect, be ordered by law to operate inefficiently and waste resources.

He finds the proposal "totally inconsistent" with the report's own findings that oil companies' long term profit rates are only average.

Prof. Mead also finds contradictions in the report's proposal to add six new organizations to the Interior Department with no suggestions of reform in the department's structure and analysis of the cost of adding new agencies.

Like his fellow authors of *No Time To Confuse*, Prof. Mead notes the report prefers government controls over the workings of the free market. He also finds the report has "difficulties" with some basic economic concepts.

Thomas G. Moore, Senior Fellow at the Hoover Institute at Stanford, formerly Senior Staff Economist for the Council of Economic Advisors, levels the serious charge that "A Time to Choose" reflects the authors' personal prejudices without providing substantial analysis or factual bases.

"It is almost as though the authors wrote the conclusions first and then developed arguments in an effort to substantiate them," says Moore, now director of research at the Hoover Institute for War, Revolution and Peace.

Moore is critical of the report's assumption that petroleum cannot retain its present prominent position in the energy market throughout this century. He points out that petroleum reserves have grown faster than production since the end of World War II, increasing more than fourfold.

He also believes that the need to restrict oil imports has been exaggerated. Restrictions and their effect on the dollar, he warns, could lead to a trade war, while ample imports would minimize environmental damage from domestic production of oil or coal and could reduce the numbers of nuclear plants with their potential hazards.

Moore disagrees with the report's repeated calls for more government regulation and intervention and takes issue with many of the economic premises on which they base their conclusions. For instance: "The authors fail to recognize that lower profit margins are inconsistent with increasing investment in private enterprise economy."

Arnold B. Moore, an economist at the Center of Naval Analysis, writes that "A Time to Choose" devotes little time to the national defense aspects of any national energy policy.

He notes that the report does recommend stockpiling of oil which would be a boon to the nation's defense capabilities, but he also finds that the report says nothing about defining and creating energy stockpiles.

Moore charges that the report's emphasis on reducing both consumption and imports is, in fact, the adoption of an old and discredited policy of consuming U.S. resources in preference to those of other nations. Such a policy, he says, could eventually expose the nation to new threats from abroad.

In criticizing the report, Moore makes the valid point that such criticism does not imply disagreement with goals aimed at bringing about more careful use of energy resources. It does imply, he says, that the report has not made its case for reduced consumption beyond that brought about by high prices.

He is critical of the fact that the report's authors fail to see that high prices lead to conservation, but that reduction beyond that brought about by high prices leads to waste.

"A Time to Choose" is more of an outline of the goals of conservationists than it is an energy study, in the views of Prof. George W. Hilton, a University of California at Los Angeles economist teaching this year at Dartmouth. He implies that its authors have an emotional commitment to the cause of conservationism that affects their objectivity and analytical ability.

In any respect, he feels the volume does not constitute an economic analysis, but instead is a study of how a limited area of public policy can be adjusted to meet a single goal. He compares it to a single-purpose organization such as "The National Association of Railroad Passengers," which concerns itself only with research that furthers its own cause.

In "A Time to Choose," he says, "most of what is relevant in economics is ignored and other relevant points are attacked. He charges the authors with treating the market as a relatively weak force which is prone to failure.

In discussing the report's strong demands for cutting back on energy use, he points out that "energy isn't the only thing worth economizing." Indeed, he warns, the authors may be proposing solutions which are more wasteful than present so-called wasteful practices.

Prof. Hilton has little use for the report's high regard for regulators. These, he says, are mainly motivated by their own self-interest and he doubts that those chosen to regulate energy would be any different.

Prof. Hilton sympathizes with the Ford Foundation for its "embarrassment" at having created a study which "probably makes a negative contribution to current knowledge of the energy problem." Fortunately, he adds, the study will inevitably pass into obscurity.

Herman Kahn, head of the Hudson Institute, finds that the report accepts much of the ideology and assumptions of anti-growth groups including their "enormous hostility to the automobile."

However, Kahn asserts that the American passion for a single family home on its own land indicates that the American economy and society will continue to be based on the automobile.

But Kahn finds that an even greater weakness of "A Time to Choose" is its treatment of OPEC (Organization of Petroleum Exporting Countries) issues and particularly OPEC's ability to operate as a serious cartel. Kahn criticizes the report for a lack of realism in "brushing this issue off in one or two paragraphs."

He is also critical of it for its failure to define clearly what it means by "conservation."

And, finally, noting the bias of the report in favor of government controls, he warns that "people who take this stance unfortunately tend to underestimate the enormous role high prices can play in a free market and to ignore the harm governments can do."

James C. DeHaven, an engineer-chemist for the Rand Corporation, faults "A Time to Choose" for its treatment of new and additional energy supplies.

He finds the study places environmental protection ahead of future needs and leans heavily on the need for conservation without even defining the meaning. For instance, the report recommends delaying development of western coal strip mining and offshore oil and gas drilling without analyzing the reasons for the proposed delay.

DeHaven asserts much western coal is low in sulphur and that the land, after it is mined, can be reclaimed at low cost with existing technology. He also declares delays in developing off-shore drilling are unwarranted and will deny the U.S. important, secure and inexpensive new sources of oil and gas.

He finds "glaring" the omission of research requirements from the discussion of energy research and development.

DeHaven also faults the recommendation that all energy technologies should come to the marketplace as non-polluting technologies. Many times it would be easier, less expensive and just as effective to clean up after a process than to make the process entirely clean to start with, DeHaven points out.

He charges the report does not do justice to potential energy savings to be obtained by improving electricity generating efficiency and he complains that it overlooks entirely the possible use of hydrogen in the future energy economy.

"A Time to Choose" is nothing more than an "ideological tract" whose authors' prejudices render it useless. This is the view of William H. Riker, professor of Political Science at the University of Rochester.

Prof. Riker asserts that the "naive conviction" that the federal government can and will make a coherent national policy on the complex subject of energy permeates the entire report. He warns that the only way such a coherent national policy could be made effective is through the imposition of a police state.

He says the report's authors, while not going this far, are willing to impose "a substantially dictatorial" energy czar on the nation.

Riker finds it "astonishing" that anyone should expect or even seek coherence in such a multi-faceted subject as energy policy. Incoherence is natural and to be expected in a democracy where different citizens have different values, he says, pointing out that democracy always results in compromises and pluralism.

Other criticisms are that the authors believe that they alone know what the public interest is and that they are determined to foist a large array of regulations on the country, designed to save energy whether or not it needs to be saved.

AID TO INDOCHINA

Mr. MORGAN. Mr. President, one of the most important issues before this body today is that involving aid to Indochina. Last evening I viewed an NBC television production entitled "The Loyal Opposition". This production purported to present the views of the Democratic majority on the several issues confronting the Nation. One of those involved Indochina. While the two distinguished Senators, who appeared on that program, did not purport to speak for the majority, I am afraid the impression was left by the way in which the program was presented that they were in fact speaking for all Democratic members.

Mr. President, it was because of this type of reporting that I was led to visit Indochina and specifically South Vietnam in the summer of 1972. I saw much of the land at first-hand—I saw many of the people of that nation and had an opportunity to talk with many leaders in and out of the government. I am convinced that the entire story has not been told to the American people. I believe that the recommendation of the administration for aid to South Vietnam and Cambodia should not be dismissed lightly but should be considered quickly and seriously by this body. I will not undertake to express all my views on this matter at this time but I ask unanimous consent to have printed in the RECORD an editorial that appeared in the Wall Street Journal on February 27, 1975, entitled "Aid to Indochina". While I may not agree with all of the observations contained in the editorial, or others that I will present from time to time, they should be carefully weighed and considered by this body.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 27, 1975]

AID TO INDOCHINA

With President Ford and Secretary of State Kissinger pleading with Congress to approve additional aid to Cambodia, and with aid requests for South Vietnam being pressed with only slightly less urgency, it is perhaps a good idea to recall some of what we have learned about practical and impractical purposes from our sad experiences in Indochina.

The cliche, of course, is that the U.S. has learned that it cannot play world policeman. Unquestionably, in our view, experience in Vietnam teaches us that the U.S. suffered from hubris, that it thought that alien societies could be reformed, and far-off wars won, by formulas concocted around Georgetown dinner tables. We learned to our great sorrow that such hubris can lead us to assume far too great a responsibility for the outcome of struggles we only dimly understand, and that redeeming that responsibility may require sacrifices far beyond anything we initially contemplated.

In Vietnam, to take the key event of the war, we implicated ourselves in overthrowing the government of an ally in the name of victory through winning "the hearts and minds of the people." Unfortunately in many ways, but not least for our understanding of events, the President who sanctioned the Diem coup was dead three weeks afterwards, leaving the burden of its aftermath to a Vice President who had opposed it. But it was this act that sealed our commitment — whatever happened subsequently would be seen by the world and ultimately by ourselves as made in Washington, not Saigon.

As Secretary Kissinger remarked the other day, it is fashionable to sneer at "the domino theory". The sneers are deserved to whatever extent the theory was ever meant to suggest an inexorable process, that if Saigon fell Hawaii would eventually follow. But in a more realistic interpretation, who can deny that the world is changed by the perceptions of other nations as to the purposes, and above all, the will of its most powerful nation?

As for present events, we at least find it axiomatic that the boldness of the Arab nations in boycotting the U.S. and in advancing the OPEC cartel so high-handedly was greatly influenced by what they perceive as American irresolution. The boycott never would have happened had the U.S. followed military advice to show utter determination in Vietnam by sending in a half million or million men overnight in 1965. Alternatively, the boycott probably would not have happened had the U.S. preserved its previous position by calmly letting Saigon fall in 1963, before the coup. It was starting a course and not following through that was the show of irresolution.

Now, once you have bungled the game there comes a time to cut losses. And by 1968 the piecemeal commitment of U.S. forces and domestic turmoil had wrecked the option of an overwhelming military action. President Nixon's "Vietnamization" program was in essence the inevitable and by that point unimpeachable decision to cut our losses, taking

our chance on the fall of Saigon. But why, after 1968, did we find it necessary to fight for four more years?

The answer, though it never will be understood by some, was to undo what the Diem coup had done, to make clear that if Saigon did fall, the responsibility would rest in Saigon rather than in Washington. So to give Saigon at least a fighting chance, the U.S. fought on for four years. If it had not done so, the deterioration of its world-wide position would have proceeded far more rapidly and deeply. As buffeted as Americans feel, they remain the chief source of will and leadership among democratic nations.

The issue before Congress when it votes on aid to Cambodia and South Vietnam is the same issue for which we fought from 1968 to 1972. Phnom Penh is likely to fall, but it will be one thing if it falls despite American efforts, and quite another if it falls because its army runs out of ammunition by vote of the U.S. Congres. The fall of Saigon, in our judgment, cannot be caused by Hanoi, only by the U.S. Congress.

Many, of course, would wish away these hard realities. They argue that aid leads to more aid, which leads to American troops. But surely an inexorable "slippery slope" is just as silly as an inexorable "domino theory". And if the U.S. cannot supply funds to allies under attack, the rest of the world cannot but see it as a useless ally indeed.

By fighting in Vietnam from 1968 to 1972, the U.S. at least partly discharged the commitment it had so recklessly undertaken in 1963. And because of that extra effort the security of the United States is less threatened than it would have been otherwise. In that sense, the sense all wars are about, those who died in those years did not die in vain. But much of this will be undone if Congress now decides that to save money Indochina should be allowed to fall to the Communists after all, for in that event the world will know that the decision was made in Washington.

UTAH'S STATE OF THE STATE MESSAGE

Mr. MOSS. Mr. President, fortunately, the State of Utah has felt only mild tremors of the energy and economic convulsions that have hit parts of our country. We have suffered some inflation and recession, but our unemployment rate of 5.8 percent is well below the national statistic of 7.1 percent—now 8.2 percent. Utah's vast fossil fuel reserves have been its salvation, and with proper research and development, these and other western energy reserves can be more than a partial solution to our Nation's energy dilemma.

But the new economic growth that is facing Utah as a result of the development of these energy fuels is as volatile as fuel itself. There is no doubt that economic expansion, population growth and shifts will disrupt long-standing social, political, and environmental relationships. Utah must take action to insure protection of its environmental and agricultural interests, along with the safe production of its energy resources.

Mr. President, I ask unanimous consent that Gov. Calvin L. Rampton's message to the 41st Legislature of the State of Utah be printed in the RECORD. It clearly addresses the opportunities and challenges confronting the State.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

STATE OF THE STATE MESSAGE

(By Gov. Calvin L. Hampton)

Mr. President, Mr. Speaker, Ladies and Gentlemen of the 41st Legislature:

Events of the past year, both within the state of Utah and without, have presented our people with a challenge and with an opportunity unprecedented since statehood. This nation and much of the world are facing an energy shortage which has complicated an already extremely difficult worldwide economic problem. The particular challenge and opportunity to our people, and to those of our neighboring states, is the proper development of the vast reserves of fossil fuels that lie within our borders. These resources can go far toward meeting the needs of mankind for sufficient energy fuel to maintain a high, but not opulent, quality of life. Our opportunity is that with proper development of these reserves, the benefit to our economy will be immense. Our challenge is that without proper preparation and planning, the effects on our state can be environmentally and socially disastrous.

This opportunity and this challenge come at a time when we are reasonably ready to meet them, if we act thoughtfully. With proper preparation and planning Utah's people are ready to proceed rationally into this new era. While the state of Utah has not been immune to the nationwide and worldwide economic recession and the effects of runaway inflation, the symptoms of these two economic threats have not been as pronounced here as elsewhere.

For the first time since 1933, unemployment in the state of Utah has dropped below the national average. In December of 1974, unemployment nationally stood at 7.1%, in the state of Utah at 5.8%. Our percentage of employment, which is the more significant figure, stands at 61.4% of the population 16 and over as against the nationwide average of 62.1%.

During the last 12 months, employment in the private sector has increased from 322,400 to 337,300 or 4.6%, while our population increase has been only 2.4%. A substantial part of this increase has come in the field of manufacturing, where for so many years we tended to lag behind national growth. During the past year our percent of increase in manufacturing employment has been 8.4%, mining has increased 12.4%, trade 4.3%, services 5.6%, finance 6.9% and government, including schools, 3.1%.

This increased employment has naturally decreased the number of our citizens requiring public assistance. This lowering of demand for public assistance, plus more rigorous screening of eligibility, has resulted in a caseload smaller than was anticipated. The financial status of state government will be reviewed with you in detail on Wednesday of this week, when I present my budget recommendations.

In the field of education, Utah continues to be a national leader. The average years of school completed by our citizens is 12.5 years, which ranks us first in the nation. Fourteen percent have completed college, which ranks us third in the nation. Our technical education programs, both in our secondary schools and in our post-secondary schools, continue to better prepare our young people to compete and produce in today's highly mechanized society. This is particularly important in light of the personnel demand being created by the development of our resources.

Over the past few years Utahns have come to the realization that economic development is not without its cost. Without proper planning, economic development can despoil our land and make the productivity of our natural resources shortlived. Our supply of water is limited and we must make certain that what we have is used most productively. Industrial needs must not infringe upon our use of water for culinary, agricultural and recreational purposes. We must not utilize all our water for consumptive uses to the exclusion of keeping our natural streams alive. Also, our planning must recognize that our expected economic development will result in population shifts, with the effect that totally rural areas will suddenly become populous, presenting a demand for new roads and streets, adequate water and sewage systems, new schools and other community services. With sufficient lead time and adequate preparation, we can meet these challenges. But, if they descend on us suddenly, they could be overwhelming.

To assure that environmental concerns will be addressed in a significant manner by state agencies, I have, by Executive Order, set up an Environmental Coordinating Committee. This group will review and recommend steps to mitigate and minimize any adverse results of state projects, and in so doing, will prepare environmental impact statements on them. However, I have imposed strict time limitations on the completion of these statements to ensure that our studies do not drag on for years as some federal studies have done.

With these challenges and opportunities before us, let us turn to specific action on the part of this session of the Legislature.

STATE AND LOCAL GOVERNMENT RELATIONS

Because local government will bear the brunt of preparing for the economic and social changes which are coming, we must make every effort to strengthen our cities and counties and to establish adequate state technical support to help them perform their duties.

In this regard, the Governor's Advisory Council on Community Affairs has proven invaluable both to the Legislature and to this Administration.

By Executive Order in 1970 we designated multicounty boundaries to guide agencies of government where state services affect more than a single county. As a result of that order, all state agencies and most federal agencies are responding to and working through the multicounty structure. Local governments have responded by creating seven multicounty associations of governments wherein city, county and in some instances, elected school board officials, must meet together to plan, communicate and implement services for their areas.

The experiment in intergovernmental coordination has reached its most advanced level in the Five County Association of Governments. Over the past two years we have sought to determine the feasibility of transferring responsibility for human service programs from state agencies to local elected officials. I believe the experiment has proved productive. While I am not prepared, without further evidence, to endorse the effectiveness of the integrated services model which is being tested, I am convinced that decentralization in and of itself is possible and may serve to make services more responsive to local needs and desires.

Multi-county association

Other associations have expressed interest in pursuing similar, as yet undefined, arrangements with state agencies. I, therefore, recommend that legislation be adopted which will enable any multicounty association, if it so desires, to pursue, according to prescribed procedure, negotiations with appropriate state agencies in furtherance of its proposed plans. I am satisfied that the recommended legislation provides adequate safeguards to state agency prerogatives and to responsibilities and obligations assumed by those agencies under federal contract. I urge you to support this enabling legislation.

Planning for growth

Recently within two of the multicounty associations, at the request of local officials, I have created planning bodies to deal with anticipated problems of dramatic growth as a result of energy development. One is the Kaiparowits Planning and Development Advisory Council, the other is the Uintah Basin Planning and Development Advisory Council. These will not only solve problems of physical upheaval, but will plan wisely for meeting the social and economic needs resulting from increased population and new communities.

Local Revenue Sharing

I request that the Constitutional Revision Commission study our long standing constitutional prohibition against the state sharing its revenue with local jurisdictions. We faced the issue of equalization for schools a half-century ago. Modernization of our statutes and Constitution to allow a meaningful response is long overdue.

Water

We need also to address the problem of providing funds for needed water developments. Communities, the length and breadth of the state, are experiencing traumatic demands for redevelopment or extensions of culinary water systems. I, therefore, shall request that an increase of $2,000,000 be appropriated to the revolving fund of the Water Resources Division and that statutes broadening its power to permit lending for culinary water improvements to cities and towns be instituted.

Housing

In the 1973 Budget Session, this body appropriated from revenue sharing the sum of $3,000,000 to meet emergency housing needs throughout the state. This was a wise expenditure. Two hundred forty-one local governments are participating in the program and 95% of them now have ongoing or completed housing projects. Seven hundred thirty-one homes have benefited from rehabilitation. Thirty-five homes have been acquired by housing authorities, and ten have been leased by housing authorities. One million dollars have been expended at this time and the balance of $2 million is to be spent by July 1, 1975. It is estimated that in excess of $4 million in value will be donated in volunteer labor. The primary recipients of this program have been Utah's senior citizens.

The Governor's Advisory Council on Low-Income Housing has prepared a bill which will provide for creation of a State Housing Finance Agency. The proposal is for issuance of bonds and creation of a revolving fund which would benefit low and moderate income home owners in times of disastrous interest rates. I commend this legislation to you.

I again urge passage of the Uniform Landlord and Tenants Act as being a method of reducing confusion and delineating the rights and responsibilities of both landlords and tenants.

STATE ENVIRONMENTAL ACTION

While much of the planning and action taken to meet the state's prospective development will be the responsibility of local government with state support, certain matters must be taken care of on a statewide basis and should be addressed by the Legislature at this session.

Mined land reclamation

The most dramatic and immediately visible impact related to resource development is the surface disturbance caused by strip mining. We know that Utah, fortunately, is not as susceptible to these dangers as are some of our sister states in this Rocky Mountain Region because our deposits tend to be deep within the earth. Nevertheless, I believe we should establish by statute certain precautionary measures to provide for adequate reclamation of land where surface mining is necessary. This legislation would establish controls and standards for all mining activities related to waste disposal, leaching and other potential disturbances to the water and soil of this state.

Key facilities siting

Historically, Utah has not anticipated the kind of economic and population growth projected as a result of energy related proposals now in discussion both within and outside the borders of this state. It is evident that much of this anticipated growth will occur in areas of the state where for years population has been dwindling.

The Kaiparowits Project alone gives some indication of the impact of such growth. Those of you who attended the last annual meeting of Pro Utah heard William Gould, Vice President of Southern California Edison Corporation, estimate investment in this one plant at $2 billion. From planning now under way we anticipate that the plant and mine together—not including the 2,500 construction workers required early in the project—will result in the building of a new town which will accommodate 13,000 people. (Kane County, site of the proposed plant, now has a total of only 2,400 residents.) Projected water usage is set at 43,000 acre feet annually. Kaiparowits is only one plant. There are at least three additional plants, two of like size and one smaller, also proposed for that area of the state.

Such development, including the mining of coal in Carbon and Emery Counties, and the extraction of oil shale and tar sands in Uintah County, is statewide in its impact. This will change, if not disrupt, social, political, governmental and environmental relationships that have long existed.

I am not prepared to leave all the decisions regarding energy development and the siting of such major industrial facilities as the Kaiparowits plant to federal agencies on whose lands such development occurs. The impact is just too important to the state for us to ignore our public responsibility. Nor am I willing to leave the assessment of costs and benefits totally to the regulations and processes required under the National Environmental Protection Act. I, therefore, urge you seriously consider key facilities siting legislation that will allow the state to influence the proper planning, siting and development of major industrial activities throughout the state. This will assure a minimum of disruption of the economic, social and environmental fabric of our society.

Amendments to Pollution Control Acts

I am recommending that two sections of the Utah Code regarding air pollution control be amended to bring them up to date, and into conformity with the amended federal acts, which allow state control of pollutant discharges rather than leaving this in the hands of the Federal Environmental Protection Agency.

The Water Pollution Control Act should likewise be amended to bring Utah law into harmony with portions of the Federal Water Pollution Control Act, allowing the Environmental Protection Agency to delegate to the state implementation of the discharge permit program now being conducted in Utah by that federal agency.

ECONOMIC DEVELOPMENT

Lest I appear to be giving too much emphasis to the new growth that is facing Utah as a result of the development of energy fuels, let me assure you that the basic ongoing programs of state government are not being ignored. We must continue the work of our Division of Industrial Promotion. I have heretofore related the remarkable growth that has come in the state. Part of the credit for this growth must go to this program which the Legislature authorized in 1965, and which it has continued to support over the intervening years. However, there has ben a change in emphasis. While originally we sought any types of industry that created payrolls, in recent years we have become more selective and have sought those industries in which labor was the largest part of the total cost, and which had the least impact on our environment.

RECREATION AND TOURISM

Through our promotional efforts, recreation and tourism have become an even larger part of our economy. A shortage of gasoline, however, has caused us to redirect our efforts and this reduction will probably continue for a number of years.

As more and more Utah families are spending a greater part of their leisure and vacation time in outdoor activities within the state of Utah, the state's highways have become congested with recreational vehicles of every description. 1974 brought a 14% rise in state park visitor use over the 1973 totals. Trends shows that more Utahns are staying in the state and are staying a greater number of days per outing. More remote areas and areas frequented in past seasons by out-of-state tourists have declined in visitor use. People are traveling closer to home, and we have adjusted our travel development programs accordingly.

AGRICULTURE

As Utah matures economically through the development of our energy fuels and the growth of other industrial processes, we must not forget that agriculture is basic to our quality of life. We must continue to seek ways to strengthen our agricultural economy. I have already mentioned the necessity of water planning, giving high priority to agricultural production. However, more than water is required. The Bureau of Land Management and the State Division of Lands have good programs underway to restore and increase the productivity of the public lands within our state. Often, however, we find private lands which are interspersed with public holdings and which, as a result of overuse or other causes, are becoming depleted and their productivity reduced. While this is primarily a concern of the landowner, it is also a public concern. Yet the situation often exists where a landowner does not have the resources to make the restoration required.

In 1948, the Legislature established the Water and Power Revolving Fund which now stands at $11 million. Over the intervening years, these funds have financed $37 million in improvement of public and private water resources which could not otherwise have been developed. This has been a most productive program and has supplemented the Bureau of Reclamation work on large projects.

It is proposed that a similar program now be instituted for the restoration of private lands, whereunder the state would make interest-free loans available to restore productivity on private lands where it appears that the public interest requires it. Such programs would be similar in operation and scope to the water program with which we are all familiar. In my Budget Message, I will make recommendations for the financing of this proposal.

SOCIAL SERVICES

Twining from the predominantly economic aspects of legislation, let us address ourselves to the social services which the government of our state is charged with rendering to our people.

Health

While the state of Utah is subject to the same health problems as the rest of the nation, plus some problems which are unique to states with extensive rural areas, there are indications that the quality of health in Utah exceeds that of the nation.

The death rate in Utah is one of the lowest in the country, and is only two-thirds of

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the national figure. The birth rate in Utah is the highest in the nation, while the infant death rate is and has been the lowest in the country for several years. In addition, deaths from cancer, heart disease and stroke are well below the national figures.

Significant strides have been made in health services throughout the state in the past year, and while problems of health manpower and facilities remain critical issues, some improvements have taken place. An emergency medical services plan is being implemented throughout the state; expanded programs for handicapped children and maternal and child health services are being implemented; new and upgraded hospitals and long-term care facilities have been developed, while new methods of lowering costs are being tested.

In an effort to control venereal disease, a task force was formed and has presented to the state findings which should be considered. New efforts to control communicable diseases are also being implemented.

Pre-School Immunization Act

At the present time, many diseases are preventable. In spite of this, immunization levels against preventable diseases have dropped steadily since mass campaigns were discontinued. Immunity levels are below the point which would protect our citizens from major epidemics should these diseases be introduced into our communities. Other states have recently been subjected to such outbreaks of diptheria, polio, measles and rubella.

I am, therefore, recommending the adoption of a Pre-School Immunization Act. This act will restore the levels of immunity and educate the public to the necessity of maintaining such protection. Preventive care is far less costly in both money and human suffering.

Cancer control and treatment

Findings of a study conducted in 1972 for the State Office of Comprehensive Health Planning in the area of cancer control and treatment have indicated the existence of an apparent problem, the extent of which has only begun to emerge, not only in regard to cancer but also in other areas.

The State Office of Comprehensive Health Planning, in cooperation with the Utah State Medical Association, Utah State Department of Agriculture, Utah State Division of Health and Utah State Department of Business Regulation, has recommended legislation to me and to the Legislative Council. This bill would transfer to the Division of Health the responsibility for regulation, investigation and enforcement of the Food, Drug and Cosmetic Act, and establish mandatory penalties for those found guilty of violating the laws with respect to treatments, drugs and devices. The legislation is not intended to limit personal freedom, but rather to promote a better climate for attacking a serious threat to public health in the state. With the support of the citizenry, this can be an important first step.

Alcoholism and Drugs

In the field of alcoholism treatment, we now have the ability to provide intensive medical services to approximately 3,000 patients a year in programs specifically designed to deal with alcoholics. Occupational programs have proven to be a promising method of dealing with alcoholism. We are now able to offer these programs to 15% of the private and public work force.

We also have the capacity to treat a maximum of 3,000 drug abuse patients a year. Additional methods of averting these problems are also being developed in community action and educational programs.

I am recommending for your consideration a Uniform Alcoholism and Intoxication Treatment Act. This act would allow for the handling of public drunkenness under civil provisions. It is important to recognize that other criminal offenses such as driving while intoxicated are not affected by this legislation.

This legislation allows, insofar as possible, for voluntary treatment of the public intoxicant. Where incapacitation of the individual has been determined, involuntary treatment can be mandated by our courts.

As most of you are aware, alcoholism is considered an illness by most professional organizations including the American Medical Association, the World Health Organization, the American Bar Association and the American Psychological Association. Catholic, Protestant, Jewish and Mormon Church leaders have also declared alcoholism as an illness.

Hearing Aids

There has been prepared a bill to regulate the fitting and sale of hearing aids. I believe such regulation a necessary protection to the citizens of this state—particularly young children and elderly persons. The basic content of such regulation should require at least the following: licensing of all hearing aid salesmen by a board including representation from their own profession, medical and audiological sciences, and consumers; prohibition of sale without prescription, acknowledging examination by a physician, and where possible, an audiologist; and provision for consumer education in the need, use and care of hearing devices.

Mental Health

Utah's citizens have access to higher quality mental health services than ever before. The past ten years have seen the admissions to the Utah State Hospital cut in half. The development of mental health centers across the state is continuing and this last year 18,000 Utahans received help from the centers, thus enabling these individuals to stay on the job and live in their own homes. The State Hospital in Provo serves as a back-up resource for the centers and helps to unify the mental health program.

Local services are tailored to the needs of specific populations and problems. Some examples are minority programs, children's services, alcohol and drug treatment programs, services to the aged and nursing home programs, parent-child conflict resolutions, emergency services, school failure programs and services to the criminal offender with emotional problems.

CULTURAL DEVELOPMENT

Arts

Utah's appropriation for the arts has increased each year for the last ten years, as we in state government recognize our charge to help Utah's citizens realize the cultural promise of our state. We are fortunate, indeed, to be the home of an internationally acclaimed symphony orchestra and ballet company. We are also fortunate to have arts groups in every area of the state. We are highly encouraged by the interest, participation and support of these groups, for we do not accept the concept that the arts are only for the privileged few.

Organizations receiving funds from the State Division of Fine Arts last year presented almost one thousand performances, exhibits or events which were attended by over one million people. These events involved over 2,500 volunteers who contributed more than 125,000 hours, thus reaffirming that Utah's citizens have a very real interest in and commitment to the arts.

Libraries

Since 1960, a new library building has been built on every campus of higher education in the state. Weber State College and Brigham Young University are now starting new additions which will double the size of their present buildings.

Since 1959, public library service has been extended to the less populated areas of the state through the innovation of bookmobile service. There are still five rural counties which do not have this service, but the Library Commission is moving on plans to correct this situation.

HUMAN RIGHTS

The area of human rights has become one of increasing significance and visibility in an age where the goal of bureaucratic efficiency has overshadowed and sometimes abused the rights of the individual. I believe we must continue to emphasize individual rights to examine each piece of legislation in terms of its ultimate effect on the individual citizen.

Specifically in the area of human rights, several bills will come before you.

Privacy

There is a need to insure the privacy of the individual and to emphasize his right to know what informational dossiers are maintained on him. This bill insures those rights with regard to information collected and maintained by state government.

Bill collection practices

A need has been evidenced to protect and clarify the rights of the consumer and those of the debt collector. The bill to come before you simplifies, clarifies and modernizes the law governing consumer collection practices, as well as defining and prohibiting unconscionable collection procedures and encouraging the development of fair practices.

MEDICAL ASSISTANCE

A number of persons formerly eligible for federal medical assistance are now no longer eligible due to significant changes in federal requirements for the indigent sick and dependent poor. A large medical bill accrued by an indigent or dependent person in one of our smaller counties could completely drain the county social services budget, or in fact, the county might not be able to cover the expense at all. Legislation is being suggested which will transfer responsibility for the medical care of these persons to the state which may be able to obtain some federal matching funds for their basic care.

ARCHITECTURAL BARRIERS TO HANDICAPPED

We must strengthen our laws, close loopholes in our regulations and consolidate and intensify enforcement pertaining to design and building of structures without barriers to the handicapped. Constraints such as stairs, narrow or revolving doors, inadequate restrooms and public transportation, unreachable water fountains, telephones and elevator buttons thoughtlessly incorporated into buildings and facilities have, in effect, denied education, employment, housing and recreation to many handicapped citizens. For these reasons, I am recommending legislation that would extend regulations on prevention and elimination of these barriers to include all publicly used buildings. Such a law would be similar to provisions of the fire code that apply to privately-owned buildings such as theaters, stores, churches and apartments. The State Building Board is in the process of surveying the publicly used buildings in Utah to determine what types and how many architectural barriers to the handicapped are in existence. This department is also attempting to determine what it would cost to eliminate these existing barriers.

EDUCATION

Abraham Lincoln once said education is the most important function in which we as a people are engaged. The people of Utah have long recognized this fact. For many years we have been among the top states in the nation in the percentage of our total personal income devoted to education. It is paradoxical that often because of the fact that our school populations are large and our average income has been low, our expenditure per child has been below the national average. This situation, however, is remedying itself—not in a single year, but over a number of years. Other than the state of Hawaii, which has a single school district, the maintenance and operational budgets of Utah's school districts are now more clearly equalized than than those of any other state in the Union. Our finance system is a good one. Two years ago we adopted the weighted pupil limit. I think it has worked well. Our school teachers are well qualified and have rendered devoted service in spite of the fact that our salaries have often been less than we would have liked them to be. I have no basic change to recommend in our general school financing system. I will discuss levels of support in my budget message later this week.

There are two matters, however, of substantive nature to which I would like to call your attention. A high school education should be clearly available to every Utahn regardless of income, age or ethnic background. The extremely high dropout rate of Utah's minorities and low income students indicates there is a long way to go if this goal is to be achieved.

For example, the dropout rate for our Chicanos is three and one-half times that of other Caucasians.

In accordance with the spirit of the state Constitution, free public education for students in grades nine through twelve must become a reality. Accordingly, legislation has been prepared requiring school districts to eliminate textbook fees for these students.

I commend to you legislation which provides for free public education through high school for adults. This legislation would eliminate the present age limitation. There are approximately 144,500 persons above 30 years of age who have not completed high school and are not enrolled in school. The State Board of Education indicates approximately 4,485 of these people would participate in such a program. I urge your favorable consideration of lifting age barriers to education.

LABOR

On a number of occasions in the past I have recommended that the Legislature adopt an agency shop bill. I repeat the recommendation at this time. I feel it eminently fair that those who benefit from the negotiating process carried on by organizations of workers should help defray the cost.

I also repeat a request for enactment of public employees' and teachers' negotiations acts. Negotiations between organizations of public employees—and those in authority—both in education and in other fields—already exist as a matter of fact. The problems that surface in these talks can be resolved more easily if the rules governing negotiations are established by law.

It is my opinion, however, that negotiations between public employees and elected officials cannot proceed on the same basis as negotiations that take place in private industry. Public employees' and teachers' negotiations acts should not contain a binding arbitration clause. To do so, in my opinion, abrogates part of the authority the public has entrusted to their elected officials. Furthermore, in state government, where we have a division of powers, binding arbitration might require the Governor, as Chief of the Executive Branch, to do things which he cannot afford under the appropriations made available to him by the Legislature.

The basic thrust of the act, therefore, must be on a "meet and negotiate in good faith" basis. Any teacher or public employee negotiations acts must also renounce the right to withhold service collectively. In spite of the fact that the national trend seems to be otherwise, I feel that a strike against the public welfare should not be permitted.

The following major changes in the Workmen's Compensation Act are being proposed for your consideration:

1. That the maximum weekly compensation benefits be increased from 66⅔% to 100% of the state average weekly wage. The proposed increase is necessary to elevate the benefit level of workmen's compensation more in line with current minimum living requirements.

2. That agricultural employers be required to insure their employees. Historically, farmers have not been required to carry workmen's compensation insurance coverage. As a result, workers who need to be and should be protected under the law are not. Yet, so as not to unduly burden the small farmer, appropriate exemptions should be granted.

3. That the dollar allowance on prosthetic devices be increased from $625.00 to $1,000.00.

The proposed changes will assist injured workers in maintaining living requirements while awaiting return to adequate employment, will cover a higher percentage of the work force and will provide a forum for pursuing their claims. It will also allow Utah to continue as a leader in progressive state workmen's compensation programs and reforms. Adoption of these changes should help insure that we maintain our own locally administered state workmen's compensation program, as opposed to either a federally controlled or a federally administered program.

GOVERNMENT MODERNIZATION

In 1966 the Committee on the Reorganization of the Executive Branch of State Government, commonly called the Little Hoover Commission, presented its recommendations to the Legislature. Since that time approximately 70% of the recommendations have been implemented. There are a number of proposals which I wish to make to you regarding further reorganization of the Executive Branch. Some of these are portions of the Hoover Commission Report and some have resulted from our subsequent experience.

Office of State Planning Coordinator

Since the Legislature first created the Office of State Planning Coordinator in 1963, some duties have been removed and assigned to other agencies. Community Affairs, once a function of that office, has been established as a separate state agency. Other duties have been assigned to the State Planning Coordinator by Executive Order either in response to changing needs or to respond to federal initiatives. I believe it necessary to amend state planning statutes to better reflect the role of that office, particularly given the wide misunderstanding of its role and powers expressed during the land use debate. I seek your support of this housekeeping matter.

Department of Highways

During the period since the Legislature last met in general session, a great deal of work has been done by interim legislative committees on a bill which would create a Department of Transportation. I support this further step in our effort to organize state government along functional lines.

There is, however, one provision which has been proposed with which I cannot agree. This is the proposed transfer of the quasi-judicial powers of the Public Service Commission as they affect transportation to the Department of Highways. In structuring state government, we have tried, as nearly as possible, to separate quasi-judicial functions from ministerial functions. I would, therefore, prefer to leave with the Public Service Commission the power to grant Certificates of Convenience and Necessity to transportation companies, unless the Legislature sees fit to create a central quasi-judicial agency. This agency would assume the quasi-judicial functions of many of the departments of state government.

Central quasi-judicial agency

The Utah Little Hoover Commission recommended the creation of an Administrative Court. I included that recommendation in my message to the Legislature in 1969. During the past year a legislative committee has been working on this matter and will introduce a bill creating an administrative law tribunal. I again recommend this legislation to you. It would not increase, and perhaps may decrease, personnel presently involved in this function. Its principal value, however, would be that it would assure our citizens that as they deal with state government, they have an independent body within the Executive Branch to review decisions affecting their rights which have been made by executive officers. This is a highly important piece of legislation and should be carefully considered by you during this session.

DEVELOPMENT SERVICES

The Department Development Services included functions relating both to economic and cultural development. It has not, however, had solely within its jurisdiction one of the most important aspects of government dealing with our economic stability and development. I refer to what are commonly known as manpower programs. Manpower programs have three essential functions:

1. To find those who may be employable and to motivate them to develop marketable skills.

2. To provide necessary training to obtain these skills.

3. To find jobs for the individuals after training.

It is evident that these three functions fall within the area of responsibility of different departments and, indeed, our manpower efforts are fragmented. The State Planning Coordinator has assumed a major role in administering these programs, to the extent that in my opinion, it has often interfered with the planning function. I am, therefore, recommending that legislation be enacted transferring the prime responsibility for manpower programs to the Department of Development Services. This department will assume the responsibility for the Manpower Coordinating Council and the Department of Employment Security.

Care must be taken in the restructuring of our administration that federal guidelines are observed, as the large share of our manpower funds come from federal sources.

LEGISLATIVE AUDITOR

In 1972 the people of the state of Utah approved a constitutional amendment authorizing a Legislative Auditor. This provision has not yet been implemented by legislative action. This should be done promptly by legislation which, in addition to establishing the Legislative Auditor, should clearly delineate functions of that office and the functions of the elected State Auditor.

In the commercial world, auditors commonly perform both fiscal and program evaluation audits at the same time. I feel, however, that this is not a proper approach in state government where we have a constitutional division of powers. The duty of making a fiscal audit properly lies with the executive branch of the government—albeit an independent portion of the executive branch. On the other hand, program evaluation is a legislative function, done so the Legislature can evaluate state programs and determine whether they should be continued, terminated or altered.

The work of the State Auditor is far behind in regard to many departments. While the incumbent Auditor inherited a backlog, it has not been reduced, and he informs me that it will require 50,000 man-hours of additional auditing work to become current. I have authorized a work program of $66,000 above the Auditor's appropriated budget for the current year, with the assurance that I will cover it from the Governor's Emergency Fund if the Legislature does not approve a supplemental appropriation. In addition to

this, the Auditor has requested another supplemental appropriation of $1 million to bring his workload up to date, either through the addition of personnel or through contract audits. This I do not recommend if the position of Legislative Auditor is established.

It is my opinion that the elected Auditor has been devoting substantial manpower hours to what amounts to program evaluation. If he is to continue to perform both fiscal audits and program evaluation, then no doubt he will need the funds which he requests to bring his work to date and additional funds in the future to keep it current. On the other hand, if the position of Legislative Auditor is created and assumes the duty of preparing program evaluations, it would leave the elected Auditor to the basic task of fiscal audits. I believe, then, with some short term emergency appropriations, the elected Auditor will be able to bring fiscal audits to a current status and keep them current with his existing appropriation.

SCIENCE AND TECHNOLOGY ADVISORY COMMITTEE

The 1973 legislation authorizing the State Advisory Council on Science and Technology, and the Office of the State Science Advisor, will lapse if not reenacted this session. Although this activity represents a very small part of our state budget, the impact and potential impact of this council on the affairs of the state are significant. Our Science and Technology Council represents a mechanism whereby the state can systematically tap the great resources of our scientific and technical community. These people, located in the universities and industries of our state, are available through this forum to augment the technical talent working in the several departments of state and local government.

I consider this advisory council to be an invaluable asset to the state and fully recommend that we continue this program by perpetuating the legislation which created it.

POLITICAL ACCOUNTIABILITY

I recommend for your approval certain of the proposed "sunshine bills" not previously enacted by the Legislature with such modifications as reflect our own experience. Specifically, I recommend the passage of a Lobbyist Registration Act and an extension of the disclosure provisions of the Campaign Limitations Act to all candidates for public office.

There is another aspect of public involvement in the political process that I would recommend for your consideration. The remarkable resiliency of our political system is due in large part to the extension of the franchise to more and more people. We have a continuing obligation to make the franchise as accessible as possible. Therefore I urge that you do two things to encourage registration of citizens to vote:

1. Provide for the appointment of deputy registrars to assist the designated registration agents in the voting districts.

2. Allow for registration through the mails for all eligible citizens.

The various standards set by county clerks to determine voter eligibility have been a source of confusion. This would be corrected in an amendment to the election laws proposed by the bi-partisan election committee of the Secretary of State. I recommend a uniform standard as well as the other election law changes contained in that bill.

Another source of confusion over voter eligibility stems from a U.S. Supreme Court decision in *Dunn vs. Blumstein* which struck down residency requirements in excess of 90 days in the county and one year in the state. I favor a constitutional amendment that will be proposed by the Constitutional Revision Commission setting residency requirements at 60 days in the state with no minimum county residency requirements.

I might add that it is my opinion that the Constitutional Revision Commission has served the state well and Utahns owe a large debt of gratitude to those individuals who have served tirelessly and creatively on the Commission. The legislative mandate that authorized the Commission's existence expires on July 1, 1975. I recommend that the Legislature establish the Constitutional Revision Commission on a continuing basis to study and propose changes in the Utah Constitution.

LIQUOR CONTROL LAWS

During the past year there has been much public controversy regarding the administration of the liquor control laws in the state of Utah. The Citizens Council on Liquor Control issued a report dated December 19, 1974 recommending certain legislation. I concur in all the recommendations which the Council passed by unanimous vote. In particular, I recommend their proposals for an amendment to the code dealing with liquor samples. They are very similar to the recommendations which I made to the Liquor Commission on the 24th day of October, 1973.

I also concur in their recommendation that the act requiring a resident agent for all liquor companies be repealed. I believe that whether there should be an agent should be left to the company. I also believe that the selection of an agent should not be influenced by anyone in public office. This is in accord with the policy which I recommended to the Commission by letter of February 19, 1975.

Both of these recommendations, however, would be more effective if they had the force of law.

I further recommend that political contributions by a liquor representative or a liquor company be prohibited. Even though other companies which do business with the state make political contributions, the liquor companies' sole customer is the state. The temptation to seek special favor, therefore, is magnified.

AUTOMOBILE SPEED LIMIT

A little more than one year ago, at the request of the President of the United States, the speed limit on the highways in all the states was reduced to 55 miles per hour. This restriction was requested as a means of conserving an inadequate supply of motor fuel. While it was no doubt effective in this regard, the most dramatic effect of the lowered speed limit has been the reduction of automobile accidents—particularly fatal accidents.

During the first eleven months of calendar year 1974, reportable accidents in Utah dropped 22% as compared with the same period one year ago, and fatalities were reduced 37%.

It is frequently asserted that the reduction in accidents resulted from fewer miles traveled rather than from lower average speeds. This does not appear to be the case. In the state of Utah during the same eleven months mentioned, total miles were reduced only 1.5%—substantially less than the reduction in accidents and fatalities. A study of the entire nation for the first nine months of 1974, compared with the same period for 1973, indicates a reduction in insurance claims for bodily injury of 12.4%. The bodily injury type of claim is that which relates most closely to the severity of the impact, and thus to the speed driven. On the other hand, comprehensive claims, where the speed factor is the least causative, have dropped only two-tenths of one percent. In this connection, it is interesting to note that the same report, prepared by a special National Association of Insurance Commissioners task force, shows claim frequencies down at least enough to offset the average cost increase resulting from inflationary effects upon motor vehicle repairs, medical expenses, etc.

The Insurance Department of the state of Utah is now engaged in a hearing and investigation of insurance rates to determine the effect on premium charges of these two factors affecting insurance companies' costs of doing business.

While the lower speed limit has without a doubt caused some inconvenience, particularly to the motor carrier industry and to others who must travel extensively, the benefits far outweigh the inconveniences of the lower maximum speed. It is undoubtedly true that many of our people exceed the 55 miles per hour speed limit, even though arrests and warnings issued by the Highway Patrol have nearly doubled this year over last. As we all know, many violated the limit when it was 70 miles per hour, and complete enforcement is impossible with the comparatively small number of Highway Patrolmen we have. Nevertheless, with the 55 miles per hour speed limit, the average speed is substantially lower than when the limit was 70 miles per hour.

It is my recommendation that you enact legislation establishing 55 miles per hour as the maximum speed limit on highways of the state of Utah. This should be an absolute minimum and not just a prima facie maximum.

CONCLUSION

Before the Legislature meets again in general session, the United States will have completed the observance of our bicentennial year.

The bicentennial is a time to reflect upon the past with satisfaction in what has been good and to face the future with a determination to correct things wrong. This nation has grown great because of the character of its people and because of the viability of its governmental structure. Our federal system is a sound instrument of government. It will continue to serve us well, however, only if we keep it finely tuned; only if our state governments fill their full role in the federal system and do not abrogate responsibility to the national level. Ours is not a parent-child relationship, but one of full partnership. In the next 60 days you have a great opportunity to strengthen the states' role in our government.

FOREIGN EARTH RESOURCES OBSERVATION SATELLITE FACILITIES

Mr. MOSS. Mr. President, few people realize the extent to which foreign countries have committed themselves to the Earth Resources Technology Satellite known as Landsat. Three nations have Landsat data acquisition and processing facilities. Two countries are concluding such agreements to construct such facilities, five others are actively discussing them and an additional six countries have sent expressions of interest to NASA. Thus 16 foreign countries are involved in Landsat receiving and processing facilities. None of the cost of such facilities is borne by the United States. The ground station agreements provide for the foreign cooperating agency, first, to provide NASA any and all data desired by NASA—a provision of particular value should our tape recorders fail, and second, to service on an open basis the data requirements of NASA—selected experimenters and the public in the region of its station—without charge for the former and on the basis of reasonable charges for the latter. The agreements further grant NASA the option to establish an access fee for each station after 1 year from the ERTS-B launching.

For the benefit of my colleagues let me list the countries involved in Landsat satellite ground stations:

First. Countries which are presently operating LANDSAT—ERTS—data acquisition and processing facilities—Canada, Brazil, and Italy—scheduled to begin data acquisition in March and processing in mid-1975. In addition, the Canadian Government has announced plans to construct a second ERTS ground station in eastern Canada.

Second. Countries which have concluded—or are about to conclude—agreements with NASA under which they will fund the construction of LANDSAT ground facilities. The cost of such ground stations ranges from approximately $1 to $10 million—Iran and Zaire—an agreement was forwarded to Zaire for signature on January 15.

Third. Countries actively considering the establishment of LANDSAT ground facilities—Australia, Federal Republic of Germany, Indonesia, Japan, and Norway.

Fourth. Countries from which expressions of interest have been received by NASA—Argentina, Chile, Kenya, Pakistan, Thailand, and South Africa.

RESISTANCE TO ANTIBIOTICS

Mr. KENNEDY. Mr. President, there was an article in the Washington Post on Sunday, March 2, 1975, by Stuart Auerbach concerning new evidence of increasing resistance to antibiotics because of the overprescription of these drugs. According to the article, one of the participants at a scientific conference in California last week called the number of antibiotic-resistant bacteria strains in the world "one of the biggest biohazards around." I ask unanimous consent to have Mr. Auerbach's article on this increasingly serious health hazard, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DRUG-RESISTANT BACTERIA MAKING INROADS

(By Stuart Auerbach)

PACIFIC GROVE, CALIF., March 1.—An antibiotic called lividomycin was disovered in Japan about four years ago, and doctors there have begun treating patients with it. It has never been used in the United States or Europe.

Yet an expert in bacteriology reported here this week that common germs in America and Europe already are showing signs of resistance to the new antibiotic—signs that it will not be able to kill the germs.

The question of widespread drug resistant strains of bacteria throughout the world since antibiotics came into common use more than 20 years ago was a subtheme at a scientific conference here. The scientists convened to discuss a new type of genetic engineering that some feel could add more drug resistant strains of germs to the world.

Dr. Stanley Falkow of the Department of Microbiology at the University of Washington Medical School in Seattle called the number of antibiotic-resistant bacteria strains in the world "one of the biggest biohazards around."

Prof. Ephraim S. Anderson of the British Public Health Laboratory Service in London said the normal pickup of antibiotic-resistant strains of germs is more dangerous than the possibility that genetic engineering will create new strains.

"It is no longer necessary for people in the general public to take antibiotics to have resistance factors in the bacteria found in their intestines," he said.

Instead, the resistant strains of bacteria prosper in the intestine while nonresistant strains die because of widespread use of antibiotics in agriculture, where they are used in fertilizer and food to protect plants and livestock from infection.

Strains of bacteria contain a natural resistance to some kinds of antibiotics, usually the one made from related strains of bacteria. This natural resistance is called R-factor.

As a result of the wide-spread general use of antibiotics, Falkow reported, as many as 38 per cent of office employees in one study showed signs of antibiotic resistance, and only about half that resistance was caused by the presence of natural R-factor to one of the most commonly prescribed antibiotics, tetracycline.

A study of medical students showed half had drug-resistant strains of bacteria in their intestines, Falkow said, and only 12 per cent of the resistance was caused by R-factors.

While he was at Georgetown University Medical School in Washington, Falkow said, he tested Potomac River water far upstream from where massive dumping of raw sewage begins. He found only 1 per cent of the bacteria in the river was drug resistant, and half of that 1 per cent was caused by R-factor.

At the Kennedy Center, farther down the river, after raw sewage has been dumped in the water, 30 to 40 per cent of the bacteria was drug resistant. Again, half of the drug resistance was caused by natural R-factors; the rest by overuse of antibiotics.

About one-third of a hospital's patients showed signs of drug resistance when they were admitted. But after receiving antibiotic treatment, the amount of resistance to the most common antibiotics increased to 83 per cent.

Dr. Julian E. Davis, a microbiologist from the University of Wisconsin Medical School, brought the most vivid examples to the conference—involving the Japanese drug lividomycin. He said that drug should not be introduced here, since there already are germs resistant to it.

Another antibiotic called tobramycin, used in France, is related to antibiotics already used here, and germs found in Americans already have developed resistance to it. Yet, Davis said, it will be introduced into this country soon by drug companies eager to market new antibiotics.

The answer to antibiotic-resistant strains of bacteria, Davis said, is for the public to fight doctors who insist on prescribing antibiotics when they are not needed—such as for colds or the flu.

RETIREMENT OF MR. JAMES M. STUART

Mr. GLENN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from Ohio (Mr. TAFT) in tribute to Mr. James M. Stuart.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TAFT

Mr. President, I would like to speak at this time in recognition of Mr. James M. Stuart, upon his retirement from active civil life as a member of the Board of Directors of the Dayton Power and Light Company. I extend to Mr. Stuart on behalf of myself and the people of Ohio, our sincere thanks for his long and dedicated service.

Upon first entering the business world, James M. Stuart initiated a career at the lowest rung of the corporate ladder, as a part of the Dayton Power and Light Company. Through dedication and hard work, Mr. Stuart reached the apex of the corporate world, in his fulfillment of the American Dream. Although he has succeeded through talent, leadership and executive qualities, James Stuart has always been in touch with the ordinary worker, sharing in their concerns and acting responsibily for their welfare.

Mr. James M. Stuart has devoted his leadership to worthwhile civic goals such as the Charles F. Kettering Foundation, the Junior Achievement of Dayton, and the Dayton Boy's Club. His spirit is one of equal opportunity for all.

Mr. James M. Stuart is recognized as a scholar, both in his own right, and for his dedication to meaningful higher education. He has served as a member of the Board of Trustees of Wilmington College and Wilberforce University, and on the Associate Board of Trustees of the University of Dayton. He has been awarded Honorary Degrees of Doctor of Humanities, Doctor of Law, Doctor of Commerical Science.

For his personal achievements, corporate success, the success we have witnessed in his civic service, for scholarly work, among other services, I wish to commend Mr. James M. Stuart as one of Ohio's finest citizens.

CUBA AND SECRETARY KISSINGER'S SPEECH

Mr. KENNEDY. Mr. President; I intend to introduce legislation in a few days to formally remove the statutory prohibitions on trade with Cuba.

The policy of isolation is one which I believe has lost whatever rationale it may have had at the outset of the past decade.

Now it is clearly out of step with the pace of current events. Therefore, I was pleased to see the sharp change in position by the administration expressed by Secretary of State Kissinger in a speech in Houston, Tex., this weekend.

That speech disclosed that the Secretary intends to move more forthrightly to support the lifting of OAS sanctions which now exist.

For 5 years, I have urged an end to the policy of isolation and embargo against the Republic of Cuba. Now, with the Secretary of State expressing a willingness to change that policy, I believe it appropriate to complement his initiative with legislation to remove the statutory cobwebs from our current policy toward Cuba.

For that reason, I will introduce this week, legislation to remove prohibitions against trade with Cuba, prohibitions against third countries which trade with Cuba and prohibitions against U.S. travel to Cuba. This legislation simply attempts to remove the most discriminatory aspects of current law. Legislative prohibitions on foreign aid, however, and on most favored nation treatment for Cuba would remain in effect.

Over the past several months, I have been in contact with State Department officials and I am pleased at recent actions, which Secretary Kissinger termed "symbolic steps to indicate that we are prepared to move in a new direction if Cuba will."

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The decisions expanding travel opportunities for Cuban U.N. delegates and the permission granted to Litton's Canadian subsidiary to trade with Cuba were among those positive steps. They responded to previous Cuban actions of a similar nature; its willingness to ratify and enforce the antihijacking convention, its release of a number of political prisoners, and its permission to a growing number of Americans to visit that country.

Secretary Kissinger's speech on Saturday in Houston apparently marks a conscious break with our past policies. It was far more forthcoming than any previous statement by a high administration official.

It finally seems to recognize that the policies of isolating Cuba is not in the interest of the United States. That policy stands out as an anachronism against the backdrop of détente with the Soviet Union and the People's Republic of China. It contrasts with the initiative taken by a majority of the members of the Organization of American States to end the sanctions against Cuba, a movement led by Venezuela, which first petitioned the OAS for those sanctions in 1964.

It contrasts as well with the renewal of relations with Cuba by Venezuela and seven other Latin American countries. It contrasts with Cuba's growing relationship with Canada, Western Europe and Japan. And it contrasts with the Secretary of State's call a year ago for a new dialog and a new openness in our relationship with Latin America.

An end to the policy of isolating Cuba is almost a precondition for the success of that dialog, a precondition so clearly absent at Quito last fall.

The Secretary also pinpointed a second major obstacle to an improvement in our relations with Latin America, the 1974 Trade bill's failure to distinguish between Venezuela and Ecuador and other members of OPEC. I am pleased that the Secretary indicated support for legislation I introduced several weeks ago to exclude Venezuela and Ecuador and other Western Hemisphere nations from the Trade Act's discriminatory provisions. Neither Venezuela nor Ecuador joined the Arab oil embargo and it is unfair to treat them as if they had.

I believe the Secretary's speech at Houston, in its disposition to change our policy toward Cuba and in its support for legislation amending the Trade Act, was a forthright and positive statement. I believe the legislation I will introduce this week parallels the Secretary's statement and moves us closer to more normal relations with Cuba.

While there will remain substantial issues for negotiations between our two countries—including vitally important humanitarian matters and while we will seek positive movement by Cuba in this area—I believe an end to the trade embargo will spur that process.

I ask unanimous consent that the Secretary's speech be printed in the RECORD in full along with news articles on that speech.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE HENRY A. KISSINGER, SECRETARY OF STATE, AT THE COMBINED SERVICE CLUB LUNCHEON, SHAMROCK HILTON HOTEL, HOUSTON, TEX., MARCH 1, 1975

THE UNITED STATES AND LATIN AMERICA: THE NEW OPPORTUNITY

The foreign policy of the United States has one overriding goal: to help shape a new structure of international relations which promotes cooperation rather than force; negotiation rather than confrontation; and the positive aspirations of peoples rather than the accumulation of arms by nations.

Our relations with the Western Hemisphere are central to this enterprise. The United States and Latin America were born out of the struggle against tyranny. Our people are bound not only by geography but by the common heritage of Western civilization. We share a history of mutual support in times of trouble and the promise of a new world of justice, peace, freedom and prosperity. With courage and imagination we now have the opportunity to make inter-American cooperation a pillar of the global community which our era demands.

The discovery of America, more than any other single event, ended the Middle Ages and revolutionized the thought of mankind. It drew man beyond what had come to seem unchangeable, to a new beginning, an escape from the burdens of the past, and from history itself.

A Brazilian epic poem of the seventeenth century described the lure that beckoned the Americas onward:

". . . to open new paths never trod, never known . . . to push on despite obstacles through every zone. . ."

With the shield of one ocean at our backs and the dream of another one before us, hope was always just a little farther along the river, over the mountains, across the plains and jungles. In the old world a frontier was a limit; in the New World it was an opportunity.

Today's frontiers are not geographical, but frontiers of human need and creativity. To conquer them is even more important than the adventures that shaped our past.

At the heart of our contemporary challenge is a new interdependence, both hemispheric and global. Until recently, Western Hemisphere economic relationships were largely based on the exchange of raw materials from Latin America for finished goods from the United States. Today's interdependence reflects a different balance. The internationalization of production combines technology, labor and capital across national boundaries.

As a result, the Latin American countries now need access to the US market to sell their manufactured goods as well as their traditional exports. And Latin America's markets are becoming as important to our own continued growth as its raw materials—as indicated by our trade surplus last year of $1.2 billion.

As interdependence has grown within the Hemisphere, so have the Hemisphere's links to other parts of the world. Latin America has developed important trading relationships with other industrial nations and has come to share certain political perspectives with the Third World. The United States prizes its traditional alliances with the industrialized democracies, and maintains important political and economic relationships with many less developed nations around the world. Our generation has had to learn that peace is indivisible; that our national well-being is intimately tied to the well-being of the rest of the globe.

The awareness of past achievement and faith in common purposes led the United States in 1973 to begin a new dialogue with Latin America. We had three objectives:

To promote with our friends a new spirit of communication tempered by realism, evaluated by hope and free of distrust, despair or resentment.

To find new ways to combine our efforts in the political, economic and social development of the Hemisphere.

And to recognize that the global dialogue between the developed and less developed nations requires answers that will be difficult to find anywhere if we do not find them in the Western Hemisphere.

For this hemisphere to which men fled to escape from injustice has a special obligation to demonstrate that progress can go hand in hand with respect for human dignity, that cooperation among nations is consistent with respect for national sovereignty, that the most powerful political force on earth is the voluntary collaboration of free peoples.

Any relationship as long and complex as ours inevitably is haunted by the bitterness and suspicions of old disputes. We must put these legacies of our past behind us, for a dialogue dominated by the endless refrain of old grievances cannot prosper.

Despite temporary interruptions, the United States is prepared to continue the dialogue in a spirit of friendship and conciliation. Next month I will make my first visit to South America as Secretary of State. Next week Assistant Secretary Rogers will visit six countries in the region for preliminary talks.

Let me now outline some of the issues that will face us in these discussions. They include, first, what the United States is prepared to contribute to Western Hemisphere cooperation; second, what we ask of Latin America; and finally what we can do together.

WHAT WE MUST ASK OF OURSELVES

President Ford has asked me to reaffirm our commitment to a new relationship between the United States and Latin America based on the principles of non-intervention, the sovereign equality of nations and mutual respect among partners. Success will require a similar desire and attitude on the part of the other countries of the Hemisphere.

These principles will guide the United States' approach to major issues that have risen between us—the status of the Panama Canal; the place of Cuba in the Hemisphere; and the various strands of our economic relations.

The Panama Canal—Since its opening, the peoples of the world have looked on the Panama Canal as an important lifeline of commerce and international security. It is essential that the Canal remain open to the ships of all nations on fair terms.

In acquiring the rights to build the Canal, the United States was granted exclusive control—the rights which it would possess and exercise "if it were sovereign"—over a ten-mile wide strip of Panamian territory from the Atlantic to the Pacific. In the Canal Zone, we enforce U.S. laws, operate commercial enterprises and control most of the deepwater port facilities that serve Panama.

Over time the nature of the U.S. presence has come to be viewed by the people of Panama—and indeed by most of the rest of the Hemisphere—as an infringment upon their national sovereignty and their principal resource—their country's strategic location.

Clearly both Panama and the United States have vital interests in the Canal. The challenge is to reconcile the security needs of the United States with Panama's national honor and sovereignty. Negotiations on this problem have gone on intermittently for eleven years; in the last year and a half they have moved forward rapidly. We now believe that an agreement on terms fair to all is possible.

We have made progress because each side has recognized the essential needs and constraints of the other. The United States understands that a treaty negotiated in 1903 does not meet the requirements of 1975. We are ready to acknowledge that it is reasonable for Panama to exercise jurisdiction over its territory and to participate in the operation and defense of the Canal. We are prepared to modify arrangements which conflict with Panamanian dignity and self-respect.

In turn we will expect Panama to understand our perspective—that the efficient, fair and secure operation of the Canal is a vital economic and security interest of the United States; that a new treaty must provide for the operation and defense of the Canal by the United States for an extended period of time; and that a new treaty must protect the legitimate interests of our citizens and property in Panama.

A new treaty based on these principles will make the United States and Panama partners in the operation of the Canal, protect the essential national interests of both, and provide a secure arrangement for the long term.

Serious problems remain to be resolved in the negotiation. But we are confident that they will be overcome if both parties continue to display the seriousness and mutual understanding they have shown so far.

The Administration has been consulting with the Congress as our negotiations have proceeded. We will intensify these consultations and discuss in detail the arrangements which we envisage. A new treaty which reflects the advice and consent of the Senate and the full support of the American people will be a concrete and significant demonstration that with good will on both sides cooperative solutions to the problems of the Western Hemisphere are possible.

Cuba—In January 1962 the Organization of American States determined that Cuba had excluded itself from participation in the inter-American community by its military ties to the Soviet Union and its export of revolution in the Hemisphere. A year later the United States imposed its own sanctions. In 1964 the member nations of the OAS agreed collectively under the Rio Treaty of Reciprocal Assistance to sever diplomatic and trade relations with Cuba.

More than a decade has passed. The countries of Latin America have successfully resisted pressure and subversion; nations that in the early Sixties felt most threatened by Cuban revolutionary violence no longer feel the menace so acutely. This situation has generated a reconsideration of the OAS sanctions and raised questions about the future of our own bilateral relations with Cuba.

Last September several Latin American countries proposed a meeting to consider lifting the collective sanctions. We agreed that a consideration of the Cuban issue at a meeting in Quito of the Foreign Ministers of the Americas was appropriate. We determined to remain completely neutral in the debate and abstained in the vote. Our guiding principle then, as now, was to prevent the Cuba issue from dividing us from our Hemispheric neighbors.

A majority voted to lift the collective sanctions. But the Rio Treaty requires a two-thirds vote and the sanctions thus remain formally in force. The United States considers itself bound by the collective will as a matter of international law, and so there can be no change in our bilateral relations with Cuba as long as the OAS mandate remains in force.

Since the Quito meeting, however, several Latin American countries have announced that they are prepared to resume trade with Cuba. Also since the meeting at Quito, all the OAS nations have tentatively agreed that the RIO Treaty should be amended to permit the lifting of sanctions by a majority vote. Several of my Latin American colleagues have suggested that this agreement in principle might be applied to the existing Cuban sanctions. I will be consulting with them with respect to this initiative during my trip to South America with the attitude of finding a generally acceptable solution.

If the OAS sanctions are eventually repealed, the United States will consider changes in its bilateral relations with Cuba and in its regulations. Our decision will be based on what we consider to be in our best interests, and will be heavily influenced by the external policies of the Cuban government.

We see no virtue in perpetual antagonism between the United States and Cuba. Our concerns relate above all to Cuba's external policies and military relationships with countries outside the Hemisphere. We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will. Fundamental change cannot come, however, unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be founded.

Economic Relations—Old political disputes must not distract us from the long-term challenge of the Hemisphere—the common effort to improve the lives of our peoples.

The expansion of trade, and the establishment of a new trading equilibrium are vital to economic progress and development in the Hemisphere. As Latin American economies grow, so will opportunities for mutual trade. As our own economy grows, we will be able to buy more semi-processed and manufactured goods from Latin America.

In the next few days the President will take the first step to implement the preference system established by the 1974 Trade Act. We will announce the list of products on which the Administration proposes to eliminate all import tariffs for developing countries for ten years. Latin America, as the most advanced developing region and the one nearest the the U.S. market, will be in the best position to take advantage of these preferences. The list will benefit nearly $1 billion worth of Latin American exports.

Among the economic issues affecting Western Hemisphere relations none looms larger than the transnational corporation. The transnational corporation has a demonstrated record of achievement as an efficient—and indeed indispensable—source of technology, management skill, and capital for development. At the same time, the transnational character of these corporations raises complex problems of governmental regulation, and has aroused concern in Latin America over the relation of their activities to domestic political and economic priorities.

Most Latin American nations take the position that the laws of the host country are conclusive, and that a foreign investor cannot appeal to his own government for protection. The United States, on the other hand, has insisted on espousing the cause of U.S. investors when they are treated in a way which violates international legal standards. And the Congress has reflected this view in such acts as the Hickenlooper and Gonzalez Amendments which cut off aid in the event of nationalization without adequate and timely compensation.

The two legal positions are not easily reconciled. But the United States is prepared to make a serious effort to find a mutually acceptable solution which does not prejudice the principles of either side. A year ago, in Mexico City, at our initiative an inter-American working group was set up to examine the problem.

The United States is prepared in the context of this endeavor:

To work out a new declaration of principles to govern the treatment of transnational enterprises and for the transfer of technology;

To develop intergovernmental mechanisms to prevent and resolve investment disputes and the problems between governments that arise from them;

To fashion new modes of cooperation to deal with conflicts of laws and jurisdiction relating to transnational corporations; and

To encourage private enterprise to make its vital contributions to Latin America in forms congenial to the economic and political needs of the host countries.

We have, in the past, made significant progress in these areas on a pragmatic, case-by-case basis. We should now seek more general agreement as part of the New Dialogue. The transnational Working Group which was interrupted by the postponement of the Buenos Aires meeting should resume its important work. A mutually acceptable solution would go a long way toward removing trade and investment conflicts from U.S. decisions respecting aid relationships with the host countries.

This is important because Latin American sensitivity to the exercise of economic leverage has been finely honed by history. Experience has also demonstrated that automatic sanctions—including the 1974 Trade Act's denial of preferences to such OPEC countries as Ecuador and Venezuela, which did not join the oil embargo—are almost always harmful. Automatic sanctions allow no tactical flexibility. They present other governments with a public ultimatum; by seeming to challenge the recipient's sovereignty, they harden positions, encumber diplomacy and poison the entire relationship.

The Administration supports the purpose of the various bills which have been introduced into the Congress—including one by your own Senator Bentsen—to modify the provisions of the Trade Act which involve Venezuela and Ecuador. And it is prepared to seek the modification of legislation requiring the automatic cut off of aid. But as a matter of political reality a great deal will depend on our ability to work with the nations of Latin America on new approaches which give practical assurance of fair treatment. They must recognize that Congressional sanctions stem from perceived injuries to legitimate interests.

As part of the New Dialogue, the Administration is prepared to develop new principles and practices which may commend themselves to Congress as a better remedy than automatic sanctions.

WHAT LATIN AMERICA CAN DO

What do we have a right to expect from Latin America?

In the past decade, progress in science, industry, agriculture, and education have done much to transform the Continent. Economic growth has been steady and some times spectacular. Political institutions have adapted to new social conditions and national traditions. A new sense of Latin American unity has promoted an awareness of common problems and opportunities.

We welcome the strength and self-confidence that this evolution implies. We have seen new leadership in Latin America and new Latin American leadership in the international arena. Panamanian and Peruvian soldiers serve with the UN peace-keeping forces in the Middle East. Last December the Andean countries, following a Peruvian initiative, pledged themselves to limit the acquisition of offensive weapons—an initiative we support and encourage. Venezuela has taken the lead in stimulating regional coop-

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eration by offering oil revenues to the Inter-American Bank and the Central American Bank for Economic Integration. Working with Bolivia, Paraguay, and Uruguay, Argentina and Brazil are pooling their technology and resources to harness the vast potential of the River Plate Basin.

However, with these welcome initiatives have come other less hopeful trends.

The United States is concerned by the growing tendency of some Latin American countries to participate in tactics of confrontation between the developing and developed worlds. We accept non-alignment as a necessary, largely positive force. We believe that the developed nations—and particularly the United States as the most powerful industrial country—have a special obligation to be sensitive both to the legacy of history and to the imperatives of change.

It is therefore ironic that some nations seek to exact by confrontation what can only be gained through cooperation, and that countries which once chose non-alignment to protect themselves from blocs are now tending to form a rigid bloc of their own. In doing so they obstruct the association with the industrialized nations on which their own economic and social progress ultimately depends. Such tactics are particularly inappropriate for the Western Hemisphere where they threaten to repudiate a long tradition of cooperative relations with the United States at the very moment when the United States has dedicated itself to common progress.

As the most developed part of the Third World, Latin American nations will increasingly play roles in both the industrialized and developing sectors of the globe. They have a unique opportunity to foster the mutual accommodation of these groups globally.

To do so there is no better guidepost than the Declaration signed by all Western Hemisphere nations in Mexico City last year: ". . . peace and progress, in order to be solid and enduring, must always be based on respect for the rights of others and the recognition of reciprocal responsibilities and obligations among developed and developing countries."

The temptation to blame disappointments on the intrigues and excesses of foreigners is as old as nations themselves. Latin America is perennially tempted to define its independence and unity through opposition to the United States.

The Latin American postponement of the Buenos Aires meeting of Foreign Ministers, ostensibly in reaction to the recent US Trade Act, is a case in point. Some Latin American nations chose to read into this legislation a coercive intent which did not exist, and asked for immediate remedies beyond the capacity of our constitutional processes to provide. As a result, the next step in the New Dialogue was delayed just when it was most needed. The nations of America face too many challenges to permit their energies to be expended in such fruitless and artificial confrontations.

We do not expect agreement with all our views, but neither can we accept a new version of paternalism, in which those with obligations have no rights, and those who claim rights accept no obligations. The choice for the United States is not between domination and indifference. The choice for Latin America is not between submission and confrontation.

Instead we should steer between those extremes toward a new equilibrium. After decades of oscillating between moods of euphoria and disillusionment, between charges of hegemony and neglect, it is time for the United States and Latin America to learn to work together, calmly and without confrontation, on the challenges to our common civilization.

The United States does not seek precise reciprocity. We recognize our special obligations as the richest and most powerful nation in the Hemisphere. But experience teaches that international problems cannot be resolved by any one country acting alone—or by any group of nations acting as an exclusive bloc.

WHAT WE MUST DO TOGETHER

With a new attitude, the nations of the Western Hemisphere can dedicate themselves to an agenda for the future. In the coming months, the United States will make proposals for such an agenda and present it to its partners in various forums including the meeting of the OAS General Assembly this spring.

Today I shall confine myself to two critical areas: hemispheric development and food.

Hemispheric Development—In the past decade, Latin America's overall growth rate has exceeded the economic targets of the Alliance for Progress. The region has also made greater progress than any other developing area toward economic integration. The Central American Common Market, the Caribbean Common Market, the Andean Pact, and the Latin American Free Trade Association have begun to translate abstract hopes into realities Nevertheless, Latin America's relative share of global trade has fallen. And economic progress has been unevenly distributed, both within and among countries.

Some Latin American countries have only recently begun the process of development. As with poor countries everywhere, they require large amounts of concessional assistance. The United States will continue to contribute its share.

The Administration will ask Congress to replenish the U.S. contribution to the Inter-American Development Bank, both concessional funds and ordinary capital. Assuming other nations in the Hemisphere are willing to do their share, we will seek a U.S. contribution as large as the last replenishment, or $1.8 billion.

The proposal will be considered by the House of Representatives Subcommittee whose Chairman is the distinguished Henry B. Gonzalez—from San Antonio. Coupled with the contribution of $755 million from twelve new members—the European countries, Japan and Israel—and a $500 million trust fund established by Venezuela, these fresh resources to the IDB will give a major new impetus to Western Hemisphere development.

But because the poorest countries must have first priority, congressional assistance is available only in limited quantities to a new and growing group of Latin American countries that have reached an intermediate stage of development. They have a diversified industrial sector, a significant consumer class, and an increasing capacity to compete in world markets. Their need for foreign exchange is growing.

Therefore, they require greater access to the markets of the developed countries, for exports are the chief source of their external funds. To this end, the Trade Act and the multilateral trade negotiations in Geneva are of great significance. As we have pledged in our New Dialogue, we will, in these negotiations, work in close collaboration with the countries of the Western Hemisphere.

But these countries also need investment capital. Significant amounts of capital continue to flow to the intermediate countries from the United States private sector through investment and from commercial bank lending. But these countries could also benefit substantially from improved access to capital markets.

While the United States long-term bond capital market is the world's largest, few developing countries have been able to borrow successfully in it.

To ease this problem, the United States has taken the initiative for a study by the IMF and World Bank Development Committee, of ways to promote the increased use of capital markets by developing countries. These will be neither aid programs nor recycling devices, but will facilitate independent access to such markets. The United States is prepared to explore ways in which it can be helpful to those Latin American countries with higher levels of income and credit standing to move toward self-reliance.

The countries of Latin America, regardless of their stage of development, are vulnerable to violent swings in the prices of their exports of raw materials. There is no more critical issue of economic relations in the Hemisphere today than commodities policy.

This issue has been extremely divisive in the Hemisphere—partly because our attitude has been ambiguous. So let there be no doubt about our views any longer. We strongly favor a world trading system which meets the economic needs of both consumers and producers. Unilateral producer or unilateral consumer actions must not determine the equilibrium. A dialogue between them on commodity issues is therefore essential. A range of rich possibilities exists that can make our new interdependence a vehicle for more rapid and more equitable global development.

The time has come for the countries of the Western Hemisphere to consider together how commodity issues should be resolved. The United States pledges a serious effort to find a constructive solution which does justice to the concerns of all parties.

Food—Let me turn now to a subject which must command our cooperative efforts—food, man's most basic need.

Latin America matches the United States as a potential food surplus region. Yet over the past 15 years, Latin American agricultural production has barely kept pace with population. In an area rich in productive land, malnutrition is rife. Most Latin American countries are net food importers. We believe that with a concerted new effort, agricultural production can exceed population growth; adequate nutrition for all can be achieved in this century; and Latin America can become a major food exporter.

The discovery of America rekindled a belief in mankind's perfectibility. Our struggles for independence were among the first modern assertions of the fundamental rights of man. No part of the globe has shown a greater commitment to democratic principles. The free flow of ideas is one of the most powerful forces for both liberty and progress. Drawing on this resource, can we now fashion a common vision of the future? What will life in the Americas be like in the next century? The scientists, scholars and professionals of our countries should be exchanging ideas on the implications of current trends in such areas as education, health and social change. Our governments should stimulate the OAS to mobilize the best minds and institutions of the Hemisphere in new programs to define our common future.

Last year in Mexico City, I described our objectives in this Hemisphere as follows:

"Our common impulse . . . is to fulfill the promise of America as a continent which beckoned men to fulfill what was best in them.

"Our common reality is the recognition of our diversity.

"Our common task is to forge our historical and geographical links into shared purpose and endeavor."

The United States continues to seek a genuine dialogue with its neighbors on all levels: multilaterally and bilaterally, within or outside the OAS, with subregional groups or individual states.

The dream of hope that has lifted the Americas for almost five centuries must be revitalized by our generation. We are entering another new world as strange and challenging as that found by the first settlers on America's shores With imagination, we can build in this Hemisphere the model of that larger world community which must be our ultimate goal.

As Victor Hugo once wrote, "The main highway lies open. May America travel it, and the world will follow."

U.S. EYES CUBAN DÉTENTE—KISSINGER SET TO DISCUSS IT WITH LATINS

(By Terri Shaw)

Secretary of State Henry A. Kissinger said yesterday that he will consult with Latin American officials during his visit to South America next month to find a way to end the economic and diplomatic isolation of Cuba.

In a wide-ranging speech on U.S. relations with Latin America at a Civic Club luncheon in Houston, Kissinger said that if the sanctions imposed on Cuba 11 years ago by the Organization of American States will consider changes in its bilateral relations with Cuba.

An effort to lift the sanctions was narrowly defeated at an OAS meeting last year. U.S. officials said yesterday that with a change in the voting procedure, the 1974 decision could be reversed at the next OAS General Assembly meeting here. The meeting, scheduled for April, is expected to be postponed until May.

"We see no virtue in perpetual antagonism between the United States and Cuba," Kissinger said.

However, he cautioned that the U.S. decision on whether to resume relations with Havana "will be heavily influenced by the external policies of the Cuban government," especially its "military relationships with countries outside the hemisphere."

"Fundamental change cannot come," Kissinger said, "unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be founded."

Kissinger said the United States had "taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will." State Department officials said these steps included extending the U.S. area within which Cuban diplomats at the United Nations can travel and the granting of a license to Litton Industries to permit a Canadian subsidiary to export office equipment to Cuba.

The comments by Kissinger and other officials were the strongest U.S. hints so far that a rapprochment with Cuba could take shape within the next few months.

State Department officials pointed out that recent statements by Cuban officials, including Prime Minister Fidel Castro, had shown a friendlier attitude toward the Ford administration than toward the Nixon administration.

U.S. officials stressed the importance of Kissinger's speech as an overall view of hemispheric relations. One said the Secretary of State "feels strongly" that relations with Latin America should be a "laboratory or test tube" to determine how relations between rich and poor nations should be conducted throughout the world.

Kissinger's speech, described by State Department officials as a "deliberate, carefully stated expression" of U.S. policy, made no reference to one important hemispheric issue—violations of human rights, a topic of concern in Congress and in Latin America.

Kissinger, whose year-old "new dialogue" with Latin America has recently run into difficulties, said the United States wants the foreign ministers' meetings begun last year to continue. A meeting set for March in Buenos Aires was postponed after several South American countries withdrew because of their objections to some parts of the new U.S. foreign trade law.

The Secretary of State said the new law's preference system would lift tariffs from "nearly $1 billion worth of Latin American exports." He said the administration supported efforts in Congress to modify some parts of the law that the Latin Americans find objectionable.

Kissinger chided the Latin Americans for "the growing tendency . . . to participate in tactics of confrontation." He described the postponement of the Buenos Aires meeting as an example of "fruitless and artificial confrontations."

On Panama, another major point of confrontation between the United States and Latin America, Kissinger said progress has been made in negotiations for a new treaty.

He said the new accord "must provide for the operation and defense of the canal by the United States for an extended period of time and . . . must protect the legitimate interests of our citizens and property."

In addressing himself to the economic problems facing the Western Hemisphere, Kissinger made the following points:

The administration will ask Congress for $1.8 billion more for the Inter-American Development Bank.

The United States will seek ways to help the more developed Latin American countries gain access to world capital markets.

The administration is willing to negotiate with producers of important commodities to find an equitable system of trade to protect consumers and producers.

The United States proposes a program to increase food production throughout the hemisphere with an emphasis on agricultural research.

Assistant Secretary of State William D. Rogers will leave next week to visit Peru, Argentina, Chile, Brazil, Uruguay and Venezuela. Kissinger's itinerary is not yet firm, State Department officials said.

KISSINGER MAKES OVERTURE TO CUBA—SAYS U.S. WILL ALTER STAND IF O.A.S. AGREES AND CASTRO REGIME SHOWS GOODWILL

(By David Binder)

WASHINGTON, March 1.—Secretary of State Kissinger declared today that the United States was "prepared to move in a new direction" in relations with Cuba, ending 14 years of boycott, provided a majority of hemisphere countries agreed.

In a speech prepared for delivery in Houston he said that the United States decision depended on repeal of sanctions against Cuba by the 23-nation Organization of American States—which could take place in May—and on Cuba's readiness to develop "a new relationship with the United States."

TIES CUT IN 1964

Mr. Kissinger underscored the shift in American policy toward Cuba over the last three months by declaring that at a meeting of hemisphere foreign ministers on the Cuban issue in Quito, Ecuador, last November, "We determined to remain completely neutral."

Now, he said, the United States is ready to participate in "a generally acceptable solution" by going along with a majority in the Organization of American States.

The O.A.S. member countries voted to sever diplomatic and trade relations with Cuba in 1964 after having determined that the Havana Government of Fidel Castro had attempted to "export revolution in the hemisphere."

Since then seven of the countries have resumed relations with Cuba. Mexico never abolished relations with the Cubans.

To repeal the O.A.S. sanctions, the hemispheric grouping must have a two-thirds majority vote on the procedural question of allowing a simple majority to decide on the sanctions issue itself. A two-thirds majority now seems assured.

The procedural issue can be quickly decided by an "organ of consultation" of the O.A.S. Then the permanent council can vote to lift the sanctions.

A State Department official said that this process might begin in May and that if there was considerable support for repeal the United States would vote with the majority.

Mr. Kissinger said he would be consulting with foreign ministers on the Cuban sanctions during a tour he will make to about six Latin-American countries, probably in April. He went on:

"If the O.A.S. sanctions are eventually repealed, the United States will consider changes in its bilateral relations with Cuba."

Such a decision will be "heavily influenced by the external policies of the Cuban Government" and by its "military relationships" with the Soviet bloc, Mr. Kissinger declared.

NO VIRTUE IN ANTAGONISM

"We see no virtue in perpetual antagonism between the United States and Cuba," he continued. "We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will."

But Mr. Kissinger cautioned that "fundamental change cannot come unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be founded."

The State Department official, in a background talk, said the United States action in broadening the area of movement for Cuban diplomats accredited to the United Nations from 25 miles to 250 miles last month was one of the "symbolic steps" mentioned by Mr. Kissinger.

Another step, he added, was to lift trade embargos for American manufacturing subsidiaries in Canada and Argentina so that they could sell to Cuba without violating United States law.

The official also said that the United States had noted a change in tone in Cuban government statements about the United States—specifically in remarks about the Ford Administration by Premier Castro and hopeful-sounding remarks on hemisphere relations by Deputy Premier Carlos Rafael Rodriguez.

However, the official said the United States was still avoiding direct contact with Cuban Government representatives and did not contemplate any more "symbolic steps" until the O.A.S. took a position on sanctions.

Mr. Kissinger's address at a luncheon of the Combined Service Club in the Shamrock Hilton Hotel in Houston was titled "The New Opportunity." But the official said it was not intended to herald "a new era" in United States relations with Latin America.

In addressing other hemisphere problems, however, Mr. Kissinger also broke some fresh ground.

He said the United States and Panama had reached a point in negotiations on a new Panama Canal treaty where "we now believe that an agreement on terms fair to all is possible.

U.S. MUST PROVIDE DEFENSE

The new treaty will have to provide for operation and defense of the canal by the United States "for an extended period of time," but also will allow Panama "to participate" in these functions, he said.

On economic issues he said the United States planned "in a few days" to lift tariffs affecting close to $1-billion worth of imports from Latin America, as provided by the new trade act.

In addition, the United States will seek to replenish the Inter-American Development Bank with $1.8-billion, ease Latin-American access to capital markets here and expand a dialogue on commodity questions, the Secretary said.

Mr. Kissinger remarked that the Administration was supporting bills to amend the trade act so as to permit Venezuela and Ecuador to benefit from trade preferences denied by the present law because they are

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members of the Organization of petroleum exporting Countries.

He also urged the Latin Americans to resume talks on regulating transnational corporations in the hemisphere, saying that the United States was ready to make "a serious effort" to achieve an agreement.

But the speech also contained warnings to Latin-American countries not to adopt policies of outright opposition to the United States.

RECESS UNTIL 4 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now stand in recess until the hour of 4 p.m. today.

There being no objection, the Senate, at 12:39 p.m., recessed until 4 p.m., whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. GARN).

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Arkansas (Mr. MCCLELLAN) may be recognized for not to exceed 2 minutes, for the purpose of getting some conferees——

Mr. ALLEN. Mr. President, I object. I believe that the motion the distinguished Senator would make is debatable, and I would not like to limit debate to 2 minutes. That would hardly be time to get recognition, I might say to the distinguished Presiding Officer.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute on nondebatable matters.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight tonight to file certain reports.

Mr. ALLEN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate convenes tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes each.

Mr. ALLEN. Reserving the right to object, Mr. President, may I inquire of the distinguished assistant majority leader if he plans to adjourn the Senate tonight. He did not comment on that.

Mr. ROBERT C. BYRD. When the Senate convenes tomorrow, it will convene following an adjournment.

Mr. ALLEN. That sounds interesting, but for the time being, I would like to retain my objection.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate continued with the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The PRESIDING OFFICER. The hour of 4 p.m. having arrived, the Senate will now proceed to vote on the motion by the Senator from Nebraska to reconsider the vote by which the Senate tabled the Mansfield point of order against part 1 of the Mondale motion to close debate on the Allen motion to proceed to Senate Resolution 4.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. If the pending motion by Senator HRUSKA prevails, then will the Senate proceed to vote again on the motion to table the Mansfield point of order?

The PRESIDING OFFICER. That is correct.

Mr. GRIFFIN. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 53, nays 38, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—53

Allen	Ford	Morgan
Baker	Garn	Nunn
Bartlett	Goldwater	Pastore
Beall	Gravel	Percy
Bellmon	Griffin	Roth
Brock	Hansen	Scott,
Buckley	Hart, Gary W.	William L.
Bumpers	Helms	Sparkman
Byrd,	Hollings	Stennis
Harry F., Jr.	Hruska	Stevens
Byrd, Robert C.	Johnston	Stone
Cannon	Lavalt	Symington
Chiles	Leahy	Talmadge
Cranston	Long	Thurmond
Curtis	Magnuson	Tower
Dole	Mansfield	Welcker
Domenici	McClellan	Young
Fannin	McClure	
Fong	McGee	

NAYS—38

Abourezk	Hathaway	Nelson
Bayh	Humphrey	Pearson
Brooke	Jackson	Pell
Burdick	Javits	Proxmire
Case	Kennedy	Randolph
Clark	Mathias	Ribicoff
Culver	McGovern	Schweiker
Eagleton	McIntyre	Scott, Hugh
Glenn	Metcalf	Stafford
Hart, Philip A.	Mondale	Stevenson
Hartke	Montoya	Tunney
Haskell	Moss	Williams
Hatfield	Muskie	

NOT VOTING—8

Bentsen	Eastland	Packwood
Biden	Huddleston	Taft
Church	Inouye	

So the motion to reconsider the vote by which the Senate laid on the table the Mansfield point of order was agreed to.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. GRIFFIN. Mr. President, does the vote now recur on the motion to table the Mansfield point of order against the Mondale motion?

The PRESIDING OFFICER. Against part of the Mondale motion, the Senator is correct.

Mr. GRIFFIN. On this vote, the motion to table the Mansfield point of order, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 40, nays 51, as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—40

Abourezk	Humphrey	Nelson
Bayh	Jackson	Pearson
Brooke	Javits	Pell
Burdick	Kennedy	Proxmire
Case	Leahy	Randolph
Clark	Magnuson	Ribicoff
Culver	Mathias	Schweiker
Eagleton	McGovern	Scott, Hugh
Glenn	McIntyre	Stafford
Hart, Philip A.	Metcalf	Stevenson
Hartke	Mondale	Tunney
Haskell	Montoya	Williams
Hatfield	Moss	
Hathaway	Muskie	

NAYS—51

Allen	Fong	Morgan
Baker	Ford	Nunn
Bartlett	Garn	Pastore
Beall	Goldwater	Percy
Bellmon	Gravel	Roth
Brock	Griffin	Scott,
Buckley	Hansen	William L.
Bumpers	Hart, Gary W.	Sparkman
Byrd,	Helms	Stennis
Harry F., Jr.	Hollings	Stevens
Byrd, Robert C.	Hruska	Stone
Cannon	Johnston	Symington
Chiles	Lavalt	Talmadge
Cranston	Long	Thurmond
Curtis	Mansfield	Tower
Dole	McClellan	Welcker
Domenici	McClure	Young
Fannin	McGee	

NOT VOTING—8

Bentsen	Eastland	Packwood
Biden	Huddleston	Taft
Church	Inouye	

So the motion to lay on the table the Mansfield point of order was rejected.

EXPLANATION OF RULES 22 VOTES

Mr. CRANSTON. Mr. President, I rise to explain my votes today in the rule XXII controversy.

NOTE

(On March 5, 1975, Mr. ROBERT C. BYRD obtained unanimous consent to have printed at this point in the permanent RECORD the vote on that day sustaining the Mansfield point of order. The vote on March 5, 1975, was as follows:)

[Rollcall Vote No. 41 Leg.]

YEAS—53

Abourezk	Eastland	Montoya
Allen	Fannin	Morgan
Baker	Fong	Nunn
Bartlett	Ford	Pastore
Beall	Garn	Roth
Bellmon	Goldwater	Scott,
Biden	Gravel	William L.
Brock	Griffin	Sparkman
Buckley	Hansen	Stennis
Bumpers	Hart, Gary W.	Stevens
Byrd,	Helms	Stone
Harry F., Jr.	Hruska	Symington
Byrd, Robert C.	Huddleston	Talmadge
Cannon	Johnston	Thurmond
Chiles	Laxalt	Tower
Cranston	Long	Welcker
Curtis	Mansfield	Young
Dole	McClure	
Domenici	McGee	

NAYS—43

Bayh	Humphrey	Packwood
Bentsen	Inouye	Pearson
Brooke	Jackson	Pell
Burdick	Javits	Percy
Case	Kennedy	Proxmire
Church	Leahy	Randolph
Clark	Magnuson	Ribicoff
Culver	Mathias	Schweiker
Eagleton	McGovern	Scott, Hugh
Glenn	McIntyre	Stafford
Hart, Philip A.	Metcalf	Stevenson
Hartke	Mondale	Tunney
Haskel	Moss	Williams
Hatfield	Muskie	
Hathaway	Nelson	

NOT VOTING—3

Hollings	McClellan	Taft

So Mr. MANSFIELD's point of order was sustained.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I offer a cloture motion.

The VICE PRESIDENT. A cloture motion having been submitted, the clerk, without objection, will state the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to proceed to the consideration of S. Res. 4, amending Rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

Robert C. Byrd, Jr., Jennings Randolph, Robert P. Griffin, John O. Pastore, Edmund S. Muskie, Charles McC. Mathias, Jacob K. Javits, Ted Stevens, Edward W. Brooke, Clifford P. Case, James B. Pearson, Gaylord Nelson, William D. Hathaway, Alan Cranston, Walter F. Mondale, Dick Clark, Warren G. Magnuson, Mike Mansfield.

I voted the other day for that motion to table because it was the only parliamentary way to end the interminable delaying tactics which were frustrating the will of the majority of the Senate that we consider Senate Resolution 4.

Now, however, it appears that a satisfactory compromise on rule XXII can be achieved—due largely to the efforts of the distinguished Senator from Louisiana (Mr. LONG) and the four Senate leaders (Mr. MANSFIELD, Mr. SCOTT of Pennsylvania, Mr. BYRD of West Virginia, and Mr. GRIFFIN.)

The best way for us to bring this compromise before the Senate is to undo the parliamentary situation we have found ourselves in.

This could be accomplished in several ways.

But the method which seemed to me most compatible with the spirit of the proposed compromise on rule XXII was to reconsider the tabling motion.

Therefore, I voted to reconsider.

I also voted to take the point of order off the table.

I have done so with the hope that this action will enable the Senate to settle the rule XXII issue for the 94th Congress, and thus allow us to proceed to the critical national issues before us.

I have also done so with the hope that the spirit of reconciliation underlying these motions, and the compromise on rule XXII lying beyond, will soothe the Senate tempers that have been so ruffled by recent events in this affair.

My vote just now on the pending questions in no way reverses my view that the Constitution supercedes any rules made by a specific Senate at a specific time concerning how the rules can be changed.

I point out, moreover, that the point of order made by the distinguished majority leader was made for the purpose of clarifying the ruling on the question of whether the motion to cut off debate precluded consideration of privileged motions before the vote on the motion to cut off debate.

I am convinced that that kind of decision on a similar question could always be made by majority vote in some future Senate—for it stems from the constitutional right of the Senate to make its own rules.

But once these arguments are made—and I believe they have been given ample consideration by this body—the majority of the Senate has the duty to work its will.

That is the job before us and I propose that we get on with it.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in adjournment for 5 minutes.

The VICE PRESIDENT. The question is on agreeing to the motion to adjourn.

The motion was agreed to, and at 4:37 p.m. on Monday, March 3, 1975, the Senate adjourned until 4:42 p.m., the same day.

AFTER ADJOURNMENT

MONDAY, MARCH 3, 1975

The Senate met at 4:42 p.m., pursuant to adjournment, and was called to order by Hon. JAKE GARN, a Senator from the State of Utah.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal be dispensed with.

Mr. ALLEN. I object for the time being.

The PRESIDING OFFICER. Objection is heard.

The clerk will read the Journal

The legislative clerk proceeded to read the Journal of Saturday, February 22, 1975, legislative day of Friday, February 21, 1975.

During the reading, the following occurred:

The PRESIDING OFFICER. The clerk will dispense with reading the Journal until Senators come to order.

The clerk will continue.

The legislative clerk resumed the reading of the Journal.

During the reading the following occurred:

The PRESIDING OFFICER. The Senate will come to order.

Continue.

The legislative clerk resumed and concluded the reading of the Journal of Saturday, February 22, 1975, legislative day of Friday, February 21, 1975.

The assistant legislative clerk read the Journal of Monday, February 24, 1975, legislative day of Friday, February 21, 1975.

The legislative clerk read the Journal of Tuesday, February 25, 1975, legislative day of Friday, February 21, 1975.

(Mr. MORGAN assumed the Chair.)

The second assistant legislative clerk read the Journal of Wednesday, February 26, 1975, legislative day of Friday, February 21, 1975.

(Mr LEAHY assumed the Chair.)

The legislative clerk read the Journal of Thursday, February 27, 1975, legislative day of Friday, February 21, 1975.

The assistant legislative clerk read the Journal of Friday, February 28, 1975, legislative day of Friday, February 21, 1975.

The legislative clerk read the Journal of Monday, March 3, 1975, legislative day of Friday, February 21, 1975.

The assistant legislative clerk read the Journal of Monday, March 3, 1975.

MOTION TO ADJOURN

Mr. ROBERT C. BYRD. Mr. President——

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER (Mr. STONE). The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand adjourned.

QUORUM CALL

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Alabama suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ALLEN. I object.

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The PRESIDING OFFICER. Objection is heard. The clerk will continue.

Mr. ROBERT C. BYRD. Mr. President, I call attention to the fact that the Senator was not standing when he addressed the Chair.

Mr. ALLEN. I object.

[Laughter.]

The PRESIDING OFFICER. Objection is heard.

The clerk will continue with the call of the roll.

The assistant legislative clerk resumed the call of the roll, and the following Senators answered to their names:

[Quorum No. 13 Leg.]

Allen	Hansen	Nelson
Baker	Hart, Gary W.	Nunn
Bartlett	Hart, Philip A.	Packwood
Bayh	Hartke	Pearson
Bellmon	Haskell	Pell
Bentsen	Hatfield	Proxmire
Biden	Hathaway	Randolph
Byrd, Harry F., Jr.	Helms	Ribicoff
Byrd, Robert C.	Hruska	Roth
Cannon	Jackson	Schweiker
Case	Javits	Scott, Hugh
Chiles	Kennedy	Stafford
Cranston	Laxalt	Stevens
Culver	Leahy	Stevenson
Dole	Mansfield	Stone
Domenici	McIntyre	Thurmond
Fong	Metcalf	Tower
Ford	Mondale	Tunney
Garn	Montoya	Williams
Glenn	Morgan	
Griffin	Moss	

The PRESIDING OFFICER (Mr. STONE). A quorum is present.

VOTE ON MOTION TO ADJOURN

The PRESIDING OFFICER. The question is on agreeing to the motion to adjourn.

Mr. MANSFIELD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware Mr. BIDEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Iowa (Mr. CLARK) are absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. CLARK), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Washington (Mr. MAGNUSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. FANNIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Illinois (Mr. PERCY), the Senator from Virginia (Mr. SCOTT), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 44, nays 15, as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—44

Bayh	Haskell	Nunn
Burdick	Hatfield	Pearson
Byrd, Robert C.	Hathaway	Pell
Cannon	Hruska	Proxmire
Case	Jackson	Randolph
Chiles	Javits	Ribicoff
Cranston	Kennedy	Roth
Culver	Leahy	Schweiker
Fong	Mansfield	Scott, Hugh
Ford	McIntyre	Stafford
Glenn	Metcalf	Stevens
Griffin	Mondale	Stevenson
Hart, Gary W.	Montoya	Tunney
Hart, Philip A.	Moss	Williams
Hartke	Nelson	

NAYS—15

Allen	Dole	Packwood
Baker	Domenici	Stone
Bartlett	Garn	Thurmond
Bellmon	Hansen	Tower
Byrd, Harry F., Jr.	Helms	
	Laxalt	

NOT VOTING—40

Abourezk	Goldwater	Morgan
Beall	Gravel	Muskie
Bentsen	Hollings	Pastore
Biden	Huddleston	Percy
Brock	Humphrey	Scott, William L.
Brooke	Inouye	Sparkman
Buckley	Johnston	Stennis
Bumpers	Long	Symington
Church	Magnuson	Taft
Clark	Mathias	Talmadge
Curtis	McClellan	Weicker
Eagleton	McClure	Young
Eastland	McGee	
Fannin	McGovern	

ADJOURNMENT

The motion was agreed to; and at 8:52 p.m., the Senate adjourned until tomorrow, Tuesday, March 4, 1975, at 12 noon.

NOMINATIONS

Executive nominations received after adjournment on February 28, 1975, under authority of the order of the Senate of the same date:

CIVIL AERONAUTICS BOARD

John E. Robson, of Illinois, to be a Member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1977, vice Whitney Gilliland, resigned.

Executive nominations received by the Senate March 3, 1975:

DEPARTMENT OF STATE

Eugene V. McAuliffe, of Massachusetts, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Hungary.

THE JUDICIARY

Anthony M. Kennedy, of California, to be U.S. circuit judge for the ninth circuit, vice Charles M. Merrill, retired.

IN THE AIR FORCE

The following-named Air Force officer for reappointment to the active list of the Regular Air Force in the grade indicated, under the provisions of sections 1210 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Daye, Thomas M., 55526-0605.

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be captain (dental)

Loeckel, Richard E., 302-42-5236.

To be first lieutenant (dental)

Wayman, Blake E., 493-48-1887.

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

LINE OF THE AIR FORCE

Major to lieutenant colonel

Miller, Roscoe R., 432-62-6627.
Wilkinson, Hollis D., 481-44-0576.

MEDICAL CORPS

Carroll, Herman G. Jr., 400-58-4130.

The following persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation as medical officers under the provisions of section 8067, title 10, United States Code:

To be colonel

Garrett, Sydney A., 251-40-8940.
Martin, George R., 468-12-6370.
Ware, Charles I., 137-14-7158.

To be lieutenant colonel

de Dianous, Noel C., 537-26-3658.
Flood, John A., 531-32-6578.
Gomez, Leon R., 347-31-9091.
Howard, Jack B., 445-36-4009.
King, Roy D., 441-34-1103.
Notske, Robert N., 535-34-5719.
Sheridan, Edward J., 385-36-2357.
Wright, Richard C., 028-20-4090.

The following person for appointment as a reserve of the Air Force in the grade of colonel (line of the Air Force), under the provisions of section 593, title 10, United States Code, and Public Law 92-129:

LINE OF THE AIR FORCE

To be colonel

Holler, John F., 241-28-2287.

The following persons for appointment as temporary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation as medical officers, under the provisions of section 8067, title 10, United States Code:

To be lieutenant colonel

Cameron, Robert W., 470-48-0263.
Clopton, Owen H. Jr., 407-44-1258.
de Dianous, Noel C., 537-26-3658.
Deininger, Arthur G., 283-28-0786.
Estacio, Restitutio N., 122-34-3671.
Everlof, Sherman W., 262-40-8393.
Gomez, Leon R., 347-34-9091.
Hardison, Cary D., 408-62-8515.
Hessert, Edmund C., Jr., 154-22-7820.
Horne, Edwin G., Jr., 446-28-5235.
Jacobs, Wesley R., 544-34-0281.
Jones, R. J., 432-60-9186.
Keyes, Prentiss F., 425-40-4352.
King, Jerry N., 307-38-3091.
Pickett, Charles D., 525-72-8885.
Pirrung, James S., 268-28-1213.
Slaton, James K., 486-26-7428.
Tyerman, Peter A., 541-34-7940.
Wright, Richard C., 028-20-4090.

The following persons for appointment as temparary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation as dental officers, under the provisions of section 8067, title 10, United States Code:

To be lieutenant colonel

Backhaus, Duane D., 394-28-9705.
Campbell, William H., 201-14-3712.
Edwards, Jack, 459-46-8955.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 3, 1975:

DEPARTMENT OF TRANSPORTATION

William T. Coleman, Jr., of Pennsylvania, to be Secretary of Transportation.

INTERSTATE COMMERCE COMMISSION

Robert J. Corber, of Virginia, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1976.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

COAST GUARD

The following officers of the U.S. Coast Guard for promotion to the grade of rear admiral:

Malcolm E. Clark	Sidney A. Wallace
Robert A. Duin	William S. Schwob
David F. Lautn	

EXTENSIONS OF REMARKS

SPORTS AND THE 93D CONGRESS

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. MACDONALD of Massachusetts. Mr. Speaker, I would like to call the attention of my colleagues to an article which appeared in the February 15th edition of the Sporting News, one of this country's most respected sports publications. The article deals briefly with the numerous pieces of legislation introduced during the 93d Congress which related to sports.

In my view, congressional interest in dealing with the problems of both professional and amateur sports is important, and this article provides a useful summary.

The article, entitled "Sports and the 93d Congress" follows:

(By Philip R. Hochberg)

(EDITOR'S NOTE.—Philip R. Hochberg is a Washington attorney who is active in the sports and broadcasting areas. The following article is a review of all recent broadcasting legislative proposals. It is also a summary of a comprehensive legal article to be published this spring.)

WASHINGTON.—When the 93rd Congress began two years ago, one observer of broadcasting legislation said that professional sports would be fortunate to hold on to what they had. Now, as the 94th Congress commences, it is clear that professional sports were not that lucky.

Although none of the more extreme pieces of legislation passed, sports did suffer a setback and a potential setback in two principal legislative areas: the antiblackout bill and the revision of the copyright law. In numerous areas, however, the legislative pot continued to boil. Sports, a high visibility subject, provided an easy target.

SENATE

S. 1237; S. 2015. These two pieces of legislation would have amended the Communications Act to give the Federal Communications Commission specific authority over cable television. The impact of both bills would likely have been to limit the commission's authority on distant stations carrying sports signals.

S. 1253. The Basketball Merger Bill, introduced in March 15, 1973, would have restricted periods during which network basketball telecasts could have been made. It would have been similar to the present protection on Friday nights and Saturdays for high school and college football.

S. 1361. The Omnibus Copyright Revision Bill finally passed the Senate in September 1974. It was the culmination of a dozen years of Senate consideration.

Two provisions specifically affected sports: The copyrightability of sports broadcasts and "secondary transmissions" by cable television systems. The former was relatively noncontroversial and passed within the context of the entire bill. But the cable provisions, including questions dealing especially with sports programs, generated considerable controversy.

The situation involved a system in Philadelphia, for instance, which would carry the games of the Yankees, Mets, Rangers, Knicks and Nets. Obviously, this hurts the ability of the Philadelphia teams to draw fans or sell TV packages of their own.

The bill as introduced by Senator McClellan would have virtually barred distant-signal sporting event from cable systems; this provision survived a Copyright Subcommittee vote. Sensing problems with this comprehensive protection, Senator Philip Hart sought to have the issue sent specifically to the FCC. This amendment was defeated by the full Judiciary Committee and the Senate as a whole.

S. 1841. The Senate version of the antiblackout legislation was introduced by Rhode Island Democrat John Pastore. Its overwhelming passage by the Senate did not stop that body from finally adopting the House version of Massachusetts Rep. Torbert Macdonald. As passed, S. 1841 was considerably broader than that finally signed into law. The Senate version required that any football, baseball, basketball or hockey team televising a single away game allow any sold-out home game to be televised.

This differed considerably from the bill signed into law by President Nixon, which affected only network telecasts. For basketball and hockey, the difference was significant, only a very small package of sold-out games being televised pursuant to network contracts.

S. 2283. This would have barred pay television, pay-cable or CATV origination from using programs that "otherwise are or would be available without charge from free over-the-air television broadcast stations," Senator J. Glenn Beall of Maryland made no mention of how he would determine which programs "would be" available for conventional television.

S. 2768. While this bill, introduced by Senators Ervin and Tunney, dealt with the rights of professional athletes, it became apparent that one pressure point to obtain greater athlete freedom would be an attack on the antitrust exemption for the pooling of broadcasting rights.

S. 3832. Oklahoma Republican Dewey Bartlett, upset at the Sooners' being banned from the NCAA television package, introduced legislation which would have prohibited such a ban. No constituent member of an amateur sports organization would be punished by denying the member the right to televise events.

HOUSE

H.R. 625; H.R. 942; H.R. 1057; H.R. 2724; H.R. 3071. All of these bills were introduced as attempts to remove blackouts, primarily those of the National Football League, through amendment of the antitrust laws. One of them, H.R. 1057, introduced by Democrat Paul Rogers of Florida, also would have opened up more telecasts of professional football games on days when college and high school games were being played. Rogers saw no need for protecting a night college game against an afternoon pro telecast, for instance.

Another bill, H.R. 3071, introduced by Ohio Democrat Charles Carney, would have limited any blackout area to 50 miles from the game site. Not altogether coincidentally, Carney's hometown is Youngstown, which is more than 50, but less than 75 miles, from both Pittsburgh and Cleveland.

H.R. 1065. Designed to establish a federal commission on boxing, this legislation would have barred from television any professional fight determined be to be fixed.

H.R. 2239. Representative Les Aspin, the Wisconsin Democrat, wanted to ban closed-circuit sports events. His principal concern, he said, was that an even such as the Super Bowl might move to closed circuit.

H.R. 2382; H.R. 3235; H.R. 3512. Broader than H.R. 2239, all of these bills would have required that conventional television have the opportunity to telecast any event that might be on pay TV, cable TV, or closed circuit. It was limited, however, to the "final championship event" in professional boxing, football, basketball, baseball or hockey.

H.R. 3646; H.R. 10180; H.R. 10478. These three bills were designed to afford greater protection for college and prep sports. The first, H.R. 3646, would have precluded any occasional NFL telecast which is not part of the league's television contract and which is shown during the normal college football season.

The last two pieces of legislation, both of which were introduced by Representative B. F. Sisk of California, were designed to protect against network basketball telecasts on Friday nights or Saturday. In addition, they would have had the effect of knocking off late-season NFL Saturday telecasts.

H.R. 9420; H.R. 9586; H.R. 9587; H.R. 9619; H.R. 9620; H.R. 9621; H.R. 9661; H.R. 9669; H.R. 9788; H.R. 9798; H.R. 10170. All these bills were introduced in an attempt to get the House of Representatives to adopt the

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exact language voted by the Senate Commerce Committee on the anti-blackout bill. They called for any team selling out any game, regardless of whether it was televised by a network, to open up that game to local telecasting. Consideration of all of these was merged into the passage of H.R. 9553. (see below).

H.R. 9536. Introduced by Commerce Committee Chairman Harley Staggers, H.R. 9536 would have prohibited any collegiate or professional game from being televised by the away team, unless it was also opened up for telecasting by the home team assuming a sell-out. It was also the first legislation to recognize that a team might withhold tickets until less than 48 hours before game time and then claim that game was not sold out within the prescribed period.

H.R. 9553; H.R. 9760; H.R. 10153. The first of these was introduced in late July, 1970, by Massachusetts Democrat Macdonald. (Identical bills were later introduced by two other members.) Given Macdonald's position as chairman of an appropriate subcommittee to look into the question of televising sports, his willingness to champion the issue, and the limited scope of the bill (when compared with that of Senator Pastore), this legislation quickly ripened into the vehicle for lifting the blackout. It stated generally that no league-negotiated telecast could be refused to hometown TV if sold out 72 hours before game time.

As opposed to efforts a year before, Macdonald's bill was an amendment to the Communications Act, a factor which greatly facilitated passage of the legislation in the very short time Congress took to consider the measure. Originally proposed to cover but one year, Macdonald successfully held out for a period of just over two years, but which covered three NFL seasons.

The legislation cured some of the defects of other bills and, in addition, affected only games televised pursuant to a network contract. This substantially limited the impact on all sports, even the National Football League (whose exhibition games are generally televised pursuant to a team contract, rather than one negotiated by the league and a network).

H.R. 9644. This legislation, introduced by Commerce Committee Chairman Staggers, was a direct result of the extensive research by Commerce's Investigations Subcommittee. As a result of the findings by the Subcommittee, Chairman Staggers introduced legislation which would have barred blackout for professional football only and only in the circumstance where tickets were completely sold seven days before the beginning of the season. A separate provision dealt with the post-season games. While this legislation had the most research behind it and was sponsored by an extremely powerful member of Congress, its introduction came too late to generate any real support.

H.R. 11078. This legislation would have put baseball under the anti-trust laws. To the extent that any of baseball's telecasting policies might not be subject now to anti-trust laws, this legislation would have changed that.

H.R. 12397; H.R. 12754; H.R. 13156; H.R. 14683. All of these bills were identical to S. 2766. While they said nothing concerning broadcasting, there was an implicit message that failure to resolve the question of "player's rights" would jeopardize football's antitrust exemption.

For the first time in history, Congress moved against the interests of sports in the broadcasting field. The success of the effort may very well embolden Congress to move into other areas affecting pro sports, such as tax considerations or "player's rights." Those efforts may not bode well for sports, or sports fans.

EXTENSIONS OF REMARKS

JOSEPH B. HUGHES HONORED

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. SISK. Mr. Speaker, too often, the work of public servants at the local level go unnoticed. Yet we all know that without them, our Government would cease to effectively function.

I would like to bring to the attention of my colleagues in the House of Representatives the service of one such person, Joseph B. Hughes of Madera, Calif., who has given 20 years of his life to his community.

On January 24, 1975, Mr. Hughes celebrated his 20th year as Madera County road commissioner, a term unmatched by most. His record of service will be officially recognized by his colleagues, members of the San Joaquin Valley Road Commissioners and County Engineers Association, on April 18, 1975, at beautiful Lake Yosemite.

Joe began his career in 1933 when he went to work for his father, the late Kenneth Hughes, who was a surveyor and engineer for two decades in Madera County. Joe has been in the Office of the Road Commissioner since 1947, serving as the engineer's assistant and later as deputy road commissioner.

On January 24, 1955, Joe was appointed road commissioner of Madera County, a position he has since held.

Joe is past president of the San Joaquin Valley Road Commissioners and County Engineers Association and has served on the board of directors of the County Engineers Association of California.

Joe is regarded as an expert in his field, and his opinions are respected throughout the State of California.

Joe served in the U.S. Army during World War II, having assignments in England, France, and Germany. He received the Bronze Star for meritorious service in connection with military operations against the enemy in Germany on February 23, 1945.

Mr. Speaker, the work of a road commissioner may go unrecognized by some, but I think all of us here realize the importance of the job and the safety it results in for the public.

I am proud that Joseph B. Hughes is a constituent of mine, and the community in which he lives is a better place because of the 20 years of service that Joe has given it.

KING CAUCUS AS KOOKY MONSTER OR, TWO-THIRDS EQUALS ONE-THIRD

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, now that we have been treated to how King Caucus can ordain the non-germane to be germane—or the relevance of oil depletion to personal tax rebates—let us turn our attention to the next goodie in this Kooky Monster's jar.

I am referring to a resolution adopted by a voice vote in the Democratic caucus on Wednesday, February 19, 1975. This resolution, offered by the gentleman from Michigan (Mr. O'HARA), reads as follows:

Resolved, that the Democratic Caucus requests its Members on the Committee on Rules to promptly report to the House a resolution amending the Rules of the House of Representatives as follows:

What follows, Mr. Speaker, is an amendment to clause (2)(h) of House rule XI. At present, that rule reads that each committee may fix the number of members necessary to constitute a quorum for the purpose of taking testimony, providing that number shall not be less than two. The proposed caucus amendment to that rule would add a new subsection to read as follows:

Each committee may fix the number of its members to constitute a quorum for taking any action other than the reporting of a measure or matter which shall not be less than one-third of the members.

What this means quite bluntly, Mr. Speaker, is that as few as one-third of the entire committee membership may constitute a quorum for the all-important business of marking-up a bill. Put another way, as few as one-sixth plus one members of the committee—or a majority of the bare one-third quorum—may determine the substance of legislation to be reported.

Mr. Speaker, I think it is a bit ironic that at a time when the Democrats comprise two-thirds of the House membership—and better than two-thirds on each committee by virtue of having awarded themselves one bonus-baby per committee—that the Democrats would be pushing this new one-third quorum rule for committees. One can only wonder why it is that this new bloated two-thirds majority can only muster a one-third quorum for the purpose of conducting committee business—and that includes the conscientious Republican participants.

Mr. Speaker, one must view this development in the larger perspective of another action taken by the Democratic caucus last January to restore proxy voting in committees. These two committee reforms, taken together, seem to indicate that the new Democratic committee concept is based on a few warm bodies armed with a lot of proxies. Is this any way to legislate? The committee system in the House was once considered to be our greatest strength given the dedication, participation and expertise of committee members. Despite the fact that the Democrats are claiming all manner of credit for having revolutionized the committee system in the 94th Congress, they now seem intent on abandoning their committees and leaving only hollow shells, papered with proxies. This proposed caucus role could best be entitled, "The Committee abandonment and desertion legalization rule," or, perhaps more accurately, "the golfers' relief act of 1975." Where has everyone gone? Could this simply be a symptom of premature spring fever?

Mr. Speaker, if I may anticipate the arguments which may be made in favor of this one-third quorum rule, I am sure it will be pointed out that the House has a device by which as few as 100 Members may constitute a quorum in the Committee of the Whole, or slightly less than one-fourth of the total House membership. It could be argued that committees should have this same privilege for the purpose of considering amendments to bills, just as the full House does. But this argument collapses when you consider that a separate vote may be demanded in the House on each amendment which is adopted in the Committee of the Whole. No such provision is contained in this amendment to protect an actual committee majority at the time it votes on reporting a bill—and a majority of the committee must still be present under the rules to report a measure. In other words, your committee majority is stuck with either accepting in toto the decisions of a one-sixth plus one minority, or sending the whole matter back for further mark-up—but again, with no assurance that the majority will will be done.

Mr. Speaker, it may be useful at this point to trace the origins of our present rules. Article I, section 5 of the Constitution reads:

. . . a majority of each (House) shall constitute a quorum to do business.

Article I, section 5 reads at a later point:

Each House may determine the rules of its proceedings.

The question thus arises, "Does the latter provision permit the House to adopt any rule it pleases, the former provision notwithstanding?" The answer is clearly, no. In the case of *United States* v. *Ballin*, 144 U.S. 1, 5 (1892), the Supreme Court upheld a ruling of Speaker Reed that the mere presence of a quorum, and not the number actually voting, was sufficient to satisfy the Constitution's quorum requirement. In that decision the Court wrote:

The Constitution empowers each House to determine its rules of proceedings. It may not by its rules ignore constitutional restraints or violate fundamental rights, and there should be a reasonable relation between the mode or method of proceeding established by the rule and the result which is sought to be attained.

The important point here, Mr. Speaker, is that the House may not "ignore constitutional restraints" in determining its rules of proceeding, and one of those restraints is the constitutional requirement that "a majority shall constitute a quorum to do business."

While the Constitution does not specifically provide for committees of Congress, let alone their rules of proceeding, Jefferson's Manual, compiled between 1797 and 1801, does. That manual stands today as the foundation of general parliamentary law in the House. House rule XLII states:

The rules of parliamentary practice comprised in Jefferson's Manual and the provisions of the Legislative Reorganization Act of 1946, as amended, shall govern the House in all cases to which they are applicable, and in which they are not inconsistent with the standing rules and order of the House and joint rules of the Senate and House of Representatives.

Section XXVI of Jefferson's Manual states:

A majority of the committee constitutes a quorum for business. (Elsyngee's Method of Passing Bills, 11)

This provision is obviously drawn parallel to the constitutional requirement that a majority shall constitute a quorum to do business in each House.

On December 8, 1931, the House adopted a rule, which is now House rule XI, clause 1(a)(1) which states:

The Rules of the House are the rules of its committees and subcommittees so far as applicable. . . .

And in section 133(d) of the Legislative Reorganization Act of 1946, the Congress adopted the following provision which is now clause 2(1)(2)(A) of House rule XI:

No measure or recommendation shall be reported from any committee unless a majority of the committee was actually present.

Mr. Speaker, the point I am attempting to make in all this is that our committees would seem to be under the same "constitutional restraints" as the House when it comes to the majority quorum requirement for the conduct of business. This traces back not only to the 1946 Legislative Reorganization Act and Jefferson's Manual, but English parliamentary practice as well. Any attempt to alter that majority quorum requirement for committee business would seem to be in clear contravention of the Constitution which does place restraints on us in this situation.

Mr. Speaker, I think it is also important to point out the impact this proposed Democratic caucus rule has on our open meeting requirement which is now contained in rule XI, clause 2(g)(1). That rule reads:

Each meeting for the transaction of business, including the markup of legislation, of each standing committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by a rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public.

The new one-third quorum rule proposed by the Democratic Caucus would thus permit as few as one-sixth plus one members of the full committee to close a business meeting.

Something else which has been overlooked in this regard is the new proxy rule which permits general proxies on procedural matters, except for a quorum. As the House rules now stand, if a majority of the committee or a quorum is actually present, proxies may then be voted on the procedural matter of closing the meeting for the day. The proposed caucus rule would further compound this travesty by permitting a mere one-third of the committee membership to assemble to constitute a quorum, and then use proxies to close the meeting.

In conclusion, Mr. Speaker, I would maintain that the proposed one-third quorum rule of the Democratic Caucus is not only of dubious constitutionality, but it constitutes a further erosion of our earlier efforts to open up our committees, encourage greater Member participation in committee deliberations, and make Members more accountable to the full House and the public. This is but one more example of the antireform movement afoot in the Democratic Caucus which has been heralded as being so reform minded. If anything, by the restoration of proxy voting and the proposed one-third quorum rule, King Caucus is proving to be more absence minded than anything. I would hope that the Rules Committee will not even waste its time to hold a hearing on this absurd rule, let alone waste the time of the full House on the matter. There are many more worthwhile rules changes which should receive a legitimate hearing in the Rules Committee, including the nine "open House amendments" which I have introduced along with some 60 cosponsors.

RAYMOND MOLEY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. RHODES. Mr. Speaker, a great figure in politics and letters was lost to America when Raymond Moley passed away in Phoenix late last month.

Throughout four decades of participation in, and reporting the American political scene, Ray Moley hewed steadfastly to the principles in which he believed deeply. He was a man of utter honesty, strong beliefs, and the intense moral courage to fight vigorously for what he saw as being right for America.

He was a conscientious scholar, a man of boundless energy, who constantly sought the truth, about Government policy and American progress. He came to prominence at a time when the United States was in the throes of economic chaos. He pitched in to do his best to help out.

When the course of Government, and his chosen political party, drifted away from his ideals, he forsook prestige and took up the cause of conservatism and preservation of the enduring values that had built the Nation.

He was the confidante of many political leaders, who drew upon his vast store of political knowledge, his perspective and acute insight into national issues.

Moley was an ardent believer in the Judeo-Christian ethic, and in the liberty and responsibility of the individual as the keystones of our national strength. His expertise extended to international affairs, and he was a stout advocate of U.S. assumption of a role of world leadership. In his last column, published in 1969 in the Phoenix Gazette, he wrote:

In this real world there can be no isolation and no fortress America.

His career encompassed 30 years as professor of public law at Columbia University. He was the founder and chief recruiter for the New Deal "brain trust." He started Today magazine, which merged with Newsweek, where he spent 23 years observing and commenting on the American scene. His writing output was prolific. He authored numerous books, many of them still being used as college political science texts.

At the time of his death, at age 88, he was hard at work on a book of his memoirs, reaching back to the days of the McKinley administration.

Phoenix has lost one of its distinguished residents. America has lost a keen political mind. But, we have had the benefit of his perception and reportorial skills, which left us a rich legacy, a standard of political reporting, which will endure for decades ahead.

WOMEN IN NONTRADITIONAL JOBS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FRASER. Mr. Speaker, we have legislation making it illegal to discriminate against anyone in employment on the basis of sex, but for women seeking work the problem is not only legal, but psychological. At an early age girls learn that only certain jobs are "suitable" for them. These are usually service oriented or clerical. In addition to being discriminatory, this channeling process is unfair in that such jobs pay less than their male counterparts.

As the following article, reprinted from the January-February 1975 UAW Solidarity points out, women are now beginning to learn the skilled trades, thus improving the lot of their families as well as breaking new ground for members of their sex. The article follows:

NOW IT'S "SKILLED TRADES WOMAN"—LOCAL 488 WOMEN GOING INTO TRADES AS APPRENTICES TYPIFY TREND DEVELOPING IN AMERICAN WORK LIFE

(By Karl Mantyla)

One day, 7-year-old Tony Boldi looked up at his working mother and asked, "Mom, what do you do?"

Lana Boldi, the first female to become a skilled trades apprentice in the Fisher Body system at General Motors Corp., replied to her son: "Well, I'm kind of a mechanic."

"That's what I want to be," responded Tony, "a mechanic."

That parent-child conversation illustrates a developing trend in UAW and American work life—the mixing of "roles" in which women gradually are assuming a substantial part of what once was known as "a man's work."

It's a lifestyle adopted "with a great deal of pride" by Boldi, a 33-year-old divorced mother of two sons and former fashion model who is an apprentice in the welding equipment maintenance and repair trade at GM's Fisher Body plant at Kalamazoo, Mich. She began the apprenticeship in September 1972 after having worked for 19 months in a production job stacking auto body pillars.

ONE OF FOUR WOMEN

As one of four women among the 1,100 skilled trades workers and apprentices at the plant—and as one of the first female workers in a stamping facility that was all-male until about five years ago—Boldi says: "We've come a long way, but we've got a long way to go." Now, about 120 women are among the Kalamazoo plant's 2,900 workers.

The other female members of UAW Local 488 who are learning trades at the plant are 26-year-old Jean Brown, an apprentice diemaker; Veda Lacy, 26, an apprentice electrician, and Grace Davis, also 26, an apprentice diemaker.

Local 488 Pres. Jack Angel has used widespread posting of notices and "word of mouth" on skilled trades apprentice opportunities to encourage applications from female union members. He says most women at the plant are breadwinners "who have family responsibilities. I think the majority of the women are supporting children."

Such is the case with Boldi, who finds "I get a tremendous amount of satisfaction from taking care of my home and my family completely on my own, financially and emotionally." She describes as "very unrealistic" the complaint heard from some male coworkers that "a woman in here is taking the job of a man who is out on the street with a family."

A sympathizer with the women's liberation movement, Boldi describes herself as "a strong advocate of women's rights and opportunities."

FIRST WOMAN OFFICER

Last September, Boldi became Local 488's first woman officer when she was elected trustee in a special election. "I wanted," she explains, "to get involved in something that would get more women from my own plant interested. I wanted to have an input on our union's executive board."

Her personal involvement began at a new member orientation program at the UAW's Walter and May Reuther Family Education Center in May 1972 when "I really got turned on to union activity." Since then, she also has become a member of the UAW Community Action Program in Kalamazoo County and accepted the temporary chairwomanship of the county's branch of the Coalition of Labor Union Women (CLUW).

"Really, what I enjoy about this place more than anything is the union work," says Boldi, who also is co-chairwoman of the local's Community Services Committee and a member of the Fair Employment Practices Committee. On the FEPC, she at first was asked to be secretary, "and I said, 'No, I would not'."

CAREER SWITCH

It's a completely new career for a person who worked as a model in San Francisco and Nevada, was the first female roulette dealer at a casino in Reno, Nev., in 1969, and who studied at three colleges to be a social worker.

"It took me about six months to get used to wearing steel-toed shoes and coveralls," Boldi says. But now she totes a tool kit, works on heavy jobs without a second thought and believes that the skilled trades are virtually "the only way a woman in a plant can advance herself moneywise and knowledgewise."

Her instructor for the past few months, Paul Billheimer, 40, an 8½-year veteran in the trade, credits Boldi with "doing real well" in her apprenticeship.

Veda Lacy and Jean Brown, each of whom also is a divorced mother of two, agree with Boldi that cooperation from their male coworkers generally has been good.

Lacy underscored a common complaint—that the journeymen sometimes offer too much assistance, especially when they might think a job is too heavy for a woman. "Let me do it on my own," Lacy says. "I want to be treated as an equal. As a journeyman, I'll be held responsible for the work."

Brown described incidents in which a journeyman "will say, 'J.B. (her nickname), let me do this for you; don't get your hands dirty'."

Her response is: "I'm here to learn. Don't treat me as a woman."

QUALITY AND ACCOUNTABILITY OF EDUCATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. CRANE. Mr. Speaker, the unfortunate outbreak of violence in Kanawha County, W. Va., last year focused nationwide attention on the quality and accountability of the education provided by our public schools. The causes of this dilemma are many and complex, and perhaps the textbooks in use in places like Kanawha County are a symptom as well as cause. Books and literature reflect the fact that in many quarters self-expression and creativity, while admirable goals, have become more important than the acquisition of knowledge, and social change is the ultimate goal of education.

It is this last point at which many parents have begun to balk. I wish to submit for the attention of my colleagues testimony on this topic given by Elmer A. Fike before the Education Committee of the West Virginia State Legislature on February 14, 1975:

GUIDELINES FOR EDUCATION BY LEGISLATURE

(Testimony of Elmer A. Fike, President of the Business and Professional People's Alliance for Better Textbooks)

I appear today on behalf of the Alliance for Better Textbooks to support the concept of guidelines by the Legislature to provide some needed restraint to the educational process.

Reasonable guidelines are not censorship. Censorship is a prohibition against publishing, distributing, or reading certain literature. The purpose of guidelines is to insure that the best and most suitable educational material is selected to accomplish the desired goals of education.

It is not suggested that the objectionable books be censored. Let the publishers print and sell them. Let those parents who want them buy them for their children, but let us not use taxpayers' money to purchase books which tear down the principles and culture of our country.

It is suggested that education should expose the student to all sides of a question, but this obviously is not possible. There are too many ideas and the literature is too vast to include everything. Some selection must be made. Nor do those who promote the idea really believe in it. They are the ones responsible for removing much of the traditional material that had been used. "The Man Without a Country" and the story of Nathan Hale are no longer used because patriotism is passé. Stories ranging from "Little Black Sambo" to "Huckleberry Finn" were removed because they were offensive to minorities. This is perfectly reasonable. We think material objectionable to any substantial minority should be deleted. We do, however, claim there is a substantial number who are patriotic Americans and subscribe to the Judeo Christian principles that are offended by these books. All we ask is that material that offends them be deleted.

Academic freedom is not involved. We respect the teacher's right to research and publish opinions without question. We believe, however, that the taxpayer acting through appropriate legislative and administrative bodies has the right to determine what is taught to the children. We would not countenance a math instructor's teaching that 2+2=5 nor a chemistry instructor's teaching that sulfuric acid is safe to drink. To allow the teacher to teach whatever he chooses would result in academic anarchy rather than academic freedom. Amittedly the social sciences are less exact, but that is precisely the reason that guidelines are necessary. Just as an example teachers should not be allowed to countenance violation of laws, yet many of these books appear to do just that.

This brings us to the true purpose of education. Traditionally education has been a process of exposing an immature child to carefully selected facts, instructional materials and skillful teachers. Skills are developed that allow him to function in society. Meanwhile, his behavior will be modified as he acquires facts and knowledge on which to base his judgments. In other words, education has been considered a process of transmitting the culture of the parents to the children.

Advocates of the new philosophy of education start with the premise that our culture is not acceptable and should be changed. The teacher is considered a change agent whose function is to promote a more acceptable system. This is to be done, not by the traditional method of teaching facts so that the student has an adequate basis for his attitudes, but by psychological methods which more quickly and more accurately promote the character modification desired by the social planners who want to completely change our system.

We do not believe it is possible to teach many subjects without instilling some values. To leave the entire responsibility to the educational system is to continue to trust many who have clearly demonstrated a bias against our system. Guidelines are a necessary restriction upon educators who would downgrade America, and they will reinforce loyal American educators.

We believe that children should learn that the standard of living in America is the highest in the world, that our republican form of government has contributed to that high standard and is the best system of government yet devised. We also believe that the moral values on which our system was based deserve allegiance. Guidelines should require this type of instruction.

Another question is, "Can education, or books, corrupt?" Those supporting these books say that books do not corrupt. Books certainly are an essential tool in the education process and, if they cannot corrupt, it would also seem equally true that they cannot improve the student. If this is true, what then is the point in books or education? Certainly it is easier to lead people downhill (corrupt) than to lead them uphill (improve). If we can't do the former, it is unlikely we can do the latter.

Furthermore, something has been corrupting the morals of this country. The increase in drug use, crime, rape and homosexuality is well documented. While it would be difficult to establish proof of a direct causal relationship, the intelligent person cannot help but suspect a connection between the flexible standards of morality taught in the books (situation ethics) and the decline in morals. Dr. Duncan Williams, Marshall University professor, observed in his book, *The Trousered Apes*, "We have been teaching savagery and are naively appalled at the success of our instruction." How true.

It is regrettable that it is necessary to write guidelines and limit the freedom of our professional educators. I am always for greater freedom when it is coupled with restraint that recognizes the rights and sensitivities of all the people. Speed limits are necessary on the highway because a few drivers refuse to respect the rights and safety of others. I believe that those who selected these objectionable books did not respect the rights and sensibilities of substantial numbers of people and, therefore, it is necessary to institute appropriate restraints. As Thomas Jefferson said, "It is a dangerous delusion if our confidence in the men of our choice should silence our fears for the safety of our rights. Confidence is everywhere the parent of despotism."

The problems we face here in Kanawha county are not unique to this area. We have received thousands of letters from all parts of the country encouraging us to stand firm to preserve traditional education. A recent article in Newsweek, also published in Readers Digest, outlines the problem that is nationwide. Your action here in this legislature will be watched nationwide, and you can be leaders in a movement to restore education to its proper role of teaching and transmitting our heritage to the younger generation.

Mr. Fike further elaborates his views in the following series of editorials written for a Kanawha County newspaper:

[June 13, 1974]

MUST EDUCATION CORRUPT?

(By Elmer Fike)

I have looked at examples of the new English books that are proposed for Kanawha County schools, and I am horrified. I expected them to have some objectionable things in them after I heard the WCHS-TV editorial try to justify one book about a queer person. Curtis Butler explained the "queer" really didn't mean what we thought it did, that "queer" only meant unusual, and, if you didn't believe this, you could look it up in the dictionary. This doesn't quite jibe with the rest of the content, however, which is supposed to be relevant—that is, to relate to the language of the real world that people live in and to use language the way it is used today. It would be hard to find a person today who doesn't consider that "queer" means homosexual, yet that thought is not supposed to enter our minds.

I object to this literature because I see very little in it that is inspiring or uplifting. On the contrary it appears to attack the social values that make up civilization.

Repeatedly it pits black against white accentuating their differences and thereby, stirring up racial animosity.

It dwells at length on the sexual aspects of human relationships in such an explicit way as to encourage promiscuity.

The theme of pacificism runs throughout. It repeatedly and continuously depicts the horrors of war without ever suggesting, so far as I could find, the possibility that men have fought wars because conditions were intolerable and that some things are worth fighting for.

It concentrates on the sordid aspects of life without ever suggesting that there is, or can be, a beautiful aspect. By so doing it promotes hopelessness and fails to motivate upward.

One example of the content that I object to is found in the supplementary reader entitled, "War and Peace". This "poem to be read aloud" consists of 26 lines starting with "BombA, BombB, BombC" and continuing through the alphabet to the last line, "Bomb Z", That is the entire poem. One thing is sure—it shouldn't be hard to memorize.

Another poem has the line, "Christ said that when one sheep was lost, the rest meant nothing anymore." It is hard to imagine how a philosophy could be so completely distorted.

Another book gives examples of answers to use when accused of shoplifting to avoid prosecution. These are not just isolated examples. It was the extent of this type of propaganda throughout the books that shocked me. Time tested literary classics are crowded out by the type of writing I have described. You have to look through the books to believe it, and every parent and taxpayer should take the time to do it.

Aside from the fact that the philosophy is revolutionary and appears to attack the accepted values of our society, the series really doesn't do a very good job of teaching grammar. The course suggests that there are many dialects within our society and that the grammatical forms commonly accepted as right are not necessarily the correct ones, that expressions like "he don't understand" can be perfectly acceptable. It appears to promote the use of "aint" as acceptable.

I use "aint", but I always know it is not correct, and, furthermore, I didn't have to go to school to learn to use it. This brings up the real objection to this curriculum: Why spend money to teach the very things that uneducated people do naturally? Historically the goal of education has been to raise the level of society, but these books take the reverse view and aim to level society to the lowest common denominator. If that is the goal of education, then we don't need to spend a lot of money to do it. It would occur naturally.

[Oct. 10, 1974]

PURPOSE OF EDUCATION

(By Elmer Fike)

The current textbook controversy may be the result of a difference of opinion about the purpose of education. Late in the nineteenth century the secondary school curriculum was primarily concerned with college preparation. In 1918 the Seven Cardinal Principles of Secondary Education were formulated, and these principles have been considered, at least until recently, the basis of secondary education.

Briefly, these principles or goals, as itemized by Encyclopedia Britannica, are command of the fundamental processes or the three R's, health, worthy home membership, vocational preparation, civic education, leisure time activities, and ethical character. This appears to be a very practical list of what most people expect from the educational system. Admittedly, the real objective of three of these principles could be questioned—worthy home membership, civic education, and ethical character. However, it does seem reasonable to suppose that the object would be, in each case, to educate the student to the highest standards possible and that the student would be taught the highest ethical, home, and civic standards embraced by the bulk of the community. This is what parents mean when they say, "I want my children to have a better education than I had."

In recent years there appears to have been an erosion of this classical concept of education. The teachers are considered to be change agents—that is, agents in making various social values more acceptable. Another function of teaching is to make "education more relevant to the forgotten ethnic and socio-economic groups." In other words the teacher is not to suggest that keeping pigs in the house does not promote the "worthy home", but rather that if pigs are kept in the house by some socio-economic groups it is acceptable conduct and to disapprove is a form of social snobbery.

Stated another way the classical approach to education was an attempt to improve (change) the student to the most acceptable behavior pattern. Under current trends the object of education is to teach that there is no such thing as a preferred form of behavior. There may be different forms, but they are all acceptable, and who can say one is better than another?

I have recognized that this new philosophy was becoming wide spread, but I was shocked to find it had even penetrated the churches. This past Sunday I read a leaflet handed out in the United Methodist Church about a scholarship program in which the church

financed "Crusade Scholars". One such scholar, Penelope, 22, doesn't believe the traditional theory that says people are maladjusted to their environment. "I am for changing the institutions to meet the needs of people instead of changing people to meet the standards of institutions," she said.

This is a very clear statement of newer educational philosophy. You don't try to improve students because who can say what is improvement? Rather, you change the institutions to adapt to the people as they are. The acceptance of this philosophy by the schools is bad enough, but it is hard to imagine the church endorsing such a philosophy. If there is one organization that is supposed to change people's lives, it is the church. Yet, if the churches have embraced Penelope's philosophy, it is not surprising that the preachers of some of the leading churches have endorsed the controversial textbooks.

[Dec. 12, 1974]

ACADEMIC FREEDOM AND CENSORSHIP

(By Elmer Fike)

Bill Buckley in his book, "God and Man at Yale", points out that the scholar may perform two distinct and separate functions. He is a teacher, and he is a seeker for truth. As a seeker he enjoys academic freedom, and he promotes his viewpoint without interference. He may not always be correct, but, if not, his views will probably not last. It is only by free expression that new ideas, deeper truths and ultimately a better consensus are established. Academic freedom is essential to the process.

When the scholar teaches, his job is to promote accepted truths that are laid down by the organization that hires him. A math teacher would not be allowed to teach 2 + 2 = 5. In the field of social studies the truth is not so clear, but certainly there are some values that cannot be denied. For instance, a teacher should not be allowed to teach that there is more freedom of speech in Russia than in the United States even though some Communists make that claim. Too many teachers use the cry of academic freedom as propaganda to discredit deserved criticism even when they are not in research requiring that freedom.

Censorship is another loaded word that is often misused to create a false impression rather than to express a truth. There are so many books and other materials available that some selection must be made. As surely as some books are selected others must be rejected. When is the choosing of one book and the rejection of another a legitimate selection process and when is it undesirable censorship? Too often the answer is: if you agree with the choice, it is legitimate selection; if you disagree, it is censorship. Used this way the word censorship becomes propaganda in the worse sense.

It may be honestly claimed that censorship rarely applies in the selection of textbooks. Censorship implies that the book is banned and its printing forbidden. In the selection process the book is not banned, it is just not chosen. The publishers are free to print and to sell if they can find a buyer, and anyone who wants it can seek it out.

Are there reasonable criteria for the selection of textbooks? Professor Duncan Williams in the Marshall University Distinguished Lecture Series, "The Age of Intemperance", tells how one of his manuscripts was submitted to twenty-seven publishers before it was accepted, but once it was printed it was nominated book of the year by four leading British papers. He inquired of a friend in one publishing firm why his manuscript had been rejected and was told, "If you could assassinate the President of the United States, commit genocide, ritual murder, or be caught in some as yet undiscovered form of sexual aberration, then you might attract my editor's attention."

Too true. Much literature, even that being used in schools, is written by people whose only accomplishment is the commission of some crime. The acceptance of notoriety gained by the commission of a crime as a substitute for fame won by hard work and solid accomplishment is bound to instill a false set of values in the young.

This suggests one guideline: no material should be selected if authored by a person whose only claim to fame is notoriety obtained by the commission of a crime. It is, of course, possible that a criminal could write good literature, but it should be required to stand the test of time before approving it for textbooks.

There are other reasonable criteria for selection of textbooks. They should not contain language that is unacceptable in decent society. They should not tear down accepted social values. They should not contain language offensive to any substantial minority, ethnic or religious group. When controversial material is used, it should be balanced by a variety of viewpoints.

The country has enjoyed the benefits of a reasonable selection process along these guidelines for generations. It will be sad if a misuse of the terms academic freedom and censorship results in the destruction of a system that has worked so well.

[Jan. 16, 1975]

TABOO

(By Elmer Fike)

The more I look into the textbook controversy the more I am concerned with the drastic changes in approach to education that are taking place. For instance, all through history things that were recognized as wrong or evil were considered taboo and were not discussed or studied. Taboo is defined as "a prohibition instituted for the protection of a cultural group."

New educational philosophy denies the value of a taboo as a means of protection. It is considered that it is better to study evil in all its aspects with the idea that the student will recognize the inherent wrong and make the decision on his own to avoid that evil. In so doing it is expected that he will learn by the process how to determine right from wrong and be in a position to make good value judgments in other situations. This sounds good but does it work?

On the Phil Donahue Show a Dr. Wilson of Kenosha, Wisconsin, made the statement that since drug education has become so comprehensive the use of drugs by young people appears to have increased, and he asked Rev. James Lewis for a comment on this subject. Rev. Lewis' answer—(non-answer would be more descriptive) was, " I am surprised that a doctor would make that statement."

It is not surprising that increased use of drugs would result from the instruction. The information is so complete that it is bound to raise the students' curiosity and promote experimentation. One of the tapes in the current adoption goes into great detail about the sensations derived from using marijuana and gives the techniques to achieve maximum benefits. How can a student resist the temptation to try it out? Obviously, many do not resist and do try it out.*

After the Phil Donahue Show a local educator who is very much concerned about this new approach called me on the phone, and he suggested that the supporters of the books be asked two questions: 1. What is the desired educational goal from the use of these texts? 2. How will the progress toward reaching those goals be evaluated?

For instance, it would be instructive to look further into the case of Virginia Hunter who was so critical of Alice Moore on the Phil Donahue Show. She bragged that she had taken her son to X-rated movies since he was fifteen years old. What did she hope to accomplish, and how well did she achieve her goals? How has her son turned out? Also why not investigate some local case histories of children of parents who advocate dropping taboos and familiarizing their children with evil? How well has it worked?

The results in the so called progressive approach have not been widely publicized, but there is a growing concern that the basic skills are not improving. One mother whose son graduated from what is considered the most progressive high school in the area gave me the scores of the college bound students from that school. In three out of four subject areas the scores were below the national and state average and only average in the remaining subject area. The well documented rise in venereal disease nationwide and the rumors of increased pregnancies among high school students from that same school indicates that emphasis on sex education has not even improved results in that subject.

It is high time we ask these questions: What are we trying to accomplish, and how well are we doing it? Give us some data, please.

*A famous quotation from "An Essay on Man" by Alexander is highly appropriate.

Vice is a monster of so frightful mien,
As to be hated needs but to be seen;
Yet seen too oft, familiar with her face,
We first endure, then pity, then embrace.

PUTTING ENVIRONMENTAL CONCERNS IN PERSPECTIVE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BROWN of California. Mr. Speaker, the rhetoric that has surrounded environmental issues in recent years has clouded the fact that, prior to the environmental protection legislation of the late 1960's and the early 1970's, the trend of our modern, industrial society was toward a gradual destruction of the basic ecosystem upon which all life is based. The purpose of environmental legislation was not only to move our society back into balance with nature, but to protect the health and welfare of people. We have made progress, but we have only begun to solve the multitude of environmental problems that our own way of life has caused.

The near unanimity surrounding some of the earlier environmental legislation existed partly because many of the current opponents did not understand the legislation, or they did not believe that it would be enforced. Those who were advocating that legislation knew that the true test of their programs would come once serious enforcement began. The current controversies are not over whether we need the laws; we do. The debate is over whether we can afford them. I submit that only someone who is very shortsighted would conclude that we cannot afford to protect the environment and the health of the people who live in it.

Some skeptics actually doubt that the public is concerned about the air they must breathe, the water they must drink, the food they must eat, the conditions of the places they have to work, not to mention the future of their children. In the last Congress several of my colleagues actually claimed that only a small band of environmental extremists were behind new and old environmental legislation. I had thought that the multitude of public opinion surveys, and the results of State, local, and Federal elections would convince the most dubious person that the public concern for the environment is real and justified. Recent statements by some elected officials demonstrate that I expected too much.

The Congress now has before it numerous proposals to both strengthen and weaken the efforts to protect the environment. Our pursuit of more energy will have the most significant impact upon the environment of any action that we take. The public recognized this fact, and in many areas last year the energy-environment issue was an important election issue. This was to be expected, given the reluctance of many elected officials to recognize the depth of public concern, and respond to it.

Perhaps all candidates should have been supplied with a copy of the Environmental Task Force Report of the Federal Power Commission's National Power Survey. This report, which was released in January 1974, stated:

Public concern for the health, environmental, societal and welfare impacts of energy-related activities has become the single most important issue limiting the growth of domestic energy production. These public concerns are directed at observable as well as suspected deleterious aspects of the discovery, extraction, transport and processing of fuels as well as their conversion to produce energy.

These concerns are legitimate, urgent, and unavoidable. They dictate that health and environmental considerations be integrated with the large-scale technological developments associated with the achievement of energy self-sufficiency They demand that a broadly based vigorous and effective program be conducted in parallel with and closely coupled to the technology R&D to guarantee minimal effects on man and his environment.

Mr. Speaker, last year environmental legislation was bitterly debated, often irrationally. This year I hope that reason prevails, and the Congress represents the public that it was elected to serve. I have hope that this will be the case, and for this reason I was pleased to see in the March 2 issue of the Washington Post an article that seems to confirm this hope.

I ask that the Washington Post article be printed in the RECORD at this time.

The article follows:

LOBAYISTS CITE NEW PERCEPTION—GOOD YEAR SEEN FOR ECOLOGY

(By George C. Wilson)

Environmentalists and Rep. Sam Steiger—and the Arizona Republican they have targeted for political extinction—seldom agree on anything. But they do agree that 1975 will be a good year for environmental causes.

With all the emphasis on producing more jobs and energy, one might expect 1975 to be the year Congress would weaken or repeal laws designed to protect air, water and land.

Not likely, say those who should know, except for such relatively minor concessions as giving auto makers and power companies more time to meet clean air rules.

"The optimism of the environmentalists is remarkably well-founded," Steiger said in an interview.

"Congress is still reluctant to take on the environmental lobby," said Steiger who has been put on the environmental action lobby's "Dirty Dozen" list of politicians it wants defeated.

"The public is ahead of the Congress in its rejection of environmental extremists," he continued. "It is a credit to the environmental lobbyists that they can squeak louder than the public."

Louise Dunlap of the Environmental Policy Center, a privately financed pressure group backing a tough federal strip-mining bill Steiger doesn't like, is one of the lobbyists he had in mind.

While optimistic about 1975 for environmental causes, she said Steiger is all wrong to credit lobbyists for the favorable political climate.

"What has finally happened," said Dunlap, "is that those guys up here realize that good environmental rules are good business." It's not just an eco-freak or worker health and safety issue any more.

"Look at this strip-mining bill. The politicians who have really studied it realize it will create jobs, not lose them," Dunlap said. "Look at black lung disease. It costs millions to pay miners their benefits. So anything that reduces black lung disease saves money in the long run. This is the new perception about environmental rules."

Rep. John F. Sieberling (D-Ohio), grandson of the founder of the Goodyear Tire & Rubber Co. and more a cool-eyed lawyer than an eco freak, agreed.

The strip-mining bill he supports and Steiger opposes will provide one job reclaiming the land for every two mining jobs, Seiberling said "The strip-mining bill makes good business sense. It doesn't restrict coal production. It makes everybody play under the same rules

"I said in the House the other day that it's time for the Congress of the United States to show that it's not controlled by the oil industry and they applauded me," Seiberling said.

"I think that said something about the mood up here this year. Environment is here to stay. If not none of us is."

Presidential hopeful Rep. Morris K. Udall (D-Ariz.) thinks environmental planks still are sturdy enough to support a politician with White House ambitions. In speeches he makes around the country, Udall said, "I tell them that the last three decades were great ones but that the old era has gone: that there is no sense trying to bludgeon our way back to it; that the next 30 years can be great, too if we're willing to go leaner; that the way to get out of this mess is not more of the same . . .

"I hold out a whole laundry list of things we could do to help the economy and the environment at the same time—build small cars instead of the big gas-guzzlers; rebuild the railroad beds of this country; rebuild the inner cities instead of trying to build another ring of suburbs. . . . I tell them that Bay Area Rapid Transit and Washington's subway are the two biggest employers of construction workers in the country, that mass transit can mean jobs."

Udall said people are responding. "If I can be identified with a new set of issues," he contended, "I've got just as good a chance as anybody" of being elected President. "People seem to sense I'm something new—a new face in tune with a new era."

In the Senate, Gaylord Nelson (D-Wis.) has been championing bills to protect land, air and water for a decade—long before it was politically fashionable. In fact, he said he organized Earth Day, a 1970 national demonstration of support for safeguarding the environment, "to convince the damn politicians that there was a constituency out there I wanted to convince people who had to get votes that environment was an issue they could run on."

Nelson said the Arab oil embargo of 1973 also helped "convince people that things were running short and we were getting in a hell of a mess."

Now, he said, "there is a much better understanding of what rules to protect the environment and conserve resources are all about."

Nelson predicted that Congress would ease up on some environmental rules such as auto exhaust standards, but would make no dramatic changes on environmental legislation in 1975.

Sen. Edmund S. Muskie (D-Maine), chairman of the Senate Public Works Air and Water Pollution Subcommittee, agreed. He is author of the Clean Air Act of 1970—the tallest lightning rod for protests from both the Ford administration and industry executives.

Muskie said Congress probably will have to loosen up the clean air rules to some extent this year, "but there is still a very strong public pulse" for them and "a real reluctance to see the Clean Air Act thrown overboard."

Stewart L. Udall, secretary of Interior in the Kennedy administration, said governors are a new force for environmental caution—as evidenced by the Eastern governors' fight against opening up the Atlantic to drilling for oil and Western governors' resistance to strip mining the West of coal and shale.

"They want to have a say about the future of their regions," Udall said. "This makes the states a counterweight to (Secretary of Interior Rogers C. B.) Morton's 'gung-ho, let's ransack' approach "

Morton rejected charges that he is forgetting environmental concerns as he pursues new sources of energy. He agreed that 1975 need not be the year for repealing environmental laws. Amending the Clean Air Act to permit burning more coal is the biggest change needed, he said.

Morton added that the Ford administration energy policy of conserving fuel fits right into the environmental ethic.

Administrator Russell E. Train of the Environmental Protection Agency said recently he believes the nation's environmental movement has "come of age over the past year. Despite the fact that we have been sorely beset with energy and economic difficulties at precisely the time when the financial and other impacts of our environmental programs were beginning to be felt, the commitment of the American people to environmental progress has remained firm.

"The old cliches that everything relates to everything else and that we live in an interdependent world have become the fundamental fact of our economic, social and political life," Train added.

Russel W. Peterson, chairman of the White House Council on Environmental Quality, said he can answer with a resounding "no" whenever he is asked if national concern for environmental quality is waning.

Spot checks showed several environmental organizations shared this sense of optimism partly because of the addition of several environmentally minded legislators to the House in the 1974 elections.

Contributions and membership are on the upswing, according to officers of such organizations as Environmental Action, National Audubon Society, Sierra Club and Wilderness Society.

"We're fairly optimistic about 1975," said Peter Harnik, coordinator of Environmental Action. He said the group will try to show the link between jobs and such environmentally desirable projects as rebuilding cities and spending Highway Trust Fund money on mass transit.

"This new Congress is much better," said Dick Lahn, Washington representative for the Sierra Club. "We're hopeful of getting the land-use and strip-mining bill passed this time. The biggest threat is that our critics will try to make environmental standards the acapegoat for the recession."

UMI

CONGRESSIONAL ACTION PROPOSED TO BLOCK APRIL 1 OIL PRICE DECONTROL

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. HEINZ. Mr. Speaker, after a full week of hearings before the Energy and Power Subcommittee, I have concluded that President Ford's announced decision to free all oil from price controls by April 1 is completely unjustifiable. Not only is it unlikely to result in increased domestic petroleum production in the next 3 to 5 years, but it is dangerously inflationary and recessionary as well.

The subcommittee heard testimony directly from administration officials that there is little this Congress can do which will substantially increase domestic oil production in the next 2 to 4 years. In fact, domestic production is likely to continue its decline at the rate of 300,000 to 500,000 barrels per day until new oil flows from Alaska's North Slope and from now untapped offshore areas.

Testimony also confirmed my belief that the President's approach would be inflationary because it would directly increase domestic oil prices by at least $11 billion per year. With an expected "ripple effect" of increased oil prices of 1.5 to 2 times the direct cost, the total increased annual costs to the American consumer of $16 to $22 billion are just too much particularly when no substantial jump in domestic production is likely.

Finally, the President's approach seems almost certain to deepen the current recession. Price increases for all petroleum products will work their way through the economy, further restricting purchasing power. As a result, industrial production will be depressed, more economic stagnation will ensue and more Americans will find themselves out of work for longer periods of time.

Mr. Speaker, the President's stated goal in boosting oil prices is twofold. He wishes to provide greater economic incentives for increased domestic production of oil while simultaneously reducing the present high demand for petroleum products. Both of these are aimed at halting our growing dependence on imported oil.

Clearly, these are necessary and laudable goals. We cannot take issue with them.

But with no evidence that the President's decision to decontrol oil prices will achieve those twin goals, Congress cannot standby while soaring petroleum prices rebound again and again through an already weakened economy.

What is needed is a program incorporating unavoidable price increases and tough but achievable mandatory conservation. Mandatory measures such as those for better automobile gas mileage should be enacted at once. Increased consumer prices from, for example, a higher gas tax should be phased in over several years but announced at once. An announced phase in of this kind would allow people to change wasteful habits and to make orderly plans for a transition to a more energy-efficient economy. It would also help us prevent the crushing of lower and middle income taxpayers under a double burden of higher energy prices and higher energy taxes and it would prevent damaging the economy still further.

As a first step toward developing such a program, Mr. Speaker, today I am introducing legislation which will block the President's announced policy of unilaterally lifting all price controls from domestically produced oil by April 1. This legislation, which this week will be taken up by the full House Commerce Committee, would require that any Presidential decision to yank price controls off oil be submitted to the Congress with veto by either House within 15 days of submission blocking implementation of decontrol. In the spirit of compromise and cooperation, however, my bill also would grant the President authority to submit to Congress a plan for a program of gradually increasing domestic oil prices. Any Presidential proposal would have to be accompanied by a comprehensive and fully documented economic impact statement assessing the cost of the proposal to both consumers and industry. If Congress refused to veto such a plan it could then go into effect without requiring congressional review of each and every price increase.

I believe this legislation is a sound approach. It would put Congress on record as opposing precipitous, and potentially disasterous oil price decontrol. Yet it would provide the President with the opportunity to propose a plan to Congress, and then to persuade Congress and the American public that his proposal for increased petroleum prices is not only necessary, but will work.

GUN CONTROL HEARINGS TO CONTINUE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the House Committee on the Judiciary will continue hearings this week on more than 20 proposals to amend the Federal firearms laws. During the past 2 weeks, the subcommittee has heard testimony from Members of Congress and will now begin its public phase of hearings.

Hearings will be held on Wednesday, March 5, and Thursday, March 6. Wednesday's hearing will be held in 2237 Rayburn House Office Building at 10:30 a.m. Witnesses scheduled to testify include: William Rochford, police superintendent, Chicago, Ill., and Hubert Williams, police director, Newark, N.J.

Thursday's hearing will be held in 2226 Rayburn House Office Building at 10:30 a.m. Witnesses scheduled to testify include: Reginald Eaves, public safety commissioner, Atlanta, Ga., and Jack Jensen, chief of police, Minneapolis, Minn.

Those wishing to testify at a future hearing or to submit a statement for the record should address their request to the House Committee on the Judiciary, 2237 Rayburn House Office Building, Washington, D.C. 20515.

A RECENT WASHINGTON REPORT ENTITLED "THE 94TH CONGRESS OPENS"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my January 22, 1975, Washington Report entitled, "The 94th Congress Opens":

THE 94TH CONGRESS OPENS

The 94th Congress started to work this week, dominated by the Democrats and under enormous pressure to act on the country's major problem—the economy. This session of the Congress may not match the drama and excitement of the Watergate dominated 93rd Congress, but it promises to be neither predictable nor dull.

The distinctive mark of the 94th Congress as it opens is the air of urgency. The people expect the Congress to move quickly to provide solutions for the dual dangers of recession and inflation. The early days of the Congress will be dominated by a search for remedies to the deteriorating economy. Members of the Congress are keenly aware that the pressure is on to produce a solid legislative record, including a broad economic package as either an alternative or complement to President Ford's program. A tax cut of some magnitude seems certain.

In the past the Congress has awaited President initiatives, organized ponderously, and produced very little legislation early in the year. But my feeling is that the 94th Congress is ready for work now and that it will make major initiatives in formulating national policy.

With the strong Democratic majorities in the Congress (2 to 1 in the House and 3 to 2 in the Senate), some observers are predicting the 94th Congress will dominate the President; others see a Congress and a President unwilling to compromise on key issues, producing a stalemate. Undoubtedly the veto and the efforts to override the veto will be much in evidence in the 94th Congress, but the sharing of power between a President and a Congress of different parties and different philosophies is common in recent American history, and it should not cause despair. In a nation as big and diverse as America, divided authority may represent a balance among competing groups in the country, and it often produces effective government. No one should expect harmony or unity always to prevail in the American system. The real test is whether the conflict within the Congress and between the Congress and the President produces constructive legislation.

The 94th Congress will flex some new muscles. For the first time budget committees and a budget office will allow Congress to set its own spending totals and priorities. The new budget procedures, which will not have their full impact until 1976, provide the Congress with the informational and analytic tools to deal rationally with the whole budget, and they could produce sharp clashes between the Congress and the President.

The reluctance of the Congress to play a role in foreign affairs is diminishing after its success in reducing the American military commitment in Southeast Asia and cutting off aid to Turkey. Secretary of State Kissinger plans to launch a massive effort to persuade Congress to give him more flexibility in his day-to-day conduct of foreign affairs. Foreign policy battles loom over expanding aid to South Vietnam, which the President wants and the Congress does not, and over detente where conflict could arise if the Congress thinks the President is not getting adequate concessions from the Russians.

A variety of measures left over from 1974 are certain to engage the Congress in 1975. These include environmental measures such as strip mining and land use controls, consumer measures such as a consumer protection agency, and, of course, tax reform. The Congress will be faced with several unpleasant choices to bring about the required conservation of energy, and a civil rights fight is shaping up over the extension of the Voting Rights Act. President Ford's threat to veto any new spending programs has apparently finished prospects for national health insurance or major welfare reform this year.

Every Congress has a major investigation or two, and early in this session Congress will undertake a major examination of the Central Intelligence Agency and the foreign intelligence activities of the government.

A big question in this Congress will be the impact of the 92 new activist freshmen Congressmen. The widespread fear is that they are too far to the left, but that view is probably overdrawn. The new Members are eager, not wild or wooly, but practical politicians, sensitive to issues of government accountability and secrecy, suspicious of big government, strong on reforms, but certainly not advocates of big spending social programs. Like everybody else, they are deeply worried by the economic problems.

Another question about the 94th Congress is the impact of the House rule changes designed to give the rank and file members more voice in legislation. These changes have transferred considerable power from a handful of Committee Chairmen to the Caucus of all House Democrats and removed several procedural roadblocks, but it remains to be seen if the House can marshall its power effectively. Still another question in the new Congress is the performance of a batch of new Committee Chairmen.

Predictions about a new Congress are not worth much, but my guess is that the 94th Congress will not be a "do nothing" Congress, and it just may be one of the most active in years.

COMPROMISE ON ENERGY

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr ANDERSON of Illinois. Mr. Speaker, I was encouraged to read in this morning's papers that a task force of the Ways and Means Committee has agreed on a tough energy package, in marked contrast to the weak plan advanced by the joint House-Senate Democratic Caucus task force last Friday. I think Chairman ULLMAN accurately characterized the latter package as "watered down." As I pointed out Friday, the Democratic Caucus plan is so watered down it may generate some hydroelectric power if nothing else. The partisan panel bit the bullet and drew a blank. Our legislative committees have their work cut out for them in filling in all those blanks, but it is apparent that the Ways and Means Committee is off to a constructive beginning in that effort. Moreover, the committee proposal does offer considerable hope that a compromise may be reached with the administration since the two plans are closely parallel in their market approach to the problem, the main difference being timing.

Mr. Speaker, if as expected, the President does announce today a delay in imposing further oil import tariffs, the way will be paved for working together on an acceptable compromise. As Senator PASTORE hinted last night, we could avoid a showdown over the veto of the bill to block the President's initial actions. I commend the Ways and Means Committee on its work thus far and on proving that the committee approach to legislative problems is far superior to the caucus approach.

THE GIRL SCOUT STORY

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. NATCHER. Mr. Speaker, Girl Scouts are traditionally action-oriented, but I daresay they are busier than ever just now. March 12 will mark the 63d anniversary of Girl Scouting in the United States and Brownies, Juniors, Cadettes, and Seniors in our 50 States are preparing for this event. Throughout the Nation it will be a week of celebration—a time to tell the Girl Scout story.

The founder of the Girl Scout movement in this country was Juliette Gordon Low, who organized the first troop in Savannah, Ga. In 1912, Mrs. Low described the movement as "something for the girls of Savannah and for the girls of all America." Mr. Speaker, Mrs. Low's "something for the girls" has grown into the largest voluntary organization for girls in the free world.

Dedicated to the noble purpose and high principle, Girl Scouting has enriched the lives of generations of Americans. It has brought together people of all races, of all creeds, from all backgrounds, and given them the opportunity to be a part of the worldwide family of scouting. The Girl Scouts of the U.S.A. is a member of the World Association of Girl Guides and Girl Scouts, an organization which each year sponsors hundreds of international exchange visits, conferences, and seminars.

In addition to encouraging understanding and friendship among youth of all nations, the Girl Scouts were among our earliest environmentalists. Outdoor education has always been one of the prime interests of Girl Scouting. It was known as "conservation" during those first years. Today it is called ecology but by whatever name, the focus is unchanged. Girl Scouts continue to learn the need for ecological balance in the world around us and ever the youngest members recognize and respect our natural resources.

Equally as important, Girl Scouting provides a constructive outlet for the girls' energies through scores of community service opportunities. Girl Scouts today are taking the lead in a diversified service program to their communities and their country. Brownies, the very youngest Scouts, regularly visit the elderly in homes and hospitals bringing to our senior citizens a very special joy, companionship, and perhaps a memory or two. Some have adopted "foster grandparents" and all have helped to bridge the generation gap in their communities.

Older Scouts tutor inner city children in reading and assist in day care centers as well as summer day camps. Guided and encouraged by their adult leaders Scouts spearhead civic improvement efforts and, because of their very special quality as Girl Scouts, are able to involve all sectors of the community.

This year Girl Scout Week coincides with International Women's Year and, coincidentally, Girl Scouts are engaged in an American Revolution Bicentennial project—"Hidden Heroines." They are searching out girls and women of the past and present—those who have contributed to the building of our great Nation—and plan to honor them during the celebration of our country's 200th birthday in 1976.

Girl Scouting is many faceted—a movement with multipurpose. It is a program with sometimes correlated, sometimes separate projects—all of them viewed toward responsible citizenship. Scouting's program is specifically designed to encourage the girls' self-development, their self-reliance, and self-esteem. At this particular time when so much depends on the vision, the faith, and the moral character of the emerging generation of Americans these are qualities to be appreciated—these are the qualities of Scouting.

Today nearly 4 million girls and adults are involved in the Girl Scouts of the U.S.A. I congratulate them and would say to every member, every leader, that I hope you continue to "face forward and reach to the light."

QUINCY WAS ALMOST HANCOCK

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I am sure that the following articles, part of a series on the Bicentennial Celebration in Quincy, Mass., will be of interest to my distinguished colleagues:

STORMY DEBATE: QUINCY WAS ALMOST HANCOCK

(By Henry Bosworth)

If some of the early settlers had their way, you would be living in the city of Hancock today instead of the city of Quincy.

Quincy, like George Washington, was born on Feb. 22.

On Feb. 22, 1792, the General Court of Massachusetts passed an act incorporating the North Precinct of Old Braintree as the separate town of Quincy.

But, just before that, quite a few of the residents wanted the new town named after native-son John Hancock instead of Boston-born Col. John Quincy.

Colonel Quincy, who had represented Old Braintree in the General Court, was the great grandfather of President John Quincy Adams.

Many people today think Quincy was named after the sixth President but the honor actually goes to his great grandfather.

John Hancock who was born in the North Precinct, was governor of Massachusetts when the General Court passed the act incorporating the new town as Quincy. He signed the act the following day.

But at the first town meeting of the new town in May, a petition was presented to change the name from Quincy to Hancock in honor of the patriot and first signer of the Declaration of Independence. This move was finally defeated after a stormy verbal battle.

Opponents argued that Hancock was still alive and that the honor should go to a distinguished—but deceased—person.

Colonel Quincy met those requirements. He was both distinguished—and deceased.

He had represented Old Braintree in the General Court from 1717 to 1741—12 of those years as Speaker of The House. He died in 1767 at age 77—two days after John Quincy Adams was born.

Quincy became a city June 11, 1888.

Thus, on Feb. 22, Quincy will mark its 183rd birthday as the community of Quincy.

But a lot of people—residents and tourists alike—will go right on thinking that Quincy was named after John Quincy Adams.

HAND-BLOWN BOTTLES HONOR JOHN HANCOCK

Hand-blown glass bottles, bearing the face of Quincy-born John Hancock, first signer of the Declaration of Independence, are now on sale in the Quincy Heritage office in the Quincy Center MBTA Station.

A limited edition of 500 John Hancock bottles will be sold at $5.50 each, to raise funds in support of the city's 350th anniversary celebration in 1975. The first 100 bottles will be sold at $11 each and the buyer will receive a certificate of authenticity bearing the bottle's number.

The amber-colored bottles were produced by the Clevenger Brothers Glass Works in Clayton, N.J., which is one of the last companies in the country to use glassblowers to make bottles.

John Hancock was born Jan. 12, 1736 on the site now occupied by the Adams Academy, the new home and museum of the Quincy Historical Society.

The signature of John Hancock is considered to be one of the most famous in the world as it appeared, so boldly and defiantly written, at the head of the names of the 56 patriots who mutually pledged their lives and fortunes by signing the Declaration of Independence.

As president of the Continental Congress, John Hancock was the first to sign, and he wrote his name, according to popular belief, so that King George III "could read it without his spectacles".

Hancock's father was a minister in Quincy which was then a part of Braintree. John Hancock probably would have been a minister, too, had his father not died when he was seven years old.

Upon his father's death, Hancock was adopted by his childless uncle, Thomas Hancock, a rich Boston merchant.

College was entered at a far younger age in those days than now, and at 13, John Hancock entered Harvard College where his day began at 6 a.m.

Upon his graduation from Harvard in 1754, he became a clerk in his uncle's warehouse at Long Wharf, Boston. For six years he worked to master every detail of the business which involved the shipping of colonial products to England, the importing and selling of English goods in Boston, and the managing of the warehouse and ships.

John Hancock was a member of the convention which met in Cambridge to draw up a constitution for the Commonwealth of Massachusetts. On Oct. 25, 1780 he was proclaimed the first governor of Massachusetts under this Constitution by an overwhelming majority. He was re-elected annually to the office until his death, with an interval of two years when James Bowdoin was Governor.

It is estimated that Hancock contributed about $100,000 to the American Revolution; a tremendous fortune in colonial America. He died on Oct. 8, 1793, at the age of 56.

WOMEN IN THE WORK FORCE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FRASER. Mr. Speaker, in this period of a shrinking labor market, women workers often find it even harder than men to locate decent jobs. An article by Sandra Katz appearing in the University of Minnesota's Minnesota Daily of February 13 offers some useful insights. We print it here for the benefit of women and men outside the university community:

WOMEN WHO WORK, OR HOW TO KEEP OUT OF YOUR CHILDREN'S AFFAIRS

(By Sandra Katz)

As a 35-year-old mother of two, ages 17 and 15, I decided there must be more to life than hanging around waiting to be needed by kids who don't want or need all that interference. Education seems to be the answer, but what kind of education? It seems ridiculous to go to school x number of years and come out educated but unable to get an interesting, well-paying job. After all, women live to an average age of 74 and that's a long time to sit around twiddling your thumbs. I decided to find some answers concerning what could be done to move me gently through the "empty nest" syndrome and on into the next phase of my life-in other words, I wanted to be a "New Woman" too.

My questions are: Where are the jobs? Will they pay women the same wage they are paying men? What's being done to guarantee that there will be jobs for women? What's happening out there for women like me, women trying to break out of the mold and begin a new life?

After wading through piles of information put out by the U.S. Department of Labor and dozens of magazines, two facts became increasingly clear.

One: 70 percent of women still get into "women's occupations." "Women's occupations" are defined as the helping professions—teaching, counseling, psychology, etc. Occupational Outlook Quarterly put out by the Bureau of Labor Statistics also reports that there are more women than ever in the labor force and that the law of supply and demand indicates that the traditional fields of employment for women will not be able to absorb the tremendous increase of women college grads over the next 10 years. As a result, the trend appears to be lower wage rates in occupations overcrowded with women (as if wages weren't low enough already). My first conclusion is to stay away from women's occupations.

Two: 80 percent of the jobs to be filled during the '70s will not require a college degree but many of these jobs will require a post-secondary education. This fact was stated in a government publication "Careers for Women in the '70s." Although there are shortages in professional occupations such as dentistry, chemistry, medicine and ecology, 80 percent is 80 percent, so my second conclusion is that perhaps a two-year degree would be better at this point than a four-year degree.

With these two conclusions in mind, I dug further and tried to find-ahem-"men's occupations" with shortages.

Following are a few mentioned in Occupational Outlook Quarterly, summer 1974 edition:

An average of 33,000 new jobs open each year for engineering and science technicians, and increase of 45 percent over the 1968 levels. These new openings are a direct result of increasing complexity of modern technology. These look like good prospects for graduates of training programs offered by junior colleges. In addition Monthly Labor Review states that two-thirds as many women as men have engineering aptitudes, according to a study of 11th grade students made by the U.S. Department of Labor.

Our nation is also facing an increasingly serious shortage of professional and semi-professional health workers. Semiprofessional assistants, also known as paramedics, have become a key factor in the effort to ease the shortage of professional health workers. The U.S. Public Health Service estimates that the number of workers required will rise from 337,000 in 1967 to 530,000 in 1980—a 72 percent increase. This shortage should provide good job opportunities for both women and men graduates of two-year college programs.

Another great field is ecology. There is a lot of pressure these days to clean up, restore and conserve the environment. This will provide opportunities with a good outlook for a variety of workers. For example, environmental technicians will be needed for work related to radiation protection, pesticides, rodent control and industrial hygiene.

Now that I've some idea as to what things are going to be like in the future, the next logical step is to uncover the trends as far as women in general are concerned.

In politics, women have made good gains. In 1973, 425 women were serving in state legislatures, a big change from the 1972 total of 350. Many of these women have run activist campaigns geared to women. Unhappily, women still have problems getting constituents to take their campaigns seriously. Nevertheless women are fighting and some are winning at the state and local levels against some very tough odds. Sen. Clara Weisenborn, a Republican who has been in the Ohio Legislature for 18 years, put it simply when she said, "There isn't a single, solitary door in this world that will open without pushing." And women have begun to push and push and push. I feel that the political frontier of 1974 for women will not be a frontier much longer but a full-blown part of our society.

Another factor that should help overcome the gap between men's and women's wages is that women are beginning to organize unions. An example is "Union Women's Alliance to Gain Equality" of Berkeley, Calif. The union's main goals and objectives are equal pay for equal work for union women and to raise the issues of maternity leave and equal opportunity for advancement. Women are also beginning to organize within existing labor unions to bargain for equal access to training opportunities, including job posting.

Felice Swartz, head of a nonprofit employment agency called Catalyst, organized to help women find employment, says that most large companies are feeling the pressure of

antidiscrimination legislation. She says our society has just discovered women as far as job capacity is concerned.

Another important piece of information is that the Bureau of Labor Statistics found that within individual businesses employing both sexes in similar occupations, wage differences were small. The bureau also found that whereas men's wages were the same whether or not they worked in establishments employing men and women, women's wages were consistently higher in establishments employing both sexes than in those employing only women.

All this information makes it obvious that women should change their career aspirations, especially in view of the fact that openings in the usual women's occupations will not be sufficient to supply jobs for all women seeking work. Financially women still have a way to go but as more and more women get into politics, organize unions and push open doors in more and more fields, I feel that the earnings gap will eventually close.

In other words women should get into fields where there are shortages of men because that's where the money, prestige and just plain good jobs are.

THE PRESS EXAMINES ITSELF

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. DE LA GARZA. Mr. Speaker, news stories appearing a few weeks ago indicated that Bishop James S. Rausch, general secretary of the National Conference of Catholic Bishops, had delivered a sermon before a congregation that included President and Mrs. Ford in which he sternly warned that it is the duty of the Nation's leaders to oppose abortion. Newspaper headlines played up the story as a direct message to the President.

As it turned out on later investigation, just 5 words in the bishop's 1,500-word sermon dealt with the subject of abortion.

How did this distorted story get on the wire services and in the newspapers?

Some answers to that question are provided in a revealing behind-the-scenes glimpse at the news business. This inside look is provided by Charles E. Seib, associate editor of the Washington Post. That paper itself, Mr. Seib admitted, was at fault in the way it handled the story. And when the facts came out the Post offered no apology for its distortion, as Mr. Seib conceded. The associate editor serves as an internal "ombudsman" for the newspaper, and in two articles on the editorial page he tells what happened.

"The public was misinformed," Mr. Seib bluntly stated.

His two articles are inserted here for the information of my colleagues:

[From the Washington Post, Feb. 6, 1975]

THE WRONGDOING OF BISHOP RAUSCH

News people feel embattled these days. A stream of restrictive decisions is coming from the courts. The investigative zeal of the press has caused antagonism and suspicion in official circles. And the public is not at all convinced that the press, heady with power, is not on a spree of troublemaking.

These are all real problems and not symptoms of mass professional paranoia. But they are aggravated by internal failings that the press could and should do something about.

One of them is a shrillness firmly rooted in American news tradition and training. Reporters at their typewriters are sometimes admonished by their editors, half jokingly, to "make it sing"—meaning make the story, particularly the first paragraph or two, so compelling that the reader will not be able to resist it. It is one way we achieve the tone of immediacy and urgency that we assume is required in news writing. It is also one way facts can be distorted beyond recognition, particularly if some of the news business' resident gremlins—garbled words, deadlines pressures and the like—give a hand.

Our case history today could be called The Wronging of Bishop Rausch.

On Sunday, January 26, Bishop James S. Rausch, general secretary of the National Conference of Catholic Bishops, delivered a sermon at a "Red Mass" for the administration of justice. President and Mrs. Ford and Chief Justice Warren Burger were in the congregation.

The Bishop devoted the body of his sermon to five human rights listed by the 1974 Synod of Bishops in Rome: the rights to life, to food, to justice, to political freedom and to religious freedom.

Five words in his 1,500-word sermon dealt with abortion. In the right to life section he said: "Abortion directly attacks this right." In that section he also condemned euthanasia, over-emphasis on property and consumption, the arms race, violence and the tolerance of torture abroad.

Bishop Rausch did not address his distinguished guests at any time. At one point he said that the five areas of human rights he had discussed "merit the serious attention of all of us who are charged with leadership in our time."

That afternoon, United Press International put on its news wire a story that started this way:

"President Ford attended a traditional Red Mass for justice at Washington's St. Matthew's Cathedral and heard a Roman Catholic bishop tell him from the pulpit it is his duty to oppose abortion."

After noting that Bishop Rausch cited the synod's list of human rights and said that abortion violates the right to life, the story went on to say: "The bishop . . . said Ford, Burger and the other officials siting in the cathedral must 'assume a responsibility (to defend the human rights) we dare not fail to meet.'"

Apparently the basis for that paragraph was in the bishop's comments on the right to food, where he noted that this country is the world's largest food producer and said that this carries "an awesome responsibility, one we dare not fail to meet. . ."

How the bishop's adjective, "awesome," became UPI's imperative verb, "assume," is not clear. The UPI reporter who covered the service says he didn't have a text of the sermon and the public address system in the cathedral was poor.

An Associated Press story led simply with the fact that Ford and Burger attended the mass. In the second paragraph it reported that they heard Bishop Rausch "preach" that abortion 'directly attacks' the human right to survive" and that he later "offered a prayer for the protection of "unborn children'".

The next morning, the item leading the Personalities column of The Washington Post's Style section was the product of a rewrite of the two wire service stories, mainly UPI's. It began:

"President and Mrs. Ford attended the annual 'Red Mass' at St. Matthew's cathedral yesterday and heard Bishop James Rausch of Washington deliver a strong anti-abortion sermon.

"Claiming that abortion 'directly attacks' the human right to survive, Rausch said the nation's leaders must 'assume a responsibility' to oppose abortion."

Thus a quarter-hour sermon with a five-word reference to abortion had become an "anti-abortion sermon" and the country's "awesome responsibility" in the world food crisis had become a responsibility of our leaders to oppose abortion.

So far neither the UPI nor The Post has acknowledged the distortion of the bishop's sermon. The next day UPI transmitted a story quoting an official Catholic denial that the sermon was aimed at the President, but with no comment on its original story. A letter from Bishop Rausch, putting his reference to abortion in its proper context and denying that he put a plan of action before the President, appears on the opposite page today.

It should be noted that similar distortions appeared on television and in other newspapers, including the Star-News, which also published a story based on a rewrite of the wire services.

Perhaps the wrong done Bishop Rausch was less than devastating; after all, he does oppose abortion and undoubtedly he would like the President to oppose it. Perhaps it can be argued that the press merely wrongly accused him of insensitivity and discourtesy to the President and Chief Justice. Nevertheless, one conclusion is inescapable: The public was misinformed and an already sore issue became a little more inflamed.

Beyond that, this case history illustrates a broader problem. It is important to recognize that there was no malice, no intention to deceive or mislead in the handling of the Rausch story. What was operating was the constant pressure of an accepted approach to news writing in which the goal is "impact" and the prize is the reader's startled attention.

This approach goes back to an earlier, simpler era when head-on competition between newspapers was the norm and when one of the important roles of the press was to provide excitement.

Nowadays, if a reader wants excitement he can watch a shoot-'em-up on television, or simply contemplate the unvarnished facts of our troubled times. From the news media, he has the right to expect truth and accuracy and the temperance that comes with maturity.

[From the Washington Post, Feb. 27, 1975]

THE "SENSATIONAL LEAD"

(By Charles B. Seib)

Several weeks ago I commented here on the distortion of Bishop James Rausch's Red Mass sermon in a United Press International news story and, partly because of that story, in The Post.

That column elicited a number of responses, including one from a journalistic star and old friend, Malcolm "Mike" Johnson won a Pulitzer prize in 1949 for exposing the New York waterfront scandal in the old Sun; his son, Haynes Johnson, himself a Pulitzer winner, is a Post reporter. I knew Mike 25 years ago when we both were reporters for International News Service. He takes exception to my saying that UPI's error was not intentional:

"Don't tell me that UPI didn't know exactly what it was doing. It was just another case of a wire service stretching the facts to the outer limits, and beyond, in order to get a grabbing, sensational lead. Since both of us are fugitives from INS, you know and I know that this is one of the prevalent sins of the wire services. That is one of the reasons that I was very unhappy in the four years I was with INS.

"The trouble, I found, was that reporters

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were under constant pressure to develop lead, going further than did mine, and there resulted inevitably in abuses, with the hapless reporters sorely tempted to go beyond the facts, at least by implication. It is common practice by the wire services as part of the frantic, almost insane competition to get the most sensational lead possible and thereby 'take the play' over the opposition. At INS, to do that but also to compress the lead—as you well know, not only were we supposed no matter how complex the story—into one short, pounding sentence, preferably not more than 10 or 12 words. Ridiculous!

"Do I exaggerate? I hope not. I tried to play this game as best I could, albeit reluctantly and resentfully. I ran afoul of the hole in Boston, right after his return to the in reporting a speech by Douglas MacArthur United States after being fired by Truman. I have forgotten what my lead was or what MacArthur said, but it was one of the old egomaniac's typical saber-rattling speeches. Anyway, the opposition, in this case United Press, came up with a headline-grabbing leads with the greatest possible impact. This by took the play in most newspapers. The INS brass was very unhappy. How did I 'muss' the lead?

"This made me furious. 'If you mean why didn't I write a lead like the UP's,' I said, 'it's because MacArthur never said what the UP said he said. I have the text right here, and you won't find any quote to justify the UP lead.'

"I was right about that. The UP had simply stretched it. Still, I could see that the boss was not satisfied. After all, INS had missed the play, and that was what counted. This made me even madder.

"'If as a matter of policy you want your correspondents to disregard the facts and fake leads in order to beat the competition, then give us a written directive to that effect' I told him. 'Then you can have my resignation and I'll see that you get some publicity for INS as to why I quit.'

"That stopped him, but I am sure that I was never much in his favor after that. It's not surprising that I lasted only four years at INS."

Well, those were the bad old days. I must confess that I was less disturbed than Mike by the rules under which we played; the thrill was in beating the competition, never mind now. Looking back, though, I see that the devil-may-care journalism we practiced then was more dangerous than I realized. That simplistic, gee-whiz reporting, with its phony objectivity, did as much to raise Sen. Joe McCarthy from a bumbling unknown to national menace as the craven behavior of his fellow senators and the White House.

Things are different now. There are only two full-fledged wire services—the Associated Press and the UPI (the merged UP and INS), and in fairness it should be said that they have abandoned the worst practices of the past, although in the heat of head-to-head competition they sometimes slip into the old ways.

Unfortunately, those old ways, born of the pressure for speed and impact still powerfully influence our standards of good news-writing.

The wire service approach has had an important influence on the electronic media, too. Local television news shows now provide the most graphic evidence of the excesses of head-on competition to sell essentially the same product.

The techniques are different, of course. But the local news programs, with their lapel-grabbing and horse-play and occasional news distortions, can't help reminding an old-timer of those free and easy days when the three wire services scrambled for the "play."

SPERM OIL FROM NATIONAL STOCKPILE

HON. CHARLES A. MOSHER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. MOSHER. Mr. Speaker, on Thursday, February 20, I introduced H.R. 3465, a bill to authorize disposition by the Federal Government of certain sperm oil held in the national stockpile. This legislation has attracted some attention in recent days, and I would now like to enter a few remarks for the record.

Primarily, I wish to make it clear that by sponsoring H.R. 3465 I do not in any way intend to weaken or dilute the Endangered Species Act. I supported that landmark legislation in committee and on the floor, and I would do nothing to lessen its value or potential.

However, there are very stringent technical provisions of the Endangered Species Act—ESA—which caught both the Government and several civilian firms in a very awkward situation which I believe was not intended by the Congress. I have introduced H.R. 3465 to remedy a single, very exceptional situation.

The problem is this: At the time that the ESA went into effect, the U.S. Government was in the process of selling approximately 23.4 million pounds of oil derived from sperm whales. This sperm oil was held in the strategic and critical materials stockpile and had recently been declared surplus. The General Services Administration, charged with responsibility for disposing of surplus Government property, proceeded to enter into contracts during 1973 for the sale of Government-held sperm oil to private parties in the United States.

After these contracts were formally signed and after the initial deliveries of sperm oil had been made, it was discovered by the Government that GSA-signed contracts actually violated the letter of the ESA. Consequently, the remaining deliveries of the sperm oil were abruptly halted.

Now the Government is "stuck" with millions of pounds of sperm oil it has said it does not want, and several American companies are left "holding the bag" with unfulfilled contracts which were entered into in good faith.

Personally, I think this is a serious mistake. I repeat, I do not think this is what the Congress intended. That is why I have introduced corrective legislation.

My bill, H.R. 3465, would allow the Federal Government to dispose of the surplus sperm oil it had on hand at the time the Endangered Species Act was implemented. Obviously, it does not contemplate killing more whales. This bill also provides that the Government shall honor its contractual obligations to the above-mentioned purchasers of the sperm oil.

At the same time, however, the reporting requirements in sections 3 and 4 of H.R. 3465 provide very stringent safeguards to assure that disposition of this sperm oil is consistent with the spirit and intent of the ESA.

I am very much aware of the fears that some environmentalists and wildlife conservationists have that, if we allow even the slightest commercial traffic in products from an endangered species, then we may be opening the door to illicit traffic in prohibited goods. This is a very reasonable and responsible concern, but one which I feel is adequately answered by my bill.

First, in section 3, H.R. 3465 provides that the Secretary of Commerce, who is responsible for enforcing the ESA, may prescribe regulations governing identification and recordkeeping for the sperm oil sold from the Government stockpile. Second, section 4 of the bill establishes that "there shall be a rebuttable presumption that the exemption provided in this act does not apply" unless adequate proof to the contrary can be presented by the holder of any questioned sperm oil.

Mr. Speaker, I do not know why the Government wishes to get rid of its stock of sperm oil. This is an extremely useful, valuable commodity, one which cannot be duplicated by man and the supplies of which cannot legally be replenished in this country. But the fact of the matter is that the Government does want to dispose of millions of pounds of sperm oil.

I fully recognize the need to protect the great whales and all cetaceans, and I am aware of the endangered status of the sperm whale population. Also, I recognize the horrible slaughter of these magnificent animals that was required in order to produce all this oil. It was to help protect these animals from further depredation that we created the Endangered Species Act.

But I also know that the sperm oil that GSA attempted to sell had been obtained prior to the enactment of the ESA. If the Congress does not now enact H.R. 3465 or comparable legislation, the sperm oil in question will remain stored in limbo indefinitely, or else might be destroyed. This, I believe, would make the whales' deaths even more tragic and pathetic, for we would not even be able to say that we derived any use or benefit from the product for which the animals were killed.

I do not want to see any more whales killed, and I do not want to poke any holes in the Endangered Species Act, Mr. Speaker. All that I seek to accomplish with this legislation is to allow Government to fulfill its contractual obligations by properly disposing of sperm oil which was already on hand and declared surplus property at the time the act went into effect.

If anything, the provisions of the bill I have introduced would make it harder, not easier, to traffic in sperm oil that is obtained in violation of Federal law.

ELIMINATION OF THE OIL DEPLETION ALLOWANCE

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. DODD. Mr. Speaker, Thursday the House took a giant stride toward reform of the tax structure of the oil industry by voting to eliminate the oil depletion allowance.

Oil and gas tax preferences now cost the country $4.4 billion in revenue a year, with the depletion allowance alone accounting for $2.6 billion. Repeal of the allowance will mean substantial benefits for the Nation's taxpayers.

The depletion allowance is but one tax reform which this Congress must institute this session. Among the others are the termination of special tax treatment which is granted domestic international sales corporations; and the removal of special benefits accruing to U.S. firms producing oil abroad.

I would also like to note that the Federal Trade Commission has cited the depletion allowance as contributing toward the tendency of the oil industry to become concentrated in the hands of a few major producers. By calling for repeal of the allowance, we are hopefully taking the first step toward reforming the arrogance and anticompetitiveness of the oil industry.

DEDICATED ST. LOUISANS HELP RESTORE RAVAGED HONDURAS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mrs. SULLIVAN. Mr. Speaker, the St. Louis Globe-Democrat on February 21 carried a heart-warming report on the activities of a group of St. Louis men and women whose work on behalf of the poverty-stricken people in northern Honduras took on life-saving proportions after Hurricane Fifi devasted the area last September.

A clinic that normally saw 90 persons a day began treating 200 a day under the direction of Sister Charles Anne, S.S.N.D., of St. Louis, and averted the danger of typhoid with thousands of immunizations.

And six St. Louis Jesuits working in the state of Yoro maintained radio communication, brought in food by helicopter, directed the building of houses, bridges, roads and wells and otherwise helped the people of Honduras to restore their ravaged communities.

As a St. Louisan, I am proud of the work done by these selfless and dedicated people in translating the Word of God into the love of humanity. I am sure all Members of Congress will be interested in the effective and successful manner in which, according to the Globe-Democrat article, this particular project in non-Federal foreign aid—with donated funds from the St. Louis area—has operated.

Under unanimous consent I submit the article referred to, as follows:

ST. LOUIS HELPS RESTORE A RAVAGED HONDURAS

For generations, the Hondurans in the northern state of Yoro had lived in poverty, struggling daily for survival. And then Hurricane Fifi hit last September and destroyed what little the people had.

Slowly, with thousands of dollars from the St. Louis area, the damage is being repaired. New homes are being built, fields are being cleared, people are being fed.

Just the same, says the Rev. Ronald Zinkle, S.J., director of the Jesuit Mission Board that has directed most of the repair work in Yoro, it will take about three years of work and a steady flow of money to boost the people's standard of living to its former level.

El Progresso, where the Jesuits have a large center, has been the scene of much of the emergency work. When the devastating floods hit, killing 8,000, 15,000 homeless refugees poured into the city of 30,000.

The Jesuits working in Yoro—six from St. Louis, 18 in all from the Missouri Province—sent out a plea for aid. The answer was $261,303 in donations, with every penny going to Honduras, Father Zinkle says.

A clinic that normally saw 90 persons a day began treating 200 a day, under the direction of Sister Charles Anne, S.S.N.D., of St. Louis. The danger of typhoid was tempered with thousands of injections to immunize the Hondurans.

The Rev. Jerry Tolle, S.J., and the Rev. Phil Pick, S.J., kept a radio station operating around the clock, giving warnings, messages and guidelines to the refugees.

About $55,000 worth of food was bought and shipped from southern Honduras in the early days until food could be flown in, probably preventing food riots, Father Zinkle says.

The food and clothing distribution center in El Progresso, directed by the Rev. Bill Barbieri, S.J., cared for 50,000 daily. He found emergency lodging in schools in the town, and today continues to feed some 25,000 persons a day because a new crop won't be ready for harvest until late March.

The Rev. Steve Gross, S.J., and the Rev. James Carney, S.J., both St. Louisans, each flew 25 helicopter flights daily in the early weeks, distributing food and clothing to more than 200 villages in other areas of Yoro.

Fathers Gross and Barbieri have organized 187 work-for-food groups, each with about 60 persons, to teach the people how to cope with the disaster.

In exchange for clothing and food for their families, the men are clearing land, putting up fences, building bridges, fixing roads and digging wells. The women and children are planting gardens. Much of the donation money was used to buy tools, wire, seed and lumber for these projects, Father Zinkle noted.

Brother Jim O'Leary, another St. Louisan, had been helping the poor build houses before the hurricane. He now has organized 90 men in a building team, putting up 20-by-12-foot houses at $400 each. The 187 houses built so far are barely adequate housing, but better than the people had before, Father Zinkle says.

A 72-year-old Jesuit has constructed buildings where 500 destitute children are fed two meals a day, and the Rev. Thomas Halloran, S.J., a St. Louisan, turned his house and church in tiny Sonaguera into a refugee center. Still another Jesuit, who operates the Jesuit high school in El Progresso, cared for 900 persons in the school facilities for eight weeks.

As the work continued, funds have dwindled to about $13,000, Father Zinkle says, and more help is needed.

HISTORIANS ON TRUMAN

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BOLLING. Mr. Speaker, there follows an interesting discussion including an article by Alonzo L. Hamby which appeared in the winter 1975 issue of Whistle Stop—the Harry S. Truman Library Institute Newsletter:

HISTORIANS ON TRUMAN

In 1962 seventy-five of the country's leading students of American history rated Harry S. Truman as a "near great" President and in 1968 a much larger group of historians gave him even higher marks as President. At the same time that this growing positive view was being registered it also became evident that there was another opinion within the historical community as to the accomplishments of the Truman administration and the quality of President Truman's leadership. The opposing points of view have become popularly labeled "traditional" and "revisionist."

The Truman Library addressed itself to the various aspects of research in the Truman period in two separate conferences of scholars. Professor Alonzo Hamby participated in both conferences. In conjunction with the 1974 board meeting of the Truman Library Institute Hamby presented a paper in which he discussed his work on a new book on the Truman period. In this paper he also dealt with the subject of the revisionist and non-revisionist Truman historian. Following are some of his remarks about this interesting and thought provoking debate:

(By Alonzo L. Hamby)

An important controversy began during the Truman years and has continued since among historians. This is a dispute about Mr. Truman's presidential leadership. The critics then and since have charged that a man with greater breadth of vision and stronger qualities of leadership, both popular and legislative, could have avoided the deterioration of Soviet-American relations into a Cold War and could have achieved congressional passage of the more controversial measures on his Fair Deal legislative agenda. Truman, declared the Progressive magazine in 1948, "lacks the greatness of mind and character which America needs so much in the years ahead." Writing 20 years later, Barton J. Bernestein described Truman as follows: "The President, through inepitude or lack of commitment, often chose not to struggle for his program. Unable to dramatize the issues or to command enthusiasm, he was an ineffectual leader."

Just how fair are such judgments? And how does one go about investigating them? From my own point of view, which I think can fairly be labeled "liberal" and "non-revisionist," the critics strike me as unconvincing. Most of what we know seems to me to argue against the revisionist position, although I do intend at this early stage of my work to maintain an open mind. Why then have the revisionists attracted a great amount of attention? And why have they been rather influential in the academic community? The answers, I believe, lay in the nature of American intellectual and academic life, in the way that so much of the history of the Truman period has been written, and what strikes me as the somewhat peculiar relationship that exists between the political culture of the 1940s and that of our own day.

There is significant difference between the political wars of the forties and the academic guerrilla actions of our own time. The Truman administration drew much more fire from the Right than from the Left. But there is no powerful conservative contingent in the American intellectual community and no real conservative tradition in American historiography. Whatever the reasons for this situation—I suppose they are connected in some way with the nature of contemporary intellectual life—we are writing history in a different context than that in which the politics of the Truman years were played out. Without a conservative historiography, it becomes easier to dismiss the strength of

political conservatism 25 years ago. It also becomes very probably too easy for non-revisionist historians, myself included, to assume that anything we can label "liberal" was good and might well have been better if it could have been "more liberal." Revisionist historians tend to take the process a step farther and make "radical" the standard of judgment. Since there are no conservative historians, they find it easy to dismiss those with whom they disagree with loaded and inaccuarte labels such as "traditional" and "orthodox." American historians, in short, live in an unreal situation, characterized by disputes between liberals and radicals. The effect is to make it all the more difficult to achieve the imaginative effort required to understand the real world of politics as it existed a generation ago.

Much of the work that has been done on the Truman administration consists of dissertations and revised dissertations dating from the early sixties, written predominantly by young historians with only dim memories of the years that Truman was in the White House. The dissertations are usually monographic, that is, they concentrate on a single issue, and they emphasize the presidency's relationship to that issue—"the Truman administration and labor" or "the Truman administration and civil rights," for example. Work of this sort can be very useful, but it frequently suffers from a narrowness of perspective. Presidents, after all, constantly must deal with many issues at a time and must set priorities, and priorities in turn must be reset as the political environment changes. By abstracting a single issue, the monographist places himself in an unreal intellectual environment. By focusing on the presidency, he tends to ignore other elements of the political system, especially the Congress, a complex institution and a very difficult one to study.

In such circumstances, it becomes easy to assume that one is working on a subject of transcendant importance that demands every ounce of presidential effort and that legislative or administrative failures thereby result from a lack of executive leadership. An occasional monograph avoids this peril. The most distinguished example that occurs to me is Quest and Response by Donald McCoy and Richard Ruetten, a volume that Truman Library Institute can take great pride in having sponsored. But it strikes me as an exception in its breadth of perspective.

The youth of most of the historians writing on the Truman years constitutes another special difficulty in understanding it. Of course historians are always writing about periods they cannot remember, but the Truman period presents a special problem. We are not dealing here with a political epoch remote in time and obsessed with quaint issues. We are dealing with a period that faced many of the same issues that confront us today, a period that *seems* to be part of the present but actually is not.

History moves in spurts, not in an even flow, and it moved especially rapidly in the sixties. At the beginning of that decade and through at least the first two years of the Kennedy administration, the political culture of the American nation was not far removed from that of, say 1947. But in the next several years there occurred one of the great economic booms of American history, a racial revolution, major breakthroughs in social welfare legislation, and a traumatic war that called into question old assumptions about American virtue. By the later sixties, who could remember that during the Truman years affluence was not yet taken for granted, that the popular view of the American Negro was very much in the image of Charlie Chan's chauffeur, that Americans than had a much more modest conception of what the government should do for them than they do today, that the role of the United States in the world was almost uniformly viewed with a deeply-felt pride and patriotism, that the impression of a menacing, monolithic Communist world was accepted by most reasonable men and was the creation less of some military-industrial complex than of the Kremlin itself? As the world of the forties really became a part of the past, it seemed, mirage-like, to remain a part of the present.

In the meantime, an unprecedented amount of political activism appeared on the campuses, largely as a result of the black revolution and the Vietnam war. Historians could hardly avoid being affected by it, and especially in their treatment of the Truman administration they faced the difficult task of relating to a world that seemed to be part of the present. Some historians quite selfconsciously tied their work to their concerns of the moment; others were less deliberate and less aware that they were doing so.

Another aspect of the intellectual atmosphere that increasingly has characterized the sixties and early seventies was a revulsion against what came to be called "the old politics." Few recent American political leaders have symbolized the old politics as well as Harry Truman. In the forties and fifties, social scientists had gone far toward making their peace with traditional politicians by recognizing them as important mediators between contending social groups, the indispensible balance wheels in the machinery of democracy The intellectual world of the sixties increasingly came to view the politicans as amoral brokers who had too long passed over the needs of the underprivileged and had acquiesced in a war that was not just mistaken but positively evil.

Even if an "old politician" did the right thing, it must have been for the wrong reason. From this viewpoint, if, for example, Truman supported civil rights legislation it must have been for his own political self-interest rather than because he *really* believed in civil rights. Such an argument can be little more than speculative because we do not know President Truman's innermost motivations on this or many other questions; in fact, it is probably fallacious to assume that these motivations were entirely clear even to him. Still, assuming that it was only self-interest, one wonders why the hostility toward enlightened self-interest? Another frequent criticism is that it must have been wrong for Truman to demand reform legislation from the Republican Eightieth Congress when he knew he could not get it. But why so? What better way to dramatize the issues between Democrats and Republicans, between conservatives and liberals? Surely radical historians do not believe that it would have been preferable to bury these issues.

Historians of each generation will have their special perspectives. History indeed is worth studying because of what it can say to our own time. But a literature of recrimination that refuses to accept American political life for what it is can make little claim to a genuine relevance for this or any other time. A history that is to be more than a species of political journalism must base its utility first and foremost upon an understanding of its subject, and the context within which that subject functioned.

(NOTE.—Dr. Alonzo L. Hamby is Associate Professor of History at Ohio University.

In addition to his book "Beyond the New Deal: Harry S. Truman and American Liberalism," published in 1973, Hamby has edited two books and written a number of articles for scholarly journals. He was awarded a National Endowment for the Humanities Fellowship in 1972–73 and the Truman Library Institute's Tom L. Evans Research Grant in 1973–74. He received the David D. Lloyd Prize in 1974 for "Beyond the New Deal.")

DEFENSE MAPPING AGENCY TOPOGRAPHIC CENTER REPORTS ON AFRO-AMERICAN HISTORY WEEK OBSERVANCES

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FAUNTROY. Mr. Speaker, I am very happy to share with my colleagues the report of the observance activities of the Defense Mapping Agency Topographic Center on behalf of Afro-American History Week. I hope these activities are helpful and inspirational to those who may be planning similar programs for the future.

The report follows:

REPORT TO CONGRESSMAN WALTER S. FAUNTROY

The Defense Mapping Agency Topographic Center observed a most unique and innovative Afro-American History Week, 10 February thru 14 February 1975.

During the week long celebration, an array of profound speakers addressed overflow crowds each day. The featured exhibit for the week was the 40-panel "Frederick Douglass Years" loaned to the Center by the Smithsonian Institutions Anacostia Neighborhood Museum. Wednesday, February 12, was designated as Equal Employment Opportunity Day. Activities on that day focused on Women, Spanish-speaking, and other minorities. To the delight of the audience, the H. D. Woodson High School Chorus of Washington, D.C., sang four selections.

For the entire week extensive media coverage was in evidence including radio stations, WOOK, WHUR–FM and WRC–FM and television stations WTTG and WETA. The Federal City College media department videotaped the entire week's proceedings. A special broadcast prepared by the United States Information Service will be beamed to countries on the African Continent. Educational Television Station WETA plans to air a show in early April on highlights of the week. The Co-Chairman and Coordinator of the program appeared on three radio shows for station WOOK and WRC–FM.

So widely acclaimed were the events that more than 15 government agencies sent observers to witness the proceedings and seek information on the planning and implementation of a project of similar magnitude.

Though many people contributed to the project and their efforts should by no means be diminished, the planning, direction, guidance and overall tone of the project was furnished by: Lawrence Lucas, Honorary Chairman and Jasper S. Lawhon, Co-Chairman and Coordinator, both of whom have received many commendations for their efforts.

The week's activities were worthwhile and highly informative. A schedule of the speaker is attached.

MONDAY, FEBRUARY 10, 1975

Brig. Gen. Fred C. Sheffey, Deputy Director of Supply and Maintenance, Department of the Army.

Mr. William McLaughlin, Vice President, Marketing, Parametrics Corporation, Philadelphia, Pa.

TUESDAY, FEBRUARY 11, 1975

Rt. Rev. John T. Walker, Suffragan Bishop of Washington.

Dr. Frances Cress Welsing, Department of Pediatrics, Freedmen's Hospital, Washington, D.C.

WEDNESDAY, FEBRUARY 12, 1975

Dr. Letitia W. Brown, Department of History, George Washington University, Washington, D.C.

Mr. William J. Perez, Director for Policy and Program Development, (Director for Equal Employment Opportunity (Civilian) Office of Assistant Secretary of Defense).

Mrs. Betty Ward, President "National Adult Education Association of the U.S." (HEW).

THURSDAY, FEBRUARY 13, 1975

Mr. William H. Brown III, Former Chairman "Equal Employment Opportunity Commission".

Mr. Alexander Allen, Deputy Executive Director, "National Urban League."

FRIDAY, FEBRUARY 14, 1975

Rev. David Eaton, Television Personality, Pastor, All Souls Unitarian Church, Washington, D.C.

Mr. Clifford L. Alexander Jr., Former Chairman Equal Employment Opportunity Commission.

URANIUM—THE NEXT FUEL SHORTAGE?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. McDONALD of Georgia. Mr. Speaker, according to an article that recently appeared in Forbes magazine of January 15, 1975, the uranium producer's cartel may end up making the OPEC—Organization of Petroleum Exporting Countries—look like a bunch of pikers. Barring a drastic change in the situation, U.S. utilities will commence importing uranium by 1977 and then the fun will begin. Therefore, this article deserves serious study by all my colleagues who are interested in keeping ahead of the energy crisis:

"IT WORKED FOR THE ARABS . . ."

In 1977, U.S. utilities will start importing uranium to fuel nuclear power stations. When they do, they may be at the mercy of a uranium OPEC.

For all its drawbacks, nuclear power is the long-run hope of the industrialized world; even Iran, looking to the exhaustion of its oil, plans to build nuclear plants. But, preoccupied with our struggle to escape the Organization of Petroleum Exporting Countries, we may be rushing right into the waiting arms of another cartel—the uranium cartel.

Unlike OPEC, the companies and governments that dominate the international uranium trade shun publicity. Their meetings are held in strictest secrecy, each time in a different place. The most recent was held in Paris in June. The next, in March, will be in Sydney, Australia. At these meetings, there is no stirring rhetoric about the developing nations of the "Third World"—perhaps because most uranium exporting nations are already developed.

The first productive meeting of the cartel, which calls itself Uranium Producers Forum, was held in May 1972 in Johannesburg, South Africa. Among those present were representatives from Britain's Rio Tinto Zinc, Canada's Rio Algon and Denison Mines, Australia's Western Mining, France's Uranex and an organization of South African gold mines dubbed Nuclear Fuels Corp. The last two are semi-governmental companies. Uranex is owned one-third by the French government. The South African Nufcor, explains a company spokesman, "is a private company closely associated with the Chamber of Mines." So closely associated that it has the same telephone number.

The reason for that first meeting was obvious: In 1972 the price for the uranium oxide "yellowcake" that is processed into nuclear fuel was hovering near producers' costs of $6 to $8 a pound; there was virtually no profit in mining it. Yet informed observers were predicting a severe oil supply pinch and a sharp increase in demand for uranium-fueled nuclear electric power. The uranium producers were worried that it might be a profitless boom—that customers might start locking them in at bargain prices on long-term uranium contracts. Like OPEC, then, the uranium cartel had its beginnings in a legitimate defense of mutual interests.

"There were some pretty hard debates and so on," says one Australian participant at the Johannesburg meeting, "but I think you can say that reason prevailed." "Reason" apparently meant higher prices, more advantageous contract terms and no competitive price-cutting.

"They are a little sensitive about being called a cartel," says an official at the U.S. Atomic Energy Commission. "One can only look at the evidence, that after they started meeting, the uranium market started getting . . . let's say, less cut-throatedly competitive."

"I think it tended to stabilize the market," is the way the Australian prefers to put it. A spokesman for the South African uranium exporting agency is more straightforward: "The uranium market," he says, "is off the launching pad."

The closest thing to a "market" for foreign-produced uranium in the U.S. is a uranium brokerage service operated by an outfit called Nuclear Exchange Corp. of Menlo Park, Calif. Nuexco, as it is called, matches buyers (mostly utilities) with sellers (mosty uranium mining companies) for a fee. It also has a uranium price-information service.

Jack Mommsen, a Nuexco officer, was at first reluctant to talk to Forbes about "the club," as the Forum is known in the nuclear energy business. "Wouldn't it be illegal for me to know about it," he asks, "since they're meeting for the purpose of setting prices?" While no one from Nuexco has ever attended meetings of the club, some club members are Nuexco customers. Says Mommsen: "I *infer* that they are setting their prices because their asking prices always seem to come out the same, if you know what I mean."

Indeed, so confident are producers of the continued sharp rise in uranium prices that foreign producers are writing contracts only at "world price at time of delivery." Those "discontinued" prices at the top of the uranium price chart represent the last attempts of U.S. utilities to bid for uranium to be delivered in the 1980s. When no producers would sell, even at those high prices, the prospective buyers withdrew from the market in the probably vain hope that prices or electricity load growth would ease.

In fact, recent prices seem to be going even higher. One U.S. producer recently offered uranium for delivery in the middle 1980s at a price of $24 per pound *plus* an annual escalator of about 7%, starting this year.

SO WHAT?

Okay, so the price of uranium goes through the ceiling. Does it really matter? After all, the production of nuclear energy requires relatively little fuel; at $20 per pound, uranium represents about 14% of the cost of a kilowatt hour, *vs.* 72% for oil at $12 per barrel. Even with uranium at $50 a pound, about twice the price for early 1980s delivery, nuclear power would still be only as expensive as power from oil when the oil costs $5.75 per barrel—one-half the current price!

The answer is that the price of uranium does matter. The very fact that uranium is a relatively small part of the cost gives a cartel enormous leeway in raising prices—and the users, with tens of billions of dollars tied up in capital-intensive nuclear plant, would have no choice but to pay.

But doesn't the U.S. have vast reserves of uranium? Isn't there so much around that the U.S. has an embargo on imports, to protect domestic producers? Yes, but while they are currently adequate, domestic supplies are being fast outstripped by demand. Herbert Weed heads the uranium division at Anaconda. He warns that the U.S. will have to start importing uranium to keep up with sharply higher requirements "around 1979 or 1980. And that's just on the basis of nuclear plants currently under construction. Significantly, the U.S. embargo on imported uranium will be starting to lift in 1977. Already the Tennessee Valley Authority and Duke Power have signed uranium supply contracts with Rio Algom.

The U.S. government official responsible for keeping track of U.S. uranium supplies is Robert Nininger, a high official at the U.S. Atomic Energy Commission. Says Nininger: "The tight supply situation may hit a little later than 1979, but once it does hit, the problem will last forever. It might be relieved when we get breeder reactors, but they won't have a significant impact until the latter part of the century or after."

The trouble is, with U.S. uranium demand expected to more than triple by 1980—and increase by more than 700% by 1985—U.S. uranium miners simply won't be able to keep up. To find new uranium deposits, sink a mine shaft, and construct new milling capacity currently takes about as much time as it does to build a nuclear power plant, says Weed—"about eight years."

At the moment, little is being done to create additional domestic supplies. One problem is that the business is not very profitable right now. "Even though the price may be $24 a pound in the 1980s," Nininger explains, "U.S. companies are presently working on old contracts that average out to only $11 per pound in 1980. So they're not getting the cash flow needed to open new mines."

But aren't foreign uranium producers faced with the same problem? Not exactly, because, as Nininger points out, "They're saying to their customers: 'Forget about the price we contracted on. We're going to raise the price and you better take it if you want any more uranium.' "

PAGING ANTITRUST

Can the cartel be broken? It's not likely to happen any time soon, even though U.S. utilities are so squeezed for cash that even conservative estimates for nuclear power plant construction over the next few years may turn out to be too high. Offsetting possible dampers on demand growth, however, will be the expected reduction, beginning this year, of the yellowcake added to the uranium enrichment process by the AEC from the government uranium stockpile. Reducing that subsidy should increase U.S. demand by 10%.

Probably the greatest threat to the cartel is Australia, where mining companies have recently been reporting huge new finds of high-grade, low-cost uranium ore. (Canadian producers, currently the world's leading exporters of uranium, are already pretty well committed into the early 1980s.) However, the Australian government put a halt to all uranium exports in 1971, and doesn't seem to be in much of a hurry to change that policy. If the world slump worsens, Australia may have to relent, but it would be unlikely to permit its uranium exports to break the world price.

It is also possible that the U.S. Justice Department may take a more active interest in those members of the Uranium Producers Forum who own U.S. properties and are selling, or trying to sell, to U.S. consumers. Says a Justice Department spokesman: "It would seem as though they're getting pretty close to a problem."

But, of course, one man's problem is another man's opportunity. As an executive for

UMI

a leading Canadian producer puts it, laughingly, "It worked for the Arabs, didn't it?"

SPACE APPLICATIONS—HEALTH, EDUCATION, AND WELFARE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FUQUA. Mr. Speaker, the Honorable Caspar W. Weinberger, the distinguished Secretary of Health, Education, and Welfare, in the keynote address to the American Institute of Aeronautics and Astronautics on the evening of February 26, 1975, gave an outstanding endorsement to the importance of space technology to our Nation's health, education, and welfare. Secretary Weinberger described the use of Earth orbiting satellites in bringing education to remote areas of the West and Alaska. The services provided could not be achieved economically in any other way. The value in human terms cannot be priced. This is yet another demonstration of the importance of space derived technology in improving our quality of life and economic well-being. I commend Secretary Weinberger's remarks to my colleagues and the general public:

REMARKS BY SECRETARY CASPAR W. WEINBERGER

I am delighted, on a number of counts, to be with you here this evening for the Honors Banquet of the 11th Annual Meeting of the American Institute of Aeronautics and Astronautics.

For one thing, I feel privileged to have been asked to keynote this occasion. I cannot deny, as one earthbound in the problems of health, education, and welfare, that I have a deep sense of awe and gratitude for you who are pioneering beyond the limits of this Earth.

But I also feel a kinship. You who are leaders in the aerospace profession are bringing your technology back to Earth in the service of mankind. And the expertise that has taken us through trackless space is now taking us across vast distances to meet social needs.

From the outer reaches of space we are pioneering today in new ways to serve people in communities throughout the United States. It is a most exciting time and I have a deep personal and official interest in just about everything that is going on in this field.

And a dramatic demonstration is going on right now in the application of space satellite technology to problems of health and education in this country.

Last May, you may recall, the National Aeronautics and Space Administration fired off the sixth in its series of Applications Technology Satellites—the ATS series—to carry out 20 separate scientific experiments. The ones that we at HEW are particularly interested in involve the delivery of educational and health services to isolated communities in the Rocky Mountain Region, in Appalachia and in Alaska. HEW has invested over $17 million as its share of the ATS demonstration costs.

ATS–6 is now on station in a fixed orbit 22,300 miles over the Equator. In May, it will be moved to a new orbit to provide a year of health and educational programming for the people of India.

Judging from the first six months of its pioneering work for our own people, I am convinced that ATS–6 will mark an historic advance in human communication and human progress.

The ATS–6 program is not without its critics. Nonetheless, early evaluation of our health and education demonstrations would seem to indicate that their basic objectives are going to be met.

For example, one of our objectives was to demonstrate the feasibility of using broadcast satellite technology with low-cost community receivers. Costs for receiving equipment and facilities are a major factor in whether communication can benefit people in areas where needs may be great but communities can least afford the expense.

But ATS–6 is the largest, most powerful communications satellite ever sent into space. It has shown that it can do more than any communications satellite which has come before. Its signals do not require the elaborate antennas that cost hundreds of thousands of dollars. Its signals can be received by equipment costing less than $4,000. In fact, receiver costs have been as much as 100 times lower than the cost of any previously available equipment capable of receiving television from a satellite.

And at 106 sites in 20 States, from rural communities in the Rocky Mountain States to villages in Alaska, technical facilities have performed at, or above, the expected level while the costs of installing, maintaining and operating the equipment have been below estimates.

That means that satellite programming can be received in a community at a cost that is less than the yearly salary of a school teacher or medical trainee. And thousands of people can benefit.

Right now, about 5,000 people are involved in experimental groups using the education and health services made possible by ATS–6. And a much larger number of people, about two million, form a potential audience for viewing the programming via television broadcast from the 10 Public Broadcasting Service stations which have satilite receivers.

This suggests some of the cost benefits of this technology in delivering social services.

And it can have tremendous human benefit. The Rocky Mountain, Appalachia and Alaska demonstrations are showing that now.

The Appalachian project, for example, involves graduate-level educational courses for teachers who live and work in 15 widely-separated areas. Through the satellite, instructions at the University of Kentucky deliver pre-taped television lessons to the teacher groups and also meet with them in live, face-to-face seminar discussions.

Already, 14 colleges in the Appalachia region have granted degree credit for successfully passing courses for the satellite transmitted materials. And of the 1,200 teachers participating, 900 have already gotten credit for the first term of the course.

Besides demonstrating the practicality of teaching-by-satellite, this project has had derivative benefits. The programs that ATS–6 now transmits have been requested by and will be made available to state-wide education television stations throughout Appalachia, as well as to 150 districts. Eventually up to 30,000 teachers will have access to them.

Because of the audience's very high acceptance of the project, the University of Kentucky will continue its programming effort even after the satellite is gone. Local funding has come forth so that materials can be distributed by video tape.

In the Rocky Mountains, the education demonstration focuses on career education for junior high students and on career development for teachers. For 35 minutes each school day, career education programs are broadcast from Denver and beamed back from Satellite to classrooms in 56 rural communities scattered throughout Colorado, New Mexico, Arizona, Utah, Nevada, Idaho, Montana and Wyoming. About 1,500 students are viewing the programs and another 20,000 will get the same programming through public broadcasting stations.

About 800 teachers and administrators are participating in the career development series and receiving college or recertification credit.

While the number participating in this project may be modest, the response and interest of the audiences has been quite high. The potential for education-by-satellite is obviously worth exploring further.

Alaska, however, has posed more difficult problems. And it has produced the most dramatic results.

The State has 265 communities spread over a half-million square miles of rugged country. Two-thirds of those communities cannot be reached by rail or road, and 65,000 of Alaska's 325,000 people are Eskimos, Aleuts and Indians who speak a variety of languages and dialects.

Educational programs, with audio signals in English, Eskimo and Aleut, are beamed from Fairbanks via satellite to 18 isolated communities, many of which have had no television service at all. Some of this programming involves health education and language development for young children.

But the major use of the satellite has been medical service. Until now, many small and isolated Alaskan villages have been totally dependent on a few Village Health Aides who relied on radio consultation with the nearest outside hospital in case of serious illness or accident. That is a lot better than nothing, but in a land where the Aurora Borealis can blot out high frequency radio transmissions for days or weeks at a time, it is not very dependable.

And in places like the Tanana region—an area about the size of Texas with only 10,000 people—where weather, distances, and mountains can combine to cut off both communication and transportation—it can be disastrous.

Satellite television programing has overcome these problems. Thanks to ATS–6, specialists in hospitals as far away as Anchorage can see the patient on television, talk to him and the village medic. They can even call up, by another satellite link, the patient's medical history from the computerized information bank in Tucson, Arizona, where the Indian Health Service stores its records.

Since September, doctors and health practitioners have made over 100 tele-consultations in which many serious illnesses and complications have been shortened and several lives have been saved.

Here's one example: A man with a facial infection was taken to the small clinic at Fort Yukon. An audio description by the nurse, because ATS–6 transmitting time was not available that day, prompted the physician in Tanana to prescribe penicillin. The next day, the nurse was able to present the patient visually on the television screen via ATS–6 and it could be clearly seen that the infection was far more severe. In fact, the doctor determined by this visual examination that drainage of the infection was leading to the brain. The patient was immediately transferred to a medical center for care.

For this man, time and treatment were critical. Had he not been seen by a doctor, chances are great that he would have died. The diagnosis by satellite saved his life.

But crisis care is not the only role for satellite medicine. It haa great potential as well as for preventive medicine.

For example, a baby girl was being treated in an outlying hospital for recurrent fever, appetite loss and diarrhea. It might have been flu—but it was not. This hospital did not have the capability for ATS–6 transmission. So she was taken to another hospital where consultation via satellite determined she had TB. She is now back in her village following medical treatment and she is monitored regularly through both ATS–1 and ATS–6.

Recently, a nutrition clinic was held via television and several obese and anemic children and their mothers in Fort Yukon were seen by doctors in Anchorage. If it were not for the satellite, there would have been little, if any opportunity to give these children and their mothers the type of care and counseling they needed.

At the same time, village health aides are learning more to help them help others as they interact via satellite television with specialists in Anchorage and other clinic centers.

So successful have the satellite-delivered services been in Alaska, that the Alaskan Federation of Natives—a highly representative, broad-based grassroots organization—has made it the "top priority" for their people. Their goal is to achieve an operational satellite service for health, education and other communication needs. The State is energetically pursuing that goal through a variety of approaches including active membership in a satellite consortium.

That kind of response is perhaps the most promising outcome of our social experiments with the ATS–6. While we could not be sure when we started that the technology of space could apply here at home, we can now see some of what it can do. And it is only a hint of what is possible.

But that hint has been enough to prompt the formation of the Public Service Satellite Users Consortium—a national organization of health and educational organizations which feel they can both use and pay for a special high-power satellite communication service. This represents the first attempt to form a sufficient market of small independent users to attract private investment capital for large-scale technology to meet their collective needs.

The need for space-age technology to work on the problems of earth is being demonstrated. As its use is shown, more and more people are prepared to use it and to seek its benefit.

In fact, the prospects look so good that we at HEW are now developing a strategy for Federal encouragement of a nationwide telecommunications system to meet the varied needs which the education and health communities, and other public and social services, determine for themselves.

Ideally, this system would include what might be called a "social service satellite" with possible interconnections to cable, TV translators and public television. Its outstanding feature would be the ability to reach just about every community in the Nation, no matter how remote, by means of ground receivers costing only a few thousand dollars each.

Given such a system, we could dramatically reduce the cost of delivering educational, health and other social services with an equally dramatic rise in the quality of those services.

But all of this is not going to happen tomorrow, next week, or next year. The applications of space technology to social problems involves questions of enormous complexity.

That's why we are watching the ATS demonstration. And we have drafted the Telecommunications Facilities and Demonstration Act of 1974 which will soon be resubmitted to Congress.

This bill has two basic objectives:

First, HEW's direct support for over-the-air educational radio and television broadcasting facilities would be extended for another five years.

Second, we would establish a telecommunications demonstration program to encourage the development of commercial communications facilities and services to meet community needs for health and education. Demonstration programs would be established in the application of cables and satellites.

The legislation we are proposing would foster the kind of multi-user telecommunications services and facilities that will enable health, education and medical service experimenters to develop jointly more efficient and economical ways to meet the Nation's needs.

We are truly living in a time when dreams can come true. First there was the restless dream of flight—an age-old dream even in legend. Then there was the daring dream of space. And today, the reality of these dreams has given us a new dream—a dream of being able to reach out to one another, anywhere on this planet, where there is a human need.

I am grateful to NASA and the space program for many things: The enormously useful and vital technologies which we are putting to use as I have described the opportunity that it gave to demonstrate that America could and did rise to meet an enormous challenge; the great sense of pride that it gave to America when we most urgently needed to feel pride in our country; and finally because it gave us heroes, in the astronauts, at a time when we desperately needed heroes and when the strange twists of our time had made it previously unfashionable to acknowledge heroism.

And so, from the vision of space that has been vouchsafed to us we have gained new hope for the future of our earth.

ECOLOGICAL MYTHS GROUNDED AMERICA'S SST

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. McCLORY. Mr. Speaker, the full tragedy of the unfortunate action taken by the Congress in 1971 in declining to provide funds for the completion of the supersonic transport—is just now appearing in its full significance.

The unfounded fears, the wild speculation and the emotional appeals to prejudice and to the imagination were capable at that time of inflicting permanent damage to our Nation's economy and our position of leadership in the development and production in the commercial air transport field.

The distinguished columnist, Roscoe Drummond, in a recent article in the Christian Science Monitor, reviewed the solid evidence which establishes the basic safety of the SST—and the groundless arguments which were employed by many of our colleagues in destroying this useful development in air transport.

Mr. Speaker, I am inserting a copy of Roscoe Drummond's article with the hope that it will reach the attention of all of our colleagues, as well as the many earlier critics of the SST, and with the hope that we will not repeat mistakes of that kind in the future to our Nation's and humanity's detriment. The article follows:

SCIENTISTS CLEAR THE SST

(By Roscoe Drummond)

WASHINGTON.—It must, in retrospect, seem ludicrous that Congress, after long and loud debate, should have halted the SST in mid-construction principally for reasons now proved to be myths.

Really, shouldn't Congress hire a nonpartisan ombudsman whose duty would be, whenever a senator or a representative tried to pass off an opinion as though it were a fact, to stand up and intone: Prove it!

When by a narrow vote Congress grounded the SST in 1971, it did not have all the scientific evidence now available. But instead of saying let's get it before acting, it proceeded to accept as valid the extremist, unproved claims of some scientists who kept repeating without adequate investigation, that supersonic flight was a menacing threat to the environment of the planet and the health of mankind.

Not only unproved but proved to be wrong. What has happened is that after basing a decision in large part on ecological myths, Congress decided finally to get the facts. It directed the Department of Transportation to mount a thorough, scholarly, independent study to come up with the best information and judgment which all the relevant sciences could produce.

The facts are now in. They emerge from a three-year examination of the effect of flight in the stratosphere. The study was the "climatic impact assessment program (CIAP)." It was under the direction of A. J. Grobecker and it enlisted the participation of the most reputable scientists, many of them critics of the original SST.

The findings are authoritative, conclusive, and reassuring. There is every reason to believe that they will be supported by the scientific community as a whole. The central conclusions are these:

1. No present or prospective flights of supersonic planes, whether the Anglo-French Concordes, the Soviet TU–144s, or others on the drawing boards will adversely affect the environment.

2. Potentially harmful effects from a large increase in SSTs are conceivable—but such effects "can be avoided."

3. These future possible consequences can be avoided in view of the fact that the technology for developing low-emission engines and fuels at reasonable cost is already well advanced.

4. Other distant potential uncertainties can be successfully reduced by an atmospheric and monitoring program. Such a program is in the making.

In releasing the results of the CIAP study, the Transportation Department was careful to point out that its issuance "does not presuppose any intention to resume the design, engineering, or financial support of civil supersonic aircraft."

Naturally. The middle of the recession is no time to do that. But the CIAP report makes it clear that the U.S. can proceed to manufacture SSTs whenever it is economically prudent and thus start to recapture the lost leadership in worldwide aircraft production which Congress imposed on the nation four years ago.

One of the fallacious but most vehemently asserted claims which resounded through Congress was that the SSTs would so fragment the ozone shield, which protects humans from excessive ultraviolet rays, that skin disease would become a pervasive peril.

The CIAP study disproves this claim. The facts are that while the ozone level varies as much as 300 percent over the globe and in any given locality changes as much as 25 percent from day to day, the impact of stratospheric flight on the average ozone level can be kept to only one half of 1 percent.

What does changing the ozone level 0.5 percent through flight in the stratosphere mean in human terms?

Dr. Grobecker reports that the impact of 120 Concordes flying 4.4 hours a day 365 days a year would be the same as an individual sunning himself on a beach each summer for 30 years.

The lesson for Congress? Surely it's this: If you want to go wrong, act first and get the facts afterward.

UMI

MANY DO NOT UNDERSTAND PRODUCTION OF FOOD

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FINDLEY. Mr. Speaker, the only truth about the relationship between farm costs and food prices is that there is rarely any relationship.

The amount a farmer pays for his fuel, fertilizer, and equipment has little bearing on the price a consumer pays for food.

This simple fact of agricultural economics was very well explained by Keith Wilkey, farm editor of the Quincy, Ill. Herald-Whig, in his "Farmer's Notebook" column on February 4, 1975.

Wilkey's excellent column serves as the perfect textbook for those who are confused about who is to blame for high food prices.

The column follows:

MANY DO NOT UNDERSTAND PRODUCTION OF FOOD

(By Keith L. Wilkey)

Recently we covered the national convention of the confederation of more than a thousand local rural electric cooperatives which service more than 22 million non-city residents. We heard some excellent talks and discussions from some of the nation's top leaders.

Two U.S. senators, a governor, a nationally-known news analyst, an economist of renown and more than a half dozen important, but lesser known, personalities, spoke. Many of them made the same mistake.

Discussing the present state of the national and world economy, they reviewed both the recession and inflation. Concerning inflation, several of them made this remark, in passing:

"Food prices will rise as farmers are now having to pay more for fertilizers and other production items."

Such a statement is more than a blip. It simply reveals an unbelievable lack of understanding of the food chain; a gross misconception of the entire business of food production.

How can the rising cost of fertilizer, or anything else in the production chain, possibly cause the price of food to rise? Since when have the growers of corn, soybeans, cattle, cotton, vegetables or anything that comes from the soil, had anything to say about the prices they receive for their products?

Can you imagine a farmer taking a load of corn to his local elevator and a conversation like this taking place:

"How much are you paying for corn?"

"We are paying $2.76 per bushel."

"But the price of fertilizer went up, as did machinery, labor and several other things, so I'm sorry, but I will just have to have $3.25 per bushel or you can't buy it."

"Well, that is understandable. Why didn't you say so before? In that case, since you had an increase in your cost of doing business, it is no more than right that you should be covered. Sure, we will pay you $3.25 per bushel if that is what you have to have."

You see how completely ridiculous that sounds?

Farmers can't raise the price of the products they sell, whether their costs double or whatever happens to them. All it means is, as every farmer knows, that when his costs go up he simply has a cut in his net income. Cost price increases mean nothing at the other end of the food chain.

Now that does take a bit of explaining. While farmers' input costs rise, the price of food at the retail counter will probably rise all right and the blame put on the producer.

Those in between the barniot and the checkout counter may try to make you believe that rising farm costs have been reflected in higher retail costs, but that is just a big ripoff!

It is not encouraging to hear national leaders, or any kind of leaders, make such misleading statements. To the uninformed, it only seems natural that higher end costs are the result of higher beginning costs, for that is the way the American economic system works.

But if public personalities can't inform themselves better than that, they should discuss something else.

MRS. RUTH CUMMINGS DOWNS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. STOKES. Mr. Speaker, I would like to bring to the attention of my colleagues the recent death of a remarkable woman whose loss will be sorely felt in Cleveland's black community. Mrs. Ruth Cummings Downs, the wife of the distinguished Reverend William M. Downs, pastor of the East Mount Zion Baptist Church, died in her home on Monday, February 3, 1975.

Ruth (nee Davis) Downs was a leader in the religious life of our city, as well as being prominent in civic and social activities. She served as codirector of the Cummings Funeral Home with her first husband, Mr. Paul Cummings, until his death in 1971. She was a member of the National Funeral Directors Association, and served as its chaplain for a number of years.

She joined East Mount Zion Baptist Church in 1944 and began immediately to distinguish herself for outstanding service to the community and the congregation. In 1972, after her marriage to Pastor Downs, she became an official member of the deaconess board.

I know my colleagues will join me in expressing condolences to Pastor Downs and his bereaved family on the occasion of their great loss.

To further acquaint my colleagues with the life story of one of Cleveland's finest citizens, I submit this obituary which was distributed to the mourners at Mrs. Downs funeral services at the East Mount Zion Baptist Church on February 7, 1975.

OBITUARY

Ruth (Nee Davis) Downs was born in Delaware, Ohio on November 4, 1909 to the union of Beecher and Nettie Bell Davis.

She received her formal education in Youngstown, Ohio where she also confessed Christ at an early age and joined the church.

Shortly thereafter, she came to Cleveland, Ohio and united with the Triedstone Baptist Church where she served well. On May 14, 1944, she joined the East Mount Zion Baptist Church.

On August 15, 1935, she was united in marriage to Mr. Paul Cummings who preceded her in death on March 16, 1971.

On November 12, 1972, she was united in marriage to the Rev. Wm. M. Downs.

She departed this life, suddenly, in her home on Monday, February 3, 1975 at 4:55 P.M.

She leaves to mourn her passing: A devoted husband, Rev. Wm. M. Downs; two sisters, Mrs. Madah Lesueur and Mrs. Bernice Davis; one brother, Mr. Floyd Davis, all of Youngstown, Ohio; many nieces, nephews, and cousins, other relatives and many friends.

"Asleep in Jesus! Peaceful rest,
Whose making is supremely blest:
No fear, no woe, shall dim that hour
Than manifests the Savior's pow'r!"

Humbly submitted by the family.

OPENING FBI FILES

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Ms. ABZUG. Mr. Speaker, an interesting article "Opening FBI Files" by Walter Schneir, appeared in the New York Times of December 17, 1974. I call it to the attention of our colleagues by placing it at this point in the RECORD:

OPENING FBI FILES

(By Walter Schneir)

PLEASANTVILLE, N.Y.—A little-known casualty of Richard M. Nixon's "Saturday night massacre" was a remarkable policy decision to open the Federal Bureau of Investigation files on Alger Hiss, Julius and Ethel Rosenberg and Morton Sobell, and other controversial cold war cases.

When Attorney General Elliot L. Richardson resigned rather than obey Mr. Nixon's order to dismiss the Watergate special prosecutor, Archibald Cox, he left behind at the Justice Department a directive that promised answers to many questions about F.B.I. activities during the McCarthy era.

When Mr. Richardson assumed office, one of his first steps, in July, 1973, was to resolve a long-standing controversy regarding the F.B.I.'s failure to comply with the spirit of the 1966 Freedom of Information Act.

The bureau had adamantly refused requests from scholars and journalists to release its old records, arguing that the act exempted such investigative material from mandatory disclosure. The American Civil Liberties Union filed a suit, still pending, on behalf of a Smith College history professor, Allen Weinstein, who is working on a book on the Hiss case, demanding access to the Hiss and Rosenberg files.

Taking advantage of a temporary power vacuum within the F.B.I., Mr. Richardson ordered the bureau to make available to persons engaged in historical research inactive investigative files more than 15 years old, "subject to deletions to the minimum extent necessary."

The newly appointed F.B.I. director, Clarence M. Kelley, appeared to be complying with the order. He set up a special Freedom of Information unit to process requests for material and information by the A.C.L.U. that the Hiss and Rosenberg files would be opened, with the first installments of materials to be turned over shortly.

The full implications of the decision probably were realized by only a few. Many aspects of the domestic side of the cold war era and of the F.B.I.'s actions during this period have been closed to scrutiny. Mr. Richardson's order would have made available vital primary-source material. But it soon became clear that the Justice Department and F.B.I. were reneging.

The situation today, 17 months after Mr. Richardson issued his directive, is that Professor Weinstein has received 250 pages out of the F.B.I.'s 53,000-page Hiss file, all of it almost unusable because of heavy editing and deletions. Of the Rosenberg material, the F.B.I. has yet to release a single page. Asked why by a reporter, an F.B.I. agent replied, "It is a special case."

Attorney General William B. Saxbe recently informed John H. F. Shattuck, counsel for the A.C.L.U., that the determination of what F.B.I. material should be made public has been delegated to F.B.I. chief Kelley. By this procedure, Mr. Saxbe has in effect rescinded Mr. Richardson's new policy.

Mr. Saxbe further stated that Mr. Kelley had "decided that F.B.I. reports of interviews with witnesses who testified at the Hiss and Rosenberg trials cannot be released." Yet in the Rosenberg-Sobell case, where no substantive documentary evidence proving guilt or even the occurrence of a crime was offered by the prosecution, it is precisely these F.B.I. "interviews with witnesses" that are essential to any effort to adduce the truth about this affair. The Rosenbergs, who were executed, and Mr. Sobell were convicted in 1951 of conspiracy to commit espionage.

Despite claimed concern by Mr. Saxbe about the privacy of these witnesses, a number of them are dead and the names of others are well known from their testimony at trials and Congressional hearings and mentions of them in scores of books.

So the F.B.I. still keeps the records of its past behavior tightly locked. Meanwhile, President Ford vetoed new amendments to the Freedom of Information Act that would have made Government information more accessible to researchers. Following Mr. Nixon's "Saturday night massacre" public and news media pressure halted an arrogant attempt to cover up Watergate. If similar pressure could be brought to bear now, perhaps the F.B.I.'s blatant cover-up of the 1950's also might be ended. A good start was Congress' overriding of the veto.

THE DANGERS IN TRUST FUNDS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. BROWN of California. Mr. Speaker, I was somewhat dismayed to see the concept of an energy trust fund endorsed by my colleagues in their recent energy package. I hope that this early endorsement is reconsidered during the course of congressional hearings. The trust fund concept is one we have had experience with, and most of that experience has, on balance, been negative.

Trust funds limit the ability of both the Congress and the President to address fundamental issues. We need more funds for energy programs, both to develop new energy sources as well as to develop new conservation measures. This money will probably have to be raised by a special tax, as in the congressional energy proposals, but this special tax need not be made a permanent trust fund. Mr. J. W. Anderson, of the Washington Post, very succinctly described what happens with trust funds in the March 3 issue of the Post.

Mr. Speaker, at the conclusion of these remarks I would like to insert Mr. Anderson's article, "The Dangers in an Energy Trust Fund" for the RECORD, and associate myself with those comments. Besides the dangers cited in this article, another result of an energy trust fund would be the early sabotaging of the Congressional Budget Act of 1974. The restrictions of still another trust fund would even further limit the little discretionary money that is left in the Federal budget.

Mr. Speaker, we should be abolishing trust funds, not creating them.

The article follows:

THE DANGERS IN AN ENERGY TRUST FUND

(By J. W. Anderson)

The federal trust fund belongs to the category of unsinkable bad ideas, capable of surviving any amount of regrettable experience. Now the Democrats in Congress have seized on the suggestion of an energy trust fund to justify their hesitant and apprehensive proposal of a higher gasoline tax. But the dangers in another multi-billion dollar trust fund, fed by an eternal river of earmarked taxes, ought to be manifest to Democrats in Congress and everyone else. It isn't as though the country had never seen one in operation before.

Congress is an institution with a long but highly selective memory. It remembers that, on the last occasion on which it enacted a gasoline excise tax, the public accepted that new cost with little protest because the money went into a trust fund. In turn, the trust fund built roads—a procedure that in 1956 seemed, and in fact really was, altogether reasonable. But the congressmen have evidently forgotten the rest of the story: how the fund swelled, how a vast array of lobbies formed protectively around it, and how in the end the great roadbuilding machine became the enemy of rational transportation policy, of environmental values, and of sensible fiscal management.

The Highway Trust Fund was established to build a great network of national roads, an endeavor in which even its severest critics would concede it has been effective. Too effective, in fact, and too single-minded. Its income is currently running about $6 billion a year. Around this enormous flow of money has formed one of the most formidable lobbying operations in the history of the republic. It includes the automobile companies, trucking lines, cement and asphalt producers, labor unions, contractors, the companies that manufacture the contractors' equipment, and so on down a very long list. The political strength of this alliance made the federal roadbuilding program all but impervious, for nearly two decades, to all attempts to reconsider or revise its purposes. It acquired the head-long momentum of a heavy truck rolling down a long hill, moving too fast to turn.

Fortunately, several years ago Congress began to have second thoughts about the way that things seemed to be working out. When it revised the law in 1973 it provided, for the first time, that some of the Highway Trust Fund's rich revenues could be used to support mass transit. Further and more substantial changes seem very likely in the next revision. But this shift is taking place amidst a rising ululation of accusation from the lobbies that the public trust is broken and trampled whenever one dime of that annual $6 billion is used for any purpose other than laying concrete.

The accusation is, of course, absurd. It is like arguing that the sales tax on groceries must be used only to build grocery stores or that the excise tax on whiskey must be used only to build distilleries. But absurd or not, the position has become a fixture of American politics and illustrates the state of mind that forms around an entrenched and well-nourished trust fund.

Certainly there is a need now for new energy sources, just as there was a need 20 years ago for better highways. But as the new fund begins to disburse its billions, it will expand some industries and create others. They will promptly form the U.S. Energy Producers Conference Perhaps you will be lucky enough to be invited to the opening of its Washington office, which you will find well staffed with lawyers, speech writers and former newspapermen Its president will be a recently retired congressman. Its purpose over the years will be, naturally, to prevent any deviation in the original scale and design of the trust fund regardless of any change in circumstances or priorities. The process is not an unfamiliar one.

There is also a purely economic reason for avoiding an energy trust fund The Democrats, with their deep and justified concern for the unemployment rate, need to think about the fund's fiscal effect. As they propose it, the trust fund would get the revenue from a new gasoline tax set at 5 cents a gallon initially and perhaps a higher level subsequently. Five cents a gallon raises $5 billion a year. In addition, the Democratic policy paper proposes to tip into this fund revenues from an excess profits tax, from various conservation taxes and from offshore drilling leases.

But the speed at which the federal government can spend money on energy production and conservation is limited. It spent $740 million on energy research and development last year and expects to step up the scale to $1.6 billion next year. That's a huge increase, but even next year's figure is only a small fraction of the proposed energy trust fund's revenues. If the trust fund takes in more tax money than it immediately spends, it will be sucking purchasing power out of the economy and making the recession worse. Given the huge size of the operation the Democrats sketched out, it would have a serious impact on the whole economy.

A higher tax on gasoline is necessary to cut consumption, but it needs to be turned back to the public through rebates as fast as it is collected. The tax needs to be enacted soon, without apology and without a trust fund. Earmarked taxes are almost always a mistake. Trust funds are self-perpetuating, regardless of the country's changing priorities and changing circumstances. It might be difficult to imagine at the moment, but even the energy squeeze may not last forever.

FRASER TESTIFIES IN SUPPORT OF FUNDING FOR OLDER AMERICAN EMPLOYMENT PROGRAMS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. FRASER. Mr. Speaker, last Monday the House Labor-HEW Appropriations Subcommittee held hearings on the administration's request to rescind $12 million appropriated by Congress for fiscal year 1975 under title IX of the Older Americans Comprehensive Services Amendments of 1973. Programs funded under this title provide hundreds of senior citizens with the opportunity to obtain parttime community service employment and therefore, regain a sense of purpose in their lives.

My testimony before the subcommittee follows:

TESTIMONY OF HONORABLE DONALD M. FRASER

Mr. Chairman, during debate in the House earlier this month on the Administration's proposal to increase food stamp prices, I pointed out that we here in Congress were entering only the first of many battles with the President over what the Federal Government's spending priorities will be over the next two years.

Today, we find ourselves involved in a second encounter. And for an issue such as funding for Title IX community service employment programs for the elderly, I gladly do battle once again.

UMI

Frankly, Mr. Chairman, the callous decision of the Ford Administration to rescind appropriated funds under Title IX for Fiscal Year 1975 and to request no funds for Fiscal Year 1976 leaves me bewildered, though not surprised. Both the food stamp proposal and this request display a serious insensitivity to the poor and elderly in this country. This rescission request would negate an act of Congres which sought to overturn what has become one of America's great misguided maxims: "as you grow old you become less useful to society." It would deny continued opportunities for able bodied senior citizens to help themselves regain dignity and a sense of purpose in their lives.

Let's look at the record on Title IX funding. Originally passed two years ago with $60 million authorized for FY 1973 and $100 million for FY 1974, only $10 million has actually been appropriated to operate Title IX programs. These funds provided only 3,300 senior citizens, who were at least 55 years of age, with parttime jobs—and this was done only after Congress took the initiative. The Administration never requested any funds for the programs. To make matters worse, the $10 million for FY 1974 was finally released only two days before the end of the fiscal year following an argument with the Department of Labor over whether the states or national contractors were intended to be the administrators of older worker programs.

The Department's answer to all this is that when Title IX funds and Operation Mainstream funds under Title III of the Comprehensive Employment and Training Act (CETA) are discontinued on June 30, 1975, state and local manpower agencies will continue to fund previously successful seniors programs with CETA funds. But the reality of the situation is just to the contrary. With unemployment steadily rising, competition is intense for the modest CETA funds. Senior citizens most surely will be left behind in the rush for CETA grants.

Mr. Chairman, our senior citizens must be given the respect and dignity due them. It is an insult to them that we must even be here today discussing whether the Senior Aides Programs across the country should be appropriated $12 million. In two years of limited operation, the program has demonstrated its effectiveness and importance. We should be discussing rather, whether $80 or $100 million should be appropriated.

The Minneapolis Senior Aide Program, considered one of the best in the entire United States, has given 80 elderly people new meaning to their lives. When the program began, approximately one-third of them were on welfare and over half were receiving medical assistance. Today, none receive either welfare or medical assistance. With wages for 20 hours work per week, they have a new vigor and enthusiasm. They are all dedicated workers.

The letters I have received from Minneapolis Senior Aides expressing their concern over the fate of their program convey the pride they have in the job they do, whether they are working in nursing homes, community centers, institutions for the mentally retarded, day-care centers, or are making home visits to neglected shut-ins, or work as legal paraprofessionals or bookkeepers. With an estimated four to five million poor people over 55 years old unable to work because they have been labeled obsolete by our modern society, the programs funded by Title IX provide training and an opportunity to regain confidence to many forgotten Americans.

We should help our elderly continue to be productive and important parts of America's daily life. During a recession they feel the pinch more than anyone else. I urge the Committee to reject this rescission request and, in the coming months, to include a substantial increase in appropriations under Title IX for Fiscal Year 1976.

SENATE—*Tuesday, March 4, 1975*

The Senate met at 12 noon and was called to order by Hon. GARY W. HART, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

They that wait upon the Lord shall renew their strength; they shall mount up with wings like eagles; they shall run, and not be weary, and they shall walk, and not faint.—Isaiah 40: 41.

Our Father-God, we thank Thee for the quiet moments of life. Show us that wisdom may come in silence as in speaking, in waiting as in working, in walking as in running. May no day be wasted, no session routine, no work devoid of meaning, no task without significance. At all times use us in Thy service. May our minds be receptive to Thy truth, our hearts open to Thy love, and our wills obedient to Thy will.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 4, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. GARY W. HART, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. GARY W. HART thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday be considered as read.

Mr. ALLEN. Mr. President, I am going to object to that.

The ACTING PRESIDENT pro tempore. Objection is heard.

The Journal will be read.

The legislative clerk read the Journal of Monday, March 3, 1975.

Mr. ALLEN. Mr. President——

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. ALLEN. I have an amendment at the desk, which I call up.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

Amend the Journal for March 3 by inserting the following prayer at the start of the day's proceedings:

A PRAYER OF SAINT FRANCIS OF ASSISI

Lord, make me an instrument of your peace.
Where there is hatred, let me sow love.

Where there is injury, pardon.
Where there is doubt, faith.
Where there is despair, hope.
Where there is darkness, light,
and where there is sadness, joy.

O Divine Master, grant that I may not so much seek to be consoled as to console.
To be understood as to understand.
To be loved as to love.

For it is in giving that we receive.
It is in pardoning that we are pardoned.
And it is in dying that we are born to eternal life.

Mr. ROBERT C. BYRD and Mr. ALLEN addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I move to lay the amendment on the table.

Mr. ALLEN. Mr. President, I ask——

Mr. ROBERT C. BYRD. And I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. The yeas and nays have been requested. There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Iowa (Mr. CLARK) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT), is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 64, nays 25, as follows:

[Rollcall Vote No. 35 Leg.]

YEAS—64

Abourezk	Fong	Leahy
Bayh	Ford	Long
Beall	Glenn	Magnuson
Bentsen	Gravel	Mansfield
Biden	Griffin	McGee
Brooke	Hart, Gary W.	McIntyre
Bumpers	Hartke	Metcalf
Burdick	Haskell	Mondale
Byrd, Robert C.	Hatfield	Montoya
Cannon	Hathaway	Moss
Case	Huddleston	Muskie
Chiles	Inouye	Nelson
Church	Jackson	Packwood
Cranston	Javits	Pastore
Culver	Johnston	Pearson
Eagleton	Kennedy	Pell
Percy	Scott, Hugh	Talmadge
Proxmire	Stafford	Tunney
Randolph	Stevens	Williams
Ribicoff	Stevenson	Young
Roth	Symington	
Schweiker	Sione	

NAYS—25

Allen	Domenici	McClure
Baker	Fannin	Nunn
Bartlett	Garn	Scott, William L.
Bellmon	Goldwater	Sparkman
Brock	Hansen	Stennis
Byrd, Harry F., Jr.	Helms	Thurmond
Curtis	Hollings	Tower
Dole	Hruska	Weicker
	Laxalt	

NOT VOTING—10

Buckley	Humphrey	Morgan
Clark	Mathias	Taft
Eastland	McClellan	
Hart, Philip A.	McGovern	

So the motion to lay Mr. ALLEN's amendment on the table was agreed to.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore (Mr. GARY W. HART). The first order of morning business is the presentation of petitions and memorials.

Mr. ALLEN. Mr. President.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Alabama.

Mr. ALLEN. Mr. President, I have another amendment to offer to the Journal.

Inasmuch as we had no prayer at the last session of the Senate, at the beginning of the last legislative day, I would like to offer The Lord's Prayer. I know there is not too much respect among some Senators for the rules, but possibly they might not feel like tabling The Lord's Prayer as the prayer of the Senate on the last legislative day; so I offer that amendment.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

Amend the Journal by adding the following prayer at the beginning of the Journal:

"Our Father which are in heaven, Hallowed be Thy name. Thy kingdom come. Thy will be done, as in heaven, so in earth. Give us day by day our daily bread. And forgive us our sins; for we also forgive every one that is indebted to us. And lead us not into temptation; but deliver us from evil."

Mr. ROBERT C. BYRD. Mr. President, I move to lay that amendment on the table.

Mr. HANSEN. I ask for the yeas and nays.

SEVERAL SENATORS. Yeas and nays, Mr. President.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore (Mr. GARY W. HART). The question is on agreeing to the motion of the Senator from West Virginia (Mr. ROBERT C. BYRD) to lay on the table the amendment of the Senator from Alabama (Mr. ALLEN). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Iowa (Mr. CLARK) would each vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 60, nays 25, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—60

Abourezk	Hartke	Moss
Bayh	Haskell	Muskie
Beall	Hatfield	Nelson
Bentsen	Hathaway	Packwood
Biden	Helms	Pastore
Brooke	Huddleston	Pell
Bumpers	Inouye	Percy
Burdick	Jackson	Proxmire
Byrd, Robert C.	Javits	Randolph
Cannon	Johnston	Ribicoff
Case	Kennedy	Schweiker
Chiles	Long	Scott, Hugh
Cranston	Magnuson	Stafford
Culver	Mansfield	Stevenson
Domenici	Mathias	Symington
Eagleton	McGee	Talmadge
Ford	McIntyre	Tunney
Glenn	Metcalf	Weicker
Gravel	Mondale	Williams
Hart, Gary W.	Montoya	Young

NAYS—25

Allen	Fannin	Roth
Baker	Fong	Scott, William L.
Bartlett	Garn	Sparkman
Bellmon	Hansen	Stennis
Brock	Hollings	Stevens
Byrd, Harry F., Jr.	Hruska	Stone
Curtis	Laxalt	Thurmond
Dole	McClure	Tower
	Nunn	

NOT VOTING—14

Buckley	Griffin	McGovern
Church	Hart, Philip A.	Morgan
Clark	Humphrey	Pearson
Eastland	Leahy	Taft
Goldwater	McClellan	

So the motion to lay Mr. ALLEN's amendment on the table was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

Mr. HELMS. I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY) and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 61, nays 26, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—61

Abourezk	Hart, Philip A.	Nelson
Bayh	Hartke	Packwood
Beall	Haskell	Pastore
Bentsen	Hatfield	Pell
Biden	Hathaway	Percy
Brooke	Huddleston	Proxmire
Bumpers	Inouye	Randolph
Burdick	Jackson	Ribicoff
Byrd, Robert C.	Javits	Schweiker
Cannon	Johnston	Scott, Hugh
Case	Kennedy	Stafford
Chiles	Long	Stevens
Cranston	Magnuson	Stevenson
Culver	Mansfield	Symington
Domenici	Mathias	Talmadge
Eagleton	McGee	Tunney
Ford	Metcalf	Weicker
Glenn	Mondale	Williams
Gravel	Montoya	Young
Griffin	Moss	
Hart, Gary W.	Muskie	

NAYS—26

Allen	Fong	Roth
Baker	Garn	Scott, William L.
Bartlett	Goldwater	Sparkman
Bellmon	Hansen	Stennis
Brock	Helms	Stone
Byrd, Harry F., Jr.	Hollings	Thurmond
Curtis	Hruska	Tower
Dole	Laxalt	
Fannin	McClure	
	Nunn	

NOT VOTING—12

Buckley	Humphrey	McIntyre
Church	Leahy	Morgan
Clark	McClellan	Pearson
Eastland	McGovern	Taft

So the motion to lay on the table Mr. HELMS' motion to reconsider was agreed to.

Mr. ROBERT C. BYRD. Mr. President——

Mr. ALLEN. Mr. President——

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. ROBERT C. BYRD. Mr. President, is the Senate now operating under rule

VII? Is the Senate in the period for routine morning business?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. ROBERT C. BYRD. Then I ask that the Chair proceed with the next item.

Mr. ALLEN. Mr. President, I move the Senate stand in recess until the hour of 2:05 this afternoon and I call for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Minnesota (Mr. HUMPHREY) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. PEARSON) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 28, nays 61, as follows:

[Rollcall Vote No. 38 Leg.]

YEAS—28

Allen	Fannin	Roth
Baker	Fong	Scott, William L.
Bartlett	Garn	Sparkman
Bellmon	Goldwater	Stennis
Brock	Hansen	Stevens
Buckley	Helms	Stone
Byrd, Harry F., Jr.	Hollings	Thurmond
Curtis	Hruska	Tower
Dole	Laxalt	Young
	McClure	

NAYS—61

Abourezk	Hart, Philip A.	Muskie
Bayh	Hartke	Nelson
Beall	Haskell	Nunn
Bentsen	Hatfield	Packwood
Biden	Hathaway	Pastore
Brooke	Huddleston	Pell
Bumpers	Inouye	Percy
Burdick	Jackson	Proxmire
Byrd, Robert C.	Javits	Randolph
Cannon	Johnston	Ribicoff
Case	Kennedy	Schweiker
Chiles	Long	Scott, Hugh
Cranston	Magnuson	Stafford
Culver	Mansfield	Stevenson
Domenici	Mathias	Symington
Eagleton	McGee	Talmadge
Ford	McIntyre	Tunney
Glenn	Metcalf	Weicker
Gravel	Mondale	Williams
Griffin	Montoya	
Hart, Gary W.	Moss	

NOT VOTING—10

Church	Leahy	Pearson
Clark	McClellan	Taft
Eastland	McGovern	
Humphrey	Morgan	

So Mr. ALLEN's motion was rejected.

The PRESIDING OFFICER (Mr. CULVER). The next order of business——

Mr. ALLEN. Mr. President——

Mr. HOLLINGS. Mr. President——

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. Order in the Senate.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. Order in the Senate.

The next order of business is the submission of reports of committees. Are there reports?

Mr. ALLEN. Mr. President——

Mr. WILLIAM L. SCOTT. Mr. President, I suggest the absence of a quorum.

Mr. HOLLINGS. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, I move that the Senate stand in recess until tomorrow at 12 o'clock, and I call for the yeas and nays.

The PRESIDING OFFICER (Mr. CULVER). That motion is not in order at this time.

Mr. ALLEN. I appeal from the ruling of the Chair.

Mr. ROBERT C. BYRD. Regular order, Mr. President.

Mr. ALLEN. I call for the yeas and nays on the appeal.

The PRESIDING OFFICER. The Chair will advise the Senator from Alabama that he is going to insist on the regular order.

Mr. ALLEN. I appeal from the ruling of the Chair.

The PRESIDING OFFICER. An appeal is not in order.

Mr. ALLEN. I appeal from the Chair's statement that an appeal is not in order, and I call for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. An appeal is not in order in the absence of a quorum. The regular order——

Mr. ALLEN. I appeal from that ruling.

The PRESIDING OFFICER. The Senate will be in order, and the regular order is that the clerk will continue to seek a quorum.

The rollcall was continued and concluded, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 14 Leg.]

Abourezk	Harry F., Jr.	Garn
Allen	Byrd, Robert C.	Glenn
Baker	Cannon	Goldwater
Bartlett	Case	Gravel
Bayh	Chiles	Griffin
Beall	Church	Hansen
Bellmon	Cranston	Hart, Gary W.
Bentsen	Culver	Hart, Philip A.
Biden	Curtis	Hartke
Brock	Dole	Haskell
Brooke	Domenici	Hatfield
Buckley	Eagleton	Hathaway
Bumpers	Fannin	Helms
Burdick	Fong	Hollings
Byrd,	Ford	Hruska
Huddleston	Montoya	Scott, William L.
Inouye	Morgan	Sparkman
Jackson	Moss	Stafford
Javits	Muskie	Stennis
Johnston	Nelson	Stevens
Kennedy	Nunn	Stone
Laxalt	Packwood	Symington
Leahy	Pastore	Talmadge
Long	Pearson	Thurmond
Magnuson	Pell	Tower
Mansfield	Percy	Tunney
Mathias	Proxmire	Weicker
McClure	Randolph	Williams
McGee	Ribicoff	Young
McIntyre	Roth	
Metcalf	Schweiker	
Mondale	Scott, Hugh	

The PRESIDING OFFICER. A quorum is present.

The PRESIDING OFFICER. The introduction of bills and joint resolutions is now in order.

Mr. ALLEN. Mr. President, I have a priority motion.

The PRESIDING OFFICER. The Senator from Alabama will state it.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

MOTION TO PROCEED TO CONSIDER SENATE RESOLUTION 4

Mr. ALLEN. Mr. President, the hour of 1 o'clock having passed——

The PRESIDING OFFICER. Debate is not in order.

Mr. ALLEN. I am not debating, I am stating the predicate for my motion. I move that the Senate proceed to the consideration of Senate Resolution No. 4, and I would like to be heard on the motion.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. CULVER). The question is on agreeing to the motion of the Senator from West Virginia (Mr. ROBERT C. BYRD) to lay on the table the motion of the Senator from Alabama (Mr. ALLEN) that the Senate proceed to the consideration of Senate Resolution No. 4. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Iowa (Mr. CLARK) would each vote "yea."

Mr. GRIFFFIN. I announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 82, nays 8, as follows:

[Rollcall Vote No. 39 Leg.]

YEAS—82

Abourezk	Goldwater	Montoya
Allen	Gravel	Moss
Baker	Griffin	Muskie
Bartlett	Hansen	Nelson
Bayh	Hart, Gary W.	Packwood
Beall	Hart, Philip A.	Pastore
Bentsen	Hartke	Pearson
Biden	Haskell	Percy
Brock	Hatfield	Proxmire
Brooke	Hathaway	Randolph
Buckley	Helms	Ribicoff
Bumpers	Hollings	Roth
Burdick	Hruska	Schweiker
Byrd, Robert C.	Huddleston	Scott, Hugh
Cannon	Inouye	Sparkman
Case	Jackson	Stafford
Chiles	Javits	Stevens
Church	Johnston	Stone
Cranston	Kennedy	Symington
Culver	Leahy	Talmadge
Dole	Long	Thurmond
Domenici	Magnuson	Tunney
Eagleton	Mansfield	Weicker
Fannin	Mathias	Williams
Fong	McGee	Young
Ford	McIntyre	
Garn	Metcalf	
Glenn	Mondale	

NAYS—8

Bellmon	Laxalt	Scott, William L.
Byrd, Harry F., Jr.	McClure	Stennis
Curtis	Nunn	

NOT VOTING—9

Clark	McClellan	Pell
Eastland	McGovern	Stevenson
Humphrey	Morgan	Taft

So the motion to lay on the table Mr. ALLEN's motion to proceed to consider was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order, and the submission of concurrent and other resolutions is now in order.

The Senator from North Carolina.

Mr. HELMS. I move to reconsider.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

Mr. HELMS. I ask for the yeas and nays.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

During the call of the roll, the following proceedings occurred.

Mr. HARRY F. BYRD, JR. Mr. President, how is the Senator from Virginia recorded on this vote?

The PRESIDING OFFICER. The Senator was recorded in the affirmative.

Mr. HARRY F. BYRD, JR. May I ask the Chair how the Senator——

Mr. ROBERT C. BYRD. Mr. President, I ask for regular order.

The PRESIDING OFFICER. The clerk will continue to call the roll.

The Senator from Virginia has been recorded in the affirmative.

The second assistant legislative clerk resumed the call of the roll.

Mr. WILLIAM L. SCOTT. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is not recorded.

Mr. WILLIAM L. SCOTT. I vote "no."

The second assistant legislative clerk resumed the call of the roll.

Mr. McCLURE. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator is recorded in the negative.

The second assistant legislative clerk resumed the call of the roll.

Mr. HELMS. Mr. President, how is the Senator from North Carolina recorded, please?

The PRESIDING OFFICER. The Senator is recorded in the negative.

Mr. HELMS. I thank the Chair.

Mr. HANSEN. Mr. President, is the Senator from Wyoming recorded?

The PRESIDING OFFICER. The Senator is recorded in the negative.

We will have regular order, and the clerk will call the roll.

Mr. CURTIS. Mr. President, have all the names been called?

The PRESIDING OFFICER. All the names have been called.

Mr. CURTIS. Mr. President, I request regular order——

Mr. ROBERT C. BYRD. Mr. President, I ask for regular order.

The Senators need not be concerned. It is 2 o'clock.

The PRESIDING OFFICER. The Senate will be in order, and the clerk will continue to call the roll.

Mr. GOLDWATER. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator is advised that regular order is being followed.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT, C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CLARK) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON), the Senator from Iowa (Mr. CLARK), and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. TAFT) is absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 62, nays 27, as follows:

[Rollcall Vote No. 40 Leg.]

YEAS—62

Abourezk	Case	Hart, Philip A.
Bayh	Chiles	Hartke
Beall	Church	Haskell
Bentsen	Cranston	Hatfield
Biden	Culver	Hathaway
Brooke	Eagleton	Hollings
Bumpers	Ford	Huddleston
Burdick	Glenn	Inouye
Byrd, Robert C.	Griffin	Jackson
Cannon	Hart, Gary W.	Javits
Kennedy	Moss	Schweiker
Leahy	Muskie	Scott, Hugh
Long	Nelson	Stafford
Magnuson	Packwood	Stevens
Mansfield	Pastore	Stone
Mathias	Pearson	Symington
McGee	Pell	Talmadge
McIntyre	Percy	Tunney
Metcalf	Proxmire	Williams
Mondale	Randolph	Young
Montoya	Ribicoff	

NAYS—27

Allen	Domenici	Nunn
Baker	Fannin	Roth
Bartlett	Fong	Scott, William L.
Bellmon	Garn	Sparkman
Brock	Goldwater	Stennis
Buckley	Hansen	Thurmond
Byrd, Harry F., Jr.	Helms	Tower
Curtis	Laxalt	Weicker
Dole	McClure	

NOT VOTING—10

Clark	Johnston	Stevenson
Eastland	McClellan	Taft
Gravel	McGovern	
Humphrey	Morgan	

So the motion to lay on the table the motion to reconsider the vote to table the Allen motion was agreed to.

MORNING BUSINESS

The following morning business was transacted today:

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

Mr. PEARSON. Mr. President, as in executive session, from the Committee on Committee, I report favorably sundry nominations in the Coast Guard which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of February 7, 1975, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. STEVENS:

S. 929. A bill for the relief of Mrs. Yu Sil Kang (nee Kim). Referred to the Committee on the Judiciary.

S. 930. A bill for the relief of Othal William Ray (doing business as) Bill Ray Construction Co. of Fairbanks, Alaska. Referred to the Committee on the Judiciary.

By Mr THURMOND:

S. 931. A bill to amend the Communications Act of 1934 in order to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity which is offensive to the public taste and morals. Referred to the Committee on Commerce.

By Mr. INOUYE:

S. 932. A bill to provide a minimum level for retirement salaries of certain Federal judges in territories and possessions. Referred to the Committee on the Judiciary.

S. 933. A bill to establish an Energy Trust

Fund Reserve, to require the deposit in such reserve of amounts equivalent to so much of the taxpayer's deduction for percentage depletion on oil and natural gas as is in excess of the amount allowable on an average daily production of barrels in the case of oil or cubic feet in the case of natural gas, to require the investment of such reserve into the exploration for and development of new sources of energy, and for other purposes. Referred to the Committee on Finance.

By Mr. STEVENS:

S. 934. A bill to amend chapter 641 of title 10, United States Code, so as to require certain proceeds from the disposition of lands within the naval petroleum reserves to be made available to the States within which such lands are located. Referred to the Committee on Armed Services.

By Mr. KENNEDY:

S. 935. A bill to terminate the embargo against trade between the United States and Cuba. Referred to the Committee on Foreign Relations.

By Mr. HUGH SCOTT:

S. 936. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain amounts paid by a taxpayer for tuition and fees in providing certain education for himself, his spouse, and his dependents. Referred to the Committee on Finance.

By Mr. NUNN (for himself, Mr. BARTLETT, Mr. CHILES, Mr. DOMENICI, and Mr. PERCY):

S. 937. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Work, to provide for a review of Federal laws, regulations, and policies with respect to their impact on productivity, to encourage labor, industry, and Government efforts to improve productivity growth in all sectors of the economy; to authorize a program of grants, and for other purposes. Referred to the Committee on Government Operations.

By Mr. HOLLINGS:

S. 938. A bill to amend title 23 of the United States Code, relating to highways, in order to encourage the States to establish highway assistance patrols. Referred to the Committee on Public Works.

By Mr. PELL (for himself and Mr. BEALL):

S. 939. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 940. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies. Referred to the Committee on Labor and Public Welfare.

S. 941. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 942. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 943. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. GRAVEL:

S. 944. A bill to modify the Crater-Long Lakes division of the Snettisham project, Alaska, with respect to the terms and period of amortization of the capital investment of the United States in such project. Referred to the Committee on Public Works.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 945. A bill relating to certain Indian claims. Referred to the Committee on the Judiciary

By Mr. TUNNEY (for himself and Mr. PHILIP A. HART):

S. 946. A bill to amend the Solid Waste Disposal Act to encourage resource recovery through conversion of waste; and for other public purposes. Referred to the Committee on Public Works.

By Mr. BROOKE:

S. 947. A bill to amend the Housing Act of 1937. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 948. A bill to authorize the Secretary of Housing and Urban Development to make special grants in order to encourage the construction and purchase of residential dwellings, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. INOUYE:

S.J. Res. 45. A joint resolution to authorize and request the President to issue annually a proclamation designating the second week in May of each year as "Municipal Clerk's Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 930. A bill for the relief of Othal William Ray (doing business as) Bill Ray Construction Co. of Fairbanks, Alaska. Referred to the Committee on the Judiciary.

Mr. STEVENS. Mr. President, I am today introducing two pieces of legislation: S. 930. a bill for the relief of Othal William Ray, doing business as Bill Ray Construction Co. of Fairbanks, Alaska and Senate Resolution 95, a Senate resolution to refer this bill to the Chief Commissioner of the Court of Claims in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code.

I ask unanimous consent that they be printed in their entirety in the CONGRESSIONAL RECORD at this point.

There being no objection, the bill and resolution were ordered to be printed in the RECORD, as follows:

S. 930

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. I. That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Othal William Ray (doing business as) Bill Ray Construction Company of Fairbanks, Alaska, a sum of money, in the amount to be substantiated, representing the amount to which such claimant is equitably entitled for the cost sustained by him and his company arising out of a contract with the Department of the Army for the construction of certain facilities at Fort Wainwright, Alaska, which contract required claimant to bear substantial loss as a result of a flood disaster occurring in the construction area in August 1967, a loss for which no remedy can be found a law except through special appropriation of funds by Congress.

SEC. III. No part of the amount appropriated in this Act in excess of 20 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

S. RES. 95

Resolved, That the bill (S. 930) entitled "A bill for the relief of Othal William Ray, doing business as Bill Ray Construction Company of Fairbanks, Alaska, now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner of the United States Court of Claims shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

By Mr. THURMOND:

S. 931. A bill to amend the Communications Act of 1934 in order to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity which is offensive to the public taste and morals. Referred to the Committee on Commerce.

Mr. THURMOND. Mr. President, the Honorable Richard E. Wiley, Chairman of the Federal Communications Commission, has pointed out that an American child born today will, by age 13, have spent more of his life watching television than any other single activity except sleep. These are the growing years, the learning years. Like many parents, I am naturally interested in and concerned about the nature of the material which comes into our homes every day.

Each of us recognizes that television broadcasting has special qualities that distinguish it from other modes of communication and expression. It is instantaneous, it is present in almost every home, its use is not always subject to close parental scrutiny, and the opportunity for parental "screening" is not present to the same degree as for books, magazines, or any printed matter.

There are a limited number of channels which can be received by a home set. This limitation has led the Congress to authorize the Federal Communications Commission to license the originators of television broadcasts in the public interest. I think it is entirely appropriate to help the FCC determine and define the standards by which the "public interest" is judged.

It seems to me that an elementary standard of the public interest would take into account the concern that millions of Americans share about the level of sexual material entering their homes. I am sending to the desk a bill which would empower the Federal Communications Commission to prohibit television stations from broadcasting portrayals of nudity, obscenity, or explicit sexual activity offensive to the public taste and morals. I ask unanimous consent that this bill be printed in the CONGRESSIONAL RECORD and referred to the appropriate committee.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part I of title III of the Communications Act of 1934 is amended by inserting at the end thereof a new section as follows:

"PROHIBITION OF CERTAIN TELEVISION BROADCASTING

"SEC. 332. (a) The Congress finds that in view of the purpose of this Act, as stated in section 301, 'to maintain the control of the United States over all the channels of interstate and foreign radio transmission', television broadcasting stations should in the public interest be prohibited from broadcasting programs portraying nudity, obscenity, or explicit sexual activity, any of which are offensive to the public taste and morals.

"(b) The Commission shall as soon as practicable prescribe regulations prohibiting such broadcasting stations from broadcasting such portrayals of nudity, obscenity, or explicit sexual activity."

By Mr. INOUYE:

S. 932. A bill to provide a minimum level for retirement salaries of certain Federal judges in territories and possessions. Referred to the Committee on the Judiciary.

Mr. INOUYE. Mr. President, considerable attention has been given recently to the question of judicial salaries. Last Sunday, February 23, Chief Justice Warren Burger called on the Congress to provide an immediate 20 percent salary increase for Federal judges and to set up a system to give judges regular cost of living adjustments.

In his annual message to the American Bar Association, the Chief Justice said,

This is more than a matter of simple fairness and equity. It is a matter of preserving a strong and independent judiciary, and maintaining the spirit of the constitutional prohibition against the reduction of salaries of Federal judges during their terms of office.

The Judicial Conference Committee on Judicial Compensation, employing similar logic, has called for a judicial salary increase of 25 percent. The legislation I am introducing today provides for a 25 percent increase in the salaries of retired Federal judges in U.S. Territories and possessions.

The executive, legislative, and judicial salary freeze has been in effect since 1969. The high inflation of the past few years has had the effect of significantly lowering the purchasing power of those salaries.

The considerations warranting acutely needed relief against that 6-year salary freeze, however, apply with equal—if not greater—force to the salaries of retired justices of the supreme court of the territory of Hawaii and the salaries of district court judges in both former and present territories which exist pursuant to section 373, title 28, United States Code, as amended by act of February 10, 1954, chapter 6, section 5, 68 statutes 13 and which have been frozen for 47 and 29 years respectively, that is, since 1928 and 1946.

The salaries of a retired justice of the Supreme Court of the territory of Hawaii and a retired district court judge of a present or former territory are respectively $10,000 and $15,000, one created by Act of May 29, 1928, and the other by Act of July 13, 1946, and both existing pursuant to Act of February 10, 1954. Those salaries of such an ancient origin have been frozen since they were created. To raise them to $30,000 would bring them up to the salary level established in 1955 for district court judges in present and former territories by Act of March 2, 1955. To do so by making that old 1955 salary level in effect the 1975 minimum salary level for such retired judges would constitute the same proportionate increase in salary as that of a 25-percent salary increase for active judges.

The equitable nature of such an action seems incontrovertible. Moreover, the fiscal significance of such an action is minimal when compared to the issue of fairness. I urge the Congress to give prompt consideration to this legislation.

By Mr. INOUYE:

S. 933. A bill to establish an "Energy Trust Fund Reserve," to require the deposit in such reserve of amounts equivalent to so much of the taxpayer's deduction for percentage depletion on oil and natural gas as is in excess of the amount allowable on an average daily production of barrels in the case of oil or cubic feet in the case of natural gas, to require the investment of such reserve into the exploration for and development of new sources of energy, and for other purposes. Referred to the Committee on Finance.

OIL AND GAS DEPLETION ALLOWANCE

Mr. INOUYE. Mr. President, I have today introduced another bill that deals with the percentage depletion allowance for oil companies. We have now the great debate of whether or not we should do away with the depletion allowance entirely; but this issue is only part of the bigger problem of what are we going to do about the future supplies of energy sources that will always be readily available to this Nation.

The bill I have introduced today goes directly to both of these issues. It affects all the oil companies, big and small. In effect it says to these companies, "If you do not use the oil depletion allowance to develop new energy sources within the framework of the legislation and within the United States, you lose it." To that extent it does repeal the depletion allowance. On the other hand, the legislation allows the funds to be used for the specific purposes set forth within the bill and within the time frame of the legislation, for the research and development of new energy sources within this Nation.

The bill is no panacea for the oil companies. First, what was the depletion allowance must be funded, and is thus traceable for tax purposes as well as being under the regulations of the Secretary of Treasury. Second, the bill specifically sets forth those uses to which the funds can apply. What was the depletion allowance cannot be used willy-nilly under the disguise of research and development. The bill is very specific as to how the funds can be spent if the allowance is not to be taxable. There cannot be manipulation of these funds under this legislation. Third, the funds must be expended within 5 years of deposit, so that the funds must be used now, when most needed. Fourth, the Secretary of Treasury will monitor the funds and their uses. Fifth, the funds cannot be used for the acquisition of off-shore oil and gas leases.

The Energy Trust Fund Reserve is no windfall for the oil companies; it is instead a command from the Government "use it or lose it."

The rationale behind the legislation is simple. We have considered the depletion allowance to be in the neighborhood of $3 billion. We are all aware that the allowance has not always been properly utilized in accordance with its original legislative intention. But we know those billions are there. If we simply eliminate the depletion allowance, this money will go into the general funds of the Treasury and those funds may never find their way into the energy development. But funds must go into energy development. Here are the funds, so why not now have legislation channelize and control their direction for the real purpose intended. If the companies fail in this test they lose the fund and the moneys become taxable. The goals that the Congress and the President seek with no further appropriations of any magnitude can be met by this legislation.

"Use it or lose it" can give us the independence in the petroleum world so vital to our Nation's existence. Mr. President, I ask unanimous consent that the bill be printed in today's CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Trust Fund Reserve Act of 1975".

TITLE I—ENERGY TRUST FUND RESERVE

SEC. 101.

(a) IN GENERAL.—Any person who is or who subsequently becomes eligible for a deduction for percentage depletion on oil and natural gas income under Section 613 of Subtitle A of the U.S. Internal Revenue Code, shall be required to set aside a special "Energy Trust Fund Reserve" account. The funds that shall be deposited in such Reserve account shall be equal to the dollar amounts that are claimed, after the effective date of this Act, as a deduction under such Section 613 with respect to oil (in excess of the amount allowable on an average daily production of —— barrels, and natural gas (in excess of the amount allowable on an average daily production of —— cubic feet) produced within the United States, its territories or possessions, or from "Continental Shelf Areas" of the United States as defined by Section 638 of the Internal Revenue Code. The purpose of such Reserve account shall be to provide for the expenditure of any amounts so deposited into investments for the exploration research and development of new sources of energy, as hereinafter defined in subsection (c) of this Act, within the United States (including the Continental Shelf Areas thereof), its territories, or possessions. Any amounts deducted as percentage depletion in excess of the amount allowable on an average daily production of —— barrels in the case of oil or

—— cubic feet in the case of natural gas which are not deposited into such Reserve account by the last day of the first month following the due date of the taxpayer's income tax return, including any time for filing extensions, shall be considered as ordinary income as of the taxable year in which such amounts were deducted; however, any amounts properly deposited, and the earnings therefrom, shall not be included in income until such time as they are improperly withdrawn, are expended on investments which are defined as "nonqualifying investments" in subsection (c) hereof, or remain in the fund more than five years from the date of deposit. It shall be the responsibility of the Secretary of the Treasury or his delegate to enforce the provisions of this Act and to prescribed Regulations in accordance therewith.

(b) ENERGY TRUST FUND RESERVE:

(1) IN GENERAL.—Under regulations to be prescribed by the Secretary of the Treasury, the taxpayer shall make deposits to the Energy Trust Fund Reserve with an approved depository or depositories. Deposits into the Reserve may be in either cash or such securities as may be approved by the Secretary. The Reserve funds may be invested in stocks, securities or other assets as may be approved by the Secretary. Net income from such investments may be excluded from the gross income of the taxpayer provided such income is reinvested in qualifying energy expenditures as defined in subsection (c). Net losses from such investment shall not be considered in calculating the taxable income of the taxpayer. Further, if the investments of the Reserve result in a net loss for any taxable year, the taxpayer shall make an additional deposit of the amount of such net loss to the Reserve on or before the last day of the third month following the close of the taxable year.

(2) WITHDRAWALS FROM ENERGY TRUST FUND RESERVE:

(A) QUALIFYING WITHDRAWALS.—The term "qualifying withdrawals" means the "qualifying energy expenditures" as defined in subsection (c) made by taxpayer during the taxable year and designated as withdrawals from the Reserve on the taxpayer's return for such year.

(B) NONQUALIFYING WITHDRAWALS.—The term "nonqualifying withdrawal" means any withdrawal from the Reserve other than a qualifying withdrawal.

(c) QUALIFYING ENERGY EXPENDITURES:

(1) IN GENERAL.—For purposes of this section, a qualifying energy expenditure means any amount paid or incurred by the taxpayer (with respect to areas within the United States (as defined in Section 638) for:

(A) intangible drilling and development costs;

(B) the following items if paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States:

(i) aerial photography;

(ii) geological mapping;

(iii) airborne magnetometer surveys;

(iv) gravity meter surveys;

(v) seismograph surveys; or

(vi) similar geological and geophysical methods.

(C) the construction, reconstruction, erection, or acquisition of the following items but only if the original use of such items begins with such person:

(i) depreciable assets used for the exploration for or the development or production of oil or gas (including development or production from oil shale); converting oil shale, coal, or liquid hydrocarbons into oil or gas; or refining oil or gas (but not beyond the primary product stage);

(ii) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines.

(D) secondary or tertiary recovery of oil or gas.

(E) the acquisition of oil and gas leases (other than off-shore oil and gas leases), but the aggregate amount which may be taken into account under this subparagraph for any taxable period shall not exceed one-third of the aggregate of the amounts which may be taken into account by the taxpayer under subparagraphs (A), (B), (C), and (D) for such period.

or

(F) such other investments as may be approved by the Secretary.

(2) CARRYOVER OF QUALIFYING ENERGY EXPENDITURES.—Any qualifying energy expenditure not designated as a qualifying withdrawal during the taxable year, as provided in subsection (b)(2)(A) of this section shall be carried over to each succeeding taxable year until designated qualifying withdrawal.

By Mr. STEVENS:

S. 934. A bill to amend chapter 641 of title 10, United States Code, so as to require certain proceeds from the disposition of lands within the naval petroleum reserves to be made available to the States within which such lands are located. Referred to the Committee on Armed Services.

Mr. STEVENS. Mr. President, I introduce today a bill which would require that 37½ percent of the money received by the United States from sales, bonuses, royalties, and rentals on naval petroleum lands be paid to the State within which such lands are located. In addition, 2½ percent of the money received from sales, bonuses, royalties, and rentals on Naval Petroleum Reserve No. 4 will be made available to the Alaska Native Fund as defined in section 6(a) of Public Law 92-203 (43 U.S.C. § 1605).

Mr. President, this legislation allows those States in which naval petroleum reserves are located to be entitled to the same benefits as States in which public domain lands are located. As the law now stands, if naval petroleum lands are leased for the development or production of oil, gas, or minerals, the State within which such lands lie receives nothing. However, if public domain lands are so leased, 30 U.S.C. § 191 provides that 37½ percent of all moneys received shall be paid by the United States to the State within the boundaries of which the leased lands are located.

Presently there are four naval petroleum reserves. Two of these are situated in California; one commonly known as the Elk Hills Reserve. The Teapot Dome Reserve is located in Wyoming and Naval Petroleum Reserve No. 4 is located in Alaska. In recent months, serious consideration has been given to the development of two of these reserves, Elk Hills and petroleum 4, for commercial purposes. Development of these reserves would be highly significant. It would be a key step in bringing about the first U.S. stockpile of petroleum for use in the event of future oil embargoes. It would also bring the United States closer to its goal of independence from foreign sources of oil.

The 45,000-acre Elk Hills tract has been estimated to contain 1 billion barrels of recoverable oil. Naval Petroleum Reserve No. 4, which is located on the petroleum rich North Slope of Alaska, encompasses approximately 24 million acres of land. Accordingly, the U.S. Geological Survey estimates that petroleum 4 could contain as much as 33 billion barrels of oil and 80 trillion cubic feet of natural gas.

However, under present law, if Elk Hills or petroleum 4, or the Teapot Dome were developed for domestic use, California, Alaska, and Wyoming would receive no compensation. My bill would correct that situation. It would place land now in petroleum reserves on an equal footing with other federally owned leased lands.

Mr. President, in my State of Alaska, it is vitally important that the State receive a portion of the revenues from development of petroleum 4. The impact of petroleum 4 development in Alaska will be tremendous. A new pipeline will have to be constructed to transport the oil and natural gas. This construction will place an even greater burden on Alaska's already overburdened cities and towns. New schools, homes, hospitals and a vast array of support facilities will have to be constructed. If Alaska is to meet these obligations, it must receive a fair portion of petroleum 4 revenues.

For fiscal year 1976 alone, the State of Alaska will have an estimated budget deficit of nearly $300 million. To emphasize the magnitude of this deficit, it is over one-half of the proposed Alaska fiscal year 1976 operating budget. This comes about when the North Slope pipeline is being built. Construction of the petroleum 4 pipeline would be no less significant.

Mr. President, Alaska has an abundance of oil and gas on petroleum 4. Development of this reserve, along with the reserve in California, would be of great benefit to the United States. But, making this energy available to the rest of the Nation requires a great economic and social sacrifice by Alaska. Alaska cannot bear the cost alone. It is only right that it should share in the revenues, just as a State now enjoys the benefits of development of its public lands.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 641 of title 10, United States Code, is amended by inserting immediately after section 7433 of such title, the following new section:

"§ 7433A. Payments to the States

"(a) On and after the date of the enactment of this section, all money accruing to the United States under the provisions of this chapter, including moneys received from sales, bonuses, royalties, and rentals of lands comprising the naval petroleum reserves, in connection with the production for domestic use of the oil and gas products from the naval petroleum reserves shall, notwithstanding any other provision of this chapter or of any other law, be paid into the Treasury of the United States, and 37½ per centum thereof shall be paid by the Secretary of the Treasury as soon as practicable after December 31 and June 30 of each year to the State within the boundaries of which the leased lands or deposits are or were located. Moneys received by any State pursuant to this section shall be used by such State for such purposes as the State determines to be in its best interests.

"(b) On and after the date of the enactment of this section, 2½ per centum of all such money referred to in subsection (a) accruing to the United States in connection with the production for domestic use of oil and gas products from naval petroleum reserve numbered 4, Alaska, and paid into the Treasury of the United States shall be paid to the Alaska Native Fund established by section 6 of the Alaska Native Claims Settlement Act for disposition in the same manner as that provided for other moneys within such fund. Payments to the Alaska Native Fund under this subsection shall be in addition to payments made to the State of Alaska pursuant to subsection (a) of this section.".

(b) The analysis of chapter 641 of title 10, United States Code, is amended by inserting after "7433. Disposition of royalties." the following:

"7433A. Payments to the States.".

By Mr. KENNEDY:

S. 935. A bill to terminate the embargo against trade between the United States and Cuba. Referred to the Committee on Foreign Relations.

Mr. KENNEDY. Mr. President, I am introducing today legislation to end the trade embargo against Cuba and to turn this Nation away from the rhetoric and restrictions of the cold war.

In the face of détente with the Soviet Union and the People's Republic of China, our Cuba policy appears as an ill-shaped relic of history, devoid of relation to current realities.

I am pleased that Secretary of State Henry Kissinger last weekend broke new ground, in displaying administration willingness to see an end to the policy of isolation, embargo, and boycott against Cuba.

The Secretary's speech at Houston also followed recent waivers of the trade boycott for subsidiaries of U.S. corporations in Canada and Argentina, and the expansion of permissible travel by Cuban United Nations delegates, steps he described as "symbolic steps to indicate that we are prepared to move in a new direction if Cuba will."

In fact, those actions already have their counterparts on the Cuban side. The first major evidence of Cuban willingness to see the hostility between our two governments disappear came with Cuba's ratification and enforcement of the antihijacking convention. It has been followed by an opening of travel to Senators and to Senate staff, and most recently, by the release of several American prisoners. There also have been repeated declarations by Cuba that it has abandoned its policy of "export of revolution."

Our own past reluctance to move away from the policy of isolation has also jeopardized our still fledgling rapprochement with Latin America, which followed nearly 5 years of deteriorating relations.

The OAS meeting in Quito last fall ended with the United States receiving much of the blame for that meeting's failure to lift sanctions against Cuba. Despite our neutral vote at Quito, our failure to support the Venezuela initiative—particularly since Venezuela originally had been a major proponent of those sanctions in 1964—drew the fire of many Latin American observers.

Late in December, the State Department took an important step away from our past policy, by endorsing a change in the required number of votes for an amendment to the Rio Treaty from two-thirds to a simple majority. Now the Secretary has indicated that he will work with the majority of the OAS in seeking to find "a generally acceptable solution" to the Cuban issue.

For that reason, I believe it thoroughly appropriate to take a legislative initiative in this area to insure that the process of normalization continues.

I want to emphasize that the bill I am introducing today does not change the prohibition against U.S. Foreign assistance to Cuba. It does not authorize any change in the prohibition against assistance to those nations that supply Cuba with arms; it does not extend most-favored-nation treatment to Cuba.

However, this legislation does remove the most discriminatory aspects of current law.

First, it strikes the authorization in the Foreign Aid Act for an embargo on trade between the United States and Cuba.

Second, it revokes the Presidential proclamation establishing that embargo.

Third, it deletes the prohibition on agricultural sales and assistance to nations which ship or trade with Cuba; and the practice of blacklisting ships that call in Cuban ports from American trade and refueling at U.S. ports.

Finally, it voids Department of State restrictions on U.S. travel to Cuba and Treasury, Commerce, and Agriculture Department regulations restricting trade and shipping with Cuba.

I believe it is noteworthy that, in the last session of the Congress, Senator J. William Fulbright—former chairman of the Senate Foreign Relations Committee—introduced legislation of a similar nature.

His successor, Senator JOHN J. SPARKMAN, recently has stated that—

Our policy of isolating Cuba has been a failure, and it is time to re-examine that policy with a view toward ending the futile economic boycott and restoring normal relations.

I ask unanimous consent to have Senator Fulbright's introductory statement on S. 3880 in the previous Congress and a news article reporting Senator SPARKMAN's statement printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, for more than a decade, United States-Cuban relations have been characterized by hostility, antagonism and the sterile rhetoric of the cold war. The policy implementing that attitude was political and economic isolation. It began with a partial embargo on exports to Cuba in October 1960. It continued with the breaking of diplomatic relations on January 3, 1961, and the total embargo on exports on February 3, 1962. And it was spread through the hemisphere with a 15-to-4 vote of the OAS in 1964 to approve specific economic and diplomatic sanctions against Cuba.

It has not produced a more compromising attitude from the Government of Cuba—instead it has helped foster rigidity and suspicion.

It has not paralyzed the course of Cuban economic development or increased the level of internal political freedom—instead it has merely made more difficult the daily life of the average Cuban family while delaying the time for a lessening of the internal rigor of the Cuban regime.

It has not engenedered a unity of purpose within the hemisphere against Cuba—instead it has produced another force for fragmentation. Increasingly, we find ourselves lonely defenders of an anachronistic policy.

It has not separated Cuba from the Soviet Union—instead it has welded ever more closely the economic policies of Cuba with those of the Soviet Union and its Eastern European allies.

And it has not produced any discernible benefit for the United States.

There is an added reason for changing the law with regard to Cuba trade. During recent weeks, we have become increasingly aware of the use by several Arab countries of economic weapons against firms doing business with Israel. There is at least one blacklist against 1,500 firms, including many that are excluded from Arab trade simply because of purported connections with Jews.

This is morally repugnant to every American, and an intolerable practice. Yet in condemning this use of economic power, we must also recognize that we, ourselves, have for more than a decade used similar economic weapons against nations and shipping lines doing business with Cuba. We, too, have maintained and enforced a blacklist.

It is our obligation, as we condemn the use of this economic weapon by others, to rid ourselves of this practice. Not only does it not serve any U.S. foreign policy interest; but also it compromises our own moral position. Accordingly the legislation I introduce today will make American policy consistent, as we reject the use of the blacklist as a practice of relations between states and peoples.

I would contend that there is no convincing rationale for the embargo on trade with Cuba and the political attempt to isolate that nation.

First, any plausible Soviet strategic threat to the United States and the hemisphere from Cuba was halted at the time of the Cuban missile crisis.

The agreement concluding the missile crisis was reaffirmed in 1970 when some observers represented construction at the port of Cienfuegos as a permanent Soviet nuclear submarine base. That fear was laid to rest in formal diplomatic interchange with the Soviet Union.

Reducing the construction or expansion of Soviet military facilities in Cuba is primarily a problem between the United States and the Soviet Union. And so long as we are perceived as a hostile Goliath encircling a nation one-twentieth our size, there will be little stimulus for Cuba to seek a reduction in the Soviet military presence.

In fact, as long ago as September 1972, the Defense Intelligence Agency spokesman testified that—

> The Cuban threat to the United States, which was not very great several years ago, has not increased. So, there is not a serious Cuban military threat to the United States.

In testimony during 1973 and 1974, Defense Intelligence Agency witnesses reported a continued decline in Soviet arms shipments. The testimony included the following statement by DIA analyst Paul Wallner:

> We see no evidence of Soviet strategic or offensive systems' being placed in Cuba.

Whatever military threat from the Soviet Union there is, exists in its overal strategic capabilities and not on its presence in Cuba.

Second, the rationale that Cuba was engaged in the export of revolution has been rejected by Latin American nations, themselves as witnessed by the recent leadership of Venezuela in seeking an end to OAS sanctions against Cuba.

In 1964 it was Venezuela that charged Cuba with aggression and initiated the movement to impose hemispheric sanctions against that nation.

Today, it is Venezuela which is calling for an end to those sanctions, and has opened its own formal diplomatic and trade relations with the government of Prime Minister Fidel Castro.

And a majority of the members of the Organization of American States voted in favor of a motion to remove those sanctions in Quito last November. What is perhaps more impressive is that only three nations actually opposed that motion, with six—including the United States—abstaining, and 12 in favor.

The Linowitz Commission on United States-Latin America Relations—whose members included a former Assistant Secretary of State for Inter-American Affairs, the current Assistant Secretary, a former Ambassador to the OAS, two former Attorneys General, and other distinguished scholars and business leaders—stated:

> Whatever the case in the early 1960s, Cuba's material support of subversive movements in other Latin American countries has diminished in recent years. Its residual activities appear to be largely rhetorical; they do not now threaten the security of the United States nor of the Latin American countries. Establishing mutually beneficial relations with the countries of the hemisphere should provide further incentives to Cuba to maintain proper relations.

I ask unanimous consent to have printed at the conclusion of my statement a copy of the portions of the Commission report relating to Cuba along with a list of the Commission's members.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the final foundation of the policy of embargo and isolation was the goal of maintaining the rest of the hemisphere free from the ideological taint of Cuban communism.

We hoped to prevent the Cuban model from being adopted by other Latin American nations. However, it has not been the success of the isolation policy that convinces nations to delay wholesale copying of the Cuban regime; it has been an awareness of Cuban political repression, of Cuba's severe economic problems, and of Cuba's substantial dependence on the beneficence of Soviet aid. With this estimated at between $1.5 to $2 million per day, Cuba by the end of 1973 was estimated to owe some $4 billion to the Soviet Union, a level of assistance that few Latin American nations see as forthcoming from the U.S.S.R. or any other foreign benefactor.

While it has not been the attempt at isolation that has discouraged other nations from copying the Cuban pattern, the policy itself also has failed to mask Cuba's accomplishments in social services and in the redistribution of wealth and income.

Many nations are impressed with the Cuban achievements in health care and in opening access to educational opportunities to Cuban children.

The trade embargo and the policy of isolation do not serve our interest. They serve now only to diminish our own opportunities for improving relations with Latin America. And they delay an effort to try drawing Cuba into constructive participation in hemisphere affairs.

It also serves to delay movement in important areas of humanitarian concern. The lack of emigration opportunities for many Cubans who desire it; the inability of relatives here and in Cuba to exchange visits; the continuing problem of political prisoners; the restrictions on cultural, educational, and scientific interchange—changes in all of these areas have been delayed by the policy of isolation and the trade embargo.

Finally, with an end to the embargo, negotiations on normalizing diplomatic relations could begin, and other outstanding issues between our two countries could be discussed and hopefully resolved in a context of relations of mutual respect between our two countries.

For these reasons, I believe it is important to begin the legislative process of removing the statutory cobwebs from the law, and to permit the Senate to consider and debate the process of achieving an end to 15 years of hostility between the United States and Cuba.

I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks along with related articles and a summary or current trade between Cuba and other Western Hemisphere nations, Europe and Japan.

There being no objection, the bill and related material was ordered to be printed in the RECORD, as follows:

S. 935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 301(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 221(b)) is amended by striking out the second sentence.

(b) Section 620 of such Act is amended—

(1) by striking out the last sentence of paragraph (1) of subsection (a) of such section; and

(2) by amending paragraph (3) of subsection (a) of such section to read as follows:

"(3) No funds authorized to be made available under this Act (except under section 214) shall be used to furnish assistance to any country which failed to take appropriate steps, not later than sixty days after the date of enactment of the Foreign Assistance Act of 1963, to prevent ships or aircraft under its registry from transporting to Cuba (other than to United States installations in Cuba) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, arms, ammunition, and implements of war, atomic energy materials, or items of primary strategic significance used in the production of arms, ammunition, and implements of war."

SEC. 2. Clause (3) of section 103(d) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1703(d)(3)) is amended—

(1) by striking out "Cuba or";

(2) by striking out "(excluding United States installations in Cuba)";

(3) by striking out "they are" and inserting in lieu "it is";

(4) by striking out the proviso following clause (3).

SEC. 3. Section 385.1 of the Export Control Regulations (15 C.F.R. 399) shall have no force or effect.

SEC. 4. Section 371.9(b)(2) of the Export Control Regulations (15 C.F.R. 368-399) shall have no force or effect.

SEC. 5. The Cuban Asset Control Regulations (31 C.F.R. 515) shall have no force or effect.

SEC. 6. Section 51.72 of Department of State Regulation 108.583, of April 12, 1968 (12 C.F.R. 51.72-51.73) shall have no force or effect with respect to Cuba.

SEC. 7. Section 1488.16 of the Commodity Credit Corporation Regulations (7 C.F.R. 1488) shall have no force or effect with respect to Cuba.

SEC. 8. Presidential Proclamation No. 3447 of February 3, 1962, shall have no force or effect.

THE AMERICAS IN A CHANGING WORLD

(Report by the Commission on United States—Latin American Relations)

MEMBERS OF THE COMMISSION ON UNITED STATES—LATIN AMERICAN RELATIONS

Chairman: Sol M. Linowitz, Attorney, Coudert Brothers.

W. Michael Blumenthal, Chairman, Bendix Corporation.

Harrison Brown, Professor of Science & Government, California Institute of Technology, President, International Council for Scientific Unions.

G. A. Costanzo, Vice Chairman, First National City Bank.

Albert Fishlow, Chairman, Department of Economics, University of California, Berkeley.

J. George Harrar, President Emeritus & Consultant, The Rockefeller Foundation.

Rita E. Hauser, Attorney, Stroock & Lavan.

Alexander Heard, Chancellor, Vanderbilt University.

Henry J. Heinz II, Chairman, H. J. Heinz Company, Chairman, The Agribusiness Council.

Andrew Heiskell, Chairman, Time Inc.

Rev. Theodore Hesburgh, C.S.C., President, University of Notre Dame.

Lee Hills, Chairman & Chief Executive Officer, Knight Newspapers, Inc.

Samuel P. Huntington, Professor of Government, Center for International Affairs, Harvard University.

Nicholas deB. Katzenbach, Corporate Vice President & General Counsel, IBM Corporation.

Thomas M. Messer, Director, The Solomon R. Guggenheim Museum.

Charles A. Meyer, Vice President, Sears, Roebuck & Company.

Arturo Morales-Carrion, President, University of Puerto Rico.

Peter G. Peterson, Chairman, Lehman Brothers.

Elliot L. Richardson, Distinguished Fellow, Woodrow Wilson International Center for Scholars.

William D. Rogers*, Attorney, Arnold & Porter.

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*NOTE.—Resigned as of September 18, 1974 after appointment to position of Assistant Secretary of State for Inter-American Affairs.

Nathaniel Samuels, Partner, Kuhn, Loeb & Company.

Kalman H. Silvert, Professor of Politics, New York University, Program Advisor, The Ford Foundation.

Clifton R. Wharton, Jr., President, Michigan State University.

B. Cuba

For almost fifteen years, United States policy has attempted to isolate Cuba politically and economically. The stated U.S. objectives have been to thwart Cuba's export of revolution to other Latin American countries and to reduce Cuba's military ties with the Soviet Union. In addition to these explicit goals, there was, no doubt, an ideological desire to minimize the potential success of the Castro government and thereby to limit the appeal of Cuba's revolution as a development model.

Despite significant changes in Cuban, herispheric, and global conditions, the United States has continued (with decreasing effect) to try to keep Cuba isolated within the hemisphere. Even though the Cuban government consolidated its power and modified some of its policies, and U.S. relations with the Soviet Union and China moved from Cold War to accommodation, Washington's Cuban policy continued essentially unchanged.

The Commission does not believe a continuation of the policy of isolation with regard to Cuba meaningfully advances any current U.S. interests. Politically, the United States runs the risk of becoming the country which is isolated as one Latin American country after another renews relations with Cuba. Economically, the U.S. embargo is ineffective; it may serve as much to deny American manufacturers a chance to compete for exports as it does to deprive the Cuban regime of supplies.

And if the U.S. policy were more effective, it would be inconsistent with the aim of creating a peaceful structure of international cooperation which all nations, regardless of idcology, have an incentive to maintain.

The objective of U.S. policy should be to facilitate Cuba's participation in a constructive pattern of inter-American and international relations, and to reduce Cuba's incentive to promote violent subversion elsewhere in the hemisphere or to make military facilities available ot the Soviet Union. While there can be no guarantee of success, the Commission believes these objectives are more likely to be achieved by encouraging hemispheric trade relations and other contacts with Cuba than by isolating the island.

Whatever the case in the early 1960s, Cuba's material support of subversive movements in other Latin American countries has diminished in recent years. Its residual activities appear to be largely rhetorical; they do not now threaten the security of the United States nor of the Latin American countries. Establishing mutually beneficial relations with the countries of the hemisphere should provide further incentives to Cuba to maintain proper relations.

Preventing the possible expansion of potential use of Soviet military facilities in Cuba is, of course, a legitimate concern of the United States, but this is primarily a function of U.S.-Soviet relations, not U.S.-Cuban relations. To the extent that Cuba has the ability to diminish the level of Russia's military involvement there, it has little incentive to seek such a reduction until its relations with the United States improve.

The United States has acknowledged elsewhere in the world that it should not define the limits of ideological diversity for other nations. That principle should now be applied to Cuba. Latin Americans can and will assess for themselves the merits and disadvantages of the Cuban approach; the United States need not try to do this for them.

The United States can and should continue to express its strong opposition to authoritarian practices, in Cuba and elsewhere, which violate the essential human rights of individuals. As the Commission's previous statement on human rights urged, it is crucial that the United States find effective means for making its views influential, including the mobilization of informed international opinion, which may affect national policies. The U.S. policy of "economic denial" has had no such positive results; on the contrary, the embargo indiscriminately and adversely affects the lives of innocent Cuban men, women, and children. Far from weakening the present regime, the embargo (and U.S. attempts to limit travel, contacts, and exchanges with Cubans) makes it easier for the Cuban government to justify and prolong its tight control over the intellectual and political activities of the Cuban people.

A further hope is that ending Cuba's isolation may contribute to an eventual reconciliation among the Cuban communities on the island and in the United States and other countries of the hemisphere.

Recommendation:

5. The United States should take the initiative in seeking a more normal relationship with Cuba. While emphasizing that progress toward improved relations requires positive action on both sides the Commission urges that the United States act now to end the trade embargo.

This recommended U.S. initiative toward Cuba should be implemented in conjunction with the Latin American countries. At the earliest opportunity—presumably the forthcoming Meeting of Foreign Ministers of the Organization of American States—the United States should consult with other OAS members, indicating its willingness to support repeal of the measures against Cuba adopted at the Ninth Meeting of Consultation of Ministers of Foreign Affairs in July 1964. Assuming that the OSA resolutions are repealed, the U.S. government should then revoke Executive regulations restricting trade between the United States and Cuba and ought to act, within the President's discretionary authority, to suspend any legislative provisions which penalize third countries for trading with Cuba.

Regardless of progress or a Cuban response in other areas, the United States, taking into consideration its discussions with other OAS members, should move quickly to: (a) drop its restriction on travel to and from Cuba; (b) make evident its willingness to permit cultural, scientific, and educational exchanges on a non-official basis; and (c) make clear its willingness to improve cooperative arrangements with Cuba on practical matters of mutual concern, such as hijacking and weather watching, and to negotiate on such additional matters as may be indicated. Appropriate opportunities should be taken for dealing with Cuba informally within international organizations. The United States government should encourage and facilitate, not discourage, non-official cultural exchanges and other forms of contact.

If and when Cuba's response permits, the Commission believes the President should be prepared to take other Executive actions and to seek whatever legislative changes may be necessary to facilitate commercial and cultural relations with Cuba. We should also be prepared to consider renewal of bilateral diplomatic relations as well as other steps to facilitate Cuba's integration into a constructive pattern of inter-American relationships.

When both Cuba and the United States have taken conciliatory steps toward constructive relations, it should be possible to resolve outstanding issues, such as securing compensation for expropriated U.S. properties, agreeing on the status of the U.S. base at Guantanamo, and fostering reconciliation among separated elements of the Cuban community.

THE LIBRARY OF CONGRESS,
Washington, D.C., March 4, 1975.

To Hon. Edward M. Kennedy.
Attention: Mark Schneider.
From Barry Sklar, Specialist in Latin American Affairs.
Subject: Trade with Cuba.

The following figures on free world trade with Cuba were taken from U.S. Department of Commerce sources.

The statistics are for the January-December 1973 period and are in thousands of U.S. dollars. A partial listing of trade for 1974 is also provided where statistics are available:

EXPORTS TO CUBA

	1973	1974
Canada	81,910	
Western Europe (total)	226,447	
Austria	2,274	
Belgium-Luxembourg	12,783	
Denmark	3,613	
Finland	2,512	
France	28,723	[1] 49,032
Germany, Federal Republic	32,839	[1] 60,278
Greece	NT	
Ireland	2,610	
Italy	21,729	
Netherlands	10,682	
Norway	1,397	
Portugal	286	
Spain	38,126	
Sweden	12,614	
Switzerland	11,584	
Turkey	117	
United Kingdom	42,981	34,871
Yugoslavia	1,577	
Japan	106,984	[1] 120,685
Latin America:		
Argentina (January-October)	9,068	12,042
Brazil	NR	
Chile	5,751	
Costa Rica	NR	
El Salvador (January-September)	NT	
Guyana	NR	
Mexico	7,059	
Peru	1,484	1,484
Uruguay	NT	
Canada	16,595	
Western Europe (total)	172,625	
Austria	528	
Belgium-Luxembourg	4,262	
Denmark	583	
Finland	4,852	
France	11,774	[1] 5,313
Germany, Federal Republic	4,175	[1] 4,338
Greece	51	
Iceland	7	
Ireland	122	
Italy	19,771	
Netherlands	17,930	
Norway	2,973	
Portugal	454	
Spain	54,878	
Sweden	10,943	
Switzerland	3,669	
Turkey	93	
United Kingdom	33,148	[1] 45,152
Yugoslavia	2,407	
Japan	182,335	[1] 312,319
Latin America:		
Argentina (January-October)	1	
Costa Rica (January-October)	NR	
El Salvador (January-September)	NT	
Guyana	NR	
Mexico	272	
Paraguay	NR	
Peru	109	
Uruguay	NR	
Chile	NR	[2] 1,059

[1] January-August.
[2] January-May.
NR—not reported.
NT—no trade.

THE LIBRARY OF CONGRESS,
Washington, D.C., March 4, 1975.

To Hon. Edward M. Kennedy.
Attention: Mark Schneider.
From Barry Sklar, Specialist in Latin American Affairs.
Subject: Cuban participation in International events and organizations along with Latin American nations.

1. Latin American Caucus in the United Nations: After a decade of isolation, Cuba

became a member of the Latin American group at the United Nations. (January 1975).

2. Meeting of the Law of the Sea Conference in Caracas (Fall 1974).

3. UNCTAD III meeting in Santiago in 1972.

4. Cuba is a member of the following international organizations:

ILO, FAO, UNESCO, WHO, ICAL (Civil Aviation), UPO (Universal Postal Union), ITU (Intl. Telecommunications Union), WMO (World Meteorological Organization), IMCO (Integrated Maritime Consultative Organization), GATT, and Pan American Health Organization (Cuba is a member of the Executive Committee).

[From the Washington Post, Feb. 3, 1975]

SPARKMAN SAYS CUBA POLICY FAILED

The time has come for the United States to resume normal relations with Cuba, according to the new chairman of the Senate Foreign Relations Committee.

Sen. John J. Sparkman (D-Ala.) urged a softer line toward Cuba in a statement in the Congressional Record. And in a broadcast interview Saturday, he accused the Ford administration of "loose talk" in suggesting a possibility of military intervention in the Middle East.

In his statement on Cuba, Sparkman said that the time has come for careful consideration of making a change in our policy toward Cuba. Our policy of isolating Cuba has been a failure, and it is time to re-examine that policy with a view toward ending the futile economic boycott and restoring normal relations."

In the broadcast interview with Vittorio Zucconi of the Italian newspaper La Stampa, Sparkman described as "just idle talk . . . loose talk" statements by Secretary of State Henry A. Kissinger and President Ford that military intervention in the Middle East might be possible in the event of economic "strangulation."

He also urged a gradual increase in trade and investment between the United States and the Soviet Union and continuation of the process of normalizing relations with China.

[From the Washington Post, Jan. 17, 1975]

BONN, PARIS STRENGTHEN CUBAN TIES

France and West Germany announced major accords yesterday with Cuba.

In Bonn, the foreign minister said West Germany and Cuba agreed to resume diplomatic relations, which the Germans broke in 1963 to protest Cuba's recognition of East Germany.

In Paris, French Prime Minister Jacques Chirac and Cuban Vice Prime Minister Carlos Rodriguez signed a pact on trade, economic and technological cooperation.

Chirac said he expected French capital and technical know-how to "move into Cuba in a big way."

The French government pledged to help Cuba in its agricultural and industrial development and said large projects are under study in the chemical industry, production of heavy trucks, pulp plants, computers, airport installations and canning factories.

Rodriguez said "Cuba has embarked on a very ambitious and vast five-year development plan in which France is expected to play a leading part."

STATEMENT BY MR. FULBRIGHT

S. 3880. A bill to repeal certain provisions of law relating to Cuba. Referred to the Committee on Foreign Relations.

Mr. FULBRIGHT. Mr. President, I introduce for appropriate reference a bill which would take a few modest steps toward clearing away some of the legislative barnacles that have grown up over the last 12 years or U.S. policy toward Cuba.

I do so, not only because I think the statutes which this bill would repeal are obsolete, but also because this is one way to focus attention on the larger question of United States-Cuban relations.

What I am proposing, Mr. President, is to repeal three pieces of legislation—the so-called Cuban Resolution of 1962; the section of the Foreign Assistance Act relating to assistance to Cuba and to countries trading with Cuba; and the provision of Public Law 480 relating to sales of agricultural commodities to countries trading with Cuba.

Section 1 of the bill would repeal Public Law 87-733. This is the so-called Cuban resolution which in its operative part provides:

The United States is determined—

(a) to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere;

(b) to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States; and

(c) to work with the Organization of American States and with freedom-loving Cubans to support the aspirations of the Cuban people for self-determination.

The Department of State long ago—1970, reaffirmed in 1971—informed the Committee on Foreign Relations that it "neither advocates nor opposes repeal of the resolution." I ask unanimous consent that the Department's letter be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, the resolution generally reflects the rhetorical bombast of another era.

The reference in clause (a) to "the use of arms" could possibly be construed as advance authorization for military intervention—though it was not relied on by President Johnson in the Dominican Republic case.

With respect to the reference in clause (c) to the "aspirations of the Cuban people for self-determination," it could be argued that the Cuban people have indeed exercised their right of self-determination and have determined that they want something very much like the government they have got. Although this government lacks constitutional legitimacy, most observers agree that it enjoys solid public support.

Section 2 of the bill would repeal section 620(a) of the Foreign Assistance Act of 1961, as amended.

Section 620(a) deals with prohibitions on assistance to Cuba and to third countries trading with Cuba. It contains the following elements:

First, no assistance shall be furnished to the present government of Cuba. Although the amendment would repeal this prohibition, it would not open the way for assistance to Cuba. Section 620(f) names Cuba among a number of countries to which assistance is prohibited.

Second, no assistance shall be furnished to any country which furnishes assistance to the present government of Cuba unless the President determines such assistance to be in the national interest of the United States. This is a dead letter. It has been neither applied nor waived.

Third, the President is authorized to establish and maintain a total embargo on all trade between the United States and Cuba. Repeal of this provision would not in itself affect restrictions on U.S. trade with Cuba. These restrictions are based on the President's authority under the Trading With the Enemy Act.

Fourth, "except as may be deemed necessary by the President in the interest of the United States," no assistance shall be furnished to any government of Cuba until compensation is paid for expropriated American property. In the unlikely event that Castro were overthrown, this would have the peculiar effect of denying help to his successor.

Fifth, with the same provision for a presidential exception, Cuba is not to receive any sugar quota "or any other benefit under any law of the United States" until compensation is paid for expropriated American property. With the demise of the Sugar Act at the end of this year, the reference to a sugar quota becomes obsolete. The reference is "any other benefit under any law" is scarcely broader than the prohibition in the Hickenlooper amendment—"assistance . . . under this or any other act"—which would continue in force.

Sixth, no assistance—except for American schools and hospitals abroad—shall be furnished to any country whose ships or aircraft transport anything to or from Cuba. This provision represented an unsuccessful attempt to use the presumed leverage of foreign aid to apply the American economic boycott to third countries.

Section 3 of the bill would delete references to Cuba in section 103(d) of the Agricultural Trade Development and Assistance Act of 1954, as amended, Public Law 480.

Section 103(d) provides that title I sales agreements are to be made only with those countries which the President determines to be "friendly to the United States." "Friendly country" is then defined as not including various categories of countries, one of which is countries trading with Cuba or North Vietnam. A proviso exempts medical supplies and nonstrategic agricultural goods.

This amendment would simply delete the specific references to Cuba.

All other provisions of section 103(d) would remain intact including the prohibition of title I sales for foreign currencies to "any country or area dominated by a Communist government."

The amendment would not apply directly to Cuba, but rather to third countries trading with Cuba.

[From the Christian Science Monitor, Jan. 3, 1975]

VENEZUELA THE LATEST TO END FEUD WITH CUBA

(By James Nelson Goodsell)

In a New Year's gesture, Venezuela and Cuba this week resumed diplomatic relations.

The move was yet another break in the decade-old diplomatic and economic isolation of Cuba. For Venezuela, the resumption of relations amounts to an about-face.

It was Venezuela that led the drive to impose sanctions on Cuba which effectively isolated Cuba from the rest of the hemisphere back in 1963.

But times have changed. Venezuela, along with a majority of Latin American nations, no longer feel the reasons for the sanctions are valid.

CHANGES RECOGNIZED

"Cuba is not exporting its revolution," comments a Venezuelan foreign office spokesman. "Cuba is not trying to subvert the Venezuelan government. We will obviously have disagreements with Cuba on policy, but our concerns will not center on issues that are no longer of importance."

For Cuba, the renewal of ties marks another step in the island's reincorporation into the hemisphere—and may well be the catalyst for additional recognition.

Almost simultaneously with the Venezuela-Cuba announcement, Colombia announced that it was opening partial trade relations with Cuba and will most likely decide on full diplomatic and commercial relations with Cuba early in 1975.

These moves not only further restore Cuba to hemisphere good graces, but also give a boost to Cuba's economic position.

OIL, SUGAR SWAP SET

Venezuela said that it would soon begin selling oil to Cuba and that it would receive Cuban sugar in return. With Venezuela expected to nationalize its oil industry sometime in the near future, there is a good deal of enthusiasm in Caracas over prospects of new markets for oil, the country's leading export.

Having Venezuelan oil so close at hand will make Cuba less dependent upon Soviet and East European oil products, as has been the case for 10 years or more, with all the vagaries of transatlantic shipment and resulting periodic shortages.

Also behind the Venezuela move to resume Cuban ties is a growing independence on the part of the South American nation. The new government of President Carlos Andres Perez, in office less than a year, is striking out on several new paths. Much of this seems directed at an effort to assert Venezuelan leadership—at least in the Caribbean area.

Two weeks ago, Venezuela announced its support of a coffee-producer initiative to hold back 30 percent of production in hopes of forcing prices up. Venezuela's role is one of seeding the coffee-producer organization with $80 million to tide smaller Central American nations over an expected earnings' decline due to the hold-back plan.

[From the Washington Post, Feb. 13, 1975]

UNITED STATES EASES TRAVEL LIMITS FOR CUBANS

(By Barbara Bright-Sagnier)

At the urging of Congressional leaders, the U.S. government has liberalized its strict travel restrictions placed on Cuban diplomats at the United Nations, the State Department confirmed yesterday.

Congressional sources generally interpreted the move as a conciliatory gesture toward Cuba. On trips to Havana, members of Congress have often been told by the Cubans that the travel restrictions were a constant irritant.

The relaxed rules allow the official Cubans to travel 250 miles out of New York City. They were formerly restricted to a 25-mile radius. Among other things, the new rules will allow the Cubans to visit Washington.

A State Department spokesman said the relaxation, decided on Friday and confirmed yesterday, represents "no change" in U.S. policy toward Cuba and the Communist government of Prime Minister Fidel Castro. But Congressional source termed "disingenuous" the State Department's denial of a change in policy. "It's another step toward change," he said. "There will be others as we go along."

Easing the travel restrictions was one of the suggestions put forward to the State Department by Sen. Clairborne Pell (D-R.I.) and Sen. Jacob Javits (R-N.Y.) in a joint report after a four-day visit to Cuba last fall, said Albert Lakeland, a member of Pell's staff who accompanied the senator.

Sen. Edward Kennedy (D-Mass.) also urged extending greater travel rights to the Cubans in New York after a week's trip to the island in December. Kennedy called the State decision a "concrete step toward improving relations with the Republic of Cuba."

Lakeland termed the increased travel radius a "rather small but an easy gesture." The 25-mile restriction, he said, was a limitation "of which the Cubans complained bitterly."

The State Department said the unilateral gesture was made "to put the restrictions against Cuban diplomats in line with those on most other Communist countries." Such restrictions vary considerably.

Representatives of other Communist nations with which the United States has no diplomatic relations—Albania and North Korea, for example—are limited to 25 miles of New York.

Diplomats from the Soviet Union reportedly have no mileage restriction on their travels, but they must inform the U.S. mission to the U.N. of their destinations.

Polish and Romanian diplomats, however, are not asked to report their travels to the U.S. mission. Representatives of East Germany were not allowed to travel beyond 25 miles from New York until diplomatic recognition was extended last September. They may now travel freely.

Cuban Ambassador Ricardo Alarcon said yesterday at the United Nations that his mission had not yet officially been notified of the change, but he said he was pleased at the "gesture."

"I would certainly like to take advantage of the possibility of traveling more widely," said Alarcon. "I have had to turn down university lecture requests" because of the 25-mile restriction, he said.

Ambassador W. Tapley Bennett, assigned to the United Nations under Ambassador John Scali, confirmed that instructions for the relaxation were received at the U.S. mission Friday.

Alarcon said he heard about the change through press queries.

The ambassador, puffing occasionally on a Havana panatella cigar, added that he had long found the U.S. restrictions incomprehensible. Until the change becomes effective, he said, Cuban diplomats are restricted to Manhattan, the Bronx, Westchester, and parts of New Jersey—but they cannot go to Brooklyn.

Cubans may visit a Soviet recreation center in Oyster Bay, Long Island, he said but they must follow a specific route to get there.

The Soviets, he said, may travel via the Long Island Expressway, an interstate highway, "but I am told I have to go by way of Northern Boulevard [through Queens] on which there's a traffic light at every corner."

Alarcon declined to speculate whether the travel relaxation foreshadows a warming of Cuba-American relations.

Congressional sources suggested, however, that other U.S. moves, such as a relaxation on the trade embargo for American-owned companies in third countries, are in the works.

American-owned automobile factories in Canada, for example, may soon be allowed to sell vehicles and parts to the Cuban market. Such sales are now prohibited under the Trading-With-the-Enemy Act.

The Treasury and State Department recently permitted the Canadian factories of Litton Industries to make a large furniture sale to Cuba, and last year permission was granted for Ford, Chrysler and General Motors to sell Argentine-manufactured vehicles to Cuba.

One Congressional source also predicted that a relaxation on restrictions for Americans traveling to Cuba may be forthcoming.

These moves, said a congressional source, are "leading up to the meeting of the [Organization of American States] in April.

"This is a signal to Cuba and the rest of Latin America that we really mean it when we say we don't set such great store by those OAS resolutions any more."

Under pressure from the United States, economic and diplomatic sanctions have been imposed against Cuba with varying severity by most OAS members since 1964.

A Latin move to lift these sanctions was defeated at a November meeting in Quito, Ecuador, by a requirement for a two-thirds vote. At a December meeting of the OAS, the U.S. delegation joined other member states in approving a simple majority instead of the two-thirds vote requirement for lifting the sanctions.

[From the Washington Post, Nov. 1, 1974]

LATINS DISMANTLING U.S.-SPONSORED WALL AROUND CUBA

(By Joseph Novitski)

BOGOTA, COLUMBIA, November 2.—The diplomatic and economic wall that was built around Cuba by the United States and its Latin American allies more than 10 years ago has begun to crumble under pressure from the Latin Americans.

For 14 years, three U.S. administrations have used economic aid, diplomatic pressure, military intervention and the CIA to enforce a political and economic embargo cutting Cuba off from Latin America.

Now, for the first time since Cold-War tensions began to ease, detente is being allowed into Latin America. But the Cold-War years left their mark and left Latin countries feeling more like the colonies of an empire than partners in an alliance.

"American economic dominance in this part of the world exists as a matter of fact," Carlos Lleras Restrepo, a former president of Columbia, said in a recent interview. "But the Latin countries have learned, after voting along to keep China out of the United Nations for 20 years, that the U.S. changes its diplomatic position strictly in accordance with its own interests and that there is no need to follow."

"The wall isolating Cuba from its natural neighbors and trading partners in the United States, the Caribbean and in South America was designed to keep Fidel Castro's formula for socialist revolution from spreading through the hemisphere. The United States began this isolation by cutting off Cuba sugar imports and all U.S. exports to the island in 1960, a year after Castro came to power, and by backing the abortive invasion at the Bay of Pigs the next year.

Latin American countries then helped to build the wall, slowly and reluctantly, under intense U.S. pressure, with unilateral actions and collective diplomatic decisions taken between 1961 and 1964. Recently, many of the same countries which helped start the quarantine have taken the initiative to end it.

Mexico originally voted against the 10-year-old collective decision forbidding trade and diplomatic relations and has never respected it. Over the last four years, first Chile, under the late President Salvador Allende, then Peru, Argentina and Panama have disregarded the collective decision and have exchanged diplomatic missions and goods with Cuba.

Others want to follow, but decorously. So Columbia, Costa Rica and Venezuela, the firmest U.S. allies when the embargo was set up by the Organization of American States, have requested that the original decision be reconsidered.

Next weekend, a conference of OAS delegates, from 23 countries will meet in Quito and the required two-thirds majority is expected to vote to leave each member country free to choose its own kind of relations with Cuba. For the first time in the history of the Cuban controversy, the United States, so far at Latin diplomats in three countries have been able to determine, has no clear position.

"The problem is over now, said Arturo Frondizi, president of Argentina when the United States under the Kennedy administration began pushing for the isolation of Cuba. Frondizi was one of the former presidents, foreign ministers and diplomats interviewed in Argentina, Brazil and Colombia over the last two weeks on their role in resisting or helping the isolation of Cuba.

"Now we're heading toward the full reincorporation of Cuba in the Latin American community." Frondizi said, "But what has changed is the relation between the U.S. and

Russia, not the relations with Latin America."

Isolating Cuba from Latin America failed to bring down Castro's government or force it to change course, as three U.S. Presidents apparently hoped it would. In the view of those interviewed, it halted the spread of Cuban-style revolution only when the United States was willing to intervene in Latin internal affairs. For these men, the policy had three other effects that were predicted by public figures as it was taking shape in 1961 and 1962.

Frondizi made his predictions in letters to and conversations with his friend President John F. Kennedy. The late Francisco San Tiago Dantas of Brazil, then foreign minister, made his publicly in speeches.

First, Cuba, despite Castro's vaunted nationalism, became a Soviet satellite. Frondizi, trying to head off the isolation in December 1961, warned Kennedy that it would. But the Argentine president came away with the impression that Kennedy was under strong domestic pressure to "do something" about Cuba.

"Imagine that Kennedy asked me, in Palm Beach, not to send my memoranda on Cuba through diplomatic channels," Frondizi said.

Then, the inter-American system of defense alliances and the OAS, which had been built on the principle of self-determination for all member states, was strained to the breaking point. Some say it has broken down as the result of U.S. intervention and of internal differences.

All these interviewed asserted that the precedent for intervention set by the 1962 decision to expel Cuba from the inter-American system opened the way for the U.S. invasion of the Dominican Republic in 1965 and for massive CIA support for opposition to President Allende, who was closely allied to Cuba.

"The U.S. became the great judge of the fitness of governments in the hemisphere," said Sen. Julio C. Turbay, who argued with the United States in favor of diplomatic action against Cuba when he was Colombian foreign minister in 1961. "That was not what we had intended."

This was the second effect seen by the Latins. Finally, Latin domestic politics became increasingly radicalized under the pressure to line up on the U.S. side in the Cold War. Stumbling democratic governments that had favored Cuba's right to go its own way fell to military coups in Argentina in 1962, in Brazil in 1964 and in Chile last year.

"U.S. action in these years radicalized our internal processes and contributed to the failure of democratic experiments to change social and economic structures," Frondizi said.

"I believe opposition by our two countries to the expulsion of Cuba from the inter-American system was one of the factors contributing to the military coups in Argentina, and later, in Brazil," Frondizi stated. The former president added that there were, of course, strong internal political drives leading to the coups in both cases.

There were also internal reasons behind subsequent coups in Bolivia and Ecuador which sided with Argentina, Brazil, Mexico and Chile at the OAS conference in Punta de Este, Uruguay, in January 1962 and did not vote for the U.S. resolution expelling Cuba. Only Mexico, among the countries that opposed the measure, has kept the same form of government since 1962.

"Intervention is bad in any event," said Carlos Lleras, president of Colombia from 1966 to 1970 and a staunch U.S. ally. "It is not the U.S. role to decide the fate of individual countries. But it has, and the result has been that the U.S. winds up supporting right-wing dictatorships in the name of anti-communism. These regimes are repressive of human rights and that gives the U.S. a very bad image."

In the beginning, U.S. hostility to Cuba also took a more positive form. It was channeled into the Alliance for Progress, a huge, hemisphere-wide effort, underwritten by the United States, to show that democratic governments could also deal with social and economic development problems successfully.

The alliance, begun by President Kennedy in August 1961, was an instrument of U.S. policy under President Johnson. It faltered and died under President Nixon. But in the eight years between 1961 and 1969, the United States and international organizations committed more than $18 billion in aid to Latin American countries.

"Generally, the social situation of the Americas today is much better than it was before," Lleras argued. "What happened was that the U.S. mixed cooperation under the alliance with cases of political intervention and secondly, that alliance instruments were eventually used to protect American economic interests."

In the first years of the alliance, there were two cases of the kind of U.S. intervention that Lleras mentioned: in Brazil and Argentina.

The Alliance for Progress included an express commitment to representative democracy. In 1961, President Frondizi in Argentina and President Janio Quadros in Brazil felt they represented majority public opinion in their own countries when they opposed U.S. pressures to begin walling Cuba from the rest of the Americas. Quadros, although a conservative, had even campaigned on the issue of support for the Cuban revolution and won the 1960 elections by the largest majority in Brazilian history.

Frondizi and senior Argentine diplomats who served his government recalled in recent interviews that military and newspaper pressure on his government to change its Cuban policy was intense. Frondizi stated that Argentine intelligence services, which he said were in touch with the CIA, were recommending a break with Cuba and a vote at the OAS to isolate Castro's island.

Then, when he went to Washington on an official visit at the end of 1961, Frondizi recalled, Secretary of State Dean Rusk handed him a packet of letters that had allegedly been stolen from the Cuban embassy in Buenos Aires.

[Rusk, reached by phone in Athens, Ga., said, "I have no recollection of the incident," although he did recall meeting Frondizi on a visit to the United States.]

"The letters named men of my absolute confidence as Cuban agents," Frondizi said. "They were false on the face of it. Furthermore, the forgery was badly done. It was done by Argentine intelligence services, guided by the CIA, in cooperation with Argentine citizens and Cuban exiles."

That charge has been made before, but Frondizi's accusation has recently received indirect corroboration from Phillip Agee, a former CIA agent writing a book about his service in Latin America. At the time, Frondizi was faced with the allegedly forged letters, similar letters had served the Peruvian government as an excuse to break diplomatic relations with Cuba. Agee, then stationed in Ecuador, made an entry in his diary for Dec. 30, 1960.

"Peru's break in relations with Cuba today [is in part] the result of a Lima [CIA] station operation in November," says the Agee manuscript. It describes a raid by Cuban exiles on the Cuban embassy in Lima, when some documents were stolen. "The Lima station inserted among the authentic documents several that had been forged, including a list of persons in Peru who received payments from the Cuban embassy totaling about $15,000 monthly."

In Brazil, which was the leader among countries opposing American policy on Cuba, the traces of U.S. intervention are closer to the military coup in 1964 that toppled Joao Goulart, an ineffective vice president who succeeded Quadros after the latter resigned. The coup replaced Goulart with a pro-American military government that has been in power ever since.

President Kennedy tried hard to get first Quadros, then Goulart lined up with the U.S. Cuban policy and linked fully with the Alliance for Progress. He failed. An exasperated Johnson administration was considering a declaration in late 1963 that Brazil could not pay its debts.

With the threat of a declaration of international bankruptcy, three Brazilians went to Goulart on Dec. 31, 1963—three months before the coup—seeking a presidential statement in favor of the Alliance for Progress, to head off the U.S. declaration.

The three were former Foreign Minister Dantas, Miguel Osorio, a career diplomat then serving in the Brazilian embassy in Washington, and Renato Archer, a congressman who had served as deputy foreign minister.

"Goulart said he would not make any such statement because the Americans were already conspiring against him with Brazilian army officers," Archer recalled last week in Rio de Janeiro. Goulart "reached behind his desk and brought out a folder and read a list of reports about meetings between Col. Vernon Walters, the U.S. army attache, and generals we all knew were against Goulart."

Col. Walters served until after the coup in the U.S. embassy and was promoted to general. He is now deputy director of the CIA.

"I think Walters became the liaison between several groups in the army that were plotting against Goulart," said Afonso Arinos de Mello Franco, another Brazilian former foreign minister. "He was the man who had access to all of them and could move around."

Governments and policies change and even Castro has been showing signs that he wants an end not only to Cuba's isolation from Latin America but from the United States as well.

The top of the wall around Cuba was completed in 1964, after the coup in Brazil, when the Democratic Action government of Venezuela presented evidence to the OAS of clandestine Cuban landing of arms on Venezuelan territory.

Under the collective defense treaty of Rio de Janeiro, with a two-thirds rule in effect, the membership voted to make the break in diplomatic and trade relations with Cuba mandatory.

It is that decision that will be under review starting Friday in Quito—with the Venezuelans, again under a Democratic Action Party government, among the leaders of those in favor of lifting the sanctions.

The U.S. embargo, in effect since 1960, was unilateral and is not under consideration.

But what has begun to be reconsidered in the United States, as seen from South America, is the ringing affirmation made 13 years ago by the chief of the U.S. delegation to the Inter-American conference that drafted the Alliance for Progress. At that conference, Secretary of the Treasury Douglas Dillon referred to Che Guevara, chief of the Cuban delegation, and declared:

"He has tried to give the impression that the United States somehow recognizes the permanence of the present regime in Cuba. This we do not do and never will do. . . ."

[From the Baltimore Sun, Nov. 20, 1974]

THE CUBAN BOYCOTT REPRIEVED

(By Ben F. Meyer)

WASHINGTON.—Some Latin American countries blame the United States for the recent debacle in inter-American affairs in which a conference called for the specific purpose of lifting the sanctions on Cuba failed to do so.

The current criticisms are based on the fact that the U.S. delegation abstained from voting at the Quito, Ecuador, conference of foreign ministers on a proposal to end the boycott imposed by the Organization of American States (OAS) in 1964.

Only history will determine whether the U.S. abstention was wise or unfortunate as viewed on a long-term basis. My own impression, however, is that the immediate result will be damaging in Latin America and, perhaps even more importantly, in the growing list of nations in the world which feel the U.S. policy toward Cuba has been a mistake.

The recent overwhelming vote in the United Nations to hear Palestine guerrilla leader Yasir Arafat, the honors given him there, and the suspension of South Africa from the U.N. Assembly suggest the strength of the coalition of forces confronting the U.S. role in world affairs.

Some Latin Americans and a great many of this country's outstanding editors, scholars and international exports felt that the new dialogue policy advocated by Secretary of State Henry Kissinger requested the United States to take a more affirmative role at Quito.

Washington, they argued, could have gone along with the 12 nations wishing to end the boycott, even if it had no idea of restoring relations with Cuba just now—another point in controversy in this country and elsewhere.

Before the Quito conference Gonzalo J. Facio, the foreign minister of Costa Rico, a nation with a long tradition of democracy and of stern disapproval for the form of government in Cuba, made an eloquent appeal for an end of the boycott of the Castro regime. He said the sanctions were a result of the cold war of the 1960's in which hemisphere nations now are excluded from the current era of negotiation while the thaw in international relations finds the big powers urging detent. Facio said the maintenance of the sanctions were proving disruptive to inter-American cordiality and damaging to hemispheric jurisprudence due to recognition of the Castro government by seven OAS member nations in violation of the 1964 boycott.

In any case, said Facio, Cuba's many efforts to export revolution had failed and that the time had come to help re-unite the inter-American family.

It seems to me that there were circumstances much more compelling than the U.S. abstention which produced the debacle of Quito.

Brazil's foreign minister, Antonio Francisco Azeredo da Silveira, may have expressed the basic problem when he said:

"The time is not ripe to take a decision."

Aside from complex international economic and diplomatic problems, the six countries which abstained and the three which voted no had various reasons for their positions.

Legally, of course, the United States, Brazil, Bolivia, Guatemala, Haiti and Nicaragua were within their rights in abstaining, as were Chile, Paraguay and Uraguay in voting no, and 12 other countries in voting yes.

One point, emphasized by Bolivia, once the major target of Cuban guerrilla forces, was a nagging question worrying various nations—a lack of positive assurances from Prime Minister Castro that Cuba will not in the future attempt the overthrow of other governments in the region. Bolivia expressed it this way:

"A hasty solution which does not provide the slightest guarantees that aggressive policies are being abandoned certainly would not provide a climate of concord in our hemisphere."

In addition, some were troubled by the possibility of damage to the OAS since Castro had said he would not re-enter that agency unless the United States were excused. To these it seemed he was suggesting substituting Uncle Sam for himself in the isolation ward.

A further problem for some were attacks on their governments by Cuban officials at the United Nations, the food conference in Rome (where Brazil was assailed) and in speeches by Havana officials.

Some months before the Quito conference Brazil left the impression it was strong enough to have no fear Cuba could do anything in Brazil and that it would go along with lifting the sanctions if most nations wanted to do so. The speech in Rome may have caused Brazil to pull back.

Chile, Uruguay and Paraguay insisted Cuba was still actively supporting subversive activities in these nations and elsewhere.

One situation was never explained publicly. Costa Rica, Colombia and Venezuela sponsored the call for the Quito conference, obviously confident they could get the 14 votes needed. They failed by two votes. Did two nations renege. If so, why? Did the three sponsoring countries fail to do their advance work? In the Spanish-speaking countries the questions would be answered with a question: "Quien sabe?" (Who knows).

[From the Los Angeles Times Nov. 10, 1974]

END OF CUBAN ISOLATION PREDICTED

(By David F. Belnap)

QUITO, ECUADOR.—A top official of Peru's left-leaning revolutionary government of the armed forces forecast Saturday that Cuba's isolation within the American community is about to end.

Although the outcome of the hemispheric meeting here on the Cuban question is still in doubt, Gen. Miguel A. de la Flor, Peru's foreign minister, predicted:

"Whatever the formal result of our deliberations may be, this conference will constitute the coffin for the (diplomatic and trade) sanctions imposed against Cuba in 1964."

Fourteen votes—two-thirds of the 21 American nations eligible to vote at the Organization of American States foreign ministers' conference under way here—are needed to put a formal end to the sanction.

Twelve nations have indicated they will vote in favor of a resolution that would end the Cuban sanctions. Three others—Chile, Paraguay, Uruguay—are firmly opposed.

The intentions of the United States, Haiti, Guatemala, Nicaragua, Bolivia and Brazil have not yet been disclosed.

An informed source reported the United Sates is "not hostile to the resolution" but that doesn't necessarily mean that Dep. Secretary of State Robert S. Ingersoll, representing the United States at the conference, will cast an affirmative vote.

It was not known whether Ingersoll would formally address the conference, which began Friday and is scheduled to end with the voting next Tuesday after each country's representative has had his say.

A case against lifting the sanction was put forward in strong speeches by the foreign ministers of Chile, Paraguay and Uruguay. All three charged that Fidel Castro's Communist regime is still actively backing subversive movements elsewhere in the hemisphere—the reasons that the sanctions were imposed in the first place.

[From the New York Times, Nov. 13, 1974]

CUBA'S SUPPORTERS ARE DEFEATED IN ATTEMPT TO OVERTURN OAS SANCTIONS

(By Jonathan Kandell)

QUITO, ECUADOR, November 12.—A resolution to end the economic and political blockade imposed on Cuba by the Organization of American States a decade ago was defeated today when it failed to gain the support of the required two-thirds majority of O.A.S. members.

The vote means that more Latin-American countries will flout the O.A.S. prohibitions and establish ties with the Government of Premier Fidel Castro. Seven members—Argentina, Peru, Panama, Mexico, Trinidad and Tobago, Jamaica and Barbados—have already done so.

But today's outcome also means that Cuba continues to be formally considered an outcast by the most important regional organization in the hemisphere.

The resolution, sponsored by Costa Rica, Colombia and Venezuela, called for a straight forward abolition of the trade and diplomatic quarantine invoked against Cuba in 1964 because of her supposed support of Marxist guerilla movements in the hemisphere. It noted "the change in circumstances" in the last decade—an allusion to the belief by most O.A.S. members that the Cubans are no longer a threat to Latin-American governments.

But the resolution's supporters, who previously had expressed confidence that it would receive as many as 16 votes, overestimated their strength and tried desperately in the last few days—in corridor encounters, public speeches and late-night meetings in hotel rooms—to coax more delegates into backing them.

They circulated a softer draft resolution that would have simply permitted O.A.S. members to re-establish ties with Cuba on their own.

When it became apparent in the last two days that not even that proposal could win the necessary 14 votes, they decided to fall back on the initial, tougher resolution, and angrily denounced the resisting minority, particularly the United States. .

The American delegation—notable for the absence of Secretary of State Kissinger—maintained a stone-faced silence through most of the five-day conference, attending the discussions but seldom participating in the debates.

"We have remained silent prior to the vote because we wished to avoid even the appearance of influencing by our remarks or by our actions the outcome of this meeting," said Under Secretary of State Robert S. Ingersoll, the head of the delegation, in a speech after the voting. "We have not voted no and we have not worked against the resolution."

CUBAN HOSTILITY CITED

According to Mr. Ingersoll, the United States initially opposed a review of the anti-Cuban sanctions at this time, but was "persuaded by other nations that the issue should be discussed."

He acknowledged that a majority now existed for lifting the sanctions, but reminded the other delegates that "for some of us, evidence of Cuban hostility is fresh in our minds."

"If this meeting of consultation has not produced a conclusive result," said Mr. Ingersoll, "it has at least aired in a constructive way the fact that there is no easy solution to the problem of a country which deals with some on the basis of hostility and with others on the basis of a more normal relationship."

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Mr. Ingersoll appeared to leave an open door to a future change in Washington's position on the issue when he said that "the United States has voted in accordance with its own perception of this question at this time."

The resolution's supporters sharply criticized the position of the United States, arguing that neutrality was tantamount to hostility because abstentions counted as negative votes.

The Venezuelan Foreign Minister, Efrain Schacht Aristiguieta, termed the absence of Mr. Kissinger "a deplorable example of the little interest he had in strengthening and sustaining" the O.A.S.

Foreign Minister Gonzalo Facio of Costa Rica accused the United States of applying pressure only when "it is interested in accomplishing something." The decision to abstain, he said, placed the American delegation squarely with the minority.

After the vote, the 12 countries that had backed the resolution issued a statement condemning the sanctions as "anachronistic, ineffectual and irksome" and asserting that they "should have been formally rescinded."

The statement termed the two-thirds rule used in today's voting "an absurd proceeding, contrary to the democratic sense that should govern international bodies" and warned that the failure of the resolution "seriously compromises the authority of the O.A.S. It predicted that members would continue to violate the sanctions and establish relations with Cuba.

In a separate statement, the Foreign Minister of Peru, Gen. Miguel Angel de la Flor Valle, said, "The results of the voting clearly demonstrate the precariousness and weakness of the inter-American system."

But other delegates sought to play down the effect of today's voting on the organization's unity and authority.

"Cuba has absorbed far too much of our attention in recent years," said Mr. Ingersoll. "We must not let a failure of agreement on the Cuban issue, at this time, obscure our common interest in working together toward mutually beneficial relationships."

[From the New York Times, Nov. 9, 1974]

OAS Meeting Opens With Call for Lifting of Cuban Sanctions

Quito, Ecuador, November 8.—The President of Ecuador opened a five-day ministerial meeting of the Organization of American States here tonight with a call for an end to economic and political sanctions against Cuba.

The President, Guillermo Rodriguez Lara, said such action would reopen "lines of communication between the peoples of the continent and reduce tension."

Earlier in the day, as such protocol events as the official registration of the delegations proceeded, concern was expressed by a number of Latin-American foreign ministers that the O.A.S. would be severely weakened if a minority prevented the lifting of the sanctions voted against Cuba in 1964.

Behind the scenes, canvassing was continued for the necessary 14 votes to end the sanctions, or two-thirds of those who supported the United States-inspired sanctions resolution of 1964.

By most formal counts, the sure votes stood at 12, with the opinion of several nations still unknown.

Under Secretary of State Robert S. Ingersoll, who arrived here today to head the United States delegation in the absence of Secretary of State Kissinger, said Washington approached the conference in a "constructive spirit." There are predictions here that the United States might abstain in the vote, which is expected on Tuesday.

"A majority has already come out in favor of lifting the sanctions," said the Peruvian Foreign Minister, Miguel Angel de la Flor Valle. "There is no reason for this situation to continue."

He predicted that the sanctions would be lifted "whether or not we get the 14 votes," but warned that an insufficient vote would "minimize the prestige of the O.A.S."

The Minister noted that eight nations in the hemisphere already had restored economic and diplomatic ties with Havana, and that more countries were certain to follow, thus threatening to make the O.A.S. sanctions irrelevant.

"We never accepted the legality of that measure," said the Mexican Foreign Minister, Emilio O. Rabasa, referring to the sanctions. Mexico was the only Latin-American nation not to break diplomatic ties with Cuba after the 1964 resolution.

[From the Washington Post, Jan. 30, 1975]

Latins End Isolation of Cuba at U.N.

United Nations, January 29.—After more than a decade of systematic isolation from Latin American group activities here, Cuba today participated in a formal caucus of the 26 delegations, in what the Cuban ambassador called "the end of an era at the U.N."

Since the Organization of American States acted in 1963 to isolate Cuba diplomatically, the United Nations' Latin American group has ceased meeting formally, and had done its work—the defining of regional positions on U.N. issues and the negotiation of candidacies for various U.N. bodies—through "informal" meetings to prevent Cuban participation.

Today, after more than a month of quiet consultation, this month's caucus chairman, Ambassador Donald Mills of Jamaica, convened a formal meeting.

"Mills decided that enough of this travesty was enough," said one Latin American diplomat, "and no one in the group made any objection. As far as we know there was not a peep of the U.S. From now on, Cuba is in on everything."

Cuba's Ricardo Alarcon Quesada was the last man to enter the meeting, rushing a bit and smoking a long Havana panatela. A hush fell and then Mills and Argentine Ambassador Carlos Ortiz de Rozas shook the Cuban's hand. The doors were closed and the private meeting began.

After the meeting, which lasted about an hour, diplomats reported that all had gone smoothly. The discussion concerned Latin attitudes toward the United Nations' work program for this year, they said.

In the meeting, apparently, no one referred directly to Cuba's presence, although several representatives said in passing that the meeting was "timely."

"The political implications of today's meeting were obvious," Alarcon said. "The Latin American group now reflects the times and the spirit of the U.N. For some in it, it was a transition from the stone age to modern times in one afternoon."

A majority of OAS members now support an end to the OAS boycott of Cuba. Alarcon said this move would "have an impact there only to the extent that it is a new defeat for the OAS policy of isolation."

By Mr. HUGH SCOTT:

S. 936. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain amounts paid by a taxpayer for tuition and fees in providing certain education for himself, his spouse, and his dependents. Referred to the Committee on Finance.

Mr. HUGH SCOTT. Mr. President, I am pleased today to offer a bill which will allow a tax deduction for certain tuition and fees incurred by a taxpayer while providing education for himself, his spouse, and his dependents. In essence, this bill is aimed at aiding the middle-income taxpayer by establishing a cost cushion against the rising costs of education.

I have been disturbed recently by skyrocketing tuition costs which seem to hit the middle-income taxpayer the hardest. My bill will allow a tax deduction for tuition and fees up to $2,000 for both higher education and postsecondary vocational education. Anyone earning less than $25,500 annually would be eligible to take this deduction.

In the past, most legislation aimed at tax deductions for education addressed itself to higher education only. My bill goes one step further, by financially aiding those pursuing further vocational education. I also hope it will serve as an incentive for many people to consider continuing their education who would not have been able to do so without this additional assistance.

The bill I am introducing today is identical to a bill I introduced last year and is similar to measures I have introduced in each Congress since 1958. Several times it has been adopted by the Senate as an amendment to a comprehensive tax bill, but it has always been knocked out in conference. I have always been hopeful that the Congress will see the urgent need for this legislation and I continue to be hopeful. But this year the crisis has grown with the escalating costs of education and inflation. This year the need is even greater.

Mr. President, I ask unanimous consent that the text of this bill be inserted in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 936

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by designating section 219 as section 220, and by inserting after section 218 the following new section:

"Sec. 219. Tuition and Fees for Education.

"(a) Allowance of Deduction.—In the case of an individual, there shall be allowed as a deduction the sum of the amounts paid by the taxpayer during the taxable year to an eligible educational institution for—

"(1) tuition and fees required for the attendance of the taxpayer, his spouse, or a dependent at such institution, and

"(2) fees required for courses of instruction in which the taxpayer (his spouse, or a dependent is enrolled at such institution.

"(b) Limitations.—

"(1) Full-time student.—No deduction shall be allowed under subsection (a) for amounts paid during the taxable year for tuition and fees with respect to any individual unless that individual, during each of 4 calendar months during the calendar year in which the taxable year of the taxpayer begins, is a full-time student above the secondary level at an eligible educational institution.

"(2) Amount for each individual.—Deduction shall be allowed under subsection (a) for amounts paid during the taxable year for tuition and fees with respect to any individual only to the extent that such amounts do not exceed $2,000.

"(3) Spouse.—No deduction shall be allowed under subsection (a) for amounts paid during the taxable year for tuition and fees for the spouse of the taxpayer unless—

"(A) the taxpayer is entitled to an exemption for his spouse under section 151(b) for the taxable year, or

"(B) the taxpayer files a joint return with his spouse under section 6103 for the taxable year.

"(4) Personal and living expenses.—No deduction shall be allowed under subsection (a) for any amount paid, directly or indirectly, for any personal or living expense during the taxable year. In the event an amount paid as tuition or fees includes an amount for any personal or living expense which is not separately stated, the portion of such amount paid which is attributable to such personal or living expense shall be determined under regulations prescribed by the Secretary or his delegate.

"(5) Adjusted gross income in excess of $23,500.—The amount of the deduction allowed by subsection (a) for a taxable year (determined without regard to this paragraph) shall be reduced by the amount by which the adjusted gross income of the taxpayer, and his spouse, if any, for such year (determined without regard to section 62(10) exceeds $23,500.

"(c) Reduction for Certain Scholarships and Veterans Benefits.—The amount paid for tuition and fees with respect to any individual which (but for this subsection) would be taken into account under subsection (a) shall, under regulations prescribed by the Secretary or his delegate be reduced by any amounts received by or for such individual during the taxable year as—

"(1) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includible in gross income. and

"(2) educational assistance allowance under chapter 34 or 35 of title 38 of the United States Code

"(d) Definitions.—For purposes of this section—

"(1) Eligible educational institution.—The term 'eligible educational institution' means—

"(A) an institution of higher education; or

"(B) a vocational school.

"(2) Institution of higher education.—The term 'institution of higher education' means an institution of higher education as defined in section 1201(a) of the Higher Education Act of 1965.

"(3) Vocational school.—The term 'vocational school' means an area vocational education school as defined by section 108(2)(C) and (D) of the Vocational Education Act of 1963.

"(4) Course of instruction.—The term 'course of instruction' means a course of instruction for the successful completion of which credit is allowed toward a baccalaureate or higher degree by an institution of higher education authorized to confer such degree or toward a certificate signifying completion of required course work or training.

"(5) Dependent.—The term 'dependent' has the meaning assigned to it by section 152(a).

"(e) Exception.—Subsection (a) shall not apply to any amount paid which is allowable as a deduction under section 162 (relating to trade or business expenses).".

(b) The table of sections for such part is amended by striking out—

"Sec. 219. Cross reference."

and inserting in lieu thereof

"Sec. 219. Tuition and fees for education.

"Sec. 220. Cross references."

Sec. 2. Section 62 of the Internal Revenue Code of 1954 (relating to the definition of adjusted gross income) is amended by inserting after paragraph (9) the following new paragraph:

"(10) Deduction for education expenses.—The deduction allowed by section 219.".

Sec. 3. The amendments made by this Act shall apply to taxable years beginning after December 31, 1974.

By Mr. NUNN (for himself, Mr. Bartlett, Mr. Chiles, Mr. Domenici, and Mr. Percy):

S. 937. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Work, to provide for a review of Federal laws, regulations, and policies with respect to their impact on productivity, to encourage labor, industry, and Government efforts to improve productivity growth in all sectors of the economy; to authorize a program of grants, and for other purposes. Referred to the Committee on Government Operations.

National Productivity Act of 1975

Mr. NUNN. Mr. President, on behalf of myself and Senators Bartlett, Chiles, Domenici, and Percy, I introduce the National Productivity Act of 1975.

I introduced a similar bill, S. 4130, in the 93d Congress and I had the honor of chairing hearings in the Committee on Government Operations on both that bill and a measure introduced by the distinguished Senator from Illinois (Mr. Percy).

This new bill reflects some of the recommendations made by witnesses at those hearings, which were held on December 16 and 17, 1974. The committee was fortunate at that time to have 23 distinguished witnesses testify on behalf of Government, business, labor, and the academic community, and much valuable testimony and materials were adduced.

Senator Percy already has introduced S. 765, a revised version of his bill which contains many of the recommendations made by the witnesses. I applaud his leadership in this area over the past several years, and I look forward to our working together in the Committee on Government Operations to fashion the best possible legislation.

Our hearings in December emphasized the critical need to increase productivity and to improve the quality of working life for all Americans.

You do not have to be an economics professor to realize that inflation and recession represent twin dangers to our economy and to the well-being of all our citizens. According to some sources, the average worker's paycheck, after taxes and inflation are taken into account, has declined some 8 percent over the past 2 years. Our productivity which was once steadily improving has begun to decline. Output per man hour in the United States has failed to keep pace with costs.

As Business Week magazine pointed out in its issue of February 10, 1975—

Productivity declined at an annual rate of 5.1% in the fourth quarter, adversely affected by a sharp drop in output.

At year end, output per man hour in the private economy was 3.7% below a year earlier—while compensation per man hour was 9.8% higher.

Some mild softening in productivity for a brief period normally accompanies an economic downturn. But the current slide in output per man hour is both the most prolonged and the most serious since data was first compiled in 1947.

The Wall Street Journal this morning noted that the output per hour of work has declined for seven quarters in a row, that the overall manufacturing productivity has fallen at a 1.3-percent annual rate, and that the indicator has fallen in four of the past five quarters.

During the past several years the countries of Western Europe have achieved higher productivity levels than the United States, and of course, Japan's productivity growth has been fantastic. I think it is clear that declining productivity is one of our primary economic troubles, and one of our major tasks must be to find a cure.

We can continue to improve our living standards only if we develop new ways to improve our use of technological and human resources. We cannot expect improvements in productivity unless we have the proper tools, facilities and machinery. It also demands capital investments. Perhaps most importantly, it also needs people—people who want to do a better job, not necessarily by working harder but by working smarter. Concurrently, we must improve the working conditions and the quality of work life for all our citizens.

One major area that adversely affects productivity in the United States is that our free enterprise system has become increasingly bogged down with regulations that stifle the incentive for efficiency.

Another area is that other industrialized countries are making a much larger effort to encourage investments than we are. We invest only about 16 percent of our GNP while Germany, France, and Japan invest 26, 28, and 36 percent, respectively.

I think it is ironic that some of the most successful foreign industrialized nations have productivity centers that were established in response to U.S. prodding and often with U.S. aid. Yet in the United States, with the immensity of our economic problems, we have no permanent organization or association that focuses on improving productivity. I find this incredible. You might say the students have outproduced the teacher.

The causes of the decline in productivity are varied and complex, and a solution will not be simple. My new bill is designed to implement a Federal policy and program, and to establish the machinery, to bring about a reversal in this decline.

The purposes of the bill are to establish a national policy which will encourage productivity growth consistent with the needs of the economy, the environment, and the work force; to stimulate the adoption of new methods and technology by all sectors of the economy; to promote efforts to continuously review and improve efficiency and morale within all sectors of the economy; and to establish an independent National Center for Productivity and Quality of Work to carry out these purposes.

Federal agencies will be required to prepare statements to accompany every

recommendation or report on proposals for legislation, every major program recommendation submitted in the President's budget, and every other major action significantly affecting productivity setting forth the impact the proposal or action will have on productivity.

Agencies also will be required to take other actions to promote increased productivity, including their own internal operations. They also shall review their own statutory authorities, rules, regulations, policies, and procedures and recommend to the President measures that may be necessary to bring these into conformity with the purposes of the bill.

The President will be required to submit an annual productivity report to Congress setting forth various factors affecting productivity, including recommendations for remedying deficiencies of existing programs and activities.

An independent National Center for Productivity and Quality of Work will be established to gather and disseminate information pertaining to productivity, to coordinate research and development, to provide grants and contracts to agencies, institutions of higher education, private organizations, and State and local governments to conduct research or demonstration projects or to establish State or local productivity centers to carry out programs and projects designed to stimulate productivity growth.

The Center will be under the general supervision of a Council on Productivity and Quality of Work. The 11 members of the Council will be appointed by the President, subject to confirmation by the Senate, from industry, labor, universities, and Federal, State and local governments. The members will serve terms of 2 years, and a Chairman will be selected by the President.

A Director and Deputy Director will be in charge of the Center. No more than 100 employees, including consultants and experts, may be hired by the Director.

The bill provides that the Center and Council will exist for 5 years. A total of $65 million is authorized to be appropriated for the first 3 of those years.

The existing National Commission on Productivity and Work Quality, which is within the Executive Office of the President, will be abolished, and its staff transferred to the new center.

In his recent economic message, President Ford stressed the need for increased productivity, and he has promised to revitalize the existing National Commission on Productivity and Work Quality. However, his budget proposal for fiscal year 1976 includes a request for $2.5 million for the Commission, which will provide an authorized staff of 20 persons and 8 consultants. This is the same level as in the past year, when the Commission had little to show for its efforts. In addition, the President has nominated the Chairman of the Commission, Dr. John Dunlop, to be Secretary of Labor, thus leaving the Commission without a leader for the time being.

In my estimation, these actions by the President do not indicate a revitalization of the Commission. Therefore, I believe that the time is right for Congress to legislate in order to bring direction to our national efforts to increase productivity. While we must find every avenue to reduce Federal spending, I believe that the funds provided for Federal, State, and local productivity efforts will repay themselves many times over by assisting in full economic recovery.

Mr. President, the National Productivity Act of 1975 which I introduce today strives for coordinated effort to stimulate productivity growth, not only by each Federal agency but by State and local government, institutions of higher education, private organizations, business, industry, and labor.

Increasing productivity should not be a one-shot proposition, but should be a day-to-day, month-to-month, and year-to-year continuing task. Only by steadily increasing rate of productivity over the years can we increase our standard of living without inflation. Productivity increases may not be the only answer, but a dedicated and continuing effort to increase our nation's productivity will surely be a major step in the right direction.

In summary, this legislation provides for:

First. A clear Federal policy statement on productivity as guidance to Federal agencies and courts in measuring and considering the impact of laws, regulations, and policies on productivity.

Second. A small independent agency—a national center—for gathering, disseminating productivity information, coordinating research and development, providing grants, insuring that Federal policy is being carried out, and preparing annual and other reports required by law;

Third. A review of all existing and future laws, regulations, and policies to insure compatibility with the federally declared productivity policy;

Fourth. A grant program to provide for research and development and information gathering;

Fifth. A grant program to provide for State and local initiatives principally using institutions of higher education to establish productivity centers and technical assistance programs; and

Sixth. A Federal agency effort to increase internal productivity.

I ask unanimous consent that the text of the bill, a section-by-section analysis of it, and my opening statement from last year's hearings be inserted in the RECORD at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 937

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Productivity Act of 1975."

TITLE I—STATEMENT OF FINDINGS, PURPOSES, AND POLICY

FINDINGS

SEC. 101. The Congress finds that—

(1) the rate of productivity growth in the United States has declined during four of the past six years;

(2) the decline in the rate of productivity growth has contributed both to inflation and to economic stagnation and has adversely affected the competitive position of the United States in the world markets;

(3) laws, regulations, and procedures in many cases have adversely affected productivity growth, and failure to consider the impact of proposed governmental action has been a significant factor in the decline of productivity;

(4) industry, services, and government have all suffered a decline in productivity growth; and

(5) the effect on productivity on the economy, inflation, recession, and the competitive position of the United States in world markets must be better understood and information regarding productivity more widely disseminated.

PURPOSES

SEC. 102. The purposes of this Act are—

(1) to establish a national policy which will encourage productivity growth consistent with the needs of the economy, the environment, and the work force;

(2) to stimulate the adoption of new methods and technology by all sectors of the economy;

(3) to promote efforts to continuously review and improve efficiency and morale within all sectors of the economy; and

POLICY

SEC. 103 It shall be the continuing policy of the Federal Government, in cooperation with State and local governments, to use all practicable means and measures, including financial and technical assistance, to stimulate a high rate of productivity growth in all sectors of the economy. The laws, rules, regulations and policies of the United States shall be so interpreted as to give full force and effect to this policy.

TITLE II—AGENCY REQUIREMENTS

PRODUCTIVITY STATEMENT

SEC. 201. (a) Each agency of the Federal Government shall include in any recommendation or report on proposals for legislation, in any major program recommendation contained in the President's budget, and in any other major Federal action significantly affecting productivity, a detailed statement setting forth—

(1) the impact of the proposal on national productivity;

(2) the economic effects of the proposal;

(3) the relationship between the maintenance and enhancement of long-term proactivity and the effects on the environment that may be incurred by the proposal;

(4) efforts made to provide a systematic and comprehensive approach incorporating all relevant considerations, including efficiency, energy, environment, work conditions, and safety considerations; and

(5) the benefits to be gained by the proposal versus the cost of implementation, the anticipated short-term capital requirements versus the anticipated life of the proposal, and the expected life of the proposal versus the expected initiation of successor action.

(b) Prior to making any such detailed statement, the responsible Federal official or employee shall consult with, and obtain the comments of, any Federal agency which has jurisdiction by law, or which has special expertise, with respect to productivity.

(c) Copies of each detailed statement, the comments of other Federal agencies, and any comments and views of appropriate State and local agencies which are authorized to develop and promote productivity growth, shall be submitted to the President, the Secretary of Commerce, the Secretary of Labor, and the National Center for Productivity and Quality of Work, and shall be made available to the public in accordance with section 552 of title 5, United States Code. Such detailed statements and agency comments and views shall accompany the proposal throughout the process by which it is reviewed in the executive branch. In the case of proposed legislation, such statements and agency comments and views shall be submitted to the President of the Senate and to the Speaker of the House of Representatives.

AGENCY ACTION

SEC. 202. Each Federal agency shall—

(1) study, develop, and describe appropriate alternatives to recommend courses of action in any proposal which involves unresolved conflicts concerning the impact on productivity;

(2) provide appropriate support to initiatives, resolutions, and programs designed to maximize regional and international cooperation in anticipating and preventing actions adversely affecting productivity;

(3) make available to State and local governments, public institutions, industry, and individuals appropriate advice and information designed to maintain, enhance, and promote sustained productivity growth; and

(4) upon request, render assistance to the National Center for Productivity and Quality of Work.

INTERNAL PRODUCTIVITY

SEC. 203. Each Federal agency shall promote maximum productivity within its own internal operations by establishing a small, directorate level staff to study present organizational structures, to review and reinvigorate incentive, suggestion, safety, and other programs designed to enhance internal productivity, to provide for improved operations, to maintain a current awareness program on productivity improvement in general, and to conduct studies to improve governmental efficiency and provide for the adoption and implementation of recommendations resulting from such studies which are applicable to the particular agency

AGENCY REVIEW

SEC. 204. (a) Each Federal agency shall review its statutory authority, rules, regulations, policies, and procedures for the purpose of determining whether there are deficiencies or inconsistencies therein which prohibit full compliance with the purposes and policies of this Act.

(b) Each Federal agency shall propose to the President not later than January 1, 1976, and at least once every four years thereafter, such measures as may be necessary to bring its authority and policies into conformity with this Act.

PRODUCTIVITY REPORT

SEC. 205. Not later than October 1 of each year beginning with 1976, the President shall transmit to the Congress a productivity report setting forth—

(1) the status and condition of the major factors affecting productivity, including but not limited to capital investments, technological advances, structure of private industry, and labor, management, and government programs;

(2) present and future trends in the quality, quantity, management and use of the major factors affecting productivity and the effects of these trends on the economic and other requirements of the United States;

(3) the adequacy of the productive base of the United States for fulfilling the economic requirements of the Nation;

(4) the programs and activities of the Federal Government, State and local governments, industry, labor, and other non-governmental entities or individuals, with particular reference to their effect on productivity; and

(5) a program for remedying deficiencies of existing programs and activities, together with recommendations for legislation.

EFFECT ON PRIOR PROVISIONS

SEC. 206. Nothing in this title affects any specific statutory obligation of any Federal agency (1) to comply with productivity policy, (2) to coordinate or consult with my other Federal or State agency, or (3) to act, or to refrain from acting, contingent upon the recommendations or certification of any other Federal or State agency.

TITLE III—NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORK; COUNCIL ON PRODUCTIVITY AND QUALITY OF WORK

ESTABLISHMENT OF CENTER AND COUNCIL

SEC. 301. (a) There is established as an independent agency of the Federal Government the National Center for Productivity and Quality of Work (hereinafter referred to as the "Center").

(b) The Center shall be under the general supervision of a Council on Productivity and Quality of Work (hereinafter referred to as the "Council").

MEMBERSHIP OF COUNCIL

SEC. 302. (a) The Council shall be comprised of eleven members, including—

(1) three members who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in labor unions;

(2) three members who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in manufacturing and service industries;

(3) one member who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in leading institutions of higher education in the fields of engineering, business, or public administration;

(4) one member who shall be appointed by the President, by and with the advice and consent of the Senate, from distinguished private individuals in State and local government;

(5) the Secretary of Commerce;

(6) the Secretary of Labor; and

(7) the Secretary of the Treasury.

(b) The members of the Council appointed under clauses (1), (2), (3), and (4) of subsection (a) shall be selected from among the highest leadership in their various communities. Not more than eight members of the Council shall be members of the same political party.

(c) The members of the Council appointed under clauses (1), (2), (3), and (4) of subsection (a) shall be appointed for two-year terms, and each such member may serve only two such terms. Members other than members appointed under such clauses shall serve as long as such member is the head of the department represented on the Council.

(d) The President shall select a Chairman for one 2-year term only.

(e) Any member appointed to fill a vacancy occurring before the expiration of the term for which is predecessor was appointed shall be appointed for the remainder of that term.

(f)(1) Each member of the Council appointed under clauses (1), (2), (3), and (4) shall be compensated at the daily rate provided for GS-18 of the General Schedule under section 5332 of title 5, United States Code, including traveltime, for each day he is engaged in the performance of his duties as a member of the Council and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in carrying out the functions of the Council.

(2) Other members of the Council shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council.

DIRECTOR; DEPUTY DIRECTOR

SEC. 303. (a) The Center shall be headed by a Director, who shall be appointed from private life by the President, by and with the advice and consent of the Senate. Under the general supervision and direction of the Council, the Director shall be responsible for the exercise of all powers and the discharge of all duties of the Center, and shall have authority and control over all personnel and activities thereof.

(b) There shall be in the Center a Deputy Director, who shall be appointed from private life by the President, by and with the advice and consent of the Senate and shall perform such duties and exercise such powers as the Director may prescribe. The Deputy Director shall act for, and exercise the powers of, the Director during his absence or disability.

(c) In carrying out his functions, the Director shall assist and advise the President and the Congress on policies and programs of the Federal Government affecting productivity by—

(1) assisting the Federal agencies and departments in appraising the effectiveness of existing and proposed programs, policies, and activities of the Federal Government and those specific major projects designated by the President which do not require individual project authorization by Congress, which affect productivity;

(2) reviewing the adequacy of existing standards and measures for productivity and providing for the monitoring of productivity consistent with those standards and measures in order to achieve effective coverage and efficient use of research facilities and other resources;

(3) promoting the advancement of scientific knowledge of the effects of technology on productivity and encouraging the development of new techniques and technology to improve productivity;

(4) assisting in coordinating Federal programs and activities which affect, promote, and improve productivity;

(5) collecting, collating, analyzing, interpreting, and disseminating data and information on productivity;

(6) administering grants to States and localities in accordance with this title;

(7) conducting an annual National Conference on Productivity;

(8) preparing the annual report required under section 205 of this title;

(9) consulting with the Council on Productivity and Quality of Work; and

(10) using, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, and assuring that the Center's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

EMPLOYEES

SEC. 304. The Director is authorized to employ not more than 100 persons, including consultants and experts, to carry out the functions of the Center as provided by this Act.

FUNCTIONS

SEC. 305. The Center shall—

(1) provide for and encourage research and development for the purpose of improving productivity, adoption of new technology, and dissemination of information concerning new developments and technology associated with productivity improvement; and

(2) encourage States, units of general local government, and institutions of higher education, to develop and implement centers, programs, and projects to improve and stimulate productivity growth, disseminate information, and make available technical assistance to government, industry, labor, and other organizations and individuals to improve and stimulate productivity growth.

POWERS

SEC. 306. In carrying out its functions, the Center is authorized—

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(1) to make grants to, or enter into contracts with, public agencies, institutions of higher education, or private organizations, to conduct research, demonstrations, or special projects pertaining to the purposes described in this title, including the development of new or improved methods, techniques, systems, equipment, and devices to improve and stimulate productivity growth.

(2) to make grants to States, units of general local government, institutions of higher education, and post-high school technical and vocational schools enjoying accreditation from recognized authorities for the purposes of developing and implementing centers, programs, and projects to improve and stimulate productivity growth, disseminate information, and make available technical assistance to government, labor, industry, and other organizations and persons to improve and stimulate productivity growth;

(3) to make continuing studies and to establish with the National Science Foundation and other research funding agencies, programs of research to develop new or improved methods, techniques, systems, equipment, and devices to improve and stimulate productivity growth, including, but not limited to, the effectiveness of projects or programs carried out under this title;

(4) to make recommendations for action which can be taken by Federal, State, and local governments, industry, labor, and other private organizations and persons to improve and stimulate productivity growth;

(5) to conduct special workshops, conferences, and other forums for the presentation and dissemination of information resulting from research, demonstrations, and special projects authorized by this title; and

(6) to carry out a program of collection and dissemination of information obtained by the Center or other Federal agencies, public agencies, institutions of higher education, or private organizations engaged in projects under this title, including information related to new or improved methods, techniques, systems, equipment, and devices to improve and stimulate productivity growth.

GRANTS AND CONTRACTS

SEC. 307. (a) A grant made under section 306(1) may not exceed 100 per centum of the total cost of each project for which such grant is made. Whenever feasible, the Center shall require, as a condition of approval, that the recipient contribute money, facilities, or services to carry out the purposes of the grant.

(b) A grant made under section 306(2) may not exceed 65 per centum of the total cost of the project for which such grant is made.

(c) No funds made available under this title shall be used for building construction or land acquisition.

(d) The Center shall prescribe by regulation, after consultation with appropriate agencies and officials of Federal, State, and local governments, basic criteria for applicants and grantees under this title. In prescribing such criteria, the Center shall give priority to institutions of higher education, especially those which possess or operate engineering schools, engineering experiment stations, business schools, or schools of public administration.

(e) The funds available in each fiscal year for grants under section 306(2) shall be allocated by the Center as follows:

(1) 35 per centum of the funds shall be available for grants to institutions of higher education possessing schools, stations, or similar departments as described in subsection (d) of this section, which agree to establish a productivity center to carry out the purposes of this Act; and

(2) 65 per centum of the funds may be made available, as the Center may determine, to appropriate State agencies qualifying as State Productivity Centers (as defined in subsection (f)), units of general local government, institutions of higher education, or combinations of such units, according to the criteria and on the terms and conditions the Center determines consistent with this title.

(f) For the purposes of this section, a State Productivity Center is an agency established or designated by a State for the purposes of establishing productivity centers, carrying out plans, demonstrations, programs, projects, and technical assistance consistent with the purposes, policies, and goals of this Act.

(g) If the Center determines, on the basis of information available to it during any fiscal year, that a portion of the funds granted to an applicant for that fiscal year will not be required by the applicant or will become available by virtue of the applications established by the Center to govern noncompliance by an applicant or grantee, that portion shall be available for reallocation under this section.

(h) The Center shall by regulation prescribe the basic criteria for determination of noncompliance by grantees and applicants including appropriate provisions for notice and hearing with respect to such determination.

TIME LIMITATION

SEC. 308. Unless otherwise provided in this title, the Center shall carry out the programs provided for in this title during the fiscal year and subsequent transition period ending September 30, 1976, and the three succeeding fiscal years.

ANNUAL REPORT

SEC. 309. Not later than December 31 of each year, the Center shall report to the President and to the Congress on activities pursuant to the provisions of this title during the preceding fiscal year.

REFERRAL OF REPORTS

SEC. 310. Each report required to be submitted to the Congress by this Act shall be referred to the standing committee or committees having jurisdiction over any part of the subject matter of the report.

TITLE IV—NATIONAL PRODUCTIVITY AWARD

SEC. 401. The President may award, and present in the name of Congress, an award of appropriate design, which shall be known as the National Productivity Award, to any public or private organization, governmental unit, or individual, which in its performance, has distinguished itself by exceptional efforts and contributions to the growth of the Nation's productivity.

TITLE V—REPEAL AND TRANSFER

REPEAL OF PUBLIC LAWS 92-210 AND 93-311

SEC. 501. Section 4 of Public Law 92-210, establishing, and Public Law 93-311, continuing the National Commission on Productivity and Work Quality, are repealed.

TRANSFER OF FUNCTIONS AND STAFF

SEC. 502. The functions and staff of the National Commission on Productivity and Work Quality are hereby transferred to the National Center for Productivity and Quality of Work established by section 301(a) of this Act.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS

SEC. 601. There are authorized to be appropriated to carry out the purposes of this Act not to exceed $20,000,000 for the fiscal year and subsequent transition period ending September 30, 1976; not to exceed $20,000,000 for the fiscal year ending September 30, 1977; and not to exceed $25,000,000 for the fiscal year ending September 30, 1978. Funds appropriated for any fiscal year shall remain available for obligation until expended.

NATIONAL PRODUCTIVITY ACT OF 1975—SECTION-BY-SECTION ANALYSIS

TITLE I: FINDINGS, PURPOSES, AND POLICY

Section 101 sets forth congressional findings that:

(1) productivity growth has declined in industry, services and government, contributing to inflation and economic stagnation;

(2) often Federal regulations and procedures adversely affect productivity;

(3) there is a need to better understand the effect of productivity and to distribute that information.

Section 102 states the purpose of the Act, which is to establish a National Productivity policy, to stimulate the adoption of new methods, and to improve efficiency in all sectors of the economy by establishing an independent National Center for Productivity and Quality of Work.

Section 103 directs that all U.S. laws, regulations, and rules shall be interpreted to give full force and effect to this policy.

TITLE II—AGENCY REQUIREMENTS

Section 201 requires agencies to prepare a detailed productivity statement to accompany every proposed program, legislation, or action which will affect productivity. The impact statement will show benefits to be gained, the economic effects and the relationship between productivity, and the effects on the environment.

Section 202 requires each Federal agency to develop alternatives to any unresolved conflicts in the impact statement, and provide support to programs designed to stimulate productivity.

Section 203 requires each agency to establish a small staff to stimulate internal productivity.

Section 204 requires that each agency review its statutory authority, rules, regulations, procedures and policies to insure they are not adverse to productivity growth, and to report the results to the President along with measures necessary to correct such items.

Section 205 requires the President to report to Congress yearly on factors, trends, programs and activities affecting productivity along with the adequacy of the productive base. The report is to include recommendation to remedy any deficiencies that adversely affect productivity growth.

Section 206 directs that the Act shall not affect prior statutory obligations of any Federal agency to comply with productivity policy, coordinate or to act with other Federal or State agencies.

TITLE III—NATIONAL CENTER AND COUNCIL

Section 301 establishes an independent National Center for Productivity and Quality of Work under the general supervision of a Council on Productivity and Quality of Work.

Section 302 provides that the Council will have 11 members selected by the President from industry, labor unions, universities, State, local and Federal Government, subject to confirmation by the Senate. Members shall serve 2-year terms, and the President shall select a Chairman for a single 2-year term.

Section 303 provides that the Center is to be headed by a Director and Deputy Director appointed by the President, with the advice and consent of the Senate, to carry out a productivity program that (1) appraises effectiveness of existing or proposed programs, (2) reviews the adequacy of existing standards and measures, (3) promotes advancement of scientific knowledge, (4) coordinates Federal programs, (5) collects and disseminates data and information, (6) administers grants, (7) conducts conferences, (8) prepares reports, (9) works with the Council and (10) avoids any duplication of effort and expense.

Section 304 permits the Center to employ no more than 100 persons, including experts and consultants.

Section 305 provides that the Center shall provide and encourage research and development activities for the purpose of improving productivity, and encourage the development of State and local productivity centers.

Section 306(a) authorizes the Center to make grants or contracts with agencies, universities or private organizations to conduct research or demonstration projects.

Section 306(b) authorizes grants to State and local governments or universities to set up local productivity centers to carry out programs and projects to stimulate productivity growth. The Center will make studies to develop new methods, techniques and systems to improve productivity, make recommendations for action, conduct workshops and conferences, and collect and disseminate information relating to improving and stimulating productivity.

Section 307 permits the Center to finance up to 100% of the research projects under section 306(a) and 65% of costs of setting up local productivity centers under section 306 (b). No building or land may be purchased with grant funds. Priority for fund use will be given to those universities which have schools related to productivity efforts. Thirty-five percent of the grant funds under section 306(b) will be available to universities which agree to establish a local productivity center. The remaining 65% of the grant funds will be made available as the Center may determine.

Section 308 establishes the Center for a 5-year period.

Section 309 requires that the Center report each year to the President and to the Congress on its activities.

Section 310 provides that the reports to Congress shall be referred to the Committees having jurisdiction over the subject matter contained therein.

TITLE IV—NATIONAL PRODUCTIVITY AWARD

Section 401 authorizes the President to give a National Productivity Award as appropriate.

TITLE V—REPEAL AND TRANSFER

Section 501 abolishes the existing National Commission on Productivity and Work Quality, which is in the Executive Office of the President.

Section 502 transfers the staff of the Commission to the National Center.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS

Section 601 authorizes a total of $65 million for the first three years of the Center's life, as follows: $20 million for FY '76, $20 million for FY '77, and $25 million for FY '78.

OPENING STATEMENT BY SENATOR SAM NUNN BEFORE THE SENATE GOVERNMENT OPERATIONS COMMITTEE HEARINGS ON PRODUCTIVITY AND SENATE BILLS S. 4130 AND S. 4212

Senator Ervin, Chairman of the Senate Government Operations Committee has asked me to act as Chairman during these two-day hearings by the Committee on productivity, and specifically on two bills, S. 4130, the National Productivity Act of 1974, introduced by me and cosponsored by Senators Bartlett, Chiles, Domenici, and Percy; and S. 4212, the National Center for Productivity and Economic Competition Act, introduced by Senator Percy and cosponsored by Senators Ribicoff, Javits, and me.

Inflation and recession represent twin dangers to our economy and to the well being of all our citizens. According to some sources, the average worker's paycheck, after taxes and inflation are taken into account, has declined some 8% over the past two years. The Labor Department's third quarter report also showed that productivity declined at a 3% annual rate during the quarter and noted that this was a larger decline than any other quarterly period in 14 years with the exception of the first quarter of 1974 when the annual percentage rate of decline was a record 7.1%.

There are those who will note that as unemployment grows and the business downturn bottoms out, productivity will tend to grow once again. However, it seems to me that we must rely on means other than unemployment to solve the problems implicit in declining productivity.

All sectors need to work together to produce an economic environment that will permit the best use of available capital, the smartest use of available labor, a more efficient use of management, and a higher quality of work and the work place. We also must strive to have a better application of new technology, and less distortion due to government regulation, in order to achieve the rate of productivity growth necessary to provide renewed increases in real wages and a more competitive and productive economy.

Energy, environmental, safety, and productivity problems are now closely related and interdependent. We need to develop comprehensive solutions to these problems rather than independent band-aid patches that give the illusion of solution, but in the long run produce detrimental effects and raise new problems. The key is to make use of one of our greatest national assets, our innate ingenuity, to develop the new technology that will provide more efficient machinery that produces less pollutants, quieter, safer and better work places, and a worker not working harder, but working smarter. I am convinced we also must stimulate a more imaginative management, dedicated to using available capital to invest in technology to improve not only productivity, but the quality of work and the work place as well as the environment as a whole. This is no small undertaking.

Increasing productivity is not a one shot proposition, but is rather a day-to-day month-to-month, and year-to-year continuing task.

It will require Federal coordination and leadership to provide the information, the research and development, and the impetus to get started and keep moving. It will require an increased effort by the Federal government, as well as state and local governments and our educational institutions to increase productivity.

We tend to think of productivity only in terms of assembly line, and yet productivity in our industrial area continues to grow, while the service area, both private and public, is sadly in need of improvement with respect to productivity.

No large new Federal bureaucracy is needed. Rather, we must develop a modest Federal organization, which can provide the informational service, stimulate the research and development, and provide sufficient funds to be the catalyst for local and state efforts.

The bill which I introduced, S. 4130, was designed to address each of these needs. It focuses on the need to provide a strong Federal policy with respect to the desirability of sustained productivity growth. It provides as a means of enforcing this policy a requirement that each Federal agency review its laws, regulations and procedures to identify policies which conflict, and provide for remedial legislation to attain a proper balance between such policies.

The bill creates a small National Productivity Center and places that Center in the Department of Commerce. It retains the National Commission on Productivity in a policy role. The Commission has made some real contributions, but it lacks funds and a statutory foundation. I am not wedded to the idea of a Center in the Commerce Department, nor to the continued existence of the Commission. Senator Percy's bill calls for the disestablishment of the Commission and the inclusion of its staff and functions in an independent Center. I think this is an innovative suggestion and may be the solution to the problems of both too much bureaucracy and too many "fingers in the pie."

S. 4130 would provide two grant programs; the first is 100% funded to provide for research and development and information dissemination; and the second is based on matching funding to provide for the establishment of local centers and technical assistance services much like the Agricultural Extension Service. Georgia Tech has been carrying out some efforts along these lines which appear both innovative and successful. We will be hearing more of this effort during these hearings. This is the type of effort I believe deserves support and assistance.

Another area where there is a difference in approach is that of a Federal policy on productivity. S. 4130 sets out a stated Federal policy and requires agencies to review their laws, regulations, and procedures to insure these are in conformance with the stated policy. Senator Percy's bill also takes aim at this problem by having the National Center develop a policy and coordinate efforts within the Federal government to follow that policy and identify statutory and regulatory impairments for which legislation is needed to remove such obstacles.

Senator Percy's bill provides for greater emphasis on work quality and quality of the work place. I believe this is a positive step which deserves considerable attention.

The President has indicated in his latest speech that quote: "Increased Productivity lies at the heart of the free enterprise system which made America what it is today, and I have been a firm believer in it all my adult life." We have before us today two bills which would create a new national effort to increase productivity. However, words and bills are not enough. We need action in terms of encouragement, information, research and development, delivery systems, and funds. All of these require legislation which will receive the support of the Congress and acceptance by the President.

I believe that these two bills contain the elements, if we take the best of both, for a comprehensive new bill which can be refined and introduced in the new 94th Congress.

I hope that these hearings for the next two days will provide the foundation for a cooperative effort to produce that legislation and provide for a positive new program to address productivity and work quality.

By Mr. HOLLINGS:

S. 938. A bill to amend title 23 of the United States Code, relating to highways, in order to encourage the States to establish highway assistance patrols. Referred to the Committee on Public Works.

Mr. HOLLINGS. Mr. President, it seems that auto breakdowns on our interstate highways are quite common. I think that at one time or another we have all passed a stranded vehicle along the highway. In most cases one must simply wait for a passing car to volunteer assistance or else start walking. For this reason, I am introducing a bill requiring the Secretary of Transportation to take such action as may be necessary to encourage States to establish highway assistance patrols on these heavily traveled highways. The Secretary would then make a study of the effectiveness of asistance provided by such patrols and report to the Congress as to the results of such study, including any recom-

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mendations with respect to establishing additional programs. Hopefully, this measure will go a long way toward relieving this ever growing problem.

By Mr. PELL (for himself and Mr. BEALL):

S. 939. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 940. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies. Referred to the Committee on Labor and Public Welfare.

S. 941. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 942. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes. Referred to the Committee on Labor and Public Welfare.

S. 943. A bill to amend the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. PELL. Mr. President, today I am introducing, with the cosponsorship of the ranking minority member of my Subcommittee on Education, Mr. BEALL, five bills relating to the extension and amendment of the Vocational Education Act of 1963. These bills include the "Postsecondary Vocational Education Act of 1975," drafted by the American Association of Community and Junior Colleges, the "Career Guidance and Counseling Act of 1975," drafted by the American Personnel and Guidance Association, the "Vocational Education Amendments of 1975," drafted by the American Vocational Association, and the "Postsecondary Vocational Education Act of 1975," drafted by the National Association of State Universities and Land-Grant Colleges. In addition, we are introducing a bill extending unchanged the provisions of the existing Vocational Education Act through 1980.

In introducing this range of bills, it is our intention to bring to the attention of the Senate the views of these national organizations on the direction that future Federal efforts in vocational education should take. All of these views will be considered as the Subcommittee on Education develops its own legislation affecting vocational, occupational, and career education in this session of Congress.

I ask unanimous consent that the texts of these bills be printed in the RECORD at this point.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 939

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postsecondary Vocational Education Act of 1975."

ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL EDUCATION AND OCCUPATIONAL EDUCATION

SEC. 2. (a) Part A of the Vocational Education Act of 1963 (hereinafter referred to as "the Act") is amended by adding at the end thereof the following new sections:

"DIVISION OF FUNDS BETWEEN VOCATIONAL AND OCCUPATIONAL EDUCATION

"SEC. 110. (a) Each State's allotment for a fiscal year under section 103(a)(2) shall be divided into two parts. One part of such allotment may be used only for grants under subpart 1 of part B, and the other may be used only for grants under subpart 2 of part B. The part to be used for grants under subpart 1 shall be known as the State's secondary vocational education allotment for that year, and the part to be used for grants under subpart 2 shall be known as the State's postsecondary occupational education allotment for that year.

"(b) A State's vocational education allotment and the State's occupational education allotment shall each be equal to the sum of (1) 40 per centum of the amount allotted to the State under section 103(a)(2), plus (2) the remaining 20 per centum shall be disbursed by the Commissioner as recommended by a State Board for Allotment of Federal Vocational Funds appointed in each State by the Governor. The Board shall have a membership of nine, three with associations in secondary vocational programs (one being the State director of vocational education), three with associations in postsecondary occupational education (one being the State chief executive officer of the institutions with the largest postsecondary occupational enrollments), and three citizens to represent the broad interests of the State. One of the last group is to be designated Chairman by the Governor. The State Board for Allotment of Federal Vocational Funds is to receive requests for the use of funds from the State Board for Vocational Education and the 1202 Commission. This Board is to have no staff, being served by existing agencies, and the members receive only necessary expenses for their annual deliberations.

"REVIEW OF APPLICATIONS

"SEC. 111. For purposes of section 425 of the General Education Provisions Act, an agency referred to in section 127(a)(2), shall be considered to be a State educational agency.".

OCCUPATIONAL EDUCATION

SEC. 3. (a) Part B of the Act is amended by adding at the end thereof the following:

"Subpart 2—Occupational Education Programs

"AUTHORIZATION OF GRANTS

"SEC. 125. From the occupational education allotment of a State for each fiscal year, the Commission is authorized to make grants to States to assist them in conducting occupational education programs for persons of postsecondary age.

"USES OF FEDERAL FUNDS

"SEC. 126. (a) Upon the application of a State Commission (established or designated pursuant to section 1202 of the Higher Education Act of 1965), the Commissioner shall make available to the State the amount of its allotment under section 110 for the following purposes—

"(1) to strengthen the State Advisory Council on Vocational Education in order that it may effectively carry out the additional functions imposed by this part; and

"(2) to enable the State Commission to initiate and conduct a comprehensive program of planning for the establishment of the program authorized by this part.

"(b)(1) Planning activities initiated under clause (2) of subsection (a) shall include—

"(A) an assessment of the existing capabilities and facilities for the provision of postsecondary occupational education, together with existing needs and projected needs for such education in all parts of the State;

"(B) thorough consideration of the most effective means of utilizing all existing institutions within the State capable of providing the kinds of programs assisted under this part, including (but not limited to) both private and public community and junior colleges, area vocational schools, accredited private proprietary institutions, technical institutes, manpower skill centers, branch institutions of State colleges or universities and public and private colleges and universities;

"(C) the development of an administrative procedures which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to the administration of the program authorized under this part; and

"(D) the development of a long-range strategy for infusing occupational education (including general orientation, counseling and guidance, and placement either in a job or in postsecondary occupational programs) on an equal footing with traditional academic education; and

"(E) the development of procedures to insure continuous planning and evaluation, including the regular collection of data which would be readily available to the State administrative agency, the State Advisory Council on Vocational Education, individual educational institutions, and other interested parties (including concerned private citizens).

"(2) Planning activities carried on by the State Commission under this section shall involve the active participation of—

"(A) the State board for vocational education;

"(B) the State agency having responsibility for community and junior colleges;

"(C) the State agency having responsibility for higher education institutions or programs;

"(D) the State agency responsible for administering public elementary and secondary education;

"(E) the State agency responsible for programs of adult basic education;

"(F) representatives of all types of institutions in the State which are conducting or which have the capability and desire to conduct programs of postsecondary occupational education;

"(G) representatives of private, nonprofit elementary and secondary schools;

"(H) the State employment security agency, the State agency responsible for apprenticeship programs, and other agencies within the State having responsibility for administering manpower development and training programs;

"(I) the State agency responsible for economic and industrial development;

"(J) persons familiar with the occupational education needs of the disadvantaged, of the handicapped, and of minority groups; and

"(K) representatives of business, industry, organized labor, agriculture, and the general public.

"(c) Of a State's occupational education allotment for a fiscal year, 75 per centum may be used only for programs and activities carried out by community colleges. A State's occupational education allotment may not be used for programs of area secondary vocational education.

"(d) From the allotments available to the States, the Commission shall make grants for the following purposes—

"(1) assist the State administrative agency designated or established under section 127(a)(2);

"(2) the design, establishment, and conduct of programs of postsecondary occupational education (or the expansion and improvement of existing programs);

"(3) the design, establishment, and conduct of programs which shall include methods of involving secondary schools in occupational placement and methods of providing followup services and career counseling and guidance for persons of all ages as a regular function of the educational system;

"(4) the design of high-quality instructional programs to meet the needs for postsecondary occupational education and the development of an order of priorities for placing these programs in operation;

"(5) special training and preparation of persons to equip them to teach, administer, or otherwise assist in carrying out the program authorized under this part (such as programs to prepare journeymen in the skilled trades or occupations for teaching positions); and

"(6) the leasing, renting, or remodeling of facilities required to carry out the program authorized by this part.

"(e) Programs authorized by this part may be carried out through contractual arrangements with private organizations and institutions organized for profit where such arrangements can make a contribution to achieving the purposes of this part by providing substantially equivalent education, training, or services more readily or more economically, or by preventing needless duplication of expensive physical plant and equipment, or by providing needed education or training of the types authorized by this part which would not otherwise be available.

"STATE PLANS

"SEC. 127. (a) Any State desiring to receive the amount of its occupational education allotment for a fiscal year under this subpart shall submit a State plan for occupational education at such time, in such detail, and containing such information as the Commissioner may prescribe. The Commissioner shall approve the State plan if he determines that the plan submitted for that year—

"(1) has been prepared by the State Commission established pursuant to section 1202 of the Higher Education Act of 1965 (or, if no such Commission has been established, by such State agency as the Governor may designate) in consultation with the State advisory council for that State,

"(2) designates or provides for the establishment of a State agency (which may be the State board if the Governor determines the State board and its staff have adequate representation of persons having experience and expertise in the field of occupational education) to have responsibility for fiscal management and for administration of the program provided for in the plan,

"(3) provides that funds granted the State will be used only for purposes set forth in section 126,

"(4) sets forth the criteria to be utilized in allocating Federal and State funds used for occupational education among the institutions in the State providing such services, which criteria shall assure that—

"(A) due consideration will be given to evaluation of occupational education programs, services, and activities in light of information regarding current and projected manpower needs and occupational opportunities, particularly new and emerging needs and opportunities on the local, State, and national levels,

"(B) due consideration will be given to the relative occupational needs of all groups in the State, particularly persons with academic sociceconomic, mental, language, and physical handicaps that prevent them from succeeding in regular occupational education programs,

(C) due consideration will be given to the occupational education needs of areas of the State with relatively high unemployment rates and otherwise economically depressed,

"(D) due consideration will be given to the training needs of older persons in need of employment including elderly persons engaged in voluntary service through such programs as the retired senior volunteer program, the foster grandparent program, the senior companion program and other employment and volunteer service programs under the Older Americans Comprehensive Service Amendments of 1973,

"(5) provides for entering into cooperative arrangements for the benefit of individuals participating or preparing to participate in occupational education programs similar to those required under paragraphs (8) and (9) of section 123(a) for vocational education programs,

"(6) provides for compliance with the requirements with respect to the use of funds set forth in section 126(c).

"(b) The Commissioner shall not approve a State plan under this section until he has made specific findings as to the compliance of such plan with the requirements of this subpart after considering the recommendations of the State board. The Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a copy of the specific findings required by this subsection. Section 421 of the General Education Provisions Act shall not be deemed to authorize the delegation of his functions under the preceding sentence. The Commissioner shall not finally disapprove any State plan, or any modification thereof, without first affording the State agency referred to in paragraph (2) of subsection (a) of this section due notice and an opportunity for a hearing.

"PAYMENTS TO STATES

"SEC. 128. (a) The Commissioner shall pay, from the State's occupational education allotment for a fiscal year, an amount equal to 50 per centum of the total expenditures made in carrying out the State's plan as approved under section 127.".

AMENDMENTS OF NATIONAL AND STATE ADVISORY COMMITTEE PROVISIONS

SEC. 4. (a) Paragraph (1) of section 104(a) of the Act is amended (1) by striking out "National Advisory Council on Vocational Education" and inserting in lieu thereof "National Advisory Council on Vocational and Occupational Education", and (2) by inserting after "programs" in clause (C) the following: "and occupational educational programs".

(b) Paragraph (2) of such section is amended by inserting after "vocational education programs" each time it appears the following: "and occupational education programs".

(c) Paragraph (4) of such section is amended by striking out "five" and inserting in lieu thereof "ten".

(d) Paragraph (5) of such section is amended (1) by striking out "vocational education programs" and inserting "vocational and occupational education programs", (2) by inserting after "junior colleges," the following: "community colleges,", and (3) by inserting "vocational" after "area".

(e) Section 104(b)(1) of the Act is amended by striking out "or, in the case of States in which the members of the State board are elected (including election by the State legislature), by such Board".

(f)(1) Subparagraph (A) of section 104(b)(1) of the Act is amended by redesignating clauses (iii) through (ix) as clauses (v) through (xi), respectively, and by striking out clause (ii) and inserting in lieu thereof the following clauses:

"(ii) representative of community and junior colleges,

"(iii) representative of institutions of higher education (other than junior or community colleges), area vocational schools, technical institutes, and other postsecondary or adult education agencies or institutions, which may provide programs of vocational occupational, or technical education and training,

"(iv) familiar with the vocational and occupational education programs of junior and community colleges, but not concerned with the administration of such programs,".

(2) Clause (viii) of such subparagraph (as so redesignated) is amended by striking out ", including a person or persons from the Comprehensive Area Manpower Planning System of the State".

(g) Subparagraph (B) of section 104(b)(1) of the Act is amended by striking out "part B of this title" and inserting "section 123 and the State plan submitted pursuant to section 127".

(h) Subparagraphs (C) and (D) of such section are each amended by inserting "and occupational" after "vocational" and by further amending subparagraph (D) by inserting after "section 123(a)" the following: ", or in the State plan provided for in section 127".

LOCAL COORDINATING COMMITTEES

SEC. 5. (a) Part A of the Act is amended by adding immediately after section 108 the following new section:

"LOCAL COORDINATING COMMITTEES

"SEC. 109. (a) Each State shall establish a local coordinating committee for each locality in the State. Members of such committees shall be appointed by the Governor of the State. The geographical area to be included in each locality shall be designated by the Governor in accordance with criteria prescribed by the Commissioner. Such criteria shall recognize the desirability of having, where feasible, a locality so designated be coextensive with the area served by a prime sponsor designated under the Comprehensive Employment and Training Act of 1973. No Federal funds may be expended for a program under this title or under the Comprehensive Employment and Training Act of 1973 in any locality for which a local coordinating committee has not been appointed as provided in this section.

"(b) Each local coordinating committee shall include in its membership a broad representation of interests in the locality concerned with occupational education, vocational education, and manpower programs in the locality. The membership of each such committee must include members representative of—

"(1) local educational agencies,

"(2) vocational schools,

"(3) community and junior colleges,

"(4) planning councils designated under the Comprehensive Employment and Training Act of 1973,

"(5) business and industry (including agriculture),

"(6) labor organizations,

"(7) local political subdivisions,

"(8) the employment service,

"(9) agencies and organizations having special concerns with persons with special needs, such as the handicapped, the disadvantaged, the aged, persons of limited English-speaking ability, and minorities,

"(10) agencies having personnel training needs such as agencies of general governments, criminal justice, community planning, and developmental agencies, human service and health agencies, and transportation agencies including positions under civil

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service and civil service exempt positions, and

"(11) the general public.

"(c) Each local coordinating committee shall make a continuing study of the needs in its locality for vocational education, occupational education, and manpower training programs. On the basis of the information derived from such study, the local coordinating committee shall develop and propose a strategy which will present a coherent, integrated, and comprehensive set of vocational education, occupational education, and manpower training programs designed to meet such needs. The written formulation of such strategy shall be transmitted to the State board, to the State agency designated under section 127(a)(2), to the State advisory council, and to each planning council affected, and to any affected Manpower Services Council.".

(b) Section 103(a)(1) of the Act is amended by inserting after "advisory councils" the following: "and local coordinating committees".

(c) Section 104 of the Comprehensive Employment and Training Act of 1973 is amended by inserting after the first sentence thereof the following new sentence: "At least one member of each local coordinating committee established under section 109 of the Vocational Education Act of 1963 serving all or part of the area served by the council shall be appointed to the council.".

AMENDMENT OF DECLARATION OF PURPOSE

SEC. 6. Section 101 of the Act is amended by inserting "and occupational after "vocational each time it appears.

AMENDMENTS OF DEFINITIONS

SEC. 7. (a) Paragraph (1) of section 108 of the Act is amended by inserting after "incident thereto the following: "at the elementary or secondary educational level".

(b) Paragraph (2) of such section is amended—

(1) by inserting "(A)" after "(2)",

(2) by inserting "or occupational" after "vocational" in clause (C), and by striking out "vocational" in clause (D) and inserting "occupational" in lieu thereof,

(3) by redesignating clauses (A), (B), (C), and (D) (and cross references thereto) as clauses (i), (ii), (iii), and (iv), respectively, and

(4) by adding at the end thereof the following new subparagraph:

"(B) The term 'area secondary vocational education school' means an area vocational education school, a majority of whose students are seventeen years of age or younger.

"(C) The term 'area postsecondary vocational education school' means an area vocational education school, a majority of whose students are eighteen years of age or older.".

(c) Section 108 of the Act is further amended by adding at the end thereof the following:

"(16) The term 'occupational education' means education, training, or retraining (and including guidance, counseling and placement services) for persons sixteen years of age or older who have graduated from or left elementary or secondary school, conducted by an institution legally authorized to provide postsecondary education within a State, which is designed to prepare individuals for gainful employment as semi-skilled or skilled workers or technicians or paraprofessionals or subprofessionals or supervisors and managers in recognized occupations (including new and emerging occupations), or to prepare individuals for enrollment in advanced semi-professional and technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional or which require a baccalaureate or advanced degree.

"(17) The term 'community college' means an educational institution in any State which—

"(A) is legally authorized within such State to provide a program of education beyond secondary education;

"(B) admits as regular students persons who are high school graduates or the equivalent, or at least eighteen years of age;

"(C) provides a two-year postsecondary educational program leading to an associate degree, and also provides programs of postsecondary vocational, technical, occupational, and specialized education;

"(D) is not a branch of an institution of higher education which grants a bachelor's degree, unless the branch is separately accredited to grant the Associate Degree;

"(E) is a public or other nonprofit institution;

"(F) is accredited as an institution by a nationally recognized accrediting agency or association, or if not so accredited—

"(i) is an institution that has obtained recognized preaccreditation status from a nationally recognized accrediting body, or

"(ii) is an institution whose credits are accepted, or transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution to accredited."

AMENDMENTS RELATING TO VOCATIONAL EDUCATION PROGRAMS

SEC. 8. (a) Part B of the Act is amended by inserting "and Occupational" after "Vocational" in the heading of the part, and by inserting immediately below the heading for the part a new heading as follows:

"Subpart 1—Vocational Education Programs"

(b) Section 121 of the Act is amended—

"(1) by striking out "part" and inserting "subpart",

(2) by striking out "of all ages",

(3) by inserting after "individuals" the following: "eligible therefor".

(c) (1) Section 122(a) of the Act is amended by striking out clauses (2) and (3) and redesignating clauses (4) through (8) (and cross references thereto) as clauses (2) through (6), respectively.

(2) Paragraph (3) of such subsection (as so redesignated) is amended by inserting "secondary" after "area".

(3) Paragraph (1) or section 122(b) of the Act is amended by inserting before the period at the end thereof the following: "required by section 123".

(4)(A) Paragraphs (1) and (2) of section 122(c) of the Act are each amended by striking out "State's allotment" and inserting in lieu thereof "State's vocational education allotment", and by striking out "allotment of such funds" and inserting in lieu thereof "vocational education allotment".

(B) Paragraph (3) of such section is amended by striking out "State's allotment" and inserting in lieu thereof "State's vocational education allotment".

(C) Paragraph (4) of such section is amended by inserting after "1969" the following: "which were expended for vocational education, as that term is amended by the Postsecondary Vocational Education Act of 1975".

(d) Section 122 of the Act is amended by adding at the end thereof the following:

"(d) Of a State's vocational education allotment for a fiscal year, 75 per centum may be used only for programs which are carried on by secondary schools other than area secondary vocational education schools.".

(e) Section 123(a) of the Act is amended—

(1) by striking out "title" both times it appears in the matter preceding paragraph (1), in paragraph (4), and in paragraph (5), and inserting in lieu thereof "subart",

(2) by striking out "of all population groups" where it appears in subparagraph (B) of paragraph (6),

(3) by amending clause (i) of subparagraph (F) of paragraph (6) to read as follows:

"(i) have been developed in consultation with the appropriate local coordinating committee,",

(4) by amending clause (iv) of such subparagraph (F) to read as follows:

"(iv) include a plan, developed in consultation with each planning council appointed under section 104 of the Comprehensive Employment and Training Act of 1973 to serve all or a portion of the school district of such agency, to meet the vocational education needs in the area or community served by such agency; and",

(5) by striking out "all persons" in paragraph (11) and inserting in lieu thereof "all eligible persons",

(6) by striking out clauses (12), (13), (14), and (17), and

(7) by striking out "title" in clause (18) and inserting in lieu thereof "subpart".

(f) Section 123(b) of the Act is amended by striking out "part" and inserting "subpart" and by adding at the end thereof the following new sentences: "Before approving a State plan under this section, the Commission shall consider any recommendations with respect thereto submitted by the community college unit in the Office of Education. The Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a copy of the specific findings required by this subsection and a statement of his satisfaction with such procedures. Section 421 of the General Education Provisions Act shall not be deemed to authorize the delegation of the Commissioner's functions under the preceding sentence.".

(g) Section 123(c) of the Act is repealed, except that any proceeding which has been commenced under such subsection prior to the effective date of this Act may be carried through to completion under such subsection.

(h) Section 123(d) of the Act is amended by striking out "title" and inserting "subpart", and by striking out "such final action or notice thereof" and inserting "after it has exhausted its administrative remedies under section 425 of the General Education Provisions Act".

(i) Section 124 of the Act is amended—

(1) by striking out "part" in subsection (a) and inserting "subpart",

(2) by striking out subsection (b), and

(3) by striking out "title" in subsection (e) and inserting "subpart".

LIMITATION ON USE OF FEDERAL FUNDS FOR ADMINISTRATIVE AND SUPPORT SERVICES

SEC. 9. Section 123(a) of the Act is amended by adding at the end thereof the following new paragraph:

"(19 provides that the aggregate expenditures under the plan for a fiscal year for administration of the plan shall not exceed 5 per centum and for guidance and counseling, technical assistance, and the activities referred to in section 122(a)(8) may not exceed 15 per centum of the State's vocational educational allotment for that year.".

EXTENSION AND AMENDMENT OF AUTHORIZATION OF APPROPRIATIONS

SEC. 10. (a) Section 102(b) of the Act is amended by striking out "1975" and inserting "1976 and for each of the four succeeding fiscal years.".

(b) Section 102(d) of the Act is amended by inserting after "advisory councils" the following: "and local coordinating committees".

CONSOLIDATION OF PROGRAMS FOR RESEARCH AND TRAINING, EXEMPLARY PROGRAMS AND PROJECTS, AND CURRICULUM DEVELOPMENT

SEC. 11. (a) The Act is amended by striking out parts D and I, and by amending part C to read as follows:

"PART C—IMPROVEMENT OF VOCATIONAL AND OCCUPATIONAL EDUCATION

"Subpart 1—General

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 131. There is authorized to be appropriated for carrying out this part the sum of $135,000,000 for the fiscal year ending June 30, 1976, and each of the four succeeding fiscal years.

"DIVISION OF FUNDS

"SEC. 132. Of the sums appropriated under section 131 for a fiscal year, 50 per centum shall be available to the Commission for grants and contracts under section 134, and 50 per centum shall be allotted to the States under section 133 for grants to State boards and to State agencies designated under section 127(a)(2) for making grants and contracts under section 135.

"ALLOTMENT OF FUNDS

"SEC. 133. (a) From the sums available for grants to State boards as provided in section 132, the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine and shall allot such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part.

"(b) From the remainder of such sums the Commissioner shall allot one-fourth of 1 per centum of such sums to each State (except for those provided for in subsection (a)), and he shall in addition allocate to each such State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all such States.

"GRANTS AND CONTRACTS BY COMMISSIONER

"SEC. 134. (a) The Commissioner is authorized to use the funds made available to him under section 132 to make grants to and contracts with State boards, State agencies designated under section 127(a)(2), local educational agencies, institutions of higher education, and public and private agencies and institutions for programs described in subpart 2, except that grants may not be made to private agencies other than nonprofit private agencies.

"(b) Of the funds available to him under this part, the Commissioner shall allocate 50 per centum thereof for administration through the Deputy Commissioner of the Bureau of Occupational and Adult Education and the other 50 per centum thereof for administration through the community college unit in the Office of Education. Grants and contracts under this section shall be made pursuant to applications to which section 434(b)(3) of the General Education Provisions Act shall apply.

"(c) Of the funds allocated to the Community College Unit, support shall be given to specific functions which consist of administration of postsecondary occupational education including the following activities:

"A. Operation of a clearinghouse on data on national labor market trends pertaining to postsecondary occupational education.

"B. Establishment of resource center on curriculum, guidance, and instructional technology for postsecondary occupational education.

"C. Maintain a system of information exchange among agencies such as DOJ, HUD, DOT, DOL, DOD which give support to occupational training for persons of postsecondary age.

"(d) The staffing of the Community College Unit shall be restructured to provide for the effective administration of these community college funds and to give leadership in postsecondary occupational education. Persons with community college experience shall be utilized in these positions.

"GRANTS AND CONTRACTS BY STATE BOARDS AND AGENCIES

"SEC. 135. (a) Sums allotted to a State under section 133 may be used by the State board and the State agency designated under section 127(a)(2) for making grants and contracts for programs described in subpart 2 in accordance with the State plan approved under section 123 or with the State plan approved under section 127, as the case may be.

"(b) The portion of a State's allotment under section 133 for a fiscal year which may be used by the State board, shall be an amount which bears the same ratio to such allotment as the vocational education allotment of that State for that fiscal year bears to the full amount of the State's allotment under section 103(a)(2). The remainder of the State's allotment under section 133 may be used by the State agency designated under section 127(a)(2).

"Subpart 2—Uses of Funds

"APPLIED RESEARCH

"SEC. 135. Funds appropriated to carry out this part may be used for:

"(1) research in vocational education and occupational education;

"(2) training programs designed to familiarize persons involved in vocational and occupational education with research findings and successful pilot and demonstration projects in vocational and occupational education;

"(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings;

"(4) demonstration and dissemination projects;

"(5) the development of new vocational and occupational education curricula and the updating of existing curricula to reflect changes in the technology of business and industry, and in the structure of economic and social institutions; and

"(6) projects in the development of new careers, and occupations, such as—

"(A) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, community development, welfare, education, municipal services, health services, resource and environmental management, and recreation requiring less training than professional positions and to delineate within such careers roles with the potential for advancement from one level to another;

"(B) training and development projects designed to demonstrate improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors toward the end of achieving greater coordination and more effective implementation of programs for the employment of persons in the fields described in subparagraph (A), including programs to prepare professionals (including administrators) to work effectively with aides; and

"(C) projects to evaluate the operation of programs for the training, development, and utilization of public service aides, particularly their effectiveness in providing satisfactory work experiences and in meeting public needs.

"IMPROVEMENT OF VOCATIONAL AND OCCUPATIONAL EDUCATION

"SEC. 136. (a) Funds appropriated to carry out this part may be used for—

"(1) planning and developing programs or projects such as those described in paragraph (2), and

"(2) establishing, operating, or evaluating programs or projects designed to create a bridge between school and earning a living for young people who are still in school or who have left school either by graduation or dropping out, adults who are in programs of occupational preparation beyond high school, and adults who face retirement or who are unemployed or who are underemployed, and to broaden occupational aspirations and opportunities of such persons, which special emphasis given to persons who have academic, socioeconomic, language, or other handicaps, which progams or projects may, among others, include—

"(A) those designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisites for careers in such occupations;

"(B) programs or projects for students providing educational experiences through work during the school year or in the summer;

"(C) programs or projects for intensive occupational guidance and counseling during the last years of school and for initial job placement, and for adults who are unemployed or underemployed;

"(D) programs or projects designed to broader or improve vocational education curriculums;

"(E) exchanges of personnel between schools and other agencies, institutions, or organizations participating in activities to achieve the purposes of this part, including manpower agencies and industry;

"(F) programs or projects for workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and

"(G) programs or projects at the secondary level to motivate and provide preprofessional preparation for potential teachers for vocational education.

"(H) programs or projects to facilitate the participation of employers and labor organizations in occupational education.

"(b)(1) A grant or contract for purposes described in this section may be made only if the Commissioner, in the case of grants or contracts made by him, or the State board, in the case of grants or contracts made by it, determines—

"(A) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of other programs and projects carried out under grants or contracts pursuant to this part, with the appropriate State plan, and with other public and private programs having the same or similar purposes;

"(B) that to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students; and

"(C) that effective policies and procedures will be adopted which assure that Federal funds made available under this part will not be commingled with State or local funds.

"CURRICULUM DEVELOPMENT

"SEC. 137. (a) (1) Funds appropriated to carry out this part may be used—

"(A) to promote the development and dissemination of education curriculum materials for use in teaching vocational occupational subjects, including curriculums for new and changing occupational fields;

"(B) to develop standards for curriculum development;

"(C) to coordinate efforts of the States in the preparation of curriculum materials and prepare current lists of curriculum materials which are available;

"(D) to survey curriculum materials produced by other agencies of Government, including the Department of Defense, Department of Transportation, Department of Labor and Department of Justice;

"(E) to evaluate vocational-technical education curriculum materials and their uses; and

"(F) to train personnel in curriculum development.

"(2) For purposes of this subsection curriculum materials means materials consisting of a series of courses to cover instruction in any vocational occupational field which are designed to prepare persons for employment at the entry level or to upgrade vocational or occupational competencies of those previously or presently employed.

"ALLOCATION OF FUNDS AMONG PROGRAMS

"SEC. 238. Of the funds available for a fiscal year to the Commissioner under section 132, at least 20 per centum shall be used for each of the programs described in sections 135, 136, an 137, and of the funds allotted to each State for a fiscal year under section 133, at least 20 per centum shall be used for each of such programs.".

(b) Section 102(a) of the Act is amended by striking out "parts B and C" and inserting in lieu thereof "part B", and by striking out the second sentence.

EFFECTIVE DATE

SEC. 12. This Act and the amendments made by this Act shall become effective July 1, 1975.

S. 940

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Career Guidance and Counseling Act of 1975."

TITLE I—GENERAL PROVISIONS

STATEMENT OF FINDINGS AND PURPOSE

SEC. 101(a) The Congress finds that—

(1) In a period of high unemployment and economic distress, an effective program of career guidance and counseling designed to assist individuals to make sound career decisions must be a national priority,

(2) the strength of the Nation rests, in part, upon natural differences in individual talents and upon the freedom of each individual to develop and express these talents in a unique way,

(3) the theory underlying career development is consonant with this fundamental democratic value,

(4) preservation of the individual's integrity disavows any type of prescriptive career guidance which commits the individual to particular directions,

(5) individuals, however, must develop greater awareness of the values society places on different talents and the relative demands for these talents,

(6) the following factors, which impinge upon individuals in ways which make the achievement of self-fulfillment increasingly more difficult, demand that attention be paid to the career development of all individuals: (A) the need for knowledge of, and the ability to apply the decision-making process to, ever-increasing complex career decisions over the lifespan (early childhood throughout adulthood), (B) the demand for human adaptability and responsiveness arising from rapid technological change, (C) increasing national concern with the need to develop all human talent with equal attention to the talents of women and minorities, (D) concern for values, such as acceptance of the importance of all work and meeting one's needs through work, which give meaning to career development over the lifespan, (E) the need for specialized training for occupational entry, and career progression, and (F) the disenchantment expressed by students who have difficulty relating their education to their present and future career concerns, and

(7) all individuals are entitled to support, encouragement, information and assistance in achieving self-fulfillment throughout their life.

(b) It is, therefore, the purpose of this Act to—

(1) initiate, implement and/or improve career guidance and counseling programs and activities for all individuals of all ages in all communities of the Nation,

(2) promote an understanding of educational and occupational options among individuals served, and

(3) facilitate career development over the lifespan for all such individuals.

by means of meeting specific goals in the fields of career guidance and counseling programs and activities, training and retraining of professional career guidance and counseling staff (including counselor educators), and research and evaluation relating to guidance and counseling programs, staff and activities.

(c) It is recognized that achievement of the above stated purpose depends not only on the establishment and continued improvement of career guidance and counseling in the public school system, but also on the continued improvement, expansion, and utilization of similar programs now being provided to out-of-school youth and adults by legislatively established public agencies such as Veterans' Administration, State Employment Services, and State Vocational Rehabilitation Services, as well as by a network of other agencies, including private, nonprofit and voluntary agencies. Therefore, it is the intent of this Act to utilize fully these existing resources, on a cooperative, coordinated basis to provide maximal services to the public without duplication and waste, and to provide for use of such funds as may be necessary to carry out the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There are authorized to be appropriated for purposes of grants under section 211, $200,000,000 for the fiscal year ending June 30, 1976, $250,000,000 for the fiscal year ending September 30, 1977, and $300,000,000 for the fiscal year ending September 30, 1978.

(b)(1) There are authorized to be appropriated for purposes of contracts for preservice training of guidance personnel under section 221, $5,000,000 for the fiscal year ending June 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $15,000,000 for the fiscal year ending September 30, 1978.

(2) There are authorized to be appropriated for purposes of inservice training of guidance personnel under section 221, $10,000,000 for the fiscal year ending June 30, 1976, $15,000,000 for the fiscal year ending September 30, 1977, and $20,000,000 for the fiscal year ending September 30, 1978.

(c) There are authorized to be appropriated for each fiscal year for purposes of section 231, an amount not to exceed 15 per centum of the total sums appropriated under subsections (a), (b), (d), (e), (f), and (g) for such fiscal year.

(d) There are authorized to be appropriated for purposes of section 103, $150,000 for the fiscal year ending June 30, 1976, $200,000 for the fiscal year ending September 30, 1977, and $200,000 for the fiscal year ending September 30, 1978.

(e) There are authorized to be appropriated for purposes of section 104, $200,000 for the fiscal year ending June 30, 1976, $250,000 for the fiscal year ending September 30, 1977, and $250,000 for the fiscal year ending September 30, 1978.

(f) There are authorized to be appropriated for purposes of section 241, such sums as may be necessary for the fiscal year ending June 30, 1976, the fiscal year ending September 30, 1977, and the fiscal year ending September 30, 1978.

OFFICE OF CAREER GUIDANCE AND COUNSELING

SEC. 103. There is hereby established in the U.S. Office of Education, an Office of Career Guidance and Counseling, which shall be responsible for administering this Act, and to be staffed by a Director and such appropriate professional and other employees as may be required to carry out the purposes of this Act. The Director of the Office shall report directly to the Commissioner of Education.

NATIONAL ADVISORY COUNCIL ON CAREER GUIDANCE; STUDY OF CAREER GUIDANCE PROGRAMS

SEC. 104. (a) There is hereby established a National Advisory Council on Career Guidance and Counseling (hereinafter referred to as the "Council") which shall be composed of fifteen members appointed by the Secretary of HEW, for terms of not longer than three years, who shall be broadly representative of the guidance and counseling profession at large. The Council shall advise the Secretary of HEW and the Commissioner of Education with respect to the administration of this Act, and shall carry out such other advisory functions as the Council deems appropriate, including the suggestion of policies and strategies to implement the career guidance and counseling concepts embodied in this legislation.

(b) The Council shall, with the assistance of the Commissioner and through the Office of Career Guidance and Counseling, conduct a survey and assessment of the current status of school and non-school career guidance programs, projects and materials in the United States and report on such survey and assessment to the Secretary of HEW and to the Congress. Such report shall include any recommendations of the Council for new legislation designed to accomplish the policies and purposes set forth in this Act.

DEFINITIONS

SEC. 105. For purposes of this Act—

(1) The term "appraisal" means the collection, analysis, and use of a variety of objective and subjective personal, psychological, and social data about individuals for the purpose of assisting them to better understand their strengths and limitations.

(2) The term "career development" means those aspects of the continuous unbroken flow of an individual's experience that are of relevance to such individual's choice, entry, and progress in educational, vocational and vocational pursuits.

(3) The term "career education" means an educational process designed to increase the relationship between schools and society as a whole; to provide opportunities for counseling, guidance and career development for all children; to relate the subject matter of the curricula of schools to the needs of persons to function in society; to extend the concept of the education process beyond the school into the area of employment and the community; to foster flexibility in attitudes, skills, and knowledge in order to enable persons to cope with accelerating change and obsolescence; to make education more relevant to employment and functioning in society; and to eliminate any distinction between education for vocational purposes and general or academic education.

(4) The term "career guidance" means providing for information and experiences to assist individuals with their career development.

(5) The term "career information service" means the organization and delivery of occupational, educational, personal, and social information designed to provide individuals with a greater knowledge of all opportunities so that they may make better informed career choices and decisions.

(6) The term "Commissioner" means the Commissioner of Education.

(7) The term "counseling" means the process through which a trained counselor assists an individual or group to make satisfying and responsible decisions concerning personal, educational, and career development.

(8) The term "counselor" means a professionally trained individual whose role includes counseling, consulting and coordinating guidance and personnel services programs.

(9) The term "evaluation" means a systematic collection of evidence to determine whether in fact, certain changes are taking place in learners as well as to determine the amount or degree of change in individual students.

(10) The term "follow-up" means the study of any group of students or former students of an institution who have shared common experiences to determine if patterns emerge in their subsequent actions or behavior which prove useful in understanding, counseling and establishing policies with current students.

(11) The term "guidance" means an organized effort to help each individual develop to such individual's maximum potential.

(12) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program or a career guidance and counseling program.

(13) The term "placement" means the assistance given to individuals in the selection of an appropriate occupational or educational situation and the actions necessary to make the transition thereto.

(14) The term "postsecondary educational institution" means any institution of higher education including colleges and universities, vocational, technical and proprietary schools as well as adult and community colleges.

(15) The term "State" includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(16) The term "State education agency" means that agency designated or created by State law as responsible for the administration of education and/or supervision of the administration thereof by local educational agencies in the State.

(17) The term "vocational education" means vocational or technical training or retraining which is given in schools or classes under public supervision and control or under contract with a State or local educational agency.

TITLE II—CAREER GUIDANCE AND COUNSELING PROGRAMS

PART A—ADMINISTRATIVE REQUIREMENTS AND GRANTS

STATE PLAN FOR CAREER GUIDANCE AND COUNSELING PROGRAMS

SEC. 201. Each State which desires to receive a grant under section 211, shall submit through its State educational agency to the Commissioner for approval, through the Office of Career Guidance and Counseling (as established in section 103), a State plan for career guidance and counseling programs at such time and containing such information as the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), may require. Such plan shall include—

(1) a description of the administrative arrangements, facilities, materials, personnel, goals and objectives, general program activities and methods of distribution of funds which will be employed in carrying out such programs,

(2) assurances that funds received from grants under section 211 will be distributed only to local educational agencies which submit to the State education agency, plans for career guidance and counseling programs which shall include the purposes of such programs, and a description of the personnel, facilities, involvement of agencies, business and industry in the community and methods of distribution of funds which will be employed in carrying out such programs. These plans should include specific provisions for close and effective cooperation with such agencies as the public employment service and vocational rehabilitation to extend their services to school program clientele in need of such services. If mutually beneficial and desirable, such provisions might include the outstationing of employment service and vocational rehabilitation staff on school premises and periodic exchange of counselor personnel. Such provisions may include reimbursement for services provided,

(3) evidence that within the State plan, flexibility and experimentation is encouraged and provided for at the local level,

(4) establishment of a mechanism to insure that local educational agencies work cooperatively with the State educational agency in the development of the State plan and the implementation of the career guidance and counseling programs,

(5) the establishment of a State advisory committee on career guidance and counseling which shall be representative of the entire State and shall include representatives from the community at large, including students, parents, members of business, industry and labor, representatives of agencies such as vocational rehabilitation and the public employment services, practicing counselors, guidance directors, counselor educators and administrators, which will advise on general administrative policy, procedure and direction in grant utilization, assist in review of local educational agency plans and assist in development evaluative procedures,

(6) assurances that funds received from grants under section 211 will be distributed only to local educational agencies which establish advisory committees on career guidance and counseling which include representatives as specified in section 201(3) of this part and which advise the local educational agency on goals for the program, needs of the people served by such agency, administrative policy and procedures, resources within the area served by such agency and review of local plans, and assist such agency in implementing evaluative procedures,

(7) the establishment of at least one full-time administrative position within the State educational agency which shall be responsible for a statewide organization to carry out the purposes of this Act, including management of funds, local educational plans review, liaison between Federal Government and local educational administrators or other community agencies involved in the receipt of funds under this Act,

(8) the establishment of positions for consultants within the State educational agency, in order to provide professional leadership and expertise for full implementation of the purposes of this Act, who shall be involved in pre-serve and in-service activities, funds administration, identifying materials and equipment, aiding with needs assessment and survey and methods for evaluation of programs,

(9) development of a system of program needs assessment which will be conducted on at least an annual basis and an evaluation of all activities and functions related to utilization of funds under this Act on a continuing basis, and

(10) assurances that funds received from grants under section 211 shall be distributed only to local educational agencies which designate a certificated counselor to provide leadership for career development and serve as contact for the State educational agency.

PART B—STATE CAREER DEVELOPMENT GUIDANCE AND COUNSELING PROGRAMS

AUTHORIZATION AND USES OF GRANTS

SEC. 211. (a) From the sums appropriated under section 102(a), the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall make grants to States having approved plans under section 201 for distribution to local educational agencies and for the support of State education agency activities on the basis of statewide needs and priorities, for career development guidance and counseling programs and services.

(b) Grants under this section may be used, in accordance with State plans approved under section 201, for the following purposes:

(1) initiation, implementation and improvement of professional career guidance and counseling programs and activities;

(2) promotion of career development over the lifespan (early childhood through adulthood) for all individuals;

(3) promotion of a greater understanding of educational and career options;

(4) providing for self and career awareness, planning and preparation;

(5) providing career counseling for all children, youth and adults;

(6) providing for training in career decision-making;

(7) improvement and expansion of information available on educational; avocational and career opportunities;

(8) providing for educational and job placement;

(9) providing career follow-up and follow-through;

(10) serving the special counseling needs of second careerists, individuals entering the job market late in life, the handicapped, individuals from economically depressed communities or areas and early retirees;

(11) identification and promotion of exemplary programs which infuse career guidance and counseling into curriculums;

(12) establishment of career resource centers in communities for out-of-school individuals;

(13) providing supportive media equipment and materials;

(14) providing professional, trained counselors for assignment in overall career guidance program coordination and leadership functions in local, State and Federal career education activities;

(15) providing adequate leadership staff for career guidance and counseling implementation of Federal, State and local levels; and

(16) providing for the services of paraprofessional and other support staff.

(c) A grant to a State under this section shall be in an amount which bears the same ratio to the total amount of the sums appropriated under section 102(a) as the population of such State bears to the total population of all the states receiving grants under this section.

STATE PROGRAM REQUIREMENTS

SEC. 212. No grant to a State under section 211 shall be made unless the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), determines that—

(1) career development guidance and counseling programs and activities are developmental and continuous, as evidenced by a program beginning in early childhood, con-

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tinuing through high school and available for out-of-school individuals on an as needed basis and are coordinated with all other components of such programs and activities and based on a comprehensive needs assessment of the total community in the context of State and national needs,

(2) there is a written statement of objectives by sponsoring local educational agencies within such State developed through counselor involvement with students, parents, teachers, administrators and other members of the community identifying the goals of the career development guidance and counseling program as it relates to the needs of the students, school, staff and community,

(3) the basic program of career development guidance and counseling includes counseling, consulting and coordinating services, orientation, exploration, information, appraisal, placement, referral, research, follow-up and follow-through activities,

(4) there is evidence that the career development guidance and counseling program is on-going and systematically planned, implemented and evaluated on a continuing basis,

(5) such program facilitates the individual's career development phases of awareness, orientation, exploration, planning, preparation, decision-making, training, career entry and career growth, and

(6) each local educational agency develops operating agreements, as a part of its overall plan, with such community groups and agencies as the public employment service, vocational rehabilitation service, community mental health agencies and other community resources, that provide for close and effective cooperation and avoidance of duplication in order to provide assistance to all citizens of the community, including but not limited to, early school leavers, second careerists, those entering or reentering the job market late in life, the handicapped, those from economically depressed communities and the early retirees, and establishes a community-based career resource center within such local educational agency which will provide up-to-date occupational, vocational and educational information and career counseling for any citizen in need of this service.

PART C—GUIDANCE PERSONNEL TRAINING

AUTHORIZING AND USES OF GRANTS

SEC. 221 (a) From the sums appropriated under section 102 (b), the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall carry out a program of contracting with post-secondary education institutions and State and local education agencies for purposes of providing needed training and retraining of guidance personnel. Such program shall be based on the results of a comprehensive needs assessment which shall include analysis of geography, economics and local employment trends within communities served by local educational agencies and shall serve the following purposes:

(1) upgrading counselor training programs through in-service for counselor educators;

(2) providing opportunities for the establishment and development of short-term and long-term pre-service and in-service training for career guidance and counseling personnel so that those vitally needed vocational, occupational and career guidance concepts for serving a totality of clients may be engendered; and

(3) providing training programs for paraprofessionals to aid professionals working in career development counseling.

(b) For purposes of this part, the term "guidance personnel" includes—

(1) professionals, including counselors who meet certification requirements, administrators and other professional school personnel such as teachers and pupil personnel specialists, who work directly with the programs, or students involved in the program, and counselors in related settings such as community agencies, United States Employment Service and affiliated State employment service agencies, rehabilitation settings, career resource centers, and post-secondary educational institutions;

(2) paraprofessionals, including personnel with special or specific training to perform limited guidance-related tasks such as project advisors, career information specialists, counselor assistants, community aides and employment specialists; and

(3) support personnel, including secretaries, clerical aides, technicians and peer counselors.

TRAINING REQUIREMENTS

SEC. 222. No contract under section 221 within post-secondary educational institutions and state and local educational agencies for training guidance personnel shall be entered into by the Commissioner unless the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), determines that such training program—

(1) will develop an understanding and ability to implement the concepts of career development through a variety of competency developing experiences for students in training to become counselors, teachers, administrators, psychologists, social workers and others professionally trained in the helping professions, which shall be integrated throughout the training curriculums and shall be extended to the training of trainers of personnel in each of these fields,

(2) will, in the training of paraprofessionals and support personnel, include appropriate levels of training in the implementation strategies for career guidance and counseling programs,

(3) include elements of design and implementation strategies for integrating experiences for the development of competencies in career guidance and counseling personnel throughout the curriculum for the training of such personnel, and for providing such experiences for the training of guidance personnel to enter all levels of the educational system and agencies providing career guidance and counseling programs and services,

(4) includes in the selection process for potential counselors and other guidance personnel, strategies and approaches for identifying persons with the potential for skill development,

(5) provides the development of counselor skill in the management and leadership of the career guidance services which extend beyond the counseling service,

(6) is characterized by a philosophy which permeates the entire training curriculum and training staff so as to bring about an understanding of and a commitment to the need for a career development and career guidance and counseling at all levels of the educational system and related agencies,

(7) provides for exposure and experience of the person in training to a multiplicity of occupational areas, career guidance and development theories and practices and systems for the delivery of a comprehensive career guidance program to meet the identified needs of the various publics,

(8) gives evidence that a variety of participatory and experimental activities takes place through such planned, coordinated and supervised experiences as practitioner, internship, field placement and other continuing and indepth opportunities for the discovery and practice of skills, techniques and approaches in career development and career guidance,

(9) assures greater program quality, consistency and sequence, by providing that the professional personnel, who are to be trained to assume the responsibility for overall coordination and implementation of career guidance programs, must develop certain competencies to stand the test of evaluation which include, but are not necessarily limited to, (A) individual and group counseling skills; (B) the counselor and career guidance personnel as facilitators or agents for change; (C) personal and professional leadership qualities and abilities; (D) management (organization and administration) of a career guidance program, comprehensive in nature; (E) consultative and coordinative skills with teachers, staff, parents, community persons and others; and (F) placement skills,

(10) provides that the counselor, other career guidance personnel and differentiated staff persons who are assigned responsibilities in a career guidance program must demonstrate (A) a thorough understanding of counseling in the career development process; (B) a thorough understanding of career development theory and research and of group process, human relations and consultative skills; (C) a knowledge of curriculum and how curriculum is developed; (D) an understanding of the relationship among values, goals, choices and information in decision-making; (E) a knowledge of the history of work and its changing meanings; (F) an understanding of the changing nature of manpower, woman power and economic outlooks; and (G) familiarity with various strategies and resources for facilitating career development including the utilization of the school, the community, family and the home, and

(11) gives evidence that educators in such institution of higher education who are responsible for training guidance personnel shall include a consortia of outside resource persons in the planning and delivery of learning experiences for developing competencies in career development and career guidance which includes but is not necessarily limited to, (A) State educational agency consultants; (B) local educational agency personnel, including counselors; (C) personnel, including counselors of such local agencies as the State Employment Service and vocational rehabilitation service; (D) leaders in business, industry, labor, government, and the community-at-large; (E) parents of school-age children; and (F) students training to become guidance and counseling specialists and specialists in other related fields.

RETRAINING REQUIREMENTS

SEC. 223. No contract under section 211 with a post-secondary educational institution or State or local education agency for retraining of professionals (including counselor educators, school counselors, employment counselor, vocational rehabilitation counselors, counselors in alternative schools, counselors in private practice, and counselors in post-secondary educational institutions) already working in the field of career guidance and counseling, who are not specifically involved in career development guidance and counseling, shall be entered into by the Commissioner unless the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), determines that such retraining program—

(1) is an organized, coordinated, planned program of retraining which is systematized and localized to meet the unique needs of the counselor in retraining,

(2) employs the concept of an interdisciplinary team and multi-agency or institution consortium to assess the needs and evaluate the program of career guidance and the guidance and counseling staff based upon the perceptions of clients, counselors, school or agency staff and administration, community members, including representatives of business, industry, labor, government, and parents, the professional association at the local, State, regional and national level, and the counselor training institution and other appropriate agencies,

(3) is based upon the need assessment for the locality made by the team described in clause (2) and includes a contract for retraining of the counselor with the training institution, appropriate agency or agencies, or other resource personnel who will participate in the retraining program to meet the unique needs as identified for that counselor,

(4) provides that the counselor in retraining shall demonstrate mastery of the competencies described in clauses (9) and (10) of section 222, and

(5) gives evidence for a multiplicity of vehicles through which contracted retraining experiences may be coordinated to meet the needs of the counselor, including but not necessarily limited to such vehicles as staff meetings, self-study (through outside evaluation and implementation), workshops, formalized course work, educational television or telephone networks and conferences.

PART D—DEMONSTRATION AND EVALUATION

PURPOSES OF PROGRAM

SEC. 231 (a) From the sums appropriated under section 102(c), the Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall carry out a program of demonstration and evaluation for purposes of—

(1) developing and demonstrating new guidance and counseling techniques relative to career decision-making skills and awareness,

(2) promoting demonstration activities in career guidance and counseling through the encouragement of pilot projects and the publication of developments in new technology, personnel utilization, multi-purpose facilities and delivery systems with innovative administrative and structural designs,

(3) providing for evaluation of the programs and services offered to determine their effectiveness and efficiency in meeting the needs of their clients, and

(4) providing for the communication of proven effective and efficient career guidance and counseling programs for career development.

(b) Demonstration and evaluation projects under this section may include—

(1) innovative career guidance and counseling techniques,

(2) updating and communicating information on projected areas of need for trained people, and

(3) identifying effective methods for communicating information on how to develop programs of career guidance and counseling for career development that meet the needs of the staff and clientele in the setting.

(4) development of multi-media materials which (i) provide information on such areas as career options, projected need for specific skills and training at the local, State and national levels, and educational and training program opportunities and (ii) assist users in making career decisions, and

(5) identifying more effective methods for the training and retraining of guidance and counseling personnel working in career development.

PART E—FACILITIES AND EQUIPMENT AUTHORIZATION OF GRANTS

SEC. 241. The Commissioner, through the Office of Career Guidance and Counseling (as established in section 103), shall—

(a) carry out a program, consistent with the purposes of this Act and with appropriate State and local guidance and counseling programs, of grants to States and post-secondary educational institutions for—

(1) providing computer programs and equipment for information services, computer assisted guidance and storage and retrieval of current information on employment trends and educational opportunities in local areas and nationally;

(2) career information systems for local educational agencies which shall be integral parts of the local educational agency's plan for guidance and counseling programs, and which shall include such components as, (A) accurate and up-to-date survey and statistical data on current projected areas of occupational need, (B) accurate and up-to-date information on educational institutions and opportunities, (C) material to promote career decisionmaking skills in the population served, (D) information on the availability of jobs, loans, work-study and scholarships for funding of post-secondary education, and (E) information geared to those with specialized needs, such as persons reentering the work force, early retirees, those embarking on a second career and the handicapped; and

(3) equipment and supplies including, but not limited to, books, films and filmstrips, video and audio tape equipment, periodicals, career information bulletins, commercially prepared information packets, computer facilities, film and slide projectors, and microfiche and microfilm readers.

(b) assure, in carrying out this program, that full use is made of all information, data and equipment available in the community or State and national levels and that existing capabilities in and out of the public education system for improving and expanding current information and data are utilized and coordinated.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vocational Education Amendments of 1975".

AMENDMENTS TO THE VOCATIONAL EDUCATION ACT OF 1963

SEC. 2. The Vocational Education Act of 1963 is amended to read as follows:

"TITLE I—VOCATIONAL EDUCATION

"PART A—GENERAL PROVISIONS

"DECLARATION OF PURPOSE

"SEC. 101. It is the purpose of this Act to authorize Federal grants to States to assist them to maintain, extend, and improve existing programs of vocational education, to develop new programs of vocational education and career guidance and exploration and to provide part-time employment through work study for youths who need the earnings from such employment to continue their vocational training on a full-time basis, to provide stipends to out-of-school youth and young adults, and adults who need financial assistance to obtain such education to improve their employability, so that persons of all ages in all communities of the State, those who need career guidance and exploration to make an occupational choice, those in high school and postsecondary institutions who desire to prepare for the world of work, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who have already entered the labor market but need to upgrade their skills or learn new ones, and those with special educational handicaps, will have ready access to vocational training or retraining and career guidance and exploration which is of high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training.

"STATE ADMINISTRATION

"SEC. 102. (a) Any State desiring to participate in the program authorized by this Act shall in accordance with State law designate the State Board as the sole agency for administration of a State plan for vocational education, and for the supervision of the administration of such plan by local educational agencies. Any such State shall also in accordance with State law provide that the State Board shall be the sole State agency for determining final policy for fiscal management and administration, and provide that the State Board shall adopt administrative arrangements which will provide assurances satisfactory to the Commissioner that—

"(1) the State Board may delegate responsibility for the operation of State vocational State agencies, but that final authority for policymaking with respect to such programs shall not be delegated to any State agency other than the State Board,

"(2) the Federal Government shall work directly with the State Board in all matters of vocational education,

"(3) the State Board shall prepare statewide planning documents in accordance with the provisions of section 108 which shall consist of plans for at least four, but no more than six years, for vocational education programs in the State, which shall be prepared on a fiscal year basis and shall be filed or updated with the Commissioner on October 1 biennially,

"(4) the State Board shall receive and distribute funds under this Act, in the State in accordance with a State plan outlining such distribution, and shall, unless otherwise provided in this Act, allocate such funds for the purposes provided in section 108 and in all sections of parts B, C, D, and E of this Act.

"(5) the State Board shall prepare an annual report on vocational education, in accordance with requirements established by the Commissioner, and shall submit such report to the Commissioner.

"(6) the State Board shall conduct annual evaluations of State and local vocational education programs, which shall include evaluation of the availability of vocational education within the State, of labor force needs, of the needs of economically depressed areas, of national priorities determined by Congress, and of fiscal management,

"(7) an institution or group of institutions or a local educational agency may obtain a hearing from the State Board with respect to policies, procedures, programs, or allocation of resources under this Act established by such State Board, and

"(8) the State Board shall cooperate with the State advisory council on vocational education established under section 107.

"(b) The Commissioner shall approve any administrative arrangements which meet the requirements of subsection (a), and shall not finally disapprove any such arrangements without affording the State Board a reasonable opportunity for a hearing.

"LEADERSHIP IN VOCATIONAL EDUCATION

"SEC. 103. (a) The Commissioner shall assure that adequate staffing is available to the Bureau of Occupational and Adult Education to make certain that the responsibilities of such Bureau under subsection (b) are accomplished.

"(b) The Bureau of Occupational and Adult Education shall direct a vocational effort through a qualified professional staff to provide leadership in order to assist State vocational education agencies to expand and improve vocational education programs, which shall include providing services to the States such as—

"(1) standards of quality for all facets of vocational education;

"(2) criteria and procedures for evaluation and accountability;

"(3) monitoring specific vocational education programs;

"(4) dissemination of information about developments in applied research and curriculum in a form which will make such information readily adaptable to local vocational education programs;

"(5) development and use of a national vocational education data system;

"(6) preparation of an annual report to the President and the Congress with respect

to the status, achievements, direction, and needs of vocational education in the Nation;

"(7) assisting State boards in the preparation and evaluation of, and reports concerning, the statewide planning documents required under section 102(a)(3);

"(8) developing national reviews of vocational education as evidence for the Congress that the purposes of this Act are being carried out in each of the States;

"(9) planning and conducting, either directly or through contract, national and regional workshops and symposia; and

"(10) similar services which such Bureau determines will enhance the development of vocational education in the States.

"LIMITATION

"SEC. 104. Nothing in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum program of instruction, administration, or personnel of any educational institution or school system.

"PERIODIC REVIEW OF VOCATIONAL EDUCATION PROGRAMS AND LAWS

"SEC. 105. (a) The President shall, during 1978, appoint a Panel of Consultants on Vocational Education (hereinafter referred to as the 'Panel') for the purpose of reviewing the functions of the National Advisory Council, the administration of vocational education for which funds are appropriated pursuant to this Act and other vocational education Acts, making recommendations for improvement of such administration, and reviewing the status of and making recommendations with respect to such vocational education and the Acts under which funds are appropriated.

"(b) The Panel shall be appointed by the President, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to chapter 51 and subchapter 3 of chapter 53 of such title 5 relating to classification and general schedule pay schedule pay rates, and shall consist of twelve persons who shall, to the extent possible, include persons familiar with the vocational education needs of management and labor (in equal numbers), persons familiar with the administration of State and local vocational education programs, other persons with special knowledge, experience, or qualification with respect to vocational education, and persons representative of the general public.

"(c) The Panel is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Panel such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out such functions.

"(d) The Panel shall make a report of its findings and recommendations (including recommendations for changes in the provisions of the vocational education Acts) to the President, such report to be submitted not later than January 1, 1980, after which date such Panel shall cease to exist. The President shall transmit such report to the Congress.

"(e) The President shall also from time to time thereafter (but at intervals of not more than five years) appoint a Panel of Consultants on Vocational Education, with the same functions and constituted in the same maner as prescribed for the Panel in the preceding subsections of this section. Each Panel so appointed shall report its findings and recommendations, as prescribed in subsection (d), not later than January 1 of the year after the year in which it is appointed, after which date such Panel shall cease to exist.

"(f) Members of the Panel who are not regular fulltime employees of the United States shall, while serving on business of the Panel, be entitled to receive compensation at rates fixed by the President but not exceeding $200 per day, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION

"SEC. 106. (a) There is hereby established a National Advisory Council on Vocational Education (hereinafter referred to as the 'National Council'), which shall continue to exist as an independent council while this Act continues in effect, consisting of twenty-one members appointed by the President, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to chapter 51 and subchapter 3 of chapter 53 of such title 5 relating to classification and General Schedule pay rates, for terms of three years. The provisions of the Federal Advisory Committee Act and the General Education Provisions Act shall not be applicable to the National Council created under this section. The National Council shall include persons—

"(1) representative of labor, management, and entrepreneurship, including persons who have knowledge of the semiskilled, skilled, and technical employment in such occupational fields as agriculture, home economics, distribution and marketing, health, trades, manufacturing, office and service industries, and persons representative of new and emerging occupational fields,

"(2) familiar with manpower problems and administration of manpower programs,

"(3) knowledgeable about the administration of State and local vocational education programs, including members of local school boards,

"(4) experienced in the education and training of handicapped persons,

"(5) familiar with the special problems and needs of individuals disadvantaged by their socioeconomic backgrounds,

"(6) having special knowledge of postsecondary and adult vocational education programs, and

"(7) representative of the general public who are not Federal employees, including parents and students, except that they may not be representative of categories (1) through (6), and who shall constitute no less than one-third of the total membership.

In appointing the Council as required in clauses (1) through (7) the President shall also insure appropriate cross-sectional representation on the basis of sex, minorities, and geography. The National Council shall meet at the call of the Chairman, who shall be selected by the President, but not less than four times a year.

"(b) The National Council shall—

"(1) advise the President, Congress, Secretary, and the Commissioner concerning the administration of, preparation of general regulations and budget requests for, and operation of, vocational education programs supported with assistance under this Act and under part B of title X of the Higher Education Act of 1965,

"(2) review the administration and operation of vocational education programs under this Act, and other pertinent laws affecting vocational education and manpower training, including the effectiveness of such programs in meeting the purposes for which they are established and operated, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for changes in the provisions of this Act and such other pertinent laws) to the President, the Congress, the Secretary, and the Commissioner, and

"(3) conduct indepdendent evaluations of programs carried out under this Act and publish and distribute the results thereof.

"(c) Members of the National Council who are not regular full-time employees of the United States shall, while serving on business of the National Council, be entitled to receive compensation not in excess of the daily rate of a GS-18, including travel time; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

"(d) The Council is authorized, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to chapter 51 and subchapter 3 of chapter 53 of such title 5 relating to classification and General Schedule pay rates, to engage such technical assistance as may be required to carry out its functions.

"(e) The National Council shall review the possible duplication of vocational education programs involving the secondary, postsecondary, and adult levels, at the Federal level, and within geographic areas, and shall make annual reports of the extent to which such duplication exists, together with its findings and recommendations, to the President, the Congress, the Secretary, and the Commissioner. In making these reports, the Council shall seek the opinions of persons familiar with vocational education and manpower training, in each State from schools, junior colleges, technical institutes and other institutions of higher education, as well as from State boards of education, State junior college boards, and State boards of higher education and persons familiar with area schools, labor, business and industry, accrediting commissions, proprietary institutions, and manpower programs. In addition, the Council is authorized to call meetings of the State councils established under section 107 in order for such State councils to provide advice to the National Council.

"(f) The National Council may accept, in the name of the Department of Health, Education, and Welfare, and employ or dispose of grants, gifts, or bequests, to carry out its responsibilities under this Act.

"(g) There is authorized to be appropriated to carry out this section not to exceed $500,000 for each fiscal year.

"STATE ADVISORY COUNCILS OF VOCATIONAL EDUCATION

"SEC. 107. (a) Any State which desires to receive a grant under this Act for any fiscal year shall establish an independent State advisory council, which shall be appointed by the Governor or, in the case of States in which the members of the State board are elected, by such board, and which shall—

"(1) include as members—

"(A) at least one person familiar with the vocational needs and the problems of management in the State, and at least one person familiar with the vocational needs and problems of labor in the State, and at least one person representing State industrial and economic development agencies, and at least one person representing agriculture.

"(B) at least one person representative of post-secondary vocational schools, junior or community colleges, or other postsecondary or adult education agencies or institutions which provide programs of vocational or technical education and training,

"(C) at least one person who has special knowledge, experience, or qualifications with respect to the administration of State and local vocational education programs, but who is not currently involved in the administration of State or local vocational education programs,

"(D) at least one person familiar with programs of technical and vocational education in comprehensive secondary schools or area vocational schools at the secondary level,

"(E) at least one person representative of local education agencies who is involved in an administration or planning role in vocational education,

"(F) at least one person who is representative of the Manpower Service Council in the State,

"(G) at least one person representing school systems with large concentrations of persons who have special academic, social, economic, and cultural needs,

"(H) at least one person having special knowledge, experience or qualifications with respect to the special educational needs of physically or mentally handicapped persons,

"(I) at least three persons each of whom is currently employed in a business, industry, or service for which vocational education is offered to present or prospective employees,

"(J) at least one present or recent vocational education student who is not qualified for membership under any of the preceding clauses of this paragraph,

"(K) at least three persons who are lay citizens, including at least one person representative of and knowledgeable about the poor and disadvantaged, and who are not qualified for membership under any of the preceding clauses of this paragraph,

"(L) at least one person having special knowledge, experience, or qualifications with respect to career development, job placement, job development, or job adjustment,

"(M) at least one person who is representative of school boards or trustees of a local education agency or public institution providing programs of vocational education, and

"(N) at least one person responsible for vocational teacher education in an institution of higher education;

"(2) include appropriate representation on the basis of sex, geography, and membership in minority groups;

"(3) advise the State board on the development of and policy matters arising in the administration of, the State plan submitted pursuant to this Act, including the preparation of long-range and annual program plans;

"(4) evaluate the statewide vocational education programs, services, and activities assisted under this Act, and publish and distribute the results thereof; and

"(5) prepare and submit through the State board to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate an annual evaluation report, accompanied by such additional comments of the State board as the State board deems appropriate, which evaluates the effectiveness of vocational education programs, services, and activities carried out in the year under review in meeting the program objectives set forth in the long-range program plan and the annual program plan, and recommends such changes in such programs, services, and activities as may be warranted by the evaluations.

"(b) Not less than ninety days prior to the beginning of any fiscal year in which a State desires to receive a grant under this Act, that State shall certify the establishment of, and membership of, its State Advisory Council to the Commissioner.

"(c) Each State Advisory Council shall meet within thirty days after certification has been accepted by the Commissioner and select from among its membership a chairman. The time, place, and manner of meeting shall be as provided by State law and by the rules of the State Advisory Council, except that such rules must provide for not less than one public meeting each year at which the public is given opportunity to express views concerning vocational education.

"(d) State Advisory Councils are authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this Act and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

"(e) From the sums appropriated pursuant to this section for any fiscal year, the Commissioner is authorized (in accordance with regulations) to pay to each State Advisory Council an amount equal to the reasonable amounts expended by it in carrying out its functions under this Act in such fiscal year, except that the amount available for such purpose shall not exceed $150,000 and shall be not less than $50,000.

"(f) There is authorized to be appropriated to carry out the provisions of this section a sum not to exceed $4,315,844 for each fiscal year.

"COMPREHENSIVE STATEWIDE PLANNING AND ACCOUNTABILITY FOR VOCATIONAL EDUCATION

"SEC. 108. (a) A State board shall have the primary responsibility for preparing comprehensive statewide plans for vocational education, and shall designate a planning group, to be responsible administratively to the head of the State board within the unit administering vocational education under such board to prepare such plans. Such plans shall be designed to provide vocational education for all people within a State and shall take into account the purposes of this Act.

"(b) A planning group established under subsection (a) shall, in formulating the plans described in subsection (a)—

"(1) consult with and obtain the assistance of other appropriate State agencies, including but not limited to the State Advisory Council established under section 107, and the State agency responsible for community college functions as described in Sec. 109(15),

"(2) actively seek advice and assistance from other appropriate groups and individuals within the State,

"(3) provide that such plans represent forward planning of not less than four years, but no more than six years, and be updated biennially, and shall submit such plans and any updating thereof to the Commissioner for his review, comment, and approval.

"(4) provide that such plans (A) include a detailed program of action involving an orderly arrangements of all asnects of vocational education within the State; (B) provide an educational framework providing that all persons leaving secondary schools within the State be prepared for meaningful, productive employment or for further educational programs which will lead to such employment; (C) provide for full utilization of postsecondary vocational education (both training and retraining); (D) provide for supplementary vocational education for adults who have entered or are reentering the labor market and are in need of training, retraining, or skills in order to achieve job stability or to advance in employment; and (E) provide preparatory instruction for adults who are entering the labor market.

"(5) provide that such plans shall be based upon a periodic analyses of the needs of people, the job market job performance, curriculum resources, research, teacher education, leadership development, program planning and review, vocational education promotion, student recruitment, career guidance and exploration, and vocational instruction, placement, followup, and evaluation, and shall take into full account national priorities, including concern for persons with special needs, and State priorities,

"(6) provide that each statewide plan, in allocating funds to serve persons with special needs, shall include provisions to deal effectively with the unique problems of urban school districts, rural areas, and special segments of the State's population, and

"(7) encourage local comprehensive planning for vocational education.

"(c) The Commissioner shall promulgate guidelines for the formulation of statewide plans to assure uniformity among the States. Statewide plans may, however, be expanded by a State beyond the limits established by the Commissioner.

"(d) Concurrently with the presentation of each biennial State plan (after the first biennial plan) a State shall issue an accountability report indicating the extent to which the State has achieved the goals indicated two years earlier.

"(e) There is authorized to be appropriated for purposes of this section a sum not to exceed $20,000,000 for each fiscal year. No State shall receive less than $100,000.

"(f) From the sums appropriated under subsection (d), the Commissioner shall make a grant to each State participating in the program authorized by this Act for purposes of preparing statewide plans under this section, in an amount which bears the same ratio to such sums as is specified in section 132.

"DEFINITIONS

"SEC. 109. For the purposes of this Act—

"(1) The term 'vocational education' means vocational or technical training or retraining which is given in schools or classes (including field or laboratory work and remedial or related academic and technical instruction incident thereto) under public supervision and control or by private nonprofit or proprietary schools under contract with a State Board or local educational agency, and which is conducted as part of a program designed to prepare individuals for gainful employment as semiskilled or skilled workers, technicians, or subprofessionals in recognized occupations and in new and emerging occupations or to prepare individuals for enrollment in advanced technical education programs, but does not include any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional and to require a baccalaureate or higher degree; such term includes career guidance and exploration (individually or through group instruction) in connection with such training or for the purpose of facilitating occupational choice, instruction related to the occupation or occupations for which the students are in training or instruction necessary for students to benefit from such training; such term also includes but is not limited to agriculture, business, and office education, distributive education, health occupations, industrial arts, vocational home economics (consumer and homemaking education and occupational home economics), trade and industrial education, technical education, the vocational education student organizations which are an integral part of the instructional program, job placement and followup, the training of persons engaged as, or preparing to become, teachers in a vocational education program or preparing such teachers to meet special educational needs of handicapped students, teachers, coordinators, supervisors, or directors of such teachers while in such a training program, leadership development programs designed to provide high level education for emerging leaders in vocational education, travel of students and vocational education personnel while engaged in a training program, and the acquisition, maintenance, and repair of instructional supplies, teaching aids, and equipment, but such term does not include the construction,

acquisition, or initial equipment of buildings or the acquisition or rental of land.

"(2) The term 'career guidance and exploration' refers to individual or group instruction related to the development of awareness, orientation, and exploration of occupational opportunities, such as may be provided for students in elementary and secondary schools, adults in postsecondary and institutions for out-of-school youth and adults, which is designed to acquaint such persons with the many ways that people work, and which facilitates the process of choosing a career, vocation, occupation, or job which is appropriate for the person concerned. (Ignorance of available vocational opportunities can prevent access to them as effectively as restrictions rooted in racial, ethnic, or religious discrimination.)

"(3) The term 'postsecondary and adult vocational education programs' means education, training, retraining, or upgrading for persons sixteen years of age and older, who have completed, graduated, or left secondary or elementary school before graduation which are either preparatory to entering employment, or are supplementary to employment, and which may be conducted by many different kinds of institutions such as: area vocational schools, community colleges, occupational centers, junior colleges, technical institutes, adult schools, adult departments of comprehensive high schools, business or trade schools, and departments of colleges or universities that provide instruction designated by State law to be eligible to provide vocational education. Such term includes programs providing preparation for any occupation for which there is a reasonable expectation for employment, except those occupations specified by regulation by the Commissioner to be professional and to require a baccalaureate or higher degree.

"(4) The term 'area vocational education school' means (A) a specialized high school used exclusively or principally for the provision of vocational education to persons who are available for study in preparation for entering the labor market, or (B) a high school providing vocational education in no less than five different occupational fields to persons who are available for study in preparation for entering the labor market, or (C) a technical or vocational school used exclusively or principally for the provision of vocational education to persons who have completed or left high school and who are available for study in preparation for entering the labor market, or (D) the department or division of a junior college or community college which provide vocational education in no less than five different occupational fields leading to immediate employment but not leading to a baccalaureate degree, if it is available to all residents of the State or an area of the State designated and approved by the State board, and if, in the case of a school, department, or division described in (C) or (D), it admits as regular students both persons who have completed high school and persons who have left high school.

"(5) The term 'school facilities' means classrooms and related facilities (including initial equipment) and interests in lands on which such facilities are constructed. Such term shall not include any facility intended primarily for events for which admission is to be charged to the general public.

"(6) The term 'construction' includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and includes site grading and improvement and architect fees.

(7) The term 'Commissioner' means the Commissioner of Education, the term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(8) The term 'handicapped persons' means persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled or other health impaired persons who by reason thereof require special services.

"(9) The term 'disadvantaged persons' means persons who have academic, socioeconomic, or other disadvantages which prevent them from succeeding in a regular vocational education program.

"(10) The term 'State' includes in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(11) The term 'State board' means a State board designated or created by State law as the sole State agency responsible for the administration of vocational education, and for supervision of the administration thereof by local educational agencies, in the State.

"(12) The term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program.

"(13) The term 'secondary vocational education' means the level of vocational education or training which does not extend beyond grade 12.

"(14) The term 'private vocational training institution' means a private nonprofit or proprietary business or trade school, or technical institution or other technical or vocational school, in any State, which (A) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (B) is legally authorized to provide, and provides within that State, a program of vocational or technical education designed to fit individuals for useful employment in recognized occupations; (C) has been in existence for two years or has been specially approved by the Commissioner as an institution meeting the other requirements of this subsection; and (D) is accredited (i) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, or (ii) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause, or (iii) if the Commissioner determines that there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

"(15) The term 'community college' means any junior college, postsecondary vocational school, technical institute, or any other educational institution (which may include a four-year institution of higher education or a branch thereof) in any State which: (A) is legally authorized within such State to provide a program of education following secondary education; (B) admits as regular students persons who are high school graduates or the equivalent, or who are beyond compulsory school age; (C) provides a two-year postsecondary educational program leading to an associate degree, or provides acceptable credit toward a bachelor's degree, and also provides programs of postsecondary vocational, technical, occupational, and specialized education; (D) is a public or private institution; (E) is accredited as an institution by a nationally recognized accrediting agency or association, or if not so accredited, (i) is an institution that has obtained preaccreditation status from a nationally recognized accrediting body, or (ii) is an institution whose credits are accepted on transfer, by not less than three accredited institutions, for credit on the same basis as if transferred from an institution so accredited.

"(16) The term 'residential school facility' means a school facility used for residential vocational education purposes. Such term also includes dormitory, cafeteria, and recreational facilities, and such other facilities as the Commissioner determines are appropriate for a residential vocational education school.

"(17) The term 'operation of residential school' used for the purpose of a residential school facility means maintenance and operation, and includes the cost of salaries, equipment, supplies, and materials, and may include but is not limited to other reasonable costs of services and supplies needed by residential students, such as clothing and transportation.

"(18) The term 'industrial arts education programs' means those education programs (A) which pertain to the body of related subject matter, or related courses, organized for the development of understanding about recreational, organizational, managerial, technical, consumer, occupational, social, historical, and cultural aspects of industry and technology including learning experiences involving activities such as experimenting, designing, constructing, evaluating, and using tools, machines, materials, and processes, and (B) which are designed only to provide opportunities for creativity and problem solving and assisting individuals in the making of informed and meaningful occupational choices.

"(19) The term 'programs involving education and training outside the classroom' includes (A) cooperative vocational education programs, which are programs of vocational education for persons who, through a cooperative arrangement between the school and employers, receive instruction (including required academic courses and related vocational instruction) by the alternation of study in school with a job in any occupational field, including agriculture, business and office, distributive, consumer and homemaking, trade and industrial, and health occupations, in which these two experiences must be planned and supervised by the school and employers so that each contributes to the student's education and to his employability, and in which work periods and school attendance may be on alternate half-days, full days, weeks, or other periods of time, (B) exploratory work experience programs, which are programs which provide students with the opportunity to observe and sample systematically a variety of work conditions in such fields as agriculture, business and office, distributive, consumer, and homemaking, trade and industrial, and health occupations, in order to determine whether they wish to pursue certain careers and to ascertain their suitability for occupations being explored, the purpose of which is not to develop salable skills, and which are supervised by a teacher-coordinator and occupational representatives, (C) general work experience programs which are programs whose purpose is the supervised part-time employment of students in such fields as agriculture, business and office, distributive, consumer and homemaking, trade and industrial, and health occupations, in order to assist them in acquiring desirable work habits for and attitudes toward the world of work, in which the part-time job held by a student need not be related to his occupational objective, and which are supervised by a teacher-coordinator and an occupational representative, (D) work study programs which are programs designed to provide financial assistance, through part-time employment, to students who have been accepted for full-time enrollment in vocational education programs and require such aid in order to continue in vocational training, in which the part-time employment is based on the financial need of the student and is not necessarily related to his career objective, and (E) entrepreneurship and ownership-partnership activities in such fields as agriculture, business and office, distributive, consumer and homemaking, trade and industrial, and health occupations, which are a part of programs of vocational education approved under provisions of the State plan, which provide for proper State or local administration and supervision, and which require the active assistance of professional staff in the field through planned activities and supplemental instruction in order to reduce failures during the course of such activities.

"(20) The term 'nonpublic school' means a school established by an individual, institution, or agency other than the State, subdivisions of the State, or the Federal Government, which usually is supported primarily by other than public funds, and the operation of whose program rests with other than publicly elected or appointed officials.

"(21) The term 'vocational home economics education' (consumer and homemaking education and occupational home economics education) means instructional programs, services, and activities at all educational levels for (A) the occupation of homemaking including, but not limited to, consumer education; food and nutrition; family living and parent education; child development, care, and guidance; housing and home furnishings; home management; clothing and textiles; and (B) employment in home economics occupations in the above areas. Such programs, services, and activities are designed to help individuals and families improve home environments, quality of personal and family life and to prepare youth and adults for employment in home economics occupations.

"(22)(A) The term 'preparatory' means education and training that is preparatory to employment, such as vocational education programs provided in the high school for in-school students, and programs in postsecondary and adult vocational education which provide instruction leading to the first employment of an individual.

"(B) The term 'supplementary' means education and training which is supplementary to employment of an individual, such as instruction provided for an employed skilled craftsman (or unemployed skilled craftsman) which is designed to supplement existing skills and knowledge for the purpose of upgrading and updating such persons in order that they may compete more effectively in the labor market, or otherwise advance in their occupational area.

"PART B—CAREER GUIDANCE AND EXPLORATION

"STATEMENT OF PURPOSE

"SEC. 121. It is the purpose of this part to implement an additional portion of the career education concept in which vocational education can play an important role. As a process, career education includes career awareness, career exploration, career decisionmaking, career planning, career preparation, career entry, and career progression. Vocational education's prime mission is career preparation and career progression. To carry out this mission, vocational education needs a comprehensive career guidance and exploration effort. Thus, this part is intended to provide support for those parts of career education particularly crucial to the total mission of vocational education.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 122. There are authorized to be appropriated for purposes of this part $59,635,000 for the fiscal year ending June 30, 1976, $74,545,000 for the fiscal year ending September 30, 1977, $89,455,000 for the fiscal year ending September 30, 1978, $104,350,000 for the fiscal year ending September 30, 1979, and $119,270,000 for the fiscal year ending September 30, 1980.

"AUTHORIZATION OF GRANTS

"SEC. 123. (a) From the sums appropriated under section 122, the Secretary shall make grants to each State which has administrative arrangements approved under section 102 for career guidance and exploration. A grant under this section to any State shall be administered by the State board, and shall be in an amount which bears the same ratio to the total amount of the sums appropriated under section 122 as is specified in section 132.

"USES OF FEDERAL FUNDS

"SEC. 124. Grants to States under this part may be used for the following purposes:

"(1) Preservice and inservice personnel development to adequately prepare teachers, paraprofessionals, guidance personnel, administrators, coordinators, supervisory personnel, and parents in concepts of career awareness, orientation, exploration, and decisionmaking and planning, and vocational counseling, with priority placed upon preparing personnel to (A) develop and implement for students in grades one through ten career awareness, orientation, and exploration programs, (B) develop and implement for students in grades eleven through fourteen, and for students in adult programs, career planning, and decisionmaking programs, (C) fuse career awareness, orientation, exploration, planning and decisionmaking concepts into each academic and vocational curriculum area, (D) provide leadership for vocational guidance and exploration programs at the local level, (E) develop and implement community observation, and work experience for junior and senior high school students, and (F) provide follow-through counseling and job placement assistance not otherwise covered in part D to early school dropouts.

"(2) Acquisition and development of curriculum materials, equipment purchase, and resource development to support prevocational instruction in grades one through fourteen, and in adult education programs, with priority placed upon (A) developing and obtaining materials and equipment for career centers and for exploration activities in secondary and postsecondary schools, (B) developing and disseminating brochures, booklets, briefs and catalogs to orient students to opportunities available through secondary and postsecondary and adult vocational education, (C) developing and disseminating brochures, booklets, and briefs that provide all persons in all communities with information about occupations, occupational clusters, and occupational projected demands at the local, State, and national levels, (D) developing and obtaining curriculum materials for career awareness and exploration activities, for career orientation, decisionmaking and planning courses, and for fusing career oriented activities and content into each curriculum area, (E) developing and obtaining student assessment material and equipment, and (F) maximizing the integration of vocational instructional areas into the prevocational curriculum development effort.

"(3) Services related to career center operation, occupational materials handling, and supplemental assistance for prevocational program activities, with priority placed upon (A) new vocational guidance and exploration programs, including the development and implementation of career awareness, orientation, and exploration courses, career decisionmaking and planning courses, and related services, including vocational counseling, (B) extended-year employment and released time to staff to implement internship program for students in work settings related to different academic disciplines and the students' tentative career choices, summer community work experience programs, and in-depth exploration and career planning courses for students with special needs, (C) travel for students and staff to participate in observation and work experience activities in the community, (D) exchange programs between schools and the business and industrial community, and (E) pilot and demonstration projects, including related research, to promote the concepts of vocational guidance and exploration at all educational levels, including those not otherwise covered in this part.

"PART C—VOCATIONAL EDUCATION PROGRAM SUPPORT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 131. (a) There are authorized to be appropriated $842,500,000 for the fiscal year ending June 30, 1976, $916,025,000 for the fiscal year ending September 30, 1977, $989,520,000 for the fiscal year ending September 30, 1978, $1,063,000,000 for the fiscal year ending September 30, 1979, and $1,136,600,000 for the fiscal year ending September 30, 1980, and each succeeding fiscal year for the purposes of this part.

"ALLOTMENTS AMONG STATES

"SEC. 132. (a)(1) From the sums appropriated pursuant to section 131 the Commissioner shall first reserve an amount, not to exceed $5,000,000 in any fiscal year, for joint sponsorship with the Secretary of Labor to finance (upon terms and conditions mutually satisfactory to the Commissioner and the Secretary of Labor) a national system to project manpower supply and demand data for the use and guidance of Federal, State, and local officials, and of advisory councils charged with responsibilities under this Act.

"(2) The remainder of the sums appropriated pursuant to section 131 shall be allotted among the States on the basis of the number of persons in the various age groups needing vocational education and the per capita income in the respective States as follows: The Commissioner shall allot to each State for each fiscal year—

"(A) an amount which bears the same ratio to 50 per centum of the sums being allotted, as the product of the population aged fifteen to nineteen, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

"(B) an amount which bears the same ratio to 20 per centum of the sums being allotted, as the product of the population aged twenty to twenty-four, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

"(C) an amount which bears the same ratio to 15 per centum of the sums being allotted, as the product of the population aged twenty-five to sixty-five, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

"(D) an amount which bears the same ratio to 15 per centum of the sums being allotted, as the sum of the amounts allotted to the State under subparagraphs (A), (B), and (C) for such years bears to the sum of the amounts allotted to all the States under paragraphs (A), (B), and (C) for such year.

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"(b) The amount of any State's allotment under subsection (a) for any fiscal year which is less than $10,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining States under such subsection, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than that amount.

"(c) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the program for which such amount has been allotted shall be available, from time to time, for reallotment, on such dates during such year as the Commissioner shall fix, on the basis of criteria established by regulation, first among programs authorized by other parts of this Act within that State and then among other States. Any amount reallotted to a State under this subsection for any fiscal year shall remain available for obligation during the next succeeding fiscal year and shall be deemed to be part of its allotment for the year in which it is obligated.

"(d)(1) The allotment ratio for any State shall be 1.00 less the product of—

"(A) 0.50, and

"(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (i) the allotment ratio in no case shall be more than 0.60 or less than 0.40, and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be 0.60.

"(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year between October 1 and December 30 of the preceding fiscal year. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the three most recent consecutive fiscal years for which satisfactory data are available.

"(3) The term 'per capita income' means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

"(4) For the purposes of this section population shall be determined by the Commissioner on the basis of the latest estimates available to him.

"STATE VOCATIONAL EDUCATION PROGRAMS

"SEC. 133. (a) From the sums made available under section 132, the Commissioner shall make grants to each State which has administrative arrangements approved under section 102 for vocational education programs.

"(b) Grants under this section may be used by any such State for such programs in such proportions as the State board determines, in accordance with the comprehensive statewide plans of such State established under section 108, which may include the following:

"(1)(A) vocational education programs for high school students, including such programs which are designed to prepare them for advanced or highly skilled post-secondary vocational and technical education;

"(B) vocational education for persons who have completed or left high school and who are available for study in preparation for entering the work force, including entrepreneurship;

"(C) vocational education for persons who have already entered employment or entrepreneurship and who need training or retraining to achieve occupational stability or advancement;

"(D) (i) vocational education for persons (other than handicapped persons defined in section 109(8)) who have academic, socioeconomic, or other disadvantages which prevent them from succeeding in the regular vocational education program;

"(ii) vocational education for handicapped persons who because of their handicapping condition cannot succeed in the regular vocational education program without special educational assistance or who require a modified vocational education program;

"(E) construction of area vocational education school facilities;

"(F) provision of vocational training through contractual arrangements with private nonprofit and proprietary schools where such private schools can make a significant contribution to attaining the objectives of the comprehensive statewide plans established under section 108, and can provide substantially equivalent training at a lesser cost, or can provide equipment or services not available in public institutions; and

"(G) services and activities not included in other parts of this Act to assure quality in all vocational education programs, such as program evaluation and coordination, development of instructional materials, construction and equipment not elsewhere provided, and State and local administration and leadership, including periodic evaluation of State and local vocational education programs and services in the light of information regarding current and projected manpower needs and job opportunities;

"(H) vocational education student organizations;

"(2) use of such grants by State boards, colleges, and universities, and, with the approval of the appropriate State board, by public educational agencies, organizations, and institutions for the construction, equipment, and operation of residential schools to provide vocational education (including room, board, and other necessities) for youths, at least fifteen years of age and less than twenty-one years of age at the time of enrollment, who need full-time study on a residential basis in order to benefit fully from such educaiton. In allocating such grants for such purposes, the State board shall give special consideration to the needs of large urban areas having substantial numbers of youths who have dropped out of school or are unemployed and shall seek to attain, as nearly as practicable in the light of the purposes of this section, an equitable geographical distribution of such schools.

"(3) educational programs which encourage home economics to give greater consideration to social and cultural conditions and needs, especially in economically depressed areas, which encourage preparation for professional leadership, which are designed to prepare youths and adults for the role of homemaker, or to contribute to the employability of such youths and adults in the dual role of homemaker and wage earner, which include consumer education, and which are designed for persons who have entered, or are preparing to enter, the work of the home.

"(4) programs for cooperative vocational education, for which a State shall submit to the Commissioner through the State board, as a part of the comprehensive statewide plans of such State established under section 108, a plan which shall set forth policies and procedures to be used by the State board in establishing cooperative programs through local educational agencies with participation of public and private employers. Such policies and procedures must give assurance that—

"(A) funds will be used only for developing and operating cooperative programs as defined in section 109(19)(A) which provide training opportunities that may not otherwise be available and which are designed to serve persons who can benefit from such programs;

"(B) necessary procedures are established for cooperation with employment agencies, labor groups, employers, and other community agencies in identifying suitable jobs for persons who enroll in cooperative programs;

"(C) provision is made for reimbursement of added costs to employers for on-the-job training of students enrolled in cooperative programs, provided, such on-the-job training is related to existing career opportunities susceptible of promotion and advancement and does not displace other workers who perform such work; and

"(D) ancillary services and activities to assure quality in cooperative programs are provided for, such as preservice and in-service training for teacher coordinators, supervision, curriculum materials, and evaluation.

The Commission shall approve a State plan under this paragraph which fulfills the conditions specified above.

"(c) Fifteen per centum of the total funds granted to each State under this part must be used exclusively for disadvantaged students as defined in section 109(9); of the remaining funds, 10 per centum must be used exclusively for the benefit of handicapped persons as defined in section 109( ), except that moneys used specifically for disadvantaged and handicapped programs under the provisions of part D or part E of this Act may be considered for purposes of the requirement of this subsection.

"(d) At least 30 per centum of the total funds granted to each State under this part shall be used for postsecondary and adult education programs, both preparatory and supplementary.

"PART D—VOCATIONAL EDUCATION PROGRAM SERVICES

"AUTHORIZATION OF GRANTS

"SEC. 141. From the sums appropriated under sections 142, 144, and 145 the Secretary shall make grants to each State which has administrative arrangements approved under section 102, in an amount which bears the same ratio to the total amount of such sums as is specified in Section 132 for purposes of carrying out the purposes of each such section. Each such State shall allocate the sums it receives under these sections among programs under such sections in such a manner as to insure that the purposes of each such section are carried out.

"TEACHER EDUCATION

"SEC. 142. (a) Grants under this part shall be used by States, either directly or through contract with educational institutions, for programs of vocational teacher education, including education of teachers, coordinators, supervisors, counsellors, and administrators of vocational education, which may include—

"(1) preservice education, to be coordinated by the appropriate State agency or by an educational institution designated by the State, which shall include provisions for occupational testing, where appropriate, and for other testing, in order to assist vocational educators to assess their competence in relation to their educational role, and for other general assistance which will aid in development of vocational educators competent in both subject matter and in the theory and practice of teaching and learning, and

"(2) inservice education, which shall include education to maintain technical occupational competence and education to maintain professional educational competence, and which shall be offered throughout the year, at locations convenient to vocational educators.

"(b) There are authorized to be appropriated for purposes of this section $55,000,000 for the fiscal year ending June 30, 1976, $61,000,000 for the fiscal year ending September 30, 1977, $67,000,000 for the fiscal year ending September 30, 1978, $74,000,000 for the fiscal year ending September 30, 1979, and $81,000,000 for the fiscal year ending September 30, 1980.

"LEADERSHIP DEVELOPMENT AWARDS

"SEC. 143. (a) In order to meet the need in all the States for qualified vocational education personnel with high potential to advance policymaking and leadership positions in vocational education, the Commissioner shall make available three-year (36 consecutive month) leadership development grants in accordance with the provisions of this section only upon his determination that—

"(1) persons selected for awards are eligible for admission as graduate students in an approved program of higher education, and

"(2) persons selected for awards have had not less than two years of professional experience in vocational education or in business and industry, or in military technical training, or two years of research experience in a social science which is applicable to vocational education, and

"(3) persons receiving such awards are currently employed or are qualified for employment in vocational education and have successfully completed, at a minimum, a master's degree program, and

"(4) persons selected for awards are recommended by their employer, or others, as having leadership potential in the field of vocational education.

"(b)(1) The Commissioner shall pay to persons selected for leadership development awards under this section such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs, but not less than $4,400 per person per academic year or its equivalent and $800 per person per summer session or its equivalent, with a dependent allowance of $600 per person per academic year or its equivalent and $100 per person for each dependent per dependent per summer session or its equivalent.

"(2) The Commissioner shall, in addition to the stipends paid under paragraph (1), make grants to the institution of higher education at which such person is pursuing his course of study in such amounts as the Commissioner determines to be consistent with the prevailing practices under comparable federally supported programs, which shall not exceed $4,500 per person per academic year or its equivalent, and $1,000 per person per summer session or its equivalent, but any amount charged such person for tuition and nonrefundable fees and deposits shall be deducted from the amount payable to an institution of higher education under this paragraph. Any funds from grants under this paragraph which remain after deducting normal tuition, fees, and deposits attributable to such students, shall be used by the project director for the program in leadership development for vocational education for such institution for the purpose of (A) enriching the educational experience of students receiving granta under this section through internships and other involvement with the ongoing program of vocational education in school districts and in State educational agencies, or through other activities determined by such director to be appropriate as leadership experience, and (B) providing part-time assistants for such director administering such leadership development program.

"(c) The Commissioner shall approve the vocational education leadership development program of an institution which has demonstrated previous experience in graduate vocational education and has submitted an application only upon finding that—

"(1) such institution offers a comprehensive undergraduate and graduate program in vocational education with adequate supporting services and disciplines such as educational administration, guidance and counseling, research, and curriculum development, and

(2) such program is designed to substantially further the objective of improving vocational education through providing opportunities for flexible and individualized graduate training of vocational education teachers, supervisors, and administrators, and of university level vocational education teacher educators and researchers, and

"(3) such program is conducted by a school of graduate study in such institution, and

"(4) such program is approved by the State board in the State in which such institution is located.

"(d) Persons receiving leadership awards under this section shall continue to receive the payments provided under subsection (b) only during such periods as the Commissioner finds that they are maintaining satisfactory proficiency in, and devoting the full-time to, study or research in the field of vocational education in an institution of higher education, and are not engaging in gainful employment, other than part-time employment, by such institution or with the approval of such institution, in teaching, research, or similar occupations approved by the Commissioner.

"(e) There are authorized to be appropriated for purposes of this section $5,120,000 for the fiscal year ending June 30, 1976, $5,120,000 for the fiscal year ending September 30, 1977, $5,120,000 for the fiscal year ending September 30, 1978, $5,120,000 for the fiscal year ending September 30, 1979, and $5,120,000 for the fiscal year ending September 30, 1980.

"(f) From the amounts appropriated under subsection (e), the Commissioner shall make awards under subsection (b) to four hundred persons, to be selected by the various States, who shall be accepted for admission as graduate students in an approved program of higher education not less than nine months in advance of the starting date of such program. Such grants shall be made for study at not more than twenty institutions approved by the Commissioner, which offer a graduate program with a specialty in vocational education. Such grants shall be apportioned equitably among the States, taking into account such factors as the State's vocational education enrollments, and the incidence of youth unemployment and school dropouts in the State.

"PLACEMENT AND FOLLOWUP

"SEC. 144. (a) Grants under this part shall be used by States for programs providing placement services for persons who successfully complete vocational education programs, to be carried out by local educational agencies, and by the appropriate State educational agency, and providing follow-up efforts in order to evaluate the success of vocational education programs in the State.

"(b) There are authorized to be appropriated for purposes of this section $24,000,000 for the fiscal year ending June 30, 1976, and for each succeeding fiscal year through September 30, 1980.

"STUDENT SUPPORT

"SEC. 145. (a) Grants under this part shall be used by States for programs to provide partial support for students entering vocational education programs assisted under part C which may include—

"(1) work-study programs, in which no student shall be employed for more than fifteen hours in any week in which classes in which he is enrolled are in session, nor for compensation which exceeds $1,200 in any fiscal year, and in which students are employed by public or private nonprofit agencies at work which is related, if possible, to the area of vocational education which such student is studying, and

"(2) stipends for students who have acute economic responsibilities which cannot be met under a work-study program, in which stipends to such students of at least $85 per week per student are provided.

"(b) There are authorized to be appropriated for purposes of this section $381,910,000 for the fiscal year ending June 30, 1976, $468,375,000 for the fiscal year ending September 30, 1977, $554,850,000 for the fiscal year ending September 30, 1978, $641,325,000 for the fiscal year ending September 30, 1979, and $727,800,000 for the fiscal year ending September 30, 1980.

"PART E—APPLIED RESEARCH, CURRICULUM DEVELOPMENT, DEMONSTRATION PROGRAMS, AND LEADERSHIP DEVELOPMENT

"RESEARCH AND TRAINING IN VOCATIONAL EDUCATION

"SEC. 151. (a) From 50 per centum of the sums available for purposes of this section, the Commissioner is authorized to make grants and contracts for projects of significance to the Nation to institutions of higher education, public and private agencies and institutions, State boards, and, with the approval of the appropriate State board, to local educational agencies in that State, except that no grant may be made other than to a nonprofit agency or institution, for the purposes set forth in subsection (c), and for support for a national center or centers for research and development in vocational education independent of the Federal Government.

"(b) From the remaining 50 per centum of the sums available for purposes of this section, the Commissioner shall make grants to each State which has administrative arrangements approved under section 102 in an amount which bears the same ratio to the total amount of such sums remaining as the population of such State bears to the total population of all such States. Such grants shall be used by a State, in accordance with its statewide plans under section 108, for the costs of the State research coordination unit, and for grants to colleges and universities, and other public or nonprofit private agencies and institutions, and local educational agencies, and contracts with private agencies, organizations, and institutions for programs and projects for (1) research and training programs, (2) experimental, developmental, or pilot programs, (3) diffusion and implementation activities designed to meet the special vocational needs of youths, particularly youths in economically depressed communities who have academic, socioeconomic, or other handicaps which prevent them from succeeding in the regular vocational education programs, and (4) the dissemination of information and implementation of products derived from such programs or from research and demonstrations in the field of vocational education, which have been recommended by the State research coordination unit or by the State advisory council established under section 107.

"(c) Funds available under subsection (a) may be used for—

"(1) research in vocational education;

"(2) national institutes, symposia, or other activities designed to familiarize persons involved in vocational education with research findings and successful pilot and demonstration projects in vocational education;

"(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings;

"(4) demonstration and dissemination projects;

"(5) diffusion of information and products;

"(6) projects in the development of new careers and occupations, such as (A) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, welfare, education, municipal services, child care, and recreation requiring

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less training than professional positions and projects to delineate within such careers roles with the potential for advancement from one level to another; (B) training and development projects designed to demonstrate and diffuse improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors toward the end of achieving greater coordination and more effective implementation of programs for the employment of persons in the fields described in clause (A), including program to prepare professionals (including administrators) to work effectively with aides; and (C) projects to evaluate the operation of programs for the training, development, and utilization of vocational education.

"(d) A grant or contract under subsection (a) may be made upon application to the Commissioner at such time, in such manner, and containing such information as the Commissioner deems necessary. Such application shall contain—

"(1) a description of the nature, duration, purpose, and plan of the project;

"(2) the qualifications of the principal staff who will be responsible for the project; and

"(3) a detailed justification of the amount of grant funds requested.

The Commissioner may not approve an application until such application has been reviewed by a panel of experts who are not employees of the Federal Government. The Commissioner shall pay to each applicant with an application approved under this subsection the amount expended in accordance with such application.

"(e) There are authorized to be appropriated for purposes of this section $49,000,000 for the fiscal year ending June 30, 1976, $14,000,000 for the fiscal year ending September 30, 1977, $48,000,000 for the fiscal year ending September 30, 1978, $52,000,000 for the fiscal year ending September 30, 1979, and $56,000,000 for the fiscal year ending September 30, 1980. Notwithstanding any other provision of law unless enacted expressly in limitation of the provisions of this sentence, sums made available from sums appropriated under this subsection for purposes of grants or contracts under subsection (a) shall remain available until expended.

"(f) No State shall receive less than $25,000 for any fiscal year from grants under subsection (a) and subsection (b).

"CURRICULUM DEVELOPMENT

"SEC. 152. (a) The Congress finds that curriculum development is complicated by the diversity of occupational objectives, variations due to geography, differences in educational levels and types of programs, and by the wide range of occupations. It is therefore the purpose of this section to enable the Commissioner to provide appropriate assistance to State educational agencies in the development of curriculums for new and changing occupations, and to coordinate improvements in, and dissemination of, existing curriculum materials, to provide assistance to national vocational education curriculum centers, to conduct special curriculum projects in selected school districts, and to sponsor national curriculum workshops and symposia; and to enable the States to provide attention to instate curriculum needs in vocational education for ongoing and expanding vocational education programs.

"(b) There are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1976, and for each of the four succeeding fiscal years, for purposes of this section.

"(c)(1) Fifty per centum of the sums appropriated under subsection (b) shall be used by the Commissioner, after consultation with the appropriate State agencies and the National Council, to make grants to or contracts with colleges or universities, State boards, and other public or nonprofit private agencies and institutions, or contracts with public or private agencies, organizations, or institutions—

"(A) to promote the development and dissemination of vocational education curriculum materials for use in teaching occupational subjects, including curriculums for new and changing occupational fields;

"(B) to implement such curriculums in programs of vocational and technical education;

"(C) to coordinate efforts of the States in the preparation of curriculum materials and prepare current lists of curriculum materials available in all occupational fields;

"(D) to survey curriculum materials produced by other agencies of government, including the Department of Defense;

"(E) to evaluate vocational-technical education curriculum materials and their uses;

"(F) to train personnel in curriculum development; and

"(G) to prepare teachers and administrators in the use of curriculum materials developed under this subsection.

"(2) From the remainder of such sums, the Commissioner shall grant to each State which has administrative arrangements approved under section 102, to meet vocational educational curriculum needs within such State, an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States.

"(3) For purposes of this subsection, the term 'curriculum' means a plan for a teaching and learning program which includes objectives, subject matter content, learning experiences, and teaching strategies, teaching aids, and means of evaluation, and the term 'curriculum materials' includes curriculum guides for teachers and administrators, and student materials for learning situations in vocational education programs, to prepare students for employment at the entry level or to upgrade the occupational competence of students who have been previously employed or who are currently employed in any occupational field.

"(d) Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this subsection, funds appropriated under subsection (b) shall remain available until expended.

"EXEMPLARY PROGRAMS AND PROJECTS

"SEC. 153. (a) the Congress finds that it is necessary to reduce the continuing seriously high level of youth unemployment by developing means for giving the same kind of attention as is now given to the college preparation needs of those young persons who go on to college, to the preparation needs of the two out of three young persons who end their education at or before completion of the secondary level, too many of whom face long and bitter months of job hunting or marginal work after leaving school. It is therefore the purpose of this section to stimulate, demonstrate, and diffuse, through Federal financial support, new ways to create a for young people who are still in school, who have left school either by graduation or by dropping out, or who are in postsecondary programs of vocational preparation, and to promote cooperation between public education and manpower agencies.

"(b) There are authorized to be appropriated to carry out this section $20,000,000 for the fiscal year ending June 30, 1976, $30,000,000 for the fiscal year ending September 30, 1977, $10,000,000 for the fiscal year ending September 30, 1978, $50,000,000 for the fiscal year ending September 30, 1979, and $75,000,000 for the fiscal year ending September 30, 1980.

"(c)(1) From 50 per centum of the sums appropriated under subsection (b), the Commissioner is authorized to make grants to or contracts with State boards and local educational agencies for the purpose of stimulating and assisting in the development, establishment, and operation of programs and projects designed to carry out the purposes of this section. The Commissioner may also make grants to other public or nonprofit agencies, organizations, or institutions, when such grants or contracts will make a significant contribution to attaining the objectives of this section.

"(2) From the remainder of such sums, the Commissioner shall grant to each State which has administrative arrangements approved under section 102 an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States, for grants by the State board to local educational agencies or other public or nonprofit private agencies, organizations, or institutions, or for contracts by the State board with public or private agencies, organizations, or institutions, including business and industrial concerns, upon such terms and conditions, consistent with the provisions of this section and with its statewide plans under section 108 as the State board determines will most effectively carry out the development, establishment, and operation of exemplary and innovative occupational education programs or projects designed to serve as models for use in vocational education programs.

"(d) Grants or contracts under this section may be used to pay all or part of the cost of—

"(1) planning and developing exemplary demonstration and diffusion programs or projects such as those described in paragraph (2), or

"(2) establishing, operating, or evaluating exemplary programs or projects designed to carry out the purposes set forth in subsection (a), and to broaden occupational aspirations and opportunities for youths, with special emphasis given to youths who have academic, socioeconomic, or other handicaps, which programs or projects may, among others, include (A) programs and projects designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisites for careers in such occupations; (B) programs and projects for students which provide educational experiences through work during the school year or in the summer; (C) programs and projects for intensive occupational guidance counseling, and placement and follow-through during the last years of school and for initial job placement; (D) programs and projects designed to broaden or improve vocational education curriculum; (E) exchanges of personnel between schools and other agencies, institutions, or organizations participating in activities to achieve the purposes of this section, including manpower agencies and industry; (F) programs and projects for young workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and (G) programs and projects at the secondary level to motivate and provide preprofessional preparation for potential teachers for vocational education.

"(e)(1) Grants or contracts under this section may be made only if the Commissioner, or the State board in the case of grants made by a State board under subsection (c)(2), determines—

"(A) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of other programs and projects carried out under grants or contracts under this section, with the appropriate statewide plans, and with other public and private programs having the same or similar purposes;

"(B) that, to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students; and

"(C) that effective policies and procedures will be adopted which assure that Federal funds made available under this section will not be commingled with State or local funds.

"(2) No grant or contract (other than a grant or contract with a State board) shall be made by the Commissioner under subsection (c)(1) with respect to any program or project unless such program or project has been submitted to the State board in the State in which it is to be conducted and has been commented on by the State board within sixty days of such submission or within such longer period of time as the Commissioner may determine pursuant to regulations.

"(3) Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this paragraph, funds available to the Commissioner and to the State board under subsection (c) shall remain available until expended.

"INSTITUTES AND LEADERSHIP EDUCATION FOR VOCATIONAL EDUCATION ADMINISTRATORS, EDUCATIONAL BOARDS, AND OTHER PUBLIC GROUPS

"SEC. 154. (a)(1) From 50 per centum of the sums appropriated for purposes of this section, the Commissioner may make grants and contracts to pay the costs of carrying out cooperative arrangements concerning leadership development for experienced vocational education personnel, including teacher educators and administrators; and for other personnel, who are capable of strengthening vocational education programs supported under this Act. Such cooperative arrangements may be with any educational institution or agency, or with private business, industry, or other commercial enterprise, or accomplished directly by State boards.

"(2) Grants and contracts under this section may be used for projects and activities which may include—

"(A) leadership development programs designed to improve the quality of professional development and understanding concerning the relationships, functions, and needs of vocational education programs within the context of the Nation's total education effort with particular attention to be paid to educational problems identified as national or regional in scope;

"(B) short-term institutes, workshops, symposia, or other training activities designed to focus attention of vocational education policymakers upon national, social, economic, and educational issues and priorities in order to improve the leadership qualifications of such persons and to integrate effective vocational education programs into the educational experience of all persons; and long-term institutes for highly selected and high administrative level policymakers including vocational educators, State board members and staff, local school board members and staff (urban and rural), and representatives of business, industry, and the public at large;

"(C) national leadership development institutes and workshops for teacher educators, coordinators, supervisors, administrators, and other selected personnel for the purpose of developing procedures and standards pertaining to leadership development and other matters that affect program growth; and

"(D) national resource panels, funded through one or more States, whose purpose is to identify national priorities, to coordinate and train directors of funded activities, to identify exemplary components of leadership training activities, to be a source of technical assistance as requested by the States or the Commissioner, and to annually review the effectiveness of programs conducted under this subsection, members of which shall be recommended by the State boards and by the Commissioner to serve on a rotating basis and report to the Commissioner.

"(b) From the remainder of such sums, the Commissioner shall make a grant to each State which has administrative arrangements approved under section 102 in an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States. Such grants may be used by the State, either directly or through grant or contract, for the purpose of conducting leadership programs for local and regional directors of vocational education, educational administration personnel, local boards of education, and selected State staff; the State board shall include in its statewide plans procedures for accomplishing the purpose of this subsection.

"(c) A grant or contract under this section may be made only upon application to the Commissioner, or to the State board in the case of grants or contracts under subsection (b), at such time, and containing such information as the Commissioner or the State board, whichever is appropriate, deems necessary. The Commissioner and the State board shall approve an application under this subsection only if such application—

"(1) sets forth a program for carrying out one or more projects or activities which meet the requirements of subsection (a) or (b), whichever is appropriate, and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

"(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds that would in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (a) or (b), whichever is appropriate, and in no case supplant such funds;

"(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

"(4) provides for making such reports, in such form and containing such information, as the Commissioner or the State board, whichever is appropriate, may require to carry out their functions under this section, and for keeping such records and for affording such access thereto as they may find necessary to assure the correctness and verification of such reports.

"(d) There are authorized to be appropriated to carry out this section $35,000,000 for the fiscal year ending June 30, 1976, and for each of the four succeeding fiscal years. Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this sentence, funds available under this section shall remain available until expended."

S. 942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postsecondary Vocational Education Act of 1975."

AMENDMENT PERTAINING TO DECLARATION OF PURPOSE

SEC. 2. Section 101 of the Vocational Education Act of 1963 is amended by inserting after the term "vocational education" wherever such term occurs the following: "and postsecondary occupational education."

DEFINITION OF POSTSECONDARY OCCUPATIONAL EDUCATION

SEC. 3. (a) Section 108(1) of such Act is amended by inserting immediately before the period at the end thereof the following: "; such term does not include training, retraining, guidance, counseling, instruction, and education of individuals who are sixteen years of age or older and who have graduated from or who have left elementary or secondary school."

(b) Section 108 of such Act is amended by redesignating paragraphs (2) through (13) as paragraphs (4) through (15), respectively, and by inserting immediately after paragraph (1) thereof the following new paragraphs:

"(2) The term 'postsecondary occupational education' means education, training, or retraining (and including guidance, counseling, and placement services) for persons sixteen years of age or older who have graduated from or left elementary or secondary school, conducted by an institution legally authorized to provide postsecondary education within a State, which is designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations (including new and emerging occupations), or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specified by regulation, to be generally considered professional or which require a baccalaureate or advanced degree.

"(3) The term 'postsecondary occupational education institution' means an educational institution in any State which

"(a) admits as regular students only persons sixteen years of age or older who have graduated from or left elementary or secondary school,

"(b) is legally authorized within such State to provide a program of education beyond secondary education, including community and junior colleges and other institutions of higher education (including branch campuses) as well as area and post-secondary schools and technical institutes,

"(c) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree,

"(d) is a public institution, and

"(e) is accredited by a nationally recognized accrediting agency or association or, if not so accredited,

"(A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or

"(B) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited.

"Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (a), (b), (d), and (e). For purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be re-

liable authority as to the quality of training offered."

ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL AND OCCUPATIONAL EDUCATION

SEC. 4. (a) Part A of such Act is amended by adding at the end thereof the following new section:

"STATE APPLICATION AND ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL EDUCATION AND POSTSECONDARY OCCUPATIONAL EDUCATION

"SEC. 110(a). To be eligible for its allotment for a fiscal year under Section 103(a)(2), a State shall submit to the Commissioner an application including the following:

"(1) Assurance that the State's allotment for a fiscal year under Section 103(a)(2) shall be divided into two parts. One part of such allotment may be used only for grants under subpart 1 of part B, and the other may be used only for grants under subpart 2 of part B. The part to be used for grants under subpart 1 shall be known as the State's vocational education allotment for that year, and the part to be used for grants under subpart 2 shall be known as the State's postsecondary educational allotment for that year;

"(2) Assurance that not less than 10 percentum of the funds allotted to the State under Section 103(a)(2) for the programs and activities under each of the two subparts;

"(3) Providing for a mechanism or procedure, consistent with state law and state organizational structure, for a joint determination by the State Board, as designated under subpart 1 of Part B, and the State Commission, as designated under subpart 2 of Part B, of the most effective and equitable allocation of the remaining 20 per centum (remaining after the basic 40 per centum allocations) between subpart 1 and subpart 2 of Part B, taking into consideration the purposes of the Act as set forth in Section 101 and the state plans or state planning as required under each subpart;

"(4) Setting forth a mechanism or procedure which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to carrying out the purposes of this Act;

"(5) Agrees to submit to the Commissioner such state plans or documents as required under subparts 1 and 2 of Part B as are required for participation by the State in the programs authorized by those subparts.

"(b)(1) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to the State, finds that any of the assurances required by this part are unsatisfactory, or that there is a failure by the State to comply with such assurances or other requirements of this section, the Commissioner shall notify the State that no further payments will be made to the State under any program authorized by this part until the Commissioner is satisfied that there has been or will be compliance with the requirements of this section.

"(2) A State which is dissatisfied with a final action of the Commissioner under this section may appeal to the United States court of appeals for the circuit in which the State is located by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in Section 2112 of Title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court, affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in Section 1254 of Title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action."

(b)(1) Part B of such Act is amended by inserting immediately before the title of section 121 the following:

"SUBPART 1—VOCATIONAL EDUCATION PROGRAMS"

(2) Section 121 of such Act is amended to read as follows:

"SEC. 121. From the sums made available for grants under this subpart pursuant to sections 102, 103, and 110, the Commissioner is authorized to make grants to States to assist them in conducting vocational education programs for individuals in all communities of the States, which are designed to insure that education and training programs for career vocations are available to individuals who desire and need such programs."

(3) Section 122(a) of such Act is amended by striking out paragraphs (2) and (3) and by redesignating paragraphs (4) through (8) thereof as paragraphs (2) through (6), respectively, and section 102(b) and section 103(c) of such Act are each amended by striking out "section 122(a)(4)(A)" and inserting in lieu thereof "section 122(a)(2)(A)."

(4) Section 122(c) of such Act is amended to read as follows:

"(c)(1) At least 25 percentum of that portion of each State's vocational education allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, which is in excess of its base allotment shall be used only for the purpose set forth in paragraph (2)(A) of subsection (a): *Provided*, That for any such fiscal year the amount used for such purpose shall not be less than 15 percentum of the total allotment of such funds for each State, except as any requirement under this paragraph may be waived for any State by the Commissioner for any fiscal year upon his finding that the requirement imposes a hardship or is impractical in its application.

"(2) At least 10 percentum of each State's vocational education allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, shall be used only for the purpose set forth in paragraph (2)(B) of subsection (a).

"(3) As used in this subsection, the term 'base allotment' means the sum of the allotments to a State for the fiscal year ending June 30, 1969, from (A) sums appropriated under section 102(a) of this Act, (B) the Smith-Hughes Act (that is, the Act approved February 23, 1917 (39 Stat. 929; 20 U.S.C. 11–15, 16–28)), (C) the Vocational Education Act of 1946, and (D) any of the supplementary vocational educational Acts (including, in the case of American Samoa, section 2 of the Act of September 25, 1962, 48 U.S.C. 1667)."

(4) Section 123(a) of such Act is amended by striking out "this title" wherever such term occurs, except in paragraph (10), and inserting in lieu thereof "this subpart," by striking out "all population groups" in paragraph (6)(B) and inserting in lieu thereof "individuals," by striking out "this part" in paragraph (11) and inserting in lieu thereof "this subpart," and by striking out "all persons" in paragraph (11) and inserting in lieu thereof "individuals."

(5) Section 123(b) of such Act is amended by striking out "this part" and inserting in lieu thereof "this subpart."

(6) Section 123(c) and section 123(d) of such Act are each amended by striking out "this title" wherever such term occurs and inserting in lieu thereof "this subpart."

(7) Section 124 is amended by striking out "this part" in subsection (a) and inserting in lieu thereof "this subpart" and by striking out "this title" wherever such term occurs in subsections (b) and (c) and inserting in lieu thereof "this subpart."

POSTSECONDARY OCCUPATIONAL EDUCATION

SEC. 5. (a) Part B of such Act is amended by adding at the end thereof the following:

"SUBPART 2—POSTSECONDARY OCCUPATIONAL EDUCATION PROGRAMS

"AUTHORIZATION FOR STATES TO USE POSTSECONDARY OCCUPATIONAL EDUCATION ALLOTMENT

"SEC. 125. A State shall be authorized to use the funds allotted to it under the postsecondary occupational education allotment for each fiscal year for the activities set forth in Section 126 in order to promote access to postsecondary occupational education programs in such State, provided that such State has met the requirements as set forth in Section 127.

"USES OF FEDERAL FUNDS

"SEC. 126(a). A State may use its postsecondary occupational education allotment only for—

"(1) programs to promote access to postsecondary occupational education as set forth in Section 129;

"(2) planning related to promotion of access to postsecondary occupational education by State Commissions as set forth in Section 128;

"(3) administration of the program authorized in this subpart by the State Agency designated in accordance with Section 127; and

"(4) evaluation of the program under this subpart, and the dissemination of the results of such evaluation pursuant to Section 127(5);

"except that, not more than —— per centum shall be used for the purpose in paragraph (3), not less than —— per centum nor more than —— per centum shall be used for the purpose of paragraph (2), and not less than —— per centum nor more than —— per centum shall be used for the purpose of paragraph (4).

"(b) Of a State's postsecondary occupational education allotment for a fiscal year, 10 per centum may be used only for programs and activities as authorized under Section 129 to benefit handicapped persons, and 15 per centum may be used only for programs and activities as authorized under Section 129 to benefit persons (other than handicapped persons as defined in Section 108(8)) who have academic, socioeconomic, or other handicaps which prevent them from succeeding in the regular postsecondary occupational education program.

"STATE APPLICATION FOR POSTSECONDARY OCCUPATIONAL EDUCATION

"SEC. 127(a). Pursuant to agreement provided in Section 110(5), the State shall:

"(1) designate the State Commission established pursuant to Section 1202(a) of the Higher Education Act of 1965 as the State Commission to carry out planning as required under this subpart;

"(2) designate or provide for the establishment of a State agency authorized in accordance with State law as the State agency for disbursement of the State's postsecondary education allotment in accordance with the planning by the State Comimssion, and for proper fiscal control and accounting of funds granted to a State under this subpart;

"(3) provides assurance that funds granted the State will be used only for purposes set forth in Section 126, in a manner which is consistent with the State planning as required in Section 128;

"(4) provides that the State Commission designated under paragraph (1) shall undertake a continuous program of planning, in consultation with appropriate State agencies and institutions, in accordance with Section 128;

"(5) provides that the State Commission designated under paragraph (1) shall annually evaluate, with participation by the State Advisory Council on Occupational and Vocational Education, the use by the State of funds allotted to the states under this subpart in relationship to the state plan required under Section 128(b), including consideration of the relative effectiveness of various means used by the state to promote access to postsecondary occupational education; and provides that the results of such evaluation shall be reported to the Commissioner at such times and in such form as the Commissioner may reasonably require.

"(6) requires that each postsecondary occupational education institution which receives Federal funds under this subpart shall use such funds only for the postsecondary occupational education programs for which such funds were granted and shall provide assurances to the State agency designated pursuant to paragraph (2) that such funds will be used so as to supplement and not supplant, the level of funds from other sources available for such programs; and

"(7) Provides that the State's postsecondary occupational education allotment for a fiscal year, shall pay for not more than 50 per centum of the total expenditures made in carrying out the planning, administration, programs and activities under this subpart.

"(b) The provisions of Section 434(b)(3) of the General Education Provisions Act shall apply to any State application submitted under this section.

"STATE PLAN AND PLANNING

"SEC. 128. (a) The State commission designated pursuant to paragraph (1) of section 127 shall undertake a continuous program of statewide planning for postsecondary occupational education, which shall—

"(1) assess the existing capacity, or potential capacity, of all public postsecondary education institutions in the State (without regard to whether such institutions are under the supervision of the State Board of Vocational Education) to undertake programs to promote access to postsecondary occupational education;

"(2) determine student demand for postsecondary occupational education programs;

"(3) determine, in coordination with planning as required under the Comprehensive Employment and Training Act, of manpower needs in the State as a whole, and in the political subdivisions thereof;

"(4) propose methods for extending the benefits of postsecondary occupational education to groups not served by such programs, including improved out-reach, recruitment, guidance and counseling;

"(5) investigate and propose various methods to promote access to postsecondary occupational education; and

"(6) propose methods to give special consideration to the occupational education needs of persons for whom a full-time program is not feasible, such as housewives and persons currently employed full time who wish to upgrade their skills.

"(b) Prepare, with the advice of the State Advisory Council on Vocational and Occupational Education, an annual State plan, which shall serve as the basis for disbursement of the State's allotment for that year by the State agency designated in accordance with paragraph (2) of section 127. Such annual State plan shall:

"(1) Specify the means to be used in selecting postsecondary occupational education institutions to receive funds and the means to be used for determining the amount of funds to be granted to each such institution;

"(2) Provide for the distribution of funds by the State agency according to (a) a distribution formula based on objective criteria, (b) determinations (based upon objective criteria) as to which postsecondary occupational education programs will most effectively and economically meet previously ascertained needs, or (c) a combination of the methods of distribution of funds described in (a) and (b);

"(3) Contain the provisions required under (1) and (2) in sufficient specificity to enable the Commissioner to determine whether actual decisions under such plan conform to those requirements of such plan pursuant to section 127(a)(5),

"(4) Give special consideration to students who desire to continue their education after high school but are unable to do so on a full-time basis, so that programs for these part-time students will receive consideration equal to that given to programs for full-time students;

"(5) Include as eligible public postsecondary occupational education institutions not only such institutions as may be under the supervision of the State Board of Vocational Education; and

"(6) Provide that programs authorized by this part may be carried out through contractual arrangements with private non-profit postsecondary institutions where such arrangements can make a contribution to achieving the purposes of this part by providing substantially equivalent education, training, or services more readily or more economically, or by preventing needless duplication of expensive physical plant and equipment, or by providing needed education or training of the types authorized by this part which would not otherwise be available.

"PROGRAMS TO PROMOTE ACCESS

SEC. 129. In accordance with the State plan prepared by the State Commission pursuant to section 128, the State agency designated pursuant to section 127 shall disburse funds under this subpart to postsecondary occupational education institutions in the State in order to promote access to postsecondary occupational education, including programs such as the following:

"(1) Programs to reduce tuition and fees, but any such program would be required to include appropriate reductions in the tuition and fees charged part-time students. Whether tuition and fees are reduced could be determined by comparison with those charged for courses which, though not supported under the Act, have comparable instructional costs, by comparison with the tuitions and fees previously charged for the same course, or by such other method as the Commissioner deems will assure the tuition and fees charged are lower than they would be but for the grant.

"(2) Programs of in-service training, for guidance and counseling personnel serving in elementary and secondary schools in order to familiarize such personnel with opportunities afforded by postsecondary occupational education.

"(3) Programs under which payments are made to assist institutions to meet their costs of instruction, but only where such payments are linked to progressively increasing occupational enrollments.

"(4) Curriculum development programs for new curriculums and modifications of old curriculums to meet the job market.

"(5) Programs to broaden the types of institutions providing these programs so that the variety in the types of institutions will meet the needs and desires of an increased number of students.

"(6) Innovative arrangements, including competency based learning under which courses given in postsecondary occupational education programs may be counted for credit toward a bachelor's degree where the student chooses to continue his education.

"EVALUATIONS BY COMMISSIONER

"SEC 130. In carrying out his duty under Section 417 of the General Education Provisions Act to make annual evaluative reports to the Senate and House Education Committees, the Commissioner shall give special attention to evaluation of the various means for promoting access to postsecondary occupational education programs to assist the Congress in its oversight responsibilities."

AMENDMENTS TO NATIONAL AND STATE ADVISORY COUNCIL PROVISIONS

SEC. 6. (a) Section 104(a) of such Act is amended as follows—

(1) Paragraph (1) of such subsection is amended by striking out "National Advisory Council on Vocational Education" and inserting in lieu thereof "National Advisory Council on Vocational and Postsecondary Occupational Education", and by inserting after "programs" in subparagraph (C) the following: "and postsecondary occupational education programs".

(2) Paragraph (2) of such subsection is amended by inserting the following after "vocational education programs" each time it appears: and postsecondary occupational education programs".

(3) Paragraph (5) of such subsection is amended by striking out "vocational education" wherever such term occurs, and inserting in lieu thereof "postsecondary occupational education".

(b) Section 104(b) of such Act is amended as follows—

(1) Subparagraph (A) of Section 104(b)(1) of the Act is amended by redesignating clauses (iii) through (ix) as clauses (iv) through (x), respectively, and by striking out clause (ii) and inserting in lieu thereof the following clauses:

"(ii) representative of community and junior colleges and other postsecondary occupational education institutions, as defined in Section 108 of this Act,

"(iii) representative of area vocational schools, technical institutes, and adult education agencies or institutions, which may provide programs of vocational or technical education and training,".

(2) Subparagraph (B) of Section 104(b)(1) of the Act is amended by inserting the words "subpart 1 of" after the words "State plan submitted pursuant to".

(3) Subparagraphs (C)&(D) of Section 104(b)(1) of the Act are redesignated subparagraphs (D) and (E), respectively, and a new subparagraph (C) shall read as follows:

"(C) advise the State Commission designated or established pursuant to Section 127(a)(1) of subpart 2 of Part B with respect to the evaluation required pursuant to paragraph (5) of Section 127(a), and with respect to the continuous programs of state-wide planning for postsecondary occupational education and development of the annual State plan pursuant to Section 128;".

TECHNICAL AMENDMENTS TO PARTS C THROUGH J OF THE VOCATIONAL EDUCATION ACT OF 1963

SEC. 7. Parts C, D, E, G, H, I, and J of such Act are each amended by inserting after

[illegible] State's allotment [illegible] for any fiscal year [illegible] than $1,000 shall be increased [illegible] the total of the reserves [illegible] derived by proportionately [illegible] all such States, to such extent [illegible] would result in any such State receiving [illegible] the allotment which it would receive [illegible] to prevent the allotment of any [illegible] State under this subsection [illegible] among programs authorized by parts of this Act within that State and [illegible] other State. Any amount reallocated [illegible] under this subsection for [illegible] shall remain available for obligation during the next succeeding fiscal year and shall be deemed to be part of its allotment for the year in which it is obligated.

"(d) (1) The allotment ratio for any State shall be 1.00 less the product of—

"(A) 0.50, and

"(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (i) the allotment ratio in no case shall be more than 0.60 or less than 0.40, and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be 0.60.

"(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year between October 1 and December 30 of the preceding fiscal year. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the three most recent consecutive fiscal years for which satisfactory data are available.

"(3) The term 'per capita income' means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

"(4) For the purposes of this section population shall be determined by the Commissioner on the basis of the latest estimates available to him.

"STATE VOCATIONAL EDUCATION PROGRAMS

"SEC. 133. (a) From the sums made available under section 132, the Commissioner shall make grants to each State which has administrative arrangements approved under section 102 for vocational education programs.

"(b) Grants under this section may be used by any such State for such programs in such proportions as the State board determines, in accordance with the comprehensive statewide plans of such State established under section 108, which may include the following:

"(1)(A) vocational education programs for high school students, including such programs which are designed to prepare them for advanced or highly skilled post-secondary vocational and technical education;

"(B) vocational education for persons who have completed or left high school and who are available for study in preparation for entering the work force, including entrepreneurship;

"(C) vocational education for persons who have already entered employment or entrepreneurship and who need training or retraining to achieve occupational stability or advancement;

"(D)(i) vocational education for persons other than [illegible] for which such funds may be used [illegible] 8(a) who have a severe [illegible] or otherwise handicapping [illegible] and who require special [illegible] in order to benefit from [illegible] and

"(ii) [illegible] employment services and other [illegible] operative programs [illegible] coordinators for [illegible] disadvantaged [illegible] handicapped [illegible] place, otherwise assist [illegible] work, and

[illegible]

[illegible] shall approve a State plan [illegible] which fulfills the [illegible]

[illegible] sum of the total funds [illegible] State under this part must [illegible] solely for disadvantaged students [illegible] defined in section 109(9); of the remainder, 10 per centum must be used [illegible] for the benefit of handicapped [illegible] defined in section 109(8), except [illegible] funds used specifically for disadvantaged and handicapped programs under the provisions of part D or part E of this Act [illegible] be considered for purposes of the requirement of this subsection.

"(d) At least 30 per centum of the total funds granted to each State under this part shall be used for postsecondary and adult education programs, both preparatory and supplementary.

"PART D—VOCATIONAL EDUCATION PROGRAM SERVICES

"AUTHORIZATION OF GRANTS

"SEC. 141. From the sums appropriated for sections 142, 144, and 145 the Secretary shall make grants to each State which has administrative arrangements approved under section 102, in an amount which bears the same ratio to the total amount of such sums as is specified in Section 132 for purposes of carrying out the purposes of each such section. Each such State shall allocate the sums it receives under these sections among programs under such sections in such a manner as to insure that the purposes of each such section are carried out.

"TEACHER EDUCATION

"SEC. 142. (a) Grants under this part shall be used by States, either directly or through contract with educational institutions, for programs of vocational teacher education, including education of teachers, coordinators, supervisors, counsellors, and administrators of vocational education, which may include—

"(1) preservice education, to be coordinated by the appropriate State agency or by an educational institution designated by the State, which shall include provisions for occupational testing, where appropriate, and for other testing, in order to assist vocational educators to assess their competence in relation to their educational role, and for other general assistance which will aid in development of vocational educators competent in both subject matter and in the theory and practice of teaching and learning, and

"(2) inservice education, which shall include education to maintain technical occupational competence and education to maintain professional educational competence, and which shall be offered throughout the year, at locations convenient to vocational educators.

"(b) There are authorized to be appropriated for purposes of this section $55,000,000 for the fiscal year ending June 30, 1976, $61,000,000 for the fiscal year ending September 30, 1977, $67,000,000 for the fiscal year ending September 30, 1978, $74,000,000 for the fiscal year ending September 30, 1979, and $81,000,000 for the fiscal year ending September 30, 1980.

"LEADERSHIP DEVELOPMENT AWARDS

"SEC. 143. (a) In order to meet the need in the States for qualified vocational education personnel with high potential to advance policymaking and leadership positions in vocational education, the Commissioner is authorized to make available three-year (36 consecutive month) leadership development grants in accordance with the provisions of this section upon his determination that—

"(1) persons selected for awards are eligible for admission as graduate students in an approved program of higher education and

"(2) persons selected for awards have had not less than two years of professional experience in vocational education or in business and industry or in military technical training, or two years of research experience in a social science which is applicable to vocational education, and

"(3) persons receiving such awards are currently employed or are qualified for employment in vocational education and have successfully completed, at a minimum, a master's degree program, and

"(4) persons selected for awards are recommended by their employer, or others, as having leadership potential in the field of vocational education.

"(b)(1) The Commissioner shall pay to persons selected for leadership development awards under this section such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs, but not less than $4,400 per person per academic year or its equivalent and $800 per person per summer session or its equivalent, with a dependent allowance of $600 per person per academic year or its equivalent and $100 per person for each dependent per dependent per summer session or its equivalent.

"(2) The Commissioner shall, in addition to the stipends paid under paragraph (1), make grants to the institution of higher education at which such person is pursuing his course of study in such amounts as the Commissioner determines to be consistent with the prevailing practices under comparable federally supported programs, which shall not exceed $4,500 per person per academic year or its equivalent, and $1,000 per person per summer session or its equivalent, but any amount charged such person for tuition and nonrefundable fees and deposits shall be deducted from the amount payable to an institution of higher education under this paragraph. Any funds from grants under this paragraph which remain after deducting normal tuition, fees, and deposits attributable to such students, shall be used by the project director for the program in leadership development for vocational education for such institution for the purpose of (A) enriching the educational experience of students receiving grants under this section through internships and other involvement with the ongoing program of vocational education in school districts and in State educational agencies, or through other activities determined by such director to be appropriate as leadership experience, and (B) providing part-time assistants for such director administering such leadership development program.

"(c) The Commissioner shall approve the vocational education leadership development program of an institution which has demonstrated previous experience in graduate vocational education and has submitted an application only upon finding that—

"(1) such institution offers a comprehensive undergraduate and graduate program in vocational education with adequate supporting services and disciplines such as educational administration, guidance and counseling, research, and curriculum development, and

"(2) such program is designed to substantially further the objective of improving vocational education through providing opportunities for graduate training in vocational education for teachers, supervisors and administrators and of increasing the [illegible] and

[illegible]

and

[illegible]

"(d) Persons receiving leadership awards under this section shall continue to receive the payments provided under subsection (b) only during such periods as the Commissioner finds that they are maintaining satisfactory proficiency in, and devoting the full-time to, study or research in the field of vocational education in an institution of higher education, and are not engaging in gainful employment, other than part-time employment, by such institution or with the approval of such institution, in teaching, research, or similar occupations approved by the Commissioner.

"(e) There are authorized to be appropriated for purposes of this section $5,120,000 for the fiscal year ending June 30, 1976, $5,120,000 for the fiscal year ending September 30, 1977, $5,120,000 for the fiscal year ending September 30, 1978, $5,120,000 for the fiscal year ending September 30, 1979, and $5,120,000 for the fiscal year ending September 30, 1980.

"(f) From the amounts appropriated under subsection (e), the Commissioner shall make awards under subsection (b) to four hundred persons, to be selected by the various States, who shall be accepted for admission as graduate students in an approved program of higher education not less than nine months in advance of the starting date of such program. Such grants shall be made for study at not more than twenty institutions approved by the Commissioner, which offer a graduate program with a specialty in vocational education. Such grants shall be apportioned equitably among the States, taking into account such factors as the State's vocational education enrollments, and the incidence of youth unemployment and school dropouts in the State.

"PLACEMENT AND FOLLOWUP

"SEC. 144. (a) Grants under this part shall be used by States for programs providing placement services for persons who successfully complete vocational education programs, to be carried out by local educational agencies, and by the appropriate State educational agency, and providing follow-up efforts in order to evaluate the success of vocational education programs in the State.

"(b) There are authorized to be appropriated for purposes of this section $24,000,000 for the fiscal year ending June 30, 1976, and for each succeeding fiscal year through September 30, 1980.

"STUDENT SUPPORT

"SEC. 145. (a) Grants under this part shall be used by States for programs to provide partial support for students entering vocational education programs assisted under part C which may include—

"(1) work-study programs, in which no student shall be employed for more than fifteen hours in any week in which classes in which he is enrolled are in session, nor for compensation which exceeds $1,200 in any fiscal year, and in which students are employed by public or private nonprofit agencies at work which is related, if possible, to the area of vocational education which such student is studying, and

"(2) stipends for students who have acute economic responsibilities which cannot be met under a work-study program, in which [illegible] student [illegible] per week per student are provided.

"(b) There are [illegible] be appropriated for purposes of this section $40,000,000 for the fiscal year ending June 30, 1976, $68,437,000 for the fiscal year ending September 30, 1977, $78,000,000 for the fiscal year ending September 30, 1978, $41,422,000 for the fiscal year ending September 30, 1979, and $27,800,000 for the fiscal year ending September 30, 1980.

PART E—APPLIED RESEARCH, CURRICULUM DEVELOPMENT, DEMONSTRATION PROGRAMS, AND LEADERSHIP DEVELOPMENT

"RESEARCH AND TRAINING IN VOCATIONAL EDUCATION

"SEC. 151. (a) From 50 per centum of the sums available for purposes of this section, the Commissioner is authorized to make grants and contracts for projects of significance to the Nation to institutions of higher education, public and private agencies and institutions, State boards, and, with the approval of the appropriate State board, to local educational agencies in that State, except that no grant may be made other than to a nonprofit agency or institution, for the purposes set forth in subsection (c), and for support for a national center or centers for research and development in vocational education independent of the Federal Government.

"(b) From the remaining 50 per centum of the sums available for purposes of this section, the Commissioner shall make grants to each State which has administrative arrangements approved under section 102 in an amount which bears the same ratio to the total amount of such sums remaining as the population of such State bears to the total population of all such States. Such grants shall be used by a State, in accordance with its statewide plans under section 108, for the costs of the State research coordination unit, and for grants to colleges and universities, and other public or nonprofit private agencies and institutions, and local educational agencies, and contracts with private agencies, organizations, and institutions for programs and projects for (1) research and training programs, (2) experimental, developmental, or pilot programs, (3) diffusion and implementation activities designed to meet the special vocational needs of youths, particularly youths in economically depressed communities who have academic, socioeconomic, or other handicaps which prevent them from succeeding in the regular vocational education programs, and (4) the dissemination of information and implementation of products derived from such programs or from research and demonstrations in the field of vocational education, which have been recommended by the State research coordination unit or by the State advisory council established under section 107.

"(c) Funds available under subsection (a) may be used for—

"(1) research in vocational education;

"(2) national institutes, symposia, or other activities designed to familiarize persons involved in vocational education with research findings and successful pilot and demonstration projects in vocational education;

"(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings;

"(4) demonstration and dissemination projects;

"(5) diffusion of information and products;

"(6) projects in the development of new careers and occupations, such as (A) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, welfare, education, municipal services, child care, and recreation requiring

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less training than professional positions and projects to delineate within such careers roles with the potential for advancement from one level to another; (B) training and development projects designed to demonstrate and diffuse improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors toward the end of achieving greater coordination and more effective implementation of programs for the employment of persons in the fields described in clause (A), including programs to prepare professionals (including administrators) to work effectively with aides; and (C) projects to evaluate the operation of programs for the training, development, and utilization of vocational education.

"(d) A grant or contract under subsection (a) may be made upon application to the Commissioner at such time, in such manner, and containing such information as the Commissioner deems necessary. Such application shall contain—

"(1) a description of the nature, duration, purpose, and plan of the project;

"(2) the qualifications of the principal staff who will be responsible for the project; and

"(3) a detailed justification of the amount of grant funds requested.

The Commissioner may not approve an application until such application has been reviewed by a panel of experts who are not employees of the Federal Government. The Commissioner shall pay to each applicant with an application approved under this subsection the amount expended in accordance with such application.

"(e) There are authorized to be appropriated for purposes of this section $40,000,000 for the fiscal year ending June 30, 1976, $44,000,000 for the fiscal year ending September 30, 1977, $48,000,000 for the fiscal year ending September 30, 1978, $52,000,000 for the fiscal year ending September 30, 1979, and $56,000,000 for the fiscal year ending September 30, 1980. Notwithstanding any other provision of law unless enacted expressly in limitation of the provisions of this sentence, sums made available from sums appropriated under this subsection for purposes of grants or contracts under subsection (a) shall remain available until expended.

"(f) No State shall receive less than $25,000 for any fiscal year from grants under subsection (a) and subsection (b).

"CURRICULUM DEVELOPMENT

"SEC. 152. (a) The Congress finds that curriculum development is complicated by the diversity of occupational objectives, variations due to geography, differences in educational levels and types of programs, and by the wide range of occupations. It is therefore the purpose of this section to enable the Commissioner to provide appropriate assistance to State educational agencies in the development of curriculums for new and changing occupations, and to coordinate improvements in, and dissemination of, existing curriculum materials, to provide assistance to national vocational education curriculum centers, to conduct special curriculum projects in selected school districts, and to sponsor national curriculum workshops and symposia; and to enable the States to provide attention to instate curriculum needs in vocational education for ongoing and expanding vocational education programs.

"(b) There are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1976, and for each of the four succeeding fiscal years, for purposes of this section.

"(c)(1) Fifty per centum of the sums appropriated under subsection (b) shall be used by the Commissioner, after consultation with the appropriate State agencies and the National Council, to make grants to or contracts with colleges or universities, State boards, and other public or nonprofit private agencies and institutions, or contracts with public or private agencies, organizations, or institutions—

"(A) to promote the development and dissemination of vocational education curriculum materials for use in teaching occupational subjects, including curriculums for new and changing occupational fields;

"(B) to implement such curriculums in programs of vocational and technical education;

"(C) to coordinate efforts of the States in the preparation of curriculum materials and prepare current lists of curriculum materials available in all occupational fields;

"(D) to survey curriculum materials produced by other agencies of government, including the Department of Defense;

"(E) to evaluate vocational-technical education curriculum materials and their uses;

"(F) to train personnel in curriculum development; and

"(G) to prepare teachers and administrators in the use of curriculum materials developed under this subsection.

"(2) From the remainder of such sums, the Commissioner shall grant to each State which has administrative arrangements approved under section 102, to meet vocational educational curriculum needs within such State, an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States.

"(3) For purposes of this subsection, the term 'curriculum' means a plan for a teaching and learning program which includes objectives, subject matter content, learning experiences, and teaching strategies, teaching aids, and means of evaluation, and the term 'curriculum materials' includes curriculum guides for teachers and administrators, and student materials for learning situations in vocational education programs, to prepare students for employment at the entry level or to upgrade the occupational competence of students who have been previously employed or who are currently employed in any occupational field.

"(d) Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this subsection, funds appropriated under subsection (b) shall remain available until expended.

"EXEMPLARY PROGRAMS AND PROJECTS

"SEC. 153. (a) the Congress finds that it is necessary to reduce the continuing seriously high level of youth unemployment by developing means for giving the same kind of attention as is now given to the college preparation needs of those young persons who go on to college, to the preparation needs of the two out of three young persons who end their education at or before completion of the secondary level, too many of whom face long and bitter months of job hunting or marginal work after leaving school. It is therefore the purpose of this section to stimulate, demonstrate, and diffuse, through Federal financial support, new ways to create a for young people who are still in school, who have left school either by graduation or by dropping out, or who are in postsecondary programs of vocational preparation, and to promote cooperation between public education and manpower agencies.

"(b) There are authorized to be appropriated to carry out this section $20,000,000 for the fiscal year ending June 30, 1976, $30,000,000 for the fiscal year ending September 30, 1977, $40,000,000 for the fiscal year ending September 30, 1978, $50,000,000 for the fiscal year ending September 30, 1979, and $75,000,000 for the fiscal year ending September 30, 1980.

"(c)(1) From 50 per centum of the sums appropriated under subsection (b), the Commissioner is authorized to make grants to or contracts with State boards and local educational agencies for the purpose of stimulating and assisting in the development, establishment, and operation of programs and projects designed to carry out the purposes of this section. The Commissioner may also make grants to other public or nonprofit agencies, organizations, or institutions, when such grants or contracts will make a significant contribution to attaining the objectives of this section.

"(2) From the remainder of such sums, the Commissioner shall grant to each State which has administrative arrangements approved under section 102 an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States, for grants by the State board to local educational agencies or other public or nonprofit private agencies, organizations, or institutions, or for contracts by the State board with public or private agencies, organizations, or institutions, including business and industrial concerns, upon such terms and conditions, consistent with the provisions of this section and with its statewide plans under section 108 as the State board determines will most effectively carry out the development, establishment, and operation of exemplary and innovative occupational education programs or projects designed to serve as models for use in vocational education programs.

"(d) Grants or contracts under this section may be used to pay all or part of the cost of—

"(1) planning and developing exemplary demonstration and diffusion programs or projects such as those described in paragraph (2), or

"(2) establishing, operating, or evaluating exemplary programs or projects designed to carry out the purposes set forth in subsection (a), and to broaden occupational aspirations and opportunities for youths, with special emphasis given to youths who have academic, socieconomic, or other handicaps, which programs or projects may, among others, include (A) programs and projects designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisites for careers in such occupations; (B) programs and projects for students which provide educational experiences through work during the school year or in the summer; (C) programs and projects for intensive occupational guidance counseling, and placement and follow-through during the last years of school and for initial job placement; (D) programs and projects designed to broaden or improve vocational education curriculum; (E) exchanges of personnel between schools and other agencies, institutions, or organizations participating in activities to achieve the purposes of this section, including manpower agencies and industry; (F) programs and projects for young workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and (G) programs and projects at the secondary level to motivate and provide preprofessional preparation for potential teachers for vocational education.

"(e)(1) Grants or contracts under this section may be made only if the Commissioner, or the State board in the case of grants made by a State board under subsection (c)(2), determines—

"(A) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of other programs and projects carried out under grants or contracts under this section, with the appropriate statewide plans, and with other public and private programs having the same or similar purposes;

"(B) that, to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students; and

"(C) that effective policies and procedures will be adopted which assure that Federal funds made available under this section will not be commingled with State or local funds.

"(2) No grant or contract (other than a grant or contract with a State board) shall be made by the Commissioner under subsection (c)(1) with respect to any program or project unless such program or project has been submitted to the State board in the State in which it is to be conducted and has been commented on by the State board within sixty days of such submission or within such longer period of time as the Commissioner may determine pursuant to regulations.

"(3) Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this paragraph, funds available to the Commissioner and to the State board under subsection (c) shall remain available until expended.

"INSTITUTES AND LEADERSHIP EDUCATION FOR VOCATIONAL EDUCATION ADMINISTRATORS, EDUCATIONAL BOARDS, AND OTHER PUBLIC GROUPS

"SEC. 154. (a)(1) From 50 per centum of the sums appropriated for purposes of this section, the Commissioner may make grants and contracts to pay the costs of carrying out cooperative arrangements concerning leadership development for experienced vocational education personnel, including teacher educators and administrators; and for other personnel, who are capable of strengthening vocational education programs supported under this Act. Such cooperative arrangements may be with any educational institution or agency, or with private business, industry, or other commercial enterprise, or accomplished directly by State boards.

"(2) Grants and contracts under this section may be used for projects and activities which may include—

"(A) leadership development programs designed to improve the quality of professional development and understanding concerning the relationships, functions, and needs of vocational education programs within the context of the Nation's total education effort with particular attention to be paid to educational problems identified as national or regional in scope;

"(B) short-term institutes, workshops, symposia, or other training activities designed to focus attention of vocational education policymakers upon national, social, economic, and educational issues and priorities in order to improve the leadership qualifications of such persons and to integrate effective vocational education programs into the educational experience of all persons; and long-term institutes for highly selected and high administrative level policymakers including vocational educators, State board members and staff, local school board members and staff (urban and rural), and representatives of business, industry, and the public at large;

"(C) national leadership development institutes and workshops for teacher educators, coordinators, supervisors, administrators, and other selected personnel for the purpose of developing procedures and standards pertaining to leadership development and other matters that affect program growth; and

"(D) national resource panels, funded through one or more States, whose purpose is to identify national priorities, to coordinate and train directors of funded activities, to identify exemplary components of leadership training activities, to be a source of technical assistance as requested by the States or the Commissioner, and to annually review the effectiveness of programs conducted under this subsection, members of which shall be recommended by the State boards and by the Commissioner to serve on a rotating basis and report to the Commissioner.

"(b) From the remainder of such sums, the Commissioner shall make a grant to each State which has administrative arrangements approved under section 102 in an amount which bears the same ratio to such remainder as the population of such State bears to the total population of all such States. Such grants may be used by the State, either directly or through grant or contract, for the purpose of conducting leadership programs for local and regional directors of vocational education, educational administration personnel, local boards of education, and selected State staff; the State board shall include in its statewide plans procedures for accomplishing the purpose of this subsection.

"(c) A grant or contract under this section may be made only upon application to the Commissioner, or to the State board in the case of grants or contracts under subsection (b), at such time, and containing such information as the Commissioner or the State board, whichever is appropriate, deems necessary. The Commissioner and the State board shall approve an application under this subsection only if such application—

"(1) sets forth a program for carrying out one or more projects or activities which meet the requirements of subsection (a) or (b), whichever is appropriate, and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

"(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds that would in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (a) or (b), whichever is appropriate, and in no case supplant such funds;

"(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

"(4) provides for making such reports, in such form and containing such information, as the Commissioner or the State board, whichever is appropriate, may require to carry out their functions under this section, and for keeping such records and for affording such access thereto as they may find necessary to assure the correctness and verification of such reports.

"(d) There are authorized to be appropriated to carry out this section $35,000,000 for the fiscal year ending June 30, 1976, and for each of the four succeeding fiscal years. Notwithstanding any other provision of law, unless enacted expressly in limitation of the provisions of this sentence, funds available under this section shall remain available until expended."

S. 942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postsecondary Vocational Education Act of 1975."

AMENDMENT PERTAINING TO DECLARATION OF PURPOSE

SEC. 2. Section 101 of the Vocational Education Act of 1963 is amended by inserting after the term "vocational education" wherever such term occurs the following: "and postsecondary occupational education."

DEFINITION OF POSTSECONDARY OCCUPATIONAL EDUCATION

SEC. 3. (a) Section 108(1) of such Act is amended by inserting immediately before the period at the end thereof the following: "; such term does not include training, retraining, guidance, counseling, instruction, and education of individuals who are sixteen years of age or older and who have graduated from or who have left elementary or secondary school."

(b) Section 108 of such Act is amended by redesignating paragraphs (2) through (13) as paragraphs (4) through (15), respectively, and by inserting immediately after paragraph (1) thereof the following new paragraphs:

"(2) The term 'postsecondary occupational education' means education, training, or retraining (and including guidance, counseling, and placement services) for persons sixteen years of age or older who have graduated from or left elementary or secondary school, conducted by an institution legally authorized to provide postsecondary education within a State, which is designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations (including new and emerging occupations), or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specified by regulation, to be generally considered professional or which require a baccalaureate or advanced degree.

"(3) The term 'postsecondary occupational education institution' means an educational institution in any State which

"(a) admits as regular students only persons sixteen years of age or older who have graduated from or left elementary or secondary school,

"(b) is legally authorized within such State to provide a program of education beyond secondary education, including community and junior colleges and other institutions of higher education (including branch campuses) as well as area and postsecondary schools and technical institutes,

"(c) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree,

"(d) is a public institution, and

"(e) is accredited by a nationally recognized accrediting agency or association or, if not so accredited,

"(A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or

"(B) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited.

"Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (a), (b), (d), and (e). For purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be re-

liable authority as to the quality of training offered."

ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL AND OCCUPATIONAL EDUCATION

SEC. 4. (a) Part A of such Act is amended by adding at the end thereof the following new section:

"STATE APPLICATION AND ESTABLISHMENT OF SEPARATE ALLOTMENTS FOR VOCATIONAL EDUCATION AND POSTSECONDARY OCCUPATIONAL EDUCATION

"SEC. 110(a). To be eligible for its allotment for a fiscal year under Section 103(a)(2), a State shall submit to the Commissioner an application including the following:

"(1) Assurance that the State's allotment for a fiscal year under Section 103(a)(2) shall be divided into two parts. One part of such allotment may be used only for grants under subpart 1 of part B, and the other may be used only for grants under subpart 2 of part B. The part to be used for grants under subpart 1 shall be known as the State's vocational education allotment for that year, and the part to be used for grants under subpart 2 shall be known as the State's postsecondary educational allotment for that year;

"(2) Assurance that not less than 40 percentum of the funds allotted to the State under Section 103(a)(2) for the programs and activities under each of the two subparts;

"(3) Providing for a mechanism or procedure, consistent with state law and state organizational structure, for a joint determination by the State Board, as designated under subpart 1 of Part B, and the State Commission, as designated under subpart 2 of Part B, of the most effective and equitable allocation of the remaining 20 per centum (remaining after the basic 40 per centum allocations) between subpart 1 and subpart 2 of Part B, taking into consideration the purposes of the Act as set forth in Section 101 and the state plans or state planning as required under each subpart;

"(4) Setting forth a mechanism or procedure which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to carrying out the purposes of this Act;

"(5) Agrees to submit to the Commissioner such state plans or documents as required under subparts 1 and 2 of Part B as are required for participation by the State in the programs authorized by those subparts.

"(b)(1) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to the State, finds that any of the assurances required by this part are unsatisfactory, or that there is a failure by the State to comply with such assurances or other requirements of this section, the Commissioner shall notify the State that no further payments will be made to the State under any program authorized by this part until the Commissioner is satisfied that there has been or will be compliance with the requirements of this section.

"(2) A State which is dissatisfied with a final action of the Commissioner under this section may appeal to the United States court of appeals for the circuit in which the State is located by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in Section 2112 of Title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court, affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in Section 1254 of Title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action."

(b)(1) Part B of such Act is amended by inserting immediately before the title of section 121 the following:

"SUBPART 1—VOCATIONAL EDUCATION PROGRAMS"

(2) Section 121 of such Act is amended to read as follows:

"SEC. 121. From the sums made available for grants under this subpart pursuant to sections 102, 103, and 110, the Commissioner is authorized to make grants to States to assist them in conducting vocational education programs for individuals in all communities of the States, which are designed to insure that education and training programs for career vocations are available to individuals who desire and need such programs."

(3) Section 122(a) of such Act is amended by striking out paragraphs (2) and (3) and by redesignating paragraphs (4) through (8) thereof as paragraphs (2) through (6), respectively, and section 102(b) and section 103(c) of such Act are each amended by striking out "section 122(a)(4)(A)" and inserting in lieu thereof "section 122(a)(2)(A)."

(4) Section 122(c) of such Act is amended to read as follows:

"(c)(1) At least 25 percentum of that portion of each State's vocational education allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, which is in excess of its base allotment shall be used only for the purpose set forth in paragraph (2)(A) of subsection (a): *Provided*, That for any such fiscal year the amount used for such purpose shall not be less than 15 percentum of the total allotment of such funds for each State, except as any requirement under this paragraph may be waived for any State by the Commissioner for any fiscal year upon his finding that the requirement imposes a hardship or is impractical in its application.

"(2) At least 10 percentum of each State's vocational education allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, shall be used only for the purpose set forth in paragraph (2)(B) of subsection (a).

"(3) As used in this subsection, the term 'base allotment' means the sum of the allotments to a State for the fiscal year ending June 30, 1969, from (A) sums appropriated under section 102(a) of this Act, (B) the Smith-Hughes Act (that is, the Act approved February 23, 1917 (39 Stat. 929; 20 U.S.C. 11–15, 16–28)), (C) the Vocational Education Act of 1946, and (D) any of the supplementary vocational educational Acts (including, in the case of American Samoa, section 2 of the Act of September 25, 1962, 48 U.S.C. 1667)."

(4) Section 123(a) of such Act is amended by striking out "this title" wherever such term occurs, except in paragraph (10), and inserting in lieu thereof "this subpart," by striking out "all population groups" in paragraph (6)(B) and inserting in lieu thereof "individuals," by striking out "this part" in paragraph (11) and inserting in lieu thereof "this subpart," and by striking out "all persons" in paragraph (11) and inserting in lieu thereof "individuals."

(5) Section 123(b) of such Act is amended by striking out "this part" and inserting in lieu thereof "this subpart."

(6) Section 123(c) and section 123(d) of such Act are each amended by striking out "this title" wherever such term occurs and inserting in lieu thereof "this subpart."

(7) Section 124 is amended by striking out "this part" in subsection (a) and inserting in lieu thereof "this subpart" and by striking out "this title" wherever such term occurs in subsections (b) and (c) and inserting in lieu thereof "this subpart."

POSTSECONDARY OCCUPATIONAL EDUCATION

SEC. 5. (a) Part B of such Act is amended by adding at the end thereof the following:

"SUBPART 2—POSTSECONDARY OCCUPATIONAL EDUCATION PROGRAMS

"AUTHORIZATION FOR STATES TO USE POSTSECONDARY OCCUPATIONAL EDUCATION ALLOTMENT

"SEC. 125. A State shall be authorized to use the funds allotted to it under the postsecondary occupational education allotment for each fiscal year for the activities set forth in Section 126 in order to promote access to postsecondary occupational education programs in such State, provided that such State has met the requirements as set forth in Section 127.

"USES OF FEDERAL FUNDS

"SEC. 126(a). A State may use its postsecondary occupational education allotment only for—

"(1) programs to promote access to postsecondary occupational education as set forth in Section 129;

"(2) planning related to promotion of access to postsecondary occupational education by State Commissions as set forth in Section 128;

"(3) administration of the program authorized in this subpart by the State Agency designated in accordance with Section 127; and

"(4) evaluation of the program under this subpart, and the dissemination of the results of such evaluation pursuant to Section 127(5);

"except that, not more than —— per centum shall be used for the purpose in paragraph (3), not less than —— per centum nor more than —— per centum shall be used for the purpose of paragraph (2), and not less than —— per centum nor more than —— per centum shall be used for the purpose of paragraph (4).

"(b) Of a State's postsecondary occupational education allotment for a fiscal year, 10 per centum may be used only for programs and activities as authorized under Section 129 to benefit handicapped persons, and 15 per centum may be used only for programs and activities as authorized under Section 129 to benefit persons (other than handicapped persons as defined in Section 108(3)) who have academic, socioeconomic, or other handicaps which prevent them from succeeding in the regular postsecondary occupational education program.

"STATE APPLICATION FOR POSTSECONDARY OCCUPATIONAL EDUCATION

"SEC. 127(a). Pursuant to agreement provided in Section 110(5), the State shall:

"(1) designate the State Commission established pursuant to Section 1202(a) of the Higher Education Act of 1965 as the State Commission to carry out planning as required under this subpart;

"(2) designate or provide for the establishment of a State agency authorized in accordance with State law as the State agency for disbursement of the State's postsecondary education allotment in accordance with the planning by the State Comimssion, and for proper fiscal control and accounting of funds granted to a State under this subpart;

"(3) provides assurance that funds granted the State will be used only for purposes set forth in Section 126, in a manner which is consistent with the State planning as required in Section 128;

"(4) provides that the State Commission designated under paragraph (1) shall undertake a continuous program of planning, in consultation with appropriate State agencies and institutions, in accordance with Section 128;

"(5) provides that the State Commission designated under paragraph (1) shall annually evaluate, with participation by the State Advisory Council on Occupational and Vocational Education, the use by the State of funds allotted to the states under this subpart in relationship to the state plan required under Section 128(b), including consideration of the relative effectiveness of various means used by the state to promote access to postsecondary occupational education; and provides that the results of such evaluation shall be reported to the Commissioner at such times and in such form as the Commissioner may reasonably require.

"(6) requires that each postsecondary occupational education institution which receives Federal funds under this subpart shall use such funds only for the postsecondary occupational education programs for which such funds were granted and shall provide assurances to the State agency designated pursuant to paragraph (2) that such funds will be used so as to supplement and not supplant, the level of funds from other sources available for such programs; and

"(7) Provides that the State's postsecondary occupational education allotment for a fiscal year, shall pay for not more than 50 per centum of the total expenditures made in carrying out the planning, administration, programs and activities under this subpart.

"(b) The provisions of Section 434(b)(3) of the General Education Provisions Act shall apply to any State application submitted under this section.

"STATE PLAN AND PLANNING

"SEC. 128. (a) The State commission designated pursuant to paragraph (1) of section 127 shall undertake a continuous program of statewide planning for postsecondary occupational education, which shall—

"(1) assess the existing capacity, or potential capacity, of all public postsecondary education institutions in the State (without regard to whether such institutions are under the supervision of the State Board of Vocational Education) to undertake programs to promote access to postsecondary occupational education;

"(2) determine student demand for postsecondary occupational education programs;

"(3) determine, in coordination with planning as required under the Comprehensive Employment and Training Act, of manpower needs in the State as a whole, and in the political subdivisions thereof;

"(4) propose methods for extending the benefits of postsecondary occupational education to groups not served by such programs, including improved out-reach, recruitment, guidance and counseling;

"(5) investigate and propose various methods to promote access to postsecondary occupational education; and

"(6) propose methods to give special consideration to the occupational education needs of persons for whom a full-time program is not feasible, such as housewives and persons currently employed full time who wish to upgrade their skills.

"(b) Prepare, with the advice of the State Advisory Council on Vocational and Occupational Education, an annual State plan, which shall serve as the basis for disbursement of the State's allotment for that year by the State agency designated in accordance with paragraph (2) of section 127. Such annual State plan shall:

"(1) Specify the means to be used in selecting postsecondary occupational education institutions to receive funds and the means to be used for determining the amount of funds to be granted to each such institution;

"(2) Provide for the distribution of funds by the State agency according to (a) a distribution formula based on objective criteria, (b) determinations (based upon objective criteria) as to which postsecondary occupational education programs will most effectively and economically meet previously ascertained needs, or (c) a combination of the methods of distribution of funds described in (a) and (b);

"(3) Contain the provisions required under (1) and (2) in sufficient specificity to enable the Commissioner to determine whether actual decisions under such plan conform to those requirements of such plan pursuant to section 127(a)(5),

"(4) Give special consideration to students who desire to continue their education after high school but are unable to do so on a full-time basis, so that programs for these part-time students will receive consideration equal to that given to programs for full-time students;

"(5) Include as eligible public postsecondary occupational education institutions not only such institutions as may be under the supervision of the State Board of Vocational Education; and

"(6) Provide that programs authorized by this part may be carried out through contractual arrangements with private non-profit postsecondary institutions where such arrangements can make a contribution to achieving the purposes of this part by providing substantially equivalent education, training, or services more readily or more economically, or by preventing needless duplication of expensive physical plant and equipment, or by providing needed education or training of the types authorized by this part which would not otherwise be available.

"PROGRAMS TO PROMOTE ACCESS

SEC. 129. In accordance with the State plan prepared by the State Commission pursuant to section 128, the State agency designated pursuant to section 127 shall disburse funds under this subpart to postsecondary occupational education institutions in the State in order to promote access to postsecondary occupational education, including programs such as the following:

"(1) Programs to reduce tuition and fees, but any such program would be required to include appropriate reductions in the tuition and fees charged part-time students. Whether tuition and fees are reduced could be determined by comparison with those charged for courses which, though not supported under the Act, have comparable instructional costs, by comparison with the tuitions and fees previously charged for the same course, or by such other method as the Commissioner deems will assure the tuition and fees charged are lower than they would be but for the grant.

"(2) Programs of in-service training, for guidance and counseling personnel serving in elementary and secondary schools in order to familiarize such personnel with opportunities afforded by postsecondary occupational education.

"(3) Programs under which payments are made to assist institutions to meet their costs of instruction, but only where such payments are linked to progressively increasing occupational enrollments.

"(4) Curriculum development programs for new curriculums and modifications of old curriculums to meet the job market.

"(5) Programs to broaden the types of institutions providing these programs so that the variety in the types of institutions will meet the needs and desires of an increased number of students.

"(6) Innovative arrangements, including competency based learning under which courses given in postsecondary occupational education programs may be counted for credit toward a bachelor's degree where the student chooses to continue his education.

"EVALUATIONS BY COMMISSIONER

"SEC. 130. In carrying out his duty under Section 417 of the General Education Provisions Act to make annual evaluative reports to the Senate and House Education Committees, the Commissioner shall give special attention to evaluation of the various means for promoting access to postsecondary occupational education programs to assist the Congress in its oversight responsibilities."

AMENDMENTS TO NATIONAL AND STATE ADVISORY COUNCIL PROVISIONS

SEC. 6. (a) Section 104(a) of such Act is amended as follows—

(1) Paragraph (1) of such subsection is amended by striking out "National Advisory Council on Vocational Education" and inserting in lieu thereof "National Advisory Council on Vocational and Postsecondary Occupational Education", and by inserting after "programs" in subparagraph (C) the following: "and postsecondary occupational education programs".

(2) Paragraph (2) of such subsection is amended by inserting the following after "vocational education programs" each time it appears: and postsecondary occupational education programs".

(3) Paragraph (5) of such subsection is amended by striking out "vocational education" wherever such term occurs, and inserting in lieu thereof "postsecondary occupational education".

(b) Section 104(b) of such Act is amended as follows—

(1) Subparagraph (A) of Section 104(b)(1) of the Act is amended by redesignating clauses (iii) through (ix) as clauses (iv) through (x), respectively, and by striking out clause (ii) and inserting in lieu thereof the following clauses:

"(ii) representative of community and junior colleges and other postsecondary occupational education institutions, as defined in Section 108 of this Act,

"(iii) representative of area vocational schools, technical institutes, and adult education agencies or institutions, which may provide programs of vocational or technical education and training,".

(2) Subparagraph (B) of Section 104(b)(1) of the Act is amended by inserting the words "subpart 1 of" after the words "State plan submitted pursuant to".

(3) Subparagraphs (C)&(D) of Section 104(b)(1) of the Act are redesignated subparagraphs (D) and (E), respectively, and a new subparagranh (C) shall read as follows:

"(C) advise the State Commission designated or established pursuant to Section 127(a)(1) of subpart 2 of Part B with respect to the evaluation required pursuant to paragraph (5) of Section 127(a), and with respect to the continuous programs of state-wide planning for postsecondary occupational education and development of the annual State plan pursuant to Section 128;".

TECHNICAL AMENDMENTS TO PARTS C THROUGH J OF THE VOCATIONAL EDUCATION ACT OF 1963

SEC. 7. Parts C, D, E, G, H, I, and J of such Act are each amended by inserting after

"vocational education" wherever such term occurs the following: "and postsecondary occupational education."

EFFECTIVE DATE

SEC. 8. The amendments made by sections 1 through 7 of this Act shall take effect on October 1, 1976.

PLANNING GRANTS

SEC. 9. (a) There are hereby authorized to be appropriated for grants under this section such sums as may be necessary for the period which begins July 1, 1975, and ends September 30, 1976.

(b) The Commissioner shall carry out a program of grants to State Commissions established pursuant to section 1202 of the Higher Education Act of 1965 which apply for such grants, at such times and in such manner as the Commissioner shall determine, for purposes of enabling such Commissions to plan programs under subpart 2 of part B (as added by section 5 of this Act) of the Vocational Education Act of 1963, including the development of State plans under section 128 of such subpart.

AMENDMENT TO SECTIONS 1202 AND 1203 OF THE HIGHER EDUCATION ACT OF 1965, AS AMENDED

SEC. 10. Section 1202 is amended to read as follows:

"SEC. 1202(a)(1). Any State desiring to receive assistance after September 30, 1976, from any program authorized by this Act which requires the use of a state agency or state commission, or to use funds received by such State under the Vocational Education Act of 1963, as amended, for the purpose of postsecondary education, shall submit to the Commissioner prior to August 1, 1976, a state plan, which—

"(A) designates the state agency responsible, in accordance with state law, for comprehensive state-wide planning for postsecondary education, as the "state commission," or if no state agency with such responsibility exists, designates an existing agency or establishes a new agency as the "state commission" which shall be authorized in accordance with state law to be responsible for comprehensive state-wide planning for postsecondary education in that State;

"(B) sets forth the means to be used by such State, consistent with State law and unique State circumstances, to assure direct and active participation in the comprehensive planning for postsecondary education by the state commission designated or established pursuant to subparagraph (B), through membership on the state commission or through advisory councils to the state commission or through other appropriate means, of representatives of the general public, and public and private non-profit and proprietary institutions of postsecondary education in the State, including community colleges (as defined in Title X), junior colleges, postsecondary vocational schools, area vocational schools, technical institutes, four-year institutions of higher education and branches thereof;

"(C) sets forth a plan of administration to assure

"(i) that state agencies or state commissions in such State required by this Act and by the Vocational Education Act of 1963, if such state commission designated or established under this section, are administered in a manner consistent with the comprehensive state-wide planning for postsecondary education carried out by the state commission designated or established under this section;

"(ii) that an administrative device has been established which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to comprehensive state-wide planning for postsecondary education;

"(D) sets forth the criteria and means to be used by the State to evaluate the effectiveness of comprehensive state-wide planning by the state commission, and to evaluate the effectiveness of the means used for the purpose of subparagraph (B) and the plan of administration for the purpose of subparagraph (C);

"(E) provides for submission to the Commissioner of an annual report not later than August 1 of each year beginning in fiscal year 1977, containing revisions, if any, in the information and assurances in the State plan as required in this section, the results of the evaluations carried out as specified by the State in accordance with subparagraph (D), and such other information as the Commissioner may reasonably require to assess the response of the State to the requirements of this section;

"(2)(A) Whenever the Comissioner, after reasonable notice and opportunity for a hearing to the state, finds that any of the assurances required by paragraph (1) are unsatisfactory, or that there is a failure by the State to comply with such assurances or other requirements of this section, the Commissioner shall notify that State that no further payments will me made to the State under any program authorized by this Act, which requires the use of a state agency or state commission, or under the Vocational Education Act of 1963, as amended, with respect to postsecondary educatien, until the Commissioner is satisfied that there has been or will be compliance with the requirements of this section.

"(B) A State which is dissatisfied with a final action of the Commissioner under this section may appeal to the United States court of appeals for the circuit in which the State is located by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court, affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in Section 1254 of Title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

"(b)(1) At any time after July 1, 1973, a State may designate the State Commission established under subsection (a) as the State agency or institution required under section 105, 603, or 704. In such a case, the State Commission established under this section shall be deemed to meet the requirements of such sections for State agencies or institutions.

"(2) If a State makes a designation referred to in paragraph (1)—

"(A) The Commissioner shall pay the State Commission the amount necessary for the proper and efficient administration of the state commission of the functions transferred to it by reason of the designation; and

"(B) the State Commission shall be considered the successor agency to the State agency or institution with respect to which the designation is made, and actions theretofore taken by the State agency or institution shall continue to be effective until changed by the State Commission.

"(c)(1) If any State desires to receive assistance under title VI or under title VII but does not desire, after June 30, 1973, to place the functions of state commissions under such titles under the authority of the state commission established pursuant to subsection (a),

"(A) such State shall establish for the purposes of such titles a State Commission which is broadly representative of the public and of institutions of higher education (including junior colleges and technical institutes) in the State, and such state commission shall have the sole responsibility for the administration of State plans under such titles VI and VII within such State; and

"(B) the Commissioner shall pay such state commissions the amount necessary for the proper and efficient administration of the state commissions of the functions set forth in such titles VI and VII, except that no such payments shall be made unless the State has complied with the requirements set forth in subsection (a) of this section.

"(d) For the purposes of this section, when the term "State" is used with respect to establishment or designation of state commissions or submission of state plans or assurances to the Commissioner, that term shall mean the Governor or legislature of the State, or in the case of States in which members of the State agency responsible under state law for comprehensive state-wide planning for postsecondary education are elected (including election by the State legislature), such State agency."

SEC 11. Section 1203 is amended to read as follows:

"Sec. 1203(a). The Commissioner is authorized to make grants to any State Commission established pursuant to section 1202 (a) to improve the quality and to broaden the scope of comprehensive state-wide planning for postsecondary education by such State Commission in order to promote efficient and effective use of all the postsecondary education resources of the State—public, private nonprofit, and proprietary as well as both collegiate and noncollegiate postsecondary education institutions—to the end that all persons within the State who desire, and who can benefit from postsecondary education may have an opportunity to do so. The Commissioner shall promulgate by regulation criteria for evaluating applications from State Commissions for grants under this section in accordance with the objectives set forth in this subsection.

"(b) The Commissioner shall make technical assistance available to State Commissions, if so requested, to assist them in achieving the purposes of this section.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out this section."

SEC. 12. Subsection (a) of section 1204 shall read as follows:

"SEC. 1204(a) Nothing contained in sections 1202 or 1203 of this Act shall be construed as a federal authorization, requirement or suggestion that the State Commission established pursuant to subsection 1202(a) shall be authorized under either federal or state law to regulate, govern or administer an institution or institutions of postsecondary education, except that this section does not prohibit actions by States, in accordance with the laws of such States, to assign functions in addition to comprehensive statewide planning for postsecondary education to the State Commission established pursuant to subsection 1202(a)."

SEC. 13. The amendments made by Sections 10 through 12 of this Act shall be effective July 1, 1975.

S. 943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vocational Education Amendments of 1975."

SEC. 2. (a)(1)(A) The first sentence of section 102(b) of such Act is amended to read as follows: "There are authorized to be appropriated $60,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of section 122(a)(4)(A).".

(B) The first sentence of section 102(c) of such Act is amended to read as follows: "There are authorized to be appropriated $17,500,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of section 122(a)(4)(C).".

(C) Section 102(d) of such Act is amended by striking out "for each fiscal year" and inserting in lieu thereof "each for fiscal year 1976, 1977, 1978, 1979, and 1980,".

(D) (i) Section 104(a)(4) of such Act is amended by striking out "five" and inserting in lieu thereof "ten".

(ii) Section 104(a)(5) of such Act is amended by striking out "July 1, 1976" and inserting in lieu thereof "October 1, 1980".

(2) Section 142(a) of such Act is amended by striking out "five" and inserting in lieu thereof "ten".

(3)(A) Section 151(b) of such Act is amended to read as follows:

"(b) There are authorized to be appropriated $35,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this section.".

(B) Section 152(a)(1) of such Act is amended by striking out "fiscal years ending prior to July 1, 1975," and inserting in lieu thereof "ten fiscal years".

(3) Section 153(d)(2) of such Act is amended by striking out that part thereof which follows "not exceed $5,000,000" and inserting in lieu thereof the following: "for the first year for which an appropriation is made for the purposes of this section, which amount shall be increased by $5,000,000 on October 1 of each of the four succeeding fiscal years.".

(4)(A) The first sentence of section 161(a)(1) of such Act is amended to read as follows: "There are authorized to be appropriated $50,000,000 each for fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(B) The first sentence of section 161(c) of such Act is amended by striking out "five" and inserting in lieu thereof "ten".

(5) Section 172(a) of such Act is amended by striking out that part of the first sentence thereof which precedes "for making grants" and inserting in lieu thereof "There are authorized to be appropriated $75,000,000 each for fiscal years 1976, 1977, 1978, 1979, and 1980,".

(6) Section 181(a) of such Act is amended to read as follows:

"SEC. 181. (a) There are authorized to be appropriated $45,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(7) Section 189(b) of such Act is amended to read as follows:

"(b) There are authorized to be appropriated $10,000,000 each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(8) Section 193 of such Act is amended by striking out all that follows "$17,500,000" and inserting in lieu thereof the following: "each for the fiscal years 1976, 1977, 1978, 1979, and 1980, for the purposes of this part.".

(b) The amendments made by subsection (a) shall be effective on and after July 1, 1975.

By Mr. GRAVEL:

S. 944. A bill to modify the Crater-Long Lakes division of the Snettisham project, Alaska, with respect to the terms and period of amortization of the capital investment of the United States in such project. Referred to the Committee on Public Works.

SNETTISHAM PROJECT

Mr. GRAVEL. Mr. President, it has long been recognized that one of Alaska's most pressing needs is an adequate and dependable supply of hydroelectric power with a rate structure low enough to bring it within the reach of all classes of prospective users.

A move to meet that need was conceived and initiated nearly 13 years ago with congressional authorization of a major development known as the Snettisham project and designed to serve as a power supply source for the State Capitol city of Juneau and the surrounding area.

Accelerating energy demands, particularly those triggered by a start on the Alaskan pipeline project, have far more than justified the vision of the planners.

Had things worked out as they anticipated, the dream of low-cost power for the Juneau area would now be well along the way to reality.

Unfortunately, it has not turned out that way.

The project has been plagued with problems almost since the start of work in 1967.

There have been contract difficulties, construction delays and cost escalations far beyond the normal rate of inflation.

The first-unit power production was delayed almost 18 months and there have been service disruptions at frequent periods since then.

The effect has been to turn a dream into a nightmare for the Juneau area.

Final construction costs are now estimated at over $90 million, compared to an original figure of about $43 million.

The anticipated power rate is now pegged at about 15.6 mills and could go higher. The first estimate was 7.5 mills.

Juneau power users were not responsible for the problem but they are the ones who will pay for it unless something is done to relieve them of that burden.

I proposed such relief 8 months ago with a bill (S. 3731) modifying the terms and extending the period for repayment of Snettisham project costs.

The press of other business foreclosed Interior Commitee hearings and action on the bill before the end of last year's session so it died with adjournment.

The situation is even more critical now than it was then, and the need for relief more imperative.

It appears that construction will be further delayed and that a major modification of the concept may be needed before the difficulty is fully corrected.

I am therefore today reintroducing the repayment modification bill.

Like the original one, it would stretch the amortization period to 60 years, with only token payments during the first 10 years.

The first annual payment would be one-tenth of 1 percent of the principal, with that amount increasing by an additional one-tenth of 1 percent in each of the succeeding 9 years. Under that arrangement, the payment in the 10th year would be a full 1 percent of the total.

The balance of the amount due, including interest for the entire 60-year period, would then be repaid in installments over the last 50 years.

This arrangement would have the advantage of requiring the lowest payments during the period when the market for Snettisham power is still being developed and broadened and of delaying the bulk of the obligation until the project is at full power with a maximum of customers. In that way, it would mean a reduced burden for each individual user.

Let me stress that there is specific current precedent for the plan of graduated token payments which I have proposed. A similar provision was authorized in section 46 of last year's Water Resources Development Act, Public Law 93-251, with reference to a contract between the Corps of Engineers and the city of Aberdeen, Wash., covering water supply storage costs.

I am also advised that the amortization of some Bureau of Reclamation projects provides a general precedent for concession such as I am proposing in the Snettisham instance.

In my judgment, the special considerations provided in my bill are entirely proper and necessary for the protection of the legitimate rights and interests of the Juneau area and southeastern Alaska, and I firmly believe the legislation will contribute substantially to insuring that the project eventually fulfills the mission for which it was designed.

I am going to continue to work for completion of the development with as few additional delays as possible because I am convinced that it can be of tremendous future benefit.

It was in that context that I last year filed a request, subsequently granted by the Senate Appropriations Committee, that the Corps of Engineers be given authority to shift $1.4 million in existing funds to finance the temporary transmission repairs.

I likewise urged that $700,000 be added to the Corps fiscal 1975 budget for Snettisham to finance the first year of permanent repairs and I will work for full modification as rapidly as possible.

In pressing for those repairs I do not in any sense intend to foreclose the possibility of seeking to separate their costs from other entailed in the project and of asking for other reductions in the repayment schedule later to the degree to which Federal responsibility can be fixed for cost escalations.

Regardless of any such subsequent determination, however, I think it is im-

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portant that some specific relief be provided to the Juneau area with respect to the amortization schedule.

That is the purpose of the bill which I am now introducing. I ask that it be promptly processed and referred for early committee consideration.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 945. A bill relating to certain Indian claims. Referred to the Committee on the Judiciary.

Mr. HATFIELD. Mr. President, today I send to the desk legislation to provide for the determination of claims against the government by the Coos, Lower Umpqua, and Siuslaw Indian tribes. This bill is cosponsored by Senator PACKWOOD.

These three small tribes, which were officially terminated by the Government in the 1950's, claim they have never received compensation for lands taken from them, despite the fact that they signed a treaty with the government in 1855. The treaty was never ratified, and the Indians were marched up and down the Oregon coast under the direction of Government agents. The history of their treatment by the Government is a sorry one, and one which merits consideration by the Congress.

Writing about them in a letter, Mr. Ben Simpson, Superintendent of the Siletz Reservation in Oregon, said in 1871:

For sixteen years this scant, irregular, and uncertain charity, doled out to them from time to time, has been the evidence they have received that they were not utterly forgotten by the Government. For sixteen years they have been fed upon promises that were made only to be broken, and their hearts have sickened with "hope deferred."

For sixteen years they have seen the white man gather in annually his golden harvest from the lands which they surrendered; and for all those long, weary sixteen years, they have waited, and waited in vain for the fulfillment of the solemn pledges with which the white man bought these lands. What wonder is it that, suspicious and distrustful as they are by nature, they should, under such tuition, cease to have any faith in the white man's word, or to heed his solemn preachments about civilization and education? Who can blame them if, after such an experience, they come to regard the whole white race, from the GREAT FATHER down, as a race of liars and cheats, using their superior knowledge to defraud the poor Indians?

Dr. Stephen Dow Beckham, associate professor of history at Linfield College in McMinnville, Oreg., has studied the history of these Indians carefully and prepared a memorandum on their case for compensation. I ask unanimous consent that this document be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HATFIELD. The legislation Senator PACKWOOD and I are introducing today would, if enacted, confer jurisdiction upon the U.S. District Court for the District of Oregon to hear, determine, and render judgments upon any claims filed by the tribes. This would allow submission of new evidence which has been unavailable in previous cases. Passage of this legislation would result in the final determination of an issue which has been with us for about 120 years. I believe that such a step is justified and I urge my colleagues to support this bill.

(EXHIBIT 1)

To: Members of Congress.

From: Stephen Dow Beckham, Ph.D. Consultant to STOWW (Small Tribes of Western Washington, Inc.)

Subject: Background Information Regarding Unsettled Claims of the Coos, Lower Umpqua, and Siuslaw Indians of Western Oregon.

Date: 16 September 1973.

Three tribes of coastal Oregon—the Coos, Lower Umpqua, and Siuslaw—presently have several concerns that relate to their claims against the government of the United States. These issues can best be seen in terms of a cursory survey of their relationship with that government.

White men first made land contact with these people in 1826 when traders of the Hudson's Bay Company ventured into the southern Oregon coast. For the next twenty-seven years these Indians traded with white entrepreneurs and explorers. In 1851 settlers who were citizens of the United States staked claims on the Lower Umpqua River. By 1853 white families began occupying Coos Bay. These lands, filed upon under provisions of the Oregon Donation Land Act, were taken from the Coos and Lower Umpqua (Kalawatset) Indians in spite of the Organic Act passed by Congress in 1848 which created Oregon Territory and specifically confirmed Indian title.

On August 17, 1855, the Coos, Lower Umpqua, and Siuslaw tribes signed in good faith a treaty with representatives of the U.S. government. Thirteen white men, including Superintendent of Indian Affairs Joel Palmer, witnessed this treaty. In this agreement the above named tribes ceded to the government their lands for specified remuneration. This treaty was not ratified.

When Indian warfare came to the Oregon coast in February, 1856, the Coos, Lower Umpqua, and Siuslaw tribes remained peaceful. Many of the Indians on Coos Bay gathered at temporary reserves at the insistence of the white settlers. They did not join the Indians fighting on the southern Oregon seaboard.

In spite of their peace posture Agent E. P. Drew held conferences on Coos Bay on April 13–14, 1856, and, without a treaty compelled the Coos Indians to leave their ancestral homelands and relocate under armed guard at Umpqua City, a wind-swept townsite in the sand dunes at the mouth of the Umpqua River. By September 24, 1856, Drew had 234 Coos Indians at that site.

For three years the Coos, Lower Umpqua, and Siuslaw awaited action on their treaty. The Senate never acted. Nevertheless the Bureau of Indian Affairs and its Oregon officers concluded to remove these non-treaty Indians to the Siletz Reservation and on September 3, 1859, began the forced march of the Coos and Lower Umpqua Indians eighty miles farther up the Oregon coast to the Alsea sub-agency (Yachats).

These removals of non-treaty Indians were in direct violation of the provision of the Organic Act of 14 August 1848 which prohibited slavery in Oregon Territory. This measure was declared operative by Joseph Lane on 3 March 1849.

From September, 1859, until the summer of 1875 the Coos and Lower Umpqua tribes were held under armed control at the Alsea Sub-Agency. The Siuslaw were left in their old homeland on the Siuslaw River. Since these were non-treaty Indians they did not receive annuity goods. They were, however, compelled to become farmers and were made to grow wheat at Yachats. Nearly 50% of these people perished during the sixteen years they toiled to clear fields, build houses, construct barns, and erect fences at the sub-agency.

On occasions when these Indians escaped the reservation and went back to their old homeland at Umpqua and Coos Bay, soldiers were dispatched to capture them and drive them back to the reservation. In June, 1864, one white man went so far as to file for a writ of habeas corpus to force the agent to show under what right he kept the Coos Indians imprisoned at the Alsea sub-agency. The judge refused to issue the writ.

In 1875 the government threw open the Alsea sub-agency to white homesteaders. On June 27, 1875, the Indians were belatedly assembled to hear that their lands, their homes, and their improvements were to be taken by the first whites to file on those properties. Thoroughly disillusioned with the United States government, the survivors of the Coos and Lower Umpqua bands returned to their old homelands. Many joined their linguistic cousins, the Siuslaw, on that estuary in western Lane County.

BIA services were not extended to these tribes in any regularized manner. In 1910 they were administratively attached to the Roseburg Superintendency. In 1918 they were transferred to the Greenville School's authority in California. Later that year they were transferred to the control of the Siletz Agency but were not enrolled. In 1925 they were placed under the Clerk of Chemawa Indian School near Salem, Oregon. Throughout all these years they were without any health or educational services.

On May 5, 1917, these three tribes met and began legal action for settlement for their tribal lands. After twelve years of conferences and untiring travel for Coos Indian George Bundy Wasson, the confederated tribe's representative, Congress at last allowed their case to go to the Court of Claims. That legislation passed on February 23, 1929.

The Court of Claims heard this case under title of K–345. In it the three tribes sued for 1,602,280 acres. On May 2, 1933, the Court issued its ruling. It insisted that the Coos, Lower Umpqua, and Siuslaw Indians were parties to the allotment agreement reached at Siletz on October 31, 1892. Such a conclusion can not be documented and is impossible to reach as these tribes were not then nor ever had been on the Siletz Reservation. They had been held prisoner on the Alsea Sub-Agency from 1859 to 1875 but were gone from government control after that date. Records of the 1892 conference do not reveal any account of the Coos, Lower Umpqua, and Siuslaw participating in that agreement.

The Court then rejected the suit of these three tribes. It found that eighteen depositions of Indian testimony (taken in 1931 in North Bend, Oregon, by representatives of the court) were heresay and unacceptable to prove Indian occupancy of any of the Oregon seaboard. Interestingly several of the tribal members could testify only in their native language and had to give their accounts through an interpreter. The other evidence submitted to the Court to prove aboriginal occupancy was the treaty of 1855 which specifically delineated tribal claims. The Court ruled that an unratified treaty was unacceptable as evidence.

A request for a writ of certiorari was filed on February 7, 1939, with the Supreme Court. It was denied on March 27, 1939.

Under the filing deadline for the Indian Claims Commission these three tribes again began suit for their tribal lands. On July 6, 1947, they hired attorneys to handle their case. On May 22, 1951, Harrison Ellsworth of Oregon introduced H.R. 4190 to allow these tribes to get their case before the Commission. Senator Guy Cordon (for himself and Senator Morse) introduced S. 1572 (82d Congress, 1st Session) also in 1951 for the same purpose. This latter bill was referred to the Committee on Interior and Insular Affairs of the Senate; the former to the House committee.

The Indian Claims Commission did hear the case—Number 265. It dismissed it as a matter of res judicata, stating that the original case had been decided on its merits. This decision needs to be examined for the following reasons:

Why were no records of the Hudson's Bay Company used to show the presence of these tribes in their aboriginal homeland more than twenty years before white settlement?

Why in either case did attorneys fail to bring in expert witnesses for either the disciplines of history or anthropology?

Why, in either case, were the government archival records not employed or submitted which conclusively show that the three tribes did occupy the southern Oregon coast?

Why were not the dozens of contemporary white accounts (letters, diaries, newspapers, ledgers, etc.) not used as evidence in this case?

There was no excuse in 1952 for the attorney for the tribes not to use the abundant documentation necessary to document these people's claims. When the Indian Claims Commission rendered its decision, the attorney for the three tribes did not even file an appeal. He had conducted the case with no new evidence and no success.

The Coos, Lower Umpqua, and Siuslaw tribes alledge that they did not have competent legal counsel in their suit before the Indian Claims Commission. The conduct of the case and the glaring deficiencies of attorney activity seem to support this contention.

These three tribes—still without settlement for their lands and without legal aid services (other than at their own expense in K–345 and Case No. 265)—were then terminated by the Act of Congress of 1954, effective in August, 1956. These Indians alledge that they were not parties to this termination agreement, that they were excluded from hearings, and that they were terminated without consent.

In light of these matters and several other concerns (among them the status of their 6.1 acre reservation and its Indian building in the Empire District of Coos Bay, Oregon), these tribes have requested STOWW to assist them gain congressional attention for their situation.

STEPHEN DOW BECKHAM,
Associate Professor of History.
Linfield College, McMinnville, Oreg.

(NOTE.—Dr. Beckham holds his Ph.D. from UCLA. His books include Requiem For a People: The Rogue Indians and the Frontiersmen (University of Oklahoma Press, 1971). His television series "This Land Was Theirs: The Indians of the Oregon Coast" was prepared under a grant from the National Endowment for the Humanities in 1971–72 and released in six half hour color programs on CBS and Oregon Educational Broadcasting.)

Mr. PACKWOOD. Mr. President, I am pleased to cosponsor this legislation today with my Oregon colleague, Senator HATFIELD, to confer jurisdiction upon the U.S. District Court of Oregon to hear the case of the Coos, Lower Umpqua and Siuslaw Indian Tribes, Inc. The history of the Government's treatment of these tribes is a grievious one, which this bill will allow a final hearing on if it is enacted. The historical documentation which has been compiled by Prof. Stephen Beckham, from Linfield College, shows the consideration I believe we should give these tribes by allowing a reopening of their case.

Mr. President, I ask unanimous consent that Professor Beckham's historical summary be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Three tribes of coastal Oregon—the Coos, Lower Umpqua, and Siuslaw—presently have several concerns that relate to their claims against the government of the United States. These issues can best be seen in terms of a cursory survey of their relationship with that government.

White men first made land contact with these people in 1828 when traders of the Hudson's Bay Company ventured into the southern Oregon coast. For the next twenty-seven years these Indians traded with white entrepreneurs and explorers. In 1851 settlers who were citizens of the United States staked claims on the Lower Umpqua River. By 1853 white families began occupying Coos Bay. These lands, filed upon under provisions of the Oregon Donation Land Act, were taken from the Coos and Lower Umpqua (Kalawatset) Indians in spite of the Organic Act passed by Congress in 1848 which created Oregon Territory and specifically confirmed Indian title.

On August 17, 1855, the Coos, Lower Umpqua, and Siuslaw tribes signed in good faith a treaty with representatives of the U.S. Government. Thirteen white men, including Superintendent of Indian Affairs Joel Palmer, witnessed this treaty. In this agreement the above named tribes ceded to the government their lands for specified remuneration. This treaty was not ratified.

When Indian warfare came to the Oregon coast in February, 1856, the Coos, Lower Umpqua, and Siuslaw tribes remained peaceful. Many of the Indians on Coos Bay gathered at temporary reserves at the insistence of the white settlers. They did not join the Indians fighting on the southern Oregon seaboard.

In spite of their peaceful posture Agent E. P. Drew held conferences on Coos Bay on April 13–14, 1856, and, without a treaty, compelled the Coos Indians to leave their ancestral homelands and relocate under armed guard at Umpqua City, a wind-swept townsite in the sand dunes at the mouth of the Umpqua River. By September 24, 1856, Drew had 234 Coos Indians at that site.

For three years the Coos, Lower Umpqua, and Siuslaw awaited action on their treaty. The Senate never acted. Nevertheless the Bureau of Indian Affairs and its Oregon officers concluded to remove these nontreaty Indians to the Siletz Reservation and on September 3, 1859, began the forced march of the Coos and Lower Umpqua Indians eighty miles farther up the Oregon coast to the Alsea sub-agency (Yachats).

These removals of non-treaty Indians were in direct violation of the provision of the Organic Act of 14 August 1848 which prohibited slavery in Oregon Territory. This measure was declared operative by Joseph Lane on 3 March 1849.

From September, 1859, until the summer of 1875 the Coos and Lower Umpqua tribes were held under armed control at the Alsea Sub-Agency. The Siuslaw were left in their old homeland on the Siuslaw River. Since these were non-treaty Indians they did not receive annuity goods. They were, however, compelled to become farmers and were made to grow wheat at Yachats. Nearly 50% of these people perished during the sixteen years they toiled to clear fields, build houses, construct barns, and erect fences at the sub-agency.

On occasions when these Indians escaped the reservation and went back to their old homeland at Umpqua and Coos Bay, soldiers were dispatched to capture them and drive them back to the reservation. In June, 1864, one white man went so far as to file for a writ of habeas corpus to force the agent to show under what right he kept the Coos Indians imprisoned at the Alsea sub-agency. The judge refused to issue the writ.

In 1875 the government threw open the Alsea sub-agency to white homesteaders. On June 27, 1875, the Indians were belatedly assembled to hear that their lands, their homes, and their improvements were to be taken by the first whites to file on those properties. Thoroughly disillusioned with the United States government, the survivors of the Coos and Lower Umpqua bands returned to their old homelands. Many joined their linguistic cousins, the Siuslaw, on that estuary in western Lane County.

BIA services were not extended to these tribes in any regularized manner. In 1910 they were administratively attached to the Roseburg Superintendency. In 1918 they were transferred to the Greenville School's authority in California. Later that year they were transferred to the control of the Siletz Agency but were not enrolled. In 1925 they were placed under the Clerk of Chemawa Indian School near Salem, Oregon. Throughout all these years they were without any health or educational services.

On May 5, 1917, these three tribes met and began legal action for settlement for their tribal lands. After twelve years of conferences and untiring travel for Coos Indian George Bundy Wasson, the confederated tribe's representative, Congress at last allowed their case to go to the Court of Claims. That legislation passed on February 23, 1929.

The Court of Claims heard this case under title of K–345. In it the three tribes sued for 1,602,280 acres. On May 2, 1938, the Court issued its ruling. It insisted that the Coos, Lower Umpqua, and Siuslaw Indians were parties to the allotment agreement reached at Siletz on October 31, 1892. Such a conclusion can not be documented and is impossible to reach as these tribes were not then nor ever had been on the Siletz Reservation. They had been held prisoner on the Alsea after the date. Records of the 1892 conference do not reveal any account of the Coos, Lower Impqua, and Siuslaw participating in that agreement.

The Court then rejected the suit of these three tribes. It found that eighteen depositions of Indian testimony (taken in 1931 in North Bend, Oregon, by representatives of the court) were hearsay and unacceptable to prove Indian occupancy of any of the Oregon seaboard. Interestingly several of the tribal members could testify only in their native language and had to give their accounts through an interpreter. The other evidence submitted to the Court to prove aboriginal occupancy was the treaty of 1855 which specifically delineated tribal claims. The Court ruled that an unratified treaty was unacceptable as evidence.

There was no excuse in 1952 for the attorney for the tribes not to use the abundant documentation necessary to document these people's claims. When the Indian Claims Commission rendered this decision, the attorney for the three tribes did not even file an appeal. He had conducted the case with no new evidence and no success.

These three tribes—still without settlement for their lands and without legal aid services (other than at their own expense in K–345 and Case No. 265)—were then terminated by the Act of Congress of 1954, effective in August, 1956. These Indians alleged that they were not parties to this termination agreement, that they were excluded from hearings, and that they were terminated without consent.

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By Mr. TUNNEY (for himself and Mr. PHILIP A. HART):

S. 946. A bill to amend the Solid Waste Disposal Act to encourage resource recovery through conversion of waste; and for other purposes. Referred to the Committee on Public Works.

THE ENERGY AND RESOURCE RECOVERY ACT OF 1975

Mr. TUNNEY. Mr. President, I am introducing today the Energy and Resource Recovery Act of 1975. This legislation will rapidly increase the development of advanced technologies for utilizing the enormous energy and materials resources contained in our solid waste.

This Nation has the highest per capita production of waste in the world. Last year, we threw away 4.5 billion tons of solid waste. Included in this staggering sum were 50 billion metal cans, 27 billion glass containers, 4 million tons of plastic containers, 18.8 million tons of paper, 100 million tires and 7 million automobiles. All projections suggest that we shall be adding to the vast mountains of waste at an ever-accelerating rate

Meanwhile, we are creating enormous environmental, health and safety problems. Incineration and open burning of wastes thicken air pollution. Open dumps cause noxious odors. Water resources are contaminated by "leachate" from landfills. Rats, lice and other insects thrive on the refuse and garbage that pile up in our urban outskirts. At the same time, our shortage of land has become so serious that many cities believe that within a very few years all the space available for landfill will be gone. A National League of Cities task force, for example, has estimated that almost half the cities in this Nation will fill up their present landfill sites in the next 5 years.

Our incredible generation of waste is symptomatic of our seemingly insatiable demand for energy and material resources. Presently, this Nation consumes nearly one-third of the world's energy supplies, 40 percent of the world's aluminum, 35 percent of the world's lead, and approximately one-third of the world's copper, tin, zinc, and nickel.

Consequently, we have found ourselves increasingly dependent on foreign sources of energy and materials. The United States already is dependent on imports for its major supply of 6 of 13 basic raw materials: Chromium, nickel, rubber, aluminum, tin, and zinc. By 1985, it is projected the country will depend on imports for more than half of its iron, lead and tungsten. By the year 2000, imports will have to supply more than half of our copper, potassium and sulfur. The Department of Interior has stated that if present trends continue, by the year 2000 the United States could face a $100 billion balance of trade deficit in the minerals area. Additionally, severe price fluctuations for materials resources will continue through the century and industry needs the flexibility new technologies can give to avert future resource and materials shortages.

Despite these dangers, the major cities alone dispose annually of metals worth $5 billion. We, thus, lose an estimated 12 million pounds of steel and more aluminum and tin than we produce domestically. As we discard these materials we are losing energy resources as well. Each one million tons of steel scrap that is lost as a raw material per year costs the Nation approximately 1.5 million barrels of oil. Even a doubling of the percentage of discard aluminum which is recycled—that is, an increase from 1 to 2 million tons per year—would save an annual 29.1 million barrels of oil.

Our garbage, not including the energy captured through metals recycling, contains the potential equivalent of multimillions of barrels of oil and gas—enough each year to meet this Nation's entire needs for residential and commercial lighting or up to one-third of the energy that is to be delivered by the Alaska pipeline. In light of the recent findings by the National Academy of Sciences that domestic oil and gas reserves are far less than had been previously forecast and could well run out within the next 35 years, it is, therefore, essential that we begin to utilize all of our energy resources as effectively as possible.

In extensive hearings I held last year, it was pointed out that there are many potential technologies to recycle materials while converting our solid waste to energy. It is possible, for example, to drill directly into certain landfills to capture the methane gas produced by decomposing garbage. It is now also possible to convert wastes into combustible, coal-like pellets that are easily transportable and can be used in coal burning furnaces. More advanced techniques—such as pyrolysis whereby the wastes are, in effect cooked at extremely high temperatures without oxygen—are available to produce a low sulfur oil or gas. This process also reduces the bulk of the solid waste, thus easing disposal.

These hearings also demonstrated that many promising technologies have yet to be fully researched and tested in terms of their feasibility and cost effectiveness. The rapid development of workable technology is essential if this Nation is to realize the energy conservation benefits and husbanding of natural resources that result from energy and other resource recovery programs.

Unfortunately, Federal Government programs to stimulate an accelerated development of these technologies has been totally inadequate. In the last 3 fiscal years, less than $20 million have been expended and the administration requested less than $1 million for fiscal year 1975. At this level of expenditure there is no hope of rapid development of these programs. While currently there is authority under the Solid Waste Disposal Act to demonstrate new technologies for energy and resource recovery, the commitment to such demonstration projects has been meager compared to the need. Our hearings made clear that present federally funded demonstration projects are so limited that local governments, which are the major potential purchasers of such systems, have inadequate information to make an intelligent choice and are often reluctant to act at all.

A GAO report just released on February 27 criticizes the slow implementation of the 1970 act citing the fact that although the act redirected Federal efforts from disposal to resource recovery, only four recovery demonstration projects have been funded. Under this bill, the importance of demonstration projects is highlighted. A pilot plant would test new technologies prior to a major financial investment for a federally funded demonstration project. It is critical to the economical and successful application of new laboratory research that it be tested on a small scale prior to the application of such research to a major demonstration facility.

Furthermore, in this period of severe recession, money has become an ever larger barrier for our cities already overburdened by a multitude of urban problems. As a recent Senate Commerce Commitee report has pointed out,

With respect to financing capital improvements for waste management, including shredders, separators, incinerators, and other equipment, many states impose severe limitations on the ability of local governments to borrow money.

According to the Advisory Commission on Intergovernmental Relations,

Only seventeen states permit municipalities unrestricted and "immediate access upon vote of the governing body" to any of the three major sources of revenue: property, sales and income taxes. Only eleven states permit unlimited property tax levies to finance capital construction, and only six states provided unlimited local sales taxes. No state gives the cities unlimited access to the income tax.

Under this bill, Federal assistance, including construction and maintenance grants, will be given to assist municipalities in implementing resource recovery technologies.

If the administration continues to restrict funding for recycling and energy generation projects, rapid tapping of our solid waste resources will be impossible. The Energy and Resource Recovery Act, on the other hand, will provide sufficient funding and will speed utilization of these processes on the State level. This legislation authorizes $135,000,000 in grants and $500,000,000 in loans to stimulate rapid development of meaningful demonstration projects. Mr. President, these demonstration projects will allow numerous cities throughout the country quickly to utilize their solid waste as a resource for energy. Many of these projects will also jointly develop energy resources and recycle critical mineral resources.

The energy and resource crisis is upon us today. We cannot, in a period of recession and inflation, wait decades for our country to slowly phase in our resources and energy recovery projects. We can no longer profligately waste our resources and I believe that this is one of the most important programs for quickly increasing this Nation's mineral and energy resources. I ask unanimous consent that the bill be printed at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this may be cited as the "Energy and Resource Recovery Act of 1975."

DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress finds that recent shortages of petroleum products and other resources illustrate that the Nation no longer possesses an overbundance of the natural resources necessary for commerce, economic well-being, and the national defense. In the future, greater emphasis must be placed on recovering and reusing energy and resources currently disposed of as waste in order to minimize the depletion of remaining virgin natural resources.

(b) PURPOSE.—It is therefore declared to be the purpose of the Congress in this Act to encourage the recovery of energy and other resources from waste through the support of research and development projects, demonstrations, loan guarantees, and construction grants.

DEFINITIONS

SEC. 3. Section 203 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970 (84 Stat. 1230) is amended by adding the following new paragraphs:

"(11) The term "demonstration" means the planning, design, construction, operation, and maintenance of any full scale program or facility for the recovery of fuel, energy, or other resources from waste for the purpose of examining the technical and economic feasibility of such program or facility.

"(12) The term "pilot plant" means any small-scale experimental facility constructed for the purpose of investigating or testing the technological feasibility of a new fuel, energy, or resource recovery technology."

RECOVERY DEMONSTRATIONS AND OTHER ASSISTANCE

SEC. 4. (a) GENERAL.—Section 204(a) of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by—

(1) inserting "alone or after consultation with the Administrator of the Federal Energy Administration, the Administrator of the Energy Research and Development Administration, and the Chairman of the Federal Power Commission" before "shall conduct";

(2) inserting "(including loan-guarantee assistance as authorized by and subject to the conditions of section 207 of this Act)" after "other assistance";

(3) deleting "and recovering materials and energy from solid wastes" in paragraph (4);

(4) adding the following as paragraph (5) and relettering the succeeding paragraphs accordingly:

"(5) the production of usable forms of fuel, energy or resources from solid wastes".

(b) PATENTS.—Section 204(c) of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by striking it in its entirety and inserting in lieu thereof the following:

"(c)(1) Whenever any invention is made or conceived in the course of or under any contract made or entered into under this Act and the Administrator determines that—

"(A) the person who made the invention was employed or assigned to perform research, development, or demonstration work and the invention is related to the work he was employed or assigned to perform, or that it was within the scope of his employment duties, whether or not it was made during working hours, or with a contribution by the Government of the use of Government facilities, equipment, materials, allocated funds information proprietary to the Government, or services of Government employees during working hours; or

"(B) the person who made the invention was not employed or assigned to perform research, development, or demonstration work, but the invention is nevertheless related to the contract or to the work or duties he was employed or assigned to perform, and was made during working hours, or with a contribution from the Government of the sort referred to in clause (A).

title to such invention shall vest in the United States, and if patents on such invention are issued they shall be issued to the United States, unless in particular circumstances the Administrator waives all or any part of the rights of the United States to such invention in conformity with the provisions of this subsection.

"(2) Each contract entered into by the Environmental Protection Agency (herein referred to as "Agency") with any person shall contain effective provisions under which such person shall furnish promptly to the Agency a written report containing full and complete technical information concerning any invention, discovery, improvement, or innovation which may be made in the course of or under such contract.

"(3) Under such regulations in conformity with the provisions of this section as the Administrator shall prescribe, the Administrator may waive all or any part of the rights of the United States under this section with respect to any invention or class of inventions made or which may be made by any person or class of persons in the course of or under any contract of the Agency if he determines that the interests of the United States and the general public will best be served by such waiver. The Agency shall maintain a publicly available, periodically updated record of waiver determinations. In making such determinations, the Administrator shall have the following objectives:

"(A) Making the benefits of the energy and resource recovery and demonstration program widely available to the public in the shortest practicable time.

"(B) Promoting the commercial utilization of such inventions.

"(C) Encouraging participation by private persons in the Agency's energy and resource recovery research and demonstration program.

"(D) Fostering competition and preventing undue market concentration or the creation or maintenance of other situations inconsistent with the antitrust laws.

"(4) In determining whether a waiver to the contractor at the time of contracting will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations—

"(A) the extent to which the participation of the contractor will expediate the attainment of the purposes of the program;

"(B) the extent to which a waiver of all or any part of such rights in any or all fields of technology is needed to secure the participation of the particular contractor;

"(C) the extent to which the contractor's commercial position may expedite utilization of the research, development, and demonstration program results;

"(D) the extent to which the Government has contributed to the field of technology to be funded under the contract;

"(E) the purpose and nature of the contract, including the intended use of the results developed thereunder;

"(F) the extent to which the contractor has made or will make substantial investment of financial resources or technology developed at the contractor's private expense which will directly benefit the work to be performed under the contract;

"(G) the extent to which the field of technology to be funded under the contract has been developed at the contractor's private expense;

"(H) the extent to which the Government intends to further develop to the point of commercial utilization the results of the contract effort;

"(I) the extent to which the contract objectives are concerned with the public health, public safety, or public welfare;

"(J) the likely effect of the waiver on competition and market concentration; and

"(K) in the case of a nonprofit educational institution, the extent to which such institution has a technology transfer capability and program, approved by the administrator as being consistent with the applicable policies of this subsection.

"(5) In determining whether a waiver to the contractor or inventor of rights to an identified invention will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations clauses (D) through (K) of paragraph (4) as applied to the invention and—

"(A) the extent to which such waiver is a reasonable and necessary incentive to call forth private risk capital for the development and commercialization of the invention; and

"(B) the extent to which the plans, intentions, and ability of the contractor or inventor will obtain expeditious commercialization of such invention.

"(6) Whenever title to an invention is vested in the United States, there may be reserved to the contractor or inventor—

"(A) a revocable or irrevocable nonexclusive, paid-up license for the practice of the invention throughout the world; and

"(B) the rights to such invention in any foreign country where the United States has elected not to secure patent rights and the contractor elects to do so, subject to the rights set forth in clauses (B), (C), (F), and (G) of paragraph (8): *Provided*, That when specifically requested by the Agency and three years after issuance of such a patent, the contractor shall submit the report specified in paragraph (g)(a) of this subsection.

"7(A) Subject to clause (B) of this subsection, the Administrator shall determine and promulgate regulations specifying the terms and conditions upon which licenses may be granted in any invention to which title is vested in the United States.

"(B) Pursuant to clause (A) of this subsection, the Administrator may grant exclusive or partially exclusive licenses in any invention only if, after notice and opportunity for hearing, it is determined that—

"(i) the interests of the United States and the general public will best be served by the proposed license, in view of the applicant's intentions, plans and ability to bring the invention to the point of practical or commercial applications;

"(ii) the desired practical or commercial applications have not ben achieved, or are not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on the invention;

"(iii) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth risk capital and expenses to bring the invention to the point of practical or commercial applications; and

"(iv) the proposed terms and scope of exclusivity are not substantially greater than necessary to provide the incentive for bringing the invention to the point of practical or commercial applications and to permit the licensee to recoup its costs and a reasonable profit thereon: *Provided*, That, the Administrator shall not grant such exclusive or partially exclusive license if he determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates. The Agency shall maintain a publicly available, period-

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ically updated record of determinations to grant such licenses.

"(8) Each waiver of rights or grant of an exclusive or partially exclusive license shall contain such terms and conditions as the Administrator may determine to be appropriate for the protection of the interests of the United States and the general public, including provisions for the following:

"(A) Periodic written reports at reasonable intervals, and when specifically requested by the Agency, on the commercial use that is being made or is intended to be made of the invention.

"(B) At least an irrevocable, nonexclusive, paid-up license to make, use, and sell the invention throughout the world by or on behalf of the United States (including any Government agency) and States and domestic municipal governments, unless the Administrator determines that it would not be in the public interest to acquire the license for the States and domestic municipal governments.

"(C) The right in the United States to sublicense any foreign government pursuant to any existing or future treaty or agreement if the Administrator determines it would be in the national interest to acquire this right.

"(D) The reservation in the United States of the rights to the invention in any country in which the contractor does not file an application for patent within such time as the Agency shall determine.

"(E) The right in the Administrator to require the granting of a nonexclusive, exclusive, or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, (i) to the extent that the invention is required for public use by governmental regulations, or (ii) as may be necessary to fulfill health, safety, or energy needs, or (iii) for such other purposes as may be stipulated in the applicable agreement.

"(F) The right in the Administrator to terminate such waiver or license in whole or in part unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

"(G) The right in the Administrator, commencing three years after the grant of a license and four years after a waiver is effective as to an invention, to require the granting of a nonexclusive or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, and in appropriate circumstances to terminate the waiver or license in whole or in part, following a hearing upon notice therefrom to the public, upon a petition by an interested person justifying such hearing—

"(i) if the Administrator determines, upon review of such material as he deems relevant, and after the recipient of the waiver or license, or other interested person, has had the opportunity to provide such relevant and material information as the Administrator may require, that such waiver or license has tended substantially to lessen competition or to result in undue concentration in any section of the country in any line of commerce to which the technology relates; or

"(ii) unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator at such hearing that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

"(9) The Administrator shall provide an annual periodic notice to the public in the Federal Register, or other appropriate publication, of the right to have a hearing as provided by paragraph (8)(G) of this section, and of the availability of the records of determinations provided in this section.

"(10) The Administrator shall, in granting waivers or licenses, consider the small business status of the applicant.

"(11) Under such regulations as the Administrator shall establish, whenever the Administrator, upon application by any person, determines that—

"(A) in furtherance of the policy of the expeditious commercial application of new energy or resource recovery technologies, a right under any United States patent, not otherwise reasonably available, is reasonably necessary to the development, demonstration, or commercial application of any energy or resource recovery invention, process or system developed or demonstrated in the course of or under a contract of the Administration, and

"(B) there are no other reasonable methods to achieve such development, demonstration, or commercial application, the Agency shall so certify to a district court of the United States for it to issue an order requiring the owner or exclusive licensee of the patent, or both, as appropriate, to grant a license thereunder at such reasonable royalty and on such reasonable and non-discriminatory terms and conditions as the Agency shall determine. The court shall provide such patentee or exclusive licensee, or both, as appropriate, an opportunity for a hearing and *de novo* review of the determination of the Administrator. Any such certification shall be made to the district court for the district in which the patentee or exclusive licensee, as appropriate, resides, does business, or is found.

"(12) The Administrator is authorized to take all suitable and necessary steps to protect any invention or discovery to which the United States holds title, and to require that contractors or persons who acquire rights to inventions under this section protect such inventions.

"(13) The Agency shall be considered a defense agency of the United States for the purpose of chapter 17 of title 35 of the United States Code.

"(14) As used in this subsection—

"(A) the term 'person' means any individual, partnership, corporation, association, institution, or other entity;

"(B) the term 'contract' means any contract, grant, agreement, understanding, loan guarantee, or other arrangement, which includes research, development, or demonstration work, and includes any assignment, substitution of parties, or subcontract executed or entered into thereunder;

"(C) the term 'made', when used in relation to any invention, means the conception or first actual reduction to practice of such invention;

"(D) the term 'invention' means inventions or discoveries, whether patented or unpatented; and

"(E) the term 'contractor' means any person having a contract with or on behalf of the Agency."

PILOT PLANTS, DEMONSTRATIONS AND IMPLEMENTATION

SEC. 5. (a) Section 208 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is deleted.

(b) The Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by adding the following as sections 206, 207, and 208 and relettering succeeding sections accordingly:

"GRANTS FOR PILOT PLANTS AND DEMONSTRATIONS

"SEC. 206. (a) To the extent practicable and at the earliest feasible date, the Administrator shall (1) assist, at the culmination of any successful recovery research projects which are developed pursuant to assistance under section 205(a) of this Act or developed without federal assistance, the construction of pilot plant facilities for the purpose of investigating or testing the technological feasibility of any promising new fuel, energy, or resource recovery method or technology; and (2) demonstrate each such method and technology which is evaluated affirmatively at such pilot plant stage or at a pilot plant stage developed without federal assistance. Each such demonstration shall incorporate new or innovative technical advances or shall apply such advances to different circumstances and conditions, for the purpose of evaluating design concepts or to test the performance, efficiency, and economic feasibility of a particular method or technology under actual operations conditions. Each such demonstration shall be so planned and designed that, if successful, it can be expanded or utilized directly as a full-scale operational fuel, energy, or resource recovery facility.

"(b) The Administrator shall report the results of studies, investigations and demonstrations under this section to the Congress and the President on an annual basis.

"(c) Section 204 (b) and (c) shall be applicable to pilot plant projects and demonstrations carried out under this section.

"LOAN GUARANTEES FOR ENERGY AND RESOURCE RECOVERY

"SEC. 207. (a) GENERAL.—The Administrator is authorized, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, to guarantee and to make commitments to guarantee the payment of interest on, and the principal balance of, a loan or other obligation incurred by any State, regional, or local government agency, or any other institution, organization, corporation, partnership, or individual for the purpose of financing construction of full-scale operational facilities for fuel, energy or resource recovery: *Provided*, That the outstanding indebtedness guaranteed unde this Act shall at no time exceed $500,000,000: *And provided further*, That no guarantee or commitment to guarantee shall be undertaken under this Act after September 30, 1977. Each application for such a guarantee shall be made in writing to the Administrator in such form and with such content and other submissions as the Administrator shall prescribe to reasonably protect the interests of the United States. Each guarantee and commitment to guarantee shall be extended in such form, under such terms and conditions, and pursuant to such regulations as the Administrator deems appropriate. Each guarantee and commitment to guarantee shall inure to the benefit of the holder of the obligation to which such guarantee or commitment applies. The Administrator is authorized to approve any modification of any provision of a guarantee or a commitment to guarantee such an obligation, including the rate of interest, time of payment of interest or principal, security, or any other terms or any other terms or conditions, upon a finding by the Administrator that such modification is equitable, not prejudicial to the interests of the United States, and has been consented to by the holder of such obligation.

"(b) CRITERIA.—The Administrator shall guarantee or make a commitment to guarantee under subsection (a) of this section, with respect to a facility, only if such facility will be constructed, operated, and maintained in accordance with any applicable standards or regulations duly issued by the Administrator, and no other means of financing or refinancing such facility is reasonably available to the applicant.

"(c) CHARGES.—(1) The Administrator shall charge and collect such amounts as he may deem reasonable for the investigation of applications for a guarantee, for the appraisal of properties offered as security for a guarantee, and for the issuance of commitments to guarantee, and for

"(2) The Administrator shall collect such reasonable fees and charges as he shall determine for a loan or other obligation guaranteed under this section.

"(d) VALIDITY.—No guarantee or commitment to guarantee an obligation entered into by the Administrator shall be terminated, canceled, or otherwise revoked, except in accordance with reasonable terms and conditions prescribed by the Administrator. Such a guarantee or commitment to guarantee shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Such a guarantee or commitment shall be valid and incontestable in the hands of a holder as of the date when the Administrator entered into the contract of guarantee or commitment to guarantee, except as to fraud, duress, mutual mistake of fact, or material misrepresentation by or involving such holder.

"(e) DEFAULT.—(1) If there is a default by the obligor in any payment of interest or principal due under an obligation guaranteed by the Administrator under this section and such default has continued for 60 days, the holder of such obligation or his agents have the right to demand payment of such unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, but not later than 45 days from the date of such demand, the Administrator shall promptly pay to the obligee or his agent the unpaid interest on and unpaid principal of the obligation guaranteed by the Administrator as to which the obligor has defaulted, unless the Administrator finds that there was no default by the obligor in the payment of interest or principal or that such default has been remedied.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection, he shall have all rights specified in the guarantee or related agreements with respect to any security which he held with respect to the guarantee of such obligation, including, but not limited to, the authority to complete, maintain, operate, lease, sell, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements.

"(3) If there is a default under any guarantee or commitment to guarantee an obligation, the Administrator shall notify the Attorney General. Upon such notification, the Attorney General shall take such action against the obligor or any other parties liable thereunder as is, in his discretion, necessary to protect the interests of the United States. The holder of such obligation shall make available to the United States all records and evidence necessary to prosecute any such suit.

"ENERGY AND RESOURCE RECOVERY IMPLEMENTATION GRANTS

"SEC. 208. (a) GENERAL.—The Administrator is authorized, in accordance with the provisions of this section, to make grants to a regional authority, State or local government agency, or any other person for the construction, operation, or maintenance of fuel, energy, or resource recovery facilities in accordance with the findings required pursuant to subsection (b) of this section;

"(b) CONSTRUCTION GRANTS.—A grant shall be made pursuant to subsection (a) of this section only upon a finding that the proposed site or facility—

"(1) will be constructed, operated, and maintained in accordance with any applicable standards duly promulgated by the Administrator; and any applicable provisions of other Federal, State, and local law;

"(2) will be used to recover resources, fuel, or energy from waste collected from or furnished by the public or generated as a by-product of any industrial, agricultural, or commercial operation; and

"(3) cannot reasonably be financed through any other available means including loan guarantees extended under section 207 of this Act.

"(c) OPERATIONS AND MAINTENANCE.—A grant shall be made pursuant to subsection (a) of this section only upon a finding that any site or facility with respect to which such grant is made will be operated and maintained in accordance with (A) any applicable standards duly promulgated by the Administrator; (B) any applicable provisions of other Federal, State, and local law; and (C) a realistic plan for achieving operational financial self-sufficiency in a limited period of time.

"(d) TERMS, PROCEDURES, AND CRITERIA.—(1) The amount of the Federal share of any grant under this section shall not exceed 75 per centum of the total cost of the project or undertaking for which the financial assistance is provided.

"(2) Each applicant for a grant shall submit to the Administrator, as part of the application for financial assistance, such plans, specifications, data, reports, and any other information as is deemed necessary or appropriate by the Administrator.

"(3) Before approving any such grant application, the Administrator shall, in addition to any other necessary findings, determine that the applicant has made adequate provision for proper and efficient implementation of the project or undertaking for which the grant is sought, including the employment of qualified personnel. The Administrator shall also consider the extent to which the applicant has made a good faith effort, in the absence of Federal financial assistance, to improve any related programs subject to his control or supervision and the effectiveness of such efforts. No grants shall be approved under this section if the Administrator finds that a party other than the applicant will accomplish the purposes intended to be accomplished by the project or undertaking for which the grant is sought as effectively as the applicant and without (or with less) Federal assistance.

"(4) Funds appropriated for the purposes of this section shall be expended in the manner most likely to maximize the benefit to human health and the environment and to minimize the depletion of virgin natural resources. The Administrator shall act upon each grant application as soon as practicable after it has been submitted."

AUTHORIZATION FOR APPROPRIATIONS

SEC. 6. Section 216 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended by—

(1) deleting paragraph (3) of subsection (a) and inserting in lieu thereof the following:

"(3) There are authorized to be appropriated for the purpose of making grants for energy and resource recovery pilot plant and demonstration programs under section 206 of this Act such sums as are necessary not to exceed $22,500,000 for the fiscal year ending on June 30, 1975; $45,000,000 for the fiscal year ending on June 30, 1976; $22,500,000 for the transitional fiscal quarter ending on September 30, 1976; and $45,000,000 for the fiscal year ending on September 30, 1977.";

(2) adding the following as subsections (c) and (d) and relettering succeeding subsections accordingly:

"(c) There are authorized to be appropriated to the Administrator such sums as are necessary, not to exceed $500,000,000, to pay any amount required to be paid by reason of a default on any loan or other obligation guaranteed under section 20 of this Act.

"(d)(1) There are authorized to be appropriated for the purpose of making grants for facility construction under section 208(b) of this Act such sums as are necessary not to exceed $5,000,000 for the fiscal year ending on June 30, 1975; $30,000,000 for the fiscal year ending on September 30, 1976; $5,000,000 for the transitional fiscal quarter ending on September 30, 1976; and $50,000,000 for the fiscal year ending on September 30, 1977.

"(2) There are authorized to be appropriated for the purpose of making grants for operations and maintenance under section 208(c) of this Act such sums as are necessary not to exceed $5,000,000 for the fiscal year ending on June 30, 1975; $30,000,000 for the fiscal year ending on June 30, 1976; $5,000,000 for the transitional fiscal quarter ending on September 30, 1976; and $50,000,000 for the fiscal year ending on Sept. 30, 1977.

By Mr. BROOKE:

S. 947. A bill to amend the Housing Act of 1937. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BROOKE. Mr. President, last August the Congress passed the Housing and Community Development Act of 1974 which, among other things, contained an authorization for $1.225 billion in contract authority for public housing. At that time the Secretary of HUD stated that he hoped to use most of the new contract authority to implement the newly authorized section 8 leasing program.

To date no new housing starts have occurred under the leasing program and even HUD officials project a limited number of starts for fiscal year 1976. Meanwhile, we continue to fall far short of our national goal of providing 600,000 new housing units for low and moderate income families each year.

I share with HUD officials a desire to see the section 8 leasing program work, and I worked closely with them on this new section of the law. But, while we are waiting for section 8 to become operative, we must not neglect the urgent housing needs of low-income families. I am, therefore, proposing legislation to direct that an additional $300 million in contract authority for low-income housing be channeled through local housing authorities and that $150 million of this be spent on the construction of conventional public housing.

Many of the public housing units built in our country are excellent units, and they provide the only housing available to elderly and poor families in many areas. I believe that we must continue to use this proven method of producing low-income housing until such time as new and better programs are developed and have been proven more effective as a means of providing decent, safe, sanitary shelter.

In the event that the $662 million in new contract authority requested by HUD in its fiscal year 1976 budget is approved by the Congress, these funds could, of course, be used to satisfy the requirements of the legislation I introduce today.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 947

Be it enacted by the Senate and House of Representatives of the United States of

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America in Congress assembled, The second sentence of Section 5(c) of the United States Housing Act of 1937 is amended by striking "$150,000,000" and inserting in lieu thereof "$450,000,000."

By Mr. BROOKE:

S. 948. A bill to authorize the Secretary of Housing and Urban Development to make special grants in order to encourage the construction and purchase of residential dwellings, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BROOKE. Mr. President, recent economic reports bring scant assurance that our economy, now deep in recession, is on the road to recovery. In January, industrial production plunged at the steepest rate since 1937; demand for credit is off sharply; business failures are rising; and unemployment has soared to 8.2 percent, the highest level since 1941. Some economists expect the unemployment rate to reach 10 percent by summer. There is no need to describe the severe hardships which these statistics represent for millions of American families.

The President and the Congress both recognize the severity of the crisis and the need for prompt action to reverse the economic downturn. The debate has not centered on the need for action, but on what action can best promote recovery.

As the ranking Republican on the Housing Subcommittee, I have been particularly concerned about the plight of the housing industry, which has been hit with a double punch—a year-long mortgage credit crisis followed by a general decline in economic activity and consumer confidence.

Housing starts in December 1974 plummeted to an 8-year low annual rate of 868,000 units—a 60.5 percent decline from the October 1972 high annual rate of 2,509,000 starts. The annual rate of building permits in January was at a level of only 661,000, the lowest level ever recorded. Unemployment in the construction trades now stands at 15 percent, and in some cities the jobless rate for construction workers has reached 40 percent.

To deal with the mortgage credit shortage which prevailed through 1974, the Congress last fall passed the Emergency Home Purchasing Assistance Act which Senator CRANSTON and I coauthored, and which President Ford endorsed. So far some $4.9 billion has been committed under this act. While recent increases in savings deposits point to an easier availability of mortgage credit, it is possible that Federal borrowing to finance the deficit may bring on another round of disintermediation. To assure the availability of reasonably priced mortgage credit, Senator CRANSTON and I intend to introduce legislation revising and extending the Home Purchase Assistance Act of 1974.

But in a recessionary economy, increased availability of mortgage credit will not necessarily bring about an upturn in the construction and purchase of new homes. With the economic future uncertain, many potential home buyers will hang back either from fear of assuming new debt or in hopes of getting a better bargain as prices fall. While this psychology is anti-inflationary, it can, if carried to extremes, feed upon itself causing a major economic collapse. Thus, in a period of declining economic activity the Government has sought to lean against the psychology of fear and to promote consumer activity.

The President's state of the Union address reflected this Government policy, which has prevailed ever since the 1930's. The President's economic recovery program would rebate taxes and thus increase consumer spending power—by about $150 in 1975 in the case of the average family. The President's program will no doubt cause some consumer purchases which would not occur in the absence of a tax rebate, but I do not believe it will have a significant effect on the severely depressed housing industry. For $150 in increased purchasing power in the hands of the average family is not likely, in my opinion, to be spent on purchase of a new home.

Yet increasing new housing production would be among the most effective and least inflationary ways to stimulate our sagging economy. There is a huge amount of unused capacity in the housing sector. By using this capacity we can provide hundreds of thousands of jobs in the housing, wood products, furniture, appliance, and related industries. We can significantly reduce the burden on our budget of unemployment compensation. And by increasing the availability of housing units, which are presently in short supply in many areas, we can reduce rents and thus help curb inflation.

With these objectives in mind, I am today introducing the "Home Purchase Incentive Act of 1975." The program set forth in this bill is, in my opinion, the most effective and least expensive way of assuring a substantial increase in housing starts in the near future.

HOW THE PROGRAM WOULD WORK

The bill would increase housing starts by offering an incentive for potential home buyers to purchase homes now.

First. To reduce the inventory of some 400,000 unsold, newly constructed homes, the bill provides that any person who purchases an unsold, newly constructed home, meeting size and price requirements, within 4 months after the date of enactment of the act will be eligible to receive a home purchase incentive payment in the amount of $1,000, which amount can be applied against the downpayment. On homes with between one and four units, there would be a payment of $500 for each unit beyond the first. To promote the sale of housing units presently under construction, the bill provides that to be eligible for a home purchase assistance payment the buyer must purchase such a unit within 6 months after the date of enactment of the bill.

Second. To encourage new housing starts, the bill provides that any person who purchases a new home started within the next 6 months and completed within the next 12 months at a price within established limits, will also be eligible to receive a home purchase incentive payment in the amount of $1,000, which amount can be applied against the downpayment.

Third. Homes purchased under the program could not have prices in excess of the median price of new homes constructed in a geographic area. In order to be eligible, homes would also have to be standard units of a size at least equal to the minimum size for newly constructed units prescribed by the Secretary.

The program would be administered by the Department of Housing and Urban Development, which would be responsible for verifying prices and dates of starts and completions and performing other administrative duties. It is expected that shortly before closing, the purchaser of a newly built home will apply to HUD for a nontransferable certificate entitling him to a $1,000 housing incentive payment at the time of closing. Such certificate, upon proper certification by the mortgagee that the sale has occurred, will be redeemed by HUD.

The similarity of the home purchase incentive program and the auto price rebate program cannot be missed. However, the precedent upon which the home purchase incentive program is based is not the auto industry experience but a similar home purchase program which was instituted in Canada in 1963–66 to deal with the problem of seasonality in building starts. The Canadian program offered any person buying a home started after November 15 and completed before March 15 a $500 cash payment. The program succeeded in shifting a large number of starts to the winter; in fact, Canada today has more winter housing starts per capita than the United States despite a much colder climate.

In essence, the home purchase incentive program offers an incentive to buy now rather than later. It rewards the buyer who does not hang back in hopes of a better bargain. It not only gives the buyer a break on price, but it immediately decreases the amount he has to invest in a downpayment. In this respect, the program has a great advantage over a tax credit, which may not become available until a year after the home is purchased.

ECONOMIC IMPACT

The proposed home purchase incentive program has been developed on the basis of economic research by Dr. Kenneth Rosen of the Joint Center for Urban Studies of M.I.T. and Harvard. On the basis of econometric analysis the following projections can be made:

First, the program would produce approximately 350,000 additional housing starts in 1975, bringing estimated starts from approximately 1.3 million up to 1.65 million;

Second, the program would generate approximately 450,000 man years of work in construction and supporting industries; and

Third, the program would have a total, one-time cost of approximately $850 million.

Before proposing this plan, I considered a number of other approaches. Economic analysis indicates that the home purchase incentive program will have a far greater and more certain effect on new housing production than a temporary, shallow, mortgage interest subsidy program.

Mr. President, the chairman of the Subcommittee on Housing and Urban Affairs, Senator SPARKMAN, has announced hearings on emergency housing legislation for March 17 through 20. At these hearings testimony will be received regarding the Home Purchase Incentive Act and other emergency housing legislation. As the ranking minority member of the subcommittee, I can assure my colleagues that we shall work hard to produce emergency housing legislation which will have bipartisan support and which can be signed into law at an early date.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Home Purchase Incentive Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Secretary" means the Secretary of Housing and Urban Development;

(2) "single-family dwelling" means a building designed for occupancy by fewer than 5 families.

BASIC AUTHORITY

SEC. 3. The Secretary of Housing and Urban Development is authorized and directed to make home purchase incentive payments, and to enter into commitments to make such payments, as provided in this Act in order to encourage the construction and purchase of single-family residential dwellings.

INCENTIVE PAYMENT ENTITLEMENT

SEC. 4. (a) The Secretary shall make a home purchase incentive payment to any individual who purchases a single-family dwelling to be used as his principal residence—

(1) during the 4-month period beginning on the date of enactment of this Act, if construction of that dwelling was completed prior to such date of enactment and such dwelling remained unoccupied after the completion of construction;

(2) during the 6-month period beginning on the date of enactment of this Act, if the construction of that dwelling is completed during such 6-month period; or

(3) during the 1-year period beginning on the date of enactment of this Act, if the construction of that dwelling commences during the 6-month period beginning on the date of enactment of this Act and is completed within the 1-year period beginning on the date of enactment of this Act.

(b) The amount of a home purchase incentive payment shall be $1,000 in the case of a dwelling designed for occupancy by one family, $1,500 in the case of a dwelling designed for occupancy by two families, $2,000 in the case of a dwelling designed for occupancy by three families, or $2,500 in the case of a dwelling designed for occupancy by four families.

LIMITATIONS

SEC. 5. No payment may be made under this Act with respect to a single-family dwelling—

(1) having a purchase price in excess of such amount as the Secretary determines is the median cost for such a dwelling in the housing market area;

(2) the size of which does not equal or exceed the minimum size for such dwellings prescribed by the Secretary; or

(3) which does not comply with local code standards for decent, safe, and sanitary housing.

ADMINISTRATIVE PROVISIONS

SEC. 6. The Secretary shall issue to any individual who he determines is eligible for a home purchase incentive payment, a certificate containing the name of the purchaser, a description of the property, the amount of the payment, and such other information as the Secretary by regulation may prescribe. The face amount of the certificate may, at the option of the purchaser, be applied to any required downpayment or to closing costs in connection with the purchase or redeemed for cash by the mortgagee at the time of closing. Any mortgagee who acquires a certificate issued pursuant to this Act may present such a certificate to the Secretary who shall pay in full the face amount indicated on the certificate.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated not to exceed $1,000,000,000 to carry out the provisions of this Act.

By Mr. INOUYE:

S.J. Res. 45. A joint resolution to authorize and request the President to issue annually a proclamation designating the second week in May of each year as "Municipal Clerk's Week." Referred to the Committee on the Judiciary.

Mr. INOUYE. Mr. President, before there were nations and states, there were local governments. Before there were Presidents, Senators, Governors, and Representatives, there were the tax collector and the municipal clerk. It is estimated that today there are 30,000 municipal clerks in the cities, counties, towns, townships, boroughs, and villages of the United States.

The ancient Greek city-state had a city secretary whose duties included the preparation and the public reading of official documents. Perhaps we should reestablish a practice of those early days of democracy, wherein the city secretary would open each public meeting with a curse upon anyone who might try to deceive the people.

According to the Acts of the Apostles of the New Testament, chapter 19, when St. Paul and two of his disciples were threatened for preaching the words of Christ by a riotous mob of Ephesians, the "town clerk" came to their rescue. He insisted that the mob disperse and that the charges against St. Paul and his men be settled according to law.

The word "clerk" can be traced to the middle ages. It is derived from "cleric" or "clergyman"—those members of religious orders who kept the records of their time.

According to the International Institute of Municipal Clerks, the office of clerk can be traced back to the year 1272 A.D. in the history of the Corporation of Old London. In the 1500's in England there was no' only the "Towne Clarcke" but also the "Clerc Comptroller of the King's Honorable Household." In 1603, there was a "Clarke General of the Armie." King Henry the Eighth had a "Clarke of the Spicery" and King Charles had his "Clerk of the Robes."

Since our earliest days, as local governments were founded, the office of municipal clerk would be one of the first established. Prof. William Bennett Munro wrote over 40 years ago:

No other office in municipal service has so many contacts. It serves the mayor, the city council, the city manager (when there is one), and all administrative departments without exception. All of them call upon it, almost daily, for some service or information. Its work is not spectacular, but it demands versatility, alertness, accuracy, and no end of patience. The public does not realize how many loose ends of city administration this office pulls together.

The importance of the municipal clerk to smooth functioning, efficient municipal service cannot be overemphasized. As the historian of his or her community, the municipal clerk is the human link between the past, present, and future. The municipal clerk is a member of a specialized professional group, whose term of office is usually less transitory than those of most elected officials.

I am today introducing a resolution calling on the Congress and the President to designate the second week of May as "Municipal Clerk's Week" in recognition of the important service that the municipal clerk provides to the people of America's cities and towns. I am hopeful that favorable action on this resolution can be taken in the near future.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 5

At the request of Mr. CHILES, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 5, the Federal Government in the Sunshine Act.

S. 104

At the request of Mr. INOUYE, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 104, a bill to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid.

S. 110

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 110, a bill to amend chapter 13 of title 38, United States Code, to make eligible for dependency and indemnity compensation widows of veterans who die of nonservice-connected causes but who were at the time of death totally disabled as a result of one or more service-connected disabilities.

S. 111

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 111, a bill to authorize the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries.

S. 123

At the request of Mr. INOUYE, the Senator from Tennessee (Mr. BROCK) and

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the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 123, a bill to amend title XVIII of the Social Security Act to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title.

S. 199

At the request of Mr. WEICKER, the Senator from Missouri (Mr. SYMINGTON) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors of S. 199, a bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 386

At the request of Mr. PACKWOOD, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 386, a bill to amend the Internal Revenue Code of 1954 to provide the same tax treatment for recognized Indian tribes as are applicable to other governmental units.

S. 426

At the request of Mr. HOLLINGS, the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), and the Senator from Illinois (Mr. STEVENSON), were added as cosponsors of S. 426, a bill to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes.

S. 445

At the request of Mr. HUGH SCOTT, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 445, a bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 517

At the request of Mr. WILLIAM L. SCOTT, the Senator from Mississippi (Mr. EASTLAND), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) were added as cosponsors to S. 517, a bill to clarify the jurisdiction of certain Federal courts with respect to public schools and to confer such jurisdiction upon certain other courts.

S. 531

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 531, a bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for non-service-connected disability to any war veteran who has a service-connected disability of 80 percent or more.

S. 564

At the request of Mr. KENNEDY, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 564, a bill to provide public financing of primary and general elections for the Senate and House of Representatives.

S. 585

At the request of Mr. CHILES, the Senator from California (Mr. TUNNEY), the Senator from Oregon (Mr. PACKWOOD), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Michigan (Mr. PHILIP A. HART) were added as cosponsors of S. 585, a bill to prohibit travel at Government expense outside the United States by Members of Congress who are not reelected to the succeeding Congress.

S. 586

Mr. HOLLINGS. Mr. President, I request that the Senator from New Jersey Mr. CASE), the Senator from Indiana (Mr. HARTKE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Connecticut (Mr. WEICKER) be added as cosponsors of S. 586, a bill to amend the Coastal Zone Management Act of 1972 to authorize and assist the coastal States to study, plan for, manage, and control the impact of energy resource development and production which affects the coastal zone, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 624

At the request of Mr. THURMOND, the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. PACKWOOD), the Senator from Florida (Mr. STONE), the Senator from Ohio (Mr. TAFT), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 624, a bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes.

S. 702

At the request of Mr. INOUYE, the Senator from South Carolina (Mr. THURMOND) was added as a consponsor of S. 702, a bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60,000 to $100,000.

S. 775

At the request of Mr. CHILES, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 775, a bill to limit the categories of questions which may be asked in decennial censuses.

SENATE JOINT RESOLUTION 4

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. MONDALE) and the Senator from Tennessee (Mr. BAKER) were added as cosponsors of Senate Joint Resolution 4, a joint resolution to authorize and request the President of the United States to issue a proclamation designating September 17 as "Constitution Day."

SENATE JOINT RESOLUTION 15

At the request of Mr. WILLIAM L. SCOTT, the Senator from North Dakota (Mr. YOUNG), the Senator from Arizona (Mr. FANNIN), the Senator from Idaho (Mr. MCCLURE), the Senator from from Virginia (Mr. HARRY F. BYRD, JR.) and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of Senate Joint Resolution 15, a joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day."

SENATE RESOLUTION 95—SUBMISSION OF A RESOLUTION TO REFER A BILL TO THE COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. STEVENS submitted the following resolution:

S. RES. 95

Resolved, That the bill (S. 930) entitled "A bill for the relief of Othal William Ray, doing business as Bill Ray Construction Company of Fairbanks, Alaska, now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner of the United States Court of Claims shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

SENATE RESOLUTION 96—SUBMISSION OF A RESOLUTION RELATING TO A NORMALIZATION OF RELATIONS WITH CUBA

(Referred to the Committee on Foreign Relations.)

Mr. PELL (for himself and Mr. JAVITS) submitted the following resolution:

S. RES. 96

Whereas relations between the United States and Cuba traditionally have been those of friendship, comity and cooperation; and

Whereas this relationship was ruptured following the advent to power of the Government in Cuba headed by Premier Fidel Castro; and

Whereas in keeping with its policy to contribute toward a reduction of international tensions, the United States on a mutually reciprocal basis has normalized relations with the Soviet Union and with the People's Republic of China; and

Whereas a continuing policy of confrontation between Cuba and the United States is inconsistent with this policy and with the national interests of each country; and

Whereas, on November 14, 1975, a majority of the members of the Organization of American States approved a policy rescinding the political and economic sanctions imposed in 1964 against the Government of Cuba; and

Whereas, on March 1, 1975, Secretary of State Kissinger stated the desire of the United States to seek a new relationship with Cuba on a reciprocal basis: Now, therefore, be it

Resolved, That it is the sense of the Senate that it should be the policy of the United States with respect to Cuba to seek a normalization of relations on a reciprocal basis; and be it further resolved that the President is requested to commence consideration of a resolution of outstanding differences, which could lead to a normalization of relations and to take any appropriate steps toward that end, both bilaterally and within the Organization of American States and other regional or international organizations.

SEC. 2. The President is requested pursuant to this resolution to advise the Senate within three months as to the results and to make recommendations thereon.

Mr. PELL. Mr. President, together with the senior Senator from New York, I am pleased to introduce a resolution following up on the report that my distinguished colleague and I made on our trip to Cuba, entitled "The United States and Cuba: A Propitious Moment."

In our discussions with Cuban leaders last fall, it was apparent that Cuba could live without the United States and that the United States could live without Cuba—that we can continue to ignore each other indefinitely. But it was also recognized that even if we can live without each other, there are mutual advantages to living with each other that would accrue from renewing speaking terms and normalizing relations.

Reflecting the propitiousness of the moment, progress in that direction is being made responsive to a number of suggestions in our report. In a recent statement to the Senate—CONGRESSIONAL RECORD, February 18, 1975, page 3349—I welcomed the administration's decision to liberalize travel restrictions on Cuban diplomats at the United Nations, to waiver in some instances sales to Cuba by subsidiaries of U.S. companies in third countries, and to agree to make OAS sanctions against Cuba subject to a majority rather than a two-thirds vote. The OAS adoption of majority voting on the question to end Cuban sanctions should result in lifting them since a majority of 12 OAS members voted to do so at Quito last fall.

And now since my statement, Secretary Kissinger has stated in his recent speech in Houston, Tex. that he sees no virtue in perpetual antagonism between the United States and Cuba and that we are prepared to move in the new direction, if Cuba, is, as well.

On the Cuban side, too, there are indications of a desire to be conciliatory—the release of Americans imprisoned on criminal charges; willingness to review cases of American political prisoners and cases of Cubans wishing to leave the country to join their families in the United States; assisting American fishermen in distress in Cuban coastal waters. Recently, two Rhode Island fishermen were helped on whose behalf I had expressed my interest to the Cubans.

Thus, developments subsequent to our Cuban trip further confirm my belief that now is the time for moving ahead without delay in normalizing United

State-Cuban relations. That is the thrust of the resolution I am introducing.

For both countries, normalization has its advantages. In the economic area, Cuba and the United States have things each other needs. Another source of sugar should help the American housewife shopping on a reduced budget and confronted with the high price of sugar and products containing it. The aroma of a good Havana cigar would be welcomed back to the U.S. consumer scene.

Cuban programs of industrialization and agricultural improvements require equipment and machinery available in adjacent U.S. markets. American consumer goods would regain popularity, I am sure, if made available once again to Cubans—moving into less austerity.

Both Cuba and the United States would benefit from the lessening of Western Hemispheric tensions and frictions that normalization would entail. The U.S. embargo strains relations with third countries in the hemisphere, who resent as an infringement of their sovereignty the legal restraints we place on U.S. subsidiaries from selling to Cuba. The embargo contributes to divisiveness within the Organization of American States and in our relations with it.

As for Cuba, restored opportunity to participate freely and openly in hemispheric affairs will help the Cuban people regain their standing and rightful role in the New World. I believe that an outlawed country will be more inclined to use outlawed tactics than if it is an accepted member of the international community.

There are also significant bilateral problems between Cuba and the United States—divided families, exile status and related matters, compensation claims, political prisoners, Guantanamo. These problems cannot solve themselves. People must do it. But people cannot do it who only glare at each other across 90 miles of ocean. They must come together, talk, discuss and negotiate.

None of the problems is insoluble. Nor, need resumption of diplomatic relations await the solution of all of them. It is difficult to see how things could be any worse for any party concerned from at least talking instead of maintaining the present dialog of the mute. Ideology and governments aside, the Cubans are a talented, vigorous people, but whose potential for contributing to the New World cannot be realized in isolation.

For these reasons, Mr. President, it is the purpose of this resolution to encourage both the Executive and the Congress to move ahead together toward the reestablishment of neighborly and mutually advantageous bonds between the Cuban and American peoples. For these reasons, too, I urge its prompt consideration and passage.

Mr. JAVITS. Mr. President, I join with my colleague, Senator PELL, in introducing a resolution supporting a normalization of relations with Cuba on a reciprocal basis. This resolution is a natural outflow of the visit which Senator PELL and I made to Cuba last September—and it certainly is consonant with a speech of March 1, 1975, by Secretary of State Kissinger, in which the Secretary stated:

> We see no virtue in perpetual antagonism between the United States and Cuba. Our concerns relate above all to Cuba's external policies and military relationships with countries outside the Hemisphere. We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will.

I believe that the icepack has finally been broken and that we will witness rapid progress in the process of normalization of relations between the United States and Cuba this year. Certainly movement in this direction should no longer be postponed, especially when viewed in the perspective of the normalization of relations with the People's Republic of China and the Soviet Union.

On the basis of our conversations with Premier Castro and other members of the Cuban government in Havana last fall, I believe that there is a real interest there in normalizing the relationship.

Under the new voting procedures agreed upon last December, which are expected to result in a rescinding of the Organization of American States—OAS—resolution of 1964 which is the basis of economic embargo maintained against Cuba, I believe that there will be an opportunity to move ahead quickly on the trade front. Cuba is a natural and traditional trading partner of the United States and there is considerable interest within the American business and investment community in a resumption of trade with Cuba. Of course, there is no question of a resumption of any old, semicolonial pattern of U.S. economic relations with Cuba. But there are a number of potential areas of mutually beneficial trade.

Hopefully, there will be early progress on an easing of travel restrictions, to allow exchange of visits on a regular basis by journalists, businessmen, cultural and scientific exchange groups, and private citizens. In particular, there are many American citizens of Cuban descent who wish to visit relatives in Cuba; and there are families to be reunited.

The normalization of relations should, of course, be accomplished on a basis of reciprocity. In order to accomplish this, both sides will have to subordinate ideological differences—as we have done successfully with the People's Republic of China.

The world has changed considerably since the cold war days of the late 1950's and early 1960's and I believe it is safe to say that neither the United States nor Cuba any longer perceives the other as a serious threat to its national security. It is time to restore bilateral relations with Havana and to view Cuba once more as a natural member of the Western Hemisphere family of nations.

When we visited Cuba last fall, American interests in Cuba were represented by the Swiss Embassy. I hope that on my next visit there will be a U.S. mission in Havana, and that the normally friendly relations between the American people and the Cuban people will be resumed to our mutual advantage. In such an atmosphere I am confident that

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progress could be made on the more difficult and emotional unresolved issues created by the course of events in the early 1960's.

SENATE RESOLUTION 98—SUBMISSION OF A RESOLUTION TO AMEND THE SENATE RULES CONCERNING THE READING OF THE JOURNAL

(Referred to the Committee on Rules and Administration.)

Mr. METCALF submitted the following resolution:

S. RES. 98

Resolved, That paragraph 1 of rule III of the Standing Rules of the Senate is amended to read as follows:

"1. The Presiding Officer having taken the chair, and a quorum being present, if a motion to read the Journal of the preceding day is made and agreed to, the Journal of the preceding day shall be read and any mistake made in the entries corrected. Such a motion shall be privileged and shall be decided without debate. If such motion is agreed to, the reading of the Journal shall not be suspended unless by unanimous consent, and when any motion shall be made to amend or correct the same, it shall be deemed a privileged question, and proceeded with until disposed of."

Mr. METCALF. Mr. President, I am today submitting a resolution calling for a change in the Standing Rules of the Senate relating to the reading of the Journal. Specifically, the resolution would eliminate the need to obtain unanimous consent to dispense with the reading of the Journal of the preceding day.

Most of our rules enable us to conduct our business in an orderly and efficient manner. Some, however, have become outmoded and thus have actually served to inhibit or slow down the legislative process. Such is the case, I believe, with the existing rule regarding the reading of the Journal. In the past few years readings of the Journal have been rare and in the 93d Congress it was never read. Therefore, I see no profit in continuing to follow the present rule. While it may represent a relatively small reform, I believe that my resolution will save the Senate some precious time.

Today's occurrences demonstrate the fact that the reading of the Journal can principally be used for delay of Senate business. Most of us have the CONGRESSIONAL RECORD, which is a more comprehensive report than the Journal, delivered to our door and we read it with the morning newspaper. The rest of us have it delivered to our offices. The reading of the Journal is an anachronism which should be done away with and, therefore, I hope the Rules Committee will promptly hold hearings on this resolution and move toward a 20th century Senate.

AMENDMENTS SUBMITTED FOR PRINTING

ERDA AUTHORIZATIONS—S. 598

AMENDMENT NO. 25

(Ordered to be printed and referred to the Joint Committee on Atomic Energy.)

Mr. MANSFIELD (for himself and Mr. METCALF) submitted an amendment intended to be proposed by them jointly to the bill (S. 598) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

ADDITIONAL STATEMENTS

TRIBUTES TO FATHER WEGNER OF BOYS TOWN

Mr. CURTIS. Mr. President, it is a great honor for me to take part in a joyous occasion for one of the most well-known and well-loved of my constituents, Msgr. Nicholas Wegner of Boys Town. I am so pleased to be joined by a number of my colleagues in tribute to Monsignor Wegner on the occasion of his Golden Jubilee of Ordination to the Priesthood, which actually falls on Friday, March 7, 1975.

On a 50th anniversary milestone in anyone's life, the greatest gratification must come in looking back at the years spent and knowing one has accomplished something worthwhile. Father Wegner must be very happy on this occasion, knowing that his guidance and leadership at Boys Town have touched so many thousands of hearts in this country and abroad, and that his love and devotion have altered measurably the lives of thousands of otherwise disadvantaged youths.

A rugged youth himself, the young Nicholas Wegner, one of 12 children of Nebraska pioneers, rejected two contract offers from major league baseball teams, choosing instead a lifetime option with the priesthood. Ordained in Rome in 1948, Father Wegner was assigned to Omaha's Cathedral parish, where he began a priestly career that culminated in so much good for so many young people.

Father Wegner was only the second director of the famed Boys Town Home in Nebraska, serving in that capacity following the death of its founder, Father Edward J. Flanagan, in 1948.

Before his retirement in 1973 at the age of 75, Father Wegner carried the Boys Town motto, "He ain't heavy, Father, he's my brother," to include brothers and sisters all over the world. He was instrumental in establishing counterparts of Boys Town in Monterrey, Mexico, and in the Philippines.

So, his work goes on and the projects he has begun will continue to change the lives of all they touch.

In his last year as director, Father Wegner proudly announced plans for a Boys Town Institute for Communications Disorders in Children, a milestone in the development of research, treatment and care of physically handicapped boys and girls. The institute, created in 1972 at an initial cost of $30 million from the Boys Town endowment fund, will be located near Boys Town and will receive its first patient applications next year.

Father Wegner also directed development of the Boys Town Center for the Study of Youth Development. Another milestone in handling youth problems, the center is another way Father Wegner has put the Boys Town endowment fund to work. Headquartered in Omaha, the center, with regional centers at Stanford University and at the Catholic University of America, studies youth problems such as parental rejection, drug addiction and social maladjustment.

Among other living tributes to Father Wegner is the new grade school on the Boys Town campus named for him.

So, Father Wegner has not really left Boys Town at all. He is a real part of all that Boys Town is and all that it ever will accomplish. I cannot help but feel that Father Flanagan would be speechless with pride if he could view the work of his successor. I know Father Wegner always placed great emphasis on carrying out the original mission of Father Flanagan to provide a sound Christian environment for homeless youths. Somewhere along the line, the goals of the two men become enmeshed into one great mission of love and lifelong ambition to maximize the potential of the Boys Town institution for the benefit of disadvantaged youths around the world.

Father Wegner's success has touched my soul. The many, many alumni who call Boys Town their home are honoring Monsignor Wegner on Friday. I am pleased to join them in wishing Monsignor Wegner much peace and joy for the rest of his life, as well as continued fulfillment in watching Boys Town grow and develop under the leadership of Father Robert Hupp.

What a joy it must be to know you are loved by so many because of the boundless measure of your love.

Mr. President, I ask unanimous consent that the following biographical narrative sketch of Monsignor Wegner be printed in the RECORD.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

THE GOLDEN JUBILEE OF RT. REV. MSGR. NICHOLAS H. WEGNER

Monsignor Nicholas H. Wegner became Director of Father Flanagan's Boys' Home at Boys Town, Nebraska upon the death of its founder, Monsignor Edward J. Flanagan in May, 1948. Msgr. Wegner—he preferred to be known as Father Wegner—served Boys Town for 25 years until his retirement at age 75 in October, 1973. He was succeeded by Rev. Robert P. Hupp.

Under Father Wegner's direction, Boys Town expanded greatly, not only in its traditional work of caring for disadvantaged and homeless boys, but in extending its service to youth nationally and internationally.

The Boys Town Institute for Communication Disorders in Children was created in June, 1972. Initially financed at $30 million from the Boys Town endowment fund, it will be headquartered on the Boys Town campus and will include a clinical, diagnostic and rehabilitation center; a pre-school language and learning center; built in conjunction with and adjacent to the Creighton University's Criss Institute for Health in Omaha, Nebraska, just a few miles from Boys Town. It will care for physically handicapped boys and girls and will be receiving its first patient applications in 1976.

A second major youth service project undertaken during Father Wegner's term as director of Boys Town is the Boys Town Center for the Study of Youth Development. Funded at $40 million from the Boys Town endowment fund, the research complex is headquartered at Boys Town and has regional research centers at Stanford University and at the Catholic University of America. The Center will research such painfully urgent youth problems as rejection of parents, drug addiction, inability or unwillingness to learn, and social maladjustment.

Recent major developments on the Boys Town campus include a new grade school, built at a cost of $2 million, and acclaimed by educators nationwide as being outstanding among grade schools in the matter of architecture, equipment, and teacher/student facilities. By unanimous action of the Home's Board of Directors, the school was named for Father Wegner.

Tall, well over six feet, lean and sturdy of frame, Father Wegner's figure was a familiar sight anywhere on Boys Town's beautifully-landscaped 1,700 acres, or in its more than 50 buildings. He was born July 6, 1898, at Humphrey, Nebr., one of 12 children of Mr. and Mrs. Herman Wegner, Nebraska pioneers. He attended Humphrey schools and lated helped finance his education as a pitcher with a semi-pro baseball team. His skill attracted contract offers from two major league teams but he chose the priesthood. He studied at St. Joseph's Seminary, Teutopolis, Ill.; St. Paul Seminary, St. Paul, Minn.; and the Gregorian University in Rome, where he obtained his Doctorate in Sacred Theology and where he was ordained March 7, 1925. He later received a degree in Canon Law from the Catholic University of America in Washington, D.C.

His first priestly assignment was an assistant pastor of St. Cecelia's Cathedral in Omaha, September, 1925. Less than four years later he was named Assistant Chancellor of the Diocese of Omaha, becoming Chancellor on July 1, 1939. On November 15, 1944, he was honored as a Domestic Prelate, with the title of Right Reverend Monsignor.

He was administrator of the Archdiocese of Omaha during the interim between the death of Archbishop James Hugh Ryan and the installation of Archbishop Gerald T. Bergan. On December 15, 1959, he was named Protonotary Apostolic by Pope John XXII. On January 13, 1960, he was named Vicar General of the Archdiocese of Omaha.

In addition to his concern for the spiritual needs of "his boys"—sybolized by the Catholic chapel where Father Flanigan lies buried, and a Protestant chapel with resident chaplain—Father Wegner insisted upon scholastic excellence and a wide variety of extracurricular activities. The Boys Town High School is accredited by the North Central Association of Colleges and Secondary Schools. The Boys Town Choir gives concerts around the country. There is a varsity team in all major sports.

Father Wegner, long and actively identified with the Boy Scouts, had been honored as a 25-year veteran of scouting. There are seven Boy Scout units on the campus.

Demonstrating his interest in the problems of youth everywhere, he made a five-month trip through the Far East and the Middle East on behalf of the State Department, counseling on youth problems. He aided in establishing a counterpart of Farther Flanagan's Boys' Home at Monterrey, Mexico, and also a Boys Town in the Philippines.

For his work with youth and service to society he received numerous awards and citations, among such honors being a Doctor of Laws from Creighton University.

In recognition of the dedication and the 25 years Father Wegner served the youth of this country as well as thousands of boys who called Boys Town their home, the Alumni of Boys' Town, Nebraska are honoring Msgr. Nicholas H. Wegner on March 7, 1975 on his 50th Golden Jubilee.

Mr. HRUSKA. Mr. President, on March 7, Msgr. Nicholas Wegner, former director of Boys Town, Nebr., will celebrate the Golden Jubilee of his ordination into the priesthood. His 50 years of serving others and giving of himself to their problems and concerns is most deserving of recognition and admiration. Father Wegner should take pride in his long career and be assured that his impact on those around him has been deeply felt and most sincerely appreciated.

Monsignor Wegner is especially remembered for his years at Boys Town. Boys Town is, of course, a unique institution founded by Father Edward J. Flanagan in 1917, to care for homeless and disadvantaged boys. On the death of Father Flanagan in 1948, Monsignor Wegner became Boys Town director; an office he held for 25 years until his retirement in 1973. During the quarter of a century under his leadership, Boys Town enhanced its tradition of helping youth.

During Monsignor Wegner's years of service, two major projects undertaken by Boys Town deserve special mention. The Boys Town Institute for Communication Disorders in Children, created in 1972, will provide clinical, diagnostic and rehabilitation services for physically handicapped girls and boys. It is being built in conjunction with Creighton University in Omaha and will be ready for patient applications in 1976.

Equally deserving of recognition is the Boys Town Center for the Study of Youth Development. This complex will be based at Boys Town with regional centers on both coasts—Stanford University and Catholic University in Washington, D.C. It will direct its attention to serious and disturbing problems which face today's young, such as parental rejection, drug addiction, and social maladjustment.

Monsignor Wegner has his roots in Nebraska. He was born and raised in Humphrey; 1 of 12 children born to pioneer parents. He was ordained a priest on March 7, 1925.

Through Father Wegner's efforts, Boys Town has become a center of scholastic excellence and varied extracurricular activities. The environment is a progressive one which attempts to satisfy the personal needs of each young man. Monsignor Wegner also has been an avid supporter of the Boy Scouts and there are now seven Boy Scout units on the Boys Town campus.

The list of this great man's contributions to Boys Town and the world community is a long and impressive one. His life has been exemplary and his impression—deeply made—will not quickly fade. I am grateful for this opportunity to honor a truly inspiring individual. Father Wegner deserves the deep thanks of all who have benefited from his long life of good works.

Mr. DOLE. Mr. President, I am certainly pleased to be able to join with many of my distinguished colleagues today to honor Msgr. Nicholas H. Wegner.

Monsignor Wegner, who succeeded Father Flanigan as the director of Boys Town, is an individual who has measurably influenced the lives of countless boys. In his 25 years as director of Boys Town, Monsignor Wegner's dedication benefited not only the thousands of boys that called Boys Town home, but also youth nationally and internationally by broadening and expanding the services sponsored by Boys Town.

During those 25 years, Boys Town began many ambitious programs under Monsignor Wegner's direction. Some have been completed and others will be realized in the near future. One that interests me in particular is the Boys Town Institute for Communication Disorders in children which will care for physically handicapped boys and girls beginning in 1976. For many years I have taken a serious interest in the well-being of handicapped persons and in development of resources and facilities that will enable them to develop to their fullest potential. My years in Government have demonstrated to me that Government action is limited and pursuit of these goals by dedicated and able private individuals and institutions is an absolutely necessary element in the Nation's overall effort. Boys Town Institute for Communication Disorders in Children, with its clinical, diagnostic and rehabilitation center and preschool language and learning center, will certainly be a prime example of effective pursuit of these laudable goals.

With the expanding scientific knowledge we have today, many new methods of treatment for physical and emotional disorders have come—and are continuing to come—to light. The Boys Town Center for the study of youth development, a project undertaken during Father Wegner's term as director, contributes to this knowledge with research into rejection of parents, drug addiction, inability or unwillingness to learn, and social maladjustment.

It is indeed a tribute to Monsignor Wegner that this expanding knowledge will be put to the fullest and best possible use by practical application in the Institute for Communication Disorders in Children.

Although I have touched only briefly on Monsignor Wegner's contributions to the youth of our country, his list of accomplishments is practically endless. I am honored to have been allowed to participate in his golden jubiliee celebration.

Mr. YOUNG. Mr. President, I am honored to join with many of my colleagues in giving this well-earned recognition to Monsignor Nicholas Wegner, former director of Boys Town, Nebraska, on the occasion of his golden anniversary of ordination as a priest.

Monsignor Wegnor carried on in the fine traditions established by the late Monsignor Edward Flanagan as director of Boys Town. Boys Town, as everyone knows, provides one of the most outstanding facilities in the Nation in the care of disadvantaged and homeless young men. The remarkable fame and recognition which Boys Town has received could not have come about without the dynamic leadership of people like Monsignor Wegner and his renowned predecessor.

Mr. President, it is most appropriate that the many friends and admirers of Monsignor Wegner honor him at a ceremony in Boys Town this Friday. I am

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delighted that I was invited to express my tribute to him.

Mr. McGEE. Mr. President, like Boys Town, Msgr. Nicholas Wegner is an institution—moreover, a legend of contributions to our Nation's abandoned and troubled young people.

On Friday, Monsignor Wegner will be honored for 25 years of dedicated service to Boys Town in the State of Nebraska, my birthplace.

Not enough will be said in praising this man, who, strong and loving, devotes his life to the seeds of the future—our youth.

How difficult it is to guide and reinforce America's youth, who, by the grace of God, do not find themselves without a father and mother at home or in the arms of the law, rather than in the caring blessedness of their parents. Then there come the less fortunate.

Monsignor Wegner so greatly substitutes for their lack, extends the loving arms of human and Christian brotherhood through difficult times, and seeks no reward.

I join many others across the land who sing praise of and offer deep thanks to Msgr. Nicholas Wegner upon his 50th Golden Jubilee. Although he is officially retiring from Boys Town after 25 years, I know he will never retire from helping those who need him most, our youth.

Mr. McCLURE. Mr. President, it is a great pleasure for me to join Senator CURTIS in honoring Monsignor Wegner on the occasion of his golden jubilee celebration.

It is impossible to assess his contribution to our society by simply counting the number of boys who have been beneficiaries of his talents and devotion. In order to understand the impact of his work we would have to measure the unmeasurable. We would have to assess the ripple effect that occurs whenever a good man operates in the community.

We live in a society of degenerating moral values. We live in a society which promotes the notion that it is better to receive than to give, especially to receive the fruits of others' labors. We live in a society which bases its idea of debt to others on some vague standard of collective guilt, rather than upon the intrinsic worth of the individual.

Father Wegner has insisted upon the preservation of that standard of worth by his commitment to the education of the whole man. He realizes that education is a process of nourishing both body and soul, both intellect and will. The success of this educational approach lies in the fact that he understands the nature of man: That each man is a rational, spiritual, social, individual. He is one of the few men who understands what is meant by man's brotherhood and man's individuality and that the two are not mutually exclusive.

As I said, we cannot measure the value of his contribution to the youth of our country. We can only thank him for it.

Mr. McGOVERN. Mr. President, this Friday, March 7, marks a special day in the life of a man who is loved and admired by thousands of people throughout the Nation and the world. Msgr. Nicholas Wegner, who for 25 years as the director of Boys Town gave his hand and his heart to homeless boys, will be celebrating his 50th anniversary in the priesthood. I proudly join my colleagues in paying tribute to Father Wegner on his upcoming Golden Jubilee.

There are not many people in this world who can claim even a fraction of the accomplishments Father Wegner has fulfilled during his lifetime thus far. He has academic credentials, honors, awards and certificates of jobs well done that number high in their count and even higher in their meaning. But he has received his most valued reward for his devoted service to God and to humanity in the light and smiles of happiness he has brought to the faces of so many destitute and disadvantaged young men.

After the death of Father Edward Flanagan, the founder of Boys' Home, Father Wegner became the director of that institution in Boys Town, Nebr., in September 1948, where he served until his retirement in October 1973, at age 75. When he took over his new job, he entered with a greater vision of what Boys Town could be and what it could mean. Under his guidance, care and encouragement, Boys Town grew into a national and international headquarters for projects serving disadvantaged youth. In June 1972, the Boys Town Institute for Communication Disorders was established as a medical and educational facility to aid physically handicapped boys and girls.

Another project for which Father Wegner is rightly proud is the creation of the Boys Town Center for the Study of Youth Development. Research into the many problems and situations which adversely affect young people will be carried out in this center and in regional sites with hopes for the development of more positive means for dealing with the problems of our youth.

Father Wegner always insisted that his boys excel scholastically, physically and culturally. He has seen to it that the new grade school located on the Boys Town campus is one of the best in the Nation. The Boys Town High School is accredited by the North Central Association of Colleges and Secondary Schools. Once a pitcher good enough to be offered contracts from two major league baseball clubs, Father Wegner has also been responsible for a curriculum which included major sports and all types of recreation. And the Boys Town Choir is known as one of the finest youth choral groups in the country.

Father Wegner's devotion has been matched only by his energy and his eagerness to spread the good works of Boys Town throughout the world. He has traveled extensively, giving counsel on the problems and direction of youth and helping establish boys' homes in Mexico and the Philippines.

For his fine qualities of dedication, generosity and hard work, Msgr. Nicholas Wegner has been an outstanding example to "his" boys and to all human beings. It is certainly fitting that we honor him on his Golden Jubilee and wish him many more successful years in the priesthood.

SMALL BUSINESS

Mr. INOUYE. Mr. President, the strength of the U.S. economy throughout our history has been dependent upon the growth and diversity of our small businesses. The incredible technological breakthroughs which have revolutionized our industrial society and the style of life for millions of people across the world, have come from the ingenuity and determination of individual entrepreneurs. Rewarding employment for millions of America's working men and women has been found in the "ma and pa" shops, family farms and small factories of our cities, suburbs and rural areas.

As bigness has begun to challenge the vitality of many small businesses Congress has seen fit to help preserve their essential place in our free market economy. Antitrust statutes, loans and subsidy programs have been enacted with the understanding that our future as an industrialized democracy requires a vital small business sector.

The current economic malaise has been especially harmful to those smaller businesses whose profit margins are not sufficient to cushion them from the dual dangers of inflation and recession. I have introduced legislation to create an Economic Adjustment Corporation to provide loans to small business—and others—so that the expected wave of bankruptcies that will surely attend increased economic uncertainty does not occur.

The Small Business Administration which the Congress created in 1953 to assist small businesses in meeting the many problems that they may encounter from time to time presently is a prime source for financial assistance to troubled companies. The following columns by Silvia Porter explain in clear and concise manner what kind of assistance is available to firms from the SBA and how to apply.

I ask unanimous consent that the articles which appeared in the Washington Star News on December 18 and 19, 1974, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SBA A KEY SOURCE OF LOANS FOR SMALL FIRMS—PART 1

(By Sylvia Porter)

As you, owner of one of America's millions of small businesses, fight to survive during this dangerous era of slumpflation, you must face and overcome one giant obstacle: Lack of adequate money. You must become familiar with every possible source of credit available.

And that means that now is the time to learn all essential facts about a little known credit source—about the broad range of assistance you can get from the U.S. government's Small Business Administration.

A first essential fact is that the SBA has a variety of regular and special loan programs designed for you. Among them are loans for equity capital; for working capital; for construction or purchase of machinery and equipment; for meeting consumer protection or environmental laws and regulations.

The SBA also has special programs which provide federal guarantees of your small firm's rental in a prime business location and surety bond guarantees.

A second essential is that, by law, the SBA cannot make a loan if your business can obtain the funds it needs from a bank or other private lender on reasonable terms.

Therefore, you first must seek private financing before applying to the SBA. You must apply to your local bank. If you live in a city of more than 200,000, you must apply and be turned down by two banks.

A third essential is that you must agree to comply with SBA regulations that there will be no discrimination in employment or services to the public based on race, color or national origin.

However, the SBA may guarantee a loan that banks make you as a small businessman or businesswoman, or it may participate in a loan to you with a bank. Only limited funds are available for direct loans.

Here are key questions and answers to help you get the maximum aid from the SBA's "regular" business loans.

Q. Who is eligible?

A. Your business is eligible if it is unable to obtain private financing on reasonable terms, not eligible for financing from other government agencies, and qualifies as "small" under the Small Business Administration's standards.

Q. How does the SBA define a small business?

A. Your business would be defined as small if it is independently owned and operated, not dominant in its field, and meets employment or sales standards set by the agency.

If yours is a manufacturing concern, its size is determined by the number of your employes and the specific kind of manufacturing in which your firm is engaged. The maximum number of employees you may have to qualify as a small company is 1,500.

If yours is a wholesaling concern, your size is determined by your yearly sales and the specific industry in which your firm is engaged. The maximum for your sales is $15 million.

If your business is retailing and service, your size is determined by your yearly sales and the specific industry in which your firm is engaged. Your maximum sales figure is $5 million.

Q. What are the general credit requirements?

A. You, the applicant, must be of good character; show an ability to operate your business successfully; have sufficient other capital so that along with the SBA loan, you can operate the business on a sound financial basis; demonstrate that the purpose of the loan is sound; and show that you can repay the loan out of your retained earnings. This is no more (in fact, it's even less) than the information you would be required to submit for any loan.

Q. What is the maximum amount of an SBA loan?

A. The SBA may guarantee up to 90 percent or $350,000, whichever is less, of a bank loan to a small firm. The SBA share of a loan made jointly with a bank may not exceed $150,000. If funds are available for the SBA to make the loan directly to your small business, the loan may not exceed $100,000.

Q. What about loan maturities?

A. A business loan may be for as long as 10 years; those portions of loans for new construction may be for as long as 15 years; working capital loans are usually limited to six years.

SBA A KEY SOURCE OF LOANS—PART 2

(By Sylvia Porter)

Special to the Star-News

Bank loans to business and industry have continued to rise week after week to all-time peaks—in the face of an obviously deepening economic slump and unmistakable indications that corporations are pulling back on spending for new plants and equipment.

Why? On the surface, the increases make no sense at all.

But under the surface, there is a fundamental reason—and it's not pretty.

These are increasingly what Wall Street very quietly calls "survival" loans. In some cases, the money is being borrowed, even by giant corporations, to help carry inventories of goods built in top-heavy levels in anticipation of buyers who simply haven't shown up.

In other cases, the money is being borrowed by big businesses struggling to replenish their cash balances to "safe" totals. In still others, without them the businesses would face bankruptcy.

There is no comparison between this borrowing and the inflation-feeding loans of the recent past.

Mind you, it's big business, which always finds it easiest to get money even in the tightest credit periods, obtaining most of the loans now. Smaller businesses are usually near the end of the line—understandable, if not commendable, at a time when lenders are trying to avoid undue risks. Even in boom periods, millions of small businesses fail each year. And while the underlying causes may be incompetence and inexperience, it's lack of cash which topples the enterprise.

This is why it's more important than ever to become thoroughly familiar with a major source of credit—the Small Business Administration. You must meet the rules: Be unable to get funds from a private lender on reasonable terms; qualify as "small," have the appropriate credit standing.

Q. How do you apply for a SBA loan?

A. If you are an established business, prepare a current balance sheet and a profit-and-loss statement for the previous full year and for the current period, along with personal financial statements of the owner and each partner or stockholder owning 20 percent or more of the business.

Prepare a list of the collateral and your best estimate of its current value. Be prepared to state the exact purposes for which you will use the funds.

Take the material to a bank (or, in cities of more than 200,000 population, to two banks). If you cannot get the financing, then write or visit your nearest SBA office.

If you are a new business, describe the type of business to be established and the owner's experience and management capabilities. Estimate how much can be invested and how much must be borrowed.

Be ready to submit to the bank a personal financial statement, a detailed protection of earnings for the first year and a list of collateral.

Q. What can you use the funds for?

A. The rate on loans made directly by the expansion, purchase of equipment, facilities, machinery, supplies, working capital.

Q. What about the interest rate?

A. The rate on loans made directly by the SBA as well as SBA's share of loans made jointly with a bank may not exceed 6.75 percent. Within certain limits, banks may set the rate on loans which are guaranteed by the SBA and on their share of loans made jointly with the SBA.

Q. Where can I get more information?

A. Write to the SBA, Washington, D.C. 20416, for its pamphlet, "SBA Business Loans" OPI-18, dated January 1973.

NEW APPOINTMENTS TO THE EDITORIAL STAFF OF THE PHILADELPHIA INQUIRER

Mr. HUGH SCOTT. Mr. President, I am pleased to note the announcement of several new and very important appointments to the editorial staff of the Philadelphia Inquirer. I would like to take this opportunity to congratulate the new members of the Inquirer editorial board and wish them and their colleagues continued success in the publication of one of America's finest daily newspapers.

I ask unanimous consent that the notice outlining these appointments as printed in today's Inquirer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INQUIRER EDITORS NAMED

In a reorganization of its newsroom, The Inquirer has appointed three associate managing editors, each of whom will be in charge of a major area of operations, according to an announcement by Gene Foreman, managing editor and Gene Roberts, executive editor.

Tom Wark, now assistant news editor at The New York Times, has been named associate managing editor/features. Dale Allen, formerly an assistant managing editor of The Inquirer, has been named associate managing editor/operations. And Steve Lovelady, also formerly an Inquirer assistant managing editor, has been named associate managing editor/news coverage.

Wark, who will join the staff in approximately three weeks, will be responsible for The Inquirer's Living, Food, Entertainment, Books and Leisure, Travel and comic sections, as well as Today Magazine, TV Week and the Action Line column.

Allen will supervise The Inquirer's operations and news desk and will be responsible for all matters of news processing and format. He will also serve as chief operating news executive at night.

Lovelady will supervise The Inquirer's general news report, including city, regional, national and investigative news coverage, and will also oversee its business news department and the Today's World section. He will serve as chief operating news executive during the day.

Wark earlier served as an assistant national editor at The New York Times and previous to that worked in several editing capacities at The Detroit Free Press.

Allen joined The Inquirer in 1970, and has filled numerous editing jobs at the newspaper. Previously, he worked in several editing functions at The Charlotte News and Observer.

Lovelady joined The Inquirer in December 1972 as assistant managing editor in charge associate page one editor of The Wall Street Journal.

Will Jarrett, formerly managing editor/features of The Inquirer, has accepted a position as managing editor of The Dallas Times-Herald.

CONTINUATION OF EMERGENCY SCHOOL AID ACT FUNDING

Mr. HOLLINGS. Mr. President, on February 25, the General Assembly of the State of South Carolina adopted a concurrent resolution memorializing the Congress of the United States and the Secretary of Health, Education, and Welfare to provide for the continuation of Emergency School Aid Act funding. The resolution indicates that ESAA is one of the most effective Federal programs in reducing educational deficits and the termination of funds for this program would have a crippling effect on thousands of school students and communities across the State of South Carolina.

On behalf of myself and Senator THURMOND, I ask unanimous consent that

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the concurrent resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES AND THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE TO PROVIDE FOR THE CONTINUATION OF EMERGENCY SCHOOL AID ACT FUNDING

Whereas, there has been no affirmative action or substantive information regarding funding for the Emergency School Aid Act (Title VII, Public Law 93-380); and

Whereas, the Emergency School Aid Act programs in South Carolina have had significant impact in overcoming the educational problems faced by desegregated school systems, and is one of the most effective federal programs in reducing educational deficits; and

Whereas, the emergency situation created by the desegregation of dual school systems in South Carolina still exists, and the termination of funds for these purposes would have a crippling effect on thousands of school students and communities across the State; and

Whereas, school district and community organizations can in no way absorb the cost of such program. Now, therefore, be it

Resolved by the House of Representatives, the Senate concurring:

That the Congress of the United States and the Secretary of Health, Education and Welfare are hereby memorialized to provide for the continuation of Emergency School Aid Act funding at or near the current level for the fiscal year 1976, with no change in regional allocation procedures. Be it further

Resolved that a copy of this resolution be sent to the Secretary of Health, Education and Welfare and each member of the Congress of the United States representing South Carolina.

HOW FAR DO WE PURSUE GUILT FOR WATERGATE?

Mr. BROCK. Mr. President, I hope the episode in our national history known as the Watergate affair is drawing to a close. The question which remains is, What have we learned? Columnist William Safire has written a remarkable article addressing itself to this question and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW FAR DO WE PURSUE GUILT FOR WATERGATE?

(By William Safire)

WASHINGTON.—"Four out of five guilty!" shouted the man on the desk in the newsroom, as the bottom fell out of the lives of John Mitchell, Bob Haldeman, John Ehrlichman and Robert Mardian.

The Appeals Courts will determine whether justice triumphed in the Watergate cover-up trial, or whether truth triumphed at the expense of justice. But the decision of the nine women and three men puts the seal of finality on the seamiest episode of our time.

When Mr. Average Man pronounced the verdict of guilty on four formerly powerful men, the reaction of other average people was that they must have deserved it, and thank God it's all over.

But it's not over. Up to now, inquiry into the unlawful use of the law has centered on Watergate and its aftermath, but the investigation of the abuse of power has only just begun. Guilt is guilt, and it is not lessened by an examination of "root causes"; however, this verdict—significantly, on the first day of the final quarter century of this millennium—marks the end of Watergate and the beginning of a broader self-examination.

The forthcoming exposure of the Central Intelligence Agency also had to do with the unlawful use of the law.

When The New York Times recently blew the lid off C.I.A. domestic activity, a headline writer automatically narrowed the wrongdoings to "the Nixon years," but we are coming to see that these illegal practices began well before that.

During the Watergate investigation, Charles Colson put forward a theory that the C.I.A. had more to do with Watergate than met the F.B.I. This was ignored; even when Senator Howard Baker issued a report detailing the curious coincidences of C.I.A. involvement, the idea was resented as somehow taking the blame away from then President Nixon.

Now, a year after his testimony was taken in secret by the Senate Watergate Committee, we see that Howard Hunt was in a C.I.A. unit that spied on Barry Goldwater's 1964 campaign. Why was this testimony suppressed—"covered up"—for a year? What other useful information about the unlawful use of the law has been put on ice to protect us from distraction until the Nixon men were jailed?

Perhaps now a Congressional committee will look into the surveillance of newsmen by L.B.J.'s Marvin Watson, hinted at and hushed up at the House Judiciary inquiry. Perhaps the American Civil Liberties Union will volunteer to represent Mrs. Martin Luther King Jr. in a lawsuit against the F.B.I. for illegally wiretapping her late husband.

For the Office of the Special Prosecutor, these are the days of Jill Wine and roses, with the acquittal of Kenneth Parkinson the lone exception in an otherwise perfect record. Even Harry Dent was forced to plead guilty to a misdemeanor, and the indictment of some Hubert Humphrey aides has helped present a nicely nonpartisan image. But soon some hard questions will be asked, and not by diehards or partisans.

How can we account for the sweetheart relationship that appears to exist between the special prosecution force and the F.B.I.? L. Patrick Gray, a fine and patriotic man, has reportedly admitted destroying evidence during the cover-up. Why has the former F.B.I. chief not been prosecuted? Probably because Pat Gray could blow the whistle on a dozen top agents of the F.B.I., requiring trials on a variety of crimes and generally lowering morale.

Another example: William Sullivan, a former high F.B.I. official, has not been placed under oath and asked the kind of question that might embarrass F.B.I. men currently in office, or might conflict with sworn testimony of our supreme commander in Europe. Mr. Sullivan has been unwell, but the reason he has not been called is that the special prosecutor does not want to get into sticky areas of "big jobs" and political spying.

On those same lines, Cartha Deloach, a close aid to the late J. Edgar Hoover, has not been asked under oath about the wiretapping of Anna Chennault in 1968, and of the subsequent illegal F.B.I. intrusion in the U.S. political process in that year's election campaign. But the law enforcement establishment, of which the special prosecution force is a part, does not want to foul its own nest.

Perhaps the nation's interest in the unlawful use of the law will wane with the satisfying clank of prison gates behind the four men now pronounced guilty. I hope not. Revelation of embryonic activity in the sixties does not extenuate crimes of more recent vintage, but they will show us how pervasive and dangerous our unconcern has been.

No vendetta is needed, no "getting even" by besmearing dead men's reputations, no prison sentences for lawmen who operated in the approved context of their times. But needed after this verdict of guilty is a searching look at who else was guilt, what set the pattern for the excesses being paid for today, so that we can gain an understanding of why some upright men go wrong.

THE OIL TARIFF COMPROMISE

Mr. ROTH. Mr. President, I am extremely pleased that the President has made the decision to delay the scheduled increases in the oil tariff, as I had urged. In taking this action, the President took a courageous step in creating an atmosphere of cooperation between the administration and the Congress.

The President has shown his willingness to compromise, and I believe that Congress now has the responsibility to compromise and to sustain his veto of the legislation suspending the tariff. I have discussed this matter with my colleagues on both sides of the aisle and, if it comes to a vote, and I am confident that the President's veto will stand.

Because of the seriousness of our economic and energy problems, it is vitally important that partisan politics be set aside. Democrats and Republicans must join together to work in the best interest of the American people. The tariff compromise is a first step, giving the President and the Congress the opportunity to hammer out together a national energy program.

The Congress has 60 days to formulate energy proposals to end our reliance on imported oil, and I believe the congressional committees should work around the clock to fashion a program phasing in the energy measures.

The proposals outlined by Chairman ULLMAN show that the Democrats also recognize the seriousness of the situation. The basic areas of compromise and agreement are being identified, and I am confident the President and Congress are on the right track in developing a sound national energy program.

An agreed upon energy program is essential to a strong U.S. bargaining position at the negotiating table with the OPEC countries. These negotiations may begin late next month, and the OPEC countries are watching now to see whether we have the political resolve to come together on a firm conservation program.

The most important issue facing the Federal Government today is to restore consumer confidence in this Nation's ability to solve our economic and energy problems, and I believe this compromise shows the American people that the President and Congress can get together to take effective action.

STRIP MINING

Mr. METCALF. Mr. President, 2 weeks ago there was read into the RECORD an article from the Washington Post headlined: "The Wringing of the West."

I believe it to be an excellent and timely piece on strip mining.

Since then the president of Montana Power Co., which, through Western Energy, is responsible for some of the strip mining in the West, has questioned some of the material in the Post article. In fairness to the company, I ask unanimous consent that the following letter from President Joseph McElwain to the editor of the Post be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE MONTANA POWER CO.,
Butte, Mont., March 1, 1975.

The EDITOR,
The Washington Post Outlook,
Washington, D.C.

DEAR SIR: The two-page broadside against western coal development (Outlook, Feb. 16, 1975) came as a shock to those of us who are intimately acquainted with the western energy picture. Ms. Smith relied heavily on outdated and unrealistic information to present a bleak energy-development picture that simply does not correspond to reality.

The numerous flaws in the article merit lengthy rebuttal and the focus of the article deserves broadening to include the distinctly beneficial effects that will accompany a moderate level of coal and energy development in eastern Montana.

As president of Montana Power Company, I was particularly sensitive to the distortions and inaccuracies regarding Colstrip, Montana.

Certainly the specter of a "dreaded population impact" at Colstrip demands perspective. Rosebud County where Colstrip is located, contains 5,037 square miles—an area roughly five times the size of Rhode Island or 83 times the size of the District of Columbia. In 1970, the county population was 6,032, slightly more than one person per square mile. It is anticipated that with the completion of four generating units at Colstrip, that town's permanent population will be about 3,000. Anticipated stable county population after completion of the generating units is roughly 12,500. Even then population density will be less than half the state average of 4.8 persons per square mile. Dreadful? I don't think so.

The article mentions five other impacts, three at Colstrip and two others—none of them well qualified. First, the article claimed incorrectly that the Colstrip school was "jampacked" last year and that classes were dropped for lack of faculty. No classroom exceeded accreditation enrollment standards and lack of enrollment was the only reason classes were dropped. In anticipation of enrollment increases this school year, Montana Power and Puget Sound Power and Light Company (the utilities building the first two generating units) furnished without charge to the school district eight semi-permanent classrooms valued at $142,000. Regarding school and other impacts caused by construction of two more generating units, Montana Power and Puget Sound Power have offered to prepay taxes to eliminate any undue burdens on taxpayers and on the quality of county services, if satisfactory enabling legislation were passed allowing local government to negotiate such arrangements. Tax levels in the county will drop dramatically after the contemplated generation goes on the tax rolls.

Second, the reclamation efforts of Western Energy Company, a subsidiary of Montana Power, have gone well beyond "small experimental plots." In six years of mining, Western Energy has disturbed about 500 acres of land. All but 25 acres are part of the ongoing reclamation program. The 25 acres are in the active mining area. Research continues, but to date reclamation is proving successful. In fact, there is every reason to believe that reclaimed land will be more productive than the overgrazed, abused range extant prior to mining.

Third, the contention that it is more economical to ship coal from Montana to the West does not square with the facts. On the average it will cost $12.5 million less annually to generate electricity at Colstrip and transmit it to the West Coast rather than shipping the coal for generation there. In addition, transmission of the electricity will eliminate the need to burn the 36 million gallons of diesel fuel each year that would be required to transport the coal. The 500-kilovolt transmission lines required to move the electricity across Montana would not "shed their often dangerous leakage on the ground" any more than the other 12,000 miles of other 500-kv lines in this nation. Experience with those lines has proved they are safe, when treated as one would treat any electric power line distributing and transmitting power throughout the world.

Fourth, the article gives rise to great fear over depletion of water resources. Montana, at least, has rigid laws that bear on development of water resources. Our utility siting act requires that the need for energy plants and their environmental compatibility be proved before construction is permitted. Our surface mine and reclamation act is among the most rigid in the nation. Our state has declared a moratorium on water development in the Yellowstone River basin until a coherent program of allocations can be derived. Finally, between state and federal air and water pollution standards, we are convinced the environment will not be harmed in any appreciable manner.

Fifth, projection of mining rates in the article are well in excess of any realistic assessments. By 1980, Ms. Smith states, Montana will be extracting about 50 million tons a year. According to Northern Great Plains Resource Program (NGPRP) projections, the most likely level at that time will be about 40 million tons.

Acceptance of the most extreme mining projections leads to the ridiculous conclusion that Montana coal will be gobbled up in something like the next 20 years—or 30 to 35 years at the outside.

Again taking the NGPRP's most probable level of mining, by 1985 75 million tons of coal will be mined in Montana and 133 million tons will be mined in the year 2000. Even if coal were mined at the likely year 2000 level beginning in 1975, the 42.5 billion tons of Montana coal identified as amenable to surface mining methods would persist for almost 320 years. I hardly think that can be characterized as a "boom and bust" cycle.

Unfortunately the Post writer got off on the wrong foot initially by accepting the North Central Power Study as a blueprint for coal development. The study did not make recommendations or in any way advocate coal development. Rather, it was an inventory of coal resources and a statement of their potential. The list of developments since clearly demonstrates that the study had no relation to what would occur. To date, only one energy conversion project has been formally proposed to state authorities. That is the 2,100-megawatt generating complex at Colstrip. Prior to that, two small coal-fired generating plants were operating in Montana. Other than that, we are aware of three Montana conversion projects that are in the talking stage. Two would be coal gasification facilities (one of them might be located in Wyoming) and the third is a fertilizer plant. Judging by what already has happened in Montana, it would appear that roughly 80 per cent of the coal mined here will be shipped out of state for conversion elsewhere. It might be noted that the largest part of Western Energy's production has been shipped to Illinois, Wisconsin and Minnesota for production of electricity in those states. It is not unreasonable to ask, what would be the energy picture in those states were it not for western coal?

The point is this: the direction of coal development already has been set. The largest part of coal production will be exported. A modest number of coal conversion plants will be constructed in Montana. Inspection of the records and of up-to-date material would have obviated the need for hand wringing over "The Wringing of the West."

In fact, in these times of energy shortages and economic decline coal-related development well might be welcomed with applause rather than hand wringing.

Like many other parts of the nation, Montana has been shocked by massive layoffs in primary industries. In the short run, such projects as the Colstrip generating plants could furnish employment to the same number of persons as have been laid off in our primary industry—copper mining and processing. Construction at Colstrip alone will produce 1 600 jobs in construction over several years. Indirect and direct permanent employment resulting from Colstrip will total 2,200 persons across our state.

Finally, the article completely ignored the fact that intelligent use of western coal is absolutely necessary if this nation is to approach anything like energy self-sufficiency. We in Montana will not accept de facto designation as a national sacrifice area, but we are ready to use our resources for the benefit of our nation's economy and security. We are convinced that can and will be accomplished without destroying ourselves and our land.

Sincerely,

JOSEPH A. MCELWAIN,
President and Chief Executive.

PUBLIC OFFICIALS AND PUBLIC SERVICE IN THE AFTERMATH OF WATERGATE

Mr. HUGH SCOTT. Mr. President, yesterday, the Washington Star-News printed an article by Jack Valenti on public officials and public service in the aftermath of Watergate. This deserves the attention of my colleagues. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO SINS, NO HUMANITY—WE'RE ASKING FOR SAVONAROLAS

(By Jack Valenti)

Watergate made every candidate and every office-holder suspect. There is a feeling in the country now that most public men are not to be trusted and therefore neither to be followed or believed. The smell of official blood and the taste of shredded political flesh has become the national appetite.

Broken faith and squandered trust should not be casually tolerated, but it may be we as a people are demanding human paragons when there are no such beings.

The public man-woman is fair game to reveal his financial holdings. But the norm now is to want to go into the bedroom, the locker room, the clubroom, and the restroom to visit upon the viewing and reading public every sliver of "news" about anybody who has won a public office. Who can survive that kind of scrutiny?

All public leaders are flawed. When we understand that human beings are our leaders, we might view them with tolerance and forebearance. What we might hope for our leaders is that they be right more often than they are wrong and not inspire within us larger expectations than they are capable of delivering. We are correct in asking them to be wiser than those who give them power.

possessed of character and caring in such measure that the tasks they obligate themselves to fulfill will not go unserved by their skills or their integrity. And most of all, that they will bring honor to the duties they have sworn by solemn oath to perform. But to ask them to be sinless is to insist on more than Jesus or Paul thought possible.

All public people are inclined, from time to time, toward error—error of judgment, perhaps, or even silly behavior. Public officials are subject as you and I to the vagaries of emotion, pride, infatuation with self. There are no infallible heroes or heroines, bleached dry of sin, unblemished by lesser nations, with ideals fully intact and a conscience preserved against the need for contrition.

Perhaps the person who wants to enter public life (and no one puts a gun to a candidate's back and forces him or her to seek elective office) must have an understanding of the people he wants to serve, as well as of the inner person inside him.

He (in the generic sense) must be patient. Politics is a series of loops and turns, of ups and down, of defeat and triumph. He must learn to deal with the one and endure the other, with neither arrogance nor panic.

He must be able to live with the burden of obloquy, assaults on his honor and his motives, plain lies and distortions, the long knives of those who aim to wound him and bring him down. He must accept this as the lot of the public official.

He must expect no gratitude because that is not the way of public response. But the fact that gratitude is not a public trait should never lessen his faith in the people's resolve, their common sense, their reliance on what is good and true. The people, he must understand, will, in the final end, make a distinction between right and wrong, and put aside those who didn't measure up, and call on those who give reason to trust their judgment.

And finally, the man who would enter public life must also be prepared for the day when he no longer is in power. Power is transient and in a democracy what is offered will, usually, be withdrawn. Thus, the public official must be able to live in the other world of lost power, without recrimination or the expectation that his voice, now without official timbre, will carry special weight. He must be willing to be satisfied with public respect which, it must be noted, is a valuable embrace and not at all without meaning.

But it is quite plain that the burdens on public officials grow heavier. It may be that in the future we will be facing a situation where the only candidates will be those who have no families, no wife or husband, no private income, no pleasure in a little human comfort, no desire to mingle with men and women on a personal level, no aberrations of thought or behavior, no inclination toward sin either venial or mortal, no minor derelictions, no human failings. What this describes is a Savonarola fanatic, and we have enough public recordings of the zealot in office here and in other lands to make that future ideal something less than attractive

THE STATUS OF BLACK EMPLOYMENT

Mr. JACKSON. Mr. President, Dr. Sar A. Levitan, Ph. D., has long been in the forefront on issues and policies related to national manpower programs. His expertise in the field, and desire for change has often made him the focal point for questions which have led to new manpower policies. Dr. Levitan has written extensively and is eminently qualified to speak on the subject.

Most recently Dr. Levitan was called upon to act as chairman of the National Manpower Policy Task Force, for the purpose of developing a position paper on the status of black employment.

I wish to bring to the attention of my colleagues the full text of the report of the National Manpower Policy Task Force.

The task force is compromised of leading academic manpower experts. The report reflects the employment problems confronting millions of our black citizens and also recognizes some of the positive changes experienced since 1960 which in large measure can be attributed to the legislative initiatives that were undertaken during the 1960's—most notably the Civil Rights Act of 1964 and the new programs in human resource development.

I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE STATUS OF BLACK EMPLOYMENT

THE MIXED PICTURE

The National Manpower Policy Task Force has examined changes in black employment since 1960 and concludes that racial inequality remains a serious national problem. The source of the changing economic status of blacks is the subject of abundant misinterpretations. One position asserts that economic discrimination collapsed during the last half of the 1960's, primarily due to the effects of anti-discrimination legislation, particularly the Civil Rights Act of 1964. This position emphasizes the accelerated rate of change during this period, but neglects the unevenness of change and the remaining sizeable gaps between blacks and whites.

An opposite view alleges that blacks made little or no economic progress during the 1960's. Proponents of this position emphasize the continuation of serious economic problems, particularly among blacks in big city slums, and the persistence and pervasiveness of racism. These observers stress the continuing existence of large gaps between white and black employment and income.

We consider these extreme positions detrimental to black progress because they tend to neutralize pressures for change. Indeed, those who argue that the problem has been solved and those who contend that little or no progress has been made, are natural, if unwitting, allies; the former neutralize pressures for improvements in the anti-discrimination programs on the grounds that they are unnecessary, and the latter neutralize pressures for change by generating pessimism that racial equality can be achieved in a democratic society.

The evidence reveals perceptible economic progress by blacks during the 1960's, but it also exposes the uneven progress and the continuation of wide economic gaps between blacks and whites. We therefore think that discrimination and racial inequality remain very serious problems requiring the full implementation of anti-discrimination laws and the strengthening of human resource development activities.

NATURE AND MEANING OF DISCRIMINATION [1]

It is important to be explicit about the various meanings of "discrimination." Some interpret racial discrimination only as specific overt acts against people because of their race. In a broader and more important sense, however, discrimination designates racism or institutionalized discrimination which permeates social and economic institutions and therefore does not require conscious or overt acts or decisions. Institutionalized discrimination leads to segregated housing, schools, jobs, training, and health care. These disadvantages produce unequal job opportunities and income whether or not specific individuals are prejudiced against blacks or make specific decisions adversely affecting them.

These forms of discrimination are not as pervasive, because specific discriminatory decisions by employers, unions, and workers are frequently selective, affecting some groups more than others. Discrimination apparently is based to a significant degree on status considerations; people regarded as "inferior" are the object of discrimination because the "status" of the discriminators is damaged by the hiring or upgrading of those discriminated against.

Employers discriminate partly because of racial prejudices and partly for economic reasons. Although employers ordinarily make employment decisions aimed at maximizing profits, management employment decisions often reflect fears of adverse reactions from biased employees, supervisors, or customers. Managers also have biases, largely based on status considerations, which modify their economic motives. While management apparently will accept minorities or women in blue-collar occupations, the main biases affecting those occupations are probably those of employees. However, management's status biases will have stronger direct influences on the hiring of women or minorities into managerial positions.

White workers may resist the entry of blacks into jobs because of emotional bias and bigotry as well as the more rational quest for job control. White incumbents in particular jobs will try to monopolize those jobs for themselves and will attempt to resist the hiring of people regarded to be of lower status. Of course, the extent to which prejudiced white workers are able to resist the hiring or upgrading of minorities or women will depend on their power relative to management, and pressures from minorities, women, or government agencies attempting to combat discrimination.

CHANGING EMPLOYMENT [2]

For the nation as a whole, there were substantial changes in black employment patterns during the 1960's. Nonwhites (of whom over 90 percent are black) increased their proportions of higher status and better paying white-collar jobs while they reduced their proportion in the service and laborer categories. Blacks in the 25–44 age group improved their employment patterns relative to whites and relative to blacks in other age groups.

Despite these gains, however, blacks have a long way to go to gain equality with whites. The steady progress made by blacks during the 1960's has been seriously interrupted during the 1970's. Blacks still account for over half of all private household workers and over a fifth of all laundry and dry-cleaning operatives, laborers, hospital attendants, janitors, maids and cleaners. At the other end of the employment scale, blacks represent only 2.8 percent of managers, administrators, and proprietors; 3.0 percent of sales workers; and very low proportions of many professional and technical workers. Entry into these occupations remains difficult.

Indeed, blacks experienced dramatic percentage increases in some professional-technical jobs, but within these occupations they continue to be heavily concentrated among the lower-paid classifications, including social and recreation workers, registered nurses, medical and dental technicians, and elementary and high school teachers. Similarly, in the craft occupations, blacks are underrepresented in the electrical, plumbing, and printing crafts, and overrepresented among brick masons, cement and concrete finishers, cranemen derrick operators, painters, and roofers and slaters.

Black males earn less than whites even after adjusting for years of schooling, regularity of work, and occupational differentials. After adjusting their incomes for education, intermittent work, and occupation, black males in the 25–34 age group still earn only 82 percent as much as whites. On the other hand, adjusting relative female incomes for education, regularity of work, and occupation brings black females to parity with whites in the 25-34 age group. The dramatic shift in the relative economic status of black women (as measured by ratios of black/white median incomes) is due partly to the restrictions placed on the upward mobility of white women. Black women, particularly heads of families, however, remained at the bottom of the income pyramid.

UNEMPLOYMENT

Blacks also suffer more from unemployment than whites. During the third quarter of 1974 the unemployment rates for blacks rose from 9.0 to 10.5 percent compared with an increase from 4.7 to 5.0 percent for white workers.

The unemployment rate for black teenagers was 33.5 percent, more than twice the rate (14.1 percent) for white teenagers. Black veterans in the 20-34 age group experienced an unemployment rate of 10.8 percent as compared to the 4.0 percent for white veterans. In November 1974, when the white unemployment rate was 5.8 percent, the comparable rate for blacks was 11.7 percent, and 37.5 percent for black teenagers.

The incidence of unemployment is only one measure of the problem of joblessness. Blacks not only have a higher rate of unemployment than their whit. counterparts, but the mean duration of their unemployment is longer. In addition, the number of spells of unemployment during the year is greater for blacks than for whites. All three factors taken together make the burden of unemployment among blacks substantially greater than among whites.

Because of these work interruptions and the fact that they have more recently entered many nonagricultural jobs, blacks tend to have less tenure on the job than whites. Since seniority is an important determinant of job security, occupational upgrading, and other benefits, work interruptions and relatively short job tenure have long-run consequences beyond the immediate problems they cause.

An important factor in explaining the higher unemployment rate of blacks is that they are concentrated in occupations where unemployment tends to be high such as nonfarm laborers, operatives, and service workers. Blacks also suffer relatively high unemployment rates because they are more likely than whites to be concentrated in "secondary labor markets," where seniority means very little, and where wages and working conditions are barely preferable to street life and welfare. On the average, in 1972, non-white workers were two-thirds more likely than whites to have lost and quit their jobs and 2.2 times more likely to be experiencing reentry or first-entry problems.

Unemployment rates are imperfect indicators of nonwhite labor market disadvantages, however, because these rates reflect only those who are willing and able to work and actively seeking jobs. The unemployment data exclude those working part-time who would like full-time jobs, those working but not earning enough to raise them above the poverty level, or those who have become discouraged and ceased looking for jobs. Consequently, there is reason to be concerned about the fact that relative to whites, the labor force participation rates for nonwhite males over 16 years of age declined from 83 percent in 1960 to 74 percent in 1973 (when the white rate was 80 percent). Although rising school attendance may have accounted for some of the decline in young nonwhite male participation, the decline in the labor force participation of black males in the prime working age group, 25 to 54 years, has been sharp. Among nonwhite females, there was a slight increase in participation from 48 percent in 1960 to 49 percent in 1973, but over the same period, the white female rate rose substantially, from 37 percent to 44 percent.

DISCOURAGED WORKERS

Many black not counted in the labor force are "discouraged workers who would like to work but have given up looking for jobs. Among blacks not in the labor force during the third quarter of 1974, 16 percent said they wanted to work but were not looking because they were discouraged. These 150,000 discouraged blacks accounted for a fourth of all discouraged workers. It is sometimes argued that blacks have withdrawn from the work force despite the availability of jobs because of their high wage expectations or because of a preference for higher incomes obtainable through illegal activities. While these considerations may be partly responsible for some labor force withdrawal, the existence of some unknown number of blacks who do not want regular work should not obscure the fact that many are seeking, but cannot find, acceptable jobs.

EMPLOYMENT AND EARNINGS INADEQUACY INDEX

Another indication of black economic disadvantage is the employment and earnings inadequacy index (which counts persons aged 16–64, except students aged 16–21, who are unemployed, discouraged, involuntarily employed part-time for economic reasons, household heads working full-time at poverty-level wages, and heads working intermittently and earning too little to raise their families above the poverty threshold), which was 25 percent for blacks and 10 percent for whites in March 1972. Since students are excluded from the employment and earnings index, the results understate the employment disadvantage of many black young people who must have jobs in order to remain in school. Blacks in non-metropolitan areas were particularly disadvantaged—nearly a third of them having inadequate employment and earnings, compared with 24 percent of those in central cities and 20 percent in suburbs.

AGRICULTURE

Blacks continued to be displaced from southern agriculture and rural areas at a very rapid rate during the 1960's. Many of those displaced were unprepared by background and experience for nonfarm employment. Indeed, the black population of the rural South declined by 5 percent during the 1960's, while the white population of those areas grew by 9 percent. The net outmovement of blacks and other races from the nonmetropolitan South was 1,346,000 during the 1960s.

To a very large extent, the continued outmigration of blacks from the rural South is due to inadequate employment opportunities for blacks in those areas. U.S. agricultural policy and discrimination in U.S. agricultural programs have long been major problems facing blacks in the South,[3] but there is also evidence that blacks have not shared proportionately in the rapid growth of nonfarm jobs in the rural South during the 1960's. As a consequence, there continues to be heavy white migration into many counties from which blacks are forced to move because of inadequate employment opportunities.

PROBLEMS OF THE CENTRAL CITIES

Outside the rural South, blacks are increasingly locating in large metropolitan areas, especially in the North and West. In 1970, slightly over half of the nation's blacks lived outside the South. In the South, the black population was about evenly divided between metropolitan and nonmetropolitan areas, but almost all blacks outside the South lived in urban areas, especially in the central cities of several large metropolitan areas. Thus, although black poverty is evident in many Southern cities, both black and white poverty in the South tend to be concentrated in rural areas, while outside the South it is mainly urban. Moreover, in 1970 blacks were more metropolitan (71 percent) than whites (64 percent).

The concentration of blacks in central cities creates a number of serious social and economic problems. For one thing, the flight of whites from central cities as blacks move in leads to increasing racial segregation in housing and schools. Moreover, the flight of higher income whites and the movement of industry to suburban rings create serious financial problems for cities, making it difficult for them to render much-needed social services to their populations.

Studies in major southern cities show transportation to be a particularly important determinant of employment for black females probably because they are more heavily concentrated in low-wage service occupations. Discrimination in housing and employment contributes to the inability of many blacks to leave the ghetto, restricting them to employment within these areas, to "hustling" and other forms of illicit activity, or to dependence upon welfare. Discrimination in employment, together with inadequate education and development, combine to trap many ghetto residents in lives of poverty and low income. The slum areas of many central cities are characterized by poor housing, crowding, high incidence of crime, poverty, and inadequate public services.

Many central city jobs are characterized by low incomes, limited upward occupational mobility, and high turnover rates. Unions in these occupations tend to be very weak, so workers have relatively limited job protection. Many employers and workers apparently adapt to these conditions, causing black concentration in these jobs to become self-perpetuating. Marginal jobs require limited skills or education, so employers make only limited investments in training, and therefore are not overly concerned about turnover.

CAUSES OF BLACK EMPLOYMENT DISADVANTAGES

Black income and employment problems are caused by a deeply entrenched constellation of forces which are difficult to overcome and which will require intensified and concerted remedies on a variety of fronts. Because these causal forces are so interrelated, it is difficult to assign weights to each of them.

1. Discrimination

While overt discrimination has declined, there is little doubt that "institutional" discrimination continues to be a major problem. The claim that enforcement of the Civil Rights Act of 1964 caused overt discrimination to collapse is vastly overstated. For one thing, until 1972, the Equal Employment Opportunity Commission, the agency charged with administering the Civil Rights Act, had very limited enforcement powers.

In his analysis of efforts by the Equal Employment Opportunity Commission (EEOC) to broaden job opportunities for blacks and other minorities, Andrew F. Brimmer, former Governor of the Federal Reserve Board, indicates that "indirect evidence does suggest that the Commission's activities are having generally favorable results." On the basis of 1966 and 1973 EEO data by major occupational categories, Brimmer concludes "that the companies reporting under the EEOC requirements are opening jobs to blacks at a rate much faster than is true for all employers in the country as a whole.

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At the same time, however, it appears that the expansion is much slower in the upper reaches of the occupational scale than it is among job categories at the lower end. The task of occupational upgrading for blacks remains considerable." [4]

Many of the changes in black employment patterns were apparently due more to the indirect effects of antidiscrimination laws than to their enforcement. As noted earlier, many employers were motivated by business reasons to hire blacks but were reluctant to do so for fear of adverse reactions from white employees or, probably, to a lesser degree, white customers. One of the most significant aspects of legislation is that it represents the attitudes of a majority of voters, and consequently carries considerable moral force. Many employers who faced limited opposition to change therefore probably responded to legislation by adopting anti-discrimination policies. Even those employers who faced opposition from white communities and employees used the law to "neutralize" this opposition where they were inclined for profit or moral reasons to hire or upgrade blacks.

We suspect, however, that the hiring or upgrading of blacks in many relatively low-wage industries in the South can be attributed to the fact that these employers were having trouble locating an adequate supply of whites who met their hiring standards. Qualified blacks, whose employment opportunities have been more restricted because of discrimination, formed more dependable supplies of labor for these jobs. The increase in employment of blacks in the textile industry of North Carolina is an example.

Thus, the indirect effects of anti-discrimination laws clearly have the most impact when they are compatible with employers' economic motives. Indirect effects will have less impact in higher level jobs, in part because of the limited supply of blacks who meet the skill, experience, or education standards for these jobs. Also, whites in these occupations have more power to resist change because of their higher level of skills, their organizations, and their control of supplies of skilled manpower. These workers have stronger status and job control motives for resisting the entry of blacks. Gaining greater entry for blacks into these occupations will therefore require more direct measures to overcome white resistance, increase the supplies of qualified blacks, and overcome institutionalized barriers to entry.

2. Labor market conditions

There is almost universal agreement that tight labor markets—such as existed during World War II—generate powerful forces to improve black employment patterns. During such times, employers have stronger motives to hire, train, and upgrade black workers. At the same time, opposition by white employees to the hiring of blacks also diminishes.

Nevertheless, tight labor markets alone will not guarantee improvement in black economic conditions, as seen from the fact that many occupations and skills remained closed to blacks despite tight labor markets during World War II. Similarly, many southern cities have had very low levels of unemployment for years with no perceptible impact on black employment in particular trades or occupations. Clearly, therefore, tight labor markets must be supplemented by antidiscrimination, education, and manpower programs in order to produce changes in particular employment patterns. In the construction industry, outreach programs have proved particularly effective in recruiting, tutoring, and placing blacks in apprenticeship and journeyman programs. Current demonstrations to extend the outreach concept to other areas seem promising.

3. Education

Rising education levels have important implications for black advancement. The proportions of blacks aged 25–29 who had completed high school rose from 39 percent in 1960 to 67 percent in 1972 or from three-fifths to four-fifths the rate for whites. The increases in the proportion of blacks in the 25–34 age group completing four or more years of college were even more striking, doubling from 4 to 8 percent between 1960 and 1972 or increasing from 34 to 42 percent of comparable proportions for whites.

The relationship between education and income has been controversial, because many observers have argued that the payoff to education is less for blacks than for whites. There is evidence that education is more efficacious, in terms of earnings and occupational position, for younger blacks than it was for their elders. This could be due to both a rising quality as well as quantity of education and the lowering of racial bars to employment that existed when older blacks entered the labor force.

Despite these favorable trends, however, blacks still lag behind whites in educational levels. This is an important disadvantage where blacks and whites compete in labor markets in which education is used by employers to screen workers for jobs. In addition, blacks still have lower incomes than whites at every level of education. Moreover, at every level of education, there has been a tendency for black incomes to increase over their working lives at a much slower rate than is true of whites, suggesting that educated blacks have not been able to enter occupations with as much growth potential as their white counterparts. It could be, however, that better education and declining discrimination will cause black education-earnings curves to be steeper in the future. The conclusions for education are similar to those in other areas: the trends are favorable, but serious gaps remain.

4. Labor market procedures

Blacks have more limited access than whites to labor market information about higher paying jobs. Since blacks have tended to live in segregated housing, attend segregated schools, and work in segregated jobs, they are unable to acquire job information through informal means. Moreover, the widespread tendency for jobs to be filled by existing employees or relatives and friends perpetuates the exclusion of blacks from many jobs. Blacks tend to rely more heavily than whites on formal information sources like the Employment Service, although many employers do not use the Employment Service for skilled professional and technical jobs.

5. Manpower programs

The participation of blacks in manpower programs has changed through time. Between 1963 and 1969, there was a steady increase in the proportion of nonwhites in these programs. After 1969, the relative participation of nonwhites declined, falling to two-thirds of all participants in 1973. Moreover, in 1970, blacks represented 92–94 percent of minority participants, but by 1974, the proportion of blacks within the minority group dropped to 83 percent. The impact of manpower programs on black employment opportunities and the implications of declining proportions of blacks in these programs should be given careful consideration. Perhaps more time is required for manpower programs to make significant changes in unemployment and income of workers.

The Comprehensive Employment and Training Act of 1973 (CETA) provides that the economically disadvantaged are to receive priority and that community based institutions are to participate in the planning process and are to be given due consideration as delivery agents. CETA has the potential to increase the impact of manpower services for blacks.

CONCLUSION

We reiterate the basic point made at the outset of this discussion: A review of the facts concerning changes in black employment since 1960 justifies neither the extreme pessimism nor the extreme optimist that have been expressed on this matter recently. There has been progress since 1960, and there is good cause to attribute a large share of this progress to the legislative initiatives that were undertaken during the 1960's—most notably the Civil Rights Act of 1964 and the new programs in human resource development. The fact that substantial progress has been made must not be allowed to obscure the equally important fact that black-white differentials remain intolerably large even after account is taken of factors which might "explain" these differences. We could not reasonably have expected to obliterate all or even most of the effects of three centuries of racial discrimination in only a few years. Even though we have made significant progress, we should also have learned that there is no simple, all-encompassing solution for the inequities that have resulted from past and present racial discrimination. The continuation of substantial efforts on many fronts is essential.

As this statement is written, there is general recognition that the nation is now in a serious recession. Past experience shows that blacks bear a disproportionate share of the adverse impacts of recession. When the national unemployment rate goes up, the black rate goes up faster. When the national income falls, black income falls more rapidly. When layoffs come, the last hired are usually the first fired; and blacks are represented among the last hired. Most of the gains that are outlined in this statement were effected during a period of great national prosperity, and the gains are imperiled by a recession of the depth and duration now foreseen by many analysts. The present recession is unique in our history in that it has arrived during a time of double-digit inflation. This conjunction of problems has produced demands to reduce government expenditures for the purpose of countering inflation.

At the federal level the view has been expressed that the only categories of expenditure in which substantial reductions are possible are in the social programs which have been adopted in the past decade. We believe that this approach to the control of inflation would incur unacceptably long-run social costs; it would endanger a part—possibly a substantial part—of the progress towards the narrowing of racial inequalities by dismantling or crippling the human development programs of recent years. Such a course could intensify the adverse impact of recession on blacks. Public policy should be aimed at lessening, not increasing, those impacts.

We urge not merely the continuation but the strengthening of on-going efforts in many fields to overcome the economic effects of racial discrimination. We urge prompt consideration and enactment of a substantial public service employment program to help take up the recession-induced slack in the job market. We believe that better ways to fight inflation can be found than drastically reducing our expenditures on human development programs. We recognize the needs for continuous monitoring and realistic evaluation of manpower and related programs to develop their maximum effectiveness. We urge continued efforts to improve the effectiveness of education at all levels for blacks as well as whites. We particularly urge less rhetoric and more action on the critical subject of welfare reform. Although there are about as many whites as blacks on welfare rolls there is evidence that the outcomes of the present system have had an especially adverse effect on black families. The effective enforcement of anti-discrimination laws in employment has really only begun, and we believe that increased effort in this area also is essential.

We believe that one of the substantial, though intangible, gains of the past decade has been that the white majority has grown accustomed to seeing black faces in places where they have rarely been seen in the past. We believe that more white Americans than ever before now accept the rightness of the goal of racial equality. Even though that goal may seem impossibly distant to some, we conclude that substantial progress has been made in the past decade and that the way has been opened for greater progress in the future.

FOOTNOTES

[1] Ray Marshall, "The Economics of Racial Discrimination: A Survey," *Journal of Economic Literature*, September 1974, pp. 849–871.

[2] Data in this section from Sar Levitan, William Johnston and Robert Taggart, *Still a Dream: Changing Status of Blacks in the Last Decade* (Cambridge, Mass.: Harvard University Press, 1975).

[3] See discussion of these issues in Ray Marshall and Virgil Christian, *The Employment of Southern Blacks* (Salt Lake City, Utah: Olympus Publishing Company, 1975).

[4] Andrew F. Brimmer, "Widening Horizons: Prospects for Black Employment," Commencement Address delivered at Prairie View A & M University, May 5, 1974.

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MR. KISSINGER ON OIL

Mr. BROCK. Mr. President, one of the greatest problems facing the United States, and all industrialized nations, is the formation of rational oil policies for the future. Recently the Washington Post published a very well-conceived editorial in this regard, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. KISSINGER ON OIL

In drafting a national oil policy, the first crucial question is whether the price of oil seems likely to fall within the next couple of years. Until last autumn, the United States held adamantly to the position that oil prices would have to come down very soon because the existing level was intolerable. But a considerable debate has been going on within the administration, and opinion has shifted. There is a rising tendency to believe that, as a technical matter of economics, the industrial countries can learn to live with expensive oil—but everything depends on the quality of their political leadership in this test.

Secretary of State Henry Kissinger asserts that central point most forcefully in the interview published last week by Business Week magazine. The interview is a remarkable tour de force, offering the country a broad and exceptionally candid summary of his present view of the oil revolution. He perceives altogether accurately the fundamental truth that the present oil prices are not a matter of money alone. They are a political statement on the part of an alliance of small countries that consider themselves to have been exploited and abused for years by the industrial powers. Radical nationalism is a force in the politics of each of these countries, and the economists' logical arguments for lower prices are irrelevant.

"The only chance to bring oil prices down immediately," Secretary Kissinger said, "would be massive political warfare against countries like Saudi Arabia and Iran to make them risk their political stability and maybe their security if they did not cooperate. That is too high a price to pay even for an immediate reduction in oil prices." Here Mr. Kissinger is responding to the whispered suggestions that the United States must use the Central Intelligence Agency to overthrow the offending monarchs of the Persian Gulf. As Mr. Kissinger correctly observes, this country's interests would hardly be advanced by an overthrow of King Faisal that resulted in a revolutionary junta along Libyan lines.

What about military action—which means an American invasion of foreign oil fields? Mr. Kissinger emphatically denounces the whole idea as "a very dangerous course" and notes the great lesson of Vietnam: that it is easier to get into wars than to get out of them. But he goes on to make an interesting distinction that stands as a warning to the oil producers. He suggests that the United States would never use force in a dispute over prices. But if actions by the oil exporting countries brought about "actual strangulation of the industrialized world," that would be quite another matter.

Because of the oil-sharing agreements signed among most of the industrialized countries last September, producers cannot run future embargoes against one or two countries at a time, as they did last winter. Mr. Kissinger is presumably addressing the unpleasant possibility that some of the major oil exporting nations might try to force their way to a political triumph—perhaps in Israel, perhaps somewhere else—by cutting off all oil shipments to Western Europe, Japan and North America. Mr. Kissinger wishes to disabuse the oil exporting nations, and particularly the Arab radicals, of the highly dangerous idea that the sky is now the limit and that they can safely go to any lengths at all in their demands.

Meanwhile, of course, the oil-consuming countries are going to have to pull themselves together and agree on their response to the present emergency. Mr. Kissinger makes no secret of his exasperation with the Europeans in particular—although he elaborated on this in later comments to the effect that he was talking about the people, not the governments, of Europe. "I think they suffer from an enormous sense of insecurity," he told his interviewers. ". . . So the sense of impotence, the inability to do domestically what they know to be right, produces a certain peevishness which always stops just short of policy actions." That, unfortunately, is true. But it is also true that there has been a failure of American leadership, and Mr. Kissinger had the grace to acknowledge it. "We have to announce our conservation plans more concretely before we will have an effective negotiating position with the Europeans." He could have said more. In fact, both this country and its economic allies are paying grievously for the unhappy circumstance that, for the first seven months of the oil revolution, our government was crippled by scandal. If there was indecision in Europe, it was only an amplification of the prevarication here. Until this country finds a way to cut down its oil imports, it is going to have great difficulty persuading other nations—who are, incidentally, also our commercial competitors—to undertake heavy sacrifices of their own.

The most urgent requirements at the moment are conservation here at home and, among the oil consuming nations, systems of loans and guarantees to keep their economies operating without major defaults. If the oil prices remain high as long as Mr. Kissinger expects, there are going to have to be severe adjustments in all of the industrial countries, translating into reductions in standards of living. This setback will inevitably have a great impact on countries that, for an entire generation, have known only a steadily rising prosperity and have become accustomed to it as a rule of life. No one can say with much assurance how the people of the rich countries will react to this sudden reversal. But surely Mr. Kissinger is right in saying that they are more likely to react rationally if they believe that they are competently and intelligently led. It is now a full year since the great surge in oil prices. The governments of the industrial nations are only now beginning to organize a coherent and adequate reply.

TREASURY BORROWING HAZARDOUS TO LARGE AND SMALL BUSINESSES

Mr. LAXALT. Mr. President, we in the Senate are frequently privileged to receive the advice of our Nation's foremost economic experts on crucial public policy issues. Unfortunately, that advice is not always of pristine clarity. Indeed, frequently it is contradictory and certainly nowhere has there been more confusion than that surrounding the question of the impact of large Federal deficits on private money markets.

As I understand it, one school of economists argues that because of a recession-induced decline in private borrowing the money markets will have little difficulty accommodating Treasury borrowing even at the unprecedented scale envisioned for the next 18 months. The other side of this argument maintains that the present recession is characterized by unusually high private borrowing requirements so that large scale Treasury borrowing to finance Federal deficits will bid up interest rates, depress the housing industry and deprive businesses, both large and small, of essential capital for development, expansion and job creation.

As a member of the Select Small Business Committee, I am particularly concerned that the extensive Treasury borrowing due over the next 18 months could deprive small business of access to necessary funds. According to the Wall Street Journal, smaller firms are already

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having difficulty acquiring adequate funding. And, I fear that when the full force of the borrowing required for huge fiscal 1975 and fiscal 1976 deficits reaches the money markets, these firms will have an even more difficult time than they face today.

Mr. President, to acquaint my colleagues with just how bad this situation is currently and to give them an idea of how bad it is likely to become, I ask unanimous consent that the following article from the February 21st Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELUSIVE LOANS—MANY CONCERNS SCURRY TO GET NEEDED CAPITAL FROM UNUSUAL SOURCES

If these were normal times, Shelter Resources Corp. in Cleveland would be publicly offering debt or equity securities this year to repay bank loans and for working capital for its mobile home business.

Also in normal times, Borman's Inc. in Detroit would be seeking its modest capital requirements from banks or in the public markets.

And scores of utilities would have a lot more confidence about their plans to raise millions of dollars in the bond market.

But if you hadn't noticed, these aren't normal times. So these companies and many others are assuming, with good cause, that any attempts to tap their traditional capital sources would be futile.

Instead, they are turning to less traditional methods of raising cash—everything from the sale and leaseback of equipment to borrowings from executives. And above all, they are scaling down their operations to reduce their needs for operating cash.

THE RATING GAME

The problem is most acute for smaller or medium-size companies and companies with low credit ratings. (There are considerably more of the latter nowadays; Moody's Investor Services, a major rating service, has downgraded 72 companies since the start of 1974, while upgrading only 40.)

The outlook for these companies isn't likely to brighten soon. A huge new cloud formed with the government's recent announcement that its net new financing this year will be about $70 billion—more than the total of government and corporate bond borrowing combined in any past year. Higher-rated corporations are expected to succeed in raising a record of about $31 billion net new funds in the bond market this year despite the government's competition for funds.

"A look at the size of the government numbers would knock you out of your chair," says Thomas M. Skeve, treasurer of Acme-Cleveland Corp., a maker of machine tools and other equipment. "When you have that kind of demand for money, it would appear that interest rates aren't likely to go down, and may even go up."

But it isn't the high rate for funds that troubles many companies. It's the unavailability of funds at any price. This, specialists say, makes the current pinch different from the 1969–70 credit squeeze. At that time, less attractive companies had to pay sizable premiums for bond-market money; today companies with lower-grade ratings generally figure they are excluded from the market at any price.

Ratings given to bonds and other securities by rating services, of course, are always crucial in determining the interest rates the borrowers will be paying.

SMALL CONSOLATION

In today's kind of market, many companies have only the dubious consolation that business is so bad anyway that they have little incentive to borrow for any capital expansion. However, many other companies that were nearing the end of their short-term borrowing limits and hoping to "roll over" this debt into longer-term obligations are finding themselves out in the cold.

Most companies are sanguine about their ability to ride out the storm in one way or another, but a few aren't so sure. A few even suggest that they would welcome a governmental lender of last resort, such as a revival of the Reconstruction Finance Corp. of the 1930s. (That proposal has been bandied about on Wall Street and in Washington recently but so far hasn't gained much meaningful support in either place.)

Shelter Resources is one of those that now is voicing confidence, saying it "can see the light at the end of the tunnel." But the tunneling has been painful.

Recognizing Shelter Resources' lack of appeal in the bond market (it had a $7.2 million loss in the first nine months of 1974) and the equity market (its stock is selling at a fraction of the $10 book value), the company felt it couldn't even seek merger into a larger company in fairness to stockholders. It also ruled out any chance of placing longer-term securities privately, according to its president, Marvin R. Meit, because insurance companies demand three years of operating profits by any company they finance.

SELLING OFF ASSETS

The solution: A newly signed agreement to sell its St. Clair Savings Association subsidiary for $10 million, plus plans to sell Ultronix Inc., an electronics unit, for $700,000 and Childers Products Co., which insulates industrial pipe, for $5 million or $6 million.

These moves and retrenchment in its basic mobile-home business have put the company in a good cash position, Mr. Meit says. But if sales continue to pick up as they did in January, he adds, the company will need capital for inventory and receivables, so the company has made inquiries to bank lenders.

"The banks indicate they'll come in strong to help us," Mr. Meit says. "The biggest thing going for us is the reduction in money costs," he adds, because the company routinely borrows from banks to finance mobile homes on retail lots.

Indeed, many companies, dependent on banks for their borrowing needs, are pleased by the moderate decline in banks' lending fees recently. But a lot of the marginal borrowers are finding the banks far more cautious in their lending these days because of their 1974 loan losses, estimated at a record of almost $2 billion.

By contrast with Shelter Resource, Borman's is typical of companies that are trying to live within their means without selling off any properties. "With the federal government doing the amount of borrowing it looks like it is going to do," Daniel Church, financial vice president, says, "the chances of Borman's raising capital are pretty dim."

Borman's therefore is using internally generated funds for its $4 million of capital spending this year. But if the economy starts to revive and money becomes available, Mr. Church says, the company will quickly take advantage of the situation. "Adding new stores or enlarging old ones doesn't take as much lead time as building a heavy plant," Mr. Church observes.

Some other companies are accelerating their borrowing plans to beat the government to market. One such concern is La-Touraine-Bickford's Foods Inc. in Newton, Mass. John Harding, president, says the company expects to need funds for several acquisitions it is pursuing, and the money is more likely to be available now than after the government skims off its requirements.

Private borrowings from insurers and others are an increasing recourse for unrated and low-rated companies. As Acme-Cleveland's Mr. Skove puts it: "When demand for money is as strong as it appears likely to be, you or I or anyone else would sort out borrowers according to their ability to repay. The people who have the strongest financial position will be first in line, and a lot of companies that are toward the lower end of that list will have a hard time doing the financing they need."

THE PRIVATE-PLACEMENT ROUTE

So Acme-Cleveland, which is unrated, is trying to place about $25 million of 15-year notes with insurance companies. "If we were an A-rated or better company (one of the top three ratings on a scale of nine), and needed a larger amount of money, the public market might be the vehicle to use," Mr. Skove says.

Even some companies with relatively good ratings are cautious about the outlook. Federal-Mogul Corp., a diversified manufacturer in Michigan, hopes to go to the public debt market before midyear with an offering of about $35 million to retire bank debt. But even with its single-A bond rating, the third highest, the company is concerned. If the market proves unreceptive, "we might look at a private placement," Robert W. Hague, vice president for finance and administration, says.

But Federal-Mogul's financing problems pale by comparison with some others, who find even private placements out of the question. "Right now, our chances of raising debt in the public market are just about nil," says Arthur Nicholas, president of Apeco Corp., an Illinois office-equipment concern that has had crippling losses in the past couple of years. He adds that the private route isn't open either at the present but may be viable in the future because "institutions are a more discriminating, sophisticated group, and it's easier to spend time to convince them."

BANKS KEENLY INTERESTED

This week, however, Apeco convinced its banks to extend its $26.2 million of expiring short-term borrowings. Mr. Nicholas says the banks have been very understanding about Apeco's problems. "They could drive us to the wall if they wanted, but they see that we are cutting costs, controlling inventories and properly managing the company's affairs. We're in almost daily contact with them."

Also having a lot of contact with its banks these days is Telco Marketing Services Inc., a Chicago lessor of medical and scientific equipment. This leasing business requires large amounts of capital, and capital isn't flowing abundantly to a company like Telco, which estimates its 1974 loss at $1 million.

Bank lenders have renegotiated the $51.7 million debt of Telco's leasing unit but are limiting new borrowings. Marvin Moses, treasurer, says, "The public is just terrified of any red ink these days," and he doubts the company could succeed in selling any more debt publicly.

Telco's solution: seeking to be acquired by a cash-rich company. It is talking to concerns in the insurance, health care and banking fields. "Being acquired would give us the money we need and in turn they could use the depreciation and investment tax credit we generate to shelter income," Mr. Moses says.

Others beside telco have found banks becoming more stringent in their lending criteria and terms. With the failure last week of another bank, Cleveland's Northern Ohio Bank, this trend could intensify, shutting off another main source of capital for many marginal companies.

"When things got tight for the banks last year," a spokesman for Fire Control Engineering Co. of Fort Worth says, "our bank made a policy decision to get out of thinly capitalized situations." Because of a series of Fire Control losses under previous management, bank lenders cracked down on the company, demanding among other things that it add $300,000 in subordinate debt to support the bank borrowing.

"We had a helluva time finding this money," a company spokesman says. The company's salvation was a small business investment company, Dallas Business Capital Corp., where the company got a lending rate only 2½ points above banks' prime rate. But it had to give stock-purchase warrants in return.

Plano Lumber & Hardware Co. of suburban Dallas similarly found its lending bank recalcitrant after it posted a small loss last year. When the bank balked at raising Plano's operating credit to $700,000 from $400,000 to reflect larger capacity, it turned to a finance company.

Aetna Business Credit Inc. supplied the funds for Plano, but the terms were a steep seven points about the banking industry's prime rate, and the company had to pledge its inventories and accounts receivable for the first time. "I had to pay an arm and a leg" for the loan, Plano's owner, Frank Adam, says, "but I wasn't left a great deal of choice."

A consolation to companies like Plano and Fire Control is that, with bank's prime rates declining, their lending fees pegged to the prime rate are dropping.

S. E. Nichols Inc. in New York tapped an unusual source for its capital needs recently—the top officers of the discount-store chain. Irving M. Rosenbaum, chairman, and Manfred Brecker, president, purchased $1 million of Nichols subordinated convertible debentures.

"The only reason we did it," Mr. Brecker says, "is to instill confidence into creditors and the general public" about Nichols' financial condition. The company still has a $7 million bank credit line.

Even companies with severe credit difficulties generally stop short of recommending that the government get directly into the business of lending money to such businesses. An exception is International Stretch Products Inc., a textile concern that has had losses in two out of the past three years and is trying to get a $2 million loan from insurance companies or banks to modernize its plants.

George A. Tunick, president, says banks and insurance companies generally aren't considering loans to textile companies, and International Stretch's past deficits are a further deterrent. He says medium-size companies with sales of $10 million to $100 million have "no place to turn," and the only solution may be governmental assistance from an agency like the old Reconstruction Finance Corp.

LIKE MIDDLE AMERICANS

This sentiment that middle-range companies, like middle-income Americans, are being hit hardest by today's economy is echoed by other executives. They suggest that smaller companies can turn to small-business investment companies and that larger businesses at least occasionally are being bailed out by Washington.

Along this line, there have been reports in recent months that the Federal Reserve Board has intervened to prod banks to sustain lending to some teetering big businesses—notably W. T. Grant Co. and some large real estate investment trusts. Fed chairman Arthur Burns has acknowledged that the Fed has discussed with bankers lending to hard-pressed industries, but sources say there hasn't been any real arm-twisting. Nevertheless, the Fed is considered unlikely to permit any confidence-shattering collapse of a huge firm.

J. E. Sundman, financial vice president and treasurer of Grant, says he has heard the reports that the Fed has told Grant's lending banks that it doesn't want Grant going into bankruptcy proceedings.

In any case, the 143 banks that hold $600 million of short-term Grant debt have deferred some payments and have waived certain restrictions.

Grant's problems are particularly illustrative of the devasting effects of low corporate credit ratings these days. Downgrading of the company's rating in December 1973 made its commercial paper practically unsalable and forced the company to turn to banks. Earlier this month, Moody's downgraded Grant's debt securities further when the company said it expects to post a $175 million loss for the year ended Jan. 30.

To ease its debt load and provide working capital, Grant now is considering selling its holdings in Zeller's Ltd. of Canada.

Utilities generally have been hurt more than retailers. And among the hardest hit is Green Mountain Power Corp. in Vermont. Beset by deficits last year, the utility omitted its dividend. Now it would like to borrow $15 million in the bond market but finds that path closed to it.

According to Peter McTague, president, the company is curtailing its expansion plans and exploring other ways to raise cash. These include approaching the Federal Reserve Bank, Mr. McTague says, under a law that allows the Fed to act as a lender of last resort. Another possibility: sale and leaseback of Green Mountain's generators.

Green Mountain and Pennsylvania's Appalachian Power Co., a unit of American Electric Power Co., are among a number of utilities that are also seeking to get regulators to bolster their power rates. In Appalachian's case, the regulators had ordered a partial refund to customers, and Moody's promptly lowered the company's securities ratings. As a result, the company temporarily froze its construction program and appealed the decision.

Industrial revenue bonds are another possible source of corporate capital. Acme-Cleveland's Mr. Skove says the company is negotiating a $2.5 million industrial revenue financing for a plant at Kewanee, Ill. But the state has a 7% interest ceiling on such bonds, so funds are unlikely to be available except for maturities as short as eight or ten years.

So, like so many other capital-raising vehicles that helped companies through past storms, industrial revenue bonds are seldom even being considered in today's urgent search for capital.

THE GENOCIDE CONVENTION—THE QUESTION OF SELF-IMPLEMENTATION

Mr. PROXMIRE. Mr. President, one of the major objections to the Genocide Convention is that it might be self-implementing. In other words, an American citizen being tried for genocide in a foreign country might be judged without regard to his constitutional rights.

This could never be the case. The treaty provides for and prevents this situation in article 5. As an excerpt from the report of the Standing Committee on World Order Through Law of the American Bar Association states:

Another objection to the Ratification is that it would be self-executing. The result, it is claimed, would be to impose a law upon the citizens of this country without the Congress having enacted an implementing legislation. Article 1 does designate Genocide as a "crime under international law". But Article 5 requires the parties to "enact, in accordance with their respective Constitutions, the necessary legislation to give effect to the . . . Convention and . . . to provide effective penalties.

This process is a lengthy one and provides for additional safeguards. The implementing legislation must first be examined by the House and Senate Judiciary Committees, receive majority approval of both Houses and the President's signature. As with any piece of legislation, it is subject to challenge before the Supreme Court.

In addition, the treaty envisions that we will add "genocide" to the list of extraditable crimes in our treaties with foreign nations. Here again, the treaty is not self-executing. This change must be made on a treaty by treaty basis and every Senator here has the right to object to the inclusion of genocide in any particular treaty. The constitutional requirement for two-thirds approval of these treaties—and this proposed change—is the best safeguard we could have.

Mr. President, this treaty is clearly not detrimental to American interests as the repeated endorsements of the Senate Foreign Relations Committee demonstrate. The constitutional safeguards are more than adequate as I have just demonstrated. I urge my colleagues to join me in seeking prompt action on this treaty in the 94th Congress.

MR. COLEMAN ON CAPITOL HILL

Mr. HUGH SCOTT. Mr. President, my good friend and fellow Philadelphian, Bill Coleman, has just been confirmed by the Senate to be the new Secretary of the Department of Transportation. I ask unanimous consent that a recent editorial in the Philadelphia Inquirer be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. COLEMAN ON CAPITOL HILL

To fellow Philadelphians and others who know him, there has never been any question about William T. Coleman's superb qualifications for the Cabinet post to which President Ford appointed him. He can be expected to serve with distinction as he has in private life as a lawyer and civic leader.

But if there had been any doubts in the Senate about his fitness to head the Department of Transportation, they should have been effectively dispelled by his impressive performance in confirmation hearings by the Senate Commerce Committee. Even Sen. Vance Hartke of Indiana, who questioned Mr. Coleman at length and sometimes with a vigor that bordered on hostility, was moved to compliment him at the conclusion.

Mr. Coleman quite properly declined to answer a number of Sen. Hartke's questions on specifics of transportation policy regarding such controversial matters as safety and anti-pollution devices on automobiles, methods of funding mass transit, and financial aid to Penn Central. The secretary-designate prefers to keep his options open.

On an issue of broad principle, Mr. Coleman took a commendable position in firm opposition to nationalization of railroads.

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That is a view that we hope will prevail in the White House and on Capitol Hill as well. The need is to solve the problems of financially troubled railroads, not perpetuate and institutionalize the problems under government ownership.

Mr. Coleman, with Senate confirmation assured, will become secretary of transportation at a time when the nation has never been more in need of a balanced transportation system and vastly improved mass transit. The Department of Transportation will have at its helm an able leader worthy of the country's confidence.

LETTER TO THE U.S. SENATE FROM SOVIET JEWS

Mr. TUNNEY. Mr. President, I again call attention to the plight of Soviet Jews who wish to emigrate to Israel. Recently, the Commission on Soviet Jewry of the Community Relations Committee, Jewish Federation Council of Greater Los Angeles, received a letter addressed to the Senate from a number of Jewish-Soviet activists in Leningrad. It describes the many bureaucratic obstacles which face Jews who wish to emigrate and the capricious manner in which such requests are either refused or granted. While efforts by many concerned people in the United States to persuade the Soviet Government to relax its emigration policies have been partially successful, this document makes it clear that the methods currently used to prevent Soviet Jews from emigrating are antithetical to basic concepts of freedom and repugnant to human dignity.

Certainly, it is obvious that the future of world peace depends on cooperation between our Nation and the Soviet Union. The policy of détente has been beneficial to both sides, and it is regrettable that the Soviet Trade Agreement, which promised to do so much for peace, has failed. Yet, friendship between our two countries should not be bought at the cost of the freedom of Soviet Jews or any other people.

The men and women who signed this letter did so, in spite of a risk to themselves, in the hopes that publicity about the plight of their people and the resulting world opinion could secure for Soviet Jews what their own efforts had failed to do: the fundamental right to emigrate to their religious homeland. Mr. President, in order that their story may be heard in full and that it might receive the public attention they sought, I request unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

(Translated from Russian, January 14, 1975)

TO THE SENATE OF THE UNITED STATES

We citizens of Leningrad, for many months and even years, against our wishes are deprived of our rights to emigrate to our historic homeland—the State of Israel. In the name of humanity and justice, we are appealing to you. We wrote many times about our situation to different Soviet agencies and also to Sec. General Leonid Brezhnev, but our pleas remain without replies.

Emigration is a special question which is not covered in the Soviet jurisprudence, and jurists are therefore unable to secure guidance and help.

Based on many statements by Soviet officials dealing with the question of emigration we have to assume that the permit to emigrate is being given on an individual basis without any established rules or regulations, and therefore to find any policy in the overall process of emigratic is almost impossible. A prospective candidate for emigration is put in a position of "to be or not to be" should there be a refusal of his request.

Only a deep conviction for the necessity to be united with the Jewish nation on its own historic land makes it possible to meet this challenge.

The first difficulty to overcome is to get an invitation from Israel. It is known that in many instances, invitations sent from Israel are never delivered or received.

There is special difficulty in securing the so-called "characteristike". To you—it will be difficult to understand the purpose of this document. This document is supposed to contain opinions about the individual's morals, political inclination, and working ability. The "characteristike" is discussed at a general meeting of all co-workers at the institution or factory at which the applicant works. At these meetings, as a general rule, questions about the military situation in the Middle East are raised and how the candidate for emigration will handle himself on the other side of the front line. You have to have iron health and nerves of steel to be able to quietly listen to accusations of betrayal of the fatherland which fed, educated and trusted the applicant who, instead of being grateful, appears to be a "treacherous snake on the breast of the motherland." Actually, it is a well thought thorough system to morally degrade human dignity.

It is important to underscore that if a person intends to leave the country, this is a reflection of a weak political-educational activity in the organization where he is employed, therefore, the discussion in connection of the "characteristike" is being conducted in a manner as to scare others from a similar undertaking.

Many, to avoid this kind of degrading procedure in connection with getting a "characteristike", quit their jobs in advance and are left without any source of income.

Besides the "characteristike", you must get the permission of parents, also of your ex-husband or wife. To get this kind of a document becomes very complicated, for those who will agree to it, are being judged as abetting a "traitor".

Now let's assume that the joyful moment has arrived when you have delivered all necessary documents and receipts of payment of 40 rubles for each family member. This joy is very short as new problems arise. The most important—where to get the money for passage. Even if a person decides to deny himself the most, it will take at least a year to accumulate the sum necessary for the trip.

As the intent for emigration is connected with relinquishing citizenship, a payment of approximately 500 rules per person has to be made. It has to be mentioned, that existing regulations demand that the loss of citizenship must be published in the Official Register of the Supreme Soviet of the USSR—but this never takes place. (Thus there is no record or receipt of this payment).

After delivering all of the documents to "OVIR", the period of awaiting a reply commences. From a psychological point of view, this period is very distressing, because the uncertainty of the situation and the fear of a possible refusal has a ruinous influence on one's health. The time of waiting takes six or more months.

Happily when one receives permission for emigration, he is allocated twenty days to get all the necessary documents, to have the necessary amount of money to pay for the trip, and transportation of personal belongings. Usually in this process, all kind of official difficulties arise which have to be overcome.

The departure of people often reminds one of a funeral because there is no hope to see each other in the future. People leave with fear for the future of those who remain. Those who leave are lucky people. For the others who remain, this is an unhappy moment. They become "refusniks". This is how they are being called—those who applied for emigration to Israel and who are refused.

You know a lot about the "refusniks", but to have a complete picture we will add the following: The person is called in and informed that in the interest of the State, his emigration is benig refused because he or somebody in his family worked or is still working in an institution where the revealing of State secrets is possible. At the same time, the person is told that no appeals will succeed. The practice shows that appeals really do not help.

Any replies on this matter are never given in writing, but orally, so not to have any obligating character. At the same time, a document has to be signed acknowledging the refusal and that a new application for a visa can be made a year after the date of the refusal. In the same document, a point is made that the person whose visa is refused is warned not to participate in any anti-social undertakings.

For the "refusnik" a hard time is in prospect for the reason that "State secrets" are lodged in his head. The tragedy of the situation is that no one knows when the authorities will conclude that the head has freed itself from the "State secrets" and can be given permission to leave the country. This can vary between five, seven and more years. This is also connected with the situation in the Middle East. This situation is more complicated as it is not based on any law or government regulations, but on the will of government bureaucrats. The following is an illustration: A man is 70 years of age and has been on retirement for ten years, and he is denied a visa because of knowing "State secrets". It so happens that some people who worked in the same organization were refused, others were not. The criteria of these "secrets" is a big secret.

At the moment, in Leningrad, there are over 50 families of "refusniks". The majority of them are people of science and technology. For them, each day of forcible stay in this country becomes a continued dequalification, "a drying out of the brain." Their financial situation is critical. Any attempt of active protest is classified as "hooliganism" and ends un with 15 days in jail and the threat of court proceedings.

In ending our letter, we state as follows:

A call to humanism—is not a means which is able to help us. As a famous Russian proverb says—"Moscow does not trust tears". What is needed is the loud voice of society in defense of our rights to be in our nation.

We are very tired, but still full of energy and strength to fight for our Holy rights. Our people lived through worse times and we are sure that we will, in the end, live in the land of our ancestors.

Alexandr Yampolsky, Alexandr Chertin, Oxana Chertin, German Chernyak, Grigory Ioffe, Yefim Feigin, Gersh Icsfin, Mikhail Strugach, Feliks Arcnovich, Leonid Raines, Yevgeny Abezquaz, Vladimir Swerdlin, Ludmila Varnavitskaya, Lev Zhigun, George Sokirlyanoky, Viktor Savitzky, and Yuri Kalendaryov.

SOME CHICKEN, SOME EGG

Mr. GARN. Mr. President, the cover of the February 22 Economist shows Secretary of State Henry Kissinger very uncomfortably perched on an egg, representing the world.

In its lead editorial, the Economist pays tribute to Mr. Kissinger's latest diplomatic efforts, in the face of growing congressional criticism.

It would be a pity, says the Economist to somehow shoehorn him out of office at this time.

For inside the egg Mr. Kissinger is sitting on is the likely solution to the world's oil price crisis.

Mr. Kissinger is attempting to encourage an "unseen" erosion of oil prices—a natural reaction to the glut of oil now particularly apparent among the Persian Gulf producers—without causing another headon confrontation between oil producing and consuming nations.

Says the Economist,

It has taken a feat of legerdemain on Mr. Kissinger's part to bring matters this far; and it is hard to imagine who would have a better chance of completing the job.

Acknowledging and listing all of Mr. Kissinger's faults and errors of judgment on other matters, the Economist concludes:

But on the biggest crisis of all, the oil price one, Mr. Kissinger has worked hard and long, and the sort of solution he is now suggesting, after many false starts, shows that he is still the best global conjuror we have.

Mr. President, I ask unanimous consent that the editorial, plus a news article on the surplus of oil tankers, be printed in the RECORD.

I also ask unanimous consent that an article from the Washington Post of March 3 entitled "World Slump Closes 20 percent of Oil Fields," be printed in the RECORD as further evidence of the fact that en erosion of real prices of oil is indeed taking place.

There being no objection, the editorial and articles ordered to be printed in the RECORD, as follows:

[From the Economist, Feb. 22, 1975]

SOME CHICKEN

He may not be as well balanced as he looks sitting out there on top of the world. Certainly a growing number of American congressmen like the scent of his blood, and if a Republican victory in the elections next year starts to look unlikely Mr. Henry Kissinger may decide this summer to get out of office as American Secretary of State before his President is shot electorally from under him. For the rest of us that would be a pity. For inside the egg Mr. Kissinger is sitting on is the likely solution to the world's oil price crisis.

Mr. Kissinger flew back to Washington on Wednesday after six days in the Middle East and four in Europe; and if peace between the Arabs and Israel seems no closer as a result (see page 39), peace between the producers and consumers of oil may be. There is, for a start, the now seen erosion of oil prices as Abu Dhabi hawks its unsold oil about, as the Tapline across Jordan, Syria and Lebanon drowns in Saudi oil, and as acres of sea are giv n over to mothballed supertankers (see page 92). But assuming the oil producers can remain proof against the glut they have created, which present betting is they can, then it is another sort of erosion of the oil price, without bitterness, that the west must aim for.

THE UNSEEN EROSION

Two things have to be done if the producers and consumers of oil are to resolve their differences. The first is that the Organisation of Petroleum Exporting Countries should recognise that it cannot be the sole arbiter of the price of oil. Slowly, though by no means certainly, this may now be happening. The nominal price of oil—a bit under $11 a barrel as it leaves the Gulf—is fraying only at the edges, not across the board. But the real price, measured in terms of the goods and services the consuming countries hand over in return for that $11 barrel, has been gradually falling since the beginning of this year, when the Opec countries froze the nominal price for nine months despite the continuing inflation in the cost of the things they buy with their oil money. The central issue now is how long this freeze of the nominal price, and therefore the erosion of the real price, can be kept going.

Algeria's oil minister has suggested extending the freeze from nine months to a full year. Sheikh Yamani, his Saudi Arabian colleague, has gone even further; he says it might be prolonged into next year, and there is reason to think that he may be willing to try to persuade the rest of Opec to keep the freeze in operation until the end of 1976. If it can be done (the snag is that Sheikh Yamani has been an unavailing optimist before) that would amount to a pretty dramatic fall in the real price of oil. Two years of world inflation, running at 15 per cent a year, would cut it by 24 per cent. What would still nominally be $11 oil would in fact cost about $8½ a barrel by the yardstick of 1974 prices.

Saudi Arabia is the key country in this, because its combination of enormous reserves of oil and relatively few people to spend its oil money on gives it the necessary clout inside Opec. Oil producers with a lot of people, such as Iran, or with modest reserves of oil, such as Kuwait, will certainly not be anxious to prolong the price freeze beyond September. The Shah of Iran even said in Zurich on Tuesday that he might try to push the price up again if inflation continued to eat into his earnings—although even he has told visiting western government ministers that Iran will hold prices for a while in return for assurances that oil prices will in future be indexed to world inflation. Saudi Arabia's power to prevent prices rising, and to keep on rolling the real price downwards, comes from the fact that it is steadily expanding the amount of oil it is capable of producing over and above the amount it is actually producing at the moment. If things come to a showdown inside Opec, the Saudis could threaten to switch on this surplus capacity, and break the cartel. It is far from certain that King Faisal and Sheikh Yamani are in fact prepared to face the row this would cause with their fellow-producers. But they might; some other Opec countries are convinced they would. And there is no doubt about the main reason why King Faisal might be ready to take the risk. He has been persuaded by Mr. Kissinger that the inflationary consequences of the present price of oil are a danger to the political stability of western Europe. He is afraid of the opportunities that inflation may be opening up to the communist parties of Italy and France, and to half-marxists in other European countries. The anti-communism in his bones is a powerful comfort for the consumers of oil.

But there is something else that the consumers can do to help the real-price-cutters in Opec, and this is where Mr. Kissinger's idea of a floor price for oil comes into the argument. The second part of a solution to the oil crisis is to agree on a price that both producers and consumers can accept. The producers will be more willing to prolong the freeze on the $11 nominal price, and thereby let the real price go on floating downwards, if they believe that the consumers are not trying to get back to the old days when the consumers alone set the price, and set it artificially low. They have to be persuaded that, if the real price is allowed to keep on moving down, it will eventually flatten out into an agreed price which will be kept in line with the price of things they buy from the west.

THE DIFFERENT WAYS OF UNDERPINNING

Nobody has yet explained very clearly how the idea of a floor price would be applied to the Opec producers. Mr. Kissinger told the National Press Club in Washington on February 3rd that the consuming countries, either separately or together, should fix a price below which they would not allow imported oil to be used in their economies, and enforce it by an import tariff or a levy; this price could then be "a point of reference" for the price they would agree to pay Opec for its oil. That phrase "a point of reference" is too vague to arouse much enthusiasm in Opec. Mr. Henri Simonet, the EEC commissioner for energy, has suggested a two-tier system, with a floor price for imports and another, subsidised, price above it for producers of more expensive home-produced energy. Vicomte Davignon, the Belgian who runs the 18-nation International Energy Agency, the consumers' consortium, said in London on Tuesday that there might even be a third price, by means of which some industrial countries could joint together to encourage the production of more exotic fuels such as shale oil and solar energy. Then on Wednesday the American Congress voted to delay President Ford's chosen method of protecting the oil market by taxing foreign oil—an action fully expected and seen in Europe merely as reducing the number of ways in which America might implement an eventual system for encouraging conservation and production of oil.

There is going to be plenty of argument about how many different prices there should be, and what levels they should be fixed at. The important thing is that the structure should include a price at which the Opec producers will know that they can sell enough of their oil to maintain a substantial part of the great leap forward their economies have started to make since 1973. If the aim is a settlement with the Arabs and Iranians, there is no point in a floor price that shuts them out. The only energy community that is likely to work reasonably smoothly over the next decade is one built around both the present producers and the present consumers. This must be the main purpose of the grand energy conference planned to take place this summer, and the attempt by Algeria to tie it up in discussion of other commodities should be firmly deflected.

It is best to be frank about the purpose of a floor price for oil. It would benefit, first, those consuming countries that are in a position to produce more oil of their own if the price is kept up; that means the United States and Canada, and, from the North Sea, Britain and Norway. And it would benefit second, the present producers in Opec, because it would guarantee them against a possible collapse of the oil price in the 1980s. That is why it is being examined with suspicion by the other consumers, in continental Europe and Japan, who have no oil of their own. But there is an advantage in it for these countries too, though a less obvious one.

The alternative to a floor price is to assume that falling demand for high-price oil will eventually break the price, and bring it down lower than it would come if there were an agreed floor. That is the strategy of confrontation—something which the

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French, who have understandable reasons for being worried by a floor price, should have even stronger reasons for not being caught out in. If it is not agreed that the price will be prevented from falling too far, there will be little incentive for investors to put their money into producing new supplies of oil outside the Opec area. The Opec countries will then maintain their near-monopoly power over the oil price. The price may come down from time to time, as demand for expensive oil falls below the available supply. But when the lower price raises the demand again, the Opec producers will use their monopoly power to push the price back up again. The alternative to a floor price is a seesaw price, and no consumer can have much joy in that prospect.

NOT ONLY JERUSALEM

These two things—a prolongation of the present fall in the real price of oil, and an attempt to convert the lower real price into an agreed floor price when the time is right—are the centerpiece of the hope of solving the great oil quarrel. The hope may yet be frustrated. Saudi Arabia, which last year failed to bring the price down directly, may now be prevented by the other producers from bringing it down by erosion. Or another Arab-Israeli crisis could reverse the apparently growing willingness of most of the Arabs to compromise over oil. But if Mr. Kissinger can keep his Arab-Israeli peacemaking moving forward, either on the step-by-step path or along the Geneva conference road, it does not seem that King Faisal's views about Israel will stop him trying to help Mr. Kissinger on the oil front. The king still keeps one eye on the Moslem holy places in Jerusalem; but now the other is on what over-priced oil could do to the politics of the western world.

It has taken a feat of legerdemain on Mr. Kissinger's part to bring matters this far; and it is hard to imagine who would have a better chance of completing the job. Mr. Kissinger does not always do the right things, and when he does he has an increasingly frequent knack of putting his own countrymen's backs up in the process. Things have gone badly for him, largely through his own fault, in America's relations with the Soviet Union. A bad start by Mr. Kissinger in Cyprus has led to a bad end, with Congress imposing a typically special-interest ban on arms to Turkey which has actually made matters worse. But on the biggest crisis of all, the oil price one, Mr. Kissinger has worked hard and long, and the sort of solution he is now suggesting, after many false starts, shows that he is still the best global conjuror we have.

[From The Economist, Feb. 22, 1975]

SUPERTANKERS—PARKING PROBLEMS

Where do you park an out-of-work supertanker which is as long as the Eiffel Tower is high, as wide as a soccer pitch, and too deep for much of the English Channel? This problem is giving migraines to shipowners and their marine underwriters. More than 100 tankers (super and others) have already been laid up, and many more are hanging around without a job, including a lot in the Gulf.

A day in the life of a large $50m tanker costs $2,000 for the insurance premium; $10,000 for fuel; $2,000 say, for crew and other running costs; and then another $18,000 for depreciation (if it is written off over 20 years) and interest (at the cheap rate of 8 per cent). Shipowners normally expect to get four-fifths of the insurance premium back—if the tanker is put in mothballs—but there is a severe shortage of suitable berths approved by underwriters. The Norwegian fjords are getting crowded, and on a recent visit to Greece insurers inspected 10 sites but found at most four that could be suitable. The traditional practice of lashing several vessels together means that if one blows up all of them might be write-offs.

Like gas balloons, tankers are prone to explode unless elaborate precautions are taken. Highly inflammable gases build up in the tanks. This has already caused several explosions at sea. An explosion in a port could be much more serious. There are processes for freeing the tanks of gas, but it accumulates again, at an unpredictable speed, especially in hot weather. The height and bulk of a tanker make it vulnerable to winds. So tanks have to be ballasted, making the ship draw about 60 foot of water. Ideally, the ship should be anchored to the shore, but deep water does not often reach the shoreline and bollards have to be mighty strong.

Once at anchor, the ship's problems are not over. The crew has to be repatriated and given lay-off pay. An auxiliary engine has to be maintained so that the ship can be moved in a crisis—though underwriters prefer to have the ships moored near tugs. When a ship is recommissioned, it has to have its bottom scraped.

Shipowners are understandably reluctant to lay their ships up, if they can avoid doing so. Many tankers today are being used as huge offshore storage tanks for oil, or are simply sailing at half speed.

WORLD SLUMP CLOSES 20% OF OIL FIELDS

(By Thomas O'Toole)

Business is slowing down around the world at such a rapid rate that it has forced the closing of 20 per cent of the world's producing oil fields.

The growing oil surplus is showing up in every nation that produces oil for export, the Persian Gulf countries, Canada, Venezuela, Ecuador, Nigeria, Libya, Algeria and Indonesia. The worldwide surplus is now estimated to be between 8 million and 10 million barrels a day, with most oil experts leaning toward the higher figure.

"We're also seeing a surplus refinery capacity around the world that's between 20 and 30 per cent and the same with tanker capacity," said William Slick, senior vice president of Exxon Corp. "There are so many unused tankers in the world right now that they can be rented for less than cost."

It's all triggered by the rising supply surplus, which a few oil observers (Treasury Secretary William E. Simon, among them) think is as high as 11 million barrels a day. Accept the lower estimate of 10 or even 9 million barrels and there still is a worldwide surplus of about 20 per cent.

The surplus is growing because demand is shrinking. Demand is shrinking because of the worldwide business slowdown and because customers can no longer afford to buy large volumes of oil at the record prices that oil-producing countries have been charging.

There are even signs that the surplus is eating a little into export prices, which right now stand at about $12 a barrel for oil imported into the United States.

The premiums charged for low sulfur oil have largely disappeared. Gone is the 50 cent-a-barrel premium charged by Libya, Algeria, Nigeria and Abu Dhabi for low-sulfur oil. Indonesia has knocked down the price it charges Japan for low-sulfur fuel oil by $1 a barrel, lowering it to $13.

More exporters are extending 90-day credit to oil buyers, for easier than the usual 30-day terms.

Libya and Algeria are understood to be the first countries that offered credit extensions. Nigeria and Iran followed, and one source said that Saudi Arabia has begun to offer 90-day terms.

"We've always figured it saves us 8 cents a barrel every time we can get a 30-day credit extension," said the buyer for a major U.S. oil company. "Getting 60-day extensions saves us 16 cents, because we don't have to pay interest at the 30-day rate."

The growing surplus appears to have hit every country producing oil for export. A random sample of oil companies turns up the information that no oil-exporting country has escaped the surplus.

Saudi Arabia's production fell in January to 7.6 million barrels a day, a drop of almost 1 million barrels in two months. Iran was down 10 per cent in the same period. Kuwait dropped its oil output 30 per cent, and the tiny Persian Gulf state of Abu Dhabi cut production 36 per cent.

The oil surplus continues to grow. Libya is believed to have ordered another production cut in February. Kuwait is understood to have reduced output 10 per cent or more, bringing its production rate to less than 60 per cent of what it is able to produce.

Saudi Arabia sets the pace for the rest of the oil exporters, and its production in February is understood to have fallen to 6.5 million barrels a day. Part of the reason was bad weather in the Persian Gulf, preventing tankers from taking the oil away. But the major reason was reduced demand.

"You have to remember that Saudi Arabian capacity rose to 11 million barrels a day in January," said a vice president for one of the five U.S. members of Aramco. "That means the Saudis are producing a little more than half the oil they are capable of pumping out of the ground."

Despite the rising surplus, nobody in the oil business expects a major break in prices in the next six months.

"We just don't see it happening, there are no signs for it happening," Exxon's Bill Slick says. "There is not enough pressure on the oil producers to lower the price."

At $12 a barrel, many exporters can afford to sit on their oil surplus. It still costs no more than 20 cents to produce a barrel of oil in the Persian Gulf, so profits still stream into the Gulf at record or near record rates even if production declines to 60 per cent of capacity.

A warm winter around the world also served to ease demand in many countries, a situation that still will not be a factor this spring and this summer. Storage tanks are full in many parts of the world, another situation that will not stay static.

"Everybody's watching the surplus situation with great interest," said one oil industry observer. "I think it would be fair to say that the surplus is now the most critical factor in the worldwide energy picture for the next six months."

HUD—THE NOMINATION OF CARLA HILLS

Mr. CRANSTON. Mr. President, once again, a national housing policy debate has gotten off on the wrong foot.

Carla A. Hills is a person of great talent, significant accomplishments, and outstanding character.

A recognized expert in Federal procedure and antitrust law, she is currently assistant attorney general in charge of the Justice Department's Civil Division.

She has no experience in the housing field—except to the extent that she supervises the activities of the Civil Division in defending HUD against suits challenging its various activities.

The response to Mrs. Hills' appointment was swift and varied.

On the one hand, the U.S. Conference of Mayors League of Cities, National Association of Homebuilders, and other housing industry groups expressed "shock" at her appointment. They demanded a person with broad experience in housing and related programs.

On the other hand, several women's groups have voiced support for Mrs. Hills, and the February 16 edition of the New York Times and the Washington Post joined in lauding Mrs. Hills' intelligence and in expressing the view that there was substantial merit in the fact that she was without ties to traditional housing interest groups. I am only one of many Californians—and others elsewhere who strongly support her nomination for like reasons. In California, where Carla Hills is known best, these supporters include leading home builders, bankers, savings and loan executives, local city and county officials, and outstanding civil leaders.

The mayor of Los Angeles, Tom Bradley, who has worked with Mrs. Hills on community projects said of her:

She has shown a deep concern and understanding of the plight in this nation's urban areas. I am convinced without doubt that she has the necessary abilities, knowledge and commitment to get the job done and in a thoroughly effective and equitable manner. She is a strong-willed administrator who is receptive to new ideas and challenges.

The problem with this entire debate is that it has simply missed the point.

Although it is obvious that HUD, at this critical stage, does not need a Secretary who will echo the OMB's benighted views on housing, or be in the pocket of particular housing industry groups, it seems equally obvious that the testimony opposing Mrs. Hills was an indictment of the administration housing and economic policies over the last several years that have left HUD in chaos and shambles.

Housing starts last year fell to fewer than 1.4 million units, over 40 percent below the 1972 level;

New FHA-insured housing during 1974 fell to 200,000 single family units less than 33 percent of the FHA insured volume for 1971;

The moratorium on 235 single family and 236 rental housing since February, 1973, and the virtual disappearance of public housing have brought housing production to an all time low;

Almost 20 percent of all units built under the 236 program are either in default or their mortgages have been assigned to HUD resulting in numerous foreclosure actions;

Unemployment in the construction industry has reached a record level of 22.6; and

Morale at HUD is at an alltime low, with many top slates unfilled and many of the best people have left.

It is within this context that the appointment of Carla Hills must be assessed.

The critical consideration is whether she can be a forceful and independent Secretary with a clear viewpoint on the necessity for having a strong and coherent national housing policy.

Will she be a prisoner of past philosophies regarding HUD's housing and community development role or does she have enough confidence to strike out on her own? I am confident the answers are, in order: "No" and "Yes."

I believe that consideration of fitness of Carla Hills to be HUD Secretary must focus on whether she is prepared to undertake a major Federal initiative designed to bring the housing industry out of its doldrums. There is no magic in this type of Federal program. All that is required is a commitment to action and genuine and deep concern for the social issues of our times.

Carla Hills has demonstrated superior intellectual ability and concern for difficult social issues confronting us and the people of our country. She has been active, for example, in these fields in addition to the law: the Watts Development Corp., designed to help bring business to the black communities in Los Angeles; the East Los Angeles open door program, designed to open doors of opportunity in the Mexican American Community of Los Angeles, the Los Angeles County Probation Commission, where she demonstrated her great concern about the problems of youth.

I am confident I know that Carla Hills will bring to HUD a new commitment to action when confirmed. It is a commitment backed by deep concern and high ability; a commitment, concern, and ability that she has used to great effect, with great results, in other vital fields.

FREEDOM OF THE PRESS ENDANGERED BY CHANGE IN CANADIAN TAX LAWS

Mr. BROCK. Mr. President, no freedom is more important to Americans than the freedom of the press. Our heritage and our liberty is grounded in, and protected by, an active and intelligent press.

Our neighbor to the North, Canada, also has a long and proud tradition of defending the rights of the press. I have long admired this concern, and share their belief that a free press is an integral part of a free country.

Therefore, I was particularly disheartened to read that a change in policies in Canada would have the effect of eroding true freedom of the press for Canadians.

The actions being suggested by the Canadian Government are not open and obvious. However, the changes in the tax laws would be just as effective as an outright ban or a bonfire.

I would hope the Canadian Government does not become a new book burner, but a recent article in the Wall Street Journal gives me little cause for optimism.

I ask unanimous consent to have printed in the RECORD an article entitled "Canada to End Tax Benefits for Time, Reader's Digest; Editions Likely To Fold," published in the Wall Street Journal of January 24, 1975.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANADA TO END TAX BENEFITS FOR TIME, READER'S DIGEST; EDITIONS LIKELY TO FOLD

OTTAWA.—After years of vacillating, the Canadian government plans to remove tax measures that allowed the Canadian editions of Time Inc., and Reader's Digest Association Inc. to operate on the same footing as Canadian publications.

As a result, both publications are likely to fold their editions next Jan. 1 when the amendments to the income tax act are to take effect.

Stephen LaRue, president of Time Canada Ltd., said the amendment would, "in effect, preclude Time from continuing operations in Canada" and the action would "be detrimental, rather than supportive," to the Canadian magazine industry.

Reader's Digest Association (Canada) Ltd., Montreal, said withdrawal of the tax status would "severely restrict" its operations and called on the Canadian parliament to reverse the decision. Officials of the parent concerns hasn't any immediate comment.

Speculation grew late last year about whether the magazines would lose their status after Time Canada carried an editorial saying the magazine would close the operation if such were the case. Reader's Digest officials, likewise, indicated their edition would "disappear."

A source within Time, however, said representatives of both magazines have been negotiating intensively with the government in recent months to reach a compromise. The government has said that if the editions became 75% Canadian-owned and if the Canadian content—which in Time's case runs for about eight pages in front of the U.S. edition—is bolstered, the tax rule wouldn't affect the operations.

Time Canada yesterday said its board of directors decided to adopt the ownership requirements contained in the measure, but it didn't mention the news content aspect.

"The government has been talking in terms of 55% or 60% Canadian content," the source said. "The magazine isn't likely to go along with that. And they gave us less than a year to try to work something out, which isn't very long."

The tax situation dates from the mid-1960s when the government passed a law making it undesirable for advertisers here to place ads in non-Canadian newspapers and magazines. Under the law, Canadian companies advertising in Canadian magazines are allowed, in calculating income tax, to deduct the costs of such advertisements at 100%.

The law also barred magazine publishers from setting up satellite printing plants north of the border. Both Time and Reader's Digest were exempted from the act, and many nationalists claim it was the result of strong lobbying by the U.S. State Department.

"If Time Canada and the Digest find a way of circumventing the new law, then the law should be changed again," Peter Newman, editor of the nationalistic monthly magazine "Macleans," said after the announcement.

Mr. Newman has been in the forefront of the nationalist's drive to push Time and Reader's Digest south of the border. Nationalists have frequently condemned U.S. publications in Canada for "cultural imperialism." And according to one source, Mr. Newman has plans to start a Canadian news magazine of his own to filter out "Americanism."

Others within the country, however, resent the magazines' large circulations and the amount of advertising revenue they take in. Time Canada sells 557,000 copies weekly while Canadian Reader's Digest has a monthly circulation of 1.5 million. Between them they account for 48% of the industry's gross advertising revenue in Canada.

After making the government's position known in the House of Commons, J. Hugh Faulkner, the secretary of state for cultural affairs, indicated that the action should strengthen the Canadian magazine field. Much of the estimated $16.2 million in advertising revenue the Canadian editions of Time and Reader's Digest received last year should go to Canadian publications, he said.

This too, however, has been part of a controversy. Many industry people have said that such revenues probably would go to television, rather than magazines.

"The traditional argument is that the money won't naturally go to Canadian magazines if Time Canada and the Digest close," says Doris Anderson, editor of "Chatelaine," a women's magazine published by Maclean-Hunter Ltd., which also publishes "Macleans." "But I disagree. If those two very powerful non-Canadian operations close, it'll open up the field for new Canadian magazines to start."

Otherwise, Mr. Faulkner said the government also intends to recommend that a similar amendment be approved regarding broadcasting. The legislation would allow no deduction against income for advertising time in a non-Canadian broadcasting station for an advertisement directed primarily to a market in Canada.

Many Canadian companies advertise on northern U.S. television stations that are received in Canada.

Pierre Camu, president of the Canadian Association of Broadcasters, said that $20 million spent each year by Canadian companies to advertise on U.S. border stations "will be redistributed in Canada, much of it to Canadian broadcasters," as a result of the government's action.

STATE COMMISSION TELLS UTILITY TO PAY FOR ITS OWN POLITICAL AND "GOOD WILL" ADS

Mr. METCALF. Mr. President, I am pleased to note that the Iowa Commerce Commission has ruled that Iowa utility companies must pay for their own political, institutional, and "good will" advertisements, rather than making the customers pay for them.

The commission action followed an excellent presentation on the advertising issue by eight consumer groups. They were represented by the Honorable Nicholas Johnson, who for years served with distinction as a Federal regulatory commissioner.

I ask unanimous consent to have printed in the RECORD an article published in the January 30 issue of the Des Moines Register, entitled "Utilities Told Stockholders To Pay for 'Good Will' and Political Ads," the press release issued by the Iowa consumer groups last December and Mr. Johnson's presentation. I also ask unanimous consent to have printed in the RECORD an article published in the February 17 issue of Broadcasting magazine entitled "Utility Advertising Under Widening Attack."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, Jan. 30, 1975]

UTILITIES TOLD STOCKHOLDERS TO PAY FOR "GOOD WILL" AND POLITICAL ADS

(By James O'Shea)

The Iowa Commerce Commission Wednesday ruled that Iowa utility companies can charge their customers for advertisements telling how to save energy, but that they must charge their stockholders for political, institutional and "good will" ads.

The commission, which regulates public utilities in Iowa, stopped short of requiring utilities to include in each of their ads this fill-in-the-blank sentence:"---------- per cent of the cost of this ad is included in your utility rates."

That suggestion was backed by the commission's staff, which represents the public in matters before the commission.

FIRST TIME

However, the commission's ruling marks the first time in its history that stockholders will be required to pay for certain types of utility company advertising. Formerly, ad expenses were included in rates that utilities charged Iowans for their services.

The commission's 46-page ruling came after a one-year investigation of utility company ad practices and three public hearings marked by controversy between the companies, consumer groups and the commission's staff.

The investigation was ordered to see if utility companies should restrict advertising to lower their expenses and, thereby, lower monthly gas, electric and phone bills, which have been rising in recent years.

CONSUMER GROUPS

The consumer groups—such as the Citizens United for Responsible Energy (CURE) and the Iowa Student Public Interest Research Group (ISPIRG)—argued that utility company stockholders should pay for all ads and that promotional and good will ads should be barred.

The companies said they needed to advertise to communicate to their customers. They said the commission should continue to decide which ad costs are allowable expenses in rate cases on a case-by-case basis as it had been doing for years.

(Utility companies come before the commission and ask for rates high enough to cover all expenses plus a reasonable profit.)

FIRST POSITION

The staff at first said that utilities should be able to recover expenses for ads that benefited consumers, but that good will or political ads should be paid for from funds normally earmarked for stockholder dividends and other expenses

The staff later changed it's position and favored the fill-in-the-blank sentence approach.

ANNUAL REPORT

The ruling also requires that the commission staff compile an annual report of utility company ad expenses. The report will be distributed to the news media and will include this information on all regulated utility companies in Iowa:

Total advertising expenditures for the previous year.

Amount of advertising expenses per customer (average).

Percent of expenses to be paid by customers.

Percent of expense that is or institutional or good will ads.

Here are the specific categories that the commission's ruling considers expenses to be paid for by stockholders:

Political ads—which seek to influence public opinion on the election or appointment of public officials or the adoption, reply, revocation, or modification of "referendia, legislation or ordinances."

Promotional ads—which promote or retain the use of utility service This category excludes load-factor ads—ones encouraging customers to use a service during low-usage hours.

Institutional or good will ads—which create, enhance or sustain the utilities' image to the general public.

Rate justification ads—which promote acceptance of utility rates.

Here are the categories that the companies can charge the public through their rates:

Conservation ads—which inform customers of reasons and methods to conserve energy.

Environmental ads—which inform the public of ways to preserve and protect the environment.

Informational ads—which tell customers how to use electric service to protect their health and safety and how to run electrical equipment safely and economically.

Load-Factor ads—which encourage the use of plants and equipment already installed. This provision is designed to increase the revenues from existing plants and equipment, thereby increasing total revenues and decreasing costs to customers.

Franchise ads—In which a utility seeks to retain a franchise.

In its ruling the commission distinguished the promotional ads used by telephone companies from those of the electric and gas utilities.

The commission will allow telephone companies to charge rate payers for ads to convert to a more expensive phone. The theory behind this is that the higher rate will contribute to higher revenues and lower over-all costs to customers.

CONSUMER GROUPS SUPPORT IOWA UTILITY ADVERTISING DISCLOSURE RULE

Eight consumer groups today urged the Iowa Commerce Commission in Des Moines, Iowa, to require public utilities to reveal in their advertising the costs to rate payers of those ads.

Citizens United for Responsible Energy, CWA Local 7102, Iowa Consumers League, Iowa Farmers Union, Iowa Patients Association, United Auto Workers of Iowa and Taxpayers Asking Explanations were represented by Nicholas Johnson, for seven years a controversial regulatory commissioner with the Federal Communications Commission in Washington. Johnson was also appearing on behalf of the organization he now heads, the National Citizens Committee for Broadcasting in Washington.

Often a critic of his own and other regulatory agencies, Johnson praised Chairman Van Nostrand and the Iowa agency for its staff's proposal. "The evil consequences of utilities' advertising have been almost totally ignored by the FCC and the states' regulatory commissions," he said. "Utilities' advertising takes money from pollution control efforts, from research into alternative energy sources, and from needed development. It encourages us to consume more when we ought to be consuming less. It spreads political propaganda. And why a monopoly needs to attract business away from nonexistent competitors has never been clear. For rate payers to have to pay for such multi-million-dollar advertising campaigns in the form of higher utility rates seems almost more than today's beleaguered consumer ought to have to bear."

Few regulatory commissions have attempted to limit utilities' advertising expenses in any way, Johnson said. "The Iowa Commerce Commission proposal (requiring the public disclosure of advertising costs to rate payers) is unique, the kind of regulatory innovation that's deserving of encouragement from the outstanding groups of Iowa citizens that appear before you today."

[Docket No. U-463]

BEFORE THE IOWA STATE COMMERCE COMMISSION

In the Matter of an Investigation Into the Advertising and Promotional Practices of Regulated Iowa Public Utilities

STATEMENT IN SUPPORT OF "PUBLIC DISCLOSURE" RULE

Tens of thousands of Iowans are represented here before you today—farmers, union members, and numerous groups of concerned citizens who pay taxes and utility bills. Those associated with this statement include (alphabetically) Citizens United for Responsible Energy, Communications Workers Local 7102, Iowa Consumers League, Iowa Farmers Union, Iowa Patients Association, National Citizens Committee for Broadcasting, United Auto Workers of Iowa, and Taxpayers Asking Explanations. Responsible spokespersons for each have indicated their support of your proposal and came to me asking that I speak on their behalf. And while I am honored to donate my time to this cause, I should make clear that they necessarily cannot be held responsible for

every phrase I may utter during our dialogue this morning—beyond their support of your specific proposal. But how pleased I am to be able to be here on behalf of such a distinguished array of public interest groups, not to attack a regulatory commission, but to support a proposal of your own staff.

We want to commend you, Chairman Van Nostrand, and the Commission, for your imagination and courage in proposing "public disclosure" of utilities' advertising costs—a commendable, constructive, and unique regulation of the advertising and promotional practices of Iowa public utilities.

Public utility advertising has escaped regulation for too long. It has an enormous adverse impact upon the public interest in a number of ways. Utilities' advertising takes money from pollution control efforts, from research into alternative energy sources, and from needed development. It encourages us to consume more when we ought to be consuming less. It spreads political propaganda. And why a monopoly needs to attract business away from nonexistent competitors has never been clear. For rate payers to have to pay for such multi-million-dollar advertising campaigns in the form of higher utility rates seems almost more than today's beleaguered consumer ought to have to bear.

Although we believe that the legal authority to act has been very clear, and that action is long overdue, the fact is that few regulatory commissions have acted and that all Iowans can be proud of the national leadership shown by the Iowa Commission's proposal.

We were heartened by this Commission's earlier decisions, showing sensitivity to the inappropriateness of the use of rate payer dollars for advertising. Re *Iowa Power & Light Co.*, Dkt. No. U-325, June 30, 1972; *Re Iowa Public Service Co.*, 96 PUR 3d 1 (1972); *Re Interstate Power Co.*, 97 PUR 3d 6 (1972); *Re North Central Public Serv. Co.*, 99 PUR 3d 432 (1973). And although we would have preferred tougher standards than "public disclosure," we recognize the Commission's option to engage in creative compromise and support the Commission's proposal.

Few, if any, constructive alternatives have been forthcoming from the corporate interests opposing this rulemaking. "No regulation at all" seems to be their cry—and that (whether by declaration or delay) is a path which we, and we trust the Commission, find wholly unacceptable and irresponsible as a matter of public policy.

One of the greatest threats to regulatory action—as you and I know well from personal experience—is the pressure of industry to delay, and drag out rulemaking proceedings into lengthy indecision. Another favorite trick is to come up with proposals so complicated that the press and public cannot understand them, and the Commission cannot administer them. You have creatively avoided both problems—so far. Your rulemaking proceeding can be promptly resolved and the rule issued. Once issued it will be extremely simply to administer—almost self-enforcing. But the utilities' efforts to derail your steady progress have already begun with their avalanche of irrelevant charges and defenses.

We are somewhat impatient at the need to explain the clear basis for the Commission's authority to act. The imaginative corporate complaints about the Commission's authority and alleged violations of the Constitution, however, require brief comment.

Advertising has long been regulated in a number of ways. The Supreme Court has repeatedly made clear the distinctions between commercial and other speech for purposes of regulation and First Amendment protections. See, e.g., *Pittsburgh Press Co. v. Pittsburgh Commission on Human Relations*, 413 U.S. 376 (1973).

The Federal Trade Commission regulates false and misleading advertising. 15 U.S.C. § 45, 52 (1970). It has occasionally used as a sanction an order requiring companies to advertise facts they would rather have suppressed. See, *e.g., J. D. Williams Co.*, Dkt. No. C-2266 (Aug. 3, 1972), and *Bristol-Myers Co.*, Dkt. No. 3287 (April 19, 1972). The Food and Drug Administration provides standards for labeling and the advertising of food and drugs. 15 U.S.C. § 1451-61 (1970); 21 U.S.C. § 331 (1970). Similar statutes exist in some 44 states. The Securities and Exchange Commission not only prohibits some advertising for securities, but also provides for affirmative disclosures in promotional material. 15 U.S.C. § 77e(b)(1), 77j (1970). The Federal Communications Commission, and the Post Office, restrict the quantity of advertising in broadcast or print (second class mailing privilege) media. The FCC requires disclosure of sponsors—especially for political spots. The advertising of some products is banned altogether: cigarettes (by act of Congress), hard liquor (by Senate-FCC agreement), some personal products (by broadcast industry self-regulation). (And see the FTC's "Statement of Basis and Purpose of TRR 408, Unfair or Deceptive Advertising and Labeling of Cigarettes in Relation to Health Hazard of Smoking," 20 Fed. Reg. 8355 (1964).) The Highway Beautification Act, 23 U.S.C. § 131 (1970), and the elaborate implementing regulations, 37 Fed. Reg. 7969 (1972), significantly restrict billboard advertising. The 1968 Civil Rights Act, 42 U.S.C. § 3604 (1970), regulates racial discrimination in advertising. And the power of advertising has been recognized by the Supreme Court as an element of antitrust violations. *Federal Trade Commission* v. *Proctor and Gamble Co.*, 386 U.S. 568 (1967) (the "Clorox Case").

The point of this random sampling of examples is merely that all aspects of advertising have long been subject to a variety of regulation by regulatory commissions of various kinds. There is nothing new or novel in the idea. There is plenty of authority for it—in law, economics, politics, social policy, tradition, and common sense.

In fact, a number of federal and state utility regulatory commissions have even made a stab at advertising regulation, though none in as imaginative a fashion as the ICC proposal. See *Alabama Power Co.*, 24 FPC 278, 34 PUR 3d 385 (1960), aff'd *sub nom. Southwestern Electric Power Co. v. FPC*, 304 F. 2d 29 (5th Cir. 1962), cert. denied 271 U.S. 924 (1962); *Pacific Power & Light Co.*, 34 PUR 3d 36 (Ore. PUC 1960); Kan. *Re Kansas Gas & E. Co.*, 95 PUR 3d 247 (1972); N.Y. *Re Iroquis Gas Corp.*, 91 PUR 3d 511 (1971); N.C. *Re Duke Power Co.*, 88 PUR 3d 511 (1971); N.C. *Re Carolina Power & Light Co.*, 88 PUR 3d 382 (1971); N.D. *Re Otter Tail Power Co.*, 87 PUR 3d 204 (1970); R.I. *Re Narragansett Electric Co.*, 93 PUR 3d 417 (1972); W. Va. *Re Columbia Gas of West Virginia*, Case No. 7300, Jan. 14, 1972; Mont. Re *Montana Power Co.*, 96 PUR 3d 265 (1972); Okla. *Re Promotional Practices of Pub. Utilities & Co-ops Utility Assoc.*, 97 PUR 3d 1 (1972); Wisc. *Re Wisc. Gas Co.*, 99 PUR 3d 160 (1973).

Traditionally, it has been quite unusual for a "regulatory commission," in fact, to do any regulating. And, thus, while "regulated utilities" may fairly express surprise when it happens, and search for political remedies, it ill behooves them to argue that their legal rights have somehow been infringed.

The Iowa State Commerce Commission is legally obliged to review the expenses of the utilities it regulates and see to it that consumers are not charged for business expenses which it finds are unwarranted. Regulated utilities are guaranteed a handsome, secure rate of return in exchange for being regulated in the public interest. If investors like the safe return but don't like the regulation, their alternative is to join the free private enterprise system with an investment in an unregulated risky venture—not to deregulate the monopolistic utilities.

The Commission is required by law to make a judgment about the appropriateness of advertising expenses in the same way it must make a judgment about cash bonuses, private airplanes, and hunting lodges for public utility executives. And the fact that relatively few regulatory commissions have seen fit to execute their responsibility to truly represent the public's interest in this respect scarcely renders illegal through novelty a commendable experiment with "law and order."

Many of the corporate arguments opposing the rule are so clearly frivolous as to be unworthy of analysis—although the Commission's staff reply has done them that courtesy.

However, one does deserve comment. It is suggested that to tell the rate payer the truth (that he or she is paying for being sold) would destroy the effectiveness of the commercial, and be analogous to the Surgeon General's warning in cigarette advertising ("cigarette smoking is hazardous to your health"). We will put aside the fact that some public utilities' practices are equally hazardous to your health, and thereby warrant similar warnings. We rather state simply that if the truth will destroy the effectiveness of a utility's ad perhaps it ought to be destroyed.

In fact, however, that has not been the case in the instance cited: cigarette advertising. Since the ban on cigarette TV advertising, and the Surgeon General's warning in cigarette print advertising, cigarette sales have gone up, not down. If a company can be required to tell you the product it wishes you to purchase will, if used, contribute to your death—and thereby increase its sales—it is hard to see how the requirement that it tell you who is paying for the ad will hurt business very much.

It is for these reasons that we would have preferred as a rule banning utility advertising at rate payer expense.

1. An outright ban is the easiest for the companies and the Commission to administer. The companies can advertise all they like. The Commission merely excludes all advertising costs from "just and reasonable" expenses.

2. It makes most economic sense. Advertising should—and generally does—pay its own way. In a competitive business an executive must decide whether the possibility of additional profits from advertising will justify the loss of the in-hand profits spent on it. A public utility executive has no costs associated with advertising if it's all to be passed through to the rate payer. If he or she had to pay for it out of shareholder dividends, or executive compensation, on the *risk* it would generate a return, the business judgment to advertise or not would be economically sounder.

3. It is most consistent with the First Amendment principles the utilities before you profess to be concerned about. A consumer has the option not to buy an advertised product if he or she chooses not to—and many do. (Unadvertised products may be cheaper. The advertising may be offensive. Political message ads may express alien points of view.) That is, a consumer generally has the choice *not* to pay for the speech of someone else. This is not true for the user of public utility services which—generally by definition—are *not* competitive, and do not offer the rate payer a choice. To require the rate payer to pay for a public utility's advertising is to abridge the First Amendment rights of the rate payer. To require the shareholders and executives to pay for advertising in no sense abridges their First Amendment rights.

4. It is most consistent with the nature of the business. Even before the now-recognized twins of pollution and exhaustion of resources came to our consciousness, it was not in the public interest to generate greater use of public utilities. For the telephone

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company to encourage calling, for example, merely required—if successful—the costly construction of more plants, an increase in the size of the rate base on which rate payers must pay the company a "rate of return," and ultimately higher rates for consumers.

For the telephone company to continue to encourage greater usage at the time, and in those places, where the equipment was inadequate to handle even the current demands was simply idiotic. All thoughtful Americans clearly recognize today not only the absence of affirmative benefit from utility advertising, but the presence of serious negative impact. We need to fuel our electric generating plants with less coal, oil, and natural gas—not more. That means we must devise ways to use less electricity. And if those ways are to be advertised, it seems inherently unfair, inappropriate and unrealistic to expect the electric utility to write effective copy. It's like asking the liquor lobby to promote abstinence. If the encouragement of "off-peak" usage by consumers (or other conservation practices) are thought desirable, the costs of public education should either be paid for (1) out of utility profits (because it promotes profits), or (2) by public agencies, if the educational program is of sufficient social consequence to warrant and utilities' profits are unaffected.

5. Political advertising is something else again. There is no justification for requiring rate payers to pay for this. Public utilities want us to think well of public utilities. They want us to support (or at least not oppose so vigorously) their rate hikes. They want us to look with suspicion on publicly-owned enterprise that performs the same function better and cheaper. They want us to think of them as "good neighbors," benevolent nice guys—not as inefficient, polluting, insensitive, rate-gouging, energy-guzzling, monopolists. This is all understandable enough. Everybody likes to be liked.

But these are political issues on which rate payers need to inform themselves from independent sources of information and opinion. Perhaps utilities should be required to pay more taxes or create less pollution. Perhaps nuclear power plants should be barred. Employment practices may need upgrading. Maybe public ownership of monopoly services in Iowa would make sense. A number of Iowa's cities have public or cooperative ownership of some of their basic services The fact that public utilities advertise so heavily in newspapers and on radio and TV makes it unlikely that the people of Iowa will ever be presented with regular and thorough discussions of these issues through the mass media. If, in addition to that nearly-determinative form of silent censorship, the utilities are permitted to use rate payers' dollars to advertise their own political philosophy on these issues, the hope for meaningful democratic dialogue very nearly vanishes entirely

One of the utility rate payer's best friends in the U.S. Senate is Senator Lee Metcalf of Montana He has fought a relentless battle against entrenched utility interests, and has felt their wrath. He has often spoken of the propaganda threat they pose.

"Advertising and public relations are, after all, the means by which utilities keep the public uninformed and the press docile. Advertisements and other public relations devices are now being used to delude the public regarding protection of consumers and the environment, industry regulation and taxation. [These] . . . are subjects far too important to be taught by the utilities themselves, through their deceptive advertising and public relations programs. At the least, regulatory commissions should disallow advertising as a utility operating expense, borne by the customers." *Cong. Rec.*, March 31, 1970.

Senator Metcalf knows well the pressures you Commissioners will face on this issue.

The National Citizens Committee for Broadcasting is interested in this proposal for a number of reasons. (1) Commercials constitute as much as a third or more of the "programming" on some stations. Anyone concerned with the impact of broadcasting upon the children and adults of America simply must give attention to commercials. (2) Public disclosure makes for more intelligent consumers and citizens. We support the FCC's sponsor identification rule. We believe the trend toward more openness elsewhere—the Freedom of Information Act's access to government documents, the station's public files, even such things as unit pricing and disclosure of interest rates—are healthy. Your proposal is a part of this constructive trend. (3) Access to radio and television is almost exclusively limited to the rich and powerful institutions and establishment figures in this country. We do not want to exclude them from television, we just don't want them to exclude all the rest of us. Your proposal is a modest step towards greater public awareness of this gross imbalance. (4) All across the United States, increasing numbers of organizations and foundations are coming to see the relationship between their own goals (whether women's rights, environmental preservation, civil rights, education, interests of working men and women, or whatever) and the way in which the media handles (or more often ignores) those interests.

Few persons are interested in media reform in a vacuum. Most are—quite properly—interested in what media reform will do for them. The groups before you today are illustrative—they seek lower utility rates and more responsible energy policies. They recognize your proposal as a constructive element of media reform to that end. The NCCB—predominantly a service organization to other organizations—neither needs to, nor does, take a stand on the appropriate level of utility rates in Iowa (or comparable substantive issues). The NCCB is involved in this case because legitimate, good faith citizens groups are endeavoring to obtain fairer balance in the media's handling of issues of concern to them.

The problem of imbalance in utility advertising is so severe that perhaps the Commission may wish to consider special relief. Recently, Mobil Oil—for whatever corporate motives—offered to buy time on network television to present the views of its *opponents* on issues of the environment, exhaustion of energy, oil prices, and so forth. It did this in an effort to get time on network television for its own views. But the fact remains that it recognized the need to present a balanced view. The networks—out of drives for corporate greed and ideological control going beyond the reach of even the utilities currently before this Commission—refused to take the money.

Such a proposal—coming as it does from one of America's largest and most profit-conscious corporations—can scarcely be characterized as radical. If it's good enough for Mobil—as a self-imposed, profit-making suggestion—perhaps it's good enough for Iowa's public utilities as a regulatory standard.

Accordingly, we urge the Commission to promulgate a rule requiring utilities, when they do choose to advertise, to buy equal time or space for non-profit groups (not for competing enterprises) to use to present contrary points of view. This requirement could be limited to "political advertising" if the Commission thinks wise. The selection of those groups could be made by the media involved, on a representative, random, rotating, nondiscriminatory basis from among applicants. Such a rule would be a constructive step forward in recognizing the imbalance that now pertains in the mass media in discussing environmental, energy, and public utility issues.

We do believe that the Commission has acted in good faith in proposing the "public disclosure" rule, however, and would urge that at least that rule be adopted as a modest, constructive step forward at this time.

There is only one amendment which we would urge upon the Commission. The rule as proposed requires only reference to the *percentage* of the cost of the ad paid for by the rate payers. We believe that, when and where possible, the dollar amount of the cost of producing and distributing the ad should also be included. For example, "All of the $75,000 production cost of this 30-second spot is paid for by the rate payers," or "75% of this $2 million advertising campaign is paid for by rate payers," or "$3,000 of the $4,00 cost of this full-page ad is paid for by rate payers," strikes us as more in keeping with the expressed intent and spirit of the Commission's rule that a mere reference to the percentage.

We thank the Commission for the opportunity to appear before you today and share with you our views on your commendable proposal. We will welcome its prompt adoption.

Respectfully submitted,

Citizens United for Responsible Energy, 500 East 6th Avenue, Des Moines, Iowa 50309.
CWA Local 7102, 1233 6th Avenue, Des Moines, Iowa 50314.
Iowa Consumers League, Post Office Box 189, Corydan, Iowa 50060.
Iowa Farmers Union, 6538 University Avenue, Des Moines, Iowa 50311.
Iowa Patients Association, Post Office Box 1073, Des Moines, Iowa 50311.
National Citizens Committee for Broadcasting, 1346 Connecticut Avenue, N.W., Suite 525, Washington, D.C. 20036.
United Auto Workers of Iowa, 1015 Bankers Trust, Des Moines, Iowa 50304.
Taxpayers Asking Explanations, 810 Dows Building, Cedar Rapids, Iowa 52401.

NICHOLAS JOHNSON,
Of Counsel.

Dated: December 18, 1974.

STATEMENT IN LIEU OF CERTIFICATE OF SERVICE

In view of the informal nature of this proceeding, and the large number of actual and potential parties, we request the Commission enter this statement in the public record of this docket, and otherwise make it available to all interested parties.

NICHOLAS JOHNSON.

Dated: December 18, 1974.

[From Broadcasting, Feb. 17, 1975]

UTILITY ADVERTISING UNDER WIDENING ATTACK: STATE COMMISSIONS QUESTION PROMOTIONAL CAMPAIGNS AND SAY THEY ADD TO RATE INFLATION

Utility commissions in a number of states are trying to force cutbacks in utility advertising. The latest incident is reported in South Carolina where the Public Service Commission is pressuring utilities to cease all advertising except messages confined to energy conservation. South Carolina broadcasters have held a meeting to discuss ways of countering the prospective loss of significant billings.

Similar situations have arisen in other states, Oklahoma and Iowa, to name two, as far back as two years ago, but the pressures have lately been intensified as inflation has forced increases in utility rates. The regulators question the need of advertising to promote services that have no competition and assert that advertising costs are passed along to consumers as part of the higher rates.

Sensing an emergence of public opinion against utility advertising, the South Carolina broadcasters are treading lightly in their efforts to protect utility budgets. Douglas Smith of WFBC-TV Greenville, president of the South Carolina Broadcasters Association, said that for now he plans to meet informally with some of the members of commission and is appointing a committee to study the matter.

The Oklahoma Broadcasters Association, on the other hand, has already carried its fight for retaining utility advertising to the state supreme court. The Oklahoma Corporation Commission, that state's utility regulator, ruled in December 1973 that utilities may no longer indulge in promotional advertising, but may only buy time or space to pass on information such as ways to conserve energy. The OBA suit, separate from others filed by utilities and newspapers in the state, appeals for a reversal of the corporation commission's ruling on the grounds that it abridges the utilities' First Amendment freedom of speech. The suit is pending before the supreme court.

The Iowa Commerce Commission made its pronouncement just two weeks ago, it was reported, ruling that utilities may only charge to their consumers advertising of an informational or conservational type. Promotional ads or ads aimed at "image enhancement" by utilities in that state must be charged to the utilities' stockholders.

The Public Service Commission in Arkansas staged hearings in 1973 to determine whether all utility advertising should be cut off. The commission's feeling then, it was reported, was that utilities should not be spending money to promote their service in a time of shortage. But the commission and its allies apparently reached a stalemate with the forces opposing the proposed move, including the Arkansas Broadcasters Association, and the matter has gone no further since the hearings.

Regardless of whether an enforced ban on promotional advertising by utilities is an accomplished fact in Oklahoma, Iowa, and Arkansas, broadcasters in all three states report that most utilities are already complying with their regulatory commissions and are confining their ads to consumer tips.

RIGHTS AND RESPONSIBILITIES OF THE PRESS

Mr. HUGH SCOTT. Mr. President, a recent speech on the rights and responsibilities of the press by one of our former colleagues, J. W. Fulbright, deserves the attention of the Members of the Senate. I ask unanimous consent that this speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR J. W. FULBRIGHT AT THE NATIONAL PRESS CLUB IN WASHINGTON, D.C. ON DECEMBER 18, 1974

I appreciate the Press Club inviting me to this luncheon in this last week of my 32 years in the Congress, and the week before Christmas.

What an appropriate time for us to be charitable to one another, just for the day—I do not mean that quite the way it may sound, for the Press on the whole has been quite fair and considerate of me during these thirty-two years.

Mr. Prina, in his letter inviting me to this luncheon, suggested that I reminisce a bit over my "remarkable" career in the Congress. The words are his. The most remarkable thing to me is that I survived these 32 years! I have been both astonished and grateful to the electorate of Arkansas for giving me the opportunity for so many interesting experiences; experiences quite unlike those of any other activity with which I am acquainted.

One of the most pleasant experiences of this period was my friendship with Walter Lippmann. Shortly after Betty and I came to Washington in 1943, we met the Lippmanns and saw them frequently until they moved to New York in 1967.

Walter Lippmann was, as so many have attested during the past few days, the most perceptive and most lucid observer of the affairs of this world during this century. His books and his columns did so very much to inform, to educate, and may add to civilize public opinion in our country. It was a great privilege and a pleasure to know so well such a fine human being—and, of course, I would not have known him but for my position in the Congress.

Eric Sevareid in last Sunday's Post wrote an excellent tribute to Lippmann under the title, "Truth Was His Love".

I expect that there are few people in this room or in the Congress who do not feel that they also are seekers of or expositors of the truth. In addition to this shared interest in seeking the truth, the press is such an important factor in the life of all public officials, especially members of Congress, that it seems appropriate to me to reminisce about the press for these few minutes at our disposal.

In recent years—the Vietnam and Watergate years—the American press has demonstrated its commitment to the Biblical injunction that "the Truth shall make you free."

The unrestrained enthusiasm of the pursuit of this commitment by some segments of the press has raised some doubts in my mind about the validity of the proposition.

A number of crucial distinctions may be swept aside by an indiscriminate commitment to the truth—the distinction, for instance, between factual and philosophical truth, or between truth in the sense of factual disclosure and truth in the sense of insight. The latter, in my opinion, are higher forms of truth, more meaningful and also useful to society, even though a general truth can seldom be stated without qualifications or exceptions.

There are also certain fictions—or "myths"—which experience has shown to be useful to mankind, and because they are useful, we pretend to believe them, giving them hereby a kind of metaphorical truth. One of these is the fiction that "the King can do no wrong". He can, of course—and he does, and everybody knows it. But in the course of many centuries of Anglo-Saxon constitutional evolution, it became apparent that it was useful to the cohesion and morale of society to attribute certain civic virtues to the chief-of-state, even when he patently lacked them. Properly understood, respect and confidence in the chief-of-state are not a literal fact but a metaphorical one, expressing the society's respect for and confidence in itself and in its institutions.

The "myth" is more easily utilized in a constitutional monarchy than in our presidential republic, in which ceremonial and political powers are vested in the same individual. It can be done, however, and until fairly recently we have done it, according certain honors to the President as chief-of-state while holding him to political account in his role as head-of-government. We managed, at one and the same time, to tell ourselves that our ceremonial President was regally clad, while the political President might be naked as a jaybird.

It took a certain dexterity to sustain the fiction, but more important, it rested on a kind of social contract—an implicit agreement among Congress, the press and the people that some matters are better left undiscussed, not so as to suppress information, but in recognition, as a French writer put it, that "There are truths which can kill a nation". What he meant, I believe, was that there are gradations of truth in a society, and that there are some which are more significant than others and which may also be destructive. The self-confidence and cohesion of a society may be a fact, but it can be diluted or destroyed by other facts such as the corruption or criminality of the society's leaders. Something like that may have been what Voltaire had in mind when he wrote that "There are truths which are not for all men, nor for all times". Or as Mark Twain put it, even more cogently, "Truth is the most valuable thing we have. Let us economize it."

In the last decade—this Vietnam and Watergate decade—we have lost our ability to "economize" the truth. That Puritan self-righteousness which is never far below the surface of American life has broken through the frail barriers of civility and restraint, and the press has been in the vanguard of the new aggressiveness. I am not—let me state with all possible emphasis—advocating silence or suppression of criticism. I have not been particularly backward in that department myself, and I have no regrets for my maverick ways. What I do deplore—and that, too, with all possible emphasis—is the shifting of the attack from policies to personalities, from matters of tangible consequence to the nation as a whole to matters of personal morality of uncertain relevance to the national interest.

We used, it seems to me, to make this distinction, while also perpetuating the useful myth that "the king can do no wrong". One means we used was blaming someone else—in a ceremonial way. When I first publicly criticized the Johnson Administration, for example, over the Dominican intervention in 1965, I was at some pains to attribute the errors of judgment involved to the "President's advisers" and not to the President himself—although I can disclose to you today that I was not wholly free of doubts about the judgment of the top man. Our focus was different in those days: it was sometimes evident in hearings before the Foreign Relations Committee on Vietnam and other matters that facts were being withheld or misrepresented, but our concern was with the events and policies involved rather than with the individual officials who chose—or more often were sent—to misrepresent the Administration's position. Our concern was with correcting mistakes rather than punishing those who made them.

It is always a matter of relative emphasis, I admit. But since Watergate—and here my criticism is directed particularly to the press—the balance has shifted decisively. The media have acquired an undue preoccupation with the apprehension of wrongdoers, a fascination with the singer to the neglect of the song. The result is not only an excess of emphasis on personalities but short shrift for significant policy questions. I am not convinced, for example, that Watergate was as significant for the national interest as Mr. Nixon's extraordinary innovations in foreign policy. The Nixon detente policy was by no means neglected, but it certainly took second place in the news to Watergate.

To take a matter close to my own domain, I was deeply disappointed by the media's neglect of the extensive hearings held by the Foreign Relations Committee earlier this year on the various aspects of detente—not, I assure you, because I hunger for personal publicity at this late date, but because the issues involved in detente are absolutely central to our foreign policy and even to our national survival. At the same time that the media were ignoring the detente hearings, they gave unlimited, to the point of tedium, coverage to the resignation and all related subjects.

One circumstance which probably contributed to this distortion of the more traditional balance of the press was the existence of the tapes, an unprecedented and dramatic kind of evidence of personal delinquency in high places. The tapes really did undress the King.

With the assistance of the tapes, the press has exposed the wrongdoers most effectively, but I believe at the same time you have neglected your higher responsibility of pub-

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lic education. With an exception or two such as the National Public Radio, the media convey only fragments of those public proceedings which are designed to inform the general public. A superstar can always command the attention of the press, even with a banality. An obscure professor can scarcely hope to, even with a striking idea, a new insight, or a lucid simplification of a complex issue. A bombastic accusation, a groundless prediction, or best of all a "leak", will usually gain a Senator his heart's content of publicity; a reasoned discourse, more often than not, is destined for entombment in the Congressional Record. A member of the Foreign Relations Committee staff suggested recently that the Committee had made a mistake in holding the detente hearings in public; if we had held them in closed session, he observed, and leaked the transcripts, the press would have covered them generously.

The heart of the matter is a surge of moral extremism in our attitude toward politics and political leaders. The genesis, I have no doubt, was Vietnam, followed by Watergate, both of which inevitably undercut confidence in our national leadership. Moral indignation, however, even justified moral indignation, has a tendency to become vindictive and self-righteous. Mistakes of judgment come to be perceived as premeditated malevolence, and an interest in correcting mistakes gives way to an obsession with punishing the malefactors, with giving them their just desserts.

My own view is that no one should get everything he deserves—the world would become a charnel house. Looking back on the Vietnam war, it never occurred to me that President Johnson was guilty of anything worse than bad judgment. He deceived the Congress, and he deceived me personally, over the Gulf of Tonkin episode in 1964 and his purposes in the election of '64. I resented that, and I am glad the deceit was exposed, but I never wished to carry the matter beyond exposure. I never had the slightest sympathy with those who called President Johnson and his advisers "war criminals".

We should stop conducting our affairs like a morality play. Lying and dirty tricks are intolerable not because of what they do to the trickster's soul but because they disrupt our society and its institutions. Because they do, it is essential that they be deterred, but this can usually be accomplished by exposure, embarrassment and censure; it does not require hunting down the malefactors to their utter ruin. An intolerance of lying can and should be reconciled with a degree of tolerance for liars—considering that few of us get through an ordinary day without trimming the truth once or twice.

In a democracy we ought to try to think of our public servants not as objects of adulation or of revilement, but as servants in the literal sense, to be lauded or censured, retained or dispensed with, according to the competence with which they do the job they were hired to do. Bitter disillusionment with our leaders is the other side of the coin of worshipping them. If we did not expect our leaders to be demi-gods, we would not be nearly as shocked by their failures and transgressions.

The media have a special responsibility for the restoration of civility in these matters, not only because they have contributed to the incivility, but also because there is no one to correct journalistic excesses except the members of the profession themselves. The media have become a fourth branch of government in every respect except for their immunity from checks and balances. This is as it should be—I can conceive of no restraints on the press which would not be worse than the excesses to which I have referred. But because you cannot and should not be restrained from outside, you have a special responsibility to restrain yourselves.

After a long era of divisiveness and acrimony we are in need of a reaffirmation of the social contract among people, government and the media. The essence of that contract is a measure of voluntary restraint, an implicit agreement among the major groups and interests in our society that none will apply their powers to the fullest. For all the ingeniousness of our system of checks and balances, our ultimate protection against tyranny is the fact that we are a people who have not wished to tyrannize one another. "The republican form of government," wrote Herbert Spencer in 1891, "is the highest form of government; but because of this it requires the highest type of human nature—a type nowhere at present existing." We have shown in times of adversity in the past that we are capable of this "highest type of human nature." Let us call it into existence once again—we have never needed it more.

PROBING THE STRUCTURE OF THE AMERICAN ECONOMY

Mr. METCALF. Mr. President, the AFL–CIO Executive Council has called on the Congress to undertake a comprehensive investigation of the structure of the U.S. economy.

Noting that conglomerate corporations continue to concentrate economic power in this country while acquiring more and more economic power in other countries, a statement by the executive council goes on to point out that:

Unfortunately, there is little detailed information on the structure, ownership, management, policies and operation of America's giant business and financial institutions and their interlocking relationships.

The executive council says that the new quarterly line-of-business reports required by the Federal Trade Commission are a step in the right direction, as are the model corporate disclosure regulations proposed by the Interagency Steering Committee on Uniform Corporate Reporting, which resulted from hearings held by my Budgeting, Management, and Expenditures Subcommittee.

I ask unanimous consent that the council's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEED FOR A COMPREHENSIVE EXAMINATION OF THE STRUCTURE OF THE AMERICAN ECONOMY

Comprehensive information on the structure of the American economy is woefully lacking. The massive studies and reports of the New Deal era are far out of date.

The 500 biggest U.S. corporations now hold more than two-thirds of all business income. The top 111 manufacturing corporations hold more than half of all assets and get more than half of all profits in manufacturing. The 50 biggest banks control more than half of all bank assets and hold leverage control stock in more than 5,200 companies.

Although the record flood of mergers in the late 1960's and early 1970's has slowed down, conglomerate mergers in manufacturing, mining and services—accompanied by increasing concentration of banking, with interlocking business connections—are continuing to produce increased concentration of economic power.

Big multi-product, multi-national conglomerate corporations have spread their power globally, through mushrooming investments in subsidiaries and joint ventures in foreign countries and through aggressive merger-and-acquisition campaigns at home. They export jobs of American workers, as well as capital and technology developed in the United States, at the expense of the American taxpayer. U.S. corporate expansion overseas, often in the newest technological industries, blunts domestic economic expansion and reduces job opportunities at home. This process is eroding the nation's industrial base and accompanying plant shutdowns are undermining the economic strength of numerous communities throughout the country.

Excessive concentration in such basic industries as food and energy results in high prices that drain billions of dollars away from the buying power of American families.

Unfortunately, there is little detailed information on the structure, ownership, management, policies and operation of America's giant business and financial institutions and their interlocking relationships. These economic giants far too often can avoid effective public regulation because the U.S. Congress, government regulatory agencies and the general public—including representatives of consumers and workers—simply cannot get adequate detailed information.

Much more adequate public disclosure of basic economic information must be forthcoming. The quarterly line-of-business reports now required of major corporations by the Federal Trade Commission are only a small step in the right direction. Also aimed in the right direction are the model corporate disclosure regulations proposed by a federal interagency committee and supported by Senator Lee Metcalf of Montana to get detailed information on corporate structure, voting stock ownership, interlocking corporate directorships and many other aspects of the structure and operations of big corporations.

The AFL–CIO calls on the Congress to undertake a full-scale, comprehensive investigations of the structure of the U.S. economy, the role of mergers and acquisitions at home and abroad in increasing economic concentration, the interlocking relationships among the giant corporations and banks, their control of key parts of the U.S. economy, their effects on prices, income distribution, America's position in the world economy, and the impact of these tremendous aggregations of economic power on democratic institutions.

IN DEFENSE OF BUSINESS

Mr. BROCK. Mr. President, a recent editorial in the Los Angeles Times brings clearly to mind the true strength of our Nation and our Government—our people and their ability to produce. I fear we sometimes forget this fact. This excellent Times editorial makes the point vividly and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN DEFENSE OF BUSINESS

In groping for solutions to the economic crisis now besetting the United States and the world, some Americans seem determined to punish business at the very moment when business needs all the encouragement it can get.

There is a group at large in the political arena that equates profits with sin, free enterprise with evil, industry with exploitation. They conveniently forget that a profitable private sector benefits not only the Chamber of Commerce and the National Assn. of Manufacturers but every single citizen.

It is in the interest of all, not just of a privileged few, to strengthen business, encourage its productivity, enhance its global competitiveness. For the fruit of success is more jobs, more earning power, more social viability for the entire population.

This is not to overlook inequities in the system, and the cruel fact that many Americans are excluded from the benefits of the American system. But it is to caution those who would turn in the American economy on a new model: Thus far in history, no other system has worked so well for so many.

The private sector requires help from government if it is to achieve its potential. It requires the cooperation of government. A federal budget out of control can drain money markets of the capital that businesses need for modernization and growth. The tax system must be structured as an incentive to productive growth, to enterprises generating employment.

Business is healthiest, it seems to us, when government strikes a delicate balance. That balance is somewhere between *laissez faire*, which is unacceptable because it risks that the greed of a few will violate the interests of the majority, and, at the other extreme, excessive control, which is unacceptable because it can reduce the most far-sighted and enlightened business executive to frustration and feebleness.

The maintenance of this balance will not be easy in the months ahead as increasing tension develops between a Republican President and a Democratic-controlled Congress. Already, the rhetoric is disturbing, with some in the Administration talking as if they favor a rollback in social benefits to 1932 and some on Capitol Hill sounding as if the path to millennium lies over the dead bodies of profit-making enterprises.

The recovery of the economy will surely be retarded unless there is a new vision, in both the White House and Congress, of the optimum balance to assure at once a vigorous private sector and the economic security of each citizen. One does not rule out the other.

CATTLE INDUSTRY EMERGENCY

Mr. ABOUREZK. Mr. President, I have pointed out many times in recent months that America's livestock industry is in very serious trouble and that a crisis of great proportions now exists.

If the American consumer is to have a steady supply of meat and other livestock products, then it is the obligation of the Congress to take quick action to help out the livestock producers of this Nation who are now facing bankruptcy.

I think it is strong testmony to the seriousness of a problem when a bipartisan group of lawmakers takes a unanimous position on a particular issue. This happened recently in my home State of South Dakota when a Democratic senate and a Republican house of representatives passed a strong concurrent resolution asking the Congress of the United States to take decisive action to aid our food producers.

Mr. President, I ask unanimous consent that this historic concurrent resolution from the South Dakota Legislature be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION No. 506

A concurrent resolution, memorializing the Congress of the United States to enact legislation to relieve emergency circumstances currently affecting the cattle industry

Be it resolved by the House of Representatives of the State of South Dakota, the Senate concurring therein:

Whereas, South Dakota cattlemen are presently experiencing record financial losses due to declining market prices for cattle, at the same time as they are confronted with greatly increased operating costs; and

Whereas, a severe January blizzard coupled with recent drought conditions further compounded these losses; and

Whereas, record-high interest rates are impeding cattlemen's efforts to put the industry back on its feet;

Now, therefore, be it resolved, by the House of Representatives of the fiftieth Legislature of the State of South Dakota, the Senate concurring therein, that the Congress enact legislation prohibiting the importation of beef and dairy products during the present crisis; and

Be it further resolved, that the Congress enact legislation to encourage the consumption of beef products during the present economic recession both domestically through relief programs and abroad through the purchase and distribution of livestock and red meat as a component of this nation's foreign aid program; and

Be it further resolved, that the Congress enact legislation to provide long-term low-interest loans to cattlemen trying to restore the cattle industry; and

OUR HISTORIC BARNS

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that an article in the New Castle News detailing my bill to preserve historic barns as part of the Nation's Bicentennial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN OLD BUILDING GETS A NEW LOOK—ALDUK BACKS SENATOR'S HISTORIC BARN PLAN

(By Don Bodnar)

Neshannock Township supervisor Frank P. Alduk is supporting a proposal by U.S. Sen. Hugh Scott, R-Pa., to preserve historic barns as part of the nation's Bicentennial.

In fact, Alduk has gone a step further.

He recently restored a barn near New Castle Co. Inc., of which he is president. He bought the barn from William L. Reynolds of Shenango Township, a Lawrence County Farm Show director interested in antiques and antique displays.

Alduk, at the request of Senator Scott's office, is providing support, in part, by sending a photograph of the restored barn and other information.

Terming the many old barns scattered through the Pennsylvania countryside "an important part of our nation's rural heritage," Scott called for legislation on the barns.

He said, "The architecturally unique barns so often seen in the Amish and rural sections of the Commonwealth were created in an era when people took great pride in their workmanship. He noted that for many years conservation efforts have been directed toward the preservation of wilderness areas. He said, "We must now recognize as well the need to preserve the charm of the old barns throughout our American countryside. They stand as testimony to the artistic talent of a by-gone day."

Scott's legislation would provide a 10 percent federal tax credit for funds spent to maintain the exterior appearance and structural soundness of barns at least 40 years old. The barns would have to be certified for preservation by the Secretary of the Interior.

Scott said the barns would be selected by the Secretary on the basis of their location and historic, architectural and artistic appeal. Participation in the program would be voluntary and private ownership of barns would be unaffected, he said.

Alduk replied to Scott:

"It is constantly drummed into us by radio and television that anything new is what we should want and own. As a result, many of us carelessly throw away valuable treasures both real and spiritual that took many centuries for mankind to acquire and construct.

"Buildings that are decaying seem to have little place in our world, even houses and barns, still sound but considered out of date, are eligible for removal. Yet there are buildings in Greece and Rome, certainly in need of repair, some reduced to a few columns and fragments that still provide standards for architectural beauty.

"They become symbols of the way people once lived and thought and in their crumbling state they have acquired the honorable and pleasing decay. The same may be said of some of our early barns.

"We have finally come to realize the beauty and excellence of the homes built by the early Americans, but too often their barns are regarded as mere curiosities. They are rather the shrines of a good life and not to be remembered, and by your legislative actions in the Senate you can push with all vigor for the passage of legislation to preserve historic barns as part of the forthcoming Bicentennial.

"You have all my full support as to the extent that I will accept a committee appointment to assist in this worthwhile preserving of historic barns. I have enclosed a photo of a project that I have undertaken during the past year to restore a barn in the Amish country near New Wilmington, Pa."

Former owner of the barn Reynolds, of 4237 Hollow Road, said his father, the late Martin S. Reynolds, bought the farm and barn in 1917. William Reynolds said he worked on the farm as a boy and later farmed there himself and later went into other work.

He believes the main frame was constructed of maple harvested from the farm property. He said the barn never had even one coat of paint. He said at one time the farm also contained a log cabin which was used for storage.

The recently-renovated barn today is used to store a few items.

THE DEBT ECONOMY

Mr. BROCK. Mr. President, the effects of the $163 billion increase in the national debt from 1964 to 1974 are staggering. This figure does not, however, begin to describe the damaging effects it has had on the prime rate of interest, on inflation, and on corporate and private debt during this period. The following article by Kevin Phillips does lead on to these "numbing and frightening" effects. Mr. President, I ask unanimous consent to have this article printed in the RECORD, so that others may read it and possibly begin to rethink short-term economic remedies which, in the long run, may turn into economic nightmares.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DEBT ECONOMY

(By Kevin Phillips)

WASHINGTON. — The statistically-minded Wattenberg has painted only a half-accurate portrait of "The Real America" in his optimistic new book by that name. He hypothesized a "massive middle-class majority" nation—black and white alike—basking in unprecedented new affluence (thanks in large

part to the New Frontier and Great Society policies of Presidents Kennedy and Johnson).

On the surface, to be sure, U.S. wealth and incomes have never been higher. But even without reference to inflation, there is a central fallacy in Wattenberg's economics; the word: "debt" does not even appear in his index. He tells us only about the wealth of America, and ignores the mushrooming size of the mortgage! Alas, that was just the problem with the Kennedy and Johnson Administrations: play now and pay later; trumpet the boondoggles and the growing Gross National Product while hiding the financial sleight-of-hand and the rising burden of debt.

If this criticism sounds unduly harsh, it is because I have been digesting—with consequent stomach acidity—the appalling statistics laid out in a fascinating set of articles on "The Debt Economy" features in the Oct. 12 issue of Business Week. I have never seen these numbers before. They are numbing and frightening.

Since 1946, the sum total of U.S. public and private debt has exploded upward from $400 billion to $2.5 trillion. As the editors of Business Week put it, "to fuel nearly three decades of postwar economic boom at home and export it abroad, this nation has borrowed an average net of $200 million a day, each and every day, since the close of World War Two."

Individual Americans have borrowed on an enormous scale, outstanding mortgage debt has risen from $50 billion to $660 billion. And consumer installment debt, totalling just $4.6 billion in 1946, soared to $43 billion in 1960 and $155 billion in 1974. Together, these two forms of indebtedness have many American household economies strung out like taut wire. Back in 1946, debt repayment took less than 5 per cent of the average American's disposable income. Now debt repayment has risen to demand 17 per cent of his disposable funds.

But if debt obligations are gobbling up too much money from the man in the street, the typical U.S. corporation is in even worse shape. Some company pension fund obligations exceed the present market value of the corporate stock. And corporations as a group have borrowed heavily in the last decade—long and short-term corporate debt is up from $13 billion in 1964 to about $75 billion today. Because corporations can't raise money in the stock market, they are being forced farther and farther into debt, and the resultant liquidity strain is enormous. As of 1964, the liquid assets of corporations safely exceeded their total debt. But by 1974, these liquid assets were only enough to cover 50 per cent of short-term obligations.

In recent testimony before the Senate Subcommittee of Economic Growth, General Electric Chairman Reginald Jones worried thusly about the future: "We have a picture of business going deeper into debt, faced with a declining return on investment, unable to attract sufficient equity funding, unable to keep up with inflation on its depreciation charges, and subsisting on a thinner and thinner diet of retained earnings."

And this unhappy picture is worsened by U.S. government borrowing techniques. To sidestep the Treasury in financing both Vietnam and huge social programs, Lyndon Johnson set up a group of Federal credit agencies to raise money outside the Federal budget (i.e., these agencies can borrow—and do so in vast amounts—without their debt being counted in the budget). They now borrow about $20 billion a year, pushing up inflation and interest rates in the process.

Under these circumstances, Wattenberg's notion of unprecedented wealth generated by the political leadership of the Sixties must be taken with a large grain of very strong salt.

WHAT IS HAPPENING IN PORTUGAL

Mr. CURTIS. Mr. President. One must view with some alarm developments in Portugal over the past several months and especially the last few weeks. After the military coup d'etat toppled the dictatorship of Marcello Caetano last April 25, the prospect of the emergence of a genuine democracy in Portugal appeared quite possible. One still hopes that a free democratic election this April will form the basis of a viable representative government. However, numerous actions promoted by the well-organized Communist Party of Portugal and adopted by the ruling Armed Forces Movement have now made the peaceful transition to democracy somewhat uncertain.

After 48 years of rule in Portugal by first Antonio Salazar and then Caetano, the frightening prospect exists that their dictatorial rule may be replaced by much more repressive Communist dictatorship. Although only a small minority of the population, the Communist Party has been exercising influence in the provisional government all out of proportion to its modest size. The rising influence of the Communists in Portugal threatens not only the freedom of the people of Portugal there but also the continued reliability of Portugal as a NATO ally and logistical base in the western Mediterranean. As everyone here all too vividly recalls, only Portugal among our NATO allies provided the United States with an effective base of operations during the war in the Middle East in October 1973. The Azores, owned by Portugal, remain a strategically vital base for American air operations throughout the area.

The vast majority of the people of Portugal apparently continue to support their close relations with the United States and adamantly oppose becoming a prospective satellite of the Soviet Union. The leaders of all major political parties of Portugal, except the Communists, have voiced their support for a continued alliance with the United States. Nonetheless the unfortunate drift of events in Portugal in recent months indicates that in this area as in many others the genuine sentiments of the people may be disregarded by an increasingly Marxist inclined provisional military government.

The reason for grave concern for the future of Portugal arises from numerous recent examples of arbitrary actions taken by the present provisional government which have reflected a prejudicial attitude seemingly favoring the views of the Communist Party.

Upon the overthrow of the dictatorial regime of Premier Caetano, the Armed Forces Movement proclaimed "the restitution to the Portuguese people of the civil liberties of which they have been deprived." Their proclamation of April 25 also included the following pledge pertaining to free elections:

As soon as possible there will be general elections for a constituent national assembly, whose powers, by its representation and free election, will permit the nation to choose freely its own form of social and political life.

At the time of the April coup, Gen. Antonio de Spinola became provisional president and selected a civilian cabinet to govern the country. But only 3 months later, in July, when he tried to carry forth in actual fact the elections promised, he was rebuffed by members of the Armed Forces Movement. This confrontation led to the dissolution of the civilian cabinet and the installation of many young military leaders in a new cabinet. Col. Vascos dos Santos Goncalves became premier of the new government and General Spinola lost considerable influence. And by September he resigned from the government.

The Armed Forces Movement said elections could be held in the fall and then pledged that they would take place in March of this year. Now the elections have been further postponed until April 12, nearly 1 year after the coup. Many questions however have arisen as to whether the elections will ever actually take place at all or if they do whether the present military rulers will abide by the results.

The Communist Party in Portugal has consistently urged delays in holding elections by alleging that the people of Portugal need further "education" before elections should be held. Various polls in Portugal have revealed that only 10 to 18 percent of the electorate favor the Communist Party and consequently any genuine elections may demonstrate, as they did in Greece recently, a substantial repudiation of the Communists.

On April 12 the 6 million registered voters are supposed to elect 270 deputies to a constituent assembly which will have the task of writing a new constitution for the country and thereby provide an authoritative transitional mechanism for full civilian democratic rule. Unfortunately some of the present Marxist-inclined rulers have already discounted the prospective results of the scheduled elections. Gen. Otelo Saralva de Carvalho, the man in charge of the important military security forces in Portugal, has been quoted as asserting that—

The results of the spring elections will not necessarily represent the will and the best interests of the majority of the Portuguese people.

Similarly Capt. Vasco Courenco has hinted at the need for "a second revolution." And Maj. Vitor Alves, Minister of Defense and Information, stated in London that the army may act against the constituent assembly "if the people press for it." In the November 26 issue of the Information Bulletin of the Armed Forces Movement Coordinating Committee, the following antidemocratic passage appeared:

The state of repression to which the working class has been subjected, especially in the countryside, and its limited understanding of its own condition of repression and exploitation, mean that it could be manipulated in an electoral process for which the necessary political experience is lacking.

The reluctance of many of the present military rulers to give up their present authority has become increasingly evident as the date for elections approaches. Miguel Acoca, writing last week from Lisbon for the Washington Post, noted:

Leading officers in the Movement insisted in recent interviews that they must stay around for at least three years to enforce the economic plan, which is to be disclosed in the next few days.

And on Monday, February 17, the 200 officers of the Armed Forces Movement held a meeting and officially announced that they would not withdraw from the government even after the elections in April. A spokesman for the Movement, Capt. Vasco Courenco ominously stated:

The Armed Forces Movement intends to continue with active intervention in political life. We do not mean to be in the role of mere observers.

The reaction of the Armed Forces Movement to recent demonstrations and the institution of a new trade union law have similarly brought into question their devotion to the advent of genuine democracy in Portugal.

At the end of January, the conservative Center Democratic Party attempted to hold a legitimate political meeting in the northern industrial city of Oporto. The Minister of Defense had promised army protection to forestall any possible trouble.

Over 600 Portuguese delegates were joined by numerous diplomats and delegates from throughout Western Europe. But an estimated 2,500 leftist demonstrators surrounded their national convention site at the Crystal Palace and placed it under siege shouting "death to the fascists." The Center Democratic Party consequently had to cancel their meeting as several dozen people were injured in the disturbances that took place. Although the Communist Party denied organizing the disruptive demonstration, their local representatives had urged a march on the convention center and denounced the delegates there as "fascists." In September extreme leftists similarly forced the cancellation of an anti-Communist rally in late September called by then President Spinola who resigned in protests of such actions shortly thereafter.

The Socialist Party, led by Portuguese Foreign Minister Mario Soares, also attempted to hold a public rally in Lisbon shortly after the disturbance in Oporto. The Communists then proceeded to schedule a rally of their own at the same time. This led the Armed Forces Movement to ban all demonstrations that day by asserting that the public order could be endangered. Soares condemned "the rapid escalation of anti-democratic forces." One week later, however, when the government issued a ban on demonstrations at the time of NATO shore leaves in Lisbon, thousands of leftist backed workers defied the ban with impunity. As Harry Giniger reported for the New York Times on February 7:

The Government made no effort to enforce its ban, and not a soldier or policeman was in sight except for troops guarding the American embassy.

The policies followed by the ruling provisional military government have therefore caused considerable frustrations for the non-Communist moderate parties attempting to prepare for promised elections in April.

The government has also given in to a Communist proposal to consolidate the trade unions in Portugal into one organization which they would undoubtedly control. The unions form the most important source of support for the Communist Party in Portugal. Even here though the Socialists had nearly as much support as the Communists, with approximately 18 unions allied with them and 22 under Communist control. But in early January, the government proposed and later decreed legislation which will force all workers into one giant labor organization. The Socialist Minister of Justice, Francisco Salgado Zenha, a firm defender of civil liberties, denounced the law as undemocratic and coercive.

The small, well disciplined Communist Party in Portugal has been adeptly led by Alvaro Cunhal, a Minister of State without Portfolio. Unlike Communist leaders in other Western European countries, Cunhal remains a Stalinist in outlook and strongly endorsed the Warsaw Pact forces invasion of Czechoslovakia in 1968. He has continued to work closely with the Soviets in his new position. In late October, Cunhal made a trip to Moscow ostensibly to negotiate a trade agreement. Rather than being greeted by the Soviet Trade Minister, Cunhal was warmly welcomed by Boris N. Ponomarev, the Soviet Communist party specialist on relations with nongoverning Communist parties in the West. It has been reported that the initial assignment given to Cunhal by the Russians is to prevent the American Air Force from using the Azores as a staging base for supplying Israel with arms in the event of a future Middle East war. More broadly they hope to pry Portugal completely out of the NATO alliance and thereby cripple our Western flank on the Mediterranean.

In an editorial earlier this month, the Washington Post succinctly summarized the successes of the Communists in Portugal as follows:

The Communists, however, have the discipline bred by years underground. They have used their disproportionate weight in the media to restrict their political competitors access to the electorate. They got sympathizers in the Armed Forces Movement to decree a law requiring workers to join one large union, which they hope to control. Unhindered—disturbingly so—by the authorities, they recently broke up a convention of the conservative Center Democrats; their success raises the question of whether this important party will be permitted to campaign. Through such channels as its embassy in Lisbon, the Soviet Union is providing what help it can.

Most of the members of the Armed Forces movement now leading Portugal are not Communists and undoubtedly would rebel against a Communist dictatorship just as they oppcsed the Caetano dictatorship. However, by acceeding to various seemingly innocuous proposals made by the Communist Party and naively confusing demonstrations in opposition to communism with a resurgence of fascism, the ruling provisional government has been contracting rather than expanding democracy in Portugal. The final litmus test of democratic government in Portugal will come only if genuinely free and unhindered elections can take place and the will of the people translated into a new representative civilian government.

I ask unanimous consent that the editorial from the Washington Post I referred to above as well as articles from the New York Times and the Christian Science Monitor be printed in the RECORD.

There being no objection, the editorial and articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 6, 1975]

DRAMA IN PORTUGAL

A 20th century drama is unfolding in Portugal. The democratic forces are struggling to keep the Communist Party from harvesting the fruits of last April's military coup against the old dictatorship. Though they had to start virtually from scratch last spring, the democratic parties seem to have a substantial edge going into next month's elections for a constituent assembly that will replace the currently ruling Armed Forces movement and establish a modern political system. The depth of the public's craving to participate in the making of their country's future is suggested by the fact that two of every three Portuguese have registered to vote. The democrats have as well the encouragement of the transnational fraternity of European social democrats. Belatedly but wisely, the United States made its own gesture of support two months ago by offering a modest economic-aid program.

The Communists, however, have the discipline bred by years underground. They have used their disproportionate weight in the media to restrict their political competitors' access to the electorate. They got sympathizers in the Armed Forces Movement to decree a law requiring workers to join one large union, which they hope to control. Unhindered—disturbingly so—by the authorities, they recently broke up a convention of the conservative Center Democrats; their success raises the question of whether this important party will be permitted to campaign. Through such channels as its embassy in Lisbon, the Soviet Union is providing what help it can.

The Communists' strength is centered in the cities and in the south. Given their expected numerical weakness at the polls, the fear is that in this once-in-a-lifetime situation the party may try to block the elections or to induce some officers in the Armed Forces Movement to ignore the results of the elections. The Communists might do this by precipitating pre-election disorders or by playing on Movement fears that the forces of the ancient regime are attempting a parliamentary comeback. Indeed, some officers have already hinted that they may not feel bound by the elections and that in certain circumstances the nation would be harmed by being returned to civilian rule. The leader of the socialists, Manuel Soares, has found it necessary to warn of a slide toward "extremist dictatorship." This time it would be a dictatorship of the left.

The West has an immense psychic and political interest in seeing democracy take firm root in Portugal. A Communist takeover would not only dim Western values but would, as Mr. Soares soberly said, tempt civil war, economic blockade and even foreign intervention. A Communist takeover would also presumably remove Portugal and its bases from the Atlantic Alliance and provide the Soviet Union with a forward Western position. The sensitivity of Portugal's strategic position has only been underlined

by recent reports (denied in Moscow) of Soviet interest in obtaining Portuguese fishing-port facilities, and by NATO naval maneuvers off the coast. No American viewing the turmoil now stirring in Turkey, Greece, Cyprus and Italy, to say nothing of the uncertainties confronting Spain, can avoid wondering how events in Portugal will affect the overall situation of the West.

The last time a substantial part of the West trembled, after World War II in France and Italy, the United States through the CIA and other means provided crucial support to the democratic forces in their battles against the Communists. This American intervention was highly successful in that it accomplished its immediate purpose of keeping the Communists from power and it set the stage for a long period of economic recovery and political health. We mention this only to indicate how things have changed. For the deterioration of the domestic political consensus on which such effective use of the CIA depends precludes repetition of that pattern now. We fervently hope that Portugal's democratic forces can make it on their own.

[From the Christian Science Monitor, Feb. 12, 1975]

FREE ELECTIONS FOR PORTUGAL?—FIRST IN 50 YEARS—IF THEY COME OFF

(By Geoffrey Godsell)

A date has been fixed at last for elections in Portugal—April 8. If they are held as planned, they will be the first free elections in the country for half a century.

But whether this means Portugal is safely on the road back to parliamentary democracy remains to be seen. The biggest questions at the moment are:

Will the Communists either try to prevent the elections being held or use intimidation and violence to prevent a truly free vote on April 8?

Will the Armed Forces Movement (AFM), which engineered last April's coup against the authoritarian right-wing Caetano regime, be content to retire to barracks and let civilians take over full responsibility for running Portugal?

COMMUNIST VOTE SMALL

Early this year, opinion polls showed that the Communists (whose leader, Alvaro Cunhal, holds one of the civilian seats in the Cabinet) would probably get no more than 10 percent of the vote in any countrywide election.

Since then the Communists have been trying either to get elections postponed or to maneuver their men into key positions so that they had a grip on government from within regardless of what might be the will of most Portuguese.

To this end, the Communists have had the support of some AFM members, particularly of two in the Cabinet: the Prime Minister, Brig. Vasco Goncalves, and the Labor Minister, Capt. Costa Martins.

Communist maneuvering, however, has stiffened the opposition to it within the Cabinet from the two other political parties holding ministerial offices: the Socialists (PS) led by Mario Soares, and the Popular Democratic Party (PPD) led by Francisco Sa Carneiro. (Both these parties are moderate left-of-center and believe in parliamentary democracy.)

Two right-of-center parties outside the government—Democratic Center Party (CDS) and the much smaller Christian Democratic Party (CDP) have both recently had their national conventions closed down by extreme left-wing violence which the military either could not or would not prevent. Some observers wonder whether the PPD and then the PS might be the next targets for similar extreme left-wing intimidation and violence.

Just how the AFM as a whole views the undemocratic behavior of left-wing extremists is in question. During the latter part of 1974, the militants sympathetic to the Communists were in the ascendant and secured the ousting of the still widely respected Gen. Antonio de Spinola as the AFM's figurehead president. General de Spinola's own politics are conservative but he was an outspoken critic of the Caetano regime before it was ousted.

Brigadier Otelo Saraiva de Carvalho, commander of the military units responsible for internal security, caused a raising of eyebrows recently when he said: "The party gaining most votes in elections will not necessarily represent the wishes of the people." A member of the AFM coordinating committee, Capt. Vasco Lourenco, has also spoken about the possible need for "a second revolution."

April's elections are for a constituent assembly to draft a Constitution under which parliamentary elections would be held before the end of the year. Many wonder whether the AFM radicals or the Communists will try to upset this schedule and these arrangements—to the detriment of long-awaited parliamentary democracy in Portugal.

[From the New York Times, Feb. 10, 1975]

NINE MONTHS AFTER LISBON COUP, JUBILANCE GIVES WAY TO CONFLICT

(By Henry Giniger)

LISBON, February 9.—Portugal is drifting in a sea of suspicion, fear and intolerance nine months after the military overthrew an essentially fascist regime and set the country on a democratic course.

Most of the joy and confidence of the first days after the coup last April are gone, and no one is quite sure where Portugal is headed. There is an immediate goal—an election before the end of April for a constituent assembly, considered the first essential step on which everything else depends. President Francisco da Costa Gomes is supposed to announce the date at least 60 days in advance.

But people who stand on the streets and talk politics are not certain they will be able to go to the polls even though the armed forces have assured them time and again that they will be. Behind the military's assurances are dark mutterings of coups and countercoups, warnings of civil strife and foreign intervention, calculations of troop reliability and worried speculation about the intentions of this or that man or group.

The resentment and alarm created among non-Communists by the Communist success in getting dominant positions in the country, the deprecatory attitude taken by the armed forces toward politicians and the electoral process, and the interplay between military and politicians are major factors in the political climate.

The Government's lack of authority, its confusion and ineptness in dealing with pressing problems, and the infighting and distrust that mark relations among Cabinet members aggravate the situation, in the opinion of Portuguese who follow the political scene in and out of government.

The confusion was evident in the Government's handling of the so-called emergency economic plan which the Cabinet approved last night after months of debate. While the Cabinet argued about how far to go in reforming the economy, unemployment spread, workers demonstrated and landless peasants started to seize land on large estates. The United States has been pressing Portugal to define her priorities for use of promised economic aid, but officials here have been slow to produce specific projects.

SUPERIOR ORGANIZATION

Almost from the beginning of the revolution the Communist party caused concern among its political rivals because of its superior organization and large membership. Discipline, a combative tradition and willingness to take risks had helped it to survive 50 years of repression and clandestinity and to emerge in legal form with a clear advantage over the Socialists, the centrist Popular Democrats and conservative groups.

The seeds of conflict were thus planted from the start, and the coalition of forces in the Provisional Government has been uneasy despite an evident effort by the Communists to act moderately and cooperate in the task of constructing democracy.

The Socialists and the centrists made headway in the country in eliciting popular support and establishing organizational roots, but they watched with increasing concern as the Communists and allied groups demonstrated growing influence in the news media, the labor unions, public administration and the armed forces.

Gen. António de Spinola, who served as President until September, and many of his military associates shared the concern. But as the general discovered, anti-Communism is hard to sustain in Portugal these days. Those who practice it are immediately branded as reactionaries and as partisans of the old regime, which tarred all opponents with the Communist brush.

The general resigned after an anti-Communist street demonstration in his favor was prevented by young leftists and military units. It was the first major crisis between the Communists and their opponents.

SECOND SIGNIFICANT CRISIS

The country of 8.5 million has just gone through its second major crisis as a result of a successful effort by the Communists to impose a single labor confederation by law. Because they already control most of the federations that would compose it, the move is seen by Socialists and others as insuring virtual monopoly control.

Today the Communists launched a campaign to attract the landless peasantry to their cause with a mass rally in Evora at which the big landholders were denounced for "economic sabotage" and the principle of "land to those who work it" was proclaimed.

Drought has brought a sharp increase in unemployment in Evora, the center of the Alentejo region, the country's breadbasket, but most of the blame was put on the landowners. They were accused of sabotaging the revolution by allowing their land to lie fallow and their cattle to die. It is clear that it is in Evora as well as in the industrial centers of Lisbon and Setubal that the Communists' main electoral strength lies.

Other developments have aroused concern among non-Communists. One is a campaign contesting the validity of the projected election in some parts of Portugal and among Portuguese emigrants on the ground that "democratic" organizations are being prevented by reactionaries from getting their message across and that relatively unsophisticated citizens in isolated areas are being unduly influenced against the Communists.

The Socialists and moderates maintain that the Communists oppose the election because all the polls show them trailing with little more than 12 per cent.

For Mario Soares, the Foreign Minister, who is the Socialists' secretary general, the Communists have engaged in "an antidemocratic escalation" that could end in civil war.

"BREAKING POINT" DISCERNED

For Francisco Sá Carneiro, secretary general of the Popular Democratic party, a "breaking point" has been reached as a result of Communist "assaults" on the centers of power and increasing talk of revolution instead of democracy among an increasingly radicalized military. He spoke of "disorder, chaos and blood" if the principle of civil power based on the secret ballot was negated.

In reply the Communists have indignantly pointed to their credentials as the strongest

force against fascism and have accused the moderates of playing the game of reactionaries who, the Communists say, are still plotting a return to the past.

The actions of groups to the left of the Communists in refusing to tolerate conservative parties have added to the worry of those fighting for a pluralistic system. The largest conservative group, called the Social Democratic Center, does have elements linked with the old regime, but it has sworn allegiance to the democratic principles of the Armed Forces Movement and has been officially accepted.

Despite this its first Congress, held last month in Oporto, was broken up by young revolutionaries shouting "Death to the Fascists!" Despite promises of protection, no adequate forces were made available for hours.

The attitude and statements of the military, who hold the ultimate power, have contributed to the tension. Last Christmas posters pictured the armed forces as a kind of Santa Claus distributing his bounty. This was a significant indication of the attitude of the Armed Forces Movement—that of a paternal guiding force that carried out the revolution and feels responsible for the country's welfare.

There have been statements to the effect that the military had a duty to see that those elected did not act against the revolution. Others have said that regardless of the election the armed forces must remain in control at least until the adoption of definitive institutions toward the end of the year.

The man who heads the military security forces, Brig. Gen. Otelo Saraiva de Carvalho, said that the party with the most votes did not necessarily represent the best interests of the people. The implication was that only the military could determine where those interest lay.

As an assembly of 200 officers met last week the dominant theme was the establishment of some kind of military organization to oversee the country's political life in the years to come.

All this adds up to the indefinite presence of the armed forces in political affairs. The question most anxiously asked is, where do the armed forces want Portugal to go?

The center of radical thought in the armed forces is the so-called Coordinating Commission, a powerful group of about a dozen who were particularly active in the coup. When a Government official was asked what influence the Communists and their allies had in the commission, the answer was, "It is greater than they have in the country as a whole."

PERU-STYLE REGIME FEARED

This has not sat well with more conservative military leaders, who are troubled by the increasing radicalization of the commission and who fear that it could lead to a regime in the Peruvian style.

Manifestos are reported to have circulated in some military units calling for elimination of the commission, but an official remarked that it was difficult to get rid of people who bore the main responsibility for the coup and who had great prestige.

Getting to the election is the main aim of the Socialists, Popular Democrats and other moderate and conservative parties. But Mr. Carneiro of the Popular Democrats warned that the election might become academic if a Communist-directed revolution was imposed on the country, if the centers of power were "occupied" ahead of time or if the military men insisted on talking of a new coup if the results did not suit them.

ESTIMATED "REAL" DEFICIT: $150–$170 BILLION

Mr. BROCK. Mr. President, the Federal deficit as presented by President Ford obfuscates the true impact of the Federal deficit and its inflationary effects. In an article in the Washington Post, George Will presents a very cogent analysis of the deficit. I ask unanimous consent that Mr. Will's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ESTIMATED "REAL" DEFICIT: $150–$170 BILLION

(By George F. Will)

Texas congressman George Mahon, lean and leathery as a horsewhip, looks like a cowboy carved from cactus. The crow's-feet around the outer corners of his eyes come not from squinting down a carbine at rustlers, but from squinting at long trails of large numbers in small print.

Mahon's service as chairman of the House Appropriations Committee has made him gifted at the arcane art of reading federal budgets, and steeped him in this wisdom: there are three kinds of lies—lies, damned lies, and statistics.

The Ford administration, through its new budget, suggests that the government will need to borrow $87 billion in the next 18 months. Mahon has squinted at that statistic and declared that it is, well, a statistic. He says that actual borrowing will be between $150 billion and $170 billion.

The administration's $87 billion figure is the sum of projected deficits—$34.7 and $51.9 billion—for the current and next (1976) fiscal years. But Mahon notes that "off budget" federal agencies—the Export-Import Bank, the Postal Service, and a host of others—will dip their large ladles into the capital market to borrow $13.7 billion this year and more than $10 billion next year.

So add $21 billion to the administration's $87 billion borrowing statistic. But regarding this $111 billion figure, remember that the administration's borrowing statistic rests on the patently absurd assumption that this liberal Congress is going to cut $5.9 billion this year and $17 billion next year from social programs, the perpetual expansion of which is the raison d'etre of liberalism.

So add $23 billion to the $111 billion. But federal borrowing can be held to $134 billion only if Congress accepts Mr. Ford's program for raising as well as cutting some taxes.

Assume, for the foolish fun of it, that Congress cuts taxes no more than Mr. Ford wants. And assume, plausibly, that Congress refuses the tax increases Mr. Ford wants, such as those on natural gas and imported oil.

Then, Mahon says, the deficits will increase by $4.3 billion this year and $19 billion next year. Mahon, whose wit is as arid as the dust bowl, notes: "The history of recent tax legislation would tend to suggest this possibility."

So add $23 billion to the $134 billion. Then to the $157 billion add a little something—say $5 billion—to allow for this providential fact: Congress cannot go a full year without inventing a costly new social program.

Digging out from under Mahon's brimstone shower of facts, Rep. Robert Michel of Illinois, the Republican Whip, exclaimed: "Unless we in Congress do something about it, we're headed toward a first-class fiscal disaster." But that is the American way. If you're going, go first-class, even if where you're going is just deeper into debt.

Debt, too, is as American as frozen apple pie garnished with a slice of processed cheese.

Richard Whalen, a private international consultant and one of Washington's most respected economic thinkers, asks: What has been the secret of our remarkable recent prosperity? And Whalen answers himself:

"In a word: debt. Debt so unimaginably large in the private sector and public sectors alike—some $2.5 trillion, according to the latest count—that the idea of ever paying off any substantial part of it is unthinkable. McGraw-Hill's economists recently totted up the categories: $1 trillion in corporate debt, $600 billion in mortgage debt, $500 billion in U.S. government debt, $200 billion in state and local government debt, and $200 billion in consumer debt. Merely to pay the interest due this year, they calculated, would take a sum more than one third the GNP of the next biggest capitalist economy, Japan."

America's wealth is mortgaged. The debt load is excessive. Federal borrowing over the next 18 months could be the ton of bricks that splinters the camel's already sprained back. This borrowing will abort any recovery by sending interest rates soaring, devastating the housing industry, and drying up the pool of long-term investment capital, the muscle-building protein of the American economy.

We have borrowed against the future, and now the future is bearing down on us. Bye, bye, American pie.

ORDER FOR RECOGNITION OF SENATORS TODAY

Mr. ROBERT C. BYRD. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, the hour of 2 o'clock having arrived, I would say that the Senators who are waging the battle in opposition to the change in Senate rule XXII, working together with the clock, have won this inning.

I ask unanimous consent that Mr. THURMOND may now be recognized for not to exceed 15 minutes, for the purpose of making a statement only, and that immediately following Mr. THURMOND—who is the other Senator?

Mr. THURMOND. Senator HARRY F. BYRD, Jr., Senator HELMS, and Senator HANSEN.

Mr. ROBERT C. BYRD. The total was 30 minutes, I thought.

Mr. THURMOND. 30 minutes.

Mr. ROBERT C. BYRD. And that Senator HARRY F. BYRD, Jr. be recognized for not to exceed 15 minutes, for the purpose only of making a statement—no motions, no transaction of any business; and that at the conclusion of the 15 minutes of Mr. HARRY F. BYRD, Jr., with the understanding that, only for a statement, he can yield to anyone he wishes, I then be recognized in my own right.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from South Carolina is recognized.

Mr. DOMENICI. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. THURMOND. I yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Mickey Barnett, of my staff, be granted the privilege of the floor for the remainder of the debate on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, what was the request?

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The PRESIDING OFFICER. The request was for floor privileges for a member of the Senator's staff.

Mr. ROBERT C. BYRD. I have no objection.

SENATE RESOLUTION 97—SUBMISSION OF A RESOLUTION URGING RETENTION OF UNDILUTED U.S. SOVEREIGNTY OVER THE CANAL ZONE

Mr. THURMOND. Mr. President, on behalf of the distinguished senior Senator from Arkansas (Mr. McCLELLAN), myself, and 35 other sponsors, I submit a Senate resolution calling for the retention of undiluted U.S. sovereignty over the canal zone, and I ask unanimous consent that the text and a list of the sponsors be printed in the RECORD at the conclusion of my remarks.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, for the time being—just for the time being—will the Senator proceed with his statement? I may not object.

Mr. THURMOND. Mr. President, on February 7, 1974, the Secretary of State signed an agreement on basic principles with reference to the negotiation of a new treaty with the Republic of Panama concerning our juridical status in the canal zone. The terms of this agreement by now are well-known. They differed only in a few particulars from previous formulations of State Department policy regarding the canal. For over a decade, through Democratic and Republican administrations alike, through profound changes in the balance of seapower and of strategic forces in the world, through significant alterations in the psychology of the American people, and through dramatic shifts in food and energy supply sources throughout the world, the State Department has been single-minded and highhanded in its attitude toward the Panama Canal. That attitude toward this great creation of U.S. engineering and leadership genius has been: we must give it away as fast as we can.

True to form, the State Department has been working feverishly to implement the principles of February 7, 1974, in the intervening year since that agreement was signed. Reports both public and private are now circulating that agreement has been reached on all major issues and that a draft treaty is about to be initiated in a few weeks time. The most recent statement came from the Secretary of State himself last Saturday in his address on Latin American affairs in Houston.

Mr. WILLIAM L. SCOTT. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. SCHWEIKER). The Senator will suspend while the Senate comes to order.

The Senator may proceed.

Mr. THURMOND. Mr. President, there are some who believe that we can provide for the operation and defense of the canal by the United States for an extended period of time by compromising on the essential issue of U.S. sovereignty and agreeing to a phased transition period until Panama has complete control over the canal. The alternative, we are told, is a rising increment of violence and disorder making the operation and defense of the canal impossible.

This is an unfortunate view of our relationship with Panama, and a libel upon the Panamanian people. The truth is that any surrender of our basic juridical status would leave us merely as a guest in a host country, without a fundamental right to our position. The tremendous responsibility of sovereignty over a vital strategic waterway would inevitably have a destabilizing effect upon the internal affairs of Panama, threatening the present leadership group with challenges from rivals seeking the ultimate prize, and with subversion from third countries seeking either control of the waterway or the denial of passage to the ships that form the lifeline of the economies of Western countries.

Moreover, any timetable of transition would, under pressure of internal political conflict in Panama, inevitably invite a shortening of that timetable. We could set a timetable of 25 years, only to find in 5 years' time that our presence there is no longer supportable.

It is clear, therefore, that surrender of our basic sovereignty will in no way stabilize the situation and safeguard our legitimate interests. Indeed, the very opposite is more probable. Thus no treaty draft which is based upon the basic principles of February 7, 1974 can possibly protect U.S. interests or our responsibilities to world commerce to keep the canal open.

This is not to say that we cannot ameliorate our relationship with the Republic of Panama, or work in partnership to develop Panama's dignity, resources, and economic base. We have shown in the past that we regard our relationship to Panama as a specially privileged one, and I am confident that we can continue this privileged relationship. But we must be quite frank; that relationship cannot continue if we withdraw our sovereign presence from the zone. The proposed draft treaty would do just that, and would ultimately damage Panama's independence.

The proposed treaty is doubly unfortunate in that it disregards the changed world situation of the past decade, the withdrawal of the United States from forward positions throughout the globe, and the consequent rise in the relative importance to our freedom of action of U.S. territories such as the Canal Zone.

For it simply is not true, as asserted time and time again by the State Department that the Canal Zone is Panamanian territory. The legal documents and the history of the negotiations show conclusively that the Canal Zone is U.S. territory to the exclusion of any Panamanian sovereignty. We have always acted upon that juridical base. This Congress, which makes the laws—and makes them for the State Department too—has always acted as the legislature for the Canal Zone, applying U.S. laws, including most domestic enactments, and establishing a U.S. district court for their proper enforcement. The U.S. Supreme Court has upheld this view.

Yet the State Department, acting in defiance of Congress and the position of the Supreme Court, has chosen to implement its view unilaterally, and with consequences which I fear may be grave. Canal Zone questions are only incidentally questions relating to the conduct of foreign policy. It is noteworthy that the jurisdiction over Canal Zone matters in the Senate is divided between the Armed Services Committee and the Commerce Committee, with the former studying questions of defense, operation, maintenance, improvement, and so forth, while the latter studies commercial questions. The Foreign Relations Committee would not even be concerned in this issue were it not that the State Department has been trying to give away this U.S. territory to a foreign power.

The negotiations which led to the acquisition of the Canal Zone were authorized by an act of Congress, the so-called Spooner Act of 1902. No act of Congress has authorized negotiations to give it away. Indeed, the Canal Zone is both territory and property of the United States under the territory and property clause of the U.S. Constitution, article IV, section 3, clause 2. Under this clause, the Congress must act—not just the Senate, but both Houses—to dispose of such territory and property. The House has warned time and time again that it will not stand by and allow the Senate alone to give up the Canal Zone by treaty. The House must and will act. Indeed, at the present time, 111 House Members have sponsored resolutions identical to the resolution we are introducing today opposed to the surrender of our sovereignty in the Canal Zone. Last year, 33 Members of this body joined the distinguished senior Senator from Arkansas and myself in sponsoring a similar resolution—a total of 35 Senators. I need not point out that, under those circumstances, it would be very difficult to achieve ratification of the treaty with the requisite two-thirds majority.

Yet the State Department has continued to negotiate a treaty based on principles which contravene the constitutional will of Congress. Indeed, I would not be surprised if Panamanian leaders were to question whether the negotiations conducted by the State Department were conducted in good faith.

It is true that, with the convening of a new Congress, there was the inevitable attrition of sponsors due to retirements and electoral difficulties. Yet there were remarkably few of those, since the list of sponsors in the 93d Congress included many of the most distinguished and able Members of this body, known to all for their vigorous leadership and public service.

Despite natural attrition, I am pleased to report that this year the resolution has not 35 sponsors, but 37 sponsors, and I am sure that more will join as they study the issue.

Thus, the State Department has chosen a policy of needless confrontation, a policy which, if pursued to its logical end, may well result in tragedy and irreparable harm to the United States, to Panama, and to the world. By raising unreasonable expectations among our Panamanian friends, the State Department's unrealistic policies will engender bitterness, hatred, and disillusionment among the peoples of both countries. Moreover, the United States and the world could easily be faced with the permanent closing of one of the few vital narrow waterways of the world.

Mr. President, a few moments ago, the distinguished Senator from West Virginia objected to incorporating at the end of my remarks the text of the resolution with the names of the sponsors. I understand he does not now object, and I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution submitted by Mr. THURMOND (for himself, Mr. McCLELLAN, Mr. ROBERT C. BYRD, Mr. LONG, Mr. EASTLAND, Mr. RANDOLPH, Mr. TALMADGE, Mr. SYMINGTON, Mr. HARTKE, Mr. McINTYRE, Mr. TOWER, Mr. FONG, Mr. CURTIS, Mr. FANNIN, Mr. HRUSKA, Mr. HANSEN, Mr. GOLDWATER, Mr. HOLLINGS, Mr. JOHNSTON, Mr. NUNN, Mr. ALLEN, Mr. BEALL, Mr. DOMENICI, Mr. WILLIAM L. SCOTT, Mr. YOUNG, Mr. STONE, Mr. MONTOYA, Mr. FORD, Mr. MORGAN, Mr. HELMS, Mr. BUCKLEY, Mr. McCLURE, Mr. GARN, Mr. LAXALT, Mr. HARRY F. BYRD, JR., Mr. DOLE, and Mr. BARTLETT) is as follows:

S. RES. 97

Whereas United States diplomatic representatives are presently engaged in negotiations with representatives of the de facto Revolutionary Government of Panama, under the declared purpose to surrender to Panama, now or on some future date, United States sovereign rights and treaty obligations, as defined below, to maintain, operate, protect, and otherwise govern the United States-owned canal and its protective frame of the Canal Zone, herein designated as the "canal" and the "zone", respectively, situated within the Isthmus of Panama; and

Whereas title to and ownership of the Canal Zone, under the right "in perpetuity" to exercise sovereign control thereof, were vested absolutely in the United States and recognized to have been so vested in certain solemnly ratified treaties by the United States with Great Britain, Panama, and Colombia, to wit:

(1) The Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, under which the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for operation, regulation, and management of the canal; and

(2) The Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, by the terms of which the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the zone for the construction, maintenance, operation, sanitation, and protection of the canal to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority; and

(3) The Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between the Republic of Colombia and the United States, under which the Republic of Colombia recognized that the title to the canal and the Panama Railroad is vested "entirely and absolutely" in the United States, which treaty granted important rights in the use of the canal and railroad to Colombia; and

Whereas the United States, in addition to having so acquired title to and ownership of the Canal Zone by constitutional means, purchased all privately owned land and property in the zone making it the most costly United States territorial possession; and

Whereas the United States since 1904 has continuously occupied and exercised sovereign control over the zone, constructed the canal, and, since 1914, for a period of sixty years, operated the canal in a highly efficient manner without interruption, under the terms of the above-mentioned treaties thereby honoring their obligations, at reasonable toll rates to the ships of all nations without discrimination; and

Whereas the long history of friendly and cooperative relations between the United States and the Republic of Panama are prone to deterioration by the dilution of any United States sovereignty or jurisdiction in the canal and zone; and

Whereas from 1904 through June 30, 1974, the United States made a total investment in the canal, including defense, at a cost to the taxpayers of the United States of over $6,880,370,000; and

Whereas the investment of the United States in the canal includes the sacrifices of many thousands of United States citizens who have worked to construct the canal and keep it operating smoothly and efficiently for the last sixty years; and

Whereas Panama has, under the terms of the 1903 treaty and the 1936 and 1955 revisions thereof, been adequately compensated for the rights it granted to the United States, in such significantly beneficial manner that said compensation and correlated benefits have constituted a major portion of the economy of Panama giving it the highest per capita income in all of Central America; and

Whereas the canal is of vital and imperative importance to hemispheric defense and to the security of the United States and Panama; and

Whereas approximately 70 per centum of canal traffic either originates or terminates in United States ports, making the continued operation of the canal by the United States vital to its economy; and

Whereas the people of the United States, in various ways and means, have exhibited strong suport for retention of full and undiluted jurisdiction over the canal and zone, and the Congress ought to insure the supremacy of the will of the people; and

Whereas the present negotiations under a February 7, 1974, statement of "principles of agreement" by United States Secretary of State Henry A. Kissinger and Panamanian Foreign Minister Juan A. Tack constitute a clear and present danger to the hemispheric security and the successful operation of the canal by the United States under its treaty obligations; and

Whereas the present treaty negotiations are being conducted by our diplomatic representatives under a cloak of unwarranted secrecy, thus withholding from our people and their representatives in Congress information vital to the security of the United States and its legitimate economic development; and

Whereas the United States House of Representatives, on February 2, 1960, adopted House Concurrent Resolution 459, Eighty-sixth Congress, reaffirming the sovereignty of the United States over the zone territory by the overwhelming vote of three hundred and eighty-two to twelve, thus demonstrating the firm determination of our people that the United States maintain its indispensable sovereignty and jurisdiction over the canal and the zone; and

Whereas under article IV, section 3, clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress, which includes the House of Representatives; and

Whereas the Congress of the United States is invested with constitutional responsibilities to provide for the common defense and general welfare of the United States, to regulate commerce with foreign nations, to raise and support armies and provide and maintain a Navy, to make all needful rules and regulations respecting the territory of the United States, and to make all laws necessary and proper for carrying into execution these and other powers, all of which denote that it is the solemn duty of Congress to safeguard the canal and zone: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States of America that—

(1) the Government of the United States should maintain and protect its sovereign rights and jurisdiction over the canal and zone, and should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property that are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere; and

(2) there be no relinquishment or surrender of any presently vested United States sovereign right, power, or authority or property, tangible or intangible, except by treaty authorized by the Congress and duly ratified by the United States; and

(3) there be no recession to Panama, or other divestiture of any United States-owned property, tangible or intangible, without prior authorization by the Congress (House and Senate), as provided in article IV, section 3, clause 2, of the United States Constitution.

Mr. THURMOND subsequently said: Mr. President, in view of the fact that the distinguished senior Senator from Arkansas (Mr. McCLELLAN) is ill today and could not be here, he has prepared a statement on this subject. I ask unanimous consent that his statement may appear immediately following my statement and a copy of the resolution with the sponsors' name thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR JOHN L. McCLELLAN OPPOSING A GIVE-AWAY TO PANAMA OF U.S.-OWNED PANAMA CANAL AND CANAL ZONE

Since addressing the Senate on March 28, 1974, concerning the Panama Canal, I have followed Isthmian developments as closely as I could. There have been a number of recent moves in the complicated situation and it is essential that they be understood in relation to the over-all Canal problem.

As background for such understanding, it must be stressed that the Canal Zone and Panama Canal are constitutionally acquired territory and property of the United States, paid for and developed by the United States pursuant to treaty authorized by Congress (Spooner Act of 1902). Since our opening the Canal in 1914, it has been maintained, operated, sanitated and protected by the United States. The total expenditure, from 1904 through June 30, 1974, including the Canal's defense has been estimated at $6,880,370,000. As is well known by students of the subject, much of this money has been spent in the Republic of Panama with the result that Panama now has the highest per capita income of any country in Central America. Moreover, the total annual benefits to Panama from Canal Zone sources in 1973 were $187,490,000, a figure that one seldom sees mentioned; and these benefits will certainly rise in the future.

In spite of extensive press reports of inadequate character, there are only two major Canal issues: a) retention by the United States of its undiluted sovereignty over the Canal; and b) the major modernization of the existing Panama Canal. In the report of its activities on January 2, 1973, the House Committee on Merchant Marine and Fisheries emphasized those two as the key issues and stated that all other large Canal questions, including the proposal for a "sea level"

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Canal, are "irrelevant" and should not be allowed to confuse these problems (Ho. Rept. 92-1629, pg. 36.) Continued undiluted U.S. sovereignty is of transcendent importance.

At the present time, the State Department is negotiating with Panama for the surrender to that country of U.S. sovereign control over the Canal Zone; and this without the authorization of Congress. Reports are that a treaty will be ready for signature by March or April.

As to the treaty matter, an October 29, 1974, report by a "Commission on United States-Latin American Relations" of the Center for Inter-American Relations of New York gave its full support for the State Department's program to surrender the Canal Zone to Panama as set forth in the "statement of principles" signed on February 7, 1974, by U.S. Secretary of State Kissinger and Panamanian Foreign Minister Tack. These principles contemplate a rapid phasing out of United States sovereign control over the Canal Zone and the eventual giving of the Canal to Panama.

They also contemplate the construction of a new Canal of so-called sea level design or the increase of capacity of the existing canal. They ignore the fact that many respected marine biologists and conservationists of the United States strongly oppose the construction of any sea level canal because of the dangers to marine life involved. They also ignore the fact that the United States already has authority for "expansion and new construction" for the existing canal under existing treaties (Congressional Record, July 24, 1939, p. 9834). Why should there be negotiations for authority already possessed?

Another key point in the October 29 "Commission" report is that recommending a "mere normal relationship with Cuba," which involves the status of the U.S. Naval Base at Guantanamo, Cuba. Were the United States to lose Guantanamo, such action would jeopardize our control over the Panama Canal. These two bases together with Roosevelt Roads in Puerto Rico form a triangle upon which the security of the Caribbean rests. Their loss would be of grave strategic consequences for it would give a potential enemy control of the strategic Caribbean.

During the past decade my distinguished colleague in the Senate (Mr. Thurmond) and Representative Daniel J. Flood in the House of Representatives have made a series of statements on Panama Canal problems that cover all major aspects of the subject and that have never been excelled: Both of these leaders stress two points: 1) sovereignty over the Canal Zone and 2) major modernization of the existing canal.

As to these, identical Canal Zone sovereignty resolutions and Canal Modernization bills have been introduced in both the Senate and House. Together they form a reasoned policy program for our government, derived from experience. By removing present uncertainties and clearing away present cobwebs of confusion, their prompt adoption and passage will restore stability into the conduct of our Isthmian Canal policy.

One of the recent events directly related to the canal situation was an attempt in the reorganization of the House of Representatives to transfer legislative jurisdiction over the Panama Canal and Canal Zone from the Committee on Merchant Marine and Fisheries where it now is to the Committee on Foreign Affairs. After a careful explanation by Representative David W. Dennis, the House acted by a vote of 228 to 132 to retain supervision over the Panama Canal with the Committee on Merchant Marine and Fisheries. This action serves to stress that the Canal Zone is not foreign territory and property but that of the United States, the title to which has been recognized as valid by the U.S. Supreme Court (Wilson vs. Shaw, Secretary of the Treasury, 204 U.S. 24, 1907, at 31, 32, 33.)

Another point I would like to make is that, directly or indirectly, what happens to the Panama Canal will in some way or other affect the citizens of every state, especially in the coastal states with large sea ports and shipping. This is recognized in some of the states, for example, Maryland, South Carolina, and Virginia, that have passed strong resolutions opposing the State Department program for surrender. In this connection, I would invite the special attention of the Congress to the 1974 resolution of the Maryland legislature, which was quoted in an address to the Senate by my distinguished colleague from Maryland (Mr. Beall) in the Congressional Record of June 3, 1974, pp. 17298-301. I shall summarize the main points in the Isthmian situation:

1. The United States has a fine Canal now with indispensible sovereignty and jurisdiction over the Canal Zone for its efficient maintenance, operation, sanitation and protection.

2 Sixty years of operating experience show that the present Canal works, that it will continue to work, and that its capacity and operational improvement can be effected without a new treaty with Panama.

3 This modernization program, developed in the Panama Canal organization during World War II as the result of war experience, known as the Terminal Lake-Third Locks Plan, can be accomplished at "comparatively low cost" and in a relatively short time with every assurance of success.

4. That between 1904 and June 30, 1974, the total investment of the taxpayers of the United States in the Panama Canal enterprise, including its defense, was $6,880,-370,000.

5. If we cannot retain the Canal that we built, own, govern, and maintain at our own expense and operate it on terms of equality for the vessels of all nations with tolls that are "just and equitable," the United States will be driven from the Isthmus and Panama will become another Cuba.

The crucial Panama Canal issue is not the United States sovereignty over the Canal Zone; it is the U.S.-Panamanian continuation of the present ownership and operation for the benefit of the U.S., Panama and all other nations versus the USSR domination; and this is an issue that cannot be ignored. To give away the Panama Canal is to adversely affect the defense of our country and the whole Western Hemisphere, to increase prices in the United States, and to increase unemployment in the United States. The time has come for action by the Congress. I call for the passage of Senator Thurmond's and my sense of the Senate resolution.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. THURMOND. I will be glad to yield to the able and distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT).

Mr. WILLIAM L. SCOTT. I thank the distinguished Senator from South Carolina for yielding, and I commend him on the statement he has made. I believe I am one of the cosponsors of the resolution.

Mr. THURMOND. That is right.

Mr. WILLIAM L. SCOTT. Mr. President, I do not believe there is any question that a treaty must be ratified by two-thirds of the Senate. I agree completely with what the distinguished Senator has said. But is it not a rule of law also that Federal property cannot be disposed of without the consent of Congress? Is that not what the Members of the House of Representatives have in mind when they ask that they also be consulted? Would it not go a step further?

Mr. THURMOND. Mr. President, in response to the question of the distinguished Senator from Virginia, the Senator from South Carolina will answer in the affirmative. When our Nation owns property, it requires an act of Congress to dispose of it. An act of Congress means action by both the House and the Senate. A treaty requires action by the Senate alone, and without question, it would not be sufficient and adequate to dispose of property belonging to the United States.

Mr. WILLIAM L. SCOTT. If we accept the premise that it takes an act of Congress to transfer title to property that is owned by the United States, would this not be a prerequisite to negotiation and disposal of the Panama Canal Territory?

Mr. THURMOND. I heartily agree, because our country bought this property. We paid for it and it is ours. It is ours in perpetuity, it is ours in fee simple. There is no way I know of that it can be disposed of except by an act of Congress. Yet the State Department seems to wish to take a shortcut—they have been trying to dispose of this territory for 10 or 12 years—and dispose of it by treaty. The State Department never has sent a treaty to the Senate because there has been so much opposition to it. I am confident that the Senate will not ratify a treaty, but why have this confrontation between the executive branch and the legislative branch when nothing can be accomplished except ill will?

Mr. WILLIAM L. SCOTT. Mr. President, if the Senator will yield briefly another moment.

Mr. THURMOND. I will be pleased to yield to the distinguished Senator.

Mr. President, if the Senator from Virginia will allow me just a moment, the distinguished Senator from Idaho requests that I give him a half minute.

Mr. CHURCH. Yes, Mr. President, for a unanimous-consent agreement.

Mr. THURMOND. I ask unanimous consent that it be done without counting time against me and that his remarks come at the end of the entire remarks of those wishing to express their sentiments.

Mr. ROBERT C. BYRD. Reserving the right to object, will the Senator from Idaho allow me to know how much time he requests?

Mr. CHURCH. Just about 20 seconds.

Mr. ROBERT C. BYRD. I have no objection to the time not being counted against Senator THURMOND if the time does not exceed 2 minutes.

(The remarks made by Mr. CHURCH at this point in the proceeding are printed subsequently in today's RECORD.)

Mr. WILLIAM L. SCOTT. Mr. President, I shall conclude my remarks by indicating or expressing the hope that the Department of State will be aware of the action of the various Members of the House of Representatives, their feeling that it does require an act of Congress, both bodies, in order to transfer title to real estate. If they fail to heed that, I hope that they will recognize the need for a two-thirds affirmative vote to ratify a treaty and will see the futility of any further action along the line that the distinguished Senator mentioned.

Mr. THURMOND. Mr. President, I heartily concur with the remarks of the able Senator from Virginia.

Mr. President, I yield now to the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.).

The PRESIDING OFFICER. Under the unanimous consent agreement, the Senator from Virginia is recognized for 15 minutes.

Mr. HARRY F. BYRD, JR. I commend the able Senator from South Carolina for the presentation of this resolution to the Senate today, and I associate myself with the remarks which the Senator from South Carolina (Mr. THURMOND) has just made.

It is unfortunate, I feel, that the State Department seems determined to give away the U.S. sovereignty over the Panama Canal.

As the Senator from South Carolina has just brought out, the United States obtained that sovereignty more than 70 years ago.

Just why the State Department feels impelled to give away American territory, I cannot understand. It was just a few years ago, that the State Department demanded, and Congress acquiesced, in giving away Okinawa, which the United States had obtained by treaty following World War II.

Then we know that in negotiation of money owed to the United States by other nations, the State Department always gives away the largest part of the sums owed by the other countries to the United States.

The question of the U.S. sovereignty in the Panama Canal Zone, I think, is an important one. But another unfortunate aspect of it is that the State Department blunders ahead, conducting negotiations leading to the transfer of sovereignty when it has been made clear that such action would be contrary to the views of a large number of the Members of Congress. In the past session of Congress, the senior Senator from Arkansas and the senior Senator from South Carolina introduced a resolution with 35 Members' names signed to it opposing the giving away of U.S. sovereignty in the Panama Canal.

That is more than one-third of the Senate, and, under the Constitution, enough to block any new treaty. The Senator from South Carolina, just today, has introduced a resolution in opposition to the transfer of sovereignty from the United States to Panama, signed by 37 Members of the Senate.

I might say that the rule change that has been proposed does not change the Constitution, and it still will require a two-thirds vote if that proposal of the State Department is submitted to the Senate as a treaty, as it should be submitted.

So why does the State Department want to set up a confrontation with the legislative branch, when it clearly knows that a large percentage of the membership is opposed to what the State Department is seeking to do?

Mr. President, I yield the remainder of my time to the Senator from New York (Mr. BUCKLEY).

Mr. THURMOND. Mr. President, I believe it was stated by the Senator from West Virginia that we had 30 minutes in all; is that correct?

Mr. ROBERT C. BYRD. That is correct.

Mr. THURMOND. Has the Senator from Virginia finished? If not, he may continue.

Mr. HARRY F. BYRD, JR. I would like to yield to the Senator from New York at this time.

Mr. BUCKLEY. Mr. President, I thank the Senator from Virginia for yielding to me. I also compliment the Senator from South Carolina for his initiative in raising this question on Panama at this time. I know that I was deeply disturbed on Sunday when I heard on the radio that the Secretary of State, Mr. Kissinger, had, in a discussion on Latin American policy, stated that we would relinquish sovereignty over the Panama Canal.

I believe, Mr. President, that one of our paramount responsibilities in this body is to concern ourselves with the security of this Nation and of our hemisphere. The resolution introduced by the distinguished Senator from South Carolina makes it clear that at least 37 Members of this body believe deeply that sovereignty over the Canal Zone is not negotiable.

I suggest, Mr. President, that the Secretary of State ought to have learned by now the virtue of testing senatorial waters before attempting to negotiate away what he cannot deliver. As my friend from Virginia has pointed out, the State Department has been on notice for more than a year that more than two-thirds of this body will not yield on this question. Under these circumstances, it is not only an exercise in futility to conduct negotiations that have as their purpose a relinquishment of sovereignty, but worse, in so doing we are giving rise to expectations that cannot be satisfied, and we are encouraging hotheads in Panama to resort to violence. This can lead to bloodshed and pressures.

I suggest that this body cannot retreat from the position we have taken. I also believe, Mr. President, that it is time the United States began acting like a major power. If we are firm in our position, if we make it clear that we take our responsibilities for hemispheric security as a profound obligation of our people, then we will be respected. Then we will find ourselves living in great amity with our neighbors to the south. If we show a disposition to negotiate our rights inch by inch, we will surely whet the Panamanians' appetite for even greater concessions, that we will find ourselves without the power to protect a territory that is vital to our security and commerce.

I thank the Senator from South Carolina for once again bringing these basic facts to the attention of the administration in so forceful a way, and for underscoring the fact that this body will not ratify a treaty compromising our right in the Canal Zone.

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. SCHWEIKER). The Senator has 7 minutes remaining.

Mr. HARRY F. BYRD, JR. I yield the Senator from North Carolina 5 minutes.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Virginia. I join with my colleagues in congratulating the distinguished Senator from South Carolina (Mr. THURMOND) for his outstanding leadership on this issue. I am convinced that this Senate would have been presented with a dangerous treaty long ago had it not been for his constant warnings and close study of the situation.

I also pay tribute to the Senator from Arkansas (Mr. MCCLELLAN), who I understand is ill today and unable to be here.

Mr. President, there is no doubt that this Republic of Panama is seeking to remove our presence from our territory in the Canal Zone. Just a few days ago, the Foreign Minister of Panama, Mr. Juan Tack, gave an interview to the Panamanian press about his view of the treaty negotiations.

In this interview, Mr. Tack retreated from some of his earlier pronouncements. Yet there is no question that his objective is to get the United States out and to put the canal under Panamanian jurisdiction. His goals include Panamanian jurisdiction over U.S. military bases, and he raises the threat of increased exactions in the form of higher tolls from the users of the canal.

Indeed, hanging over the Foreign Minister's words is the implicit threat of what he calls "other means" which Panama will use if the United States does not surrender our sovereignty.

Mr. President, I find such tactics regrettable. Unfortunately, I believe that these views have been encouraged by the State Department's policies, as the Senator from South Carolina has pointed out. I hope that State will reconsider its actions in the light of this expression of the sense of the Senate.

Mr. President, I ask unanimous consent that the interviews with Mr. Tack be printed in the RECORD.

There being no objection, the interviews were ordered to be printed in the RECORD, as follows:

[From the Panama Star & Herald, Feb. 7, 1975]

TACK: TREATY WILL LIMIT U.S. PRESENCE HERE

Foreign Minister Juan Antonio Tack, saying that the presence of the United States in the Canal Zone will have a fixed duration in the new Panama Canal treaty, indicated yesterday that major issues still remain to be worked out in the negotiations but added that a treaty draft is possible by midyear.

The Foreign Minister was interviewed by La Estrella de Panama on the eve of the first anniversary of the agreement of basic principles that he and U.S. Secretary of State Henry Kissinger signed here a year ago today. The agreement of basic principles has served as the guide for the negotiations.

Emphasizing that any negotiation involves compromises, Minister Tack cited the agreement on the presence of the United States in the Canal Zone for a fixed duration as a major political compromise.

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"The dismantling of that United States presence should be accomplished in stages, within the final fixed deadline," the Minister declared.

How Panama will take over jurisdictional functions in the Canal Zone "in an acceptable period" is one of the issues still under negotiation, he said.

The Minister indicated another compromise in the negotiation deals with military bases.

"I don't know, in truth," the Foreign Minister declared "if there is any Panamanian who, in full sincerity and deep inside him, feels that a treaty could be signed, at some moment, whereby the United States would agree to dismantle the military bases in the present Canal Zone on the day after a treaty is approved. Besides, there is no international entity, no group of countries nor any individual country, either at the world or regional level, that could force the United States to do this.

"For these reasons, in the specific aspect of the protection and defense of the canal, the new treaty will involve a program to be carried out."

He then cited the conditions under which military bases would remain, one of them being that such bases will not be excluded from Panamanian jurisdiction.

In the interview, Minister Tack replied to questions on Panama's global foreign policy, the possibility of a treaty draft by mid-year, the compromise aspect of the negotiations, the jurisdictional change in the Canal Zone, the U.S. military presence under the new treaty, economic benefits to Panama, and the future of Panamanian employees under the new treaty.

The questions and Minister Tack's replies are as follows:

1. Mr. Minister, it is logical that on the first anniversary of the joint Tack-Kissinger announcement, the main topic of this interview should be the negotiations for a new treaty. However, before going into that specific question, could you tell us what are the significant aspects of Panama's global foreign policy?

In this first question, you employ what I consider a very appropriate concept: "global foreign policy." The foreign policy of a State should be a coherent whole and its parts should respond to the fulfillment of clear and definite objectives, closely linked to or determined by the internal reality of the state concerned. In this connection, for example, relations between Panama and the United States are a part of Panama's foreign policy, but such relations do not constitute whole our entire foreign policy.

This may have been so prior to the present Revolutionary Government because of our concrete political and economic circumstances. Our foreign policy was subordinated to the ups and downs of our relations with the United States. It was a matter, fundamentally, both at the level of bilateral and multilateral relations or of participation in international organizations, of adopting positions that would not "displease" the United States for fear of reprisals. Because of that situation in the past, it was possible, for example, that, despite the courageous and dignified stand of the National Government following the events of Jan. 9, 1964, in denouncing the aggression by the United States before the OAS, that some government a few months later pleased the United States by voting for the expulsion of Cuba from the community of American nations, without any juridical or moral basis.

With much pride and legitimate satisfaction we can say that it is highly stimulating, from an intellectual and national viewpoint, to cooperate with a Revolutionary Government that has structured, under the leadership of General Torrijos, an independent foreign policy that has a nationalist and progressive content.

Our foreign policy, which is very Panamanian, is based on the principles contained in accepted International Law, in the Charter of the United Nations and in the resolutions by the General Assembly of that organization in furtherance of those principles: sovereign equality of the states, political independence, territorial integrity, self-determination, non-intervention, rejection of any form of colonialism or imperialism. These principles serve as the unswerving guide of our international conduct.

We recognize as a central fact the existence of an international and transnational structure which is unfair, violent, oppressive and unequal. This fact, the driving force of which is, on the one hand, international exploitation and international division of labor and, on the other hand, certain regional processes and configurations, has produced and strengthened a structure of unequal dependence which hinders the possibility of a full, democratic and free development of natural and human resources and which leads to social backwardness of peoples. This situation is undesirable and contradictory with the foregoing principles as well as a ready source of international tensions, conflicts and wars that endanger world peace.

It would be immoral and abetting, however, to maintain international peace by sacrificing international justice. It has been precisely this search for justice that has historically rendered legitimate all revolutionary and social, anti-colonial and anti-imperialist movements as well as those against any other attempts to establish international monopolies or dominance.

Hence, the struggle for true social development is a struggle against all forms of oppression, monopoly, exploitation and political or ideological dominance, for the purpose of eradicating, to the highest degree practicable, unequal dependence and subordination. This has been summarized by General Torrijos with the phrase 'neither with the left or with the right; with Panama.' It is this unequal dependence which does not favor, but rather destroys, the development and flourishing of national cultures based on the true needs and aspirations of the peoples.

The foreign policy of the Revolutionary Government, recognizing the foregoing facts and principles, has picked up this universal concern, and thus has placed itself within a wide and altruistic vision of international relations, in which no national selfishness exists.

As a means of implementing its foreign policy, the Revolutionary Government has adopted the following principles:

1. National self-determination in the establishment of its political, economic and social system;

2. External independence in its international conduct;

3. The struggle against dependence derived from transnational exploitation and other forms of foreign pressures;

4. The basic principles of non-aligned countries—distance and independence in the face of the international policies of the dominant powers—in order to achieve a correlation of balanced forces that will lead to just international relations;

5. Non intervention in the affairs of states;

6. Recognition and respect for the plurality of ideologies, that is, to the various existing political and ideological systems.

7. The struggle for the elimination of the colonial enclave known as the Canal Zone.

It is on these principles that we base our position in the United Nations, in the Organization of American States (where we have been striving for six years for a profound structural change), in the other international organizations; in our permanent stand beside the countries of the Third World; in our participation within the Group of Non-Aligned Countries; in our support of national anti-colonialist and anti-imperialist liberation movements; in our struggle against all type of exploitation by trans-national corporations; in our sovereign decision to reestablish diplomatic, economic and cultural relations with the sister Republic of Cuba, and in our decision to widen relations with all nations of the world, without letting the various political or ideological systems become a barrier to all this. Thanks to this concept, Panama has been able to strengthen its own personality at the world level and has won international support in its struggle to achieve its legitimate vindications.

This is, then, our global foreign policy. It, not the opposite, is what determines the present characteristics of the general relations between Panama and the United States and, within these, specifically the problem of the negotiations of the new Canal treaty.

2. Reports from Washington speak of the possibility that a treaty will be signed in the next ten weeks. Is there a deadline to determine the success or failure of the negotiations and, in any case, do you think it is likely that a draft can be prepared by the middle of this year?

During the negotiations that have been conducted by the present Revolutionary Government, we have never imposed a deadline upon ourselves to arrive at a treaty. The success or failure of the negotiations has always depended on the content of the agreements reached and not on circumstantial or formal aspects. There can be a new treaty only if its content is acceptable. And, along this line of thought, the development of the content of the negotiations indicates, up to this moment, that there might be a text drafted by the middle of the year.

3. Taking into account that a treaty such as the one being discussed is the result of an attitude of compromise by both sides, which are the points that are now acceptable to the respective parties and which were not so before?

Every treaty, as you say, embodies agreements which imply compromises by both sides, not because they did not adequately set forth their aspirations or did not defend them with patriotism, but because a position of compromise is called for. In Panama's concrete case, the complete freedom of negotiations is affected by a de facto situation:

The United States is there in the Canal Zone under a treaty in perpetuity to operate, maintain, protect and defend a canal that severs our entrails insides. Thus, the positions of agreement in a new treaty may be regarded by some as Panamanian compromises, notwithstanding the fact that they are real gains towards the government's ultimate objective of recovering and operating the canal.

Panama cannot allow the United States to impose a treaty upon it; but Panama cannot impose a treaty text upon the United States, and this because of so many known political, economic or military compromises. Every negotiation is, of itself, a compromise. That is its principal characteristic. From the time that it is agreed to enter into a negotiation, it goes without saying that its compromise nature is accepted. To the contrary, if it is felt that negotiation is not the adequate means for resolving a given situation, then other means would have to be determined. The whole previous process of negotiation, starting in 1904, has been in the nature of compromise. Even the Joint Declaration of April, 1964, which served as the diplomatic starting point for the present negotiations was a great political compromise. In that Declaration, for example, it is not stated that the United States must eliminate all its military bases in Panama on the day following the ratification of a new treaty, even though the events of January 9 were still fresh.

Likewise, the Joint Announcement of the eight principles, signed a year ago, which is the framework for the present stage of negotiations, is a political compromise.

The fundamental problem is not that compromise aspect, but that of the objectives sought, how to achieve them and when. I believe sincerely that the majority of Panamanians are in agreement on the objectives desired, among which the top one is a Panamanian canal, operated by Panamanians and under exclusive Panamanian jurisdiction. The different approaches lie in the how and the when of achieving such objectives. The important thing is that, in the end, the objectives be attained. It is necessary and urgent to adopt at all times, an objective attitude which will permit us to achieve the indispensable equilibrium to arrive at the truth.

Contemporary world history shows that the basic problems of each people are closely related. The adequate solution to the problem of our relations with the United States by reason of the canal is given within the framework of a national reality, a Latin American reality, a world reality. No conscientious statesman can act removed from those three realities; otherwise, he would be acting in a vacuum.

Since you have asked something fundamental with respect to the points that are now acceptable to the respective parties and which were not so before, which imply a political compromise, I can say simply that the presence of the United States in the present Canal enclave will have a fixed term. This means, in the first place, the end of perpetuity and of the unilateral exploitation by the United States of Panama's geographical position.

The dismantling of that United States presence should be accomplished in stages, within the final fixed deadline, until the time that Panama assumes total control of its operation, maintenance, protection and defense, upon the end of that deadline. We are striving with the greatest care possible that there will be not trace of concealed perpetuity in a new treaty, or any clause that the United States could interpret in order to maintain its presence indefinitely in Panama.

4. What will be the physical, political, jurisdictional, fiscal, labor, commercial, administrative, etc., transformation of the present Canal Zone under the new treaty and how much time will be required to achieve it in all aspects?

It is necessary to remember that Principle 3 in the Joint Announcement of Feb. 7, 1974, provides as follows:

"The termination of United States jurisdiction in Panamanian territory will be promptly carried out, pursuant to the terms specified in the new treaty."

North American jurisdiction in the present Canal Zone is the presence of a 'government within another government' and the unrestricted exercise of United States political jurisdiction and administrative authority in that Zone, which is one of the principal sources of conflict between the two countries. In accordance with Principle 3, Panama will exercise its full jurisdiction in that portion of its territory, to the exclusion of the United States, no different from that which Panama exercises in the rest of its territory.

With this stipulation, compliance is given to the principle of self-determination and political independence proclaimed by the United Nations in its provisions and resolutions. Further, under Principle 5 of the Joint Announcement 'it is recognized that the geographical position of its territory is Panama's principal resource.' Therefore, Panama's sovereignty is undisputable inasmuch as the United Nations has affirmed the permanent sovereignty of peoples over their natural resources.

The restitution of jurisdiction to the Republic of Panama must be made promptly. In this type of agreements, such as the Joint Announcement, there are deliberately omitted, because of the need for flexible diplomatic practice, all specific determinations that tend to condition all aspects to only one. It should be observed, for example, that the Joint Statement of April 3, 1964, referred to the 'prompt elimination of the sources of conflict', without elaboration. We have been negotiating for eleven years and that 'prompt' elimination of the sources of conflict has not yet materialized. We are striving now for a true prompt recovery of the Panamanian territory known as the Panama Canal Zone.

Panama's understanding is that the jurisdictional functions or attributes should come into the direct competence of our Republic in an acceptable period, reckoned from effective date of a new treaty. The specific manner how this will come about is one of the principal aspects that are being negotiated.

Once the national territory has been totally integrated and once Panama exercises its full jurisdiction over the totality thereof, then Panama, as the territorial sovereignty, will confer upon the United States "the rights of use" necessary for the operation, maintenance, protection and defense of the Canal, and only for the duration specified in the treaty.

The rights of use are not sovereignty rights nor are they jurisdictional rights.

The recognition that Panama will assume fully the operation of the Canal upon the termination of the treaty can presuppose two possibilities: (1) that Panama will have no responsibility for the operation of the Canal during the life of the treaty; or (2) that Panama will have responsibilities for the operation of the canal during the life of the treaty.

That Panama will assume the full responsibility for the operation of the Canal gives clear indication that, since this cannot happen overnight, and since this recognition is the expression of an intent by the parties, Panama will have defined responsibilities for the operation (and by extension, for the maintenance) of the Canal during the life of the treaty. It would be, therefore, joint operation and maintenance, for which Panama is not unprepared because most of the workers engaged in such functions are Panamanians.

Just as Panama will participate in the operation and maintenance, it also will participate in management, at the top of the canal enterprise, dealing with the formulation and development of policies and decisions relative to the purposes of the Canal operation, maintenance, ship transits, i.e., the conditions of various natures that are involved in the handling of the Canal.

The ultimate objective is that Panama, upon the termination of the treaty, will assume full responsibility for the total and complete handling of the Canal.

5. Under the new treaty, would the North American military presence continue in the national territory, specifically in military bases under direct North American control or under joint control, or in any other forms?

As I have explained earlier, and as any conscientious Panamanian can understand, negotiation is a political compromise. I don't know, in truth, if there is any Panamanian who, in full sincerity and deep inside him, feels that a treaty could be signed, at some moment, whereby the United States would agree to dismantle the military bases in the present Canal Zone on the day after a treaty is approved. Besides, there is no international entity, no group of countries nor any individual country, either at the world or regional level, that could force the United States to do this.

For these reasons, in the specific aspect of the protection and defense of the Canal, the new treaty will involve a program to be carried out. But the agreements that may be arrived at on this subject, should have as fundamental characteristics the following:

1. That the Republic of Panama, as sovereign over all its territory, is directly responsible for the protection, defense and security of its territory.

2. That the form of the presence of the United States in that matter, will be solely and exclusively for the real protection and defense of the Canal in a manner that will not affect national dignity and Panamanian sovereignty.

3. That the sites Panama allows the United States to use for those specific purposes will not be excluded from the jurisdiction of the Republic of Panama.

4. The Panamanian Armed Forces should have adequate and growing participation in the protection and defense of the Canal and its neutrality

5. That there will be nothing in this matter that implies unlimited continuity or concealed perpetuity on the part of the United States.

6. That the United States will not intervene in the internal affairs of the Republic of Panama.

7. What are the economic benefits that loom for Panama in the negotiations, how much would they amount to and what influence have the economic aspects had on the negotiations?

We have insisted always that the economic aspects of a new treaty—although having undeniable importance for Panama—should not prevail over the aspects relative to our sovereignty and jurisdiction. We maintain that position.

However, it is logical that a new treaty should bring substantial economic benefits to Panama, by reason of the huge value of its basic contribution to the Canal enterprise, i.e., its principal natural resource, its geographical position. These economic benefits should be derived from the true value involved in the fact that Panama has had to devote the most important portion of its territory to the Canal. It is not, therefore, by any means, just that Panama is to receive a simple payment as a sort of rental for part of its land and waters. The matter goes deeper.

Likewise, our opinion is that the economic benefits that are derived from the existence of the Canal in our territory, should serve fundamentally for the purposes of our process of economic and social development and, especially, to deepen the change in social structure; hence, such benefits should be conceived as part of the national development programs.

We are convinced that this matter will have a positively important impact on the full development of the nation.

7 What will be the future of the present employees of the U.S. government in the present Canal Zone, especially that of Panamanians, under the new treaty?

Panama has consistently held that the activities derived from the existence of the canal in our territory should be a source of employment principally for Panamanian citizens. This position should have full enforcement in a new treaty.

The legitimate aspirations of Panamanian workers are being taken into account, with maximum care, in the present negotiations. There should be nothing in a new treaty that could mean a deterioration for this important group of fellow citizens. On the contrary: a new treaty should take into account the satisfactory solution, for them, of situations which are in effect at present and which affect them adversely.

The responsibilities Panama will have in the operation, maintenance, administration, protection and defense of the canal, should

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be reflected, in practice, in a progressive, wider and significant participation by Panamanian citizens in all classifications and levels of employment related to the Canal activity, which, in turn, will have a positive impact on the national economic structure.

8. If the result of the plebiscite in Panama were adverse to the treaty, what would be the government's attitude?

Through the plebiscite provided for by the National Constitution, the Panamanian people undoubtedly will express its sovereign will with respect to a new treaty. But the National Government will take all measures so that our people, prior to the plebiscite, may have all the necessary information, analyses and explanations in order to form a clear and full opinion of the content and significance of the treaty. Therefore, we expect that when the people carry out the plebiscite, they will have had the opportunity to meditate well over their great decision involving the national destinies. The attitude taken by the National Government will be determined by the decision taken by the Panamanian people in the plebiscite.

9. How would you summarize the present status of the negotiations?

I have referred earlier to some of the major matters that have been discussed in the negotiations, as well as to the characteristics of the treatment we have given those matters. Likewise, we are exerting ourselves so that a new treaty will be as clear and as simple as possible, so that every Panamanian can understand it by himself.

Some important matters still remain to be discussed. You know that in every negotiation difficulties and obstacles arise each moment, especially in a negotiation as complex as those for a new Canal treaty. We would expect that in the matters still to be discussed there will be no insurmountable difficulties that would delay the negotiation process. In any case, one must always await the moment of discussion in order to learn if there are difficulties and whether these are insurmountable or not.

Undoubtedly, in the present stage of the negotiations, which are being conducted with great intensity, the forthcoming discussions on certain concrete matters will have a direct incidence in the determination of decisions which the Revolutionary Government must take.

I repeat what I said in answer to an earlier question: The important thing will be that the content of a new treaty be acceptable to Panama and that it provides for the elimination of the sources of conflict.

Mr. HELMS. I further ask unanimous consent, Mr. President, that an article published just about a year ago in the spring 1974 issue of the publication Strategic Review, entitled "Panama Canal: Focus of Power Politics," be printed in the RECORD. I am very proud, Mr. President, that this fine article was written by Dr. James P. Lucier, who is chief legislative assistant to the Senator from North Carolina.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Strategic Review, Spring, 1974]

PANAMA CANAL: FOCUS OF POWER POLITICS

(By Dr. James P. Lucier)

(IN BRIEF.—On February 7, 1974, the Secretary of State initialed at Panama City a Statement of Principles to govern the negotiation of new treaty relationships for the U.S. Canal Zone. These principles were essentially a restatement of the guiding principles announced by President Johnson in 1935 which led to the aborted treaty drafts of 1967. They would terminate U.S. sovereignty in the Canal Zone and provide for joint U.S.-Panama operation and defense of the Canal in a period to be determined, after which the Republic of Panama would assume full control of Canal operation with continuing U.S. defense assistance. The adduced justification for this proposed new relationship is that terminating U.S. sovereignty would remove a cause of friction and allow improved U.S. relations with Panama and Latin America. But sovereignty conveys ultimate control so that other treaty provisions could be abrogated by Panama after it was vested with sovereignty and the Canal operation could be assumed by Panama or transferred to a third party. Marxist cadres which have in the past incited mobs to violence would be encouraged to intensify their efforts to evict the United States from the Canal operation. The vital interests of the United States, commercial as well as national defense, prohibit such transfer of control over this lifeline to others. U.S. interests and obligations require the continuation of U.S. sovereignty in the Canal Zone in perpetuity, as provided in the Treaty of 1903.)

On February 7, 1974, U.S. Secretary of State Henry A. Kissinger arrived in Panama City with a company of newsmen, State Department officials, and Members of Congress. He was there to "initial" a Joint Statement of Principles for negotiations on a new Panama Canal Treaty.

The Secretary offered more than the usual gesture of diplomatic optimism. The prestige of his personal visit was put behind a full-scale commitment to withdraw the United States as the sovereign power in the Canal Zone. He spoke of the new canal arrangements in the context of worldwide international developments, and of the exercise of power by the United States—on United States territory—as though it were something less than proper.

THE PAST AS PROLOGUE

The program which Secretary Kissinger promised in Panama is not new. It is similar to the program drafted for President Lyndon Johnson when world power relationships were dramatically different and some spoke of the Panama Canal as though it were expendable. The passage of a tumultous decade has proved the wisdom of those who insisted that the Panama Canal is essential to our nationhood and who found in the political imagination which created the Canal Zone an excellence to match the technological achievement of building the Canal.

The basic concepts of the Joint Statement of Principles were laid down almost a decade ago by President Johnson, following the Communist-inspired Panama riots of January 1964. What was then offered as a panicky response to a manipulated crisis is now presented as a permanent solution. Yet the global and strategic posture of the United States has been profoundly altered by events of the past decade.

In the summer of 1973, Ambassador-at-Large Ellsworth Bunker was appointed as head of the U.S. negotiating team, supplanting Ambassador Robert B. Anderson. The principles were negotiated by Ambassador Bunker during trips to Panama in December 1973, and January 1974. These dates are significant because Ambassador Bunker was simultaneously negotiating in Jerusalem the Middle East peace agreement and the reopening of the Suez Canal. He accomplished both missions by commuting back and forth between Panama City and Jerusalem.

Ambassador Bunker was not familiar with the Panama problem. As the U.S. representative to the Organization of American States in 1964, he played a major role in formulating and articulating U.S. policy *vis-à-vis* the Republic of Panama. It was in this forum that Panama brought charges of U.S. aggression during the 1964 riots. The charges were never substantiated, and Ambassador Bunker denied them forthrightly. But he also announced at the OAS meeting that the United States stood ready for "reconsideration of all issues—may I repeat, *all* issues between the two countries—including those arising from the Canal and from the treaties relating to it. . . ."[1] This was an open reference to the chief demand of Panama, the abrogation of United States sovereignty in the Zone.

By September 1964, President Johnson announced that formal negotiations were indeed to be opened, and that they were to be premised upon abrogation of the 1903 treaty. These negotiations, conducted by Ambassador Anderson, continued until September 24, 1965, when President Johnson issued a progress report which defined broad areas of agreement that had been reached.

The areas of agreement reached are the following:

One: The 1903 Treaty will be abrogated.

Two: The new treaty will effectively recognize Panama's sovereignty over the areas of the present Canal Zone.

Three: The new treaty will terminate after a specified number of years or on the date of the opening of the sea level canal whichever occurs first.

Four: A primary objective of the new treaty will be to provide for an appropriate political, economic and social integration of the area used in the canal operation with the rest of the Republic of Panama. Both countries recognize there is need for an orderly transition to avoid abrupt and possibly harmful dislocations. We also recognize that certain changes should be made over a period of time. The new canal administration will be empowered to make such changes in accordance with guidelines in the new treaty.

Five: Both countries recognize the important responsibility they have to be fair and helpful to the employees of all nationalities who are serving so efficiently and well in the operation of the canal. Appropriate arrangements will be made to ensure that the rights and interests of these employees will be safeguarded.[2]

In 1967, the Johnson Administration completed the drafts of three treaties, one transferring the administration of the Canal to an "international entity" bilaterally operated by the United States and the Republic of Panama; a second concerning defense; and a third laying down principles for construction of a new canal of so-called sea level design at an undetermined date. The drafts of these treaties were never signed. Two of them were published by the *Chicago Tribune*, and the third was read into the *Congressional Record* by U.S. Senator Strom Thurmond. The reaction in Congress, led by Thurmond and by Congressman Dan Flood of Pennsylvania, made it inexpedient to submit the drafts of the treaties to the Senate.

Meanwhile, the treaties also became involved in the Panamanian election campaigns of President Marco Robles and Arnulfo Arias. Arias won, but eleven days after his election, he was swept out of office by a military *junta* led by the present chief of state, General Omar Torrijos. This *coup* gave Panama its fifty-ninth government in seventy years.

These failures of the sixties brought no new approach for the seventies. The Joint Statement of Principles initialed by the Secretary of State at Panama City in 1974 is based on the same assumptions about the nature of the problem. State Department policy adheres to the premise that a surrender of U.S. sovereignty in the Canal Zone is necessary to the improvement of relations with the Republic of Panama and with Latin America.

Footnotes at end of article.

THE JOINT STATEMENT OF PRINCIPLES

The philosophy of the Joint Statement of Principles is suggested by these words of Secretary Kissinger at Panama City:

"Seventy years ago, when the Panama Canal was begun, strength and influence remained the foundation of world order.

"Today we live in a profoundly transformed environment. Among the many revolutions of our time, none is more significant than the change in the nature of the world order. Power has grown so monstrous that it defies calculation; the quest for justice has become universal. A stable world order cannot be imposed by power; it must derive from consensus. Mankind can achieve community only on the basis of shared aspirations.

"That is why the meeting today between representatives of the most powerful nation of the Western Hemisphere and one of the smallest holds great significance. In the past, our negotiation would have been determined by relative strength. Today we have come together in an act of conciliation."

The unreality of this statement speaks for itself. The notion that power is unrelated to responsibility is contrary to the simple realities of life. The implication that an unequal relationship is incompatible with justice is difficult to understand. We have been more than fair to Panama, granting concessions not required by considerations of equity.

The ceremony in Panama City involved an official visit with the "initialing" of a "Joint Statement of Principles" for negotiations on a new Panama Canal Treaty. Such initialing ceremonies are usually reserved for the actual treaty draft. Here the Secretary gave the ritual trappings of a treaty to something which was not constitutionally a treaty, and which would not have to be sent to the Senate for advice and consent.

The formality with which the Principles were handled tends to pre-empt further negotiations on essential points. Once such points are conceded, the details of surrendering U.S. jurisdiction, to be worked out in the treaty, are unimportant. The design of this act is to commit the country to new relationships without congressional approval, then to offer a treaty for routine approval. The treaty, when and if it is achieved, will be a mere appendage to the Joint Statement of Principles.

The eight Principles of the Joint Statement are worth examining one by one:

1. The treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty.

Although the Statement of Principles does not mention sovereignty, it is indeed U.S. sovereignty over the Canal Zone which the proposed negotiations are designed to terminate. The Hay-Bunau-Varilla Treaty of 1903 is the instrument by which the Republic of Panama "grants to the United States all the rights, power and authority within the zone . . . which the United States would possess and exercise as if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority." The language of this treaty is *sui generis*. It establishes the United States as the lawful sovereign in every respect, to the entire exclusion of any exercise of sovereignty by Panama. Without this clause the Panama Canal would never have been built; and without it, the United States could not successfully maintain control of the Canal. The 1903 treaty has been amended twice by the treaties of 1936 and 1955, yet the sovereignty and perpetuity clauses have never been touched.

Panama's only interest in the Canal Zone is that of "titular sovereignty", a phrase which leaves Panama with the right of a residuary legatee, i.e., if the United States chose to withdraw from the Canal Zone, the territory would revert to Panama and not to some other country.

2. The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date.

The concept of perpetuity is a necessary concomitant of sovereignty and of the nature of the project for which sovereignty was acquired. The Spooner Act of 1902, which authorized negotiations with Colombia for the Canal route, mandated the President to obtain "perpetual control" of the necessary territory. The Hay-Herran Treaty of 1903, never ratified by Colombia, specified a concession of one hundred years, renewable at the sole discretion of the United States. When the internal operations of Colombian politics threatened to deprive the residents of Panama of the prospective canal—the Spooner Act also mandated the President to negotiate with Nicaragua if the Colombian negotiations failed—the Panamanians revolted. The Hay-Bunau-Varilla treaty, with its perpetuity clause, was the inducement offered by the new Republic to prevent construction of the interocean canal in Nacaragua.

3. Termination of United States jurisdiction over Panamanian territory shall take place promptly in accordance with terms specified in the treaty.

At the present time, the United States has no jurisdiction over Panamanian territory and the Republic of Panama has no jurisdiction over U.S. territory. Responsibility is clearly delineated. The metes and bounds of the Canal Zone described by the Price-Le-Fevre Boundary Convention of 1914 define what is indisputably territory of the United States. Mistakenly referred to sometimes as a "lease", the territorial transfer was accomplished by "grant", a word which signifies the transfer of title in fee simple, a fact confirmed by the United States Supreme Court.[3] There is no more reason to give this territory to Panama than to give the Louisiana Purchase back to France, or Alaska back to the Soviet Union. The United States paid Panama $10 million as "the price or compensation", plus $250,000 annually, the latter representing the annual fee formerly paid to Colombia by the Panama Railroad (a privately owned venture, bought out by the United States).

In addition, private claims were extinguished by a U.S.-Panamanian Joint Commission which purchased the titles from the private owners at fair market value under eminent domain. In all the United States has invested nearly $163.7 million in acquiring the Canal Zone, excluding construction and protection, making it the most expensive territorial purchase in United States history.[4] Including defense, the Panama Canal represents an investment of about $6 billion.

Since 1904, the United States has exercised all the rights of sovereignty in the territory. Congress has set up a Federal Court in the Zone and established the Canal Zone Code. The United States effectively controls the territory and the inhabitants, conducts defense and foreign relations, and performs all acts which are recognized in international law as the acts of a sovereign.

4. The Panamanian territory in which the canal is situated shall be returned to the jurisdiction of the Republic of Panama. The Republic of Panama, in its capacity as territorial sovereign, shall grant to the United States of America, for the duration of the new interoceanic canal treaty and in accordance with what that treaty states, the right to use the lands, waters, and airspace which may be necessary for the operation, maintenance, protection and defense of the canal and the transit of ships.

The Canal is not situated in Panamanian territory. It is situated in United States territory. If sovereignty were transferred to the Republic of Panama, the United States would become only a leaseholder, even though it had an agreement to operate, maintain, and defend the Canal. At best, the United States would be in a position analogous to that of a status-of-forces agreement, such as we have for military bases abroad. The number of these bases is rapidly diminishing. Such agreements are not very durable, no matter how strong our friendship with an ally seems to be.

As the recognized sovereign in the Canal Zone, the United States now has the unquestioned right to take any action it deems necessary to operate and defend the Canal. If the United States were merely the guest of a host country, the power of the sovereign to evict it from the Canal would invite international pressures to that end. The times being what they are, military defense of the U.S. rights would draw condemnation by the world community.

5. The Republic of Panama shall have a just and equitable share of the benefits derived from the operation of the canal and its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the Republic of Panama.

The Republic of Panama already enjoys a just and equitable share of the benefits derived from the operation of the Canal, even though it is operated in United States territory. This $250,000 annual payment was raised to $430,000 when the dollar went off the gold standard in the thirties. This sum is paid from tolls. In 1955, an additional $1.5 million was added, paid from U.S. State Department contingency funds.

The United States, by contrast, does not take a penny from tolls. By law the Panama Canal Company must operate on a self-sustaining basis; the small surplus has been plowed back into capital improvements.

But the benefits to Panama from tolls do not represent its chief benefits. Panama benefits also from the $65.5 million payroll paid to Panamanian citizens, from the skills and business organization taught the employees of the Canal Company, and from the research projects on tropical diseases and sanitation that still continue. Panama is the highest *per capita* recipient of U.S. AID programs, and is preeminent among Latin American economies. In recent years it has become the international banking center of Latin America, with a total of fifty-eight banks in Panama City today. This economic development would suffer without the stability and security of the U.S. presence in the Zone.

Panama benefits not alone from her geographic position but more importantly from the U.S. investment, engineering genius and management capability which made the Canal possible. The United States bought this geography, paying for it a handsome price which no other country was then prepared to pay. This resource is now dedicated to the service of world commerce.

6. The Republic of Panama shall participate in the administration of the canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibility for the operation of the canal upon the termination of the treaty. The Republic of Panama shall grant to the United States of America the rights necessary to regulate the transit of ships through the canal, to operate, maintain, protect, and defend the canal, and to undertake any other specific activity related to those ends, as may be agreed upon in the treaty.

Divided administration is not conducive to harmony nor efficiency. It can be argued that the Canal has been run efficiently because the United States has had sole responsibility for administration. Although an increasing number of Panamanians are serving in administrative and executive positions throughout the Canal organization, they do so as in-

Footnotes at end of article.

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dividuals, and not as representatives of the Panamanian government. To subject administrative decisions to the judgments of two powers could cause confusion or paralysis in Canal operations.

7. The Republic of Panama shall participate with the United States of America in the protection and defense of the canal in accordance with what is agreed upon in the new treaty.

The extent to which Panama can participate in the protection and defense of the Canal is unclear. If this participation is to be meaningful, the defense of the Canal would be subject to differences arising between the two countries. Previous proposals to share defense range from a cumbersome and inoperable mixed commission for emergency decisionmaking—proposed in the draft 1967 treaties—to Panama's more recent demands that no United States troops remain on the Isthmus for any purpose. Since the future course of Panamanian leadership or the influence of external powers cannot be foreseen, the United States could conceivably be put in the position of having to defend the Canal against a sovereign Panama, or to withdraw.

8. The United States of America and the Republic of Panama recognizing the important services rendered by the interoceanic Panama Canal to international maritime traffic, and bearing in mind the possibility that the present canal could become inadequate for said traffic, shall agree bilaterally on provisions for new projects which will enlarge canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in Principle 2.

The only viable proposal for expansion of canal capacity is the Terminal Lake-Third Locks Plan developed within the canal organization during World War II, estimated to cost $1 billion. It is still the cheapest and most effective plan. This proposal would not change the alignment of the present canal, and therefore would not require a change in the boundaries of the Canal Zone nor new treaty authority. The plan itself has been endorsed by experienced canal experts, shipping interests, engineers, navigators, and ecological groups, and now lies before Congress.

The only alternative to receive serious consideration is the proposal for a sea level canal conventionally excavated in an area a few miles west of the present channel. This sea level canal, proposed in 1970 by the Atlantic-Pacific Interoceanic Canal Study Commission, carried a $3 billion price tag and has never been seriously advanced because of the cost, the ecological hazards, and the uncertainty of the treaty negotiations. Moreover, it is doubtful that Congress would authorize construction and appropriate the necessary funds for a canal project with a fixed termination date.

STRATEGIC IMPLICATIONS

In the 1950s, debates raged over whether or not the Canal retained strategic importance. Naval strategy was then closely allied to giant carriers which were too large to pass through the locks. Defense planning was premised on a "two-ocean navy" which was not dependent on the canal as a vital link, but only as one of convenience. The lock canal was criticized by sea level canal advocates as vulnerable to nuclear attack; while advocates of lock canal modernization pointed out that a sea level canal was no less vulnerable because of its deeper cut through the mountains.

In 1964, the United States was unchallenged, at the height of its power. To some it may have seemed that the United States could thus make cheaply a magnanimous gesture. But for the more farsighted, the Canal retained a fundamental role in the destiny of the United States.

Since 1964, the United States has suffered a sizeable fiscal and emotional drain in the Vietnam war, with concomitant lowering of world confidence in American leadership. Our once unshakeable ally, Australia, feels emboldened to warn the United States against establishing a vitally needed naval base at Diego Garcia in the Indian Ocean.

The Soviet Union, in a massive drive since 1965, has surpassed us in the number of strategic weapons and the throw weight of deliverable nuclear power. During this time, the Soviets have built from scratch a modern navy that challenges our own declining navy for the supremacy of the seas and control of the narrow waterways of the world.

It is estimated that the Soviets can increase the effectiveness of their modern navy in the Indian Ocean by one-third with the opening of the Suez Canal, giving their landlocked bases in the Black Sea a short route to open water. This is because the shorter steaming time and the direct route enable a smaller number of vessels in transit to sustain a given number of vessels on station.

It is not surprising, therefore, that the Soviets, in an impressive display of crisis management, equipped, trained, and supplied the Arabs in the Yom Kippur War. As a product of that conflict, it now appears probable that the first stage of the Arab-Israeli settlement will result in the reopening of the Suez Canal.

Fate has again linked the two canals. It is perhaps ironic that as U.S. diplomacy strives to open the Suez Canal to Soviet warships, in Panama it seeks to create the conditions which led to the closing at Suez. In consequence, the Soviet navy will be greatly increased in efficiency while the U.S. navy may well be faced with the barrier of an inoperative canal at Panama.

If the Panama Canal were to be closed, it would profoundly affect the economies of the Western nations, including Japan. The effects would be more severe than those of the Suez closing because of the diversity of Panama cargoes. Suez traffic was chiefly in oil. Petroleum and petroleum products constitute the largest single category of cargoes through the Panama Canal; but they only account for 18.2 per cent of total cargo movement. Grains and soybeans account for 15.8 per cent; coal and coke for 11.1 per cent; iron and steel manufactures, 7.7 per cent; nitrates phosphates, and potash, 6.3 per cent; lumber, 5.7 per cent, and so on. The list is incredibly diverse: fish, bananas, dairy products, motorcycles, automobiles, nails, wire, borax, salt, sulphur, cocoa, cotton, molasses, skin, hides, sugar, bricks, liquor, paper, tallow, tobacco, oats, corn and barley. The trade of the world goes through the Panama Canal.

While the percentage of Japan's trade through the Panama Canal is only 10.7 per cent, its loss could nevertheless be extremely disruptive. Japan's coal and coke shipped from Hampton Roads through the Canal is used to make steel, which in turn is used to build automobiles and ships which are then sent through the Canal to East Coast and European ports.

Similarly, only 16.8 per cent of United States trade goes through the Canal. But a different picture emerges when statistics reveal that a constant average, down through the years, of about seventy per cent of all cargo through the Canal is bound either from or to a U.S. port. About 40 per cent originates in the U.S. and 28 per cent is destined to the U.S. When these cargoes are viewed in terms of specific markets—the coal industry in West Virginia, the grain belt in the Midwest, crude and residual oil for the Northeast—it becomes clear that dislocations in the U.S. economy could take place if the Canal were closed by accident or design.

As far as the Latin American countries are concerned, their trade dependency upon shipments through the Panama Canal is of great significance. For Chile, 34.3 per cent of her trade goes through the Canal; for Colombia, 32.5 per cent; for Costa Rica, 27.2 per cent; for Ecuador, 51.4 per cent; for El Salvador, 66.4 per cent; for Guatemala, 30.9 per cent; for Nicaragua, 76.8 per cent; for Peru, 41.3 per cent; for Venezuela, 7.4 per cent. Panama itself has 29.4 per cent of its trade go through the Canal. In some of these cases the tonnage involved is small when compared to overall tonnage through the Canal. But for the countries involved, any interference with that trade would seriously interfere with the standard of living of the people. All have a vital interest in the continued efficient and economical operation of the Canal.

Suddenly, an era of scarcity has dramatically altered patterns of international trade. When the Soviets unexpectedly purchased vast amounts of U.S. grain, the railroads could not find enough cars to move the grain to ports. When the Organization of Petroleum Exporting Countries (OPEC) applied the oil embargo to supporters of Israeli policy, and boosted prices worldwide, the economics of oil production and shipment changed. All at once it becomes desirable, even urgent, to have a modern, larger Isthmian canal that can take 80,000 ton LNG ships and medium-sized tankers to supply the East Coast from Valdez and Irkutsk. The Alaskan North Slope will have a far greater production than can be absorbed by refiners on the West Coast for several years; and if it cannot be shipped to refineries on the East Coast and Puerto Rico, that surplus will go to Japan and other foreign customers.

Thus, a new "strategic" significance develops when the new realities of the 1970s are considered. International trade becomes critical to the survival of a nation. A huge capacity to ship it anywhere at will—becomes a major instrument of foreign policy and a powerful lever for asserting national interests.

"Strategic" in the narrower military sense involves the rapid deployment of the fleets; and with pared-down military budgets, the effectiveness of warships is diminished when they are stretched out around Cape Horn. The modern Navy emphasizes smaller ships, greater speed, nuclear power, and independent missile capability. During the Vietnam war, use of the Canal by U.S. warships increased sharply. In 1965, 284 U.S. government vessels made the transit, a normal amount. But in 1966, it was 591; in 1967, 879; in 1968, 1,504; in 1969, 1,376; in 1970, 1,068; in 1971, back to 503. Setting aside the possibility of all-out nuclear war, in which the Canal may not be a decisive factor, the Panama Canal will continue to play a major role both tactically and strategically, as our Navy keeps the sea lanes open.

But all of this assumes that the United States has the Panama Canal under its control. Despite "guarantees" that are to be written into the proposed treaty, the United States in its Joint Statement agreed in principle to an arrangement whereby our control rests not on our sovereignty, but on treaty—a treaty that could be abrogated at any time by Panama in assertion of her sovereignty. While, logically, it would appear at the present time to be counter to Panama's interests to expel the United States, the pattern of revolutionary turmoil in Panama gives scant prospect that a Panamanian government, now or in the future, would be resistant to pressures to terminate the U.S. lease on the Canal.

The role of sovereignty is well illustrated in the history of Suez. De Lesseps was granted the building concession for the Suez Canal in 1854, and began work five years later. The Canal opened in 1869, and in 1875, Ismail Pasha of Egypt sold his shares in the French Suez Canal Company, 44 per cent of the total, to the British government for four million pounds sterling. In 1888, the Convention of Constantinople declared the Canal open to vessels of all nations.

Thus began the anomaly of an ostensibly private company, with British Government participation, operating under the sovereignty of another country. When Egypt regained its independence, the Canal Company became subject to Egyptian expropriation, even though the British retained the right to protect their property. In 1956, after forcing the withdrawal of British forces, President Nasser of Egypt nationalized the Suez Canal; and by October the Canal was closed because of the Israeli invasion of Egypt. The British rights to British property, and the right of passage supposedly guaranteed by the Convention of Constantinople were of no avail. No treaty can stand against the will of the sovereign except by the intervention of superior external force.

In April 1957, Egypt reopened the Canal under the Egyptian Suez Canal Authority. For a decade the Canal operated under the Authority with assistance from the United Nations and the World Bank. But in 1967, the Canal again became a pawn in international power politics. Egypt denied that Israel was a legitimate successor to the signatories of the Constantinople Convention and asserted, in any case, that Israel's invasion up to the Canal banks had broken the neutrality of the Canal. The Suez Canal has remained closed ever since. It provides a case record of a vital waterway in possession of a sovereign unable to provide security for the facility.

If the principles agreed to in Panama City are put into effect, the United States will be the sole owner of a canal company that exists under the sovereignty of a small nation subject to influence by outside pressures. Just as the Convention of Constantinople failed to keep the Suez Canal open, a new treaty with Panama could be a poor guarantee of unimpeded passage. The Hay-Bunau-Varilla Treaty incorporates the principles of the Convention of Constantinople by reference to the Hay-Pauncefote Treaty of 1901 with Great Britain; but those principles could lapse when they are no longer secured by U.S. sovereignty.

The Suez Canal was closed because Great Britain had no sovereign status in Suez. The Panama Canal has succeeded because the United States was made sovereign in the Canal Zone and could guarantee unimpeded passage through the Canal.

CLAIMED BENEFITS

We have noted that the Statement of Principles offered by the Secretary of State was represented as the beginning of a new relationship with our Latin neighbors. We are asked to believe that the transfer of U.S. sovereignty in the Canal Zone to the Republic of Panama would remove a cause of friction and open the door to improved relations with our sister republics.

These hopes seem ill-conceived. A surrender of U.S. sovereignty would spell a great victory for the Marxist-Leninist revolutionary *Cadres* which have in the past incited mobs to violence. Far from being appeased, they would be encouraged to intensify revolutionary efforts to achieve their ultimate goal of forcing total U.S. withdrawal from the Canal operation. With the Government of Panama holding sovereign power to denounce the treaties and expel the United States, these elements would for the first time have the attainment of their goal within reach. It is not to be expected that their zeal would diminish in the face of such a prospect.

The United States has dallied too long over futile hopes of accommodating ideological hostility. We can have the respect of our neighbors only when we show a proper regard for our own rights and interests and a steadfastness in providing the service to world commerce which we have undertaken in Panama.

As our Latin neighbors are governed by reasonable men, it does not impose too heavy a burden on United States diplomacy to ask that it sustain the reasonable premise that U.S. sovereignty in the Canal Zone is essential to the continuing operation of the Canal. The interests of all our neighbors, including Panama, and of more distant countries are thereby best served.

Secretary of State Charles Evans Hughes had this in mind when on December 15, 1923 the Panamanian Ambassador raised the issue of sovereignty. The Secretary informed the Ambassador that "Our country would never recede from the position which it had taken in the note of Secretary Hay in 1904. This Government could not, and would not, enter into any discussion affecting its full right to deal with the Canal Zone and to the exclusion of any sovereign rights or authority on the part of Panama. . . . It was an absolute futility for the Panamanian Government to expect any American administration, no matter what it was, any President or any Secretary of State, ever to surrender any part of these rights which the United States had acquired under the Treaty of 1903."[3]

Secretary of State Hughes recognized that the acquired U.S. sovereignty was essential to operation of the Canal and must endure as long as the Canal endures. His policy is the right policy today, as it was then.

The United States came to this strategic part of the world not for gold or conquest, as the *conquistadores* had come before them. The United States came only to do a job where others had failed. The French had tried to build another Suez with little understanding that the problem was entirely different. They left behind a record of bankruptcy and failure. The United States, with the vigor of a rising young nation that had just finished spanning its twin coasts with railroad track, had the vision and the genius to put together the diplomatic, engineering, financial, and organization resources necessary to overcome all obstacles.

In short, the United States has made the Panama Canal, with its protective frame of the Canal Zone, a symbol of its achievement. It is part of the great heritage of our nation. It is representative of the "can-do" psychology that sustains our national consciousness and underpins the national morale. It is a lifeline of trade and of national security.

If we hand over this territory in response to unreasonable demands at Panama and the clamor of our Marxist enemies, we will pass a watershed in our history. One more turning point will mark the decline of a great nation.

FOOTNOTES

[1] Department of State Bulletin, February 24, 1964, p. 302.

[2] Statement by the President on the Progress of Treaty Negotiations with Panama, The White House, September 24, 1965.

[3] *Wilson v. Shaw*, 204 U.S. 24, 1907, at 31, 32, 33: "This new republic [Panama] has by treaty granted to the United States rights, territorial and otherwise. . . . A treaty with it [Panama] ceding the Canal Zone, was duly ratified. . . . Congress has passed several acts based upon the title of the United States, among them one to provide a temporary government. . . . It is hypercritical to contend that the title of the United States is imperfect, and that the territory described does not belong to this nation, because of the omission of some of the technical terms used in ordinary conveyances of real estate."

[4] The major territorial acquisitions of the United States are as follows:

1803 Louisiana Purchase	$15,000,000
1821 Florida Purchase	6,674,000
1848 Mexican Cession, including California	15,000,000
1853 Gadsden Purchase	10,000,000
1867 Alaska Purchase	7,200,000
1904 Canal Zone	163,718,571

The Canal Zone purchase breaks down as follows:

Republic of Panama:	
Original Payment, 1904 (1903 Treaty)	10,000,000
Annuity, 1913–73 (1903, 1936, 1955 Treaties)	49,300,000
Property transfers:	
Property in Panama City and and Colon (1943)	11,759,956
Water system in Panama City and Colon	669,226
1955 Treaty transfers	22,260,500
Sub-total Panama	93,989,682
Colombia (1922)	25,000,000
Compagnie Nouvelle du Canal de Panama (1904)	40,000,000
Private titles, stocks and claims	4,728,889
Total	$163,718,571

[5] *Foreign Relations*, 1923, Vol. III, p. 684.

Mr. HELMS. I thank the distinguished Senator from Virginia for yielding to me.

Mr HARRY F. BYRD, JR. Mr. President, it was almost exactly a year ago, March 7, 1974, that Secretary of State Kissinger appeared before the Senate Finance Committee.

During that hearing, I brought up the question of the Panama Canal, and, after paying tribute to the Secretary of State, for whom I have a high regard, I told him I felt compelled to take exception to the statement that he had made just prior to that time in Panama, in which he committed the United States to negotiations leading to the transfer of sovereignty from the United States to Panama. I felt that that would tend to mislead the Panamanians, and would have unfortunate results.

I ask unanimous consent that my colloquy on this matter with Secretary Kissinger on March 7, 1974, before the Senate Finance Committee, be printed in the RECORD at this point.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Senator BYRD. I have just one more question, and I want to say, Mr. Secretary, as you know, I have a high regard for you. We met five years ago in the President's office, and I have had a warm regard for you ever since then, for yourself and for your ability. In presenting these questions, I just want to understand the issues. These are vitally important matters, and I think the matter of Rhodesia pertains to something that should be considered in the context of this pending legislation.

But there is one statement that I would like to take exception to that you made, Mr. Secretary, in Panama. Now you said this in your statements to the Panamanians—that you commit the United States to prompt completion of negotiations leading to the transfer of sovereignty over the Canal Zone from the United States to Panama. I just want to get clear whether you can commit the United States to negotiations leading to giving up the Panama Canal in perpetuity.

Secretary KISSINGER. I can commit the United States to the negotiations. I cannot commit the United States without ratification by the Congress to the result.

Senator BYRD. That is why I thought that

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it was unfortunate to use the word commit. I think that might be misleading.

Secretary KISSINGER. I do not have the text in front of me, Senator.

The intent was to commit the United States to prompt negotiations leading to a result that had already been agreed to in these principles. There was no additional commitment involved except to the prompt negotiation.

Senator BYRD. Leading to the transfer of sovereignty.

Secretary KISSINGER. To negotiations leading to the transfer of sovereignty. This was part of the eight principles that were signed.

Senator BYRD. This has not been agreed to by the Congress.

Secretary KISSINGER. But of course the Congress will have an opportunity to reject it. The commitment obviously extends only to the prompt negotiations and to the content of what we will submit to the Congress. It cannot commit the Congress to approve it.

Senator BYRD. Well, I hope the Panamanians understood that.

Thank you, Mr. Secretary.

Mr. HARRY F. BYRD, JR. I yield the remainder of my time to the Senator from South Carolina.

Mr. THURMOND. I thank the Senator.

Mr. President, I wish to express my deep appreciation to the able senior and junior Senators from Virginia, the able Senator from North Carolina (Mr. HELMS), the able Senator from New York (Mr. BUCKLEY), and the able Senator from Wyoming (Mr. HANSEN), for the fine contributions they have made to this discussion.

Mr. President, I wish to express my appreciation to the courteous distinguished Senator from West Virginia for his kindness in this respect.

Mr. ROBERT C. BYRD. Mr. President, I want to express my apologies to the distinguished Senator from South Carolina and other Senators who wished to speak on the subject for trying to confine the time for such speeches in as narrow a period as possible.

May I ask the Senator from South Carolina, without losing my right to the floor, if he needs any additional time?

I ask the Senator from South Carolina, without losing my right to the floor, if he needs additional time.

Mr. THURMOND. Mr. President, I do not think we need any additional time. We have placed these statements in the RECORD, and we have placed the resolution in the RECORD. Mr. President, and I ask unanimous consent, that the cosponsorship of the resolution be left open so that if anyone wishes to cosponsor the resolution he will have an opportunity to do so.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, Senators may cosponsor the resolution by unanimous consent at any time. I think though we have followed a practice for some several years now which precludes leaving resolutions and bills at the desk for any period of time, except during the day on which they are introduced, for additional signatures.

Mr. THURMOND. Mr. President, I intended that the resolution be left so that anyone who desired to cosponsor it today would have an opportunity to do so.

Mr. ROBERT C. BYRD. Very well. I have no objection to that.

(The following request was made during the foregoing proceedings and is printed at this point in the RECORD by unanimous consent.)

EXTENSION OF TIME FOR FILING REPORT BY SPECIAL COMMITTEE ON AGING

Mr. CHURCH. Mr. President, as chairman of the Committee on Aging, I ask unanimous consent to move from February 28 to March 28 the date by which the report of the Senate Special Committee on Aging, "Developments in Aging, 1974, January–March 1975," should be submitted. This request is made to allow the committee to comment on recent administrative and legislative actions which have a direct impact on older Americans.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama (Mr. ALLEN) now be recognized for not to exceed 30 minutes, with the understanding that no motions, points of order, or appeals will be in order during that period, and that at the conclusion of his statement I be recognized.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Alabama is recognized for 30 minutes.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

Mr. ALLEN. I thank the distinguished Senator from West Virginia for obtaining this time for me to speak with respect to Senate Resolution 4.

I might state that Senate Resolution 4, introduced by its chief sponsors, the Senators from Kansas (Mr. PEARSON) and from Minnesota (Mr. MONDALE), seeks to change the Senate rules without following the rules of the Senate in making that change.

Their argument is that at the start of a Congress, the Constitution gave them the power to amend the rules and cut off debate on the resolution to amend the rules or a motion to proceed to consideration of such a resolution by a majority vote. Of course, the Constitution says nothing of the sort. It merely says that it takes a quorum for the transaction of business, and that both Houses can make their own rules. But the resolution was introduced.

Then, following the introduction of the resolution and the making of a motion to proceed to the consideration of that resolution, that was followed by a motion by the distinguished Senator from Minnesota (Mr. MONDALE) which provided for immediately cutting off the debate on the motion to proceed without any debate, without any amendments, and without any intervening motions.

A point of order was made by the distinguished Senator from Montana (Mr. MANSFIELD) that this was not the method provided by the rules.

As soon as the point of order was made, without any opportunity to discuss the point of order—of course, the point of order was made by prearrangement—a motion to table the point of order was made. The Presiding Officer of the Senate, Vice President ROCKEFELLER, said that since a constitutional question was involved he was going to submit the constitutional question to the Senate. But he did not submit the direct question to the Senate. He said in effect that "Whatever the Senate's ruling is on this motion to table the point of order, I am going to consider that as a decision on what the Senate thinks the Constitution provides, and if the Senate tables the point of order, I am going to put into effect the very provisions of the Mondale resolution forcing the motion to proceed to a vote. I am going to rule that whatever the motion provides, I am going to consider that as having been passed, and if the motion says that there shall be no debate, no amendments, no intervening amendments, even before that motion passes, I am going to put that rule into effect."

And, sure enough, he did, by complete disregard of the rules, by throwing the rule book out of the window.

So the motion to table carried, and Mr. ROCKEFELLER said, in effect that whatever that motion provides, I am going to say it is in effect even before the motion is passed by the Senate.

So that was, in the judgment of the Senator from Alabama, a political decision on the part of the Vice President. It seemed to the Senator from Alabama that the Vice President wanted to reestablish his ultraliberal credentials as an answer to the false impression that he had moved toward the right in recent years. So he has established that position, and has become the ringleader in ramming this rule change through the Senate.

It has been interesting to me, Mr. President, that the original sponsors of this rules change outside the rules have slipped into the background. I did not hear a single one of those Senators have a word to say or a motion to make or a question to ask today, and ever since the leadership of both parties has taken over the pushing of this resolution to change the rule, we have heard nothing from the original sponsors.

Now, Mr. President, when you drive down the highway, in the experience of the Senator from Alabama at any rate, and see a little filling station or cafe there and it says, "Under new management," that makes me a little suspicious—there was something wrong with that first management or they would not be advertising that there is new management. It also makes me just a little bit leery of the new management.

In like fashion, Mr. President, we have a similar situation here. The sponsorship of this resolution is under new management, and I will have to say it is somewhat of an improvement in the management the resolution had prior to the leadership taking it over.

Now, Mr. President, following the tabling of the Mansfield motion, despite the fact that the Mondale motion choking off debate said there could not be intervening motions, the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) offered a motion. A point of order was made, a motion to table the point of order was made, and the point of order was tabled. The effect of that, Mr. President, was to say that the Senate had decided that irrespective of the Mondale motion and the point of order as to it and the tabling of the point of order, the Senate felt that motions ought to be allowed.

So obviously, Mr. President, the gag rule Senators did not like the idea of motions being able to be presented and debated and voted on.

So the distinguished majority leader, always willing to comply and oblige, makes another point of order saying that the Mondale motion to break off debate is out of order in barring amendments, debate, and intervening motions, and the motion to table was made as to that point of order. That motion to table passed by a very narrow vote of 46 to 43.

Then, Mr. President, after some 11 Senators took the Vice President to task for not complying with the Senate rules in making recognition of Senators and a furor took place here on the floor, the suggestion was made by Mr. LONG that this rules change effort be changed from three-fifths of those present to cut off debate to three fifths of all those in the Senate, all those elected and having been sworn, the effect of which would be that it would take 60 Senators to cut off debate no matter how many were here.

The effect of the motion to table the second point of order made by Mr. MANSFIELD was to cut the ground out from under the modest success that had been made by the free-debate Senators when the point of order made to Mr. HARRY F. BYRD, JR.'s intervening motion was tabled; for the effort of this tabling was that the Senate ruled that intervening motions were in fact in order.

When the compromise was met with some favor here in the Senate, not with the approval of the Senator from Alabama, or the Senator from North Carolina (Mr. HELMS) or the Senators from Virginia (Mr. HARRY F. BYRD, JR. and Mr. SCOTT) whom I see in the Chamber, the statement was made by the distinguished Senator from Michigan (Mr. GRIFFIN), the assistant minority leader, that they were going to have to reverse this precedent that had been set about a majority cutting off debate at the start of a session or else he would not be for the compromise.

Well, Mr. President, steps were taken, but I want to point out that those steps were ineffectual to accomplish that purpose and, further, that all of those who made that as a condition for accepting the compromise plan and agreeing to vote for cloture on tomorrow, the terms that they insisted on have not been met, because that precedent has not been reversed.

The first motion to choke off debate was made by the distinguished Senator from Minnesota (Mr. MONDALE) on February 20; Mr. MANSFIELD made his point of order then and it was tabled; and Mr. ROCKEFELLER stated the conclusions he drew from that.

Then, it was not until several days later that the point of order was made again to portions of the Mondale motion by Mr. MANSFIELD to cut the ground out from under the right that had been acquired by the free debate Senators to offer a motion.

A motion was made to table the Mansfield point of order, and as I say, it carried by a vote of 46 to 43.

It is true that the Senate did proceed to reconsider the vote by which the second Mansfield point of order was tabled and the Senate did vote to reconsider. Then on the putting again of the motion to table, the Senate refused to table the point of order.

So the point of order was before the Senate. But was a decision made by the Senate? No, it was not made.

At that juncture, immediately after the Senate had refused to table the point of order, meaning that it still had life, but it had to be considered by the Senate, the distinguished assistant majority leader, the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), filed a cloture motion with respect to the motion to proceed to Senate Resolution 4, and then he adjourned the Senate for 5 minutes, the effect of which brought down and killed the second and third parts of the motion to proceed. It killed the Mondale choke-off debate motion, and it killed the point of order.

The point of order has never been acted upon by the Senate and cannot be acted on so we still have these precedents which would be argued as being precedents for cutting off debate on rules changes at the start of a session or any time a majority says they can do it.

The point I am making, Mr. President, is that those Senators who felt that this precedent was being overturned, and thinking that, agreed to vote for cloture and agreed to vote for the compromise, are deluding themselves because the precedents are still there.

Now, Mr. President, we have the further danger. A vote on cloture is coming up tomorrow. Suppose, Mr. President, that a majority, but not a two-thirds majority, votes to invoke cloture, that is, to cut off debate. Suppose the Presiding Officer said it either way, that two-thirds not having voted for cloture, the motion to invoke cloture is not agreed to and then gag rule Senators would appeal that on the very same precedent that they have established. Suppose he said lacking a two-thirds vote cloture had not been invoked.

You would have the parliamentary question right before you again and a majority of the Senate willing to go against the rule and to choke off debate.

Suppose he ruled, "Now having established this precedent that a majority can cut off debate, even though two-thirds have not voted to invoke cloture, I declare that cloture has been invoked, because a majority of the Members of the Senate have asked for it and under the rules, under my ruling"—not the rules but the Vice President's ruling—"a majority can cut off debate."

So either way you go, Mr. President, the free debate Senators are in for a bad day unless they band together and vote against the cloture on tomorrow, against this compromise. Even then, Mr. President, there is no assurance that they would not ram the rules change through whether they would vote cloture or not. Mark my words. If they fail to get cloture, they are going to contend that it does not take two-thirds under the Constitution.

So it is heads they win, tails we lose, because there is little chance either way the result goes, given the determination of an arrogant majority and a determined presiding officer.

I make these points, Mr. President, just to show that while the Senator from Alabama did not engage in negotiations looking to this so-called compromise, if conditions were in fact exacted that this precedent be overturned—it has not been overturned, and even if it has been overturned momentarily—there is no way to prevent it being raised again.

Mr. President, I would say it would be much better to go down fighting for a principle than to compromise on a halfway measure.

I might say that the New York Times of March 1 refers to this as a "Dubious Compromise." I ask unanimous consent to have this article printed in the RECORD.

It says that the gag-rule Senators should not accept this because they could have gotten more.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, March 1, 1975]

DUBIOUS COMPROMISE

After winning an historic victory for the fundamental principle of majority rule, the United States Senate seems about to surrender that principle to bully-boy tactics.

A week ago, a bipartisan majority sustained Vice President Rockefeller's ruling that a new Senate cannot be bound by the rules of a previous Senate and can adopt new rules by majority vote. But Senator James Allen, Alabama Democrat, would not accept defeat. He continued his defense of the filibuster, and for five days paralyzed the Senate with an endless round of frivolous and dilatory motions.

On Wednesday, Vice President Rockefeller finally refused to entertain a parliamentary inquiry from Senator Allen, a refusal which is within a presiding officer's discretion. Right-wing veterans led by Senators Goldwater, Arizona Republican, and Long, Louisiana Democrat, then launched a concerted and verbally violent attack on Mr. Rockefeller, accusing him of unfairness and of attempting to "bulldoze" Senator Allen into submission.

Instead of countering these patently untrue charges, the Senate reformers chose that moment to cave in and accept a "compromise" offered by Senator Long. The reformers had been seeking to reduce the majority needed to invoke cloture from two-thirds to three-fifths of those present and voting. The compromise would substitute a "constitutional" three-fifths of the total membership of the Senate, that is, sixty votes.

Since the full Senate is rarely present for any vote, the disadvantage of this new rule as compared to what the reformers were seeking—and had actually won a week ago—

is readily apparent. Thus, if eighty Senators showed up for a vote, three-fifths of that number—48—could impose closure. Under the Long compromise, sixty votes would be needed.

Even worse, the Long compromise further provides that in future, the rule can be changed only by a two-thirds majority. That stultifies the reformers' victory of a week ago when for the first time a majority sustained the Vice President's ruling that no Senate can tie the hands of a future Senate in that fashion.

If Senate liberals in both parties vote for this compromise next week, as they now appear willing to do, they will be surrendering to the obfuscating and intimidating tactics of one man and a dichard minority. Only Vice President Rockefeller seems to be emerging from this fracas with honor. Under false and unrelenting attack, he met his first test as the Senate's presiding officer with fidelity to principle and dignified self-restraint.

Mr. ALLEN. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point another article dated Monday, March 3, 1975, from the New York Times. This is by an independent columnist, Mr. William Safire.

I want to read a portion of it first. Here is a disinterested assessment of Mr. ROCKEFELLER'S actions——

With a majority steamroller piloted by Mr. Rockefeller, a member of the minority—Senator Long—senses defeat and is suggesting a milder formula to stop dissent. He is wrong; once the gates are lowered, nothing he writes in his resolution——

And I wish the Senator were here at this time——

is going to keep succeeding majorities from making it possible for a simple majority to cut off debate. And then you might as well not have a Senate at all.

That is what the Senator from Alabama, the Senator from North Carolina (Mr. HELMS), and the Senators from Virginia (Mr. HARRY F. BYRD and Mr. WILLIAM L. SCOTT) and many others have been arguing here in the Chamber. This is the start of a chain reaction that will end up with majority cloture because majority cloture has already been applied in this session.

Mr. President, the title of this article is "Crushing Dissent in the Senate." You can crush dissent in the Senate and you are letting the country in for very bad times and very bad situations where the rights of the minority here in the U.S. Senate will be run over roughshod, even as we have seen in this Chamber in the last 2 weeks. That is a pretty good example of what a ruthless majority and a ruthless Presiding Officer can do to achieve whatever ends they might desire.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, March 3, 1975]

CRUSHING DISSENT IN THE SENATE

(By William Safire)

WASHINGTON.—Good men, nobly motivated by the spirit of reform, can do more harm to our political system than the worst villains lusting after power.

A serious attempt is being made in the Senate this week to alter the compromise made at the Constitutional Convention of 1787. At that time, representatives of the smaller states were fearful of a "tyranny of the majority" in a legislature reflecting the population as a whole. Contrariwise, the states with large populations were not about to give in to demands that all states have equal votes.

So the checks-and-balances compromise of a bicameral, or two-house, legislature was struck: "Majority rule," based on population, would be the character of the House of Representatives; and "deliberation" or minority protection based on the same number of Senators from each state, chosen by state legislatures, would be the character of the Senate.

For two centuries, the Senate has helped make the Democratic experiment work by preventing the excesses of democracy. Time after time, lonely dissenters—right and wrong—have used the Senate's rules to delay, to restrain, to force some adjustment to minority demands. Ultimately, the theory went, the majority would rule, but not until the passions of the moment—or of the year—had passed.

In the course of time, the Senate agreed to attune itself more closely to the popular will by permitting direct election of Senators by the people, and they agreed to limit debate by a two-thirds vote, treating the veto of a minority the same as a veto by the President.

All along, however, Senators remembered what a senate was for, why it had been created in the first place: to protect the minority, to ensure deliberation, to make it impossible to crush dissent under the steamrolle. of democratic majority rule.

Now there is a move to make the Senate into a kind of slower House of Representatives. The Senators who want to change the rules to make it possible to cut off debate with only a three-fifths vote say this will make it harder for a minority to obstruct progressive legislation. And so it will.

The majoritarians say the filibuster is anti-democratic. They are absolutely right, if a democracy is the absolute rule of the majority. And the majoritarians say they will let the majority talk for weeks under the new rules, on the majority's kind of sufferance, as if talking—and not checking majority power—were the central issue.

Helping to crash through the resistance to this radical change in character of the Senate is its new presiding officer, Vice President Rockefeller. He ruled in favor of the anti-dissenters at the start, which was not unprecedented; but then he went on to refuse to recognize Senators who wanted to oppose the motion.

When Senator James Allen rose with a parliamentary inquiry, Mr. Rockefeller pretended not to hear or to see, and instead went to a vote the majority wanted. Once again, Mr. Rockefeller sees enormous mischief in delay.

With the majority steamroller piloted by Mr. Rockefeller, a member of the minority—Senator Long—senses defeat and is suggesting a milder formula for stopping dissent. He is wrong; once the gates are lowered, nothing he writes into his resolution is going to keep succeeding majorities from making it possible for a simple majority to cut off debate. And then you might as well not have a Senate at all.

Senators Mondale and Pearson, who designed this steamroller, are men with the best of intentions who want only to turn the Senate into a more active body, more capable of defying a President, more able to exert leadership. With much logic, they can point out how a minority in the Senate was able to obstruct the rights of a black minority for generations.

But they are fiddling with the foundations of a good system in order to improve the chances for this year's legislation. The automatic supporters of good-guy reformers might want to consider the day when the other side is in the saddle.

Might it not be possible, only a decade or so hence, for the political picture to change so that a revived "silent majority" is reflected by a conservative Senate and House, a conservative President, and a conservative Supreme Court?

It could happen here. And then some little group of willful men, or some willful group of little men, or some fighting band of big men, will arise in the Senate to dissent from the popular tide. Brave liberals all, they will fling their voices and their votes in the way of right-wing retrogression, perhaps led by a white-haired Fritz Mondale battling to save the victories of the seventies.

And their dissent will be choked off by a simple majority closure, their resistance flattened by the monstrous steamroller of their own invention. Poetic injustice will triumph, the temporary majority will rule, and the spirit of the United States Senate will be dead.

Mr. ALLEN. Mr. MANSFIELD, in the early days of this debate, denounced this effort to try to amend the Senate rule but not following the Senate rules in amending those rules. He said they excuse it by saying that the laudable ends justify the means. He said,

I reject that. I reject unworthy means employed to achieve what they consider to be a desirable result.

Mr. President, I am hopeful that we will unite against this effort to ram cloture down our throats. As I say, the danger there also is even if they do not invoke cloture, by a majority vote they will say that cloture has been invoked anyhow.

Another thing I want to point out is that there is some lack of understanding among people who were not familiar with what was going on here in the Senate from 12 until 2 o'clock. The point was that during that time it was possible that an original resolution by the distinguished assistant majority leader which does put into effect the compromise plan could have been brought up. I know the distinguished Senator from West Virginia is sincere in supporting it. If that had been allowed to come up even for a minute, the cloture motion would have been filed on that and we would have had the cloture vote on that on Thursday. As it is now, we can keep the situation on an even keel and not allow the distinguished assistant majority leader to bring up his resolution and file cloture. We will have two cloture votes: one on the motion to proceed to the consideration of Senate Resolution 4, and then, when and if that is voted, another cloture motion would be filed as to Senate Resolution 4. That would be voted on on Friday.

So it was necessary that this whole 2-hour period be occupied with priority matters before we got to the matter of the distinguished Senator from West Virginia. We are going to try to keep that from ever being the pending business until this matter has been disposed of.

When you are chasing big game sometimes you see a rabbit cross your trail and you forget your big game and go off after that rabbit. I am just hopeful that Members of the Senate who favor free debate will not chase this rabbit of compromise. I do not believe they are going to get the compromise through

cloture; because even if cloture is not invoked, it is my firm judgment and opinion that a majority will ram it through, anyhow.

Those are the remarks that I want to make for the RECORD. I appreciate the senior Senator from West Virginia (Mr. ROBERT C. BYRD) allowing me to address—if not the Members of the Senate—the CONGRESSIONAL RECORD and the public record, and the public in general, on this issue.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may be permitted to proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST—SENATE RESOLUTION 4

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, notwithstanding the fact that the motion to proceed to the consideration of Senate Resolution 4 is not before the Senate, I may be permitted to offer a cloture motion on proceeding to the consideration of Senate Resolution 4.

Mr. ALLEN. Mr. President, I object. I would like to accommodate the distinguished Senator, but I must object, because this would limit us to one cloture motion, and the Senator from Alabama feels that he would rather have both of them.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. It would give the Senator an additional chance to vote on cloture on Thursday. If we fail to invoke cloture tomorrow, may I say, this would give the able Senator a chance on Thursday to vote again on cloture on a motion to proceed to Senate Resolution 4.

Mr. ALLEN. Why does not the Senator file it as to Senate Resolution 4?

Mr. ROBERT C. BYRD. That is what I was trying to do.

Mr. ALLEN. That is not the pending business.

Mr. ROBERT C. BYRD. That is why I was trying to get unanimous consent.

Mr. ALLEN. If the Senator would allow it to continue to be the pending business, I would have no objection and would have urged him to file this. But since the Senator left it in a state of suspended animation until tomorrow, I would not feel that a motion to invoke cloture as to something that is not even pending would be in order, and I must object.

Mr. ROBERT C. BYRD. The Senator is within his rights to object, Mr. President.

UNANIMOUS-CONSENT REQUEST—ORDER OF BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, reserving the right to object, may I have a further explanation of the schedule? I want to know what the Senator is going to do with the hour preceding the cloture vote.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the Senate convenes tomorrow and after the two leaders or their designees have been recognized, there be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

Mr. ALLEN. Mr. President, I would object to that, for some of the reasons we have already assigned.

Mr. ROBERT C. BYRD. Mr. President, I will not ask that the Senate convene at 12 o'clock tomorrow. That is a standing order of the Senate.

Mr. President, I ask unanimous consent that when the Senate convenes tomorrow and after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 3 minutes each; that at 12:30 p.m., the 1 hour under the cloture rule begin running, and that that hour be divided equally between Mr. ALLEN and myself.

Mr. ALLEN. Mr. President, reserving the right to object, it is the recollection of the Senator from Alabama that on previous occasions when we have had a cloture motion coming up, we just divided the whole hour equally between the proponents and opponents.

Mr. ROBERT C. BYRD. There would be a division of the hour in this instance.

Mr. ALLEN. Yes, but it is a little unusual to have the routine morning business, or morning business.

Mr. ROBERT C. BYRD. The distinguished Senator from Alabama's memory scarcely plays tricks on him, but this has been done from time to time, in the time of Senate service of both Senators.

Mr. ALLEN. I do not believe the situation was quite as tense as it is now.

Mr. ROBERT C. BYRD. So the Senator objects.

Mr. ALLEN. I would object to the routine morning business.

The PRESIDING OFFICER. Objection is heard.

ORDER TO PRINT IN THE RECORD AN AMENDMENT TO SENATE RESOLUTION 4

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment which I have offered to Senate Resolution 4 be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. ROBERT C. BYRD to S. Res. 4, a resolution amending XXII of the Standing Rules of the Senate with respect to the limitation of debate, viz: Strike all after the word "*Resolved,*" and insert in lieu thereof the following:

That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, other matter pending before the Senate, or the unfinished business, except one to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure motion, or other matter pending before the Senate, or the unfinished busi-

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ness, the amendments thereto, and motion affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate.".

ORDER TO PRINT SENATE RESOLUTION 93 IN THE RECORD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senate Resolution 93, submitted by me, on behalf of myself, and Mr. GRIFFIN, Mr. MANSFIELD, and Mr. HUGH SCOTT, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 93

Resolution amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate

Resolved, That rule XXII of the Standing Rules of the Senate is amended to read as follows:

"1. When a question is pending, no motion shall be received but—

"To adjourn.

"To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

"To take a recess.

"To proceed to the consideration of executive business.

"To lay on the table.

"To postpone indefinitely.

"To postpone to a day certain.

"To commit.

"To amend.

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

"2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, except one to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"3. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter to amend the Senate rules, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"4. The provisions of the last paragraph of rule VIII (prohibiting debate on motions made before 2 o'clock) shall not apply to any motion to proceed to the consideration of any motion, resolution, or proposal to change any of the Standing Rules of the Senate.".

MOTION TO ADJOURN

Mr. ALLEN. Mr. President, I wonder if the Senator would like to divide the hour. I believe the Senator would agree that, without exception, that time has been divided, to give both sides an opportunity to make the arguments immediately before the vote. I think that would be fair.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator has been so agreeable to my suggestions thus far today, and the requests I have made, that I believe I will just move at this time to adjourn.

The PRESIDING OFFICER. The question is on agreeing to the motion to adjourn.

Mr. ALLEN. Mr. President, reserving——

Mr. ROBERT C. BYRD. I ask for the regular order, Mr. President.

The PRESIDING OFFICER. The motion is not debatable.

Mr. ALLEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

The Chair hears none. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, for the record, what is the motion now before the Senate?

The PRESIDING OFFICER. The motion before the Senate is for the Senate to adjourn.

Mr. ROBERT C. BYRD. Does the Senator still wish to have the yeas and nays?

Mr. ALLEN. No.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

ADJOURNMENT

The motion was agreed to; and at 3:10 p.m. the Senate adjourned until tomorrow, Wednesday, March 5, 1975, at 12 noon.

HOUSE OF REPRESENTATIVES—*Tuesday, March 4, 1975*

The House met at 12 o'clock noon.

Rev. Francis E. Reinberger, Evangelical Lutheran Church, Frederick, Md., offered the following prayer:

Almighty God, upon whom no bounds or limits are set, to whom a week, a month, a year are but a tick of eternity's clock, make us constantly aware of the passing of time, for to us the death of an hour is an event of dreadful importance, another slice of life swallowed up in the mysterious sea of yesterday. Make us to understand that for every moment wasted, our lives and the lives of those who depend on us will mean just that much less. Give us time to work and time to play, time to rest and time to think, but never time to throw away. So, excuse us, Lord, while we get down to business. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title in which the concurrence of the House is requested:

S. Con. Res. 9. Concurrent resolution relating to the establishment of the naval and maritime museum in Charleston, S.C.

The message also announced that, pursuant to section 1126(c) of title 46, United States Code, Mr. MAGNUSON, chairman of the Committee on Commerce, appointed Mr. BUCKLEY to the Board of Visitors to the U.S. Merchant Marine Academy in lieu of Mr. BEALL, resigned.

And that the Vice President, pursuant to section 4355(a) of title 10, United States Code, appointed Mr. PASTORE, Mr. LEAHY, Mr. MATHIAS, and Mr. WILLIAM L. SCOTT to the Board of Visitors to the U.S. Military Academy.

And that the Vice President, pursuant to section 6968(a) of title 10, United States Code, appointed Mr. HOLLINGS, Mr. CULVER, Mr. BROOKE, and Mr. BEALL to the Board of Visitors to the U.S. Naval Academy.

And that the Vice President, pursuant to section 9355(a) of title 10, United States Code, appointed Mr. MCGEE, Mr. GARY W. HART, Mr. STEVENS, and Mr. GRIFFIN to the Board of Visitors to the U.S. Air Force Academy.

REV. FRANCIS E. REINBERGER

(Mr. BYRON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BYRON. Mr. Speaker and Members of the House, it is a pleasure to welcome Rev. Francis E. Reinberger of the Evangelical Lutheran Church of Frederick, Md., who delivered the prayer today.

REPEAL OF THE DEPLETION ALLOWANCE

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. VANIK. Mr. Speaker, in testimony yesterday before the Ways and Means Committee, administration witnesses indicated that if Congress repealed the depletion allowance, the administration would propose increasing the base price of oil used in computing a windfall profits tax to restore to the oil industry what it would lose in profits through the repeal of depletion.

I was shocked to learn that the administration would propose raising the base price of oil to offset by Executive order what this Congress legislates.

It is my belief that an overwhelming majority of this Congress believes that oil profits today are excessive—beyond the capacity of the industry to reinvest under present price levels.

If the administration gives back to the oil industry in higher prices what the Congress seeks to tax—we are getting absolutely nowhere in our efforts to even modestly tax the unjustified windfall profit levels of the industry.

THE SO-CALLED DEMOCRATIC ENERGY PROPOSALS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, yesterday I asked a series of questions with regard to the so-called Democratic energy proposals—questions which it seems to me must be answered if your blueprints, vague as they are, deserve consideration.

The President's plan proposes deregulation of natural gas to assure adequate production incentives. Your Democratic plan would place a ceiling price on this gas. At what level do you intend the price to be this year? Or in 1985?

You mention: First, tax incentives, loans or subsidies for coal conversion, industry energy conservation investments, greater coal use; second, more public transportation funding; third, Federal funds to revive local building codes; and fourth, financing of utility transmission systems. What is the estimated Federal cost of all these incentives? What tax increases or other program cuts are proposed to keep the Federal deficit under control?

Your Democratic plan mentions the National Energy Production Board to mobilize industrial private resources to increase energy production. Other than relying on increased profits to stimulate domestic production, just how would this Board get companies to produce more gas, oil or coal?

And finally, Mr. Speaker, your Democratic proposal mentions stepped-up exploration only of the Outer Continental Shelf. Does this mean you are against rapid production from our major new areas on the Atlantic, Pacific, and Gulf of Alaska? How long do you think we should wait before we begin to produce in these areas?

APPOINTMENT AS MEMBERS OF COMMISSION ON ORGANIZATION OF THE GOVERNMENT FOR THE CONDUCT OF FOREIGN POLICY

The SPEAKER. Pursuant to the provisions of section 602(b), title 6, Public Law 92-352, as amended, the Chair appoints as members of the Commission on the Organization of the Government for the Conduct of Foreign Policy the following Members on the part of the House:

The gentleman from Wisconsin (Mr. ZABLOCKI) and the gentleman from Michigan) Mr. BROOMFIELD).

And the following members from private life: Dr. Stanley Wagner, of Oklahoma, and Dr. Arend D. Lubbers, of Michigan.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on H.R. 4075, a bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94-46) and of February 14, 1975 (H. Doc. 94-50), transmitted pursuant to the Impoundment Control Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. WYLIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 37]

Anderson, Ill.	Harsha	Pike
Andrews, N.C.	Hebert	Riegle
Ashley	Jacobs	Rosenthal
Barrett	Jeffords	St Germain
Brooks	Jones, Okla.	Santini
Brown, Mich.	Kemp	Spellman
Burton, John	Kindness	Staggers
Chisholm	Krebs	Steelman
Conyers	LaFalce	Symms
Daniels, N.J.	Litt	Teague
Dent	Mills	Udall
Esch	O'Hara	Van der Jagt
Frenzel	Pattison, N.Y.	Waxman
Harris	Peyser	Wiggins

The SPEAKER. On this rollcall 388 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TO LOWER INTEREST RATES

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 268 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 268

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 133) to lower interest rates. After general debate, which shall be confined to the concurrent resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Currency and Housing, the concurrent resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the concurrent resolution for amendment, the Committee shall rise and report the concurrent resolution to the House with such amendments as may have been adopted, and

the previous question shall be considered as ordered on the concurrent resolution and amendments thereto to adoption or rejection without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 268 provides for an open rule with 1 hour of general debate on House Concurrent Resolution 133, a concurrent resolution to lower interest rates.

This is a short concurrent resolution, Mr. Speaker, and I will ask leave to read it.

H CON RES. 133

Whereas article I, section 8, of the Constitution provides that Congress shall have the power, namely, ". . . to coin money and regulate the value thereof," and

Whereas Congress established the Federal Reserve Board as its agent and delegated to its agent day-to-day monetary responsibility: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Federal Reserve shall conduct monetary policy in the first half of 1975 so as to lower long-term interest rates and thus do its part in promptly and steadily reducing unemployment; and shall transmit a report on the first day of each month after the effective date of this Act to the Committee on Banking, Currency and Urban Affairs of the Senate and the Committee on Banking Currency and Housing of the House of Representatives on its progress toward achieving this goal.

Mr. Speaker, the Morgan Guaranty Trust Co. of New York, in a pamphlet entitled "The Morgan Guaranty Survey," published for the month of February 1975, has a few paragraphs, which pertain very directly to the critical economic situation that our country faces today.

I am reading now from page 1:

The economy's downward slide is continuing with no early end in sight. January's slump in industrial production was the steepest in 37 years. Unemployment, already the highest since 1941, is headed higher. And consumers, despite the enticement of rebates in auto and other lines, are hardly battering down the doors to get at the merchandise.

I read again from page 1 of this survey:

As with fiscal policy, expansionary monetary policy with lower interest rates is a traditional, and appropriate, anti-recession reaction: in the past when economic activity turned down, fiscal and monetary policy both turned stimulative. Thus, enlarged Federal budget deficits have generally been associated with falling, not rising, interest rates.

Continuing further:

Federal Reserve Chairman Arthur F. Burns has indicated that monetary policy in 1975 would provide for moderate growth in the money supply to accommodate the Treasury's borrowing requirements without soaring interest rates. Acquisition by the Federal Reserve of something like $9 billion of Treasury securities in 1975 for its open-market account would be consistent with moderate monetary expansion. If this analysis is correct, the private capital markets would have to absorb about $41 billion of Treasury borrowing.

This would be a record peacetime amount but would not be unmanageable if stabilized private credit demands materialize as is widely expected.

Mr. Speaker, I think it is only fair to report to the House what the Chairman of the Federal Reserve Board, a very distinguished and dedicated American, advised me yesterday as to the efforts which have been made by the Federal Reserve Board and the gains which he thought had been achieved in lowering interest rates. This is what Dr. Burns advised:

First, he said short-term interest rates in the United States are lower than in any other of the major industrial nations of the world.

Second, that long-term interest rates—that is, more than 10 years—are lower than those in any other major industrial country of the world except one.

Third, that the rate of decrease in interest on long-term securities has been more rapid in the United States in the last 6 months than in any of the other major industrial nations of the world; that the effect of that decrease in interest rates in that period has been to cheapen the value of the dollar abroad by from 6 percent to 7 percent, which the doctor reported may have motivated the oil exporting countries of the world to consider raising the price of their products because they have been accepting the dollar in exchange for the oil that they have exported to the industrial nations of the world.

He also advised that in the field of what they call Federal funds—the interest rates which banks pay one another when money moves from one to the other—has decreased in the last few months from 13.5 percent down to 6 percent, and further, that the prime rate in the last few months in the banks of the country has been reduced from 12 percent down to 8¼ percent and 8½ percent.

The doctor says also that the Federal Reserve Board has been doing what it could to bring down interest rates, because he recognizes, as does the Congress, that lower interest rates are absolutely essential to the recovery of our economy. His problem, he says, has been how to lower interest rates by putting an excessive supply of money in circulation without having a stimulative effect, which is not in the public interest, upon the inflationary spiral which the country is confronted with at the present time.

Anyway, Mr. Speaker, the Congress is clearly acting, it seems to me, within its authority and, I think, obedient to its sense of duty to the people of the country to express its sense, as this Concurrent Resolution 133 does, that it would like to see or it would hope that the Federal Reserve Board might be able so to shape its monetary policy that it would have the effect of reducing substantially interest rates in this country, impliedly without unnecessarily stimulating the inflationary spiral, so that a solid basis of recovery would exist in the monetary policy of the Nation.

Therefore, I commend the distinguished chairman of the Committee on Banking and Currency and his committee for bringing to this House an opportunity to express our sentiments about this critical matter at this critical time.

Mr. Speaker, I yield 6 minutes to the distinguished former chairman of the Committee on Banking and Currency, the able gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, this concurrent resolution contains the thoughts and beliefs of the distinguished chairman of the Committee on Banking and Currency, the gentleman from Wisconsin, the Hon. HENRY REUSS. I introduced the original bill, but I was just a cosponsor of it. The chairman of the committee is actually the originator of this idea that will do so much good for this country by letting the Federal Reserve know we want lower interest rates.

Mr. Speaker, as the report points out, the original bill, H.R. 3160, was changed to a concurrent resolution during full committee markup of the measure.

Mr. Speaker, the committee report on House Concurrent Resolution 133 describes some of the extremely serious economic problems confronting the Nation. Unfortunately, the response to these problems in the form of a concurrent resolution, is not adequate. I would much prefer the bill that the gentleman from Wisconsin (Mr. REUSS) originally had in place of the resolution, but we got the best we could, and the gentleman from Wisconsin (Mr. REUSS), as chairman of the committee, is to be commended for getting this resolution out. House Concurrent Resolution 133 is a step in the right direction, but a tiny step. It amounts to a slap on the wrist of the agency which is largely responsible for the economic dilemma in which we find ourselves. I, for one, wish to emphasize that much more is needed if we are truly going to help the people of our country.

The report accompanying House Concurrent Resolution 133 makes it emphatically clear that the Federal Reserve Board shall immediately begin conducting monetary policy so as to lower exorbitant long-term interest rates and reduce what can only be described as rampant and frightening levels of unemployment.

More than 8 million people, the highest percentage since the end of the depression, are without work, and millions of these are without adequate housing, and needed public works and facilities because of prohibitively high interest rates which apply to long-term securities and debt obligations which are used to finance such investments. And long-term rates remain high despite some decrease in short-term rates in recent weeks.

Mr. Speaker, the arguments presented in the committee report on House Concurrent Resolution 133 constitute an overwhelming argument for adoption of strong legislation requiring the Federal Reserve Board to conduct monetary policy so as to help reduce priority area interest rates and get people back to work in the construction and related industries.

House Concurrent Resolution 133 is aimed in this direction and I supported it in committee for this reason. However, candor requires me to add that the resolution is but a pale response to the terrible needs of the Nation and its people. As it stands, the resolution is merely an expression of opinion by Congress which, of course, we are thankful for and we will be pleased with at this stage in the legislative process. However, a concurrent resolution does not carry the force of law—the force of law that would have been provided if the measure had remained a bill as it was originally reported to the full committee by the Subcommittee on Domestic Monetary Policy.

The real solution to our painful and constantly recurring problem of Federal Reserve-induced economic problems is to make the Federal Reserve accountable to Congress and the administration and responsive to overall economic policies established by those members of the Federal Government who are elected by the people. To do this, the terms of Federal Reserve Board members should be reduced from 14 years to 5 years and the term of Chairman of the Board should be concurrent with that of the President who appoints him. Furthermore, the Federal Reserve should obtain its operating funds through congressional appropriations, and the Federal Reserve, which was created by Congress, should be subject to a full audit by the General Accounting Office, as are other agencies of the Federal Government.

It is my hope that Members of the House will soon be considering measures to achieve these much needed changes of the Federal Reserve. Reforms such as those outlined above would be significant steps in making the Federal Reserve properly accountable to the American people. Then—and only then—will it really listen to policy statements from the Congress.

Mr. Speaker, I hope this resolution is adopted by an enormous vote.

Mr. PEPPER. Mr. Speaker, I yield to the able gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. Mr. Speaker, I thank the gentleman for yielding.

I yield myself such time as I may consume.

Mr. Speaker, this is the first item of business brought to the floor by the Banking and Currency Committee of this Congress. It is a concurrent resolution providing that it is the sense of Congress that the Federal Reserve Board should act to lower long-term interest rates. What bothers me about this concurrent resolution is that Congress is telling the Federal Reserve to lower interest rates, when Congress, through its inflationary, big spending, approach, is itself one of the major causes of high interest rates. And this is not just my position. In the Rules Committee meeting on this concurrent resolution last week, the following exchange occurred between the distinguished chairman of the Banking and Currency Committee, Mr. REUSS, and myself. Let me quote:

Mr. CLAWSON. The question I have has to do with other factors that cause high interest rates other than monetary policy. What are these factors?

Mr. REUSS. A big one is inflation. Long term lenders demand an inflationary premium. We recognize that. We don't expect the Fed to get rid of that all by itself?

Mr. CLAWSON. That depends on acts of the Congress?

Mr. REUSS. Exactly, and avoidance of insane deficit spending by the Congress would be a great thing.

Mr. Speaker, I wholeheartedly agree with this statement by the gentleman from Wisconsin. Excessive deficit spending by the Federal Government is a big factor in causing a high rate of inflation, which in turn forces lenders to charge high interest rates. Congress approved every dime that was spent. Now Congress is trying to pass the buck and imply that the Federal Reserve is to blame for high interest rates, when Congress itself is one of the main culprits. If it really wants to lower interest rates Congress should act responsibly to curb inflationary Federal spending.

I think my colleague from Florida, Mr. KELLY, commented appropriately in his additional views when he concluded as follows:

However, if the Congress finds comfort in this time of stress to exhort others to do well, the Congress should not be denied this refuge.

Mr. Speaker, Congress should put its own house in order before pointing the finger at others.

A verse from the Good Book might be appropriate, and, if I may I will read it from Matthew 7, verses 3-4:

And why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?

Or how wilt thou say to thy brother, Let me pull out the mote out of thine eye; and, behold, a beam is in thine own eye?

The Clawson translation is about like this:

Do not seek to remove the mote from your brother's eye, until you have removed the beam from your own eye.

Congress should first stop this "insane deficit spending," which is such a major factor causing high interest rates, before finding fault with others.

Mr. Speaker, although I do not oppose this open rule, I see no real purpose in the "sense of Congress" resolution that it covers.

Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. REUSS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 133) to lower interest rates.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. REUSS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution House Concurrent Resolution 133, with Mr. MAZZOLI in the chair.

The Clerk read the title of the concurrent resolution.

By unanimous consent, the first reading of the concurrent resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin (Mr. REUSS) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. JOHNSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. REUSS).

Mr. REUSS. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, in the midst of the worst economic crisis this Nation has experienced since the great depression—with unemployment already at 8.2 percent, and much higher in many of our cities and States, and with GNP falling now for five straight quarters—one of the most important steps this Congress can take to stimulate economic recovery is to pass House Concurrent Resolution 133, which directs the Federal Reserve to conduct monetary policy during the first half of 1975 so as to reduce long-term interest rates.

There can be no doubt that the excessively high long-term interest rates experienced during 1974 and the first 2 months of 1975 were a major cause of the recent precipitous deterioration of the American economy—by cutting off much-needed credit flows into such interest-sensitive sectors as homebuilding, productive capital investment, small business, and State and local governments.

According to the 1975 Economic Report of the President, and I refer you to the chart before the Speaker's podium which I have had made from the data in the Economic Report, interest rates during 1974 reached the highest levels ever recorded in the United States. They have had a devastating effect on the American economy. For example:

First. During 1974 new homeowners had to pay an average interest rate of 9.5 percent for an FHA-insured mortgage, and at one point this reached a high of 10.4 percent, double what homeowners had to pay just 10 years ago. As a result of these high interest rates, housing starts fell from more than 2 million units in 1973 to an annual rate of only 874,000 units by the end of 1974, leaving more than 22 percent of all construction workers jobless.

Second. The interest rate on triple-A municipal bonds averaged 6.09 percent for 1974 and they rose as high as 6.80 percent in December 1974, again double the interest rate paid in 1964. This has meant a devastating added burden on our State and local governments and taxpayers.

Third. Top-quality corporate bonds, issued to finance productive capital investments, averaged 8.57 percent for 1974 and at one point rose to 9.27 percent. In 1964, triple-A corporate bonds paid only 4.40 percent. As a result, business expenditures for new plant and equipment—virtually the only bright spot for the

first half of 1974—turned down during the second half of the year and will take an even more serious plunge in 1975 according to Commerce Department estimates.

The total interest burden has seriously sapped the Nation's economic strength. During 1974, the Federal Government, our State and local governments, and America's businesses and families, paid out $226 billion in interest payments alone—equal to one-sixth of our total gross national product for that year—the highest percentage ever in our Nation's history.

This extraordinary interest rate burden did not come upon our vulnerable economy by accident. Nor is it by any means the sole result of inflation. Instead, it was the direct result of actions taken by the 12 members of the Federal Open Market Committee. The printed minutes of the Committee's meetings show a conscious determination to constrict money and credit growth and run up interest rates during most of 1974.

For May through August of 1974, the minutes show the open market committee setting progressively smaller money growth targets each month, with the August target a mere 2 to 6 percent at an annual rate, down significantly from the March target of 6½ to 9½ percent.

The Federal open market committee also shot for, and achieved, increasingly higher interest rates. In April, the committee set a May target for the Federal funds rate of 9¾ to 10¾ percent, which it slightly exceeded—11.31 percent. The June target of 11 to 11.5 percent was also exceeded—11.93 percent—as was the July target of 11.25 to 12.25 percent—12.92 percent. The peak target was in August, set at 11.5 to 13 percent, which was also achieved—12.01 percent.

By September, with unemployment rising precipitously and the recession deepening, the open market committee called for some easing in money market conditions. By December, the last meeting for which the minutes have been made public, the committee finally called for "somewhat more rapid growth in monetary aggregates over the months ahead," targeting a 5- to 7-percent money supply growth rate for January and a Federal funds rate of 7.5 to 9 percent. This was a small step and a welcome one, but still too little and, for almost 7 million unemployed, too late.

While short-term interest rates have recently declined, due as much to a recession-induced decline in business and household credit demand as to any loosening of Federal Reserve monetary policy, long-term interest rates remain dangerously close to last year's record highs. In February, 1975, the yield on FHA mortgages was 9 percent, the yield on municipal bonds 6.25 percent, and the yield on triple-A corporate bonds was 8.7 percent—all within one percentage point of their 1974 high and all still double the interest rates of 1964.

Until long-term interest rates begin to move down substantially, there will be a continued deterioration of the American economy. This is why the enactment of House Concurrent Resolution 133 is so vital to the Nation's economy at this time. Congress must tell the Federal Reserve that the Nation cannot stand a replay of 1974.

The passage of House Concurrent Resolution 133 will represent a clear directive from the Congress to the Federal Reserve to conduct monetary policy during the first half of this year so as to bring down long-term interest rates. To those who question the effectiveness of this measure because it is in the form of a concurrent resolution instead of a bill, there is one clear answer.

A bill, signed by the President, would be the appropriate measure if we were changing the nation's statutes to establish a 55-mile-per-hour speed limit, revising our income tax laws, or otherwise directly affecting citizens, and seeking to impose criminal penalties for violation.

The Congress is not doing that in this case. We are talking directly to the Federal Reserve Board and establishing policy for them to follow. We are demanding lower long-term interest rates by directing the Federal Reserve—a creature of Congress created 60 years ago—to carry out this policy directive.

We need not pass a bill, which goes to the President for his signature or his veto, to accomplish this goal. The Federal Reserve is responsive to the Congress, not the President, and the enactment of House Concurrent Resolution 133 is the proper vehicle for the Congress to issue its policy directive directly to the Federal Reserve. No purpose is served by giving the President a veto power in return for no services rendered.

The Federal Reserve can accomplish this goal of lowering long-term interest rates in a number of ways. It can pursue a policy of reasonable monetary expansion, in contrast to the devastatingly restrictive policy it has followed recently. During the past 6 months the money supply grew by less than 2.3 percent at an annual rate, and it has actually decreased over the past 3 months. Such a negative rate of expansion must not be repeated. Regardless of the indicator used, whether it be M_1, M_2, M_3, bank credit proxy, or any other indicator—an expansion by the Federal Reserve of the monetary and credit aggregates can accomplish an expansion of total bank credit at a rate sufficient to steadily drop long-term interest rates and thereby stimulate homebuilding and productive capital investment.

A second way the Federal Reserve can lower long-term interest rates is for the Federal open market committee to purchase long-term U.S. Treasury securities and long-term debt instruments of Federal credit agencies, such as the Federal Home Loan Bank Board, the Federal National Mortgage Association, and the Federal Land Banks for its open market account. The open market account portfolio presently consists of $83 billion in securities. Of this total amount, only 3 percent are long-term securities with a maturity in excess of 10 years, and less than 1 percent mature in over 20 years. As of December 31, 1974 the last date for which such figures were available, only $5.2 billion—less than 6 percent of this total—were obligations of Federal credit agencies such as the Federal National Mortgage Association, Federal Land Bank, Government National Mortgage Association and the Federal Home Loan Bank Board. Even a modest shift in the holdings of this portfolio to long-term Treasury and agency securities accompanied by a sale, or refraining from purchase, of short-term securities to mop up undesired excess reserves will favorably affect long-term interest rates.

Some Members have said that the language of House Concurrent Resolution 133 is not specific enough in its charge to the Federal Reserve because it leaves to them the decision of whether to increase the money supply, change the composition of its portfolio, or take other action in order to lower long-term interest rates.

By the enactment of House Concurrent Resolution 133 the Congress is saying that it demands lower long-term interest rates, and it is leaving the means of accomplishing this goal to the Federal Reserve to decide as an administrative matter. Let it be clear that a tightening of the money supply will not be considered an acceptable way to lower long-term interest rates. A tightening of the money supply in 1973–74 has in part helped create the worst recession the Nation has experienced since World War II. Continuation of this policy is precisely what is not needed for general monetary policy at this time, nor is it needed to effectuate the policy directive set forth in House Concurrent Resolution 133.

The Federal Reserve has the know-how to lower long-term interest rates. The enactment of this concurrent resolution will tell the Federal Reserve that the Congress wants this goal realized, and that the Federal Reserve must immediately take the necessary steps to put our economy back on a recovery course once again. I am confident that the Federal Reserve will not want to frustrate congressional intent in carrying out its constitutional monetary duties.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the distinguished gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I thank the distinguished gentleman from Wisconsin for yielding.

Mr. Chairman, I support this resolution. I want to point out that Chairman Burns admitted in testimony, as did the previous chairmen of the Federal Reserve, that the Federal Reserve is a creature of the Congress established by law in 1913.

So I commend the chairman of the Banking Committee for bringing this resolution to the floor and to Congress for exercising its constitutional duty and its obligations.

Mr. REUSS. I thank the gentleman.

I point out that the very important testimony from Chairman Burns on this point is contained on page 7 of the committee report.

Mr. WHALEN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Ohio.

Mr. WHALEN. Mr. Chairman, I thank the gentleman.

Last October on the House floor I expressed the hope that the Federal Reserve System would increase the money supply by approximately 7 percent. I still stand by that hope.

But my concern, and I think the concern of many others in considering and acting upon this resolution is this: Are we not encroaching upon the independence of the Federal Reserve? I have two questions along that line.

First, is there, indeed, an "independent" Federal Reserve System inasmuch as the gentleman from Illinois (Mr. ANNUNZIO) suggested the Federal Reserve System is a creature of Congress and is accountable to Congress?

My second question, Mr. Chairman, is this: In what other major industrial countries is there an independent monetary institutions?

Mr. REUSS. I thank the gentleman, and he does ask an important question.

In my judgment, the Federal Reserve is and should be independent of the President, independent in the sense that its members are appointed for 14 years and we want on the Fed men and women of courage and gumption who would stand up to a President who attempts to pressure them.

The CHAIRMAN. The gentleman has consumed 4 minutes.

Mr. REUSS. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. Chairman, to repeat, we want on the Fed men and women who have the courage and the gumpton to stand up to a President who would pressure them politically in a way that they believe is wrong for the Nation. But it is entirely clear that that independence of the Fed does not mean that they are independent of the Congress who gave them life in the first instance.

The gentleman from Illinois (Mr. ANNUNZIO) has just accurately quoted what Arthur Burns has said. He says on page 7 of the report:

> I have not claimed that the Federal Reserve is independent of the Government. I have recognized not only in the past, but again this very morning that the Federal Reserve is a creature of the Congress, and that it is a servant of the Congress.

One of the ablest witnesses at the hearing, Prof. David Meiselman of the Virginia Polytechnic Institute—incidentally, a witness adduced by the minority—said:

> The Federal Reserve is a creature of Congress and reports to the Congress. The notion that the Federal Reserve is independent can be interpreted only in the sense that under the law the Federal Reserve is independent of the executive branch of the Government, but not the legislative branch. In that sense, the Federal Reserve is different from most agencies involved in making and carrying out public policy, especially where economic policy is concerned. This is why I firmly believe that close accountability to the Congress by the Federal Reserve for their conduct of monetary policy is essential. For if the Federal Reserve is not held accountable by the Congress, then we must ask, to whom this side of Heaven, are they accountable?
>
> By the same token, we must also ask to whom the Federal Reserve should turn for guidelines in the use of the vast monetary powers delegated to them by Congress?

I think Professor Meiselman stated it very well. Let it be made clear beyond a doubt by this afternoon's debate that this Congress does have a duty to speak out.

I do not intend that the Congress should be giving directions to the Fed year in and year out or on a day to day basis. Indeed, I hope, when next June 30 comes and this directive runs out, that the Fed will come before us, and that the new and wholesome relationship which I envisage will be established will set the minds of Congress at rest, and we can then let the Fed operate under its own generally recognized broad guidelines.

The fact is that in the last 2 years the Fed has sinned most grievously, first by creating money in 1973 at an outrageously high rate, with which we disagreed, which led to inflation, and then in 1974 squeezing the money supply until it could be squeezed no more and thus helping to bring on the recession we now have. So to conclude on the gentleman's first question: The independence of the Fed is an independence from the Executive, but not from the Congress.

The gentleman's second question was: What is the relationship of central banks in other countries to their government? The Joint Economic Committee made a very detailed study a few years ago and the net of that study, which consumes a thousand or more pages, is that while the legal modalities under which the central banks are set up differ from nation to nation, in all of them the ruling parliamentary government bears the ultimate responsibility. So it is here.

Our constituents simply will not stand for us going home, agreeing that the economy is in a shambles due largely to the Fed's tight money policy, and then doing nothing about it. We are doing the right thing this afternoon, just as we did last year when we passed the War Powers Act and the Budget Act. So today I think Congress will have regained its true integrity telling the Fed whereln it may walk.

Mr. WHALEN. Mr. Chairman, I thank the gentleman for his response.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Chairman, I voted against House Concurrent Resolution 133 during the Banking Committee markup session. I will vote against it again today.

I am voting against House Concurrent Resolution 133 not because I oppose its proclaimed purpose of lowering long-term interest rates and reducing unemployment, but because it is too weak and ineffectual to even approach these goals.

Mr. Chairman, the thrust of House Concurrent Resolution 133 was originally embodied in H.R. 3160, a bill, which if adopted, would have carried the force of law. During committee markup, the bill was converted into a concurrent resolution and as such is now merely an expression of an opinion by Congress. The Federal Reserve Board does not even have to read it, much less obey it.

Mr. Chairman, I have made it a point to be heard on this measure because I, for one, do not wish to lend my name, deliberately or by implication, to any assertions that the resolution is a meaningful response to the terrible economic problems burdening the people of our country.

House Concurrent Resolution 133 in no way stands as fulfillment of Democratic Party promises to take prompt and effective action to find solutions to our economic problems. As a matter of fact, every member of the Federal Reserve Board, which must share in the responsibility for high interest rates and unemployment that exist today, could unhesitatingly vote for this resolution because they know that it does not require them to do anything other than what they intend to do anyway.

Mr. Chairman, this measure constitutes one of the first efforts by this overwhelmingly Democratic controlled Congress to address itself to the crushing economic needs of the people. We are just kidding ourselves and the American public if we hold out House Concurrent Resolution 133 as a meaningful answer.

If this resolution is just a preliminary to more effective action in the near future, no harm will be done by passing it. But we must solve these problems, not just buck them to a disinterested Federal Reserve Board which already has the power to act, but will not do so.

Mr. REUSS. Mr. Chairman, I thank the gentlewoman from Missouri for her contribution. I have already indicated why this "force of law" argument really is not valid here.

If Congress wants to impose criminal penalties on someone, then indeed it must enact a bill, an H.R., which the President must sign and can veto. But where the Congress speaks to its own creature the Federal Reserve Board, it speaks in the most authoritative tones, unsullied by irrelevant voices, when it speaks by a concurrent resolution. That is a plus, I think. The Banking Committee has done the sensible thing in bringing before the Members, by an overwhelming 26 to 10 vote, a concurrent resolution which tells the Fed what we want it to do, and does not invite the President in for a gratuitous veto.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield myself such time as I shall consume.

Mr. Chairman, the timing of the bill, H.R. 212, the predecessor of House Concurrent Resolution 133, was absolutely atrocious. Had the bill been enacted 6 months ago when short-term interest rates were at their peaks, the bill would have been a sure-fire political winner. Were the bill to be enacted at this time, it would be a sure-fire political loser and would become a self-destruct boobytrap for its sponsors. The reason this is so is that in the past 6 months there has been an extremely sharp decline in short-term interest rates.

Within the past 6 months the prime rate was at 12 percent, Federal funds

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were above 13½ percent, 3-month Treasury bills were at 9.63 percent, 90-day prime commercial paper was at 12¼ percent, and 90-day marketable bank CD's were paying 12½ percent. Today the prime rate is at 8¼ percent and headed lower. Federal funds have dropped more than half to 6.15 percent, 3-month Treasury bills last week traded at 5.35 percent which is less than the 5¾ percent savings and loan pay on 90-day savings certificates, prime 90-day commercial paper traded last week at 6.25 percent, and 90-day marketable bank CD's were paying 6.31 percent in the secondary market.

Obviously, had H.R. 212 been enacted 6 months ago political claims could have been made now that enactment of the bill was responsible for the drastic declines in short-term interest rates that have taken place. Obviously, any such political claims would have been false because without any enactment of H.R. 212 the sharp declines in short-term interest rates took place anyway.

But now the picture has changed. Most of the downward adjustment in short-term interest rates already has taken place. Certainly such rates are not going to be cut in half again. If anything, short-term interest rates could easily firm from existing levels. I do think the prime rate can soften further because despite the one-quarter percent reduction to 8¼ percent last week, it has lagged behind the declines that have taken place in other short-term rates. The other market instrument short-term rates however must face stiff competition from sustained volume of Federal financing to finance the expanding deficit as well as higher short-term rates abroad which serve to draw funds from the U.S. market. Last week the 3-month Eurodollar rate was 7.3¼ percent.

There was another disturbing aspect of what actually had happened in the past 6 months. The sharp drop in short-term interest rates took place despite the fact that change in the money supply in that period was very sluggish. The money supply was growing at an annual rate of only 0.8 percent over the past 6 months and was actually contracting at an annual rate of 0.6 percent in the last 3-month period. On the record there just did not seem to be any correlation between the movement of short-term interest rates and the money supply consisting of currency and demand deposits, when measured over intervals as short as 3 or 6 months.

Apparently, and this I only can surmise, the supporters of H.R. 212 became a little skittish that they might be painting themselves into a corner with the explicit target in section 2 of the bill that the Federal Reserve in the first half of 1975 maintain an increase in the money supply of no less than 6 percent at an annual rate. Further the Fed was mandated to report to the Congress whenever it deviated from the target "for either technical or substantive reasons." Since monetary supply figures are published in the press every week that meant the Congress would have weekly surveillance over and responsibility for what was happening to the money supply.

After the hearings on H.R. 212 were completed and before markup by the subcommittee, word got out there would be a substitute bill. The obvious answer, of course, was that the supporters of H.R. 212 realized the bill was in trouble and wanted to move away from their no-win position. The markup session quickly laid aside H.R. 212 and come forth with two bills, H.R. 3160 and H.R. 3161, which had been introduced only the day before.

H.R. 3160 was a greatly modified form of section 2 of the old H.R. 212. It abandoned the 61-percent target for annual growth in the narrow concept of money supply and instead directed the Fed to conduct monetary policy in the first half of 1975 so as to lower long-term interest rates and thus assist in lowering unemployment. Monthly reports to the Congress were required. This gave the sponsors of the new bill a better position with respect to timing. Long-term interest rates always have lagged movements in volatile short-term rates both on the upside as well as on the downside. Long-term interest rates had softened somewhat over the past 6 months but nothing like the sharp downward correction that had taken place in short-term rates. For instance, long-term new triple A utility financing rates had dropped from their peak of 10.15 percent last summer to 8.5 percent in recent markets and the rate of FHA and VA mortgages had been reduced from 9.5 percent where it stood on November 23 last year to 8 percent effective yesterday. The near record $3.1 billion increase in savings and loans net savings inflow in January holds promise of continuing downward pressure on home mortgage interest rates.

However, H.R. 3160 with its congressional mandate to the Fed to lower long-term interest rates and report monthly to the Congress, still left the Congress in the fall guy position in the event the Fed did not achieve that goal. H.R. 3160 was short lived. Two days after it was introduced it was tabled by the full committee about 10 minutes after the markup session began. It was replaced with House Concurrent Resolution 133 which only had been introduced a couple of hours before on that same day. House Concurrent Resolution 133 which had retained the language of H.R. 3160 was promptly amended by changing the directive to the Fed from "shall" to "should," lengthened the reporting time from monthly to quarterly and frankly stated what in fact it was, namely, a sense of Congress statement.

Since a concurrent resolution is not signed by the President and hence cannot be vetoed, it of course has no force of law. It is just a stump speech by the Congress—no more, no less. It is not needed to enable Members of Congress to sound off against how the Fed has conducted monetary policy. It is not needed to get the Chairman of the Federal Reserve to come up before the committee and discuss monetary policy. He willingly came before the committee for 3½ hours on the evening of February 19 to discuss H.R. 3160 and that was with only a 1 day notice between the time he was asked and when he appeared.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona (Mr. CONLAN).

Mr. CONLAN. Mr. Chairman, when our chairman appeared before the Rules Committee last week with respect to this resolution, he was questioned about the advisability of congressional interference into the making of monetary policy. To one question, he responded:

> This resolution speaks only to the first half of 1975. It is only when the nation is in something approaching a crisis that I think it is not only our right but our duty to act.
>
> I would take no joy in a steady year in, year out Congressional role.

I share that view, Mr. Chairman.

I would point out that I think this resolution is inadvisable, ill conceived, and poorly timed.

It is often said that people who live in glass houses should not throw stones. Mr. Chairman, I think we are very vulnerable and I hope that this resolution may be viewed as a cooperative expression of congressional concern consistent with our constitutional responsibility. It is not a criticism of a job that needed doing and was done with courage, conviction, and with obvious concern for all.

Mr. Chairman, all of us are disturbed by current unemployment, none of us want to see interest rates return to the record highs of 1974, and we would all welcome a decline in the current levels of long-term interest rates. I said this resolution was ill conccived and I believe it is because it implies that the Federal Reserve can solve these problems. This is little more than a Machiavellian scheme to divert public attention away from our own fiscal extravagance.

Everyone is aware of how this move started, but I wonder how many have followed the comic opera that produced this resolution. We started with a bill, H.R. 212, which would have requested the Fed to increase the M_1 money supply and institute the most comprehensive credit allocation program ever initiated in this country. Three whole days of hearings were scheduled on this revolutionary proposal and had the minority not objected, neither the Treasury nor the Federal Reserve would have been allowed to testify.

Those hearings were February 4, 5, and 6. The subcommittee met for a markup on February 18 when we were handed two new bills, H.R. 3160 and 3161, which we never saw before that hour. They were reported out on a straight party line vote a few minutes later. The Chair agreed to one night of hearings on these bills. This was on the 19th and Dr. Burns was gracious enough to come with only 24 hours notice. On the 20th, the full committee met to mark up these bills at which point the resolution now before you was presented. We have had no testimony on it. It is the product of 3 weeks of curious backing and felling.

I claimed this resolution was also ill-timed. There seems to be some notion abroad that long-term interest rates are high because one highly visible measure of the money supply, known as M_1 only grew at a 4.5 percent rate during 1974 and actually showed a decline in December. I think there are two fallacies here. First, the Fed has only a marginal impact on long-term rates but, more importantly, anyone watching the money markets knows the Fed eased up markedly in the second half of 1974. It is a mistake to look only at M_1. As Dr. Burns has noted, there are many other measures of monetary aggregates. As an example of how much ease there was, look at some of them. Currency increased at 9.9 percent rate during 1974 and M'_2, which includes time deposits and large negotiable CD's increased at a 10.7 percent annual rate. The effects of this easier policy on short-term rates was dramatic—as noted in the minority views on House Concurrent Resolution 133. The action this resolution requests has been under way for at least 6 months already.

While the intent of the drafter of the resolution may be sincere, I seriously doubt whether the resolution will have a constructive effect.

M_1—Currency plus demand deposits.

M_2—M_1 plus time deposits at commercial banks other than large negotiable CD's.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, a problem that I have with House Concurrent Resolution 133 is that it rests on a somewhat faulty assumption. The resolution assumes that the Fed can conduct monetary policy in the first half of 1975 so as to lower long-term interest rates. It is, however, highly doubtful that the Fed can achieve this goal. Monetary policy is so fraught with time lags and subject to the influence of other facts that the Fed's ability to control long-term interest rates is at best marginal.

Moreover, it is probable that if the Fed were to attempt to lower long-term interest rates through an increase in the money supply, interest rates would increase rather than decrease. The lowering of interest rates due to an increase in the money supply is only a short-run phenomenon. In the long run an increase in the money supply leads to greater inflation which in turn leads to higher interest rates.

Due to these problems, House Concurrent Resolution 133 only offers us an indirect and probably unproductive solution to our interest rate and credit flow problems. When it comes to the state of the economy, we cannot afford such uncertain solutions. For the past several years we have been forced to bear the ill effects of too many such solutions. It is now time for us to establish economic programs that cut to the heart of our problems.

Work toward lowering interest rates is needed, but it would be better if we now adopted long run programs to fight inflation and excessive fiscal spending. It is these factors more than any others that stand behind our economic problems.

Furthermore, if we are also to work toward lowering unemployment, as House Concurrent Resolution 133 aims, It would be better for us to follow a more vigorous use of direct selective measures rather than rely on the "gray" area of interest rates.

Mr. REUSS. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, I thank the gentleman for yielding.

I do support this legislation. It has been vitally needed for a long time, and I congratulate the distinguished chairman of the committee for his outstanding leadership in this field.

Mr. Chairman, I support the resolution before the House today, House Concurrent Resolution 133, which instructs the Federal Reserve to conduct monetary policy during the first half of 1975 so as to lower long-term interest rates, thereby reducing unemployment and stimulating spending for housing and capital investment. The bill also requires the Federal Reserve to report every 3 months to the House and Senate Banking Committees its progress toward achieving this goal.

There is no question that the excessively high interest rates experienced by the American economy during 1974 and into the first months of 1975 have been a major cause of inflation. Most economists believe that an appropriate increase in the money supply at this immediate time would lead to a substantial increase in economic activity and, therefore, a direct and substantial reduction in unemployment. By placing emphasis on a reduction in long-term interest rates, there will be greater incentive for business to purchase capital equipment and for consumers to commit themselves for purchases of major durable commodities.

It is shocking to examine the growth in the interest burden over the past 5 years. In fiscal 1969, the Nation paid $15.8 billion in Federal debt service, and $4.4 billion in State and local debt service. Businesses paid $30.5 billion in interest on their debt, while private families paid $71.8 billion in mortgage, installment, and other interest. Total interest payments came to $122.5 billion. By fiscal 1974, total interest payments had escalated to a massive $226.4 billion, nearly double the 1969 total. Consumer dollars used to pay interest were not available for food, clothing, housing, transportation, and the thousand-and-one other commodities households need, and business dollars could not finance productive investments or start new businesses.

This resolution is a policy directive by the Congress to its agent, the Federal Reserve, which is clear and precise. By effectuating this monetary policy, the Congress through fiscal policy, as evidenced in its tax legislation this year, will have promulgated complimentary monetary and fiscal policies to rapidly move our economy out of the worst recession we have experienced in recent times.

Mr. Chairman, I want to commend the distinguished chairman of the House Committee on Banking and Currency, Mr. REUSS, for the aggressive manner in which he has moved to meet the problems of high interest rates, a slowdown in housing and the many other problems brought on by inflation. I urge my colleagues to join with me in support of this legislation which I hope will be adopted today.

Mr. REUSS. Mr. Chairman, I now yield 5 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I support the measure presently before us. Nothing has done more to bring about the economic decline from which the Nation suffers than high interest rates. No action we take could do more to reverse the trend of economic deterioration than a steady and consistent policy of reducing interest rates.

The report of the special task force of the Democratic Steering and Policy Committee, which Speaker CARL ALBERT presented on January 14, 1975, called for immediate action to lower interest rates. Here is what the report said:

> A primary cause of the nation's simultaneous suffering from both inflation and recession is the misbegotten and prolonged policy of attempting to halt inflation solely by monetary restrictions and high interest rates. Manifestly this policy has been counterproductive. It has not abated inflation. It has fed its fires, adding an extra layer of cost at every level of the market place. It has contributed cruelly to the massive tide of small business bankruptcies, brought homebuilding to a virtual halt, dipped a heavy hand into the pockets of most American families, added a multi-billion dollar burden to the national budget through increased debt service costs, and actually set in motion a retrogressive redistribution of national income, widening the gap between rich and poor and largely undoing the beneficial results of a decade of costly public programs.

To illustrate that this is not mere rhetoric, I invite your attention to a chart displayed in the well of the chamber. The chart depicts the movement in average interest rates over a period of 50 years—since 1925—and the rate of economic growth reflected in the per capita share of the gross national product as measured in constant dollars.

The one clear and incontestable conclusion from these two historic lines is that interest rates affect the Nation's economic activity profoundly and inversely.

An increase in the interest rate almost invariably triggers a decrease in the economic growth rate which is reflected in the statistics about 6 months later. Conversely, a lowering of interest rates almost invariably stimulates an increase in healthy economic activity.

Clearly, no program to revive the American economy can be effective, whatever else it may do, unless it succeeds in reducing the extortionate levels of interest rates that have been siphon-

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ing away literally billions of dollars of individual buying power, which is the very lifeblood of a healthy economy.

To appreciate the staggering degree to which excessive interest charges have sapped the vital economic juices of this Nation, we need only measure the cancerous dimensions by which this parasitic drag upon the economy has grown in the past 5 years.

In fiscal 1969, the Nation was paying $15.8 billion in Feder l debt service, and $4.4 billion in State and local debt service. Its businesses were paying $30.5 billion in interest on business debts, and its private families were paying $71.8 billion in mortgage, installment, and other interest.

By fiscal 1974, Federal debt service had escalated from $15.8 billion to $28.1 billion, and the debt service charges extracted from local governments had shot up from $4.4 billion to $8.2 billion. The two figures represent $36.3 billion which were paid out in the last fiscal year by American taxpayers in dead weight—tax dollars which did not build a single school or buy a single school book, pave a single mile of road, feed a single meal to a single hungry family, or procure a single weapon for the Nation's defense.

Interest charges drawn from individual Americans on private and business debts, including mortgage and installment loans, grew in these 5 years from a total of $102 billion in 1969 to a total of $190 billion in 1974.

In all, the bite taken from our paychecks by interest charges grew from $122.5 billion in 1969 to $226.4 billion in 1974.

This is $226 billion of our income, most of which was not available to consumers last year to buy food, clothing, housing, transportation, appliances and the thousand and one other commodities and services upon the continued production of which the private economy depends.

In surveying these figures, can we indulge any wonder that the economy has sustained four successive quarters of declining economic growth?

Can there be any serious question why the Federal Government is having trouble balancing its budget, why local governments everywhere are strapped for the necessary resources to provide essential public services, why a young couple no longer can afford to buy a house, why automobile sales have slumped, why massive layoffs have occurred in our major industries, and why unemployment has risen to the most painful level in more than a generation?

It is significant, I think, that even those who oppose this resolution today are at some pains to endorse its objective. They try to rationalize that this is not the best way to do it. Very well, if they do not like this proposal, why have they not come forward with a proposal of their own?

I submit that the trends of economic deterioration will not be reversed until Congress asserts its constitutional responsibility to bring about a sustained downward movement in the rates of interest.

For this reason, I am convinced that there are few things indeed which Congress can do which will be more effective in stimulating a healthy economic recovery than the enactment of this legislation.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague, the gentleman from Texas (Mr. WRIGHT), bringing these figures to our attention, and attempting to explain to the House what a major part of the problem is. My colleague has shown that we, as a Congress, have voted for so much add-on debt each year, by refusing to live within the income that we have, and as a result have caused this huge Federal debt, and which increases the substantial interest charges that the Treasury and ultimately the taxpayers have to pay in order to keep the Federal ship afloat. Congress shares a major part of that responsibility.

Mr. WRIGHT. Mr. Chairman, let me answer the gentleman. I accept my share of that responsibility. I think the gentleman will agree that the reason for the deficit is incontestably the recession. Let me cite these figures:

We, this year, are $28 billion short of anticipated revenue because of the recession, the decline in economic activity. Because of the 8-percent level of unemployment this year we will be committed to paying out some $4.6 billion more in unemployment compensation than had been anticipated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REUSS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ROUSSELOT. Will the gentleman yield further so I might respond?

Mr. WRIGHT. Mr. Chairman, I have not quite finished.

Let me add these figures up:

We are committed to pay out $4.6 billion more than we had expected in unemployment compensation this year because we have 8 percent unemployment. Next year our President says we will have to pay out $12.7 billion in additional unemployment compensation and anticipates that the short fall of anticipated revenues will be $40 billion. Those two figures exceed the total deficit forecast in the Federal budget as submitted by the President.

Let me add one other figure. We are paying out this year $31 billion in interest on the national debt, and next year it will be $34 billion.

If we could reduce the interest rate by 1 percent, only by 1 percent, we would cut the cost of Government by $4.6 billion. And if we could bring those rates back to the level of just 5 years ago 1969, we would cut the cost of the Government by $9 billion. We would be paying $9 billion less this year than we are having to pay out in interest charges.

It seems to me that if we face the facts, we must recognize that the reason for the budget deficit is the economic recession, which reduces revenues and increases the cost of welfare for those who are unfortunate. The only way we can ever realistically hope to balance the budget is to revive the economy—and I will guarantee the gentleman we are not going to have any long-term economic revival until we can bring about a long-term reduction in the level of interest rates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. I thank the gentleman from Pennsylvania for yielding me this time.

Mr. Chairman, this resolution before us today expresses the sentiment of Congress that low interest and high employment are highly desirable. I certainly would agree with that, and, like every other Member of this body, I am sincerely concerned about inflation, high interest rates, and unemployment. Like everyone else, I am looking for solutions.

I am aware of the public's desire for decisive action on the part of Congress to alleviate these problems. There is no question that we here in Congress can have a great impact on both interest rates and employment through bills we pass. But we are considering this resolution today plainly and simply because Congress has been unable to agree on anything in the nature of a constructive economic program,

So what do we do? We seek to camouflage this inactivity on the part of the Congress by sending a note to the Federal Reserve Board.

Stripping away the legal language in the bill, what we are doing, in effect, is sending a message to the Federal Reserve which says:

DEAR FED: Please do something to lower long-term interest rates.

Thank you for your consideration.

Sincerely,

THE CONGRESS OF THE UNITED STATES.

This certainly is a pleasant note, but it does nothing in terms of resolving our problem. First, it has no force and effect in law, and in all probability, therefore, will have no impact on policy.

Second, the resolution completely ignores the major influence of fiscal policy on long-term interest rates. Fighting high interest rates solely through monetary policy would be similar to sending a heavyweight boxer into the championship fight with one hand tied behind him. By ignoring fiscal policy, we may be sacrificing the knockout punch in the long run.

I must express my disagreement with the statement on page 2 of the committee report which says:

There is no question that the excessively high interest rates experienced by the American economy during 1974 and into the first months of 1975 have been a major cause of inflation.

I think it is the other way around. I think inflation has caused the high interest rates. I think the fact that the Federal Government, which fact the gentleman from Texas (Mr. WRIGHT) mentioned, must go into the marketplace to compete with private industry for money—and there really is no competition—thereby siphoning off any credit available to the private sector, has really caused our problems of inflation.

How can the private sector compete in the marketplace with the Federal Government when the Federal Government is offering 90-day Treasury bills for 9.63 percent interest which Treasury did recently.

I was prepared to offer an amendment today which would suggest a solution to problems of high interest rates and unemployment as the gentleman from Texas (Mr. WRIGHT) said we should do. My amendment would have said:

Page 1, strike out "That" and all that follows thereafter through page 2, line 4, and insert in lieu thereof the following:

That it is the sense of Congress that—

(1) the Federal Reserve should conduct monetary policy and the Congress should direct fiscal policy in the first half of 1975 so as to lower long-term interest rates, and thus do their part in promptly and steadily reducing unemployment; and the Federal Reserve shall transmit a report every three months after the effective date of this resolution to the Committee on Banking, Currency and Urban Affairs of the Senate and the Committee on Banking, Currency and Housing of the House of Representatives on its progress toward achieving this goal; and

(2) the expenditures of the Government during each fiscal year, shall not exceed its revenues for such year except—

(A) in time of war declared by the Congress; or

(B) during a period of economic necessity declared by the Congress by a concurrent resolution which has passed each House by the affirmative vote of at least two-thirds of the authorized membership of that House.

As I say, I was prepared to offer that amendment, but on checking with the Parliamentarian my fear was confirmed that the amendment would be ruled not germane.

So I will vote for the resolution today because I agree with its sentiment. But let us make no mistake, this concurrent resolution does nothing constructive and cannot and will not serve as an excuse for this body in its continued inactivity insofar as fiscal policy is concerned.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. GRADISON).

(Mr. GRADISON asked and was given permission to revise and extend his remarks.)

Mr. GRADISON. Mr. Chairman, the goals of lowering long-term interest rates and reducing unemployment are certainly sound goals. Lower long-term rates will help to reduce the cost of homes and of other big-ticket items which are so important to our economy.

There is much that the Federal Reserve can do about the level of short-term rates but in my opinion very little they can do about the long-term rates. These are affected by the lenders' anticipations with regard to inflation as well as by supply and demand relationships in the long-term money markets. Indeed certain long-term interest rates have recently moved up, apparently as a result of the anticipated huge Federal deficits which will have to be financed in the months ahead.

But the one branch of Government which can do the most to hold down long-term interest rates is the Congress through its fiscal policy and other anti-inflationary actions.

It is unfortunate that this resolution is directed to the wrong branch of the Government. And it is ironic that Congress, which has not shown especially great ability over the years in controlling fiscal policy, now wants to run monetary policy as well.

I oppose this measure because it asks the Federal Reserve to do something it cannot do. Second, it misleads the public into thinking that the Federal Reserve, not the Congress, has the greatest power to influence long-term interest rates. Third, it fails to indicate what policy Congress intends to follow with respect to fiscal policy, which Congress controls, to assist in bringing about a lowering of long-term interest rates.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield to the gentleman from Ohio (Mr. ASHBROOK) such time as he may consume.

Mr. ASHBROOK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, today the House is voting on House Concurrent Resolution 133, a resolution that holds forth the promise of lowering interest rates. How ridiculous! Let us stop kidding ourselves as well as the American people.

This resolution is attempting to treat a symptom of a much larger problem. We all know what that problem is. The problem is excessive Federal spending. Unrestrained Federal spending that threatens to destroy the economic fabric of our Nation.

For years the Federal Government has disregarded the fact that some day all the irresponsible spending programs would have to be paid for. That budget deficits could not be allowed to keep growing and growing without any worry. The day of reckoning has finally arrived.

To finance its deficits, the Federal Government is borrowing on a gigantic scale. The result is that $0.60 out of every $1 being borrowed today is by the Federal sector. This huge amount of borrowing drives up interest costs and dries up available money for house mortgages and business expansions.

The answer to this problem is not a high-sounding and nicely worded sense of Congress resolution. What is the answer? We must make substantial cuts in Federal spending. We must begin to balance the budget. Once Government starts to live within its means, interest rates will decline.

Unfortunately, the Congress still seems unwilling to make the hard decisions that are necessary to avert economic catastrophe. Instead, we spend our time passing an essentially meaningless resolution. I warn my colleagues that we cannot afford to postpone our hard decisions much longer.

How ridiculous it is to pass the buck to the Federal Reserve. Congress has simply refused to cut unnecessary spending over the past decade. These profligate policies are catching up with us. We need action, and passing a resolution of this type will not help answer the problem.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I appreciate the fact that the discussion here today probably will not have any genuine and real impact on this Congress. On the basis of our past performance, in dealing with the issues of what causes interest rates to go up; what causes the shortages of money in this country; what causes inflation; we constantly find ourselves in Congress very much in the same position of the political figures in the old newspaper cartoon that appeared in New York many years ago showing the Boss Tweed gang all in a circle, each pointing to the one next to him hoping to avoid responsibility for any scandal. The Democrat controlled Congress has done this for years, always trying to blame the Federal Reserve Board, the President, the recession, and others. Always pointing to someone else rather than looking at our own actions.

Although I know this bill started out as a measure to give tremendous powers to the Federal Reserve Board to allocate credit, this resolution is now quite harmless in that it is only a sense of Congress resolution mandating nothing and hoping for lower interest rates. I suppose this makes Congress feel good by showing that we are "doing our part" to really contribute to better fiscal responsibility and to contribute our helping hand to better monetary policy. Once again, we are kidding ourselves, but we like to talk to ourselves in this way. We refuse to do what economist after economist has told us. It is the constructive sound policy to follow: Live within our normal income.

We year after year force the Federal Treasury, which has such massive presence in the marketplace today, to either finance new or old debt that we require when we attach to every appropriation add-on costs to a bill. We did this just 3 weeks ago. Oh, I know it was very popular to be for "food stamps" because we wish to appear to be for the little people. That is a thesis that is promoted regularly in order to excuse deficit financing. Whether it is true or not that we are truly for "little people" has very little to do with real accountability on our part in causing inflation. We point always to someone else. We are unable to accept any of that responsibility. We point to the Fed, to the President, always to somebody else, never really saying we are just as responsible for this problem. Last year, for instance, to finance the add-on deficit and recycle the old debt, the Federal Treasury was required by our actions—nobody else, our actions—to take 60 percent of the available funding in the marketplace to either refinance old debt or finance Federal debt.

I know that is a very dreary subject. Nobody likes to hear it. Nobody likes to talk about it. We constantly point the finger to somebody else. We do that, giv-

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ing the impression that it is all the Federal Reserve's fault because they tighten up the money supply by allowing only a 2 percent increase in the money supply—sometimes 6 percent. We are going to tie it on to them because of some action they did in the money market and say it is their fault. We are unwilling in the Congress to face the problem we have created by constantly adding on to every single appropriation, every single bill that comes before us, as we did in the $660 million add-on for food stamps.

Instead of trying to abide by the President's wish and not add-on, we come and add on some more and then blame somebody else for the tremendous debt that we now have. Then some in Congress will complain because the Federal Reserve Board will step in and pick up some of that debt.

When, oh when, will this Congress stop postponing the day of accountability relating to inflation by not spending more than our Treasury receives in revenue. You would think we could live on $300 billion per year. This bill does nothing for that problem.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, I find the bill interesting. I have a little trouble. I find it difficult to understand how much more the Fed has to apply here to reduce the long-term debt. Assuming the economy turns up next year, how much again would the Federal Reserve have to expand the money supply to keep the long-term interest rates turning downward to expand the economy?

Mr. ROUSSELOT. There have been some estimates that the add-on deficit this year will be anywhere from $50 billion to $80 billion just this year. That means that the Federal Reserve will be required to pick up some of that, because they will have to buy some of that debt, or they will be asked by the Treasury to buy it. So it will mean an increase in the money supply of 6, 7, or 8 percent—minimum.

Mr. RUPPE. Mr. Chairman, will the gentleman yield further?

Mr. ROUSSELOT. Yes. I am pleased to yield to my colleague from Michigan.

Mr. RUPPE. If we adopt the so-called Muskie plan or other budget that calls for $60 billion to $90 billion deficit, it will rapidly accelerate the money supply. Does the gentleman think for one instant there is any possible hope of getting by without renewing inflation?

Mr. ROUSSELOT. Of course, the answer to the gentleman's question is no. It will accelerate inflation pressures.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ROUSSELOT. Mr. Chairman, the answer is that we, the Congress create that problem. Sooner or later our constituents all over the country are going to find out that we are really one of the major contributors to inflation. We do it right here when we constantly refuse to live within our budget. We constantly spend more than we have. The old thesis that we just owe it to ourselves, that it does not matter, is completely false.

The Treasury has to go borrow that money. They are the ones that drive the interest rates up in the marketplace. By such total presence in the marketplace.

My colleague from Wisconsin complained about a 9¾-percent interest rate for mortgages. Why was that driven up? Because the Treasury has such a massive part in the marketplace to constantly borrow. We cause that problem. Sooner or later the American people are going to catch up with us that we are just playing a shell game with them. We have not lived up to our responsibility.

Congress must do its part by controlling Federal deficit spending which Dr. Arthur Burns, Chairman of the Federal Reserve Board, warned in testimony before our committee may reach $100 billion just for fiscal year 1976 alone. The Federal borrowing in the private money markets which is necessary to finance the Federal deficits is a substantial factor in the upward pressure on interest rates. To continue as we have in the past spending far more than is anticipated in revenues, will choke off prospects for sustained economic recovery.

In considering this resolution, I hope my colleagues will realize that long-term economic stability can only be achieved by a combination of these factors. I strongly urge you to join with me to demonstrate the fiscal responsibility that is necessary to achieve real long-term growth without inflation and the resultant recession.

We hope the join budget control committees, will have to live up to this responsibility and come back to us and say: "Congress live within your means." The taxpayer, the 86 million working people are tired of picking up the tab.

Mr. REUSS. Mr. Chariman, I yield such time as he may require to the gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Mr. Chairman. I rise in support of this resolution. This is a very reasonable resolution which takes a very firm course with the Federal Reserve.

Mr. Chairman, creative compromise is the highest hallmark of legislative accomplishment.

House Concurrent Resolution 133 deserves that hallmark.

On the one hand we have well meaning and well motivated colleagues who say that no legislation is going to work unless the penalty is to put Arthur Burns behind bars if he does not do exactly what Congress says.

On the other hand we have equally well meaning and equally well motivated colleagues who say that if Congress does anything with respect to monetary policy it will interfere with the independence of the Federal Reserve System.

Mr. Chairman, I reject both extremes. Mr. Chairman, House Concurrent Resolution 133 rejects both extremes.

The "do-nothing" or total independence of the Federal Reserve System rejects the constitutional obligation that the Congress and not the executive branch has, as recited in House Concurrent Resolution 133, the power "to coin the money and regulate the value thereof."

On the other hand the "do-everything" proposition would negate the wisdom of the proposition established, I might say by a Democratic Congress and a Democratic administration back in 1913, that a creature of the Congress, subject to overall control of the Congress, but independent of day-to-day control by either the Congress or the executive, and free to a degree from the political pressures to which either branch is subjected, is a better instrumentality to make, day-to-day, the correct monetary decisions which are so often politically unpopular.

The 1913 creation of the Federal Reserve System was a delegation, not an abdication, of the constitutional authority of the Congress "to coin money and regulate the value thereof."

House Concurrent Resolution 133 recognizes both the constitutional mandate and the wisdom of the Congress of 1913.

In blunt terms, my blunt terms, House Concurrent Resolution 133 says we the Congress decided to create the Federal Reserve and give them a very long leash, but and I repeat but, if they stray too far from the will of the people as expressed by their elected representatives we the Congress are going to pull in that leash.

House Concurrent Resolution 133 says to the congressionally created instrument, the Fed, that the people of the United States think that the Fed has its priorities wrong.

The resolution says that, in the short term at least for the first half of 1975, recession, not inflation is our No. 1 enemy and the Fed should act accordingly.

House Concurrent Resolution 133 will not put Arthur Burns behind bars.

On the other hand it does say to the Federal Reserve System—woe betide you if you disregard the legislative branch that created you.

As a proper exercise of constitutional oversight without destruction of the congressional wisdom which created the independence of the Federal Reserve System House Concurrent Resolution 133 deserves your support.

Mr. REUSS. Mr. Chairman, I yield such time as he may require to the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I rise to support House Concurrent Resolution 133 to instruct the Federal Reserve to conduct monetary policy so as to lower long-term interest rates. Long term corporate, municipal, and mortgage rates continue at near record highs. These very high rates have brought the housing construction industry virtually to its knees, saddled local governments with an almost unbearable burden of cost, and made increasingly difficult the placing of corporate bonds at a time when the contracting economy is drying up earnings as a source of investment funds.

This resolution is timely running as it does for the first half of 1975. I would favor extending the time to the end of 1975, but that extension can be arranged later if long term rates remain too high. The economic recession is sliding rapidly toward a depression. Lower long term rates can help reverse this course, stimulate the economy, and restore jobs.

This resolution is fully in accord with law and the spirit of congressional responsibility for the general policies of the Fed Chairman Burns repeatedly has welcomed this kind of general direction from Congress while, properly in my judgment, resisting proposals for interference in the detailed management of the money supply and the banking system. This resolution may not be the toughest one imaginable, but it does speak clearly and goes in the right direction. It is the thing to do now.

Finally very high long term interest rates now at a time of economic trouble—the worst trouble since the war—symbolize a sick economy and signal to people everywhere that government is not doing its job.

As a professional economist myself as well as a Member of this House I strongly urge passage of this resolution.

Mr. REUSS. Mr. Chairman, I yield such time as he may require to the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, I am supporting House Concurrent Resolution 133, a resolution instructing the Federal Reserve to conduct montary policy so as to lower long-term interest rates, not only for the reasons suggested by the committee; to wit: An increase in economic activity and a reduction in unemployment, but also because I believe that higher interest rates, far from being a curb on inflation, actually accentuate the inflationary cycle.

During my recent sojourn in the private world and in the law business, some of my clients were paying as much as 18 percent for their operating capital. Many others were similarly afflicted. There was no way those businesses could absorb this outrageous cost of money. It had to be passed on to the consumer in the cost of the goods and services provided. As this initial price increase moved through the economy, it created the "ripple effect" of which we have heard so much in connection with the President's imposition of an import duty on oil.

I believe that the Congress is thus moving affirmatively to not only stimulate business and employment, but to combat inflation and that this is one of the few devices which can serve these apparently antipodal objectives. The only caveat I have is that caution be used to prevent the outflow of capital to foreign nations. Capital is very fluid and caution must be used, particularly in view of the interdependent nature of the banking structures of the so-called free world.

Mr. REUSS. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, it was my privilege to be one of the House representatives at the 2-day economic summit conference last October. The conference was called by President Ford and brought together hundreds of leaders of business, labor, consumer groups, environmental groups, and the Government. And, of course, conflicting points of view were expressed.

The meeting was referred to as open government, a town meeting on the national level.

The request most frequently made was "ease interest rates" which have caused the housing industry to collapse, down 50 percent from a year ago, and which are making it impossible for industry to expand facilities to produce needed commodities.

Federal Reserve Board Chairman, Arthur Burns, took a beating. Burns stated that interest rates had been reduced somewhat from the July peak and, in his words, "there will be no credit crunch." This came as news to me because I thought we had a credit crunch for the last year.

Our No. 1 priority today should be to secure economic recovery—get the people back to work. In securing this recovery our first need is a supply of credit at reasonable interest rates to make possible the purchase of homes and automobiles and furniture and other commodities. This is an important resolution. It is one that I proud to support.

Mr. REUSS. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. HAYES).

Mr. HAYES of Indiana. Mr. Chairman, I think the point cannot be made too often in this debate, and should be made once again, why a resolution? Why not a statute?

In the committee's deliberations, I was pleased to join with a great many of my Republican colleagues on the committee in substituting language changing the mandatory tone of the statute to the permissive tone, the requesting tone, of the resolution. I was additionally pleased to join with them in reporting that resolution out to the Congress and to this committee for its consideration in order to make it clear that, in fact, we are not asking the Fed to do what it cannot. We are asking the Fed to do what it has begun doing in the midst of the debate started by the theory that Congress has a responsibility and should, in fact, intervene in the processes of the Federal Reserve System.

In addition to that, I was proud to join with the committee in not misleading the public as to what the Congress' responsibility is—in fact, acknowledging that the Federal Reserve System is a creature of legislation, and therefore a creature of this Congress, and that we have begun and intend to continue the process of overlooking its operations; of seeing to it that it executes its responsibilities in the most effective fashion possible.

With that lack of wanting to mislead, that is why we did not, I think, ultimately come to statutory language. As eloquently pointed out on the committee, "Can you put Arthur Burns in jail if he fails to obey the resolution?"

The answer, of course, is no.

"Could you put him in jail if he failed to obey the statute?"

The answer to that is "no."

"What would you do if he failed to obey it?"

The answer to that is, "impeach the President."

"Would the resolution require it?"

The answer to that is, "absolutely not."

So, clearly, I think that we are proceeding within the scope of our responsibilities. I think we have clearly recognized the limitations of handling the Federal Reserve, and I believe it makes eminent sense to come down very firmly and very fairly with the Fed to understand they are cooperating with the stated public policy and the sense of this Congress. I think the American people are going to respond by having new respect for a very degraded Congress which has not looked after the needs of its creatures in the past.

I urge that we support House Concurrent Resolution 133.

Mr. ANNUNZIO. Mr. Chairman, when House Concurrent Resolution 133 was being considered by the Banking and Currency Committee I voted against the resolution, not on the grounds that I was opposed to the sentiment of the resolution but rather that I favored stronger language in general and a bill rather than a resolution in particular.

I favored the stronger language and the bill route out of fear that the Federal Reserve Board, rather than trying to meet the will of the Congress will instead try to crawl through any loophole the Board can find in the resolution.

There is no doubt in my mind that it is the Federal Reserve Board that is mainly responsible for the recession that this country now faces. The Board is charged with establishing monetary policy and it is certainly not adverse to praise when the country faces prosperous times. Why then should the Board not accept criticism when the country is in economic turmoil.

I sincerely hope that the Chairman of the Federal Reserve Board, Dr. Arthur Burns, intends to carry out the directions of the Congress when House Concurrent Resolution 133 passes both Houses of the Congress.

On many occasions Dr. Burns has stated before the Banking and Currency Committee that his agency is a creature of Congress and that it will follow congressional directives. In fact, as is stated in the report accompanying House Concurrent Resolution 133, Dr. Burns in 1971 in testifying before the Domestic Finance Subcommittee of the

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House Committee on Banking and Currency stated:

I have not claimed that the Federal Reserve is independent of the Government. I have recognized not only in the past, but again this very morning that the Federal Reserve is a creature of the Congress, and that it is a servant of the Congress.

I concur with Dr. Burns that the Fed is indeed a creature of the Congress and as such should follow the directives of the Congress. In House Concurrent Resolution 133 the Congress directs the Federal Reserve Board to conduct monetary policy in such a manner as to reduce long-term interest rates. This is a clear directive and hopefully Dr. Burns and the rest of the Board will strive to meet the directive rather than shirk not only the legal responsibility but the moral responsibility to set monetary policy so as to benefit all Americans—not a handful.

I am deeply concerned about the reluctance of some Members of Congress to provide greater direction for the Federal Reserve System. For some unknown reason there is a feeling here by too many Members that the Federal Reserve Board is incapable of making a mistake. Certainly no other agency of the Government is given such a wide latitude in its operations. Yet history has shown that the Federal Reserve System has made many mistakes. Why then should the Congress continue to avoid its constitutional responsibility to provide direction to the Federal Reserve System, since the Constitution provides that the Congress shall have the power to set monetary policy. If we abandon that constitutional right then we have only ourselves to blame when the Fed makes monetary mistakes that threaten the very economic survival of our country.

The resolution before us today is only the mildest form of direction. We should go further. At the very least we must pass this resolution so as to let the Federal Reserve System know that Congress does not endorse the current monetary philosophy of the Board which has brought record high interest rates, record high inflation, record high unemployment, and a record in housing starts. Certainly these are records that must not be continued.

Mr. MAGUIRE. Mr. Chairman, I, of course, share the same goals as other Members of the Congress—reducing interest rates and getting millions of unemployed Americans back to work. House Concurrent Resolution 133 expresses my view that the Federal Reserve Board must act aggressively to expand the money supply in the first half of this year, and I will vote in favor of this resolution today.

However, I voted against House Concurrent Resolution 133 in the Banking and Currency Committee because I did not believe it adequately fulfills its purpose. While the Members of the Congress may agree to the necessity of rapidly expanding the money supply in the next few months, neither the administration nor the Federal Reserve Board seems to join in that consensus. Indeed, administration spokesmen such as Treasury Secretary Simon continue to deny that monetary policy is even a legitimate concern of the Congress.

Thus for the Congress to adopt a concurrent resolution, merely noting that an expansionary policy is "the sense of the Congress," seems to me to be a weak substitute for decisive action. As Floyd M. Riddick points out in "The United States Congress Organization and Procedures," concurrent resolutions "are not binding or of legal effect."

I voted against House Concurrent Resolution 133 in committee because I believe the times demand more decisive and direct action by the Congress against tight money and high interest rates. I therefore, proposed to the committee a bill of binding and legal effect, requiring the Federal Reserve Board to pursue the goals that House Concurrent Resolution 133 only urges the Federal Reserve Board to pursue. My vote against the resolution at that time in no way indicated my disagreement with its goals. I simply believe that House Concurrent Resolution 133 lacks the statutory power it needs to do the job that I and other Members wish it to accomplish. However, I believe it is imperative that we support this resolution as a first step toward the decisive and effective action that we require.

Mr. FRENZEL. Mr. Chairman, I oppose House Concurrent Resolution 133 and will vote against it, because it perpetuates the myth that Federal Reserve Board policy can somehow magically cure our economic ills. Nobody opposes low, or lower, interest rates. On the other hand, no congressional resolution, nor hardly any Fed action can keep interest rates from going up when the infinite spending appetite of the same Congress will cause multibillion borrowings which will inevitably force interest upward. Our deficits for fiscal year 1975 and fiscal year 1976 will surpass $100 billion. How do we keep interest rates down under those conditions?

In a sense, we are, in this resolution laying the blame for something we have caused on somebody else. In my judgment, its an irresponsible resolution, designed to identify a scapegoat.

Congress is a cake-eater. We only like good news and good times. We don't tell it like it is. When conditions are bad, we blame them on Arabs, on oil companies, on big business, or on the Fed. Anybody will do for a scapegoat as long as anybody doesn't have a big block of votes as its friend.

We try to legislate results when we should be legislating processes. We have not got the spine to legislate the processes of budget control, so we have here a resolution calling for a result that we know probably cannot occur, given our other silly spending actions.

I'm for low interest rates. So is the Fed. Now if only we could get the Congress to support, by deed, that which it now supports by lip only, maybe we can get those rates down. I hope so, but I shall vote against this frivolous, but thankfully toothless, resolution.

Ms. ABZUG. Mr. Chairman, although I am voting for House Concurrent Resolution 133, I do so only because it is not possible to vote on a far more preferable measure, H.R. 3160, which would have directed and bound the Federal Reserve Board of Governors to alter its monetary policy so as to lower long-term interest rates and unemployment.

House Concurrent Resolution 133 merely expresses a congressional wish that the Federal Reserve should do this, but fails to require it, as is within the power of this legislature. If this action is to have any effectiveness, therefore, as I sincerely hope it will, it must be backed up by a broad public campaign to acquaint the American people with the major responsibility that the Federal Reserve bears for the exorbitant interest rates that are stifling our economy, forcing up prices, increasing profits, and causing mass layoffs among workers in construction, manufacturing, and other business enterprises and industries.

We have heard dozens of conflicting and unenlightening explanations from the economic experts as to why we are now in the midst of the worst recession and unemployment since the economic crisis of the thirties, with the added feature of continuing inflation. We have even heard joblessness blamed on illegal aliens who come to this country in the hope of finding a decent life, just as our parents, grandparents, and other ancestors did. Turing poor aliens into the scapegoats for a depression that was deliberately created by the economic powers that rule our country represents an attempt to mislead the American people as to where the real problem lies.

Not enough attention has been focused on the role of the Federal Reserve, which operates as an autonomous entity and serves the interests of the commercial banks rather than those of the American people, especially those who are suffering so much as a result of the combined assaults of recession and inflation.

One of the best analyses of the Federal Reserve's role in the present economic crisis has been written by Samuel C. Greenfield, a Wall Street investment adviser and securities analyst. Mr. Greenfield, who has followed the Wall Street scene for 25 years, charges that—

The depression now enveloping our nation was conceived and executed by the Federal Reserve Bank with the aid, first of the Nixon administration, then of its successor, the Ford administration.

Mr. Greenfield points out that tight money was the principal weapon used to create both inflation and depression. Tracing Federal Reserve policy since 1968, Mr. Greenfield notes that—

The screws were tightened in 1974, first during the last days of the Nixon administration and then in the Ford administration. Interest rates shot up; inflation reached 12%. . . . When the year closed, unemployment rose to a 13-year high. The stock market dropped to a 12-year low. The nation was engulfed in a disastrous depression. The 4% inflation rate of 1968 soared to 12%.

As Mr. Greenfield notes, as soon as money is made scarce, interest rates must rise for all borrowers, including the U.S. Government. Higher interest costs are diffused throughout the entire economy until they ultimately reach the consumer.

He continues:

The inflation that ballooned because of higher interest rate charges dwarfs the amount that resulted from the deficit spending to finance the Vietnam War.

Assessing the inflationary impact of higher interest rates by noting the increase in our country's total indebtedness, public and private, from 1967 to 1974—

In 1967 the total public and private debt in the U.S. amounted to 1 trillion 439 billion dollars. By 1974 it had increased to 2 trillion 500 billion dollars. Thus, approximately 1 trillion dollars of debt had been added, all at higher interest rates. Even if we underestimate the increase in interest charges at 3%, we obtain an annual increase in interest costs of 30 billion dollars. This annual increase does not include the billions of dollars borrowed via short-term notes each year at higher interest rates and repaid during the year. Nor does it include the billions of dollars of bonds and mortgages that mature each year which are refinanced at higher interest rates. All that is included in the 30 billion dollars is the annual interest increase due to brand new debt. This 30 billion dollar increase has added a thick layer of inflation onto the relatively small 4% inflation that existed in 1968. The portion of the inflation that should be attributed to deficit spending to finance the Vietnam War was probably less than 2%.

Instead of pouring cold water on a small inflationary fire, the Federal Reserve and the Nixon Administration poured gasoline over it. It should be obvious that tight money is the wrong anti-incendiary to have used.

Mr. Greenfield has made his analysis available to me for inclusion in the CONGRESSIONAL RECORD, and I insert it following my remarks with the hope that it will be carefully studied:

THE MAKING OF A DEPRESSION

Making a depression, even in a country as rich as the United States, is as easy as blowing up a 100-story skyscraper. The former only takes longer and its slow acting dynamite is tight money.

The depression now enveloping our nation was conceived and executed by the Federal Reserve Bank with the aid, first of the Nixon Administration, then of its successor, the Ford Administration.

It took barely six years to change our prosperous nation to its present chaotic state.

Prior to 1968 there was a relatively low rate of inflation, increasing by approximately 1½% annually during the 1958–67 decade. In 1968 the inflation rate increased to 4% due to the deficits incurred financing the Vietnam War. The weapon that the Federal Reserve used to curb this inflation was *tight money.*

MONEY

Inasmuch as tight money was the principal weapon used to create the depression, it is proper to start by discussing money.

An aura of mystery surrounds the study of money. Most people believe they are not capable of understanding it. They assume that the experts know best. Unfortunately, the experts have been following the same mechanical approach, which led to the disaster in the 1929–32 period. Continuing the same philosophy they are driving the nation into another depression.

Stripped of its mystique, money is merely a medium of exchange. Goods were bartered before money was used. The farmer exchanged his crops of corn for the fisherman's catch. This system of barter was satisfactory only so long as communities were small and their needs simple. But, when the economy became complex, money entered the market to facilitate the flow of goods. An equation developed in which Goods and Services=Money=Goods and Services. In essence, money simply represents the intermediary between goods and services, (from raw materials to finished products) that are ready to be exchanged.

HOW IS MONEY CREATED?

An individual buys merchandise and pays money; another sells and receives it. A third goes to the bank and deposits money; another withdraws it. A fifth borrows it. Where does the money come from?

Only the Government can print money in the United States. This important job was delegated by the Congress to the Federal Reserve Bank when it was created in 1913.

HOW MUCH IS AN ADEQUATE SUPPLY?

How does the Federal Reserve know how much money to create any given time? This is a computational problem. The Fed is guided by its experience over a long period of time. It knows the buying and selling habits, probable deposits and withdrawals, economic trends, borrowing needs, and all the economic details involved.

All the pertinent facts are placed into a computer and out comes a number. This is the approximate amount of money that the economy needs to function smoothly in any particular period.

The supply of money must be elastic. At one time more money may be needed; at another time, less. For example, before the Christmas season, retail merchants normally borrow considerably from banks to finance their inventories. This requires an increase in the money supply. After the season, the debts are repaid and the money supply may be safely contracted.

We shall refer to the supply of money discussed above as an adequate supply.

TIGHT AND LOOSE MONEY

Inasmuch as the Federal Reserve can create as much or as little money as it deems necessary, it may at times create less than an adequate supply for a particular span of time. Such an action is referred to as *making money tight.* Tight money operations automatically increase interest rates because demand exceeds supply. The defense of such action is that its purpose is to "cool" the economy, that is, to restrict business activity.

On the other extreme the Federal Reserve system has the power to create an oversupply of money, that is an amount greater than the economic needs of the moment. Such an operation reduces interest rates. This is done to stimulate the economy and is referred to as making money loose.

TIGHT MONEY DANGEROUS

Making money tight, creating a supply that is less than adequate is a dangerous practice. It disrupts and impedes the normal exchange of goods that would otherwise take place in a free competitive market. It constitutes a roadblock to the path of industry, which in turn creates abnormal situations and unnecessary adjustments.

The Federal Reserve Bank should never be permitted to make money tight. Such power should be held only by Congress, which incidentally should exercise it only in a national emergency. Why should such power be held by Congress and not by the Federal Reserve? Congress is an elected body and can be turned out of office if it uses its power unwisely. The Federal Reserve cannot be held accountable to the people in this way.

BUNGLING THE 1929–32 DEPRESSION—TIGHT MONEY

In its effort to manage the economy, the Federal Reserve Bank has at various times made money tight. The first colossal error in its history was its tight money policy during the Big Depression of 1929–32. Economists studying that period have concluded that the Federal Reserve's policies in that period were an important cause behind that frightful disaster.

Even the economists of the First National City Bank, tight money advocates themselves, agree that the actions of the Federal Reserve Bank during that period were less than commendable. Thus the September 1974 issue of First National City Bank's monthly economic letter states:

"The chief point to grasp is that in the 1930s a U.S. recession, induced by monetary restraint, was allowed to get out of hand. When a gust of panic touched off a stampede of withdrawals from U.S. banks, the Federal Reserve clung to its tight-money policy, letting hundreds of banks go to the wall . . .

"The U.S. economy was already depressed, owing to the restraint that the Federal Reserve had applied for more than a year. . . . The Fed's policy—and U.S. bank failures on an epidemic scale—tightened the monetary contraction. And this phase did not end in the United States until 1933, when President Roosevelt decided to float the dollar."

The Monthly Economic Letter does not believe that the colossal error by the Federal Reserve can be repeated.

"No central bank today would—or politically could—repeat the Fed's dismal 1929–32 performance. With this crucial element missing, a catastrophe of the 1930s type is not likely to recur."

It is difficult to agree with the optimistic conclusion of the economists of the First National City Bank. It was the unwise application of tight money that did great harm to the economy in 1929–32. But the Federal Reserve has used the same kind of tight money policy since 1968. The damage now will not be exactly the same as it was then. It will be different and could be greater.

Two significant conclusions may be drawn from the study of the Federal Reserve's tight money policy during the 1929–32 period:

1. The Board of Governors of the Federal Reserve Bank are mere mortals and are therefore liable to make the errors that other humans make. Unfortunately, errors of the Federal Reserve harm the entire nation.

2. In view of the Fed's past errors in applying its tight money policy during the 1929–32 depression, its present tight money policy must be scrutinized wtih a highly critical eye.

The men who determined the Federal Reserve policy in 1929 are different individuals from those who manage it today. What these two sets of men have in common is, however, their fundamental belief that economic problems can be solved by monetary manipulations.

TIME 1968—MONETARY AND FISCAL RESTRAINTS

As previously noted, the inflation, which had experienced a normal rate of increase of 1% to 2% during the previous decade, rose in 1968 to a rate of 4%. The Federal Reserve had tightened the money supply in the early months of 1968, then loosened it when the Johnson Administration passed the 10% Income Tax Surtax (fiscal restraint). The Federal Reserve tightened the supply (monetary restraint) again in December, after the election of President Nixon.

The imposition of these two restraints was favorably received by the Federal Reserve Bank of New York, which predicted in its 1968 Annual Report:

"The combination of fiscal and monetary restraint in effect at the end of 1968 should dampen the economy significantly during 1969."

TIGHT MONEY CONTINUES IN 1969–70—INFLATION WORSENS

The tight money policy did not cure the inflation in 1969. On the contrary, inflation increased by 5.6%. To meet the threat the Fed nonetheless continued to apply restrictive monetary policies throughout 1969. "By the end of 1969, real economic growth had come to a halt," reported the

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Federal Reserve Bank of Richmond, "but inflationary pressures remained strong."

Nor did tight money policy stop the inflation in 1970. It rose by 6.5%. In addition a liquidity crisis developed that year. In June the Penn Central collapsed. This catastrophe so frightened the Federal Reserve officials that they temporarily eased their tight money position. Soon, interest rates moved slightly lower. For example, three-month U.S. Treasury Bills, which had sold at an average rate of 6.7% in 1969 dropped to 6.5% for 1970.

INFLATION DECREASES FOR 1971 AND 1972—A NEW ECONOMIC POLICY

As a result of the restrictive monetary policy of the Federal Reserve Bank, with the aid of the Nixon Administration, the economy continued to deteriorate through mid 1971. On August 15th of that year President Nixon initiated his Wage and Price Controls. The Federal Reserve accommodated the President by easing the money supply. Interest rates dropped, as evidenced by the three-month Treasury Bills, whose average rate in 1971 fell to 4.3% from their previous year's rate of 6.5%. The inflation rate also dropped to 4.3%.

The Federal Reserve's temporary easing of the money supply in support of President Nixon's new pre-election economic policy had miraculous effects. Employment rose., The Dow Jones averages on the New York Stock Exchange crossed the magic 1000 mark in December.

The beautiful honeymoon did not last. After the presidential election in 1972, the Federal Reserve reapplied its tight money policy. Wage and Price Controls were allowed to expire. Inflation, which had dropped sharply during the two pre-election years, zoomed again. "Inflation reemerged again as the paramount economic problem in the United States. . . ." said the 1973 Annual Report of the Federal Reserve Bank of New York. "Against the background of the severe inflation that enveloped the country and the expansive policies of the previous years, the Federal Reserve pursued a policy of active restraint in 1973." Interest rates rose again in 1973; so did the inflation, which increased by 7.8%.

An examination of an eight-year table of interest rates reveals a clear cut, positive correlation between interest and inflation rates. The three-month U.S. Treasury Bills reflect the fluctuations in interest rates.

INTEREST RATES ON 3-MONTH U.S. TREASURY BILLS AND CHANGE IN COST OF LIVING

[In percent]

Year	1967	1968	1969	1970	1971	1972	1973
Interest rates	4.3	5.3	6.7	6.5	4.3	4.1	7.0
Increase in cost of living	2.8	4.2	5.6	6.5	5.0	4.0	7.8

The above table plainly indicates that when interest rates rose, so did inflation; when it fell, inflation likewise dropped. The New Economic Policy, with the cooperation of the Federal Reserve's easing of its monetary policy and the consequent lowering of interest rates before the election as well as the complete reversal of the trend after the election was hardly accidental. The close cooperation of the Administration and the Federal Reserve is obvious. The facts contradict the oft repeated claim that the Federal Reserve operates as a body that is independent of the Administration. It may be expedient for a president to make such a claim at certain times, but it just is not so.

THE 1974 COLLAPSE

The screws were tightened in 1974, first during the last days of the Nixon Administration and then in the Ford Administration. Interest rates shot up; inflation reached 12%. The tight money advocates had finally achieved their long awaited objective: to maintain a tight money market as long as necessary, regardless of the consequences.

When the year closed, unemployment rose to a 13-year high. The stock market dropped to a 12-year low. The nation was engulfed in a disastrous depression. The 4% inflation rate of 1968 soared to 12%.

TIGHT MONEY IS INFLATIONARY

Advocates of the tight money policy expected it to reduce inflation. This is paradoxical, because tight money is itself inflationary. As soon as money is made scarce interest rates must rise for all borrowers, including the U.S. Government. Higher interest costs are diffused throughout the entire economy until they ultimately reach the consumer.

Let us start with short term borrowers such as canners of food, retail merchants, builders, etc., who need money during their active season. Their interest costs were approximately 5%–7% in 1967. Seven years later they had to pay twice that rate. Need we ask who bore the additional interest cost? Of course—the consumer! Let us move on to long term borrowers such as public utilities or realtors who usually borrow billions of dollars for longer periods of time. Mortgage money was available for 5%–6% interest but this rate doubled. Who ultimately must pay the additional cost? *Again the consumer!* The consumer pays and pays and pays. The consumer must pay all increases in interest costs.

INTEREST INCREASE AMOUNTS TO A 30 BILLION DOLLAR INFLATION

The inflation that ballooned because of higher interest rate charges dwarfs the amount that resulted from the deficit spending to finance the Vietnam War.

It is possible to determine the inflationary impact of higher interest rates by noting the increase in our country's total indebtedness, public and private, from 1967 to 1974.

In 1967 the total public and private debt in the U.S. amounted to 1 trillion 439 billion dollars. By 1974 it had increased to 2 trillion 500 billion dollars. Thus, approximately 1 trillion dollars of debt had been added, all at higher interest rates. Even if we underestimate the increase in interest charges at 3%, we obtain *an annual increase in interest costs of 30 billion dollars.* This annual increase does not include the billions of dollars borrowed via short-term notes each year at higher interest rates and repaid during the year. Nor does it include the billions of dollars of bonds and mortgages that mature each year which are refinanced at higher interest rates. All that is included in the 30 billion dollars is the annual interest increase due to brand new debt. This 30 billion dollar increase has added a thick layer of inflation onto the relatively small 4% inflation that existed in 1968. The portion of the inflation that should be attributed to deficit spending to finance the Vietnam War was probably less than 2%.

Instead of pouring cold water on a small inflationary fire, the Federal Reserve and the Nixon Administration poured gasoline over it. It should be obvious that tight money is the wrong anti-incendiary to have used.

HOW STUBBORN CAN THEY BE?

Having failed in their tight money policy so miserably for so long a period of time, we would assume that the "old time religionists" (as the tight money advocates sometimes call themselves) would abandon their position. Unfortunately, this has not been the case since Gerald Ford replaced Richard Nixon as president.

In September 1974 President Ford convoked leaders in business and economists to a conference on inflation. (Depression didn't seem to bother them.) Some economists recommended easing the monetary supply. The very next day, they were contradicted by the President's two most important advisors, Mr. William Simon, the Secretary of the Treasury, and Mr. Alan Greenspan, the Chairman of the Council of Economic Advisors. These leading exponents of tight money reiterated their long standing position that tight money be applied as long as was necessary to break the back of inflation. This theme has been repeated in numerous speeches and statements of Ford administration spokesmen.

STRAIGHT IN THE JAWS OF A DEPRESSION

Thus, the "old time religionists" cling to their belief that this inflation is the result of *too many dollars chasing too few goods.* Starting from this erroneous premise, they arrived at the false conclusion that it was necessary to decrease the too many dollars.

This is no easy task in a middle class country where a large section of the nation possesses trillions of dollars in assets, most of which can, if need be, be turned into cash. The only way to reduce the "oversupply" of money is to create a depression, or to use the Administration's euphemistic word, "recession". The corrollary of this policy is that if unemployment can be increased there will be fewer people with dollars competing for fewer units of goods. Tight money could accomplish this drastic end. And indeed it has already done so. At long last the "old time religionists" have achieved their objective: they have impoverished the country.

WILL PRICES GO DOWN?

Will prices go down? Will the price of automobiles go down because sales have fallen sharply? Of course not! On the contrary, all the auto companies have increased their prices. Will the cost of utilities go down because of lower consumption! Again—no. Utility rates are rising to compensate for reduced consumption. In both instances cited, the unit cost rises when sales fall off. Inasmuch as most large companies operate on a cost plus profit basis, their costs increase when sales fall. Hence to stay in business they must increase prices. There will be some items which will decrease in price because of distress selling and competition. The cost of living should drop. However a decrease in interest rates would however do more to decrease prices than any other economic move. This was achieved in 1971 and 1972 when interest rates were temporarily reduced.

RUSSIAN ROULETTE

When the Secretary of the Treasury, Mr. William Simon said recently, "The slowing of the economy is far less threatening than inflation," he said little to cheer us. The nation need not have faced either threat. The tight money policies of Mr. Simon and his associates, extending over a six year period, unleashed both plagues—inflation and depression.

Inherent in his callous remark is his failure to understand the fragile nature of our credit economy. Our total wealth, from mine and field to finishes product is represented by instruments of credit; from bank deposits through stocks, bonds, letters of credit, etc.

This colossal wealth is no stronger than the prosperity of the nation. The debt structure of 2½ trillion dollars and the equity amounting to more trillions have *value only in a prosperous economy. They are worth little* or *nothing in a depression.*

A depression could easily topple the largest companies, and wipe out billions of dollars of wealth. The losers would include individuals, banks, insurance companies, pension funds, etc. All are interwoven and would collapse, domino fashion. A depression should be unthinkable. Our debt pyramid alone is eight times as large as it was in 1929. A collapse today could be far more devastating than it was during the Big Depression.

NEAR SIGHTED EXPERTS

The tight money advocates have been shortsighted. They never expected a double digit inflation. Nor did they foresee the record withdrawals of deposits from savings banks which resulted from the sudden zooming of interest rates. How did they expect cities, state and even the Federal government to collect taxes when the economy slowed down according to their plan?

As we enter 1975 the full force of the depression is bearing down on the nation. It will disrupt every home. It will create a chain reaction of devastation.

The tight money advocates expected a small recession, just enough to stop the 4% inflation increase of 1968. They thought that an increase in unemployment would be just about enough to reduce prices. Their short sighted policy generated a devastating cyclone.

DOING WHAT COMES NATURALLY

The question may be asked, "Is it not possible that interest rates would have increased even if the Federal Reserve had not acted to tighten money?" There are two answers to this question: First, tight money caused high interest rates, which in turn accelerated the inflation. Without tight money inflation might not have risen nearly as sharply, if at all.

Second, and perhaps more important, tight money caused severe dislocations *too quickly.* The changes took place so rapidly that the closely interwoven parts of our economy had little time to adjust. An industrial economy is a living, breathing, growing entity, all of whose parts become enmeshed one with the other. When changes take place, the parts must adjust or perish. Normally, changes take place slowly, naturally, so that adequate time exists for the adjustment. But, when the "bomb" of tight money was applied over a six year period, chaos had to result. For example, a typical casualty of the "bomb" was the building industry, one of the most important in our nation. The savings banks, usually large lenders, had to cut back on mortgage loans because of record breaking withdrawals by depositors. These depositors withdrew their savings because of soaring interest rates offered elsewhere, as in the bond market. This squeezed the savings banks which had to be liquid enough to meet sudden demands. A gradual adjustment could have taken place had interest rates moved up slowly, over a period of years.

Tight money penetrated every industry. Large basic companies forced smaller customers to shorten the time of their debt payments. The latter ran to the banks for help. The ones who were fortunate enough to obtain loans had to double their cost of such loans at soaring interest rate charges. Many simply could not survive. Others limped along. Borrowing to maintain large inventories became a necessity as the cost of materials both accelerated and came into short supply due to the demand. Now with unemployment rising industry by industry, people are not buying and companies are stuck with large inventories carried at high interest rate charges. Bankruptcies, loss of investments and resulting higher unemployment are some results. There are others.

An economy, like a human being, cannot stand shock. Doing what comes slowly and naturally is better for both.

WHICH CAME FIRST?

One may wonder why the tight money advocates, which include countless brilliant economists, bankers and money managers could cling so tenaciously to a concept that money supply manipulation could solve economic problems. Yet manipulating the money supply has been the practice for many years. Even the most cursory reading of the activity of the Federal Reserve over the past few decades reveals a practice of making money tight and easing it from time to time.

A reasonable explanation comes from the nature of our industrial society. There are real tangible goods, the only things in our economic society, and money (or credit instruments) which are only the means of exchanging goods. In a simple society it would be obvious that real tangible goods came first and money, second. We could not live without the former, but could limp along without the latter.

But, in our artificial state the money managers deal with money, the medium of exchange, and it became quite natural for them to think first of money and, only secondly, of real tangible goods. Slowly, the concept developed that manipulating the money supply could and should influence the flow of economic goods. Thus, a total monetary "religion" developed that placed the money supply in the ascendency. Except during the 1929–32 depression, when the tight money policy was disastrous, the money manipulations during other periods had short-lived adverse effects. Our expanding economy was able to overcome the adverse effects of the manipulations. Not so at this time. From 1968 to 1974, (excepting 1971 and 1972) the destruction was more than our structure could stand.

Restricting the money supply creates a mold into which the flow of goods must conform: which is all wrong. The availability of goods should make the mold, with the money supply easing the flow.

We must get back to our senses quickly to avoid total disaster. Economic goods, merchandise, products, etc., come first and credit instruments only second. *The money supply should always be adequate* for the smooth flow of goods; and not the other way round. Adequate does not mean loose.

UNMAKING THE DEPRESSION

It is easier to create a depression than to correct it. It is difficult to restore the fortunes, the life-savings, that people lost during the six sorrowful years of tight money. The broken homes cannot be mended; nor the suicides brought back to life.

The Ford Administration, Congress and the Federal Reserve can however halt the decline by a series of positive steps:

1. The money supply should be adequate to meet the needs of the nation. The test of adequacy is interest rates. These should be reduced significantly.

2. The building industry should be revived. This can be done by Government loans to banks at moderate interest rates, for mortgage loans.

3. Income taxes should be reduced, especially for those in the lower and middle income tax brackets, i.e., those hardest hit by the inflationary prices.

4. A multi-billion dollar program should be instituted to solve the energy crisis. Tax concessions and subsidies should be given to encourage the extraction of oil from shale and coal among other programs. We are in the midst of an economic energy war and should act swiftly.

5. Subsidies for essentials should be given to reduce the cost of living.

Where will the tens of billions of dollars come from to enact this program? There are two sources:

1. An excess profits tax should be enacted. We will face shortages for a long time and corporations will take unfair advantage of this. An excess profits tax should work as a correction.

2. Reduce the military budget accordingly. A nation is strong only so long as its people are gainfully employed. An impoverished, unemployed nation is weak even if it has the largest military arsenal in the world.

In short, what is needed is to undo the damage of the inflationary tight money policy. Creating a wholesome economy, with full employment, is sound economic policy. It is not inflationary, as the tight money advocates would have us believe. We must learn to use our resources sanely for public consumption rather than for gigantic military hardware. Money that is used to create consumer goods returns to the economy and is purchased by the nation, but military goods leave the economy forever. It re resents total economic waste. Therefore, we should expend our resources in that area sparingly.

If detente has meaning it should be translated into lower military costs. Otherwise, it is a fraud intended only to fool the public into thinking that progress is taking place.

CONCLUSIONS

1 This depression was man made. It did not happen accidentally. It was not caused by an earthquake, crop failure, or natural phenomenon. It was not caused by an oversupply of goods that consumers could not purchase. It should not be blamed on any action of business, labor or consumers. It was caused by the tight money policy of the Federal Reserve Bank.

2. The Federal Reserve Bank should be stripped of the power to create tight money. Its function should be redefined by Congress.

3 Tight money is itself inflationary. It is responsible for a much thicker layer of inflation than the deficits incurred in financing the Vietnam War. It ballooned a 4% inflation into a 12% inflation within a few years.

4. Our nation faces serious problems: shortages, environmental, international, inflation, unemployment, etc. These should be dealt with by Congress.

5. Our huge debt structure is in great danger should a depression take hold. This must be avoided.

6. Federal Government spending should be directed to solve the energy crisis, to stimulate the building industry, to reduce the cost of living and to bring employment and prosperity to the nation. The money should come from the military budget.

7. Last and perhaps most important, there is need for a national educational campaign on the subject of tight money. The experts have made too many important errors. Only an educated public can redirect their thinking. Courses should be conducted all over the nation—in schools, homes, unions, organizations, everywhere. Political leaders should take part. They can no longer leave it to the experts.

The time is now!

Mr. MOAKLEY. Mr. Chairman, in light of the gravity of the present economic situation in the United States, I wish to express my wholehearted support of House Concurrent Resolution 133.

It is the prerogative and the duty of the Congress to set the monetary policy of the United States in order to restore the economic health of our Nation.

House approval of House Concurrent Resolution 133 is merely the first step that must be taken in order to counter our current economic difficulties, especially in the area of unemployment and housing.

This resolution has received favorable consideration of the Committee on Banking, Currency and Housing. The measure declares it to be the sense of the Congress that the Federal Reserve should take action in the first 6 months of 1975 to reduce long-term interest rates for the purpose of reducing unemployment and combating recession.

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I am certain that every Member of this Chamber is greatly disturbed by the increase in the rate of unemployment over the past year. In January 1974, the national unemployment rate was 5.2 percent with 4.6 million persons unemployed. One year later, unemployment has almost doubled. Seven and a half million people are now out of work in the United States. In my own State of Massachusetts, the unemployment rate now totals a staggering 10 percent, not to mention the deplorable housing situation.

In part, the distressing increase in the rise of unemployment and the difficulties encountered in getting decent housing, can be attributed to the tight credit policies established by the Federal Reserve. A significant reduction in long-term interest rates would increase the flow of money into the economy, and give many firms the opportunity to hire additional personnel.

For these reasons, I advocate prompt passage of House Concurrent Resolution 133. At this time I am also calling for stronger measures which would enable the Congress to exercise its constitutional power to regulate the value of money by monitoring the policies of the Federal Reserve. As a creature and agent of the Congress, it is the responsibility of the Federal Reserve to respond to congressional policy directives on matters of the economy.

I urge my colleagues to join with me in seeking stronger and more effective measure to insure a sound monetary and fiscal policy to ease our present economic condition.

Mr. SCHNEEBELI. Mr. Chairman, I have no further requests for time.

Mr. REUSS. Mr. Chairman, I will follow the excellent precedent set by my friend from Pennsylvania. I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H. CON. RES. 133

Resolved by the House of Representatives (the Senate concurring), That the Federal Reserve shall conduct monetary policy in the first half of 1975 so as to lower long-term interest rates, and thus do its part in promptly and steadily reducing unemployment; and shall transmit a report on the first day of each month after the effective date of this Act to the Committee on Banking, Currency and Urban Affairs of the Senate and the Committee on Banking, Currency and Housing of the House of Representatives on its progress toward achieving this goal.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: On the first page, line 2, after "That" insert "it is the sense of Congress that".

On the first page, line 2, strike out "shall" and insert "should".

On the first page, beginning in line 5, strike out "on the first day of each month" and insert "every three months".

On the first page, line 6, strike out "Act" and insert "Resolution".

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. BADILLO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to express my deep disappointment in the measure before us. This concurrent resolution declares it to be the sense of Congress that the Federal Reserve conduct monetary policy in a manner calculated to lower long-term interest rates and reduce unemployment.

To the layman, this may sound impressive. To the initiated, this will spell a copout.

By electing to use the instrument of a concurrent resolution, Congress has, in effect, retreated from action to the realm of pious hope.

Unlike a bill, concurrent resolutions do not carry the force of law. In modern times, the use of this resolution has been largely restricted to the expression of principles, opinions, and reactions to particular propositions. In fact, in a floor debate, on February 28, 1908, it was said that a concurrent resolution is a resolution directed solely to matters within the control of the House and the Senate alone. (Floor debate on International Congress on Tuberculosis, February 28, 1908.)

There is nothing in the measure before us that could obligate the Federal Reserve to pursue the policy Congress describes as desirable. Adoption of it will, therefore, be largely meaningless.

I want to say that I disagree completely with the suggestion of the gentleman from Wisconsin (Mr. REUSS) that this resolution, in any way constitutes, as he put it, "binding advice." I find nothing on page 7, or in any other part of the report, which would indicate that Chairman Burns considers this to be binding advice.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. BADILLO. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Chairman, I thank the gentleman for yielding.

One piece of evidence that Chairman Burns considers this binding advice is that he opposes, as do the rest of the members of the Federal Reserve Board, the concurrent resolution.

Let me say to the gentleman from New York that I, too, want as clear cut and as tough advice to the Fed as is possible. I point out that a concurrent resolution to an executive department does have a binding force.

I refer the gentleman to House Concurrent Resolution 507 of the 93d Congress, in which we expressed the sense of Congress that the President immediately initiate negotiations with the Turkish Government to prevent the resumption of opium production. He did so, and those negotiations proceeded ultimately to a satisfactory conclusion.

I, therefore, suggest to the gentleman that this concurrent resolution has every bit as much force as a bill would have had. The only difference is that in a bill it would have been subject to a veto.

Mr. Chairman, let the legislative history be very clear, that when Congress by concurrent resolution expresses its judgment to the Federal Reserve, it expects that judgment to be observed.

Mr. BADILLO. Mr. Chairman, the fact that the President may have accepted the advice we gave on any given matter does not make it a fact that a concurrent resolution is binding. The reality that Chairman Burns has said he opposes the concurrent resolution only makes it all the more necessary that we take affirmative action.

I want to say to the gentleman that I had intended to introduce an amendment to make this concurrent resolution into a joint resolution, which would have the effect of a bill. That would answer the statement of the gentleman from Texas (Mr. WRIGHT) as to what we would propose as an alternative to the present resolution.

However, I find that the parliamentary situation does not permit me to do this, because the fact is that on all previous occasions when an amendment to a concurrent resolution has been approved, it was only because there was no objection. That is the only reason I am not offering my amendment now.

Mr. REUSS. Mr. Chairman, will the gentleman yield further?

Mr. BADILLO. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Chairman, I think, despite my minor tactical disagreement with the gentleman from New York, that he does a useful thing in taking the well this afternoon, because he makes it crystal clear to the Federal Reserve and to anybody else within sound of the voice of Congress that should anyone attempt a frivolous or capricious attitude concerning what the Congress means, the gentleman from New York will, I take it, be before the Committee on Banking and Currency very shortly with an ironclad, steel-plated law, or whatever he wants to introduce. And I will tell the gentleman now that, while I do not think that will be necessary, he will in that event get a ready hearing.

Mr. BADILLO. Mr. Chairman, I will say to the gentleman from Wisconsin (Mr. Reuss) that my point is that I think the country deserves better of us in this situation. We have a very real and urgent crisis, and the statistics get more depressing day by day.

Nationwide, housing starts are down to 987,000 this January—and anything below 2 million indicates a depressed housing industry. Construction permits issued in New York State are 58 percent below last year's level. Unadjusted unemployment figures for the construction industry are at an all-time high of 22.6 percent—they were 14.1 percent in January of 1974. Overall unemployment has reached 8.2 percent—for minority group members the figure is 13.2 percent. Fully 41.1 percent of minority group teenagers are unable to find jobs. In New York City the official unemployment rate is 10.6 percent, and it is safe to assume that for the District I represent the figure is at least twice as high.

The average cost for new homes has risen to $42,400—they sold for $37,700 last January. Previously occupied homes sell at $35,500—up from $20,800 in January of 1974. Confronted with this situation Congress must act. It cannot confine itself to mildly worded recommendations and expressions of hope.

Mr. Chairman, I had hopes that the clear mandate handed down by the electorate last November would spur Congress to energetic, innovative, and meaningful action. I shall vote for House Concurrent Resolution 133 because of the principles it enunciates, but I am unhappy with its approach and scope. I trust, therefore, that this resolution represents only a beginning and is not meant to constitute the Banking and Currency Committee's response to our economic crisis.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. MAZZOLI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the concurrent resolution (H. Con. Res. 133) to lower interest rates, pursuant to House Resolution 268, he reported the concurrent resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demand on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. REUSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 367, nays 55, not voting 10, as follows:

[Roll No. 38]

YEAS—367

Abdnor	Burke, Mass.	Early
Abzug	Burlison, Mo.	Eckhardt
Adams	Burton, John L.	Edgar
Addabbo	Burton, Phillip	Edwards, Calif.
Alexander	Byron	Ellberg
Ambro	Carney	Emery
Anderson, Calif.	Carr	English
	Carter	Esch
Anderson, Ill.	Casey	Eshleman
Andrews, N. Dak.	Chappell	Evans, Colo.
	Chisholm	Evans, Ind.
Annunzio	Clancy	Evins, Tenn.
Ashley	Clausen, Don H.	Fascell
Aspin		Fenwick
AuCoin	Clay	Fish
Badillo	Cleveland	Fisher
Bafalis	Cochran	Fithian
Baldus	Cohen	Flood
Baucus	Collins, Ill.	Florio
Beard, R.I.	Conlan	Flowers
Bedell	Conte	Foley
Bell	Conyers	Ford, Mich.
Bennett	Corman	Ford, Tenn.
Bergland	Cornell	Forsythe
Bevill	Cotter	Fountain
Biaggi	Coughlin	Fraser
Biester	D'Amours	Frey
Bingham	Daniel, Dan	Fulton
Blanchard	Daniel, Robert W., Jr.	Fuqua
		Gaydos
Blouin	Daniels, Dominick V.	Giaimo
Boggs		Gibbons
Boland	Danielson	Gilman
Bolling	Davis	Ginn
Bonker	de la Garza	Goldwater
Bowen	Delaney	Gonzalez
Brademas	Dellums	Goodling
Breaux	Dent	Grassley
Breckinridge	Derrick	Green
Brinkley	Devine	Gude
Brodhead	Dingell	Guyer
Brooks	Dodd	Hagedorn
Broomfield	Downey	Haley
Brown, Calif.	Downing	Hall
Broyhill	Drinan	Hamilton
Buchanan	Duncan, Oreg.	Hammer-schmidt
Burke, Calif.	Duncan, Tenn.	
Burke, Fla.		
Hanley	Metcalfe	Rousselot
Hannaford	Meyner	Royba.
Hansen	Mezvinsky	Runnels
Harkin	Mikva	Russo
Harrington	Milford	Ryan
Harris	Miller, Calif.	St Germain
Harsha	Miller, Ohio	Sarasin
Hawkins	Mineta	Sarbanes
Hayes, Ind.	Minish	Scheuer
Hays, Ohio	Mink	Schroeder
Hébert	Mitchell, Md.	Sebelius
Hechler, W. Va.	Mitchell, N.Y.	Seiberling
Heckler, Mass.	Moakley	Sharp
Heiner	Moffett	Shipley
Heinz	Mollohan	Shriver
Heftel	Montgomery	Sikes
Henderson	Moore	Simon
Hicks	Moorhead, Calif.	Sisk
Hightower		Skubitz
Hillis	Moorhead, Pa.	Slack
Hinshaw	Morgan	Smith, Iowa
Holland	Mosher	Smith, Nebr.
Holtzman	Moss	Snyder
Horton	Motti	Solarz
Howard	Murphy, Ill.	Spellman
Howe	Murphy, N.Y.	Spence
Hubbard	Murtha	Stanton, J. William
Hughes	Myers, Ind.	
Hungate	Myers, Pa.	Stanton, James V.
Hyde	Natcher	
Ichord	Neal	Stark
Jacobs	Nedzi	Steed
Jarman	Nichols	Stephens
Jenrette	Nix	Stokes
Johnson, Calif.	Nolan	Stratton
Johnson, Pa.	Nowak	Stuckey
Jones, Ala.	Oberstar	Studds
Jones, N.C.	Obey	Symington
Jones, Okla.	O'Brien	Taylor, N.C.
Jones, Tenn.	O'Hara	Teague
Jordan	O'Neill	Thompson
Karth	Ottinger	Thone
Kasten	Passman	Thornton
Kastenmeier	Patman	Traxler
Kazen	Patten	Treen
Kelly	Patterson, Calif.	Tsongas
Keys		Udall
Koch	Pattison, N.Y.	Ullman
Krebs	Pepper	Van Deerlin
LaFalce	Perkins	Vander Veen
Lagomarsino	Peyser	Vanik
Latta	Pickle	Vigorito
Leggett	Pike	Walsh
Lehman	Poage	Wampler
Lent	Pressler	Weaver
Levitas	Preyer	Whalen
Litton	Price	White
Lloyd, Calif.	Pritchard	Whitten
Lloyd, Tenn.	Quie	Wiggins
Long, La.	Quillen	Wilson, Bob
Lott	Railsback	Wilson, Charles H., Calif.
Lujan	Randall	
McCloskey	Rangel	
McCormack	Rees	Wilson, Charles, Tex.
McDade	Regula	
McFall	Reuss	Winn
McHugh	Richmond	Wirth
McKay	Riegle	Wolff
McKinney	Rinaldo	Wright
Macdonald	Risenhoover	Wydler
Madden	Roberts	Wylie
Madigan	Rodino	Yates
Maguire	Roe	Yatron
Mahon	Rogers	Young, Alaska
Mann	Roncallo	Young, Fla.
Mathis	Rooney	Young, Ga.
Matsunaga	Rose	Young, Tex.
Mazzoli	Rosenthal	Zablocki
Meeds	Rostenkowski	Zeferetti
Melcher	Roush	

NAYS—55

Archer	Flynt	Michel
Armstrong	Frenzel	Rhodes
Ashbrook	Gradison	Robinson
Bauman	Hastings	Runpe
Beard, Tenn.	Holt	Satterfield
Brown, Ohio	Hutchinson	Schneebeli
Burgener	Jeffords	Schulze
Burleson, Tex.	Johnson, Colo.	Shuster
Butler	Kemp	Steelman
Cederberg	Ketchum	Steiger, Ariz.
Clawson, Del	Kindness	Steiger, Wis.
Collins, Tex.	Krueger	Sullivan
Conable	Landrum	Talcott
Crane	Long, Md.	Taylor, Mo.
Derwinski	McClory	Vander Jagt
Dickinson	McCollister	Waggonner
du Pont	McDonald	Whitehurst
Erlenborn	McEwen	
Findley	Martin	

NOT VOTING—10

Andrews, N.C.	Brown, Mich.	Edwards, Ala.
Barrett	Diggs	Mills
Santini	Symms	
Staggers	Waxman	

So the concurrent resolution was agreed to.

The Clerk announced the following pairs:

Mr. Diggs with Mr. Mills.
Mr. Staggers with Mr. Edwards of Alabama.
Mr. Barrett with Mr. Brown of Michigan.
Mr. Santini with Mr. Andrews of North Carolina.
Mr. Waxman with Mr. Symms.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. REUSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the concurrent resolution (H. Con. Res. 133) just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERSONAL EXPLANATION

Mr. BECKINRIDGE. Mr. Speaker, on February 27 I was present and voted on rollcall 29. Had the electronic equipment been working I would have been recorded "aye."

Mr. Speaker, I ask that the RECORD so show.

AFL-CIO CALLS FOR CONGRESS TO ACCEPT RESPONSIBILITY FOR MONETARY POLICY

(Mr. PATMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Federal Reserve is one of the primary causes of our current economic troubles and these troubles are going to continue—and worsen—unless the Congress faces up to its responsibility to do something about this agency.

The executive council of the AFL-CIO, on February 21, adopted a seven-point program for congressional action on the Federal Reserve. The AFL-CIO has one of the best economic staffs in Washington and I hope Members of Congress will study these proposals carefully. They deserve immediate consideration.

Mr. Speaker, I am happy to note that the AFL-CIO's statement of policy calls for the Congress to direct the Federal Reserve to reduce interest rates and to allocate credit to areas of greatest need. The statement is also a clear call for Congress to start exercising its oversight functions and to require full scale annual audits by the General Accounting Office.

It is also significant that the statement of policy calls for a reduction in the terms of the Board of Governors and asks that all segments of the economy—including consumers and working people—

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be included in appointments to this agency.

Mr. Speaker, I place in the RECORD a copy of the statement by the AFL-CIO executive council:

STATEMENT BY THE AFL-CIO EXECUTIVE COUNCIL ON THE FEDERAL RESERVE AND THE NATION'S MONETARY POLICY, BAL HARBOUR, FLA., FEBRUARY 21, 1975

For the second time since 1969, the Federal Reserve System under the chairmanship of Dr. Arthur Burns, has brought recession to the American economy and unemployment to millions of workers.

The Federal Reserve's arrogant brinkmanship with the American economy in 1973 and 1974 has resulted in the worst downward spiral since the Great Depression, with no end in sight.

In the name of combatting inflation, the Federal Reserve's money-crunch and ever higher interest rates added to inflationary pressures, brought a depression to the housing industry and mass unemployment.

The Federal Reserve System created by the Congress to be the nation's central bank:

Has utterly failed to serve the needs of the American people for full employment, economic expansion and adequate public facilities and services, while contributing to cycles of boom and bust.

Has been an engine of inflation, with soaring interest costs imposed, directly and indirectly, on consumers, home-buyers, small business, public utilities and government itself.

Has been a major cause of the recession of 1969–1970 and today's disastrous conditions—resulting in the highest unemployment rate in 34 years and huge deficits in the federal budget.

Has discriminated against the extension of needed credit for homebuilding, small business, state and local governments and public utilities. At the same time its discriminatory policies provided substantial amounts of credit for commodity market and land speculation, inventory hoarding and foreign lending.

Has brought the economy to the brink of depression, with spreading bankruptcies of businesses and banks.

This key government agency, whose decisions are a major factor in determining the economic welfare of the American people, continues to operate in relative secrecy and with little accountability to the Congress, which created it.

The time is long overdue to overhaul the structure of the Federal Reserve and its policies—to make them responsive to the needs of the American people. Therefore, we call on the Congress to:

1. Direct the Federal Reserve to reduce short- and long-term interest rates and to allocate available credit for high-priority economic activities. America needs a sufficient expansion of money and credit, at reasonable interest rates, to encourage balanced economic expansion. A substantial portion of available credit should be allocated for such purposes as housing, community facilities and essential capital investment, while the flow of credit should be curbed for such activities as speculation, business takeovers and foreign lending.

2. Establish comprehensive oversight review of the entire Federal Reserve System to bring America's central bank fully into the government structure.

3. Require that the operations of the Federal Reserve System be subject to a yearly audit by the General Accounting Office.

4. Fix the term of the chairman of the Federal Reserve at four years, coincident with that of the President who appoints him. The term of members of the Board of Governors should be cut from 14 years to seven.

5. Abolish the Open Market Committee, the policy arm of the Federal Reserve System—with five of its 12 members not government appointees. Its functions should be absorbed by the Board of Governors whose members are appointed by the President and confirmed by the Senate.

6. Extend membership on the Board of Governors of the Federal Reserve and on the governing and advisory committees of the entire Federal Reserve System, including its 12 district banks, to representation from major groups in the economy, including consumers and organized labor.

7. Require all commercial banks to be participants in the Federal Reserve System.

The Board of Governors should keep the Congress and the public informed with reasonable promptness and with reasonable detail on its major policy decisions and the reasons for arriving at them.

REMARKS FOR INTRODUCTION OF NURSING HOME BILL

(Mr. BEARD of Rhode Island asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. BEARD of Rhode Island. Mr. Speaker, today, I am introducing a nursing home inspection bill in the Congress that is long overdue. During the past few weeks, the Nation has been horrified to learn of the cruel treatment accorded elderly patients in nursing homes. And it would appear that no State is free of the stain of mismanagement, inhuman conditions, outright theft of patients' funds, and manipulation of finance in nursing homes.

I know whereof I speak. As a member of the General Assembly of Rhode Island, I visited nursing homes without getting an invitation and I tell you that what I saw filled me with disgust and, at the same time, with a desire to do something about it. In Rhode Island, I was able to get a measure through the legislature calling for periodic inspection of nursing homes. It is high time, in view of continuing abuses, to see that a Federal law is passed that would properly regulate nursing homes, guarantee the rights of patients, eliminate structural and medical abuses, levy appropriate fines for violations and lead to the proper care of those who cannot care for themselves.

The wonder of it is that many of these nursing homes receive both State and Federal funds and there is no legal instrument by which these nursing homes can be made accountable for many actions in the financial and health care fields. I saw the mother of a friend of mine receiving the same food as all the other patients in a convalescent home despite the fact that she was a severe diabetic! I saw an old woman shackled to her bed at night—shackled! No doctor would authorize such a measure but I learned that the attendant shackled this poor woman just to keep her from moving about at night.

The brother of one of my fellow legislators in Rhode Island did not get breakfast one morning because the staff did not show up. And for 2 days afterward received stale tunafish sandwiches for lunch.

I came upon an elderly lady who prayed every day to die. She prayed to die so that she could be released from the terrible conditions of filth, harassment by personnel, stealing of her personal effects, and harsh discipline because she dared to complain.

It is time for action and the time is right now.

AN INTERVIEW WITH REPRESENTATIVE BARBARA JORDAN OF TEXAS

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, like my other colleagues in the House, I have come to have great admiration for the outstanding service being rendered to Congress and the country by our distinguished colleague, the gentlewoman from Texas, the Honorable BARBARA JORDAN.

I believe that Members of the House will read with considerable interest the interview with Representative JORDAN published in the March 2, 1972, issue of the Washington Star. The text of the interview follows:

JORDAN SEES ROOM FOR COMPROMISE

(Barbara Jordan, Democratic congresswoman from Texas, was interviewed by Washington Star Staff Writer Judy Flander.)

Question: With the Watergate convictions in and the constitutional crisis over, why hasn't the congressional-executive confrontation eased?

JORDAN. I think it would be proper to say that there is still a constitutional crisis, but it has diminished or changed its dimensions since Watergate. In the Watergate era we were confronted with a crisis of the presidency and whether it could survive in the face of overwhelming allegations of abuse on the part of the chief executive. The confrontation which now is developing again is between the President and the Congress, but not so much in the arena of abuse of power as it is in the definition of the roles of the respective branches of the government.

Q: What form does that take?

A: The confrontation which I see developing is one of congressional prerogatives as contrasted with executive prerogatives. Witness the Ford economic energy program and the Congress developing its alternative to the President's program. We have been going down two separate tracks because there are divergences in opinion between the President and the Congress. The Congress sees its role as one of legislation and that the chief executive has the constitutional role to take care to see that the laws enacted by the Congress are, in the words of the Constitution, faithfully executed. So, it is a crisis of a kind, but it is not a crisis which threatens the lifeblood of the republic. I think there will be some convergence and some coming together and compromise.

Q: Unlike in Watergate?

A: In the Watergate era, the kind of crisis we confronted did not allow room for compromise, because you cannot compromise on criminality. You cannot compromise on abuse of power. You cannot compromise on gross intrusions into the civil rights and liberties of people on the part of the chief executive. But in the confrontation now developing, there is room for compromise, room to negotiate, and I feel ultimately there will be a coming together in the best sense of the workings of balance of power and separation of power.

Q: Do you think that Congress has regained much ground in this battle?

A: I think that without a doubt, Congress is regaining a bit of its constitutional prerogative. We were worried about the extraordinary amount of funds appropriated by the Congress which were impounded by Mr. Nixon. We were concerned about the conduct of wars around the world and the participation of the United States in those wars without any input by the Congress. So what did we do? We passed the Budget Control Act which is now being tested and I believe it will work. When it comes into full effect next year, I think the President will see that the Congress does have a responsibility and a responsiveness fiscally which he can trust. And we passed the War Powers Act, which disallows the President any opportunity to go into any area of the world with aid of this country in a war which has had no input on the part of the Congress. Congress has said on more than one occasion that it is going to have a voice in the direction of the foreign policy of this country. Witness, the resolution which ended in the cutoff of aid to Turkey without any discernible progress in the Greek-Cypriot-Turkish conflict. Congress said, "We're going to have something to say about that. We believe that the Turkish people are violating the laws of the United States and, consequently, because they have violated the Military Sales Act or that provision of the law of the United States which says that we can not furnish arms to a country for purposes of aggression." We said, "We will cut off their money." Congress has reasserted its powers and I think we will see more and more of this kind of developing responsibility and consciousness on the part of Congress.

Q. What happens, though, when the economy sours and the administration moves to slash legislated social programs?

A: Let me simply say this: even though there is this primary concern with the economy, we have not abandoned the social service type programs. The congressional program which has been developed as an alternative to the President's program includes Social Security provisions which must continue to develop and be enacted in spite of this preoccupation with economic problems. In the Congressional alternative program, public service jobs are called for. This, of course, will help women, minority people, unemployed people. We have not lost sight of that. Also, understand that the President has recommended that any growth in new spending programs be held at 5 percent. But the Congress is not going to go along with that—the Congress is not going to approve that. And when it comes to programs which have a social impact, the Congress is not going to abandon those programs. We're going to enact them, we're going to appropriate the money, we're going to see that they operate in an effective manner in conjunction with the designed legislative intent of the Congress. These social service type programs, which many of us have been interested in for quite some time, will continue to grow and to develop under the aegis of the legislative process as they have always developed.

Q. Aren't the minorities and, to an extent, women caught in the middle?

A: The rights of minorities certainly are coming in for their share of extraordinary impact as the results of the economic problems we now experience. Right now, the primary focus of the government—the President and Congress—is on the economy. Whenever you see that sort of concentration of interest, concentration of focus, suffice it to say that the Congress and the President do not turn attention to the problems of minority group people, whether we're talking about blacks or women. And of course, some dispute that women are a minority, since we are in fact a majority in terms of census count. There is an unwillingness on the part of the government to turn its interest away from what seems to be the focal point of concern to deal with the problems which affect minority people.

Q: Can a government do both in times like these?

A: There are those of us, however, who cannot afford to lose sight of this erosion of the rights of minority people because that remains important to the survival of a democratic republic. Equality across the board. We can't forget that there are black people in this country who are absolutely remaining in the basement of the society in America. We must focus on the fact that there are women in this country who continue to be discriminated against in job opportunites and promotional opportunities within given corporations or industries. So, I would say that the problems of the economy have had an adverse affect on the attention which is paid to the rights of minorities. I would think again that if the economy begins to move in a positive direction that we will again be able to focus more of our concern on the problems of civil rights, minority group rights, women's rights.

Q: Have you found that being a woman and a black has, in effect, broadened your constituency and your responsibility?

A: I would say that being a woman, a black, and a member of Congress has enlarged my constituency beyond any dream I had of how large my constituency would become. I receive mail from all over the country. Not just from women and blacks, but from everybody, it seems, who wants to get something off their chest. It enhances, of course, my responsibility as well as my workload to have these kinds of demands. Black people everywhere feel that when you're a black and a member of a representative body of the government, you represent them, no matter whether they live in your particularized constituency. Women take a sense of pride in the women who are members of representative bodies of the government and feel that they are represented. Consequently, you develop a response to a larger community, much larger than the 465,000 people who reside in your congressional district. And I don't think this is bad. It's representative government, it's a democratic republic, it's a way of governing which is, to certain people, the right to speak for other groups of people. And when we run for office and get elected, we say to this enlarged constituency, "I want that right." So we accept it.

THE NEED FOR RECOMPUTATION LEGISLATION

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITEHURST. Mr. Speaker, since the very beginning of my service in Congress, I have sponsored recomputation legislation, and the passage of an equitable recomputation bill remains a top priority for me.

On February 25, 1975, I introduced H.R. 3705, which provides for immediate and continuing recomputation for retired members of the military who served on active duty or in an active status before the recomputation law was rescinded in 1958. I believe that this bill is the best means to rectify the Government's serious breach of faith with military retirees when the method of computing retired pay was changed in 1958. However, I also recognize the current overriding need to reduce Federal spending in an effort to control the rampant inflation which is such a heavy burden upon millions of Americans, particularly the retired elderly living on fixed incomes. Consequently, on January 14 of this year, I cosponsored H.R. 1169, authored by Congressman BOB WILSON, the ranking minority member and my distinguished colleague on the Armed Services Committee. Mr. WILSON's bill is a compromise proposal, forged in the light of the economic realities of the military budget. Basically, the legislation would provide for a one-time recomputation of retired pay, based on the rates of military pay in effect on January 1, 1972. Any future increase in retired pay would be based on the Consumer Price Index.

While I continue to believe that the approach represented by H.R. 3705 is the most equitable, I recognize the fact that politics is the art of the possible, and we must focus on legislation that has a good prospect for passage and still can provide effective relief for the military retirees. The Wilson bill has demonstrated the support necessary for enactment into law. A very similar bill has passed the Senate on three occasions, and Congressman WILSON already has a number of cosponsors for H.R. 1169. In addition, I believe that the bill would provide relief to the retirees most in need. Disabled retirees with a rating of 30 percent or more would receive immediate recomputation, as would those over age 60. Other retirees would receive recomputation upon reaching age 60, based on the January 1, 1972, pay scales.

In my judgment, the most compelling argument in favor of recomputation is that the Government broke faith with our military retirees when the method of computing retired pay was changed in 1958 and again in 1963—not only for future retirees, but retroactively for those already retired. For nearly a century, recomputation had been an accepted fact of life. While military pay raises were few and far between, the active duty military man knew that he had a partial hedge against inflation in his retirement years. Each time active duty pay was increased, his retired pay would go up by the same percentage.

It is my understanding that Congressman WILSON's proposal has the endorsement of the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans. With this broad public support and the support already evidenced in the Congress, I am confident that a sound recomputation bill can be signed into law in the near future. I urge my colleagues to act as soon as possible, in order that the inequity against retired military personnel can be corrected without further delay.

A BILL TO HONOR JOHN C. KLUCZYNSKI

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, I have today introduced legislation which would name the recently completed Federal building at 230 Dearborn Street in Chicago after the late Hon. JOHN C. KLUCZYNSKI.

I was joined in the introduction of this bill not only by ROBERT JONES, chairman

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of the House Public Works and Transportation Committee and WILLIAM HARSHA, ranking minority member of that committee, but I am pleased to say by all of the following Members of my own Illinois congressional delegation: Mr. ANNUNZIO, Mrs. COLLINS of Illinois, Mr. CRANE, Mr. DERWINSKI, Mr. FINDLEY, Mr. HALL, Mr. HYDE, Mr. MCCLORY, Mr. MADIGAN, Mr. METCALF, Mr. MICHEL, Mr. MIKVA, Mr. MURPHY of Illinois, Mr. O'BRIEN, Mr. PRICE, Mr. RAILSBACK, Mr. RUSSO, Mr. SHIPLEY, Mr. SIMON, and Mr. YATES.

I am confident that with support of this magnitude, we will be able to quickly enact this well-deserved legislation.

As you know, our good friend and colleague, JOHN C. KLUCZYNSKI served on the House Public Works Committee for 24 years. He rose to become chairman of the Transportation Subcommittee and in that post oversaw the construction of most of the Interstate Highway System.

I can think of no more fitting a tribute to a man who spent his entire congressional life building for a better America.

For the information of my colleagues, I am inserting the text of my legislation:

H.R. 4241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal office building at 230 South Dearborn Street, Chicago, Illinois, shall hereafter be known and designated as the "John C. Kluczynski Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the John C. Kluczynski Federal Building.

A TRIBUTE TO JOHN C. KLUCZYNSKI

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 60 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, 1 month ago, I, together with the majority leader and the chairman of the Public Works and Transportation Committee, was present in Chicago at the funeral of JOHN C. KLUCZYNSKI.

Many other Members, most of whom are present here today, were also in Chicago representing the Congress. I was pleased that some of my colleagues who knew KLU had the opportunity to see where he lived and worked.

Since his passing, countless colleagues have related to me their own personal reminiscences of their relationships with KLU, and I have become increasingly aware of the respect and admiration in which this man was held.

I am pleased to be joined by so many of my colleagues today to pay tribute to JOHNNY KLU. I am impressed, but I do not know if KLU would be. He was philosophical about life and death.

The trappings of Congress, which so often affect so many of us, never seemed to have touched KLU. Although he reached the heights of greatness, he was basically a very simple man. For 24 years, his warmth touched everyone in this Chamber. It is a drearier place without him.

JOHN C. KLUCZYNSKI was an outstanding legislator; a facet of his accomplishments to which I am sure many of you will speak this afternoon. Through his Public Works Committee, he was able to touch the lives of all Americans.

His life was a shining example of the spirit of this great country. Born a butcher's son on the southwest side of Chicago, he served his country in Europe during World War I and afterward, returned to Chicago's southwest side to run a restaurant and catering service. His public life began in 1932 when he was elected to the first of eight exemplary terms in the Illinois General Assembly. Although elected to the Illinois State Senate in 1948, KLU resigned his seat in 1949 to seek election to the U.S. Congress from the Fifth District of Illinois. KLU served for 24 years on the Public Works Committee, the last 10 years of which he spent as the powerful chairman of the Transportation Subcommittee.

In that post, he watched over and directed the construction of most of the Interstate Highway System.

JOHNNY KLU was also a member of the House Select Committee on Small Business. He was chairman of the small business problems and smaller towns and urban areas subcommittee of the newly established Small Business Committee. He also chaired the House Restaurant Committee.

I am here because JOHNNY KLU was my friend. If he had not been a Member of Congress, I would probably be doing this same thing somewhere else.

As his friend, I am this afternoon introducing, together with the chairman and ranking minority member of the Public Works and Transportation Committee, and practically the entire Illinois Congressional Delegation, legislation to designate the Federal Office Building at 230 South Dearborn Street in Chicago as the "JOHN C. KLUCZYNSKI Federal Building."

It seems such a little thing to do for a man who had so much to do with Federal construction in this country. The fact that this Federal building happens to be located in the heart of downtown Chicago would particularly impress JOHNNY KLU, for it was Chicago that he loved and never really left.

At this point in the RECORD, I insert two newspaper accounts of the life and work of my dear friend, JOHN C. KLUCZYNSKI:

REP. KLUCZYNSKI DEAD AT 78

U.S. Rep. John C. Kluczynski, a Chicago butcher's son who rose to become chairman of the House Public Works subcommittee on transportation, died late Sunday of heart failure in his Southwest Side home. He was 78.

Rep. Kluczynski, a Democrat, served 24 years in the House, and was dean of the Chicago congressional delegation. As chairman of the transportation subcommittee formerly roads subcommittee, he watched over the construction of most of the interstate highway system, and in 1973, was a key figure in breaking loose expressway money for urban mass transit projects.

His position in the House gave him enormous power over public works spending which he used consistently in support of the Crosstown Expressway and to bring over $1 billion to Chicago's Calumet Harbor reconstruction. But he was often a hidden presence, boasting, "I never introduced a bill I didn't know would pass."

Rep. Kluczynski died during a regular weekend visit to his home. The House adjourned early Monday out of respect to his memory.

Mayor Daley, a longtime friend and constituent, said, "Our nation has lost an outstanding congressman. Our city has lost a great Polish-American leader and I have lost a very dear friend."

Daley said in a statement issued at City Hall that the congressman exemplified "the best in American citizenship . . . who contributed his time and effort for the betterment of the lives of the people of our neighborhoods, for Chicago and for our country."

Rep. Kluczynski's wake will begin at 6 p.m. Tuesday in the Fortuna Bros. Funeral Home, 4401 S. Kedzie. Services will be held Thursday morning at St. Pancratius Church, 4025 S. Sacramento, and burial in Resurrection Cemetery. Exact times had not been arranged.

In addition to the Public Works Committee, Rep. Kluczynski was a member of the Select House Committee on Small Business and the select committee to run the House restaurant, an assignment he relished from his days as operator of the old Syrena Restaurant in Chicago.

Rep. Kluczynski was born above his father's butchershop in 1896. He served with the 8th Field Artillery in Europe during World War I and returned to the Southwest Side to run a restaurant and catering service.

He got his start in politics by bringing Chicago Poles into the Democratic Party. His office was a tavern he then owned at 50th and Hermitage.

In 1924, he made his first run for public office, a seat in the Illinois House of Representatives, and lost. By 1932, he was elected to the first of eight terms in the state House. In 1948, he was elected to the state Senate, but resigned when he won his first election to the U.S. House in 1950.

Rep. Kluczynski was long a protector of the interstate highway trust fund, burying in his committee all bills to siphon off its highway taxes. Under pressure from Daley and Chicago delegation, however, he dropped his opposition in February, 1973, and the legislation to "break" the trust fund for use on mass transit passed soon after.

Rep. Kluczynski is survived by his widow Stephanie Estelle, and two brothers, Illinois Supreme Court Justice Thomas E. Kluczynski, and Joseph Kluczynski, who works for the Cook County Board of Election Commissioners.

LAWMAKER KLUCZYNSKI DIES AT 78

Rep. John C. Kluczynski (D-Ill.), who had represented the Southwest Side in Congress since 1950, died Sunday in his home here. He was 78.

Mr. Kluczynski, one of the most powerful members of the Illinois congressional delegation, died of what aides said was apparently a massive heart attack.

Mr. Kluczynski had not been ill and had made his usual weekend flight to Chicago from Washington Friday, aides said. However, he was stricken with a high fever Saturday, they said.

Mr. Kluczynski was a brother of Illinois Supreme Court Justice Thomas E. Kluczynski.

Mr. Kluczynski was chairman of the transportation subcommittee of the House Public Works Committee and, in that post, exerted considerable influence over highway and mass transit legislation. The subcommittee was formerly called the public roads subcommittee.

Mr. Kluczynski was proud of what he had done for Chicago. He used his subcommittee chairmanship to obtain funds for the Chicago-era expressway system.

He was a close friend of Mayor Richard J. Daley, who said: "Our nation has lost an outstanding congressman. Our city has lost a great Polish-American leader. And I have lost a very dear friend."

Mr. Kluczynski was elected to his 13th two-year term in the House last November and was not expected to seek office again.

One of the mayor's sons, state Sen. Richard M. Daley (D-Chicago), a Loop attorney, has repeatedly been mentioned as a possible successor, according to political sources.

Gov. Dan Walker must set a date for a special election.

The House adjourned Monday out of respect to Mr. Kluczynski after authorizing creation of a special committee to attend funeral services. House Speaker Carl Albert said the members of the funeral delegation will be named Tuesday.

Albert praised Mr. Kluczynski as "one of the most popular men in the House, always in good humor, respected by everybody."

Several other members, led by Rep. Melvin Price, Democratic dean of the Illinois congressional delegation, joined in the tributes to Mr. Kluczynski.

He also wielded power to win money for dredging the Calumet River and for major improvements in the St. Lawrence Seaway, which has been helpful to Chicago's economy.

He and members of his family operated the Syrena Restaurant at 4276 S. Archer for many years. The restaurant closed a few years ago.

Mr. Kluczynski was a member of the House Select Committee on Small Business. He was also a member of the House Subcommittee on Public Works and Grounds and was second ranking member of the full House Public Works Committee.

Edward Pinzak, the congressman's administrative assistant, said Mr. Kluczynski came down with "a high fever" on Saturday and the fever continued Sunday.

"We got some medication for him. He refused any doctor's help," Pinzak said. "He was afraid that if we called a doctor he would put him in the hospital."

Mr. Kluczynski died about 10:30 p.m. Sunday. He got out of bed to get a drink of water and collapsed in his bedroom, Pinzak said.

"The doctor said that he had apparently suffered a massive heart attack," Pinzak said.

The congressman would have been 79 on Feb. 15.

He was first elected as a state representative in 1932 and re-elected seven consecutive times, serving 16 years. In 1948, he was elected to the Illinois Senate for a four-year term, but resigned in December, 1949, to run for Congress.

He was elected to the 82d Congress in November, 1950, and had been re-elected every two years since then.

Mr. Kluczynski first ran for office as a Democrat in 1924, but was defeated. His first successful campaign came eight years later when he was elected to the Legislature.

He was born and raised in the 5th Congressional District that he represented.

He is survived by his second wife, Estelle, who was present when he suffered his fatal attack. His first wife, Mary, died after only 1½ years of marriage.

Other survivors include another brother, Joseph, an employe of the Chicago Board of Election Commissioners. The congressman and his wife had no children.

Funeral arrangements were pending at the Fortuna Funeral Home, 4401 S. Kedzie.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the distinguished gentleman from Alabama.

Mr. JONES of Alabama. Mr. Speaker, this House and the people of America whom he served so well and for so long have suffered a loss beyond measure in the passing of our good friend, Congressman JOHN KLUCZYNSKI.

From the day he entered the Illinois House of Representatives in 1932 until his untimely death on January 26th of this year, "Mr. KLU" devoted himself unsparingly to the service of his people and the building of his country.

This great gentleman from Chicago served in this body for 24 years, and each of us who shared his company has been enriched by the depth and the warmth of his friendship.

Through all those years, I was privileged to have JOHN at my side on the Committee on Public Works, and I have never ceased to marvel at his unfailing good humor, the wisdom of his counsel, and the determination and understanding he brought to his legislative service.

JOHN KLUCZYNSKI's contributions to his native city of Chicago, to his State, and to his country were many and great—far too many to recite in this time and place. But one in particular stands out: first as a Member and then as chairman of our Subcommittee on Roads—later to become the Subcommittee on Transportation—he was the driving force behind one of the greatest public works in the entire history of man—the construction of the Interstate Highway System which today links the cities and towns of America.

JOHN was not spared to see the completion of that system, but thanks to his untiring efforts it will be completed in the not far distant future. And it will stand as a monument to him.

Because of his exceptional contributions to the building of America, I have joined with all my colleagues on the House Public Works and Transportation Committee in sponsoring legislation to designate the Federal office building at 230 South Dearborn Street in Chicago, Illinois, as the "John C. Kluczynski Federal Building."

To the Members of this body, young or old, he was always "Mr. KLU" or "JOHNNY KLU", the smiling gentleman with the big cigar and the cheerful word. He was one of a kind. He was my friend and he will be long remembered.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. I am very grateful to my colleague, the gentleman from Illinois (Mr. ROSTENKOWSKI) for yielding and for taking this time to honor our old pal "KLU." "KLU" was a great man among us And now he is gone. I rise on this occasion to join my colleagues in paying a special tribute to "KLU", whose tragic and untimely passing has left an irreplacable void in this House.

I know we were all saddened, we who were so deeply fond of him and so close to him for so many years. "KLU" was one of my closest and dearest friends. Possessed with a pugnacious spirit, keen political insight and a delightful sense of humor, "KLU" was one of the hardest working Members this Congress has ever had.

Many a night I spend with him in the favorite pastime of playing a little cards together, be it gin or poker, in which so many Members of the House participated in years gone by. "Big KLU," when he lost a pot at the end of an evening, would always laugh and say, "Send me more money, Mother, they can't bluff me." He had a delightful sense of humor. One of the greatest stories they tell about "KLU" was when he went down to the White House one day while Harry Truman was President, and Mr. Truman said, "KLU, how is everything in Chicago?"

And KLU said, "Just the same, Mr. President."

Mr. Truman said, "What do you mean?"

KLU said, "Well, the Polish get the votes and the Irish get the jobs."

At the Fortuna Funeral Home, in Chicago, Ill., on January 30, 1975, DANNY ROSTENKOWSKI gave what I thought was one of the most deeply moving eulogies I had ever heard. It was absolutely beautiful.

Those of us who were his close friends in Congress had a smile on our faces as DAN delivered that funeral oration, because it said farewell to KLU in just the way he would have wanted.

Mr. Speaker, I include at this point the eulogy to which I make reference. I also include and commend to my colleagues the homily delivered by Rev. Peter Dunne:

EULOGY OF THE LATE HONORABLE JOHN C. KLUCZYNSKI DELIVERED BY CONGRESSMAN DAN ROSTENKOWSKI

Today, we gather, not to mourn a passing, but rather, to commemorate a life. For it is the life of the man that has linked us all . . . his passing is but the circumstance of our coming together.

It was a life that was full, was warm and touched each of us fortunate enough to come in contact with it.

In his life, John Kluczynski was a leader . . . he was a builder . . . but, above all, he was a human being. His years in public life were characterized by achievement . . . but more importantly, they were characterized by a warmth and a sense of pride.

Yes, pride. John Kluczynski was the proudest person I ever knew. He was proud of his humble beginnings.

While he was proud of his 25 years in Congress, and his 17 years in the State Legislature, he was equally as proud of his work as a youth in the stockyards near his home.

Though courted in Washington as an influential Legislator, he always remained a "back of the yards man" at heart.

As his friends assemble here this morning, it would be easy to trace the record of his accomplishments . . . it would be easy, but it would hardly capture the spirit of the man. Rather, I want to remember him for his warmth and his humor. For they accompanied him wherever he went.

His body chemistry was a true reflection of the man himself. I don't know how many times I heard him say, "give me anything

for dessert . . . but make it fattening and sweet."

In fact, whenever you had a problem, if you sat down to eat with Klu . . . you didn't have the problem when you got up.

Even when Washington was beset with tension and uncertainties, Johnny Klu was always the one who could find the good in the darkest day.

In the later years, when time had made its mark on his physical stature, his mental alertness never dimmed. His walk might have slowed, but never his pace. And most certainly, his mind was keen, and his wit, as sharp as ever.

It was a well known fact that John loved his cards. I see many of his favorite companions here today.

What John took to the card table was not a love of gambling, but rather a love for the solid friendships that these games came to represent.

Through these games, Klu developed relationships with some of the most dominant men of our times. He associated not only with Speakers of the House, but with Presidents of the United States . . . but he never lost a sense of who he was.

Though during his years in Congress, he was strongly committed to the creation of many new national programs, he would never let his views conflict with what he believed to be the greater good of his community. He worked side-by-side with his constituent, and good friend, Mayor Daley, in developing programs that would aid Chicago and other cities. I know that during this work, there were many people who disagreed with John Kluczynski on one project or another. But, to a man, they found him fair.

In fact, just yesterday, I spoke with a reporter who had long opposed many of John's views on transportation. "Dan," he said, "While I disagreed strongly with him at times, I never met a nicer guy in public life.

In his private life, he was as devoted to his wife, Estelle, as Beverly, Eddie and Eleanor—and the rest of his staff—were devoted to him.

In a sense, Johnny Klu has always been close to heaven. In his 25 years in Congress, he must have spent several weeks in the air between Washington and Chicago. I joined him on that trip countless times—much to my dismay. For, when Klu was on a plane, it was impossible for anyone else to get service. His many friends on the airlines were so devoted to him, and took such great care of him, that he virtually had the entire plane to himself.

And who will ever forget his inevitable response to the question, "Hey, Klu, When are you going to get in shape?"

"Get in shape?"

"I am in shape," he would retort. . .

"In fact, I've hired four guys who are right now jogging around the block for me."

This was John Kluczynski.

Many of you in this church today, have seen for the first time, the place that Johnny Klu called home.

As you know, John returned here every weekend—a hectic pace that burnt out some men only half his age. But, until the end, he kept his weekly commitment to his community and to its people.

Thus, as we come here together—and it is impressive to note all of those who have come—it is fitting that we gather in this—his neighborhood.

25 years in Washington did nothing to change his perspective. Johnny Klu was never one who forgot his roots. As was once said of Abraham Lincoln, "He knew from whence he came—but more importantly, he never forgot it."

Lincoln himself captured much of the same sentiment when he said, "I like to see a man proud of the place in which he lives . . . I like to see a man live in it so his place will be proud of him." Johnny Klu . . . all of us in Chicago are proud of you. All of us shall miss you.

May God speed you to your eternal rest.

HOMILY DELIVERED ON THE OCCASION OF THE FUNERAL OF REPRESENTATIVE JOHN KLUCZYNSKI, BY REV. PETER F. DUNNE

May I extend once again not only my personal condolences and sympathy to Estelle, Joe and Justice Tom, but also those of His Eminence Cardinal Cody, Bishop Abramowicz, and the many public officials and friends present here in church today.

All of us have our cherished memories of Congressman Kluczynski. During these last few days, after hearing of his death, my memory went back to a time some six or seven years ago when I took a group of a hundred or so of my eighth grade boys and girls to Washington—I might add at the onset that they were not from his district. Shortly before leaving I asked the Congressman one day over at Syrena's Restaurant: "John, would you show my kids around when they're down there?" He was delighted.

He met them in the Rotunda of the Capitol and spent two hours with them. He spoke to them about what a great country this is, about the greatness of its institutions, about how he, a poor boy from Chicago's South Side, with little formal education could rise to such a position in its government, to serve its people for so long a time. But what stands out so clearly in my mind was not only the ease and relaxed way he was with those boys and girls, but even more, how they felt completely at home with him.

And that is how we all remember Klu. If you looked deep into the soul of this man, you knew him to be simple, humble, down to earth. The papers have called him a powerful figure in the United States Congress, the grandfather of the Expressway System which was 99% completed during his twenty-four years in Congress. But we remember him as just plain Johnny Klu who never took himself too seriously and could always poke some fun at himself.

Whether you talk to the men who served with him and with whom he worked, or whether you talk to the people of the district, they are unanimous in tell you that Johnny Klu was a man whose door was always open, whose word was his bond. There's an old saying that "you can always take the boy out of the neighborhood, but you can't take the neighborhood out of the boy." John left the neighborhood and went on to do some great things for this country, but he always carried the neighborhood and the values that he learned here with him in his heart. That is why I think the words of this morning's Gospel are so appropriate, "Father, Lord of heaven and earth, to You I offer praise, for what You have hidden from the learned and the clever, You have revealed to mere children."

Klu was not one to quote poetry. But well could he have appropriated the words of Edgar Guest as his own, at the end of his life:

"I'd like to think when life is done
That I had filled a needed post
That here and there I'd paid my fare
With more than idle talk and boast
That I have taken Gifts Divine,
The breath of life and manhood fine
And tried to use them now and then
In service to my fellow men."

With no trace of "idle talk" and little boasting, he used the "breath of life" in service with his fellow man. And isn't that what life is all about—to use to the best of your ability the talents that God has given you, to bestow upon your fellow man a little joy, a little love? And now the yoke and burden of life has been lifted from his shoulders. The Good Master has called him home.

Often when we'd get together to celebrate a birthday or a wedding anniversary, Klu would get a great kick out of me singing: "Sto lat, sto lat niech zyje zyje nam"—"May you live a hundred years." He would shake his head in feigned disgust and say: "Look at that, Father Pete Dunne singing Polish songs! The only way you can get ahead of these Irish is to walk in front of them."

Now may we express another wish and prayer on behalf of all who are here, the great and small of every race, national region, and religious belief—Nie Janek No Wieki. Amen. Johnny Klu, may you live now, not for a hundred years, but may you live forever. Amen.

Mr. Speaker, whether JOHNNY KLU was helping a colleague on a public works job, whether he was looking for a project for his own district, whether he was insisting on pension benefits or asking for something to be done for a House restaurant employee, or whether he was fighting for mass transit for Chicago and other urban areas across the Nation, he had the reputation of knowing how to get things done.

KLU had a style that was all his own. I think probably the greatest asset the man had was that he loved every human being, and every human being actually knew that KLU was that type of guy. I would have to assess KLU as the most popular man I have seen in my 20 years in Congress.

He was a big, friendly, outgoing individual. As I said, he had a style of his own.

Mr. Speaker, politics is the art of the possible, and KLU understood that, in my opinion, better than any other Member in this Chamber. He knew how to get things done, and he could get action out of any committee in the House. When you had a friend like KLU on your side, you really had something going for you.

I will miss him. From the day I arrived in Congress we were very close, personal friends. That friendship ripened and grew over 20 years. Probably the gentleman from Massachusetts, EDDIE BOLAND, and I spent more time socially with KLU than any other Members. I will miss his astute political counsel, his keen sense of humor that often eased tense situations, and most of all, I will miss his close personal friendship.

What more does one say about a fellow like that, a fellow who is gone now and who really enjoyed life to its fullest?

Mrs. O'Neill joins me in expressing our deep sympathy to his lovely wife, Estelle; to his brother, Judge Tom Kluczynski; and his brother, Joe.

KLU was our pal, and we will always have fond memories of a deep and lasting friendship. May God always be with him.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield

Mr. ROSTENKOWSKI. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, JOHN KLUCYNSKI was, above all else, a great human being.

On Capitol Hill he was affectionately known as "Big KLU." His nickname was given in a sense of affection, with the utmost respect, and was a measure of the man he was.

I know him as a great chairman of the Transportation Subcommittee of which I am proud to be a member. In his leadership role, he symbolized fairness to the members of his subcommittee.

He gave equal consideration to all. He was equally responsive and understanding to the needs and goals of urban areas, suburban areas, and rural areas.

The transportation systems we are building today will stand as living monuments to our beloved JOHNNIE KLU.

He was a man who always got things done and got them done well. He has always embodied and exemplified the Congress and the tradition of legislative accomplishment.

He was forthright and eloquent in his belief in our system of government and the American way of life. His death saddened all who knew him and reminds us how profoundly we will miss his counsel and his wisdom.

KLU had a special way with people. Through talent, energy, and sheer genius he won the admiration of his professional and personal associates. All those around him benefited from his presence.

JOHN KLUCYNSKI was an outstanding and great man not only because he excelled in his profession of public service, but also because he constantly worked to raise the standard for others to follow.

He served the Congress and his constituents with commitments and devotion. I shall personally miss him, his humility, and his honesty. He leaves a void we all feel.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, I thank the gentleman for yielding.

It is with a deep sense of loss that I remember our distinguished, beloved colleague, JOHN C. KLUCZYNSKI.

As has been indicated by the majority leader, the gentleman from Massachusetts (Mr. O'NEILL) and I came to the 83d Congress together some 23 years ago. One of the first Members whom we met was Mr. KLUCZYNSKI. His office was right across the way from mine. I was a freshman—at the time both the gentleman from Massachusetts (Mr. O'NEILL) and I were—and no one was kinder to us and no one gave us more help and showed us the intricacies of the House of Representatives better than did Mr. KLUCZYNSKI.

Mr. Speaker, I am delighted that the distinguished Member from Chicago has permitted the eulogy that he delivered at the funeral parlor to be inserted in the RECORD by the majority leader. I can think of no words that better depict or characterize Mr. KLUCZYNSKI than that really magnificent, beautiful funeral oration. All of us remember it so well, and I commend it to the attention of all the Members of the House.

I commend as well the beautiful eulogy that was delivered in "KLU'S" church by one of his longtime and close friends in the priesthood, Rev. Peter Dunne.

JOHNNY KLU, as has been said here, and it will be said by others, was one of the kindest persons I have ever known. His smile was rarely known to have been missing from his very wide and magnificient face. He was one of those unique individuals who, like Will Rogers, never met a man he did not like. He topped off his outlook on life by being a truly generous human being; and even beyond this he was a magnificent legislator. He was a tremendous credit to the city of Chicago. He was a credit to the House of Representatives and also to the Polish-Americans whom he represented so well and of whom he was intensely proud.

Mr. Speaker, with the others, I express my sympathy to his gracious and devoted wife, Estelle, and to his brother, Judge Tom Kluczynski, and his brother, Joe. We will always remember him as a wonderful friend, as a distinguished legislator, and as a great American.

Thank you very much.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Speaker, it was my honor and my privilege to serve with JOHN KLUCZYNSKI for 4 years on the Public Works Committee and to work with him in his duties as chairman of its Transportation Subcommittee. He was always a cooperative, friendly, and helpful chairman and colleague.

I particularly remember the time he called on me to go to Chicago on a Saturday of a busy weekend so he could hold hearings on the subway system and the problems of mass transit in his tremendous city in feeding hundreds of thousands of people into the Loop and back home each day. We did spend all of that Saturday studying these problems, and it was a joy to work with. JOHN KLUCZYNSKI and Mayor Daley that day.

JOHN was a good Congressman, a good citizen, a good husband, and a good colleague. He set an excellent example for the thousands whose life he touched. He is missed.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, those of us in this Congress who knew JOHN KLUCZYNSKI, and particularly those on the Committee on Public Works, came to appreciate him as a warm and generous spirit, a man deeply dedicated to the good of his native land, a man whose unfailing good humor never could be disrupted.

Almost everywhere one looks in this country, one can see the handwork of JOHN KLUCZYNSKI. In the ribbons of concrete that convey our Nation's food and fiber and people to and fro across this broad land, and in the waters that flow, clear and sparking, in the streams, one can see the results of his legislative handiwork.

JOHN KLUCZYNSKI frequently said that the Committee on Public Works is not a Democratic committee nor a Republican committee; it is, he said, an American committee.

Chicago was his home, and Chicago was his love, but there will always be a bit of him in each of us who knew him. May we invoke in years to come, when tried by temper, the never-failing good spirit of JOHN KLUCZYNSKI, whom I never heard utter an unkind word about any person.

It is with humility and a sense of gratitude for having had the rich pleasure of knowing him that I join the gentleman from Illinois (Mr. ROSTENKOWSKI) in his special order today.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I am happy to yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Speaker, I, too, want to commend our colleague in the well, the gentleman from Illinois (Mr. ROSTENKOWSKI), for his action in introducing legislation to name a building as a tribute to Mr. KLUCZYNSKI.

It was my privilege to serve on the Committee on Small Business with JOHN KLUCZYNSKI. Small business never had a better friend and never will have a better friend than JOHN. We can still hear his remarks that we have nothing against big business, we just want small business to become bigger. He loved the mom-and-pop-type operations, and he could understand in human terms the problems that were brought before our committee.

I believe we all recall the Democratic Convention of 1964 when we received invitations to come by his restaurant. JOHN was still operating the Cyrena Restaurant on the south side of Chicago, and we all received nice little printed notes to come to the restaurant and to make it our home. We were there as his guests. Order anything we liked and just before leaving the restaurant, stop by the door and pay for it. This was Mr. KLU.

In a more serious vein one of the small business hearings that I attended pertained to a study on coal gasification, in Chicago, and he was deeply interested in this problem, and that was some 4 or 5 years before anyone began to realize how bad our need would be.

Also in his service in the House restaurant, that, too, is well known, and our wives speak in glowing terms of how KLU could handle the very difficult matters that came before this committee, in a gracious way.

I remember at the luncheons that many times he would order a big piece of pie, and have ice cream put on it. Somebody would say, "You have got to stop that. You have got to push that kind of stuff away." He said, "The guys who pushed it away, I have been acting as their pallbearers for some 20 years." He was always in good humor, as others have noted. He also apparently enjoyed a good card game, and he was known to have said that he liked to play with lawyers, because they thought too much. So,

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I suspect that he was as successful in that as he was in other areas.

JOHN KLUCZYNSKI made a great contribution to the House of Representatives and, this Nation.

Mr. ROSTENKOWSKI. Mr. Speaker, I now yield to the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, I appreciate the gentleman's yielding.

I want to make a few comments with reference to Congressman JOHN KLUCZYNSKI. I served with him on the Committee on Public Works for some 12 years. He was one of the most amazing people I have ever known. As the gentleman from Texas (Mr. WRIGHT) said, I never heard him say anything bad about anybody. He could find some way to say something good in the toughest situation.

I also want to thank the gentleman in the well, Mr. ROSTENKOWSKI, for the great eulogy that he gave at the funeral service in Chicago.

We are all going to miss "Big KLU". He was a great man; he was a great human being; and he was one of the finest men I have known.

Mr. ALBERT. Mr. Speaker, I join with my colleagues in expressing a deep sense of loss at the passing of a dedicated Member of the House and a true friend, the Honorable JOHN C. KLUCZYNSKI, of the Fifth Congressional District of Illinois. The death of this wonderful man marked the passing of one of the most beloved men to have served in this Chamber in my time.

His was a long and devoted career in the service of his State, this House, and his country. He was elected to the Illinois Legislature in 1932, where he served ably for 16 years. He then served a term in the Illinois Senate until his election to the House of Representatives in the 82d Congress. Thereafter, he was re-elected to each succeeding Congress. He rose to the position of ranking member of the Public Works Committee and was a significant contributor to the legislation which gave the Nation its network of interstate highways. He evinced strong qualities of leadership as chairman of the Committee on Public Works' Subcommittee on Transportation. He also made important contributions to the Nation's economic well-being as a member of the Small Business Committee, whose Subcommittee on Metropolitan and Rural Areas he chaired.

But no mere recital of offices won, committee posts held, and bills labored upon, can adequately describe his impact on the legislative process at both the State and National level. He was an effective legislator because he won the respect and affection of his colleagues, who always were aware that his genial ways accompanied an informed dedication to the public interest and to the legislative tasks at hand.

His lifetime of public service has now closed and we mourn his absence among us. To his beloved widow, Estelle, to his brother, Thomas, a judge of the Illinois Supreme Court, to the other members of his family, and to all who knew JOHN KLUCZYNSKI and cherished his friendship, I extend my deepest sympathies.

Mr. HORTON. Mr. Speaker, I wish to join with my fellow House members in paying tribute to our late colleague, JOHN C. KLUCZYNSKI. All of us had great affection for JOHNNY KLU and we shall deeply miss him as a friend and able legislator.

I had the honor of serving as ranking minority member for many years on the Small Business Subcommittee on Small Towns and Urban Areas. JOHN chaired that subcommittee and I came to know him as one of the finest and most compassionate man ever to serve in the House. He was a man of strong convictions and his devotion to public service was unequaled. There can be no doubt that JOHN KLUCZYNSKI was the best friend small business ever had in Congress and his leadership is a tragic loss.

Mr. Speaker, I extend my deepest sympathy to JOHN'S wife Stephanie and his fine family.

Mr. CRANE. Mr. Speaker, I join my colleagues in paying tribute to JOHN KLUCZYNSKI, or JOHNNY KLU as so many of us referred to him, with a feeling of deep sorrow and regret. While he started his career in Congress long before I started mine, I came to know him and respect him as a warm, friendly, dedicated public servant who contributed a great deal to the city of Chicago, the State of Illinois, and the Nation.

Indeed, JOHNNY KLU dedicated a lifetime to serving the people of Chicago. He served in the Illinois State House of Representatives for 17 years beginning in 1933. Then, in 1950, he was elected to the U.S. House of Representatives, and for the next 24 years he served with distinction. In the 93d Congress he was the third ranking member on the Public Works Committee and the second ranking member on the Select Committee on Small Business. As a member of the Public Works Subcommittee, JOHNNY KLU made a big contribution to the development of the Nation's highway system; as a restaurant owner, he also was able to bring special insight into his Small Business Committee assignments. But, no matter how difficult the assignment, JOHNNY KLU always had time to extend the hand of friendship and I, for one, will always remember that.

Certainly JOHNNY KLUCZYNSKI will be missed around here and my heartfelt sympathy goes out to the members of his family. However, looking back on his 41 years of public service, they can be proud of his accomplishments and devotion to service.

Mr. GINN. Mr. Speaker, when Congressman JOHN KLUCZYNSKI passed away recently, I felt a personal loss aside from losing a colleague from among the Members of the House. I had the opportunity of serving with JOHN KLUCZYNSKI on the Public Works Committee and was close to this kind and congenial man.

JOHN had served in the House for over 24 years and had been a Congressman's Congressman. He was born and raised in the Fifth Congressional District of Illinois that he represented. His birthplace was above his father's butcher shop. Upon completion of his service in the First World War, he returned to Chicago to become involved in a family restaurant business. After serving as a local Representative and Senator, he was elected to the U.S. House of Representatives.

He served his nation well by watching over the construction of the Interstate Highway System, the largest public works project in the world. He also used his position as the chairman of the Transportation Subcommittee to help his urban constituency by breaking loose expressway money for urban mass transit projects.

Mr. KLU will be truly missed by more than just his colleagues on the Public Works Committee and in the full House. Americans have lost a friend who was concerned about the betterment of the lives of people of this Nation. The citizens of the Fifth District of Illinois have lost a native son who loved the southwest side of Chicago because it was home and because the residents were his neighbors. I extend my personal sympathy to his wife and family, his staff, and his constituency.

Mr. MORGAN. Mr. Speaker, JOHN KLUCZYNSKI'S death leaves a great void in this Chamber, and I know that all of my colleagues in the House of Representatives share my grief over JOHN'S passing.

JOHN spent his entire lifetime in public service. He was elected to the Illinois State Legislature in 1932, serving 16 consecutive years, and elected to the State senate in 1948. Beginning with the 82d Congress, he served on Capitol Hill, bringing his great wit, charm, and knowledge of governmental affairs to the House. His service on the Committee on Public Works, Small Business, and the House Restaurant was distinguished by the hard work which he brought to these efforts.

Mr. Speaker, Mrs. Morgan and I extend our sympathies to the friends and family of JOHN KLUCZYNSKI. We shall all miss him.

Mr. McFALL. Mr. Speaker, I want to join in the tribute to our good friend and departed colleague, JOHN KLUCZYNSKI, who represented his district in Chicago in this House for 24 years.

JOHN had been a good friend of mine since the 1950's when we served together on the Public Works Committee. It was always a pleasure to work with him. He was one of the most congenial Members of the House, and he was known for his good humor as well as his ability.

He was devoted to the people of his district, and Chicago has lost a great advocate in the Congress. His long political career began in the Depression and New Deal year of 1932 when he was elected to the Illinois State Legislature. He served for 16 years and then was elected to the State senate, resigning a year later to campaign for Congress.

As a youth, JOHN KLUCZYNSKI worked in the Chicago stockyards. He knew what it was like to labor for a living. In World War I, JOHN served with the Army's artillery in France. He knew war first hand and knew the personal price that patriotism demands. The years following the war saw JOHN establish a flourishing restaurant business, excel in Illinois politics, and win his congressional seat in 1950.

During the years in the House of Representatives, JOHN contributed much to the work of the Congress. As chairman of the Transportation Subcommittee of the Public Works Committee, JOHN had a major influence on the highway system of the country. He had a continuing concern for the St. Lawrence Seaway and was instrumental in its development and improvement. The seaway's benefits have extended not only to the Great Lakes region but to our entire national economy. The House itself benefited from JOHN'S restaurant experience when he took over the chairmanship of the Select Committee on the House Restaurant.

JOHN KLUCZYNSKI'S life represented best in the American tradition. He was an American of Polish descent, and he was proud of it. He was born and raised in the Chicago district he represented, and he was proud of it. He was a Democrat to the very end, and he was proud of it. He was an all-American Congressman, and he was proud of it.

I count myself fortunate to have had the opportunity to know JOHN KLUCZYNSKI and to work with him and to call him my friend. I mourn his passing, and I extend to his wife and family my deepest sympathy.

Mr. WON PAT. Mr. Speaker, I am proud to have this opportunity to join with my colleagues in the Congress to memorialize our late friend and colleague, Representative JOHN KLUCZYNSKI of Illinois.

During my years in Washington as Guam's Representative and as Guam's Congressman I grew to appreciate Representative KLUCZYNSKI'S wisdom and knowledge of the Congress. Representative KLUCZYNSKI came to the Congress in 1950, the same year that the Guam Organic Act was passed. During his service in the Congress, Representative KLUCZYNSKI saw Guam often come to the Congress for additional assistance, and consequently he grew to understand and appreciate our island's needs. I am proud to state that he was one of the Representatives in the 92d Congress who voted for the Guam-Virgin Islands elected delegate bill which created my seat in the House of Representatives.

I know that JOHN KLUCZYNSKI will be sorely missed by his fellow Democrats in the House and by all Members whatever their party affiliation. He was a good American and an outstanding Representative who provided his constituents with the best possible representation in the Congress. It was a pleasure to have served with a man of this caliber and I welcome this opportunity to express my deep regret, and that of my fellow Americans in Guam, to Representative KLUCZYNSKI'S family at his passing. Thank you.

Mr. SMITH of Iowa. Mr. Speaker, I want to join my colleagues today in paying tribute to our distinguished colleague from Illinois, JOHN KLUCZYNSKI.

He served with great distinction in the House of Representatives for many years and was one of the best known Members of this body. He had a long and distinguished career both in public service and in private business and discussions with him readily indicated the value of these great experiences.

It would be repetitious to cite the many, many instances in which he made great contributions to the product of this legislative body. Indeed, the Nation suffers with the loss of such a man and I extend my deepest sympathy to his loved ones who will miss him as he will also be missed in this House.

Mr. ADDABBO. Mr. Speaker, I join with my colleagues in expressing my sympathy and condolences to the family of our departed friend JOHN KLUCZYNSKI.

JOHN was a good friend to all of us and he served his constituents and the Nation with honor and distinction for 25 years. We shall miss him grievously.

There are those who serve among us who impress us with their skill and their knowledge but few men in this body can claim from his colleagues the affection and the respect that KLU received from his peers. His accomplishments, of course, were many, but the essence of respect went to the man rather than the deeds.

He was a man who served with dignity but whose sense of humor never deserted him. Whether his barbs were aimed at himself, as they frequently were, or at those of us who began to take ourselves a bit too seriously, they were always pertinent and, more importantly, were always funny.

There is not a man or woman serving here today who did not carry away a healthier outlook on life after 5 or 10 minutes in KLU'S company. And how many people from around America who visited the Nation's Capitol first became acquainted with the deliciousness of Polish sausages which found their way into the House Restaurant as soon as KLU became chairman of the House Restaurant Committee? The Polish sausages, while excellent, were only one example of KLU'S continuing demonstration of pride in his Polish heritage. Through him, all of us learned again the lesson that people from all backgrounds and nationalities have much to offer if we will only welcome them warmly into our midst. KLU was a living and breathing example of what a good man is all about.

Thankfully, JOHN KLUCZYNSKI lived a long and full life, surrounded by those who loved him and took from him a sense of deep pleasure in life itself. He was a good man, and that is an epitaph worthy of anyone by itself, but he was also a delight to all who were touched by him, and that is exceptional. We are the poorer for his passing.

Mr. DERWINSKI. Mr. Speaker, I personally felt a deep sense of loss on learning of the death of JOHN KLUCZYNSKI, and I know that my feeling is shared by our colleagues on both sides of the aisle.

"KLU," as he was familiarly known by all of us, was an extremely effective Member of Congress. KLU had a great grasp of his congressional duties and responsibilities, and he did much of his work behind the scenes putting together effective legislation. I always marveled over his intimate knowledge of the details of all the bills before his committees and over his legislative expertise.

KLU'S congressional district was adjacent to mine for 16 years, and we often worked together to solve common problems. He labored tirelessly for the welfare of the people of his congressional district which he served so well and for the good of all of the people of the United States. In the truest sense, he ably represented his people. He will be missed by the people of Illinois, but especially by those in the city of Chicago.

At all times KLU was courteous, accommodating, warmhearted and a gentleman. He was one of the best friends I have had in all my years in the Congress. I shall always cherish his sprightly wit, tireless energy, and genuine willingness to extend the warm hand of friendship. On many occasions I was the benefactor of his experience and wise counsel.

Mr. Speaker, Mrs. Derwinski joins me in expressing our most deep and heartfelt sympathy to the family and friends of JOHN KLUCZYNSKI.

Mr. HELSTOSKI. Mr. Speaker, it was with a great deal of sadness that I learned of the death of one of the most popular Members of the House, Congressman JOHN KLUCZYNSKI.

During his many distinguished years of service in the House, Congressman KLUCZYNSKI provided the people of the Fifth Congressional District of Illinois with outstanding legislative representation and excellent constituent service.

Elected to the House in 1950, Congressman KLUCZYNSKI made many important legislative contributions during his 25 years of service. He was widely recognized as an authority on roads and highways and distinguished himself through his work as chairman of the House Public Works Subcommittee on Transportation.

Mr. Speaker, it also was my personal privilege to work with Mr. KLUCZYNSKI on a variety of matters relating to Polish-American cultural activities, and his work in this area was characterized by a deep sense of pride and a sincere interest in the heritage of all American people.

I know that my colleagues will agree with me when I say that the House has lost one of its outstanding Members, and I would like to take this opportunity to extend my deepest sympathy to his family.

Mr. LUJAN. Mr. Speaker, I wish to express my feeling of personal loss over the death of my friend and colleague JOHN KLUCZYNSKI, or as many of us affectionately knew him, "BIG KLU."

I had the pleasure of serving on the Select Committee on Small Business with BIG KLU. He was subcommittee chairman of that committee and in that capacity he demonstrated a personal feeling for the small businessman of this country. And during hearings held in my home State of New Mexico, BIG KLU showed an understanding for the problems of the small businessman that few people have ever shown.

When bureaucracy and small businessman clashed, BIG KLU always championed the little guy. He would keep the

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hounds of the bureaucracy at bay, as it were, so that the small businessman could survive.

He and I also stood toegther in the battle to save the funds of the Federal Highway Aid Act when there were those who would have raided that act to give funds to mass transit. But BIG KLU stood steadfast as a watchdog for the act and I admire his courage and principle for doing so.

We in the House have lost a valuable partner and friend with the passing of BIG KLU. And the Nation has lost a fine champion of the little guy.

Mr. DE LA GARZA. Mr. Speaker, the Honorable JOHN C. KLUCZYNSKI was a friend of mine and a friend of the south Texas district I represent here.

JOHNNY KLU had a genius for friendship. He was a man who often gave the impression of bubbling with good will toward his fellowman. He was a jolly companion, always considerate, always mindful of the problems of his colleagues.

When I entered the House 10 years ago, he already had completed 7 terms of service here. I will never forget his kindness toward this freshman Member. He was a dedicated, constructive member of this body and represented his district ably.

I miss him sorely, and I know my feeling is widely shared.

Mr. GAYDOS. Mr. Speaker, I join my colleagues in paying tribute to our good friend and colleague, JOHN C. KLUCZYNSKI, whose untimely death leaves us so deeply grieved.

"KLU," as he was affectionately known by all of us, was a man of great understanding and compassion. His ready smile and affable manner was a source of inspiration to us all. I particularly will remember him for the many hours he spent with me after sessions and shared his vast experience as a legislator serving the best interests of his constituents as well as the people of the United States.

"KLU" commenced life in humble circumstances. Born of Polish parents, he worked as a youth in the Chicago stockyards. In World War I, he served overseas with the 8th Field Artillery.

He began his public career in 1932, when he was elected to the Illinois State legislature, and he spent the next 43 years in public service, including 25 years in the Congress of the United States. As a Member of the House Committee on Public Works, and chairman of the Subcommittee on Transportation, his strong and diligent efforts were instrumental in making the interstate highway system a reality. As a member of the Select Committee on Small Business, he was well aware of the problems confronting the small businessman and took an active part in giving strong support to progressive legislation. Always aware of his own humble beginnings, he was most concerned that others similarly situated would have the opportunity to apply their skills and succeed in contributing to the greatness of our country.

His passing has taken from me a friend, from all of us a respected colleague, from the people of the Fifth Congressional District of Illinois, a dedicated representative and from the people of the United States an outstanding legislator.

Mr. NATCHER. Mr. Speaker, it is difficult to reconcile ourselves to the fact that our beloved friend, JOHN C. KLUCZYNSKI, has passed away.

As a Representative in the Congress of the United States, he had those qualities that are essential for leadership, sound judgment, patience, perseverance and unyielding adherence to the principles and policies advocated by his party for the welfare of the country. He was an outstanding member of the Committee on Public Works and presided for many years over his subcommittee with dignity and firmness. His character, achievements and faithful service will be an inspiration to generations yet to come.

I have lost a true friend and this country has lost a great statesman. May God let the light of His countenance shine upon him and give him peace.

To the members of his family, I extend my deepest sympathy in their bereavement.

Mr. MORGAN. Mr. Speaker, I am deeply saddened by the news of the untimely death of our friend and well-beloved colleague, the Honorable JOHN C. KLUCZYNSKI of Illinois.

JOHN KLUCZYNSKI was a man without enemies in the House of Representatives. His friendliness, his enthusiasm, and his spirit of cooperation gained him the friendship and affection of all who knew him well.

He used his engaging personality to gain support for the causes in which he believed, and for programs which would assist the people of his district in Chicago.

As chairman of the Subcommittee on Roads of the House Public Works Committee, JOHN KLUCZYNSKI presided over the great extension of our Federal roads system through the construction of our interstate highways.

Those highways have been a major benefit for transportation, commerce and safety in our Nation, and long will JOHN KLUCZYNSKI be remembered for his part in that achievement.

He also made important contributions as chairman of the House Subcommittee on Small Business Problems, and as the chairman of the Select Committee on the House Restaurant.

JOHN KLUCZYNSKI will be missed very much in the House of Representatives. His humor and personality have helped to lighten many a session when contentions might otherwise have impeded the speedy disposition of the Nation's business.

My wife joins me in expressing our deep sympathy to Mrs. Kluczynski and members of the family on this sad occasion.

Mr. MCCLORY. Mr. Speaker, like many others of us who represent Illinois districts in the Congress of the United States, JOHN KLUCZYNSKI served for many years in the Illinois General Assembly. He gained a reputation as a lawmaker in Illinois. That reputation has been enhanced by his distinguished service in the Congress since 1949.

Mr. Speaker, if there was ever a harsh word which he uttered or unkind thought which passed through Representative KLUCZYNSKI's mind, this never came to my attention. He was essentially kind and considerate, interspersing his thoughtful, comforting, and illuminating statements with elements of delightful wit, which he seemed always to have at his command.

Mr. Speaker, the special service which Representative KLUCZYNSKI provided on the important Public Works Committee probably represents his most valued contribution as a Member of the U.S. House of Representatives. However, it would be entirely inappropriate to fail to recognize the close attention which he gave to the interests of his constituents in southwest Chicago, and the devotion which he always showed to his beloved city, State, and Nation.

As a successful restaurateur, Congressman KLUCZYNSKI shared his expertise with the House Dining Room Committee, as a result of which all of the Members of the House, as well as our staff personnel, have benefited.

Mr. Speaker, it was just a few days ago that Congressman KLUCZYNSKI took my arm as we crossed South Capitol Street together, as he was returning to his Washington apartment in the Congressional Hotel. I felt a close and affectionate affinity for this friend as we spoke briefly arm-in-arm, and said farewell, as he entered the Congressional Hotel and I headed down the street to the Capitol Hill Club. This was our final meeting, and one which I shall always remember with tenderness and compassion. Congressman JOHN KLUCZYNSKI and I were friends throughout our experience in the Congress, and I have a deep sense of loss, as I reflect upon his life and his final passing.

Mrs. McCLORY joins me in this expression of respect and affection for a longtime friend and colleague, and we take this occasion to convey our sympathy to JOHN KLUCZYNSKI's widow, Stephanie, and other members of his family.

Mr. PHILLIP BURTON. Mr. Speaker, I was deeply saddened to learn of the death of our distinguished colleague and my good friend, JOHN KLUCZYNSKI.

JOHN was a lovable guy and a warm and generous man who served the people of Illinois with dedication.

He served in the Illinois State Legislature from 1932 until 1950. He has served the people of Illinois in this body for almost a quarter of a century.

JOHN KLUCZYNSKI, a true friend, a gentle and jovial man, will be missed by all of us who were privileged to serve with him.

Mr. WHITTEN. Mr. Speaker, I wish to join with my colleagues in paying tribute to our late friend, Hon. JOHN C. KLUCZYNSKI.

It was my pleasure to be closely associated with JOHN in the years he was in Congress. Possessed of a wonderful sense of humor, he could always keep his colleagues in good spirits on the most serious of issues.

His contributions in the Congress were tremendous. Particularly was he active in the area of public works, those investments in our own country which are so essential to our overall well-being.

We shall all miss JOHN and his sunny disposition. To his loved ones we express our deepest sympathy. We have lost a friend.

Mr. OBERSTAR. Mr. Speaker, I join with my colleagues in paying sincere tribute to our colleague, Representative JOHN C. KLUCZYNSKI, a fine and honorable man, and much beloved by all who knew him.

Though I had a brief few weeks to serve with him on the Public Works Committee, I was administrator of that committee for the past 4 years, and in that capacity had ample opportunity to work with him on highway and mass transit legislation.

He was one of the strongest backers of the Nation's Federal-Aid Highway system. That system has come under attack in recent years, especially in the large metropolitan areas. But less populated parts of the country, like my own district in northeastern Minnesota, owe him a deep debt of gratitude, for the network of highways, he is largely responsible for having brought them within reach of the broad choice of employment, the educational, health, and cultural necessities that city dwellers take for granted.

And, as chairman of the Public Works Subcommittee on Transportation, he last year joined in framing an admirable mass transportation bill for both urban and rural America.

For over 40 years he has served the people of Chicago, Ill., and the Nation; and has left a legacy of far-reaching legislation.

KLU was a great man, and will be greatly missed by Congress, the Public Works Committee, and the people of his home city of Chicago and the State of Illinois.

Mr. WAGGONNER. Mr. Speaker, perhaps the greatest tribute that can be paid to any Member of Congress is to recognize that he truly represented the people of his district with dedication and integrity. This can certainly be said in all honesty of our late colleague, JOHN KLUCZYNSKI of Illinois.

For almost a quarter of a century, JOHN KLUCZYNSKI toiled in behalf of his people of Chicago in these Chambers. His work was diligent, his efforts untiring. As a tribute to his devotion to duty, his people reelected him to represent them in 12 Congresses. He had obviously earned their respect and their trust.

This is more of a tribute than any of us here today could ever pay to him.

But JOHN KLUCZYNSKI realized a greater responsibility in his oath of office—a charge to give representation to the entire Nation. He accepted this challenge, and we have all benefited because he did.

As chairman of the Transportation Subcommittee of the House Public Works Committee, Chairman KLUCZYNSKI has left his mark on the map of this country. Under his wise guidance and counsel, legislation dealing with the creation and building of our interstate highway system was molded into law. Millions of Americans who never had the opportunity to know and respect him personally as we have will benefit for years to come because of his work in Congress.

Many times I called on him to express the needs of my people in Louisiana. Chairman KLUCZYNSKI always listened with understanding and acted with fairness. His judgments were always tempered with personal intelligence, commonsense and the experience of 43 years of public service.

Our sympathies at this time are with his wife, Estelle, and his brothers.

His leadership will be missed in this body. And I shall miss him personally.

Mr. DERRICK. Mr. Speaker, on behalf of Congressman William Jennings Bryan Dorn, who represented South Carolina's Third District for 26 years, I wish to enter the following tribute to the late Congressman JOHN KLUCZYNSKI:

TRIBUTE TO JOHN KLUCZYNSKI

The late Congressman John Kluczynski was a great friend of every Member of the House. He believed in America and truly served all of the people.

I had the pleasure of serving in the Congress with John Kluczynski for many years. We served together on the Public Works Committee. As chairman of the Subcommittee on Roads, he was the architect of our great interstate highway system—probably the best road network existing anywhere in the world. John believed it essential that we have the very best transportation system. In helping design such a system, he was equally committed to highway safety.

When the Public Works Committee first began hearings on legislation to eliminate unsafe conditions at railroad crossings several years ago, Congressman Kluczynski came to my hometown of Greenwood, South Carolina. He conducted hearings in the Court House. He was determined to help us correct the situation then existing at Greenwood and other places throughout the country. The legislation he helped guide through the Congress is now saving thousands of lives annually.

John Kluczynski believed in protecting the environment.

Although he represented one of the great urban areas of our country, the city of Chicago, he had a great interest in watersheds for the rural communities. He believed in water and soil conservation. He felt we should conserve water where it falls. There are some 10,000 of these farm ponds in the Third Congressional District. Many of them contribute to great rural watershed systems providing water for thousands of people.

He worked hard to get the highway beautification program enacted, making our highways more attractive, thus enhancing the environment.

John Kluczynski was an all-American Congressman. He believed in a strong national defense. He was a great patriot. He was a good man. He was friendly, jovial and kind. Most of all he will be remembered as a compassionate man.

Our deepest sympathy goes out to John's wife, Estelle, and the family. We shall miss him.

WILLIAM JENNINGS BRYAN DORN.

Mr. BIAGGI. Mr. Speaker, a dear and valued colleague of ours, Hon. JOHN KLUCZYNSKI, passed away recently. His death just as the long and full life which preceded it left a profound mark on this distinguished body. I would like to add my voice in paying tribute to the life and accomplishments of the distinguished gentleman from Illinois.

JOHN graced the House with almost a quarter century of service. During this time he charted an impressive record of service to his constituents who saw to it that he was reelected on 12 different occasions. While in the House JOHN served with distinction as the chairman of the Subcommittee on Transportation of the Public Works Committee. He was a champion of improved highways in the United States. The vast miles of fine interstate highways which millions of travelers and commuters of this Nation enjoy are due a great deal to the work of JOHN KLUCZYNSKI. He also aided the effort which resulted in moneys from the highway trust funds being used for mass transit, a move which prevented many systems from folding.

In addition, all of us who have enjoyed the fine meals available in the various House dining facilities are indebted to JOHN for this service as chairman of special subcommittee which oversaw the operations of the eating facilities of the House.

Personally JOHN was a warm and compassionate man respected and liked by his colleagues. He will best be remembered for his abundant sense of humor. He was totally dedicated to serving his constituents and for many years he operated a restaurant in his beloved Chicago where he would often hold meetings with his constituents.

He was a loyal and patriotic American as well. He was rarely seen without his famous miniature American flag pin which he wore proudly on his lapel. He epitomized a man who was able to rise from poor surroundings to a position of prominence, never forgetting the needs of those less fortunate.

Mr. Speaker, the people of Chicago have lost one of their most colorful and best public servants. We in the House have lost one of our most prestigious and well-liked colleagues. I extend my deepest condolences to his wife Stephanie and assure her that we share her loss.

Mr. MURPHY of Illinois. Mr. Speaker, with the passing of JOHN KLUCZYNSKI, I have lost one of my dearest friends. I will miss his laughter, his humor, and his wisdom. Big JOHNNY KLU, as he was affectionately known, was never impressed with himself or with the position he attained in life. He remembered his humble beginnings and never looked down on people who were poor and uneducated.

JOHN KLUCZYNSKI delighted listeners young and old with stories of the Chicago he knew as a boy and young man. He told of the early days of his catering business, of the Polish weddings and the Irish communion breakfasts. He spoke of the stockyards, of the local political scene of the 1930's and 1940's, of the Chicago he knew and loved over the years.

JOHN KLUCZYNSKI was not comfortable with people who were clawing their way to the top of the political or economic ladders. He was not flashy, flamboyant, or affected. He was a man of simple tastes who fiercely loved the people of his Fifth District.

He was dedicated to building and improving the U.S. Interstate Highway System. He was highly criticized some years ago for refusing to bust the highway trust fund for mass transit purposes. But JOHNNY KLU proved he was not a man tied to the past. He changed his position on the fund in 1973, thus guaranteeing that our cities' mass transit systems would not die an untimely and needless death.

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JOHN KLUCZYNSKI will be missed but, more importantly, he will be remembered. He will be remembered for his smile, his warmth, his human understanding. They are his legacy and JOHN KLUCZYNSKI would have wanted it that way.

Mr. EILBERG. Mr. Speaker, I knew JOHN well as a warm, spontaneous representative of the people, always ready and able with a bit of wry, sage advice for his younger colleagues. Old JOHN once helped me over the painful hurdle of a particular birthday I gloomily was trying to forget.

His own 75th birthday party celebration merrily followed mine by 3 days. When I dropped by his House office to extend well wishes, Congressman KLUCZYNSKI was entertaining his fellows and staff with the following pronouncement of his own secret to productive life at an advanced age:

I rise each day at 5 a.m., exercise, shower, get to the office at 7 a.m., work like an S.O.B. representing my constituents till eight at night; then I go drink and play cards till 2 or 3 in the mornings for relaxation and begin again tomorrow.

JOHN KLUCZYNSKI lived in Chicago his entire life and vigorously represented his constituents there for 24 years. It was my privilege to know him well. I would offer the following tribute in his memory:

EULOGY TO THE HONORABLE JOHN C. KLUCZYNSKI

"The memory of the just," writes the author of the Book of Proverbs, "is blessed." These words from Scripture may serve as a fitting commentary on the life and achievement of the late John C. Kluczynski, friend, colleague, patriot. A man of character and of individuality, John Kluczynski gave distinguished service to State and Nation alike for over four decades.

Born in Chicago in 1896 to a father born in Poland and a mother of Polish descent, he took great and justified pride in his Polish-American heritage, and in his close association over the years with the many ethnic communities who constitute the city of Chicago with its rich diversity of race, creed, and nationality. As a young man he worked in that city's famous stockyards; later he drove a truck. Throughout his life he remained a man of the people and took pleasure in never losing the common touch. He served in the first World War in France with the Army Artillery.

His public career began in 1932, the year in which Franklin D. Roosevelt was first elected President. Elected in that historic year to the General Assembly of Illinois, he served for 8 two-year terms, a total of 16 years. In 1942 he was elected to the State Senate, and in 1949 he resigned to run for Congress. He won election to the House of Representatives, in which he served with distinction for 24 years until his passing last Sunday.

A dedicated believer in the two-party system, he was a loyal Democrat, active in the Party organization for most of his life, and he maintained his ties with the "Back of the Yards" grass-roots community in his home-city. Widely respected and invariably good-humored, he was proud of his religious and ethnic background, devoted to his family and to his Country, and tireless in his service in this House. He was a member of innumerable Catholic, veterans', and fraternal bodies. In Chicago he owned a prosperous restaurant, catering service, and bar, and the experience thus acquired helped him in his role as head of a special committee charged in 1969 with overseeing the operations of the House restaurant and cafeterias, which he patronized regularly. He concerned himself with raising the quality of both food and service, collecting unpaid bills, and keeping costs down—concerns from which Members and taxpayers all have benefitted.

As Chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, he gave vigorous support to the Federal Interstate Highway Program, sponsoring a series of highway bills over the years. He believed, as he often said, in both roads and rails, but in neither to the exclusion of the other. He was also the third-ranking Democrat on the House Small Business Committee. In recent years, he recognized the need of urban areas for greater flexibility in determining how to spend their Federal transportation dollars, and he responded to that need in the case of the rail transit system.

A man of great personal warmth and dedicated public service, he will long be remembered in Congress and in his District with affection and respect. To his widow, Stephanie, to his brothers, and to all his family and friends I extend my deepest sympathy, knowing that they (and we) are sustained by the inspiration of his life. The memory of the just is indeed blessed.

Mrs. SULLIVAN. Mr. Speaker, all of us who served with the late JOHN KLUCZYNSKI during his many years in the House knew why he was such a successful restaurateur and such a successful politician in a city where the competition in both categories is unusually tough.

He was the friendliest person in the House. And he cared about people. He went out of his way to do favors for friends—and everyone was a friend to him. He shared political ideas with us as readily as he shared secrets of food preparation and serving. A conversation with him on the House floor was always a delightful mixture of good counsel and fun.

He was close to the people of his district and listened attentively to the suggestions or complaints they made to him about national issues, and could always be counted on for wise contributions to our deliberations on legislation.

A special treat for me was an occasional opportunity to share his hospitality in Chicago during visits there for political conventions or other events. It was, of course, no surprise to find that his restaurant patrons regarded him not as a businessman selling a product but as a close friend who made one's visits to his establishment a pleasure to be long remembered.

I know I shall miss him every day the House is in session. His love of humanity was evident in everything he did. One loses such a good friend with sorrow but also with gratitude for all of his kindnesses over many years.

Mr. CORMAN. Mr. Speaker, all of us are greatly saddened by the loss of our friend and colleague, JOHN KLUCZYNSKI. The House is just not the same without "Big KLU." We served together on the Select Committee on Small Business, and I am deeply grateful that I had the privilege of working with him and knowing him as a friend.

JOHN had a tremendous liking and sympathy for people. He could put them at ease with a smile and a little joke, often about himself, better than anyone I ever knew. If some of the small businessmen who come to testify before our committee were feeling nervous, JOHN would lean back in his chair, pat his stomach and say "I carry a lot of weight around this place." Then everyone would laugh, and the tension would be gone. He got tremendous pleasure out of being able to help people with no other place to go. I think perhaps that is what he loved best about being a Congressman; to him, public service meant helping people, and he dedicated his life to that concept.

"Big KLU's" dedication to helping people is reflected in the legislation that he championed during his 24 years in Congress. He believed strongly in the social security system, and fought to improve benefits for senior citizens. "I intend to support any measure," he once said, "which will give older Americans the assistance they so richly deserve in order to retain the dignity and independence in their retirement years." He remembered the stockyards where he had worked as a youth, and was deeply sympathetic with the financial hardships suffered by some of his fellow-workers and neighbors when they reached retirement age. In the same way, he was a staunch supporter of higher education, because he knew what it was like not to have the opportunity himself.

He was born "back of the yards" in 1896, son of a Polish immigrant. At the age of 12 he had to quit school and go to work—in the stockyards, driving a truck, and in the circulation department of the old Chicago Evening Post. He served in World War I with an artillery unit.

In 1932 he won election to the Illinois State Legislature. He served there 18 years, until his election to Congress in 1950 as the Representative of the 5th District in Chicago. As a Congressman, he will perhaps be best remembered for his outstanding role in the development of our great national highway system. It is a truly impressive monument to his achievement, an achievement which has brought incalculable benefits to our whole Nation.

But I will remember "Big KLU" as a wonderful person, whose departure has saddened all who had the wonderful privilege of knowing him. He will be greatly missed by his friends and colleagues here, by his constituents, his State, and the Nation he served so well during 42 years of public life. He was an outstanding Representative, one who had genuine compassion for "the little guys," and who did everything in his power to help them. He brought humor and humanity to public office—he took his job very seriously, but never himself.

To his bereaved family, I express my deepest sympathy.

Mr. FINDLEY. Mr. Speaker, I am grateful to my colleague MELVIN PRICE for arranging this special order so that each of us may say a word about our great friend the late Congressman JOHN KLUCZYNSKI.

One of the great joys of being a Member of this Chamber is the association with the splendid people. Of those of my acquaintance none ranks higher in my esteem than our friend, KLU. I knew him as a friend for each of the 14 years that I have served in this Chamber and many were the occasions when my spirits were lifted by his good humor, warmth, and friendship. He never failed to be cordial and helpful in every way.

Even though I sat on the opposite side of the political aisle, there was never an occasion when I went to JOHN for help and was denied that help. In fact, on every occasion he enthusiastically supported my requests. As all Members of this body will recognize, that kind of cooperation is prized beyond gold.

I will miss him very much and express my deepest sympathy to members of his family. The Kluczynskis have served nobly the people of Illinois, and this is especially true of our friend, JOHN.

Mr. COLLINS of Texas. Mr. Speaker, all of us in Congress were shocked and saddened to hear of the passing of our colleague, JOHN KLUCZYNSKI. He will be missed by each Member of the House and by his constituents back home in Chicago.

JOHN began his public service in 1932, as a member of the Illinois State Legislature and later as a member of the State Senate. For the past 24 years, he ably and actively served the people of Chicago in the U.S. House of Representatives.

JOHN KLUCZYNSKI has been a gifted and strong legislator in Congress. During the past years, he has served as chairman of the House Subcommittee on Restaurants and as a member of the House Small Business Committee. However, probably his greatest accomplishments have come as chairman of the Transportation Subcommittee of the House Public Works Committee. The United States enjoys the greatest interstate highway system in the world, due, in large part, to the excellent leadership and hard work of JOHN KLUCZYNSKI when the System was begun in the 1950's.

I will always remember JOHN's untiring warmth and friendliness. We have lost a wonderful colleague and the people of Chicago have lost a dedicated and devoted representative.

Mrs. Collins and I wish to extend our deepest sympathies to Mrs. Kluczynski and her family during this difficult time.

Mrs. MINK. Mr. Speaker, today I join my fellow members of this House to pay respects to the gentleman from Illinois, JOHN KLUCZYNSKI. The late Congressman represented the people of Illinois' Fifth District for a quarter century, and perhaps there can be no greater tribute to this man than our recognition of his loyalty to the interests of his constituents. He was in constant communication with them, he knew their needs, and he acted always in their best interest.

It is also true, Mr. Speaker, that anyone who remains in this distinguished body for any length of time takes on the responsibility to legislate for the national good as well as for the good of his individual district. JOHN KLUCZYNSKI had risen to that stature, and frequently offered his views on the issues of national and worldwide concern which the Congress faces.

I offer my condolences to his family, and share their sense of loss for this man who contributed much to our work in this Congress.

Mr. NEDZI. Mr. Speaker, the recent death of our esteemed colleague, JOHN C. KLUCZYNSKI of Illinois, has deprived the House of one of its most lovable personalities and veteran legislators. We have lost a good friend.

When I arrived in the House of Representatives in the winter of 1961–62, one of the first Congressmen I met was JOHN "KLU" KLUCZYNSKI. He already seemed an institution and when one considers his legislative record—18 years in the State legislature and 24 years in the Congress—he most certainly was.

JOHN KLUCZYNSKI and I, although we are a generation apart, shared a common urban and Polish-American heritage. I am grateful to him for his wise counsel, his perennial good humor, and for the fact that "KLU" never lost the common touch.

I extend my sympathies to his family.

Mr. POAGE. Mr. Speaker, we have lost another landmark. JOHN KLUCZYNSKI was one of those Members who knew everybody and everybody knew KLU. He was not a backslapper but everybody considered him a friend. He had an intense loyalty to his own people and to their problems; but he had a willingness to hear the problems of others and to act in their behalf if he could be convinced they were right.

Certainly the House was a better place because JOHN KLUCZYNSKI served in it and in the future it will be a better place if more individuals like him serve here.

Mr. RHODES. Mr. Speaker, I join my colleagues in the House of Representatives today in paying tribute to our longtime colleague JOHN C. KLUCZYNSKI of Illinois.

During his 24 years in the House, JOHN KLUCZYNSKI served his Fifth District in Chicago, Ill., and the Nation well. He contributed more than four decades of dedicated public service, beginning with the Illinois State Legislature.

It was my privilege to know JOHN during his nearly quarter of a century of House service.

We all will miss him greatly in the 94th Congress.

Mr. GILMAN. Mr. Speaker. It is with sadness and deep regret that we pay our final tributes to our beloved friend and colleague, JOHN C. KLUCZYNSKI. John was a good friend to many of us and a great legislator. He was a statesman who had, over the years, earned the love and respect of his constituents. In the 24 years of fulfilling his congressional responsibilities, JOHN cheerfully and diligently served the needs of all of his people.

The prayers and heartfelt sympathy of all of his many friends and colleagues are with his beloved wife Estelle in her time of loss.

Mr. MIKVA. Mr. Speaker, I join my colleagues in mourning the passing of JOHN KLUCZYNSKI. We in the House and the people of his district have lost a dedicated public servant.

JOHNNY KLU was a friendly soul. His smile and easy greeting were well known in the Halls of Congress. There was a trace of shyness about him, an unusual quality for a man as successful as JOHN KLUCZYNSKI.

JOHN KLUCZYNSKI served his constituents well, first as their State representative, then as their State senator, and finally as their representative in Congress since 1950. He was an urban Congressman who understood the problems of urban America. As chairman of the Public Works Subcommittee on Transportation, he fought for the transportation needs of his urban constituency. The people of his district were fortunate to have his able representation.

I was particularly fond of JOHNNY KLU. Although a senior member of our delegation, he never forgot the adjustment problems of freshmen Members. During my first term he was always there with a guiding word and an encouraging remark. I deeply appreciated his kindness in those early days.

JOHN KLUCZYNSKI was a good man, and the sense of loss to his family is shared by all who knew him.

Mr. REUSS. Mr. Speaker, today I join my colleagues in this memorial tribute to our late, good friend, Congressman JOHN C. KLUCZYNSKI of Illinois.

Congressman KLUCZYNSKI served with distinction in this House since 1951, and we all shared the shock and sorrow at the news of his death on January 27. I know that his constituents in the Fifth District of Illinois, whom he served with diligence and energy, will miss his leadership. He was a warm and genial man, who earned the affection of all those who had the honor to know him as a friend and a colleague.

JOHN KLUCZYNSKI will be missed in this House. Congress has lost an able Member, the Fifth District of Illinois has lost a skilled leader, and we have all lost a good friend. I know I speak for us all when I extend my sincere sympathy to his family.

Mr. JOHNSON of California. Mr. Speaker, it was with great sadness and a sense of personal loss that I learned of the passing of my friend and colleague JOHN KLUCZYNSKI. I have known and worked with JOHN for several years in many areas of common interest and I know what a great Congressman he was. This House will miss him, but it is certainly better for his having been among us.

"KLU" as we called him, made a life of public service. Following service to his country in World War I, he began a legislative career which was to span 40 years. For nearly two decades he served the people of Cook County, Ill., in the State legislature in Springfield. Because of his dedication and reputation for hard work and attention to the problems of individual citizens, he was widely encouraged to run for Congress. For almost a quarter of a century, JOHN KLUCZYNSKI represented a portion of the city of Chicago in Congress.

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His record during that period is distinguished in many ways. His legislative leadership was most prominently illustrated through his efforts in drafting initial and subsequent legislation to create our highly successful Interstate Highway System. These "superhighways" not only brought the cities and people of our nation closer together, but they also made the highways of our country much safer through advanced engineering and construction.

KLU had another area of special interest, the small businessman. Although he represented a large metropolitan area with many major industries and corporations, he never overlooked the needs of the small businessman.

These special interests led JOHN to excell in his efforts as a member of the Public Works Committee and the Select Small Business Committee. It was my privilege to serve on the Public Works Committee with KLU and especially to work closely with him on transportation matters. From this personal relationship, I know what a dedicated and resourceful man he was. As chairman of the Transportation Subcommittee, he was widely recognized as fair and courteous in his efforts to bring together opposing viewpoints. Furthermore, he handled with ease the important task of being chairman of the Committee on the House Restaurant.

Perhaps JOHN is best remembered by his fellow Members of Congress for his good humor, his pleasant manner, and his cheerfulness. KLU was a happy person who enjoyed his work and was deeply devoted to his family and his friends.

To his wife Estelle, Albra and I extend our deepest sympathy at this time of personal grief. She can be comforted in knowing that KLU was an outstanding Congressman, one who always "went the extra mile" and fully carried out the many duties of his office, fulfilling the trust so appropriately placed in him.

Mr. HARSHA. Mr. Speaker, I would like to join with my colleagues in paying tribute to our friend and colleague JOHN KLUCZYNSKI.

It was a great sense of sadness and personal loss that I learned of KLU's passing, and I know he will be greatly missed and sincerely mourned by his many friends here in the House.

KLU was a dedicated public servant who served the people of his area for more than 40 years—first in the Illinois State Legislature and for the past 24 years in the House of Representatives. The people of the Fifth Congressional District were indeed fortunate to have a man of his character and ability to represent them in the Congress, and he served them faithfully and well.

As ranking minority member of the House Committee on Public Works and Transportation I had the opportunity of knowing and working closely with KLU. He served as chairman of the Subcommittee on Transportation and, in this capacity, contributed greatly not only to the people of Illinois whom he represented so effectively but to the entire Nation. He was a strong supporter of the Interstate Highway System and a stanch defender of the highway trust fund. It was my privilege and pleasure to work closely with him on highway legislation and other matters coming within the jurisdiction of the committee, and I always found him to be knowledgeable, cooperative, and helpful. Although we were men of differing political philosophies, we became good friends, and I felt a high degree of respect and a feeling of deep affection for him.

KLU was a gentle man who had a great zest and enjoyment of life. He was a good natured person of warmth and compassion who genuinely cared for his fellow man. We were privileged to have him in our midst, and I knew that he will be sorely missed in the days ahead.

I would like to take this means of expressing my deepest sympathy to his wife and the other members of his family.

Mr. SIKES. Mr. Speaker, I was shocked and grieved, as were so many of my colleagues, at the untimely death of our beloved and distinguished colleague, JOHN KLUCZYNSKI. Even though he had been in ill health for months, we could not bring ourselves to the thought that he might suddenly and without warning be taken from us. His passing left a great void in the House. He was truly a respected and able Member.

JOHN KLUCZYNSKI's biographical sketch in the Congressional Directory is one of the briefest among all those printed. It states that he was elected to the Illinois State Legislature in 1932 and served there 16 consecutive years; he was elected in 1948 to the Illinois State Senate; was elected to the 82d Congress in 1950, and reelected to each succeeding Congress.

This gives only a hint of the solidarity and dependability and capability of JOHN KLUCZYNSKI. To learn the true facts about him, it was necessary to know him, to know of his friendliness, his uniform courtesy and his respected accomplishments in the House of Representatives. He was a good man for Congress, a strong leader in Congress, and a gifted legislator for the Nation.

America needs men like JOHN KLUCZYNSKI and those who knew him and served with him realize this best of all. We miss him and his good works. Those of us who served with him are enriched by our memories of him and our friendship with him. These memories and his contributions to good government will live long in the annals of Congress.

Mr. HOWARD. Mr. Speaker, today as we rise to pay tribute to our great friend, the late JOHN C. KLUCZYNSKI, much of our sadness is overriden by the many delights and profound feeling of good will which we shared as friends of JOHNNY KLU.

When I first came to the Congress in 1965, I was assigned to the former Subcommittee on Roads of the then House Committee on Public Works, and had my first opportunity to meet with Mr. KLU. At first, I must admit, I approached him with great trepidation. Obviously, I thought, he was not going to to be part of the "new frontier" politics which first interested me in public service. He was, I thought, maybe too old to serve as a subcommittee chairman. And, of course I could not help but wonder how I could work closely with this cigar-puffing product of a powerful political machine.

Mr. Speaker, how wrong my original reservations were.

No sooner was I assigned to the subcommittee than JOHNNY KLU befriended me. He had not, despite his years in the Congress, been here too long to remember the deep feelings of anxiety which all freshmen feel about becoming Members of Congress and which all of us try so hard to conceal.

"I know how you feel, Jim," Mr. KLU said to me, "and I'll do everything I can to make it easier for you," he continued.

And JOHNNY KLU did just that.

When important legislative programs were reported out of our subcommittee and onto the floor, Mr. KLU made sure I was assigned part of the legislation to manage and speak in support of on the floor.

"And make sure you let your constituents know about it, too," the sage subcommittee chairman would say.

Because of my assignment to his subcommittee, I had the privilege of staying in close contact with Mr. KLU, both in the Halls of the Congress and on several factfinding trips. He never ceased to amaze me with his vigor, with his great sense of humor, and with his feeling of deep dedication to his country and to his fellow man.

And so today, as we pay tribute to our great friend, I express my deep sorrow to his family and friends. But I feel a great sense of excitement and good will, also, because it was that feeling that JOHNNY KLU always generated. Those of us who had the privilege of knowing JOHNNY KLU are better people for that experience.

Mr. STEED. Mr. Speaker, it is with sorrow that we note the passing of our old and treasured friend, JOHN KLUCZYNSKI.

JOHN came to Congress in my second term and I followed him onto the great Public Works Committee. For the next 5 years we sat side by side on the committee and participated in some very important legislative work. During this time we completed the long delayed work in the St. Lawrence Seaway authorization bill and 3 hard years of work on the Interstate Highway Act, the largest single public works project in history.

These experiences welded a friendship that grew and endured throughout all his years here. He always proved a true and faithful worker and friend. He had a great sense of humor and I had the pleasure of sharing many wonderful leisure hours, in addition to our working schedules, with him.

It is often said of unusual men: 'He was one of a kind. There will never be another like him." "KLU," as he was affectionately known, certainly was an unusual fellow. He performed his work, he enjoyed his life and he kept the faith.

My wife joins me in extending our heartfelt sympathy to his lovely wife. We have lost a revered friend and our country has lost an outstanding public servant.

Mrs. COLLINS of Illinois. Mr. Speaker, it was with a deep sense of personal regret that I learned of the passing of JOHN C. KLUCZYNSKI:

Mr. KLU, as he was affectionately known, represented the Fifth Congressional District of Chicago which borders the southern part of my district in Chicago. His record of public service began in 1933 when he was elected to the Illinois house where he spent 16 years before becoming a member of the of the senate in 1948. A year later he was elected to Congress where he earned the respect and support of all his colleagues for his superb knowledge of the legislative process.

It was my pleasure to work with him on the Public Works Committee where he served as chairman of the Subcommittee on Roads and later the Subcommittee on Transportation—both of which had responsibility for highway legislation. He led the battle in the House for legislation which has resulted in Federal assistance to States and local governments for the development and/or improvement of their mass transit systems.

We will all miss Mr. KLU for his kindnedd, leadership, and invaluable assistance; and will remember his wit and wisdom, which transcended this legislative body for over 24 years. My deepest condolences go to his wife Stephenie and his brother Thomas.

Mr. COTTER. Mr. Speaker, the death of JOHN KLUCZYNSKI, my friend and colleague from Illinois, took from the House a special man. KLU's personal qualities and his lifelong commitment to his country and his fellow citizens always stood out.

In many ways, JOHN KLUCZYNSKI was a unique example of our American success story. His father was an immigrant from Poland and JOHN grew up in the big-city environment of hard-working people, building a future in their new country. As a young man, KLU worked in the giant stockyards of Chicago before he left to serve with the Army in World War I in Europe. After the war, he returned to Chicago and played a major role in the growth of the Democratic Party in that city, involving many of his fellow Polish Americans in the party and their government.

In the early 1930's he was elected to the Illinois State Legislature and served in both the House and the Senate, until his election to the U.S. House of Representatives in 1950. He served well as a member of the Public Works Committee and was strongly involved in the legislation to build the St. Lawrence Seaway. JOHN also became the chairman of the Subcommittee on Transportation.

JOHN had a noteworthy and distinguished career in the House. But above all, I remember JOHN's personal qualities. He was a warm, gentle, and considerate man. He was a gentleman, friendly to all he met. The pressures of public service during difficult times never robbed JOHN KLUCZYNSKI of his kind and warm character.

JOHN was a special man. His life was one of continuous public service. His nature was that of a truly good man. We will all miss him.

Mr. RODINO. Mr. Speaker, I was grieved to learn of the passing of one of my dear friends and colleagues, JOHN KLUCZYNSKI. His irreplaceable good humor and congeniality as well as his extensive legislative experience will be sorely needed in the coming months of decision and debate within the Hal's of Congress. I extend my sympathy to Mrs. Kluczynski and her family during this most difficult time. I know that we will all miss John greatly.

Mr. HAMMERSCHMIDT. Mr. Speaker, over the years, during my service in the Congress, I have attached a special sense of value and privilege to my friendship with our late colleague, JOHN C. KLUCZYNSKI.

Mr. KLU was a very special individual, who inspired such a bond of friendship. He was—and I cannot think of a more apt description—a good man, a kind person. Never once did I hear him say an unkind word about anyone. And, in remembering him, there are only kind things to say.

It was my pleasure and privilege to have served with JOHN KLUCZYNSKI on the House Public Works Committee and on the Transportation Subcommittee. This association brought me the good fortune of having the opportunity to work closely with him.

I remember in particular the time Mr. KLU accompanied me to my district in Arkansas, where he attended committee field hearings that were being held. He took an active interest in the welfare and concerns of the Third District of Arkansas. It was the same kind of active and genuine interest that he took in everything and everyone.

During the course of that trip to Arkansas, our late beloved Governor, Winthrop Rockefeller, hosted the congressional delegation and their staff, on Petit Jean Mountain at an official dinner.

The Governor toasted a warm welcome, as we all sat grouped around the long table at the Governor's home. It was an impressive gathering and a memorable occasion.

Mr. KLU commented to Governor Rockefeller that every weekend, he went to his home district in Chicago to be with his wife and his constituents. But, on this occasion, as a courtesy to JOHN PAUL HAMMERSCHMIDT, he decided to venture into the rural countryside.

JOHN KLUCZYNSKI had always given his support to legislation in behalf of the farming community and he held a keen interest in the agricultural economy of the Nation.

But, after Mr. KLU's experience as a guest at the beautiful Winrock Farm on Petit Jean Mountain, JOHN KLUCZYNSKI told Governor Rockefeller that he was having second thoughts about how farmers lived and he wondered if he had been voting right all those years?

He and the Governor became close friends.

Mr. Speaker, that was the nature of my friend, Mr. KLU—a warm, kind man, with a keen sense of humor and immense integrity. It goes without saying that his presence will be sorely missed and his moderate voice will leave a permanent void in this body, which sometimes seems a cacophony of differing voices. Nevertheless, it merits repeating. JOHN KLUCZYNSKI will be missed. His unique style of effectiveness in the Congress will not likely be replaced.

Mr. ANNUNZIO. Mr. Speaker, it is with a sad heart that I join my colleagues from Illinois and from the entire Nation to pay tribute to a friend of 35 years—JOHN KLUCZYNSKI.

I have known JOHN as a friend and as a coworker in the Democratic Party of Cook County. He was a distinguished member of the Illinois State Senate for some 17 years and was elected in 1950 to the 82d Congress of the United States where he gave conscientious and dedicated service for almost a quarter of a century.

JOHN was a very warm, compassionate, and friendly man. He was affectionately known in Springfield, in Chicago, and in Washington as "BIG KLU." During the last 11 years that I have had the privilege of serving with him in the House of Representatives, I have personally witnessed what a tower of strength he has been for the Illinois delegation, the people of our city, and the citizens of our Nation.

Known as the father of our Interstate Highway System, he worked long and hard on this system so that today it is 90 percent completed. Although he was recognized as a strong supporter of our highway system, nonetheless, as American lifestyles began to change, he was keenly aware of these profound changes which focused attention on new and different needs of the American people, and he rose to the occasion by advocating the breaking open of the Highway Trust Fund so that the cities of America, which were choking to death in urban congestion, could make use of these desperately needed moneys to develop fast, efficient, and inexpensive mass transportation systems.

JOHN KLUCZYNSKI leaves us at a time when our country is undergoing deep social and economic changes, and I am sure in the years ahead, as we all work diligently to resolve the problems created by these changes, that the contribution JOHN made to our Interstate Highway System and to mass transportation will serve as the cornerstone for achieving effective solutions.

JOHN will be sorely missed by the Illinois delegation which has lost a comrade, a devoted friend, a counselor, and above all, a truly great American. In behalf of my wife, Angie, and myself, I want to extend our deepest sympathy to his beloved wife, Estelle, and to his two brothers, Joe; and Tom, a justice of the Illinois Supreme Court.

Mr. Speaker, on Tuesday, January 28, 1975, the Washington Post carried an article by Jack Eisen, Washington Post staff writer, on the life and accomplishments of our departed colleague which I now ask unanimous consent to insert in the CONGRESSIONAL RECORD. The article follows:

[From the Washington Post, Jan. 28, 1975]

HEAD OF HILL UNIT ON HIGHWAYS DIES

(By Jack Eisen)

Rep. John C. Kluczynski (D-Ill.), chairman of the House subcommittee that handles highway legislation and a wheelhorse of the Chicago Democratic organization, died Sunday night in Chicago after a heart attack.

The 79-year-old lawmaker complained of a

fever on Saturday, an aide said, but refused to call a doctor. About 10:30 p.m. Sunday, he got out of bed in his home to get a drink of water, collapsed and died. He had planned to fly to Washington yesterday afternoon.

Chicago Mayor Richard J. Daley, leader of the Cook County Democrats who was a lifelong neighbor and a congressional constituent of Kluczynski, said he was saddened by the death.

"Our nation has lost an outstanding congressman," Daley said. "Our city has lost a great Polish-American leader and I have lost a very dear friend."

As chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, Rep. Kluczynski was a leading supporter of the interstate highway program. When it came under attack from environmentalists, he sprung to its defense.

He was an architect of a series of highway bills, enacted over protests by many Washington area citizens, that were designed to force construction of the Three Sisters Bridge across the Potomac River and of other segments of the highway system locally.

Those bills led to the long freeway subway impasse that held up work for several years on the Metro rail rapid transit system. Like many highway-oriented lawmakers, Rep. Kluczynski contended he was for both roads and rails, but for neither exclusively.

The Washington area highway laws, still on the books, have been challenged politically and in the courts. Most of the disputed roads remain unbuilt today.

For years, it was an article of faith for Rep. Kluczynski that the highway trust fund, raised chiefly from gasoline taxes, should not be tapped for mass transit. Under pressure from Mayor Daley, worried about the cost of improving the city's rail transit system, Rep. Kluczynski abruptly switched positions in 1973, paving the way for more liberal federal aid to transit.

In background and appearance, Rep. Kluczynski was the archetype of an old-fashioned big-city ethnic politician.

Of medium height, he weighed close to 250 pounds, and had a ruddy round face topped with white hair. He was rarely seen without the unlighted butt of a cigar clenched between his teeth.

Long before former President Nixon made it fashionable, Rep. Kluczynski wore a jeweled American flag in his lapel. At meetings where he presided, he often told witnesses that "We are an all-America committee."

Born of a Polish-born father and a mother of Polish extraction, Rep. Kluczynski worked as a youth in the famed stockyards near his home. He served with the Army's artillery in France during World War I. He drove a truck after returning home.

In 1932, he was elected to the first of eight two-year terms in the lower house of the Illinois legislature. In 1948, he was elected to the State Senate, resigning the following year to seek election to Congress from a new district created by reapportionment.

Rep. Kluczynski also owned a restaurant, catering business and bar called the Syrena in Chicago. The restaurant was closed a few years ago, but the bar remained in operation. Rep. Kluczynski could be found there on weekends, meeting with constituents.

Partly because of his restaurant background, Rep. Kluczynski was chosen by his congressional colleagues to head a special committee to oversee the operation of the House restaurants and cafeterias. He dropped in regularly for pie and coffee.

He also was the third-ranking Democrat in seniority on the House Small Business Committee, and was a member of many fraternal, veterans' and Roman Catholic organizations. His home here was in the Congressional Hotel.

After the death of his first wife, Rep. Kluczynski married the former Stephanie Estelle Plowy in 1939. They had no children. He also is survived by two brothers, Joseph, of Chicago, and Thomas, a justice of the Illinois Supreme Court in Springfield.

Mr. ANDERSON of California. Mr. Speaker, I rise to join my colleagues today to pay tribute to the memory of JOHN C. KLUCZYNSKI, or "KLU" as he was affectionately known to many of us in Congress.

JOHN'S passing brought to a close a distinguished career in public life, one that was marked by dedication, service, and a human warmth that will long be remembered by his friends. I was honored to serve with him on the Public Works Committee and on the Transportation Subcommittee where he served as chairman. His leadership and effectiveness was in no small way due not only to his expertise in the field, but in the friendship that he radiated. His human qualities of concern, feeling, and devotion shall be remembered as long as his considerable legislative accomplishments.

KLU served in the House of Representatives for almost 25 years, representing the people of the Sixth District in Chicago in an extraordinarily effective manner. Before coming to Congress, he had been a distinguished member of the Illinois State Assembly since 1933, leaving that position in 1950 when he arrived in Washington. JOHN'S 42 years as a legislator were marked by personal effectiveness and devotion to the people of his district.

JOHN was more than a Representative elected in an impersonal way by his constituents: he was one of them. And in all his years in public service, he never forgot it. He held onto his roots with his working class community; he was proud of it, and he served them well.

The Nation will also miss JOHN KLUCZYNSKI. It was his leadership that resulted in many of the country's measures on small business, on which he drew upon his personal background as a restaurant owner for insight and knowledge that few persons could match. As chairman of the Transportation Subcommittee, he was responsible for many of the highways that bind our country together.

My wife Lee joins me in expressing our sincere condolences to JOHN'S wife, Estelle, and his brothers Joseph and the Honorable Thomas E. Kluczynski, who serves as a supreme court justice for the State of Illinois.

Mr. EDWARDS of California. Mr. Speaker, I join today my fellow House Members in expressing my deep sorrow over the unexpected passing of JOHN KLUCZYNSKI, the distinguished dean of the Chicago delegation here. JOHNNY will certainly be well remembered not only as a committed and effective Congressman, but also as a fine man.

I have known JOHNNY for a long time, and will greatly miss him. I always found him to be a most interesting and pleasant individual, one for whom I have very high regard and admiration.

JOHNNY KLUCZYNSKI has been a dedicated public servant for over 40 years. A butcher's son, he worked his way up to become, in 1951, the Representative of Illinois' Fifth Congressional District, the district in which he was born and raised. He served his constituents very devotedly and successfully.

As the chairman of the Public Works Subcommittee on Transportation, JOHNNY played an important role in the development of our Interstate Highway System. Also a member of the Small Business Committee and the former House Restaurant Committee, he approached all his work in Congress ably and diligently. His contributions to our Nation have been numerous, and JOHNNY KLU will surely be recalled as an outstanding and well-respected legislator.

JOHNNY KLUCZYNSKI'S death is a great loss for everyone, but especially for those of us who knew him and served with him. I extend my heartfelt sympathies to his wife Estelle and the rest of his family.

Mr. RUSSO. Mr. Speaker, I did not know JOHN KLUCZYNSKI long in terms of time. I served with him, as a colleague in the House, for an even shorter period of time—a mere 13 days.

However, I knew JOHNNY KLU well enough to realize that there were no limits to the depth of his friendship, to the extent of his human compassion and concern, to his generosity for others. Even a 2-week period was sufficient to come to understand the great affection Mr. KLU felt for the House of Representatives. His was an epic career. He left us in the 25th year of his service here. Prior to election to Congress he served in the Illinois House and Senate for 18 years. His first plunge into the turbulent waters of the political stream was as a candidate in the Democratic primary of April, 1924. He lost. It was to be the last time JOHN KLUCZYNSKI lost an election. His amazing record of 44 successful primary and general election campaigns is almost beyond belief for someone like myself who is only beginning his political journey. This record, I think, signifies something more. It is a tribute to a man's understanding of and communication with his people. Therein lies a great lesson for new Members of this House. KLU kept in touch with his people.

But, how did he do this so effectively, for so long, and in such a unique manner? His secret, it really seems to me, was disarmingly simple. In this day of mass communication, sophisticated polling, and high-pressure media techniques, JOHN KLUCZYNSKI kept close to his people because he was one of them. He was "real." He was "authentic." He left the Southside of Chicago every Monday to attend his duties in Washington, but the Southside never left him.

His strengths were the strengths of that mixed bag of culture, religion, and economics which is urban America. He was frank, honorable, and honest. And in less than a year, I came to realize that his heart beat for all mankind—regardless of party, race, creed, or nationality. He spoke well for the people, for he was truly of the people. While the great mass of middle America has few pretenses, JOHNNY KLU had none. At this same time, he was what America is supposed to be about. He came from poverty and made it. Like myself and many others, he had one of those different sounding names and yet was able to win the opportunity to add his best talents to struggle to make justice and solace a more manifest reality in the lives of the people he loved.

All in all, it seems to me that KLU's approach to public service amounted to a pretty good standard by which those of us just beginning our tenure here could measure the usefulness of our public life. Thus, KLU—who had no sons and daughters of his own—leaves a legacy for his younger colleagues in this House he loved so well. Not many of us are apt to win 40 elections in the next 50 years, but we can make sure we remember why we are here—to serve our people with selflessness and dedication.

There are many stories about this legendary and unique man. These are better left for telling to those who had the privilege and the joy of sharing his lighter moments—and there were many of these with JOHN KLUCZYNSKI.

I simply wanted to take a few moments to reflect on and to thank a kind man for the time he had for me. When I first met KLU, I had the distinction of being a candidate for Congress from a district where all the knowledgeable folks felt a Whig would have a better chance than a Democrat. But KLU had time for this novice and advised that I "give it everything I had." He was always generous with time, counsel, and encouragement throughout my campaign and up to the time he left us.

His kindness, generosity, openness, and authenticity will always remain a standard for my own conduct. I hope, in time, that I can emulate this good man. But now, I simply wish to say "thanks"—I regret we could not have tarried together longer in the work we love and you will be missed, Mr. KLU.

Mr. O'BRIEN. Mr. Speaker, the recent death of our colleague, JOHN KLUCZYNSKI, was a loss to us all. It is appropriate that we are now taking time to pay tribute to his memory.

A member of a distinguished Chicago family, "JOHNNY KLU" chose a political career. He began his career in 1932 as so many of us have, in the State assembly, serving first as a representative for 16 consecutive years. In 1948 he was elected to the Illinois State Senate but resigned a year later to represent Illinois here in these Chambers.

As a member of the Public Works, JOHN played a key role in developing highway legislation that has helped to improve roads not only in our own State of Illinois but throughout the Nation. Throughout his career, JOHN was a hard worker highly regarded on both sides of the aisle as a tough opponent and a good friend.

But JOHNNY KLU could dish up more than legislation. Back in his native Chicago, he also owned the Syrena Restaurant noted for its good food and friendly atmosphere.

Although I was not a longtime friend of his, I shall miss JOHN and miss his humor and advice as well. I extend my deepest sympathies to his family.

Mr. PRICE. Mr. Speaker, today is a day of mixed emotions for all Members of this House as we pay tribute to our late colleague Congressman JOHN KLUCZYNSKI, of Illinois. I feel deep sadness at the passing of my friend and colleague of so many years, and yet I am proud to be able to add my personal tribute to the memory of so great a legislator.

JOHNNY KLU was my friend—as he was a friend to all those who knew him: to his colleagues on both sides of the aisle, to rich and poor, to the famous and the least known. He devoted his life to making this a better Nation, beginning his public career in 1932 as a member of the Illinois State Legislature and the State Senate, where he served with distinction. He gained the respect of so many of his constituents that in 1951 he was sent by the people of his Fifth Illinois District to represent them in the U.S. House of Representatives. It is a mark of the esteem in which he was held that Congressman KLUCZYNSKI was returned to his seat from this district for 24 years.

JOHN did not practice the type of politics which helped only his own immediate area. Rather, in his work on the House Small Business Committee and the House Public Works Committee, he supported legislation which would better the Nation as a whole. Indeed, our excellent Federal highway system is a tribute to JOHN'S sense of caring for the entire country.

As we in Congress face the troubled times that lie ahead, we will miss JOHNNY KLU'S strength, leadership, and friendship, as will the people of Chicago whom he so ably represented.

Mrs. Price and I extend our deepest sympathy to Mrs. Kluczynski and her family at their loss.

Mr. FUQUA. Mr. Speaker, the passing of Representative JOHN KLUCZYNSKI ends a distinguished career which began with his election to the Illinois State Legislature in 1932 and continued almost without interruption until the beginning of this Congress.

It is a tribute to his ability and personality that allowed him to serve in public office, beginning the year before I was born, and continuing into the seventies.

Chicago is one of the great metropolises of the world. JOHN KLUCZYNSKI was a product of that urban society. He was concerned about his people and what the future would bring in areas of mass transportation, pollution, and urban decay.

He leaves a void in our midst. I shall personally miss his presence and friendship.

Forty-two years of public service is a long time. Most remarkable were the accomplishments that Congressman KLUCZYNSKI crammed in that period of service, and he leaves a host of friends in this Chamber who genuinely mourn his passing.

Mr. EILBERG. Mr. Speaker, I knew JOHN well as a warm, spontaneous representative of the people, always ready and able with a bit of wry, sage advice for his younger colleagues. Old JOHN once helped me over the painful hurdle of a particular birthday I gloomily was trying to forget.

Three days after this particular birthday, his own 75th birthday celebration occurred. When I dropped by his House office to extend well wishes Congressman KLUCZYNSKI was entertaining his fellows and staff with the following pronouncement of his own secret to a productive life at an advanced age:

I rise each day at 5 a.m., exercise, shower, get to the office at 7 a.m., work like an S.O.B. representing my constituents till 8 at night; then I go drink and play cards till 2 or 3 in the morning for relaxation and begin again tomorrow.

JOHN KLUCZYNSKI lived in Chicago his entire life and vigorously represented his constituents there for 24 years. It was my privilege to know him well, I would offer the following tribute in his memory:

EULOGY TO THE HONORABLE JOHN C. KLUCZYNSKI

"The memory of the just," writes the author of the Book of Proverbs, "is blessed." These words from Scripture may serve as a fitting commentary on the life and achievement of the late John C. Kluczynski, friend, colleague, patriot. A man of character and of individuality, John Kluczynski gave distinguished service to State and Nation alike for over four decades.

Born in Chicago in 1896 to a father born in Poland and a mother of Polish descent, he took great and justified pride in his Polish-American heritage, and in his close association over the years with the many ethnic communities who constitute the city of Chicago with its rich diversity of race, creed, and nationality. As a young man he worked in that city's famous stockyards; later he drove a truck. Throughout his life he remained a man of the people and took pleasure in never losing the common touch. He served in the First World War in France with the Army Artillery.

His public career began in 1932, the year in which Franklin D. Roosevelt was first elected President. Elected in that historic year to the General Assembly of Illinois, he served for 8 two-year terms, a total of 16 years. In 1942 he was elected to the State Senate, and in 1949 he resigned to run for Congress. He won election to the House of Representatives, in which he served with distinction for 24 years until his passing last Sunday.

A dedicated believer in the two-party system, he was a loyal Democrat, active in the Party organization for most of his life, and he maintained his ties with the "Back of the Yards" grass-roots community in his home-city. Widely respected and invariably good-humored, he was proud of his religious and ethnic background, devoted to his family and to his Country, and tireless in his service in this House. He was a member of innumerable Catholic, veterans' and fraternal bodies. In Chicago he owned a prosperous restaurant, catering service, and bar, and the experience thus acquired helped him in his role as head of a special committee charged in 1969 with overseeing the operations of the House restaurant and cafeterias, which he patronized regularly. He concerned himself with raising the quality of both food and service, collecting unpaid bills, and keeping costs down—concerns from which Members and taxpayers all have benefitted.

As Chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, he gave vigorous support to the Federal Interstate Highway Program, sponsoring a series of highway bills over the years. He believed, as he often said, in both roads and

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rails, but in neither to the exclusion of the other. He was also the third-ranking Democrat on the House Small Business Committee. In recent years, he recognized the need of urban areas for greater flexibility in determining how to spend their Federal transportation dollars, and he responded to that need in the case of the rail transit system.

A man of great personal warmth and dedicated public service, he will long be remembered in Congress and in his District with affection and respect. To his widow, Stephanie, to his brothers, and to all his family and friends I extend my deepest sympathy, knowing that they (and we) are sustained by the inspiration of his life. The memory of the just is indeed blessed.

Mr. MAZZOLI. Mr. Speaker, I would like to add my voice to those of my colleagues who have paid tribute to our late friend, Representative JOHN KLUCZYNSKI.

"Mr. KLU," as he was fondly called, was a dedicated Member of the House for nearly a quarter century. And he brought to this Chamber nearly two decades of experience in the Illinois State Legislature.

JOHN KLUCZYNSKI's pleasant manner, hard work, and unfailing good humor will be sorely missed by this body.

I join my colleagues in offering condolences to his beloved wife and his bereaved family.

Mr. ERLENBORN. Mr. Speaker, we do honor today to JOHN C. KLUCZYNSKI, a quiet gentleman and an effective Member of this body. He died a few weeks ago, full of years and full of accomplishment.

First in the Illinois House of Representatives, then in the Illinois Senate, and finally in the U.S. House of Representatives, JOHN KLUCZYNSKI served his fellow man for more than 40 years. He served well, and oftimes with great skill but never with any ostentation or bombast.

He was a kindly man, and we in Illinois will miss him.

Mr. Speaker, I extend my condolences to the Kluczynski family.

Mr. ROYBAL. Mr. Speaker, I join with my colleagues in paying tribute to the memory of the late Congressman JOHN KLUCZYNSKI of Illinois' Fifth District. His many friends here in Congress will certainly miss this cheerful and jovial man who had achieved such respected stature in the House of Representatives.

Over 40 years of his adult life were dedicated to serving the people of Illinois and of the Nation. He was elected to the Illinois State Legislature in 1932, to the State Senate in 1948, and to the U.S. House of Representatives in 1950.

While in Congress, JOHN was instrumental in the development of the Nation's Federal highway system. He provided invaluable service to the Nation in all areas of public transportation in his capacity as chairman of the Subcommittee on Transportation of the House Public Works Committee. JOHN was a distinguished member of the Committee on Small Business and made our lunchtime more pleasant through his efforts as chairman of the House restaurant.

But probably the most interesting aspect of JOHN's life is the humble beginnings from which this dedicated public servant came. His father was a Polish immigrant, who instilled in his four sons the meaning of hard work, humility, and service to others. JOHN was a credit to the teachings of his father and an example of the greatness which can be achieved by each American.

JOHN KLUCZYNSKI served his constituents faithfully and well, first in the Illinois State Legislature and then for 24 years in the U.S. Congress. It is, indeed, with great sadness that we now mark the passing of this fine legislator, colleague, and friend, who worked so hard to create a better life for all Americans.

Mr. BELL. Mr. Speaker, I join with my colleagues in the House in expressing my regret over the death of JOHN KLUCZYNSKI of Illinois. His leadership and hard work on the Restaurant, Small Business, and Public Works Committees will be sorely missed. His dedication and fine work in behalf of the people of Illinois will be difficult to replace. I wish to extend my sincere condolences to his family on this sad occasion.

Ms. ABZUG. Mr. Speaker, JOHNNY KLU, as his friends affectionately called him was a warm, genial, friendly person. He was a man of deep moral convictions who was extremely loyal to his causes. Of medium height, he had a ruddy round face topped with white hair. He was rarely seen without the unlighted cigar clenched between his teeth.

Congressman "KLU'S" whole life was the Congress and the many friendships he so greatly cherished.

As chairman of the Public Works Committee's Subcommittee on Roads, renamed the Subcommittee on Transportation in 1973, Representative KLUCZYNSKI was a leading supporter of the interstate highway program. Today our highway system is a tribute to his foresight.

JOHN KLUCZYNSKI's biographical sketch in the Congressional Directory is one of the briefest among all those printed. It states that he was elected to the Illinois State Legislature in 1932; he served 16 consecutive years; he was elected in 1948 to the Illinois State Senate, was elected to the 82d Congress in 1950, and reelected to each succeeding Congress.

This gives only a hint of the modesty of the man. To learn the true facts about JOHN KLUCZYNSKI, it was necessary to know him, to know of his friendliness, his uniform courtesy, and his respected accomplishments in the House of Representatives.

He was a good man for Congress, a strong leader in Congress, and a gifted legislator for the Nation.

America needs men like JOHNNY KLU, because it is men of this caliber who have made this country grow and prosper. Those of us who served with him have been enriched by our friendship with him.

As we paid homage to Congressman KLUCZYNSKI in the committee resolution, we are saddened by his absence and the void that his death has left. He will be sorely missed by all who knew him and who worked closely with him as I did on the House Public Works Committee.

Mr. CLEVELAND. Mr. Speaker, it is most fitting that we set aside this moment to pay tribute to the memory of a colleague who so fully merited our respect as a legislator and warm regard as a personal friend.

The people of this Nation are deeply indebted to JOHN KLUCZYNSKI for his leadership in development of a truly national highway system for this country. In this he was sensitive to the needs of rural areas and our great cities, and the extent to which highways are capable of serving them.

But "Mr. KLU" also brought to the Committee on Public Works and Transportation other qualities which contributed to the committee and the quality of its work. I refer to his spirit of cooperation, absence of abrasive partisanship, respect for colleagues as representatives of legitimate constituent interests, unfailing good humor, and an occasionally self-deprecatory wit.

These are the qualities which I came to value during 12 years of service with JOHNNY KLU on the committee. They, as well as his depth of knowledge in his legislative field, will be greatly missed. The colleagues he leaves behind can best pay tribute to his memory and serve the Nation by preserving this legacy.

To Mrs. Kluczynski and other members of his family, I extend my sympathy and respect.

Mr. CEDERBERG. Mr. Speaker, it is with a very real sense of personal loss that I take this opportunity to join my colleagues in expressing sorrow at the passing of my good friend from Chicago, JOHN KLUCZYNSKI.

"JOHNNY KLU" was a special man. There is no Member of this body who was not at some time touched by his gracious good humor and friendliness. I had the special treat to have had the office across the hall from him in the Rayburn Building over the years and to have experienced this side of our good friend constantly. His passing is having one of the bright lights in this all too pressure-packed atmosphere missing.

But we would be remiss if we did not also recall KLU's genuine legislative achievements. His record of service on the Public Works Committee, especially his leadership of the Subcommittee on Transportation, leaves an outstanding and tangible memorial to his concern for the welfare and safety of the public. Further, his attention to the needs of smaller businesses through his service on that committee as chairman of its subcommittee dealing with smaller urban areas recalls vividly his concern and attention to detail in spite of the major urban population he represented so well. This dedication and devotion to the work of the House earned him a well-deserved reputation of leadership among his colleagues. His sage advice and friendly counsel will be missed.

Forty-two years of public service, 24 of them in the U.S. Congress, speaks for itself. Total dedication, unselfish service, and deep concern for those he represented marked JOHNNY KLU's performance while in public office. His constituents, the city of Chicago, and the State of Illinois, not to say anything of the Congress and the Nation, will sorely miss this almost legendary figure.

To his lovely wife, Estelle, and to his close friends, Mrs. Cederberg and I extend our deep-felt sorrow and unbounded sympathy. We sincerely hope that your grief and sorrow will soon pass and that you will share with us a memory of KLU that speaks of pride and distinction.

Mr. HENDERSON. Mr. Speaker, the untimely passing of JOHN KLUCZYNSKI will be mourned by all of us who were his friends and colleagues in the Congress for so many years.

For almost a quarter of a century, this man gave unstintingly of himself to serve the people of his native Chicago and the wider constituency of the Nation he loved so well.

I have had the good fortune to be associated closely with Mr. KLU, to share his friendship, and to profit from the wise counsel and guidance he gave so generously to all who came his way.

This good and great man has left many monuments to his long years of public service, but his most lasting memorial will be the host of friends he gathered around him in his lifetime—friends whose lives were warmed and enriched by his company and who will remember him always.

My heartfelt sympathy goes out to JOHNNY KLU's family. God bless him.

Mr. CONTE. Mr. Speaker, it is with a very heavy heart that I join with my colleagues today in saluting our late, beloved comrade Congressman JOHN C. KLUCZYNSKI. I want to thank my colleagues from Illinois, Mr. ROSTENKOWSKI and Mr. PRICE, for scheduling this time of tribute to a man that I admired and had great personal affection for.

The phrase "man of the people" is tossed about willy-nilly. But when directed toward JOHN KLUCZYNSKI it stuck. The characterization is exact. My colleagues know that I serve as ranking minority member of the House Committee on Small Business. One of the ablest subcommittee chairmen on this Committee was "JOHNNY KLU." He chaired the Subcommittee on Small Business Problems in Smaller Towns and Urban Areas. It was a natural role for him to fulfill. A small businessman all his life, his was a concern for the small industry, the small retailer, the small serviceman that ran deep.

As chairman, he took his subcommittee to rural and urban areas throughout the country—to Illinois, California, New York, Utah, Tennessee, Kansas, New Mexico, Colorado, and Georgia.

Speaking of the latter State, Georgia, reminds me of an incident that I think will illustrate what kind of man JOHN KLUCZYNSKI was and how much concern he had for the small businessman.

On this occasion, the Small Business Committee staff had scheduled hearings to be held in downtown Atlanta. When Chairman KLUCZYNSKI heard this he said:

> We want to go out into the field—that is where the real small business problems are.

He shepherded the subcommittee out to a hardware store. Picking up a couple of wooden planks, he laid them across two kegs of nails. And from that hearing table, using nail kegs for chairs, JOHN KLUCZYNSKI and his subcommittee listened all day to the problems of Georgia's small businessmen. That is the kind of chairman he was and that was the kind of work he did.

I also want to mention JOHN KLUCZYNSKI's advocacy on behalf of small businessmen faced with Federal problems. Better than anyone else, he could stand up for the "mom and pop" store during the 1960's when their existence was threatened by the Federal bulldozer of urban renewal. It was JOHN KLUCZYNSKI who stood up to that bulldozer and said:

> Stop. If you are going to destroy these people's place of business you are going to have to help them establish another place in which to earn their livelihood.

In typical fashion, he got the job done, for as you know, we have displaced business loans now within the Small Business Administration.

To say he will be missed is an understatement. He was a man of great compassion and concern. From my vantage point, I saw it directed toward America's small business men and women. They have lost a great friend—and so has this Congress. At this time I express my deepest sympathy to the Kluczynski family.

First World War, in which he served with distinction. He was a man of consequence in the Chicago catering trade, preceding the name and accomplishments of the Honorable JOHN C. KLUCZYNSKI of the Fifth District of Illinois, who passed away on January 26, 1975.

JOHN KLUCZYNSKI was a man of many achievements. He was a veteran of the First World War, in which he served with distinction. He was a man of consequence in the Chicago catering trade, preceding his entrance into politics. In congressional matters, he was a friend and supporter of liberal reform on the domestic front, and a strong national defense in our dealings with foreign nations. While seeking answers to our national concerns, he was, of course, ever watchful of the interests of the city of Chicago—and with results highly beneficial to the people of his congressional district.

As third-ranking majority member of the Committee on Public Works and chairman of the Subcommittee on Roads, he had greater influence than almost anyone in Congress over the nature of our transportation systems, which thrived under his authority. In the recent struggle between ecologists and roadbuilders before his subcommittee, Chairman KLUCZYNSKI was eminently fair in his handling of the proceedings.

Indeed, fairness was one of Congressman KLUCZYNSKI's outstanding characteristics, to the distinct advantage of the Congress and the legislation in which he played a vital part. In all his dealings with his colleagues, one thing was certain: JOHN KLUCZYNSKI was a man of his word.

He was also a friend of the workingman, and in every instance a friend of the labor movement. As a Franklin D. Roosevelt and Harry Truman Democrat, he was a leading supporter of social security, which he sought repeatedly to raise to levels worthy of our national traditions.

In his capacity as chairman of the Committee on the House Restaurant, JOHN KLUCZYNSKI was again the master caterer—as anyone knows who is familiar with his work in that regard.

Representative KLUCZYNSKI was an accomplished, talented, honest, and sincere man, in the best traditions of American politics. As a Member of Congress for almost a quarter of a century, his advice and counsel were constantly in demand on both sides of the aisle. He will be sorely missed.

I would like to take this opportunity to express my high regard for the memory of this honorable man, and to extend my deepest sympathy to his family.

Mr. ROONEY. Mr. Speaker, I wish to join with my colleague from Illinois, Mr. DAN ROSTENKOWSKI, as we pay tribute to the memory of our dear friend, the Honorable JOHN KLUCZYNSKI. He has been a valued Member of Congress for 24 years who has a long record of services to his country and the people of Illinois. His own public service began nearly 43 years ago in 1932 when he was elected to the Illinois State Legislature.

As a Member of Congress since 1950 he distinguished himself in the field of interstate transportation and provided an invaluable service to the Nation with his knowledge in this area. He was instrumental in formulating landmark legislation which created our Interstate Highway System while serving as chairman of the Transportation Subcommittee of the House Committee on Public Works.

He also was chairman of the Subcommittee on Metropolitan and Rural Areas of the House Small Business Committee and was able to understand and appreciate the problems of our small communities while representing one of our largest cities, Chicago, in the Congress. One has only to look over his many accomplishments as a Congressman to recognize that he was a strong and great legislator. We valued his friendship and dedication and his passing leaves an emptiness in our hearts.

I feel a particular sorrow each day as I pass his office, which was located across from my own on the third floor of the Rayburn Building.

Mrs. Rooney and I extend our personal sympathies to Mrs. Kluczynski and the entire family.

Mrs. BURKE of California. Mr. Speaker, I will greatly miss JOHN KLUCZYNSKI and will always remember his many kindnesses to me during my first term in the House of Representatives. As a member of his Transportation Subcommittee of the Public Works Committee, I had the all too rare opportunity, as a freshman Congressperson, to fully represent the needs of my district. With an enormous amount of good humor and charm, Chairman KLUCZYNSKI saw to it that all the members of his subcommittee participated fully in the subcommittee's business without regard to seniority.

I most sincerely regret he will never know how much his friendly smile and occasional pat on the back meant to me during my first 2 years of service of the House.

Mr. ROSTENKOWSKI. I am sure that many of his colleagues on the Committee on Public Works, the committee that he loved and fought so hard for—and the gentleman from Massachusetts, Mr. O'NEILL, who was his pal—will always remember that when KLU had a bill and

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would stand at this microphone, there was no way that he could be defeated in his district, because he was loved so well.

His concluding remarks would be, "If you want JOHNNY KLU back, you have got to help me pass this bill," and he would saunter up the aisle.

Mr. Speaker, I know that JOHNNY KLU's having been here has made this a better place.

Mr. NIX. Mr. Speaker, I know that all of us were saddened to learn of the recent death of our long-time colleague, JOHN KLUCZYNSKI of Illinois. He was without a doubt one of the most popular and most respected Members of this House for many years.

JOHN KLUCZYNSKI served in Congress for more than 24 years, and his reputation and his circle of friends grew with each passing year. His patience and good humor and thoughtful approach to problems smoothed over many a rough spot in the legislative process. His kindness and consideration for his colleagues made all of us happier to have the opportunity to serve with him.

JOHN KLUCZYNSKI was a true man of the people. Until his death he lived among and served the people he had grown up with in his district in Chicago. His family maintained deep ties in his neighborhood and operated a restaurant there for many years. His constituents knew that JOHN was at their service, and he never let them down. Their faith in him led them to send him to Congress 13 times, after he had served them for many years in the State legislature.

All of us here know the great contributions JOHN made to the work of the Congress. A small businessman himself, he served with distinction on the Small Business Committee. He was a senior and influential member of the Public Works Committee, and as chairman of its Subcommittee on Transportation led the way to improving our Nation's highways and mass transit. He was a diligent and dedicated legislator and served the interests of his district and his country with great distinction.

Aside from all of his contributions to the Nation, those of us who knew JOHN will remember him first and foremost as a wonderful and decent man.

It was a privilege to know him and to work with him. It was an even greater privilege to count him as a friend. His warmth, his humor, and his commonsense and compassion will not easily be replaced. We shall all miss him.

Mr. GIAIMO. Mr. Speaker, it is with personal sadness that I rise today to pay my respects to our late colleague, Congressman JOHN C. KLUCZYNSKI of Illinois.

"JOHNNY KLU" was first elected to the 82d Congress on November 7, 1950, and was reelected to each succeeding Congress. He ably served his constituents in the House of Representatives for nearly a quarter of a century. I was privileged to have him as a friend during many of these years and equally proud to be numbered among his scores of friends.

"KLU" was a thoughtful and fine person, a man who loved this country and its people and tried to help all of them. He was a skilled legislator, a soldier, a businessman, a public servant, and a man of decency and good will. He served his Nation well during varied and difficult times. He worked with purpose, with determination and with an expert competence that only comes through experience and dedication.

It is these qualities which will be sorely missed by this Chamber, by his constituents, and by the Nation he served so well. JOHN KLUCZYNSKI is now laid to rest in the arms of the Illinois land he loved so well and we are lessened by his departure.

Mr. BURKE of Massachusetts. Mr. Speaker, it was with a deep sense of sadness that I learned of the passing of JOHN KLUCZYNSKI. There was sadness in my life because I knew that he would never be there again to brighten it with his lively humor. I knew that I would miss him. But my gloom began to brighten, when I realized that I, my colleagues and countless others had been graced with his special style through the years, and that while we should be sad that he is gone we should also be quite happy that he lived. The world would have been a much duller place if KLU had never lived, and the only reason it will not be duller in the future now is that we will always have our memories of him.

JOHN'S whole life was spent as a resident of Chicago's southwest side. His neighbors and the rest of Chicago were his first love and concern, as well they should be, but that did not restrict his vision. In many ways his constituency covered the whole country. As a member of the Public Works Committee and the chairman of that Committee's Subcommittee on Transportation he dealt with legislation that concerned the whole country, and he handled it in an admirable fashion. Nothing was left to chance, every possible route was explored for the best way to serve the Nation.

I did not have the opportunity to work that closely with KLU because of our different committee assignments. But I was able to view his work on the Public Works Committee and the Transportation Subcommittee with great delight. I could see that, when legislation was recommended to the House, by his committee, his hand had taken an integral part in its formation. He was a fine legislator and rightfully proud of his ability to draft legislation that would pass on the House floor.

At this time I would like to offer my condolences to Mrs. Kluczynski, and the rest of the Kluczynski family, as I know that this is a most trying time for them and they miss him a great deal. I would also like to express my sympathy to the citizens of Chicago and of the United States, because all of us have lost a good friend, a fine legislator, and a great man.

Mr. MONTGOMERY. Mr. Speaker, I would like to join my colleagues today in paying respect to JOHN KLUCZYNSKI and expressing my feeling of loss over his passing. For some 25 years, JOHNNY KLU walked the Halls of Congress in the proudest tradition of the Nation. He was truly an inspiration to all who came in contact with him.

We have heard many today mention the fact that JOHNNY KLU was the father of the Nation's Interstate Highway System. This is, of course, true and is a tribute to his long range vision of the transportation needs of America. Speaking from my own personal experience, I can say without hesitation that the people of Mississippi are grateful to JOHN KLUCZYSKI for the part he played in improving our State's transportation network and contributing to Mississippi's economic growth.

Mr. Speaker, many, including myself, have refered to our departed colleague as JOHNNY KLU in our eulogies to him. However, I really knew him as "the Colonel." It was a term of friendship and respect for a truly dedicated and conscientious colleague whom I shall always remember fondly. I will miss the Colonel's guiding hand and freely given sage advice, but more than that I will miss a very warm person whose perpetual smile helped brighten my day.

Mr. RANGEL. Mr. Speaker, it is with great sadness mixed with great pride at his accomplishment that I join my colleagues in the House of Representatives in commemorating the death and paying tribute to our colleague, JOHN KLUCZYNSKI. His death takes from us a very devoted public servant who was most diligent in the discharge of his congressional responsibilities.

JOHN KLUCZYNSKI began his 24 years of service in this House in 1950 after a long and distinguished career spanning almost 20 years in the Illinois Legislature. His rich and varied experience and background in State government had prepared him well for his role in Congress and his legislative accomplishments are a credit to those who elected him. Congressman KLUCZYNSKI's dedicated service was reflected in his accomplishments as a member of the Committee on Public Works and the Permanent Select Committee on Small Business. He had a realistic appreciation of the importance of the works of these committees and devoted all his substantial ability and integrity to excellence in committee service.

In all his endeavors JOHN KLUCZYNSKI was deeply involved in the task of bettering the lives of the people in his district and all of the American people. He leaves rich memories for those of us who were privileged to share with him the responsibilities of congressional service.

Mr. FORD of Michigan. Mr. Speaker, I join my colleagues in mourning the recent death of our late friend and fellow Member, Congressman JOHN C. KLUCZYNSKI. He was a man known and loved by every Member of this House.

During my early years as a Member, JOHN was helpful to me on many occasions, and I know all of my colleagues here today share with me the memory of his never-failing good humor and patience.

JOHN came from humble beginnings, but during his lifetime, he accomplished enough to match any king or emperor. He served 18 years in the Illinois State Legislature, and then 24 years in the Congress. As chairman of the Subcommittee on Transportation, he took a personal interest in the Nation's Interstate Highway System, and those many miles of roadways constitute a permanent monument to his dedicated efforts.

JOHN represented his constituents with dignity, integrity, and effectiveness. His death is a great loss to them, to the Nation, and to his host of friends here in the House.

Mr. SISK. Mr. Speaker, I would like to join with my colleagues who have previously paid tribute to our longtime friend JOHN KLUCZYNSKI of Chicago, Ill.

During my over 20 years in the House I came to know "BIG KLU" quite well and watched with admiration as he finished, here in Congress, more than four decades of dedicated public service in the Illinois State Legislature and the U.S. House of Representatives.

He was well rounded in government in general and was a hard-working member of the Public Works and Small Business Committees.

As chairman of our restaurant committee he labored valiantly during his last years to improve the quality of the food and service in our ever-busy dining rooms.

JOHN had many friends on both sides of the House aisle and served well through times of intense national problems and through many changes in our style of government.

We shall miss him greatly in the remainder of this 94th—and future Congresses.

Mr. VANIK. Mr. Speaker, I would like to join my colleagues who recently paid tribute to a dear friend and colleague of mine, JOHN KLUCZYNSKI. Like my colleagues, I was saddened to learn of his passing a few short weeks ago.

For over 20 years, I had the pleasure of serving with JOHN in this body. I knew him to be a capable, dedicated, and loyal public servant. Perhaps his most significant achievements in Congress came during his chairmanship of the Subcommittee on Transportation of the House Public Works Committee. Our unparalleled system of interstate highways—the backbone of our national transportation system—will serve as a permanent legacy of JOHN'S foresight and good work.

Mr. Speaker, this body will sorely miss Congressman JOHN KLUCZYNSKI. A man of his caliber who did so much to build the economic strength of this country and improve the general welfare of our people is not easily replaced.

Mr. METCALFE. Mr. Speaker, I take this time to pay tribute to a fellow Chicagoan and a great American, JOHN C. KLUCZYNSKI. I was deeply saddened when JOHN passed away. Here was a man who had devoted much of his life to serving the people of Chicago and of the Nation. His distinguished career as a public servant is unequaled in Chicago's history. For 18 years, JOHN KLUCZYNSKI served the people of the Southwest Side of Chicago in the Illinois State Legislature. From the Illinois State Legislature, JOHN came to the U.S. House of Representatives where he worked hard for 24 years representing not only his constituents, but also working in the best interests of all Americans. For 10 of these 24 years, JOHN was chairman of the powerful House Subcommittee on Transportation of the Committee on Public Works. While chairman of that subcommittee, he presided over the ambitious highway construction program that produced one of the most extensive highway systems in the world, a highway system that has in some way benefited every American.

I am very honored to be able to say that JOHN KLUCZYNSKI was a close and highly respected colleague of mine, both here in the House of Representatives and in Chicago. I am even more honored to be able to say that JOHN was a close personal friend. I have known JOHN for many years and have worked with him often. He was a man who had my deepest respect. Chicago and the Nation have lost a great public servant and a great friend. However, JOHN KLUCZYNSKI'S memory and many achievements will stay with all of us as guides in our attempts to build a better, strong Nation.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late JOHN KLUCZYNSKI.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE ISRAEL-ARAB SITUATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. SOLARZ) is recognized for 30 minutes.

Mr. SOLARZ. Mr. Speaker, I recently returned from an 18-day mission to the Middle East, in my capacity as a member of the House Committee on Foreign Affairs, during which I had an opportunity to talk at length with Prime Minister Rabin of Israel, President Sadat of Egypt, King Hussein of Jordan, and President Assad of Syria.

In addition to the wide range of public officials and private citizens with whom I met, I also inspected each of the territorial locations currently in dispute, including the Egyptian and Syrian sides of the Golan, the Suez Canal, the West Bank of the Jordan, and the Mitla and Giddi Passes, as well as Sharm el Sheikh in the Sinai.

Candor compels me to report that I came away with the feeling that the prospects for peace in the Middle East are dim indeed. I say this with great regret, because it seems to me that not only the countries of the region, but all the peoples of the world, have a real interest in the resolution of the conflict between Israel and its Arab neighbors.

The major obstacle to further progress on the diplomatic front, as I see it, is the continuing refusal of the Arab States to offer Israel any tangible manifestations of their alleged desire for peace. In the absence of such commitments, Israel can hardly be expected to relinquish territories which are essential to its own security.

During the course of my conversation with President Sadat, he flatly asserted that he had no intention of signing a separate peace treaty with Israel. Such a settlement, he contended, would depend not only on a resolution of the territorial question in the Sinai, but on an agreement concerning the Golan and the West Bank as well. Since the Syrian situation and the Palestinian problem are much more difficult to resolve than the dispute over the Sinai, Sadat's refusal to make peace on his own means that the possibility for a lasting resolution of the conflict between Israel and Egypt is exceedingly remote.

This is most unfortunate. It means, in effect, that the foreign policy of Cairo is shaped to a significant extent by what is acceptable in Damascus. And it also means that Egypt will probably have to continue spending close to 40 percent of its national budget on preparations for war rather than on development for peace.

In view of the fact that the very fabric of Egyptian society is beginning to unravel, due to the magnitude of the social and economic difficulties that beset them, this is likely to have catastrophic consequences for the Egyptian people. Egypt has always had serious social and economic problems. But in the last few years they have gotten qualitatively and quantitatively worse. Under the pressure of a population explosion that has more than eaten up whatever limited economic growth they have achieved, as well as a staggering increase in inflation which has resulted in shortages for everything from fertilizers to foodstuffs, the average Egyptian has found it increasingly difficult to make ends meet. For the first time, a few months ago, there were worker riots due to economic circumstances rather than political conditions. Egypt is paying a heavy price, indeed, as a result of the vast expenditures it has been required to make for the maintenance of its military establishment.

President Sadat is aware, I think, of the benefits which would come to his country if the conflict with Israel could somehow be resolved. Indeed, I found among virtually all of the Egyptians with whom I spoke—from students to statesmen—a real desire for peace and a determination, if possible, to concentrate on the development of their own economy. But I must say that I also found an unfortunate unwillingness to offer Israel the kind of political commitments and concessions which would make peace possible.

As an indication of his plans for peace, President Sadat points to the vast investment which Egypt is making in the reconstruction of the cities along the Suez Canal. Compared to Syria's refusal to rebuild Kuneitra, a city on the Golan over which they have regained territorial jurisdiction, the work which is being done on Port Said, Ismailia, and Suez City does constitute an encouraging indication of Egypt's desire for development rather than war. But Israel points out, quite fairly, that an undertaking to reconstruct these cities was part of the quid pro quo for the first stage disengagement accord. The fact is that any future territorial withdrawals by Israel will require further political concessions by Egypt.

In terms of his willingness to enter into another interim agreement with Israel, Sadat insisted that a withdrawal from the Mitla and Giddi Passes, as well as the

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oil fields at Abu Rudeis, were a precondition for a second stage disengagement accord in the Sinai. It is, of course, easy to understand why Sadat wants them back. The passes have immense military significance, for they literally control the approach to the heartland of the desert itself. The terrain elsewhere in the Sinai is literally impassable. Since any attacking army must necessarily funnel itself through these exceedingly narrow passages, it means that a relatively small defensive unit can easily bottle up a rather substantial offensive force. The Mitla and Giddi Passes are, in effect, a desert version of the bridge at Thermopylae. If Israel were required to return them, it would find itself with a far less defensible position in the event of an Egyptian attack.

The oil fields are just as important economically as the passes are militarily. Israel gets 55 percent of its oil from Abu Rudeis. If it relinquished control of this resource, it would necessarily be dependent on a far less reliable source of supply for its energy needs. Presumably, any agreement on the part of Israel to withdraw from Abu Rudeis would have to go hand in hand with an understanding with Iran that it would provide enough petroleum to make up the difference. But the problem here is that the oil in question would have to be shipped down the Persian Gulf, through the Gulf of Aqaba, to the Israeli Port at Elat. In view of the fact that the Egyptians demonstrated a capacity to prevent any shipping from reaching Elat during the 1973 war through the establishment of a blocade at Bab el Mandeb, an Israeli withdrawal from Abu Rudeis would constitute a form of petroleum roulette.

In spite of these strategic and economic considerations, Prime Minister Rabin assured me that Israel would be willing to relinquish control of the passes and oil fields if Sadat was prepared to offer Israel meaningful political concessions in exchange. There are any one of a number of affirmative actions which Sadat could take in this regard. He could, for example, effectively end the economic and political boycott of Israel and its friends around the world; he could permit the free passage of Israeli shipping and cargo through the Suez Canal; he could establish commercial and cultural exchanges with Israel; and he could, most importantly, provide a written guarantee of his determination not to resort to war as a way of achieving peace.

Unfortunately, the Egyptian leader told me he has nothing to offer in this connection other than amorphous assurances through third parties that he does not want war—and this, given the history of the conflict between Egypt and Israel, is clearly not enough to induce the Israelis to make the kind of territorial withdrawals which, according to Sadat, are the preconditions for peace.

The Syrian situation, if anything, is more intractable than the Egyptian one. In the north there is far less territory separating the countries involved than the south. Israel's major population centers are consequently much closer to Syria than they are to Egypt. Prior to 1967, from their position on the Golan Heights, the Syrians constantly shelled Israeli settlements in the valley below—and there is a resolute determination in Israel not to expose their Kibbutizm to such shelling again. The Golan is also immensely important to Israel in terms of giving it a measure of strategic depth in the event of another Arab attack. If the 1973 war had broken out from the 1967 border, for example, the fighting would have taken place on Israeli rather than Syrian soil, within shelling distance of Haifa instead of Damascus.

Even in terms of another interim accord, the possibilities of further progress on the Golan are exceedingly dim. The current border has left Israel in possession of a range of hills immediately overlooking the town of Kuneitra which provide the only natural line of defense and observation on the Golan. A withdrawal from their present position would, therefore, make it much more difficult for the Israelis to defend themselves against another Syrian thrust. They feel, as a consequence, that any further movement on the Golan must be in the context of a final agreement. But given the attitude of President Assad, who told me that he wants "every inch" of his lost territory back, the chances for a settlement seem slim.

In the final analysis, any significant movement toward peace will have to involve some kind of resolution of the Palestinian problem as well. And this is, for better or worse, probably the most intractable issue of them all. The Arab chiefs of state, meeting in Rabat several months ago, enormously complicated the situation by voting unanimously to give the Palestine Liberation Organization, rather than King Hussein, the right to represent the Palestinian people in any subsequent negotiations concerning the future of the West Bank.

I tried to suggest to the Arab leaders with whom I met that this was nothing more nor less than a formula for frustration. There was, I pointed out, the strongest possible opposition in Israel to any dealings whatsoever with the PLO. Even if the Rabin government wanted to negotiate with Arafat—which it does not—it would not be able to last a week if it agreed to do business with an organization which is clearly committed to the disestablishment of the Jewish state.

It is not just that the PLO has a record of terrorism unmatched even in the bloody history of the Middle East. That is bad enough. What is worse is that the PLO is unequivocally determined to eliminate Israel itself.

An examination of the Palestinian National Convenant, which to the PLO is what the Declaration of Independence and the Constitution are to us, makes it crystal clear that the organization, on whose behalf Yassir Arafat speaks, is determined to bring about the removal of Israel and its replacement by a so-called democratic secular state. Lest anyone think the Palestinian entity, for which they strive, will be a haven for Jews as well as Moslems, let them take a close look at article VI of the Covenant which provides that only those Jews who resided in Palestine prior to 1917—the date of the Balfour Declaration—will be eligible for citizenship in the new nation. Where the 2,500,000 Jews in Israel who were not born in Palestine prior to 1917 will go—or what will happen to them as a result—is not apparently something which bothers the PLO. It is, however, a matter of great concern to the Israelis. It makes, I think, the refusal of Israel to negotiate with the PLO—which, by the way, has shown no interest in negotiating with them—perfectly understandable.

There has been a lot of loose talk in recent months about the need to encourage the "moderate" as distinguished from the "radical" elements in the PLO. But insofar as I can determine, the only difference between them is that the "radicals" want to get rid of Israel all at once while the "moderates" are willing to wait awhile, on the theory that a more realistic method of achieving their objectives is to first establish a Palestinian entity on the West Bank and then, with that as a base, eliminate Israel itself.

There are those who say that the establishment of an independent state will somehow satisfy the yearnings of the Palestinians for a land of their own. Perhaps for some Palestinian it will. But for those who constitute the leadership of the PLO it clearly will not. During the Eleventh session of the Palestinian National Council, held in January of 1973, the PLO unequivocally declared that it would—

> . . . struggle against any plan for the establishment of a Palestinian entity the price of which is recognition [of Israel], conciliation [with it], secure borders, renunciation of the national right, and our people's deprivation of their right to return and their right to determine their fate on their national soil.

In the absence of any indication whatsoever that the PLO is prepared to accept a resolution of the Palestinian problem which would require them to recognize the legitimacy of the State of Israel, the Rabin government can hardly be expected to acquiesce to their suicidal demands.

There is, quite clearly, a Palestinian problem. In one way or another the refugee situation must be solved. It is most unfortunate, in this regard, that at the same time Israel was absorbing 600,000 Jewish refugees from the Arab and North African countries, the Arab States refused to absorb a similar number of Palestinian refugees from Israel—although by language, culture, and background, they had the capacity to easily bring them into the mainstream of their national life. Population transfers have, after all, taken place fairly frequently throughout history. We have witnessed several such movements in our own century and it is truly tragic that the Arab States were not willing to fully accept their displaced Arab brethren. Whatever the answer to the problem may be it must involve a solution—if it is to work at all—based on a recognition of the fact that Israel has a right, not only to exist, but to live in safety and security as well.

While in Amman, I had an opportunity to spend an evening with a number of Palestinians who told me that "if Israel went back to the 1967 borders, it might satisfy the Egyptians and the Syrians, but it wouldn't satisfy us." What they wanted was an initial Israeli withdrawal to the 1947 borders and, after

that, the establishment in what used to be the whole of Palestine of a democratic secular state. To the extent this point of view is representative of Palestinian thinking on the subject, it has the most ominous implications for the future. I say this because, given the inherent instability of Arab politics, a Palestinian population unreconciled to an agreement between Israel, Egypt, and Syria would create a continuing possibility that any Arab leadership committed to such an accord would not be able to survive its implementation.

To the extent that any further progess on the diplomatic front is possible, I think it is fairly clear that there would have to be a demilitarization of any area from which Israel withdrew together with the placement of an international peacekeeping force on the territory which they relinquish. Such an arrangement must clearly be understood, however, as a necessary rather than a sufficient condition for another agreement between Israel and its Arab neighbors. The Israelis recall only too well that in 1967, when Nasser asked the U.N. peacekeeping forces to leave the Sinai, they departed in a matter of days, to be replaced by an Arab army poised for an attack against Israel. In light of this experience, which was the prelude to the 1967 war, the Israeli feeling that demilitarization, necessary as it may be, cannot replace the need for more effective safeguards, is eminently understandable.

A number of observers have suggested that one way of getting around this problem is to provide an American military guarantee designed to give Israel the substance and sense of security which it desires. But the Israelis, who have had unfortunate experiences with such guarantees in the past, are exceedingly wary about accepting them now. They feel, with ample justification, that American guarantees can at best be a supplement to, rather than a substitute for, an agreement between Israel and the Arab States. If worse comes to worse, Israel wants to be in a position to defend itself from secure borders that have been agreed to in negotiations with its Arab adversaries. They do not want to be dependent for their own survival on the support of another nation that may, for whatever the reasons, be unable or unwilling to live up to its dipolmatic obligations.

In any case, Israel has never asked for American troops in the past and it is unlikely to ask for them in the future. All it wants are the weapons it needs to defend itself—and I believe for both moral as well as military reasons that we ought to provide Israel with the necessary assistance.

Ever since the establishment of Israel in 1947, we have recognized our obligation to provide this small State with the support it needs in order to survive. This is a commitment which has been affirmed over and over again by 6 Presidents and 14 Congresses. It was based, first of all, on a conviction that after the world stood by in mute silence while Hitler proceeded to systematically slaughter 6 million European Jews during World War II, mankind had an obligation to support the establishment of a state in which the Jewish people could find refuge from oppression. It was based, secondly, on a feeling that Israel was a sister democracy with a legitimate claim on our own friendship. And it was based also on a sense of admiration for what this small nation had accomplished in terms of its success in making the desert bloom and in creating new forms of social organization for its people. Here, after all, was a Middle Eastern State that, like our own country, pulsed with the life beat of democracy and which wanted nothing more than the right to live in peace and harmony with its neighbors.

But our support for Israel is premised on much more than just a sense of moral obligation. It is built, first and foremost, on a perception of our own national interest. The survival of Israel is, I think, of the utmost significance for the security of our own Nation. And at a time when, due to the economic crisis at home and the cost of our commitments abroad, questions have been asked about where our national interest truly lies in the Middle East, I thought it would be useful to set forth the strategic foundations for our present policy in that troubled area of the world.

Given the continuing conflict in the Middle East—and the very real possibility that another war could bring the two super powers to the brink of a nuclear confrontation—it is quite clear that we have a compelling interest in the achievement of a lasting accord between Israel and its Arab neighbors. I think there is little doubt, in these terms, that the possibilities for peace, such as they are, depend on an Arab recognition that they cannot expect to eliminate Israel through the force of Arab arms.

There are those who would argue that our support for Israel, morally justifiable as it may be, has created a chasm between ourselves and the Arab world. But I would suggest that the evidence indicates otherwise. In the wake of the 1973 war, during which we supplied the Israelies with $1.5 billion worth of arms, we were able to resume diplomatic relations with Egypt, Syria, Libya, and the Sudan. President Nixon, on his mission to the Middle East, was hailed as a hero in all of the Arab countries which he visited. And it is, after all, Secretary Kissinger rather than Foreign Minister Gromyko, who is masterminding the current round of negotiations in the Middle East.

Indeed, I think, it can be said that our support for Israel not only has not seriously hurt our standing in the Arab world, but has actually enhanced it. The Arab states are well aware of the fact that our special relationship with Israel gives us a role to play in the effort to produce peace which could be filled by no other country in the world. As President Sadat told me when I spoke with him a few weeks ago:

> For the first time in 28 years there is a third party in whom both the Arabs and the Israelis can trust.

And it was not the Soviet Union which the Egyptian leader had in mind in this regard.

In a somewhat similar sense, for all of the antagonism directed against it, Israel constitutes a source of stability in the Middle East as well. It is a well known fact, for example, that Israel's military maneuvers in the fall of 1970 effectively deterred a threatened Syrian invasion of Jordan during the midst of the Jordanian civil war—thereby saving the throne of one of the more moderate and most responsible Arab leaders in the Middle East. Indeed, given the rather hostile relationship between Syria and Lebanon evinced, among other things, by the refusal of the regime in Damascus to recognize the government in Beirut, it can fairly be argued that the presence of Israel produces a measure of protection for Lebanon as well. To the extent, therefore, that it is in our interest to foster the development of moderate regimes throughout the Arab world, Israel is a significant source of stability for the governments in both Amman and Beirut.

There is, I think, a somewhat naive belief that if Israel could somehow be exorcised out of existence, peace and tranquility would prevail. The fact of the matter is that if Israel were to disappear tomorrow, the Middle East would be as unstable as it is today. Indeed, there is every reason to believe that it is the very presence of Israel, whose existence crystallizes Arab animosity, which alone precludes an otherwise ineluctable descent into disintegration.

All of the forces necessary for a degeneration into endemic instability are already present in the Middle East. The persistence of unpopular feudal regimes alongside strong modernizing forces, an ancient religion in conflict with powerful secular tendencies, dynastic hatreds such as the one between the Hashemite Kingdom of Jordan and the monarchical regime in Saudi Arabia, the monopolization of wealth and power by small elites threatened by the uprising of impoverished millions, long-standing communal and ethnic animosities such as those between the Kurds and Iraquis and the Bedouins and Palestinians, and the historic ambition of Egypt for hegemony in the Arab world; these, rather than the existence of Israel, are the true source of instability in the Middle East.

Imposed upon all these present and potential conflicts is the most dangerous of them all: the concentration of fabulous wealth in four militarily insignificant Persian Gulf States. While nations remote from the region may be reluctant to resort to force in order to seize the vast treasure which the sheikdoms possess, neighboring states may not necessarily be troubled by such scruples. It is the existence of Israel, the need for gauging likely Israeli responses, and the necessity for keeping their armed forces available for possible action against Israel, which deters the Arab States from slipping into devastating conflicts among themselves.

We cannot, unfortunately, afford to turn our backs on this complex and difficult situation. The stakes are simply too high. What is at issue here is nothing more nor less than access to 53 percent of the world's proven reserves of oil. If the Middle East were ever to fall under the control of the Soviet Union, it would have the most tragic consequences for

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us and our allies throughout the world. Above all else, therefore, we have a compelling interest in preventing a Soviet hegemony in the Middle East.

I think it is important to point out, in this regard, that if Israel was not there we might have to invent it. I say this because, in the absence of a direct U.S. military presence in the Middle East, the most effective conventional deterrent to a Soviet incursion in the region is the existence of a powerful, well trained and well equipped, Israeli army. No one, of course, would suggest that Israel has the capacity to prevent by itself a mass movement of Soviet troops into the Middle East. But it is a factor which the Russians have to take into account—and, if worse came to worse, it would buy time for us to mobilize our own forces for an appropriate military response. Even in the absence of an overt military maneuver by the Soviets, however, Israel serves as a bastion against the advance of radical movements and regimes strongly sympathetic to the Soviet Union. Without the presence of Israel, Jordan and Lebanon as well as other Arab States, probably would have fallen a long time ago.

It is no exaggeration to say that instability is endemic to the Arab world. Even if there were no Israel, conflicts would prevail throughout the Middle East. Since Israel is unquestionably the most powerful country in the region, it is quite clear that we are far better off with it than without it.

I say this because, should Israel somehow disappear, we would still have a significant stake in the future of the Middle East. The alinement of radical versus moderate regimes, which would emerge in the wake of an Israeli defeat, would inevitably draw us back into a continuing involvement in the area. The only difference is that, under these circumstances, we would have to depend on far weaker and less reliable allies in order to protect our own interests.

Let no one think, therefore, that if it were not for Israel we could save the foreign aid and military assistance we are now providing. The resources involved, out of sheer necessity, would have to be forthcoming anyway. But we would instead be giving it to states which have historically treated their financial benefactors with indifference at best and disdain at worst.

It is relatively rare for a nation to have the opportunity to adopt a course of action that is both principled and pragmatic. In the case of Israel, what we have done is not only morally right but strategically sound. I only hope that we can muster the strength and the wisdom to stay the course so that we can use our influence on behalf of a just and lasting peace for all the people of that troubled area of the world.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I will be happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise to compliment the gentleman from New York (Mr. SOLARZ) for his fine speech on problems in the Middle East and for having taken the time to prepare this indepth analysis of the Middle East situation, which, hopefully, will assist all of our colleagues in helping to resolve the complex problems confronting Israel and confronting the Middle East as a whole.

Mr. SOLARZ. Mr. Speaker, I want to thank the gentleman from New York (Mr. GILMAN) for his very gracious remarks.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

The SPEAKER pro tempore (Mr. MCFALL). Is there objection to the request of the gentleman from New York?

There was no objection.

OFFSHORE DRILLING—CAN OIL SPILLS BE REMOVED FROM THE OPEN SEA?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FORSYTHE) is recognized for 60 minutes.

Mr. FORSYTHE. Mr. Speaker, in the past 2 years we have become painfully aware that the United States is energy dependent. That awareness has lead to a national search for new energy sources. As part of that effort, the administration and the major oil companies are seeking to develop the petroleum resources of the outer continental shelf. With this Nation's pressing need for energy, I believe offshore drilling is inevitable.

However, offshore oil and gas production, if left unregulated, could result in severe damages to the marine environment and to onshore areas developed to support offshore activities. Therefore, this past week I introduced a comprehensive legislative program to regulate offshore drilling.

Last Wednesday, I discussed the environmental consequences which could result from the introduction of oil into the marine environment and today I would like to explore the adequacy of existing methods of containing and cleaning up spilled oil on the open sea. Later this week I will review the cleanup problems which result when oil washes onto beach and shore areas. I will also review the severe onshore problems which can result from the development necessitated, because of Outer Continental Shelf drilling.

The most common device in spill containment is the boom which consists of floating devices positioned to form a physical barrier above and below the surface of the water. Generally booms are used in three ways: First, to encircle the spill to contain it; second, to form a fence which can be used to direct the oil spill away from a particular area; and third, to sweep the oil toward a collection point.

The central weakness of the floating boom as a containment device is that it generally will not stop oil from leaking under the boom if the water speed is above 0.6 knots or if the combination of the water speed and the boom tow speed combines to 0.6 knots. Furthermore, it is not unusual depending on the condition in a given area for oil to leak underneath the boom if the water velocity is below this miniscule 0.6 knots. Presently boom systems are being designed which float with the current and thus reduce the underneath leakage factor. However, these systems also lose effectiveness when the water velocity exceeds certain minimum levels.

Another serious deficiency with the boom containment system is that many booms are structurally weak and the connection points between the sections and with the attachment device are particularly vulnerable to breakage.

Nevertheless, the floating boom appears to be the most effective device presently in use for the containment of an oil slick provided that the water velocity is below very small levels and provided that wave heights do not exceed 2½ to 3 feet. If the wave heights are above that level most booms are unable to prevent the oil from escaping over the top. While the boom may be the most effective device now available, in my view, it is woefully inadequate.

However, it must be pointed out that the Coast Guard is presently developing a system which they assert has the capability to contain an oil slick in 5-foot seas with winds up to 20 miles per hour, and to survive structurally in 10-foot seas with 40-mile-per-hour winds.

While the system is designed to meet these specifications it has not been thoroughly tested as of yet and thus any judgment on its effectiveness must await final development.

Another containment device in use today is the pneumatic barrier. Basically, this device consists of a tube or pipe resting on the water floor from which air is pumped into the tube and released through perforations or nozzles along the length of the tube. The rising stream of air produces an upward flow of water resulting in a surface current flowing away from the barrier in both directions and containing the oil within the area bounded by the barrier. Obviously the effectiveness of this system depends on the barrier being able to generate surface current that is stronger than the normal current. The extent to which the pneumatic barrier system is effective in generating this current also depends on the depth of the water in which it is placed.

Another limiting factor in even these waters is that the pneumatic barrier must be in place when an oil spill occurs. The system is not suitable for towing or transport to an oil spill. Structurally it is a fixed system and thus is useful as a containment device around in place drilling or transfer structures. Unfortunately, these factors combine to make the pneumatic barriers less effective than boom and totally ineffective except in extremely calm and shallow waters.

A third containment device is the underwater tent which, like the pneumatic barrier, is a fixed location device. Basically the tent functions as a device for holding leaking oil in place by trapping it before the oil reaches the surface. The tent fits over the oil enabling a pumping system to suck the oil out from underneath the tent. Clearly, since this system is a fixed location one, it offers no assistance in containing oil spilled in the open sea. Although this system does offer some promise for containing oil leaking at a drill site its application is too limited to be considered an adequate system.

The last major oil containment system is the monomolecular surface film which results from spraying the oil with a water insoluable, nontoxic chemical which has a higher spreading factor than oil. Essentially, the sprayed chemical agent herds the oil together, concentrating it so as to make pickup easier. Again, however, this system is effective only in calm waters and with very small quantities of oil.

Clearly, if existing oil spill containment systems are less than adequate, the need for efficient cleanup systems is even greater. Unfortunately, development of high-capacity recovery equipment specifically designed for open sea use remains to be accomplished. Granted, many devices have been developed for recovering small spills in calm waters, but because of their physical limitations these devices are also inadequate.

Mechanical skimmers, for example, are useful in the cleanup of an oil spill when calm conditions prevail or if the slick is in an enclosed area such as a breakwater or a harbor.

Presently there are three basic types of skimmers. The first consists of simple settling tanks into which an oil water mixture is transferred by the forward motion of the device such as a paddle wheel. The second employs pumps of various types or a vacuum to pick up an oil and water mixture transferring it to settling tanks within the device or to a remote tank. The third utilizes wiping devices to selectively remove oil from the water surface and transfer it to a storage tank.

Unfortunately no skimming device has been developed which works satisfactorily in waters with waves over 6 inches in height. Under these wave conditions skimming devices tend to be partly in air at the wave trough, and then partly buried at the wave crest. Because of this, the device tends to suck air and water alternately, with the liquid recovered being primarily an oil-water mixture. The large amount of water thus collected necessitates the presence of a large oil/water separator, which itself may have limited effectiveness.

The mechanical discovery of oil under extremely calm water conditions is not difficult when the oil layer is thick. In circumstances such as this suction hoses can be used to pick up oil, providing that the hoses are carefully held so that they only dip into the surface layer. If the oil is especially viscous, simple scoops, even shovels, can be used to remove oil from the surface.

However, as I indicated, in the present stage of development skimmers are not considered to be of substantial usefulness for control of a major oil spill in open water and are of only limited effectiveness in calm water conditions.

Similarly, it is not feasible to use the gelling process as a normal method of dealing with an oil slick. The basic idea behind the gelling procedure is to add the gelling agent to the oil, and then mix vigorously, applying a great deal of energy. The chemical added to the oil causes it to coagulate, and the lumps of jelly can easily be collected.

While appearing to be a simple process, gelling does not have significant application for use in controlling a major oil spill, because of the large quantity of gelling agent required and the difficulty of controlling its application to insure the proper proportions and gelling conditions. Furthermore, the great expenditure of energy required to mix the gell is impossible to generate on the open sea. While it may be possible to add a gelling agent to a wrecked tanker so that the oil can be partially solidified before it actually is released from the tanker, the problem of energy requirements is ever present. With the limitations of this process it is clearly not the answer to the oil spill cleanup dilemma.

Chemical dispersants, however, have been widely used in the cleanup of oil slicks. Here two operations are involved—the uniform application of the dispersant to the floating oil and the mixing of the treated oil with the surface layer of the sea with sufficient force to break up the oil slick into droplets. This agitation will mix the small oil particles into a large volume of sea so they are less likely to meet and recombine. Furthermore, since these small particles are very slow to rise to the surface there is less likelihood of their reforming into a coherent film. With the oil broken into particles, the surface area of the oil is greatly enlarged resulting in a substantial increase in the natural rate oxidation and biodegradation of the oil.

The effectiveness of dispersants is, however, severly limited by several factors. First, the temperature of the water may inhibit their action. The lower the temperature, the less effective is the chemical agent. Thus, the usuage of dispersants is restricted by the time of season and the geographic location of the spill.

Second, as is the case with gelling, it may be necessary to mechanically mix the dispersants with the oil. The natural action of waves and winds will usually not provide sufficient agitation of the dispersal agent. In the open sea this fact presents a severe structural limitation to the usage of chemical dispersant.

Finally, the decision to use a chemical dispersant must be approached circumspectively because of the real possibility of the dispersants being toxic to marine life.

Floating oil spills can also be cleaned up through absorption by a suitable material which can then be picked up. This method of cleanup consists of spreading or distributing the absorbent material onto the oil surface, mixing the materials with the oil, and then collecting the oil-soaked mixture. Typical absorption materials are straw, zinc sterate, coated talc, and polyurethane foam. Straw is the main agent used because of its availability, low cost, nontoxic nature, and accepted effectiveness, since it can absorb five times its weight in oil. Generally the absorbent materials that are more effective with lighter oils than with the heavier ones.

The principal problems with this cleanup method arise from the fact that a dual operation has to be carried out. The material has to be distributed adequately over the oil with sufficient contact to absorb the oil, and then must be recovered. The materials used in this operation are very light and easily blown by wind. To spread them over a large area presents considerable problems. Straw can be distributed fairly evenly with the use of commercial mulchers consisting of hammer mills and blowers. Other absorbents may be controlled in the wind by a mixture of the material with water before distributing over the slick. Regardless of which distribution process is used, wind disruption remains a fundamental problem.

Once spread, the collection of the oil soaked material can present its own set of problems. Propelled by wind the raft of material can spread over large areas. Once onshore the material may also be disposed of by burning the mixture or if natural absorbents were used it can be buried. If polyurethene foam is used it is reported that possible salvage of the oil is possible. The foam can be pressed to obtain the oil and then the foam can be reused. In all recovery methods, however, care must be taken to avoid compressing the absorbent and thus squeezing out the oil unless there are facilities to catch the oil released.

At the present time, because of the mechanical problems associated with the use of absorbent materials this cleanup process is severely limited in open waters. Within confined areas it, like other processes, offers certain advantages. Unfortunately, within the context of an offshore drilling platform, this cleanup process in inadequate.

As a cleanup method, the burning of oil which is floating on the surface of the sea can be considered virtually impossible, in application, if not theory. The theory behind burning an oil spill is to ignite the oil spread on the surface of the water. However, oils, particularly those of low viscosity such as crude oil, spread very rapidly. The thickness of the slick left to be burned is thus very small and the cooling effect of the water underlying the slick is enough to prevent combustion from taking place. The volitable substances of the oil evaporate very quickly and as the oil sits it gathers

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moisture from the water making combustion almost impossible. If ignition takes place, the heat is lost to the water thus hampering further burning.

To remedy this particular problem oil experts have developed moleophilic—oil loving—burning agents. These agents cause the oil to gather in one location. A hole is then burned into the spill at one spot and the rest of the oil flows into the gap resulting in a continuous burn. It has been found that 98 percent of the spill can be removed in this manner leaving only a black blob of residue that can easily be picked up.

There are several products notably ignitors and wicking devices that claim to assist the burning of oil, by promoting combustion of the oil. However, experiments with ignitors have shown that if the oil is such that it will burn with the aid of an ignitor the use of one is unnecessary. If the layer is too thin or if the oil has been weathered, separated, become water-logged or mixed with nonburnable materials, the ignitor has very little useful effect.

Wicking agents are based on the theory that they operate to raise the oil, isolating it from the cooling effects of the water on which the oil is floating, thus permitting continuous combustion once the oil has been ignited. Unfortunately, there are two general limitations to the usefulness of this process. First, the oil surface has to be almost completely covered with wicking material and secondly, any such material is only suitable for oils whose viscosity, which is determined by oil type and water temperature, is low enough to permit them to rise up into the wick material. Oil, however, becomes more viscous the longer it is in the water and it is possible, depending on the type of oil, for it to be too viscous for wicking within a matter of hours after the spill.

These types of products appear to have some merit for use on spills in open water where the resulting temporary air pollution is not a significant factor and there is not danger to the surrounding environment. Their use near the vicinity of the source of oil is highly dangerous, because of the potential spreading of the burning to the source of the oil spill. I might also point out that the same limitations on burn effectiveness apply to efforts to burn oil treated with absorbent materials.

Of all the cleanup methods sinking appears to be the most promising for the treatment of spills in deep water outside heavy fishing areas. This method requires the distribution over an oil spill of a powder of fine granular solid or high density material. The essential requirement is that the solid material should be more dense than water and as it passes through the oil and sinks to the ocean floor it clings to the oil.

The efficiency of this type of material is varied. Sinking materials are generally most efficient with a heavy or viscous oils that have become so by weathering or by low air and water temperatures. Natural sand, a frequently used sinking material, will only sink oil that adheres to the surface of the said grains as they fall through the slick. The actual amount of oil sticking to the surface of the sand is very small. Clay, another sinking agent, has a more favorable ratio of oil capture per unit of material, because it is better able to absorb oil. The problem with these types of sinking materials is that they absorb water equally as well as oil limiting the time during which the oil may be absorbed before sinking. Several chemically treated materials such as stearate chalk and silicone-treated pulverized fly ash are also available as sinking agents. These materials reject water somewhat better than clay and sand but they are not dramatically superior.

While sinking appears to be the most effective method of removing oil from the sea surface the use of sinking materials may result in hiding the problem rather than solving it. Ideally, the submerged mixture of oil and powder should set to a solid mass so that the oil is completely immobilized and no oil is released to renew the contamination.

But the ideal situation is not yet at hand. Sand and clay tend to begin loosing oil within a year. Chalk and ash forms a harder mass and appears to retain oil only about 2 years. As I discussed last week, low level continous pollution may present a greater environmental threat than a massive spill.

Further, after several months under water the sunken mass is still mobile and oil could be released from it not only by natural agitation, but by the dragging of fishing gear through it. Unfortunately, for the fisherman, there is still enough oil to foul fishing gear dragged through it and there is still enough oil to contaminate the catch.

Sinking while it may offer the most viable mechanical system of removing oil from the ocean environment may well have long-term effects which will harm the environment far more significantly.

Clearly, what is needed is additional research into improved cleanup and containment techniques. The Outer Continental Shelf Research Fund contained in my legislation addresses this need directly by providing financing for the research and development of improved technology. It is my hope that through the operation of this fund, techniques for the cleanup and containment of oil spills can and will be developed.

For example, a biochemical research laboratory in my district has developed a multicomponent biological complex of microorganisms which thrive on oil. Preliminary tests have shown that these microorganisms can, at a rapid rate, oxidize spilled oil, converting it to a nonpolluting biodegradable mass. The microorganisms themselves form a symbiotic mass which can contribute substantially to the nutrition of other members of the ecological chain. Unfortunately, the final development of this process will require the infusion of additional funds such as would be provided under the Outer Continental Research Fund I have proposed. Similar research is being conducted in every part of the United States and I believe it is only through these research efforts that we will develop improved cleanup and containment techniques as well as improve drilling technology to reduce oil spills.

Mr. Speaker, I urge my colleagues to give the three bills I have introduced their most careful consideration and to join with me in working for prompt action on this important legislation.

THE ILLEGAL, IMMORAL BOYCOTT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 3 minutes.

Mr. TALCOTT. Mr. Speaker, I am pleasantly surprised to discover that some Members of the Congress, this House, and the other body, now oppose boycotts and blacklists. I am pleased to learn that some Members intend to introduce legislation—"whatever is needed to assure equal treatment to our citizens."

For years I have been trying to convince a sufficient number of my colleagues that boycotts and blacklists are immoral. They are quite akin to "enemy lists" which we all deplored a few short rhetorical months ago.

It is amazing to me that many who applauded, even participated in, the blacklists, boycotts, and secondary boycotts of Cesar Chavez and his UFW and AFL-CIO affiliates a few months ago are now deploring the Arab blacklists and boycotts of certain businesses on their enemy lists. Oh, if only some of our Members could feel the same compassion and outrage for their fellow citizens as they do for certain foreign nations.

For me, a boycott, a secondary boycott, a blacklist or any enemy list ought to be deplored in and of itself. Our compassion and outrage should not be discriminating or only reserved for our friends and kin.

Why not deplore, condemn, and outlaw all boycotts and blacklists. Is not one just as illegal or immoral as another?

I hope all those who are now loudly deploring the Arab boycotts will join in comparable reaction to at least the secondary boycotts of NFW and Cesar Chavez.

Perhaps the contemplated action, hearings, publicity, and legislation can be applicable to all boycotts and blacklists.

I commend the President for condemning the boycotts as totally contrary to American principles. He is correct. His condemnation pertains to all boycotts. If he investigates the Arab boycotts and takes curative action, I trust he will do the same for domestic boycotts.

ENERGY INDEPENDENCE MUST BE OUR GOAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 10 minutes.

Mr. ASHBROOK. Mr. Speaker, the growing dependence of the United States on oil imported from unreliable foreign sources poses a severe threat to our economic well-being and our national security. Already we are importing over 6 million barrels a day in order to make up the difference between supply and demand. And the gap shows every sign of widening.

The dangers of energy dependence were sharply brought home by the Arab oil producing nations. The Arab oil embargo, followed by a raise in oil prices that borders on extortion, has demonstrated that our Nation must once again become self-sufficient in energy.

I reemphasize, Mr. Speaker, the need for self-sufficiency. We must have secure and abundant energy supplies to successfully meet the challenge of inflation. If American industry becomes increasingly dependent on foreign oil, available only at ridiculously high prices, we cannot hope to solve the inflation problem.

To achieve energy independence we must spur the development of our domestic energy resources. Therefore, I propose the following:

First, we must expand offshore exploration and production of oil and gas. It is estimated that the continental shelves contain oil deposits of 100 billion barrels, as well as trillions of cubic feet of natural gas. We cannot afford to lock away these large offshore reserves. The continental shelves must be opened for development. Some of the liberal east coast governors who yell the loudest against offshore drilling on their coast lines are also the biggest advocates of getting more oil for their States.

Second, we must relax—at least temporarily—certain environmental restrictions that are blocking our access to energy. One particular problem is the overly restrictive nature of environmental impact statements. Most Americans are up to their tolerance level on impact statements. These statements, required by law, have made it almost impossible to construct a new oil refinery, powerplant, or other energy facility. Yes, the environment must be protected. Commonsense tells us, however, that we must strike a reasonable balance between our energy needs and our environmental concerns.

Third, we must expand the use of nuclear energy. Our uranium reserves are great enough to fuel hundreds of nuclear powerplants for hundreds of years. We should build these plants while at the same time taking reasonable safety precautions to reduce whatever risk there may be.

Fourth, we must have increased utilization of coal. The United States has coal reserves of 200 to 400 years. Its use, however, has been seriously reduced through arbitrary restrictions of the Clean Air Act of 1970. We should temporarily relax these restrictions and allow industries and powerplants to make better use of our abundant coal resources.

Fifth, we must move toward the deregulation of natural gas. Since 1954 Government controls have kept the price of natural gas at artificially low levels. This has encouraged consumption while discouraging exploration. Ohio has been a particular victim of this foolish regulatory monstrosity.

As a result, demand for natural gas has far outstripped supply. Although exploratory drilling for natural gas dropped more than 50 percent between 1954 and 1970, the demand for natural gas is expected to double between 1970 and 1985. If the present trend continues, the National Petroleum Council anticipates that supply will fall 45 percent short of 1985 demand.

We must allow a profit incentive to develop our natural gas reserves. If we do, then natural gas will again be in sufficient supply. American consumers are better served by an adequate supply of natural gas at reasonable prices than by a scarcity of natural gas at low Government-regulated prices.

Energy independence must be our goal. To achieve this goal, we must spur the development of our domestic energy resources. The actions I have outlined will stimulate domestic production and help assure abundant energy for everyone.

The public is not fooled. Over the past year, about 90 percent of the time and attention of my liberal friends in Congress has been toward dividing up our supply. Liberals by nature do not think of a product or productivity or self-dependence. They talk about rationing, they talk about allocation, they talk about quotas and taxes but rarely do they think of policies which will assure adequate supply of our vital resources in the future. They blocked the Alaska pipeline which could be close to completion next year. We must think in terms of providing Americans with adequate energy and stop the cycle of shortage and price increase which is gripping us now.

The administration talks of forcing the price up 10 cents a gallon to encourage conservation. The Democrats in Congress talk of taxes of up to 40, some as high as 60, cents a gallon. The alternatives seem simple. We are going to have a higher priced product and not have it or we are going to have a higher priced product and have it. Policies which are directed toward encouraging self-dependence and supply at least are moving in the right direction. We do not need to force prices up to effect conservation. These narrow policies should be rejected whether offered by the administration or the Congress.

MSGR. NICHOLAS H. WEGNER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. MCCOLLISTER) is recognized for 20 minutes.

Mr. MCCOLLISTER. Mr. Speaker, the great moral force which has propelled this country since its inception nearly 200 years ago has been the spirit of voluntary assistance to the less fortunate among us. Our history is replete with examples of leaders whose selfless sacrifice for the needy has inspired all of us to renew our personal commitments to help our neighbors.

Among this distinguished group, none stands higher than Msgr. Nicholas H. Wegner whose quarter-century leadership of Father Flanagan's Boys' Home at Boys Town, Nebr., has provided invaluable assistance not only for disadvantaged and homeless boys in Nebraska, but nationally and internationally as well. This week, Monseigneur Wegner will celebrate the golden jubilee of his ordination to the priesthood—50 years of service to God and to man.

Monseigneur Wegner succeeded Boys Town founder, Father Flanagan, in 1948 and served as director of Father Flanagan's Boys' Home for 25 years until his retirement in October 1973 at age 75. Under his leadership, Boys Town has grown in stature and in its ability to serve its special clientele. At the direction of Monseigneur Wegner, Boys Town has begun an Institute for Communication Disorders in Children which will begin accepting its physically handicapped boy and girl patients in 1976. Another initiative, the Boys Town Center for the Study of Youth Development is headquartered in Boys Town with regional research centers in Palo Alto, Calif., and Washington, D.C. This center is researching such vitally important youth problems as drug addiction, learning problems, and social maladjustment. The Boys Town campus also boasts an outstanding new elementary school named for Monseigneur Wegner.

Among his many avenues of assistance to youth, Monseigneur Wegner was a leader in the Boy Scouts for 25 years. There are seven Boy Scout units on the Boys Town campus. In my own work with the Boy Scout program in Omaha and with the Mid-America Council, I have grown to love and respect Monseigneur Wegner for his steadfast devotion to our young people.

Boys Town went international when Monseigneur Wegner accepted an invitation from the State Department and spent 5 months touring the Far East and Middle East counseling on youth problems. He has been instrumental in establishing a counterpart of Father Flanagan's Boys' Home at Monterrey, Mexico, and in the Philippines.

It is not just the thousands of Boys Town "alumni" who owe Monseigneur Wegner a debt of gratitude. His contributions have truly made our Nation a better place to live and have provided the sound foundation for this worthwhile work to continue in the future.

Mr. THONE. Mr. Speaker, probably no institution to help homeless young men is as well known as Boys Town. The Right Reverend Monseigneur Nicholas H. Wegner became director of Boys Town in 1948, upon the death of founder, Father Flanagan. Father Wegner served as director for 25 years, until he retired at age 75 in 1973.

This weekend in Omaha, Nebr., friends of Father Wegner will be gathering to celebrate the 50th anniversary of his ordination to the priesthood.

During Father Wegner's tenure, Boys Town not only grew in traditional ways but also expanded its horizons. The Boys

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Town Institute for Communication Disorders in Children was created in 1972. Headquartered on the Boys Town campus, this institute will include a clinical, diagnostic, and rehabilitation center. Next year, the first applications will be accepted for aiding physically handicapped boys and girls at this center.

The Boys Town Center for the Study of Youth Development is a second major youth service project conceived during Father Wegner's term as director. Funded at $40 million from the Boys Town Endowment Fund, this center will research such problems of youth as rejection of parents, drug addiction, inability or unwillingness to learn, and social maladjustment. The Boys Town campus will be the center of this study, with regional research centers at Stanford University in California and Catholic University in Washington, D.C.

Father Wegner has accomplished many other achievements during his 50 years as a priest. He believed with Ruskin that "youth is the period of building up in habits, and hopes and faiths. Not an hour but is trembling with destinies; not a moment, once passed, of which the appointed work can ever be done again, or the neglected blow struck in the cold iron." Let us be thankful for Father Wegner who struck while the iron was hot and malleable.

Mr. SHRIVER. Mr. Speaker, it is a privilege to join with my friend and colleague from Nebraska (Mr. McCollister) in paying deserved tribute to Msgr. Nicholas H. Wegner on his 50th golden jubilee year.

Those of us from the Midwest and Great Plains States recognize the important contributions made by Boys Town in Nebraska, not only in its traditional work of caring for disadvantaged and homeless boys, but in extending its service to youth nationally and internationally.

Monsignor Wegner has been a vital part of the success story which is Boys Town. He was the successor to Boys Town founder Father Flanagan, in 1948, and served with distinction for 25 years until his retirement in October 1973.

Under his direction, Boys Town continued its service to boys and pioneered into new vistas of youth education and service. Monsignor Wegner carried his devotion to youth into the Far East and Middle East, and he was instrumental in establishing a counterpart of Father Flanagan's Boys Home at Monterrey, Mexico, and also a Boys Town in the Philippines.

The alumni of Boys Town in Nebraska will honor Monsignor Wegner on the occasion of his golden jubilee year later this week. It is a pleasure for me to congratulate Monsignor Wegner for his devoted service to the youth of our Nation, and to wish for him God's blessings.

Mr. ARMSTRONG. Mr. Speaker, I am pleased in joining the gentleman from Nebraska in commemorating the golden jubilee of the Right Reverend Monsignor Nicholas H. Wegner.

Since his ordination to the priesthood in Rome on March 7, 1925, Father Wegner has devoted his life to the church and to boys.

In carrying on the work of Father Flanagan in expanding and furthering the noted heritage of Boys Town, Father Wegner has distinguished himself with his devotion and selflessness.

Several notable projects have been undertaken by Boys Town under Father Wegner's direction—particularly the Boys Town Institute for Communications Disorders in Children and the Boys Town Center for the Study of Youth Development.

Father Wegner retired as director of Boys Town in October 1973, after 25 years. I join my colleague from Nebraska in this celebration and in wishing Father Wegner well on his 50th anniversary of service.

Mrs. SMITH of Nebraska. Mr. Speaker, our State of Nebraska has much about which to be proud, both in natural resources and private institutions. Among the latter, one of the best known throughout the United States—indeed, throughout the world—was founded in 1917 as a residence and educational institution for homeless and underprivileged boys of every race and religion—Boys Town, located near Omaha.

Boys Town was the idea of a Roman Catholic priest—Edward J. Flanagan—who believed that boys, regardless of their backgrounds, could become useful and productive citizens through wholesome home atmosphere and education, in a moral environment. The modest building in Omaha which originally housed five homeless boys has now grown into the modern Boys Town we know today covering 1,700 acres, an incorporated community where more than 12,000 homeless boys have found refuge and inspiration.

Father Flanagan died in 1948, but the dream of Boys Town has been carried forward under the eminent direction of his successor, the Right Reverend Monsignor Nicholas H. Wegner. Under Father Wegner's dedicated guidance, not only has the traditional work of aiding the disadvantaged and homeless been greatly expanded, its services have been extended to boys and girls nationally and internationally. The new Boys Town Institute for Communication Disorders in Children will be open for physically handicapped youth next year. Also new is the Boys Town Center for the Study of Youth Development, a research center dealing with family relationships, drug abuse, and social maladjustment.

Next Friday Nebraskans will honor Father Wegner at a Concelebrated Mass commemorating the golden jubilee of his ordination to the holy priesthood at Rome in 1925. I know that all our colleagues in the Congress join with us in the Nebraska delegation in sending best wishes and deep appreciation to Father Wegner on this meaningful milestone in a life of outstanding achievement and service to the youth of our Nation. Truly he has been one of the great Americans of his day.

Mr. HARKIN. Mr. Speaker, I take great pleasure in joining my esteemed colleagues in extending our congratulations to the Right Reverend Monsignor Nicholas H. Wegner on the occasion of his golden jubilee.

Father Wegner's 50 years of dedicated service to God and to the betterment of his fellow human beings are a credit to all high spiritual ideals. Father Wegner has truly been "the leaven in the world."

His long and distinguished directorship of Boys Town since 1948 has had an effect which is incalculable, in terms of human warmth, good will, and good citizenship throughout the American Midlands.

Mr. GILMAN. Mr. Speaker, I welcome this opportunity of joining our colleague from Nebraska (Mr. McCollister) for honoring the golden jubilee of Monsignor Wegner's ordination to the priesthood.

During the past 25 years under the guiding, energetic hands of Msgr. Nicholas H. Wegner, Boys Town, in Nebraska, has grown and expanded its service to the youth of our land.

In congratulating Monsignor Wegner on his 50th golden jubilee year, we acknowledge not only his outstanding service to the youth of our Nation, but also his devotion to the youth of the Middle East and Far East and for his noble work in establishing a Boys Town in Mexico and in the Philippines.

May Father Wegner's good works grow and multiply and inspire all of mankind.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks on the subject of the 50th anniversary of Monsignor Wegner of Boys' Town in association with the special order of Representative McCollister.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SUPREME COURT GARNISHMENT DECISION A VICTORY FOR CONSUMERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues a recent Supreme Court case holding a Georgia garnishment statute invalid because it did not sufficiently protect the debtor's 14th amendment due process rights. I believe the decision a wise one which will prove beneficial to both corporations and individual consumers.

North Georgia Finishing, Inc. v. *Di-Chem, Inc.*, 43 U.S.L.W. 4192 (U.S. January 22, 1975) involved a garnishment arising out of pending litigation between a creditor corporation and a debtor corporation. The creditor placed a garnishment on the debtor's bank account which deprived the debtor of use

of the funds in this account pending the litigation unless he put up a dissolution bond as security.

J. White, writing for the majority, held that the Georgia statute violated the debtor's due process rights for several reasons: First, the affidavit for garnishment to issue required only conclusory allegations rather than specific facts to establish that without garnishment the debtor would remove his assets from the jurisdiction; second, the court clerk rather than a judicial officer issued the writ of garnishment; third, the debtor did not receive notice; fourth, there was no provision for a prompt postgarnishment hearing where the creditor would have to demonstrate that the facts entitled him to the garnishment; and fifth, unless the debtor was able to file dissolution bond, there was no provision whereby the appropriateness of the issuance of the garnishment could be challenged. The statute failed to protect the debtor from initial error in the issuance of the garnishment, thereby, possibly depriving him unjustly of assets necessary for the success of his business.

The Court relied on two earlier cases in reaching its decision: *Fuentes* v. *Shevin*, 407 U.S. 67 (1972), and *Sniadach* v. *Family Finance Company of Bay View*, 395 U.S. 337 (1969), in which two State replevin statutes and a garnishment of wages statute, respectively, were held invalid because the statutes failed to provide for such safeguards as notice and an opportunity for a hearing. These cases reflect the Court's desire to protect individual consumers from the potential unjustified loss of household necessities or of wages.

North Georgia Finishing, Inc. is significant because it relies on and thereby supports the expanded due process principles which underlie Fuentes and Sniadach. This case expands due process protection beyond individual consumers to corporate consumers, and beyond wages and household necessities to bank accounts and other forms of personal property. The Court noted the importance of safeguards for the corporate consumer when it stated:

> It may be that consumers deprived of household appliances will more likely suffer irreparably than corporations deprived of bank accounts, but the probability of irreparable injury in the latter case is sufficiently great so that some procedures are necessary to guard against the risk of initial error. We are no more inclined now than we have been in the past to distinguish among different kinds of property in applying the Due Process Clause.[1]

The invalidation of this Georgia statute will affect garnishment statutes in other States as well. The recognition of the importance of safeguarding the property rights of corporate consumers is an important step forward in consumer protection. It will directly protect corporation debtors and individual debtors from the unjustified loss of the use of garnished property through error. The due process safeguards required by this case serve to protect a debtor from irreparable injury while not interfering with a creditor's legitimate interest in recovering an alleged debt.

Mr. Speaker, the argument that consumer protection legislation is antibusiness has been heard many times. Yet, the decision in North Georgia Finishing, Inc., demonstrates that fundamental fairness in credit relationships is important to corporate as well as individual consumers.

[1] 43 U.S.L.W. at 4194.

PANAMA CANAL: NATIONAL OPPOSITION TO SURRENDER OF U.S. CANAL ZONE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, for many years the U.S. Department of State has been attempting to liquidate U.S. sovereign control over the U.S.-owned canal zone through a process of piecemeal liquidation. The Congress so far has been able to block most of those efforts.

In the process, the people of the United States have become aware of the dangers of losing sovereign control over the Panamal Canal and have written many letters to Members of the Congress.

Since the signing on February 7, 1974 of the Kissinger-Tack "agreement on principles" to govern the negotiation of a new canal treaty scheduled to be submitted for ratification at an early date, I have received hundreds of expressions from citizens of all the 50 States that show an overwhelming national opposition to any surrender at Panama.

To make the results known to the Congress and the Nation at large, I have issued the following press release:

> February 27, 1975.
>
> Congressman Daniel J. Flood Reports National Opposition to Surrender of U.S. Sovereignty Over U.S. Canal Zone

The Department of State in Washington will face unexpectedly strong opposition to its recently announced treaty proposal to surrender United States sovereignty over the U.S. owned Canal Zone to the Republic of Panama. (Department of State News Release, January 1975, on Panama Canal Treaty Negotiations.)

Representative Daniel J. Flood of Pennsylvania, an outspoken opponent of the State Department Panama Canal policy, announced today the totals of the pro and con views of U.S. citizens on the crucial Canal Zone sovereignty issue received by him since the signing in Panama, R.P., on February 7, 1974, of the Kissinger-Tack "agreement on principles" to govern the negotiation of the proposed new Panama Canal treaty, which is expected to be submitted for ratification within a few months.

As of January 31, 1975, Congressman Flood stated that the grand total of individuals supporting his stand for retention of full U.S. sovereignty over the U.S. owned Canal Zone, in the form of letters and petitions, was 6,294 from all the 50 states. Expressions in favor of the State Department's program were only 11—an overwhelming ratio of 572 to 1.

Representative Flood, in his opposition to the surrender of U.S. sovereignty over the Canal Zone, has always stressed that this U.S. territorial possession is not held under a "lease," or franchise but instead is as unequivocally American soil as are the Gadsden or Alaska Purchases, and that the annuity is not a "rental" but only the augmented annual obligation of the Panama Railroad assumed by the United States in the 1903 Treaty acquiring the Canal Zone.

Congressman Flood has repeatedly presented evidence showing the close ties between the present ruling forces in Panama and the pro Soviet Castro regime in Cuba. Surrendering U.S. sovereignty over the Canal Zone to Panama, he emphasizes, would invite U.S.S.R. domination of the Panama Canal and thus affect the security of the entire Western Hemisphere as well as interoceanic commerce.

CONGRESSMAN McFALL INTRODUCES CONCENTRATED INDUSTRIES ANTI-INFLATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, I am today introducing legislation to deal with the undue pricing power and inflationary pricing actions arising in concentrated industries.

These industries, which effectively control a substantial portion of a given market, can keep prices at an unfairly high level. They lie outside the discipline of a truly competitive marketplace, and can set prices higher than is justified by production costs, consumer demand or fair rate of return.

The eminent economist Gardiner C. Means, chief architect of the bill I am introducing today, observed several months ago that—

> In the concentrated industries where administrative inflation arises prices are not determined by demand and supply in the traditional fashion but by management which has a considerable degree of discretion in the setting of prices and such prices do not behave in the traditional manner. In particular, prices tend to have an upward bias and produce a significant upward creep in adjusting to increases in productivity.

These administrative pricing practices have a substantial inflationary impact upon our already troubled economy and permit the few to take advantage of the misfortune of the many.

The proposed Concentrated Industries Anti-Inflation Act would create an independent five-member Price Resistance Board with power to require notification of price increases, to delay or disapprove proposed price increases and to roll back excessive prices with respect to concentrated industries.

The board would be required to classify corporations and businesses into three categories reflecting their degree of concentration or the share of the market they control. Initially, the determination would be made on the basis of gross sales, but the board would have a continuing responsibility to reclassify businesses on the basis of competitive status.

The Price Resistance Board would have authority to disapprove or roll back price increases in the first category and to require notification of up to 30 days for price increases in the first two categories. Businesses in the third category would not be subject to any board action.

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Board members would be appointed by the President with the consent of the Senate. The chairman and vice chairman would be persons with broad experience in Government operation and the remaining three with experience in management, labor and consumer affairs respectively.

The board would be required to issue standards and guidelines for noninflationary price adjustments based on stability of profit margins per unit of output. The board could adjust the guidelines to account for changes in the value of the dollar or to avoid hardship, inequity or impairment of economic growth.

Any program for economic recovery must include some means of dealing with the administered prices problem. Administered prices contribute significantly to our problems of inflation and recession.

It is my hope that hearings can be held expeditiously and that we can have a bill ready for floor action as rapidly as possible.

FIRST AMENDMENT IMPLEMENTATION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 15 minutes.

Mr. DRINAN. Mr. Speaker, I would like to bring to the Members' attention a bill which I recently introduced, the First Amendment Implementation Act of 1975, H.R. 2189. This legislation is designed to strengthen the objectives of the first amendment as applied to radio and television broadcasting stations. Under its provisions, the Federal Communications Commission—FCC—would no longer have control over the content of broadcasts over the public airways.

Our guaranteed freedom of speech and expression is a unique highlight of the American constitutional system. The press receives favored treatment under the Constitution due to its importance in providing information vital to a rational process of decisionmaking, both on public and private issues. The first amendment directs that the Congress "make no law abridging the freedom of speech, or of the press," and among these freedoms is the editorial right of a newspaper to determine what may or may not be published. There is no compulsion that a paper must include everything submitted to it as news. Indeed, as Benjamin Franklin, a onetime managing editor of a newspaper, declared, "my publication is not a stagecoach with seats for everyone."

Radio and television serve the same function as newspapers—they inform and entertain. The same first amendment rights adhere to broadcasters as well as the press. And yet since 1940, the Federal Government has attempted to control the content of programing through the FCC's so-called "fairness doctrine." Our Founding Fathers did not attempt to limit the first amendment freedoms to one particular aspect of the press, and neither should their descendants. Just as newspapers are free to determine what they will and will not publish, so too should the electronic media be free to determine broadcasting content, unfettered by governmental intervention.

Mr. Speaker, the "fairness doctrine" supposedly enhances the public's "right to know," but I submit that the doctrine threatens that right. Rather than encouraging the expression of differing viewpoints, it chills their expression. In attempting to comply with the FCC's regulations, broadcasters are sidestepping many of the current issues of the day. The result is that the fairness doctrine defeats the purpose of its existence. For these reasons and others, it is now time to abolish the doctrine and give way to true first amendment freedoms.

FAIRNESS DOCTRINE SUSPECT UNDER FIRST AMENDMENT

The Supreme Court, on numerous occasions, has indicated that the broadcast media comes under the protection of the first amendment. It has also indicated the dangers to that protection when Government attempts to intervene too actively in this area.

Chief Justice Berger, in *Columbia Broadcasting System, Inc.* v. *Democratic Nat'l. Comm.*, 412 U.S. 94 (1973) spoke of the editorial freedom of newspapers and broadcast media:

> That editors—newspaper and broadcast—can and do abuse this power is beyond doubt, but that is no reason to deny the discretion that Congress provided. Calculated risks of abuse are taken in order to preserve higher values. The presence of these risks is nothing new; the authors of the Bill of Rights accepted the reality that these risks were evils for which there was no acceptable remedy other than a spirit of moderation and a sense of responsibility . . . on the part of those who exercise the guaranteed freedom of expression.

The Court itself states:

> Any approach whereby a government agency would undertake to govern day-to-day editorial decisions of broadcast licensees endangers the loss of journalistic discretion and First Amendment values. (412 U.S. at 120–121)

In *Miami Herald Publishing Co.* v. *Tornillo*, 94 S. Ct. 2831 (1974) the Supreme Court held unconstitutional a Florida statute enforcing a "right of reply" to newspaper articles critical of public persons or policies. Chief Justice Berger stated that treatment of public issues, fairly or unfairly, comprises exercise of editorial content and judgment; Government regulation of this process is irreconcilable with the guarantees of a free press.

Recently, the U.S. District Court of Appeals for the District of Columbia in *National Broadcasting Company, Inc.* v. *Federal Communications Commission*, 43 L.W. 2133 (CA DC 1974), used the Supreme Court's comments in overturning an FCC application of the fairness doctrine to a television documentary:

> The First Amendment is broadly staked on the view that our country and our people . . . is best served by widest latitude to the press, as broadening input and outlook, through a robust and uninhibited debate that is subject only to minimum controls necessary for the vitality of our democratic society . . . the evils of communications controlled by a nerve center of Government looms larger than the evils of editorial abuse by multiple licensees who are not only governed by the standards of their profession but aware that their interest lies in long term confidence.

The strongest indictment of the FCC's fairness doctrine's effect on first amendment freedoms comes from Judge David L. Bazelon, of the U.S. District Court of Appeals for the District of Columbia. In dissenting in *Brandywine-Main Line Radio, Inc.* v. *Federal Communications Commission*, 973 F. 2d 16 (D.C. Cir. 1972), Judge Bazelon stated that the FCC's license revocation of WXUR, a small Pennsylvania radio station, was "a prima facie violation of the first amendment." He said the Commission should reconsider whether "time and technology have so eroded the necessity of governmental imposition of fairness obligations that the doctrine has come to defeat its purpose"; perhaps "more freedom for the individual broadcasters would enhance rather than retard the press's right to a marketplace of ideas."

Even FCC members have commented on the potential irreconcilation between first amendment rights and the fairness doctrine. According to Henry Geller, former FCC General Counsel, the resulting series of ad hoc fairness rulings "have led the Commission ever deeper into the journalistic process, and have raised serious problems." He maintained that the Supreme Court's decision in *Columbia Broadcasting System, Inc.* v. *Democratic Nat'l. Committee*, 412 U.S. 94 (1973), rejected the idea of a constitutional right of access as involving the FCC in too much of the daily editorial decisions of broadcasters. Significantly, Mr. Geller presented this view in an amicus brief in *National Broadcasting Company, Inc.* v. *Federal Communications Commission*, 43 L.W. 2133 (CA DC 1974).

Mr. Speaker, there is general agreement that the broadcast media shares the benefits of the first amendment with newspapers. There is also agreement that needless governmental regulation in these areas is detrimental to the development of a free press.

NO VALID CRITERIA FOR GOVERNMENTAL INTERVENTION

Reasonable limitations on constitutional rights can be employed by Government, given overriding public interests. These interests must be definable and immediate. Supporters of the fairness doctrine argue that, given the limited physical nature of the airwaves, and the broadcast monopoly which arises from this fact, Government intervention is necessary to insure the public's exposure to a diversity of viewpoints.

The basic premises upon which this argument rests, limited nature of the airwaves and the resulting limitation of broadcast competition, are false. A present member of the FCC, Mr. Glen O. Robinson, questioned these premises in a November 1967 article in the Minnesota Law Review. According to Mr. Robinson, the "broadcast spectrum" is not an irreversible aspect of nature. He states:

> The "spectrum" is a purely artificial construct of the Commission itself. To give this construct an independent nature and thus attempt to justify the regulation itself in those terms is entirely circular.

The broadcast spectrum is not now, and may never be, saturated. Therefore Government intervention to protect a "limited resource" must fail if it is used to restrict first amendment rights. Yet even if scarcity were a factor, the Supreme Court in *Columbia Broadcasting System, Inc.* v. *Democratic National Committee*, 412 U.S. 94 (1973), stated that not all regulation can be justified in the name of scarcity.

There is an economic barrier to broadcast media—one less restrictive however, than in the case of newspapers, "which lie essentially beyond public control." This fact, however, discourages enforcement of a fairness doctrine, since radio and TV are more competitive outlets for expression than newspapers—or other published media combined. This disparity is increasing. There are roughly 1,750 daily newspapers. There are nearly 7,400 radio stations and 1,000 TV stations. The effects of this disparity on a local scale are even more distinct. In New York City, there are 10 TV stations, not counting cable TV systems, while there are only 3 major daily English language newspapers in the city's limits. Milwaukee, Wis. has 6 TV stations and 20 radio stations—but only 2 daily newspapers, both of which are owned by the same individual. A smaller city presents even more contrast: Wausau, Wis.—population 35,000—has two TV stations and five radio stations—but only one daily newspaper.

These stations prove the fallacy in the broadcast monopoly premise. They show the exact opposite to be true: competition among broadcasters is more diverse and varied than among newspapers, which are unregulated. The average community is more likely to get diverse viewpoints from broadcasters, who compete for a viewer's time, than from the one major newspaper that most towns possess. The fairness doctrine is not needed to encourage this process.

Finally, Mr. Robinson hits the nub of the problem when he states:

> The mere fact that there are barriers to entry into the communications media, be it newspapers or radio and television, does not in itself resolve the problem of the kinds of control that are permissible and how narrow the focus of restraint of free speech may be.

Mr. Speaker, both newspapers and the broadcast media are protected by the first amendment. Government restraint of newspapers on the basis of monopoly or limited facilities is unconstitutional. Permitting Government restraint of broadcast media on similar grounds, especially when no adequate basis for such restraint is found to exist, is also unconstitutional.

FAIRNESS DOCTRINE SELF-DEFEATING

Laws require the performance of specific functions beneficial to the community. When the law no longer brings about the specific function for which it was created, or its performance is detrimental to the community, it should be abolished.

The fairness doctrine is a case in point. It was enacted to enhance the presentation of conflicting views by encouraging—or rather demanding—broadcasters to afford reasonable opportunity for comments by parties with opposing viewpoints. In operation, the fairness doctrine discourages the presentation of conflicting views and encourages uniformity of expression. It "protects" the viewer with a diet of blandness.

Here are several examples:

Numerous radio stations refused to broadcast the song, "Unborn Child," a recording by the singing team of Seals and Croft. It presented an argument against abortion. Station executives argued that, under the fairness doctrine, they would have to rearrange their broadcast schedules to provide equal time to proabortion people.

ABC's "Dick Cavett Show," fearing an FCC complaint, postponed the airing of one segment with some radical leaders; during this time, it deleted 12 minutes of the segment and added another spokesman to achieve "balance."

WXUR, a Pennsylvania radio station controlled by fundamentalist preacher Dr. Carl McIntire, had its license revoked by the FCC for lack of compliance with the fairness doctrine. If it had decreased the number of issues discussed or the intensity of discussion, it could have kept its license.

Knowledgeable FCC officials have long lamented the inequity of the fairness doctrine. Mr. Robinson, in the 1967 Minnesota Law Review article, states:

> The Commission's insistence on the licensees' presenting "balanced" programing, although done in the name of promoting diversity, has had largely the opposite effect. Notwithstanding repeated criticism by various commissioners . . . the Commission's own policies do little to encourage diversity or originality either in the style or content of individual programs or in the overall format of a station's program operations. Indeed its policies have, if anything, added to the inherent tendency of broadcasters to conform to safe, established patterns of operation and programing.

Mr. Geller, in his amicus brief in *National Broadcasting Company, Inc.* v. *Federal Communications Commission*, 43 L.W. 2133 (CA DC 1974), commented on the effect of the fairness rulings:

> The effect, particularly on the small broadcaster, has been to inhibit the promotion of robust, wide open debate.

This effect derives not merely from rulings adverse to the broadcaster, but also in the strain, time, and resources involved in coping with particular challenges, even if they are unsuccessful.

A case in point: KREM–TV, a Spokane, Wash., station, was accused of violating the fairness doctrine. The FCC ruled in favor of KREM–TV after the station spent 21 months in proceedings, 480 man-hours of executive and supervisory time, and at a cost of $20,000 in legal expenses alone, discounting any amount spent for travel expenses. Other examples can be cited:

CBS's Pensions: The Broken Promise, winner of the Peabody Award, was ruled in violation of the fairness doctrine by the FCC, due to lack of balanced presentation. It required 2 years of manpower and expense in the U.S. Court of Appeals for the District of Columbia before the Commission's ruling was overturned.

The president of WCOJ, a 5,000-watt radio station in West Chester, Pa., acknowledged that the fairness doctrine prevented the station from airing a series produced by the Anti-Defamation League of the B'nai B'rith on "The Radical Right." "Why?" the president asked:

> Simply because airing these programs would open the floodgates to . . . a response . . . from the "nut" group . . . True, we could refuse to air the programs on the basis of their patent untruth, but this would cost us a $10,000 lawsuit up to the Supreme Court of the United States and even then there would be a possibility of losing . . . This station is not small but it is not that large. We have neither the time nor the money to devote to such Joan-of-Arcian causes.

Implicit in Mr. Geller's brief and the above examples is the fact that the fairness doctrine, established to prevent monopolistic broadcasters from only giving one point of view, encourages the creation of monopoly. Only a large well-financed station can hope to continually challenge the FCC rulings. Smaller stations must make certain that their programing arouses no controversy—or go bankrupt trying to correct FCC rulings.

The potential chilling effect of the fairness doctrine is best stated by Richard Salant, an executive of ABC:

> When one's very survival in one's business—broadcasting—depends on licensing by the Government, when the penalty for error and for government disagreement is not a fine but—the loss of your operating license—does anybody think for a moment that there are not those who have said, "Let us skip this one, let us not make waves, let us stay out of trouble?"

Mr. Salant's argument is by no means an exaggerated claim:

Since 1934, the FCC has put off or kept off the air a total of 105 broadcasters.

Since January 1, 1970, the FCC has revoked or denied renewal of 21 broadcast licenses.

Since January, 1970, there have been 511 fines totaling $638,275 levied by the FCC.

Lawyers' fees alone for handling "small" fairness complaints are rarely less than $300 to $500.

Rather than promoting diverse ideas, the fairness doctrine has stifled creative programing through the use of the fine and the power of license revocation. Rather than encouraging a large number of broadcasting stations, the fairness doctrine has required the development of large, well-financed stations as

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an entrance fee for freedom of expression.

The first amendment was enacted to protect people's right to know. Its protection extends to broadcast media and newspapers alike. Only reasons of overriding public interest can modify these rights. The fairness doctrine itself has subverted the very purpose for which it was created—the enhancement of the public's right to know. Is it in the public's overriding interest to continue a doctrine that stifles the development of a free press? I think not. It should be abolished.

FIRST AMENDMENT IMPLEMENTATION ACT OF 1975

Mr. Speaker, I have introduced legislation which would implement the first amendment for the broadcasting industry. For the benefit of my colleagues, I would like to explain the provisions of the bill.

Section 1 delineates the purpose of the act, which is to strengthen the objectives of the first amendment by removing needless statutory and regulatory restrictions on broadcasters operating under the Communications Act of 1934.

Section 2 defines "public interest, convenience, and necessity" so as to exclude FCC jurisdiction in matters relating to the expression of any views by any persons. The Commission would not be able to control, supervise, review or comment upon the content or scheduling of any programs or broadcasts. The FCC would, on the other hand, retain its license renewal and revocation powers, with the exceptions provided for in the bill. It should also be mentioned that the language of the bill does not repeal Federal laws presently in effect which prohibit the broadcasting of obscenities and lottery information.

Section 3 repeals section 312(a) of the 1934 Communications Act, which permits licensee revocation of any station willfully refusing or failing to allow a candidate for Federal office to buy reasonable amounts of broadcast time.

Section 4 repeals section 315 of the 1934 Communication Act, containing the equal time and fairness doctrine provisions. This repeal could give greater freedom to political candidates. A reminder of this is the temporary repeal of section 315 in 1960, allowing the Kennedy-Nixon debates—certainly one of broadcasting's most effective presentations of political candidates and their views.

Section 5 amends section 326 of the 1934 Communication Act, by clarifying the broadcaster's rights to determine the scheduling content, and personal appearances by individuals on their programs.

Finally, section 6 repeals the prohibition of political editorializing by noncommercial educational broadcasting stations.

Mr. Speaker, I do want to make it clear that H.R. 2189 by no means makes the Federal Communications Commission an obsolete agency. The FCC still retains wide discretion in determining the resolution of technical matters associated with broadcasting, a primary reason for its existence. Only the FCC's power to determine the content of a program is curbed. Neither are issues affected which are not associated with the FCC and the fairness doctrine, such as public service announcements.

For the information of the Members, I would now like to insert the actual text of my bill, H.R. 2189:

H. R. 2189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND STATEMENT OF PURPOSE

SECTION 1. (a) This Act may be cited as the "First Amendment Implementation Act of 1975".

(b) It is the purpose of this Act to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment of the Constitution of the United States by removing statutory and regulatory restrictions on broadcasters operating under the Communications Act of 1934.

DEFINITION OF PUBLIC INTEREST, CONVENIENCE, AND NECESSITY

SEC. 2. Section 309 of the Communications Act of 1934 is amended by inserting at the end thereof the following:

"(i) Notwithstanding any other provision of this part, effective on and after the date of the enactment of this subsection for the purposes of this part, the term 'public interest, convenience, and necessity' shall not be construed to give the commission jurisdiction to require the provision of broadcast time to any person or persons or for the expression of any viewpoint or viewpoints or otherwise to exercise any power, supervision, control, influence, comment, or review, either directly or indirectly, over the content or schedule of any program or any other material broadcast by licensees, except where the broadcast of such material is otherwise prohibited by law."

REPEAL OF LICENSE OR CONSTRUCTION PERMIT REVOCATION POWER RELATING TO FACILITIES FOR CANDIDATES FOR FEDERAL OFFICE

SEC. 3. Section 312(a) of the Communications Act of 1934 is amended by inserting "or" at the end of clause (5), striking out the semicolon and "or" at the end of clause (6) and inserting in lieu thereof a period, and striking out clause (7).

REPEAL OF SECTION 315 RELATING TO FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

SEC. 4. Section 315 of the Communications Act of 1934 is repealed.

RECOGNITION OF APPLICATION OF RIGHT OF FREE PRESS

SEC. 5. Section 326 of the Communications Act of 1934 is amended by inserting after "speech" the following: "or the right of free press" and by striking the period after "communication" and inserting in lieu thereof a comma and "including the right of a radio station to determine the schedule of its programs and the content of its programs. Nothing in this Act shall be construed to require the provision of broadcasting time to any person or persons.".

REPEAL OF PROHIBITION OF POLITICAL EDITORIALS

SEC. 6. Section 399 of the Communications Act of 1934 is repealed.

PUBLIC WORKS TO BE A PART OF ECONOMIC RECOVERY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER), is recognized for 15 minutes.

Mr. ALEXANDER. Mr. Speaker, earlier this year President Ford announced that he would ask Congress for a multi-billion dollar public service jobs program for the purpose of providing employment for millions who are unemployed because of the current economic recession. I am pleased that the House Democratic leadership has endorsed a public works employment approach which will be combined with public service.

Public works employment programs not only have the potential for putting people rapidly to work but they also provide a permanent stimulus for economic recovery.

Parks, road improvements, recreation development, wildlife area management, renovation of public buildings, airport improvements, energy and land conservation projects, forest protection, penal facility improvements, transportation system improvements, port development, hospital construction, community center buildings, water and waste disposal construction, and many other public works projects establish a basis for economic recovery. They not only generate jobs now, they provide improvements that will exist long after, sometimes for generations after, the initial project work is completed. They can provide facilities for usage by millions of Americans during the months and years ahead.

I am advised that economic development planners have thousands of projects which have been approved by local and regional planning units and which have been determined to be economically feasible. These projects, if funded, can put hundreds of thousands of Americans back to work within weeks after Congress provides appropriations to fund them.

Instead of allowing this recession, which has been viewed by some to provide evidence of a depression, as a stumbling block it can be a steppingstone for the future if permanent improvements are made from the investment of taxpayers in this economic recovery.

HELPING ASSURE THE FLOW OF MONEY FOR CONSTRUCTION AND JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 5 minutes.

Mr. KEMP. Mr. Speaker, there is an acute shortage of funds needed for construction—home, commercial, and industrial—in this country.

There is one principal reason for that shortage: Government borrowing, especially the Federal Government, which is taking ever-increasing amounts of available private investment capital away from such construction uses and diverting that capital to paying for the burgeoning deficits of Government.

Last year—1974—Government borrowing took 62 percent of available capital in order to cover its deficits. The effects on the economy were obvious. Available loan money for private borrowers declined substantially and interest rates soared.

Yet, if the projected level of Government spending for the next 18 months becomes a reality, and it probably will, Government will take not 62 percent—but 80 percent—of available capital in the country for its own ends. The effects will be even more severe: Available loan money for private borrowers will decline drastically, and both interest rates and unemployment—stemming from virtually no construction or expansion of existing production facilities—will rise sharply.

The answer to this problem being proposed too frequently in the Congress today is to allocate credit. Bills have been introduced to control virtually all credit in the country; hearings already have been held. Bills are being readied for action by the full House.

This is not the answer we should adopt. It does not address itself to the cause of inadequate capital—Federal spending and borrowing.

It is not the answer for another reason: It rests on the assumption that Government bureaucracies know better what the people ought to buy this or next year—homes, automobiles, major appliances, plant expansion, inventory replacement, et cetera—than do the people themselves. The individual consumer—be he or she an individual, or a corporation, or a union retirement trust fund—knows better where it should put its available resources and how it should draw from other institutions' available resources than Government ever will.

The credit allocation schemes being proposed would allocate credit on the basis of "productive" or "speculative" activities, through decisions in Washington as to how much credit will go to Government—we can assume, since Government makes the decisions, that it will always be high and self-serving, how much to heavy industry, how much to light industry, how much to commercial wholesale and retail enterprises, how much to individual consumers.

Rest assured that if Thomas Edison had come to such an agency for an allocation of capital with which to experiment on how to invent the electric light bulb, that the allocating agency would have denied his request on the basis that the venture was too speculative. After all, they would have reasoned, the candle and whale oil lamp manufacturers needed the credit instead.

This example, repeated in a thousand different ways, shows how our industrial progress and our standard of living would have been grossly impaired by reliance upon such a Government scheme.

There are better ways in which to deal with this problem.

First, we should reduce the levels of Government spending and deficits which drain funds away from important, essential non-Government, productive sector uses.

Credit should be allocated among private borrowers through the forces of the marketplace. We should allow rates to reflect the perceptions of lenders about risks incurred in loaning money to borrowers. We should allow rates to go up or down based on available capital, not locking in the current rate to cover a long-term loan from the outset when that rate may, through natural forces, go up or down in the years to come, and when having to lock in the high rates we now have, may force small borrowers, especially prospective homeowners, out of today's market altogether.

A recent article, an informative one in the Buffalo Evening News, addressed itself to the need for allowing interest rates to be reestablished at the end of previously agreed upon time frames. The article, written by my friend, Paul Willax, shows the stability this device would bring to the capital lending process.

Because I think this article bears strongly on legislation upon which we voted today, House Resolution 133, I include the text of this informative and thought-provoking article:

FLEXIBLE-TERM, "BALLOON" LOAN PLANS AMONG INFLATION-BRED ALTERNATIVES

(By Paul Willax)

In recent months there have been all kinds of suggestions for updating the form and function of the traditional mortgage. Many financial experts feel that the flow of funds to the housing market will be curtailed in the future unless a way can be found to require borrowers to pay the "going" rate on their mortgage loans.

Banks are becoming extremely reluctant to grant, say, a 20-year mortgage with a fixed rate of 8½ per cent when they know the cost to them of attracting that money from savers will be going up continually during the life of the loan.

Bankers are essentially middlemen, but, ironically, when inflation hits, they must be wary of getting "caught" in the middle, with the cost of money going up and their return of that money fixed.

There is ample evidence to support their concerns.

Banks currently are paying up to 7½ per cent for money, while they are stuck with tens of millions of dollars of old, outstanding mortgages on their books yielding them less than 6 per cent.

It's no surprise, therefore, that there have been many recommendations for mortgage plans that will require the borrower to bear some of the cost of inflation.

The most common suggestion features a "variable rate mortgage loan." According to a proposal by the Federal Home Loan Bank Board, interest rates on mortgages obtained in the future might be tied to an accepted index of money market interest rates.

If the index went up in a six-month period, the lender would have the option of raising the mortgage rate a similar amount if over-all rates went down, the lender would be required to lower the rate on outstanding mortgages accordingly.

Importantly, under the FHLB plan, rates couldn't be changed more than a half of a percentage point in any six-month period, and no more than two percentage points over the life of the mortgage.

Home buyers don't like this idea. Under a fixed-rate instrument, inflationary conditions give the borrower the opportunity to pay off a fixed debt with dollars that are declining in value.

Furthermore, mortgagors contend that in order to plan their finances properly they must know just what their monthly payments are going to be over the long run.

Not to be out-argued, bankers have another suggested form of variable mortgage that features constant monthly payments, with a flexible term.

Under this plan, a borrower's monthly payment remains fixed, but the distribution of that payment between interest and principal changes as money market interest rates rise or fall.

In other words, as rates rise a greater portion of the monthly payment would go for interest costs, and a smaller amount for principal payoff. Accordingly, as rates rose the amount of time required to discharge the loan would be increased.

Both bankers and consumers are skeptical of this approach, since in a protracted period of severe inflation a situation could evolve wherein all of the monthly mortgage payment would be required to cover interest costs.

As a result, if inflation persisted, no further contributions would be made to the principal, and the mortgage would never be paid off.

Still another mortgage variation would have banks offering mortgages with maturities of only five years.

The monthly payments of these loans, however, would be calculated on a 20- or 25-year basis, thus leaving a large "balloon" payment at the end of five years.

The borrower is not really expected to come up with a lump-sum payoff at that time. It is anticipated that the "balloon" will be refinanced with another five-year mortgage.

This approach gives banks the opportunity to renegotiate the rate every five years and, therefore, keep up with inflation.

Borrowers don't appreciate this plan, since they fear being stranded without a loan to refinance their house when the short term is up. In some states, like New York, laws prohibit banks from guaranteeing to refinance the loan when the initial term is concluded.

Doubtless, the debate will rage over who should bear the cost of inflation—the borrower or the lender.

Unfortunately, a major party to this whole business is generally overlooked. It is the "saver" who provides the funds to the banks and, ultimately, the borrower.

Currently, the saver probably earns less interest than he or she would if the banks were able to adjust their earnings on mortgages during inflationary periods.

The government has placed ceilings on the interest that may be paid on savings in order to allow banks to continue to carry—or "subsidize"—low-yielding mortgages.

Professor David Pyle of the University of California at Berkeley has estimated that in a recent 3-year period savers were deprived of $5 billion in interest income because of rate ceilings imposed to protect the mortgage market.

Consequently, it's the savers and the borrowers who have the biggest stake in the issue of mortgage reform.

I commend this article to the particular attention of the members of the House Committee on Banking, Currency and Housing, before which bills are now pending on this subject matter. As a critic of Federal Reserve policy of vacillating between expansionist and restrictive, I would like to say, though I voted no on House Resolution 133, I think Congress should take greater interest in the supply of money by the Federal Reserve. But lower interest rates will come only as a result of less deficit financing on the part of us in the legislative branch and the administration. I submit for the RECORD an outstanding article on Federal policy by Mr. Milton Friedman:

WHAT IS THE FEDERAL RESERVE DOING?

(By Milton Friedman)

The Federal Reserve System clearly did not want to exacerbate inflation from 1971 to 1974. It clearly does not now want to convert a serious recession into a major contraction. Yet it did exacerbate the inflation, and its current policy has already deepened the recession. It would be hard to find a more distressing example of the inability of a bureaucracy to learn from its own past mistakes. Its inflationary policy in 1971–74 was a replay of its inflationary policy in 1963–66,

and in 1967–68; its current contractionary policy is a replay of its contractionary policy in 1966–67, and in 1969.

From January 1971 to June 1974, the Federal Reserve permitted the quantity of money to grow at the average rate of 7 per cent a year for money defined to include currency and demand deposits (M_1) and at the average rate of 10 per cent a year for money defined to include also commercial-bank time deposits other than large CD's (M_2). These are the highest rates since the end of World War II. They are higher than the rates that Federal Reserve officials, the Joint Economic Committee of Congress and outside economists regarded at the time as noninflationary. The majority of the Joint Economic Committee repeatedly recommended that the Fed keep M_1 growth between 2 and 6 percent a year, and the minority that it keep it between 2 and 4 percent. High rates of monetary growth unquestionably fostered inflation.

In the middle of 1974, the Fed shifted to a restrictive monetary policy. As has occurred repeatedly during its 60-year history, when it shifted it did so too late and too far. Since June 1974, M_1 has grown at 1 per cent a year, M_2 at 5 per cent a year. These are rates that Federal Reserve officials, Congressional experts and outside economists have all regarded as undesirable low.

The accompanying table shows the actual rates of monetary growth from month to month and the "range of tolerance" that the Federal Open Market Committee specified each month as its target. In five out of seven months for M_1, and four out of seven months for M_2, the actual rate of growth has fallen short of the desired rate, and in the past two months, drastically short. These shortfalls partly account for the recent deepening of the recession.

RIGHT END, WRONG MEANS

What explains the failure of the Fed to achieve its own objectives? In its public apologia for its distressing performance, the Fed has been pulling out every ancient and discredited cliché: "You can lead a horse to water, but you can't make him drink," and so on *ad nauseam*. In short, "Don't blame us. We're innocent victims of forces beyond our control." As a long-time Fed watcher, I can assure you that this is par for the course. Whenever things go well, the Fed is delighted to claim credit. Whenever they go badly, forces outside its control are responsible.

I believe that the correct explanation for the Fed's failure is its insistence on following an anachronistic method of operation. In times past, the Fed mistakenly regarded interest rates as the appropriate criterion of policy. After literally decades of criticism, it finally recognized that it could not control interest rates except for brief periods and that its target should be the quantity of money. In 1970, it began to state its objectives in these terms. But—with the inertia that characterizes every large bureaucracy—it continued to use the operating techniques that it had developed earlier. It tries to control monetary growth by the highly indirect method of controlling a particular interest rate—the Federal-funds rate. As the final columns of the table show, it does achieve its Federal-fund target, but at the cost of not achieving its monetary-growth targets.

So long as the Fed tries to control monetary growth through the Federal-funds rate, it will fail. When, as has been happening recently, the credit market weakens, market rates will fall below the target rate, and the Fed will have to drain reserves to achieve its target. When the credit market stabilizes, the target rate will be set too low, and the Fed will have to flood the market to achieve its target. We shall then have a monetary explosion. The Fed will again become an architect of inflation. Indeed, I regard the inflationary policy to which the Fed will be driven as the major danger from its present overrestrictive policy.

A VIABLE ALTERNATIVE

The alternative is for the Fed to adapt its operating technique to its monetary-growth targets. It should forget interest rates, leaving them to the highly efficient credit market. It should instead calculate each week how large an addition to reserves (or to base or high-powered money) is required to produce the desired monetary growth, and then provide that addition. This technique would not yield precisely the desired rate of growth on a week-to-week or even month-to-month basis. But it is literally inconceivable that over a period of seven months it could depart from its objective as widely as it has in the past seven months.

Numerous scholars have explored this alternative operating mechanism, have demonstrated its feasibility and have urged its adoption. Perhaps recent Congressional pressure will prove more successful in breaking down bureaucratic inertia than reason and evidence have so far been.

MISSING THE MONEY TARGETS

Month	Rate of growth from preceding month (percent per year) M_1 Actual	M_1 Range of tolerance	M_2 Actual	M_2 Range of tolerance	Level of Federal-funds rate (percent) Actual	Range of tolerance
1974:						
July	2.1	3½–7½	5.2	5½–8½	13.0	11¼–12¼
August	0.9	2–6	5.0	4½–7½	12.2	11½–13
September	1.7	4¾–6¾	3.2	5½–7½	11.7	11½–12¼
October	4.7	3–6	8.5	5–7½	10.7	10½–12
November	6.8	4¼–7¼	9.7	5¼–8¼	9.6	9–10¼
December	2.1	6½–9½	2.5	8–10½	9.0	8½–10
1975: January	−8.9	5–7	3.1	7½–10	7.7	7½–9

Note: Computed from Federal Reserve publications.

THE ENERGY PLAN OF THE COMMITTEE ON WAYS AND MEANS—A COMPREHENSIVE ALTERNATIVE TO PRESIDENT FORD'S PROPOSALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, the Democratic members of the Ways and Means Committee have developed a comprehensive alternative energy plan to President Ford's proposals. Briefly, the Ullman plan is based on the imposition of quotas, instead of tariffs, to control our imports of foreign oil. As we gradually reduce the amount of oil we import from abroad, a selective gasoline tax—geared to eliminate nonessential driving—will allow the market mechanism to allocate available gasoline supplies. A continuation of our present allocation system will be needed to insure that there are not severe dislocations in the distribution of residual products.

The most important feature of the Ullman plan is that it relies on the market mechanism to allocate supplies where price is likely to be most effective—in gasoline consumption. Where energy demand is not as responsive to price in the short run—principally in the residential, commercial, and industrial sectors of our economy—the Ullman plan proposes a longer period of adjustment to higher prices. In the interim, an allocation program will insure that no one sector of our economy is crippled for lack of energy. Prices will be gradually decontrolled so that in the long term our economy will be adjusting to a new "energy ethic" of conservation while minimizing the short-term threat of recession and renewed inflation.

I have made some approximate calculations to compare the impact of the President's program with that of the Ullman proposal. I want to emphasize that these are only rough estimates of cost, but they are useful in comparing the relative impacts of the two proposals. These figures clearly demonstrate, however, the inflationary impacts of the President's energy plan.

President Ford's proposal is basically composed of elements, the aggregate costs for which the Library of Congress has calculated as follows:

First. Crude oil tax of $2 per barrel, $12.6 billion.

Second. Decontrol of old prices, $11 billion.

Third. Excise tax on natural gas, $8.3 billion.

Fourth. Deregulation of new natural gas prices, $5.4 billion.

In addition, the Library calculates that coal prices will increase to a parity level with oil, an unintended, but significant impact of the President's program:

Fifth. Increase in coal prices, $5.2 billion.

To find out where these costs will be borne in our economy, I have broken down our fossil fuel consumption into three basic sectors: household and commercial, industrial, and transportation. Consumption of fossil fuels, by fuel type, can be calculated as outlined below:

PERCENTAGE OF FOSSIL FUEL CONSUMPTION, BY TYPE

	Coal	Petroleum	Natural gas
Household and commercial	7.6	22.5	40.6
Industry	92.3	19.3	54.9
Transportation	0	58.2	4.5
Total	[1] 100.0	100.0	100.0

[1] Note: Differences due to rounding.

If we distribute the costs, as calculated by the Library of Congress study, into the various sectors, we find that the total costs of the President's program is distributed as follows:

COST OF PRESIDENT FORD'S PROGRAM BY ECONOMIC SECTOR

[In billions of dollars]

	Coal	Petroleum	Natural gas	Total
Household and commercial	0.4	5.3	5.6	11.3
Industry	4.8	4.6	7.5	16.9
Transportation	0	13.7	.6	14.3
Total	5.2	23.6	13.7	42.5

As this chart demonstrates, the impact of higher prices under the President's program will be felt in every sector of our economy.

By contrast, the Ullman plan suggests a more modest and more responsible approach to prices. Rather than increase costs precipitously across the board, the Ullman alternative suggests a gradual decontrol of prices over a period of 4 or 5 years. Assuming a 5-year phase in of price decontrol, the economic shock of higher prices becomes much more manageable. In addition, the Ullman proposal does not suggest that excise taxes be used "helter-skelter" to squeeze further an already weakened economy.

For the purposes of comparison, I have estimated that a gradual, 5-year program of decontrol will increase the price of petroleum to our economy by $2.2 billion in the first year. Coal prices will respond with an increased cost of about $1 billion. I have assumed no change in the cost of deregulating new natural gas, which the Library calculates at a cost of $5.4 billion in the first year. Using this price strategy, we find the costs of the Ullman program's gradual price control elimination can be calculated as outlined:

COST OF PRICE DECONTROL UNDER ULLMAN PROPOSAL

[In billions of dollars]

	Coal	Petroleum	Natural gas	Total
Household and commercial	0.1	0.5	2.2	2.8
Industrial	.9	.4	3.0	4.3
Transportation	0	1.3	.2	1.5
Total	1.0	2.2	5.4	8.6

Comparing the total costs of the two plans—and the two approaches to price control—provides a startling glimpse at how radical the President's proposal really is.

FIRST YEAR COSTS OF ALTERNATIVE ENERGY PLANS, BY SECTOR

[In billions of dollars]

	President's plan	Ullman plan
Household and commercial	11.3	2.8
Industrial	16.9	4.3
Transportation	14.3	1.5
Total	42.5	8.6

What does all this mean to the average homeowner? There are roughly 34 million homes that use natural gas for heat. If we assume that each house on the average consumes 1,500 therms or 150,000 cubic feet (mcf) of natural gas, the cost of the President's natural gas program could be calculated with the following two steps:

Cost of decontrol (calculated at an average price of $.22 per mcf)	$33.00
Excise tax on natural gas ($.37 per mcf)	55.50
Total	88.50

In other words, the President's program would increase the natural gas bill of every residential customer on the average of $88.50.

In the area of petroleum, we can estimate that 30 percent of the increased cost of crude oil will be passed through to higher fuel oil costs, we can calculate that residual fuel oil will cost the economy roughly $7.1 billion per year more under the President's program. According to the Federal Energy Administration, we are consuming fuel oil at a rate of 913 million barrels per year or 38,346 million gallons per year. The increased cost of the President's program—through decontrol of old oil prices and a $2 per barrel excise tax—will, therefore, boost fuel oil prices on the average of 18.5 cents per gallon. If we assume that the average homeowner heating his home with fuel oil uses 900 gallons on the average in a heating season then the additional cost of the President's program would be $166.50 per year. In the colder areas of the Northeast, this cost could be three times as much—or close to $500 per year in higher fuel costs.

Under the Ullman plan, prices would increase much less drastically. Natural gas price decontrol would add about $0.22 per thousand cubic feet of gas. The average homeowner would be paying only an additional $33 each year as compared to $85.50 under the President's program to heat his home with gas. For fuel oil, the costs would be even lower. Under a moderate decontrol program, costs for fuel oil could be expected to rise no more than a penny a gallon. That means the average homeowner using fuel oil will be paying $9 more per year as compared to over $160 for the President's program.

The key to the Ullman program is the selective increase in gasoline prices. Rather than adopting a blunderbuss economic approach, the Ullman program targets price increases to where they can produce conservation results.

The administration claims that gasoline prices under their program will rise between $0.10 and $0.15 per gallon. In other words, regular gasoline now costing $0.53 per gallon will eventually be priced at $0.68 per gallon. Later, the administration even claims that gasoline prices will fall from this high level. Assumedly, this price decline will occur as FEA allows refiners to allocate more of their increased crude oil costs to residual products.

However, it is difficult for me to accept the administration estimates of 68 cents per gallon of gasoline for an extended period of time. If we assume that one-half of the refiners increased crude oil costs are recovered from gasoline sales and that refineries produce 100 billion gallons of gasoline per year, the market price of gasoline will increase 16.8 cents per gallon to almost 70 cents per gallon without "tilting costs further toward gasoline."

Yesterday, I asked the administration witness to comment on my estimate that gasoline prices for regular gasoline would reach 71 to 72 cents per gallon under the President's plan as follows: $11 per barrel of oil after April 1, 1975, plus $2 per barrel excise or import tax, equals $13 total cost at current market levels.

Two barrels of oil makes one barrel of gasoline or $26 per barrel.

Total cost of oil per gallon of gasoline	$0.62
Less value of residual products	.18
Actual cost of oil per gallon of gasoline	.44
Refiners cost	.04
Cost of distribution and retail sales	.12
State and Federal gasoline taxes	.11
Total cost of gasoline	.71

This price must be expected to rise without price controls at a rate of at least 6 percent per year. Following this assumption, the price of gasoline for the next 5 years would be as follows:

	Cents per gallon
1975	71.0
1976	75.3
1977	79.8
1978	89.6

In contrast, the Ullman program increases prices on gasoline purchased above a monthly allocation. The intent of this tax plan is to place a penalty on non-essential driving while not placing any burden on the driving we all must do for essential reasons—going to and from work, to the store, and so on.

Under the Ullman plan, the price of gasoline will increase to reflect the gradual decontrol of old oil prices and the imposition in 6-month stages of a $0.05 per gallon gasoline conservation tax on purchases above the allocation level. I have estimated, that decontrol of old oil will increase gasoline prices by no more than 2 cents per gallon per year. Following formula, the price of gasoline under the Ullman plan can be calculated as follows:

UMI

PRICE OF GASOLINE, ULLMAN PLAN

Date	Tax per gallon	Cents per gallon
Mar. 1, 1975	Current price	53.0
Apr. 1, 1975	Price reflecting increase of "old" oil by $1 per barrel 2 cents per gal	55.0
July 1, 1975	5 cents per gal tax	60.0
Jan. 1, 1976	5 cents per gal tax (total tax: 10 cents per gal)	65.0
Apr. 1, 1976	Price reflecting increase of "old" oil by $1 per barrel, 2 cents per gal	67.0
July 1, 1976	5 cents per gal tax (total tax: 15 cents per gal)	72.0
Jan. 1, 1977	5 cents per gal tax (total tax: 20 cents per gal)	77.0
Apr. 1, 1977	Price reflecting increase of "old" oil by $1 per barrel, 2 cents per gal	79.0
July 1, 1977	5 cents per gal tax (total tax: 25 cents per gal)	84.0
Jan. 1, 1978	5 cents per gal tax (total tax: 30 cents per gal)	89.0
Apr. 1, 1978	Price reflecting increase of "old" oil by $1 per barrel, 2 cents per gal	91.0
July 1, 1978	5 cents per gal tax (total tax: 35 cents per gal)	96.0
Jan. 1, 1979	5 cents per gal tax (total tax: 40 cents per gal)	101.0

AVERAGE MONTHLY COST OF GASOLINE

Date	Market price per gallon	Cost of 40 gallons per month at market price	Price of additional gasoline per gallon (with excise tax)	Cost of 17 gallons per month at taxed price	Total monthly cost
Mar. 1, 1975	$0.53	$21.20	$0.53	$9.01	$30.21
Apr. 1, 1975	.55	22.00	.55	9.35	31.35
July 1, 1975	.55	22.00	.60	10.20	32.20
Jan. 1, 1976	.55	22.00	.65	11.05	33.05
Apr. 1, 1976	.57	22.80	.67	11.39	34.19
July 1, 1976	.57	22.80	.72	12.24	35.09
Jan. 1, 1977	.57	22.80	.77	13.09	35.89
Apr. 1, 1977	$0.59	$23.60	$0.79	$13.43	$37.03
July 1, 1977	.59	23.60	.84	14.28	37.88
Jan. 1, 1978	.59	23.60	.89	15.13	38.73
Apr. 1, 1978	.61	24.40	.91	15.47	39.87
July 1, 1978	.61	24.40	.96	16.32	40.72
Jan. 1, 1979	.61	24.40	1.01	17.17	41.57

Under the President's program the average motorist who consumes 57 gallons a month will pay a gasoline bill of $39.79, if we assume that prices will rise to a level of 69.8 cents per gallon. The administration makes a highly dangerous assumption that gasoline prices will remain constant in a free market without price controls. Under the Ullman plan, the driver's total cost of gasoline will not rise to that level until July 1978. However, we can anticipate that the Ullman proposal will be just as effective in reducing gasoline consumption. Why? Because price increases under the Ullman plan are specifically targeted to that portion of our gasoline consumption over which we have most control—nonessential driving. In light of recent history, it must be assumed that there is no practical ceiling for gasoline and oil prices in a free market.

Mr. Speaker, I have tried to demonstrate with the preceding calculations that the program developed by the Democratic membership of Ways and Means is really a program designed to help the consumer. Rather than battering the consumer with price increases and regressive excise taxes, the proposal put forth by Chairman ULLMAN has been refined to minimize inequities and neutralize the risks of deepening our recession and intensifying our inflation. It provides that basic free choice of the public is not superseded by a Government bureaucracy. In short, Mr. ULLMAN's program represents a responsible policy to meet our energy crisis with the interests of all Americans in mind.

The Ullman proposal is a sound, constructive approach to meet the goals of Project Independence without adding inflationary burdens and without the great risk of deepening our already critical recession.

Under this proposal, a two-tier price system would be established for gasoline. Every owner of an automobile would be allowed to purchase a basic allocation of gasoline—40 gallons per month—at the market price. Beyond that level, the conservation tax would be imposed. Hopefully, with the conservation tax in place, an individual will be less inclined to use his automobile for unnecessary trips. Since over 54 percent of all automobile trips are under 5 miles, the conservation protential of this unique tax appears to be formidable. Furthermore, 33 percent of the American automobiles consume less than 40 gallons of gasoline per month.

If we assume that an average motorist consumes 57 gallons per month, his monthly gasoline costs under the Ullman plan can be calculated as follows:

NUCLEAR POWER PLANT LICENSING BILL

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, last Thursday I introduced H.R. 3995 which is intended to make needed improvements in the procedures for the licensing of nuclear power plants. Cosponsoring the bill with me are Representative ANDERSON of Illinois, Representative HINSHAW of California, Representative HORTON of New York and Representative LUJAN of New Mexico. The bill is identical to H.R. 16700 which I introduced last year except for the provision for a national survey of potential nuclear energy center sites and a report to the Congress on the results of the survey. The provision was subsequently enacted into law as section 207 of the Energy Reorganization Act of 1974—Public Law 93-436.

The improvements would have two major objectives: First, to eliminate unnecessary delay in the siting and licensing of nuclear power plants so that the time now required to construct and bring a nuclear powerplant on the line is reduced substantially; and second, to provide a more meaningful opportunity for public participation in the regulatory processes of the Nuclear Regulatory Commission.

An understanding of the need for legislative change begins with a brief look at the existing statutory structure for the licensing of nuclear power plants. The Atomic Energy Act of 1954, as amended, provides for a two-step licensing process for nuclear powerplants. As the first step, a construction permit must be obtained from the Commission which authorizes the construction of the proposed plant at the site where it will be operated. The construction permit stage of the licensing process focuses on the preliminary design of the proposed plant and the suitability of the proposed site from the standpoint of both radiological health and safety and general environmental considerations. It is at this stage that the environmental impact statement called for by the National Environmental Policy Act of 1969 is prepared. A mandatory formal on-the-record public hearing must be held by an Atomic Safety and Licensing Board appointed by the Commission prior to the issuance of any construction permit for a nuclear powerplant.

The Atomic Energy Act also provides that no person may operate a nuclear powerplant without first obtaining an operating license from the Commission. Thus, the second step which must be completed in the licensing process is the issuance of an operating license. The operating license review focuses on the final design of, and detailed procedures for, the nuclear powerplant. A public hearing is held before the issuance of any operating license, if in the judgment of the Commission a person whose interest may be affected presents a valid request for such a hearing.

The Advisory Committee on Reactor Safeguards, a statutory committee of independent experts on nuclear safety, is required by the Atomic Energy Act to review each application to construct and operate a nuclear powerplant, and to submit a public report thereon to the Commission.

I have appended to my statement a list of the witnesses who testified at the Joint Committee's 1974 series of hearings held on proposed legislation to improve the present licensing system. H.R. 16700 was drafted after the conclusion of the 1974 Joint Committee on Atomic Energy hearings and, I believe, it covered most of the significant licensing system problems identified in those hearings.

I continue to believe that the present two-step licensing system is unduly rigid and that flexibility must be introduced into the licensing provisions of the Atomic Energy Act so that other coherent and rational licensing approaches may be followed. In doing so, the guiding principles must be:

First. There must be no reduction at all in the exercise and achievement of the important regulatory responsibility which the law places on the Nuclear Regulatory Commission to assure that safety, the common defense and security and the environment are all protected.

Second. There must be no diminution in the existing opportunity for proper participation in licensing proceedings.

Third. There must be a continuation of the public and open conduct of the licensing process.

While these fundamentals must be preserved, the licensing process can and should provide for the most efficient and expeditious utilization of resources. Such a goal is well worth seeking in normal times. It is now an imperative goal in view of our current economic problems, caused in large measure by our growing dependence on foreign sources of oil. It will require the full use of nuclear power, together with all other presently available domestic sources and other sources now being developed, to enable this Nation ultimately to become adequately self-sufficient in its energy supplies. To put the matter in perspective, the projected electrical capacity expected to be provided by nuclear powerplants in the late 1980's would, over the lifetime of these plants, produce an equivalent of about 100 billion barrels worth of petroleum fueled generating capacity. This is about 10 times the Alaskan North Slope reserves. At the present price of oil, the cost of such an oil replacement would be in excess of $35 billion per year.

I believe that if the bill which I am introducing is enacted, the 10 years now required to bring a nuclear powerplant on line could ultimately be reduced to 6 or 7 years. The savings to the public through elimination of unnecessary delay in the licensing of nuclear powerplants should be significant, both in monetary terms and in terms of the ready availability of the necessities of life which are increasingly dependent on a reliable and adequate energy base. The elimination of unnecessary delay in nuclear capacity could also have a beneficial effect on the gross national product of our industrialized society.

A detailed section-by-section analysis and comparative text of the changes in existing laws have been prepared and can be obtained by contacting the offices of the Joint Committee on Atomic Energy.

I will at this point emphasize some of the principal features of the bill.

First. The bill provides a system for licensing approvals in addition to the existing two-step system. The licensing process would be significantly more efficient if an opportunity were provided for the approval of sites at which nuclear plants may be constructed and of standardized nuclear powerplant designs in separate proceedings which may be conducted well in advance of the time construction of a particular plant at a particular site is needed to commence. In other words, if a specific site and a specific plant design can be licensed separately, there can be early approvals of each, so that each will be available from established and approved inventories when needed. If an applicant chose to construct a previously approved standardized plant on a previously approved site, the applicant would not have to go through the presently required separate two-step construction permit and operating license proceedings, but an abbreviated proceeding could be substituted without sacrificing any safety and environmental considerations.

Second. For applicants who chose to follow the existing two-step licensing process, the law would be revised so that a mandatory hearing would not be required on every construction permit application. Of course, the opportunity for a hearing would continue to be afforded if properly requested by an interested member of the public, and the Commission, on its own initiative, could order that a hearing be held.

Third. The bill would also permit an applicant under a limited work authorization (LWA) issued by the Commission to proceed, at its own financial risk, with certain construction activities if the project would otherwise be delayed because of prolonged construction permit hearings.

Fourth. The bill would amend the existing law to enable the Commission, when prompt action appears necessary in the public interest, to order the interim operation of a plant in advance of the conduct or completion of a hearing on an operating license or on a license amendment. There have been several instances in the past where fully constructed nuclear powerplants have stood idle for periods of a year or more because of protracted hearings in connection with an operating license or a license amendment.

Fifth. The bill would amend the existing law so that it would be in the discretion of the independent Advisory Committee of Reactor Safeguards to decide which nuclear powerplant applications it will review. This amendment has received the strong support of that Committee over the years. In essence, this amendment would, according to the testimony of ACRS members before the Joint Committee, give the Committee flexibility to deal with priority safety matters without being distracted by a mandatory requirement to review everything, for example duplicate plants at an already approved site.

Sixth. It is recognized that Federal siting legislation for all powerplants would perhaps be the best mechanism to assure that there is early and consolidated consideration of the various environmental matters which are in the purview of a multiplicity of Federal and State agencies. The bill would make a modest step toward that goal as far as the licensing of nuclear powerplants are concerned. It establishes a system for Federal-State cooperation and provides for early notice and participation in the licensing process by interested members of the public, and for early and open planning for nuclear powerplant sites.

Seventh. To assure that interested members of the public are informed at an early date of applications to construct and operate a nuclear powerplant on a site which has not been previously used or approved for use for nuclear power reactors, the bill directs the Commission to require potential applicants to provide notices of intent within time periods prescribed by Commission rule.

Eighth. To assure that interested members of the public are permitted greater and earlier opportunities for intervention and disclosure of information, the bill requires the Commission to confer with persons seeking to intervene in licensing proceedings and to make existing technical studies and reports available to them. The bill also entitles all parties to regulatory proceedings to receive all documents and written communications relating to those proceedings insofar as they may wish to receive them.

Ninth. The bill also authorizes the Commission, upon request of an intervening party to a proceeding, to prepare relevant technical reports which it determines to be reasonably necessary for the requesting party to present its position in the proceeding and in the public interest.

I would hope that the Joint Committee will be able to hold hearings on the bill at an early date and that the measure, with any perfecting amendments found to be necessary in the legislative process, will be voted on by each body during this session. In my judgment, the amendments are essential if the public interest is to be better served by a licensing system which, while remaining comprehensive and rigorous, does not unduly and uneconomically prolong the time for licensing review and actions for needed nuclear powerplants. The economic penalties of an inefficient licensing system are ultimately borne by the consumer in the form of higher electrical bills and higher costs for goods and services. The cumulative effect of such an impact would lead to the further weakening of our economy, our individual choices, and hurt the general well-being and strength of this Nation. This legislation is one step which, along with perhaps many others, will move our country in the direction of energy sufficiency so that our people and their government will always be in a position to be the master of their destiny and the architects of their own national policies and priorities.

I would like to include at this point in the RECORD a list of witnesses and a section-by-section analysis of H.R. 3995:

LIST OF WITNESSES

(In order of appearance before the Joint Committee on Atomic Energy, Hearings on Nuclear Power Plant Siting and Licensing, March 19, 20, 21, 22, 1974 and April 24, 25, 26, May 1, 1974.)

MARCH 19, 1974

Dr. Dixy Lee Ray, Chairman, and Commissioner William O. Doub, Atomic Energy Com-

mission, accompanied by Mr. L. Manning Muntzing, Director of Regulation, and Marcus A. Rowden, Esq., General Counsel.

Mr. Carl Walske, President, appearing for Mr. William R. Gould, Chairman, and Mr. George Gleason, Vice President, Atomic Industrial Forum, Inc.

Professor Harold P. Green, The National Law Center, The George Washington University.

MARCH 20, 1974

Anthony Z. Roisman, Esq., Berlin, Roisman & Kessler, representing Friends of the Earth.

Mr. Carl Horn, Jr., President, Duke Power Company, representing Edison Electric Institute, accompanied by Mr. John J. Kearney, Vice President, Edison Electric Institute, and Larry Porter, Esq., Assistant General Counsel, Duke Power Company.

Mr. Ruble A. Thomas, Vice President, Southern Services, Inc., representing the National Environmental Studies Project sponsored by the Atomic Industrial Forum, Inc., accompanied by Mr. James B. Calvert, Director, Environmental Systems Division, Commonwealth Associates, Inc., and Harvey S. Price, Esq., Staff Counsel, Atomic Industrial Forum, Inc.

Mr. James E. Tribble, Vice President, New England Electric System, representing the New England Power Pool (NEPOOL).

Mr. Roland W. Comstock, Presidential Staff Assistant, Northern States Power Company.

Mr. Joseph F. Grinnell, Vice President and General Counsel, Investors Diversified Services, Inc., Minneapolis, former Co-Chairman, Governor's Task Force on Power Plant Siting, Minnesota.

Mr. L. E. Zeni, Director, Maryland Power Plant Siting Program.

Dr. Oswald H. Greager, Chairman, Washington State Thermal Power Plant Site Evaluation Council and Mr. Lawrence B. Bradley, Executive Director, Office of Nuclear Energy Development, Washington State Department of Commerce.

Mr. Angelo Giambusso, Deputy Director for Reactor Projects, Directorate of Licensing, and Mr. Thomas A. Nemzek, Director, Division of Reactor Research and Development, Atomic Energy Commission.

MARCH 21, 1974

Mr. L. Manning Muntzing, Director of Regulation, Atomic Energy Commission, accompanied by Marcus A. Rowden, Esq., General Counsel.

Mr. Robert H. Shatz, Assistant Administrator of the Energy Resource Development Office, Federal Energy Office, accompanied by Mr. Richard E. Kosiba and Mr. Robert McWhinney.

J. Thomas Greene, Esq., Greene & Debeker, Chairman, Special Committee on Environmental Law, American Bar Association.

Mr. Robert Lowenstein, Chairman, Lawyers Committee, Atomic Industrial Forum, Inc., and Counsel, Nuclear Energy Division, General Electric Company.

Mr. Larry Hobart, Assistant General Manager, American Public Power Association, accompanied by Frank Frisk, Esq., Legislative Director and Special Counsel.

Dr. William Howard Arnold, Jr., General Manager, Pressurized Water Reactor Systems Division, Westinghouse Electric Corporation, accompanied by Mr. Romano Salvatori, Manager of Nuclear Safety in Westinghouse Pressurized Water Reactor Systems Division and Barton Z Cowan, Esq., Eckert, Seamans, Cherin & Mellott.

MARCH 22, 1974

Mr. John H. MacMillan, General Manager, Nuclear Power Generation Division, Babcock & Wilcox Company, accompanied by Mr. James Mallay, Manager of Licensing, and George Edgar, Esq., Morgan, Lewis and Bockius.

Albert K. Butzel, Esq., Berle, Butzel and Kass, representing Friends of the Earth. The Lloyd Harbor Study Group, and affiliated environmental groups in the New York area.

Mr. Charles A. Robinson, Jr., Corporate Counsel, National Rural Electric Cooperative Association.

Mr. Paul Rodgers, Administrative Director and General Counsel, National Association of Regulatory Utility Commissioners (NARUC), accompanied by Mr. David A. Jewell, Treasurer.

Dr. Chauncey R. Kepford, York, Pennsylvania, representing Committee for a Safe Environment, accompanied by Mrs. Judith H. Johnsrud, representing Environmental Coalition on Nuclear Power.

APRIL 24, 1974

Commissioner William O. Doub, Atomic Energy Commission, accompanied by Mr. L. Manning Muntzing, Director of Regulation, Marcus A. Rowden, Esq., General Counsel, and Dr. John H. Buck, Vice Chairman, Atomic Safety and Licensing Appeal Panel.

Dr. William R. Stratton, Chairman, Advisory Committee on Reactor Safeguards, Atomic Energy Commission.

Mr. Gene A. Blanc, Atomic Energy Commission, appearing for Representative Mike McCormack, Fourth District, Washington.

Mr. Carl Horn, Jr., President, Duke Power Company, representing Edison Electric Institute, accompanied by Mr. John J. Kearney, Vice President, Edison Electric Institute.

Arvin E. Upton, Esq., LeBoeuf, Lamb, Leiby & MacRae.

Mr. Robert Lowenstein, Chairman, Lawyers Committee, Atomic Industrial Forum, Inc., and Counsel, Nuclear Energy Division, General Electric Company.

APRIL 25, 1974

Mr. Alan S. Rosenthal, Chairman, Atomic Safety and Licensing Appeal Panel, Atomic Energy Commission.

Mr. Peter H. Schiff, General Counsel, Public Service Commission of the State of New York.

Myron M. Cherry, Esq., Jenner & Block, Chicago.

Dr. Chauncey R. Kepford, York, Pennsylvania.

APRIL 26, 1974

Professor Arthur W. Murphy, Columbia University School of Law.

Hon. John N. Nassikas, Chairman, Federal Power Commission, accompanied by Emmett J. Gavin, Esq., Assistant to the Chairman, Daniel Goldstein, Esq., Assistant General Counsel, Mr. Bernard B. Chew, Chief, Division of the Power Surveys and Analyses, Bureau of Power, Ms. Lois D. Cashell, Staff Attorney and Franklin P. Gould, Esq., Staff Attorney, Office of General Counsel.

Gary L. Widman, Esq., General Counsel, Council on Environmental Quality.

MAY 1, 1974

Mr. James S. Moore, U.S. Projects Manager, Pressurized Water Reactor Systems Division, Westinghouse Electric Corporation, accompanied by Mr. Robert A. Wiesemann, Manager, Licensing Programs, Nuclear Safety Department, and Elliot S. Katz, Esq., Westinghouse Law Department.

Mr. Nathaniel H. Goodrich, Chairman, Atomic Safety and Licensing Board Panel (AS&LBP), Atomic Energy Commission, accompanied by Mr. James R. Yore, Executive Secretary, AS&LBP, and Mr. George R. Hall, Economic Advisor, AS&LBP.

Mr. Edmond F. Rovner, Project Director, Governor's Energy Project, appearing for Mr. Charles A. Byrley, Executive Director, National Governor's Conference, and accompanied by Mr. David Stevens, Administrative Assistant.

Anthony Z. Roisman, Esq., Berlin, Roisman & Kessler, representing Environmental Action, Environmental Defense Fund, Friends of the Earth, National Wildlife Federation, and Natural Resources Defense Council, accompanied by W. Thomas Jacks, Esq., Public Interest Research Litigation Group.

Mr. J. M. Wyatt, Senior Vice President, Louisiana Power and Light Company, accompanied by Malcolm Stevenson, Esq., Counsel.

Mr. Francis M. Staszesky, Executive Vice President Boston Edison Company, accompanied by Dale Studely, Esq., Counsel.

Mr. James G. Cline, Chairman, New York State Atomic and Space Development Authority, accompanied by Arthur I. Weinstein, Esq., Assistant Counsel.

SECTION-BY-SECTION ANALYSIS

1. Section 1 of the bill is a conforming (i.e., non-substantive) amendment. It amends section 29 of the Atomic Energy Act of 1954, as amended, to authorize the Advisory Committee on Reactor Safeguards to review site permit applications.

2. Section 2 of the bill makes a minor conforming amendment in paragraph (2) of subsection 105c. to accommodate changes in the licensing process provided for in other sections of the bill. Consistent with these changes, the present provisions of paragraph (2) of subsection 105c. of the Act, which permit supplementary antitrust review in connection with the issuance of certain operating licenses, would not authorize an additional antitrust review prior to the operation of a nuclear powerplant for which a combined construction permit and operating license is issued. Where an application is filed for a combined construction permit and operating license, a single antitrust review would be conducted and completed prior to issuance of the combination license. On the other hand, where the Commission has authorized interim operation of a facility pending final decision on the issuance of a full-term operating license, the provisions of paragraph (2) of subsection 105c. remain applicable. In these circumstances, the Commission would be required to complete the supplementary antitrust review and hearing prior to issuing a full term license. However, interim operation of the facility would not be affected.

3. Section 3 of the bill is a substantive amendment. It adds a new section 111 to the Atomic Energy Act of 1954, as amended, on advance planning and early notice. Paragraph (1) of subsection 111a. authorizes and directs the Commission to encourage open and advance planning on the part of utilities and other persons in connection with the selection of sites and the addition of nuclear-powered generating capacity. Paragraph (1) expressly provides that the Commission may accord priority of consideration to applications referencing sites and/or facilities selected in advance pursuant to an open planning process. The kind of advance open planning which is envisaged would afford an early opportunity, perhaps as much as five or even ten years in advance of need, for interested persons and groups to submit views on several alternative sites and would assure full consideration of relevant physical, economic, environmental, aesthetic and social factors. Paragraph (2) of subsection 111a. authorizes the Commission to participate in the adequacy and reliability programs of the Federal Power Commission under subsection 202(a) of the Federal Power Act. This paragraph also directs the Commission, in consultation with the Federal Power Commission, to furnish to the public information on existing or proposed nuclear power sites made available through these programs.

Under the FPC's current reliability programs, regional electric reliability councils have been established to aid electric utilities in coordinating their long-range plans to provide adequate and reliable bulk power supplies. In carrying out this coordinating function, the reliability councils, which are

not governmental entities and do not have regulatory responsibilities, obtain and keep current data relating to potential nuclear power reactor sites. This information, which is reported regularly to the FPC, would materially aid the Commission in its efforts to obtain advance notice of proposed nuclear power reactor sites and to encourage early public participation in planning for additions of new nuclear capacity. Subsection 111a.(2) would assure the Commission and the public continuing access to this information.

Subsection 111b. directs the Commission to promulgate rules requiring persons to file advance notice of their intent to apply for facility design approvals (whether through rulemaking or the issuance of manufacturing licenses), site permits, construction permits and/or operating licenses for industrial or commercial production or utilization facilities. Subsection 111b. also provides that these notices of intent shall be published in the *Federal Register*. This early notice provision will assist the Commission in its efforts to inform prospective applicants of NRC licensing requirements. It will also enable interested members of the public to become better informed and to participate more meaningfully in subsequent licensing proceedings. To provide needed flexibility, subsection 111b. does not specify time periods by which notices of intent shall be filed. It is expected, however, that a minimum advance notice of one year will be required of any applicant who proposes to construct and operate a nuclear facility on a site which has not been previously used or approved for use for nuclear power reactors.

4. Section 4 of the bill makes a conforming amendment to subsection 161o. of the Act to extend to the site approval activities authorized by revised section 192 the Commission's authority to require reports and records and to make inspections.

5. Section 5 of the bill is a substantive amendment. It amends subsection 182b. of the Act to eliminate the present requirement for mandatory review by the Advisory Committee on Reactor Safeguards (ACRS) of certain construction permit and operating license applications and to authorize the Joint Committee to review manufacturing license and site permit applications. In lieu of the mandatory review requirement, subsection 182b. provides that in the absence of a specific Commission request for a review and report on a particular application, the ACRS may dispense therewith by notifying the Commission in writing that in its view, review and report is not warranted. This authority would also permit the ACRS to dispense with the review of certain classes or types of facilities pursuant to rule concurred in by the Commission. Subsection 182b provides that any ACRS report or any ACRS notice that a report is unnecessary shall be made part of the application record and be available to the public except to the extent that security classification prevents disclosure. This amendment has been suggested by the ACRS in a letter of April 14, 1972 from Dr. C. P. Siess, then ACRS Chairman, to the Chairman, JCAE, and in the testimony of Dr. William R. Stratton, then ACRS Chairman, at the JCAE hearings on nuclear powerplant siting and licensing on April 24, 1974.

6. Section 6 of the bill is a substantive amendment. It amends section 185 of the Act, which authorizes the Commission to issue construction permits, to: (1) eliminate the present mandatory requirement that construction permits specify the earliest and latest dates for completion of the proposed construction; (2) authorizes the Commission to issue combined construction permit and operating license; and (3) provide, in subsection 185b. a discretionary limited work authorization procedure to enable applicants for construction permits to begin site preparation work and limited construction activities early.

Subsection 185a. authorizes the Commission to issue a combined construction permit and operating license whenever an application contains sufficient information to support the issuance of both in accordance with the Commission's rules and regulations. It is anticipated that this type of license will be issued in those instances in which the applicant is able initially to supply full information on the final design of the facility. Under this procedure, review and an opportunity for hearing on the final design will occur early and a redundant operating license review and hearing will be eliminated. The facility will, however, be subject to continuing Commission inspection during construction, under the combined construction permit and operating license procedure. Plants which are not properly constructed will not be allowed to begin operation. Subsection 185a. requires that the Commission publish a notice in the *Federal Register* at least 30 days before a facility for which a combined license has been issued will commence operation and provide persons whose interests may be affected by the operation of the facility opportunity for an on-the-record hearing on certain specific issues. More particularly, this subsection provides that a request for a hearing shall be granted only if the person seeking the hearing is able, in his petition, supporting affidavits and other evidence, to make a prima facie showing in the affirmative that as a result of either a significant technological change or advance or a specific question substantially affecting the public health and safety, the common defense and security or the protection of the environment left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or some other appropriate action to provide substantial additional protection for the public health and safety, the common defense and security or the environment. If a hearing should be granted, the ultimate burden of persuasion will rest on the person seeking the hearing since he will be the proponent of an order seeking to modify or revoke an existing license. In accordance with the stand-by authority provided in subsection 189a., the Commission may, where prompt action appears necessary in the public interest, permit a nuclear power reactor to begin interim operation in advance of the conduct or completion of this hearing. Any final order entered in a proceeding to obtain a public hearing is subject to judicial review in the manner prescribed in subsection 189b.

Subsection 185b. confirms and broadens the Commission's existing discretionary authority to permit applicants for construction permits or for combined construction permits and operating licenses to begin site preparation work and limited construction activities at their own risk prior to issuance of a construction permit and/or an operating license. Subsection 185b. provides that authorizations to conduct such activities may be issued only after environmental issues have been adequately resolved and the requisite finding required by the National Environmental Policy Act of 1969, as amended, (NEPA) prior to issuance of a permit or a combined permit and license, have been made, and after the Commission has made a finding that there is reasonable assurance that the proposed site is suitable from a radiological health and safety standpoint for a facility of the general size and type proposed. If authority to undertake safety-related construction activities is also requested, subsection 185b. requires that the Commission make a further finding that these activities involve no significant unresolved public health and safety issues. The types of safety-related construction activities envisaged include excavation, pouring foundations and related work up to finished ground level. This subsection also provides that any safety-related construction activities which are undertaken shall not continue beyond a one-year period unless the Commission, for good cause shown, extends that period. Subsection 185b. requires the Commission to publish notices in the *Federal Register* of all requests to conduct early site preparation work and limited construction activities. The Commission is also required to provide persons whose interests may be affected with an opportunity for hearing on all NEPA issues, and on the question of the suitability of the site from a radiological health and safety standpoint. Where safety-related work is contemplated, an opportunity for hearing on any significant unresolved public health and safety questions is also to be provided. Subsection 185b. will help reduce the lead time required to bring nuclear power plants on line by enabling applicants to start site preparation work and initial construction activities immediately following completion of the environmental review and to continue this preparatory work without interruption while the requisite radiological health and safety reviews and hearings are being completed, thereby making it possible for construction of the facility to begin when the construction permit is issued. Any final order entered in any proceeding pursuant to subsection 185b. is subject to judicial review in the manner prescribed in subsection 189b.

7. Section 7 of the bill makes conforming amendments to subsection 188a. to extend the Commission's revocation authority to site permits authorized by section 192.

8. Section 8 of the bill makes conforming amendments to section 187 to make site permits subject to amendment, revision or modification in the same manner as licenses by reason of amendments to the Atomic Energy Act of 1954, as amended, or of rules and regulations issued in accordance with the terms of the Act.

9. Section 9 of the bill is a substantive amendment. It amends subsection 189a. of the Act to make this subsection applicable to site permits, to eliminate the present requirement for a mandatory public hearing on every construction permit application, and to require instead that an opportunity for hearing be provided in connection with any proceeding to issue, amend, suspend or revoke any license, construction permit, site permit or application to transfer control, in connection with the issuance or modification of any rules or regulations dealing with the activities of licensees or holders of site permits or in connection with any proceeding for the payment of compensation, an award or royalties under sections 153, 157, 186c. of 188. Under this provision, a hearing would be held only when requested. Subsection 189a. provides that before the Commission can grant an application for a construction permit, operating license, combined construction permit and operating license, manufacturing license, or site permit or any amendment to these permits, or licenses, it shall publish a notice in the *Federal Register* at least 30 days in advance that consideration is being given to granting the application. As in the present law, subsection 189a. further provides that the requirements of publication and 30 days' notice may be waived for those amendments which the Commission has determined involve no significant hazards considerations. Although a hearing may be requested on any amendment application to which the waiver of publication and 30-day notice supplies, the hearing in these instances would be held after instead of before issuance of the amendment.

Subsection 189a. contains standby authority which will enable the Commission, where prompt action appears necessary in the pub-

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lic interest, to issue interim operating licenses, interim amendments to licenses or order interim operation of a plant in advance of the conduct or completion of public hearings, or an operating license or amendment in those few instances where a plant which is either ready to begin or is in full power operation might otherwise be kept standing idle for prolonged periods pending completion of the hearings. Subsection 189a. provides that persons granted this authority shall comply with all other requirements of the Act applicable to issuance of an operating license or amendment, including all substantive safety requirements. In the past there have been several instances where fully constructed nuclear powerplants have stood idle for periods of a year or more because of protracted hearings; the possibility of similar delays in the future cannot be ignored. It is expected, however, that this authority will be used infrequently, since in the usual case the requisite licensing reviews and hearings will have been completed by the time the plant is ready to begin operation. Applicants for interim operating authority are required to make a good cause showing and the Commission must determine that the requested authority is necessary in the public interest. Public interest considerations may encompass such matters as the need for power in the affected area, the need to avoid undue delay in supplying power, and other relevant factors. Subsection 189a. requires the Commission to publish a notice in the *Federal Register* of its intent to grant such interim authority and to invite comments on whether such action is necessary in the public interest. Under the provisions of subsection 189a. issuance of an interim operating license or amendment or of an order authorizing interim operation will not be automatic and will normally be limited to a 12-month period. Extension of this authority beyond 12 months will be granted only upon good cause shown. Subsection 189a. provides that interim operating licenses, interim amendments and orders authorizing interim operation shall contain and be subject to such terms and conditions as the Commission deems necessary, thereby assuring that any subsequent findings and orders of the Commission concerning the subject matter of the licensing proceeding will be given full force and effect and that ultimate resolutions of the issues on their merits will not be prejudiced.

10. Section 10 of the bill adds a new subsection 189c. to confirm and clarify the Commission's existing authority to use expedited procedures not inconsistent with the provisions of 5 U.S.C. §§ 554, 556 and 557 (the Administrative Procedures Act) in conducting various types of on-the-record proceedings under the Act. In addition to this general directive, new subsection 189c. identifies in numbered paragraphs several specific procedures which the Commission may use to expedite the licensing process. Proceedings in which the Commission is authorized and directed to follow expedited procedures include proceedings under section 185 (such as those relating to the effect of advances or changes in technology or violations of licensing requirements on facilities scheduled to commence operation under a combined construction permit and operating license under subsection 185a., and those relating to early site preparation and construction under subsection 185b.); proceedings under section 192 (such as those relating to early site preparation and construction under subsection 192b. and those relating to showings of special circumstances and advances or changes in technology under subsection 192c.); and on-the-record proceedings under subsection 189a. (such as manufacturing license proceedings, construction permit and/or operating license proceedings, site permit proceedings and rule-making proceedings).

It is in these types of proceedings that there is the greatest need for and importance of expediting the licensing process. At the same time, the Commission is not precluded from using similar techniques, as appropriate, to expedite informal proceedings not conducted on the record. The Commission's broad authority to conduct its activities in all areas in an efficient and expeditious manner is fully recognized and supported.

Paragraph (1) of subsection 189c. authorizes the Commission, with due regard for the importance and complexity of the issues and the interests of the parties, to establish time limits for the completion of various phases of the proceedings, including time limits for completing discovery and other prehearing matters.

Paragraph (2) of subsection 189c. authorizes the Commission to limit the scope of discovery to reasonably specific issues and take action to assure that the examination and cross-examination of witnesses at an evidentiary hearing are confined to substantial, genuine and material issues of fact.

Paragraph (3) of subsection 189c. authorizes the Commission to exclude from consideration in any licensing proceeding matters which have been finally decided or could have been raised in a prior related proceeding, unless the party seeking to raise such an issue can establish the likelihood that substantial improvement in the protection of public health and safety, the common defense and security, or the environment could result if the issue were decided in his favor and in addition demonstrates a significant change in circumstances has occurred which warrants consideration of the issue in question.

Paragraph (4) of subsection 189c. authorizes the Commission, in consultation with the Council on Environmental Quality, to enter into arrangements with other Federal agencies, whereby the Commission will serve as the lead agency responsible for the preparation of a single detailed environmental impact statement covering all Federal actions subject to NEPA which are related to the issuance or amendment of an NRC license, construction permit or site permit for a utilization or production facility. Paragraph (4) accords statutory recognition to the lead agency concept embodied in the guidelines promulgated by the Council on Environmental Quality and applies that concept to the Nuclear Regulatory Commission.

11. Section 11 of the bill is a conforming amendment. It amends subsection 191a. of the Act to authorize the Commission to delegate to atomic safety and licensing boards certain responsibilities respecting site permits authorized under revised section 192.

12. Section 12 of the bill is a substantive amendment. It revises section 192 to substitute new authority relating to early site approval and standardization of utilization and production facilities for the now expired authority to issue temporary operating licenses contained in existing section 192. Pursuant to this new authority, the Commission may conduct and complete separate site and facility design reviews independently of each other and in advance of a formal application to construct and operate a particular facility at a specific location. These procedures will make it possible to resolve many environmental and safety-related issues early with full opportunity for meaningful public participation. Since prior consideration will make further review of these matters unnecessary during any subsequent construction permit and/or licensing proceeding, these proceedings can be conducted in a shorter period of time and needed power can be brought on line more promptly to meet prospective demand. At the same time the public can have full assurance that the facility is safe from a radiological health and safety standpoint and that the environmental impact likely to result from the construction and operation of the facility has been properly evaluated and not found to be detrimental.

Subsection 192a. authorizes any person to file a written application for separate approval of a site as suitable for use for one or more utilization or production facilities even though no application for a construction permit or for a combined permit and operating license has been filed with the Commission. Under this procedure, States or other entities which do not contemplate constructing or operating nuclear powerplants on their own account may apply to have sites for these facilities approved and designed in advance of need. The subsection provides that the Commission shall specify the information to be supplied by the applicant by rule or regulation. Subsection 192a. empowers the Commission, on the basis of such siting criteria and other requirements as it may by rule, regulation or order establish, to issue site permits subject to appropriate conditions or deny site permits. In developing these requirements and criteria, it is expected that the Commission will be guided both by considerations of radiological health and safety and common defense and security set forth in the Atomic Energy Act of 1954, as amended, and by considerations dictated by other statutory authority, including the National Environmental Policy Act of 1969. Subsection 192a. requires the Commission to issue rules and regulations setting time periods for the duration of site permits.

Subsection 192b. permits applicants for construction permits or combined construction permits and operating licenses who plan to build and operate a facility on a site for which a site permit has been issued under subsection 192a., unless otherwise ordered by the Commission, to begin, at their own risk and without further prior Commission reviews, preliminary site preparation work and limited construction activities in accordance with Commission rules and regulations while the construction permit application for the facility is undergoing review. This procedure will permit construction of the facility to begin immediately upon issuance of the construction permit and not be delayed by the need to complete essential preparatory work. At the same time the procedure provides full assurance that the environment will be adequately protected. The types of preliminary construction work which may be conducted are limited to those prescribed by the Commission's rules and regulations; it is anticipated that this work will be similar in scope to that permitted by the Commission under subsection 185b. This preliminary work may only be performed on sites which have been previously approved by the Commission following a full environmental hearing and review. Subsection 192b. also provides that safety-related construction activities shall not continue beyond one year unless the Commission, for good cause shown, extends that period.

Subsection 192c. authorizes the Commission to issue a construction permit and/or operating license for a facility after review but without a further hearing when the application specifies both that the facility will be constructed and operated on a site approved pursuant to subsection 192a. and that the preliminary design of the facility, in the case of a construction permit, or the final design of the facility, in the case of an operating license or a combined construction permit and operating license, has been approved by the Commission in either a rulemaking proceeding or a manufacturing license proceeding. Subsection 192c. provides that 30 days prior to issuing a permit or license under this subsection, the Commission shall publish a notice in the *Federal Register* stating that consideration is being given to granting a permit or license. Subsection 192c. provides that interested persons may request a hearing for the limited purpose of showing that the unique circumstances of the particular facility require the Commission to except the facility from the application of the relevant rule or manufacturing license because application to that facility will not serve the purposes for which the rule was adopted or the license issued. However, requests for hearing will be granted only if the person seeking a hearing is able to make a prima facie showing in the affirmative on the above issue. Subsection 192c. also requires the Commission to publish a notice in the *Federal Register* 30 days prior to issuance of an operating license or commencement of facility operation, which notice states that issuance of the license is under consideration or commencement of operation is expected to take place and opportunity for hearing is provided.

The subsection provides that requests for hearing shall be granted only if the petitioner is able, in his petition and accompanying evidence and affidavits, to make a prima facie showing in the affirmative that as a result of either a significant technological change or a specific question substantially affecting the public health and safety, the common defense and security or the protection of the environment left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or some other appropriate action to provide substantial additional protection for the public health and safety, the common defense and security or the environment. In appropriate circumstances, the Commission may authorize interim operation of a plant pending the conduct or completion of these hearings. In granting a request for hearing on the basis of a prima facie showing relating to a proposed modification of a facility for which the final design has been previously approved in rulemaking or manufacturing license proceeding, the Commission may, in its discretion, either confine the hearing to the facility proceeding or consolidate the hearing on the facility with a hearing to consider amendment of the prior rule or manufacturing license on its own initiative. Any final order entered in any proceeding under this subsection is subject to judicial review in the manner prescribed in section 189b. Subsection 193c. states that the prelicensing antitrust review requirements of sections 105 and 189 of the Act shall not be affected by the provisions of this subsection.

13. Section 13 of the bill is a substantive amendment. It adds a new section 193 to the Atomic Energy Act of 1954, as amended, relating to Federal-State cooperation to give greater emphasis and direction to the Commission's present efforts in this area.

Subsection 193a. confirms and clarifies the Commission's existing authority to coordinate the timing of its permit and licensing reviews and proceedings with the schedules of related state reviews and proceedings in order to expedite the overall regulatory process. This subsection does not authorize the Commission to set time limits for the completion of State proceedings or to prescribe a schedule for the conduct of State proceedings. Its intent is rather to enable the Commission to arrange the planning and scheduling of its license and permit reviews and proceedings to minimize the demands of time and expense on parties to both Federal and State proceedings. Exchanges of information between the Commission and State agencies regarding the status and timing of reviews and proceedings should enable both the Commission and the States to eliminate needless duplication and "deadtime" in their respective reviews and proceedings.

Subsection 193b. clarifies and broadens the consolidated AEC-State hearings on matters subject to concurrent jurisdiction under the National Environmental Policy Act of 1969 and State law. Although subsection 193b. empowers the Commission, with the concurrence of the affected State agency, to prescribe special procedures as necessary or appropriate to accommodate the procedures of the State agency, it does not authorize the Commission to delegate its final decisional authority to the State agency. Subsection 193b. requires that any changes in Commission procedures for this purpose shall be consistent with full disclosure of the facts and involve minimal modifications of the procedures prescribed for on-the-record hearings by 5 U.S.C. § § 554, 556 and 557. (Administrative Procedures Act). Under this authority, the Commission is authorized to hold joint or concurrent hearings. For example, the Commission and the State agency may hold a joint hearing at the same time and place with two presiding officers, one representing the Commission and the other representing the State agency. A single hearing record would be compiled which would serve as the record for each agency. Whenever the presiding officers issue different rulings, this would be noted and the record for the Commission and the State agency would, to that extent, be distinguished. Under this procedure separate initial decisions would be issued by the State and Federal hearing officers. These decisions would, in turn, be subject to separate Federal and State procedures for administrative and judicial review.

Subsection 193c. requires the Commission to collect data needed for environmental reviews under the National Environmental Policy Act of 1969 in such a manner as to avoid to the maximum extent practicable consistent with the requirements of NEPA, duplication of the efforts of State agencies with similar responsibilities. Subsection 193c. also provides that the Commission may, in conducting NEPA reviews, take into account data regarding environmental costs, benefits and alternatives developed pursuant to State law. Subsection 193c. confirms the Commission's existing authority and is intended to emphasize the need to avoid unnecessary duplication of effort in the conduct of environmental reviews. Subsection 193c. does not amend the National Environmental Policy Act of 1969 or section 511 of the Federal Water Pollution Control Act.

14. Section 14 of the bill is a substantive amendment. It adds a new section 194 to the Atomic Energy Act of 1954, as amended, confirming and clarifying the Commission's existing authority to make information, including safety-related technical information concerning the risk incident to nuclear power, available to participants and persons interested in participating in on-the-record proceedings.

Subsection 194a. requires the Commission's regulatory staff, upon request and to the extent practicable, to confer with persons seeking to intervene in on-the-record licensing, permit or rulemaking proceedings, and to aid intervenors in the development of specific issues by making existing technical studies and reports available to them. Subsection 194a. provides that other Federal laws regarding disclosure of agency documents shall be applicable to the release of technical studies and reports.

Subsection 194b. requires the Commission, subject to applicable Federal disclosure laws, to provide all parties to on-the-record licensing, enforcement and rulemaking proceedings with all documents and written communications relating to those proceedings to the extent that the parties may wish to receive them. This subsection also requires the Commission to notify all parties of any meetings relating to those proceedings and to furnish all parties with written summaries of and a list of attendees at those meetings. Subsection 194b. provides that documents and written communications shall be served simultaneously on all parties to the maximum extent possible.

Subsection 194c. confirms the Commission's authority to respond to requests for relevant technical studies and reports. Where these studies and reports are available, subsection 194c. requires the Commission, subject to applicable Federal disclosure laws, to furnish them to the requesting party in a timely manner. Where studies and reports are not available and must be specially prepared, subsection 194c. provides that the presiding officer for the proceeding shall first determine that the studies and reports are reasonably necessary for the requesting party to present its position and that they are in the public interest. Following this determination, the requestor will be promptly notified whether his request is granted or denied. This determination is subject to review under normal Commission procedures. Subsection 194c. lists the following factors, among others, which may be considered in making a public-interest determination: the possible contribution towards public understanding of the health and safety issues in the proceeding; the technical significance of the information to be gathered; the potential for delay of the Commission proceeding; the relative priority that preparation of the studies or reports should take in the allocation of Commission resources; and the availability of the information to the requestor from other sources. The authority to prepare reports and studies which subsection 194c. provides extends only to the collection and compilation of existing data and does not encompass research and development.

With respect to specially prepared studies or reports, subsection 194d. provides that they may be prepared by the Commission staff, under contract for the Commission or by other Federal agencies at Commission request and that they shall be funded by the Commission. In assigning responsibility for preparation of a report, the Commission may, in its discretion, entertain suggestions offered by the person requesting the report. The Commission is authorized, however, to seek contributions or reimbursement for all or part of the cost from the person requesting the study or report to the extent that he is financially capable of providing such contributions or reimbursement. Where a person who is financially able to contribute fails to do so, the Commission may, to that extent, limit the scope of the requested study or report.

Subsection 194e. provides that any studies or reports made available under this section may be offered as part of the record of the proceeding.

Subsection 194f. provides for judicial review in the manner prescribed in § 189b. of any final order of the Commission which denies a request to have studies or reports especially prepared on the ground that the studies or reports would deal with matters beyond the scope of the hearing or proceeding.

CHANGES IN EXISTING LAW: COMPARATIVE TEXT

In compliance with clause (3) of rule XIII of the Rules of the House of Representatives, changes in existing law recommended by the bill are shown as follows (deleted material is enclosed in black brackets and new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

PUBLIC LAW 83-703: (ATOMIC ENERGY ACT OF 1954, AS AMENDED)

* * * * *

"SEC. 29. Advisory Committee on Reactor Safeguards.—

"There is hereby established an Advisory Committee on Reactor Safeguards consisting of a maximum of fifteen members appointed by the Commission for terms of four years each. The Committee shall, *as provided in section 182b.*, review safety

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studies, [and] facility license applications *and site permit applications* [referred to it] and shall make reports thereon, shall advise the Commission with regard to the hazards of proposed or existing reactor facilities and the adequacy of proposed reactor safety standards, and shall perform such other duties as the Commission may request. One member shall be designated by the Committee as its Chairman. The members of the Committee shall receive a per diem compensation for each day spent in meetings or conferences, or other work of the Committee, and all members shall receive their necessary traveling or other expenses while engaged in the work of the Committee. The provisions of section 163 shall be applicable to the Committee.".

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"SEC. 105. Antitrust Provisions.—

* * * * *

"c. (1) * * *

"(2) Paragraph (1) of this subsection shall apply to an application for a license to construct *and/or* operate a utilization or production facility under section 103: *Provided, however,* That paragraph (1) shall not apply to an application for a license to operate a utilization or production facility for which a construction permit, was issued under section 103 unless the Commission determines such review is advisable on the ground that significant changes in the licensee's activities or proposed activities have occurred subsequent to the previous review by the Attorney General and the Commission under this subsection in connection with the construction permit for the facility.".

* * * * *

Sec. 111. Advance Planning, Early Notice, and Surveys.—

a. (1) The Commission is authorized and directed to take such action as it may deem necessary or desirable, including establishment of priorities in reviewing license or permit applications, to encourage persons proposing to construct and/or operate utilization facilities for the generation of commercial power and persons proposing to obtain site permits for such facilities pursuant to section 192 to engage in adequate and open advance planning for the addition of such generating capacity and the selection of such sites, with opportunity for the Commission and interested and qualified persons to participate in such open and advance planning.

(2) The Commission shall participate in the adequacy and reliability programs of the Federal Power Commission under section 202 (a) of the Federal Power Act. The Commission shall make information regarding existing or proposed nuclear power reactor sites based upon its participation available to the public.

b. The Commission is authorized and directed to require by rule or regulation that persons proposing to obtain approval, by rule or regulation or manufacturing license, of the preliminary or final design of a production or utilization facility for industrial or commercial purposes, or part thereof, persons proposing to construct and/or operate a production or utilization facility for industrial or commercial purposes, and persons proposing to obtain a site permit for such a facility provide notice of intent to file the application or petition such periods of time prior to the actual filing thereof as the Commission may establish. Such notices of intent shall be published in the Federal Register.

* * * * *

"SEC. 161. *General Provisions.*

"In the performance of its functions the Commission is authorized to—

* * * * *

"o. require by rule, regulation, or order, such reports, and the keeping of such records with respect to, and to provide for such inspections of, activities and studies of types specified in section 31 and of activities under licenses issued pursuant to section 53, 63, 81, 103, and 104, *or authorized by section 192,* as may be necessary to effectuate the purposes of this Act, including section 105; and"

* * * * *

"SEC. 182. License Applications.—

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"b. The Advisory Committee on Reactor Safeguards shall review *each application under section 103 or section 104b. for a manufacturing license for a facility,* each application under section 103 or section 104b. for a construction permit *and/or* an operating license for a facility, any application under section 104c. for a construction permit or an operating license for a testing facility, any application under section 104a. or c, specifically referred to it by the Commission, *any application for a site permit under section 192a.,* and any application for an amendment to a *manufacturing license or* construction permit or an amendment to an operating license under section 103 or 104a., b., or c. *or an amendment to a site permit under section 192a.* specifically referred to it by the Commission, and shall submit a report thereon: *Provided, however, That unless the Commission specifically requests a review and report on an application or portion thereof, the Committee may dispense with such review and report by notifying the Commission in writing that review by the Committee is not warranted. Any report or notice required by this subsection* [which] shall be made part of the record of the application and available to the public except to the extent that security classification prevents disclosure.".

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"SEC. 185. Construction Permits.—

"*a.* All applicants for licenses to construct or modify production or utilization facilities shall, if the application is otherwise acceptable to the Commission, be initially granted a construction permit. [The construction permit shall state the earliest and latest dates for the completion of the construction or modification. Unless the construction or modification of the facility is completed by the completion date, the construction permit shall expire, and all rights thereunder be forfeited, unless upon good cause shown, the Commission extends the completion date.] Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this Act and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of this Act, the Commission shall thereupon issue a license to the applicant. For all other purposes of this Act, a construction permit is deemed to be a 'license'. *Notwithstanding any other provisions of this section, the Commission may issue a combined construction permit and operating license to the applicant, if the application contains sufficient information to support the issuance of both a construction permit and operating license in accordance with the rules and regulations of the Commission. The Commission shall publish in the Federal Register, at least thirty days prior to the commencement of operation of any facility for which such a combined permit and license has been issued, a notice that commencement of operation is expected to take place and that the Commission will grant a hearing upon the request of any person whose interest may be affected by such operation on whether, as a result of (1) a significant advance or change in the technology or (2) a specifically identified question substantially affecting the public health and safety or the common defense and security, or the protection of the environment being left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or other appropriate action should be taken which will provide substantial, additional protection which is required for the public health and safety, or the common defense and security, or the protection of the environment. No request for a hearing pursuant to such notice shall be granted unless the person requesting the hearing makes a prima facie showing in the affirmative on the issue set forth above. Any final order entered in any proceeding of the kind specified in the preceding two sentences shall be subject to judicial review in the same manner as prescribed in subsection 189b.*

b. In addition to any other authority the Commission may have, the Commission may permit an applicant for a construction permit or combined construction permit and operating license for a utilization or production facility to prepare the proposed facility site for construction and perform such limited construction activities thereat as the Commission may determine to be permissible, upon (i) making all the findings required to be made prior to issuance of the permit or combined permit and license pursuant to the National Environmental Policy Act of 1969, (ii) finding on the basis of the available information and review to date that there is reasonable assurance that the proposed site is a suitable location for a facility of the general size and type proposed from the standpoint of the protection of the health and safety of the public, and (iii) determining, if and to the extent that any safety related construction activities are sought to be undertaken, that there are no significant unresolved public health and safety issues with respect to such activities. Such activities shall be conducted at the risk of the applicant and shall be subject to revocation or modification by the Commission at any time. Safety related construction activities undertaken pursuant to this subsection shall not proceed beyond a one-year period unless the Commission, upon good cause shown, extends such period. The Commission shall publish in the Federal Register notice of receipt of any request to conduct site activities under this subsection, and provide for a hearing on issues (i), (ii) and (iii) above upon the request of any person whose interest may be affected. Any final order entered in any proceeding pursuant to this subsection shall be subject to judicial review in the same manner as prescribed in subsection 189b.

* * * * *

a. Any license *or site permit* may be revoked for any material false statement in the application or any statement of fact required under section 182 *or section 192,* or because of conditions revealed by such application or statement of fact or any report, record, or inspection or other means which would warrant the Commission to refuse to grant a license *or site permit* on an original application, or for failure to construct or operate a facility in accordance with the terms of the *site permit or* construction permit or license or the technical specifications in the application, or for violation of, or failure to observe any of the terms and provisions of this Act or of any regulation of the Commission.

* * * * *

SEC. 187. Modification of License *or site permit.*—

The terms and conditions of all licenses *and site permits* shall be subject to amendment, revision, or modification, by reason of amendments of this Act or by reason of rules and regulations issued in accordance with the terms of this Act.

* * * * *

"SEC. 189. Hearings and Judicial Review.—

"a. *Except as otherwise provided in subsection 192c.,* [I] *in* any proceeding under this Act, for the granting, suspending, revoking, or amending of any license, [or] construction permit, *or site permit pursuant to subsection 192a.,* or application to transfer control, and in any proceeding for the issuance or modification of rules and regulations dealing with the activities of licensees *or holders of site permits pursuant to subsection 192a.,* and in any proceeding for the payment of compensation, an award or royalties under sections 153, 157, 186c., or 188, the Commission shall grant a hearing upon the request of any person whose interest may be affected by the proceeding, and shall admit any such person as a party to such proceeding. [The Commission shall hold a hearing after thirty days' notice nad publication once in the Federal Register, on each application under section 103 or 104b. for a construction permit for a facility, and on any application under section 104c. for a construction permit for a testing facility. In cases where such a construction permit has been issued following the holding of such a hearing, the Commission may, in the absence of a request therefor by any person whose interest may be affected, issue an operating license or an amendment to a construction permit or an amendment to an operating license without a hearing, but upon thirty days' notice and publication once in the Federal Register of its intent to do so.] *With respect to each application under section 103 or 104b. for a license to manufacture a facility, each application under section 103 or 104b. for a construction permit and/or operating license for a facility, any application under subsection 104c. for a construction permit or operating license for a testing facility, any application for an amendment to a license to manufacture or to a construction permit and/or operating license for such facilities, and any application under section 192a. for a site permit or for an amendment thereto, the Commission shall publish in the Federal Register, at least thirty days prior to the granting of any such application, a notice that consideration is being given to the granting thereof.* The Commission may dispense with such thirty days' notice and publication with respect to any application for *an amendment to a manufacturing license,* or an amendment to a construction permit *and/*or an [amendment to an] operating license, *or an amendment to a site permit pursuant to subsection 192a.,* upon a determination by the Commission that the amendment involves no significant hazards consideration. *Notwithstanding any other provisions of this Act, the Commission may, upon good cause shown by the applicant and determination by the Commission that such action is necessary in the public interest considering among other things, the need for power in the affected area, or the need to avoid undue delay in the operation of the facility, issue, in the case of a utilization or production facility, an interim operating license or an interim amendment to a license to manufacture or an interim amendment to a construction permit or an interim amendment to an operating license, or allow interim operation of a facility for which a combined permit and license had been issued under section 185, in advance of the conduct or completion of the hearing: Provided, That any operating license or amendment to a construction permit or amendment to an operating license so issued shall contain such conditions as the Commission deems appropriate to assure that any subsequent findings and orders of the Commission with respect to the subject matter of the proceeding will be given full force and effect. Prior to issuance of any such interim license or amendment or prior to allowing any such interim operation, the Commission shall publish in the Federal Register a notice of intent to do so requesting comments from interested persons on whether such action is necessary in the public interest. No such interim license or amendment may be issued or interim operation allowed for a period to exceed twelve (12) months, unless for good cause shown the Commission extends such period. Any such interim license or amendment shall contain and any such interim operation shall be subject to such terms and conditions as the Commission may deem necessary.*

b. Any final order entered in any proceeding of the kind specified in subsection a. above shall be subject to judicial review in the manner prescribed in the Act of December 29, 1950, as amended (ch. 1189, 64 Stat. 1129), and to the provisions of section 10 of the Administrative Procedure Act, as amended.

c. In the conduct of any proceedings under sections 185 and 192, and in the conduct of any proceedings under subsection a. of this section which are subject to sections 554, 556, and 557 of Title 5 of the United States Code, the Commission is authorized and directed to follow expedited procedures not inconsistent with such sections. In accordance with the above, the Commission is authorized among other things to—

(1) establish time limitations, on the completion of various phases of such proceedings, including discovery and the conduct of other prehearing matters, with due regard for the importance and complexity of the issues and the interests of the parties;

(2) limit the scope of discovery to reasonably specific issues, and take action to assure that examination and cross-examination of witnesses are confined to substantial, genuine, and material issues of fact;

(3) exclude from consideration in any licensing proceeding any issue which has been finally decided or which could have been raised in a prior proceeding on the same application or a previous application regarding the same facility, site, or design on the basis of information then available, unless the party seeking to raise the issue has established the likelihood that substantial additional protection for the public health and safety, for the common defense or security, or for the environment could result if its position were upheld, and, in addition, demonstrates that there has been a significant change in circumstances subsequent to the prior proceedings, and

(4) in consultation with the Council on Environmental Quality, enter into arrangements with other Federal agencies contemplating actions subject to section 102(2)(C) of the National Environmental Policy Act of 1969 which are related to the granting or amending of any license, construction permit, or site permit for a utilization or production facility by the Commission, whereby a single detailed statement for all related Federal actions is prepared by the Commission as the lead Federal agency.

* * * * *

"SEC. 191. Atomic Safety and Licensing Board.—

"a. Nothwithstanding the provisions of section 7(a) and 8(a) of the Administrative Procedure Act, the Commission is authorized to establish one or more atomic safety and licensing boards, each comprised of three members, one of whom shall be qualified in the conduct of administrative proceedings and two of whom shall have such technical or other qualifications as the Commission deems appropriate to the issues to be decided, to conduct such hearings as the Commission may direct and make such intermediate or final decisions as the Commission may authorize with respect to the granting, suspending, revoking or amending of any license, [or] authorization, *or site permit* under the provisions of his Act, any other provision of law, or any regulation of the Commission issued thereunder. The Commission may delegate to a board such other regulatory functions as the Commission deems appropriate. The Commission may appoint a panel of qualified persons from which board members may be selected."

* * * * *

"SEC. 192. [Temporary Operating License.—]

[a. In any proceeding upon an application for an operating license for a nuclear power reactor, in which a hearing is otherwise required pursuant to section 189a., the applicant may petition the Commission for a temporary operating license authorizing operation of the facility pending final action by the Commission on the application. Such petition may be filed at any time after filing of: (1) the report of the Advisory Committee on Reactor Safeguards required by subsection 182b.; (2) the safety evaluation of the application by the Commission's regulatory staff; and (3) the regulatory staff's final detailed statement on the environmental impact of the facility prepared pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (83 Stat. 853) or, in the case of an application for operating license filed on or before September 9, 1971, if the regulatory staff's final detailed statement required under section 102 (2) (C) is not completed, the Commission must satisfy the applicable requirements of the National Environmental Policy Act prior to issuing any temporary operating license under this section 192. The petition shall be accompanied by an affidavit or affidavits setting forth the facts upon which the petitioner relies to justify issuance of the temporary operating license. Any party to the proceeding may file affidavits in support of, or opposition to, the petition within fourteen days after the filing of such petition, or within such additional time not to exceed ten days as may be fixed by the Commission. The Commission shall hold a hearing after ten days' notice and publication once in the Federal Register on any such petition and supporting material filed under this section and the decision of the Commission with respect to issuance of a temporray operating license, following such hearing, shall be on the basis of findings on the matters specified in subsection b. of this section. The hearing required by this section and the decision of the Commission on the petition shall be conducted with expedited procedures as the Commission may by rule, regulation, or order deem appropriate for a full disclosure of material facts on all substantial issues raised in connection with the proposed temporary operating license.

["b. With respect to any petition filed pursuant to subsection a. of this section, the Commission shall issue a temporary operating license upon finding that:

["(1) the provisions of section 185 have been met with respect to the temporary operating license;

["(2) operation of the facility during the period of the temporary operating license in accordance with its terms and conditions will provide adequate protection of the environment during the period of the temporary operating license; and

["(3) operation of the facility in accordance with the terms and conditions of the temporary operating license is essential toward insuring that the power generating capacity of a utility system or power pool is at, or is restored to, the levels required to assure the adequacy and reliability of the power supply, taking into consideration factors which include, but need not be limited to, alternative available sources of supply historical reserve requirements for the systems involved to function reliably, the possible endangerment to the public health and safety in the event of power shortages, and data from appropriate Federal and State governmental bodies which have official respon-

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bility to assure an adequate and reliable power supply.

[The temporary license shall contain such terms and conditions as the Commission may deem necessary, including the duration of the license and any provision for the extension thereof, and the requirement that the licensee not retire or dismantle any of its existing generating capacity on the ground of the availability of the capacity from the facility which is operating under the temporary license. Any decision or other document authorizing the issuance of any temporary license pursuant to this section shall recite with specificity the reasons justifying the issuance. The decision of the Commission with respect to the issuance of a temporary operating license shall be subject to judicial review pursuant to the Act of December 29, 1950, as amended. (ch. 1189, 64 Stat. 1129).

[c. The hearing on the application for the final operating license otherwise required pursuant to section 189a. shall be concluded as promptly as practicable. The Commission shall vacate the temporary operating license if it finds that the applicant is not prosecuting the application for the final operating license with due diligence. Issuance of a temporary operating license pursuant to subsection b. of this section shall be without prejudice to the position of any party to the proceeding in which a hearing is otherwise required pursuant to section 189a.; and failure to assert any ground for denial or limitation of a temporary operating license shall not bar the assertion of such ground in connection with the issuance of a subsequent final operating license.

[d. The authority under this section shall expire on October 30, 1973.]

Early Site Approval and Standardization of Utilization and Production facilities.—

a. Any person may file with the Commission an application for approval of a site for one or more utilization or production facilities notwithstanding the fact that no application for a construction permit or a combined construction permit and operating license has been filed with the Commission. Each such application for a site permit shall be in writing and shall specifically state such information as the Commission, by rule or regulation, may determine to be necessary to decide the suitability of the site for its intended purpose. The Commission, on the basis of such siting criteria and other requirements as it may by rule, or regulation, or order establish, may issue the site permit, refuse to issue the site permit, or grant the site permit with such conditions as it deems appropriate. In any event, the Commission shall, by rule or regulation, prescribe the period or periods of duration for site permits issued pursuant to this subsection.

b. Unless otherwise ordered by the Commission, any applicant for a construction permit or a combined construction permit and operating license for a utilization or production facility to be located on a site approved pursuant to subsection a. may prepare the approved site for construction and perform such limited construction activities thereat as the Commission may, by rule or regulation, determine to be permissible. Such activities shall be conducted at the risk of the applicant and shall be subject to modification or revocation by the Commission at any time. Safety related construction activities shall not proceed beyond a one year period unless the Commission, upon good cause shown, extends such period.

c. Except as provided below, and notwithstanding the provisions of section 189, the Commission may issue a construction permit and/or an operating license for a utilization or production facility without a hearing if the preliminary design, with respect to a construction permit, or the final design, with respect to a construction permit and/or operating license, as defined by the Commission, has been approved in a rule making proceeding or manufacturing license proceeding conducted in accordance with sections 553 or 554, 556 and 557 of Title 5 of the United States Code, as appropriate. The Commission shall publish in the Federal Register, at least thirty days prior to issuance of any construction permit or combined construction permit and operating license under this subsection, a notice that consideration is being given to the granting thereof, and that the Commission will grant a hearing upon the request of any person whose interest may be affected on whether special circumstances with respect to the subject matter of the particular proceeding are such that the application of the rule or manufacturing license approval to the particular proceeding will not serve the purposes for which the rule was adopted or license issued. The Commission shall also publish in the Federal Register, as least thirty days prior to issuance of any operating license under this subsection, or at least thirty days prior to commencement of operation of any facility for which a combined construction permit and operating license had been issued under this subsection, a notice that the Commission is considering granting an operating license or that commencement of operation is expected to take place and that the Commission will grant a hearing upon the request of any person whose interest may be affected by such operation on whether, as a result of (1) a significant advance or change in the technology or (2) a specifically identified question substantially affecting the public health and safety, or the common defense and security, or the protection of the environment being left unresolved in the most recent licensing action in the proceeding, there should be some modification of the facility or other appropriate action should be taken which will provide substantial, additional protection which is required for the public health and safety, or the common defense and security, or the protection of the environment. No request for a hearing pursuant to either such notice shall be granted unless the person requesting the hearing makes a prima facie showing in the affirmative on the appropriate issue set forth above. In the event a prima facie showing in response to the latter type notice relates to a proposed modification of a facility the final design of which had been previously approved in a rulemaking proceeding or a manufacturing license proceeding, then the Commission, in its discretion, may either confine the hearing to the facility which is the subject of the request for a hearing or consolidate a hearing with respect to such facility with a hearing on whether the prior rule or manufacturing license should be amended. Any final order entered in any proceeding of the kind specified in the preceding four sentences shall be subject to judicial review in the same manner as prescribed in subsection 189b. This subsection shall not affect any requirement for antitrust review prior to issuance of a construction permit and or operating license, including, where necessary, a hearing on antitrust issues, contained in sections 105 and 189.

Sec. 193. Federal-State Cooperation.—

a. The Commission is authorized to coordinate the planning and scheduling of its license and permit reviews and proceedings with any related reviews and proceedings conducted by a State agency pursuant to State law, in order to expediate the overall regulatory decision process.

b. In proceedings for the granting of licenses, construction permits, and site permits, the Commission is authorized to conduct consolidated hearings with State agencies regarding any matters of concurrent jurisdiction under the National Environmental Policy Act of 1969 and State law. The Commission shall, with the concurrence of the affected State agency, prescribe such procedures for the conduct of consolidated hearings as it determines are necessary or appropriate to accommodate the procedures of the affected State agency, provided that such procedures of the Commission shall be consistent with a full and true disclosure of the facts and involve a minimum modification of the procedures that would apply to proceedings under section 554, 556, and 557 of Title 5 of the United States Code.

c. The Commission shall conduct any data collection under the National Environmental Policy Act of 1969 in such manner as to avoid to the maximum extent practicable, consistent with the requirements of such Act, duplication of the efforts of State agencies conducting reviews of matters subject to the concurrent jurisdiction of the Commission under such Act and State agencies under State law. In accordance with the above, in the conduct of any reviews under the National Environmental Policy Act of 1969, the Commission may take into account data regarding environmental costs, benefits, and alternatives developed pursuant to State law.

Sec. 194. Disclosure of Information and Assistance to Hearing Participants.—

a. The Commission's staff shall upon request, whenever practicable, confer with petitioners for leave to intervene in licensing or permit proceedings and rulemaking hearings conducted in accordance with sections 554, 556 and 557 of title 5, United States Code, and, subject to other Federal law regarding disclosure of agency documents, make existing technical studies or reports available to such petitioners in order to aid in the development of reasonably specific issues for the proceeding.

b. Subject to other Federal law regarding disclosure of agency documents and communications, all parties to a licensing or permit proceedings or rulemaking hearing conducted in accordance with sections 554, 556, and 557 of Title 5, United States Code shall be entitled to receive copies of all written communications to or from the Commission with respect to the grant or denial of the application, or outcome of the enforcement action or rulemaking in question. To the maximum extent possible, documents and written communications subject to the above shall be simultaneously served upon all parties to such a proceeding or hearing. All parties to such a proceeding or hearing shall be given due notice of any meetings with respect to the grant or denial of the application, enforcement action, or rulemaking in question between the applicant, licensee or permittee, or petitioner and the Commission, and a written summary of any such meeting, including a list of attendees, shall be prepared and distributed to the parties in a timely manner.

c. The Commission shall accept requests made in good faith from any party to a licensing or permit proceeding or rulemaking hearing for relevant technical studies or reports. If such studies or reports exist, the Commission shall, subject to other Federal law regarding disclosure of agency documents, make them available to the requesting party in a timely manner. If such studies or reports must be especially prepared, the presiding officer shall determine, subject to review under normal Commission review procedures, if such studies or reports are reasonably necessary for the requesting party to present its position in the proceeding or hearing and are in the public interest. In determining whether especially prepared studies or reports are in the public interest, the Commission may consider, among other things, the contribution to public understanding of public health and safety issues involved in the proceeding that might be made, the technical significance of the information to be gathered, the potential for delay of the Commission proceeding or hearing, the relative priority that preparation of the studies or reports should take in the allocation of the Commission's resources, and the availability to the requester of the material from other sources. The requesting party shall be promptly notified of any determination to grant or deny any such request.

d. When it has been determined that such studies or reports must be especially prepared at the request of a party, the Commission shall prepare such studies or reports, request them to be prepared by other Federal agencies, or have them prepared under contract. Such studies or reports shall be funded by the Commission: Provided That the Commission shall seek contributions or reimbursement, in whole or in part, to the extent that the party requesting such studies or reports is financially capable of providing such contributions or reimbursement. The Commission may limit the scope of any such study or report to the extent that a party who is financially capable of providing the contributions or reimbursement requested by the Commission fails to provide such contributions or reimbursement.

e. Studies and reports made available by the Commission pursuant to this section may be offered as part of the record of the proceeding or hearing.

f. Any final order of the Commission, or portion thereof, which denies a request that such studies or reports be especially prepared on the ground that the studies or reports would deal with matters beyond the scope of the proceeding or hearing shall be subject to judicial review in the manner prescribed in subsection 189b.

URBAN AND COMMUNITY FORESTRY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, nearly 3 years ago the Cooperative Forest Management Act was amended in Public Law 92-288 to authorize the Forest Service in the Department of Agriculture to provide, in cooperation with the State foresters, technical services for protection, improvement and establishment of trees and shrubs in urban areas, communities, and open spaces. I was proud to sponsor the legislation. I was gratified to see it enacted.

Many clear and cogent reasons for enactment were advanced by numerous persons and organizations concerned with improvement of the urban environment. A strong urban and community forestry program was needed then and is needed now to protect and enhance the urban environment for the benefit of well over one-third of this Nation's citizens.

The time has come to take stock of the actions that followed this important legislation. Unfortunately an urban and community forestry program has not been funded to date. The sum total of all activities by the Forest Service, the agency responsible for the program, has been: First, promulgation of guidelines; second, publication of a bibliography on urban and community forestry; and third, a few speeches by Forest Service officials.

One can hardly be impressed by this record.

Many millions can benefit from this program. It will provide employment as well as beautification and an improved environment. It is notable that a program could be set up as a beginning for people living in small cities, in most of which these programs do not now exist. I am advised that more than 70 million people living in 20,372 cities of less than 50,000 population could benefit from a cooperative program costing less than 3 cents each. They are ready to proceed if someone will show them the way. Therefore, I recommend that the urban and community forestry program be activated with an appropriation of at least $2 million for such a program. It will yield immediate benefits by providing jobs in small communities.

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR JANUARY, FISCAL YEAR 1975

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, the figures I am placing in the RECORD today represent the Defense Department's recruiting results for the month of January. Preliminary figures show that the total strength of the four military services at the end of December was 2,138,000 or 99.4 percent of their December target of 2,150,000. Strengths by service are compared with their June 1975 objectives as shown in the fiscal year 1976 budget request in the table below:

ACTIVE MILITARY STRENGTH

[In thousands]

Service	December 1974 (preliminary)	June 1975
Army	772	785
Navy	549	536
Marine Corps	192	196
Air Force	625	612
Total DOD	2,138	2,129

	January 1975		
	Objective	Actual	Percent
Enlisted accessions, all sources:			
Army	20,000	20,000	100
Navy	8,300	8,300	100
Marine Corps	5,800	6,000	103
Air Force	7,100	7,100	100
Total DOD	41,200	[1] 41,500	101

[1] The total of 41,500 men and women recruited in January was 101 percent of the total objective of 41,200.

Ninety-six percent of all non-prior-service enlistees were in mental categories I–III which are the average and above-average mental groups. The January proportion exceeded that for December by about one percentage point and reflects a continuation of the favorable recruiting climate that has existed in recent months. About 69 percent of the new enlistees were high school graduates, and about 9 percent or 3,500 were women. Black enlistments accounted for 15 percent of the January enlistments compared to 16 percent in December. The services also recruited about 4,100 prior-service personnel.

The total selected reserve strengths declined slightly during December.

SELECTED RESERVE STRENGTHS

[In thousands]

	End strength		Average strength	
	December 1974, (preliminary)	November 1974, (actual)	Fiscal year 1975, through December	Fiscal year 1975, authorized
Army National Guard	392.8	393.1	393.6	400.0
Army Reserve	228.3	230.0	231.3	225.0
Navy Reserve	107.1	108.8	110.0	117.0
Marine Corps Reserve	32.9	32.4	31.9	36.7
Air National Guard	93.9	93.8	93.8	95.0
Air Force Reserve	45.9	45.6	45.5	51.3
Total DOD	900.9	903.7	907.0	925.0

THE OLDER AMERICANS HOME REPAIR ASSISTANCE ACT

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I am pleased to introduce the Older Americans Home Repair Assistance Act. The purpose of this proposal is twofold: It would help to counter the rapidly rising costs of home maintenance for approximately one-fourth of our older citizens who would be eligible to receive home repair assistance, and at the same time it would authorize home repair and maintenance jobs as a means for increasing employment opportunities for older Americans.

The bill—an amendment to title III of the Older Americans Act—would authorize $25 million over a 2-year period for a national system of home repair model projects. The Commissioner of Aging would make grants to State units on aging for up to five projects in each qualifying State, repairing or renovating at least 10,000 substandard homes across the Nation.

This is admittedly a very small-scale effort. The program I propose is designed to give each State valuable experience in administering home repair projects and to assist some of the neediest older homeowners. The nutrition for the elderly program was begun on a similarly limited basis: at its inception it served about 3,200 meals a day and is now serving 220,000 daily. Hopefully after 2 years the home repair program might be well established and allowed to expand in the same way the nutrition program did.

I would mention that results I have received from several home repair projects indicate that the 10,000 figure could be stretched much further in communities desiring to coordinate the repair projects with local resources such as community action agencies, community development funds, departments of welfare, and other existing agencies.

An excellent example of this is the State of West Virginia which has sup-

ported home repair projects using various Federal, State, and local funding. At the end of this statement I will insert a recent letter from Dr. Louise Gerrard, director of the West Virginia Commission on Aging, detailing these projects, along with correspondence from several other States with home repair experience.

Today older homeowners comprise about 70 percent of the older population. Upon retirement, when many older Americans face substantial cuts in income, the high costs of repair and maintenance can easily overwhelm the older homeowner. The costs of home maintenance and repair are outdistancing even the skyrocketing rate of inflation: over the last 5 years, home repair costs rose 53.9 percent compared to inflation's 33.3 percent rise—a 15.5 percent difference.

Unfortunately, Federal grant and loan programs are not meeting the needs of older homeowners who wish to remain in their homes. Not one national program of home repair grants is now in progress, and a rural home and repair grant program—section 504, authorized through the Farmers' Home Administration—which could be of great assistance to the rural low-income elderly, has been stymied for over a decade because available funds have been deleted from appropriations legislation.

Loan programs give little addition assistance. Living on a fixed or shrinking income, the low-income elderly cannot realistically be expected to apply for conventional loans. There are no low-interest loan programs aimed to meet the special housing and economic needs of the elderly. The older homeowner is caught in a dilemma: he—and more often she—cannot afford to improve his property, but can ill-afford to live in it without repair.

The proposal I am offering today would provide a way out of this dilemma. This new program would supply materials for the repair project as well as labor for repairs involving insulation, carpentry, masonry, roofing, plumbing, and electrical work. To the extent that it would cover the supply of materials, the program's coverage is broader than the one I introduced last year. The addition of materials is the result of comments received from many older persons who indicated that their financial resources were so restricted that unless materials were included, they could not use the program.

Assistance in insulation—or retrofitting—can save older people substantial amounts on their winter heating bills. And I would emphasize the importance of the administration's plan for a $55 million retrofitting project in fiscal year 1976 for the poor and elderly poor to be administered through the Federal Energy Administration. My proposed program will, if enacted, necessarily reach a limited number of people at its inception. However, in conjunction with the FEA project, substantial energy conservation services could be delivered to the low-income older population until the older Americans home repair program is expanded.

The bill I introduce today also recognizes the growing unemployment of older workers, and encourages their employment when not in conflict with State and local building codes. Currently 600,000 older workers age 55 and over are unemployed, and countless more—although not officially listed as unemployed—have been squeezed out of the job market because of their age. The creation of this home repair program would be an important step in furthering the opportunities of older workers to pursue continued or second careers on a part-time basis as a meaningful alternative to unemployment.

In a recent letter to me, Ms. Maud H. Burns, coordinator of a home repair project operated by the Augusta, Maine, Area Agency on Aging pointed out another aspect of the program: the economic sense that the home repair concept makes:

> The home repair service which you are proposing can result in lifting substantial part of the tax burden from the shoulders of the American public. A small repair service to an elderly citizen's home can make the difference between that person being able to remain in his home or his having to be placed in an institution. I feel sure that when our tax-weary public is made aware of the great savings to it in dollars, between a small repair service and expensive institutionalization, it will be glad to support your bill.

Ms. Burns' letter will be inserted in whole at the end of my statement. The Older Americans Home Repair Assistance Act can be a logical complement to existing in-home services—including the meals on wheels and home health programs—which are designed to defer the forces of institutionalization. These programs are predicated on the assumption that the people they serve have a safe, decent home to live in. The bill I am introducing today would help to assure that they do.

Mr. Speaker, at this point in the RECORD, I insert the above-mentioned letters and other supporting data:

WEST VIRGINIA COMMISSION ON AGING,
Charleston, W. Va., January 27, 1975.

Congressman JOHN F. SEIBERLING,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Unfortunately, we do not have much of the information requested in your letter of January 17, 1975, regarding home repair programs in West Virginia.

Most home repair efforts have been initiated by approximately one-half of the 14 Community Action Agencies in the State and were typically done with the use of various manpower programs. The labor was, therefore, free to persons meeting OEO poverty guidelines and the materials were usually purchased by the client or relatives or materials were salvaged by the CAA.

Recently the Department of Welfare operated a home repair program which generally benefited the elderly, but this program was stopped with the federalization of Old Age Assistance. However, the Commission on Aging recently made a model project grant to the Department of Welfare for the purpose of making grants to winterize and repair homes of the low income elderly.

The Department of Welfare has been very successful in getting volunteer labor so that the small grants ($300–$500) can be used for the purchase of materials. The West Virginia Legislature is now considering appropriating state funds in the amount of $250,000 to the Department of Welfare to continue the home repair grant program for the elderly.

The homes under the CAA and Welfare programs were not required to meet any specific standard after being repaired. I am afraid any such provision would have very negative results in rural areas where housing is in the greatest need of repair.

I am sending a copy of a report of the Department of Welfare which may provide some of the information you are interested in.

I am also enclosing a copy of another report which may be of interest. The report was done by the West Virginia Housing Development Fund under a grant from the Commission on Aging. The report concerns problems with the Farmers Administration 504 home repair loan. We promised to send this to you some time ago but only recently received it ourselves.

I thought it might be of interest because the Housing and Community Development Act of 1974 further liberalized the program but as you can see, many of the problems are associated with how the program is administered. We are concerned with the many Federal directives prodding the States to do something about the energy problems (winterize homes, insulate, etc.) while at the same time a major resource (the 504 program) to help the situation is given extremely low (or no) priority at the national level. Also the law authorizes a loan and/or grant program under the 504 program but funds have not been appropriated for the grant provision.

If there is anything more we can do to assist with the Older Americans Home Repair Assistance Act, please let us know. We certainly think the results could be worthwhile and rewarding, and we appreciate your leadership in the field.

Sincerely,
LOUISE B. GERRARD, Ph. D.,
Executive Director.

CENTRAL SENIOR CITIZENS ASSOCIATION, INC.,
Augusta, Maine, February 3, 1975.

Mr. JOHN F. SEIBERLING, M.C.
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: In reply to your letter of January 17, I am pleased to learn that you are planning to introduce in the 94th Congress a bill to establish a home repair project for Older Americans.

Our Association, the Central Senior Citizens Association, Inc., (an officially designated Area Aging Agency), has among other services, a "Handyman Service". We find that it has a high priority rating in the list of essential services for the elderly. We are pleased to help you in anyway possible in regard to establishing a nationwide service of this type.

The following are some of the statistics which you requested. I am submitting the figures from our Lincoln County Handyman Service.

HANDYMAN SERVICE—APRIL 1, 1974 TO DECEMBER 31, 1974

1. Funded under Title III of the Older Americans Act.
2. Number of handymen employed, 3. We prefer their ages to be 55 or over. Employment is part-time @ $3.00 per hour.
3. Number of homes repaired, 40.
4. Cost of materials used are paid by recipient. We do not have figures on these costs.
5. Cost of labor per unit, average, 20 hours @ $3.00=$60.00.
6. Level of repairs. These are the kind of repairs that can be done by a handyman. They do not include major repairs such as entire new roofs, sidewalls, etc. Winterization is of major importance.

Putting of banking boards.
Replacing and repairing storm windows, setting glass, puttying, etc.
Refitting ill-fitting doors.
Repairing doors, steps, and porches.
Repairing broken sections of sidewalls.
Repairing leaky roofs.
Cleaning and painting sections inside of home.
Repairing broken floor boards inside of homes.
Construction of hand rails on steps, in bathrooms, etc.
Building of wheel-chair ramps.

The home repair service which you are proposing can result in lifting a substantial part of the tax burden from the shoulders of the American public. A small repair service to an elderly citizen's home can make the difference between that person being able to remain in his home or his having to be placed in an institution. I feel sure that when our tax weary public is made aware of the great savings to it in dollars, between a small repair service and expensive institutionalization, it will be glad to support your bill.

We, who are interested in helping the aging, are grateful to you for your efforts to assist them. I wish you success with this bill.

Sincerely,
MAUD H. BURNS,
VISTA Volunteer, Handyman Coordinator, (Age 73).

STATE OF NEBRASKA
COMMISSION ON AGING,
November 13, 1974.

Hon. JOHN F. SEIBERLING,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Thank you for your letter of October 29, 1974 addressed to Ronald L. Jensen, former Director of the Nebraska Commission on Aging. As his successor, I appreciate the opportunity to reply to your request for comments on H.R. 16570.

While I must congratulate your concern and foresight in the introduction of this Bill, as the head of a State Agency on Aging, I feel that I must caution its tie in with Title IX of the Older Americans Act. Presently, the theme of the entire act is toward coordinated Area Agency activity which, at least in Nebraska, has never materialized under Green Thumb projects to date. Therefore, not only would I encourage you to place your proposed program under Area Agency on Aging purse-string control, but to further endeavor to bring Title IX under such planning control.

Thank you for this opportunity to comment and for your obvious concern. Best wishes.

Sincerely,
JOSEPH A. GAIDA,
Executive Director.

OKLAHOMA PUBLIC WELFARE COMMISSION,
Oklahoma City, Okla., January 7, 1975.

Hon. JOHN F. SEIBERLING,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Home repairs for elderly Americans has been a continuing problem which has become acute in a period of inflation. There are two facets to this problem: 1) insufficient monies to purchase home repair materials by older Americans on fixed incomes, and 2) fees of skilled repairmen are often beyond the budgets of older Americans.

With the anticipated energy crisis, proper insulation of elderly persons' homes becomes a high priority. Insulation of homes would greatly enhance the health and safety of people over 65 who often must choose between eating nutritious meals or safely heating their homes.

It is praiseworthy to provide employment opportunities for workers 55 years of age and older. But, without some federal assistance in the purchase of repair materials, many low-income, minority, and disabled older Americans will not be able to participate or benefit from this program.

Three very strong components of the bill for trainees are: 1) development of practical skills by the repair trainees, 2) subsistence of trainees during training, and 3) transportation reimbursement of trained repairmen 55 years of age and older engaged in this project. It might be feasible for trained carpenters, electricians, and other repairmen to provide training as in-kind contributions to the project. Upgrading homes to a minimum standard of safety would enrich the lives and promote the security of Americans 65 years of age and older. Ideally, an expenditure of Federal funds to provide both materials and workmen would benefit the largest number of low-income minority and disabled homeowners 65 years of age and older, and unemployed low-income and minority individuals 55 years or older. If these funds are not available, then comprehensive cooperative linkages among other relevant Federal programs and this program are essential.

Thank you for the opportunity of making suggestions to the proposed Older Americans Home Repair Assistance Act of 1974.

Very truly yours,
L. E. RADER,
Director of Institutions, Social and Rehabilitative Services.

DEPARTMENT FOR HUMAN RESOURCES,
Frankfort, Ky., February 3, 1975.

Hon. JOHN F. SEIBERLING,
Congressman, Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: In response to your request of January 17, 1975 concerning a home repair project for older Americans.

The Aging Program Unit in Kentucky has a special grant from the Administration on Aging for disaster related to the tornado that struck our Commonwealth last year. The home repairs in this grant are limited to three hundred dollars per home of persons age sixty and over. The total amount of the grant was $94,642 and can be spent only in the four areas of the Commonwealth where there was tornado damage.

There is a great need in our Commonwealth for a home repair project for our elderly citizens. Legislation such as your proposed bill would be most beneficial for our senior citizens and I would like to level any support that I might give to help in the passage of this proposed bill.

If I can be of further help to you in this or any other matters please don't hesitate to let me know.

Sincerely,
HAROLD L. MANN,
Director, Aging Program Unit.

COMMUNITY SERVICES DIVISION,
Olympia, Wash., December 3, 1974.

Mr. JOHN F. SEIBERLING,
Member of Congress, Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Thank you for bringing the Older Americans Home Repair Assistance Act to our attention. This bill is most timely since the State Office on Aging has just funded two model home repair projects from model funds of the Administration on Aging and also because we are vitally concerned with the home repair maintenance and energy costs for our senior citizens. About 67% of Washington's elderly over age 65 own their homes; about 25% (24.4) of those 65-plus have incomes below the poverty level. With inflation continuing, more and more elderly will be forced to choose between eating and heating their homes; repairs will not be possible.

Home Repair Assistance is badly needed by many elderly persons in this State; we are particularly interested in home repairs which would winterize older homes since adequate insulation and weather proofing would not only save money for older persons on fixed incomes, but would conserve energy use and provide a healthier living situation. The Washington State Council on Aging, advisory to this office, is very much interested both in increasing employment opportunities for older persons and in repairing homes of elderly citizens. I am sure the Council will lend its influence and support in passage of your proposed bill.

The State Office on Aging heartily endorses the proposed legislation, and will encourage support within the State's elderly population and the congressional delegation.

Sincerely,
JOHN D. PIACITELLI,
Chief, Office on Aging.

AGENCY OF HUMAN SERVICES,
Montpelier, Vt., November 13, 1974.

Hon. JOHN F. SEIBERLING,
Longworth House Office Building,
Washington, D.C.

DEAR SIR: This reply is in response to your letter of October 29, 1974 about the Older Americans Home Repair Assistance Act. I have read H.R. 16570 and heartily concur in the spirit and intent of the proposed legislation. Many Vermonters migrated to Ohio following the Revolutionary War in the early 1800's. I think the States of Ohio and Vermont have always had much in common, particularly in the stock and character of their early settlers.

Seventy-five percent of Vermont's elderly own their own homes. Many of the homes are in need of repair. The high cost of material and labor inhibits and defers much preventative maintenance and home repair. The cost of No. 2 fuel this winter is estimated at 38c a gallon. The consequence is already represented by last winter when many elderly had to seek emergency assistance in order to heat their home. The CAP agencies have some money for home repair in Vermont—but not enough. Insulation for example, is needed in many elderly homes to cut the cost of heating.

I hope that your bill will, in particular, emphasize the rural need for home repair. Sec. 5, therefore, is very important as to what criteria is used by the Secretary of Labor. I would be very interested, therefore, in helping develop such legislation.

In summary, we are very interested in the proposed legislation and request to be kept informal in all respects.

Very truly yours,
ROBERT H. HARRINGTON,
Director.

COMMISSION ON THE AGING AND AGED,
Indianapolis, Ind., November 20, 1974.

Mr. JOHN F. SEIBERLING,
Member of Congress, Longworth House Office Building, Washington, D.C.

DEAR MR. SEIBERLING: Thank you for the copy of House Bill 16570 on "Older Americans Home Repair Assistance Act" of 1974.

You are to be commended for your concern for both the employment of older Americans and the home repair and maintenance of the homes of the low income elderly.

The effort to have persons employed in the 55 and over bracket to assist home owners over 65 years is one realistic means toward providing services for older Americans.

It is hoped your Act will be passed by Congress and money appropriated so that funds might be available; particularly for projects on energy conservation and winterization as urged by the Administration on Aging in its Information Memorandum 75–16, dated October 24, 1974.

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Thanks again for your interest and concern for the elderly.

Sincerely,

MAURICE E. ENDWRIGHT,
Executive Director.

MARYLAND COMMISSION ON AGING,
Baltimore, Md., November 14, 1974.

Hon. JOHN F. SEIBERLING,
Congress of the United States, Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Thank you for your letter inviting comments on the Older Americans Home Repair Assistance Act.

In Maryland we have been very concerned about the need to do what we could with Title III funds to alleviate the housing needs of the elderly. Presently, through one of our Area Agencies, some funds are being used for home repairs for older persons. Because the need is so great, the project is addressing itself to those homes found to be in violation of housing codes.

Resources for housing repair are quite inadequate and your bill does bring hope that this can be improved. We would make the following suggestions for your consideration: (1) add roofing as a specific item under "home repair project", (2) change "eligible homeowner" to begin at age 60 as recent information from Social Security shows a large number of elderly people becoming unemployed prior to age 65 (usually because of health problems); (3) find means to waiver licensing regulations and union rules regarding elderly working on the home repair projects, (4) many of our elderly homeowners are city residents who will generally need as much assistance as those in rural areas.

We hope to add a housing specialist to the State staff in the near future which will enable us to generate more activity in this area of service for the elderly. In the meantime, we will examine your act further and will contact you if we have any additional comments to make.

Thank you for writing to us and I extend sincere congratulations for the initiative you have taken in this important area.

Sincerely yours,

HARRY F. WALKER.

AMERICAN ASSOCIATION OF HOMES FOR THE AGING,
Washington, D.C., November 18, 1974.

Hon. JOHN F. SEIBERLING,
U.S. House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR MR. SEIBERLING: Thank you for bringing H.R. 16570, the Older Americans Home Repair Assistance Act, which you introduced recently to my attention.

The American Association of Homes for the Aging has a vital interest in legislation such as yours which seeks to alleviate the problems and concerns faced by the elderly in obtaining and maintaining adequate housing. Legislation such as H.R. 16570 which encourages the maintenance of such housing through the productivity of the older worker serves two worthwhile purposes. While enabling the older worker to contribute to his community, it also expands the options available to him for meeting his housing needs during his retirement years, particularly important since so many of the elderly are living on near- or below-poverty level incomes.

Our Association is happy to lend its support to this legislation.

Sincerely,

CONSTANCE BEAUMONT,
Director for Public Policy.

FORMER U.S. PILOT URGES NO FURTHER FUNDING OF SOUTH VIETNAM

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, the Members of the House who made a fact finding journey to view the current scene in South Vietnam will be returning this week and telling us of their impressions. I am sure that their trip was valuable and that their comments will be helpful to the entire membership of the House. They deserve our commendation and gratitude for making the long and arduous journey to see the conditions at first-hand. I, for one, will listen to them with great interest, as I am sure that they will be able to resolve some of the questions of current interest to us, such as the existence and treatment of political prisoners by the Thieu regime and the need for humanitarian aid to refugees.

However, I think we all recognize that one cannot acquire in a visit of a few short days a very deep understanding of the entire political, economic and military situation. In the end, our Nation's cumulated experience of the last 10 years in Indo-China will have far more influence in determining our future policy than the current events in that unhappy land.

Recently, I received a letter from a constituent, Robert W. Gaines, Jr., who for almost a year worked in South Vietnam as a civilian contract pilot for Air America and for the ICCS Air Service. He writes that he spent time in every province not under Communist control and in several areas that were and that he saw more of the country and its people in 10 months than many American servicemen saw in multiple tours.

Mr. Gaines states:

Two facts stand out clearly above the confusion and contradition that are Vietnam. First, this is a civil war in which we have no stake . . . South Vietnam and Cambodia will become communist states because the fighting will not stop until that end is realized. From my observations, the average citizen of both countries will be far better off under communism than under the present regimes.

The second obvious fact is that we have backed an incredibly corrupt dictatorship under President Thieu.

Mr. Gaines goes on to describe in detail some of the incompetence and corruption and ends with a plea against any further funding of South Vietnam and a reduction in the present level of funding. On this, he states:

I have seen at the street and jungle level what our aid is doing. It is padding Swiss bank accounts and prolonging a war. It is accomplishing no good at all, and is in fact prolonging the agony for millions of people.

Mr. Speaker, it seems to me that the time has come to establish a definitive program for phasing out American military support for continuing death and destruction in South Vietnam and Cambodia. In so doing, however, we should not simply walk away from these people. We do, indeed, have a moral obligation, but a moral obligation to end the killing, to mitigate the suffering, to help bind up the wounds of war, and to help rebuild the countries whose devastation, for whatever reasons, was largely wrought with American weapons.

To this end, I will soon introduce legislation authorizing the establishment of a fund for Indochinese reconstruction which will be available for all the countries of Indochina, but only when the fighting has finally stopped. In this way, we may not only hasten the end of the fighting, but hold out hope for the survivors. In this way, we may also gain some leverage to discourage harsh conduct on the part of all sides against any of the people on either side of this tragic civil war.

The complete letter of Mr. Gaines follows these remarks:

AKRON, OHIO,
January 30, 1975.

Hon. JOHN SEIBERLING,
House of Representatives,
Washington, D.C.

SIR: I am writing to you to voice my opinion on President Ford's request for more money and food for South Vietnam and Cambodia.

It has been thirteen months since I returned from Southeast Asia. From February to December, 1973 I worked in R.V.N. as a civilian contract pilot for Air America and ICCS Air Services. I spent time in every province not under Communist control, and several areas that were. I saw more of the country and its people in ten months than many American servicemen saw in multiple tours. My reactions to what I observed were confusing and often contradictory. After more than a year I have still not fully absorbed all I was exposed to. There is so much wrong with South Vietnam, its government, and our involvement there that it is difficult to know where to begin.

Two facts stand out clearly above the confusion and contradiction that are Vietnam. First, this is a civil war in which we have no stake. Our initial involvement, whether a political maneuver or honest blunder was wrong. This involvement has prolonged by a decade a war that would have resolved itself long ago without us. South Vietnam and Cambodia will become Communist states because the fighting will not stop until that end is realized. From my observations the average citizen of both countries will be far better off under Communism than under the present regimes.

The second obvious fact is that we have backed an incredibly corrupt dictatorship under President Thieu. In a part of the world where corruption is an accepted fact, President Thieu has expanded the concept to new horizons. He has had a lot of help from us. I could go on for volumes on the details of corruption among Americans and Vietnamese in Vietnam. Perhaps someday I will catalog all I saw in an attempt to purge my mind of all I had to observe.

One of the most glaring examples of the misuse of U.S. aid is the distribution of "surplus" food we have sent to Vietnam to feed starving refugees. The food is clearly marked "U.S. surplus—not for resale". It is sold at inflated prices in the Saigon markets. It is never distributed to those who need it and cannot afford to buy it. The U.S. operates a commissary in Saigon for use by Embassy and contract people. Somehow several restaurants in Saigon owned by ex-U.S. servicemen are supplied from this commissary. Sending more food to Vietnam as is now being proposed is foolishness. If you are not aware of how this food is being distributed, you are not sufficiently well informed to vote intelligently. There are many forms of U.S. supported corruption in Saigon, and as I said I could go on for hours, but not at this time.

Why do we continue to support a regime that either will not or cannot help itself? Why do we provide them with weapons, aircraft, and vehicles that technologically they will not be able to cope with for another fifty years? I have seen dozens of brand new Bell helicopters reduced to rubbish in six months. Combat losses? No, simply a complete lack of even the most basic maintenance procedures. Neglect and abuse cost the Vietnamese far more equipment than enemy action. The prevailing attitude is that we will replace everything as fast as they can wear it out, so why bother with maintenance or operating limits. Does the President really want to spend more of my tax dollars reenforcing this type of thinking?

I urge you to oppose any further funding of South Vietnam and Cambodia, and to work to reduce the present level of funding. I have seen at the street and jungle level, what our aid is doing. It is padding Swiss bank accounts and prolonging the war. It is accomplishing no good at all, and is in fact prolonging the agony for millions of people.

I have taken much more of your time than intended. Having been unemployed for a month and with no immediate prospect of a decent job, I have a surplus of time. Writing blocks out more pressing problems. I feel that I have a little more insight into the situation in Southeast Asia than most Americans, and took this opportunity to express myself. Thank you for listening.

Sincerely,

ROBERT W. GAINES, Jr.

STATEMENT ON THE ENERGY ALTERNATIVES OF THE COMMITTEE ON WAYS AND MEANS

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, as you know, the Democrat members of the Ways and Means Committee have suggested an energy program to serve as a basis for developing energy legislation. I am including the document spelling out this program be inserted in the RECORD so that it will be available for study and comment:

ALTERNATIVES FOR CONSIDERATION IN AN ENERGY PROGRAM

To reduce national vulnerability to economic disruption, dependence on foreign oil must be cut back. To meet the problem it is important to enact quickly a broad, comprehensive energy program directed toward long range energy goals. However, to achieve these goals without exacerbating either recession or inflation, it would be desirable for the nation's energy program to take effect only gradually, allow flexibility in responding to economic changes, and distribute burdens equitably. To the extent feasible, it is hoped that it also can operate in a way which undercuts the price-setting power of the oil cartel. Major, but not exclusive, emphasis for the next few years probably should be placed on energy conservation (especially of oil) which, compared to increasing domestic supply, would be less inflationary, less damaging to the environment, and less wasteful of scarce energy resources. It appears that large increases in domestic energy supply will have to wait until 1980 and later years, and will occur then only if development decisions are made soon.

The approach outlined in the following pages generally agrees with the President's proposals in the ultimate objective of reducing dependence on imports and returning to free competitive pricing. The approach outlined here, however, is designed to obtain this result over a period of years rather than attempting to attain the goals precipitously. In addition, the program outlined here is not as involved and intricate as the President's appears to be. Nor does it rely primarily on price increases to attain its conservation objectives. The approach presented here rejects that of the President's program which, in our view, runs the real risk of deepening both the inflation and recession pressures existing today. Questions may also be raised as to whether its heavy dependence on price adjustments will permit its conservation objectives to be attained.

The material presented below outlines various alternatives developed by Task Forces of the Ways and Means Committee Democrats for committee consideration. Because it is necessary to deal with the energy problem as a whole in all of its aspects if effective results are to be secured, these alternatives include not only those subject to the jurisdiction of the Ways and Means Committee, but also those within the jurisdiction of other committees as well. The following material clearly specifies those matters which are subject to the jurisdiction of other committees.

QUOTAS, ALLOCATIONS AND STRATEGIC RESERVES *—TASK FORCE NUMBER 1

Our present and growing dependence on imported oil creates severe problems for the U.S. economy. It makes this country overly dependent on foreign suppliers, some of whom have used this dependence for political purposes—as in the case of the Mid-East oil embargo in the fall of 1973. Moreover, we are required to pay exorbitant prices for our imports of oil because a high international market price has been established under a cartel arrangement designed to maximize exporters' profits. However, foreign producers who did not participate in the embargo and our own producers have also increased their prices to much the same levels, markedly to our disadvantage. This has worked particularly to the disadvantage of the United States since it does not now have any comparable unified purchasing authority which can counter the oil cartel by arranging purchases with a view to our vital interests. Finally, our present heavy dependence on foreign oil creates uncertainties as to whether we will be able to secure adequate supplies at reasonable and stable prices in the future, since the world price of oil is likely to fluctuate and other nations are likely to increase their demands for the available world supply.

To deal with this undesirable situation, a number of alternative approaches are outlined below.

Impact Quotas Could Be Used (subject to the jurisdiction of the Ways and Means Committee).

1. The United States should begin now to reduce its dependence on imported oil, using the time and opportunity to mobilize for a rapid development of additional energy resources from domestic sources, and to find ways to restrain the growth in consumption. One possible approach to achieve this objective would be to impose quotas on oil imports. Quotas are superior for this purpose to tariffs and import fees insofar as they work directly in reducing imports of oil. In contrast, tariffs and import fees have only an indirect impact on the quantity of oil imported and have the disadvantage of driving up the price of oil, working hardship on consumers, prolonging inflation, and impeding economic recovery.

2. If import quotas for foreign oil are used, they could be put into effect gradually to avoid undue shock to consumers and our economic system. For example, import quotas might be used to achieve a one million barrel per day cutback over a 2 to 3 year period with further decreases thereafter, resulting in a reduction to perhaps 25 percent of domestic petroleum consumption by the early 1980's. Beginning in 1976, this implies that an annual reduction of 400,000 to 500,000 barrels per day would be required to meet this objective although the initial savings might be at a somewhat lower rate.

3. Any authority establishing the quotas could operate under broad guidelines designed to decrease quotas at least as fast as conservation and conversion programs result in a decrease in oil consumption. The quotas could be designed to "keep pressure on" reducing available supplies but without requiring a major rationing program or major price increases (except to the extent of any deregulation program, a topic which is discussed below).

4. Consideration could be given to ways of avoiding hardship where quotas would have a different impact on different sections of the country. For example, consideration should be given to ways of ameliorating possible problems that the New England area might encounter because of its heavy reliance on oil for heating purposes and the possible problems that States like California might encounter because of heavy gasoline usage due to absence of acceptable alternatives to the automobile as a form of transportation. These special problems might be more appropriately handled through an allocation program.

Federal Petroleum Purchasing Agency (subject to the jurisdiction of the Ways and Means Committee).

1. Federal control of oil imports would appear to offer advantages in administering a quota system especially in countering an oil cartel. For example, provision could be made for a Federal Petroleum Purchasing Agency which would have the exclusive right to import crude oil and oil products into the United States. This agency could control the level of imports quantitatively in accordance with congressionally mandated guidelines and could see to it that imports come within the import quotas. This would help assure that any reduced consumption of oil resulting from the conservation program is translated into decreased imports rather than into decreased domestic production.

2. A Federal petroleum purchasing agency might also be used in other ways. It could promote competition for the U.S. market among producing countries through allocation of import purchase orders by auctioning them under sealed competitive bids. Such a system would reward the lowest bidder, tend to lower the costs of imports, and expose the OPEC cartel's problem of excess capacity. The purchasing agency could also auction import tickets on a sealed-bid basis to potential importers allowing the tickets to be freely transferable by further sale or exchange.

Strategic Petroleum Reserves (not subject to the jurisdiction of the Ways and Means Committee).

Consideration might be given to building up a strategic reserve stockpile of oil (making use of various salt domes in various parts of the country or by the Federal Government acquiring or leasing facilities for this purpose) in order to insure the country of a supply of oil for a period of several months in the case of an embargo. The quickest way to build up such a strategic reserve is to purchase supplies from abroad whenever a favorable price can be negotiated. (This might well be outside any quota system.) Alternatively, if this is not feasible, the reserve could be built up at a slower pace by setting aside production from the Elk Hills Naval Reserve, from the Alaska Naval Reserve, or from offshore production. During the next few years, to the extent storage facilities are available, oil stocks might be accumulated to the extent of one-half the

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* This section was not thoroughly reviewed by all task force members and as a result some may prefer alternatives not referred to here.

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amount imported annually and thereafter maintained at that level.

Continuing Allocation Authority (not subject to the jurisdiction of the Ways and Means Committee).

It would appear that a mandatory allocation of oil would need to be continued since any comprehensive energy program aimed at reducing overall energy demands and shifting consumption away from petroleum is likely to require an allocation program. Under the Emergency Petroleum Allocation Act of 1973, the Federal Energy Administration has administered an allocation program covering crude petroleum, residual crude oil, and refined petroleum products. However, the authority for the mandatory allocation program under this act terminates August 31, 1975. The administration is also moving toward termination of the mandatory allocation program. The Commerce Committees in both Houses are considering the extension of the Emergency Petroleum Allocation Act as well as action to enjoin the President from deregulating the price of old oil.

Stand-by End Use Distribution Authority (not subject to the jurisdiction of the Ways and Means Committee).

A rationing program for oil is not recommended at this time. However, consideration should be given to legislation providing stand-by mandatory end use distribution authority in order to make it possible to make use of rationing in the event an oil embargo is reimposed.

GASOLINE CONSERVATION PROGRAM—TASK FORCE NO. 2

(This subject is entirely within the Committee on Ways and Means.)

If a quota system is used, one of the chief means of making such a system effective would be through a reduction in the consumption of gasoline. Imports represent 40 percent of the total use of petroleum in the United States. Moreover, gasoline price increases have a less severe impact on the economy as a whole than price increases occurring in oil used for purposes such as heating, the manufacture of fertilizer, and the generation of electric power because the latter lead to price increases for coal and natural gas as well as for crude oil.

Even an increase in the gasoline tax, however, needs to be approached cautiously because it could well have an adverse economic effect. For that reason, the suggestions outlined below provide for a gradual increase in this tax. This would not only be advantageous for the economy as a whole, but would also give individuals and business an opportunity to plan ahead to reduce their energy use and therefore the increase in these costs.

A gradual increase in the gasoline tax would appear to be an effective way of inducing more conservation. However, it would not appear desirable to increase the cost of purchasing the basic amount of gasoline that virtually all adult drivers in the United States will continue to need for an extended period of time. For that reason, consideration might be given to, in effect, exempting a basic allowance of gasoline from any additional tax on gasoline imposed.

The following possible alternatives for dealing with this problem are presented.

1. One possible approach would be to gradually increase the gasoline tax up to a maximum of 40 cents per gallon over a period of years. Such a tax increase might be phased in over a period of four or five years in order to give the automobile industry a chance to adjust by providing more efficient automobiles and avoid an excessive incentive in the near future to purchase foreign cars. The phase-in would also minimize any immediate impact on the economy which at this time would worsen the recession.[1]

2. A program of the type referred to above would be put into effect by employing a two-tier price system that provides some basic tax exemption for an essential amount of gasoline and transfers the net revenue from the tax to a trust fund for use in energy-related areas. Two possible schedules of tax rates are:

5¢/gal.—July 1, 1975 or Jan. 1, 1976.
10¢/gal.—Jan. 1, 1976 or July 1, 1976.
15¢/gal.—July 1, 1976 or Jan. 1, 1977.
20¢/gal.—Jan. 1, 1977 or July 1, 1977.
25¢/gal.—July 1, 1977 or Jan. 1, 1978.
30¢/gal.—Jan. 1, 1978 or July 1, 1978.
35¢/gal.—July 1, 1978 or Jan. 1, 1979.
40¢ gal.—Jan. 1, 1979 or July 1, 1979.
5¢ gal.—July 1, 1975 or Jan. 1, 1976.
10¢ gal.—Jan. 1, 1976 or July 1, 1976.
20¢ gal.—Jan. 1, 1977.
30¢ gal.—Jan. 1, 1978.
40¢/gal.—June 1, 1979.

3. The President could be given the authority to advance the excise tax schedule by 6 months or delay for one year subject to a veto by either House of Congress.

4. If a basic exemption from the gas tax is provided, it could be based on average gasoline usage per automobile of perhaps 9 gallons of gas a week, 36 gallons a month, or 468 gallons a year for each automobile or licensed adult driver (with a maximum of three cars or drivers per family).

5. There are at least two possible methods of providing a basic exemption from the tax. One would make use of coupons called "tax abatement tickets" to cover the basic allowance, and these might be distributed by making use of the computerized list of registered drivers available in various States and mailed out to eligible individuals once a month. These tickets could be presented in payment of any additional tax. The second method would provide a refundable tax credit on the individual income tax return for each automobile (up to three) according to the following schedule per automobile:

Tax credit per automobile[2] for:

1975	$23
1976	47
1977	94
1978	141
1979	188

6. Farmers might well be exempted from any additional tax. This could be implemented in the same way as the exemption from the present gasoline excise tax, namely, through exemption at the pump or refunds (rather than through coupons).

7. Rough revenue estimates of amount which would be raised under possible plan outlined above as is follows:

Receipts from $.10 of gas tax

	Billion
Gross revenue from tax at $.10 gal. (gasoline consumption 100 billion gallon estimate)	$10.0
Exemption for basic allowance (either system) for 100 million cars	−4.7
Net Tax	−5.3

ENERGY TRUST FUND—TASK FORCE NO. 3

An Energy Trust Fund would have advantages since it could (1) lend high visibility to a coordinated set of measures to discourage excessive use of energy by imposing additional costs on such use and (2) to use the revenues raised to deal with the twin tasks of increasing overall energy supplies and making more efficient use of these supplies. Moreover, in the past, trust funds have proven to be effective devices for assuring that the revenues dedicated to certain purposes in fact are used for these purposes.

The creation of a trust fund as such would be within the jurisdiction of the Ways and Means Committee. As in the case of prior trust funds, the Ways and Means Committee could indicate the revenues to be dedicated to the fund. It could also specify the general nature of the purposes for which the monies could be spent (such as the major headings in the table below). It might also indicate the amount of proportion of the trust fund revenues to be devoted to each of these broad categorical areas. Other committees of Congress, however, would authorize specific programs within these categorical areas and appropriations would proceed in the normal course through the Appropriations Committees.

Possible sources of trust fund monies would include the following:

(1) Some portion of any additional excise taxes imposed on gasoline.

(2) Any net proceeds from a tax on relatively inefficient autos.

(3) Any proceeds from a windfall profits tax.

(4) Any increased revenues resulting from repeal of percentage depletion for oil and gas.

(5) Revenues from oil and gas leases if so provided by committees having legislative responsibility in this area.

The broad categorical areas which might be authorized in a trust fund are basic research and developmental projects, work on U.S.-owned oil lands, and local transportation projects. Illustrations of programs within each of these broad categories which might be authorized by other committees are illustrated in the following table.

A. Basic Research:
(1) Solar energy.
(2) Geothermal energy.
(3) New automobile engines.
(4) Environmental impact research.
(5) Synthetic fuels from coal.
(6) Energy efficient industrial processes.
(7) Solid waste energy.

B. Development Projects:
(1) Coal liquefaction and gasification demonstration projects.
(2) Aid for power plant conversions to coal.
(3) Loans or subsidies for solid waste energy conversion plants.
(4) Loans or subsidies for shale oil production.
(5) Price guarantees on long-term purchase contracts for other new energy sources.
(6) Strip mining reclamation and mine safety programs.

C. U.S.-Owned Oil Lands (on and offshore):
(1) Exploratory drilling projects.
(2) Environmental protection programs and research.

D. Local Transportation Projects:
(1) Bus and rail rapid transit.
(2) Demonstrations of car pooling and other shared-ride schemes.
(3) More efficient signal control of arterial traffic.

ENERGY CONSERVATION PROGRAM—OTHER THAN GASOLINE TAX—TASK FORCE NO. 4

The goal of the energy conservation program is to establish a major effort directed at encouraging more efficient use of petroleum-derived products in all energy-using areas of our society: transportation, recreation, and home, commercial, and industrial heating and cooling. The means of achieving significant energy-saving could encompass the use of tax policy (incentives and penalties), financial incentives, mandatory standards, and a comprehensive educational effort to focus public attention on the energy problem and to stimulate energy conservation habits.

For example, a tax might be imposed on inefficient automobiles. This could be accompanied by a tax credit for the purchase of efficient ones. (Alternatively, the tax could be imposed alone.) An advantage claimed for the "carrot and stick" approach is that it provides a stimulus to a depressed industry to offset a tax. On the other hand, however, the credit presents a problem in that most imports would be eligible for the credit and not the tax, while many domestically produced cars would be subject only to the tax.

Probably no tax should be imposed before the 1977 model year because this would cause hardship to the auto companies who are presently locked in for the 1977 models; this argues for slower implementation and it might be desirable to implement any tax provided in stages over a period of years. Moreover, any quick implementation of such a tax might slow recovery of a depressed industry.

1. *Auto Mileage Efficiency Tax* (subject to the jurisdiction of the Ways and Means Committee).

A manufacturers' excise tax might be imposed on new autos based upon EPA certified fuel efficiency ratings (miles per gallon in highway driving). One alternative would be to impose a tax relatively soon and gradually increase it thereafter. A second alternative might be to delay the imposition of the tax somewhat longer and phase it in over a period of years, but when such a tax was fully effective it might be a significantly steeper tax than the former. Consideration should also be given to basing the tax on the weighted average of a manufacturer's sales.

(a) The first tax schedule might well be as follows (for autos in the model year 1977):

If rate of fuel consumption (m.p.g.) is:

	The tax is
20 or over	$0
19–20	75
18–19	150
17–18	225
16–17	300
15–16	400
Less than 15	500

For autos manufactured after the model year 1977 through model year 1981, the applicable miles-per-gallon bracket could be shifted upward one mile per gallon. (This could be coordinated with the tax credit alternative outlined below.)

(b) The second alternative tax schedule might be imposed on cars providing less than 25 miles per gallon. Such a tax, when fully effective, might amount to as much as $500 for those providing between perhaps 17 and 25 miles per gallon, and perhaps $1,000 for those providing less than 17 miles per gallon. These taxes might be phased in perhaps beginning with the 1977 models and becoming fully effective with 1980 models. On this basis, one quarter of the tax referred to above could become effective with each of the 4 model years.

2. *Tax Credit for Purchases of New Autos* (subject to the jurisdiction of the Ways and Means Committee).

To provide a further incentive for the motoring public to purchase more efficient autos, consideration might be given to adopting tax credits for purchases of the more efficient new autos. (This could be, but need not be, combined with one of the tax alternatives outlined above.) The tax credit schedule could be as follows for autos purchased in the model year 1977:

If rate of fuel consumption (m.p.g.) is:

	The tax credit is
Below 20	$0
20–21	100
21–22	200
22–23	300
23–24	400
24 and over	500

For autos purchased for model years after 1977, the miles-per-gallon brackets to get the credit could be increased one mile per gallon each model year.

3. *Other Taxes* (subject to the jurisdiction of the Ways and Means Committee).

Consideration might also be given to the following types of taxes:

1. Taxes on other vehicles, etc.:
Tax on auto air conditioners.
Repeal of tax on radial tires or tax credit.
Tax on engines of motor boats and snowmobiles.
Tax on general aviation aircraft.

2. Tax incentives for buildings:
Tax credit for residential energy improvements.
Tax credit for residential solar energy equipment.
Rapid amortization of commercial solar energy equipment.

3. Other taxes:
Tax on nonreturnable glass and metal beverage containers.
Increased tax on new lubricating oil and removal of tax on new oil mixed with old.

4. *Nontax Financial Incentives and Penalties* (not subject to the jurisdiction of the Ways and Means Committee).

Consideration might be given to the following:

Mandatory minimum auto mileage standard by 1979 model year.
Require use of radial tires on all autos by 1979.
Devise ways of encouraging States to better enforce highway speed limits.
Increase Federal aid to improve railroads.
Improve efficiency of airlines by routing and scheduling changes, etc.
Encourage States to require auto tune-ups.
Provide low-interest loans for energy efficiency improvements for homes and small businesses.
Require energy efficient building regulations for Federally generated mortgages.
Require energy efficiency labeling on all appliances and for autos and trucks.
Establish rate restructuring and energy conservation programs for agencies under the Federal Power Act.
Encourage reduction in nonessential lighting.
Increase government research into improved energy efficiency of buildings and transportation.

5. *Education Program for Energy Conservation* (not subject to the jurisdiction of the Ways and Means Committee).

Education of the public as to the need for, and the means of, achieving energy conservation is also important if wasteful energy consumption is to be reduced. The Federal Energy Administration is developing an education program through the Division of Public Education in the Office of Conservation and Environment. The funding level they have requested, however, may not be adequate. Particular points that might be considered to stress in an education campaign are:

Provide information on conserving energy in the home and driving.
Encourage voluntary efforts for people to "turn it down" for heating and cooling systems and stress business energy saving programs.
Establish energy conservation centers in land-grant colleges.
Educate the public as to how much energy is used by appliances and autos.
Require energy conservation reports from Federal agencies.
Provide grants for energy conservation education programs.

* * * * *

DEREGULATION OF OIL AND GAS AND WINDFALL TAXES—TASK FORCE NO. 5

Present price controls on oil and new natural gas have the disadvantage of encouraging extensive use of scarce energy resources by keeping their prices substantially lower than they would be under free market conditions. They also remove some of the incentives to increase output of sources of energy. At the same time, however, the increase in costs which results is recognized as having an inflationary effect. This means the problem must be approached with caution. Therefore, if prices of either oil or natural gas are to be deregulated, it is believed that this decontrol should be put into effect gradually in order to cushion the shock of the resulting price increases or consumers and on the economic system. Windfall taxes on producers should be considered if there is to be decontrol of either oil or new natural gas in order to siphon off any windfall profits which might result from the increases in the prices of oil and gas involved in such a program.

More specifically, consideration might be given to the following options:

Deregulation of oil and gas (not subject to the jurisdiction of the Ways and Means Committee).

(1) If the controls on old oil prices are to be removed they could be phased out by gradually increasing the controlled price of old oil $1 per year over a 5-year or 6-year period.

As an alternative, the quantity of "old oil" which is subject to price control could be reduced gradually. This could be achieved by generally reducing the amount treated as old oil in the 1972 base period at a gradual rate of 12½ percent per year. (This corresponds roughly to the average natural decline in productivity for most domestic oil fields). This would decontrol all old oil over an 8-year period.

(2) To encourage the use of high-cost oil recovery processes, immediate deregulation of oil recovered through secondary and tertiary processes might be considered. In order to discourage any premature use of such recovery methods, approval of the use of such methods in each case by the State regulatory agency might be required.

(3) If the price of new natural gas used in interstate commerce is to be deregulated, this also could be spread over a period of time. One approach would be to decontrol the price as new contracts committing gas to interstate commerce are entered, or as gas is shifted from intrastate to interstate commerce. This would minimize the shock effect of a sudden sharp increase in price, since the decontrol would be accomplished gradually over an extended period. Under this approach, the price received by producers would increase gradually from current controlled levels (ranging from 14 cents to 34 cents for old gas, and 51 cents for new gas) to the market price.

Windfall profits taxes (subject to the jurisdiction of the Ways and Means Committee).

(1) If there is to be deregulation of the price of oil, producers during the period of deregulation might be subjected to a graduated windfall tax on amounts received for a barrel of oil in excess of the base price for that oil (which now would average about $4.95 per barrel). The tax rates could range

[1] Any gasoline tax increase provided might be accompanied by an excise tax on inefficient autos and also the decontrol of the price of old oil over a period of five to eight years or possibly more (see later sections).

[2] Assumes second tax schedule and first alternative on this schedule as to effective dates.

from 10 percent on the first 25 cents of windfall profits (in excess of the $4.95 base) to a maximum of 85 percent of all windfall profits over $2.00 per barrel (as proposed by the Treasury Department). The windfall profits tax could be phased out gradually over an 8-year period (or such other period of time as deregulation may occur).

(2) To encourage continuing investment in energy resources, the windfall profits tax could include plowback provisions to allow a credit against the tax for qualified investments which increase output of oil. Under one view, however, the plowback should be relatively limited. To insure that a substantial amount of windfall profits would be subject to tax, the maximum plowback credit might be limited to no more than 50 percent of the windfall profits tax. The qualified investments, for which a plowback credit might be allowed, could include (1) intangible drilling costs; (2) geological and geophysical expenses incurred in connection with oil and gas exploration; (3) the cost of depreciable personal property used in producing oil and gas; and (4) the operating costs of secondary and tertiary production processes.

(3) A gradual windfall profits tax also could be considered for new natural gas committed to interstate commerce and to gas used within the state of production and not now under contract. This could be imposed on a comparable basis to that suggested for oil. The tax on gas in interstate commerce might be imposed on the price received by the producer above the current controlled price of new gas (51 cents mcf). It would be phased out during the period over which it is estimated any deregulation may occur. In this case, also, there might be a plowback feature.

(4) Although the price of coal is not subject to price controls, it is greatly affected by the price of oil and natural gas, which are competitive energy sources. For this reason, consideration might be given to imposing a windfall profits tax on coal corresponding to that imposed on oil and natural gas. There might, however, be problems in arriving at an appropriate base for such a tax.

CAPITAL INCENTIVES—TASK FORCE NO. 6

An examination was made of a variety of alternatives for increasing capital incentives to achieve 2 desired goals: (1) greater energy conservation, and (2) more rapid expansion of United States energy supplies. Generally, it was questioned as to whether the expansion of existing tax preferences, or the creation of new ones, was the most desirable or efficient route. In many cases, it would appear that direct governmentally created incentives, rather than tax incentives, would be preferable in achieving the nation's energy goals. Therefore, it is suggested that consideration might be given to such measures even though they are outside the jurisdiction of the Ways and Means Committee. In other cases, however, modification of the existing relevant tax provisions might be more effective. In some cases this represents the creation of new incentives, and in other cases the removal of disincentives in present law. If any additional incentives are provided, these might be made self-liquidating after 5 years.

More specifically, the following are suggested for consideration:

A. Treatment of the Extraction—Production Industries:

(1) Percentage depletion might be repealed for all crude oil production effective January 1, 1975 (as the House has recently done in H.R. 2166). The view of the House appears to be that the oil industry has experienced a sharp rise in profits as a result of the oil price increases in the past 2 years and has no further need for percentage depletion. Also, it apparently is believed that the present high prices will lead to as large an increase in drilling, without percentage depletion, as is practical.

(2) Also, questions may be raised as to whether exemptions from the repeal of percentage depletion of crude oil is needed. However, if percentage depletion for small producers is to be phased out, each producer might be permitted to exempt the first 3,000 barrels of oil production per day in 1975 with a depletion rate of 15 percent; the first 2,000 barrels in 1976 with a rate of 10 percent; and the first 1,000 barrels in 1977 with a rate of 5 percent. In this manner, this small producers' exemption would expire on January 1, 1978.

(3) Percentage depletion for natural gas could be repealed except for regulated natural gas (where it might be retained for a limited period) and for natural gas sold under a fixed-price contract, where the price cannot be adjusted to reflect the loss of percentage depletion. (This corresponds to the House action on H.R. 2166.) Under this alternative, unregulated natural gas not selling under such a fixed contract would lose all percentage depletion. Alternatively, percentage depletion might be retained at 22 percent for natural gas selling for prices below 50 cents per thousand cubic feet (mcf). For gas selling above that price, the rate of percentage depletion might be reduced by one percentage point for each 2 cents that the price exceeds 50 cents. Thus, gas selling at 52 cents per mcf would receive percentage depletion at a 21-percent rate. This would mean that gas selling above 94 cents per mcf would lose all percentage depletion.

(4) The definition of intangible drilling expenses might be expanded to include geological and geophysical expenditures and intangible costs associated with geothermal wells. This could encourage greater exploration for oil and gas, and place development of geothermal energy development on a par with oil and gas.

(5) To make the tax laws truly neutral with regard to foreign operations of U.S. companies, a number of changes might be considered, including the following:

(a) Repealing both percentage depletion and the expensing of intangible drilling costs for foreign oil and gas.

(b) Repealing the "per-country" limitation for oil and gas companies.

(c) Eliminating, or at least limiting, existing and future excess foreign tax credits on income from the extraction of oil. This would limit the foreign tax credit so that it may offset only the U.S. tax on (or perhaps 10 percent more than) the foreign oil or gas income—presently 48 percent.

(d) Recapturing foreign oil and gas start-up losses that are deducted against U.S.-source income. Foreign tax credits should not be allowed for foreign taxes on foreign-source income until these losses are recaptured.

(e) Repealing of DISC for the export of energy resources.

(f) Review of tax deferral privilege in the case of foreign oil and gas subsidiaries to the extent this would directly affect domestic energy production.

(g) Treating gain on the sale of oil and gas properties as ordinary income to the extent of any intangible drilling deduction taken earlier with respect to the property. (This would eliminate tax advantages which can be secured under present law through writing off intangible drilling expenses against ordinary income and then in a subsequent year selling the property and having the gain treated as capital gain.)

(h) Non-tax incentives might be created for the development of alternative sources of energy other than crude oil and natural gas. (These include solid, liquefied, or gasified coal, oil shale, geothermal energy, energy from bioconversion, solar energy and others.) The Federal Energy Administration could, for example, be authorized to promote the development of alternative energy sources by providing loss guarantees, by contributing capital to demonstration projects, by providing direct subsidies or by providing price floors (although in this case the FEA might retain the option of buying out the project if operating costs are extraordinarily high).

B. *Encouraging Industry Conversions for Greater Energy-Saving Expenditures:*

(1) Consideration might be given to making the investment credit available for certain energy-saving investments that have the potential to save large amounts of energy where the investments are not now eligible for the existing investment tax credit. For the most part, the type of investments referred to do not qualify for the investment credit because they are considered part of the structure. These include thermal window panes, insulation, storm windows, heat exchangers, solar energy devices, and central heating and air conditioning equipment (which is sometimes more efficient than window air conditioning, for example, which is eligible for the credit).

(2) Federal loans, subsidies, or loan guarantees (although outside of committee jurisdiction) might be provided in selected cases (approved by the Federal Energy Administration) for conversion of power plants from oil or gas to coal.

C. Recycling natural resource materials to save energy:

(1) New oil mixed with recycled oil which is used off highways could be made eligible for the rebate of the 6 cent excise tax imposed on new lubricating oil. This would give such oil the same rebate that is granted to new lubricating oil which is used off highway. In addition, the 6 cent tax on new lubricating oil for highway use might be forgiven or rebated, when the new oil is used in a mixture with recycled oil.

(2) Government-created incentives might be considered to encourage private and public use of solid wastes such as trash for fuel. For example, conversion, separation, or burning equipment might be included in the definition of "pollution control devices" for qualification for existing tax code provisions.

CONVERSION TO OTHER FUELS—TASK FORCE NO. 7

(Largely subject to Committee on Ways and Means jurisdiction.)

Known domestic reserves of petroleum and natural gas are limited, and at realistic rates of consumption, may last only some 25 to 40 years. There are two other major fuel sources of energy likely to be available in quantity in the near future: coal, of which vast quantities are now available in reserves, and nuclear fission, which hopefully can be drawn on in the near future. The anticipated rates of growth of energy demand imply that these additional energy supplies may only be adequate to meet this growth in demand without providing a substitute for other fuel sources, unless an effort is made to aid their development.

Three fossil fuels are used now to provide most of the energy. Between now and 1985, it appears that coal is the only one of these where the supply can be expanded because of abundant domestic reserves. Petroleum and natural gas supplies probably cannot be increased appreciably during the next decade. Nuclear energy, and to a limited extent, hydroelectric power, also can be used to increase fuel sources for generation of electrical power. There are many other potential sources of energy, but for the most part, these will be available only in limited quantities by 1985.

In order to increase the supply of coal for electrical power, heating, use as a source of synthetic oil and gas, and as a source of petrochemical feed stocks, a number of problems have to be overcome. Environmental standards governing exhausts from the use of coal may have to be relaxed or modified until effective control devices are developed. Capital must be raised for the opening of new coal mines and to expand the rail transportation system which must carry coal from the mines to consumers.

To facilitate the conversions of the type referred to above, consideration might be given to the following:

1. Although existing tax incentives for most activities related to coal mining appear to be adequate, an additional stimulus might be provided through five-year amortization for new coal mining equipment.

2. For the railroads, tentative decisions approved last year by the Committee on Ways and Means providing both the investment credit and five-year amortization for railroad equipment and 50-year amortization for gradings and tunnel bores might be considered.

3. Actions under laws outside of Ways and Means Committee jurisdiction could require electric utilities and other industries using oil or gas for heating to switch to coal as quickly as possible. Since this is a reversal of recent mandates under environmental standards, five-year amortization of the costs of newly installed coal-burning equipment might be provided for a long enough period of time to cover the transition to the use of coal.

4. Nuclear energy can be expected to be a major source of electricity in the future, and if the complex of issues concerning environmental standards and siting of nuclear plants can be resolved soon, the use of nuclear fuel for generating power can increase tenfold or more by 1985. Several tax changes might be considered to encourage and facilitate the expansion in nuclear capacity given satisfactory resolution of the environmental issues. These include clarification of the status of nuclear energy plants under the provisions relating to the issuance of industrial development bonds and the eligibility of nuclear facilities to issue these bonds under the provisions relating to local provision of electrical power and under the air and water pollution abatement facilities. In addition, the Committee might want to characterize nuclear fuel as a depreciable item subject to net leases and thereby make it eligible for the investment credit.

5. Synthetic oil and gas can be derived from shale oil and liquefying and gasifying coal. Commercial production of synthetic oil and gas will not reach appreciable levels until 1985. It is not clear at the moment whether additional tax incentives will be necessary to stimulate the rate of development of these processes. However, it is suggested that the Committee be alert to the need for such developments.

IMPLEMENTING THE FREEDOM OF INFORMATION ACT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the amendments to the Freedom of Information Act are having an effect on some agencies which I believe to be contrary to congressional intent. Under new regulations promulgated by Federal agencies, one type of information that the agencies will be disclosing is correspondence with Members of Congress.

I have recently received a letter from the Chairman of the Federal Deposit Insurance Corporation advising me that I could merely telephone their congressional liaison office if I wished to know the status of an application, rather than write a letter to that effect. If I understand the implication correctly, it is his recommendation that if I do not want my inquiry to appear with a given file, that my office call rather than write to his office to find the status of an application, and that telephone inquiries will not be logged in the file. If I drew the wrong conclusion from his letter and that was not his intent, then I would be pleased to be so informed.

I have had correspondence from some agencies advising me only that congressional correspondence can be made available under the Freedom of Information Act. I have no objection to this type of notification. The purpose of my pointing this situation out is to make sure that the intent of the Freedom of Information Act is not evaded by any nonwritten communication to an agency.

I believe it is incumbent on any agency, particularly a regulatory agency to keep a record of any inquiry, even a telephone inquiry on a file, giving the identity of the person who called and the substance of the inquiry.

My correspondence with the Chairman of the FDIC follows:

FEDERAL DEPOSIT INSURANCE CORP.,
Washington, D.C., February 28, 1975.

HON. EDWARD I. KOCH,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. KOCH: In light of Congressional inquiries concerning procedures followed by this Corporation in the processing of applications, I am pleased to provide the following information which I trust will be helpful to you and your staff.

On occasion, Members of Congress write to the Corporation expressing a view on the merits of a pending application. We welcome all such communications—from the Congress as well as from the general public. In expressing your views, however, you should be aware that under the Freedom of Information Act there are instances in which such a communication may become a matter of public record, depending upon the nature of the application.[1]

Under our application procedures, all members of the public are afforded an opportunity to present their views on applications subject to these procedures. Such views become a part of a public file which contains pertinent information and relevant communications regarding the application. The public file, with limited exceptions relating to the financial condition of the bank or individual members of the management, contains all written information submitted by interested persons, including Members of Congress, on the merits of the proposed application.

In the event you wish merely to inquire as to the status of an application, or the approximate date of action on it by the FDIC Board of Directors, I suggest you telephone our Congressional Liaison Office (389-4444).

Sincerely,

FRANK WILLE,
Chairman.

[1] See 12 C.F.R. § 303.14, Application Procedures. The applications subject to this section are (1) applications for deposit insurance by proposed new banks, (2) applications by insured State nonmember banks to establish branches, (3) applications by insured State nonmember banks to relocate their main office or branch offices, and (4) any other application requests or submittals which the FDIC Board of Directors deems appropriate.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 4, 1975.

Chairman FRANK WILLE,
Federal Deposit Insurance Corporation,
Washington, D.C.

DEAR CHAIRMAN WILLE: I have your letter of February 28th and in all candor I must express disagreement with its import. As someone who has supported the opening to the public of government files, I would oppose any attempt to evade the spirit of these laws and the regulations promulgated to effect their intent.

Your suggestion that Members of Congress could avoid having their names disclosed by making telephone inquiries instead of writing would appear to undermine the intent of the law. I believe it is incumbent that any file you have on which there has been an inquiry, Congressional or otherwise, should include a notation indicating who called and the nature of the inquiry.

I would appreciate your comments on this request.

Sincerely,

EDWARD I. KOCH.

TAX ON CIGARETTES FOR CANCER RESEARCH

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, 30 Members have joined me in sponsoring a bill to amend the Internal Revenue Code to increase the excise tax on cigarettes and to amend the Public Health Service Act to establish a trust fund to be used for the research programs of the National Cancer Institute. This bill would raise the current Federal tax on each pack of cigarettes by 2 cents, which would produce an estimated $600 million annually to be used specifically for cancer research.

In 1973 alone, Americans consumed 29.2 billion packages of cigarettes and the National Panel of Consultants on the Conquest of Cancer estimated that 15 percent of all cancer deaths could be eliminated if people stopped smoking. The additional tax on cigarettes would result in those most endangered of being affected by cancer supporting research into its causes and cures. One out of four people in this country will develop cancer, so we are all ultimately affected either directly or vicariously.

Over 25 leaders in the field of cancer research and health care across the country have written to me in support of this bill. They have also expressed their view that the National Cancer Institute has done an effective job in coordinating the Nation's cancer research and in distributing funds.

The following Members have cosponsored this legislation with me:

LIST OF COSPONSORS

Ms. Bella Abzug (D-NY), Mr. Herman Badillo (D-NY), Mr. Bob Bergland (D-Minn), Mr. George Brown (D-Cal.), Mr. Bob Carr (D-Mich.), Mrs. Cardiss Collins (D-Ill.), Mr. Tom Downey (D-NY), Mr. Don Edwards (D-Cal.), Mr. Joshua Eilberg (D-Penn.).

Mr. David Emery (R-Maine), Mr. Dante Fascell (D-Fla.), Mr. Don Fraser (D-Minn), Mr. Ben Gilman (D-NY), Mr. Michael Harrington (D-Mass.), Mr. Wayne Hays (D-Ohio), Mr. Jack Kemp (R-NY), Mr. Mike McCormack (D-Wash.), Mr. Matthew McHugh (D-NY).

Mr. Stewart McKinney (D-Conn.), Mr. George Miller (D-Cal.), Mr. Robert Nix (D-Penn.), Mr. Fred Richmond (D-NY), Mr. Ben Rosenthal (D-NY), Mr. Edward Roybal (D-Cal.), Mr. Pete Stark (D-Cal.), Mr. Don Riegle (D-Mich.), Mr. Carlos Moorhead (R-Cal.).

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Mr. Henry Waxman (D-Cal.), Mr. Charles H. Wilson (D-Cal.), Mr. Charles Wilson (D-Tex.).

THE CRUELEST SSI REGULATION OF ALL

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the SSI program, intended to provide more comprehensive assistance through the social security system by putting on the social security roles the elderly, the disabled, and the blind, has exhibited clear deficiencies. These have been discussed many times by many Members and indeed legislation is pending to correct such deficiencies.

However, there is one particularly horrendous inequity which I believe must be corrected immediately and hopefully administratively, so as not to experience the timelag that legislation requires. The particularly egregious case brought to my attention is that of a young man who is retarded and maintained in a private school for the retarded by his parents and who is denied SSI payments. Under SSI regulations an individual in an institution run for profit is not eligible for SSI payments where the amount allocated for room and board exceeds $146 a month. And of course, charges for such an institution for the retarded exceed that amount. So we have a case of "Catch 22." This inequity is compounded by the fact that if the retarded child is in a nonprofit or State institution—where his parents may contribute nothing to his maintenance—he becomes eligible without regard to the artificial limit of $146 for room and board.

I will not at this time enter into a discussion of the merits or demerits of public institutions caring for the retarded except perhaps to mention the word "Willowbrook" and say no more. It is inconceivable to me that rules and regulations of the Federal Government can be permitted to stand which deprive this retarded child and his parents and others similarly situated of SSI benefits simply because the parents are paying tuition fees for him at a private school. I have urged Commissioner James B. Cardwell to give this matter his attention and find a way, administratively, to do equity here. The correspondence follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 28, 1975.

Hon. JAMES B. CARDWELL,
Commissioner, Social Security Administration, Baltimore, Md.

DEAR MR. CARDWELL: I should like to refer to our correspondence in the above matter concerning who is retarded and who is attending the Van Hook-Walsh School in Wilmington, Delaware and in particular your last letter to me of August 5, 1975.

You will recall that you were then considering how you could administratively or legislatively find a way to resolve the inequitable situation pertaining to this case and others similarly situated. To recapitulate, SSI benefits have been denied because his parents provide for his room and board at the private school for the retarded, and your regulations now define such payments as unearned income to the individual. I would hope that good sense would prevail in this case for two reasons: it is incomprehensible that parents and the retarded child should be denied SSI assistance simply because the parents are carrying out their responsibilities to their child at great financial cost; and secondly were the parents to give up their responsibility and place in a public institution, SSI benefits would automatically become available.

I urge that you exercise good judgment and find a way administratively to exclude as unearned income, room and board payments for retardates. To continue this outrageous situation demeans the SSI program. Finally, you commented in the letter of August 5, "I am hopeful that I will be able to review these options very shortly and that we will find a solution so that no supplemental security income applicant is disadvantaged by the unearned income provisions of the law." While pregnant with hope, in view of the passage of time without a resolution, I am left to feel that the matter did not receive the attention it deserves.

Sincerely,

EDWARD I. KOCH.

SOCIAL SECURITY ADMINISTRATION,
Baltimore, Md., August 5, 1974.

HON. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: This is in further reference to your letter on behalf of ——— concerning the eligibility of their son, ——— for payments under the supplemental security income program. I have also received your letter of July 3 about this matter, and I am sorry that my reply has been delayed.

I can certainly appreciate the feeling which prompted ——— to write to you, and I realize there is a great need in the whole area of providing care for the retarded. Since they stated that the Van Hook-Walsh School had filed an application for supplemental security income payments on ——— behalf with the social security office in Wilmington, Delaware, I asked a member of my staff to look into ———'s case. A check of the records in our Wilmington office revealed that a formal application had not been filed on his behalf. Rather, I am informed, a representative of the Van Hook-Walsh School inquired about ———'s potential eligibility, received an informal denial, and did not file a formal application.

However, I am also informed that, although ——— is disabled, he is ineligible for supplemental security income because of the amount of support and maintenance furnished him. As you know, the definition of income in the supplemental security income law is explicit. It provides, in section 1612(a)(2)(A), that support and maintenance, whether furnished in cash or in kind, are unearned income to the individual. Under our present interpretation of this section of the law, the support and maintenance furnished at the Van Hook-Walsh School, is considered as unearned income to ———. In cases where parents (as in ———'s case), some other third party, or the institution itself is covering the individual's costs, the full value of support and maintenance provided is considered income to the individual. If the payment to the institution on behalf of the individual is less than the value of the support and maintenance provided, the difference is considered unearned income to the individual.

I admire Mr. and Mrs. ———'s commendable efforts to obtain all available assistance for ——— and fully understand the concern they feel. Please advise them that we are deeply concerned about the effect of our present interpretation and are conducting an indepth evaluation of the present title XVI treatment of support and maintenance as income with a view toward finding administrative or legislative options which may remedy the present situation. I am hopeful that I will be able to review these options very shortly and that we will find a solution so that no supplemental security income applicant is disadvantaged by the unearned income provisions of the law.

Sincerely yours,

JAMES B. CARDWELL,
Commissioner of Social Security.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BARRETT (at the request of Mr. EILBERG), for today and the remainder of the week, on account of necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. KEMP, for 5 minutes, today.

(The following Members (at the request of Mr. HAGEDORN) to revise and extend their remarks and include extraneous material:)

Mr. FORSYTHE, for 60 minutes, today.

Mr. TALCOTT, for 3 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. ASHBROOK, for 10 minutes, today.

Mr. MCCOLLISTER, for 20 minutes, today.

(The following Members (at the request of Mr. RICHMOND) to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FRAZER, for 5 minutes, today.

Ms. HOLTZMAN, for 60 minutes, today.

Mr. FLOOD, for 5 minutes, today.

Mr. MCFALL, for 5 minutes, today.

Mr. DRINAN, for 15 minutes, today.

Mr. FOLEY, for 60 minutes, today.

Mr. ALEXANDER, for 15 minutes, today.

Mr. KOCH, for 5 minutes, today.

Mr. SOLARZ, at the request of Mr. SOLARZ, for 15 minutes, today, following other special orders heretofore entered into, and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PRICE, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,294.

Mr. ULLMAN and to include extraneous matter notwithstanding the fact that it exceeds four pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,112.

(The following Members (at the request of Mr. HAGEDORN) and to include extraneous matter:)

Mr. FINDLEY.

Mr. SARASIN in six instances.

Mr. KEMP in two instances.

Mr. KASTEN.

Mr. STEELMAN.

Mr. CRANE in two instances.

Mr. YOUNG of Alaska.

Mr. WAMPLER.

Mr. MCCLOSKEY.

Mr. DERWINSKI in two instances.

Mr. GILMAN in two instances.

Mr. ASHBROOK in three instances.

Mr. LUJAN.

Mr. WYDLER.

Mr. TREEN.

Mr. HARSHA.

Mr. KINDNESS.

Mr. DON H. CLAUSEN.

Mr. DU PONT.

Mr. FRENZEL.

Mr. PRESSLER in two instances.

Mr. COCHRAN.

(The following Members (at the request of Mr. RICHMOND), and to include extraneous matter:)

Mr. BAUCUS.

Mr. SIMON.

Mr. ROSENTHAL in five instances.

Mr. MCDONALD of Georgia in 10 instances.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in four instances.

Mr. HELSTOSKI.

Mrs. BOGGS.

Mr. WON PAT in two instances.

Mr. BLOUIN.

Mr. HOLLAND.

Mr. STARK.

Mr. GIAIMO in 10 instances.

Mr. DOMINICK V. DANIELS.

Mrs. SCHROEDER.

Mr. EILBERG.

Mr. HAWKINS.

Mr. HAMILTON.

Mr. EVANS of Indiana.

Mr. KOCH in five instances.

Mr. MINISH in two instances.

Mr. MIKVA.

Mr. DINGELL in four instances.

Mr. BROWN of California in 10 instances.

Mr. TEAGUE.

Mr. FLOOD.

Mr. SANTINI.

Mr. BRODHEAD.

Mr. FORD of Michigan.

(The following Members (at the request of Mr. SOLARZ) and to include extraneous material:)

Mr. HAMILTON.

Mr. RANGEL.

Mr. KOCH in five instances.

Mr. MAGUIRE.

Mrs. SPELLMAN.

Mr. CARNEY.

Mr. YOUNG of Georgia.

SENATE CONCURRENT RESOLUTION

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 9. Concurrent resolution relating to the establishment of the naval and maritime museum in Charleston, South Carolina; to the Committee on Armed Services.

ADJOURNMENT

Mr. SOLARZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 5, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

468. A letter from the Deputy Secretary of Defense, transmitting a report on funds obligated in the chemical warfare and biological research programs during the first half of fiscal year 1975, pursuant to section 409(a) of Public Law 91-121; to the Committee on Armed Services.

469. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs) transmitting the military manpower training report for fiscal year 1976, pursuant to 10 U.S.C. 138(d)(2); to the Committee on Armed Services.

470. A letter from the Assistant Secretary for Education, Department of Health, Education, and Welfare, transmitting the annual report of the National Center for Education Statistics on the condition of education in America, pursuant to section 406(d)(1) of the General Education Provisions Act, as amended (88 Stat. 557); to the Committee on Education and Labor.

471. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Eugene V. McAuliffe and his family, pursuant to section 6 of Public Law 93-126; to the Committee on Foreign Affairs.

472. A letter from the Acting Chairman, the Renegotiation Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

473. A letter from the Acting Secretary of Transportation, transmitting the fourth annual report on the activities of the Department of Transportation under the Emergency Rail Services Act of 1970, including an evaluation of the financial condition of the railroads which have outstanding certificates guaranteed under the act, pursuant to section 10 of the act (Public Law 91-663); to the Committee on Interstate and Foreign Commerce.

474. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the 19th annual report on the financial condition and results of the operations of the highway trust fund, pursuant to section 209(e)(1) of the Highway Revenue Act of 1956, as amended (H. Doc. No. 94-68); to the Committee on Ways and Means and ordered to be printed.

475. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the fourth annual report on the financial condition and results of the operations of the Airport and Airway Trust Fund, pursuant to section 208(e)(1) of the Airport and Airway Revenue Act of 1970, as amended (H. Doc. 94-69); to the committee on Ways and Means and ordered to be printed.

RECEIVED FROM THE COMPTROLLER GENERAL

476. A letter from the Comptroller General of the United States, transmitting observations on the food stamp program; jointly to the Committees on Government Operations, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. H.R. 4075, A bill to rescind certain budget authority recommended in the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communications of the Comptroller General of February 7, 1975 (H. Doc. 94-46) and of February 14, 1975 (H. Doc. 94-50), transmitted pursuant to the Impoundment Control Act of 1974 (Rept. No. 94-26). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. WIRTH, Mr. CARTER, Mr. BROYHILL, Mr. HASTINGS, and Mr. HEINZ):

H.R. 4114. A bill to amend the Public Health Service Act to revise and extend the National Health Service Corps program; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. WIRTH, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ):

H.R. 4115. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. ADDABBO:

H.R. 4116. A bill to allow a credit of not more than $300 against the Federal income tax for State and local real property taxes, or for a corresponding portion of rent, paid by individuals with respect to their principal residences; to the Committee on Ways and Means.

H.R. 4117. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

By Mr. ARCHER:

H.R. 4118. A bill to amend the Internal Revenue Code of 1954 to allow a credit for the amount of the employment placement fees paid or incurred to an employment agency; to the Committee on Ways and Means.

By Mr. ARMSTRONG (for himself, Mr. BURLESON of Texas, and Mr. CONABLE):

H.R. 4119. A bill to amend the Internal Revenue Code of 1954 with respect to certain charitable contributions; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 4120. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits, without regard to certain requirements otherwise applicable, in the case of adopted children who were born after their adopting parents became entitled to old-age or disability insurance benefits; to the Committee on Ways and Means.

By Mr. BEARD of Rhode Island:

H.R. 4121. A bill to require State inspections of public and private extended care facilities, skilled nursing homes, and intermediate care facilities and to require State enforcement of guarantees of rights of the patients in such facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS (for himself, and Mr. HORTON):

H.R. 4122. A bill to amend title 38 of the United States Code in order to provide for an annual investigation by the Administrator into the cost of travel by veterans to

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Veterans' Administration facilities and to set rates therefor, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BURGENER (for himself, Mr. YATRON, Mr. DERWINSKI, Mr. THONE, Mr. AUCOIN, Mr. COHEN, Mr. GILMAN, Mr. GOLDWATER, Mr. CLEVELAND, Mr. WON PAT, Mr. MCDONALD of Georgia, Mr. KETCHUM, Mr. DEL CLAWSON, Mr. MOORHEAD of California, Mr. LAFALCE, and Mr. RINALDO):

H.R. 4123. A bill to transfer jurisdiction over the food stamp program to the Secretary of Health, Education, and Welfare; to the Committee on Agriculture.

By Mr. BURLISON of Missouri:

H.R. 4124. A bill to amend the Flood Disaster Protection Act of 1973 to provide that the prohibition against Federal financial assistance for acquisition or construction purposes in an area having special flood hazards, where the property involved is not covered by flood insurance or the community is not participating in the national flood insurance program, shall be inapplicable if a flood control study or construction program is being carried on in such community; to the Committee on Banking, Currency and Housing.

By Mr. DON H. CLAUSEN (for himself, Mr. MCCLOSKEY, Mr. MCKWEN, Mr. MCFALL, Mr. MARTIN, Mr. MICHEL, Mr. MILLER of Ohio, Mr. MILLS of California, Mr. MINETA, Mr. O'NEILL, Mr. PATTERSON of California, Mr. REES, Mr. RHODES, Mr. ROYBAL, Mr. RYAN, Mr. SCHNEEBELI, Mr. SISK, Mr. STARK, Mr. STEIGER of Wisconsin, Mr. ULLMAN, Mr. VAN DEERLIN, Mr. VANDER JAGT, Mr. WAXMAN, and Mr. CHARLES H. WILSON of California):

H.R. 4125. A bill to designate the Veterans' Administration hospital in Loma Linda, Calif., as the "Jerry L. Pettis Memorial Veterans' Hospital", and for other purposes; to the Committee on Veterans' Affairs.

By Mr. COCHRAN:

H.R. 4126. A bill to provide for the addition of certain lands to the Natchez Trace Parkway in Mississippi, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 4127. A bill to amend the Internal Revenue Code to provide an Investment Tax Credit for property used in centralized livestock operations, and to establish the amount of such credit; to the Committee on Ways and Means.

H.R. 4128. A bill to amend the Internal Revenue Code (as it pertains to accumulated taxable corporate income) to provide for an increase in the accumulated earnings credit; to the Committee on Ways and Means.

H.R. 4129. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; to the joint Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORMAN:

H.R. 4130. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS (for himself, Mr. ESCH, Mr. PEYSER, Mr. O'HARA, Mr. CORMAN, Mr. BEARD of Rhode Island, Mr. LAFALCE, Mr. HARRINGTON, and Mr. BINGHAM):

H.R. 4131. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

By Mr. DAVIS (for himself and Ms. JORDAN):

H.R. 4132. A bill to provide financial assistance to local educational agencies for the construction of public elementary and secondary schools; to the Committee on Education and Labor.

By Mr. DRINAN:

H.R. 4133. A bill to suspend all sales of defense articles and services for 6 months to Iran, Saudi Arabia, Iraq, Qatar, Bahrain, the United Arab Emigrates, the Sultanate of Oman, and Kuwait; to the Committee on Foreign Affairs.

By Mr. DRINAN (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BROWN of California, Ms. BURKE of California, Mr. CARR, Mr. CONYERS, Mr. DELLUMS, Mr. EDWARDS of California, Mr. FRASER, Mr. HARRINGTON, Mr. HAWKINS, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. MOLLOHAN, Mr. NIX, Mr. NOLAN, Mr. REES, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STARK, Mr. STOKES, and Mr. WON PAT):

H.R. 4134. A bill to abolish the death penalty under all laws of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. GILMAN, Ms. SPELLMAN, Mr. EDGAR, and Mr. HAWKINS):

H.R. 4135. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to increase the authorization for appropriations for the National Heart and Lung Institute by amounts equal to the increase in receipts from such tax; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 4136. A bill for the relief of the Southeastern University of the District of Columbia; to the Committee on the Judiciary.

By Mr. ESCH:

H.R. 4137. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

H.R. 4138. A bill to require educational institutions engaged in interscholastic athletic competition to employ certified athletic trainers; to the Committee on Education and Labor

H.R. 4139. A bill to provide for the establishment of a national advisory commission to develop a national plan for the control of epilepsy and its consequences; to the Committee on Interstate and Foreign Commerce.

H.R. 4140. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

H.R. 4141. A bill to amend the Public Health Service Act to enlarge the authority of the National Institute for Neurological Diseases and Stroke in order to advance a national attack on multiple sclerosis, epilepsy, muscular dystrophy, and other diseases; to the Committee on Interstate and Foreign Commerce.

H.R. 4142. A bill to amend title 5 of the United States Code with respect to the observance of Veterans Day; to the Committee on Post Office and Civil Service.

H.R. 4143. A bill to amend the Internal Revenue Code of 1954 to designate the home of a State legislator for income tax purposes; to the Committee on Ways and Means.

H.R. 4144. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

H.R. 4145. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

H.R. 4146. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 4147. A bill to amend title II of the Social Security Act to increase from 22 to 24 the age until which child's insurance benefits may be paid on the basis of full-time student status, and the age before which a child must have become disabled in order to qualify for such benefits on the basis of disability; to the Committee on Ways and Means.

By Mr. FORD of Michigan:

H.R. 4148. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. FORD of Tennessee (for himself, Mr. FULTON, Mr. MITCHELL of Maryland, Ms. HOLTZMAN, Mr. HECHLER of West Virginia, Mr. HORTON, Mr. HICKS, Mr. CONYERS, Mr. ROE, Mr. BRODHEAD, Mr. BROWN of California, Mr. SOLARZ, Mr. KREBS, Mr. BREAUX, Mr. CLAY, Mr. PEYSER, Mr. RICHMOND, Mr. CORNELL, Mr. SARASIN, Mr. STARK, Mr. GILMAN, Mr. O'HARA, Mr. DELLUMS, Ms. BURKE of California, and Mr. SARBANES):

H.R. 4149. A bill to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price; to the Committee on Interstate and Foreign Commerce.

By Mr. FORD of Tennessee (for himself, Mrs. KEYS, Mr. OTTINGER, Mr. JENRETTE, Mr. EDGAR, Ms. ABZUG, Mr. ROSENTHAL, Ms. SPELLMAN, Mr. BINGHAM, Ms. SCHROEDER, Ms. COLLINS of Illinois, Mr. DANIELSON, Mr. ANNUNZIO, Mr. RYAN, Mr. KOCH, Mr. ASHLEY, Mr. HARRINGTON, Mr. JOHN L. BURTON, Mr. CORMAN, Mr. RANGEL, Mr. DIGGS, Ms. HECKLER of Massachusetts, Mr. MOAKLEY, Mr. ANDERSON of California, and Mr. HAWKINS):

H.R. 4150. A bill to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price; to the Committee on Interstate and Foreign Commerce.

By Mr. FLOWERS:

H.R. 4151. A bill to amend section 2509 of title 28 of the United States Code as to procedures in congressional reference cases, and for other purposes; to the Committee on the Judiciary.

H.R. 4152. A bill to amend title 28 of the United States Code as to the title of the commissioners of the U.S. Court of Claims, and for other purposes; to the Committee on the Judiciary.

By Mr. FORSYTHE:

H.R. 4153. A bill to provide for annual authorization of appropriations to the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. FRASER (for himself, Mr. BIESTER, Mr. BUCHANAN, Mr. DIGGS, Mr. MCHUGH, and Mr. AUCOIN):

H.R. 4154. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BALDUS, Mr. BINGHAM, Mr. BRADEMAS, Mr. BRODHEAD, Mr. BROWN of California, Mr. JOHN L. BURTON, Mr. CARNEY, Mr. CARR, Mrs. COLLINS of Illinois, Mr. CORNELL, Mr. CONYERS, Mr. DANIELSON, Mr. DELLUMS, Mr. EDGAR, Mr. EDWARDS of California, Mr. EILBERG, Mr. FORD of Michigan, Mr. GILMAN, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. JENRETTE, and Mr. NIX):

H.R. 4155. A bill to establish an emergency health benefits program for the unemployed;

to the Committee on Interstate and Foreign Commerce.

Mr. FRASER (for himself, Mr. NOWAK, Mr. NEDZI, Mr. O'HARA, Mr. OTTINGER, Mr. RANGEL, Mr. RICHMOND, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SARBANES, Ms. SCHROEDER, Mr. SOLARZ, Mr. JAMES V. STANTON, Mr. STARK, Mr. STUDDS, and Mr. CHARLES H. WILSON of California):

H.R. 4156. A bill to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 4157. A bill to authorize the Secretary of Transportation to make grants to any State for the study of drawbridges within the State and for the implementation of recommendations for the more efficient movement of motor vehicle traffic on and watercraft under drawbridges within the State; to the Committee on Public Works and Transportation.

Mr. FUQUA:

H.R. 4158. A bill to amend the Occupational Safety and Health Act of 1970 to provide that where violations are corrected within the prescribed abatement period no penalty shall be assessed; to the Committee on Education and Labor.

By Mr. GILMAN:

H.R. 4159. A bill to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; to the Committee on Merchant Marine and Fisheries.

H.R. 4160. A bill to permit States to prepare environmental impact statements in the case of Federal-aid highway projects; to the Committee on Public Works and Transportation.

By Mr. GINN (for himself, Mr. LEVITAS, Mr. BRINKLEY, Mr. FLYNT, Mr. LANDRUM, Mr. MCDONALD of Georgia, Mr. MATHIS, Mr. STEPHENS, Mr. STUCKEY, and Mr. YOUNG of Georgia):

H.R. 4161. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. HAMILTON:

H.R. 4162. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. HAMILTON (for himself, Mr. BRADEMAS, Mr. EVANS of Indiana, Mr. FITHIAN, Mr. HAYES of Indiana, Mr. HILLIS, Mr. JACOBS, Mr. MADDEN, Mr. MYERS of Indiana, Mr. ROUSH, and Mr. SHARP):

H.R. 4163. A bill to authorize the repayment of certain Federal-aid highway funds by the State of Indiana; to the Committee on Public Works and Transportation.

By Mr. HANLEY:

H.R. 4164. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. HOLLAND (for himself, Mr. ABDNOR, Mr. AUCOIN, Mr. BEARD of Rhode Island, Mr. BOLAND, Mr. BRODHEAD, Mr. BROWN of California, Mr. BUTLER, Mr. BYRON, Mr. CRANE, Mr. D'AMOURS, Mr. DOMINICK V. DANIELS, Mr. DAVIS, Mr. DE LUGO, Mr. DERRICK, Mr. DODD, Mr. DUNCAN of Tennessee, Mr. EARLY, Mr. EDGAR, Mr. EILBERG, Mr. FAUNTROY, Mr. FLOOD, Mr. FRASER, Mr. HARRINGTON, and Mr. HARRIS):

H.R. 4165. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HOLLAND (for himself, Mr. HEFNER, Mr. HIGHTOWER, Mr. HYDE, Mr. LENT, Mr. MINETA, Mr. MITCHELL of New York, Mr. PATTISON of New York, Mr. RIEGLE, Mr. SYMINGTON, Mr. VANDER VEEN, Mr. WAXMAN, Mr. WIRTH, Mr. YATRON, and Mr. SPENCE):

H.R. 4166. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HYDE:

H. 4167. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for income tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

H.R. 4168. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. JONES of Alabama (for himself, and Mr. HARSHA) (by request):

H.R. 4169. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

H.R. 4170. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

H.R. 4171. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. HARSHA, Mr. RONCALIO, Mr. CLEVELAND, Mr. WRIGHT, Mr. DON H. CLAUSEN, Mr. JOHNSON of California, Mr. SNYDER, Mr. HENDERSON, Mr. HAMMERSCHMIDT, Mr. ROBERTS, Mr. SHUSTER, Mr. HOWARD, Mr. WALSH, Mr. ANDERSON of California, Mr. COCHRAN, Mr. ROE, Mr. ABDNOR, Mr. MCCORMACK, Mr. TAYLOR of Missouri, Mr. JAMES V. STANTON, Mr. GOLDWATER, Ms. ABZUG, Mr. HAGEDORN and Mr. BREAUX):

H.R. 4172. A bill to designate the John C. Kluczynski Federal Building; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. MYERS of Pennsylvania, Mr. STUDDS, Mr. GINN, Mr. MILFORD, Mr. MINETA, Mr. HOLLAND, Mr. HOWE, Mr. LEVITAS, Mr. OBERSTAR, Mr. ASHLEY, Mr. NOWAK, Mr. EDGAR, and Mrs. LLOYD of Tennessee):

H.R. 4173. A bill to designate the John C. Kluczynski Federal Building; to the Committee on Public Works and Transportation.

By Mr. JONES of Oklahoma:

H.R. 4174. A bill to provide that certain rural hospitals shall be exempt for a period of 18 months from the requirements and provisions of title XI of the Social Security Act relating to professional standards review organizations, and from the 1972 amendments to titles XVIII, XIX, and V of such act (and the recently-approved regulations relating thereto) on utilization review and utilization control under the medicare medicaid, and maternal and child health programs; and to provide for a 6-month study of alternative methods of utilization review and utilization control for such hospitals; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 4175. A bill to reestablish the fiscal integrity of the Government of the United States through the establishment of controls with respect to the levels of its revenues and budget outlays, and the preparation of the budget, and for other purposes; to the Committee on Rules.

H.R. 4176. A bill to provide for the monthly publication of a Consumer Price Index for the Aged which shall be used in the provision of cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. KETCHUM:

H.R. 4177. A bill to provide, for purposes of computing retired pay for members of the Armed Forces, an additional credit of service equal to all periods of time spent by any such member as a prisoner of war; to the Committee on Armed Services.

H.R. 4178. A bill to amend the U.S. House Act of 1937, and the National Housing Act to provide that future social security benefit increases shall be disregarded in determining eligibility for admission to or occupancy of low-rent public housing or the rent which an individual or family must pay for such housing, and that such increases shall also be disregarded in determining eligibility for (and the amount of) other Federal housing subsidies; to the Committee on Banking, Currency and Housing.

H.R. 4179. A bill to amend the National Labor Relations Act, as amended, to amend the definition of "employee" to include certain agricultural employees; to the Committee on Education and Labor.

H.R. 4180. A bill to prohibit foreign assistance to India until India becomes a signatory to the Treaty on the Non-Proliferation of Nuclear Weapons; to the Committee on Foreign Affairs.

H.R. 4181. A bill to limit U.S. contributions to the United Nations; to the Committee on Foreign Affairs.

H.R. 4182. A bill to provide for payments in lieu of real property taxes, with respect to certain real property owned by the Federal Government; to the Committee on Government Operations.

H.R. 4183. A bill to amend section 1(12) of the Interstate Commerce Act to provide that railroads shall not discriminate against the movement or interchange of railroad refrigerator cars not owned by a railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4184. A bill to prohibit the imposition by States of discriminatory burdens upon interstate commerce in wine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4185. A bill to provide for the establishment of a national advisory commission to develop a national plan for the control of epilepsy and its consequences; to the Committee on Interstate and Foreign Commerce.

H.R. 4186. A bill to amend the Immigration and Nationality Act to eliminate the procedures for voluntary departure with respect to certain aliens illegally in the United States and to increase the penalties for the illegal entry of aliens; to require the Attorney General to employ additional personnel to patrol the land borders of the United States; and for other purposes; to the Committee on the Judiciary.

H.R. 4187. A bill to amend titles II and XVIII of the Social Security Act to remove the earnings limitation; to the Committee on Ways and Means.

H.R. 4188. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly to the Com-

mittees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. KOCH (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BERGLAND, Mr. BROWN of California, Mr. CARR, Ms. COLLINS of Illinois, Mr. DOWNEY, Mr. EDWARDS of California, Mr. EILBERG, Mr. EMERY, Mr. FASCELL, Mr. FRASER, and Mr. GILMAN):

H.R. 4189. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to establish a trust fund to be used to fund the research programs of the National Cancer Institute; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. HARRINGTON, Mr. HAYS of Ohio, Mr. KEMP, Mr. MCCORMACK, Mr. MCHUGH, Mr. MCKINNEY, Mr. MILLER of California, Mr. MOORHEAD of California, Mr. NIX, Mr. RICHMOND, Mr. RIEGLE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STARK, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, and Mr. CHARLES WILSON of Texas):

H.R. 4190. A bill to amend the Internal Revenue Code of 1954 to increase the excise tax on cigarettes, and to amend the Public Health Service Act to establish a trust fund to be used to fund the research programs of the National Cancer Institute; to the Committee on Ways and Means.

By Mr. LAGOMARSINO (for himself, Ms. ABZUG, Mr. CLEVELAND, Mr. COLLINS of Texas, Mr. DERWINSKI, Mr. DU PONT, Mr. GILMAN, Mr. HAMMERSCHMIDT, Mr. HELSTOSKI, Mrs. LLOYD of Tennessee, Mr. MAZZOLI, Mr. MCCLOSKEY, Mr. OTTINGER, Mr. ROE, Mr. RUPPE, Mr. RYAN, Mrs. SPELLMAN, Mr. SYMMS, and Mr. CHARLES WILSON of Texas):

H.R. 4191. A bill to extend from 1 year to 2 years the maximum period which may elapse between the sale of a residence and the purchase of another in order that gain from such sale will not be recognized for Federal income tax purposes; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 4192. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. LITTON (for himself, Mr. OTTINGER, Mr. SEIBERLING, Mr. NOWAK, Mr. ARCHER, Mr. STARK, Mr. MOORHEAD of California, Mr. ANDREWS of North Dakota, Mr. JONES of Oklahoma, Mr. WIRTH, Mr. WAXMAN, Mr. LOTT, Mr. MCCORMACK, Mr. KETCHUM, Mr. BADILLO, Mr. SYMMS, Mr. EDWARDS of California, Mr. MCKINNEY, Mr. RIEGLE, Mr. CONYERS, Mr. LEGGETT, Mr. BERGLAND, Mr. O'HARA, Mr. DERWINSKI, and Mr. FRENZEL):

H.R. 4193. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. RYAN, Miss HOLTZMAN, Mr. NEAL, Mr. DODD, Mr. EILBERG, Mr. CLAY, Mr. SOLARZ, Ms. COLLINS of Illinois, Mr. SATTERFIELD, Mr. SANTINI, Mr. ASHBROOK, Mr. REES, Mr. KOCH, Mr. JEFFORDS, Mr. YATES, Mr. FASCELL, Mr. GUYER, Mr. RANGEL, Mr. RICHMOND, Mr. BOWEN, Mr. ECKHARDT, Mr. BROWN of California, Mr. GIBBONS, and Mr. DE LUGO):

H.R. 4194. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. ROSENTHAL, Mr. UDALL, Ms. ABZUG, Mr. WOLFF, Mr. NIX, Mr. DEVINE, Mr. FUQUA, Mr. BEVILL, Mr. ROSE, Mr. STUDDS, Mr. ROONEY, Mr. KEMP, Mr. EVANS of Indiana, Mr. QUIE, Mr. CARR, Mr. ADDABBO, Mr. COUGHLIN, Mr. DELLUMS, Mr. BENITEZ, Mr. BEDELL, Mr. MCDONALD of Georgia, Mr. ROYBAL, Mr. GUDE and Mr. HARRINGTON):

H.R. 4195. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LUJAN:

H.R. 4196. A bill to provide for the establishment of a national museum; to the Joint Committee on Atomic Energy.

H.R. 4197. A bill to designate certain lands in Bandelier National Monument, N. Mex., as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 4198. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4199. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials and to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4200. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

H.R. 4201. A bill to prevent loss of medicaid eligibility (by reason of the recent increases in social security benefits) of certain individuals who, immediately before such increase, were eligible (as recipients of mandatory State supplementary payments) for medicaid; to the Committee on Interstate and Foreign Commerce.

H.R. 4202. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

H.R. 4203. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 4204. A bill to amend title 28 of the United States Code to provide for recovery of costs by criminal defendants in certain cases; to the Committee on the Judiciary.

H.R. 4205. A bill to provide parking for tourists to the Capitol of the United States; to the Committee on Public Works and Transportation.

H.R. 4206. A bill to designate the New Federal Building in Albuquerque, New Mex., as the Senator Dennis Chavez Federal Building; to the Committee on Public Works and Transportation.

H.R. 4207. A bill to amend title 38 of the United States Code to deem certain prisoners of war to be permanently and totally disabled for purposes of receiving wartime disability compensation, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4208. A bill to amend section 4182 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

H.R. 4209. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 4210. A bill to amend section 167 of the Internal Revenue Code of 1954 to provide a special allowance for depreciation with respect to certain byproduct and waste energy conversion facilities; to the Committee on Ways and Means.

H.R. 4211. A bill to encourage States to establish motor vehicle disposal programs and to provide for federally guaranteed loans and tax incentives for the acquisition of automobile scrap processing equipment; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. LUJAN (for himself and Mr. RUNNELS):

H.R. 4212. A bill to direct the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona; to the Committee on Interior and Insular Affairs.

By Mr. MCDADE (for himself, Mr. SCHNEEBELI, Mr. FLOOD, Mr. MORGAN, Mr. DENT, Mr. BARRETT, Mr. MURTHA, Mr. NIX, Mr. BEVILL, Mr. MYERS of Indiana, Mr. REGULA, Mr. EVANS of Colorado, Mr. WAMPLER, Mr. MCKAY, and Mr. CONTE):

H.R. 4213. A bill to provide for the reclamation of abandoned coal mine lands and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MCFALL:

H.R. 4214. A bill to establish an independent board which shall have the authority to require prenotification of price increases, delay proposed price increases, disapprove proposed price increases, and roll back excessive prices with respect to companies in concentrated industries, in order to reduce inflation in the United States; to the Committee on Banking, Currency and Housing.

By Mr. MANN:

H.R. 4215. A bill to amend chapter 67 of title 10, United States Code, to provide an annuity for the dependents of persons who perform the service required under chapter 67 of title 10, United States Code, and die before being granted retired pay; to the Committee on Armed Services.

H.R. 4216. A bill to authorize the Secretary of the Interior to conduct a study with respect to the feasibility of establishing the Bartram Trail as a national scenic trail; to the Committee on Interior and Insular Affairs.

By Mr. MEZVINSKY:

H.R. 4217. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MIKVA:

H.R. 4218. A bill to amend the Federal Trade Commission Act to make certain gasoline sales promotion games unfair methods of competition unless the customer is offered as an alternative in cash the retail cost per gallon of the game; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of Ohio:

H.R. 4219. A bill to terminate the authorization of the Salt Creek Dam and Reservoir project, Ohio; to the Committee on Public Works and Transportation.

By Mr. MOSS (for himself, Mr. ANDERSON of California, Mr. ANDERSON of Illinois, Mr. ARCHER, Mr. BAFALIS, Mr. BROWN of California, Mr. BURKE of Massachusetts, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. PHILLIP BURTON, Mr. CLANCY, Mr. CONABLE, Mr. CORMAN, Mr. CRANE, Mr. DANIELSON, Mr. DELLUMS, Mr. DUNCAN of Tennessee, Mr. EDWARDS of California, Mr. FRENZEL, Mr. HANNAFORD, Mr. HAWKINS, Mr. JOHNSON of California, Mr. KREBS, Mr. LEGGETT, and Mr. LLOYD of California):

H.R. 4220. A bill to designate the Veterans' Administration hospital in Loma Linda, Calif., as the Jerry L. Pettis Memorial Veteran's Hospital, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. O'HARA (for himself, Mr. ESHLEMAN, Mr. PERKINS, Mr. QUIE, Mr. BRADEMAS, Mr. BIAGGI, Mr. BLOUIN, Mr. THOMPSON, Mr. MOTTL, Mr. HAWKINS, Ms. CHISHOLM, Mr. BENITEZ, Mr. SIMON, Mr. HALL, Mr. ESCH, and Mr. BUCHANAN):

H.R. 4221. A bill to amend the Higher Education Act of 1965, as amended, relative to the reallocation of work-study funds, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. THOMPSON, Mr. MEEDS, Mr. DOMINICK V. DANIELS, Mr. PEYSER, Mr. DENT, Mr. SARASIN, Mr. BRADEMAS, Mr. PRESSLER, Mr. O'HARA, Mr. GOODLING, Mr. HAWKINS, Mr. FORD of Michigan, Mrs. MINK, Mrs. CHISHOLM, Mr. BIAGGI, Mr. ANDREWS of North Carolina, Mr. LEHMAN, Mr. BENITEZ, Mr. BLOUIN, Mr. CORNELL, Mr. RISENHOOVER, and Mr. ZEFERETTI):

H.R. 4222. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. QUIE, Mr. BUCHANAN, Mr. JEFFORDS, Mr. HALL, Mr. SIMON, Mr. MILLER of California, and Mr. MOTTL):

H.R. 4223. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By Mr. PRICE:

H.R. 4224. A bill to authorize supplemental appropriations to the Nuclear Regulatory Commission for fiscal year 1975; to the Joint Commission on Atomic Energy.

By Mr. RANGEL:

H.R. 4225. A bill making supplemental appropriations to carry out the lead-based paint poisoning prevention program for the fiscal year ending June 30, 1975; to the Committee on Appropriations.

H.R. 4226. A bill to amend the U.S. Housing Act of 1937 to provide that a tenant in a low-rent public housing project may not be evicted therefrom without a public hearing; to the Committee on Banking, Currency, and Housing.

H.R. 4227. A bill to amend title I of the Housing Act of 1949 to provide more adequate relocation payments for individuals, families, and business concerns displaced from urban renewal areas; to the Committee on Banking, Currency, and Housing.

H.R. 4228. A bill to provide for increased international control of the production of and traffic in, opium, and for other purposes; to the Committee on Foreign Affairs.

H.R. 4229. A bill to authorize assistance to the States and localities to meet increased health care costs resulting from health problems brought on by the energy crisis; to the Committee on Interstate and Foreign Commerce.

H.R. 4230. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. ROBINSON:

H.R. 4231. A bill to guarantee the right of criminal defendants to a speedy trial and to reduce crime and injustice by improving the supervision of persons released on bail and probation, and for other purposes; to the Committee on the Judiciary.

H.R. 4232. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.R. 4233. A bill to provide preemptive option and financial assistance to States to purchase abandoned rail lines for transportation and public utility purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4234. A bill to provide that all federally assisted public mass transportation facilities, equipment and services be adopted to accommodate the needs of elderly and handicapped persons; to the Committee on Public Works and Transportation.

By Mr. ROGERS (for himself, Mr. OBERSTAR, and Mr. BADILLO):

H.R. 4235. A bill to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself and Mr. OBERSTAR):

H.R. 4236. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4237. A bill to amend the Public Health Service Act to revise and extend the National Health Service Corps program; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. ZEFERETTI, Mr. FORD of Tennessee, Mr. OBERSTAR, Mrs. SPELLMAN, and Mr. MITCHELL of Maryland):

H.R. 4238. A bill to amend title VII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, and Mr. OBERSTAR):

H.R. 4239. A bill to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BINGHAM, Ms. CHISHOLM, Mr. DOWNEY, Mr. EILBERG, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. KOCH, Mr. MURPHY of New York, Mr. OTTINGER, Mr. RANGEL, Mr. RODINO, Mr. SOLARZ, Mrs. SPELLMAN, Mr. STOKES, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, and Mr. WOLFF):

H.R. 4240. A bill to amend title 5, United States Code, to provide for the establishment of a Special Cost-of-Living Pay Schedule containing increased pay rates for Federal employees in heavily populated cities and metropolitan areas to offset the increased cost of living, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROSTENKOWSKI (for himself, Mr. JONES of Alabama, Mr. HARSHA, Mr. ANNUNZIO, Mrs. COLLINS of Illinois, Mr. CRANE, Mr. DERWINSKI, Mr. FINDLEY, Mr. HALL, Mr. HYDE, Mr. MCCLORY, Mr. MADIGAN, Mr. METCALFE, Mr. MICHEL, Mr. MIKVA, Mr. MURPHY of Illinois, Mr. O'BRIEN, Mr. PRICE, Mr. RAILSBACK, Mr. RUSSO, Mr. SHIPLEY, Mr. SIMON, and Mr. YATES):

H.R. 4241. A bill to designate the John C. Kluczynski Federal Building; to the Committee on Public Works and Transportation.

By Mr. ROYBAL:

H.R. 4242. A bill to provide for the treatment of members of the Armed Forces who are narcotics addicts; to the Committee on Armed Services.

H.R. 4243. A bill to amend the Federal Coal Mine Health and Safety Act of 1969 to require the Secretary of Labor to establish a program to assist coal miners in meeting the application and filing requirements for benefits under title IV of such act, and for other purposes; to the Committee on Education and Labor.

H.R. 4244. A bill to prohibit hospitals which receive Federal support from compensating physicians and other persons for the referral of patients for treatment; to the Committee on Interstate and Foreign Commerce.

H.R. 4245. A bill to amend section 242(b) of the Immigration and Nationality Act to require special deportation proceedings in connection with the voluntary departure proceedings in connection with the voluntary departure from the United States of any alien who is a native of a country contiguous to the United States; to the Committee on the Judiciary.

H.R. 4246. A bill to provide for the establishment of a national cemetery in Los Angeles County in the State of California; to the Committee on Veterans' Affairs.

By Mr. SANTINI:

H.R. 4247. A bill to provide for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Interior and Insular Affairs.

By Mr. SARASIN:

H.R. 4248. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mrs. SCHROEDER (for herself, Mrs. SPELLMAN, Mr. LEHMAN, Mr. CHARLES H. WILSON of California, Mr. MINETA, Mr. SIMON, Mr. DOMINICK V. DANIELS, Mr. FORD of Michigan, and Mr. HARRIS):

H.R. 4249. A bill to amend title 5, United States Code, to guarantee to each employee in the competitive service who has completed the probationary or trial period, the right to a hearing, a hearing transcript, and all relevant evidence prior to a final decision of an agency to take certain action against such an employee, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SCHNEEBELI:

H.R. 4250. A bill to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 4251. A bill to amend the Older Americans Act of 1965 to establish a grant program for home repair and renovation projects for older Americans; to the Committee on Education and Labor.

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By Mr. SNYDER:

H.R. 4252. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools; to the Committee on the Judiciary.

H.R. 4253. A bill to limit the jurisdiction of Federal courts to issue busing orders based on race, and for other purposes; to the Committee on the Judiciary.

H.R. 4254. A bill to clarify the jurisdiction of certain Federal courts with respect to public schools and to confer such jurisdiction upon certain other courts; to the Committee on the Judiciary

H.R. 4255. A bill to prescribe uniform criteria for formulating judicial remedies for the elimination of dual school systems; jointly to the Committees on the Judiciary, and Education and Labor.

By Mr. STUDDS:

H.R. 4256. A bill to require every car model manufactured beginning with the 1977 model year to be capable of averaging at least 20 miles to the gallon of gasoline; to the Committee on Interstate and Foreign Commerce.

By Mr. TRAXLER:

H.R. 4257. A bill to authorize the Secretary of Transportation to make grants for the construction of bikeways throughout the Nation; to the Committee on Public Works and Transportation.

By Mr. WAMPLER:

H.R. 4258. A bill to revise the black lung benefits program to transfer the residual liability for the payment of benefits under such program from the Federal Government to the coal industry, and for other purposes; to the Committee on Education and Labor.

By Mr WHALEN:

H.R. 4259. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. WHITE (for himself, Mrs. SPELLMAN, Mr. DAN DANIEL, Mr. HARRIS, Mr. MINETA, Mr. TAYLOR of Missouri, and Mr. JENRETTE):

H.R. 4260. A bill to amend chapter 83 of title 5, United States Code, to eliminate, subsequent to the death of an individual named as having an insurable interest, the annuity reduction made in order to provide a survivor annuity for such an individual; to the Committee on Post Office and Civil Service.

By Mr. WINN:

H.R. 4261. A bill to amend the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending final determination by the Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. WON PAT (for himself, Mr. DE LUGO, Mr. JOHNSON of California, Mr. KETCHUM, Mr. RONCALIO, Mr. SEIBERLING, Mr. STEELMAN, and Mr. WHITE):

H.R. 4262. A bill to provide for the establishment of a national historic park on the island of Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YATRON:

H.R. 4263. A bill to amend the Internal Revenue Code of 1954 to exempt from income tax any pension or annuity received under a public retirement system; to the Committee on Ways and Means.

By Mr. YOUNG of Georgia:

H.R. 4264. A bill to provide membership in the African Development Fund; to the Committee on Banking, Currency and Housing.

By Mr. ZABLOCKI:

H.R. 4265. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FLOWERS (for himself, Mr. BEVILL, Mr. BUCHANAN, Mr. DICKINSON, Mr. EDWARDS of Alabama, Mr. JONES of Alabama, and Mr. NICHOLS):

H.J. Res. 266. Joint resolution to designate 1975 as "Key Club International 50th Anniversary Year"; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE:

H.J. Res. 267. Joint resolution designating February of each year as American History Month; to the Committee on Post Office and Civil Service.

By Mr. HELSTOSKI (for himself, Mr. O'NEILL, Mr. ANDERSON of California, Mr. ASPIN, Mr. BADILLO, Mr. BOLAND, Mr. BROWN of California, Ms. BURKE of California, Mr. DERWINSKI, Mr. DODD, Mr. DRINAN, Mr. EARLY, Mr. EDWARDS of California, Mr. EILBERG, Mr. FLORIO, Mr. GILMAN, Mr. HARRINGTON, Mr. HICKS, Ms. HOLTZMAN, Mr. JOHNSON of Pennsylvania, Mr. KOCH, Mr. KREBS, Mr. NEDZI, Mr. NIX, and Mr. RICHMOND):

H.J. Res. 268. Joint resolution to designate April 24, 1975, as National Day of Remembrance of Man's Inhumanity to Man; to the Committee on Post Office and Civil Service.

By Mr. HELSTOSKI (for himself, Mr. O'NEILL, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. SIMON, Mr. SOLARZ, Mr. STARK, Mr. VANDER VEEN, Mr. WAXMAN, Mr. WOLFF, Mr. YATRON, and Mr. DOMINICK V. DANIELS):

H.J. Res. 269. Joint resolution to designate April 24, 1975, as National Day of Remembrance of Man's Inhumanity to Man; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. WHITE and Mr. HARRIS):

H.J. Res. 270. Joint resolution to designate March 21, 1975 as Earth Day; to the Committee on Post Office and Civil Service.

By Mr. LUJAN:

H.J. Res. 271. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

H.J. Res. 272. Joint resolution proposing an amendment to the Constitution of the United States relative to Federal elections and Federal personal income tax; to the Committee on the Judiciary.

H.J. Res. 273. Joint resolution authorizing the President to proclaim the second week of February in each year as National Vocational Education Week; to the Committee on Post Office and Civil Service.

By Mr. LUJAN (for himself, Mr. BEVILL, Mr. COLLINS of Texas, Mr. DOMINICK V. DANIELS, Mr. FORSYTHE, Mr. FREY, Mr. GOLDWATER, Mr. HINSHAW, Mr. HORTON, Mr. JOHNSON of California, Mr. KETCHUM, Mrs. KEYS, Mr. LAGOMARSINO, Mr. MOSS, Mr. REES, Mr. RODINO, Mr. ROUSSELOT, Mr. RUNNELS, Ms. SCHROEDER, Mr. STEIGER of Arizona, Mr. BOB WILSON, and Mr. YOUNG of Alaska):

H.J. Res. 274. Joint resolution to designate the stone commonly known as turquoise as the national gemstone of the United States; to the Committee on Post Office and Civil Service.

By Mr. OBERSTAR (for himself and Mr. ANDREWS of North Dakota):

H.J. Res. 275. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.J. Res. 276. Joint resolution to authorize and request the President to proclaim October 1975 as Hobby Month; to the Committee on Post Office and Civil Service.

By Mr. ASHBROOK:

H. Con. Res. 161. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. DON H. CLAUSEN:

H. Con. Res. 162. Concurrent resolution expressing the sense of the Congress with respect to the banning of high seas netting for salmon; to the Committee on Merchant Marine and Fisheries.

By Mr. ROBINSON:

H. Con. Res. 163. Concurrent resolution to require a court impact statement in each report of legislation from a committee of either House of Congress to that House; to the Committee on Rules.

By Mr. KETCHUM:

H. Res. 272. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. LUJAN:

H. Res. 273. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each delegate to the House, and for other purposes; to the Committee on House Administration.

Mr. ROBINSON:

H. Res. 274. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

43. The SPEAKER presented a memorial of the Legislature of the State of New Hampshire, relative to tariffs on imported oil; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 4266. A bill for the relief of Adoracion Cruz Bly; to the Committee on the Judiciary.

H.R. 4267. A bill for the relief of David M. Recalde-Martorella; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 4268. A bill for the relief of Milo E. Chisholm, Elfreda V. Chisholm, and Norma V. Chisholm; to the Committee on the Judiciary.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of February 27, 1975 (page 4731):

H.R. 1500. January 15, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct, operate, and maintain the Polecat Bench area of the Pick-Sloan Missouri Basin program in Wyoming. Places restrictions on use of water from the Shoshone extensions unit in Wyoming.

H.R. 1501. January 15, 1975. Public Works and Transportation. Authorizes the Administrator of General Services to provide space to tenants approved by the Chairman of the National Endowment for the Arts in the Old Post Office Building in the District of Columbia.

H.R. 1502. January 15, 1975. Agriculture. Makes the Poultry Products Inspection Act applicable to domestic rabbits slaughtered for human consumption.

H.R. 1503. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to conserve and store helium.

H.R. 1504. January 15, 1975. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1966 to provide that daylight saving time shall begin on the last Monday of May and end on the first Monday of September.

H.R. 1505. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against tax or a limited credit deduction from income equal to the ordinary and necessary expenses paid during the taxable year for the improvement of the thermal design of the principal residence of the taxpayer.

H.R. 1506. January 15, 1975. Agriculture. Reduces the minimum requirements with regard to composition of actual voting membership for public utility cooperatives in determining credit eligibility of certain agricultural organizations.

H.R. 1507. January 15, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1508. January 15, 1975. Judiciary. Confers jurisdiction on the United States District Court for the District of Columbia to hear, determine, and render judgment on a specified individual's claim against the United States for injuries suffered at an Air Force hospital.

H.R. 1509. January 15, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to convey, sell, and quitclaim to certain individuals all phosphate interests owned by the United States in certain lands in Florida.

H.R. 1510. January 15, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1511. January 15, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1512. January 16, 1972. Judiciary. Authorizes the issuance of immigrant visas to aliens and family members who are natives of the Philippines and who served at least 3 years in the United States Armed Forces during World War II. Permits such aliens currently in the United States on a nonimmigrant visa to have their status adjusted to that of an alien lawfully admitted for permanent residence.

H.R. 1513. January 16, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury with the assistance of the Office of Small Business Tax Analysis to be created within the Office of the Secretary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 1514. January 16, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to prohibit the requirements of an individual of an indirect source emission review as part of an implementation plan under the Act.

H.R. 1515. January 16, 1975. Judiciary. Declares that no Federal court shall have jurisdiction over any case arising out of a State law relating to abortion.

H.R. 1516. January 16, 1975. Merchant Marine and Fisheries. Amends the Migratory Bird Treaty Act to prohibit the baiting of migratory game birds during certain periods. Authorizes the Secretary of the Interior to suspend the migratory game bird hunting season in areas of suspected violations.

H.R. 1517. January 16, 1975. Merchant Marine and Fisheries. Requires the return to the United States of United States vessels loaned or leased to foreign countries which have seized any United States fishing vessels in waters recognized by the United States as international waters.

H.R. 1518. January 16, 1975. Merchant Marine and Fisheries. Increases the maximum amount of authorized payments for conservation agreements under the Water Bank Act.

H.R. 1519. January 16, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the Interior to establish a program of research to control and manage predatory and depredating animals in order to assist States in controlling damage caused by such animals.

Authorizes Federal assistance to State control programs. Restricts the use of certain toxic chemicals as a method of predator control.

H.R. 1520. January 16, 1975. Merchant Marine and Fisheries. Designates certain lands in Alaska as units of the national wildlife refuge system, to be administered by the Secretary of.

H.R. 1521. January 16, 1975. Merchant Marine and Fisheries. Requires a Federal permit for the taking of migratory game birds other than migratory waterfowl. Authorizes the Secretary of the Interior to utilize funds collected from the sale of such permits for the purpose of conserving migratory game birds other than waterfowl.

H.R. 1522. January 16, 1975. Merchant Marine and Fisheries. Revises existing laws relating to the management of the National Wildlife Refuge System. Establishes a Bureau of National Wildlife Refuges in the Department of the Interior.

Establishes a system of classification of component units within the National Wildlife Refuge System. Designates certain lands in Alaska for inclusion in the system as national wildlife refuges or wildlands.

H.R. 1523. January 16, 1975. Government Operations. Authorizes the Comptroller General to audit certain expenditures which were previously permitted to be accounted for solely on the approval of the President, or the head of a department or establishment.

H.R. 1524. January 16, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to study the feasibility of establishing the Bartram Trail in Alabama, Florida, and Georgia, as a national scenic trail.

H.R. 1525. January 16, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to clarify procedures for consideration of applications for renewal of broadcast licenses. Extends the maximum time of license and license renewal for the operation of broadcasting stations from three to five years.

H.R. 1526. January 16, 1975. Interstate and Foreign Commerce. Prohibits the shipment or sale in interstate commerce of beverage containers which are not returnable. Authorizes the Administrator of the Environmental Protection Agency to establish procedures for certification of beverage containers as returnable.

H.R. 1527. January 16, 1975. Judiciary. Amends the Immigration and Nationality Act by eliminating the legal custody requirement and the requirement of residence and physical presence in the United States for the naturalization of children adopted by United States citizens.

H.R. 1528. January 16, 1975. Education and Labor. Amends the National Labor Relations Act to provide that any employee who is a member of a religion or sect historically holding conscientious objection to joining or financially supporting a labor organization shall not be required to do so.

H.R. 1529. January 16, 1975. Post Office and Civil Service. Repeals that provision of law which limits pay comparability adjustments to Federal employees' compensated at a rate of basic pay equal to or less than the rate set forth in level V of the Executive Schedule.

H.R. 1530. January 16, 1975. Interstate and Foreign Commerce. Empowers the Attorney General, the Secretary of State, and the Secretary of Health, Education, and Welfare to execute the obligations of the United States under the international treaty entitled the "Convention on Psychotropic Substances" which is designed to establish suitable controls over manufacture, distribution, transfer, and use of certain psychotropic substances. Stipulates that the Comprehensive Drug Abuse Prevention and Control Act of 1970 is the appropriate framework for control of psychotropic substances.

H.R. 1531. January 16, 1975. Armed Services. Prohibits the use of appropriated funds by the Commission on Central Intelligence Agency Activities within the United States.

H.R. 1532. January 16, 1975. Armed Services. Prohibits the Central Intelligence Agency from using appropriated funds for the purpose of undermining or destabilizing the government of any foreign country.

H.R. 1533. January 16, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officials.

H.R. 1534. January 16, 1975. Merchant Marine and Fisheries. Establishes a fund to aid the States in fish restoration and management projects.

Amends the Internal Revenue Code of 1954 by imposing a tax on sport fishing and underwater swimming equipment to finance the fund.

H.R. 1535. January 16, 1975. Merchant Marine and Fisheries. Increases the amount of benefits payable to widows of certain former employees of the Lighthouse Service.

H.R. 1536. January 16, 1975. Post Office and Civil Service. Adds inspectors employed by the Immigration and Naturalization Service or the Bureau of Customs, and certain firefighting personnel, to the list of those engaged in hazardous occupations who are eligible for certain Civil Service retirement benefits.

H.R. 1537. January 16, 1975. Post Office and Civil Service. Increases the grade classification of positions of deputy United States marshal.

H.R. 1538. January 16, 1975. Veterans' Affairs. Establishes a program for mortgage protection life insurance for veterans unable to acquire commercial life insurance because of service-connected disabilities.

H.R. 1539. January 16, 1975. Armed Services. Reduces the share of the outpatient and inpatient charges paid for by beneficiaries under the armed forces CHAMPUS program from 25 percent to 5 percent.

H.R. 1540. January 16, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to furnish necessary hospital care and medical services to any otherwise eligible veteran for any service-connected disability if the veteran is a citizen of the United States sojourning or residing abroad, an alien who was never an American citizen, or if the veteran is in the Republic of the Philippines.

H.R. 1541. January 16, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to furnish hospital care and medical services to any veteran with a service-connected disability rated at 80 percent or more disabling or any veteran for a service-connected disability if the veteran is sojourn-

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ing or residing abroad or is in the Republic of the Philippines.

H.R. 1542. January 16, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to furnish medical services for any disability on an outpatient or ambulatory basis to any veteran who has a service-connected disability rated at 50 percent or more disabling.

H.R. 1543. January 16, 1975. Veterans' Affairs. Allows the Administrator of Veterans' Affairs to transfer a veteran to any public or private institution which furnishes nursing home care if the Administrator determines that the cost of such nursing home care will not exceed 45 percent of the cost of such care furnished in a Veterans' Administration hospital.

H.R. 1544. January 16, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to establish and operate not less than ten thousand beds in fiscal year 1976 for the furnishing of nursing home care to eligible veterans.

H.R. 1545. January 16, 1975. Veterans' Affairs. Establishes a per annum full-pay scale for the Chief Medical Director, the Deputy Chief Medical Director, and the Associate Deputy Chief Medical Director of the Department of Medicine and Surgery of the Veterans' Administration. Revises the pay scale for physicians, dentists and nurses in the Department of Medicine and Surgery and establishes a program allowing six months leave with pay for study in his or her specialty.

H.R. 1546. January 17, 1975. Veterans' Affairs. Exempts any contract entered into by the Administrator of Veterans' Affairs with an institution for the furnishing of nursing home care from the requirements of the Service Contract Act of 1965.

H.R. 1547. January 16, 1975. Veterans' Affairs. Extends medical benefits to the survivors of any veteran who at the time of death was suffering from a total and permanent service-connected disability.

H.R. 1548. January 16, 1975. Judiciary. Subjects the President and Vice-President of the United States to criminal penalties for violation of certain Federal conflict of interest prohibitions.

H.R. 1549. January 16, 1975. Interior and Insular Affairs. Revises the land use fees provisions of the Land and Water Conservation Fund Act of 1965 by requiring all Federal agencies to collect recreation fees for use of recreation facilities administered by such agencies at Federal expense.

H.R. 1550. January 16, 1975. Foreign Affairs. Amends the Arms Control and Disarmament Act with respect to the composition of the General Advisory Committee established by the Act.

Requires departments or agencies requesting appropriations of a specified size for an armaments development program to file a statement with the Committee describing the impact of the new armaments on disarmament policies or negotiations.

H.R. 1551. January 16, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1552. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to certain individuals in full settlement of their claims under the General War Crimes Act.

H.R. 1553. January 16, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1554. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to reimburse a certain employee of the Bureau of Customs for certain temporary lodging and moving expenses.

H.R. 1555. January 16, 1975. Judiciary. Declares certain individuals eligible for naturalization under the Immigration and Nationality Act.

H.R. 1556. January 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1557. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specific sum to a certain estate in full settlement for all rights in respect to certain cryptologic inventions placed in secrecy status by the United States Government.

H.R. 1558. January 16, 1975. Judiciary. Relieves a certain individual of liability to the United States for certain real estate expenses incurred in the sale and purchase of residences incident to a Federal employment transfer.

H.R. 1559. January 16, 1975. Veterans' Affairs. Directs the Secretary of the Army to bury the cremated remains of a certain individual in Arlington Cemetery, Virginia.

H.R. 1560. January 16, 1975. Judiciary. Specifies the tax treatment of a certain individual under the Internal Revenue Code.

H.R. 1561. January 16, 1975. Judiciary. Directs the Secretary of the Treasury to pay to a certain corporation compensation for losses incurred as a result of a certain condemnation proceeding.

H.R. 1562. January 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1563. January 16, 1975. Judiciary. Relieves a certain individual of all liability to refund to the United States amounts paid him for travel expenses incurred when serving under the Environmental Protection Agency.

H.R. 1564. January 16, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1565. January 17, 1975. Armed Services. Redefines dependent in the case of a dependent of a female member of the Armed Forces for the purposes of calculating allowances and eligibility for medical and dental care.

H.R. 1566. January 17, 1975. Banking, Currency and Housing. Amends the United States Housing Act of 1937 to provide grants to local public housing agencies to assist in financial security arrangements designed to prevent crimes and otherwise insure the safety and well-being of low-rent housing tenants.

H.R. 1567. January 17, 1975. Banking, Currency and Housing. Establishes the National Bank for Cooperative Housing to make and guarantee loans to private and public housing developers for the purchase or construction of low- and middle-income cooperative housing when reasonable interest loans are not available from other sources.

H.R. 1568. January 17, 1975. Education and Labor. Redefines "widower" and "dependent" for purposes of eligibility for Federal civil service workmen's compensation benefits.

H.R. 1569. January 17, 1975. Foreign Affairs. Applies the same eligibility requirements to widows and widowers with respect to death benefits and annuities under the Foreign Service Retirement and Disability System.

H.R. 1570. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-two to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 1571. January 17, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1572. January 17, 1975. Banking, Currency and Housing. Repeals the provisions of the Flood Disaster Protection Act of 1973 which authorize the Secretary of Housing and Urban Development to give priority to residences, small businesses and churches in making available flood insurance, and which require communities to participate in the national flood insurance program in order to be eligible for Federal flood control financial assistance.

H.R. 1573. January 17, 1975. Foreign Affairs. Prohibits any instrumentality of the United States Government from providing assistance to finance or promote the export of any commodity, product, or service from the United States intended for energy research, development, or exploration in the Soviet Union.

H.R. 1574. January 17, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Ohio and Erie Canal National Historic Park in Ohio.

H.R. 1575. January 17, 1975. Interstate and Foreign Commerce. Defines the term special dietary uses with respect to the Federal Food, Drug, and Cosmetic Act and delineates the authority of the Secretary of Health, Education, and Welfare to regulate foods represented to be for special dietary uses.

H.R. 1576. January 17, 1975. Judiciary. Eliminates Federal court jurisdiction to require attendance at a particular school of any student because of race, color, creed or sex.

H.R. 1577. January 17, 1975. Judiciary. Amends the Internal Security Act of 1950 by prohibitng any support of terrorist groups by those subject to the jurisdiction of the United States. Prohibits terrorists from being granted United States visas or citizenship.

Gives the United States a civil right of action to impose a constructive trust upon all property which has been acquired by violation of any Federal criminal statute and provides for the disposition of such property.

H.R. 1578. January 17, 1975. Judiciary. Authorizes the President under the Internal Security Act of 1950 to restrict travel by citizens and nationals of the United States to any country whose military forces are engaged in armed conflict with those of the United States.

H.R. 1579. January 17, 1975. Judiciary. Amends the Gun Control Act of 1968 to exempt ammunition from Federal regulation.

H.R. 1580. January 17, 1975. Judiciary. Makes it a Federal Crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 1581. January 17, 1975. Post Office and Civil Service. Declares that no Federal employee shall be required to join or assist a labor organization of Government employees.

H.R. 1582. January 17, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 1583. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual as a limited credit against the tax an amount paid by such individual to institutions of higher education, either as tuition for the education of anyone for whom he may claim an exemption, or for amounts contributed as a gift.

H.R. 1584. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a certain amount received during the taxable year as an annuity, pension or other retirement benefit by an individual or married couple.

H.R. 1585. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to exclude limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 1586. January 17, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1587. January 17, 1975. Foreign Affairs. Post Office and Civil Service. Establishes appeals procedures for Foreign Service officers in matters of promotions and selections out. Makes the Veterans Preference Act of 1944 applicable to career appointments and assignments in the Foreign Service.

H.R. 1588. January 17, 1975. Ways and Means. Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 1589. January 17, 1975. Agriculture. Revises eligibility requirements and the portion of income to be paid for food coupons under the Food Stamp Act of 1964. Authorizes the use of food coupons for the purchase of prepared meals which are delivered to disabled individuals by a public agency or nonprofit organization.

H.R. 1590. January 17, 1975. Interior and Insular Affairs. Declares that certain federally owned lands within the White Earth Reservation shall be held by the United States in trust for the Minnesota Chippewa Tribe.

H.R. 1591. January 17, 1975. Ways and Means. Amends the Social Security Act by increasing the Federal share of public assistance benefits provided by a State of Indians, Aleuts, native Hawaiians and other aboriginal persons.

H.R. 1592. January 17, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, or supplying of, animal fighting ventures.

Set forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 1593. January 17, 1975. House Administration. Establishes a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program.

H.R. 1594. January 17, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 1595. January 17, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1596. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 1597. January 17, 1975. Ways and Means. Authorizes a 20 percent increase in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1598. January 17, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a specified quantity of tantalum minerals from the national stockpile.

H.R. 1599. January 17, 1975. Public Works and Transportation. Directs that the services of the Executive Protective Service be extended to all foreign diplomatic missions in the United States and its territories.

Authorizes the Secretary of the Treasury to set the size of the Executive Protective Service as requirements dictate.

H.R. 1600. January 17, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire certain lands or establish the Frederick Law Olmsted Home and Office in Massachusetts as a national historic site.

H.R. 1601. January 17, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, transportation or possession of any handgun or handgun ammunition except as authorized by the Secretary of the Treasury.

H.R. 1602. January 17, 1975. Judiciary. Abolishes the death penalty under all laws of the United States. Requires that each law which authorizes or imposes the death penalty shall hereafter authorize or impose life imprisonment.

H.R. 1603. January 17, 1975. Judiciary. Amends the Federal Criminal Code by eliminating the provisions permitting the authorization of wiretapping or electronic surveillance (unless all parties to such communication consent).

H.R. 1604. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services.

H.R. 1605. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to increase the excise tax on cigarettes, and to utilize such increase for expanded research of smoking related diseases in the National Heart and Lung Institute.

H.R. 1606. January 17, 1975. Public Works and Transportation. Authorizes the Secretary of the Army to carry out a project for flood protection in the vicinity of Baytown, Texas.

H.R. 1607. January 17, 1975. Judiciary. Applies the exemption from lottery prohibitions granted to newspapers published in a State which conducts a lottery to newspapers in adjacent States which conducts such a lottery.

H.R. 1608. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for each personal exemption and a limited credit for the expenses of commuting or business-related highway travel.

Increases the excise tax on gasoline, diesel and special motor fuels, and repeals the deduction from income of State and local taxes on certain motor fuels.

H.R. 1609. January 17, 1975. Education and Labor. Establishes a national policy and program to achieve full employment of all Americans able and willing to work. Creates a Stand-by Job Corps and a Job Guarantee Office to provide public service and private employment.

H.R. 1610. January 17, 1975. Education and Labor. Establishes a national policy and program to achieve full employment of all Americans able and willing to work. Creates a Stand-by Job Corps and a Job Guarantee Office to provide public service and private employment.

Establish a National Institute for Full Employment within the Department of Labor to make studies to aid full employment programs.

H.R. 1611. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to impose, for each taxable year during the energy period, a specified tax on the excess profits of every corporation engaged in producing or refining petroleum.

Establishes in the Treasury of the United States the Energy Research, Development and Exploration Trust Fund to utilize revenues generated by this Act to locate and research any energy source.

H.R. 1612. January 17, 1975. Armed Services. Authorizes the Secretary of the Navy to extract petroleum from Naval Petroleum Reserve Numbered 1 for use by utilities in the generation of electricity.

H.R. 1613. January 17, 1975. Public Works and Transportation. Authorizes the construction of flood control facilities by the Secretary of the Army in the vicinity of Logan and Nelsonville, Ohio.

H.R. 1614. January 17, 1975. Public Works and Transportation. Terminates the Airlines Mutual Aid Agreement.

H.R. 1615. January 17, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay a service pension in the amount herein established to any veteran who served during World War I. Includes, for the purposes of this benefit, veterans who served in Russia between 6 April 1917, and 1 April 1920. Directs such pension to be paid without regard to individual income.

H.R. 1616. January 17, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1617. January 17, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to require full disclosure of annual operating costs of major energy-consuming products by manufacturers of such products.

Directs the Secretary of Transportation to establish minimum full economy standards for new automobiles and to develop a long-range plan for more efficient energy usage in motor vehicle transportation.

Directs the Secretary of Transportation and the Administrator of the Environmental Protection Agency to coordinate motor vehicle research programs in an effort to develop prototypes of advanced automobiles.

H.R. 1618. January 17, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to provide increased supplies of natural gas and oil products. Directs the President to establish a ceiling on prices of crude oil and petroleum products and to roll-back prices to December 1, 1973, levels as soon as possible.

Creates a Federal Oil and Gas Corporation to locate and develop adequate supplies of natural gas and oil. Terminates certain gas and oil rate structures.

H.R. 1619. January 17, 1975. Banking, Currency and Housing. Imposes a moratorium on the receipt of deposits or the making of loans by financial institutions at places of business other than those of financial institutions, through the means of electronic methods of funds transfer.

H.R. 1620. January 17, 1975. Post Office and Civil Service. Revises regulations regarding creditable service for civil service retirement purposes with respect to National Guard technicians.

H.R. 1621. January 17, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1622. January 17, 1975. Interior and Insular Affairs. Prohibits the dumping of spent oil shale on Federal lands other than those lands leased for the recovery of shale oil.

H.R. 1623. January 17, 1975. Post Office and Civil Service. Prohibits the use of the penalty mail privilege by Government departments for more than five thousand identical pieces unless the sender receives the certification of the Comptroller General. Requires the sender to publish the fact of such mailing and certain additional information in the Federal Register.

H.R. 1624. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of withholding exemption for a taxpayer. Increases the gross income level re-

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quirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 1625. January 17, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to authorize the Administrator of the Environmental Protection Agency to to make grants for the alteration or replacement of certain municipal waste incinerators in order to meet air quality standards.

H.R. 1626. January 17, 1975. Merchant Marine and Fisheries. Increases the amount of subsistence payments to students at State maritime academies.

H.R. 1627. January 17, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1628. January 17, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 1629. January 17, 1975. Interior and Insular Affairs. Establishes the Nantucket Sound Islands Trust in Massachusetts. Creates commissions to regulate construction of any improvements on lands and waters within the trust area and to provide for the preservation and conservation of the area. Directs such commissions to identify and develop new employment opportunities for residents of the trust area.

Designates Noman's Land Island in Massachusetts as part of the National Wildlife Refuge System.

H.R. 1630. January 17, 1975. Interior and Insular Affairs. Designates the Hells Canyon area in Oregon, Idaho, and Washington as a national recreation area and as wilderness. Incorporates segments of the Rapid River and the Snake River into the National Wild and Scenic Rivers System.

Deauthorizes the Asotin Dam project.

H.R. 1631. January 17, 1975. Armed Services. Directs the Secretary of the Navy to make a lump-sum payment of retroactive pay and allowances to individuals, or their surviving next of kin, who were prisoners of Japan during World War II.

H.R. 1632. January 17, 1975. Judiciary. Prohibits a common carrier, place of public accommodation, or owner of any housing facility to refuse service or accommodation or to charge an additional fee because of a person's blindness.

H.R. 1633. January 17, 1975. Post Office and Civil Service. Eliminates reductions in the retired pay of retired officers of the Armed Forces who are employed in a civilian capacity by the Federal Government.

H.R. 1634. January 17, 1975. Post Office and Civil Service. Authorizes the President to proclaim the week including the Fourth of July as "God Bless America Week".

H.R. 1635. January 17, 1975. Veterans' Affairs. Provides that when a veteran dies from a service-connected or compensable disability, or was in receipt of or entitled to receive compensation at time of death for a service-connected disability permanently and totally disabling for twenty years or more, the Administrator of Veterans' Affairs shall pay dependency and indemnity compensation to his widow, children, and parents.

H.R. 1636. January 17, 1975. Veterans' Affairs. Requires the Civil Service Commission to certify to the Administrator of Veterans' Affairs the monthly amount of compensation to which the widow and children of a deceased veteran would be entitled if such veteran were treated as an employee of the Government, and directs the Administrator to pay such amount to the widow and children if such amount is greater than the indemnity and dependency compensation computed under the veterans' benefits program.

H.R. 1637. January 17, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income any payments made under the retired serviceman's family protection plan by an individual who has waived his military retirement pay in order to receive a civil service retirement annuity.

H.R. 1638. January 17, 1975. Armed Services. Prohibits any change in the status of a member of the Armed Forces who was classified missing during service in Southeast Asia until there has been full compliance with the Paris Peace Accord of January 1973.

Directs the Senate Committee on Armed Services and the House Committee on Armed Services to study the method whereby the status of a member of the Armed Forces is changed from missing to dead.

H.R. 1639. January 17, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 1640. January 17, 1975. Interior and Insular Affairs. Amends the Organic Act of Guam by specifying procedures for the settlement of claims arising out of acquisition of property in Guam by the United States.

H.R. 1641. January 17, 1975. Judiciary. Declares a certain individual eligible for naturalization under the Immigration and Naturalization Act.

H.R. 1642. January 17, 1975. Judiciary. Declares that a certain individual shall be considered the natural-born alien daughter of certain citizens of the United States for purposes of the Immigration and Nationality Act.

H.R. 1643. January 17, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1644. January 17, 1975. Judiciary. Retains a certain individual in the United States as a permanent resident.

H.R. 1645. January 17, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1646. January 17, 1975. Judiciary. Directs the Commissioner of Patents to consider a certain patent application to have been filed on a specific date.

H.R. 1647. January 17, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 1648. January 17, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 1649. January 17, 1975. Judiciary. Relieves a certain individual of liability to the United States for disabling payments retroactively denied by the Social Security Administration.

H.R. 1650. January 17, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain company in full settlement of such company's claims against the United States arising out of preparation and delivery of epoxy striping paint.

H.R. 1651. January 17, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1652. January 17, 1975. Judiciary. Extends the term of the patent for the badge of the Daughters of the American Revolution.

H.R. 1653. January 20, 1975. Judiciary. Incorporates the Italian American War Veterans of the United States.

H.R. 1654. January 20, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 1655. January 20, 1975. Judiciary. Requires the destruction of files maintained by the Federal Bureau of Investigation with respect to Members of Congress after each member has been given the opportunity to examine such files. Requires the Director of the Federal Bureau of Investigation to notify the Speaker of the House or the President pro tempore of the Senate of the existence of certain other files which are not subject to examination.

H.R. 1656. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the excise tax certain automotive parts and accessories.

H.R. 1657. January 20, 1975. Interior and Insular Affiars. Authorizes the inclusion of North Brother Island in the Gateway National Recreation Area in New York and New Jersey.

H.R. 1658. January 20, 1975. Ways and Means. Amends the Trade Expansion Act of 1962 to require Congressional review of Presidential actions to raise or lower tariff barriers in the name of national security.

H.R. 1659. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit deduction from gross income of expenses for the advertising of alcoholic beverages.

H.R. 1660. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit a deduction from gross income of expenses for the advertising of alcoholic beverages.

H.R. 1661. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption deduction, the minimum income level requirement for filing a return, and the withholding percentage.

Permits a taxpayer at his election to take a limited credit against the income tax for each exemption allowed in lieu of the exemption deduction.

H.R. 1662. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to provide a limited income tax deduction for the performance of volunteer public service in fields having particular importance to the welfare of the community.

H.R. 1663. January 20, 1975. Agriculture. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment.

H.R. 1664. January 20, 1975. Banking, Currency and Housing. Eliminates credit transactions for agricultural purposes from the provisions of the Truth in Lending Act.

H.R. 1665. January 20, 1975. Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Prohibits the Secretary of Health, Education, and Welfare from limiting the ingredients in food supplements, unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1666. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to deny tax exempt status to any otherwise tax exempt organization which engages in prohibited employment discrimination against blind persons.

H.R. 1667. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exempt certain farm vehicles from the highway use tax and to require vehicles subject to the tax to show evidence of payment by affixing a windshield sticker.

H.R. 1668. January 20, 1975. Science and Technology. Authorizes the establishment of the Mineral Conservation Research and Development Commission within the National Science Foundation to maintain an inventory of major nonfuel raw materials.

Designates certain raw materials for inclusion in the inventory. Authorizes the Commission to conduct research into the development of substitute materials.

H.R. 1669. January 20, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act.

H.R. 1670. January 20, 1975. Agriculture. Amend the Forest Pest Control Act to remove the fiscal year limitation on funds appropriated under the Act.

H.R. 1671. January 20, 1975. Agriculture. Authorizes the Secretary of Agriculture to make advances of any money appropriated for the Forest Service to be used by the Forest Service for the control of forest insects and diseases in accord with the Forest Pest Control Act.

H.R. 1672. January 20, 1975. Ways and Means. Amends the Tariff Schedule of the United States to suspend for a three year period the duty on mustard seeds.

H.R. 1673. January 20, 1975. Agriculture. Revises eligibility requirements and the portion of income to be paid for food coupons under the Food Stamp Act of 1964. Authorizes the use of food coupons for the purchase of prepared meals which are delivered to disabled individuals by a public agency or nonprofit organization.

H.R. 1674. January 20, 1975. Post Office and Civil Service. Makes it unlawful for officers of the Armed Forces, or executive agencies or departments of the United States Government to require or request civilian employees under investigation for misconduct to submit to interrogation without the presence of counsel, if such employee so requests.

H.R. 1675. January 20, 1975. Post Office and Civil Service. Prohibits, with certain exceptions, employees of executive agencies from requesting or receiving from Federal officials or employees anything of value for political purposes.

Permits employees of Federal executive agencies or the District of Columbia government to participate in political management or in political campaigns.

H.R. 1676. January 20, 1975. Merchant Marine and Fisheries. Amends the Coastal Zone Management Act of 1972 to establish a national policy with respect to the beach resources of the United States. Declares that the public shall have a free and unrestricted right to use beaches as consistent with State and national conservation policies.

Authorizes the Secretary of Commerce to make grants to States to protect the public's right to use the beaches.

H.R. 1677. January 28, 1975. Banking, Currency and Housing. Directs the Secretary of Housing and Urban Development to establish and carry out a Federal catastrophic disaster insurance program.

H.R. 1678. January 20, 1975. Judiciary. Limits the jurisdiction of the Supreme Court and the district courts to review any case arising out of any State statute, ordinance, rule or regulation which relates to voluntary prayers in public schools and public buildings.

H.R. 1679. January 20, 1975. Science and Technology. Authorizes the Director of the National Science Foundation to designate five universities at which coal research laboratories will be established and operated. Authorizes the Director to make grants to assist in the establishment of such laboratories.

Establishes a graduate fellowship program for study and research related to the production, conservation, and utilization of fuels and energy.

H.R. 1680. January 15, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts furnished by a State to an individual by way of grant, loan cancellation, or as financial assistance for losses suffered in a disaster declared by the President under the Disaster Relief Act of 1970.

H.R. 1681. January 20, 1975. Interstate and Foreign Commerce. Establishes a program of Federal assistance for energy emergencies and energy disasters.

H.R. 1682. January 20, 1975. Interior and Insular Affairs. Terminates any phosphate leases issued under the Mineral Leasing Act of 1920 and all rights to such leases within the Osceola National Forest in Florida.

H.R. 1683. January 20, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1684. January 20, 1975. Judiciary. Creates a Criminal Justice Services Administration, and several agencies therein, to operate the Federal system of criminal justice. Transfers from other agencies to the Administration certain functions related to criminal justice.

H.R. 1685. January 20, 1975. Judiciary. Establishes criteria for the evaluation by the Secretary of the Treasury of all handguns prior to the approval of such handguns for sale. Requires the registration of all handguns. Requires a permanent or temporary handgun license prior to the transfer of either ammunition or a handgun.

H.R. 1686. January 20, 1975. House Administration. Establishes a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program.

H.R. 1687. January 20, 1975. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to prohibit construction of any dam, reservoir, or similar facility on the New River in Virginia until the Secretary of the Interior has completed study of the river for potential designation as a component of the National Wild and Scenic Rivers System.

H.R. 1688. January 20, 1975. Interior and Insular Affairs. Designates segments of the New River in North Carolina, Virginia, and West Virginia as a potential component of the National Wild and Scenic Rivers System.

H.R. 1689. January 20, 1975. Interstate and Foreign Comerce. Prevents the construction of any dam, reservoir, or similar facility which would directly affect a certain segment of the New River in Virginia, unless such a project is specifically authorized by the Congress.

H.R. 1690. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to revise the amount of a contribution of certain ordinary and capital gain property which may be deducted from gross income, where the contribution is made by a corporation to an organization exempt from the income tax.

H.R. 1691. January 20, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old-Age, Survivors and Disability Insurance. Sets forth the procedures by which Federal employees may elect such coverage.

H.R. 1692. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during any tax year as a civil service retirement annuity from the United States or any agency thereof.

H.R. 1693. January 20, 1975. Government Oeprations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1694. January 20, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1695. January 20, 1975. Interstate and Foreign Commerce. Requires any person who sells certain fuel oil to provide for the marking of such fuel oil, and prohibits the purchase or use of marked fuel for a purpose which makes it subject to the Federal excise tax.

Authorizes the Administrator of the Federal Energy Office to inspect businesses to determine whether they are in compliance with this Act.

H.R. 1696. January 20, 1975. Judiciary. Prohibits the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering or entertainment. Makes it unlawful to participate in any way in activities involving a fight between one or more dogs.

H.R. 1697. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to allow a taxpayer to deduct from gross income expenses paid during the taxable year for the purchase or installation of any solar heating and cooling equipment in any building owned or rented by the taxpayer.

H.R. 1698. January 20, 1975. Foreign Affairs. Amends the Mutual Security Act of 1954 to revise procedures for the reporting of foreign currency expended by Members and employees of Congress while traveling outside the United States as part of their official duties.

H.R. 1699. January 20, 1975. House Administration. Amends the Federal Election Campaign Act of 1971 by creating a Federal Election Commission to administer the Act.

Requires each candidate for election to Federal office to designate one political committee as his central campaign committee.

Prohibits campaign contributions to candidates for election to Federal office in excess of certain amounts.

H.R. 1700. January 20, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1701. January 20, 1975. Judiciary. Withholds compensation from Members of Congress who fail to vote on a certain percentage of recorded votes.

H.R. 1702. January 20, 1975. Post Office and Civil Service. Amends the Federal Salary Act of 1967 by making certain recommendations of the President regarding salary levels for certain Federal employees effective within a certain time period unless the Congress adopts a resolution disapproving all or part of such recommendations. Specifies procedures for adopting such a resolution.

H.R. 1703. January 20, 1975. Armed Services. Authorizes the partial attachment of a member's Armed Forces retired or retainer pay to satisfy a child support order. Entitles widowers of female members of the Armed Forces to benefits under the Survivor Benefit Plan.

H.R. 1704. January 20, 1975. Armed Services. Redefines the term "serious handicap" for the purpose of determining eligibility for special educational services provided to dependents of members of the Armed Forces.

H.R. 1705. January 20, 1975. Armed Services. Directs the Secretary of the Navy to convey all Federal interest in the island of Kahoolawe to the State of Hawaii. Authorizes the Secretary of the Treasury to provide Federal assistance to Hawaii for the restoration of the island to its former state.

H.R. 1706. January 20, 1975. Education and Labor. Requires uniform expiration dates for labor agreements in the longshore and maritime industries in the States of Washington, Oregon and California.

H.R. 1707. January 20, 1975. Education and Labor. Establishes a Federal sabbatical program to enable experienced teachers in elementary and secondary schools to obtain sabbatical leaves for the purpose of improving their qualifications as teachers.

H.R. 1708. January 20, 1975. Education and

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Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials. Establishes within the Office of Education a Council on the Conservation and Nonuse of Energy-Materials to advise the Secretary on the administration of this Act.

H.R. 1709. January 20, 1975. Foreign Affairs. Establishes, under the International Education Act of 1966, an Asian Studies Institute in order to achieve greater understanding in the United States about nations of Asia and the Pacific.

H.R. 1710. January 20, 1975. Government Operations. Authorizes travel and transportation expenses for certain Federal employees.

H.R. 1711. January 20, 1975. Government Operations. Authorizes the Secretary of the Treasury, upon receiving an application approved by the Attorney General, to reimburse local governments for expenditures made for the protection of any official of the United States or any foreign country.

H.R. 1712. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to provide transportation for certain Federal employees of Haleakala National Park in Hawaii.

H.R. 1713. January 20, 1975. Interstate and Foreign Commerce. Establishes the National Hospital Administration and authorizes its Board of Directors to investigate the hospital care needs of people in the United States and the hospital care needs that are met, or could be met, by existing hospital facilities. Directs the Administrator of the National Hospital Administration to survey projected long-term national hospital needs and develop a ten-year program for the construction, modernization, and consolidation of hospitals. Creates an Office of Patient Advocate to investigate complaints and answer questions concerning service to patients.

H.R. 1714. January 20, 1975. Judiciary. Provides for an election for the offices of President and Vice President when both offices become vacant, and there is one year or more remaining in the then current Presidential term.

H.R. 1715. January 20, 1975. Judiciary. Authorizes the Attorney General to convey certain property, acquired by condemnation by the United States for purposes pertaining to the prosecution of World War II, to former owners of such property, or their successors in interest.

H.R. 1716. January 20, 1975. Judiciary. Declares that time spent by American civilians in enemy prisoner-of-war camps and similar places shall be creditable toward pensions, annuities, or similar benefits under various Federal retirement programs as though it were military service.

H.R. 1717. January 20, 1975. Judiciary. Amends the Immigration and Nationality Act by eliminating the legal custody requirement and the requirement of residence and physical presence in the United States for the naturalization of children adopted by United States citizens.

H.R. 1718. January 20, 1975. Judiciary. Authorizes the issuance of special immigrant visas to individuals residing in Vietnam who have one alien parent and one citizen parent and are orphans.

H.R. 1719. January 20, 1975. Judiciary. Prohibits discrimination on the basis of sex in Federal employment in the sale, rental, or financing of housing, in the Armed Services and veterans programs, under the Social Security Act and the Internal Revenue Code of 1954, in public facilities and public education, and in federally assisted programs. Authorizes the Secretary of Health, Education, and Welfare to make matching grants to States for the establishment of commissions on the status of women. Empowers the district courts of the United States, the Attorney General, and the Equal Employment Opportunity Commission to take action to prevent sex discrimination.

H.R. 1720. January 20, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to permit nationals, as well as citizens of the United States, to serve as officers and crew aboard vessels documented under laws of the United States.

H.R. 1721. January 20, 1975. Post Office and Civil Service. Sets the rate of postage for air parcel post transported between the State of Hawaii and certain Pacific areas.

H.R. 1722. January 20, 1975. Post Office and Civil Service. Includes as creditable service for civil service retirement purposes, services performed by a person hired by a private authority, with Government approval, as a contract technician for the Federal Government.

H.R. 1723. January 20, 1975. Public Works and Transportation. Requires air carriers to furnish free air transportation to attorneys and witnesses attending proceedings before the Civil Aeronautics Board, the cost of transportation to be shared by the air carriers participating in the proceedings.

Directs that public hearings conducted by the Board be held in at least one location within the geographical area directly affected by the matter with respect to which such hearings are held.

H.R. 1724. January 20, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to provide a sixty-day notice prior to a change in rate, fare, or charge of any air carrier or foreign air carrier.

H.R. 1725. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts received by an individual as a pension, annuity or similar retirement benefit under a public retirement system.

H.R. 1726. January 20, 1975. Ways and Means. Amends the Social Security Act by allowing an exchange of credits between the Old-Age, Survivors and Disability Insurance system and the civil service retirement system to enable individuals to obtain benefits under one system which are based on their combined service.

H.R. 1727. January 20, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 1728. January 20, 1975. Post Office and Civil Service. Redesignates the dates for observance of Memorial Day and Veterans Day.

H.R. 1729. January 20, 1975. Education and Labor. Amends the Vocational Education Act of 1963 by increasing and extending the appropriations for various programs under the Act.

H.R. 1730. January 20, 1975. Post Office and Civil Service. Specifies the compensation and other emoluments attached to the Office of the Attorney General of the United States.

H.R. 1731. January 20, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 1732. January 20, 1975. Banking, Currency and Housing. Eliminates credit transactions for agricultural purposes from the provisions of the Truth in Lending Act.

H.R. 1733. January 20, 1975. Post Office and Civil Service. Designates the last Monday in April as American Business Day and makes it a legal public holiday.

H.R. 1734. January 20, 1975. Judiciary. Standards of Official Conduct. Requires lobbyists to: (1) register with the Federal Election Commission; (2) make and retain certain records; and (3) file reports with the commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 1735. January 20, 1975. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce.

H.R. 1736. January 20, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make grants for the establishment and operation of home health services and for the purpose of initiating, developing, and maintaining programs for the training of professional and paraprofessional personnel to provide home health services.

H.R. 1737. January 20, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to revise the procedures for consideration of applications for renewal of broadcast licenses.

H.R. 1738. January 20, 1975. Interstate and Foreign Commerce. Repeals the lowest unit rate provisions of the Communications Act of 1934 relating to use of broadcast time by candidates for public office.

H.R. 1739. January 20, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 1740. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 1741. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to revise the definition of "head of household."

H.R. 1742. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to increase the surtax exemption for certain corporations.

H.R. 1743. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred by a teacher during the year for his advanced education.

H.R. 1744. January 20, 1975. Foreign Affairs. Establishes a United States Academy of Foreign Affairs to provide undergraduate and graduate education for United States citizens in preparation for Government service in the field of foreign affairs.

H.R. 1745. January 20, 1975. Interior and Insular Affairs. Increases the appropriation limit for the development of the Chamizal National Memorial in Texas.

H.R. 1746. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct and maintain extensions of the American Canal at El Paso, Texas. Transfers jurisdiction of part of the Rio Grande rectification project and the Chamizal project to the Bureau of Reclamation in the Department of the Interior.

H.R. 1747. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to exchange certain lands for an entrance road at Guadalupe Mountains National Park in Texas.

H.R. 1748. January 20, 1975. Judiciary. Limits the Power of a State to levy an income tax on income received from transactions occurring for services performed within a Federal area unless such State provides proportionate benefits and projection.

H.R. 1749. January 20, 1975. Post Office and Civil Service. Requires that the Administrator of the Social and Economic Statistics Administration, Department of Commerce, be subject to Senate confirmation.

H.R. 1750. January 20, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income during the taxable year a limited amount received as an annuity, pension, or other retirement benefit.

H.R. 1751. January 20, 1975. Judiciary. Foreign Affairs. Directs the Attorney General to provide for the construction and maintenance of a fence near the international boundary between the United States and Mexico in El Paso, Texas, in order to deter illegal traffic across the boundary.

H.R. 1752. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish a national historic park on the island of Guam.

H.R. 1753. January 20, 1975. Post Office and Civil Service. Establishes a plan for cooperation between the Secretary of Commerce and the States to provide them with the desired census information for the apportionment or districting of the legislative body or bodies of those States as expeditiously as possible after the decennial census.

H.R. 1754. January 20, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain corporation in full settlement of such corporation's claims against the United States losses incurred as a result of the action taken by the Secretary of Health, Education, and Welfare in reference to a prohibition against the continued use of cyclamates in food products.

H.R. 1755. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1756. January 20, 1975. Judiciary. Specifies the tax treatment of certain individuals under the Internal Revenue Code.

H.R. 1757. January 20, 1975. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1758. January 20, 1975. Judiciary. Declares a certain individual an immediate relative for purposes of the Immigration and Nationality Act.

H.R. 1759. January 20, 1975. Judiciary. Stipulates that certain enumerated activities shall be considered as if they were service in an active status in a reserve component of an armed force of the United States for determining entitlement to, and computing the amount of, retired pay for a certain individual.

H.R. 1760. January 20, 1975. Judiciary. Declares certain individuals eligible for naturalization under the Immigration and Naturalization Act.

H.R. 1761. January 20, 1975. Judiciary. Declares certain individuals immediate relatives for purposes of the Immigration and Nationality Act.

H.R. 1762. January 20, 1975. Judiciary. Directs the Veterans' Administration to make retroactive payments on a certain application for benefits.

H.R. 1763. January 20, 1975. Judiciary. Authorizes classification of certain individuals as children for purposes of the Immigration and Nationality Act.

H.R. 1764. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1765. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1766. January 20, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 1767. January 23, 1975. Ways and Means. Suspends for 90 days the authority of the President to increase tariffs on petroleum or petroleum products.

H.R. 1768. January 23, 1975. Ways and Means. Suspends for 90 days the authority of the President to increase tariffs on petroleum or petroleum products.

H.R. 1769. January 23, 1975. Ways and Means. Suspends for 90 days the authority of the President to increase tariffs on petroleum or petroleum products.

H.R. 1770. January 23, 1975. Public Works and Transportation. Agriculture. Establishes a National Land Resources Protection Commission to protect the quality of existing topsoil in all federally-assisted projects. Establishes minimum requirements governing the stockpiling and replacement of soil on all such projects.

H.R. 1771. January 23, 1975. Ways and Means. Amends the tax exemption provisions of the Internal Revenue Code to include in the definition of "dependent" a resident of the Republic of the Philippines.

H.R. 1772. January 23, 1975. Agriculture. Revises the eligibility requirements for a public utility cooperative to borrow from a bank for cooperatives established under the Farm Credit Act of 1933.

H.R. 1773. January 23, 1975. Interstate and Foreign Commerce. Prohibits the authorization of the abandonment of any railroad line covered by the Rail Reorganization Act prior to December 31, 1976.

H.R. 1774. January 23, 1975. Ways and Means. Requires Congressional approval of all tariffs imposed by the President on petroleum imports.

H.R. 1775. January 23, 1975. Agriculture. Amends the Agricultural Act of 1949 by establishing the support price for milk at not less than 100 percent of the parity price therefor.

H.R. 1776. January 23, 1975. Merchant Marine and Fisheries. Amends the Coastal Zone Management Act of 1972 to authorize financial assistance to coastal States to assess impacts associated with the development of Federal energy resources in the Outer Continental Shelf area. Authorizes grants to States for interstate coordination of coastal zone planning.

H.R. 1777. January 23, 1975. Merchant Marine and Fisheries. Interior and Insular Affairs. Amends the Coastal Zone Management Act of 1972 to suspend Federal oil and gas leasing in coastal zone areas until final approval of State coastal zone management programs by the Secretary of the Interior.

H.R. 1778. January 23, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to clarify procedures for consideration of applications for renewal of broadcast licenses. Extends the maximum time of license and license renewal for the operation of any class of station from three to five years.

H.R. 1779. January 23, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 1780. January 23, 1975. Armed Services. Authorizes the Secretary of the Navy to transfer ownership of certain naval vessels to New York City for use as an intermodal transportation facility.

H.R. 1781. January 23, 1975. Interior and Insular Affairs. Authorizes the inclusion of North Brother Island in the Gateway National Recreation Area in New York and New Jersey.

H.R. 1782. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income all ordinary and necessary expenses paid during the taxable year by a fireman for meals which he eats at his post of duty during any period of overnight duty.

H.R. 1783. January 23, 1975. Way and Means. Amends the Social Security Act by lowering the age at which an individual becomes entitled to full and partial Old-Age, Survivors, and Disability Insurance benefits.

H.R. 1784. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1785. January 23, 1975. Interstate and Foreign Commerce. Defense the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1786. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to repeal the excise tax on trucks, buses, and tractors, and parts and accessories for such vehicles.

H.R. 1787. January 23, 1975. Judiciary. Permits nonimmigrant foreign students to be employed, with the approval of the school attended by such student, during any regularly scheduled school vacation or any school term during which such student is not enrolled.

H.R. 1788. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as a pension or annuity or other benefit under a public retirement system or by any individual sixty-five years of age or over.

H.R. 1789. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income moving expenses which were paid by the taxpayer's employer, and to disallow a deduction for such reimbursed expenses.

Increases the amount of moving expenses allowed as a deduction from gross income.

H.R. 1790. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit the deduction from gross income of amounts paid or accrued as "patronage dividends" by cooperative corporations.

H.R. 1791. January 23, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors, and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors, and Disability Insurance program be borne by the Federal Government.

H.R. 1792. January 23, 1975. Ways and Means. Extends for an additional five years the existing authority of the Secretary of Health, Education, and Welfare to grant rural hospitals temporary waivers of the 24-hour nursing service requirement for participation in the Medicare program under the Social Security Act.

H.R. 1793. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 1794. January 23, 1975. Ways and Means. Amends the Appendix to the Tariff Schedules of the United States to suspend the duty on natural graphite for five years.

H.R. 1795. January 23, 1975. Interstate and Foreign Commerce. Revises various programs of assistance under the Community Mental Health Centers Act and extends the Act to June 30, 1976. Requires the Secretary of Health, Education, and Welfare to establish the National Center for the Prevention and Control of Rape.

H.R. 1796. January 23, 1975. Veterans' Affairs. Specifies that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 1797. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from the gross income of an individual a limited amount of interest or divi-

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dends received from certain savings institutions.

H.R. 1798. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property, as an option, to amortize expenditures for the restoration of rental housing.

H.R. 1799. January 23, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1800. January 23, 1975. Marine and Fisheries. Directs the Secretary of Commerce to carry out a national aquaculture development program. Defines aquaculture as the culture and husbandry of aquatic organisms.

H.R. 1801. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit the payment of employment taxes by certain employers more than once per calendar quarter.

H.R. 1802. January 23, 1975. Agriculture. Directs the Secretary of Agriculture to establish under the Agricultural Adjustment Act of 1938 a national acreage allotment for rice to maintain adequate supplies and to prevent excessive carryover stocks. Imposes an established price for rice under the Agricultural Act of 1949.

H.R. 1803. January 23, 1975. House Administration. Repeals the authority of the Committee on House Administration to adjust allowance for Members of Congress, standing committees, leadership offices, and officers of the House.

H.R. 1804. January 23, 1975. Ways and Means. Interstate and Foreign Commerce. Requires skilled nursing and intermediate care facilities participating in Medicare and Medicaid programs under the Social Security Act to publish a statement of the rights and responsibilities of their patients.

H.R. 1805. January 23, 1975. Ways and Means. Interstate and Foreign Commerce. Requires skilled nursing and intermediate care facilities participating in Medicare and Medicaid programs under the Social Security Act to publish a statement of the rights and responsibilities of their patients.

H.R. 1806. January 23, 1975. Interstate and Foreign Commerce. Amends the State Technical Services Act of 1965 by making municipal governments eligible for technical services under the Act, and by directing the Secretary of Commerce to establish (1) a management information system to provide data concerning the operation of technical services programs; and (2) regional offices for the administration of the Act.

H.R. 1807. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a limited credit against the income tax, expenses paid during the taxable year for qualified insulation and heating improvement.

H.R. 1808. January 23, 1975. Ways and Means. Requires Congressional approval of all tariffs imposed by the President on petroleum imports.

H.R. 1809. January 23, 1975. Ways and Means. Requires Congressional approval of all tariffs imposed by the President on petroleum imports.

H.R. 1810. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1811. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1812. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1813. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1814. January 23, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 1815. January 23, 1975. Ways and Means. Creates a national system of health insurance. Establishes a health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government. Amends various other provisions of the Social Security Act and the Public Health Services Act.

H.R. 1816. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 1817. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 1818. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 1818. January 23, 1975. Education and Labor. Establishes a program of youth camp safety within the Department of Health, Education, and Welfare. Authorizes the development and enforcement of comprehensive youth camp safety standards.

H.R. 1819. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act by authorizing naturalization for alien servicemen who must leave the service within three years after enlistment because of any disability.

H.R. 1820. January 23, 1975. Armed Services. Establishes the Office of Assistant Secretary of Defense for Equal Opportunity. Directs the Assistant Secretary to eliminate discrimination and promote affirmative action regarding employment within the Department of Defense and by its contractors.

H.R. 1821. January 23, 1975. House Administration. Prohibits the denial under certain circumstances of the right to register for, and to vote by, absentee ballot in a Federal election of citizens residing overseas.

Requires each State to provide by law for the registration of all citizens residing overseas and entitled to vote.

H.R. 1822. January 23, 1975. Education and Labor. Authorizes the Commissioner of Education, under the Higher Education Act, to contract with a private collection service to collect claims due and owning under the guaranteed student loan program.

H.R. 1823. January 23, 1975. Ways and Means. Amends the Social Security Act as it relates to Old-Age, Survivors and Disability Insurance by (1) eliminating the waiting period for disability benefits; (2) increasing the amount of outside income which an individual may earn while receiving benefits; (3) revising the eligibility requirements for adopted children; (4) revising the procedure for making administrative determinations of entitlement to benefits; (5) authorizing the replacement of lost, stolen or undelivered benefit checks; and (6) giving Disability Insurance beneficiaries the same right to expedited benefit payments as Old-Age and Survivors Insurance beneficiaries.

H.R. 1824. January 23, 1975. Armed Services. Prohibits the use of public funds for the transportation of chemical nerve agents to or from any military installation in the United States for storage or stockpiling unless the President has made certain certifications to Congress.

H.R. 1825. January 23, 1975. Banking, Currency and Housing. Requires banks, savings and loan associations, and insured credit unions to disclose, upon request and in all advertising, certain information on the computation and payment of the earnings on savings deposits.

Directs the Board of Governors of the Federal Reserve System to prescribe regulations to enforce the provisions of this Act.

H.R. 1826. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the expenses incurred in connection with the adoption of a child by a taxpayer.

H.R. 1827. January 23, 1975. Armed Services. Allows any veteran who has been rated by the Veterans' Administration as 50 percent or more disabled from a service-connected disability or the widow of any deceased veteran who was rated as totally and permanently disabled from a service-connected disability, to make purchases from issue commissaries and commissary stores at prices at which like articles are sold to members of the Armed Services.

H.R. 1828. January 23, 1975. Foreign Affairs. Directs the Secretary of State to provide loans for the expense of transportation to the United States of the remains of United States citizens who died abroad.

H.R. 1829. January 23, 1975. Judiciary. Limits the Director of the Federal Bureau of Investigation to a single term of ten years.

H.R. 1830. January 23, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any narcotic drug from any pharmacy.

H.R. 1831. January 23, 1975. Veterans Affairs. Directs the Secretary of the Army to establish a national cemetery in all States where there is no national cemetery.

H.R. 1832. January 23, 1975. Ways and Means. Authorizes the President to negotiate multilateral or bilateral agreements establishing annual quantitative limitations on imports of antifriction bearings. Requires the Secretary of Defense to administer this Act.

H.R. 1833. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the Federal excise tax on beer for certain qualified breweries.

H.R. 1834. January 23, 1975. Ways and Means. Amends the Social Security Act by including influenza immunizations under the supplementary medical insurance program of Medicare.

H.R. 1835. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1836. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income the discharge of disaster relief loans by the United States under the Disaster Relief Act of 1970.

H.R. 1837. January 23, 1975. Post Office and Civil Service. Creates the Federal Employee Labor Relations Board to oversee and regulate labor relations between units of the Federal Government and Federal employees. Authorizes Federal employees to form, join, or assist labor organizations. Authorizes Federal employees to strike under certain circumstances. Enumerates unlawful labor acts and empowers the Board to prevent such acts.

H.R. 1838. January 23, 1975. Government Operations. Expands the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

H.R. 1839. January 24, 1975. Merchant Marine and Fisheries. Establishes a fishery zone contiguous with the territorial sea of the United States having a limit of two hundred miles beyond the inner limit of the territorial sea.

H.R. 1840. January 24, 1975. Merchant Marine and Fisheries. Requires that the method of straight baselines, as set forth in the Convention on the Territorial Sea and Contiguous Zone, be employed in determining the boundaries of the fishery zone of the United States. Requires that the baseline be marked on official United States charts.

H.R. 1841. January 23, 1975. Post Office and Civil Service. Creates the Federal Labor Relations Authority to oversee labor relations between Federal agencies and civilian Federal employees. Enumerates unfair labor practices and empowers the Authority to prevent such practices.

H.R. 1842. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1843. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1844. January 23, 1975. Foreign Affairs. Amends the United States Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1845. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1846. January 23, 1975. Foreign Affairs. Amends the United Nations Participation Act to permit the President to apply the sanctions contained therein notwithstanding certain provisions of the Strategic and Critical Materials Stock Piling Act.

H.R. 1847. January 23, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to maintain an inventory of certain mineral fuel reserves in the public domain which contain hydrocarbons and uranium, or which have a potential to be an energy source.

H.R. 1848. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act to grant alien children adopted by unmarried United States citizens the same immigrant status as alien children adopted by married United States citizens.

H.R. 1849. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act to exempt from the numerical limitation for entry, the alien parent of a minor United States citizen if the other parent is a United States Citizen.

H.R. 1850. January 23, 1975. Armed Services. Revises the schedule of deductible payments by patients for medical care and special education services under the health benefits program for spouses and children of members of the Armed Forces.

H.R. 1851. January 23, 1975. Judiciary. Declares that Madison County, Florida, shall be included in the North judicial district of Florida.

H.R. 1852. January 23, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 1853. January 23, 1975. Post Office and Civil Service. House Administration. Reduces retirement benefits for Members of Congress who remain in office after attaining seventy years of age.

H.R. 1854. January 23, 1975. Agriculture. Directs the Secretary of Agriculture to make and insure loans to established farmers, ranchers, or oyster planters for the purpose of allowing them to refinance existing short-term disaster loans procured to rebuild their operations which had been damaged or destroyed by a natural disaster.

H.R. 1855. January 23, 1975. Post Office and Civil Service. Authorizes certain Federal employees, whose pay is subject to a special statutory limitation, to be credited for civil service retirement purposes with the full amount of basic pay they would have been entitled to receive in the absence of such limitation.

H.R. 1856. January 23, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1857. January 23, 1975. Armed Services. Prohibits discrimination against applicants to the service academies on the basis of sex, race, color or religious beliefs.

H.R. 1858. January 23, 1975. Post Office and Civil Service. Redesignates the date for observance of Veterans Day.

H.R. 1859. January 23, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey all mineral rights of the United States in certain real property in California to the record owners of that property.

H.R. 1860. January 23, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1861. January 23, 1975. Agriculture. Prohibits increases in the portion of income to be paid for food coupons under the Food Stamp Act of 1964.

H.R. 1862. January 23, 1975. Education and Labor. Amends the Vocational Education Act of 1963 by increasing and extending the appropriations for various programs under the Act.

H.R. 1863. January 23, 1975. Interior and Insular Affairs. Amends the Mineral Act of 1920 to authorize the Secretary of the Interior to issue certificates of public convenience and necessity to aid in construction of to acquire rights-of-way for coal pipelines. carriers to exercise the power of eminent domain in the United States district courts to acquire rights-of-way for coal pipelines.

H.R. 1864. January 23, 1975. Judiciary. Prohibits any civil officer of the United States from exercising surveillance over or maintaining records on any citizen.

H.R. 1865. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to include as a tax exempt organization nonprofit corporations that provide either reserve funds or insurance of shares and deposits for credit unions.

H.R. 1866. January 23, 1975. Government Operations. Amends the State and Local Fiscal Assistance Act of 1972 by repealing that section declaring that funds received by units of local government under the Act may be used only for certain enumerated priority expenditures, and by revising the amount of appropriations authorized.

H.R. 1867. January 23, 1975. Public Works and Transportation. Reduces the permissible steering axle weights for users of the Interstate Highway System.

H.R. 1868. January 23, 1975. Public Works and Transportation. Reduces the permissible steering axle weight for users of the Interstate Highway System.

H.R. 1869. January 23, 1975. Atomic Energy. Designates the Holifield National Laboratory in Tennessee as the Oak Ridge National Laboratory. Designates the breeder reactor at Oak Ridge, Tennessee, as the Holifield Liquid Metal Fast Breeder Reactor.

H.R. 1870. January 23, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 1871. January 23, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 1872. January 23, 1975. Ways and Means. Amends the Social Security Act as it relates to Old-Age, Survivors and Disability Insurance by (1) eliminating the waiting period for disability benefits; (2) increasing the amount of outside income which an individual may earn while receiving benefits; (3) revising the eligibility requirements for adopted children; (4) revising the procedure for making administrative determinations of entitlement to benefits; (5) authorizing the replacement of lost, stolen or undelivered benefit checks; and (6) giving Disability Insurance beneficiaries the same right to expedited benefit payments as Old-Age and Survivors Insurance beneficiaries.

H.R. 1873. January 23, 1975. Interstate and Foreign Commerce. Defines the term special dietary uses with respect to the Federal Food, Drug, and Cosmetic Act and delineates the authority of the Secretary of Health, Education, and Welfare to regulate foods represented to be for special dietary uses.

H.R. 1874. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income any gain resulting from a lottery conducted by an agency of a State acting under authority of State law.

H.R. 1875. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1876. January 23, 1975. Ways and Means. Amends the Social Security Act to extend Medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health. Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 1877. January 23, 1975. Ways and Means. Amends the Social Security Act to include routine annual physical examinations under the Medicare supplementary medical insurance program.

H.R. 1878. January 23, 1975. Agriculture. Extends the Poultry Products Inspection Act and the Federal Meat Inspection Act definition of "adulterated" to include the products of poultry or any animal which has died other than by slaughter or which was at the time of slaughter diseased in whole or in part.

H.R. 1879. January 23, 1975. Agriculture. Amends the Federal Meat Inspection Act and the Poultry Products Inspection Act to allow meat and poultry that is prepared under State inspection and in accordance with Federal inspection requirements to be distributed in commerce upon the same basis as meat and poultry prepared under Federal inspection provided that it is marked with a combined State-Federal inspection legend.

H.R. 1880. January 23, 1975. Agriculture. Extends the Consolidated Farmers Home Administration Act of 1961 to American Samoa.

H.R. 1881. January 23, 1975. Armed Services. Prohibits any member of the Armed Forces from (1) maintaining unsafe or unsanitary military penal facilities; (2) brutally treating other Armed Forces members or military prisoners; and (3) denying other members their constitutional rights and privileges. Establishes a United States Military Justice Commission to hear complaints

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alleging violation of these prohibitions. Establishes a United States Court of Military Grievances to review cases decided by the Military Justice Commission.

H.R. 1882. January 23, 1975. Armed Services. Authorizes the Secretary of the Navy to construct permanent shoreside facilities for visitors to the United States Ship Arizona Memorial at Pearl Harbor in Hawaii.

Authorizes the transfer of responsibility for the operation and maintenance of such shoreside facilities to the National Park Service upon completion of construction.

H.R. 1883. January 23, 1975. Armed Services. Authorizes the Secretary of the Army to allow the State of Hawaii to use physical facilities at Fort De Russy, Hawaii, which are not needed by the Army.

H.R. 1884. January 23, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act to require that statements under open end credit plans be mailed in time to permit payment prior to the imposition of finance charges.

H.R. 1885. January 23, 1975. Education and Labor. Creates the Office of Poet Laureate of the United States. Directs the President to appoint the Poet Laureate after considering recommendations of the National Council on the Arts.

H.R. 1886. January 23, 1975. Education and Labor. Amends the Civil Rights Act of 1964 to make it an unlawful employment practice to discriminate against individuals who are physically disabled because of such disability.

H.R. 1887. January 23, 1975. Education and Labor. Authorizes the Commissioner of Education to provide Federal financial assistance to those State teacher retirement systems which allow retirement credit to teachers for out-of-State teaching service.

H.R. 1888. January 23, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 with respect to employer liability, enforcement procedures, and penalties.

H.R. 1889. January 23, 1975. Education and Labor. Amends the National Labor Relations Act to make it an unfair labor practice for an employer to advertise for employees while that employer is being struck, unless such advertisement states that a labor dispute exists.

H.R. 1890. January 23, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 1891. January 23, 1975. Foreign Affairs. Authorizes the President, acting through an agency created by him, to be known as the International Health Agency, to carry out programs to provide assistance to those developing nations working to help themselves provide needed health services to their citizens.

H.R. 1892. January 23, 1975. Government Operations. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans.

H.R. 1893. January 23, 1975. Government Operations. Establishes a Department of Education. Establishes a Federal Interagency Committee on Education to recommend necessary actions to assure effective coordination of Federal programs affecting education.

H.R. 1894. January 23, 1975. Government Operations. Establishes as an executive department of the United States Government a Department of Peace, to develop and carry out plans, programs, and policies designed to promote peace. Transfers to the Department certain functions performed by other Federal agencies.

Establishes within the Department a National Peace Academy, to train United States citizens for service in positions or programs designed to provide international understanding.

Creates a Congressional Joint Committee on Peace and International Cooperation.

H.R. 1895. January 23, 1975. Interior and Insular Affairs. Permits Hawaii to use the proceeds from the sale or lease of certain real property for any public purpose.

H.R. 1896. January 23, 1975. Interstate and Foreign Commerce. Declares Kuapa Pond in Hawaii not a navigable water of the United States.

H.R. 1897. January 23, 1975. Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements," by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1898. January 23, 1975. Interstate and Foreign Commerce. Amends the War Claims Act by extending benefits under the War Hazards Compensation Act to those who have a claim based on the injury or death of a civilian American citizen during World War II.

H.R. 1899. January 23, 1975. Interstate and Foreign Commerce. Establishes the Bureau of Travel Agents Registration in the Department of Transportation for the purpose of regulating standards of performance and conduct in the travel agency industry.

H.R. 1900. January 23, 1975. Interstate and Foreign Commerce. Establishes a national plan for no-fault automobile insurance which sets forth national standards for State no-fault insurance plans.

H.R. 1901. January 23, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants to the individual States for the purpose of insuring high quality comprehensive health services for immigrants residing in the United States through the establishment and support of health services projects, counseling and educational programs, and related evaluational efforts.

H.R. 1902. January 23, 1975. Interstate and Foreign Commerce. Authorizes the planning, development, and operation, under the Public Health Services Act, of special programs to increase the number of bilingual trainees and to increase the awareness of non-bilingual trainees in those catchment areas where a substantial proportion of the population is of limited English-speaking ability.

H.R. 1903. January 23, 1975. Judiciary. Authorizes the compensation of persons injured by certain violent criminal acts. Establishes as an independent agency the Violent Crimes Compensation Commission to carry out the purpose of this Act.

H.R. 1904. January 23, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officers.

H.R. 1905. January 23, 1975. Judiciary. Amends the Immigration and Nationality Act by extending the exemption from the literary requirement for issuance of alien visas to additional relatives of citizens and permanent resident aliens.

H.R. 1906. January 23, 1975. Judiciary. Amends the literacy provisions of the Immigration and Nationality Act to allow certain persons over age 50 to demonstrate their ability to read and write in their native language. Eliminates the literacy test for persons over 60 who have been living in the United States for 20 years. Permits applicants to demonstrate their understanding of the fundamentals of American government in a language other than English.

H.R. 1907. January 23, 1975. Judiciary. Establishes a minimum level for retirement salaries of certain Federal judges in territories and possessions of the United States.

H.R. 1908. January 23, 1975. Post Office and Civil Service. Authorizes the payment of increased annuities to secretaries of justices and judges of the United States.

H.R. 1909. January 23, 1975. Post Office and Civil Service. Authorizes the termination of various Federal employment benefits in the case of Federal employees stationed outside the continental United States under certain circumstances.

H.R. 1910. January 23, 1975. Post Office and Civil Service. Makes it unlawful for officers of Federal agencies, the armed forces, or the Civil Service Commission to require that Federal civilian employees and applicants disclose certain personal information.

Creates a Board of Employees Rights to enforce this Act.

H.R. 1911. January 23, 1975. Post Office and Civil Service. Entitles Federal prevailing rate employees who are assigned to perform the duties of positions in higher grades or pay scales to receive compensation commensurate with such grade or pay scale.

H.R. 1912. January 23, 1975. Post Office and Civil Service. Makes Federal civilian personnel on oceangoing vessels eligible for immediate retirement benefits after attaining fifty years of age and completing twenty years of service.

H.R. 1913. January 23, 1975. Post Office and Civil Service. Modifies the amount by which Federal group life insurance decreases at age sixty-five or after retirement.

H.R. 1914. January 23, 1975. Post Office and Civil Service. Revises regulations regarding creditable service for civil service retirement purposes with respect to National Guard Technicians.

H.R. 1915. January 23, 1975. Post Office and Civil Service. Authorizes the allowance of creditable service for civil service retirement benefits to Federal employees and Members of Congress who have performed service in the employment of a State, or political subdivision thereof, in the carrying out of any program authorized and financed by Act of Congress, if certain specified conditions are met.

H.R. 1916. January 23, 1975. Post Office and Civil Service. Revises regulations with respect to the concurrent payment of foreign post cost-of-living allowances for certain Federal employees.

H.R. 1917. January 23, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to authorize reduced rate transportation on a space-available basis for young and elderly people and military personnel.

H.R. 1918. January 23, 1975. Small Business.

Amends the Small Business Act to authorize loans to small business concerns affected by the energy shortage.

H.R. 1919. January 23, 1975. Veterans' Affairs.

Directs the Secretary of the Army, in the case of a former member whose remains have not been recovered and have been determined to be nonrecoverable, to set aside a suitable plot in a national cemetery to honor the memory of such member, to permit the erection of an appropriate marker thereon to honor such member, and to permit the remains of the surviving spouse, minor child, or, in the Secretary's discretion, the unmarried adult child of such member to be buried in an adjacent plot.

H.R. 1920. January 23, 1975. Veterans' Affairs.

Allows emergency officers', regular, or reserve retirement pay be paid to any veteran concurrently with compensation for any service-connected disability rated 30 percent or more in degree disabling, unless the former payments are based on the same disability.

H.R. 1921. January 23, 1975. Veterans' Affairs.

Directs the Administrator of Veterans' Affairs to adjust the respective rates of disability compensation for veterans living in any area outside the contiguous United States in order to offset the higher cost of living in such outside area.

H.R. 1922. January 23, 1975. Ways and Means.

Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 1923. January 23, 1975. Ways and Means.

Amends the Internal Revenue Code to allow a taxpayer to deduct from gross income reasonable expenses incurred for the care of one or more dependents. Repeals the allowance of such a deduction as an itemized deduction from adjusted gross income.

H.R. 1924. January 23, 1975. Ways and Means.

Amends the Tariff Act of 1930 to prohibit the withdrawal of merchandise from a customs bonded warehouse for exportation pursuant to retail sales unless such warehouse is located in close proximity to an airport or border crossing station.

H.R. 1925. January 23, 1975. Ways and Means.

Amends the Internal Revenue Code to extend the period after the sale of a taxpayer's principal residence in which a new residence must be purchased in order to defer any gain received for income tax purposes.

H.R. 1926. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the Assistance of the Office of Small Business Analysis to be created within the office of the Secetary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primary to small business.

H.R. 1927. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 1928. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the expenses incurred in connection with the adoption of a child by a taxpayer.

H.R. 1929. January 23, 1975. Ways and Means. Amends the Internal Revenue Code by increasing the exemption for purposes of the Federal estate tax.

H.R. 1930. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the cost of acquiring recycled solid waste materials for manufacture by the taxpayer into useful raw materials or salable products. Permits an optional amortization deduction of any solid waste recycling facility acquired by the taxpayer.

H.R. 1931. January 23, 1975. Ways and Means. Excludes from taxable income as defined in the Internal Revenue Code of 1954 the first $750 of dividends or interest earned on deposits in banks.

H.R. 1932. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the minimum tax on tax preferences, and increases the holding period for capital gains treatment of assets.

Includes in gross income the unrealized appreciation of property passing at death and by gift.

Allows a limited tax credit for State and local income taxes paid by the taxpayer. Revises the provisions of the Internal Revenue Code relating to percentage depletion rates; and deductions for interest on the indebtedness on principal residences.

H.R. 1933. January 23, 1974. Ways and Means. Amends the Internal Revenue Code to permit a parent of a handicapped child, who supports that child, to claim him as an exemption even though the child earns more than $750.

H.R. 1934. January 23, 1975. Ways and Means. Amends the Internal Revenue Code of 1954 to eliminate the percentage depletion allowance and the option to deduct intangible drilling and development costs for any oil or gas well located outside the United States. Eliminates foreign tax credit for any income derived from any such well.

H.R. 1935. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the income tax cooperative housing corporations and condominium housing associations.

H.R. 1936. January 23, 1975. Ways and Means. Revises the eligibility requirements for disability insurance benefits appreciable to the blind under the Social Security Act.

H.R. 1937. Ways and Means. Amends the Social Security Act by excluding general and cost-of-living increases in Old-Age, Survivors, and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for Federal-State public assistance and Supplemental Security Income.

H.R. 1938. January 23, 1975. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance provisions of the Social Security Act by (1) eliminating the special dependency requirement for husband's and widower's insurance benefits; (2) entitling divorced husbands to the same benefits as divorced wives; and (3) entitling men with minor children in their care to the same benefits as women under such circumstances.

H.R. 1939. January 23, 1975. Ways and Means. Revises eligibility for benefits under, and the administration of, medicare under the Social Security Act. Revises the Internal Revenue Code with respect to health insurance taxes.

H.R. 1940. January 23, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old-Age, Survivors, and Disability Insurance. Sets forth procedures by which Federal employees may elect such coverage.

H.R. 1941. January 23, 1975. Ways and Means. Amends the Social Security Act by increasing the Federal share of public assistance benefits provided by a State to Indians, Aleuts, native Hawaiians and other aboriginal persons.

H.R. 1942. January 23, 1975 Government Operations. Interstate and Foreign Commerce. Establishes a Consumer Protection Agency within the executive branch to represent the interests of consumers before Federal agencies, to receive and act upon consumer complaints, to perform research on consumer products, and to gather and disseminate information on consumer products and services.

Requires Federal agencies considering policies or regulations which may affect the interests of consumers to notify the Agency, and to consider the interest of consumers.

H.R. 1943. January 23, 1975. Ways and Means. Amends the Social Securities Act by including the services of registered nurses under the medicare and medicaid programs.

H.R. 1944. January 23, 1975. Interior and Insular Affairs. Establishes a Hawaiian Native Fund to provide for the settlement of historic claims of Hawaiian Natives. Creates a Hawaiian Native Corporation to receive and administer funds to promote the interest and welfare of Hawaiian natives.

H.R. 1945. January 23, 1975. Judiciary. Directs the Secretary of the Treasury to pay a monthly sum to certain former members of the Army who participated in dengue fever experiments in the Philippine Islands.

H.R. 1946. January 23, 1975. Agriculture. Authorizes and directs the Secretary of Agriculture to purchase animals and animal food products for use in foreign and domestic food relief programs.

H.R. 1947. January 23, 1975. Post Office and Civil Service. Prohibits the making of appropriations to the Postal Service for any fiscal year commencing on or after July 1, 1975, unless authorized by legislation enacted by Congress.

Requires the Postal Service to keep the House and Senate Committees on Post Office and Civil Service currently informed on Postal Service activities.

H.R. 1948. January 23, 1975. Ways and Means. Amends the Social Security Act to authorize payment to married couples of Old-Age, and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R 1949. January 23, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to designate and maintain the Wheeling Suspension Bridge in West Virginia as a National Historic Site.

H.R. 1950. January 23, 1975. Judiciary. Eliminates the jurisdiction of Federal courts to issue busing orders based on race, color, religion or national origin.

Prohibits any Federal agency from inducing such busing through withholding or threatening to withhold Federal financial assistance.

Postpones the effectiveness of any busing order until all appeals have been exhausted or until the time for such appeals has expired.

H.R. 1951. January 23, 1975. Government Operations. Requires independent regulatory commissions to submit their budget estimates and requests, and legislative recommendations, to Congress at the same time they submit those items to the President or the Office of Management and Budget.

Revises regulations regarding the control of litigation undertaken by independent regulatory commissions.

H.R. 1952. January 23, 1975. Interstate and Foreign Commerce. Requires the Federal Trade Commission to establish the Bureau of Consumer Redress to establish programs, and to aid and cooperate with State programs, for the administration and adjudication, of controversies involving consumers.

H.R. 1953. January 23, 1975. Education and Labor. Amends the Vocational Education Act of 1963 by directing that Federal aid under the Act shall be divided between vocational and occupational education. Requires each State to establish a local coordinating committee for each of its localities to make a continuing study of vocational and occupational education needs. Authorizes Federal financial assistance for applied research, curriculum development, and program improvement in vocational and occupational education.

H.R. 1954. January 23, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 1955. January 23, 1975. Banking, Currency and Housing. Establishes the National Development Bank for the purpose of making long-term, low-interest loans to individuals, State and local governments, and corporations in order to increase employment opportunities, and foster public works and low and moderate-income housing projects.

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H.R. 1956. January 23, 1975. Interstate and Foreign Commerce. Establishes a National Commission on Regulatory Reform to review and make recommendations on the activities of the Independent Regulatory Agencies.

H.R. 1957. January 23, 1975. Interior and Insular Affairs. Establishes the National Conservation Area of the California Desert. Directs the Secretary of the Interior to develop and implement a comprehensive plan for the management, use, and protection of the natural resource lands within the conservation area.

H.R. 1958. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to impose an excise tax on automobiles based on the rate at which such automobiles consume fuel. Allows a credit against the income tax for the purchase of every new automobile for use within the United States, based on the rate at which such automobile consumes fuel.

H.R. 1959. January 23, 1975. Agriculture. Requires the Secretary of Agriculture to expend, on a rural environmental assistance program, an aggregate amount equal to the sums appropriated under the Soil Conservation and Domestic Allotment Act.

H.R. 1960. January 23, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to establish a national cemetery at or near Fort Hood, Texas.

H.R. 1961. January 23, 1975. Agriculture. Authorizes, under the Agricultural Adjustment Act of 1938, the lease and transfer of burley tobacco from marketing quotas to farms within the same State.

H.R. 1962. January 23, 1975. Armed Services. Permits the establishment of Senior Reserve Officers' Training Corps programs at public community colleges.

H.R. 1963. January 23, 1975. Armed Services. Amends the National Guard Technicians Act of 1968 by redefining creditable service and employment to include service contract status under certain circumstances.

H.R. 1964. January 23, 1975. Education and Labor. Repeals the Occupational Safety and Health Act of 1970.

H.R. 1965. January 23, 1975. Foreign Affairs. Requires the execution of an oath or affirmation or declaration of allegiance before a passport is granted or issued.

H.R. 1966. January 23, 1975. Government Operations. Authorizes Federal payments to county governments to compensate for the tax immunity of Federal lands within their boundaries.

H.R. 1967. January 23, 1975. Interior and Insular Affairs. Creates a National Geothermal Energy Commission to grant licenses for the exploration and development of geothermal energy resources.

H.R. 1968. January 23, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 1969. January 23, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to establish a program under which epileptics are provided with medicine for the treatment of epilepsy.

H.R. 1970. January 23, 1975. Judiciary. Repeals the Gun Control Act of 1968.

H.R. 1971. January 23, 1975. Judiciary. Declares that neither the Supreme Court nor Federal district Courts shall have jurisdiction to review any case arising out of a State statute or ordinance which relates to voluntary prayers in public schools and public buildings.

H.R. 1972. January 23, 1975. Post Office and Civil Service. Redesignates the dates for observance of Memorial Day and Veterans Day.

H.R. 1973. January 23, 1975. Veterans' Affairs. Redefines the period of war known as the Mexican border period to make veterans who served on or after June 1, 1914, eligible for veterans' benefits.

H.R. 1974. January 23, 1975. Veterans' Affairs. Authorizes the Secretary of the Army to prescribe regulations to permit burials in national cemeteries on weekends and holidays.

H.R. 1975. January 23, 1975. Interior and Insular Affairs. Designates a segment of the Shavers Fork of the Cheat River in West Virginia as a potential component of the National Wild and Scenic Rivers System.

H.R. 1976. January 23, 1975. Veterans' Affairs. Excludes any monthly benefits payable under certain sections of the Social Security Act and any annuity and pension payments under the Railroad Retirement Act of 1937 for the purpose of computing the income of any person for the purpose of determining eligibility for certain pension under the Veterans' Pension Act of 1959.

H.R. 1977. January 23, 1975. Ways and Means. Imposes an import duty on glycine and related products.

H.R. 1978. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid during the taxable year for the higher education of the taxpayer or any individual for whom the taxpayer is entitled an exemption.

H.R. 1979. January 23, 1975. Ways and Means. Revises the administration of the Social Security Act by requiring that hearings regarding claims under the Medicare provisions of the Act be presided over by an administrative law judge and conducted on the record. Requires that the claimant be given notice and an opportunity to be heard.

H.R. 1980. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow to an individual who maintains a household a limited deduction from gross income for volunteeer related expenses incurred for the care of certain dependents.

H.R. 1981. January 23, 1975. Ways and Means. Revises the method of computing Old-Age, Survivors and Disability Insurance benefits under the Social Security Act by requiring that the primary insurance amount be based on an individual's three years of highest earnings.

H.R. 1982. January 23, 1975. Ways and Means. Stipulates that for purposes of the Internal Revenue Code and the Tax Reform Act of 1969, an amendment of a will which does not alter the disposition provisions of the will affecting any charitable remainder interest shall not be considered a republication of such will.

H.R. 1983. January 23, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of widow's insurance benefits to 100 percent of the deceased husband's primary insurance amount and by entitling a widow or surviving divorced wife to full benefits at age 50 without regard of disability.

H.R. 1984. January 23, 1975. Judiciary. Establishes standards to be followed by organizations maintaining an information system containing personal information or private citizens.

Establishes a Federal Privacy Board to oversee compliance with this Act.

H.R. 1985. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 1986. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to increase the exemption for certain small issues of industrial development bonds.

H.R. 1987. January 23, 1975. Ways and Means. Excludes from gross income a limited amount of income representing the excess of the net long-term capital gain for the year over the net short-term capital loss from the sale or exchange of a security for taxpayers other than a corporation.

H.R. 1988. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1989. January 23, 1975. Rules. Accelerates the effective date of the provisions of the Congressional Budget Act of 1974 and certain other Federal laws relating to the Congressional Budget process.

H.R. 1990. January 23, 1975. Interior and Insular Affairs. Amends the National Trails System Act to authorize a joint feasibility study by the Secretaries of Interior, Agriculture, and Transportation, for the establishment of certain bicycle trails.

H.R. 1991. January 23, 1975. Interior and Insular Affairs. Amends the National Trails System Act to authorize a joint feasibility study by the Secretaries of Interior, Agriculture, and Transportation, for the establishment of certain bicycle trails.

H.R. 1992. January 23, 1975. Interior and Insular Affairs. Allows coal mine operators to credit payments to States in the form of a reclamation fee against the amount to be paid to the Secretary of the Interior for the Abandoned Mine Reclamation Fund.

H.R. 1993. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to impose, for each taxable year during the energy emergency, a specified tax on the excess profits of every corporation engaged in producing or refining petroleum.

Establishes in the Treasury of the United States the Energy Research, Development, and Exploration Trust Fund to utilize revenues generated by this Act to locate and research any energy source.

H.R. 1994. January 23, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 1995. January 23, 1975. Post Office and Civil Service. Authorizes the President to appoint, with the advice and consent of the Senate, and remove from office, after consulting with the Board of Governors of the Postal Service, the Postmaster General.

H.R. 1996. January 23, 1975. Ways and Means. Amends the Social Security Act by removing the limitation on the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 1997. January 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit or refund for all Social Security taxes paid after the month of the individual's sixty-fifth birthday. Reduces the self-employment tax on individuals who have attained the age of sixty-five.

H.R. 1998. January 23, 1975. Ways and Means. Excludes from taxable income as defined in the Internal Revenue Code of 1954 the first $1,000 of interest earned on savings deposits in banking institutions with investments in residential real property.

H.R. 1999. January 23, 1975. Veterans' Affairs. Amends the standards for maintaining a disability rating under laws administered by the Veterans' Administration.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

45. By the SPEAKER: Petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to military appropriations; to the Committee on Appropriations.

46. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to national security; to the Committee on Armed Services.

47. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to U.S. military superiority over the U.S.S.R.; to the Committee on Armed Services.

48. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to the United Nations; to the Committee on Foreign Affairs.

49. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to the Panama Canal; to the Committee on Foreign Affairs.

50. Also, petition of the General Staff, Military Order of the World Wars, Washington, D.C., relative to Rhodesian chrome; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

JAYCEES HONOR COHEN AS ONE OF NATION'S 10 OUTSTANDING YOUNG MEN

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, for nearly four decades, the U.S. Jaycees have annually extended special recognition to 10 outstanding young men as examples of the important contributions that young persons can make in today's world.

The criteria the judges have used over the years to select candidates for this honor include extraordinary performance over an extended period of time; selfless devotion to a cause, principle, or duty, or a single act of courage or bold leadership.

The list of men chosen for this recognition—all must be 35 or younger at the time—reads like a "Who's Who" of America's leadership. Last week, at their 39th annual awards convention in Tulsa, Okla., the Jaycees honored the 10 Outstanding Young Men of 1974. I am pleased to report that among the recipients was our distinguished colleague from Maine, Representative WILLIAM S. COHEN.

BILL COHEN was selected for the courageous and outstanding work he performed during a very difficult period last year on the Judiciary Committee. The judges noted of BILL that—

In an era when many Americans have become disillusioned with politics, William S. Cohen's record of integrity, achievement and concerns shows an unusually deep devotion to the process of making the system work.

In the course of accepting this award, BILL offered a number of cogent remarks about the nature of our political system, which I now offer for insertion in the RECORD:

ACCEPTANCE ADDRESS

(By Representative WILLIAM S. COHEN)

It is an honor for me to stand before you tonight as one of the recipients of the Jaycees Outstanding Young Men of America.

I realize that my participation on the House Judiciary Committee in large part accounts for my presence here tonight. I would like to think that my activities in law and public service before or beyond the impeachment hearings would be deemed worthy of your honor, but as Justice Holmes might say, "We cannot live our dreams and perhaps it is enough if we can give a sample of our best and know in our hearts that it has been nobly done."

Unfortunately, we cannot pick our places in history—forces beyond our control determine whether we shall occupy a page or a footnote in the annals of time—or, indeed, whether we shall slip through life's hour glass without note or notice except that of our family or a few friends.

An incredible concatenation of events and force of circumstance beyond anticipation placed me in a position to pass judgment upon the highest elected official in the United States. It was a responsibility that I did not seek, but one from which I could not retreat.

There are many lessons to be drawn from that experience known as Watergate—what President Ford called our "long national nightmare."

One lesson would be that our elected officials should never forget that in a democracy, dissent and opposition is not only desirable, it is indispensable. To seek unanimity of thought and action is the hallmark of a fascist state, not a free one. Moreover, there is a lesson for the American people that we must demand and insist upon access to facts and information and not rely upon pious pronouncements from government officials and agencies; that we must insist upon an end to secrecy and demand strict accountability; that we must never again tolerate any public official to wrap himself in the mantle of his office and engage in the sophistry that the destiny of this country is directly dependent upon his future success and survival.

I spoke to a group in Boston recently and someone asked me, "How do we prevent Watergate from happening again." There is no guarantee against the future abuse of power. There is no vestment, no statutory web of regulations that we could weave that could possibly insulate men and women in positions of power from the temptations and subtle assaults against their integrity or public trust. But it is important to recognize that the overconcentration of power in one branch of government, the reduction of public debate and congressional participation in the decisionmaking process, the absence of openness and accountability, insures the inevitability of error and abuse.

And beyond the realm of politics, I believe there are some lessons for each of us.

I recall that when I was campaigning for Congress I spoke at an assembly at a high school in Maine. A young and rather cynical young lady asked me why did my campaign literature mention the fact that I had played basketball. I remember pausing and finally saying, "perhaps it's nothing, but to me it was everything because it was an important part of my life where I learned some immutable principles. That there were rules to be followed, discipline that had to be imposed, referees or judges who would call foul if I violated those rules—but most of all the joy of clean competition, of the struggle, the sweet rewards of victory, the bitter taste and disappointment of defeat, the whole range of experiences that each of us will come to know in a lifetime.

And these lessons have been of great aid to me because I learned that it is important to win, but it is more important to win without engaging in conduct that shows you are unworthy of winning. That applies in sports, scholastics, politics or life itself.

There are many lessons to be found in Watergate but perhaps they were all expressed by Jeb Magruder, a bright, handsome, ambitious young man on the move who last year was sentenced to serve ten months to four years in a federal penitentiary.

He said in a very emotional statement before the court "Judge, I am sorry. My ambition obscured my judgment. I lost my moral compass—and now I must look into the eyes of my wife and see her pain, the eyes of my children and see their confusion and the faces of my fellowman and see their contempt. But America will survive her Jeb Magruders and her Watergates." And this same statement may be said for Egil Krogh, Gordon Strachan, Richard Kleindienst, Charles Colson and a host of other young men who in the pursuit of some thought to be a lofty goal, lost their moral compasses, forgot that there are rules that must be obeyed, forgot that there were judges, forgot that "winning isn't everything, not if it comes at the cost of engaging in conduct that shows you're unworthy of winning."

Louis Kronenberger wrote over 20 years ago that "the trouble with us in America isn't that the poetry of life has turned to prose, but that it has turned to advertising copy." We failed to heed his words because what we witnessed was the revelation that our true values were nearly subverted by single-minded men whose concern was not with truth but public relations or public reactions or playing in Peoria and we were fed a steady diet of advertising copy and synthetics that nearly corroded our constitution.

If I had to sum up my experience from this extraordinary process, I would turn to the familiar maxim that ideals without technique is a mess; but technique without ideals is a menace.

I must add one final note about Watergate. I know it is popular or fashionable today to be pessimistic, disillusioned or disenchanted with our political system or with our governmental institutions and to point to Watergate as a justification for our negativism or mortification of the soul, but I look upon this experience as revealing something very strong and positive about our country, our people and our principles. We, like the people in any other nation, have the moral deficiencies and the mortal capacity to do wrong. But unlike most other people in many other nations, we have the will and perhaps more importantly, we have the freedom, to do what is right. There is no other country that could undertake to surgically expose the ills and evils which afflict it and then undertake to expurgate those evils in living color before the very eyes of the world.

Ours is the first real republic in the history of the world. Beneath our flag, the people are free, the press is free. Here there are no walls to keep us from leaving if we should choose to do so. No export fees or immigration fees on people. There is no iron curtain

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around our borders, no shroud to hide the sight of oppression. No secret police to whisk us off in the night without a full and fair public hearing.

And we should stop and think about it, that one of the greatest signs of our freedom is that when you hear a knock upon the door at 4 o'clock in the morning, you can be pretty sure it is the milkman.

And let me conclude by suggesting that I have adopted as a motto the words that are inscribed on the national archives—all that is past is prologue.

When a lady asked a cab driver what that meant he said, "Lady, you ain't seen nothing yet."

THE ESTIMATED "REAL" DEFICIT IS $150 TO $170 BILLION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1975

Mr. CRANE. Mr. Speaker, the idea that unemployment and recession can be corrected by pursuing a policy of increased deficit spending and increased inflation is an illusion which is all too popular among many in the Congress.

Those who advocate such an approach overlook the fact that unemployment and recession are caused by inflation and, as a consequence, can hardly be ameliorated by the same factor.

The economist, Henry Hazlitt, points out that what the advocates of inflation do not realize until it is too late:

Is that market prices and costs are all rising unevenly, discordantly, and even disruptively. Price and cost relationships become increasingly discoordinated. In an increasing number of industries profit margins are being wiped out, sales are declining, losses are setting in, and huge layoffs are taking place. Unemployment in one line is beginning to force unemployment in others.

All this is the consequence of inflation in its later stages. Mr. Hazlitt notes that—

The irony is that this consequence is systematically misinterpreted. The real trouble, everybody begins to think, is that there is not *enough* inflation; it must by all means be speeded up.

The current budget, and the additions to it which many in the Congress are considering, will increase our inflation rate dramatically. As a result, the effect of the budget will be to drive up even further into recession and, as one consequence, increase the rate of unemployment.

It is essential that those who advocate such reckless spending understand the real nature of what they are supporting. When the administration speaks of the current budget as containing a deficit of $84 billion it is speaking only of the current and next fiscal years. Columnist George Will points out that "off-budget" Federal agencies, such as the Export-Import Bank and the Postal Service and others "will dip their large ladles into the capital market to borrow $13.7 billion this year and more than $10 billion next year."

Discussing the real deficits which lie ahead, Mr. Will writes that we must:

Add $24 billion to the Administration's $87 billion borrowing statistic. But regarding this $111 billion figure, remember the administration's borrowing statistic rests on the . . . absurd assumption that this liberal Congress is going to cut $5.9 billion this year and $17 billion next year from social programs.

The "real" deficit, Mr. Will argues, will be $150 to $170 billion. How many Americans really believe that such deficit spending will ease—and not exacerbate—our current difficulties? Hopefully, their number is few. Many, however, are not aware of this reality.

I wish to share with my colleagues the column by George Will which appeared in the Washington Post of February 8, 1975, and insert it into the RECORD at this time:

ESTIMATED "REAL" DEFICIT: $150–170 BILLION

(By George F. Will)

"America's wealth is mortgaged. The debt load is excessive. Federal borrowing over the next 18 months could be the ton of bricks that splinters the camel's already sprained back."

Texas congressman George Mahon, lean and leathery as a horsewhip, looks like a cowboy carved from cactus. The crow's-feet around the outer corners of his eyes come not from squinting down a carbine at rustlers, but from squinting at long trails of large numbers in small print.

Mahon's service as chairman of the House Appropriations Committee has made him gifted at the arcane art of reading federal budgets, and steeped him in his wisdom: there are three kinds of lies—lies, damned lies, and statistics.

The Ford administration, through its new budget, suggests that the government will need to borrow $87 billion in the next 18 months. Mahon has squinted at that statistic and declared that it is, well, a statistic. He says that actual borrowing will be between $150 billion and $170 billion.

The administration's $87 billion figure is the sum of projected deficits—$34.7 and $51.9 billion—for the current and next (1976) fiscal years. But Mahon notes that "off budget" federal agencies—the Export-Import Bank, the Postal Service, and a host of others—will dip their large ladles into the capital market to borrow $13.7 billion this year and more than $10 billion next year.

So add $24 billion to the administration's $87 billion borrowing statistic. But regarding this $111 billion figure, remember that the administration's borrowing statistic rests on the patently absurd assumption that this liberal Congress is going to cut $5.9 billion this year and $17 billion next year from social programs, the perpetual expansion of which is the raison d'etre of liberalism.

So add $23 billion to the $111 billion. But federal borrowing can be held to $134 billion only if Congress accepts Mr. Ford's program for raising as well as cutting some taxes.

Assume, for the foolish fun of it, that Congress cuts taxes no more than Mr. Ford wants. And assume, plausibly, that Congress refuses the tax increases Mr. Ford wants, such as those on natural gas and imported oil.

Then, Mahon says, the deficits will increase by $4.3 billion this year and $19 billion next year. Mahon whose wit is as arid as the dust bowl, notes: "The history of recent tax legislation would tend to suggest this possibility."

So add $23 billion to the $134 billion. Then to the $157 billion add a little something—say $5 billion—to allow for this providential fact: Congress cannot go a full year without inventing a costly new social program.

Digging out from under Mahon's brimstone shower of facts, Rep. Robert Michel of Illinois, the Republican Whip, exclaimed: "Unless we in Congress do something about it, we're headed toward a first-class disaster." But that is the American way. If you're going, go first-class, even if where you're going is just deeper into debt.

Debt, too, is as American as frozen apple pie garnished with a slice of processed cheese.

Richard Whalen, a private international consultant and one of Washingtons most respected economic thinkers, asks: What has been the secret of our remarkable recent prosperity? And Whalen answers himself:

"In a word: debt. Debt so unimaginably large in the private sector and public sectors alike—some $2.5 trillion, according to the latest count—that the idea of ever paying off any substantial part of it is unthinkable. McGraw-Hill's economists recently totted up the categories: $1 trillion in corporate debt, $600 billion in mortgage debt, $500 billion in U.S. government debt, $200 billion in state and local government debt, and $200 billion in consumer debt. Merely to pay the interest due this year, they calculated, would take a sum more than one third the GNP of the next biggest capitalist economy, Japan."

America's wealth is mortgaged. The debt load is excessive. Federal borrowing over the next 18 months could be the ton of bricks that splinters the camel's already sprained back. This borrowing will abort any recovery by sending interest rates soaring, devastating the housing industry, and drying up the pool of long-term investment capital, the muscle-building protein of the American economy.

We have borrowed against the future, and now the future is bearing down on us. Bye, bye, American pie.

FEDERAL EMPLOYEES' COST-OF-LIVING DIFFERENTIALS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. ROSENTHAL. Mr. Speaker, more than half of the 2.8 million civil servants employed by the Federal Government live and work in major metropolitan areas of our country. For too long, they have been paid salaries with little consideration given to the real cost of living in those areas. To establish a more equitable system, I am introducing legislation that would provide a special cost of living pay schedule containing increased pay rates for these 1.6 million Federal employees in areas of half million or more population to offset the extraordinary cost of urban living.

The purpose of this legislation is to equalize Federal employees' income in terms of real dollars, that is, buying power. Since it costs more to support the identical standard of living in a major metropolitan area than it does in a nonmetropolitan community, paycheck comparability cannot be determined by mere quantity of dollars. Rather we must look at the purchasing power of that paycheck. The thrust of this bill is to equalize the real dollar income of Government workers doing the same job in different parts of the country.

Private industry and many State governments already pay higher salaries and wages to employees in large cities than they do for the same kind of work in other areas where living costs are not as high. Private industry has a policy which takes the cost of living aspect into consideration when establishing pay scales. An employee may transfer to New York City from another part of the country and automatically receive a 10 to 20 percent increase in pay, even though he continues to do the same kind of work. A typist, file clerk, laborer, or white collar employee of a large national corporation in New York City receives a higher salary or wage than his counterpart in the same company in other areas of the country.

Some State governments take similar action. For example, the State of New York pays employees who work in New York City a higher salary than those State workers with comparable jobs in other parts of the State where the cost of living is not so great. In recognition of the higher cost of living in New York City, municipal salaries of the city employees rank among the highest in the country.

We are the Nation with the highest standard of living in the world. Fifty-five percent of the Federal Government's 2.8 million employees live in metropolitan areas of a half-million or more population and yet many of these employees are paid salaries which are less than they could receive if they collected welfare. For example, a Government clerical worker living in New York City—or anywhere else in the country—receives an annual income of $5,294. By contrast, a New York City welfare recipient receives the equivalent of $5,736 annually. Every other national employer has resolved this issue.

Evidence of the necessity for this legislation can be found in job actions by Federal employees seeking higher pay, most notably postal workers, who are no longer covered by the Civil Service pay schedules as a result of the Postal Reorganization Act. Actions such as these were centered in the big cities and high cost of living areas.

Elsewhere, workers seem more satisfied with Federal pay scales. In fact, in many rural and suburban areas, Federal salaries are actually higher than State and local government and private industry pay for similar work.

There is some indication, however, that the Federal Government is aware of the problem. Per diem rates for civil servants are larger when they visit certain large cities, in recognition of the higher costs there. In addition, eligibility standards for the school lunch program permit higher income levels in urban industrial centers than in rural nonindustrial areas.

Under current Federal pay scales, a GS–1 appointee starts at $5,294; a GS–2 appointments pay $5,996; a GS–3 salary is $6,764. By comparison, a family of four on welfare in New York City, as noted above, receives the equivalent of $5,736 a year.

The employes classified in the higher grades who do receive more in salary than they would on welfare still, in most cases receive less than the income requirements for a family of four to maintain a modest standard of living.

Studies by the Labor Department's Bureau of Labor Statistics show the typical family of four needs $7,626 to maintain a lower budget level in a small city, but about $1,000 more for the same standard of living in New York City, Washington, D.C., San Francisco, Chicago, Los Angeles, Boston, Honolulu, or Seattle.

The starting salary for a GS–1 appointment, which is a clerical job, is $5,294—some $2,000 below BLS's lower budget level for smaller cities and $3,000 below the level for large metropolitan areas.

In fact, even a GS–5, who must have 4 years of college or equivalent experience, would not reach the minimum budget for most large cities. His starting pay is $8,500. That, however, is above the small city requirement.

This same relative disadvantage for big city workers holds true across-the-board.

The mid-level civil servant, the GS–9, needs a master's degree, a law degree or comparable experience. Starting pay is $12,841. That is several hundred dollars below the intermediate budget level for the average large city and even further below what is needed in New York, Washington, D.C., Boston, Chicago, Philadelphia, and San Francisco. But, it is more than $1,500 over and above the small city requirements.

To maintain a higher budget level, the family of four would need $15,708 in a city of 50,000 or fewer, but in a metropolitan area like New York City that figure is $22,000. However, a senior level civil servant, GS–13, starts at $21,816. As you can see, that is more than enough to live very comfortably in a small city, but it is still inadequate in large metropolitan areas.

The figures and the charts I am inserting following these remarks clearly show the disadvantage our current civil service pay system puts on the 1.6 million Government employees who live and work in the Nation's large cities.

As we have seen, public assistance in some places pays more than public employment.

Increased salaries through regional differentials would not only be more equitable to Federal employees, but would be of great benefit to the Government as well. If the Federal Government paid its classified workers salaries which are competitive with private industry in that locale, it would be able to recruit and retain more qualified and better trained employees instead of losing them to private industry. Government service should not be viewed as a training ground for more lucrative jobs in the private sector; it should be considered as a career occupation.

Under my legislation, the Civil Service Commission would establish a special cost of living pay schedule for employees and positions located in metropolitan areas with a population of 500,000 or more. More than half of all Federal employees would be affected by this measure.

Mr. Speaker, this legislation has been endorsed by the American Federation of Government Employees, one of the major unions representing Federal workers; by the AFL–CIO through its New York City Labor Council; and by the National Federation of Federal Employees.

I include the following:

FAMILY OF 4, BUDGET REQUIREMENTS[1]

	Lower	Intermediate	Higher
All U.S. cities	$8,181	$12,626	$18,201
Cities 2,500 to 50,000	7,626	11,363	15,708
Cities 50,000 and up	8,305	12,909	18,760
	[2] GS–1	[3] GS–9	[4] GS–13
Starting Federal pay	5,294	12,841	21,816

[1] Source: Bureau of Labor Statistics.
[2] GS–3 is starting pay for clerical workers with no experience.
[3] GS–9 is a middle-level managerial position that requires a master's degree or equivalent experience.
[4] GS–11 is a senior level Government worker.

NEW YORK CITY[2]

	Lower	Intermediate	Higher
Family of 4 budget level	$8,661	$14,448	$21,999
	GS–1	GS–9	GS–13
Starting Federal pay	5,294	12,841	21,816
Welfare family of 4	[1] 5,736		

[1] Metropolitan area population: 9,944,000, Federal workers 106,329.
[2] Mayor's office. This figure represents the cash equivalent of the annual welfare payment.

12 MAJOR CONCENTRATIONS OF FEDERAL WORKERS

Metropolitan area	Federal workers	Population	Consumer price index[1]	Family of 4 budget[2] Lower	Intermediate	Higher
Washington, D.C.	316,017	2,999,000	[3] 156.1	8,547	13,043	18,869
New York City	106,329	9,944,000	161.7	8,661	14,448	21,999
Philadelphia	76,735	4,878,000	159.2	8,415	13,022	18,851
Chicago	71,477	7,085,000	153.2	8,635	13,213	18,919
San Francisco	69,417	3,132,000	152.1	8,939	13,378	19,316
Los Angeles	65,867	7,000,000	150.0	8,525	12,520	18,489
Boston	36,903	3,417,000	[4] 153.0	8,988	14,893	21,986
St. Louis	35,432	2,400,000	148.6	8,056	12,390	17,691
Detroit	29,958	4,489,000	156.2	8,246	12,810	18,591
Honolulu	24,940	660,000	148.2	9,924	14,937	21,901
Pittsburgh	19,208	2,396,000	[4] 152.3	8,002	12,299	17,703
Seattle	17,131	1,400,000	[3] 147.9	8,407	12,667	17,924

[1] December 1974 figures unless otherwise noted.
Source: Bureau of Labor Statistics.
[3] November 1974.
[4] October 1974.

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FEDERAL CIVILIAN EMPLOYMENT IN METRO AREAS OF 500,000 AND MORE

Metropolitan	Federal workers	Population
Akron, Ohio	2,562	682,000
Albany-Schntdy.-Troy, N.Y.	9,510	793,000
Allntn.-Beth.-Easth., Pa.-N.J.	2,154	609,000
Anaheim-St An-Gar Gr, Calif.	8,518	1,527,000
Atlanta, Ga.	30,376	1,684,000
Baltimore, Md.	54,571	2,125,000
Birmingham, Ala.	8,499	779,000
Boston, Mass.	36,903	3,417,000
Buffalo, N.Y.	10,145	1,353,000
Chicago, Ill.	71,477	7,085,000
Cincinnati, Ohio-Ky.-Ind.	13,683	1,391,000
Cleveland, Ohio	20,861	2,046,000
Columbus, Ohio	12,144	1,058,000
Dallas-Fort Worth, Tex.	27,265	2,446,000
Dayton, Ohio	25,090	857,000
Denver, Colo.	28,792	1,320,000
Detroit, Mich.	29,958	4,489,000
Fort Lauderdale-Holwd., Fla.	3,178	685,000
Gary-Ham.-East Chicago, Ind.	1,958	644,000
Grand Rapids, Mich.	2,326	549,000
Grboro.-Wins.-Sal.-H. Pt., N.C.	4,140	745,000
Hartford, Conn.	6,017	834,000
Honolulu, Hawaii	24,940	660,000
Houston, Tex.	18,742	2,124,000
Indianapolis, Ind.	16,906	1,128,000
Jacksonville, Fla.	11,243	636,000
Jersey City, N.Y.	8,606	611,000
Kansas City, Mo.-Kans.	22,727	1,304,000
Los Angeles-Long Beach, Calif.	65,867	7,000,000
Louisville, Ky.-Ind.	10,373	888,000
Memphis, Tenn.-Ark.	14,852	838,000
Miami, Fla.	13,301	1,331,000
Milwaukee, Wis.	8,335	1,423,000
Minneapolis-St. Paul, Minn.	18,318	1,996,000
Nashville, Tenn.	7,496	716,000
New Orleans, La.	12,873	1,077,000
New York, N.Y.	106,379	9,844,000
Newark, N.J.	23,790	2,082,000
Norfolk-Portsmouth, Va.	31,948	729,000
Oklahoma City, Okla.	31,829	736,000
Omaha, Nebr.-Iowa	8,081	569,000
Paterson.-Clif.-Passaic, N.J.	1,930	464,000
Philadelphia, Pa.-N.J.	76,735	4,878,000
Phoenix, Ariz.	11,003	1,053,000
Pittsburgh, Pa.	19,208	2,396,000
Portland, Oreg.-Wash.	14,874	1,036,000
Prov.-Paw.-Warwck., R.I.-Mass.	8,934	783,000
Richmond, Va.	9,560	553,000
Rochester, N.Y.	5,567	969,000
Sacramento, Calif.	26,533	851,000
St. Louis, Mo.-Ill.	35,432	2,400,000
Salt Lake City, Utah	33,585	711,000
San Antonio, Tex.	38,588	937,000
San Bern.-River-Ont., Calif.	12,652	1,179,000
San Diego, Calif.	33,213	1,443,000
San Francisco-Oakld., Calif.	69,417	3,132,000
San Jose, Calif.	9,579	1,127,000
Seattle-Everett, Wash.	17,131	1,400,000
Sprng.-Chicopee-Holy, Mass.-Conn.	4,244	591,000
Syracuse, N.Y.	4,920	643,000
Tampa-St. Petersburg, Fla.	9,778	1,189,000
Toledo, Ohio-Mich.	3,348	781,000
Washington, D.C.	316,017	2,999,000
Youngstown-Warren, Ohio	2,150	543,000
Total	[1] 1,631,084	

[1] This figure represents 55.2 percent of 2,864,987 total Federal employees listed by the Civil Service Commission as of November 1974.

LEE HAMILTON'S RECENT WASHINGTON REPORTS ON THE PRESIDENT'S STATE OF THE UNION ADDRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my recent Washington Reports discussing President Ford's state of the Union address:

THE PRESIDENT'S ECONOMIC PROGRAM

EDITOR'S NOTE: This is the first of two reports on the State of the Union Address.

After listening to several State of the Union Addresses, I never thought I would hear a President say, "The State of the Union is not good," but that is the way President Ford began his message to the Congress and the nation for 1975.

It was a straightforward talk, refreshing in its honesty, about realistic problems and goals. President Ford had bad news, he reported it, and he expressed the widely shared confidence that the state of the union, while bad, would get better.

The President proposed a number of steps to overcome our economic problems:

A 12% individual income tax rebate up to a $1,000 limit with cash payments to those who pay no taxes on low income;

Reduced personal income tax rates for 1975 and afterward;

An increase in the investment tax credit against business income taxes;

A corporate income tax reduction from 48% to 42%;

A one year hold on all new federal spending programs; and

A 5% ceiling on social security and federal pay increases in 1975.

Apart from the vast economic stakes involved, President Ford has gambled his political future on the success of his program. It is obvious that he has undergone a remarkable turnaround in the direction of his economic policy. Instead of asking for a surtax and urging citizens to be prudent budget cutters and tight-fisted consumers, he now encourages them to get out there and spend, armed with rebated tax dollars.

The President should be credited, not criticized, for the courage to change his policy, but his proposals lead to several questions:

Is the tax cut large enough to stop the recession and to help assure economic recovery later this year? It is obvious that the President's most urgent priority is to prevent the recession, already the worst drop in industrial production in this country since WWII, from becoming a depression. The President's figure of a net $16 billion tax reduction and stimulus is close to the middle of the $10 to $20 billion cut advocated by most non-governmental economists, but he proposes record peacetime budget deficits for this and next year that would run the red ink total to about $80 billion.

Those massive deficits raise several questions: Are they too big for the economy to bear? Some officials fear that they will generate a new round of inflation, and that financing them will cause serious problems in the nation's capital markets. Other officials agree that deficits in a recession are not inflationary because they restore jobs and purchasing power. The President is trying to reverse not just a year long recession, but he is trying to stop the forces of recession already seriously underway in other parts of the world.

Another question is whether the new spending power is being pumped into the economy at the right time. The mechanism used to put the money back into the economy is vital. The President suggests a device we have not used before—the rebate. No one can be sure just what the impact of the rebate device will be on consumer spending, but economists generally take the view that the quicker the stimulus, the better it will be.

The rebate would come in a double dose, in May and in September, to insure against the recession hitting bottom in the spring or summer, but there will not be a quick recovery. Also, making the payment in two bites means that the Treasury will not have to go into the money markets to borrow a huge $12 billion sum in a very short period of time, as would be the case if the whole amount were paid in May.

What the Congress will do with the President's economic program is another major question. It is reasonably clear that the Congress will enact, and the President will approve, a sizeable tax cut. Influential Senators and House members have been critical of many of the President's proposals to invigorate the economy, but there is broad agreement that the nation does need a tax reduction at this time. The program put forward by the House Democrats does not directly conflict with the President's economic programs, although the Democrats were not sufficiently precise to make exact comparisons.

Because of the need for stimulus now, it is probably more important to get some kind of tax cut through the Congress, than any particular kind of cut, although there is much agreement that the reductions should be weighted in favor of low income groups.

The key question, however, is not the soundness of the President's economics. It is whether his policy will generate a renewal of confidence in the government and in the economy which will make the average American spend, rather than save.

THE PRESIDENT'S ENERGY PROGRAM

EDITOR'S NOTE: This is the second of two reports on the State of the Union Address.

There is no shortage of oil. Oil is readily available from foreign countries—but at arbitrarily high prices, which is causing a massive outflow of dollars to the oil producing countries and a a risk of increasing our vulnerability to severe economic disruption if another oil embargo should be imposed.

To discourage consumption and encourage production of oil, the President has proposed a number of different steps:

a $3 per barrel fee on imported oil, (which the President has already ordered);

a backup oil import control program to limit oil imports, if necessary;

a $2 per barrel ax on domestic crude oil, with an equivalent levy for natural gas;

a windfall profits tax on the profits of domestic oil producers;

the decontrol of domestic oil and gas prices;

deferred clean air standards for power plant and automobile emissions;

expanded leasing of oil and gas tracts on the outer continental shelf and leasing of coal on public lands;

the commercial sale of oil from naval reserves;

measures to aid electric utilities, eg. investment tax credits and state utility commission reform;

expedited nuclear power plant siting and licensing;

autombile, building, and home appliance energy conservation measures; and

energy emergency preparedness programs.

The basic approach of the President's proposal is to force prices up in the hope of holding consumption down. Everyone agrees that a reduction in the level of oil imports is essential in order to maintain a steady and healthy growth in the economy. The President wants to cut back 1 million barrels a day from what the U.S. would otherwise import in the next twelve months and two million from what it would import by the beginning of 1978. The merit of his proposal is that it is at last and at least a comprehensive package that ends more than a year of backing and filling by both the President and the Congress.

There is much disagreement within the Congress about the President's energy proposals. There is agreement that his proposals will be inflationary, but little agreement as to how inflationary. The President's advisors have estimated a 2% increase in the cost of living because of the President's energy proposals alone, and others have suggested a 4% addition. There is disagreement about the impact of the President's energy proposals on the standard of living Americans; whether, for example, the proposed tax reductions to stimulate the economy will balance off the average increases in energy costs which consumers must pay. Estimates of the net outflow of funds from the economy due to higher energy costs vary from $3 billion to $25 billion.

There is also disagreement as to whether or not these increases will in fact reduce consumption. Most knowledgeable oil observers suggest that President Ford's plan would reduce U.S. consumption, but not nearly as much as the President predicts. Relying on high prices to cut demand is a very uncertain science. If the past 15 months are any guideline, another 10 cents at the gas pump will do no more than keep gasoline consumption from rising.

And there are differences of view on the amount of reduction in imports which is immediately necessary. Many argue that the state of the economy has to take absolute priority over the issues of conserving and paying for energy, and that it is crucial not to start new policies that will interfere with the recovery of the economy.

These disagreements assure that there will be tough resistance to the President's energy proposals, more than the resistance to his economic proposals. A resolution of the conflict over the proposals is not yet in sight. In view of the differences, Congress is seeking additional time to address the President's energy proposals in an informed and responsible way.

The beginning point in understanding the energy debate, which is now well underway, is that policymakers have no good choice. Any choice that is made is going to impose some unpleasant costs at an unfortunate time. The final solutions to our energy dilemma will not come soon, and for the present, our energy policies must be limited to minimizing the inevitable cost, reducing the dislocations, and choosing the least objectionable alternative. Hopefully, the President and the Congress can develop a mutually agreeable energy policy and obtain the maximum support of the American people.

JACK MARTIN

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. GONZALEZ. Mr. Speaker, it is particularly sad when a man of great inner strength, quiet dignity and courage, and dedication passes from this life into the next. It is sad because those of us who are left now have a void which can never adequately be filled.

It is, of course, a credit to a life that those left would feel this way about a person, but such a loss is nevertheless irreparable.

Such a person which I and others from San Antonio and Texas feel this way about is Jack Martin, who died at his home in San Antonio on February 24, after suffering a heart attack several weeks ago. He was 67 years of age.

He was optimistic and alert until the end. I talked with him just a few hours before he died. When I returned to Washington I learned that he was gone.

Jack Martin was a labor leader—of which the labor movement could be justly proud. At the time of his death he was a general organizer for the Iron Workers International Association.

Prior to the position, he served as president and business manager of San Antonio Iron Workers Union 66. He also served as president of the San Antonio Building and Construction Trades Council.

He was active with the March of Dimes and served on the boards of Goodwill Industries and of HemisFair 1968—the world's fair which I was instrumental in bringing to San Antonio.

A veteran, he was also a member of the American Legion and the Veterans of Foreign Wars.

The late President Lyndon B. Johnson once sent Jack Martin as his emissary at the dedication of a dam in Pakistan.

He was a good man to represent a President, and I was proud to count him as a friend.

He will be sorely missed by his friends and community, as well as by his wife, Alma; his sons, James and Robert; daughter, Mrs. Joan M. Sall, and seven grandchildren.

ON THE RETIREMENT OF JAMES M. STUART

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KINDNESS. Mr. Speaker, I would like to take this opportunity to salute one of the outstanding corporate citizens of Ohio, Mr. James M. Stuart, who recently announced his retirement from active civic life.

The life of James M. Stuart is indicative and representative of the accomplishments that can be achieved by industrious and dedicated individuals. Beginning his career at the lowest rung of the Dayton Power and Light Co. in March 1923, after studying at the University of Cincinnati, Stuart was elevated through a succession of positions culminating in his appointment as president and general manager of the corporating in February 1958. In 1963, he was designated as president and chairman of the board of directors, in which position he served until April 1969, when he relinquished his position as president but remained as a highly active chairman of the board.

Mr. Speaker, the measure of James M. Stuart's contribution to society is not merely gleaned from his important corporate responsibilities within the Dayton Power and Light Co., but through his dedicated infusion of time and effort to countless civic endeavors.

James M. Stuart was a valued member of the board of trustees of the University of Dayton, Wilberforce College and Wilmington College. He was a trustee of the Charles Kettering Foundation, a director emeritus of the Dayton Boys' Clubs, a director of junior achievement of Dayton, and a director of the Dayton Philharmonic Orchestra Association.

Because of his own humble beginnings, James M. Stuart never lost sight of the concerns of the ordinary worker, the backbone of any business enterprise. It was thought this special insight, Mr. Speaker, that James Stuart was able to use his important corporate positions for the benefit of his employees and for the betterment of the Dayton community of which he was such an integral part.

Upon his retirement from active civic life, I take this opportunity to salute the lifelong efforts of this unique and public-spirited citizen.

WAR IN THE PACIFIC HISTORIC PARK

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. WON PAT. Mr. Speaker, today, I am again pleased to introduce legislation to authorize the establishment of a War in the Pacific Historic Park in the territory of Guam. I am equally pleased to state that seven of my colleagues have also agreed to lend their support to this measure which seeks to create a permanent memorial to the bravery of those who fought and died in the Pacific for the United States in World War II.

The measure we put before the House today is similar to H.R. 16086, which was introduced on July 23, 1974. Although I had hoped the House Interior Committee might have provided this measure with a hearing in the 93d Congress, our bill became another casualty of the many national crises with which the Congress was forced to deal last year.

The need for this legislation to become law has been a long time in the making. Nowhere in the Pacific is there to be found a lasting memorial by Americans to our brothers who fought so hard to defeat a difficult enemy. This point is especially well remembered by two cosponsors of this bill, Representative RICHARD WHITE, Democrat of Texas, who served in the Pacific during the war, and Representative WILLIAM KETCHUM, who was with the U.S. Army during its invasion of Guam in 1944. Both of these fine gentlemen remember the horrors of those days and I am proud that they have continued their support to provide our fighting men and women with the monument they so richly deserve.

We believe that the time has come for America to act if we are to preserve those areas on Guam that were directly involved in the fierce fighting to liberate the island. If we do not act soon, I fear that private developers will overrun many of the more important sites and thus preclude any possibility of establishing a meaningful park.

The creation of the War in the Pacific Park on Guam would also be of significant value to the island's tourist business. It is ironic that 35 years after the war, the majority of Guam visitors are Japanese, many of whom either fought in the conflict itself or had parents who did. They want to visit old battlefield sites as much as do those of us who took part in the combat. There is no question in my mind that the creation of a suitable park would not only preserve the remaining vestiges of that fierce battle on Guam in July 1944, but

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would serve as an enticement to bring thousands of visitors, hopefully, both from the Orient and from the States, to visit our island.

In recent years, the Japanese Government has constructed on privately owned property on Guam a memorial to honor their war dead. Is it not time for the United States to also act to honor those who gave so much in their country's time of need? The proposed War in the Pacific Park on Guam would be a fitting tribute of a grateful country. I therefore urge my colleagues in the 94th Congress to give this measure every consideration possible.

PHILADELPHIA ADDS SECOND MOBILE INTENSIVE CARE UNIT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. EILBERG. Mr. Speaker, Philadelphia's second mobile intensive care unit, providing special treatment for medical emergencies, was placed in service in my district in Northeast Philadephia at Engine 62, Bustleton Avenue and Bowler Street, on Wednesday, February 26.

The rescue unit, manned by specially trained fire medics, is designed to provide on the scene advanced primary care in such life-threatening emergencies as a heart attack, drowning, electrocution, or suffocation.

The city's first mobile intensive care unit, operating out of Engine 43, 21st and Market Streets, responded to over 2 500 calls for assistance during its first year of operation.

The mobile intensive care units' fire medics undergo intensive training in the latest techniques employed in acute coronary care and may administer drugs and electric shock, defibrillation, to the patient under direct orders from a doctor in the hospital.

These sophisticated rescue units are equipped with special communication capabilities which enable the fire medic and the base station doctor to have voice contact. This enables the fire medic to give vital signs and other pertinent medical information to the base station physician, who in turn instructs the fire medic as to how best treat the patient. City Fire Commissioner Rizzo stated that these mobile intensive care units differ from other rescue vehicles in their specialized equipment and the ability of the personnel manning them. He added that four additional units will be placed in service throughout the city during the coming year, under a $390,000 grant from the Robert Wood Johnson Foundation, Princeton, N.J.

The grant was given to the Philadelphia Health Management Corp. to develop an improved emergency medical communication and transportation system for the Philadelphia community. The funds are being used to purchase the additional equipment and provide training at Philadelphia General Hospital for the fire medics who will staff these units.

Commissioner Rizzo added that any one requiring emergency medical care should dial 911 and ask for "fire rescue." After determining the nature of the case, the central emergency medical dispatcher will refer it to the regular fire rescue, to the police unit, or to the new mobile intensive care emergency service.

REMARKS BY HON. LINDY BOGGS ON THE ELECTION OF HON. BARBARA JORDAN AS THE DEMOCRATIC WOMAN OF THE YEAR

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mrs. BOGGS. Mr. Speaker, for the first time in its 53 years of illustrious history the Woman's National Democratic Club has held an election among its members to name the Democratic Woman of the Year. It is with great pleasure that I announce to the House of Representatives that our colleague, the Honorable BARBARA JORDAN, of Texas, is the recipient of this honor. Ms. JORDAN will be honored at a dinner to be held by the club Wednesday, March 12, as the opening event of the new Wax Museum at 333 E Street SW.

Ms. JORDAN was selected by vote of the club's membership of over 2,000 women prominent in Democratic politics. Members cited her exemplary conduct during the Watergate hearings of the House Judiciary Committee as well as her success in overcoming dual prejudices against women and blacks in winning election to the Texas Senate in 1966 and to the U.S. House of Representatives in 1972. In the Texas Senate as the first black since 1883, she was unanimously elected president pro tempore. The award winner was born in Houston, attended public schools there and graduated magna cum laude from Texas Southern University majoring in political science and history. She received a law degree from Boston University in 1959 and holds honorary doctor of law degrees from Boston, Tufts, and Howard Universities. In addition to the House Judiciary Committee, Ms. JORDAN is a member of the Government Operations Committee and the only woman on the Steering and Policy Committee of the House Democratic caucus.

As a past president of the Women's National Democratic Club, I am honored to be included among the 13 Democratic women in the House who will serve as honorary sponsors of the award dinner. On the evening's musical agenda are "Singing and Strumming" by Congressman JAMES SYMINGTON and Dixieland jazz by a trio of Congressmen, including RICHARDSON PREYER of North Carolina, and DEL CLAWSON of California, on saxophones, and ROBERT LEGGETT of California, on the coronet. Music for dancing will be provided by the Prophets, a popular five-piece rock, dance, and country music orchestra.

The award winning Ms. JORDAN will be introduced at the dinner by fellow Texan, Senator LLOYD BENTSEN. Another popular Texan, Liz Carpenter, will be master of ceremonies. Mary Munroe, WNDC president, will present the award.

FIVE HUNDRED MILLION DOLLARS MORE FOR WAR IN INDOCHINA LACKS RATIONAL JUSTIFICATION

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. SEIBERLING. Mr. Speaker, the President's request for $500 million more for military aid to the corrupt and incompetent governments of South Vietnam and Cambodia coming at a time when he is urging the cutback of funds for millions of poor and elderly people in this country simply blows the mind. An objective person looking at the record of our involvement in Indochina in the last decade would have to conclude that a continuing request to pour good money after bad could only be made for reasons which have little to do with the accomplishment of any realistic American goal either in Southeast Asia or other parts of the world.

I remember some years ago a remark by a brilliant business executive, who was brought in to reorganize and revive a large corporation which was in a failing position. He succeeded. Upon being asked why he had closed so many branches of the company's business, he replied: "You don't have to go to Harvard Business School to know what to do with a branch that has been continually losing money."

Mr. Speaker, many excellent editorials and newspaper articles have been written recently pointing out the bankruptcy of the administration's Vietnam policy. I offer for the RECORD an editorial from the Akron Beacon Journal of Tuesday, February 11, 1975, entitled, "Case for Vietnam Aid Still Lacks Substance." I also offer three brilliant and informative articles by the distinguished journalist Anthony Lewis reprinted from the New York Times. The editorial and articles follow these remarks:

[From the Akron Beacon Journal, Feb. 11, 1975]

CASE FOR VIETNAM AID STILL LACKS SUBSTANCE

It would be hard to find a more eloquent champion of the cause of continued aid to South Vietnam than James J. Kilpatrick.

On the page opposite today, he has made all the arguments that President Ford has tried to make in his pleas to Congress. The essential difference is that while Mr. Ford cites the dollar figures, and now appears to be willing to reach some sort of compromise with Congress, Kilpatrick gives the arguments with all the emotional impact that Lyndon Johnson used to try to achieve.

This is precisely Kilpatrick's problem. Though he writes as well as anyone in the trade, his case remains as bankrupt as it was a decade or more ago. It shows the same lack of comprehension of the realities of Vietnam as those from which President Johnson suffered.

He waves the red shirt of communism. Just as Mr. Johnson did in his many exhortations to stop the flood at the 17th parallel.

"We are not talking of 'aid to President Thieu' or of 'proposing up the corrupt Thieu administration,'" Kilpatrick writes, and for this much, at least, we should be grateful.

What he is talking about, he says, is "the continuing struggle between freedom and slavery," and "the faint, flickering candle they have fought so valiantly to keep alive."

That, as Kilpatrick himself is wont to say, is utter rot. Had Kilpatrick done his homework on Vietnam, or spent time there talking to the Vietnamese people, he would know better.

Except for the small mandarin class, the Vietnamese people know nothing more about democracy than they do about communism. They were, until our massive incursion of more than 500,000 troops, a primitive, rural society tied not to any ideology or any form of government, but to the land they farmed and to the plots where their ancestors were buried.

From 1858, when the French invaded, until our troops left two years ago, they have been exploited by white foreigners and ruled by autocrats. They are still being ruled by an autocrat and now being asked to fight the white man's war without the white man's direct participation.

If the Thieu government commands "a large measure of popular support," as Kilpatrick says, why is it that in the 1968 election he only got 34 percent of the vote and felt compelled afterwards to throw his opponents in jail?

Why do his soldiers fight? Because it is a job in a land where a generation of war has made the traditional job of farming all but impossible. That, and the fact that the consequences of refusal have been shown to be indefinite prison terms, tiger cages or death.

In his memoirs, in case Kilpatrick has forgotten, President Eisenhower wrote that, had the unified free elections guaranteed by the Geneva Accord been held as scheduled in 1954, Ho Chi Minh would have won more than 80 percent of the vote. Ho Chi Minh is dead now, but his goals are not.

The United States tried for more than a decade, at a cost of more than 55,000 lives and $100 million, to "win the minds and hearts of the people" of Vietnam. No foreign soldiers were involved on the other side. Our opponents were Vietnamese, fighting for the right to have their own country.

Did our soldiers lie and was our money squandered in vain? That is what both Kilpatrick and Mr. Ford seem to be asking now.

And the answer is: No, unless we now repeat the mistakes of the 1960s. What that war should have taught us is that we have neither the right nor the power to tell other people how their country should be run. We have no right to impose our will on a nation which has fought so long to be free of us.

If they did not die in vain, Congress will refuse to appropriate more money so that more men may die.

HENRY'S CAUSE IN VIETNAM

(By Anthony Lewis)

WASHINGTON.—Why is Henry Kissinger so determined to hold back the process of political change and accommodation in South Vietnam—a process that even rightwing Vietnamese want to begin? Why does he support President Thieu in his refusal to carry out the political terms of the 1973 peace agreement?

The answer goes back to the winter of 1969, when Kissinger came to Washington as President Nixon's assistant. One of the first things he did was to discuss Vietnam in a series of secret meetings with the Soviet ambassador, Anatoly Dorbrynin. Marvin and Bernard Kalb disclose the meetings in their book, "Kissinger," and report that Kissinger made "veiled threats" of tough measures against North Vietnam. But they do not incidate how tough.

Kissinger told Dobrynin that the Nixon administration would not hesitate to destroy North Vietnam if necessary to preserve a noncommunist government in Saigon. He made clear that this was a basic American price for detente: The Soviets would be expected to help achieve a Vietnam settlement leaving the Saigon government in power, or at least to tolerate whatever measures the Americans used.

That background makes clear why the maintenance of a staunchly anti-communist government in Saigon—and in Phnom Penh—matters so much to the secretary of state. He has made it a symbol of manhood in his diplomacy.

One striking thing about the Kissinger position is how little it has to do with the wishes of the Vietnamese or the Combodians. They must go on with a war, however destructive, because the end result of the political alternative might weaken Henry Kissinger's diplomatic posture vis-a-vis the Soviet Union.

A second notable aspect is how the commitment to a particular outcome in Vietnam and Cambodia—an outcome attainable only by perpetual war—conflicts wtih the image of himself that Kissinger conveyed over the years to people who opposed the war. He made them think that he wanted to end the fighting and the American role in Indochina, but that he had to contend with hawkish elements inside the administration.

These is a third striking thing about Kissinger's decision, so fateful for the people of Indochina and the United States, to make Vietnam his symbol of strength. He made the decision without consulting Congress—or even informing it of his true thinking.

He complains about legislaion restricting his freedom of action. But Congress has obviously been driven to that by its feeling that this secretary of state, more than any in memory, secretly commits the country to doubtful propositions.

The great mystery is why Henry Kissinger with all the important things he had and has to do for this country, chose to make a symbol of Vietnam, the graveyard of reputations. In any event, the time has come for Congress to see that American civilization is not symbolized by endless war in Indochina.

OFFICIALS SEEM DETERMINED TO REPEAT VIET MISTAKES

(By Anthony Lewis)

BOSTON.—Anyone aware of what American leaders said on our way into Vietnam must have a sense, these days, of reliving the past. But it is not the pleasurable nostalgia of Proust. For what is familiar is the self-deception, the confusion of objectives.

"We cannot turn our backs on these embattled countries," President Ford has just said. "U.S. unwillingness ot provide assistance to allies fighting for their lives would seriously affect our credibility throughout the world. And this credibility is essential to our national security."

Credibility. Nine years ago the late John T. McNaughton, assistant secretary of defense, said in a secret memorandum that our objective in Vietnam was not "to save a friend" but "to avoid humiliation" ourselves. Before his death he well knew how we had damaged ourselves in that false pursuit. Can anyone still believe that hanging on in Indochina has enhanced the world's belief in American strength and our ability to use it wisely?

National security. If we had allowed political events to take their own course in Indochina years ago, would Americans today have less or more faith in their national security leaders? Would we have been able to deal less or more effectively with our central security concerns, in the Middle East and elsewhere?

Secretary of State Kissinger said the other day that "the overwhelming objective" of the United States in the truce agreement of 1973 was not to end our role but only "to disengage American military forces from Indochina and to return our prisoners."

If the objective had been so limited, it could have been achieved years before 1973. But of course, it was not so limited. The aim was officially described as "peace with honor." That meant withdrawal of U.S. forces while maintaining a client government in Saigon. It meant, in short, winning: at last stopping the political process that began in Vietnam in 1945.

For a generation, American policy has been based on the illusion that some outside force—arms, advisers, bombs, men—can remake the politics of Indochina in our image. Always, there has been the belief in "victory."

All along that path of illusion and death, there were points at which American interests—to say nothing of the people of Indochina—would have been served by letting go.

Suppose that in 1945 President Truman had refused to help the French reenter Vietnam, or that after 1954 we had respected the Geneva agreement's ban on outside intervention. The most likely eventual result would have been a nationalist-communist government in Vietnam independent of China and the Soviet Union and generally helpful to stability. As late as 1963 North Vietnam was ready to settle for a separate, nonaligned but non-communist South. But the American government said no and went on pursuing the mirage of military victory.

Madmen now are planting bombs in order, they say, to change American policy in Indochina. But the way to change an unreasoning policy is by reason—and there is, no shortage of that if Congress resists manipulation and fear.

In a television interview the other night an NBC reporter asked President Ford, "How much longer and how deep does our commitment go to the South Vietnamese?" The President said:

"I don't think that there is any long-term commitment. As a matter of fact, the American ambassador there, Graham Martin . . . thinks that if adequate dollars which are translated into arms and economic aid—if that was made available, that within two or three years the South Vietnamese would be over the hump . . ."

OR SUSTENANCE FOR WAR?

(By Anthony Lewis)

WASHINGTON.—A letter from Saigon: The writer says he is amazed at the American debate on aid to Vietnam. The argument seems to be all about war, he says—about arms to help President Thieu fight the communists for years more. Does no one in America think of politics instead of war? Does no one realize that even "rightists" in South Vietnam now want Thieu out of office so a deal can be negotiated with the communists and the fighting ended?

"Why isn't Kissinger doing anything toward a political solution?" he asks. "Is this his 'decent interval'—a useless massacre?"

There is a short answer to those anguished questions. American policy focuses on war in Vietnam, and feeds it, because Henry Kissinger would rather have war than any visible political alternative.

It is a surprising and a serious thing to say that an American secretary of state is deliberately holding back a process that might lead to the end of a gruesome war. But the evidence is there.

The peace agreement signed in Paris two

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years ago called for a new phase of politics in South Vietnam. It promised political rights to all parties, freedom of movement between the military zones, release of political prisoners and the establishment of a national council of reconciliation.

The idea of all that was to open up a process—a process of political competition and accommodation instead of war.

But Thieu prevented that process from starting. He prohibited movement between zones, reclassified political prisoners as common criminals to keep them in jail and effectively banned all parties but his own. He not only refused to carry out the terms of the Paris agreement; he made it a crime to publish them in South Vietnam. And at the moment the cease-fire was to come into effect, he launched aggressive military operations.

But lately, the strategy of military aggressiveness and political intransigence has unraveled. The tide of battle has shifted, and inevitably doubts have grown in South Vietnam about the wisdom of relying on war instead of politics.

Communist military success has brought angry American talks about a massive offensive by North Vietnam. Given the failure to say anything about Saigon's actions after the truce, that outcry is almost comic in its hypocrisy. But it is also factually doubtful.

In South Vietnam, many former Thieu supporters have now turned against him. A Catholic movement leads the criticism. Even right-wing newspapers criticized Thieu as an obstacle to peace—until he closed them.

The political setting explains the mystery of Kissinger's demand for $300 million more in military aid now. The Pentagon is having difficulty justifying that figure; privately, defense officials say the object is not so much military as "psychological." In short, the aim is to demonstrate the American commitment to Nguyen Van Thieu.

For that purpose, any amount that gets through Congress will serve. Just $75 million, say, would enable Thieu to tell doubters that he still has America's support. Any amount would be a symbol of American willingness to go on with the policy of war and not politics—go on, as Gen. Fred C. Weyand, the army chief of staff, had the candor to say, for another five to 10 years.

BAN THE HANDGUN—NO. 2

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BINGHAM. Mr. Speaker, I have spoken in recent weeks about the growing national outcry for strict Federal gun control legislation, including specifically a ban on the private possession of handguns. Despite the ability of the gun lobby to mobilize tremendous outpourings of mail to Congresspeople in opposition to such legislation, I believe that such sentiments are those of a small minority of the public. More indicative of the majority view are the statements of such responsible law enforcement officials as former New York City Police Commissioner Patrick Murphy, and former Washington, D.C., Police Chief Jerry Wilson, both of whom have supported the approach I am advocating.

Broadcasting and newspaper editors, too, have added their voices to the call for a handgun ban. The comments below were broadcast as an editorial over WOR–TV in New York City from January 23 to 29, 1975.

WOR–TV EDITORIAL

Talks about gun control can get as fired-up as discussions about religion or politics. However, that is not reason to avoid re-examining gun control—a problem for which appropriate and definitive national legislation has still to be enacted.

In a past Channel 9 editorial we had pointed out that, "in recent weeks, New York City had seen more unprovoked shootings of policemen by small arms as well as submachine guns. It is almost certain that the guns used in those shootings were not registered." We asked further, "how do we keep guns out of the hands of criminals? Haters? The unbalanced?" Those same questions can still be raised currently in the wake of recent shootings in the City.

There are still more than 25 million handguns in the nation and statistics of murders committed with handguns continue to increase. Three-quarters of the murders in the United States are committed with small handguns called "Saturday Night Specials."

What is needed is legislation that would permit handguns only in the possession of police and security officers. We therefore advocate tough federal legislation that will require voluntary surrender of weapons and punishment for non-compliance, outlawing the sale of handguns and parts and stiff punishment for crimes committed with handguns.

A TRIBUTE TO MRS. CLAIRE MARTI

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. SARASIN. Mr. Speaker, it takes a special kind of person to recognize the gifts that exceptional children have to offer their families, friends, and communities. Only a special kind of talent will bring to the fore the love and trust that children who are mentally retarded have to give. Mrs. Claire Marti, mother of two exceptional children, is such a woman.

Mrs. Marti has been selected by the Parents and Friends of the Exceptional Child as the 1975 Woman of the Year. She is well deserving of the compliment and honor that the title designates. Not satisfied with raising children of her own, she trained as a teacher's aide to provide extra assistance in the class for exceptional children in Wolcott, Conn. As a result of her efforts, the town boasts of a Saturday morning recreational program for the children, which includes arts and crafts projects and physical education. Mrs. Marti has organized parents of exceptional children and has served on many committees in conjunction with Parents and Friends of the Exceptional Child.

Not only has she been a member of the Waterbury Association for Retarded Children—WARC—but she has worked on the board of directors and organized a WARC youth group. In all her efforts, Mrs. Marti has sought understanding, compassion and recognition for the exceptional child. She has succeeded in enriching the lives of so many exceptional children, their parents and friends that I welcome this opportunity to extend my deep appreciation for her efforts.

NATIONAL ENERGY POLICY—CONGRESSIONAL ROLE APPLAUDED

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, this morning's Washington Post contained an excellent article by Joseph Kraft describing the differences in approach adopted by the Congress and the President in developing a national energy policy. Mr. Kraft has vividly pointed out the flaws in the President's program, and is generous in his praise for the initiatives taken by the Congress in developing a program that is more sensitive to the economic considerations that affect all Americans.

I would like to commend my colleagues who have been working so hard in recent weeks to hammer out a program that will not destabilize our economy. The energy conservation strategy they have proposed is economically feasible, politically practical and worthy of our vigorous support. I am hopeful that the administration will recognize the devastating economic impact that will result from the President's energy program, and will take steps to develop a compromise based on the excellent program developed by our colleagues Mr. WRIGHT, Mr. ULLMAN and all those who worked so tirelessly to produce a sensible energy counterproposal.

Mr. Speaker, I commend the article by Mr. Kraft to my colleagues, and hope that they will take justifiable pride in the fine work that is being done by this Congress to meet our national energy goals. Mr. Kraft's article follows:

DEVELOPING AN ENERGY PROGRAM

(By Joseph Kraft)

The President and the Congress are getting together on energy, and the country may yet emerge with a responsible program. But in the process traditional roles are being reversed in a disquieting way.

Mr. Ford is coming on more and more as a mere catalytic agent with deep loyalties to the special interests. He is leaving the congressional leaders the responsible work of balancing among conflicting factions.

The President's chief role in energy has been to set the pace. His program, and the relentless selling of it across the country, focused attention on the problem. A particular feature of the program—progressive application of a tariff on crude oil—forced the Congress to move with dispatch.

But in substance the Ford program was pathetic. Its centerpiece was a decision to cut consumption of foreign oil by one million barrels per day by the end of 1975. That figure had no rationale. It apparently was the nice round number used by Henry Kissinger in foreign negotiations, and then foisted upon the White House without serious analysis of its impact on the American economy.

Having picked an arbitrary target, the President then accepted ideological means for reaching the goal. He and his advisers hooked themselves on the mechanism of the market. They proposed—by raising tariffs and by deregulating prices of oil and gas—to give private industry incentive to curtail imports of foreign oil while producing more energy from different sources in this country.

It is extremely doubtful, given the propensity to consume gasoline no matter what the price, that the administration program would reach its target. It seems likely that it would slug the economy by raising prices at a time of inflation and curtailing demand at a time of recession. What is absolutely certain is that it would mean a tremendous ripoff for the producers of oil, gas, coal and other forms of energy.

In the face of that monstrosity, the Democratic leaders in the Congress went to work with a vengeance. A Senate coordinating committee headed by John Pastore, a House coordinating committee headed by James Wright and the House Ways and Means Committee under Al Ullman all produced energy programs. While differing in detail, they all rejected the basic ideas of the Ford approach.

The Democratic plans all subordinate the one-million-barrel-a-day reduction target to the need to recover from recession and to master inflation. They all provide that conservation of oil be phased in as the recesion ebbs.

Instead of using the market to achieve conservation and new production, the Democratic programs rely heavily on government muscle. Auto manufacturers would be obliged to produce cars that guzzle less gasoline and utilities would be forced to burn coal. The taxes used to curtail consumption would be weighted against the biggest users of gasoline. Instead of a tariff, which would leave a decision to import or not up to the big oil companies, the Democrats propose a quota which the government would manage.

The upshot is a program that does far less damage to the economy and is far more likely to reach the target of easing American dependence on foreign oil. Industry ripoffs are limited, if not entirely eliminated.

Because the two sets of programs are so far apart, bridging them is not going to be easy. But the President is obviously disposed to compromise, and the odds are that a reasonable program can be worked out.

The prospective happy ending on energy, however, offers little ground for general rejoicing. Nobody can be sure that congressional leaders will continue to be as responsible and courageous as they have proved themselves on energy. It is hard to feel comfortable with a President who enters so willingly into the role of spokesman for the auto and oil companies, and who inquires so unsuspiciously into the recommendations of his foreign policy advisers and the ideology of his economic advisers.

BULGARIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BIAGGI. Mr. Speaker, I would like to join with my colleagues and my Bulgarian American friends in celebrating Bulgarian Independence Day. In 1876, the Bulgarian people revolted against their Turkish rulers, and Bulgaria was granted the status of a principality in 1878. Finally, in 1908, Bulgaria's aspirations toward independence were fulfilled and Bulgaria became a nation.

Any celebration, however, is marred by the knowledge that Bulgaria is suffering under the yoke of Communist domination. Bulgarian Americans mark Bulgarian Independence Day with formal celebrations and banquets, thereby recording their hope that their former homeland, now under Communist control, will soon regain its independence.

Let us join with these people in this hope, the hope that Bulgaria and the rest of Eastern Europe will one day be free, again, of the omnipresence of communism and communism's nursemaid, Russia. Let us not forget in these days of "détente" with Russia that Russia holds half a continent captive, and that to this date, Russia has never yet relinquished territory it has made captive.

Let all the free world remember the plight of the Bulgarians, and let all the free world take heed.

FEDERAL EMPLOYEE ADMINISTRATIVE HEARING RIGHTS GUARANTEE ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mrs. SCHROEDER. Mr. Speaker, I am today reintroducing the Federal Employee Administrative Hearing Rights Guarantee Act. I am happy to announce that eight of my colleagues on the House Committee on Post Office and Civil Service—Mrs. SPELLMAN, Mr. LEHMAN, Mr. CHARLES H. WILSON of California, Mr. MINETA, Mr. SIMON, Mr. DOMINICK V. DANIELS, Mr. FORD of Michigan, and Mr. HARRIS—have joined me in sponsoring this measure.

On April 16, 1974, the United States Supreme Court handed down its decision in Arnett against Kennedy. This case is but the latest in a line of cases dealing with the problem of termination or suspension of Federal employees in the competitive service. These cases are noted primarily for their failure to answer the important and ultimate question whether Fedral employees have a protected right to their jobs after completing the probationary period, that is, whether they can be terminated or suspended without a prior hearing on the merits. The opinion in Arnett against Kennedy is similarly ambiguous on the question and offers little hope for a person looking for a clear statement of rights.

Mr. Speaker, since the decision in Arnett against Kennedy which prompted my original introduction of the Hearing Rights Act in the 93d Congress, the President has made an Executive order which places all termination and suspension actions within the Civil Service Commission. While this order might have some merit in reducing the unevenness formerly present when the agencies handled their own cases, it offers no substantial defined right to an employee subject to an adverse action other than that of a different forum. The larger question of due process is still quite up in the air.

The courts and agencies are not entirely to blame. The law is unclear because Congress has not acted unequivocably regarding pretermination hearings. There is no statute which clearly mandates the promulgation of uniform regulations in the area. The law as it now stands leaves the whole matter of pretermination hearings for Federal employees without constitutionally inspired standards and thus opens the door to agency abuse of employees who in good conscience criticize agency procedures or disclose agency wrongs and coverups. There are well known cases: for instance, those of Ernest Fitzgerald and Gordon Rule, employees of the Federal Government who have spoken out, been fired, and eventually won their rights to back pay and reinstatement. These cases, however, have involved employees in difficult fights and drawn out periods without pay. For sure, our veterans have a preference right to a hearing before termination, and some employees, through contract, have a similar right. But many others are without this fundamental protection and must suffer without pay while waiting to be heard.

Mr. Speaker, the purpose of the Federal Employee Administrative Hearing Rights Guarantee Act is to guarantee all employees in the competitive service a prompt evidentiary hearing by an impartial individual prior to the time that removal or suspension without pay is effective. The bill declares that certain minimum protections are due such an employee before termination or suspension, among them, the right to see the evidence supporting the action and to have a transcript of the proceedings. I share the opinion of the many unions of Federal employees who have contacted me—among them the National Treasury Employees Union and the Overseas Education Association—that it is time for congressional action on this problem. As long as Congress continues in its inaction, Federal employees will not be protected against arbitrary and capricious dismissal for speaking out. The public interest and pocketbook are badly served by stifling creative criticism from employees of our Government.

LAND USE AND THE ENVIRONMENT

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. STEELMAN. Mr. Speaker, on February 27, our colleague from Arizona (Mr. UDALL) addressed the National Conference of the National Association of Counties here in Washington. Mr. UDALL spoke on "Land Use and the Environment," a subject on which he is a national authority and congressional leader.

Land use is certainly an issue of great concern to county and local officials and the Land Use and Resource Conservation Act of 1975, H.R. 3510, which Mr. UDALL and I cosponsor, was developed with careful attention to preserving the traditional role of local government in most land use decisions.

Mr. Speaker, I think Mr. UDALL's remarks are well worth the Members' attention and they are reprinted below:

LAND USE AND THE ENVIRONMENT

It is a real privilege to be here with you today and to share some of my thoughts with you about land use and the environment, and related matters of concern to counties. During my tenure in Congress and

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as a member of the Public Land Law Review Commission, I have worked closely with county officials and the National Association on many issues, including land use. As a Congressman from a Western state in which over 75% of the land is owned by the Federal government, I am also acutely sensitive to problems of coordination between Federal and State and local officials, particularly in the area of land and resource management.

Let me begin with a few remarks about land use. As you probably know, there was a serious setback for land use last year when the House voted last July not to continue debate on the land use bill I sponsored. Despite the setback in the 93rd Congress, our land use problems are not going to go away. National land use legislation is still a high priority item and will certainly be considered again in this Congress.

Thousands of acres of our best agricultural land are still being developed for a multitude of other purposes without regard to our future agricultural needs. Our pollution and congestion problems continue and are aggravated, and we continue to waste energy like no other country in the world, in large part due to our land use patterns and practices. I think it is time we learned from our past mistakes and made a national commitment to develop some sensible land use procedures and policies on the State and local levels—with Federal coordination and financial assistance—which can help us to create the decent future society we all want.

For the question is not whether we are going to continue to grow, for grow we must and we will. The question is rather will we do so with some wisdom and foresight. Where will we put the factories and feedlots and powerplants and refineries, and the schools, housing, and highways and pipelines that we will need in the next few decades? If the experts are correct, we will have to build again in the next 30 years all that we have built before—that means an area of land the size of New Jersey will be converted to urban uses each decade.

Let's look at some examples. On one extreme, in my state of Arizona, enough land has been subdivided right now to accomodate over 2 million people. That's more than the entire population of the State. By the year 2000, if present trends continue, over 5 million acres, or roughly 15% of the private land in the State, will have been subdivided into one-acre lots for sale, with little or no guarantee that you will ever see any residential development or community facilities because of the very nature of these developments.

On the other hand, we see a variety of forecasts that our best agricultural land is slowly but surely being consumed by various kinds of urban sprawl. In the state of Michigan, for example, one prediction is that the state will be 5 million acres short of the agricultural land it needs to be self-sufficient by the year 2000—that if present trends continue, ten out of their twelve million acres of crop land in that state, will be lost in the next thirty years.

And let's look at energy conservation. The Arab oil boycott finally forced us to look at our extravagant energy consumption habits. The most sensible thing we can do in this country to achieve energy independence is through energy conservation. If we cut our consumption 20%—not an unrealistic goal—we could reduce imports by ½ or $10 billion a year.

This waste is most evident in our patterns of land use. Sprawl is costly in terms of energy. Studies have shown that a "high density planned development"—which by the way has just as much open space as is in present suburbia—utilizes ½ the energy as the low density sprawl we are used to seeing. The street design, for one thing, would be different. By better planning for future neighborhood street patterns alone, we could save a billion and a half barrels of oil from gasoline alone. That's a year's worth of imports.

And the same studies show that better planning of our residential patterns could also cut pollution in half, and also utility costs. I submit to you that energy conservation must become a more important element of land use planning.

The fundamental question is whether there is any need for Federal legislation to do anything about all these problems. And I might add that they are not just environmental problems, but have tremendous social and economic costs as well. My answer is, yes, the Federal government can and must do something about land use, but the real job must be done at the grass roots and the State level, for here lies the authority and the familiarity with particular State and local problems.

The quiet revolution in land use is real and is energizing more and more communities. Citizens are becoming involved, at least on ad hoc basis, in at least the more visible land use crises.

The Federal government, however, can play an important role—and certainly has a good deal of work to do to put its own house in order. Indeed, there are many who claim that the Federal government is actually the worst culprit when it comes to land use, for Federal money, grants, and other activities and policy decisions permit flow daily from Washington to all sections of every State, in ways which have significant and long-lasting effects on growth and urban sprawl. In my opinion, it is time we brought some order to these Federal actions and made an attempt to coordinate with State and local plans to at least assure that the Federal presence is not disruptive and does not detract from local and State government plans for controlling and influencing growth. In addition, the Federal government, as you know, is our biggest landowner; controlling over a third of the nation's land. Much needs to be done to develop management and planning guidelines for the public lands, and to assure that there is ample coordination between Federal and local land managers.

I would like to turn for a moment to an important energy related element of the land use equation—one which will receive a great deal of attention in this Congress while we attempt to develop some national energy policies and work toward that perhaps Utopian goal of "energy self-sufficiency". The Nixon-Ford Administrations have put a great deal of emphasis on Project Independence. The Administration wants to proceed at once to develop our domestic sources of petroleum, coal, oil shale and nuclear power and other resources. There are, however, some tradeoffs involved here, and some significant costs for some areas if this anticipated development is not handled with some foresight and common sense.

Let's take a few examples:

The Administration says we will need 640 new electric generating plants in operation by 1985, and that because of the lead time involved developing and constructing such major facilities, it is crucial that the planning and siting decisions be made in the next few years.

President Ford, in his State of the Union address, set some additional energy goals for 1985: 200 nuclear power plants, 250 new coal mines, 150 major coal-fired power plants, 30 major new oil refineries, 20 major new synthetic fuel plants, thousands of new oil wells and a million barrels of synthetic fuels and oil shale a day. Again, most of these major facilities involve tremendous planning and siting problems, and create land use shockwaves which could determine the quality of life in the areas affected for many generations.

My point in sponsoring comprehensive land use legislation and the simple question that I pose to you today, is whether we can afford *not* to promote some rational land use planning in the States and counties to be affected by the above-described scenario.

The President's response is a request for specific energy siting legislation. To bring the States up to speed, the President would mandate that States develop an energy siting program, subject to Federal approval, in 18 months or face the alternative of an energy siting program that is implemented by the Federal government.

Energy facility siting is, to be sure, a major problem. There hasn't been a major refinery built on the East Coast, for example, in 15 years, primarily because of local resistance. Moreover, industry complains with a great deal of justification about the 40 to 50 agency approvals that must be obtained from all levels of government before construction can begin. We do need some better mechanisms to eliminate such duplication and reconcile conflicts between different agencies and levels of government. Yet I am convinced that energy siting is but one piece of the land use puzzle, and that the economic, environmental and social problems that accompany projects of this magnitude will not be solved by another single-focus Federal program. Instead energy siting should be treated in a comprehensive manner within the State's land use program. I think the emphasis should be on developing comprehensive land use planning as an *alternative* to yet another mission-oriented single purpose federal program to facilitate energy production at the expense of other values. A land use program such as is envisioned in the legislation I am again sponsoring will help the States to do their energy planning within the context of these other values and resources and without the Federal government having the last word.

Many of you here today are from Western States, and some from coastal States, and so I am sure you are aware of the issues that have been framed by the Administration's plans for developing of the Outer Continental Shelf and our Western energy resources. There will be new boom-towns as the power plants go up and new coal mines open up, and an accompanying need for housing, schools, water and sewage facilities, along with the usual law enforcement and other social problems that accompany rapid growth. Some of the Western governors have already recognized the serious consequences, and are speaking out for a stronger State role in energy policy. They don't want their States turned into "energy colonies" or "boiler rooms" to feed the rest of the nation's energy needs at the expense of their way of life and environmental values and I don't blame them.

There is going to have to be some planning, some front money to provide for the public facilities, and some protection for the environment.

Let me emphasize again that the land use legislation before the Congress does not provide a Federal blueprint, but instead the financial incentives to enable States and local governments to control their own destinies concerning how and where they will grow. It reflects the need for diversity within the Federal system, and recognizes the fact that land use decisions *should* be made at the local and State level with regional and interstate cooperation where appropriate.

Perhaps even more importantly, it provides for a stronger State role by providing a check on Federal programs, monies and activities that significantly affect land use in the State. Under my bill, once a State develops a land use program, Federal actions affecting land use must be certified as consistent with the State land use program, except where the national interest is clearly at stake, as determined by the President. This important provision illustrates the need for local control and the need to coordinate the multitude of Federal activities that affect land use.

If you will take the time to read the legislation and not just the propaganda that has been circulated which has characterized it as an evil Federal takeover of poverty rights—you will, I believe, conclude that it is a balanced approach and stresses State and local control. This approach is quite similar to that taken in the Coastal Zone Management Act under which most coastal States are now developing management programs for their coastal zones. Again, the spectre of millions of acres of the OCS leased for development has alerted the coastal States to the importance of gaining a stronger voice in energy decisions and some time for planning the onshore impact of such development. The Coastal Zone Act gives the coastal States similar leverage to deal with the feds.

Last year, during the deliberations on the land use legislation, we spent a great deal of time working with State and local government people toiassure that their interests and problems were considered. The present legislation reflects these concerns, and mandates an important role for counties and local governments in the development and implementation of land use programs. Most land use decisions will continue to be made at the local level, but we must also recognize that some of our land use problems don't stop at jurisdictional lines and are becoming more and more regional in scope. With the proliferation of agencies and governmental entities involved in land use, there is also a need for the State to be more involved in setting broad policies and reviewing decisions which have impact beyond an immediate jurisdiction.

The issue of local control is an important one, but let me just say that the existing multitude of single-purpose Federal programs may have led to local control being more of a myth than a reality. For better or for worse, there is now an enormous Federal presence in land use and growth issues, through sewer and waste water programs, public works projects, Corps of Engineers projects, airport and highway monies, and a multitude of Federal laws and regulations from Federal floodplain zoning requirements to clean air regulations. It is this kind of Federal presence which led Daniel Moynihan to remark that "Yes, we have a national growth policy, it is in the interstate highway system."

The land use bill is an honest attempt to return some of this authority to the State and local level, to energize State and local governments to tackle their land use problems.

Let me shift here to discuss a few points concerning related problems with Federal ownership of public lands. The question is how we coordinate the planning and management of public lands, which in many States represents over half the total land area, with land use planning in the private or non-federal sector?

I am a strong believer in coordinating wherever possible the planning and management activities for public lands with the land use programs for the States within which the public lands are located.

It is clear by now that the basic policy of the Federal government is going to be one of retaining ownership of most all of the public lands. This was the recommendation of the Public Land Law Review Commission, and I support it. Yet I recognize and want to do something about the more fundamental problem that this creates for the States and counties who must forego the tax revenue that would otherwise be available if these lands were on the tax rolls.

I have sponsored legislation and held hearings in my Subcommittee on proposals to establish a more equitable system of payments in lieu of taxes for the Federal natural resource lands which are presently exempt from local and State taxation.

The present bodge-podge of Federal statutes which allocate a portion of the revenue generated from mineral, forest, and grazing, and other receipts generated on these lands are both outdated and inadequate to deal with the current revenue problems in most counties where schools and other public services must be financed by the property tax. During my work on the Public Land Law Review Commission, I learned a great deal about these problems, and last year even more from hearings both here and in Washington and in the State of Utah. While I recognize that there are certainly some benefits involved in having National Forests, National Parks and BLM land within one's county, I have concluded, as did the Public Land Law Review Commission, that the burdens generally outweigh the benefits and something must be done to remedy the inequity. Forest receipts, which average for most counties a nickel an acre are hardly adequate to make up for the property tax which could otherwise be levied.

If the public lands are, for the most part, going to remain in Federal ownership for all the American people, I think we owe it to those counties who carry this burden to spread it equitably among all the taxpayers.

And, I think that establishing an equitable system for payments in lieu of taxes is closely related to land use planning problems on both the public and private domain. Environmentalists, for example, will probably support such legislation because they see this as a way of reducing the pressure to exploit our natural resources to maximize revenues. It also would provide the counties and States with additional revenues to support their basic services, which would relieve them from some need to constantly search for new ways to generate tax revenue, promoting perhaps hastily considered industrial development.

And, as I learned in Utah last fall, the impact of the proposed energy development in that State and many similarly situated States is going to put a serious strain on the economic and social fabric of many of the counties involved.

As one witness in Utah summed it up last fall, "The day the Arabs turned the oil spigot off, the lifestyle and future of Utah changed dramatically." If coal leasing, coal slurry, oil shale, power plants, and coal gasification develops as rapidly as anticipated, it is going to require not only planning but substantial adjustments, and some front money to provide for the growth induced in such areas.

As Governor Rampton pointed out in his testimony in Salt Lake last September, most of the vast deposits of our energy resources are located in these public land counties, but the growth induced by these activities may well be in the neighboring county. How do you compensate the impacted area is a problem we must carefully consider.

In summary, let me just say that I think the issues that I have briefly outlined here today are closely realted and of great importance to the whole country. The Congress must come to grips with our energy and economic problems, but we must also provide some sensible land use guidelines for the public domain and some coordination and stimulus for local and State planning as well. Land use is still the most fundamental unaddressed environmental problem in this nation and one which is closely related to many of our air and water pollution and energy conservation problems. I intend to make a major effort to see this legislation enacted in the 94th Congress. It is time we made a serious commitment to address the environmental, economic and social costs of sprawl, and developed some sensible land use planning at all levels of government.

Let me conclude by saying that I have enjoyed working with the National Association of Counties on many issues of common interest in the past and that I look forward to a good working relationship during this Congress.

Thank you.

OTHER VOICES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. STARK. Mr. Speaker, I insert in the RECORD a thoughtful article by Ms. Jessica Mitford on political suppression in Iran; the article appeared in the column entitled "Other Voices" in the San Francisco Examiner, February 16, 1975.

Ms. Mitford, a noted social critic, has ably documented the substantial evidence which has been gathered recently indicating that the Shah of Iran has built a system of government which not only suppresses political and religious opposition, but also refuses to tolerate the faintest hint of any "anti-Shah" economic or financial opinions. While the Shah denies specific allegations of suppressions, he has admitted that his government is less than democratic: to use his own words, he has confessed:

When my people begin acting like Swedes, I shall begin to act like the Swedish king.

The U.S. Government prizes its good relationship with Iran and, indeed, conscientiously works to enhance it. Last year alone we sold some $4 billion in weapons to Iran; we even save coveted positions in our military academies—a move which I strongly opposed when it was proposed to the House several years ago—for Iranian students. I think in light of the allegations made by Ms. Mitford and responsible journalists in both Europe and the United States we should reevaluate these policies, and begin to consider the quality of the governments with which we do our business.

I commend Ms. Mitford's article to the attention of my colleagues:

OTHER VOICES: A DIFFERENT VIEW OF THE SHAH OF IRAN

(By Jessica Mitford)

For two successive Sundays, readers of the Examiner were treated to a lengthy running eulogy of "one of the world's most interesting and impressive leaders . . . a fascinating personality . . . a wise, patriotic, benevolent ruler," the Shah of Iran.

In his Editor's Report, William Randolph Hearst, Jr., tells us that "over a delicious lunch, we soon found His Majesty a gracious host with a lively sense of humor . . . however, the profound intelligence of this enlightened ruler quickly became apparent when we started discussing serious subjects."

Among serious subjects that did not, it seems, come up for discussion during the delicious lunch:

The despotic rule of Iran by SAVAK, the much dreaded, Gestapo-like secret police, answerable to the Shah alone.

The estimated 40,000 political prisoners who have disappeared into Iran's jails.

The use by SAVAK of unspeakably brutal tortures to extract information and uncounted summary executions of those who refuse to turn informer.

"What impressed me most about the Shah's

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attitude was the reasonableness with which he listened to another point of view," wrote Mr. Hearst.

This has hardly been the experience of the Shah's subjects.

More than two years ago a United Nations panel found "a consistent pattern" of violations of human rights by SAVAK.

These included "arbitrarily arresting hundreds of political dissidents, holding secret trials for them, and in scores of instances executing them." Since that time, much more has come to light about the organization and modus operandi of SAVAK.

Last November, Time magazine reported that SAVAK, through a large network of informers, "have been responsible for making countless arrests of leftists on occasionally vague anti-Shah charges and for at least 200 executions.

In a Harper's magazine article from Iran, Frances Fitzgerald writes:

"SAVAK has agents in the lobby of every hotel, every government department, every university classroom."

The estimated number of agents: 70,000 or one for every 450 Iranians—and SAVAK officials themselves acknowledge this is only the nucleus, for they have more unpaid informers than paid agents.

"Professors are fired or arrested for expressing independent views, and students are arrested or shot for demonstrating," says Fitzgerald. "SAVAK gives no accounting of its activities. People simply disappear in Iran."

Last month the London Sunday Times reported on its two-year investigation of torture allegations in Iran based on personal testimony of prisoners and statements of impartial foreign observers.

"Torture cases fall in three categories. Left-wing activists, Moslem dissidents opposed to what they regard as the religious and political repression of the Shah; and those people, peredominantly middle-class intellectuals, who were unwise enough to criticize the regime, in private or public and were reported to police."

Methods of torture include extraction of fingernails and toenails, electric shock to sexual organs, and the "Hot Table," an iron frame covered with wire mesh electrically heated to which the prisoner is strapped until it becomes red hot.

Two French lawyers, visiting an Iranian trial as observers for a non-political international association of jurists, attested to the results of this fiendish device.

In court, the accused prisoner attracted their attention by whispering, "Mister! Mister!" and suddenly hiked up his shirt.

"The whole of the middle of his chest and stomach was a mass of twisted scars from very deep burns. They looked appalling . . . The skin was covered in shiny scars from burning . . ."

(NOTE.—In a recent interview with Mike Wallace in the program "60 Minutes," the Shah denied the accuracy of the Times' torture allegations.)

"One of the things that pleased me most about this innovative, modern monarch was the friendliness he expressed for the United States," writes Mr. Hearst. Little wonder, since the Shah reigns courtesy of the CIA.

In 1953, a combination of nationalists and leftwing opposition forced him to flee the country. According to the Sunday Times, "he returned after one week, with the aid of a popular uprising orchestrated by the CIA." Richard Helms, CIA director during the Watergate break-in, now serves as United States ambassador to Iran.

Further insight into the "profound intelligence of this enlightened ruler" is furnished in an interview by the Italian journalist Oriana Fallaci.

Shah: "What do these feminists want? Equality, you say? Indeed! I don't want to seem rude, but . . . you may be equal in the eyes of the law, but not, I beg your pardon for saying so, in ability. You've never even produced a great cook. You have produced nothing great, nothing!"

Fallaci: "How many political prisoners are there in Iran today?"

Shah: "I don't know the exact figure. It depends on what you mean by political prisoners. If it's Communists you mean, for instance, I don't consider them political prisoners because communism is against the law. It follows that a Communist is not a political prisoner but a common criminal."

Among current cases of imprisonment and torture of political prisoners authenticated by Amnesty International and by the Committee for Artistic and Intelligence Freedom in Iran, a group of distinguished American writers, are:

Vida Hadjebi Tabrizi, a sociologist at the University of Tcheran, sentenced to eight years imprisonment by a military court in July, 1972, for investigating the living conditions of Iran's peasant population. She has been subjected to such harsh torture she has lost all feeling in hands and feet and has developed serious heart trouble.

Dr. G. H. Sa'edi, Iran's greatest playwright, under torture in prison since June, 1974.

Dr. A. Shariatti, a well-known writer and religious intellectual, imprisoned since September, 1973. His father, over 70 years old, was also arrested. Both have been tortured.

The man responsible for these atrocities appears to be Mr. Hearst's nominee for Leader of the Free World.

Deploring the "inability of leaders" in the democratic countries from Denmark to Japan "to make strong decisions and have them implemented," Mr. Hearst concludes from his discussion with the Shah that "any other or all the developing—yes, and many of the developed countries—could use such a wise, patriotic, benevolent ruler. . . . Perhaps the underlying problem is that the West simply has no really great leaders left, or even emerging."

For which we may be profoundly grateful.

THE VALUE OF A SECOND OPINION

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KASTEN. Mr. Speaker, recently, the Ford Foundation released a report of a study on America's energy future. The study, entitled "A Time To Choose," cost $4 million and attempts to chart a national policy for our Nation's energy production, distribution, and costs. Basically, it recommends cutting back on the use of energy and the imposition of mandatory controls.

Another foundation, the Institute for Contemporary Studies, has prepared a critique and analysis of the Ford study. Ten economists, with a basic belief in our free enterprise system, have taken a second look. Their critiques of the Ford study have been put together in a volume entitled "No Time To Confuse."

Mr. Speaker, I would urge every Member of this body to read "No Time To Confuse" if they are truly interested in preserving our free enterprise system and developing an energy policy which is capable of meeting the future needs of the Nation.

THE URANIUM CARTEL—A REAL WORLD MONOPOLY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as mentioned previously, see page 4989 of the CONGRESSIONAL RECORD, indications are here that we are heading for a uranium shortage. This will lead to a new fuel crisis for our nuclear powerplants. The frightening thing about all this is that a very small group of people control almost the entire known supply of the material. Forbes magazine on January 15, 1975, described this tight little operation. The article follows:

THE FIVE ARROWS, NUCLEAR-STYLE

Control of the uranium cartel may be far more concentrated than would appear at first glance. As suggested by the fist clenching five arrows in the family crest, the Rothschilds of France and England have an interest in nearly every major uranium mine in the world.

Rio Tinto Zinc, a mining company in which the French Rothschilds have traditionally been major owners, holds a controlling interest in Rio Algom Mines, whose Canadian mines have the largest uranium reserves in North America. RTZ owns nearly two-thirds of the huge new Rossing uranium mine in South West Africa. It also controls Mary Kathleen Uranium, the only Australian uranium mine capable of going into operation soon.

The largest South African gold producer, Anglo American Corp., is also the country's largest uranium producer, since South African uranium is produced as a by-product of gold production. One of Anglo American's associated companies, Charter Consolidated, has a Rothschild on its board, and owns nearly 10% of RTZ.

The centerpiece of the French Rothschilds' nonferrous metal group is Imétal (formerly Le Nickel), which has a controlling share of the Mokta and Pennaroya companies, two of the largest uranium producers in France and in the former French colonies of Gabon and Niger. They also participate in joint ventures with the other large French producer, Pechiney Ugine Kuhlmann.

The Rothschild presence is everything. Baron Guy de Rothschild heads Imétal. He also sits on the board of RTZ. In turn, Harry Oppenheimer, the chief executive of Anglo American, and Sir Val Duncan, the chief executive of RTZ, sit on the board of Imétal.

Only in Australia do the Rothschild companies have a relatively small share of the total uranium reserves. In fact, but for a few independent uranium companies in Canada and possible increased Australian production, the function of the Uranium Producers' Forum could be performed at a board meeting of Imétal.

CIA DOMESTIC OPERATIONS RAISE SERIOUS QUESTIONS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. EVINS of Tennessee. Mr. Speaker, as you know, the Central Intelligence Agency has come under increasing criticism for alleged domestic spying activities although its statutory authority limits its jurisdiction to overseas intelligence operations.

Recently Mr. William Colby, Director of the CIA, testified before a House Appropriations Subcommittee concerning domestic spying and wiretapping. He amended an earlier report filed with the committee to change certain figures with respect to the number of telephone taps, files on public officials, and break-ins.

The Nashville Tennessean in a recent editorial emphasized the dangers inherent in CIA activities in this Nation which exceed its statutory authority. Because of the interest of my colleagues and the American people in this most important matter, I place the editorial in the RECORD herewith:

MR. COLBY'S OWN WORDS RAISE LEVEL OF CONCERN

The response of Mr. William Colby to the investigations of the Central Intelligence Agency is about what one would expect from almost any bureaucratic agency that comes under criticism.

Mr. Colby, the director of the CIA, said that American intelligence operations have been jeopardized by "the almost hysterical excitement" over CIA missteps.

What Mr. Colby sees as "almost hysterical excitement" is a deep concern on the part of the Congress and the American public over the fact the CIA has ignored the law of the land that created it in the first place.

Mr. Colby told the House appropriations subcommittee that allegations of illegal or improper domestic spying had been blown out of proportion. Yet, under questioning, Mr. Colby said that the CIA has had files on four congressmen and he did not deny that the agency used sex traps within the U.S. to gain information from foreigners. He also confirmed the report of Mr. Seymour Hersh of The New York Times that 22 CIA agents infiltrated antiwar dissident groups and collected files on 10,000 Americans.

Mr. Colby denied this was a "massive illegal domestic intelligence operation." He prefers to look on it as a misstep. Obviously a few missteps such as this only open the doors to custom. In short, once the law of the nation is breached, it becomes easier and easier to do it again and in practice, the agency set up to help guard the country from without becomes the Big Brother from within.

Mr. Colby was quick enough to try to hint at a lack of credibility in press reports. But ironically he took the occasion to submit to the lawmakers what he called "minor changes" in a report he gave the Senate Appropriations Committee last month.

His "minor changes" are interesting. He said:

The CIA conducted telephone wiretaps against 27 people between 1947 and 1965, not 21 as he told the Senators.

Four of the persons whose phones were tapped were non-CIA employees, not two as he had said.

The agency had files on four congressmen, not one as he told the committee.

The agency had conducted four break-ins in the United States, not three as he said before.

In actual numbers that may not be a great difference, and probably Mr. Colby thinks of it only as an understatement. The fact remains that he misinformed the senators, and who can say that he is not also misinforming the House subcommittee?

Mr. Colby has admitted enough to make it clear the CIA violated both the spirit and the letter of the laws, and he now seems to be pleading that the Congress should look no further into the scope of this lest it destroy the intelligence operation.

What has to be done is the task of bringing the nation's intelligence agencies under discipline. It will be less painful and costly now than it would be later on.

During the infancy of this great country, a wise observer once said: "The condition upon which God hath given liberty to man is eternal vigilance; which condition if he break it, servitude is at once the consequence of his crime and the punishment of his guilt."

The CIA has already demonstrated that when vigilance is lacking, it knows no boundaries or laws in the exercise of its power.

GLENVIEW, ILL., HIGH SCHOOL STUDENT WINS VOICE OF DEMOCRACY CONTEST IN ILLINOIS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. MIKVA. Mr. Speaker, it is my great pleasure to announce to the House of Representatives that Mr. Dean Phelus, 500 Elm Street, Glenview, Ill., has submitted the winning speech from Illinois in the Voice of Democracy Contest. This contest is sponsored by the Veterans of Foreign Wars and its Ladies Auxiliary and is a part of the Voice of Democracy scholarship program. This program is conducted annually in our Nation's secondary schools during the fall term. This year, the theme for the VFW's 28th annual program is "My Responsibility as a Citizen."

The winner of the contest from Illinois, Mr. Dean Phelus, is a junior from Maine Township High School North, Des Plaines, Ill. Dean is 16, has served as the treasurer of the Spanish Club and vice president of the speech team, has been awarded a number of speech awards including a speech scholarship, is a varsity member of the track team, is a member of the district concert choir, and belongs to the Modern Music Masters and Thespians.

As the State of Illinois winner, Dean Phelus is eligible for one of five national scholarships awarded as the top prizes. Final judging is to be held here in Washington, D.C., during the week of March 7–12, 1975. The best wishes of the people of the State of Illinois go to Dean as he competes with the contest winners from other States.

Mr. Speaker, this speech by a high school junior has an important message for all Americans. It is that America needs listeners, optimists, and believers—those who will offer "a cheer, a word of encouragement, a suggestion, a vote of confidence." Dean Phelus writes:

Every American should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom . . . (and to march) forward together to a future which offers uncertainty and challenge.

Mr. Speaker, at this point I would like to insert the winning speech of Mr. Dean Phelus of Glenview, Ill., to congratulate him on his fine speech, and to commend the Veterans of Foreign Wars for their worthy efforts:

MY RESPONSIBILITY AS A CITIZEN

(By Dean Phelus)

LISTEN!

Listen! All those of you who are lucky enough to be citizens of America, listen! What do you hear? The voice of democracy? What is it? Is it the voice of one man? Does he sit in an oval office, or at the wheel of a truck, or on the bench in a football stadium? Is it the voice of one woman who stands in a classroom or a department store or a kitchen? No. The voice of democracy is an American chorus, a patriotic cheer, a chant by a million separate voices. And my responsibility as an American citizen is to . . . listen!

What are Americans saying these days? We can't afford the groceries, the automobiles aren't as sturdy as they could be; where will we get enough fuel?; what do we do about the young people?; how will we make it through difficult times? Questions. The voices are asking a hundred thousand hard questions. Answers. What the voices want are answers. And all they need to do is . . . listen.

No great organization operates without problems. A great country is no different. Each one of us can see the questions all around us. What we need are voices with answers. We need optimists, workers who know what determination can do. We need believers, people who know what ideals and values can produce. We need voices, voices to shout the encouragement to fight problems, to overcome obstacles.

Where will these voices come from? They can come from you and from me. I cannot speak for you, but one voice is already coming from me. I am willing to speak for America, for the ability of Americans to weather any crisis. I am willing to speak for involvement, for the necessary concern of each citizen in order to have a successful government. If officials are corrupt, say so. If you disagree with policies or programs, speak up. I will care enough to speak for America. But I will never speak so loudly that I forget to listen.

For there have always been voices. In any American library we can find voices. George Washington, Nathan Hale, Franklin Roosevelt, John Kennedy—all the great speakers of our past are speaking still, speaking to anyone who will listen. They will tell you that America is greater than any adversary, stronger than any opponent. They will tell you that a few determined men can build a reality. They will tell you that no problem is beyond solution. They will tell you that we have had trouble before, but no trouble that Americans, working together, cannot handle. They will speak for America. Listen, and join them.

It is a privilege to have a responsibility to America, a privilege that needs careful attention. We can choose to despair, or we can choose to fight. We can choose to destroy or to build. I have made my choice. My country does not need another disparaging voice. It needs a cheer, a word of encouragement, a suggestion, a vote of confidence. Every American should be involved enough to vote, to honor his country, to feel grateful for the great gift of freedom. But quiet gratitude is not enough. We Americans are marching forward together to a future which offers uncertainty and challenge. Silent soldiers have room for doubt. Raise your voice in support of the country that has nurtured you, in defense of the system that has kept you free, in praise of the spirit that keeps a battered flag waving.

It is my responsibility as a citizen, my privilege as an American to join the voices

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of democracy. We will come together in a cry of determination that will carry us forward against my opposition. We have something good; acknowledge it. We have strength and tradition on our side; remember it. Listen to the cheering American voices—those of the past, those of the present, yours, mine. American voices all—listen!

A SALUTE TO WOMEN IN AEROSPACE

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, it has been my privilege to meet and work with a number of the dynamic and dedicated women referred to in this article, who have been aviation pioneers and played a lead role in advancing aviation, aeronautics, and aerospace programs and sciences. Among them are Jean Ross Howard, Isabel Burbers, Sally Murphy, Fran Bera, and Loretta Foy. In the early 1970's it was my privilege to serve as chairman of the Governor's Aerospace-Aviation Education Task Force for the State of California, on which Loretta Foy was a principal member. The task force was endorsed by then Governor Reagan and superintendent of public instruction, Wilson Riles.

The task force was in existence for 2 years and the 30 members explored all aspects of aerospace education. The 99's and Whirly-Girls were a great asset to the effort. I suggest that my congressional colleagues read the content and recognize this article as a shining example of women's significant contribution in American aerospace. The article follows:

A SALUTE TO WOMEN IN AEROSPACE

The year 1975 has been proclaimed by the United Nation's General Assembly as International Women's Year. America's year-long "Salute to Women" is outlined in an alphabetical calendar. It began in January with A—for women of achievement in aviation and the aeronautical and aerospace sciences. Thus, this is an appropriate time to recognize women for their significant contributions to the broad field of aerospace.

January 11, 1975, the 40th anniversary of Amelia Earhart's record-breaking flight from Honolulu to Oakland, was selected as the take-off date for the year because Amelia Earhart's deeds and qualities were an inspiration to women everywhere.

"AE", the first woman to fly both the Atlantic and Pacific solo, was the first president of The Ninety-Nines, international organization of licensed women pilots. She was always interested in encouraging other women to fly and to help in their careers.

In 1929, 99 of the then 117 U.S. women pilots met and organized; hence the name. Today there are more than 4000 members in 22 countries. The 99's award seven Amelia Earhart scholarships each year.

Today, women in aerospace:

push the throttle
monitor oil spills in the Gulf of Mexico
help launch satellites
dust crops
hunt hurricanes
make trans-Atlantic delivery flights
design cockpits
serve as manufacturers and airlines executives
wear Army and Navy aviator wings
establish world aviation records
pilot corporate aircraft
serve as airport/heliport consultants, as FAA flight examiners
control air traffic
direct aviation education programs
work as propulsion, human factors, electrical and design engineers
operate airports, heliports
instruct ground, flight and instrument students
program computers in missile guidance and control systems, flight simulators
give aerial traffic and weather reports
patrol pipelines
publish and write for aviation newspapers, magazines, books
transport personnel and parts to off-shore rigs
co-pilot commercial airlines
fly rescue missions
teach our youth aerospace subjects.

But all this is not really new. In the early days of aviation, women soon proved skilled and qualified as balloon, airplane and helicopter pilots and were accepted and welcomed into the aviation fraternity. Through the years, women have held responsible positions in all segments of aviation. Many have won international recognition for their achievements.

It would be impossible here to report completely and accurately all the many and diversified jobs done by women in aerospace today. Here are just a few that are representative of what women have done, can do, are doing, and given the opportunity, will do, to further advance technological developments for continued U.S. leadership in aerospace.

In 1910, Blanche Scott Stuart, in an unscheduled take-off (strong wind) was the first woman to solo. She went on to become an exhibition pilot. Harriet Quimby, drama critic of *Vogue* magazine, was the first American woman licensed pilot, and the first to fly the English Channel in 1912.

In the 1930's, Helen Richey was the first woman to wear an airline uniform and fly from the right seat. Also in the 30's, the famous Jacqueline Cochran started her record-breaking career (her speed records in the P–51 still holds), and she was the first woman to break the sound barrier.

During World War II she organized the WASPs (Women's Airforce Service Pilots). In the program 1074 women won their wings and flew 60 million miles for the U.S. Army Air Corps.

The first woman to reach toward space was the record-setting balloonist, Jeanette Picard of Minneapolis, Minn., who in 1934 rose to the height of 57,559 feet. And today Constance Wolf of Blue Bell, Pa., holder of 15 international records, is the leading U.S. woman balloonist.

IN AEROSPACE

It is not possible to recite here the large number of positions held by women throughout all facets of the aerospace industry.

The variety of their important roles includes research and development, engineering, airframe welding, assembly and installation of complicated electronic systems and subsystems, computer programing, designing aircraft components and interiors, selling and flying the finished products, and performing in top management positions.

For example, Mrs. Yvonne Brill invented and patented a design for a "Dual Thrust Level Monopropellant Spacecraft Propulsion System." With RCA since 1966, Mrs. Brill analyzes and designs spacecraft propulsion systems for use in communications, navigation, scientific and meterological applications.

IN AEROSPACE EDUCATION

One of the greatest contributions of women has been in the field of education where they are teaching aerospace subjects in our educational systems all the way from pre-primary to post-graduate levels. And the 99's are actively involved in supporting aerospace education at all levels of learning.

Elsie W. Adams, Marilyn Link and Jane N. Marshall have received our nation's highest award in aerospace education—the Frank G. Brewer Trophy—awarded annually for the most outstanding contribution in the field of aerospace education.

Dr. Carol St. Cyr served as President of the National Aerospace Education Association from 1972 to 1974.

Both NASA and the FAA, as well as numerous associations have women in their education program offices.

IN GOVERNMENT

As in industry, more women are being named to top positions in government. Aerospace-connected jobs are no exception.

The Federal Aviation Administration of the Department of Transportation has women in many key jobs all over the country.

For example, since World War II, women have been manning the control towers at many of our airports. In Hillsboro, Oregon, Delphine Aldecoa is the tower chief. Many women are FAA flight examiners. At FAA headquarters, Mary Jo Oliver is an aviation education specialist. And aeronautical engineer Joan Barriage holds a top post as the Deputy Director of the Office of Environmental Quality.

And at NASA women have important roles in space research. Marjorie Townsend of NASA's Goddard Space Flight Center was the first woman to manage a space launch and was the winner of the Federal Women's Award in 1972. Dr. Nancie Lee Bell is a leading microbiologist at NASA's Ames Research Center in California. Dr. Nancy Roman, one of the world's leading astronomers, is program scientist for the astronomical Netherlands satellite and the small astronomy satellite to be launched this year to investigate X-ray sources.

In 1961, Jerrie Cobb was the first U.S. woman to undergo the astronaut tests. She passed, but did not have the test pilot experience required then. For the last eight years Jerrie has been a jungle pilot in South America, flying doctors, missionaries, and medicines to the Indian tribes in Amazonia.

IN THE MILITARY

When the WASPs (Women's Airforce Service Pilots) flew for the Army Air Corps during World War II, they were civilians. In 1973, the Navy for the first time opened aviator training to women and enrolled eight prospective pilots in the first course. They have completed their training and are now assigned to naval air stations around the country. The Army followed in a few months, and now has two qualified women Army Aviator helicopter pilots. The first, Lt. Sally Murphy, now is taking fixed wing training at Ft. Rucker, while the second, Lt. Linda Horan, is at Army Test Pilot School at Ft. Eustis, Va.

IN AIR TRANSPORTATION

Amelia Earhart pioneered many of the air routes flown today and predicted the worldwide use of air transportation. She proved to be right and would have been proud of the women who followed her flight paths and of their role today in this segment of aerospace.

In May 1963, Betty Miller made a record solo flight from California to Australia (the reverse of Miss Earhart's flight), the first such flight by a woman. For this she was awarded the first FAA Exceptional Service Award and personally was congratulated by President Kennedy in the Oval Office. In May 1964, a Columbus, Ohio, housewife and mother of three, Jerrie Mock, flew her Cessna 180 around the world in 29½ days in history's first globe-circling flight by a woman. She too received the FAA Gold Medal and was congratulated by President Johnson in the Rose Garden.

Both Betty Miller and Jerrie Mock served on the FAA Women's Advisory Committee for Aviation, and both are members of the 99's and The Whirly-Girls, the latter a world-wide organization of women helicopter pilots.

IN COMMUNICATIONS

Tony Page began her aviation news writing career in 1940 by contributing articles to *Southern* (now *Flight*) magazine. She became aviation editor for *The Valley Times* of North Hollywood, Calif., in 1945 while freelance writing for other aviation publications including *Cross Country News*. In 1952 she purchased *Cross Country News* and is now its editor and publisher.

The versatile Valerie Petrie keeps herself busy at *Plane & Pilot* magazine, where she is both managing editor and company pilot.

Page Shamburger's first flying reporter job was for *American Aviation*. Flying in her own plane, she visited 3000 airports. In 1965 she was the first woman to fly on an official Air Force hurricane hunter mission. She is the author of six aviation books.

Jean Blashfield served as Editor-in-Chief of the "Encyclopedia of Aviation and Space Sciences."

There is no doubt that women in aerospace have done and are doing much. It is a field that is expanding for them every day, and in all directions.

LITHUANIAN INDEPENDENCE DAY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KEMP. Mr. Speaker, I would like to join the Lithuanian-Americans of Buffalo, and throughout the Nation, in commemoration of the 57th anniversary of the establishment of the Republic of Lithuania on February 16, 1975.

With the establishment of the republic at the end of World War I, the Lithuanian people enjoyed 20 years of self-determination and personal and religious freedom. This was a period of economic stabilization, and a period of flourishing national culture.

Tragically, Lithuanian independence was short-lived. In 1939, the Soviet Union began its occupation of Lithuania—and continues to this day to occupy and subjugate the Lithuanian State.

Although forcibly incorporated by the Soviet Union, Lithuanians today have no more accepted foreign occupation than they did in 1939. Despite Soviet tactics of terror, of cultural and political manipulation, suppression and propaganda, the Lithuanian national spirit has not been dissolved or diminished—and continues to be a memorial to the dignity of all mankind.

Mr. Speaker, as we pause in commemoration of Lithuanian independence, it is incumbent upon us to be vigilant of détente—and to be aware of what such détente with the Soviets has not meant to the brave people of Lithuania. It would be unconscionable and indefensible for America to overlook the realities of suppression in Lithuania that we might be soothed by the peaceful jargon of détente.

In Buffalo, the Knights of Lithuania, and the Lithuanian Club of Buffalo continue to focus attention and action upon the plight of the Lithuanian people. Their efforts on the local level deserve vigorous followup on the congressional level. We cannot forget the brave struggle of the Lithuanian people.

POEM IN MEMORY AND HONOR OF PRESIDENT FRANKLIN ROOSEVELT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARRINGTON. Mr. Speaker, a constituent of mine, Theodore Safine of Peabody, Mass., has recently sent me a poem written in memory and honor of President Franklin Roosevelt.

As he requested, I would like to insert the poem in the CONGRESSIONAL RECORD at this time for the information of my colleagues and others who have the opportunity to read the RECORD.

The text follows:

FRANKLIN DELANO ROOSEVELT

(By Theodore Safine)

Clouds of want swept o'er a land
Once famed for plenty, joy and health;
Ragged babies cried for food
As parents lost their homes and wealth.

A nation once so grand and proud,
Bowed her head in grief and want,
As misery spread o'er all the land,
And crops and stock were lean and gaunt.

Depression clouds grew ever darker;
Strong minds and hearts must meet the need;
For leadership a nation prayed,
To save the world from crime and greed.

Even the soil seemed bent on ruin;
Sand storms darkened gloomy days.
A situation sad and ominous,
And never a leader to solve new ways!

Here was a tragic problem new.
That threatened to engulf a race.
Surely only a man of magic
Could stem the vicious awful pace.

Questioning eyes looked into tears
Of those whose cheeks were wet with grief,
Pleading, questioning, where the end?
Would some good come to bring relief?

"Experts" brought forth plans amazing:
We must entirely change our ways!
But all their foolish radical ravings
Accomplished only darker days.

Then suddenly a light appeared!
A sunny smile shone through the air,
When came a man of sterling vision,
With firm kind face and graying hair.

In hopeful tones he calmed his people;
He'd do his best to lead them through
The chaos and the deepening labrynth,
Into sunny pastures new.

"Always must our nation flourish;
Always must our freedom be
Emblematic of our founders—
Those who died for you and me."

Both day and night long hours he labored,
This plucky man at the nation's desk.
Never with bribes were his duties besmirched;
Never a problem but brought forth his best.

Soon plans unheard of in former years,
Came from beneath that Capitol dome;
Plans to re-establish business
And save each workman's humble home.

Soon the hungry were fed and clothed.
Money long hid in the Treasury vault,
Was brought forth to feed hungry months.
Some said he was generous to a fault.

"They must be cared for," he firmly reminded,
"For what better cause could money be spent?"
Banks were opened and business resumed;
Into the mountains young men were sent—

To do the work that would keep them clean,
And out of the gutters of city street.
Four years he served and planned great things;
He was saving our nation from defeat!

Like all great men he was cruelly assailed
By cranks who would oust a man of power—
Those morbid fiends from the lower ranks
Envious of each great man of the hour.

But right is might, and the people knew
That they owed their all to this brainful man;
Smiles had taken the place of tears
Long e'er his second term began.

No other man since America's birth
Has coped with such trying and dangerous times,
Restoring laughter to tear dimmed eyes,
As steadily upward prosperity climbs.

Word of his greatness rapidly spread
To other lands where they praise his name,
And tell how he avoided the fall of a nation,
And how he merits the highest acclaim.

Beloved by men the world around,
From north to south, and east to west,
A whole world proudly, fondly vows
Forever will his name be blest!

A WARNING TO HEED

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BAUMAN. Mr. Speaker, as all independent Americans should, the Baltimore News American has taken note of the concern expressed by the Director of the CIA, Mr. William E. Colby, regarding the pending congressional investigations of his and other intelligence agencies. It is my hope that a Congress that was willing to abolish its own investigative unit aimed at subversion, the House Committee on Internal Security, will not now conduct a witch hunt against the agencies of Government who are charged with protecting our Nation.

I include the editorial at this point in my remarks:

A WARNING TO HEED

William E. Colby, director of the beleaguered Central Intelligence Agency, last week gave Congress a grim warning of the damage already done to national security operations by what he called "exaggerated" press alle-

gations—and the potential future damage inherent in pending probes by publicity-seeking Washington lawmakers.

Both the Senate and the House, heavily dominated by the Democratic party, have established Watergate-type select committees soon to begin quasi-public investigations of the CIA, the FBI and all other hush-hush government agencies. With revealing significance, the House committee has allotted only three of its 10 seats to Republicans.

In rare public testimony before a House Appropriations sub-committee last Thursday, Mr. Colby undertook to deny charges in the New York Times and elsewhere that the CIA conducted "massive illegal domestic intelligence operations." Admitting that some minor stretching of the CIA charter may have occurred in pursuing possible foreign links to American dissidents, Mr. Colby nevertheless insisted:

"It was neither massive, illegal nor (fundamentally) domestic, as charged. All our operations were made at presidential directive and under authority of the National Security Act."

This admittedly real consideration, he went on, was negligible when compared with the harm done to national security operations by what he termed "hysterical" charges against the agency.

Already, he said, CIA relations with intelligence groups in allied nations have been jeopardized, the very lives of American spies on dangerous missions abroad have been imperiled, and CIA morale in general has been lowered dangerously.

"These last two months have placed American intelligence in danger," Mr. Colby said. "Exaggeration and misrepresentations of CIA activities do irreparable harm to our intelligence apparatus. If carried to the extreme, (they) would blindfold our country as it looks ahead."

What the director clearly suggested was that the forthcoming select committee probes, with their built-in danger of private-session leaks, are a dandy way of serving the curiosity of Moscow spies far more than the interests of the American people. In a terribly competitive, war-threatened world, even democracies are obliged to have self-protective secrets—or else.

Like CIA Director Colby, we view the impending Senate and House inquiries with both resignation and trepidation. Congress has a perfect right to pursue the planned probes—which incidentally are supposed to go on quietly all the time as part of its budget control responsibility. It is the specter of politics vs. security which is so alarming.

Sometimes—when especially discouraged—it is possible to view some of the decisions of our national legislators as not only self-serving but self-defeating. We fear that the hippodrome probes of national security agencies now looming may well fall into both categories.

VOICE OF DEMOCRACY CONTEST

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. WAMPLER. Mr. Speaker, I recently received a letter from Mr. Cooper T. Holt, executive director of the Veterans of Foreign Wars, that a young lady from my congressional district, Miss Nancy Catherine Haga, Route 3, Box 212, Independence, Va., was the winning speech contestant from the Commonwealth of Virginia in the national Voice of Democracy Contest, conducted annually by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary.

I am further informed that the winning contestants from each State will be brought to Washington, D.C., for the final national judging as guests of the Veterans of Foreign Wars. The prize for the national winner is a $10,000 scholarship. The winning contestants from each State will be further honored on the evening of March 11, 1975, from 6 p.m. to 9 p.m. at the Veterans of Foreign Wars annual congressional dinner at the Sheraton-Park Hotel, Washington, D.C.

In this connection, Mr. Speaker, I include Miss Haga's winning speech in the RECORD, so that each Member of Congress and the citizens of the Nation might have the benefit of the thoughts of a young 17-year-old Virginia lady:

MY RESPONSIBILITY AS A CITIZEN

As a part of growing and learning, it has become a compulsory rule to look back at the pages in our nation's history. If, per chance, what we see, read, and hear is beginning to get a little trite, then probably we are missing an important revelation that glares at us from every page.

Can it be, fellow citizen, that as we enjoy the fruit handed down by those before us, we neglect to plant seeds of our own?

I am told often of the Revolution; of the struggles of our forefathers to obtain certain God-given rights of freedom—life, liberty, and the pursuit of happiness—so that future generations, You and I, would never be deprived of them. I read of how a group of courageous, freedom-loving men boldly set down a list of signatures on a document which would officially grant you and me the freedom to enjoy these same rights. Determination and responsibility kept them going, even as they faced possible execution. I have looked, misty-eyed, at long, innumerable rows of white crosses; the only recognition that thousands upon thousands of young men have gained for the scourge and horror of world war. Their names didn't make it to the history books because their responsibilities as citizens remained far more supreme. Then, perhaps somewhat less remote to my lifetime, I have known the irrational assassination of a few of America's great leaders like Kennedy and King. These men were also willing to take a risk for their nation, dying in the midst of mighty efforts and not in the cozy little rut in which too many Americans are content to live out their lives.

We as citizens find it far easier to take our gift of liberty for granted than to remember how and from whom they were granted. It seems that few of us live each day thinking desperate, long-ranged thoughts about how we will live, or die if need be, to keep America the superior nation that she is for our children who will follow us. Some regard it as unnecessary.

Ah, but it is necessary. We must strive to keep within us from day to day, the truthful conviction of the late Dwight D. Eisenhower—

"Freedom from fear and injustice and oppression will be ours only in the measure that men who value such freedom are ready to sustain its possession—to defend it against every thrust from within or without."

It is my responsibility to nurture these blessings of freedom at all costs while encouraging others to do the same. For any democracy composed of persons who value this freedom will remain a working democracy. For this reason we must open the eyes of those who don't value it. We can achieve this only by living up to our responsibilities, for it is impossible to ignite fever in another man's soul if we don't have it in our own.

I can begin by taking an active, effective part in this ingenius government, tackling first the startling fact that roughly 40% of my nation fails to vote each year. Apathy is our deadliest enemy for in the words of Woodrow Wilson—

"Freedom exists only where the people take care of the government."

In a government of, for, and by the people, both the problems and the remedies lie strictly with you and me and our own God-given strengths. As long as we retain the ability to come to grips with this fact, we will never fail from within because of disillusionment, immorality, lack of faith, or a more attractive form of power that lies beyond our borders. Likewise, with such vast inner strength, we can never be vulnerable to attacks from without. General Douglas McArthur once said—

"The inescapable price of liberty is the ability to preserve it from destruction."

So long as you and I stand by this moral obligation, whatever duty demands, we can live up to the title, "Citizens of America".

THE RECORD OF THE WPA AND OTHER NEW DEAL PROGRAMS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HAWKINS. Mr. Speaker, during the recent months as our national economic crisis has rapidly worsened there have been more and more references to various of the depression-era economic recovery programs, especially the Works Progress Administration, the Civilian Conservation Corps, and others. I have asked the Library of Congress Research Service to do a short study of some of the accomplishments of these programs, which I believe is deserving of the Members' attention. The study follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., February 7, 1975.

To: The Honorable Augustus F. Hawkins.
Attention: Gilbert Vigil.

From: Peter B. Sheridan, Analyst, Government and General Research Division (Kenneth E. Gray, Chief).

Subject: Background information on the Civilian Conservation Corps, the Public Works Administration, the Works Progress (and Work Projects) Administration, the National Youth Administration, and the Reconstruction Finance Corporation.

In response to your inquiry of January 28, 1975, concerning the establishment and record of the above-mentioned agencies, I submit, attached hereto, a brief analysis of the origins, objectives, and accomplishments of such agencies.

The four New Deal agencies (CCC, PWA, WPA, and NYA) described in the attached report had their origins in Franklin D. Roosevelt's attempts to alleviate the desperate condition of an estimated 15,000,000 unemployed. These four "alphabetical" agencies constituted a massive attack on the problems of unemployment caused by the Great Depression beginning in 1929 and are considered prime examples of the relief and recovery measures of Roosevelt's New Deal.

The Reconstruction Finance Corporation (RFC) was created in the last year of the Hoover Administration and originally possessed a rather limited range of authority. This was broadened considerably when Roosevelt became President.

THE ORIGINS, OBJECTIVES, AND ACCOMPLISHMENTS OF THE CCC, PWA, WPA, NYA, AND THE RFC

CIVILIAN CONSERVATION CORPS (CCC)

The history of the Civilian Conservation Corps falls into three periods. The first period was initiated by the Emergency Conservation Act of 1933. This Act, supplemented by Executive Order 6101, authorized the establishment of camps where employment and training was provided for youthful unemployed citizens of the United States. The second period was initiated by the Act of June 28, 1937. This Act formally established the Civilian Conservation Corps as a definite agency within the governmental framework, and gave legal recognition to the title which long had been in use. The third period began on July 1, 1939, when the Civilian Conservation Corps, by the Act of April 3, 1939 known as the Reorganization Act of 1939, was transferred by the President to the Federal Security Agency. This transfer did not change the administrative set-up of the Corps, but during this period more attention was directed to the national defense program. Vocational training for defense industry and military drill for all enrollees were initiated in this third period. In May, 1940, the Civilian Conservation Corps began converting to defense work on military reservations and forest protection. The Labor-Federal Security Appropriation Act of 1943 provided for the liquidation of the Civilian Conservation Corps not later than June 30, 1943.

The objectives of the Civilian Conservation Corps were to provide the unemployed work of a public nature in the construction, maintenance, and conduct of programs of reforestation, the prevention of forest fires, floods, and soil erosion, the control of plant pests and from attacks by insects and tree diseases; and by mosquito control helped stamp out malaria. They also helped control predatory animals and rodents on nearly 40 million acres of range lands. The Civilian Conservation Corps added more than 17 million acres of forest land; and it has been estimated that of all the forest planting, public and private, in the history of the nation, more than half was done by the Corps.

PUBLIC WORKS ADMINISTRATION (PWA)

The National Industrial Recovery Act of June 16, 1933 provided for the creation of the Federal Emergency Administration of Public Works. It was not until July, 1939 that the agency became officially designated as the Public Works Administration. Reorganization Plan 1, which became effective on July 1, 1939, consolidated the Federal Emergency Administration of Public Works into the Federal Works Agency to be administered as the Public Works Administration. PWA was scheduled to expire several times but was extended by various appropriations. The Independent Office Appropriation Act for fiscal 1943 extended the Public Works Administration to June 30, 1943. By Executive Order 9357, of June 30, 1943, the PWA's functions were transferred to the office of the Federal Works Administration. This agency was abolished by an act approved June 30, 1949, and its functions transferred to the General Services Administration.

The objectives of the PWA were to promote and stabilize employment and purchasing power by the encouragement of construction of useful public works projects through loans and/or grants to non-Federal public bodies and, to a limited extent, by financing construction of Federal projects. The PWA was authorized to develop long-range plans for a comprehensive program of public works projects which included the construction, repair and improvement of highways, parkways, public buildings, and other facilities.

Almost every conceivable type of public works projects was embraced by PWA's activities. PWA built bridges, tunnels harbors, involved itself in the construction of naval vessels, combat planes, and more than fifty military airports.

The PWA made grants and loans to state and local governments for numerous construction projects including school and college buildings and libraries. From 1933 to 1939, the PWA helped construct more than 70% of the country's new school buildings, 65% of its courthouses, city halls, and sewage plants, and 35% of its hospitals and public health facilities.

WORKS PROGRESS (AND WORK PROJECTS) ADMINISTRATION (WPA)

The Works Progress Administration was created by Executive Order 7034 of May 6, 1935, under authority of the Emergency Relief Appropriation Act of 1935, and continued by subsequent yearly Emergency Relief Appropriation Acts. The name was changed to the Work Projects Administration on July 1, 1939 by Reorganization Plan 1 which provided for the consolidation of the Works Progress Administration into the Federal Works Agency.

With the approach of World War II, the WPA aided the defense effort by engaging in construction at various military installations. The war brought increased employment and in a letter from the President to the Federal Works Administration. December 4, 1942, the liquidation of the program was authorized. On June 30, 1943 the agency was terminated.

The general objective of the WPA was to operate a program of useful public works projects, and to aid employable needy persons by providing work on such projects.

In its eight years of operation the WPA gave work to more than eight million unemployed in a sometimes bewildering variety of projects. Millions were spent on such projects as 600,000 miles of highways, 125,000 public buildings, 78,000 bridges, 8,000 parks, 850 airport landing fields, 5,900 school buildings, and nearly 13,000 playgrounds. The WPA built or improved more than 2,500 hospitals.

Other activities of the WPA included reforestation projects and the construction of dams and dikes as a measure of flood control.

A novel feature of the WPA was the creation of a Federal Arts, Writers', and Theater Program. This gave employment to thousands of writers, artists, and musicians. The Writers' Project, for example, prepared about a thousand publications, including fifty-one state and territorial guides, some thirty city guides, twenty regional guides, and several special studies. The Federal Theater Project presented plays to many people who had never seen a theatrical production, and the artists produced paintings, sculptures, and more than 2,500 murals in public buildings throughout the nation.

NATIONAL YOUTH ADMINISTRATION (NYA)

The National Youth Administration was established within the Works Progress Administration by Executive Order 7086 of June 26, 1935, under authority of the Emergency Relief Appropriation Act of 1935 (48 Stat. 115). Effective July 1, 1939, the NYA was transferred by Reorganization Plan No. 1 to the Federal Security Agency (later reorganized into the Department of Health, Education and Welfare). By Executive Order 9247 of Sept. 17, 1942, the NYA was transferred to the War Manpower Commission where it functioned within the Bureau of Training. The NYA was dissolved by an Act of July 12, 1943, having terminated its war production projects and liquidated its holdings.

The major objectives of the National Youth Administration were as follows:

1. To provide funds for the part-time employment of needy school, college, and graduate students between 16 and 25 years of age so that they could continue their education.

2. To provide funds for the part-time employment on work projects of young persons, chiefly from relief families, between 18 and 25 years of age. The projects were designed not only to give these young people valuable work experience, but also to benefit youth generally and the communities in which they lived.

3. To encourage the establishment of job training, counseling, and placement services for youth.

4. To encourage the development and extension of constructive leisure-time activities.

The National Youth Administration was in operation eight years (1935–1943). In that time, a total of $662,300,000 was expended, of which $467,500,000 for the school work program. The NYA gave part-time employment to more than 600,000 college students and to more than one and half million high school students. During the same period the NYA aided over 2.6 million jobless youths (45% female) who were not in school. Many of these received vocational training in NYA workshops.

RECONSTRUCTION FINANCE CORPORATION (RFC)

The Reconstruction Finance Corporation was created by special Act of Congress on January 22, 1932. The RFC was organized and began operations on February 2, 1932. Extended several times, the liquidation of the RFC was provided for by an Act of July 30, 1953. This Act terminated the lending powers of the RFC effective September 28, 1953 and liquidation of the Corporation's assets began at that time. The same Act also created the Small Business Administration while providing for the continuation of the RFC until June 30, 1954. Thereafter, in furthering the liquidation process, the Secretary of the Treasury succeeded to and exercised all powers, duties, and authority previously lodged in the Administrator of the RFC. Effective June 30, 1957, the RFC was abolished and its remaining functions transferred to the Housing and Home Finance Agency, the General Services Administration, the Small Business Administration, and the Department of the Treasury.

Broadly stated, the object of the Reconstruction Finance Corporation was to aid in financing agriculture, commerce, and industry, to encourage small business, to help in maintaining economic stability of the country, and to assist in promoting maximum employment and production.

The RFC act was passed by a House controlled by the Democrats and a Senate run by a coalition of Democrats and Republican progressives. The measure was adopted by President Hoover with more than a little reluctance.

Under President Hoover, the RFC was authorized to lend money to banks, railroads, and other institutions. When Roosevelt put Jesse Jones, a Texas banker, at the head of the RFC it became a vastly different institution. Among the largest and most complex of all Federal lending agencies, the RFC became the banker for many of the new relief and recovery agencies. Loans were made for many purposes, including construction of school buildings, teachers' salary payments, and refinancing of indebtedness incurred for educational purposes.

During its twenty-one years and eight months of operation, the Reconstruction Finance Corporation made some 240,000 loans involving twelve billion dollars. Aside from its peacetime activities, the Reconstruction Finance Corporation, under legislation in 1940 and 1950, assumed large military responsibilities, e.g., purchases of strategic items, financing war production facilities, and administration of the war damage insurance program.

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LITHUANIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DERWINSKI. Mr. Speaker, several weeks ago, the House commemorated the 57th anniversary of Lithuanian independence by placing appropriate remarks in the RECORD.

I am pleased to insert at this time a resolution that was adopted by the Lithuanian-Americans of the Chicago Western Suburbs in Lemont, Ill., which calls for the reaffirmation of U.S. policy of nonrecognition of the forceful annexation of Lithuania by Soviet Russia.

RESOLUTION

We, Lithuanian-Americans of the Chicago Western Suburbs at a meeting held on February 9, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, and the 724th anniversary of the formation of the Lithuanian Kingdom in 1251, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920, Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940, invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Communist regime in seeking political and religious freedom, as demonstrated by the Lithuanian sailor, Simas Kudirka, the self-immolation of Romas Kalanta, and the subsequent demonstration of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations, and most recently untold numbers of Lithuanians arrested and imprisoned for the publication and distribution of "The Chronical of the Lithuanian Catholic Church"; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations and other international forums, focusing attention on the denial of the right of self-determination for the peoples of Lithuania, Latvia, and Estonia, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved, that we, Lithuanian-Americans will urge the President of the United States, Members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent.

KAZYS LAUKAITIS,
President.
VYTAUTAS KAMANTAS,
Secretary.

WHY INDEXED TAX SYSTEMS PROVIDE THE NEEDED FRAME OF REFERENCE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. CRANE. Mr. Speaker, Dr. William J. Fellner, a member of the President's Council of Economic Advisers and previously an opponent of indexation for Federal taxes and obligations, came out in strong support of this proposal, in a recent speech delivered in King's Point, N.Y. On behalf of my colleagues and myself who have worked for many months now on enacting legislation, I welcome his conversion and support, and I wish to share some of the pertinent observations made by Professor Fellner in his address.

This year's annual report of the Council of Economic Advisers reveals that the 1974 inflation rate of 11 percent caused personal income tax payments to rise by $8 billion. Mr. Fellner asserted that this increase is directly attributable to the relocation of taxpayers' dollar income into new, distorted taxable income levels. He points out:

In any event, the $8 billion estimate for 1974 is based on the assumption that the distorting effect of inflation results exclusively from the relocation of taxpayers from non-taxable into taxable brackets, and from lower to higher brackets, because their money incomes reflect an inflationary trend which their real incomes, of course, do not display.

Dr. Fellner proceeds with considerable detail to advance the need for complete tax indexation since the corporate tax structure also allows inflation to deprive corporate taxpayers of more of their real incomes than Congress intended. Indeed, private enterprise would have been saved nearly $20 billion in 1974 alone had no taxes been levied on inflationary gains, strictly on corporate taxpayers.

Therefore, in 1974, the cost of non-indexed, progressive taxation to the Nation's taxpayers was almost $30 billion. Conversely, Dr. Fellner continued:

I have concluded that tax indexation such as would have excluded the inflationary distortions developing during 1974 would have led to a reduction of tax payments by up to $30 billion in that year.

Mr. Speaker, we are all looking for ways to relieve recessionary pressures, while simultaneously combating inflationary elements which removed many natural economic stabilizers, primarily through long-range, comprehensive tax reforms. I invite my colleagues in Congress to join Dr. Fellner in support of the true and effective reforms offered by complete indexation of the Federal tax structure.

The entire text of Dr. Fellner's speech before the Civil Service Commission on February 13, 1975, and Hobart Rowan's article of February 14, 1975, published in the Washington Post follow:

WHY INDEXED TAX SYSTEMS PROVIDE THE NEEDED FRAME OF REFERENCE

(By Dr. William J. Fellner)

Having served on the Council of Economic Advisers since the Fall of 1973, I am about to return to my earlier work and will continue to be engaged in economic research. Let me make a few observations about one of the several problems I take along with me for further thinking and exploration.

The distorting effect of inflation on the tax structure has developed into a very disturbing problem, and it is one to which more attention needs to be paid as we go along. The only systematic way of gradually removing these distortions would be to use an indexed tax system as the point of departure for any tax-rate adjustments we may wish to make in the future.

Indexing the tax-structure means not allowing taxpayers to move from nontaxable into taxable brackets, or from lower into higher tax brackets, as a result of increases in money incomes that reflect merely the rate of inflation since some base year; *and* indexation exempts from taxation any revaluation of an unchanging stock of assets to the extent that the revaluation merely reflects the inflation rate. A number of technical decisions would have to be made to arrive at a firm decision as to what precisely the shape of the 1974 tax structure would have been if it had been indexed so as to be influenced *neither* by the tax-bracket consequences of the inflation rate from, say, 1973 to 1974 *nor* by 1974 asset-revaluations expressing merely the general rate of inflation. But I would expect reasonable expects to be able to agree on acceptable procedures in this regard, though the question of what deviations of the actual tax structure from an indexed structure so derived would be considered most desirable would, of course, remain a matter of personal judgment.

In the 1975 Annual Report of the Council of Economic Advisers it was estimated that in 1974 an 11 percent inflation rate has increased personal tax payments by at least $8 billion. This is a rough "measure" of distortion in one area of taxation, as compared to keeping the tax structure indexed from 1973 on. The further one wanted to go back into the past in setting the base year the more difficult would it become to measure the various distortions, because of earlier tax-rate adjustments and because it is impossible to tell to what extent the legislators were at that time influenced by the post-1965 inflationary trend. In any event the $8 billion estimate for 1974 is based on the assumption that the distorting effect of inflation results exclusively from the relocation of taxpayers from non-taxable into taxable brackets, and from lower to higher tax brackets, because their money incomes reflect an inflationary trend which their real incomes, of course, do not display. This however, for reasons already hinted at and to be explained in a moment, does not take care of the inflationary tax distortions suffered by those earning interest or a yield from assets of any sort.

Recipients of interest are not freed from the distorting effects of inflation if after, say, a 10 percent general price increase and a 10 percent increase of their money income they are kept in an unchanging tax bracket. The distortion would be eliminated for them only if we recognized *also* that up to a 10 percent nominal rate of interest they earned no positive real income that is, by deducting from their money-interest income a 10 percent rate allowance for maintaining the real value of their savings.

The reason why it might have been confusing simply to merge this aspect of the tax-distortion problem with the usual problem of removing distortions from the personal tax structure is that the specific problem of interest-recipients ties in quite closely with the distortions inflation has caused in the area of *corporate* taxation. Insofar as corporations use the so-called FIFO—first in, first out—method of inventory valuation, they are taxed on the current-dollar gains developing when they replace their inventories at higher prices, and in recent times these gains—which are locked in for corporations not reducing their inventories—have reflected to a large extent the general inflationary trend. Moreover, corporations are required to use the historical cost of acquisition of their plant and equipment as the basis for depreciation—in this regard they the FIFO-LIFO inventory valuation option—and, whenever they replace their fixed capital at inflated prices, the difference between the replacement cost and the historical cost of acquisition also shows as a taxable gain in terms of current dollars. This too is a locked-in gain for going enterprises and reflects very largely the inflationary general price trend. If no taxes had been levied on these two types of inflationary gain this would have lowered tax collections significantly—in 1974 by an amount in the neighborhood of $20 billion. The precise figure depends on what measure of inflation we use, but it would be difficult to arrive at an estimate of less than $15 billion for the reduction of the tax burden corresponding to the exclusion of such inflationary revaluation gains from the tax base. Most of the inflationary nominal gain—the large inventory component—must have developed as a result of steep inflation during very recent time spans, some of it—the fixed equipment component—as a result of inflation over a long period. This problem of corporate taxation raises questions intimately connected with the taxation of interest-income that is merely "nominal" rather than "real".

The link is close because while a substantial part of the inflationary inventory and fixed-capital revaluation gains, reflecting current inflation trends, shows in taxable corporate book profits, another part of considerable size shows in the taxable income of creditors who have contributed to financing the acquisition of inventories and of fixed capital. In an indexed tax and accounting system corporations and enterprises in general would, on the one hand, not include into their tax base the inflationary revaluation gains to which I have referred; on the other hand, when computing their taxable profits they would deduct as interest cost merely the real interest they are paying to their creditors, that is, they would deduct not all money interest but merely the difference between money interest and the equivalent of the inflation rate. Interest recipients of *all* categories, including owners of savings deposits, would in turn be taxed only on the "real" component of their interest-income (where there is such a component). The procedure so described would imply, among other things, a rechannelling from corporations to their creditors that part of the tax savings which, while conveyed to the corporations, are to be imputed to the creditors because at present taxable inflationary revaluation gains reflect themselves in part in the creditors' taxable interest incomes rather than in the taxable income of the borrower. However the tax burden of interest-recipients would become reduced below what is involved in the rechannelling of part of the tax-saving from the corporations to creditors, since not all taxable interest income derives from corporate borrowing.

Excluding recent inflationary distortions through indexation for personal incomes in general, for interest-income (whether personal or other) in particular, and also for business profits, would probably have brought about a larger loss in fiscal revenue than will be caused by the rather fortuitous tax-rate reductions on money incomes that might take place in reality. I am planning to explore the matter systematically and should not speak as if I had already completed a piece of systematic research on the subject but in a general way I did look into the available data, and as yet quite tentatively I have concluded that tax indexation such as would have excluded the inflationary distortions developing during 1974 would have lead to a reduction of tax payments by up to $30 billion in that year. I am not urging a corresponding enlargement of the tax cuts planned at present but I am urging that we explore thoroughly the properties of an indexed tax structure and that we use the results as our frame of reference when thinking about tax adjustments.

At present we are determined to reduce effective tax rates on money incomes, in large part because in the current recession automatic stabilizers are put out of commission by the inflationary process. At other times we may want to reduce effect rates for other reasons which are nevertheless likely to have to do with a reduced but continued rise of the general price level. There will also be times in our future history in which we will want to raise tax rates. In all these cases an orderly decisionmaking process requires that we should have a frame of reference in relation to which we can justify what we are proposing to do. We should know what the characteristics of our tax structure would be after exclusion of the recent inflationary effects and we should be able to explain and justify why we propose to change that structure whenever we wish to do so. A badly inflation-ridden tax structure does not provide the needed frame of reference. To continue using such a structure as a frame of reference for making adjustment "by feel" would be bad practice.

[From the Washington Post, Feb. 14, 1975]

INDEXED TAX STRUCTURE ADVOCATED BY FELLNER

(By Hobart Rowen)

A member of the President's Council of Economic Advisers said yesterday that "inflationary distortions" had boosted 1974 tax payments by about $30 billion.

William J. Fellner, in a speech to a Civil Service Commission audience in Kings Point, N.Y., strongly advocated an indexed tax structure—automatic adjustments of the tax rates to offset the effects of inflation—to take care of this problem.

Fellner is scheduled to resign shortly to return to his post as resident scholar of the American Enterprise Institute in Washington. A text of his speech was released here.

Increasing attention has been given recently to the impact of inflation on the tax structure. The annual report of the CEA noted that inflation has been pushing individuals into higher tax brackets, "causing a significant transfer of real income from individuals to the government . . ."

And a study published last week by the Joint Economic Committee of Congress noted that higher taxes had caused an even greater burden to many families than inflated food or transportation costs.

Fellner's estimate of $30 billion as the cost of inflation in terms of higher tax obligations is made up of about $8 billion drained from individuals, and approximately another $20 billion from corporations.

The CEA report cited the following example to show the tax effects of inflation on a family of four that filed a joint return of $10,000 in 1972, paying federal taxes of $905 (taking standard non-itemized deductions).

The same family in 1975, with a 30 per cent increase in income to $13,000, matching a 30 per cent increase in prices over the period, would pay $1,391 in taxes. In this case, despite the 30 per cent increase in money income, the real after-tax income would drop almost 2 per cent in 3 years, the CEA said.

Under an indexed tax system, individuals would not move into higher brackets, Fellner said, "as a result of increases in money incomes that reflect merely the rate of inflation since some base year."

Corporations would be exempt from including in their taxable income "any revaluation of an unchanging stock of assets to the extent that the revaluation merely reflects the inflation rate."

Fellner pointed out that indexation of personal income doesn't take care of the problem suffered by those whose interest return on investments is wiped out or reduced by inflation.

He gave as an example a person whose investment income increases 10 per cent while prices are rising 10 per cent, and who thus remains in an unchanged tax bracket.

In such a case, Fellner said, the loss could be compensated by deducting from money-interest income "a 10 per cent rate allowance for maintaining the real value of their savings."

But the question of shifting the taxation of interest income from "nominal" or money value, to "real" income, Fellner said, is intimately connected with corporation taxation.

In a fully indexed tax and acounting system, he observed, corporations could report real rather than inflationary profits. But in computing their taxable profits, "they would deduct as interest cost merely the real interest they are paying their creditors . . ."

"Interest recipients of all categories, including owners of savings depoeits, would in turn be taxed only on the 'real' component of their interest-income, when there is such a component."

The Ford Administration has made no formal proposals for indexation. The CEA report said that "truly comprehensive indexing is not feasible immediately", although the practice is spreading through various kinds of automatic adjustments and wage escalatora.

Fellner said he was not recommending a further tax cut of $30 billion on top of the $16 billion already recommended by the Administration, but urged a thorough study of indexing, to be used "as our frame of reference when thinking about tax adjustments."

THE HAZARDS OF LIQUID NATURAL GAS IN POPULATED AREAS

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. RICHMOND. Mr. Speaker, to see that many of my constituents from several communities of the 14th Congressional District could have their views expressed, I made a statement before the Federal Power Commission. That statement dealt with the storage and transportation of liquid natural gas in the New York City area.

This topic is of primary concern to me and many citizens, whose lives are threatened daily by this hazardous material.

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It is my hope that something tangible will come from those hearings and I submit my statement to the CONGRESSIONAL RECORD with that hope in mind:

STATEMENT BY HON. FREDERICK W. RICHMOND BEFORE THE FEDERAL POWER COMMISSION, MARCH 3, 1975

Mr. Chairman: I am Fred Richmond, Congressman from the 14th Congressional District of New York. I would like to take this opportunity to thank you for allowing me to address this Commission.

The storage and transportation of Liquid Natural Gas is of particular interest to me because the safety and well-being of many of my constituents depends upon the regulations regarding this hazardous material.

My district constitutes an area of Brooklyn which borders segments of the New York waterfront. The area encompassed by the district lines is approximately seven square miles. As you can clearly see, there are several hundred thousand citizens within a very confined section of land. Located within the district in Greenpoint, there are two liquid natural gas storage tanks which are placed within a mixed industrial residential area.

This placement has been a continuing fear for the thousands of residents whose homes encompass this potential disaster area. Although these tanks have been certified by authorities to be safe and not potentially dangerous, they still remain a haunting realization for thousands of citizens.

There are other flammable materials stored near these tanks such as gas and oil, as well as lumber. If there was a fire originating from any one of these substances, the outcome could be catastrophic. We all realize the potential danger and flammability of each of these materials, but have we considered what developments could occur if such a fire took place within the questionable area? This is a situation which has caused miscomfort and fear for a number of years. It is a situation which has not corrected itself and one which is not acceptable to my constituents or to me.

The merits for using liquid natural gas cannot be disputed. It is an efficient form of energy which can be used without substantial environmental impact. Its use in residential areas has proven to be most helpful in combating the pollution caused by less environmentally sound substances such as coal and other fuels. During these times of increased energy demands, the need for this type of efficiency cannot be neglected. With the availability of energy becoming less frequent and the cost forever rising, it is necessary for us to utilize energy sources. My concern actually does not lie with the usage of liquid natural gas, but rather the placement of storage tanks and the movement to these tanks.

In order to transfer this highly hazardous material to areas of New York where liquid natural gas is stored, barges and tankers are utilized. The transfer of liquid natural gas from the Staten Island Terminal to Brooklyn is done primarily by barges. These marine transports travel down the East River, up Newtowrr Creek and finally reach the Brooklyn Terminal. Although the Coast Guard has assured me that this movement is strictly regulated, the danger involved cannot be overlooked.

I am strongly opposed to the transportation and storage of liquid natural gas in New York City. The communities of Brooklyn Heights, Fort Greene, Williamsburg, Northside and Greenpoint, which are a part of the 14th Congressional District, have become unwilling participants in a game of high stakes which if lost could have devastating effects upon these constituents. When liquid natural gas is transferred, it is moved along the waters of these communities and presents a danger of uncomprehensible consequences.

In any major collision, grounding or spillage, there would be a whole range of hazards, the exact sequence of which is hard to predict. It is necessary to point out what might happen following a harbor accident involving liquid natural gas. The two basic assumptions following a gas release would be an immediate fire or the creation of highly flammable vapor clouds.

The New York City Fire Department says: "The proposal to transfer liquid natural gas by barge from Staten Island across the harbor and through Hell Gate in the East River poses substantial risks to public safety in the view of the City of New York."

We in New York are particularly alarmed because the New York City Fire Department has declared recent policies to be unsafe.

The Fire Department in its history of public service has always been accurate in evaluation of potentially hazardous situations.

They said the world trade center would not meet safety standards when being built. Because it was outside their authority they could not do anything about it. The recent fire at the world trade center possessed the gravest fear and dangers that were recently exploited in the movie "Towering Inferno." If that building had been built to meet New York City Fire Department standards, this might never have occurred.

I hope that we will be more attentive to the New York City Fire Department. They have not cried wolf in the past and I hope this commission very carefully considers their views.

I am calling on the Federal Power Commission to order an immediate moratorium on the storage and transportation of liquid natural gas in New York City until studies effectively show evaluate how liquid natural gas can be stored and transferred in the safest manner and with minimal risks to human safety possible.

I believe it should be possible to locate sites along our coast where modern and safe liquid natural gas facilities could be built yet which do not threaten any significant number of people with the disastrous consequencea I have described. It may be that these facilities might be somewhat more expensive than those that have already been built in the heart of our major metropolitan areas, but if ao, it would be a worthwhile investment in protecting the public from the hazards of liquid natural gas.

RAISING THE INCOMES OF OLDER AMERICANS

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HOLLAND. Mr. Speaker, today, I introduced legislation to amend title II of the Social Security Act, raising the amount of outside income a person may earn while receiving Social Security benefits to $3,600 from the present $2,520.

Thirty-six of our colleagues are cosponsoring this bill with me. These Members all agree that something must be done to raise the income of our older citizens. They also agree that Congress must act responsibly to balance the needs of all our citizens at a time of economic instability.

However, Mr. Speaker, these colleagues represent only a small portion of the Members who feel that a change in the outside income limitation is necessary. Members of my staff made calls to other offices last week and found almost unanimous support for an increase in the limitation. Many House Members are on other bills to raise the limitation or do away with it entirely.

Considering the support for this legislation in the 94th Congress, much of which is continued from the 93d, I feel this is the year Congress will act for older citizens. Americans living on fixed incomes—incomes held down by the social security earnings limitation—cannot maintain a decent standard of living with today's inflation. Our bill will allow these citizens to earn an additional $90 a month, enough to make ends meet.

Admittedly, the entire social security system is in trouble. The total financing of the program must be seriously reviewed with an eye toward making the system self-sufficient. But we cannot tell these older citizens, who have contributed so much to our Nation, to hold their bills until such a review is completed.

To raise the limitation by even the moderate amount of $1,080 is a costly proposition. Many persons who receive little or no benefits now would be eligible for full benefits. Raising the limitation to $3,600 will cost approximately $300 million a year. However, since removing the limitation entirely would cost taxpayers nearly $4.5 billion annually, the cost of raising it to $3,600 is comparatively small.

The increase which we propose in our bill will affect an estimated 1,000,000 persons over age 65. Mr. Speaker, we will be doing a great service to these persons who so desperately need the assistance.

More than 35 percent of our older citizens nationwide have incomes below the poverty level. In my district, the Fifth District of South Carolina, nearly 40 percent of the older citizens live below the poverty level.

With the advances in medicine of recent years, Americans are living longer. For example, while the overall population of South Carolina has increased by 6.6 percent since 1960, the increase in the group of citizens 65 and older has increased by about 14 percent. If the Federal Government continues to hold their incomes at substandard levels through the social security income limitation, we will be creating the largest single group of poor people with a program designed for their old age security.

There is tremendous pressure on this Congress to hold down Federal spending. Mr. Speaker, we cannot be so bound and blinded by this budgetary obligation that we hold people in poverty to hold the budget in check.

The American people are looking to Congress for responsible economic leadership. We are moving ahead in all areas to show the American people that we are capable of providing that leadership. Mr. Speaker, I feel that the exigencies of the present economic situation dictate that we raise the outside income limitation for social security recipients this year. I hope that other Members of Congress will see the moderate rise that we have proposed as a responsible figure in a year of great fiscal constraint.

Mr. Speaker, I respectfully request early and careful consideration of this bill, which simply allows our older citizens to meet the increased cost of living through the exertion of their own efforts.

INDIAN JURISDICTION

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PRESSLER. Mr. Speaker, the problem of Indian jurisdiction is one which effects not only my State of South Dakota but many other Western States. I am proud to say that the South Dakota State Legislature and Governor Kneip are in the vanguard of those States trying to work out this complex problem. I am pleased to share with my colleagues an article from the Sioux Falls Argus Leader of February 26, 1975, describing the deliberate and conscientious efforts being made by Governor Kneip and the South Dakota State Legislature. The article follows:

South Dakota legislators would do well to heed Governor Richard Kneip's observation that there was no need to hurry a resolution seeking congressional action to help South Dakota's Indian jurisdictional and other problems.

There was a push in the legislature last week to complete work on the resolution so it could be delivered to a congressional subcommittee in Washington Monday.

Kneip pointed out that that subcommittee meeting dealt only with law enforcement, and South Dakota's contemplated resolution touches on a variety of issues involving jurisdiction problems between Indians and non-Indians.

When Governor Kneip started his new term in January, he called upon South Dakotans to make the effort to develop better relations between whites and Indians. Truly, this is South Dakota's most urgent and pressing human problem.

Kneip in his inaugural message challenged South Dakotans to come up with a model solution for problems that have been points of contention between the Indians and the state's other citizens for years. Congress is necessarily involved, because many of the problems stem from federal mishandling of native Americans and their status since territorial days.

It would be a credit to all South Dakotans if work by the legislature, by the Indians and their tribal organizations and by Congress resulted in a better day for the 35,000 or more Indians who call South Dakota home. It is a challenge for which all citizens should attempt to work out solutions.

It is great to call for friendly relations on an international scale. It is much harder for everyone to make thing work at home.

A good time to start on making things work at home is the forthcoming public hearing in Pierre Thursday night on the resolution to Congress. Indian leaders said they don't agree with the wording of the resolution—and accused lawmakers of trying to pass it without consulting them. Kneip pointed to the possibility that the hearing would become emotional. "I hope this does not happen. It is an important issue and one we should address . . ." he said.

When the resolution goes to Washington, it should reflect South Dakota's best considered approach as an openiug move to bind up old wounds. Kneip's call for careful consideration of the resolution is appropriate and helpful. An earnest, pragmatic approach, rather than an emotional outburst, is the next order of business in helping our South Dakota Indians—descendants of the first Americans—in making their way in the world of 1975.

TWO VIEWS OF THE FOOD SITUATION

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. FINDLEY. Mr. Speaker, the editor of the Illinois State Journal-Register in Springfield, Ill., Mr. Ed Armstrong, recently issued a staff report which had a realistic appraisal of the economic riddle posed by food supply policy. In my view it is a useful contribution to the discussion now unfolding and gives an accurate appraisal of the problem viewed from the heartland of America. Here is the text of Mr. Armstrong's comments:

TWO VIEWS OF THE FOOD SITUATION

(By Ed Armstrong)

Food is often an emotional subject.

Some people react strongly to different types of food, perhaps even more to how it's prepared. Children particularly have clearly expressed likes or dislikes in the food line. That's obvious to me almost every evening at dinner from the antics and comments of my 9-year-old.

These days, however, food is an emotional subject in a far broader sense—from the housewife who complains about high grocery prices to the persons who are deeply concerned about hungry humans around the world.

It seems that every year or so we must have a "new" major issue for discussion—a newly recognized national or world crisis—in seminars, community groups, churches and at cocktail parties. This year it seems to be world food supply.

It's not a truly new subject by any means; it has been a matter of concern most of the time throughout the history of mankind, but usually it's one of those things that's just there, sort of looming in the background of the world like the threat of war.

Now it has been brought forward to center stage, likely to remain there for a while, then to fade again into the background as other topics such as poverty, racism, education, etc.

Two recent events in Springfield illustrate the complexity and magnitude of the food problem and the emotion it evokes. One was the World Affairs Conference on the subject of "Food: The Global Crisis." The other just four days later was a meeting at the State Fairgrounds at which the state agriculture director listened to farmers from around Illinois express their views on the current farm economy and what, if anything, they as individuals and a group should do about it.

The World Affairs Conference was far more sedate and detached in its discussion of food needs, production and distribution, because only a few of the participants—certainly far less than half of them—were persons who earn their livelihood from any phase of food production or handling.

Though some farmers participated in the discussions and expressed their concerns about the economics of the food situation, the focus was on its moral and political aspects, on the extent to which the United States should go in helping to feed the world and how it should go about it.

The spokesmen among the 800 farmers who gathered in the drafty Illinois Building at the fairgrounds and tried to make themselves heard in the high ceilinged exhibition hall last Wednesday were unashamedly emotional; their livelihood depends on food production and the prices they get for what they produce.

Like any group of farmers, they expressed a broad range of opinions on what ought to be done in regard to food production, but only a couple alluded to any moral concerns in such production. To them raising food is a business and selling food—not giving it away—is their interest. They want to do their share to feed the hungry of the world, provided they can make an acceptable living doing it.

Two sentiments were expressed over and over: (1) There are so many more consumers than farmers—everyone is a consumer, but fewer than 5 of every 100 Americans are farmers—that government policy is geared to trying to keep the price of food down regardless of the effect on farm income, and (2) President Ford let the farmers of America down when he put controls on fram exports last October, sharply reducing the ferign market for U.S. grain.

Whereas the World Affairs Conference participants were concerned particularly with how the United States can produce more to help feed the hungry abroad, how we could eat less so the rest of the world could have more, or how to help those abroad produce more for themselves, the farmers were talking about cutting back on production for fear grain would become so abundant the price will drop below the cost of production.

Because grain prices have dropped approximately a third since last October in spite of a short harvest, and because of depressed prices for cotton, potatoes, dairy products and beef cattle, there is genuine concern by farmers about the prospect of more production this year than the market can absorb.

So while the hungry of much of the world, including some within our own country, will go unfed, it's likely that many an American farmer in 1975 will produce less than he could produce because it's in his own interest to cut back.

The food question is really an economic riddle. We can get as emotional as we want about the starving people of the world, but unless it's economically viable for people to produce food and the means exist to distribute that food and to pay for it, the production will not be accomplished.

All the attention the food issue is getting now is deserved, but pardon me for a pessimistic prediction that when all the study and discussion is done, the perennial issue of world hunger will quietly fade into the background to loom there just as it has since Adam and Eve left the garden.

OF DEFICITS AND DISASTER

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BAUMAN. Mr. Speaker, despite the growing blindness of the Congress and the administration to the true causes of our economic problems, there are a few voices across this Nation who speak out with a judgment uncloaded by the unreality of Washington. One such newspaper is the Daily Times of Salisbury which recently published a telling assessment of the Federal budget and its impact.

UMI

I include this editorial at this point in my remarks:

[From the Salisbury (Md.) Daily Times, Feb. 25, 1975]

OF DEFICITS AND DISASTER

"When a conservative Republican president proposes a budget deficit of $77 billion over two years, he's got to make a speech about the threat of federal spending," comments economist Arthur Okun, who was chairman of the Council of Economic Advisors under the Johnson administration.

"The trouble with the Ford budget," says Sen. Walter F. Mondale (D-Minn.) "is that he listened to those Republicans who still pray to the god of balanced budgets."

Put a microphone or a reporter in front of almost any Democrat or liberal and much the same kind of observation pooh-poohing the President's concern would be made.

Gerald Ford is guilty of innate conservative miserliness or insensitivity to the plight of the poor and unemployed or want of faith in the unbounded strength of the American economy by attempting to hold down the federal deficit for the coming fiscal year to something less than the greatest deficit racked up in the midst of World War II.

Just what the actual deficit for FY 1976 will be, nobody knows. The President forecasts one of $52 billion in his proposed budget, but that includes trimming spending on various federal domestic programs by $17 million—cuts that Democratic Congress adamantly opposes.

Arthur Okun to the contrary, the prospect is not for a budget deficit of $77 billion over two years but that much or more in one year.

Well, all right. If any god is dead it is "the god of balanced budgets." Who remembers the last time there was a federal surplus, and was the country any better off for having it?

Yet somewhere along the line we are going to have to ask ourselves, what really is the limit to how deeply the government can go into hock at any one time?

Is there no threat at all that massive government borrowing could distort the economy more than it is already distorted and ultimately defeat the very ends we desire to achieve, especially when there are signs that inflation is at long last beginning to abate?

Common sense tells us there is some kind of limit. Otherwise the government could simply crank up the printing presses and award every American a million dollars. This would be fine, except that we know that shortly afterwards we would be paying $10,000 for a pound of hamburger.

The government has no real money of its own. What it has is what it extracts from the economy by way of taxes. It can spend this money wisely in many ways to the benefit of the economy—by returning some of it to the pockets of the nonrich so that they have more to spend on consumer goods, by stimulating capital investment so that the nation's real wealth is increased.

But anything the government spends beyond what it acquires in taxes can only be created by diluting the purchasing power of every dollar.

A sizeable inflation of the nation's money supply, through the twin routes of tax cuts and maintained or increased government outlays, is the popular—and most experts agree, the necessary—thing to do right now to counter the recession.

But by ignoring the fundamental relationship between government income and economic productivity, by pretending that there is no bottom to the federal cornucopia, we are in danger of piling up ills for the future far worse than we would endure by failing to cure the problem of recession in one grand sweep.

The god of balanced budgets may be dead. The gods of economic retribution are still very much alive.

THE TAXPAYERS WOULD SAVE $10 BILLION EACH YEAR IN REDUCED FUEL COSTS IF THE FEDERAL ENERGY ADMINISTRATION WERE ABOLISHED

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. KEMP. Mr. Speaker, we hear much today about the rising costs of fuels, especially gasoline and heating oils.

We know much about those added costs resulting from higher prices being charged by the oil producing and exporting countries—OPEC. These costs rose sharply after the last Middle East war.

We know also about the billions of dollars we are paying in taxes when we buy oil and gasoline—taxes in the form of import fees, excise taxes, highway user taxes on gas and motor oils, even sales taxes at the local level.

What the majority of people in this country do not know enough about is the additional billions we are paying because of the bureaucratic costs of extensive government regulation and control of oil and gas.

The bureaucratic cost of all the Federal Energy Administration controls amounts to an estimated 3 cents to 5 cents a gallon. This is a burden on our consumers of roughly $10 billion every year. Our consumers—already overburdened by direct taxes on fuels—are having to pay this much more—$10 billion a year—in price at the pump and tank because of the added cost of doing business by oil producing and distributing companies required by FEA controls.

FEA control is, clearly, contrary to the consumer interest in reducing the cost of gases and oils. Prices they pay are being kept at higher levels because of excessive control.

The Wall Street Journal editorialized this week on the additional costs of oil and gas resulting from FEA. That editorial calls for the ending of all FEA controls, restoring to the consuming public the process of regulating price through the interplay of supply and demand. With production falling it would be wise for the Congress to immediately move to decontrol crude oil and natural gas.

This editorial warrants careful reading by every Member of Congress and by those within the administration responsible for the development of future policy on energy and costs.

The editorial follows:

AN END TO FEA

A few months back, when President Ford got rid of Energy Czar John Sawhill and was scouting around for a replacement, we suggested he fill the slot with a politician instead of a bureaucrat. Our idea was that a politician would incline to bend to pressures from valid competing interests, and the Federal Energy Administration would soon be both ineffectual and harmless. A bureaucrat, on the other hand, would try to make FEA work, and in the process would maximize FEA's destructiveness.

The President picked Frank Zarb of his Office of Management and Budget, one of the most coldly efficient bureaucrats in Washington. So effective has he been in pushing the congressional mandate that we are now convinced that if FEA vanished today, and all its price controls were eliminated, the price of oil and gasoline at retail would actually decline. We also believe the domestic production of crude would shoot up, and the shock would test the cartel price.

A weak and ineffective bureaucracy poses few cost problems to the economy and consumer; industry can make things work by sliding around regulations and controls, staying a few steps ahead of the bureaucrats. But FEA has power and determination, and worse, an unusual degree of imagination. It has learned how to keep up with the industry, closing off loopholes, choking operations with paperwork—from production, through refining and transportation to marketing. At every point in the chain, the costs associated with misallocations, red tape and added risks are added in to the price structure that the consumer ultimately bears at retail.

Treasury Secretary Simon estimates that if price controls on crude oil are ended, which the President says he is planning to do on April 1, the cost to the economy would be $9 billion a year. But the bureaucratic cost of all FEA controls amounts to an estimated 3 cents to 5 cents a gallon of product, according to varied industry sources. There are FEA officials who privately agree with the higher estimate, which rounds out to a bureaucratic burden of roughly $10 billion a year that the private economy would recover if FEA simply vanished. If so, the price at retail would go down, not up, and instead of bureaucratic costs of $10 billion, the oil industry would have $9 billion for exploration and development.

That's only the beginning. By fixing the price of "old oil" at $5.25 a barrel, while uncontrolled foreign and "new" domestic oil runs at $11.50 a barrel, there is an enormous disincentive to produce out of the old fields, i.e., those that were producing prior to the base period in 1972.

First, inflation causes the real price to fall. $5.25 today buys 12% less than it did a year ago. Second, the nation's 10,000 oil producers know that if old oil is decontrolled, every barrel they own will sell for more; why not sit back and wait? Third, integrated oil companies that own a lot of old oil are required by FEA to share it at $5.25 a barrel with refiners that don't have it, a powerful incentive for companies with old oil to choke down old-oil production. Fourth, because a stripper well—one that produces 10 barrels a day or less—qualifies as "new oil," producers who have old wells capable of producing 15 barrels a day get a net benefit of about $35 a day by producing five barrels a day less.

The net result is that even with new oil fetching more than $11 a barrel, domestic production has fallen from 9,250,000 barrels a day prior to the embargo to 8,650,000 barrels. It is our guess that ending the allocation program and price controls would increase domestic production by up to one million barrels a day. Even if OPEC cut its production by that amount in order to sustain the cartel price, the U.S. would save $4 billion a year in foreign exchange.

As it is, the coldly efficient bureaucrats at FEA are the best friends OPEC has in the United States, although the bureaucrats themselves can properly argue that they are only doing what they've been ordered to do by Congress.

Instead of facing up to the reality of what it has done, Congress seems to want more of the same. The Democratic liberals not only vow to put back oil-price controls if the President removes them, but also want to cut the new oil price back, which would be a gift with a ribbon to OPEC. The only way to end this costly mess would be for President Ford to explain it to the American people and win support for it. Ending all FEA controls—not only on the price of crude—would be the soundest energy program he could offer. We believed months ago that he would embark on this project, but he has not yet gotten up to speed.

JAMES M. STUART

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARSHA. Mr. Speaker, the Ohio House of Representatives on February 19, adopted a resolution honoring one of Ohio's most distinguished citizens, Mr. James M. Stuart, upon his retirement from active civic life and as a member of the board of directors of the Dayton Power & Light Co.

Mr. Stuart richly deserved this signal honor as he has vividly demonstrated by his corporate success that an intelligent, hard-working, and dedicated individual can, indeed, make the "American Dream" come true. At the same time, Mr. Stuart has actively and enthusiastically participated in many worthwhile civic and educational endeavors and has contributed greatly to improving his community and making it a better place in which to work and live.

It has been my privilege and pleasure to know Mr. Stuart for some time, and I have the highest possible regard and respect for him. He is an extremely knowledgeable and well-informed man who has for many years contributed generously of himself and his time in helping and encouraging others. His active participation in civic activities, particularly those benefitting our young people, clearly reflects his deep interest in and compassion for his fellow man, and he has set an outstanding example for our young people to emulate. As a longtime personal friend and admirer, I have a very real affection for Jim Stuart and heartily concur with the sentiments expressed in this resolution.

I would like to take this means of sharing the views of the members of the Ohio House with my colleagues and associating myself with them:

H.R. No. 66

Whereas, The members of the House of Representatives of the 111th General Assembly wish to take this opportunity to give well-deserved recognition to James M. Stuart upon the auspicious occasion of his retirement as a member of the Board of Directors of the Dayton Power and Light Company and from active civic life, and wish to extend our sincere thanks for his long and effective service on behalf of the citizens of Ohio; and

Whereas, James M. Stuart has been a part of the DP&L family since his entrance into the business world. He is a personification of the "American Dream" that a hard-working and dedicated individual can indeed inaugurate a career at the lowest rung of the corporate ladder and reach the apex of the corporate world by utilizing his outstanding talents to the benefits of his fellow workers and community. James M. Stuart, as a corporate executive, never lost touch with the ordinary worker, the backbone of any business enterprise; he continued to be concerned for their welfare by utilizing his positions on their behalf; and

Whereas, James M. Stuart enthusiastically and effectively committed himself to many worthwhile civic causes, by serving as a Trustee of the Charles F. Kettering Foundation, as a Director of Junior Achievement of Dayton, as President of Dayton Boy's Club, and a variety of other noteworthy civic organizations. His devotion to the betterment of his community is renown; as a community leader and business executive he has proceeded to implement both the spirit and the goals of equal opportunity for all, regardless of race, religion, color, or sex; and

Whereas, James M. Stuart has pledged himself to the concept of providing meaningful higher education by serving as a concerned member of the Board of Trustees respectively of Wilmington College and Wilberforce University, and as a member of the University of Dayton's Associate Board of Trustees. His dedication to the goals of higher education have earned him well-deserved recognition. He has been awarded the Honorary Degrees of Doctor of Humanities, Doctor of Laws, and Doctor of Commercial Science, which are a fitting recognition for a man who is a scholar in his own right; therefore be it

Resolved, That the members of the House of Representatives of the 111th General Assembly of Ohio, in adopting this Resolution, hereby commend James M. Stuart for his consistently high level of achievement and for his many worthwhile contributions to society; and in so doing, salute one of Ohio's finest citizens and corporate officials, wishing him Godspeed; and be it further

Resolved, That the Legislative Clerk of the House of Representatives transmit duly authenticated copies of this Resolution to James M. Stuart; to the Chairman of the Board of the Dayton Power and Light Company; to the Dayton Daily News; and to the Journal Herald, Dayton; and to the Kettering Oakwood Times.

HUMAN RIGHTS AND PEACE

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mrs. SPELLMAN. Mr. Speaker, Rick Inguanti, a senior at High Point High School, from Beltsville, Md., has written a timely and moving speech about the United Nations. This speech was given as part of the annual United Nations Association oratorical contest for high school students in the area. The program has been successful in interesting area high school students in international affairs and the role the United Nations could play.

As one of the four outstanding speakers this year, Rick will participate in a program at the Atrium Room of the Kennedy Center, April 26, 1975, to help raise funds so that the two finalists can observe U.N. field operations and meet with other students from foreign countries who are equally concerned. I hope the quality of this speech will encourage other Members to attend.

The speech follows:

HUMAN RIGHTS AND PEACE

(By Rick Inguanti)

A conflict. Hostility. Irrationality. Violence. War. A worldwide nuclear holocaust. Self-destruction.

Has the Family of Man met its ultimate destiny? Billions of brothers and sisters have perished. Yet, a ray of hope remains. One man and one woman survive. They are the Family of Man's salvation. With them lies the task of resurrecting the human family. So, together, they create a master plan that will rebuild the world.

A song from the past echoes in their minds:

"We'll have children of the Kingdom.
They won't be torn by war, nor will they
kill or hate, or hesitate to love
justice."

Yes, their goal will be a universal peace. But how will they attain it?

Recalling Henry David Thoreau's plea to "Simplify," they determine the nucleus of their master plan. They must return to basics. They must restore the importance of the individual by promoting the fundamental rights of each man. They must not disregard but recognize and then encourage the flourishing of each man's innate rights. This man and woman realize that universal peace begins with an inner peace in every man.

But, can inner peace be attained while Man's Powers serve injustices? While a woman is denied her rights on the premise that she is inferior to a man? While a man is denied his rights on the premise that he is inferior to another man? While a nation is denied its rights on the premise that it is inferior to another nation? Thinking of these injustices, the man and woman agree to emphasize the constructive Powers of Man.

To avoid a contrast in male or female, black or white, Chinese or Russian, they will exalt the Power of freedom and equality in every man.

To avoid the invasion of family privacy, they will exalt the Power of the family—the building block of the Family of Man.

To avoid tyranny and dictatorship, they will exalt the Power of each man's voice in his government.

To avoid ignorance and a lack of awareness, they will exalt the Power of education—Man's key to advancement.

And to avoid a standstill of that advancement, they will exalt Man's Powers of freedom of thought and expression. Man will be free to say what he means, mean what he thinks, and think anything he wishes. In freedom of mind there is inner tranquility.

Ladies and gentlemen, this man and woman have recognized that maintaining human rights is essential. They have learned what our United Nations has expressed to us—that to promote human rights is to preserve not only the dignity and the importance of the Family of Man but also the Family of Man itself. These rights set forth by the U.N. in 1948 are not abstract, idealistic phrases; they are a potential reality.

Who are the man and woman in the story? They are you and I. They represent every member of the Family of Man. It is up to the individual—you and me—to reach out for these human rights, to grasp them, and then to proudly exhibit them. No, we cannot erase the past, but we can begin to reconstruct. How?

First, each of us must develop a sense of empathy. Let us interact with every brother and sister with love, respect, compassion. Let us not just hear our brother—let us listen to him. And, let us not simply understand about him—let us strive to understand with him.

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Also, we must remember that within you and me is the Power to forgive. This Power we must use unsparingly, for the Power to forgive is the Power to heal.

Yes, this task of rebuilding is yours and mine. This is one responsibility we cannot shirk; even the brilliant mind of a Henry Kissinger cannot achieve peace without us.

Let us hope that "In the year 2525, if man is still alive, if woman can survive, they may find . . .," what? A universal harmony in the human family, a high reward for our support of the innate rights of Man.

UNITED VETERANS COUNCIL OF YOUNGSTOWN, OHIO, HOLDS 34TH ANNUAL INSTALLATION OF OFFICERS BANQUET

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. CARNEY. Mr. Speaker, on Saturday, February 15, 1975, I had the pleasure and the privilege of attending the 34th Annual Installation of Officers Banquet of the United Veterans Council of Youngstown, Inc.

In addition to being the principal speaker for the occasion, I was also selected for the United Veterans Council's highest award. Retiring Commander Vincent J. Doria presented me with the United Veterans Council's Man of the Year Award for my work as a member of the Veterans' Affairs Committee of the U.S. House of Representatives. I am proud and honored to be the recipient of this award.

The United Veterans Council presented eight other awards, including: Veteran of the Year Award to Frank A. Russo, past United Veterans Council commander; Vietnam Veteran of the Year Award to Army CWO Joseph M. Sepesy; Commander's Awards to Mahoning County Commissioner Thomas Barrett, Youngstown Mayor Jack C. Hunter, and Youngstown Vindicator publisher William J. Brown; and merit Awards to Sheriff Ray T. Davis, Veterans' Administration representative William Cunahan, and Mahoning County Commissioner George Bindas.

During the banquet, attorney Thomas Moore, a past commander of the United Veterans Council, installed John J. Giannini as the new commander, Robert Green as the new senior vice commander, S. Sgt. Walden Shehan as the new junior vice commander, Frank Bell as the new adjutant, Joseph T. Nivert as the new treasurer, and John Kirk as the new chaplain.

In my remarks to the council, I noted that the 93d Congress had passed more legislation of benefit to America's veterans and their dependents than any other Congress in our Nation's history. I also assured the council that the 94th Congress would build on the accomplishments of the 93d Congress and would continue to provide adequate funds for veterans' health, education, housing, compensation, and pension programs. In addition, I pledged my personal support for legislation which will allow veterans to accept increased social security benefits without having their veterans' pension reduced.

Mr. Speaker, I insert excerpts from the United Veterans Council 34th Annual Installation of Officers Banquet program in the RECORD at this time:

THE UNITED VETERANS COUNCIL 34TH ANNUAL INSTALLATION OF OFFICERS BANQUET

IN HONOR OF

John J. Giannini, Jr., Commander.
Robert Green, Senior Vice-Commander.
S/Sgt. Walden Shehan, Junior Vice-Commander.
Frank Bell, Adjutant.
Joseph T. Nivert, Treasurer.
John Kirk, Sr., Chaplain.

PROGRAM

Welcome—LTC Vincent J. Doria, retiring commander.
Toastmaster—James E. McGinnis, past commander of U.V.C.
Pledge of allegiance to the flag—William R. Stambaugh and Assembly.
Invocation—Fr. John H. DeMarinis, pastor, St. Anthony's Church.

Dinner

Acknowledgment of guests—Toastmaster.
Roll Call of U.V.C. Affiliated Organizations and U.V.C. Past Commanders—Toastmaster.
Greetings—Jack C. Hunter, Youngstown mayor.
Remarks—George J. Bindas, chairman, Mahoning County Commissioners.
Installation of Officers—Atty. Thomas M. Moore, past commander of U.V.C.
Remarks of New Commander—John J. Giannini, Jr.
Remarks of Retiring Commander—LTC Vincent J. Doria.
Awards Presentation—Michael Mislevy and Frank A. Russo.
Principal Speaker—Charles J. Carney, 19th District Congressman.
Benediction—Rev. Don Montgomery, 37th Division Association.

Banquet committee

LTC Vincent J. Doria, chairman; Gerald Hartman, Frank A. Russo, Atty. Thomas M. Moore.
Table Decorations: V.F.W. 8841 Ladies' Auxiliary.

OUTSTANDING VIETNAM VETERAN'S AWARD

The United Veterans Council will present to Chief Warrant Officer/Helicopter Pilot Joseph M. Sepesy the Outstanding Vietnam Veteran's Award.

CWO Sepesy, 534 Catalina Ave., Youngstown, Ohio, during his three tours of duty in Vietnam, earned 73 Air Medals, two with a "V" for valor; two Army Commendation Medals; the Presidential Unit Citation; three Bronze Stars; Vietnamese Cross of Gallantry. He had over 2,000 hours' combat time.

TENTATIVE MEETING SCHEDULE

January 20, 1975—Organizational, ITAMS 3.
February 15, 1975—Installation, VFW 8841.
February 17, 1975—Business, VFW 3307.
March 17, 1975—Business, AMVETS 44.
April 21, 1975—Business, CWV 1222.
May 17, 1975—Graves Decoration, American Legion.
May 19, 1975—Business, ITAMS 3.
May 26, 1975—Memorial Day, All Posts.
June 16, 1975—Business, VFW 4237.

Recess for summer

September 15, 1975—Business, VFW 2799.
October 20, 1975—Business, VFW 6730.
November 11, 1975—Veteran's Day, All Posts.
November 17, 1975—Business (Nominations), PLAV 87.
December 15, 1975—Business (Election of Officers), VFW 6488.
January 31, 1976—Installation, VFW 8841.
Every Sunday, 11:30 A.M., WBBW Veterans' Show.

All Post meetings printed in Sunday Vindicator.

THE UNITED VETERANS COUNCIL OF YOUNGSTOWN, INC.

(Founded After Pearl Harbor Day)

Purpose

To provide at the community level a coordinating and planning agency for properly qualified and duly constituted veterans organizations in the city of Youngstown, Ohio, and its environs which might desire membership therein; to aid all member organizations acting in concern with each other in planning and carrying out of functions and operations of a civic, patriotic or veteran character; to attempt by all honorable means to promote and effectuate the construction of a Living War Memorial commemorative of the war dead of the community; and to do all things reasonably or incidental to the foregoing except such as might interfere with the internal operation of any member group or groups.

U.V.C. Past Commanders continue to serve as advisors to all committees. Approximately ten attend all monthly meetings to assist various chairmen.

Past commanders

*Ralph R. Pabst.
*John J. Kennedy.
*James A. Dalton.
Atty. Ralph R. Miller.
*I. L. Feuer.
*John E. Doyle.
*Atty. William L. Powers.
*Leo F. McCarthy.
Atty. William F. Powers.
*John W. Wallace.
Chester Amedia.
Frank Posey.
Edward L. Cook.
Atty. Thomas M. Moore.
*Michael J. Whalen.
Martin Cole.
Roy "Rummy" DePaul.
Dr. Seymour Feuer.
Michael Mislevy.
Fred A. Gioglio.
Stephen L. Ritz.
Gerald G. Hartman.
Richard E. Kelly.
Anthony J. DeAngelis.
Frank J. Colla.
Raymond J. Kobus.
William R. Stambaugh.
Frank A. Russo, P.E.
Albert D Kennedy.
Robert J. Bacha, Sr.
James E. McGinnis.
Mary T. Burrows.
Vincent J. Doria.

UNITED VETERANS COUNCIL—AFFILIATED POSTS AND COMMANDERS

Amvets Post No. 34, Veronica Janecko.
Amvets Post No. 35, William J. Carney.
Amvets Post No. 44, S/Sgt. Walden Shehan.
Amvets Post No. 711, Mose Johnson.
Boardman Veterans Association, Jake Moretti.
Catholic War Veterans Post No. 1222, John Bury.
Catholic War Veterans Post No. 1292, Stephen P. Kuhns.
D.A.V. Chapter No. 2, John Mastrivalis.
D.A.V. Chapter No. 17, Ron Frazzini.
Italian-American Veterans Post No. 2, Frank D'Appolito.
Italian-American Veterans Post No. 3, Michael DeMarco.

* Deceased.

Italian-American Veterans Post No. 10, Anthony Cua.
Italian-American Veterans Post No. 12, Joseph Modarelli.
Italian-American Veterans Post No. 17, Neal Buzzaco.
Mahoning Valley Basha CBIVA,* Ed DeCapita.
MV Chapt. PHDS Association, John W. Herm.
Montford Point Marine Association, Robert Little.
Jewish War Veterans No. 59, Nick Lustig.
Military Order of Cooties, Pup Tent No. 31, Ralph Guglielm.
Military Order Purple Heart No. 186, Andrew Pastrick.
Polish Legion American Vets No. 87, Chuck Popa.
Reserve Officers Association, Capt. Robert P. Milich.
Romanian-American Volunteers, Sam Muntean.
Seabee Veterans, Island X8, Richard Stout.
37th Division Veterans Association, Donald Thomas.
Veterans of W. W. I Barracks No. 594, F. W. Busch.
Veterans of Foreign Wars Post No. 93, James Romito.
Veterans of Foreign Wars Post No. 1423, Robert Bacha, Sr.
Veterans of Foreign Wars Post No. 1588, Robert Tutwiler.
Veterans of Foreign Wars Post No. 2799, Robert Davis.
Veterans of Foreign Wars Post No. 3307, John E. Soles.
Veterans of Foreign Wars Post No. 3538, Robert Raney.
Veterans of Foreign Wars Post No. 3782, Frank Bell.
Veterans of Foreign Wars Post No. 4237, Louis Constantino, Jr.
Veterans of Foreign Wars Post No. 5432, Harry Fitzgerald.
Veterans of Foreign Wars Post No. 6488, Jimmy Davis.
Veterans of Foreign Wars Post No. 6730, Robert Reichart.
Veterans of Foreign Wars Post No. 7538, John Sveda.
Veterans of Foreign Wars Post No. 7600, Homer G. Dyce.
Veterans of Foreign Wars Post No. 8841, Joseph DiFiore.

GILMAN SEEKS TO OVERCOME ROUTE 7 DECISION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. GILMAN. Mr. Speaker, today I am introducing two bills to grant the Secretary of Transportation the discretion to permit the States the right to prepare environmental impact statements required by the National Environmental Policy Act of 1969.

On December 11, 1974, the U.S. Court of Appeals for the Second Circuit—including New York, Connecticut, and Vermont—handed down a decision in the case of *Conservation Society of Southern Vermont, Inc.* v. *Volpe*, 7 ERC 1236, ruling that environmental impact statements required by the National Environmental Policy Act must be prepared by FHWA and not by state transportation agencies. In its ruling, the court affirmed an injunction against further Federal participation in route 7 construction in Vermont, even though the court found that the substance of the environmental impact statement as prepared by the State of Vermont was in full compliance with NEPA.

While the decision is directed only to the highway over which suit was brought, the ruling still serves notice that any Federal highway project in New York, Vermont, and Connecticut might be enjoined if suit is brought on the grounds that the environmental impact statement was not prepared by the FHWA.

Recognizing this conundrum, FHWA, by letter dated January 9, 1975, to the New York State Department of Transportation, imposed a freeze on project approvals for the Federal-aid highway program, except for minor projects such as safety improvements. The Federal Highway Administration specified in their letter that it will not act on requests for approval of preliminary engineering authorizations or plans, specifications or estimates or right-of-way acquisitions nor any other step in the process of developing a highway project.

In the second circuit States—New York, Vermont, and Connecticut—the freeze affects some 147 Federal-aided highway projects on which construction would begin in 1975 and 1976. Eighty of those projects are in New York alone. In addition, the freeze stops the development of over 200 projects in New York on which construction would commence in the period 1977 to 1980.

The construction work affected in New York, not including New York City's West Side Highway, is $1.6 billion. Every type of Federal highway project is on the list, interstate, urban extensions, city arterials, rural primary, and rural secondary.

This freeze has a severe impact on my own district—the 26th. In Rockland County, this means the complete halt of the planning of the construction process on the Spring Valley By-Pass which has been scheduled for fiscal 1976–77. In addition, the planning work has stopped on the second span of the Newburgh Beacon Bridge, and the list goes on and on.

What I am proposing today is two simple amendments to NEPA and to the Federal highway law providing, retroactively to January 1, 1970, that environmental impact statements can be prepared by the State agency subject to approval of the Federal Administrator. Such amendments would in no way change the substantive requirements of Federal law.

With the recent release of $2 billion of impounded Federal highway funds by the Department of Transportation, the need to resolve this situation as quickly as possible has been dramatized even more.

I urge my colleagues to act quickly and decisively on this issue which is of vital concern to all of us.

*China-Burma-India Veterans Association.

PROBLEMS OF INFLATION AND FOREIGN INVESTMENT

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. SIMON. Mr. Speaker, our colleague, Congressman JOSEPH GAYDOS of Pennsylvania, has repeatedly called our attention to the problems of foreign investment.

I recently read an article in the Illinois Business Review, published by the University of Illinois, in which Prof. Folke Dovring of that institution suggests a number of things which we ought to weigh as we approach the three problems of energy resources, balance of payments, and foreign investments.

I insert his excellent statement in the RECORD at this point:

PROBLEMS OF INFLATION AND FOREIGN INVESTMENT

(By Folke Dovring, professor of agricultural economics, University of Illinois at Urbana-Champaign)

The public should be told the facts about the connection between inflation and oil imports. The United States is running large deficits for the import of petroleum, and this is a primary cause of the inflation we have. In this country, oil becomes gasoline more than anything else, and when we search for a way out of the energy problem, gasoline is the most logical target for action, unpopular as it may be to say so.

When pointing to a single factor such as gasoline as being specially responsible for inflation, I am not overlooking a host of other factors. Many thoughtful commentators have discussed a long list of interacting inflationary forces. But placing the focus on a single major commodity is neither frivolous nor entirely new. Economists who are used to observing dynamic changes are attentive to the magnified effect which some "strategic" or "key" factors may have on the economy as a whole. From France in the 1950s, we have the phrase that "inflation feeds on red meat"; demand and supply of meat were such that meat tended to be a chronic source of economic instability.

In the United States, the recent upward trends in consumption of meat and energy are on a collision course. Because of the strain which both place on the balance of payments, something has to yield. Americans will have to choose between steaks and driving. In the United States, the role of meat in the economy is not what it was in France in the 1950s. But the necessity to maintain large exports of feedgrains places upward pressure on the price of meat in the United States, and imports of meat take away some of the foreign exchange earned by grain exports. Gasoline contributes to inflation because of the effect of high-priced oil imports on the balance of payments. It appears that Americans prefer gasoline to beef, but neither commodity gives way sufficiently to relieve the foreign exchange situation.

FOREIGN EXCHANGE PROBLEM OF THE 1970'S

The American economy is no longer so self-sufficient as it was for most of the last 10 years. Until a few years ago, the annual value of imports and exports amounted to no more than 5 to 6 percent of the national product. Foreign trade is good for competition, but most of the goods imported were such that the country could do without the imports if it had to. Now, our basic self-

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reliance for raw materials is gone. Foreign trade is a larger percentage of national product than it used to be, and more of the import are for essentials: recently, oil has risen to represent one-fourth of all US imports, and other materials which are necessary for industry, such as bauxite (aluminum ore), also are largely imported.

This momentous change in the international economic situation would not have been very serious but for two facts. One is the already very large "dollar debt" (amount of dollars held by foreigners) which has accumulated over many years. The other is the peculiar situation of some among the most important oil-exporting countries which have very limited need of American exportable goods and therefore hold continuously swelling balances of dollars.

The magnitude of the "dollar debt" is difficult to size up wtih any accuracy. Estimates cited from international money markets indicate that it is so large that it would take a stretch of years to redeem it even if we had very favorable trade balances coming, which are not in sight. Many people are not aware of this, but American dollars in the hands of foreigners are so many IOU's waiting to be redeemed in goods or services from this country.

The dollar ceased to be backed by gold a few years ago. Like other national currencies, it is now backed in international exchange only by the goods the country can supply in export trade. What this means for foreign trade policy does not seem to be generally understood. The currency situation, combined with the dollar debt, makes it inadvisable to embargo exports, even of essential goods such as food. The attempt to do so with soybeans pointed up the conflict between domestic price control and the foreign markets—on which a national government cannot control prices. The lesson has yet to go home, for again in 1974—with the prospect of a short harvest of corn and soybeans—some politicians are advocating export embargoes. Such proposals overlook the realities of our foreign economic relations. We can make our way in the world economy only by producing what is wanted. The US has to export what the foreign owners of dollars want, even if this leads to restrictions on our own consumption.

The events of 1973 showed how a currency problem will "import" inflation in at least two ways: by the prices buyers in other countries are willing and able to pay for our exportable goods, and by the higher prices we must pay for imports, above all those of essential goods such as oil and other necessary raw materials. The latter become a heavy burden because the sellers of scarce materials have begun to exploit their favored position—the oil countries took the lead, the bauxite countries followed, and still others may in due time do the same.

Just now inflationary pressures from abroad are not particularly evident, because inflation in the United States is not far behind that in other industrial countries. But if domestic policy to curb inflation in the U.S. were to have any success, then foreign trade would reactivate inflationary pressures. With domestic prices advancing slower than those abroad, the dollar would in effect become undervalued, causing new demands on our exportable goods.

OIL IMPORTS AND THE DOLLAR DEBT

In the last year or two, the location of the dollar debt has changed somewhat. The dollar amounts available in Europe and Japan have been reduced (though they are still very large), but the dollar holdings of Iran and the Arab countries have increased strongly.

Continued inflation will give a strong motive to the oil countries to invest their dollars in the United States. Whenever Arab and Iranian investments in this country take place on some considerable scale, their effect will be twofold. For one thing, they will create a permanent and growing national debt for which the United States economy will have to pay as any other debtor, by annual interest payments which would be a continuous and growing drain on our domestic resources. For another, such investments will give the foreign governments economic and financial leverage on the U.S.

There are those who say that such foreign investments in this country are no more a serious matter than are American investments in other countries. Such a statement misses an essential difference. When an American firm builds a factory in Brazil, it not only becomes owner of a productive asset in Brazil; it also creates that asset, and Brazil is not getting any poorer for it, because real investment has taken place with foreign means. When Iran or Saudi Arabia or Kuwait acquires land, industrial shares, government bonds, and so on in the United States, no real investment takes place—existing assets change hands, that is all. When paying for oil imports with the ownership of part of the country's national wealth, the United States will be acting like a family which finances its grocery bill by mortgaging its house.

Nor is it correct to say (as some observers do) that "we can use the capital." This country is not suffering any shortage of investable funds. The Federal Reserve System tries to restrict credit as a way of fighting inflation. Repatriation of foreign-owned dollars against domestic assets is about as beneficial as any other credit expansion during inflation. It will simply mean more money without more goods to go around.

SAVING OF ENERGY

When oil imports are gradually weakening the domestic economy, what are the alternatives? "Project Independence" will not answer, not alone in any event, for with recent trends projected into the future, the investment needs for energy independence are simply too large to contemplate. New sources of energy usually require more capital—and energy—than the old ones. The energy trend cannot be satisfied by development of domestic sources. Even with imports, the total in combination would place too large burdens on the economy. The trend is going to break—either it will be broken by deliberate policy action based on careful economic analysis, or else it will break by itself, accompanied by assorted economic disorders, some of them too dangerous to accept. The crisis of late 1973 and early 1974 was merely an advance warning; it can easily become a great deal worse.

Breaking the energy trend can he done in a variety of ways, and all plausible ways will have to be used in combination, as shown by a study group working for the Ford Foundation. Many of these measures are productivity improvements, since various productive processes can "make do" with less energy. In agriculture, we already have a departure toward "no-tillage cropping" (planting crops without plowing), and there are many others under way in industry. But the largest area of potential energy saving, in this country and at this time, is in transportation—foremost the use of passenger cars.

How heavily the automobile weighs on the economy can be shown by data on gasoline, most of which is used by passenger cars. Gasoline accounts for close to 47 percent of all oil processed in US refineries. Since the refineries use a good deal of energy for their own operation, the gasoline delivered to the economy represents, on a net basis, more than half of the raw petroleum. This rate of gasoline yield is unique. For the world as a whole, the rate is less than 25 percent; for the rest of the world (subtracting only the United States) it is about 15 percent of the raw petroleum. In Europe and Japan, most of the oil becomes industrial fuel oil and diesel fuel. Per capita consumption of gasoline in the United States is twice that in Canada and 4 to 5 times the levels in most European countries. About half of all the gasoline in the world is made and used in the United States.

When the use of energy is calculated in proportion to the national product, it turns out that the American economy is one of the most energy intensive in the world. It would be a mistake to believe that this must be so in a country with a high income level. The proportion was just as high 20 years ago when the income level in the US was lower. In the meantime, consumption of gasoline rose faster than the use of energy for other purposes.

GROWTH OF THE ENERGY PROBLEM

How did the United States economy become so energy intensive? In a sense it may have appeared logical in the past. When energy was cheap and few people listened to warnings about shortages ahead, it was in fact economical to squander this cheap resource. Thus traffic intensity was made very high. The superhighway system was extended into the cities, passenger trains and urban mass transit systems were allowed to decay, suburban settlement was expanded almost without limit, and shopping centers were served by acres of parking spaces. Economic policy for the United States was made by private industry, foremost the oil companies. Naturally, they made it for their own interests, even where these did not coincide with those of the nation. It can be argued whether the oil and automobile companies are to blame for the energy impasse we are in. The national government is to blame for allowing the national economy to drift into this impasse for lack of leadership.

Many analysts simply throw up their hands and declare that the real-estate system already is such that Americans have to commute by car. This is oversimplifying the situation. Commuters need only get the healthy habit of walking three or four blocks to a mass transit stop. Then bus lines will become quite profitable—and more efficient than now—even in sprawling areas of one-family housing. It is the height of irony when a President can contemplate vetoing a mass transit bill as "inflationary," when in fact the lack of mass transit feeds inflation so much.

A large-scale switch from individual to mass-transit transportation could save from 10 to 15 percent of the oil used in this country, eventually as much as 20 percent. This is a large part of all the oil imports and such a saving would be critically beneficial to the whole foreign exchange problem.

For such a switch to succeed, and rapidly, it is important what means are used to bring it about. Mere exhortation will not do, for in such matters "voluntary action" will hurt the loyal and benefit the shirkers. For control of automobile traffic, the logical place is where the cars stand still. For instance, the Environmental Protection Agency has just taken an initiative in restricting parking areas in Boston to reduce air pollution. Parking space is under administrative control of municipalities and institutions, so they have the power to restrict traffic by restricting parking space. Government at all levels should take the lead by denying parking permits to those of their employees who have ready access to mass transit for commuting. With effective leadership, a switchover could take place in much shorter time than is suggested for most measures to control inflation.

WHAT ARE THE PRACTICAL POSSIBILITIES?

Many observers are likely to dismiss the idea of saving energy in this way as being too unpopular. What is popular in this country is, however, in part a matter of informing the public. Much could be gained if two points were forcefully driven home. One is

the fact that such large energy savings are necessary for the economic health of the country. The other is that restriction of traffic by means of control over parking spaca would be done on the basis of individual need rather than income. By contrast, a high gasoline tax would hurt those who can least afford it and thus deepen some social class distinctions; it would also tend to reduce the recreational use of the car, as for vacations and outings.

It is hard to believe that Americans in general would want to mortgage the future of their country just for the pleasure of driving to work. But communicating the facts of life to the public is in part a matter of wanting to communicate. Our government leaders appear to ignore the foreign exchange problem as a source of inflation. President Nixon did not mention it in his Los Angeles speech last summer, and President Ford hardly touched upon it in his address to the joint houses of Congress. And yet, here is really where one could find some reason to think that wage-and-price control is not so simple as it was 20 or 30 years ago.

For people in government, there may be a temptation just to let inflation ride. Governments at all levels gain advantages from inflation, because their revenues based on incomes and sales rise and the real value of their outstanding bonds declines. As a complication, the nation also gains some advantake because the "dollar debt" also falls in real value because of inflation.

But if there is going to be a real effort to abate inflation, then it must first be recognized that the balance-of-payments situation, and especially the oil imports, are a primary cause of inflation, at present probably more important than the federal budget. To correct this, something serious must be done about energy. Use of energy must be held down by much more vigorous measures than have been tried to date. American overconsumption of gasoline is a serious defect in our economy.

POSTAGE RATES GOING UP

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PRESSLER. Mr. Speaker, I would like to insert the following editorial into the RECORD. The editorial was written by Keith Anderson of the Daily Republic newpaper published in Mitchell, S. Dak. This South Dakota newspaper serves approximately 17,000 people in 10 counties in central South Dakota.

I believe this editorial reflects the wishes of the people of South Dakota. They hope that the rate increases on postal service will be used on improvement of postal service and not on frills. The American people want government to "tighten its belt" and spend dollars only on necessities.

The editorial follows:

[From the Mitchell Daily Republic, Feb. 20, 1975]

POSTAGE RATES GOING UP

Speaking of inflation, the plight of the first class postage stamp is heading in such spiralling direction that it may soon cost Americans double to mail that letter which was delivered for only 6 cents in 1968.

Our new Postmaster General, Benjamin F. Bailar, sees postal patrons paying 12 or 13 cents this year for first class postage to offset more than $800 million in deficit spending by the Postal Service. He claims the department is experiencing the same inflationary problems as others, and, is speculating that there will be some problems ahead this summer when negotiations begin for postal workers to renew their contracts. All this adds up to higher postage rates, and the distinct possibility that the National Guard may be called in to move your mail if negotiations stall.

While Bailar appeared less than optimistic at avoiding a rate increase, he did express a certain degree of dignity in saying that his department is depending less on public subsidies to maintain postal operations. He remarked that in 1971 when the postal department reorganized, it was relying on 17.7 percent public subsidies. Since, it has declined to a low of 15.4 percent.

The last increase in first class postage came last March when stamps went from 8 to 10 cents. While rates have climbed, the postal service declined in efficiency under the direction of then Postmaster General, Elmer Klassen. Hopefully, our new director will strive to improve postal service and not get carried away as did his predecessor who squandered away money on extravagent surroundings, forgetting the responsibilities affixed to his title.

TVA'S MASSIVE ENERGY GRAB

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. CRANE. Mr. Speaker, unfortunately, the rules which other Americans must respect are ignored with impunity by governmental agencies and regulated industries.

It is no accident that government regulation of and intervention in the economy produces negative results. Liberal reformers who believed otherwise in the 1920's learned a lesson which modern liberals must now relearn. Frederic G. Howe, a progressive who had been in the Wilson administration wrote in 1925 in his "Confessions Of A Reformer" that he had become distrustful of the Government and he now "viewed it as the source of exploitation rather than the remedy for it."

One of the problems with government is that it believes that the rules it makes for others are not applicable to its own activities. Consider the current efforts of the Tennessee Valley Authority to acquire ownership of Peabody Coal, the Nation's largest single coal producer. Many observers believe that such an acquisition by TVA would be an important step in the direction of nationalizing that entire industry.

Discussing this situation, Harold C. Gordon writes that,

T.V.A. already owns thousands of acres of coal-rich lands; its estimated reserves are between 400 and 500 million tons. . . . What private coal companies fear is that if T.V.A.—the tax-exempt, federally subsidized corporation—is allowed to acquire Peabody, it will dump the surplus coal on the market at a price with which they will be unable to compete. Alternatively, it might be added that if T.V.A. acquires Peabody and decides to produce only enough coal for its own requirements, the consuming public will be denied the energy value of 35 million tons of coal a year.

The irony is clear for all to see. Mr. Gordon declares that,

At a time when private energy companies are being routinely denounced as greedy, power-grasping monopolists—indifferent to the consumer's welfare—a public service corporation is empire building in a manner worthy of Commodore Vanderbilt.

It is important that TVA not be permitted to continue to operate in this manner. It is also important that the Federal Trade Commission, which is ordering that Peabody be sold by Kennecott Copper, its parent company, not be permitted to use its authority to enhance the power of another governmental body.

I wish to share with my colleagues the important article, "TVA's Mammoth Energy Grab," by H. C. Gordon distributed by the U.S. Industrial Council, and insert it into the RECORD at this time.

[From the USIC Editorial Research Reports]

TVA'S MAMMOTH ENERGY GRAB

(By H. C. Gordon)

In 1934, when the Supreme Court upheld the right of the Tennessee Valley Authority to engage in the direct sale of electric power, Justice James McReynolds issued an incisive and prophetic dissent. TVA, he declared, had embarked upon a "pretentious scheme" to standardize the rates of private utilities and to attain "no less a goal than the electrification of America."

The relentless expansion of TVA over the ensuing decades has given an ominous tone to Justice McReynolds' initial warning. Today, TVA is the largest supplier of electricity in the United States: a multi-billion dollar federal octopus with an ever-widening network of tentacles.

In light of this fact, TVA's current efforts to acquire Peabody Coal—this country's largest single coal producer—can only be viewed with the gravest misgivings. Such a move, many observers believe, would actually be a giant step toward nationalization of the entire industry.

What does TVA want with Peabody Coal? The answer is even more intriguing than the question.

Although it was supposedly created for the purpose of improving navigation and flood control through the construction of a series of dams (with hydroelectric power to be merely an "incidental" benefit of the project) TVA had not been long in the energy business before it came to rely predominately on coal-fired steam generators to maintain and expand its service. At the present time it is the biggest coal consumer in the country, with coal-fired steam accounting for over 75% of its generating capacity.

But this fact in itself is insufficient either to explain or to justify TVA's designs on Peabody. TVA already owns thousands of acres of coal-rich lands; its estimated reserves are between 400 and 500 million tons. Furthermore, its annual consumption of coal is only 35 million tons while Peabody's annual production is 70 million tons.

What private coal companies fear (and TVA's ruthless treatment of competitors in the past gives them ample cause) is that if TVA—a tax-exempt, federally subsidized corporation—is allowed to acquire Peabody, it will dump the surplus coal on the market at a price with which they will be unable to compete. Alternatively, it might be added that if TVA acquires Peabody and decides to produce only enough coal for its own requirements, the consuming public will be denied the energy value of 35 million tons of coal a year.

What irony! At a time when private energy companies are being routinely denounced as greedy, power-grasping monopolists—indifferent to the consumers' welfare—a public service corporation is empire building in a manner worthy of Commodore Vanderbilt.

The irony is compounded by the fact that Peabody's parent company, Kennecott Copper, is being forced to sell its subsidiary by order of the Federal Trade Commission. The Commission ruled (and was subsequently affirmed by the federal courts) that since Kennecott already owned a small coal mining operation when it acquired Peabody, its acquisition of a major competitor constituted a violation of the antitrust laws. It may thus be safely said that if TVA were a private concern there is no way in which it would be permitted to conclude such a transaction.

Fortunately, there are several private companies which are also interested in buying Peabody—none of which are presently engaged in coal mining. Also, fortunately, there appears to be growing opposition in Congress to TVA's proposed purchase. This is well indeed. If this deal goes through it will mark a significant milestone on the road to socialism.

UNITED STATES INDUSTRIAL COUNCIL,
Nashville, Tenn., February 20, 1975.

Hon. PHILIP M. CRANE,
The House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CRANE: Pardon my presumption, but I thought that the enclosed editorial might be of interest to you in light of the splendid work you have been doing in the cause of economic liberty.

Space limitations unfortunately prevented me from giving additional details on this incredible story. For example, Peabody Coal, on top of its domestic reserves, also owns the controlling interest in an Australian coal mining concern which sells to the Japanese. Ergo, if TVA succeeds in its bid to acquire Peabody, it will thereby go multi-national. (Quick! Call Ralph Nader! Senator Hart! The Justice Department!) Today, the Tennessee Valley—tomorrow, the world!

I wish the situation really were that funny. It is in times like these that we really appreciate men like yourself.

I have the honor to be, Sir,
Your devoted admirer,
HAROLD C. GORDON.

OFFICIAL NATIONAL GEM

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. LUJAN. Mr. Speaker, today I am introducing a bill which I think is most appropriate as we approach our 200th birthday.

The bill is one which will make turquoise the official national gemstone of the United States. In addition to making turquoise the national gemstone, I think it most appropriate that the gemstone be designated the official gem of our National Bicentennial of 1976.

The reasons for selecting turquoise as our national stone are many and varied; although turquoise would serve well as our national stone because of its beauty and heritage alone.

But to tell you something about the fine heritage of this stone which so truly represents the entire Nation: Turquoise was the first stone in recorded history of man to be used as a gem, according to the Library of Congress.

It is also interesting to note, and very appropriate, too, when considering the upcoming 200th anniversary of our Nation's birth, that turquoise is the gemstone most prized by the native American. Not only do today's American Indians make exquisite jewelry, the focal point of which is turquoise, but in the earliest years, they used this precious stone as money. What could be more meaningful than naming the stone so prized by the first Americans as our Nation's symbol at the very time we are celebrating the birth of our Nation.

And, it should not go unnoticed that turquoise is the only gemstone in our Nation which is found in great quantity in many of our States. It is also one of a very few stones in the world to be classified as a precious stone, and most assuredly is the most prevalent gemstone in the United States to be so classified.

My friends at the Bureau of Mines tell me that turquoise is, in terms of value, the most sought after stone in U.S. mining operations. Of course, those of us from any of the turquoise producing States in this country can testify to the demand for this handsome gem. And anyone who has sought the precious stone knows that it is in extremely great demand throughout the entire United States, not only as jewelry of rare quality and beauty, but also as a good investment.

Do not mistake the introduction of this bill as the attempt of any singular region to lay claim to the national stone for this distinctive gemstone comes from places so widespread as New Jersey, Alabama, Virginia, Texas, Nevada, Colorado, Arizona, California, and New Mexico.

To demonstrate the immense value placed on this gem I have only to tell you that the Aztec Indians of Central America, who had the mineral men prize most, gold, went into what is now our American Southwest to find turquoise. In fact, turquoise was so highly valued by this "nation of gold" that they demanded turquoise as a tribute from the neighboring states of the Aztec nation. And turquoise was always a desired stone of the Spaniards when they made explorations into the Southwest.

However, it is with the American Indian that the most important historical heritage of turquoise lives. For hundreds of years the great Indian culture of this country has included turquoise for many reasons. The god of gambling, Noholipi, according to Indian legend, owed his remarkable luck to a piece of turquoise. Indians for centuries used turquoise to ward off evil and to bring good luck. In fact, there was hardly any phase of Indian life which did not include turquoise in some way or another.

Of course, today, we see much fine silver and turquoise Indian jewelry on the market but that represents only the last 95 years of history of turquoise in this country. One authority has said the Indians did not begin to use silver until 1880 and that before that turquoise stood alone as a jewel.

There are some unique qualities about turquoise in addition to it being so highly prized by the first Americans. For instance, the turquoise found in Virginia is the first and only crystallized turquoise to be found any place in the entire world. In that regard I bow to my esteemed colleague Mr. DAN DANIEL for that unique turquoise was discovered in his district in Campbell County.

I have already mentioned that turquoise is the oldest stone in existence to be used as a gem and that face certainly places this typically American stone in a class by itself.

Now, I wish to ask my friends of those other States in which turquoise is found to join us in our effort to make this beautiful gem our official national stone. Of course, my good friend and fellow New Mexican Mr. RUNNELS is knowledgable about this fine gem since his district includes the areas from which some of the Nation's best turquoise and turquoise jewelry comes.

Congresswoman FENWICK has reason to be proud for in Somerset County of New Jersey are found specimens of the gem.

My two distinguished colleagues from Alabama, Mr. FLOWERS and Mr. NICHOLS both represent districts where turquoise is mined.

And the State of Texas has turquoise from the district represented by Mr. RICHARD WHITE.

There are three fellow representatives from my neighbor from the north, Colorado, who represent districts bearing turquoise. They are Mr. ARMSTRONG, Mr. EVANS of Colorado and Mr. JOHNSON of Colorado.

I am sure that all my colleagues from Arizona will join in this recognition of turquoise as the national stone, as it is found in the districts represented by the distinguished minority leader Mr. RHODES and his fellow Arizonans Mr. UDALL, Mr. STEIGER of Arizona and Mr. CONLAN.

And since turquoise is considered good luck, I think that it is most fitting that Mr. SANTINI of Nevada represents a State from which the gem is mined. We can all use a lot more good luck when visiting his fine State.

And while the Golden State of California may get its name from another mineral, I know that my colleagues Mr. BOB WILSON and Mr. BURGENER, both of whom come here representing districts in which turquoise is found, will help this effort.

The United States should have a national stone—a stone which is of this country, a stone which is representative of the true beauty we have all inherited, a stone which tells a story of the history of America, a stone which can be proudly put on a pedestal with the other precious gemstones of the world. We need a stone which shows the strength of this land and its people and yet which is beautiful and graceful.

We have this stone. We have turquoise. Turquoise has the blue of the sky, the azure of the sea, the green of the grasslands, and the ribbons of brown as in the Earth. Turquoise has the smooth calmness of a lake on a windless day and it has the ruggedness of the great mountains of this country.

So, for these reasons and more than I could name within the time I have to speak, I ask that this esteemed body name turquoise as our national gemstone.

CAN CRIME BE CONQUERED

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the CONGRESSIONAL RECORD an excellent speech by the Honorable Johannes F. Spreen, sheriff of Oakland County, Mich., one of Michigan's largest counties. Sheriff Spreen is an educator and law enforcement officer with over 37 years experience.

His comments effectively lay out the fashion in which the Nation should begin to combat crime. I believe the action suggested by Sheriff Spreen, vigorous enforcement of the law, is far superior to removing firearms from the hands of law-abiding citizens.

The speech follows:

SPEECH BY PROFESSOR JOHANNES F. SPAEEN, SHERIFF OF OAKLAND COUNTY, MICH.

In 1938, J. Edgar Hoover spoke to the Detroit Economic Club. His subject was "Lawlessness as a National Menace." A few days ago Clarence Kelley, the current director of the F.B.I. addressed the Detroit Economic Club on that very same topic, asking the question, "Can Crime Be Conquered?" Sad, isn't it, that 37 years later the problem still exists, to an even greater degree. Something must be done, and NOW, so that 37 years from now in the year 2012, we will not be asking, "Can crime be conquered?"

Citizens are being murdered daily in their own homes and businesses and police who respond to aid them are constantly laying their lives on the line.

I speak today as a police educator, but also from 37 years of police study and experience, having opened my first police textbooks the same year J. Edgar Hoover was in Detroit. I have seen the toll in robberies, burglaries, rapes. I have seen citizens frightened and killed. I have seen policemen hurt and shot. I have attended their funerals. In the past ten years a thousand law enforcement officers were killed and 70 percent by individuals using handguns. They walk and work on the fingertips of death.

There is no reason why this massacre—this uneven battle—should continue.

The time for action is now.

Four years ago, in May, 1971, I wrote a news column calling for an additional jail sentence for the carrying of a gun when it is used in the commission of certain crimes. I recommended five years mandated by law with no probation, no parole, no early release, no good time.

I believe the Judiciary of Michigan should still have discretion over punishment for the crime itself, but no discretion on the charge of using a gun to commit it if he is convicted by a jury of his peers. I believe these "peers" are sick and tired of this nonsense.

We must do something about handgun control, but there is a vital difference between gun control and gun prohibition. Let's not make criminals out of people who buy or have guns out of fear, to protect their loved ones, themselves, or their homes. We are not going to accomplish anything by trying to ban all handguns. We are not going to get the gun away from the criminal.

Some are supporting a drive to prohibit bullets. Their slogan "you need a bullet like you need a hole in the head". Commendable, but naive. I assure you that the potential killer, killer-burglar, killer-robber, killer-rapist will have his gun and get the bullets, too.

We know that police cannot protect every person in his own home. We do not have the money or the manpower. We are losing the battle in the streets. Yet we must do something—something better than we have done in the past.

Let us start by getting at the REAL problem. Let us get at the CRIMINAL who brings and uses a gun when he commits a crime. Later we can address the problem of too many handguns possessed by too many citizens. That problem may alleviate itself if we solve the other problem first.

There is a difference between a person who buys a gun to protect his loved ones and someone who is out to commit a crime with an instrument of death.

Certainly, the bum who uses a gun should not be allowed to thumb his nose at society. Let us remove these potential killers from the scene. If a five-year term went into effect, they would go away to prison say on July 4, 1976, and know that they will not be out again until July 4, 1981. Maybe our good citizens, on our 200th anniversary will have a little freedom to pursue their happiness in these United States of America.

If these hoodlums are convicted a second time of using a gun in the commission of these crimes, the mandatory sentence should be doubled or tripled. The third time we should throw away the key.

Just recently, several state legislators have proposed a two-year mandatory sentence for the use of a gun in a felony. While I still would like to see a stiffer sentence (5 years) I definitely support their proposal. It would be good for Michigan to lead the nation with such enlightened legislation. We should congratulate their efforts.

The criminals, no doubt, will always be able to get a gun and of course the bullets for it, but if this legislation is passed, they will think twice before bringing a loaded gun with them when they go out to rob, burgle, and rape. The professional burglar of old would never have brought a gun with him. He had a certain pride in his craft. He wasn't a mean killer. Today, who do we have committing these crimes? About three-fourths are recidivists (repeaters), a small core who are committing the majority of the crimes over and over again. Half of all serious crimes are committed by kids. Far more than half are drug addicts who are hopped up. Most of all, these people use guns. A gun should not be in such hands—hands that represent people who could not care less, or are immature or are crazed, hopped up by drugs, and whose fingertips could snuff out the life of a citizen or policeman.

The smart criminal is one who is "jail smart." He wheels and deals through his lawyer, delaying and adjourning the trial, using and abusing our criminal justice system while the victim lies in the hospital or the morgue. Let's stop playing games. Or if we MUST play games, let's change some of the rules.

The calls for the return to capital punishment are many. However, if the gun-crime legislation is passed, there will not be so many killers to be capitally punished.

We the citizens must get smart now, so that we leave our children a better day 37 years from now.

I would be remiss, if I did not lend my voice in support of these good legislative proposals. Let's send out a strong message to the bums and punks and potential killers everywhere and put some fear into their hearts and save our good citizens and save our police. Do it now, here in Michigan.

I speak today for myself, but I believe that there is not a police chief or a sheriff in the country who would not agree that something must be done about the use of guns while committing a crime. Let us leave a better legacy for the future. Let it start here in Michigan. Let us show that the law can work for society. Let us show that society can work the law. Let us leave the gun carrying burglar, robber and rapist to his "peers." Let him know that if he "does the crime," he'll "do the time."

THE OTHER 20 PERCENT: POVERTY IN THE SOUTH

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. YOUNG of Georgia. Mr. Speaker, the Southern Regional Council recently published a study by Gretchen MacLachlan entitled "The Other Twenty Percent: A Statistical Analysis of Poverty in the South."

The findings, as noted in an introduction by the council's executive director, George Esser, and associate director Harry Bowie, include these:

Inflation in the South has grown at a higher rate than in the Nation as a whole.

Work is no guarantee against poverty. The majority of southern poor people work.

The industrial structure of the South is more heavily concentrated in low-wage industries than in the rest of the Nation.

Poverty is more intense among southern blacks than among whites.

Southerners have received less formal education than the Nation's population as a whole.

Mr. Speaker, these and other findings in the study—which can be obtained from the Southern Regional Council, 52 Fairlie St. N.W., Atlanta, Ga. 30303—underscore the need for action on a national as well as regional and local level to improve economic conditions in the South. A more prosperous South will relieve extreme suffering in that area and benefit the entire national economy.

I submit for the RECORD the statement by Mr. Esser and Mr. Bowie.

STATEMENT BY GEORGE ESSER AND HARRY BOWIE

In a time of economic recession and inflation the persistence of poverty in the South takes on special significance. Inflation in the South, for instance, has grown at a higher rate than in the nation as a whole. Moreover, the method of computing those in poverty fails to take into account an extremely important factor. Items in family budgets which had the most rapid price increase—food, housing, transportation—constitute a far greater share of poor people's expenditures than of those in middle income groups. Poverty levels established in 1964–65 are updated each year to reflect changes in the cost of living by the increase in the *total* consumer price index. But beginning in 1972, accelerating in 1973 and 1974 the price increase in the items for which the poor spend their money has been greater than in the total index. What this means is that since 1972 the number of actual poor has been understated and that as inflation continues, especially in food prices, the number will continue to be understated.

This study, essentially a statistical analysis of regional poverty data derived from the 1970 Census, illustrates that well before the pres-

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ent crisis in the nation's economy the South had a larger proportional share of the nation's poor than the remaining 38 states. It is also clear that a significantly large number of Southerners, not classified as poor, were living on incomes that put them perilously close to poverty levels.

The census of 1970, we would point out, represented the first time that the Census Bureau had collected poverty data on the scale reported here. Our purpose in presenting an examination of the regional data is to identify the South's poor in detail in order to provide a statistical base for remedial action. Several major findings, with broad policy implications, emerge from our analysis.

Poverty among Southern blacks, as has historically been the case, remains more intense than among whites, although in absolute numbers more whites are poor than blacks.

Poverty rates in rural areas, not unexpectedly, were uniformly higher than in urban areas.

The percentage of poor families headed by females was far greater than those headed by males. Black female headed families are particularly vulnerable. As a result, the South's poverty bears heavily on the children of the region, since most female-headed families—of both races—contain children.

Work is no guarantee against poverty. The majority of Southern poor, in fact, do work, but do not earn enough to raise their families' income above poverty levels.

The industrial structure of the South in 1970 was more heavily concentrated in low wage industries than was true in the rest of the nation.

Only a very small percentage of Southern families received public assistance in 1970. All states defined need at levels lower than the federally established poverty line. In most Southern states maximum payments were far below even the states' own established need levels. The result of such policies was inevitable: public assistance helped only a small fraction of the poor to move out of poverty.

Although overall the rate of participation in Social Security by the South's elderly was only slightly below that of the elderly in the rest of the nation, participation among elderly blacks was far below national averages. This was so because elderly blacks during their work years were heavily concentrated in domestic work and farm labor, jobs that only during the past two decades have come under the Social Security Act.

Southerners have received less formal education than the nation's population as a whole. Among the poor the percentage with a high school education is still alarmingly low.

Detailed policy recommendations to reach the causes of regional poverty are beyond the scope of the present study, but the need for certain broad measures is clear.

Public education in the South should provide for equitable financing of schools in order to bring a higher quality of education to children in poverty areas.

There must be adequate funds for manpower programs that will enhance individual earning opportunities, improve productivity and contribute to economic development. Such programs should not only meet labor market demands, but provide special assistance to persons living in rural areas and in urban ghettos, to women, to youth, to minorities who have for so long borne the penalties of employment discrimination. These programs should be linked with governmental economic development policies that will influence the location of jobs in poverty-heavy areas.

Social welfare programs should be focused toward bringing both the working poor and those not in the labor force to at least a minimum needs level, preferably to be determined by the federal government, on a uniform basis rather than by states. Existing programs should be strengthened, outreach efforts undertaken to enroll those eligible. For, almost by definition, the poor among us are those who benefit inadequately and inequitably from the normal workings of the economic and social order.

There remains the danger, however, in a period of national economic crisis that the problems of those at the very bottom of the economic ladder will be exacerbated. Programs designed to aid the poor have never been popular among the affluent, and today there are voices in the land calling for drastic cutbacks in social welfare programs as a panacea for halting inflation. We do not pretend to have the solution to the nation's current economic perplexities. But we do not believe that in a compassionate nation, at a time when more people—not fewer—will likely need the services of such programs that acceptable answers are to be found in penalizing those most victimized by, and least responsible for, the hard times that now beset us all.

Nor, finally, will the best interests of society be served by penalties that prevent those same people from finding a productive role. Back of each statistic in our report are flesh and blood people, adults who have never known any existence other than that of harsh, and shattering poverty, children whose childhoods are being needlessly blighted and whose potential for growth into useful citizens is being jeopardized, the elderly who are victims of their own failing strength and of society's indifference. Seen in such a light the statistics here take on a new and terrifying reality.

We present our data, then, with the hope that policymakers at every level of government and in the private sector will use it as the basis for formulation of policies and programs that both respond to basic human needs and open up opportunities for a full share in a productive society.

GAS RATIONING? NO THANKS!

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. TREEN. Mr. Speaker, now that the House has voted to block the President's proposal to raise oil import taxes, the burden is the opponents' to propose ways to reduce oil consumption.

At least one major newspaper, the New Orleans Times-Picayune, applauded the President's bold initiatives, and in its January 26 editorial called on us not to forget the sad experience the Nation had with gasoline rationing during the last World War. I urge my colleagues to read carefully the Times-Picayune editorial, "Gas Rationing? No thanks!":

GAS RATIONING? NO THANKS!

Those, including congressmen, who believe gasoline rationing to be the way of our energy pinch have sketchy memories of the last time gas was rationed, or they haven't bothered to study that phase of history, or they weren't drivers then. They've even forgotten our recent sad experience with government controls.

Black markets, gross discrimination, politicians getting extra gas—to lay hands on extra gas tickets turned many an otherwise respected family man into a conniving wheeler in what became the great national pastime.

And if many average Americans turned a dishonest ticket, the underworld turned rationing into a vast gold mine. That was in wartime, too, and with more patriotic deterrents than in peacetime.

When President Ford favors oil tariffs and excise taxes over rationing he is getting at the hub of our energy problem. This week he ordered his first tariff boost.

His program aims at cutting back on oil use, not only as motor fuel but in the whole array of other uses, including boiler fuel, heating and as a raw material for industry.

At the same time he proposes a lifting of the oil and gas price ceiling to spur the domestic search for oil and gas. So his plan calls for personal sacrifices in curtailing energy use and in paying more for energy. Rationing by itself would not stimulate exploration, but would act as a depressant, lacking built-in incentives.

The Ford plan calls for no new armies of bureaucrats with their huge budgets and endless red tape. Backers of rationing cannot make similar claims for their multi-billion-dollar idea.

Accompanying the vaguely outlined rationing idea is a plea for a 90-day delay. Another delay atop the near year and a half since the spigots were shut on oil of the Middle East? Where have congressional opponents of President Ford been, sunning in the Watergate floodlights?

Mr. Ford and his experts have hammered out a plan over the months, coming up with a considered program to help the energy-short nation work its way toward energy independence.

Those against the administration's recommendation are long on criticism, short on research and still groping. In their ranks are many of the same people who, a short while ago, harangued that Mr. Ford had no plan.

Negativism and obstructionism are no substitute for the constructive cooperation needed between Congress and the White House to work the nation out of the hole on energy.

Persons who present as painless any plan to make up for our years of neglect, misrule and profligacy in the field of energy brand themselves impostors."

VOICE OF DEMOCRACY WINNER

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. MINISH. Mr. Speaker, I am proud to announce that the 1974–75 New Jersey winner of the VFW Voice of Democracy Contest is a resident of the 11th Congressional District, which I have the honor to represent in the Congress.

The New Jersey winner is Frank A. Frederick, Jr., of Orange, N.J. Frank is a junior at Our Lady of the Valley High School in Orange. He is the son of Frank Sr. and Patricia Frederick.

I congratulate Frank Frederick upon his fine achievement and wish him the best in the nationwide contest to be held this month in Washington.

At this point in the RECORD, Mr. Speaker, I insert the winning essay for New Jersey:

VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM WINNER, FRANK A. FREDERICK, JR., OF NEW JERSEY

When it comes to the Pledge of Allegiance, how do you say it? Do you recite it as one long sentence? I remember years ago, I and my friends practiced saying it in one breath and whoever said it fastest won. I guess in a way we are all like that. We are so accustomed to saying the pledge that we forget its meaning:

"I pledge allegiance to the flag of the United States of America, and to the republic for which it stands; one nation under God, indivisible, with liberty and justice for all."

This is my responsibility as a citizen of the United States, to see that the pledge is spoken with the heart, accepted by the mind, and made true by the body.

Thomas Jefferson wrote in the Declaration of Independence that, if a government becomes a tyranny, it is the responsibility of the people to see it overthrown.

Our government is a far cry from tyranny and was created flexible enough to remain sound if we guard it. Our government was designed so that all can have part ownership in it. But with ownership comes responsibility, the responsibility to see the laws of our making obeyed and the laws that have become unacceptable changed.

I believe in our government, and our laws, and in our right to peacefully change those laws that are, at least, obsolete. And I will stand and defend this country if it needs defense.

But, let me say this: I am not an American patriot, I hold patriotism to humanity. I value man higher than I do his government. If this means that I must disagree with the law-makers to better help those lawed upon, I shall.

That is my responsibility.

Though it seems unlikely, that is also the rule stated in the Pledge of Allegiance, that men have liberty and justice—all men.

As a citizen: I am a businessman, a merchant, a farmer, a laborer. I am married, widowed, divorced, and single. I am a woman, I am a man, I am a child, I am an adult.

I am myself, but I am part of everyone around. There are few that I do not effect by my actions.

I rule and I am ruled. I sin and I am sinned against. I feel joy and I cause joy.

I am a product of this country. My values and responses are shaped by this country. My duties and responsibilities I accept happily in the name of this country. And, for all its faults, I love, and am proud to be a member of, this country.

JOHN CURTIS SMITH CHOSEN INDIANA WINNER OF VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM FOR SCRIPT OF "MY RESPONSIBILITY AS A CITIZEN"

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. EVANS of Indiana. Mr. Speaker, each year the Veterans of Foreign Wars and its ladies auxiliary conducts the Voice of Democracy scholarship program in our Nation's secondary schools. This is a national broadcast scriptwriting program which provides our high school students an opportunity to write and speak up for freedom and democracy.

This year's theme is "My Responsibility as a Citizen," and I am pleased to announce to my colleagues that the winner from the State of Indiana is one of my constituents, Mr. Curt Smith, of Indianapolis.

Curt is the son of Mr. and Mrs. John R. Smith, of 8049 Chiltern Road, Indianapolis. Curt attends Pike High School in Indianapolis, where he is president of the senior class, editor-in-chief of the school paper, and a Student Council representative.

Curt will be coming to Washington next week for the final judging of all State winners and I wish him the best of luck in this final competition.

I commend Curt's essay to the attention of my colleagues:

MY RESPONSIBILITY AS A CITIZEN

Most of us take our citizenship for granted. By whatever means it was acquired, we still just take it for granted. To most Americans the important thing about citizenship is just having it. Few of us ever stop to think about or consider our responsibilities as a citizen.

By definition a citizen is a member of a political or social group. He gives his allegiance to the group and in return he receives its benefits. Citizenship involves the rights, privileges and duties of an individual. Most of us are aware, and very vocal about our rights and privileges. Few of us, however, stop to consider, let alone fulfill our duties.

The outcome of good citizenship and the by-product of the work of the good citizen are obvious and essential. Good citizenship yields a stronger better nation. The good citizen works to improve his country and there are many ways that I, as a good citizen, can do this. As a good citizen I should obviously abide by the laws of my country, I should pay my taxes to help support the government, and I should be respectful of others wishes. But my most important responsibility is to safeguard the rights and privileges of other citizens. I must protect everyone's rights. Using Nazi Germany as an example the importance of this can be illustrated for all of us. As the rights of certain religious groups eroded under Hitler's rule, the other citizens did nothing to protect or secure the rights for the oppressed. This started the irreversible tide, and eventually the entire country was a totalitarian state with Hitler and his men having all the rights and the true citizens none.

It is proven that in order for people to be strong and free-thinking they must be free. This prevalent atmosphere in America is necessary and essential to her citizens. Without strong citizens our country will falter. Therefore, my primary responsibility, or duty, lies then in protecting the rights and privileges of the other citizens of my country.

One of the more basic concepts of American government is that the government and the people who compose it reflect the people. Therefore in protecting and preserving these rights I serve a multiple purpose. I help make the government strong and productive, I help make her citizens strong, while securing the blessings of liberty and security for myself.

Now that I know the primary responsibility of a citizen I need to know how I can go about carrying it out. In preserving these rights and privileges I must vote responsibility. Voting responsibility entails more than just pulling the right lever on election day. It means being informed of the true issues. It involves being a student of your government. As a good citizen I should involve myself. As a good citizen I should develop a nationalistic attitude. This attitude encompasses many things. I must learn to submit to the will of the masses when I have a different opinion. I must also work to secure the rights of the minority when I am in the majority. I must learn to question and at the same time submit to national policy. All this time I must remember: "The government that governs best governs least." This saying is well proven in America. And this brings me to my final responsibility as a citizen. I must govern myself. I must act as a responsible person so it won't be necessary for others to govern me. The greatest asset of the citizens of America is their government and nation. And the greatest asset of America is her citizens. That relationship is vital and essential to both.

An oath from the ancient Greek city of Athens embodies many of the responsibilities of citizenship and eloquently states my responsibility as an American citizen: "We will never bring disgrace to this, our city, by any act of dishonesty or cowardice, nor ever desert our suffering comrades in the ranks. We will fight for the ideals and sacred things of the city, both alone and with many."

This then becomes my responsibility: To stand for the best in America, shun the dishonesty, deplore the cowardice and remain constant to the ideals of the American way.

THE NEED FOR GUN CONTROL AND THE NATIONAL COUNCIL TO CONTROL HANDGUNS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARRINGTON. Mr. Speaker, it should be clear to us all that the 94th Congress will simply have to assume a responsibility for passing effective handgun control legislation. The situation is out of hand, as the FBI has reported since 1972, some 31 percent of all murders occurred within families and between others close to each other. Another 41 percent grew from disputes which were, presumably, between persons who knew each other well.

Handgun ownership has proved to be one of the most destructive facets of our modern society. Witness the fact that for every thief confronted by a homeowner bearing a handgun, four homeowners or their relatives are killed in handgun accidents. Furthermore, only 2 percent of home robberies result in the trespasser being shot by the homeowner. Clearly the cost of public handgun ownership far outweighs the benefits.

An advertisement recently appeared in the Washington Post sponsored by the National Council to Control Handguns. What is most unsettling, perhaps, is the validity of the advertisements' reference to congressional inaction being responsible for a persistently high national crime rate. As reported by the National Commission on Civil Disorders, the Administration of Justice, and the President's Commission on Civil Disorders, our crime rate would decline significantly with the elimination of public handgun ownership.

I am hopeful that the advertisement which I would like to insert in the RECORD at this time will serve as a reminder to each and every colleague in the House that handgun control legislation must be a high priority item for the 94th Congress:

IS IT NOT TIME FOR CONGRESS TO ACT?

Over a quarter of a million Americans were at this end of a handgun last year—victims of 10,000 murders, 100,000 serious assaults, and 160,000 armed robberies.

Since the 1930's a majority of Americans have supported handgun controls. By not enacting effective handgun legislation, past Congresses have not responded to the views of the electorate.

The National Council to Control Handguns, a new non-profit organization, needs your support to bring the urgent message from the people to the politicians—we are fed up living with crime. The 94th Congress should and can act to reduce crime in this country.

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Congress must start by passing effective legislation to control the handgun—the favorite weapon of the criminal.

Won't you please join us in working for a more peaceful America?

(Because we are an active lobbying organization, gifts to NCCH are not tax deductible. Mark Borinsky, Chairman.)

Please make your check payable to:

NCCH (The National Council to Control Handguns)
1910 K Street, N.W.
Washington, D.C. 20006
Enclosed is $15 for NCCH Membership Dues — I wish to give more. Enclosed is — $500 — $100 — $50 — $25 $_____
Name _____
Address _____
_____Zip _____

A WEEK CAN CHANGE ONE'S LIFE—IN COMMEMORATION OF OUR VIETNAM DELEGATION'S RETURN

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BROWN of California. Mr. Speaker, I rise today to welcome our distinguished colleagues' return from their 7-day sojourn to Vietnam. They bravely set out to determine whether the premises that have guided our economic and military policy toward Vietnam—premises that have evolved over 20 years of dishonorable, unconscionable, and unethical involvement in a war we never chose to declare—have caused us to become too unflinching in our resolution to end this U.S. immersion in Vietnamese history.

I am sure we will all be interested in their comments and conclusions about their experiences, and in any suggestions they might have for a possible hesitation in our current perseverance to end all involvement immediately.

I will always listen to anyone's justifications for continuing an unjustifiable nourishment of an endless battle.

In commemoration of the return of this delegation, I wish to insert a New York Times article, written by Russell Baker, which will conclude my remarks:

CONGRESS IN DISNEYNAM

(By Russell Baker)

The Administration is trying to get a group of Congressmen to go to Vietnam and discover that American policy there is sound.

It is a routine that was developed in the early Johnson period. Whenever, as now, Congress threatens to balk at financing our various wars out there, the Administration transports a group of them to Vietnam to admire our policy successes on the scene and bring back a rosy report.

If the group ever gets off the ground, it won't see the Asian Vietnam, of course. Nobody very important has been allowed in there since 1967.

In that the Government realized that the whole thing might collapse at any moment, and naturally it did not want to lose a lot of Congressmen who had been sent there to see how splendidly the policy was succeeding.

The National Security Council decided it would be safer to demonstrate our Vietnam successes in a less troubled setting. It called in the creators of Disneyland and had them build a brand-new Vietnam on the outskirts of Rockville, Maryland.

This is where Congressmen signed on for Administration tours go when their plane leaves Washington. They fly to New York, spend two days in one of the Kennedy Airport holding patterns, and then land at Rockville where briefings begin immediately.

The man who plays President Thieu at the Rockville Vietnam is a retired actor named Slim Sensenbaugh, and I asked him recently what sort of policy successes he would show visiting Congressmen.

"It'll be a little different from the old days when we used to get Bob McNamara and Gen. Max Taylor up here in Rockville," Sensenbaugh explained. "In those days we gave them a simple rosy-outlook briefing. All they wanted was enough to be able to go back and say there was light at the end of the tunnel if we just had the patience to spend a few billion more dollars."

Nowadays the situation is different. There is no hope that Congress will send billions to Vietnam this year. Professor Kissinger will be happy if he can get just a few hundred millions.

"For this kind of thing," Sensenbaugh said, "we'll show them evidence that the other side is determined to humiliate the United States by crushing us, but that we can hang on if Congress will come across with a trifling three or four hundred million."

I asked to see some of the Rockville Vietnam's devices for persuading Congressmen, and Sensenbaugh took me to a large well-lit room full of writers.

"These writers are mostly old fiction writers from dead magazines—Collier's, The Saturday Evening Post, Life," Sensenbaugh said.

"Right now they are all busy composing captured enemy documents that will prove to Congressmen that the Communists believe the United States is too cheap to keep up the good fight."

He showed me a freshly inked captured enemy document. "Top Secret from Hanoi," it said. "Unless the Congress of the United States gives Professor Kissinger $300 million right away, Communism will triumph by springtime."

A writer handed Sensenbaugh a draft and asked what he thought of it. It said, "Top Secret and eyes only to our brave captured soldiers—if Kissinger gets the $300 million from Congress it's curtains for Communism in Asia."

"A little obvious for my taste," said Sensenbaugh, "but a Congressman should love it."

I asked Sensenbaugh if visiting Congressmen ever asked to see some captured enemies. "We always keep a large cast of captured enemy soldiers in case they do," he said, showing me a compound where a large cast was practicing looking captured and hostile.

"It's the chorus of the Metropolitan Opera," he said. "They always need the money."

Don't visiting Congressmen ever object to being sent to the Rockville Vietnam? The only man who ever objected, said Sensenbaugh, was George Romney. He came back from Rockville saying he had been "brainwashed" and everyone became so angry that Romney had to stop running for President.

"He had broken the rules of the game," I suggested tentatively.

"It wasn't that," said Sensenbaugh. "Everybody saw Romney was a dangerous man when he admitted we brainwashed him here at Rockville. A guy like that could have gotten the whole country trapped in the quagmire of reality. What's more Congressmen might have had to start going to the real Vietnam again. We could lose a lot of Congressmen that way."

CHARLES SAYERS, WINNER OF VFW-SPONSORED "VOICE OF DEMOCRACY" CONTEST IN NEW YORK

HON. OTIS G. PIKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PIKE. Mr. Speaker, each year the Veterans of Foreign Wars and its Ladies Auxiliary conducts a Voice of Democracy contest. The excellence of this program in fostering good citizenship among our youth is known and recognized throughout the land by reason of this distinguished organization's tireless efforts and dedication to the service of the Nation and its young people. I am informed that this year nearly half a million secondary school students participated in the contest for scholarship prizes worth up to $10,000, thanks to the generosity and good work of the VFW.

With such keen competition as this, it is an honor for me to announce to my colleagues in the House that the winning speech for the entire State of New York this year was delivered by a 17-year-old who resides in the First Congressional District which I am privileged to represent. Herewith is the text of that excellent and inspiring speech as delivered in statewide competition by young Mr. Charles Sayers, Centereach, Long Island, N.Y.:

1974-75 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM NEW YORK WINNER, CHARLES S. SAYERS

Today I feel that there is a need to inform the American people as to what my responsibilities as a citizen are. To some it may sound like I'm saying that I'm constantly being assaulted by a barrage of laws while trying to keep my head above a sea of governmental red tape. That, because of this feeling, I believe that my fate lies in the hands of some Congressman who knows how to pull the strings that make the wheels of government turn. But do you realize that as an American I have two basic responsibilities without which our government could not survive? To love America and to protect it with every faculty at my disposal.

Yea, I can just hear you saying it now, "What can this kid do? He's only one person." Well, if you love a child do you constantly ask what you can do for it? Do you say, "I'm only one person. I cannot possibly love this child enough!" Of course not, you strive boldly ahead with all the love and sincerity you can possibly muster.

My confidence lies in the knowledge that our country was formed by the boldness and love for freedom of a few insignificant men. Where would we be today if two hundred years ago on April eighteenth Paul Revere said, "I'm just a poor little silversmith! How can I warn the troops at Lexington that the British are coming? I mean, Ben Franklin can ride a horse." Or if George Washington said, "Are you crazy!? If I stand at the front of the boat I'll either get shot or fall into the Delaware." No, these brave men took their idea of government very seriously.

Unfortunately, within that two hundred year period we have suffered such atrocities as World War I, World War II, the Korean War and the Vietnam War. But each was marked by the purpose of protecting America. Men have died to protect this country. They were merely individuals but their presence was made known. They did not run. They did not have to question as to whether or not the war was right but merely, "If I don't go what will happen to America?" Because, ladies and gentlemen, if I don't protect America who in God's name will? Will the blood and sweat of my ancestors be blown into the winds of time to settle into oblivion, because I did not have the courage to defend it? If America is to be left unguarded, being attacked not only by other skeptical countries but by our own people, what will be left for my children?

Whenever I have doubts about the honesty and dedication of a certain public official I look at what he or she has done for the benefit of America before I condemn them. I do not ignore governmental policies just because I do not understand them. Believe me, I'm not saying America right or wrong. I'm saying, if it's wrong, I'll look at all sides of the issue rather than attack it. If it must be changed I will try to amend it. And if its life is threatened, I will die for it. America belongs to the people and it is my responsibility to see that it is not taken away from us.

FAIRNESS IN THE NUCLEAR ISSUE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. ASHBROOK. Mr. Speaker, energy is the key to our Nation's economy. Without a sufficient supply of energy, American industry comes to a grinding halt and millions of workers are thrown out of work.

If the United States is to avert this crisis, we must begin now to develop and utilize new energy resources such as solar, nuclear, and geothermal energy. We cannot rely forever on our fossil fuel reserves.

Because our need for new energy resources is so great, I have been disturbed by the disproportionate amount of media coverage given to critics of the nuclear power industry. The media is paying far more attention to the detractors of nuclear power than to the supporters.

Dr. Leonard Reiffel, in his column appearing in the Ashland (Ohio) Times-Gazette, has criticized the lack of fairness. Reiffel writes:

This imbalance in treatment on this most critical issue is very dangerous. Since the man in the street is hardly a nuclear expert, nor for that matter are most congressmen, the influence of this imbalanced attention can be enormous. The results of the mistakes in judgment which could thus be fostered will be felt for decades.

It would be extremely unfortunate if such imbalanced treatment leads the United States to pull back unnecessarily from the development and utilization of nuclear power. The future well-being of our economy could be the price we pay.

Following is the test of the article from the February 12 edition of the Ashland Times-Gazette:

WANTS FAIRNESS IN NUCLEAR ISSUE

(By Dr. Leonard Reiffel)

As a part-time inhabitant of the world of mass media, I'm often puzzled at the way our communications system handles certain issues. I suppose I really wouldn't be.

Someone said long ago that bad news travels fast, but I am nevertheless distressed at the amount of attention a single expert, whether real or self-proclaimed, can get by declaring himself "against" some program or institution. On the other hand, similar experts, perhaps equally or even more eminent, can declare themselves "for" a given project, and their position will be buried on the back page if it sees the light of day at all.

Without taking a stand for or against the matter involved, I would like to draw attention to a recent statement by 32 of the most eminent scientists in our nation. Included in this group are no fewer than 11 Nobel Prize winners. Taken as a group, they are certainly a formidable collection of experts—some with vested interests in the nuclear business, but many in a position to be quite dispassionate in their views.

These experts strongly favor nuclear power as a way to deal with our critical needs. They also emphasize the urgency of a vigorous coal resources development program. Nuclear power involves some risks, but they point out that these can and are being well controlled, contrary to the scare publicity given to some minor mistakes which were simply part of the learning period.

Most people in this country are not aware of this authoritative expression of support for nuclear energy. Certainly the media did not give it national headlines. Contract this inattention with what would have occurred if these same scientists had come out with equal firmness against nuclear energy. Three-inch headlines on every newspaper in the country would have announced that "Nobel Prize Winners Declare Nuclear Energy a Mistake" or words to that effect. These men would have been invited to participate in television talk shows. They would have been interviewed on national network newscasts. They would have been invited to speak on the lecture circuit throughout the country, and quoted endlessly by the opponents of nuclear power. Indeed, just this sort of thing happens when a single scientist, frequently with dubious credentials, makes some kind of a sweeping accusation about nuclear power.

The imbalance in treatment on this most critical issue is very dangerous. Since the man in the street is hardly a nuclear expert, nor for that matter are most congressmen, the influence of this imbalance attention can be enormous. The results of the mistakes in judgment which could thus be fostered will be felt for decades.

PUBLIC DISCLOSURE OF LOBBYING ACT OF 1975

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HAMILTON. Mr. Speaker, I have joined my colleagues Mr. RAILSBACK and Mr. KASTENMEIER in introducing the Public Disclosure of Lobbying Act of 1975. This bill is a part of the package of reforms in laws and congressional procedures which are needed to restore the American people's confidence in Government.

THE NATURE OF LOBBYING

A central feature of Democratic government is that it should be accessible to the people. The purpose of lobbying is that they should reach it with maximum impact and possibility of success.

Former Congressman Emanuel Celler, Democrat of New York, said:

Lobbying is the total of all communicated influences upon a legislator.

The difference between good and bad lobbying is not whether the objectives of persuasion are selfish or altruistic, liberal or conservative, pro-labor or pro-business, but solely and simply whether the message conveyed is intelligible, accurate, and informative or cryptic, deceptive and obscure.

Although the general public tends to view with suspicion anyone classed as a lobbyist, Congressmen know the constructive services they render. The public, I think, tends to think of the lobbyist as a man smoking a black cigar, lurking in the dark corridors of the Capitol, luring the Congressman to a party, engaging him in surreptitious conversations.

Actually, lobbyists serve an important, even indispensable function in the legislative process today. They are experts on their subjects and are capable of explaining complex issues in a clear, understandable fashion. They prepare briefs, memoranda, and legislative analyses, and draft legislation for Members of Congress and committees; as specialists, they can often provide information unavailable elsewhere. Lobbyists follow closely the progress of bills in which they are interested, and can often give Members valuable advice on options available to them. They keep in touch with the interests in a Member's district, and they keep the people back home informed of the actions of their Congressman.

Admittedly lobbyists usually present only one side of a question, but spokespersons for the various economic, commercial and other interests of this country are much needed.

The lobbying function is an important adjunct of citizens' constitutional right to freedom of speech. In a free society, citizens have the right to petition Congress for legislation, and opposing sides of a question that have the right to be heard. Lobbyists focus the attention of the Congress on many issues which require legislation.

The lobbyists' job in 1975 is far more complex than several decades ago. Gone are the days when a single contact with a single influential legislator would accomplish the lobbyist's purpose.

The lobbyist today recognizes the diffusion of power within the Congress and within the Federal Government. He knows that the influence of any one Congressman is limited. His interests take him beyond the legislative process to all agencies of policymaking.

The techniques of the lobbyist today are, first, to provide information. Second, to encourage effective letter writing campaigns. Third, to testify in the committees, and fourth to sponsor visits with the Congressmen in Washington and in his congressional district.

Many beneficial pieces of legislation have been enacted in part because of the pressures applied to Congress by lobbying groups. Lobbyists have contributed to the enactment of laws to protect our environment, insure safety standards in industry, regulate campaign spending, and protect workers' pensions, among others.

Nonetheless, the absence of effective legislation has permitted lobbyists to acquire too much power, and to operate in relative secrecy, shielded from the scrutiny of the American public.

Large and powerful lobbying groups can influence the Congress to pass legislation which meets the needs of only a small group, sometimes to the detriment of the general public.

Lobbyists have treated Members of Congress and their staffs to anything from free meals to trips and expensive

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gifts. While small gifts may arouse no suspicion, that is certainly not the case with the more extravagant gifts. Whether or not this is the case, the public may suspect that their elected representative has allowed his vote to be bought.

Grassroots lobbying groups often use the technique of stirring up avalanches of mail from constituents on various issues. In the absence of disclosure laws, a Member of Congress does not know whether letters he receives are spontaneous expressions of constituents' views, or the work of an unseen pressure group.

EXISTING LEGISLATION IS INADEQUATE

The 1946 Federal Regulation of Lobbying Act, which is still in effect, is outdated, unenforced, and ambiguous. It is a sham, and should be replaced.

In the 29-year history of the act, the Justice Department has brought charges only four times, and only one of these prosecutions resulted in conviction.

Large loopholes in the law allow many interests to avoid registering. The law requires registration only by person paid to lobby for someone else. They must report how much money they receive and from whom.

Groups or individuals who spend money out of their own funds to influence legislation are not covered unless they also collect or solicit money for that purpose.

Only those organizations whose self-defined "principal purpose" is lobbying must register as lobbyists. Many organizations with extensive lobbying operations have thus been exempt because they had other functions besides lobbying.

Lobbying efforts are not covered unless a lobbyist contacts a Member of Congress directly. Lobbyists who generate grassroots pressure on Congress are not covered.

Some lobbying organizations claim that their contracts with Congress are designed to inform, not influence, and do not constitute lobbying.

The law leaves it up to each group or lobbyist to determine for himself what portion of his total expenditures need be reported as spending on lobbying. Two very similarly constituted organizations may report vastly different percentages of their budget as lobbying expenditures, depending on their individual interpretation of the law. Some organizations which are merely more honest than others have unjustly received a reputation as big spenders.

The present law applies only to attempts to influence Congress, not administrative agencies or the executive branch, where much legislation is generated.

Enforcement provisions are weak. The Clerk of the House and the secretary of the Senate receive registrations and reports but cannot investigate reports or compel anyone to register. The Justice Department can prosecute violators but has no mandate to investigate reports.

In the 1970's Americans have become much more aware of the need for an open, honest, and responsive government. They will not tolerate a government which lies to them or conducts its business in secret. In recent months, the Congress has passed laws which I hope will improve the public's confidence. We have enacted a new campaign spending law and a budget reform act to restore control of the budget to Congress. The recent rules changes in the House have done away with the seniority system and opened up almost all committee and conference committee sessions. The reforms cannot be complete without a strong lobbying control law.

THE PUBLIC DISCLOSURE OF LOBBYING ACT OF 1975

I believe that the bill I have introduced today is such a bill. It would:

First. Strengthen the definition of lobbyist to include anyone who receives or spends $250 or more for lobbying during any quarter, or $500 or more during a total of 4 consecutive quarterly filing periods.

Second. Require lobbyists to register, stating on whose behalf they are working, on what financial terms, what aspect of the policymaking process they wish to influence, and with whom contact is to be made.

Third. Require a lobbyist working for a voluntary membership organization to state the number of members in that organization and the methods by which the members' decision to engage in lobbying is made.

Fourth. Require lobbyists to report the amount and source of their income and expenditures on lobbying and related activities—travel, research, mailings. Lobbyists would have to file quarterly reports identifying each Federal officer or employee whom they contacted, for whom the reporting lobbyist worked, and what decisions in the policymaking process the lobbyist sought to influence.

Fifth. Require Executive Branch employees in grades GS–15 and above to report all contacts with lobbyists;

Sixth. Require the Federal Elections Commission, which was created by the recent campaign reform legislation, to enforce the act and receive all reports.

Seventh. Grant the Commission civil proceeding and subpena powers;

Eighth. Require the Commission to develop appropriate forms for filing reports; make the reports available for public inspection; compile and summarize information received; make investigations to ascertain compliance with the law; have each report by a lobbyist published in the Federal Register; and make recommendations for further legislation to the Congress.

Penalties for failure to comply with the law would be up to 2 years' imprisonment, or a $5,000 fine, or both.

I am hopeful that the Congress will act expeditiously in passing this important piece of legislation.

CORRECTION OF VOTE ON RULE FOR CONSIDERATION OF H.R. 2166, THE TAX REDUCTION ACT OF 1975

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. LEHMAN. Mr. Speaker, the CONGRESSIONAL RECORD of February 27 lists me as being absent for the vote on the rule for H.R. 2166, the Tax Reduction Act of 1975. I cannot understand the mistake. As the RECORD clearly shows, I was present and did vote on the previous motion which occurred immediately prior to the vote on the rule. I remained on the floor and was present for the vote on the rule. Unfortunately, and due possibly to some malfunction in the voting system, my vote was not recorded. At this time I wish to state for the record that I voted in favor of the rule for the consideration of H.R. 2166, the Tax Reduction Act of 1975.

MY RESPONSIBILITY AS A CITIZEN

HON. MAX S. BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BAUCUS. Mr. Speaker, each year the Veterans of Foreign Wars and its ladies auxiliary conducts a Voice of Democracy contest in which high school students from around the Nation compete for scholarships.

This year the Montana winner is a talented 17-year old junior who attends Hamilton High School, Michael Bugni. The Voice of Democracy Award is only the latest in a series of prize-winning speeches Mike has delivered.

I was so impressed by his speech that I decided to share it with my colleagues. I submit it for the RECORD:

MY RESPONSIBILITY AS A CITIZEN

(By Michael Bugni)

I remember a story, about a king, and this particular king happened to be the third one in less than a year. To be quite frank, he was terrified of losing his position. In fact, he was so overcome with the fear of dethronement that he called for a meeting of all the people in his kingdom, and upon this forgathering, the king proclaimed that everyone within his domain was completely and totally free to do as he or she desired. There were to be no laws, no taxes and no responsibility to the government. At first, the people were overjoyed. For months they lived in peace and the kingdom prospered. But soon they discovered a need for better roads, more public buildings, a uniform code of laws and regulated enforcement for occasional disputes. The kingdom was unable to function without rule and without discipline. The people went to the king and demanded action, but he refused them, for fear he might offend someone. So the people formed their own government. They elected representatives, they passed and enforced laws, and they taxed the people. Once again, the kingdom prospered, but the poor king found himself alone, broke and totally powerless. If the citizens of a nation are to be given freedom and rights, they must also be given responsibilities to their government or that nation will never succeed.

I am a citizen of the United States of America. I have responsibilities to my government and unless I fulfill these obligations, my country will fall. We tend to take advantage of our rights and we neglect our duties. We forget how lucky we are to live in a country that provides so many freedoms for us to enjoy. We interpret our privileges to be our rights, we demand from the government, yet we return nothing. To be an American citizen and to have rights, is to have responsibility. To me, that's a small price to pay for freedom.

As a citizen of the United States, it is my responsibility to obey every law put forth by our governmental systems. These laws may seem unfair at times, but we must realize that they originated from bodies elected by the people. We have the freedom to protest and the ability to change, therefore, we must comply with those regulations established by the majority.

It seems to me, that apathy is our number one enemy in fighting national crises. If we can't concern ourselves with our own problems, nobody else will. In a country filled with shortages, hunger and crime, it appears that no one cares enough to save, share or cooperate, even a little. It is our responsibility to stop being so wasteful, to help our fellow man and to comply with the requests of our government. We constantly complain of poor leadership, little justice and political corruption, yet only 38% of those eligible to vote turned up at the polls last November. The American vote is not only a right, but an obligation to our country and if we are to sustain a government of the people, by the people and for the people, we must elect our officials with all the people. It will soon be my responsibility, as it should be for every legal-aged citizen, to vote in each election with serious thought and concern.

We are a nation and thanks to our government, we can live in unity with freedom. To be united is to live with our neighbors and it is my responsibility as a citizen to show civility and respect for people, taking care not to infringe upon their rights as I employ mine. I must acknowledge the right of others to express their opinions and ideas, and most of all, I must work to do my part in obtaining and accomplishing the goals of this nation.

The people of the kingdom had no responsibility to their government, but we do, and it is up to us to fulfill these responsibilities if we ever hope to see this nation last. As the citizens of this democracy, we are the rulers and the ruled, the law-giving and the law abiding, the beginning and the end. The responsibilities of an American citizen may seem expensive, but the freedom of democracy is priceless.

EFFORTS TO RESTRICT PUBLIC INFORMATION DISREGARD RESPONSIBILITIES OF ELECTED OFFICIALS

HON. LARRY PRESSLER

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. PRESSLER. Mr. Speaker, I would like to insert the following editorial into the CONGRESSIONAL RECORD. This editorial was written by Mr. Aubrey Sherwood, editor of the De Smet News published in De Smet, S. Dak. This South Dakota weekly newspaper serves 2,000 people in Brooking, Beadle, Miner, Hamlin, Clark, and Kingsbury counties.

This editorial illustrates the desire of the American people to know the details of governmental expenditures and governmental meetings. Government must be open at all levels to public scrutiny.

The editorial follows:

EFFORTS TO RESTRICT PUBLIC INFORMATION DISREGARD RESPONSIBILITIES OF ELECTED OFFICIALS

Actions of officials in their duties, even proposed laws at times conflict with practices long established and laws on the statutes. A state official in recent years instructed clerks of courts they should not release to the press a monthly list of births, this though they could continue to provide lists of deaths, marriages and divorces—this as a convenience though not as a duty.

His effort was to prevent lists of births from appearing in the newspapers, and further in this regard he told clerks, that while reporters and editors might see the records of all vital statistics it must be with the restriction against their publishing the names of births.

This assumed an authority not known to this editor: that any official could restrain an editor from publishing what was common knowledge in day by day reports from doctors or hospitals, and which appeared on records that are public.

With the clerk of courts of this county so admonished, The Newa has not had a monthly list of births published along with other vital statistics reports monthly, not wishing to have a contention over this rather mild suppression of report. After all, births are available week by week and a monthly compilation would be possible from them.

In the transfer of the keeping of birth records to the register of deeds it appears such a suppression is not asked, and the January Vital Statistics report included births.

Legislators apparently can disregard laws on the books, in proposing bills with restraints in them. One offered last week would restrain County Auditors from including reports of the warrants drawn on the county in welfare payments in making the official publications required for meetings of the County Boards. This is proposed though the laws require that all expenditures of public funds be recorded in the minutes of whatever board may make them. The County Auditor, as an elected official, is responsible for recording the minutes and publishing them in the official newspapers.

Peculiarly, the proposed suppression of such payments comes at a time when there is public and official concern over the large expenditures in various forms of welfare, before the wells run dry. Thus there is need for officials, the people in general and even any receiving welfare in any form, to know the expenditures and strive to correct any abuses that exist.

However, basic to our form of government is the requirement that the public—the people—be kept informed of official acts regarding public funds.

MAN OF THE YEAR

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. FLOOD. Mr. Speaker, on Saturday, March 15, the Friendly Sons of St. Patrick of Greater Wilkes-Barre will hold its 30th annual dinner and I will be present on that occasion. One of the highlights for this year's dinner will be the presentation of the society's Man of the Year award to Mr. Bob Patton, dean of sports editors in northeastern Pennsylvania. I congratulate the society on its excellent choice and I also congratulate Bob Patton, whom I have known for many years, for his outstanding career and contributions to our area of Pennsylvania. I would like to make as part of my remarks the column on Bob Patton that was written by Mr. Charles A. McCarthy, an historian from Pittston, Pa., which appeared in the Wilkes-Barre Times Leader and Record on February 27, 1975.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

BOB PATTON NAMED MAN OF YEAR BY FRIENDLY SONS FOR SERVICES

(By Charles A. McCarthy)

Highlights of the 30th annual dinner of the the Friendly Sons of St. Patrick of Greater Wilkes-Barre Saturday, March 15, in Gus Genetti's Hotel, will be the presentation of the society's most prestigious award, Man of the Year, to Robert "Bob" Patton, one of "Five Points" (East End) most notable sons and an illustrious member of the Fourth Estate.

Dean of sports editors in Northeastern Pennsylvania, Patton will round out 40 years of service with the Wilkes-Barre dailies in August of this year.

Coming in from Washington to pay tribute to Patton will be Columnist Jack Anderson, who has been writing material for this paper many years. Also being honored on the program will be John McKeown, another East Ender who served the society as president the last year. Gus Genetti, hotel manager, feels the program will attract one of the biggest turnouts in the hotel's history.

Selection committee of the Friendly Sons of St. Patrick which tapped Patton for this distinguished honor was composed of Aloysius Teufel, chairman, and City Manager Bernard Gallagher, Mayor William Connolly of Harveys Lake, and Thomas V. McLaughlin, a prominent civic leader and Wilkes-Barre businessman, all past presidents of the society.

For a score of years, Patton has been active in all facets of the society's activities having served as president in 1968 and in prior assignments filled the office of vice president, committee chairman and advisor to most of the group's presidents. He assisted with the organization's public relations programs since he first joined the association and for the past several years has served as editor of "Erin Sun," the society's annual eight-page program.

Son of the late Mr. and Mrs. Robert Patton of Kidder St., Wilkes-Barre, Patton graduated from Coughlin High School in June, 1935, and matriculated at Bucknell Junior College.

During his high school days at Coughlin, Patton worked as an assistant to the Record sports editor covering a variety of high school athletic activities. During his college days he served as sports editor of "Beacon," the college newspaper.

Always a general sports enthusiast Patton played baseball and basketball in his younger days, but his specialty for more than three decades has been golf, and like many present day linksmen, he usually travels the fairways on board a motorized golf cart.

Over 40 years ago, Patton aided in the organization of the YMCA Rogers Memorial Basketball Tournament, which remains as one of the major amateur sports attractions in Northeastern Pennsylvania. He initiated the High School Baseball Tournament at Artillery Park, in 1946, and its still going strong.

Patton served as a director of Hollenback Golf Club for more than a quarter of a century during which time he organized and promoted the Dan Donnelly Golf Tournament there. This golf tournament is currently regarded as the largest attended one-day event of its kind in Luzerne County. When the board of directors at Hollenback was phased out, Patton was then named to the advisory board of Wilkes-Barre General Municipal Authority.

Bob Patton played a prominent role in promotions which aided the welfare of the boys at St. Michael's School in Hoban Heights. He was vice chairman of Wyoming Valley March of Dimes committee several years and was sponsor of the basketball and bowling attractions which raised large sums of money for this humanitarian endeavor. He also aided Tom Flynn and Bob Eckenrode with Knights of Columbus youth work.

When World War II commenced, Patton was among the thousands of regional young

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men who answered this nation's call. He served in the U. S. Navy.

Elected in February, 1949, as a member of the board of directors of Eastern Baseball League Writers, Patton was also instrumental in the formation of Northeastern Pennsylvania Sports Writers Association in 1963 and later served several terms as its president.

A charter member of Wilkes-Barre Local, No. 120, American Newspaper Guild, Patton was unit chairman for a decade and chairman of various guild activities for many years until 1963, when he was elected to the first of six terms as treasurer of Middle Atlantic District Council, American Newspaper Guild. In March, 1968, Patton was the recipient of an award from Middle Atlantic Council at an Atlantic City session, in recognition of his accomplishments and devoted service to his fellow workers of this organization.

In November, 1964, Patton was guest of honor at a testimonial dinner conducted in his honor at King's Inn marking his 25th anniversary as sports editor of the Wilkes-Barre Record. During the post-prandial program at this dinner Joe Butler, sports editor of the Scranton Times, referred to his long time association and friendship with Patton and stated: "Patton is a respected and most cooperative colleague working the sports' beat."

Married to the former Eleanor McFadden of Kingston, the Pattons are parents of two children, William and Virginia. Family home is located at 15 Second Avenue, Kingston.

Pros, amateurs, sandlotters, high school, and college sportsmen and sports women and thousands upon thousands of plain old sports fans throughout Luzerne County, and beyond its borders too, are avid readers of "Patton's Patter." Though provocative at times, all readily agree he covers a wide scope of sports happenings in great detail—and gives everybody a fair shake.

I'll be in attendance to witness his receiving this well earned and fully justified award as "Man of the Year."

ST. STEPHEN'S CHURCH CELEBRATES 100TH ANNIVERSARY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. FORD of Michigan. Mr. Speaker, the members of St. Stephen's Catholic Church, in my district, recently celebrated the 100th anniversary of the founding of their parish.

Located in the village of New Boston, St. Stephen's was organized to serve the early Catholic settlers of Polish, German, Irish, and French descent. The earliest masses were offered in a private home, but in 1874, the families scraped together $700 to erect a small brick church.

A history of the parish was written by Margaret Adams, and published in the church bulletin. I would like to share with my colleagues this well-written history of St. Stephen's, and include it to be reprinted in the RECORD:

ST. STEPHEN'S PARISH CELEBRATES 100 YEARS, SUNDAY, OCTOBER 20, 1974

(By Margaret Adams)

St. Stephen's Parish, New Boston, Mich., joins the honored ranks of parishes in the Detroit Archdiocese to celebrate a 100th birthday.

St. Stephen's parishioners and pastor, Fr. Alexander J. Wytrwal, marked the centennial of founding with a special concelebrated Mass at 2:00 p.m. in the church Sunday, Oct. 20, 1974 followed by a buffet dinner and reception. Bishop Arthur Krawczak was the chief concelebrant of the Mass of Thanksgiving.

A dinner-dance, also in celebration of the centennial, is being planned by the ushers on the 2nd Saturday after Easter come April 11, 1974 at the K of C Hall on Van Born in Wayne, Michigan.

St. Stephen's Parish was located in the village of New Boston in the northeastern part of Huron Twp., then on the F. and P.M. Railroad, to serve early settlers of French, German, Irish and Polish descent. The first Masses were offered by a Fr. Gillie in a private home, but by 1874 the families were able to accumulate the sum of $700 to build a small brick church.

Since there was no resident priest, priests from Dearborn came to minister to the community once a month.

In 1884, the first administrator, Fr. B. G. Soffers of Monroe took charge, and in 1887 the parish was placed under the charge of St. Bonaventure's Monastery in Detroit.

Succeeding administrators were Fr. John Needham, who left in 1909; Fr. L. H. Soest, who remained until 1919, and Fr. C. J. Dillon, the last pastor from Whittaker, Mich., to care for the mission's needs.

In September, 1920, Bishop Michael Gallagher appointed the first resident pastor, Fr. Alphonse Nowogrodski, who remained as pastor for 27 years.

Fr. Nowogrodski directed his immediate attention to the building of a larger church and a rectory. He purchased the present ground which the parish occupies—297 feet by 465 feet of frontage at Huron River Dr. and Sibley Rd. The rectory was built in 1922.

In September, 1923, ground was broken for a new church, much of the work being completed by a building bee, with men of the parish as participants. The total cost of the building was approximately $23,000.

With his own church in use, Fr. Nowogrodski then turned his attention to nearby Belleville, where an Episcopal church, was purchased and remodeled and re-named for St. Anthony. That became an independent parish in 1946.

Worn-out by his labors, Fr. Nowogrodski died Dec. 14, 1947. An interim pastor, Fr. Peter Wyrzykowski had been named, but he had also died of a heart ailment.

Fr. Edward Miotke succeeded Fr. Nowogrodski and was installed in solemn ceremonies at the parish Dec. 19, 1947. At the time there was a sketchy religious education program, and Fr. Miotke arranged to have two Felician Sisters come to the parish each Saturday morning to give catechetical instruction.

Plans for a parish school were drawn up in 1949, and one year later, May 28, 1950, a groundbreaking ceremony was held. During the course of the building program, Fr. Miotke was transferred to a Detroit parish, and Fr. Ignatius Czapski was named the new pastor.

Fr. Czapski plunged into the building program with enthusiasm. The school was due for completion in September, 1951, but was not completed until October, when four Felician Sisters greeted the first classes of 176 children.

In May, 1959, the parish had lost another pastor with the death of Fr. Czapski, and Fr. Ladislaus Golas became the fourth resident pastor. During Fr. Golas' pastorate parish enrollment began a rapid increase, and the four-classroom was no longer adequate to hold the students wishing to attend.

The problem was presented to the Archdiocese and to a new parish school board for study. In the meantime, the present pastor, Fr. Alexander J. Wytrwal, was appointed the new pastor, arriving Jan. 18, 1967. The school problem was set aside temporarily as the parish had new issues to face—the church, convent and rectory were refurnished and redecorated—with the sanctuary of the church modified to allow the priest to say Mass facing the people. In October, 1967, a parish synod was organized, and parishioners took part up to the Archdiocesan level.

Portable classrooms were leased for the school until July 8, 1967 when permission was granted St. Stephen's to add four more classrooms to the existing four of the school. The groundbreaking was held July 21, 1968, and the building completed so all children could be housed under one roof on Jan. 31, 1969.

AN APPROACH TO THE HOUSING CRISIS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. RANGEL. Mr. Speaker, those of us who are from the urban communities across this Nation are quite cognizant of the despicable housing conditions that many citizens are forced to deal with on a daily basis. As a majority in the Nation turn their attention to developing the communities surrounding the urban centers, those remaining in these neglected areas are forgotten, either by choice or design.

In January of this year the Housing and Community Development Act of 1974 took effect. This law focuses attention and possibly relief on the housing problem. Shirley Better, president of the Los Angeles Board of Building and Safety Commissioners, recently wrote an article in the December issue of the Black Scholar dealing with the housing issue. She provides a very lucid analysis of the urban housing issues and offers some very plausible suggestions as to how we here in Congress might better deal with the issue. I ask you to carefully study the article which I insert in the RECORD at this point:

THE URBAN HOUSING CRISIS: OPPORTUNITY AND CHALLENGE

(By Shirley Better)

Being the first black (and incidentally the first woman) to sit on the Board of Building and Safety Commissioners for the City of Los Angeles, I have become acutely aware of the complexities of the housing crisis and the way that municipal codes and federal programs have contributed to the deterioration of the physical structure of the inner city. There are no easy answers to the housing problem. Purported comprehensive approaches to revitalizing the black communities, e.g., Model Cities and Urban Renewal, are in reality a perpetuation of racism, and have only compounded the existing problem. What strikes me as most ironic is that before I was appointed to the Commission I didn't know it existed! How many other black professionals and inner city dwellers are ignorant of the power of municipal government in making policy which affects their basic human need, in this instance, shelter.

Let us examine this commodity, shelter, as it relates to the black communities across the country. One postulate must be the basis for all consideration of housing: inner cities have been gradually deteriorating since blacks began flocking into the cities (from 1914–1918). Minority groups historically have settled throughout the 20th century in the older neighborhoods of the cities, generally close to commercial and/or industrial areas where access to unskilled or semi-skilled jobs was easier. Ghettoes were reinforced by restrictive covenants or brute force, and impacted by the inability of ghetto-dwellers to earn enough income to move into better neighborhoods.

Even when the black family become somewhat affluent, movement was restricted by racist housing patterns. Coupled with the influx of southern immigrants after World War II and relatively high birthrates, the black communities increased in population without substantial acquisition of land mass to accommodate the increase—hence overcrowding. The effects of overcrowding on structural environment of the inner city are manifest—inadequate open space areas for leisure time, inadequate living quarters, lowering of healthy environment with the increase of susceptibility to disease, and most importantly degradation of the human spirit.

Through the Housing Act of 1937, which provided for adequate shelter for low-income families, we view another component adding to the deterioration of physical conditions in the black community. Federal funds were used to purchase the land and finance the design and construction, and municipal housing authorities were responsible for the management and maintenance. These housing projects were constructed in urban areas where large concentrations of low-income families resided. An apt description of these projects was coined by William Moore, Jr., "Vertical Ghetto." The author elaborated on the condition by stating, "When thousands of people moved into these buildings, which in most cases comprised only a few square blocks, the public soon discovered that high rise housing projects developed characteristics distinctly different from those of other types of housing. These projects evolved into multistoried reservations with all the ethnic insularity and symptoms of an inner-city ghetto." [1] The very nature of housing projects has led to their ill repute and the growing awareness that confining low-income families into a proscribed area over which they have little control and commitment will not solve the low-income problem.

On the other hand, the substandard condition of privately-owned rental housing has been so notorious that various jurisdictions over many years have made a variety of unsuccessful attempts to curb their excesses. Ironically, cities are subsidizing poor housing at the same time they are attempting to uproot it. By assessing improved property more on the worth of the structures than on the value of the lands themselves, they penalize those who maintain their housing units while rewarding those who let them run down and further subdivide them into slum tenements. Since the urban areas that blacks historically moved to were already older sections, we are discussing areas where residential dwellings are from 30 to 50 years old.

Since 1954 construction of new low cost housing has been far short of the needs in the inner cities. Due to the present paradox of recession and inflation, the Building Industry is facing huge lay-offs and the construction of new homes has come to a virtual standstill. The President of the National Building Industry Association estimates that nearly 60% of the potential home owners at this time cannot afford to buy a new home because of the tight money market. Conversely, blue collar workers with more modest means have found that the high cost of material and land plus stiff building requirements have put purchase of a private home completely outside of their reach if they are not subsidized by a government agency. So what the black inner city dweller has to select is varying degrees of aged structures.

Aged housing is not the problem alone—it is substandard, deteriorating housing coupled with this which is the crux of the dilemma. *The 1970 U.S. Census Report cited that more than 30% of all blacks living in central cities reside in substandard, deteriorating units and units with serious violations.*[2] Nothing has essentially changed except that probably the figure is somewhat higher now.

As if aged substandard structures, overcrowded living conditions, unsavory housing projects, and lack of new low-cost dwellings were not enough to uniquely identify the inner cities, we must add the dismal results of total frustration by black Americans with their living conditions by the incendiary destruction of their squalid prisons. It would seem in retrospect, that these communities were punished for their insolence by the over-long allowance of the maintenance of burned-out dwellings and brick-laden vacant lots. We still observe in the inner cities boarded-up buildings and gaping, eerie vacant lots as reminders of the black rebellion in the 1960's to improve conditions.

Another factor to be considered when examining the present state of housing in the inner cities is the unique condition of universities such as Columbia University in Harlem, University of Southern California in Los Angeles, and Temple University in Philadelphia, all situated in the heart of the black community and gobbling up the land surrounding them, forcing black residents out.

The policy of city governments regarding ghetto housing has varied. Historically, it has been containment—keep the blacks in a proscribed area, and support exploitation by absentee landlords through laws that reward rather than punish those who maintained substandard housing.

In recent years cities have had to make greater efforts to improve housing, mainly because the black population was engulfing the urban areas and was increasingly able to use its newly acquired voting power to elect city officials. The nation and specifically the cities have used variations of two solutions to cope with urban blight—rehabilitation of existing buildings and demolition of structures. Either can be done by the manipulation of building codes. The second solution, slum clearance, has proven not only too expensive, but, paradoxically, impossible to obtain. For, as one area is cleared, blight accelerates in the adjoining neighborhoods due to overcrowding and the ever-constant factor that all neighborhoods are growing older and therefore demolition can never keep ahead of age. Most blacks have come to the conclusion long ago that there must be another way to cope with this metropolitan malignancy other than whacking it out after it sets in.

The other alternative, rehabilitation of neighborhoods in the black community, is the area that suggests closer scrutiny as it relates to municipal codes and federal programs. Quality housing vs. low-cost housing has been the dilemma in municipalities. In 1954, the Federal government through the Department of Housing and Urban Development (HUD), enacted laws requiring that every major city initiate a program to arrest housing blight and deterioration—The Workable Program for Community Improvement. A Workable Program, although it carries no direct federal aid in itself, is a prerequisite for federal funding in the following categories: (1) Loans and grants for clearing, redeveloping and rehabilitating slums and blighted areas, (2) Grants for concentrated housing code enforcement programs and projects for the demolition of unsafe delapidated buildings, (3) Section 220 Federal Housing Administration mortgage insurance for housing construction or improvement in urban renewal areas, (4) Section 221 d-3 FHA mortgage insurance to provide rental housing for families of low and moderate income and those displaced by governmental action, (5) Loans and grants to provide housing for families unable to afford standard private housing.

It can be seen, therefore, that comprehensive federally-sponsored urban development plans are tied to the city's ability to operate the Workable Program. Let us then examine what a municipal Workable Program entails.

Operating under federal guidelines, the Workable Program aims at preventing slums and blighted areas through insuring that every dwelling unit meets reasonable minimum standards of repair, stability and safety. Housing specialists, designated by the city, conduct a systematic community survey, area by area, visiting each dwelling unit. The purpose of the inspection is to discover deficiencies or hazards such as structural damage, faulty electrical installation, defective water heaters and piping, unvented room heaters, inadequately framed additions, deteriorated exterior surfaces which are not weatherproofed or protected against decay by paint or other finishes, and leaking roofs. Notice is also given to other items on the properties including fences, abandoned cars and the yards. After completion of the inspection, where necessary a written report is given to the owner outlining in detail what corrections should be made.

It's a mammoth undertaking. For example, the Conservation Survey for Los Angeles takes fifteen years to sweep the entire city. The schedule calls for the Building and Safety Department to inspect a minimum of 40,000 dwelling units per year during the first ten years and a minimum of 120,000 per year during the final five years of the program.

A perfunctory evaluation of a city's Workable Program would be immediately embraced by blacks who would see this as the answer to revitalization of their community without having to level slum areas and build anew with the accompanying social problems that process entails. Cities have the legal arm through their municipal building codes to cite and prosecute anyone who is in violation of such codes—codes which establish minimum standards of health and safety in dwelling units. The average citizen is generally unaware of the far-reaching power of a city's Building and Safety Department. In some cities as much as 50% of the municipal code enforcement is under the direct administration of such a department—from awarding demolition contracts on vacant and vandalized buildings to approving architectural plans for new high-rise apartment buildings.

In fact, in middle-class communities, mostly privately owned dwellings, such a conservation program does work because the owners already have an incentive to maintain their property. Unfortunately, in lower-income neighborhoods, which are the larger portion of the black community, there are fewer privately-owned homes which are amenable to cosmetic repair.

Sitting on the Commission, I have gained much insight into this dilemma. In older communities, updating of building codes and rigid enforcement of existing codes can have almost the same effect as leveling a neighborhood. The cost to the owner of a tenement, for example, to bring the dwelling up to code requirements can seem so costly that he will decide that it isn't worth it and have the building vacated; later either he or the city will demolish it as substandard. On the other hand, the owner can make the necessary repairs; however, the cost of building materials and labor have skyrocketed. Even the well-meaning absentee landlord may find that he has to increase the rent to cover the cost.

In any case, the axiom in America seems to be to pass the cost on to the consumer. The effect of such improvements on the low-income renter is to force him to either shell out more of his meager income for rent in a now minimally safe apartment or move to another dwelling with lower rent but in substandard or deteriorating condition. What happened too often in the black community

[1] William Moore, Jr., *The Vertical Ghetto*, Random House, New York, 1969.

[2] U.S. Bureau of the Census, Census of Housing: 1970 Metropolitan Housing Characteristics, U.S. Government Printing Office, Washington, D.C. 1972.

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is that the absentee landlord has failed to maintain property on any on-going basis, trying to get as much money as he could out of it. Further, the present tax system makes it more profitable to use the declining building as a tax shelter rather than spend money on repair. In other instances, it is of no benefit to the owner to upgrade the building as the rent for the low-income dweller is supplemented by a governmental agency with rigid control on rent hikes. Consequently, poor blacks are caught in the squeeze of what would appear to be a well-structured program to maintain the urban areas.

Let me hasten to add, however, that the Workable Program can be seen as a preventive measure to arrest the spread of blight if operated in the periphery of the poorest communities. If used inside the same communities, it could lead to a massive demolition program. For example, the Building and Safety Department of Los Angeles estimates that there are 24,000 hazardous old buildings in the city; this represents 35,000 businesses and 50,000 families. It is estimated that at the least 50% of substandard housing is tenant-rented. The Department estimates that 8.5 billion dollars would be required just to bring these buildings up to standards to meet earthquake requirements. Remember, Los Angeles, by historical standards, would be considered a newer city. It is easy to see then the economic and social problem adherent in strict compliance with building codes.

There's the other side of the coin, the use of strict enforcement of building codes, not to upgrade or arrest the spread of blight, but to force people out! Let's examine the implications of this as it relates to black communities. Across the nation, in large metropolitan areas, we are observing that the inner cities, the sections closest to the downtown commercial districts, are becoming increasingly non-white and poor. Cities are aware that it would be inconvenient as well as too costly to abandon the centrally located area. The city has nowhere to go, especially in Northeastern areas of the United States; the availability of new land is almost nil. Poor minorities are positioned on what the cities view as valuable land—land which the poor are unable to support as their limited income does not provide the needed tax base to support city operation.

It is common knowledge that many cities are nearly bankrupt because middle-class white residents who can provide the needed tax base have fled to the suburbs. What is the solution for city officials? Find a method to lure the middle class back to the city. First, however, the land must be reclaimed—big tracts of land for sale to developers. Some city officials have done just this by underhanded use of rigid enforcement of building codes. Allegedly, Chicago, along with other cities, conducted surveys of large blocks of desirable land south of the "Loop". Owners were told to bring the buildings up to all code requirements or evacuate. Reportedly, some owners set fire to the buildings to reclaim some profit, as it was completely unrealistic to meet the rigid demands of the city. With this, fire and liability insurance rates went up or insurance policies were cancelled altogether. These increased costs, of course, effectively killed off the possibility of small developers handling the renovation.

In some instances, other city departments assisted in the demise of an area by refusing to sweep the streets, failing to collect the garbage on a regularly scheduled basis, and withdrawing adequate police protection. You have then an area which looks like it's been through the Blitz, thus, allowing the city to make the only logical decision—clear the land and award contracts to large developers to construct high-rise expensive apartments close to the downtown commercial area to be occupied by the white middle-class.

We have witnessed the same theme with variations occurring throughout the nation. One variation can be the corrupt city councilman who resists efforts by housing inspectors to conduct a conservation survey with essentially the same long range results—eventual demise of the community.

In summary, we can come to the conclusion that present comprehensive urban development plans haven't done much to arrest deterioration and preserve the essence of community for poor urban blacks.

One might say that all is not lost since President Ford recently signed new legislation, The Housing and Community Development Act of 1974, which takes effect next January and focuses on the housing problem. Previous HUD categorical programs such as Urban Renewal, Model Cities, Open Space Land, Basic Water and Sewer Facilities and Neighborhood Facilities loans will be consolidated under a single bloc grant concept requiring no local matching funds and giving local officials greater flexibility in the use of funds for the same basic purposes. The stated objective of the program is the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Most of the funds will be allocated on a formula based on population, housing, over-crowding and poverty (counted twice), for cities over 50,000 population and urban counties.

Jurisdictions are eligible for their share of the funds as long as they meet certain basic requirements. These are: submitting a three-year community development plan identifying the city's needs and outlining strategy for meeting them; submitting a plan that determines the housing needs of low-income residents and specifies annual goals for meeting these needs; making assurances of compliance with civil rights laws and of adequate citizen participation and making annual reports on what has been accomplished.

The new bill offers provisions which will provide important meaning to the black community: Section 235 program providing mortgage interest subsidies to home buyers and Section 236 program for subsidies to renters have been maintained. Section 8 authorizes HUD to pay the difference between what a low-income family can pay for rent and the actual fair market rental rate in the family's area. This program will cover thousands of low-income families who will not have to pay more than 15 or 25 percent of their income on rent. Further, the bill makes funds available to assist jurisdictions establish on-going comprehensive planning processes. This provision can be vital to the black community, for if used appropriately, it can effectively stop the crisis-oriented action of the past—leveling blighted areas after they have reached the point of no return. Long-range planning could occur which allows for rehabilitation and low-cost housing construction on a continuous basis to prevent blight from becoming a permanent feature.

The primary focus of the Housing and Community Act of 1974—the transferring of decision-making and responsibility for results back to the local level—can have the most profound meaning for the black community. In many urban areas, blacks are a sizeable voting block which forces local officials to be more sensitive to our wishes! With this new bill, we can effectively pressure city officials to act in our best interests. Finally, there can be subordination of the land-use cycle, and of contractual developers to local initiative control. There is the opportunity through this bill to improve housing conditions in the black community—there is also the challenge to black residents to make this come about.

I have discussed in a tentative manner the opportunities of this new legislation, for as with most blacks I view with suspicion new publicized proposals which are meant to help black people. I would like to offer some concrete suggestions to black residents to insure that the provisions are used to revitalize the black community—not destroy it.

First, the bill provides that satisfactory assurances prior to submission or application for the funds the jurisdiction has provided citizens with adequate information, held public hearings to obtain the citizen's views, and provided an adequate opportunity for citizens to participate in the development of the application. Black citizens must therefore insure this takes place by watch-dogging all deliberations and if necessary seeing that Washington holds up the funds if the planning does not project the best interests of the black community. Most municipalities are now establishing citizen committees—be sure that persons accountable to the black community have membership on this committee.

Second, more emphasis must be placed on rehabilitation of existing housing rather than concentration entirely on new housing. Black residents must insist that in areas on the periphery of the poorest communities have a conservation survey to arrest the blight in existing housing and upgrade the living standards there. This will also encourage the channeling of contract money to smaller minority contractors.

Third, in the poorest communities where rehabilitation of housing is still possible a re-examination of city building codes is indicated. Presently, many municipal building codes require specific building materials to be used when cheaper more accessible materials are just as adequate. Such arbitrary requirements needlessly inflate prices. This situation creates two handicaps: it increases the difficulty for small minority contractors to obtain materials from uncooperative sellers, and it deters even well-meaning landlords from upgrading their property on an on-going basis.

Fourth, black residents should insist that local governments set aside funds to create programs to train and counsel residents of government-owned or subsidized housing to take more responsibility for maintenance and management of their buildings. To encourage their involvement a tenant council should be organized for each project with stipends given to the elected members to attend monthly meetings. To insure that their involvement in decision-making isn't a facade, local governments should appoint at least two public housing residents to the city's commission on public housing.

It was discovered that the Federal Housing Administration (FHA) was the biggest slum landlord in Los Angeles; I'm sure this condition exists in other cities. Municipalities have not pressured FHA to maintain their properties as much as they should. Fifth, black residents, when discovering that a run-down building is owned by FHA, must insist that the city apply the same building code enforcement as it would with private owner. Residents must pressure the city by filing housing violation forms for FHA housing as well as privately-owned housing.

Deteriorated, boarded-up buildings slated for demolition have been allowed to remain standing too long. This often has the effect of dampening the desire of neighbors to keep up their property. Many local governments award demolition contracts on an individual basis with the inherent time lag between the identification of the property and the act of demolition. This process needs to be streamlined. It could be possible by cities awarding demolition contracts on an annual basis.

Finally, then black residents, through their city councilman and community groups, should insist that the city building department examine this possibility.

There is much incentive now by federal and local officials as well as blacks to save the cities. Each has had to realize their vested interest in the process because of the value of the land which cannot be abandoned and the growing concentration and political astuteness of minorities in urban areas. The climate is now more positive than it has ever been for a mutually beneficial partnership.

RESPONSIBILITY AS A CITIZEN

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BLOUIN. Mr. Speaker, I enter today an essay, authored by a constituent of mine, entitled "My Responsibility as a Citizen." The essay has been chosen as the winning entry from the State of Iowa in the Veterans of Foreign Wars 1975 Voice of Democracy contest.

The essay's author is David Faldet, an 18-year-old student of Thomas Roberts High School in Decorah, Iowa. He is the son of Mr. and Mrs. Melbourne Faldet, of Decorah, the former president of his junior high school class, a member of the student council and the drama club, and a foreign exchange student to Norway in 1974.

I found David's essay to be a source of both encouragement and hope, as well as a timely reminder of the truths we can easily lose track of when we are confronted with so many pressing and discouraging problems and crises. The essay follows:

MY RESPONSIBILITY AS A CITIZEN

(By David S. Faldet)

Among my favorite novels is a book called Jonathan Livingston Seagull by Richard Bach. It is the story of a young bird who leaves his flock in order to truly learn to fly; and in so doing is excommunicated because his friends have no desire to allow their dreary lives to be changed. Yet Jonathan does not lose faith in himself nor his friends and assures himself saying, "We can lift ourselves out of ignorance, we can find ourselves as creatures of excellence and intelligence and skill." I believe that this same faith in one's self and one's fellow man is written into our nation's Constitution, for it is such trust that places the responsibility for our government in the hands of every citizen. It is also the kind of confidence in spirit I would like to share as I ask myself, "What is my responsibility as a citizen?"

Immediately the question could be posed, "Why feel any responsibility to the American system?" All too often this question is neglected. For today, we are part of an America more affluent than ever before; and in this affluence we take much for granted. In doing so we fall prey to blind reactionism and momentary whims in public opinion. The actions and energies of people whose lives are unexamined are as transient as sand in swift water, swept along without cause or true course. A government made up of such individuals is little better than no government at all.

In examining my life I believe that I do have a responsibility to the American system. It is a system that has enough faith in me and my fellow citizens that we are free to lift ourselves out of turmoil rather than to be lifted. I value freedom and freedom must arise from one's own power. For if we do not have the power to win our freedom, we surely could not find the energy or the motivation to maintain it. As a citizen, I am free to choose whether or not I shall keep this freedom, and keeping it demands responsibility.

As an American citizen, the opportunity for lifting one's self to the goals one chooses is greater, perhaps, than anywhere else in the world. Granted, the country has its flaws, but we can meet the changes of time. For the majority of Americans are not hard pressed to solely meet the needs of daily survival. We are able to look past the present and on to the future. Our national wealth grants us the power to devote a great portion of our energies to lifting ourselves and our nation to unimaginable heights of achievement.

Jonathan Livingston Seagull was excommunicated, but he learned wonderful flight none the less. He swallowed any malice and returned to his flock to share with them his discovery, that all might be bettered. So it has been with all men history now remembers as great. They discovered where moral strength lay and used it as a guide for their actions. Even if they were alone in an unwilling society, they summed up their own inner strength to explore the realm of new idea on their own. Our founding fathers were such men as in every man who has lived or died for a cause he truly believed in. Because of each such individual, every man becomes just a little richer.

Today, as since man was born, we are confronted constantly by troubles. Ignorance is the natural state of every man; and from it, troubles will always spring. Yet we can lift ourselves out of ignorance, we can find ourselves as creatures of excellence and intelligence and skill. I believe in the American principle, for I have confidence in the good within myself and every man. What is my responsibility as an American citizen? It is to locate that good, to become sure of the places it is found, and like Jonathan Livingston Seagull, draw from this good like a spring of fresh water, letting it guide my actions towards the benefit of myself and my fellow man.

TREATMENT OF MIA'S SADDEST CHAPTER YET IN UNREAL WAR SAGA

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. TEAGUE. Mr. Speaker, a recent editorial in the Oak Cliff Tribune in Dallas, Tex., is a good reminder of the sad plight of those men listed as missing in action. Editorialist Ray Zauber points out the uncertainty that the families of the MIA's live with daily. Mr. Zauber also reminds us of the debt we owe these men and their families.

I hope each and every Member of Congress and the general public will carefully ponder the plight of our MIA's.

The editorial follows:

TREATMENT OF MIA'S SADDEST CHAPTER YET IN UNREAL WAR SAGA

(By Ray Zauber)

One of the greatest national tragedies of recent American history has been the inability of the federal government to ascertain the fate of the 1700 Vietnam combatants still declared missing in action.

When Richard Nixon and Henry Kissinger negotiated a "peace with honor" after seven years of direct American involvement in Indochina, one of the conditions was exchange of information about those who died in enemy territory.

Practically nothing has been accomplished in the way of assimilating facts on the whereabouts of the American MIA's. Several of the men still carried as missing by the War Department were positively known to be in Communist captivity. Others were cellmates of prisoners who languished for months and years in the infamous Hanoi Hilton prison.

The north Vietnamese adamantly refuse to answer questions about our men who died in prison or who failed to survive war wounds from ground action or plane crashes.

Families of MIA's who have traveled to Vietnam seeking additional information about their loved ones have been treated to brutal silence.

Spokesmen for the Vietcong, when asked for further details about specific prisoners known to have been alive in captivity at some point of the war, claim they can give no information as long as the Americans continue to abrogate the peace agreements.

Certainly the intelligent citizens of the free world must realize that the United States has not reneged on its commitments while the Communists have honored only those agreements which served a momentary tactical advantage.

Add the inscrutable Oriental mind to the narrow limits of Communist ideology and the American negotiators have faced a hopeless task of trying to implement the peace terms.

Still, instead of admitting the hopelessness of the situation and the lack of success in tracking down the bodies and the graves—or perhaps a few American servicemen still incarcerated, the military remains mute.

The Defense establishment has refused to allow families to copy material from files of MIA's which might be helpful in adjusting to the realization that their hopes are ephemeral. Yet, there is considerable duplicity in translating the words of military spokesmen compared to their deeds.

Perhaps the armed forces leadership hates to admit its ineptness in resolving the MIA problem. And Henry Kissinger is hardly the diplomat who would confess that he was badly outtraded in a major foreign policy negotiation.

America is supposed to be an open society. Many of the new liberal Congressmen would now like to clip the FBI wings and handcuff the CIA. They have abolished the Unamerican Activities Committee already. However, when their "mellowing" Communist idols prove their almost inhuman callousness over and over and over again, they are so eager to forgive.

The President, the Congress, the Judiciary, the Defense Establishment and the Bureaucracy have a heavy debt to those who served honorably in that agonizing war. And a debt to those still missing.

The wives and children, mothers and fathers, sweethearts and neighbors of those who served and disappeared are entitled to a better explanation of what happened to their men.

This is a sad and sorry chapter of American history.

ECONOMICS AND THE ENVIRONMENT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. ASHBROOK. Mr. Speaker, for the past several years I have stressed that we must strike a reasonable balance between our economic necessities and our environmental desires. The harsh realities of recession, inflation, unemployment and an energy shortage have made the need to arrive at a reasonable balance all the more imperative.

Recently the scales have tilted heavily to the side of environmentalism. Cleaner air and water are certainly worthy goals. There must be some relationship, however, between the cost of environmental regulations and their benefit. Overzealous environmentalism could plunge our Nation into economic chaos.

An example of what I am talking about is the Environmental Protection Agency's auto emission standards. Automo-

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bile fuel economy has already decreased 5 to 15 percent as a result of pollution control devices. The American Motors Corp. estimates that it would cost an extra $275 per car and an 11-percent loss in gasoline mileage to come even close to meeting 1977 Federal emission standards. Can our Nation afford these price hikes during an economic crisis? Can we afford to increase fuel consumption at a time of energy shortages?

Another example is the attempt to eliminate lead in gasoline. Unleaded gasoline means that the United States will consume an extra one million barrels of oil a day. The extra cost to consumers will be billions of dollars. Is it wise to increase our gasoline needs so dramatically when our supplies are already short? Can consumers bear the additional cost? Are we even certain that lead from automotive exhaust poses a health hazard?

The use of coal also has been seriously reduced through restrictions of the Clean Air Act of 1970. This act and regulations based on it have decreased industrial use as well as forced up prices of the one resource that the United States has a 200 to 400 year supply—coal. Is it sensible for our Nation to do this?

The trend toward overzealous environmentalism has been criticized by Irving Kristol, Henry Luce professor of urban values at New York University. Mr. Kristol states:

> There is now considerable evidence that the environmentalist movement has lost its self-control—or, to put it bluntly, is becoming an exercise in ideological fanaticism . . . In just about every aspect of American life, the environmentalists are imposing their regulations with all the indiscriminate enthusiasm of Carrie Nation swinging a baseball bat in a saloon. Common sense seems to have gone by the board, as has any notion that it is the responsibility of regulators and reformers to estimate the costs and benefits of their actions . . . Making the world safe for the environment is not the same thing as making the environment safe for our world.

It is time for everyone to pay more attention to the costs of environmentalism in relation to the benefits derived. Unless we strike a reasonable balance between our economic necessities and our environmental desires, the result could be economic disaster.

THE 30TH ANNIVERSARY OF THE YALTA DECLARATION ON LIBERATED EUROPE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. BIAGGI. Mr. Speaker, Czechoslovakia yearns to be free. Despite Communist domination, and the infamous Russian invasion of 1968, with its concomitant repression of the few freedoms that the Czechoslovak people had managed to accumulate under a liberal, though Communist, government, the people of Czechoslovakia dare to desire liberty.

One manifestation of this desire was the formation of the Council of Free Czechoslovakia, an organization of many outstanding Czechoslovak leaders interested in keeping the spirit of that unfortunate people alive.

Dr. Jan Papanek, a member of the council, recently wrote some pertinent remarks on the occasion of the 30th anniversary of the Yalta Declaration on Liberated Europe. His statements clearly reflect that the spirit of the Czechoslovak people lives on. Let us not let their cries to free men throughout the world go unanswered.

Mr. Speaker, I commend Dr. Papanek's statement to my colleagues:

THE 30TH ANNIVERSARY OF THE YALTA DECLARATION ON LIBERATED EUROPE

Thirty years ago, the three Great Allied Powers—the U.S.S.R., the United Kingdom, and the United States of America—agreed at Yalta on a Declaration on Liberated Europe. They pledged themselves "to concert during the temporary period of instability in the liberated Europe the policies of their three Governments in assisting the Peoples of Europe liberated from the domination of Nazi Germany, and the people of the former Axis satellite States, to solve by democratic means their pressing political and economic problems." Referring to the principles of the Atlantic Charter, they assured the liberated peoples of Europe of restoration of their sovereign rights and self-government and of their assistance in the formation of "interim Governmental authorities broadly representative of all democratic elements." Most importantly, however, the three Great Allied Powers pledged these authorities and themselves "to the earliest establishment possible through free elections of Governments responsive to the will of the people."

Following a short interim after the liberation during which the Central and East European peoples struggled for the implementation of the principles of the Yalta Declaration, the Soviet Union and the local Communist parties associated with it deprived them of their rights and freedoms and subjected them to their own exclusive rule. Today, 30 years later, none of the Central and East European countries is governed by a government issued from free elections and responsive to the will of the people.

Nevertheless, for the peoples of Central and East Europe the principles of the Yalta Declaration have remained a goal to which they have never ceased to aspire. Their deeds in East Germany, Hungary, Poland, and Czechoslovakia reminded the signatory powers time and again, and with more force than any words could, that they wished to govern themselves in accordance with the principles of the Yalta Declaration.

From the beginning, the violation by the Soviet Union of the Yalta Declaration has also been the source of tension and conflict between the signatory powers and of continuing distrust, suspicion, and fear throughout the world. All rapprochement between the West and the Soviet Union has always faltered on this original breach of the solemn Yalta pledge.

It is, therefore, of paramount importance that the Geneva Conference on Security and Cooperation in Europe should not forget the lesson of Yalta and that it should bring back to life and fruition the principles and pledges of the Declaration on Liberated Europe.

DEPRESSED ECONOMIC SITUATION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1975

Mr. HARRINGTON. Mr. Speaker, I would like to take this opportunity to insert in the CONGRESSIONAL RECORD for the information of my colleagues a letter received from a constituent of mine last month outlining in some detail the dramatic impact of his own family's economic situation of the present energy and economic crisis in which we find ourselves.

It seems to me that unless we are continually reminded of the real human impact this disastrous situation is creating for millions and millions of Americans, our constituents, we will fail to have the kind of urgency I feel necessary to deal adequately and with sufficient speed with the situation before us.

The text of the letter follows:

MANCHESTER, MASS.,
January 17, 1975.

Rep. MICHAEL HARRINGTON,
Cannon House Office Building,
Washington, D.C.

DEAR MR. HARRINGTON: I, like most of your other constituents, have reached the end of the line on the energy situation and the very flagrant and obvious inaction of our elected officials to do anything about rectifying a grossly inequitable pricing policy. The crowning blow was President Ford's State of the Union address two days ago.

The following points are just a few of the thousands I am sure you could get from any citizen and I offer them as my own observations:

1. As a recent purchaser of Texaco stock, I received their 9 months' financial report ending 9/30/74. These figures were compared to the corresponding period in 1973. In 1974 their production figures were practically the same while their sales and earnings doubled. Is this gouging or not?

2. At the present time regular gas can be purchased locally for .479 per gallon while home heating fuel, a far less refined product, is currently being sold for .409 per gallon. Never before has this margin been so narrow.

3. Comparing my usage of home heating fuel in the period of August–January of 1973–1974 to 1974–1975, I find that my family has used 14% less fuel oil while paying 15% more total for fuel consumed. At the height of the crisis last February the price of fuel oil was .324 and now when there seems to be plenty of fuel oil available, my price is .408.

4. Late last fall there was talk in Washington of some plan, that seemed to have fairly wide acceptance, which would stabilize and equalize oil prices both imported and domestic geographically throughout the country. I have heard little if nothing since then.

Mr. Harrington, I am concerned not only from my own family's requirement but also, working in industry, my concern is grave as to the ramifications on Northeastern industry and the far-reaching effects on an already depressed economic climate.

It is about time you and your colleagues started to think this situation out and come up with concrete fair proposals towards stabilizing and equalizing this serious problem, not only for the Northeastern populous but better for the satisfaction of the entire nation. If President Ford's proposal for an import tax on imported oil goes through, it might well seal the coffin for the New England states.

I can see no reason that the remedying of this situation should not be the top most priority for all of our elected officials. Your endeavors towards this end are appreciated.

Sincerely,

DAVID F. COE.

UMI

RESOLUTION CHART

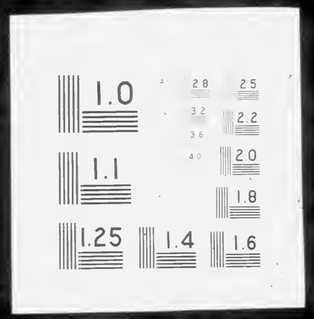

100 MILLIMETERS

INSTRUCTIONS Resolution is expressed in terms of the lines per millimeter recorded by a particular film under specified conditions. Numerals in chart indicate the number of lines per millimeter in adjacent "T-shaped" groupings.

In microfilming, it is necessary to determine the reduction ratio and multiply the number of lines in the chart by this value to find the number of lines recorded by the film. As an aid in determining the reduction ratio, the line above is 100 millimeters in length. Measuring this line in the film image and dividing the length into 100 gives the reduction ratio. Example: the line is 20 mm. long in the film image, and 100 20 = 5.

Examine "T-shaped" line groupings in the film with microscope, and note the number adjacent to finest lines recorded sharply and distinctly. Multiply this number by the reduction factor to obtain resolving power in lines per millimeter. Example: 7.9 group of lines is clearly recorded while lines in the 10.0 group are not distinctly separated. Reduction ratio is 5, and 7.9 x 5 = 39.5 lines per millimeter recorded satisfactorily. 10.0 x 5 = 50 lines per millimeter which are not recorded satisfactorily. Under the particular conditions, maximum resolution is between 39.5 and 50 lines per millimeter.

Resolution, as measured on the film, is a test of the entire photographic system, including lens, exposure, processing, and other factors. These rarely utilize maximum resolution of the film. Vibrations during exposure, lack of critical focus, and exposures yielding very dense negatives are to be avoided.